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SECOND SESSION

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Congressional Record

PROCEEDINGS AND DEBATES OF THE 99th CONGRESS, SECOND SESSION

HOUSE OF REPRESENTATIVES—*Friday, March 21, 1986*

The House met at 11 a.m. and was called to order by the Speaker pro tempore [Mr. WRIGHT].

DESIGNATION OF SPEAKER PRO TEMPORE

The SPEAKER pro tempore laid before the House the following communication from the Speaker:

WASHINGTON, DC,
March 20, 1986.

I hereby designate the Honorable JIM WRIGHT to act as Speaker pro tempore on Friday, March 21, 1986.

THOMAS P. O'NEILL, Jr.,
Speaker of the House of Representatives.

PRAYER

The Chaplain, Rev. James David Ford, D.D., offered the following prayer:

May Your blessing of peace be upon each one of us, O God, and may Your love surround any person with special need. We pray for those who look to You for healing, for strength, for assurance, and for comfort. Be with us, O God, and those we love this day and every day. Amen.

THE JOURNAL

The SPEAKER pro tempore. The Chair has examined the Journal of the last day's proceedings and announces to the House his approval thereof.

Pursuant to clause 1, rule I, the Journal stands approved.

MESSAGE FROM THE SENATE

A message from the Senate by Mr. Hallen, one of its clerks, announced that the Senate had passed without amendment, a joint resolution of the House of the following title:

H.J. Res. 573. Joint resolution making a repayable advance to the Hazardous Substance Response Trust Fund.

ADJOURNMENT TO TUESDAY, MARCH 25, 1986

Mr. DOWNEY of New York. Mr. Speaker, I ask unanimous consent that when the House adjourns today it adjourn to meet at noon on Tuesday next.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from New York?

There was no objection.

LET US END NUCLEAR WEAPONS TESTING

(Mr. DOWNEY of New York asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. DOWNEY of New York. Mr. Speaker, we have just been told that tomorrow the Reagan administration will conduct a nuclear test at the Nevada test site. It will end the United States somewhat informal moratorium on nuclear tests. We have not tested since December 28 of last year in an attempt to reach some sort of understanding with the Soviet Union about testing. This will give, this U.S. test, the Soviets an excuse to end their moratorium; and it will, I am afraid, pave the way for the resumption of Soviet nuclear tests.

If this test proceeds, it will squander our best hope of containing the proliferation of nuclear weapons. It will squander our best hope of stopping the Russians from upgrading their nuclear warheads to U.S. standards. And it will squander our best hope of pulling down the weapons reliability the Soviets would need for a first strike.

In the name of national security, Mr. President, please delay this test.

You have an offer from six world leaders to end nuclear weapons tests on this planet forever. Let's take them up on it. Let's do it now.

BOOST PRICES UP, THEN BOOST PRICES DOWN

(Mr. DANNEMEYER asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. DANNEMEYER. Mr. Speaker, the wholesale price index has just registered its largest monthly decline since it was started almost 40 years ago. In this context we may recall the words of Stephen Leacock, the famous Canadian economist and humorist, who said in 1932:

> The gold standard has fallen into opprobrium: a while ago it looked as safe as the rock of ages, and now it is being relegated to the age of rocks. We have been learning some new economic truths. Consider the regulation of the money supply. What does it mean? A lot of flowery words have grown up around this. But if that means anything at all, it means that there will be a board, a committee of people who will, as and when they like, expand money or contract money, and boost prices up or boost prices down. There will be three men in a room somewhere who will do that. If that time ever comes, I want to be one of the three, or at least a warm personal friend of all three.
>
> Now I say in all sincerity that the three-men-in-a-room stuff will do for the Soviets; it will not do for us. You cannot have a system of social control dependent upon the will of three men in a room; you cannot have prices which can be moved up by a group in control; you cannot have wages which can be shifted down in their purchasing power by the good will of the people of the monetary caste. You must weigh that very, very carefully. The board, when it boosts prices up or down would follow, or be tempted to follow, all sorts of self-seeking ends. You cannot run society like that. If you try to have a money standard based on human interest or opinion, you have started the biggest human exploitation you can possibly imagine. (The Canadian Mining and Metallurgical Bulletin, August, 1932.)

NONSMOKERS' PROTECTION ACT OF 1986

(Mr. SCHEUER asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. SCHEUER. Mr. Speaker, for too long the Federal Government and Congress have been criticized for conducting critically important business

☐ This symbol represents the time of day during the House proceedings, e.g., ☐ 1407 is 2:07 p.m.

Matter set in this typeface indicates words inserted or appended, rather than spoken, by a Member of the House on the floor.

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behind closed doors in smoke-filled rooms.

Many significant and weighty decisions have been made behind a veil of haze so thick from cigarette and cigar smoke that participants in such meetings have been unable to see their colleagues across the table.

Mr. Speaker, a majority of those who work in or visit our Federal buildings are nonsmokers.

Yet, these nonsmokers often are forced to inhale the noxious fumes created by those who have not kicked the destructive smoking habit—a habit which damages the health of smokers and nonsmokers alike.

In an effort to improve the environment of the Federal workplace and protect tens of thousands of nonsmokers from the hazards of second-hand tobacco smoke, today I am introducing the Nonsmokers' Protection Act of 1986.

This bill would prohibit smoking in Federal buildings except for designated smoking areas that would be determined by the Secretary of Health and Human Services in consultation with affected employee unions.

According to the Surgeon General, no single measure would do more to improve the public health than the elimination of cigarette smoking.

Furthermore, numerous studies have shown that nonsmokers suffer many of the health problems that afflict smokers when nonsmokers are subjected regularly to the poisonous gases found in tobacco smoke.

Mr. Speaker, I urge my colleagues to join me in sponsoring this important bill to protect the health of all those who use Federal buildings.

Until this year, Congress has never considered seriously legislation to protect nonsmokers in Federal buildings.

But the record is much better on the State and municipal level:

Twenty-one States restrict or ban smoking during public meetings or restrict smoking to certain areas within public buildings.

Thirty-seven States and more than 400 municipalities limit or restrict smoking in public places.

Eleven States require separate seating for nonsmokers in restaurants.

Ten States have enacted laws specifically addressing smoking in the workplace.

But State and local laws do not extend to Federal facilities.

The case against cigarette smoking is overwhelming.

Smoking is the major cause of lung cancer and a significant cause of heart attacks and other cardiovascular diseases.

Smoking is recognized widely as the greatest preventable cause of premature death and disability today.

Second-hand smoke creates a serious indoor air pollution problem that forces nonsmokers to be involuntary smokers.

The lungs, heart, and eyes of nonsmokers subjected to smoke are harmed just as if they smoked themselves.

Nonsmokers in smoking environments have no choice but to inhale the 60 known carcinogens, including carbon monoxide, ammonia, formaldehyde, and nicotine, that are found in tobacco smoke.

It is time to change the Federal Government's policies to protect the rights and health of nonsmokers.

Mr. Speaker, where there is smoke there is fire—and I intend to light a fire under my colleagues in the House and Senate to pass this long overdue bill to protect nonsmokers in the Federal work force.

THE EMERGENCY ENERGY ACT OF 1986

(Mr. ARCHER asked and was given permission to address the House for 1 minute and to revise and extend his remarks and include extraneous matter.)

Mr. ARCHER. Mr. Speaker, it may come as a surprise to some in this body—although it should not—that the health of our domestic oil and gas industry has been very much in question for the past several years. With the current drop in world oil prices, the industry's health is now clearly in jeopardy.

Exploration for new domestic reserves is grinding to a virtual halt. Marginally producing wells are being abandoned and permanently plugged, with the oil they could produce lost to America forever.

The result has been a rapid rise in unemployment throughout the industry and those industries which are dependent to varying degrees on oil and gas exploration and development.

We are seeing a staggering impact on banking, real estate, and all of the hundreds of service and manufacturing industries located in those regions of the country where oil and gas are significant factors in local and regional economies. Today, the problems indeed appear to be regional. In fact, however, they pose a very real threat to the national security of the United States.

Put simply, we are in danger of losing not only valuable proven domestic oil reserves, but also our ability to develop future reserves which we will need when OPEC once again cuts back production—as it did in the early 1970's—and holds an oil dependent world, and the United States, hostage.

The Emergency Energy Act of 1986, which I am introducing today with a bipartisan group of original cosponsors, addresses directly the most serious of the problems faced by the energy industry today so that the industry will be there when we need it tomorrow.

The question this Congress must ask itself is whether this vital industry, which is so critical to our national security and the economy of a large segment of America, can survive this period in a form which will allow it to do the job that will be expected of it in the future.

During the 1970's we decided, as a matter of urgent national policy, that we could not allow our Nation to be heavily dependent upon foreign sources for our energy needs. Energy independence was established as a national priority. A separate Cabinet department was created to underscore the issue's importance. A variety of legislative proposals were sped through Congress to reduce our foreign dependency. Never again would a cartel such as OPEC hold all of America hostage to its price and supply fixing. How soon we forget.

In recent months, we've seen OPEC, led by Saudi Arabia, release a flood of oil onto the world market—temporarily driving prices downward in an attempt to reestablish discipline among the member nations in controlling supply. In most respects the lower prices are a welcome sight. Unfortunately, however, the forces driving prices down are also driving domestic U.S. producers out of business.

This Congress will be shortsighted indeed if it fails to look beyond the current situation to what most certainly lies ahead once the Saudis have achieved what they set out to accomplish.

We owe it to our Nation to see that we do not lapse into a situation that is even worse than what existed just one short decade ago. We were completely unprepared for what happened in the early 1970's. We cannot afford to repeat that painful period of American history.

I urge my colleagues in the House from all regions of this country to look carefully at the following summary of the Emergency Energy Act of 1986, and the technical explanation of its tax provisions, and to join with the legislation's original cosponsors in sending a message both to the American people and to the OPEC nations that we remain committed to the principle of energy independence.

Summary of H.R. 4476, the Emergency Energy Act of 1986

1. Marginal Production Tax Credit: A tax credit, not to exceed $5 per barrel, would be provided for each barrel of high cost domestic crude oil produced from marginal domestic wells. The amount of the credit would vary from property to property, based on a formula involving the cost of production versus the gross income from an individual property.

2. Exploratory Tax Credit: Provide a 15% tax credit for expenses incurred in exploratory activities.

3. Repeal the Windfall Profit Tax: Since, in most cases, the WPT adjusted base price exceeds the sales price of domestic oil, little tax is currently being collected. This change largely eliminates an unnecessary, costly, administrative burden on both industry and the federal government. Repeal follows the same rationale as the return-free proposal for individuals in the House-passed tax reform bill.

4. Repeal the Fuel Use Act.

5. Deregulate Natural Gas.

6. Strategic Petroleum Reserve: Complete filling the strategic petroleum reserve with domestically produced oil.

7. Property Transfer Rules: Eliminate current transfer rules which prevent independent producers from taking percentage depletion on properties transferred to them by integrated companies. Also eliminate Windfall Profit Tax rule which requires oil from properties formerly held by integrated companies, but later transferred to independents, to be taxed at a higher rate (Not necessary if the WPT is repealed).

8. Intangible Drilling Costs: Expand the definition of IDCs to include geological, geophysical, and surface casing expenses as deductible items.

9. Capitalization of IDCs: Eliminate the requirement that integrated producers capitalize 20% of IDCs.

10. Net Income Limitation: Repeal the current law 50% net income limitation for the application of the percentage depletion allowance.

11. Alternative Minimum Tax for Insolvent Oil Producers: Extend the provision to insolvent oil and gas producers which was adopted in the House-passed tax reform bill to apply to insolvent farmers. As a result, insolvent producers would not be saddled with a tax liability as a result of the consequences of foreclosure, in particular, as a result of the forgiveness of indebtedness.

12. Abandoned Wells: Sense of the Congress Resolution urging (but not requiring) state governments to impose no less than one year waiting period before requiring permanent plugging of abandoned wells—and encourage the states to permit limited plugging so that wells can be reopened at minimal cost.

13. Retaining Certain Current Law Provisions: Sense of the Congress Resolution expressing the sense of Congress that current law should be maintained in those areas of oil and gas taxation not otherwise changed by the foregoing proposals, and in the bank loan loss reserve rules contained in the House-passed tax reform bill.

Detailed Description of the Tax Provisions of Bill

Section 1 provides the title for the legislation, the "Emergency Energy Act of 1986". Title I contains amendments to the Internal Revenue Code of 1954.

SECTION 101—PRODUCTION CREDIT FOR OPERATING ECONOMICALLY UNPRODUCTIVE WELLS

Section 101 provides a credit against the tax of crude oil producers that will encourage production from wells operated at an economic loss. By maximizing production from wells that are otherwise likely to be capped, it will secure part of our future energy needs from otherwise unavailable sources. The credit recognizes that it is in our national interest to assure that the most marginal of our existing reserves are not capped prematurely. The credit is determined with respect to each barrel produced and is equal to the excess of a well's operating costs allocable to the barrel over the price for which the barrel of oil is sold. In no event can the credit exceed $5 per barrel. In addition, special rules assure that the sales price can not be artificially reduced (either with sales between related parties or by using overstated transportation costs). For purposes of determining the qualified loss for a barrel of oil (the creditable amount) only certain production costs are taken into account, namely, lease operating expenses, severence taxes, and business overhead expenses (limited to 15 percent of the lease operating expense attributable to the barrel). The production credit will apply to production on or after date of enactment.

SECTION 102—EXPLORATION TAX CREDIT

Section 102 of the bill provides a 15 percent tax credit for certain exploration costs, recognizing that it is our national interest to reactivate our petroleum industry's efforts to expand domestic reserves for our future needs. The credit is limited to 15 percent of the costs of exploring for oil or gas in the United States. The costs taken into account are intangible drilling and development costs, geological costs, geophysical costs and surface casing costs, but only to the extent such costs are paid or incurred for the purpose of ascertaining the existence, location, extent, or quality of an oil or gas deposit. The exploration credit will apply to qualified costs paid or incurred on or after date of enactment.

SECTION 103—PROPERTY TRANSFERS BY INSOLVENT OIL PRODUCERS

Section 103 of the bill modifies the minimum tax rules so that insolvency proceedings of oil or gas producers will not trigger federal tax liability. This rule recognizes that it is inappropriate to impose tax on capital gains of insolvent producers realized in the course of liquidating their holdings to satisfy indebtedness. Under current law, minimum tax liability is calculated, in part, based on the net capital gain exclusion. The new rule provides that an insolvent taxpayer who transfers property used in the active conduct of a trade or business of exploring for or producing crude oil is not required to treat the net capital gain on a transfer as a tax preference if the transfer was made to a creditor in cancellation of indebtedness or to a third party under a threat of foreclosure. The amount of preference cutback is limited to the amount of the taxpayer's insolvency immediately prior to the transfer. The change applies only to persons who have derived at least 50 percent of their gross income from a trade or business of exploring for or producing crude oil and it will take effect with respect to transfers occurring on or after date of enactment.

SECTION 105—INTANGIBLE DRILLING AND DEVELOPMENT COSTS

Section 105 of the bill expands the definition of intangible drilling and development costs (IDCs), those costs which a taxpayer can expense when paid or incurred. Under the new rule, IDCs will include geological, geophysical and surface casing costs, paid or incurred for the purpose of ascertaining the existence, location, extent, or quality of any domestic deposit of oil or gas. This eliminates the anomaly of current law that provides the least favorable treatment for the riskiest costs associated with oil and gas production—the exploration costs—and will increase the pool of capital flowing to exploration activities.

SECTION 106—REPEAL OF PREFERENCE CUTBACK UNDER SECTION 291

Section 106 of the bill repeals Internal Revenue Code (IRC) sec. 291(b)(1)(A), which reduces the benefits of expensing IDCs by 20 percent applicable only to integrated oil and gas producers. As a result, integrated producers will no longer be required to capitalize 20 percent of their IDCs. The change will serve to increase the parity between integrated and nonintegrated producers and, by reducing the economic risk of drilling activities, enhance the flow of capital available for domestic production.

The changes regarding IDCs will apply to expenses paid or incurred on or after date of enactment.

SECTION 109—REPEAL OF THE SPECIAL OIL AND GAS TRANSFER RULES

Section 109 of the bill repeals the "so-called" transfer rules, which currently disqualify certain properties from IRC sec. 613A treatment (percentage depletion) and IRC sec. 4991(a) treatment (stripper oil exempt from the windfall profits tax). Denying percentage depletion treatment and stripper well treatment to transferred properties tends to stagnate property holdings. The rules were originally designed to limit the cost to the federal government of percentage depletion deductions and to maximize revenues from the windfall profit tax, objectives that are currently counter productive to the interest of encouraging continued production from marginal wells. Repealing those rules will eliminate one more barrier to the transfer of those properties to persons for whom they will be more productive investments. Failing to repeal those rules would effectively accelerate the point in time that many marginal wells will be economically unprofitable, and thus, accelerate the closure of those wells. The repeal of the transfer rules will apply to taxable years ending on or after date of enactment.

SECTION 107—OTHER CHANGES TO THE DEPLETION RULES

Section 107 of the bill would repeal the rule in IRC sec. 613(a) that limits percentage depletion for oil or gas properties to 50 percent of a taxpayer's net income from the property. The net income limitation operates to reduce the profitability of only the most marginal wells, the production from which should be encouraged rather than discouraged.

SECTION 108—MODIFICATION OF COMPUTATION OF BASIS FOR DEPLETION PURPOSES

Section 108 of the bill provides that interests in an oil or gas property received in separate transfers shall be treated as separate properties for purposes of determining the allowable depletion deductions. Thus, taxpayers will no longer be required to adjust the basis of an interest received by the negative basis in a pre-existing interest. This will eliminate an unnecessary impediment to the sale of oil or gas property interests to persons already holding an interest in the property, which in many cases, is the person most willing to maintain production from the property.

SECTION 104—MINIMUM TAX CLARIFICATION

Section 104 of the bill is intended to provide some clarity to the existing minimum tax rules. It provides an election permitting taxpayers to carry over any portion of a percentage depletion deduction to a later taxable year and indicates an intent of Congress that the Secretary will prescribe tax benefit rules to clarify that a similar result can be reached for taxable years ending prior to date of enactment (for purposes of determining a taxpayer's minimum tax liability). The modifications to the percent-

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age depletion rules will be effective generally on date of enactment.

SECTION 111—WINDFALL PROFITS TAX

Section 111 of the bill repeals the "so-called" windfall profits tax, a tax originally designed in 1980 to assure that a substantial portion of the price increases attributable to the deregulation of crude oil, which would otherwise inure to the benefit of producers, has been paid to the Federal Treasury. The merit of the original policy is arguable at best; it has had the effect of denying domestic producers the profit incentives enjoyed by foreign producers. More importantly, due to the recent changes in oil prices, the original policy is no longer relevant. The tax currently generates little revenue for the Federal Treasury. It imposes a tremendous and unnecessary paperwork burden on the domestic producers and reduces their expectation for future profits from crude oil production. The repeal of the windfall profits tax will apply to production on or after date of enactment.

SECTION 110—CLARIFICATION OF STATUTE OF LIMITATIONS RULES APPLICABLE TO WINDFALL PROFITS TAX

Section 110 of the bill clarifies the limitation on the period during which the Treasury can reopen windfall profits tax returns for taxable years in which taxpayers have filed all the forms necessary to show that the windfall profits tax withheld equals or is in excess of their liability. Because of an Internal Revenue Service interpretation of a technical filing requirement, the IRS is under no duty to audit and close many past returns. The new rule, effective for return filings after February 29, 1980, does not limit the information available to Treasury as a basis to challenge windfall profits tax liability, it merely overrides IRS Revenue Ruling 85-37 and thus provides a limit on the period during which Treasury can assert additional liability. As a result, if Form 6248 has been properly filed with the IRS showing that the windfall profits tax withheld equals or exceeds a taxpayer's liability, no Form 720 is required. Thus, the statute of limitations on IRS assessments for windfall profits tax liability will begin to run concurrent with the statute of limitations on the taxpayer's income tax return.

□ 1110

CENTRAL AMERICA

(Mr. BARNES asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. BARNES. Mr. Speaker, in a last-minute effort to get the majority of the votes in support of the Contra aid program, the administration made a commitment to an intensive negotiation effort, an intensive diplomatic initiative, to see if it is possible to achieve the results we seek in Central America without resort to further military action.

Now we have a brief window of opportunity for diplomatic initiatives to be tried because, as we all know, our body will not be voting on this issue again for some time.

I hope that the administration will demonstrate during this brief period its commitment to the suggestion that it made that it is prepared to engage in a strong diplomatic initiative.

Just last week, the countries of Nicaragua and Costa Rica entered into a border agreement that will call for observation teams from Brazil, Argentina, Peru, and other countries. The United States should strongly put its support behind that border agreement and behind the effort to negotiate a comparable agreement between Nicaragua and Honduras and all of the other efforts of the Contadora nations. This would demonstrate in this period the sincerity of the United States' commitment to a negotiated solution and it would put us in line with the majority of countries in the hemisphere which support the Contadora process.

I hope we will see a strong commitment to that from the administration during this period before we have the next vote.

YOUTH OPPORTUNITY WAGE ACT OF 1986

(Mr. ROBERTS asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. ROBERTS. Mr. Speaker, despite the recovery that is occurring in many sections of the country and sectors of the economy, the problem of youth unemployment lingers.

Overall unemployment has decreased from more than 10 percent to less than 7 percent. Youth, on the other hand, face unemployment rates of nearly 20 percent. More than 40 percent of our Nation's black youth are unemployed.

In order to provide needed jobs for youth, I am today introducing the Youth Opportunity Wage Act of 1986. This legislation creates a year-round opportunity wage for youths under 20 years of age and full-time students. By lowering the minimum wage requirement, employers, small and large, rural and urban, will have the added incentive they need to fill positions of marginal value and create jobs that would not have existed otherwise.

Under this legislation, young people would be employed at 75 percent of minimum wage for the first 180 days of employment and 90 percent of minimum wage for the second 180 days. Full-time students would be employed at not less than 75 percent of minimum wage.

The Youth Opportunity Wage Act of 1986 is designed to function with a minimum of redtape for both the business owner and the worker. In addition, the legislation strictly prohibits the substitution of youth employees for older workers and the termination of youth employees at the end of their eligibility in order to hire other youth employees and gain continual advantage of the opportunity wage rate.

I invite my collegues to join with me in assisting businesses large and small across the country to create employment opportunities with all the accompanying benefits to American's youth.

PAT BUCHANAN MADE THE DIFFERENCE IN VOTE ON AID TO CONTRAS

(Mr. GEKAS asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. GEKAS. Mr. Speaker, shame on you, Pat Buchanan. It is you who caused the negative vote on the aid package to the Contras; it is you who finally made the difference in that vote yesterday.

Why? Because it is widely circulated and acknowledged by many Members of the majority who voted "no" yesterday that they did so out of revenge for what you expressed on that issue. They set aside questions of national security because they wanted to get you, Pat Buchanan. They set aside questions of the viability of Central America as a democratic center of the Western Hemisphere and voted against you, Pat Buchanan. They set aside questions of border patrols and border security of the United States and the questions of illegal aliens flooding into this country because of you, Pat Buchanan. They wanted to get back at you.

It has been acknowledged that that is the case. It has been circulated that that is the case. So what is going to happen? I think that you, Pat Buchanan, ought to turn yourself into an inarticulate wimp and not express yourself on questions that are vital to the administration and vital to the people of the United States.

From now on, do not influence what the majority does by setting yourself up as a scapegoat. Pat Buchanan. Turn yourself into a weakling.

MODERNIZING PERMITTING OF SKI AREAS IN NATIONAL FORESTS

(Mr. WIRTH asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. WIRTH. Mr. Speaker, today I am introducing legislation to modernize the process for issuance of special use permits to ski areas that operate within our national forests. Today, millions of Americans, from across the country, spend their weekends and vacation time skiing. This is not only one of the most popular sports in the country, but it also is a sport that entire familes can take part in.

Over 100 of the country's commercial ski areas, in 17 States, rely upon national forest land. Every year, countless Americans are attracted to these resorts for a few days of skiing amidst spectacular mountain peaks and vistas that seem to stretch forever. However, the ski operators are burdened by an antiquated permit system that now also hinders their ability to raise the capital that is needed to maintain and operate these ski areas as safe and enjoyable retreats.

The bill that I am introducing today, with bipartisan support, will modernize that permitting process by providing for one rather than two separate permits, and by extending the permit term. At the same time, this legislation preserves the important role the Forest Service plays in managing and protecting the public lands.

Mr. Speaker, this is vitally important legislation, and I urge our colleagues to join me in supporting it.

NUCLEAR WINTER

The SPEAKER pro tempore (Mr. VISCLOSKY). Under a previous order of the House, the gentleman from New York [Mr. SCHEUER], is recognized for 5 minutes.

Mr. SCHEUER. Mr. Speaker, I was absolutely horrified to hear you tell us a few minutes ago that the administration is planning to send us down the road of more and more tests to develop more and more expensive bombs, nuclear bombs, that will never be used.

I cannot believe that our country could be doing something so utterly destructive and irrational, destructive of your hopes to balance the budget, destructive of our hopes of international peace and serenity.

Anybody who has studied the issues of international security knows that the specter of a major nuclear happening does not fall between the superpowers, as a practical matter of fact, because of the horror of the destruction that would be forthcoming, because of the essential conservatism and sanity, because of the phenomenon known as nuclear winter, which postulates that when there is a certain minimum megatonnage unleashed from a nuclear barrage by either of the superpowers, that there is so much dust and smoke and soot liberated into the atmosphere that, ultimately, it will block out the sun, first from the Northern Hemisphere, if the blast is between the two superpowers, and, ultimately 6 months or a year later in the Southern Hemisphere.

Now, what this means is that most vegetation if not all vegetation on Earth would be killed, most animals would be killed, there would be human starvation on a mass scale in Asia, Africa, and Latin America and perhaps in the developed world, too.

The Russians, whom we fear, have suffered a scorched-earth policy. They have suffered as victims of a scorched-earth policy on the part of the Nazis. They know what it is to have towns and cities and villages obliterated. They suffered 20 million dead in World War II. We have never had a bomb dropped on our country. We had 650,000 civilian casualties in World War II as compared to the Russians 20 million.

No rational person really feels that a major nuclear war between the two superpowers is likely. What is likely if we continue developing nuclear bombs is that sooner or later one of these bombs or more of them will get into the hands of one of the more psychopathic and totally irresponsible chiefs of state who unfortunately exist on Earth. In Africa, chiefs of state like Bokassa, like Idi Amin. In the Middle East, chiefs of state like Khomeini, like Qadhafi, like Assad. And nonstate organizations, terrorist organizations through and through that we have seen, the Baader-Meinhof gang and the Japanese counterparts. The PLO, the various ultra and radical and extremist and violent-prone elements in the PLO, if you can assume that anything is moderate about the PLO. This is where there is likely to be a nuclear happening if the United States and the Soviets continue this continuous systematic, utterly and destructive and wasteful escalation of nuclear production.

How can our country continue this madness of producing more and more bombs that are more and more expensive and that are miring our country further and further in this insane circle of doubling our national deficit in the last 5 years, miring our society in the outrageous restrictions and mandates of Gramm-Rudman, how can we do this if the Russians are holding out even a glimmer of hope of nuclear stabilization and a final process of denuclearizing the world?

We could afford the risk, Mr. Speaker, of the Russians perhaps tricking us, if that is their ultimate desire, we could afford to have a 10 percent, or 15 percent, or 20 percent reduction in our nuclear lead because at the present time both the Russians and the United States have the power to bomb each other back to the stone age with a fraction of 1 percent of our nuclear capability. It is insane not to test the Russians' bona fides and good will by continuing the ban on further nuclear tests and probing and testing their willingness to negotiate a nuclear peace.

□ 1125

MY ADVICE TO THE PRIVILEGED ORDERS

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Texas [Mr. GONZALEZ] is recognized for 60 minutes.

Mr. GONZALEZ. Mr. Speaker, I rise today in continuation of the remarks that I uttered here yesterday and appearing in the printed version of the proceedings of the House today.

The reason I do so is because it is necessary to clarify some of the statements that I made in a very general sense. It is, of course, my hope and desire that the executive branch of the Government, which means President Reagan and his administrators, will realize that the hour is late. That whether the President wishes to believe otherwise or not, his words and his actions taken thus far with respect to what he believes should be the actions or the line or course of action of the United States of America with respect to the countries to the south of the border. That he realize that whatever it is he has said which is on record cannot be disputed, and that, as is brought out in an article in today's Washington Post in the editorial section by Richard Cohen, who, for the first time alludes to the President as a demagogue.

I offer for the RECORD at this point a copy of that article in today's Washington Post.

"THE PROPAGANDIST AT HIS BEST"

(By Richard Cohen)

During Ronald Reagan's first presidential campaign, I would read about his reputed ability to polarize and find it hard to believe. These reports came from California, and while Californians obviously knew the future president best, what they said lacked credibility. Ronald Reagan, say what you will about him, seemed to be a sweetheart of a guy.

Not any more. The secret held by some Californians is now shared by the rest of us. There is a touch of the demagogue to Ronald Reagan, a willingness to brush past the truth and go straight for the gut. He can be careless with facts, sly in the way he misuses words, willing to repeat a falsehood or disputed fact until it is buffed into rhetorical fool's gold. This is the propagandist at his best. It is a president at his worst.

Nicaragua is the issue where it has all come out. Here we have Reagan on communism, which, along with lower taxes and smaller government, is one of his core issues. Of course, communism is important, and Reagan is entitled to feel strongly about it. But he is also obligated to stick to the facts, to what he knows and to command the networks and the front pages of newspapers, if he must, but to do so with dignity. Nothing cheapens the presidency as much as cheap rhetoric.

The leaders of Brazil, for instance, wonder what in the world the president was referring to when he said their "radicals" were receiving training in Nicaragua. Never mind. It made for a good story. Another good story is the accusation that Nicaragua under the Sandinistas is an anti-Semitic state. That charge has been investigated by Jewish organizations, journalists, even the State Department, and found by most to be baseless. At best, the issue is in dispute.

Reagan charges that "top Nicaraguan officials are deeply involved in drug trafficking." But earlier this year a spokesman for the Drug Enforcement Administration said

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there was no evidence to substantiate that claim. Reagan characterizes the Sandinistas as beasts, abusers of human rights—thugs and druggies. Nicaragua is not exactly Switzerland, but when it comes to human rights violations and the willingness to smuggle drugs, it's the contras who are the champs of the region. Reagan says the contras themselves admit they will spread their revolution, but the magazine article he cited actually said something different.

All these allegations are beside the point anyway. If drug smuggling is the issue, we should invade Colombia tomorrow. If state-sponsored anti-Semitism is the issue, then we should have destabilized Argentina under the generals. If human rights is our concern, we ought to put the cuffs on Ferdinand Marcos immediately and, at minimum, redirect the contras to Chile. Would you care to compare Managua's human rights record with Santiago's?

Reagan does not pause to consider such matters. He'll do the analysis; what he wants from us is emotion. Which side are you on—ours or theirs? Brother Buchanan, taking Joe McCarthy's old tar brush out of retirement, draws the line, and Donald Regan, smugly satisfied, praises Buchanan for getting everyone's attention—like yelling fire in a crowded theater. This time the fire is a cancer that's heading our way. Only the contras can stop it.

But what if the contras fell—as they most likely will? What then? Will the next test of Americanism be the willingness to send more aid and then more aid? Will it matter then that some Nicaraguans—but probably not the government—desecrated a synagogue? Will Buchanan roar yet again on the pages of The Post, defining loyalty as the willingness to send troops? And will the president produce another picture of a Nicaraguan official taking a crate from a plane? For one crate, we aid the contras; for two we go to war. Today the contras. Mañana Managua.

What should have been a momentous foreign policy debate degenerated into a brawl about communism and loyalty—not about what happens if, after millions are spent on the contras, nothing is gained. Questions about the future got lost in passions of the present. Yesterday's vote notwithstanding, someday, we may look back from a quagmire of Nicaragua and wonder how we got bogged down. The answer will be simple. The president said history would be the judge—and then framed the issue so it was hard for us to do the same.

I have said before that the President had either, out of exaggeration or in hyperbole, had in effect ended up in deceiving the American people. Whether or not it was one of those premeditated or wholly calculated remarks makes no difference, because if the President has not realized it by now, he is the Chief of State of one of the most powerful governments on the face of the Earth today. To those who are looking at it extraneously, from outside the domestic aspects of the United States, that his words are taken in the literal sense in which he has expressed himself.

For example, with respect to what he repeatedly referred to, the Russian state as the "Empire of Evil," stating that its leaders were absolutely guilty of falsehoods; deliberate falsehoods. That they would lie and resort to anything to carry out the nefarious intentions and purposes of a Communist.

He did not realize that the audience he was addressing these remarks to might have been sympathetic and that he was attuning his remarks to that particular audience. But that those remarks were being electronically reported instantaneously to every single corner of the globe, and that that included the very object of his remarks; the Union of Soviet Socialist Republics.

After all, we are not talking about a country that is sunk in the backwardness of peasantry that it was just 50 years ago. We are talking now about a country and its leaders who now outproduce us in petroleum products; who have satisfactorily completed and are delivering gas in this vast gas pipeline from the Siberian gas fields to western Europe, and which construction the President had tried to stop by trying to invoke an embargo thinking that what we call our allies, that is, West Germany, France, and the Central European countries would join, only to find that he had to retract; he had to very quietly crawl out of that hole that he had gotten himself into.

The same thing happened with respect to the, whether he intended it or not, creation of a war psychosis among us toward Russia. He had to crawl out of the hole somehow by the time he reached the point of arriving to the summit meeting in Switzerland late last year.

All of these things we may think have been successfully PR'd, and they might have in our country. Our citizens have no alternative. But remember that these words are being printed, scrutinized and evaluated by highly intelligent people living in other countries and also those that are erstwhile allies and who do not share that feeling and that thought that the President has expressed as the national leader and spokesman for our country.

With respect to Latin America, it has been obvious that the President has miscalculated; that he has only offered a bankrupt, stale and abandoned course of action since 1929. The President has, in his dealings with Latin America, turned the clock back and evoked the "gunboat diplomacy" of Calvin Coolidge of 1929.

I feel that either as an individual or as a collective group of individuals in any nation that we must learn from experience. We know that individually it is catastrophic for an individual not to learn from experience.

What does the record show? What is the record with respect to Mr. Reagan's utterances and decisions taken with respect to the countries south of the border? They are no different than those that were taken in the case of Cuba in 1960. Absolutely no different.

In fact, it is error compounded upon error in the case of some of the Central American countries, particularly El Salvador and Nicaragua. In the case of Cuba, we know the history. We know that in April 1960 what was called the special group, the CIA, and the State Department, incidentally, created actually in 1957, and which was charged with the responsibility of special operations that were supposedly to be nonmilitary in nature.

☐ 1135

We know that on April 26, 1957, this body was created. We know also that in April of 1960 the group embarked upon a program that was supposed to provide guerrilla training for company sized groups; that is, 150 to 250 men, that would make incursions into the six Cuban Provinces, the idea being that Fidel Castro, who has recently taken over the power in Cuba as of 1 year before, in 1959, was very amenable to being knocked out through guerrilla tactics, because it was very solemnly established by the CIA that Castro was vulnerable, because the Cuban Army which had been more or less neutral during the active military phase of the Castro revolution would not be of any help to Fidel Castro, that Fidel Castro in effect had not been able to muster the popular support among the Cuban people.

It was also very definitely solemnly established by the CIA and this group that if this hard core of exiles, mostly in the Florida area, could be given the help through CIA funding, that such a course could successfully be carried out, as I say, in company sized, in simultaneous incursions into the six Cuban Provinces; so that by December 1960 the CIA had expended close to $3 million for this purpose in the Miami, FL, area alone. This did not include the simultaneous training camps and their cost, also sponsored by the CIA, in the then Somoza's Nicaragua and in other parts of Central America and one or two other countries; so that it was firmly believed and it was on the basis of this, even though to this day it is still a mystery and a puzzle, how this operation could have been approved without considering the fact that it would entail military type of action, because as I said initially, the group was formed for special purposes, special operations, and it was called a special operations group for activities involving supposedly nonmilitary action; but how anybody could fail to see that it would certainly be military to provide guerrilla training for company sized groups of the purpose of making incursion into Cuban territory is something that still puzzles the historians and the experts and those connected with the administration at the time.

The rest is history. Nothing fails like failure. If we do not know by now, that is I am speaking of we in the Congress, that President Reagan's policies or what passes for policies, which I assail as nonpolicies, but rather ad hoc spasm reactions to ad hoc situations.

No administration, even including President Kennedy's Alliance for Progress, has really announced a fundamental long-range American program or policy, both economic and diplomatic, but particularly economic, with respect to this world to the south of our borders, which like the rest of the world has changed dramatically in the last decade and a half and in which and during which the American private economic sector abandoned Latin America. They went after those lucrative incursions and investments in Korea, Japan, and overseas, with the tremendous exponential increase in the multinationals, most of which were American based, and which attracted the eyes of investors because they were talking in terms of 30 and 35 percent yields; so that the real substantial stake that was building up with respect to the United States in the countries south of the border were abandoned.

So there has been no real policy formulation of a creative constructive type since Franklin Roosevelt and his promulgation of the good neighbor policy.

Now, nothing fails like failure, but also nothing succeeds like success and the success of President Roosevelt's plan was clearly proven all during the time that we found ourselves totally committed in a global struggle known as World War II.

Instead of that intense anti-American sentiment which has always existed since the prior policies and tactics, including the Mexican War, the 14 invasions that we have conducted in Nicaragua alone between the last century and this century, the various others, Santo Domingo and Haiti, where we have actually occupied these countries, has produced what—it has produced a pervasive under the surface anti-American feeling; however, the good neighbor policy resulted in a creative and therefore productive of good for American interests, because when World War II broke out, despite the very heavy presence of pro-German sentiment in the ruling establishments in Latin America, including Mexico, where the outstanding publishing figures or families and those in control of the radio networks at that time were openly pro-Nazi, were in Argentina until the last day of the war all you had to do in Buenos Aires was pick up a phone, get long distance and communicate with Berlin, because those South Atlantic cables were never, never interrupted. We were worried and did concern ourselves with North America, and we should have.

I also want to remind my colleagues that the success of the policy that was created was not the result of an easy target. President Roosevelt was bitterly assailed by the vested interests, particularly the oil and gas interests in the United States, the heavy investment sector of our country, because the President did not invade Mexico or did not use strong arm tactics to pressure the Government of Mexico to refrain from expropriating the American oil companies' properties in Mexico.

So what did we end up with? We ended up with the Foreign Minister of Mexico, Padilla, coming to the United States right at the outset of the war, even before the United States had a declaration of war in 1941, and said, "We are your allies. We are on your side."

Then when the war did break out, the Foreign Minister came to the United States. We did not go to Mexico City. He said, "Look, we want to enter into an alliance. We want an understanding and we will give you jurisdiction to draft into the military any Mexican national residing in the United States.

So as I said yesterday, who knows now that all you have to do is cross the border, go to Nueva Laredo, go to the public cemetery there and you will see graves. On Armistice Day, what we used to call Armistice Day, you would see very, very humble people going to lay flowers and wreaths on these graves. These were men who died fighting in the United States Army, but were Mexican citizens.

Also, Mexico prided itself in what they called El Esquadron docientos, Squadron No. 200. This was an air wing that the Mexican Air Force gave to the United States and fought with us, flew with our warriers in the Pacific. Some of them died, too.

This was the result of a creative policy which Franklin Roosevelt announced as a counterpolicy to the destructive and corrosive policies of direct unilateral military intervention of Calvin Coolidge and some of the prior Presidents; in fact, going back to 1914 and the invasion of Vera Cruz by the American forces because we were going to demand respect for the American flag which had been disrespectfully treated in the port and harbor of Vera Cruz.

I say that surely we must learn. We must know that even with a flawed Alliance for Progress, which was the first creative attempt on the part of President Kennedy to counterarrest the abandonment that had taken place after the Roosevelt era, even as flawed as that was, because it was unilateral, if President Kennedy were President today and he were to try to float the Alliance for Progress, it would not take in today's Latin America. It is another world; but even that at the time was considered as a magnanimous, as an act of moral responsible leadership on the part of the United States.

Remember, I used the words "moral leadership." This is what the world most of all expects from the United States, more than it does its bombs, atomic or whatever. It really looks to this country for the moral quality of affirmative and creative human leadership.

This is what has been abandoned by this President. This is what has been abandoned by other Presidents. As a result, what do we have? We have failure.

We have invested in the smallest country in Latin America and Central America in 5 years $4 billion, directly and indirectly, undercover, above board, and we are no closer to a resolution in that tiny country's problems than we were 5 years ago.

Does that mean that there is something flawed in our policies? Absolutely. We are insisting on a military solution, but what we fail to see is that these are several struggles, some of them more complicated than others. They are no different than some of the civil strife in the Middle East, which is far more complicated because of historical antecedents, and because you find as in the case in Indochina, what used to be known as Indochina, a civil war within a religious war, within a religious civil war.

When we simplistically try to reduce it as an East-West confrontation, we are mis-assessing the dimensions of the problem and therefore cannot possibly as long as we based our activities on that false premise or predicate find the correct solution. In order to find a happy solution to any problem, we must first ascertain the cause and the nature of the problem in its real aspects. It may not be pleasant. It may not fit in with what we think it ought to be, but I think that those of us that have had some experience over the course of years in the public arena know that we cannot expect people to be like we want them to be.

☐ 1150

People are people. We must take people as is, What are the realities in Latin America? The realities are that, one, we have had an awakening of a vast mass of people who for almost 300 years have been victims of the cruelest despotisms, of the cruelest tyrannies, of the cruelest class distinctions that you can find anywhere in the world.

When we call a friendly ally a democracy, we use that term, for instance, for our great neighbor, the Republic of Mexico, but when we use that word we really must take into account what it is that word means to a people who have never had 6 hours of democracy as we take it for granted, as we define it, as we understand it. It is really relative.

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Sure, Mexico is much more of a democracy in our sense of the word than some of the less happy lands south of the border, but in no way whatsover, in fact, I would ask any American who may not fully grasp this to just go down and live for about 6 weeks or 6 months, and I mean live, and imagine having to live, and then see what the processes are that are defined as democratic processes and which, yes, in light of this tremendously complicated cultural-historical-religious development. Just the question of religion, for example.

Mexico, until 1857, had the Catholic Church as the official state church. That meant that all during that time, what is now part of the United States, but at one time was part of the Spanish colonies, and then with Mexican independence became part of the Mexican Republic, this is what the law was. For instance, in my home State of Texas, the American colonizers got their grants from the Mexican Government. In order to hold land, they had to declare that they were Mexican and that they were Catholic, because if you were not you could not own land. You could not hold legal title.

Then came the battle of the reform. When was that in Mexico? It was 20 years after Texas had gained its independence. My grandfather fought in the battle of the reform, which was reform for what? It was for separation of church and state. My grandfather was a great, great, reverent Catholic, but he did not believe that the faith needed the taxation, and forcible taxation, by the state in order to support the verities and the doctrines of the church. So he fought with Benito Juarez and Porfirio Diáz and the other leaders of that day in northern Mexico. He indeed was the northern Mexican leader of the so-called liberals for the separation of church and state, which did not come to Mexico until 20 years after the independence of Texas, and in 1847, 10 years after, the acquisition of the United States after the Mexican War of these vast realms and terrorities from Texas to California.

So we have to remember history. If we do not, we will continue to resort to outworn, rancid, bankrupt policies that can only pile up future complications for our coming generations. I do not think it is necessary.

I was asked the other day, when I announced that I was certainly not for the President's recommendation, and I never was from the beginning, for any kind of aid, covert or overt, for the purposes of the destabilization of the Nicaraguan regime, whatever it was. I was asked, "Well, what will you do?"

I said, "Well, all during Vietnam I was asked that. I never joined the dissidents who were doubling their fists and shouting 'Hey, hey, LBJ, how many babies have you killed today.' " But it did not mean I was not raising questions.

I was the one who introduced the Senator Gruening resolution in the House. What was that resolution? That was in 1965 before the buildup. It was saying, "Mr. President, please withdraw unilateral intervention in Southeast Asia unless and until you can get the joinder of the United Nations," just like Mr. Truman did in Korea. I introduced that. We managed to get 72 cosponsors on that. That was 1965. I borrowed that resolution from Senator Gruening.

So finally some of the President's advisers became very upset when I began to challenge the President's constitutional right to draft an unwilling American conscript and send him, against his will, outside of the territorial United States. This was the wording of the first Peacetime Draft Act of 1940 and 1941. All I was saying was, "Hey, we have lost our perspective. We have failed to recognize that we had graduated and haven't perceived this graduation from a hot, shooting phase of warfare based on a declaration of war, constitutionally declared by Congress, into sequela wars now known and defined as Presidential wars, and we must make allowances because no country in the history of the world—Rome, at the height of its empire, never drafted a slave into the Roman army; you had to be a free-born Roman. England at the height of its empire never drafted a cockney off the streets in England and sent him to India to defend the empire. Why did not France have draftees in Indochina at the time they were fighting around Dien Bien Phu? What did the French have? The French had mercenaries, because French law prohibited sending conscripts into other than French territory.

But, no, the United States was going to keep up what should have been obvious to us in the waning hours of the hot, shooting phase of the Korean war. People forget, but I remember, that there toward the end, as we were approaching 1953, we were beginning to read little notices of groups of students blocking locomotives and railroad trains that had explosives that were supposed to be sent to Korea. They were protesting before draft boards, but it did not get the attention that the Vietnam war did because the Vietnam war was pervasive and longer than Korea.

But I want to remind my colleagues that those wars are not over with. World War II has not ended. There is no peace treaty. We have 300,000 military in Germany alone. In Korea we have 45,000. We have an armistice there, not a peace treaty, not a cessation of whatever it was we declared impelled us to intervene in the Korean Peninsula.

So we must keep in mind, because I think it is fatal not to do so. From each one of these experiences we should learn that there are limitations to power in today's world; that no matter how much we know we are in the right, we have to temper our judgment with the pragmatism of the reality of the situation.

What I am saying in the case of Central America, with particular reference to the sovereign, or supposedly sovereign nations of El Salvador and Nicaragua, is that we must recognize what it is that succeeds, as compared to that which fails. If the President is basing his request, for instance, as he did up until yesterday, for $100 million for the Contras, was that what he really wanted? If so, then why have a provision in the same suggested legislation that the Congress give him the imprimatur of approval to provide for the first time active-duty American servicemen as military advisers to the Contras.

□ 1200

Now in international law where does that place us? We like to accuse Soviet Russia of being a great violator of international law and treaties. But what is the record?

The record is that even right now the world tribunal, the World Court has got us in what is tantamount in legal jargon of a restraining order to cease and desist the acts of war against whom? Nicaragua. Why? Because we appeared before the Court in defense of the allegations raised by the Nicaraguan Government that we were directly responsible for the mining and bombing of harbors, post facilities, public buildings, and others such as attempted assassination of their leaders. The Court heard the case. When it announced its decision, we walked out of the World Court. Now I say that that is wrong. It is obviously wrong, and the President cannot obtain the moral support of any country as he has not up to now, even in the Western Hemisphere.

Now if the President is talking about how well, let us see if we can come up with a diplomatic solution, it is actually a little late for that. The United States is not going to be trusted, particularly by a country like Nicaragua whose very name of Sandinista group or the name of the revolution and the name of Sandino should evoke a very bitter feeling toward the United States. It evokes the one man that resisted the American invasions, and around whose banner the majority of the sentiment of the Nicaraguan has been all along. It has never been stamped out.

Now whether this is right or wrong or indifferent, that is a reality. So we have thwarted any attempt, even on the part of the major nations to the

south of the border, to arrive at a peaceful settlement.

Just a month ago, Nicaragua, the one that is supposed to be a threat to the neighbors, including Costa Rica whom we have militarized now for the first time in three decades, they do not want to be militarized, but we have, we have done it, but last month, those two nations, Costa Rica and Nicaragua, after a parlay and a conference, entered into an agreement for the formation of a bilateral commission to peacefully resolve their border disputes.

Now let us look at what did succeed for the United States, this time under President Eisenhower, a Republican. I alluded to President Roosevelt because he is, history shows he was the first to build an edifice of constructive, creative approaches and the result was good. We ended up in our time of difficulty and need with allies and not enemies on our front porch.

Now President Eisenhower was President in 1957, and you have the last flareup of the border dispute which had some violence attached to it between Honduras and Nicaragua. Again, the basic nations, with the exception of one, that we call the contadora group today got together and said, Mr. United States, Mr. Uncle Sam, we want to find a peaceful solution. Will you join us? And Eisenhower did. And what happened? Did they resent us? No, they made us the leader of the group. They actually wanted the moral leadership and the approval of the United States, and they got it, and once they did, they subordinated themselves to American leadership.

They are not dumb. They know that America is a leader. They know America has the power.

What they are scared of is the use of that power on a bully basis rather than on a big brother basis, or a father basis, or a partner basis, whatever you want to call it. So that what happened in that case, the United States joined that group of nations. They went to the World Court again. Well, they called it the International Tribunal for the Settlement of Disputes, and they resolved that border dispute. It has been resolved, and it has been in peace until we went in there under Secretary of State Haig who got a handful of Argentine militaries, because that is all we started out with, we started out with Argentine soldiers and put them in Honduras with the avowed purpose of destabilizing the Sandinistas. The militaries of Argentina were considered the most bitter anti-Castro people around.

Year before last, or maybe it was less than that time, these same military were in Havana, Cuba, toasting Fidel Castro. Does that mean that Fidel Castro is a great successful diplomat? Of course not. We are the ones that have made him. Just like our policies have ended up in solidifying, not disuniting, but solidifying the Sandinista front or the hard-core front in Nicaragua. We have given them justification. Instead of giving that moderate element that is there, we have actually aided and abetted in destroying that element.

In El Salvador, our policy has aided and abetted in the murdering and in the extinction of that moderate group that would be the only help anyway for some stabilization and some progress along what we call Democratic processes.

But let us go back. What happened with Secretary Haig's misbegotten notion that we could continue to divide and conquer processes that had been traditional in our handling of these with the exception of the Roosevelt era and even the Eisenhower era in which we ended up actually with more strengthened, moral and actual leadership and leverage for collective leadership in the new world than before. Instead of that, we have sown dragon's teeth, and it is inevitable that we will sow the harvest of bloodshed and war, an era of bad feelings. The reproduction in the new world of the ancient European rivalries and hatreds and traditional spirit of beligerency and hatred that even to this day still prevails in Europe.

I think that our leadership potential in our country is far greater than that. It has come forth in the past. I do not see it in the present, because I see very grave distortions in entering into our judgmentmaking processes.

All I am saying here as one individual, who is very conscious and aware of this heritage, both cultural, historical, it is interlacing throughout our historical development with Americas, though it has not been noted much in our conscious awareness, but that which now more than ever, where the world has contracted, where these leaders that could have been successfully isolated just 20 years ago, today in a half a day's time can travel in person across the world, and where, therefore, we have the greater responsibility of developing, and at no matter what pain, what time, what travail it takes an affirmative, a creative, short term and long term, because now what we have done here in the last 5 years is created an urgent necessity to approach on an ad hoc basis, but nevertheless we must have as a backdrop a long-term approach that will not reflect the spasmodic interruptions created by the external impact of events in other parts of the world where we have equally great stakes at risk.

What is the U.S. national interest? What is the proper role of our national leaders, diplomatic and otherwise, in assessing the limits of the reality of the extent of our national interests, both security as well as economic, which I think are inextricably linked anyway? I say, if we have the wit and we have the will to just do what? Just reclaim our heritage, what America has really stood for all through the decades. That one last solid hope of humanity still is the one last valid hope. But we are eroding that. We are outfoxed. We have even, from such use of phrases as space war, we have allowed what we say is our enemy, though I do not understand that either for there are only two major countries in the world today that for the last 250 years or so have not been at war with each other, and that is Russia and the United States. We have been at war even with the mother country, England, with France, with Spain, with Mexico. But we have never been at war with Russia. The historical development of Russia parallels ours.

I have never been to Russia, and yet, I have never, to my knowledge, met anybody who was a so-called card-carrying Communist. I have confronted some candidates who announced their candidacy against mine as Socialist Labor Party, whatever that might mean. And we can get lost in that jargon. But nevertheless, that did not keep the FBI in 1961, the day after my election to the Congress the first time, from having a local agent in charge send a memo to J. Edgar Hoover saying State Senator HENRY B. GONZALEZ, liberal Democrat, elected to the Congress yesterday, with Communist help. It took years finally to dig out that dossier, but there it was. And then I discovered that the FBI had a dossier on me since I had been a State Senator and had addressed the State convention of the AFL–CIO alongside then U.S. Senator Ralph Yarborough. I do not know why to this day, but where in the world was this notion that I had been elected to the Congress with Communist help? There is not a soul, including my opponents in San Antonio, that would have done anything but given a big horse laugh if they had seen that, because nobody in San Antonio, including the FBI, could show the existence of a card-carrying Communist except one fellow by the name of Sanford who proclaimed to all and sundry that he Marxist-Leninist or something. Now whether he was a card-carrying member of the Communist Party, that I do not know. But if Mr. Sanford was for me, I never heard of it. I never heard from him.

Let me tell you that if the Devil with pitchfork and tail and horns had come and said well, you know, I have a registration card and I want to vote for you, do you want my vote, then I would have said you are doggone right, go on and vote for me. That does not mean that I would communicate or would have done what the Devil said I should do, but I would say if you want to be for me, go to it. But I

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never have found out who this fellow Sanford is or was. All I know is what the newspaper said in San Antonio.

□ 1215

Yet this is a dossier in the FBI files, so that when we then depend on such agencies as the FBI and the CIA not in the United States, but in external territories to tell us who the Communists are; let me tell you, we are on awfully weak ground. Very poor ground.

Because I am still in touch with a good segment of Mexican establishment leadership, and I have been called from time to time by some of these leaders saying, "What are you all going to do about these Communists in our country?"

When I say "Which ones?" They point to a local labor leader that is shouting demands for improved conditions in wages and salaries, and I say "Well, why do you say he is a Communist?" Well, because he says he is a socialist.

I said, "Well, but what about his demands. Are they justified?" Well, of course not, not to them. I do not know of any employer south of the border that thinks or ever has thought any more than the ones up here in the United States, so that there is no framework of reference except in extreme actions in these societies.

This is the reason you have revolutions; because the processes for change are so impossible of access there is no way that the society structured south of the border have been able to provide.

Mexico, I think, is one reason it has been lauded properly as having been the first country to obtain civilian governments through regular election processes, but when we look at the processes, they are not what we would define as democratic electoral processes.

You have the one institutional party. Finally, about some 15 to 20 years ago they recognized a need for some reform, so they provided for a pro rata, 10 percent or less, membership in the Halls of their Congress for elements not belonging to the pre- cr the institutional revolutionary party.

In Russia, anybody will tell you—the Russians will tell you—we have elections. But when they use the word "elections" to them, sure, it's democracy. It's people. To us we would hardly say that. Why? Because there is only one party and one candidate under one party in the election.

Yes, they will choose. But it is just like we used to have the one party system in the State of Texas. All of the big issues; liberal, conservative were resolved within the general framework of the Democratic Party. We did not have a viable two party system.

Well, in these countries such as in an institutionalized and inherited authoritarian-type of basis of societal structure, of course it is democratic compared to what maybe was the case under the czars; but certainly not at all anywhere near the definition we would consider of free, open election or electoral process.

Now they attack us on the—Fidel Castro makes speeches almost weekly saying, "What do you mean you have democratic elections? Why, if you do not have the money, if you don't come from the rich segment or have their approval, what are you going to get elected to in the United States?" That is their criticism.

We know differently because we know that you cannot generalize that way about this great country, but it ought to be apparent to us too that we cannot commit the same sin of overgeneralization with respect to all of these countries that constitute this generic name we give—Latin America. Each and every one of them has a very separate and unique history.

I am saying that we ought to evoke the constructive and creative type of approaches. Dismiss the military.

When I am asked: Well, what would you do? Well, it was the same thing that got the Johnson advisers and the President on one occasion pretty excited. In fact, I did not get invited to ride back home on Air Force One for 90 days because I was asked point blank: "Well, what would you do?"

I said "Well, that's begging the question. I didn't order our men, and I have a bunch of constituents over there fighting and dying"—my district is the most voluntary-ist people in the whole country; the first to fall in Korea was a San Antonian, and the greatest number of Congressional Medal of Honor winners out of Texas were people that came from the particular group that I come from.

There is no question—I mean, you do not—it is a patriotic group. I would say most every American, if not every American I have known of any extraction is very patriotic. That is not the issue.

The issue is, what is our approach to a changed world in our front and back porch in view of the fact that the policy of direct intervention, unilateral, rather, whether it is indirect or direct—unilateral military on the basis that a military solution is the answer.

Obviously, it should be to us obvious that it is a failed approach. It is not clear to me at times when I hear my national leaders talk about communism whether the main idea is to purify ideologically these countries.

If so, there are great contradictions that are written about in editorials and journals throughout the world, because we get into secret military agreements with the Communist People's Republic of China and do not bat an eye.

Yet we get alarmed if some radical, loudspoken individual who happens to be a member of a revolutionary group says, "I'm a Marxist-Leninist."

We do not think of invading France, because the French cabinet has two communists right now, live and kicking. I think that if Latin America were English-speaking, or these were peoples that had an Anglo-American heritage, we would never be thinking of approaching the problem the same way that we have been up to now, at all.

I really sincerely believe that. I hope I am wrong, but the evidence indicates otherwise. What I am appealing to is reason on the basis of the historical facts; on the basis of the policies that have worked and the policies that have not and are not working now.

If it is that we are seeking to blow people out of communism, let me say that never in the history of the world has violence killed an idea. We will never be able to bomb communism out of existence; it is impossible.

The only way I know that communism and every other -ism has been conquered has been through social justice, and siding on the side of social justice. Not on the side of the despots and the oppressors, who happen to say "we hate communism." Hitler was the greatest anti-Communist ever, but we must remember that Hitler came into power under what party label? The National Socialist Party of Germany.

Mussolini came to power—the Socialist Workers. They all came up piggyback on the workers, so-called.

Russia—it is not the United Soviet Communist Republics; it is the United Soviet Socialist Republics. So obviously we must be careful how we use words, and what our basic intention is.

Do we avow the policy in recognizing that a civil war that is indigenous, native, has not been imposed by any external influence—is such even though some of the leaders mouth Marxist-Leninist dialectics? And who necessarily are not enemies of the U.S. interest, or do we all lump them in and say, "Doggone it, as long as you keep pronouncing that you are a Marxist-Leninist, we are going to try to kill you."

Well, I think that has been the biggest unlearned lesson of America since 1918, when we invaded Russia. We lost 350 soldiers in that invasion, with England and France, to try to put down the Russian revolution.

How ridiculous that was, history shows us. We have not learned even from Vietnam, in which, whether we liked it or not, we were involving ourselves in a civil war. Whether it was that we were fighting communism or not..

I ask, in the name of just plain common sense and reason, learning of the experiences that have beset us,

that we just resort to the traditional American pragmatic, practical approach.

□ 1225

I think this is a big basic difference today. I think this is what the columnist Coyne is saying though he did not say it in those words in his article in today's Post that for the first time we have an ideolog in the office of the Presidency.

Franklin Roosevelt, for instance, when he ran for office, was ideologically committed to extreme conservatism, balanced budget. But no sooner was he installed than he realized he had to be pragmatic and he was pragmatic. He accepted the facts. They were not to his liking perhaps but he did accept them.

CEASE-FIRE PROPOSAL

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Kansas [Mr. SLATTERY] is recognized for 5 minutes.

Mr. SLATTERY. Mr. Speaker, as the search for a Central American compromise continues, I would call on the President to support a cease-fire proposal that could halt the bloodshed and foster negotiations.

Mr. Speaker, Contadora faces a major problem.

The administration refuses to talk to the Sandinistas, until they agree to talk to the Contras.

The Sandinistas refuse to talk to the Contras.

So negotiations have failed to move.

On March 13, I and 10 other Members proposed a cease-fire, based on the proposal made by six major Nicaraguan political parties.

Arturo Cruz and Alfonso Robelo, two of the three leaders of UNO, have endorsed this proposal.

They will agree to a cease-fire based on negotiations between the Sandinistas and the six parties, without direct negotiations with the Contras.

If a cease-fire is achieved, the six parties would continue negotiating.

Under their proposal, they would seek:

A lifting of the state of emergency, and the full restoration of civil, political, religious, and economic freedoms for the people of Nicaragua.

Full amnesty for the Contras.

And an all-party agreement for honest, open, and fair elections.

Mr. Speaker, by accepting this proposal, Messrs. Cruz and Robelo have offered a new hope for Contadora, and a new hope for peace.

President Reagan can demonstrate his commitment to negotiations by adopting this proposal as his own, and thereby make a major contribution to the Contadora process.

I call on President Reagan, in a bipartisan spirit, to propose a 75-day cease-fire, based on the proposal of the six Nicaraguan political parties.

I call on the President to send a bipartisan delegation to meet with the leaders of the Latin democracies, to seek their active support for this proposal, and to solicit suggestions about how the United States can best support Contadora and respond to the problem in Nicaragua.

And I call on President Reagan to send Ambassador Habib to meet with the Latin democratic leaders, and with the six Nicaraguan political parties, to work to achieve a cease-fire and reopen direct negotiations with Nicaragua, if Nicaragua accepts internal negotiations based on the six-party proposal.

Mr. Speaker, the President can help demonstrate his commitment to negotiations by accepting this proposal.

Such an initiative would give a major boost to Contadora, and to our efforts to achieve a bipartisan policy.

It would place the United States with, not against, the leading Latin democracies. It would send a powerful message to skeptics in our country and to the world community that the United States is going the extra mile to achieve a peaceful solution, to the problems in Nicaragua.

It would also create a real possibility of achieving a cease-fire, which would be widely applauded throughout Latin America as the Easter season approaches.

Mr. Speaker, the letter to President Reagan proposing the cease-fire follows, along with the provisions of the six-party proposal which, again, provides a major opportunity for bipartisan support at home, democratic support abroad, and serious negotiations seeking to achieve human rights in Nicaragua.

CONGRESS OF THE UNITED STATES,
HOUSE OF REPRESENTATIVES,
Washington, DC, March 13, 1986.

President RONALD REAGAN,
The White House,
Washington, D.C.

DEAR MR. PRESIDENT: We are writing to propose that you join with the internal political parties of Nicaragua, in offering the Sandinistas a cease-fire proposal that would surely win bipartisan support.

Your appointment of Ambassador Habib, coupled with a cease-fire proposal of this sort, can create a realistic possibility of halting the violence, within a framework that is consistent with American security interests, the Contadora principles, and the worthy ambitions of Nicaraguan democrats.

We would urge you to support a 75-day cease-fire. We would urge you to support the proposal offered to the Sandinistas by six Nicaraguan political parties on January 30, 1986. We urge you to immediately authorize Ambassador Habib to travel to Managua, to meet with representatives of the six political parties, to explore the possibility of achieving a cease-fire, and to evaluate the merits of resuming direct negotiations with Nicaragua.

Under the six party-proposal, the Sandinistas would agree to a cease-fire, and agree to prompt negotiations with the parties designed to reach full agreement on a general amnesty, lifting of the the state of emergency and the restoration of all civic and political rights, and the signing of an agreement between the country's political parties for the preparation and fulfillment of a new electoral process that will lead to new general elections in which all of the parties or groups that desire to participate may do so, once they have obtained legal and political recognition.

As you know, the Contadora process has become tied in a Gordian knot: the Sandinistas refuse to talk with the contras, and the Administration refuses to talk with the Sandinistas until they do. However, in the Washington Post of March 9, Arturo Cruz presented an idea that could untie the knot and provide a strong impetus for the negotiating process. He suggested that he would support a cease-fire based on the six parties' proposal, without direct negotiations between the Sandinistas and the armed opposition.

We believe that Mr. Cruz has offered a solution to the dilemma of Contadora, and our proposal is based on the formulation he suggested in the Washington Post interview, which we believe is enormously significant.

The cease fire initiative, occurring as the Holy Week approaches, should be strongly acclaimed by the internal political parties of Nicaragua, who are fighting for democracy, and the democratic communities of Latin America and the world. It would provide the ultimate test of the Sandinistas' willingness to restore full political, religious, and civic rights upon a peaceful resolution to the conflict, based on the Contadora principles and the Carabellada Message.

Should the Sandinistas fail to respond constructively to a proposal of this sort, it would then be clear to all that the failure of Contadora should be attributed to their intransigence. At that point, you would unquestionably receive greater support, at home and abroad, for tougher options.

Mr. President, the six-party proposal has been endorsed by virtually every element of the Nicaragua opposition, internal and external, armed and unarmed. The Carabellada Message, which includes strong language in support of democratic institutions, as well as regional security, has the overwhelming support of democracies in Latin America and throughout the world.

We believe that Ambassador Habib, armed with a cease-fire proposal that has such widespread support, would have a major opportunity to use his considerable diplomatic skills to pursue a peaceful solution that serves the interests of our country and the democratic nations throughout the region.

We are, respectfully,

Sincerely,

Jim Slattery, Bill Richardson, Dan Glickman, Michael Andrews, Bill Hefner, Jim Cooper, Robin Tallon, Charlie Whitley, Bart Gordon, Ron Coleman.

POSITION PARTIES SEND PEACE PROPOSAL TO FSLN

MADRID, 8 Feb (EFE).—Mario Rappaccioli, president of the Nicaraguan Conservative Party, has published a six-point document which he says was presented to the Nicaraguan Government today to solve Nicaragua's crisis.

The full text of the document, titled "Proposal to the Nicaraguan Government for a Solution to the Crisis in Our Country," is

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presented here just as Rappaccioli presented it at the Seventh Congress of the Popular Alliance, the Spanish Conservative Party, which is currently underway in Madrid:

The Political parties that have signed this document, inspired by the best and most constructive patriotic spirit to achieve Nicaragua's pacification and ensure its future development based upon the Nicaraguans' authentic wishes, declare their firm and public decision to make every effort to achieve these objectives.

Also supported are the Contadora Group's efforts recently reiterated in the Caraballeda message issued on 17 January 1988, especially Section II, Clause B,

For this purpose the government is urged to join the people in attaining the following goals within the shortest time possible:

1. An agreement to immediately suspend hostilities between the government forces and the irregular forces opposed to them as a preliminary step toward a definite peace agreement and the country's demilitarization.

2. Approval of an effective general amnesty law for political crimes and related common crimes that will result in an effective reconciliation of the Nicaraguan family.

3. Abolition of the state of emergency, and full reestablishment and implementation of the Nicaraguans' rights and guarantees.

4. Signing of an agreement between the country's political parties for the preparation and fulfillment of a new electoral process that will lead to general elections in which all of the political parties or groups that desire to participate may do so, once they have obtained political and legal recognition.

5. Effective fulfillment of international commitments in favor of Nicaragua's democratization.

6. The invitation to existing continental organizations and ad hoc groups that have demonstrated an interest in peace and justice in the Central American area, as well as to international political organizations, so they can express their concurrence with implementation of the points demanded.

Signed:

Independent Liberal Party: Virgilio Godoy, president.

Social Christian Party: Francisco Taboada.

Social Democratic Party: Luis Rivas Leiva, secretary general.

Constitutionalist Liberal Party: Rodolfo Mejia Ubilla, adjunct secretary general.

Democratic Conservative Party of Nicaragua (nonruling party): Enrique Sotelo B., national political secretary.

Nicaraguan Conservative Party: Mario Rappaccioli, national president.

FREEDOM'S FUTURE: THE FREE WORLD AND THE SOVIET EMPIRE

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Georgia [Mr. GINGRICH] is recognized for 60 minutes.

Mr. GINGRICH. Mr. Speaker, this special order and one other which will follow is on freedom's future, the free world and the Soviet empire.

I want to focus on the reality of the Soviet empire, the Soviet transnational threat to freedom and security and the necessity for a sophisticated free-world response led by the United States.

There are three propositions to this analysis. First, the reality of the Soviet empire, the Cuban colonial army, and a transnational strategy for tyranny. Second, the need for revolution in American ideas, in American political understanding, in American policies, in American institutions to match on the side of freedom this transnational Soviet imperial threat. Third, the degree to which the Reagan administration as well as the Congress and the American people has failed to understand intellectually the scale of the Soviet transnational threat and has failed to develop a response of sufficient power.

Let me expand: First, on proposition 1 that there is a Soviet empire whose threat is real and whose transnational strategy has made obsolete our containment policies and has made ineffective and out-of-date our political, diplomatic, legal, and military doctrines and that our difficulty in recognizing and responding to this transnational reality is first intellectual and second psychological.

Second proposition, that it is possible to design a new transnational strategy of freedom to defeat the Soviet empire's transnational strategy of tyranny, that this new transnational strategy of freedom requires a revolution in ideas, in doctrine, and in institutions comparable to the 1945 to 1950 Truman-Marshall-Vandenberg cycle which defined the Soviet threat to freedom, filled the vacuum of power around the world to contain the Soviet empire, explained pro-democratic anticommunism to the American people so they accepted it, invented the Central Intelligence Agency, the Marshall plan, the Point Four Program, the North Atlantic Treaty Organization, created the unified Department of Defense, raised the most powerful peacetime forces in American history, began decolonizing the old Western European empires in the Third World, helped establish Israel, and helped lay the seeds of the European Common Market, developed a democratic Japan and West Germany, used American covert aid to defeat communism peaceably in Italy and in France and used American overt aid to help defeat communism militarily in Greece and the Philippines, helped integrate our World War II enemies into a pro-freedom, anti-Soviet alliance and recognized that there really were Soviet spies, that some people really were security risks, and that we really did have to protect ourselves from enemies within as well as without.

These enormous achievements, the achievements of the Truman-Marshall-Vandenberg team were immense and the conflict within American society was as vivid and emotional as one would expect for a change of that scale.

The saga of the Harry Truman-Hubert Humphrey-Ronald Reagan Democrats, as Reagan then was a Democrat, in recognizing and identifying leftwing radical elements in their own party, in labor unions, and in American life, and in fighting them overtly through arguments, through free democratic methods is a saga which the modern leftwing news media and academics seek to ignore. Yet it was a saga which helped save freedom in the Western World.

This proposition's corollary is that a response to transnational tyranny large enough to be successful will be as big, as complex, and as controversial as the rise of the containment in the Truman-Marshall-Vandenberg effort.

My second special order will outline a proposed transnational strategy for freedom and the institutional and doctrinal changes it will require. The central difficulties in proposition two are essentially intellectual, managerial, and political. That is, once we accept the reality in proposition 1 of the Soviet empire, the Communist Cuban colonial army, and a transnational strategy for tyranny, our problems in dealing with that, in responding to it are essentially problems of intellect, problems of management, and problems of policies.

Proposition 3, measured against the scale and momentum of the Soviet empire's challenge the Reagan administration has failed, is failing, and without a dramatic fundamental change in strategy will continue to fail.

Let me be clear: I have the greatest respect for President Reagan. I think he personally understands the threat of communism. He personally understands the history of Lenin's adaptation of czarist secret police oppression to the new purposes of a Soviet governing dictatorship.

President Reagan personally knows there is a Soviet empire and it is a global transnational threat to America and to freedom. President Reagan personally appreciates the threat to Israel in a more powerful Soviet empire, the threat to civilization in a more powerful Soviet-encouraged network of terrorism, the threat to African freedom in the Soviet use of the Cuban colonial army to impose Communist dictatorships, the threat to freedom in the Western Hemisphere through the Soviet empire's Cuban and Nicaraguan colonies, and finally that the longterm persistence, the massive dedication of resources, and the serious professionalism of the Soviet empire combined with its development of a transnational strategy makes it a mortal threat to the survival of America.

President Reagan knows all this. He ranks with Presidents Truman, Eisenhower, Kennedy, and Nixon in trying to focus attention on the Soviet empire and in trying to protect freedom. Yet President Reagan is clearly failing.

Whatever tactical successes he is winning in El Salvador, in Grenada, or in rebuilding our defenses, are successes built on the quicksand of his personal popularity. As he himself said last Sunday, he has less than 3 years left to serve. Yet there are not the institutional frameworks, the political movements, the massive public education that are the necessary permanent base for a true American response to the rising Soviet imperial challenge in the form of a transnational strategy of tyranny using Cuban colonial forces.

The fact is that George Will, Charles Krauthammer, Irving Kristol, and Jeane Kirkpatrick are right in pointing out the enormous gap between President Reagan's strong rhetoric, which is adequate, and his administration's weak policies, which are inadequate and will ultimately fail.

Sincere, decent, committed anti-Communist Members of the House and Senate who question $100 million in aid to the Nicaraguan freedom fighters and ask in vain for a strategy are fundamentally right. The Reagan administration has a huge gap between its President's correct visionary warnings of the transnational Soviet empire and the rest of the executive branch's incorrect, ineffective fumblings and inadequacies.

The burden of this failure frankly must be placed first on President Reagan; he is the President.

In addition, to making good speeches it is his job to ensure that others design good policies, that they implement them effectively, and that they reshape existing institutions and invent new ones as necessary. He is more than just the greatest communicator of our time, he is the President and therefore the head of the executive branch as well as the head of his political party.

Second, the burden must be on his White House staff, which has systematically failed again and again for 5 years now to understand that the real problems of developing a transnational strategy for freedom of confronting the Soviet empire and the Cuban colonial army are problems much more fundamental than a Reagan speech, much more difficult than a Pat Buchanan editorial, much more difficult than once again using the CIA to ineffectively manage to do the best it can when the best it can is simply not good enough. I say this not as in any way a comment on any personality but on an institutional crisis of the first order about American Government and the American Government's inability as an institution to meet the challenge of the Soviet empire.

Third, the failure must be borne by the senior executives in the Cabinet, the Department of State, Defense, and the Central Intelligence Agency; not as individuals, not because they do not mean well, I believe they do, not because they are not serious, I think they are, not because they do not work hard, they work terribly hard; it is reasonable for these three fine gentleman to wonder what it is that is being asked of them. But the answer is simple: They are the heads of great institutions. Those institutions currently do not have an understanding of the transnational Soviet empire, do not even use the language that describes that empire, have no strategies to defeat the empire in countries the President has identified.

The gap between Ronald Reagan's United Nations speech in which he courageously called for support for freedom fighters in Afghanistan, Cambodia, Ethiopia, Angola, and Nicaragua, the gap between that speech and the reality of our pathetically incompetent efforts is a gap that should be a scandal if only we took it seriously.

Fourth, the burden be borne by House and Senate Republicans who agree with President Reagan's vision and have not fought hard enough to force the changes in the executive branch. We can hardly expect our friends on the left who do not agree with this policy or our friends on the left who do not agree with this policy or our friends who are pressured because as Democrats they believe Reagan is right, they exist in a caucus whose majority clearly does not believe Reagan is right, to lead the way in forcing the executive branch to become competent or to lead the way in articulating the case to the American people.

□ 1240

The burden must be borne by House and Senate Republicans who agree with the President's vision, who are afraid of the transnational Soviet empire, who understand the Communist Cuban colonial army, and who understand that what we are doing today simply is not good enough.

Fifth, the burden of responsibility must be borne by our own political supporters who have not held our feet to the fire and who have not focused on results rather than intentions.

It is all too easy in this complex national capital to be so exhausted by daily crisis that we forget that good intentions are not good results, that meaning to do well is not the same as doing well, that thinking that doing today's speech is somehow achieving tomorrow's success. It is not necessarily true.

Our supporters across this Nation, the people who were aroused by GOLDWATER in the sixties, the people who, for generations, have believed in Reagan, the people who understand the terrible threat of the Soviet empire, those supporters should be tougher, firmer, harder on us, in insisting that we do a better job, that the measure is whether or not we are capable of defeating the Soviet empire in Angola, not whether we mean well for Savimbi. The challenge should be whether or not we can achieve a democratic pro-Western Government in Nicaragua, not whether we like the Contras.

The challenge should be whether or not we help the Afghans regain their country, whether we wish them well as they are butchered by the Soviet Army.

Sixth, the burden must be borne by the intellectual and cultural community in America, which has been unwilling to deal honestly with the Soviet empire.

It said a great deal about the American cultural intellectual community that the "Killing Fields" is a movie about Cambodia in which, according to one critic, the word "Communist" was never used. It was not easy to write an emotional, powerful screen play, to film a powerful movie about the Communist genocide of one-third of the population of Cambodia and manage to avoid the word "Communist."

Yet it is essential to understand why the "Killing Fields" had rave reviews from leftwing intellectuals, while "Rambo" was laughed at. The "Rambo" was overtly anti-Communist, while the "Killing Fields" managed to somehow pin the blame on America for what was clearly a Communist genocidal action in Cambodia.

The American intellectual and cultural communities are all too blind to the threat of communism, are all too willing, just as their predecessors were in the twenties and thirties, to apologize and excuse Communist atrocities, to somehow never quite understand or deal directly with the threat of the Soviet empire.

Just as H.G. Wells was taken in by Stalin, all too many American intellectuals and American academics are taken in by Gorbachev. Just as intellectuals in the twenties and thirties always found one more reason to apologize for the Soviet police state, so today all too many intellectuals and all too many academics find one more excuse to apologize for Castro's police state, for Nicaraguan Communist atrocities or for the Soviet empire's atrocities in Afghanistan.

Seventh, and finally, the responsibility must be borne by a news media which is critical if a dictatorship is pro-American, but tends to ignore a dictatorship which is anti-American, which uses Soviet language to explain Soviet behavior, which pretends that Jaruzelski is an independent leader of

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Poland, when clearly Jaruzelski is the dictator imposed by the Soviet army, which ignores if possible the 35,000 pounds of Communist documents captured in Grenada when we liberated that island, and which ignores when it can the real nature of Ortega's Communist dictatorship.

All too often the news media itself is grotesquely uncritical and grotesquely willing to use Soviet language to explain Soviet behavior. Possibly it reached its epitome when ABC News put on a paid Soviet propagandist following the President of the United States.

The American news media stands, I believe, guilty all too often of failing to learn the lessons of 40 years of competition between freedom and the Soviet empire.

In the context of all of this, if the Reagan administration is to succeed, it will have to launch a fundamentally new effort of enormous proportions aimed, I think, at five steps: First, to establish right language; second, to establish right policies; third, to establish right institutions and strategies; fourth, to establish right public understanding; and fifth, to establish the right legislation. And I believe the steps come in that order.

If the State Department has no real knowledge of Leninism, it can hardly understand the Soviet empire. If as recently as last Friday, the Central Intelligence Agency was not aware that in its own files it had records about a Cuban general who had served in Syria against Israel and who then went to serve in Angola against the freedom fighters, and was now being assigned to Nicaragua—not, mind you, that the CIA did not know who he was and what he was doing—but it had not occurred to the Central Intelligence Agency that the fact that the Cubans had served against Israel was of rather considerable importance in explaining both the Soviet empire and in explaining to our friends who believe and are concerned deeply about Israel why the Soviet empire and its Communist Cuban colonial army is a threat for the very survival of Israel.

If the State Department, the Defense Department and the Central Intelligence Agency cannot think of using right language, then as George Orwell put it in his Essay on Politics and the English Language, it is impossible to think clearly about it. The failure of right words leads to failure of right policy.

Yet, I can say flatly on this floor, after 4 years of arguing and talking with three different National Security Advisers, after talking with the Secretary of State, of talking with the Assistant Secretary for Latin America, of talking with the Presidential speechwriters, that after 4 long years, it is virtually impossible to get the word "Sandinista," which is a propaganda word stolen by the Communists in Nicaragua to deliberately mislead nationalists, it is virtually impossible to get that word out of the current government language. So last Sunday night, Ronald Reagan, who understands better than anyone that he is dealing with a Communist dictatorship, used the word "Sandinista" 15 times.

Now, if the most anti-Communist articulator in this administration uses a Communist propaganda term, it should not surprise him that the bureaucracies of defense and diplomacy use old language and fail to think clearly. If the President of the United States cannot discipline himself to use the correct language, he can hardly expect those who understand less than he does to understand what is at stake.

Yet Sandino was a nationalist. He was repudiated by the Communist Party of Mexico in 1934 because he stood for Nicaragua and against the Soviet empire.

The true Sandinistas are precisely the freedom fighters who are nationalists who were in the countryside who were fighting against the Communist dictatorship.

So, first, before this administration can do anything else, it has to use the correct language, or else it has no hope of either articulating for the American people, for our allies or for our bureaucracies what it is we intend to do.

Second, we have to develop right policies. Right policies, I think, have to be fundamental. If you do not have right policies, you can hardly expect to develop the right solution. After all, policy is to solution what a cookbook recipe is to dinner. With a bad recipe you get a bad dinner; with a bad policy you are bad to get a bad solution.

The best case is Afghanistan. If one were to examine seriously the West's efforts to help the Afghan freedom fighters, the freedom fighters who are the most universally supported on this planet, the freedom fighters who have the best case for their activities, the freedom fighters who are most courageously standing up against the direct overt Soviet invasion of their country, if we were to look seriously at the West's efforts to help those freedom fighters, we cannot help but cry at the impotence, the incompetence and the effectiveness of the West.

Where is the Sony hand-held antihelicopter missile that is cheap, user friendly and can be trained so that anyone can use it while carrying it in a backpack? Where are the inexpensive radios that are easy to use that allow light infantry, which is all the guerrillas are, to communicate and stay out of the reach of the Soviets? Where is the light hand-carried radar that allows them to know when the helicopters are coming to set up the antihelicopter missiles to knock down the major Soviet advantage? Where are all the kinds of high-tech equipment which could be there if we had taken seriously in 1980 the job of inventing the computerized, light, high technology, the inexpensive user-friendly systems that would have driven the Soviet Army out of Afghanistan or made its stay there a thousand times more expensive? Where is the free world training academy to take young Afghan leaders and train them in light infantry tactics and train them in the habits and doctrine of the Soviet Army?

Oh, we have people in camps in Pakistan, we have irregulars, we have advisers; but the simple fact is that our response, just as in the Spanish Civil War in the thirties and the democracies were ineffective, our response in Afghanistan has been pitiful, and we should all be ashamed.

But then our policy has never been to be militarily good enough with regular light infantry that we could defeat the Soviet Army or drive up the cost dramatically.

Where is the diplomatic strategy, the public diplomacy, that knits together throughout the Islamic world a league for the protection of Islam freedom against the Soviet empire? Where are the public policy efforts that should be ongoing every day that focus people across the world on the fact that even as we speak, there are Soviet troops butchering Afghan. Even as we rest this evening, there will be Soviet helicopters butchering Afghans. Even as we have a nice weekend, there will be Soviet columns butchering Afghans.

We have simply been incompetent in Afghanistan, in Angola, in Ethiopia, in Cambodia and Nicaragua and we must confess it.

Third, we lack the right institutions and the right strategies. There is no institution in America today charged with developing irregular light infantry weapons. There is no institution in America today charged with designing the tactics and the strategy and the doctrine that will defeat Soviet forces or Communist Cuban colonial forces in the field. We do not have those institutions, we have not invented them, and without those institutions, we can hardly invent the strategies that will make them successful.

Fourth, how can you possibly have right public understanding of what we are doing if you do not have the right language, you do not have the right policies, if you don't have the right institutions and strategies?

When people listen to the President's strong language and look at the pitiful request for $100 million, can they be surprised that there is no sense of, "Oh, yes, this is urgent"? "This is like Franklin Roosevelt in World War II"?

When we look at our strong language about Afghanistan and our totally ineffective response, can we be surprised that there is no public understanding?

When we look at how little film comes out of Communist tyrannies, can we be surprised? Every night on American television, every night on European television, every night on Latin American television there should be footage of the barbarism of the Soviet empire, and we should pay higher prices to those courageous enough to go into the Soviet empire to get that footage, and it should become commonplace to develop documentaries and films about just how horrible the Soviet empire is.

Yet, American television does not do it. American commerical television does not do it. The U.S. Information Service does not do it. And then we wonder why our allies and ourselves are so ignorant of the truth about the Soviet empire and the Cuban Communist colonial forces.

Finally, only within the framework of right language, right policies, right institutions and strategies, right public understanding, can we expect to get right legislation.

For 6 long years now, the Reagan administration, day in and day out, has followed a fundamentally flawed strategy of dealing with the Congress, largely because the senior leadership of the Reagan administration remembered the Rayburn years. It has dealt tactically behind closed doors with people who either cannot deliver votes or will not deliver votes.

The fact is that the U.S. Congress is shifting from a Rayburn model, closed door, handful of leaders model to a grassroots Congress led by the Nation at large; whereas in Rayburn's day, a dozen men meeting in what they called the board of education, could make major decisions. Today it is millions of Americans across this country writing, telephoning, wiring, and visiting their Congressman to help make decisions. This is a much healthier body now that it has television, now that it is open, now that the citizens can participate by mail, by jet airplane, by telephone and by town hall meetings.

Yet there has been no adequate Reagan administration vision in strategy to develop the grassroots Congress. In the long run, we have to have long throughout, deliberate strategies in operation, focusing on educating the country at large, rather than focusing on just this Congress.

This morning at a press conference, we had an illustration of the gap between what I am describing and what this city is used to. One reporter asked me, "How could you want a more aggressive administration than Pat Buchanan's article in the Post the other week?" Yet, her question was exactly my point. With a long-term well-thought-out strategy, this administration would have had 30 to 50 people outside the administration writing that article. There would have been people across America writing that article. It would not have been tactical work to be done by the Director of Communications.

Because there is no strategy for the grassroots, there can be no effective strategy for the Congress. Congresses should follow the will of the people. If the administration cannot educate the Nation into understanding why it needs over time to develop a transnational strategy for freedom to counter the transnational strategy for tyranny of the Soviet empire and its Communist Cuban colonial forces, it should hardly expect the Congress month in and month out to be able to do that.

This is not to say that Congress should be cowardly or that Congress should have no role. It is simply to say flatly that if the Central Intelligence Agency will not declassify documents, if the State Department will not use the right language, if the Defense Department will not develop the right doctrines, if the White House will not develop the right legislative strategies, it can hardly then turn in a crunch and complain because Representatives and Senators cannot quite figure out how to do all that which the executive branch has failed to do.

As I said, I want to in these orders outline three propositions. First, the reality of the Soviet empire, the Cuban colonial Communist army and the transnational strategy of tyranny.

☐ 1250

Second, the need for a free world strategy of a transnational campaign for freedom to match and then defeat the transnational campaign for tyranny.

And, third, the specific steps necessary for the Reagan administration to communicate the first and implement the second.

To understand the intellectual principles of strategic thinking and why we have been losing the struggle with the Soviet empire, the Communist Cuban colonial army and their transnational strategy of tyranny, it is necessary to focus for a moment on the basic system of thinking of our conflict.

I would suggest that the first place we lose is intellectually in the issue of thinking about the art of survival.

Sun T'zu, in "The Art of War," written 500 years before Christ, said, "Know the enemy and you have won half the battle; know yourself and the battle is yours."

He said that the process of survival is vital to the state and should be the first duty of study of every statesman.

The key to survival and thinking about survival is recognizing that competition occurs at four levels, and they are a hierarchy; that the top level is vision, the second level is strategy, the third level is operations or projects, and the bottom level is tactics. And they are a hierarchy in the sense that vision dominates everything else. Strategy, how you are going to implement your vision, dominates the other two, operations or projects. What are the definable tasks you can assign will dominate tactics, and tactics is at the base.

This is particularly important because in this country we think almost always at the tactical level. We ask about Nicaragua, not the Soviet empire; we ask about General Lopez only in Nicaragua, not about General Lopez in Syria fighting the Israelis, in the Soviet Union being trained, or in Angola dominating the freedom fighters to form another Soviet colony.

Let me give you an example of what I mean by hierarchy and use a common, everyday nonmilitary example. If you have the vision that you are going to cook a Thanksgiving dinner, you have a very different vision than if you have a vision that you are going to fix a picnic in July. That vision changes what kind of strategy you will have, in terms of what you will buy at the grocery store, how long it will take to fix it, whether or not you need to use the stove, how many people you are going to invite over, a whole range of issues, even what kind of silverware you may use.

If you think you are going to fix a Thanksgiving dinner but in fact you adopt the strategy of a picnic lunch, so you buy watermelon, you buy sliced ham, you buy lots of potato chips, you may confuse all of your friends who show up for what they thought was a Thanksgiving dinner.

On the other hand, if you think that you are going to go out on a picnic or your strategy is to set the table with the family's best China and best silver, you may confuse those who show up in their shorts and their bathing suits prepared to go to the local park.

Therefore, the strategy, operations, and tactics have to fit the vision. This is particularly important, because historically we need to study the vision, the strategy, operations and tactical framework of events to understand what is happening.

For example, the German Wehrmacht, the German Army in World War II, was brilliant at operations and tactics, probably the best army in World War II. But at the vision and strategy level, Germany lost the war. And because vision and strategy dominate operations and tactics, in the end the German Army was defeated even though it was a better operational army than any of its competitors.

The British Army in the American Revolution was clearly the superior

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operational and tactical army. George Washington could never have built an American Revolutionary Army capable of defeating the British Army. In fact, it is the arrival of French regulars that made it possible, finally, for the British to be trapped at Yorktown. The British lost one army at Saratoga because of a massive strategical mistake, not because on any single day the Americans could tactically defeat General Burgoyne at Saratoga but because strategically the British Army at Saratoga had gotten too far out of touch with the rest of the army and, therefore, was defeated by the strategic mistakes, not by its operational or tactical skills. Yet clearly the British lost the war, they lost the war because at the vision-and-strategy level, the American Revolutionary Army was superior to the British Army.

Similarly, the table was turned on us in Vietnam. While the American Army in Vietnam was clearly operationally and tactically superior to the Communist North Vietnamese Army, we never had a vision or strategy of that war which would have enabled us to win it; so although we defeated the North Vietnamese Army every single time we met them in battle, in the end we did not succeed. Indeed, in Harry Sumners' brilliant study of the Vietnam war, he begins his book with a personal story as an Army colonel of having gone to Hanoi at the end of the war, and he said to a North Vietnamese officer, "You never defeated us on the battlefield." And the North Vietnamese officer said to him, "That is irrelevant." And in that one quote, I thought Sumners caught the central lesson of vision, strategy, operations, and tactics.

If you have the most brilliant tactic in the world but your opponent can defeat you operationally, you will lose. If you have the greatest operational and tactical skills in the world but your opponent beats you at the vision and strategy level, you will lose.

It is precisely at the vision and strategy levels that the Soviet empire today is superior to the free world in our concept of the competition we are engaged in.

In the late 1940's Harry Truman, George Marshall, Arthur Vandenberg, and others invented the containment strategy to contain Joseph Stalin and the Soviet empire. It was for its time a brilliant vision-and-strategy response. It required tremendous arguments in America, impassioned pleas by Republicans and Democrats alike, fierce fights over the future of this country, the definition of communism, the nature of spying, the threat to survival.

In the end, it created an answer which lasted I believe for about 20 years.

In the mid-1960's, the Soviet empire began to develop a new transnational strategy. Contained at the top by nuclear weapons, contained in Europe by the North Atlantic Treaty Organization, the Soviet empire began to hunt for new battlefields, for a new way of dealing at the vision-and-strategy level with Western freedom.

Beginning with what Khrushchev called wars of national liberation; that is, deliberately establish Communist efforts to train guerrillas, magnified in the 1970's by a deliberate networking of terrorist groups, many of them trained and supplied by the Soviet empire, the Soviets developed a new approach, a new threat.

With the death of John F. Kennedy, the Democratic Party lost its greatest articulator of the threat of communism. Throughout the 1960's and early 1970's, compounded by the chaos of Watergate, the American Nation lost its way, the free world failed to analyze what was happening, and a new, powerful Soviet transnational strategy emerged. It is the Soviets who have invented this transnational strategy while we cling to the 19th-century European models of sovereignty, clear-cut choices of war and peace, recognition or nonrecognition. It is the Soviets who have studied our system. They have invented disinformation systems of massive scale and remarkable sophistication. We have no defensive measures to protect us from $300,000 a year Washington law firms who take Communist money to repeat Communist lies to help Communist foreign policy.

We have no techniques to explain and deal with domestic front groups guided by Communist foreign governments. We are faced with a disinformation campaign of enormous sophistication, of great power, which the Grenada documents indicate clearly has impact on the U.S. Congress, on our own staffs, on the national news media and on our intellectual community.

It is the Soviets who have created a Communist Cuban colonial army of enormous power. Remember, Cuba is dangerous for many reasons. Cuba is dangerous as a Communist colony because it makes Castro a great puppet figurehead presumably independent of the Soviets, while his very survival depends every day on the Soviet empire's money, the Soviet empire's secret police, the Soviet empire's permission; yet Castro can posture as though he were independent.

The Soviet transnational system in Cuba gives them their largest spy base outside the Soviet empire. At Lourdes in Cuba they have more electronic equipment to spy on the United States than anywhere else outside of the Soviet Union. The Soviet colonial occupation of Cuba gives them 11 airfields, a set of aircraft carriers that are permanent and stationed in Cuba itself. The Soviet use of Cuba as a colony gives them additional trainers in the Cuban Communist secret police who work closely, as Claire Sterling and others have proven, with the terrorist networks of the Palestine Liberation Organization and with Qadhafi in Libya.

☐ 1305

The Grenada documents document clearly and systemmatically for anyone willing to read them the degree to which the Grenadian Communists and the Cuban Communists were intimately tied to terrorists in Libya and elsewhere.

The Cuban colonial system the Soviets have established in their transnational method gives them a great training ground, for example, for the Nicaraguan Communists, most of whose leaders were training in Havana, most of whom met with Castro, most of whom who had worked with the Libyan terrorists, and most of whom who have a direct relationship in our allies to the Soviet empire's most anti-Israeli and anti-American activities.

Finally, it is the Soviet transnational system creating a Communist Cuban colonial army which has given them remarkable assets. Thirty-five thousand Cuban soliders occupying Angola in what is now a Cuban Communist, Soviet Communist imperial colony replacing the Portuguese colony. Thousands of Cuban soldiers occupying Ethiopia in what is now in effect a Soviet colony. Thousands of Cuban soldiers now in Nicaragua in what is a Communist Cuban colony. Again and again, the Soviets have developed a pretty inexpensive investment in a Cuban colonial army which helps them immensely.

Mr. WEAVER. Mr. Speaker, will the gentleman yield?

Mr. GINGRICH. I will yield just for a moment.

Mr. WEAVER. I was just wondering if you would oppose our own Government doing the same thing. I mean, do we not have the right to put bases in Turkey? Do we not have the right to send our warships on the high seas? Do we not have the right to use or would you oppose our using troops? Mercenary troops?

Mr. GINGRICH. I am glad you raised that; I was going to comment on that a little bit later. But I am glad you raised that issue, and I am only going to yield briefly because I want to finish this, then I will yield longer if I have time.

I had a gentleman the other day, when I was talking about Gen. Nestor Lopez who the Cubans have now sent to Nicaragua. General Lopez was sent to Syria to fight on the side of the Syrians against Israel in charge of a Cuban tank regiment. He was sent to Angola in charge of a division to

impose communism in Angola, and a colleague of mine on the left said to me, "But isn't that exactly like our generals?"

My answer was simple: If you do not believe there is slavery and freedom, there is no functional difference between those who use guns to impose slavery and those who use guns to protect freedom. Just as there is no difference between the criminal who uses a gun to rob a store and the policeman who uses a gun to protect a store.

If you are willing to say that a Cuban colonial army imposing a Soviet dictatorship on Angola is morally acceptable, then there is no difference. But in fact my dad was stationed in France and we moved out of France in 1959, and when Charles de Gaulle and the French said to us, "Take all of your troops and leave," we left.

When, on the other hand, the Polish people said in 1956–57, "Russians leave," the Russian Army came in harder. When the Hungarians rose in rebellion, the Russian tanks crushed Hungarian freedom fighters.

When the East Germans in 1953 rose in rebellion, Russian tanks crushed East Germans. When the Czechoslovakians tried to become free in 1968, Russian tanks crushed the Czechoslovakians.

I think that my good friend from Oregon raised exactly the difference between those of us who think there is a transnational strategy for tyranny on the part of the Soviet empire and who see the Cuban colonial army as a colonial army, and those on the left who in fact do not think it is an empire, do not see it as colonialism, and do not seem to understand the difference, the fundamental difference between tyranny and freedom.

Remember, recently when we talked about our bases in the Philippines, no one suggested, "Let us send an American army of occupation to kill Filipinos so we can keep Clark Field and we can keep Subic Bay." What we said was, "If a Philippine Government comes into power and asks us to leave, we will leave." Because, after all, we believe in freedom and in a free people being our allies, not our puppets.

Let the people of Poland tomorrow morning ask the Russians to leave, and they will be met by machineguns. Let the Cuban people tonight ask the Russians to leave, and they will be met by Hind helicopters with gatling guns.

My good friend from Oregon explained precisely the difference between those of us who fear tyranny and those of our friends on the left who do not seem to be able to understand the difference between John Brown who was trying to free the slaves and those who used rifles to keep the slaves in slavery.

Furthermore, it is the Soviets who have encouraged a worldwide network of terrorists who attack Israel, undermine the West, and threaten our security as individuals and our very survival as a civilization. Yet we do not even to this day have an adequate doctrinal strategy for transnational terrorism developed by states. Otherwise, how could Qadhafi recently have threatened us when he has a tiny dictatorship and we are the most powerful free country in the world.

It is the Soviets who have developed negotiations as a screen behind which to consolidate dictatorship, train the next cycle of guerrillas and terrorists, and it is the Soviets who have developed gradualism as a strategy. First, Castro took power in Cuba. Then he imposed a Communist dictatorship. Then he developed Communist secret police. Then he accepted a few Soviet trainers. Then a few helicopters. Then a few Mig fighters. Then a couple of submarines. Now he has an army in four different countries occupying colonies for the Soviet Empire.

Inch-by-inch, step-by-step we were told let us negotiate. What happened? The Communists grew stronger in Cuba. Then we were told let us draw the line, and what happened? A year later, 2 years later when we were not paying attention, the Communists crossed the line. What are we seeing in Nicaragua today? It is Cuba all over.

First comes the dictatorship, but let us negotiate. Then come the secret police, but let us negotiate. Then comes training guerrillas, but let us negotiate. Then come the Cuban advisers, but let us negotiate. Then come the Soviet advisers, but let us negotiate.

Then come the Hind helicopters, but let us negotiate. Then come the Czechoslovakian light fighter-bombers, but let us negotiate. Finally come the Mig-23's, but let us negotiate. Then comes the training brigade of Soviet troops, the heavy tanks, then come the missiles.

Not a single thing I have just described failed to happen in Cuba and two-thirds of it has happened in Nicaragua. What is the answer of our friends on the left? It is to not notice it, to explain it away; but frankly what is the effect of our executive branch? It is to fail to develop a diplomatic response, a political response or a military response that is effective.

Finally, it is the Soviets who have developed language into a war of words of great power. Lenin probably most brilliantly personified this when he and his faction lost a fight for control of the International around 1903, and immediately adopted the Russian word "Bolshevik" which means majority.

As Lenin said, "If we who are the minority, they had lost the vote, but they said if we call ourselves "Bolshevik" meaning majority, and we call our opponents "Menshevik" meaning minority, then after a year or two, everybody will believe that we are the majority and they are the minority.

So they were Bolsheviks ever since. It is Lenin who called the Soviet newspaper Pravda, which means truth. Because he said, "I will own truth." He meant by that not merely a pun, but the literal ability of a totalitarian state, as George Orwell told us in "1984," to redefine reality over and over again.

The Soviets believe very deeply in a war of words and in the power of language to shape reality. They understand George Orwell's essay on politics and the English language. They systemmatically use words which is why they call their armies "peoples' armies" even if they are dictatorships and thugs and terrorists. Which is why they told their Communists in Nicaragua to use "Sandinista" because they knew that if they were called Communists we would have understood it. Yet, we do not even realize that Leninism as a doctrine for the use of language exists.

All too often we use their words. Our Government uses their words. We sent, for example, last year congratulations on the coup de etat on the anniversary of the Soviet takeover of power illegally in the Soviet Union. A nonsensical concept intellectually if there is a Soviet Empire.

Again and again we forget that words in the long run define reality and that if you cannot think it, you cannot say it; and if you cannot say it, conversely you cannot think it. If we think of the Soviets as "Gorbachov is basically a nice guy," and I can find you quotes, the best of them by George McGovern, on Andropov as a reasonable man.

Now, Andropov was the head of the Soviet Secret Police. He helped invent using mental hospitals as a torture ground for people who dissented. He helped develop the Gulag Archepelago. He was the Ambassador who brought in Soviet tanks to crush the Hungarians. There are no adequate words in the West to describe what the horrible thug Andropov was functionally even if he drank scotch and pretended to be nice personally.

Because we lack the words, we all too often deceive ourselves. We are a little bit like the story of the "Three Little Pigs" in which, if the Little Pigs had said, "Oh, that is not a wolf, that is essentially a well-meaning mammal with a strange appetite for protein," they would, over a time, have decided that we would have; if the wolf had described himself in Leninist terms as a "hairy pig," and said, "Yes, I have nutrition problems, but do not think of me a wolf, wolves are those people over there. I am essentially a hairy pig, and yes, I eat protein, but I will not eat you today." You would understand then far better the nature of

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Gorbachov, Andropov, Chernenko, and the Soviet Empire.

Vision must lead to words. Our vision cannot exist if we cannot say it. Strategy must lead to policies, to strategies, and they must lead to structures for implementation. Operations must be definable tasks for which we can hold people accountable.

□ 1515

The tactics on a daily basis must be a doctrine that fits our vision of strategy.

It was totally appropriate for this Congress to impose human rights limitations on the Government of El Salvador if we were going to support it. In my judgment, it is totally appropriate for us to impose human rights limitations on the freedom fighters in Nicaragua if we are going to support them. That is making a doctrine of freedom fit at a tactical level our vision of freedom, but I think you then have to be able to supply the trainers to make sure they are well trained. You must be willing to supply the kind of detailed help that is necessary if the forces of freedom are going to win.

That is why, frankly, I think we should declassify a lot more. If we in fact have, as the Central Intelligence Agency keeps claiming and the White House keeps claiming, if we have massive documentary proof of the existence of the Soviet disinformation network, then our vision of freedom should require our Government to declassify those arguments and let us talk it out here in public and let us look at them and let us learn which ones are important and which ones should worry us and which ones are relevant.

Let me within this framework of vision, strategy operations and tactics, go back to the first proposition. Is there a Soviet empire? Does it use a Communist Cuban army to extend its power, and has it developed a transnational strategy for imposing tyranny on people?

I think it is clear, the Soviet empire is real. It has developed a transnational strategy for tyranny. It does use the Communist Cuban colonial army as a colonial army around the world and it is helping terrorists so that they will undermine the free world.

Why if those are true, and I think it is almost impossible for a reasonable person to deny that at least at a fundamental level they are true, why then do so many people reject this reality so totally?

I would suggest that to an American in the late 20th century the central challenge of the reality of the Soviet empire is intellectual and psychological. Intellectually, many Americans simply do not want to believe in the weird and frightening reality of the Soviet empire. They refuse to read Russian history. They refuse to study Lenin. They refuse to study 40 years experience of Soviet colonialism in Eastern Europe. They refuse to study 26 years of Castro's communism in Cuba. They refuse to examine the emerging new historiography about the Vietnam war and the success of a Vietnamese colonial imperialism allied with the Soviet empire. They refuse to study the Grenada documents and their clear lessons about the nature of the Soviet empire. They refuse to study the true meaning of Marxism-Leninism as an instrument of tyranny and the deliberate ways in which the Grenadian Communists with Cuban and Soviet training and guidance were lying to the American Government and the American people and were manipulating our sincerity to mask their tyranny.

These Americans who intellectually hide from reality deny the over 16-year pattern of Nicaraguan Communist ties to Cuba and to Middle Eastern terrorism.

They also reject the clearly colonial nature of the Cuban occupation of Angola. They ignore or refuse to confront the gruesome terrible daily reality of a thousand people a day dying in Communist Ethiopia from deliberate actions by the Communist dictatorship designed to strengthen its grip on the country. They ignore or refuse to study the realities of military power and so they never read "Sun T'zu, the Art of War," Clauswitz on war, Mao Tse Tung on "Guerrilla Warfare," or Lenin on "Totalitarian Power."

This first weakness is the intellectual weakness of ignorance, a weakness which was described by James Madison, who said:

> Knowledge shall forever govern ignorance and a people who mean to be their own governors must forever arm themselves with the power which only knowledge can give.

But this first weakness of intellectual weakness is compounded by a second weakness, the psychological block on learning, which psychologists call cognitive dissonance, which is driven by an isolationism and a pacifism, the will to avoid knowledge which might be frightening.

Starting with the horrors of World War I, there has been a growing western world tendency toward pacifism and isolationism. Henry Wallace in America in World War II, George McGovern who campaigned for Henry Wallace, Jimmy Carter who in many ways accepted McGovernism, Walter Mondale who defended McGovernism; today there is a generation of politicians, intellectuals, and religious leaders on the left who I think in many ways find it very, very difficult to deal with the weird frightening reality of the Soviet Union and find it easier to be reassured by a fantasy that is pleasant, but simply does not conform to the real world.

The fact is that there is a Soviet empire of tyranny and there is a rational historical basis for its existence.

The key to understanding the Soviet empire is to recognize how different from us it is.

The key lesson of Charles Krauthammer's essay on "Mirror Images" in his new book "Cutting Edges" is that many of us on the left simply refuse to accept that Khomeini is different from us, Gorbachev is different from us, the Kremlin is different from us, the Soviet tyranny is different from us.

The key lesson of Theodore White's book "America in Search of Itself" in which he talks about how hard it was for the Carter administration to recognize that Khomeini was by Western standards a barbarian, that is, a man outside our culture, which is what the word means, is equally difficult for the rest of us in dealing with the Soviet Union.

Western civilization is a set of values, the importance of the individual, that no one is above the law, the right to private property, the right to a free press, the right to free elections, to give power to those in government and to take back that power, the right to freedom of religion and freedom of speech.

Note that in Western civilization these are rights and they limit and control the power of government over the individual citizen, as even Richard Nixon found when we proved once again that no one person is above the law.

A student at the University of Virginia Law School the other night asked me, "Aren't we and the Russians really sharing the same civilization? Don't we and the Russians really have the same heritage?"

The question was based on my discussion of Japan, and he said, "But isn't Russia more like us than Japan?"

My answer in a word is "No."

In fact, there is a form of shallow history and a kind of racism which suggests that because Russians are white and we are white and most Americans are white, that we must be more like the Russians; yet the fact is that Oriental Japanese, Asiatic Indians, Caucasians who happen to be Americans, have far more in common in political and legal values than any of us have with Caucasian Russians.

The fact is that in political values and government systems, India and Japan are more western than the Soviet Union. The fact is that while we have a deep cultural and societal difference with Hindu-Muslim and Buddhist Indians, we share with the people of India a deep reverence for the law, for the rights of the individual, for a free press, for elections.

The fact is that while we have deep differences in culture, history and geography with Japan, we share a similar process of law and government and society.

It is the Soviet Union which is a strange and barbaric country, a throwback to the Middle East, a medieval czardom with a computerized modern secret police.

The weird frightening uniqueness of the Soviet empire in the late 20th century is captured brilliantly in Paul Johnson's "Modern Times, a History of the 20th Century."

The tragedy of the Russian people and the even greater tragedy of the dozens of other nationalist nationalities, oppressed, colonized and exploited by this weird mutation of a great Russian medieval empire, the Duchy of Muscovy, into a 20th-century empire, shaped by Leninism and held together by terror, is something we have to confront directly.

Solzhenitsyn has explained brilliantly in fiction and nonfiction the grim ruthless savage reality of the Soviet empire. It is there in his books for all who will simply look: "One Day in the Life of Ivan Denisovich," the "Gulag Archipeligo," the "Cancer Ward," and others.

Can anyone read them without tears, think of them without deep sadness, ponder the nature of that evil empire without fear for freedom and humanity?

An American writer, Harrison Salisbury, caught the essence of Soviet tyranny, the savagery of the police state, the brutality of the system that Gorbachev heads in his novel "The Gates of Hell." It is a novel about two characters who resemble Solzhenitsyn and Andropov. Anyone who reads it will understand why President Reagan called the Soviet Union an evil empire.

The Soviet Union is not only terrible for human freedom and human decency, it is the last great colonial empire.

Ed Luttvak's book, "The Grand Strategy of the Soviet Union," makes clear how obvous the Soviet empire is if you simply ask straightforward questions. What is the Soviet domination of Poland but an empire?

What is the Soviet domination of East Germany, Hungary, Czechoslovakia, Romania, Bulgaria, if not an empire?

Our less sophisticated friends on the left will say, what is the difference between NATO and the Soviet empire in Eastern Europe? The difference is exactly the difference between slavery and freedom.

When De Gaulle left us to leave France, we pulled out.

When the East Germans rose in 1953, they were crushed.

When the Hungarians rose in 1956, they were crushed.

When the Czechs moved toward freedom in 1968, they were crushed.

When the Poles rose in Solidarity in 1980, the Soviet sent a simple message to Jaruzelski, "Either you crush the effort for freedom or Soviet troops will crush it."

Note the American confusion in the Gerald Ford-Jimmy Carter debate in 1976, because it illustrates the failure of vision and strategy in America. Technically, under the old rules of sovereignty, Poland is sovereign and Gerald Ford tried to say that, but he lost ground politically because Americans understood that it is dumb to think of Poland as a free country. While Poland may be technically sovereign by the most gruesome rules of law, it is clearly a colony of the transnational Soviet empire. So Jimmy Carter, who in fact favored George McGovern's policy, sounded tougher than Gerald Ford because the State Department had coached Ford to say that which was technically correct at a technical level, but at the vision level was clearly dumb and wrong.

Poland is not sovereign in any sense except in the most grotesque. Poland is a colony of the Soviet empire.

Similarly, the Ukraine today as we talk has a vote in the United Nations because it is theoretically free. There is a simple test. The United States, the Reagan administration, should ask the Soviet Union to allow us to open an embassy in Kiev, recognizing the Ukrainians. We should recognize the Ukraine as a separate country, or we should insist that the Soviet Union withdraw its phony puppet colony vote from the United Nations.

But note today how the Soviet empire wins both ways. It uses a transcendental strategy of lies and Western gullibility to get both. They get the vote in the United Nations for their colony and they get to keep the colony.

The weird frightening reality of the Soviet empire and the degree to which it is very different from Western values, the rule of law, free elections, freedom of religion and free press, can best be seen in the context of Russian history, Leninist ideology and the recent activities of the Soviet police state and the Soviet imperial effort through its Cuban colonial army.

Paul Johnson's brief description of czarist Russia and Lenin's adaptations of the 19th-century czarist secret police into a 20th-century totalitarian system is brief, concise and conclusive.

The Grenada papers, the 35,000 pounds of documents captured from the Communist dictatorship when Americans liberated Grenada and the 800 pages of documents published by the State Department proved conclusively that modern Leninist governments are systematically trained in Lenin's methods.

Since Gorbachev's wife is a professor of Marxism-Leninism, it should be obvious just how central Lenin's thoughts on power and tyranny are to the operations of the Soviet empire.

To try to understand the Soviet empire without studying Lenin is like trying to understand the U.S. Government with no knowledge of the American Constitution or American political parties; yet Lenin's writings are so ruthless, so savage, so antihuman, so alien to Western values, that most Americans shrug them off and refuse to take them seriously.

There is a real parallel between the psychological will to avoid reality and hide in the fantasy of pacifism and isolationism in the 1930's and the same determined psychological avoidance of reality on the religious left, the academic left, and the political left over the last 30 years.

No reasonable person can read the published open documents, Lenin's writings, the speeches of Brezhnev, Andropov, and Gorbachev, Castro's speeches, the "Seventy-two Hour Document of the Nicaraguan Communist Dictatorship," and their public statements, the published writings of the Vietnamese Communists since their victory, as cited by Fox Butterfield in his brilliant New York Times article, "The New Vietnam Historiography," the thousands of pages of documents from Grenada.

Given the consistent straightforward pattern of Soviet imperialism and its open published record of telling us what it will do, doing it, and then telling us it has done it, why is it so hard for the leftwing of American life to learn?

Eric Hofer's "The True Believer," John Francois Revel's, "How Democracies Perish," and Walter LeQuer's "The Terrible Secret" give us some of that understanding and perhaps of the three of them, Walter LeQuer's is the most powerful and the most frightening for LeQuer went back and looked at the annihilation of the Jewish people at Auschwitz, at the terrible holocaust of Nazi Germany, and he asked in his book, "How could westerners fail to have believed? How could they fail to have learned? How could they fail to have noticed?"

He cites perhaps most tellingly Felix Frankfurter, the great Justice of the Supreme Court, who when briefed by a European Jew on what was happening, said to the young man, "I cannot believe you."

And the young man started to object and he said, "Please, understand me. I believe the facts you say are true. It is simply impossible for me to believe it is possible for the world to be so horrible. I cannot in my soul, in my heart, believe the world could be so evil."

And yet as our troops walked through those concentration camps, it was clear the world was that evil.

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□ 1330

TRIBUTE TO ISRAELI PRIME MINISTER SHIMON PERES

The **SPEAKER** pro tempore. Under a previous order of the House, the gentleman from Michigan [Mr. BONIOR] is recognized for 30 minutes.

Mr. **BONIOR** of Michigan. Mr. Speaker, I would like to talk a little bit this afternoon about the Peres government in Israel.

In the fall of 1984, the nation of Israel seemed deeply troubled. The war in Lebanon had polarized Israeli society internally, and damaged the country's prestige internationally. Severe economic difficulties were evidenced by an inflation rate for the month of September that, if projected on an annual basis, would have been a staggering 1,000 percent. The peace process, once symbolized by the Camp David accords, had deteriorated to the point where even relations with Egypt seemed near breaking, and expanding the peace process seemed far from reaching the goal of the political agenda.

The elections of that summer seemed to hold no promise of better times. They seemed, instead, to underscore the deep divisions and the many factions of Israeli politics, when Shimon Peres took the reins of a shaky coalition government, the obstacles before him looked virtually insurmountable.

Yet, in the year and a half that Prime Minister Peres has held office, he has won the respect of both allies and opponents with his political skill and decisive leadership. He has demonstrated the courage to tackle Israel's foreign and domestic crises head on. Despite the difficulties posed by Israel's contentious factions, he has clearly charted a new direction for his nation.

In doing so, he has restored the confidence of many of us who had wondered if the policies of the past government would mean that Israel had turned forever from the vision of its founders. Shimon Peres has not only revived Israel's ideals, he has tempered those ideals with the heavy dose of pragmatism required to tackle the formidable problems of Israel today.

Among Prime Minister Peres first priorities was to help his nation overcome the trauma of its experience in Lebanon. The Likud party still continues to throw barbs at each other for the excesses of that period. Peres, however, has never sought to cast blame. Instead, he has shown a determination to move the nation forward.

By achieving, albeit slowly and painfully, the withdrawal of Israeli troops from Lebanon, he has helped the nation heal the wounds of war. Speaking of the decision to withdraw Israeli troops last spring, Peres himself said:

> We have returned to our values as a nation, as a people, as a nation that has principles.

At the same time he has kept a vigilant eye on the security needs of his nation, reminding the Israeli people that the withdrawal was the key to reestablishing "our national consensus on defense policy."

In the economic realm, as well, Prime Minister Peres has shown an evenhandedness and a willingness to face very tough choices. During the 7 years of Likud rule, the inflation rate in Israel had jumped from 40 percent to more than 400 percent per year. The annual rate of growth of the country's economy had slipped from 9 to 10 percent in the early 1970's to between 1.8 and 1.1 percent in the final years of the Likud. Since 1977, the nation's budget deficits averaged 15 percent of its gross national product, that is three times higher than last year's deficit in the United States. The occupation of Lebanon alone cost Israel $1 million a day.

There will be no quick fixes to these deep-rooted economic problems. Yet Prime Minister Peres has shown the backbone to make the hard decisions Israel needs. He has imposed a strict austerity program, in spite of the protests of some of his closest supporters. He has called forth from a people who have already given so much for the good of their nation, new sacrifices on the economic front. As a result, the inflation rate was reduced to 182.5 percent last year, less than half the rate of the previous year. Budget cuts have been made, and the nation's balance-of-payment deficit has improved.

To those who had feared that Israel had become hopelessly addicted to American aid, Peres has shown not only that Israel intends to protect its economic independence but that it is sensitive to America's economic constraints as well. The decision of the Peres government to voluntarily return $51.6 million in U.S. economic aid for this fiscal year, is a welcome reminder that the ties of friendship between our nations run both ways.

Finally, on the most intractable issue of all—the frustrating search for peace between Israel and their neighbors, Shimon Peres has shown a willingness to extend the extraordinary leadership required to make progress. When Prime Minister Peres spoke at the U.N. last October, he issued a historic call for a "new phase in the Arab-Israeli peace process."

He set in motion a new dynamic, which has since sputtered but has not yet died. He offered new hope for talks between Israel and Jordan, and for progress on the Palestinian question. In his speech to the assembled delegates, he expressed a new determination to look our younger generation in the eye and vow to do all that is humanly possible so that never again will a young boy die in a war we failed to prevent.

The road to peace in the Middle East will be a rocky one; it has been a rocky one. We should have no illusions about that. The promise of last fall's diplomatic initiatives has since waned.

For Israel the question of peace is complex; the debate intense. As Thomas Ferguson of the New York Times has recently observed, "The debate involves much more than security arrangements alone. For many Israelis it is also a debate about the borders of land, the borders of heritage, the borders of history and the borders of dreams. That is what gives it its passion."

But it is initiatives such as those by Prime Minister Peres at the U.N.—by the leaders who have the personal courage to take the first step, to seek mutual understanding, and to build a frame work for communication between peoples—that give peace its promise.

Israel will continue to be a nation with special problems, and a special relationship to the United States. Because it is surrounded by hostile neighbors, the question of security will be a priority which overshadows all others. America needs to acknowledge this and to continue to provide what we can to ensure the security of our closest ally in the Middle East.

These extraordinary security concerns, combined with its commitments to social and economic equality, and its mission to open its doors for all Jews seeking a homeland, will continue to keep the Israeli economy in precarious condition. Americans need to realize this, and be ready to provide support to help Israel keep its economic house in order.

Our commitment to Israel as a nation and a people is deep and irrevocable. It is borne not only of our awareness of Israel's strategic importance, but of a profound moral obligation and an abiding sense of kinship.

We will still expect to criticize if certain leaders and policies seem to be misguided.

That is the strength of our democracy, the ability to criticize when warranted. We, in this body and in this Nation, should not be afraid to give just criticism where just criticism is due. We have a tendency here to be less critical than the opposition, frankly, in Israel itself.

Until the Palestinian question is resolved in a way that guarantees the full rights and dignity of all peoples in the Middle East, the people of Israel will neither find security from the threat of war, nor spiritual peace among themselves. Yet, we need to always keep in mind the vigors of Israeli democracy which guarantee that such debates will flow freely in Israel itself.

And we must take time to honor and applaud the leaders of Israel, like Prime Minister Shimon Peres, who remind us of that nation's noble traditions and who have held out new prospects for peace. Above all, we must not let this opportunity pass to renew our own commitment to peace in the Middle East. Now is the time for the United States to once again make peace in the Middle East a national priority.

□ 1340

CASE OF MYSTERY POISONINGS IN OREGON SOLVED

The **SPEAKER** pro tempore. Under a previous order of the House, the gentleman from Oregon [Mr. WEAVER] is recognized for 60 minutes.

Mr. **WEAVER**. Mr. Speaker, 1 year ago on the 28th of February, 1985, I made a speech during a special order on the floor of the House. As a matter of fact, this is the CONGRESSIONAL RECORD containing that speech on February 28, 1985, a year ago in which I warned my fellow Oregonians and the Nation about a town that was poisoned. Let me read the opening of that speech. I quote from the CONGRESSIONAL RECORD:

> Mr. Speaker, I have a strange and terrifying tale to tell the House. It is about a town that was poisoned. This town has a population of 10,000. When the poison struck, over 700 were taken violently ill. There were, in fact, 715 confirmed cases of poisoning. Another 117 had severe symptoms. Over 45 hospitalized. A pregnant woman and her husband were poisoned; her baby born soon after had the effects of the poison. Fortunately, no one died.
>
> The poisoning was investigated thoroughly by county, State and Federal health authorities. The investigation pointed directly to the food from salad bars in eight restaurants in the town. Another two restaurants without salad were implicated, although fewer cases from these two restaurants were reported. The poisoning occurred in two waves in September of 1984, with an astronomical 450 cases reported on the weekend of September 23.

Continuing to quote from my speech in the CONGRESSIONAL RECORD of February 28, 1985:

> The poison was salmonella typhimurium. The town was The Dalles, OR. To dramatize for you how unusual this outbreak of poisoning was, let me cite some figures:
>
> The Dalles has not had a single case of reported salmonella poisoning since 1978. Before 1978, only one or two cases a year were reported.
>
> The entire State of Oregon has reported salmonella cases ranging from 250 to 400 a year. The Dalles outbreak had 715.
>
> Most significant of all—highly significant—The Dalles outbreak did not come from one food source from one site nor did it occur at one time. The sources of The Dalles outbreak were eight salad bars. And the outbreak came in waves.
>
> Salmonella is not easy to catch, like the common cold or flu. It is difficult to pass from one person to another in ordinary encounters. It almost always occurs from eating food that has been contaminated, improperly cooked, or left out of the refrigerator too long. Salmonella feeds on protein and usually occurs in meat, poultry, eggs, fish, milk or cheese. Not green lettuce salad.

Mr. Speaker, that speech was the result of an investigation that I personally made on the salmonella outbreak in The Dalles. I had planned when I went to college to get a doctorate in biology. I have continued to read in biology most of my life. When I spotted the unusual occurrence of salmonella in the town on that September of 1984, I felt something was wrong. I had made a daily investigation, speaking with the health authorities of Oregon and of the Federal Government who were investigating it. I pored over their data. I analyzed their computer runs. I came to the conclusion that something very dangerous had occurred.

I went to the Federal Bureau of Investigation and I asked them to conduct an investigation. They felt that there was not enough cause to warrant an investigation.

I went to the health authorities and the health authorities said well, we do not think anything happened at all. We think it is just a common case of salmonella outbreak, perhaps the food handlers in the eight restaurants did it. I said to them at the time, the food handlers in eight restaurant salad bars at one time? That is not the way salmonella works, and you know it. But the health authorities maintained their position and, therefore, no investigation occurred.

I said to myself I know after my investigation that something very wrong is out there. I believe that my constituents, that my fellow citizens of Oregon, of Portland, of Eugene, of Cottage Row, of Ashland as well as the citizens of The Dalles could be in danger.

What would you do if you knew someone was poisoning the food in your town, in your neighborhood, that your children might be sickened, might die? Would you not go and do everything you could to try to stop it? I did. I made this speech trying to alert the authorities and the people of Oregon to the danger that might occur to them.

Here is how I concluded my speech that time of February 28, 1985, a year ago:

> Who would do such a terrifying thing? Who would poison a whole town; or at least 715 of its citizens? Whoever did could not have known how many people they would poison, or whether someone might die from the poisoning. But the massive assault on the people of The Dalles was that: a massive assault, almost a war on the town. Who would want to do it? And who would have the capability to do it?
>
> Is there a madman lurking in The Dalles? The poisoning was an insane act, an act of violent hatred, carried on with subtle means. There must be such a person or persons with the motive and ability to assault this town, for it actually happened.

That concluded the part of my speech about the poisoning and my investigation of the poisoning. But I went on in a new section of my speech. I had no concrete evidence leading me to believe who might have done this poisoning, but I wanted to show what was happening within a few miles of the towns where the poisonings took place and I began talking about a group of people who had arrived in Wasco County. The Dalles is the county seat of Wasco County, in 1981. They were followers of a native of India who called himself Bhagwan Shree Rajneesh.

I went on to describe the Rajneesh and I went on to describe in that speech how they had begun recruiting from throughout the United States down-and-outers who lived on skid rows of major cities, and they had transported these people, thousands of them, to Rajneeshpuram, the town they had built in Wasco County, as many of us believed, to influence the election that would occur in a month or so from the time of the bringing in of the State people and the poisoning of the people of The Dalles.

I said in my speech:

> The person who spoke for the Rajneeshees most frequently was a woman called Ma Anand Sheela, the personal secretary of the Bhagwan. On September 18 press reports quoted Ma Anand Sheela saying to a rally:
>
> You tell your Governor, your attorney general and all the bigoted pigs outside that if one person on Rancho Rajneesh is harmed I will have 15 of their heads, and I mean it. You have given me no choice. Even though I am a nonviolent person I will do that.

Ma Anand Sheela said that on TV the day the greatest wave of salmonella poisoning occurred in The Dalles. Remember, 715 people came down with virulently ill salmonella typhimurium poisoning. A baby born of parents who had the poisoning itself could have died. One man had to go through several operations to relieve himself of the problems he had incurred in the poisoning.

So I did this speech on the floor of the House. The press in Oregon took me to task for this speech and they said that I did not know what I was talking about, that it was, and I quote one press service report saying I made a "long, rambling speech on the floor to an empty Chamber." Well, the Chamber is empty today. My speech I do not believe is long and rambling. I can tell you the speech I made a year ago on the floor of the House was a carefully reasoned, carefully thought out speech, but the press seemed to feel that if they can criticize me in any way, they would take this instance to do it as well.

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Two days ago, a Federal grand jury in Portland, OR, indicted Ma Anand Sheela for salmonella poisoning of The Dalles. They are not convicted, but a Federal grand jury has heard witnesses and has felt compelled to bring forth indictments against Ma Anand Sheela and her associate, Ma Anand Puja, who was connected with the medical laboratory.

I had pointed out in my speech a year previously that you not only had to have the motive to want to poison a whole town, you had the ability to do it. And I said that the Rajneesh had a bright new medical laboratory at the Rajneeshpuram capable of culturing the salmonella, and so it turns out this is the case. Ma Anand Puja was one of the directors of that medical laboratory.

The Associated Press carries the story, Portland OR, AP:

> Two former lieutenants of Bhagwan Shree Rajneesh have been charged with mastering a 1984 food-poisioning outbreak that sickened more than 750 restaurant customers in The Dalles. Ma Anand Sheela, the Indian guru's former secretary and Ma Anand Puja, the former head of the Rajneesh medical corps, were indicted Wednesday on a Federal charge of conspiring to tamper with consumer products. The women are accused of conspiring to place the bacteria, salmonella typhimurium, in food at several restaurants in the northern Oregon city of The Dalles.

Mr. Speaker, I do my best to represent the people of my congressional district and, of course, Oregon. And when I came to a conclusion that the town of The Dalles had been deliberately poisoned, and spelled this out in a carefully reasoned speech on the floor, first having asked the police and health authorities to do further investigation, and having their unwillingness to do that, I felt compelled to make that speech to alert the people of Oregon to the danger they were in.

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I was taken to task by the press for doing so. I now ask the press, in all fairness, to print on the front pages of your newspapers and on your television stations and on your radios, the fact that Jim Weaver was right, and he had cause to be right.

I did my best to alert the people and authorities of Oregon to the extreme danger we were in. Ourselves and our children, throughout Oregon, from mass poisoning of our food by people who were capable of such an act.

My own intensive investigation of the food poisoning in The Dalles pointed me to no other conclusion but that the Rajneesh did it. It is possible, and I can take comfort in this: That the Rajneeshis might have perpetrated other food poisonings, and who knows but maybe they did; there were food poisoning outbreaks in Portland, in Ashland, in Cottage Grove soon after. I have no idea whether they came from the same source or not.

I can say this, that by throwing the spotlight on the Rajneeshis and the salmonella poisoning in The Dalles by my speech on the floor a year ago, I may have prevented them from perpetrating any further such heinous and insane acts.

I conclude, Mr. Speaker, by saying that I do not take positions on issue as serious as a massive food poisoning in a town of 10,000 people or on the WPPS nuclear plant fiasco or on other issues of great moment unless I have conducted a careful, thorough, extensive investigation; have thought out every single ramification, and then I will make my conclusions known if I feel there is public purpose for it.

I did so a year ago, because I felt that the people of Oregon were in danger, and I wish that the press—although the press did its job; it carried my message. Unfortunately, the health authorities would not budge, but remained adamant in their position that somehow or other, foodhandlers in eight restaurants simultaneously had caused this outbreak of the salmonella, when everyone knows salmonella is seldom passed hand to hand, but must be cultured in food.

When the health authorities remained adamant, I could only take my case to the people to try to alert them to the danger we were in. I ask the press now to carry this vindication, and I do not feel all that gratified by this. I was simply doing my job, and I intend to continue to do my job. When I see danger facing my constituents, either economic danger, military danger, or danger from mad people who had poisoned an entire town, I will do my duty.

HELPING MILITARY FAMILIES ON HOUSEHOLD GOODS

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from California [Mr. Panetta] is recognized for 5 minutes.

Mr. PANETTA. Mr. Speaker, I rise today to draw my colleagues' attention to a problem facing our military families. My colleagues know that I am deeply concerned with the quality of life we provide to our military personnel and their dependents. I am pleased that I was able to join in efforts to ease the burdens on our military families in the last session and that many of my original proposals found their way into the Department of Defense authorization for fiscal year 1986. But this is an ongoing issue and there is much yet to be done.

Today, I would like to talk about the problems associated with limits on the temporary storage of a servicemember's household goods. It is a major financial problem for many of our military families, but it is a problem we can solve with very little effort and even less expenditure.

As all of my colleagues know, our service men and women are subjected to great financial burdens and hardships during a Government-ordered permanent change of station [PCS] move. A servicemember must move from one post to another, often at very high cost, and set up housekeeping at a new post. After finding housing and making first and last month's payments and deposits, it is not uncommon for a military family to find itself several thousands of dollars in debt upon reaching a new post. And the servicemember who finds housing is lucky indeed in certain areas, such as the one I represent.

The Government, in order to help out the servicemember, pays for the storage of a servicemember's household goods for 180 days in order to give the servicemember time to find adequate and affordable housing, either on- or off-post. If the servicemember needs his or her goods to remain in storage after the 180-limit has expired, the servicemember must pay the costs of storage.

In most areas of the country, a servicemember can find housing within the allotted 180 days. This is not the case, however, in my district. On the Monterey Peninsula—the home of Fort Ord, the Naval Postgraduate School, the Defense Language Institute, and Fort Hunter Liggett—on-post housing is scarce and off-post housing is both scarce and expensive. The vacancy rate on the Monterey Peninsula, in fact, is only 1.5 percent. Housing is so expensive that some military families are forced to share housing with other military families. Worse still, some families are forced to separate because housing for a family is simply too expensive.

This situation, which is all too common, forces many of our service men and women to require on-post housing. But there is not yet enough housing to meet the needs of our military families on the Monterey Peninula. At last count, in fact, there were 2,500 names on waiting lists for on-post housing. And the wait can be long indeed.

At Fort Ord, it is common for a junior enlisted officer to wait 1 full year for on-post housing. But the Government only pays for the storage of his or her household goods for 6 months. This means that the servicemember must pay the storage costs for the additional 6 months, or longer. Mr. Speaker, there is no reason why we should shift the burden of storage costs on the servicemember when it is not the servicemember's fault that we have not yet provided enough military housing.

Thankfully, this Congress has authorized funds that will enable Fort Ord to house more of its military personnel and their dependents. It is my hope that we may, in fact, reach a point in the not-too-distant future where the housing shortage at Fort Ord will be a thing of the past. But it will take time for this construction to be completed. And, in the meantime servicemembers at Fort Ord will continue to pay for the storage of their household goods, unless we act.

Current law allows for extentions beyond the 180-limit in only very limited circumstances. I think we need to broaden these allowed circumstances a bit. For this reason, I have been joined by my colleague, Pat Schroeder, in introducing legislation that

would allow for extensions beyond the 180-day limit when "the Secretary concerned determines that temporary storage in excess of 180 days is justified by reasons that are beyond the control of the member concerned." One of these uncontrollable circumstances would be an exceptionally long wait for on-post housing.

Passage of this legislation would mean that if, at the end of the allotted 180-day period, the servicemember has not yet been able to find on-post or adequate off-post housing, that the military will continue to pay the costs of storage.

The approval of this legislation would greatly ease the financial burdens on our military servicemen and women, and it would cost very little to enact. According to an Army estimate, the enactment of this legislation would only cost $800,000 a year over the next 5 fiscal years. It is a very small investment, when you consider the size of our defense budget, but it would mean a great deal to the quality of life available to our military personnel and their dependents.

We are talking essentially about fairness. Our military personnel enter the service to serve their country. They ask only that we provide them with a minimum standard of living. If we cannot yet provide enough housing for our military personnel, then the least we can do is ease their financial burdens while waiting for available on-post housing.

Mr. Speaker, this legislation will only clarify existing law. It will cost very little money. And it will make life a lot easier for our military personnel. I urge my colleagues to support this legislation.

A text of the bill follows:

H.R. 4484

A bill to amend title 37, United States Code, to provide increased authority for the temporary storage of household effects of members of the uniformed services in connection with a change of duty station

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. TEMPORARY STORAGE OF HOUSEHOLD EFFECTS.

(a) Extension of Authority.—The second sentence of section 406(b)(1)(A) of title 37, United States Code, is amended by striking out the period at the end and inserting in lieu thereof the following: "in accordance with the regulations in effect on January 1, 1986, or when the Secretary concerned determines that temporary storage in excess of 180 days is justified by reasons that are beyond the control of the member concerned.".

(b) Effective Date.—The amendment made by subsection (a) shall apply with respect to the storage of baggage and household effects after the date of the enactment of this Act.

SPECIAL ORDERS GRANTED

By unanimous consent, permission to address the House, following the legislative program and any special orders heretofore entered, was granted to:

Mr. Slattery, for 5 minutes, today.

(The following Member (at the request of Mr. Gingrich) to revise and extend his remarks and include extraneous material:)

Mr. Gingrich, for 60 minutes, March 25.

(The following Members (at the request of Mr. Gonzalez) to revise and extend their remarks and include extraneous material:)

Mr. Bonior of Michigan, for 30 minutes, today.

Mr. Weaver, for 60 minutes, today.

Mr. Weaver, for 60 minutes, March 25.

Mr. Scheuer, for 5 minutes, today.

Mr. Annunzio, for 5 minutes, today.

(The following Member (at the request of Mr. Weaver) to revise and extend his remarks and include extraneous material:)

Mr. Panetta, for 5 minutes, today.

EXTENSION OF REMARKS

By unanimous consent, permission to revise and extend remarks was granted to:

(The following Members (at the request of Mr. Gingrich) and to include extraneous matter:)

Mr. Moore.
Mr. Porter.
Mr. Bereuter.
Mr. Dannemeyer in two instances.
Mr. Cheney.
Mr. Conte.

(The following Members (at the request of Mr. Gonzalez) and to include extraneous matter:)

Mr. Donnelly.
Mr. Pepper.
Mr. Montgomery.
Mr. Yatron in two instances.
Mr. Lantos in two instances.
Mr. Fazio.
Mr. Luken.
Mr. Hayes.
Mr. Levine of California.
Mr. Rowland of Georgia.
Mrs. Schroeder.
Mr. Coleman of Texas.

BILLS AND JOINT RESOLUTIONS PRESENTED TO THE PRESIDENT

Mr. ANNUNZIO, from the Committee on House Administration, reported that that committee did on this day present to the President, for his approval, bills and joint resolutions of the House of the following titles:

On March 21, 1986:

H.R. 2453. An act to amend the Older Americans Act of 1965 to increase the amounts authorized to be appropriated for fiscal years 1985, 1986, and 1987 for commodity distribution, and for other purposes;

H.R. 4399. An act to designate the Federal building located in Jamaica, Queens, NY, as the "Joseph P. Addabbo Federal Building";

H.J. Res. 534. Joint resolution making an urgent supplemental appropriation for the Department of Agriculture for the fiscal year ending September 30, 1986, and for other purposes; and

H.J. Res. 563. Joint resolution to provide for the temporary extension of certain programs relating to housing and community development, and for other purposes.

ADJOURNMENT

Mr. WEAVER. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 1 o'clock and 59 minutes p.m.) under its previous order, the House adjourned until Tuesday, March 25, 1986, at 12 o'clock noon.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

3086. A letter from the Deputy Secretary of Defense, transmitting proposed changes to the selected acquisition reports [SAR's] and unit cost reports [UCR's]; to the Committee on Armed Services.

3087. A letter from the Auditor, District of Columbia, transmitting a report entitled "Fiscal Year 1985 Annual Report on Advisory Neighborhood Commissions," pursuant to Public Law 93-198, section 455(d); to the Committee on the District of Columbia.

3088. A letter from the Administrator, General Services Administration, transmitting a draft of proposed legislation to authorize the Administrator of General Services to convey property to the District of Columbia, and for other purposes; to the Committee on Government Operations.

3089. A letter from the Secretary of Transportation, transmitting a report on activities under the Freedom of Information Act, pursuant to 5 U.S.C. 552(d); to the Committee on Government Operations.

3090. A letter from the Office of Civilian Radioactive Waste Management, Department of Energy, transmitting reasons for not completing a written agreement within 6 months on the development of a nuclear waste repository with the Confederated Tribes of the Umatilla Indian Reservation, pursuant to Public Law 97-425, section 117(c); jointly, to the Committees on Interior and Insular Affairs and Energy and Commerce.

PUBLIC BILLS AND RESOLUTIONS

Under clause 5 of rule X and clause 4 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. ARCHER (for himself, Mr. Moore, Mr. Loeffler, Mr. Armey, Mr. Barton of Texas, Mr. Combest, Mr. Crane, Mr. Edwards of Oklahoma, Mr. Fields, Mr. Gray of Illinois, Mr. Leath of Texas, Mr. Livingston, Mr. Roberts, Mr. Thomas of California, Mr. Wilson, Mr. Brooks, Mr. DeLay, and Mr. Sweeney):

H.R. 4476. A bill to encourage the continued exploration for and production of domestic energy resources, to remove certain Federal controls over domestic energy production and utilization, and for other purposes; jointly, to the Committees on Energy and Commerce and Ways and Means.

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By Mr. BENNETT:

H.R. 4477. A bill to improve the conventional defense capabilities of the Armed Forces by providing research, development, and testing funds for vitally needed conventional weapons and equipment; to the Committee on Armed Services.

By Mr. DioGUARDI (for himself, Mr. Biaggi, Mr. Gilman, Mr. Mavroules, Mr. Borski, Mr. McGrath, Mr. Manton, Mr. Traficant, Mr Kanjorski, and Ms. Mikulski):

H.R. 4478. A bill to amend the Immigration and Nationality Act to provide for additional immigrant visa numbers for natives of certain foreign states which have had a significant decrease in immigration to the United States; to the Committee on the Judiciary.

By Mr. FAUNTROY (for himself and Mr. Dellums):

H.R. 4479. A bill to amend the District of Columbia Self-Government and Governmental Reorganization Act to increase the amount authorized to be appropriated as the annual Federal payment to the District of Columbia; to the Committee on the District of Columbia.

By Mrs. LLOYD:

H.R. 4480. A bill to provide that the Internal Revenue Service may not before July 1, 1987, enforce its regulations relating to substantiation requirements for the deductions attributable to the business use of vehicles; to the Committee on Ways and Means.

H.R. 4481. A bill to increase the criminal penalties for the intentional poisoning or adulteration of food and drugs for human consumption; jointly, to the Committees on Energy and Commerce and the Judiciary.

By Mr. LUKEN:

H.R. 4482. A bill to amend the Federal Food, Drug, and Cosmetic Act to require the registration of certain nonprofit entities which provide health services and sell prescription drugs; to the Committee on Energy and Commerce.

By Mr. MARKEY:

H.R. 4483. A bill concerning United States policy toward Nicaragua; jointly, to the Committees on Foreign Affairs, the Permanent Select Committee on Intelligence, and Appropriations.

By Mr. PANETTA (for himself and Mrs. Schroeder):

H.R. 4484. A bill to amend title 37, United States Code, to provide increased authority for the temporary storage of household effects of members of the uniformed services in connection with a change of duty station; to the Committee on Armed Services.

By Mr. PEPPER:

H.R. 4485. A bill to amend the Social Security Act with respect to the standards for participation of skilled nursing facilities and intermediate care facilities under the Medicare and Medicaid programs, to amend the Older Americans Act of 1965 with respect to the ombudsman program, and for other purposes; jointly, to the Committees on Ways and Means, Energy and Commerce, and Education and Labor.

By Mr. RICHARDSON:

H.R. 4486. A bill to provide for the distribution of Amtrak of 50 percent of the funds received by the United States for any sale of Conrail; to the Committee on Energy and Commerce.

By Mr. ROBERTS:

H.R. 4487. A bill to amend the Fair Labor Standards Act of 1938 to authorize a youth minimum wage differential under that act, and for other purposes; to the Committee on Education and Labor.

By Mr. SCHEUER:

H.R. 4488. A bill to restrict smoking to designated areas in all buildings or building sections occupied by the U.S. Government; to the Committee on Energy and Commerce.

By Mr. WIRTH (for himself, Mr. Richardson, Mr. Strang, Mr. Reid, Mr. Brown of Colorado, Mr. Lehman of California, Mr. Kramer, Mr. Stallings, Mr. Pashayan, Mr. Moody, Mrs. Vucanovich, Mr. Williams, Mr. Hansen, Mrs. Byron, Mr. Nielson of Utah, Mr. Levine of California, Mr. Craig, Mr. Kildee, Mr. Young of Alaska, Mr. Cheney, Mr. Marlenee, Mr. Chappie, Mr. Swift, and Mr. Jeffords):

H.R. 4489. A bill to provide for ski areas on national forest lands, and for other purposes; jointly, to the Committees on Interior and Insular Affairs and Agriculture.

By Mrs. LLOYD:

H.J. Res. 576. Joint resolution to approve the President's request for assistance for the Nicaraguan democratic resistance with certain modifications and conditions; jointly, to the Committees on Appropriations, Foreign Affairs, Armed Services, and the Permanent Select Committee on Intelligence.

By Mrs. MEYERS of Kansas:

H.J. Res. 577. Joint resolution to designate the weekend of August 1, 1986 through August 3, 1986 as "National Family Reunion Weekend"; to the Committee on Post Office and Civil Service.

By Mr. MOLINARI:

H.J. Res. 578. Joint resolution to designate the week beginning November 17, 1986, as "Working Dog Awareness Week"; to the Committee on Post Office and Civil Service.

By Mr. FEIGHAN (for himself, Mr. Berman, Mr. Smith of Florida, Ms. Mikulski, Mr. Sikorski, Mr. Torricelli, Mr. Durbin, Mr. Solarz, Mr. Levine of California, Mr. Frank, and Mr. Foglietta):

H. Con. Res. 306. Concurrent resolution expressing the sense of the Congress that the Vatican should recognize the State of Israel and should establish diplomatic relations with that country; to the Committee on Foreign Affairs.

MEMORIALS

Under clause 4 of rule XXII,

319. The SPEAKER presented a memorial of the House of Representatives of the Commonwealth of Massachusetts, relative to the Freedom of Information Act; to the Committee on Government Operations.

PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of rule XXII,

Mr. DANNEMEYER introduced a bill (H.R. 4490) for the relief of Joseph W. Newman; to the Committee on the Judiciary.

ADDITIONAL SPONSORS

Under clause 4 of rule XXII, sponsors were added to public bills and resolutions as follows:

H.R. 128: Mr. Vento, Mr. Boulter, Mr. Myers of Indiana, and Mr. Packard.

H.R. 2943: Mr. Campbell, Mr. O'Brien, Mr. Slattery, Mr. Lagomarsino, and Mr. Davis.

H.R. 3437: Mr. Richardson.

H.R. 3521: Mr. McKernan, Mr. Martin of New York, Mr. Whitehurst, Mr. Fowler, and Mr. Stratton.

H.R. 3897: Mr. Tallon, Mr. Brooks, Mr. Olin, Mr. Jones of North Carolina, Mr. Gunderson, Mr. Hatcher, and Mr. Whitley.

H.R. 4003: Mr. Kastenmeier, Mr. Whittaker, and Mr. Conyers.

H.R. 4014: Mr. Panetta, Mr. Robert F. Smith, Mr. Rose, Mr. Hendon, Mr. Quillen, Mr. Wilson, Mr. Lipinski, and Mr. Lantos.

H.R. 4183: Mr. Morrison of Connecticut, Mr. Monson, Mr. MacKay, Mr. Chappell, Mr. Pepper, Mr. Henry, Mr. Walgren, Mr. Bennett, Mr. Fascell, and Mr. Brooks.

H.R. 4267: Mr. Bryant.

H.R. 4321: Mr. Kastenmeier, Mr. Mrazek, Mr. Towns, Mr. Mitchell, Mr. Wortley, Mr. Conyers, Mrs. Bentley, Mr. Smith of Florida, and Mr. Whittaker.

H.J. Res. 87: Mr. Loeffler.

H.J. Res. 167: Mr. Matsui, Mr. Sweeney, Mr. DeLay, Mr. Chapman, Mr. Lagomarsino, Mr. McGrath, Mr. Bevill, Mr. Darden, Mr. Bustamante, Mr. Skeen, Mr. Wylie, Mr. Dornan of California, Mr. Burton of Indiana, Mr. Thomas of Georgia, Mr. Martinez, Mr. Rahall, Mr. Fazio, Mr. Wilson, Mr. Ralph M. Hall, Mr. Jacobs, Mr. Lipinski, Mr. Carper, Mr. Armey, Mr. Emerson, Mr. Dickinson, Mr. Mazzoli, Mr. Panetta, Ms. Oakar, Mr. Lewis of Florida, Mr. Horton, Mr. Donnelly, Mr. Annunzio, Mr. Whitehurst, Mr. Fauntroy, Mr. Gray of Pennsylvania, Mr. Stangeland, Mr. Murphy, Mr. Roe, Mr. Gray of Illinois, Mr. Sunia, Mr. de la Garza, Mr. Nichols, Mr. Stenholm, Mr. Huckaby, Mr. Bliley, Mr. Hendon, Mr. Richardson, Mr. Bennett, Mr. Kasich, Mr. Dixon, Mr. Gonzalez, Mr. Kostmayer, Mr. Dannemeyer, Mr. Hutto, Mr. Schuette, Mr. Edwards of Oklahoma, Mr. Volkmer, Mr. Scheuer, Mr. Towns, Mr. Jeffords, Mr. DioGuardi, Mr. Coleman of Texas, Mr. Smith of New Hampshire, and Mr. McCain.

H.J. Res. 381: Mr. McCain, Mr. Coats, Mr. Kanjorski, Mr. Rowland of Georgia, Mr. Parris, Mr. Lantos, Mr. Berman, Mrs. Holt, Mr. Rudd, Mr. Coyne, Mr. Dornan of Califoria, Mr. Hendon, Mr. Lowery of California, Mr. Franklin, Mr. Dellums, Mr. Murphy, Mr. Monson, Mr. Kolter, Mr. Roybal, Mr. Strang, Mr. Traxler, Mr. Daschle, Ms. Kaptur, Mr. Walgren, Mrs. Meyers of Kansas, Mr. Hammerschmidt, Mr. Gephardt, Mr. Smith of Iowa, and Mr. Frenzel.

H.J. Res. 500: Mr. Moorhead, Mr. Smith of New Jersey, Mr. Coughlin, Mr. Porter, Mr. Fish, Mr. Miller of Washington, Mr. Yatron, Mr. Green, Mr. Kleczka, Mr. Denny Smith, Mr. McHugh, Mr. Oberstar, Mr. Hall of Ohio, Mr. Courter, Mr. Eckart of Ohio, Mr. Torricelli, and Mr. Moakley.

H.J. Res. 536: Mr. Derrick, Mr. Brown of California, Mr. Hoyer, Mr. Burton of Indiana, Mr. Murtha, Mr. Monson, and Mr. Nielson of Utah.

H. Con. Res. 277: Mr. Petri, Mr. Goodling, Mr. Fields, Mr. Gingrich, Mr. Dickinson, Mr. Lungren, Mr. Porter, Mr. Anderson, Mr. Bonior of Michigan, and Mr. Stenholm.

H. Res. 395: Mr. Crockett, Mr. Morrison of Connecticut, Mr. Levin of Michigan, Mr. Bates, Mr. Towns, Mr. Roybal, Mr. Weiss, and Mrs. Boxer.

H. Res. 404: Mr. Sensenbrenner, Mr. Moody, and Mr. Carr.

SENATE—*Friday, March 21, 1986*

(Legislative day of Tuesday, March 18, 1986)

The Senate met at 10 a.m., on the expiration of the recess, and was called to order by the President pro tempore [Mr. Thurmond].

PRAYER

The Chaplain, the Reverend Richard C. Halverson, D.D., offered the following prayer:

Let us pray.

Father in Heaven, it is easy to be critical of the press and media—until we stop to think what it would be like never to have any news coverage. Being as human as the people they report about in their stories, they are not above criticism—but we acknowledge with gratitude their dedication to their indispensable task, and the risk often faced in getting the story.

God of truth, help them to be objective, honest, and compassionate—save them from cynicism to which they are so vulnerable through their constant exposure to the insincerity, bloated egos, and deceit so common to human frailty. Keep them aware of the terrible power of words to destroy and the mighty power of words to inform and edify. Deliver them from all the temptations endemic in their profession, remind them constantly that they are as human as those they critique, strengthen and ennoble them in their task, and bless their families for the sacrifices they make that the news may be adequately and fairly covered. In the name of Him who was truth incarnate. Amen.

RECOGNITION OF THE MAJORITY LEADER

The PRESIDENT pro tempore. The able majority leader, Senator Dole, is recognized.

SCHEDULE

Mr. DOLE. Mr. President, under the standing order, the leaders have 10 minutes each, to be followed by special orders in favor of Senators Hawkins, Proxmire, Baucus, and Sarbanes for not to exceed 5 minutes each, then routine morning business not to exceed beyond the hour of 10:30 a.m.

Following routine morning business, the Senate will resume consideration of the motion to proceed to S. 1017, the regional airport bill. Under the provisions of rule XXII of the Standing Rules of the Senate, at 11 a.m., a live quorum will begin. Following the quorum, a cloture vote will occur on the motion to proceed to S. 1017, the regional airport bill.

If cloture is invoked, the Senate will remain on the motion for the remainder of the day. Therefore, rollcall votes could occur.

Also, the Senate could be asked to turn to any other legislative or executive items cleared for action.

The Senate will also be asked, I hope rather quickly, by voice vote to turn to the Superfund extension, which was passed by the House last night.

I indicate to my colleagues that I would anticipate votes throughout the day. I would anticipate votes on Monday, Tuesday, Wednesday, and Thursday of next week.

RECOGNITION OF THE MINORITY LEADER

The PRESIDENT pro tempore. The able Democratic leader is recognized.

ORDER OF PROCEDURE

Mr. BYRD. Mr. President, I would like to ask the distinguished majority leader if he could give us some hour beyond which we would not expect rollcall votes to occur today.

Mr. DOLE. Mr. President, I could do that probably immediately after the vote at 11:20 or 11:30. I hope not too late today, I say to my distinguished friend.

Mr. BYRD. Very well.

So, after the vote on the cloture motion, the majority leader would be in a better position, then, to state to his colleagues what we might expect with reference to rollcall votes today, and on Monday, if we could ask?

Mr. DOLE. Correct.

Mr. BYRD. I thank the Senator.

Mr. President, I yield to my distinguished colleague, Mr. Cranston, 5 minutes of my time and I ask unanimous consent that I may reserve the balance throughout the day.

The PRESIDING OFFICER (Mr. D'Amato). Without objection, it is so ordered.

Mr. DOLE. Mr. President, I ask unanimous consent that 5 minutes of my time be given to the distinguished chairman of the committee, Senator Stafford, so that he may dispose of the Superfund legislation.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. DOLE. Mr. President, I reserve the balance of my time.

A NO-CONFIDENCE VOTE

Mr. CRANSTON. Mr. President, yesterday's vote in the House was an even more overwhelming defeat for the administration's Nicaragua policy than is indicated by the 222 to 210 vote against $100 million in Contra aid.

Though technically the House vote was straight up-or-down on the $100 million, in reality it was more than that.

When House Members voted, they were aware that President Reagan had proposed a compromise.

The word from the White House was—and front page news stories proclaimed—that if the House approved the $100 million, the President would restrict use of the money for the first 90 days to defensive weapons, logistics and training.

During that promised lull in spending, the administration said it would seek a diplomatic settlement with the Sandinista government.

This was a totally meaningless so-called compromise. For one thing, if $100 million had been approved, no significant part of it could have been expended in the first 90 days. We all know that.

It is also worthy to note that of the money previously authorized and appropriated by the Congress for so-called humanitarian aid to the Contras, some $15 to $17 million has not yet been expended. So plainly, there is no great sense of urgency about money and there is no way of using money instantly.

Beyond that, some millions of the money previously authorized and appropriated and made available to the administration is totally unaccounted for. So this 90-day lull, obviously, had no significance of any sort.

Despite that 11th-hour attempt to sway undecided Congressmen, the administration's Contra aid package was voted down by a bigger margin than even the most optimistic among us had anticipated.

The House vote clearly was a vote of "no confidence" in the administration's Nicaragua policy.

I trust it will have a salutary impact on the Senate.

I trust that the House vote will strengthen the antidollars-for-Contras sentiment among those Senators who still have doubts about how they will vote—and that it will soften the stand of some Senators who had intended, reluctantly, to support the President on this issue.

● This "bullet" symbol identifies statements or insertions which are not spoken by the Member on the floor.

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Mr. President, to govern is to choose. That is why we are here as the people's representatives in Congress—to make tough choices.

But the choice offered by the President's proposal to send another $100 million worth of American taxpayer dollars to fight a terrorist-type war against Nicaragua is not a valid one.

I think it is high time for those who embrace President Reagan's claims about Nicaragua to face up to the inevitable conclusion of such overblown rhetoric.

If indeed the Sandinistas are a spreading cancer of communism on the North American Continent—in short, if they are the threat to our freedom and survival the President says they are—why doesn't the President ask Congress to declare war?

Do those who want to ship another $100 million to the Contras really believe that a few more bandages and bazookas will do the job?

Do they really think that their fears of Sandinistas marching into Houston and San Diego can be taken care of with just a little more money for the Contra mercenaries?

When are proponents of Contra aid going to face up to the grim reality that the Contras are losers, that the Contras are infested by the same discredited gang of Somoza national guardsmen who were run out of the country 7 years ago?

When are Contra backers going to accept the fact that the Contras have failed in 7 years to seize and hold a square mile of Nicaraguan soil? That they have little popular support in the countryside? That they must rely on theft, kidnaping, and CIA money to keep even a resemblance of an army in the field?

Just as every Member of this body deplores communism, I do not think there is a single Member who truly believes that the Contras are going to overthrow the Sandinistas with or without another $100 million.

So why should we hide behind the smokescreen of an annual debate over just a little more American money to shed some more Contra and Sandinista blood?

Let us work for a strategy which involves all Latin nations in pressing for democratic development, in isolating the Sandinista cancer, but in rejecting self-defeating solutions for combating it.

Let us oppose administration efforts to have mercenaries do our dirty work for us.

Let us block any U.S. taxpayer funding for the Contras.

I am increasingly hopeful—after the House action—that we will prevail in rejecting the President's request for "just a little more money" for the Contras and their terrorist ways.

HAZARDOUS SUBSTANCE RESPONSE TRUST FUND

The PRESIDING OFFICER. The Senator from Vermont is recognized.

Mr. STAFFORD. Mr. President, I have conferred with the Democratic leader, and I ask unanimous consent that the Senate turn to the consideration of House Joint Resolution 573, the Superfund extension.

The PRESIDING OFFICER. The House joint resolution will be stated by title.

The assistant legislative clerk read as follows:

> A joint resolution (H.J. Res. 573), making a repayable advance to the hazardous substance response trust fund.

The PRESIDING OFFICER. Without objection, the joint resolution will be considered as having been read the second time by title.

Is there objection to the immediate consideration of the joint resolution?

There being no objection, the Senate proceeded to consider the joint resolution.

Mr. STAFFORD. Mr. President, in the brief time available to us, let me say that it was a decision of the Environment and Public Works Committee members who met in my office informally day before yesterday to endeavor to get temporary funding for EPA, and the Superfund Program over a 60-day period at a level of $150 million which is what the legislation in front of us now does in order to keep the Superfund Program going for a time with sufficient funding so that contracts will not have to be terminated, and at the same time to make it a short enough time so that pressure would remain on the conferees for the House and Senate who have been working hard for the last 3 or 4 weeks to solve this problem once and for all by agreeing on a conference report.

We are having a difficult conference. We had 730-some pages of differences between the House and the Senate. We are about halfway through the easier part of that.

This legislation will give us a reasonable opportunity to complete the work on that conference.

Having said that, and urging the Senate to adopt the bill which the House has sent over to us, in the terms I have described, 60 days, $150 million for Superfund, let me say that the point man for our committee, the man who has worked the hardest and certainly deserves great credit for helping to bring this off—he worked with absolutely enormous effort yesterday—is Senator Lautenberg of New Jersey who will follow me here in speaking for a moment.

Mr. President, I simply want to say additionally that without the cooperation of Senator Garn, chairman of the appropriate subcommittee of the Appropriations Committee here in the Senate, Senator Hatfield, chairman of the full Committee on Appropriations, Senator Leahy, who is the ranking member of Senator Garn's subcommittee, and on the House side Congressman Boland of Massachusetts, and the most able chairman of the Appropriations Committee, Congressman Whitten, we would not have been able to reach the point we have reached this morning in bringing this legislation before the Senate.

So I want to express my personal gratitude to all of the Members of the House and Senate. Let me not forget the staff of the committee on both sides of the aisle who have worked very hard with members to enable us to provide 60 more days to try to resolve the differences between the House and Senate on Superfund. I believe in that time we can.

I yield the floor to my friend and colleague from New Jersey, Senator Lautenberg.

Mr. BYRD. Mr. President, I yield my time remaining under the running order to Mr. Lautenberg for his control.

The PRESIDING OFFICER. The Senator from New Jersey.

Mr. LAUTENBERG. Thank you, Mr. President.

I thank my friend and chairman of the Environment and Public Works Committee very much for his continuous and constant support and guidance on many matters that concern each of us in terms of a better environment. I want to support House Joint Resolution 573, the bill that passed the House last night. It is a companion measure to S. 2212 which I introduced in the Senate yesterday.

Mr. President, this bill is very simple. It provides for interim funding for the Superfund Program through May 31 of this year. I was joined in introducing this bill by Senators Stafford and Bentsen, chairman and ranking minority member of the Environment and Public Works Committee, Senator Hatfield, chairman of the Appropriations Committee, Senator Leahy, ranking minority member of the HUD-Independent Agencies Appropriations Subcommittee, and Senators Chafee, Mitchell, Durenberger, Baucus, Moynihan, Humphrey, Burdick, Bradley, Kennedy, and Gore.

Mr. President, I want to express my deep appreciation to the majority and minority leaders for making it possible to consider this measure so expeditiously.

I also want to take note of the cooperation, concern, hard work, and sensitivity displayed by the members who have joined me in this effort, particularly the leadership of the Appropriations and Environment and Public Works Committees.

I want to particularly mention Senator Stafford, Senator Hatfield who is very helpful, Senator Stennis, Senator Garn, Senator Leahy, and Senator Bentsen.

This proposal has been carefully considered and reviewed. After consultations, we arrived at a consensus that enjoyed widespread support in the Senate. I was deeply gratified last night, when Chairman Whitten and Congressman Boland moved this bill through the House of Representatives. I believe we can pass this measure here very quickly.

Taxing authority for the Superfund Program expired on September 30, 1985. The trust fund is virtually depleted. Without this bill, on April 1, the Environmental Protection Agency would have to begin to dismantle Superfund by terminating contracts with companies that are currently involved in clean up actions. Enforcement actions would be reduced by half and no new cases would be developed. Emergency removals would be curtailed by 80 percent. And, EPA would only be able to handle three or four major emergencies a month. Last month, EPA began the process of furloughing its own employees.

We cannot permit this dismantling of the program to occur. It is not possible to start and stop a program the size and complexity of the Superfund Program without irreparable damage.

The House of Representatives and the Senate last year approved legislation reauthorizing the Superfund Program. The House bill provides for slightly over a $10 billion program. The Senate bill calls for $7.5 billion. But, these and other controversial issues separate the two Houses and the administration on this complicated legislation.

A House-Senate Superfund conference has been meeting regularly to resolve differences between the House and Senate bills since it convened late last month. Nevertheless, there is no realistic prospect that the conference will be able to complete its work prior to the congressional Easter recess. This legislation is designed to keep pressure on the conference to complete its work, but provide enough funding to protect the integrity of the Superfund Program until a 5-year reauthorization bill is enacted into law.

Time is of the essence. We have literally only hours to pass this bill. Without action, we would be leaving EPA to dismantle the Superfund Program. Along with my cosponsors, I strongly support a 5-year reauthorization bill to enlarge and strengthen the Superfund Program. But, we feel that while the conference continues to work on this bill, it would be irresponsible to permit the dismemberment of this program. If we do not provide this interim funding, Superfund will suffer serious and, perhaps, irreversible harm.

This bill would provide $150 million for the Superfund Program for 2 months, a level consistent with the annual rate of funding provided in the fiscal year 1986 HUD-Independent Agencies appropriations bill. This legislation is necessary because that money remains fenced, pending a reauthorization bill or further action by the Congress. Our legislation would unfence $150 million of the $861 million provided by that bill after the March 1 Gramm-Rudman sequester order.

The bill provides an emergency supplemental appropriation of $150 million from the general fund into the hazardous substance response trust fund. Under the bill, funds would be available immediately as repayable advances.

The objective of the bill is to keep Superfund intact and functioning effectively without removing the incentive to complete action on reauthorization of the program. This measure will infuse enough money into the trust fund to release 2 month's worth of the fiscal year 1986 Superfund appropriation.

Mr. President, there is no way to replace the knowledge, technical skill, and experience embodied in contractor project teams at a moment's notice. It takes time to build organizational resources of this kind. EPA Administrator Thomas testified last Wednesday before the HUD-Independent Appropriations Subcommittee that it would take at least a full year to get contractors back on board once their contracts were terminated. And that assumes that they would want to come back on board after having been cut off—a questionable proposition at best.

Passage of this measure should send a strong signal to EPA's employees and Superfund contractors that the conferees are determined to finish this job by May 31, and that we anticipate an expanded and strengthened Superfund Program.

Mr. President, once again, I thank the majority and minority leaders for their assistance in this effort. And, I thank my two chairmen, Senators Hatfield and Stafford, and Senators Bentsen, Stennis, Leahy and Garn, all of whom were essential to this effort.

Mr. President, I urge adoption of the bill.

Mr. BRADLEY. Mr. President, 2 years ago I asked this body to vote on the reauthorization of the Superfund. The Senate failed to take that action. Many of my colleagues maintained that there was plenty of time to consider the reauthorization. Last year the Senate finally did act on a bill, but once more we had no Superfund law because there was no agreement with the House on legislation.

Today we are considering a temporary extension because all time has run out. The Environmental Protection Administrator, Lee Thomas, has indicated that he will begin to lay off employees working on Superfund actions on April 1 unless Congress acts. Cleanup activities have already ground to a halt in many places. And in my own State of New Jersey, where we have the greatest number of sites slated for action, cleanup has only continued because our State environmental programs are loaning money to the Federal Government. This is simply intolerable. If government cannot protect the health and safety of the public then what is government for?

I am sorry that we have reached the point that this Superfund extension is now critical. Both Houses have passed new Superfund bills which can effectively address the issue of toxic waste cleanup. But we have wasted time. It took over 2 months from House and Senate passage of separate bills just to name conferees. With the recent Supreme Court ruling striking down the use of New Jersey's spill fund at EPA cleanup sites, the need for the Superfund reauthorization becomes even more urgent.

We are now at the 11th hour. This extension is critical and necessary. It is a stop-gap solution to a critical national problem. But the failure to act tonight would bring unthinkable results. I urge my colleagues to support this bill.

Mr. GARN. Mr. President, we have before us a very critical supplemental appropriations measure to provide additional resources needed to prevent the effective termination of the EPA Superfund Program.

Last year Congress, through the appropriations process, provided this program $900 million for fiscal year 1986. Unfortunately, this authority is not available unless the authorization and tax legislation for the program clears conference and is enacted into law.

At the time that Congress acted on the appropriations bill last fall, we were assured that prior year balances could maintain the Superfund core activities and technical infrastructure for several months—providing ample time for completion of the conference consideration of the authorization bill. We were wrong in predicting the difficulties and delays facing that conference.

We find ourselves now, 4 months later, facing the imminent collapse of the program. Not only will EPA have to begin RIF procedures, but equally critical contractors who directly implement hazardous waste cleanups are being told that their contracts will be terminated and their work force disbanded.

The years of effort to establish and develop an effective and aggressive program to clean up these hazardous

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waste dumps will all go down the drain unless additional funding is released immediately.

That is what the measure before us will do. House Joint Resolution 573 permits EPA to obtain a $150 million repayable advance from the Treasury to maintain program operations through May 31. This will allow the authorizing committees to conclude their conference on the necessary legislation.

Mr. President, I would also point out to my colleagues that we are confronting another very serious problem with respect to funding for the EPA Construction Grants Program. The underlying authorization bill for this program is also waiting conference action and funds we made available last year for the program are already being exhausted in some States.

I expect that we will be forced to address the construction grants issue shortly after we return from the recess and I would hope that the authorizing committees will have concluded their conference by that time so that we can relase the $1.8 billion appropriated last year.

Mr. GORE. Mr. President, I rise in support of S. 2212, legislation to provide stopgap financing for the Superfund Toxic Waste Cleanup Program. I joined Senator LAUTENBERG in sponoring the bill to keep Superfund alive long enough for Congress to work out a lasting compromise.

Superfund is in deep trouble. Funding expired last October, and the House and Senate have yet to agree on a bill to reauthorize the program. EPA has already had to curtail cleanup operations at 100 sites across the country, and may have to halt work at 200 others if it doesn't get more money by April 1. Lee Thomas, the EPA Administrator, said recently that the slowdown could turn into a shutdown, forcing him to furlough 1,500 Superfund employees.

This legislation makes a direct appropriation of $150 million as a repayable advance to keep the Superfund Program running for another 60 days. The bill would keep Superfund from going broke at a time when the country needs it more than ever. The temporary extension would prevent a short-term shortfall from causing long-term damage to the program.

At the same time, a 60-day extension will keep Congress and the Superfund conferees on a short leash. We want to maintain the pressure and momentum to pass a bill that will secure Superfund's financial security for the next 5 years.

Let me also take this opportunity to ask my colleagues to join me in urging the Superfund conferees to find a compromise funding alternative to the manufacturer's excise tax. There is substantial bipartisan support in both Houses for a tax on those responsible for the hazardous waste problem, instead of an across-the-board value-added tax. We in the Senate would like a choice on how to pay for Superfund.

I think my colleagues recognize that we cannot afford to put off a compromise any longer. The Nation has already waited too long to clean up thousands of dangerous waste sites. The time bomb keeps ticking.

Mr. SIMPSON addressed the Chair.

The PRESIDING OFFICER. The Senator from Wyoming.

Mr. SIMPSON. Mr. President, may I just say I want to thank Senator LAUTENBERG for his patience last evening when we could have perhaps moved the measure from the House. I appreciate that. I want to particularly thank him for his work throughout the Superfund. And while the chairman of the Environment and Public Works Committee is on the floor, I think all should recognize his efforts with Superfund as one of the original sponsors. His great desire, drive, and energy to get a Superfund bill is matched only by the Senator from New Jersey. I appreciate that very much.

We always have a good bipartisan move in the Environment and Public Works Committee. That is one of the touchstones of that committee, and proven once again.

I thank Senator LAUTENBERG, Senator STAFFORD, and their staffs. We will get a Superfund out of that conference, but we have to compete with other business. So it will be something I believe we can produce in a very few weeks.

I thank both of the Senators on the floor.

Mr. LAUTENBERG. Mr. President, if I may have one moment I wish to say thanks not only for the patience but the wisdom of the assistant majority leader in supporting our effort. It is always a pleasure to work with him, and to find us in agreement on occasion is especially pleasurable.

I thank the assistant majority leader for his assistance and guidance.

Mr. STAFFORD. Mr. President, once again I want to thank my able colleague, Senator LAUTENBERG, for helping us so materially to get this important issue through the Senate, and through the Congress.

Mr. President, I am prepared to yield the floor.

Mr. LAUTENBERG. Mr. President, I urge adoption of this joint resolution.

The joint resolution (H. J. Res. 573) was ordered to a third reading, read the third time, and passed.

Mr. STAFFORD. Mr. President, I move to reconsider the vote by which the joint resolution was passed.

Mr. LAUTENBERG. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

RECOGNITION OF SENATOR HAWKINS

The PRESIDING OFFICER. Under the previous order, the Senator from Florida, Mrs. HAWKINS, is recognized for a period not to exceed 5 minutes.

THE NARCO-TERRORIST CONSPIRACY

Mrs. HAWKINS. Mr. President, most Americans do not have a very realistic understanding of drug abuse. They perceive it as personal behavior—either a defect of character or a community social problem. But two learned New York educators, Rachel Ehrenfeld of Columbia University's School of International Affairs and Michael Kahan of Brooklyn College, have a much broader and more accurate comprehension of what the illicit narcotics trade is all about. Writing in the February 10, 1986, Wall Street Journal Professors Ehrenfeld and Kahan observed that drug abuse is "an international problem in which the individual user-victim is actually the indirect financier of terrorist activities."

It is time that we came to grips with proper perceptions and put to bed any lingering misguided beliefs about the friendly neighborhood dope peddler. It may be that the dope peddler's motives do not go beyond making a few easy bucks. But unwittingly he is a cog in a wheel that starts in the opium growing fields of Southeast Asia or the marijuana beds of South America, rolls through a complex network of transportation, production, storage, and distribution systems, and spins off its deadly poison into the streets of villages and cities the world over. Woven into this web between the points where supply and demand are satisfied are corruption, political instability, and terrorism.

No one knows for sure the size of the drug trade. It simply staggers the imagination. However startling the figures turned out periodically by the Drug Enforcement Administration, the State Department, the National Institute on Drug Abuse, and various other agencies, as well as private organizations concerned with the drug problem, the known figures are just the tip of the iceberg. What is more measurable is the estimated economic cost of drug abuse—a whopping $60 billion a year, according to Time magazine.

Given the connection between narcotics and terrorism, it follows that whatever steps are taken to disrupt the international drug traffic will have a direct effect on international terrorism. They go hand in hand. Terrorists

use drug trafficking for two reasons—to finance their operations and to undermine the social, moral, and economic structure of target nations. In Latin America, for example, drug traffickers and guerrillas exchange arms and intelligence and share an apparatus for money laundering. The drugs are an immediate and reliable source of money and they serve as an international currency to fund terrorist activities and guerrilla warfare. Narco dollars finance arms and purchase phony passports for terrorists. Narco dollars pay for transportation, rent for safehouses for terrorists on the run, and a steady stream of American high technology out of the country.

Let me cite an example of how the narco-terrorism connection works. At a Senate hearing conducted by Senator JEREMIAH DENTON and me in Miami in April 1983, the role of Fidel Castro's Cuba in this nefarious business was unmasked. According to testimony we heard, Cuba benefited from drug shipments and sought to expand the drug market to gain even greater profits. Cuba supplied a safe haven for drug smuggling boats from South America with cargo bound for Western Europe and the United States. In return, Cuba got a slice of the drug profits and use of the boats to move arms to various points in Latin America for revolutionary activities.

The narco-terrorist conspiracy in South America is quite simple. Guerrilla organizations gain control over peasant populations in remote areas with rugged soil. The guerrillas persuade or intimidate peasants in countries such as Bolivia, Peru, Brazil, or Colombia to grow crops that are refined into cocaine or opium. Persuasion is not difficult when the farmer earns more money from these crops than others cultivated under uncertain market conditions. If persuasion does not work, fear does; guerrilla terrorists play rough.

It is standard practice for guerrillas to corrupt the local security forces with bribes, and the guerrillas then have the protection they need to operate and the money to buy arms and pursue their political objectives.

Guerrilla movements team up with terrorist groups and drug traffickers, each working separately for their own interest but working together when it is in their common interest. The end result is that legitimate structures are compromised, violence and terror are unleased, and human misery and degradation are left in the wake.

RECOGNITION OF SENATOR PROXMIRE

The PRESIDING OFFICER. Under the previous order, the Senator from Wisconsin [Mr. PROXMIRE] is recognized for not to exceed 5 minutes.

Mr. PROXMIRE. I thank the Chair.

WILL STAR WARS PROTECT AMERICA'S NUCLEAR DETERRENT? NO WAY!

Mr. PROXMIRE. Mr. President, what is the prime argument for star wars among those who support this program? Few informed advocates of the program contend that it can ever provide an impenetrable shield over America that can protect the millions of Americans who live in our cities from a nuclear attack. What purpose do the most optimistic supporters of star wars say it could serve? They say it could provide effective protection for America's nuclear deterrent. In doing so, they say, it would prevent the Soviets from launching a preemptive nuclear attack. As they see it, star wars would create at least a very strong doubt in the minds of the Soviets that they could expect to knock out America's capacity to respond to a nuclear attack with a devastating nuclear retaliatory strike that would finish off the Soviet Union as an organized society.

How about that? Could star wars give the United States the firm assurance that a sufficient number of our force of 10,000 stategic nuclear warheads would survive a Soviet attack, so that any such preemptive strike would be an act of certain suicide by the Soviets? Would the Soviets know that? Mr. President, if this were, in fact, the case, if star wars would provide such an essential protection for our deterrent, its proponents would, indeed, have a respectable argument for proceeding with this trillion-dollar project. So why is this argument for SDI or star wars not the clincher?

The answer is that right now, today, without star wars, the United States nuclear deterrent would survive any conceivable nuclear attack by the Soviet Union now—now. And it would survive such an attack in the foreseeable future. We do not need star wars. It adds absolutely nothing—zero—to our deterrent. And if this country has the wisdom to negotiate a mutual, verifiable agreement with the Soviet Union to halt the technological nuclear arms race by stopping the testing of nuclear weapons explosions, we can preserve that survival of our nuclear deterrent for the life of any such treaty.

This Senator is saying that we do not need star wars. We do not need it even in the unlikely event that it could be made to work reliably. It would not add any signficant degree of survivability to our nuclear deterrent. We have now, we can continue to have indefinitely, a nuclear capability the Soviets cannot conceivably destroy. If, you doubt this, Mr. President, let me tell you why this is so.

First, if only 1 percent of the United States arsenal of more than 10,000 strategic nuclear weapons should be delivered on Russian cities, the National Academy of Science tells us the Soviet Union would be totally devastated with tens of millions instantly dead and their cities would be steaming, radioactive corpses. The Soviet Union knows this.

Second, there is absolutely no way the Soviets could knock out a substantial majority of America's nuclear deterrent let alone 99 percent of it. Here is why:

Third, 50 percent of the American nuclear deterrent is deployed on submarines. A substantial proportion of those submarines are at sea at all times. They are moving. They are invisible. They are so quiet they are hard to find and even harder to track. They are scattered throughout the immense areas of the world's oceans. Each one of our Trident submarines has the nuclear killing capacity over a period of months to destroy every major city in the Soviet Union. Those nuclear-armed American submarines that are in port could be at sea a very few minutes after a warning of a Soviet nuclear attack. Do these submarines need a star wars defense for protection? Of course, not.

Fourth, 25 percent of America's nuclear arsenal is carried on bombers that fly throughout the vast reaches of the Earth's air envelope at close to the speed of sound. Because of their mobility and the virtually unlimited areas in which they fly, the Soviets cannot possibly find and track this swiftly moving and devastating nuclear deterrent. Many of these bombers are in the air somewhere above the Earth at all times. Many more would be airborne within minutes in the event of a Soviet attack. Can anyone argue that this bomber deterrent would rely on a star wars defense to assure their invulnerability? Whom are we trying to kid? Star wars may or may not work. Most competent experts say it will not work. But the mobility and speed of our nuclear armed bomber force assures a substantial survival of this deterrent. Star wars at its very best would add nothing.

Fifth, how about our land based missiles? Presently our Minuteman missiles are stationary—nonmobile as well as land based. Star wars could provide some protection for this most vulnerable of our deployment that contains about one-fourth of our deterrent. But Congress has moved to make this deterrent mobile, with a "Midgetman" deployment that would increase the number of missiles and equip them with single warheads. So the Soviet attack would have to find these mobile Midgetman missiles and with each target hit, they would only take out a single warhead. Here is another reason why the 10-warhead stationary, land-based MX missile is such a vulnerable turkey.

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Sixth, the American nuclear arsenal is certain to survive in very large part any Soviet preemptive strike without star wars for another reason. The Soviets would necessarily have to launch such an initial strike at different times. Seventy percent of the Soviet deterrent is located on stationary land-based missiles scattered throughout the vast recesses of the Soviet Union. If they were all launched at the same moment, they would arrive on their targets at different times because of the different distances. So the slowest and most distant weapon would have to be fired first and the time of the alert for U.S. submarines and bombers to leave base would be substantial.

Seventh, the coordination of such an attack by the Soviet Union would be immensely complicated. This is especially true because most of the American deterrent moving under the oceans in many separate submarines and through the air in many bombers would require marvels of Soviet communication technology—and computer technology to keep on track.

Do the Soviets have or is there any real prospect they will have in the foreseeable future such marvels of communication, tracking and computer coordination? Mr. President, if there is any absolute certainty in international military power, it is that the Soviets have an inferior communications technology and a truly primitive computer competence. Our Defense Department has estimated that the Soviets are far behind this country in computers and falling further behind all the time. One reason their industrial production is in such a shambles is their failure to master computer technology, either in the building of computers or their maintenance or their operation.

So does this country need to spend hundreds and hundreds of billions of dollars on star wars to protect our nuclear deterrent? No way. No possible way. This Senator has argued for years now that star wars will almost certainly not work. But even if it does work and work perfectly it will not do what its strongest supporters claim it will do. It will not provide any significance additional protection for America's nuclear deterrent.

FLEECE PROMPTING ARMY REFORMS

Mr. PROXMIRE. Mr. President, in January, I awarded my Golden Fleece of the month to the Army for losing more than $150 million the last 6 years because of military personnel leaving the service with unpaid bills.

Every year the Army discharges thousands of soldiers who owe the service tens of millions of dollars for everything from unpaid bar tabs to reenlistment bonuses they didn't deserve. A 4-month investigation I requested by the General Accounting Office uncovered that the Army is writing off or losing over $150 million in bad debts since 1980.

I am pleased to report, Mr. President, that the Army has informed me it is taking steps to correct this problem. For example, the Army reports that it is establishing more coordination between its military posts and its finance centers so fewer soldiers will leave the service owing money. The Army also believes that its collection rate will go up.

That is fine with me, Mr. President, because the Army's collection record could not have been much worse.

I hope the Army finally cleans up this debt collection problem, Mr. President. I will be monitoring very closely the reforms they make. I have also asked GAO to report on the debt collection programs the Navy and Air Force have.

Mr. President, I ask unanimous consent that my January Golden Fleece Award be printed in the RECORD at this point.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

GOLDEN FLEECE—JANUARY 7, 1986

Senator William Proxmire (D-Wis.) Wednesday awarded his Golden Fleece for the month of January to the Army "for sleeping on guard duty and letting former service members skip away with over $150 million the last six years in unpaid bills."

"The Army's debt collection operation is so fouled up at this point, they'll need Rambo to rescue it," said Proxmire, who's a senior member of the Senate's Defense Appropriations Subcommittee. "Every year the Army discharges battalions of soldiers who owe the service tens of millions of dollars for everything from unpaid bar tabs to reenlistment bonuses they didn't deserve.

"A four-month investigation I requested by the General Accounting Office uncovered that the Army is marching backwards with these debts, writing off or losing over $150 million since 1980. But hold onto your collection plates, folks. Not only does the Army do little to retrieve tax dollars ex-service members have spirited away, but in many cases when a debtor comes back to the Army to pay off what he owes the Army refuses to take his money!

Proxmire awards a Golden Fleece monthly for the most wasteful, ridiculous or ironic use of the taxpayer's money.

"As far as debt collection goes," Proxmire said, "the Army's motto for this Sad Sack operation seems to be 'do not disturb.' Here's what the GAO found in reviewing a sample of Army debt collection cases this fall:

"A former service member, who owed the Army $942, mailed in an unsigned affidavit claiming he couldn't pay off the debt because he had no job, no money, no family, and no assets. The Army wrote off the debt even though it has in its hands a credit report showing the man had a wife, two kids, a job paying $23,000 a year, and a $70,000 house.

"One soldier, who was discharged because of drug use, left the Army with $973 in reenlistment bonus money that he owed back because he didn't serve his full term. Even though the ex-soldier had a low income as a stock clerk, he promised to pay $5 a month toward the debt. What did the Army do in response? It closed the case and relieved him of the debt.

"This one gets the 'Tough Negotiator Award.' An individual discharged for unsatisfactory performance owed the Army $3,800 for unearned re-enlistment bonus money and court martial fees. The debtor paid the Army $1,185 then wrote to ask if the service would compromise and thereafter require him to pay only $1,300 (for a total of about two-thirds of the debt) in ten monthly installments of $130 each. Hey, we'll go you one better, the Army responded. Seeing as how you're strapped for cash, pay us only $50 a month until things improve. What did the debtor do? Never paid the Army another dime. What did the Army do? Cancelled the debt.

"Before it decides whether to write off an uncollected debt, the Army is supposed to review a signed affidavit from the debtor detailing his financial condition. But GAO found that the Army was writing off many debts based on unsigned affidavits that were never even checked for authenticity. In one case, the Army wrote off an $822 debt from a former serviceman on a letter from his grandmother.

"And in the 'we'll-show-you category,' a former female service member, who owed the Army $545, remarried to an enlisted man currently in the Army. I'm a housewife with no income now, the woman told the Army, so take $50 a month out of my husband's Army paycheck to pay off the debt. No, we won't do that, said Army bureaucrats. So the couple made no more payments. And the Army eventually wrote off the debt.

"Instead of saying 'Be All You Can Be,' the Army's recruiting ads should say 'Steal All You Can Steal.' For example, for debts up to $600, if an ex-serviceman simply doesn't answer the Army's mail, Army collectors will eventually give up and wrote off the debt. GAO found all kinds of problems with the Army's debt collection operation: antiquated regulations, a sloppy management review system, and foot-dragging on solving the mess. The Army, for example, was told by GAO in 1981 it needed to reform its collections operation but so far the Army has sat on its hands.

"And to this day, most of the reforms the Army has made have been eyewash, such as writing off more debts and papering over the problem with accounting tricks to make the collection figures look better. But the bottom line is that over the last six years the amount of money escaping the Army through uncollected debts has more than doubled.

"The obvious solution to this problem is simply not letting service members leave the Army until they've worked off their debts. But the Army hasn't gotton off the dime to implement this major reform. Since these are taxpayer dimes that are missing, the Army doesn't seem to mind losing what amounts to loose change in its multibillion dollar budget. But $150 million is not loose change for the poor taxpayer."

MYTH OF THE DAY: WOMEN SHOULD BE BARRED FROM COMBAT

Mr. PROXMIRE. Mr. President, the myth of the day is that our armed services' combat exclusion policies enhance our national security. In reality, barring women from combat has resulted in complex and arbitrary restrictions that limit our military flexibility.

At the present time, each branch of the military has elaborate determinations for which specific assignments have high combat probability. These designations often change depending on the world situation so that in the Navy, for example, all assignments of women to ships in the 6th and 7th Fleets must be approved by the fleet commander. The fleet commander must review each case and use available intelligence resources to determine the likelihood of combat. Such time-consuming judgment calls may be manageable during peace-time, but they would be impossible in the crush of a war situation.

This became abundantly clear during the invasion of Grenada. A group of female military police deploying from Fort Bragg was sent back to the barracks three times before being allowed to deploy. Once in Grenada, they were recalled, and then, 3 days later, they were once again sent back to Grenada. That kind of confusion would only be magnified in a larger maneuver.

Women soldiers make up roughly 10 percent of our Armed Forces and are well integrated throughout. To keep tabs on all of them and try to restrict them from forward battle positions would not only be difficult, it would limit our flexibility and deprive the front-line of skilled female specialists.

This was underscored by Defense Secretary Weinberger in 1983 when he remarked to President Reagan that "what we've done is to say that until there is an actual imminence of war, (women) will be grease monkeys if they want to and things like that. But when it comes to actual combat, they will be substituted. It just makes it a little more difficult."

Not only would substituting women make things a little more difficult, it would be downright impossible. In fact, after Defense Secretary Weinberger's comment, Lawrence Korb, Assistant Secretary of Defense for Manpower, told reporters that men could not realistically be substituted for women in units preparing for combat. "Under many circumstances you just don't have that much warning. Women are an integral part of units," he said.

This was reinforced during the invasion of Grenada. A source in the Military Airlift Command said that female pilots, flight engineers and loadmasters were included in the Grenada crews because "to have excluded an aircraft simply because there was a woman on board would have lessened our reponse and reduced our effectiveness."

What's more, the combat exclusion policy is not burdensome only in times of war. It limits our flexibility now—each day that it is in effect. After terrorist attacks on several U.S. Embassies, the U.S. Marines decided that using female marines as Embassy guards is "inconsistent with national policy." Consequently, women were removed from guard posts despite the fact that their performance was said to be excellent. Can we afford to exclude competent female soldiers from every assignment that may be dangerous? These women are soldiers, after all. They knew the dangers involved when they chose the military as a career.

The fact is that we cannot afford to encumber our military commanders with combat restrictions that effect a large fraction of their troops. We must open up our combat billets to all qualified soliders in order to maximize our flexibility. The Pentagon proposed repealing the combat exclusion policies in 1979. Today women make up an even larger percentage of our Armed Forces and the need to lift the combat restrictions is that much greater. It is a matter of national security.

Mr. TRIBLE. Mr. President, I ask unanimous consent that the call for the quorum be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

METROPOLITAN WASHINGTON AIRPORTS TRANSFER ACT

The PRESIDING OFFICER. Under the previous order, the time until 11 o'clock shall be equally divided and controlled. The Senator from Virginia.

Mr. TRIBLE. Mr. President, over the past 2 days four Senators have voiced their opposition to the regional airports legislation. We have heard extended discussion about this measure, about the space program, and a lot of unrelated topics. The opposition to this bill is limited to a handful of Senators. They have sought to frustrate the will of the majority by filibustering the motion to proceed. That is, of course, their right. But now the time has come to invoke cloture so the Senate can work its will.

The reasons for this legislation are obvious and uncontroverted. The airports that serve our Nation's Capital, Washington National and Washington Dulles, are totally inadequate to meet the needs of the traveling public. They have been shackled by Federal control. In the environment of Gramm-Rudman-Hollings the Federal Government simply cannot and will not spend the hundreds of millions of dollars that are necessary to modernize these jetports. The only way to enhance these airports, to improve their services to all of our citizens, is to turn them over to an authority that can run them like all the other airports of our Nation and through the capital markets secure the huge sums of money—approaching $1 billion—that are necessary to improve these air gateways to our Nation's Capital.

Now, many aspects of this legislation have been criticized and certainly no bill is perfect. This measure reflects years of hard work, thought and compromise and received the support of a majority of Democrats and a majority of Republicans on the Commerce Committee. Indeed, the Commerce Committee voted 12 to 4 in support of this measure. I urge my colleagues to now permit us to proceed to the consideration of this legislation so that we can carefully consider the objections that have been raised.

Let me address the central argument advanced against this bill. It is alleged by some that this transfer is a giveaway and the Government should obtain huge sums of money for these properties. Well, first of all, under the terms of this bill, the regional airport authority would be required to pay $117 million, not an insubstantial sum by any means.

But why not more? Well, the properties at Washington National and Dulles would be priceless if, and only if, they could be put to their highest commercial use. But they cannot. These lands must be used as airports. They must be operated on a nonprofit basis to serve the public. Their bottom line is service, not profits. Let me repeat, these properties must be used as airports. They cannot be operated for profit. All air carrier airports in our country operate in that fashion.

How much then should the Government get? Well, market value is often based as an analysis of income. Here an income stream analysis would give the airports a value of zero. Well, that is not realistic, of course. So this legislation requires the authority to reimburse the Government for its hypothetical debt, $44 million. This sum represents the moneys the Federal Government has invested through the years in these airports and those dollars that have not yet been repaid. To require more would require the users of these airports to pay more than once for these facilities. That certainly is not fair.

In addition, the authority is required to assume a $37 million shortfall in the Federal pension fund for the airport employees and pay $36 million more to Maryland. All this adds up to over $100 million—$117 million to be exact. And be mindful that this transfer relieves the United States of a billion-dollar liability for necessary improvements at Dulles and National.

Finally, a higher sales price might bring more to the Treasury but it would make it difficult if not impossible for the authority to make the improvements that are essential and it

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would simply amount to a tax on Washington travelers who will pay the airport costs through fares and user fees. The purchase price is not going to be exacted from Virginia or from the airlines but is going to come out of the pockets of our constituents, yours and mine, the travelers that use these airports.

I suggest to my colleagues the time has come for the Senate to move to the consideration of this measure. Let us debate the merits of this measure. Let us address the concerns that have been raised. Let us let the Senate work its will.

Mr. WARNER. Addressed the Chair.

The PRESIDING OFFICER. The Senator from Virginia.

Mr. WARNER. Mr. President, I join with my distinguished colleague in expressing our strongest sentiments that the time has come for the Senate to turn to the bill itself and work its wisdom. Senator Trible has reviewed in some detail now on several occasions the major points. I have joined him as often as I could and will continue to do so throughout the consideration of this bill. In fairness, I say to my distinguished colleague from Maryland that he, too, has raised valid points and I think the Senate is now prepared to have both sides address these points in such a way that they can be resolved either through amendments, debate, or otherwise. I cannot think of any interests that the distinguished Senator from Maryland and perhaps others desire to protect that proceeding on the bill would not give equal protection. I think there is strong sentiment in the Senate now to minimize consideration of a motion to proceed and as often as possible we should go right to the bill and proceed to address the merits.

So, Mr. President, I encourage our colleagues to allow the Senate to work its will, since our colleague from Maryland and others have had adequate time now to raise those points which they think are germane to the issue on the issue on the motion to proceed.

Mr. President, I see the distinguished Senator from Maryland approaching his desk and I shall not at this time put in a quorum.

The PRESIDING OFFICER. Who yields time?

Mr. SARBANES. Mr. President, what is the time situation?

The PRESIDING OFFICER. The Senator from Virginia has 3 minutes remaining and the Senator from Maryland has 10 minutes remaining.

Mr. SARBANES addressed the Chair.

The PRESIDING OFFICER. The Senator from Maryland.

Mr. SARBANES. Mr. President, shortly we will be voting on the cloture motion on the motion to proceed to S. 1017, and I urge my colleagues to vote against it.

The argument has been made that we should get on to the bill and then try to amend it to address the problems that have been raised. The difficulty with that was set out yesterday by the junior Senator from Virginia when, in an exchange with one of our colleagues regarding an amendment to change the composition of the airport board authority, when he said "Well, this has been a very carefully-crafted arrangement, and if you change it, the arrangement will fall apart."

That is the difficulty here. This is an arrangement that involves local jurisdictions; and we, in effect, confront the situation that if we amend it in some "unacceptable" way to them on the floor of the Senate, they will no longer participate. So the notion that the Senate is "going to be able to work its will" is really within the framework of being very rigidly constrained.

There is a story in the morning paper of a private group that is prepared to offer up to a billion dollars for these two airports. This has just appeared. It is my first acquaintance with it. I do not know the merits of that. But it seems to me that, at a minimum, what it does is indicate that we need to take another look.

Mr. President, will the Chair inform me when I have 5 minutes remaining?

The PRESIDING OFFICER. Yes.

Mr. SARBANES. When you take another look, it may be that it does not appear as substantial as it does on its face. When you take another look, it may in fact be quite substantial. In any event, it underscores the point that these facilities are being disposed of below bargain basement sale prices.

Maryland paid the city of Baltimore, in 1972, $36 million for Friendship International Airport. At today's adjusted dollar figures—in other words, if you were to buy it today for that price in current dollars—you would pay just over $100 million.

That, of course, is only one facility, whose condition was markedly inferior to the condition of either of the two airports we are talking about here, and the availability of traffic was markedly inferior. Both National and Dulles are now turning a profit, a very substantial profit. In the instance of National, they have picked up flights. In 1985, Dulles showed a 47-percent jump.

The junior Senator from Virginia has approached this, unfortunately, as though there is some Maryland animus toward Virginia. I regret that, because that is not the case. We, in fact, want to see these airports improved and developed. Many of our residents use these airports, and many people coming into Maryland make use of them.

We are sensitive to the needs of the National Capital Airport. Maryland, in fact, has cooperated with Virginia on a range of issues. The senior Senator from Virginia has taken the lead in many of those efforts, including the one on the Chesapeake Bay, which I think is an outstanding example of intergovernmental cooperation.

The PRESIDING OFFICER. The Senator now has 4 minutes remaining.

Mr. SARBANES. I yield myself another 2 minutes.

Mr. President, there is no animus. We do believe that if these airports are to be devolved to the local level, it should be done in a way that is equitable to the States and that leaves open the possibility of fair competition. We do not think this bill does that, because both are placed in an authority, because Maryland has only 2 of 11 voices on the authority, because one airport can cross-subsidize the other.

We think the situation is so structured that over time it will result, obviously to all, in a grossly unfair competitive situation. We are happy to have a fair competitive situation.

I say to the junior Senator from Virginia that it is not correct that we are really trying tc undercut our neighbor's efforts to engage in the same kind of development that Maryland undertook. In fact, we offered the proposition that Dulles should go to the State of Virginia comparable to BWI going to Maryland and then allow Virginia to proceed to develop it, and to develop it fully, both for airport purposes and in terms of economic development of northern Virginia and, indeed, of the entire State.

The PRESIDING OFFICER. The Senator's 2 minutes have expired.

Mr. SARBANES. I will continue on my time, Mr. President.

The article this morning about the offer to buy Dulles and National for up to $1 billion makes the point that we need to stop and take another look at this proposition. My assertion has been that enough questions have been raised, enough problems pointed out, that a wise and prudent approach to this issue would be to take another look at it, consider these objections, try to develop an approach which resolves them, and bring about a regional consensus.

Some might say, "Is that possible?" Well, I cannot guarantee it. I think that the makings of achieving that are here. I do not think you are going to be able to do it by amending this bill, because, as the junior Senator from Virginia has said, it has been carefully crafted, and if you change certain features of it, the participating parties are going to drop out. They are going to press for this current arrangement. That is not to say that if you went back and took another look, in light of the arguments that have been raised, the participating parties will not say, "Yes, those adjustments sound sensible, and we can handle them in the light of the changing circumstances."

We are confronting a different economic picture, a different financial picture. While perhaps the arrangement that is now being proposed is not quite as advantageous—and of course it is our assertion that what is contained in this bill is really close to a giveaway, it still makes sense.

I can understand my colleagues from Virginia pressing it. I would do the same thing if I were in their position. But it seems to me that there is some benefit that can be gained by a reexamination of this situation.

I gather that another cloture motion has been filed, to be considered the first of the week. If we do not invoke cloture today, there obviously will be no further votes on this matter today, because we would then be back in our current posture, with another motion to be considered the first part of next week, and I assume we would resume the debate that is taking place.

The PRESIDING OFFICER. The Senator's time has expired.

Mr. HOLLINGS. Mr. President, we see again today in the Washington Post how the whole idea of selling National and Dulles Airports is wrong.

This legislation was prepared by a commission appointed by the Secretary of Transportation and told to come up with a "fix." They were not told to find alternatives or consider ways to improve upon the current situation at the airports.

The Holton Commission did not consider using the revenues of the airport and airway trust fund to improve the physical condition of National and Dulles. It did not consider alternative funding mechanisms.

Rather, it simply told Secretary Dole to give these airports away for $47 million.

How can anyone disagree that this legislation is a fix. We now see how a group of private investors are willing to put up more than $1 billion for these airports.

The value of these airports for exceed the sales price of $47 million. Private interests agree. The National Taxpayers Union agrees.

To give these airports away will in no way mandate the renovation that we all agree are necessary. The new authority could easily drag its feet in issuing any bonds.

Why, because it will cost a great deal of money to issue those bonds. And that money, which will be repaid by taxpayers and the traveling public, will not go to improve National and build the infield terminal at Dulles, but will go to lawyers and the like.

Of course, we have never considered any other course—such as changing the current law to allow the Metropolitan Washington airports to receive money from the aviation trust fund and use that money like other airports currently do.

We do not need to spin off our responsibilities to other political jurisdictions. Rather, we need to consider alternatives to this "fix."

We need to defeat S. 1017, and I urge my colleagues to vote no today.

The PRESIDING OFFICER. Who yields time?

The Senator from Virginia has 3 minutes.

Mr. TRIBLE. Mr. President, let me say, in conclusion, that there is no good reason for us not to proceed to the consideration of this measure. We have had 2 full days of discussion. The opponents have had an opportunity to raise their thoughts and concerns. Now the time has come for the Senate to work its will.

The suggestion has been made that there are offers outstanding to pay fabulous sums of money for this airport. The Senator from Maryland referred to an article in this morning's paper. There was no offer. The article says that if Congress is willing to look at privatization, then the group would begin to assemble the dollars necessary.

Does anyone think we are going to privatize our airports? If they do, then they must think, also, that we are going to privatize our interstate highway systems and let people set up tollbooths on those highways. That will not occur, because our airports are to serve the public and they are not intended to make a profit.

Let me put it very plainly. Any Senator concerned about his or her constituents traveling to Washington by air will find them experiencing growing difficulty, delay, and inconvenience. There is no Federal money to improve these important airports. In failing to enact this transfer, the air gateways to the Nation's Capital will become the bane of all travelers.

Our national interests require that these airports be enhanced and expanded so that they can provide quality service to all our citizens and the citizens of the world. That can be accomplished only by moving to the consideration of this measure, dealing with the concerns that have been raised, and then passing this measure.

I yield back the remainder of my time.

CLOTURE MOTION

The PRESIDING OFFICER. One hour having passed since the Senate convened, the clerk will report the motion to invoke cloture.

The legislative clerk read as follows:

CLOTURE MOTION

We, the undersigned Senators, in accordance with the provisions of rule XXII of the Standing Rules of the Senate, hereby move to bring to a close debate on the motion to proceed to the consideration of S. 1017, a bill to provide for the transfer of the Metropolitan Washington Airports to an independent airport authority.

Bob Dole, Paul Trible, Bob Kasten, Thad Cochran, Jake Garn, Mitch McConnell, Pete Wilson, Warren B. Rudman, Ted Stevens, Robert T. Stafford, John Danforth, Paul Laxalt, John Warner, Slade Gorton, Nancy L. Kassebaum, Dan Quayle, Pete V. Domenici, Al Simpson, Jesse Helms, and Chic Hecht.

CALL OF THE ROLL

The PRESIDING OFFICER. Pursuant to rule XXII, the Chair now directs the clerk to call the roll to ascertain the presence of a quorum.

The assistant legislative clerk called the roll and the following Senators answered to their names:

[Quorum No. 3]

Biden
Byrd
Chiles
Cochran
D'Amato
Dixon
Durenberger
Evans
Goldwater
Helms
Johnston
Sarbanes
Trible
Warner

The PRESIDING OFFICER (Mr. Durenberger). A quorum is not present. The clerk will call the names of the absentees.

The legislative clerk resumed the call of the roll and the following Senators entered the Chamber and answered to their names:

Abdnor
Andrews
Armstrong
Baucus
Bingaman
Boren
Boschwitz
Bumpers
Burdick
Chafee
Cranston
DeConcini
Denton
Dole
Domenici
Eagleton
East
Exon
Ford
Garn
Glenn
Gore
Gorton
Gramm
Grassley
Harkin
Hart
Hatch
Hatfield
Hawkins
Hecht
Heflin
Heinz
Hollings
Humphrey
Kassebaum
Kasten
Kennedy
Kerry
Laxalt
Levin
Lugar
Matsunaga
Mattingly
McConnell
Melcher
Metzenbaum
Mitchell
Moynihan
Murkowski
Nickles
Nunn
Packwood
Pell
Pressler
Proxmire
Pryor
Quayle
Riegle
Rockefeller
Roth
Rudman
Sasser
Simon
Simpson
Specter
Stafford
Stennis
Stevens
Symms
Thurmond
Wallop
Weicker
Wilson
Zorinsky

The PRESIDING OFFICER. A quorum is present.

VOTE

The PRESIDING OFFICER. The question is, Is it the sense of the Senate that debate on the motion to proceed to consider S. 1017, a bill to provide for the transfer of Metropolitan Washington airports to an independent airport authority, shall be brought to a close.

The yeas and nays are automatic under the rule, and the clerk will call the roll.

The legislative clerk called the roll.

Mr. SIMPSON announced that the Senator from Maine [Mr. Cohen], and the Senator from Missouri [Mr. Dan-

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FORTH], the Senator from Idaho [Mr. McClure] are necessarily absent.

I also announce that the Senator from Maryland [Mr. Mathias] is absent on official business.

Mr. CRANSTON announced that the Senator from Texas [Mr. Bentsen], the Senator from New Jersey [Mr. Bradley], the Senator from Connecticut [Mr. Dodd], the Senator from New Jersey [Mr. Lautenberg], the Senator from Vermont [Mr. Leahy], and the Senator from Louisiana [Mr. Long] are necessarily absent.

I also announce that the Senator from Hawaii [Mr. Inouye] is absent because of death in the family.

I further announce that, if present and voting, the Senator from Vermont [Mr. Leahy] would vote "nay."

The PRESIDING OFFICER. Are there any other Senators in the Chamber who desire to vote?

The result was announced—yeas 50, nays 39, as follows:

[Rollcall Vote No. 43 Leg.]

YEAS—50

Armstrong
Boren
Boschwitz
Chafee
Cochran
D'Amato
DeConcini
Denton
Dixon
Dole
Domenici
Durenberger
East
Evans
Garn
Glenn
Gorton
Gramm
Grassley
Hatch
Hatfield
Hawkins
Hecht
Helms
Kassebaum
Kasten
Laxalt
Lugar
Matsunaga
Mattingly
McConnell
Murkowski
Nickles
Packwood
Pell
Quayle
Roth
Rudman
Simpson
Specter
Stafford
Stevens
Symms
Thurmond
Trible
Wallop
Warner
Weicker
Wilson
Zorinsky

NAYS—39

Abdnor
Andrews
Baucus
Biden
Bingaman
Bumpers
Burdick
Byrd
Chiles
Cranston
Eagleton
Exon
Ford
Goldwater
Gore
Harkin
Hart
Heflin
Heinz
Hollings
Humphrey
Johnston
Kennedy
Kerry
Levin
Melcher
Metzenbaum
Mitchell
Moynihan
Nunn
Pressler
Proxmire
Pryor
Riegle
Rockefeller
Sarbanes
Sasser
Simon
Stennis

NOT VOTING—11

Bentsen
Bradley
Cohen
Danforth
Dodd
Inouye
Lautenberg
Leahy
Long
Mathias
McClure

The PRESIDING OFFICER. If there are no other Senators who desire to cast their vote, then on this vote the yeas are 50, the nays are 39. Three-fifths of the Senators duly chosen and sworn not having voted in the affirmative, the motion is not agreed to.

SCHEDULE

Mr. BYRD addressed the Chair.

The PRESIDING OFFICER. The Democratic leader.

Mr. BYRD. Mr. President, may we have order in the Senate. I wish to ask the majority leader about the program.

The PRESIDING OFFICER. May we have order in the Senate. Those Senators who are carrying on conversations in the well and in the aisles, please take those conversations to the respective cloakrooms.

Mr. BYRD. Mr. President, I wish to inquire of the distinguished majority leader what the schedule is for the rest of today and Monday and at what point today, if there are going to be any more rollcall votes, and beyond what time may we expect not to have rollcall votes and on Monday what the situation is? I believe a cloture motion has been introduced on yesterday which would mature on Monday for another vote.

Mr. DOLE. Mr. President, I do not think there will be any more votes today, I would say to my colleagues on both sides. We will continue to debate this issue. There will be a cloture vote. It is scheduled for Monday, but if we can get an agreement to have that vote come on Tuesday, I can accommodate Members on both sides. Otherwise, it will come on Monday. We will file another cloture motion today so we have another cloture vote on Tuesday.

Mr. BYRD. Would the distinguished majority leader be willing to put the request at this time for the cloture vote to occur on Tuesday? Mr. Sarbanes and others are on the floor.

Mr. DOLE. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. COCHRAN. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

FRANCES McMURTRAY NORRIS, ASSISTANT SECRETARY OF EDUCATION

Mr. COCHRAN. Mr. President, I am delighted that the President has nominated and the Senate has confirmed Frances McMurtray Norris as Assistant Secretary of Education for Legislation.

Frances Norris is a native of Jackson, MS. She graduated from the University of Mississippi and earned her masters degree from the University of Kentucky. She served as a staff assistant to two Members of our Mississippi congressional delegation, Congressman Sonny Montgomery and Congressman Trent Lott. She impressed me during those years as one of the most capable and dependable staff members who worked in the House of Representatives.

Since joining the Department of Education as Director of the Office of Legislative Liaison, Frances Norris has proven to be an effective member of the administration's team. She has steadily moved up the ladder to become Deputy Assistant Secretary for Legislation, and now she is the Assistant Secretary.

Mr. President, I am very proud of the work and the accomplishments of my friend and constituent, Frances Norris.

I commend the chairman of the Labor and Human Resources Committee, Senator Hatch, for the prompt action on this nomination. I am pleased that the Senate has confirmed her as Assistant Secretary without objection from any Senator. I am confident she will serve in this new capacity with honor and distinction.

Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. SIMPSON. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER (Mr. Gorton). Without objection, it is so ordered.

FORMER PRESIDENTS FACILITIES REFORM ACT

Mr. SIMPSON. Mr. President, after conferring with the Democratic leader, I ask unanimous consent that the Senate turn to the consideration of calendar item No. 555, H.R. 1349, to reduce the cost of operating Presidential libraries.

The PRESIDING OFFICER. Is there objection? Without objection, it is so ordered.

The clerk will state the bill by title.

The assistant legislative clerk read as follows:

A bill (H.R. 1349) to reduce the costs of operating Presidential libraries, and for other purposes.

The Senate proceeded to consider the bill, which had been reported from the Committee on Governmental Affairs, with an amendment to strike out all after the enacting clause, and insert the following:

That this Act may be cited as the "Former Presidents Facilities Reform Act".

RESEARCH AND MUSEUM FACILITIES

Sec. 2. Section 2101(1) of title 44, United States Code, is amended by inserting before the semicolon a comma and "and may include research facilities and museum facilities in accordance with this chapter".

PRESIDENTIAL ARCHIVAL DEPOSITORIES

Sec. 3. (a) Section 2112(a) of title 44, United States Code, is amended to read as follows:

"(a)(1) When the Archivist considers it to be in the public interest, the Archivist may—

"(A)(i) accept, for and in the name of the United States, land, a facility, and equipment offered as a gift to the United States

for the purposes of creating a Presidential archival depository;

"(ii) take title to the land, facility, and equipment on behalf of the United States; and

"(iii) maintain, operate, and protect the land, facility, and equipment as a Presidential archival depository and as part of the national archives system;

"(B)(i) make agreements, upon terms and conditions the Archivist considers proper, with a State, political subdivision, university, institution of higher learning, institute, or foundation to use as a Presidential archival depository land, a facility, and equipment of the State, subdivision, university, or other organization, to be made available by it without transfer of title to the United States; and

"(ii) maintain, operate, and protect the depository as a part of the national archives system; and

"(C) accept, for and in the name of the United States, gifts offered for the purpose of making any physical or material change or addition to a Presidential archival depository.

"(2) The Archivist shall promulgate architectural and design standards applicable to Presidential archival depositories in order to ensure that such depositories (A) preserve Presidential records subject to chapter 22 of this title and papers and other historical materials accepted for deposit under section 2111 of this title and (B) contain adequate research facilities.

"(3) Prior to accepting and taking title to any land, facility, or equipment under subparagraph (A) of paragraph (1), or prior to entering into any agreement under subparagraph (B) of such paragraph or any other agreement to accept or establish a Presidential archival depository, the Archivist shall submit a written report on the proposed Presidential archival depository to the President of the Senate and the Speaker of the House of Representatives. The report shall include—

"(A) a description of the land, facility, and equipment offered as a gift or to be made available without transfer of title;

"(B) a statement specifying the estimated total cost of the proposed depository and the amount of the endowment for the depository required pursuant to subsection (g) of this section;

"(C) a statement of the terms of the proposed agreement, if any;

"(D) a general description of the types of papers, documents, or other historical materials proposed to be deposited in the depository to be created, and of the terms of the proposed deposit;

"(E) a statement of any additional improvements and equipment associated with the development and operation of the depository, an estimate of the costs of such improvements and equipment, and a statement as to the extent to which such costs will be incurred by any Federal or State government agency;

"(F) an estimate of the total annual cost to the United States of maintaining, operating, and protecting the depository; and

"(G) a certification that such facility and equipment (whether offered as a gift or made available without transfer of title) comply with standards promulgated by the Archivist pursuant to paragraph (2) of this subsection.

"(4) Prior to accepting any gift under subparagraph (C) of paragraph (1) for the purpose of making any physical or material change or addition to a Presidential archival depository, or prior to implementing any provision of law requiring the making of such a change or addition, the Archivist shall submit a report in writing on the proposed change or addition to the President of the Senate and the Speaker of the House of Representatives. The report shall include—

"(A) a description of such gift;

"(B) a statement specifying the estimated total cost of the proposed physical or material change or addition and the amount of the deposit in an endowment for the depository required pursuant to subsection (g) of this section in order to meet the cost of such change or addition;

"(C) a statement of the purpose of the proposed change or addition and a general description of any papers, documents, or historical materials proposed to be deposited in the depository as a result of such change or addition;

"(D) a statement of any additional improvements or equipment for the depository associated with such change or addition;

"(E) an estimate of the increase in the total annual cost to the United States of maintaining, operating, and protecting the depository that will result from such change or addition; and

"(F) a certification that the depository, and the equipment therein will, after such change or addition, comply with the standards promulgated by the Archivist pursuant to paragraph (2) of this subsection.

"(5) The Archivists may not—

"(A) accept or take title to land, a facility, or equipment under subparagraph (A) of paragraph (1) for the purpose of creating a Presidential archival depository;

"(B) enter into any agreement under subparagraph (B) of such paragraph or any other agreement to accept or establish a Presidential archival depository; or

"(C) accept any gift under subparagraph (C) of such paragraph for the purpose for making any physical or material change to a Presidential archival depository,

until the expiration of a period of 60 days of continuous session of Congress beginning on the date on which the Archivists transmits the report required under paragraph (3) of this subsection with respect to such Presidential archival depository or the report required under paragraph (4) of this subsection with respect to such change or addition, as the case may be.".

(b) Section 2112(g) of title 44, United States Code, is amended to read as follows:

"(g)(1) When the Archivist considers it to be in the public interest, the Archivist may solicit and accept gifts or bequests of money or other property for the purpose of maintaining, operating, protecting, or improving a Presidential archival depository. The proceeds of gifts or bequests, together with the proceeds from fees or from sales of historical materials, copies or reproductions, catalogs, or other items, having to do with a Presidential archival depository, shall be paid into an account in the National Archives Trust Fund and shall be held, administered, and expended for the benefit and in the interest of the Presidential archival depository in connection with which they were received, and for the same purposes and objects, including custodial and administrative services for which appropriations for the maintenance, operation, protection, or improvement of Presidential archival depositories might be expended.

"(2) The Archivist shall provide for the establishment in such Trust Fund of separate endowments for the maintenance of the land, facility, and equipment of each Presidential archival depository, to which shall be credited any gifts or bequests received under paragraph (1) that are offered for that purpose. Income to each such endowment shall be available to cover the cost of facility operations, but shall not be available for the performance of archival functions under this title.

"(3) The Archivist shall not accept or take title to any land, facility, or equipment under subparagraph (A) of subsection (a)(1), or enter into any agreement to use any land, facility, or equipment under subparagraph (B) of such subsection for the purpose of creating a Presidential archival depository, unless the Archivist determines that there is available, by gift or bequest for deposit under paragraph (2) of this subsection in an endowment with respect to such depository, an amount for the purpose of maintaining such land, facility, and equipment equal to—

"(A) the product of—

"(i) the total cost of acquiring or constructing such facility and of acquiring and installing such equipment, multiplied by

"(ii) 20 percent; plus

"(B)(i) if title to the land is to be vested in the United States, the product of—

"(I) the total cost of acquiring the land upon which such facility is located, or such other measure of the value of such land as is mutually agreed upon by the Archivist and the donor, multiplied by

"(II) 20 percent; or

"(ii) if title to the land is not to be vested in the United States, the product of—

"(I) the total cost to the donor of any improvements to the land upon which such facility is located (other than such facility and equipment), multiplied by

"(II) 20 percent; plus

"(C) if the Presidential archival depository will exceed 70,000 square feet in area, an amount equal to the product of—

"(i) the sum of—

"(I) the total cost described in clause (i) of subparagraph (A); plus

"(II) the total cost described in subclause (I) or (II) of subparagraph (B)(i), as the case may be, multiplied by

"(ii) the percentage obtained by dividing the number of square feet by which such depository will exceed 70,000 square feet by 70,000.

"(4) If a proposed physical or material change or addition to a Presidential archival depository would result in an increase in the cost of facility oprations, the Archivist may not accept any gift under subparagraph (C) of paragraph (1) for the purpose of making such a change or addition, or may not implement any provision of law requiring the making of such a change or addition, unless the Archivist determines that there is available, by gift or bequest for deposit under paragraph (2) of this subsection in an endowment with respect to such depository, an amount for the purpose of maintaining the land, facility, and equipment of such depository equal to the difference between—

"(A) the amount which, pursuant to paragraph (3) of this subsection, would have been required to have been available for deposit in such endowment with respect to such depository if such change or addition had been included in such depository on—

"(i) the date on which the Archivist took title to the land, facility, and equipment for such depository under subparagraph (A) of subsection (a)(1); or

"(ii) the date on which the Archivist entered into an agreement for the creation of such depository under subparagraph (B) of such paragraph, as the case may be; minus

"(B) the amount which, pursuant to paragraph (3) of this subsection, was required to be available for deposit in such endowment with respect to such depository on the date the Archivist took such title or entered into such agreement, as the case may be.".

APPLICABILITY

SEC. 4. Paragraphs (3) and (4) of section 2112(g) of title 44, United States Code (as added by the amendment made by section 3(b) of this Act) shall apply with respect to any Presidential archival depository created as a depository for the papers, documents, and other historical materials and Federal records pertaining to any President who takes the oath of office as President for the first time on or after January 20, 1985.

STUDY OF MUSEUM OF THE PRESIDENTS

SEC. 5. (a) The Archivist of the United States, in consultation with the Secretary of the Smithsonian Institution and the National Capital Planning Commission, shall study the demand for, and the cost, and space and program requirements of, establishing a museum of the Presidents. With respect to such costs, the study shall examine the feasibility of establishing and operating such museum exclusively with non-Federal funds.

(b) Each Federal agency shall cooperate with the Archivist in conducting the study required by subsection (a).

(c) In the annual report for fiscal year 1986 required by section 2106 of title 44, United States Code, the Archivist shall include a statement of the results of the study required by subsection (a) and any recommendations of the Archivist with respect to establishing such a museum.

AMENDMENT NO. 1704

(Purpose: To revise the short title, and for other purposes)

Mr. SIMPSON. Mr. President, I send an amendment to the desk on behalf of Senator ROTH to the committee amendment in the nature of a substitute.

The PRESIDING OFFICER. The clerk will state the amendment.

The assistant legislative clerk read as follows:

The Senator from Wyoming [Mr. SIMPSON], for Mr. ROTH, proposes an amendment numbered 1704.

Mr. SIMPSON. I ask unanimous consent that further reading be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

In the first section, strike out "Former Presidents Facilities Reform Act" and insert in lieu thereof "Presidential Libraries Act of 1986".

On page 7, line 1, strike the word "purposes" and insert in lieu thereof "purpose".

On page 11, line 18, after the word "it" insert the word "to".

The PRESIDING OFFICER. The question is on agreeing to the amendment.

The amendment (No. 1704) was agreed to.

Mr. SIMPSON. I move the adoption of the committee substitute as amended.

The PRESIDING OFFICER. The question is on agreeing to the committee amendment in the nature of a substitute as amended.

The committee amendment in the nature of a substitute as amended was agreed to.

Mr. ROTH. Mr. President, I rise in support of this legislation to stop and reverse the increasing costs of establishing, maintaining, and operating Presidential libraries for our Nation's former Presidents.

In fiscal year 1985 more than $15 million, according to GAO, was allotted for the maintenance and operation of the seven existing Presidential libraries housing the papers and memorabilia of Presidents Hoover, Franklin Roosevelt, Truman, Eisenhower, Kennedy, Johnson, and Ford, and the archival work related to the Nixon and Carter papers. While the initial construction costs of the libraries are provided by private funding, the escalating costs for maintenance of each of the libraries are borne by the National Archives.

Mr. President, it is not disputed that former Chief Executives should be treated fairly and with dignity. However, escalating costs in these times of necessary financial restraint mean it's time to tighten the management of benefits to former Presidents.

This bill is needed to reduce the taxpayer costs associated with Presidential libraries and to strengthen the role played by the Archivist of the United States in preserving, protecting, and sharing our Nation's heritage.

One purpose of this legislation therefore is to strengthen the Archivist's ability to assure that the building, equipment, and other facilities comply with minimum standards. The Archivist will set forth architectural and design standards applicable to Presidental libraries in order to ensure that such libraries: First, preserve Presidential records subject to chapter 22 of title 44 and papers and other historical materials accepted for deposit under section 2111 of title 44 and; second, contain adequate research facilities.

The terms "architectural" and "design" standards are not intended to imply the Archivist will rigidly set forth what a library facility will look like. They are intended to mean the Archivist will establish functional requirements for an archival depository and museum. The facade of a facility, for example, would not be dictated by the standards to be promulgated by the Archivist.

The provision regarding the Archivist's authority to promulgate minimum standards for Presidential libraries shall take effect upon enactment of this legislation and shall apply to all libraries past, present, and future.

This legislation is also needed to ensure that establishing Presidential libraries is well coordinated, that their operation is cost effective, and that the libraries are subject to some carefully defined limits.

Mr. President, Presidential libraries must be subject to strong cost discipline and effective controls. This illustrates a second purpose of this bill and that is to establish a new mechanism for funding the ongoing operational costs of future Presidential libraries.

Under the new mechanism, the Archivist cannot accept or take title to any land, facility, or equipment, or enter into any agreement to use any land, facility, or equipment, to create a Presidential library unless the Archivist determines an endowment equal to at least 20 percent of both (A) the total cost of acquiring and constructing the library facility and related equipment, and (B) the total cost of acquiring (or such other measure of value as is mutually agreed upon by the Archivist and the donor) the land on which the facility is situated if title to the land is to be vested in the United States or the cost to the donor of any (other than facility or equipment) improvements to the land on which the facility is situated if title is not vested. Income from the endowment will be earmarked and used to help pay for operating and maintenance costs of the library.

If the library facility exceeds 70,000 square feet in area, the Archivist must determine that a proportionately greater endowment be available for any space which exceeds 70,000 square feet. The additional endowment amount is to be determined as follows: The product of the total cost of acquiring and constructing the facility plus the total cost of acquiring or improving the land upon which the facility is located, multiplied by the percentage obtained by dividing by 70,000 the number of square feet exceeding 70,000.

The purpose of the additional endowment requirement is to reduce substantially taxpayer costs that would be associated with the operation and maintenance of space exceeding 70,000 square feet. A facility of 70,000 square feet is adequate for a Presidential library. While larger facilities are not precluded, an additional endowment would be necessary.

Additional endowment requirements are also imposed if a proposed change or addition to a Presidential library would result in an increase in the costs of facility operations. The Archivist may not accept any gifts or implement any provisions of law to make such a change or addition unless the Archivist determines there is available an additional amount for deposit in the respective endowment to help cover the additional costs. The additional amount shall be equal to the difference between the amount which would have been required for deposit in the initial endowment if the change or addition had been included as part of the facility, or the date the Archivist took title or entered into an agreement in order to establish the library and the amount which was actually required.

These space and endowment requirements will apply to any Presidential library pertaining to any President who takes the oath of office as President for the first time on or after January 20, 1985. These endowment and space requirements will reduce the taxpayer cost of operating future Presidential libraries.

Mr. President, I would also like to briefly discuss how the Senate bill differs from the House-passed bill. The differences are as follows:

First, future Presidential libraries with more than 70,000 square feet would require a larger percentage endowment for the amount in excess of 70,000;

Second, in his report to Congress on a proposed Presidential library, the Archivist would be required to provide additional and more specific information than is required under current law;

Third, the requirement that the Archivist promulgate minimum standards of archival suitability would be made explicit rather than implicit;

Fourth, proposed physical or material changes or additions to future Presidential libraries pertaining to any President who takes the oath of office as President for the first time on or after January 20, 1985, would be subject to all the requirements of the Presidential Libraries Act as amended by this legislation.

Mr. President, documents and papers of former Presidents are a legacy of infinite value. Each President's papers should be collected in a single location for the education of the public as a whole and as a tool of scholarly research.

Nevertheless, many Members, including myself, have argued in congressional hearings that the law pertaining to funding of former President's libraries has been inadequately monitored. This bill places a reasonable set of controls on Presidential libraries, saves tax dollars, and maintains the Congress' affirmation of a national policy that each former President be treated with due respect and dignity.

Mr. President, I am an original cosponsor and a strong supporter of this bill and I urge its immediate adoption.

Mr. CHILES. Mr. President, the Presidential Libraries Act of 1986, the bill before us today, amounts to title I of S. 1047, the Former Presidents Act of 1985.

That bill contains a comprehensive, three-pronged approach to end what I have termed the era of the "Imperial Former Presidency." It is sponsored by myself and 19 other Senators, including the distinguished chairman of the Governmental Affairs Committee, Senator ROTH.

Establishing reasonable limits on the Federal spending which goes to Presidential libraries is one of the three prongs; the other two deal with limits on office staff and allowances, and automatic—for life Secret Service protection.

We separated the libraries title from the comprehensive bill because the House has already acted upon that part. It is my expectation that amendments made by the Senate to H.R. 1349 will be acceptable to the House.

The administration has indicated support for similar legislation.

With Senate passage, I believe we can look forward to this bill becoming law very soon.

The Committee on Governmental Affairs has passed the rest of the former Presidents bill.

I hope the full Senate will consider shortly those parts of the overall strategy to reform this area of Federal spending.

Mr. President, this is the fourth Congress in which I have introduced and worked on legislation to reform the programs which provide benefits to former Presidents.

They are certainly entitled to live a dignified life as elder statesmen for our country. They are not entitled to commercialize the office of Presidency.

Today's action to pass the Former Presidents Libraries Act represents genuine progress. It looks like we will make it to homeplate with this part. That is a momentum builder. I am encouraged we can achieve the total legislative package this session.

Over the years, the laws providing benefits to our Nation's former Presidents have developed piecemeal and with little regard to their overall impact.

The levels of expenditures have exceeded original expectations, both in terms of the amounts and the purposes for which funds are spent. All together, the spending has ballooned from $63,745 in 1955 to over $26 million today. In the case of Presidential libraries, the cost has grown from $63,745 in 1955 to about $19 million last year.

Since 1981, the expense of former Presidents has cost more than the expense of running the White House itself for our incumbent President. That is a reason why I believe Congress has permitted an environment which allows for "An Imperial Former Presidency." Today's action will help effectively end the practice of contributing to this environment in the category of Presidential libraries. It is not appropriate for a Presidential library to resemble a mausoleum. It is appropriate that a library be an adequate facility to preserve our national heritage.

During hearings on the Old Library Act, it was estimated that each additional library would cost about $100,000 annually. With seven libraries now in existence, that cost approximates $2 million per year per library. It is roughly estimated that the new endowment and space requirements of this bill will halve taxpayer costs to future Presidential libraries.

For example, had the provisions of this bill been in effect since the inception of the Presidential library system, appropriated funds might have been reduced in fiscal 1984 from $15 million to less than $8 million.

Let me make clear this legislation will apply to Presidential libraries established for Presidents who follow President Reagan. While space and endowment requirements will not be binding on our sitting President. It is my hope he will take this opportunity to set the example for future Presidents. In brief, the bill:

Establishes the Archivist of the United States as responsible for managing Presidential libraries. The Archivist is to create architectural and design standards for the construction of Presidential libraries by private parties. The Archivist may accept—as private gifts or pursuant to agreements with State or local governments, institutes, or foundations—land, facilities and equipment as are needed to operate and maintain a Presidential library.

Prohibits the Archivist from making any agreement for a Presidential library unless he determines an endowment equal to 20 percent of the total cost of the facility is provided. Income from the endowment will be earmarked and used to help pay for the operating and maintenance costs of the library.

Requires all new libraries to be in a single facility whose size shall be limited to 70,000 square feet, unless an endowment is provided to pay for the operating and maintenance costs associated with any additional space beyond the limit.

Requires the Archivist to submit a library prospectus to Congress for a 60-day review period before the Archivist may act to accept responsibility to operate and maintain a library. The submission must include an estimate of all Federal costs associated with the library and an estimate of the annual cost to the Government for operation and maintenance. All modifications for new libraries will be subject to similar congressional review requirements.

Mr. President, I am delighted to see the statement in support of the bill by the distinguished chairman of the committee [Mr. ROTH]. I urge adoption of the bill.

The PRESIDING OFFICER. The question is on engrossment of the com-

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mittee amendment and third reading of the bill.

The amendment was ordered to be engrossed and the bill to be read a third time.

The bill was read the third time and passed.

Mr. SIMPSON. I move to reconsider the vote by which the bill was passed.

Mr. CHILES. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. SIMPSON. Mr. President, I thank the distinguished Senator from Florida for his assistance and indeed for the essence of the bill, which has very good bipartisan support. It is an excellent measure. I certainly concur in the remarks the Senator made.

Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. TRIBLE. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

METROPOLITAN WASHINGTON AIRPORTS TRANSFER ACT

The Senate continued with the consideration of the motion to proceed to consider the bill (S. 1017).

Mr. TRIBLE. Mr. President, today, the Senate declined to adopt cloture and cut off debate on the motion to proceed to the consideration of the airport legislation. A second cloture vote will be scheduled for Tuesday, and at that time it is my hope—indeed, my anticipation—that 60 Members of the Senate will agree to proceed, so that we can consider this important legislation.

I emphasize that we remain blocked from that consideration. We are attempting to proceed to a consideration of the legislation; and once the Senate agrees that that step should be taken, as I believe it will do early next week, we will have ample opportunity to debate and consider the concerns that have been expressed on this floor in the last several days.

It is the judgment of this Senator that it is important to all our citizens that we enhance the airports of National and Dulles, that those airports be modernized and expanded to provide better service to all. Given the limitations of Government to undertake that task, it is essential that these airports be spun off to an authority that will have the opportunity and the ability to effectively manage modern jetports in this day of deregulated air traffic and move into the capital markets to raise the substantial funds necessary to enhance, expand, and modernize the facilities.

My colleague from Maryland and others have raised concerns about the value of these properties and whether the taxpayers are being sufficiently compensated. Others have expressed concerns that the regional airport commission should be broader based and should have larger representation from other parts of the country. Other concerns have been raised. These concerns will be addressed and met fully by the proponents of this legislation.

I believe that once the Senate has an opportunity to work its will, once my colleagues in the Senate address the issues before us, they will be convinced that this is a necessary step; that by modernizing these airports, all people will be benefited; and that this legislation, which has been carefully crafted over many years—legislation which is the result of a long and difficult process—does fairly represent the interests of all our citizens, whether we live in Virginia or Maryland or the District of Columbia, or whether our citizens hail from other parts of the country.

At some point soon, I will proffer a unanimous-consent request on behalf of the leadership on both sides of the aisle, that would carry these proceedings over until next week and call for a vote on cloture at a time certain on Tuesday. I say that so that all my colleagues on both sides of the aisle will know that there will be no more votes today.

I see my distinguished colleague from Maryland in the Chamber, and I know that he, too, has some thoughts and perhaps concerns to share at this point. So I will yield the floor, so that the Senator from Maryland can address this issue and whatever else comes to his mind.

The PRESIDING OFFICER (Mr. HECHT). The Senator from Maryland.

Mr. SARBANES. Mr. President, I want to commend the Senate for the vote that was cast earlier today in refusing to invoke cloture on the motion to proceed to this regional airport legislation.

As we know, invoking cloture takes 60 votes, under the rules of the Senate. It is a long-established part of Senate procedure and is designed, as we know, to protect the right of Senators to debate at some length on matters that are sought to be brought before the Senate or on matters that have in fact come before the Senate.

The reasons for that are valid, in my view. I do not argue for unlimited debate, and of course the cloture motion offers a way of restraining debate. But I do think it is important to have this opportunity to lay out in some detail the defects that one may see in a proposal that is sought to be brought before the Senate.

I think that this legislation, in some respects, is a classic example, because it was legislation on which Members of the Senate were not focusing, and it was intended to be seen as a problem only local to this area. I think the full implications of the issues here are now more broadly appreciated than they were a couple of days ago, when this debate began.

The question has been put: Why debate the motion to proceed to the legislation? Why not let the legislation get before the Senate and then try to amend it?

The answer to that is that it could be contended that the difficulties inherent in the bill are such that what really should happen is that an effort should be made to go back—not to the drawing board, because much of the underlying preliminary work has been done—to addressing how to deal with these two airports, and to look again at the recommendations and how they should be put together.

Second, it is very clear that if the measure should be before us, we are going to run into an argument that it really cannot be amended because to amend it would be to alter the arrangements that have been reached and are embraced in this legislation.

That consideration came out yesterday in the debate, and I was in a sense pleased that it was laid before the Senate because I think it, to some extent, has been unspoken. It has been lying behind what has happened, resting behind it. It was part of the exchange the Senator from South Dakota and my colleague from Virginia had in which the Senator from South Dakota was talking about trying to change the nature of the members of the authority; in other words, to have more appointed by the President, less by the three jurisdictions.

He was told in response to that position—I am quoting now from page S3120 of the RECORD:

> I will say to the Senator the reason I suggested it would kill this bill is that this bill is based on a compact passed by the State of Virginia and city of the District of Columbia that reflects this carefully crafted balance arrived at.
>
> Each of us can disagree as to what kind of representation we would want for the various parties. But we have many different interests here. It is very difficult to reconcile those interests to everyone's satisfaction.
>
> It we undo this agreement, then this particular legislation is at an end, and it would be necessary to begin this long and difficult process once again.

I want to make two observations about that. First of all, in a sense the argument is being advanced that you cannot really amend this thing. On the one hand, we are being told, "Let us get the bill up. If we get it up, you can amend it in order to address a lot of these problems." But it is very clear to me, and I think this exchange which I just quoted demonstrates it, that if in fact the bill gets up, then we are going to be told, "You really

cannot amend the bill this way because if you do, these arrangements involving these local jurisdictions will fall apart."

Now, that, of course, means that Members who come and say, "I do not really think this is the way it should have been done; wouldn't it have been better to do it differently," or "I think this provision is overly generous, or too restrictive, whatever it may be, are going to run into the counterargument.

The proponents of S. 1017 will say, "Well, now, this was carefully crafted, balanced, and we might disagree as to what should have been done, but it had been difficult to reconcile these interests to everyone's satisfaction, so therefore, we really cannot accept your amendment."

It is in anticipation, in part, of that situation that the Senator from Maryland has presssed the issue substantively. I think at least as I considered this matter over the last couple of days my comments have been addressed to the substance of the legislation and to the substantive arguments with respect to it. I do not accept the assertion that has been made that this is simply procedural. In other words, I think there is substance here and the Senate has to weigh that before it even gets into the bill. Because if it wants to get to the bill it is going to run into the argument that you cannot really change it because you will undo the arrangements. Therefore, if the arrangements seem unsatisfactory to Members, what they need to do is to say so now so an effort will be made to go back and undo the arrangements.

That brings me to the next point that was made by my able colleague from Virgina yesterday in the exchange where he said, in effect, that if the arrangements were undone, if we did not go with these arrangements, this whole thing would end and you would have to begin the long and difficult process once again.

I do not agree with that. The long and difficult process involved a commission. It involves studies. It involves sorting out a lot of different proposals. It seems to me that you do not have to go back to the beginning of that process. What you have to go to is the point at which the recommendations were in a sense put together or the arrangements were determined as to what was to be put in place.

Obviously, that is in a sense a judgment call. What would be involved would be going back to the Secretary, consulting with the local jurisdictions involved and with Members of Congress in a way to address some of these questions and problems raised and to see if a different balance could be struck that would be satisfactory to all of the parties involved.

I have indicated on the floor that I do not perceive any of the concerns of difficulties raised as being of such a fixed character that there is no possibility to address it in the circumstances. In other words, my view of it is that these are in fact issues that can be worked out. I do not see them as irreconcilable. I do not see such a basic division on some of these questions that there is no way to work something out.

That is not to say that it can be worked out because people may take a very rigid position. But on most of these issues—we have talked about the sales price, cross-subsidy, the composition of the airport authority, protection from noise for those people living in the flight pattern at Washington National Airport, the terms of Federal access to the airports—all of those are issues that I think an objective observer or a professional mediator, someone really from outside, could look at and say, "I see ways to put this together that would address the problems that are confronted."

I am prepared to concede to my colleague from Virginia that that balance would not be, I would not anticipate, as favorable as the balance that is in S. 1017 for Virginia. But then, of course, this balance, as people have pointed out, is so heavily tipped that it is really very, very one-sided.

In one instance, it is at the expense of the Federal taxpayer on the disposal price. In another instance, it is unbalanced against a fair competitive environment for Maryland in dealing with these other regional airports. In another instance, it is unfairly balanced for constituents in Maryland and indeed to some degree in Virginia who would be impacted by noise from the operations at the Washington National Airport.

We have worked for years to get some limitations on the noise at that airport. It has not been easy to accomplish, and it should not be given away.

A number of our colleagues live outside of the area. There is a tendency for those of us here to see it as a more regional issue, and I recognize that, and of course it has fallen to me to make the case as seen from a Maryland view and I am quite comfortable in making that case, because I think the balance here is not a fair and equitable one.

I indicated earlier in the debate that, in my view, the Federal Government must, whenever possible, act with impartiality in affairs affecting individual States. The efforts of the Federal Government should favor no one State or jurisdiction at the expense of another.

And it is very clear to me that S. 1017 does not comply with what I think is a fair governing principle in terms of how the Federal Government relates to the States of the Union. In other words, it ought not to be tipping the balance, particularly in such a heavy and gross manner as occurred in this instance.

Now, other colleagues, though, have noted the broader national interests in the operation of these two airports. Actually, there is a broad national interest in the operation of three airports in the National Capital area: Washington National, which is really located within 10 minutes of downtown District of Columbia; Dulles International Airport, which is located in Virginia; and Baltimore-Washington International Airport, which is located between Washington and Baltimore; BWI and Dulles being roughly the same distance from downtown District of Columbia. So that they are positioned, in a sense, in a parallel posture with respect to Washington, DC, with respect to the Nation's Capital. Washington National, of course, is right here, just across the Potomac River.

Now, this question of access from elsewhere in the country to the Nation's Capital is not merely a local question. The able Senator from South Dakota, Senator PRESSLER, yesterday touched on the importance to his constituents of being assured of adequate flights into the National Capital area. And, if one stops and thinks about that for a moment, it seems to me an obvious concern that Members ought to have.

I think the debate thus far has been helpful in getting that point across. I think more and more Members are beginning now to say to themselves, "Well, we really need to take a more careful look at this legislation."

Some Members disagree with the premise of the legislation. In other words, they do not believe that the Federal Government should devolve itself of these two airports, which were federally built and have been federally operated from their inception. And they make strong arguments in that regard.

Other Members accept the proposition that they should be devolved, that the Federal Government should get out of the business of running these two airports, which, as it has been pointed out in the debate, are unique. So I do not make much of that point.

The fact the Federal Government operates these two airports is historically traced to the fact that they were built by the Federal Government, which, at the time of their building, was really the government of the District of Columbia. At that time, the District of Columbia did not have home rule and it was essentially governed by the Federal Government, which, of course, then, in a sense, as a local jurisdiction, had to concern itself with air access to the Nation's capital.

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Now, there are a number of Members of this body who accept the proposition that the Federal Government should get out of the business of running the airports. However, the question of how you get out of that business, on what terms and conditions, is not an irrelevant question.

In other words, someone may agree with that proposition and yet disagree with a particular way of doing it, and, in fact, disagree with the particular way of doing it that is embraced in the legislation, S. 1017. In other words, you may accept a general concept, in this instance, that it is an objective to be sought for the Federal Government to cease to operate these two airports—in this instance own and operate these two airports—and yet disagree with a particular proposal put before you on how that is to be accomplished, because the framework for doing it and the terms and conditions for achieving it are unacceptable, are perceived as not being wise and just.

The National Taxpayers Union has taken just such a position. In a letter to Members of this body urging a no vote on this bill, they say:

> Although we agree that the Federal Government should get out of the business of owning and managing airports, we are appalled at the ridiculously low sale price placed on these valuable properties.

And further along, they say:

> In addition, the transfer and future improvements are to be financed with tax-exempt bonds over a 30-year period. This adds up to a double soaking of the taxpayer.

So what you have are some Members who have serious questions about changing the arrangement to begin with. And they have their own proposals as to how to improve the service at the airports. I do not know that there is any Member who is in disagreement with the desirability of upgrading the facilities and the service. Certainly, this Member is not in disagreement with that objective.

But some Members think that the question which Secretary Dole would not even allow to be examined, and that is whether the airports should be transferred, that question was ruled off limits for this Commission which she established. And, of course, there are some Members who regard that as being a legitimate question to be addressed at the very threshold.

There are other Members who accept the proposition that a transfer should take place, but have very strong differences with the method and the terms outlined in this legislation for accomplishing that.

I hope that those who do not find themselves in either of those two groups would look very carefully at the legislation, because I think the more you look at it, the more questions you ask about it, the more you think through the provisions of the legislation, the more Members will conclude that, even if transferring the properties away from the Federal Government is desirable—even if—the way of doing it that is contained in S. 1017 is not the way to do it.

This debate has been addressed very largely to that question, and, of course, it has covered a number of areas that are embraced under it.

Mr. TRIBLE. Will my colleague yield?

Mr. SARBANES. Surely.

Mr. TRIBLE. What does the Senator from Maryland propose that we should do in order to achieve improved service? My colleague says he has no disagreement over improving service and he has set forth a number of objections raised by a number of Senators operating from different viewpoints. What specifically does the Senator from Maryland suggest as being acceptable to him?

Mr. SARBANES. Well, there are a number of possibilities. The Senator from South Carolina in discussing the issue in fact said that users of the Washington airports have paid significant amounts of money into the Airport Trust Fund, that the fund has a very large surplus in it, that it is simply being held there although it is supposed to be pledged to and used for the purpose of airport improvements. That is why the money was raised, and that in fact it should be turned loose for this purpose.

He then goes on to point out that the indirect cost to the Treasury involved in a tax-free revenue bond approach for improving the facilities, which is what is provided for in this legislation, would become very close to balancing off what would be involved through the direct investment from the trust fund.

That is one approach.

Mr. TRIBLE. May I ask a question? Is that the Senator's view on what should be done? The Senator from South Carolina says we ought not to transfer these airports from the Government but that the Government should continue to manage and direct their affairs.

He then argues, as the Senator from Maryland has correctly noted, that there is a great fund of money that is potentially available for the upgrading of these airports.

Mr. SARBANES. My own view is it is worth looking at. The Maryland people who were on the Holton Commission—and I was one of them—were of course bound and constrained within the charge that the Secretary gave which has that we were to simply look at transferring them. The question of whether they should be transferred was not open for examination. The question was simply how it was to be done. We tried in that context to be positive and constructive about this matter, and put forward a number of suggestions—one that would have transferred Dulles to Virginia to be operated much the way Baltimore-Washington is operated, and then to transfer National to a multijurisdictional authority, including representation at the Federal level which is of course something that Senator **PRESSLER** from South Dakota has underscored is very important.

If one were to do that and have that separation, then the authority of the airport at National would have related to a financing mechanism much like what is in S. 1017. Dulles could have related in part to that but in addition would have had the support or the sustenance of the State of Virginia just as Baltimore-Washington International Airport has the support and sustenance of the State of Maryland.

In fact, the State of Maryland bought that airport in 1972 for $36 million. At today's dollars that will be just over $100 million for that facility.

Of course, here both of these facilities, Washington and Dulles, are vastly superior to the condition of BWI in 1972. BWI has come a long way now, but that is in part because the State has put in, in current dollars, another $180 million in investment over the intervening 14 years.

But both Dulles and National today are facilities superior to the condition of Friendship Airport in 1972. Yet, the price for them is less than what was paid for Friendship in current dollars 12 years ago.

Mr. TRIBLE. Will the Senator yield?

Mr. SARBANES. Surely.

Mr. TRIBLE. Perhaps we can work our way now through some of the smoke screens of arguments that have been advanced because there are a number of concerns expressed. But what I want to define precisely is what it is the Senator from Maryland is about.

He said I am not afraid of competition. I recognize the desire to improve Washington National and Washington Dulles. How do we go about that process?

Specifically, it seems now the Senator from Maryland is saying I am not opposed to the transfer of these airports but we ought to split Dulles and National up. Is that what the Senator is saying? Is that what the Senator seeks?

Mr. SARBANES. The Senator does not believe that both airports should be put in the same authority along with the ability to underwrite the expenses at one airport by the revenues from another.

Mr. TRIBLE. That is prohibited by the legislation.

Mr. SARBANES. It is not prohibited. There is language in S. 1017 designed to appear as a prohibition, but it is nothing of the sort. This is a very important point. I am grateful to the Senator from Virginia for raising it because I really want to talk about it a little bit.

Mr. TRIBLE. Let us talk about it. We have the balance of today.

Mr. SARBANES. It is a pretty critical issue. One of the very real difficulties with this legislation is this notion that in fact such activity is prohibited.

Mr. TRIBLE. I am prepared to talk about it.

Mr. SARBANES. I am prepared to go ahead.

The section I assume the Senator is referring to is on pages 41 and 42 of the bill. Would that be correct? I think this is the only provision. That says "notwithstanding any other provision of law" that you cannot use the landing fees or the parking revenues at one airport for maintenance or operating expenses at the other airport.

But it is very interesting because when it mentions operating expenses, it says in parentheses, to make it very clear that it is "excluding debt service, depreciation and amortization." So in effect you can use the parking revenues and the landing fees for capital costs at one airport on the basis of what is derived from the other airport.

That, of course, is an exception that swallows the rule. In other words, capital costs are such a significant part of the expenses at an airport that the prohibition against using these landing fees or parking revenues for maintenance or operating means knowing if in fact they can be used for capital costs.

Does the Senator wish to respond to that point?

Mr. TRIBLE. I think the Senator simply underscores his objection to any and all actions to improve and enhance these airports.

Mr. SARBANES. No, I am perfectly happy to have each airport stand on its own. I am even prepared to have Virginians take over Dulles and put into it a significant investment just as Maryland did with Baltimore-Washington International Airport. But I do not think you can call it fair competition to allow the revenues from one airport, in this instance National, which is highly profitable, to be used to underwrite the costs at another, Dulles, thus allowing unrealistically low charges and placing BWI at a competitive disadvantage.

That is not fair. You have three airports that serve the Metropolitan Washington area. It ought to be possible to structure an arrangement where they are in fair, reasonable and equitable competition with one another. This bill does not do that.

Mr. TRIBLE. Why is the Senator so afraid of competition?

Mr. SARBANES. I am not afraid of competition. I just do not want unfair competition. Let us compete without giving an unfair advantage to one of the competitors.

Mr. TRIBLE. There is no benefit to splitting up these airports. Indeed, no one does it. Other cities such as cities like New York, Chicago, Los Angeles, Kansas City, Houston do not divide their airports. They put them all together, and we proposed during the Holton Commission, and in the course of our discussions here, that all of these airports, including BWI, be encompassed by one airport authority. That idea was dismissed out of hand.

Mr. SARBANES. That was never fully examined by the commission. Let me simply take the New York example. The three airports there, LaGuardia, Kennedy, and Newark, which are under the New York-New Jersey Port Authority, are governed by a board of 12 commissioners, 6 each appointed by the Governors of New York and New Jersey. They have absolutely equal membership. These individuals serve without compensation for overlapping 6-year terms. The charter of the authority grants broad powers with one important check and balance mechanism. Either Governor may elect to block actions of the board by exercise of a veto. Either Governor may veto it.

Now, that is the regional consensus. That means that you are really not going to do anything if you do not have a consensus. I am searching to try to find a consensus.

The point I am trying to make is that that has not been developed here and you are having a structure and a scheme, as it were, imposed. I talked yesterday about the fact that the charter of this authority is by legislation of the Virginia General Assembly and the city council of the District of Columbia, period. Listen to this one. Under the Virginia statute, you do not even have to give notice that you are going to change these regulations, which may affect very important issues like noise and the curfew and the hours of flights. You have to give notice of that in two places. You have to post the notice in the office of the authority. Actually, it does not even say you have to post it. All it says is you have to make it available for public inspection. So it does not even say you have to post it in the office of the authority. You could simply have it there to be available. And the other place is in a newspaper of general circulation in the political subdivision where the authority's facilities are located. Contrast the Port Authority of New York and New Jersey and their arrangement with this arrangement.

Mr. TRIBLE. Will the Senator yield?

Mr. SARBANES. It is like day and night. I yield to the Senator.

Mr. TRIBLE. If Maryland chose to become a part of this regional approach by placing its airport along with these other two, then obviously the composition of the regional authority would be quite different.

Mr. SARBANES. That is something to be worked out in advance.

Mr. TRIBLE. That idea has been seriously advanced and the answer has always been a resounding no.

Mr. SARBANES. Governor Hughes was asked that question when he testified before the Senate Commerce Committee and he said Maryland would be prepared to look at that. He was not prepared to commit himself to it absolutely, which I think is sensible and prudent, because you do not know what it is you are being asked. It is like the very point I made earlier. There may be something to the concept, but whether it is something you want to do or not depends on the details and the fine print.

I dare say if someone says to the Senator, "Here is this business contract," he may think it is a good idea, but he does not commit to it until he reads what it is all about. That is my problem with this bill—I start reading what it is all about.

The earlier assertion of the Senator was that this cross-subsidy was not permitted. It is in fact permitted. Now the Senator is shifting his argument and saying even if it is permitted, what difference does it make. But that is a shift from the previous assertion that it is not permitted. It is clearly permitted here. And, second of all, even the revenues that can be used are not limited. It says landing fees and parking revenues. What about the money that comes from lease development with respect to property, which is now becoming an even more significant source of revenues for airport authorities all around the country? What about that money? The Senator from South Carolina pointed this out yesterday. He took some provisions and he said, now look, they start out as though they are providing in one direction and then the next thing you know there is an exception or a modifying clause and you discover that the provisions with which you started out have in effect been rendered meaningless. Listen to this one, just to take an example. This legislation says that the real and personal property constituting the metropolitan airports authority shall during the period of the lease, which is 35 years—after the period of the lease all restraints are off, which I think is a problem with this legislation, but during the period of the lease "be used only for airport purposes." The real and personal property shall be used only for airport purposes.

Well, that sound pretty good. That sounds like it is being restrained. We are seeking to guarantee that this real and personal property is only going to be used for airport purposes. Then later it says, "For the purposes of this paragraph, the term 'airport purposes'

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includes a use of property interest for aviation business or activities."

Well, that sounds pretty good, too—for aviation business or activities, but it then goes on to say "or for nonaviation business or activities that provide revenue for the airports authority." So on the one hand you say it is restricted to airport purposes. Then you say airport purposes means aviation business or activities, which all sounds reasonable. And then you take it a step further and you say, "or for nonaviation business or activities providing revenues for the authority."

So you set out and you appear to be developing a limitation and then through a very careful use of language you discover that it is no limitation at all.

Now, that is not the only example. I talked earlier about the limitation on the use of the revenues, which I assert is no limitation at all because, among other things, captial costs are not covered and therefore if you can cross-subsidize the capital costs, it does not matter that you cannot cross-subsidize for operating costs. You simply pick up the problem on the capital cost side, and that section is very clear because it even says, to make it clear that these costs would not be part of operating expenses, "excluding debt service, depreciation, and amortization." So that is no restraint at all.

Let me give you another example of this sort of give with you one hand and take away with the other. On page 38, talking about the Federal use of these facilities, it says—this is at the top of page 38—"In addition, all airport facilities shall be available to the United States for use by Government aircraft in common with other aircraft at all times without charge."

Well, that sounds pretty good. You say, "Well, at least the Federal Government is transferring these two airports." It is doing it at a ridiculously low price, and that it is not really receiving a proper return, but it does say that "these facilities shall be available to the United States for use by Government aircraft at all times without charge."

But there is not a period there. It does not stop at that point. And this section goes on to say—the section which just seems to give you the use of the airport facilities for Government aircraft without charge—"except if the use by Government aircraft is substantial, a charge may be made for a reasonable share, proportional to such use of the cost of providing, operating, and maintaining the facilities used."

So once again you have the appearance of holding something out and then when you read the entire section, you realize it has been taken away. Here is the Federal Government, which owns and operates these facilities, has put huge sums of money into them, is about, under this legislation, to transfer them to this authority at a price far below any price that any appraiser, outside observer, has thought reasonable, and then even on this small matter of the use of the facilities, we are now told that the Government aircraft are going to pay a charge. So that is an instance, as I indicated earlier, where the exceptions to the rule swallow up the rule.

The same example on the previous page. It says:

> The airports authority shall furnish without cost to the Federal Government for use in connection with any air traffic control and navigation facilities, or weather reporting and communication activities related to air traffic control at these airports, such areas of land or water or rights in buildings at the airports as the Secretary considers necessary or desirable for these purposes.

So, in other words, it is saying that the authority has to furnish without cost to the Federal Government land or water or rights in buildings for these air traffic control and navigation facilities, which is, of course, important to the airport itself.

You say that is pretty good. They are doing it without cost. Except that the provision goes on to say: "including construction at Federal expense of additional space or facilities."

So, once again, you have in this instance the Federal Government, the very body that is transferring these airports, doing it at prices that are below the bargain basement—they are sub, sub, sub bargain basement prices—but in two instances here where it appeared that there was some sensitivity to the Federal concerns, it turns out that a further bill is being imposed on the Federal taxpayer: One, that they construct at Federal expense these air traffic control facilities and, two, that they pay for the use of the airport.

It is more difficult here, because these airports are different from the normal airports. They have been federally owned and federally controlled. They are not being transformed at anything that begins to approach their real value. So there is a tremendous subsidy being provided just in the very fact of the transfer and the figure at which the transfer is taking place.

That, in itself, is a tremendous subsidy which the Federal Government is furnishing at the very time when we are confronting extraordinarily difficult budget questions in Congress, the Federal deficit question; when we are searching for ways to avoid slashing programs or ways of diminishing the deficit. So it is not as though there is a lot of revenue at this level to spare. Just the contrary.

In that respect, we find that there was a story in the morning paper about private interests being willing to pay up to $1 billion for these facilities. I do not know the merits of that proposal. There are a lot of arguments that can be made both ways on it, I assume. But it gives an indication of what kind of valuation knowledgeable and informed people place on the value of these assets that are being transferred here.

Mr. TRIBLE. Mr. President, will the Senator yield for a question?

Mr. SARBANES. I yield.

Mr. TRIBLE. Does the Senator suggest that we should privatize these airports?

Mr. SARBANES. What the Senator is suggesting is that this offer makes it very clear that another look needs to be taken at the proposal before us.

As I said, I do not know the substance of that proposal, and therefore I am in no position to comment on its substance. But the fact that knowledgeable people believe they can pay this kind of figure, $1 billion, and still make it work financially, puts an enormous question mark, to put it mildly, over S. 1017, which proposes to transfer these facilities at figures well below $100 million, well below 10 percent of that figure. That is the point to be drawn. The real point to be drawn from that is that we had better stop and look at this thing again.

I say to my friend from Virginia that, in some respects, the analysis that was made on the financial situation of Dulles, which was used by the Holton Commission, is dated now. That analysis is not valid any more. The passenger usage at Dulles increased 47 percent in 1985. There is a whole new financial dynamic there.

We have a piece of legislation here resting upon the recommendations of a commission. The commission made its report 15 months ago. The studies it considered predated that by a considerable amount of time; and in a fast-changing business, what has happened is that a lot of events have changed. Dulles is showing a profit. Before, it was not showing a profit. It has had this tremendous increase in usage. So the financial analysis which to some extent was the underpinning for the Holton Commission's recommendations and led the majority, I think, to reach certain conclusions is no longer valid.

You would not make a business deal this way. You would be looking to see what the latest circumstances were, what changes have taken place, what was proper in the current climate—not referring back to something that was the case 18 months or 2½ years ago.

Mr. TRIBLE. Mr. President, will the Senator yield?

Mr. SARBANES. I yield.

Mr. TRIBLE. I have listened with special attention to the Senator's comments over the last several days. He has shown great courtesy to this Senator.

The establishment of Dulles Airport was vigorously opposed by the public officials in Maryland. Throughout the intervening decades, every effort to improve or expand the operation of that airport has likewise been opposed. I am struck by the fact that that tradition is carried on here in this debate today. My colleague from Maryland has artfully seized every possible argument against this transfer, and there is no way in the world they can possibly be satisfied, as is evidenced by our brief colloquies here today.

The purpose of transferring these airports was to improve and expand their operations, and the concept is that the airports that are part of one region should be operated in concert. There should be a regional approach. It is for that reason that Maryland was offered the opportunity to join and place BWI in that regional airport mix, and that opportunity was declined.

My colleague has said that the operations at Dulles had been growing, and indeed they have, at a rapid rate. But that simply underscores the need for action on our part, because it increases substantially the unmet needs of that airport. In order to accommodate growing traffic at Dulles, it is essential that those facilities be enhanced by better parking, an improved transportation system, the establishment of midfield terminals. Those terminals can only be built and those facilities can only be improved if these airports are unshackled from the Federal Government.

Let me take a moment to respond to some of the points my colleague has raised.

The Senator from Maryland has suggested that we ought to split up these airports, the idea being that Maryland has something that is working well at BWI; Maryland wants to hold on to that. Virginia, you can have Dulles, and we will let some other authority operate National. But that benefits no one.

If we are going to meet the concerns of this metropolitan area and realize the tremendous opportunities at hand, we have to begin speaking with one voice; we have to adopt a regional approach to our transportation requirements. That is what argues for the establishment of this airport commission.

Other cities approach it in the same way. I have enumerated some of those cities here today: Chicago, Los Angeles, Kansas City, Houston, New York City.

Once again, that regional approach was rejected by Maryland, just as Maryland now opposes this bill.

For the life of me, I cannot understand why there is this concern about increased competition. BWI is a marvelous facility. In the past 5 years it has had exploding growth—7 million passengers. It is a very successful enterprise, and for that, the officials of Maryland are to be applauded. But that hardly argues, it seems, for opposition to resist efforts to improve Washington National and Washington Dulles. These airports serve very discrete geographic and population areas. Dulles is not in competition with BWI, and BWI is not in competition with Dulles.

The Council of Governments survey showed that only 60 percent of the people using BWI would prefer Dulles, and 5 percent using Dulles would prefer BWI. These airports are not involved in some kind of zero sub-game. With slot allocation at National and dynamic growth of this ~~region~~, the challenge is for all our airports to be able to meet the expanding requirements of our population.

The Senator has raised a number of other concerns. Let me just touch on some of them.

The argument is made that in some way the linking of these two airports will put BWI at some competitive disadvantage. The reality is that BWI is experiencing explosive growth and is viable today and will be viable for the long term.

Moreover, these airports are not in competition, as the Council of Governments survey illustrates. They draw from different areas.

Focus has also been placed on the question of cross-subsidy. That is an issue that was much debated in the Commerce Committee.

The Maryland concern at that point was that landing fees would be manipulated in such a way that BWI would be placed at a disadvantage. The truth is that carrier decisions are driven by the market price and not by landing fees.

But in order to try to meet the concerns of Maryland, Senator Ford offered an amendment which was adopted and is part of this legislation, which puts at an end the practice that Maryland has complained most about and that is subsidizing Dulles operation through a uniform landing fee at Dulles and National. This legislation says that that cannot be done.

Yet after thorough debate——

Mr. SARBANES. Mr. President, will the Senator yield on that point?

Mr. TRIBLE. I am happy to yield.

Mr. SARBANES. This legislation says that the landing fees at Dulles cannot be underwritten?

Mr. TRIBLE. The bill specifically says, and I refer to page 41 of the bill from which the Senator has referred heretofore:

> Notwithstanding any other provision of law, no landing fee imposed for operating an aircraft or revenues derived from parking automobiles—
>
> (A) at Washington Dulles International Airport may be used for maintenance or operating expenses including debt service—

Mr. SARBANES. "Excluding," not "including."

Mr. TRIBLE. I understand, and I will address that.

Mr. SARBANES. It is a very important point that the Senator said, "including" rather than, as the bill said, "excluding," because that really goes to the heart of the point that landing fees in one airport can in fact be used to underwrite capital costs at another.

If you underwrite the capital costs with the landing fees then it frees you up in terms of how you address your operating and maintenance. You do not have to use the landing fees to underwrite maintenance and operation because you are using the landing fees to underwrite the capital costs, so you get the benefit of it over there and then you just turn around and go ahead and do it as though you could do it directly. You accomplish indirectly what you appear to be prohibiting directly.

Mr. TRIBLE. Let me reclaim my time simply to complete the thought and then I will be happy to engage the Senator in animated discussion of this or any other issue.

Let me complete the reading of that provision.

> Notwithstanding any other provision of law, no landing fee imposed for operating an aircraft or revenues derived from parking automobiles—
>
> (A) at Washington Dulles International Airport may be used for maintenance or operating expenses (excluding debt service, depreciation, and amortization) at Washington National Airport; or
>
> (B) at Washington National Airport may be used for maintenance or operating expenses (excluding debt service, depreciation, and amortization) at Washington Dulles International Airport.
>
> (9) The Airports Authority shall compute the fees and charges for landing general aviation aircraft at the Metropolitan Washington Airports on the same basis as the landing fees for air carrier aircraft, except that the Airports Authority may require a minimum landing fee not in excess of the landing fee for aircraft weighing 12,500 pounds.

As I was indicating, the concern seems to be that somehow there will be some cross-subsidy here that will place BWI at some competitive disadvantage in terms of landing fees.

The first point is that landing fees do not influence carrier decisions but rather carrier decisions are driven by the marketplace. Landing fees represent less than 2 percent of carrier cost, I tell my colleague from Maryland.

In spite of the fact that landing fees at BWI are higher, BWI has had much more explosive growth over recent years that is the real-world example of the fact that the concern about landing fees is overstated at best.

But in order to try to meet that concern, Senator Ford put forth this provision which does in a fundamental way meet the cross-subsidy concerns

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expressed by the Senator from Maryland.

There was an exclusion for debt service and depreciation, to simply permit the authority to pledge revenues for both airports when issuing bonds for projects. The reason for that is twofold: This bill directs the authority to undertake improvements at both airports at once and complete those within 5 years. It will be a monumental undertaking, a substantial capital cost, and we thought it was simply counterproductive to restrict the abiltiy of this airport authority to undertake that tremendous capital investment which we are requiring them to take with dispatch.

So I think that section is a straightforward one. I think it is fair. I do not think in any stretch of the imagination it can be argued convincingly that this places BWI at some kind of competitive disadvantage.

Indeed, the only thing that would be accomplished by including debt service and depreciation would be to drive up costs to the users of that facility, and only marginally, but to drive them up and place a burden on the citizens of all our States who intend to use these facilities.

Let me touch on a couple of other issues while I have the floor. I do this not so much because I think people are listening but because the Senator and I have had so much fun over the last several days I kind of hate to see the week come to an end; I hate for either of us to have time to spend doing something else, but rather think perhaps we should focus our full time and attention on this particular enterprise.

The Senator has raised the question of noise. This is not a matter of far-reaching interest to the citizens beyond the metropolitan area, but for all of us, wherever we live in the metropolitan area, whether we live in Virginia, Maryland, or District of Columbia, it is a matter of surpassing interest because we are all impacted by the operations of Washington National and we are all concerned about the impact of noise on our lives.

Now, the Senator from Maryland has made much of the fact that the committee-adopted amendment would transfer to the new operating authority the very same responsibility for regulating aircraft nighttime noise as other airports enjoy around the country. As I pointed out in our debate, the committee added language that makes it very clear that although we believe that this authority should have some operational flexibility that if changes are made in the nighttime noise structure they should only be made in such a way that the overall noise burden is not increased.

Night flights are a highly controversial issue. Community groups would like to bar all the night flights. Carriers would like the right to operate new, quieter equipment after 10 p.m.

Because of that, the administration and the commission attempted to resolve the question by a statutory freeze of the nighttime rule.

One interesting thing happened: I found that both community groups and the carriers objected. Both argued that the authority should have the power to change the nighttime rule. Both community groups and the carriers were unsatisfied. Both wanted the right to argue their case. Both agreed to be fair to both sides, the authority should be able to adjust the rule in either direction.

And that was the genesis for the amendment.

Now, knowing as I do how these regional authorities work, knowing that the members of this authority will be residents of our metropolitan area, recognizing that they all will have experienced firsthand the noise problems, it is my sense that if changes are made that the noise burden will be reduced and not increased. If I were not convinced of that, I would not have offered the amendment. Indeed, the amendment would not have passed the committee.

We know, moreover, that if changes are made the authority cannot increase the noise burden on our metropolitan area.

There are a whole host of other issues and I hate to address them all today because I want to leave something for next week. We will have an opportunity to debate this more, I am sure, in the days ahead.

But I want to address one other item which has been discussed. The Senator from South Carolina has made the point that there really is no reason for us to transfer these facilities because the Federal Government has plenty of money and the Federal Government can undertake the modernization program which will require the expenditure of up to a billion dollars. That is simply not the case. Although that had been suggested here, I do not know of anyone who actually believes that.

There are dollars in the airport trust fund but in order to expend those dollars, it requires a specific appropriation and that expenditure of dollars is recorded on the unitary budget of the Federal Government. Can you imagine this body operating in the environment of Gramm-Rudman-Hollings adding hundreds of millions of dollars to the Federal deficit in order to improve these facilities?

Obviously not. It simply will not occur.

There has not been a major investment in either of these airports in over 20 years. And yet some Members literally suggested that the Congress will do better in the days ahead. The Congress will not, the Congress cannot, and it is time, I suggest, we get on with the job of enhancing these airports, making these airports worthy of serving the Nation's Capital.

Finally, I would simply point out there is absolutely no precedent for this kind of expenditure from the airline trust fund and in order for us to make this kind of investment we would have to change the rules of the game. That is simply not going to occur. So that argument, like so many arguments we have heard over the last few days, might sound mighty attractive on first blush but will simply not withstand critical attention.

Mr. President, I yield the floor.

(Mr. McCONNELL assumed the chair.)

Mr. SARBANES. Mr. President, I want to address just two or three of the points which the Senator from Virginia made.

First of all, I would say to him that landing fees are a part of the marketplace. Now, what percentage of the marketplace they are is a different question. But I do not think you could exclude them out of the marketplace, as the Senator said. They are clearly part and parcel of the marketplace and one of the costs a carrier encounters in the calculation they have to make when they are figuring where to put in service as between competing airports.

Second, the Senator from Virginia generously spoke about what has been done at BWI and its growth and so forth. I only want to note that the fastest growing airport, in terms of passenger usage, is Dulles International Airport. There is no airport in the country that came close last year to the 47-percent increase in passenger usage that took place at Dulles.

Finally, on the noise and the nighttime hours, it was my contention that what should have been worked out is a provision that carried over the current restriction on nighttime flights, leaving it possible to move in a direction of less noise but eliminating the possibility of moving in a direction of more noise. That has been fought about for years. It was only recently that we got any limitation in at all. And to simply give it up now is really just to start the battle all over again.

I do not know about the community groups in the Senator's State but the community groups in my State certainly do not agree with that. And I think if this ever happens, and if what I fear will happen on the noise front takes place, I think it is going to be traceable back to this amendment.

Let me just put into the Record the minority views in the committee with respect to the amendment on nighttime noise restrictions at National Airport.

> The provision giving the new airport commission power to revise the nighttime noise restrictions at National was added by the Committee as an amendment to S. 1017 a full 2 months after the bill was originally ordered reported. It will most certainly result in the eventual easing of those restrictions and an increase in late night flights into Washington's principal airport.

> Why is this amendment needed in the first place? Current FAA regulations specify that all flights in and out of National after 10 pm and before 7 am are restricted by noise levels. The original approach endorsed by supporters of S. 1017 was to freeze these rules in place for the 35-year duration of the lease. Then the same people who claimed that the Holton Commission had worked out every detail of the bill, turned around and wanted to amend it. Since no one has proposed an earlier curfew at National, we can only conclude that the reason for giving the local authority this power is to pave the way for more late night flights.

Let me repeat that sentence.

> Since no one has proposed an earlier curfew at National, we can only conclude that the reason for giving the local authority this power is to pave the way for more late night flights.
>
> Originally, the Committee agreed to try to resolve this issue on the Senate floor. However, supporters of the bill panicked at the thought of 100 Senators, many of whom live in National's flight path, having the opportunity to debate this issue and discovering the truth about it. That's why the decision was made to schedule a second markup and add the amendment at the Committee level, thereby hoping to bury it from view.
>
> This amendment is simply another reason why this bill should be defeated. And it should alert others in the Senate who are suspicious about the effect this legislation will have on air service in Washington.

Let me repeat that last paragraph because I think it is a very appropriate admonition as we consider this motion to proceed to this legislation.

> This amendment is simply another reason why this bill should be defeated. And it should alert others in the Senate who are suspicious about the effect this legislation will have on air service in Washington.

Mr. President, I agree with the Senator from Virginia that the noise issue is not one that will engage the attention of a great many of our colleagues. In fact, in some respects the interests of their own constituents might be served by having flights all night long so people elsewhere in the country can fly into Washington National Airport at 3 o'clock in the morning, if they have to, or 1 a.m., and take a late-night flight from Miami or something.

But, on reflection, they face the same problems at their own local airports, and that is the concern of people living in the vicinity of airports and under the flightpath, about the imposition of this problem on them and their ability to lead anything approximating a normal life.

So I think they would understand the nature of the concern of the constituents that the Senator from Virginia and I represent, people in Virginia and Maryland, and the District of Columbia, for whom some of us, I think, must show some concern, particularly those of us from the adjoining States. Unfortunately, the District has no spokesman, direct spokesman, in the U.S. Senate. And, as a consequence, the concerns of its residents and citizens are, on occasion, overlooked. But they, too, share a concern here.

Mr. TRIBLE. Will the Senator yield?

Mr. SARBANES. I yield to the Senator.

Mr. TRIBLE. I thank the Senator for yielding. I would point out that not only did the government of the District of Columbia testify in support of this legislation before the Commerce Committee, but the Mayor and the government of the District of Columbia enthusiastically support this legislation today. Certainly, the Mayor and the members of the city council are as concerned as we are about noise in the region, and they do not share the Senator from Maryland's concern about this bill.

Mr. SARBANES. Where on the record does any government for that matter indicate its positions on the Senator's amendment?

Mr. TRIBLE. The District of Columbia supports this measure. The measure includes this amendment.

Mr. SARBANES. The District of Columbia supports the bill but the Senator's amendment was added in the committee 2 months after the markup in a 4-minute session.

Mr. TRIBLE. Indeed, the Senator's amendment was added in a second markup session.

Mr. SARBANES. Two months after.

Mr. TRIBLE. That is correct. But I would reject out of hand the characterization of the minority report of that session or the nature of the amendment. The amendment was discussed in the first session. The amendment was addressed again by the committee members after those members, including the Senator from Tennessee, Mr. Gore, the Senator from Louisiana, Mr. Long, and others had had an opportunity to shape the amendment that is now part of the legislation. This was a thoughtful process. This was a process that took, as the Senator points out, a substantial period of time. It reflects not only a consensus on the part of the committee, but the work product of those few Senators on the committee that were concerned about noise.

Mr. SARBANES. Well, I simply say to the Senator that the proof of the pudding will be in the eating. If this legislation should become law—and of course, I very much hope that will not happen—we will then see how the noise amendment of the Senator from Virginia works out. And it is my prediction, which I am making now—in other words, I am raising the warning now—that the consequence of this amendment will be in the end to impact more heavily on the people in the Washington National Airport flightpath, particularly with respect to the late evening, than is now the case.

My concern in that is sharpened because the traffic routes into and out of National tend to put a heavier proportion of that noise on the D.C.-Maryland side than on the Virginia side. But it will be felt on both sides. If this measure should become law, we will have a chance to see how it works itself out. But I say to the Senator those concerned about this issue have been years trying to get some restraint, and some control. I have been in frequent meetings with DOT officials, with local officials, and with community groups about it.

And I agree with this minority view that says this amendment will most certainly result in the eventual easing of these restrictions—referring to the nighttime noise restrictions at National—and an increase in late night flights into Washington's principal airport. I think that is what is going to happen as a consequence of this amendment.

The Senator contends to the contrary. All I can say is that this legislation allows it to happen whereas the current regulation precludes it from happening. It allows it to happen. The Senator says it will not happen. I say it will happen. We will see over time.

But if you really wanted to be sure that it would not happen, you in effect would not permit it to happen. You would preclude it from happening. The fact that it is possible means that it may happen.

It is also true it may not happen. But I am simply saying it is my prediction that it will, and why would you trade that situation for one in which you have the assurance that it cannot happen, and that it is precluded from happening? The amendment lifted that restriction. And I think we are going to feel this noise impact.

As I said, it is an issue that more directly concerns those who represent people who live in the immediate area, and particularly in the vicinity of the flight paths in and out of the airport. But we struggled for years to get in place the curfew and the limitations that now exist. Now they have been taken out of place. In my own view that is a very bad development, Mr. President.

Mr. President, let me touch on just a couple of other points. The U.S. Department of Transportation has made it clear in the past that while it establishes policy for Washington National and Dulles International Airports and does not establish policy for Baltimore-Washington International, it recognizes that actions taken at National and Dulles may influence operations of Baltimore-Washington. And it goes on to say in its comments in the Federal Register of January 21, 1980,

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"Therefore BWI's role is being considered in the development of a policy for the federally-owned airports."

In other words, there is an interrelationship between these airports because they do significantly overlap in the markets of which they serve.

Given that is the case, it is also pertinent to observe that the nature of the relationship or the structure between the three airports becomes very important in terms of their growth and development.

The distinguished Senator made reference to situations in other jurisdictions where more than one airport was under the same authority. One example used was the New York-New Jersey Port Authority.

Well, that is true; the Port Authority of New York and New Jersey has three airports in the same jurisdiction—Kennedy and LaGuardia in New York, and Newark in New Jersey. Kennedy and LaGuardia are owned by the city of New York and Newark is owned by the city of Newark. The port authority there does not own any of these facilities. But it is interesting to look at the structure of the Port Authority of New York and New Jersey.

It is governed by a board of 12 commissioners; 6 of the 12 commissioners are appointed by the Governor of New York, and the other 6 of the 12 commissioners are appointed by the Governor of New Jersey. The authority we are talking about here, Maryland, has 2 out of 11 members. And, further, and perhaps even more important, the authority's charter grants broad powers with one important check and balance mechanism. Either Governor may elect to block actions of the board by exercising a veto over the minutes of the meeting.

That is a very, very different situation than what we face here. As we have asserted consistently, the structure of the way these airports are to be governed is very important. As I said earlier, the possibility of putting all three airports in one authority was not fully examined by the commission. The Governor was asked about it when he testified before a congressional committee, and said that he would be prepared to look at that matter and to evaluate it on a fair basis.

Maryland did propose that Dulles be transferred to Virginia, and that Washington National be run by an authority composed of the membership from the three jurisdictions and representatives from the Federal level appointed by the President of the United States. That is not what the legislation contains. The legislation contains both airports in one authority, 11 members, 5 from Virginia, 3 from the District, 2 from Maryland, and 1 appointed by the President.

What this really means is that essentially it is a very dominated board because Virginia plus any one of the other three is a majority. So it is not one of those situations where the numbers are such that you might need three out of the four elements composing the board.

I have heard the Senator assert that once these people get on the board, somehow they are going to develop an attitude that is unrelated to the origins of their appointment. I think the Senator made that argument yesterday or the day before as I recall.

Mr. TRIBLE. Will the Senator yield?

Mr. SARBANES. Sure.

Mr. TRIBLE. That does not exactly express the sense of this Senator's comments.

Rather, what I said was the problems and the opportunities facing this metropolitan area are the same. Whether we live in Maryland or Virginia or the District of Columbia, once that board is duly constituted, then its members will act in concert and in cooperation and will advance our regional interests. I would assert that it is only in the preliminary discussions leading to that end that we get into these extended debates about the interests of Maryland the interests of Virginia or the interests of the District of Columbia. It is usually those of us in public office who engage in those kinds of debates. I believe experience shows that once a regional commission is established and people are appointed, they do reflect regional interests and concerns and work toward regional goals.

Moreover—one more point, if I may—the Senator from Maryland continues to point to the New York example of a regional transportation authority and suggests that Maryland has been underrepresented in the regional airport authority here. I do not believe that is the case. Indeed, if Maryland had decided to become a part of this regional approach and if the regional authority had responsibility for Baltimore-Washington International and Dulles International, the composition of that regional authority would be strikingly different, I would suggest. But the regional authority, as presently constituted, reflects the use of those airports. Indeed, roughly 20 percent of the passengers at National and Dulles hail from Maryland, and Maryland is given roughly 20 percent of the vote, and moreover reflects the inescapable reality that these two airports lie in Virginia. Throw in your airport. Let us have a real regional approach to our transportation problems, and then let us talk about reconstituting representation on the regional authority.

Mr. SARBANES. Let me point out to the Senator that in the New York-New Jersey instance, two of those airports are in New York and one is in New Jersey. New Jersey has six members, New York has six members, and the Governors of both States have a veto. The only point I am trying to make is that there has been a real effort to develop a regional consensus and to recognize regional interests. Now, my own view of the members who go on this authority is that you have to look at who the appointing authority is. The ones from Virginia are appointed by the Governor of Virginia. I do not share this sort of optimism of my colleague from Virginia that once on the authority they are going to have an attitude that is divorced from where they were appointed.

The invitation the Senator just made about looking at whether all three ought to go together is an interesting question. It is another reason why this bill ought not to be acted upon. If that is the best approach, the best possibility, it ought to be fully explored as to whether that is to be achieved.

Now, some Members here would not want to do that, either—those who do not want to transfer the airports in any event. But these matters have not been worked out. What has been worked out is that in effect an arrangement was made between Virginia and the District of Columbia.

That meant they could control the commission, which was, after all, chaired by a former Governor of Virginia. The commission then came forward with a proposal roughly paralleling what we see before us. The Secretary of Transportation was really desperate to get rid of these airports. It is perceived, I guess, that just doing that would be an achievement, although I think that is open to serious question because it really depends on how you do it and what the consequences are.

I talked about the noise problem. My prediction there, if this were to happen, is that the consequences would be very detrimental and will not be seen as an achievement, at least certainly not by those who live in the flight paths. It may be considered an achievement by the carriers, who may be able to, in effect, move in and out in a way that the current curfew does not allow them.

But proposing this proposition in a sense is only a beginning step, considering the fact that there is so much controversy around the proposition, the fact that so many Members have questions. And I concede that they come from different directions in putting their questions. In other words, those who are skeptical about this legislation are not all of the same mind as to what it is in the legislation that disturbs them and makes them skeptical. They in fact differ on that. There are differing views about that. There are a lot of crosscurrents at work in this body, a lot of differing perceptions as to what is wrong with this legislation.

The fact that that is the case, it seems to me, is a stronger argument

for not taking the legislation up than if all of the concern about it came from the same perspective, because then one could say, "Well, look, there is really this problem. It was considered. A judgment was made and either you are with that judgment or you are against it, and therefore we ought to go ahead and decide that."

That is not what is happening on the floor. Some Members look at this legislation. They say, "Oh, I have a lot of concern about it for this reason." Others look at it and say, "I have a lot of concern about it for that reason"—a very different perspective about what is wrong with the legislation. Yet another group has a third perspective.

The fact that that is the case shows to me that there is much to be done in terms of working out differing views. That has not been done.

The difficulty with going ahead is that once you get on the legislation, then people are going to say:

> No, no; we can't take that amendment because it is going to disturb this finely crafted balance that has been achieved in this legislation. You really can't touch that. If you touch that, Virginia is going to drop out, or the District of Columbia is going to drop out, or somebody else is going to drop out, and the arrangement is going to come undone. So while there is a lot to your proposal-

I can hear it now. I can hear the Senator from Virginia now saying:

> There is a great deal of merit in the proposal that the Senator has offered and it certainly deserves consideration, but that matter was looked at by the commission and this carefully crafted balance has been achieved.

Let me just find it. This was the response on an amendment to change the composition of the authority. The Senator from Virginia said:

> I will say to the Senator the reason I suggested it would kill this bill is that this bill is based on a compact passed by the State of Virginia and the city of the District of Columbia that reflects this carefully crafted balance arrived at.

In other words, in a sense, it is take it or leave it. We have this compact and you have to consider it as it is. And then he goes on to say:

> Each of us can disagree as to what kind of representation we would want for the various parties, but we have many different interests here. It is very difficult to reconcile those interests to everyone's satisfaction. If we undo this agreement, then this particular legislation is at an end.

Now, it is in light of that, that it seems to me reasonable that this attention has been paid to the motion to proceed, because, if you look at this legislation and conclude to yourself, "Well, there are a lot of problems here, a different sort of balance needs to be struck, there are questions that need to be addressed and answered," then the way to do it is to refrain from bringing the matter up and in effect say to those who are involved, reformulate, look again at how this thing can be put together, and try to come back with a proposal that we can address and that meets many, many, many of the complaints which have been raised.

Frankly, I think that would be a more positive and sensible way to proceed.

To some extent, it takes on this character: Well, we have put this bill in, and we have to get it passed.

I am sure Governor Holton feels that he put in a lot of work, and he did. He gave a great deal of dedicated effort. He is a very fine gentleman. I am sure he would not sort of welcome the assignment of going back, maybe as a special representative of the Secretary, to talk with the jurisdictions—with the Governors and with the Mayor and with Members of the Senate—and with affected parties as to how a different balance could be put together.

That is a lot of work, and he would probably say, "Who wants the headache?" He would rather take this product and try to move it on through. But it is no criticism of the Governor or of the Secretary of Transportation to simply say:

> Well, this was an effort. A lot was brought together in this legislation. There is much of it that could be the basis of a revised approach. But you ought to make the effort at a revised approach and see whether you may, in fact, be able to achieve a regional consensus which would be relevant in this body and relevant in the other body.

That, perhaps, would open up an opportunity to achieve something that then all parties would look back on and say that a good piece of work was done. In fact, it might open up the possibility that, in the end, a piece of work would be done. The current course, it seems to me, raises the very real question of whether a piece of work will be done at all. Beyond that, if it is done, the fact is that, at least on the part of many, it will be criticized as not being a reasonable and balanced response to the situation.

That is what is before us. We will be addressing it again, I take it, from what the Senator said, on Tuesday, when the next cloture vote on this measure will occur.

I do not agree with the Senator from Virginia that failure to take up this measure—in other words, to approve the motion to proceed—means an end to this process. It might well, in fact, open up an opportunity to address this issue in a way that would meet some of the goals people have talked about here—improved service, better facilities, a strengthened regional air transportation network for the entire Washington metropolitan area, which would of course include all three of the major airports—Washington National, Dulles, and Baltimore-Washington International.

Once you get committed to a course of action, it is very difficult for people to see other possibilities that perhaps can move them in a different direction. They also tend to take on an attitude of perceiving that in terms of winning or losing. But there is really a broader and larger issue involved here, and that is, How do we work out the air transport question in the Washington metropolitan region? In my judgment, this legislation does not work it out, and clearly many Members of this body share that attitude.

Therefore, the real issue is whether it would not be more advisable, in a sense, to defer this, provide an opportunity to address some of the defects, consider carefully whether we could not achieve a greater degree of consensus and support, and then, in effect, try again.

If that were achieved, it would obviously enhance the prospects for this legislation in the Senate and, I assume, enhance the chances of its prospects in the other body. But in its present framework, this legislation has raised many questions, a number of which still remain unanswered.

I am still not satisfied as to what happens to the employees after this 2-year period. There are many precautions written into this legislation, but most of them are limited to a 2-year period commencing on the date of transfer, and it says hardly anything about what will take place after that period terminates.

One of the concerns of the Holton Commission was that the very dedicated employees who had been at National and Dulles for years—and in my judgment have done a fine job—one of the concerns was to insure that they would be protected in terms of their benefits and in terms of their jobs, since they would cease, over a period of time, to be Federal employees. At the current moment, they are Federal employees. If they are transferred to the regional authority, they will cease to be Federal employees. That, in and of itself, is a major change in status.

To address the problem of that change in status, the legislation has a number of transition provisions, but they are limited to a 2-year period. For example, it says: "Not later than the date of transfer, the Secretary shall ensure"—this is the Secretary of Transportation—"that the Airports Authority has established arrangements to protect the employment interests of employees during the 2-year period commending on the date of transfer." But it says nothing about what happens after the 2-year period. In other words, the arrangements for this protection of the employment interests of the employees is limited to that 2-year period after the date of transfer.

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Then there is a further provision: "For payment by the Airports Authority of basic and premium pay of transferred employees except in cases of separation for cause, resignation, or retirement, for 2 years, commencing on the date of transfer, at or above the rates of pay in effect for such employees on the date of transfer."

Once again, this protection for rates of pay is limited to this 2-year period.

The same thing applies for credit for accrued annual and sick leave and seniority rights.

So all these dedicated employees, who have done a find job, often under very difficult circumstances, at these facilities, are not going to be transferred to this Airports Authority. Their fine past service obviously requires that their future welfare be very carefully considered, and they find that the provisions designed to do that are limited to a 2-year period commencing on the date of transfer.

The current labor agreement which is in effect on the date of transfer is carried over and continues in effect for a 2-year period unless the parties agree earlier before its expiration but after the 2-year period. Then it is up to the parties themselves.

Listen to this provision, Mr. President. In a sense I am getting at a point I was making earlier. Many provisions of this bill seem to do one thing when in fact they do another:

> Any transferred employee whose employment with the Airports Authority is terminated during the 2-year period commencing on the date of transfer shall be entitled, to rights and benefits to be provided by the Airports Authority that are similar to those such employee would have had under Federal law if termination had occurred immediately before the date of transfer.

So, in other words, if you are terminated in the 2-year period you get the rights and benefits you would have had under Federal law. But what happens to you after the 2-year period? All bets are off, just like these other protections.

I am concerned that the employees, many of them, will find all of a sudden, once the 2-year period after the date of transfer has expired, that they are standing there exposed without the protections that are set out in this legislation. These protections are for a 2-year period and then they end.

Mr. President, that is yet another item which I think should be of very serious concern to Members of this body and to the current employees at these two airports, men and women who I think have done an outstanding and dedicated job.

Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The bill clerk proceeded to call the roll.

Mr. HEFLIN. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

BALANCED BUDGET CONSTITUTIONAL AMENDMENT

COLLOQUY ON MEANING OF "OUTLAYS"

Mr. HEFLIN. Mr. President, on March 13, a unanimous-consent agreement was entered into by the Senate involving Senate Joint Resolution 225, which is the joint resolution proposing an amendment to the Constitution relating to a Federal balanced budget.

In that unanimous consent agreement it is stated that a colloquy be placed in the CONGRESSIONAL RECORD to be prepared by Senators HATCH, THURMOND, DECONCINI, SIMON, METZENBAUM, MELCHER, and HEFLIN. At this point I offer this proposed colloquy which will be finally entered into the debate on Tuesday, March 25, before the vote on Senate Joint Resolution 225.

This colloquy has now been tentatively agreed to by Senators HATCH, THURMOND, DECONCINI, SIMON, METZENBAUM, MELCHER, and myself. I think each would reserve the right to review the colloquy again, before it is finally entered. But at this stage we see no areas of disagreement.

One of the purposes of placing a draft of a colloquy in the RECORD on Friday in advance of its final entrance on Tuesday of next week is to provide the Members of the Senate an opportunity to review the colloquy, and review the definitions contained in the colloquy prior to the final vote. It is hoped that this tentatively agreed colloquy will not be changed, and that the colloquy will be entered into the debate on Tuesday, March 25, as it is presently written, and as I am offering it today.

The unanimous-consent agreement also states that in the event that the Senators named above which were Senators HATCH, THURMOND, DECONCINI, SIMON, METZENBAUM, MELCHER, and HEFLIN could not agree on the colloquy, then the Senator from Alabama [Mr. HEFLIN], is to be recognized to offer a technical amendment on behalf of himself and the Senator from Montana [Mr. MELCHER], which would add to the joint resolution a definition section.

I do not anticipate that I will have to make any technical amendments because I believe agreements will be worked out in compliance with this unanimous-consent agreement which appears on page S2700 of March 13, 1986, of the CONGRESSIONAL RECORD, Senate side.

So at this time I ask unanimous consent that this proposed colloquy, appear in the RECORD in this form, as I submit it.

There being no objection, the colloquy was ordered to be printed in the RECORD, as follows:

COLLOQUY ON MEANING OF "OUTLAYS"

Senator HEFLIN. The proposed constitutional amendment uses several important terms, including "outlays" and "receipts." The Senate Judiciary Committee report, particularly pages 42–3 and 46–53, set certain parameters for understanding these terms. During the floor debate, however, the Senate agreed unanimously to an amendment proposed by Senator Domenici, chairman of the Budget Committee, which added the word "total" before "outlays" and "receipts." Was the Domenici amendment intended to alter the explanation of those terms in the Senate Judiciary Committee report?

Senator HATCH. At the outset, I would like to express my appreciation to the Senator from Alabama both for his significant contribution to the drafting of S.J. Res. 225 and for his interest in clarifying any remaining questions about the intent of this constitutional amendment proposal. The direct answer to the Senator's question is "No." As I stated at the time of that amendment and in response to questions posed afterwards, the addition of the intensifying modifier "total" was intended only to underscore the principles contained in the committee report. In particular, the Domenici amendment underlines the language of the report on page 54 (and implicit in the definition of "outlays" on pages 42 and 49 and elsewhere throughout the report) that "all Federal spending and taxing programs be included under the constraints of the amendment. The recourse of taking programs off the budget should not be available as a way to avoid these constraints, and using a comprehensive measure of all governmental receipts and outlays eliminates that recourse."

Thus, the term "outlays" was not changed by the Domenici amendment and is meant to be understood precisely as described by the committee report. The addition of "total" was intended only to give textual support to the principles contained in the committee report describing the term "outlays." This intent was reiterated by Senator Thurmond on the Senate floor and is shared by the other prime sponsors of S.J. Res. 225.

Senator THURMOND. I, too, would like to express my appreciation to the Senator from Alabama for his contribution to S.J. Res. 225 throughout Judiciary Committee consideration and on the Senate floor. When we accepted this amendment, it was not our intent to deviate from the explanation given the terms "outlays" and "receipts" by the Senate Judiciary Committee report. In responding to questions about the intent of the Domenici amendment, I have quoted directly from the committee report on the pages mentioned earlier.

Senator DECONCINI. I agree completely with the views expressed by the chairman of the Judiciary Committee, the Senator from Utah, and the author of the amendment adding "total" to "outlays" and "receipts." I would note as well that at the time the Senator from Utah accepted the amendment on behalf of the sponsors of S.J. Res. 225, he quoted verbatim the language from page 42 of the Judiciary Committee report explaining the term "outlays" as indicative of our intent to uphold the report's language.

Senator SIMON. At the time the Domenici amendment was accepted, I concurred with the description of this change as making the

committee report "explicit." I continue to share the views of my colleagues on this intent in adopting this addition to S.J. Res. 225. The addition of "total" was not meant to alter, but to guarantee, the principles contained in the report.

Senator HEFLIN. Is it correct to state that the addition of the word "total" was not meant to change the meaning of "outlays," but only to clarify that what was already in the report would apply to the term "outlays?"

Senator THURMOND. That is correct. I would note further that S.J. Res. 13, the other version of a constitutional amendment to require a balanced budget that was reported from the Senate Judiciary Committee on the same day as S.J. Res. 225, contains the terms "total outlays" and "total receipts," as did the balanced budget amendment that passed the Senate in 1982. The modifier "total" was not included in S.J. Res. 225 in the interest of an economy of words, but no different meaning was intended when S.J. Res. 225 emerged from committee. The addition of this term on the floor does not alter the understanding expressed in the committee report.

Senator HATCH. I share the view of the President pro tempore. Immediately prior to adoption of the Domenici amendment, I expressed that precise thought by stating that the addition of "total" would "make the amendment more clear." The Domenici amendment was meant to clarify, rather than alter, the meaning of "outlays." It merely clarifies and makes explicit the intent of the proposed constitutional amendment as expressed in the Judiciary Committee report.

Senator HEFLIN. I thank my colleagues for restating and clarifying their intent in offering and accepting the Domenici amendment. Since the committee report is authoritative on the meaning of "outlays" and "receipts," I would like to question my colleagues further on their understanding of the report.

On pages 42 and 49, "outlays" are described as including "all disbursements from the Treasury of the United States, either directly or indirectly through Federal or quasi-Federal agencies created under the authority of acts of Congress, and either 'on-budget' or 'off-budget'. With certain notable exceptions, outlays are those withdrawals subject to article 1, section 9, which provides that 'no money shall be drawn from the Treasury, but in consequence of appropriations made by law.' " The first sentence of this description seems all-inclusive; the second uses the word "exceptions." Reading the two sentences in conjunction suggests that the sentence containing the work "exceptions" should be read to mean that "outlays" encompasses more than just appropriations, not that it creates any exception in the concept of what constitutes an outlay. Is that correct?

Senator HATCH. The Senator is correct. Outlays are generally appropriated funds, but there are exceptions to that general rule. For instance, outlays includes as well entitlement payments to eligible beneficiaries, which are non-appropriated disbursements of Federal funds. Social Security benefits, for instance, are "outlays." It is appropriate to note at this juncture that the Senate confirmed this principle by rejecting an amendment which would have exempted Social Security from the terms of section 1 of S.J. Res. 225. The effect of this Senate vote was to ensure that no program, not even such a highly valued entitlement program as Social Security, would be exempt from coverage under the terms of S.J. Res. 225. As was stated during the debate on that amendment, S.J. Res. 225 would not harm Social Security or any other program in the slightest. Those programs would merely be brought within the terms of the proposed constitutional amendment. This means that S.J. Res. 225 would not alter Social Security in the slightest. Only Congress could, as it is free to do currently, change the laws governing Social Security—an extremely unlikely prospect.

Returning to the Senator's question, however, he is correct that this inclusive description of "outlays" notes only that the term includes more than just appropriated funds. It includes all disbursements—direct or indirect, "off-budget" or "on-budget"—made by any Federal or quasi-Federal entity or agency.

Senator SIMON. This is also my reading and understanding of this portion of the Judiciary Committee report. If outlays were described otherwise than in all-inclusive terms, any loophole in the coverage of S.J. Res 225 would invite Congress to recast all new spending programs and perhaps many existing programs in terms that would fit the loophole. This could defeat the basic objective of bringing some accountability to the budgetary process.

Senator HEFLIN. This raises a further question concerning a sentence of the glossary definition of "outlays" found on page 49. That sentence states that "total budget outlays are stated net of offsetting collections, and exclude outlays of off-budget Federal entities." This implies that some off-budget outlays are not included in total Federal outlays. Could my colleagues explain this passage?

Senator HATCH. As the Senator's question suggests, there is no conflict between this sentence on page 49 and the principles we have just discussed. Some Federal entities engage in business-like endeavors that produce income. For instance, the Government Printing Office makes collections for supplying publications to citizens; the Postal Service charges for stamps. Under current accounting procedures described by the glossary, these entities are permitted to combine their collections and their outlays; only the difference is figured into the total budget outlays amount. In other words, the collections of these entities are offset against their outlays and only the net figure is computed as part of total outlays or receipts. Thus, these outlays are excluded from total outlays, but only because total budget outlays include the stated net of offsetting collections and off-budget outlays. Off-budget fiscal activities are covered by, and completely subject to, the terms of S.J. Res. 225 through this netting procedure. Offsetting collections and outlays are accounted for in the budget aggregates of S.J. Res. 225 just like any other Federal spending or taxing program. S.J. Res. 225 is flexible enough, however, to accomodate current accounting procedures which acknowledge that off-budget entities may net their collections and outlays before including their activities within the budget aggregates.

It is important to note that the sentence to which the Senator referred should not be misleading in context. On page 47, two pages before the sentence in question, the report defines and discusses the meaning of "offsetting collections." That definition states plainly that "offsetting collections are deducted from disbursements in calculating total outlays. Corresponding offsets are made in arriving at total budget authority and net obligations incurred."

Senator THURMOND. The Senator from Utah has correctly stated my understanding of this portion of the committee report. There should be no confusion about the term "offsetting receipts." This generally means that a Federal entity which raises money through its activities—like the Government Printing Office—can net its receipts or intake against its outlays or outgo. This permits easier accounting because only the net is counted within the budget aggregates. This does not mean that those incomes or outlays of the agency escape the budget process at all, but only that they are netted before being considered within the terms of S.J. Res. 225.

Senator HEFLIN. I am glad to have that explanation of the committee report by the chairman of the Senate Judiciary Committee and the chairman of the Constitution Subcommittee. It seems to me, however, that the report mentions a few exceptions to the concept of offsetting collections or offsetting receipts. Would the Senator elaborate on this distinction?

Senator HATCH. Some current receipts from proprietary activities undertaken by the Federal Government are offset directly against total outlays, without any netting operation. The report on pages 47 and 48 explains this concept under the heading "proprietary receipts from the public." This notes that offsetting receipts are generally offset against outlays by agency and by function and only the net is counted within budget aggregates. In a few narrow categories, however, such as rents and royalties for outer continental shelf lands, the receipts of Government proprietary activities are deducted directly from total outlays.

Senator HEFLIN. What is the status of borrowing and retirement of debt principal with respect to the terms "outlays" and "receipts?"

Senator HATCH. This was examined in a colloquy between Senator Simon and me earlier in this debate and is explained on pages 49 and 51 of the report. The gist of this discussion is that borrowing and retirement of debt are neither outlays or receipts.

Senator HEFLIN. The explanations in the report specifically refer to "present usage" of the terms "outlays" and "receipts" as found in "a glossary of terms used in the budget process (1984)." What if accounting procedures change, can the explanations offered by the committee report accommodate the future?

Senator HATCH. Page 53 notes that these terms are "defined by or to be defined by statute and, as such, have no constitutional standing apart from these statutory definitions. The intentions of the committee with respect to current concepts have been set forth (in the report). At the same time, the committee is sensitive to the likelihood that such concepts will undergo modification through time. Provided such modifications are not designed to subvert the restrictions on the Congress imposed by the amendment, but rather are designed to further those purposes, there is no intention that the meanings given here be immutable through time."

Thus, the committee report outlines in detail how the proposed constitutional amendment would accommodate current budgetary and accounting techniques by, among other things, permitting some Federal entities to net their receipts and outlays before reporting the effect of their fiscal activities on the budget aggregates. A future

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Congress, however, could elect by statute to alter some of these accounting techniques as long as the effect of that change would not allow some Federal entities or programs to escape the terms of S.J. Res. 225.

Senator Heflin. Could the Senator provide an example of how these explanations might be altered by future implementing statutes?

Senator Hatch. Yes, although I hasten to add that any alteration could be made by a future Congress. I can suggest some alternatives that future Congresses might consider. Under current budgetary practices, a loan guarantee is not an outlay in the year in which the loan is guaranteed. Only in the event of default on that loan would it come within the term "outlays" because then the Federal Government would be making an expenditure. Irresponsibility in the extension of loan guarantees by a prior Congress could present a successor Congress with difficult budgetary decisions. In the future, however, as mentioned on page 53 of the report, "Budgetary decisions with respect to loan guarantees might be enhanced by including in outlays the present value of such obligations in the fiscal year of obligation, rather than in the fiscal year of discharge." This change would have to be a statutory change. S.J. Res. 225 does not require the adoption of new guidelines and procedures for the Federal "credit budget," but it would accommodate such future policies.

Similary, Congress could, as mentioned on page 53, elect to switch its budget and accounting operations to an accrual system. S.J. Res. 225 would accommodate that option.

Senator Heflin. On further point of clarification: On page 52, the term "total outlays" is described as the "total of all outlays, exclusive of debt repayment and certain other classes of outlays, for which the Congress reasonably can expect payment to be made by the Treasury . . ." could my colleagues provide and explanation of this sentence.

Senator Hatch. In the first place, it is important to note that the report on S.J. Res. 225 should not contain the term "total outlays." Although that term "total outlays" did appear in S.J. Res. 13, it did not appear in S.J. Res. 225 at the time the committee report was written. This misstatement, however, does not affect the validity of the passage quoted by my colleague because, as my colleagues and I have stated, "total outlays" and "outlays" are both adequately explained by the same language of the committee report. As we have noted earlier, some classes of outlays, under current budgetary practices, are not included within total outlays because they are offset by some proprietary collections or receipts and only the net is accounted for in the terms "total outlays" or "total receipts." This is the meaning of the sentence referred to by the Senator from Alabama. As his question suggests, the three pages prior to that sentence make clear that these are the classes of outlays mentioned as excluded from total outlays. Again, these classes of excluded outlays are in no sense divorced from accountability under the terms of S.J. Res. 225. Instead they are fully covered by those terms, but current netting practices are accomodated.

Senator DeConcini. I concur in descriptions given by the Senator from Utah of these passages of the report. I might add, however, that these particular explanations only describe current budget practices and are designed to show that S.J. Res. 225 can accomodate current budgetary terminology and techniques. If Congress should perceive a need to alter these techniques, it would be free to do so as long as that reordering does not offend the basic principle that all Federal financial transactions must remain within the ambit of S.J. Res. 225. Otherwise Congress would once again lose control of the Federal budget. Restoring this control with the specific norm that outlays shall not exceed receipts, except in extradordinary circumstances, is the purpose of S.J. Res. 225.

Senator Thurmond. The Senator from Arizona has concisely summarized this matter. I agree with his statement.

Senator Simon. I, too, would like to express my agreement with what has been said.

Senator Melcher. The Commodity Credit Corporation offers non-recourse loans. I would like to discuss with my colleagues the effect of S.J. Res. 225 on this valuable tool for our farm policy. The CCC loans money to our farmers who pledge their crops as collateral for those loans. In the event of default, the Federal Government has no recourse against any other property of the farmer other than the commodity or crop pledged at the time the loan is obtained. Thus, when farm prices are lower than the loan amount, the farmer may retain the loan amount rather than redeeming and selling his crop. The CCC is then free to sell the crop on the market to recover as much of the loan amount as possible. How would these transactions be counted, as "outlays," "receipts," "offsetting receipts," or otherwise within the terms of S.J. Res. 225?

Senator Hatch. That would be entirely up to Congress. As long as the activities of CCC were accounted for within the budgetary process, as they are today, S.J. Res. 225 would be satisfied. For instance, Congress could count the initial loan amount as an outlay and the subsequent sale of the commodity as an offsetting receipt. Thus, only the difference would appear within the term "total outlays." To the extent that farmers sell their crops and pay off the loans, there would be no difference and CCC would have no outlays to include with budget aggregates. On the other hand, if CCC came to Congress and requested an appropriation, this could be included within the general term "outlays."

This is not the only way that CCC could be handled. It could be treated much as loan guarantees are currently handled, meaning that the loan amount would not be counted as either an outlay or a receipt unless default occurred. In the event of default, the loan would become an outlay which would be reduced by the amount of any offsetting receipts when the collateral was sold on the market. Congress would have several options for dealing with CCC under S.J Res. 225. The amendment itself does not prescribe how Congress treats this type of Federal credit transaction. Moreover S.J. Res. 225 itself does not and could not alter CCC in the slightest; only Congress could, as it is free to do now, change the laws governing CCC or Social Security or any other vital Federal program. That is an extremely unlikely prospect.

Senator Melcher. On page 53, the committee report states: "With respect to the exclusion from receipts and outlays of those transactions involving 'proprietary sales to the public,' the consensus of the committee is that such transactions represent voluntary relationships between the Government and the people. As such, there is a presumption that these relationships reflect the individual's own determination that purchases of Federal goods and services offer to him a preferred alternative." CCC could fit this description. Farmers voluntarily pledge their crops to the CCC as collateral for a loan. Would this exclude CCC from "outlays" and "receipts?"

Senator Hatch. The term "proprietary sales to the public" is explained on pages 47 and 48 of the report: "such collections are not counted as budget receipts, and . . . are offset against total budget authority and outlays by agency and by function." In other words, these transactions are covered by S.J. Res. 225, but outlays by these are offset by income or collections generated by the service the agencies provide the public. The net of these agencies' outlays and receipts would then be included in the budget aggregates. This is precisely one of the options Congress could choose when accounting for CCC under S.J. Res. 225. This option would also still permit the CCC some measure of budgetary independence.

Senator Melcher. It seems to me that many Government lending programs could be characterized as "voluntary relationships between the Government and the people" so as to "exclude from receipts and outlays" those transactions. Would these voluntary relationships be excluded from the terms of S.J. Res. 225?

Senator Hatch. The exact amount of voluntary collections and outlays involved in "proprietary sales to the public" would be excluded from "total outlays" and "total receipts" under current budget practices, but the net of those collections and outlays would be included either within "total outlays" (in the event outlays are greater than offsetting collections) or within "total receipts" (in the event offsetting collections are greater than outlays). Thus, these voluntary governmental proprietary transactions are still completely subject to the terms of S.J. Res. 225, but the voluntariness permits these agencies to use the alternative accounting processes involving netting. This is not an exception to the basic concept that all Federal spending and taxing programs are to be subject to the budgetary disciplines of S.J. Res. 225. There are no exceptions to that basic principle as further indicated by the Senate's vote to deny Social Security an exclusion from the terms of section 1 of S.J. Res. 225.

Senator Simon. Having read the report, I concur completely with the explanation just given concerning the intent of both the report and S.J. Res. 225. The specific definition of "proprietary sales to the public" on page 47 makes clear that the principle of offsetting receipts governs these transactions. When the report uses the word "exclusion", it is certainly correct in context, but it would have been better to have said "separate computation" or some other term suggesting that the transactions of these off-budget entities are simply figured into "total outlays" at a different stage of the process, namely, after a netting function.

Senator Melcher. I thank my colleagues for this clarification. I seek only one more explanation. In the paragraph immediately following the one I have just read, the report notes that "such an exclusion is an invitation to the Congress to subvert the intentions of the amendment." Since offsetting collections and outlays are included within S.J. Res. 225, albeit at a different stage of computation, how could this accounting technique ever be abused? Why

does the report include this next paragraph?

Senator Hatch. The intent of this paragraph is to ensure that Congress does not fall prey to the temptation of setting up elaborate procedures to escape "normal budgetary procedures." Let me give a hypothetical example. After ratification of S.J. Res. 225, Congress could set up a federal entity with the exclusive right to launch satellites. Due to its monopoly on this service, the Federal entity could levy exorbitant fees that would essentially amount to taxes. Congress could then direct the satellite entity to use its revenues to fund a veteran's program or to subsidize an industry or for some other purpose. The entity's collections would still be offset against its outlays for the purpose of arriving at budget aggregates. If Congress had planned carefully, the net might even be near zero and these massive programs would not be scrutinized as part of the budgetary process at all. Nothing in the terms of S.J. Res. 225 prohibits this subterfuge, but it would nonetheless be a subterfuge employed to fund a veteran's program or to subsidize an industry in a manner that would otherwise be subject to normal appropriations and authorizations. Congress would have successfully shifted to a quasi-Federal entity the responsibility to care for programs that Congress ought to monitor itself. The intent of this paragraph is to counsel Congress not to evade regular budgetary accountability by throwing Federal programs into elaborate Federal charter funding arrangements.

The paragraph speaks about "exclusive franchises" and "operating without the discipline of competition" and "implicit taxing powers" because the only type of entity that could be used as a subterfuge for normal taxing and spending programs would be a Government monopoly. Any Federal entity subject to market forces would not be likely to generate sufficient surplus revenues to fund a program that otherwise "would have been organized within the Federal Government."

Senator Heflin. How would TVA be treated under S.J. Res. 225?

Senator Hatch. The Electric Power Program of TVA would not be covered by S.J. Res. 225. Since 1959, the financing of that program has been the sole responsibility of its own electric power ratepayers—not the U.S. Treasury and the Nation's taxpayers. Consequently, the receipts and outlays of that program are not part of the problem S.J. Res. 225 is directed to solving.

Senator Thurmond. I have listened carefully to this discussion and wish to express my complete endorsement of the explanations given. They represent my views about these matters as well.

Senator DeConcini. I would like to commend my colleagues for raising these important points. They have helped to clarify the intent of S.J. Res. 225 and set in place a binding legislative history about the interpretation of the terms "outlays" and "receipts." I, too, agree with the answers given in response to these difficult, yet essential, questions.

Senator Simon. Permit me as well to commend my colleagues and express my support for the answers given to these questions. We should all be grateful that these issues were raised and clarified.

Mr. HEFLIN. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER (Mr. Hecht). The clerk will call the roll.

The bill clerk proceeded to call the roll.

Mr. MOYNIHAN. Mr. President, I ask unanimous consent that order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. MOYNIHAN. Mr. President, I ask unanimous consent that I may proceed for a period of time as if in morning business.

The PRESIDING OFFICER. Without objection, it is so ordered.

THE ILLINOIS DEMOCRATIC PRIMARY

Mr. MOYNIHAN. Mr. President, several weeks ago, I went before the annual dinner of the Democratic State Party in New York to speak about the problem of corruption of our party. I rise now on the Senate floor to speak of the problem of the corruption of our party.

These are issues of a wholly different order and magnitude and consequence. The Nation, I think it is fair to say, has been shocked to awake as we did on Wednesday morning to learn that in Illinois, two members of the faction associated with Lyndon LaRouche had won the nomination of the Democratic Party for the position of Lieutenant Governor and secretary of state respectively of the State of Illinois.

These persons are Mr. Mark Fairchild, who won the Democratic nomination for the office of Lieutenant Governor, and Ms. Janice Hart, who won the Democratic nomination for Illinois secretary of state.

Mr. President, I think it fair to say that this is the first time in the history of the United States that arguably Fascist candidates have won nominations for major State offices in a State of the American Union.

I would like to think I use the term "Fascist" with care, and I do use it with a measure of caution owing to the difficulty of finding precise analogies to the particular doctrines of the "National Democratic Party Committee" As it is called. "The National Democratic Party Committee" is the sponsor of these candidates and is in turn controlled by Lyndon LaRouche.

I state that difficulty in spite of what I would like to think is some sensitivity to political colorations on the extremes of right and left in the 20th century, the totalitarian movements of our time, and a very large personal experience with this element, a matter to which I will return.

LaRouche is a man who has made a familiar journey in the history of totalitarian extremist politics in the Nation. He was originally, as best we understand, a Trotskyite, which is to say a Communist, a follower of Leon Trotsky, one of the major figures of the second Russian revolution of 1917. Trotsky was a major figure in the triumph of Leninism. After Lenin's death he joined in the rivalry for power with Stalin, and eventually fled to exile in Mexico. In time he was assassinated by Stalin, but not before a major split took place in the Marxist community around the world between those who supported Trotsky and those who supported Stalin.

In 1968, in the course of the student disturbances at Columbia University that surrounded the wholly spurious issue of a university plan to build a gymnasium in Morningside Heights, a fashionable and a ephemeral radicalism of the time was very much in place. LaRouche made his way there and attracted a following of young radicals who entered a very personalized cult, a cult not different from that of Hitler, who was a socialist.

"Nazi" is a German elision of the German words for national socialist. Mussolini began on the left. The word "fasces" is an Italian term. You heard of fasces and I do not think we find them here, but in the House Chamber the fasces are there as a Roman symbol. "Nazism" is, as I say, an elision of national socialists.

"Communist" is a term that goes back to Marx himself and is a term by which we refer to the movements that took power first in Russia, then Italy, and then Germany.

All have a combination of original Marxist or semi-Marxist leanings making their way over through a cult of personality in the case of Mussolini and Hitler to a totalitarianism we came to designate as fascism. It was something of that migration that seems to have taken place in the case of Mr. LaRouche.

His party became as the Nazi Party in Germany. His group became virulently anti-Semitic. It is an anti-Semitic group. In the code language of his movement, the word "British" is to be translated "Jewish."

The constant reference to "British conspiracies" and the somewhat odd implication of the "Queen of England" almost always refer to the Jewish people and Jewish leaners. I have sometimes thought that Golda Meir was the "Queen of England" in this code language.

The Nazis were virulently anti-Communists. In communism, there is often said to be a Jewish conspiracy against national ideas and strengths and racial myths.

As with the Nazis in Germany, LaRouchites make a great cult of masculine dominance and purity, racial purity, blood purity, blood demonology, although we know that in the German Nazi Party, homeosexuality was rife at the top.

The candidates in Illinois—who, as I say, are the first, in my view, Fascist candidates ever to win the nomination

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of the national party in a State of the Union—are Fascists of this time, proto-Fascists. They are not Fascists of 1929 or 1934. They are unto this time.

They made the AIDS epidemic—if epidemic is a correct term—a central proposition of their campaign for racial purity. LaRouche has been much given to sort of semi-, or shall I say mock-scientific discourses on mathematics and physics and history, tracing back to the Guelf-Ghibellines conflict of the Middle Ages in Italy. I believe there have been references to Masonic influences, to conspiracy, the trilateral commission, the Rockefellers, the Harrimans, and a conspiracy of wealth; always translating into a conspiracy of Jewish wealth.

The Communist conspiracy was somehow involved in the same thing. The Nazis never had any difficulty in Germany in the 1930's saying that rich Jewish Communists were behind the nation's difficulties.

And so this movement was founded and grew. It found sources of money. Some understand that different companies were founded by students who had been at Columbia, acquired skills in their professsions and simply incorporated firms, the profits of which have gone to the LaRouche movement, which was, until 1983, located in New York City. The members were armed, not all of them, but there would be armed guards in their offices. They were threatening, and they threatened.

Early in this decade, they began to move into politics and made a decision, to move into the Democratic Party, establishing themselves in various modes, most recently and most enduring now as the National Democratic Policy Committee. And they began to appear at our conventions and gatherings with leaflets and booklets. They also began to appear in airports with propositions about nuclear power and various other issues which they took very seriously.

In 1981, a LaRouche candidate filed as a Democratic candidate for mayor of New York City. No effort was made to take this man off the ballot on the ground that he had not adequately filed his petitions, which almost certainly he had not done, or, as is the case, if I understand the election law adequately, for grounds of radical incompatibility with the positions of the particular party involved, in our case the Democratic Party. We did not do it. We did not do it partly out of a wicked calculation that one more "nut" in the race—a nut like Mussolini and a nut like Adolf Hitler—would not matter.

Remember, Adolf Hitler came to power in a free election. Mr. President, I am forced to restate that. Adolf Hitler came to power in a free election in 1933, something we rather conveniently forget, those of us who have lived securely in a democracy.

And so Mr. Melvin Klenetsky was given the legitimacy of a position as a candidate of the Democratic Party. This representative of an antisemitic, conspiratorial, proto-Fascist party was welcomed, in effect, into the ranks of the legitimate contenders for the office of mayor of New York. He was never heralded for what he was. No effort was made to prevent this running—as an independent candidate, yes; as a candidate of our party, no. A man representing some of the most vicious doctrines we have heard on the streets of New York since the 1930's was a legitimate member of the company of persons contending for that mayoralty

I mean, I do not have to say to you the degree of depravity of these people.

Well, Mr. Klenetsky did not do that badly and he won that legitimacy. And everyone thought it was just an aberration: "Another nut. Aren't they interesting?" But they said that about the Brownshirts; they said that about the Bolsheviks.

I have spent enough time at this table speaking of the defects of my friends on the other side of the aisle. They in no way approach this, a wholly different order of disagreement. We speak in this body within a spectrum of fundamental agreement on principle and practices. That which I am thinking now is beyond anything we know in our ordinary politics. Yet I am talking about people who are now the candidates of the Democratic Party for the Secretary of State and Lieutenant Governor in Illinois.

The year 1982 was a somewhat unusual year of peace in the New York State Democratic Party, which is the oldest political party in the world, if I might say. We have run candidates continuously since the time of Aaron Burr and the visit of Thomas Jefferson in the 1790's.

I was nominated to run again as a Democratic candidate for the Senate by our State convention, and no other Democrat chose to contest that nomination. And I set about getting ready for the general election.

(Mr. WILSON assumed the chair.)

Mr. MOYNIHAN. Then out of nowhere, I found myself challenged by a candidate from Lyndon LaRouche's organization, the very same man who had run for mayor, having achieved that legitimacy. The New York State Legislature had had difficulty redistricting the State after the 1980 census. We lost five seats in the House, and there was a painful exercise. It had worked out the way it did, but late. As a consequence, the legislature cut back very sharply on the number of signatures required to qualify as a candidate in a primary. In our State, you can be put on the ballot by a State convention, or by collecting a sufficient number of legitimate signatures. You can place yourself on the ballot as you might say, or a fellow citizen can do it for you.

The LaRouchites went out, and they collected signatures in front of Bloomingdale's and such like in Manhattan. New Yorkers are good folks. They will usually sign for anybody who is asking for a petition to run for office. The people will usually sign it.

We challenged every signature. We knew there was no possibility that I was going to lose that primary election. But the people who put together our campaign back in New York said we have a moral responsibility to fight these neo-Fascists as if it were the ultimate test of American demoracy.

We challenged every signature for 72, or 96 hours without break. Unfortunately there are those New Yorkers who know what election district they live in, and can fill out the other simple information adequately. I say, unfortunately. Unfortunately, in this case, it represents a measure of civic virtue that otherwise should be commended. And in the end, the LaRouche candidate had just barely enough signatures—about 111 more than necessary. We continued to fight the challenge. But then we thought of the practice of New York judges. When someone comes pretty close to the number of signatures required, the judges will say,

> Come on now, this gentleman or this lady wants to run in a democratic election. Give him a chance to do so. Do not use the technicalities of the election laws to deny people a place in the ballot. Let the people decide whether they want them to be candidates.

So we proceeded in the summer of 1982 to fight this man on the streets, in the valleys, and in the hills of New York as if it were the general election itself because it mattered more. I was running against a neo-Fascist candidate for the office of the nomination of my party for the U.S. Senate.

Mr. President, in that year we spent twice as much money in a primary which we could not lose as we did in the general election which we could very easily have lost. I am speaking not to my own virtues. These were not my decisions. These were the decisions of Chester Straub, Dan Rose, Tom Schwarz, John Westergaard, Steve Mann, and above all Elizabeth B. Moynihan who really ran that campaign.

I will not impress the Senate, and I make it a practice not to reveal the fact about how little we had. But what we had we spent. We spent in that primary campaign $1,332,903. During the general election we spent $712,307. We spent $1.3 million in the primary, and $0.7 million in the general election.

We beat Kletnetsky. He got 15 percent of the vote. That was a lot. We consoled ourselves that in Arizona

that year Bruce Babbitt ran against a poor man who filed to oppose him, and then died. The man got 15 percent even though he was dead. He was in the grave. But still the man got 15 percent of the vote.

We went on in the general election. I would like to think it may be a little bit because we made an issue of the LaRouchites in the primary. We did very well. Our campaign carried 50 counties which is more than any Democrat has ever carried in New York State. In 1836, Martin Van Buren carried 42 counties. That was before the Republican Party made its alarming appearance in upstate New York. If you can do a little bit better than Martin Van Buren, you have earned the gratitude of your party historians, at least. But that was not the end of the LaRouchites.

They did not think, well, that is it, we lost two in a row, and no more. The very next year they were back running for school board. School board elections have a great attraction to an extremist group. Quite frankly, not many people vote in them in New York City. You go outside of the city where the school boards are actually school boards where they have the power to levy taxes, and they run the school systems. And you are voting quite appropriately to the responsibilities of the office. In New York City the school boards are sort of advisory. The city runs its actual education system from an appointive body that has groups appointed by the mayor and others. It is an administrative agency of the city government, as you might say, with measured independent powers. But school board officials have work to do. They are elected.

In 1983, the LaRouche party, now called the U.S. Labor Party, filed nine candidates in the school board elections for upper Manhattan.

Here was an opportunity to say, "Oh, it does not matter, it is only one school district, the offices do not make that much difference, and who are they anyway. They are nuts." But we didn't. Having disgraced ourselves in 1981, and acquitted ourselves well enough in 1982, in 1983 we had matured to some understanding of this issue in the politics of our party.

I cannot say too much for City Councilman Stanley Michels, a Democratic liberal from that district—not on the school board, a councilman—who called this group "a Fascist cult," and asked me and Mayor Koch and others to come to a gathering on the steps of city hall and say, "Don't support those people, they are neo-Nazis. They are everything we want nothing of in this society."

If I may say, the Daily News, which is the largest general interest paper in the Nation and follows New York City, chose to report what we had done. It said:

> A host of political and labor leaders, led by Senator Moynihan and Mayor Koch, met at City Hall yesterday to lash out against followers of Lyndon LaRouche who are running for positions in the District 6 Community School Board elections to be held next Tuesday.

It spoke of Mr. Michels, and went on to say:

> Local school board candidates do not usually attract even the attention of U.S. senators—never mind such outspoken criticism—but the slightest possibility that followers of LaRouche could win even one seat has mobilized an impressive array of opposition.

The New York Daily News got it right. James Harney and Paul LaRosa wrote that:

> * * * the slightest possibility that followers of La Rouche could win even one seat has mobilized an impressive array of opposition.

Remember, Mr. President—I am now quoting an editorial from the Daily News of this morning:

> This sinister little cult advocates compulsory nationwide testing for AIDS and quarantines for victims—quarantine anybody with an AIDS virus.
>
> It has promoted anti-Semitism, argued that the United States is controlled through the narcotics trade among other things by the Rockefellers, Henry Kissinger, Queen Elizabeth, and the elders of Zion allied to the KGB.

It was funny. Adolf Hitler was funny. He was so funny, Adolf Hitler, the funny things he would say about Jewish Communist millionaires and the international conspiracy. Now they are on the ballot of the oldest political party in the world, for the Lieutenant Governor and the secretary of state of Illinois.

Mr. President, there is a lesson here. I should say to you that in the interval, Mr. LaRouche had what looked to be a serious setback.

NBC, the National Broadcasting Corporation, which, like the Daily News, has recognized what this was about, did a 1-hour documentary on LaRouche some 2 years ago. I went on that documentary to say what I had encountered in that nasty campaign.

Let me tell you, Mr. President, I have been through 33 years of American politics, and I know no such thing as nasty as running against a Fascist sect. I have an understanding of Europe in the 1930's which I surely never had before, and I thought I knew about that kind of thing. When they go after your family, when they go after you, and when violence is threatened and not very far from real, you know you have had a new experience.

I went on NBC and I said that. I appeared on the documentary. Little did I know that in the very classic manner of this group, they had engaged in a little conspiracy to keep me from appearing on the show.

Oh, it was not much, but they called NBC and said I had canceled and, I do not doubt, adding some things about why would I go on a Zionist-controlled, KGB Commie outfit like NBC.

Then they called our office and said NBC had canceled, they did not want some Democrat who would give offense to their rich Zionist millionaire Rockefeller Trilateral Commission board of directors. That was their general tone.

I see our distinguished Senator from Virginia is on the floor. By this time, Mr. LaRouche had moved his headquarters from New York City to Virginia, where he maintains a compound behind barbed wire and with armed guards. I believe that is the case. My very good friend [Mr. TRIBLE] nods agreement. LaRouche sued NBC for their documentary. NBC took a countersuit charging harassment in the case of the effort to prevent my appearance.

A Virginia jury in a Federal court, to its great credit, dismissed LaRouche's charge and then awarded NBC several million dollars in damages for its countersuit. That has been appealed. I do not want to state the precise legal situation because I am not really aware of it, but as I understand, although the judgment has been reduced somewhat, the money award, it has been confirmed and Mr. LaRouche owes NBC a very large sum of money for his illegal efforts. If he does not pay it, I guess he loses one armed compound or something. I would wish him no misfortune in that regard. In regard to personal wealth, that would not be welcome to me.

I would like to close now simply by saying that something is at stake. We are not going to be taken over by the politics of Lyndon LaRouche. What we are seeing abroad in the State of Abraham Lincoln is a capacity for Fascists—anti-Semitic, conspiratorial, thuggish Fascists—to win the votes of members of my party in the party primary and win nomination for office with very large consequences at stake. It is our fault that they did because we did not fight them back.

We proved in 1981 in New York City that if you do not fight them, they prosper. We showed in 1982 that if you do fight them, you beat them. We showed in 1983 that no fight is too small where issues this large are at stake. This is not a matter that will go away. Those two candidates have been in Washington today and they have announced that when elected that tanks will roll down State Street. We have not heard that kind of talk in this country and I can imagine that people do not know what I am talking about here. But I am telling you I have fought these people on the streets of New York and in the hamlets and the valleys and the countryside. They are vicious. They are capable of anything. Truth, facts, stand-

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ards of argument mean nothing, and when they are not opposed they win. They can formulate arguments that win them the right, the opportunity to office and legitimacy beyond anything they have dreamed. I blame much of it on our failing to resist in 1981 in New York City, but I say we did learn our lesson. Maybe in some sense we drove LaRouche out of New York. I cannot imagine the Senator from Virginia would think we did Virginia any favor. But we did give them a taste of defeat. But now he has victory. And it is not him, not them. It is this kind of politics, this kind of pronouncement, this standard of argument, this kind of appeal that we have got to understand is abroad in the land. It was said in the 1930's in a great play by Sherwood Anderson, "It can't happen here," speaking of totalitarianism, fascism in New York. Well, Mr. President, in a small way it has already happened here and it would do my party, the Democratic Party, a world of good to wake up and meet the responsibilities of the oldest, organized Democratic Party on the face of the Earth.

Mr. President, I ask unanimous consent that at this point in the RECORD you might reprint an article from the New York Daily News of Tuesday, April 26 1983, entitled "Pols Lash LaRouche Candidates," an editorial from the New York Daily News this morning entitled, "The LaRouche Cult Mocks Illinois' Pols," and then a column by the distinguished writer Lars-Erik Nelson from this morning's Daily News, "What They Got May Not Be What They Wanted."

There being no objection, the articles were ordered to be printed in the RECORD, as follows:

POLS LASH LAROUCHE CANDIDATES

(By James Harney and Paul La Rosa)

A host of political and labor leaders led by Sen. Moynihan and Mayor Koch assembled at City Hall yesterday to lash out against followers of Lyndon LaRouche who are running for positions in the District 6 Community School Board elections to be held next Tuesday.

Moynihan got the ball rolling by labeling the followers of LaRouche "bigots," City Councilman Stanley Michels (D-L-Upper Manhattan) called them "a fascist cult," labor leader Victor Gotbaum called them "slobs," and Koch simply added: "I can best sum it up by saying I have seen them before and they are the pits."

Local school board candidates do not usually attract even the attention of U.S. senators—never mind such outspoken criticism—but the slightest possibility that followers of LaRouche could win even one seat has mobilized an impressive array of opposition.

LaRouche, who founded the U.S. Labor Party, is backing nine candidates for the school board elections in upper Manhattan. Over-all, 35 candidates are contesting nine seats.

Although LaRouche at one time was considered to be at the far left of the political spectrum, he is now thought to be at the far right.

His followers have abandoned the label of the U.S. Labor Party and instead say they are with the National Democratic Policy Committee: They are running with the idea that a more classical education should be taught in the public schools—including Greek, Shakespeare and the violin—according to the campaign literature.

Earlier yesterday, Melvin Klenetsky, a LaRouche follower who ran unsuccessfully against Moynihan for the Democratic nomination for the U.S. Senate race in 1980, showed up at City Hall and said: "What Moynihan has said about the LaRouche group is slander that goes back to 1978 when LaRouche began a major war on drugs."

The politicians and labor leaders who spoke out yesterday were united in their belief that LaRouche's followers should not be allowed to win even one seat on the school board.

Councilman Michels said: "Community leaders of Manhattan have joined together to urge a huge turnout for the election on May 3 because of the threat to our community and our schools by a slate of candidates fielded by the LaRouche fascist cult."

Michels added that the candidates represent "an organization that is known to be anti-minority, anti-Semitic, anti-Catholic, anti-black and anti-Hispanic."

Gotbaum, head of District 37 of the American Federation of State, County and Municipal Employes, said he believes that the final vote will bear out the criticism of the assembled leaders. "I'm sure the community will show good judgment and reject these slobs," he said.

Klenetsky defended the educational ideas of the group, saying: "The classics are the very best way of teaching reading . . . they explore poetry and a sense of what it means to be a citizen."

Albert Shanker, head of the United Federation of Teachers, also appeared at the press conference. He said of the LaRouche group: "They don't represent people in the district and the more people know about them, the more horrified they would be to think that they (the candidates) have any support in the city.

"In other places there are just differences of opinion as to what ought to happen about the schools. Here are people who, in terms of everything we value, are just way out. We're doing everything we can to get a big voter turnout. We know that if people come out, these people will be defeated."

THE LAROUCHE CULT MOCKS ILLINOIS' POLS

Two Lyndon LaRouche supporters have won the Illinois Democratic primaries for lieutenant governor and secretary of state. That doesn't mean the state's Democrats have gone crazy or fascist. Most of them just didn't know what they were voting for—though there is a suggestion some of the votes were swung by the Chicago machine, which has no great affection for Adlai Stevenson 3d.

He's the candidate for governor, and the LaRouche fiasco is chiefly his fault. He's a former senator and son of you-know-who. He had no opposition in the primary, so he didn't bother to campaign. He didn't even distribute palm cards naming his own slate.

Voters had no guidance, and chose nice, English-sounding Mark Fairchild, the LaRouchie, over Germanic George Sangmeister for lieutenant governor, and Janice Hart over Aurelia Pucinski for secretary of state. Pucinski's father is a former member of the old Daley machine—and that didn't help, either in Chicago or downstate.

The LaRouchies were out pulling votes, telling people they were against drugs, AIDS and Russians and in favor of bailing out bankrupt farmers.

Voters didn't realize this sinister little cult advocates compulsory, nationwide testing for AIDS and quarantines for victims. It has promoted anti-Semitism. It argues that the U.S. is controlled through the narcotics trade, among other things, by the Rockefellers, Henry Kissinger, Queen Elizabeth and the Elders of Zion, allied to the KGB. LaRouche says Africa's problems can be ended with a railroad across the Sahara.

That's one of the more obviously harebrained schemes preached by LaRouche and his hardworking zealots. Some are much more dangerous.

In New York last year, LaRouche candidates won a handful of votes running for mayor and controller. They have sometimes been more successful running for local bodies like school boards when few people bother to vote.

A LaRouchie ran in at least one community school district in New York last time around and was soundly beaten when exposed. There are more school board elections next month. Smart voters will check every candidate's credentials to make sure none is a LaRouche nut in disguise.

Meanwhile in Illinois, Adlai the Third will try to get out of the mess he had created for himself, probably by running on a third-party ticket against the official Democratic ticket. He says he will never run with "the hate-filled folly" of a LaRouche candidate.

Right he is. But a bit late. The decision sounds like a political career winding down—but it's clearly not the end of Lyndon LaRouche. He must be watched for. And stopped.

WHAT THEY GOT MAY NOT BE WHAT THEY WANTED

(By Laas-Erick Nelson)

WASHINGTON.—At last, a Democratic candidate the average American working man can identify with: Mark Fairchild of Illinois.

He is a 28-year-old white male with an attractive North Country English name. He believes the nation has embarked on a disastrous course by shutting down its basic industries, like steel mills, and living off imports from abroad. He believes young people are being turned into zombies by illegal drugs—and that big banks should be prosecuted for laundering drug dealers' profits.

He favors a harder line toward the Soviet Union, return to the gold standard, deployment of the Star Wars defense system advocated by President Reagan and the development of nuclear power to make America independent of foreign oil producers. He believes the national Democratic Party has betrayed the interests of ordinary Americans by its liberalism and tolerance of moral evils like homosexuality.

Espousing these positions, Fairchild won the Democratic nomination for lieutenant governor in Illinois last Wednesday, picking up more than 330,000 votes and the right to be listed on the November ballot just below one of the party's most revered names, Adlai Stevenson 3d.

Stevenson promptly denounced Fairchild as a "bizarre and dangerous extremist" and declared he would not run on the same ticket with him. That means that Stevenson, son of the 1952 and 1956 Democratic candidate for the Presidency, must leave the

Democratic ticket if he intends to run for governor in November. Fairchild is the Democratic nominee for lieutenant governor, and can take the nomination away from him.

Fairchild is a member of the "National Democratic Policy Committee," the cuckoo's egg in the nest of the traditional Democratic party. The committee—some describe it as a cult—was created by Lyndon LaRouche, the one-time Trotskyite who goes beyond the traditional definitions of left-wing or right-wing extremism.

LaRouche, 64, lives in his own world of paranoid seclusion, surrounded by armed and uniformed guards, at a Virginia estate. He fears assassination at the hands of Zionist agents, drug dealers, the Rockefellers, the Queen of England and the Trilateral Commission.

Assassination plots are all too real to LaRouche, who has made three runs at the Democratic presidential nomination. One of his publications, Executive Intelligence Review, has written that President Lincoln was murdered by a joint team of Jesuits and British Secret Service agents and that President McKinley was assassinated by Venetians. In a March 1984 television broadcast, LaRouche charged that from 1946 to 1983, U.S. strategic and foreign policies had been under the controlling influence of "the most evil man of the 20th century, the late (British mathematician) Bertrand Russell."

Two LaRouche associates confronted Henry and Nancy Kissinger at Newark Airport in 1982, and charged Nancy with assault when she grabbed one of them by the throat for asking her then-ailing husband, "It is true that you sleep with young boys at the Carlyle Hotel?"

The chief suspect arrested by Swedish police after the assassination of Prime Minister Olof Palme was a former member of LaRouche's European Workers Party. The charges, since dropped, had some plausibility because of the party's hatred of Palme, who, it said, was a crypto-Nazi.

And now a LaRouche disciple is the Democratic nominee for lieutenant governor of Illinois. Just a fluke, surely. But, no: Another LaRouche disciple, Janice Hart, won the Democratic nomination for Illinois Secretary of State.

How does this happen? Partly it is pure chance. When two people are on a ballot, and the voter knows neither, the odds are that one of them will win by a 51 percent–49 percent margin. That's just statistics.

But more importantly, it is a protest: Illinois Democrats, fed up with both the Republican and Democratic policies, decided to vote for "None of the above."

As it happened, "None of the above" was on the ballot, with a plausible name, a plausible Democratic label and plausible positions. The voters who gave the nomination to Fairchild and Hart may not have known they were getting Lyndon LaRouche but they knew what they didn't want—the traditional Democratic candidate.

There's a message in there somewhere.

Mr. MOYNIHAN. Mr. President, I thank the Chair for its patient attention to my remarks. I yield the floor.

ROUTINE MORNING BUSINESS

Mr. TRIBLE. I ask unanimous consent there now be a period of routine morning business not to extend beyond 6 p.m.

The PRESIDING OFFICER. Without objection, it is so ordered.

BERNARD MALAMUD

Mr. MOYNIHAN. Mr. President, the death of Bernard Malamud, the Pulitzer Prize-winning novelist, came as sad and unexpected news to all of us this week. His books and short stories vividly depicting the lives of everyday men and women have captivated America's interest and imagination ever since his first work, "The Natural," was published in 1952.

In 1959, Bernard Malamud won the Pulitzer Prize for "The Fixer," an absorbing novel—later a popular film—about a murder trial and the accused killer of a 13-year-old boy.

Through all of Bernard Malamud's writing, we are fascinated—and frequently inspired—by his themes of human dignity, spirituality, and morality in stories about people involved in the struggles of common existence.

Mr. President, the sense of loss at Bernard Malamud's death is especially intense for this Senator. I regret, as so many will, that a creator of great literature is gone. I also mourn because Bernard Malamud was a personal friend of many years. He was a man of rare creativity, thoughtfulness, and most of all imagination. As part of the tribute I mean to pay him today, I ask that an article from the Style section of Wednesday's Washington Post along with obituaries from the Washington Post and New York Times be printed in the RECORD.

There being no objection, the articles were ordered to be printed in the RECORD, as follows:

MALAMUD: VOICE OF A NATURAL

(By David Remnick)

Bernard Malamud died in New York yesterday. Heart surgery a few years ago left him weak at times but, bless the man, he was just about finished with another novel before his gentle voice and tough spirit gave out at the age 71.

When a writer as fine and mysterious as Malamud dies after a long and productive life, his readers lose almost nothing, really. What is lasting about the man remains. Still, if you loved a writer—and Malamud was the sort of writer you could love, not just admire—you feel almost angry at his passing.

The work is complete, sealed. Death put a lid on the magic barrel. What was in that last novel? We'll wonder a few days, then return to the old gifts that still provide and provide.

Malamud gave a magnificent, singular voice to all that is strange and magical in his characters' lives. Those lives, of course, were mainly Jewish lives. For some odd critical and journalistic reasons, he was lumped together with a more comic spirit (Philip Roth) and a more cerebral one (Saul Bellow). All three produced a Jewish-American literature, but they never comprised a literary yeshiva. Malamud's stories—and he was best in shorter work—are little miracles that cannot be jammed into any critical duffel bags. They are elusive; so simple at first, then as dark and awesome as genuine spiritual experience. Full of humanity, even sentimentality at times, but full of strangeness and concrete wonder, too. Malamud believed deeply that "art tends toward morality":

"It values life. Even when it doesn't, it tends to. My former colleague Stanley Edgar Hyman used to say that even the act of creating a form is a moral act. That leaves out something, but I understand and like what he was driving at. It's close to Frost's definition of a poem as 'a momentary stay against confusion.' Morality begins with the awareness of the sanctity of one's life, hence the lives of others—even Hitlers, to begin with—the sheer privilege of being, in this miraculous cosmos, and trying to figure out why. Art, in essence, celebrates life and gives us our measure."

Malamud's best work—the stories in "The Magic Barrel" and "Rembrandt's Hat" as well as "The Assistant" and the better parts of "The Natural" and "The Fixer"—will always delight and stun because of the way they both portray and transcend a particular character and world: a shopkeeper and spiritual crisis, an aging ballplayer and his secret.

As surely as his Roy Hobbs was a natural home run hitter, Malamud was a natural storyteller, and to an interviewer from The Paris Review, he made a little narrative of his own life. It is worth listening to:

"My father was a grocer; my mother, who helped him, died after a long illness, died young. I had a younger brother who lived a hard and lonely life and died in his fifties.

"My mother and father were gentle, honest, kindly people, and who they were and their affection for me to some degree made up for the cultural deprivation I felt as a child. They weren't educated but their values were stable. Though my father always managed to make a living, they were comparatively poor, especially in the Depression, and yet I never heard a word in praise of the buck. On the other hand there were no books that I remember in the house, no records, music, pictures on the wall. On Sundays I listened to somebody's piano through the window. At age 9 I caught pneumonia, and when I was convalescing my father bought me the Book of Knowledge, 20 volumes where there had been none. That was, considering the circumstances, an act of great generosity.

"When I was in high school he bought a radio. As a kid, for entertainment I turned to the movies and dime novels. Maybe 'The Natural' derives from Frank Merriwell as well as the adventures of the Brooklyn Dodgers in Ebbets Field.

"Anyway my parents stayed close to the store. Once in a while, on Jewish holidays, we went visiting, or saw a Jewish play—Sholom Aleichem, Peretz and others. My mother's brother, Charles Fidelman, and their cousin, Isadore Cashier, were in the Yiddish theater.

"Around the neighborhood the kids played chase the white horse, ringo-levio, buck-buck, punchball and one o'cat. Occasionally we stole tomatoes from the Italian dirt farmers, gypped the el to ride to Coney Island, smoked in cellars and played blackjack. I wore sneakers every summer. My education at home derived mostly from the presence and example of good, feelingful, hard-working people. They were worriers, with other faults I wasn't much conscious of until I recognized them in myself. I learned from books, in the public schools.

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"I took to literature early and wanted to be a writer. At eight or nine I was writing little stories in school and feeling the glow."

Though Malamud's sensibility was clearly shaped by his experience as a Jew, his stories seemed to derive as much from Chekhov, Hawthorne and other non-Jewish masters of the short story.

"I'm an American, I'm a Jew, and I write for all men. A novelist has to, or he's built himself a cage. I write about Jews, when I write about Jews, because they set my imagination going. I know something about their history, the quality of experience and belief, and of their literature, though not as much as I would like."

Think of those stories and you think of a figure in a painting by Chagall, a man with his feet on the dusty sidewalks and his head in heaven. If that makes Bernard Malamud a kind of giant, so be it.

[From the Washington Post, Mar. 19, 1986]

PULITZER PRIZE-WINNING NOVELIST BERNARD MALAMUD DIES AT 71

(By Eve Zibart)

Bernard Malamud, Pulitzer Prize-winning novelist and two-time recipient of the National Book Award, died yesterday, apparently of natural causes, at his New York apartment. He was 71.

One of a group of Jewish-American authors, including Philip Roth and Saul Bellow, whose work has focused on the Jew as outsider in society, Malamud once wrote that "All men are Jews"—that is, all men are solitary.

His protagonists often represent a kind of Jewish Common Man—a laborer, perhaps a small shopowner, rarely successful but acutely, inchoately sensitive to beauty and injustice—but he quarreled with the label "Jewish writer," saying it diminished his creations.

Born April 26, 1914, Malamud, the son of Yiddish-speaking Russian immigrants who owned a grocery store in Brooklyn, became interested in language after a childhood bout with pneumonia.

His father bought him a 20-volume Book of Knowledge to while away his convalescence; and he developed his storytelling technique by reworking for his friends the plots of current movies "to save them a dime."

He was not fascinated by his father's stories of Czarist Russia, an era he evoked so lucidly in the 1966 novel "The Fixer" that it brought him the Pulitzer and his second National Book Award (the first, in 1959, was presented for a short story collection, "The Magic Barrel").

"The Fixer," his fictionalized account of the murder trial of Mendel Beiliss, who was accused of the ritual murder of a 13-year-old boy, was made into a film starring Alan Bates.

His very first novel, "The Natural," published in 1952, belatedly became one of his best known after the release of the 1984 film version starring Robert Redford and Glenn Close. Ironically, though the film version transformed Malamud's darkly critical parable about the corrupting power of the American dream into a sunny fantasy in which the sinned-against Redford is saved by the grace of true love.

Like Roth, Bellow and Yiddish fablist Isaac Bashevis Singer, Malamud was preoccupied with the role of the Jewish author as creator. In his 1971 novel "The Tenants," a Jewish writer who has been struggling for a decade to finish his third novel becomes intellectually entangled with a black revolutionary who is struggling to perfect his own manifesto; the two ultimately die, drowned in their own words.

The protagonist of his 1979 novel, "Dubin's Lives," is also a writer, but this time a biographer, whose profession turns him into a kind of voyeur. His last novel, "God's Grace," published in 1982, turns the protagonist into perhaps the broadest re-creator of all: The only survivor of a thermonuclear apocalypse, he mates with a female chimpanzee named Mary Madelyn and founds a whole new evolutionary Eden.

Other books by Malamud include "A New Life," 1961; "Pictures of Fidelman," 1969; "The Assistant," 1957; and the short story collections "Idiots First," 1963, and "Rembrandt's Hat," 1973.

The author was also a teacher, spending the years 1940 to 1949 teaching English in New York City high schools, and had been a member of the faculty of Bennington College since 1961.

He is survived by Ann de Chiara, his wife since 1945; a son, Paul, and a daughter, Janna.

[From the New York Times, Mar. 20, 1986]

BERNARD MALAMUD, AUTHOR, DIES AT 71

(By Mervyn Rothstein)

Bernard Malamud, the novelist and short story writer who won two National Book Awards and the Pulitzer Prize for his chronicles of human struggle, died Tuesday at his Manhattan apartment. He was 71 years old.

Mr. Malamud's work showed a regard for Jewish tradition and the plight of ordinary men, and was imbued with the theme of moral wisdom gained through suffering.

Mr. Malamud was considered by many critics to be one of the finest contemporary American writers. The critic Robert Alter said that stories like "The First Seven Years," "The Magic Barrel," "The Last Mohican," "Idiots First" and "Angel Levine" will be read "as long as anyone continues to care about American fiction written in the 20th century."

The author once described himself as a chronicler of "simple people struggling to make their lives better in a world of bad luck." One of his last appearances was at the PEN Congress in New York in January when he read from his works.

COMBINED FANTASY AND REALITY

In his work, Mr. Malamud often combined fantasy and reality to create a world that was both the same and different from the one we live in.

In "Angel Levine," a black, rather seedy-looking angel appears to a retired Jewish tailor; in "The Jewbird," a Yiddish-accented vagabond makes his way into an urban Jewish household in the form of a crow; in "Idiots First," the Angel of Death, alias Ginzburg, pursues a desperate Jew trying to scrape together money to send his idiot son to California on the midnight train.

"Malamud has been in the fable business, so to speak," the critic Alan Lelchuk wrote.

Mr. Malamud's first novel, "The Natural," an allegory about the rise and fall of a baseball player, was published in 1952. It is different from most of his work in that there are no Jewish characters. After the book was made into a movie starring Robert Redford in 1984, Mr. Malamud said in an interview that he was grateful for the film because it allowed his "to be recognized once more as an American writer" as opposed to a Jewish writer. But "The Natural" is similar to his later novels and stories in that it lies in the realm of a morality play.

"Malamud has always had a fondness for telling tales arranged for the purpose of a specific moral lesson," Mr. Lelchuk wrote.

"Neither realism nor surrealism has been his forte through the years," he continued, "but the fable, the parable, the allegory, the ancient art of basic storytelling in a modern voice; through this special mode he has earned his high place in contemporary letters."

"The Assistant," his second novel, and the one many critics consider his best, was published in 1957. Set in the Depression, it tells of a Jewish grocery-store owner and his Italian assistant, and it, too, is much like a morality play.

"The Fixer" (1966) was inspired by the ordeal of Mendel Beiliss, a Jew tried and acquitted of ritual murder in Kiev in czarist Russia of 1913. "The Magic Barrel," the author's first collection of short stories, was given the National Book Award in 1959.

On the basis of "The Assistant" and "The Fixer," critics began to think of Mr. Malamud as a "Jewish writer" along with Saul Bellow and Philip Roth.

Mr. Malamud, however, said that he found the label of "Jewish writer" inadequate. He said that the three writers shared more differences then similarities, and that, in his case, Jewishness was more a spiritual than a cultural or a religious quality.

"I was concerned with what Jews stood for," he said, "with their getting down to the bare bones of things. I was concerned with their ethicality—how Jews felt they had to live in order to go on living.

And at another time he commented: "Jewishness is important to me, but I don't consider myself only a Jewish writer. I have interests beyond that, and I feel I'm writing for all men."

Mr. Roth agreed with Mr. Malamud. "The Jews of 'The Magic Barrel' and the Jews of 'The Assistant' are not the Jews of New York City or Chicago," Mr. Roth wrote. "They are Malamud's invention, a metaphor of sorts to stand for certain possibilities and promises."

LATER WORKS CRITICIZED

Mr. Malamud's later works—"Pictures of Fidelman," "The Tenants," "God's Grace" and to a lesser extent, "Dubin's Lives"—got mixed reviews. Many critics cited a growing bleakness in his work, saying that as he left his Jewish milieu for academic and other settings his work took on a flinty emptiness without the poignance and meaning that characterized his earlier novels. His argument with God, they said, seemed to wither into a seminar.

Others, however, saw a growth in these works—his handling in "The Tenants" of the cultural and psychological upheaval among blacks caused by the rise of nationalism, separatism and racial pride; the powerful presence of nature in "Dubin's Lives," something new for an author whose works for the most part had urban settings, and the concern with man's survival in the nuclear age in "God's Grace."

Bernard Malamud was born April 26, 1914, in Brooklyn, the elder of two sons of Russian Jewish immigrants, Max Malamud and the former Bertha Fidelman.

His father ran a small grocery, working 16 hours a day—he served as a model for the Jewish grocer in "The Assistant." Looking back on his childhood, Mr. Malamud would recall that there were no books in his home, no cultural nourishment at all except that on Sundays he would listen to someone

else's piano through the living-room window.

He attended Erasmus Hall High School in Brooklyn, and in 1936 he received his B.A. from the City College of New York. After graduation, he worked in a factory, in various stores and as a clerk in the Census Bureau in Washington, writing in his spare time.

BEGAN TEACHING HIGH SCHOOL

In 1940, he got a job teaching at Erasmus Hall Evening High School and he would continue to teach in New York City evening high schools until 1949. While he was teaching, he earned an M.A. at Columbia University in 1942.

Mr. Malamud often said that the advent of World War II and the Holocaust first made him sure that he had something to say as a writer. Until then, he said, he had not given much thought to what it meant to be Jewish, but the horror of the war—as well as the fact that he married a gentile woman, Ann de Chiara, in 1945—made him question his own identity as a Jew and compelled him to start reading about Jewish tradition and history. He knew then, he said, that he really wanted to write.

"The suffering of the Jews is a distinct thing for me," he once explained. "I for one believe that not enough has been made of the tragedy of the destruction of six million Jews. Somebody has to cry—even it it's a writer, 20 years later."

In 1949, he got a job teaching English at Oregon State University, where he stayed until 1961, becoming an associate professor. He wrote four books there—"The Natural," "The Assistant," "The Magic Barrel" and his third novel, "A New Life" (1961), which is set in the Pacific Northwest at a college not unlike Oregon State.

In 1961, he went to teach at Bennington College in Vermont, where he taught for more than 20 years, with the exception of two years he spent as a visiting lecturer at Harvard from 1966 to 1968.

In 1963, he published "Idiots First," another story collection. That was followed by "The Fixer" (1966), "Pictures of Fidelman," stories about one central character (1969); "The Tenants," a novel about the conflict between two writers, one Jewish and the other black (1971); "Rembrandt's Hat," more stories (1973); "Dubin's Lives," a novel about a biographer in midlife that many critics consider one of his best (1979); "God's Grace," a novel (1982), and "The Stories of Bernard Malamud" (1983).

STORY, STORY, STORY

Mr. Malamud was a firm believer that a story should tell a story. "With me, it's story, story, story," he once said. "Writers who can't invent stories often pursue other strategies, even substituting style for narrative. I feel that story is the basic element of fiction though that ideal is not popular with disciplines of the 'new novel.' They remind me of the painter who couldn't paint people, so he painted chairs.

"The story will be with us as long as man is. You know that, in part because of its effect on children. It's through story they realize that mystery won't kill them. Through story they learn they have a future."

He did not find writing an easy task. "The idea is to get the pencil moving quickly," he said. "Once you've got some words looking back at you you can take two or three—or throw them away and look for other. I go over and over a page. Either it bleeds and shows it's beginning to be human, or the form emits shadows of itself and I'm off. I have a terrifying will that way."

In his writing, he prized the idea of swift transition—changing a scene in one sentence between paragraphs—and he thought he might have achieved that talent by studying intercutting in motion pictures. "I was influenced very much by Charlie Chaplin movies," he said, "by the rhythm and snap of his comedy and his wonderful, wonderful mixture of comedy and sadness."

He acknowledged that sadness was one of his prime topics. "People say I write so much about misery," he said, but added, "you write about what you write best."

He described the essential Malamud character as "someone who fears his fate, is caught up in it, yet manages to outrun it; he's the subject and object of laughter and pity."

LEFT UNFINISHED NOVEL

In addition to the Pulitzer and the National Book Awards, Mr. Malamud won the Rosenthal Award of the National Institute of Arts and Letters, Vermont's 1979 Governor's Award for Excellence in the Arts and the 1981 Brandeis Creative Arts Award. He was a member of the American Academy and Institute of Arts and Letters, which in 1983 presented him its Gold Medal in Fiction. From 1979 to 1981 he was president of the PEN American Center.

Yesterday his publisher, Farrar, Straus & Giroux, announced the establishment of a Bernard Malamud literary award, to be administered by PEN. An official at the publishing house also said it will decide at a later date whether to publish separately the novel on which Mr. Malamud was working at the time of his death, or whether to publish parts of it in a posthumous collection.

For many years, Mr. Malamud did not become involved in social issues, arguing that for an author writing was involvement enough. But as president of PEN, he protested the repression of writers in the Soviet Union and South Africa and the curtailing of First Amendment rights.

Although he granted occasional interviews, Mr. Malamud led an intensely private life. In "The Ghost Writer," Philip Roth created a character named E.I. Lonoff, a novelist "deeply skeptical of the public world," whose ideas of work and esthetic purity obliged him to live a life of solitude. A number of critics have suggested that Lonoff was a portrait of Mr. Malamud.

Mr. Roth was a good friend of Mr. Malamud, and it is perhaps he who best summed up Mr. Malamud's work. Noting that Mr. Malamud was once supposed to have remarked that "all men are Jews," Mr. Roth said:

"What it is to be human, and to be humane, is his deepest concern."

He is survived by his wife and by a son, Paul, and a daughter, Janna. Funeral services will be private, and plans for memorial services in April will be announced at a later date.

DR. KENNETH B. CLARK

Mr. MOYNIHAN. Mr. President, Dr. Kenneth Clark has dedicated his life to children, social justice, and academic excellence. He is a man of integrity and compassion. I mention this, Mr. President, because today is Kenneth Clark's last day on the New York State Board of Regents, that body which governs education policy in the State of New York. Governor Averell Harriman first proposed Kenneth Clark for the board of regents in 1956, but it was 10 years before Clark actually joined the board as its first black member. He has served on the board ever since, including 5 years of service as chancellor from 1975 to 1980.

Dr. Clark has said that "the blending of the social scientist and the political officer offers hope for a future social policy and social stability that can have human values and compassion as a foundation." Clark should know. He has been practicing just such a blend for 20 years.

Dr. Clark has earned a reputation as an advocate for excellence and equality in education second to none. As a young scholar he worked on Gunnar Myrdal's landmark study on race relations, "An American Dilemma"; his research figured prominently in the 1954 Supreme Court decision, Brown against the Board of Education. Long ago he recognized the role of the stable family in breaking "the self-perpetuating pathology of the ghetto." When asked to what he is loyal, Clark is fond of responding: "The facts." It is not surprising, then, that with characteristic courage and foresight Clark recently suggested that the regents supersede the authority of local school boards in order to raise the quality of chronically poor schools.

Mr. President, I ask unanimous consent that an article from the New York Times about Dr. Kenneth Clark be inserted in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

[From the New York Times, March 21, 1986]

CLARK URGING SHIFT IN CONTROL TO AID FAILED URBAN SCHOOLS

(By Edward B. Fiske)

With newly enacted academic reforms "unlikely to reach the inner-city students who need it most," Dr. Kenneth B. Clark has called on the New York State Board of Regents to supersede the authority of local school boards and put public schools with chronically low test scores into "receivership."

"We can no longer permit the people who have failed to improve inner-city schools to continue to run them," Dr Clark, the 71-year-old psycologist, educator and advocate for human rights, said in an interview. "Let's get businessmen, church leaders, professors and other outsiders to come in and turn things around."

He spoke on the eve of his retirement, after 20 tumultuous years, as a member of the Board of Regents. He planned to repeat the appeal at a testimonial dinner for him in Albany last night.

Dr. Clark praised the Regents Action Plan—a comprehensive package of educational reforms adopted two years ago—as an "excellent plan." It calls for new tests and stiffer requirements for high school students in science, foreign languages and other core academic courses.

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"The plan will work well in middle-class suburbs," he said, "but we have yet to address the issue of how to make it work in inner-city schools. It's one thing to raise standards. It's another to provide the remedial and other programs to make sure that every child—black or white—can meet them."

One possible approach, he said, would be for the Regents to supersede the authority of local school boards and place "chronically underachieving" schools in some sort of "receivership."

"It sounds like a wild idea, but you could form commissions of outside citizens to bring in new managers and hold them responsible for gains in achievement," he said.

Today, Dr. Clark will attend his final session of the 202-year-old Board of Regents, whose members frequently describe him as "our conscience." Earlier this week he relaxed in his office on East 86th Street in Manhattan and reflected on a career dedicated to improving the lot of children who, like himself, grew up in what he characterized in his best-known book as the "Dark Ghetto."

Surrounded by the mementos of success—from letters of appreciation from a generation of American Presidents to photographs with the boxer Muhammad Ali—he spoke in his familiar quiet and measured manner, and recalled some of his hopes, his struggles and his many still unfulfilled dreams.

There was the Supreme Court's Brown v. Topeka decision in 1954, which cited his research on the destructive effects of segregation on the self-esteem of black children as a reason for barring separate-but-equal public schools. And there was the long aftermath, as the focus of desegregation efforts shifted from the South to the North. Dr Clark joined the Regents in 1966 as its first black member, just as mandatory busing was becoming a volatile political issue in New York State.

"In Buffalo, I was in a peculiar position," he said. "The regents were defendants in a lawsuit, and I testified as a witness for the plaintiffs. People say to me, 'Kenneth, what are you loyal to?' I always answer: the facts. In the end, Buffalo came up with a successful magnet-school policy that the Regents endorsed."

A native of Panama, where his father was a passenger agent for the American Fruit Company, he earned his doctorate in social psychology at Columbia University and became the first black scholar to become a tenured professor at City College. In his research, Dr. Clark devised experiments in which he showed white and black dolls to children. He found that many ghetto children as young as 3 years old "reject the dark-skinned dolls as 'dirty' and 'bad.' "

A POWERFUL EFFECT

Out of his scholarship grew his social commitment and his low-keyed political style. "I'm the antithesis of a realistic politician." he said. "On any issue I would try to ask myself: what do I believe and why?"

Colleagues say that once he decided what he thought, the effect tended to be powerful. "He would listen carefully to both sides, and then I would always wait to hear whether he would say something," said Theodore Black, who became a member of the Board of Regents in 1966 and served as its Chancellor from 1975 to 1980. "He would never come out with all guns blazing. Instead, he relied on his mastery of the art of language."

Although his efforts to promote school desegregation generated the most headlines, Dr. Clark was an equally zealous backer of high of academic standards. In the mid-1970's he pushed hard for minimum competency tests for high school graduates but publicly charged that an easy early version of the test would "institutionalize retardation."

The psychologist concedes that he was not always right. "I fought hard for decentralization of the New York City schools because I thought it would improve the quality of schools, but I turned out to be wrong as hell," he said.

BAD FOR EVERYONE

He also readily admits that this is not a happy time for the causes to which he has dedicated his life. In recent years his mood has been one of melancholy.

"I still believe that segregated schools are bad for everyone, whites as well as blacks," he said. "But there's been a functional repeal of the Brown decision—even civil-rights organizations have backed away."

Though he is leaving the Board of Regents, Dr. Clark said he still has things to do, including the completion of his latest book, a study of residents of inner-city areas of Newark and White Plains.

"Its a continuation of 'Dark Ghetto,' only it's not as optimistic," he said. "You can see that things are deteriorating. You don't need a book; just take a ride. Abandoned buildings are only concrete symbols of abandoned human beings. If there is any hope, it lies in the realization that we can't destroy these children without affecting the whole city."

RULES OF THE COMMITTEE ON THE JUDICIARY

Mr. THURMOND. Mr. President, pursuant to paragraph 2, rule XXVI, of the Standing Rules of the Senate, which requires the publication of the rules of each Senate committee in the CONGRESSIONAL RECORD, I submit the procedural rules of the Committee on the Judiciary and ask unanimous consent that they be printed.

The procedural rules are as follows:

RULES OF THE COMMITTEE ON THE JUDICIARY

I. MEETINGS OF THE COMMITTEE

1. Meetings may be called by the Chairman as he may deem necessary on three days notice or in the alternative with the consent of the Ranking Minority Member or pursuant to the provision of the Standing Rules of the Senate, as amended.

2. Each witness who is to appear before the Committee or any Subcommittee shall file with the Committee, at least 48 hours in advance of the hearing, a written statement of his testimony in as many copies as the Chairman of the Committee or Subcommittee prescribes.

3. On the request of any member, a nomination or bill on the agenda of the Committee will be held over until the next meeting of the Committee or for one week, whichever occurs later.

II. QUORUMS

1. Ten members shall constitute a quorum of the Committee when reporting a bill or nomination; provided that proxies shall not be counted in making a quorum.

2. For the purpose of taking sworn testimony, a quorum of the Committee and each Subcommittee thereof, now or hereafter appointed, shall consist of one Senator.

III. PROXIES

When a record vote is taken in the Committee on any bill, resolution, amendment, or any other question, a quorum being present, a member who is unable to attend the meeting may submit his vote by proxy, in writing or by telephone, or through personal instructions. A proxy must be specific with respect to the matters it addresses.

IV. BRINGING A MATTER TO A VOTE

The Chairman shall entertain a non-debatable motion to bring a matter before the Committee to a vote. If there is objection to bring the matter to a vote without further debate, a rollcall vote of the Committee shall be taken, and debate shall be terminated if the motion to bring the matter to a vote without further debate passes with ten votes in the affirmative, one of which must be cast by the Minority.

V. SUBCOMMITTEES

1. Any member of the Committee may sit with any Subcommittee during its hearings or any other meeting, but shall not have the authority to vote on any matter before the Subcommittee unless he is a member of such Subcommittee.

2. Subcommittees shall be considered de novo whenever there is a change in the Subcommittee chairmanship, and seniority on the particular Subcommittee shall not necessarily apply.

3. Except for matters retained at the full Committee, matters shall be referred to the appropriate Subcommittee or Subcommittees by the Chairman, except as agreed by a majority vote of the Committee or by the agreement of the Chairman and the Ranking Minority Member.

SENATOR BOSCHWITZ' COMMON SENSE

Mr. HELMS. Mr. President, the able and distinguished Senator from Minnesota [Mr. BOSCHWITZ] is one of the Senate's most knowledgeable and informed Members in matters relating to agriculture.

During debate on last year's farm bill, Senator BOSCHWITZ proved himself remarkably knowledgeable about the intricacies of farm policy and its effect upon the American farmer. His ability to analyze the implications of policy proposals on the welfare of farmers in Minnesota, and the rest of the Nation, was most helpful as the Agriculture Committee waded through the enormity of that task.

In fact, Mr. President, those who follow agriculture policy will recall that Senator BOSCHWITZ introduced a farm bill that was a unique attempt to restore common sense to Federal farm policy. His bill represented truly innovative thinking, a commodity which is often in short supply in the Senate and in the area of agriculture policy generally. I was impressed by many aspects of his bill, and in retrospect I wish that more of his ideas could have been included in the final version of the bill.

One of Senator BOSCHWITZ' special abilities is to cut through rhetoric and obfuscation and thereby uncover and expose the truth of what is being presented. That ability is demonstrated in a letter he wrote recently to various farm groups who had been bemoaning what they called the tremendous hardship that farmers would experience as a result of the Gramm-Rudman-Hollings cutbacks. Senator BOSCHWITZ noticed that spokesmen for these organizations emphasized that the fiscal year 1986, 4.3 percent cutback would mean a loss of $57 million to Minnesota farmers. Why not point out, Senator BOSCHWITZ asked, that if 4.3 percent is $57 million, that 100 percent is $1,325,000,000—meaning that even after the cutback, the total amount of aid going to Minnesota farmers is an enormous $1,268,000,000?

Mr. President, there's no doubt about it, difficulties do confront those engaged in farming and ranching these days. One is a deep sense of pessimism. The reasons for pessimism have passed. The Carter embargo has been over for 5 years, the dollar is becoming decidedly more balanced in its relationship to foreign currencies, inflation is under control, interest rates are falling, expensive inputs from petrochemicals are falling in cost, our farm policies have been reformed to allow us to begin to enter new export markets once again. Federal assistance to farmers will be at an all time high for the next 3 years while these changes in policy are worked into the system.

In short, Mr. President, it's time for farmers to look at the glass as half-full, not half-empty. I thank Senator BOSCHWITZ for pointing this out in relation to the Gramm-Rudman-Hollings reductions in Federal spending. It is a balance that is long overdue, and one that is helpful to farmers.

Mr. President, America's farmers are fortunate to have a man of Senator BOSCHWITZ's dedication and abilities representing them in the U.S. Senate. He is a credit to this body and to the people of his State of Minnesota, and I ask unanimous consent that the letter by Senator BOSCHWITZ be printed in the RECORD.

The being no objection, the letter was ordered to be printed in the RECORD, as follows:

U.S. SENATE,
Washington, DC, March 5, 1986.

NATIONAL WHEAT GROWERS,
Suite 300, Washington, DC.

GENTLEMEN: I noticed in my clippings an article that stated that your organization has estimated that the loss to Minnesota farmers "could be" $250 million next year under the Gramm-Rudman bill. From reading the article it appears your release says domestic programs might take up to a 25 percent cut next year. I see you stated that Minnesota farmers would lose as much as $57 million because of the 4.3 percent cut. Just think what 100 percent is if 4.3 percent is $57 million. Put another way, this means that Minnesota farmers would have received $1,325,000,000, and now that's reduced to $1,268,000,000. I suppose it would be too much for us to expect you to note the enormity of the aid rather than the $57 million loss.

I would appreciate your sending me the release that you sent out (mark it to the attention of my secretary, Kay Humphrey so I'll be sure to get it).

I am surprised to find your organization contributing to the general malaise and scare tactics that seem to abound in rural areas. You appear to believe that there is not enough pessimism and fear out there and that you must augment it.

I hope you'll also keep in mind that you have to deal with this Senator (and others) who try to be fair-minded and who don't appreciate these actions. Perhaps you could also give me some recommendations on how I should address these exaggerations (25 percent cut, indeed!) to my constituents? Or shall I just tell them that these difficult technical corrections bills that we are now considering are largely the result of oversights and fumbling by their organizational representatives?

Very truly yours,

RUDY BOSCHWITZ,
U.S. Senator.

[Letter also sent to: National Corn Growers, National Assn. of Wheat Growers, National Wheat Growers and National Milk Producers Federation.]

CAPITAL PUNISHMENT

Mr. LEVIN. Mr. President, the Senate Judiciary Committee recently voted to report S. 239, legislation to reinstitute the death penalty for a broad range of Federal crimes. I want to call to the attention of my colleagues a letter from the Legal Defense Fund [LDF] in opposition to S. 239. In its letter, the LDF summarizes the primary reasons why the Senate should reject this effort to reinstitute capital punishment at the Federal level.

Modifications in State death penalty statutes following the Supreme Court's decision in Furman versus Georgia have not eliminated unjust aspects of capital punishment such as its discriminatory application against minorities and those who are poor and uneducated. Post-Furman studies of capital sentencing show that the supreme penalty is up to 10 times more likely to be applied when the victim is white than when the victim is black. Additionally, as the letter from the Legal Defense Fund points out, reinstituting capital punishment will waste limited Federal resources without providing commensurate benefits to society by reducing the violent crime rate. Finally, the risk that innocent persons will be executed cannot be eliminated. For these reasons and others, lengthy debate is appropriate if S. 239 is scheduled for floor action.

Mr. President, I ask unanimous consent that a letter from the Legal Defense Fund dated March 17, 1986, appear in the RECORD at this point.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

LEGAL DEFENSE FUND,
New York, NY, March 17, 1986.

DEAR SENATOR: I am writing to urge your opposition to S. 239, a bill to establish a federal death penalty.

The NAACP Legal Defense Fund has been engaged in the fight against capital punishment for over 20 years. It has been our experience that the death penalty is often imposed in an arbitrary manner: those sentenced to death are not necessarily those who commit the most heinous crimes, but rather those whose skin is black, whose victims are white or whose poverty, lack of education or inadequate legal representation make them unable to mount a vigorous defense. Moreover, because of the seriousness of the penalty and the attendant close judicial scrutiny of all capital convictions, the death penalty has proven to be expensive and cumbersome, thus nullifying any possible positive values it might seem to promise. Finally, we know from first-hand experience that no matter how closely each case is examined, there remains the very real possibility of executing innocent people, a risk we must certainly avoid.

I ask that you vote against S. 239. The death penalty, a vestige of a more primitive past, has no place in our society.

Sincerely,

JULIUS L. CHAMBERS,
Director-Counsel.

DEATH OF FORMER REPRESENTATIVE JIMMY VANZANDT

Mr. SPECTER. Mr. President, I should like to take this opportunity to honor an outstanding veteran, Representative Jimmy VanZandt, who recently passed away.

Mr. James E. VanZandt was a former Congressman from Pennsylvania, and a Navy veteran of World War II and the Korean war. Congressman VanZandt, a native of Altoona, was a 50-year member of the Charles R. Rowan American Legion Post 228 there. He was a strong supporter of veterans' affairs, served three terms as national commander of the VFW and two terms as State commander. In 1984, because of his devotion to veterans, the Altoona VA medical center was renamed the James E. VanZandt Medical Center.

Congressman VanZandt, first elected to Congress in 1938, served as senior member of the House Armed Forces Committee. In 1943, he announced his resignation to reenter the Navy. He was elected again in 1946.

After losing a bid for the U.S. Senate in 1962, Congressman VanZandt was named by Gov. William W. Scranton as secretary of the Pennsylvania congressional delegation, a position he held until 1984. For a number of years, he arranged for the Pennsylvania Legion's luncheon for U.S. Senators and Congressmen from Pennsylvania, held in conjunction with the Legion's Washington conference.

Congressman VanZandt enlisted as an apprentice seaman in the Navy in 1917 and retired in 1959 as a rear ad-

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miral in the Naval Reserve, a most notable achievement.

Congressman VanZandt deserves the gratitude of the Nation and of his native State, Pennsylvania. As a Senator from Pennsylvania, I am honored to have the chance to recognize his contributions.

MESSAGES FROM THE HOUSE

At 10:07 p.m., a message from the House of Representatives, delivered by Mr. Berry, one of its reading clerks, announced that the House agrees to the amendment of the Senate to the amendment of the House to the amendment of the Senate to the amendment of the House to the amendment of the Senate to the bill (H.R. 3128) to make changes in spending and revenue provisions for purposes of deficit reduction and program improvement, consistent with the budget process.

The message also announced that the House has passed the following joint resolution, without amendment:

S.J. Res. 226. Joint resolution to designate the week of April 6, 1986, through April 12, 1986, as "World Health Week," and to designate April 12, 1986, as "World Health Day."

The message further announced that the House has passed the following joint resolution, in which it requests the concurrence of the Senate:

H.J. Res. 573. Joint resolution making a repayable advance to the Hazardous Substance Response Trust Fund.

The message also announced that the House has agreed to the following concurrent resolutions, in which it requests the concurrence of the Senate:

H. Con. Res. 304. Concurrent resolution providing for a conditional adjournment of the House from March 25 to April 8, and a conditional adjournment of the Senate from March 26 or March 27 to April 8, 1986; and

H. Con. Res. 305. A concurrent resolution to make technical corrections in the enrollment of the bill H.R. 3128.

ENROLLED JOINT RESOLUTION PRESENTED

The Secretary of the Senate reported that on today, March 21, 1986, she had presented to the President of the United States the following enrolled joint resolution:

S.J. Res. 272. Joint resolution to authorize and request the President to issue a proclamation designating March 21, 1986, as "Afghanistan Day," a day to commemorate the struggle of the people of Afghanistan against the occupation of their country by Soviet forces.

REPORTS OF COMMITTEES

The following reports of committees were submitted:

By Mr. DANFORTH, from the Committee on Commerce, Science, and Transportation, with an amendment:

S. 2179. A bill to amend the Communications Act of 1934 to provide for reduction in the term of office of members of the Federal Communications Commission, and for other purposes (Rept. No. 99-263).

By Mr. THURMOND, from the Committee on the Judiciary, with amendments:

H.R. 3570. A bill to amend title 28, United States Code, to reform and improve the Federal justices and judges survivors' annuities program, and for other purposes.

By Mr. DANFORTH, from the Committee on Commerce, Science, and Transportation, without amendment:

S. Res. 298. Resolution expressing support and encouragement of the Senate for the United States Disabled Ski Team at the 1986 World Disabled Ski Championships to be held in Salem, Sweden, on April 6 through April 17, 1986.

INTRODUCTION OF BILLS AND JOINT RESOLUTIONS

The following bills and joint resolutions were introduced, read the first and second times, by unanimous consent, and referred as indicated:

By Mr. WARNER (for himself, and Mr. HART) (by request):

S. 2218. A bill to authorize for the Department of Energy for national security programs for fiscal year 1987 and fiscal year 1988, and for other purposes; to the Committee on Armed Services.

By Mr. KERRY:

S. 2219. A bill to amend the Immigration and Nationality Act to provide for additional immigrant visa numbers for natives of certain foreign states which have had a significant decrease in immigration to the United States; to the Committee on the Judiciary.

By Mr. CRANSTON (for himself and Mr. HATFIELD, Mr. KERRY, Mr. SIMON, and Mr. HARKIN):

S. 2220. A bill to provide for a mutual, verifiable moratorium on the testing of nuclear warheads, and for other purposes; to the Committee on Foreign Relations.

By Mrs. KASSEBAUM (for herself, Mr. ABDNOR, Mr. MCCONNELL, Mr. BOREN, and Mr. NICKLES):

S. 2221. A bill to amend section 108 of the Internal Revenue Code of 1954 to provide that the discharge of certain farm indebtedness shall not be included in gross income; to the Committee on Finance.

By Mr. GORTON:

S. 2222. A bill to amend the Tariff Schedules of the United States to clarify the duty treatment of certain types of plywood; to the Committee on Finance.

By Mr. COHEN (for himself and Mr. Levin);

S. 2223. A bill to amend the Contract Disputes Act of 1978 to require selection of members of boards of contract appeals of Federal Government agencies pursuant to a competitive examination process and to provide the members of such boards the same protections against certain administrative actions as are provided for administrative law judges of the Federal Government; to the Committee on Governmental Affairs.

By Mr. HUMPHREY (for himself, Mr. HELMS, Mr. HECHT, Mr. EAST, Mr. DENTON, and Mr. SYMMS):

S. 2224. A bill to limit the uses of funds under the Legal Services Corporation Act to provide legal assistance with respect to any proceeding or litigation which relates to abortion; to the Committee on Labor and Human Resources.

By Mr. SIMON (for himself and Mr. PELL):

S.J. Res. 304. A joint resolution to designate the week of November 16, 1986, through November 22, 1986, as "National Arts Week"; to the Committee on the Judiciary.

By Mr. SIMON (for himself and Mr. PELL):

S.J. Res. 305. A joint resolution to designate the week of April 27, 1986, through May 3, 1986, as "National Arts in the Schools Week."

SUBMISSION OF CONCURRENT AND SENATE RESOLUTIONS

The following concurrent resolutions and Senate resolutions were read, and referred (or acted upon), as indicated:

By Mrs. KASSEBAUM (for herself, Mr. ABDNOR, Mr. MCCONNELL, Mr. BOREN, and Mr. NICKLES):

S. Con. Res. 119. Expressing the sense of the Congress relating to an amendment to the Internal Revenue Code of 1954 excluding the discharge of qualified agricultural indebtedness from cancellation of indebtedness income; to the Committee on Finance.

STATEMENTS ON INTRODUCED BILLS AND JOINT RESOLUTIONS

By Mr. WARNER (for himself and Mr. HART) (by request):

S. 2218. A bill to authorize appropriations for the Department of Energy for national security programs for fiscal year 1987 and fiscal year 1988, and for other purposes; to the Committee on Armed Services.

NATIONAL SECURITY PROGRAMS AUTHORIZATION ACT

● Mr. WARNER. Mr. President, by request, for myself and the senior Senator for Colorado [Mr. HART], I introduce, for appropriate reference, a bill to authorize appropriations for the Department of Energy for national security programs for fiscal year 1987 and fiscal year 1988, and for other purposes.

I ask unanimous consent that a letter of transmittal requesting consideration of the legislation and explaining its purpose be printed in the RECORD immediately following the listing of the bill.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

S. 2218

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "National Security Programs Authorization Act for Fiscal Years 1987 and 1988."

TITLE I—NATIONAL SECURITY PROGRAMS

OPERATING EXPENSES

SEC. 101. Funds are authorized to be appropriated to the Department of Energy for fiscal year 1987 for operating expenses incurred in carrying out national security programs (including scientific research and development in support of the Armed Forces, strategic and critical materials necessary for the common defense, and military applications of nuclear energy and related management and support activities) as follows:

(1) For weapons activities, $3,752,554,000.

(2) For materials production, $1,596,390,000.

(3) For defense waste and byproducts management, $455,050,000.

(4) For verification and control technology, $95,500,000.

(5) For nuclear safeguards and security, $61,100,000.

(6) For security investigations, $33,300,000.

(7) For naval reactors development, $529,800,000.

PLANT AND CAPITAL EQUIPMENT

SEC. 102. Funds are authorized to be appropriated to the Department of Energy for fiscal year 1987 for plant and capital equipment (including planning, construction, acquisition, and modification of facilities, land acquisition related thereto, and acquisition and fabrication of capital equipment not related to construction) necessary for national security programs as follows:

(1) For weapons activities:

Project 87-D-101, general plant projects, various locations, $29,000,000.

Project 87-D-121, general plant projects, various locations, $32,000,000.

Project 87-D-102, environmental compliance and cleanup, Lawrence Livermore National Laboratory, Livermore, California, and Site 300, California, $7,000,000.

Project 87-D-104, safeguards and security enhancements, Phase II, Lawrence Livermore National Laboratory, Livermore, California, $4,300,000.

Project 87-D-122, short-range attack missile II (SRAM II) warhead production facilities, various locations, $5,000,000.

Project 87-D-123, protective clothing decontamination facility, Rocky Flats Plant, Golden, Colorado, $500,000.

Project 87-D-127, environmental, safety, and health upgrade Mound Plant, Miamisburg, Ohio, $2,400,000.

Project 87-D-130, receiving and shipping facility, Pinellas Plant, St. Petersburg, Florida, $300,000.

Project 86-D-103, decontamination and waste treatment facility, Lawrence Livermore National Laboratory, Livermore, California, $5,300,000, for a total project authorization of $9,000,000.

Project 86-D-104, strategic defenses facility, Sandia National Laboratories, Albuquerque, New Mexico, $13,000,000, for a total project authorization of $17,000,000.

Project 86-D-105, instrumentation systems laboratory, Sandia National Laboratories, Albuquerque, New Mexico, $5,800,000, for a total project authorization of $12,000,000.

Project 86-D-106, laboratory data communications center, Los Alamos National Laboratory, Los Alamos, New Mexico, $12,000,000, for a total project authorization of $15,000,000.

Project 86-D-122, structural upgrade of existing plutonium facilities, Rocky Flats Plant, Golden, Colorado, $2,420,000, for a total project authorization of $5,420,000.

Project 86-D-123, environmental hazards elimination, various locations, $16,840,000, for a total project authorization of $25,540,000.

Project 86-D-124, safeguards and site security upgrading, Phase II, Mound Plant, Miamisburg, Ohio, $1,880,000, for a total project authorization of $4,880,000.

Project 86-D-125, safeguards and site security upgrade, Phase II, Pantex Plant, Amarillo, Texas, $8,410,000, for a total project authorization of $9,910,000.

Project 86-D-130, Tritium loading facility replacement, Savannah River Plant, Aiken, South Carolina, $29,700,000, for a total project authorization of $34,700,000.

Project 85-D-102, nuclear weapons research, development, and testing facilities revitalization, Phase I, various locations, $29,950,000, for a total project authorization of $130,750,000.

Project 85-D-103, safeguards and security enhancements, Lawrence Livermore National Laboratory and Sandia National Laboratories, Livermore, California, $6,500,000, for a total project authorization of $27,600,000.

Project 85-D-105, combined device assembly facility, Nevada Test Site, Las Vegas, Nevada, $9,400,000, for a total project authorization of $24,000,000.

Project 85-D-106, hardened engineering test building, Lawrence Livermore National Laboratory, Livermore, California, $330,000, for a total project authorization of $3,030,000.

Project 85-D-112, enriched uranium recovery improvements, Y-12 Plant, Oak Ridge, Tennessee, $19,000,000, for a total project authorization of $38,800,000.

Project 85-D-113, power plant and steam distribution system, Pantex Plant, Amarillo, Texas, $1,790,000, for a total project authorization of $24,790,000.

Project 85-D-115, renovate plutonium building utility systems, Rocky Flats Plant, Golden, Colorado, $13,440,000, for a total project authorization of $34,040,000.

Project 85-D-121, air and water pollution control facilities, Y-12 Plant, Oak Ridge, Tennessee, $9,160,000, for a total project authorization of $28,160,000.

Project 85-D-125, tactical bomb production facilities, various locations, $12,800,000, for a total project authorization of $28,800,000.

Project 84-D-102, radiation-hardened integrated circuit laboratory, Sandia National Laboratories, Albuquerque, New Mexico, $3,000,000, for a total project authorization of $40,500,000.

Project 84-D-107, nuclear testing facilities revitalization, various locations, $13,300,000, for a total project authorization of $79,240,000.

Project 84-D-112, TRIDENT II warhead production facilities, various locations, $14,500,000, for a total project authorization of $155,200,000.

Project 84-D-113, antisubmarine warfare/standoff weapon warhead production facilities, various locations, $42,000,000, for a total project authorization of $52,000,000.

Project 84-D-124, environmental improvements, Y-12 Plant, Oak Ridge, Tennessee, $9,280,000, for a total project authorization of $38,280,000.

Project 84-D-211, safeguards and site security upgrading, Y-12 Plant, Oak Ridge, Tennessee, $27,220,000, for a total project authorization of $50,220,000.

Project 82-D-107, utilities and equipment restoration, replacement, and upgrade, Phase III, various locations, $97,904,000, for a total project authorization of $838,304,000.

Project 82-D-144, simulation technology laboratory, Sandia National Laboratories, Albuquerque, New Mexico, $6,000,000, for a total project authorization of $40,000,000.

(2) For materials production:

Project 87-D-146, general plant projects, various locations, $35,980,000.

Project 87-D-149, reduced chemical discharges to process sewers, Richland, Washington, $3,150,000.

Project 87-D-150, radioactive liquid effluent treatment facility, partial design only, Richland, Washington, $4,000,000.

Project 87-D-152, environmental protection plantwide, Savannah River, South Carolina, $1,500,000.

Project 87-D-156, reactor effluent cooling water thermal mitigation, Savannah River, South Carolina, $5,000,000.

Project 87-D-159, environmental, health, and safety improvements, Phase I, Feed Materials Production Center, Fernald, Ohio, $10,000,000.

Project 86-D-149, productivity retention program, Phase I & II, various locations, $71,625,000, for a total project authorization of $95,825,000.

Project 86-D-150, in-core neutron monitoring system, N reactor, Richland, Washington, $2,760,000, for a total project authorization of $7,220,000.

Project 86-D-151, PUREX electrical system upgrade, Richland, Washington, $3,750,000, for a total project authorization of $6,250,000.

Project 86-D-152, reactor electrical distribution system, Savannah River, South Carolina, $8,410,000, for a total project authorization of $10,410,000.

Project 86-D-153, additional line III furnace, Savannah River, South Carolina, $7,605,000, for a total project authorization of $9,105,000.

Project 86-D-154, effluent treatment facility, Savannah River, South Carolina, $15,650,000, for a total project authorization of $18,150,000.

Project 86-D-156, plantwide safeguards systems, Savannah River, South Carolina, $13,610,000, for a total project authorization of $16,610,000.

Project 86-D-157, hydrofluorination system—FB-line, Savannah River, South Carolina, $2,310,000, for a total project authorization of $4,510,000.

Project 85-D-139, fuel processing restoration, Idaho Fuels Processing Facility, Idaho National Engineering Laboratory, Idaho, $36,530,000, for a total project authorization of $58,530,000.

Project 85-D-140, productivity and radiological improvements, Feed Materials Production Center, Fernald, Ohio, $23,500,000, for a total project authorization of $41,500,000.

Project 85-D-145, fuel production facility, Savannah River, South Carolina, $33,500,000, for a total project authorization of $59,300,000.

Project 84-D-134, safeguards and security improvements, plantwide, Savannah River, South Carolina, $7,515,000, for a total project authorization of $34,415,000.

Project 84-D-135, process facility modifications, Richland, Washington, $34,475,000, for a total project authorization of $66,975,000.

Project 84-D-136, enriched uranium conversion facility modifications, Y-12 Plant, Oak Ridge, Tennessee, $1,000,000, for a total project authorization of $[illegible]0,600,000.

Project 82-D-124, restoration of production capabilities, Phases II, III, IV and V, various locations, $3,511,000, for a total project authorization of $352,046,000.

(3) For defense waste and byproducts management:

Project 87-D-171, general plant projects, interim waste operations and long-term waste management technology, various locations, $26,535,000.

Project 87-D-172, WESF K-3 filter upgrade, Richland, Washington, $500,000.

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Project 87-D-173, 242-A evaporator crystallizer upgrade, Richland, Washington, $2,800,000.

Project 87-D-174, 241-AQ tank farm, Richland, Washington, $2,100,000.

Project 87-D-175, steam system rehabilitation, phase I, Richland, Washington, $900,000.

Project 87-D-177, test reactor area liquid radioactive waste cleanup system, phase III, Idaho National Engineering Laboratory (INEL), Idaho, $700,000.

Project 87-D-180, burial ground expansion, Savannah River, South Carolina, $6,300,000.

Project 87-D-181, diversion box and pump pit containment buildings, Savannah River, South Carolina, $1,360,000.

Project 86-D-172, B-plant F-filter, Richland, Washington, $2,949,000, for a total project authorization of $3,949,000.

Project 86-D-174, low-level waste processing and shipping system, Feed Materials Production Center, Fernald, Ohio, $9,872,000, for a total authorization of $12,372,000.

Project 86-D-175, Idaho National Engineering Laboratory security upgrade, Idaho National Engineering Laboratory (INEL), Idaho, $7,258,000, for a total project authorization of $9,258,000.

Project 85-D-158, central warehouse upgrade, Richland, Washington, $1,044,000, for a total project authorization of $6,744,000.

Project 85-D-159, new waste transfer facilities, Savannah River, South Carolina, $7,318,000, for a total project authorization of $27,318,000.

Project 85-D-160, test reactor area security system upgrade, Idaho National Engineering Laboratory, (INEL), Idaho, $2,703,000, for a total project authorization of $8,953,000.

Project 81-T-105, defense waste processing facility, Savannah River, South Carolina, $123,967,000, for a total project authorization of $721,467,000.

(4) For verification and control technology:

Project 85-D-171, space science laboratory, Los Alamos, New Mexico, $2,000,000, for a total project authorization of $7,500,000.

(5) For naval reactors development:

Project 87-N-101, general plant projects, various locations, $4,800,000.

Project 87-N-102, Kesselring site facilities upgrade, Knolls Atomic Power Laboratory, West Milton, New York, $5,000,000.

Project 87-N-103, computation laboratory addition, Bettis Atomic Power Laboratory, West Mifflin, Pennsylvania, $2,300,000.

(6) For capital equipment not related to construction—

(A) for weapons activities, $322,870,000;

(B) for materials production, $128,090,000;

(C) for defense waste and byproducts management, $37,805,000;

(D) for verification and control technology, $4,200,000;

(E) for nuclear safeguards and security $4,800,000; and,

(F) for naval reactors development, $51,700,000.

TITLE II—GENERAL PROVISIONS

REPROGRAMMING

Sec. 301. Except as otherwise provided in this Act—

(1) no amount appropriated pursuant to this Act may be used for any program in excess of 105 percent of the amount authorized for that program by this Act or $10,000,000 more than the amount authorized for that program by this Act, whichever is the lesser, and

(2) no amount appropriated pursuant to this Act may be used for any program which has not been presented to, or requested of, the Congress,

unless the Secretary of Energy (hereinafter in this title referred to as the "Secretary") transmits to the appropriate committees of Congress a full and complete statement of the action proposed to be taken with respect to the program and the facts and circumstances relied upon in support of the proposed action.

LIMITS ON GENERAL PLANT PROJECTS

Sec. 202. (a) The Secretary may carry out any construction project under the general plant projects provisions authorized by this Act if the total estimated cost of the construction project does not exceed $1,200,000.

(b) If at any time during the construction of any general plant project authorized by this Act, the estimated cost of the project is revised because of unforeseen cost variations and the revised cost of the project exceeds $1,200,000, the Secretary shall immediately furnish a complete report to the appropriate committees of Congress explaining the reasons for the cost variation.

LIMITS ON CONSTRUCTION PROJECTS

Sec. 203. (a) Whenever the current estimated cost of a construction project, which is authorized by section 102 of this Act, or which is in support of national security programs of the Department of Energy and was authorized by any previous Act, exceeds by more than 25 percent the higher of (1) the amount authorized for the project, or (2) the amount of the total estimated cost for the project as shown in the most recent budget justification data submitted to Congress, construction may not be started or additional obligations incurred in connection with the project above the total estimated cost, as the case may be, unless a period of thirty calendar days (not including any day in which either House of Congress is not in session because of adjournment of more than three days to a day certain) has passed after receipt by the appropriate committees of the Congress of written notice from the Secretary containing a full and complete statement of the action proposed to be taken and the facts and circumstances relied upon in support of the action.

(b) Subsection (a) shall not apply to any construction project which has a current estimated cost of less than $5,000,000.

FUND TRANSFER AUTHORITY

Sec. 204. To the extent specified in appropriation Acts, funds appropriated pursuant to this Act may be transferred to other agencies of the Government for the performance of the work for which the funds were appropriated, and funds so transferred may be merged with the appropriations of the agency to which the funds are transferred.

AUTHORITY FOR EMERGENCY CONSTRUCTION DESIGN

Sec. 205. In addition to the advance planning and construction design authorized by section 102, the Secretary may perform planning and design utilizing available funds for any Department of Energy national security program construction project whenever the Secretary determines that the design must proceed expeditiously in order to meet the needs of national defense or to protect property or human life.

FUNDS AVAILABLE FOR ALL NATIONAL SECURITY PROGRAMS OF THE DEPARTMENT OF ENERGY

Sec. 206. Subject to the provisions of appropriation Acts, amounts appropriated pursuant to this Act for management and support activities and for general plant projects are available for use, when necessary, in connection with all national security programs of the Department of Energy.

AVAILABILITY OF FUNDS

Sec. 207. When so specified in an appropriation Act, amounts appropriated for "Operating Expenses" or for "Plant and Capital Equipment" may remain available until expended.

TITLE III—AUTHORIZATION OF APPROPRIATIONS

FOR FISCAL YEAR 1988

Sec. 301. There are authorized to be appropriated to the Department of Energy to be available not earlier than October 1, 1987, such sums as may be necessary for fiscal year 1988 for programs set forth in this Act.

Department of Energy,
Washington, DC, March 10, 1986.

Hon. George Bush,
President of the Senate,
Washington, DC.

Dear Mr. President: Enclosed is proposed legislation entitled the "National Security Programs Authorization Act for Fiscal Years 1987 and 1988". This bill would authorize specific appropriations for FY 87 and such sums as may be necessary for fiscal year 88. The total amount that would be authorized in title I for FY 1987 is $8,098,400,000, of which $6,523,694,000 is for operating expenses, $1,027,241,000 is for construction projects, and $547,465,000 is for capital equipment.

Title II sets forth general provisions that would govern reprogramming of funds, general plant projects, construction projects, fund transfers, construction designs, and availability of funds.

The Office of Management and Budget advises that enactment of this legislative proposal would be in accord with the program of the President.

Sincerely,

J. Michael Farrell,
General Counsel.●

By Mr. KERRY:

S. 2219. A bill to amend the Immigration and Nationality Act to provide for additional immigrant visa numbers for natives of certain foreign states which have had a significant decrease in immigration to the United States; to the Committee on the Judiciary.

WESTERN EUROPEAN IMMIGRATION

Mr. KERRY. Mr. President, for some time now there have been concerns that the 1965 Immigration and Naturalization Act, which replaced the country quota system with a preference system, has been inequitable. Many of my constituents are concerned that the current system has not treated immigrants of Western European descent fairly.

Therefore, I am introducing legislation today which would amend the Immigration and Naturalization Act to allow additional immigrants from most countries in Western Europe, Canada, Mexico, and Australia. Congressman Joseph J. DioGuardi will be introducing companion legislation in the House today as well.

I want to take this opportunity to commend Congressman DioGuardi for the time and effort he has devoted to fashioning this legislation. However, I want to commend, particularly, the work of Congressman Brian Donnelly of my own State of Massachusetts, who introduced similar legislation last year to deal with this issue. I believe Congressman Donnelly has paved the way for a serious consideration of this matter and, hopefully, eventual enactment of this or similar legislation.

In an effort to restore parity to the immigration system our legislation looks at the levels of immigration before the current preference system was established. In order to correct the inequities of the system we have devised a new formula for granting visas as follows:

First, take the gross number of visas that were issued to natives from each country for the 10-year period beginning July 1, 1956.

Second, from this 10-year period, the 2 years with the highest levels are dropped. This is done to avoid aberations such as the one that occurred as a result of the unrest in Hungary in 1956.

Third, the sum of the remaining 8 years is then divided by 8 to come up with a yearly average for that designated period.

Fourth, in an attempt to set as realistic levels as possible, our legislation would then multiply this yearly average by 0.75. This is the number which becomes the new base for all countries under the Immigration and Naturalization Act.

Fifth, the difference between this new base number and the number of visas that were issued in fiscal year 1984 for a foreign state of chargeability under the preference system is then taken. If the base number is greater than the fiscal year 1984 number, that nation will be entitled to additional visas equal to the difference.

For example, if Italy's base number is 5,000 under the new formula and 1,000 visas were issued in fiscal year 1984 under the current prefrence system Italy would be entitled to up to 4,000 additional visas.

The next step, under the proposed legislation, entails the distribution of these additional visas. This is handled as follows:

First, the number of additional visas would be distributed to each of the preference categories as they are now distributed under current law.

Second, if additional visas remain after clearing out the various preference categories, under the formula in current law, the remaining visas will be used to clean out preference one to as great an extent as possible, and so on down the line through all six preference categories.

Third, if all six preference categories are cleaned out, any remaining visas would be issued on a nonpreference, first-served basis.

Two restrictions would apply to nonpreference visas. First, there would not be any more than 5,000 nonpreference visas which could be issued to any country in a single year. Second, the nonpreference visas would have to be used in the year they are issued. There will not be any carry-over of nonpreference visas.

While most countries in Western Europe, Canada, Mexico, and Australia would be the primary beneficiaries of this new formula, I want to emphasize that all other countries in the world would not be penalized. Immigration levels would remain the same as it is under current law.

Mr. President, for some time now the Irish and other Western Europeans, most notably the West Germans and Italians, have been concerned that since the implementation of the worldwide preference system in 1966, there has been a precipitous decline in the number of individuals allowed to enter the United States when compared to the level preceding the preference system. While this bill increases the allowable immigration from a number of countries, it should be pointed out that Irish emigration to the United States, which averaged 7,000 individuals in each of the 10 years prior to the implementation of the preference system, has averaged less than 1,000 in the past few years. Last year, under this system, only 514 Irish received preference visas.

I raise the issue of Irish immigration not only because of the traditional ties we have had with Ireland, but also because of the significant and vital contributions those of Irish descent have made to building our Nation. The Irish have brought to the United States a cultural tradition which has enriched significantly our entire society.

And because of the inestimable contributions Irish-Americans have made to the United States, I am deeply concerned over the problems confronting the Republic of Ireland and Northern Ireland as well. I was particularly struck by the January 18, 1986, New York Times op-ed piece written by Tim Pat Coogan, the editor of the Irish Times. In commenting on the American aid program for Northern Ireland, Coogan pointed out:

> . . . the aid, though a welcome boost to the recently concluded Anglo-Irish accord giving Dublin a limited voice in Northern Ireland, is not likely to include what many Irish officials privately say would be the best form of assistance Washington could offer Ireland, north and south: permission for more Irish to go to work in America—legally.

Coogan points out that the Irish constitute one of the growing categories of "wetbacks" in the United States.

Coogan goes on to note that:

> The Irish are besieging the American Embassy in Dublin for visas, but the criteria for getting legal emigrant status are set so high that Ronald Reagan himself, were he a boy, probably would not get in.

Mr. Coogan makes a good case for relaxing the quota for Ireland where "unemployment denied the safety valve of emigration, stands at some 17.5 percent in the Irish Republic and at more than 22 percent in Northern Ireland, rising in Roman Catholic ghettos there to more than 60 percent."

> This provides a nearly inexhaustible pool of educated, frustrated young men and women for paramilitary organizations and disaffection of all kinds. That frustration finds an outlet in an anti-Americanism, evidenced by the burning of an American flag in Dublin during the Reagan visit.

Mr. President, I believe we have a responsibility not to ignore this volatile situation. We have benefited greatly by the Irish tradition in America. Irish Americans have come to the aid of the United States in times of crisis. I think we now have a responsibility to come to the assistance of our forebears in their time of crisis.

I ask unanimous consent that the op-ed piece be printed in the Record.

There being no objection, the article was ordered to be printed in the Record, as follows:

Relax the Irish Quota

(By Tim Pat Coogan)

Dublin.—Irish officials returned home this week from a visit to Washington jubilant at the prospect of American aid to Northern Ireland's economy. But the aid, though a welcome boost to the recently concluded Anglo-Irish accord giving Dublin a limited voice in Northern Ireland, is not likely to include what many Irish officials privately say would be the best form of assistance Washington could offer Ireland, north and south: permission for more Irish to go to work in America—legally.

Those who look no further than the St. Patrick's Day parades might be surprised to learn that the Irish constitute one of the fastest growing categories of "wetbacks" in the United States. Not long ago, a jet chartered in Northern Ireland flew from Shannon with two Gaelic football teams and their supporters. When the return flight took off from Kennedy, 80 remained behind. They joined the hordes of young boys and girls working in bars, restaurants and at building sites in New York, Boston, San Francisco, Pittsburgh—where the Irish cluster. They are illegal imigrants working on expired visitors' visas, with all the disabilities this entails: vulnerability to employer victimization, no welfare, the permanent threat of expulsion and of being refused re-entry should they return home for a wedding or funeral. Thus, to such Irish the term "green card" has a special irony.

President Reagan put the official—and incorrect—American position to me on the eve of his visit to Ireland in 1984. He said that

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"the Irish quota is 20,000 annually" but that "there are no queues of Irish lining up to get into the States." In fact, there are, and during his visit the Irish Government sought to clarify the situation.

Irish politicians hestitate to encourage emigration publicly and thus be seen as shirking their own responsibilities. But recently the opposition leader, Charles J. Haughey, came out publicly in favor of immigration quota reform in the United States. So has Thomas P. O'Neill Jr., Speaker of the House, who is seeking sponsorship for a bill that would increase the total number of legal Irish immigrants to 4,500 per year—a far cry from Mr. Reagan's claim of 20,000 but a step in the right direction. Only some 500 people from the Republic of Ireland are legally admitted each year as a results of the 1985 immigration law.

The Irish are besieging the American Embassy in Dublin for visas, but the criteria for getting legal emigrant status are set so high that Ronald Reagan himself, were he a boy, probably would not get in.

Since the 1965 law was passed, talk of favorite treatment for any nation raises the specter of racism, but the Irish case is different. The Irish numbers involved pose no threat to America. Mr. Reagan's mythical 20,000 would make a gigantic difference to Ireland, where the population has gone up by 25 percent in the last 20 years but where unemployment, denied the safety valve of emigration, stands at some 17.5 percent in the Irish Republic and at more than 22 percent in Northern Ireland, rising in Roman Catholic ghettos there to more than 60 percent.

This provides a nearly inexhausible pool of educated, frustrated young men and women for paramilitary organizations and disaffection of all kinds. That frustration finds an outlet in anti-Americanism, evidenced by the burning of an American flag in Dublin during the Reagan visit.

Sean and Mary, with their university qualifications, far from becoming a drain on America, could contribute to the economy; at home, they would work on the lower rung of the blue collar ladder. Letters they might send to Ireland, north and south, bringing dollars as well as news, would not only quench the fires of anti-American hostility but also give other young people hope for a better life—indeed, the prospect of emigrating and then returning with enough money in their pockets to buy their own farms and businesses.

But as things now stand, if the United States does not relax its quota, the Irish tradition in America, which has contributed significantly both to the church and state, is in danger of becoming just that—a tradition. Meanwhile, the Emerald Isle itself, the ranks of its workforce reduced by recession, its morale weakened by the cost of Northern Ireland violence, tilts every closer toward becoming Western Europe's Cuba.

By Mr. CRANSTON (for himself, Mr. Hatfield, Mr. Kerry, Mr. Simon, and Mr. Harkin):

S. 2220. A bill to provide for a mutual, verifiable moratorium on the testing of nuclear warheads, and for other purposes; to the Committee on Foreign Relations.

MUTUAL NUCLEAR WARHEAD TESTING MORATORIUM ACT

Mr. CRANSTON. Mr. President, I deeply regret the administration's unwise and imprudent decision to continue U.S. nuclear testing.

With a mutual United States-Soviet warhead testing halt we would have a chance, a real chance to do something that would halt the arms race.

Talk is cheap. And while the superpowers have been talking over the years, they have continued to build up their arsenals. The history of the arms race shows that weapons developments forever outpace the efforts of negotiators to contain them.

But a mutual testing halt offers us a chance to cut through all the rhetoric and propaganda spewed out by both the Kremlin and the White House and to take a concrete step to halt arms escalation.

The Soviets have challenged us by observing a moratorium. The U.S. Government—with our superior technology and more reliable warheads—should not shy away from that challenge.

Because the President has abandoned efforts to negotiate a test ban, I am joining today with my friend, the distinguished chairman of the Senate Appropriations Committee, Mark Hatfield, to introduce legislation in the Senate which would cut off funds for all United States nuclear warhead testing so long as the Soviets do not test. Senator Hatfield and I are joined as original cosponsors by Senators Simon, Kerry, and Harkin. A similar measure, introduced in the House by Representative Pat Schroeder, already has more than 80 cosponsors.

Our measure would permit money to be expended for every step short of actual testing. We could prepare to test. We could be ready to test instantly if there was a Soviet breakout.

History has taught us that we must be prepared to act for arms control rather than run the enormous risks inherent in the unrestrained growth of the superpowers' bloated nuclear arsenals.

Mr. President, I ask unanimous consent that the complete text of my legislation along with a summary of the measure be printed in the Record.

There being no objection, the material ordered to be printed in the Record, as follows:

S. 2220

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the "Mutual Nuclear Warhead Testing Moratorium Act".

SEC. 2. FINDINGS.

The Congress finds—

(1) that a mutual and simultaneous moratorium on the testing of nuclear warheads by the United States and the Soviet Union would be a crucial first step by both nations toward mutual arms reductions;

(2) that the Soviet Union has observed a moratorium on the testing of nuclear warheads since August of 1985, and has stated that if the U.S. joins in the moratorium it will remain in effect indefinitely.

SEC. 3. SENSE OF CONGRESS.

(a) Cessation of Nuclear Testing.—(1) It is the sense of Congress that the President, should declare that the United States will cease the testing of nuclear warheads and will invite the Soviet Union to meet with the United States to enter into negotiations for the conclusion of a Comprehensive Test Ban Treaty at the earliest possible date.

(2) If such a cessation of the testing of nuclear warheads takes effect, the United States should continue the cessation of the testing of nuclear warheads so long as the Soviet Union refrains from the testing of nuclear warheads and substantive Comprehensive Test Ban Treaty negotiations are in progress.

(b) Resumption of Comprehensive Test Ban Talks.—It is the sense of Congress that during a cessation of the testing of nuclear warheads described in subsection (a) the President should actively seek resumption of the comprehensive test ban talks between the United States, Great Britain, and the Soviet Union in order to achieve a Comprehensive Test Ban Treaty.

SEC. 4. LIMITATIONS ON USE OF FUNDS.

(a) In General.—If the President does not declare a cessation of testing nuclear warheads as described in section 3(a), then during the six-month period beginning thirty days after the passage of this bill, no funds appropriated or otherwise made available by Congress may be obligated or expended by the United States for the testing of nuclear warheads.

(b) Authority if Soviet Union Tests.—(1) If the President certifies to Congress that the Soviet Union has on or after that date tested a nuclear warhead, then beginning on such date funds may be obligated or expended by the United States for such testing.

(2) The President shall include with any certification under subsection (b).

(A) an unclassified report summarizing the basis for the certification; and

(B) a classified report describing in detail the activities of the Soviet Union that are the basis for the certification under subsection (b).

SEC. 5. VERIFICATION OF CESSATION OF TESTING.

The Congress determines that—

(1) existing national technical means of verification are adequate to provide confidence during the six-month period of the cessation of nuclear testing referred to in section 4(a) that no nuclear test can be conducted that would lead to a military advantage for either participant;

(2) the comprehensive test ban talks referred to in section 3(b) can build upon verification procedures already developed and incorporated in previous treaties and agreements to provide long-term mutually acceptable verification measures; and

(3) these verification measures would include, at a minimum, provisions for on-site inspection, cooperative measures for the exchange of seismic data, and the establishment of a monitoring committee of experts.

SEC. 6. ANNUAL REPORT.

Three months after a cessation of the testing of nuclear warheads takes effect under this Act and annually thereafter while such cessation remains in effect, the President shall report to Congress—

(1) on the progress being made by the United States in negotiating nuclear arms control agreements with the Soviet Union; and

(2) on whether the President believes that continuation of the cessation of nuclear testing is in the national security interest of the United States.

SEC. 7. DEFINITION.

For purposes of this Act, the term "testing of nuclear warheads" means the detonation of a nuclear explosive device.

S. 2220—Mutual Nuclear Warhead Testing Moratorium Act

Prohibits use of funds for the testing of nuclear warheads for six months following passage of the bill contingent upon the Soviet Union continuing to exercise similar restraint.

Allows testing to resume immediately upon Presidential certification to Congress of a Soviet test during the mutual test ban period.

Conveys sense of Congress that if the U.S. moratorium takes effect, the United States should continue the cessation of the testing of nuclear warheads so long as the Soviet Union refrains from testing and substantive Comprehensive Test Ban Treaty negotiations are in progress.

Permits use of funds for preparations for testing, including all necessary steps short of actual tests, so that we would be ready for immediate resumption of tests if necessary.

By Mrs. KASSEBAUM (for herself, Mr. Abdnor, Mr. McConnell, Mr. Boren, and Mr. Nickles):

S. 2221. A bill to amend section 108 of the Internal Revenue Code of 1954 to provide that the discharge of certain farm indebtedness shall not be included in gross income; to the Committee on Finance.

AGRICULTURAL CREDIT STABILIZATION ACT

Mrs. KASSEBAUM. Mr. President, I am introducing today, along with Senators Nickles, Abdnor, McConnell, and Boren, a needed piece of legislation. This bill would exclude the discharge of certain farm indebtedness from a farmer's gross income. Such legislation is needed if we are to encourage successfully the renegotiation of agricultural debt.

In addition, Mr. President, I am submitting a concurrent resolution which I intend to offer as an amendment to the agricultural bank credit package soon to be considered by the full Senate. The resolution will demonstrate congressional understanding of this problem and will emphasize the need for this tax reform measure if meaningful restructuring of farm debt is to occur. Finally, the resolution will commit Congress to consider, at the earliest opportunity, a legislative remedy.

The bill I am introducing is vital if we are serious about assisting America's farmers in obtaining necessary credit. In addition, it will provide increased stability to financial institutions across this country. It is a critical component of any Farm Credit Assistance Program, and it deserves to be considered by the Senate in conjunction with whatever legislation is proposed to assist agricultural banks. We must take this step, now or in the near future, if we are to stop the downward economic spiral which is gripping rural America.

Mr. President, everyone has begun to realize the wisdom of allowing agricultural banks some breathing room. Financially sound and ably managed banks with commitments to agricultural lending can and will survive these troubled times. Some banks will be able to help some farm borrowers. However, we can assist more banks and more troubled farm borrowers by recognizing the realities of renegotiation.

The Senate Banking Committee will complete action soon on a package intended to provide a cushion for agricultural banks. Federal regulators have recognized the same need and announced last week regulatory changes which were long overdue. I am fully supportive of these efforts, and I look forward to supporting the package which the Banking Committee will offer to the full Senate.

Mr. President, the most important part of any assistance package is the deferral of loan losses. Loan loss deferral is not a radical departure from standard accounting practices. It simply recognizes that smaller agricultural banks cannot absorb 100 percent of loan losses in a single year. It also recognizes that spreading out the hurt will encourage bankers to sit down with and talk to their farm borrowers to see if a renegotiated loan will enable that farmer to survive.

A loan loss deferral program will benefit the farmers by granting to banks a new incentive for restructuring farm loans. The bank will benefit from an accounting practice which takes into consideration the longer term strength of the institution rather than a one-time snapshot of the bank's financial position which overemphasizes a single bad year. Finally, the local community will benefit from the increased solvency of its farm customers and from the stable flow of credit.

In hearings before the Senate Banking Committee, in meetings among farm State senators, and in visits with my constituents, I have heard repeatedly of the wonders of restructuring and renegotiating agricultural loans. Certainly there is widespread support for voluntary restructuring of farm debt. Simple economics tells us that we should not encumber the entire credit of a farmer, a bank, and a community by resorting to foreclosure or bankruptcy proceedings if it is possible to work out a mutually satisfactory solution between the bank and the farmer.

Unfortunately, many of the discussions on renegotiation have ignored the implications of the Internal Revenue Code for a farmer who seeks to renegotiate his debt. Any effort to encourage renegotiation must provide incentives for both parties to restructure. It is critical to distinguish between loan loss deferral, relaxation of capital requirements, and modified reporting requirements, which provide incentives for the lender to renegotiate, and the removal of a farm borrower's tax liability, which provides the farmer a similar incentive. To try one without the other is to doom the effort.

The legislation I am introducing will help ensure that renegotiation is in the farmer's best interest, not just the bank's. It is the flip side of the renegotiation coin. Indeed, unless we remove a farmer's tax liability for any debt write-down, we will discover that our efforts to assist banks have had little or no impact. For those who have studied all aspects of this problem, it is crystal clear that meaningful and desirable renegotiations will occur only if both sides of the coin are minted.

This problem in the Tax Code can be easily understood. Under the Internal Revenue Code of 1954, the amount of any forgiven debt is considered taxable income to the debtor. Thus, if I borrow $100,000 during 1986 and my creditor forgives that debt in 1987, I must add $100,000 to my 1987 taxable income.

This is vitally important to a farmer seeking to renegotiate his debt. If a farmer owes his banker a certain sum in principal and accrued interest, and he renegotiates that debt to reflect a lower interest rate, reduced principal, or a longer payment period, he will find himself subject to an unexpected and possibly large income tax liability.

Why is this a problem? Because the very reason the farmer sought renegotiation, insufficient cash-flow, leaves him unable to satisfy a Federal income tax liability. A responsible effort to work out a voluntary debt reduction agreement is undermined by a provision of the Federal Tax Code.

The code recognizes that treatment of canceled debt is unfair and counterproductive in certain situations. Section 108 of the code contains exclusions from tax liability for the cancellation of indebtedness income. One of those exclusions is for "insolvent" taxpayers. Under this exclusion, if a taxpayer's assets are exceeded by liabilities—the taxpayer has a negative net worth—the taxpayer is relieved of any income tax liability for forgiven debt. Another excludes from income the discharge of qualified business indebtedness.

Unfortunately, in today's farm economy, the section 108 exclusions are largely irrelevant. First, a balance sheet test of insolvency does no good for the farmer facing a cash-flow insolvency. For farmers with a positive

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net worth, no matter how small, debt write-down income will mean income tax liability for which he lacks the resources to pay.

Second, the qualified business indebtedness exclusion favors businesses and trades which utilize depreciable assets. The exclusion is limited to the amount of depreciable assets held by the taxpayer. For a farmer whose assets and debt are mainly in real estate, a nondepreciable asset, the exclusion is virtually worthless. Farmers simply do not have enough depreciable assets to offset the debt write-down income.

The farmer does have a way to avoid this debt write-down income dilemma. He can file for bankruptcy, satisfying his creditors through the bankruptcy code and court and extinguishing his Federal income tax liability. No longer will he have to worry about a tax liability, since his debt service renegotiation occurred under the protection of the Federal Bankruptcy Code.

What a dilemma for rural America. Lenders and farmers want to renegotiate loans to the extent that a farmer can meet his payment obligations. Other farm creditors want to help a farmer by stretching out his payments and hanging onto him through another growing season. No one wants to suffer the humiliation and delays and confrontations involved in bankruptcy proceedings. Yet, under current law, there is no alternative. Every well-advised farmer who has cash-flow problems will file for bankruptcy and avoid facing tax liability for debt write-down income.

This should not be and cannot be how Congress intended the tax and bankruptcy codes to mesh. No farmer should be forced into bankruptcy by a provision of the Federal Tax Code. Bankruptcy destroys farmers and their families, it tears apart communities, it delays decisions, and it dampens credit availability. Bankruptcy courts, especially in Kansas, Iowa, Nebraska, and other Midwestern States are littered with filings that are taking years to process.

This legislation adds an additional exclusion to section 108. Under my legislation, agricultural indebtedness which is written down as part of the Loan Loss Amortization Program would not be taxable to the farmer. The exclusion would only be available for taxpayers who gain more than 50 percent of their gross income from farming operations and would be limited to debt forgiven on qualified agricultural loans from qualified agricultural banks.

Mr. President, I cannot overemphasize the importance of this tax provision. Without it, our efforts to encourage renegotiation of agricultural debt will fail. It still takes two to tango. Loan loss deferral will encourage bankers to attend the dance. Unless we change our Tax Code, though, the farmer will forgo the dance and visit instead the bankruptcy attorney.

For those of us dedicated to helping the farmer and his family most directly, this reform of the Tax Code represents the most effective solution. Farm country has suffered enough. Congress should not pretend to offer a loan loss amortization or other lender incentives as the sole ingredients in our grand solution. Such action would ignore the root of the problem. An effective proposal must address both sides of the negotiating process.

I urge my colleagues to consider the need for this program of relief from the Tax Code. Talk to farmers, creditors, and bankruptcy attorneys in your State. I believe their story will be convincing. Federal law is leading to artificial, uneconomic bankruptcies which take families off the farm and destroy the economic network which binds together our farm communities. We can do better for our farmers and our farm heritage.

For months we have heard of the problems in farm country. We have seen and heard the stories of farmers unable to find credit, unable to make ends meet, and unable to keep their farms. We have seen implement dealers, hardware stores, grain elevators, and other rural retailers forced out of business by the recession that is rippling through the Midwest. We have experienced, for the first time since the 1930's, widespread bankruptcies, newspaper notices of foreclosures, and an expanding list of closed banks.

Small towns and rural Americans cannot withstand much more. It is time we, in Congress, band together with the farmer, the fertilizer salesman, the grocer, and the banker to help agriculture survive.

Mr. President, I intend to push for the inclusion of these proposals in any agricultural credit bill which is considered by the Senate. We have the opportunity to enact two proposals which make economic sense and which are wise farm policy. Let's not miss this chance.

●Mr. ABDNOR. Mr. President, I'm happy to join my distinguished colleague and good friend from Kansas, Senator Kassebaum, in cosponsoring legislation which addresses a serious discrepancy in the Tax Code.

Mr. President, we are all well aware of the many problems facing this country's farmers and ranchers. In many cases, these problems stem from circumstances which are beyond their control. The bill we are introducing today deals with a provision in the Tax Code over which Congress does have control.

This is an issue which has been brought to my attention, not only by farmers and ranchers, but also by a host of tax accountants and lawyers in South Dakota who handle farm and ranch clients.

The need for this legislation is more apparent now than ever. Foreclosures and bankruptcies are becoming increasingly commonplace in the farm sector. And the ripple effect is far reaching. Small communities and the entire agricultural economy are suffering immensely as a result of depressed agricultural earnings.

Mr. President, this bill attempts to improve agricultural earnings by rectifying a glaring shortcoming in the Bankruptcy Code as it affects farmers and ranchers faced with bankruptcy. It gives farmers and ranchers an incentive to do the honorable thing and avoid bankruptcy without fear of adverse tax consequences.

In addition, in the event of a negative cash-flow but positive balance sheet, it gives both farm borrowers and lenders an incentive to develop a workout plan for the borrower which will allow him to cash-flow.

The discrepancy is the result of a peculiar inconsistency between the cash-flow insolvency test of the Bankruptcy Code and the balance sheet insolvency test of the Internal Revenue Code.

Currently, a borrower may be technically insolvent under the Bankruptcy Code and eligible for bankruptcy by virtue of his inability to meet current liabilities. However, he may have a solid balance sheet, have considerable net worth, and therefore be solvent under the Internal Revenue Code.

This is where the discrepancy alluded to earlier comes in to play. Because the Internal Revenue Code taxes any cancellation of indebtedness as long as the borrower has a positive balance sheet, the borrower is encouraged to take bankruptcy before he normally would under the Internal Revenue Code insolvency test.

The tragedy is that he and his lender have no incentive to restructure debt when doing so would intensify his cash-flow problem by giving him a immediate tax liability. The only way the borrower may escape taxation on cancellation of indebtendess is to take bankruptcy.

Mr. President, I hope this body will give serious consideration to this proposal in conjunction with its deliberations over farm credit. This legislation is a cost-effective method of assisting farmers, ranchers, and lenders in developing meaningful debt work-out plans.●

By Mr. GORTON:

S. 2222. A bill to amend the Tariff Schedules of the United States to clarify the duty treatment of certain types of plywood; to the Committee on Finance.

TARIFF TREATMENT OF CERTAIN TYPES OF PLYWOOD

● Mr. GORTON. Mr. President, today I am introducing legislation to correct an erroneous Customs Service interpretation of what constitutes plywood.

Although this may seem like a highly technical dispute over obscure subcategories within the Tariff Schedule of the United States, it is in fact a commonsense issue that ought to be resolved before it becomes a serious problem.

Here is what's happening: Softwood plywood imported into the United States from Canada is subject to a 20-percent duty. Because there also is a duty on United States-made plywood going into Canada, there is little exchange of plywood between the two countries. However, the Canadians discovered some time back that when they take a piece of plywood and machine a groove along each long edge so that the panels overlap slightly when put into place, the product no longer is considered plywood. It is called building boards by the U.S. Customs Service, and is subject to a duty amounting to only about 6 percent. The savings in duty are more than enough to offset the cost of the edgework.

One company in my home State of Washington which manufactures cedar plywood for exterior and interior uses found that its product was being underpriced by Canadian product in direct relation to the difference in the tariff rates for plywood versus building boards.

Although the Canadian product is being imported under the "building boards" TSUS number, the product literature distributed by its Canadian manufacturer refers to the product as "plywood panels." If it looks like plywood, works like plywood and its maker calls it plywood, it seems to me that means it's plywood—and ought to be dutied as such.

So far, the volume of this product entering the United States is not so great as to cause general dislocation, although as I have noted, it can be a significant problem for a particular producer. In 1975, essentially nothing entered the United States under the building boards category, TSUS item No. 245.80. By 1980, the dollar value entering was one-third that of plywood, which enters under TSUS No. 245.21. Now, for each of the past 4 years, the value entering has been about 1½ times the value of plywood, although the quantity of each has been volatile.

The American Plywood Association, on behalf of the Nation's plywood producers, petitioned the Customs Service in 1982 requesting a revision in the practice which allows importers to use the building boards category for what is really plywood. Customs denied the APA petition, claiming that only Congress can change tariff schedule definitions. In 1983, APA appealed the Customs Service decision to the U.S. Court of International Trade. The case is still pending before that court.

Legislation like that which I am introducing today nearly passed in 1984, but finally was left out of broader trade legislation because of questions from the administration.

Now, it is time to make this clarification before the situation envolves into major economic dislocation. The President's free trade initiative with Canada, and United States-Canadian negotiations concerning the separate issue of softwood lumber imports from Canada, are all proceeding. This issue of commonsense definitions should be resolved now so that it is not left to fester and become a sore point in these other, broader negotiations. Moreover, there should be an opportunity to actually move this legislation this year because of the congressional focus on omnibus trade legislation.

I urge my colleagues to join me in cosponsoring this bill to correct an aberration that must not go on.●

By Mr. COHEN (for himself and Mr. Levin):

S. 2223. A bill to amend the Contract Disputes Act of 1978 to require selection of members of boards of contract appeals of Federal Government agencies pursuant to a competitive examination process and to provide the members of such boards the same protections against certain administrative actions as are provided for administrative law judges of the Federal Government; to the Committee on Governmental Affairs.

BOARD OF CONTRACT APPEALS INDEPENDENCE ENHANCEMENT ACT

● Mr. COHEN. Mr. President, today, Senator Levin and I are introducing legislation to enhance the independence of administrative judges on the Boards of Contract Appeals. BCA's, as my colleagues may know, are authorized under the Contract Disputes Act of 1978 to serve as administrative forums for resolving contract disputes.

This legislation would provide BCA judges with the same selection and removal protection as administrative law judges are afforded under the Administrative Procedure Act. The objective is to eliminate the perception that BCA judges are not sufficiently insulated from agency control.

BCA judges are required by statute to be "selected and appointed to serve in the same manner as administrative law judges." There are, however, significant differences. Unlike ALJ's, a BCA judge is selected by the individual agencies, rather than from a Government-wide register established by the Office of Personnel Management, and may be summarily removed without any independent review. ALJ's, by comparison, may only be removed for good cause after a hearing before the Merit Systems Protection Board.

These differences, according to the General Accounting Office, contribute to the perception—if not the reality—that BCA judges are not as independent as ALJ's. In a September 1985 report, the GAO found that:

> Because no independent body, like the OPM, issues Government-wide regulations for the selection and appointment of board members, and because the [Contract Disputes Act] is unclear concerning any removal protections, members of boards of contract appeals are not as insulated as they could be from agency control.

Arbitrary removal is of particular concern to me, since the threat alone could potentially compromise the independence of BCA judges. While arbitrary removal is by no means common practice, it apparently has happened. In December 1978, after passage of the Contract Disputes Act but before its effective date, the chairman and vice chairman of the General Services Board of Contract Appeals were discharged without satisfactory explanation. While this may have been an isolated case, the threat nonetheless exists.

The selection and appointment procedures for BCA members, while demonstrably similar to the OPM procedures for ALJ's, are also of concern to me. According to the legislative history underlying the Contract Disputes Act, the ALJ system was to be used as a model for developing and implementing a system to ensure the independence of the BCA judges. The fact remains, however, that the Contract Disputes Act does not require that a separate agency, such as OPM, select, administer, and maintain a register of persons qualified for appointment to the BCA's. Instead, the individual agencies select candidates for their own boards.

Any criticism of the present BCA system should not be interpreted as an indictment against those judges now serving on the various boards. Clearly, the decisional history of these boards demonstrate the integrity of the judges who serve on them. It is my belief, however, that the perceived independence of BCA judges would be enhanced if the agencies were not involved in the selection process.

To alleviate this perception problem that BCA judges are "not as insulated as they could be from agency control," the GAO recommended in its September 1985 report that:

> If Congress wants to assure that members of boards of contract appeals are insulated from agency control to the same degree as ALJs in their selection and removal, the Congress may want to consider amending the Contract Disputes Act of 1978 * * * to give the Office of Personnel Management and the Merit Systems Protection Board roles in these processes.

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The legislation we've introduced would effectively implement the GAO's recommendation by proposing the following two changes to the Contract Disputes Act:

First, the bill would require that BCA judges be subject to the competitive examination process presently applicable to ALJ's. The purpose is to have the Office of Personnel Management, rather than the agencies themselves, examine the candidates and establish the register from which BCA judges are appointed. Considering the qualification criteria under the Contract Disputes Act, for example, that BCA judges have 5 years public contract law experience, we do not necessarily intend that prospective BCA candidates be given the same examination as ALJ's are given.

Second, the bill would extend to BCA judges the protection that they may be removed only for good cause after a hearing before the Merit Systems Protection Board.

Together, these relatively simple changes to the Contract Disputes Act would provide the security needed to ensure the independence of the BCA judges. This proposal is consistent with my reading of the legislative history of the Contract Disputes Act, which emphasizes Congress' intent to ensure the independence of BCA members so "that in conducting proceedings and deciding cases, they would not be subject to direction or control by procurement agency management authorities."

In addition to the GAO, the American Bar Association and several procurement experts have recommended that the Contract Disputes Act should be amended along the lines proposed in my legislation to enhance the independence of the BCA judges. I urge my colleagues to lend their support to this endeavor.●

By Mr. HUMPHREY (for himself, Mr. Helms, Mr. Hecht, Mr. East, Mr. Denton, and Mr. Symms):

S. 2224. A bill to limit the uses of funds under the Legal Services Corporation Act to provide legal assistance with respect to any proceeding or litigation which relates to abortion; to the Committee on Labor and Human Resources.

PROHIBITING ABORTION ACTIVITIES BY THE LEGAL SERVICES CORPORATION

● Mr. HUMPHREY. Mr. President, on behalf of my distinguished colleagues from North Carolina [Mr. Helms and Mr. East], from Nevada [Mr. Hecht], from Alabama [Mr. Denton], and from Idaho [Mr. Symms], I am introducing a bill that would limit the use of funds provided under the Legal Services Corporation Act. The limitation I am proposing will prohibit the provision of legal assistance by the Legal Services Corporation and its grantees with respect to any proceeding or litigation which relates to abortion.

Mr. President, while there are numerous opinions on abortion, most Americans oppose the use of their tax dollars to fund abortions. In addition, the Supreme Court in its wisdom has decreed that funds extracted from Americans do not have to be used to pay for abortions. And the Congress since 1976 has consistently refused to obligate taxpayer money for this purpose.

In addition, Mr. President, we have listened to the American people and refused to fund abortions under various Federal employee insurance programs for Treasury, Postal, and Defense employees. This is a wise decision, and one that is popular among voters and taxpayers.

The purpose of this bill, a similar version of which was passed by the Congress just last year as a rider to the Commerce, Justice, State appropriations bill, is consistent with these past restrictions on funding for abortion and abortion-related activities—that is, the American taxpayer will not be forced to pay for abortions or fund activities that are designed to obtain abortions. This bill will restrict the use of Federal and private, but not other public funds concerning abortion-related legal activities by LSC grantees. It provides that: No funds made available by the Corporation under this subchapter, either by grant or contract, may be used "to provide legal assistance with respect to any proceeding or litigation which relates to abortion."

Now, I realize language already exists in the Legal Services Corporation Act of 1974 that restricts some litigation of abortion. That language reads:

> No funds made available by the Corporation under this subchapter, either by grant or contract, may be used * * * to provide legal assistance with respect to any proceeding or litigation which seeks to procure a nontherapeutic abortion or to compel any individual or institution to perform an abortion, or provide facilities for the performance of an abortion, contrary to the religious beliefs or moral convictions of such individual or institution.

In the past, legal services and its grantees have interpreted very, very narrowly the act's restrictions. So narrowly that one wonders just what restrictions some of the grantees would recognize as binding. Indeed, I suspect that for some grantees, the ambiguous language now in the 1974 act is viewed as a back-door opportunity to engage in almost unlimited abortion litigation.

There is, then, a pressing need for an expansion of current restricting language to ensure that no back-door abuse occurs. The House of Representatives and the Senate have recognized this and acted on the need, periodically attaching annual riders, such as the 1985 Humphrey-DeWine amendment, to appropriations legislation. It is high time that we make such expanded restrictions permanent, as this bill will do.

Let me be specific about the effects of this bill. This bill applies to any person or entity receiving any funds made available by the Corporation under the act.

The restriction applies to any form of assistance or participation in any legal matter where abortion is an issue. Under the language I am proposing, abortion would be treated by legal services and its grantees in the same manner as criminal matters presently are. That is, once it becomes known to the prospective legal services provider that the request for legal assistance pertains to abortion, the request must be refused and staff cannot render any additional assistance whatever. This is consonant with the current prohibition on criminal matters, as specified in section 1007(b)(2) of the Legal Services Corporation Act (42 U.S.C. 2996(f)b(ii) and LSC regulations, 45 CFR 1613.1.

The bill applies to any form of proceeding or litigation involving abortion—legal assistance in preparation for or during administrative or other hearings, amicus briefs, actual litigation, and the like.

In the past, the abuse of then-current restrictions on abortion involvement by Legal Services Corporation grantees has been intolerably rampant. The somewhat porous restrictions were essentially rendered useless and ineffective by zealous attorneys with an eye for exploiting exceptions in the restrictions, rather than respecting and abiding by the statutory provisions.

Consequently, LSC grantees engaged in litigation against statutes limiting abortion funding, against parents seeking to retain their rights to consult with their children, against laws limiting the number of abortions a State should be forced to fund, and more.

I cite several cases where Legal Services grantees have violated past provisions in the act which prohibited abortion litigation: In the late 1970's, grantees launched a number of attacks on statutes limiting State and Federal funding of abortions. In *Preterm* v. *Dukakis*, a Boston grantee challenged a Massachusetts law limiting State funding of abortions. In *Zbaraz* v. *Quern*, a Chicago grantee helped overturn a similar Illinois statute and force abortion funding. In *Stopczynski* v. *Milliken*, a Michigan grantee filed an amicus brief in favor of a veto of a Michigan statute limiting abortion funding. In *Planned Parenthood* v. *Leo Hegstrom*, an Oregon grantee litigated to overturn a State law limiting the

number of abortions for any one woman that would be publicly funded. Similar abortion-funding cases have been litigated in Ohio, Idaho, California, Louisiana, and Pennsylvania. In addition, in *Valley Family Planning* v. *North Dakota*, grantees litigated to allow family-planning clinics receiving title X funds to refer for abortions. And in *Doe* v. *Jennings*, a Pittsburgh grantee acted to force a local jail to transport an inmate to a hospital for an abortion.

There is no doubt that these LSC grantees and programs are not engaging in abortion litigation to the extent they were several years ago. But it is equally clear that this reduction is due to a change in tactics on the part of these grantees. With the exception of appropriation riders, the applicable law has remained the same throughout this period. With this bill, grantees and other LSC recipients will no longer be able to go into court or any legal proceeding at the expense of the American taxpayer if abortion is involved. Although I am certain it would never happen, even litigation and legal proceedings opposing the abortion "right" is prohibited.

Mr. President, the reasons for acting to tighten the abortion involvement restriction are clear. One important reason is that LSC grantees have in the past abused the prohibition on abortion litigation already present in the 1974 act. I have already detailed some of these abuses.

The primary reason, however, concerns the very principle on which the Legal Services Corporation was founded—service to the poor, the helpless, the needy. It is laudable that legal services grantees express commitment to those in our society who cannot represent themselves in a court of law. But I suggest to my colleagues that there are none so poor, so helpless, so needy as those unborn children who face termination by abortion. It would seem to me that the compassionate, dutiful and proper response would be to represent these children who have no one to defend them. Mr. President, I suggest that the Legal Services Corporation grantees have repudiated the very contract we established with them in 1974.

As an example of the callousness to the situation of the poor, I submit for the Record an article appearing in the December 1976 issue of Clearinghouse Review entitled "Congress Restricts Medicaid Payment for Abortion," and ask unanimous consent that the article be printed at this point.

There being no objection, the article was ordered to be printed in the Record, as follows:

CONGRESS RESTRICTS MEDICAID PAYMENT FOR ABORTION

When the Supreme Court accepted for review this term two Medicaid abortion cases challenging states refusal to reimburse for the costs of abortion under state Medicaid programs,[1] it appeared that the three-year controversy surrounding this issue would soon be over. However, at the end of its session in September 1976, Congress adopted the "Hyde Amendment" to the HEW-Labor Appropriations Bill which provides that:

"None of the funds contained in this Act shall be used to perform abortions except where the life of the mother would be endangered if the fetus were carried to full term."[2]

While this amendment limits only the availability of federal Medicaid funds and does not directly mandate or prohibit state action, its presence immediately confused state administrators and physicians who were uncertain about its impact. Three cases were filed challenging the provision as it went into effect on October 1, 1976; each has had a different outcome thus far, and it appears that the Supreme Court will have to rule on the constitutionality of the amendment before the matter is finally resolved.

Sixteen federal court cases have been filed,[3] and 13 decided. All but one court[4] has held unconstitutional state policies which limit Medicaid payment for abortion to situations where the mother's life or health are endangered by pregnancy or where a physician terms the abortion "medically necessary."[5] The courts' reasoning has uniformly been that since the Supreme Court established in *Roe* v. *Wade*, 410 U.S. 113 (1973) and *Doe* v. *Bolton*, 410 U.S. 179 (1973) that the right to choose the manner of terminating pregnancy (whether by abortion or delivery) is a fundamental right, states may not discriminate between pregnant Medicaid eligible women who choose to carry their pregnancies to term and those who choose to terminate their pregnancies by abortion. The courts have also held that states cannot advance a compelling state interest to overcome this fundamental right to choose, since moral reasons (usually the rationale for the restrictive state policies) are not sufficient to outweigh a fundamental interest. In addition to this equal protection analysis, courts have also applied the "unconstitutional conditions" doctrine which prohibits states from conditioning the receipt of a statutory entitlement (Medicaid benefits for pregnancy) upon the forfeiture of a constitutional right (the right to choose abortion).

The Hyde Amendment presents an additional issue to the equal protection problem posed by the restrictive state Medicaid policies since it is not a mandatory federal law, but merely a prohibition on states receiving federal funds. In the three cases challenging the amendment, HEW has argued that Medicaid recipients have no standing because they are not harmed by the amendment—states still must provide abortions under the constitutional analysis discussed above. In *Doe v. Mathews*[6] Judge Sirica of the federal court for the District of Columbia accepted that position, found that there was no evidence that the District of Columbia or the state of Virginia would not continue to pay for abortions, and held that there was no "case or controversy" within the meaning of Article III of the Constitution. Plaintiffs have appealed that decision to the D.C. Court of Appeals.

The federal court in the New Jersey case, *Doe v. Mathews,*[7] held that the state would be an indispensable party to the action, but actually based its decision (refusing to issue an injunction) upon a reading of article. I, clause 9, section 7 of the Constitution which prohibits federal expenditures without congressional authorization. The court held that an injunction invalidating an appropriations bill provision would, effectively, be ordering a federal appropriation in violation of that provision.

The federal court for the Eastern District of New York, however, issued a temporary restraining order and then a preliminary injunction, disagreeing with the decisions of the other two lower courts to decide the issue. In *McRae v. Mathews,*[8] Judge Dooling refused to accept HEW's position that since Medicaid is a state-administered program, federal payments do not significantly influence state policy. Although the federal Medicaid law does give states considerable latitude in designing their programs, Judge Dooling correctly recognized that in reality the federal government's involvement in Medicaid is pervasive and extensive. The court held that:

"[I]n the federal society of today the federal government is not a grantor of voluntary bonfications to the states, but a representative government discharging through state agencies its responsibilities to provide from the public revenues (the sources of which it has so largely preempted) for its own needy in the states of their residence, and with the administrative and fiscal assistance of the states . . . The states are not the beneficiaries of Title XIX, but the agencies through which the national government secures medical assistance to the needy."

The court also recognized that even if states might pay for abortions voluntarily or under court order, Congress could not authorize states to perform unconstitutional acts. This position is consistent with dictum in *Shapiro v. Thompson*, 394 U.S. 618, 641 (1969), where the Supreme Court said of a congressional authorization for states to impose the durational residence require-

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[1] Beal v. Doe, No. 75-554, *cert. granted.* 44 U.S.L.W. 3757 (U.S. Sup. Ct. 1976); Maher v. Roe, No. 75-1440, *prob. juris. noted* 44 U.S.L.W. 3757 (U.S. Sup. Ct. 1976).

[2] §209, Pub. L. No. 94-439.

[3] Doe v. Beal, 523 F.2d 611 (3d Cir. 1975); Roe v. Norton, 408 F. Supp. 660 (D. Conn. 1975), *appealed sub. nom.* Maher v. Roe; Roe v. Ferguson, 515 F.2d 279 (6th Cir. 1974); Wulff v. Singleton, 508 F.2d 1211 (8th Cir. 1974), *aff'd in part, rev'd in part,* 44 U.S.L.W. 5213 (U.S. Sup. Ct. 1976); Doe v. Westby, 402 F. Supp. 140 (D. S.D. 1975); Coe v. Hooker, 406 F. Supp. 1072 (D. N.H. 1975); Doe v. Rose, 499 F.2d 1112 (10th Cir. 1974); Klein v. Nassau County Med. Ctr., 409 F. Supp. 731 (E.D. N.Y. 1976); Doe v. Rampton, 366 F. Supp. 189 (D. Utah 1973); Smith v. Tinder, No. 75-0380CH (S.D. W.Va., Aug. 8, 1975); Doe v. O'Bannon, No. 4-74-Civ. (D. Minn., Aug. 1, 1975); Doe v. Myatt, No. 43-74-48 (D. N.D., Oct. 30, 1975); Planned Parenthood Assoc. v. Fitzpatrick, 401 F. Supp. 554 (E.D. Pa. 1975); Doe v. Stewart, No. 74-3197 (E.D. La., Jan. 26, 1976); Doe v. Bowen, No. IP74-187C (N.D. Ind. 1976); Doe v. Klein, Civ. No. 76-74 (D. N.J. 1976); Doe v. Klein, (D. Idaho 1976).

[4] Doe v. Stewart, No. 74-3197 (E.D. La., Jan. 26, 1976).

[5] For an analysis of the unconstitutionality of the use of the term "medically necessary" with respect to abortion, *see* briefs of Jane Doe, amicus curiae in Beal v. Doe, No. 75-554,44 U.S.L.W. 3757 (1976), Clearinghouse No. 11,3611, and Maher v. Roe, No. 75-1440, 44 U.S.L.W. 3757 (U.S. Sup. Ct. 1976).

[6] No. 76-1836 (D.D.C., Oct. 31, 1976). Clearinghouse No. 19,534A TRO(1 p); 19,534B Opinion (14 pp).

[7] No. 76-1913 (D. N.J., Oct 1, 1976).

[8] 76 Civ. 1804 (E.D.N.Y., Oct. 22, 1976), Clearinghouse No. 19,535A Order to Show Cause & TRO (3pp.); 19,535B Memo and Order (39pp.).

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ments which the Court invalidated in that case:

> "Congress may not authorize states to violate the Equal Protection Clause. Perhaps Congress could induce wider state participation in school construction if it authorized the use of joint funds for the building of segregated schools. But could it seriously be contested that Congress would be constitutionally justified in such authorization? Congress is without power to enlist state cooperation in a joint federal-state program by legislation which authorizes the States to violate the Equal Protection Clause."
>
> The federal government has not demonstrated a compelling interest to justify the anti-abortion discrimination. Nor could it advance a rational basis, since abortion is far less costly than prenatal care plus delivery, not to mention the cost of supporting the resulting child on AFDC. Thus, the New York court found the Hyde amendment unconstitutional. HEW is appealing the case to the U.S. Supreme Court, which refused a stay of the order on November 8, 1976. Hopefully, the Court will decide *McRae* along with the other two state Medicaid abortion cases currently before it and resolve these issues once and for all.●

Mr. HUMPHREY. Mr. President, in this article, the true concerns of at least some grantees is exposed when the author writes:

> The Federal Government has not demonstrated a compelling interest to justify the antiabortion discrimination. Nor could it advance a rational basis, since abortion is far less costly than prenatal care plus delivery, not to mention the cost of supporting the resulting child on AFDC.

Such a statement plumbs the depths of insensitivity. It exposes the all-too-common sentiment that because an abortion is relatively cheap by financial standards, it is acceptable, necessary, and even to be encouraged. Such a view is not acceptable from any citizen, and especially from one committed to serving the poor and disadvantaged.

Mr. President, I refer my colleagues to several excellent essays on the nature of the Legal Services Corporation. These essays appear in a book entitled "Legal Services Corporation: The Robber Barons of the Poor?" Compiled and printed by the Washington Legal Foundation. Among the authors are the distinguished gentlemen from Alabama [Mr. DENTON], who is an original cosponsor of this bill, and from Utah [Mr. HATCH]. The essays point out, as I have, that Legal Services Corporation grantees have abused their congressional mandate and have in fact not advanced the condition of the poor and needy.

Not only do these grantees repudiate those very unborn persons they should be representing, but they also turn against the very government that funds them. It is a travesty that the Congress should annually appropriate over $306 million of its constituents' dollars, and then have the ultimate recipients of those funds turn around and thwart the very will of the taxpayers who provide the funds, and of the Congress that appropriates them.

We have seen legal services grantees embrace a radical and extreme leftist agenda, and forcefully promote that agenda with the hard-earned money of American taxpayers. As with other issues, the so-called right to abortion has been promoted and expanded against the traditional and current views of the vast majority of Americans. Indeed, that right has been advanced right under our noses, by our own progeny. With this bill we have the opportunity, if only on this most important of issues, to correct the abuses that we oppose, close the loopholes we never imagined could exist and end the use of taxpayer funds to support abortion litigation.

By Mr. SIMON (for himself and Mr. PELL):

S.J. Res. 305. Joint resolution to designate the week of April 27, 1986, through May 3, 1986, as "National Arts in the Schools Week"; to the Committee on the Judiciary.

NATIONAL ARTS IN THE SCHOOLS WEEK

● Mr. SIMON. Mr. President, today Senator PELL and I are introducing a joint resolution to designate the last week of April in 1986 as "National Arts in the Schools Week." The joint resolution is a companion to House Joint Resolution 470, introduced in the last session by Mr. WEISS of New York.

The value of arts education is unquantifiable. The ability to create, to appreciate and to learn about the arts is the ability to appreciate and learn about ourselves and others. We need to nurture this ability so that we can become better people and a better nation.

I ask unanimous consent that the joint resolution be printed in the RECORD, and invite my colleagues as cosponsors.

There being no objection, the joint resolution was ordered to be printed in the RECORD, as follows:

S.J. RES. 305

Whereas, even before formal education begins, children communicate their own experiences in a number of artistic ways, including singing, dancing, drawing, painting, sculpting, role playing, and storytelling; and

Whereas these basic forms of expression must be encouraged through formal arts education; and

Whereas schools are perhaps the ideal forum for introducing formal arts programs to children; and

Whereas incorporating the arts into the teaching of other subjects has been very successful in enhancing achievement levels, and increasing motivation and attitude of both students and teachers; and

Whereas school arts programs open the minds of children to creativity which can be applied to problem solving in other educational activities; and

Whereas many of the same practices used in the study of the arts are used in the study of math and the sciences, including observing, describing, comparing, classifying, measuring, inferring, and drawing conclusions; and

Whereas school arts program promote a unique understanding and appreciation of history and culture; and

Whereas the arts enable disabled children to demonstrate abilities and skills that may not be uncovered in the study of academic subjects; and

Whereas school arts programs provide economically disadvantaged children with an important creative outlet; and

Whereas practice and mastery of an artistic form builds self-confidence and pride; and

Whereas the confidence gained through the arts by disabled and disadvantaged students can help them achieve in academic areas as well; and

Whereas the Ninety-eighth Congress formally recognized the importance of the arts to a complete education; and

Whereas the national arts competition, sponsored by the Congressional Arts Caucus, has recognized and promoted the outstanding artistic creativity of our Nation's youth and provides an example of the Federal Government's commitment to arts education; and

Whereas the strong commitment of Federal, State, and local governments to strengthen and promote arts education must continue: Now, therefore, be it

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled, That the week of April 27, 1986, through May 3, 1986, is designated as "National Arts in the Schools Week", and the President is requested to issue a proclamation calling upon the people of the United States to observe such week with appropriate activities.●

ADDITIONAL COSPONSORS

S. 951

At the request of Mr. GORTON, the name of the Senator from South Carolina [Mr. THURMOND] was added as a cosponsor of S. 951, a bill to amend the Fair Debt Collection Practices Act to provide that any attorney who collects debts on behalf of a client shall be subject to the provisions of such act.

S. 1900

At the request of Mr. ROTH, the names of the Senator from Kentucky [Mr. FORD] and the Senator from Illinois [Mr. DIXON] were added as cosponsors of S. 1900, a bill to amend the Foreign Agents Registration Act of 1938 by providing for the 5-year suspension of exemptions provided to an agent of a foreign principal convicted of espionage offenses.

S. 1901

At the request of Mr. ROTH, the names of the Senator from Kentucky [Mr. FORD] and the Senator from Illinois [Mr. DIXON] were added as cosponsors of S. 1901, a bill to amend the Foreign Missions Act regarding the treatment of certain Communist countries, and for other purposes.

S. 1938

At the request of Mr. METZENBAUM, the names of the Senator from North Dakota [Mr. BURDICK] and the Senator from Michigan [Mr. RIEGLE] were added as cosponsors of S. 1938, a bill to make permanent the requirements of the manufacturing clause of the copyright law.

S. 2069

At the request of Mr. QUAYLE, the name of the Senator from Nebraska [Mr. ZORINSKY] was added as a cosponsor of S. 2069, a bill to amend the Job Training Partnership Act.

S. 2079

At the request of Mr. NICKLES, the name of the Senator from Iowa [Mr. GRASSLEY] was added as a cosponsor of S. 2079, a bill to amend the Legislative Reorganization Act of 1946 to reduce the compensation of Members of Congress for any fiscal year in which outlays for nondefense programs are required to be reduced under an order issued by the President for such fiscal year pursuant to section 252 of the Balanced Budget and Emergency Deficit Act of 1985 by the uniform percentage by which outlays for such programs are required to be reduced under such order.

S. 2081

At the request of Mr. STAFFORD, the names of the Senator from Arizona [Mr. DECONCINI] and the Senator from Tennessee [Mr. SASSER] were added as cosponsors of S. 2081, a bill to reauthorize the Head Start Act, the Low-Income Home Energy Assistance Act of 1981, the Community Services Block Grant Act, for deferred cost care programs, and for other purposes.

S. 2114

At the request of Mr. PROXMIRE, the names of the Senator from Hawaii [Mr. INOUYE] and the Senator from Tennessee [Mr. GORE] were added as cosponsors of S. 2114, a bill to amend title XVIII of the Social Security Act to provide for research with respect to the outcomes of specific medical treatments and surgical procedures.

S. 2168

At the request of Mr. THURMOND, the names of the Senator from Pennsylvania [Mr. SPECTER], the Senator from Mississippi [Mr. COCHRAN], and the Senator from Oklahoma [Mr. BOREN] were added as cosponsors of S. 2168, a bill to amend title 38, United States Code, to improve veterans' benefits for former prisoners of war.

S. 2193

At the request of Mr. BOREN, the name of the Senator from North Dakota [Mr. ANDREWS] was added as a cosponsor of S. 2193, a bill to change the basis for computation of emergency compensation whenever the Secretary of Agriculture adjusts the level of loans and purchases for the 1986 through 1990 crops of wheat under the Agricultural Act of 1949.

S. 2198

At the request of Mr. TRIBLE, the name of the Senator from Rhode Island [Mr. PELL] was added as a cosponsor of S. 2198, a bill to provide that the full cost-of-living adjustment in benefits payable under certain Federal programs shall be made for 1987.

S. 2209

At the request of Mr. DOLE, the names of the Senator from Delaware [Mr. ROTH] and the Senator from Rhode Island [Mr. CHAFEE] were added as cosponsors of S. 2209, a bill to make permanent and improve the provisions of section 1619 of the Social Security Act, which authorizes the continued payment of SSI benefits to individuals who work despite severe medical impairment; to amend such act to require concurrent notification of eligibility for SSI and Medicaid benefits and notification to certain disabled SSI recipients of their potential eligibility for benefits under such section 1619; to provide for a GAO study of the effects of such section's work incentive provisions, and for other purposes.

SENATE JOINT RESOLUTION 252

At the request of Mr. PELL, the names of the Senator from North Dakota [Mr. ANDREWS], the Senator from California [Mr. CRANSTON], the Senator from Minnesota [Mr. DURENBERGER], the Senator from Missouri [Mr. EAGLETON], the Senator from Washington [Mr. GORTON], the Senator from Hawaii [Mr. MATSUNAGA], the Senator from Vermont [Mr. STAFFORD], and the Senator from North Dakota [Mr. BURDICK] were added as cosponsors of Senate Joint Resolution 252, a joint resolution requesting the President of the United States to negotiate controls upon and the early prohibition of nuclear explosions.

SENATE JOINT RESOLUTION 267

At the request of Mr. HEINZ, the name of the Senator from Arizona [Mr. DECONCINI] was added as a cosponsor of Senate Joint Resolution 267, a joint resolution designating the week of May 26, 1986, through June 1, 1986, as "Older Americans Melanoma/Skin Cancer Detection and Prevention Week."

SENATE JOINT RESOLUTION 280

At the request of Mr. HEINZ, the names of the Senator from Minnesota [Mr. DURENBERGER] and the Senator from Ohio [Mr. METZENBAUM] were added as cosponsors of Senate Joint Resolution 280, a joint resolution designating the month of November 1986 as "National Alzheimer's Disease Month."

SENATE JOINT RESOLUTION 282

At the request of Mr. MOYNIHAN, the names of the Senator from Hawaii [Mr. INOUYE] and the Senator from Tennessee [Mr. GORE] were added as cosponsors of Senate Joint Resolution 282, a joint resolution to express the disapproval of the Congress with respect to the proposed rescission of budget authority for the General Revenue Sharing Program.

SENATE JOINT RESOLUTION 284

At the request of Mr. METZENBAUM, the names of the Senator from North Dakota [Mr. ANDREWS], the Senator from North Dakota [Mr. BURDICK], the Senator from Rhode Island [Mr. CHAFEE], the Senator from Minnesota [Mr. DURENBERGER], the Senator from Iowa [Mr. HARKIN], and the Senator from Pennsylvania [Mr. SPECTER] were added as cosponsors of Senate Joint Resolution 284, a joint resolution to designate the Month of May 1986 as "Better Hearing and Speech Month."

SENATE JOINT RESOLUTION 286

At the request of Mr. HATFIELD, the names of the Senator from New Jersey [Mr. BRADLEY], the Senator from Tennessee [Mr. GORE], the Senator from West Virginia [Mr. ROCKEFELLER], and the Senator from Louisiana [Mr. JOHNSTON] were added as cosponsors of Senate Joint Resolution 286, a joint resolution to designate the week of April 20, 1986, through April 26, 1986, as "National Reading Is Fun Week."

SENATE JOINT RESOLUTION 287

At the request of Mr. BOREN, the names of the Senator from Nevada [Mr. LAXALT] and the Senator from Oklahoma [Mr. NICKLES] were added as cosponsors of Senate Joint Resolution 287, a joint resolution designating September 29, 1986, as "National Teachers Day."

SENATE JOINT RESOLUTION 289

At the request of Mr. ROTH, the name of the Senator from South Dakota [Mr. PRESSLER] was added as a cosponsor of Senate Joint Resolution 289, a joint resolution to designate 1988 as the "Year of New Sweden" and to recognize the New Sweden 1988 American Committee.

SENATE JOINT RESOLUTION 294

At the request of Mr. DECONCINI, the names of the Senator from New Jersey [Mr. BRADLEY], the Senator from Connecticut [Mr. DODD], the Senator from Florida [Mrs. HAWKINS], the Senator from Oklahoma [Mr. NICKLES], the Senator from Georgia [Mr. NUNN], the Senator from North Dakota [Mr. BURDICK], the Senator from South Carolina [Mr. HOLLINGS], the Senator from Mississippi [Mr. STENNIS], the Senator from Nebraska [Mr. ZORINSKY], the Senator from Louisiana [Mr. JOHNSTON], the Senator from Alabama [Mr. DENTON], the Senator from Hawaii [Mr. MATSUNAGA], the Senator from Illinois [Mr. DIXON], the Senator from Tennessee [Mr. GORE], the Senator from Ohio [Mr. METZENBAUM], the Senator from South Carolina [Mr. THURMOND], the Senator from Mississippi [Mr. COCHRAN], the Senator from Kansas [Mr. DOLE], the Senator from New Hamp-

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shire [Mr. Humphrey], the Senator from North Dakota [Mr. Andrews], the Senator from Oregon [Mr. Packwood], the Senator from South Dakota [Mr. Abdnor], the Senator from Nevada [Mr. Laxalt], the Senator from New York [Mr. Moynihan], the Senator from Michigan [Mr. Levin], the Senator from Arkansas [Mr. Pryor], and the Senator from New Jersey [Mr. Lautenberg] were added as cosponsors of Senate Joint Resolution 294, a joint resolution to designate the month of April 1986 as "National Child Abuse Prevention Month."

SENATE JOINT RESOLUTION 296

At the request of Mr. Danforth, the names of the Senator from South Carolina [Mr. Hollings], the Senator from Ohio [Mr. Glenn], and the Senator from Iowa [Mr. Harkin] were added as cosponsors of Senate Joint Resolution 296, a joint resolution to designate October 16, 1986, as "World Food Day."

SENATE RESOLUTION 303

At the request of Mr. Heinz, the names of the Senator from West Virginia [Mr. Byrd] and the Senator from Hawaii [Mr. Inouye] were added as cosponsors of Senate Resolution 303, a resolution to express the sense of the Senate with respect to proposals currently before the Congress to tax certain employer-paid benefits and other life-support benefits.

SENATE CONCURRENT RESOLUTION 119—RELATING TO TAX TREATMENT OF QUALIFIED AGRICULTURAL INDEBTEDNESS

Mrs. KASSEBAUM (for herself, Mr. Abdnor, Mr. McConnell, Mr. Boren, and Mr. Nickles) submitted the following concurrent resolution; which was referred to the Committee on Finance:

S. Con. Res. 119

Whereas farmers throughout this Nation are facing difficulty in receiving adequate and affordable credit and are struggling to service their existing financial responsibilities;

Whereas the Congress, the administration, federal banking regulators, farm borrowers, and agricultural banks recognize the benefits which flow from the voluntary restructuring and renegotiation of agricultural loans;

Whereas current Federal policy discourages agricultural banks from renegotiating agricultural loans by requiring the banks to reflect the entire loss in a single year and, further, discourages farm borrowers from renegotiating the terms of an agricultural loan by including any amount of cancelled debt in the farmer's taxable income;

Whereas current Federal policy encourages farm borrowers with cash flow difficulites to extinguish any cancellation of indebtedness income tax liability by filing for protection under the Federal bankruptcy code;

Whereas bankruptcy proceedings are an inefficient, time-consuming, and unnecessary method for resolving the agricultural credit problems;

Whereas legislation assisting agricultural banks through a loan loss deferral program, increased flexibility in capital requirements, or reporting requirements cannot be successful until and unless farm borrowers are relieved of the burden of income tax liability resulting from a debt write-down;

Whereas any Federal policy to ensure the meaningful renegotiation of agricultural debt must include provisions protecting farm borrowers from the cancellation of indebtedness income tax liability and permitting farm borrowers to restructure their debt burdens without resorting to bankruptcy protection;

Whereas Congress believes agricultural borrowers and agricultural lenders should be encouraged to renegotiate voluntary agricultural debt and agricultural borrowers should be encouraged to forego bankruptcy proceedings;

Resolved by the Senate, the House of Representatives concurring, That, to remove the disincentives to renegotiation imposed by current tax law, the Congress will consider, at the earliest opportunity, an amendment to the Internal Revenue Code of 1954 excluding the discharge of qualified agricultural indebtedness from cancellation of indebtedness income.

AMENDMENTS SUBMITTED

METROPOLITAN WASHINGTON AIRPORT TRANSFER

PRESSLER (AND OTHERS) AMENDMENT NO. 1703

(Ordered to lie on the table.)

Mr. PRESSLER (for himself, Mr. Exon, Mr. Hollings, and Mr. Specter) submitted an amendment intended to be proposed by them to the bill (S. 1017) to provide for the transfer of the Metropolitan Washington airports to an independent airport authority; as follows:

Line 7, page 10, strike the word "Five" and insert in lieu thereof the word "Two".

Line 8, page 10, strike the word "three" and insert in lieu thereof the word "two".

Line 11, page 10, strike the word "one member" and insert in lieu thereof the word "five members".

Lines 6 and 7, page 11, strike the following: "in the case the commonwealth of Virginia and the District of Columbia,".

Lines 8 through 10, page 11, strike the following: "The Governor of Virginia shall make the final two Virginia initial appointments for one two-year and one four-year term."

● Mr. PRESSLER. Mr. President, Wednesday I filed three amendments dealing with the proposed transfer of Dulles and National Airports. One of those amendments dealt with the issue of the composition of the Airport Authority Board. My concern was that the governing authority of these truly national airports would be dominated by one or two States. The interests of the rest of the country would quickly become a distant priority.

After discussing this issue with a number of my colleagues from States outside the immediate Washington region, we have decided to modify the amendment slightly, and I am filing that amendment today. Very simply, it would provide that the Airport Authority be compromised of two members from Virginia, Maryland, and the District of Columbia, respectively. Five would be appointed by the President with advice and consent of the Senate.

I should point out that this amendment is substantially the same as that offered in the Commerce Committee by the distinguished Senator from Nebraska, Senator Exon. Senator Exon argued this issue most eloquently in the Commerce Committee, and has been a leader in the fight to provide some measure of equity to this transaction. What we are concerned about is the adverse impact this proposal could have on States outside the immediate area. This is not just a local issue.●

PRESIDENTIAL LIBRARIES ACT

ROTH AMENDMENT NO. 1704

Mr. SIMPSON (for Mr. Roth) proposed an amendment to the bill (H.R. 1349) to reduce the costs of operating Presidential libraries, and for other purposes; as follows:

In the first section, strike out "Former Presidents Facilities Reform Act" and insert in lieu thereof "Presidential Libraries Act of 1986".

On page 7, line 1, strike the word "purposes" and insert in lieu thereof "purpose".

On page 11, line 16, after the word "it" insert the word "to".

ADDITIONAL STATEMENTS

THE "CHALLENGER" INVESTIGATION

● Mr. GOLDWATER. Mr. President, what is the price of a headline? It has become increasingly disturbing to me that several of my colleagues in Congress have put aside a search for truth, diligent investigation, and a need for reflection. Instead, they have acted unseemingly in search of a news headline. You may surmise that I am talking about the shuttle tragedy. Only a few days after that terrible explosion was forever etched in our memory, the wolves came sniffing. Banner headlines and frontpage stories are not the stuff of caution, careful probing and proven veracity. I am ashamed for Congress because several Members, and you know who you are, have made attacks on NASA as an entity and worse yet on NASA employees—all without any factual substantiation. Laying blame is always far

easier than summoning the quiet courage needed for a reasoned approach to seeking the facts.

I would, also, caution all of us not to let the media headlines be the driving factor in reaching any conclusions. If we allow the media to establish conclusions, then, the hope of factual, data-induced answer will never be found.

A time-honored principle in aircraft accident investigations is to avoid speculation. This is sensible and I urge my colleagues to refrain from being party to conjecture. The principal task before the Commission is to identify the technical sequence and then to assess the environment in which it occurred. For the information of my quick-to-point-the-finger colleagues, I would like to advise you of the actions taken by NASA to uncover the reasons for the *Challenger* accident and to restore our national space effort.

Rear Adm. Richard H. Truly, Associate Administrator for Space Flight, NASA, recently announced the formation of the NASA 51-L—*Challenger*—Data and Design Analysis Task Force. The task force is collecting and analyzing information to conduct a thorough review of all aspects and potential causes of the accident in support of the Rogers' Presidential Commission assigned to perform the investigation. The task force, designed to parallel closely the structure of the Presidential Commission, will facilitate transfer of information from the NASA task force to the Commission.

This NASA task force is divided into four teams: Project analysis team; launch systems and processing analysis team; failure analysis team; and mission operations analysis team; and two support teams not involved in the actual analysis of information, salvage support team and photo and TV support team). With personnel assignments having been made, much data and analysis have already flowed to the Commission. I ask simply that NASA and the Presidential Commission be granted a decent time period in which to ascertain the cause of the *Challenger* accident; the Commission has 120 days since its creation on February 3 to complete its investigation.

On the replanning front, NASA recently announced that it is engaged in a comprehensive project to evaluate the implications of the January 28 *Challenger* accident on the Space Program.

Already the postponements of the Ulysses mission to observe the poles of the Sun and the Galileo mission to orbit Jupiter and send a probe into its atmosphere have been announced. Both were scheduled to be launched in May; the earliest they can be launched is July 1987 when Earth, the Sun and Jupiter will be in the proper alignment. Further, the postponement of the launch of Astro—1, a space shuttle astronomical laboratory that was to do ultraviolet studies of quasars, hot stars, galaxy centers and Halley's Comet has been announced.

These decisions by Acting NASA Administrator, Dr. William R. Graham, resulted from an analysis prepared by a headquarters replanning task force set up to study program alternatives in the wake of the accident. Being consulted are congressional committees, the Department of Defense and other branches of Government, commercial launch customers, joint endeavor agreement development partners, the international community, contractors and others involved in the space shuttle.

There are several highly complex matters that are being considered by the Replanning Task Force; reviewing the requirements for an orbiter and ancillary equipment to replace the *Challenger*, producing a new launch schedule for the fleet of three orbiters, possibly supplemented by expendable launch vehicles; evaluating the role that expendable launch vehicles [ELV] can play in recovering launch capability through commercial ELV production and operation; deciding on retention of ground communications stations; and, identifying cost impacts of the accident in addition to the equipment destroyed. Once the Rogers' Commission report is complete, all of this will be incorporated into the recovery program.

In conclusion, I reiterate my personal strong support for the Civilian Space Program. Like many of you, I have watched it grow from a fledgling in the days of the Echo satellite to a strong, strapping youth. Everywhere, the returns from our space investment are evident. We must press ahead and allow our space efforts to mature. The world is watching. Let us show America's resolve to remain a spacefaring power.●

THE 40TH ANNIVERSARY OF THE STRATEGIC AIR COMMAND

● Mr. WARNER. Mr. President, I wish to acknowledge that today marks the 40th anniversary of the Strategic Air Command, and the 25th consecutive year that the command has operated the Looking Glass Airborne Command Post.

I cannot help but make the connection with events last year that marked 40 years of peace in Europe. The men and women who have served in the Strategic Air Command over the years, and those dedicated men and women who serve today, have made a direct contribution to the deterrence of war, both conventional and nuclear. Peace has been and remains their profession, and we, as a Nation, are grateful for their service.

Mr. President, I ask that remarks made by the very able commander in chief of the Strategic Air Command, Gen. Larry D. Welch, be printed in the Record.

The remarks follow:

Strategic Force Assessment

(Statement of Gen. Larry D. Welch, Commander in Chief, Strategic Air Command, and Director, Strategic Target Planning)

Mr. Chairman and Members of the Committee: I welcome this opportunity to appear before you today to discuss important strategic issues of mutual interest. As Commander in Chief of the Strategic Air Command, I am responsible for the day-to-day readiness of the bomber and ICBM legs of the strategic nuclear TRIAD. As the Director of Strategic Target Planning, I am also charged with building the integrated operations plan for employment of all three legs of the TRIAD. It is from this perspective that I offer an assessment of military capabilities to support the strategy of deterrence.

For over 40 years, deterrence based on credible nuclear forces has been the cornerstone of our national security posture. Soviet military power remains the principal threat to this nation's security and it is the Soviets we must deter. Thus, the overriding national security objective is to deter nuclear conflict by ensuring no Soviet leader could expect to gain from attacking the United States or our allies. Should deterrence fail, we are to counter the ongoing attack with an appropriate response to limit damage to the United States and our allies, and force termination of hostilities on terms that best protect U.S. interests.

The U.S. nuclear strategy of deterrence has necessarily evolved in response to a changing strategic balance and a better understanding of Soviet war aims and force objectives. During the sixties and much of the seventies, maintaining the capability to inflict massive damage on relatively vulnerable forces and economic structure was thought by the United States and, presumably, the Soviets to be sufficient to ensure deterrence. Weapons of limited accuracy, effective against relatively soft military and economic targets, were deemed adequate to implement that strategy of assured destruction. While there was an increasing understanding through the seventies of the need for flexible U.S. forces to include counterforce capability, there was not a corresponding commitment to acquisition of those capabilities to a sufficient degree . . . especially in light of Soviet efforts to erode our counterforce capabilities by silo hardening.

Beginning in the early seventies, it became apparent that the Soviets were developing forces to support a substantially more ominous set of objectives. They aggressively expanded and modernized their strategic offensive and defensive capabilities far beyond that necessary to support a strategy of assured destruction. The Soviets were and are fielding forces more appropriate to a counterforce first-strike capability.

In a few short years, the Soviets improved their nuclear capabilities relative to those of the United States from a position of inferiority to one of essential equivalence, and finally to the point where they have achieved a substantial advantage in counterforce capability and force survivability. Advances in accuracy and throw weight give the large Soviet ICBM force a significant edge over United States forces in the prompt capability to attack hardened targets. This advantage is at the core of the current strategic

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force imbalance. Moreover, a massive program to harden Soviet nuclear forces, command and control, and leadership facilities greatly improve their survivability against a U.S. retaliatory response. Continuing improvements to active defenses included a proliferation of Soviet radars, control centers, surface-to-air missile sites and manned interceptors to counter U.S. bombers.

Confronted with this evolution of Soviet capabilities and objectives, the United States formulated a more effective, realistic and clearly stated strategy of flexible response to ensure deterrence by denying the Soviets any reasonable expectation of achieving their war aims. Of more importance, with support of the U.S. Congress, we embarked on acquisition programs to underwrite that strategy.

Our task is to provide and operate the forces necessary to assure both the fact and the Soviet perception that we have the capability to deny their objectives. This strategy requires nuclear forces capable of retaliating against those assets most essential to Soviet objectives—their offensive nuclear forces, hardened command control structures, other military capabilities, and their war-supporting industries. The evolving Soviet target structure calls for U.S. weapons with greatly improved accuracy and ability to penetrate advanced defenses and strike hardened targets while minimizing collateral damage.

We are fortunate that a significant portion of the TRIAD acquired in the sixties and seventies had the growth potential and flexibility to contribute to this strategy. Upgrades to the existing missile and bomber forces leveraged the already significant investment in these assets and provided increased capability to support our strategy of deterrence. For example, the $1.5 billion spent on B-52G upgrades over the past five years has more than doubled the near-term capability of this bomber and extended its useful life into the nineties. Specifically, these upgrades include modernizing B-52 offensive and defensive systems and deploying the air-launched cruise missile with the bomber. We are currently deploying the cruise missile on the B-52H. Similarly, the investments in Minuteman III accuracy and reliability improvements have significantly increased this missile's capability against hardened Soviet targets.

Additionally, several readiness programs to enhance the capabilities of our existing bomber and missile forces are paying off. We have greatly leveraged the existing bomber force through increased spare parts support, enhanced maintenance and supply productivity, and decentralized support organizations. These innovations have brought B-52 readiness to an all-time high by increasing the fully mission capable rates from an average of 40 percent in the early eighties to over 65 percent today. Our bomber aircrews are flying more realistic and comprehensive training sorties and participating in a wider variety of exercises to refine their combat skills.

These initiatives contribute to aircrew combat readiness. To continue to provide the most deterrence for the dollar, it is imperative that we provide the needed flying hours in all SAC aircraft to produce well-trained aircrews. We have also capitalized on our investment in the existing ICBM force through reliability and maintainability upgrades that will extend the life of the Minuteman weapon system to at least the year 2000 and provide continued high alert rates. Minuteman alert rates have historically averaged over 98 percent. Further, we are maximizing the productivity of the most critical element of deterrence—people—by decentralizing authority and responsibility, promoting competition and encouraging initiative and innovation. Our people are working more effectively to get the most from our current systems. Although investments in B-52 and Minuteman upgrades, and readiness have made a substantial difference in effectiveness against hardened Soviet nuclear forces, they leave us far short of the required capability. These efforts—system upgrades and increased readiness—are reaching their limit in improving our ability to address the Soviet threat.

At the same time, the Soviets continue to upgrade, modernize and otherwise improve their strategic forces. The Soviet buildup includes specific programs to reduce their offensive forces' vulnerability to a U.S. retaliatory response. They are making the silos containing their most powerful ICBMs the hardest operational silos in the world. They have hardened the associated command control network while constructing large numbers of hardened facilities for the Soviet leadership. They are placing increased emphasis on the mobility of their strategic assets to enhance survivability. They are deploying a new mobile ICBM, the SS-25, testing a second new mobile ICBM, the SS-X-24, and developing mobile command control facilities to match. All this is part of a relentless continuing effort to reduce the effectiveness of U.S. retaliation. Additionally, the Soviets continue to modernize and expand what is already the most extensive strategic defensive system in the world. They are fielding modern, highly capable look-down/shoot-down figher interceptors with a supporting airborne warning and control system capable of detecting low level penetrating bombers. They are now deploying a new surface-to-air missile, the SA-10, and flight testing another, the mobile SA-X-12. Finally, the Soviets are modernizing the ABM system around Moscow.

If we are to maintain an effective deterrent into the future, we must certainly build strategic forces capable of holding at risk increasingly hard, mobile, dispersed and well defended Soviet strategic offensive forces. The only viable approach to that task is the planned family of accurate, responsive weapons in all three legs of the TRIAD. The ongoing strategic nuclear modernization program is squarely aimed at fielding the needed capabilities across the TRIAD to accomplish that task.

To put the progress of the modernization program in perspective, the first B-1B and the first Peacekeeper missile go on alert in September of this year. The 100 B-1B program is funded, we are partially funded for the missiles required to field and sustain the first 50 peacekeepers, and we are fielding the first elements of the improved command and control system. It has taken strong Congressional support to bring us to this point. However, the rest of the essential strategic modernization program is still in front of us.

Currently, the greatest and most destabilizing shortfall in our nuclear force structure is in capability to hold at risk hardened Soviet ICBM sites and command centers. The shortfall in prompt, hard-target capability is particularly significant since some 75 pecent of Soviet nuclear force structure resides in their ICBM's. With the existing imbalance, many of the Soviet's most valued assets could not be damaged to the level required for high confidence deterrence during the critical first hours of a nuclear conflict. That imbalance is highly destabilizing and requires first priority attention.

High confidence deterrence demands that the Soviet war planner be convinced that we possess the forces necessary to promptly disrupt a Sovet attack and preclude successful follow-on attacks. When viewed in this context, quickly improving the prompt hard-target capability of our forces is of paramount importance. Presently, the only near-term solution lies in our Peacekeeper ICBM. Acquiring the capability inherent in this highly successful and precise weapon is essential to redressing the shortfall in prompt, hard-target capability. It is this perspective that makes clear the requirement for a full complement of 100 Peacekeepers. Until we possess that level of prompt retaliatory capability, the disparity in the military capability of U.S. and Soviet nuclear forces will continue.

To complement Peacekeeper deployment, the Small ICBM continues on schedule for deployment in the early 1990s. This missile will add prompt capability to strike the full range of Soviet targets throughout the spectrum of nuclear conflict. Deployment in a survivable basing mode will complicate Soviet planning and targeting, and provide added deterrence with the capability to endure through even a prolonged nuclear attack.

Our enduring strategic forces will be further enhanced by modernization of the sea-based leg of the TRIAD. When the Trident D-5 missile is fielded later in this decade it will add much needed counterforce capability and strategic force planning flexibility.

Turning to bomber modernization, the President's strategic modernization program directed a dual-track approach. The bomber is clearly the most flexible strategic asset and contributes over 40 percent of the total attack capability of the TRIAD. It can readily perform the essential tasks of real-time damage assessment, striking relocatable targets and providing follow-on coverage to achieve required damage levels.

The dual-track bomber program calls for deployment of the B-1B and aggressive development of the Advanced Technology Bomber (ATB). The first B-1B bombers have been delivered to SAC within cost and schedule. The B-1B's small radar cross section, high speed, excellent defensive systems and low penetration altitude provide high effectiveness against improving Soviet defenses. It will be able to penetrate Soviet defenses of the nineties and strike hard targets which are less time-sensitive and other targets throughout the Soviet Union. In the longer term the B-1 will be equipped with cruise missiles as the ATB assumes the high threat penetration role.

The ATB will be an effective penetrating bomber well into the twenty-first century—assuring continuing ability to penetrate even the most sophisticated defenses. Combining low observable features with advances in propulsion technology and lightweight materials will ensure ATB's penetration capability and survivability. Incorporating the latest improvements in sensors and avionics will provide this bomber with the adaptability needed for the future. Fielding the ATB will ensure a highly credible capability against the full spectrum of Soviet targets—fixed, hardened and mobile. The ATB is the most promising weapon system to counter the relocatable target threat. Additionally, the ATB will greatly stress Soviet defenses and force continuing Soviet expenditures on improved defenses. Soviet

investment in defenses would otherwise be available for offensive forces.

Greatly improved strategic command and control is essential to deterrence today and in the future. Our current command and control network is undergoing an extensive technological update to ensure a robust capability in the face of more capable Soviet forces. The current modernization program is overdue. Since initiation of the President's modernization program, we have made substantial gains in correcting command control system shortfalls but the highest payoffs are yet to come. To ensure these payoffs, we must sustain progress and continue to modernize strategic command and control. Robust command and control—systems that are as survivable as the weapon systems they support—enhances deterrence by providing reliable and timely warning and assured strategic connectivity between the leadership and nuclear forces.

Finally, professional, well trained, high quality people are the most essential ingredient of our deterrent capability. It is vital that we continue to adequately compensate our people for the unique demands of military service and continue the full range of programs that attract, retain and motivate quality people.

In summary, since the initiation of the strategic modernization program we have made much progress toward building a strategic force capable of ensuring long-term deterrence. The strategic modernization program was conceived as the minimum needed to restore the nuclear balance. The threat has increased since the program was conceived and the need is even greater than before. This comprehensive program is still several years from completion and it will not be quickly or easily completed. But, the most certain, lowest cost path to adequate deterrence remains a commitment to seeing the program through to completion. Much of the investment has already been made and we are seeing the early new systems delivered now while development of follow-on systems is progressing well. With the continued support of Congress we can build a stable deterrent posture that promotes a safer and more peaceful world. ●

THE FEDERAL INSECTICIDE, FUNGICIDE, AND RODENTICIDE ACT AMENDMENT OF 1986

● **Mr. MITCHELL.** Mr. President, I am pleased to join Senator Lugar, Senator Proxmire, and others in sponsoring amendments to the Federal Insecticide, Fungicide, and Rodenticide Act.

Before speaking to the substance of the amendments, I would like to commend the representatives of both the pesticide industry and environmental groups who worked over a period of months to forge the agreement on which this legislation is based.

Without the efforts of Jack Early of the National Agricultural Chemicals Association, Nancy Drabble of Public Citizen's Congress Watch, Al Meyerhoff of the National Resources Defense Council, and many others, it is unlikely that we would have a bill to reauthorize the pesticide law before us today.

Mr. President, the Pesticide Control Program in this country is in need of comprehensive review and substantial reform. Most Americans assume that all pesticides, so widely used in our society, have been fully reviewed by the EPA and have been proven safe. Unfortunately, this is not the case.

About 85 percent of pesticides now on the market lack complete data concerning health and safety. We do not know with certainty whether or not these pesticides cause cancer, result in genetic mutations, or cause birth defects. While efforts to gather this vital data are underway, it is estimated that, at the current rate, assessments of existing chemicals will not be completed until after the year 2000.

One of the most significant provisions of the Lugar-Proxmire bill would reform and streamline the process for assessment of the health and safety of pesticides. The bill sets deadlines for identification of data gaps and requires manufacturers to submit needed data within 4 to 5 years in order to avoid suspension of the chemical's use. In addition, manufacturers will pay a registration fee to support EPA review and processing of health data.

Other important provisions of the bill would provide for the regulation of inert ingredients, streamline the process for cancellation of a pesticide, expand citizen's right-to-know about pesticide products, and strengthen import and export requirements. These provisions, along with many others in the proposed legislation, are a major step toward reforming our pesticide control program.

The Lugar-Proxmire bill provides an excellent foundation for the comprehensive analysis and debate of our pesticide programs. As we consider this legislation, we will need to hear different perspectives on specific provisions of the bill. And, we will need to hear proposals for amendments to the pesticide statute which are not included in the proposed legislation. Such amendments might address topics such as farmworker protection, pesticide spray drift, and ground water protection.

Another aspect of pesticide programs which I hope can be considered is the safe disposal of pesticide containers. My home State of Maine is fortunate to have an innovative and successful program providing for the safe disposal of containers. The Maine program may provide a starting point for discussion of ways to reduce the risks of pesticide container disposal.

I urge my colleagues to support this important legislation and to join in the discussion of other needed reforms to our pesticide programs.●

BLOCKAGE OF CUBAN ARMS

● **Mr. GOLDWATER.** Mr. President, as we approach a vote on Contra aid, I ask my colleagues to recognize the resistance movement in Nicaragua in its proper relationship to the present worldwide struggle of nationalist movements against the Marxist-Leninist empire.

The interesting fact about Nicaragua, Aftghanistan, Ethiopia, Angola, Mozambique, and others, is that they each represent areas in which challenges are being made to Marxist-Leninist regimes. At the end of World War II, Western colonies served as the target of independence movements. Today, these movements are a reaction against the Soviet sponsored empire.

Mr. President, we should also remember that much of the armed aggression and subversion being conducted against democracies and those who are seeking democracy in this part of the world stems from Cuba. There are 2,500 to 3,500 Cuban military advisers in Nicaragua alone, with 3,500 to 4,000 additional Cuban civilian advisers. These Cubans are playing an increasing military operational role and are found down to company level. They pilot aircraft and coordinate air support.

The Arizona Republic of Phoenix recently singled out Cuba as "The Revolution Factory" of Soviet expansionist policy. In a major editorial, the Republic identified Castro as "the spigot of Central American trouble" and proposed that "the arms supply should be cut off at its source."

The editorial has a vision which deserves the consideration of my colleagues, and I ask that it be printed in the Record.

The editorial follows:

[From the Arizona Republic, Mar. 14, 1986]

Cuba—The Revolution Factory

The real problem in Central America is not the Sandinista commandantes in Nicaragua, it is the Cuban anti-American sugar daddy Fidel Castro on whom the Soviet Union has bestowed control of leftist insurgencies in Latin America.

If President Reagan succeeds in pulling off yet another congressional coup d'etat and gets $100 million in aid for the contras, then the United States should consider an arms blockade against resupply from Cuba if the Nicaraguan opposition is to have any hope of victory.

According to a report in National Review, during the 1970s the Soviet Union annually delivered an average of 15,000 tons of military equipment to Cuba.

Then the 1979 popular uprising in Nicaragua drove Anastasio Somoza out and by 1981, despite two years of massive foreign aid from the Carter administration, it was clear the Marxist-Leninist wing of the Sandinista front had consolidated its hold on the revolution.

In 1981, the Soviet Union dramatically increased to 66,000 tons its supply of military equipment to Cuba. The supply has since leveled off to a yearly average of 55,000 tons.

In the 20 years before the Sandinista revolution the total Soviet economic aid to Cuba totaled $16 billion. In the three years after Ortega & Co. came into power, the Soviets supplied Cuba with $14 billion.

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This sharp increase in Soviet military and economic aid to Cuba has nothing to do with any change in the security needs or external threats to Castro's island. It is because Castro's strategy of spreading revolution throughout Central and South America had produced, after 20 years of failure, a success in Nicaragua and the Soviets want to exploit the beachhead.

Castro actively supports 31 leftist insurgencies in 11 Latin American countries ranging from the Mantoveros in Argentina to the M-19 guerrillas in Colombia He is also responsible for creating joint oversight committees to coordinate the activities of the various insurgencies.

These insurgencies are not fueled by widespread Latin anti-Americanism, but by a small, hard-core cadre of committed revolutionaries. They are the same in each country, and are virtually identical to the leadership of terrorist groups such as Italy's Red Brigades or Germany's Reeder Meinhof Gang—a vanguard of upper-middle-class, university trained terrorists elevated by Castro's support into "national liberation movements."

One of the leaders of the Nicaraguan opposition captured the Sandinista character when he caustically observed; "Do you think a single one of them—the nine commandantes—could get a job and earn a living?"

It would be self-defeating to supply the contras with military aid only to have Castro make up any loss the Sandinistas might suffer. An aid package to the contras should be accompanied by a naval blockade against Cuban arms to be effective.

Castro is the spigot of Central American trouble, and the arms supply should be cut off at its source. This is widely opposed, however, on the theory that the Cubans are Soviet surrogates and to strike at Castro is to strike at the Kremlin.

Nonsense. Cuba is a Soviet ally, but the Kremlin is as important in the Caribbean as the United States is in Afghanistan, Except as a source of Castro's money and weapons, Soviet influence and power do not extend to the region, and it is time U.S. policy recognized that fact and enforced an embargo against the factory of Latin American revolution.

A MEMORIAL TO BLACK PATRIOTS

● Mr. GORE. Mr. President, during the past 6 years, a remarkable human interest story about courage, unity, and understanding unfolded in Washington. I wanted to share a recent episode with my colleagues.

The Wall Street Journal this morning published a feature editorial by Lena Santos Ferguson, a black woman who, in 1984, was the center of a national controversy over her 4-year battle for membership in a local chapter of the Daughters of the American Revolution. Last month, she appeared on an episode of "60 Minutes," but the show did not explore the many positive results of her successful struggle. She talks about what she and the DAR achieved in "A Memorial to Forgotten Black Patriots."

Now an active member of the DAR, Mrs. Ferguson and her nephew, Maurice A. Barboza, turned adversity into something positive and stirring. Through the Black Revolutionary War Patriots Foundation, a group they founded, the two are working with the DAR and more than a dozen other prominent organizations to establish a memorial in Washington to honor the more than 5,000 black Revolutionary War patriots, just three blocks from Constitution Hall.

This effort culminated on November 6, 1985, when the House of Representatives passed unanimously legislation to authorize the Patriots Memorial, as it is called. Introduced by Representatives NANCY L. JOHNSON and CHARLES B. RANGEL, the measure attracted 115 cosponsors and national press attention. I am proud to say that I am the Senate sponsor of Senate Joint Resolution 143, the companion bill, and that nearly 40 of our colleagues have joined me as cosponsors.

The memorial, which would be established at no expense to the Government, has been endorsed in concept by the Department of the Interior's National Memorial Advisory Committee and the Commission on Fine Arts. It is awaiting action in the Subcommittee on Public Lands, Reserved Water and Resource Conservation. An important hearing was held on October 29, 1985 (S. Hrg. 99-424, p. 133) under the leadership of Chairman MALCOLM WALLOP and Senator FRANK MURKOWSKI.

A diverse coalition has endorsed the Patriots Memorial, including the DAR, Prince Hall Masons, National Education Association, Sons of the American Revolution, American Jewish Congress, American Bar Association, National Urban League, Vietnam Veterans of America, National Association of Black State Legislators, Sons of the Revolution in the State of New York, National Forum Foundation, Society of the Cincinnati, the city council of the District of Columbia, and the AFL-CIO.

Mrs. Ferguson's inspirational crusade for membership in the DAR and the impressive effort to establish the Patriots Memorial have pointed out how, with patience and dedication, Americans can find—in our hearts and in our history—creative ways to bring us together as one people. The memorial will inspire unity and dedication to freedom, as well as remind us of the early beginnings of the black struggle for equality, which is truly one of the most extraordinary stories in American history. The memorial will light the way for future generations that must know the price their black and white forebears paid for freedom in order to understand the sacrifices necessary to sustain it.

Mrs. Ferguson's editorial, and a March 31, 1985, Washington Post oped, "A Memorial to Black Patriots," by Mr. Barboza, when read together, make a compelling case for the establishment of the Patriots Memorial and give every Senator reason to be a consponsor of Senate Joint Resoluton 143 and to work for its prompt passage. There are 111 outdoor memorials in Washington, but only one that honors a black person, Educator Mary McLeod Bethune. The Patriots Memorial is long overdue.

Mr. President, I ask unanimous consent to have Mrs. Ferguson's and Mr. Barboza's excellent pieces printed in the RECORD.

The material follows:

[From the Wall Street Journal, Mar. 21, 1986]

A MEMORIAL TO FORGOTTEN BLACK PATRIOTS

(By Lena Santos Ferguson)

The Jan. 6 editorial feature in the Journal titled "Revolutionary Daughters in Racial Time Warp" and a Feb. 16 segment of "60 Minutes," "Three Daughters of the DAR," made me wonder whether my four-year battle for membership in the Daughters of the American Revolution had accomplished anything. They reopened old wounds and neglected to examine the positive and sweeping reforms that I forced the DAR to institute.

The meaning of my successful battle hit home last Fourth of July, as I marched three blocks from Constitution Hall to the proposed site of a memorial to black Revolutionary War patriots. This important event points to a future for the DAR that is quite different from the past it left behind when I was admitted to full membership.

My nephew, Maurice A. Barboza, who had organized the march, was beside me, as he had been during the entire ordeal. Mrs. Sarah M. King, president general of the DAR, was with us. After much controversy, she had broken the DAR's grip on racism and set it on a new course.

Side by side, young and old DAR members and others marched with us carrying flags tagged with the names of black patriots. The spirits of these patriots and those of my mother and Revolutionary War ancestor had sustained me in my struggle for membership. Knowing the price that black patriots paid for freedom, I felt that my quest for simple justice and opportunity was a small price to pay.

The thought that I might be eligible for DAR membership had occurred to me as a child when I thought about the picture on our living room wall of my mother's grandfather who had died on a Civil War battlefield. When I heard about the DAR's refusal to let black contralto Marian Anderson perform at Constitution Hall in 1939, I realized how ironic it would be if I could actually join it. Many years later, my nephew, after researching our black and white ancestry, suggested I apply for membership.

Despite knowing that I had a Revolutionary War ancestor and was qualified to join, starting in 1980 the DAR threw up a succession of roadblocks in front of me. It refused to tell me how to obtain application papers, meet potential sponsors and identify a convenient chapter to visit. Once I found a sponsor and was introduced at various meetings and social events as a prospective member, no one would agree to be the second sponsor.

Finally, after I found a second sponsor (30-year chapter member), the Mary Washington Chapter refused to accept my application. Officials admitted candidly to my sponsors that it was because of my race.

The chapter regent, the state regent and the then-president general were told and did nothing. No doubt embarrassed by unfavorable publicity, DAR members then suggested that I apply as a member-at-large, a category set aside for women who cannot travel to meetings.

March 12, 1984, was the day that most changed my life. A Washington Post front-page headline read "Black Unable to Join Local DAR—Sponsors Claim Race is a Stumbling Block." Fireworks ensued. The chairman of the District of Columbia Council threatened to withdraw the DAR's tax exemption. The news media championed my cause. Rep. Nancy L. Johnson (R. Conn.), the sponsor of the Patriots Memorial legislation, got Congress to pass a resolution honoring the contributions of blacks to the Revolution.

This support put tremendous pressure on the DAR. I could have sued the organization and tried to destroy it. But I wanted it to change and to make up for its past. When the DAR was finally prepared to offer me full membership in one of the 39 chapters in the District, I demanded an apology and a sweeping settlement agreement. Prior to the April 1984 DAR Continental Congress, I received my written apology. The DAR endorsed Rep. Johnson's resolution and began to implement a settlement agreement.

The DAR promised to bar discrimination in membership; establish an ethics committee to ensure that no minority woman is ever again treated as I was; distribute a pamphlet saying that any woman, regardless of race, might be eligible for membership based upon descent from a white, native American or black patriot; and research and publish the names of every black partriot of the Revolution.

After a questionable beginning, Mrs. King, who had inherited the "Lena Ferguson problem," showed compassion and a will to confront DAR rascism. She has gone beyond the terms of our agreement and testified before congressional committees about the involvement of blacks in the Revolution; published a book on black patriots; became a member of the advisory council of the Partiots Foundation (the organization my nephew founded to establish the memorial), and established scholarships for District of Columbia students.

Because Mrs. King has encouraged my full participation in the work of the DAR and of my chapter—the Elizabeth Jackson Chapter—we have had many opportunities to get to know each other and for me to get to know my fellow members. My warm welcome in the DAR must have something to do with the universal admiration that people have for courage, whatever color may be associated with it.

When we arrived at the proposed memorial site on a small lake between the Lincoln Memorial and the Washington Monument and began to read aloud the names of 200 of the 5,000 black patriots, I looked around in amazement at a scene I had never thought I would see in my lifetime. A smiling and flag waving crowd of both blacks and whites, including members of the DAR, was honoring the courage and heroism of forgotten black Revolutionary soldiers—just around the corner from the building where the most accomplished black opera singer of her time could not perform 46 years before.

The legislation authorizing (at no government expense) the establishment of the Patriots Memorial recently passed the House unanimously. We are hoping that the Senate will promptly pass S.J. Res. 143, introduced by Sen. Albert Gore Jr. (D., Tenn.). The memorial will be especially important to black children who have few heroes of their own race. It will encourage them to take a deeper interest in American history by raising in their minds the possibility that their ancestors may have participated in the struggle to create the U.S. The inspiration of these heroes can give people of all races the courage to do extraordinary things.

[From the Washington Post, Mar. 31, 1985]

A MEMORIAL TO BLACK PATRIOTS

(By Maurice A. Barboza)

There is a movement now under way to construct a memorial in Washington to black patriots of the American Revolution. If the sponsors get their way, the memorial will be built on land visible from the steps of both Constitution Hall (the meeting place of the Daughters of the American Revolution) and the Lincoln Memorial. These sites, tinged with irony, are key factors in the instigation of this project, second only to the bravery and deeds of the men and women who will be honored.

Between 1775 and 1783, more than 5,000 black slaves and free persons fought in the revolution. Serving side-by-side with whites in all of the major battles from Lexington and Concord to Yorktown, blacks were wounded, disabled and captured, just as were white patriots.

There were many heroes. Most black patriots, regardless of when they enlisted, were in the war for the duration. That was generally the agreement they reached with their masters in exchange for personal freedom. And thousands of slaves ran away or filed petitions with courts and legislatures demanding their freedom. This activity weakened the institution of slavery and made a mockery of it. Responding to this black "declaration of independence" (as historian Benjamin Quarles refers to the Revolution), several New England and Middle Atlantic states, by the turn of the 19th century, had banned slavery; other states passed laws to make it easier to free slaves.

Families, churches and self-help organizations that black soldiers and freedom-seekers founded nurtured the struggle against slavery and become the rock upon which the modern civil rights movement sits. Yet two generations after the revolution, these patriots and their deeds were erased from memory and degraded by discrimination against their descendants.

On April 9, 1939—155 years after these black patriots returned home as free men and second-class citizens—a chilly breeze whipping in from behind the Lincoln Memorial carried the words of the spiritual, "Nobody Knows the Trouble I've Seen"—as if from generations beyond—in the voice of black contralto Marian Anderson. Eyes closed and standing erect in front of the statue of Lincoln, she appeared to be almost in its embrace. The spiritual continued, "Nobody knows my sorrow."

A sea of 75,000 people stretched outward to the Washington Monument. The good will was flowing, the dignitaries were abundant. They came to listen to the voice that Arturo Toscanini said "one hears once in a hundred years" and to protest the fateful decision of the DAR to bar Anderson from the use of Constitution Hall for this Easter Sunday concert.

A controversy of international proportions arose. America's affliction with racism and hypocrisy was laid bare before world opinion, much like South Africa's is today. The DAR was condemned, and people wondered how the republic could allow itself for so long to treat blacks—even of Marian Anderson's stature—as something less than Americans.

Unwittingly, the DAR (because it honors Revolutionary War patriots) made her a bridge between six generations of blacks who had struggled to win American independence and end slavery and the next two generations that would struggle to end segregation and discrimination. She returned to the Lincoln Memorial in 1963 to sing the national anthem during the March on Washington for Jobs and Freedom, the modern equivalent of a black "declaration of independence." But the irony of the 1939 concert and the DAR's action would not became apparent until 1984, when the DAR would again rebuff a black woman because of her race.

Last spring, when Lena Santos Ferguson's four-year struggle with the DAR over membership became public, it received national attention. Few people realized that any black woman could be a descendant of a Revolutionary War patriot.

Ferguson waged a quiet campaign to gain acceptance into a local chapter and to force the DAR to honor the role blacks played in winning American independence. On Feb. 28, 1984—45 years and one day after Eleanor Roosevelt announced her resignation from the DAR in protest over its treatment of Marian Anderson—Lena Ferguson was instrumental in getting the House of Representatives to pass a resolution (now Public Law 98-245) honoring the contributions of blacks to the American Revolution. The DAR passed a similar resolution last April.

When the pressure became too great and the DAR was finally ready to accept Ferguson into a local chapter, she refused to join unless they would agree in writing to bar discrimination in membership (which they will do this April) and to identify each and every black patriot who served in the American Revolution and to publish their names.

When Marian Anderson was introduced that Easter Sunday, credit for her being a free person was given to Washington, Jefferson and Lincoln. Now—thanks to Lena Ferguson and contemporary black historians—we know that substantial credit should go to the black patriots and freedom-seekers of the revolutionary period.

The memorial to them will tell us something about the trouble these patriots saw in their lifetimes, and how it inspired them to shape the struggle for freedom. Together with the memorial, the project being undertaken by the DAR will reveal hundreds of unknown heroes who will serve as an example and a reminder to Americans. And tens of thousands of their black descendants will be able to trace their ancestry back to the Revolution.

Like Marian Anderson's concert of 1939 and appearance of 1963, the memorial will bring Americans of all races and religions together—this time in a common understanding of our nation's racially diverse history.●

DOLLARS FOR SCHOLARS

● Mr. QUAYLE. Mr. President, allow me to draw the Senate's attention to a program currently in operation, entitled "Dollars for Scholars."

Created in response to the increasing cost of higher education and the

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financial obstacle this oftentimes poses, this initiative is about people helping people, neighbors helping neighbors, and private citizens helping each other. I commend the various local community-based groups for endeavoring to establish a source of financial assistance for scholars who wish to attend institutions of higher education.

The Federal Government provides almost $7 billion in financial aid to students. Most of these programs are needs-based and go to lower income students. A program similar to Dollars for Scholars helps those students who may not qualify for the needs-based aid, but have significant educational costs anyway.

I again want to commend all of the individuals who have made this program such a success and ask to have placed in the RECORD an article that details the generous efforts of private citizens to establish these community scholarships.

The article follows:

DOLLARS FOR SCHOLARS—NEIGHBOR HELPING NEIGHBOR

In the face of rising college costs and reductions in federal financial aid, communities are becoming an increasingly important source of financial assistance for local students. The challenge has been made at the highest levels of government for cities and towns to become responsive to local needs. Communities throughout Indiana have been accepting this challenge through a unique scholarship program—Dollars for Scholars.

Dollars for Scholars is a volunteer-run, nonprofit community scholarship foundation. The purposes of the foundation are to increase local scholarships and provide a means for selecting recipients in a fair and non-discriminatory manner. A community-based, volunteer Board of Trustees sets policy, makes decisions, and performs the other functions of Dollars for Scholars—publicity, fundraising, and recipient selection.

Funds for local distribution are raised through a variety of Dollars for Scholars-sponsored activities, such as auctions, phone-a-thons, and booths at local affairs. As a nonprofit organization, Dollars for Scholars encourages small or large donations from individuals, area clubs, businesses, and industries, often as named scholarships. In addition, Dollars for Scholars programs may be named as beneficiaries in wills and insurance policies. All gifts to Dollars for Scholars are deductible for income tax purposes.

Any individual, group, club, or school interested in starting Dollars for Scholars in their community will receive help from Citizens' Scholarship Foundation of America (CSFA). CSFA is a national, nonprofit scholarship service organization dedicating its charitable purpose to assisting communities in organizing Dollars for Scholars. CSFA has helped over 250 cities and towns establish these worthwhile programs, including 11 in Indiana. For more information on how to start Dollars for Scholars in your community, write of call: Charles A. Rickett, Volunteer Director of Dollars for Scholars in Indiana, P.O. Box 132, Hartford City, IN 47348, (317) 348-0110.●

HALT UNDERGROUND TESTING

● Mr. SIMON. Mr. President, the United States has an excellent opportunity to show the Soviet Union and the world it is serious about peace. We should join the Soviets in stopping all testing on nuclear weapons. It is time to back up our words with action. In a column I write for newspapers in my State, I call on President Reagan to immediately halt all underground testing. The time is now.

I ask that the column be printed in the RECORD.

PREACHING PEACE WHILE TESTING WEAPONS

(By U.S. Senator Paul Simon)

All of us are somewhat inconsistent.

I support efforts to save the whale or other endangered species, but if someone found a way to rid the earth of cockroaches I would support that.

I enjoy a hamburger, but killing a steer is not for me. Yet I kill mosquitoes and flies. I fish too. What makes one acceptable for me and not the other?

I like the song "White Christmas," but when the Ku Klux Klan in Commerce, Ga., wants to use it as a theme for a float in a parade, I bristle.

Flying in a plane does not bother me, but to stand on the roof of a building and look over or to get up very high on a ladder bothers me a great deal.

In my Senate voting pattern I'm sure there are inconsistencies that you see better than I.

I am inconsistent, and I expect some inconsistency in government, in part because those of us in government—and outside of government—change our minds from time to time. We should. Sometimes that means growth.

But there is a gargantuan inconsistency in an administration that says it is for a remote goal of eliminating nuclear weapons from the face of the earth, but objects to an immediately obtainable goal of stopping the testing of all nuclear weapons.

Above-ground testings stopped when the United States and the Soviet Union agreed on that in 1963. The world has less radiation exposure because of that, less cancer, and less threat to all life.

But the United States is continuing underground testing. There is no question that we can now verify and detect all but the tiniest underground testing the Soviets might do. And they have offered to let us place sensing devices in the Soviet Union to monitor even the tiny ones.

The Soviets have called off all testing for several months and have said they will stop testing entirely if we will. Former Presidents Ford and Carter say we should.

Why don't we agree? Why do we let the Soviets come off in world opinion as the peacemakers on this while we play the role of villain?

The reason given is that we want to make sure our nuclear warheads work. We need to continue to perfect and improve them, we are told. We also want to test nuclear warheads in connection with X-ray lasers.

Personally, I'd like to see both the Soviets and the United States less sure the hateful things work. I want to see some barriers in the way of perfecting and improving them.

Stopping the testing would be a significant step toward control of these monsters.

Now that we finally have the chance to do this, for the first time in U.S. history we have an administration that opposes such an agreement, while it mouths pious talk about outlawing all nuclear weapons.

I am less interested in pious talk than I am concrete action. It is far worse than idiotic not to enter such an agreement with the Soviets; it is downright dangerous to all of humanity.

I am sure there are environmental dangers unknown to all of us when we have these underground tests. But the great danger of continuing the tests is that we continue the nuclear arms race.

We cannot continue that arms race without ultimately destroying humanity.

A little inconsistency I can tolerate; I see it in myself.

But for an administration to preach and not enter an agreement to stop all nuclear testing is such a gross inconsistency that it is beyond my understanding.

This administration somehow must be forced to see the danger it is creating.

THE SANDINISTAS AND THE JEWISH QUESTION

● Mr. QUAYLE. Mr. President, last Sunday President Reagan spoke to the American people on the threat Sandinista rule in Nicaragua poses to the development of democracy in Latin America. One manifestation of this threat, which President Reagan noted in his speech, is the oppression of the Jewish community in Nicaragua.

There are no longer any Jews left in Nicaragua. Sandinista gunmen firebombed the Managua synagogue early on and hounded the Jews living there until they all left the country.

These points recently were emphasized in a letter I received signed by 19 prominent American Jewish leaders including the chairman of the Zionist Organization of America, the president of the Herut Zionists of America, and the former chairmen of the United Jewish Appeal, and the Conference of Presidents of Major Jewish Organizations. They also were made in an editorial by Kenneth J. Bialkin, chairman of the Conference of Presidents of Major American Jewish Organizations and national chairman of the Anti-Defamation League of B'nai B'rith.

Mr. President, in the hope that wider distribution of these items will help underscore the correctness of President Reagan's request to put military pressure on the Sandinistas to move toward true democracy, I ask that the full text both of the letter and the editorial be entered at an appropriate place in the RECORD.

The material follows:

March 18, 1986.

Hon. DAN QUAYLE,
U.S. Senate, Washington, DC.

DEAR SENATOR QUAYLE: We write to you as Americans concerned about the growing threat to U.S. strategic interests in Central America. Our concern is heightened by the increasing Soviet-supplied arsenal being accumulated by the Sandinista government of Nicaragua, and by the Sandinistas' willingness to export this weaponry to anti-democratic forces throughout Latin America.

We watched as the Sandinistas joined enemies of the West to provide a beachhead for the Soviet Union in Central America. We have also witnessed the Sandinistas' support for revolutionaries in Latin America and beyond.

We watched with dismay as Nicaragua's Jewish community suffered under Sandinista rule. In 1978, Sandinista gunmen firebombed Managua's synagogue. Individual Jews were hounded until, by 1981 they had fled the country, fearing for their lives. The anti-Semitism continued even after the Jews had left. Jewish-owned property was seized, and in July, 1982, the government-approved press referred to "synagogues of Satan" and resurrected the calumny that "the world's money, banking and finance are in the hands of descendants of Jews."

Prominent among the Sandinistas' allies are the PLO's Yasir Arafat and Libya's Muammar Qadhafi. In a 1980 speech, Interior Minister Tomas Borge praised the relationship between Nicaragua and the PLO, pledging that "the PLO cause is the cause of the Sandinistas." In addition, over the past four years, Libya has provided the Sandinistas with $400 million in aid, and now helps to train the Sandinistas' political police.

The anti-Semitism in Nicaragua is a reflection of the repression inherent in the Marxist-Leninest society the Sandinistas seek to establish. Furthermore, the Sandinistas' ties to Libya and the PLO exemplify the support that the Managua regime gives to the world's terrorist groups.

We cannot remain silent as Nicaragua denies human rights at home while attempting to undermine democracy abroad. Many victims of this government have taken up arms in the hope of wrestling power from the Sandinistas and of establishing freedom and democracy where dictatorship now rules.

We support a negotiated settlement to this conflict. But we recognize that, at this time, unless the United States aids the democratic forces, the Sandinistas will continue to resist the establishment in Nicaragua of a pluralistic, democratic society. We therefore urge that, in the interests of freedom, democracy and our own security, you support the administration's request for aid to the anti-Sandinista resistance.

Sincerely,

Signed in formation: [1]

Max M. Fisher, Former Chairman, United Jewish Appeal; Morris Abram, Attorney, New York, NY; David Bar Illan, New York, NY; Adel E. Berland, Chicago, Ill.; Julius Berman, Former Chairman, Conference of Presidents of Major Jewish Organizations; Samuel H. Dresner, Rabbi, Riverdale, NY; Samuel Eisenstat, New York, NY; Richard J. Fox, Philadelphia, PA; Mendy Ganchrow, M.D., Monsey, NY; Joshua O. Huberman, Rabbi, Washington Hebrew Congregation, Washington, DC; Hart Hasten, President, Herut Zionists of America; George Klein, New York, NY; William J. Lowenberg, San Francisco, CA; Ivan Novick, Chairman of the Board, Zionist Organization of America; Stanley Rabinowitz, Rabbi, Adas Israel Congregation, Washington, DC; Frits A. Rothschild, Rabbi, New York, NY; Morris Sherer, Rabbi, Agudath Israel of America, New York, NY; Jack Stein, Former Chairman, Conference of Presidents of Major Jewish Organizations; Gordon Zacks, Columbus, OH.

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[1] Organization and affiliation listed for identification only.

BIALKIN: JEWS SUPPORT REAGAN ON CENTRAL AMERICA

(By Walter Ruby)

The chairman of the umbrella group of leading American Jewish organizations appeared to endorese President Reagan's Central American policy and his request for aid for Nicaraguan contras last Wednesday, engendering controversy among other members of the group. But in later comments to the Jewish World, Kenneth J. Bialkin said his remarks should not necessarily be construed as support for the President's proposal for $100 million in military and logistical aid for the contras.

Bialkin, chairman of the Conference of Presidents of Major American Jewish Organizations, made his comments appearing to support the President's stand at the White House, in response to a presentation by Reagan to Jewish leaders on the issue.

Addressing a foreign policy briefing for the Presidents' Conference, a group which includes the heads of 40 Jewish organizations, Reagan strongly appealed for support for his efforts to help the contras, who have been fighting to overthrow the Sandinista government in Nicaragua. As he has on earlier occasions, Reagan claimed that government had persecuted the Nicaraguan Jewish community. He also accused it of being allied with Libya and the Palestine Liberation Organization.

Bialkin responsed, "I would lose my job if I said the whole Conference of Presidents speaks as one in supporting you." But he added, "I believe that the overwhelming sympathy and support of the American Jewish community rides with freedom, rides with the defense of those who wish to fight for their freedom and would support you in your interested and objective and principled effort in that area."

Bialkin, who is also national chairman of the Anti-Defamation League of B'nai B'rith, an organization that has outspokenly denounced the Sandinista, said later, "While I was not speaking on behalf of anyone but myself, I think my comments were a general reflection of the sentiments of the people in the room," referring to members of the President's Conference. "After I uttered those words, I was interrupted by applause."

A top leader who asked not to be identified said, "A number of participants felt that when Bialkin made the statement on Central America he was extending the role of the President's Conference into areas it is not supposed to go. The Presidents' Conference is supposed to focus on one issue—Israel."

But Bialkin remarked, "It is true that Central America is not within the purview of the President's Conference. I made clear that I was not speaking on behalf of the President's Conference, but reflecting a mood which I believe has resonance in the Jewish community."

He added, "My statement simply expressed support for the President's stated determination to support freedom in Central America. It was not meant to suggest support for aid to the contras. My statement was not meant to be an endorsement of contra aid by the Jewish community. The attitudes of the Jewish community on this issue are all over the lot."

Asked whether his remarks would not be construed by the press and by many in the Jewish community as support for the President's position, Bialkin replied, "I can only reassert that my statement was not meant as an endorsement of the contras. I do believe, however, that most of our community and most of the leaders of the Presidents' Conference are with the President in his spirit and approach when he talks of the importance of trying to preserve freedom in Central America."●

NATIONAL AGRICULTURAL DAY

● Mr. BOREN. Mr. President, yesterday was National Agriculture Day, a day officially recognized by the President and the Congress as a day of "observance and celebration" of American agriculture.

Mr. President, on this, the sixth National Agriculture Day, I "observe" that there is very little to "celebrate."

Agriculture is in the worst crisis since the Great Depression of the thirties. In some ways, conditions are worse. Just 35 years ago, net farm income for 1 year would have more than paid off total farm debt. This past year the debt was over 16 times as much as annual income. In 1950, net farm income was $19 billion and total farm debt was $12.5 billion. In 1983, net farm income had fallen to $5.4 billion while total farm debt had skyrocketed to $216.3 billion. This past year, net farm income fell 20 percent; 1986 net farm income is expected to be 33 percent lower than net farm income for 1981. For the past 6 years, American farmers have had very little cash income with which to attempt to service a huge debt. At the same time, the farmer's ability to borrow is declining because so many farms are being forced onto the market.

The value of agricultural land has fallen 38 percent in the last 4 years. It is important to note that this percentage decline necessarily includes land near urban areas which are being converted from farmland to land for other uses, such as apartments and shopping centers. The inclusion of this land in the estimate, though unavoidable, blankets the fact that in many countries, dependent totally upon agriculture, land values have fallen over 50 percent in the past couple of years. As land values have fallen, more and more farmers find their equity eroded to unacceptable levels. In the past 5 years, we have seen more than a 200-percent increase in farm bankruptcies and forced liquidations.

As equity has eroded, many farmers who are completely current on their debt payments are being threatened with foreclosure. I would like to be able to say that this is not happening, that farmers who are current will not be foreclosed upon. Regretfully, I am aware of two cases this past year where farmers were foreclosed on even though they were current with their payments. Many farmers' equity has eroded to the point of being unable to support the amout of debt owed, de-

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spite being current on their payments. Before a farmer can borrow money, he must show that he has sufficient collateral to cover the amount of the loan. In some areas of the country, land values have fallen so drastically that the present value of the land will not cover the current debt-load, much less cover the amount of an operating loan needed to put in this year's crop.

At the present time, it appears very likely that we have yet to reach the bottom of the decline in land values. The further the value declines, the more farmers, current on debt payments, that enter foreclosure status. The more farmers that are foreclosed upon, the more land that goes on the market. Mr. President, we are at the edge of a vicious downward spiral which threatens to bring down the entire economy of this country.

There are many who claim that we are merely getting rid of "inefficient" farmers. I assure you, we got rid of the inefficient farmers years ago. The farmers that are going out of business today are farmers who have been successful for 20 years or more. The farmers that are being forced out of farming today, are family farmers, those who get up at 4 in the morning during calving season, those who work until 2 or 3 in the morning to get their crops harvested before rain. These are the farmers that are going under today.

Twenty-nine percent of all farm debt, approximately $62 billion, is owed by farmers with debt-to-asset ratios over 70 percent. Thirty-three percent of all farm debt, approximately $71 billion, is owed by farmers with debt-to-asset ratios of 40 to 70 percent.

Twenty percent of all farms, 129,000 farms, show financial stress. About 320,000, or 18.9 percent of all farms, have a debt-to-asset ratio of 40 percent; 196,000 farm, 11.6 percent, had debt-to-asset ratios of 40 to 70 percent; 123,000, or 7.3 percent, were highly leveraged and technically insolvent with debt-to-asset ratios greater than 70 percent; 51,000 operators, or 3 percent of all farms, had debt-to-asset ratios over 100 percent.

Twenty-seven percent of outstanding commercial bank debt was held by borrowers with debt-to-asset ratios over 70 percent.

In 1982, there were 4,112 commercial banks classified as agricultural banks having more than 25 percent or more of their portfolio in agricultural loans. In June 1985, there were only 3,930. In 1983, there were 133 potentially vulnerable agricultural banks. By 1985, there were 302. In June of 1983, there were 106 problem agricultural banks. By October 1985, the number of problem agricultural banks had increased by over 400 percent, to 413 banks.

The percentage of bank failures that are agricultural increased dramatically from 15.9 percent in 1983 to 59.5 percent in the first 10 months of 1985. Fifty-two of the 62 agricultural banks that failed in 1985 were located in a six-State area including Nebraska, Iowa, Kansas, Oklahoma, Minnesota, and Missouri. In 1982, only 7 agricultural banks failed; in 1983, there were 7, and in 1984 there were 25.

By the end of 1985, nearly 40 percent of problem commercial banks were agricultural banks, up from 24 percent 2 years earlier. Under a low-medium loss scenario, about 70 agricultural bank failures could be expected in 1986 and 60 in 1987. Under a high-loan-loss scenario, it is estimated that about 150 farm banks would fail in each of the next 2 years.

Under present conditions, it would take average price increases of over 30 percent to restore all family size commercial farms to positive net cash flows. Given the tremendous increase in surplus stocks and rapidly declining level of exports, it is doubtful that we will experience any increase in income this year and possibly not even next year.

Mr. President, the news from Oklahoma is not encouraging. Real farm income continues to decline, along with farmland values which decreased 14 percent in 1985 and 38 percent from the high in 1982. Prices received by farmers continue to decline relative to prices paid by farmers, further eroding profitability. Commodity prices for 1985 fell 10 percent, the worst since 1953. Real interest rates remain high. The value of total farm assets will continue to decline, but perhaps at a slower rate.

The Federal Reserve Bank of Kansas City reports banking estimates indicating 3.1 percent of the farmers and ranchers in the district went out of business last fall, three times what bankers consider "normal." Partial liquidations were up by nearly five times the norm. Some 25 Oklahoma banks have failed since 1982, many of them rural banks with large farm loan portfolios.

An estimated 25 percent of Oklahoma's farm and ranch families are in financial difficulty. Per county, about 100 are in severe condition and 120 are approaching severe problems. Farm foreclosures and bankruptcies are 9 to 10 times "normal" in the banking region that includes Oklahoma.

Farm population in the United States declined 7 percent in 1985, the sharpest drop in a decade, and Oklahoma shared in that decline. As of January 1986, 9,400, or 18.1 percent of FmHA borrowers in Oklahoma were delinquent on payments.

Why has the crisis reached this point? In part, I believe it is because many Americans do not understand the economics of agriculture or the importance of the farm sector to them personally. They do not know that to start an average family farm today requires over $425,000 in capital. The majority of the American people believe that they are subsidizing the farmer. In one sense, the taxpayers have subsidized farmers through programs which have cost far more than they should due to shortsighted farm policies.

In the larger sense, it is the farm sector which is subsidizing the rest of the country. The facts are clear. Agriculture is the most productive and most efficient sector of our Nation's economy. Additionally, our farmers have been giving Americans the greatest food bargain in the world. Americans spend only 15 percent of their income for food. The average Russian spends 45 percent for food. Even in Great Britain the average is about 28 percent. American food consumers get more for their money today than in 1950.

In great part, American consumers have received these benefits due to the dramatic increases in the productivity of our farmers. At the beginning of this century, one farmworker could only feed seven persons. By 1970, this one farmworker supplied enough food and fiber for 73 people. In the past 15 years, the productivity of this one farmworker has skyrocketed. A farmer in America now feeds 116 people. This increased agricultural productivity, the rise in output per unit of input, has been a major contributor to improved living standards for Americans. As agricultural productivity has increased, consumers have been able to upgrade their diets at a lower cost.

The economic activity of agriculture employs 21 million people and accounts for 20 percent of the Nation's gross national product.

It is consistently one of the few sectors of our economy where we have a favorable trade balance.

Farmers are so productive that they produce food for the U.S. population, about a third larger than a quarter century ago, and do it with the output from fewer farm acres. Meanwhile, farmers have increased the acres planted for export by nearly 75 percent in those 25 years.

Farmers have a big stake in farm exports, but so do nonfarmers. Every additional $1 billion of farm exports creates another $1.37 billion of economic activity in the United States, for a total of $2.37 billion. Each additional $1 billion in farm trade makes jobs for 30,000 to 35,000 or more people.

The jobs are on farms—as well as in supplying farm production inputs for farmers; in local and long-distance transportation by truck, rail, river barges, and ocean-going ships; providing financing all along the way, along with warehousing and inspection; processing; and other activities. In 1984, 1.1 million full-time U.S. jobs related to agricultural exports.

Even if you do not have an export-related job, you have a stake in agricultural exports. Farm exports have exceeded farm imports continuously since 1960. That helps offset the growing U.S. negative balance of trade from nonfarm foreign trade, which has had a continuous deficit since 1971. The dollars from the favorable balance of trade in farm exports are used to pay for imports of consumer goods.

Farmers, however, have been absorbing the cost of providing these benefits to the rest of the Nation usually selling below their actual cost of production and by going broke in record numbers. Farmers only receive 27 cents of the consumers' food dollar spent for food raised on U.S. farms, down from 33 cents 20 years ago.

When we have record numbers of farmers going bankrupt, our entire economic system is threatened. When land values collapse, banks whose loans are secured by the land get in trouble, and small businesses start to fold. This possible domino effect is chillingly reminiscent of that which began on the farms in the late 1920's and spread across the Nation in the Depression of the 1930's. History has shown that the Great Depression of the thirties was "farm led and farm fed." Right now, we are faced with a repeat of that national disaster.

Last year, we lost about 4 percent of our farmers. As a result, land values in the Farm Belt fell over 10 percent. If we lose 10 to 15 percent in 1 year, as some predict could happen this year, it is not hard to imagine what will happen to land values and subsequently to the economy at large.

What can be done? No one can pretend to have all the answers, but some steps clearly must be taken. First of all, we simply must improve farm income. The best way to prevent foreclosures and mass liquidations of assets is to improve a farmer's ability to repay his debts. More credit, more loans to farmers will not resolve the problem; rather, it will only delay an inevitable crisis. The only way to avoid the crisis is to raise farm income. It is also the cheapest and most efficient way to help farmers stay in business.

Second, we must enact a credit program that helps farmers restructure the debt they already have. With land values declining rapidly, many farmers won't be able to stay in business unless they eliminate a portion of their debt. In most cases, it is cheaper for the lenders to write off a portion of the borrower's debt than it is to foreclose on the borrower when land values have fallen dramatically.

Third, we must bring down Federal budget deficits so that farmers can borrow money at a reasonable rate of interest. Additionally, bringing down Federal budget deficits will improve our ability to export more agriculture commodities by combating the overvalued dollars.

Finally, we should develop a long-range, multiyear policy aimed at preserving our family farmers by allowing them to receive a fair price for their products. We did enact some improvements in farm policy last year as part of the 1985 farm bill. However, Congress failed to adequately address the current problems of improving income for farmers today. Before the long-range policies of the farm bill are implemented, most of the family farmers will not be around. The Food Security Act of 1985 will lower farm income for the first 3 or 4 years. Most farmers cannot survive the transition period.

Mr. President, for many of us, the problems of agriculture seem too difficult to resolve. However, we have faced challenges in this country before and we have always risen to meet the challenges successfully. Maintaining family farms is not impossible, but it will require determined action and bipartisan work. It is my hope that all of us can band together and tackle the problems of the family farmer.●

RULES OF THE COMMITTEE ON SMALL BUSINESS

● **Mr. WEICKER.** Mr. President, pursuant to rule XXVI, paragraph 2 of the Standing Rules of the Senate, I submit for printing in the CONGRESSIONAL RECORD the current rules of the Committee on Small Business for the 99th Congress.

The rules follow:

COMMITTEE RULES

1. GENERAL

All applicable provisions of the Standing Rules of the Senate and of the Legislative Reorganization Act of 1946, as amended, shall govern the Committee and its Subcommittees. The Rules of the Committee shall be the Rules of any Subcommittee of the Committee.

2. MEETINGS AND QUORUMS

(a) The regular meeting day of the Committee shall be the first Wednesday of each month unless otherwise directed by the Chairman. All other meetings may be called by the Chairman as he deems necessary, on three days notice where practicable. If at least three Members of the Committee desire the Chairman to call a special meeting, they may file in the office of the Committee a written request therefor, addressed to the Chairman. Immediately thereafter, the Clerk of the Committee shall notify the Chairman of such request. If, within three calendar days after the filing of such request, the Chairman fails to call the requested special meeting, which is to be held within seven calendar days after the filing of such request, a majority of the Committee Members may file in the Office of the Committee their written notice that a special Committee meeting will be held, specifying the date, hour and place thereof, and the Committee shall meet at that time and place. Immediately upon the filing of such notice, the Clerk of the Committee shall notify all Committee Members that such special meeting will be held and inform them of its date, hour and place. If the Chairman is not present at any regular, additional or special meeting, the ranking majority Member present shall preside.

(b)(1) Ten Members of the Committee shall constitute a quorum for reporting any legislative measure or nomination.

(2) Seven Members of the Committee shall constitute a quorum for the transaction of routine business, provided that one minority Member is present. The term "routine business" includes, but is not limited to, the consideration of legislation pending before the Committee and any amendments thereto, and voting on such amendments.

(3) In hearings, whether in public or closed session, a quorum for the taking of testimony, including sworn testimony, shall consist of one Member of the Committee or subcommittee.

(c) Proxies will be permitted in voting upon the business of the Committee by Members who are unable to be present. To be valid, proxies must be signed and assign the right to vote to one of the Members who will be present. Proxies shall in no case be counted for establishing a quorum.

3. HEARINGS

(a)(1) The Chairman of the Committee may initiate a hearing of the Committee on his authority or upon his approval of a request by any Member of the Committee. The Chairman of any subcommittee may, after approval of the Chairman, initiate a hearing of the subcommittee on his authority or at the request of any member of the subcommittee. Written notice of all hearings shall be given, as far in advance as practicable, to Members of the Committee.

(2) Hearings of the Committee or any subcommittee shall not be scheduled outside the District of Columbia unless specifically authorized by the Chairman and the Ranking Minority Member or by consent of a majority of the Committee. Such consent may be given informally, without a meeting.

(b)(1) Any Member of the Committee shall be empowered to administer the oath to any witness testifying as to fact if a quorum be present as specified in Rule 2(b).

(2) Any Member of the Committee may attend any meeting or hearing held by any subcommittee and question witnesses testifying before any subcommittee.

(3) Interrogation of witnesses at hearings shall be conducted on behalf of the Committee by Members of the Committee or such Committee staff as is authorized by the Chairman or Ranking Minority Member.

(4) Witnesses appearing before the Committee shall file with the Clerk of the Committee a written statement of the prepared testimony at least 24 hours in advance of the hearing at which the witness is to appear unless this requirement is waived by the Chairman and the Ranking Minority Member.

(c) Witnesses may be subpoenaed by the Chairman with the agreement of the Ranking Minority Member or by consent of a majority of the Members of the Committee. Such consent may be given informally, without a meeting. Subpoenas shall be issued by the Chairman or by any Member of the Committee designated by him. Subcommittees shall not have the right to authorize or issue subpoenas. A subpoena for the attendance of a witness shall state briefly the purpose of the hearing and the matter or matters to which the witness is expected to testify. A subpoena for the production of memoranda, documents and records shall

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identify the papers required to be produced with as much particularity as is practicable.

(d) Any witness summoned to a public or closed hearing may be accompanied by counsel of his own choosing, who shall be permitted while the witness is testifying to advise him of his legal rights.

(e) No confidential testimony taken, or confidential material presented to the Committee, or any report of the proceedings of a closed hearing, or confidential testimony or material submitted voluntarily or pursuant to a subpoena, shall be made public, either in whole or in part or by way of summary, unless authorized by a majority of the Members of the Committee.

4. AMENDMENT OF RULES

The foregoing rules may be added to, modified or amended: provided, however, that not less than a majority of the entire Membership so determine at a regular meeting with due notice, or at a meeting specifically called for that purpose.●

FRANKLIN COLLEGE

● Mr. QUAYLE. Mr. President, today, I would like to bring to the attention of my colleagues Franklin College. Franklin College is a small liberal arts college that enrolls approximately 540 students in Franklin, IN.

Two fires recently swept through parts of the college campus, damaging a dormitory, an administrative building, and classrooms. These disasters have not, however, undermined the determination, spirits, and good will of students, faculty, administrators, and friends of Franklin College. Despite recent catastrophes and the logistical and financial difficulties that ensued, Franklin College continues to provide quality education and is today a thriving intellectual community.

I ask to have printed in the Record an article that appeared Sunday, March 9, 1986, in the Indianapolis Star, highlighting the recent troubles and successes at Franklin College.

The article follows:

Franklin College

For the past decade, gloom-and-doom prophets in educational circles have been predicting the disappearance of many, if not all, of the nation's small private colleges.

Undoubtedly some are in trouble. But others are weathering adversity well. Franklin College is a good example.

Disastrous fires hit the 152-year-old campus in March and April of 1984. Bryan Residence Hall was completely destroyed in the March fire. Less than a month later, Old Main, the dominant building on the campus and headquarters for administration and instruction, was the scene of a second major fire.

Only those closely involved know the hours, days and months of trial and tribulation that followed. Emergency housing, emergency classrooms, necessary decisions about future planning, a multitude of day-to-day actions.

The end result could easily have been a school that couldn't survive. But Franklin College has.

Despite the many problems, enrollment is up and students, faculty, alumni and administration have cooperated. And a determined board of trustees has embarked on a program of reconstruction and construction. They've also embarked on a fund raising campaign to make the college even better.

Judging from past performance, they'll succeed, another example of the staying power of private higher education.

AFRICAN FAMINE RECOVERY AND DEVELOPMENT FUND

● Mr. KENNEDY. Mr. President, on Wednesday, Senator Kasten and I introduced a major new initiative to establish an African Famine Recovery and Development Fund.

Due to an error, the text of the bill, S. 2208, was not printed at the time in the Record. So that our colleagues and other readers of the Record may read the text, I submit the bill for the Record.

The bill follows:

S. 2208

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SHORT TITLE

Section 1. This Act may be cited as the "Africa Famine, Recovery and Development Fund Act of 1986":

AFRICA FAMINE, RECOVERY, AND DEVELOPMENT INITIATIVE

Sec. 2. Part I of the Foreign Assistance Act of 1961 is amended by adding after chapter 6 the following new chapter:

"CHAPTER 7—AFRICA FAMINE, RECOVERY, AND DEVELOPMENT INITIATIVE

Sec. 471. Statement of Policy.—(a) The Congress finds that—

"(1) the human tragedy and suffering existing in Africa requires a global initiative which must be undertaken in the context of a long-term commitment to addressing Africa's fundamental development problems;

"(2) there is, for the first time in the history of independent Africa, a consensus on the problems and probable solutions to Africa's basic development needs which is shared by the independent nations of Africa and the industrialized countries alike;

"(3) these problems include—

"(A) the need to develop more appropriate economic policies which foster growth, restore balance in the roles of the public and private sectors, and establish a favorable environment for individual enterprise and self-sustaining development;

"(B) the need to expand agricultural production through, among other things, agricultural structural reforms in such areas as pricing policy and privatization of parastatals, the expansion of agricultural research and the development of more effective extension services so that the benefits of research are disseminated as widely as possible, the growth (on a country or regional level) of an indigenous capability to develop and make available technology appropriate to the many cultures that comprise sub-Saharan Africa, and to develop and improve needed production related infrastructure;

"(C) the need to reverse the gradual degradation of the land on which the livelihood of most Africans depends and to address the pressures that a rapidly expanding population places on the land and the resource base of African countries;

"(D) the need to introduce and expand self-sustaining health programs to improve the quality of life of the people and increase their ability to contribute to economic growth;

"(E) the need to find employment in both the rural and urban sectors for the ever-increasing numbers of working-age Africans; and

"(F) the need to improve the productive capability of the people through improved and expanded education and training.

"(4) the world community has contributed significant amounts of resources in the past with mixed results; however, there is now increased realization that the problems faced in Africa can be most effectively met by African governments themselves to—

"(A) develop and promote economic policies which are growth oriented, which encourage the indigenous private sector to play a leading role in development, and which stimulate agricultural production;

"(B) expand the institutional framework within which agricultural research can be conducted and its results made available to the African farmer including the development and improvement of necessary infrastructure;

"(C) promote sound land management systems which take into account the need to increase agricultural production without damaging the fragile environment in Africa;

"(D) expand the benefits of improved health technologies by developing a self-sustaining capability to meet health needs so that children and adults can live longer lives and contribute more significantly to the economic development; and

"(E) expand the availability of vocational and other education and training to enable Africans to better handle the challenges of development.

"(b) It is the purpose of this chapter to establish the statutory framework and to authorize the appropriations necessary to carry out the policy described in this section and to assist African countries to address the problems and achieve the objectives contained in this section.

"Sec. 472. Relief, Rehabilitation and Recovery.—(a) The Congress recognizes that the people of sub-Saharan Africa have been repeatedly threatened and affected by disasters. Drought, flood, and famine have caused countless deaths and untold suffering, as well as severely affecting long-term development as resources are devoted to meeting immediate survival needs at the expense of investment for the future. The Congress also recognizes that the effects of disasters can be magnified by, or may be the result of, policies and practices which degrade the land and foster environmentally unacceptable land use patterns. In recognition of the humanitarian concern and tradition of the people of the United States for the victims of disasters, as well as the relationship between such disasters and the inability of countries with limited resources to meet both immediate survival needs and long-term growth requirements, the President is authorized, in addition to amounts otherwise available for such purposes, to provide assistance, on such terms and conditions as he may determine, for relief, rehabilitation, and recovery activities in Africa. Such assistance for relief, rehabilitation, and recovery activities for the victims of disasters may include the furnishing of seeds for planting, fertilizer, pesticides, farm implements, farm animals and vaccine and veterinary services for livestock, blankets, clothing, and shelter, disease prevention and health care activities, water and small-scale agricultural projects and food protection and storage activities. Where appropriate, recovery activities should serve as the foundation for long-term development activities undertaken pursuant to the authority contained in section 473 of this chapter.

"(b) Private and voluntary organizations are encouraged to continue their significant role in providing assistance for relief, rehabilitation, and recovery activities.

"(c) Amounts allocated to carry out the provisions of this section may be used for operating expenses of the Agency for International Development for management support activities associated with the planning, monitoring and supervision of assistance provided under this section.

"(d) Assistance under this section shall be furnished in accordance with the policies of this section and the general authorities contained in section 491 of this Act.

"Sec. 473. Long-Term Development.—(a) The President is authorized to provide assistance, on such terms and conditions as he may determine, for long-term development in Africa. The objectives of such assistance include the following:

"(1) Increasing agricultural production, especially of food, in significant measure through agricultural policy changes at the macro-economic and sector levels. Furthermore, efforts to increase production should include agricultural research and extension, development and promotion of agriculture marketing activities and production packages, and the construction and improvement of needed production related infrastructure. Significant increases with equity should be sought in rural income, with emphasis placed on the small producer, the majority of whom are women, and the farm family. In view of the central role of women in African food systems, gender roles need to be analyzed and taken into account in order to ensure the integration of women into development activities.

"(2) Africa's natural resources base should be maintained and restored in orders to increase and sustain agricultural productivity. Where appropirate, efforts should promote small-scale, affordable, resource-conserving projects, using appropriate technologies and methods suited to the local environment and featuring close consulation with and involvement of local people during the design and implementation of projects.

'(3) Improvement of the quality of life of mothers and children should be sought primarily through the establishment of self-sustaining primary health care systems which are capable of providing adequate health, family planning and nutrition services. Funds made available under the Child Survival Fund described in section 104(c) should be used to the maximum extent practicable in furnishing assistance under this paragraph.

"(4) Improvement in the relevance and productivity of educational institutions should be made a high priority, with substantial attention given to improving primary education. Emphasis should also be placed on expanding the numbers of qualified middle and senior level professionals, managers and technicians.

"(5) Attention should be directed toward the development and generation of income generating opportunities in urban and rural areas. Off-farm employment by means of small-scale enterprises, especially such enterprises which relate to processing increased agricultural production and adding to the value of that production, should be encouraged, as well as the fostering of other appropriate industries.

"(b) The President shall carry out the authorities contained in this section, through the provision of program and project assistance, in accordance with the policies contained in section 102.

"(c) Assistance under this section shall be provided, to the maximum extent practicable, in achieving the objectives of this section, through private and voluntary organizations.

"Sec. 474. Africa Famine, Recovery and Development Fund.—(a) There are authorized to be appropriated to the President for each of the fiscal years 1988 through 1991, in addition to funds otherwise available for such purposes, such amounts as may be necessary to carry out the purposes of this chapter. Amounts appropriated under this subsection are authorized to remain available until expended.

"(b) Funds appropriated for the fiscal year 1987 to carry out the purposes of chapter 1 of this part which are allocated for assistance for Africa shall be transferred to, and consolidated with, funds appropriated under subsection (a) and may be used for any of the purposes of this chapter.

"(c) To the maximum extent practicable, funds available to carry out chapter 4 of part II (relating to the economic support fund), title IV of chapter 2 of this part (relating to the Overseas Private Investment Corporation), the Export-Import Bank Act of 1945, the Peace Corps Act, and the African Development Foundation Act shall be used to carry out the purposes of this chapter. To the maximum extent practicable, the Agency for International Development should use resources and authorities available under the Agricultural Trade Development and Assistance Act of 1954 and the Food for Progress Act of 1985 to complement the assistance provided under this chapter.

"(d) Amounts made available pursuant to this section may be referred to as the 'Africa Famine, Recovery and Development Fund'.

"Sec. 475. Policy on Procurement.—It is the sense of the Congress that the achievement of the objectives of this chapter will, to a considerable extent, depend on the ability of the United States to provide goods and services from assistance furnished under this chapter as effectively and expeditiously as possible and to avoid overburdening the capability of African governments to effect such procurements. It is further the sense of the Congress that, for purposes of this Act, special circumstances exist which are critical to the achievement of the objectives of this chapter and if not addressed, would seriously impede attainment of those objectives. Therefore, the Agency for International Development is authorized, in light of those circumstances, to take whatever administrative steps it deems appropriate to provide such goods and services (either directly or procured by the recipient country), on an expedited basis and to finance, where appropriate and without limitation, goods and services normally found in the recipient country.

"Sec. 476. International Organizations.—(a) The Congress finds that international organizations, because of their broad political acceptability and their Africa-wide network of offices, have provided significant and critical support for development and humanitarian efforts in Africa. These efforts have complemented those undertaken by the United States to achieve the objectives described in this chapter, especially in support of macro-economic policy change. Of particular importance have been programs to assist Africans in their recovery from the effects of the recent drought, including assistance for the rehabilitation of agriculture, the provision of health care and nutrition services, and the coordination of emergency relief and recovery activities. The Congress further finds that international organizations must continue to play a significant role in addressing issues of critical importance to the development of Africa: agricultural production and research, maternal and child health care, family planning, primary and technical education, and the maintenance of Africa's natural resource base.

"(b) In recognition of the significance of international organizations in the long-term development of Africa, including the Special Program for Drought Rehabilitation in Sub-Saharan Africa of the International Fund for Agricultural Development, the President may make available from such amounts under section 474 as he deems appropriate for activities for such organizations, undertaken in coordination with the Agency for International Development, consistent with the purposes of this chapter. Such amounts shall be in addition to amounts authorized to be made available to such organizations pursuant to this or any other Act.

"Sec. 477. Multilateral Development Institutions.—(a) The Congress finds that the African Development Bank and the African Development Fund, as the region's own most prominent development institutions, have a unique role as molders of African opinion on economic issues and as sources of training for the continent's future development leaders. These institutions have become important sources, as well, of needed development financing for African countries unable to borrow on private capital markets. The Congress further finds that the sectoral priorities of these institutions, which include lending for activities to help African countries meet their basic food requirements, to develop their human resource potential through education and health programs, and to construct basic infrastructure, are consistent with the objectives of this chapter. The Congress recognizes that the Special Facility for Africa of the International Development Association has the potential for further increasing the amount and effectiveness of development resources available to Africa.

"(b) In recognition of the importance of these multilateral institutions in the development process in Africa, the Agency for International Development and these institutions are encouraged to cooperate, wherever practicable, on activities in support of the objectives of this chapter. Any amounts that are made available under section 474 may be used in conjunction with resources provided by the multilateral institutions to finance development activities consistent with such objectives. Whenever possible, activities financed under the preceding sentence should be coupled with efforts to effect significant policy reforms on the part of aid-recipient countries.

"Sec. 478. Definitions.—For purposes of this chapter the terms "Africa" and "sub-Saharan Africa" shall not be construed to include North Africa.".

POLICY ON DEVELOPMENT COORDINATION

Sec. 3. It is the sense of the Congress that the President should—

(1) encourage the Organization for Economic Cooperation and Development (OECD), the International Bank for Reconstruction and Development, and the United Nations to take a leading role in coordinat-

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ing development efforts in Africa, including the establishment of equitable burden sharing among donors, and, if appropriate, the establishment of an international coordinating mechanism; and

(2) assist the efforts of the agencies referred to in paragraph (1), if necessary.

POLICY ON TRADE

Sec. 4. It is the sense of the Congress that the Secretary of State, in cooperation with the United States Trade Representative, should coordinate a special effort to reduce trade barriers and encourage economic interchange with the developing countries of Africa.

REPORTS

Sec. 5. (a) Section 634(a) of the Foreign Assistance Act of 1961 is amended—

(1) by striking out "and" at the end of paragraph (11);

(2) by striking out the period at the end of paragraph (12) and inserting in lieu thereof "; and"; and

(3) by adding at the end thereof the following new paragraph:

"(13) a description of the progress made in carrying out chapter 7 of part I (relating to the African Famine, Recovery and Development Initiative).".

(b) Section 11 of the Peace Corps Act is amended—

(1) by striking out "and" at the end of paragraph (1);

(2) by striking out the period at the end of paragraph (2) and inserting in lieu thereof "; and"; and

(3) by adding at the end thereof the following new paragraph:

"(3) a description, including the amount of funds obligated and expended, of the activities undertaken during the preceding twelve months to carry out the purposes of chapter 7 of part I of the Foreign Assistance Act of 1961 (relating to the African Famine, Recovery and Development Initiative).".

REPEALS

Sec. 6. Sections 120, 121, and 495K of the Foreign Assistance Act of 1961 are repealed.●

THE NEED TO SPEAK RUSSIAN

● **Mr. SIMON.** Mr. President, some weeks ago, Frederick Starr, the president of Oberlin College, had an article published in the Washington Post about our foreign language studies, and particularly our study of Russian.

I regret that I put the article aside, intending to insert it in the Record sooner than I did. But it is as timely today as it was a few weeks ago when it was published in the Post.

Fred Starr is a linguish himself and speaks fluent Russian. He has contributed significantly toward greater understanding between the Soviet Union and the United States.

And I should add, I am personally indebted to him. The recent Commission on Foreign Languages and International Studies, appointed by President Carter, was appointed as the result of a suggestion that Fred Starr made to me and that I passed along to the President.

Among other things, he points out that 1 out of 5 American high school students is studying a foreign language of any kind, while 5 out of 5 Soviet students are.

I urge my colleagues to read his fine article.

The article follows:

We Can't Talk to the Russians—Exchanging Students Is Fine, But Who Speaks Their Language?

(By Frederick Starr)

The proposal to open up large-scale youth exchanges between the U.S.A. and the U.S.S.R. was, according to President Reagan, "one of the most exciting achievements" of the Geneva Summit. Addressing a joint session of Congress on his return from Geneva Nov. 21, Reagan affirmed that people-to-people exchanges "will help break down stereotypes, build friendships and, finally, promote an alternative to propaganda."

Skeptics have rightly pointed out that the Soviets are unlikely to permit thousands of their most impressionable young people to gain firsthand exposure to American life. But not all the impediments are on the Soviet side. If a large-scale program of exchanges of high-school-aged youths were opened tomorrow, Americans would be unable to participate. The reason? To few young Americans are able to communicate in the Russian language.

The most recent data from the schools makes this deficiency abundantly clear. Only one out of five American high school students is studying any foreign language today as contrasted to five out of five in the U.S.S.R. Those Americans studying Russian number a mere 5,702 from coast to coast.

In each of 32 states, fewer than 50 students are learning the Russian language at any level today. In spite of the importance of the U.S.S.R. in our lives, seven times more American school children study Italian than Russian, the number of Latin students is 32 times greater, and of those learning French fully 150 times larger.

It takes several years of study to gain a solid foothold in Russian. Yet among all young Americans in grades seven through 12 only 1,136 were above the second-year level in 1983, the most recent year for which complete data is available. In other words, only a few hundred high school students in the entire country have any practical competence in Russian.

Didn't Sputnik change all this, one might ask? Not really, for the post-Sputnik boom was both limited and brief. Even in the peak year of 1965, only 35,000 American high school students were studying Russian. By 1985 the number had plummeted to a seventh of that.

Surely, though, the situation is better in the colleges and universities? Not really. In 1983 only 30,000 American college students were studying Russian. A much-touted "recovery" since then has been, in actuality, very limited. At present rates it will take a decade and a half to catch up even to the level of the late '60s.

Even if that humble goal were attained, it would leave Russian language studies lagging far behind French, Spanish, and German in U.S. colleges. Moreover, only a handful of college students of Russian persist beyond the introductory courses. Like their counterparts in high school, most college students of Russian get all of the agony and none of the usable rewards.

It is all but impossible to participate in meaningful cultural exchanges without knowledge of the other side's language. Language, after all, is at the heart of culture. Soviet youths are at a disadvantage in that their government prevents them from travelling freely in the United States. Nonetheless, millions of them study English.

Our young people are at an even greater disadvantage because, for all their freedom to travel, they lack the essential linguistic skills to participate in intercultural contact. The fault is not their own. It is due, rather, to the failure of American educators in colleges, universities, and especially in secondary schools to provide the opportunity and encouragement for Russian language study.

The U.S. is the only industrialized country without a universal foreign language requirement in its high schools, and the only one that would allow its population to remain almost wholly ignorant of the language in which its chief adversary thinks.

Can the situation be improved? Possibly, but only if some mistakes from the past are corrected. First, it is impossible to build a corps of Americans fluent in Russian by starting at the college level. The attempt to do so has failed over 20 years, and for an obvious reason: College is too late. The center of language teaching must be in the schools—high school if necessary, but preferably the middle schools or even grade schools. To start later is like trying to build a house from the roof down.

Second, no progress will be made until we back the classroom teachers of Russian (and of foreign languages generally). Few state school boards or teachers' colleges value fluency in a foreign language and the ability to teach it. As a result, many of those who know Russian best—including recent immigrants from the USSR—cannot easily become certified to teach, while those with the necessary certification all too often lack the requisite fluency.

Without a larger group of Russian language teachers, President Reagan's dream can never become a reality.

There is a simple solution to this teacher shortage. Let's send a few hundred prospective teachers of the Russian language to the USSR to polish their fluency and build their pedagogical skills. They can make themselves useful by teaching American English in Soviet classrooms.

Meanwhile, let's open up a hundred or more positions in American classrooms for Soviet exchange teachers who can teach Russian for a couple of years each. While they do so, they can sharpen up their English for later use in classrooms back home.

Through such an effort, we would be in a position three years from now to send large numbers of well-prepared American high school students to participate in exchanges in the USSR. Meanwhile, those in each country most immediately involved with introducing the other country's culture and values to young people—the language teachers—would approach their task with a degree of knowledge commensurate with their responsibilities. Only in this way will cultural exchanges live up to the high expectations of the Geneva summit.●

SOVIET ATROCITIES IN AFGHANISTAN

● **Mr. HUMPHREY.** Mr. President, the brutal Soviet occupation of Afghanistan, now in its seventh tragic year, has hardly attracted the attention such savagery demands. According to the latest report of the U.N.'s special rapporteur, nearly 5 million Afghans—approximately one-third of the country's population—are refugees in neighboring countries. Civilian casualties numbered 35,000 in 1985 alone. Nevertheless, the American public has been strangely silent on this issue, largely because of Moscow's "media curtain" around Afghanistan.

This is, however, beginning to change, as evidenced by the reaction of Americans to a recent article in Reader's Digest, entitled "Agony in Afghanistan." Written by Jean-Francois Revel and Rosanne Klass, and condensed from National Review, the piece portrays the Soviet war in stark terms. The authors state that Moscow's message is clear from its "systematic campaign of butchery: Submit, get out, or die hideously." Slowly, Americans are realizing the true nature of the war. My office has received literally thousands of letters expressing these and similar sentiments:

> These people have no hope, barely any help, and certainly no place to go.
>
> I cannot believe that we would sit back and let this happen to humanity at any place in the world.
>
> I was appalled that our country in particular could turn the other way and allow this terrorism to happen!

I ask that the full text of the Reader's Digest article and two letters reflecting the public's outrage be printed in the Record.

The material follows:

March 7, 1986.

Senator Humphrey: This is the first letter of this type I have ever written. I certainly don't see myself as some type of flaming nut. But the item "Agony in Afghanistan" got to me. I find it hard to look at myself in the mirror or try to lead and teach my kids if I don't do whatever small thing I can to try to correct situations like this.

What can I do? What can we as a nation do?

February 21, 1986.

Hon. Gordon J. Humphrey,
U.S. Senate,
Washington, DC

My two daughters Gena and Georgia, ages 10 and 7, read with horror a Reader's Digest article entitled "Agony in Afghanistan" (March 1986 issue).

They came to me asking how we as a nation and as individuals can allow such atrocities to be happening.

They both decided to write letters to you as the chairman of the Congressional Task Force in Afghanistan.

My children are concerned about the way in which we are contributing to the Soviet campaign by not vocally and forcefully condemning it—by ignoring these atrocities—by not wanting to add more "discomfort" between the U.S. and the Soviet Union.

Obviously, I add my voice of concern to that of my children in the defense of their innocent brothers and sisters in Afghanistan.

We must support the brave people in Afghanistan in any way we can. As individuals, my daughters have decided that they can write letters of concern, they can pray for the Afghans, and they can also pray for their tormenters. As a nation, we must now take a stronger stand.

Agony in Afghanistan

(Condensed from National Review—Jean-François Revel and Rosanne Klass)

Afghanistan is being turned into a charnel house.

It is not only that the Soviets and their Afghan puppets have executed or tortured to death thousands of political prisoners. It is not only that they attack civilian targets—wedding parties, farmers in their fields, villagers in the bazaars—or that they single out medical facilities for destruction. It is not only that they pursue, rocket and strafe the slow, plodding caravans of refugees—women and children, mostly—fleeing to sanctuary in Pakistan and Iran. And it is not only that they burn crops, destroy granaries, and kill flocks and herds, or that they smash irrigation systems, pushing rural Afghanistan ever closer to the edge of famine.

These are not the sporadic actions of uncontrolled troops gone berserk. This is the deliberate, calculated Soviet forces into the villages of Afghanistan to rape, to loot, to burn, and to murder most horribly, leaving the mutilated dead as a warning and an omen to survivors. The message of this systematic campaign of butchery is clear: submit, get out, or die hideously.

The policy began with the Soviet invasion in 1979. Three years ago, in Oslo, an Afghan from the Panjsher Valley told a human-rights panel about a Soviet attack on his village in June 1980. Many villagers were killed, including his own father and grandmother, decapitated by Soviet soldiers who, with grisly cynicism, put the men's heads on the women's bodies, the women's on the men's.

Now, the number, ferocity and frequency of these atrocities are increasing as the Russians move methodically to crush and empty out the country. Last April in a single district in the Laghman Valley in eastern Afghanistan, nearly 800 people were slaughtered, from pregnant women and newborns to the aged—shot, burned alive, hanged, bayoneted, tortured or beaten to death, killed with grenades, decapitated, mutilated.

Only five months before, Soviet soldiers entered the village of Bilwom at Issa Kehl in northern Afghanistan, searching houses for young men to impress into the Afghan army. During the search, several women were raped, and a grenade was thrown into their house as the soldiers left the village. Hearing of this, mojahedin guerrillas ambushed the returning Soviet troops. Seven tanks were destroyed by rocket fire; one hit a mine and exploded.

Five days later, 400 Soviet soldiers circled the nearby villages of Rarao Keshlok Payan, Rarao Keshlok Bala, Tal Gouzar, Sar-e-Ocia and Tut Mazar and systematically entered every house, killing more than 600 people, including women and children, often shooting them in the head. Three pregnant women were disembowled. The houses were put to the torch, and the fires burned for five days.

Such atrocities are becoming commonplace. Yet one sees little about them in the media. The Soviet occupation continues to provoke a deliberate neglect of the facts. Information on Afghanistan is scarce, to be sure, because of Soviet censorship.[1] But even with censorship, there are still enough stories in the Western press—if they were taken seriously—to alert world opinion to the situation of the Afghan people. If the free world ignores this information, it is because it fears it will have to start questioning certain soothing interpretations of Soviet behavior and be forced to face the gravity of the crimes committed against the Afghan people.

The first reason for our voluntary ignorance about Afghanistan is our desire to interpret the invasion as an accident of Soviet foreign policy. Reread how it has been described by some of our oracles: It was mistake, a marginal act unrepresentative of the fundamental thinking of the Soviet leaders. Consequently, the Western powers should help them to get out of it, "to save face." How? By not bullying them, by not reawakening their well-known "sense of insecurity."

According to some analysts, we must abstain from arming the Afghan resistance, for fear of provoking the Soviets. Any threat of foreign intervention, they tell us, will only delay the spontaneous departure of the Red Army. In view of the inadequacy of our military aid to the Afghan resistance, one wonders how much further this would have to be reduced to "reassure" the Soviets, and how long it will take for their supposed desire to evacuate the country to be demonstrated. And, once gone, will they permit the local Communist regime to be swept out of Kabul, as undoubtedly it would be after the withdrawal of the Soviet military?

The second reason the West resists information about Afghanistan is the scale of human-rights violations by the Soviets in that counry. These violations are so widespread that our governments are afraid even to raise the question, knowing very well that Moscow will, in its usual humiliating manner, refuse to discuss it.

In a recent issue of the quarterly Politique Internationale, Michael Barry, a leading expert on Afghanistan, reports that between April 27, 1978 (the date of the pro-Soviet coup that preceded the invasion), and January 5, 1980, 27,000 people were executed in the Poli Charki concentration camp, six miles east of Kabul. "This is not an estimate," writes Barry. "This is the simple addition of the names of the victims posted in public places to discourage the families from crowding around the gates of the prison with packages of clothing and food." A sizable portion of the educated elite, the author adds, perished in this carnage: diplomats, doctors, professors, engineers, non-Communist army officers, spiritual leaders. While noting that the Afghan government's published list of those executed was "only" 12,000, a United Nations report corroborates the basic story.

The U.N. report cites several massacres of civilians. On September 13, 1982, in Padkhwab, Soviet troops tried to dislodge some people hiding in an underground irrigation channel by pouring a whitish mixture into the channel and setting fire to it; the 105 corpses were said to include 14 children.[2] On October 12, 1983, in the village squares of Kulchabat, Bala Karz and Mushkizi, 360 persons were executed, including 20 young girls and about 20 old people. In March 1984, several hundred civilians were mass-

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[1] "Afghanistan: The Secret Terror," Reader's Digest, May '84.

[2] See "Massacre in the Tunnel," Reader's Digest, August '83.

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sacred in the villages of Dash-e-Bolokhan and Dash-e-Asukhan.

The devastation of the country-side and the villages has brought the expected and desired result: near-famine conditions. According to Médecins sans Frontières, the French humanitarian organization that has been sending medical teams clandestinely into Afghanistan since 1980, infant mortality caused by malnutrition reached 85 percent in the Panjsher Valley in the winter of 1985.

Another result is the exodus. Four and a half million Afghans have fled their country since 1978, mostly to Pakistan. Since there are more than ten million displaced persons worldwide, that means that nearly one of every two refugees on this planet today is an Afghan. If you add the estimated half-million resistance fighters killed and civilians massacred or starved to death, this means that there remain today on Afghan soil only 10 million of the 15 million inhabitants of the country in 1978. Put another way, about 35 percent of the population is either in exile or dead.

When the first reports of the Nazi slaughter of the Jews emerged from Occupied Europe in 1942, they, too, were dismissed as "unsubstantiated," their sources labeled as hysterical and unreliable. A decade ago, nobody was willing to believe what was happening in Cambodia until more than a million people were killed. We hear constant regrets that nothing was known about these events until it was too late. We hear the slogan, "Never again."

But Afghanistan is "again," and it is hapening now. The killing continues every day.

EASIER THAN WOOD

(In September 1984, a team from the U.S. Helsinki Watch Committee went to the Afghan border and interviewed more than 100 Afghan refugees on the Soviet human rights violations in Afghanistan. "Just about every Afghan has a story to tell," the team reported. "Our interpreters, out guides, people we met accidentally had personally experienced atrocities as great as those of the victims we had interviewed. An Afghan doctor who interpreted for us in a hospital had a sudden outburst as we were leaving: What's the point of all this? People should know by now. There are no human rights in Afghanistan. They burn people easier than wood.'" The following excerpts from the Helsinki Watch interviews and report present horrifying glimpse of Soviet atrocities in Afghanistan.)

Mohammad Eshaq, a resistance leader from the Panjsher Valley, describing the fate of two brothers—ages 90 and 95— from his ancestral village of Mata who, old and blind, had stayed behind when the rest of the villagers fled during an offensive: "The Russians came, tied dynamite to their backs and blew them up. They were very respected people.

Mike Hoover, a CBS television producer, filmed an interview with an Afghan who had formerly worked as a translator for the Soviet army. The translator was "extremely disturbed." He told how, in one village, the Russians held a child over a fire while they asked questions about the mojahedin.

Mohammad Amin Salim, a former professor of Islamic law from a village in Shomali: "I was in a village when the Soviets came to search the houses. They locked [up] the village's seven elders. They asked [the elders], 'Where are your sons?' The old men said they had no sons. Immediately, they killed two of the men with automatic-rifle blasts. They put a third person against a tree, and with a big nail [apparently a detached bayonet] a soldier stabbed him in the chest and nailed him to the tree. Another Russian stabbed a fourth old man in the mouth with a big nail, unhinging his jaw."

A French doctor, telling how the Russians punished an entire village after some Afghan troops defected: "They tied them up and piled them like wood. Then they poured gasoline over them and burned them alive. They were old and young, men, women and children. Forty people were killed."

A member of the resistance, who was tortured two to four hours a day, every day for a year, explaining Soviet interrogation methods: "The torture was always with electric-shock batons. they gave the shocks between the toes, between the fingers, on the temple. I often fell unconscious. One day they hung me up on a wall, where there were big hooks. They didn't let me sleep eat or drink for 48 hours. My arms were stretched out wide, my hands were tied to the hooks, and there were rings around my feet. This caused great pain in the stomach and kidneys. The next moring they took me down and brought me a piece of bread and some water. Then they hung me upside down by the feet all day."

SEAFOOD IS GOOD FOR US

● Mr. STEVENS. Mr. President, seafood is a healthful and nutritious source of protein. Recent studies have shown that two to three servings a week in the diet can greatly reduce the risks of coronary heart disease, high blood pressure, and possibly arthritis, psoriasis, and cancer. Publicizing these facts not only promotes the products of an ailing but vital American fishing industry, but alerts the American people to a proven, enjoyable means to achieve good health and well being.

According to the Year of the Ocean Foundation, the Omega-3 fatty acids found in fish are very effective in lowering blood cholesterol levels. This makes it far superior to red meats and poultry, which contain more high cholesterol saturated fats. Avoiding cholesterol is recommended to prevent heart disease. Besides this, fish and other seafoods have healthy amounts of vital nutrients, ranging from the B vitamins, potassium, iron, zinc, to calcium, phosphorus, and low fat protein. Fish protein is easily digested and almost completely absorbed by the body.

Americans are plagued by high blood pressure, high cholesterol levels, and the correspondingly large number of heart attacks. A diet that contains seafood several times per week, replacing red meat, can improve the blood cholesterol number and result in better overall health. Today Americans, on the average, eat less than 14 pounds of seafood a year, compared with over 150 pounds of red meat. There is room in the American diet to increase seafood purchases, and slowly we are realizing the need to do so. At last, documented studies have confirmed the benefits of eating low-calorie nutrient-rich fish.

I must emphasize that the lifesaving attributes of seafoods apply to fish taken from every part of our country. The miraculous Omega-3 fatty acids are found in saltwater, freshwater, cold and warm water species of fish. Every fisherman and seafood producer will benefit from the fact that promotion of their product is linked to documented effects on human health. What is more significant is that people from every State have access and room in their diets for this newly recognized delicious health food, fish.

Seafood promotion is one component of efforts to support our struggling fishing industry. Seafood is healthful, but our seafood industry itself needs a shot in the fin. Facing high vessel insurance rates, rising costs, unfair foreign competition and product quality misperceptions, fishermen and seafood producers often find it difficult to make a profit. However, we can help by developing alternative, untapped markets for seafood within the United States. I have recently submitted a bill, S. 2129, to establish a National Fisheries Marketing Council to help promote our seafood industry. This is a much needed way to supplement regional marketing activities, help areas without promotional resources, and provide a national focus to efforts on behalf of the growing seafood marketing needs.

In addition, the U.S. Government can include more seafood purchases in its own food commodity purchase programs. Such purchases represent millions of dollars of potential business for the seafood industry. American products have an advantage over subsidized, lower cost foreign competition because of the Government's "buy American" policy. We are now working on ways to eliminate barriers that exist in these programs to seafood purchases.

This is a way for the Government to combine and fulfill goals to provide healthful, nutritious food in its programs with supporting economic growth in an important, deserving industry. I am happy to announce that program administrators and participants have been highly receptive to the addition of new fisheries products, and our efforts to reduce institutional barriers are being met with success.

To help secure public notice of the exciting conclusions about seafood in the diet, I would like to submit an article which appeared in the Harvard Medical School Health Letter. The article is a concise explanation of the recent studies and conclusions about seafood and health. In addition, I would like to share a recipe for salmonburgers. This dish can be used in sandwiches, hors d'oeuvres, snacks and breakfast cakes, and is a delicious, economical, and easy way to include America's newly recognized health-food in the diet. Please note that the breadcrumb variation of the recipe is my own recipe, a personal favorite, and has been enjoyed for years in the great State of Alaska.

Mr. President, I request that the article from the Harvard Medical School Health Letter and the recipe for salmonburgers be printed in full in the RECORD.

The material follows:

FISH STORY

WHY ARE WE HEARING SO MUCH ABOUT FISH OIL?

Evidence is rapidly mounting that fish oil in the diet can help prevent hardening of the arteries and, therefore, heart attacks. This story began in the early 1970s, with a study of the Eskimos living in Greenland. Danish researchers found that about 40 percent of the calories in the Eskimo diet come from animal fat. This is a high level—comparable to the amount consumed by urban Danes or Americans. Yet, at any given age the Eskimos have a much lower rate of heart attacks than would be expected from such a high fat intake. A reasonable guess would have been that Eskimos simply are genetically resistant to heart attacks. But those few who move to Denmark and shift to the local diet appear to be as prone to heart disease as native Danes, so that's probably not the explanation.

As the research progressed, another trait provided a clue to the mystery of the Eskimos' resistance to arterial disease: a peculiar tendency to bruise easily. The reason for this proved to be that their platelets (fragments of cells floating in the blood stream to help with clotting) are less sticky than is typical of Americans or Europeans. This finding suggests the arteries of Greenland Eskimos are being protected by something that alters the way their platelets function.

And this explanation makes sense. We now know that platelets help to initiate so-called hardening of the arteries, or *atherosclerosis.* The process begins with a bit of microscopic damage to the inner lining of the artery, usually caused by rapid, turbulent flow of blood near a bend or fork in the artery. Ideally, the injured spot would just repair itself and the problem would go away. But in many people, the damaged inner surface of the artery attracts platelets, which stick to the injured surface and then release chemical signals. These, in turn, stimulate muscle cells in the artery wall to duplicate themselves and also attract circulating white blood cells to collect at the site of injury. The proliferating muscle cells and white blood cells begin to accumulate abnormal deposits of cholesterol and become even bulkier. In this process, a once healthy area of artery wall is turned into a fatty *plaque.* The artery is narrowed as a result, and blood flow is reduced.

With this background in mind, the researchers surmised that the Eskimos were doing something to protect themselves from their own platelets. That "something" appears to be eating a type of oil that comes mainly from marine sources—fish, seal, walrus, and whale.

All the oils we eat are made up of subunits known as *fatty acids.* It has long been recognised that the proportion of saturated to unsaturated fatty acids in the diet makes a difference to the way the body controls levels of blood fat. Eating saturated fatty acids (which predominate in red meat and dairy products) leads to high cholesterol levels in the blood, and a high proportion of that cholesterol is of the LDL (or "bad") type. Eating unsaturated fatty acids (which come from various vegetables or seeds) encourages the body to lower the level of cholesterol in the blood. Fish oils are unsaturted, like vegetable oils, but they have one major structural difference that influences how the body responds to them.

HOW DOES FISH OIL WORK?

Oils taken in the diet find their way into the membranes of many of the body's cells, including platelets. When the content of fish oil in a platelet's membrane becomes high, there is a change in the way the platelet functions.

A platelet draws on the reservoir of fatty acids carried in its membranes to produce chemicals used to signal both other platelets and cells in the artery lining. These chemicals, known as *prostaglandins,* play a crucial role in the clotting of blood. One in particular, *thromboxane,* makes platelets sticky, and it encourages them to aggregate at sites where the cells lining artery walls are damaged. This action of thromboxane is one of the earliest events in the complex sequence known as atherosclerosis.

Our bodies can't make thromboxane "from scratch." We have to get the raw material, *arachidonic acid* (or AA), in our diets. Grains and seeds are, ultimately, the main sources of this substance. Fish oils provide a very similar, but crucially different material, *eicosapentaenoic acid.* or EPA, which cannot be readily converted into thromboxane. Essentially by getting in the way of AA, the EPA reduces production of thromboxane and thus makes platelets less "sticky."

In itself, this effect would probably be sufficent to limit the ability of platelets to initiate a clot. But the EPA of fish oil has yet another effect. It is also accumulated in the cells lining artery walls. These cells normally produce a chemical signal of their own, but one that *inhibits* platelets for clotting. EPA is readily converted into this material, *prostacyclin.* Thus, fish oils work in two ways, tilting the balance of signals so that stickiness of platelets is diminished. The importance of eating fish oil may be that it acts at such an early stage to inhibit the process of atherosclerosis.

IS THAT THE WHOLE STORY?

No, it really isn't. So far, studies with fish oil, or EPA, have indicated that it has a variety of beneficial effects, although the influence on platelets may be one of the most critical. Increasing fish oil in the diet leads to a lowering of cholesterol (of the unfavorable LDL type), and it reduces blood pressure as well. In individuals with a hereditary tendency to very high levels of triglyceride in the blood, fish oil leads to a dramatic reduction in the level of this form of blood fat.

In a way, the fish oil story seems almost too good to be true. Not only does this type of oil favor the health of arteries, but it also appears to act against inflammation, and so it may prove useful in a class of diseases, such as arthritis, in which inflammation gets out of hand.

The basis of this effect may be very similar to the action on platelets. Again, the EPA in fish oil, by competing with the AA in vegetable oil, alters production of chemical messengers. In this case, the compounds that are affected are called *leukotrienes,* which promote inflammation and some immune processes. Animal studies suggest that EPA can improve at least some illnesses that result from excessive inflammatory or immune reactions. The success of animal experiments has led to clinical trials of EPA in arthritis, psoriasis, lupus, nephritis (inflammation of the kidneys), and even some cancers in which leukotrienes are thought to play an important role. Because current treatment for these common diseases is generally inadequate, trials of fish oil are generating a lot of interest.

As usual, one has to say at the outset that much more research and development are needed before firm conclusions can be drawn. The beneficial effects of fish oil are probably increased by reducing the amount of other fats in the diet. Nevertheless, on the basis of a study conducted in the Netherlands (and widely publicized last summer), it seems that eating fish, even just a couple of times a week, can lead to a significant reduction in the risk of heart attack.

But I think we should put the subject in perspective. Our understanding of artery disease is still limited, and the major approach to preventing it is through lowering blood cholesterol levels. Now, however, we are discovering that there are several key points in the process by which arteries become narrowed. We will probably find ways to intervene at each of these points and thus lower the total risk of developing heart disease and strokes. Reducing dietary fat, cutting out cigarettes, and getting adequate exercise are still important; these measures lower cholesterol and shift it into the HDL form. Eating fish oil, which seems to work mainly at an early stage of the process, may well make an independent contribution to the health of the heart and blood vessels. It should be remembered, all the same, that the point of reducing saturated fats and total dietary fats is not only to protect from cardiovascular disease but also to avoid cancers of bowel and breast.

ARE SOME FISH BETTER THAN OTHERS?

The types of fish that are richest in EPA are those that live in deep, cold waters: salmon, mackerel, bluefish, herring, menhaden. These are also fish that carry fat in their muscles and under the skin. Other fish with a similar habitat, such as cod, tend to have rather dry flesh and store oil in their livers. Thus, cod meat is not a very good source of EPA, but cod liver oil is. However, one must be very careful here. Cod liver oil is also high in vitamins A and D, which can become toxic if taken in large quantities. So it's not a good idea to start taking cod liver oil—at least not in an amount greater than 1-2 tablespoons a day—to obtain EPA; one may get too much vitamin A and D at the same time. It is unlikely that EPA itself will produce serious side effects unless taken in extremely large quantities.

Shellfish also have EPA in them, and the good news is that they are not, as was once believed, high in cholesterol. An error in the measurement method incorrectly led food chemists to identify a different (and harmless) substance as cholesterol. On the whole, I think it is prudent for people to consume fish, instead of red meat, at least twice a week, I am not taking supplements of EPA and am inclined to think it's premature to do so until we know how much is needed to achieve benefits and whether the EPA can be simply added to a usual Western diet or whether it is necessary to reduce intake of other fats.

In this country, a great deal of fish oil is produced from menhaden—some 100,000

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tons. However, it cannot be sold as a food because it is not on the "generally recognized as safe" (GRAS) list. So the menhaden oil is exported to Europe, where it is partially hydrogenated, making it similar to ordinary vegetable oil. Then it is made into margarine and other substances. A certain amount of fish oil is marketed in the U.S. in capsule form. But it exists in a kind of regulatory limbo—not listed as a drug, in that no therapeutic claims are made for it, and not sold as a food.

If fish oil proves to be as beneficial as now appears to be the case, there would be several ways to maintain an adequate supply. Our current production of menhaden oil could be consumed in its natural form instead of being converted into margarine. There may also be other abundant fish species that aren't much favored for cooking but could supply oil.

Ultimately, though, the source of this oil isn't fish but the microscopic plants of the sea, or *plankton*. The Greenland Eskimos don't get their EPA from fish so much as from whale, seal, and other large sea mammals, which have in turn eaten fish, and the fish have obtained their supply from plants. In the long run, the most practical way to develop a supply of this oil may be to short-circuit this process and extract it directly from plankton, or to synthesize it.

Salmonburgers

One 15½ ounce can of salmon; or two 7½ or 7¾ ounce cans of salmon; 1 egg, beaten [1] (see variation below); ¾ cup quick-cooking rolled oats [1] (see variation below); ½ cup chopped onion; 1 tbs chopped parsley; 1 tbs lemon juice; 1 tsp prepared mustard; ¼ tsp salt; dash of pepper; and oil.

If you grill the salmonburgers on the back yard barbecue, it is a good idea to place a piece of foil over the grill, under the salmonburgers.

Drain Salmon; combine with egg, oats, onion, parsley, lemon juice, mustard, salt and pepper. Form into four patties. Pan-fry in small amount of oil until golden brown on both sides. Serve on hamburger buns which can be spread with salmonburger sauce (recipe below)

SALMONBURGER SAUCE

Combine 1 cup of mayonnaise with ½ cup spicy brown mustard and 1 tablespoon chopped parsley.●

CONGRATULATIONS TO VITO MARZULLO

● Mr. SIMON. Mr. President, Vito Marzullo, a venerable figure in Chicago politics for 66 years, is being honored by the Chicago City Council as he prepares to retire. At age 89, I expect Vito Marzullo will remain an active and vital force in city politics.

His story crystallizes the ideal we all share of America as the land of opportunity. An immigrant from his native Italy, Marzullo came to this country alone as a boy in 1910. From 1920 to 1953, he was a star precinct captain, delivering huge majorities for candidates like Franklin D. Roosevelt, Harry S Truman, and fellow immigrant Anton Cermak.

He was elected to the Illinois House of Representatives in 1940 and served until 1953. He returned to Chicago politics, serving as ward alderman, and in 1960 also was elected ward committeeman.

Marzullo is best known for his skillful leadership of campaigns—his own and those of other Democrats. In 22 consecutive elections, he won huge victories and never knew defeat.

He has been a good friend to me and to a host of Illinois citizens.

Today, the Chicago City Council is meeting in special session to honor its longest-serving member. I extend my congratulations to Vito Marzullo and wish him all the best.●

THE IMPORTANCE OF THE NEXT APPOINTMENT TO THE TENNESSEE VALLEY AUTHORITY BOARD OF DIRECTORS

● Mr. HUMPHREY. Mr. President, this is the second in a series of speeches that I will deliver on importance of the next appointment to the Tennessee Valley Authority [TVA] Board of Directors. A few weeks ago, Mr. Richard M. Freeman resigned his position as one of the three members of the Board, a vacancy which, in my view, creates an enormously important opportunity to effect change at the agency.

Under the Tennessee Valley Authority Act of 1933, members of the Board of Directors are to be appointed by the President, confirmed by the Senate and are to serve a term of 9 years. Because the tenure of their terms are so long and because their authority is so great, Directors have the opportunity to leave a lasting legacy at TVA. In a February 1977 article in American Heritage, "The TVA: It Ain't What It Used To Be," James Branscome describes the importance of the Board of Directors well:

> For a Government agency, the [Tennessee Valley Authority] Act allowed a very flexible program. Other than the general development mandate, the act's most explicit requirements were that the new authority—in fact, a Government corporation—would be ruled by three Presidentially appointed Directors, one to be designated Chairman, who would serve for 9-year terms with the consent of the Senate. The act dictated that the agency locate its headquarters in the region, excluded it from the civil service laws, and required the three Directors to believe in the "feasibility and wisdom of the act." The Directors would report to the President, consult Congress on appropriations not covered by power revenues, and otherwise be free to develop the "model" that [Senator George] Norris and [President Franklin] Roosevelt wanted to spill across the American landscape. Depending on the point of view of the observer, the power of the Board of Directors of TVA was either the most ideal arrangement ever devised by Government for grassroots input, allowing three men to bend to the demands of their constituencies and the wiles of a river; or it was the first Washington-imposed dictatorship that blanketed an entire region. No one at the time of TVA's creation or since has doubted the validity of either of these views depends on the caliber and character of the three Directors.

At a hearing before the Subcommittee on Regional and Community Development last summer, one witness, Mr. William U. Chandler, observed:

> TVA has been an experiment, and it has primarily tested a unique—in the United States—governmental arrangement. It has tested the merits of "technocracy," that idea of placing resources in the hands of disinterested experts. * * *

TVA'S TECHNOCRACY AND THE NUCLEAR POWER PROGRAM

Well, how well has this "Washington-imposed dictatorship of technocracy" fared? Any examination of recent history at TVA must conclude that the arrangement has not worked well. Consider the record of TVA's Nuclear Construction Program. In the late 1960's, the Tennessee Valley Authority Board of Directors committed the agency to building "the free world's largest nuclear power system." TVA decided to construct 17 nuclear powered reactors, an enormous undertaking by any standard. This represented a huge expansion of TVA's existing capacity, which consisted of both coal-fired and hydroelectric facilities. TVA justified this expansion on the basis of what proved to be devastatingly poor projections of electricity demand.

To be sure, during the period, other utilities made investment decisions based on faulty electric demand projections. But at TVA, they seemed particularly bad. As Mr. Chandler testified before the subcommittee last summer, "During (TVA Board of Directors) Chairman Aubrey Wagner's era of control at TVA, power demand projections were simple extrapolations made on a part-time basis by one employee." And for many years, TVA persisted in the belief that substantially additional capacity would be needed. It was on this basis that the TVA Board proceeded with the plans to construct 17 nuclear power reactors. The freedom of authority granted under the TVA Act precluded the Board's decision from being reviewed by any oversight body, either in the Congress, State commission, the marketplace, or even within the agency.

It is important to note that a great portion of the nuclear construction program was financed through borrowings from the Federal Financing Bank [FFB]. Created in 1974 in an effort to rationlize and consolidate the securities sales of the several Federal agencies which engage in that activity, the FFB finances other programs within the Government by purchasing their debt securities, making direct loans on their behalf, or purchasing their loan assets. FFB obtains the funds for these transactions by borrowing an equal amount from the Treasury, which in turn borrows from the public. The operation of the assisted programs remains with the agencies that FFB finances. It was never intended for the FFB to make judgments as to the need for the agency activity or the underlying quality of these obligations.

Ms. Katheryn Eickhoff, Associate Director for Economic Policy at the Office of Management and Budget, testified last summer:

> TVA enjoys automatic approval of its requests to borrow funds. This easy access to money occurs without any of the credit reviews that would normally be applied in the private market. This blank check policy leaves TVA vulnerable to judgmental errors that could ultimately result in the necessity of refinancing debt or seeking congressional assistance in restructuring it.

The judgmental errors at TVA proved to be enormous. Of the 17 reactors originally planned, 9 had to be canceled. Today, four reactors are still under construction. However, construction has been delayed because of unprecedented concerns expressed by the Nuclear Regulatory Commission [NRC]. In addition, all five completed and operable have been shut down, again because of safety related concerns.

All this has, of course, cost billions of dollars. Costs associated with the four canceled reactors are estimated to be $4 billion. TVA is now estimating that the total costs for the Bellefonte plant, now under construction, will be over $8 billion. And, TVA's present debt to the Federal Government is $14.3 billion.

As bad as this enormous problem is, the ultimate indictment against the technocracy of TVA came several months ago. The TVA Board, apparently unable to cope with the incredible problems facing its power program, abdicated authority over the nuclear plants to an outside contractor. The contractor, Stone & Webster, will be paid well over $300,000 per year to provide the services of Mr. Steven White, who is now called the TVA Chief of Nuclear Power. Mr. White's charge is turning the nuclear program around. As TVA Director John B. Waters recently said, "I'm supporting (White) 100 percent, because the only alternative is to bring in (a major contractor) and say, 'fellas, run the damn plant and send us a bill every month.'" As the Knoxville Journal reported, "such a move, Waters said, 'would be hard for TVA to swallow . . . if you turn them over (to a private contractor), there's no way you ever get them back. You become a captive.'"

Mr. Chandler in his book, "The Myth of TVA," writes:

> One can ask, "Does leadership matter?" Aubrey Wagner, more than anyone else, plunged TVA into the coal and nuclear investments of the 1960's and 1970's. What if someone else had been in charge? What if TVA had ealier instituted conservation policies? Was TVA's course so determined by history, politics, events, that little would have been different? Questions such as these reflect the tenacity with which many hold to belief in the philosopher-king, the benevolent dictator, or simply, the expert. TVA's performance throughout its history has done violence to such belief.

Senators will be asked to consider the next appointment to the Tennessee Valley Authority Board of Directors in the near future. I urge them to consider the appointment in light of the enormous problems facing this unique Washington-imposed dictatorship, entrusted with a monopoly of expertise.●

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[1] Variations: Fine dry bread crumbs can be substituted for rolled oats. If substituting with the bread crumbs, use an additional egg and add ¼ cup of the liquid from the can in which the salmon is packed.

INNA AND NAUM MEIMAN

● Mr. SIMON. Mr. President, Inna and Naum Meiman are Soviet Jews who have been refuseniks for over 10 years. Naum has been refused permission to emigrate on the pretext of his being in possession of secret information. When he appealed the decision, Naum produced a character reference from the Institute of Theoretical and Experimental Physics, where he worked as a senior scientist from 1955 until July 1975. This certificate confirmed that he dealt only with abstract mathematics. Naum poses no security threat to the Soviets. It is clear that Naum is being used as an example, a warning to deter others from applying to emigrate.

What adds to this tragic situation is that Naum is 74 years old and his wife, Inna, has cancer. Frankly, the Meimans have very few years left. With their remaining time, they want what every human being is entitled to—the chance to live in freedom.

I implore the officials in the Soviet Union to let the Meimans emigrate to Israel.●

TEST BAN RESOLUTION

● Mr. PELL. Mr. President, on December 18 the Senator from Missouri [Mr. Danforth] and I introduced a joint resolution (S.J. Res. 252) designed to chart a course toward a complete cessation of nuclear testing.

I have asked unanimous consent that the Senators from North Dakota [Mr. Andrews], California [Mr. Cranston], Minnesota [Mr. Durenberger], Missouri [Mr. Eagleton], Washington [Mr. Gorton], Hawaii [Mr. Matsunaga], Vermont [Mr. Stafford], and North Dakota [Mr. Burdick] be added as cosponsors, for a current total of 15.

We hope other Senators will join us in cosponsoring this legislation, which we intend to pursue vigorously this year. In this connection, I should note that we expect to hold hearings on test ban issues in the Foreign Relations Committee next month.●

PAID DIVERSION PROGRAM FOR 1986 WHEAT CROP

● Mr. BOREN. Mr. President, the Food Security Act of 1985 was not approved until December 23, 1985, 3 months after wheat producers in my home State of Oklahoma had planted the 1986 crop. The provisions of the 1986 Wheat Program were included in the Food Security Act. Wheat producers in Oklahoma, Texas, and Kansas were forced to make planting decisions without having any clue as to the details of the 1986 program.

By the time our wheat producers were required to plant, there were basically two alternatives pending in Congress. In September, the House and Senate Agriculture Committees had reported out the farm bill. The House version stated that wheat producers would be required to set aside 30 percent of their acreage to be eligible for the 1986 Wheat Program; 10 percent of the 30 percent would be paid diversion. The Senate Agriculture Committee, on the other hand, reported out a bill that required no more than 20 percent of the acreage to be set aside.

In good faith, wheat producers in Oklahoma compared the two provisions and assumed that the set-aside percentage would be no more than 30. Consequently, most of the producers did not plant wheat on 20 to 30 percent of their acreage.

By the time the farm bill was reported out of conference, there was no mention of 20 percent or 30 percent. The Food Security Act gave the Secretary the authority to have a maximum 25-percent acreage reduction program, with 2.5 percent of that amount paid with PIK commodities. The conference recognized that many producers had already planted their crop and consequently the law requires the Secretary to provide an additional 10-percent paid diversion to producers who had planted the 1986 crop prior to the announcement of the program.

For producers who idled 30 percent of their acreage, the only options they had were to plow up an additional 5 percent to be eligible for the diversion program or not participate in the diversion, thereby losing all benefits from 5 percent of their acreage. Either way, producers lose money.

Earlier this year, when we were considering modifications to the farm bill, several of us attempted to include provisions which would allow producers who planted wheat prior to the announcement with an optional paid diversion of either 5 or 10 percent. Regretfully, we were unable to get this in the package that passed the Senate.

I was pleased to learn that earlier today the Secretary announced that producers who had planted wheat prior to the announcement of the program would have an option of choos-

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ing between a 5-percent paid diversion or a 10-percent paid diversion. I commend the Secretary for his actions.●

TENNESSEE GENERAL ASSEMBLY DESIGNATES JULY 1986 "BUY AMERICA" MONTH

● Mr. GORE. Mr. President, it is an honor for me to submit for the RECORD a resolution by the General Assembly of the State of Tennessee. This resolution designates July 1986 as "Buy America" month.

Tennessee, like most of the States in this Nation, is directly affected by America's dangerously large international trade deficit and the growing difficulty for American industry to compete with inexpensive foreign products. America is at a crucial economic crossroad. Our national debt has hit the astronomical level of $2 trillion and, for the first time since our emergence as an industrial power, we are a net debtor nation—just 4 years after becoming the world's largest creditor.

The causes of this abrupt role reversal are many, and almost invariably linked. At the root of the problem is the huge Federal deficit. Excessive Government borrowing clearly contributed to an overvalued dollar, which in turn fueled our dangerous trade imbalance. Although the value of the dollar has declined, our trade imbalance has continued to coast upward. In short, we have a crisis on our hands that can be brought into control only through sound economic leadership and the development of an effective trade policy.

Free trade is essential to America's continued economic well-being. The best way to deal with our trade difficulties in the long run is to expand international commerce, not contract it. America's future prosperity depends upon correcting our mistaken current policies and inaction, and setting out to smooth and widen the two-way street of foreign trade.

Even so that fundamental philosophy must be flexible enough to accommodate the realities of the international marketplace. Few, if any, nations can boast a pure free trade policy. Some products are protected; some are not. It is, however, necessary to create a set of guidelines for the world trading community and for the members to abide by those agreements if any semblance of order is to be preserved.

The Congress must occasionally resort to its own devices to provide equitable relief in cases of extreme hardship. At times, we must come to grips with the difficult choice between direct intervention in order to salvage a certain sector of our economy, or the adoption of a hands-off policy which would almost certainly result in the demise of an important industry. In certain cases, intervention may be necessary and desirable.

So, while industry-specific relief is sometimes necessary, it is important to bear in mind that if we are to achieve long-term economic stability we must attack the causes of the illness—not just grapple with its symptoms. We must deal with our Federal deficit, stabilize exchange rates at an appropriate value for the dollar, and enforce the international trade laws already in existence.

On behalf of the General Assembly of the State of Tennessee, I am pleased to introduce this resolution designating July 1986 as "Buy America" month. This resolution helps bring into focus a matter of vital importance to Tennessee and to the entire Nation.

The resolution follows:

SENATE JOINT RESOLUTION NO. 231

Whereas the United States of America emerged from the aftermath of World War II as the dominant world power with the most powerful industrial base on the face of the earth; and

Whereas that productive capacity in the manufacturing sector of our economy has declined and even the percentage of the available capacity being utilized is presently declining; and

Whereas our once dominant agriculture, automobile, steel, rubber, textile and leather industries which became successful with a combination of rich resources, skillful management and high productivity are no longer the sole leading forces in our economy; and

Whereas the world economy involved more than two trillion dollars in global trade in 1985; and

Whereas the present trade deficit is a product of many factors, the net effect of which has been to make our nation a net importer of goods; and

Whereas many entities, formal and informal, public and private, for profit and not for profit, may influence their colleagues, members and employees to recognize the importance of the purchase of American made goods; and

Whereas these entities include organized labor, manufacturing associations, chambers of commerce, civic clubs, state departments of economic and community development, and cities and counties; and

Whereas an appreciation for the purchase of American made goods is within our reach, and such an appreciation may be engendered with a specially designated time period; and

Whereas it is fitting that our state elected officials attempt to broaden the perspective of our citizenry on vital issues with such special designations: Now, therefore,

Be it resolved by the Senate of the Ninety-Fourth General Assembly of the State of Tennessee, the House of Representatives concurring, That we hereby designate July, 1986 as "Buy America" month.

Be it further resolved, That a copy of this resolution be forwarded to each speaker of each state legislative body for distribution to its membership and to each member of the Tennessee Congressional Delegation.●

TIBET FOR THE TIBETANS, NOT THE CHINESE

● Mr. PELL. Mr. President, a stimulating article entitled, "Tibet for the Tibetans, Not the Chinese," appeared in the New York Times of Sunday, March 16.

It is an excellent piece and brings to our attention the hardship that the Tibetans have suffered and are suffering in preserving their national identity.

I believe this article would be of interest to my colleagues and, therefore, ask that it be printed in the RECORD.

The article follows:

[From the New York Times, Mar. 16, 1986]

TIBET FOR THE TIBETANS, NOT THE CHINESE

(By John Doe)

(John Doe is an American academic who asked that his name be withheld to protect his associates in Tibet.)

Each March, in sad rituals that go largely unnoticed outside the scattered cities and towns that serve as hosts to small numbers of Tibetan refugees, those Tibetans commemorate the day in 1959 when they rose up against the Chinese annexation of Tibet. On March 10, refugees stage small demonstrations, short marches and in some places a quiet presentation of petitions to local officials of the People's Republic of China. Then they peacefully go home.

That few countries in the West have shown any moral support for the Tibetans only makes more tragic the destruction and death resulting from decades of Chinese domination. Perhaps it is because we find ourselves more quickly drawn to issues that provide an opportunity to exorcise our own demons. The Tibetan issue, by contrast, cannot easily be used to publicly separate ourselves from the West's racist and colonialist past.

But such attitudes betray the liberal values that ought to guide us. Whether Tibet was in need of drastic change that China forced on it ought to have been a matter for the Tibetan people, not their Chinese neighbors, to decide. Moreover, the attention that we give to this tragedy should be based on its magnitude.

Seen against this background, the Tibetan situation seems even more tragic and pathetic. Not only is China's domination of Tibet based on a continuing refusal to allow the Tibetan people to exercise their right to self-determination (a right vouch-safed to them by the United Nations in 1961), but it has wrought suffering on a scale so broad as to make much of the repression and violence used by dictatorial regimes elsewhere seem insignificant by comparison.

After China moved into Tibet in 1951, it imposed progressively autocratic and repressive measures aimed at totally subordinating the country to Chinese social and political control. Large-scale resistance followed, most notably the 1959 uprising in Lhasa, the Tibetan capital, that led to the flight into exile of Tibet's spiritual leader, the Dalai Lama. Succeeding years brought continued tyranny, resistance and slaughter. By the later 1970's, scores of Tibetan exile communities formed in countries bordering Tibet. The exiles estimate that more than a million Tibetans have died in the struggle.

Yet China has for the most part avoided censure. The human rights organization Amnesty International has documented political imprisonment of Tibetan nationalists, but few governments or world bodies, including the United Nations, have questioned China about these transgressions.

Visitors to Tibet are often startled to discover that Tibetans still demonstrate a strong will to resist, handing out pamphlets that declare allegiance to the Dalai Lama and calling for help from the world community.

Today, internal resistance to Chinese domination is symbolized by one man in particular: Lobsang Wangchuk. A geshe, or doctor of theology, Lobsang Wangchuk, was educated at the monastery of Drepung, on the outskirts of Lhasa. He has been arrested many times but has managed to survive and has continued to write small tracts, which are circulated clandestinely, calling for independence. It is ironic that one of his last pamphlets drew on the writings of Mao Zedong to argue against China's hold on Tibet. Lobsang Wangchuk's strong spirit has made him a signal figure in the Tibetan struggle.

Not unexpectedly, however, this reputation has also brought him into serious danger. In the autumn of 1983, during a roundup of "criminal elements," Lobsang Wangchuk was arrested again. He still has not been formally tried for any offense, and there is no indication that his release is contemplated. He remains incarcerated in Drapchi, one of five notorious prisons maintained by the Chinese authorities near Lhasa.

Lobsang Wangchuk is in his early 70's, and because of the abysmal prison conditions he may never leave Drapchi alive. But he represents for Tibetans far more than a solitary old man in a Chinese cell. The Tibetans who whisper his name in Lhasa and those refugees who on March 10 each year mark the Tibetan bid for freedom all refuse to let his work and his ideals be destroyed. They cling to the thin hope that their cause may yet elicit the understanding and world support that seem to evade it.●

EXECUTIVE SESSION

Mr. TRIBLE. Mr. President, I ask the distinguished Democratic leader if he is in a position to confirm any of the following nominations on the Executive Calendar: Calendar No. 710, John R. Wall; No. 711, Truman McGill Hobbs; No. 712, Donald Barr; No. 713, James Harvey Harrison, Jr.; No. 714, Robert H. Mattson; No. 715, Joan M. Gubbins; No. 716, Robert Lee McElrath; No. 717, David Alan Heslop; No. 718, Marilyn Logsdon Mennello; No. 719, James H. Duff; No. 720, David B. Gray; No. 721, C. Ronald Kimberling; No. 724, Henry K. Oncken; No. 725, Thomas E. Dittmeier; No. 726, Harry Connolly; No. 727, Thomas K. Turnage.

Mr. BYRD. Mr. President, all the nominations identified by the distinguished acting majority leader have been cleared on this side, and there is no objection to taking them up and confirming them, if the distinguished acting leader would like to do so en bloc.

Mr. TRIBLE. I thank the Democratic leader.

Mr. President, I ask unanimous consent that the Senate go into executive session to consider the nominations just identified and that they be considered en bloc and confirmed en bloc.

There being no objection, the Senate proceeded to the consideration of legislative business.

The PRESIDING OFFICER. Without objection, the nominations are considered en bloc and confirmed en bloc.

The nominations considered and confirmed en bloc are as follows:

OCCUPATIONAL SAFETY AND HEALTH REVIEW COMMISSION

John R. Wall, of Ohio, to be a member of the Occupational Safety and Health Review Commission for the term expiring April 27, 1987, to which position he was appointed during the last recess of the Senate.

HARRY S TRUMAN SCHOLARSHIP FOUNDATION

Truman McGill Hobbs, of Alabama, to be a member of the Board of Trustees of the Harry S Truman Scholarship Foundation for a term expiring December 10, 1991. (Reappointment)

NATIONAL COUNCIL ON EDUCATIONAL RESEARCH

Donald Barr, of Connecticut, to be a member of the National Council on Educational Research for a term expiring September 30, 1988. (Reappointment)

James Harvey Harrison, Jr., of Virginia, to be a member of the National Council on Educational Research for a term expiring September 30, 1988. (Reappointment)

Robert H. Mattson, of Oregon, to be a member of the National Council on Educational Research for a term expiring September 30, 1988.

Joan M. Gubbins, of Indiana, to be a member of the National Council on Educational Research for a term expiring September 30, 1988. (Reappointment)

Robert Lee McElrath, of Tennessee, to be a member of the National Council on Educational Research for a term expiring September 30, 1987.

David Alan Heslop, of California, to be a member of the National Council on Educational Research for a term expiring September 30, 1986.

NATIONAL FOUNDATION ON THE ARTS AND THE HUMANITIES

Marilyn Logsdon Mennello, of Florida, to be a member of the National Museum Services Board for a term expiring December 6, 1989.

James H. Duff, of Pennsylvania, to be a member of the National Museum Services Board for the remainder of the term expiring December 6, 1986.

NATIONAL INSTITUTE OF HANDICAPPED RESEARCH

David B. Gray, of Maryland, to be Director of the National Institute of Handicapped Research.

DEPARTMENT OF EDUCATION

C. Ronald Kimberling, of Virginia, to be Assistant Secretary for Postsecondary Education, Department of Education.

DEPARTMENT OF JUSTICE

Henry K. Oncken, of Texas, to be United States Attorney for the Southern District of Texas for the term of four years.

Thomas E. Dittmeier, of Missouri, to be United States Attorney for the Eastern District of Missouri for the term of four years. (Reappointment)

Harry Connolly, of Oklahoma, to be United States Marshal for the Northern District of Oklahoma for the term of four years. (Reappointment)

VETERANS' ADMINISTRATION

Thomas K. Turnage, of California, to be Administrator of Veterans' Affairs.

THOMAS K. TURNAGE

Mr. THURMOND. Mr. President, I am pleased to rise in support of the nomination of Maj. Gen. Thomas K. Turnage to be Administrator of the Veterans' Administration.

General Turnage has a fine record of military service. He served his country for 39 years in the U.S. Army. General Turnage participated in combat as an infantry officer during World War II, and again in Korea. He knows well the sacrifices required of our fighting men and women, and will, I believe, work diligently to fulfill our commitment to the veterans of the Nation.

Mr. President, General Turnage has also held several administrative posts. Prior to being appointed to his present position as Selected Service Director, General Turnage served with the Deputy Assistant Secretary of Defense for Reserves Affairs. In that capacity, he worked on matters relating to the Selected Reserve of our Armed Services. He has also served as executive officer of the President's Task Force on Military Manpower.

Mr. President, the distinguished service record of General Turnage speaks for itself. I believe that he will make a superb Administrator. He is a fine and capable man who has, and will, serve with distinction. I urge my Senate colleagues to approve the nomination of General Turnage to be Administrator of the Veteran's Administration.

Mr. MURKOWSKI. Mr. President, on Tuesday, the Senate Veterans' Affairs Committee unanimously voted in support of the administration's nomination of Maj. Gen. Thomas K. Turnage to be the next Administrator of Veterans' Affairs. Today, I rise to report that nomination to the Senate and to urge my colleagues to join in support of the nomination.

The Veterans' Administration has had many fine chiefs—most recently Harry Walters, who guided the VA with dedication and strength. I have little doubt that Tom Turnage will more than live up to Harry's record of selfless duty to America's veterans. During my committee's nomination hearing, I said that Tom Turnage was truly a soldier's soldier. His 39 years of Active, Reserve, and National Guard duty included two combat tours as an infantry officer, spanning the Second World War and the Korean conflict.

He received many of this Nation's highest awards and decorations, including the Legion of Merit, the Bronze Star, the Distinguished Service Medal, and the Defense Superior Service Medal. From the battlefields of two wars to service as the President's ap-

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pointee as the Director of the Selective Service, Tom Turnage has developed an invaluable knowledge of the dynamics of military duty—a knowledge that will undoubtably stand him in good stead when dealing with the equally dynamic population of 28 million veterans.

Mr. President, my colleagues on the Senate Veterans' Committee echo my endorsement of General Turnage to be the next VA Administrator. I believe we were all impressed with Tom's initial grasp of the VA's organization, he is clearly comfortable with the challenge facing him, and he obviously looks forward to serving this country in yet one more key role.

I have long been an advocate of elevating the Veterans' Administration to a Cabinet-level office. Our veterans deserve to be heard and represented in the Cabinet room; veterans, their families, and all other Americans touched in some way by VA programs, comprise some 80 million citizens, and that is a number certainly worthy of the President's direct consideration. Tom Turnage, should he be so chosen, would be an outstanding Secretary of Veterans' Affairs; all the more reason why today's vote means so much to America's veterans.

Mr. President, it gives me great pleasure to report the nomination of Thomas K. Turnage as Administrator of Veterans' Affairs, to the Senate, and I urge my colleagues to join with me in confirming this nomination.

Mr. CRANSTON. As the ranking Democratic member of the Committee on Veterans' Affairs, I am delighted to join with the distinguished chairman of the committee [Mr. Murkowski] in urging the Senate to approve the nomination of Thomas K. Turnage to be Administrator of Veterans' Affairs.

The previous Administrator, Harry Walters, resigned as of January 31, 1986. I believe that it is vitally important that there be a fully functioning, confirmed Presidential nominee serving as Administrator in order to provide stable, effective leadership for the VA and strong advocacy for veterans' programs within the administration—especially at this critical point in the budget and appropriations cycle.

As a new Administrator takes office, he will face a number of very important challenges. Probably the greatest of these is maintaining the integrity of the VA and of the programs of benefits and services it provides to veterans, their survivors, and dependents during this period of tremendous fiscal constraints. Many veterans' programs are facing particularly difficult problems in fiscal year 1986 because of requirements of the Gramm-Rudman legislation to reduce the Federal budget deficit to zero incrementally by fiscal year 1991.

I believe strongly that drastic steps must be taken to reduce the deficit and achieve a balanced budget, but I believe just as strongly that keeping our commitments to our Nation's veterans must continue to be a top priority.

In my mind, among the most critical factors that needed to be examined during the committee's consideration of this nomination were the commitment the nominee was prepared to make in terms of being an advocate for veterans, especially with respect to matters affecting the VA's budget, and the commitment that the administration would be willing to make to involve the nominee once he became Administrator in all administration decisions affecting VA policies and resources.

After the President's budget was submitted for fiscal years 1982, 1983, 1985, and 1986, the administration, without consulting with the Administrator of the VA, proposed or supported budget revisions making deep cuts in VA programs. The administration made these decisions to cut VA funds on each of those occasions without the person then serving as Administrator having had any opportunity to present his views before the decisions were made—and this occurred despite certain assurances from Mr. Turnage's two predecessors with respect to their personal access to the President or his top White House advisers regarding VA budget matters.

Thus, I urged Mr. Turnage to obtain very specific assurances from the President that, as Administrator, he will be consulted and his views taken into account before any significant administration decisions on, or revisions of, the VA's budget are made or agreed to—at any point in the budget and appropriations processes. Mr. Turnage's letter of March 12 in response to my February 20 letter deals with these assurances in a generally forthcoming manner.

Mr. President, I ask unanimous consent that the letters to which I referred be printed in the Record at the conclusion of my remarks.

The PRESIDING OFFICER. Without objection, it is so ordered.

(See exhibit 1.)

Mr. CRANSTON. Mr. President, the critical paragraph in Mr. Turnage's March 12 letter was:

> To allay any further concerns in this matter, you should know that I have recently met with President Reagan and members of his staff as well as Mr. Miller of OMB and members of his staff. In all instances, I received personal, explicit assurances that I will have every opportunity to present my view regarding policy decisions affecting the Nation's veterans and the resource needs of the Veterans' Administration. They could not have been more supportive.

At the committee's April 18 hearing on Mr. Turnage's nomination, I further explored these assurances with him, particularly with respect to his opportunity, and plans, for involvement in budgetary issues that arise after the administration's budget is submitted to the Congress. Mr. Turnage confirmed that he interpreted the assurances as covering post-budget-submission activities and stated that he would expect to be involved in "anything that affects the formulation of the budget, anything that affects subsequent decisions relating to it, and anything that affects the opportunity to change some of the decisions that were made which [he] would find to be antithetical to the interest of the veterans."

These assurances are particularly significant and important at the present time. Yesterday the Senate Budget Committee ordered reported a concurrent resolution on the budget for fiscal year 1987. For function 700, Veterans' Benefits and Services, the committee is recommending $27.2 billion in budget authority and $26.6 billion in outlays. These totals are consistent with the recommendation supported at our committee's February 25 meeting by six members of the committee—myself and Senators Matsunaga, DeConcini, Mitchell, Rockefeller, and Specter. Thus, despite the fact that the administration submitted the worst budget for veterans' programs that I have seen in my 17 years in the Senate, the formulation of the congressional budget for the VA for fiscal year 1987 is off to a very good start.

I want to express my deep appreciation to the distinguished chairman [Mr. Domenici] and ranking minority member [Mr. Chiles] for their excellent work in rectifying the many very serious shortcomings in the President's budget for the VA.

At this point, my principal concern regarding the VA's fiscal year 1987 budget is that the President, whose strong disagreement with the Budget Committee's recommendations has been announced by the White House, will seek to reach an agreement with a group of Senators—such as the Republican leadership of the Budget Committee or of the full Senate, or both, as he has done on three occasions in the past; namely, in connection with the budgets for fiscal years 1983, 1985, and 1986—making deep cuts in veterans' programs.

To help guard against the possibility that such an effort to undermine the Budget Committee's recommendation for the VA might succeed, as soon as Mr. Turnage is confirmed I will send him a letter to alert him to this possibility and to urge that, upon taking office, he contact OMB Director James C. Miller and appropriate key White House staff in order to ensure that he will be fully consulted before any efforts to reach any such agreement are undertaken.

Mr. President, I ask unanimous consent that a copy of this letter be printed in the Record at this point.

There being no objection, the letter was ordered to be printed in the Record, as follows:

Committee on Veterans' Affairs,
Washington, DC.

Hon. Thomas K. Turnage,
Administrator of Veterans' Affairs-Designate, Washington, DC.

Dear Tom: Congratulations on the Senate's confirmation of your nomination to be Administrator of Veterans' Affairs.

I want once again to extend to you my pledge of cooperation as you strive to meet the great challenges that lie before you as the head of the Veterans' Administration.

I also want to follow up on a matter that I stressed in connection with the March 18 hearing on your confirmation—your active involvment in all Executive Branch decision-making relating to the budget for the VA. Two days ago, on March 19, a bipartisan majority of the Senate Budget Committee ordered reported a concurrent resolution on the FY 1987 budget that made fair and adequate provision for veterans' programs. In particular, the Budget Committee's proposal corrects the very serious deficiencies in the President's budget with respect to funding for VA health-care facilities and rejects the Administration's unwise proposals to increase the VA home loan guaranty fee and restrict eligibility for the plot allowance.

Thus, the formulation of the Congressional budget for the VA is off to a very good start.

My principal concern regarding the VA's FY 1987 budget at this point is that the President, whose strong disagreement with the Senate Budget Committee's recommendations has been announced by the White House, will seek to reach an agreement with a group of Senators—such as the Republican leadership of the Budget Committee or the full Senate, or both—on a budget that would make deep cuts in veterans' programs. As I wrote you on February 20, such agreements have been entered into three times during this Administration (in connection with the budgets for FYs 1983, 1985, and 1986) without the views of the Administrator of Veterans' Affairs being sought with respect to the portions of those budget agreements that affected veterans' programs.

In view of the apparent likelihood that Administration/Senate Republican leadership budget negotiations may now take place, I urge that, upon taking office, you contact OMB Director Jim Miller and appropriate key White House officials in order to ensure that you will be fully consulted insofar as the budget for the VA is concerned before any efforts to reach such an agreement are undertaken.

In connection with the substantive aspects of your participation in any such process, you stated at our Committee's March 18 hearing, and in your written response to questions I submitted to you, that you had not had time to become familiar with all of the ramifications of the Administration's FY 1987 budget proposals and you made a commitment to conduct a thorough examination of the FY 1987 budget for the VA's Department of Medicine and Surgery.

I urge that you undertake that examination, including particularly a review of the impact on VA health-care workloads and staffing levels, as quickly as possible. I also urge that, in keeping with the strong commitment you have expressed to serve as the veterans' advocate within the Administration, you make every effort to persuade the Administration to support a new position, in line with the fair and adequate bipartisan recommendations of the Senate Budget Committee, that would rectify the shortcomings in its current FY 1987 budget for the VA. Given the harsh, inequitable treatment afforded the VA in the President's original budget submission, your efforts in this regard may be among the very most important tasks that you undertake in your tenure as Administrator.

Again, Tom, my congratulations on your confirmation. Please let me know whenever you believe I can be of help to you in carrying out the extremely important responsibilities of your new office.

With best personal regards,
Cordially,

Alan Cranston,
Ranking Minority Member.

CRANSTON. Mr. President, it is my hope that, in connection with any such negotiations, Mr. Turnage will advocate strongly the position that a bipartisan majority of the Budget Committee has proposed in order to provide for fair and adequate funding for veterans' programs.

At his confirmation hearing, Mr. Turnage made clear that he understands and fully appreciates the responsibility of the Administrator of Veterans' Affairs to be an advocate for veterans. In response to my question as to whether he considered advocacy on behalf of veterans an important responsibility of the Administrator and whether he plans to serve as "an advocate for veterans" within the Administration and before the Congress, he stated:

> Indeed. Not simply [to] do so because I consider it to be either a statutory or another requirement, but morally and in spirit I feel very comfortable with that position because, as they say, I are one. I feel firmly that someone must defend their interests, and I am comfortable with that.

At the confirmation hearing, Mr. Turnage also provided a number of specific, positive assurances that I wish to note. He committed to conducting a thorough examination of the VA's budget plans for the VA's Department of Medicine and Surgery in fiscal year 1987 and the 4 out-years; I consider the budget request and out-year projections for DM&S to be grossly deficient.

Mr. Turnage further committed to a reexamination of the issue of the administration's proposal—not accepted in the Senate Budget Committee's recommendations—to sell off certain lands at two VA medical centers in southern California and to making his own independent judgment regarding this proposal after receiving the results of the new land-use reviews now being made by the VA.

Finally, he noted that he shares my frustration about the length of time the VA presently plans to take to open a new national cemetery in northern California. This new cemetery—the establishment and location of which I strongly supported—was approved by then-Administrator Harry Walters last September, but it is not scheduled to open until April 1991. Mr. Turnage suggested that if there is a realistic way to open that cemetery earlier than 1991 he would take steps to accelerate the completion of this project.

Before closing, I want to reemphasize my view that repaying the debts we owe to those who gave of themselves in the Armed Forces is a continuing cost of our Nation's defense and a fundamental national obligation. The challenges that we all face are great and the answers are not easy, but Tom Turnage has pledged to do his utmost to meet those challenges. I, in turn, have pledged to him my cooperation in this effort.

Mr. President, I urge the Senate to approve the nomination of Thomas K. Turnage to be Administrator of Veterans' Affairs, which the Veterans' Affairs Committee unanimously ordered favorably reported on March 18.

Exhibit 1

Committee on Veterans' Affairs,
Washington, DC, February 20, 1986.

Hon. Thomas K. Turnage,
Administrator of Veterans' Affairs-Designate, Washington, DC.

Dear Tom: I am writing in order to communicate directly with you regarding a position that I will take with regard to your nomination to be Administrator of Veterans' Affairs.

Before discussing the specifics, however, I first want to give you my full and personal assurance that this position is not intended to reflect any judgment regarding your personal or professional qualifications for the position. Rather, it is purely the result of events in recent years that have adversely affected the budget of the Veterans' Administration.

After the submission of the President's budget for fiscal years 1982, 1983, 1985, and 1986, the Administration, without consulting with the Administrator of Veterans' Affairs, proposed or supported budget revisions making deep cuts in VA programs. In anticipation of the possibility that the Director of the Office of Management and Budget or White House staff members might exercise such undue control over the VA budget, I sought and obtained, during this Committee's consideration of your two predecessors' nominations, certain assurances with respect to their personal access to the President or his top White House advisors regarding VA budget matters.

In retrospect, however, it is clear that nothing less than the specific personal assurances of the President himself can provide any guarantee that the Administrator will be consulted and his views taken into account before the Administration positions on the VA's budget are taken.

Thus, in light of the repeated frustrations of past efforts to ensure that the Administrator has appropriate opportunities to play an active role in all matters relating to the VA's budget, I have decided to announce that I will oppose your confirmation unless the President provides explicit assurance regarding your full participation in VA budget matters. I will be seeking the President's assurance both that you will be fully involved

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and consulted while any major issue regarding the VA's budget is under Executive Branch consideration and that the President will insist that, before he or anyone acting for him makes a decision on that issue, your views will be obtained and taken into account.

It is my hope, Tom, that this letter will reassure you that my position in this matter is, as I have stated, not in any way related to your qualifications for this position and will help enable you to bring with you to your confirmation hearing clear and specific documentation that the assurances I am seeking have in fact been given.

You have my personal best wishes for success in your new endeavor.

With warm regards,

Cordially,

ALAN CRANSTON,
Ranking Minority Member.

DIRECTOR OF SELECTIVE SERVICE,
Washington, DC, March 12, 1986.

Hon. ALAN CRANSTON,
Committee on Veterans' Affairs,
U.S. Senate, Washington, DC

DEAR SENATOR CRANSTON: Reference is made to your letter of February 20, 1986, in which you expressed concern about the role I would play in the budget process as Administrator of Veterans' Affairs and the opportunity I would have to influence decisions affecting the Veterans' Administration budget request as it is incorporated into the President's Budget Request to Congress. I would like to address these concerns briefly.

One primary responsibility of the head of any government agency, in my view, is the analysis of the mission of the agency and the identification and justification of those resources required to fulfill that mission. Moreover, in the presentation of those resource requirements to the Office of the President, the appointee has the added responsibility and right to defend his estimates in all subsequent forums which may effect mission accomplishment of his agency. Finally, he is ultimately charged with the efficient use of the funds and personnel allocated to the agency by the Congress and the President. I have followed this pattern for the last four years with the Selective Service System and found it tc be completely successful.

Consistent with the foregoing, I intend to be fully involved not only in the development of initial budget requests within the Veterans' Administration, but also in the subsequent deliberations at the Office of Management and Budget as the President's Budget is being prepared for submission to Congress.

To allay any further concerns in this matter, you should know that I have recently met with President Reagan and members of his staff as well as Mr. Miller of OMB and members of his staff. In all instances, I received personal, explicit assurances that I will have every opportunity to present my view regarding policy decisions effecting the Nation's veterans and the resource needs of the Veterans' Administration. They could not have been more supportive.

In Title 38 of the United States Code, the Administrator is charged, under the direction of the President, with the responsibility for ". . . the control, direction and management of the Veteran's Administraiton." In keeping with this responsibility, I will participate in every major aspect of the budget formulation and implementation as well as all other activities which impact on the agency's ability to perform its mission.

I hope that these reassurances meet your expectations and that we have the opportunity to work together in the interest of the Nation's veterans.

Sincerely,

THOMAS K. TURNAGE.

Mr. BAUCUS. Mr. President, I am pleased to concur in the confirmation of Gen. Thomas K. Turnage as Chief Administrator of the Veterans' Administration.

I have met with General Turnage and told him of my deep concern about the difficult situation surrounding the proposed "mission change" at the VA Medical Center in Miles City, MT. General Turnage has assured me that he understands my concern and that as VA Administration he will give special attention to the Miles City center to ensure its continued service to the veterans of Montana.

I wish General Turnage wisdom, understanding, and stamina in his new position. It would be a tough job under ordinary circumstances. It will be even more difficult in the next few years, as each budget within the Federal Government undergoes intense scrutiny and reductions.

Mr. President, I extend my sincere congratulations to General Turnage and wish him the best as Chief Administration of the Veterans' Administration. I look forward to working closely with General Turnage and his staff to provide Montana's veterans with the best possible service, and toward an effective resolution of the Miles City center controversy.

Mr. TRIBLE. Mr. President, I move to reconsider the vote by which the nominations were confirmed.

Mr. BYRD. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. TRIBLE. Mr. President, I ask unanimous consent that the President be immediately notified of the confirmation of these nominations.

The PRESIDING OFFICER. Without objection, it is so ordered.

LEGISLATIVE SESSION

Mr. TRIBLE. Mr. President, I ask unanimous consent that the Senate return to the consideration of legislative business.

The PRESIDING OFFICER. Without objection, it is so ordered.

CALENDAR

Mr. TRIBLE. Next, Mr. President, I inquire of the Democratic leader if he is in a position to pass any or all of the following Calendar Nos.: Calendar No. 562, Senate Joint Resolution 251; Calendar No. 563, Senate Joint Resolution 263; Calendar No. 564, Senate Joint Resolution 264; Calendar No. 565, Senate Joint Resolution 267; Calendar No. 566, Senate Joint Resolution 279; Calendar No. 567, Senate Joint Resolution 286; Calendar No. 568, Senate Joint Resolution 296; Calendar No. 569, Senate Joint Resolution 297; Calendar No. 570, Senate Joint Resolution 105; and Calendar Item No. 571, House Concurrent Resolution 278?

Mr. BYRD. Mr. President, all of the calendar orders identified by the distinguished acting leader have been cleared on this side. We are ready to proceed and ready to act en bloc, if it is the desire of the assistant leader to do so.

Mr. TRIBLE. I thank the Democratic leader. I ask unanimous consent that the calendar items just identified be considered en bloc, passed en bloc, and that all committee amendments and preambles be considered and agreed to en bloc.

The PRESIDING OFFICER. Without objection, it is so ordered.

NATIONAL SCIENCE WEEK, 1986

The joint resolution (S.J. Res. 251) to designate the week of May 11 through 17, 1986, as "National Science Week, 1986"; was considered, ordered to be engrossed for a third reading, read the third time, and passed.

The preamble was agreed to.

The joint resolution, and the preamble, are as follows:

S.J. RES. 251

Whereas science and technology are considered to be critical in the long-term economic development and international competitiveness of the Nation;

Whereas the rate of scientific discovery and the application of high technologies have an immediate and profound impact on the quality of life;

Whereas the scientific and technological leadership of the Nation continues to be challenged on an increasing basis from members of the international community;

Whereas it is vital to build and maintain a highly dedicated and motivated workforce with scientific and technological skills;

Whereas it is important that scientific research be made more interesting and accessible to youth as a potential career option;

Whereas in order to take advantage of the opportunities and meet the challenges, the Nation must provide all citizens, particularly young people, with a quality educational experience in science and technology;

Whereas it is in the national interest to stimulate and encourage the most talented and promising students to pursue careers in science and technology; and

Whereas schools, universities, museums, the media, and professional, educational, and voluntary organizations, together with industry, labor, government, and private citizens, should be encouraged to work cooperatively to develop programs, events, and materials that will contribute to an increased public awareness of the importance of science and technology to the well-being and long-term prosperity of the Nation; Now, therefore, be it

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled, That the week of May 11, 1986, through May 17, 1986, is designated as "National Science Week, 1986"

and the President is authorized and requested to issue a proclamation calling upon the people of the United States to observe the week, with appropriate conferences, programs, ceremonies, and activities, including programs designed to further the awareness of all citizens, particularly the youth of the Nation, of the importance of science and technology.

NATIONAL INDEPENDENT RETAIL GROCER WEEK

The joint resolution (S.J. Res. 263) to designate the week of September 7 through September 13, 1986, as "National Independent Retail Grocer Week," was considered, ordered to be engrossed for a third reading, read the third time, and passed.

The preamble was agreed to.

The joint resolution, and the preamble, are as follows:

S.J. RES. 623

Whereas the independent retailer has served the American consumer for over two hundred years;

Whereas independent retail grocers account for 64 per centum of all grocery stores in the United States and are responsible for nearly one-half of the grocery product distributed;

Whereas the independent retail grocer exemplifies the small business entrepreneur, the backbone of the American free enterprise system; and

Whereas the independent retail grocer offers a wide array of services to the community where the grocer lives and does business: Now, therefore, be it

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled, That September 7 through September 13, 1986, be proclaimed as "National Independent Retail Grocer Week".

NATIONAL NURSING HOME RESIDENTS DAY

The joint resolution (S.J. Res. 264) designating April 28, 1986, as "National Nursing Home Residents Day," was considered, ordered to be engrossed for a third reading, read the third time and passed.

The preamble was agreed to.

The joint resolution, and the preamble, are as follows:

S.J. RES. 264

Whereas over one million older Americans reside in nursing homes and one in five older Americans likely will reside in a nursing home at some time;

Whereas nursing home residents have contributed to the growth, development, and progress of this Nation and, as elders, offer a wealth of knowledge and experience;

Whereas Congress recognizes the importance of the continued participation of these institutionalized senior citizens in the life of our Nation;

Whereas in an effort to foster reintegration of these citizens into their communities Congress encourages community recognition of and involvement in the lives of nursing home residents;

Whereas the Congress recognizes the importance of safeguarding the rights of nursing home residents; and

Whereas it is appropriate for the American people to join in support of nursing home residents to demonstrate their concern and respect for these citizens: Now, therefore, be it

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled, That April 28, 1986, is designated as "National Nursing Home Residents Day", a time of renewed recognition, concern, and respect for the Nation's nursing home residents. The President is authorized and requested to issue a proclamation calling upon the people of the United States to observe this day with appropriate ceremonies and activities.

OLDER AMERICANS MELANOMA/SKIN CANCER DETECTION AND PREVENTION WEEK

The joint resolution (S. J. Res. 267) designating the week of May 26, 1986, through June 1, 1986, as "Older Americans Melanoma/Skin Cancer Detection and Prevention Week" was considered, ordered to be engrossed for a third reading, read the third time, and passed.

The preamble was agreed to.

The joint resolution, and the preamble, are as follows:

S. J. RES. 267

Whereas skin cancer, including melanoma and nonmelanoma types, is the most common cancer in the United States, accounts for between 30 and 40 per centum of all cancers, and is increasing at a significant rate;

Whereas the incidence of skin cancer increases throughout adult life, the highest age-specific incidence rates for melanoma and other skin cancers occur in the United States population over the age of fifty years;

Whereas specific causes for the prevalence of the disease in this population are not entirely known, and more research is required on the causes, it is nevertheless clear that early detection and early treatment of melanoma and nonmelanoma skin cancers result in high cure rates;

Whereas older Americans should become aware that melanoma and nonmelanoma skin cancers are major health problems, and education about detection and prevention of such cancers should become a national concern;

Whereas the American Academy of Dermatology and State and local dermatologic organizations are committed to heightening the awareness and understanding of melanoma and nonmelanoma skin cancers among older Americans; and

Whereas the Second Annual National Melanoma and Skin Cancer Detection and Prevention Program, a coordinated national voluntary effort of professional dermatologic organizations to reduce the increasing incidence of melanoma and nonmelanoma skin cancers and to better control such cancers, will occur during the week of May 26, 1986, through June 1, 1986: Now, therefore, be it

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled, That the week of May 26, 1986, through June 1, 1986, is designated as "Older Americans Melanoma/Skin Cancer Detection and Prevention Week", and the President is authorized and requested to issue a proclamation calling upon all Government agencies and the people of the United States to observe the week with appropriate programs and activities.

LUPUS AWARENESS MONTH

The joint resolution (S.J. Res. 279) to designate the month of October 1986, as "Lupus Awareness Month" was considered.

Mr. GORE. Mr. President, I would like to take this opportunity to thank my colleagues who cosponsored this bill with me. They recognized as I did the importance of calling attention to a terrible debilitating illness.

I would also like to say a special word of thanks to two women who deserve special recognition in drawing attention to the plight of Lupus patients. Goldie Simon of Philadelphia, has worked with Members of this body for the past 5 years to see to it that Lupus patients receive the recognition they deserve. This is Goldie's last year working on this project. Beginning next year she will turn over the reins to Marlene Monroe of Memphis, TN. It is in the long tradition of Tennessee, as the Volunteer State, that Marlene has eagerly taken on this task.

I know I can speak for many of my colleagues in thanking Goldie Simon for a job well done, and in wishing Marlene Monroe the same success in the coming year.

Most people have heard of Lupus. It is thought that Lupus attacks the body by causing allergic reaction. A majority of individuals affected by Lupus erthymatosus are women in their childbearing years. With prompt attention, 80 to 90 percent of Lupus victims can look forward to a normal life span. Proven treatment and therapy techniques can improve the quality of life for all. But treatment must begin promptly. All too often, delays resulting from the difficult diagnosis of this multifaceted and little-known disease results in the death of the Lupus victim.

Even when prompt diagnosis takes place, physicians can only treat the symptoms of Lupus. No cure is possible. This lack is one of the most important arguments in favor of a national awareness project. Increased awareness is instrumental in securing the early diagnosis that is essential to saving Lupus victims from extreme pain or untimely death. More importantly, awareness points the way to a redoubling of research efforts. Only in this way can we hope to find a cure.

The tragedy of Lupus erythematosus speaks strongly for a concerted effort to eradicate the disease. I believe that a national awareness month is a vital step in embarking on that important work.

The joint resolution was ordered to be engrossed for a third reading, read the third time, and passed.

The preamble was agreed to.

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The joint resolution, and the preamble, are as follows:

S.J. Res. 279

Whereas Lupus Erythematosus is a disease of unknown cause that affects over five-hundred thousand people in the United States, 90 percent of whom are women in their childbearing years;

Whereas Lupus Erythematosus, though not a rare disease, is unfamiliar even to some physicians which may result in the disease being misdiagnosed or diagnosed too late;

Whereas Lupus Erythematosus in the most severe form can be fatal;

Whereas The Lupus Foundation of America, Inc., its constituent chapters, and other voluntary health organizations are established throughout the United States to serve and support victims of lupus and their families, encourage funding for research, and increase public awareness; and

Whereas the public and the Federal Government are not sufficiently aware of the incidence of Lupus Erythematosus: Now, therefore, be it

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled, That the month of October 1986, is designated as "Lupus Awareness Month" and the President is authorized and requested to issue a proclamation calling upon the people of the United States to observe the month with appropriate programs, ceremonies, and activities.

NATIONAL READING IS FUN WEEK

The joint resolution (S.J. Res. 286) to designate the week of April 20, 1986, through April 26, 1986, as "National Reading Is Fun Week" was considered, ordered to be engrossed for a third reading, read the third time, and passed.

The preamble was agreed to.

The joint resolution, and the preamble, are as follows:

S.J. Res. 286

Whereas reading for pleasure contributes to the development of lifelong reading and learning skills;

Whereas the lack of those skills is a pervasive and destructive force in America, and millions of adults cannot read well enough to function in our society;

Whereas it is essential that the sixty-six million youngsters in American under the age of 18 grow up reading in order to become literate, informed adults; and

Whereas "National Reading Is Fun Week" will be a nationwide literacy effort encouraging millions of young people to read: Now, therefore, be it

Resolved by the Senate and House of Representatives of the United States of America in Congress, assembled, That week of April 20, 1986, through April 26, 1986, is designated as "National Reading Is Fun Week" and the President is authorized and requested to issue a proclamation calling upon Federal, State, and local government agencies and the people of the United States to observe the week with appropriate programs, ceremonies, and activities.

WORLD FOOD DAY

The joint resolution (S.J. Res. 296) to designate October 16, 1986, as "World Food Day" was considered, ordered to be engrossed for a third reading, read the third time, and passed.

The preamble was agreed to.

The joint resolution, and the preamble, are as follows:

S.J. Res. 296

Whereas hunger and malnutrition remain daily facts of life, for hundreds of millions of people throughout the world;

Whereas the children of the world suffer the most serious effects of hunger and malnutrition, with millions of children dying each year from hunger-related illness and disease, and many others suffering permanent physical or mental impairment because of vitamin or protein deficiencies;

Whereas the United States and the American people have a long tradition of demonstrating humanitarian concern for the hungry and malnourished, recently manifested in their response to African famine;

Whereas the United States, as the world's largest producer and trader of food, has a key role to play in assisting countries and people to improve their ability to feed themselves;

Whereas efforts to resolve the world hunger problem are critical to the maintenance of world peace and, therefore, to the security of the United States;

Whereas although progress has been made in reducing the incidence of hunger and malnutrition in the United States, certain groups, notably Native Americans, migrant workers, the elderly, and children, remain vulnerable to malnutrition and related diseases;

Whereas there is growing recognition that improved agricultural policies, including farmer incentives, are necessary in many developing countries to increase food production and economic growth;

Whereas the United States has always supported the principle that the health of the nation depends on a strong agriculture based on private enterprise and the primacy of the independence family farmer;

Whereas national policies concerning food, farmland, and nutrition require continuing evaluation and should consider and strive for the well-being and protection of all residents of the United States and particularly those most at health risk;

Whereas there is widespread concern that the use and conservation of natural resources required for food production throughout the United States ensure care for the national patrimony we bequeath to future generations;

Whereas Congress is acutely aware of the paradox of immense farm surpluses and rising farm foreclosures in the United States despite the desperate need for food by hundreds of millions of people throughout the world;

Whereas participation by the private voluntary and business sectors, working with national governments and the international community, is essential to the search for solutions to food and hunger problems;

Whereas the member nations of the Food and Agricultural Organization of the United Nations unanimously designated October 16 of each year as World Food Day because of the need to increase public awareness of world hunger problems;

Whereas past observances of World Food Day have been supported by proclamations by the fifty states, the District of Columbia, the Commonwealth of Puerto Rico, and the territories and possessions of the United States, by resolution of Congress, by Presidential proclamations, by programs of the United States Department of Agriculture and other Government departments and agencies, and by the governments and peoples of many other nations; and

Whereas more than three hundred and fifty private and voluntary organizations and many thousands of community leaders are participating in the planning of World Food Day observances for 1986: Now, therefore, be it

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled, That October 16, 1986, is hereby designated as "World Food Day", and the President is authorized and requested to issue a proclamation calling upon the people of the United States to observe that day with appropriate programs and activities.

CRIME VICTIMS WEEK

The joint resolution (S.J. Res. 297) to designate the week of April 20, 1986, as "Crime Victims Week", was considered, ordered to be engrossed for a third reading, read the third time and passed.

The preamble was agreed to.

The joint resolution, and the preamble, are as follows:

S.J. Res. 297

Whereas more than thirty-five million Americans were victims of crime last year and almost six million of these Americans were raped, robbed, beaten, or murdered;

Whereas crime victims are too often devastated by the financial, physical and psychological burdens imposed by crime.

Whereas our criminal justice system does not always lend support to victims of crime and may even further victimize these citizens;

Whereas the President's Task Force on Victims of Crime three years ago presented an agenda to correct these injustices and much progress is being made in recognizing and acting upon the needs of victims; and

Whereas State and local governments, private organizations and concerned citizens must be encouraged to continue their efforts to assure the fair treatment of innocent victims of crime: Now, therefore, be it

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled, That the week of April 20, 1986, is designated as "Crime Victims Week", and the President is authorized and requested to issue a proclamation calling upon the people of the United States to observe such week with appropriate programs, ceremonies, and activities.

HENRY OSSIAN FLIPPER DAY

The resolution (S. Res. 105) to designate March 21, 1986, as "Henry Ossian Flipper Day", was considered, and agreed to.

The preamble was agreed to.

The resolution, and the preamble, are as follows:

S. Res. 105

Whereas March 21, 1986 marks the one hundred and thirtieth anniversary of the birth of Henry Ossian Flipper;

Whereas Henry Ossian Flipper was born into slavery in Georgia;

Whereas Henry Ossian Flipper attended the United States Military Academy from 1873 until 1877 where, in the face of the ostracism and racial prejudice of his fellow students, he exhibited extraordinary courage, dignity, and perseverance;

Whereas, in 1877 Henry Ossian Flipper became the first black graduate of the United States Military Academy;

Whereas Lieutenant Flipper was an officer in the army until 1882 and served with distinction in the Victorio campaign of 1880;

Whereas he continued to serve his Nation for the next fifty years, in spite of the fact that his military career was terminated in 1882 by a court martial which was later proved erroneous;

Whereas, on December 13, 1976, the Army Board for Corrections, upon reconsidering the court martial of Lieutenant Henry Ossian Flipper, directed that records be corrected to show that he was separated from the Army on a certificate of honorable discharge as of June 30, 1882;

Whereas Henry Ossian Flipper held important positions in the Federal civil service, including special agent for the Court of Private Claims for the Department of the Interior;

Whereas Henry Ossian Flipper's engineering accomplishments, including "Flipper's Ditch", now a national historic landmark at Fort Sill, Oklahoma, are credited with improving life in the Southwest;

Whereas Henry Ossian Flipper was also an author, newspaper editor, cartographer, interpreter, translator, surveyor, and authority on Mexican laws; and

Whereas Henry Ossian Flipper's life exemplified the United States Military Academy motto of "Duty, Honor, Country", and his accomplishments were remarkable in an era when blacks were denied certain rights: Now, therefore, be it

Resolved, That the Senate declares March 21, 1986 as "Henry Ossian Flipper Day", and encourages the people of the United States to observe this day with appropriate ceremonies and activities.

NATIONAL TRIO DAY

The concurrent resolution (H. Con. Res. 278) expressing the sense of the Congress that February 28, 1986, should be designated "National TRIO Day" and that the achievements of the TRIO programs should be recognized, was considered, and agreed to.

The preamble was agreed to

Mr. TRIBLE. Mr. President, I move to reconsider the vote by which the various resolutions were passed or agreed to.

Mr. BYRD. Mr. President, I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. TRIBLE. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. DOLE. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. DOLE. Mr. President, is there pending business?

CONCLUSION OF MORNING BUSINESS

The PRESIDING OFFICER. Morning business is closed.

METROPOLITAN WASHINGTON AIRPORT TRANSFER ACT

The PRESIDING OFFICER. The pending business is the motion to proceed to the consideration of S. 1017, the Airport Transfer Act.

CLOTURE MOTION

Mr. DOLE. I send a cloture motion to the desk.

The PRESIDING OFFICER. The cloture motion having been presented under rule XXII, the Chair directs the clerk to read the motion.

The assistant legislative clerk read as follows:

CLOTURE MOTION

We, the undersigned Senators, in accordance with the provisions of Rule XXII of the Standing Rules of the Senate, hereby move to bring to a close debate on the motion to proceed to the consideration of S. 1017, a bill to provide for the transfer of the Metropolitan Washington Airports to an independent airport authority.

Bob Dole, Paul Trible, J. Warner, John East, Slade Gorton, Jake Garn, Daniel J. Evans, Jeremiah Denton, Arlen Specter, Dave Durenberger, Jesse Helms, Mark Hatfield, Nancy Kassebaum, Al Simpson, Thad Cochran, and Bob Kasten.

ORDERS FOR MONDAY, MARCH 24, 1986

RECESS UNTIL MONDAY

Mr. DOLE. Mr. President, I ask unanimous consent that when the Senate completes its business today, it stand in recess until the hour of 12 noon on Monday, March 24, 1986.

The PRESIDING OFFICER. Without objection, it is so ordered.

RECOGNITION OF CERTAIN SENATORS

Mr. DOLE. Mr. President, I ask unanimous consent that following the recognition of the two leaders under the standing order there be special orders in favor of the following Senators for not to exceed 5 minutes each: Senators HAWKINS, NUNN, PROXMIRE, CHILES, and CRANSTON.

The PRESIDING OFFICER. Without objection, it is so ordered.

TRANSACTION OF ROUTINE MORNING BUSINESS

Mr. DOLE. Following the special orders just identified, I ask unanimous consent that there be a period for the transaction of routine morning business not to extend beyond the hour of 1 p.m., with Senators permitted to speak therein for not more than 5 minutes each.

PROGRAM

Mr. DOLE. Mr. President, at 1 p.m., a live quorum will begin, to be immediately followed by a cloture vote on the motion to proceed to the consideration of S. 1017, the regional airport bill. Therefore, there will be at least one rollcall vote that can be expected on Monday, March 24. If cloture is invoked, I assume there will be additional amendments. We do have the agreement that will be honored that there will be no votes after 6 p.m.

RECESS UNTIL MONDAY, MARCH 24, 1986

Mr. DOLE. Mr. President, I move the Senate stand in recess until 12 noon Monday, March 24.

The motion was agreed to; and at 6:30 p.m., the Senate recessed until Monday, March 24, 1986, at 12 noon.

CONFIRMATIONS

Executive nominations confirmed by the Senate March 21, 1986:

OCCUPATIONAL SAFETY AND HEALTH REVIEW COMMISSION

John R. Wall, of Ohio, to be a member of the Occupational Safety and Health Review Commission for the term expiring April 24, 1987.

HARRY S. TRUMAN SCHOLARSHIP FOUNDATION

Truman McGill Hobbs, of Alabama, to be a member of the Board of Trustees of the Harry S. Truman Scholarship Foundation for a term expiring December 10, 1991.

NATIONAL COUNCIL ON EDUCATIONAL RESEARCH

Donald Barr, of Connecticut, to be a member of the National Council on Educa-Educational Research for a term expiring September 30, 1988.

James Harvey Harrison, Jr., of Virginia, to be a member of the National Council on Educational for a term expiring September 30, 1988.

Robert H. Mattson, of Oregon, to be a member of the National Council on Educational Research for a term expiring September 30, 1988.

Joan M. Gubbins, of Indiana, to be a member of the National Council on Educational Research for a term expiring September 30, 1988.

Robert Lee McElrath, of Tennessee, to be a member of the National Council on Educational Research for a term expiring September 30, 1987.

David Alan Heslop, of California, to be a member of the National Council on Educational Research for a term expiring September 30, 1986.

NATIONAL FOUNDATION ON THE ARTS AND THE HUMANITIES

Marilyn Logsdon Mennello, of Florida, to be a member of the National Museum Services Board for a term expiring December 6, 1989.

James H. Duff, of Pennsylvania, to be a member of the National Museum Services Board for the remainder of the term expiring December 6, 1986.

NATIONAL INSTITUTE OF HANDICAPPED RESEARCH

David B. Gray, of Maryland, to be Director of the National Institute of Handicapped Research.

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DEPARTMENT OF EDUCATION

C. Ronald Kimberling, of Virginia, to be Assistant Secretary for Postsecondary Education, Department of Education.

The above nominations were approved subject to the nominees' commitment to respond to requests to appear and testify before any duly constituted committee of the Senate.

DEPARTMENT OF JUSTICE

Harry Connolly, of Oklahoma, to be U.S. marshal for the Northern District of Oklahoma for the term of 4 years.

Henry K. Oncken, of Texas, to be U.S. attorney for the Southern District of Texas for the term of 4 years.

Thomas E. Dittmeier, of Missouri, to be U.S. attorney for the Eastern District of Missouri for the term of 4 years.

VETERANS' ADMINISTRATION

Thomas K. Turnage, of California, to be Administrator of Veterans' Affairs.

EXTENSIONS OF REMARKS

DO WE NEED MUSIC COPYRIGHT REFORM?

HON. JOHN BRYANT

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Friday, March 21, 1986

Mr. BRYANT. Mr. Speaker, American music is dominant in its art form; its popularity transcends continents, cultures, and political systems—it is heard over the global air waves. Our music is in such global demand that it remains one of the dwindling number of winners in our balance-of-payments equation.

This music springs from the creativity of our people, and that creativity is genuinely all-American, a product of our ethnic and geographic diversity and the demands of our youth. What is critical, however, is that this all-American creativity takes place within the framework of the copyright law that encourages and nurtures it. The copyright system gives free reign to creativity, encourages competition, and rewards success. In music, success is popularity, and American music is the most popular in the world.

Now that copyright system is under assault. In October of 1985, the so-called source licensing bill, H.R. 3521, was introduced. This bill will benefit those who profit from selling the creative efforts of others. It would inflict a staggering blow on the copyright system which has helped make the success of American music possible.

Mr. Speaker, none of the arguments advanced by the proponents of the so-called music copyright reform legislation are new. They all have been made before impartial U.S. courts. These courts have found them wanting.

The most recent, and the most definitive, of these court decisions was handed down by a unanimous Second U.S. Circuit Court of Appeals in September 1984. If space permitted, I would insert the entire opinion for the review of my colleagues. But as this is not possible, I would like to cite certain relevant findings here refuting the key arguments advanced by the proponents of music copyright reform.

BLANKET LICENSE

Mr. Speaker, the supporters of H.R. 3521 claim that the blanket license, which is the method used throughout the world for music licensing, is somehow unfair, unreasonable, and monopolistic. In answer to these charges, the court stated the following:

> Once again we consider the lawfulness under section 1 of the Sherman Antitrust Act of the blanket license offered by the American Society of Composers, Authors, and Publishers (ASCAP) and Broadcast Music, Inc. (BMI). The license permits the licensee to perform publicly any musical composition in the repertory of the licensor. In this litigation the blanket license is challenged by a class of licensees comprising all owners of "local" television stations in the United States, i.e., stations not owned by any of the three major television networks, ABC, CBS, and NBC. . . . We conclude that the evidence is insufficient as a matter of law to show that the blanket license is an unlawful restraint of trade. . . . The blanket license has been challenged in a variety of contexts. It has been upheld for use by nightclubs and bars, BMI v. Moor-Law, Inc., 527 F. Supp. 758 (D. Del. 1981), aff'd mem., 691 F. 2d 490 (3d Cir. 1982), by radio stations, K-91, Inc. v. Gershwin Publishing Corp., 372 F.2d 1 (9th Cir. 1967), cert. denied, 389 U.S. 1045 (1968), and by a television network, CBS-remand, supra. Without doubting that the context in which the blanket license is challenged can have significant bearing on the outcome, we hold that the local television stations have not presented evidence in this case permitting a conclusion that the blanket license is a restraint of trade in violation of section 1.

SOURCE LICENSING

Mr. Speaker, the supporters of H.R. 3521 claim that alternatives to the blanket license are not truly available. Yet the court found that there are three legitimate alternatives to the blanket license. The legislation seeks to mandate one of those—source licensing—as the only way to license music to the exclusion of the blanket license and the other two alternatives. Here is what the court said about source licensing:

> As Judge Gagliardi noted, the "current availability and comparative efficiency of source licensing has been the focus of this lawsuit." Id. at 291. The availability of source licensing is significant to the inquiry as to whether the blanket license is a restraint because so much of the stations' programming consists of syndicated programs for which the producer could, if so inclined, convey music performing rights. Most of these syndicated programs use composer-for-hire music. As to such music, the producer starts out with the rights of the copyright, including the performing right, by operation of law . . . unless the hiring agreement otherwise provides. Thus it becomes important to determine whether the stations can obtain from the producer the music performing right, along with all of the other rights in a syndicated program that are conveyed to the stations when the program is licensed. As to "inside" music, source licensing would mean that the producer would either retain the performing right and convey it to the stations, instead of following the current practice of assigning it to the composer and publishing company, or reacquire the performing right from the composer and publisher for conveyance to the stations. As to "outside" music, source licensing would mean that the producer would have to acquire from the copyright proprietor the performing right, in addition to the "synch" right now acquired.
>
> Plaintiffs sought to prove that source licensing was not a realistic alternative by presenting two types of evidence: "offers" from stations and analysis of the market. Prior to bringing this lawsuit, the stations had not sought to obtain performing rights via source licensing. Perhaps prompted by the evidentiary gap emphasized in our decision in CBS-remand or by the taunting of defendants in this litigation, plaintiffs began in mid-1980, a year and one-half after the suit was filed, to create a paper record designed to show the unavailability of source licensing.
>
> Various techniques were used. Initially, some stations simply inserted into the standard form of licensing agreement for syndicated programs a new clause specifying that the producer has obtained music performing rights and that the station need not do so. No offer of additional compensation for the purchase of the additional rights was made. Not surprisingly most producers declined to agree to the proposed clause. A vice-president of MCA Television Limited ("MCA"), one of the major syndicators, replied to KAKE-TV, "It is surprising to me that the station would attach a Rider of such magnitude without previously discussing it with us . . . [Y]ou are apparently asking us to undertake the clearance of the music performance rights in [the 'Rockford Files' TV series] without offering any additional payment . . . [W]e are unable to accept the amendment . . . This does not mean, of course, that a different approach is unacceptable. It does, however, mean that a change of this magnitude should be discussed well in advance so that our respective concerns can be addressed."
>
> Another approach, evidenced by King Broadcasting Co.'s letter to MCA, attached a music performing rights rider to the standard syndication licensing agreement and added, "If [sic] and additional fee is in order, we would certainly consider favorable any such reasonable fee." Another approach, adopted by Chronicle Broadcasting Co. in letters to various syndicators, was a request for source clearance of music performing rights with the comment, "Chronicle recognizes that this contemplated change . . . may [sic] in some instances require an adjustment in the basic program license fees." Metromedia, Inc., owner of several stations, went further and asked Twentieth Century-Fox Television ("Fox"), "Since you are the 'seller', what is the price you would affix to the altered product [the syndication license including music performing rights]?" In reply Fox made the entirely valid point that since syndication licensing without music performing rights had been the industry practice for years, it was Metromedia's 'responsibility to advise us in what manner you would like' to change the current arrangements. Notably absent from all of the correspondence tendered by the plaintiffs is the customary indicator of a buyer's seriousness in attempting to make a purchase—an offer of a sum of money.
>
> Judge Gagliardi properly declined to give any probative weight to the plaintiff's transparent effort to assemble in the midst of litigation evidence that they had seriously tried to obtain source licensing. He found "plaintiffs" source licensing foray so darkened by the shadow of the approaching trial that its results may not be relied upon to support either side. 546 F. Supp. at 292.

● This "bullet" symbol identifies statements or insertions which are not spoken by a Member of the Senate on the floor.
Matter set in this typeface indicates words inserted or appended, rather than spoken, by a Member of the House on the floor.

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Nevertheless the District Court concluded that source licensing was not a realistic alternative because the syndicators "have no impetus to depart from their standard practices and request and pay for television performing rights merely in order to pass them along to local stations." *Id.* This conclusion does not follow from some of the Court's factual findings and rests on a view of the syndication market that is contradicted by other findings.

The District Court viewed the syndication market as one in which the balance of power rests with the syndicators and the stations have no power to "compel" a reluctant syndicator to change to source licensing. *Id.* Yet the Court found that there are eight major syndicators, *id.* at n.13, and that they distribute only 52% of all syndicated programs, *id.* at 281, hardly typical of a non-competitive market. Moreover, the Court characterized production of syndicated programs as a "risky business," *id.* at 282, a finding fully supported by the evidence. It may be that the syndicator of a highly successful program has the upper hand in negotiating for the syndication of that program and would not engage in source licensing for music in that program simply to please any one station, but it does not follow that the market for the wide range of syndicated programs would be unresponsive to aggregate demand from stations willing to pay a reasonable price for source licensing of music performing rights.

The District Court recognized that, even under its view of a syndication market weighted in favor of the syndicators, source licensing could be said to be unavailable only if stations would not offer "premium prices." *Id.* at 292. There is no subsidiary finding as to what prices the Court thought stations would have to offer to obtain source licensing. That is not surprising in view of the failure of the plaintiffs to present evidence to show either what such prices might be or that they would be "premium" in the sense of significantly exceeding an objectively reasonable value of the rights obtained. Nor is the alleged unwillingness of the producers to undertake source licensing established by the fact that some producers own music publishing companies that receive royalties as their distributive share of the fees stations pay for the blanket license. The undisputed evidence shows that these fees are far too small to persuade syndicators to refuse to undertake source licensing in the face of reasonable offers. BMI, for example, typically distributes to a publisher between $.50 and $.85 for theme and background music in a half-hour episode of a syndicated program shown on a single station; by contrast, the syndication licensing fee can exceed $60,000 for a single episode of a popular series shown in a major television market. Though some of the major producers that own music publishing companies have received more than $1 million in annual television distributions of music royalties, those royalties are a small fraction of their syndication revenue.

PROGRAM LICENSING

Mr. Speaker, with respect to the alternative to the blanket license known as the program license, the proponents of H.R. 3521 claimed that this was not realistically available to them because the rates charged for this license were too costly. Here is what the court found regarding the television broadcasters' arguments about the cost of the program license:

First, the rates are charged against different bases. The blanket license rate is applied to a station's total revenue; the program license rate is applied only to revenue from a particular program. . . .

Second, the degree of difference between the two rates is largely attributable to the stations themselves. In negotiating a revision of license rates in the *Shenandoah* proceeding in 1969, the All-Industry Committee elected not to press for reduction of the program license rate, believing, as it informed the broadcasters it represented, that "the critical matter at this time was to get the best possible blanket license." Having preferred to win a lower price for only the blanket license, the stations are in no position to point to the widened differential between rates to show that program licenses are not realistically available.

Third, the only valid test of whether the program license is "too costly" to be a realistic alternative is whether the price for such a license, in an objective sense, is higher than the value of the rights obtained. But plaintiffs presented no evidence that the price of the program license is "high" in terms of value received . . . .

Fourth, even if there were evidence that showed the program license rate to be too "high," that price is always subject to downward revision by Judge Conner, who currently supervises the administration of the Amended Final Judgment. The aspects of that judgment are especially pertinent to any claim that the price of the program license is too "high." In a proceeding to redetermine rates, the burden is on ASCAP to prove the reasonableness of the rates charged, and the judgment expressly requires ASCAP "to use its best efforts to avoid any discrimination among the respective fees for the various types of licenses which would deprive the licensees or prospective licensees of a *genuine choice* from among such various types of licenses," Amended Final Judgment . . . (emphasis added). The availability of a judicially enforceable requirement of a "reasonable" fee precludes any claim that the program license rate is too high, especially in the context of television stations regularly represented by a vigorous committee with the demonstrated resources, skill, and willingness to invoke the rate-adjustment process. . . .

The lack of evidence that the program license is not realistically available has a twofold significance in determining whether the blanket license has been shown to be a restraint. First, the program license itself remains as an alternative to the blanket license for the local stations to acquire performing rights to the music on all of their syndicated programs . . . . the availability of the program license has a second and more significant consequence: The program license provides local stations with a fallback position in the event that they forgo the blanket license and then encounter difficulty in obtaining performing rights to music on some syndicated programs either by direct licensing or by source licensing.

DIRECT LICENSING

Mr. Speaker, I have already cited the court's findings on the television broadcasters' arguments regarding blanket, source and program licensing. There is one final alternative to the blanket license which the proponents of H.R. 3521 claim was unavailable to them, and that is direct licensing. This is what the court had to say about direct licensing:

The alleged infeasibility of direct licensing is . . . undermined by the acknowledged ability of the stations to secure direct licensing of music needed for their locally produced programming . . . if the stations can realistically obtain direct licenses for local programming by offering reasonable amounts of money, they can avoid double payment by forgoing the blanket license. Their response is that they dare not do so because they will then be unable to secure performing rights to music on syndicated programs, which constitute the bulk of their program day. But, as we have previously noted, the availability of the program license enables them to forgo the blanket license and still obtain music rights for any program for which direct licensing proves infeasible. Alternatively they can pursue source licensing. . . .

CONCLUSION

Mr. Speaker, the court in its September 1984 decision dissected each of the arguments made today by the proponents of H.R. 3521. This was an impartial body with no ax to grind. The language is clear and devastatingly powerful. Supporters of this legislation are asking this Congress to believe what they have been unable to prove before an impartial tribunal, and that is that they are the hapless victims of a system stacked against them. Nothing could be further from the truth. The truth is that if H.R. 3521 succeeds, our country's songwriters would become financially victimized, and the American copyright system, which has led to the preeminence of American music throughout the world, would be shattered.

STUDENTS MEMORIALIZE HENRY CLAY LOUDENSLAGER

HON. JAMES J. FLORIO

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Friday, March 21, 1986

Mr. FLORIO. Mr. Speaker, I wanted to bring to the attention of my colleagues a commendable initiative undertaken by the fifth grade students of Loudenslager School in Paulsboro, NJ. For the past few months, the students, under the direction of their teacher, Christine Smith, have been researching the history of Henry Clay Loudenslager, who served in the Congress at the turn of the 20th century, representing the First District of New Jersey. Their school, built on land donated by the Loudenslager family, was named in honor of Congressman Loudenslager and, in an effort to promote school pride and a sense of history, the fifth grade students have been involved in hard work and research to focus attention on this fine legislator. A culminating project will include a ceremony next month in his honor.

On the event of the 75th anniversary of Congressman Loudenslager's death, the fifth grade students have issued a report on his life and his achievements. I would especially like to commend the efforts of the seven student members of the Loudenslager Committee. I hope my colleagues will join me in congratulating Marquishia Campbell, Amy Foster, Mary Lou Jones, Robin Montgomery, Scott Raively, Nicole Ruffin, and John Woodards for their diligence and dedication. Special praise should also go to Mrs. Smith and Mr. J. Crawford who acted as advisers to the students.

As a successor to Henry Clay Loudenslager representing the First District of New Jersey, I would like to insert the text of the Loudenslager Report and express my pride in representing these students and my hope that they will continue to demonstrate interest in our country's legislative process for years to come. The report follows:

LOUDENSLAGER REPORT

PERSONAL LIFE

Henry Clay Loudenslager was born in Mauricetown, Cumberland County, N.J., on May 22, 1852. His parents were Sara and Samuel Paul Loudenslager. His father was a farmer and a preacher. Henry's father was also the county clerk for ten years. Young Henry was an assistant to his father.

Henry's parents moved to Paulsboro in 1856 when he was four. Henry helped work his father's farm during the growing season and attended public school in the winter. In 1872, he entered the produce commission business in Philadelphia and later headed that commission until 1882. In 1883, he was elected the County Clerk of Gloucester County. He served as county clerk for ten years until he entered Congress in 1893. He remained in Congress for ten terms. He died during his tenth term in 1911.

Henry Clay Loudenslager married Kate L. Salisbury on December 9, 1872. Kate Salisbury was raised in Gloucester County and her father owned the land in Gibbstown where the Dupont plant is now located. They made their home at "Claylock", the Loudenslager Mansion, which is located at 5th and Beacon Avenue in Paulsboro.

Henry and Kate had three children. Their oldest son, Harry Howard, was born in 1884. He was a very popular and had a promising future. He graduated from Yale University in 1907 and was to enter Michigan University to study law. But, his health weakened that year and his mother took him to Florida hoping he would recover. After a time, he returned to Paulsboro. It was here he caught a cold which became serious and ended in his death when he was 23 years old. Mr. Loudenslager was visiting the West Indies on a Congressional tour when Harry died.

Henry's second child was a daughter, Elizabeth S. Loudenslager. Elizabeth married A. Sheldon Clark on October 21, 1897, in New York. Sheldon Clark was the president of the St. Clair Oil Company. They had three children. Their first son, Sheldon A. Clark became the vice president of the Sinclair Oil Company. At the age of 36, he was shot and killed by his wife, Audrey Smith Clark, at the Loudenslager Mansion in Paulsboro. Their second child, a daughter, Catherine, died at 6 years old. Their last child, a son, Harry A. Clark, graduated from Alton Military School, He graduated from Michigan University and then attended Harvard Law School.

Henry and Kate had a third child, Mabel, who died at the age of six.

Kate Loudenslager died in 1930. Both Henry and Kate are buried in Eglington Cemetery in Clarksboro. There is a massive Loudenslager family headstone along with footstones for Henry, Kate, their two children Harry and Mabel, and their grandson, Sheldon A. Clark.

In the horse and buggy days, the Loudenslager family erected a monument on the corner of Delaware Street. This was used as a horse trough and drinking fountain. It was later moved in front of "Claylock" in Billingsport. In later years, the Paulsboro Woman's Club moved it next to the library on the Commerce Street side. When Commerce Street was widened, it was moved to the other side of the Gill Memorial Library, where it stands today.

POLITICAL LIFE

Henry Loudenslager was selected as a clerk of Gloucester County from 1882-1892. In 1892, he was elected to Congress and, in 1893, he began serving in the House of Representatives from the First District, comprised of Camden, Cumberland, Gloucester, Salem, and Cape May counties. Until this time, Congressmen of the first District only served two terms. But, when Henry Loudenslager became Congressman, he broke tradition and served for ten terms. Christopher Bergen was the First District Congressman before Loudenslager.

Loudenslager won uneventful elections in 1894, 1896, 1898, and 1900. But in 1902, he ran against J. Alpheus Vansant who was backed by David Baird. The contest was a hot, bitter fight but Loudenslager won. Felings were so intense that two men were shot to death at the polls. Loudenslager was reelected in 1906 and 1908 with close votes.

In the election of 1910, Loudenslager spent most of his time at Republican National Committee headquarters in New York. Because of this, he endangered his own re-election. By 2:00 A.M. on Election Night, he seemed to be losing, but by 3:00 A.M. he received news that he won the election by about 900 votes. Members of his family, along with close friends, were gathered at headquarters to congratulate him.

When Mr. Loudenslager was first elected into Congress, he was put on the Committee on Coinage. Weights and Measures. Then he transferred to the Naval Committee. On this committee, he was connected with the new navy. Loudenslager felt that we should have a strong navy to protect us from all of our enemies.

He was responsible in a large part for the building up of the American Navy. When he first became a member of the Naval Committee, we had a very small navy, probably not over 300,000 tons. He took delight in building it up to a tonnage of about 1,300,000 tons and contributed his thought and labor to that end.

A quote by Mr. Loudenslager, in April, 1900, about his beliefs in the navy:

"I deem it an honor to be a member of the Committee on Naval Affairs, whose work forms so important a part of the duties of the House of Representatives, which has to do, perhaps, more than any other committee with providing means for defending the national honor and protecting the vast business interests of the United States, both at home and abroad.

I derive no little pride from the fact that since I have been associated with that committee I have stood at all times with those of my colleagues who have steadfastly pursued the policy of building up a navy for the United States that will be adequate to the needs of so great and glorious a Nation; for if ever a public policy has been vindicated; if ever the foresight of man in providing for the exigencies of the future has by subsequent events been demonstrated to have been wise, the history of the year 1898 can not be truthfully written without according honor and credit to those public men who since 1883 have planned or aided in the schemes for the construction of a navy for the United States that would be commensurate with the urgent needs of this, the most important branch of the public defense."

During the war with Spain, he gave valuable service in the making of legislation for strengthening our fleets for the fight.

Loudenslager was the chairman of the House Committee on Pensions. He was often called the veteran's greatest friend because of his helpfulness and fairness in giving veterans, or their widows, their pensions. He cared for people that deserved the pensions. He fought against anyone that didn't deserve the pensions. When the Commissioner of Pensions made decisions that were not fair, Mr. Loudenslager and his committee would try to change them to make them fair. When Mr. Loudenslager challenged the decisions of the Commissioner, he was always guided by the law and established precedents.

Henry Loudenslager was a strong believer in the principle of a protective tariff which would help American industries and bring better times to American workers. A protective tariff is a tax to make foreign goods more expensive so people will buy American made goods.

In his first term, he became a member of the Republican Congressional Committee. In 1895, he was put on the executive committee. In 1906, he became the secretary of the committee. He was elected secretary of the R.C.C. because of his talent for business and a genius for organization. In 1906, 1908, and 1910, he had full charge of the committee's eastern headquarters in New York City.

On July 23, 1908, Mr. Loudenslager was elected chairman of the Republican Congressional Committee.[1] That afternoon, he held a conference with Speaker Cannon of the House of Representatives and Representative Sherman. The conference was about the chairmanship of the Congressional Committee.

Representative Loudenslager was one of the strictest regular party men in Congress. He always voted along with his Republican Party.

Loudenslager was a very hard-working Congressman who always answered every letter people sent to him. Loudenslager was always loyal to his friends and he was fair to his opponents. He was always kind and helpful to new members of the House. It didn't matter if they were Republicans or Democrats; he was ready anytime to aid younger members in any way he could.

Mr. Loudenslager was a very good speaker in small groups. He rarely spoke in the House, but when he did address Congress, he always received close attention. Loudenslager spoke in very clear terms; he expressed his ideas well, and always got right to the point.

At the time of his death in 1911, there were less than ten people in the House of Representatives who had served longer then Loudenslager. His long service showed the confidence that the people had in him.

ILLNESS AND DEATH

Despite the fact that he was not well in the fall of 1910, Loudenslager entered upon his duties as secretary of the Congressional Campaign Committee. He had little chance to rest after the campaign and the extra session of Congress found him badly run down.

When he first got sick, he left Washington for French Lick Springs, Indiana, where he hoped to regain his health. He didn't want

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[1] Other sources state that Mr. Loudenslager was acting chairman of the committee.

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to leave Washington because he believed his duty to his District required his presence there.

After staying for some time at French Lick Creek, he returned home to Paulsboro to continue his battle with illness. On July 27, 1911, the doctor said Mr. Loudenslager was suffering from a complication of diseases and several days ago was attacked by typhoid fever.

On August 8, Mr. Loudenslager was reported again in critical condition. Mr. Loudenslager had been attacked with kidney trouble early in June. Just as he was beginning to recover, he was seized with typhoid fever.

On August 11, 1911, Loudenslager had a sinking spell and he did not regain consciousness. Dr. L.P. Smittmatter of Philadelphia was called into Loudenslager's home and found out that he was suffering with uremic poisoning.

Henry Loudenslager died at his home at 10:30 a.m. on August 12, 1911. His family doctor was Dr. George C. Laws. He had suffered from typhoid fever, kidney trouble and uremic poisoning. His wife was at his bedside when he died.

Shortly after noon on August 12th, Representative Gardner told the House of Representatives about Loudenslager's death The

The Federal bureaucracy has had its committee of 20 members of the House, with such members of the Senate as may be joined, be appointed to attend the funeral. To honor Mr. Loudenslager, the House adjourned at 2:58 P.M. that afternoon.

LOUDENSLAGER'S FUNERAL

The funeral of Henry C. Loudenslager took place on Wednesday, August 16, 1911, in Paulsboro. Loudenslager was laid out at Claylock, his home in Paulsboro. He was dressed in a full dress suit and laid in a San Domingo mahogany casket with mahogany bond handles and plates to match. There were many flowers including some from the Secretary of the Navy, the Republican National Congressional Committee, and the House of Representatives. Starting at 9:00 A.M., people visited his home to show their respect.

Many members of Congress attended the funeral. They left Washington that morning at 7:25 A.M. They traveled in a private train car. At noon, they reached Camden and their car was hooked onto a special train. This train held all the leading Republicans of Camden County. After stopping to pick up others in Woodbury, the special train reached Paulsboro at 12:45 P.M.

Congressional members who attended the funeral included:

Representatives: Bates and Butler of Pennsylvania, Roberts of Massachusetts, Padgett of Tennessee, Cannon, McKinley, Rodenberg of Illinois, Floyd of Missouri, Aiken of South Carolina, Cravens of Arkansas, Campbell of Kansas.

Senators: Briggs and Martice of New Jersey, Brandegree of Connecticut, Curtis of Kansas, Oliver of Pennsylvania, Nixon of Nevada, Williams of Mississippi, Hitchcock of Nebraska.

After the Congressmen had paid their respects, funeral services were started just after one o'clock. The minister at the service was the Rev. Alexander Corson of the Paulsboro Methodist Church. Following the services, Mr. Loudenslager was taken to Eglington Cemetery in Clarksboro for burial.

The cemetery was crowded since more than 2,000 people attended the funeral. Nearly all kinds of businesses in Paulsboro were closed for the day and nearly every resident joined the distinguished visitors in attending the funeral.

LOUDENSLAGER'S WILL

It was reported that Loudenslager left an estate of $250,000 to $300,000. William J. Browning, Frank Barto, and the Woodbury Trust Company were the executors. Mr. Loudenslager left all his estate to his wife, Kate L. Loudenslager, except for the following:

$2,000 for the care of his lot in Eglington Cemetery and that of the lots of his parents in Paulsboro.

$40,000 to be held in trust for two free scholarships to be known as the "Elizabeth Loudenslager-Clark Scholarship" and the "Harry H. Loudenslager Scholarship" in rememberance of his decreased children.

$300 was to be annually given to Cooper Hospital and the West Jersey Hospital in Camden after the death of his wife.

SCHOLARSHIPS

Mr. Henry Loudenslager left $20,000 for the Harry H. Loudenslager Scholarship for Young Men. This money is to be used for the purpose of attending Yale University in New Haven. Connecticut. This scholarship is to be solely for the use of residents of the counties of Camden, Cape May, Cumberland. Gloucester and Salem. These counties comprised the First Congressional District of New Jersey during the time of Loudenslager's service in the Congress. This was his way of showing, posthumously, his affection for his constituents. No two scholarships may be held by residents of any one county at the same time. The continuation of each scholarship throughout the entire undergraduate course shall be dependent upon the student making a satisfactory record at the university.

The conditions under which the scholarships will be awarded to the applicant selected by the First Fidelity Bank, the Corporate Trustee, or an appointed committee, are:

The award will be made only to the applicant who has satisfied the requirements for admission to Yale University. Selection will be based on the intellectual promise, personality, and character of the applicants, as shown in credentials they submitted. Applications for admission should be submitted as early as possible in the last semester of the school course to the Admissions Officer of Yale University. Each applicant for a scholarship must secure from and file with the trustee, not later than March 15th, a form of application for scholarship. With this application must be the secondary school records including the first semester of the senior year.

The second scholarship is the Elizabeth Loudenslager-Clark Scholarship for Young Women. This scholarship may be used for the purpose of attending any recognized university in the United States where women are received. All other requirements and conditions are the same as the Harry Loudenslager Scholarship. The scholarships are currently administered at the First Fidelity Bank in Woodbury.

We have been over the records from 1932 and found that 11 men have gone to Yale and that 19 women have gone to the colleges listed below:

Wilson College, Johns Hopkins College, Conn. College for Women, Denison University, University of Penn., Douglass College, David Lipscomb College, New England Conservatory Drexel University.

Gettysburg College, Lynchburg College, Glassboro State College, Duke University, Immaculata College, Griswell College, William and Mary College, Barnard College, Marywood College.

THE MURDER MYSTERY

Sheldon A. Clark, Jr., Henry Loudenslager's grandson, was shot on November 20, 1933, after he hit his wife, Audrey Smith Clark. He came into the dining room where Audrey was sitting and reading the newspaper. He hit her over the head with a pool cue. It put a deep slash in her head for which she was hospitalized. Audrey claims she didn't remember anything after being hit. It is reported that she shot him, but she didn't know if she did or not.

LOUDENSLAGER SCHOOL

Our school is located on Swedesboro Avenue in Paulsboro, New Jersey. It was built in 1926. The school was named after Henry C. Loudenslager. In interviews with several long time residents of Paulsboro, they indicated that the land the school is built on was donated by the Loudenslager family.

THE HENRY CLAY LOUDENSLAGER REPORT

Researched and written by the 5th grade Loudenslager Committee: Marquishia Campbell, Amy Foster, Mary Lou Jones, Robin Montgomery, Scott Raively, Nicole Ruffin, John Woodards.

Advisers: Mr. J. Crawford and Mrs. C. Smith.

ACKNOWLEDGEMENTS

We would like to thank the following people for their assistance in helping the students gather information for the report: Gill Memorial Library Staff, Paulsboro, New Jersey; Philadelphia Public Library—Newspaper Room Staff, Phila., Pa.; Gloucester County Historical Society Staff, Woodbury, N.J.; Congressman James Florio, 1st Congressional District, N.J.; Mrs. Blum, Paulsboro High School Librarian, Paulsboro, N.J.; Rev. R. Britton, St. Paul's Church, Paulsboro, N.J.; First Fidelity Bank, Woodbury, New Jersey; Mrs. Kosuh, Board Secretary, Paulsboro Board of Education; President A. Bartlett Giamatti, Yale Univ., New Haven, Conn.

We would also like to extend our thanks to the following people as their cooperation and approval was needed to do the report: Mr. J. Banks, Principal of Loudenslager School; Mr. E. Weinhofer, Superintendent of Schools; and The Paulsboro Board of Education.

Our thanks also to Mrs. D. Winegardner for her help in proofreading and research attempts.

MILITARY RECRUITERS SUPPORT NEW GI BILL

HON. G.V. (SONNY) MONTGOMERY

OF MISSISSIPPI

IN THE HOUSE OF REPRESENTATIVES

Friday, March 21, 1986

Mr. MONTGOMERY. Mr. Speaker, as you are well aware, the administration's fiscal year 1987 budget proposal contains a recommendation that the new GI bill be terminated. There is simply no logic to this recommendation; it makes no sense.

In its 8½ months of operation, the new GI bill has proven once again that a meaningful education assistance program is the right incentive to attract smart, high-quality young people into the Active and Reserve Forces. Military recruiters agree.

I offer the following letters, written by M.Sgt. Mary E. Tinkle, an Air National Guard recruiter in Washington State, as confirmation of the program's demonstrated success. Her comments are indicative of what I am hearing from recruiters and recruits around the Nation.

Mr. Speaker, when the administration sends its legislation to terminate the new GI bill to Capitol Hill, I urge my colleagues to consider Master Sergeant Tinkle's comments.

WASHINGTON AIR NATIONAL GUARD,
Bellingham ANG., WA, February 28, 1986.
Hon. G.V. MONTGOMERY,
House Office Building,
Washington, DC.

DEAR REPRESENTATIVE MONTGOMERY: The Washington Air National Guard recruiters thank you for your continued support of the reserve forces. Your concern and effective support of our veterans and service members is greatly appreciated.

I wish you continued success especially in your efforts to convince President Reagan to continue funding of the New GI Bill. Enclosed is a copy of my letter to President Reagan in that regard.

Sincerely,
MARY E. TINKLE, MSGT., WA ANG,
Recruiter.

Enclosure.

WASHINGTON AIR NATIONAL GUARD,
Bellingham ANG., WA, February 28, 1986.
Hon. RONALD REAGAN,
Commander-in-Chief,
The White House, 1600 Pennsylvania Avenue, Washington, DC.

DEAR PRESIDENT REAGAN: From July 1985 through February 1986 I have enlisted or reenlisted 25 individuals in the Washington Air National Guard, 262 Combat Information System Squadron, whose final impetus was the implementation of the New GI Bill.

As I'm sure you're aware, the Veterans Education Assistance Program (VEAP) did not apply to reservists and participation by eligible active duty members was at a 6 percent rate.

The 262 CISS is a high technology squadron in a low technology area of the country. I must get out and really "beat the bushes" for the quality recruit that I require for the electronic mission. This also is a high unemployment area. Most of my recruits who would like to further their education cannot do so without help of the New GI Bill.

As a Washington Air National Guard recruiter, I urge you to continue funding for the new GI Bill so that I can continue to enlist quality recruits for our demanding mission.

Sincerely,
MARY E. TINKLE, MSGT, WA ANG,
Recruiter.

ANTI-UNITA FUNDING

HON. CHARLES A. HAYES

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Friday, March 21, 1986

Mr. HAYES. Mr. Speaker, as many of our colleagues continue to prepare themselves for the critical debate of aid to Jonas Savimbi and his national union for the total independence of Angola [UNITA], I would like to share with them an article written by Dr. Conrad W. Worrill which appeared recently in the Chicago Defender newspaper.

Dr. Worrill's article paints a clear picture as to why we should not give aid to UNITA, whether it is covert, overt or otherwise. As he points out, "The Angolan people have a right to determine the destiny of their country." I agree with his viewpoint and I am confident that many of my colleagues feel likewise. Hopefully, the following article will help those Members who are yet undecided in coming to the realization that funding UNITA is not in the best interests of Angola, the southern region of Africa or the United States. The article follows:

SAVIMBI, REAGAN, AND AFRICA

(By Dr. Conrad W. Worrill)

In 1884 the former slave trading nations such as France, England, Germany, Portugal, Spain, etc. called a meeting in Berlin, Germany, to deal with the issue of dividing up Africa among themselves. After over 2,000 years of invasions, intrusions and foreign intervention in Africa, African people had virtually lost control of this great continent to the former European slave traders. The Berlin Conference gave the Europeans an opportunity to debate with each other over who would control which part of Africa. This is called the colonial period in African history.

The Portuguese were granted the territories of what is called Angola, Mozambique and Guinea-Bissau. Through the revolutionary spirit and self-determination of the African people in these territories, an armed resistance movement unfolded in the 1960's culminating in the defeat of the Portuguese by the mid-1970's in Guinea-Bissau, Mozambique and Angola.

The people of Mozambique, Guinea-Bissau and Angola chose their own leadership through their liberation movement organizations when they reclaimed their countries back from the Portuguese.

The United States' involvement in Angola has been in the news in recent weeks. On January 28, Jonas Savimbi, head of the National Union for the Total Independence of Angola (UNITA) arrived in the United States to seek support for his continued counter-revolutionary war against the new government of Angola (By the way, for those of you who don't know, Savimbi is a Black man).

During the war against the Portuguese in Angola there were three liberation movement groups that fought for the reclaiming of their country. They were the MPLA (Popular Movement for the Liberation of Angola), FMLA (National Front for the Liberation of Angola), and UNITA. When the war was over and the Portuguese were forced to flee Angola, the majority of Angolans backed the MPLA to become the new government.

It has become generally known that even before the Angolan people won their country back that UNITA was receiving aid from the United States through the CIA. Progressive world opinion was mounted against UNITA and its leader Savimbi as a reactionary force in Angola.

The Angolan people since 1976 have been in the process of rebuilding their nation. One of the major problems has been the fact that UNITA, who at one point had their guns pointed toward the Portuguese during the war, has now been turning their guns against their own people, backed by the CIA.

It is clear that Savimbi represents a tool of the United States in its efforts to maintain influence in the southern region of Africa. The red carpet treatment extended to Savimbi in his 10 day trip to the U.S. by the Reagan administration indicates the severity of U.S. involvement in this region of Africa.

The National Black United Front (NBUF) views Savimbi and UNITA as part of a network of right wing supported movements, which include Contra forces in Nicaragua, that are hoping to receive covert aid from the Reagan administration, with congressional approval. These forces are attempting to topple governments who fought valiantly for many years to oust U.S. supported dictatorship and colonial powers.

The Reagan administration told Congress last week that it has decided to provide UNITA with an estimated $15 million for anti-aircraft and anti-tank missiles.

African people worldwide must unite firmly behind the efforts of the Angolan people to continue their fight for self-determination. The Angolan people have a right to determine the destiny of their own country.

Dr. Savimbi has been shunned by African heads of state and most recently by the Congressional Black caucus, whose actions we overwhelmingly applaud.

No amount of material aid from this country will stop the Angolan people from rebuilding their society in their own image and interests. We must support them. Call 268-7500 ext. 144 for more information.

NURSING HOME RESIDENT PROTECTION ACT OF 1986

HON. CLAUDE PEPPER

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Friday, March 21, 1986

Mr. PEPPER. Mr. Speaker, I am introducing today legislation which I believe will afford our Nation's 1.5 million nursing home residents the protection they so rightfully deserve.

Over the past 20 years, numerous congressional and State investigations have revealed case after shocking case of nursing home conditions in which frail elderly residents are subject to neglect, abuse, and denial of rights. The findings of these investigations have recently been independently confirmed by a 2-year study performed by the National Academy of Science's Institute of Medicine. The study panel had a diverse membership including nursing home operators, nursing home resident advocates, State inspection officials, and medical and health policy experts. The study is the first ever independent national review of nursing home care and the role of Government in assuring quality.

Along with my distinguished colleagues, the Honorable JOHN DINGELL, chairman of the House Energy and Commerce Committee and the Honorable HENRY WAXMAN, chairman of the Subcommittee on Health and the Environment of that distinguished committee, I called for this study in 1983 in response to attempts by the Reagan administration to dismantle the Government's system to protect nursing home residents. This report sends a clear and unified answer from consumers, providers, and regulators that the current system is grossly

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inadequate and that it must be significantly strengthened rather than diluted.

The Nursing Home Resident Protection Act of 1986 is a comprehensive legislative package to carry forth and expand upon the National Academy of Science's recommendations. I am pleased to see that the Institute of Medicine recognized the need for better enforcement. It must be recognized that there are six essential ingredients for effective reform: specific and uniform resident-centered standards of nursing home care; a full range of applicable penalties for poor care with specific criteria as to how and when they should be applied; reliable methods of inspection; properly trained professional inspectors; aggressive action against identified poor providers; and, increased consumer and community involvement in nursing homes.

I've based my legislative reform package on my fundamental belief that it is the responsibility of Government to guarantee the protection of the rights of the frail vulnerable people who reside in nursing homes primarily supported by the Federal dollar.

A summary of the major provisions of the Nursing Home Resident Protection Act of 1986 follows:

I. ESTABLISH EFFECTIVE AND UNIFORM STANDARDS OF NURSING HOME CARE

(1) Today there exists a strictly paper distinction between levels of care offered in nursing homes. "Intermediate" level nursing homes in most cases are providing the same level of care as "skilled" nursing homes, yet are required to meet fewer and less demanding standards. Recognizing this unfair fabricated distinction, the Pepper proposal would require all nursing homes seeking government approval to meet the same federal standards.

(2) Current federal laws allow many nursing homes to leave the sole supervision of frail ill nursing home residents during the nighttime in the hands of untrained nurse aides. Congressional investigations have revealed that the lack of round the clock trained supervision has lead to many unnecessary resident deaths and injuries. To address this problem, all nursing homes would be required to have a registered nurse on duty at all times.

(3) Nurse aides provide nearly 90 percent of all direct care to nursing home residents. Nurses spend less than one-half an hour caring for resident each day, while doctors provide less than half a minute daily with residents. Despite this, nurse aides are typically untrained and poorly educated. Therefore Chairman Pepper is proposing that all nurse aides complete a federally prescribed 60 hour preemployment training program in a state accredited institution.

(4) Recent investigations by the Subcommittee on Health and Long-Term Care of the House Select Committee on Aging revealed that frequently the perpetrators of nursing home resident abuse have previous criminal or psychiatric records. To address this problem the Pepper proposal would require that all nursing home employees providing direct care to residents clear a background check (similar to that required of child care providers) for criminal violations.

(5) One of the persistent criticisms of federal nursing home regulations is that they measure only the capacity to provide adequate care and not the actual provision of care. A review by Chairman Pepper indicates that fewer than one percent of all federal standards measure the actual performance of nursing homes. Under the Pepper proposal current federal standards would be rewritten to emphasize the measurement of actual nursing home performance and not just the capacity to perform.

(6) It is the consensus of national experts that regular assessments of residents are essential to proper care and could serve as the future basis of regulation. Pepper's package requires all nursing homes to provide for regular assessments of an individual patient's medical and social condition and needs.

II. MANDATE THE ESTABLISHMENT OF A FULL RANGE OF PENALTIES FOR UNACCEPTABLE NURSING HOME CARE

(1) Many poor nursing homes which are "home" to abuse and neglect go unpunished and continue providing unacceptable care. One cause for this inaction is the very limited nature of penalties available to the federal and state governments. Currently, the the only options available to the federal government are to either close a nursing home or let it go unpunished. Because of the critical shortage of nursing homes, the federal government has chosen to take the latter approach. In 1984, only 32 of the 154,000 nursing homes in the nation were closed. Most of these 32 nursing homes were closed only temporarily and were back in business a few days later. Therefore, Pepper would require that both the federal and state governments have at their disposal a set of graduated intermediate sanctions which would include at a minimum civil fines, ban on new admissions, receivership, and monitorship. These sanctions would have uniform wording and federally specified criteria for their application. For states, this would be required as a condition for approval of state Medicaid plans.

(2) Pepper's investigations have found that those charged with the responsibility for providing care in nursing homes, owners and operators of these facilities, bear little personal or legal liability when abuse is uncovered or death is due to questionable circumstance (such as death from malnutrition or starvation). Owners often simply sell the "problem" nursing home and buy another. Pepper's plan would make nursing home owners and operators criminally liable for harm to residents of their facilities caused by facility negligence or other wrongdoing.

(2) Establish a private right of action under the Medicare and Medicaid programs to facilitate nursing home residents and their advocates to sue nursing home providers for the provision of care which does not meet federal minimum standards.

(3) Many inspections are performed by nurses and social workers not trained in investigative procedures or the documentation of cases for legal action. Also, neither the states or the federal government specifically target bad nursing homes for legal action. Pepper's plan would require and provide 100% federal funding for special state inspection teams made up of lawyers, physicians, investigators, and other health professionals to monitor, inspect, and prepare cases against targeted chronically substandard nursing homes.

III. MANDATE RELIABLE METHODS OF INSPECTION

(1) Numerous Congressional and state investigations have revealed that nursing homes often know of impending inspections and "straighten up" just for the review by hiring temporary staff and borrowing linens from other facilities. Pepper's plan would require that all nursing home inspections be unannounced and on a random basis. Inspections could be from 9-15 months apart, but the average interval for all homes in a state could not exceed 12 months. This would allow problem nursing homes to be inspected more frequently and provide incentives for good performance while assuring that inspections are truly unannounced.

(2) It is frequently following such a change in owners and/or key staff of nursing homes that facilities encounter serious management and/or patient care problems. The Pepper proposal would require that nursing homes receive an additional short inspection following a change in its ownership or in key staff (e.g., administrator, director of nursing or medical director).

(3) Require that all inspections be focused on the quality of care provided residents and the physical environment of the nursing home.

(4) Require that inspectors interview residents and community representatives privately about the quality of care they receive and that this information be used in determining compliance with standards. Resident and community representatives would be allowed to participate in the "exit conference" between inspectors and facility officials to discuss inspection findings.

(5) State inspectors are now required to act both as consultants policemen. This creates an obvious confict of interest. Pepper would require that states' inspection and consulting responsibilities be strictly separate.

V. PROVIDE PROPER RESOURCES FOR INSPECTIONS AND ENFORCEMENT ACTIONS

(1) There are no federal requirements as to the background or qualifications of nursing home inspectors and those hired receive little training. Pepper would require that inspections be conducted by a multidisciplinary team of professionals which must include a nurse, dietician, and sanitarian who have passed a federally designed and administered competency exam. Pepper would also mandate and provide 100 percent federal funding of initial and ongoing inspector training. This training would be specifically geared toward improving uniformity of findings among inspectors and to documentation of problems to be used in enforcement actions against facilities.

(3) Last year the federal government inspected only 278, or less than 2 percent, of the nation's 15,000 nursing homes. This is not an adequate validation of the findings of the states. Pepper would require that the federal government perform "look behind" inspections of at least 5 percent of all nursing homes annually. This will require the hiring of additional federal inspection staff.

V. PENALIZE STATES WHICH DO NOT ADEQUATELY PROTECT NURSING HOME RESIDENTS

(1) Although the federal government pays nearly $12 billion dollars for nursing home care, it often finds itself powerless to act against states which fail to adequately protect nursing home residents. Pepper would give the federal government authority to withold survey and certification funding from states which do not carry out enforcement actions against noncompliant nursing homes.

VI. INCREASE CONSUMER AND COMMUNITY INVOLVEMENT IN PROTECTING NURSING HOME RESIDENTS

(1) The protection of residents' rights, which should be the focal point of all nursing home requirements, shares the same

level of importance in current federal standards as does the requirement that nursing homes have a written plan of action for natural disasters. The only formal action required by the federal government for the violation of residents' rights is that offending nursing homes submit a piece of paper saying that they will not allow violations to recur. Pepper's plan would require that the protection of residents' rights be a fundamental goal of federal regulation and thus be raised to a condition of participation for all nursing homes, the violation of which would trigger the application of specific penalties.

(2) Require all nursing homes to establish community advisory boards to assist in facility planning and to coordinate interaction between the community and the nursing home.

(3) Often those designated by the government to advocate and protect nursing home residents are not even allowed entrance to facilities. Pepper would significantly strengthen the long-term care ombudsman program by assuring certified ombudsman complete access to nursing homes and increasing federal financial support and administration of the program.

(4) Inspection reports are often the only written information on the quality and past performance of nursing homes. However, these reports are often not made available to the very people who need them. Chairman Pepper recommends that nursing homes be required to post inspection reports in a location accessible to nursing home residents and their families and advocates as well as those comparing nursing homes for future use.

Mr. Speaker, I believe that we have a fundemental obligation to ensure the protection of those in our society who cannot protect themselves. We now have the opportunity to achieve meaningful reforms which are long overdue.

I strongly urge my colleagues to join me in supporting this timely and much needed reform legislation.

EMERGENCY ENERGY ACT OF 1986

HON. W. HENSON MOORE

OF LOUISIANA

IN THE HOUSE OF REPRESENTATIVES

Friday, March 21, 1986

Mr. MOORE. Mr. Speaker, today I am introducing, with my colleague from Texas [Mr. ARCHER] emergency legislation designed to assist the survival of the domestic energy industry. Our bill, H.R. 4476, offers tax incentives and the repeal of laws that discourage exploration, production, and marketing of oil and natural gas in the United States.

My home State of Louisiana has been blessed with an abundance of natural resources. For many years, the oil and gas industry has served as the backbone of our economy. These were good years and our people prospered.

Times are tougher now. Crude oil prices are dropping. Rigs are stacked. Gas producers can't sell their product. Companies are going bankrupt. People are out of work. While the rest of the economy is improving, the domestic oil and gas industry is in a depression.

Now is the time for action. The energy industry of this country is crucial to national security and economic growth. One need only look back to the energy crisis of the 1970's to see what can happen if we allow our domestic production to drop to a level where we are overdependent on foreign imports.

My bill includes a package of tax incentives for production and exploration. The first is marginal production tax credit. Currently, the market price for domestic crude is lower than the cost of production. Production costs are particularly high for low-volume tertiary and stripper wells. In order to keep these wells producing until prices stabilize at a normal level, this tax credit will serve to keep marginal production profitable.

The credit would be for the net loss to integrated or independent producers incurred after applying the costs of production to gross income and would be limited to $5 per barrel.

One of the most serious long-term consequences of the current drop in crude oil prices is that many exploration companies are being forced out of the industry permanently. In the future we may face a critical lack of exploratory capability. Therefore, to encourage continued exploration activity, I propose a 15-percent tax credit for domestic exploration expenses.

My bill would also repeal the windfall profit tax. I have opposed this tax since it was first proposed. Currently, virtually no windfall profits are being made. Little tax is being collected. Only the administrative burden of compliance remains.

Repeal of the tax will remove this burden which is oppressive, not only on the oil industry, but on the Federal Government as well.

The Fuel Use Act would also be repealed under my bill. Natural gas producers are having great difficulty reaching domestic markets. Repeal of the Fuel Use Act will allow natural gas to compete in all markets, including electric generating plants.

The deregulation of natural gas is another feature of my bill. This change is a long time coming. Natural gas regulation has not worked. Now is the perfect time to allow market incentives to straighten out the regulatory mess that has resulted in gross distortions in natural gas markets.

I also propose the continuation of construction and filling of the strategic petroleum reserve. The Saudis are partially responsible for current market conditions in their hope of regaining a larger share of the United States market. If, because of a loss of production and exploratory capability, we become dependent again on foreign imports, SPR could be crucial to our national security. Now is not the time to stop buying oil to fill SPR.

The Department of Energy should take advantage of low prices, while at the same time providing another market for domestic producers. Therefore, my proposal includes the condition that SPR be completed with domestically produced oil.

Other provisions of the bill include: eliminating property transfer rules that prevent independent producers from taking percentage depletion on properties transferred to them by integrated energy companies; repealing the 50-percent net income limitation on the application of percentage depletion allowances; permitting full deductibility of intangible drilling costs and expansion of the definition of IDC's to include geological, geophysical, and surface casing costs as deductible; and extending to insolvent oil and gas producers the favorable tax provisions that apply to insolvent farmers in the House-passed tax bill.

There is no single cause of the current decline in the domestic energy industry, so I have not offered a single solution. This is a comprehensive bill that will do a great deal to solve the short and long range difficulties of the energy industry. With energy prices at an unrealistically and unexpectedly low level, the time could not be more opportune to offer such a far-reaching proposal.

VOICE OF DEMOCRACY ESSAY

HON. DICK CHENEY

OF WYOMING

IN THE HOUSE OF REPRESENTATIVES

Friday, March 21, 1986

Mr. CHENEY. Mr. Speaker, I am honored to share with you Renee Annette Paravecchio's award winning Voice of Democracy essay. Renee is from Cheyenne, WY, and submitted her entry entitled "New Horizons for America's Youth" to the annual VFW competition. She shares with us the idea that the youth of our country are eager to work to see changes made in our Nation and the world. She compares the tactics for change employed by the youth of the 1960's and 1970's to those used today and expresses her opinion that today's methods are more constructive. Renee is able to convey the excitement and enthusiasm of today's youth and I'd like to urge my colleagues to read this fine essay.

NEW HORIZONS FOR AMERICA'S YOUTH

The summer of 1985 was filled with the musical echo of millions of people joining together. The words, "We are the World" became the trademark of a generation unified by a cause. The climax of the USA for Africa drive came at the beginning of the Live Aid concert, when folk singer Joan Baez proclaimed: "This is your Woodstock". But was it really? The purpose of Woodstock was individual gratification. The youth of the late 60's and early 70's had adopted the attitude of "if it feels good, do it". Woodstock was a pleasure seeking experience, Live Aid was a giving experience, an example of the new unselfish attitude expressed by the youth of the 80's. Once the youth acted in this manner, the mainstream of society followed along.

The young people of America are known for their driving, influential force on the world. Not just the youth of the eighties, but the flappers of the twenties, the hippies of the sixties. An Irish proverb states, "Praise youth and it will prosper". The young people of America have proven this to be true before. But what about the future? What are the new horizons for America's youth.

Examining the past is one of the best ways to predict the future, and what the youth of the past did is very influential to us today. According to Dr. Morris Massey of the University of Colorado, "you are what you were, when". His analysis explains that the environment a person is living is at age 10 directly affects the way a person reacts

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and controls what they value for the rest of their lives.

Using this analysis, look at what was influencing teenagers of today when they were 10 years old. That would put us to the time period around 1977 to 1978.

Jimmy Carter was the President of the United States, and we witnessed his pardoning of Vietnam draft evaders, the signing of the Panama Canal treaty, and his deferring production of the neutron bomb. We experienced disaster, severe winter weather, international terrorism, and the crunch of the energy crisis and the worst airplane crash in history. Elvis Presley died, and Gary Gillmore was the first man executed since 1967.

These occurrences showed those impressionable 10 year olds that our world was crumbling. In fact, this attitude was carrying over from what the youth of the 1960's felt. They saw the threat of the nuclear age, the Vietnam war, racial turmoil, and our ecosystem polluted. But examine the way they responded. Lock in's, protests, pickets, riots. These actions became immortalized in the history books that my generation read. We saw that the youth accomplished little from these methods of expressing themselves.

The effects of these influences are already immersing in the 1980's. Look again at the example of USA for Africa. The young people could have easily protested, like prior generations, that the government do something. Instead, they took action, started local drives and contributed to the cause. I believe the youth of today have learned to work with the system to accomplish great things. We are a unique group in that we have explored varied options of expressing ourselves, we are creating new horizons.

I feel that my generation is one that is aware of our world, and wants to better it. Unlike the past, we are not waiting for action, instead, we are an instrumental force in change. I see examples of this everyday in my peers, students that are giving, accomplishing and promoting change. We have learned from looking at the past, that we are responsible for the world, that we are the leaders of the future. I also see a great desire by my age group to set a good example for the young children that are impressionable now. Many of us didn't like the world we lived in when we were ten. Thus, the reason we are ambitious to change now and not wait for when we are adults.

The future holds the excitement of seeing how these changes will progress. The youth of today are taking control of their horizons. We are creating new horizons.

CARL JOHNSON III

HON. BRIAN J. DONNELLY

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Friday, March 21, 1986

Mr. DONNELLY. Mr. Speaker, local government in most communities runs on the energy and commitment of public-spirited citizens who serve part time. They devote long hours to town government, receiving little or no compensation beyond the satisfaction of helping their neighbors and seeing an important job well done.

I rise today to take a moment to recognize the decade of service Carl Johnson III has provided to Braintree, MA. Carl has just stepped down after serving as town selectman, a post his father held before him.

Those of us who have worked with Carl will miss his contribution at town hall. But we also recognize that his departure represents only an interruption, not an end, to his public service.

A reflection on his work on behalf of the town was published recently in the Patriot Ledger of Quincy, MA, and I would like it read into the RECORD at this point:

JOHNSON: TOWN HAS GROWN, MATURED IN LAST 10 YEARS

(By Kevin Bears)

BRAINTREE.—Ten years ago, when his father was sick and had lost his seat on the board of selectmen, Carl Johnson III made his first bid for the office. It was his father's defeat in 1975 that launched the younger Johnson's career in politics.

Soon afterward, his father—a former state representative, selectman, moderator and town clerk—died.

"There was a good deal of emotional involvement in that campaign. Through his example, he excited me," Johnson said in his Quincy law office last week. "He was a very astute politician. He was a professional. I don't know if I was or ever will be a professional politician. The room (selectmen's chambers) is named after my father and that was a sort of a responsibility.

Johnson, who stepped down last week after a decade of service, reflected on his years as a second-generation selectman and commented on the town's future. He said business concerns and the need to spend more time with his wife, Margaret, and their two sons prompted his decision to quit.

"My youngest son used to say to me, 'Oh, it's Monday night.' It's a way of life I grew up with and I can empathize with them," said Johnson.

But business commitments also convinced him it was time to step down.

Johnson's involvement in converting the Duane salvage yard in Quincy into a condominium development, as well as his law practice, factored into his decision.

"The opportunity was there (in the Duane project) for me to be involved in a significant development," he said.

Looking at the town's future, Johnson predicts Braintree will be an expensive community in which to live. "It was a blue-collar town and it has changed a lot in the past 25 years and a lot more in the past 10," Johnson said, adding that the town is unlikely to face massive development in the future.

"We've reached a point where we're a mature town. The question now will be 'What should the town do to reuse its old buildings?' " Johnson said. While truck traffic will moderate as the town shifts from heavy industry to more service-oriented companies, he predicts traffic in general will increase. "People make planned visits to Braintree, whether to work or shop."

Calling himself a moderating influence on the board in recent years, Johnson said his experience as a lawyer was a big contribution. He said he considered himself an independent voice on the board.

"People could never say they could count on my vote one way or the other," said Johnson.

On the subject of town government, Johnson admits there are problems.

"The present system is cumbersome and not conducive to the expeditious handling of things," Johnson said. But he called Braintree's slow response to issues and problems an asset as well as a liability. Despite its weaknesses, Johnson feels major changes in town government are unlikely.

"The town has had representative town meeting since 1939. I don't think town meeting will ever do anything with that," Johnson said. One change that could centralize town government, he said, would be to give more responsibilities to the executive secretary and planning director.

Johnson has no immediate political plans. Having unsuccessfully run for state representative twice, Johnson rules out serving in the Legislature. But the 37-year-old former selectman may yet make another bid for his old job, though not in the next three years.

"There's probably still 30 more years for me to run for selectman."

JOSEPH NEWMAN

HON. WILLIAM E. DANNEMEYER

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Friday, March 21, 1986

Mr. DANNEMEYER. Mr. Speaker, I am proud to be the sixth Member of Congress to introduce a private bill for the relief of Joseph Newman. For nearly 7 years Joseph Newman, an inventor from Lucedale, MS, has been unjustly denied a pioneer patent by the U.S. Patent and Trademark Office for a truly revolutionary machine. Mr. Newman believes his machine can safely and inexpensively create more usable energy than it consumes. If his claims are true, Mr. Newman's perpetual motion machine can provide enough energy to enable all the people in the world to light, heat, cool, or power their homes, businesses, automobiles, airplanes, tractors, ships, trains, space crafts, and so forth.

Mr. Newman applied for a patent in 1979 and was rejected in 1982. Since then he has appealed his case to the U.S. district court and the U.S. court of appeals to no avail. It seems to me that Mr. Newman has received arbitrary and unfair treatment from the Patent Office and the courts. No harm is done by immediately granting Newman a patent. If his machine works then no more wars need to be fought over our limited fuel supply. There will be limitless, efficient and nonpolluting energy available to everyone.

The Federal bureaucracy has had its chance, now let's give Mr. Newman a try!

The article follows:

[From Regardie's magazine, December 1985]

PERPETUAL NOTION

(By Rebecca Pittman)

So far, inventor Joseph Westley Newman, Route 1, Box 52, Lucedale, Mississippi, has spent upwards of $250,000 and nearly seven years of his life at war with the U.S. Patent and Trademark Office. For the past three years, Newman has duked it out with the PTO before a federal district court in Washington, which he hopes will, once and for all, order a patent on his Revolutionary Energy Machine.

At this point, it seems likely that nothing short of an order by a federal judge will persuade the PTO to protect Joe Newman's device. Through years of administrative appeals and litigation, the Patent Office has held fast to its belief that his energy machine "smacks of perpetual motion." And page three of its handbook clearly states that "alleged inventions of perpetual motion machines are refused patents"—even, it seems, if they work.

Not that Newman would ever pin a shady, derisive label like "perpetual motion" on his invention. What he claims is that his amazing machine operates with vastly greater efficiency than your standard electromagnetic engine—so much so that it puts out more energy than it takes in, up to 25 times as much. Strict adherents of the First Law of Thermodynamics needn't take exception, however; Newman doesn't claim to be creating energy. He says his machine captures subatomic "gyroscopic" particles orbiting in a magnetic field, and simply releases electromagnetic energy that's already in the system. The net effect, he claims, is the conversion of mass to energy, a la $E=mc^2$.

If Newman's Revolutionary Energy Machine does indeed generate the cheap, nonpolluting, virtually unlimited energy he says it can, its impact could be profound. Homes, cars, even entire factories could be powered by self-contained, one-time-purchase units. Nuclear reactors and internal combustion engines would become as archaic as the wood-burning stove. And since Newman claims that his machine represents the mechanical unification of the gravitational, nuclear, and electromagnetic fields, a lot of physics textbooks would need revising.

All this may sound farfetched, but the fact remains that some 30 engineers and scientists, including a NASA aerospace engineer, a nuclear physicist, and an electrical engineer who worked on the Saturn 5 project, have tested Newman's energy generator and swear it works. Roger Hastings, a physicist for the Sperry Univac Corporation, states in an affidavit: "Every experiment that I have performed shows that the energy output of the device is indeed larger than the energy input." He adds, "The future of the human race may be dramatically uplifted by the large-scale commercial development of this invention."

But before Newman starts mass-producing anything, he wants a patent to protect himself from potential competitors. Patent Office officials, however, have stood their ground and refuse to even comment on the matter while it is in litigation—except for one PTO spokesman, who claims that "Mr. Newman's case isn't any more unusual than anyone else's."

L'affair Joe Newman might be run-of-the-mill stuff over at the Patent Office, but it's turned some heads on Capitol Hill. This past summer Newman's attorney, John P. Flannery—a young, aggressive former federal prosecutor and an unsuccessful Virginia Democratic candidate for the U.S. House in 1984—asked every member of Congress to help his client. In October, Republican Representative Dan Burton of Indiana introduced a bill to grant Newman a pioneering patent. Burton says he would like to see a congressional investigation of the PTO's manhandling of Newman's patent application, and at least 10 other senators and representatives have taken up Newman's cause with Donald Quigg, the commissioner of the PTO.

"It is my understanding," wrote Democratic Representative Norman Dicks of Washington, "that despite physical evidence to the contrary, your office has taken the position that Mr. Newman's invention cannot be scientifically possible." He added that "it is disconcerting to me to find that the Patent Office, although charged with encouraging and protecting scientific study and inquiry, would refuse to consider an application on its merits simply because it is revolutionary."

Congressmen aren't the only ones wondering why the Patent Office, under no onus to guarantee what it protects, appears hellbent on thwarting the development of an invention that might someday put Pepco out of business and turn the Middle East into one of the world's more superfluous spots. "After everything is said and done, they should find a way to put Joe's work out to public scrutiny," says retired Washington patent attorney Paul Gomory, a consultant to Newman, "If he has something that works we ought to find out and do something with it. If it doesn't work we ought to find out about it and go on. We can't hobnob on this thing for the next 15 years."

Between Hattiesburg, Mississippi, and Mobile, Alabama, as the crow flies stretches 100 miles of two-lane highway clogged by log trucks and lined with spread-eagled armadillos stiff with rigor mortis. Considered outlandish even by Southern standards, southeast Mississippi never has been much more than some place you have to drive through to get to Alabama and Florida Gulf Coast resorts.

Smack-dab in the middle of this outback, just past a stark black-and-white billboard announcing GOD MAKES HOUSE CALLS, is Lucedale, Mississippi, population 2,500. A while ago its main claim to fame was the public backscratching post at the Coffee Pot Restaurant, upon which the likes of Tennessee Ernie Ford, Dizzy Dean, and Ronald Reagan have abraded themselves. But for several years now a procession of outsiders has come to Lucedale and, instead of blowing through town loaded with Coppertone and six-packs, stayed on to meet the man who made the Revolutionary Energy Machine.

Newman lives beyond the edge of Lucedale proper, down a mile of deeply rutted dirt road through the piney woods, past a gate and a few mildly intimidating KEEP OUT signs. The term "backwoods inventor" is an accurate one for Newman, but forget Tobacco Road. Newman, his wife, Ellen, and their two-year-old son, Gyromas (named for his daddy's gyroscopic theories), live in a comfortable, brick ranch-style house guarded by a misanthropic Doberman pinscher named Night. "I live secluded because I like to be secluded," says Newman. "I like people, I like to help people, but I really don't like them to make a whoop-de-do over me. That's not my cup of tea."

In a clearing behind the main house is a brand-spanking-new pine-board building identified by a brass plaque as the "Research Center for the Energy Machine of Joseph Newman." Inside is a conference table and some chairs, pieces of electrical equipment, and a 75-pound punching bag, which Newman uses to let off steam. "I beat the hell out of it," he says. Across one wall hang paper banners with quotes from the two men Newman credits with inspiring his work: 19th-century English scientist Michael Faraday ("How Few Understand the *Physical* Lines of Force!"), and mathematician James C. Maxwell ("The Energy in Electromagnetic Phenomena is *Mechanical* Energy").

At the far end of the room stands the Revolutionary Energy Machine. This, the largest prototype of Newman's invention, looks like a hot tub mounted on an oak platform. It weighs 9,000 pounds and cost him $23,000 to build. An overhead mirror reflects its innards, which are downright simple: eight miles of copper wire coiled around a bundle of six magnetic rods, each four feet long. Newman says, "Poor Ellen, it took us weeks to install all that copper wire. She had blisters on top of blisters."

The machine is hooked up to 150 six-volt and nine-volt batteries lined up in neat rows, which Newman turns on before giving the magnets a shove. Slowly they begin to rotate on their own, picking up speed with a rhythmic clanking. A row of light bulbs around the top begins to blink. An orange fan attached to the machine by a belt starts to turn. Soon the clanking turns into a din, as the furiously whirling magnets reach a speed of 260 revolutions per minute.

Before there was investor money, a crowded, dilapidated garage made do as Newman's research center. Newman is a full-time professional inventor who has designed and patented several inventions, including plastic-coated barbells, a gadget that sucks juice from oranges still hanging on the tree, and a rain deflector that keeps car windshields clear at drive-in movies. The profits from those inventions kept food on the table, but the energy machine is different. Newman calls it "foremost in my life, above all else. All my family know this comes first."

Newman seems younger than he is, more like 39 than 49 years old. Crowned with a straight, slicked-back pompadour, he resembles an incongruously healthy Jerry Lee Lewis. His sturdy frame tells of all those rounds with the punching bag, as well as Ellen's widely acclaimed ways with black-eyed peas and sweet potatoes. The tip of Newman's right index finger is gone, crushed in an accident that happened when he was a teenager roughnecking on an oil rig.

Newman is an engaging, straightforward man whose rough-hewn way of talking reflects his lack of formal education. Nonetheless, a growing flock of true believers claims Newman is a genius, a modern-day Faraday whose academic credentials are irrelevant. "Joe has gone beyond what you can read in textbooks," says Milton Everett, an engineer with the Mississippi State Department of Geology and one of the first to believe in Newman's work. "He's an original thinker and there's not many of those. I think Einstein's going to have to take a second seat to Joe Newman."

It took 15 years for Newman to develop his radical theory of electromagnetism and then turn it into a working prototype of the Revolutionary Energy Machine. He has been trying since the midsixties to get the scientific community to pay serious attention to his ideas, with less successful results. "I was very naive, and I went to many universities to debate," he says. "I'd go in good faith thinking that if I'm wrong, they'll show me I'm wrong—that's fine. I'll take that knowledge and utilize it. Then I started noticing that something's bad wrong here; these people are intimidated by my questioning."

But tenacity will win out, says Newman: "I'm like a bulldog. I'm going to win that fight. You've got to kill me or I'm going to win it. One of the two."

That kind of fierce determination is not new; Newman remembers constantly getting into scrapes with neighborhood bullies when he was young. "I'd fight automatically; not premeditated. I'd just see somebody getting picked on and it would offend me so much that I'd have to step in. And that's the same feeling I have when I fight the Patent Office: they can't whip me, but I

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know they could step on people who don't have that type of feeling."

Newman also points out that this is not the first time the Patent Office has clashed with an inventor making a wild claim; back around the turn of the century, the PTO was battling with the Wright brothers, who kept insisting that heavier-than-air machines could fly. Only after three years and as many PTO rejections were Wilbur and Orville finally allowed to patent the "inoperative" contraption they were already flying at Kitty Hawk.

Hostilities between Joe Newman and the Patent Office commenced on March 22, 1979, the date he first filed for a patent on the technical explanation of his Revolutionary Energy Machine (a prototype had not yet been built). Assigned to evaluate Newman's 130-page application was the Patent Office's primary examiner, Donovan F. Duggan. This was not his first experience with alleged inventions of suspiciously prodigious energy efficiency. Several years earlier he nixed the patent application of Ralph E. Lindsey, who had his own version of the electromagnetic engine. Lindsey subsequently sued the Patent Office for negligence in a Texas federal district court, which in 1983 ruled in his favor.

In its decision, the court was particularly critical of Donovan Duggan: "Examiner Duggan's knowledge of electrical theory may have been inadequate for his responsibilities. In any event, the examiner carelessly and incorrectly perceived the Lindsey design to be a 'perpetual motion machine.' Once convinced of that, Examiner Duggan seemed unable to consider the design on its own merits. . . . The actions of the Patent Office—from the officious manner and careless processing of Examiner Duggan to the slothlike response of the Board of Appeals—are deplorable. A citizen deserves better treatment from his government."

It took two and a half years for Newman to receive a 44-word handwritten rejection from Duggan, who summed up his decision with these words: "More output than input attained smacks of 'perpetual motion.'"

Newman quickly responded, submitting a more detailed explanation of his invention, along with a sworn statement from Robert E. Melton, a former Saturn 5 project electrical engineer now with the CIBA-GEIGY Corporation in McIntosh, Alabama. In his affidavit Melton stated he had carefully evaluated Newman's device "to present arguments against it" and "found none." Said Melton: "As a result of discussion, research, and observation, I believe he has a valid disclosure."

Newman also offered Duggan an all-expense-paid trip to Lucedale to personally examine the machine. Ignoring this invitation, Duggan issued a second thumbsdown, this time speculating the "possibility" of a hidden outside power source—even though he added that "the applicant's character is not at issue here, only his disclosure." Newman disagrees: "It was quite obvious that he had deliberately attacked my honesty and integrity."

Newman asked for and got a personal interview with Duggan, referred by Duggan's supervisor. At that meeting, Newman says, Duggan "told me to my face he doubted he would ever allow a patent on my machine no matter what proof I submitted." Duggan has denied this in court documents; other than that, all he will say is, "Newman's made a lot of charges, but I'm forbidden to talk about it."

After exhausting every other administrative avenue of redress, Newman requested a hearing before the PTO's Board of Appeals. He brought his two pieces of evidence to the hearing, which was held in the fall of 1982: the 800-pound prototype of his energy generator and Roger Hastings. But both Hastings and Newman feel that no serious effort was made at that hearing to determine the validity of the machine. "One of the examiners stood behind a pillar the whole time," says Hastings. "He was afraid that 100-pound magnet being rotated by Joe's machine was going to fly off and hit him."

"They sat over there like a bump on a log," Newman recalls angrily. "When we got through with the testing procedures, *then* they went over there and looked at the machine. Didn't touch it; no way could they verify anything. Their actions were totally unlike what you would expect of professional persons who were going to investigate something that was supposed to put more energy out than in." At the close of the hearing, says Newman, "They gave me two minutes—*two minutes*—to try to discuss about 17 years of work."

A few days after presenting his machine to the appeals board, Newman arranged to have it examined at the National Bureau of Standards. Hastings, who had gone home to Minnesota, flew back to Washington to attend the NBS testing, believing that there would finally be an expert, impartial, conclusive evaluation of Newman's machine. "I was expecting a bunch of people in white coats to come out, take the machine in, and give it a whole series of tests," says Hastings. "But they didn't have the equipment or the facilities to do anything."

Instead, NBS officials suggested that Newman stop on his way back home at Auburn University in Alabama and have his machine tested there. So Newman, another friend, and Hastings crammed into the cab of a pickup truck and lugged the 800-pound prototype on what amounted to a 20-hour joyride. "The worst part was they wouldn't let me smoke," recalls Hastings.

When they got to Alabama, Newman refused to allow his invention to be tested. Neither Auburn University nor the professor at Auburn could assure Joe of security or confidentiality," says John Flannery. "Nor was the Auburn professor associated with the NBS in any way—and that was the point of the whole exercise."

As it turned out, the hearing before the Patent Office's appeals board was equally pointless; the board sustained the rejection of Newman's request for patent protection, maintaining in its report that "such a machine is impossible." Among the attachments to its decision were some pages photocopied from a 1911 college physics textbook stating that "perpetual motion is a delusion." And two of the three examiners at the appeals hearing turned out to be the same ones who sat on the "slothlike" appeals board in the Lindsey case.

"The Patent Office set itself up to deviate from procedure," insists patent attorney Gomory. "It set itself up to say, 'This is impossible.' The Board of Appeal's decision in effect took the position, 'We will defeat this application no matter what.' It kept saying there was no evidence. Of course there was evidence—there was Roger Hasting's affidavit. They never mentioned the affidavit."

Flannery blames Newman's rejection on institutionalized incompetence at the PTO. "This office is overworked, it has no ability to search the documents, and who in their right mind who has scientific ability—whether it's a Donovan Duggan or anybody else—goes to examine patents at the U.S. Patent Office?" he says.

Gomory is kinder to the PTO: "I emphasize that, on the whole, to examine some 110,000 patent applications each year, and of those to issue some 80,000 patents, is quite a Herculean job," he says. But he calls the Patent Office's handling of the Newman case "not only wrong, but one could say outrageously wrong."

Joe Newman filed suit against the Patent Office in U.S. District Court in Washington on January 3, 1983; the case was assigned to Judge Thomas Jackson. During the pretrial period Patent Office lawyers submitted a report on the tests run on Newman's machine—at Newman's invitation—by two Mississippi State University electrical engineers. "But the Patent Office admitted in its own papers that MSU had characterized the tests as 'inconclusive,'" says Flannery. The PTO also asked a National Bureau of Standards engineer named Jacob Rabinow to review and criticize various test results submitted in support of Newman; his report was also offered as "contradictory" evidence.

Meanwhile, a Texas engineer named S. Mort Zimmerman who had met and talked with Newman, independently built a prototype of the Revolutionary Energy Machine that, Zimmerman said, did indeed run at greater than 100 percent efficiency. Soon after submitting to the court an affidavit to that effect, Zimmerman got a phone call from a NASA scientist, Larry Wharton, who quizzed him on his machine. Wharton never mentioned to Zimmerman that he was acting on behalf of the PTO. Later, when a statement by Wharton Debunking Zimmerman's testimony was introduced as evidence, Wharton recanted, saying he had made clear to PTO lawyers that there was a possibility that Zimmerman's prototype operated at 600 percent efficiency. Wharton says he was told that such information wasn't necessary.

"First Rabinow comes up with his description, and after that, almost to answer it, an independent inventor creates a Newman device and it works," says Flannery. "Then the Patent Office lawyers get desperate and come up with a guy from NASA who says it doesn't work—and then he recants his testimony. There's something going on here that just ain't right."

Faced with a muddle of conflicting evidence, Judge Jackson decided to appoint a special master to investigate Newman's claims. Over the objections of Newman's attorney, he gave that job to William E. Schuyler, Jr., a former head of the Patent Office and prominent Washington patent attorney who is an electrical engineer to boot. Jackson called Schuyler's credentials "superb."

The report of the special master was issued in late September 1984. While refusing to endorse Newman's theories, Schuyler found that the "evidence before the Patent and Trademark Office and this court is overwhelming that Newman has built and tested a prototype of his invention; there is no contradictory factual evidence." The report called "clearly erroneous" the Patent Office Board of Appeals's contention that Newman's machine is "impossible," and stated Newman "is entitled to a patent based upon his experiments and results provided he otherwise complies with the requirements of the Patent Statute; it is not necessary that he be able to state the scientific principles underlying his invention . . ."

Jere Sears, a PTO attorney, responded to the report by insisting that it be rejected. Sears asked the court to "exercise some common sense and refrain from believing in those who apparently still believe in the tooth fairy." Newman's attorney, in turn, asked Jackson to order the PTO to grant Newman's machine a pioneering patent based on the master's findings.

The judge declined both suggestions. "I am not prepared at this point to conclude that there is no factual dispute and that it can be said as a matter of law that . . . Newman has produced a truly pioneering invention of the order of magnitude of the atomic and hydrogen bomb," Jackson said in a hearing held on Halloween 1984. "Nevertheless," he added, "I am also equally unprepared to say on this record, as the defendant would have me say, that Mr. Newman is a crackpot as a matter of law and that his invention cannot possibly, as a matter of physical principles, operate under any circumstances."

So Newman's patent application was bounced back to the Patent Office, with instructions from the court to expeditiously reexamine his case "in light" of the special master's recommendations. Incredibly, Newman was also ordered to cough up $11,602.20 to pay for the report.

Such a financial imposition would have left Newman sorely strapped, but at that point, like the U.S. cavalry coming to the rescue of a beleaguered wagon train, bigtime investor money suddenly appeared. A Sacramento, California real estate broker and developer named Dan Benvenuti, whose family owns the Sacramento Kings (formerly the Kansas City Kings) professional basketball team, heard of Newman, went to see him, and became convinced of the importance of his work. In December 1984, Benvenuti became the principal investor in Energy Resources Unlimited, which gave Newman $500,000.

Benvenuti says that his motives are altruistic. "I'm not in this thing for money," he says. "I'm in this thing to see what we can do to help the world." It irks Benvenuti that he, and not the government, is Newman's principal backer. "If senior citizens didn't have to pay $400 a month for electricity, they wouldn't need as much from the government to live on. But why is our government behind every armament somebody can come up with? Sure we need protection, but we're spending hundreds of billions of dollars in war and destruction. Why not some money for a man who's got something good for the world?"

Benvenuti claims that major investment firms in Japan and Canada are already interested in the licensing and manufacturing rights for Newman's machine. "And here we are in the United States worried about the trade deficit."

So richer, but essentially back at square one, Newman got a new examiner—and soon after, in spite of the special master's report, another rejection of his application. This time however, the PTO finally decided that it wanted a first-hand look at Newman's machine and got a court order for him to surrender it to the NBS for testing.

Newman refused. He did, however, bring his machine to Washington last May and display it at a press conference at the Capital Centre—much to the consternation of Judge Jackson, who noted in a hearing that the Capital Centre is not all that far from the NBS facilities in Gaithersburg. Why did Newman haul his machine all the way up here again without the slightest intention of letting officials from the Patent Office or NBS get anywhere near it?

"The judge was saying he would draw the conclusions that he was entitled to draw if I didn't turn my device over to the Patent Office to give to the Bureau of Standards," say Newman. "What I did was carry it to Washington and give a public demonstration showing I had nothing to hide—that I put myself up to public ridicule. And that's not something somebody would do who has something to hide. So we exposed it, had other scientists there. This took away the judge's grounds that I had something to hide."

Patent Office lawyers have since asked the court to declare Newman's patent application abandoned. Jackson instead agreed to give Newman his "day in court," a nonjury trial scheduled for late February next year. But he also insisted, again, that Newman hand over his machine to the NBS. And the Patent Office told Newman he would have to post a $50,000 bond to cover the cost of the testing.

"The special master's report comes down and bang!—the thing works, you guys are all wet, you've ignored your own procedures, that examiner is no good, a patent should be issued," says Flannery. "Then, all of a sudden, these guys scramble around. Now they want to test it. But they don't want to just test it. They want to seize it; they want to dismantle it; they want to destroy it; they want to hold off until after the trial starts, and then they're going to put their expert witnesses on the stand.

"That's not fair. It's not common sense. It violates the civil rules procedure. It's an unconstitutional seizure of property. And to add insult to injury, they want Joe Newman to foot the bill—$50,000! For what? To quote Joe: 'Not no, but hell no!'"

This fall Joe Newman significantly refined the Revolutionary Energy Machine, turning what looked like a 9,000-pound, battery-powered hot tub that lit a few light bulbs into a 130-pound device that he believes will ultimately be capable of powering a home. Hastings is impressed by Newman's progress. "It appears to me," he says, "that the Newman motor can be readily scaled to power levels that will make it practical for commerical and home energy needs, and this should be accomplished in the very near future."

Just two months ago, Newman gave a public demonstration of the new, improved Revolutionary Energy Machine in New Orleans. The event drew 1,500 people, many of whom stood in line hoping to get a glimpse of it. Testimonials to Newman's work were given by a panel of scientists and engineers; even actor Eddie Albert showed up to declare his support for the cause.

In three separate demonstrations in a darkened Hilton ballroom, Newman did not disappoint the crowds; he used his energy generator to light several 40-watt fluorescent bulbs and a green neon sign that glowed "Gyro Power." "This is my Christmas gift to you," he told the cheering audience. One writer who witnessed the event described it as "surreal, like something out of a grade-B Hollywood movie starring Vincent Price or Bela Lugosi."

Newman also recently published a vanity book, The Energy Machine of Joseph Newman, which details his theories and explains the mechanics of his machine. And he has filed for patents on the controversial device in countries all over the world, including the Soviet Union. Already, he says, it is patented in Spain and South Africa.

"So in a way, it doesn't matter what the court or the Patent Office decide," says Newman. "Whether I'm dead or alive doesn't make any difference: this invention is going forward, and no power on this earth is going to stop it."

THE URGENT NEED TO ATTACK "CRACK"

HON. CHARLES B. RANGEL

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Friday, March 21, 1986

Mr. RANGEL. Mr. Speaker, as chairman of the Select Committee on Narcotics Abuse and Control, I wish to bring to the attention of our colleagues an article by Peter Kerr that appeared in the March 20, 1986, New York Times, entitled "Extra-Potent Cocaine: Use Rising Sharply Among Teen Agers."

This dramatic piece confirms what many of us in the Congress who have the responsibility for reviewing Federal drug abuse policy have known for some time; that the availability of "crack"—cocaine in its purest state—at low street prices will only expand the abuse of cocaine nationwide.

Increasingly, Mr. Speaker, Members are inquiring of the select committee; What is crack? How is it different from cocaine? Where is it all coming from? Mr. Kerr answers these questions very succinctly.

Crack is purified cocaine in pellet form that sells in vials for as little as $5. Users smoke it, creating a powerful stimulating effect on the nervous system. Unlike regular cocaine, crack takes effect in seconds and induces a greater high, experts say. Compared with users of regular cocaine, crack users experience a stronger yearning for the drug and become addicted more quickly.

What is most frightening about crack is that it has made cocaine widely available and affordable for abuse among our youth. The Times reports the easy access to crack at New York schools. The select committee has heard similar reports from other areas around the country.

Mr. Speaker, I am afraid that the crack epidemic will only get worse, before it gets better. A review of the international narcotics control strategy report, issued by the State Department on February 21, 1986, yields the inescapable conclusion that we can expect bumper crops of coca in the major cocaine-producing nations of South America this year. The select committee estimates that at least 150 tons of cocaine will enter the United States in 1986.

As the select committee has urged the administration for quite some time, we need to seriously rethink our present narcotics control strategy. Our existing efforts are clearly failing short, and, as a result, our children are being severely injured. We must begin to make effective use of existing sanctions against drug producing nations which fail to cooperate with us on narcotics control, and at the same time, provide adequate funding to State and local drug enforcement, treatment, prevention and education programs, as I have proposed in H.R. 526, the State and Local Narcotics Control Assistance Act.

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Passage of H.R. 526 can insure a comprehensive community response to the problem of "crack." Our failure to do so could lead to the loss of a whole generation to "crack."

Mr. Speaker, at this point I insert Mr. Kerr's article in the RECORD:

EXTRA-POTENT COCAINE: USE RISING SHARPLY AMONG TEEN-AGERS

(By Peter Kerr)

In dramatically rising numbers in the last five months, teen-agers in New York City and its suburbs have been using "crack," an especially potent and addicting form of cocaine, according to state and local drug officials, educators and experts on drug abuse.

From the wealthiest suburbs of Westchester County to the Bedford Stuyvesant section of Brooklyn, drug experts and community groups say the growth of crack use has been so great that it is fast outpacing the ability of educational efforts and rehabilitation programs to cope with the problem.

"It's all over the place," said John French, the chief of research and evaluation for the New Jersey Health Department's alcohol, narcotics and drug abuse unit. "There are simply not enough treatment programs to handle the demand."

In recent weeks, reports of growing use of crack among youth has also brought statements of concern from officials of the New York City Board of Education, the New York State Division of Substance Abuse Services and the county drug-control agencies in Nassau and Westchester. The agencies say they are looking for new ways to educate young people about the dangers of crack addiction.

Cocaine treatment programs around the area are reporting a rise in serious addiction, together with a wide range of physical and psychological problems and criminal behavior, in youths between 13 and 19 years old.

As recently as last fall, government officials who monitor drug abuse warned of the growing popularity of crack among cocaine users generally. But the speed with which crack use spread to teen-agers, including youths who had little or no previous involvement with drugs, has alarmed experts.

"It's growing much more rapidly than we had thought," said William Hopkins, the director of the street-research unit of the State Divison of Substance Abuse Services.

"We are seeing kids who are college-bound, with 85 averages or better," said Dr. Arnold M. Washton, the director of addiction research and treatment at Regent Hospital on East 61st Street in Manhattan and Stony Lodge Hospital in Ossining, N.Y.

Crack is purified cocaine in pellet form that sells in vials for as little as $5. Users smoke it, creating a powerful stimulating effect on the nervous system. Unlike regular cocaine, crack takes effect in seconds and induces a greater high, experts say. Compared with users of regular cocaine, Dr. Washton said, crack users experience a stronger yearning for the drug and become addicted more quickly.

A 15-year-old boy, now in treatment at the Stony Lodge Hospital, recalled how he first tried crack last November and found it far more addicting than powdered cocaine.

"My friends said, 'What do you want to do on your birthday?' I said, 'Lets do crack,'" said the youth, a resident of a middle-class neighborhood in the Bronx. "You get a head rush and your ears pop and you get a real up. But when you run out of crack, you get this feeling of want that just takes over your body."

Within a week, the youth said, he was smoking $50 worth of crack a day. Soon, he said, he stole money from his parents to support his habit. He began staying out of school, he said, and, together with friends, began breaking into houses to take jewelry, cash and video cassette recorders. Recently, he said, he was arrested on robbery charges and entered the treatment program.

"You are willing to do anything to get it," he recalled. "We just had to get more."

MOVING TO THE SUBURBS

Experts say few statistics are available on the use of crack. But drug hot lines in the area have recorded a steady rise since November in the proportion of callers who say they use crack.

Another recent change is the proliferation of crack in the suburbs.

"It was pretty much a city problem until four to six months ago," said Harold E. Adams, the Commissioner of the Nassau County Division of Drug and Alcohol Addiction. "Now it is a Long Island problem. It is steadily increasing and we are very, very concerned."

Between 65 and 70 crack users a month are now being treated at the Nassau County Medical Center, he said.

"In the morning these days the phone doesn't stop ringing," said James P. O'Hanlon, director of alcohol and substance abuse programs for Westchester County. Mr. O'Hanlon said he feared there would not be enough programs to treat the wave of people addicted to crack.

WOEFULLY SHORT OF RESOURCES

"We have a large methadone treatment network that responds to opiate problems," he said. But for cocaine, which is not an opiate, he said, "We are woefully short of resources and we are short throughout the state."

The proliferation of crack has presented a burgeoning problem for the New York City school system as well, according to Levander Lilly, an assistant to the school chancellor.

"A lot of kids are playing hooky and staying out in the crack houses," Mr. Lilly said, referring to apartments where crack is sold and smoked. Girls are turning to prostitution and boys are resorting to robberies and burglaries to get the money to buy crack, he said.

In Community District 16 in Bedford Stuyvesant, crack is being sold openly from dozens of storefronts and apartments, many less than a block from elementary and junior high schools, according to Walter Johnson, the treasurer of the district school board.

He said sellers of the drug stand on street corners and offer business cards advertising $5 and $10 vials. The cards read "Jumbo Crack, nickels and dimes."

NEW HORIZONS FOR AMERICA'S YOUTH

HON. JOHN J. DUNCAN

OF TENNESSEE

IN THE HOUSE OF REPRESENTATIVES

Friday, March 21, 1986

Mr. DUNCAN. Mr. Speaker, I wish to highlight the winner of the Voice of Democracy scriptwriting contest from the Second District of Tennessee, Deborah Marie Shahid. The contest was conducted by the Veterans of Foreign Wars of the United States and its Ladies' Auxiliary.

NEW HORIZONS FOR AMERICA'S YOUTH

It all started one night in March of 1983. I was comfortably seated in front of the television set, contentedly feeding myself oreo cookies, when suddenly my father walked into the room. "Family", he says, "we're moving overseas!" I couldn't believe it. We were actually leaving the continent of North America, leaving behind the United States—leaving McDonald's, MTV, and the Boston Celtics. I cried, I screamed, I even ran away, but to not avail. Two months later we were on the plane heading for our new destination.

In time, I came to accept my new home, but I'm ashamed to say, it wasn't for awhile later that I realized I had missed the United States for all the wrong reasons. Oh, sure in the beginning I longed for a Burger King or even K-Mart, but as I grew older, I found there was also the American Flag, freedom of speech, and a democracy. Also, what became most important to me as an inspired American youth, was the wide spectrum of opportunities available to me only in America.

New windows and new scopes can be found in all endeavors of American life. Since we're aided not only by the awesome advances in techology, but also by the democracy of our government, we youth of today are faced with ever-expanding challenges—and unbridled horizons. Horizons available only in America.

For instance, there is the opportunity of education. In the United States today there are thousands of colleges, all willing to cater to aspiring young students. The colleges even offer help for those in financial trouble, through scholarships and literary contests.

There are work study programs, and community involvement programs, all designed to support the rising young scholar. Athletic programs promoted by schools project the "sound mind and body". Contests sponsored by Universities and Corporations encourage healthy competitiveness between young people, a necessary ingredient for the growth of our nation.

And there are still more opportunities for us youth in other varied professions. In the world of science, there is no end to the swirl of questions surrounding our world. A young mind is always welcome. In the world of physiology, the studies made on the brain everyday increase the questions, therefore the horizons. In the world of computers the introduction of technology has made this field perhaps one of the greatest potentials for youth.

Another of the many admirable attributes of the United States is the heavy emphasis placed on human individuality. Only in America can we be what we want to be, say what we feel and do as we say—no restrictions, no limitations. As built into the American tradition, the horizons offered in the United States are available to all of us regardless of race, creed, or color. There are young people in such professions as law, medicine, sports, and even politics.

But there are still many horizons that are yet untouched. That most mysterious frontier ever—space—has still to be fully explored. Perhaps, it is time for my generation to begin our own explorations. I have a suggestion.

To increase the ever-expanding numbers of opportunities available only in America, I hope the United States will add one more to

its list. That is, allow the next civilian in space to be an American youth! In this way, could the United States show how far the American youth are able to go, how much they can achieve. The sky is no limit. I know I'd gladly volunteer myself! It would be a small step for me, but a giant significant step for the young people of America. It seems like a million years since I first boarded the plane that took me overseas. But I can say of my beloved nation, what Robert Emmet once said of his Irish Homeland, "My country is my idol".

I have come to realize that everything I do or have stems from my American roots—my ideas, my rights, my golden opportunities, my choice of horizons. Everything I live for comes only from America. I will give something back.

HONORING DOUG DEYOUNG

HON. TOM LANTOS

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Friday, March 21, 1986

Mr. LANTOS. Mr. Speaker, the beautiful San Francisco Peninsula is a magnet that has drawn interesting and talented people from around our Nation and around the world. Ten years ago, one of those talented individuals who came to San Mateo County and who has contributed to the caliber and diversity of our area is Douglas DeYoung.

A native of Manhattan, KS, Doug has always been on the cutting edge of life. He began is professional career with the Owens-Illinois and was a pioneer in their computer program. Politics and public service, however, have always been among Doug's first loves. He took an early retirement from Owens-Illinois to start his own business as a computer consultant for political parties, communities, and numerous candidates in the bay area. In the process he has become an acknowledged expert and innovator in computerized politics.

Doug's involvement with public life has not been simply a professional consultant, however. He is a caring and committed individual who has worked to improve the quality of life in his community and in our Nation. In Belmont, where Doug has lived for 10 years, he has been a leader of the Central Homeowners' Association, a member of the Belmont Finance Committee, and a member of the Steering Committee of Citizens for Orderly Growth.

Doug is also a man of deeply held personal convictions. He was a founder of the Metropolitan Community Church in San Francisco and later a founder of the Metropolitan Church in Redwood City. Like his father, he is also a Mason. On the State level, Doug was the founder and president of the Society for Individual Rights, and he has been actively involved in operation concern, Concerned Voters of California, the Alice B. Toklas Memorial Democratic Club, and the Human Rights Fund.

But Doug is also human. He is an avid motorcyclist. He has ridden in competitions with a number of clubs, particularly the Recon Motorcycle Club. Often his arrival for a serious political meeting is heralded by the roar of his motorcycle.

Mr. Speaker, Douglas DeYoung is an individual who cares enough about our world to take the time and effort to make a difference for all of us. I salute him for his commitment and dedication.

THE THIRD PILLAR OF SOUND MONEY

HON. WILLIAM E. DANNEMEYER

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Friday, March 21, 1986

Mr. DANNEMEYER. Mr. Speaker, the American Economic Foundation was established in 1939 for the purpose of explaining economic theory to the general public in simplified, understandable language. Soon after, it brought out a booklet entitled "How We Live—The Ten Pillars of Economic Wisdom," which became a bestseller, as it was sold and distributed at home and abroad in millions of copies. It is still in print.

The present chairman of the foundation, Mr. Homer W. Giles, commissioned Prof. Antal E. Fekete of the Memorial University of Newfoundland to write a new series with the title "The Ten Pillars of Sound Money and Credit." The first four parts of this series have already been inserted in the CONGRESSIONAL RECORD (Vol. 131, No. 158, p. E 5158; No. 159, p. E 5254; No. 160, p. E 5283; Vol. 132, No. 35, p. E 889.)

The next part of this series follows.

THE THIRD PILLAR OF SOUND MONEY AND CREDIT: THE PRINCIPLE OF REDEEMABILITY

(By Antal E. Fekete)

A CHINESE TALE

Once upon a time a revolution of lasting import took place in China: the invention of paper and the simultaneous invention of paper money. Silk products had long been used as the material on which documents and contracts could be written. The revolutionary character of paper to be seen in the fact that it was a thousand times cheaper than silk, and it could still carry the same message just as efficiently.

The most potent message that paper was capable of carrying was the promise of the Imperial Treasury to pay the bearer a stated sum of silver coins on demand. The Treasurer, Ding, discovered that he could pay the suppliers of goods and services to the Celestial Court with such paper promises. People trusted the Treasury and accepted its promise to pay as equivalent to payment in silver coin. Paper money was thus born virtually the same day on which paper itself was invented.

Soon afterwards the Treasury ran out of free silver, as it found that all the silver coins in its coffers had been mortgaged in the form of outstanding promises. Ding refused to issue more paper money, except in exchange for silver coins paid into the Treasury. In his view, any other course of action would compromise not only the integrity of the promises of the Treasury, but also that of all the contracts in the Celestial Empire, affecting a value far greater than the value of paper money in circulation. Contracts made by third parties in good faith would be rendered impossible of fulfillment and the standard, or measuring rod, of honest dealing among the populace would be destroyed. A decline in prosperity would follow in due course, as the cornerstone of economic well-being is the integrity of promises men live by.

But the Deputy Treasurer, Dong, was an ambitious man and he saw that Ding had painted himself into a corner. Dong threw himself at the feet of the Emperor, pleading thus: "Sire! Let me issue further promises to pay silver coins against the cutlery, candelarba, and other silveware of the Celestial Court! The Emperor prompty fired Ding, and rewarded Dong for his resourcefulness by making him Treasurer.

Dong could not enjoy his newly found glory and power long. Other ambitious men in the Court took careful note of what happened at the Treasury. They got the ear of the Emperor in suggesting that even more paper money could be issued against silver that had not yet been brought out of the imperial mines, as well as against the silver in the Moon. Since the Moon was considered a province of the Celestial Empire, and it was thought to consist of silver 95% pure, a belief confirmed by a recent scientific study released by the Heavenly Research Council, there was a plausible case for expanding the issue of paper money. The Emperor fired Dong, and thereafter a change of the guard at the Treasury became a frequent ritual, each time a more unscrupulous adventurer succeeding a less unscrupulous one. The promises of the Treasury to pay silver coins on demand have lost all their remaining value.

In the aftermath of the depreciation of paper money, a Great Cultural Revolution engulfed the Celestial Empire. People took to the streets, purged the Heavenly Research Council, and hanged all the past Treasurers on makeshift gallows erected along the Square Heavenly Peace, stuffing their mouths with the paper promises that they had signed.

NOT WORTH A CONTINENTAL

The United States, in its infancy, attempted the same process by the issuance of Continental currency. Their currency collapsed in the same way as its ancestor in China. One of the greatest orators of all times, Daniel Webster, denounced irredeemable paper money on the floor of the Congress in 1832 in these words: "Of all the contrivances for cheating the laboring classes of mankind, none have been more effectual than that which deludes them with paper money. Ordinary tyranny, oppression, excessive taxation . . . these bear lightly on the happiness of the mass of the community compared with fraudulent currencies and the robberies committed by depreciated paper." Today we reject the dictum of Daniel Webster, and indulge in the same national sin which promises to exact, some day, severe penalties for our belief that we can challenge with impunity such fundamental truths as those involved in the maintenance of standards of common honesty in the fulfilment of our promises.

THE BALLOT BOX IS NOT ENOUGH

The principle of redeemability of the currency asserts that, if a citizen believes that there is too much money in circulation, he must have the right to do something about it. He should be allowed to hoard, melt, or export the gold coins in his possession, thereby redeeming the commodity value of the monetary standard. It also asserts that the citizen should be allowed to withdraw the gold reserves which form the basis of the monetary system, to the extent of his holdings of paper money or bank deposits. When a currency is redeemable in standard

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gold coins, any individual disturbed by the behavior of the government or banks can attempt to protect himself by presenting for redemption such paper currency as he may command. It is this power of individuals that holds, or tends to hold, banks and government in check. Without this power the people, as individuals, are helpless insofar as control over their banks and government is concerned. The power of the ballot box provides no protection, after the government has freed itself from the obligation to redeem its promissory notes, and acquired power to expand the volume of paper money without fear of adverse public reaction. The people have lost control of the public purse. The way to government dictatorship has been opened up. Human freedom has been endangered. The variety of ways in which freedom could be impaired or destroyed is practically countless as the government takes more and more power from the people and to itself. Limited government is not possible unless the principle of redeemability of the currency is respected.

A NURSERY OF TYRANNY, CORRUPTION AND DELUSION

In his classic monograph "Fiat Money Inflation in France," the distinguished scholar Andrew D. White, joint founder and first president of Cornell University, quoted Mirabeau of France as saying in 1789 that irredeemable currency is "a nursery of tyranny, corruption and delusion; a veritable debauch of authority in delirium." His contemporaries ignored the admonition, issued the assignats and the mandats—and history has attested the accuracy of Mirabeau's prophecy.

The manner in which the corruption involved in the use of irredeemable currency has permeated the political, economic and social fabric of the nation has received little attention and apparently is poorly understood. The act of inflicting an irredeemable currency on a people is an act of dishonesty by the government, and the influence of that dishonesty spreads through an endless number of channels and in an endless number of forms to the mass of people who are then corrupted in countless ways. To use White's words: such corruption grows "as naturally as fungus on a muck heap. It was first felt in business operations, but soon began to be seen in the legislative body and in journalism." As to the corruption among legislators, he stated that "there was enough to cause widespread distrust, cynicism and want of faith in any patriotism or any virtue. Worse still was the breakdown of morals of the country at large, resulting from the sudden building up of ostentatious wealth and from the gambling, speculative spirit, spreading from large towns to small, and to rural districts. The disgraceful result was the decay of national good faith." White stated that "there came cheatery in the nation at large and corruption among officials and persons holding public trusts. . . . Faith in moral considerations, or even in good impulses, yielded to general distrust. National honor was thought a fiction cherished by hypocrites. Patriotism was eaten out by cynicism."

"It ended in the complete financial, moral and political prostration of France—a prostration from which only a Napoleon could raise it."

White concluded, in his "Fiat Money Inflation in France," that "every other attempt of the same kind in human history, under whatever circumstances, has reached similar results in kind if not in degree."

No doubt the authors of the assignat and mandat thought that they were acting on firmer scientific basis than the Treasurers of the Celestial Empire. Yet, from the perspective of the 20th century observer, the only breakthrough was the replacement of the gallows by the more efficient guillotine.

THE TRUE STORY OF SOVIET JEW YULI EDELSTEIN

HON. WILLIAM LEHMAN

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Friday, March 21, 1986

Mr. LEHMAN of Florida. Mr. Speaker, I was recently visited by members of the Student Coalition for Soviet Jewry from the 17th Congressional District of Florida. Roni Leff, Alan Friedman, Michael Farbrowitz, Wayne Firestone, Louis Eisen, and Sharon Weiss of North Miami Beach are part of an important lobbying effort founded in response and protest to the arrest of Anatoly Shcharansky on March 15, 1977. Since that time, students in colleges across the United States have come to Washington to meet with their representatives and other officials to focus attention on the plight of refuseniks.

Even though Anatoly Shcharansky has been freed from the Soviet Union, many more longtime refuseniks such as Vladimir Slepak continue to languish in internal exile, labor camps, and prisons. Another prisoner of conscience that the Soviets have punished is Juli Edelstein, a Soviet Jew whose insistence on religious observance landed him in prison on trumped-up charges. Wayne Firestone, one of the members of the group visiting me recently, has written and produced an extraordinary production about Yuli Edelstein. The Play, "Trial and Error," performed in Miami on February 11, is in its second year of production after its premiere in Tel Aviv last year.

I would like to share with my colleagues a Miami News article about student and playwright Wayne Firestone that appeared in the Lifestyle section on February 10, 1986.

The article follows:

TRIAL INSPIRES STUDENT PLAYWRIGHT

(By Jeff Benkoe)

It was the oppression, the particular nastiness of it, that struck Wayne Firestone, a senior at the University of Miami. All that Yuli Edelstein, a Soviet Jew, had wanted was to live his religious convictions: To wear a yarmulke, to be able to teach other Jews, to have his wife, Tatiana, light candles on the Sabbath. The government would have none of it. They were especially interested in Edelstein because he had taught in an underground Hebrew school.

According to American activists and officials familiar with the case, Soviet authorities planted opium and marijuana in his apartment, arrested him, tried him in December 1984, then sentenced him to three years in prison. There was nothing extraordinary about Yuli Edelstein, says Firestone, a 21-year-old Miamian, who has an intense manner and dark eyes.

Other Soviet refuseniks have received similar treatment. "We're not looking at the treatment of two and a half million Jews in the Soviet Union, or the fact that 300,000 refuseniks have applied to emigrate to Israel," says Firestone. "I was curious about how it affects one person. It could be anyone. It's so arbitrary. If anything, his story is the story of many people."

Firestone has written a short one-act play based on a transcript of Edelstein's trial. In the play, Firestone focuses on the railroading of the defendant, and the shoddy work of the judge, prosecutor and detective.

One performance will be given at the Beaumont Cinema on the UM campus tomorrow, 7:30 p.m., $10 admission. A second performance is scheduled for Feb. 23 at Temple Sinai, 18801 NE 22nd Ave., and another will be presented Feb. 25 at the Jewish Community Center in Ft. Lauderdale.

Firestone, the recipient of a Harry S. Truman Scholarship, a prestigious $20,000 grant for university students, is producing his own work. Most of the $4,000 for the two Dade performances was raised through local law firms.

Firestone was studying at Tel Aviv University in Israel last year, interning at the Soviet Jewry Information and Education Center in Jerusalem. The center had received a copy of a transcript of the four-hour trial, mailed from the United States. An American tourist, whose identity remains known only to a handful of people, had sat in the courtroom and secretly scribbled the trial proceedings in shorthand.

Edelstein's appeal was only weeks away, so Firestone locked himself away for 24 hours, and distilled the 20-page transcript in a one-act documentary play. It was staged last year in Tel Aviv, Boston and Washington.

Firestone has been an activist on behalf of Soviet Jews since high school and has spoken before groups. "There are only so many lectures that people are willing to listen to," he explained. "You can only bang on the table so long and say there's a crisis. People get tired of it. I guess what gripped me was finding a new medium of expression. Theater worked."

Firestone may have been shown some positive proof of that. About 2½ months ago, after a performance in Boston, the mother of a cast member visited the Soviet Union and met with Tatiana Edelstein and told her of the play. Shortly after that, she visited him in prison for the first time. The beatings stopped. "Things have calmed down," said Firestone. "He's been allowed to get mail in jail. (The production of the play) might have helped a little bit."

At the end of performances, Firestone and the cast hand out aerogrammes, urging the audience to write their support to Edelstein.

Firestone retells a terrifying story—told by someone who had just gotten out of Russia, a refusenik—as evidence that those letters can mean the difference between life and death:

"A Soviet Jew was in prison. Every day a Soviet guard taunted him by showing him letters. He would never let him read them. The guard said to him: 'When these stop coming, you're dead.' The moral of the story is the story."

FIGHTING AGRICULTURE'S PLIGHT

HON. VIRGINIA SMITH

OF NEBRASKA

IN THE HOUSE OF REPRESENTATIVES

Friday, March 21, 1986

Mrs. SMITH of Nebraska. Mr. Speaker, we have by now become accustomed to little besides tales of woe regarding the persistently desperate plight of agriculture. Yet, hope springs eternally.

Recently, an article with this theme appeared in the North Platte Telegraph on January 2, 1986, by Marianne Beel.

This is such a significant column that I urge my colleagues to read this timely and informative article.

The article follows:

GOOD RIDDANCE, '85: STRENGTH WILL BRING A BRIGHTER END TO '86

(By Marianne Beel)

Time and again we've heard the phrase, "When the going gets tough, the tough get going," and we have seen examples of that in agriculture.

Very few extremely stressful situations in our area during 1985 made the news, but that doesn't mean they didn't exist.

We know of too many younger operators who experienced the misfortune of seeing their bank close. The lack of a new credit put them out of business.

We know of cattlemen who were forced to sell their herd because a drought cut their feed supply into half. When the brutal, early winter depleted that hay supply by December, some could not get financed in time to buy feed for their animals.

We've seen bred cows sell at auction for $375 that were purchased for $650 only two short years ago. It simply is not fair.

Animals cannot be put back on the shelf to wait for an adequate feed supply or a better market. When the owner reaches a point of no return, he is forced to sell. Then he feels guilty and takes it as a personal inadequacy that he couldn't continue to provide for his animals.

We know of a few instances when such men suffered indignities at the hands of callous officials who were in command. Thank goodness those instances were rather rare.

The reason we've mentioned the above is to explain the basis of a deep pride we feel for the people in our area who have come under dreadful stress. They've confronted their problem with quiet dignity, not violence or destructive protest. Some have drawn upon a strength they didn't know they had to maintain that dignity.

That doesn't say that they weren't torn apart inside from the frustration of helplessness. That doesn't say that unshed tears didn't choke away any attempt at speech. That doesn't mean that dispair wasn't voiced within the privacy of their homes.

This does not present the situation of all who are in agriculture. This is just to say that so far, there has been a tremendous strength shown by a lot of people during stressful situations. We are extremely proud of those people.

Our few New Year's resolutions are very simple, but we'd like to share: Make a concerted effort to find the positive side of every situation; greet all whom we meet with a smile and a hello; deal logically with the real problems, and try not to manufacture imaginary ones; walk barefoot through the green grass of spring and pick more daisies; let the soothing music of singing streams calm our nerves; and amid confusion to seek calmness in the everlasting hills.

Most of all we intend to voice the pride we feel . . . pride in the strength of our people who chose agriculture as their lifetime business. It is that strength that will persevere and bring a brighter ending to 1986.

A TRIBUTE TO JUDGE PERRY B. JACKSON

HON. EDWARD F. FEIGHAN

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Friday, March 21, 1986

Mr. FEIGHAN. Mr. Speaker, it is with a great deal of sadness that I inform my colleagues in the House of the death last night of Judge Perry B. Jackson, a man whose quality of character and devotion to service have enriched the lives of all he knew and will long be remembered in the Greater Cleveland area.

Judge Jackson, for over four decades, epitomized the highest standards of commitment to judicial excellence and community involvement. From 1928, when he was first elected to the Ohio State Legislature, to his death last night at the age of 90, Judge Jackson embodied a sense of responsibility and service to his community, State, and country that will be difficult to surpass.

In 1942, he became the first black ever to be appointed to the Cleveland Municipal Court. He was elected three times to the municipal court, and later became the first black to serve on the court of common pleas. Judge Jackson retired from the bench in 1973, but even in retirement he continued to work long hours and sustained his devotion to the court. Until January of this year, he continued to serve on the court as a visiting judge and as an arbiter.

Yet, surpassing his accomplishments as a jurist, Judge Jackson will long be remembered for his intense involvement in community affairs and service organizations. The range of his involvements can only be described as stunning—encompassing organizations from the Boy Scouts to the Republican Party. From 1936 onward, he was an active member of the Elks. For 14 years, he served as exalted ruler and president of the Ohio State Association. He was elected general treasurer of the Grand Lodge of the Elks until 1983, when he was named grand trustee emeritus.

During the 1930's, Judge Jackson helped the legendary Father Flannagan in the development of Boy's Town. He was active in the Masons and in the A.M.E. Church. He served on the board of the Red Cross, and was active in the Urban League, the NAACP, Big Brothers, Goodwill Industries, and a host of other community and national organizations.

Judge Jackson's wife of 50 years, Fern Josephine Jackson, died in 1983. Her strength and support were as known and respected as her husband's. Together, the Jacksons made a remarkable contribution to countless men and women of every race, creed, and class. Surviving the judge are three of his sisters, Thelma Estell, Doris Grant, and Mildred Nelson.

Mr. Speaker, I know that all the House will join me in extending our condolences to them in this time of loss. Their brother's life and accomplishments stand as a guiding beacon of light for countless of others who looked to him for leadership and guidance. His achievements and his standards have enriched our lives, and his passing is a time of sadness and regret for the Greater Cleveland area, the State of Ohio, and the Nation.

TRIBUTE TO CHARLIE BURKHARDT

HON. SILVIO O. CONTE

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Friday, March 21, 1986

Mr. CONTE. Mr. Speaker, I rise today to pay tribute to Charlie Burkhardt, the president of the New England Fuel Institute, who is retiring next month after 25 years of service to New England and to America.

Mr. Speaker, NEFI is considered by many to be one of the most effective of all oil trade associations and one of the most effective groups in any industry in representing the interests of its members. Composed of heating oil dealers from all over New England, NEFI really represents the interests of the millions of oil consumers in homes and businesses across the region. Yet these ultimate consumers are often unaware of the need for Federal involvement or restraint. Without NEFI's vigorous and astute political action, many bad decisions affecting oil consumers might be made and millions of America's consumers would suffer.

As president of NEFI, Charlie has overseen tremendous challenges and changes to the oil industry over the past 25 years. From the gasoline and oil shortages in the 1970's to renewed calls for oil import fees, Charlie has represented NEFI ably and well. I will personally miss him, and I think I speak for the entire New England delegation to Congress when I say that our offices will all miss him as a source of information and as an able defender of his industry's interests.

Charlie became associated with the fuel industry back in 1983 as a dispatcher with an oil company in New York and has been involved in the oil industry for 40 years. Throughout that time, Charlie has taught at the college and vocational level in courses on the petroleum industry, including issues such as mechanical technology and engineering, petroleum marketing and distribution. A prolific author in this field, Charlie has had six books published, several of which are standard texts in school courses. He is also known in the United States and abroad as a lecturer, and has had over 300 articles published.

In 1962, he became the executive vice president of NEFI, which has grown to over 1,000 heating oil distribution companies. Because of his work in the industry, he worked closely with the Government in the 1970's to study energy problems. He was a member of the U.S. Department of Energy's Fuel Oil Marketing Advisory Committee. He was a delegate to the 1980 White House Conference on Small Business and was also the chairman of

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the Small Business Administration's fuel oil dealer economic viability task force. That task force developed longrange plans for the SBA that would assist cash flow needs of small oil dealers. He has been commended for his efforts by both Presidents Carter and Reagan.

On a civil level, Charlie is actively involved on the Board of Directors of the Massachusetts Multiple Sclerosis Society. He has also received numerous public service awards, including the Distinguished Service Award from the New England Fuel Institute. Last year, I was honored to receive this award myself. Charlie and other members of the NEFI family were with me the night I received it.

Over the years, Charlie has been of invaluable assistance to me. When I first came to Congress and was assigned to the Small Business Committee, one of my major legislative initiatives was energy. There were many times that Charlie's efforts, hard work, phone calls and visits helped me sort out these complex legislative issues. For example, in the 1960's and 1970's, I fought against the mandatory oil import program. Because of Charlie's and my efforts—and those of my colleagues from New England—we were successful in gaining an exemption from the quota system for fuel oil in the Northeast.

Another issue on which I have always looked for Charlie's help and advice is oil import fees—a misguided proposal that has surfaced time and again since I came to Congress in 1985. I have taken the lead in the House of Representatives in opposing this proposal, and will continue to do so. In fact, my maiden speech on the floor of the House was in opposition to oil import fees. Since then, as the issue has surfaced time and again, Charlie has assisted me in providing data on the deleterious impact of oil import fees. I've valued his advice and counsel.

Charlie was also of great help last year in working to achieve passage of legislation I introduced to designate 1985 as "Oil Heat Centennial Year." Last year marked the 100th anniversary of the oil heat industry, and I thought it was important to recognize the contributions that the industry has made to American society. With Charlie's help, we got that resolution passed and signed into law.

Mr. Speaker, Charlie will be missed as he leaves his long and distinguished career. I'm sure that I will still want to seek his advice and counsel in the months and years ahead. I salute him as a great friend, a great administrator, and a great American.

DRUG TESTS FOR ALL?

HON. PATRICIA SCHROEDER

OF COLORADO

IN THE HOUSE OF REPRESENTATIVES

Friday, March 21, 1986

Mrs. SCHROEDER. Mr. Speaker, the proposal by the President's Commission on Organized Crime that all Federal agencies test their employees for drug use is ridiculed and discredited at every turn. The Washington Post agrees with the Wall Street Journal, the Washington Times, the New York Times, and the Philadelphia Inquirer in calling for this crazy proposal to be junked.

The full text of the Post editorial follows:

[From the Washington Post, Mar. 14, 1986]

DRUG TESTS FOR ALL?

We have been waiting to see the clarification of the crazy proposal set forth by The President's Commission on Organized Crime concerning illegal drug use. But the back and forth conversation, the hedging and reconfirming and so forth that have gone on have pretty much left the proposal in question in place. The commission urged that all federal employees and all employees of federal contractors should be tested for drug use. It also urged private employers and state and local governments to adopt similar policies. Can the commission be serious? Does it really want to go this far?

Drug testing—with prior notification—in certain categories of high-risk jobs is acceptable. And even in cases where the public safety and national security are not immediately at risk, employers have a right to expect employees to perform their work with diligence and efficiency. So there should be no serious objection to an employer's focusing on a worker whose job performance or behavior indicates that he may be a drug user, just as an employer would question someone who is chronically late or drunk by 3 in the afternoon. Many private companies require suspected drug users to submit to tests and offer counseling and rehabilitation services to those who want to reform. Good programs also take into account the possibility of lab error and offer retests when initial results are challenged.

But all this is a far cry from blanket mandatory tests of millions or even tens of millions of workers. The crime commission's wide net would encompass the 67-year-old postmistress in a rural town, the secretary of state and the tailor who has just won a superior service award for sewing patches on army uniforms. Does this make sense? No less important, will the millions of workers affected stand still for it?

Drug use is a serious problem in the work place. Employers, including the government, are under no obligation to hire or keep users on the payroll. But the widespread mandatory testing recommended by the commission violates dignity, legal rights and common sense. It is a terrible, intrusive idea and should be junked.

H.R. 4455, THE EMERGENCY LIVESTOCK FEED ASSISTANCE ACT OF 1986

HON. THOMAS A. DASCHLE

OF SOUTH DAKOTA

IN THE HOUSE OF REPRESENTATIVES

Friday, March 21, 1986

Mr. DASCHLE. Mr. Speaker, I have joined with my colleagues RICHARD STALLINGS of Idaho, BYRON DORGAN of North Dakota, and PAT WILLIAMS of Montana to introduce H.R. 4455, the Emergency Livestock Feed Assistance Act of 1986.

It is a testimonial to the operation of the current disaster assistance programs that introduction of legislation is even necessary. Each of my colleagues represents regions of the country where natural disasters have affected family farming and ranching operations. Like the livestock producers in South Dakota, each of these Members have constituents who have felt the effects of the manner in which the administration manages current disaster assistance programs.

On January 21, 1986, I wrote then-Secretary Block to relay to him my observations having traveled across South Dakota. I stressed the urgency of the situation and impressed upon him the importance of cutting through the USDA redtape and immediately establish a disaster task force to make certain assistance was provided in a timely and effective manner.

Almost 2 months later, I have received their response. The answer was "no." They rejected the wide range of programs that could be activated by administrative authority. "We have done enough" was the answer provided to South Dakota's ranchers.

That will come as a surprise to the thousands of ranchers who have been struggling daily with ASCS disaster assistance regulations. First there was no feed. Then they were told that there might be wheat available for cattle feed. Finally they were advised that different programs were operating in different regions.

Ranchers and farmers deserve better treatment. They deserve a complete and timely response to their requests. They need to be advised of the range of programs available to the administration, and which programs will be used to mitigate the impact of disasters. That is exactly what H.R. 4455 will force USDA to do.

This legislation will make a USDA response mandatory, by spelling out a strict timetable within which the Secretary of Agriculture must respond to disaster assistance requests. For the first time. H.R. 4455 will force the Secretary of Agriculture to tell ranchers not only what disaster assistance he intends to provide, but also what programs he has at his disposal that he intends not to use.

This legislation eliminates the argument that "we don't have the authority to activate that Emergency Assistance Program." This is an argument often used as an excuse for not activating the range of disaster assistance programs. In fact, this USDA response uses this excuse for not using the Feed Grain Donation Program. "Because the President hasn't declared South Dakota counties as 'disaster counties' we cannot use that program.'" H.R. 4455 will eliminate this excuse by centralizing all the tools necessary to provide comprehensive disaster assistance under the USDA's roof. If H.R. 4455 were adopted, no longer would USDA be able to hide behind another agency of the Federal Government as the reason why total disaster assistance is not made available.

Mr. Speaker, farmers and ranchers know that this legislation will not be adopted in time to help offset current disaster losses. For many, the damage has already been done and is not repairable. However, they know that something must be done for future disasters, and that the Secretary of Agriculture must be held accountable for management of disaster programs. This legislation will do just that.

The USDA letter, and a summary of this bill follows:

SUMMARY OF THE EMERGENCY LIVESTOCK FEED ASSISTANCE ACT OF 1986

Section Two:

The Secretary of Agriculture must establish emergency feed and transportation assistance programs for the preservation and maintenance of livestock in any state where a natural disaster is the direct cause of an emergency.

Section Three:

The Governor of the affected state shall make the request to the Secretary of Agriculture.

Each request shall state: the nature of the disaster; the extent of the assistance required; a justification for the request; and information on the involvement of state and local governments in alleviating the emergency.

The Governor shall make this request after consulting with the state emergency board, comprised of representatives from ASCS, FmHA, SCS and the Governor.

Mandatory Department of Agriculture Response:

Within 14 calendar days after receiving the Governor's request, the Secretary must either: deny the request for assistance because an emergency does not exist; or notify the Governor that the request is under consideration and identify the programs being considered.

Within 25 calendar days after receiving the Governor's request, the Secretary must: agree that an emergency does exist; identify emergency assistance programs that will be activated; and provide justification on why other authorized programs are not appropriate and will not be activated.

ELIGIBILITY FOR ASSISTANCE

Eligible farmer or rancher has suffered at least a 30 percent feed loss, and does not have sufficient feed for the rancher or farmer's livestock.

Farmer or rancher is not able to obtain through normal means without undue financial hardship livestock feed.

ASSISTANCE PROGRAMS

The Secretary of Agriculture shall operate emergency feed programs, hay and cattle transportation assistance programs, and emergency feed donation programs through financing provided by the Commodity Credit Corporation.

Currently, these programs are activated through different levels of disaster declarations, and in coordination with other federal agencies, including Presidential declarations, FEMA, and the Department of the Interior.

DEPARTMENT OF AGRICULTURE,
OFFICE OF THE SECRETARY,
Washington, DC., March 14, 1986.

Hon. TOM DASCHLE,
House of Representatives,
Washington, DC.

DEAR CONGRESSMAN DASCHLE: Thank you for your recent letter requesting additional measures to provide disaster assistance to South Dakota ranchers and farmers.

The Herd Preservation Feed Grain Donation Program can be authorized only in counties declared to be a major disaster area by the President under the Disaster Relief Act of 1974. No South Dakota counties are currently designated as such a disaster area.

You have suggested that a disaster task force be established in Washington, D.C., within the Department of Agriculture (USDA), to make certain disaster assistance requests are acted upon promptly. We do not agree there is need for such a task force. It is a practice of USDA to give high priority to Governors' requests for disaster assistance. However, there are occasions when inadequate or inconclusive information is submitted by local and State officials or it is too early in the production year to accurately assess the actual loss. Under these types of situations a decision must be deferred until an accurate assessment of the losses can be made. Often that cannot be accomplished until all or most of the crops have been harvested. We assure you that once the necessary information for evaluating and making a decision on a Governor's request is available, our decision is made promptly and the Governor and appropriate Congressional members are notified immediately thereafter.

We realize that a combination of low prices and unfavorable weather conditions is putting stress on agricultural producers in many areas of the nation, and that livestock producers have been particularly plagued by cold temperatures and heavy snowfalls. In response to these problems, a number of emergency authorities have been implemented to help livestock producers through this difficult period, including a recent expansion of the Emergency Feed Assistance Program (EFAP). Enclosed is a copy of the press release announcing these expanded EFAP provisions.

While your concern is appreciated in this matter, we have concluded we cannot justify implementing additional programs at this time.

Sincerely,
RICHARD W. GOLDBERG,
Acting Under Secretary for International Affairs and Commodity Programs.

A CALL FOR FREE ELECTIONS IN CHILE

HON. DOUG BEREUTER

OF NEBRASKA

IN THE HOUSE OF REPRESENTATIVES

Friday, March 21, 1986

Mr. BEREUTER. Mr. Speaker, the regime of Chilean strong man Gen. Augosto Pinochet is in its 13th year. Despite a ban on political activity, members of the democratic opposition in that country are now working together to formulate policies which will guide their future activities. In the meantime, the United States appears to be evaluating the nature of its relations with the Chilean Government. We recently have condemned human rights abuses in Chile and are poised to change our policy of routinely voting for Multilateral Development Bank loans to Chile. My colleague from New York [Mr. LUNDINE] the chairman of the Subcommittee on International Development Institutions and this member, as the ranking member of that subcommittee, have urged approval of this course of action by the State Department, supporting a favorable view of it by the Treasury Department.

Our ultimate goal for Chile is the restoration of democracy. This means free elections in 1989, when the next elections are scheduled, or sooner. In this regard, Mr. Speaker, I would like to call to the attention of my colleagues a Wall Street Journal editorial of March 17, 1986, which reminds Mr. Pinochet of the risks of trying to cling too long to power and urges free elections in 1989.

The article follows:

PINOCHET'S PROBLEM

For Chile's aging autocrat, Augusto Pinochet, the news from abroad may be looking more and more like the writing on the wall. In February, the U.S. helped relieve Ferdinand Marcos and Jean-Claude Duvalier of their power. Then, last week, the Reagan administration took the unusual step of condemning Chile's military regime before the United Nations Commission on Human Rights. Jeane Kirkpatrick's distinction between friendly authoritarians and unfriendly totalitarians is under sniper fire from hidden positions at State.

But the aim of Mrs. Kirkpatrick's distinction was never to inflict dictatorship on allied countries just for old time's sake. The crucial issue has been—and still is—how to avoid a move from authoritarianism, which is bad, to communism, which is worse—and usually permanent. This is a concern that President Pinochet should understand quite well. When he took power in a 1973 coup d'etat, Chile's democracy was being throttled by Salvador Allende, who set out on the strength of a scant 36.2% plurality to remake the basic institutions of the society by deliberately wrecking the economy. The Pinochet coup saved Chile from a far darker fate than it suffers today.

But that's history, and if Mr. Pinochet continues to cling to power until he dies or is forced out, Chile could face the kind of turmoil that would offer the far left another chance. As the recent bombings in Santiago and some other cities attest, the country has a number of radical factions that endorse violent revolution. It also has a relatively large, well-organized Communist party that takes orders directly from Moscow.

Fortunately, there is still time to develop a solid, moderate alternative, though this will require more cooperation from Mr. Pinochet than he has provided so far. Chileans have long experience with democracy; they made it work for many decades before Allende. Today, despite a ban on political activity, the numerous factions of the democratic opposition are struggling to set aside their differences and offer a concrete alternative to Mr. Pinochet. Last August, 11 of these factions compromised on a loose set of policy guidelines. But lacking any real power, these groups haven't had to display much responsibility in their prescriptions. The main point of agreement—removal of Mr. Pinochet—will go when he does.

Right now, Chile is fairly calm. The economy is growing again, and protests have died down. But the recent exercise of popular will in the Philippines is a reminder that a long fuse is burning. Although Mr. Pinochet has not set up a vast, corrupt political machine along the lines of Ferdinand Marcos, there are some incipient similarities. The last few years have seen increased grumbling about economic privileges enjoyed by his family and clout wielded by his intimates on the far right. And Pinochet's dictatorship looms all the larger because democracy—however fragile—has returned to neighboring Peru, Bolivia and Argentina.

In 1989, Chileans are scheduled to hold a loaded "election" of their own, a constitutionally mandated plebiscite in which the sole candidate, barring a change, of course, will likely be Mr. Pinochet. If he "wins" an eight-year term without giving the opposition a fair chance to organize and campaign against him, it will not sit well.

The best chance for Chile would be a fair election in 1989, or earlier. To achieve this,

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Mr. Pinochet would have to lift the ban on political parties very soon. Most useful of all would be an exercise in electoral politics, such as local elections.

Of course, such an opening would carry its risks. But, as the recent fate of Mr. Marcos suggests, an authoritarian who tries to hold on too long faces even larger risks. Mr. Pinochet came to power with the laudable aim of saving his country from totalitarianism. He should remember that this aim now will be best served by preparing for a return of democracy.

INTRODUCTION OF NICARAGUAN CONTRA LEGISLATION

HON. EDWARD J. MARKEY

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Friday, March 21, 1986

Mr. MARKEY. Mr. Speaker, for 5 years this administration has supported a band of rebels, led by former Somocista National Guardsmen, in their fight to overthrow the Sandinista government of Nicaragua. At the same time, the administration has found it politically expedient to claim that they desire a negotiated settlement with the Sandinista government.

Yesterday the House of Representatives told the President that he can't have it both ways. As much as he tried to cloak his military policy with a diplomatic rationale—"forcing the Sandinistas to the bargaining table"—the American people, and their elected Representatives, wouldn't buy it.

Our Government cannot pursue a full-fledged Contra war, on the one hand, and serious negotiations, on the other. They are mutually incompatible.

Faced with such a choice, my colleagues rejected a policy of military escalation. I was proud to be a part of that majority, and my hat goes off to the Democratic leadership.

But yesterday's vote will be a hollow victory if we cannot put forward a positive long-term policy for Central America.

The danger is that in the aftermath of yesterday's vote, we will spend the next several weeks arguing about what is the best blueprint for war. We should be debating a blueprint for peace.

I believe that the vast majority of my colleagues, on both sides of the aisle, would support a solution that protects our legitimate security interests, while pursuing a negotiated peace in Central America. There is a consensus among our Latin American allies that ending the Contra war is the essential first step toward such a solution.

Therefore I am introducing a bill today which would set the stage for successful Contadora negotiations by legislating an end to U.S. support for the Contra war.

On March 31 funding for the Contras through the so-called "Nicaraguan Humanitarian Assistance Office" will run dry. Under my bill, this office would not be reauthorized, and most certainly, no Pentagon or CIA support would be given to the Contras.

But it is not enough to turn off the faucet; we must take care of the swamp we've created. If the Contras were to be completely cut off from all aid, we would be leaving approximately 15,000 armed, angry, and violent men high and dry in the hills of Honduras. Without large amounts of American support, they would be utterly incapable of fighting their way back into Nicaragua. They would quickly run out of food and medicine. They would have no jobs. They would have no income.

But they would have their guns. And they would have their bullets. And they would have their Honduran neighbors to prey on. And they would create enormous problems for the innocent peasants who live in southern Honduras.

If such a scenario sounds implausible to you, please read the brandnew report of the Washington Office on Latin America, entitled, "The Contra Human Rights Abuses Against Honduran Civilians."

That the Contras use systematic terror as their prime means of warfare against Nicaraguans in Nicaragua is a well-known fact, documented by many international human rights groups. But the Contras' repeated atrocities toward the people of Honduras, one of our closest Latin allies, is particularly revealing.

The Contras have forced at least 2,000 Honduran men, women, and children to leave their villages near the Nicaraguan border.

Only 6 weeks ago, Ricardo Aviles, a married farmer and the father of a 1-year-old son, was kidnaped by the Contras. His body was found 5 days later with his hands and feet bound, his face beaten, and knifewounds in his face, neck, and back. The man who discovered his body was subsequently kidnaped by the Contras just last Wednesday, March 12.

According to two Catholic priests—one Honduran and one Canadian—Contra abuses in Honduras have included killings, rapes, mutilations, theft, and destruction of property.

Last October, even the landowners and coffee growers publicly complained and petitioned the Honduran National Congress to help redress the devastating effect of the Contra presence.

And the Honduran military is becoming increasingly concerned, too. Armed forces spokesman Napoleon Santos says the army is "aware of the problem, and a little fearful of it." He says that in the long term, the Contras cannot "stay here armed. They would have to accept being disarmed, or they would be acting against our security."

For these reasons, I cannot agree with those who would simply cut and run. To abandon the Contras at this point is to abandon our friends in Honduras and Costa Rica. Therefore, the second section of my bill calls upon the United States to take the responsibility to disband, disarm, and disperse the Contra forces.

Most of the Contras would not be where they are today were it not for U.S. policies. Our tax dollars and our CIA were essential in building the Contra army. We have been stringing them along, telling them that some day they would triumph. They have suffered enough from our Government's deceit, and now we must take a responsible stand. If we've created a Frankenstein, I think we're obligated to protect our friends from its destructive power.

My bill would transfer $10 million from the bloated Pentagon budget, for the safe and orderly relocation and resettlement of the Contras. Until they're relocated, a sufficient amount of truly humanitarian assistance will be provided through the Red Cross and the United Nations.

The bill which I am introducing today is not, in and of itself, a comprehensive Central America policy. But I think it is an essential—perhaps the essential—component of any decent, thoughtful, and humane policy for our neighbors to the south.

H.R. 4483

A bill concerning United States policy toward Nicaragua

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. PROHIBITION RELATING TO MILITARY OR PARAMILITARY OPERATIONS IN NICARAGUA.

(a) Prohibition.—No funds may be obligated or expended by any agency of the United States Government for the purpose of or which would have the effect of supporting, directly or indirectly, overtly or covertly, military or paramilitary operations in Nicaragua or against the Government of Nicaragua by any nation, group, organization, or individual.

(b) Relation to Other Provisions.—Subsection (a) supersedes section 105(a) of the Intelligence Authorization Act for Fiscal Year 1986 (relating to restrictions on support for military or paramilitary operations in Nicaragua), but does not apply with respect to the $27,000,000 appropriated under the heading "HUMANITARIAN ASSISTANCE FOR NICARAGUAN DEMOCRATIC RESISTANCE" by the Supplemental Appropriations Act, 1985, or to the funds made available for assistance in accordance with section 2 of this Act.

SEC. 2. RELOCATION ASSISTANCE FOR NICARAGUANS IN HONDURAS AND COSTA RICA.

(a) Relocation Assistance.—The funds transferred pursuant to subsection (c) shall be used to assist in the safe and orderly relocation and resettlement of Nicaraguans who are currently in Honduras or Costa Rica (regardless of whether they have been associated with groups opposing the Government of Nicaragua by armed force). Although resettlement should be expedited, those funds may also be used to provide food, medicine, and similar humanitarian assistance for those Nicaraguans until they are resettled.

(b) Limitations.—Assistance pursuant to subsection (a) may be provided only through the International Committee of the Red Cross or the United Nations High Commissioner for Refugees, and only upon its determination that such assistance is necessary for the relocation and resettlement of those Nicaraguans or to meet their humanitarian needs. To the maximum extent feasible, assistance to meet humanitarian needs should be provided to those organizations in kind rather than in cash. Assistance may not be provided under this section with the intent of provisioning combat forces.

(c) Transfer of Funds.—In order to carry out this section, the President may transfer up to $10,000,000 of the funds appropriated by the Department of Defense Appropriations Act, 1986 (as contained in Public Law 99–190), to the "Migration and Refugee Assistance" account of the Department of State.

(d) Waiver of Certain Authorization Requirements.—Funds transferred to the "Migration and Refugee Assistance" account pursuant to subsection (c) may be obligated and expended notwithstanding section 10 of Public Law 91-672 or section 15 of the State Department Basic Authorities Act of 1956 (prohibiting the use of funds in excess of the amounts authorized to be appropriated for foreign assistance or for the Department of State, respectively).

JOSE H. CARREON DEDICATED HISPANIC LEADER

HON. EDWARD F. FEIGHAN

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Friday, March 21, 1986

Mr. FEIGHAN. Mr. Speaker, on March 12, 1986, the Greater Cleveland area lost one of its most respected and appreciated Hispanic leaders, Jose H. Carreon. Mr. Carreon's untimely death of a heart attack, leaves the city of Cleveland and the Hispanic community with a profound loss that cannot be calculated.

Jose H. Carreon was born in Edcouch, TX, near the Mexican border. He moved to Cleveland in the late fifties to accept a job with the Pennsylvania Railroad. Upon his arrival, Mr. Carreon immediately became involved with the Hispanic community, bring his patience and understanding to a variety of projects. It is said that "Joe" Carreon was liked by everyone, and it is hard to doubt it. One could only watch in appreciation and gratitude for the energy and enthusiasm that Joe brought to the various causes for social justice, ethnic pride and political progress for which he cared so deeply.

Along with his wife Zulema (Sue), his greatest love was their work for the Azteca Club, the oldest Mexican club in Ohio. The club, a social and civic organization, became their voluntary, part-time devotion. And for their service, Mr. and Mrs. Carreon were honored with a Certificate of Achievement in 1984, from the mayor of Cleveland, George Voinovich.

Mr. Carreon served on Governor Celeste's task force coalition of Hispanic leaders and was an organizer director for the Midwest voter registration project of Ohio. More recently, he assisted in fundraising efforts for Mexican and Puerto Rican families suffering after the tremendous devastation of floods and earthquakes. Whenever there was a need, Joe Carreon was lending assistance. His caring and concern for others will not soon be forgotten. For these reasons—his spirit of giving, kindness and quiet uncomplaining temperment—Joe Carreon will be sorely missed by everyone who had the great privilege of knowing him.

Mr. Speaker, I know that my colleagues will join me in extending our sincere condolences and prayers to Mr. Carreon's family, his wife and children, his father and his brothers and sister. Their loss at this time can not be calculated. Yet they can be satisfied in knowing that through his life of service and concern for others, Jose H. Carreon exemplified what is finest in the American character and left a lasting model of character for others to emulate and strive to achieve.

MODERNIZE PERMITTING OF SKI AREAS IN NATIONAL FORESTS

HON. TIMOTHY E. WIRTH

OF COLORADO

IN THE HOUSE OF REPRESENTATIVES

Friday, March 21, 1986

Mr. WIRTH. Mr. Speaker, today I am introducing legislation to modernize and consolidate the process for issuance of permits to ski areas that operate within our national forests. My bill, titled the "National Forest Ski Area Permit Act of 1986," has broad and bipartisan support. I urge all of our colleagues to join as sponsors and to support swift action on this vital legislation.

A few statistics illustrate how many Americans take to the slopes every winter, and the need to insure that ski areas are not hindered by redtape in making the capital investments that are needed to keep this a safe and exhilarating pastime. At last count, there were 526 ski areas in 40 States across the country. More than 21 million Americans, from literally every State, are downhill skiers, and another 6 million or more enjoy cross-country, or Nordic, skiing. And just last year, the country's downhill ski areas recorded more than 51 million skier visits. Clearly, skiing is one of the Nation's growing participation sports—a sport that fosters an appreciation of the outdoors and enriches the human spirit.

Many commercial ski areas, which provide opportunities for both downhill and cross country skiing as well as many other recreational opportunities for entire families, are located on national forest land. In fact, 114 resorts in 17 States rely upon national forest lands. The operators of these areas must secure special use permits from the Forest Service. That requirement is both appropriate and reasonable, and my bill would not change that requirement. The legislation I am introducing today, however, would modernize and consolidate the process for issuing permits. Currently, under two laws that literally date from the turn of the century, ski area operators can get one 30-year permit for up to 80 acres, but almost all areas are larger than that. As a result, the ski area operators have to get a second, year-to-year permit for the part of the operation not covered by the 30-year permit.

This simply doesn't make good sense. While we must be wise stewards of the public lands, we ought not create unnecessary obstacles to management of ski areas, especially in an era when Americans increasingly are searching for opportunities to enjoy the splendor of our natural heritage. My bill would authorize the Forest Service to issue one consolidated permit for the entire area that is necessary to operate a ski resort within our national forests. It would also reflect the current financial realities of raising the capital needed to maintain these recreational areas by extending the combined term of the permits to 55 years.

Mr. Speaker, we have the responsibility to manage these lands in a way that protects the fish and wildlife resources and the clean air and water that attracts us all to these sanctuaries in the first place. My bill does not make it any easier or more difficult to get a permit for a new ski area or to expand an existing ski area. Neither does this bill in any way affect the environmental laws that must be satisfied before the Forest Service can issue a permit for a ski area. And my bill certainly does not short cut the consultation that must take place between the ski area operator and the responsible officials from State and Federal agencies.

My bill does recognize that skiing is one of the most popular uses of our national forests. By modernizing and consolidating the permitting process, this legislation would make it easier for ski area operators to obtain the long-term financing they need to provide an enjoyable and safe experience for the millions of Americans, from my home State of Colorado and from every other State, who choose to ski amidst our Nation's spectacular mountain lands. I encourage our colleagues to join me in supporting this legislation.

The text of the bill follows:

H.R. 4489

A bill to provide for ski areas on national forest lands, and for other purposes

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the "National Forest Ski Area Permit Act of 1986".

SEC. 2. FINDINGS AND PURPOSES.

(a) Findings.—The Congress finds and declares that:

(1) Commercial alpine and nordic skiing operations are among the fastest growing and most popular multiple uses of national forest lands.

(2) Alpine and nordic skiing are healthful activities which promote physical well-being, contribute to the enrichment of the human spirit, and foster an appreciation of the outdoor environment and the aesthetic and other outdoor recreation values which constitute prime uses of national forest lands.

(3) Commercial alpine and nordic ski operations occupy less than five one-hundredths of one percent of all national forest lands, but account for almost six percent of current overall national forest visitor use days.

(4) Commercial nordic, and particularly alpine, ski operations are distinguishable from most other multiple use activities on national forest lands in that they generally entail a far greater degree of construction of large-scale and permanent or semi-permanent facilities (including ski lifts, trails, access roads, warming shelters and restaurants), and require long-term private investments and other long-term operating commitments.

(5) Existing and proposed changes in congressional budget procedures and tax laws may reduce Forest Service personnel available for ski area permitting and planning activities and may limit traditional methods of ski area financing and investment absent remedial legislation.

(6) Current laws governing and permitting and operation of commercial nordic and alpine ski activities on national forest land, while they have in most cases sufficed to adequately permit ski area and facility development in the past, are in need of consolidation and modernization.

(b) Purposes.—The purposes of this Act are to—

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(1) consolidate existing laws pertaining to ski areas on national forest lands and provide a unified and modern nordic and alpine ski area and facility permitting process;

(2) provide for ski area permits which more closely reflect the acreage and other physical requirements of modern ski area and facility development; and

(3) provide a permit which will be more commensurate with the long-term construction, financing, and operation needs of ski areas on national forest lands.

SEC. 2. SKI AREA PERMITS.

(a) LAW APPLICABLE TO PERMITS.—The provisions of the Acts of June 4, 1897 (30 Stat. 34) and March 4, 1915 (16 U.S.C. 497) notwithstanding, the issuance of permits for the operation of commercial nordic and alpine ski areas and facilities on National Forest System lands shall henceforth be governed by this Act and other applicable law.

(b) AUTHORITY.—The Secretary of Agriculture (hereinafter referred to as "the Secretary"), subject to such reasonable terms, conditions, and permit fees as he deems appropriate, is hereby authorized to issue permits (hereinafter referred to as "ski area permits") for the use and occupancy of suitable lands within the National Forest System for commercial nordic and alpine skiing operations and purposes. A ski area permit shall—

(1) ordinarily be issued for a term of 55 years (unless the Secretary determines that the facilities or operations are of a scale or nature as are not likely to require long-term financing or operation);

(2) shall encompass such acreage as the Secretary determines sufficient and appropriate to accommodate the permittee's needs for ski operations and ancillary facilities;

(3) may be renewed at the discretion of the Secretary; and

(4) may be cancelled by the Secretary in whole or in part for any violation of the permit terms or conditions or for nonpayment of permit fees.

The acreage under permit may be increased or decreased from time to time by the Secretary to accommodate changes in plans or operations as the Secretary deems appropriate in consultation with the permittee.

(c) RULES AND REGULATIONS.—Within one year of the date of enactment of this Act, the Secretary shall promulgate rules and regulations to implement the provisions of this Act, and shall, within 2 years of the date of enactment of this Act, convert all existing ski area permits or leases on National Forest System lands into ski area permits which conform to the permit term and other provisions of this Act.

THE COLLEGE OF MOUNT ST. VINCENT—75 YEARS OF EXCELLENCE

HON. MARIO BIAGGI

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Friday, March 21, 1986

Mr. BIAGGI. Mr. Speaker, I have the privilege and honor of attending the gala 75th anniversary dinner for the College of Mount St. Vincent at the Waldorf Astoria Hotel on April 19. I would like to take this opportunity to congratulate the College of Mount St. Vincent on their 75th anniversary, and to commend them for 75 years of dedicated service to the Bronx community which I represent.

Mount St. Vincent, the first Catholic women's college in New York City, has conferred approximately 8,500 baccalaurate degrees since its founding in 1911. A 4-year coeducational, liberal arts college, Mount St. Vincent is a private, independent institution with a total enrollment of approximately 1,000 students representing various religious, racial, and ethnic backgrounds. Nestled on 70 wooded acres overlooking the Hudson River, the college offers an integrated liberal arts program based on traditional values. While Mount St. Vincent has retained its firm commitment to the liberal arts as the basis for an education providing breadth and depth, it has developed selected career-oriented majors, such as business, communications, nursing, computer science, and special education. During its 75 years, the college has sent numerous students to prestigious medical and law schools; many of its graduates have enhanced civic, professional, and religious activities in communities around the world. Emphasizing the integration of classroom knowledge with practical experience, Mount St. Vincent offers a program of nearly 250 established internships, available in such areas as accounting, advertising, biological science, computers, film, health education, journalism, museum work, public relations, publishing, television, theater, and video.

Mount St. Vincent serves about 760 men and women full time; this provides for the excellent student-faculty ratio of 12:1. Students have a variety of opportunities that are not possible in larger institutions, opportunities for involvement in student government, service organizations, and clubs, including a better chance to influence others and make a difference.

Mount St. Vincent has planned a variety of activities to commemorate this historic occasion, beginning with a birthday celebration last September, including a 400-pound, six-tier birthday cake. During this ceremony the freshman, sophomore, junior, and senior classes, along with the faculty and various departments donated a number of gifts to the college. During November, Mount St. Vincent held a Thanksgiving mass at St. Patrick's Cathedral, where Sr. Doris Smith, S.C., the president of the college, summed up the feeling of all those present: "* * * We celebrate, with utmost joy, the passage of time and the fulfillment of dreams * * * we exult in our tradition and rejoice in our vision of the future * * * we give thanks to and for all who have ever been a part of the College of Mount St. Vincent * * *." Other celebrations include a four-part lecture series with programs entitled "The Teacher," "The Volunteer," "The Healer," and "The Business Professional." Photographs and other memorabilia, illustrating the college's presence in Riverdale, has been on exhibit.

Mount St. Vincent's presence and contributions are strongly felt and appreciated by the Riverdale and the entire Bronx/Yonkers communities. Therefore, I call upon my colleagues in the House of Representatives to pay tribute to the College of Mount St. Vincent on their 75th anniversary. We wish you many more joyous and successful years of delivering quality education to our students of all ages.

PROMISES, PROMISES

HON. AL SWIFT

OF WASHINGTON

IN THE HOUSE OF REPRESENTATIVES

Friday, March 21, 1986

Mr. SWIFT. Mr. Speaker, 3 weeks ago the Energy Conservation and Power Subcommittee received a bit of seemingly good news from Secretary of Energy John Herrington. When I asked the Secretary about the fairness of the administration's plans to unilaterally increase electric power rates for consumers of federally marketed power, he responded as follows:

> I think one thing we are not doing is doing it unilaterally. I have a commitment not only to this committee, but to the Senate committee, that we will not do it administratively. That is why we are putting in legislation on repayment, and we will act in concert with Congress on this issue.

This commitment by the Secretary of Energy seemed to be good news until the Deputy Director of OMB, Joseph R. Wright, Jr., testified before the Subcommittee on Northwest Power the following week. My understanding is that Mr. Wright went out of his way to imply that the Secretary's commitment was not administration policy. He said, I am told that if Congress doesn't approve of the administration's rate increase proposal, the administration might just increase the rates anyway.

What happened in a week's time that accounts for Mr. Wright's apparent repudiation of the Secretary of Energy's commitment? I have been impressed with Secretary Herrington's personal integrity, so I know that he was trying his best to be frank and honest with the subcommittee on which I sit. On the other hand, if we have learned one thing about OMB in recent years, it is their total disregard for anything other than achieving their ideological goals.

I can see two possible explanations, both of which are disturbing: Either Mr. Wright was implying a false threat in order to put pressure on Congress to support the administration proposal, or the Deputy Director of OMB has been given veto power over the Secretary of Energy's decisions on energy policy.

Actually, there is one more possible explanation, and it is the one that I hope represents the real reason for Mr. Wright's contradiction of Secretary Herrington's commitment. Perhaps the administration simply got its signals crossed, and Mr. Wright was unaware that Secretary Herrington has given his assurances to act in concert with congressional will on this matter.

Any other explanation would bring into question the administration's good faith and credibility on this issue of such fundamental importance to the economies of the Pacific Northwest and other areas served by Federal power marketing administrations.

RETIREMENT HOUSING FOUNDATION

HON. EDWARD R. ROYBAL

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Friday, March 21, 1986

Mr. ROYBAL. Mr. Speaker, I recently had the privilege of attending the 25th anniversary celebration of the Retirement Housing Foundation—a California-based organization dedicated to meeting the housing needs of senior citizens.

I was very impressed by the work of this remarkable organization and believe their success can serve as a model for other organizations thoughout the Nation.

Over the past 25 years, the foundation has provided dignity and comfort to the elderly. With dedication, aggressive work and tireless energy, the founders of the Retirement Housing Foundation have grown since 1961 from an organization with a mere $7,000 in property holdings to a major provider of elderly housing, health care, nutrition and support services with more than 50 facilities located in 13 States. But the most impressive thing about the foundation is not its size—or even the range of quality services it provides. The Retirement Housing Foundation is worthy of such special notice because as they have housed and served the elderly, they have nurtured dignity and independence. They have remained true to and deepened their commitment to enrich the lives of senior citizens.

While we are all concerned with meeting the growing need of caring for an aging population, the Retirement Housing Foundation is busy building solutions.

I sincerely hope their next quarter century is as successful as their first and that their standard for improving the quality of life for the elderly is widely emulated.

HONORING HANK SCIARONI

HON. TOM LANTOS

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Friday, March 21, 1986

Mr. LANTOS. Mr. Speaker, during the last 38 years, the agricultural community of San Mateo County has benefited from the guidance and help of a dedicated individual. Hank Sciaroni is a tireless specialist who is recognized, not only as one of California's leading experts, but also as an international leader in his field.

Hank Sciaroni is the author of 462 articles on such topics as California agriculture, floriculture, and the agriculture industry. His special efforts to encourage greenhouse farming have contributed significantly to the economy of San Mateo County and helped to make California one of the leading States in greenhouse farming.

Hank's efforts have not been limited to narrow technical matters. He has generously given of his time and shared his experience with organizations and individuals throughout San Mateo County. He has been active politically in issues of importance to the agricultural community. With customary energy and skill, he lobbied for the successful passage in 1965 of California's Williamsom Act, which is a major program to prevent the loss of agriculture land to urban development. In addition, Hank has supplied artichokes for the California delegation's annual picnic here in Washington, DC. Thanks to his generosity, San Mateo artichokes have a fine reputation in our Nation's Capital.

Hank has shown great ability to master whatever problems face him. While serving in the U.S. Air Force during World War II, his B-24 was shot down while on a bombing raid over Munich. As navigator, Hank guided the plane to a safe crash landing on an Italian beach. Hank, the son of Swiss-Italian immigrants, used his Italian to help the crew evade a German search party, that was so close that Hank could smell the German cigarettes.

Hank Sciaroni is truly an outstanding and dedicated American. I am delighted to join in a tribute to this man, who has not only enriched so many individuals, but also contributed so much to San Mateo County.

CONTINENTAL GRAIN COMPANY SHORTCHANGES AMERICAN FARMERS

HON. BYRON L. DORGAN

OF NORTH DAKOTA

IN THE HOUSE OF REPRESENTATIVES

Friday, March 21, 1986

Mr. DORGAN of North Dakota. Mr. Speaker, Continental Grain Co. plans to import about 1.4 million bushels of New Zealand feed barley into the United States on Friday, March 21, 1986. The grain is scheduled to arrive at the Port of Stockton in California.

I am absolutely appalled that one of our Nation's grain companies would import foreign-produced barley at a time when American farmers face severe economic woes and increasing grain surpluses. Furthermore, these imports will only encourage other foreign nations to take advantage of our domestic grain markets.

I join Mr. COELHO from California and other colleagues in urging the Secretary of Agriculture to immediately use his existing authority and institute temporary duties or take emergency action to prevent the import of this barley. I cannot stress enough that the United States must take affirmative action in disallowing foreign grain imports in this country and curtail the shortchanging of the American family farmer.

How can Continental Grain ignore the traumas that our Nation's farmers are facing? May I remind them that prices farmers get for raw products dropped 2.4 percent in February, falling to 10 percent below the level of 1 year ago. Net farm income dropped sharply in 1985, probably totaling $25 billion to $29 billion, according to USDA estimates, and for 1986, USDA economists project another decline.

As a result of domestic shipping rates being reduced in the Northwest, North Dakota has become quite competitive in grain sales to California. In fact, North Dakota has marketed 1.5 to 3.8 million tons into the California-Arizona markets within the last year. But, as a result of this large import, that market is now lost and chance of recovery are dismal.

North Dakota has a 100-million bushel larger carryover supply than it had last year at this time. The State has the available stock to fill California's requirements. While Continental Grain could profit as much as $600,000 on this venture, the State of North Dakota stands to lose up to $5 million in revenue.

I want the Secretary of Agriculture to take action to stop this sort of thing.

SALUTE TO THE 21ST CENTURY INSTITUTE FOR POLITICAL ACTION

HON. WILLIAM H. GRAY, III

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Friday, March 21, 1986

Mr. GRAY of Pennsylvania. Mr. Speaker, I rise today to salute a select group of young black Americans, professionals from the legal, business, medical, and academic communities. This group, the 21st Century Institute for Political Action, was organized in July 1983, to help the black community develop an independent intellectual and financial resource base, from which to support accountable black candidates for State, local, and Federal office.

Most important, this group of men and women are the direct beneficiaries of the Martin Luther King, Jr., and civil rights era, the "Children of the Sixties." Unlike some of their counterparts, they have retained a sense of their responsibility for the well-being of the black community and its place in the future of this great Nation.

The institute's vision is unique in both a short- and long-term sense. It's one of the few black groups discussing the 1990 census and redistricting. It's one of the few young black organizations developing a concrete program, over the long term, to increase black congressional representation in the South. Already, in addition to making financial contributions, it has developed a resourceful and long-overdue candidates training program to help candidates and their staffs.

This group is special because it is a product of the labors of my father's generation and my own. Its intellectual and political potential is unprecedented and desperately needed in today's black America.

Mr. Speaker, I am particularly proud when young black men and women become involved in the American political process and assume some responsibility for the future of their communities. To do so with deep vision of its place in the next century deserves commendation. Its theme says it all: "Everyone to whom much is given, of him (and her), will much be required. * * * "—Luke 12:48.

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THE OMNIBUS DIPLOMATIC SECURITY AND ANTI-TERRORISM ACT OF 1986

HON. J. ROY ROWLAND

OF GEORGIA

IN THE HOUSE OF REPRESENTATIVES

Friday, March 21, 1986

Mr. ROWLAND of Georgia. Mr. Speaker, I rise in strong support of the Diplomatic Security and Anti-Terrorism Act of 1986. In our military history, we, as Americans have always believed that war, while the final and most destructive solution to conflict, should be conducted with respect for innocent civilians. However, today, we have found ourselves involved in a war in which all respect for humanity has been disregarded, and the innocent have become direct targets.

Acts of terrorism have sadly become a commonplace occurrence. The number of terrorist acts directed at our citizens has increased dramatically. None of us are safe in overseas travel, and our Embassies can easily fall prey to terrorists.

When terrorist acts occur, as in the Rome airport attack in which an 11-year-old American girl was murdered, the Nation's attention is riveted on the horror of the incident and for a period of time we are caught up in the media accounts. For some, however, the anguish does not end. I am speaking of the families of those killed, injured or held hostage.

Recently, Mr. Speaker, I spoke again with a constituent of mine who is related to Father Lawrence Martin Jenco. As you know, Father Jenco is one of the six Americans who is being held captive in Lebanon. Even though I represent a predominantly rural district, and one in which I would not expect to be touched by terrorist acts, Father Jenco's situation confirms that none of us are safe from the threat of international terrorism. I urge the administration to rededicate itself to achieving the swift release of Father Jenco and the other innocent victims, and the prosecution of those responsible.

The legislation we are considering today is certainly not the ultimate solution to this frustrating and complex problem. It is, however, a step that must be taken in the continuing battle against this scourge of terrorism.

SENATE—*Monday, March 24, 1986*

(Legislative day of Tuesday, March 18, 1986)

The Senate met at 12 noon, on the expiration of the recess, and was called to order by the President pro tempore [Mr. THURMOND].

PRAYER

The Chaplain, the Reverend Richard C. Halverson, D.D., offered the following prayer:

Let us pray.

O the depth of the riches both of the wisdom and knowledge of God! How unsearchable are his judgments, and his ways past finding out! For who hath known the mind of the Lord? Or who hath been his counsellor? Or who hath first given to him, and it shall be recompensed unto him again? For of him, and through him, and to him, are all things: to whom be glory for ever.—(Romans 11:33-36).

The heavens declare the glory of God; and the firmament sheweth his handiwork. Day unto day uttereth speech and night unto night sheweth knowledge. There is no speech nor language, where their voice is not heard . . . The law of the Lord is perfect, converting the soul: the testimony of the Lord is sure, making wise the simple. The statutes of the Lord are right, rejoicing the heart: the commandment of the Lord is pure, enlightening the eyes. The fear of the Lord is clean, enduring for ever: the judgments of the Lord are true and righteous altogether. More to be desired are they than gold, yea, than much fine gold: sweeter also than honey and the honeycomb. Moreover by them is thy servant warned: and in keeping of them there is great reward.—(Psalms 19:1-3, 7-11).

Amen.

RECOGNITION OF THE MAJORITY LEADER

The PRESIDENT pro tempore. The able majority leader, Senator DOLE, is recognized.

SCHEDULE

Mr. DOLE. Mr. President, under the standing order, the leaders have 10 minutes each, to be followed by special orders in favor of Senators for not to exceed 5 minutes each. I ask unanimous consent that the special order in favor of the Senator from Florida [Mrs. HAWKINS] be vitiated.

The PRESIDENT pro tempore. Without objection, it is so ordered.

Mr. DOLE. The special orders will be in favor of Mr. NUNN, Mr. PROXMIRE, Mr. CHILES, and Mr. CRANSTON, for not to exceed 5 minutes each.

There will be routine morning business, not to extend beyond 1 p.m., with Senators permitted to speak therein for not more than 5 minutes each.

I also ask unanimous consent that the cloture vote and the live quorum scheduled for today be vitiated.

The PRESIDENT pro tempore. Without objection, it is so ordered.

Mr. DOLE. Mr. President, following morning business, the Senate will resume the motion to proceed to S. 1017, the regional airport bill.

The cloture vote scheduled for today has been vitiated, and therefore I do not expect any rollcall votes to occur during today's session. We will probably adjourn or recess fairly early—late afternoon or early evening—probably before 6.

AID TO THE CONTRAS

VOTE ON CONTRA AID CRUCIAL

Mr. DOLE. Mr. President, the middle of this week, the Senate will vote on whether to provide aid to the democratic resistance forces in Nicaragua, the so-called Contras. That vote may well be the most important "foreign policy action" we take this session. Let us be clear about what is at stake.

SANDINISTAS ARE REAL THREAT TO U.S. INTERESTS

The Sandinista regime does represent a real threat to the peace and the stability of Central America.

It does attack and support subversion against its immediate neighbors—El Salvador, Costa Rica, Honduras—countries which are among our closest allies and friends in the region.

It has opened its doors to a large influx of Soviet and Cuban advisers; accumulated a massive store of Soviet arms; and imported foreign terrorists and terrorist methodology, to threaten and intimidate other free nations in the region.

It has suppressed its own people: It has executed hundreds, imprisoned thousands and forcibly relocated tens of thousands; it has made a mockery of the concept of free elections, nearly eliminated the free media, driven out the Jewish community, and cracked down on the Catholic Church.

The bottom line is this: The Sandinistas run a radical Marxist regime, aimed at political and military dominance of Central America; based on a one-party dictatorship; and allied with the Soviet and Cuban Communists.

That is the record. After all we have seen and with all the evidence we have, it is a crystal clear picture of a "human rights nightmare."

VOTE THIS WEEK WILL SEND IMPORTANT MESSAGE

What should we do about this? That is the question we will confront on Tuesday, Wednesday, and Thursday of this week.

Should we make clear to the Sandinistas, and to their mentors in Havana and Moscow, that the free ride is over; that we are not going to stand by and watch them consolidate their totalitarian control over yet another country on our own doorstep, while reaching out to new conquests?

Or should we send a different message—a message of surrender to intimidation; abandonment of our responsibility to our allies and friends in Central America, of acquiescence to dictatorship within Nicaragua.

SEARCH FOR A NEGOTIATED SOLUTION

A "yes" vote on the President's request is the best chance—maybe the only chance—to achieve what we want in Nicaragua. And let us be equally clear about that.

What we want is a negotiated settlement of the problems in Nicaragua: A negotiated settlement that will lead to an end to Nicaraguan threats against its neighbors, an end to the Soviet and Cuban presence in Central America, and a chance for democracy within Nicaragua.

I do not claim, and the President does not claim, that we are going to be able to force that kind of solution solely through aid to the Contras. But it is abundantly clear that we have no chance at all to achieve such a solution unless we have some way to induce the Sandinistas to accept it.

SANDINISTAS DO NOT WANT REAL NEGOTIATED SOLUTION

Because that is not the result the Sandinistas want. They are going to accept that result only if they have no other choice; only if we make it impossible, or too costly, to achieve the end they really want—the one I described earlier: A strong alliance with Russia and Cuba, a dominant military and political position in the region, a one-party Marxist state.

This bottom line is clear, too. In the absence of some form of pressure—real pressure—there is not a reason in the world for the Sandinistas to give up these goals.

● This "bullet" symbol identifies statements or insertions which are not spoken by the Member on the floor.

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"NEGOTIATIONS, SANDINISTA STYLE"

And what about those who claim that we could get negotiations if we really tried? I am certain we could get some kind of negotiations. The Sandinistas would probably be happy to engage us in new, endless rounds of talk, where they could mislead, propagandize, stall—while they continued the full-scale pursuit of their goals at home, and throughout Central America.

But could we get real negotiations? Where the Sandinistas sit down with other elements of the political spectrum within Nicaragua, to try to work out a system of free elections and just government; where we sat down with the Sandinistas, to discuss directly our grievances—and theirs—with an aim to finding a solution with which both countries could live.

We have tried to get those kinds of real negotiations going before, not once but many times. We have talked directly with the Sandinistas, without precondition, not once but many times. We have urged them to talk to their own opposition, with the only precondition being a cease-fire, not once but many times. And they have either refused to talk at all, or stonewalled once they did, not once but many times.

PRESIDENT WILL GO EXTRA MILE, TAKE EXTRA STEPS

But despite that record, we remain willing to try once again. The President is ready. He has instructed our most experienced and credible diplomat, Ambassador Phil Habib, to explore the chances for real negotiations. His instructions to Ambassador Habib are clear—consider anything, talk about anything, with anybody—as long as it offers some real prospect for real progress toward a real solution.

And the President has already agreed, in a letter to the Congress last week, to give this peace process one more real chance, even at the risk of some tactical disadvantage through delaying some of our aid to the Contras. The President long since took us the extra mile in pursuit of a peaceful solution. Now he is adding some extra steps to that extra mile, to make clear he wants peace—and to make equally clear who does not.

NATIONAL SECURITY ISSUE, NOT PARTISAN ISSUE

Mr. President, this is not a partisan issue. When the House voted last week, many Democrats stood with the President. When we vote in the Senate this week, I am confident we will have Democratic votes with us, too.

And it is not an issue of anyone's patriotism. We all love our country. We want to see it strong, and we want to see it do the right thing. And I am confident this body will. This issue demands bipartisan support and cooperation.

It is an issue which directly affects our national security. It is an issue which will have a great deal of impact on the future of the Central American region, which is so critical to our own security. And it is an issue where the choice we make now will shape our future options.

Perhaps, as some on the other side are saying, we do have the same ends. Perhaps this is just a debate over methods. But it is a crucial debate.

Somebody's "methods" are going to get us to the right ends; somebody's are not. Somebody's "methods" rely on the good faith of our President; other's "methods" seem to put a great deal of faith on the good intentions of Sandinista President Ortega.

I know in whom I put my confidence. I hope all my colleagues will agree with me and will vote in support of the President's request.

RECOGNITION OF THE MINORITY LEADER

The PRESIDING OFFICER (Mr. Gorton). Under the previous order, the minority leader is recognized.

AID TO THE CONTRAS

Mr. BYRD. Mr. President, I have listened with keen interest to the distinguished majority leader's speech.

I think it comes at a timely point. I think that Senators on both sides of the aisle agree with the distinguished majority leader when he states that what we want is a government in Nicaragua that is not exporting revolution to other countries in the area, a government that cuts the ties with the Soviet Union and Castro regime in Cuba insofar as receiving weapons and advisers are concerned; also, that there be a regime in Nicaragua that will allow democratic principles to guide the decisions and policies of the government there, that will allow political opposition and that will allow democratic processes to work.

I also agree and feel that others would likewise agree with the distinguished majority leader when he says that we need a bipartisan approach.

As long as I have been leader either in the majority or in the minority, I do not believe that I have ever yet—I will not say that I may not change in the future—in our Senate Democratic Conferences attempted to develop a Democratic party position on international matters. It may be that my recollection is playing tricks on me, but I do not think so.

I said to the President this morning in a discussion, that what we really need is a bipartisan policy, because only a bipartisan policy can work for long, only a bipartisan policy can be effective, and only a bipartisan policy can have the support of the American people.

We saw, to our chagrin and sorrow, that without the support of the American people, our military forces cannot always prevail, as we saw in Vietnam. No one wants to see a Marxist government in a Central American country. No one wants to see the Soviets and the Cubans establish another Cuban-like base in any Central American country.

Our differences, I think, have to do with the means to achieve our ends.

I would personally like to see the Sandinistas and ourselves engage in negotiations. I would like to see an observer group or a commission—call it whatever you will—one that would be bipartisan in nature, just as we agreed, on a bipartisan Senate observer group would attend the meetings in Geneva during the arms talks there with the Soviets. I would like to see a bipartisan commission or observer group, or whatever, in the Nicaragua situation.

I would like to go ahead with some aid to the Contras now.

I think one of the big differences in the viewpoints as between the White House position and ourselves—and when I say "ourselves," I am talking about myself and many Senators on this side of the aisle—is that I think there ought to be a second vote down the road, whether it is 90 days, 120 days, or 6 months. As I said to the President this morning, I think with a second vote down the road, the Sandinistas might be more interested in negotiations with our own Government. I would hope that the President would take into consideration the viewpoints of some of us who believe that we should have bilateral negotiations with the Sandinistas.

If that were done and if there were a second vote at some point down the road, it seems, as I said to the President this morning, that the Sandinistas would then be under greater pressure to negotiate with the United States.

There are many of us who do not believe that the Contras are in a position at the present time—and it appears unlikely that they will be in the near future—to negotiate effectively with the Sandinistas. But although the President promised many months ago in writing that the United States would enter into negotiations with the Sandinistas or that every effort would be made to that end, that has never resulted. So, to this day, I do not know of any negotiations that have occurred between our Government and the Sandinistas in that context and in that spirit.

So we, on our side, may I say to the distinguished majority leader, and as I said to the President, will continue to try to work for an approach that is bipartisan in nature.

I think that is important if we are going to achieve any success whatsoever, and we are willing to talk with anyone.

I think that Senator Sasser of Tennessee has demonstrated great leadership along this line. He has come forth with ideas that appear to me to be workable and reasonable, and he will continue to work with us and with those on the Republican side, if there be those who would like to discuss a bipartisan approach. I would place considerable confidence and dependence in Senator Sasser and his efforts and his viewpoint.

I hope that we would have an opportunity to sit down and talk and try to work out some way before the final vote that will offer a hope of success that I think can only come as I have already indicated, with a bipartisanship approach.

How much time do I have remaining, may I ask the Chair?

The PRESIDING OFFICER. The majority leader has 3 minutes remaining.

Mr. DOLE. Mr. President, if the distinguished minority leader will yield, I first wish to thank him for his statement. I, too, am hopeful that we can work together. I know that there are differences and I know there will always be some shades of difference with Members on either side.

But, based on the minority leader's statement and his visit with the President this morning, I intend to pursue it personally to see if there might be some common ground where we could come together. I will be getting back to the distinguished minority leader later in the afternoon.

BALANCED BUDGET CONSTITUTIONAL AMENDMENT

Mr. DOLE. Mr. President, I ask unanimous consent that, notwithstanding provisions of rule XXII of the Standing Rules of the Senate, that the agreement entered into on March 13 and March 18 with respect to the constitutional amendment to balance the budget be carried out.

The PRESIDING OFFICER. Without objection, it is so ordered.

METROPOLITAN WASHINGTON AIRPORTS TRANSFER ACT

Mr. DOLE. Mr. President, I also ask unanimous consent that the cloture vote relative to the motion filed on Friday occur at 12 noon on Tuesday, March 25, and that the mandatory quorum under rule XXII be waived.

Mr. BYRD. Mr. President, reserving the right to object on the second request, and I shall not, at what time does the distinguished majority leader plan to bring the Senate in on Tuesday? The vote, as I understand the request, would occur at 12.

Mr. DOLE. If there was some desire for debate, we could come in at 10. I have us coming in at 11 now because there are three or four special orders.

Mr. BYRD. Very well. I have no objection.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. DOLE. I thank the distinguished minority leader.

Mr. BYRD. I thank the distinguished majority leader.

THE LIBRARY OF CONGRESS

Mr. BYRD. Mr. President, 200 years ago this year, one of this Nation's foremost Founding Fathers, Thomas Jefferson wrote:

> The most important bill in our whole life code is that for the diffusion of knowledge among the people. No other sure foundation can be devised for the preservation of freedom and happiness.

From the earliest days of our Republic, the leaders of this Nation have recognized the importance of knowledge and the need to have it available to Government officials and accessible to the people.

For this reason, in 1800, while this Nation was still in its infancy, Congress established the Library of Congress by appropriating $5,000 for "the purchase of such books as may be necessary for the use of Congress."

The Library of Congress eventually developed into an institution that serves the entire Nation and its governmental establishment, not just the Congress—thus becoming a national library for the United States. And it became a great symbol of a great democratic society and the right it conveys to the people to avail themselves of all knowledge and opinion.

On October 1, 1898, the Library of Congress took a major and important step in this direction—it opened its doors to the public in the evenings. With this step, the Librarian of Congress declared that the institution had become "a bureau of information consulted by people from all sections."

And so it had, for the Library's doors remained opened in the evenings and on Sundays through a Great Depression and two World Wars. During the Second World War, when books were being burned and banned in other countries, the Librarian of Congress appropriately called the Library a fortress of freedom.

Now the computerized meat ax known as Gramm-Rudman is forcing the largest library in the world to do what war and depression could not—namely, to close its doors to a large segment of the American public.

As of March 9 of this year, the reading rooms of the world's best and the Nation's most important library were closed to the public at 5:30 each evening and on Sundays and holidays; the Library's open hours have been reduced by a third, from 77.5 to 54.5 hours a week.

All those who use the Library's resources—students, scholars, researchers, artists, scientists and Americans of dozens of other walks of life—but most especially Americans who work 9-5 in jobs not related to their interests in the Library—are finding it more and more difficult to utilize this vast depository of knowledge which contains over 81 million items on 535 miles of shelves. The Librarian of Congress, Dr. Daniel Boorstin, was certainly correct to label the Library's budget reductions as being "antidemocratic," as well as "antiknowledge."

The Gramm-Rudman wreckage of this Nation's foremost library, this treasured symbol, involves more than simply limiting the hours of its availability to the public, although that alone should be a cause of grave concern.

The $9.9 million Gramm-Rudman budget cut, along with previous budget cuts imposed upon the Library, has forced the Nation's Library to reduce its staff by 300, to reduce its purchases of books and materials by 13 percent, and to reduce its preservation work by 16 percent.

The denial or restriction of knowledge is a rare event in American history. The Members of this Chamber have often castigated its occurrence in other lands, whether in the form of book burning, censorship of the press, or the denial of freedom of speech. While what is now occurring with the Library of Congress is not deliberately hostile, nonetheless, in a way, we too have now participated in restricting knowledge.

Permit me to finish by again quoting Dr. Boorstin:

> This is * * * a time of crisis in * * * Congress' library, in the Nation's library. * * * Threats from without and problems within demand every shred of the most ancient wisdom and the most recent information—to cope with the challenges of a nuclear war, to seize the opportunities of unprecendented technological progress, to enrich the resources of freedom. We, the greatest library on earth, serving the greatest republic, are needed as never before by an imprisoned humanity. * * * A Nation that undervalues knowledge [cannot] hope to remain free.

Mr. President, I hope the Congress has the vision to recognize what we have done, and to make the decisions and judgments necessary to enable the Library of Congress to renew the services it was providing until it and we collided with Gramm-Rudman.

RECOGNITION OF SENATOR PROXMIRE

The PRESIDING OFFICER. Under the previous order, the Senator from Wisconsin, Mr. Proxmire, is recognized for not to exceed 15 minutes.

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WHAT WILL A TRILLION DOLLAR STAR WARS PROGRAM DO TO THE AMERICAN ECONOMY?

Mr. PROXMIRE, Mr. President, what effect will a trillion dollar star wars have on the American economy? Of course, that depends on whether the star wars expenditures constitute an add-on or are balanced by corresponding reductions in other Government spending and especially in other military expenditures. In the next few years, while star wars absorbs $5 or $6 or $7 billion annually in research, the overall economic effect will be limited. But there will be a serious adverse effect on one phase of the American economy. The consequence for research projects, especially in the military area but also in other Government and private sectors of the economy, could be significant. The thousands of scientists and engineers at work on star wars will necessarily come from other research projects. That will mean a diminution in the quality of American research. That could damage our competitive position internationally. It could reduce the rate of improvement in the Nation's productivity. It could in the long run increase costs and add to the rate of inflation.

Oh, sure, there might be some useful technological fall-outs. When billions of dollars are spent on any scientific research, no matter how irrelevant the prime objective of the research may be, there is some random and unpredictable scientific progress. The boost given to civilian aviation by the intensive military research in avionics in World War I and World War II are examples. But this is undoubtedly the most wasteful and costly conceivable way to achieve scientific progress. In aggregate the net effect of star wars research will surely be decisively negative on American economic progress.

The real SDI spending will not begin until research and development have been completed and star wars enters its production and deployment stage. What effect will this spending have on the American economy? Of course, no definitive or even roughly accurate estimates can be made until the research is much farther along. But the most optimistic estimates of star wars costs—at least the most optimistic, realistic estimates—are in the hundreds of billions of dollars. The costs could easily reach the trillions in 1986 dollars.

Even when the research has developed to the point where the decision to produce and deploy the system is made, estimates of the ultimate cost will be only guesses. In fact, the congress that appropriates the funds will never know how much or have any real notion of ever estimating how much the star wars system will cost. Why is this? Because we can certainly expect that the Soviet Union will use its full technological and economic resources to research, develop, produce, and deploy an offensive nuclear arsenal that can penetrate star wars. Possibly we could estimate how much it will take to fully deploy and maintan a star wars system that could prevent 75 or 90 percent of the present—I repeat, present; that is the 1986—arsenal from reaching targets in the United States.

But how do we calculate the degree of Soviet improvement in the penetration capability by their offensive nuclear arsenal, say, in the year 2005 when star wars might be actually deployed? The cost of that advanced star wars to stop the advanced Soviet arsenal would be much greater. And even in the year 2005 the estimates will be guesses. This is because the Russians can be expected to continue on into the future continuously improving the penetration capability of their offensive arsenal. So as the years go on the heavy burden of this economically sterile military spending will go up and up. Fewer American resources will go into educating our children, healing the sick, and improving both the private and public segments of our economy.

Some will argue the United States cannot lose this race. After all do we not have the far stronger economy? Our gross national product is nearly twice that of the Soviet Union. And do we not have an overwhelming advantage over Russia in technology, especially in relevant military technology? We do. And does the United States not have a special advantage estimated as at 30 years or more over the Soviet Union in computer technology? Yes. That is true. And is it not true that the computer technology is at the very heart of star wars? It is. So does this mean that if the Soviets choose to run this race against this country, we can surely expect to win? The answer is a resounding "no."

The reason the answer is "no" was documented in spades at the time of the debate over ratification of the antiballistic missile treaty in 1972. It is the same today. This body—the U.S. Senate—agreed by an 89 to 2 vote in 1972 that a star wars system would not serve the interests of our country. Why? And why was the vote so decisive? After all, the antiballistic missile treaty had the single and simple purpose of preventing a race to produce a star wars antimissile defense by either superpower. That ABM vote was so decisive because Senators reached the overwhelming conclusion that an antimissile defense would cost $10 or more to produce and deploy the star wars defense for every $1 it would cost to overcome it. Is that principle still true? Will it still cost far, far more to defend against a nuclear attack than to instigate an attack against that defense? Absolutely. The principle still holds. It is even more true in 1986 than it was in 1972, and the advantage for the offense will be even greater 20 years from now and on into the future.

That means that the United States is engaging in exactly the wrong kind of race with the Soviet Union. We do have the superior economy. We do have the decisive technological advantage. But because the Soviet Union will rely on defeating star wars by building a far less costly offensive nuclear system, it will need far less in economic resources and far less in technology to overcome whatever star wars system we deploy. To date the overall arms race between the Soviet Union and the United States has hurt the economies of both countries, but it has had a far more severe effect on the less productive and less technologically advanced Soviet economy.

To date that has been the case. How about the future? As the star wars program continues in this country, as the United States begins its heavy spending for the production of the hardware and the deployment and maintenance of the system, the burden on the American economy from this trillion dollar plus military increase will become far greater than the much lighter burden the Russians will bear to build the offensive nuclear arsenal to overcome our star wars defense. After all, much of that Russian nuclear offense is in place right now.

Some of the refinements to penetrate star wars are already underway in the Soviet Union with the Soviet's greatly stepped up cruise missile and submarine program. That program would underfly star wars with missiles launched from right off American shores. The missiles hug the ground, carry a map in their brain to fly around objects on land, have a range of 1,500 miles and fire warheads, each of which has an explosive force of up to 200,000 tons of TNT. If the arms race is massively stepped up by our star wars project, the Soviet Union will for the first time gain economic advantage from the arms race as well as military advantage from the easy superiority their nuclear offense can achieve over the star wars defense.

MYTH OF THE DAY: FEMALE SOLDIERS CAN BE PROTECTED

Mr. PROXMIRE. Mr. President, the myth of the day is that barring female soldiers from combat somehow protects them. The fact is that it results in a situation in which women can be shot at but cannot shoot. It is time to drop the combat exclusion policy and stop tying the hands of our women soldiers.

First of all, the range and effectiveness of modern weapons have made previous combat/noncombat distinctions obsolete. Women have served in a temporary additional duty capacity off the coast of Lebanon, and now serve at various munitions storage sites, including such dangerous assignments as the Peacekeeper and Minuteman launch sites. They also serve at important command and control positions like the EC-130E Airborne Battlefield Command and Control Center.

These are not frontline assignments, but they would obviously be dangerous targets in the event of a war. A recent Congressional Research Service brief stated that:

> Women are now serving in positions where they will certainly become casualties in substantial numbers in any future war.

It is generally agreed that, were there to be a war, women would die in proportion to their numbers. Women now make up 10 percent of our Armed Forces and are well-integrated throughout them. Their numbers are too big and their skills are too important to try to insulate them from danger. The women do not want to be insulated, and we need them too much to try to contain them at low-risk positions.

Why is it then that the combat exclusion policy still exists? Contrary to popular belief, it is not out of some sentimental desire to spare women from harm. The actual reason is that defense policymakers fear a public backlash against any female casualties in a war. The American public must be made aware that some heroines will lose their lives along with the heroes. Women in the military is no longer a theoretical issue. It is a realty now, and one which our present policies should reflect. That means eliminating the combat exclusion policy.

Our women are capable soldiers. They have proven their competence over the years. The Air Force has listed women officers as capable of accomplishing 100 percent of their job description skills. The Army, 98 percent. The Department of Defense described the increase in the number of female soldiers as a "significant improvement." And Secretary of Defense Caspar Weinberger, in a 1983 memo, directed that combat exclusion rules be interpreted to allow as many possible career opportunities for women to be kept open. All this points to the fact that women have been tested in the field and have proven their ability.

What is more, women soldiers want to be able to volunteer for combat positions. Most think they should be required to serve in combat billets. Since we have allowed these women to risk their lives in becoming part of the All Volunteer Force, perhaps we should also let them volunteer for combat. We cannot just use women to bolster the numbers of our AVF while keeping them in the sitting duck positions. That is not the best way to protect our women or our Nation.

Mr. President, I yield the floor.

RECOGNITION OF SENATOR CRANSTON

The PRESIDING OFFICER. Under the previous order, the Senator from California, Mr. CRANSTON, is recognized for not to exceed 5 minutes.

IS UNITED STATES POLICY IN CENTRAL AMERICA WORKING?

Mr. CRANSTON. Mr. President, I for one do not believe President Reagan deliberately wants to get us into war in Nicaragua.

But I do believe that the policy he is following is likely to get us into war, whether he wants it or not, and whether he realizes it or not.

The road to war, no less than the road to Hell, is often paved with good intentions.

It seems that in military matters in particular, there is a certain momentum, a certain inner drive in the course of events which, once past a critical point, propels us farther than anyone may originally have intended to go.

History is replete with examples of nations tinkering with other people's wars and ending up engulfed themselves.

The last example in our own history was Vietnam.

Once a nation has committed itself to military action, direct or indirect, to achieve political objectives, the operative word becomes "victory."

And the codeword for victory is "more":

We are told that more money, more guns, more ammunition, more planes, more bombs, more approved targets, more men will bring us victory.

And when, for all that, victory continues to elude us, the operative words become "still more":

Still more money, still more weapons, still more men. But, as we found to our sorrow in Vietnam, still no victory.

After paying a heavy price in lives and money, we got out of the war in Vietnam.

We must beware getting ever more deeply into the warfare in Nicaragua.

We have already spent $27 million there, not counting undisclosed millions in covert aid.

President Reagan says we should spend $100 million more.

What happens next?

President Reagan says he is the last one in the world who would ever want to put American troops into Latin America.

I believe him.

But history has shown that once the Nation is embarked on a military course, what an American President wants and what the American people get may be two different things.

Mr. President, President Reagan has requested a 400-percent increase in United States funding of the forces attacking Nicaragua. Since the summer of 1983, when the Reagan administration's plans to fund the war against Nicaragua first emerged, I have repeatedly and consistently spoken out against this policy.

In the past, I opposed the program on the grounds of both morality and practicality. United States taxpayer dollars should not be used to hire mercenaries and to sponsor acts of international terrorism against the people, the villages, and harbors, and the cities of Nicaragua.

By funding military efforts to overthrow a government we recognize, we violate both the Charter of the United Nations and of the Organization of American States.

We all deplore the Sandinista's curbs on civil liberties and their support from Havana and Moscow. But no matter how we deplore these actions we must not adopt the attitude that our ends justify our means. America's mission of democracy is ill-served when we emulate our adversary's worst tactics.

The President and some of his supporters have declared that a vote for or against Contra aid is a vote for or against communism. This is a false statement of the issue. If we really want to combat communism—and we do—the issue is: What works? Is present United States policy toward Nicaragua working? Has the policy of funding a war against the Government of Nicaragua furthered our interests or promoting security and democracy in the region?

It has not. On the contrary, it is clear that this effort has undermined our basic interests. The presence of counterrevolutionary rebels in Honduras coupled with the United States military buildup poses a threat to democracy in Honduras. The Government of Costa Rica has been under a great deal of pressure to move away from its neutral stance in the region. The administration's present strategy makes Nicaragua more and more dependent on the Soviet Union and Cuba, and is all to likely to drag us into war.

The United States has been supporting the Contra effort for more than 4 years now. Our Government has nurtured it. We have orchestrated it. We have manipulated it.

Yet the Contras are failing.

Why? Contrary to the President's portrayal of the Contras as freedom fighters, the Contra military leadership is composed, for the most part, of former members of Anatasio Somoza's National Guard.

The Contras lack the support of the people of Nicaragua. Contra terrorist tactics, of attacking civilian, industrial,

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and community facilities—including the mining of Nicaraguan harbors—the impressment of Nicaraguan peasants into their ranks, and the indiscriminate murder of civilians have alienated the hearts and minds of Nicaraguans—even those who oppose the Sandinista regime.

President Reagan seeks support for his $100 million request in aid for the Nicaraguan rebels by characterizing the Sandinista regime as drug traffickers who are subverting virtually the entire hemisphere.

But even the Reagan administration's own spokesmen refute some of his more extravagant claims.

The Drug Enforcement Administration released a statement saying it had no information implicating the Minister of Interior of other Nicaraguan officials in drug-related activity.

The Brazilian Government has repeatedly expressed surprise and puzzlement at being included by the Reagan administration among countries in the Western Hemisphere potentially threatened by Nicaragua.

It would be great to see democracy given a chance in Nicaragua. The Sandinista regime is, of course, not democratic. It is a harsh, repressive, Marxist dictatorial regime. We deplore its betrayal of the promises of an open, democratic society after the revolution and the restraints it has placed on civil liberties.

But is the Nicaragua Government a threat to our security as the President claims?

Does the Reagan administration truly believe that the Contras will protect America's security? Or are we being led down the path—step by step and dollar by dollar—toward United States military intervention in Nicaragua?

The President and his supporters have tried to frame the debate in such narrow terms so that it will appear that funding the counterrevolutionary rebels is the only answer for a patriotic American who supports democracy.

The fact is that there are other, better answers. We should do more to help strengthen the democracies in Honduras and Costa Rica.

Gradually, democracy is beginning to take root in Latin America. Our democratic neighbors do not support the regime in Nicaragua, but they also oppose the war against Nicaragua. The Contra war perpetuates the dangerous and unpopular precedent of United States intervention in the hemisphere. The image of a great power trying to force its will on smaller neighboring nations does not help to foster the evolution of democratic institutions. What will help are American policies designed to bring about growth in the developing countries in the hemisphere. The resolution of the inequalities in these countries will help the growth of democracy.

We must support our Latin American neighbors in their efforts to negotiate a solution to the Central American conflict. Their security interests are at stake, too.

The House vote against the President's request was a positive step. I hope my Senate colleagues will follow suit and not allow themselves to be led by smokescreen compromises which can lead to direct U.S. military involvement.

ROUTINE MORNING BUSINESS

The PRESIDING OFFICER. Under the previous order, there will now be a period for the transaction of routine morning business not to extend beyond the hour of 1 p.m., with Senators permitted to speak therein for not to exceed 5 minutes each.

Mr. SARBANES. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. NUNN. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

"WE ARE THE WORLD"

Mr. NUNN. Mr. President, 1 year ago, on Good Friday 1985, more than 8,000 radio stations in the United States, and thousands more in 27 various countries, as well as the Voice of America and the Armed Forces Radio, simultaneously played a recording of USA for Africa's musical hit, "We Are the World." This international broadcast was initiated, organized and coordinated by Bob Wolfe and Don Briscar of radio stations WROM/WKCX in Rome, GA. Their purpose was to promote world unity and peace. By broadcasting this internationally recognized song, millions of people were able to listen together in a demonstration of global unity, even if for just a few minutes. As Mr. Wolfe states so clearly, "It was the first time in history anything like this had ever happened. We brought peace for 6 minutes and 22 seconds."

Bob Wolfe has scheduled a repeat performance of the broadcast this year. On Good Friday, March 28, 1986, radio stations around the world will join together and play the "We Are the World" recording at exactly 10:50 a.m. eastern standard time. Already this year more than 40 countries have pledged their participation in the simulcast—with additional countries joining every day. I understand the song has even been translated into 14 different languages.

Bob Wolfe's idea for this special simulcast of "We Are the World" represents a genuine effort to draw international attention to the need for world peace. As individuals, we may not be able to end hunger or war in the world, but each has an opportunity to be an instrument of concern for our fellow man. That is what this broadcast is all about. I commend Bob Wolfe and his supporters in the worldwide radio community for their sincere efforts to encourage a deeper understanding of the brotherhood of man. I believe the closing lines of this special song symbolize this effort:

> Let us realize that a change can only come
> When we stand together as one.

Mr. President, I commend this worldwide effort to my colleagues here in the Senate and I encourage active support of this special project throughout the country and the world.

Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The bill clerk proceeded to call the roll.

Mr. WARNER. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

CONCLUSION OF MORNING BUSINESS

The PRESIDING OFFICER. If there is no further morning business, morning business is closed.

METROPOLITAN WASHINGTON AIRPORTS TRANSFER ACT

The PRESIDING OFFICER. The clerk will state the pending legislation by title.

The bill clerk read as follows:

> A bill (S. 1017) to provide for the transfer of the Metropolitan Washington Airports to an independent airport authority.

Mr. WARNER. Mr. President, in the absence of the junior Senator from Virginia [Mr. TRIBLE] let me say Senator GOLDWATER has asked me to Chair a hearing of the Armed Services Committee, but I have agreed to be here to hear the Senator from Maryland.

I understand my distinguished colleague from Maryland [Mr. SARBANES] desires to address the airport transfer legislation. I am prepared to be present in the Chamber. Again, it is the wish of Senator TRIBLE and myself that the Senate turn to this legislation and begin to work its will. However, the Senator from Maryland is within his rights to discuss the motion to proceed.

Mr. SARBANES. Mr. President, is the motion to proceed now pending before the Senate, the motion to proceed to S. 1017?

The PRESIDING OFFICER (Mr. BOSCHWITZ). The Senator is correct.

Mr. SARBANES. Mr. President, I know my colleagues have been involved in this issue now for some days. I would like to speak just a bit about the necessity for that before I turn to review the substantive arguments with respect to this legislation, which I trust will continue to influence Members as they make a judgment when the next cloture motion which is now pending, is voted on at noon on tomorrow, Tuesday, pursuant to unanimous-consent request entered today.

What is involved in this legislation is transferring Washington National and Dulles International Airports to an Airports Authority with a disproportionate membership from the State of Virginia—5 of the 11 members, with only 2 from the State of Maryland—and transferring it under terms and conditions which are enormously advantageous to Virginia. I am frank to say this is a less-than-bargain-basement price. It is really a sub-sub-bargain-basement price.

There are a number of issues involved in this airports bill which I think we need to try to separate out and there are a number of concerns that Members of the body have already expressed in the course of debate on this legislation. One is the selling price.

In other words, the Government is to transfer these two facilities, the Dulles access road—built by the Federal Government at a cost of $60 million just for the road itself, let alone 10,000 acres at Dulles International Airport—all of the facilities there and all of the facilities and acreage at Washington National Airport for $47 million. You do not have to know much about the value of property or the value of these facilities or, indeed, the cash flow into these facilities—the airports made some close to $20 million in profit, the two of them, last year; in fact, Dulles itself was profitable, which was a turnaround from previous experience. You are getting a profit flow of about $20 million a year and yet the facilities are going to be transferred under this proposal for $47 million.

Well, that does not sound very sensible on its face, and in fact toward the end of last week a group of private investors backed by the British Banking firm of N.M. Rothschild and Associates, according to a newspaper account at least—and this is the basis of my knowledge of this proposal—offered up to $1 billion to buy Washington and Dulles International Airports from the Federal Government. They in effect said, "Will the lawmakers allow the market to be tested?" And they argue they will have no trouble raising the money. I do not know about the bona fides of this proposition. Some Members question whether airports ought to be run by the private sector. Others have strongly asserted that it should be.

In effect, you could hedge about their operation of it with conditions and terms which would guarantee the service that was necessary and realize a much larger price. Apparently this group is prepared to start talking at $500 million in terms of bidding.

What I do say about that proposition is it seems to me to make it fairly clear that this is a matter which needs to be reexamined and looked at again. Now, the Holton Commission, on which much of this proposal is based, really concluded its deliberations about 18 months ago. Its report came in about 15 months ago, but for all intents and purposes in terms of reviewing the factual situation it concluded its work about 18 months ago.

A great deal has happened in the interim, including a 47-percent increase in passenger usage at Dulles International Airport in 1985, the largest jump by far of any of the Nation's airports. There is a huge difference then between the increase at Dulles and the next airport elsewhere in the country.

Now, of course that kind of increase changes an argument that was advanced to the commission that Dulles was really something of an albatross and unable to stand on its own, which was part of the basis of putting Dulles and National into the same pot and permitting under the proposal a cross-subsidy to take place between National and Dulles, National being, of course, very profitable.

Now, I appreciate that it is not in the normal course to debate the motion to proceed to legislation, although it is done and it is certainly permitted under the rules of the Senate. In fact, a recent proposal that would have changed that rule was dropped from a package of rules changes which was presented to the Senate. That package contained in it a limitation on debate on the motion to proceed to a particular piece of legislation, and in fact leaving the Senate with the existing rule, which is, of course, that there is extended debate possible to the degree that it has to be closed down by cloture motion.

A cloture motion, of course, is a standard procedure here to bring debate to a close, and the effort to invoke it on last Friday did not succeed, since 60 affirmative votes are necessary and the motion had 50. We will take another vote on another cloture motion on tomorrow, Tuesday, at noon.

Now, why was a thorough discussion on the motion to proceed necessary? Well, Mr. President, I want to submit two perspectives on that score. First of all, there is a very important issue induced as to how the Federal Government ought to operate and how it ought to be involved, and that issue is that when it is deciding matters which involve the interests of States in the federal system, the Federal Government should seek to act in an equitable manner, in effect in a neutral manner as between States. The Federal Government ought not to take a position with respect to some issue, regional perhaps in character, as this one is perceived by many to be, although a very strong argument has been made by some of my colleagues that there is a very strong Federal interest in the operation and activities of these two airports since they serve the Nation's Capital. But to the extent that the Federal Government takes a position on a regional issue, it should not tip the scales heavily in the direction of one State at the expense of another.

I submit that is what has been done in S. 1017, and for that reason it is imperative that we seek to make Members understand this is not an equitable proposal; that it does not command regional consensus; that, in fact, an effort is being made to impose it upon one of the significant jurisdictions in the region, and Members need to understand and realize that.

Now, focusing this issue I think with the benefit of the debate over the last few days has been helpful in that regard. Second, it has been very important to do that because an argument is being made, and I have every confidence will be made if we should reach the substance of this legislation—in other words, actually have the bill itself before us for amendment and for consideration—that you cannot amend it in any significant way because the bill represents a carefully crafted arrangement.

In fact, the junior Senator from Virginia said as much in the course of the debate on this bill last Thursday. When it was suggested that another of our colleagues was interested in an amendment that would alter the composition of the airport authority, he responded—and I quote now from S. 3115, Senator TRIBLE:

> The practical problem with that suggestion is that this compromise is a very carefully crafted political agreement. If we are going to change fundamental provisions at this point, then we defeat the proposition.

Later in the discussion with another Member of this body, the Senator responded in the same vein.

Now, in effect, what is being asserted in that exchange is that this thing has been "worked out" amongst the parties, the regional parties, at least some of the regional parties, not Maryland. I am careful to point out that we have been left outside of this arrangement, and that is one of the reasons I am here talking right now.

And, of course, the enabling legislation for this is the Virginia-passed measure by the general assembly, and it is really treated as a Virginia regional authority. In fact, the Arlington Journal in a comment earlier in the

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month calls it Virginia's Regional Airport Authority.

Actually, the bill does not say that. The bill just says "an airport authority," and then it talks about its composition. But at least one important Virginia paper is calling it Virginia Regional Airport Authority.

So, one of the reasons why I think it has been necessary to discuss the substance is because of the assertion that this has been a finely crafted political arrangement; and therefore, if we were to reach the substance of the bill, we would run into the argument, as amendments were offered, where you cannot really do that because you are upsetting the arrangement.

For that reason, I think it has been important to try to make Members understand that perhaps the better course is not to go to the bill—in effect, to send it back to—not exactly to the drawing board, because we have come well beyond that; the junior Senator from Virginia asserted, in fact, that that is what might happen—but to open up the possibility of an effort to rework this approach in this legislation.

The junior Senator from Virginia, for example, stated, in response to the proposal or proposition put forth by the able Senator from South Dakota about changing the composition of the Airports Authority to give it much heavier Federal representation and much less regional representation:

> I will say to the Senator the reason I suggested it would kill this bill is that this bill is based on a compact passed by the State of Virginia and the city of the District of Columbia that reflects this carefully crafted balance arrived at. Each of us can disagree as to what kind of representation we would want for the various parties, but we have many different interests here. It is very difficult to reconcile those interests to everyone's satisfaction. If we undo this agreement, then this particular legislation is at an end, and it would be necessary to begin this long and difficult process once again. So whether it is the intention of my colleague or not, it would be the end of this initiative.

I think that makes two points. First of all, considering the substance of the bill and its desirability, before we actually get to it, that is pertinent and relevant, because if we should get to it, it is then going to be argued that you cannot change the substance because it will undo the carefully crafted arrangement, and you will then be into a catch-22 situation.

This has been an effort to show the weaknesses in this legislation, to underscore some of the questions and problems connected with it, so that Members might consider whether it would be better not to turn to it at all and let an effort be made to adjust it—in other words, to arrive at a different carefully crafted arrangement—and then come back to the Senate, having, it is hoped, met many of the problems and many of the criticisms which have been raised with respect to this legislation.

I am in a sense fortified in making this argument because I think that the provisions in our rules provide for a considerable degree of debate. The rules do not provide unlimited debate. The rules have a very specific way of bringing debate to a close. It requires more than a simple majority. In other words, there has to be 60 Members out of 100 who are prepared affirmatively to vote that enough time has been spent and now there is a need to close debate.

Maryland put forth a proposition before the Holton Commission which, in effect, would have sought to transfer Dulles Airport to the State of Virginia, which is comparable to Baltimore-Washington being operated by the State of Maryland, and would have placed Washington National Airport in an equally balanced authority; three members from Virginia, three from the District of Columbia, three from Maryland, and some Federal representation, one or two, or whatever it was felt was appropriate to represent the Federal interest.

I am interested in a comment in the Post that appeared Saturday. Martha Pennino, the vice chairman of the Fairfax County Board of Supervisors, an able member of the Holton Commission, said:

> Frankly, the way things are going right now in the Congress, I think we should forget it. The State of Virginia should just go ahead and buy Dulles.

There are 10,000 acres at Dulles, which opens up lots of possibilities, and that is one of the points I will turn to shortly, when I talk about whether this is not unfair competition.

As I have indicated, the Rothschild Bank has stated that they were prepared to make a bid for these airports starting at $500 million. As I said, I do not know the substance of that, and I did not know that proposal was in the works until I read about it in the paper. That is the extent of my knowledge about it, and I am not prepared to comment on the substance of it. I know that Members have raised questions about it. But what it indicates, it seems to me, is that there is a business judgment being made here that the economics of these airports are such that they can sustain that kind of purchase price and yet function profitably. This, it seems to me, at a minimum, ought to persuade the Secretary of Transportation that this issue should be reexamined; that the $47 million is clearly inadequate; and that it should be looked at again in terms of fairness to the Federal Treasury.

What one would conclude after doing that, I do not know. But it seems to me that you just cannot ignore this, ignore the almost 50 percent increase in passenger usage at Dulles, the sharp improvement in Dulles' financial position, the increase in the profitability of National Airport, and keep plunging ahead in seeking to dispose of these things at this incredibly low price, particularly at a time when the Federal Government faces severe budget difficulties and is trying to address the deficit problem.

Mr. WARNER. Mr. President, will the Senator yield for a question?

Mr. SARBANES. I yield.

Mr. WARNER. We have listened here several days very patiently to the point being made again today by the Senator on this concern over the pricing structure.

Let us share with our colleagues and see if we do not have at least a common understanding on these following points; namely, that if we are to increase the price, I mean, if it were the judgment of Congress that this price in fact was too low and that the legislation incorporated an amendment which raised the price, and I certainly do not advocate that, but I am speaking hypothetically, see if we cannot agree on where these additional dollars would come?

In the first place, I know no one who is going to be enriched by this transfer. A certain amount of money goes to the Federal Government, roughly $47 million; another $37 million goes to the State of Maryland; and $30-plus million to a pension fund.

I presume it is the Senator's thought that this airport should sell for roughly, just to use simple mathematics, $100 million. The difference between the prices that I have just discussed and, say, $100 million would simply be made up by passengers coming through, utilizing the airport. That cash-flow has to be generated by the persons who use the airport.

I point to my distinguished colleague's statement of a day or two ago when I think he quite accurately described the usage as probably 40 percent by Virginians, 30 percent by citizens of the District of Columbia, and 30 percent by the citizens of Maryland. The question precisely, one, Do we agree that that is where the additional revenue would come; namely, through increased ticket prices, and is the Senator from Maryland prepared to go to his constituents, roughly the 30 percent who use the airport, and say, "I staunchly advocate a higher price, the Senate agreed with me, and now you are going to pay for it as you, the citizens of Maryland, utilize this airport through higher ticket prices"?

Mr. SARBANES. The Senator put a good question. It gets to the heart of the competitive disadvantage involved with this bill and why it is unfair competition and why it violates what I think should be a cardinal rule in Federal policy, that is, not to deliberately seek to advantage one State at the expense of another.

The fact is, first of all, there is a question of Federal recovery to the Federal Treasury at a difficult time, what these assets would bring and whether, in fact, the Federal Government should not seek to recoup a much fairer value. The Grace Commission had three figures ranging from $290 million to $415 million and settled at $341.5 million. That is what they thought should be paid to the Federal Government for the transfer of these airports. That is the figure that they put out.

When the State of Maryland bought Baltimore-Washington International in 1972 from the city of Baltimore, it paid $36 million. In today's dollars, $36 million would be just over $100 million, which it would be paying.

So, you have those broader questions and a number of our colleagues have been focused on that. In other words, they think this is a give-away; it ought not to happen. Some believe the Federal Government should continue to own and operate the airports. Others think that, at least if they are going to transfer them, there should be a better price paid in return for the assets and facilities that are being received.

I respect both those arguments.

I, of course, being a Senator from Maryland, have to try to present to this body the perception in Maryland that what you are doing is providing unfair competition.

If you accept the proposition that Baltimore-Washington International Airport and Dulles compete with one another, I think that is a reasonable proposition. They both serve Washington and the Metropolitan Washington area, and in fact one can gain access to downtown Washington as quickly from BWI as from Dulles. So they are really roughly equidistant or access time at least is roughly comparable.

If, in fact, you turn Dulles over to an authority at well below its value, well below in fact what Maryland paid for Friendship, then you give to Dulles at the very outset as it were a capital underwrite—that is what it amounts to—from the Federal Government. Therefore, it is an airport that does not really have to confront its costs the way the normal airport has to do.

Mr. WARNER. Mr. President, I say to my distinguished colleague who is the beneficiary then of this windfall profit? It is not the State of Maryland.

Mr. SARBANES. The beneficiary would be anyone who in effect got the benefit of Dulles charges or fees at below what otherwise would be market value. The other problem then is what you have done if you underwrite that, if you subsidize that by setting it up, and I am going to develop further how there is a further underwrite subsidy because of the ability to have a cross-subsidy from National Airport, in effect, you have a tie-in arrangement here as it is normally known in antitrust law.

This bill allows the highly profitable National Airport to, in effect, underwrite costs at Dulles and, therefore, even sharpens this competitive disadvantage. We are prepared to compete, "we" being Maryland, and I regret the sharpness of the Maryland-Virginia exchange because our two States have worked together on a range of issues. It is something to be devoutly sought, in my opinion.

I must say the senior Senator from Virginia has been very sensitive, I think, on a whole range of issues in that regard and has really exerted very strong constructive leadership. I regret in a very real sense finding ourselves on opposite sides of this matter and engaged in this give and take. But I think it is necessary, as I perceive it, under the circumstances.

Mr. WARNER. Mr. President, I thank my distinguished colleague. I certainly share similar sentiment with the distinguished Senator from Maryland who has worked indeed with me and others on the common problems between our two States.

I think, in fact, we are going to be able to resolve this one.

We have, however, it seems to me, a special trusteeship, the Senator from Maryland, myself, and Senator TRIBLE, in that our colleagues are busily engaged with a wide range of legislative matters. They are listening from time to time to this debate. They are legitimately concerned about several issues that have been raised by the distinguished Senator from Maryland and, of course, we are anxious to get on with the bill.

But putting the procedural matters to one side, in that trusteeship we have to explain to them, first, what is the impact of an added cost, if it were the will of the Senate, and I hope it were not, to this transfer? Where would the dollars go?

Would the Senator suggest that their share to the Federal Government of $47 million be increased, the share of $37 million to Maryland be increased?

I think there is adequate funding for the pension fund.

First, where should this money go and who should pay for it? Where should the dollars come from? That was my first question.

Do we not agree that any added cost, indeed costs that have been established in this bill are to be borne by the travelers, many of them the Senator's constituents?

Mr. SARBANES. As I said, not necessarily the travelers because part of the things are parking revenues which may or may not be travelers.

Mr. WARNER. They are associated.

Mr. SARBANES. Anyone who pays the charges at the airports if the charges are higher than they otherwise would be because of the cost of acquiring the facilities—the capital cost to begin with is higher—that is in fact who will have to make the payments.

But the real question I put to the Senator is why should the Federal Government dispose of it at a price which enables the setting of charges that are far below the industry norm, which is exactly what would happen here and exactly what would provide an opportunity for unfair competition to the State of Maryland.

Mr. WARNER. Mr. President, will the Senator yield?

Mr. SARBANES. I yield.

Mr. WARNER. Mr. President, if I may just respond to that point, I would like to use the conversation that I had not more than an hour ago with a distinguished senior Member on this side of the aisle who frequently uses Dulles for purposes of transportation and quite a knowledgeable individual in aviation himself, having been a pilot one time.

He said to me, "Senator, I am astonished by the improvements now being put up at Dulles in terms of the quality, the location; it does to me conform to the best that is being put in America. Why are you allowing this airport to run down?"

And I said, "Simply because it is owned by the Federal Government. There are insufficient dollars in the Treasury today and for the foreseeable future to provide the improvements. Indeed, the airport is degenerating."

And who suffers? It is not necessarily the State of Virginia—we supply the infrastructure around the airport—it is the American traveler coming to and from the Capital City of the United States, primarily, and those constituents, citizens of Virginia, the District of Columbia, and Maryland that have to rely on these two airports with BWI for their hub of transportation.

I hope at some point in the RECORD the distinguished Senator from Maryland would put into this debate the fact that BWI is experiencing one of the strongest years of growth that it has had. It posted record profits this year. I think we have to look at that in the context of the overall regional transportation system and the inadequacy of the Federal Government to provide the necessary funding for the improvements of the two airports which, coincidentally, are located in the Commonwealth of Virginia.

Mr. SARBANES. Well, I would say to the Senator that I do not differ with the assertion of the necessity for improvements at these airports. And I think that is a highly desirable thing to achieve.

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What I am contending, though, is that it is unfair competitively, since BWI and Dulles, in particular, are in direct competition of one another, to set it up in such a way that Dulles has a highly competitive advantage.

Now, that relates to my broader point that the Federal Government ought to act in a way not to advantage one State over another. I am not arguing to try to disadvantage Virginia or this authority dominated by Virginia. I am just arguing, set the thing up on a fair basis.

Now, obviously I have the responsibility to vigorously oppose a measure which would not honor this principle of equality as between the States and would in effect structure an arrangement in which BWI was placed in a highly unfair competitive position. And I think the terms of the proposed transfer here do exactly that.

Let me outline why.

Mr. WARNER. Before the Senator proceeds with this contribution—and I say this most respectfully—would you address my question, which colleagues are quite interested in: If the Senate were to fix a price higher than the one established in this bill, how and who would pay?

Mr. SARBANES. Well, the Airports Authority would have to recover, then, in effect a higher price than they paid. I gather the Airports Authority proposes to sell bonds in order to do this, tax-free revenue bonds. That is the financial scheme that is laid out. And they would then have to structure a revenue flow that would be able to service a higher level of revenue bond. If they got them for free, if they got the facilities for free—let us get almost in fact where I think we are—if they got them for free, then they would not have any costs associated with the acquisition of the facilities. No cost at all.

Now, to the extent they have a cost, they have to set it up and they have to service it. How can they service it? Well, to some extent you have the question of landing fees, which, as the Senator earlier pointed out, would be incorporated I assume into ticket prices. You have parking revenues. You have, under this legislation, the possibility of very significant real estate development—and I want to underscore that—very significant real estate development which would allow the revenues from such development to be used to underwrite the airport.

So that, in effect, the higher cost might be paid by real estate developers or by those who leased offices or other commercial enterprises on the Dulles land. There is 10,000 acres out there. A couple of thousand of it, as I understand, is prime development property conservatively valued at $100,000 per acre, which would represent a $200 million asset.

Mr. WARNER. Mr. President, I beg my distinguished colleague again—I look upon ourselves as trustees of this little isolated piece of legislation—let us get the facts accurate to our colleagues. There is roughly 2,000 acres of excess land at Dulles that can be developed but nearly all the land it holds is necessary for future runways, or terminals to be built, clear zones, noise buffer zones. In fact, the authority will almost immediately have to acquire more land for a third parallel runway.

So I think we are being misleading when we talk in terms of 10,000 acres worth hundreds of millions of dollars as any source of revenue. That simply is not the case under this pending legislation.

Mr. SARBANES. What about the 2,000 acres of prime development land conservatively estimated at $100,000 an acre?

Mr. WARNER. That land is restricted to the development for purposes directly necessary for the conduct of the airport in its aviation function. Again——

Mr. SARBANES. Let me interrupt the Senator right at that point because I think it is important to try to lay out this legislation. I refer the Senator to pages 36 and 37 of the bill.

Now, at the bottom of page 36 it says:

> The real and personal property constituting the metropolitan Washington airports shall, during the period of the lease, be used only for airport purposes.

So that sounds as though what the Senator has just said is correct. In other words, this property can be used only for airport purposes.

But then if you go over to page 37, in the third line, it says:

> For the purposes of this paragraph, the term 'airport purposes'

Which is the phrase that was just used——

> Includes a use of property interests (other than a sale) for aviation business or activities,

Which is, of course, what the Senator just alluded to——

> Or for nonaviation business or activities that provide revenue for the Airports authority.

So, under this language, you can use the real and personal property for nonaviation business or activities, that is, for office buildings or commercial ventures, providing they bring revenue to the authority.

Of course, that revenue can then be used to address the Authority's expenses including the servicing of the revenue bonds.

Mr. WARNER. Mr. President, I would be more than pleased to work with the distinguished Senator to tighten up any language present in this bill that would enable that type of development. It has always been represented to me that the development of the remaining land would be in a form directly associated with aviation needs, not high-rise apartments, or lucrative office buildings or the like.

So let us not leave our colleagues with any impression that there is 10,000 golden acres out here, not unlike what we are talking about at the Statue of Liberty, all ready to be developed and all sorts of magnificent things.

Mr. SARBANES. Let me say to the Senator, I will not assert there is 10,000 at Dulles. Some of that acreage obviously has to be used for an airport, if you are going to have an airport.

Mr. WARNER. Yes.

Mr. SARBANES. I recognize that. But some of that 10,000 is clearly perceived by everyone under current circumstances—and the figure of 2,000 has been used—as in effect not tied up either in the current or future plans for the airport itself, and therefore available for development. Of course, this permits development for nonaviation business or activities.

Let me show the Senator how skillfully this legislation has been written in this regard to in effect permit the kind of underwrite that I am talking about. The first point I am making to the Senator in response to his question as to who would bear the cost of a higher transfer price—and it is a lease, not a sale—actually at the end of 35 years the restriction to the use for an airport drops out of this legislation, I say to the Senator.

Mr. WARNER. I am familiar with that. Let us go back again and define who would pay the price.

Mr. SARBANES. That is what I am about to go to.

Mr. WARNER. Let us say we can agree on who the various elements would be which pay legally within the authority. Let us agree that it would be from the following sources: landing fees, the rental of terminal facilities to airlines, and parking. And I dispute my distinguished colleague on whether there is any land out there subject to development, which development would be looked at solely as a source of revenues of the magnitude necessary that the Senator portrays in behalf of raising costs. We would have to build the buildings. It takes years to build the buildings.

It is not present in the bill, and I will work with the Senator to tighten the bill if necessary to preclude that type of development.

Mr. SARBANES. Let me take the Senator a step further.

Another way that the cost could be met would be to use the revenues or profits at one airport to underwrite the costs at another.

We think—"we" being Maryland feels—that is highly unfair. There is a provision in the bill which supposedly

restricts this. I want to advise the Senator of that up front. But I am prepared to show that it is no restriction at all, that it does not in fact accomplish what it purports to do, and, therefore, what can happen here—again I talked earlier about the fact that you have these two regional airports, Baltimore-Washington may be 30 to 40 minutes from downtown Washington and Dulles roughly the same time distance, competing with one another. But when you put both airports, Dulles and Washington National, into the same authority, it is possible for the profits at National—which is, of course, a very lucrative airport, and highly sought after—to be used in effect to underwrite the costs at Dulles.

That is not fair competition. Let Dulles stand on its own. Let there be a fair price for acquiring it. Let it then have to generate the revenues through the host of activities in order to service its acquisition costs, and service its capital improvements and operation—exactly the same situation that prevails at BWI. And then let us see how that competition works. That is all we are asking for. In this regard on the financial aspect of the thing, that at least would put them in an equally competitive posture.

There is a provision in here that perhaps the Senator is going to refer to on pages 41 and 42 that supposedly says that landing fees and revenues of one airport cannot be used to underwrite maintenance or operating expenses at the other airport. It does not say anything of course about the property development. But the other thing it does not say—in fact, it says just the contrary when it says that these fees and revenues cannot be used for maintenance or operating expenses. It very carefully puts in parentheses "excluding debt service, depreciation, and amortization."

So in effect you can use the landing fees and the revenues at one airport to underwrite the debt service, depreciation and amortization at the other.

So in response to the Senator's question about who would pay, you may well have the costs at Dulles being paid by landing fees or parking revenues at National. And, of course, there is no restraint, and not even an effort to restrain the use of property development at either facility.

What you have done, therefore, is you have these two airports competing, and you are setting one of them up with an unrealistic capital cost with a possibility of extending property development and with the possibility of being underwritten by the profits of the other airport.

Give Maryland National Airport. Let us put them together and then let us draw the proceeds of National to underwrite the cost at BWI in competition with Dulles. The Senator would not regard that as fair competition. The Senator would be saying, Look, let Dulles compete with BWI. Why should BWI have National included in the same pot, draw the profits from that in order to underwrite its costs, set them below the industry norm, and gain a competitive advantage vis-a-vis Dulles? We have asserted again and again, and I mean it. We are prepared to have these airports compete. I think that is healthy. I think the region would benefit. The interested parties would have to become more involved in it, including probably the State of Virginia, just like the State of Maryland has become involved in BWI.

But this sets it back up in a way that I think is unfair. I think it is imperative upon me to try to outline this problem to my colleagues.

I know they tend to see it as sort of a Maryland-Virginia problem only. But I do think the principle involved is one that ought to concern every Member in this body; that is, that the Federal Government, when it acts vis-a-vis a regional problem involving States, it ought not to significantly advantage one State to the disadvantage of another. That is the problem here between BWI and Dulles Airport in their competition.

Mr. WARNER. Mr. President, if I may say to my distinguished colleague who well knows we offered the opportunity to BWI to be a full participating member of this authority but it declined to do so.

With respect to this transfer of funds, the distinguished Senator from Kentucky at the specific request, so I am told, of various members of the Maryland delegation put in the provision to end the practice that the Maryland people thought was most unfair, namely subsidizing Dulles operations through a uniform landing fee at Dulles and National.

Now if the Senator has an amendment which can further tighten that up, let us see the amendment. Let us proceed to the bill, and consider the amendments on this and a variety of other issues.

Mr. SARBANES. If and when we get to the bill——

Mr. WARNER. Now we are getting to the point.

Mr. SARBANES [continuing]. I propose to come forward with some amendment. But as I indicated earlier to the Senator, the necessity of making this argument at this point in time was really clearly indicated.

I am very frank to tell the Senator that I am glad that exchange took place because in my own view that was really what we were going to run into if we got to the substance of the bill, and that was the argument made by the Senator's colleague from Virginia who in responding to other Members of this body putting forward ideas they had about changing some provision or other of this bill came along and said, well, you know, this thing has been put together very carefully.

"The practical problem of that suggestion," talking about an amendment, "is that this compromise is a very, very carefully crafted political agreement. If we are going to change fundamental provisions at this point, then we defeat the proposition."

Later on, he said, at S3120, March 20:

> I will say to the Senator, the reason I suggested it would kill this bill—

This was an amendment to change the composition of the authority, putting forth an argument.

> is that this bill is based on a compact passed by the State of Virginia and the City of the District of Columbia that reflects this careful balance arrived at. Each of us can disagree as to the kind of representation we would want for the various parties. But we have very different interests here. It is very difficult to reconcile those interests to everyone's satisfaction. If we undo this agreement, then this particular legislation is at an end, and it would be necessary to begin this long and difficult process once again.

Of course, I do not believe you would have to begin the process once again. I am very frank to say to the Senator I think if the Secretary said, "Look, there is this new factor that has come into the thing," in terms of the argument over the price. We have this private proposal now for a lot more; you have the Grace Commission recommendation. We clearly do not have a regional consensus and maybe we ought to really take this legislation, bring the Governors in, and see whether some of these issues can be addressed.

I think there are enough problems set out here in terms of this body, as I understand it, and problems in other bodies.

Let me go back to the question of the competition because I think its very important to develop that point. It is a point that this Senator has to meet with the Maryland Senate. Other Members of this body have broader points they are making, whether the Federal Government ought to lose its control over these airports, or whether, in fact, if it does transfer them, the price is sufficient; whether, even if there is a transfer, the composition of the authority is adequate to protect the Federal interest.

On the competitive view, unfair competition between particularly Dulles and BWI. That is a point that calls for Maryland to make, although I do submit to my colleagues that the broader principle I am talking about ought to be one that every Member of this body is sensitive to. That is that when the Federal Government moves on a regional issue it ought not to do it in such a way as to significantly ad-

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vantage a competitive situation of one State at the expense of another. In order words, it ought to do it in a way that, in effect, is equitable between the two jurisdictions.

Let me just view that point for a minute.

The legislation has a transfer price of only $47 million for both airports. It also includes the transfer of the Dulles access road and new buses for ground transportation, with no cost to the authority. Those are items that Maryland taxpayers have had to finance for similar service at BWI. So you are going to have these two airports competing. One is getting these things almost gratis and the other one had to pay for them.

Second, the $47 million is paid over a 35-year lease period. It is not even paid up front. At the end of that time, the new authority would own the two facilities. An interest rate of 4.9 percent, the so-called imputed interest rate, would be applied to the outstanding balance during the lease period.

So you have a ridiculously low balance, you pay it over 35 years, and you have an inputed interest of 4.9 percent.

You are relinquishing two highly valuable public assets at these incredibly low prices. It really raises the question, given our deficit budget reduction decisions, why should we be doing this?

(Mr. McCONNELL assumed the chair.)

Mr. WARNER. Mr. President, if the Senator will yield, we must repeat that we will add onto those costs up to perhaps 1 billion dollars' worth of improvements that have to be serviced by these same sources of revenue in order to make these airports comply with modern safety standards and to compete with BWI, which has absolutely first-class facilities and has had first-class facilities uninhibited from the first day it began to operate.

Also, I want to point out the fact that BWI uniquely serves two major Metropolitan Washington areas, that is the great city of Baltimore as well as the Nation's Capital and the greater metropolitan area.

It is hardly my view that Baltimore would look to Dulles-National as to transportation.

I see the distinguished Senator from Maryland [Mr. MATHIAS] is now in the Chamber.

We must not overlook the fact that Baltimore is a major source of revenue and traffic for BWI.

Mr. SARBANES. I would say to the Senator in response to that that Friendship did not have first-class facilities when it was acquired, as the senator said, from the very beginning. That was not the case. Maryland has made significant investments to bring it up to the higher standard. As I said, they paid, in 1972, for an airport that was not of first-class caliber, $36 million, and they have invested over $100 million that they invested, and, at today's prices, almost another $200 million.

As I said, the Grace Commission estimated a value for National and Dulles ranging between $292 million and $414 million. So this price tag of $47 million bears little relation to the real value of the two facilities.

I mentioned earlier the development value of this at least 2,000 acres of potential development property, very highly valued, being turned over, of course, to this authority, in a sense at no cost.

It was earlier argued that the land at Dulles would have to be used for airport purposes. But, as I indicated, airport purposes was defined to include nonaviation business or activities that returned revenue to the authority.

So it is not adequate to say, "Well, this land has to be used for the airport, for airport purposes."

It can, in fact, be used for nonairport purposes, in other words, real estate development, if the revenues are returned to the authority. So the authority could lease this land for development and use the resulting revenues to subsidize airport operations.

Let me develop how the disposition of these two airports at an unjustifiably low value would adversely affect the competitive situation.

First, it would allow the new authority to proceed without having to pay for the fair value of the property which it obtains.

I agree that these two airports need substantial improvement. However, I object to them being given an unfair advantage by receiving the Federal properties at this giveaway price, far less than anything approaching market value, far less than even what Maryland paid in 1972 adjusted to current dollars for Friendship.

Having obtained the facilities at a bargain price, the new authority would be free to keep landing fees and rental fees far below the industry norm.

In other words, given that advantage, because they are not operating with market forces, they can set landing fees and rental fees far below the industry norm. Should the Federal Government indirectly subsidize the new authority's fees by disposing of the airports at this ridiculously low price? That is, in effect, what will happen.

Mr. WARNER. Mr. President, will the Senator say what is the price he thinks should be charged?

Mr. SARBANES. Mr. President, that is a good question and I must say to the Senator I am not sure I fully know the answer. I know this price is far inadequate. I know that the Grace Commission says $341 million. I know the State of Maryland came in and said, "Look, we will pay twice what the authority is required to pay under this legislation, right up front." I know that the State of Maryland in current dollars paid just over $100 million for Friendship 14 years ago, a facility far inferior to the two facilities that we are talking about here.

Mr. WARNER. But I point out to the Senator the report of the Committee on Commerce of the U.S. Senate that went into this question, analyzed it, and I have to presume that the members of that committee, on both sides of the aisle—with a strong vote as the Senator well knows, 12 yeas and 4 nays—looked into this price. I cannot imagine that these Members of the U.S. Senate would have let such an extraordinary windfall occur as implied and, in some ways, indeed, represented by my distinguished colleague from Maryland.

Mr. SARBANES. I say to the Senator that I am not sure that the committee fully looked at this particular issue. I notice that the minority says in this report:

> BWI in Maryland is in keen competition with Washington Dulles and National. The State of Maryland has invested millions at BWI to develop airline service. With the Dole transfer to an Authority controlled by the State of Virginia, the State of Virginia would get two airports along with thousands of acres of prime real estate for virtually nothing. It would be able to use the revenues from National to subsidize fees at Dulles, allowing it to effectively draw traffic away from BWI. Maryland's inadequate representation on the new Authority would make the State helpless to stop such decisions.

The first thing you have is by transferring it at this unrealistically low price, it is unfair to the Federal Treasury and the Federal taxpayer and it does confer a strong competitive advantage because they gained this facility at little or no cost. It enables them, having obtained them at a bargain price, to keep landing fees and rental fees below the industry norm, which is a competitive advantage. It can also, of course, engage in real estate development since it gets it at virtually no cost, and would be able, then, to use these moneys to underwrite airport activities. So on this point, by disposing of National and Dulles Airports to this Virginia-chartered corporation at far, far less than fair market value, the Federal Government is conferring unfair advantage upon the owners of these facilities, to the detriment of a competitor—namely, Baltimore-Washington International Airport.

Let me move on to the next aspect of the legislation that is unfair. In addition to undervaluation, financial cross-subsidization of National and Dulles provides unfair competition. This allows them, in effect, to use the more profitable revenues at National to subsidize Dulles. Where BWI had to set fees to reflect the cost to operate the airport, Dulles could set fees artificially low because of the subsidy they are receiving from National revenues.

The standard practice in the country is that major airports are run as a separate business center and the fees at each airport are based on the cost of the operation of that airport. Why should Dulles be any different?

I think that it is clear that the Federal Government can reasonably obtain a better return on its investment and that the ability to allow a cross subsidy to flow from one to the other ought not to take place. They both violate fair competition, they both violate the principle that the Federal Government ought not, in a regional matter, to act in such a way as to place one State at a substantial competitive disadvantage with another State. I think that is a pretty important point.

I dare say that the Senator from Virginia, if the situation were reversed, if National were going to be put in with an authority with BWI and BWI could then draw the revenues from National to underwrite the charges at BWI as it competed with Dulles, would say "That is not fair; they ought to compete on their own, BWI and Dulles, not allow BWI to draw these benefits from National to provide a highly significant advantage."

Mr. WARNER. Mr. President, we continually talk in terms of—at least the Senator from Maryland does—two States. Let us not overlook the Nation's Capital, the District of Columbia. That is very much a party to this whole Authority. The distinguished mayor and members of the city council worked hard to effect this package for the Authority. Therefore, I urge my colleague, as we address the points under the bill, let us not overlook the fact that the Nation's Capital is very much involved and it is not simply a Maryland versus Virginia competitive struggle.

Mr. President, I wonder if my distinguished colleague would also allow me at this point to introduce the Baltimore Sun editorial or November 30, 1985, entitled "Soaring Business at BWI."

> The boom in business continues at Baltimore-Washington International Airport. But the explosive growth in passengers, air flights and freight could boomerang on state aviation officials unless there is a major expansion at the airport. Any enlargement of that magnitude, though, could set off a massive chorus of community complaints over noise and air polution issues.
>
> Last year, passenger growth at BWI neared 29 percent—to 6.7 million—and BWI's share of the regional market jumped to 27 percent. By New Year's Eve, the number of people arriving or departing from BWI in 1985 should reach 8.1 million—an increase of another 20 percent. The latest projections put BWI's passenger volume at 20 million two decades from now. The airport's present facilities were never designed to handle that kind of congestion.
>
> On top of that, BWI is one of the fastest-growing international gateways in the country, now ranking No. 14. Last year, its 478,000 international passengers exceeded the number going abroad by way of either Dulles or Philadelphia airports. And BWI's share of the Baltimore-Washington air-freight market has grown from 48 percent in 1979 to 59 percent. The airport's popularity is soaring.

I wonder if I am hearing the old cry "wolf, wolf."

Mr. SARBANES. I say to the Senator business is increasing at BWI and it is also increasing at Dulles. As I said, last year Dulles had a 47-percent increase in passenger usage, the highest in the country. I ask unanimous consent to include in the RECORD at this point the Sun editorial from last week sharply criticizing the proposal that is now before the Senate.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

> [From the Baltimore Sun, Mar. 21, 1986]
>
> FEDERAL FIRE SALE
>
> The Senate would be wise to heed the admonitions of Paul Sarbanes, D-Md., and forget about giving away National and Dulles airports for a ridiculously low price. Not only would this amount to a fire sale of valuble federal property, it could set off a new civil war between Virginia and Maryland. It is not the job of Congress to sanction deals that boost the fortunes of one state (Virginia) at the expense of another (Maryland).
>
> As proposed by the Reagan administration, both National and Dulles would be turned over to a regional authority heavily loaded with Virginians. The cost would be a mere $47 million, spread over 35 years. Yet annual profits at National exceed $17 million and the land around Dulles is worth an estimated $1.2 billion. What a steal!
>
> Such a low sale price would make it easy for the new authority to finance a major expansion of Dulles with its National profits and sell off the land around Dulles at below-market rates to lure business development away from Maryland. Meanwhile, safety and capacity restrictions at National would be eased, permitting even more dangerous overcrowding by noisy, oversized jets arriving and departing at all hours.
>
> All this would put Maryland's Baltimore-Washington International Airport at a competitive disadvantage. Congress would, in effect, be subsidizing Virginia's economic development efforts to Maryland's detriment—not to mention the taxpayer's detriment. The $47 million sale price is totally unrealistic; deficit-reduction efforts alone should dictate a price 10 times higher.
>
> Mr. Sarbanes has delayed Senate action by engaging in a filibuster, aided by Ernest Hollings, D-SC., and Larry Pressler, R-S.D., who see the bill as a giveway. Should he lose on a cloture vote today. Mr. Sarbanes will continue the fight to make this bill less odious. The Senate could start by raising the sale-price dramatically and making the authority a true regional body.
>
> Or better yet, the Senate could adopt the position we share with Charles Mathias. R-Md., (who, unfortunately is in Europe) for a single authority to run all three airports. This makes the most sense. Population growth in the Baltimore-Washington region is exploding and will increase by 3 million in the next two decades to a total of 8.7 million. Meeting air-transport needs will require intensive, coordinated planning by the three local airports. That can't be done if Congress strikes a sweetheart deal with Virginia.

Mr. SARBANES. So I say to the Senator the fact that business at the airports is on the increase ought to be welcomed by everybody, and the fact that that is the case is all the more reason why this authority ought to pay a reasonable price to acquire these facilities and why a cross-subsidy ought not to be permitted between the two airports. The competitive position is very different in terms of Washington National, which is virtually in downtown Washington, and the competitive position between Dulles and BWI.

Mr. WARNER. Mr. President, I say to my distinguished colleague that the Committee on Commerce, and the distinguished Senator from Kentucky [Mr. FORD], put in the provision. If that provision is of concern to the Senator, then let us turn to the bill and see what amendments he might have. The point is that the committee struggled with the very proposition, and indeed a Member from the Senator's side of the aisle put in an amendment to correct it. I presume, by virtue of the vote of 12 to 4 in the committee, the correction was satisfactory to those who had spent so much time on it.

Mr. SARBANES. With all due respect to the committee, I am not sure that they struggled at length with some of these issues. Just on that point, to move to a different area, I should like to note that the amendment on noise put forward by the Senator's colleague from Virginia was adopted by the committee 2 months later in a 4-minute meeting. And I said to his colleague the other day on the floor, it was my prediction that if this legislation ever should become law, the noise problem associated with the Trible amendment will come back to be a very large issue. So I do not accept the proposition that all the items we are now laying out here have been thoroughly explored.

The Sun editorial that I quoted refers to this whole thing as a "Federal fire sale." It points out that these two airports are being given away at a ridiculously low price. It goes on to say—and I think this is the broader point I was trying to make—"It is not the job of Congress to sanction deals that boost the fortunes of one State at the expense of another." I must say to the Senator I think if the situations were reversed, the arguments would be reversed.

It is regrettable in a sense we have reached this posture. I commented earlier about the Senator's efforts in terms of cooperation. I simply say—

and my distinguished colleague from Maryland is with us, and this is an issue near and dear to his heart—that the Senator from Virginia has been most effective in cooperating with us on problems involving the Chesapeake Bay, where, I am frank to say, I think the two States, joined with Pennsylvania and the District and the Federal Government, have established a cooperative relationship and framework that is unprecedented, and it did not simply happen. My very able colleague from Maryland has had a long interest in that issue, as has the Senator from Virginia, who is with us on the floor. That was a good example of cooperation, a good example of regional consensus and working together.

The fact is that the Holton Commission never really looked carefully at alternatives other than essentially the one that was followed here. Maryland had another proposition which the chairman actually did not even want to consider at the beginning of the deliberations. Eventually, he proceeded to do so. The proposition I think of putting the three airports in one authority was never fully explored. That might in fact have offered a different approach and a different opportunity. In fact, that has received some editorial endorsement in my State.

So I think what in effect happened here is, the commission, in a sense, had its marching orders from Secretary Dole, and she was anxious to get rid of these airports, perhaps for understandable reason. My colleague from South Carolina the other day said, and I quote from his minority report, "The best I could learn was the Secretary feels like the old woman who lived in the shoe; she has Conrail, airports, the Coast Guard, hijacking—so many problems, she doesn't know what to do." And then he went on to say that she was seeking an opportunity to get rid of the responsibilities.

Actually, Maryland accepted the premise of defederalizing the airports. The real question is, how do you do it and on what terms and conditions, and that is the case we have been trying to make on the floor. You have to do it, I think, on terms and conditions that are fair to the Federal Government and the Federal taxpayer with the budget and deficit problems which we have.

I think you have to do it in a way that one looks at it and says the competitive situation that is being set up here is a fair one as between the three regional airports. There are three regional airports. BWI is an important part of serving the metropolitan Washington region.

Mr. WARNER. Mr. President, I would have to say in fairness to the distinguished Secretary of Transportation, a very beautiful woman in her own right, as opposed to living in a shoe, having served on that commission and having met the Secretary on several occasions along with all the other commission members, at no time did she in any way try to exert overt influence, covert influence, or any other type of influence on that commission.

Mr. SARBANES. Overt-covert or covert-overt.

Mr. WARNER. That is correct. There was no Contadora process. There was nothing but openness and fairness. I attended all the hearings. They were in public and under scrutiny of the press and others. At no time did our distinguished Secretary of Transportation try in any way to influence the judgment of that bipartisan and independent group.

Mr. SARBANES. Well, it was in terms of reference, I say to the Senator. The question first of all was not whether they should be transferred. The premise was that they would be transferred, and it was also in effect assumed that they would be transferred to a single authority.

The Maryland proposition, of course, was to transfer National to an authority in which the jurisdictions would share. The Senator is obviously correct to point out that the District of Columbia has an important interest in this; and as yet, of course, the District of Columbia does not have someone in the Senate directly to speak for the District. The District of Columbia has an important interest in this as well; and, as I pointed out the other day with respect to the noise question, they really were being dealt with here in a way that they would not be able to address the problem.

My point is that those other possibilities which might have formed the basis for a regional consensus were never explored adequately. We went this route. We got an asymmetrical authority in terms of representation on it.

There are provisions here which are unfair in terms of the financial competitive position, and it seems to me that a situation that might have been worked out in a way that there was a regional consensus has not been.

Mr. WARNER. Mr. President, at the moment, I am searching for the full membership of the commission. I ask unanimous consent that at an appropriate place in the record of this colloquy with my distinguished colleague from Maryland, I be permitted to put in the RECORD the full membership of the commission. Having served on it, I remember most of the members, but there are two whose names and titles I want to make certain of.

The PRESIDING OFFICER. Without objection, it is so ordered.

(Subsequently Mr. WARNER submitted the following statement for the RECORD:)

The members of the Advisory Commission on the Reorganization of the Metropolitan Washington Airports are as follows:

Honorable A. Linwood Holton, Jr., Honorable Harry Hughes, Honorable Charles S. Robb, Honorable Marion Barry, Jr., Honorable John W. Warner, Honorable Paul S. Sarbanes, Honorable Frank Wolf, Honorable Steny H. Hoyer, Paul Ignatius, Duane H. Ekedahl, John H. Winant, Honorable Scott Fosler, Honorable Betty Ann Kane, Honorable Martha Pennino, and William J. Ronan.

Mr. SARBANES. Mr. President, let me underscore to the Senator the Holton Commission charter:

> The charter establishing the Advisory Commission on the Reorganization of the Metropolitan Washington Airports (the "Commission") directed the Commission to "develop a comprehensive proposal for the transfer of the Metropolitan Washington Airports to an appropriate state, local, or interstate governmental body * * *.

That was in the Federal Register on July 10, 1984.

Mr. WARNER. The Senator is correct.

Mr. SARBANES. At the initial public session of the Commission on the July 25, this charter language was given a strict construction by the Commission chair, former Governor of Virginia, Linwood Holton, a very able individual, I must say. He said:

> I would like to emphasize as part of my remarks the very narrow charter that this Commission has. [T]his Commission is charged with making a recommendation to carry out a decision that Secretary Dole has made. That decision is that the airports will be transferred from the FAA jurisdiction to the jurisdiction of a local, regional, or state governmental entity.

At the second session of the commission in August, several Maryland members and some D.C. members conceptually explored alternate organization schemes, focusing on the bifurcation of National and Dulles. At the time, they were rejected as being procedurally outside the scope of the commission's charter and financially unworkable.

Later, Governor Holton's strict construction was given a more elastic interpretation, and he then said:

> * * * The Chair may be . . . giving you a little bit too much leeway to start talking about splitting (National and Dulles) but I think it's closely enough related to what we're talking about . . . It's not the principal consideration of this Commission to divide these two airports because that's not going to be done.

So there is that proposal sort of set aside.

As I said to the Senator, in my own view, the proposal of putting all three airports into one regional authority was never really on the agenda of this commission, either, because the commission's charge from the Secretary of Transportation, the narrow charge, was that the two airports would be transferred from the FAA jurisdiction to the jurisdiction of a local, regional, or State governmental entity.

So you have two other possibilities that, in a sense, were set aside, and we went down this path with all the problems that I think are inherent in it.

Mr. WARNER. I say to my distinguished colleague that he is accurate, as he has been throughout most of this debate, in his description of the charter and the directions of the chairman, the distinguished former Governor of Virginia.

I also point out to my good friend that the Commission exercised its own opinion freely and could well have rejected the charter by the Secretary and sent back a report that, in the judgment of the Commission, it was unfeasible within the framework to come up with a workable plan. But it elected not to send such a report back to the Secretary. On the contrary, the report was on the feasibility of the plan, which plan was developed through a series of careful hearings by a committee of the U.S. Senate.

Mr. President, I note the presence on the floor of our distinguished senior Senator from Maryland, and at this time it is my privilege to yield the floor to our colleague.

Mr. MATHIAS. Mr. President, I thank the distinguished Senator from Virginia. I take it that he anticipates some of the things I will say, so it is with great credit to his courtesy that he is willing to let me say them at this time.

A moment ago, there was some discussion about what is the fair price and the real price of the facilities that are about to be alienated if the Senate should agree. My colleague from Maryland, I think, gave a very succinct analysis of that, and I should like to associate myself with his remarks in that respect.

As he pointed out, the Grace Commission found the properties to be worth $341 million, and even that seems to be a rather low estimate, given the marked interest in these properties. There was another figure that can be thrown into the hopper. That is the figure which is determined by the accounting method that has been employed by the administration, which is known as hypothetical indebtedness. I would hate to have to explain the operation of hypothetical indebtedness to the Senate. At any rate, those who claim to understand it have arrived at a figure of $108 million as the fair market value that they would assign to this property.

So, whether you are talking about the billion dollars which the Rothschild firm has suggested, or whether you are talking about the $341 million as the Grace Commission has suggested, or whether you are talking about $108 million as arrived at by the hypothetical indebtedness method, under any circumstances it is a great deal more than $47 million.

It seems to me that at some point during these proceedings, the Senate will have to look at the pricetag; because, after all, we are dealing with the sale of property belonging to the people of the United States and held in trust for the people of the United States by the U.S. Government.

Above and beyond all that, which is a serious consideration, there is the simple proposition which President Reagan has been reminding the country of so often, and that is the fact that we need the money. If we need the money—and there is no doubt that anybody who has dealt with the budget would not question that we need the money—we should get at least a fair market value for this property and not a small percentage of that market value.

The distinguished Senator from Virginia said that this proposal has been approved by the commission which was led by former Governor Holton of Virginia, as being feasible and, of course, the Senator from Virginia is exactly right. That is judged to be feasible by this commission.

But the question really is not one of feasibility. The question is whether this action is in the public interest. It is not merely a question of whether it can be done. It is a question of whether it is in the public interest.

There are a great many things that can be done which perhaps should not be done, and this may be one of them.

The conclusion that I have reached after grappling with the thorny aspects of this legislation for more than a year is that it is not in the public interest. I think the test of that conclusion is to ask how it could be in the public interest when 1 of the 3 airports that serves the Washington metropolitan area has been excluded from the plan.

When we ask the question is it in the public interest, then, of course, it raises the question of what public are we talking about. In this case, the public is a very complex and extended one. It includes the population of the huge Chesapeake-Potomac megapolis, extending from Richmond all the way to the Mason-Dixon Line, westward to the Appalachian Mountains, and as the Senator from Virginia has just suggested, it includes those Americans who come to their National Capital, who come from all across the country, some for sightseeing, some for education, some for business. This group merits the special attention of Congress because this is national in character and it includes those international travelers who come to the capital of the free world and who are important to us as an element of international commerce and as links with other peoples around the world. So this is the public in whose interest we must work and for whose interest we must be vigilant.

Three private, busy airports, Washington National, Dulles International, and Baltimore-Washington International, serve this complex public. And what we really need is to have harmony and cooperation among the airports so that they can better serve this local, national, and international constituency.

Under the current arrangement, BWI stands apart from the other two airports because it is operated by the State of Maryland, while National and Dulles are operated by the Federal Government.

Unfortunately, the bill which is before the Senate codifies the isolation of BWI and gives Dulles an unfair competitive advantage over BWI, as was explained to the Senate so clearly and lucidly by my distinguished colleage, the Senator from Maryland [Mr. SARBANES].

Instead of encouraging coordination of service among the three airports, it threatens to promote a disquieting discord.

I think it should be recognized that there is nothing wrong with the general concept of a regional authority. There is nothing wrong with thinking about ways to put airports within a regional authority. Perhaps the time has come to work on some such plan.

But the only way to accomplish this goal of divesting the Federal Government of two airports and at the same time to ensure a balanced air transport system in the Washington metropolitan area is to include all three airports under one general kind of proposition. The plan before the Senate clearly does not do that.

It goes without saying that the public should have the safest and most convenient air travel system that can be devised. Flight schedules at the three airports should be complementary. The competition, and I am not suggesting that there should not be some competition, because competition is very vital in the development of the most economical and efficient system, but the competition should be between the air carriers and not between airports.

Bringing the three airports into this kind of cooperative relationship would, it seems to me, serve the public interest.

The organizational framework and the philosophy that created the Port Authority of New York and New Jersey provides a useful and instructive model for the Baltimore-Washington region for the operation of its three airports. The Holton Commission recognizes the virtue of this regional approach. It took testimony from officials representing New York and New Jersey, testimony with respect to the history of the operation of the authority, testimony that was important, I think, in the delibera-

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tions of the Holton Commission over a year ago.

After World War II, New York and New Jersey, which were compelled by growth of air traffic to respond to the growing importance of aviation, both to their local economies and national and international economies, placed responsibility for the region's three airports in the hands of the New York Port Authority. As Senators from New York and New Jersey can relate better than I, the Authority essentially took over the control, operation, and development of LaGuardia and Newark Airport and of what is known as John F. Kennedy International Airport.

In doing so, the port authority introduced cooperation where there had been competition among the airports and coordination where there had been disjointed, ad hoc decisions.

As a result, that region boasts of having one of the most efficient air transportation systems today, serving the traveling and shipping public with extraordinary efficiency.

In the same manner, we must continue to look for ways to foster cooperation among the three Washington airports.

The Committee on Commerce, Science, and Transportation, during its deliberations on the bill, made a good faith attempt to address the equity problems within the context of the legislation. There were amendments that were advanced by the distinguished Senator from Kentucky [Mr. FORD], and the distinguished Senator from Hawaii [Mr. INOUYE], amendments that were accepted by the committee, which had the effect of diminishing to some degree the competitive advantage afforded to Dulles International over Baltimore-Washington International. But these refinements, while taking some of the tilt out of the table, still fell short of correcting the inherent inequity in the bill, as my distinguished colleague from Maryland just pointed out.

The answer, Mr. President, I am afraid, is not to be found in the legislation now pending in the Senate. The solution rests with a regional authority that includes all three airports.

One of the changes made by the Commerce Committee would allow Baltimore-Washington International to enter the authority at some later date. But the legislation is rigidly constructed to provide specifically for the transfer of only Dulles and National. So a tripartite authority is, therefore, in practical terms beyond the scope of this legislation.

For this concept to become a reality, Virginia, Maryland, and the District of Columbia would have to go back to the drawing board and negotiate and frame a new cooperative relationship.

I personally hope that somewhere down the runway this solution will take off and fully, but, Mr. President, the bill before us today should not be allowed to leave the gate.

Mr. SARBANES. Will the Senator yield?

Mr. MATHIAS. I am happy to yield.

Mr. SARBANES. I want to thank my colleague for a very thoughtful and persuasive statement. One of the reasons, I must say, that I felt compelled to discuss the motion to proceed before we even get to the bill is the point that the Senator outlined that a solution does not lie within this legislative framework. There may, in fact, be a solution there that would be acceptable in terms of a regional consensus, that would really offer the path for providing absolutely first-class coordinated service to this broad regional area, and my colleague from Maryland has suggested one such approach.

It seems to me that if the Senate could indicate we think this issue should be revisited with an effort in effect to achieve this regional consensus and achieve an arrangement that really is going to meet the air travel needs of the entire region in a balanced and sensible way, that that in itself would be an achievement without moving forward on this legislation. That would be an achievement. It would take some hard work. A lot of people would have gone back—I do not think you have to go back to the "drawing board." A lot of that has been done and a lot of the basic materials are there. But it would offer the opportunity to work something out which, over time, I think would be seen as fair, as equitable, and as really providing the framework for addressing what I am prepared to concede is an air travel problem. Improvements are needed at these facilities. Coordination is needed. A certain degree of fair competition is beneficial. But I do not think that is present in this legislation and I do not see how you achieve it within the framework of what we are confronted with here.

Mr. MATHIAS. I think the Senator is exactly right. It seems to me that there is a special importance to be right about this decision, which is driven by the projections of the growth of airline traffic in the next few years.

I am astounded when I look at the projections of growth of airline traffic. The number of Americans who are expected to travel by air, the percentage growth and the absolute growth, are astounding, which puts the whole importance of this subject in a different dimension. Air travel is obviously important today. Air travel to the National Capital area is of obvious importance today.

But when you consider that it may be 100 percent larger within a relatively few years, then it puts a different dimension on this whole problem. It increases the importance of figures, it increases the dollar values, it increases the cost values. The whole thing becomes magnified. And that is really the kind of magnifying glass we have to look through, because these are very firm projections of growth in air travel in this country. And that means that if we make a mistake at this time, it is going to be twice as big a mistake as we think it is.

So, I urge that the kind of caution that has been called for by the Senator from Maryland would become the guiding principle of the Senate in proceeding in this matter, and that we take the time to rework the ground, and come up with a decision that can be generally agreed, because we are dealing here with a very serious subject.

Mr. WARNER. Mr. President, I respect my colleague's viewpoints on this issue, the senior Senator from Maryland, as I do those of the junior Senator. And at this time I should point out that, with the presence of the three of us on the floor, we have worked many, many times on different projects relating to our States and it is indeed that we have what I hope is a temporary misfortune that at the present time we have not as yet been able to reconcile our viewpoints and objectives to this piece of legislation.

Mr. MATHIAS. If the Senator will yield, let me say that I am sure that this is no more than a passing cloud floating over the Sun.

Mr. WARNER. But let us make certain that, when the cloud does pass and the Sun shines again, Dulles and National Airports will be given the opportunity to grow and flourish in an uninhibited way, as does BWI.

I do want to say—and I think the junior Senator from Maryland would agree—that the leadership which our distinguished senior colleague from Maryland has provided on these many issues through the years will be sorely missed when he takes his well-deserved and tough decision for all of us to accept and no longer will be with us here in the U.S. Senate. He has been a friend of the greatest consequence to me.

Mr. SARBANES. I say to the Senator, I do agree with his sentiments; very much so.

Mr. WARNER. From the very first day I have been in the Senate, it has been a privilege to serve with him. On many occasions he has helped me with my Senate career in a broad way and I wish to acknowledge that.

But back to the battle.

I would like to explain the actions that were taken by the Commerce Committee that respond to the State of Maryland's claim that S. 1017 would put the Baltimore-Washington International Airport at a competitive disadvantage.

The committee has made certain—that is the committee of the U.S. Senate, not the Holton Commission—has made certain that there will be the "level playing field" for future competition among the airports that all parties seek. Senator FORD, as has been mentioned several times in the colloquy today, undertook the task of assuring this. The resulting committee action resulted in several beneficial additions to the bill.

It is important to point out first that the Holton Commission did not recommend any particular protection for Maryland in the bill—even though the Governor was a member of the Holton Commission, as was a Member of Congress from the great State of Maryland—because Maryland was represented on the commission, will be represented on the new Authority, and chose to go it alone rather than join in the new entity on a fully regional basis with all three airports a part of one single authority. This could well be because there is widespread agreement that the explosive growth in the Baltimore-Washington area will easily support the future plans of all three airports. Furthermore, the patterns of reliance on the various airports suggest that BWI only relies on District of Columbia and Virginia for 12 percent of its traffic and the total Washington area for only 21.4 percent. Thus, it seems to have a large market of its own in the Baltimore area and the Maryland suburbs of the District of Columbia, a market that has indicated it prefers BWI to the other airports.

Senator FORD's amendments add several assurances to the bill for Maryland's benefit. First, the Comptroller General will review the determination of what "hypothetical indebtedness" remains outstanding and due the U.S. Treasury upon transfer. This ensures that fair compensation, generally projected to be about $47 million at transfer, will be paid by the new Authority as lease payments. Second, property at Dulles that has been set aside for future runways or as a perimeter noise buffer must be used only for airport purposes, and specifically cannot be used for commercial building development that would subsidize lower than justified landing fees. Third, a financial barrier is created between National and Dulles operations such that facility fees imposed at the popular National Airport cannot be misused to subsidize development at Dulles. Fourth, the importance of BWI Airport to the region is acknowledged in the bill and it is made explicit that BWI may join the new Authority in the future on any terms mutually agreeable to the parties involved.

Taken together, Senator FORD's amendment is a valuable contribution to strenghtening the bill and providing for special concerns of the citizens of the great State of Maryland, and taken together, Senator FORD's amendments to the bill will ensure that the transfer of the two airports from Federal control will not provide any opportunity to take unfair advantage of traffic growth throughout the region.

In sum, the Commerce Committee and in particular Senators FORD and INOUYE have acted to fully assure that the three major airports in the region are evenhandedly treated by S. 1017 and can compete fairly for the substantial traffic growth generated throughout the region in upcoming years.

Mr. SARBANES. Mr. President, in response to the Senator, I simply associate myself with the remarks of my colleague from Maryland who said that those changes improve the tilt of the table somewhat but they did not correct the basic problem with this legislation. Those we have tried to outline at great length. On careful examination, while they seem to create a separation, there are enough ways to go around the separation that they in fact can be completely done in. That is particularly the case with the financial cross-subsidy which the Senator, and I discussed at some length earlier with the extensive quotations from the legislation itself.

I want to observe that there is this very basic point; that is, that the Federal Government should not act in a way as between the States so that one State significantly disadvantages the other and at the expense of the other. I think that should be a governing principle in the operation of the Federal system. Unfortunately, this legislation positioned as it is before us does in fact do that. It is in part for that reason that I have spoken so strongly against it, and hope that the Senate will reach the judgment that it ought not to take up the matter, and ought to allow the interested parties then to go back to work to develop an approach, framework, and financial arrangements and so forth that will be supported by a regional consensus that will address the real problems that exist with air traffic in the Washington region, and the problems of upgrading and modernizing the facilities, and providing absolute first-class air service, but will do it in a way that is fair, equitable, and has the strong support of all the interested parties in the region.

Mr. MATHIAS. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER (Mr. HATFIELD). The clerk will call the roll.

The bill clerk proceeded to call the roll.

Mr. PROXMIRE. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. PROXMIRE. Mr. President, I understand that the Pastore rule providing for germane speeches has expired. Is that correct?

The PRESIDING OFFICER. The Senator is correct.

Mr. PROXMIRE. Mr. President, I have a speech I would like to deliver on the proposed military assistance to the Contras in Nicaragua.

THE CASE FOR AND AGAINST MILITARY ASSISTANCE TO THE CONTRAS IN NICARAGUA

Mr. PROXMIRE. Mr. President, what is the case for and against providing military assistance to the so-called Contras on the assumption that American assistance will enable the Contras to force the Nicaraguan Government to do one or more of the following:

First. Ease up on the repression of the church, the press and the Ortega government's all-out hostility to America and the government's support of Cuba and the Soviet Union.

Second. Call new elections that would permit opposition parties to have some representation in the government.

Third. Negotiate first with the Contras and then with other Central American governments and eventually the American Government to agree not to export their pro-Russian communism to other Central American countries and to stop their "revolution without boundaries" policy.

Fourth. Stop the spread of communism at its inception before it engulfs other countries and becomes a threat to the security of the United States.

Fifth. Overthrow the Sandinista Communist government of Daniel Ortega and install a "free democracy" in Nicaragua.

Here is the case against such aid:

First. The so-called Contras are losers. They have been in the field fighting the Ortega government for 5 years. They have made no progress. One hundred million dollars or $500 million or more would not give the Contras the strength they need to overthrow the Sandinistas.

Second. The Contras have actually lost, not won, the support of the people of Nicaragua or any significant group in Nicaragua during their revolution. So the Contras will continue to lose. What is worse they will raise the level of violence; the killing will certainly increase. U.S. guns and ammunition will take thousands of additional lives.

Third. There is no evidence that the Contras represent any real democratic force in Nicaragua. The Contras have engaged in roughly the same amount and the same degree of torture, terrorism and atrocities as the Sandinistas. If the Contras should take control of Nicaragua, the repression would in all likelihood go on. The free press would

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continue to be suppressed. There would continue to be little or no dissent.

Fourth. Whatever gain the United States might make in Nicaragua as a result of the overthrow of pro-Communist, anti-United States Ortego government would be lost because of the resentment against "Yankee imperialism" and the alleged United States bullying tactics in Nicaragua.

Fifth. If our $100 million of aid is not enough, we will certainly be called on to put in more. Major military aid will require American advisers. Those advisers will need protection. That means American troops. The American troops will find they cannot succeed by relying on the Contras to fight as proxies. That will require American soldiers, sailors, marines, and airmen to fight and die.

Sixth. United States military forces, if they are numerous enough, undoubtedly can prevail in Nicaragua. We can have overwhelming command of the sea and the air in Central America. We can certainly land a force in Nicaragua—in our back yard—that can throw out the Ortega government and install a pro-American government at the point of a bayonet. But would it be worth it? To do so would stir up the deepest kind of resentment in Nicaragua and throughout Central America for many years to come.

Seventh. The resentment would not be confined to Nicaragua. It would spread through El Salvador, Costa Rica, Honduras, Panama, Mexico, and into South America. With few significant exceptions, the pro-American and anti-Communist democracies in Central and South America opposes our military entry into Nicaragua or our providing military weapons against the Sandinistas in Nicaragua.

We ought to ask ourselves, why do our friends oppose the Reagan proposal? Because they know the adverse long-term reaction of Central and South Americans to these strong-arm tactics by this colossus of the north. They know that, in the long run, the Communist movements in these democracies will gain from United States intervention in Nicaragua.

So who's right? We have to consider what is at stake here. The issue is: Will Central and South America be more likely to support the United States and democratic government rather than communism within their borders if the United States provides military assistance to the Contras in Nicaragua or if it first accepts the advice of our democratic friends in Central and South America and presses for negotiations with the Ortega government? The answer is simple. This country has a long record in Central and South America.

It is a record that has followed two distinctly different courses. One is the so-called good-neighbor policy of Franklin Roosevelt that was given its brightest meaning by the Peace Corps policy that the United States has pursued since the administration of John Kennedy. Here were the policies that succeeded.

The other is the "send-in-the-marines" policy that characterized this Nation's Central American program in the early part of this century. These were the American policies that failed.

In the long run, over the next century or so, there is no question which policy will best serve the interest of this Nation. We will certainly foster democracy and freedom far better in South and Central America by listening to our friends and allies in this hemisphere who ask for negotiations that we will by sending in the planes and tanks, the torpedoes and bombs, or the Marines.

Mr. President, I yield the floor.

I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. WARNER. Mr. President, I ask unanimous consent the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

FAIR HOUSING MONTH

Mr. MATHIAS. Mr. President, April is the 18th anniversary of the enactment of the Fair Housing Act—title VIII of the Civil Rights Act of 1968.

The Fair Housing Act marked the beginning of our Government's role in assuring that all Americans have the opportunity to live in the community of their choice regardless of their race, color, religion, sex, or national origin. Enacted a week after the assassination of Dr. Martin Luther King, Jr., this act reflects our deep and abiding commitment to basic human rights.

This past January, we joined together in celebrating the birthday and the achievements of Dr. King. But in April, we mourn this great leader's death and reflect upon our own failure to realize his dream.

Unfortunately, the protections of the Fair Housing Act are less than meet the eye. It broadly outlaws discrimination, but it lacks a workable enforcement mechanism to provide swift justice for individual housing discrimination complaints. The Fair Housing Act amendments (S. 2040), which I have introduced with a bipartisan group of cosponsors, will create such a mechanism to remedy the estimated 2 million acts of racial housing discrimination which occur each year, as well as uncounted instances of discrimination against the disabled and against families with children.

Some people think that enacting the "April is Fair Housing Month" resolution (S.J. Res. 303) and embarking on a public relations campaign with posters and leaflets will solve the problem of housing discrimination. The Department of Housing and Urban Development, in promoting Fair Housing Month, has stated:

> If each and every American made a personal commitment to justice and fairness, then the issue would no longer exist.

History teaches us to be skeptical of this claim. Similar reasoning lay behind the signing of the Kellogg-Briand Pact of 1928, which proclaimed the desire of the United States and the other major powers to end all wars. These nations signed their names to a document in which they agreed not to wage war against each other. Shortly thereafter, the seeds of World War II were germinating.

By itself, Fair Housing Month is about as effective in preventing housing discrimination as the Kellogg-Briand Pact was in preventing World War II. More realistic measures are needed to accomplish noble ends. The private marketplace, voluntarism, and public relations initiatives will not suffice to guarantee equal access to housing for all citizens. Nor can we rely only on the Fair Housing Act as it is currently written. We have tried all these methods during the past 18 years and, still, housing discrimination on a widespread basis persists.

The Fair Housing Act needs sweeter carrots and sharper sticks to back up HUD's gentle words of moral suasion. The Government should be given cease-and-desist authority to hold a housing unit off the market while conciliation efforts are made. The time period in which a person may file a complaint of housing discrimination with HUD or a certified State or local agency needs expansion. Penalties for violations of the fair housing law must be strengthened. Disabled persons and families with children need protection against discrimination. And we need a fair, speedy, and inexpensive enforcement process which does not further swamp our courts.

Recognizing April as Fair Housing Month will be an impetus for the Congress to act on these needed reforms. "April is the cruelest month," wrote T.S. Eliot almost a half century ago. It is the month when the desires and hopes stirred by the promise of spring mock those who cannot share in the regeneration of life and spirit. Fair Housing Month is a painful reminder that Dr. King, who inspired so much hope, was killed in April.

It would be a shame to enact this Fair Housing Month resolution without also providing the tools to translate its lofty sentiments into real progress and real justice. Let us dedicate ourselves to the task of ensuring that this resolution is not a false, mocking promise, but a true harbinger of good to come. Let this resolution affirm our commitment to see that 1986 is remembered as the year that we in Congress strengthened the Fair Housing Act for the benefit of all Americans.

KENTUCKY'S BASKETBALL TRADITION

Mr. FORD. Mr. President, I wish to express pride in the fact that Kentucky's winning basketball tradition is clearly alive today.

Both the University of Kentucky Wildcats and the University of Louisville Cardinals were in the final eight of the National Collegiate Athletic Association Tournament. This week Louisville will play in the final four for the third time in 5 years. They won the championship in 1980, led by guard Darrell Griffith.

Western Kentucky University's Hilltoppers, coached by Clem Haskins, this year made their sixth NCAA tournament appearance since 1971. During that 1971 tournament they defeated UK in the mideast region. This year's NCAA tournament game was the first time the two teams had met since then, with University of Kentucky turning the tables to defeat Western Kentucky University in the southeast region. Still, Western's 23-7 season cannot go unhearalded.

While the Hilltoppers were eliminated from the NCAA tournament, Western Kentucky University's womens' team, the Lady Toppers, is the only team from last year's final four to win that honor again this year. The Western Kentucky University women had an impressive 32-3 season.

Kentuckians love their basketball.

University of Kentucky fans were disappointed by the loss to the Louisiana State University team of Dale Brown on Saturday. However, the exceptional season was a pleasant surprise to all. Coach Eddie Sutton, in his first year, won the hearts and minds of both fans and players alike. With his coaching ability and the God-given talent of Kenny Walker, Kentucky was the champion of the Southeastern Conference with a 32-4 season. This was UK's 31st NCAA tournament appearance.

This is the sixth time that University of Louisville Coach Denny Crum has led his Cardinals to the national semifinals. Coach Crum first took the Cardinals to the final four in 1972 during his first year as head coach there. During his 15 years as University of Louisville's coach, all but one of his players has been on an NCAA final four team. Chances are good that the Cardinals will win it all again this year.

The spirit and enthusiasm generated by Kentucky's basketball teams spills over into other areas of our lives. For that we are both grateful and proud. Mr. President, I want to compliment these coaches and players. And I challenge them to continue to strive for excellence, both on and off the court.

A TRIBUTE TO JUDGE REG ALBRITTON

Mr. HEFLIN. Mr. President, I rise today to pay tribute to Judge Reg Albritton, who for 37 years, has done a tremendous job serving the people of Wilcox County.

An indication of the judge's success is evident in his popularity. He is now in his second term as the probate judge, but his public service began when he was 26 and was elected town councilman of Camden, AL. Later, after serving in that capacity for 16 years, he was elected both mayor and sheriff for two terms each. Thus, the judge has great experience in dealing with the problems that come before him. He also believes that it is important to maintain a close rapport with those who elected him.

Judge Albritton is from a family that has provided leadership to Wilcox County for some time. His father, grandfather, great-grandfather, and his great-great-grandfather all served as sheriff. And both his father and his uncle served as probate judges.

The judge has continued this great leadership especially in his present office, the office of probate judge. It is one of the most important positions I know of because it directly affects the lives of so many people. The probate judge of a county settles disputes, questions, conflicts, and organizes affairs on a daily basis. Judge Albritton has demonstrated his great abilities. Throughout his public service, he has provided a great example while enhancing the conditions of those he has served.

Mr. President, an article recently appeared in the Mobile Press that recognizes the efforts of Judge Albritton. I ask unanimous consent that it be printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

WILCOX COUNTY JUDGE IN 37TH YEAR AS PUBLIC SERVANT

(By Sharron McClure)

CAMDEN, AL.—Wilcox County Probate Judge Reg Albritton will probably be recorded in history as "a born politician."

Now in his second term as probable judge, Albritton also enters his 37th year as a public servant to the people of Wilcox County.

"Born politician" or not, Albritton's family influence was a major factor in his decision to enter public service.

In the early 1930s, his grandfather, George Lee Albritton, served as sheriff of Wilcox County and was followed by his son, Felix "Reg" Albritton. In 1940, Albritton's father was elected probate judge, but served only one year before he was killed in an automobile accident.

Then, there was his Uncle Clifford Albritton who served as probate judge, and both his great-great-grandfather and his great-grandfather who served as sheriff.

Albritton's first political venture began at the age of 26 when he was elected Camden town councilman. He served as councilman for 16 years before he was elected mayor, and was mayor for two terms.

His next bid for public office was for sheriff, when he ran against Lummie Jenkins. Jenkins had been sheriff for 30 years.

"Lummie was a close family friend" said Albritton. "He had decided not to run again and I signed up for the office. Some of Lummie's friends talked him into running at the last minute. I didn't like the idea of campaigning against a good friend but I had already committed myself to run. A few days after the election, Lummie came by to congratulate me as the new sheriff and told me I had done him a great favor by winning the race."

Albritton said Jenkins left big shoes to fill.

"But I had been close to Lummie for many years and had observed some of his techniques. I just continued on in his ways, adding a few of my own as time went on in my two terms as sheriff," said Albritton.

But life as a sheriff was not the answer to Albritton's ultimate goal on the political ladder. He aspired to be probate judge.

To reach the post for which he aimed, Albritton ran against another Wilcox County legend, Roland Cooper.

Albritton said, "Campaigning for public office is something everyone ought to experience. House-to-house campaigning is a Southern custom. In a large city you can't go from door to door. But in the country, you do."

"If you miss one person, you've got to go back and see him. If the other candidate was lucky enough to see him and you didn't, they'd vote for the other candidate."

Albritton said he loves his job as probate judge, although there are some aspects of the job, like insanity hearings, which are distasteful. But, as he puts it, "no two days are the same."

"You can pin our responsibilities down by calling our office, the recorder of the county," said Albritton. "Of course, we do many other things but the largest part of our job is recording such things as deeds, wills and mortgages. We also are the licensing department for the state conservation department, drivers license, store license and marriage license."

Even though Wilcox County is relatively small, with an estimated population of 14,500 residents, it is not exempt from unusual occurrences. Albritton recalled one of the most bizarre incidents in the probate office:

"About a year ago a couple came into the probate office to get married. From the moment they walked in we thought something wasn't right. After a few questions we learned they were both women. Surprised, I asked for their blood tests and they said they did not have them. I informed them they would have to have blood tests before I could marry them. Fortunately, they never returned. If they had come back I had decided I would not marry them. Legally, by Alabama law, two women can be married, but not by me. I'm not a very religious person, but it would have been against my religion to marry those two women. We just don't do things like that in Wilcox County."

Albritton, a native of Greensboro, moved to Camden when he was 11 years old. He is a graduate of Wilcox County High School and went to Auburn University for two

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years as a student in aeronautical engineering. He served three and a half years in the Air Corps before he went to work for the federal government at Craig Air Force Base in Selma as an aircraft rescue firefighter.

He served as a firefighter for two years before he decided to go back home to Camden.

"There weren't many jobs in Camden and certainly nothing for someone trained in engineering, so I bought me some cows and went into the cow business."

After he got his cattle business going he went to work with the state on the Veterans Training Board. He worked with the state out of its Camden office for 13 years.

Albritton married his wife, Peggy, in 1949. They have four children: Reg Jr. of Tampa, Fla., Peggy Terry of Camden, Bill of Camden and Dollie, a student at Judson College.

During his administration as mayor of Camden, Albritton played an important role in securing municipal bonds for the construction of MacMillan Bloedel, Inc., a wood plant which is the largest employer in the area. According to Albritton, in 1965 the Camden Industrial Board issued a $75 million bond issue to MacMillan Bloedel, Inc. to finance its plant near Camden. At the time, it was the largest bond issue ever to have been issued by any municipality, including New York City.

Albritton said there have been a lot of changes in Wilcox County in the last 30 years and he was proud to have been a part of the change.

"I feel if I decide to run again for re-election, I would win because I am a public servant to all the people of the county, not just a select few, and the people of Wilcox County know this," said Albritton.

Albritton is an avid sports fan, and particularly likes ball sports.

"I was born and bred on Alabama football but for some reason, I decided to go to Auburn," he said. He also likes boating and fishing and says surf fishing is his favorite.

A TRIBUTE TO DR. JOSEPH B. MORTON

Mr. HEFLIN. Mr. President, I rise today to recognize the outstanding efforts and accomplishments of Sylacauga City Schools Superintendent Joseph B. Morton. Superintendent Morton was recently chosen by the Executive Educator magazine as one of 100 outstanding school managers in North America. Additionally, two Sylacauga schools, East Highland Middle and Sylacauga High, were selected by the U.S. Department of Education as two of our Nation's model schools.

In the 8 years that he has been superintendent, Morton has helped to foster a great sense of pride in the Sylacauga community for the school system. In this way, he has insured that education is placed in its proper place, and that it receives its rightful recognition. The only way to guarantee that all doors and avenues are open to our children is to provide them with a sound education. In this way, they will know no bounds. They will not be limited.

Additionally, by working to capitalize on academic achievements, Morton's 141 high school seniors earned $293,000 worth of college scholarships in 1985—an average of over $2,000 per person. In this time of escalating tuitions, Joseph Morton has helped to secure a valuable commodity for his students, a college education. I commend the successes of Superintendent Morton in providing our young men and women with an outstanding education. Because of his contributions, the futures of our communities, our State, and our Nation will be in good hands.

I have personal knowledge of the success of his school system. I spoke to a teacher institute and held a high school town meeting at Sylacauga High School.

Mr. President, I ask unanimous consent that both an article from the Birmingham News and the article entitled "Meet the Big Stars of Little School Systems" which appeared in the February 1986 issue of the Executive Educator be printed in the RECORD.

There being no objection, the articles were ordered to be printed in the RECORD, as follows:

[From the Birmingham News]

MAGAZINE REPORT HAILS SYLACAUGA SCHOOLS CHIEF

Sylacauga City Schools Superintendent Joseph B. Morton is one of 100 outstanding school managers in North America, according to The Executive Educator, a magazine for school professionals.

The 39-year-old Morton is cited this month in the Executive Educator 100, a blue-ribbon listing for school management similar to the Fortune 500 or the Forbes 400 for business and industry, according to the magazine's editor.

Morton could not be reached for comment.

This year's 100 educators are recognized for "excellent leadership of school systems with enrollments of 2,500 or fewer." Morton, a Jefferson County native, was chosen by an independent panel of 11 nationally-recognized experts on school administration, said Gregg W. Downey, the editor.

The story in Executive Educator says Morton has "encouraged students and staff members to set higher goals and to turn academic achievements into concrete results." In 1985, the Sylacauga system's 141 graduating seniors picked up more than $293,000 in college scholarships.

Morton "nurtures community pride in the school system and lets the public know that school funds are being spent wisely."

He has been superintendent since 1978 of the Sylacauga system, which has 2,450 students enrolled in kindergarten through 12th grade.

Two Sylacauga schools, East Highland Middle and Sylacauga High, were named models for the nation in 1985 by the U.S. Department of Education. The two were among 200 schools nationwide and four in Alabama chosen for awards for excellence last year.

In choosing the "stars of little school systems," Executive Educator asked last spring for nominations from readers of the magazine and of the American School Board journal, and from major national school associations in Canada and the United States. More than 500 people were nominated.

Judges looked at 11 areas such as a superintendent's success in putting into effect improvements in academic programs and the administration of the system.

[From the Executive Educator, February 1986]

MEET THE BIG STARS OF LITTLE SCHOOL SYSTEMS

Broken Bow, Battle Mountain, Prairie View, Blue Earth, Pearl River, Silver Lake: Small-town names such as these ring unfamiliar in most ears. Small school systems, too, tend to be overshadowed by the larger-than-life problems and successes of giant school systems. But size is little indication of quality, as you'll agree when you meet our 100 big stars from little school systems in the following 22 pages. Each of these school executives administers a school system of 2,500 students or fewer—and all of them have accomplished things in their school systems that are worthy of your recognition. These men and women—The Executive Educator 100 for 1986—have been singled out for recognition through a comprehensive nomination process and by a knowledgeable and respected panel of jurors.

Here's how The Executive Educator 100 for 1986 were selected:

Last spring, The Executive Educator invited nominations from readers of this magazine as well as of The American School Board journal. In addition, we invited nominations from every major national association representing school management or governance in the U.S. and Canada—and from similar organizations at the state or provincial level. The only requirement was that each nominee be an administrator working in a school system of 2,500 students or fewer as of May 15, 1985—the nomination deadline.

The response to these requests for nominations—as in previous years' searches for the EE 100—was remarkable. Each of the more than 500 persons nominated—whether selected for the 100 or not—rightly can take pride in the honor of the nomination itself.

In September 1985, our panel of independent jurors convened for the final selection process. The panel was composed of the following preeminent educators: George Brain, professor emeritus, School of Education, Washington State University, Pullman; Anne Campbell, retired Commissioner of Education in Nebraska; Luvern Cunningham, professor of educational administration, Ohio State University, Columbus; Will D. Davis, former president of the National School Boards Association and attorney with Heath, Davis & McCalla, Austin, Texas; Robert Heller, professor of educational administration, State University of New York at Buffalo; Floretta Dukes McKenzie, superintendent, District of Columbia Public Schools; Scott Thomson, executive director, National Association of Secondary School Principals; Kenneth Underwood, professor, College of Education, Virginia Tech, Blacksburg; Mildred Walton, elementary school principal, Atlanta, and president of the National Association of Elementary School Principals; and Edward Whigham, professor, School of Education, University of Alabama, Birmingham. The chairman of the panel was Carroll F. Johnson, professor emeritus of education, Columbia University, New York City.

During two intensive days (and nights) of screening, the panel examined each nomination and its accompanying material. Nominations were assessed according to the 11 criteria of excellence the panel established for selecting the EE 100 in previous years (see the accompanying article below). During the first round of screening, each nomination and its accompanying material was scrutinized by one or more of the panelists; no nominee was eliminated at that stage except by unanimous consent of the assembled panelists. During several successive rounds of careful screening, the panelists winnowed the list down to some 150 candidates. Finally, after thoroughly familiarizing themselves with the papers of each nominee still in contention, the jurors began the arduous process of selecting the final 100—each of whom was selected on the basis of a majority vote.

The EE 100 for 1986 and brief descriptions of their achievements are presented—in purely random order—on pages 17-38. (An alphabetical listing appears below.)

The Executive Educator trusts this project, as in years past, will bring positive attention to the field of public education—and especially to little school systems and their dedicated school executives. And when that happens, someone is bound to ask, "Are these 100 the best school executives from little school systems?

To that, as in previous years, we answer: Quite possibly. No one really can say for sure, of course, in a field of some 300,000 working school executives. What we do know for sure is that these are 100 of the best—and they quite likely would be outstanding in any size school system.

To you, readers of this magazine, these 100—as in years past—are a tribute: These 100 are both the reality and the reflection of all the dedicated school leaders working across the continent—in school systems of all sizes.

THESE ARE HALLMARKS OF EXCELLENCE

In selecting the Executive Educator 100 for 1986, the independent panel of jurors limited consideration to persons nominated who were administrators in school systems of 2,500 students or fewer as of May 15, 1985. In reviewing materials submitted with the nominations, the panel used the following criteria to assess each nominee's record of accomplishments and leadership in educational administration:

1. Competence in fulfilling the responsibilities of administrative assignments.
2. Effectiveness in maintaining and improving the academic achievement of students, especially in difficult or unusual circumstances.
3. Success in conceiving and implementing innovations and improvements in educational programs and administrative practices.
4. Leadership in developing the professional competence of staff members, in identifying persons with the potential for administration, and in promoting careers in education for persons with outstanding potential.
5. Excellence in creating links to the community and in leading the community through difficult social problems.
6. A record of stable and consistent executive leadership.
7. Evidence of contributions to the profession at large.
8. Success in developing and maintaining constructive relationships with other members of the administrative team and with the school board.
9. Effectiveness in working with the political system.
10. Excellence in human relations, especially as demonstrated by garnering the respect of peers, school staff members, and members of the community.
11. The ability to anticipate and analyze emerging problems and opportunities and the capability to address them constructively.

Joseph B. Morton, 39, superintendent (since 1978), Sylacauga City (Alabama) School District (K-12; enr.: 2,450), southeast of Birmingham.

As superintendent, Joseph Morton has encouraged students and staff members to set higher goals and to turn academic achievements into concrete results. It's no wonder, then, he's happy with last year's 141 graduating seniors, who earned $293,000 worth of college scholarships—an average of more than $2,000 for each student. "That's something we started several years ago, working for those scholarships," he says. "It's become a tradition." But students aren't the only ones who work hard, he says. With the help of 40 teachers, the school system accepted a state grant to research and publish A Model Continuum of Skills, a guide listing mastery levels for Alabama students in each grade and course. Morton says he nurtures community pride in the school system and lets the public know that school funds are being spent wisely. This public relations groundwork helped persuade the city government to approve a one-cent sales tax increase to be used exclusively to finance local schools.

A TRIBUTE TO JUDGE HARRY D'OLIVE

Mr. HEFLIN. Mr. President, looking back through the history of the State of Alabama, the county probate judges have been essential in providing leadership, order, and justice to the people they serve. They have molded the characters of communities. In their duties, in their daily business, they have had a tremendous effect in enhancing lives and conditions because of their influence in settling conflicts and problems which may arise. For more than 20 years, Judge Harry D'Olive has continued this tradition.

Since 1965, Judge D' Olive has served Baldwin County with the greatest equity and integrity. While providing this leadership, he has also given friendship, solace, and sympathy to those he helps, knows, and meets. He does not administer justice with a deaf ear, but hears the pleas of all who appear in his court. Such qualities are rare, indeed, and are especially valuable when they appear together in a judge. I believe they are assets which contribute to the sound, fair decisions for which Judge D'Olive is known.

The judge is known throughout Baldwin County as a friend who is available to anyone for advice or counsel, but his assistance is also sought by others throughout the State. Probate judges from other counties and public officials hold his opinion in great regard.

In addition to upholding the traditions of the court, Judge D'Olive is responsible for changing the recordkeeping procedures of Baldwin County to a computerized system. He is a man who anticipates the future. This foresight is apparent in his duties on the bench. Furthermore, because of his efforts, Baldwin County is now a pioneer in recordkeeping. The judge has established a faster, more efficient system.

As long as Alabama has citizens like Harry D'Olive, we will never lack leadership, and we will always strive to do great things. He is truly a man to be held in the highest esteem.

Judge D'Olive was recently recognized in an article in the Mobile Press, and I now ask unanimous consent that it be printed in the CONGRESSIONAL RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

JUDGE LOOKS BACK OVER PAST 20 YEARS

(By Buddy Smith, Press Register Reporter)

BAY MINETTE, ALA.—Baldwin County Probate Judge Harry D'Olive has seen many changes in the probate office during the 20 years he has served as judge, initiating many of the changes himself.

Prior to assuming the office in 1965, D'Olive served as chief clerk in the probate office for 12 years for the late Judge Ramsey Stuart. Born in Bromley in 1921, D'Olive grew up in Baldwin County and graduated from Baldwin County High School where he starred in football as a triple-threat runner, passer and kicker.

D'Olive married the former Betty Winn of Mobile and they have four children and seven grandchildren.

The judge said one of the most difficult tasks of his job is handling people with mental illness. "This is an emotional job for a probate judge. But it is the most gratifying to see someone recover from a mental disorder and become a stabilized, productive and useful citizen," he said.

D'Olive said the Baldwin County Mental Health Department has made tremendous progress in helping people with mental problems in the past five years. He noted that persons with mental disorders are often unmanageable and must be held in jail for five days as required by law before a commitment hearing. If the person does not hire a lawyer for the hearing, as is the case most of the time, the judge appoints one to represent the patient.

If a patient is committed the mental-health department takes over. The probate judge is involved again if a patient must be readmitted once discharged.

D'Olive said he travels to Searcy for some hearings, as in cases where a patient has been violent.

Other duties of the probate judge include his presiding over hearings to settle estates, probating wills and conducting inquisitions of lunacy to determine if an adult is mentally incompent. If so, a guardian is appointed.

The probate judge also handles adoption proceedings. "It is very satisfying and emotional to see a couple who wants a child get one through adoption." D'Olive said. "On the other hand, it's sad to see a child embroiled in an emotional dispute between the natural parents and the persons seeking adoption."

The probate judge also handles condemnation proceedings on property, mostly for highway construction, D'Olive said. Some hearings last several days.

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The judge said condemnation cases are often lengthy. One unusual, lengthy such hearing was the condemnation of property to build the jetties at Perdido Bay Pass, he said. That hearing included condemnation of property for a spoil area for channel dredging.

All papers and documents required by law to be recorded are recorded in the probate office. "We have records of all the land transactions in the county dating back to 1810 when Baldwin County was part of the Mississippi Territory," the judge noted. Baldwin became a county of Alabama in 1819.

D'Olive persuaded the legislature to pass a local bill making the probate judge the ex-officio license commissioner for Baldwin County so that licenses could be bought by mail and with one payment.

The judge said Robert Rabon, as chief clerk, handles all license transactions for business, drivers and marriage licenses.

D'Olive changed the record-keeping procedures of the probate office to a computerized system. His efforts resulted in Baldwin being a pioneer county in streamlining the procedure of buying licenses and computerizing records. Previously, people had to go from office to office in the courthouse to pay various parts of their overall tax costs and license fees.

The Baldwin probate judge is an active Shriner and a past Potentate of Abba Temple. He is a past president of the Alabama Probate Judges Association and an honorary lifetime member of the Baldwin County Bar Association. He was a charter member and served as director of the Baldwin County Wildlife Federation.

D'Olive's hobbies are hunting and fishing. His favorite is deer hunting. He is a member of the Antler Lodge Club in Monroe County where he does most of his hunting. For years his favorate hunting was for ducks in the Mobile-Tensaw River Delta. However, he said, "duck hunting became too much work and the Delta became too crowded."

TRIBUTE TO RICHEBOURG G. McWILLIAMS, SR.

Mr. HEFLIN. Mr. President, I am filled with great sadness as I rise today to note the recent passing of my dear friend, Richebourg Gaillard McWilliams, Sr. I first knew Professor McWilliams when I was an undergraduate student at Birmingham-Southern College in Birmingham, AL. At that time, he was my English professor, and in the years since then, we became close friends.

Mr. McWilliams was above all else a great gentleman. His manner was gracious, his appearance was flawless. The example he set both in and out of class was a great influence to all who came within his reach. In this way, he provided students with more than an academic education. He gave us lessons in manner, in attitude, and in outlook. He instilled in his students a proper sense of priority. He contributed to the total learning experience that every college and university endeavors to provide to its students.

Mr. McWilliams was born in Oak Hill, AL. Throughout his life he possessed a never-ending desire to learn. This academic curiosity enabled him to gain expertise in a variety of different fields. In 1922 he graduated Phi Beta Kappa and was a member of Omicron Delta Kappa honor society from the University of Alabama with a bachelors degree in biology. After teaching in Puerto Rico for a year, he returned to Alabama to earn a masters degree in English. Then, when he had been with the faculty of Birmingham-Southern for just a short time, he took a leave of absence and attended Harvard University where he earned a masters in literature and completed curriculum requirements for his Ph.D. Later, his continuing thirst for knowledge led him to pursue graduate work in German, Spanish, and French at the University of Munich, Columbia University, and at the University of Wisconsin.

The contribution of Richebourg McWilliams to education in Alabama is immense. Throughout his life he selflessly committed himself to the education and betterment of generations of students. He served on the faculty at Birmingham-Southern from 1928–72 where at different times he served as chairman of the Department of English, head of the division of humanities, and was the Mary Collett Munger professor of English. After leaving Birmingham-Southern, Mr. McWilliams helped to establish the School of Humanities at the University of South Alabama where he also taught for 3 years.

Mr. McWilliams was wonderfully effective in the classroom because he required that his students pursue greater accomplishments and successes than they ever believed possible. He knew how to demand excellence from his pupils. He helped to show how much you could learn and how hard you could drive yourself. This discipline has been invaluable to me throughout my life. He also had the ability to bring to life the material he taught. In this way, the study of literature and fiction was not a duty, but, rather, a delight. He made learning exciting.

Throughout his life, Professor McWilliams contributed to the English language by teaching students the proper way to communicate. He stressed the fundamentals of writing as well as the need for revision. As an attorney, as a judge, and as a Senator, I have constantly used the tools he taught whether I was writing a brief, rendering a decision, or writing a bill. His intruction has been indispensable. The skills he taught have greatly contributed to my success.

In addition to his teaching abilities, Richebourg McWilliams was a recognized author of fiction and literature. He spend several years writing full time prior to teaching. And throughout his teaching career, he was always hard at work on some essay, article, or story. These often deal with the gulf coast and carry great aesthetic, literary, and historical value. His fiction has appeared in journals of creative writing, in the Yale Review, and in Story magazine. Additionally, he received awards for his translations of two books. For "Fleur de Lys and Calumet: Being the Penicaut Narrative of French Adventure in Louisiana" he was awarded the Palmes Academiques of the French Government in 1953; and for "Iberville's Gulf Journals" he won an award from the National Endowment of Humanities in 1983.

All of Alabama mourns the loss of this great educator. His death is a sad blow to those of us who owe our educations to his guidance and instruction, for we owe him a great debt. His gifts are, indeed, the most valuable assets which one can possess. However, his name will live on in his works, and he will be remembered by those many colleagues and students with whom he shared his life, his efforts, and his knowledge. I am grateful to have known his friendship.

Mr. President, I ask unanimous consent that both an article from the Birmingham News and an article from the Birmingham Post Herald be printed in the Record.

There being no objection, the articles were ordered to be printed in the Record, as follows:

[From the Birmingham News, Feb. 15, 1986]

Southern's McWilliams dies Thursday in Mobile

Richebourg Gaillard McWilliams, 85, of Mobile, a professor of English at Birmingham-Southern College from 1928 until 1972, died Thursday.

Graveside services were at 3 p.m. today at Elmwood Cemetery, Elmwood Chapel directing.

Born in Oak Hill, south of Selma, he taught several generations of Birmingham-Southern students English composition.

"He was more than an educator," said Charles Gaines, the author of Stay Hungry and other works. "He was a real force in the lives of a lot of people who studied under him. He had such an enthusiasm about the English language, and making that language into art."

"He was my mentor in many ways that went beyond simply being a teacher," said Howell Raines, deputy Washington editor of the New York Times. "He didn't teach students, he taught people."

McWilliams received a bachelor's degree in biology in 1922 from the University of Alabama, where he received Phi Beta Kappa and Omicron Delta Kappa honors. After a year of teaching in Puerto Rico, he returned to Alabama to earn a master's degree in English.

He then wrote fiction for several years before joining the faculty at Southern in 1928. Shortly afterward, he took a leave of absence and earned a masters in literature at Harvard University and completed course work for a Ph.D.

Subsequently, he completed graduate work in German, Spanish and French at the University of Wisconsin, Columbia University and the University of Munich.

His fiction appeared in the Yale Review, Story Magazine, and other jounals of creative writing. His translation interests resulted in two books: Fleur de Lys and Calwmet: Being the Penicaut Narative of French Adventure in Louisiana in 1953, for which he was awarded the Palmes Academiques of the French governments; and Iberville's Gulf Journals in 1983, which won an award from the National Endowment of the Humanities.

He was a member of Bethel Presbyterian Church, Oak Hill.

Survivors include his wife, Mrs. Dorothy Schultz McWilliams, and three sons, Richebourg Gaillard McWilliams, Tallahassee, Fla., Tenant McWilliams, Birmingham, and Edward Burk McWilliams, Houston.

[From the Birmingham Post-Herald, Feb. 15, 1986]

BSC Professor Emeritus Dies—Richebourg G. McWilliams, Sr.

Richebourg Gaillard McWilliams, Sr., 86, a longtime Birmingham-Southern College faculty member and professor emeritus, died Thursday in Mobile.

Born in Oak Hill, Ala., the multilingual scholar taught generations of Birmingham-Southern College students English composition.

He was a fiction writer for several years before joining the faculty at Birmingham-Southern College in 1982.

"He was the greatest teacher I've ever known," said Howell Raines, New York Times Deputy Bureau Chief and former student of Mr. McWilliams. Raines acknowledged his debt to Mr. McWilliams, the man he called his mentor, in the dedication of his book "Whiskey Man." Mr. McWilliams set the tone for classroom teaching at BSC, Raines said. "He was dramatic, almost theatrical, in the classroom." Raines said he showed how literature related to the realities of life. For the serious writer, Mr. McWilliams instructed not only the technical aspects of writing, but the need to stay with one's craft—"to plow to the end of the row."

For many of his 42 years at Birmingham-Southern, where he held the title of Mary Collett Munger professor of English, Mr. McWilliams served as chairman of the department of English and head of the division of humanities.

Mr. McWilliams received a master of arts degree in English from the University of Alabama and a master of arts in literature from Harvard University.

His fiction appeared in the Yale Review, Story Magazine and other journals. His translations of two books earned him the Palmes Academiques from the French government for one and an award from the National Endowment for the Humanities for the other.

His articles and essays related to the literature and history of French exploration along the Gulf Coast appeared in numerous journals and collections.

Upon retirement from Birmingham-Southern, Mr. McWilliams helped establish the School of Humanities at the University of South Alabama and taught in the English department of that institution for three years.

He is survived by his wife, Mrs. Dorothy Schultz McWilliams, and three sons, Richebourg G. McWilliams Jr., Tallahassee, Fla., Tennant S. McWilliams, Birmingham, and Edward Burk McWilliams, Houston, Texas.

The graveside service will be 3 p.m. today at Elmwood, with Elmwood Chapel directing.

The family requests that memorials be made to the Richebourg Gaillard McWilliams Scholarship Fund at Birmingham-Southern College.

A TRIBUTE TO JUDGE FRED L. HUGGINS

Mr. HEFLIN. Mr. President, today, I would like to share with my colleagues an account of the efforts of Judge Fred Huggins, probate judge of Clarke County.

Judge Huggins is now in his third term and has done a wonderful job serving his constituents. Probate judges in Alabama deal with a wide variety of cases, for example, judging the mentally ill and handling adoption procedures. Judge Huggins has performed these duties with foresight and sensitivity. He has brought to the bench both professionalism and expertise. In my opinion these qualities are essential in a great judge. He is a great judge.

In the State of Alabama, the probate judge has historically taken an active role in the leadership of his entire area. I am pleased to see that Judge Huggins has reinforced this tradition. In addition to his contributions as a jurist to the welfare of the people of Clarke County, Judge Huggins has been very active in bringing new industry into the county. He organized the Clarke County Industrial Board which is already responsible for over 450 new jobs. He has labored to better his community, his country, and his State. He is recognized by public officials and State leaders as a man of strong counsel, sound advice, integrity and industry.

I commend the judge for all he has accomplished. Because of his efforts, Alabama will be better able to meet the future.

Mr. President, not long ago the attached article appeared in the Mobile Press which recognizes Judge Huggins' activities. I ask unanimous consent that it be printed in the Congressional Record.

There being no objection, the article was ordered to be printed in the Record, as follows:

Clarke County Judge Says He Finds His Job Rewarding

(By Sharron McClure)

Grove Hill, AL.—The office of probate judge is no easy job, but Fred L. Huggins, probate judge of Clarke County, finds his job rewarding.

Huggins said his political career began in 1966 when he served as county campaign manager in Albert Brewer's race for lieutenant governor. Campaign work was in his blood, but Huggins said running for political office entered his mind only after friends began to encourage him to seek the probate judgeship. It was in 1970 that he campaigned for and won that office.

Now in his third term as probate judge of Clarke County, Huggins said the greatest sense of accomplishment he finds in his job is trying to solve problems.

Huggins said the duties of the probate office today vaguely resemble the original duties that originated in England in 1066 during the Norman Conquest. The court was originally established to ensure fairness for widows and orphans.

When Clarke County was formed in 1812, the court was named the Orphans Court. In 1851, the Alabama Constitution Committee established the probate system for all 67 counties. In 1901, the system was revised to include more responsibilities.

Huggins says he finds the two most difficult aspects of his job are working with cases involving the mentally ill person, who must be committed to an institution, and working with people who have major financial or family problems.

"You would not believe some of the problems that people have," said Huggins. "The worse part is when I can't help in anyway. Often, in the case of financial hardships, I can make possible suggestions and in some cases refer them to certain agencies for help." But, he said, "there are some cases that all I can do is listen and let them know I am concerned."

"It is tough to have a crying mother sit across from you saying, 'if you don't call the doctor and tell him the county will pay for my son's operation, he is going to die.' It is very hard to explain to a hurting mother there are no funds for indigent health care. Yet, at the same time, you know the anguish she is feeling. These are the cases which are difficult. You can't just forget the crying mother's face when she walks out the door."

Huggins, a native Clarke Countian, was born in the Bedsole Store community, now known as New Prospect. He is the son of the late Eddie Huggins and Nora Brown Huggins. His first few years of school were spent in the one-room school in the Bedsole Store community. When he was 11 years old, the Huggins family moved to Grove Hill. He is a graduate of Clarke County High School.

Huggins' childhood ambition was to be a sports announcer. Although he never made it to "big time sports announcing," he worked in broadcasting at Clarke County's two radio stations for 10 years. With the broadcasting background, Huggins became publisher of the weekly newspaper in Jackson. "The South Alabamian." As publisher, he worked mainly in management and advertising, but also wrote a weekly column.

"There were too many hassles and too many deadlines in the weekly newspaper business," quipped Huggins.

After several years there as publisher, he joined the staff at Merchant Bank in Jackson as public relations officer. He held this position for only a short time before being elected probate judge.

Huggins is married to the former Gloria Newsom of Jackson. She operates convenience stores in Jackson and Coffeeville. The Huggins have three children, Eddie who lives in Livingston, Steve of Birmingham, and Mollie Frances, a student at Mobile College.

Huggins is a record collector of traditional and country music. He reads a lot, but when time permits, he said his favorite pastime is "sitting on the porch of our beach house just watching the water."

Huggins has been involved in community activities for many years. He said he was pleased to have served as charter president

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of the Jackson Rotary Club that organized in 1963. He was also appointed chairman of the Jackson School Board. He is past president of the Alabama Probate Judge Association and served two years as chairman of the Alabama Tombigbee Regional Development Commission. He is on the board of directors of the Cossa-Alabama Improvement Association and is chairman of the board of directors of First Southern Bank in Jackson.

Huggins said his greatest achievement as probate judge was organization of the Clarke County Industrial Board. The board was organized with a full-time director. It works to bring new industry to the County.

The industrial board was responsible for attracting Teledyne Brown Engineering to the county. The company now employs 450 workers.

Huggins said. "My biggest disappointment has been my failure to convince state officials that we need money for county road construction."

Regardless of the disappointment and the difficult decisions, Huggins says he loves serving the people of Clarke County.

WESTINGHOUSE TAKES A LEAP FORWARD WITH PHOTOVOLTAICS

Mr. SPECTER. Mr. President, on March 26, 1986, the Westinghouse Electric Corp.'s advanced energy systems division, located just outside Pittsburgh, PA, will announce its construction of a solar cell [photovoltaic] manufacturing demonstration plant. This announcement marks an historic moment in the development of our Nation's energy technology.

Through assistance from the Department of Energy and other resources, Westinghouse has committed itself to pioneering this remarkable and revolutionary industry. Photovoltaics, which convert free fuel directly into electricity, have the potential to reduce significantly the environmental costs of electric conversion in this country in the near future. Even more importantly, however, this exciting technology may have applications in providing energy sources for developing Third World nations.

Westinghouse's photovoltaic manufacturing demonstration facility represents a unique opportunity for government and industry to work together on an important technological initiative. If adequately supported and successful, it is easy to envision the long term success of this program.

In addition to its bright prospects as an energy resource, the new facility could mean a tremendous economic asset for the Pittsburgh area. If the demonstration program is successful, a commercial plant with a much larger output and capacity could become a reality. For an area that has not fully benefited from the Nation's economic recovery, this represents a chance for increased employment and all that comes with it.

I congratulate Westinghouse for its strong commitment to the development of photovoltaics and other advanced energy systems. This commitment commands and deserves a commensurate spirit from its partner in this program, the Government.

MARYLAND DAY

Mr. MATHIAS. Mr. President, this is the 26th time that I have spoken in the Congress on the subject of Maryland Day, and it will be the last occasion I shall have to do so. Therefore it may be appropriate to talk more about the future than about the past, more about what I hope and expect for Maryland and from Maryland than about the successes and failures in our history.

Every pupil in Maryland schools knows that on March 25, 1634 the first colonists landed on St. Clement's Island and began a history that now stretches for 352 years. In that period of time many heroic deeds and noble actions have provided subjects for speeches, books and songs. It still is easy to talk about Maryland as a place of ideas and ideals, where dreams came true, where mankind made measurable progress and where land, sea, and climate join together to make life sweet and pleasant. But it is also a good time to draw the lessons that can be learned from that history.

The men and women who left England in the *Ark* and the *Dove* could not know what lay ahead of them except that life would be hard and dangerous. They came in spite of that uncertain prospect, not because they were ignorant of it. Without their courage we would not be able to enjoy Maryland today as we know it, and without courage in confronting today's uncertainties our children might not have the advantages bequeathed to us.

But courage is an abstract virtue until we need it in specific circumstances. How may it be demanded of us?

Maryland was the birthplace of the great American tradition of toleration. The adoption of the Act of Toleration in 1649, the first step taken in America for freedom of conscience and worship, was a proud moment in Maryland history. Yet occasionally today there is some lapse in practice with respect to this principle; a cross is burned in hatred or a religious shrine defaced. We must be prepared to stand up to prevent such outrages and to renew the pledges of religious freedom given so long ago.

The story of the Maryland General Assembly's ratification of the fourteenth amendment to the Constitution of the United States illustrates a different kind of courage. The general assembly did not ratify the amendment until 1961, almost a century after the rest of the Union. As a member of the assembly at that time, I considered it an honor to vote to ratify the 14th amendment. The reasons for delay were complex, but reflected a deep-seated concern about the power of government and a skepticism about the competence of law to embody and reflect principle accurately. It takes a special courage to have the strength to hold back and consider when the rest of the world is caught up in some rush to judgment. The 14th amendment should have been ratified and ultimately was, but our predecessors were endowed with the courage of their convictions, even if history finally resolved their doubts.

The story of Frederick Douglass is another Maryland example of courage that is timeless. He was born in slavery, lived in freedom and died greatly honored. By his courage and determination he changed his own life and created a vision of opportunity for millions of his countrymen. His kind of courage will always be necessary for men and women to make progress under adverse conditions.

Finally, there is the kind of courage necessary to preserve our heritage, both the natural environment and the monuments of human achievements. This seemingly simple task can require enormous strength of leadership and character because it may require standing in the way of progress. But whether it is the restoration of the quality of water in the Chesapeake Bay or the preservation of a neighborhood in Annapolis, it is a duty that we owe both to our predecessors and our successors. We fail them both if we fail to demand that time and care be expended on solving the problems that an urban society creates for itself. The work of the Chesapeake Bay Foundation and of historic Annapolis is an example of success as well as courage.

So my wish on Maryland Day 1986 is a simple one, though perhaps not an easy one. It is that the virtues that have guided the people of Maryland for 352 years be remembered and respected so that our future will be worthy of our history.

MESSAGES FROM THE PRESIDENT

Messages from the President of the United States were communicated to the Senate by Mr. Saunders, one of his secretaries.

EXECUTIVE MESSAGES REFERRED

As in executive session, the Presiding Officer laid before the Senate messages from the President of the United States submitting sundry nominations which were referred to the appropriate committees.

(The nominations received today are printed at the end of the Senate proceedings.)

PRESIDENTIAL APPROVALS

A message from the President of the United States announced that on March 21, 1986, he had approved and signed the following joint resolutions:

S.J. Res. 205, Joint Resolution to designate March 21, 1986, as "National Energy Education Day".

S.J. Res. 272, Joint Resolution to authorize and request the President to issue a proclamation designating March 21, 1986, as "Afghanistan Day", a day to commemorate the struggle of the people of Afghanistan against the occupation of their country by Soviet forces.

EXECUTIVE AND OTHER COMMUNICATIONS

The following communications were laid before the Senate, together with accompanying papers, reports, and documents, which were referred as indicated:

EC-2769. A communication from the Executive Associate Director of the Office of Management and Budget transmitting, pursuant to law, a report on the reapportionment of appropriations to the Internal Revenue Service, indicating the necessity for a supplemental appropriation; to the Committee on Appropriations.

EC-2770. A communication from the Director of Procurement and Assistance, Department of Energy, transmitting, pursuant to law, a report on Site Stabilization Agreements relative to Davis-Bacon Act provisions; to the Committee on Armed Services.

EC-2771. A communication from the Acting Administrator of NASA transmitting, pursuant to law, a report on actions under certain contracts made under sec. 4(a) of PL 85-804; to the Committee on Armed Services.

EC-2772. A communication from the Administrator of the Environmental Protection Agency transmitting, pursuant to law, the 1985 Toxic Substances Control Act report; to the Committee on Environment and Public Works.

EC-2773. A communication from the Records Officer, U.S. Postal Service, transmitting, pursuant to law, a report on a Privacy Act computer matching program between the USPS and HHS; to the Committee on Governmental Affairs.

EC-2774. A communication from the Secretary of the Army transmitting, pursuant to law, a report that the Pershing II missile program has breached its unit cost baseline by more than 25 percent; to the Committee on Armed Services.

EC-2775. A communication from the Assistant Secretary of the Army transmitting, pursuant to law, a report on the disposal of an unexploded chemical bomb found at Dugway Proving Ground, Utah; to the Committee on Armed Services.

EC-2776. A communication from the Acting Assistant Secretary of State transmitting, pursuant to law, the annual report on the Panama Canal Treaties; to the Committee on Armed Services.

EC-2777. A communication from the Deputy Secretary of Defense transmitting, pursuant to law, a report on proposed changes in the selected acquisition reporting process; to the Committee on Armed Services.

EC-2778. A communication from the First Vice President and Vice Chairman of the Export-Import Bank of the U.S. transmitting, pursuant to law, a report on bank transactions with Communist countries during January of 1986; to the Committee on Banking, Housing, and Urban Affairs.

EC-2779. A communication from the Director of the Federal Home Loan Bank Board transmitting, pursuant to law, the Board's 1985 annual report on efforts to prevent unfair and deceptive trade practices; to the Committee on Banking, Housing, and Urban Affairs.

EC-2780. A communication from the General Counsel of the Department of the Treasury transmitting a draft of proposed legislation to authorize appropriations for the U.S. Mint for FY 1987 and 1988; to the Committee on Banking, Housing, and Urban Affairs.

EC-2781. A communication from the Administrator of the Energy Information Administration transmitting, pursuant to law, the EIA's 1985 annual report; to the Committee on Energy and Natural Resources.

EC-2782. A communication from the Secretary of Health and Human Services transmitting, pursuant to law, a report on the study of home respiratory therapy; to the Committee on Finance.

EC-2783. A communication from the Secretary of Health and Human Services transmitting, pursuant to law, a report on the exclusion from income of certain payments to individuals under home energy assistance; to the Committee on Finance.

EC-2784. A communication from the Acting Attorney General transmitting, pursuant to law, the Department's annual competition advocacy report; to the Committee on Governmental Affairs.

EC-2785. A communication from the D.C. Auditor transmitting, pursuant to law, the FY 1985 report on Advisory Neighborhood Commissions; to the Committee on Governmental Affairs.

EC-2786. A communication from the Deputy Assistant Secretary of Defense transmitting, pursuant to law, a report on a new Privacy Act system of records; to the Committee on Governmental Affairs.

EC-2787. A communication from the Director of the Office of Management and Budget transmitting, pursuant to law, a supplemental report to Special Analysis D; to the Committee on Governmental Affairs.

EC-2788. A communication from the Secretary of Health and Human Services transmitting, pursuant to law, the Annual Report on the Indian Health Care Improvement Act; to the Select Committee on Indian Affairs.

EC-2789. A communication from the Acting Director of the CIA transmitting a draft of proposed legislation to authorize intelligence appropriations for FY 1987; to the Select Committee on Intelligence.

EC-2790. A communication from the Director, Office of Congressional Affairs, Nuclear Regulatory Commission, transmitting, pursuant to law, the Commission's 1985 Freedom of Information report; to the Committee on the Judiciary.

EC-2791. A communication from the Solicitor of the Commission on Civil Rights transmitting, pursuant to law, the Commission's 1985 Freedom of Information report; to the Committee on the Judiciary.

EC-2792. A communication from the Secretary of Transportation transmitting, pursuant to law, the annual Freedom of Information report; to the Committee on the Judiciary.

EC-2793. A communication from the Secretary of Health and Human Services transmitting, pursuant to law, the 1985 Radiation Control for Health and Safety report; to the Committee on Labor and Human Resources.

REPORTS OF COMMITTEES

The following reports of committees were submitted:

By Mr. DANFORTH, from the Committee on Commerce, Science, and Transportation; without amendment:

S. Con. Res. 95. Concurrent resolution to recognize and honor the contributions of Consumers Union.

INTRODUCTION OF BILLS AND JOINT RESOLUTIONS

The following bills and joint resolutions were introduced, read the first and second time by unanimous consent, and referred as indicated:

By Mr. HEFLIN:

S. 2225. A bill to prohibit the Federal Energy Regulatory Commission from issuing a permit or license for certain facilities to be located at Lake Tuscaloosa, Alabama; to the Committee on Energy and Natural Resources.

By Mr. BENTSEN (for himself, Mr. Danforth, Mr. Baucus, Mr. Bingaman, Mr. Byrd, Mr. Dixon, Mr. Dodd, Mr. Glenn, Mr. Harkin, Mr. Hollings, Mr. Lautenberg, Mr. Long, Mr. Melcher, Mr. Metzenbaum, Mr. Riegle, and Mr. Simon):

S. 2226. A bill to prevent unfair international trading practices, including unfair trade concessions requirements, which undermine United States international trade agreements, from burdening United States trade and commerce; to the Committee on Finance.

By Mr. HATCH (for himself, Mr. Bentsen, Mr. Boren, Mr. Cranston, Mr. Denton, Mr. Dixon, Mr. Dole, Mr. Domenici, Mr. Durenberger, Mr. Garn, Mr. Grassley, Mrs. Hawkins, Mr. Helms, Mr. Hollings, Mr. Humphrey, Mr. Inouye, Mr. Johnston, Mr. Laxalt, Mr. Lugar, Mr. Matsunaga, Mr. Metzenbaum, Mr. Nickles, Mr. Nunn, Mr. Thurmond, Mr. Trible, and Mr. Warner):

S.J. Res. 306. A joint resolution to designate the week beginning November 23, 1986, as "National Adoption Week"; to the Committee on the Judiciary.

STATEMENTS ON INTRODUCED BILLS AND JOINT RESOLUTIONS

By Mr. HEFLIN:

S. 2225. A bill to prohibit the Federal Energy Regulatory Commission from issuing a permit or license for certain facilities to be located at Lake Tuscaloosa, AL; to the Committee on Energy and Natural Resources.

LAKE TUSCALOOSA PRESERVATION ACT

Mr. HEFLIN. Mr. President, I rise today to introduce the Lake Tuscaloosa Preservation Act which is a bill to protect Lake Tuscaloosa in my home State of Alabama and the citizens who live on this lake.

The purpose of this legislation is to prohibit the Federal Energy Regulatory Commission [FERC] from issuing a preliminary permit, exemption or li-

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cense for the construction of a hydroelectric project at the dam on Lake Tuscaloosa in Tuscaloosa County, AL. The legislation is intended to be narrow in scope and nonprecedential in nature. I am introducing this bill in response to the unifide and intense local concern or individual constituents and of the city of Tuscaloosa.

The dam impounding Lake Tuscaloosa was built in 1971 so that a water supply for west Alabama including Tuscaloosa, would be assured. Lake Tuscaloosa is 5,885 acres in size and 27.7 miles in length. The dam itself is 1,280 feet long and 125 feet high. The dam and lake are wholly owned by the city of Tuscaloosa. Because the lake is located within the city limits, a substantial number of primary residences, as well as some second homes, have been constructed around or near the lake. Many residents of west Alabama use the lake for recreational purposes.

After the passage of the Public Utilities Regulatory Policies Act of 1978 and during the period of high energy costs in that decade, the city of Tuscaloosa conducted a study of the financial feasibility of constructing a hydroelectric facility on the Lake Tuscaloosa Dam. The report indicated that the project was marginal at best unless the water level was drawn down to an unacceptably low level during a large part of the year. A drawdown of more than 2 feet would make many public and private dock facilities unusable. Further, a drawdown of as much as 15 feet during some parts of the year might be necessary for substantial economic benefit to be derived from the project's operation. Because the project would not be on a cost-benefit basis, the city rejected the idea of constructing a hydroelectric project at Lake Tuscaloosa.

However, an outside party headquartered far from Alabama stimulated intense local concern when it made a development proposal to the FERC several years ago. Although the FERC rejected its preliminary permit application, my constituents remain concerned about this or any other outside party obtaining permission to construct a hydroelectric project at Lake Tuscaloosa. The city of Tuscaloosa and my constituents on the lake simply do not want control of the lake to fall into the hands of someone who might not have the best interest of Lake Tuscaloosa at heart.

In order to ensure local control of a Lake Tuscaloosa hydro project, if the FERC were to issue such a license, the city of Tuscaloosa is currently pursuing its own preliminary permit application for the site. However, several Tuscaloosa elected officials have requested this legislative measure so that the city will not have to pursue its application any further. Local opposition to hydroelectric development at Lake Tuscaloosa is united and firm. It ranges from the mayor and city council members to individuals who have organized a group called the Concerned Citizens for Lake Tuscaloosa.

I am not an opponent of hydroelectric energy development. The power produced by falling water is an inexpensive and clean energy source. However, because of the infeasibility of this particular project and the united local opposition, I firmly believe that a hydroelectric development at Lake Tuscaloosa should clearly be prohibited. We should listen to the people who live near the lake and are benefited or harmed by a development there.

Mr. President, this is a matter which is vitally important to my constituents who live in the city of Tuscaloosa and on Lake Tuscaloosa. I urge my colleague's support and aproval of the Lake Tuscaloosa Preservation Act.

By Mr. BENTSEN (for himself, Mr. Danforth, Mr. Baucus, Mr. Bingaman, Mr. Byrd, Mr. Dixon, Mr. Dodd, Mr. Glenn, Mr. Harkin, Mr. Hollings, Mr. Lautenberg, Mr. Long, Mr. Melcher, Mr. Metzenbaum, Mr. Riegle and Mr. Simon):

S. 2226. A bill to prevent unfair international trading practices, including unfair trade concessions requirements, which undermine U.S. international trade agreements, from burdening U.S. trade and commerce; to the Committee on Finance.

UNFAIR TRADE CONCESSIONS REQUIREMENTS ACT

Mr. BENTSEN. Mr. President, I am pleased today to introduce, with Senators Danforth, Baucus, Bingaman, Byrd, Dixon, Dodd, Glenn, Harkin, Hollings, Lautenberg, Long, Melcher, Metzenbaum, Riegle, and Simon, a bill on unfair trade concessions requirements. This bill is a result of the work of the Democratic Working Group on Trade Policy, of which I am the chairman.

The Democratic Working Group has recently been studying the national trade estimate issued pursuant to the Trade and Tariff Act of 1984 and administration responses to questions propounded by the Democratic Working Group last summer on the trade practices of seven different countries.

According to the administration responses to the Democratic Working Group's questions, Korea has issued regulations that computers may not be imported into their country unless the Minister of Commerce and Industry improves a computer import plan, which as a practical matter must include, among other things, the foreign producer's willingness to transfer technology and produce computers or computer parts in Korea. According to the responses the Democratic Working Group has gotten from the administration, four United States firms that received approval under this law invested $23 million in Korea.

Here is the effect the administration said this practice has in the United States:

> The impact of the (Korean) policy is greatest in smaller suppliers and suppliers of small computers, peripherals and parts because such firms do not have the necessary capital or scale of production to license Korean firms. . . . even the importation of medium and large-scale systems, however, depends on the foreign producer's willingness to transfer technology, produce computer parts locally and provide the know-how for producing . . . printers, terminals and disk and tape devices. The principal U.S. private sector interest . . . is comprised of young, highly innovative firms (predominantly small and medium-sized firms) that export approximately 40 percent of their U.S. manufactured products. More than 90 percent of these firms manufacture all of their products in the United States; as a group, they employ more than 200,000 American workers.

Such unfair trade concessions requirements are not unique to Korea. We found evidence of such requirement in West Germany and Brazil, among others.

Unfair trade concessions requirements are not new. Consider the following statement about the practices of Japan from the recent book, "Comeback," by the distinguished Japan scholar, Ezra Vogel:

> One logical way to deal with IBM was to encourage alliances between Japanese companies and IBM's foreign rivals. Within several years, virtually all Japanese computer firms found foreign allies with whom to share technical assistance and licensing arrangements. . . . As in other industrial sectors, foreign partners were not allowed to have substantial equity participation or any control over domestic computer production. A customer wishing to buy a foreign computer had to explain why the computer was needed and get MITI's (the Japanese Government Ministry of Trade and Industry) approval to import. If MITI judged a domestic system adequate to perform the task, it advised the customer to purchase a domestic machine.

It is time we put a stop to these unfair trade practices, Mr. President. Twenty-five years of foreign unfair trade concessions requirements on U.S. exports is enough.

Under this bill, it would be an explicit basis under section 301 of the Trade Act of 1974—the President's wideranging power to retaliate against foreign unfair trade practices—that a foreign government is levying an unfair trade concessions requirement on a U.S. private company. Nothing in this bill forbids a U.S. corporation from complying with an unfair trade concessions requirement. Moreover, since many such requirements have already been met by U.S. corporations, this remedy is prospective, a notice to other countries that in the future we will retaliate for unfair trade concessions requirements that limit our exports.

This bill would also set a high priority on the President's pressing for international consensus to control

these practices in new multilateral trade negotiations. Finally, it would give the President authority to reduce benefits to developing countries under such programs as the Caribbean Basin Initiative and the Generalize System of Preferences if they levy unfair trade concessions requirements on U.S. companies, unless these requirements are temporary and are required by the International Monetary Fund.

This country's trade deficit in manufactured goods grew from $88.7 billion in 1984 to $112.8 billion in 1985. Yet the President's economic report says: "Increases in the trade deficit and the import share of the domestic market do not indicate a weakened domestic industrial capability." In other words, don't worry.

But I am worried by our hugh deficit in manufactured goods.

Foreign conditions upon importation of U.S. products and services violate international trade agreements.

Such conditions may cause U.S. firms to relocate their American plants to foreign soil. They deprive us of exports, by giving foreign competitors cheap access to hard-won U.S. technology.

These conditions cripple the ability of small but efficient, high technology firms in America to export, because they are not able to meet these conditions.

I urge Senators to support this bill to fight unfair trade concessions requirements.

I ask unanimous consent that the text of the bill and a section-by-section description of the bill be printed in the Record.

There being no objection, the material was ordered to be printed in the Record, as follows:

S. 2226

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the "Unfair Trace Concessions Requirements Act".

SEC. 2. FINDINGS.

The Congress finds that unfair trade concessions requirements—

(1) nullify and impair existing United States international trade agreements,

(2) impede attainment of the objectives of such agreements,

(3) constitute a failure in the carrying out of obligations under such agreements by those foreign governments which impose such requirements,

(4) burden and impede United States commerce,

(5) distort costs of production and unfairly place the United States at a competitive disadvantage,

(6) encourage diseconomies that may result in lost business opportunities and in the loss of jobs in the United States,

(7) create uncertainties and undermine confidence in the system of open and reciprocal trade,

(8) impair the ability of United States firms to compete on an equitable basis, and

(9) unreasonably limit freedom of choice for foreign consumers and for United States firms by restricting or conditioning trade through market-distorting practices.

SEC. 3. RELIEF FROM UNFAIR TRADE CONCESSIONS REQUIREMENTS.

Subsection (e) of section 301 of the Trade Act of 1974 (19 U.S.C. 2411(e)) is amended by adding at the end thereof the following new paragraphs:

"(7) Denies benefits.—An act, policy, or practice of a foreign country or instrumentality denies benefits to the United States under a trade agreement if the act, policy, or practice—

"(A) nullifies, impairs, or impedes attainment of the objectives of such trade agreement, or

"(B) constitutes an unfair trade consessions requirement with respect to any product or service within the purview of such trade agreement.

"(8) Unfair trade concessions requirement—

"(A) In general.—The term 'unfair trade concessions requirement' means any act, practice, or policy of a foreign government or instrumentality which, as a practical matter, constitutes a requirement that—

"(i) substantial direct investment in such foreign country or instrumentality be made,

"(ii) intellectual property be licensed to such foreign country or instrumentality or to any firm of such foreign country or instrumentality, or

"(iii) other collateral concession be made, as a condition for the importation of any product or service of the United States into such foreign country or instrumentality or as a condition for carrying on business in such foreign country or instrumentality.

"(B) Determinations.—The existence of an unfair trade concessions requirement may be inferred from existing circumstances if direct evidence of any act, practice, or policy of a foreign country or instrumentality constituting a requirement described in subparagraph (A) is not otherwise available.".

SEC. 4. NEGOTIATIONS TO REMOVE UNFAIR TRADE CONCESSIONS REQUIREMENTS.

(a) In General.—In any negotiations authorized under section 102 of the Trade Act of 1974 (19 U.S.C. 2111), the President shall seek specific commitments to—

(1) remove existing unfair trade concessions requirements, and

(2) avoid future use of unfair trade concessions requirements,

on the grounds that unfair trade concessions requirements deny United States exports benefits anticipated under existing international trade agreements.

(b) Developing Countries.—The commitments the President is required to seek under subsection (a) may provide for the use of unfair trade concessions requirements by any developing country on a temporary basis if such unfair trade concessions requirements are necessary to meet conditions placed upon such country by the International Monetary Fund or any other international monetary authority.

(c) Definition.—For purposes of this Act, the term "unfair trade concessions requirements" has the remaining giver to such term by section 301(e)(8) of the Trade Act of 1974 (19 U.S.C. 2411(e)(8)).

SEC. 5. MODIFICATION OF CERTAIN UNILATERAL TRADE BENEFIT PROGRAMS.

(a) Generalized System of Preferences.—Subsection (b) of section 502 of the Trade Act of 1974 (19 U.S.C. 2462) is amended—

(1) by striking out "and" at the end of paragraph (7),

(2) by striking out the period at the end of paragraph (8) and inserting in lieu thereof "; and",

(3) by inserting after paragraph (8) the following new paragraph:

"(9) if such country imposes unfair trade concessions requirements (within the meaning of section 301(e)(8)) with respect to products of the United States that are within the purview of any agreement which is in effect between the United States and such country.", and

(4) by striking out "and (8)" in the last sentence thereof and inserting in lieu thereof "(8), and (9)".

(b) Caribbean Basin Initiative.—Subsection (b) of section 212 of the Caribbean Basin Economic Recovery Act (19 U.S.C. 2702(b)) is amended—

(1) by striking out "and" at the end of paragraph (6),

(2) by striking out the period at the end of paragraph (7) and inserting in lieu thereof "; and",

(3) by inserting after paragraph (7) the following new paragraph:

"(8) if such country imposes unfair trade concessions requirements (within the meaning of section 301(e)(8) of the Trade Act of 1974) with respect to products of the United States that are within the purview of any agreement which is in effect between the United States and such country.", and

(4) by striking out "and (5)" in the last sentence thereof and inserting in lieu thereof "(5), and (8)".

Section-by-Section Description of the Unfair Trade Concessions Requirements Act, March 24, 1986

This is a bill to provide relief for U.S. exporters from unfair trade concessions requirements. The motive for the legislation is to provide specific legislation in response to unfair trade practices disclosed in Administration responses to requests for information (the Responses) propounded by the Senate Democratic Working Group on Trade Policy in 1985, information provided to Congress in the 1985 National Trade Estimate (the Estimate) prepared pursuant to section 181 of the Trade and Tariff Act of 1984, and in other sources. Examples of these practices are as follows:

(1) The Korean program is the most obvious instance of unfair trade concessions requirements. Under a Korean law promulgated in 1983, the Minister of Commerce and Industry of Korea decides whether to allow the importation of computers into Korea. According to the Responses: "Even the importation of medium- and large-scale systems, however, depends on the foreign producer's willingness to transfer technology, produce computer parts locally and provide the know-how for producing plug-compatible peripherals (i.e., printers, terminals, and disk and tape devices)." The four U.S. firms approved under these policies have invested $23 million in Korea, according to the Responses.

(2) German procedures for regulating telecommunications equipment procurement are developed by an Association of Telecommunications Suppliers, which only companies producing in Germany can join. Therefore, if American firms want standards that they can meet, they must produce telecommunications products in Germany. As a result, they export fewer products from the United States than would otherwise occur.

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In 1984, according to the Responses, U.S. firms located in West Germany sold the West Germany publicly owned telecommunications company $589.5 million worth of products they manufactured in West Germany; U.S. exports of such equipment in 1984 amounted to only $11.2 million.

(3) In the 1970's, American producers of light aircraft sold up to 600 units a year to Brazil. Then Brazilian licensing restrictions cut imports of finished aircraft almost to zero to protect the fledgling, state-owned light aircraft industry. However, one American company managed to keep a reduced export market in Brazil; it agreed to provide the assembly in Brazil of kits for single and multiple -engine, non-pressurized aircraft, according to the Responses.

(4) Mexico's 1982 Law on the Control and Registration of the Transfer of Technology and the Use and Exploitation of Patents and Trademarks gives the Mexican Government broad jurisdiction to control the terms and conditions under which Mexico acquires technology, and its import licensing system—moderated last July but still in existence for many important U.S. exports—gives equally broad power to restrict imports. Although the Responses indicate no U.S. firm has complained, the potential exists of bargaining technology licenses for import access in such an arbitrary system.

Section 1 states the short title of the bill.

Section 2 of the bill makes findings with regard to unfair trade concessions requirements. The first three findings amount to a legislative determination that unfair trade concessions restraints are actionable under the General Agreement on Tariffs and Trade (the GATT), which is the principal U.S. trade agreement.

Finding (4), which is based upon the information in the Estimate, the Responses, and other sources, represents a legislative determination that unfair trade concessions requirements damage U.S. firms and workers to the extent necessary to justify action under U.S. law, including but not limited to, section 301 of the Trade Act of 1974.

Findings (5) through (7) set forth the adverse impacts of unfair trade concessions requirements on U.S. exporters, the U.S. economy, and on foreign economies.

Section 3 of the bill would provide specifically for relief from unfair trade concessions requirements under section 301 of the Trade Act of 1974 (section 301), which authorizes the President to retaliate for foreign acts, practices, and policies that burden or restrict U.S. commerce and that are unreasonable or unjustifiable. Specifically, section 2 defines the phrase, "denies benefits," which is one of the bases for section 301 action. Section 301 provides:

"If the President determines that action by the United States is appropriate . . . to respond to any act, policy, or practice of a foreign country or instrumentality that is inconsistent with the provisions of, or otherwise denies benefits to the United States, under any trade agreement . . . (then) the President shall take all appropriate and feasible action within his power to enforce such rights or to obtain the elimination of such act, policy, or practice."

While section 301 is broad enough in its current form to cover unfair trade concessions requirements, legislation is necessary to give other countries and the Administration notification that in the future Congress intends this aspect of American trade agreements to be vigorously enforced. (It is intended this section 301 provision be applied prospectively only.)

Section 3 also defines unfair trade concessions requirements in pragmatic terms as, generally, collateral concessions private U.S. firms are required to make as a condition for the importation of any product or for carrying on business. While Congress acted in 1984 to bring concessions required for investment (called "performance requirements") within the scope of section 301, it has not acted to bring concessions for trade access (in the form of investments and licensing that would not otherwise be made) within the scope of the law. As the Business Roundtable declared in its 1983 Statement on International Investment: "An important corollary to the 'right of establishment' must be the 'right not to invest'."

The term "collateral" has its ordinary meaning of "accompanying, but extrinsic to a main consideration." Unfair trade concessions requirements undermine the value of concessions given to the United States to reduce tariffs or eliminate quotas by adding a condition U.S. exporters should not have to overcome because it is beyond the scope of existing trade agreements, i.e., it is "collateral."

Unfair trade concessions requirements are frequently not publicly declared, even though they are made known clearly to U.S. exporters, and therefore it is necessary to make it explicit that such policies are subject to section 301 action even if they are not formally declared. The definition reaches unfair trade concessions requirements that "as a practical matter" fit the terms of the definition. This is intended to reach informal as well as formal conditions, the former being more often the case. It is also intended to justify an inference of unfair trade concessions requirements from the surrounding circumstances, including but not limited to circumstances where the Administration finds a foreign country imposes a collateral condition upon the importation of products produced in or services originating in the United States.

Section 4 of the bill requires the President to obtain agreements to remove existing unfair trade concessions requirements and avoid the future use of such requirements. This provision is placed in the existing authority for the President to negotiate reductions in nontariff trade barriers, section 102 of the Trade Act of 1974, but it is intended that the President make the elimination of such requirements a high priority in all trade agreements he may negotiate in bilateral, regional, or multilateral trade negotiations; therefore, the cosponsors urge the Administration to add such an objective to any new negotiating authority they may propose. Moreover, it is intended that there be no compensation given or concessions made in return for such commitments, since current trade agreements plainly prohibit unfair trade concessions requirements already.

Subsection (b) of section 4 anticipates that some developing countries may take the position that unfair trade concessions requirements are necessary to development. The provision limits the circumstances under which U.S. law would not require action against such requirements, *i.e.*, when they are temporary and are necessary to meet conditions placed upon the country by the International Monetary fund or similar authority.

Section 5 of the bill requires the President to take the existence of unfair trade concessions requirements into account in making various determinations of unilateral trade benefits to developing countries, including determinations under the Generalized System of Preferences and the Caribbean Basin Economic Recovery Act.

Mr. DIXON. Mr. President, I am pleased to join my colleagues in introducing this important piece of legislation which is a result of several months of study by the Democratic Working Group on Trade.

Last July, we filed a request with the U.S. Trade Representative for information on foreign acts and practices which we believed placed unfair restrictions on American trade abroad. We had specific questions about specific countries and industries which were answered by the U.S. Trade Representative in October of last year. Our suspicions were confirmed and the practices which we believed were occurring are, indeed, occurring, causing American jobs to be our largest export.

The legislation we are introducing today has one basic message: The restrictions that many nations impose as a condition of allowing us to export to them are unfair trade practices and should be actionable under the GATT and section 301 of the Trade Act.

For example, a 1983 Korean law provides that the Minister of Commerce decides whether to allow the importation of computers into the country. The Minister's decision is based on the foreign producer's willingness to transfer technology, produce computer parts locally and provide the knowhow for producing compatible components. According to the information we received from the Trade Representative, four American firms which have been approved by the Minister of Commerce have invested $23 million in Korea.

Similar requirements exist in Germany, Brazil, Mexico, Canada, Japan and the European Community. We limited our request for information to these examples. Many more probably exist. The basic message is simple and exemplifies a very serious problem. Our competitiveness and industrial base is eroding, and it is based in part on foreign blackmail to do business with them. We have no such requirements in the United States. One of the most recent examples of legislation which would have come close to that sort of activity was the domestic content legislation proposed several years ago, which would place a requirement on foreign automobile producers to use a particular percentage of American components.

That legislation has not been enacted into law, nor has similar protectionist legislation. However, unless we can address these inequities in a manner which assures that our interests are addressed, the political pressures to enact these more restrictive policies will become even stronger, and

the arguments against them will become much weaker.

This bill will do just that. It will address one of the primary causes of job loss in this country. Not every company in this country is capable of investing huge amounts of capital in foreign countries as the entry fee for trading with another country. It would be in the best interests of the United States, if such investments were able to be made here, so that we could improve our productivity and keep jobs here. However, unless the reasons for this are addressed and solutions found, the money will continue to be spent abroad. The jobs will continue to move from Springfield to Seoul, from Rockford to Rio, from Wood River to Oaxca, from Rock Island to the Rhine, from Joliet to Japan.

The impact of this reality is greatest on small companies which are often the most innovative. This is especially true in the field of computers, where young, small, and medium-sized firms export about 40 percent of their American-manufactured products, and employ more than 200,000 people in this country. They are not in a position to make millions of dollars worth of investments in Korea in order to do business there, and they should not have to. We will only lose whatever technical advantage we have by selling the store in order to sell the goods.

I hope my colleagues will consider the implications of our current dilemma, and join us in this responsible, effective effort to give American businesses and workers a fair shake.

By Mr. HATCH (for himself, Mr. Bentsen, Mr. Boren, Mr. Cranston, Mr. Denton, Mr. Dixon, Mr. Dole, Mr. Domenici, Mr. Garn, Mr. Grassley, Mrs. Hawkins, Mr. Helms, Mr. Hollings, Mr. Humphrey, Mr. Inouye, Mr. Johnston, Mr. Laxalt, Mr. Lugar, Mr. Matsunaga, Mr. Metzenbaum, Mr. Nickles, Mr. Nunn, Mr. Thurmond, Mr. Trible, and Mr. Warner):

S.J. Res. 306. Joint resolution to designate the week beginning November 23, 1986, as "National Adoption Week"; to the Committee on the Judiciary.

NATIONAL ADOPTION WEEK

Mr. HATCH. Mr. President, it is again my privilege to sponsor the Senate joint resolution proclaiming Thanksgiving week, November 23–29, 1986, as "National Adoption Week." Adoption is an important part of the lives of millions of American families. In many ways, our country's unequalled record in adoption, loving, and caring for those who would otherwise be bereft of God's greatest gift, that is a "family' of their own, is one of the most important testaments in the annals of America's history.

We have unanimously approved this legislation over the past 4 years. We in the Senate recognized then, as we do now, that many children in this country need and long for a permanent home with a family. In America today, there are estimated to be 50,000 adoptable children who are legally free for adoption. These children, however, remain in foster care or institutions due to various public and private barriers. There also remains a lack of awareness by prospective parents who don't know that these children are available.

The majority of these children have "special needs." They may have physical, emotional or mental handicaps, or they may be children who have already reached school age. They may be children from various ethnic backgrounds. They may be children with brothers and sisters. What they all share in common is a basic right and a fundamental need for a permanent, secure, and loving home.

We all have heard stories about families who have come together through adoption. I would like to tell you about a couple from Bountiful, UT, who say nothing is more important to them than having happy, well adjusted children. Beckie and Larry King currently have 8 adopted children, all with physical or other problems, and have provided care for almost 30 children in foster and shelter care. The couple say they appreciate the challenges presented by their children and wouldn't trade the experiences they've gained for anything. They have learned through these experiences that there are few difficulties they can't cope with if they exercise enough patience and faith. The Kings are just one couple out of many who believe they have benefited by adopting children with "special needs."

During National Adoption Week we applaud and acknowledge the benefits of adoption. President Reagan, stated in his proclamation on National Adoption Week, 1985:

> National Adoption Week should remind us that no woman need fear that the child she carries is unwanted. It is a sad paradox that while thousands of American couples desperately desire to adopt a baby, many women who undergo abortions every year in the United States are unaware of all the couples eager to share their home with a newborn and to give that child all the love and care they would give if they had been its natural parents. Adoption is an alternative that provides family life for children who cannot live with their biological parents, and it is especially fitting that at Thanksgiving time we emphasize the importance of family life through the observance of "National Adoption Week."

Let us join in a celebration for families who are uniting through adoption. Let us celebrate the increased attention to adoption and commend those institutions working to find permanent homes for all adoptable children. I urge you to join me by cosponsoring and enacting this joint resolution. I ask unanimous consent that the text of the joint resolution be printed in the Record.

There being no objection, the joint resolution was ordered to be printed in the Record, as follows:

S.J. Res. 306

Whereas the week of November 23 has been commemorated as National Adoption Week for the past ten years;

Whereas we in Congress recognize the essential value of belonging to a secure, loving permanent family as every child's basic right;

Whereas approximately fifty thousand children who have special needs—school age, in sibling groups, members of minorities, or children with physical, mental, and emotional handicaps—are now in foster care or institutions financed at public expense and are legally free for adoption;

Whereas the adoption by capable parents of these institutionalized or foster care children into permanent, adoptive homes would insure the opportunity for their continued happiness and long-range well being;

Whereas public and private barriers inhibiting the placement of these special needs children must be reviewed and removed where possible to assure these children's adoption;

Whereas the public and prospective parents must be informed of the availability of adoptive children;

Whereas a variety of media, agencies, adoptive parent and advocacy groups, civic and church groups, businesses, and industries will feature publicity and information to heighten community awareness of the crucial needs of waiting children; and

Whereas the recognition of Thanksgiving week as "National Adoption Week" is in the best interest of adoptable children and the public in general: Now, therefore, be it

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled, That the week of November 23 through November 29, 1986, hereby is designated "National Adoption Week", and the President of the United States is authorized and requested to issue a proclamation calling upon the people of the United States to observe such week with appropriate ceremonies and activities.

ADDITIONAL COSPONSORS

S. 15

At the request of Mr. Moynihan, the name of the Senator from Florida, [Mr. Chiles] was added as a cosponsor of S. 15, a bill to authorize the Secretary of Health and Human Services to make grants to States for the purpose of increasing the ability of States to provide drug abuse prevention, education, treatment, and rehabilitation, and for other purposes, to authorize the Attorney General to make grants to States for the purpose of increasing the level of State and local enforcement of State laws relating to production, illegal possession, and transfer of controlled substances.

S. 1209

At the request of Mr. Chiles, the names of the Senator from New Mexico [Mr. Domenici] and the Sena-

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tor from Virginia [Mr. WARNER] were added as cosponsors of S. 1209, a bill to establish the National Commission to Prevent Infant Mortality.

S. 1766

At the request of Mr. MATHIAS, the names of the Senator from Utah [Mr. HATCH] and the Senator from Florida [Mr. CHILES] were added as cosponsors of S. 1766, a bill to designate the Cumberland terminus of the Chesapeake and Ohio Canal National Historical Park in honor of J. Glenn Beall, Sr.

S. 1900

At the request of Mr. ROTH, the names of the Senator from Virginia [Mr. WARNER] and the Senator from California [Mr. WILSON] were added as cosponsors of S. 1900, a bill to amend the Foreign Agents Registration Act of 1938 by providing for the 5-year suspension of exemption provided to an agent of a foreign principal convicted of espionage offenses.

S. 1901

At the request of Mr. ROTH, the names of the Senator from Virginia [Mr. WARNER] and the Senator from California [Mr. WILSON] were added as cosponsors of S. 1901, a bill to amend the Foreign Missions Act regarding the treatment of certain Communist countries, and for other purposes.

S. 2193

At the request of Mr. BOREN, the name of the Senator from Oklahoma [Mr. NICKLES] was added as a cosponsor of S. 2193, a bill to change the basis for computation of emergency compensation whenever the Secretary of Agriculture adjusts the level of loans and purchases for the 1986 through 1990 crops of wheat under the Agricultural Act of 1949.

SENATE JOINT RESOLUTION 241

At the request of Mr. DOLE, the names of the Senator from Maine [Mr. MITCHELL] and the Senator from Pennsylvania [Mr. SPECTER] were added as cosponsors of Senate Joint Resolution 241, a joint resolution designating the week beginning on May 11, 1986, as "National Asthma and Allergy Awareness Week."

SENATE JOINT RESOLUTION 274

At the request of Mr. GRASSLEY, the name of the Senator from Michigan [Mr. LEVIN] was added as a cosponsor of Senate Joint Resolution 274, a joint resolution to designate the weekend of August 1, 1986, through August 3, 1986, as "National Family Reunion Weekend."

SENATE JOINT RESOLUTION 286

At the request of Mr. HATFIELD, the name of the Senator from Maine [Mr. MITCHELL] was added as a cosponsor of Senate Joint Resolution 286, a joint resolution to designate the week of April 20, 1986 through April 26, 1986, as "National Reading Is Fun Week."

SENATE JOINT RESOLUTION 300

At the request of Mr. GLENN, the names of the Senator from South Carolina [Mr. HOLLINGS], the Senator from Nevada [Mr. HECHT], the Senator from Kansas [Mr. DOLE], the Senator from Georgia [Mr. NUNN], the Senator from New Jersey [Mr. BRADLEY], the Senator from Minnesota [Mr. DURENBERGER], the Senator from Minnesota [Mr. BOSCHWITZ], the Senator from South Dakota [Mr. ABDNOR], the Senator from Oklahoma [Mr. NICKLES], the Senator from North Dakota [Mr. ANDREWS], the Senator from Mississippi [Mr. COCHRAN], and the Senator from Hawaii [Mr. MATSUNAGA] were added as cosponsors of Senate Joint Resolution 300, a joint resolution to recognize and honor 350 years of service of the National Guard.

SENATE CONCURRENT RESOLUTION 115

At the request of Mr. TRIBLE, the names of the Senator from Mississippi [Mr. COCHRAN], the Senator from Tennessee [Mr. GORE], and the Senator from Indiana [Mr. QUAYLE] were added as cosponsors of Senate Concurrent Resolution 115, a concurrent resolution expressing the opposition of the United States to the forcible resettlement and systematic oppression of the Ethiopian people.

NOTICES OF HEARINGS

COMMITTEE ON ENERGY AND NATURAL RESOURCES

Mr. McCLURE. Mr. President, I would like to announce for the information of the Senate and the public the scheduling of a public hearing before the Committee on Energy and Natural Resources to consider the following nominations:

William F. Martin, of the District of Columbia, to be Deputy Secretary of Energy and David B. Waller, of the District of Columbia, to be an Assistant Secretary of Energy for International Affairs and Energy Emergencies.

The hearing will take place Monday, April 14, 2 p.m., in room SD-366 of the Senate Dirksen Office Building in Washington, DC.

Those wishing to testify or who wish to submit written statements should write to the Committee on Energy and Natural Resources, U.S. Senate, room SD-358, Dirksen Senate Office Building, Washington, DC 20510. For further information, please contact David Doane or Gerry Hardy at (202) 224-5305.

AUTHORITY FOR COMMITTEES TO MEET

COMMITTEE ON ARMED SERVICES

Mr. WARNER. Mr. President, I ask unanimous consent that the Committee on Armed Services be authorized to meet during the session of the Senate on Monday, March 24, 1986, in closed executive session, in order to conduct a hearing on Army tactical programs.

The PRESIDING OFFICER. Without objection, it is so ordered.

ADDITIONAL STATEMENTS

BUDGET SCOREKEEPING REPORT

● Mr. DOMENICI. Mr. President, I hereby submit to the Senate the budget scorekeeping report for this week, prepared by the Congressional Budget Office in response to section 5 of the first budget resolution for fiscal year 1986. This report also serves as the scorekeeping report for the purposes of section 311 of the Congressional Budget Act, as amended.

The report follows:

CONGRESSIONAL BUDGET OFFICE,
Washington, DC, March 24, 1986.

Hon. PETE V. DOMENICI,
Chairman, Committee on the Budget,
U.S. Senate, Washington, DC.

DEAR MR. CHAIRMAN: The attached report shows the effects of Congressional action on the budget for fiscal year 1986. The estimated totals of budget authority, outlays, and revenues are compared to the appropriate or recommended levels contained in the most recent budget resolution, S. Con. Res. 32. This report meets the requirements for Senate scorekeeping of Section 5 of S. Con. Res. 32 and is current through March 21, 1986. The report is submitted under Section 308(b) and in aid of Section 311 of the Congressional Budget Act, as amended.

Since my last report Congress has completed action on the Consolidated Omnibus Budget Reconciliation Act of 1985, H.R. 3128, changing budget authority, outlay, and revenue estimates. Congress also cleared H.J. Res. 534, Agriculture Urgent Supplemental and H.J. Res. 573, making provision for a repayable advance to the Hazardous Substance Response Trust Fund, which do not affect the report totals.

With best wishes,
Sincerely,
RUDOLPH G. PENNER,
Director.

FISCAL YEAR 1986 CBO WEEKLY SCOREKEEPING REPORT FOR THE U.S. SENATE AS OF MARCH 21, 1986

[In billions of dollars]

	Budget authority	Outlays	Revenues	Debt subject to limit
Current level [1]	1,057.1	980.7	778.6	1,969.0
Budget resolution, S. Con. Res. 32	1,069.7	967.6	795.7	[2] 2,078.7
Current level is:				
Over resolution by		13.1		
Under resolution by	12.6		17.1	109.7

[1] The current level represents the estimated revenue and direct spending effects (budget authority and outlays) of all legislation that Congress has enacted in this or previous sessions or sent to the President for his approval. In addition, estimates are included of the direct spending effects for all entitlement or other programs requiring annual appropriations under current law even though the appropriations have not been made. The current level excludes the revenue and direct spending effects of legislation that is in earlier stages of completion, such as reported from a Senate Committee or passed by the Senate. The current level of debt subject to limit reflects the latest U.S. Treasury information on public debt transactions.

[2] The current statutory debt limit is $2,078.7 billion.

FISCAL YEAR 1986 SUPPORTING DETAIL FOR CBO WEEKLY SCOREKEEPING REPORT, U.S. SENATE, AS OF MARCH 21, 1986

[In millions of dollars]

	Budget authority	Outlays	Revenues
I. Enacted in previous sessions:			
Revenues			777,794
Permanent appropriations and trust funds	723,462	629,773	
Other appropriations	525,774	544,943	
Offsetting receipts	−188,561	−188,561	
Total enacted in previous sessions	1,060,676	986,156	777,794
II. Enacted this session:			
Commodity Credit Corporation urgent supplemental appropriations, 1986 (P.L. 99-243)			
Federal Employees Benefits Improvement Act of 1986 (P.L. 99-251)		4	
VA home loan guarantee amendments (P.L. 99-255)		−51	
Total		−47	
III. Continuing resolution authority			
IV. Conference agreements ratified by both Houses:			
Omnibus Budget Reconciliation Act of 1986 (H.R. 3128)	−4,259	−6,006	765
Department of Agriculture urgent supplemental, 1986 (H.J. Res. 534)			
Advance to Hazardous Substance Response Trust Fund, H.J. Res. 573			
Total	−4,259	−6,001	765
V. Entitlement authority and other mandatory items requiring further appropriation action:			
Veterans compensation	272	185	
Veterans readjustment benefits	91	91	
Compact of free association	205	205	
Special benefits (Federal employees)	14	14	
Family social services	100	75	
Guaranteed student loans	6		
Payment to the civil service retirement	(37)	(37)	
Total entitlements	688	570	
Total current level as of March 21, 1986	1,057,105	980,677	778,559
1986 budget resolution (S. Con. Res. 32)	1,069,700	967,600	795,700
Amount remaining:			
Over budget resolution		13,077	
Under budget resolution	12,595		17,141

Note.—Numbers may not add due to rounding.

NICARAGUA

● Mr. SIMON. Mr. President, U.S. policy in Nicaragua just does not make sense. I hope there are enough voices of complaint and reason around this country that will get us to modify that. And I hope we do it before we vote any further money that simply kills the people of that area.

Washington Post columnist Colman McCarthy had a column recently that tells of what a Catholic priest, the mayor of Burlington, VT, and a 77-year-old retired labor organizer from Florida, are doing.

I hope we listen to these voices as well as the voice of the administration.

I ask that the Colman McCarthy article appear in the RECORD.

The article follows:

IN NICARAGUA, AN EX-MARINE'S CAMPAIGN OF CONSCIENCE

(By Colman McCarthy)

Some people have a conscience; others, a conscience has them. Bill Gandall, 77, a retired labor organizer who lives in Juno Beach, Fla., is in the second group. He spent eight days recently in Nicaragua as part of a delegation of North Americans that presented 15 ambulances to the Sandinista government. Gandall helped raise $200,000 for the ambulances, which were shipped from Japan to Managua.

It was Gandalls's second stay in Nicaragua. The first came in 1928 when, as a teenaged Marine, he spent two years fighting Augusto Ceasar Sandino, the leader for whom the Sandinistas are named. "We never caught him," Gandall recalls, "because no matter how we tortured, we could never get people to inform."

As a Marine in Nicaragua, Gandall remembers the fervent way the corps spread U.S. democracy: "I shot a guy at the polls," in the fraudulent election of 1928. After that, I was "taking part in rapes, burning huts, cutting off genitals. I had nightmares for years. I didn't have much of a conscience while I was in the Marines. We were taught not to have a conscience."

The teaching didn't last long. Gandall left the Marines in his early twenties and went into union organizing. "That woke me up," he says. Another jolt was realizing the uselessness and destructiveness of current U.S. military intervention in Nicaragua: "It's a disaster to support the contas because they are mostly led by former Somoza people. I saw some of the atrocities committed by them. They learned from the Marines and carried on our work."

The efforts of Gandall—a man prodded by his conscience to make reparations—are a positive contrast to the drive by the Reagan administration to rearm and refund the contras. As much as $130 million is expected to be requested. The significance of someone like Bill Gandall is that he represents the third—and usually hidden—side in the debate. He is one of a large number of North Americans who, while opposing the waste of money on the contras, is working to increase personal nongovernmental aid to the Nicaraguan government.

The breadth of the movement is seldom reported.

A freighter is now sailing from a port in New Brunswick, Canada, to Nicaragua loaded with 560 tons of clothing, medical supplies, corn, grain, books, fishing equipment and other goods. A major force behind the shipment is Bernard Sanders, the socialist mayor of Burlington, Vt. About two years ago, wanting to go beyond mere complaining that funding the contras was neither moral nor practical, Sanders persuaded the citizens of Burlington to commit themselves to their own foreign-aid program.

The mayor, stating the obvious, which seems to keep being forgotten, said: "Instead of invading Nicaragua and spending tremendous amounts of tax dollars on a war there, money which could be much better used at home, it seems to me that it would be worthwhile for us to get to know the people of Nicaragua, understand their problems and concerns, and see how we can transform the present tension-filled relationship into a positive one based on mutual respect."

In addition to $300,000 worth of goods from Burlington, the freighter is carrying 75 tons of clothing and food from Church World Services, 30 tons of clothing from Catholic Relief Services, 127 tons of food from the Mennonite church and 300 tons of corn and beans from the Canadian food-grain bank. The boat is sailing from New Brunswick because no U.S. firm was willing to buck the embargo.

On land, coordinators of "Quest for Peace" announced last week they are halfway toward their goal of collecting $27 million in humanitarian aid for Nicaraguans. "Quest for Peace" is a national campaign based in Mount Rainier, Md., and cosponsored by an ecumenical coalition of religious groups. It was formed in December 1985. The Rev. William Callahan, a Jesuit preist, echoes the thoughts of the mayor of Burlington: "U.S. citizens are fed up with the illegal policy of our government toward Nicaragua which has made the United States an international outlaw. They are determined to act in the true democratic and Judeo-Christian ways to heal the wounded, clothe the naked and help shelter Nicaraguans attacked by the U.S.-backed 'contra' terrorists."

The $27 million is an unofficial matching grant for what Congress voted the terrorists in June 1985. Last week, Reps. James Jeffords (R-Vt.) and Peter Kostmayer (D-Pa.) released an investigative report commissioned by the Washington office on Latin America. About the contras, the report documented "a pattern of indiscriminate attacks against civilian targets, kidnappings, rapes, assassinations, mutilations and other forms of violence."

According to Bill Gandall, that's the story of the Marines in 1928. The difference between then and now is that the United States paid American kids to brutalize Nicaragua. Now we pay Nicaraguans directly. Either way, Gandall's conscience won't be still.

NATIONAL INDEPENDENT RETAIL GROCER WEEK

● Mr. BOSCHWITZ. Mr. President, I am extremely pleased that my colleagues have joined me in honoring the independent retail grocers of this Nation by passing Senate Joint Resolution 263, "National Independent Retail Grocer Week."

Senate Joint Resolution 263 exemplifies the spirit of commemorative resolutions by identifying and paying tribute to independent retail grocers, typically small business persons who provide needed services to the communities in which they live and work.

As I have stated before, independent retail grocers are the backbone of the food distribution system in the United States. They account for 64 percent of all grocery stores in this country and are responsible for nearly one-half of all grocery products sold. They provide employment for over 1 million people. Independent retail grocers know no socioeconomic or geographical boundaries, with locations as diverse as a small country store at a crossroads in rural America, to an expensive store in the hub of a large city.

Senate Joint Resolution 263 is a fitting tribute to this fine group of entrepeneurs. As one of the few entrepen-

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eurs in the Senate, I have a special respect and appreciation for the work and dedication it takes to make a business successful. I urge my colleagues in the House to act expeditiously and join the Senate in honoring independent retail grocers.●

NAUM AND INNA MEIMAN: EMIGRATION IS A MEDICAL NECESSITY

● Mr. SIMON. Mr. President, Naum and Inna Meiman, a Soviet Jewish couple, applied to emigrate from the Soviet Union to go to Israel over 10 years ago. Time after time, the Soviet Government has denied permission for the Meimens to leave.

Now, the situation is dire. Inna has had four operations to remove cancerous tumors on the back of her neck. I am sorry to report that a fifth tumor is growing and Soviet doctors have told her there is nothing more they can do.

Naum, now 74, has been denied permission to leave because of alleged secret work performed for the Soviet Government. This work was done over 25 years ago. Any secret work is, by now, completely outdated.

Why is the Soviet Union continuing to deny permission to a sick woman and an elderly man to seek medical treatment and live in the country of their choice—Israel? The result is a life of excruciating pain for Inna and Naum and bad public relations for the Soviet Government.

Mr. President, I strongly urge the Soviet Government to allow the Meimans to emigrate to Israel.●

TRIBUTE TO PAKISTAN

(By request of Mr. DOLE, the following statement was ordered to be printed in the RECORD:)

● Mrs. HAWKINS. Mr. President, today the nation of Pakistan is celebrating its national day, and I rise to wish the people of Pakistan the very best for the future.

The nation of Pakistan is a close ally of the United States. It has been stalwart in its stand against the Soviet threat to the subcontinent of Asia posed by the Soviet Union's brutal invasion of Afghanistan. It has taken in millions of innocent Afghan refugees driven from their homeland by the Soviet Army. Pakistan, with much needed assistance from the United States, is a strong protector of security and stability on the subcontinent.

It is also important to note the Pakistan Government's moves toward democratic rule. Elections in the national and provincial assemblies were held in February and March of last year. Political parties, which were banned in earlier years, have been allowed to register and operate. Most significantly, at the end of last year martial law was lifted and the 1973 constitution was restored by President Mohammed Zia-ul-Haq. President Zia now shares power with Prime Minister Mohammad Khan Junejo. I applaud President Zia for the important and significant steps he has taken toward evolutionary political reform in Pakistan.

Finally, Mr. President, President Zia's leadership in combating the drug trade should serve as a model for other countries to follow. He has taken strong action to eradicate opium-poppy production and interdict drug trafficking. These actions serve to protect the security of people of the United States as much as Pakistan's stand against Soviet hegemony in the subcontinent.

Again, Mr. President, I salute President Zia and the people of Pakistan for their courage, tradition, strength, and vitality. I am sure that they will continue to prosper and develop in 1986 as they have in 1985. I believe I speak for the people of the United States in wishing Pakistan the best for our continued good relationship.●

AMERICANS FOR SUBSTANCE ABUSE PREVENTION

(By request of Mr. DOLE, the following statement was ordered to be printed in the RECORD.)

● Mrs. HAWKINS. Mr. President and distinguished colleagues, today I am very pleased to announce the recent move, to Washington, DC of a highly respected organization and one that is so vital to our society today. The Americans for Substance Abuse Prevention, or some of you may know them as ASAP, are now located near the Capitol in Washington.

In just 2 short years, this organization has grown significantly and now represents 20,000 parents, nurses, physicians and other individuals deeply concerned about the problem of drug and alcohol abuse among our Nation's youth. The organization is nonprofit and consists mainly of volunteers devoting their time and energy to seeking some viable solutions to the terrible problem of drug and alcohol abuse in this country. A problem which, as you know, exacts an enormous toll on our society both in terms of human suffering and social costs.

The Americans for Substance Abuse Prevention are committed to the idea that a solution to substance abuse problems in this country should be a national priority. They have developed a national agenda to serve as a reference point for the planning of national legislation and policies in this area. Also, ASAP is engaged in a number of useful activities to accomplish this goal, one of which is to make the American public more aware and better educated about the dangers and warning signs of alcoholism and drug addiction. Some of their other endeavors include initiating and supporting educational efforts aimed at the prevention of substance abuse, encouraging research dealing with alcohol- and drug-related issues, and helping to remove the barriers to treatment of the diseases of alcoholism and drug addiction.

I believe these are very worthwhile endeavors, and I wish to congratulate the Americans for Substance Abuse Prevention on the fine work they are doing. All of the over 20,000 ASAP members should be commended for their strong support for, and commitment to, rectifying this devastating problem in our country. They have my strong support, and I look forward to working even more closely with the Americans for Substance Abuse Prevention, now that they are in Washington. DC.●

ADJOURNMENT OF THE TWO HOUSES UNTIL APRIL 8, 1986

Mr. WARNER. Mr. President, seeing no other Senators seeking recognition, the leadership has asked the distinguished Senator from Maryland and myself to ask the Senate to turn to the adjournment resolution. I ask unanimous consent that the Senate now turn to the consideration of House Concurrent Resolution 304, the adjournment resolution.

The PRESIDENT OFFICER. Without objection, it is so ordered. The resolution will be stated by title.

The assistant legislative clerk read as follows:

A resolution (H. Con. Res. 304) providing for a conditional adjournment of the House from March 25 to April 8 and a conditional adjournment of the Senate from March 26 or March 27 to April 8, 1986.

The Senate proceeded to consider the concurrent resolution.

The PRESIDENT OFFICER. The question is on agreeing to the concurrent resolution.

The concurrent resolution (H. Con. Res. 304) was agreed to.

The concurrent resolution reads as follows:

H. CON. RES. 304

Resolved by the House of Representatives (the Senate concurring), That when the House adjourns on Tuesday, March 25, 1986, and that when the Senate adjourns on Wednesday, March 26, 1986, or on Thursday, March 27, 1986, pursuant to a motion made by the Majority Leader, or his designee, in accordance with this resolution, they stand adjourned until 12 o'clock meridian on Tuesday, April 8, 1986, or until 12 o'clock meridian on the second day after Members are notified to reassemble pursuant to section 2 of this concurrent resolution whichever occurs first.

SEC. 2. The Speaker of the House, after consultation with the Minority Leader of the House, and the Majority Leader of the Senate, after consultation with the Minority Leader of the Senate, acting jointly, shall notify the Members of the House and the Senate, respectively, to reassemble whenever, in their opinion, the public interest shall warrant it.

Mr. WARNER. Mr. President, I move to reconsider the vote by which the concurrent resolution was agreed to.

Mr. SARBANES. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

REPORT ON BUDGET RESOLUTION

Mr. WARNER. Mr. President, I ask unanimous consent the Committee on Budget have until 7 p.m. today to file a report to accompany the budget resolution.

The PRESIDING OFFICER. Without objection, it is so ordered.

ORDERS FOR TOMORROW

RECESS UNTIL 10:30 A.M.

Mr. WARNER. Mr. President, in terms of the requests for Tuesday, March 25, 1986, I ask unanimous consent that once the Senate completes its business today it stand in recess until 10:30 a.m. on Tuesday, March 25.

The PRESIDING OFFICER. Without objection, it is so ordered.

RECOGNITION OF CERTAIN SENATORS

Mr. WARNER. Further, I ask unanimous consent that following the recognition of the two leaders under the standing order, there be special orders in favor of the following Senators not to exceed 5 minutes each: MATHIAS, CRANSTON, HAWKINS, STENNIS, and PROXMIRE.

The PRESIDING OFFICER. Without objection, it is so ordered.

ROUTINE MORNING BUSINESS

Mr. WARNER. Following the special orders just identified, I ask unanimous consent there be a period for the transaction of routine morning business not to extend beyond 11:30 a.m., with Senators permitted to speak therein for not more than 5 minutes each.

The PRESIDING OFFICER. Without objection, it is so ordered.

METROPOLITAN WASHINGTON AIRPORTS TRANSFER ACT

Mr. WARNER. I ask unanimous consent at the hour of 11:30 a.m. tomorrow, the Senate begin 30 minutes of debate on the motion to proceed to S. 1017, the airport transfer bill, to be equally divided between the junior Senator from Maryland [Mr. SARBANES] and the two Senators from Virginia [Mr. TRIBLE and Mr. WARNER].

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. WARNER. The distinguished Senator from Maryland has asked that this order be amended to read that the time be equally divided between the two Senators from Maryland and the two Senators from Virginia.

The PRESIDING OFFICER. Without objection, the order will be so amended.

RECESS UNTIL 2 P.M.

Mr. WARNER. Mr. President, following the 12 noon cloture vote, I ask unanimous consent the Senate stand in recess until the hour of 2 p.m. in order for the weekly party caucuses to meet.

The PRESIDING OFFICER. Without objection, it is so ordered.

PROGRAM

Mr. WARNER. Mr. President, at 12 noon, by previous unanimous consent, a cloture vote will occur on the motion to proceed to S. 1017, the airport transfer bill, with a mandatory quorum under rule XXII being waived.

Mr. President, under a previous unanimous consent, the Senate will resume consideration of Senate Joint Resolution 225, the constitutional amendment calling for a balanced budget. At 6 p.m., a vote will occur on final disposition of Senate Joint Resolution 225.

Mr. President, following final disposition of Senate Joint Resolution 225, the balanced budget amendment, the Senate will turn to the consideration of Senate Joint Resolution 283, the Contra aid resolution, under a statutory time limitation of 10 hours.

Mr. President, there will be rollcall votes throughout Tuesday, March 25, and the Senate is expected to continue its work into the evening of Tuesday, March 25.

RECESS UNTIL 10:30 A.M. TOMORROW

Mr. WARNER. Mr. President, I move that the Senate stand in recess in accordance with the previous order.

The motion was agreed to, and at 4:39 p.m. the Senate recessed until tomorrow, Tuesday, March 25, 1986, at 10:30 a.m.

NOMINATIONS

Executive nominations received by the Senate March 24, 1986:

CENTRAL INTELLIGENCE

Robert M. Gates, of Virginia, to be Deputy Director of Central Intelligence, vice John N. McMahon, resigned.

FEDERAL LABOR RELATIONS AUTHORITY

Henry Bowen Frazier III, of Virginia, to be a member of the Federal Labor Relations Authority for a term of 5 years expiring July 1, 1990. (Reappointment.)

IN THE MARINE CORPS

The following-named officer, under the provisions of title 10, United States Code, section 601, to be assigned to a position of importance and responsibility designated by the President under title 10, United States Code, Section 601:

To be general

Lt. Gen. Thomas R. Morgan, 199-22-0605, U.S. Marine Corps.

IN THE AIR FORCE

The following students of the Uniformed Services University of the health sciences class of 1986, for appointment in the regular Air Force, effective upon their graduation under the provisions of section 2114, title 10, United States Code, with grade and date of rank to be determined by the Secretary of the Air Force:

Thomas E. Applegate, 523-84-6839
Craig N. Bash, 562-15-3991
William E. Bolger, 099-52-2800
Paul E. Boor, 251-57-8813
Thomas P. Bradley, 224-68-4971
Patrick I. Burns, 557-88-5112
John B. Campbell, 527-33-2502
Suzanne M. Cecconi, 553-04-6218
Douglas J. Chadbourne, 263-98-0024
Joseph A. Cook, 531-64-4383
Kory G. Cornum, 524-84-3611
Peter F. Demitry, 149-42-4179
Walter L. Dillard, 418-90-0841
Robert W. Dodson, 442-60-8768
Michael W. Fraley, 215-48-8229
Daniel C. Ginsberg 547-72-6865
Richard M. Goddard, 573-04-1256
Michael K. Gowesky, 149-50-6669
Joyce Grissom, 571-88-1763
Thomas E. Grissom, 451-37-4858
Lori J. Heim, 531-62-9636
John V. Ingari, 562-39-1306
Eric D. Jacobson, 585-86-7474
Walter R. Jaussi, 518-84-9655
Theodore F. Jordan, 462-25-4641
Stephen A. Knych, 033-38-3973
Kristine R. Lynch, 284-60-2688
Robert D. Lynch, 548-94-7342
Peter B. Mapes, 215-52-5076
Albert J. Martins, 214-80-7521
Scott D. McLean, 219-58-6375
Robert J. Medell, 224-96-5975
Reed G. Panos, 571-94-9047
Theodore W. Parsons, 548-31-8533
Robert C. Pedersen, 048-38-7382
Anthony Pellegrino, 091-50-9211
Mary M. Pelszynski, 218-66-6477
Marcus L. Peterson, 257-74-4684
Daniel J. Quenneville, 366-78-2390
Lawrence L. Rentschler, 504-82-7167
Arie T. Riley, 139-48-3585
Jane E. Sasaki, 220-74-5428
Andrew J. Satin, 110-54-5855
Robert N. Schaller, 172-36-8200
Frank J. Shelton, 139-38-1713
William H. Sneeder, 576-84-4227
Sharon D. Thomas, 212-84-7341
Donald F. Thompson, 219-64-0960
Steven M. Topper, 573-39-8969
Thomas W. Travis, 212-66-2543
Phillip A. Wolfe, 553-13-3530
Christopher M. Zahn, 155-58-7492

IN THE NAVY

The following-named lieutenant commanders in the line, lieutenants in the Staff Corps, and chief warrant officer, W-2 of the Navy for promotion to the permanent grades of commander, lieutenant commander, and chief warrant officer, W-3, as indicated, pursuant to title 10, United States Code, sections 628 and 555, subject to qualifications therefor as provided by law:

UNRESTRICTED LINE OFFICER (11XX/13XX)

To be commander

Timothy Higgins
Anthony G. Quartano

MEDICAL CORPS (21XX)

To be lieutenant commander

David M. Harlan

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CHAPLAIN CORPS (41XX)

To be lieutenant commander

Ronald G. Wilkins

To be chief warrant officer, W-3

David D. Buckley

The following Naval Reserve officers' training corps candidate to be appointed permanent ensign in the line of the U.S. Navy, pursuant to title 10, United States Code, section 531:

Jeffery J. Iovine

The following-named Navy enlisted commissioning program candidates to be appointed permanent ensign in the line or Staff Corps of the U.S. Navy, pursuant to title 10, United States Code, section 531:

Scott D. Bohman
Rudolfo R. Cantu
Frank J. Delgado
David W. Dwiggins
Randall B. Genners
Temijiun H. Glass
Paul E. Karlsson
Tamela S. Stout
Catherine J. Varela
Kevin M. Weir
Dan H. Young

The following named Naval Reserve officers to be appointed permanent lieutenant commander in the Medical Corps of the U.S. Navy, pursuant to title 10, United States Code, section 531:

Frederick V. Bauer
Charles M. Collins
Neil F. Gibbs
Thomas W. Grossman, Jr.
Laverne R. Lovell

The following named Navy enlisted candidates to be appointed permanent chief warrant officer, W-2, in the U.S. Navy, pursuant to title 10, United States Code, section 531:

Barry L. Hunter

EXTENSIONS OF REMARKS

SENATE COMMITTEE MEETINGS

Title IV of Senate Resolution 4, agreed to by the Senate on February 4, 1977, calls for establishment of a system for a computerized schedule of all meetings and hearings of Senate committees, subcommittees, joint committees, and committees of conference. This title requires all such committees to notify the Office of the Senate Daily Digest—designated by the Rules Committee—of the time, place, and purpose of the meetings, when scheduled, and any cancellations or changes in the meetings as they occur.

As an additional procedure along with the computerization of this information, the Office of the Senate Daily Digest will prepare this information for printing in the Extensions of Remarks section of the CONGRESSIONAL RECORD on Monday and Wednesday of each week.

Any changes in committee scheduling will be indicated by placement of an asterisk to the left of the name of the unit conducting such meetings.

Meetings scheduled for Tuesday, March 25, 1986, may be found in the Daily Digest of today's RECORD.

MEETINGS SCHEDULED

MARCH 26

9:00 a.m.

Armed Services

To resume closed hearings on S. 2199, authorizing funds for fiscal year 1987 for the Department of Defense, focusing on Navy tactical programs.

SR-222

9:30 a.m.

Appropriations
District of Columbia Subcommittee

To hold hearings to review the overcrowding issue of the District of Columbia prison system.

SD-124

Appropriations
Commerce, Justice, State, the Judiciary, and Related Agencies Subcommittee

To hold hearings on proposed budget estimates for fiscal year 1987 for the Federal Trade Commission, the U.S. Commission on Civil Rights, and the U.S. Arms Control and Disarmament Agency.

S-146, Capitol

Energy and Natural Resources

Business meeting, to consider pending calendar business.

SD-366

Finance

Business meeting, to continue markup of proposed legislation providing for revisions in Federal tax laws.

SD-215

Judiciary

To resume hearings on S. 2046, to place a cap on pain and suffering awards in litigation cases.

SD-226

Labor and Human Resources

To hold hearings on S. 2184, authorizing funds for fiscal year 1987 for the National Science Foundation.

SD-430

Small Business

To hold hearings on S. 2147, to extend the authorization for nonprofit organizations operated in the interest of handicapped and blind individuals to receive procurement contracts under the Small Business Act.

SR-428A

Select on Intelligence

To resume closed hearings on proposed legislation authorizing funds for fiscal year 1987 for the intelligence community.

SH-219

10:00 a.m.

Appropriations
HUD-Independent Agencies Subcommittee

To continue hearings to review the National Aeronautics and Space Administration's overall accomplishments in their space program.

SD-192

Appropriations
Transportation and Related Agencies Subcommittee

To hold hearings on proposed budget estimates for fiscal year 1987 for Interstate Commerce Commission and the Office of the Secretary of Transportation.

SD-138

2:00 p.m.

Appropriations
Defense Subcommittee

To hold joint hearings to discuss the National Aeronautics and Space Administration's alternatives to sending satellites into space.

SD-192

Armed Services
Manpower and Personnel Subcommittee

Closed briefing to consider options to reform the military retirement system.

SR-232A

Armed Services
Strategic and Theater Nuclear Forces Subcommittee

To continue closed hearings on S. 2199, authorizing funds for fiscal year 1987 for the Department of Defense, focusing on strategic command, control and communication and warning assessment.

SR-222

Labor and Human Resources
Employment and Productivity Subcommittee

Business meeting, to mark up S. 2069, to improve Job Training Partnership Program stability and lessen burdensome administrative requirements, improve services to youth and the hard-to-serve, and strengthen enforcement.

SD-430

5:00 p.m.

Rules and Administration

Business meeting, to consider the procurement of a new telephone system for the U.S. Senate.

SR-301

MARCH 27

9:00 a.m.

Armed Services
Defense Acquisition Policy Subcommittee

To resume hearings on S. 2082, to improve the management of major defense acquisition programs, to establish a Defense Acquisition Service, and to limit employment contracts between senior officials of the Department of Defense and defense contractors, S. 2151, to establish within the Office of the Secretary of Defense an Office of Defense Acquisition for the centralized procurement of all property and services for the Department of Defense and to provide for an Under Secretary of Defense Acquisition, and S. 2196, to improve procedures for the acquisition of spare and repair parts for the Department of Defense.

SD-342

9:30 a.m.

Armed Services
Sea Power and Force Projection Subcommittee

To resume hearings in closed session on S. 2199, authorizing funds for fiscal year 1987 for the Department of Defense.

SR-232A

Finance

Business meeting, to continue markup of proposed legislation providing for revisions in Federal tax laws.

SD-215

Rules and Administration

To resume hearings on S. 59, S. 1787, S. 1806, and S. 1891, and related measures to amend the Federal campaign finance laws.

SR-301

Small Business

To hold hearings on H.R. 2787, to extend through fiscal year 1988 SBA Pilot Programs under section 8 of the Small Business Act.

SR-428A

10:00 a.m.

Appropriations
Treasury, Postal Service, and General Government Subcommittee

To hold hearings on proposed budget estimates for fiscal year 1987 for the U.S. Customs Service, Department of the Treasury.

SD-124

Judiciary

Business meeting, to consider pending calendar business.

SD-226

2:00 p.m.

Appropriations
Interior and Related Agencies Subcommittee

To hold hearings on proposed budget estimates for fiscal year 1987 for fiscal

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year 1987 for the Bureau of Mines, Department of the Interior.

SD-138

Armed Services

Military Construction Subcommittee

To resume hearings on S. 2132, authorizing funds for fiscal year 1987 for military construction programs, focusing on military base closures.

SR-222

Armed Services

Preparedness Subcommittee

To resume open and closed hearings on S. 2199, authorizing funds for fiscal year 1987 for the Department of Defense, focusing on Army, Army National Guard, and Army Reserve readiness, operation, and maintenance.

SR-232A

Small Business

Entrepreneurship and Special Problems Facing Small Business Subcommittee

To hold hearings on entrepreneur spirit in America.

SR-428A

APRIL 8

9:30 a.m.

Finance

Business meeting, to resume markup of proposed legislation providing for revisions in Federal tax laws.

SD-215

2:00 p.m.

Appropriations

Agriculture, Rural Development and Related Agencies Subcommittee

To continue hearings on proposed budget estimates for fiscal year 1987 for the Department of Agriculture, focusing on the Federal Crop Insurance Corporation, and the Rural Electrification Administration.

SD-124

Appropriations

Interior and Related Agencies Subcommittee

To hold hearings on proposed budget estimates for fiscal year 1987 for energy conservation programs.

SD-138

APRIL 9

9:30 a.m.

Appropriations

Labor, Health and Human Services, Education, and Related Agencies Subcommittee

To hold hearings on proposed budget estimates for fiscal year 1987 for the Office of the Secretary of Education, Departmental Management (salaries and expenses), Office for Civil Rights, and Office of Inspector General, all of the Department of Education.

SD-116

Appropriations

Commerce, Justice, State, the Judiciary, and Related Agencies Subcommittee

To hold hearings on proposed budget estimates for fiscal year 1987 for the Office of Attorney General, Department of Justice.

S-146, Capitol

Finance

Business meeting, to continue markup of proposed legislation providing for revisions in Federal tax laws.

SD-215

Labor and Human Resources

Business meeting, to consider pending calendar business.

SD-430

Select on Intelligence

To resume closed hearings on proposed legislation authorizing funds for fiscal year 1987 for the intelligence community.

SH-219

10:00 a.m.

Appropriations

Defense Subcommittee

To hold closed hearings on proposed budget estimates for fiscal year 1987 for the strategic defense initiative.

S-407, Capitol

Appropriations

HUD-Independent Agencies Subcommittee

To hold hearings on proposed budget estimates for fiscal year 1986 for the Department of Housing and Urban Development.

SD-124

Appropriations

Transportation and Related Agencies Subcommittee

To hold hearings on proposed budget estimates for fiscal year 1987 for the Federal Railroad Administration, Department of Transportation, and the National Railroad Passenger Corporation (AMTRAK).

SD-138

2:00 p.m.

Appropriations

Treasury, Postal Service, and General Government Subcommittee

To hold hearings on proposed budget estimates for fiscal year 1987 for the Office of Personnel Management, and the Federal Elections Commission.

SD-124

Select on Indian Affairs

To hold hearings on S. 1452, to settle certain Wampanoag Indian land claims in Gay Head, Massachusetts.

SD-538

APRIL 10

9:30 a.m.

Appropriations

Agriculture, Rural Development and Related Agencies Subcommittee

To resume hearings on proposed budget estimates for fiscal year 1987 for the Department of Agriculture, focusing on the Food and Nutrition Service, and the Human Nutrition Information Service.

SD-138

Appropriations

Labor, Health and Human Services, Education, and Related Agencies Subcommittee

To hold hearings on proposed budget estimates for fiscal year 1987 for the Department of Education, including compensatory education for the disadvantaged, special programs, and impact aid.

SD-116

Commerce, Science, and Transportation

Science, Technology, and Space Subcommittee

To hold hearings on proposed legislation authorizing funds for the National Bureau of Standards, Department of Commerce.

SR-253

10:00 a.m.

Appropriations

Defense Subcommittee

To hold hearings on proposed budget estimates for fiscal year 1987 for the strategic defense initiative.

SD-192

Appropriations

Treasury, Postal Service, and General Government Subcommittee

To hold hearings on proposed budget estimates for fiscal year 1987 for the Office of Management and Budget.

S-126, Capitol

10:30 a.m.

Finance

Business meeting, to continue markup of proposed legislation providing for revisions in Federal tax laws.

SD-215

2:00 p.m.

Appropriations

Foreign Operations Subcommittee

To hold hearings on proposed budget estimates for fiscal year 1987 for the Office of Inspector General, Agency for International Development, Peace Corps, Inter-American Foundation, and the African Development Foundation.

S-126, Capitol

Veterans' Affairs

To hold hearings to review Veterans' Administration policies relating to the construction of major medical facilities.

SR-418

APRIL 11

9:30 a.m.

Energy and Natural Resources

Public Lands, Reserved Water and Resource Conservation Subcommittee

To hold hearings on S. 977, to establish the Hennepin Canal National Heritage Corridor in Illinois, S. 1374, to establish the Blackstone River Valley National Heritage Corridor in Massachusetts and Rhode Island, S. 1413 and H.R. 2067, bills to validate conveyances of certain lands in California that form part of the right-of-way granted by the United States to the Central Pacific Railway Company, S. 1542, to designate the Nez Perce Trail in Oregon and Montana, as a component of the National Trails System, H.R. 3556, to provide for the exchange of land for the Cape Henry Memorial site in Fort Story, Virginia, and S. 2029, to establish the Big Cypress National Preserve Addition to the State of Florida.

SD-366

Finance

Business meeting, to continue markup of proposed legislation providing for revisions in Federal tax laws.

SD-215

10:00 a.m.

Appropriations

Defense Subcommittee

To hold hearings on proposed budget estimates for fiscal year 1987 for the strategic defense initiative.

SD-192

APRIL 14

9:30 a.m.

Finance

Business meeting, to resume markup of proposed legislation providing for revisions in Federal tax laws.

SD-215

10:00 a.m.

Appropriations

Energy and Water Development Subcommittee

To hold hearings on proposed budget estimates for fiscal year 1987 for energy and water development programs.

SD-192

2:00 p.m.

Appropriations

Energy and Water Development Subcommittee

To hold hearings on proposed budget estimates for fiscal year 1987 for energy and water development programs.

SD-192

Energy and Natural Resources

To hold hearings on the nominations of William F. Martin, of the District of Columbia, to be Deputy Secretary of Energy, and David B. Wailer, of the District of Columbia, to be an Assistant Secretary of Energy for International Affairs and Energy Emergencies.

SD-366

APRIL 15

9:30 a.m.

Appropriations

Agriculture, Rural Development and Related Agencies Subcommittee

To resume hearings on proposed budget estimates for fiscal year 1987 for the Department of Agriculture, focusing on the Animal and Plant Health Inspection Service, Agricultural Marketing Service, and the Food Safety and Inspection Service.

SD-138

Appropriations

Labor, Health and Human Services, Education, and Related Agencies Subcommittee

To hold hearings on proposed budget estimates for fiscal year 1987 for the Department of Education, including education for the handicapped, rehabilitation services and handicapped research, and special institutions (including Howard University).

SD-116

Commerce, Science, and Transportation

Aviation Subcommittee

To hold hearings to review safety issues relating to an aging commercial airline fleet.

SD-628

Commerce, Science, and Transportation

Science, Technology, and Space Subcommittee

To hold hearings on proposed legislation authorizing funds for National Oceanic and Atmospheric Administration, focusing on funds for satellite and atmospheric programs.

SR-253

Finance

Business meeting, to continue markup of proposed legislation providing for revisions in Federal tax laws.

SD-215

10:00 a.m.

Appropriations

Energy and Water Development Subcommittee

To hold hearings on proposed budget estimates for fiscal year 1987 for energy and water development programs.

SD-192

Energy and Natural Resources

Energy Regulation and Conservation Subcommittee

To hold hearings on S. 1302, proposed Natural Gas Regulatory Reform Act of 1985, S. 1251, proposed Natural Gas Utilization Act of 1985, and S. 2205, to eliminate certain restrictions on the use of natural gas and petroleum.

SD-366

Select on Indian Affairs

To hold hearings on S. 1991, to authorize funds for fiscal years 1987-1990 for Native American programs, and S. 1988, to establish a program for the prevention and control of diabetes among native Americans.

SR-385

1:00 p.m.

Select on Intelligence

Closed business meeting, to mark up proposed legislation authorizing funds for fiscal year 1987 for the intelligence community.

SH-219

2:00 p.m.

Appropriations

Foreign Operations Subcommittee

To hold hearings on proposed budget estimates for fiscal year 1987 for the Agency for International Development.

S-126, Capitol

Appropriations

Interior and Related Agencies Subcommittee

To hold hearings on proposed budget estimates for fiscal year 1987 for the National Endowment for the Arts and the Institute of Museum Services.

SD-138

Appropriations

Energy and Water Development Subcommittee

To hold hearings on proposed budget estimates for fiscal year 1987 for energy and water development programs.

SD-192

APRIL 16

9:00 a.m.

Veterans' Affairs

To hold joint hearings with the House Committee on Veterans' Affairs to review the legislative priorities of AMVETS, Vietnam Veterans of America, World War I Veterans, Jewish War Veterans of the U.S.A., and Atomic Veterans.

SD-106

9:30 a.m.

Appropriations

Labor, Health and Human Services, Education, and Related Agencies Subcommittee

To hold hearings on proposed budget estimates for fiscal year 1987 for the Department of Education, including student financial assistance, guaranteed student loans, higher education, higher education facilities loans and insurance, college housing loans, and educational research and training.

SD-116

Appropriations

Commerce, Justice, State, the Judiciary, and Related Agencies Subcommittee

To hold hearings on proposed budget estimates for fiscal year 1987 for the National Oceanic and Atmospheric Administration, Department of Commerce, and the Marine Mammal Commission.

S-146, Capitol

Energy and Natural Resources

Business meeting, to consider pending calendar business.

SD-366

Finance

Business meeting, to continue markup of proposed legislation providing for revisions in Federal tax laws.

SD-215

Labor and Human Resources

To hold hearings on Acquired Immune Deficiency Syndrome.

SD-430

Select on Intelligence

To hold closed hearings on intelligence matters.

SH-219

10:00 a.m.

Appropriations

HUD-Independent Agencies Subcommittee

To hold hearings on proposed budget estimates for fiscal year 1987 for the National Aeronautics and Space Administration.

SD-124

Appropriations

Energy and Water Development Subcommittee

To hold hearings on proposed budget estimates for fiscal year 1987 for energy and water development programs.

SD-192

Appropriations

Transportation and Related Agencies Subcommittee

To hold hearings on proposed budget estimates for fiscal year 1987 for the U.S. Coast Guard, Department of Transportation.

SD-138

2:00 p.m.

Appropriations

Energy and Water Development Subcommittee

To hold hearings on proposed budget estimates for fiscal year 1987 for energy and water development programs.

SD-192

Appropriations

Treasury, Postal Service, and General Government Subcommittee

To hold hearings on proposed budget estimates for fiscal year 1987 for the Department of the Treasury, Postal Service, and general government programs.

SD-124

APRIL 17

9:30 a.m.

Appropriations

Labor, Health and Human Services, Education, and Related Agencies Subcommittee

To hold hearings on proposed budget estimates for fiscal year 1987 for the Department of Education, including bilingual education, vocational and adult education, education research and improvement, and libraries.

SD-116

Finance

Business meeting, to continue markup of proposed legislation providing for revisions in Federal tax laws.

SD-215

10:00 a.m.

Commerce, Science, and Transportation

To hold hearings with the National Ocean Policy Study on S. 2138 and

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H.R. 2935, bills to establish a National Marketing Council to enable the United States fishing industry to establish a coordinated program of research, education, and promotion to expand markets for fisheries products.
SR-253

Energy and Natural Resources
Water and Power Subcommittee
To hold hearings on S. 1319, to relieve the Washoe County Water Conservation District, Nevada, of certain Federal repayment obligations, and S. 1772, to convey certain real property to the Pershing County Water Conservation District.
SD-366

Select on Indian Affairs
To hold hearings on S. 2118, to provide for the distribution of funds appropriated to pay a judgment awarded to the Sisseton and Wahpeton Tribes of Sioux Indians in Indian Claims Commission dockets numbered 142 and 359.
SD-485

2:00 p.m.
Appropriations
Foreign Operations Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1987 for foreign assistance programs.
S-126, Capitol

Appropriations
Interior and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1987 for the U.S. Fish and Wildlife Service, Department of the Interior.
SD-192

4:00 p.m.
Select on Intelligence
To hold closed hearings on intelligence matters.
SH-219

APRIL 18

9:30 a.m.
Commerce, Science, and Transportation
Business, Trade, and Tourism Subcommittee
To hold hearings on proposed legislation authorizing funds for the U.S. Travel and Tourism Administration.
SR-253

Finance
Business meeting, to continue markup of proposed legislation providing for revisions in Federal tax laws.
SD-215

APRIL 22

9:30 a.m.
Appropriations
Agriculture, Rural Development and Related Agencies Subcommittee
To resume hearings on proposed budget estimates for fiscal year 1987 for the Department of Agriculture, focusing on the Soil Conservation Service, Agricultural Stabilization and Conservation Service, Office of the General Sales Manager, Foreign Agricultural Service, Office of International Cooperation and Development, and the Food for Peace program (P.L. 480).
SD-138

Appropriations
Labor, Health and Human Services, Education, and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1987 for the Soldiers' and Airmen's Home, Prospective Payment Commission, Railroad Retirement Board, National Labor Relations Board, National Mediation Board, Occupational Safety and Health Review Commission, Federal Mediation and Conciliation Service, and the United States Institute of Peace.
SD-116

2:00 p.m.
Appropriations
Foreign Operations Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1987 for the Department of State, focusing on international narcotics control, migration and refugee assistance, and anti-terrorism programs.
S-126, Capitol

Appropriations
Interior and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1987 for the Navajo-Hopi Indian Relocation Commission, and the Office of Surface Mining, Reclamation and Enforcement, Department of the Interior.
SD-192

APRIL 23

9:30 a.m.
Appropriations
Labor, Health and Human Services, Education, and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1987 for ACTION (domestic programs), Corporation for Public Broadcasting, National Council on the Handicapped, Mine Safety and Health Review Commission, National Commission on Libraries and Information Science, and National Center for the Study of Afro-American History and Culture.
SD-116

Appropriations
Commerce, Justice, State, the Judiciary, and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1987 for the Federal Bureau of Investigation and Drug Enforcement Administration, Department of Justice, and the Equal Employment Opportunity Commission.
S-146, Capitol

Labor and Human Resources
To hold hearings on S. 1815, to prohibit any employer from using any lie detector test or examination in the work place, either for pre-employment testing or testing in the course of employment.
SD-430

Select on Intelligence
To hold closed hearings on intelligence matters.
SH-219

10:00 a.m.
Appropriations
Defense Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1987 for Navy aircraft procurement programs.
SD-192

Appropriations
Transportation and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1987 for the United States Railway Association and Conrail.
SD-138

Energy and Natural Resources
Business meeting, to consider pending calendar business.
SD-366

2:00 p.m.
Appropriations
Energy and Water Development Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1987 for energy and water development programs, focusing on atomic energy defense activities.
SD-116

APRIL 24

9:30 a.m.
Appropriations
Agriculture, Rural Development and Related Agencies Subcommittee
To resume hearings on proposed budget estimates for fiscal year 1987 for the Department of Agriculture, focusing on Farmers Home Administration, and the Farm Credit Administration.
SD-192

Appropriations
Labor, Health and Human Services, Education, and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1987 for the Departments of Labor, Health and Human Services, and Education, and certain related agencies.
SD-116

Labor and Human Resources
Labor Subcommittee
To hold hearings on S. 1018, to clarify the meaning of the term "guard" for the purpose of permitting certain labor organizations to be certified by the National Labor Relations Board as representatives of employees other than plant guards.
SD-430

10:00 a.m.
Appropriations
Defense Subcommittee
To hold closed hearings on proposed budget estimates for fiscal year 1987 for intelligence programs.
S-407, Capitol

Appropriations
Foreign Operations Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1987 for the Department of State, focusing on voluntary contributions to international organizations programs, and for the Office of the U.S. Representative to the United Nations.
SD-138

Energy and Natural Resources
Natural Resources Development and Production Subcommittee
To hold hearings on S. 1322, proposed Geothermal Steam Act Amendments of 1985.
SD-366

Labor and Human Resources
Education, Arts, and Humanities Subcommittee
To hold hearings on S. 1662, proposed Training Technology Transfer Act of 1985.
SD-628

2:00 p.m.
Appropriations
Interior and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1987 for the Energy Information Administration and the Economic Regulatory Administration, Department of Energy.
SD-192

APRIL 25

9:30 a.m.
Appropriations
Labor, Health and Human Services, Education and Related Agencies Subcommittee
To hold hearings on the impact of proposed budget estimates on health research programs.
SD-138

APRIL 29

9:30 a.m.
Appropriations
Labor, Health and Human Services, Education and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1987 for the Departments of Labor, Health and Human Services, and Education, and certain related agencies.
SD-116

10:00 a.m.
Appropriations
Defense Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1987 for certain defense programs.
SD-192

Appropriations
HUD-Independent Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1987 for the Department of Housing and Urban Development and certain independent agencies.
SD-124

2:00 p.m.
Appropriations
Interior and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1987 for the Bureau of Indian Affairs, Department of the Interior.
SD-192

APRIL 30

9:30 a.m.
Appropriations
Commerce, Justice, State, the Judiciary, and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1987 for the Office of U.S. Trade Representative, and the Federal Communications Commission.
S-146, Capitol

Labor and Human Resources
To hold oversight hearings on the human resources impact of reentry of women into the labor force.
SD-430

10:00 a.m.
Appropriations
HUD-Independent Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1987 for the Department of Housing and Urban Development and certain independent agencies.
SD-124

Energy and Natural Resources
Business meeting, to consider pending calendar business.
SD-366

2:00 p.m.
Appropriations
Agriculture, Rural Development and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1987 for the Food and Drug Administration of the Department of Health and Human Services, and the Commodity Futures Trading Commission.
SD-138

MAY 1

9:30 a.m.
Appropriations
Labor, Health and Human Services, Education, and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1987 for the Departments of Labor, Health and Human Services, and Education, and certain related agencies.
SD-116

10:00 a.m.
Appropriations
Defense Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1987 for certain defense programs.
SD-192

2:00 p.m.
Appropriations
Interior and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1987 for territorial affairs, Department of the Interior.
SD-192

MAY 6

9:30 a.m.
Appropriations
Labor, Health and Human Services, Education, and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1987 for the Departments of Labor, Health and Human Services, and Education, and certain related agencies.
SD-116

10:00 a.m.
Appropriations
Defense Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1987 for Air Force aircraft procurement programs.
SD-192

MAY 7

9:30 a.m.
Appropriations
Commerce, Justice, State, the Judiciary, and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1987 for the Supreme Court of the United States, U.S. District Courts/Courts of Appeals, and the Commission on the Bicentennial of the U.S. Constitution.
S-146, Capitol

Labor and Human Resources
To hold oversight hearings on medical malpractice.
SD-430

10:00 a.m.
Appropriations
Transportation and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1987 for the Urban Mass Transportation Administration, Department of Transportation, and the Washington Metropolitan Area Transit Authority.
SD-138

Energy and Natural Resources
Business meeting, to consider pending calendar business.
SD-366

MAY 8

9:30 a.m.
Appropriations
Labor, Health and Human Services, Education, and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1987 for the Departments of Labor, Health and Human Services, and Education, and certain related agencies.
SD-116

10:00 a.m.
Appropriations
Defense Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1987 for strategic systems.
SD-192

Appropriations
Transportation and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1987 for the Federal Aviation Administration, Department of Transportation.
SD-138

2:00 p.m.
Appropriations
Interior and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1987 for the Holocaust Memorial Council and the Smithsonian Institution.
SD-192

MAY 13

9:30 a.m.
Appropriations
Labor, Health and Human Services, Education, and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1987 for the Departments of Labor, Health and Human Services, and Education, and certain related agencies.
SD-116

MAY 14

9:30 a.m.
Appropriations
Labor, Health and Human Services, Education, and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1987 for the Health Resources and Services Administration, Department of Health and Human Services.
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Appropriations
Commerce, Justice, State, the Judiciary, and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1987 for the Legal Services Corporation, and the Securities and Exchange Commission.
S-146, Capitol

Labor and Human Resources
To hold hearings to review barriers to health care.
SD-430

10:00 a.m.
Appropriations
Transportation and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1987 for the Department of Transportation and certain related agencies.
SD-138

Governmental Affairs
Energy, Nuclear Proliferation and Government Processes Subcommittee
To hold hearings on S. 525, to provide for the transfer to the Secretary of Health and Human Services the authority of the Secretary of Energy to conduct epidemiological studies of radiation effects.
SD-342

MAY 15

9:30 a.m.
Appropriations
Labor, Health and Human Services, Education, and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1987 for the Departments of Labor, Health and Human Services, and Education, and certain related agencies.
SD-116

2:30 p.m.
Appropriations
Interior and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1987 for fossil energy and clean coal technology.
SD-192

MAY 20

2:00 p.m.
Appropriations
Interior and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1987 for the Indian Health Service, Department of Health and Human Services.
SD-192

MAY 21

9:30 a.m.
Appropriations
Commerce, Justice, State, the Judiciary, and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1987 for the U.S. Information Agency, and the National Endowment for Democracy.
S-146, Capitol

Labor and Human Resources
To resume oversight hearings on medical malpractice.
SD-430

MAY 29

2:00 p.m.
Appropriations
Interior and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1987 for the Office of the Secretary and Office of the Solicitor, Department of the Interior.
SD-192

JUNE 3

10:00 a.m.
Governmental Affairs
Energy, Nuclear Proliferation and Government Processes Subcommittee
To hold hearings on statistical policy for an aging America.
SD-342

JUNE 4

9:30 a.m.
Appropriations
Commerce, Justice, State, the Judiciary, and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1987 for the Departments of Commerce, Justice, and State, the Judiciary, and certain related agencies.
S-146, Capitol

Labor and Human Resources
To hold oversight hearings to review the imposition of user fees in FDA approval procedures for new drugs.
SD-430

JUNE 11

9:30 a.m.
Labor and Human Resources
To hold hearings on pending nominations to the National Advisory Council on Women's Educational Programs.
SD-430

JUNE 17

9:30 a.m.
Labor and Human Resources
To hold hearings on food safety issues.
SD-430

JUNE 18

9:30 a.m.
Labor and Human Resources
Business meeting, to consider pending calendar business.
SD-430

JUNE 25

9:30 a.m.
Labor and Human Resources
To hold hearings on the administration of the Mine Safety and Health Review Commission.
SD-430

JULY 16

9:30 a.m.
Labor and Human Resources
To hold hearings on the establishment of generic drug procedures and patent term restoration for animal drugs.
SD-430

JULY 30

9:30 a.m.
Labor and Human Resources
Business meeting, to consider pending calendar business.
SD-430

AUGUST 13

9:30 a.m.
Labor and Human Resources
To hold hearings to review the private sector initiatives in human services.
SD-430

SEPTEMBER 10

9:30 a.m.
Labor and Human Resources
To hold hearings to review the human resources impact on drug research and space technology.
SD-430

SEPTEMBER 16

9:30 a.m.
Labor and Human Resources
To hold hearings on pending nominations.
SD-430

SEPTEMBER 24

9:30 a.m.
Labor and Human Resources
Business meeting, to consider pending calendar business.
SD-430

CANCELLATIONS

MARCH 26

10:00 a.m.
Foreign Relations
To hold oversight hearings on aid to Ireland and the U.S. foreign assistance program.
SD-419

2:00 p.m.
Judiciary
To hold hearings on pending nominations.
SD-226

MARCH 27

9:30 a.m.
Veterans Affairs
Closed meeting to discuss reported sightings of live military personnel missing in action in Southeast Asia.
SR-418

HOUSE OF REPRESENTATIVES—*Tuesday, March 25, 1986*

The House met at 12 noon.

Rev. George P. Wertin, chaplain, College of St. Benedict, St. Joseph, MN, offered the following prayer:

O God of all creation and Spirit of love, breathe new life into us who are Your people. You have made this Nation rich in resources and endowed Your people with so many gifts.

Inspire us to live as brothers and sisters who find You mirrored in the faces of people around the Earth. Empower Your human family to respect those whose heritage and traditions are different from our own.

Bless this assembly as it faces the needs of the women and men whom it represents—and of peoples beyond our borders as well. Empower these leaders to speak honestly, reflect wisely, and vote with integrity as they continue to extend the rule of justice.

We seek Your guidance for today, and we look forward, in hope, to a world of peace with justice. Amen.

THE JOURNAL

The SPEAKER. The Chair has examined the Journal of the last day's proceedings and announces to the House his approval thereof.

Pursuant to clause 1, rule I, the Journal stands approved.

MESSAGE FROM THE SENATE

A message from the Senate by Mr. Hallen, one of its clerks, announced that the Senate had passed without amendment concurrent resolutions of the House of the following titles:

H. Con. Res. 278. Concurrent resolution expressing the sense of the Congress that February 28, 1986, should be designated "National TRIO Day" and that the achievements of the TRIO programs should be recognized; and

H. Con. Res. 304. Concurrent resolution providing for a conditional adjournment of the House from March 25 to April 8, and a conditional adjournment of the Senate from March 26 or March 27 to April 8, 1986.

The message also announced that the Senate had passed joint resolutions of the following titles, in which the concurrence of the House is requested:

S.J. Res. 251. Joint resolution to designate the week of May 11, 1986, through May 17, 1986, as "National Science Week, 1986";

S.J. Res. 267. Joint resolution designating the week of May 26, 1986, through June 1, 1986, as "Older Americans Melanoma/Skin Cancer Detection and Prevention Week";

S.J. Res. 286. Joint resolution to designate the week of April 20, 1986, through April 26, 1986, as "National Reading Is Fun Week"; and

S.J. Res. 297. Joint resolution to designate the week of April 20, 1986, as "Crime Victims Week."

MINIMUM WAGE

(Mr. BIAGGI asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. BIAGGI. Mr. Speaker, in 1981 the Congress passed the minimum wage law. At the time, it was adequate. But the Congress has not done anything since, not accounting for the inflation nor the booming economy that this country currently enjoys. The minimum wage law today does not provide dignity nor economic security. All it requires is that the employer pay $3.35 an hour. Six million people now earn the minimum wage. Clearly, that provides for a family of three an income level of $2,000 below the poverty threshold.

There is something terribly wrong with our wage system, and it does not provide the kind of income that would permit people to barely exist. In my judgment, it is a national disgrace, and something should be done. What I am doing this morning is introducing legislation that would have a phased-in acceleration over a 3-year period to accommodate for the vast disparity that has developed in the past 5 years.

THE CRISIS IN CENTRAL AMERICA

(Mr. MICHEL asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. MICHEL. Mr. Speaker, the Communist Nicaraguan invasion of Honduras heightens the sense of urgency many of us feel concerning aid to the Contras.

We do not yet know enough details to make any hard and fast judgments about the situation in Honduras. But we know that the Communist decision to go 15 miles within the Honduran border presents us with a grave situation.

I want to take this opportunity therefore, to ask the Speaker to reconsider using the supplemental appropriation bill on April 15 as a vehicle for possible Contra aid.

The supplemental is going nowhere. The urgency of the situation demands that we rethink our various strategies for helping the Contras, and that we do so quickly.

I strongly urge the Speaker to rethink his plan of using the supplemental. What we need is agreement among us as to the nature of the situation in the Nicaragua-Honduras region and a consensus as to what we can do about it.

I want the Speaker to know we on our side of the aisle stand ready to discuss realistic alternatives to the current plans for a vote on the supplemental.

It is clear that such a vote is now irrelevant to our situation.

VIOLATION OF THE RIO TREATY

(Mr. WRIGHT asked and was given permission to address the House for 1 minute.)

Mr. WRIGHT. Mr. Speaker, in view of the reports of a Nicaraguan armed incursion into its neighboring country Honduras, we wish to advise the distinguished minority leader who has just spoken that no effort will be tolerated which would prevent this House from taking appropriate action with respect to the matter involving Nicaragua and Central America.

If it should appear that the supplemental appropriation bill has no destination in law, then other vehicles would be considered in order that the will of the House may be implemented.

The Speaker announced today in his press conference that he supports the action which the President of the United States is taking to assist the sovereign country of Honduras at its request in defending its territorial integrity against the marauding expansion of invaders.

This, of course, presents an entirely different dimension to the problem. Last week we were discussing the proposition of using United States dollars to finance an incursion into the territory of Nicaragua. This week we are speaking of something entirely different, a clear violation of the Rio Treaty. As signatories to that treaty, we have a clear and unequivocal responsibility. We shall discharge that responsibility.

Mr. MICHEL. Mr. Speaker, will the gentleman yield?

Mr. WRIGHT. I yield to the gentleman from Illinois.

Mr. MICHEL. Mr. Speaker, I thank the gentleman for that consideration. As the gentleman says, we have a dimension here that ought to be treated special, and I am happy to hear the gentleman's response.

Mr. WRIGHT. We are indeed prepared to treat it specially. As the

☐ This symbol represents the time of day during the House proceedings, e.g., ☐ 1407 is 2:07 p.m.
Matter set in this typeface indicates words inserted or appended, rather than spoken, by a Member of the House on the floor.

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Speaker announced publicly in his press conference just moments ago, this is not a partisan matter in any sense. All of us are supportive of our commitments under the Rio Treaty. We hope that it will result in multinational action to deter aggression and to restrain any in our hemisphere who would intrude militarily upon the territorial integrity of their neighbors.

COLLISION ON CONSTITUTION AVENUE

(Mr. DANNEMEYER asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. DANNEMEYER. Mr. Speaker, according to press reports, the Federal Reserve Board is deeply split on the question of how far and how fast interest rates can be allowed to fall. Vice Chairman Preston Martin wanted a decisive move to lower rates immediately, and his stand cost him his job. Chairman Paul Volcker, who also put his job on the line, argued against a cut, as it might trigger a run, causing the dollar to lose its remaining value in a crash.

Who is right, and who is wrong? Paradoxically, both men are right, but one man is blind, while the other is deaf. Mr. Martin is blind to the very real dangers haunting Mr. Volcker. On the other hand, Mr. Volcker is deaf whenever the gold standard is mentioned on Capitol Hill.

Mr. Speaker, interest rates must come down immediately, as suggested by Mr. Martin; and the specter of a dollar crash should be banned for good, to the relief of Mr. Volcker, through the resumption of a gold standard. If we convert the public debt into long-term debt by issuing gold bonds that carry 2¼-percent interest coupons, then we will have the best of both worlds. We will enjoy the benefit of a low and stable interest rate, as well as the benefit of a stable dollar which is free from the threat of runs and crashes.

By the Constitution, fixing a gold standard is the responsibility of the Congress. To prevent future collisions, we should remember that it is our duty to set the traffic lights on Constitution Avenue.

LIBYAN HOSTILITIES

(Mr. HUBBARD asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. HUBBARD. Mr. Speaker, yesterday's actions involving United States naval ships, planes, and personnel with the nation of Libya are in my opinion totally justified. Our Nation's freedom to navigate the world's oceans free from interference cannot be compromised.

Libyan terrorist leader Col. Mu'ammar Qadhafi violated international law by imposing an unlawful territorial boundary in the Gulf of Sidra. The United States 6th Fleet, while exercising peaceful operations in that region, came under attack through Libyan missile firings. Fortunately, our efficiently trained military personnel were able to thwart the missile attack with no U.S. casualties or damage. When our ships were threatened by Libyan patrol boats, the correct and precise course of action was to remove the hostile attackers.

We must not allow our forces to be subjected to hostile fire and fail to permit them to defend themselves. Under the Navy's rules of engagement, this Gulf of Sidra incident appears to have been provoked by the threatening actions of Libya. The world should not view this military exercise to be linked with previous Libyan terrorist activity. Our retaliatory air strikes were in response to hostile fire and was not done in retribution for Libya's past misdeeds. I support our President for his careful but decisive actions. The United States must remain unhindered to sail the world's oceans while maintaining the internationally recognized 12-mile coastal limits. I congratulate the men of the 6th Fleet for their exemplary performance during this hostile incident. Their constant training and superior equipment have allowed them to carry out their assigned task with excellence.

DESIGNATION OF HON. JIM WRIGHT TO ACT AS SPEAKER PRO TEMPORE TO SIGN ENROLLED BILLS AND JOINT RESOLUTIONS UNTIL APRIL 9, 1986

The SPEAKER laid before the House the following communication:

Washington, DC,
March 25, 1986.

I hereby designate the Honorable Jim Wright to act as Speaker pro tempore to sign enrolled bills and joint resolutions until April 9, 1986.

Thomas P. O'Neill, Jr.,
Speaker of the House of Representatives.

The SPEAKER pro tempore (Mr. Penny). Without objection, the designation is agreed to.

There was no objection.

☐ 1215

COMMENDING THE ADMINISTRATION FOR ITS HANDLING OF THE LIBYAN SITUATION

(Mr. COLEMAN of Missouri asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. COLEMAN of Missouri. Mr. Speaker, I want to commend the administration on its handling of the situation off the Libyan coast. America cannot allow a dictator like Mu'ammar Qadhafi to define what our rights are under international law. Today, he says we are not allowed in the Gulf of Sidra. Tomorrow, he might say we are not allowed in the entire Mediterranean Sea.

An international thug like Qadhafi cannot be the one to determine what our rights and our privileges are under international law. Our response has been appropriate. It has been measured, it has been surgically done; it has been in response to hostile fire on our own forces.

I want to commend the President and the gentlemen of his Cabinet who are involved in the policymaking decisions as well as the individuals and our armed services who are in the Gulf of Sidra.

A MESSAGE THAT THE SOVIET-CUBAN-NICARAGUAN COMMUNISTS WILL UNDERSTAND

(Mr. GINGRICH asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. GINGRICH. Mr. Speaker, last Thursday this House voted against helping the freedom fighters in Nicaragua. Many Members of this House said they voted "no" because they wanted negotiations. Today, we have the Communist Nicaraguan answer to those who voted "no." The Communist Nicaraguans responded to a vote against helping the freedom fighters by undertaking what the majority leader has called, an invasion of neighboring Honduras.

Communist Nicaragua has engaged in what the majority leader called marauding expansion, and a clear violation of the Rio Treaty.

Communist Nicaragua is using Soviet helicopters piloted by Communist Cuban colonial troops. The answer to the Soviet-Cuban Communist threat in our own backyard is to help the freedom fighters.

Last week, this House sent a signal of uncertainty to Central America. The Nicaraguan Communist are now sending a clear signal to the United States. Mr. Speaker, the other body will pass aid to the freedom fighters tomorrow. Only the House will stand between the freedom fighters and the help they need.

Mr. Speaker, I ask you to call the House into extraordinary session on Friday and pass the aid bill. That is a message the Soviet-Cuban-Nicaraguan Communist will understand.

MURDER, VIOLENCE, AND INTIMIDATION

(Mr. FRANK asked and was given permission to address the House for 1 minute.)

Mr. FRANK. Mr. Speaker, to date I believe the administration has behaved very appropriately in Libya. The regime of Qadhafi has been using terror, violence, and murder as a tool of policy. They are killing people in Chad, they have boasted about their efforts to murder people in Egypt.

Some have questioned whether or not we were guilty of a provocation by exercising our legal rights. I think it is an important point, both internationally and domestically to establish that the exercise of one's legal rights, if that causes a violent and unlawful reaction by someone else, is a perfectly legitimate action, and in fact, it may, in some cases, be necessary to demonstrate that one will not be bullied out of exercising those lawful rights.

The administration, I believe, is appropriately proceeding; its responses have been appropriate and measured. I hope from this Qadhafi will learn that there is a limit to the extent to which his policy of murder, violence, and intimidation can get its way.

A CONTINUING SUCCESS STORY

(Mr. REGULA asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. REGULA. Mr. Speaker, an event of recent weeks that did not get the national attention it deserves was the decision by the people of Spain to remain as members of NATO. Given the location of Spain, the cooperation of this country is a vital part of having a strong and unified NATO to face the threat of communism in Europe.

Events of this day and yesterday are eloquent testimony to the importance of having Spain as a member of the NATO alliance. With its relationship to the Mediterranean, it is important to have Western Europe speaking with one voice when it comes to preserving the freedoms of all people.

I commend the people of Spain for the support they gave to the Prime Minister. All of us should be appreciative of the fact that they have remained a part of this alliance.

NATO is one of the great success stories of the postwar era. It has succeeded in keeping peace in Europe for over 40 years. It has succeeded in preserving the freedoms of people for this period of time, and the fact that Spain is remaining a member will be part of continuing this success story.

THE NICARAGUAN INVASION OF HONDURAS

(Mr. KEMP asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. KEMP. Mr. Speaker, last week there was a vote on whether or not this country would materially aid the Nicaraguan freedom fighters, and the answer the majority in the House gave the American people and Central America was "no."

Yesterday, the fruits of that victory for the Sandinistas was expressed by their invasion of Honduras. Not only are there 1,500 Sandinista Communists in Honduras today, there are troops massing on the border of Nicaragua for further incursions into Honduras.

We have now seen the pattern the Sandinistas are intent on following. In 1985, when aid to the Contras by Congress was defeated, Ortega's impulse was to celebrate with the trip to Moscow. Now, in 1986, when the majority in the House denied President Reagan's request for aid to the Contras, Ortega crossed the sovereign border of Honduras in violation of the Rio Treaty to wipe out freedom fighters in Honduras.

It is clear that the Sandinistas will continue their unlawful activities unless the U.S. Congress acts and acts now. This is why I am calling today upon President Reagan to bring the House of Representatives back into session and force a vote, up or down, on aid to the freedom fighters that will send that message to the Communists in Nicaragua, that this unlawful destabilization of their neighbors will not be tolerated by the United States or their neighbors, particularly as the majority leader pointed out, "In violation of the Rio Treaty."

It is nice to take up aid to the Contras in 2 or 3 weeks in the appropriations process; it could be too late. We should do it this week and today, as I said, I am calling upon President Reagan to call an emergency session of the Congress and suggest, indeed ask, the Congress to vote that assistance to the Contras that is very much needed, particularly in view of this invasion of Honduras by the Sandinistas.

A SCREECHING HALT TO COMMUNISM IN CENTRAL AMERICA

(Mr. STRANG asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. STRANG. Mr. Speaker, what does it take to get the attention of this body that we really do have a problem in Central America? Not a problem of an agrarian reform going on in a small nation of 3 million people, but a problem of an aggressive, Communist-financed, Communist-committed military enclave now waging war on its neighbors.

Last spring, it took a visit by Ortega to pursuade this body that we had erred. Ortega again came to our rescue; he invaded his neighbors. Mr. Speaker, how long is this going to go on until we understand in this body that it is our obligation to call a screeching halt to communism in Central America.

BEFORE IT IS TOO LATE

(Mr. LUNGREN asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. LUNGREN. Mr. Speaker, last week when we discussed the question of aid to the Contras, there appeared to be a consensus on this floor on both sides of that yes, that region of the world was important to our national security; yes, it was important that we make sure that communism not be allowed to expand without limit; yes, it is important for us to try and make sure that the Sandinistas understand that we mean business.

The difference appeared to be those of us who were responding to the President's call that aid needed to be given right away, that we could not wait, and others who said, "Well, we can wait until we come back after the Easter break; we can wait until a month after that; we can wait 90 days; we can wait, we can wait, we can wait, we can wait.

Mr. Speaker, I must ask now: How much longer can we wait? The Sandinistas have obviously taken account of what we did last week. They have moved into a neighboring country. As has been said before, last time they responded by sending their top Communist to the Soviet Union. The U.S. Congress then responded, almost because it was insulted.

This time, we are not talking about an insult; this time we are talking about a military action taken against a neighboring country with the aim, apparently, of wiping out the Contras.

The U.S. Congress needs to set the record straight. We need to undo the action we did last week. We need to support the President's request.

I would hope that we can come back in this week and not come back next week or the week after and say: It is too little, it is too late. It is too bad, we should have done something. It is too bad we did not do something. Let us come back in the next couple of days, Mr. Speaker. Let us act before it is in fact too late.

☐ 1225

BIPARTISAN SUPPORT FOR PRESIDENT'S POLICY OVER LIBYA

(Mr. SCHUMER asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. SCHUMER. Mr. Speaker, the President's reaction to Mu'ammar Qadhafi, the lunatic leader of Libya, is altogether appropriate and fitting. Mr.

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Qadhafi feels that international law should be disregarded completely. He has done so in Chad. He has done so in the Gulf of Sidra. He has done so by supporting terrorism in all four corners of the globe.

So simply to say the Nation should ignore Qadhafi and allow him to expropriate waterways, decency, and land in a way he feels fit is not consistent with the kind of fair and measured foreign policy that we should be having.

Thus, Mr. Speaker, many Members of this side of the aisle join those on the other side of the aisle in congratulating the President on his stand. Indeed, when the President's reactions are appropriate, fair, and measured, a bipartisan foreign policy does indeed reemerge in this body and in this Nation.

The American people will fully support the President's actions to hem in the outlaw Qadhafi.

CONCERN OVER RECENT INCIDENTS IN GULF OF SIDRA

(Ms. MIKULSKI asked and was given permission to address the House for 1 minute and to revise and extend her remarks.)

Ms. MIKULSKI. Mr. Speaker, I rise today to add my voice of concern over recent incidents in the Gulf of Sidra.

This is a time for soberness and seriousness. This is a time for us to be steady. This is not a time to second-guess the President and engage in armchair analysis.

The U.S. Navy followed international law and procedures when they sailed into the Gulf of Sidra. Those are international waters. We and every nation have a right to be there and that is why we went, to prove that point.

No tyrant can set an artificial line of death to keep us out.

When we were fired on, not once, but six times, we again followed the international norm of self-defense.

To prevent further confrontation, I hope our intelligence networks will be on full alert to provide the means necessary to protect our men at sea against further military action and to protect civilians against acts of terrorism.

Now that we have proven our point, I urge the President to use neutral nations and also through the prudent positioning of our ships at sea to protect our men.

Later today I will be joining my colleagues in the House at National Security briefings so that I can be in touch and see how I can be of help.

There are many questions to be answered, but right now the safety of our men and the protection of civilians are paramount in all our minds.

SANDINSTAS INVADE WHILE THEY TALK

(Mr. MONTGOMERY asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. MONTGOMERY. Mr. Speaker, three Members on the Democratic side of the aisle from this House have returned from Nicaragua. I do not think the trip changed any of our minds as far as our vote is concerned that we made last week and we will just have to look at the situation when we do get a vote again on Contra aid for the freedom fighters. I did support Contra aid.

I think we were all shocked, though, that in Nicaragua there is not freedom of the press. There is no freedom of choice of religion. There are no plans that we can see for that government, that Communist government, to have any type of free elections in the near future.

We did meet with the Vice President of the Sandinistas, Mr. Ramirez. He talked to us in a low key manner and in effect he said that he would like to work in some way with the United States.

During the time that he was talking to us, it seems that the Sandinista military were making plans to invade Honduras and the morning we left, that Sunday morning, the Sandinistas did invade Honduras, if our information is correct from that part of the hemisphere. They did invade Honduras and tried to destroy the freedom fighters' camp in Honduras.

Certainly as has been said on the floor here today, that is a clear violation of the Rio agreement. Certainly our Nation just cannot stand by and take no serious action pertaining to this situation.

I hope we all on both sides of the aisle can pull together on this matter and come up with the right solutions about the Sandinistas. There is no question about it. It is a Marxist-Communist type of government and we have real problems in Central America.

NATIONAL IMMIGRANTS DAY

The **SPEAKER** pro tempore. Under a previous order of the House, the gentleman from Illinois [Mr. LIPINSKI] is recognized for 5 minutes.

Mr. LIPINSKI. Mr. Speaker, it is my pleasure today to inform my colleagues that I, and 12 cosponsors, have introduced a resolution to designate July 4, 1986, as "National Immigrants Day."

America has been a nation of immigrants since the first colonists came here to find a new home of promise on these shores. This July 4 we will relight the flame on the Statue of Liberty in celebration of 100 years of her standing at the door of that promise to welcome all who desired a new beginning, a new opportunity, a new life of freedom and liberty.

We are all proud of the contribution which those men and women who left home and heritage have made to the greatness of this country. The impact of immigrant influx on the rapid industrialization of America around the turn of the century cannot be denied or ignored. Likewise, the influence of immigrant workers has been felt in the agribusiness of America. While not all of the immigrants coming to this country seeking a new life have come through the door by which Miss Liberty stands, she is still the symbol of their hopes, their dreams, their aspirations.

If you feel a degree of indebtedness to these courageous pioneers, or would just like to honor an important segment of our growth and development as a nation, I would welcome your cosponsorship of this joint resolution. The text of the resolution follows:

H.J. RES. 581

Whereas on July 4, 1986, the restored Statue of Liberty will be unveiled at the centennial celebration of the erection and dedication of the Statue;

Whereas the Statue of Liberty has been the symbol of freedom, hope, and opportunity for millions of immigrants over the past 100 years;

Whereas the Statue of Liberty serves as a reminder to all that the United States is a Nation of immigrants, a Nation of nations;

Whereas Statue of Liberty is a lasting memorial to the immigrants who have made America great;

Whereas millions of immigrants settled throughout the vast territory of the United States, and supported the ideals of independence and liberty;

Whereas the torch held by the Statue of Liberty serves as a beacon of freedom that lives in the soul of every American; and

Whereas it is only fitting that the relighting of the torch also be a time to honor the immigrants who were welcomed by the burning torch of the Lady of Liberty to a land of freedom where any dream was and is achievable: Now, therefore, be it

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled, That July 4, 1986, the centennial of the erection and dedication of the Statue of Liberty, is designated as "National Immigrants Day". The President is authorized and requested to issue a proclamation calling upon the people of the United States to observe such day with appropriate ceremonies and activities.

SISTER MARY REGINETTA

The **SPEAKER** pro tempore. Under a previous order of the House, the gentleman from Illinois [Mr. ANNUNZIO] is recognized for 5 minutes.

Mr. ANNUNZIO. Mr. Speaker, I rise to call to the attention of my colleagues the untimely passing of Sister Mary Reginetta, admissions director and registrar at the Felician College located in the 11th Congressional District of Illinois which I am privileged to represent.

Sister Reginetta passed away on Valentine's Day, after 20 years of devoted, dedicated, and inspired service to Felician College. She will be sorely missed by those who had the opportunity to know her and to work with her. The students at Felician College especially were enriched by her guidance and wise counsel.

Mr. Speaker, at this point in the RECORD I would like to include an obituary for Sister Mary Reginetta, as well as the tribute to her by Sister Mary Chrysantha Rudnik, director of development at the Felician College, which follow:

OBITUARY FOR SISTER MARY REGINETTA MACKIEWICZ, CSSF

Felician Sister Mary Reginetta Mackiewicz, 69, died Fri., Feb. 14, at Columbus Hospital, Chicago. She was the Director of Student Services, Admissions and Registrar of Felician College, Chicago, for the past 23 years.

Her term of service was marked by an intense concern for each student. She was adept in guiding students in programs of study that developed their potential. In her years of service she personally guided every student of Felician College since 1963. These students are now living in all parts of the country, but especially in the Chicago area.

In addition to her responsibilities of admissions and registrar, Sister Reginetta served as physical plant manager. She knew how to use space and equipment to its fullest. The computer room and faculty office area are examples of how she creatively recycled two dormitories. During the years she also filled the positions of Business Officer, Recruiter, Financial Aid Officer, Cafeteria and Bookstore Managers. As she relinquished these duties because of the growth of the college, she served as mentor to those who assumed these responsibilities.

Sister Reginetta delighted in the students. She showed concern and interest in each one, always being available to them. She encouraged and prodded them to work hard and to achieve their goals. They learned to expect success because they learned to believe in themselves. Sister Reginetta participated in all student activities. She enjoyed seeing students having a good time.

She was a gracious hostess to visitors to the College and at College events. She often prepared meals for college guests, because of the limited cafeteria service. A hard and meticulous worker, she had a whimsical bent which is reflected in her office filled with her collection of clowns.

Born Harriet Mackiewicz in Chicago, she became a Felician Sister in 1935. She graduated from St. Wenceslaus Elementary and Good Counsel High Schools, receiving her Bachelor's degree from Loyola University in Chicago. She held certificates for teaching business skills.

Before joining Felician College, Sister Reginetta was an elementary and high school teacher in Chicago, Joliet, Posen, Downers Grove, and Centralia, Ill., and Milwaukee. In the Chicago area, she taught at St. Helen, St. John of God, St. Joseph elementary schools; St. Joseph and Good Counsel High Schools in Chicago; St. Jude in Joliet, St. Stanislaus in Posen, and Our Lady of Gostyn in Downers Grove.

"Sister Reginetta was deeply loved and appreciated for her dedication to students and her gracious manner," commented Sister Mary Bonita Willow, President of Felician College. "She will be sadly missed, but we are confident she is at peace with the Lord. He took her for his valentine."

Sister Bonita announced that all contributions received by the College in memory of Sister Reginetta will be used to establish an endowed scholarship in her honor. Contributions are welcome and can be sent to Felician College.

Sister Reginetta is survived by Carol Hart, a niece of Hanover Park and Terrance, Richard, and Cindy Mark, nephews and niece, of California.

Visitation will be Sun. and Mon. at the Felician Sisters, Motherhouse, 3800 W. Peterson Ave. from 10 a.m. Wake services will be Mon. at 7 p.m. Funeral Mass will be Tues. at 10 a.m. from the Motherhouse Chapel, 3800 W. Peterson Ave. Interment will be in St. Adalbert Cemetery, Niles.

REFLECTIONS ON THE LIFE OF SISTER MARY REGINETTA

We gather tonight to remember and give thanks for Sister Mary Reginetta. We thank God for having created her and called her to serve him as a Felician Sister. We thank Him for the person she was and for all the good she has done for so many.

We remember her life among us. We remember the many things she did, her untiring efforts for students and for Felician College.

Sister Mary Reginetta Mackiewicz was a Felician Sister for almost 51 of her 69 years. A native of Chicago, she was the youngest and only daughter born to Bruno and Sophie. Her parents and three brothers preceded her in death. She treasured her two nieces and two nephews.

After graduation from Good Counsel High School she entered the postulancy in 1935, made her first profession in 1937 and her final profession in 1943. Before joining Felician College, Sister Reginetta was an elementary and high school teacher in Chicago, Joliet, Posen, Downers Grove, Centralia and Milwaukee. She worked in the business office at St. Francis Hospital for several years.

At Felician College she was the Director of Student Services, Admissions Director, Registrar, and Physical Plant Manager.

Her term of service was marked by an intense concern for each student. Since 1963, she was adept in guiding students in programs of study that developed their potential. These students are now living in all parts of the country, but especially in the Chicago area.

She delighted in the students. She showed concern and interest in each one, always being available to them. She encouraged and prodded them to work hard so as to achieve their goals. They learned to expect success because they learned to believe in themselves. "She really worked with me to get me through successfully." "She went way out of her way to help me." These comments of alumni and students are heard repeatedly. She participated in all student activities. She enjoyed seeing students having a good time. She, more than anyone else watched the tremendous progress the students made. She interviewed uncertain and faltering freshmen. At graduation she saw these same students have a sense of self-worth and self-confidence. She believed in the mission and apostolic ministry of the College. She saw what could happen to students here.

As physical plant manager, she knew how to use space and equipment to its fullest. The computer room and faculty office suite are examples of how she recycled two dormitories.

Through the years, she also filled the positions of Business Officer, Recruiter, Financial Aid Officer, Cafeteria and Bookstore Managers. As she relinquished these duties because of the growth of the college, she served as mentor to those who assumed these responsibilities.

Sister Reginetta was a person of many talents. Her reports were always illustrated with graphs and tables that she designed. Program and liturgy booklets were always prepared in the best of taste and care. She often prepared meals for college guests. For advisory board meetings she would plan and set up the meal for members. Although she would obtain prepared dishes, she would always tease the members that she had worked all day cooking. This bit of whimsy in her came through frequently, and is evident in the collection of clowns in her office.

Her health was not the best in the last number of years, suffering from heart problems. Two weeks ago Sunday, she asked to be taken to Columbus Hospital where she was admitted. After a week of tests, she had a carotid artery repaired last Monday..She felt very good after this and was looking forward to open heart surgery on Friday with the utmost confidence, expecting to return to her office in a few weeks. But the Lord had other plans for her. She suffered a heart attack in the recovery room. It was Valentine's Day—and the Lord took her for His valentine.

Sister Reginetta will be sadly missed, but she is in the hands of her beloved. She short circuited Lent, moving from Ash Wednesday to Resurrection in less than a week. To her niece Carol and her nephew Terrance who are here today and to Cindy and Richard who are in California, we extend our heartfelt sympathy and prayers. We also extend our love and sympathy to her darling grand nephew Joey, who was one of her greatest joys.

Sister Reginetta, we will miss you. We are grateful for all you have been to us. We expect you to continue to watch over us and the students of Felician College. Our lives have been enriched in knowing you. Sister Reginetta, just as you would say to us on many occasions, "Have fun," so may you now in Heaven "Have Fun."

Sister MARY CHRYSANTHA RUDNIK.

FEBRUARY 17, 1986.

HOUSE JOINT RESOLUTION 540

The **SPEAKER** pro tempore. Under a previous order of the House, the gentleman from Texas [Mr. COLEMAN] is recognized for 60 minutes.

Mr. COLEMAN of Texas. Mr. Speaker, I rise in opposition to House Joint Resolution 540, and I would like to note at the outset that there are significant and large areas of agreement between the Congress and the President on Central America and, specifically, Nicaragua.

First of all, growing out of the Kissinger Commission and its important work, there is an increasing consensus that the United States has important interests in Central America which need to be both promoted and protected. There is also a consensus and wide congressional support for economic and security assistance for friendly democratic states throughout the region. We, as a nation, have a vital stake in helping our neighbors address serious problems of economic and social deprivation.

Second, there are also many large areas of agreement on the serious and deteriorating situation in Nicaragua.

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President Reagan spoke for a vast majority of Americans in what he said about Nicaragua:

We all oppose Nicaragua's efforts to support and topple its democratic neighbors;

We also would oppose giving the Soviet Union a beachhead in North America;

We all, of course, would oppose Nicaragua threatening Mexico;

We all would oppose creating a situation where people by the millions might begin fleeing north into the cities of the southern United States.

We all would oppose the creation of a second Cuba or a second Libya on the doorsteps of the United States.

We all would oppose Nicaragua's effort to sponsor terror in El Salvador, Costa Rica, Guatemala, and Honduras.

We all oppose the Sandinistas' efforts to repress the Nicaraguan people and establish totalitarian rule in Nicaragua.

And we all oppose the role of Nicaragua in international drug trafficking.

In short, there is a general national consensus on our broad national goals in Nicaragua and Central America. We are all patriotic Americans and we all share common goals of promoting democracy, human rights, freedom, opposition to totalitarian rule, and Communists' efforts to export revolution.

Today, however, the crux of the debate is not about the goals we share, but rather about the means by which to achieve those goals. It is here that we have major and legitimate differences with the administration.

The choice before us is not between aid to the Contras and the triumph of communism. If it were, the choice would be easy, because we cannot allow the triumph of communism in Central America. The choices before us include better alternatives to protect U.S. interests—and these are choices that the administration has either ignored or failed to follow.

Mr. Speaker, we disagree with the President's imprecise rhetoric. He has not spoken with precision on the goals of U.S. policy, on his reasons for funding the Contras, or on a comprehensive U.S. strategy in the region.

We disagree with the administration's assessment of the threat posed to Nicaragua to United States vital interests. If the danger is not exaggerated, and our shores are indeed truly threatened, then why are we relying on an ineffective, uncoordinated group of Contras to defend these vital interests? Why haven't we sent the marines to Managua? Why does the administration still maintain full diplomatic relations with the Sandinista government and a full-service U.S. Embassy in their capital? A mere $100 million will not achieve our purposes if the threat is actually what the President says it is.

We disagree with the President's diplomatic strategy because it will not work. His Central American policy is isolated in this hemisphere and around the world. No democratic government in Latin America and no democracy in the world supports U.S. policy because it cannot be sustained over time and cannot in the end succeed. The European Community and Japan are on record in support of the regionally based Contadora peace process that I have advocated, and neither of them support United States military aid to the Contras.

Especially, Mr. Speaker, we disagree with the President's policy because it rests the defense of the U.S. national interest on the Contras. There are simply too many questions about them relating to their political viability, adherence to democracy, military performance, respect for human rights, and regional support to invest heavily in them.

There is a preoccupation of United States policy on Nicaragua that causes neglect of other serious policy concerns. It is a gross distortion of U.S. priorities. We are neglecting relations with the Soviet Union; we are neglecting arms control, and we are neglecting other priorities in the hemisphere. The debt crisis, poverty, and the impact of falling oil prices are of extraordinary importance for U.S. policy in Latin America, yet these issues are receiving precious little attention of our top policymakers.

Mr. Speaker, as I stated before, there is a third alternative to develop a more balanced policy.

First, we should seek to isolate Nicaragua and contain the harmful effects of its present policies. We should prevent the Soviet Union and its allies from developing or deploying an offensive military capability that threatens the United States, a capability that does not currently exist. The United States should state clearly its intent to remove such a threat, if necessary, by military action. Furthermore, we should protect the security and territorial integrity of any state in Central America that is threatened by Nicaragua, acting in conformance with the Charter of the Organization of American States and the Inter-American Treaty of Reciprocal Assistance.

We should pursue a strong regional policy of providing economic and military assistance to the democracies of Honduras, Costa Rica, El Salvador, and Guatemala to provide their people with an opportunity for better lives and to enable them to resist any attempt by Nicaragua to threaten or destabilize them. We need to provide consistent diplomatic support on behalf of the observance of human rights, and support for freely elected political institutions throughout the region, in recognition of the fact that subversion feeds on repression.

Second, United States policy toward Nicaragua should be based on a long-term strategy of carrots and sticks to wean that country from the Cubans and the Soviets.

If Nicaragua takes positive steps, such as agreeing to a ceasefire, removing the foreign military presence in Nicaragua, stopping its support of insurgencies, agreeing to reduce the size of its armed forces, respecting human rights, or making progress toward national reconciliation and a pluralistic democratic system, the United States should be prepared to take simultaneous steps in response. Appropriate steps might include:

Suspending U.S. military exercises in the region;

Resuming normal trade, including the resumption of nondiscriminatory trade treatment;

Supporting multilateral and bilateral economic assistance; and

Supporting Nicaraguan participation in a regional development organization.

On that other hand, if Nicaragua does not take positive steps to do these things that we and Nicaragua's neighbors want, we should consider the following:

Get our allies in Japan and Western Europe, Nicaragua's largest trading partners, to cut their trade with Nicaragua;

Get our allies to cooperate in stopping all bilateral assistance and blocking multilateral assistance to Nicaragua;

Impose tougher economic sanctions, including an assets freeze and a prohibition on financial transactions, such as bank lending or those involving travel to Nicaragua;

Break diplomatic relations; and

Work with our Latin American allies, especially our Central America neighbors, to isolate Nicaragua in regional affairs.

Mr. Speaker, a policy of negotiation with Nicaragua offers a better means of protecting United States interests than current policy. The United States should pursue a policy of strong support for the Contadora negotiations and bilateral talks with Nicaragua in support of Contadora, as the Contadora nations have requested.

But there are two caveats concerning a successful negotiating posture.

First, negotiations and the Contra war effort cannot be pursued simultaneously because the negotiating process will be undermined.

Second, negotiations and the Contadora process cannot succeed in the absence of wholehearted U.S. support; rhetoric alone is no measure of U.S. support for Contadora diplomacy.

Mr. Speaker, one of the premises of the President's proposal is that if we do not vote to escalate the war in Nicaragua, United States policy will fail. But U.S. policy has already failed, or we would not have such a choice before us. The Congress and the country are just too divided on this one aspect of Central American policy to sustain the war, and a policy that is not sustainable cannot succeed.

Mr. Speaker, the administration's policy lacks constancy, which is both inconceivable and incorrect. Last year, we were promised, if we supported a $27 million aid package to the Contras, that the United States would move forcefully toward negotiations in lieu of a military solution. Yet, since the administration walked away from the Manzanillo talks on January 17, 1985, there has been no negotiation. I supported that aid package, and instead of abiding by the compromise, we are now requested to send another $100 million, for more promises of negotiations.

There is a better way. In January, 30 colleagues and I, who had all supported the $27 million aid package in June 1985, wrote the President requesting that he withhold his aid request and participate in the Contadora process. We received no response. Then, just last week, several colleagues and I again wrote Mr. Reagan and requested that he accept the proposal put forth by Nicaraguan exile and former Contra, Arturo Cruz, which called for an immediate ceasefire and negotiations between U.S. Ambassador Philip Habib and the Sandinista leadership in conjunction with the six opposition parties in Nicaragua. Again, unfortunately, there was no response.

Mr. Speaker, we have gone the distance. We have provided aid with the promise of talks. We have received no response. And today, Mr. Speaker, we are asked again to spend $100 million on a undefined and unsure policy under the cloaked guise of possible negotiations in the future. Mr. Speaker, what will the American people be told next year, and the year after that? What will we be told when American boys are on their way down south, that if we go along, we will negotiate? No, Mr. Speaker, enough is enough. Put the Sandinistas to the test, and use the skill and strength which is the base of our diplomacy, that same diplomacy that solved the missile crisis in 1963. The American people want nothing less.

We cannot pursue a unilateral policy of promoting the Contra war and thereby trying to make Central America safe for democracy if those same democracies do not support us. I urge a vote against House Joint Resolution 540.

THE HAWKS AND DOVES ONCE AGAIN

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Oregon [Mr. WEAVER] is recognized for 60 minutes.

Mr. WEAVER. Mr. Speaker, we are entering an age of hawks and doves once again. The issues of war that divided us during the Vietnam years are dividing us once again into those who want to meet world problems by military attack and those who would, while remaining strong, seek negotiations and cooperation with other nations.

I believe that we have as a President a constitutional hawk who responds to any situation with attack. There are times when such leadership is essential. Certainly World War II was such a time and the great leadership of another pure hawk, Winston Churchill, proved the key to stopping the real urgent and grave threat that Hitler's Germany posed to England and to the world.

Today, emotions are running high in our Nation. Those of a hawkish bent commend President Reagan for his actions against the terrorist regime of Qadhafi, and those with a hawkish bent are outraged by the Nicaraguan incursion into Honduras. The flames of passion are heating up. War talk rhetoric rises.

Even those of a cooperative bent are impassioned, but against the warlike acts of the President.

I remember my own reactions to the threats our Nation has faced during my lifetime. I was a 17-year-old during World War II. I could not wait to get into the military service. I enlisted at 17 in the U.S. Navy toward the end of the war and was most anxious to defend my Nation against the threats of Nazi Germany and warlike Japan.

I served on an aircraft carrier in the South Pacific, the U.S.S. *Kitcun Bay.* I did so proudly.

Then on June 25, 1950, I remember the emotions going through me as I heard on the radio that North Korean divisions had crossed the 38th Parallel and invaded South Korea. I felt that was a threat to our security and I commended President Truman for sending in American troops under the U.N. aegis to stop invasion of South Korea by North Korea. It was a coldhearted, brutal act, fomented by Stalin and the North Koreans, and it had to be stopped.

So my reaction both to the threats of Nazi Germany and warlike Japan in World War II were to fight to defend my country.

My reaction to the invasion of South Korea by North Korea at the behest of the brutal dictator, Stalin, was to defend South Korea.

If my country were threatened as it was then, again I would be the first to enlist. I would be the first to offer my services in the military to help defend my Nation.

But I also remember my emotions when our troops, after valiantly throwing back the North Korean invaders, crossed the 38th Parallel to the north and went into North Korea; not that we did not have the right to do that; North Korea was the invader and should be punished, but I felt it was wrong. I felt that once that attack had been repulsed and the borders were back—and there never should have been any border there; the only reason there was is that at the end of the Second World War, Stalin had sent Russian troops down into Korea to take over and divide that country; but even so, there was now a territorial boundary at the 38th Parallel, and I felt our troops should have stopped there.

I felt very badly about this. I wrote letters and sent telegrams to my Congressman and to the President, saying, "Let's stop at the 38th Parallel."

I had no desire to carry on the attack. Once the threats to my Nation were done, I felt that we should then find negotiated settlements.

Instead, our hawks went ahead, led by General MacArthur, and advanced our troops all the way to the Yalu River and indeed threatened China, which brought in the hordes of Chinese soldiers, as I recall almost 2 million of them, and they drove our valiant Marines back and thence began a 3-year bloody war fighting over bleak hills called Pork Chop Hill and others, killing and maiming thousands, until finally the fighting was stopped by General Eisenhower, then as President of the United States.

Had we stopped at the 38th Parallel after repulsing the North Koreans, the war would have been over in 3 months with very little loss of life.

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So my reaction again was to attack those who were attacking my Nation in World War II, to attack those who were threatening our security as they attacked across the border, but not to go on the attack ourselves.

During the Vietnam war years, I adamantly opposed that war, as I did not feel our national security was threatened. Not seeing a threat to our national security from that nation 12,000 miles away, I felt that we were wrong in sacrificing our men, our wealth, and dividing our Nation for that effort.

Those who said that Vietnam would be a domino and that all Communists were the same, monolithic worldwide Communists, did not read history and did not read events of the times. China was to break away and become an enemy of the Soviet Union. Today in the Indochina peninsula, all the Communist regimes are fighting each other. China fights North Vietnam, North Vietnam fights in Cambodia and Laos, the Cambodian-Laotian Communists are fighting the North Vietnamese and others.

We should learn from that, but have we? Now we have the threat of terrorism by Libya and others attacking innocent people in airports, threatening the very lifelines of transportation by their willingness to pervert law and order.

We have the incursion by Nicaragua in Honduras. I assume the Nicaraguans are attempting to attack not Honduras but those Contra troops that are using Honduras as a base to attack Nicaragua. But I make no definition of this.

What concerns me here is our actions—the actions of the United States, of our leadership, of our President, balanced and weighed against the threats we face, or are we playing a dangerous child's game? That is the question it is imperative to answer before our emotions carry us to extremes, before we become once again a nation divided into camps of hawks and doves, unable to talk to each other, with warlike rhetoric carrying us ever closer to possible disaster.

There is a book written by a University of Michigan professor named Axelrod called "the Evolution of Cooperation." In it, he defines, among other things, the various responses that animals, people, anyone makes to conflict situations. There are essentially four different responses.

One is the response of the hawk to attack. You meet with a problem, you attack. You have a situation, your response is to attack, to take.

The other hawkish response is to attack, but if attacked back, to cooperate.

There are two hawkish responses. There are two dovish responses.

One is to cooperate. You have a problem in the world, you cooperate. That obviously risks being run over by the hawks, whoever they are, Russian hawks, Libyan hawks, anybody's hawks.

So there is another kind of response, a fourth response, a dovish response, and that is to cooperate to meet problems and threats with cooperation and negotiation, but if the attack continues, to attack back.

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Axelrod, in his book, calls these strategies, and he says that last response is the strategy of tit-for-tat, that you will cooperate with anyone so long as they cooperate with you, but if they attack you, you will attack back.

After running these strategies through a computer, testing them against each, he calls tit-for-tat the most successful strategy, just simply because it scores the highest points in games against the hawk and the chicken hawk. That is the hawk that will attack, but will cooperate if attacked back, and the dove who cooperates all the time.

The reason that the dove who will cooperate but will respond but will attack if attacked—what I call the stinging dove—is so successful is that if we were all hawks, we would bloody each other up all the time. Axelrod's computer finds that hawks tend to bloody each other up, and it is a much more successful strategy to cooperate, but as I said before, the cooperator faces the danger of the hawks who will attack him and demolish him.

So being just a pure dove, a pure cooperator, is not enough in this world. If the world were all doves, cooperation obviously would be the best strategy, the only strategy, more successful, more fruitful. We would spend our time helping ourselves, keeping ourselves healthy, taking care of our children, growing our food, instead of spending our money on war materiel and defending ourselves against others.

The reason that we are not all doves is that there are hawks in the world of all stripes and, therefore, we must be prepared to defend ourselves against them.

But the stinging dove, the dove that will cooperate until someone attacks him is, Axelrod finds, the most successful strategy because while the hawks are bloodying each other up, the stinging dove is cooperating with people and find a fruitful existence. But if a hawk comes along and attacks the stinging dove, the stinging dove will attack back.

There is a situation in the history of our Nation that brought these four strategies into play and embodied the four main characters in that situation, and that was the Cuban missile crisis.

In 1961, President John Kennedy met with Soviet Premier Nikita Khrushchev in Vienna. The blustering Khrushchev sized up the young President and concluded he was an easy mark. Kennedy, who had hoped the two of them could be open with each other, confessed that the Bay of Pigs invasion had been a mistake. The cagey Khrushchev was used to confessing the sins of Stalin, but not his own grievous faults, which included carrying out Stalin's vicious orders.

He decided that Kennedy could be pushed around, and that Cuba was the very place to start. By the summer of the next year, Russian military personnel were assembling missile sites in Cuba, with nuclear warheads, aimed at cities in the United States. U.S. intelligence agencies soon learned of this aggressive act and informed the White House.

A deeply troubled Kennedy called together his top advisers in an informal group called the Ex-Comm and they began deliberating what to do. More Russian ships were approaching. An Air Force U-2 reconnaissance plane was shot down by ground-to-air missiles.

It was a tense situation. The Cuban missile crisis was on. The crisis brought out the keenest instincts of all those involved. The fate of the world was in their hands, and they knew it. One misstep or further aggression by either side could set off a chain reaction leading to nuclear holocaust. Attorney General Robert Kennedy, brother to the President, wrote of the meetings of the Ex-Comm members:

> They were men of the highest intelligence, industrious, courageous. None was consistent in his opinions from the very beginning to the very end. For some, there were only small changes, perhaps varieties of a single idea. For others there were continuous changes of opinion each day. So we argued and so we disagreed, all intelligent and dedicated men disagreeing and fighting.

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The Russians, too, had their meetings and they must have disagreed among themselves as vigorously as did the Americans. Construction of the missile sites in Cuba stopped and started with jerks, tugged by conflicting strings from Moscow. Soviet Ambassador Dobrynin, called to his office by Robert Kennedy, lied with a bland face about the Russian activities in Cuba to the disbelieving Attorney General; but Robert was sure that Dobrynin too was caught in the cross fire of the debate and perhaps disagreed with what his Government was doing.

Different men saw things differently. Their arguments seemed more like reactions than reason. A look at four of the key figures shows how each brought to the Cuban missile crisis their individual sets of reactions.

Khrushchev began it all by ordering the placement of the missiles in Cuba. It was an aggressive act consistent with his character. He had been useful to Stalin as a hatchet man, but his aggressive stance would not have survived Stalin's paranoic purges had he not soothed his master by groveling to him. Khrushchev was known for this kind of behavior. His blustering, bumbling demeanor disguised an aggressive man who also yielded to authority or attack.

Now I have just described in Khrushchev's character, who I call the chicken hawk, the hawk that attacks, that if attacked back cooperates, yields.

President Kennedy was seen by Khrushchev as something of a patsy. But he did not turn out that way. He resisted the aggressive acts of the Russians and lashed back.

Now that description of President Kennedy is the shrinking dove or tit-for-tat strategy. President Kennedy was willing to cooperate, try to get along with the Russians. But when they attacked the United States by placing the Cuban missiles in Cuba, that was an attack and so Kennedy attacked back.

Faced with an adamant Kennedy who had called out the U.S. Navy to stop the Russian ships, Khrushchev wrote a long, emotional letter pleading for a way out of the nuclear showdown: If you will take your missiles out of Turkey, we will take ours out of Cuba. Kennedy saw hope. Just as he had responded to attack with attack, Kennedy was equally inclined to meet conciliation with conciliation. Again, Axelrod's tit-for-tat strategy.

Gen. Curtis Le May, the Air Force Chief of Staff, was not so inclined. He was all out for war. The enemy could understand only force. Wipe out the Russian missile sites. Invade Cuba, he urged. Le May did not ponder the consequences. What would happen if we attacked Cuba? he was asked at an Ex-Comm meeting. The Russians would do nothing, he replied. They would be frightened of our power. Le May was a cock-sure man, in love with the might of the weapons at his command. Confronted by the recalcitrant North Vietnamese resistance during the Vietnam war, his strategy was simple: "Bomb them into the stone age."

The fourth player was Adlai Stevenson, our Ambassador to the United Nations, and he approached the situation altogether differently. For him, our placement of our own missiles in Turkey near the Russian border had been an aggressive act just as much as the installation of Russian missiles in Cuba near our mainland. Fair is fair, he counseled.

So we have here in Stevenson a dove who is willing to cooperate at any time. He sees his own faults and his country's faults as much as he sees the faults of other nations and other persons. He was a person ready to cooperate just as Gen. Curtis Le May was a pure hawk ready to attack at any time, seeing no consequences other than the use of force. Stevenson's idea of cooperation, of trading Turkish missiles for the Cuban missiles, our Turkish missiles for the Russian Cuban missiles was met with contempt by those in the Ex-Comm who, like Le May, saw only our side of the argument, and who quite rightly felt that the offer would be seen by the Russians as weakness.

All through the Cuban missile crisis nuclear war was a very close call. Our ships threatened theirs on the high seas. Russian diplomats in New York were burning their papers. The U-2 plane was shot down. Khrushchev's letter was left dangling as Le May and his colleagues scorned conciliation and urged, minute by minute, air strikes and invasion. A second letter came in from the Kremlin, this one more formal—not written by Khrushchev personally—more stern, more threatening. The State Department took it as an ultimatum and prepared an answer in kind: no trades of our missiles for theirs. Push was coming to nuclear shove.

Only then did the instincts of President Kennedy come to the fore. He had always considered our missiles in Turkey to be provocative, had taken steps earlier to remove them, although now we could not do so under the Russian threat of their missiles in Cuba.

But his brother, Robert, suggested they respond to Khrushchev's instincts in the most emotional letter that Khrushchev had written. The President approved. Again, here is not a person who is bent on attack, but one who will cooperate with an offer of cooperation. The Russian ships swung around and retreated. The situation/tragedy ended peacefully.

I cite this story as an example in our history when the strategies of hawk and dove, cooperation and attack, are once again in the fore of our thinking. I urge all of my colleagues in the Congress to consider which strategy will serve us best as war talk heightens, as ships steam on the high seas, as people of other nations make provocative acts that we do not like, to ask is a hawkish strategy the best for us today, the best for this Nation. Is this strategy to attack, attack and attack going to provide us in the end with fruitful results.

I myself, remembering my own behavior, enlisting at 17 in the U.S. Navy in World War II, and serving on an aircraft carrier, and always feeling good about that because we faced a real threat, and remembering the Korean war when we rightly stopped the invasion of South Korea by North Korea, but then proceeded to cross the 38th Parallel and go to the Yalu River, the boundary with China, and then faced devastation of our own troops by the hordes of Chinese military in a 3-year-old war. I think also the Vietnam war which I believe was against our own military and national security interests. I ask what steps we should take today and what strategy we should use today. I ask my colleagues, and I ask the American people to ponder this, and I ask the President, who perhaps acts as a constitutional hawk, and cannot help himself, or perhaps acts rationally and feels that attack is the best policy, to examine what he is doing.

I am fully aware that there are are grave threats in the world today, not only from insane terrorists such as Qadhafi, but from rational beings in other nations. But I wonder how advantageous it is for the world, for hawks to be in the forefront of the Soviet Union, and hawks to be in the forefront of the United States when we have the ability to destroy ourselves and all life on Earth.

I yield back the balance of my time.

HAPPENINGS IN LIBYA AND CENTRAL AMERICA

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Georgia [Mr. GINGRICH] is recognized for 60 minutes.

Mr. GINGRICH. Mr. Speaker, I want to talk today on what is happening in Libya and Central America, and the events of this last week which have led me to postpone a special order on how to develop a vision and a strategy in response to the Soviet Empire, the Communist Cuban colonial forces and the Soviet national strategy to extend tyranny. Instead I want to focus on two specific test cases in which the United States is currently face to face with allies in the Soviet Union and with a real threat to our long-term survival and to the freedom we cherish.

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First, I want to explain the linkage between Libya and Central America. While they are geographically separate, it is no accident that the Dictator Qadhafi in Libya has sent arms and personnel to Nicaragua; because he sees that Communist dictatorship as an ally against America.

As Qadhafi himself has explained, that particular fight in Central America is in our back yard and is a chance to defeat America in our neighborhood. From Qadhafi's standpoint, any enemy of America is a friend of his, and he sees himself as a direct ally of the Nicaraguan Communist government.

That is why several years ago there were several airplane loads of equipment, some 40 tons of military equipment from Libya which were on the way to the Nicaraguan Communist when they were stopped in Brazil.

Furthermore, there are practical reasons why for example the head of the secret police, Thomas Borge of Nicaragua, went to Qadhafi's anniversary party to celebrate his time in power; because the Nicaraguan Communists see Libya as a real ally. That is an example of why there is a deeper relationship between the two military activities, described on page 1 of the Washington Post today, and the United States, and why, while they may seem geographically separate, Libya and Nicaragua are in factor very tied together.

Indeed, I would suggest that the vote last Thursday, in which the United States House of Representatives voted down aid to the freedom fighters was seen by both the Nicaraguan Communists and by Qadhafi as a sign that the United States still did not have its foreign policy together and that it was possible to bully and browbeat the United States.

If you watched Qadhafi over the last 12 or 15 months, every time the Reagan administration has acted fairly tough, he has begun to back down. Most Americans will remember, for example, in January when he held the press conference on a tractor, explaining that he really did not mean anything and he really did not intend to do anything to confront the United States, every time an element of the American Government has looked weak, Qadhafi has grown bolder.

Last Thursday's vote against helping the freedom fighters had to be seen by Soviet analysts in the Kremlin, by Qadhafi, and by the Nicaraguan Communists as an example of how the United States continued to fail to deal with the real world.

It was interesting today to notice the Democratic House leadership basically trying to use strong language now that they are confronted with the consequence of last week's vote. The majority leader described the Nicaraguan invasion of Honduras and said that it was a violation of the Rio Treaty.

You know, it does make one wonder how long it will take to learn certain basic lessons. Two years ago a number of decent, well-meaning, patriotic American Members of this House signed a letter to Comandante Ortega, asking him to act reasonably.

Last year, immediately after this House voted against helping the freedom fighters, Ortega went to Moscow; literally announced it the morning after this Congress had voted against helping the freedom fighters.

Many Members of this House, particularly Democrats who voted no, expressed great shock; could not believe that "he would have such bad timing" as one of them put it. Saying, "How could he go to Moscow when we're trying to negotiate?"

This year, once again for the third year in a row, our friends on the left found themselves surprised as they first voted "No, let's not help the freedom fighters," and then had the Nicaraguan Communists doing something they had not expected.

In this particular case, frankly, I would have to ask "What did the leadership of the left in this House think would happen?"

There was clear evidence last week that the Nicaraguan Communist

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forces were massing on the Honduras border. There was clear data available to anyone who would look at it that the minute they had a signal they could attack, they would. There was a clear indication that Nicaraguan Communists were planning not to negotiate, but to massacre the freedom fighters.

There is a book by Frank Gregorsky entitled: "What's the Matter With Democratic Foreign Policy?" Its subtitle is: "How the Modern Democratic Party Has Abandoned the Traditions of Harry Truman and John Kennedy and What That Might Mean for America's Safety in a Dangerous World."

I recommend this book to every person who voted no last week, because I think they really ought to look at their own record. They ought to read the 2 days of debate; 10 hours of debate in this House, and see person after person on the left; well-meaning, sincere patriots, say again and again and again: "I'm going to vote no against helping the freedom fighters, because I think we should negotiate."

The question I would ask of those who said last week "I'm going to vote no because I think we should negotiate." What lesson do they think they have learned out of the fact that with only a few days' lapse between their voting no, we can negotiate, the Nicaraguan Communists have now launched an offensive 15 miles inside Honduras; they are apparently close to 2,000 Communist troops, using Soviet equipment, with Cuban colonial troops manning the helicopters—I would say to all of my friends who voted no last week: "What did you think would happen? Did you actually vote no thinking they would invade?" I am certain virtually every one of them would say, "No, I didn't think they'd invade. I'm shocked that they're invading."

My question then would be, "What is it you would do differently if you had a chance now?" What lesson have you learned out of this third straight year of Nicaraguan Communists lying to us? And how would you relate the display of weakness by the U.S. House last week to Qadhafi's having the courage yesterday to fire on the U.S. 6th Fleet?

What signals in the age of television do you think there might be in a small world of an electronic neighborhood, in which Qadhafi can watch the videotape of the debate in the Congress, chuckle as people on the left explain that we do not really want to be militaristic, and say to himself: "I'm glad the Americans don't want to be militaristic. Let's see if I can't shoot at a few of their airplanes."

Now, our friends on the left, frankly, do not stand alone. The Reagan administration has still not articulated a clear vision and a clear strategy, both for dealing with Qadhafi and the problems of systematic terrorism and for dealing with the Nicaraguan Communists and the problems of the Soviet Empire and the transnational strategy to extend tyranny using a Cuban colonial army.

The fact is that all too often this administration has been tied up in tactical ad hocracy, going from crisis to crisis, from vote to vote, from problem to problem, without an overall strategy; without an overall vision, without a clear track to what they want to accomplish.

The fact is that Qadhafi is a threat to civilization as we know it. Qadhafi is a threat in Chad, where the Libyans have been causing trouble and trying to take over the country; he has been a threat in the Sudan where they have been causing trouble. Qadhafi is a threat in Egypt where we have clear proof of assassination attempts; Qadhafi is a threat to Israel where he has systematically helped terrorists; Qadhafi is a threat, with terrorists in training camps in Libya. Qadhafi is a threat in trying to kill his opponents in Europe against all international law; Qadhafi's agents have killed a British policewoman. Qadhafi is a threat to America in helping the Nicaraguan Communists.

He sees himself at war with America, but it is a war on his terms. When we are soft, he is militant; when we are tough, he says "Oh, I don't mean anything by all this." On the one hand he has said this year he has suicide squads in the United States, a clear act of war.

Then he holds a press conference on a tractor, offering to negotiate. He attempts to play the American news media, the American political system, as though it were an orchestra—first being tough when he can get away with it, then being an appeaser when we realize what he is doing.

The question I would ask of the Reagan administration is, "What is our vision of how we're going to deal with Qadhafi? What is our strategy to get to a Libya that does not have a terroristic, pro-Soviet Qadhafi dictatorship?

The fact is that the Soviets arm and train Libyans, that Libya is the largest single depot for Soviet equipment outside the Soviet Union, that the Soviets sell the weapons to Qadhafi because it is useful to them; that the East Germans and others train Qadhafi's security police because he is useful to the Soviet bloc; that Qadhafi is functionally an ally of the Soviet empire; that he is a threat to Western civilization as we know it; he is a threat to the world of freedom, and he is a threat to Israel and America.

Yet, we have currently no clear, decisive strategy. Firing back at a radar site is a tactical skirmish of the lowest order. Qadhafi can afford violence far longer than the United States can; Qadhafi can afford to trade lives far longer than we can.

It would suit his purposes to get engaged in a long-running skirmish. The last thing we can afford is another intervention like Lebanon where there was no strategy, no decision, no clearcut choice.

What we need to know is, what is the American purpose in dealing with Qadhafi and how can we be effective in moving Libya out from under his dictatorship?

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Similarly what is the Reagan administration vision and strategy in Central America? The fact is that because the Reagan administration did not want to offend our friends on the left, it has never been as clear, as candid as it should be.

On an occasion recently I think Secretary Shultz and Assistant Secretary Abrams have come closer. But I think the reality is fairly obvious. We want a Nicaragua that does not have Soviet and Cuban troops in it, we want a Nicaragua which is not anti-American, we want a Nicaragua which has met the agreement of the Organization of American States, that it is a pluralistic government, that it has a free press, and free elections, and that is the Nicaragua we intend to somehow get to. We would prefer to get there by negotiations. But I think that there is no grounds for believing that there is any reasonable negotiations with a Leninist-style dictatorship using a Cuban Communist neighborhood block model with training by East German and Bulgarian and North Korean specialists in secret police activity, with a Cuban colonial army and Soviet colonial advisers.

The fact is that kind of a Nicaraguan Communist government uses negotiations only as a pretext to buy time to impose a more firmly controlled dictatorship and to build up its ability to threaten its neighbors.

For every hour we have spent on this floor talking about the need to negotiate with Nicaraguan Communists, it should now be obvious since they have 2,000 troops 15 miles inside Honduras that they have spend many hours planning how to use the time that we gave them by voting "no" last week in order to try to wipe out the freedom fighters.

One of the rules of poker or chess or any other game is when your opponent makes a mistake you need to maximize your gains. Now is the psychological moment in this House and in this country to maximize our gains in educating the American people about what has been happening. First of all to make sure people understand that there is a direct relationship between Nicaraguan communism in Honduras and last Thursday's vote in this

House. The fact is last Thursday the U.S. House of Representatives sent a message to communism around the world that we were not prepared to help freedom fighters.

Three or four days later we find 2,000 Communist troops with Cuban colonial forces manning Soviet helicopters inside Honduras.

Now does anybody in this House reasonably believe there is no relationship between those two? Does anyone reasonably believe that the Communists did not look at how this House voted and decided they had a green light to go ahead? Does anyone reasonably believe that our display of reasonableness has not been met by a Communist display of aggression?

Second, we have to recognize that there is a relationship between Libya and Nicaragua. A number of our friends got up today, people who cheerfully voted "no" last week, and focused their anger on Libya, "how bad Qadhafi is." Well, Qadhafi is the direct ally of the Nicaraguan Communists. Why is it some of our friends on the left can worry about Libya, which is close to Israel, but they can't worry about Nicaragua, which is close to America? Why is their anger focused only on the guy over there when in fact Libya is just as dangerous in this hemisphere where there are terrorists being trained by the Libyans, where there is equipment being given by the Libyans, and where the Palestine Liberation Organization and the Libyans are both recognized and close allies of the Nicaraguan Communists?

Third, this is an opportunity to focus on the systematic self-deception of the American left about the Soviet empire, terrorism, and the use of Cuban Communist colonial forces as part of a transnational strategy to impose tyranny. It is eerie how frequently and how systematically good, sincere Americans on the left manage to avoid facing the truth about Qadhafi, about Nicaraguan communism, about Castro and Cuban communism, about the Soviet empire and about the nature of the Communist system.

There is an article in this month's Commentary by Doan Van Toai. Doan Van Toai was a member of the student opposition of the Thieu regime in South Vietnam, a supporter of the National Liberation Front during the Vietnam war. After the fall of Saigon in 1975 he served briefly in the provisional revolutionary government before being suddenly arrested and held in prison for 28 months without charge. He was released in November 1977 and was later allowed to leave the country. He has just written a book called "The Vietnamese Gulag." He wrote an article for Commentary which just came out this month entitled "Vietnam, How We Deceived Ourselves."

Let me make it clear, Doan Van Toai was against America during the Vietnam war. He was in favor of the Communists winning in Vietnam. He then suffered the consequences of the Communist victory. Let me read his description of his effort to tell Americans at Berkeley, people who had been applauding him when he was here in 1970 as being pro-Communist, and their reaction. He began by talking about the fact that he worked with a man named Nguyen Cong Hoan, who was a Buddhist opposition assemblyman under Thieu. This particular member was chosen as one of the southern delegates to the 1976 Unified Assembly in Hanoi. That is, he actually served as part of an effort working with the North Vietnamese Communists.

He was sickened by the dictatorship and he came to the West. He thought he could talk to people, as he put it, and I quote:

> The West must be told about the monumental deception being carried out by the Communist regime. Specifically the Western antiwar movement with all its energy and commitment to the cause of Vietnamese freedom must be educated to what was really taking place. Once they knew, he had thought, they would begin pressuring Vietnam's leaders back inside the pale of human conduct. Hoan smiled wanly as he told me this. "Believe me," he said, "you will get nowhere substantial with these people. Vietnam to them was a fad, or something they did out of anger at their own government. Now they don't care, I doubt if they ever did. It's not their fight."

He goes on to say:

> As if to reinforce Hoan's remarks, my reception at Berkeley, while not unfriendly, was a good deal cooler than it had been in 1970 when, as a delegate from the Vietnamese student opposition, I was shouting about self-determination and getting the United States out of the war.

He goes on to talk about the fact that he did have an impact on Joan Baez and that Joan Baez came out along with 78 other former antiwar activists and appealed in an open letter to the New York Times to North Vietnam to stop being a Communist dictatorship. She urged North Vietnam to establish human rights. Let me read now his report on what happened to Joan Baez:

> For her efforts, Baez was attacked by Jane Fonda in a letter circulated among a large number of former antiwar movement people. She was also excoriated in an open letter entitled "The Truth About Vietnam" (New York Times, June 24, 1979), and signed by another group of antiwar people who "recognize and acknowledge the remarkable spirit of moderation, restraint, and clemency with which the reeducation program was conducted."

This letter continues, and he quotes the letter:

> "Vietnam now enjoys human rights as it has never known in history as described in the International Covenant on Human Rights: the right to a job and safe, healthy working conditions, the right to join trade unions, the right to be free from hunger, from colonialism and racism. Moreover, they receive—without cost—education, medicine, and health care, human rights we in the United States have yet to achieve."

He goes on to say, and I quote,

> When I saw this letter some months later, I was especially taken by the absolute conviction of the writers, although to my knowledge none of them had ever seen the inside of a Vietnamese reeducation camp or prison, and none had ever experienced the "free health care" or the "right to be free from hunger" guaranteed by the Socialist Republic of Vietnam.
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> Even more striking in the letter was the burning hatred the signers evinced for their own government. And it was this emotion, still red-hot 6 years after the 1973 pullout of American troops from Vietnam, that got me to thinking about the psychological consequences of Vietnam for future "nationalistic" conflicts. The letter combined an utterly simplistic understanding of Vietnamese issues with a deep antagonism toward American motives—obviously a potent mixture. I wondered how pervasive that orientation was in American public opinion and whether it would permanently debilitate United States policy toward Vietnam.

In other words, the reason I am quoting an article by a Vietnamese about how we deceived ourselves about communism in Vietnam is because anyone who read the United States House of Representatives debate last Wednesday and Thursday and anyone who watched some of the people who voted "no" last week stand on this floor today can understand we are still deceiving ourselves. The American left seems to have an unending capacity for avoiding the truth about communism and for avoiding the linkage between a Qadhafi terrorism in the Middle East, the Soviet empire, and Cuban and Nicaraguan communism in Central America. The fact is that there is a style of transnational strategy the Soviet empire is using that it involves training Libyans with Soviet equipment, training Cubans with Soviet equipment, using them to start trouble elsewhere, having the Libyans fire on Americans in a way that the Soviets are safe while it is our boys who are at risk, constantly maneuvering on the chessboard of world politics to put us at a disadvantage.

The longer we refuse to recognize the relationship between the Soviet empire, Cuban communism, Qadhafi's dictatorship, and Nicaraguan communism and state terrorism, the greater our danger will be.

Consider again what Doan Van Toai said:

> Motivated by my hatred of the dictators and by my view of myself as a Vietnamese nationalist, I had played a role in weakening the American-backed regime and isolating it from domestic and international support. Now I understood that the passion of my ideals, combined with a belief in my own political intelligence, had led me down a trail at whose unforeseen end lay terror and destitution for my country. And I had walked that trail in company with millions of other

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> passionate idealists, Vietnamese, French, and American.
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> Together we had been caught in a "people's war," the kind of struggle that gave precedence to the techniques of psychological warfare. As the American military had belatedly recognized, the battlefield was also the minds and hearts of those who created public opinion in Vietnam and in the West. And the way to those minds and hearts, the Communists saw, was through their ideals: a hatred for colonialism, an abhorrence of violence, a belief in social welfare and liberal democracy.
>
> That was why, from the beginning, the Vietnamese Communist party had built its strategy, not on the forthright social promises of Marxism (the rock upon which the Russian and Chinese parties had built their revolutions), but one the Vietnamese people's fierce desire for national independence. That was why in two wars the Vietnamese Communist party had hidden itself in the background and created in its place two "fronts," the Vietminh and the NLF, whose appeal was to the grass-roots longings of the Vietnamese—and to the ingrained ideals of the very Western nations that were the party's bitterest enemies. (In 1945 Ho Chi Minh had proclaimed the independence of the Vietnamese people in the following words: "We hold the truths that all men are created equal, that they are endowed by their creator with certain inalienable rights, among which are Life, Liberty, and the Pursuit of Happiness."

He goes on to say:

> All of us, Vietnamese and Americans alike, could see the venal habits, political suppression, and common brutality of the Saigon regime, along with the war's human carnage and the grotesque social impact of the American army. But the heart of the other side remained hidden. Neither young nationalists like me in South Vietnam nor most Americans reading their newspapers and watching television could see the secret strategy that made the American people themselves the chief target of this "people's war" or the iron social theories and alien disregard for human decency that animated those whose target they were.
>
> I now realized that Vietnam was not an isolated incident on the stage of world affairs, that the "people's war" techniques that had been developed there were applicable to every Third World conflict in which the West had an interest. Vietnam was a casebook for revolutionary strategy—a case book to be studied with the greatest care by the world's democracies and by the world's emerging nations, for whom the Communist road to national liberation is in fact a road to national desolation.

The point that Doan Van Toai is making and that I am making is that those millions of passionate idealists and the people last Thursday who voted "no" in this House were idealists, those people are simply wrong. The consequence of their idealism is tyranny, the consequence of idealism on the floor of the House last week, those who voted "no" to help the freedom fighters, is that there are 2,000 Communist Nicaraguan troops in Honduras today, there are Soviet helicopters manned by Cuban colonial troops killing freedom fighters today in blatant disregard, as even the Democratic majority leader has admitted, of the Rio Treaty. We are faced with what the Democratic majority leader today called an invasion. Well, what should our reaction be?

We are faced in Libya with an outlaw terrorist dictatorship allied with the Soviet empire which has illegally set its own rules of the game. Yet in this morning's paper there are serious men of the left in both the Democratic and Republican parties quoted as saying we provoked it.

□ 1325

The International Law of the Sea is clear. The United States as a maritime nation has every right for its fleet to sail in the Mediterranean. For Qadhafi to say he will shoot at us if we sail in international waters is like someone in your neighborhood standing there with a rifle saying if you walk on the public pavement in front of my house, I will shoot you, and then having you labeled the provocateur if you walk on the public sidewalk because clearly you provoked him. After all, if you were not standing on the sidewalk, he would not have a target to shoot at. Qadhafi is an outlaw and we have not yet had the guts to face the consequences of that particular fact. He is outside the law as we know it in the West.

There is a chance, I think, to learn a fourth lesson, which is the schizophrenia of the pro-Israeli left as compared to the pure left. You saw it here today.

Those who would never say a word condemning Nicaraguan communism feel that is not a major concern of theirs, not because they are pro-Communist, but because there just is not a major concern, are nonetheless eager to be outraged about Qadhafi. There is a difference. The pure left, the people who do not frankly care about Israel either, never say a bad word about Syria, never say a bad word about Qadhafi, never say a bad word about the Soviet empire, never say a bad word about Nicaraguan communism. They are ideologically consistent. They have less difficulty than those of our friends who are schizophrenically forced to condemn those who directly enagage in anti-Israeli behavior while ignoring those whose major activity is that they engage in activities to undermine the United States.

But the challenge ought to be to communicate that those of our friends who are on the pro-Israeli left reject the reality of Leninism of the Soviet empire of systematic terrrorism of a Communist Cuban colonial force. They reject the appeal of Doan Van Toai. They do not want to learn any of the lessons of the last 16 years. And to say to them again and again, but how do you explain Qadhafi? Why do you think Qadhafi thinks we are weak enough to shoot at? What do you think that might have to do with last Thursday's vote? Why do you think Qadhafi is sending equipment to Nicaragua? If you are so mad at Qadhafi, what does that say to you about the Nicaraguan Communists who are among his most enthusiastic supporters?

Those of our friends on the pro-Israeli left ignore the linkages. They ignore the signals of weakness to Qadhafi. They ignore the need for strategy and for military power.

The real challenge of the next 10 days, though, may surprise most of us. The real challenge is not Qadhafi. We know who Qadhafi is. He is behaving normally. He is a tyrannical dictator allied with the Soviet Union, eager to undermine Israel and America. We know who Ortega and the Nicaraguan Communists are. Despite the misunderstandings of our friends on the left last Wednesday and Thursday in this House, Ortega and the Nicaraguan Communists are acting normally. They are invading a neighbor, they are trying to kill the freedom fighters, they are doing what we expect.

We even know, frankly, who the liberal Democrats are. Now that they are embarrassed, they are scrambling quickly to get back and prove that they are eager to do something to stop the Communists in Nicaragua.

The real question for the next 10 days is the Reagan administration. Here is the President's chance to seize the moment to educate the Nation to force responsibility in Congress and to change history. Here is a chance for the President to be involved directly, and to say, "All right, now that the Communists have shown who they are in Nicaragua, now that Qadhafi has shown who he is in Libya, what should we do?"

Let me suggest eight steps the President should take immediately.

First, he should address the Nation. I suspect he might have one of the highest audiences of all time if tonight or tomorrow night he were to explain what is going on in Libya and what is going on in Nicaragua and Honduras. He should explain in clear, simple English the Soviet empire and the fact that it is an empire, the transnational strategy to impose terrorism using Cuban colonial troops and working systematically with terrorism. He should take the case of Cuban General Nestor Lopez, a career soldier who was trained in the Soviet Union, who then was sent to Syria where he had a Cuban regiment fighting the Israelis, who then was sent to Angola where he headed a division imposing a Communist dictatorship, who now has been sent to Nicaragua as the head of the Cuban colonial army in Nicaragua.

He should point out that in the Yemen and South Yemen last month when there was a civil war, the Soviets used Cuban troops to make sure that

the side the Soviets wanted to win won in South Yemen.

He should point out on a map that with Cuban troops in Ethiopia and Cuban troops in South Yemen, there are now Cuban colonial forces on both sides of the Red Sea.

One might say, "How can this be? Isn't Cuba thousands and thousands of miles from the Middle East?" That is true. That is why it is important to understand the nature of a Soviet empire.

He should point out the linkages between Libya and terrorism. He should systematically walk through the relationship between Libyan terrorism, Soviet training, Soviet equipment, Soviet money, Nicaraguan communism, and the threat to Israel and America.

In addition to the speech, the President should establish clear civilized standards for the survival of the Qadhafi regime. The time has come to draw the line. Not to say, "Boy, if you ferret us, we will ferret you," or, "If you launch terrorism, we will launch bombers"; but to say flatly, "It is not possible for civilization to survive with an outlaw regime that kills people whenever it wants to."

Americans need to remember that this is not a new problem, that Thomas Jefferson dealt with pirates on the Barbary Coast, that the Marine Corps hymn begins with, "from the shores of Tripoli," talking about a very similar problem in almost exactly the same area. Civilization cannot exist if it makes it easy or inexpensive for outlaws and barbarians to engage in terrorism without suffering the consequences.

The President should talk not about this tactic, not about this operation. The President should establish the clear standards at the vision level for the kind of legal regime that is acceptable, and should indicate clearly what his strategy will be if Qadhafi refuses to accept the rules of law and to survive as a civilized regime.

Third, the President should outline our minimum conditions in our backyard. The Nicaraguan Communists came to power because they lied, just as Doan Van Toai cites the lies of Ho Chi Minh in 1945 and warns us that we can expect Communist lies. In 1979, the Nicaraguan Communists promised that they would not attack their neighbors. They promised they would have elections. They promised that they would have a pluralist government with a free press, free elections, and the rule of law.

Our conditions should be simple. We will not accept a Cuban colonial army on the North American continent. We will not accept Soviet colonial advisers. We will not accept an extension of the Soviet empire on the North American continent.

Furthermore, we will insist on a pluralistic regime that has elections. We will insist on free press. We will insist on the rule of law. They got into power by lying. Those lies were made directly to us. We have every right to insist that those promises be kept, and that that regime either meets those standards or that it cease to be there.

We prefer to achieve that by negotiation. Our argument is not with Ortega, if Ortega is willing to stand an election. Our argument is with Ortega if he is determined to be a Soviet and Cuban Communist puppet imposing a dictatorship.

Fourth, the President should call the House into special session to vote the $100 million in aid to the freedom fighters with no strings attached. Yes, I know it will be inconvenient for the Speaker who will be in Latin America. But what better example of American strength and American capacity to respond could there be than to turn around in 1 week and have this House vote for the very aid which it failed to vote for last week, to have those who last week talked to negotiations recognize that they now have the Communist Nicaraguan answer in an invasion of Honduras.

I doubt very much if there would be more than 150 Members willing to vote against aid to the freedom fighters on a day when there are 2,000 Communist Nicaraguans and Cubans flying Soviet helicopters inside Honduras. I think nothing could send a clearer signal to the Soviet Union and Cuba than to have that aid pass the Congress this week; not in April, not later on, not when it is convenient, but when the Nicaraguan Communist offensive calls for it.

□ 1335

Fifth, the President should establish in the Defense Department a special command for assisting and training freedom fighters, with subcommands for Nicaragua, Angola, Ethiopia, Afghanistan, and Cambodia.

It is an outrage that 6 years after the Soviet invasion of Afghanistan we still do not have the kind of equipment, the kind of training and the kind of help which will allow the Afghan freedom fighters to be effective. It is absurd that we have so many different cooks in the kitchen and we still do not have a clear line of authority in the Pentagon. I think it should be in the Pentagon, and the President should ask the Congress to ratify it.

Sixth, the President should announce a crash program in the Defense Department to develop a very simple to maintain, very easy to use, high technology, inexpensive antihelicopter and antitank weapons and inexpensive and like equipment for the field.

The problem of being a guerrilla is not a complex problem intellectually. It is a problem of irregular light infantry. People have to have very light equipment and an ability to maneuver constantly, to stay in the field, to avoid regular forces. Those problems can be solved. The British played a significant role in undermining Napoleon by helping the Spanish guerrillas—which is where the word "guerrilla" comes from—in the war between 1800 and 1815. We can play a similar role in helping undermine the Soviet empire in Ethiopia, Angola, Cambodia, Afghanistan, and Nicaragua. But to do so we should make sure that the freedom fighters who are willing to risk their lives for their country have the finest equipment and the finest training in the world.

Seventh, the President should establish a freedom fighters academy to teach Cuban and Soviet doctrine.

Again, we know how the Cubans and Soviets fight, because they fight the same way. We know how a Cuban division will behave in Angola because it will behave like a Soviet division in Afghanistan. We know the techniques they will use with the Hind helicopter. All of that can be studied, all of that can be trained, we can dramatically increase the power of the freedom fighters to defeat Soviet and Cuban colonial armies.

Eighth, finally, in a major strategic shift the President should announce a program to raise the cost of colonialism for the communist Cubans. We should establish a Radio Marti for the Communist Cubans. We should establish a Radio Marti perhaps in Africa to beam to the colonial Cuban troops in Africa, in Ethiopia, Mozambique, South Yemen and Angola. We should establish a branch in Central America to beam to the Cuban colonial troops in Nicaragua and now in Honduras. We should establish a bonus for desertion so that every Cuban who wants to desert knows that we will help them. We should establish a big bonus, if you bring along a Hind helicopter or a jet fighter plane.

The amount of nervousness we will establish in the Cuban system just by letting them know we will reward people who desert to the West and flee to freedom, bringing a helicopter or a jet plane, will increase substantially their own secret police efforts.

Finally, people will say this is raising the ante, this is creating tension. Let me suggest that our real goal is to begin to move toward a post-Soviet Union Russia, that we really want to establish the kind of cultural exchanges, the kind of openness that will allow the Soviet people to learn what freedom is like, to learn that they do not have to be afraid of us.

As a gesture toward a peaceful world, I would suggest that the ninth thing the President might propose is a student exchange program on a massive scale. I think the President should propose that we send 10,000 college sophomores to the Soviet Union for a year, and that we invite 10,000 Soviet sophomores to the United States for a year, and that we do so every year. Many people have said that Gorbachev may be in power for 20 years. Would it not be wonderful if, 20 years from now, there were 200,000 Soviets who had lived a year in the United States, who had lived outside of a police state, who had lived outside of Pravda, who had lived in a world where they could look at us and get to know us, where they could go to the movies, where they could relax, where they could enjoy life, where they could see what it is like to be in a truly free society?

And, similarly, would not America be dramatically more sophisticated if, 20 years from now, there were 200,000 Americans who had lived in a police state, who had lived in the fear of the Soviet empire, who had learned what it was like to be in a country which has an epidemic of alcoholism?

I say that because I think nothing would do more in the long run to establish freedom on this planet than to make sure that every American truly understood Leninism and the Soviet police state and make sure that everybody understood that America in fact is as open society with the rule of law, with a free press, and with freedom.

The President should announce these nine points and should take the gamble of trying to have real change because we are still trapped in the post-Vietnam era, as the article in Commentary suggests, because we still have many friends on the left deceiving themselves, because the American Nation still has not been educated into understanding the Soviet empire, because there are still great inhibitions about the looking at Leninism and the threat to our survival.

We have a moment when the country's attention is beginining to focus. We have a moment when our opponents in Libya and Nicaragua are so obvious, so bold, so out of touch with reality, that now is the time to educate the American people. Now is the time to crystalize the lessons and seize the opportunity.

I would like to suggest, in closing, as I said earlier, we know who Qadhafi is. He is an anti-American dictator who uses terrorism to hurt both Israel and America and Western Europe. He is a dictator who is for the Soviet empire and against freedom.

We know who the Nicaraguan Communists are. They are allies of the Cuban Communists, they are allies of the Soviet empire, they are against America, they are against freedom.

We know who Castro in Cuba is. The current tragedy in Cuba is that a revolution that might have led to freedom has led to a pro-Soviet colony that exports its children in armies around the world so the Soviets can use them as colonial forces.

We know that our friends in America on the left are now confused and embarrassed. We know that they are irritated by Qadhafi but they cannot advocate anything effective. We know that they are embarrassed by the Nicaraguan Communists but cannot advocate anything effective. We know that they wish this would all pass away so that by Easter we can forget about this and go back to business as usual, once again, for the fourth time, trusting the Nicaraguan Communists and talking about negotiations.

The only element we do not know about is the Reagan administration. President Reagan and his administration have an opportunity right now to establish decisively the conditions of debate for the era after the post-Vietnam era, to move us into an era when we talk openly about the Soviet Empire, when we talk openly about Cuban Communist colonialism, openly about the transnational strategy of tyranny, openly about systematic terrorism.

President Reagan and his administration have an opportuntity to outline strategies that would help the West, the free world, survive and prosper. President Reagan and his administration have an opportunity now to teach the bureaucracies of defense and state that the time has come for the free world to go back on the offensive, the time has come for the free world to be effective in helping freedom fighters, the time has come for the free world to begin to encourage those who want freedom.

The real question for the next 10 days is whether or not President Reagan and his administration will have the courage, the daring, the boldness, to seize this opportunity to decisively change history, to crystallize this moment, so that as historians look back in the future they will be able to say, "That was when Qadhafi, the Nicaraguan Communists, the Cuban Communists, and the Soviet Communists made their mistake. That was when they overextended and overreached and overexposed themselves. That was when America regained its nerve, that was when the U.S. House of Representatives was led to a decisive change."

The opportunity is here. My only hope is that the President will seize it.

REAUTHORIZATION OF THE EXPORT-IMPORT BANK

The **SPEAKER** pro tempore. Under a previous order of the House, the gentleman from North Carolina [Mr. NEAL] is recognized for 10 minutes.

Mr. NEAL. Mr. Speaker, today I am introducing the Export-Import Bank Act Amendments of 1986. This bill reauthorizes the Eximbank for 2 years, through the end of fiscal 1988. Though the administration has requested a 6-year reauthorization, I have always believed it advisable to have the Bank come before the Congress at more frequent intervals. Our oversight of the Bank is then more meaningful, and we can more effectively bring about changes we deem desirable.

In addition to simple reauthorization, this bill incorporates a number of innovations. The most important is the authority it gives the Bank to launch a so-called pilot I-Match Program. I-Match—or interest rate matching—is the administration's proposal to finance exports with a combination of guarantees and interest subsidy payments. The Bank would, under I-Match, issue a complete and unconditional guarantee for the repayment of loans made by private lenders to finance U.S. exports, and would make a subsidy payment to the lender sufficient to induce him to match the interest rate on similar loans being offered by the official export finance agencies of other OECD countries. Under those conditions, the private lender could offer financing fully equivalent to the export finance loans offered by the Bank.

In the administration's budget proposal, I-Match would completely replace the Bank's own direct loan program. The administration is requesting the authority to make interest subsidy payments sufficient to support $1.8 billion in private export financing under I-Match. It is requesting no funding for direct loans from the Export-Import Bank. Its principal reason for wanting to switch from direct loans to I-Match is budgetary. Under OMB conventions on budget scoring, the switch would generate significant budgetary savings. Under I-Match, budget authority for the Eximbank would drop to zero, and net outlays would be substantially less than they would be under a direct loan program that offered the same amount of export financing on the same terms as I-Match. By this simple switch in technique, with no real change in the amount or quality of export financing supported by the Bank, we could, apparently, reap a budgetary windfall.

I have long argued that I-Match's budgetary savings were spurious, a consequence of accounting conventions, not of a reduction in real spending. The Congressional Budget Office agrees. In its estimate of the President's budget, it scored I-Match just as it would have scored direct loans. Under CBO scoring, I-Match would yield no reduction in BA or net outlays, compared to an equivalent amount of direct loans. CBO testimony before the Subcommittee on International Finance underscored the fact that I-Match represents no substantive change in Eximbank support for U.S. exports and generates no real savings. In fact, it is likely to be somewhat more costly than an equivalent amount of direct loans, since the subsidy Exim would have to pay private lenders would probably exceed the cost of the direct loan program.

The CBO scoring of I-Match demolishes the basic purpose of the program. With no budgetary savings, however spurious, to be garnered, there would certainly be no justification in an immediate, wholesale switch from direct loans to I-Match. Nonetheless, some attractive features of I-Match did emerge from the

subcommittee's extensive hearings. For instance, the guarantees it would offer are considerably superior to the guarantees now available from the Bank. It would, moreover, attempt to enlist many types of financial institutions, not just a few large commercial banks, in the financing of U.S. exports. This wider scope for the participation of private capital in export finance could be an important long-run consequence of a program like I-Match, quite apart from their budgetary impact.

For these reasons, this legislation gives the Bank the authority to launch a "pilot" I-Match, to test it, refine it and perfect it, and then justify it on the basis of its real demonstrated merits, if any, instead of selling it on phony budgetary grounds. By squashing the phony budgetary argument for I-Match, the CBO scoring will enable us to judge I-Match properly, that is, on the basis of a demonstrated potential for enhancing official export finance.

A pilot I-Match should be large enough to represent a real test of the program, but not so large that, over the test period, it shoulders aside Exim's continuing direct loan program. We know the latter works very well. It should be well funded and fully utilized while the pilot is proceeding.

Accordingly, this bill defines a "pilot" I-Match by imposing two kinds of limitations. First, it will be limited in duration. Authority for I-Match would lapse after 2 years. To renew it, perhaps on a grander scale, the Bank would have to come back to the Congress and argue its merits on the basis of demonstrated results. Second, it would be limited in amount. This is achieved by tying the amount of loans the Bank could support through I-Match to the level of its direct loan budget. For each fiscal year the Congress sets a limitation, in an appropriations act, on the amount of new loans the Bank may obligate. My bill permits the Bank to support private export loans, through I-Match, up to, but not in excess of, 25 percent of its direct loan ceiling for fiscal year 1987 and 50 percent of its direct loan ceiling for fiscal year 1988. If, for example, the limitation on Exim direct loans were set at $1 billion in each of those years, this bill would give the Bank the authority to support $250 million in private export loans under I-Match in the first year, and $500 million in the second. These numbers are illustrative only. In fact, the Bank needs considerably more than a $1 billion annual loan budget. My recommendation to the Budget Committee is a direct loan ceiling in fiscal 1987 of $1.8 billion. The authority to implement I-Match would not be tied to the amount of direct loans the Bank actually extended during the year, but to the amount that it could extend, under its direct loan limitation, during that year.

The CBO testimony before the Subcommittee on International Finance led directly to the second important innovation I am proposing in this legislation. Everyone, it seems, tends to agree that our budgetary concepts fail to do justice to Government loan and guarantee programs, such as those of the Export-Import Bank. Our scoring of loans and of guarantees is faulty. By scoring net lending as outlays, we overstate the cost of a direct loan program. Its real cost is the subsidy it conveys, not its net cash flow in any given year. Accordingly, it has been argued that only the subsidy component of a direct loan should enter the budget.

In principle, budgeting only for the subsidy is quite defensible. CBO's testimony concluded that it would be superior to the current budgetary treatment of direct loans. Implementing it would, however, require an amendment to the Budget Act. And it would, no doubt, have to be extended to all loan programs, not just to the Eximbank. That would be a formidable undertaking, unwisely attempted in the midst of our present budgetary chaos. Accordingly, I am suggesting that we take, at present, only the first step in that direction. Without altering the budgetary scoring of Exim programs, we can put into place the budgetary control over subsidies which would be the centerpiece of a fully reformed budgetary process.

It is important to bear in mind the important distinction between budgetary scoring and budgetary control. Scoring refers to what is written down, for BA and outlays. Control refers to the variable on which Congress acts, to restrain or expand a program. At present, Congress controls Exim lending by placing a limitation on its authority to obligate new loans. That limitation is not the same thing as BA or outlays. Neither of the numbers in the budget—BA or outlays—is the variable on which Congress acts to control Exim lending.

A shift of control from a limitation on direct lending to a limitation on the subsidy conveyed in that lending would not, in and of itself, necessarily imply or dictate any change in scoring. Without an amendment to the Budget Act to redefine BA and outlays, Congress could shift control from a limitation on new loans to a limitation on the subsidies contained therein without affecting scoring at all. That is, BA and outlays would be the same, regardless of the particular mechanism by which Congress controls the program.

Even though control is not necessarily the same thing as scoring, a shift in control can be a first step toward a shift on scoring. If we can now put in place a mechanism to control subsidies, that can lead more easily to an eventual shift in scoring. The argument that subsidies should replace net cash flow in scoring is more persuasive if Congress acts directly to control subsidies. That is what this bill proposes. It establishes, for the first time, a requirement that funds be appropriated to the Bank to cover the subsidy cost of its loans.

Under this legislation, the Bank could commit new loans only up to the point that the subsidy component of those loans was covered by funds appropriated for that purpose. This ceiling on subsidies would not, under the language of this bill, replace the ceiling on direct loans. The two ceilings would operate simulateneously, the lower of the two being the one that binds. An effort to phase out the ceiling on direct loans, in conjunction with a shift in scoring from net cash outlays to subsidy costs, might then be appropriate.

Some Members might be alarmed at the proposal that we now, in the midst of general budgetary scalebacks, commence the appropriation of funds to the Export-Import Bank. There is, however, no cause for alarm. An appropriation of funds would have absolutely no effect on the Bank's BA or net outlays. It would only mean that the Bank's total funding requirement, which would otherwise be met entirely by borrowing from the Federal Financing Bank, would be met, in part, by an appropriation of funds. There would be no impact whatsoever on the Federal deficit or on the Government's borrowing requirements, since the Treasury would have to borrow the same amount of funds for the use of the Eximbank whether those funds were then transferred to the Bank entirely as a loan or partly as a loan and partly as an appropriation. The only impact will be on the books of the Bank itself. By receiving appropriations to cover estimated subsidy costs, the Bank's capital would be increased by just enough to offset the losses it incurs from the subsidies it conveys. The general depletion of the Bank's capital would thereby be arrested.

Thus, this appropriation of funds would represent a minor recapitalization of the Eximbank. More importantly, it would give the Congress an improved control mechanism, a subsidy budget for the Bank. If subsidies remain quite modest, as they are at present, the argument for permitting the Bank to expand its gross amount of lending will be much more persuasive. Who could object to a rising level of Eximbank lending, as long as the real cost of that lending, its subsidy component, were directly under the control of the budgetary process, and were seen by all to be quite modest? This change in perception, this focusing on the subsidy cost rather than on the gross amounts of lending, is the major purpose of my proposal.

One of the innovations introduced by I-Match is the significant upgrading of the guarantees the Bank would issue under that program. To attract wide participation by financial institutions and to minimize subsidy costs, the Bank is prepared to make its I-Match guarantees transferable, or assignable to thief parties, with only minor restrictions. Its regular guarantees, outside of I-Match, can, however, only be transferred under severe restrictions. Transferability renders the guaranteed loans a very liquid asset, and makes them much more attractive to private lenders. This legislation instructs the Bank to provide for the unrestricted transferability of all its guarantees, not just those under I-Match.

In the last reauthorization of the Bank, we wrote into law the requirement that the Bank establish a medium-term program fully competitive with similar financing available from other export credit agencies. The Subcommittee on International Finance has received a number of suggestions from the exporting community calling for important changes in the structure and administration of the Bank's medium-term financing. The Bank itself has indicated a willingness to review medium-term financing, and to make a serious effort to enhance its competitiveness. This bill urges them on in that review by requiring a report to the Congress analyzing the competitiveness of medium-term financing, the administrative burdens it imposes on users, and measures which would attract wider participation by sources of private capital. If, in the light of this report, we judge the Bank's commitment to providing fully competitive medium-term fi-

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nancing to be inadequate, we will be prepared to insist on new legislative remedies.

Finally, this bill incorporates some minor improvements in the legislation that permits the Eximbank to offer domestic financing to match foreign subsidized financing in the United States. If a foreign country offers to finance exports to the U.S. with official export finance, the Treasury is directed to determine if the credit offer violates any official export credit agreements to which we are a party. If it does, the Secretary of the Treasury may authorize the Export-Import Bank to offer equivalent financing to a competing U.S. seller.

The existing law on this issue—section 1912 of the Export-Import Bank Act Amendments of 1978—was thought by some not to pertain to countries which had not accepted any of the export credit agreements governing the type of credit offer being made to finance exports to the United States. That reading was incorrect. The language always applied to any country, whether signatory to an export credit agreement or not. The Department of the Treasury now accepts this interpretation of section 1912, as evidenced by its recent authorization for Eximbank to match a Brazilian credit offer to finance a Brazilian export to the United States on terms that violate the OECD Arrangement, even though Brazil is not a party to that arrangement.

This legislation rewrites the whole of section 1912 in order to make quite clear that it should apply to any country offering subsidized export credit to a U.S. importer in violation of an export credit agreement to which we are a party, whether the country offering the credit is a party or not. The whole of 1912 is rewritten to make it more comprehensible and to remove other ambiguities in the existing language. A new element is also introduced, requiring the Secretary of the Treasury to recommend to the Secretary of Commerce that he initiate an investigation to determine whether countervailing duties should be imposed on imports into the United States financed by subsidized foreign export credits. The imposition of countervailing duties should be the proper defense against such unfair credit practices.

Exim domestic financing to match foreign subsidized credit may at times be necessary, but it is surely an expensive shield against unfair credit competition, and open to flagrant abuse. In the long run, nothing could more erode the support Exim has enjoyed in its effort to boost U.S. exports than a diversion of its resources into domestic financing. To avoid any such diversion, we should rely primarily on countervailing duties to ensure fair credit competition in our domestic markets.

A section-by-section analysis of the Export-Import Bank Act Amendments of 1986 follows:

SECTION-BY-SECTION ANALYSIS

Section 1: Short Title, the "Export-Import Bank Act Amendments of 1986."

Section 2: Provides for the establishment of a 2-year pilot I-Match program. The amount of loans supported by I-Match could not exceed 25% of the principal amount of direct loans that Exim could obligate in FY87, and 50% in FY88.

Section 3: Clarifies Exim's authority to defray the costs of Exim-sponsored activities through "reasonable" fees. Exim can offset the costs for marketing activities to inform and counsel U.S. businesses and banks about its export assistance programs. These efforts have involved Exim-sponsored seminars, conferences, and publications describing its programs and activities.

Section 4: Requires that Exim's Competitiveness Report to Congress include a list of each request for funding from an American exporter that the Bank has rejected during that period, with a brief explanation of the reasons for refusal.

Section 5: Directs the Bank to allow any credit application fee to be paid by either the borrower or the exporter at either the outset of the loan or over the life of the loan.

Section 6: Requires Exim to permit guarantees to be fully transferable, without restriction, thereby making loans guaranteed by Exim highly liquid assets.

Section 7: Permits a director whose term has expired to serve until a successor is appointed, thus insuring no interruption in Exim's operation.

Section 8: Authorizes an appropriation of $145 million for FY87 to cover the subsidy costs of Exim direct lending and I-Match, and further stipulates that Exim cannot make any subsidized direct loans or interest payments (through I-Match) except when covered by appropriations.

Section 9: Extends the Charter for 2 years, until September 30, 1988.

Section 10: Provides that within 60 days of learning that any country is offering official export credit to finance exports to the U.S., the Secretary of Treasury shall determine whether the credit is inconsistent with any agreements on export credit. If so, the Secretary determines whether the credit would be a "significant factor" in the sale. If so, he may authorize the Eximbank to provide equivalent financing to a competing U.S. seller, and he shall recommend that the Secretary of Commerce investigate whether countervailing duties should be imposed on imports financed by the foreign subsidized credit.

This section is a rewrite of the existing law authorizing Exim to offer domestic matching credit. It is rewritten to clarify several ambiguities in the existing law. The only novelty introduced in this rewrite is the requirement for a Treasury recommendation on a countervailing duty investigation.

Section 11: Requires Exim to report to Congress on its medium-term program, including: (1) the competitiveness of Exim's medium-term financing in comparison with that of foreign competitors, and with its other programs; (2) the administrative burdens imposed on medium-term users; and (3) measures which would enhance competitiveness and administrative ease, and make Exim medium-term financing as supportive of U.S. exports as is its Direct Loan Program.

HANDICAPPED CITIZENS IN AMERICA

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Georgia [Mr. RAY] is recognized for 30 minutes.

Mr. RAY. Mr. Speaker, I have for many years had a strong interest in exposing young college students to the legislative process through an academic intern program.

A student each quarter is selected by an impartial and nonpolitical entity, strickly on an academic basis.

My goals have been since 1973, as a chief of staff in the Senate and during my time in the House of Representatives, to send young people back to their schools with a better understanding and an appreciation for the legislative process. These students earn credits also at their respective schools and in my opinion their one quarter in Washington is equal to a year in college.

My most recent intern has been a young man from the Fort Valley State College, one of Georgia's two land-grant colleges. His name is Anthony J. Norman, and he is a very capable, very confident, handicapped young man.

He has written his intern and college paper on "Handicapped Citizens in America."

Mr. Speaker, his paper is my message to the Congress today:

HANDICAPPED CITIZENS IN AMERICA

Mr. Speaker, I am pleased to say that through legislation during the past few years we are making strides toward providing for our handicapped citizens.

We have an obligation to conitnue this support, if only for the simple reason that the handicapped and the poor are synonymous in the sense that they will always be with us.

Mr. Speaker, the initial concern for handicapped rehabilitation began with the returning veterans of World War I. The proposals were first directed to soldier rehabilitation, but the bills introduced into Congress in 1917 and 1918 also contained provisions for the rehabilitation of the industrially disabled.

The growing concern for the veteran and civilian industrially disabled led to the Vocational Rehabilitation Program enacted on June 2, 1920. On this day President Woodrow Wilson signed into law the Smith-Fess Act (Public Law 66-236).

Thanks to the Smith-Fess Act, the rehabilitation program is one of the Nation's oldest grant-in-aid programs. It is with great pleasure that I stand before you and say that the basic concepts have continued almost unchanged, with substantial enlargement of scope and effectiveness in legislative authority. In the beginning, this program offered a limited service for the physically handicapped. But, in 1935 the program became permanent with the passage of the Social Security Act of that year. Congress authorized annual appropriations which continue even in 1986.

World War II brought forth the next major step in the rehabilitation program.

In 1943 Congress authorized provisions of surgical, medical and other physical restoration services to reduce or eliminate an individual's disability, thus expanding beyond physical disability to provide services for mentally ill and mentally retarded individuals. Along with this came a redefining of rehabilitation. In this provision the law redefined vocational rehabilitation and vocational rehabilitation services as any service necessary to render a disabled individual fit to engage in remunerative occupation.

Mr. Speaker, Congress recognized the fierce urgency to aid its handicapped and

disabled citizens, for the purpose of the Government is to assist all of its citizens.

In FY 1971 over one million handicapped individuals were provided vocational rehabilitation services.

In FY 1972 agencies aided 1,110,046 physically and or mentally disabled persons and rehabilitated 326,138 persons to productive and meaningful lives.

The numbers have continued to increase over the years proving that the Government is willing to meet the challenge.

The Rehabilitation Act of 1973 might be considered as a momentous decree for our handicapped citizens. This act alone with its many amendments has enabled the growing minority of handicapped citizens to gain access to colleges in order to acquire a better education. It has also opened job employment opportunities in Federal, State and local government.

I must commend Congress for its noble deeds.

In 1970, 11,265,000 persons reported a work disability. This was 9.4 percent of the 120,228,000 Americans aged 16 to 64 and not in institutions.

4,607,000 of the 11,265,000 disabled persons were prevented from working completely by their disability or disabilities.

Mr. Speaker, the most shocking thing about the above-mentioned figures is that those numbers only represent those aged 16 to 64. They exclude the two out of five Americans under age 16 or over age 64 with disabilities.

We learned from the Social Security Administration, the National Center for Health Statistics, and other Government studies that several million children under age 16 are disabled and that several million over age 65 are disabled. These statistics were taken in 1970, more that 15 years ago.

Mr. Speaker, today in nineteen hundred and eighty-six the numbers continue to rapidly increase. Today there are more than forty-four million persons with handicap disabilities.

I am proud to stand before you today and say that we have provided, and we will continue to provide aid for those disabled persons. Even through our efforts to balance the budget we must not forget those who need us the most.

Mr. Speaker, do you know that disabled persons are much less well-educated than are others citizens of working age? Only one adult in every five has attended college, compared with one in three nondisabled individuals in the 16 to 64 age range.

Disabled and handicapped persons are four times as likely to have fewer than eight years of schooling compared to nondisabled working-aged adults.

In some ways, Mr. Speaker, it is a continuing cycle. Those persons who are less well-educated and less well-off financially are the ones most susceptible to the loss of an arm or leg through manual labor. Thus, they are more susceptible to disabilities.

Today, we are winning the battle.

Education through Government programs has enabled our handicapped citizens to take a more active and responsible role in America.

A study compiled in 1982 by the Rand Corporation estimated the total cost of educating handicapped children through the State grant program in school year 1982-1983 to be 23.6 million dollars.

States and their local school districts have the primary responsibility for the education of handicapped children of elementary and secondary age. Fedreal involvement is due primarily to legislation enacted over the past 15 years. There are approximately 4.1 million handicapped children participating in State and local education programs.

Generations of our handicapped children have been educated through various State and local programs. But we can not stop there.

There are great efforts being placed on adequate teacher preparation for our handicapped children. Adequately training classroom teachers continues to be the key ingredient for successfully educating the handicapped.

Mr. Speaker, we must continue to strive forward to assist our handicapped veterans and industrial workers. But just as importantly, we must satisfactorily assist our handicapped children, because through education they too can be placed into the mainstream of our society.

Mr. Speaker, I ask the question, Are they not our future as well?

Mr. Speaker, I don't hesitate to say that the Government cannot work alone.

After they are educated we must work with the private sector to ensure the employment of our handicapped citizens.

We must now be concerned with matching skills with the proper job. And today, we are doing exactly that through partnership programs with industry. Through these programs many organizations are finding good handicapped employees and making use of their potential.

Today, private industries and rehabilitation agencies cooperatively administer the projects, and in almost all cases help the handicapped adjust the attitudes and behaviors of work requirements. They also train them in the skills they need and finally place them in the appropriate job.

The partnership between rehabilitation service agencies and industry is very simple and works on four basic assumptions.

First, the actual work setting provides the most reliable arena for evaluating the skills and attitudes of potential employees and preparing them for competitive employment.

Second, employers need and want help in hiring and training handicapped workers.

Third, the employer can best identify jobs for the handicapped workers, defining the qualifications for those jobs, and designing training programs to enable handicapped applicants to meet those qualification.

And fourth, instituting programs to employ the handicapped is in industry's best interest.

Through these types of continuous efforts, the handicapped becomes employable.

A job that once took great physical strength might now take very little strength because of technological advances. Therefore, Mr. Speaker, there is no longer a need for managers to needlessly screen out handicapped persons who are willing to work, but work together to place them in those jobs they can perform.

I know that there are companies that are willing and waiting to help us employ our handicapped citizens. There are companies in this Nation that are willing to make the necessary accommodations for the handicapped. These accommodations can be provided at little cost and inconvenience.

Companies are making accommodations such as equalizing the applicant's chances, having company personnel read questions to the blind; and writing answers for applicants who have difficulty using their hands.

To enable the handicapped to work, managers can rearrange files, widen access areas, add braille labels, adapt equipment controls for hand or foot operation, and install touch-tone telephones.

Companies provide ramps and handrails to make getting to work and moving around in buildings easier.

Companies adjust the work hours of handicapped personnel to help the disabled avoid the heavy traffic.

Managers help disabled employees get to work by providing parking spaces closer to their facilities, organizing car pools, and calling on local transportation authorities for efficient, accessible bus service.

Mr. Speaker, I applauded these companies for their efforts to make our handicapped citizens fit into business as well as society.

Mr. Speaker, on April 9 through the 13th there will be a national conference held by Very Special Arts, an organization that has been known for the past twelve years as the national committee, arts with the handicapped. This organization provides opportunities for disabled individuals to become part of the mainstream of society through the arts. It is believed that through art even retarded citizens along with other handicapped individuals can better express themselves. Very Special Arts provides a medium that is conducive to learning. Very Special Arts is a nonprofit organization that has invited two individuals from each State to participate in this conference.

Mr. Speaker, this is the type of program that gives the handicapped and disabled citizens a chance to live, appreciate, and enjoy life here in America.

SOLUTIONS TO THE LIABILITY INSURANCE CRISIS

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from New York [Mr. LAFALCE] is recognized for 30 minutes.

Mr. LAFALCE. Mr. Speaker, it is not often that a problem reaches crisis proportions, but thousands of businesses, municipalities and individuals across the country will attest to the existence of an insurance liability crisis. Without insurance, many segments of our society cannot function. Yet, during the past year, premium costs have escalated to the point where liability insurance has become unaffordable to many. And, even those who can afford liability insurance find that they cannot buy it at any price. Unless this crisis, and that is exactly what it is, of affordability and availability is resolved, we will soon find ourselves in a state of economic paralysis.

Crises in the insurance industry are neither new to me, nor surprising. As early as 1978, I stated that "we have seen severe problems with medical malpractice insurance; today we are having difficulties with product liability insurance. Tomorrow, we are likely to have problems in other lines of insurance." Tomorrow is today. The next crisis in the insurance industry has arrived.

Our constituents are demanding relief, and rightfully so. They are caught in an insurance crunch, which leaves them either completely without coverage, or coverage that is obtainable only at astronomical premiums. There is no single solution to a problem of this magnitude. Rather, what is required is a comprehensive multifacted approach which acknowledges the complexity of the problem. The

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package of reforms that I am introducing today offers precisely such an approach.

During my time today, I would like to address the following topics: my previous involvement with this issue as chairman of a Small Business Subcommittee, the problems within the insurance industry which my subcommittee uncovered, and proposed solutions which I am introducing in this Congress.

A. SUBCOMMITTEE INVESTIGATION INTO THE INSURANCE CRISIS—LATE 1970'S

If we put these issues into a historical perspective, it quickly becomes apparent that what we are facing today is essentially a replay of a similar insurance crisis that occurred a decade ago. Indeed, it was during the fall of 1976 that I first became aware of the problem of product liability insurance, and insurance coverage generally, when I started receiving complaints concerning unbelievably high premium increases from small businesses within my congressional district in western New York.

Several months later, in February 1977, I was elected chairman of the Small Business Subcommittee on Capital, Investment and Business Opportunities. In that capacity, I started receiving complaints similar to that which I had been receiving from my constituents regarding premium increases, only this time not just from western New York, but from across the country. I then decided to initiate a series of hearings regarding the impact that the product liability insurance shortage was having on the small business person. I did so, and to make a long story short, conducted 16 days of hearings, gathering 5 volumes of testimony from over 75 witnesses.

During the course of this investigation, I also worked very closely with the interagency task force on product liability, led by the Department of Commerce, whose chairman was Prof. Victor Schwartz.

My subcommittee heard testimony from trade associations representing all types of businesses, and the story was always the same: Their members were experiencing not 100-percent increases, but very often 500-percent increases, 1,000-percent increases, and even 10,000-percent increases in their premiums. Many companies were simply unable to afford the extraordinary high premiums for product liability insurance, and chose to "go bare," that is, without coverage. if these stories sound familiar, they should.

Invariably, these trade associations claimed that premiums charged were arbitrary, capricious and unfairly high; and that they bore no relationship either to historical experience or to quality control standards. They also proposed "the solution." In a unanimous vote, they stated, "we need tort reform, we must have drastic changes in our tort laws."

Although certain changes in tort law, for example, uniform product liability standards, seemed to make sense, tort reform alone did not seem likely to achieve a solution. The premiums being charged were unfair, arbitrary and capricious, and this situation could not be rectified through tort reform, but rather required an indepth examination of the insurance industry itself.

B. PITFALLS OF THE INSURANCE INDUSTRY

My inquiry took me through the looking glass, so to speak, because I quickly found out that in the insurance industry appearances can often be deceiving. I quickly found out that the vocabulary of the insurance industry differs markedly from the vocabulary that you and I ordinarily use. Their definition or use of a word would often differ from our definition of that same word. For example, the word "losses." You and I might think that we know what a loss is: It means something that has been lost, rather simple. Well, not so within the insurance industry.

In the insurance industry, the definition of "loss" varies depending upon the context in which it is used. If you use the word "loss" in connection within financial reporting to the States, it means one thing. If you use the word "loss" in connection with ratemaking, it means something quite different. Thus, when the insurance industry for purposes of State financial reporting uses the word "loss," it means that which it paid out in settlement of a given claim or jury verdict. But the industry also means that which it has set aside as reserves for those claims that have been reported to it. In other words, "loss" in this context includes not just what is actually paid out, but estimates of future pay outs as well.

Furthermore, the insurance industry also includes within its definition of "loss," reserves that have been set aside for claims that it says probably have occurred, but of which it has absolutely no knowledge whatsoever. It calls these losses IBNR (incurred but not reported). However, when it uses the word "loss" within the context of ratemaking, it does not include IBNR because it is deemed statistically unreliable—and that's putting it mildly. We'll get back to IBNR a little bit later, but I merely wanted to set the stage for the importance of examining with a critical eye and ear virtually every piece of information you get from the insurance industry.

Gaining an appreciation of insurance industry vocabulary was not all that my subcommittee learned from its exhaustive hearings. We also learned that less than 10 percent of all product liability premium dollars were manually derived—that is, based upon a manual for which there is some actuarial predicate for the rates. This means that in excess of 90 percent of the premium dollars for product liability insurance were not primarily based on actuarially determined rates. Of this 90 percent, a substantial portion were based on the subjective judgment of the individual insurance underwriter. Now that's a fact, and a disturbing one at that.

In determining whether premiums not based primarily on actuarial data are fair or arbitrary and capricious, we have to look at whether the insurance industry's subjective judgment that is both adequately and appropriately informed.

Hopefully, our perception of reality and reality itself are one. Subjective judgments can often be good judgments, informed judgments, even appropriate judgments. If there is a difference, however, between our perception of reality and the reality itself, then the judgment may be erroneous, perhaps arbitrary, even capricious.

One of the most important factors that the underwriter must consider is the frequency of claims—the number of claims that are occurring per exposure unit. Any literature you read circa 1976 and 1977, contains within it the truism that we had gone from a handful of claims in the late 1960's and early 1970's, to the point where we then had 1-million product liability claims per year. Information put out by the Insurance Information Institute and the testimony of many of the trade associations that came before my subcommittee, started out with the fact that there were now 1-million product liability claims per year. That was the perception of reality. But what was reality?

The Insurance Services Office [ISO], a ratemaking and service organization with 4,000 employees, owned by all the major insurance companies—they're able to do this because of the antitrust exemption for the insurance industry under the McCarran-Ferguson Act—made a closed-claim study. It studied approximately 24,000 claims that were closed during an 8½-month period spanning 1976 and 1977. It said that in its judgment this study represented 70 percent of all claims that were closed in the United States during that timeframe. And it was the best judgment of the Insurance Services Office that the range of product liability claims per year was from 60,000 to 140,000. The insurance underwriter's perception of reality was inflating reality by anywhere from 700 to 800 percent.

About 4 months after ISO testified before my subcommittee on this point, two insurance companies—Aetna and Crum Forster—ran advertisements in national journals still using the 1-million figure. However, when you look to the number of claims, you can see that the perception of reality and reality itself differed markedly. And it is on the basis of reality, not anecdotal conjecture, that the insurance industry should set rates and Congress should legislate.

A distinction between reality and the insurance industry's perception of reality regarding the fairness or unfairness of the law also exists. Even though I favor a uniform Federal product liability law because the present law is too murky, I do not subscribe to the view that tort law as presently construed is responsible for escalating premium costs. Indeed, of all claims going through to verdict, in 75 percent of the cases where the law was applied to the facts by a jury, the plaintiff got no recovery. And this was not based on conjecture, but upon the insurance industry's own ISO closed-claim study.

The amount of the award constitutes another factor that goes into the judgmental process. In the national media, we read continually about multimillion dollar settlements and verdicts. Yet, the ISO reported in its testimony before my subcommittee that of all those 24,000 claims that were closed, the average payment for bodily injury claims is $13,911. That's a tremendous difference from millions of dollars, or even hundreds of thousands of dollars. This $13,911 figure did not receive widespread publicity, so few people even knew of it. But even this low figure was, upon very close analysis by my subcommittee, most misleading.

Although the study was a closed-claims one, that $13,911 did not prepresent the average payment that was made. It was a figure that used trended data. That is, what would be paid in the future as if the accident hap-

pened today. In determining their trended data, the insurance industry also used an inflation factor of 25 percent per year. The use of these statistical devices greatly inflated the so-called "average" payout figure. Not only did statistical gimmickery create a misleading average, but the ISO also failed to factor in unsuccessful claims which were closed without any payment by the insurer whatsoever.

If you use the true facts, you would see that the average payment for a bodily injury claim was not in the millions, nor even $13,911. In a study that included 70 percent of all the product liability claims closed in the United States, 24,000 during an 8½-month period, the average payment for bodily injury claims was in reality, $3,592. If you compared the amount that was actually paid out in claims with the total amount of premiums paid in to purchase product liability insurance policies, you would find an excessively large spread in favor of the industry.

The insurance industry's IBNR figures—losses incurred but not reported—also require close scrutiny. In this area, there is no effective way to monitor the insurance industry. Formerly, the IRS was able to do at least some monitoring of the reserves since they were audited on a line-by-line basis. When, however, the IRS did this subsequent to the medical malpractice crisis, it discovered that the insurance industry was overreserving its medical malpractice line by approximately 30–45 percent.

Regrettably, the IRS procedure has now changed. It no longer audits on a line-by-line basis so it can make no determination as to the validity of reserves for any given line—including that with the product liability experience, an area which no State insurance department in the entire United States monitors. Finally, in a detailed questionnaire that I sent out to the insurance industry, I discovered wide variations in IBNR among insurers. The lowest percentage of losses attributable to IBNR was 32 percent by Trawclers, whereas Crumm and Foster was the highest, with its IBNR accounting for 71.4 percent of all its reported losses.

In short, the frequency of claims, the size of the payouts, the misleading use of statistics and various accounting devices which overstate actual loss experience all indicated that the premiums you and I were being charged were unfair, arbitrary and capricious and should have been lowered.

C. THE INSURANCE CRISIS TODAY

History really does repeat itself—but this time it has done so with a vengeance. The crisis which I addressed years ago was primarily centered on problems identified with product liability insurance. Today, those problems remain, but the crisis has now spread throughout the liability insurance industry.

The parameters of the 1986 crisis are boundless. Far more than manufacturers are affected this time. The unavailability or unaffordability of insurance coverage has permeated every sector of society. It determines whether our children can participate in afterschool activities; whether we will have day care centers open to care for the young of working parents; and even whether doctors will be able to deliver babies.

This litany does not even come close to describing the disaster that this situation has created for small businesses across America. Because these companies are forced to "go bare," they are extremely vulnerable to big lawsuits or jury awards. Large corporations are also experiencing dramatic increases in premium costs or outright cancellation of coverage. Service sector businesses such as restaurants, bars and ski resorts are also feeling the insurance crunch.

Across the country, businesses of all sizes are facing premium increases ranging from 25 percent to more than 1000 percent for property and casualty insurance—if they can get any coverage at all. Experts predict that the escalating crisis in the availability of insurance will considerably worsen in the months ahead.

Surveys of members of small business organizations reveal high percentages of business owners who have had their policies canceled or have been refused coverage—30 percent of NSB members. Ninety-two percent of the companies surveyed which were able to renew their policies had their rates increased. All this despite the fact that 81 percent of the respondents have never had a case against them.

The picture is indeed bleak. Unfortunately, based on my previous experience with this issue, I am not confident that State insurance commissioners will be able to adequately handle the problem. Generally, state regulatory schemes focus principally on assuring the solvency of insurers; they are not designed to deal with overpricing, or the unavailability of insurance for consumers or businesses. In fact, in 1979, officials from the General Accounting Office testified before my subcommittee, citing their study of the State regulation of the insurance industry. The study found "serious shortcomings in state laws and regulatory activities with respect to protecting the interest of insurance consumers." Nothing has happened in the intervening period to alter this conclusion that a State-by-State approach to the insurance crisis simply is not adequate, and that a Federal response is warranted.

D. PROPOSED SOLUTIONS

The package of bills which I am introducing today is aimed at the many components of the insurance crisis. This comprehensive approach, much of which is based on reforms which I advocated 8 years ago, will serve to stimulate debate as to what Federal response is required to aid the businesses and individuals that are so desperately in need of assistance.

1. FEDERAL INSURANCE COMMISSION

First, to address the inadequacies of State regulatory schemes in dealing effectively with this issue, many of which were revealed by the GAO several years ago, I have proposed the establishment of an agency within the Federal Government with expertise in insurance that can adequately guard against future difficulties. A Federal Insurance Commission will, in general, defer to continued State regulation of the insurance industry, but would retain the power and duty to act in those instances where State regulation is deficient. The Commission will be structured along lines similar to the Federal Trade Commission, and will be given the broad grant of powers needed to perform its role.

Under this legislation, the FIC would be able to prevent persons from engaging in unfair insurance practices. More specifically, the Commission will have the authority to issue cease and desist orders to those insurance companies whose activities are not in the public interest and not necessary to promote their solvency. These powers will prevent insurers from charging excessive premiums and from canceling insurance contracts without justification. As such, the Commission will be able to address directly the principal factors that have contributed to the current crisis of unaffordability and unavailability.

2. REEXAMINATION OF THE MCCARRAN-FERGUSON ACT

Second, I am also calling for a reexamination of the McCarran-Ferguson Act, which exempts the insurance industry from Federal anti trust laws and oversight. The 1945 act was hastily conceived and was enacted with scant legislative history. Thus, the McCarran-Ferguson Act has been the source of much justified criticism. I am introducing five alternative bills which merit careful scrutiny. The bills would: First, repeal the McCarran-Ferguson Act; second, amend the act to require effective State regulation to quality for an exemption from Federal oversight; third, clarify that the exemption from Federal regulation pertains only to insurance matters—not to extraneous matters such as advertising, investment, and so forth; fourth, eliminate those portions of the McCarran-Ferguson Act that exempt the insurance industry from Federal oversight, but retain the part of the act that permits State taxation of the industry; and fifth, define the business of insurance.

The broad-based exemption from the antitrust laws accorded the insurance industry has long been subject to serious criticism. In 1978 and 1979, the National Commission for the Review of the Antitrust Laws and Procedures concluded that the immunity granted by the McCarran-Ferguson Act is overly broad and should be repealed.

As the Commission noted, "where members of a competitively structured industry are allowed collectively published industrywide rates—often without effective State supervision—in an regulatory environment that encourages uniform pricing, insurance premiums are likely to be higher than under a system that relies more heavily on independent pricing decisions." My proposed legislation will bring the antitrust laws to bear upon the insurance industry, thereby permitting competition to drive down the exhorbitant premiums which have so contributed to the current crisis.

3. FEDERAL PRODUCT LIABILITY ACT

Third, equitable tort reform will also promote a resolution of the insurance crisis. However, I am fearful that this cannot be brought about at the State level, where any changes are likely to be overly restrictive of the rights of injured persons. My proposal for Federal Product Liability Law would achieve equity, but not at the expense of an injured party, by creating a much needed single cause of action.

Right now a plaintiff can proceed on theories of breach of warranty, negligence, strict liability, absolute liability, and any of a number of different defenses might or might not be applicable. A single cause of action distinguishes among liability arising out of a defect

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in construction—that is, where a product is not manufactured in accordance with the manufacturer's own specifications—and liability arising out of other unsafe conditions or situations where appropriate warning or instructions were allegedly not given.

In all three classes, liability will result for bodily injury proximately caused by a defect. In the latter two cases, however, where liability arises from unsafe conditions or the failure to provide appropriate warnings, the trier of fact will be required to balance the foreseeability and seriousness of the injuries proximately caused, with the utility of the product to society, and the cost that would have been incurred by the manufacturer to have avoided the risk.

My bill also calls for a statute of limitation that would expire 3 years after the time the claimant discovered or should have discovered harm. Some industry spokesmen have agrued that the statute should run from the date of manufacture or sale, rather than the date of injury. In my judgment, such an approach would be harsh and unreasonable. However, in order to alleviate what is a real problem, I have proposed an amendment to the statute of limitations that would provide that 10 years after the product has been in use, the burden of proving fault should rest exclusively on the plaintiff, without the benefit of any presumptions such as the failure to comply with ordinances on statutes, and such doctrines as res ipsa loquitor.

Finally, my proposal would clarify that the state of the art at the time of manufacture is relevant to the unsafe condition of the product. Moreover, we would clarify that the court would have the power to appoint its own expert witnesses. It would also provide for pure comparative responsibility. Responsibility would be apportioned among plaintiff and all defendants. These proposed reforms will provide a needed degree of rationality, coherence and balance to our tort laws. They recognize the need to provide uniformity and certainly to those manufacturers whose products are sold, not locally, but in interestate commerce. They do not, however, unfairly restrict the rights of individuals to seek redress through the courts for injuries caused by the negligent conduct of a manufacturer.

4. EXPANSION OF THE PRODUCT LIABILITY RISK RETENTION ACT

Fourth, in 1981, President Reagan signed into law the Product Liability Risk Retention Act of 1981, a bill based on one I had introduced in past Congresses. The stated purposes of this law were to ensure the prompt payment of legally valid claims, to promote competition among providers to product liability coverage, and to reduce the outflow of capital to offshore captive insurance companies. One additional feature of the act was that it had the effect of preempting State laws which prohibited selling product liability insurance to fictitious groups. Removing this impediment greatly facilitated the ability of groups of manufacturers to obtain insurance in the commercial marketplace.

In light of our current liability insurance crisis, we need to enact amendments to this law which will expand its coverage to general liability insurance rather than exclusively product liability, and I am introducing a bill that will do just that.

E. CONCLUSION

Mr. Speaker, the liability insurance crisis will continue to haunt us if we don't act responsibly and take action now. The insurance crisis which I investigated during the late 1970's has returned, and will continue coming back unless something is done to bring effective accountability to the insurance industry.

My proposed reforms are a starting point. For example, the Federal Insurance Commission will ensure, for the first time, effective regulation of the insurance industry. Repeal of or amendments to the McCarran-Ferguson Act will stimulate much needed competition in the industry. A uniform Federal product liability statute along the lines I have suggested will provide predictability and certainty to business, while not unfairly infringing upon the rights of injured individuals. Finally, expansion of the Product Liability Risk Retention Act to cover all lines of liability insurance will create new options for those businesses that are unable to obtain insurance in the current market.

I hope that my colleagues have the courage necessary to stand up for their constituents in the face of admittedly heavy opposition. I invite each of you to join with me in a search for lasting solutions to the liability insurance crisis.

Congress must be willing to admit that this problem is beyond the ability of the States to handle, and initiate debate on the subject.

SPECIAL ORDERS GRANTED

By unanimous consent, permission to address the House, following the legislative program and any special orders heretofore entered, was granted to:

(The following Members (at the request of Mr. Weaver) to revise and extend their remarks and include extraneous material:)

Mr. Frank, for 5 minutes, today.
Mr. Lipinski, for 5 minutes, today.
Mr. Annunzio, for 5 minutes, today.
Mr. Neal, for 10 minutes, today.
Mr. Ray, for 30 minutes, today.
Mr. LaFalce, for 30 minutes, today.

EXTENSION OF REMARKS

By unanimous consent, permission to revise and extend remarks was granted to:

(The following Members (at the request of Mr. Miller of Ohio) and to include extraneous matter:)

Mr. Gingrich.
Mr. Rudd.
Mr. Bilirakis.
Mr. Petri.
Mrs. Roukema in two instances.
Mr. Lagomarsino.
Mr. DioGuardi in two instances.
Mr. Chappie.
Mr. Gekas.
Ms. Snowe.
Mr. Jeffords.

(The following Members (at the request of Mr. Weaver) and to include extraneous matter:)

Mr. Hoyer in two instances.
Mr. Richardson.
Mr. Fowler.
Mr. Bryant.
Mr. Fazio.
Mr. Walgren in two instances.
Mr. Yatron in two instances.
Mr. Stark.
Mr. Hertel of Michigan.
Mr. Kleczka.
Mr. Coleman of Texas.
Mr. Udall.
Mr. Staggers.

SENATE JOINT RESOLUTIONS REFERRED

Joint resolutions of the Senate of the following titles were taken from the Speaker's table and, under the rule, referred as follows:

S.J. Res. 251. Joint resolution to designate the week of May 11, 1986, through May 17, 1986, as "National Science Week, 1986"; to the Committee on Post Office and Civil Service.

S.J. Res. 267. Joint resolution designating the week of May 26, 1986, through June 1, 1986, as "Older Americans Melanoma/Skin Cancer Detection and Prevention Week"; to the Committee on Post Office and Civil Service.

S.J. Res. 286. Joint resolution to designate the week of April 20, 1986, through April 26, 1986, as "National Reading Is Fun Week"; to the Committee on Post Office and Civil Service.

S.J. Res. 297. Joint resolution to designate the week of April 20, 1986, as "Crime Victims Week"; to the Committee on Post Office and Civil Service.

ENROLLED JOINT RESOLUTION SIGNED

Mr. ANNUNZIO, from the Committee on House Administration, reported that that committee had examined and found truly enrolled a joint resolution of the House of the following title, which was thereupon signed by the Speaker:

H.J. Res. 573. Joint resolution making a repayable advance to the hazardous substance response trust fund.

SENATE ENROLLED JOINT RESOLUTIONS SIGNED

The SPEAKER announced his signature to enrolled joint resolutions of the Senate of the following titles:

S.J. Res. 226. Joint resolution to designate the week of April 6 through April 12, 1986, as "World Health Week," and to designate April 7, 1986, as "World Health Day," and

S.J. Res. 262. Joint resolution to authorize and request the President to issue a proclamation designating June 2 through June 8, 1986, as "National Fishing Week."

ADJOURNMENT TO TUESDAY, APRIL 8, 1986

Mr. RAY. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to.

The SPEAKER pro tempore. Pursuant to the provisions of House Concurrent Resolution 304 of the 99th Congress, the House stands adjourned until Tuesday, April 8, 1986, at 12 o'clock noon.

Thereupon (at 1 o'clock and 56 minutes p.m.) pursuant to House Concurrent Resolution 304, the House adjourned until Tuesday, April 8, 1986, at 12 o'clock noon.

CONTRACTUAL ACTIONS, CALENDAR YEAR 1985, TO FACILITATE NATIONAL DEFENSE

The Clerk of the House of Representatives submits the following report for printing in the Congressional Record pursuant to section 4(b) of Public Law 85-804:

Department of Energy,
Washington, DC, March 14, 1986.

Hon. Thomas P. O'Neill, Jr.,
Speaker of the House of Representatives, Washington, DC.

Dear Mr. Speaker: The following information is submitted pursuant to the provisions of Public Law 85-804, and implementing instructions contained in Federal Acquisition Regulation Part 50.

For the calendar year ending December 31, 1985, the following actions, under the subject Act, are reported for the Department of Energy.

1. Actions Approved: Residual Powers.

The Department of Energy manages and operates several national laboratories and production facilities in support of the nation's nuclear security programs and the pursuit of energy research and development. To maintain these facilities and provide enhancements as necessary to support the Department's mission, several on-site construction contractors are employed under long-term contracts.

The major construction contractors at the Idaho National Engineering Laboratory (Idaho Falls, Idaho) and at the Department's Hanford Site (Richland, Washington) have negotiated and executed Site Stabilization Agreements (SSA's) with the Building and Construction Trades Department of the AFL-CIO, the International Unions affiliated therewith, and the International Brotherhood of Teamsters, Chauffeurs, Warehousemen and Helpers of America. Two determinations, each dated January 16, 1985, were issued by the Secretary of Energy in order to require all Richland and Idaho contracts and subcontracts which are subject to the Davis-Bacon Act to contain a clause mandating all such contractors and subcontractors to adhere to the economic provisions of the SSA's in order to facilitate the national defense. The SSA's provide for uniform overtime provisions and work hours among all crafts. Travel pay has been greatly reduced under both SSA's. The SSA's also contain strong no-strike, no lockout language, thus minimizing the risk of interruptions of work due to labor disputes.

The requirement to adhere to the economic provisions of the SSA's is deemed to be in the best interests of the Department, inasmuch as it results in uniformity of labor rates, fringe benefits, and working conditions, thus promoting labor stability and productivity at those sites.

2. Actions Denied: None.

Sincerely,

Berton J. Roth,
Director, Procurement and Assistance Management Directorate, Management and Administration.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

3091. A letter from the Administrator, Energy Information Administration, Department of Energy, transmitting EIA's 1985 annual report, pursuant to FEAA, section 57(a)(2) (90 Stat. 1139; 91 Stat. 572); to the Committee on Energy and Commerce.

3092. A letter from the Secretary of Health and Human Services, transmitting a report on the administration of the Radiation Control for Health and Safety Act during calendar year 1985, pursuant to 42 U.S.C. 2631(a); to the Committee on Energy and Commerce.

3093. A letter from the Secretary of Health and Human Services, transmitting a report on the Department's assessment of the adequacy of the new programs and services initiated to meet the alcohol and drug abuse treatment needs of women and the mental health needs of severely disturbed children and adolescents, pursuant to 42 U.S.C. 300X-4(g); to the Committee on Energy and Commerce.

3094. A letter from the Acting Chairman, Federal Trade Commission, transmitting the Commission's 70th annual report covering its accomplishments during the fiscal year ended September 30, 1984, pursuant to the act of September 26, 1914, chapter 311, section 6(f); to the Committee on Energy and Commerce.

3095. A letter from the Acting Attorney General, Department of Justice, transmitting the annual competition advocacy report, pursuant to 41 U.S.C. 419; to the Committee on Government Operations.

3096. A letter from the Acting Director, Institute of Museum Services, transmitting the Freedom of Information Act report for calendar year 1985, pursuant to 5 U.S.C. 552(d); to the Committee on Government Operations.

3097. A letter from the Chairman, Securities and Exchange Commission, transmitting a report on the Commission's activities under the Freedom of Information Act during calendar year 1985, pursuant to 5 U.S.C. 552(d); to the Committee on Government Operations.

3098. A letter from the Director, Procurement and Assistance Management Directorate, Management and Administration, Department of Energy, transmitting a report on contracts entered into, amended, or modified, to facilitate the national defense during calendar year 1985, pursuant to Public Law 85-804, section 4; to the Committee on Government Operations.

3099. A letter from the Deputy Assistant Secretary of Defense, transmitting notification that the Department of the Air Force has submitted a proposed altered record system, pursuant to 5 U.S.C. 552a(o); to the Committee on Government Operations.

3100. A letter from the Solicitor, U.S. Commission on Civil Rights, transmitting a report on the Commission's activities under the Freedom of Information Act during calendar year 1985, pursuant to 5 U.S.C. 552(d); to the Committee on Government Operations.

3101. A letter from the Secretary of the Interior, transmitting the first national plan for research in mining and mineral resources, pursuant to Public Law 98-409, section 9(e); to the Committee on Interior and Insular Affairs.

3102. A letter from the Director, Community Relations Service, Department of Justice, transmitting a report on the activities of the community relations service for fiscal year 1985, pursuant to 42 U.S.C. 2000g-3; to the Committee on the Judiciary.

3103. A letter from the Chairman, Board of Directors, Future Farmers of America, transmitting a report on the audit of the accounts of the Future Farmers of America for the period ending August 31, 1985, pursuant to Public Law 88-504, section 3 (36 U.S.C. 1103); to the Committee on the Judiciary.

3104. A letter from the Secretary of Health and Human Services, transmitting a report on the exclusion of certain home energy assistance (and support and maintenance assistance) from income under the Supplemental Security Income Program and the Program of Aid to Families with Dependent Children, pursuant to Public Law 97-424, section 545(d); to the Committee on Ways and Means.

3105. A letter from the U.S. Trade Representative, transmitting the second triennial report on the agreement on technical barriers to trade, approved under section 2(a) of the Trade Agreement Act of 1979 (January 1983 to December 1985), pursuant to 19 U.S.C. 2573; to the Committee on Ways and Means.

3106. A letter from the Staff Director, Commission on the Bicentennial of the United States Constitution, transmitting a sequestration report, pursuant to Public Law 99-177; jointly, to the Committees on Appropriations and Post Office and Civil Service.

3107. A letter from the Chairman of the Board, U.S. Synthetic Fuels Corporation, transmitting a report on the Corporation's activities, progress, and financial statements, pursuant to Public Law 96-294, section 177(d)(1); jointly, to the Committees on Banking, Finance and Urban Affairs and Energy and Commerce.

3108. A communication from the President of the United States, transmitting notification of his intention to exercise his authority under section 506(a) of the Foreign Assistance Act in order to authorize the furnishing of up to $20 million in emergency military assistance to Honduras, purusant to 22 U.S.C. 2318(b)(2) and 22 U.S.C. 2411; jointly, to the Committees on Foreign Affairs and Appropriations.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mrs. SCHROEDER: Committee on Post Office and Civil Service. H.R. 3002. A bill to provide for the establishment of an experimental program relating to the acceptance of voluntary services from participants in an

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executive exchange program of the Government; with an amendment (Rept. 99-505). Referred to the Committee of the Whole House on the State of the Union.

Mrs. SCHROEDER: Committee on Post Office and Civil Service. H.R. 917. A bill to amend title 5, United States Code, to extend to certain employees in the excepted service the same procedural and appeal rights as are afforded to employees in the competitive service with respect to certain adverse personnel actions; with an amendment (Rept. 99-506). Referred to the Committee of the Whole House on the State of the Union.

Mr. DINGELL: Committee on Energy and Commerce. H.R. 44. A bill to amend the Federal Power Act to provide for more protection to electric consumers; with an amendment (Rept. 99-507). Referred to the Committee of the Whole House on the State of the Union.

Mr. HAMILTON: Permanent Select Committee on Intelligence. H.R. 4276. A bill to require that any U.S. Government support for military or paramilitary operations in Angola be openly acknowleged and publicly debated; (Rept. 99-508, Pt. 1). Ordered to be printed.

Mr. FUQUA: Committee on Science and Technology. Report on assured access to space during the 1990's (Rept. 99-509). Referred to the Committee of the Whole House on the State of the Union.

Mr. WHITTEN: Committee on Appropriations. H.R. 4515. A bill making urgent supplemental appropriations for the fiscal year ending September 30, 1986, and for other purposes; (Rept. 99-510). Referred to the Committee of the Whole House on the State of the Union.

PUBLIC BILLS AND RESOLUTIONS

Under clause 5 of rule X and clause 4 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. AuCOIN:

H.R. 4491. A bill to amend the Export Administration Act of 1979 with respect to exports of goods and technology subject to export controls for national security purposes; to the Committee on Foreign Affairs.

By Mr. BEDELL:

H.R. 4492. A bill to permit the transfer of certain airport property in Algona, IA; to the Committee on Public Works and Transportation.

By Mr. BIAGGI:

H.R. 4493. A bill to amend the Fair Labor Standards Act of 1938 to increase the minimum wage and to index it to 50 percent of the average hourly wage in the private sector; to the Committee on Education and Labor.

By Mr. BIAGGI (for himself and Mr. Lehman of Florida):

H.R. 4494. A bill to establish a task force to examine the issues associated with abuse of the elderly; jointly, to the Committees on Education and Labor, Energy and Commerce, and the Judiciary.

By Mr. DioGUARDI (for himself and Mr. Boulter):

H.R. 4495. A bill to establish the Office of the Chief Financial Officer of the United States in the Executive Office of the President to direct and coordinate Federal financial management, and to establish an Office of the Assistant Secretary for Financial Management within each executive department and an Office of the Comptroller in each executive agency; to the Committee on Government Operations.

By Mr. DORGAN of North Dakota:

H.R. 4496. A bill to amend the Federal Reserve Act to provide that the Chairman of the Board of Governors of the Federal Reserve System may be removed from such position by the adoption of a joint resolution of the Congress; to the Committee on Banking, Finance and Urban Affairs.

H.R. 4497. A bill to modernize the Federal Reserve System and to provide for prompt disclosure of certain decisions of the Federal Open Market Committee; jointly, to the Committees on Banking, Finance and Urban Affairs and Government Operations.

By Mr. FOGLIETTA:

H.R. 4498. A bill to amend the Regional Rail Reorganization Act of 1973 to provide for the transfer of ownership of the Consolidated Rail Corporation [Conrail] to the private sector, and for other purposes; jointly, to the Committees on Energy and Commerce and Ways and Means.

By Mr. LAFALCE:

H.R. 4499. A bill to establish a Federal Insurance Commission to regulate the insurance industry; jointly, to the Committees on Banking, Finance and Urban Affairs and Energy and Commerce.

H.R. 4500. A bill to repeal the McCarran-Ferguson Act; to the Committee on the Judiciary.

H.R. 4501. A bill to amend the McCarran-Ferguson Act to require effective State regulation of the business of insurance to obtain exemption from certain Federal laws; to the Committee on the Judiciary.

H.R. 4502. A bill to amend the McCarran-Ferguson Act to remove the present exemption from certain Federal laws which would otherwise relate to regulating the business of insurance; to the Committee on the Judiciary.

H.R. 4503. A bill to repeal the current broad antitrust immunity granted by the McCarran-Ferguson Act, and substitute in lieu thereof a grant of rulemaking authority to the Federal Trade Commission to affirm the legality under the antitrust laws of certain essential collective activities by the insurance industry; to the Committee on the Judiciary.

H.R. 4504. A bill to amend the McCarran-Ferguson Act to define the business of insurance; to the Committee on the Judiciary.

H.R. 4505. A bill to provide uniform standards for Federal product liability tort laws; jointly, to the Committees on Energy and Commerce and the Judiciary.

H.R. 4506. A bill to facilitate the ability of organizations to establish risk retention groups, to facilitate the ability of such organizations to purchase liability insurance on a group basis, and for other purposes; to the Committee on Energy and Commerce.

By Mr. LUNDINE (for himself and Mr. Bereuter) (by request):

H.R. 4507. A bill to provide for membership for the United States in the Multilateral Investment Guarantee Agency, and for U.S. acceptance of the merger of the capital resources of the Inter-American Development Bank; to the Committee on Banking, Finance and Urban Affairs.

By Mr. MICA:

H.R. 4508. A bill entitled: "The High Technology Antidumping Act of 1986"; jointly, to the Committee on the Judiciary and Ways and Means.

By Mr. MONTGOMERY (by request):

H.R. 4509. A bill to amend title 38, United States Code, to authorize Veterans' Administration police officers to enforce State and local traffic laws on Veterans' Administration property; to the Committee on Veterans' Affairs.

By Mr. NEAL:

H.R. 4510. A bill to amend the Export-Import Bank Act of 1945, and for other purposes; to the Committee on Banking, Finance and Urban Affairs.

By Mr. PETRI:

H.R. 4511. A bill to provide for the sale of the common stock of Conrail held by the United States, and for other purposes; to the Committee on Energy and Commerce.

By Mr. RIDGE (for himself, Mr. Edgar, Mr. Shelby, Mr. Gray of Illinois, Mr. Smith of New Jersey, Mr. Rowland of Connecticut, Mr. Evans of Illinois, Ms. Kaptur, and Mr. Staggers):

H.R. 4512. A bill to amend the Internal Revenue Code of 1954 to allow a credit against tax for expenses incurred in the care of elderly veterans; to the Committee on Ways and Means.

By Mr. ROBERTS:

H.R. 4513. A bill to amend the Federal Insecticide, Fungicide, and Rodenticide Act to insure safer pesticides and to better protect the public and the environment, and for other purposes; to the Committee on Agriculture.

By Mr. WEAVER:

H.R. 4514. A bill to amend the Federal Election Campaign Act of 1971 to change certain contribution limits for congressional elections and to amend the Communications Act of 1934 regarding the broadcasting of certain material relating to candidates for Federal elective office, and for other purposes; jointly, to the Committee on House Administration and Energy and Commerce.

By Mr. GARCIA:

H.J. Res. 579. Joint resolution to designate the week beginning May 18, 1986, as "National Children's Accident Prevention Week"; to the Committee on Post Office and Civil Service.

By Mr. KLECZKA (for himself, Mr. English, Mr. Horton, Mr. Savage, Mr. Fauntroy, Mr. Conyers, Mr. Towns, Mr. Miller of Washington, Mr. Roe, Mr. Martinez, Mr. Fuster, Mr. Solarz, Mr. Levin of Michigan, Mr. Bryant, Mr. Fazio, Mr. Vento, Mr. Matsui, Mrs. Boxer, Mr. Erdreich, Mr. Alexander, Mr. Bosco, Mrs. Burton of California, Mr. Dellums, Mr. Coelho, Mr. Panetta, Mr. Roybal, Mr. Levine of California, Mr. Torres, Mr. Bates, Mr. Gejdenson, Mr. Bennett, Mr. Smith of Florida, Mr. Fascell, Mr. Stallings, Mr. Evans of Illinois, Mr. Gray of Illinois, Mr. Jacobs, Mr. Perkins, Mr. Frank, Mr. Mavroules, Mr. Moakley, Mr. Wolpe, Mr. Kildee, Mr. Bonior of Michigan, Mr. Lowry of Washington, Mr. Sikorski, Mr. Richardson, Mr. Mrazek, Mr. Manton, Mr. Schumer, Mr. Weiss, Mr. Biaggi, Mr. Rose, Ms. Kaptur, Ms. Oakar, Mr. Cooper, Mr. Chapman, Mr. Coleman of Texas, Mr. Wise, Mr. Aspin, Mr. Moody, Mr. de Lugo, Mr. Stark, Mr. Waxman, Mr. Morrison of Connecticut, Mr. MacKay, Mr. Fowler, Mr. Barnard, Mr. Akaka, Mr. Russo, Mr. McCloskey, Mr. Studds, Mr. Neal, Mr. Murtha, Mr. de la Garza, Mr. Bustamante, Mr. Ortiz, Mr. Mineta, and Mr. Hughes):

H.J. Res. 580. Joint resolution to designate the week beginning September 7, 1986 as "National Freedom of Information Act Awareness Week"; to the Committee on Post Office and Civil Service.

By Mr. LIPINSKI (for himself, Mr. Manton, Mr. Nowak, Mr. Dwyer of New Jersey, Ms. Oakar, Mr. Borski, Mr. Bustamante, Mr. Durbin, Mr. Fascell, Mr. Lagomarsino, Mr. Fuster, Mr. Dymally, and Mr. Walgren):

H.J. Res. 581. Joint resolution to designate July 4, 1986 as "National Immigrants Day"; to the Committee on Post Office and Civil Service.

By Mr. MICHEL (for himself and Mr. Wright):

H.J. Res. 582. Joint resolution to designate April 20, 1986 as "Education Day U.S.A."; to the Committee on Post Office and Civil Service.

By Mr. NEAL:

H. Con. Res. 307. Concurrent resolution to express the sense of the Congress that interest on State and local bonds shall not be included in determining any Federal alternative minimum income tax; to the Committee on Ways and Means.

MEMORIALS

Under clause 4 of rule XXII, memorials were presented and referred as follows:

320. By the SPEAKER: Memorial of the Senate of the Commonwealth of The Mariana Islands, relative to the termination of the trusteeship agreement; to the Committee on Interior and Insular Affairs.

321. Also, memorial of the Legislature of the State of Alaska, relative to maintaining air service to Cordova, Yakutat, Petersburg, Wrangell, and Gustavus, AK; to the Committee on Public Works and Transportation.

ADDITIONAL SPONSORS

Under clause 4 of rule XXII, sponsors were added to public bills and resolutions as follows:

H.R. 1213: Mr. Hubbard.

H.R. 1826: Mr. Wilson and Mr. DeWine.

H.R. 2210: Mr. Miller of Washington.

H.R. 2295: Mr. Gallo.

H.R. 2504: Mr. Wilson and Mr. Yates.

H.R. 2620: Mr. Monson and Mr. Dornan of California.

H.R. 2684: Mr. Wilson.

H.R. 3006: Mr. Barnard and Mr. Darden.

H.R. 3247: Mr. Ford of Michigan and Mr. Williams.

H.R. 3646: Mr. Brown of California.

H.R. 3647: Mr. Brown of California.

H.R. 3662: Mr. Davis, Mrs. Bentley, Mr. Wilson, Mr. Towns, and Ms. Kaptur.

H.R. 3747: Mr. Montgomery, Mr. Edwards of California, Mr. Applegate, Mr. Dowdy of Mississippi, Mr. Shelby, Mr. Penny, Mr. Staggers, Mr. Hammerschmidt, and Mr. Mollohan.

H.R. 3800: Mr. Lightfoot, Mr. McCloskey, Mr. Wylie, Mr. Smith of Iowa, Mr. Zschau, Mr. Dixon, Mr. Kolbe, Mr. Stump, Mr. Miller of Ohio, Mr. Torricelli, and Mr. Bereuter.

H.R. 3817: Mr. Spence, Mr. Hertel of Michigan, Mr. Wortley, Mr. Anderson, Mr. Jones of North Carolina, Mr. Duncan, Mr. McDade, Mr. Evans of Illinois, Mr. Owens, Mr. Fazio, Mr. Kolter, Mr. Wheat, Mr. Ritter, Mr. Dixon, Mr. Sundquist, Mr. Ortiz, Mr. Carper, Mr. Roe, Mr. Yatron, Mr. Hefner, Mr. Bliley, Mr. Young of Missouri, Mr. Rinaldo, Mr. Bilirakis, Mr. Bateman, and Mr. Mack.

H.R. 3937: Mr. Coleman of Missouri.

H.R. 3950: Mr. Fawell, Mr. Wolpe, Mr. Studds, and Mr. Packard.

H.R. 4003: Mr. Frost.

H.R. 4056: Mr. Edwards of Oklahoma.

H.R. 4057: Mr. Rose, Mr. Shelby, Mr. Quillen, Mr. Smith of Florida, Mr. Howard, Mr. Stark, Mr. Hendon, Mrs. Bentley, Mr. Lent, Mr. McCloskey, and Mr. Strang.

H.R. 4119: Mr. Stark and Mr. Weiss.

H.R. 4175: Mr. Foglietta, Mr. Davis, Mr. Ortiz, Mr. Carney, Ms. Mikulski, Mr. Bosco, Mr. Studds, Mr. Oberstar, Mr. Chappie, Mrs. Boxer, Mr. Scheuer, Ms. Oakar, and Mr. Traxler.

H.R. 4194: Mr. Wolpe.

H.R. 4195: Mr. Bryant.

H.R. 4223: Mr. Courter, Mr. Frank, Mr. Levine of California, Mr. Ford of Tennessee, Mr. Leland, and Mr. Manton.

H.R. 4299: Mr. Slaughter, Mr. Bliley, Mr. Hansen, Mr. Dorgan of North Dakota, Mr. Strang, Mr. Bilirakis, Mr. Watkins, Mr. Livingston, Mr. Armey, Mr. Gingrich, Mr. Emerson, Mr. Skelton, Mr. Montgomery, Mr. Leath of Texas, Mr. Ireland, Mr. Cobey, Mrs. Vucanovich, Mr. Bartlett, Mr. Monson, Mr. Chappie, Mr. Schaefer, Mr. Saxton, Mr. Gallo, Mr. Ritter, Mr. McMillan, Mr. Walker, Mr. de la Garza, Mr. Lagomarsino, Mr. Smith of New Hampshire, Mr. Tauke, Mr. Hyde, Mr. Spence, Mr. Taylor, Mr. Skeen, Mr. Edwards of Oklahoma, and Mr. Pashayan.

H.R. 4419: Mr. Daub.

H.R. 4421: Mr. Akaka, Mrs. Burton of California, Mr. Tallon, Mr. Hall of Ohio, Mr. Murphy, Mr. McHugh, Mr. Leland, Mr. Frank, Mr. Savage, Mr. Miller of California, Mr. Atkins, Mr. Fuster, Mr. Seiberling, Mr. Kanjorski, Mr. Edgar, Mr. Roe, Mr. Mitchell, Mrs. Long, Mr. Bedell, Mr. Kastenmeier, Mr. Hayes, Mr. Gejdenson, Mr. Lundine, Mr. Weaver, Mr. Williams, Mr. Rodino, Mr. Towns, Mr. Morrison of Connecticut, Mr. Davis, Mr. Wheat, Mr. Olin, Mr. Panetta, Mr. Martinez, Mr. de Lugo, Mr. Biaggi, Mrs. Boggs, Mr. Mineta, and Mr. Traxler.

H.R. 4442: Mr. Kindness, Mr. Lagomarsino, Mr. Ritter, and Mrs. Smith of Nebraska.

H.R. 4476: Mr. Skeen.

H.J. Res. 49: Mr. Bilirakis.

H.J. Res. 234: Mr. Wirth, Mr. Coyne, Mr. Dixon, Mr. Rodino, Mr. Udall, Mr. Bosco, Mr. Callahan, Mr. Chappie, Mr. Boland, Mr. Kastenmeier, Mr. DioGuardi, Mr. Hefner, Mr. McDade, Mr. Jenkins, Mr. Gephardt, Mr. Miller of Washington, Mr. Weaver, and Mr. Lagomarsino.

H.J. Res. 297: Mr. Wirth, Mr. Fish, and Mr. Leach of Iowa.

H.J. Res. 381: Mr. Dicks, Mr. Martin of New York, Mr. Chapman, Mr. Montgomery, Mr. Young of Missouri, Mr. Young of Florida, Mr. Coughlin, Mr. Markey, Mr. Kemp, Mr. Panetta, Mr. Blaz, Mr. Lehman of California, Mr. Donnelly, Mr. Green, Mr. Gingrich, Mr. Hayes, Mr. Gejdenson, Mr. Hutto, Mr. Hartnett, Mr. Walker, Mr. Spence, Mr. Carr, and Mr. Fascell.

H.J. Res. 435: Mrs. Bentley.

H.J. Res. 480: Mr. Murphy, Mr. Levin of Michigan, Mr. Kemp, Mr. Dwyer of New Jersey, Mrs. Bentley, Mr. Horton, Mr. Fazio, Mr. Flippo, Mr. Monson, Mr. Vander Jagt, Mr. Waxman, and Mr. Courter.

H.J. Res. 492: Mr. Brooks, Mr. Wilson, Mr. Matsui, Mr. Ortiz, Mr. Wyden, Mr. Foglietta, Mr. Wolpe, Mr. Shumway, Mrs. Burton of California, Mr. Markey, Mr. Gray of Pennsylvania, Mr. Kleczka, Mr. Kolter, Mr. Michel, Mr. Smith of New Jersey, Mr. Lagomarsino, Mr. Kostmayer, Mr. Andrews, Mr. Moakley, Mr. Smith of Iowa, Mr. Valentine, and Mr. Lowry of Washington.

H.J. Res. 521: Mr. Rangel, Mr. Biaggi, Mr. Foley, Mr. LaFalce, Mr. Donnelly, and Mr. Downey of New York.

H.J. Res. 527: Mr. Boland, Mr. Bateman, Mr. Dornan of California, Mr. Dwyer of New Jersey, Mr. Lipinski, Mr. McCloskey, Mr. Wortley, Mr. Moorhead, Mr. Wolf, Mr. Daniel, Mr. Beilenson, Mr. Mineta, Mr. Lantos, Mr. Smith of Florida, Mr. Ireland, Mr. McGrath, Mr. McEwen, Mr. Rose, Mr. Wilson, Mr. Young of Florida, Mr. Matsui, Mr. Rudd, Mr. Alexander, Mr. Levin of Michigan, Mr. Hughes, Mr. Livingston, Mrs. Holt, Mr. Reid, Mr. McCain, Mr. Rangel, Mr. Roe, Mr. Monson, Mr. McHugh, Mr. Udall, and Mr. Frost.

H.J. Res. 529: Mr. Dornan of California and Mr. Lowery of California.

H.J. Res. 531: Mr. Berman, Mr. Morrison of Connecticut, Mr. Tauke, Mr. Natcher, Mr. Monson, Mr. Mazzoli, and Mr. Snyder.

H.J. Res. 539: Mr. Siljander, Mr. McCain, Mr. Henry, Ms. Oakar, Mr. Skelton, Mr. Jeffords, and Mr. Dornan of California.

H.J. Res. 552: Mr. Towns, Mr. Horton, Mr. Dymally, Mr. Hoyer, Mr. Gingrich, Mr. Martinez, Mr. Mrazek, Mr. Traficant, Mr. Wortley, Mr. Valentine, Mrs. Holt, Mr. Skelton, Mr. Dwyer of New Jersey, Mr. Bedell, Mr. Levin of Michigan, Mr. Daub, Mr. de Lugo, Mr. Boehlert, Mr. Howard, Mr. Fazio, Mr. Waxman, Ms. Kaptur, Mr. Dowdy of Mississippi, Mr. Hughes, and Mr. Dornan of California.

H.J. Res. 556: Mr. Daub, Mr. Monson, and Mr. Dornan of California.

H.J. Res. 560: Mr. Skelton, Mr. Volkmer, Mr. Bereuter, Mr. Daub, Mrs. Smith of Nebraska, Mrs. Vucanovich, Mr. Gregg, Mr. Howard, Mr. Dwyer of New Jersey, Mr. Rinaldo, Mr. Roe, Mr. Rodino, Mr. Gallo, Mr. Guarini, Mr. Lujan, Mr. Skeen, Mr. Richardson, Mr. Downey of New York, Mr. Mrazek, Mr. Lent, Mr. McGrath, Mr. Solarz, Mr. Molinari, Mr. Green, Mr. Rangel, Mr. Fish, Mr. Boehlert, Mr. Martin of New York, Mr. Horton, Mr. Valentine, Mr. Whitley, Mr. Neal, Mr. McMillan, Mr. Broyhill, Mr. Luken, Mr. Gradison, Mr. Oxley, Mr. Latta, Mr. Kindness, Mr. Miller of Ohio, Mr. Kasich, Mr. Regula, Mr. Callahan, Mr. Dickinson, Mr. Bevill, Mr. Flippo, Mr. Shelby, Mr. Udall, Mr. Rudd, Mr. Anthony, Mr. Chappie, Mr. Matsui, Mrs. Burton of California, Mr. Stark, Mr. Zschau, Mr. Shumway, Mr. Coelho, Mr. Panetta, Mr. Pashayan, Mr. Lagomarsino, Mr. Thomas of California, Mr. Beilenson, Mr. Dixon, Mr. Martinez, Mr. Torres, Mr. Lewis of California, Mr. Brown of California, Mr. Dornan of California, Mr. Lowery of California, Mr. Lungren, Mr. Packard, Mr. Hunter, Mr. Strang, Mr. Brown of Colorado, Mrs. Kennelly, Mr. McKinney, Mr. Rowland of Connecticut, Mrs. Johnson, Mr. McCollum, Mr. Gibbons, Mr. Young of Florida, Mr. Shaw, Mr. Smith of Florida, Mr. Swindall, Mr. Gingrich, Mr. Jenkins, Mr. Barnard, Mr. Stallings, Mr. Hayes, Mr. Savage, Mr. O'Brien, Mr. Porter, Mr. Annunzio, Mr. Crane, Mr. Fawell, Mrs. Martin of Illinois, Mr. Price, Mr. Hiler, Mr. Hillis, Mr. Burton of Indiana, Mr. Tauke, Mr. Lightfoot, Mr. Roberts, Mr. Natcher, Mr. Snyder, Mr. Rogers, Mrs. Boggs, Mr. Breaux, Mr. McKernan,

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Ms. Snowe, Mr. Hoyer, Mr. Barnes, Mr. Henry, Mr. Traxler, Mr. Vander Jagt, Mr. Schuette, Mr. Davis, Mr. Bonior of Michigan, Mr. Levin of Michigan, Mr. Franklin, Mr. Montgomery, Mr. Taylor, Mr. Lott, Mr. Emerson, Mr. Traficant, Ms. Oakar, Mr. Jones of Oklahoma, Mr. Synar, Mr. Robert F. Smith, Mr. Denny Smith, Mr. Schulze, Mr. McDade, Mr. Coyne, Mr. Walker, Mr. Walgren, Mr. Goodling, Mr. Gaydos, Mr. Clinger, Mr. Campbell, Mr. Tallon, Mr. Quillen, Mr. Duncan, Mr. Cooper, Mr. Sundquist, Mr. Jones of Tennessee, Mr. Wilson, Mr. Bartlett, Mr. Ralph M. Hall, Mr. Barton of Texas, Mr. Fields Mr. Pickle, Mr. Boulter, Mr. Stenholm, Mr. Loeffler, Mr. DeLay, Mr. Bustamante, Mr. Frost, Mr. Ortiz, Mr. Nielson of Utah, Mr. Jeffords, Mr. Olin, Mr. Slaughter, Mr. Parris, Mr. Swift, Mr. Bonker, Mr. Foley, Mr. Lowry of Washington, Mr. Chandler, Mr. Gunderson, Mr. Petri, Mr. Cheney, Mr. Hamilton, Mr. Mazzoli, Mr. de la Garza, and Mr. McCain.

H.J. Res. 561: Mr. Green, Mr. Dreier of California, Mr. Carney, Mr. Cooper, Mr. Panetta, Mr. Young of Alaska, Mr. Coughlin, Mr. Regula, Mr. McCandless, Mr. Wilson, Mr. Stratton, Mr. Wheat, Mr. Daschle, Mr. Leland, Mr. Coelho, Mr. Borski, Mr. Packard, Mr. Kemp, Mr. Lewis of California, Mr. Young of Florida, and Mr. Stangeland.

H. Con. Res. 271: Mr. Manton.

H. Res. 386: Mr. Fazio, Mr. Ireland, Mrs. Johnson, Mr. Coelho, Mr. Mrazek, Mr. Mavroules, Mr. Martinez, Mr. Nielson of Utah, and Mr. Neal.

PETITIONS, ETC.

Under clause 1 of rule XXII,

295. Mr. SCHUETTE presented a petition of Judyth J. Shurkey, et al, Midland, MI, relative to the distribution of funds to the Saginaw-Chippewa Indians; which was referred to the Committee on Interior and Insular Affairs.

SENATE—*Tuesday, March 25, 1986*

(Legislative day of Tuesday, March 18, 1986)

The Senate met at 10:30 a.m., on the expiration of the recess, and was called to order by the President pro tempore [Mr. Thurmond].

PRAYER

The Chaplain, the Reverend Richard C. Halverson, D.D., offered the following prayer:

Let us pray.

Almighty God, today we celebrate Purim—the remembrance of Your deliverance of the people of God through their queen, Esther. We praise and thank You for Your sovereign overrule at that time in history, and we pray for Your overrule at this time in history.

Gracious Father in Heaven, these next 3 days will be heavy for the Senate. The issues are compelling, complex, controversial, confusing, and critical. About these issues, there has been much dogmatism, little certainty, and a great deal of emotion. Many have enjoyed the privilege of speaking without the responsibility of deciding. Now 100 men and women in this body bear the burden of decision. As debate heightens and heats, guide the Senators in their speech, so they will say all they will wish they had said and refrain from saying anything they will wish they had not said. As the moment of decision arrives, make Your presence known and felt, Dear Lord, work Your will here in spite of us, if necessary, in His name whose life purpose was to do Your will. Amen.

RECOGNITION OF THE MAJORITY LEADER

The PRESIDENT pro tempore. The able majority leader, Senator Dole, is recognized.

SCHEDULE

Mr. DOLE. Mr. President, under the standing order the leaders will have 10 minutes each.

ORDER VITIATING SPECIAL ORDER

Mr. President, I ask unanimous consent that the special order in favor of Senator Mathias be vitiated.

The PRESIDING OFFICER (Mr. Pressler). Without objection, it is so ordered.

Mr. DOLE. So there will be special orders in favor of the following Senators for not to exceed 5 minutes after the leaders: Senators Cranston, Hawkins, Stennis, and Proxmire; routine morning business not to extend beyond the hour of 11:30 a.m. with Senators permitted to speak therein for not more than 5 minutes each.

At 11:30 a.m., by previous unanimous consent, the Senate will begin 30 minutes of debate on the motion to proceed to S. 1017, the airport transfer bill, the time equally divided between the Senator from Maryland, Senator Sarbanes, and the remainder of time to be equally divided between the two Senators from Virginia.

At 12 noon the cloture vote will occur on the motion to proceed to S. 1017, the airport transfer bill, with the mandatory quorum under rule XXII being waived.

Following the vote, the Senate will stand in recess until 2 p.m. in order for the weekly party caucuses to meet. By unanimous consent at 2 p.m., the Senate will resume consideration of Senate Joint Resolution 225, the constitutional amendment calling for a balanced budget. A vote on final disposition will occur at 6 p.m. this evening.

Mr. BYRD. I believe the agreement said "at."

Mr. DOLE. "At." It says at 6 p.m. Maybe by agreement we might make it earlier.

CONTRA AID

Perhaps we could begin consideration of the Contra aid resolution under a statutory time limitation of 10 hours. In regard to that there may be some real possibility of working out a truly bipartisan resolution that I believe addresses the concerns many of us have in this body on each side and particularly the concerns expressed by the President in the past several days.

If that is the case, if we could do that, it may be we could start debate tomorrow rather than this evening on that matter.

Mr. President, I will just take a couple minutes on another matter that has happened just since yesterday.

LIBYAN PROVOCATIONS AND THE AMERICAN RESPONSE

NEW CRISIS IN GULF OF SIDRA

Mr. DOLE. Mr. President, yesterday, we discussed the serious situation in Central America and characterized our vote on Contra aid as perhaps the most important foreign policy decision we will take this session. It is in the nature of foreign relations in our volatile world that today I rise to discuss a new crisis, in a different part of the world, where important national interests are again at stake, and where American resolve is again being tested.

LIBYAN ATTACKS AND OUR RESPONSE

The renegade regime of Colonel Qadhafi, in violation of international law, and in direct challenge to our will and our power, has launched a series of missile attacks—the court this morning has reached a dozen—on U.S. aircraft in the region of the Gulf of Sidra. The first such attacks were against American planes operating not only in international airspace, but outside the so-called line of death that Qadhafi has illegally claimed as within Libya's control.

Our response has been swift, effective and measured. We have struck twice against the missile installation from which the Libyan SAM's were launched, and we have attacked—and apparently sunk or seriously damaged—four and perhaps five missile-bearing fast patrol boats which were threatening our naval forces in the Gulf of Sidra. And I should add the threat from those patrol boats is real—they are the same type involved in sinking an Israeli destroyer during an earlier engagement in the region.

QADHAFI'S NEW THREATS

The situation remains extremely tense. Qadhafi has lashed out with his usual array of threats, including a threat to launch terrorist assaults on our interests around the world. It is unclear whether he will follow through on these threats, or launch additional military attacks in the gulf. But it is clear that, if he does, we will respond, as we should, and as we have—with focused force, in defense of our rights and our interests, and with full regard for avoiding unnecessary damage to civilians or nonmilitary installations.

AT STAKE: OUR RIGHTS AND OUR RESOLVE

What is at stake in the Gulf of Sidra? First, our right—and, indeed, the right of any sovereign nation—to send our ships through international waters. That is a right we must protect if we are to remain a credible military power in the world, and if we are to retain the ability to protect our far-flung interests. It is a right we insist on, and we test, in waters around the globe; wherever it is or might be challenged. By testing this right, we are not challenging or provoking Qadhafi. By attacking us when we are exercising this right, Qadhafi is challenging and provoking us.

And so, a second, and even more important, thing is at stake—our national resolve: our resolve to insist on our rights; to defend our interests; to re-

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spond to attack. We have for a long time—perhaps too long a time—suffered Libyan attacks; Libyan-sponsored terror; Libyan threats, and Libyan insults. We have shown enormous patience and forbearance. But it is now clear that Qadhafi has misinterpreted our forbearance as a lack of will or determination. As he counts his losses this morning, he should no longer doubt our ability and our willingness to respond when he gives us no other choice.

And if he follows through on his threats—whether to continue attacks on our forces in the gulf or to launch terrorist assaults on our installations and personnel elsewhere—he should now know that we will respond—in kind, at the source, and with effect. From now on, if Qadhafi wants to play, he will pay.

AMERICANS ARE UNITED

And let one final message go out to Qadhafi today, loud and clear. On this issue, Americans are united; Republicans and Democrats alike. We will not yield our rights; we will not tolerate attacks; we will not give in to threats and intimidation; we will defend our interests. We support our President; we applaud his action; and we will continue to act with unity and determination, until this crisis is resolved and until our rights and interests are again secure.

RECOGNITION OF THE MINORITY LEADER

The PRESIDING OFFICER. The Democratic leader is recognized.

ORDER OF PROCEDURE

Mr. BYRD. Mr. President, I have listened to the distinguished majority leader, especially with respect to his comments concerning what is going on in the Gulf of Sidra.

Before I proceed on this line, may I ask the distinguished majority leader what he anticipates with respect to rollcall votes, let us say, beyond 6 o'clock this afternoon? There is a vote scheduled for 6 p.m., as the majority leader has reminded us. Will there be any rollcall votes following that vote?

Mr. DOLE. I do not anticipate any votes after 6, because if we did start the Contra resolution, there would be considerable debate, I assume, before we have amendments. I would think if we came in early tomorrow, we might be able to finish the Contra aid either late tomorrow or sometime early Thursday.

Mr. BYRD. Would it not depend, to some extent, on what happens on the cloture vote on the airport bill?

Mr. DOLE. I do not believe so. Contra aid, as I understand, is privileged and I can bring that up at any time.

Mr. BYRD. The majority leader is correct in that regard, but whether or not we stay beyond 6 and have rollcall votes beyond 6, might it not, to some extent, be influenced by the outcome on the cloture vote, even though the order has been entered that rule XXII be waived at that point so that the earlier unanimous-consent agreement that was entered into with respect to the constitutional amendment will be carried out regardless of what happens on cloture?

What I am trying to do is get a clear understanding, if I may, of what the Senators on both sides may expect after 6 o'clock.

Mr. DOLE. I would expect, after 6, after we have a vote on the constitutional amendment, we would move to Contra aid for debate only, but not go back on the airport bill in any event. So I would think it would be safe to assume that after 6 o'clock—and, again, we will make that announcement hopefully by 3—that Senators will be free to keep other engagements that I know many have.

Mr. BYRD. I thank the distinguished majority leader.

LIBYA

Mr. BYRD. Mr. President, it is accurate that, in the minds and eyes of about all nations of the world, Colonel Qadhafi's claims that territorial waters out as far as 125 miles are Libyan waters are not supported in international law. Even the Soviet Union, at least we are told, agrees with that.

Mr. President, ours is a major maritime nation and it does have some responsibilities to assist in keeping international waters open and not allowing some kind of theory that might be equated to "squatter's right" govern in this instance. The United States, as the leading maritime nation of the world has a right, to carry out normal and routine naval exercises in that area.

The United States has had its ships in the area before. It has gone south of the so-called "line of death" on several occasions. The United States is, I think, not only fulfilling a responsibility here; it is also doing a service to the other countries of the world. I would hope that our European and other allies would be supportive of this effort.

These are exercises that the United States carries out from time to time. It has a perfect right to be where it is today, and it certainly has a right and a duty to counter any attacks that are made upon it while it is acting legally in international waters.

Our country has no duty to turn tail and run if it is attacked in international waters. It has a duty to withstand those attacks, and it has done so.

As to the War Powers Act, I personnally do not believe that that act seizes at this point.

Now to argue that we expected to be attacked, I do not think we had any reason to expect these attempted attacks upon our ships and planes. This is international airspace as well as international waters. So I hope that we would continue to do what is our right, what is in our national interests, what is in accordance with international law, and if Qadhafi thinks otherwise and acts otherwise, we should act accordingly to meet forces with force.

CONTRA AID

Mr. BYRD. Mr. President, as to the Contra vote which will be coming before too many days, our staffs are working together—Senator SASSER's staff, my staff, Senator DOLE's staff, and other Senators' staffs on both sides of the aisle—working in an effort to develop, hopefully, what can became bipartisan approach.

Only with bipartisan support in this body and on the part of the American people can this Nation be successful in its endeavors to promote democracy and peace and stability in Central America. I am glad that the rhetoric has cooled somewhat lately. I doubt that the prospects for bipartisanship are promoted when hot rhetorical, emotional, unreasonable statements are made from either end of the avenue, and more particularly, in this case, those that have come forth from the other end of the avenue, not by the President so much as by others at the White House.

Mr. President, if I have any remaining time, I ask unanimous consent that I may reserve it for later use.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. BYRD. I yield the floor.

RECOGNITION OF SENATOR CRANSTON

The PRESIDING OFFICER. The Senator from California is recognized.

LIBYA

Mr. CRANSTON. Mr. President, this is a day of storm and stress—and potential danger—for our United States.

There are suggestions that the incident in the seas offshore from Libya result from a provocation by the United States. Let us remember that the first provocation came from Colonel Qadhafi of Libya.

It is clear that terrorists are trained in Libya.

It is clear that terrorists are dispatched from Libya on their missions of death elsewhere in the world.

So I believe that our naval presence in the Gulf of Sidra had less to do

with freedom of the seas than it had to do with finding a way to retaliate against a terrorist leader—if he chose to carry out his threats if we crossed his so-called line of death.

Qadhafi has now learned that he can neither act illegally on international waters, nor with impunity in resorting to terrorism.

Through this day we will be scanning the news reports as they tumble in from the Gulf of Sidra and from Honduras. And perhaps we will commence a serious discussion of aid to the so-called Contras tonight, and, if not tonight, probably tomorrow.

But first the Senate is locked into consideration on the issue of who should run the two local airports, Dulles and National. And if the Senate votes for cloture at noon today, we will not be able to consider any other matter no matter how important until that matter is disposed of.

I assume the Senate will not vote cloture today in view of these circumstances and because of the merits and demerits of the airport proposition.

But when we manage to set aside that issue, the Senate is then committed to winding up debate and then voting late today on yet another diversion—the proposed constitutional amendment that would require a balanced budget.

BALANCED BUDGET CONSTITUTIONAL AMENDMENT

Mr. CRANSTON. Mr. President, balancing the budget is a serious matter and Congress and the President should be up and doing, not diddling.

Later today we will diddle with a so-called balanced budget constitutional amendment if we get to it—which could not possibly go into effect for years and probably will never go into effect at all.

What we and the President should be doing instead is agreeing on how we are going to meet the Gramm-Rudman deficit target for the fiscal year that is breathing down our necks.

The day of reckoning is just a little over 6 months away. And we are wasting precious time playing Trivial Constitutional Pursuits.

Although a Federal district court in Washington overturned a key provision of Gramm-Rudman, it did not upset the part of the law that requires Congress to reduce the deficit to $144 billion in fiscal 1987, $108 billion in 1988, $72 billion in 1989, $36 billion in 1990, and zero in 1991.

Those deficit targets still stand—and so they should.

Beyond any shadow of doubt, the $200 billion deficits of the past 4 years have hurt the economy, contributing to high interest rates, trade deficits, plant shutdowns, and business bankruptcies.

The deficits must and will be cut and the budget balanced. That is the law.

The only real question now is: How?

How do we achieve the enormous cuts in the deficit mandated by Gramm-Rudman in the relatively short time that the law allows without enfeebling our economy and undercutting our national security?

If the Supreme Court reverses the lower court and declares Gramm-Rudman constitutional in all respects, a continuation of the current budget deadlock between Congress and the President will result in automatic and indiscriminate across-the-board cuts—perhaps amounting to as much as 25 percent—in almost all domestic and military programs.

Domestically, that would mean cuts in such basic programs as the number of air controllers and air safety inspectors—at a time when air safety is a major concern of the American public—reductions in the Border Patrol, customs agents, the Coast Guard, the FBI, the Drug Enforcement Agency, and the Justice Department as a whole—at a time when the hard drugs that come across the border and the consequent crime worries us all.

It would mean cutbacks in cancer research; and in education—the font of our future engineers, physicists, mathematicians, and civic and cultural leaders.

Militarily, the enormity of the reductions that would be required by Gramm-Rudman under a continued Presidential-congressional deadlock could seriously jeopardize our combat readiness and our basic national defense.

That is what we and the President should be focusing on.

That is the real world of the balanced budget—not the chimera of a constitutional amendment.

Mr. BYRD. Mr. President, I compliment the distinguished Senator from California, the senior Senator, the assistant Democratic leader, on his statement with regard to the funding cuts that will be enforced.

I was talking only yesterday here in this spot about the cuts that are being forced by the Gramm-Rudman legislation on the Library of Congress. It has now cut its hours in the evenings. It has cut out Sundays, as I understand. There are a good many people in this area—students, scholars, scientists, whatever—who have only Sundays perhaps or some evenings in which to go to the greatest library in the world.

Education is the first line of defense. That is what I have maintained for years. I have had no one to attempt to refute that statement. I personally believe in it very strongly. Education is our first line of defense.

The distinguished Senator mentioned Japan. The Japanese are turning out half as many again engineers and scientists as this country is turning out, and they have only half the population of this country.

We marvel at the economic ingenuity of the Japanese people as demonstrated time and time gain. We are concerned because they are better than we are in manufacturing this or that and being able to sell their products at lower prices.

So for us to take actions that reduce the opportunities of scholars, students, and others to study—as I say, in the greatest library in the world, where there are resources, where there are books and other materials that are not available to our people elsewhere—it really adds up to a reduction in our defense effort. It adds up to a loss of brainpower. And it adds up, in the final analysis, to a foolish decision which impacts and will continue to impact upon the future economic and security well-being of this country. Education is an investment in the future.

I thank the distinguished Senator for what he has said with respect to the constitutional amendment. Look at what is going on right now in the Gulf of Sidra. This is a volatile situation. One of my great concerns about this amendment is that it only mentions a declared war. As we all know, we have engaged in undeclared wars, and they have been real wars, just as serious and as lethal as if the Congress had openly declared war in Vietnam and in Korea.

Suppose the Libyans sink one of our big ships. Suppose they bring about the destruction of an aircraft carrier with a lot of lives lost. I do not assume the United States would turn around and sail away. No one can predict what the monetary costs would be or what the military costs would be in terms of casualties.

Depending upon the outcome, it might very well mean that there would have to be considerable funding beyond what we expect for this fiscal year or next fiscal year. As this constitutional amendment is written, it could become an impediment to our military efforts.

It seems to me that the constitutional amendment that the Senator is talking about does not address that situation. I am more concerned about the undeclared wars than I am about declared wars.

The Senator from California may wish to respond to my comments.

Mr. CRANSTON. Mr. President, I thank our leader for his comments. He has zeroed in on two of the very important issues that relate to matters we are considering today.

Education has been cut 18 percent, Federal aid to education, in the past 5 years. We got into a 25-percent cut this year because of Gramm-Rudman and a further cut next year because of

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Gramm-Rudman. We could really destroy our investment in our future, the investment that comes about through education. We would make it almost impossible to compete with Japanese and other nations economically, and we could make it virtually impossible to compete with the Soviet Union militarily. It can be very dangerous.

There are like dangers in the constitutional amendment that could hamstring us militarily, as the Senator from West Virginia pointed out, at a time of crisis, but undeclared war.

There are grave problems with these propositions that are before us. I hope that we will have an opportunity to get to them soon, rejecting the constitutional amendment, as I predict we will do this afternoon if the vote comes as scheduled at 6 o'clock, and then, if we are not stuck with debating local airports, we ought to get on with discussing the broader issue of aid to the Contras.

Mr. President, I trust that the President will not be granted $100 million right now, instantly, most of it for further military intervention that will lead us down the road eventually, almost surely, to American boys fighting in Nicaragua.

RECOGNITION OF SENATOR HAWKINS

The PRESIDING OFFICER. Under the previous order, the Senator from Florida [Mrs. HAWKINS] is recognized for not to exceed 5 minutes.

CUBA AND THE DRUG CONNECTION

Mrs. HAWKINS. Mr. President, while we wrangle day after day on whether to give $100 million in aid to the Contra forces, or $25 million, or $50 million, or so much in military aid and so much in economic aid, the sands in the hourglass are running out for the Nicaraguan "freedom fighters." Whatever hopes there are for turning the tide against communism in Central America, whatever hopes there are for putting Nicaragua on the road to democracy or improving the lot in life for the impoverished Nicaraguan people, lies with the Contras. Of the dissident elements in that troubled land, the Contras seem to be in the best hope of consolidating opposition to the Communist-led Sandinista government.

You may be sure Fidel Castro is watching the outcome of the struggle in Nicaragua with great concern. At stake is entrenchment of yet another Marxist regime in the Western Hemisphere and a vehicle for terrorism and narcotics smuggling.

Castro's game of footsie with drug traffickers is well established by this time. Cuba is a safe haven for smugglers who move in and out of Caribbean waters with their nefarious cargo bound for Western Europe and the United States. Cuba provides protection and trouble-free transit for drug boats in return for a cut of the drug profits and use of the boats to move arms to Central and South America. Cuba has trained more than 15,000 Latin Americans in revolutionary tactics and they have to be supplied with weapons and supplies to carry out terrorist acts in countries whose legitimate governments they are trying to overthrow.

Through congressional hearings, the Federal court indictment of four senior Cuban Government officials and reports by the State Department and Justice Department, Cuba's track record in drug smuggling has been well documented. The conclusions of these various sources can be summarized as follows: First, Fidel Castro's government is directly involved in the production and trafficking of drugs with the goal of promoting addiction, crime, corruption, and obtaining hard currency. Second, Cuba's drug profits are used to promote terrorism throughout the Americas. Third, Cuban intelligence operatives came to the United States during the Mariel boatlift in 1980 and set up a drug trafficking network.

Senator DENTON, chairman of the Subcommittee on Terrorism, and I, as chairman of the Senate drug enforcement caucus, held a hearing in Miami on April 30, 1983, on the Cuban Government's involvement in the international drug traffic. One of the witnesses, Mario Estevez-Gonzalez, testified that he entered the United States as part of the Mariel boatlift to infiltrate groups opposed to Castro. At the time, he was a Cuban agent. Later, he infiltrated drug dealers' rings in the Bahamas with instructions to learn how to buy and sell drugs in the United States. Estevez testified that he ran a veritable shuttle service between Cuba and the United States, taking thousands of dollars back to Cuba and returning with a fresh supply of drugs. He related that he had carried more than $2 million in drug proceeds back to Cuba.

One bizarre scheme disclosed by Estevez and confirmed by another witness at the hearing, David Perez, a Cuban-American drug trafficker, involved plans to ship 23,000 pounds of Colombian marijuana and 10 million methaqualone tablets from Cuba to Florida, with the proceeds to be split between the smugglers and the Cuban Government. Difficulties arose, with the profit potential declining, and a Cuban agent told the smugglers the loss could be covered by shipping guns from Cuba to a guerrilla group in Colombia.

The indictment of four high ranking Cuban Government officials on November 15, 1982, by a Federal court in Miami points to Cuban implication in drug smuggling at the highest levels of government. The Cuban officials named in the indictment included a vice admiral in the Cuban Navy, the former Cuban Ambassador to Colombia, and key aide, a former minister-counsel of the Cuban Embassy in Bogotá, and a ranking official of the Cuban Communist Party Central Committee, who was a senior official of the DGI, the Cuban Intelligence Service. These four were charged with a host of actions centered on importing drugs into the United States and circumventing the interdiction efforts of our authorities.

Estevez and Perez, as well as the quartet indicted, were part of the notorious, infamous Jaime Guillot-Lara drug operation. Guillot-Lara, a Colombian national, is a major trafficker of cocaine, marijuana, and methaqualone, he owned, or operated, many seagoing vessels with the capability of carrying drugs by the ton. Guillot-Lara had many friends in high places, connections which enabled him to sail his vessels directly into Cuban waters, offload the cargo into smaller boats, and take the drugs to the Bahamas. The drugs then would be transferred to speedboats for the run to south Florida. Guillot-Lara is believed to be responsible for shipping 2.5 million pounds of marijuana, 25 million methaqualone tablets, and 80 pounds of cocaine to the United States in a 4-year period, 1977–81.

Admittedly, it is difficult for our law enforcement agencies to determine exactly to what extent Fidel Castro and his lieutenants are currently involved in drug trafficking. But it would be naive to suppose they have mended their ways. It takes money to run revolutions, and there is a lot of money in drugs.

RECOGNITION OF SENATOR PROXMIRE

The PRESIDING OFFICER (Mr. ABDNOR). Under the previous order, the Senator from Wisconsin [Mr. PROXMIRE] is recognized for not to exceed 5 minutes.

REAGAN RECORD ON ARMS CONTROL—"NO" EVEN TO U.S. PROPOSALS

Mr. PROXMIRE. Mr. President, hooray for Tom Wicker. And a double hooray for Paul Warnke. Wicker writes a regular column in the New York Times. On March 21 he wrote the most revealing commentary this Senator has seen anywhere on the utter futility of the Reagan administration's arms control policy. Now, Tom Wicker is a superb columnist. He is a bull dog in pursuing inconsistencies by elected officials on arms con-

trol and other matters. In his March 21 column he relied very largely on a speech recently delivered by Paul Warnke. And who is Paul Warnke? Warnke was the last head of the U.S. Arms Control and Disarmament Agency to show any genuine interest or support for arms control. In a speech in Philadelphia to a meeting of Physicians for Social Responsibility, Warnke nailed to the mast the reasons why the administration has made no progress in its more than 5 years in office in slowing or stopping the arms race.

Again and again and again an overwhelming majority of Americans have shown their support for arms control and their fervent desire for an end to the arms race. In poll after poll in every part of our country, in both political parties, huge majorities have supported proposals to negotiate arms control treaties with the Soviet Union. For example, the nuclear freeze had its strong critics. It was consistently opposed by the Reagan administration. But time after time when placed before Americans in town meetings, in statewide referenda, and in the most widely respected professional public opinion polls, it was not just supported. It was overwhelmingly approved.

President Reagan himself has frequently claimed that he favors arms control. And yet he opposed every single arms control agreement this country has ever negotiated with the Soviet Union. The President most emphatically showed his feelings with regard to arms control when he named Kenneth Adelman as head of the Arms Control and Disarmament Agency. Mr. Adelman is a responsible and intelligent man. But he has had a long and consistent record of opposition to arms control. As head of the Arms Control Agency he has maintained that record of opposition to arms control with meticulous dedication.

So what is new in the Reagan administration's faithful and consistent record of opposition to arms control while the President's rhetoric pledges vigorous negotiations with the Soviets at Geneva? The Wicker-Warnke analysis tells the shocking story. And it is a shocking story. Over and over again Gorbachev has taken proposals that our own country has initiated and agreed to accept them. And what has been the Reagan administration response? Here is the record:

First. From 1967 to 1972, United States negotiators hammered away month after month to persuade the Soviets to agree to stop the construction of a Soviet star wars or strategic defense initiative. What was the basis of the American opposition to a Russian star wars? Listen: The United States told the Russians that if they went ahead with their star wars we would not agree to any reduction in our offensive nuclear arms. After 5 years, the Russians understood the logic of the United States position. Result: The ABM Treaty which stopped the Russian star wars. So we are now making the same argument back to the Soviets that the Soviets made to us in 1968 and in 1969 and in 1970. The Soviets were wrong then. But the administration has renounced that winning U.S. position that achieved the ABM Treaty. They have adopted the losing Soviet viewpoint that makes it impossible for the superpowers to agree to limiting offensive nuclear arms. The Soviets want to continue to say "yes" to the ABM Treaty, the administration will not take "yes" for an answer.

Second. The Reagan administration has flatly and emphatically rejected the Soviet proposal for a comprehensive test ban treaty. Whose idea was this originally? Answer: the United States. The Russians have accepted the principle of onsite inspections and have said they will accept "any other form of verification." This has been the U.S. position since the Eisenhower administration. Here again, the Soviets are finally saying "yes" to the American proposal. But the Reagan administration says "no."

Third. How about the Reagan opposition against an arms control agreement, to stop the race to develop and produce advanced antisatellite weapons? Was that not a high American arms control goal? It sure was. In his Philadelphia speech, Mr. Warnke recalled he was the one who led "the American delegation on the first antisatellite weapons ban talks in 1978." Warnke says that the negotiators spent a lot of time trying to persuade the Russians that they should not develop an antisatellite capability. He conluded, "Apparently we persuaded them." But now the Reagan administration opposes a ban on antisatellite weapons. Reason given by the administration: The Russians already have an antisatellite weapon. Sure they do. It is primitive and useless.

If we do not agree to negotiate an end to further antisatellite development, both sides will develop weapons that will destroy the satellites essential to arms control verification as well as the administration's own star wars. Again the administration will not take "yes" for an answer. Again, the Soviets are accepting the original American proposal. But we won't.

Fourth. It gets worse. The Russians have now accepted the prime arms control proposal of the Reagan administration itself. That is for a 50-percent cut in intercontinental strategic weapons. This was not only an American idea. It was the idea of this administration. It was a Reagan administration idea. But now the Defense Department says "nix." They say it would reduce the number of targets for the Soviets to strike. Once again, when the Russians accept our own—that is, right our own—arms control proposal, when they say "yes," we say "no."

Fifth. And then there is the "zero option." President Reagan proposed that the Russians remove all their intermediate missiles in Europe. In return the United States would eliminate its Pershing and cruise missiles in Europe. That was the Reagan proposal. In 1983, the Soviets rejected that proposition. Now Gorbachev has agreed to the Reagan proposal with two reasonable modifications. Condition 1—the British and French would not increase their nuclear forces. Condition 2—the United States would not transfer its missiles to our NATO allies. That sounded like a reasonable condition to Wicker and Warnke. It sounds reasonable to this Senator, but the Reagan response once again to the Russians "yes" is "no."

Of course, none of this repeated and consistent refusal to advance even our own arms control proposals with the Soviet Union should surprise us. President Reagan and the top arms control officials he has appointed to office have a long career of opposing arms control at every turn.

Mr. President, this is a serious tragedy. Here is why: The President of the United States is the name of the game in the progress of arms control. The Congress plays a minor secondary role. The President decides whether to negotiate at all. He and he alone determines the instructions for the negotiators. Only the President can accept or reject whatever agreement the negotiators reach.

So what does this mean for the future of arms control? This means that at least until January 20, 1989, superpower arms control will go nowhere. We live in a deadly world in which the nuclear arms race will go on and on. It will only be limited by its enormous cost. Those economic costs will be immense. The terrible danger of a superpower nuclear war will increase. We are kicking away a golden opportunity.

Mr. President, I ask unanimous consent that the column to which I have referred by Tom Wicker in the March 21, 1986, New York Times be printed in the RECORD at this point.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

"YES" FOR AN ANSWER

(By Tom Wicker)

Has the Reagan Administration been unwilling "to take 'yes' for an answer" in its arms control exchanges with the Soviet Union? A former American negotiator, Paul Warnke, thinks so and charges that as a result the Administration may be missing an "opportunity to make very major steps toward minimizing the nuclear risks."

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When, for example, Mikhail Gorbachev made public in mid-January an extensive series of arms control proposals, the U.S. response was little more than "ho-hum"—although President Reagan, to his credit, did say he found parts of the proposals "constructive." But the Administration's arms control experts saw little new in Mr. Gorbachev's ideas. The Department of Defense called them a reiteration of old Soviet proposals; others referred to a "repackaging" of Moscow's familiar ideas.

But Mr. Warnke pointed out that Mr. Gorbachev's January message actually was "a repackaging of American proposals—American ideas," and urged: "Now that Mr. Gorbachev has come around on . . . key points that we have been pushing for all of these years, let's not turn it down."

Addressing the Annual National Awards banquet of Physicians for Social Responsibility in Philadelphia, Mr. Warnke cited five of Mr. Gorbachev's points:

Restrictions on strategic defense. "Not a Soviet idea," Mr. Warnke said, recalling that from 1967 to 1972 U.S. negotiators "spent a great deal of time trying to persuade the Russians that going ahead with strategic defense was an absolutely stupid move" because it meant "there could be no reduction in offensive arms." The effort culminated in the ABM treaty because "the Soviets learned their lesson."

But, Mr. Warnke said, "we have forgotten ours. We are now making the same arguments back to the Soviets that the Soviets made to us . . . in 1968, '69, '70."

A comprehensive test ban. "Again, this is an American idea that has now been rejected" by the Reagan Administration and taken up by Moscow. The Russians have accepted the principle of on-site inspections, which the U.S. has insisted upon since the Eisenhower Administration, and "have said they will accept any other form of verification." But the Administration has not only refused to join Moscow in a moratorium on testing; it is unwilling even to enter negotiations for a test ban.

Banning anti-satellite weapons. Mr. Warnke pointed out that he "led the American delegation on the first anti-satellite weapons ban talks in June of 1978. We spent quite a period of time trying to persuade the Russians that it was a poor idea to develop an anti-satellite capability. And again, apparently, we persuaded them."

But now the Reagan Administration opposes such a ban, ostensibly because the Russians have an operating anti-satellite weapon—although it is known to be primitive to the point of uselessness. Yet, Mr. Warnke observed, the anti-satellite weapons both sides are thus permitted to develop would be able to destroy the space stations that are necessary to Mr. Reagan's proposed strategic defense.

Deep cuts. The Russians "have now accepted the idea of a 50 percent cut in intercontinental strategic weapons. That was a Reagan Administration proposal." But now that Mr. Gorbachev has read back the idea to the U.S., the Defense Department rejects it on grounds that it would "encourage instability" because it would leave "fewer targets for the Soviets to strike." So cutting in half the number of nuclear weapons on both sides is a bad idea after all.

The zero option. Mr. Reagan originally proposed this idea, too—that the Russians should remove all their European-based intermediate-range missiles, in return for which the U.S. would not deploy Pershing and cruise missiles in Western Europe. Moscow rejected the plan; U.S. deployment began in 1983, and continues.

But in January Mr. Gorbachev repackaged this idea too, proposing that the Russians eliminate their intermediate-range missiles in Europe, provided that the U.S. eliminate its Pershing and cruise missiles. He did add the conditions that the British and French not increase their nuclear forces and that the U.S. not transfer title to its missiles to its allies—"Two very reasonable conditions for a major step forward," Mr. Warnke said, and most analysts outside the Administration probably would agree.

But the Reagan men, not taking "yes" for an answer, picture all this as just the same old Soviet stuff. No wonder the latest round of arms talks has come to a fruitless, almost unnoticed end.

MYTH OF THE DAY: THE COMBAT EXCLUSION POLICY ENHANCES NATIONAL SECURITY

Mr. **PROXMIRE.** Mr. President, the myth of the day is that the combat exclusion policy enhances national security. I have spoken several times here on the importance of opening up combat assignments to women in the military. The first consideration in any issue of military personnel must always be national security, and, indeed, that is my primary concern. The combat exclusion policies deprive our forward battle areas of available personnel resources and limit our flexibility.

In the two decades since women have been able to serve in the military in substantial numbers, they have proven that they are capable soldiers. What is more, a greater portion of female soldiers have high school diplomas, and women pose fewer disciplinary problems. They are a valuable resource and one that we should utilize to the fullest.

I am not saying that every position should be open to every soldier. Of course no soldier should be assigned to a position for which he or she is not qualified. There are some legitimate concerns about the upper body strength of most women, for example. Jobs which require heavy lifting should not be open to anyone who could not complete the required tasks. Gender-neutral physical requirements would address this concern without arbitrarily excluding qualified candidates.

In the Marine Corps, it has been certified that female enlisted personnel are capable of completing 88 percent of Marine job skills, yet, because of the law prohibiting women from combat missions, only 18 percent of total positions are open to them. There is too wide a discrepancy between the abilities of female Marines and their utilization. We are wasting our personnel resources. Can it be in the interest of national security to exclude qualified soldiers from combat positions?

Another way that the combat exclusion policy inhibits the national defense is by lowering morale among an important 10 percent of our troops. Women have become a crucial part of our Armed Forces. The Air Force projects that female applicants will soon make up 18.6 percent of all their enlisted accessions. It is important that those women feel that they are a valued part of our armed services and that they be rewarded with ample opportunities for advancement. We owe them that. The women in the military serve our country faithfully, and, despite the combat exclusion policy, many women risk their lives each day at dangerous posts like the MX and Minuteman launchsites. They must not be treated like second-class soldiers.

The Navy determined that due to the combat exclusion policy there would not be a sufficient number of leadership positions in the future to accommodate the number of women entering the lower ranks. Consequently, they have introduced a new specialists' career path for nonwarfare personnel in the general unrestricted line classification. This alternate career path emphasizes specialty development through repeat tours in a particular field. This will enhance the career opportunities for women in specialized and high technology areas so that in the future women will be able to rise even to the rank of admiral without a warfare specialty.

I have some reservations about this alternate career path. While I commend the Navy's efforts to open advancement opportunities for women, I question whether this will be helpful to women in the military or whether it will hurt them in the long run. What value is there in being a high-ranking military officer with no warfare capacity? Will these women be as highly respected as their male peers? One young male soldier told me that he does not think it is fair for women to be able to advance to the top without sharing the same risks as men.

Dividing the military with alternate career paths is just another example of how the combat exclusion policy places elaborate and cumbersome qualifications on how we can use our military personnel. It is only right that women who devote their lives to the defense of our Nation should have adequate advancement opportunities, but the result will be a situation in which there are career Navy admirals who are not allowed to get near combat.

The bottom line is that combat is the defining role of the military, and until women can be trained in the warfare specialties their status will be that of a protected subclass. This can only lessen the esteem from their male counterparts and hurt their morale.

Using qualified female soldiers wherever they are competent to serve will be good not only for the morale of women in the military but for the cohesion and flexibility of our Armed Forces in general. In short, it will enhance our national security. Should that not be our primary concern?

Mr. President, I suggest the absence of a quorum.

The **PRESIDING OFFICER.** The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. **STENNIS.** Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The **PRESIDING OFFICER.** Without objection, it is so ordered.

THE BALANCED BUDGET AMENDMENT

Mr. **STENNIS.** Mr. President, as I could not be here at another time during today, I have decided to make my comments now. I wanted to say another word regarding the voting on the consitutional amendment to require a balanced budget.

I am pleased that the Senate will soon be voting on a constitutional amendment to require a balanced budget. As I see it, we simply have no other choice. We must make this directly a part of or Constitution so the people can protect themselves.

I voted for the budget bill, Gramm-Rudman-Hollings, not because I thought it was the best method, but because, as a practical matter, it was the only approach we had before us. But Gramm-Rudman-Hollings does not claim to be a permanent solution to our problem. It is only temporary. Its life, according to its own terms, is only for 3 or 4 years, which is certainly temporary. A constitutional amendment is the only way I know of that will full address this matter.

This is not a new concern of mine. Over 15 years ago, I was one of the first Senators to sponsor a similar amendment requiring a balanced Federal budget. At that time I did so primarily because I thought it made good, sound common sense, because I felt that we should manage the financial affairs of Government in the same way we manage our own.

At that time, it just seemed reasonable to me to require the budget to be balanced, except in certain limited circumstances. But now it is more than just good government. Now it is a matter of absolute necessity.

I regret that we find ourselves in a situation where we have to have such an amendment. But the record of our financial habits over the past quarter-century shows how much we need this amendment. I am not trying to blame someone else for these conditions. I was here during that period and I say that I am as much to blame as anyone else. But we have had a balanced budget only once, one time in the last 25 years—almost an unbelievable fact. In fact, in the last 38 years that I have been in this body, the Federal budget has been balanced a total of 8 years.

During this time, the Federal Government has been subjected to ever-growing demands for more and more funds from larger and larger groups. Almost every day there are different groups in my office regarding further Federal support. They have the right to come, they have a right to argue for their position, but fundamentally there are certain necessities that underline our entire system of government and demand a managed financial structure that will support our system of government and thereby afford this individual freedom to our millions and millions of people. Most of those who come in are fine people, and I emphasize they have legitimate needs. I am not finding fault with them. I just use this as a practical example of how the demands on our Government have grown.

This morning, I have attended a hearing regarding a new, expanded, additional military weapon, with vast, extensive research and development and at a huge cost. There is no firm estimate yet, but it will be added to our current military needs which now have extended beyond $300 billion per year. I cannot realize it. Right here on this floor some 20 years ago, when another Senator was ill, I handled the military appropriation bill along with several others. We wound that year up just inside of $100 billion to operate all the departments of the Federal Government, all the Federal Government, the military included. Now we appropriate the astronomical amount of $300 billion a year for the entire Department of the Defense alone. I believe something can be done and I know it must be done, if at all possible with better control, but it takes time. We must not let fear control. We must take the time and the effort and bring these matters in line.

If we do not change our ways, Mr. President, our Government will fail in a financial way and we shall lose our freedom; our debts will of necessity be left to be paid by our children, and grandchildren. We will be just like an individual or family that keeps getting more and more in debt without getting our affairs in order.

I am completely convinced, therefore, that in order to protect and save our free enterprise system, we must put definite and firm controls on the amount of money we spend each year, and we must make sure that those expenditures are directly tied to our income for the year. A constitutional amendment does just that and will continue to hold firm.

Arrangements can be made and will be made, of course, to take care of any extraordinary, extended emergency of any kind relating to the protection of our people.

A constitutional amendment by itself, Mr. President, is not enough to solve our problems. We must elect dedicated representatives who will stand firm in their commitment to carry out the amendment. I am not referring to any individual. I believe by and large we have such men and women. I know we do. We have such men and women of that character and that purpose who will to do this very thing. The constitutional amendment will arouse the people and get them and their legislators to work together and then pass and follow the course of the amendment.

So, Mr. President, I am therefore delighted that the Senate is now preparing to pass this amendment. It is long overdue. We greatly need a strong show of support so that we can then take it to the American people for their approval and for their adoption.

Mr. President, I thank the Chair and the body for this time, and I now yield the floor.

ROUTINE MORNING BUSINESS

The **PRESIDING OFFICER.** Under the previous order, there will now be a period for the transaction of routine morning business not to extend beyond 11:30 a.m. with statements therein limited to 5 minutes each.

JAPANESE TOBACCO MONOPOLY TREATMENT OF UNITED STATES COMPANIES

Mr. **McCONNELL.** Mr. President, during last year's August recess, I visited Japan to see firsthand what many of my colleagues characterized as "excessive and unwarranted protectionism by the Japanese" with respect to trade between our two countries. As Japan purchases some Kentucky burley tobacco, I had a particular interest in the operation of the Japanese tobacco monopoly, Japan Tobacco, Inc. I met with representatives of JTI during my visit, and I was assured that a market liberalization for tobacco products manufactured by American cigarette manufacturers was just around the corner. This was clearly good news for my Kentucky tobacco growers and I felt that my visit had been productive and helpful in the effort to liberalize the Japanese tobacco market.

It now appears, Mr. President, that I had obviously been mislead. JTI has succeeded in perpetuating its monopoly on the sale of cigarettes even while portraying itself to be on a massive liberalization effort. A few months ago, as foreign tobacco companies were considering introducing new cigarette brands into the Japanese market, they discovered that the Government com-

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pany had applied for Japanese trademark rights to as many as 50 foreign brands that currently are not sold in Japan. So much for market liberalization.

This is not the first time U.S. cigarette companies have been the object of dirty tricks by JTI. What is particularly infuriating about this latest scheme is that the Japanese would pass off their attempts to confiscate United States companies trademarks as simply standard operating procedure. It obviously is not. There is something that offends the basic sense of justice when a government entity would attempt to take over the trademarks of the very brands of products to which it has refused to allow equal market access.

The United States Trade Representative recently initiated a section 301 action against the Japanese because of their blatant protectionist attitude toward imported tobacco products. In response to this action, the Japanese "liberalized" their cigarette markets. Mr. President, the kinds of egregious actions to which I earlier referred are completely uncalled for in what is supposedly an improved trading environment. I call on the Japanese Government to fulfill its promise to open up its tobacco and tobacco products markets. Failure to do so will demonstrate a lack of good faith on the part of the Japanese in trying to deal with the huge trade problems which exist between our two countries.

Mr. President, I ask unanimous consent that a Wall Street Journal article entitled "Japanese Government Company Stymies Imports of Tobacco Into 'Open' Market," which more fully describes this situation, be printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

[From the Wall Street Journal, Mar. 7, 1986]

JAPANESE GOVERNMENT COMPANY STYMIES IMPORTS OF TOBACCO INTO "OPEN" MARKET

(By E.S. Browning)

TOKYO.—In 1982, officials of Japan's government tobacco company were caught playing dirty tricks on their foreign competitors. The company president admitted that some of his employees had set up a program to tear down foreign tobacco posters and to keep foreign cigarettes—which are distributed by the Japanese company—in short supply.

The tobacco-company president apologized to Japan's finance minister, offered to resign (he was asked to stay) and said it wouldn't happen again.

Evidence has emerged that dirty tricks are continuing. A few months ago, as foreign tobacco companies were considering introducing new brands, they discovered that the government company had applied for Japanese trademark rights to as many as 50 foreign brands that aren't sold here, names such as Newport, Sterling, Dorchester, Century, even Skoal Bandits, a U.S. chewing tobacco.

By making it hard for foreigners to use these new brand names in Japan, the government company could hope to hold on to its massive market share—which amounted to 98% of all cigarettes sold. Ironically, the government company made its applications on March 29, 1985, just as government trade officials were implementing a highly publicized program to "open" the market to a variety of products, including tobacco.

The tobacco case provides a rare concrete example of how Japanese institutions sometimes can continue blocking imports for years, even after government officials have announced an end to official barriers.

"I'm convinced that Prime Minister (Yasuhiro) Nakasone really wants Japan to import more," says one foreign tobacco-company official. "Unfortunately, not everyone agrees with him.

Japan's tobacco market supposedly was freed on April 1, 1985, ending what had been near-monopoly rights for the government-owned tobacco company in a market worth $20 billion a year. Foreign concerns no longer were required to distribute cigarettes through the government company, their biggest competitor here. They were allowed to set their own prices, and plans were made to gradually lift a rule that had forbidden most tobacco stores to sell foreign brands.

William Brock, then the U.S. trade representative, hailed the new tobacco law as "a significant market opening for U.S. producers" that could "mean billions in sales."

But foreign companies realized it would take them years and millions of dollars to set up independent distribution channels to Japan's 250,000 specialized tobacco stores. Meanwhile, they had to continue using the country's lone existing tobacco distribution network, a subsidiary of the government tobacco company, Japan Tobacco Inc., or JTI.

Today the foreign makers have about 2.3% of Japan's cigarette market, up from 2% a year ago. The government still has the rest.

"It is as if Pepsi Cola were distributed by Coca Cola." says Guy Aelvoet, president of Philip Morris Inc.'s Japan subsidiary.

Perhaps the greatest shock the foreign cigarette companies have had since the market was "opened" last year was the effort to grab their trademarks.

"The filing of numerous R.J. Reynolds Tobacco Co. trademarks by JTI, as well as those of other foreign manufacturers, will raise serious concern regarding JTI's desire for fair and equal market competition," says David Guilfoile, a Reynolds official here.

"Trademarks are the lifeblood of any consumer-products company," says Joel Silverstein, who heads Brown & Williamson Tobacco Corp., Tokyo office. Mr. Silverstein says Brown & Williamson (owned by Britain's B.A.T. Industries PLC) holds Japanese rights to all his company's marks—notably Barclay, Tareyton and Newport—that JTI applied for. The trademark office claims Newport isn't owned by anyone here, but Mr. Silverstein says his company "will vigorously defend our rights to all of them in Japan.

The foreign companies admit that they are partly to blame for the problem; some of them have been slow to register trademarks. Reynolds, for instance, hadn't protected such relatively new brands as Century, Sterling and Bright. Registering new brands, says Mr. Guilfoyle, "involves filing applications in more than 130 markets world-wide, (so that) all filings can't be completed at the same time. In this case, the JTI preempted RJR filings by several months."

The government company, however, sees nothing wrong in its efforts to gain the rights to foreign brands. Officials say they may do it again.

"It isn't cheating," says Kinya Katsukawa, JTI's general manager for marketing. "This is a kind of fair business game. We aren't trying to take any discriminatory action against foreign tobacco makers." Anyone, he notes, has the right to apply for trademarks in Japan. If foreign companies didn't protect their brands here, "maybe they were idle or lazy," he says.

Shigeru Suwa, who heads the Finance Ministry office in charge of supervising the tobacco industry, says the trademark dispute is a business matter that doesn't concern his office.

One reason the Japanese tobacco market is hard to penetrate is that tobacco is a political issue here. Japan's tobacco farmers, although their numbers aren't large, have strong ties to leaders of Japan's ruling Liberal Democratic Party. By law, JTI must buy the tobacco farmers' entire output—which is the main reason it still is a government company.

Foreign companies admit that they have been slow to set up their own distribution systems and reluctant to cut their prices once they had the chance. And they acknowledge that fights over brand names, sometimes involving dirty tricks, aren't unheard of in their business. Philip Morris's Marlboro brand belongs to B.A.T in Canada, and Reynolds's Winston belongs to another competitor in England .

Philip Morris's Mr. Aelvoet recalls that when his company introduced its Merit cigarettes in Japan in 1982, it discovered that the Japanese government company owned the Merit trademark. No matter. To protect itself from just such a problem, Philip Morris already had "defensively" registered one of the Japanese company's brands-Cabin-in the U.S., Mr. Aelvoet says. The two companies simply traded.

ILLITERACY

Mr. GOLDWATER. Mr. President, I respectfully submit the following statement for the record with respect to the hearing held in the House Education and Labor Committee on the causes of illiteracy last Thursday, March 20, at the request of Senator ZORINSKY.

This hearing has already received my strong support as I was a cosponsor with nearly 30 of my colleagues on Senator ZORINSKY's amendment to DOD authorization in fiscal year 1985. This amendment was designed to identify the causes of illiteracy in the early years of education, K-3 grades. It is my firm belief that a discussion on illiteracy is without the heart of the argument if the prevention of illiteracy is not a major focus of the discussion. Unfortunately, there are over 23 million Americans who are considered illiterate. I do not deny the tremendous need for remedial reading programs to help these people. My concern is to prevent this incredible statistic from increasing by even one more American.

We cannot continue to talk about illiteracy without asking the question:

"How is beginning reading being taught in our schools?" Our young Americans start school eager and ready to learn and for many of these children the healthy spirit of adventure into the world of school and learning quickly changes. Many are labeled learning disabled and placed in classes apart from their homeroom. Parents need to question whether a child has a true learning problem or has the child been taught by an ineffective and inefficient reading program? It is one of the most baffling situations I know of that schools readily seek Federal funds for remedial programs. To my way of thinking, the need for such programs indicates a lack of success in the instructional program of the school. Now, I grant you that some students will need special assistance through a remedial program, but the percentage of students in these programs I hope would be relatively low.

For a concrete example, I give you the Gallego School in the Sunnyside School District of South Tucson in Arizona. The principal of Gallego, Mrs. Musgrave, chose to receive no Federal funds for the school. It is a K-6 basics school with an intensive phonics program for its mostly Hispanic lower socioeconomic student body. Many of the households do not have a working parent, but the school, with its dress and discipline code, are fully supported by the parents. Many of these parents, themselves, do not speak fluent english; however, they want no special treatment for themselves or their children.

Gallego uses the Iowa test of basic skills and it is No. 1 out of 16 schools in the Sunnyside District with reading, grammar, and math above grade levels in all six grades. It should be noted that there are 522 students and 22 teachers. There are no specialists on the Gallego faculty. The morning schedule is core time which translates into 3 hours of uninterrupted classroom instruction with a concentration on phonics skills in the lower grades. The phonics program of choice by the Gallego School is the Spalding Phonics Program. The teachers at Gallego were taught by Mrs. Spalding, herself. Also the Spalding Phonics Program is the program of choice of the Reading Reform Foundation of Scottsdale, AZ. I am proud to report the foundation has chapters across the country and the Scottsdale facility is the national headquarters. Each chapter has an opportunity to utilize a phonics program of their own choosing, so not every program uses the Spalding method of teaching phonics. The Spalding method has been repeatedly shown to be both cost-effective and time efficient. The cost can be considered nominal as there are few materials needed and it is easily taught to lay people as well as teachers who do not feel they can teach effectively beginning reading. One of the major functions of the foundation, founded by parents and educators in 1961, is to provide a systematic, multisensory phonics program for beginning reading instruction.

In November 1985, Reader's Digest carried an editorial on illiteracy entitled: "Why Children Aren't Reading." At the close of the editorial, as Reader's Digest is known to do, the postscript stated: "For more information about teaching reading by the phonics method," and gave the address of the Reading Reform Foundation in Scottsdale, AZ. I am told by Mrs. Bettina Rubicam, president of the foundation, a dear friend and tireless worker in the fight for literacy, the foundation received over 25,000 letters as a result of the Reader's Digest editorial. These letters had not only been sent by concerned individuals from across the country, but also from around the world. This kind of response tells me there are many individuals who are deeply concerned with the problems of illiteracy and they want to learn what beginning reading programs work. They aren't looking for gimmicks and extensive materials; just give them what works.

The Reader's Digest editorial stated a beginning reading program needs to have an intensive phonics component. The Reader's Digest phonics recommendation supported and gave credit to "Becoming a Nation of Readers: The Report of the Commission on Reading" which was sponsored by the Department of Education. This report stated in its own recommendations that: "Teachers of beginning reading should present well-designed phonics instruction." It went on to state: "Though most children today are taught phonics, often this instruction is poorly conceived." According to Richard C. Anderson, chairman of this commission, "the report contains the most thoughtful, scholarly, and comprehensive statement that has ever been made about the nature of reading and the practices in the home and the school that promote literacy."

In addition to this strong recommendation for the need for intensive phonics instruction in beginning reading programs, the Department of Education, on March 4, 1986, released its latest report entitled: "What Works: Research About Teaching and Learning." I would like to quote the section on phonics in its entirety as it gives not only research findings, but also provides important background information on how we arrived at our present reading dilemma:

> Children get a better start in reading if they are taught phonics. Learning phonics helps them to understand the relationship between letters and sounds and to "break the code" that links the words they hear with the words they see in print.
>
> Until the 1930's and 1940's, most American children learned to read by the phonics method, which stresses the relationships between spoken sounds and printed letters. Children learned the letters of the alphabet and the sounds those letters represent. For several decades thereafter, however, the "look-say" approach to reading was dominant: Children were taught to identify whole words in the belief that they would make more rapid progress if they identified whole words at a glance, as adults seem to. Recent research indicates that, on the average, children who are taught phonics get off to a better start in learning to read than children who are not taught phonics.
>
> Identifying words quickly and accurately is one of the cornerstones of skilled reading. Phonics improves the ability of children both to identify words and to sound out new ones. Sounding out the letters in a word is like the first tentative steps of a toddler: It helps children gain a secure verbal footing and expand their vocabularies beyond the limits of basic readers.
>
> Because phonics is a reading tool, it is best taught in the context of reading instruction, not as a separate subject to be mastered. Good phonics strategies include teaching children the sounds of letters in isolation and in words (s/i/t), and how to blend the sounds together (s-s-i-i-t).
>
> Phonics should be taught early but not overused. If phonics instruction extends for too many years, it can defeat the spirit and excitement of learning to read. Phonics helps children pronounce words approximately, a skill they can learn by the end of second grade. In the meantime, children can learn to put their new phonics skills to work by reading good stories and poems.

At this time, I would like to say, I do not always find myself in favor of the reports put out by the Department of Education; however, I feel compelled to commend the efforts of Secretary Bennett and Assistant Secretary Finn for these reports. I believe the reports achieved their goals of gathering pertinent and tested knowledge on education and of widely disseminating the information in laymen's terms. Now, I challenge the Department of Education as I have the Department of Defense to find waste and abuse and to stop funding programs that do not work. The American public deserves a fair return on its tax dollars. Concrete results in reading scores and a reduction in the number of children being placed in remedial reading programs would be a step in the right direction.

Our schools should not be turning out losers, but rather making every child a winner. Many of us are constantly stating how valuable our children are, but they are also extremely vulnerable. At a time when they are both young and vulnerable, it seems unfair to expect so much from them. They are repeatedly tested, but our society seems to demand these tests. Well, if we are going to test our young, at least give them a chance to succeed by using proven programs that are both effective and efficient in the transfer of knowledge. It is my hope the above reports on phonics and education and the upcoming hearing on

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the prevention of illiteracy will be the necessary forces to require all local educational agencies to provide an intensive phonics component in beginning reading instruction. Our children deserve the best we have to offer. What better gift to give our young people than the ability to decode the written word.

BUDGET CUTS SHOULD NOT START WITH MILITARY

Mr. GOLDWATER. Mr. President, with the President only having the ability to control 30 percent of the money that the Congress votes to spend, it is more or less natural that one would expect the first cuts in the budget to come out of the military. The military happens to be a part of this 30 percent the President can control. He has absolutely no control over all the payments made under the welfare system, Social Security, retirement, and so forth.

Already we have heard from some of the people in the Budget Committee, Appropriations Committee, and so forth, to the effect that they are going to cut the military. I would remind them, and remind my colleagues in the Senate, that the military took over a $30 billion cut last year while we have increased other areas of expenditures that are rather questionable. The big thing I like about the Gramm/Rudman approach is its going to force, both the President and the Congress, to show a little courage relative to the budget. Anyone who thinks that the budget is going to approach balancing or that we can even meet the President's budget on the present income has another thing coming. On the other hand, who wants to raise taxes?

As chairman of the Armed Services Committee, I am, naturally, worried about the effects that the announcements made already could have upon the personnel of the armed services. Never in my life have I known such a high quality of enlisted men or officers as we now have. But let the people who apportion money or budget money start making noises like we're going to cut the retirement pay, the income, and so forth, of the man in uniform and you are going to see that standard jump out the window.

This is no time and it's not the year for the Appropriations Committee or the Budget Committee to be threatening to cut the military. If those people need a little guidance in where to cut, I suggest there are a lot of things we've been doing lately, like more money for agriculture, and so forth, that we could easily begin with. Let's preempt the use of Gramm/Rudman by showing the courage necessary to take the cuts where cuts can be made, but for safety sake and the sake of freedom, let's not start with the armed services.

I ask that two articles may be inserted in the Record.

There being no objection, the articles were ordered to be printed in the Record, as follows:

Cutting Military Retired Pay—It Could Weaken Our Fighting Strength

In its latest attempt to play games with military retirement benefits, Congress has now painted itself into a corner where drastic action must be taken before May 1st or the Armed Forces will be forced to "lay off" 330,000 active and 176,000 reserve military personnel.

The 1986 Military Authorization Bill directed the DoD to submit legislation to achieve $2.9 billion savings by changing the military retirement system for new people entering military service. The Appropriations Bill which followed deleted the $2.9 billion from the DoD budget, but provided temporary authority to transfer up to that amount from prior year balances to cover costs incurred until Congress actually enacted retirement changes.

That relief is only temporary since the bill requires that after 1 May, the services must revert to the Authorization Act spending limits. In other words, unless Congress acts promptly, the military personnel account will be $241 million in the red for each month since the start of the fiscal year last October.

The DoD submitted its report on military retirement on schedule, but Congress has not yet acted. Unless it either enacts changes to the retirement law or lifts the cap on obligations, the services have no recourse but to separate large numbers of people involuntarily. In the Army's case, Chief of Staff Gen. John A. Wickham, Jr., reported to Congress that he would have to fire 120,000 active and 112,000 reserve soldiers. Such a loss would cripple Army readiness.

The best move Congress can make is to permit the Armed Forces to use the prior year money to cover obligations incurred during Congressional procrastination. This could be easily done by revoking the requirement that they revert to the lower authorization level on 1 May. This would eliminate the serious impairment of recruiting and retention of our Armed Forces which will almost certainly result from hasty, ill-considered legislative action.

The worst thing Congress could do is to do nothing. To allow these draconian military personnel cuts would be even more devastating than the erosion of benefits embodied in the proposed retirement changes.

Career Veterans of the Military—Gramm-Rudman's First Casualties

The federal district court ruling that says a key provision of the Gramm-Rudman deficit reduction law is unconstitutional came too late to aid the first casualties of the draconian budget cuts mandated for 1986 and beyond. An immediate result of the legislation passed in December is the elimination of the cost-of-living allowance adjustment (COLA) for military and other federal retirees that was to have appeared in their January 1 paychecks.

COLAs for Social Security and Veterans' disability recipients are specifically protected by Gramm-Rudman, causing the four million federal and military retired people to feel discriminated against. Adding to their frustration is the fact that the federal budget for fiscal year 1987 proposes a 3.7 percent COLA for veterans and survivors who receive their payments from the Veterans' Administration while recommending zero COLA for military retirees. If Gramm-Rudman is allowed to run its course, these COLA freezes would reduce the lifetime value of military retired pay by 20.5 percent by 1991.

The impact of the no-COLA provisions of Gramm-Rudman on present and future military retired people and their survivors is devastating. The average retired enlisted man, a Sergeant First Class with 23 years in the service, receives approximately $1,000 monthly in retired pay. Without the purchasing power protection of the COLA program, and at a minimal inflation rate of three percent per year, that would shrink to an annuity for his widow of only $270 a month in twenty years. That prospect is frightening.

These individuals and their families have paid and are still paying a high price for the privilege of serving a full career in the uniform of their country. Now it seems they are to be treated differently than other veterans with respect to cost of living adjustments to their earned entitlements.

Military retirees are veterans in every sense of the word and yet this fact seems to have been ignored by Congress. These career veterans and their survivors have earned and should receive equitable treatment with other veterans when the difficult decisions regarding federal budget cuts are being made.

CONCLUSION OF ROUTINE MORNING BUSINESS

The **PRESIDING OFFICER.** Is there further morning business? If not, morning business is closed.

METROPOLITAN WASHINGTON AIRPORTS TRANSFER ACT

The **PRESIDING OFFICER.** Under the previous order, the time until 12 noon shall be equally divided and controlled by the Senators from Maryland [Mr. Sarbanes and Mr. Mathias], and the Senators from Virginia [Mr. Warner and Mr. Trible].

Mr. SARBANES addressed the Chair.

The **PRESIDING OFFICER.** The Senator from Maryland.

Mr. SARBANES. Mr. President, how much time does the Senator from Maryland have?

The **PRESIDING OFFICER.** Sixteen minutes.

Mr. SARBANES. I yield 4 minutes to the distinguished Senator from Michigan.

The **PRESIDING OFFICER.** The Senator from Michigan.

Mr. RIEGLE. Mr. President, I thank the distinguished Senator from Maryland for yielding me time. I thank him for the very important, strong leadership he has given on this issue. I think it is very important that we understand what is happening here and oppose this transfer of two airports and their adjacent lands to the State of Virginia.

Now, I strongly opposed this proposal in the Senate Commerce Committee and after listening to the debate on the floor now over several days my opposition is even stronger.

There is no question but that this is an extraordinarily good deal for the State of Virginia but it is a terrible deal for the taxpayers of the United States of America. We own these assets. In a sense, it is sort of a repeat of the Conrail sale in a different form, namely unloading very valuable national assets at a fraction of their true value.

Secretary Dole has said to us that the total purchase price for the two airports if sold as this bill is recommending would be approximately $47 million but over a period of 35 years. We now know that the real value of these properties is many times that amount of money.

There is an offer floating around from a British investment consortium of $1 billion, but I think even that is understating the worth of these properties.

It is not just the two airports. The two airports are exceedingly valuable in and of themselves, but it is the adjacent land. For example, the land around Dulles which is called the buffer zone consists of 10,000 acres, and of that land, 2,000 acres are available for development. If you get into the fine print here, you will find that the best estimates are that the value per acre of that land is on the order of $100,000.

We are talking about incredibly valuable land owned by this Government and by the people of the United States which ought not be given away or sold for anything less than full, fair value, particularly at a time when we have extraordinary national deficits.

In that respect, some people think that the deficits are somehow going away magically this year, that they are self-liquidating. That is not the case.

I say to the Senator from Mississippi [Mr. Stennis]—because he is particularly concerned about deficits, as we all are—that through the first 5 months of this fiscal year, our deficit is substantially larger than it was for the first 5 months of last year. Our deficit through the first 5 months of this year is $106 billion. Last year, through the same 5 months, it was $100 billion. So our deficit problem is more severe this year than last year. There is absolutely no justification for giving away at bargain basement prices very valuable national assets which, if they are to be sold, should be sold at full value.

The **PRESIDING OFFICER.** The time of the Senator has expired.

Mr. SARBANES. I yield the Senator 1 additional minute.

Mr. RIEGLE. I thank the Senator.

If you read the fine print here, the covenants that would protect the disposition of the adjacent lands are not sufficient. In fact, the exact language is that the lands can be developed not just for aviation business and activities but for nonaviation business and activities that provide revenue for the airport authorities. They would be fools not to develop the land commercially. I think that there is every intent to do that over a period of time. The State of Virginia will make the windfall gain, but the American taxpayers will be the losers. There is no excuse for this. It is a giveaway of valuable national assets at a time when that is improper and the moneys are needed for the other activities of our Government.

I thank the Senator from Maryland for his leadership and for yielding the time.

Mrs. KASSEBAUM. Mr. President, as a proponent of this issue, I yield myself 5 minutes.

The **PRESIDING OFFICER.** The Senator is recognized for 5 minutes.

Mrs. KASSEBAUM. Mr. President, as chairman of the Subcommittee on Aviation, I support S. 1017, the Metropolitan Washington, Airports Transfer Act of 1985, a bill which will improve the facilities and management of Washington National and Dulles International Airports. I have unquestioning faith that this legislation will improve the facilities and management of Washington National and Dulles International Airports.

I think we have heard some very interesting debate on the floor over the last couple of days, and the Senator from Maryland has been very thoughtful and very persuasive in many of the arguments he has made.

The legislation is simple in concept. It proposes that the Federal Government lease National and Dulles Airports to an independent regional operating authority for a period of 35 years. It has been questioned whether we were doing it too cheaply, whether we could get a better price. Perhaps that question is open. A careful study has been made, and the proposal in this legislation is the conclusion that has been reached. During those 35 years, Congress and the administration would have the responsibility to oversee the new authority's activities, after which period ownership transfers to the authority. The administration, the airlines, and affected community groups believe this to be the best available means to achieve a stable airports operating policy, and to provide improved facilities to serve the needs of both the traveling public and the local citizens. I think this is an eminently sensible point of view. We have an extraordinary situation developing at National and Dulles, with National a high-density airport and the demands at Dulles escalating in the last year.

The problems which this legislation is intended to address are obvious to all those who use the two airports. Under Federal control, budgetary concerns have meant that improvements to the facilities—financed through the appropriations process—have been slow in coming. National is known for its traffic and terminal congestion, and Dulles has been criticized for years for its disfavored mobile lounge system, and quickly shrinking parking facilities. While any other airport in the country could easily remedy these problems with the proceeds of revenue bonds and grants from the FAA's Airport Improvement Program, National and Dulles—the only two air carrier airports owned and operated by the Federal Government—must depend on the uncertainties of appropriations.

These deficiencies are a direct result of the anomaly of Federal ownership. All other U.S. air carrier airports are operated by State or local public authorities that are best able to respond to local needs. Washington deserves the same for National and Dulles.

During the Aviation Subcommittee's hearings on this legislation, and during subsequent Commerce Committee consideration, two questions have been regularly heard. I think a brief discussion of them might allay some concerns.

First, service: Most Members are intensely interested in the amount of service to and from certain cities, from both National and Dulles. The cities an airline serves is a matter of that carrier's choice, except insofar as it may be limited by other regulations. For the most part, this issue is outside the scope of the legislation. Under the terms of the bill, however, the airports must be maintained as primary airports, meaning that there is no likelihood that they could be transformed into all-commuter or general aviation airports. Likewise, the number of operations at National, regulated by the Department of Transportation under the high density rule, would be frozen, ensuring a consistency of operations there. Although the passenger cap at National would be removed by this legislation, freezing slots at the current level, as provided in the bill, should prove to be an effective way to maintain traffic control.

Mr. President, I hope to offer an amendment later, as we proceed with this measure, in an effort to remedy the buying and selling of slot allocations, about which I have serious reservations, and I hope to address them in a way different from buying and selling.

Second, Baltimore Washington International Airport: Throughout the hearing process, the State of Maryland has argued that S. 1017 would

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put BWI at a competitive disadvantage. While it is doubtful whether the bill, even in its original form, disadvantaged BWI, after the committee's action on the bill, there can be no question but that a "Level playing field" has been achieved. At the committee's executive session on the bill, Senator Ford undertook the task of assuring that BWI was protected. He proposed and the committee adopted, amendments to the bill which; first, allow BWI to join National and Dulles in the new operating authority if ever it should choose to do so; second, prohibit the cross-subsidization of National or Dulles by the other airports landing fees or parking revenues; third, greatly restrict the development of land at Dulles; and fourth, provide for an audit of the transfer cost of National and Dulles to ensure that it fairly represents their value. If BWI needed any protection other than its own strong market position—and all indications are that it is enjoying explosive growth and has more than enough traffic—these amendments would assure it.

Mr. President, this legislation would ensure that National and Dulles Airports, long subject to benign Federal neglect, will enjoy a new, stable, policy of operation, and that they will be able to finance needed improvements in the manner and at the speed they choose. This is a reasonable, long-needed plan. I think the Senators from Virginia [Mr. Trible and Mr. Warner] have made an excellent case for this legislation, which I heartily endorse, and I urge my colleagues to support it.

Mr. HOLLINGS. Mr. President, we are about to vote for the second time on the petition to invoke cloture on the motion to proceed to S. 1017, legislation to transfer Washington National and Dulles Airports to the Virginia-dominated authority. Last Friday, the Senate overwhelmingly rejected a similar attempt to limit debate by a 50–39 margin.

I applauded that vote, for it showed that this debate has been one of substance and education. When the Secretary of Transportation first unveiled her proposal to sell off the airports, I listened carefully to her. I agreed with her decision to sell Conrail to the Norfolk Southern. But shortly after I learned what this proposal entailed, I knew it was flawed and had to be rejected.

This legislation envisions taking two Federal facilities that are generating significant amounts of employment and revenue, and selling them off, all in the name of taxpayer savings. Only in the last 4 days, have the Senator from Maryland, myself, and several others begun to break down those assertions, exposing this legislation for what it really is—a "fix."

To begin with, this fire-sale, which is strongly opposed by the National Taxpayers Union, has been proven to be just that. Within days of the public learning about the undervalued sale price, a group of private investors came forward with a proposal to offer up to $1 billion for the purchase of these airports. And, from my understanding of the offer, it is not their intention to turn these airports into foreign trade zones, as this legislation would allow. Rather, they have made the commitment to operate these facilities as public airports.

In response, the Secretary of Transportation and my distinguished colleagues from Virginia have argued that increasing the sale price will only mean higher parking fees and ticket prices for airport users. I agree 100 percent with them on that score. In fact, I have been arguing that same logic for months, with respect to the cost of bonds needed to renovate the two airports.

I ask my friends from Virginia, who would pay for these bonds—some $366 million in bonds needed for just $250 million in capital development? Why the air travelers, of course. And who will pay for the $346 million revenue drain on the Treasury that those bonds will create? The very same ones the Secretary and my colleagues from Virginia are claiming to be so concerned about when it comes to increasing the sale price.

How can we consider legislation that is supposedly in the public interest, yet which is going to cost taxpayer, the traveling public, and the U.S. Treasury hundreds of millions of dollars?

As an aside, I cannot help but to ask the distinguished Secretary of Transportation—if she is so concerned about not selling these airports to private interests, then why is she giving away the landing rights at National Airport for nothing, only to allow the airlines to then profit from their sale? How can she be so concerned about maintaining these airports as public use facilities, when she is allowing the private sector to capitalize on the "slots" at those airports? This contradiction deeply concerns me, as it should my colleagues.

This costly legislation should be rejected today. I therefore strongly urge my colleagues in the Senate to join me in voting against cloture on the motion to proceed.

Mr. TRIBLE. Mr. President, at this point I yield to my distinguished colleague and chairman of the Commerce Committee, the Senator from Missouri, such time as he may require.

The PRESIDING OFFICER. The Senator from Missouri.

Mr. DANFORTH. Mr. President, first, let me express to Senator Trible my appreciation and the appreciation of the Commerce Committee for the excellent job that he has done in managing this bill.

He and Senator Warner have been deeply involved in the bill. They have been here by the hour ever since this debate started.

I think that it is important, however, to recognize that while with the Senators from Virginia and Senator Sarbanes participating at such length in this debate, it gives it a regional gloss, this is really not a regional piece of legislation at all. This is a bill which does have national concerns. We are the Nation's Capital. And we, Americans from all over the country, are dependent on good, modern, safe, up-to-date airports in our Nation's Capital.

We have now been at this debate for 5 days. I commend Senator Sarbanes for an excellent job in presenting his point of view. It seems to me that after 5 days of debate the time has come to at least move on to the bill so that Senators who have concerns are able to offer whatever amendments they choose.

We have talked so much about quality of life in the Senate. We have talked so much about the difficulty we have in coming to grips with any issue. There has been 5 days now on a motion to proceed and I think that the time has come to proceed.

Mr. President, I understand the position of the Senator fom Maryland. Obviously, when there are three airports in an area, the health of one of those airports is improved I suppose if the other two falter. I think that it is clear that the other two are faltering, especially National.

I have to say, as a matter of personal use, I use National Airport much more often than I use Dulles to get to and from both St. Louis and Kansas City. The usual way to do it is to go through National Airport.

I think any Senator who has gone through National Airport, and that is all of us in the last week or two, recognizes that something is seriously wrong with that airport.

There is no airport that I know of in the country in the decrepit state that National Airport is in, and yet this is the Nation's Capital. This is where people come from all over the country, from all over the world, right into National Airport.

Mr. President, if the Senate thinks that things are going to get better at National Airport consider Gramm-Rudman. Will we in fact, as Congress, be appropriating significant sums of money in the future for National or Dulles? I do not think so.

It seems to me that the way to treat National and Dulles is the same way that every other commercial airport in the country is handled, and that is to allow local officials to assume responsibility for the airport. It is local officials who are going to care for the airport, who are going to modernize the airport, who are going to make sure that it is competitive and the best airport available.

So, my hope is that we would get on with this important legislation. It is important. It is not just regional legislation. At the very least, I would hope that Senators who voted against cloture on Friday would now reconsider their vote to get on with this bill, vote at least to proceed to the consideration of the bill so that those who do have concerns can offer amendments.

The PRESIDING OFFICER. Who yields time?

Mr. SARBANES. Mr. President, what is the time situation?

The PRESIDING OFFICER. The Senator from Maryland has 11 minutes and the Senator from Virginia has 5 minutes.

Mr. SARBANES. Mr. President, I yield myself 4 minutes.

The PRESIDING OFFICER. The Senator from Maryland.

Mr. SARBANES. Mr. President, I do not know that there is any argument in the body that the airports need to be improved. When I say "the airports" I mean all three airports serving the Washington regional area: National, Dulles, and BWI.

The real question is how is that to be accomplished and on what terms and conditions and what framework.

My able colleague from Michigan earlier made a very strong point that these very valuable Federal assets are being disposed of at bargain basement prices, fire sale prices, at a time when the Federal Government needs to realize the maximum amount on its assets in order to help to address the budget situation. That is a question of reasonableness. What is a reasonable price for the disposal of these assets?

Clearly, it seems to me that the price that is involved here is not reasonable. It is really a giveaway to this authority.

Second, much has been made of the fact that this extended discussion has been with respect to the motion to proceed. I want to underscore to my colleagues why that is important. It was really indicated by the junior Senator from Virginia earlier in debate when he indicated when an amendment was offered or when the Senator from South Dakota inquired about an amendment that he wished to offer, in the response to it the junior Senator said in saying he would oppose it:

> I will say to the Senator the reason I suggested it would kill this bill is that this bill is based on a compact passed by the State of Virginia and the city of the District of Columbia that reflects this carefully crafted balance arrived at.
>
> Each of us can disagree as to what kind of representation we would want fot the various parties. But we have many different interests here. It is very difficult to reconcile those interests to everyone's satisfaction.

What we are arguing is in order to reconcile these differences, there is one crosscurrent moving through the Chamber that says from a Federal perception what is being paid is not adequate; others, who feel that the airport should in fact continue to be done by the Federal Government and financed out of the airport trust fund for the improvements where there is a very great deal of money simply being held there. There is another crosscurrent that says if you are going to transfer them, you at least ought to do it on a fair and equitable basis between the States.

I think a guiding principle should be that the Federal Government, when it takes an action with regard to the States, ought to seek to be neutral and not to advantage one State and disadvantage another. This bill clearly does that because it permits a cross-subsidy between the two airports to take place.

The PRESIDING OFFICER. The Senator's 4 minutes have expired.

Mr. SARBANES. I yield 2 minutes to the distinguished Senator from South Dakota.

Mr. PRESSLER. Mr. President, I ask unanimous consent to proceed for 2 minutes.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. PRESSLER. Mr. President, last week I made several speeches on the need to have more Presidenital appointments to the Metropolitan Washington Airports' board of directors. I am very concerned that under the present proposal there would be five members from Virginia, three from the District of Columbia, two from Maryland, and only one appointed by the President.

The Senator from Nebraska, the Senator from South Carolina, the Senator from Pennsylvania, and I have an amendment, which other Senators are joining, which will authorize two members to be appointed by Virginia, two by the District, two by Maryland, and five by the President. The reason for this is that there is a national interest in these two airports. For example, at present a direct flight from my State of South Dakota is frequently not given prime landing time. We do not know if there will be reregulation of the airlines or what the rules will be in the future. But other States in the Union have an interest in these two airports because constituents need to come to Washington, DC, to petition the Federal Government, to petition Congress. Indeed, there are some constituents waiting to see me at this moment who traveled here to talk to me about problems facing the elderly.

But under this plan a vote of seven is required for capital improvements or increases in the annual budget. So basically Virginia and the District of Columbia or Virginia and Maryland, either one or the other, mostly Virginia, would control the whole thing.

I commend my two colleagues from Virginia because they have done an excellent job. If they succeed in passing this bill in its present form it is a great deal for Virginia. But there may be unforeseen events that occur down the road, and constituents from various States in this Union will come to their Senators and say, "Why don't you do something about this?" We will have to say we gave away all the authority, we transferred it to a metropolitan board.

The PRESIDING OFFICER. The Senator's 2 minutes have expired.

Mr. WARNER. Mr. President, will the Senator yield on my time for a question?

Mr. PRESSLER. Yes.

Mr. WARNER. I have been here with my colleague, Mr. Trible, and other Senators for several days on this bill.

Now, the Senator raises a good question. My question to the Senator—let us let the full Senate turn to this bill, consider the amendments, and get right to the heart of the matter. I, therefore, ask if he could not join us on this cloture motion such that we could move to the bill?

Mr. PRESSLER. Could I ask my good friend if he would join as a cosponsor of my amendment at this point as a way of indicating the importance of getting national representation. We are seeking cosponsors. Let me say that some of the small States——

Mr. WARNER. Will that get your cloture vote?

Mr. PRESSLER. Let me say that some of the lesser populated areas in the country are struggling to get some equal treatment. It is true these big airports like the jumbo jets.

Mr. TRIBLE. Mr. President, I must regrettably reclaim my time.

Mr. PRESSLER. May I finish answering the question?

The PRESIDING OFFICER. The Senator from Virginia has the floor.

Mr. PRESSLER. Would he join as a cosponsor of my amendment?

Mr. WARNER. We shall discuss the amendment.

At this time, I yield to my distinguished colleague from Virginia.

Mr. TRIBLE. Mr. President, I regret I have to take back the time, but time is passing very quickly. I want to give my two colleagues an opportunity to pursue their colloquy. Let me say, Mr. President, the Senate has been treated now to 4 days of extended debate. Only a handful of Members have cared to come here and express their concerns about this measure. This legislation addresses a significant national interest—improving air transportation to our Nation's Capital.

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Mr. President, it is time for the Senate to act so we can meet those needs. We cannot permit delaying tactics to deter us from achieving that goal. We cannot allow the voice of particularity to tyrannize the Senate. Several Senators have expressed their concerns—some about the price of this transaction, others about the composition of the regional board, still others about the competitive aspects in terms of the airports in our region. Those concerns can be met if the Senate will permit us to turn to a debate on the merits. Let us proceed. Let us consider the thoughts and concerns that have been raised to date.

The bill before us is a reasonable and constructive measure to ensure that we can make needed improvements at National and Dulles. Failure to proceed virtually guarantees growing inconvenience, delay, and frustration for all travelers, from Virginia, from Mississippi, from Maryland, from all the States of this great Union.

The issue before the Senate is: Will we maintain the status quo and watch these airports slowly strangle because of Federal ownership, or will we take the necessary steps to make National and Dulles modern jetports?

This is not a vote for or against one party. This is not a vote for or against one State. Rather, it is a vote to begin the process of ensuring air access to our Capital for all of our citizens. I urge my colleagues to vote to invoke cloture on this second round so we can proceed to the merits, to a thoughtful debate and discussion of the important issues before us.

The PRESIDING OFFICER. Who yields time?

Mr. SARBANES. Mr. President, what is the time situation?

The PRESIDING OFFICER. The Senator from Virginia has 1 minute and the Senator from Maryland has 5 minutes.

Mr. SARBANES. Mr. President, I yield myself 3 minutes.

Mr. President, I think it is important to understand that if cloture is not invoked, it provides the opportunity for the Secretary of Transportation then to revisit this issue with the various affected parties in order to try to work out a balancing of interests that takes care of the concerns that have been raised and diminishes the controversy that surrounds this legislation.

Mr. President, I reserve my time and yield 1 minute to the distinguished Senator from New Hampshire.

The PRESIDING OFFICER. The Senator from New Hampshire.

Mr. HUMPHREY. Mr. President, I want to utter a word that I hope we will hear increasingly in this Chamber over the next several years, and that is "privatization." The proposal now before us or which would be before us if cloture is invoked is not a privatizing option. This does not involve privatization. It simply involves transferring these properties from one governmental entity, namely, the Federal Government, to another governmental entity, namely, a regional airport commission. So I think I am probably grinding an ax somewhat different than that of the Senator from Maryland.

But I want to say to those Senators, particularly of a fiscal conservative and privatization orientation, that this is not privatization. And the irony is that just yesterday an agent of the Rothschild banking interests in England extended a preliminary feeler extending a preliminary indication of interest to buy these airports; that is, this would be a sale to private parties. That would be true privatization, allowing the charging of market clearing prices and the most efficient use of valuable resources and the greatest return to the taxpayers of this country. So I urge Senators who favor privatization to vote against cloture.

The PRESIDING OFFICER. The Senator's 1 minute has expired.

Mr. SARBANES. Mr. President, I yield myself 2 minutes.

Mr. President, I think it is very clear there are a number of crosscurrents in this body with very substantial doubts about this legislation and people come at it from differing points of view. Some do not think the Federal Government should dispose of it at all; others believe it is being disposed of at prices that are ridiculously low; others believe that if it is to be disposed of the private sector alternative should be considered; others of us have asserted very strongly that it is being disposed of in such a way it is not competitively fair as between the States. And I feel very strongly that a guiding principle at the Federal level ought to be equity and neutrality as between States and that the Federal Government ought not to take action which clearly advantages one State to the disadvantage of another when they are in a competitive posture, which is exactly what is happening here with this legislation.

Now how are all of these things going to be worked out? The Senator from Virginia has said that you cannot really change the structure because you have got, in effect, a compact with the State of Virginia and the District of Columbia and therefore you would undo it. It is almost like a treaty. You cannot amend it because the parties have entered into the treaty and, therefore, you have to go back to them.

Yes, you would have to go back and discuss it with them, and what ought to be done here is to engage in that discussion first. Given the serious questions that have been raised, given the extended difficulties Members have brought forward with respect to this legislation, it seems clear to me that what ought to be done——

The PRESIDING OFFICER. The Senator's 2 minutes have expired.

Mr. SARBANES. How much time do I have remaining?

The PRESIDING OFFICER. One minute.

Mr. SARBANES. I yield myself the balance of my time.

Mr. President, it is clear to me, as my distinguished colleague from Maryland pointed out yesterday in the course of the debate, that the structure is not here in this legislation to work out a solution. In other words, a solution is needed. I do not quarrel with that. And we are not trying to, in effect, beggar our neighbors. We want improvements in these airports and we recognize they are necessary.

Mr. President, I reserve any time in order to yield the balance of it to the Senator from South Carolina.

The PRESIDING OFFICER. The Senator's time has expired.

The Senator from Virginia has 1 minute.

Mr. TRIBLE. Mr. President, I yield my remaining time to my distinguished colleague from Virginia.

Mr. WARNER. Mr. President, I say to my distinguished colleague from Maryland, the junior Senator, that we were together on this floor yesterday afternoon for nearly 3½ hours and I repeatedly gave you the assurances, if the Senate is allowed to turn to this bill, that we would address the inquiries, each and every one that you have raised, and in that manner the Senate can work its will and this legislation can be moved forward.

So, Mr. President, I urge our colleagues to allow the Senate now to move forward with full consideration of this bill.

Mr. President, as we prepare to vote on the question of whether or not to invoke cloture on the motion to proceed to S. 1017, I hope that Senators will closely examine the proposal to transfer the Metropolitan Washington airports to a regional authority.

Over the past several days our colleague from Maryland has time and again made points that in my judgment cloud the issue.

The most often repeated objection to this legislation by the Senator from Maryland is that this transfer is in effect a "fire sale" of the airports to the Commonwealth of Virginia.

Mr. President, nothing could be further from the truth.

First of all these airports will be controlled by a regional authority on which, even though the airports are located in Virginia, Virginians will not even hold a majority of membership. Furthermore, in order to ensure regional and national interest a supermajority vote of seven will be required to take major action such as approval

of the budget and major construction programs.

The idea that somehow Virginians would be in favor of restricting access to the National Capital is absurd. In fact, the entire reason for this transfer is to increase the ability of our airports to handle the growing demand for traveler access to the Washington, DC, area.

These airports both need major capital expenditures.

In light of our present deficit problems it is unnecessary to expect the Federal Government to take on the burden for these costs that could reach as high as $1 billion. We, in the Washington metropolitan area are willing to accept this burden in return for adequate airports, something we have been denied and will continue to be denied as long as these airports are under the control of the Federal Government and dependent on the Congress for appropriations to make capital improvements.

It would seem to me that the Congress would welcome this opportunity to turn this liability of $1 billion to the local authority.

Another point that I believe needs to be made is the fact that any increase in the price paid by the authority would decrease the amount available for capitol improvements, but it would be borne by the air traveling public. The price of flying into National and Dulles Airports would increase because these funds would have to be raised by increasing fees on air carriers using the airports.

In summation, Mr. President, the point must be made that this issue has been carefully considered by the Holton Commission as well as the Commerce Committee which voted 12 to 4 to report S. 1017 favorably. This is a good bill. It is the best way to ensure that necessary improvements to these airports can be made. It is the best way to ensure that all air travelers who wish to have access into the Washington, DC, area will have that opportunity. It is important that we agree to the motion to proceed to this bill. If Senators shave amendments we will be able to consider them once we move to consideration of this bill. I hope Senators will vote to end what has obviously been a dilatory action delaying the consideration of the airport transfer bill.

CLOTURE MOTION

The PRESIDING OFFICER. The clerk will report the motion.

The assistant legislative clerk read as follows:

CLOTURE MOTION

We, the undersigned Senators, in accordance with the provisions of Rule XXII of the Standing Rules of the Senate, hereby move to bring to a close debate on the motion to proceed to the consideration of S. 1017, a bill to provide for the transfer of the Metropolitan Washington Airports to an independent airport authority.

Bob Dole, Paul Trible, J. Warner, John East, Slade Gorton, Jake Garn, Daniel J. Evans, Jeremiah Denton, Arlen Specter, Dave Durenberger, Jesse Helms, Mark Hatfield, Nancy Kassebaum, Al Simpson, Thad Cochran, and Bob Kasten.

VOTE

The PRESIDING OFFICER. The question is, Is it the sense of the Senate that debate on the motion to proceed to the consideration of S. 1017, a bill to provide for the transfer of the Metropolitan Washington airports to an independent airport authority, shall be brought to a close? The yeas and nays are automatic under the rule. The clerk will call the roll.

The assistant legislative clerk called the roll.

Mr. SIMPSON. I announce that the Senator from Maine [Mr. COHEN] is necessarily absent.

Mr. CRANSTON. I announce that the Senator from Maine [Mr. MITCHELL] is necessarily absent.

The PRESIDING OFFICER (Mr. HECHT). Are there any other Senators in the Chamber who desire to vote?

The yeas and nays resulted—yeas 66, nays 32, as follows:

[Rollcall Vote No. 44 Leg.]

YEAS—66

Abdnor
Andrews
Armstrong
Bentsen
Boren
Boschwitz
Chafee
Cochran
D'Amato
Danforth
DeConcini
Denton
Dixon
Dodd
Dole
Domenici
Durenberger
East
Evans
Garn
Glenn
Gore
Gorton
Gramm
Grassley
Hart
Hatch
Hatfield
Hawkins
Hecht
Heflin
Helms
Inouye
Kassebaum
Kasten
Kerry
Lautenberg
Laxalt
Long
Lugar
Matsunaga
Mattingly
McConnell
Moynihan
Murkowski
Nickles
Nunn
Packwood
Pell
Pryor
Quayle
Rockefeller
Roth
Rudman
Simpson
Specter
Stafford
Stevens
Symms
Thurmond
Trible
Wallop
Warner
Weicker
Wilson
Zorinsky

NAYS—32

Baucus
Biden
Bingaman
Bradley
Bumpers
Burdick
Byrd
Chiles
Cranston
Eagleton
Exon
Ford
Goldwater
Harkin
Heinz
Hollings
Humphrey
Johnston
Kennedy
Leahy
Levin
Mathias
McClure
Melcher
Metzenbaum
Pressler
Proxmire
Riegle
Sarbanes
Sasser
Simon
Stennis

NOT VOTING—2

Cohen
Mitchell

The PRESIDING OFFICER. On this vote, the yeas are 66, the nays are 32. Three-fifths of the Senators duly chosen and sworn having voted in the affirmative, the motion is agreed to.

RECESS UNTIL 2 P.M.

The PRESIDING OFFICER. The Senate is now in recess until 2 p.m.

Thereupon, at 12:22 p.m., the Senate recessed until 2 p.m.; whereupon, the Senate reassembled when called to order by the Presiding Officer [Mr. WALLOP].

BALANCED BUDGET CONSTITUTIONAL AMENDMENT

The PRESIDING OFFICER. Under the previous order, the hour of 2 p.m. having arrived, the Senate will now resume consideration of Senate Joint Resolution 225, with the time equally divided and controlled by the majority and minority leaders, or their desginees.

The clerk will report.

The assistant legislative clerk read as follows:

A joint resolution (S.J. Res. 225) proposing an amendment to the Constitution relating to a Federal balanced budget.

The Senate resumed consideration of the joint resolution.

Mr. DOLE addressed the Chair.

The PRESIDING OFFICER. The majority leader is recognized.

Mr. DOLE. Mr. President, the managers on each side will be here momentarily to take up the final debate on the balanced budget amendment.

Under the order, the vote should come at 6 o'clock. There may be an agreement that everybody will be present at an earlier time to move that vote up. But I doubt that we will need 4 hours for the final debate.

My understanding is that there may not be any amendments offered. The colloquy may satisfy Members on each side who have reservations.

So I know the managers will be here in the next few minutes. We can then take up that matter.

I would like, if possible, to finish the water resources bill today. We might be able to do that yet this afternoon.

Then the next item will be the Contra aid resolution.

Mr. President, I suggest the absence of a quorum, and ask unanimous consent that the time be equally divided.

The PRESIDING OFFICER. Without objection, it is so ordered.

The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. SIMON. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. (Mr. QUAYLE). Without objection, it is so ordered.

Mr. SIMON. Let me just take a few minutes to reiterate a couple of points, and let me address particularly my colleagues of the progressive bent in this body who are not sure how they want to vote on this constitutional amendment.

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To those who say we should not pass a balanced budget amendment because it is alien to the Constitution, I would point out, again, it was for decades regarded as an unwritten amendment to the Constitution. Up to and through the year 1917, when we accumulated a $3 billion indebtedness, we abided by that unwritten constitutional amendment. An enterprising member of my staff, Chris Wilson, came across this quote from Thomas Jefferson.

The PRESIDING OFFICER. Will the Senator from Illinois suspend for one moment? The Chair has to ascertain who is yielding time to the Senator from Illinois.

Mr. DeCONCINI. The minority side will yield whatever time the Senator from Illinois desires.

Mr. BYRD. Mr. President, under the agreement, the time is divided between the two leaders or their designees; is that accurate?

The PRESIDING OFFICER. The Senator is correct.

Mr. BYRD. I believe the managers on both sides are for the amendment, so there would need to be a designation of time to the opponents. I have no problem with that, I will yield my time on this side to Mr. DeConcini, and I know that he will yield to those who oppose the amendment as well as those who support it. I have no question but that it will be as equal under his control as it would under mine.

The PRESIDING OFFICER. The Senator from Illinois is recognized.

Mr. SIMON. I thank the Chair, and I thank both the minority leader and my colleague, Senator DeConcini.

Let me read this quote from Thomas Jefferson in 1796. Thomas Jefferson wrote:

> I wish it were possible to obtain a single amendment to our Constitution. I would be willing to depend on that alone for the reduction of the administration of our Government to the genuine principles of its Constitution. I mean an additional article taking from the Federal Government the power of borrowing.

If there is one person who was the philosophical founder of our Nation—and obviously it was more than one person, but if we were to credit one person—it would be Thomas Jefferson.

Three other points very briefly. One is the redistribution effect of what we are doing right now. This year we will pay out $181 billion in gross interest. Next year it is going to be $207 billion approximately. Who pays the money? By and large, it is the working people of America. Who gets the money? By and large, it is the more fortunate economically. It is, as our colleague, Senator Dale Bumpers, has said, the most massive redistribution of wealth in the history of humanity. We can at least slow that process down.

Second, I would say to those of my colleagues who believe that we ought to be doing more for education, for health delivery, for health research, for many things that are in great need in our Nation—job creation and other things—so long as we continue to have this massive growth of interest, we are simply not going to be able to do what we should for education, for jobs, for health research, for health delivery. The greatest growth, by far, in this Federal Government during the last 6 years has been interest payment—240-percent growth. We are at the point where we are going to double it every 4 or 5 years. And then finally I remember vividly in the Gramm-Rudman-Hollings debate many Members go up and said, "Oh, let's balance the budget, but don't balance it this way."

Here, my friends, you have the opportunity to say, on the record, we must balance the budget. We do not say how it should be done, but we just say it must be done unless there is a three-fifths vote of Congress to the contrary.

It seems to me it is eminently sound, and if there are Members of this body of either side who are still on the fence, I hope they come over to the side of fiscal responsibility. I hope they come over to the side of hope for the future of this Nation.

Two weeks ago Senator Thurmond placed into the Record the names of the staff members who have worked so hard on this amendment. I applaud him and join him in thanking those staff members. I extend that list of thank you's to organizations who have worked very hard on behalf of this amendment. I have several letters I would like to place into the Record by way of a thank you and as a memorialization of their efforts.

There being no objection, the letters were ordered to be printed in the Record, as follows:

Tax Limitation/Balanced
Budget Amendment Coalition,
Washington, DC, March 3, 1986.

Hon. Paul Simon,
U.S. Senate, Washington, DC.

Dear Senator Simon: The Tax Limitation/Balanced Budget Amendment Coalition strongly urges you to support S.J. Res. 225, as Senators DeConcini, Hatch, Simon and Thurmond propose to amend it. S.J. Res. 225, with the aforementioned amendment, would provide that outlays of the United States shall not exceed receipts unless three-fifths of the House and Senate specifically authorize such a deficit. It also will contain an essential tax limitation feature as well as an "accountability provision."

The Coalition believes that no issue is more important to the health of this country than getting our financial house in order. We believe that the time to permanently lock in balanced budgets is now.

We urge you to cosponsor and vote for this compromise proposal.

Thank you for your consideration.

Respectfully,

Wayne H. Nolix.

COALITION MEMBERS AS OF MARCH 3, 1986

American Bakers Association.
American Bankers Association.
American Council for Capital Formation.
American Electronics Association.
American Farm Bureau Federation.
American Federation of Small Business.
American Feed Manufacturers Association.
American Furniture Manufacturers Association.
American Mining Congress.
American Soybean Association.
American Supply Association.
Amway Corp.
Armco, Inc.
Armstrong World Industries, Inc.
Associated Builders & Contractors.
Association of the Wall & Ceiling Industries, International.
Chamber of Commerce of the United States.
Chesterfield Energy Corp.
Citizens For A Sound Economy.
W.R. Grace & Co.
Independent Petroleum Association of America.
Mobil Oil Corp.
National Association of Brick Distributors.
National Association of Home Builders.
National Association of Manufacturers.
National Association of Plumbing, Heating & Cooling Contractors.
National Association of Realtors.
National Association of Wholesale-Distributors.
National Cattlemen's Association.
National Electrical Manufacturers Association.
National Federation of Independent Business.
National Small Business Association.
National Tax Limitation Committee.
National Taxpayers Union.
Potlatch Corp.
Society of American Wood Preservers.
Sterling Petroleum Corp.
TRW, Inc.
United Telecommunications, Inc.
West Central Texas Gas Association.

Chamber of Commerce of the
United States of America,
Washington, DC, March 13, 1986.

Hon. Paul Simon,
Hart Senate Office Building, Washington, DC.

Dear Senator Simon: The U.S. Chamber of Commerce strongly supports the amended version of S.J.R. 225—the balanced budget amendment to the constitution—sponsored by yourself and Senators Hatch (R-Ut), Thurmond (R-SC) and DeConcini (D-Ar).

While the Gramm-Rudman-Hollings Act will produce a balanced budget by fiscal year 1991, Congress needs permanent restraints on it's ability to engage in deficit spending. The balanced budget amendment provides a stringent check on deficit spending by requiring a three-fifths vote of both Houses of Congress to approve a specific amount of deficit spending. More importantly, the amended version of S.J.R. 225 provides a sufficient limitation on tax increases by requiring a constitutional majority to raise taxes and a roll call vote to guarantee direct accountability of members of Congress for raising taxes.

The Chamber believes that the basic prerequisite for a viable economy is a healthy incentive structure. It is an economic system that rewards work, creativity, savings and investment. This cannot be achieved with a budget policy that feeds runaway spending by putting the pinch of American workers and businesses through rising taxation. The tax limitation feature in S.J.R. 225 provides a strong and meaningful check against tax increases.

We applaud you and your colleagues for devising a balanced budget amendment to the constitution that will put the nation's fiscal house in order, and we will devote much of our resources to assist you in securing it's passage in the U.S. Senate and the House of Representatives.

Sincerely,

Albert D. Bourland.

National Association of
Wholesaler-Distributors,
Washington, DC, March 4, 1986.

Dear Mr. Simon: This afternoon the Senate will begin consideration of S.J. Res. 225, the Balanced Budget Constitutional Amendment. Senator Thurmond will offer a substitute for S.J. Res. 225 which would mandate balanced federal budgets and provide that any bill to raise revenues shall be approved by constitutional majorities in both Houses of Congress by rollcall vote.

On behalf of the National Association of Wholesaler-Distributors (NAW), its 120 member national trade associations (list enclosed) and aggregate 45,000 member companies, I urge your support for the substitute.

As you know, NAW has long believed that an amendment to our Constitution merging the balanced budget requirement with a strong tax limitation feature offers the best hope of securing a future of federal fiscal responsibility; i.e., balanced budgets produced through spending restraint, not tax increases.

However, we are convinced that S.J. Res. 225 amended is a well-balanced compromise that constitutes a sound approach for the achievement of that objective.

The principle that government should spend no more than it takes in is clearly established.

Of equal importance is the principle established in Section 2 of the substitute, that legislation to raise taxes shall become law only when absolute majorities in both Houses vote for such an increase in full public view.

Finally, the substitute provides an important measure of flexibility, preserving Congress' ability to run a deficit or increase taxes whenever the national interest compels it to do so.

Again, NAW is pleased to support this compromise and respectfully urges your support for S.J. Res. 225 amended.

Sincerely,

James A. Anderson, Jr.,
Director-Government Relations.

NATIONAL WHOLESALER-DISTRIBUTOR ORGANIZATIONS AFFILIATED WITH THE NATIONAL ASSOCIATION OF WHOLESALER-DISTRIBUTORS

Air-conditioning & Refrigeration Wholesalers.
American Dental Trade Association.
American Jewelry Distributors Association.
American Machine Tool Distributors Association.
American Supply Association.
American Traffic Safety Services Association, Inc.
American Veterinary Distributors Association.
Appliance Parts Distributors Association, Inc.
Associated Equipment Distributors.
Associated Wire Rope Fabricators.
Association of Footwear Distributors.
Association of Steel Distributors.
Automotive Service Industry Association.
Aviation Distributors & Manufacturers Association.
Bearing Specialists Association.
Beauty & Barber Supply Institute, Inc.
Bicycle Wholesale Distributors Association, Inc.
Biscuit & Cracker Distributors Association.
Ceramic Tile Distributors Association.
Ceramics Arts Federation International.
Copper & Brass Servicenter Association.
Council for Periodical Distributors Association.
Council of Wholesale-Distributors.
National Kitchen & Bath Association.
Door & Hardware Institute.
Electrical-Electronics Materials Distributors Assn.
Explosive Distributors Association, Inc.
Farm Equipment Wholesalers Association.
Flat Glass Marketing Association.
Fluid Power Distributors Association, Inc.
Food Industries Suppliers Association.
Foodservice Equipment Distributors Association.
General Merchandise Distributors Council.
Health Industry Distributors Association.
Hobby Industry Association of America.
Independent Medical Distributors Association.
Institutional & Service Textile Distributors Association, Inc.
International Sanitary Supply Association.
Irrigation Association.
International Truck Parts Association.
Jewelry Industry Distributors Association.
Machinery Dealer National Association.
Material Handling Equipment Distributors Association.
Monument Builders of North America-Wholesale Div.
Motorcycle Industry Council.
Music Distributors Association.
National-American Wholesale Grocers' Association.
National Appliance Parts Suppliers Association.
National Association for Hose & Accessories Distributors.
National Association of Aluminum Distributors.
National Association of Chemical Distributors.
National Association of Container Distributors.
National Association of Decorative Fabric Distributors.
National Association of Electrical Distributors.
National Association of Fire Equipment Distributors.
National Association of Floor Covering Distributors.
National Association of Manufacturing Opticians.
National Association of Marine Services, Inc.
National Association of Meat Purveyors.
National Association of Plastics Distributors.
National Association of Service of Merchandising.
National Association of Sporting Goods Wholesalers.
National Association of Textile & Apparel Distributors.
National Association of Tobacco Distributors.
National Association of Writing Instrument Distributors.
National Beer Wholesalers Association.
National Building Materials Distributors Association.
National Business Forms Association.
National Candy Wholesalers Association.
National Commercial Refrigeration Sales Association.
National Electronic Distributors Association.
National Fastener Distributors Association.
National Food Distributors Association.
National Frozen Food Association.
National Grocers Association.
National Industrial Belting Association.
National Industrial Glove Distributors Association.
National Lawn & Garden Distributors Association.
National Locksmith Suppliers Association.
National Marine Distributors Association.
National Paint Distributors, Inc.
National Paper Trade Association, Inc.
National Plastercraft Association.
National Sash & Door Jobbers Association.
National School Supply & Equipment Association.
National Solid Wastes Management Association.
National & Southern Industrial Distributors Associations.
National Spa and Pool Institute.
National Truck Equipment Association.
National Welding Supply Association.
National Wheel & Rim Association.
National Wholesale Druggists' Association.
National Wholesale Furniture Association.
National Wholesale Hardware Association.
North American Heating & Airconditioning Wholesalers.
North American Wholesaler Lumber Association, Inc.

Optical Laboratories Association.
Outdoor Power Equipment Distributor Association.

Pet Industry Distributors Association.
Petroleum Equipment Institute.
Petroleum Marketers Association of America.
Power Transmisson Distributors Association, Inc.

Safety Equipment Distributors Association, Inc.
Scaffold Industry Association.
Shoe Service Institute of America.
Specialty Tools & Fasteners Distributors Association.
Spring Service Association.
Steel Service Center Institute.

Textile Care Allied Trades Association.
Toy Wholesalers' Association of America.

United Pesticide Formulators & Distributors Association.

Video Software Dealers Association.

Wallcovering Distributors Association.
Warehouse Distributors Association for Leisure & Mobile Products.
Water and Sewer Distributors Association.
Wholesale Florists & Florist Suppliers of America.
Wholesale Stationers' Association, Inc.
Wine & Spirits Wholesalers of America, Inc.
Wood Heating Alliance.

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Woodworking Machinery Distributors Association.

American Medical Association,
Washington, DC, March 4, 1986.
Hon. Paul Simon,
U.S. Senate, Dirksen Senate Office Building, Washington, DC.

Dear Senator Simon: The American Medical Association strongly supports a constitutional amendment for a balanced budget.

We hope the Senate will actively consider legislation leading toward this goal and support this important step toward Fiscal integrity.

Sincerely,
Wayne W. Bradley.

National Taxpayers Union,
Washington, DC, March 4, 1986.
Hon. Paul Simon,
U.S. Senate, Washington, DC.

Dear Senator Simon: The Senate is expected to begin debate this week on the Balanced Budget Amendment to the U.S. Constitution. A compromise between the two proposed balanced budget amendments (S.J. Res. 13 and S.J. Res. 225) that were reported by the Judiciary Committee last July will be offered.

The National Taxpayers Union, representing 150,000 members, strongly supports this compromise Balanced Budget Amendment. We compliment Senators DeConcini, Hatch, Simon, and Thurmond for working out this agreement.

The federal budget has been balanced only once in the last 25 years. Today's special interest politics make it clear that we need new checks and balances to prevent the federal government from accumulating excessive debt that threatens our nation and imposes unfair burdens on future generations. The Balanced Budget Amendment would establish, as a constitutional principal, the presumption that Congress must balance the federal budget, except in special situations. It would reestablish a direct link between spending and taxing decisions.

The compromise proposal would require a balanced budget, unless Congress, by a three-fifths vote in both chambers, authorized a specific amount of deficit spending. The proposal can be waived during a declared war. It also requires a constitutional majority vote to approve increases in revenues.

The proposed amendment would take effect the second fiscal year after ratification, or 1991, whichever is later. Faced with a constitutional balanced budget deadline which would take effect after the Gramm-Rudman-Hollings deficit reduction law expires, Congress and the President will find it much harder to ignore the deficit reduction timetable.

If a balanced budget amendment had passed ten years ago the interest payments on the national debt would have been half what they are today. More important, this country would not be transferring a massive debt burden to our children and grandchildren.

Every year we postpone action will drain more private capital away from productive investments, and put added financial strain on the federal government. We strongly urge you to support the compromise Balanced Budget Amendment to be offered by Senators Hatch, DeConcini, Thurmond and Simon.

Sincerely,
James D. Davidson,
Chairman.

The PRESIDING OFFICER. Who yields time?

Mr. DeCONCINI. Mr. President, how much time does the Senator from Alabama desire?

Mr. HEFLIN. About 8 minutes.

Mr. DeCONCINI. Mr. President, for the proponents, I yield 10 minutes to the Senator from Alabama.

The PRESIDING OFFICER. The Senator from Alabama is recognized for 10 minutes.

Mr. HEFLIN. Mr. President, today I rise in strong support of the constitutional amendment to balance the budget. It would be impossible to describe the journey that has brought us to this historic vote today, but there have been many individuals who have played significant roles in developing this constitutional amendment.

I would like to commend the distinguished chairman of the Senate Judiciary Committee, Senator Strom Thurmond, for his outstanding leadership. No one has been more diligent in their efforts to bring this Nation back to fiscal responsibility. I would also like to recognize the efforts of the chairman of the Subcommittee on the Constitution, Senator Hatch, and the ranking minority member, Senator DeConcini, for the leadership they have provided throughout the years.

I can recall nearly 8 years ago when Senator DeConcini and I were among the first to start talking about a constitutional amendment requiring a balanced budget. It was the first bill I introduced. Senator DeConcini was then introducing similar legislation, and he has been in the forefront of the battle for fiscal responsibility since coming to the Senate. I would also like to recognize the leadership provided by Senator Paul Simon. There are many others, and my failure to recognize each one should not detract from their individual contributions. This has truly been a joint effort, and one of which we can all be proud.

For much of the history of this great Nation, a balanced Federal budget was part of our "unwritten constitution." In the first 100 years of this Republic, a balanced or surplus budget was the norm. There have been periods in our history when the exigencies of war or recession have necessitated operating the budget with a deficit—but initially there were always attempts to balance the lean years with the more prosperous ones. In the past two decades, however, Americans have seen higher and higher levels of deficits, taxes, and spending. Legislators tend to look at each program separately, not realizing that every dollar appropriated becomes part of a large debt—a debt that is threatening the economic stability of our Nation.

When our Constitution was adopted, Thomas Jefferson warned, "the public debt is the greatest of dangers to be feared by a republican government." Somewhere, we have lost sight of our forefathers' admonitions.

I think that Senator Simon's quotation of Thomas Jefferson, stating that if he could adopt one amendment it would be that there could be no public borrowing by the Federal Government, would be the best he could offer. That was an excellent quotation from Thomas Jefferson.

I am convinced that the Congress of the United States and the administration do not have the willpower to cut Government spending and balance the Federal budget without a constitutional amendment providing the discipline to do so. Maybe, as some argue, there is no need for a constitutional amendment—but the helter skelter fiscal irresponsibility demonstrated within the past 25 years indicates otherwise.

The Federal budget has been balanced one time in the past 25 years. In 1963, the national debt was $300 billion. Today, it is far larger. It has taken less than 25 years to more than triple our national debt. Currently, on an annual basis, we are operating at a deficit of approximately $208 billion. If we continue our current course, it will take less than 5 years to double the existing debt.

The Congressional Budget Office estimates the amount of interest paid on the debt held by the public, net interest, for fiscal year 1986, is approximately $139 billion. This represents about 17 percent of the unified budget expenditures.

I believe there is only one answer, a constitutional amendment. An amendment that requires two-thirds vote in each House of Congress and most importantly, ratification by three-fourths of the States of this great Nation. A constitutional amendment will truly be a united effort, bringing together a united nation. Many of my colleagues argue that if we possessed a stronger discipline then a constitutional amendment would be unnecessary. I do not disagree with the sentiment of this statement—just the reality. The problem is deeper than individual resolve. It is the institutional structure that encourages response to individual need, without counting the costs to the greater good.

I know there are those who feel Gramm-Rudman-Hollings is sufficient to address our fiscal concerns, but Gramm-Rudman-Hollings is a statutory response to a crisis that demands constitutional resolve. Gramm-Rudman-Hollings is a 5-year response to our fiscal past. It requires a zero deficit by the year 1991. A constitutional amendment will secure our fiscal future and require a balanced budget as a fiscal norm.

As I have said earlier, the first bill I introduced as a U.S. Senator was to propose a constitutional amendment

to balance the Federal budget. The amendment before us today represents years of formulation and symbolizes a bipartisan effort.

No one would claim this is a perfect amendment. It is not. But it is a reasonable amendment, and it is a sincere attempt to address the spending bias which has threatened the U.S. fiscal security from within.

During the debate on Senate Joint Resolution 225, I offered an amendment which would have permitted a waiver in the event of undeclared war. I still believe this flexibility should be part of the constitutional amendment, but I respect the opinion of my colleagues who feel Senate Joint Resolution 255 contains the necessary flexibility. I am pleased, however, that my colleagues adopted the provision requiring Presidential participation in the budget process.

I am also grateful to the principal sponsors of the amendment, Senators Thurmond, Hatch, DeConcini, and Simon, for responding to the concerns raised during the debate concerning the definition of some of the terms, particularly with the acceptance of the Domenici amendment, adding the word "total" before outlays and receipts in section 1. I am satisfied that such an addition did not alter the meaning of the terms within the committee report to Senate Joint Resolution 255 and I appreciate the clarification provided by the sponsors.

We will enter into the debate a colloquy which will finalize this matter during the debate this afternoon.

Mr. President, today we have a chance to turn our rhetoric into reality and to draw upon the potential of the leaders and citizens of this Nation to adopt an amendment of which we can all be proud. The States have indicated their willingness to take over this responsibility if we are unsuccessful. Thirty-two of our States have petitioned Congress under a provision of article V of the Constitution, to call a constitutional convention to consider a balanced Federal budget. With the addition of two more States, Congress will have abdicated its responsibility to another body—something which has never occurred in the history of our Nation.

I believe that a convention would be unwise and certainly would be unnecessary if this body fulfills its own duties for providing the leadership in this area.

There is little question what our responsibilities are. There is little question what the American people deserve. The only question is whether we are willing to respond affirmatively and accept, not an easy task, but a necessary task.

The vote I cast today represents not only my vote in support of this amendment, but the support of citizens from Alabama that have through the years indicated their support of a balanced Federal budget. I am proud to have played a small part in this process and I am pleased to have the chance to fulfill a pledge I made to the people of Alabama some 8 years ago. I hope that today begins the process which will eventually be about the addition of the 27th amendment to the U.S. Constitution, and a sound financial future for our Nation.

I recently found a quotation that points out where we are today: "The worst thing about history is every time it repeats itself, the prices goes up." Today, we have the chance to make our own history.

From a number of colloquys during the debate on Senate Joint Resolution 225, it is clear that revenues received by TVA from the sale of electric power are neither "revenues" nor "receipts" for the purpose of this constitutional amendment and that bond proceeds realized from the sale of power bonds are not "receipts." This is consistent with the Judiciary Committee's report on Senate Joint Resolution 225.

I think it is now crystal clear that expenditures of TVA power system funds would not be "outlays" for the purpose of the proposed constitutional amendment. The committee report clearly states that TVA's electric power program would not be covered by Senate Joint Resolution 225 because the financing of that program is the sole responsibility of its own electricity ratepayers and therefore is not part of the problem the constitutional amendment is directed to solving. It is clearly the intent to adopt this interpretation as set forth in the committee report—even if the annual budget documents show, as they do now, the difference between total power system expenditures and total power program revenues as "outlays."

Given its statutorily established self-financing basis, the TVA power program's expenditures would not be outlays under Senate Joint Resolution 225. Moreover, it would not make sense to include TVA's use of its power program borrowing authority within the scope of this constitutional amendment, since those borrowing are not obligations of or guaranteed by the United States or the taxpayers.

I think it is further clear that the language of section 1 about the increase in the "public debt of the United States" does not apply to any debt or borrowing of TVA.

Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. Does the Senator from Arizona yield for the purpose of suggesting the absence of a quorum?

Mr. DeCONCINI. Mr. President, I ask unanimous consent that the absence of the quorum time be equally divided.

The PRESIDING OFFICER. Without objection, it is so ordered.

The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. DeCONCINI. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. DeCONCINI. Mr. President, on behalf of the opposing side of this constitutional amendment, I yield 15 minutes to the Senator from Colorado in opposition to the amendment.

The PRESIDING OFFICER. The Senator from Colorado is recognized for 15 minutes.

Mr. HART. Mr. President, each of us in this Chamber took office with an oath to uphold and defend the Constitution. That pledge obligates us to defend not just the letter of our national charter but also its intent. We are obligated to be constitutional conservatives; to conserve the spirit the framers breathed into the Constitution; to alter its principles and its purpose not at all.

I oppose Senate Joint Resolution 225, the so-called balanced budget amendment, because it defies that spirit.

Set aside the economic arguments against this resolution, as persuasive as they are. Put aside whether exact budgetary balance is the best fiscal strategy in all circumstances. Never mind that today's ruinous deficits were created by the same President who is this amendment's leading advocate. My objection is simply that this amendment violates the fundamental principles that have sustained for nearly 200 years what Madison called our "paramount Constitution."

First, this amendment is inconsistent with the Constitution's purpose. That purpose is not to dictate the hourly managment of our Government but to enshrine the larger, underlying ideals which must guide it and guide this Nation.

Chief Justice John Marshall put it best:

> A Constitution, to contain an accurate detail of all the subdivisions of which its great powers will admit, would partake of the prolixity of a legal code. It would probably never be understood by the public. Its nature, therefore, requires that only its great outlines should be marked. We must never forget that this is a Constitution we are expounding.

That concern for broad principles explains why we have amended our Constitution only 16 times since our forebears ratified its text and its Bill of Rights in 1791. It explains why only 1 of the 11 amendments adopted in this century addressed a purely substantive issue, as this proposed amendment would. And it explains why that one amendment—Prohibition—was repealed 14 years later and ridiculed ever since.

Yet today's fiscal prohibitionists ignore this lesson of history. They ignore Justice Holmes' injunction that "a Constitution is not intended to embody a particular economic theory." And they propose that we plaster a temporal economic equation onto the Constitution's grand architecture of processes and rights.

Worse: The amendment's 100 or so words are a Trojan Horse for a legion of minutiae that would wage war on the Constitution's majestic simplicity. Consider all the questions of economics, accounting, budgeting, and statistics which this amendment begs. What constitutes total outlays and receipts? Should we rely on year-end totals or estimates? Whose estimates? Do those of the Congressional Budget Office overrule the Office of Management and Budget? We need to answer each of these questions and many more besides in detail to make the amendment workable. An alternative version of this amendment, Senate Joint Resolution 13, tried to grapple with just a few of these questions and, by doing so, more than doubled the number of words it proposed to add to our Constitution.

As we resolved each of these complex issues through Congress or the courts, the effect of this amendment would be to straitjacket our Constitution into an inflexible doctrine—despite changes in economic conditions or public opinion—until the end of our Nation's days. Is that consistent with the Constitution's spirit? Thomas Jefferson would have thought not; he said:

> Laws and institutions must go hand in hand with the progress of the human mind. We might as well require a man to wear still the coat which fitted him as a boy, as civilized society to remain under the regimen of their barbarous ancestors.

It is in fact one set of barbarous ancestors that seek to tie future generations to the size of the coat which fits today.

Second, the proposed amendment is directly at odds with the Constitution's doctrine of the separation of powers. It would require the abdication of legislative authority to either the executive, the judiciary, or both.

This becomes clear as we consider how the amendment would be enforced. What if Congress violated the amendment by passing an unbalanced peacetime budget? One possibility is the President would block certain Federal expenditures. The Supreme Court ruled a decade ago that such an "impoundment" process violated the Constitution's letter, and—even with this amendment—it would violate the Constitution's spirit still.

The other possibility is that the courts would be asked to rule on the constitutionality of an unbalanced budget. Suddenly, it would be up to our judges to say whether estimates of receipts and outlays were accurate; whether we must cut the budget across-the-board, or only change certain spending programs and taxes.

U.S. Court of Appeals Judge Robert Bork said, considering that possibility:

> The result would likely be hundreds, if not thousands, of lawsuits around the country, many of them on inconsistent theories and providing inconsistent results. By the time the Supreme Court straightened the whole matter out, the budget in question would be at least 4 years out of date.

There is an odd paradox here commented on by both our colleagues from the State of Washington. Many of the most bitter critics of judicial activism on social issues, such as abortion and busing, actively support this amendment, which would virtually mandate judicial activism on Federal taxing and spending.

Third, the amendment would ride roughshod over the central constitutional principle of majority rule. The Constitution hallows this principle by carefully circumscribing the occasions that require "supermajorities." It limits these to matters of highest importance, such as impeachment, ratification of treaties, overriding vetoes, Presidential succession, and the expulsion of a Member of Congress.

The proposed amendment, by contrast, would impose the highest order of supermajority—three-fifths of the whole number of both Houses of Congress—on the lowest order of fiscal detail. War could be declared by simple majority; a 1 percent increase in unemployment benefits would require greater scrutiny.

The result would be tyranny by minority. Indeed, the amendment would enable Senators representing only 10 percent of America's population to control all budget and tax policies for all Americans, as the Senator from Washington [Mr. EVANS] has commented.

Fourth, the proposal violates what constitutional scholar Laurence Tribe identifies as one of the key tests of appropriateness for amendments: Whether it is an effective and essential last resort. It is certainly not effective. The amendment could easily be circumvented through at least six major loopholes, including the use of tax expenditures, offbudget spending authority, regulatory authority, and phony economic forecasts.

Nor is this proposal an essential last resort. Its proponents claim we need the amendment to remedy the tendency of well-organized interest groups to secure Federal spending beyond what the broader public supports. But we have yet to try a simpler cure to that malady: Strict limits on campaign contributions by the "PAC's" that lobby for these vocal interest groups. Indeed, a good "first resort" would be for some of the amendment's sponsors to drop their longheld opposition to such limits on PAC's.

Ultimately, this amendment would erode Government of, by, and for the people. Those who long for the kind of responsible governance the Constitution envisioned should consider just one point: Even if Congress were to approve the amendment today, it would still await ratification by 38 States—a process that would take 2 years at a bare minimum. Thus, Congress would not need to balance the budget until at least fiscal year 1991. By then, a good many of us would be out of office and beyond the amendment's reach.

Considerations such as these prompted one Member of Congress to remark:

> The budget-balancing frenzy that has been underway in this institution for some weeks now is mainly an exercise in symbolism, political desperation, and political gimmickry.

The statement was made in 1980 by a former Congressman from Michigan named David Stockman.

Mr. President, the only real cures for today's radically unbalanced budgets are public outrage in the voting booth and political courage in Congress and the Oval Office. And, as the Federal district court recently ruled with regard to Gramm-Rudman, these are probably the only cures fully consistent with the letter and spirit of our Constitution.

Mr. President, it seems to me regrettable when a large number of Senators take the floor to say that this body and they themselves are no longer responsible; they must be placed within a constitutional straitjacket because they are unable any longer to control themselves or to say no to their constituency groups. That, indeed, is a dark day for this Republic.

From 1789 to 1981, no constitutional amendment was necessary to keep deficit spending from getting seriously out of hand. All it took was firm public and official disapproval of such spending when it was not required by economic or military circumstances. To restore that attitude today, all we need are a President with the courage to submit a balanced budget, a Congress with the courage to cut spending and restore revenues, and a public understanding that the fault for runaway deficits hardly lies in the most magnificent Constitution humankind has ever known.

The PRESIDING OFFICER. Who yields time?

Mr. DECONCINI. Mr. President, the Senator from New York has asked for some time in opposition. I yield him up to 15 minutes.

The PRESIDING OFFICER. The Senator from New York is recognized for up to 15 minutes.

Mr. MOYNIHAN. Mr. President, my distinguished and learned friend, the senior Senator from Colorado, spoke about a criterion that a constitutional scholar has set forth with respect to constitutional amendments, which is that they should be an effective and essential last resort. It is precisely to this point that I would like to speak today in these closing hours as we approach what could very well be a momentous decision. I rise to question whether we face a crisis in public expenditures that we are institutionally incapable of dealing with, and in consequence of which we need to amend the basic law of the land.

I stand to say to the Senate that this is not so. We are in the midst of a protracted fiscal crisis. It has been with us most of this decade and will be with us the rest of this decade.

But, Mr. President, it was a deliberately contrived crisis. It was a crisis created by persons knowing full well what they were doing, for the purpose of putting us into just such exercises as we have been through this last year and as we are going through this last month—a crisis to bring about a great shrinkage of American Government under the force of deliberately created budget deficits. It might have been beyond the expectations of the handful of unelected and at the time almost nameless persons who did this. It may have been beyond their immediate purpose to attain to a constitutional amendment, but certainly not beyond the scope of the enterprise they set afoot.

The situation, Mr. President, is simple. The history books will tell all about it, and there is no reason we should vote on a matter of such profound consequence without telling ourselves what we know as well. In the months of November and December 1980 and over into the early weeks of January 1981, 10 weeks, a small group of persons, who had come to the position of being responsible for the formation of fiscal policy, got together on a proposal to create a new American revolution. They used the word "revolution;" they intended nothing less. And it had two elements: First, there would be a massive reduction in the revenues of the Federal Government through the tax cut that we enacted the following July. And in order to maintain a semblance of balance, there would thereafter have to follow a massive reduction in outlays. They addressed themselves not to the inconvenience of one program or the undesirability of another. They wanted the size of the American Government radically reduced. These were radicals. They were planning a revolution. They spoke the word "revolution."

By the time they had successfully adopted their tax cut and they began to contemplate what they had done, they realized, while they were talking of shrinking the American Government, that they were also simultaneously talking of continuing a large increase in Federal outlays in defense, commended under the previous administration, and that it was difficult to dissociate the armed services from Government. For when you do, you have great difficulties in the world. They faced incredible deficits—triple-digit deficits, the first in history, nothing like it ever encountered even in the Second World War.

Now, Mr. President, a choice had to be made at that moment. The moment was literally the months of, say, November and December 1981 when the first full budget of this administration was formed. The previous President had sent up the budget for fiscal 1982, now the fiscal budget for fiscal 1983 which came to us on February 8, 1982, was being put together. They knew what they had done. They had created a triple-digit deficit. Impossible; they had overcalculated. Their revolution has gone terribly wrong, partly because the economy was moving in a different direction, but partly because four young men should not plot revolutions against the American public and its Government and its Constitution, which is how it was ending up.

And so what did they do, Mr. President? Did the administration come to us and say "we have made a bad mistake"?

They did not. They did not say the young men miscalculated, as young men will; the palace coups did not go off. Instead, they misrepresented the numbers. And history will prove it.

They sent up a budget which, I recall included an estimated deficit of $91.5 billion for fiscal year 1983; the actual deficit was $195 billion. That was the magnitude of their error.

(Mr. ARMSTRONG assumed the chair.)

By not coming forward and avowing that a great miscalculation had been made that could be fixed—it was well within our range—they decided to let the error work its way though the system. Let it press away at a kind of philistine diminishment of all the large purposes of this Government that it affects.

And if we do not recognize it as having been a bad miscalculation by a small group of punitive and self-defying revolutionaries, four people, it could easily be mistaken for an institutional crisis when it was merely a personal act of great hubris.

Let me say that the men involved were honorable men, and their views were perfectly ethical views. They did not think Government could or should do certain things. But when they withheld their purposes, their intent, and their knowledge from us, they ceased to be ethical. And beyond that, they commenced to be more than a threat to our system because they let us think that we are dealing here with an institutional incapacity to order our affairs. That is not so, Mr. President.

There are pressures. The senior Senator from Colorado spoke of the question of interest groups that repeatedly deplete the resources of this Government. I recall that he and I were on the floor discussing one of the more recent aberrations in this regard, the deficit reduction legislation that the Senators from Texas, New Hampshire, and South Carolina introduced.

We discovered, as he will recall, one merry Sunday afternoon that the stern and unyielding insistance on balancing the budget regardless of anything, and cutting whatever had to be done, such as wiping out the 6th Fleet—my heavens, where would we have been yesterday if it had not been for the 6th Fleet—somehow exempted the Commodity Credit Corporation. We said, but this does not seem to cover a large agriculture program. "Oh, yes, it does," was the response. "Well, does it?" "Well, no." "Would you mind putting agriculture in?" "Yes."

And the first time we decided to deal with the effects of Gramm-Rudman-Hollings, we changed the effect on dairy price supports because of the milk lobby and the milk PAC's. But there is no institutional crisis here.

I think the U.S. Government has run a deficit in nearly one-half of the fiscal years of its existence.

I see the Senator from Colorado.

Mr. HART. Will the Senator yield for a question?

Mr. MOYNIHAN. I am happy to.

Mr. HART. I ask the Senator as a historian of at least political American history, is it not the case that the great peaks of deficits have occurred on four occasions in the 20th century: on the occasion of World War I, World War II, the Korean conflict, and Vietnam?

Mr. MOYNIHAN. Exactly. And the other peaks have been associated with sharp economic recessions in 1975 and 1983, and the same way in the War of 1812, the Spanish-American War, the Mexican War, and of course the Civil War.

Mr. HART. If the Senator will yield further, it seems to the Senator from Colorado, the Senator from New York is making rather serious allegations here which the Senator from Colorado has no doubt he can support. And they certainly comport to the facts of the last 5 or 6 years, and the suspicions that a lot of us have had over the last 5 or 6 years of what was up. Is it not the case historically that the revolutionaries set out to change a national system or set of priorities? At the very least they announced to the populace of that jurisdiction what their intentions are if not what their methods were going to be?

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Mr. MOYNIHAN. I would say in that respect, yes. We come to associate revolutionaries with a flag. So you knew where they were. We had no flag. We have no proclamation. We had nothing but conspiracy.

Mr. HART. Does the Senator believe there was ever a referendum in this country either in 1980, 1982, 1984 on this kind of revolution? Did the American people vote for this revolution?

Mr. MOYNIHAN. They voted for no such thing. They heard no such measure proposed. They were not aware when they were being put in place.

Mr. HART. One final question. How can the Senator from New York account for what he alleges to be conscious and purposeful deception of the Congress of the United States?

Mr. MOYNIHAN. I can account for it by the terror with which young men recognize what they had done, and the unwillingness of their superiors to discipline them even so.

But I will make one further point about what the Senator from Colorado makes. We have had great deficits during time of great wars. We have had sharp deficits during the time of the recessions. President Ford had a great deficit in 1975, owing to the normal working of the economy and the countercyclical mechanisms such as unemployment insurance built into the economy. We now have had a deficit without a single major military operation, and the recessions that are always associated with them—one recession to be sure. But otherwise instead of inexplicable events which can be explained if you would only face the facts. The fact is this, Mr. President, about the normal workings of our fiscal system: It is that we no longer work on an agricultural cycle of 12 months, a lunar cycle. We no longer plant in the spring, reap in the fall, and get through the winter somehow or other to get to planting again in the spring. We no longer round up the cattle and send them to Dodge City. We no longer bring in the annual crop of potatoes. We are an industrial nation. And we live with a business cycle.

Will the Senator from Arizona yield 4 more minutes to the Senator from New York?

Mr. DeCONCINI. The Senator from Arizona will be glad to yield 4 more minutes.

Mr. MOYNIHAN. I thank the Senator from Arizona.

We are on a business cycle which, after many long centuries of dealing with, we have finally recognized as a normal duration, or average duration, of about 33 months.

The one last point, and I wonder if my friend from Arizona would not hear me on this, because it is a point of law, and it is with respect to the Judiciary Committee that I would address it: In the current issue of The New Republic, which he may have seen, Professor Dellinger, of the Duke University Law School, makes a very important point. I would like to ask if the Senator might not agree; that is, we are all aware that 32 States have applied for a constitutional convention, most of them with the specific proposal that the constitutional convention meet to consider an amendment to deal with the balanced budget. Several of these applications say only a balanced budget, and no other amendments of any kind.

The Colorado petition, for example, states that, "This application and request be deemed null and void and rescinded and of no effect in the event the convention not be limited to such specified and exclusive purpose."

It is my clear reading of the Constitution that it is not possible to have a convention that will deal with one amendment. Article V says that Congress, whenever two-thirds of both Houses shall deem it necessary, shall propose amendments to this Constitution or, on application of the legislatures of two-thirds of the several States, shall call a convention for proposing amendments—plural.

Professor Dellinger suggests that the applications we have received from States that have confined themselves to one amendment be returned as unacceptable and unconstitutional.

I do not ask my friend from Arizona to answer me unless he chooses, but does it not suggest to him that this is an argument that needs to be considered?

Mr. DeCONCINI. Certainly, Mr. President, as the Senator from New York quoted from the article—I have not had a chance to see it—one can come to that conclusion by voting the Constitution. We have yet to amend the Constitution of the United States, as the Senator knows, through that process, so it is a little bit uncertain exactly how we would do it. We have accomplished amendments to the Constitution under this process a number of times so we pretty well know how that goes about.

It seems to me a quick answer to that is the reference to amendments in the plural could mean any number of amendments dealing with the constitutional balance-the-budget amendment. I could talk at some point that there may be two or three different amendments to the Constitution that deal with a balanced budget that would satisfy the point of the Senator from New York. That could be debated, I am sure, by the Senator from New York. But that to me is a very specific myopic point to raise today in opposition to a process that we are not following. We are following the other process to amend the Constitution.

That is all I would have to say to the Senator.

Mr. MOYNIHAN. No, it is the legislatures who shall call a convention for proposing amendments. I simply make the point that we would really, I think, be stretching the clear intention of the word "amendments" to say more than one amendment on the same subject and we do have an argument here that we think we are operating under the threat of an imminent convention. I think we are not and I hope this resolution will be rejected.

I thank the Chair for his courtesy and patience.

Would the managers allow a unanimous consent request? I ask unanimous consent that the article by Professor Dellinger be printed in the Record at the conclusion of my remarks.

There being no objection, the article was ordered to be printed in the Record, as follows:

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Spurred by the desire for a balanced-budget amendment, 32 state legislatures have petitioned Congress to call a constitutional convention. If these applications are valid, we are only two states short of the 34 state petitions that would force Congress to call a convention.

Congress is now taking the matter quite seriously, and is contemplating two responses. Both are inappropriate. Fearing that a convention would propose amendments on subjects other than the budget, many in Congress are inclined to have Congress itself propose a balanced-budget constitutional amendment—the course urged by President Reagan in his State of the Union address. Then there is the proposed "Constitutional Convention Procedures Act." Because the legislation holds out the hope of exerting some control over a constitutional convention by limiting it to one subject, the procedures bill is supported not only by those who seek a convention, but also by many who are wary of a "runaway" convention. In fact, neither of these steps is necessary because most of the state petitions are invalid, and impose no obligation on Congress.

This whole movement for a convention "limited to proposing the balanced-budget amendment" flies in the face of the constitutional guarantee that any properly called constitutional convention be free to set its own agenda. Those drafting the Constitution in 1787, having provided one amendment method (proposal by Congress and ratification by state legislatures), wanted an additional guarantee that amending the Constitution wouldn't be dependent on the will of Congress. On the other hand, many delegates, including Alexander Hamilton, feared giving state legislatures the power to both propose and ratify amendments. The Constitution thus provides an alternative: "on application of the Legislatures of two-thirds of the several States," Congress "shall call a Convention for proposing Amendments." The very essence of this convention is that it is free of the control of both Congress and the state legislatures.

If a constitutional convention would in fact be free to determine what amendments to propose, what is the status of the pending state applications, which are based upon the erroneous theory that there can be a "limited" convention shackled in advance?

The short answer is that almost all the applications, by their own terms, self-destruct and impose no obligation upon Congress.

These applications were passed by the state legislatures after they were incorrectly advised that a convention could and would be narrowly limited. Fortunately, many state legislatures were careful to state explicitly in their applications that they desired a convention only if it could be limited to voting on a precisely worded "balanced-budget amendment." Twenty-three states specified that they seek a convention limited to the purpose of considering a particular amendment. Eleven states went further, insisting that their applications not be counted toward the calling of a convention if it would have the authority to propose an amendment that varied from the one described in the applications. The Colorado petition, for example, states that "this application and request be deemed null and void, rescinded, and of no effect in the event that the Convention not be limited to such specific and exclusive purpose."

The proposed procedures legislation simply ignores these state legislatures' demands. The bill would allow the convention to propose any amendments that generally addressed whatever broad "subject matter" Congress had defined. (If the procedures legislation had purported to limit a convention to a single amendment, as these state legislatures required, the current count of applications would be nowhere near 32, since different legislatures proposed different amendments.) Convention proponents are now subtly expanding the permissible scope of a convention to include such "budget" matters as federal funding of abortion. What about the state legislatures' requirement that their applications be deemed null and void if a convention can go beyond the particular amendment they specified? Convention proponents now say that this legislative language is mere "surplusage" and should be disregarded by Congress.

It is ironic that those who speak so warmly of the states' role in a constitutional convention would have Congress flatly ignore the state legislatures' express language in order to come up with an inflated count of valid applications. This constitutional "bait-and-switch" scheme should be treated by Congress as a sham, not as a serious call for a constitutional convention.

Virtually everyone—supporters as well as opponents of a convention—now concedes that it would be either impractical or unconstitutional to limit the convention to one proposal. Many state legislatures have clearly instructed Congress what to do in this event. Congress should respectfully return to the state legislatures any petitions that call for a convention shackled by constraints that are beyond the power of Congress to impose. Congress may then consider the balanced-budget amendment wholly on its own merits.—Walter Dellinger

Mr. GORTON. Mr. President, will the Senator from Arizona yield?

Mr. DeCONCINI. May I ask the Senator how much time he wants? I have to balance the time among the opponents.

I would be glad to yield to the Senator from Washington for no more than 10 minutes in opposition.

Mr. GORTON. Mr. President, when the debate on Senate Joint Resolution 225 began, my comments on two separate occasions related to objections to the substance of the proposal, most of which still are valid and all of which resulted in discussions with the sponsors of this proposal here, on the floor. I do not intend today to reiterate those objections other than to state that in my own view, they remain valid, but I do want to add to the list an objection which has developed in the course of the process by which we have arrived today at a final vote on Senate Joint Resolution 225. That additional objection is to the process itself.

During the course of the past month, we have debated the wisdom of amending the Constitution of the United States, the most fundamental of our laws, the consideration of which is an awesome responsibility, as if we were dealing with nothing more harmful than a sense of the Senate resolution.

We were first presented with two distinct resolutions from the Judiciary Committee. Next, we were told that there would be a consensus amendment melding the two into one. After that, we adopted a one-word change to accommodate the concerns of a single Senator. Then we adopted a provision imposing a new obligation on the President of the United States.

When we had completed considering that amendment, we added an implementing provision; and finally, at the behest of the distinguished present occupant of the chair, a proposal on an entirely different subject, the method by which we increase the debt limit of the United States.

We have before us as a result, Mr. President, something which can be described no more eloquently than as a cut-and-paste project. In short, the opponents of the substance of the amendment have had to spend as much time trying to ascertain its content as they have in addressing the profoundly important constitutional questions about whether or not this should be a part of our fundamental law.

Compare, Mr. President, the elegant and general language of the Preamble to the Constitution adopted in 1787. Compare the direct and specific language of article I. Compare the soaring policies adopted by Congress in the 14th amendment.

Mr. President, when we look at the balance of the Constitution, we should be embarrassed even to suggest to the citizens of this Nation that we take the notion of amending the Constitution so lightly that we are content to make up that amendment as we go along. Apparently, however, we are not easily embarrassed, for this evening, we are about to vote on a proposed amendment to the Constitution of the United States which no Member had ever seen prior to the adoption of the final amendment to this proposed amendment, a proposal which has never been considered by the Judiciary Committee of the Senate of the United States in anything like its current form, an amendment with respect to which we have received no testimony from learned academics with regard to its consequences. I might add parenthetically, Mr. President, that the fact that parts of this amendment may have been reviewed by the committee or by academics as independent provisions is not a sufficient answer to this concern. We are all aware that a combination of the various provisions may in and of itself have unintended consequences.

In conclusion, Mr. President, the Constitution of the United States is the embodiment of the most enduring constitutional principles of our people, our Government, and our common experience. The Constitution is no place for congressional graffiti. This proposal should be emphatically rejected.

Mr. DeCONCINI. Mr. President, I suggest the absence of a quorum and that it be equally divided.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. METZENBAUM. Mr. President, I ask unanimous consent the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. METZENBAUM. Mr. President, I ask the Senator from Arizona for about 15, 20 minutes.

Mr. DeCONCINI. Mr. President, I am more than pleased to yield some time to the Senator from Ohio. I have promised the majority leader to save 15 minutes for him, so if the Senator would be satisfied with 15 minutes at this time, I think we will balance out the time.

Mr. METZENBAUM. No problem.

Mr. DeCONCINI. I so yield 15 minutes to the Senator from Ohio.

The PRESIDING OFFICER. The Senator from Ohio.

Mr. METZENBAUM. Mr. President, I thank the Senator from New Mexico.

Let us be straight about this proposal. It is a gimmick. It is the free lunch proposal. Vote for the balanced budget Constitutional amendment and then you do not have to stand on the floor, in committee and vote to cut back on spending or do whatever is necessary as pertains to revenue. This is a fraud on the American people. It sounds good but it is not that good. In fact, it is not any good at all. The President, I am afraid, has used it to hide the facts and Members of Congress have done the same. It is an excuse for not doing our job.

Now every Member of the U.S. Senate can vote for the constitutional amendment today and go home and tell your constituents you balanced the budget. The very same people who

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are on the floor arguing for the constitutional amendment are the people who refused to vote for the proposal of the Senator from New Mexico, Senator Domenici, chairman of the budget Committee, to save $40 billion, $40 billion in conformity with the Gramm-Rudman Act.

Now, I did not vote for the Gramm-Rudman Act. I do not think it is good legislation, but I think as long as it is the law we have an obligation to comply with the law. The principal sponsors of this amendment had an opportunity to vote to conform with that law, to really do something about balancing the budget and they did not do that.

You can tell the people of the country you have solved the Nation's problems without cutting spending or raising taxes $1; just vote for the constitutional amendment. You do not have to emphasize the fact that it will not take effect until 1991 and you do not have to tell them either that there is no way to make it self-enforcing. You do not have to tell them that most of the Members of this body originally voted so that the President would not have to comply with the constitutional amendment to submit a balanced budget. Do not tell them that, because the very next day you turned around in order to buy some votes and unanimously agreed to accept the very amendment that you had refused to take of mine the day before.

Do not tell them those kinds of details. Tell them that this proposal is a free lunch. Tell them it is something for everybody and that nobody pays.

Members of this body, let us quit kidding the public. We are playing games with the Constitution to avoid doing that which we should be doing. Today is a perfect example. We put off a vote on the budget resolution because it is painful and because the President does not like it. It is going to make some people mad, but it is responsible. It makes a difference now and we put off that vote and vote on this gimmick instead.

I walked into the Finance Committee hearing this morning. It is interesting what is going on over there. The very same people who are going to come on the floor and vote to balance the budget are refusing to bite the bullet when it comes to closing tax loopholes. No; they would rather play the games that they do in the Finance Committee so that people do not have to pay the taxes who have the money in this country and see to it instead that somehow we pass a broad-based tax to increase the cigarette taxes, increase liquor taxes—"Pass it on to the little guy; he won't know the difference. He doesn't have any high-paid lobbyist down here; he or she don't have any PAC's to contribute funds to campaigns."

I can understand how much of the public supports this proposal. It sounds good. They have been told for years that it is the solution. They have been led to believe it really requires a balanced budget, that it really is workable. But they have not been given the facts. I remember that old TV program where one of the characters used to say, "Just the facts, just the facts."

Well, the facts are that the balanced budget constitutional amendment will not balance the budget. We will balance the budget when the Members of the U.S. Senate and the U.S. House of Representatives do that which they ought to do under the law. They ought to meet their responsibilities.

There comes a time when Members of Congress who do know the facts have to vote for what is responsible even if the polls go the other way. This is one of those times. I ask my colleagues, do you really believe it is responsible to add this to the Constitution? Do you really believe it is right to put this country in a constitutional straitjacket and risk the financial integrity of the Federal Government in order to go home and tell your constituents you did something about the deficit?

You have heard the debate. You know the flaws in this amendment. It does not really require a balanced budget at all. If Congress does not have the political will to do what is responsible, it can get out of it with a 60-percent vote.

It will not work during a recession because it risks economic disaster if we try to balance the budget at those times. It will not work when we have a military emergency without a declaration of war. We are risking putting this country in a situation where we cannot fund our Armed Forces in an emergency. It uses the Constitution to set economic policy. The Constitution sets out our basic principles for how our Government works. It protects our most precious liberties. It is an affront to the dignity of the Constitution to clutter it up with a particular set of budget and spending rules.

Now, the original version of the amendment was bad enough. Now it has been modified to include a provision that creates a direct threat to the ability of the Government to function, a requirement for a three-fifths vote to raise the allowable debt level. Let me quote the principal sponsor of this legislation, the distinguished Senator Hatch, who is a friend of mine, from Utah. This is what he said about it in 1982. He said this type of amendment would be "totally inconsistent with sound and responsible countercyclical economic policy and require taxes to be raised in the face of a recession or depression."

Said he, "If the Armstrong amendment is adopted, then Congress really has only one choice and that is to increase taxes because it will take three-fifths of the membership of both Houses to lift the debt ceiling." And the distinguished chairman of the Senate Budget Committee said at that time, "In this constitutional amendment, one vote more than 50 percent is necessary in order to raise taxes. Under the Armstrong amendment," said Senator Domenici, "three-fifths of the Members of each body would have to vote to increase the debt limit."

Mr. EVANS assumed the chair.

Mr. ARMSTRONG. Mr. President, will the Senator yield?

Mr. METZENBAUM. "I shall tell my colleagues what that is going to do. If that is built into the organic law, we are going to raise taxes every time because we are not going to get the three-fifths vote to raise the debt ceiling."

Mr. ARMSTRONG. Mr. President, will the Senator yield for a question?

Mr. METZENBAUM. "So we will do the easier thing; we will vote to raise taxes."

I say to my very good friend from Colorado that just as soon as I finish these eloquent remarks, I will be very happy to yield for a question from him.

Mr. ARMSTRONG. Mr. President, with that understanding, I shall resume the dais, but before the Senator leaves the Chamber, I do have a brief question which would not take over 10 seconds to propound and just let the Senator answer.

Mr. METZENBAUM. The Senator has my word and I will be here for just such purpose.

Mr. ARMSTRONG. In fact, if the Senator will do it now I can dispose of it.

Mr. METZENBAUM. I will be happy to.

Mr. ARMSTRONG. My question is, in light of what he said, did the Senator from Ohio vote for the Armstrong amendment?

Mr. METZENBAUM. I certainly did not. Excuse me.

Mr. ARMSTRONG. I believe the Record will show that the Senator voted for the amendment which he is so earnestly criticizing—not once but twice.

Mr. METZENBAUM. In 1982, I did vote for it because——

Mr. ARMSTRONG. Twice.

Mr. METZENBAUM. Because we knew then——

Mr. ARMSTRONG. Two times.

Mr. METZENBAUM [continuing]. That it was a killer amendment and that if the amendment was adopted the constitutional amendment was going to be defeated. And that was a very low price to pay in order to defeat the constitutional amendment. And I hope——

Mr. ARMSTRONG. I thank the Senator for yielding.

Mr. METZENBAUM [continuing]. That is also a killer amendment in this instance.

Mr. HATCH. Will the Senator yield for just one moment?

Mr. METZENBAUM. Mr. President, without losing my right to the floor, I will yield for a question.

Mr. HATCH. The Senator is willing to do anything he can think of to win.

Mr. METZENBAUM. The Senator asked me to yield for a question, not a speech.

Mr. HATCH. I just wanted to compliment the Senator for his tenacity and using any tool, no matter how bad it may be, to win on his side.

Mr. METZENBAUM. Mr. President, the fact is that this amendment can grind the Government to a halt: Everything from Social Security checks to weapons procurement to insurance claims for bank deposits to farm loans, to TVA loans—to everything.

If the money is not there—and there is a good chance that it will not be there on some particular occasion—then you just cannot go forward with the operation of Government, unless you have a three-fifths vote or you pass a tax increase.

Let me give an example. Let us assume that TVA decides that it is going to add to its facilities and spend $400 million and that it is in the process of building. Those moneys will be on an outgoing basis. The new moneys cannot come in until such time as the new construction is completed. They need to borrow more money. The moneys have run out. We have reached the debt limit, and you cannot do anything about it without a three-fifths vote in the Senate. As a matter of fact, you cannot do anything about it if a bank comes along and says: "Look, we insured a student loan, and now we would like redemption."

The Government says: "We don't have the money."

The bank says: "Next time, go to somebody else. I don't want to do business with you."

Or, maybe it has to do with the Federal Deposit Insurance Corporation or the Federal Savings and Loan Insurance Corporation. They have some bad economic times, and they come to the Government for the money and you cannot get the money. Under the advice we have received from the Office of Management and Budget, we would not actually learn when the trigger had occurred, when there was not going to be sufficient money, until 24 days before the end of the fiscal year. If there were a $50 billion shortage at that time, somehow that money would have to be found. You could not cut expenditures by that amount, and there would be no alternative but to increase taxes.

I think everybody who votes for the constitutional amendment ought to understand that they should stand very proud, they should stand tall, because they have had the courage to come on the floor and vote for an indirect way of raising taxes. Senator Hatch said that. Senator Domenici said that. This ought to be called the "increase your taxes by a backdoor route constitutional amendment." That is exactly what is involved.

In order to raise the debt limit, it takes three-fifths. In order to have an excess over the revenues—excess of expenditures over revenues—it takes three-fifths. But if you want to raise taxes, it takes only 51 votes.

The PRESIDING OFFICER. The time of the Senator has expired.

Mr. METZENBAUM. Mr. President, I ask the distinguished manager of the bill for another 5 minutes.

Mr. DeCONCINI. I yield 5 additional minutes to the Senator.

Mr. METZENBAUM. Mr. President, this debt limitation provision amendment takes all flexibility out of the proposed constitutional amendment. It creates a set of circumstances under which the Government could default on its own obligations to creditors. It casts a cloud of doubt over the financial integrity of the United States, something that the financial markets all over the world depend upon.

Adopting this amendment is the equivalent of cocking a gun and pointing it at ourselves. At some point, it will go off, and we will have ourselves to blame.

The argument is made that the States have a balanced budget; why can't the Federal Government?

That is an absurd argument, because it is not in accordance with the facts. There are two reasons. First, the States have two separate budgets. They have a regular budget having to do with income and expenditures, and they have a separate budget having to do with capital budgets. The Federal Government has no capital budget. In fact, of $249 billion in State spending in 1980, $106 billion, 43 percent, was off budget spending, and local and State debt grew $200 billion for 1980 to 1984. So the argument about the fact that the States have it and they are able to balance their budgets tells not half the story; it tells about 25 percent of the story. The States are able to live with balanced budget amendments because they do not really have to balance their budget.

Second, the States do not have the responsibility of preventing this country from going into a full-scale depression or going into an undeclared war. If we are in a recession or in some military engagement without actually being at war, the States do not cut taxes or increase spending to put the economy back on track; nor do they take any other action when such an occurrence would occur. But the Federal Government, in such an instance, has to do just that.

We have all voted for tax cuts or spending increases as a way of getting the economy going. It would be foolish not to. No one would now seriously advocate attempting to balance the budget in a serious recession because it would throw millions of people out of work. This responsibility to get the economy moving is a national one; only the national Government can do it.

All of us know we have let this country drift into a financial crisis over the past 5 years. We have continued to run up the tab, and we have not had the guts to pay for it. We are like children who only want dessert. We want the good things, but shun the painful and necessary.

It is time to start acting responsibly. This amendment is unworthy of the Constitution. It is unworthy of the U.S. Senate. It is unworthy of the American people.

Let us put it behind us and do the hard work that has to be done. Let us not inflict this fraud on the American public.

(During Mr. Metzenbaum's remarks the following occurred:)

Mr. HATCH. Mr. President, I ask unanimous consent that as soon as the distinguished Senator from Ohio is finished with his statement, Senator DeConcini be permitted to take the floor, and I yield such time as he shall yield from our side; and immediately after he speaks, I yield such time as Senator Evans needs, as long as it does not exceed 15 minutes, from my side.

The PRESIDING OFFICER (Mr. Armstrong). The Chair points out that the Senator from Arizona and the Senator from Utah control the time.

Mr. HATCH. The Senator from Arizona's time is almost up, and I have to leave the floor briefly.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. EVANS. Mr. President, a parliamentary inquiry. How much time has been assigned to each side, and how much time remains on each side?

The PRESIDING OFFICER. Each side began with 2 hours. At this moment, the Senator from Arizona has remaining to him just under 53 minutes, and the Senator from Utah has slightly more than 105 minutes.

Mr. EVANS. I thank the Chair.

The PRESIDING OFFICER. The Senator from Ohio has the floor and may continue.

Mr. METZENBAUM. Mr. President, I ask unanimous consent that all the remarks having to do with the unanimous-consent request be included in the Record at the conclusion of my remarks.

The PRESIDING OFFICER. Without objection, it is so ordered.

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(Conclusion of earlier proceedings.)

The PRESIDING OFFICER. Who yields time?

Mr. DeCONCINI. Mr. President, as usual the Senator from Ohio has made an outstanding statement. He and I agree on many issues, yet I regret to say that this is not one of them. I think this balanced budget constitutional amendment is long overdue.

Mr. President, as we wind down the debate on this issue, there are many people who have done a great deal and deserve recognition. The Senator from South Carolina, Senator THURMOND, and his staff, Joe Buzhardt, have worked long and hard. Senator THURMOND has been here many years, long before this Senator came to this body, and it is a great joy for him, I am sure, to see this vote, after the many years he has put in it.

Of course, the Senator from Utah, whom I have already praised, and Randy Rader of his staff are to be commended for their diligent work that they have continuously done and are doing right now as we attempt to move toward a vote.

The work that the Senator from Illinois and Laurie Westley of his staff have done really contributed a great deal to bring this together in a most scholarly way.

And as the Senator from Alabama pointed out a few minutes ago, he and I have been working on this since the day he came to the Senate. He introduced an amendment I think the same day I did. We have since joined together on this issue. And Karen Kremer of his staff has worked so well.

George Pieler, of the majority leader's staff, has worked with us as has the majority leader who has spent hours and hours both on the phone and traveling around this country in behalf of the constitutional amendment.

Without Bob Feidler on my staff we could not have possibly taken this to successful conclusion in 1982. Hopefully we will do so again today with Bob's assistance and that of Tara McMahon also with us this year who has worked long and hard on this issue.

There are so many groups who have been behind this effort, the National Taxpayers Union, the National Tax Limitation Committee, the National Realtors, the National Home Builders and many, many others.

There are people to be thanked for the time and I understand, of course, President Reagan has been a strong supporter of this and recently has been involved as he was in 1983 of attempting to persuade some people.

Just under 200 years ago, in 1789 when the Constitution was adopted, Thomas Jefferson warned us. The Senator from Illinois quoted him just recently as did the Senator from Alabama. Jefferson said:

> The public debt is the greatest of dangers to be feared by a republican form of government.

As in so many other things Jefferson spoke and wrote of—he was absolutely right.

I think it is important to be blunt today. We are here today considering an amendment to the supreme law of the land, the Constitution, because a sizable number of this body feel that a very real danger to our existence as a free and prosperous country exists. The threat comes not from Soviet missiles or Libyan terrorism, but from a monstrous Federal debt that could economically crush this and future generations.

We are not Pollyannas crying "wolf." The House of Representatives has pending before them a constitutional amendment with over 220 cosponsors, more than half of that body. The States have recognized the danger and 32 of the required 34 States have made application to Congress, under article V of the Constitution, to convene a second constitutional convention to consider the issue of a balanced budget amendment. The people of the United States, 73 percent of them, rate the Federal deficit as the No. 1 economic problem in this country; a recent survey showed that 90 percent of the people surveyed felt the accumulation of debt, as we know it, was morally wrong to pass on to future generations. Boy, are we doing it in grand style.

Our debt now exeeds $2 trillion, and even by the time of Gramm-Rudman and if it is completely implemented with the targets, it would be close to $2.5 trillion. Gross interest alone on the debt is estimated at just under $200 billion for fiscal year 1986. This is more than the entire budget was in 1970. It is the third largest item in the budget today. It represents 98 percent of all OASDI payments. It represents a charge of $3,290 for a family of four. It represents 59 percent of all tax revenue. In sum, it represents a potential disaster. That is the interest on this $2 trillion debt.

We are here today facing a vote in just a few hours on whether to add an amendment to the Constitution. In the past 195 years we have found it necessary to make only 16 amendments to the original Constitution and the Bill of Rights. We find ourselves in the position we are in today because as a Government we have failed the people of this country. Despite our best efforts in this body, despite the good intentions of so many Members of Congress, and despite the high expectations and glowing predictions of past and present Presidents, we have a Federal budget that is utterly out of control and serving as a drag to all sorts of potential economic initiatives in our land.

We have gotten into this mess because we have not had the willpower to say "no" when constituents and interest groups have come to us with requests, good requests for the most part. These requests are not bad or phony requests—a new veterans hospital is needed and we should do something about it; a school for Indian children is necessary and a commitment to those native Americans of our land; a new dam or water project, a courthouse, a weapons system, Medicare, education, housing, aid for the disabled—the list goes on and on—health care, aid and assistance to research aids and other dreaded diseases. The problem is the money doesn't go on and on as do the requests and permitting to fund them. And as we have built up and expanded the Federal programs and tax revenues we require from the people, we have tried to fool ourselves and the public by not paying for the benefits we provide. Instead, we have borrowed money or expanded the money supply. The result is the $2 trillion public debt and searing memories of the inflation of the early 1980's and the high-interest rates that ravaged the land today.

During the past few days and couple weeks of debate, we have heard over and over that the problem of the debt can be solved if only the Members would act responsibly on each bill each time we came to the floor. Well, that may be true but it has not worked and, in fact, will not work. It is like the story about Will Rogers. He was asked what he would do about the threat of German submarines to North Atlantic shipping during World War I. His response was that he would set the oceans of the world to boiling and thereby cook anybody who happened to be in a submarine in the ocean. Asked how he would set the oceans to boiling, he replied that he did not know, but that was one solution.

Well, we did not boil the oceans, the Sun does not rise in the West, and Members and the President will not bring about balanced budgets if all we have to rely on is their best efforts when they come to the floor and when they sit in the oval office. We have heard a lot about the institutional bias of the present legal and political framework that leads inevitably toward deficits, more and more deficits. Some have disputed that such a bias exists. I can only point to the fact of deficits in 25 of the past 26 years and 47 of the past 55 years to make my point. Members of Congress are honorable, hard-working people. We pride ourselves in representing our constituents. We do not want to pile deficit upon deficit. No one runs for office saying I am going to see how much deficit I can vote for. But we can not boil oceans and we can not balance budgets unless we develop some new technology or have a different legal framework in which to legislate.

Others have said that simply mandating the norm of a balanced budget in the Constitution will not necessarily get you there, where we want to be, and that is a balanced budget. Of course, they are right. I conceded as much in my opening statement when I made clear that this amendment was not a panacea for our Nation's economic problems, it is not a cure-all, it will not stop ingenious legislators and people with green eyeshades down at OMB from manipulating the process occasionally. But what a constitutional amendment will do is create a fiscal and legal environment in which it will be possible for Congress to make responsible budget decisions. This amendment will also require the President to make those decisions. I, as one Member of the Senate, will be able to point to the highest law of the land when an interest group comes in with a request, explain my duty to honor it, and ask that interest group how they propose to help me honor that law of the land. Not only will Members be brought up short in some of our more profligate moments, but interest groups will have to make balanced and thoughtful requests to Members of Congress and ignore just their personal gain or interest that day. They will have to come up with solutions. If we need a new housing program, and indeed we do in this country with the homeless situation what it is, interest groups are interested in that and Members of Congress who promote that will have to come forward with a way to pay for it, with a way to fund it.

And is that not really what we should have been doing long before today?

On this general point of enforcement, I believe I also have history on my side. Many amendments to the Constitution don't have specific enforcement provisions any more than this amendment provides in section 5. But they are obeyed. They are obeyed, and the statutes that implement them are obeyed, because the Constitution has set out that governing principle in our lives and we as a people are steeped in the tradition of "rule of law," and specifically, we as Members take an oath to uphold the Constitution. If this amendment is in it, that will be part of that oath that we solemnly take. We as a people, or Members of this body, have never willfully ignored the dictates of the Constitution. We err now and then and the Supreme Court sets us straight or we set the Supreme Court straight, perhaps, by changing some of their laws. But we never waiver in our efforts to uphold the general principles of constitutional mandates.

Some say Gramm-Rudman-Hollings has solved the budget issue. While I applaud the effort and good intentions that went into that statutory provision, it can only be considered a good start. It has already run into difficulties in the courts, bills have been introduced to repeal it, and, in any event, it is only a temporary solution, expiring in 1991. We must legislate for the long haul. We can legislate aspects of due process and equal protection, and rights to counsel, and rights against illegal search and seizure, but that fact that these rights exist in the Constitution is what has given them—and us—a framework, a solid foundation on which to order our lives. No less reasoning applies to the need for a balanced budget mandate in the Constitution—because it is there we will obey it.

Our agonies over Gramm-Rudman-Hollings, reconciliation, and budget resolutions over the past months have been preludes to the decision we are about to make on amending the Constitution. If it were easy to balance the budget we would not need this amendment—but it has proven impossible and we desperately need this amendment. It is a simple amendment: It requires total outlays to equal total receipts unless three-fifths of both Houses of Congress decide that outlays may exceed receipts. It dictates a modest degree of accountability by requiring that bills to increase revenues—that means taxes—be passed by a majority of the Members of Congress. Debt to fund excess of outlays over receipts must also be approved by a three-fifths vote. These principles are straightforward and reflect the basic principles under which we as individuals, cities, States, and other entities are to conduct our fiscal affairs.

Our action today will affect all Americans, but perhaps most importantly it will affect the legacy we leave to future generations. As we prepare to vote on adding to the Constitution these provisions to require the norm of a balanced budget and to make us accountable to the American people when we go to them for tax dollars to fund our Federal programs, I ask each Member to especially consider our children and their children who will be saddled with the debt we have created and resolve that with the vote on this amendment we will begin the long and difficult road back to fiscal sanity.

Mr. President, in accordance with the unanimous-consent request, I yield the floor to the Senator from Washington.

The PRESIDING OFFICER. The Senator from Washington is recognized.

Mr. EVANS. Mr. President, we are drawing to a close debate on perhaps the most important issue we will face this year, and we are going to face some exceedingly important ones.

Let me begin by first saying I join enthusiastically with the sponsors of this proposed amendment in my desire to appropriately balance our budget, to appropriately carry forward our economic affairs in a responsible and reasonable manner, and to ensure that future generations are not saddled with undue debts from profligate spending of this generation. In that respect we have no disagreement. But as to methods, there are substantial and deep divisions.

Let me first respond to comments made by several of my colleagues a little earlier. The Senator from Illinois and others have no occasion mentioned the so-called unwritten amendment to the Constitution, that illusory wraithlike amendment which some can apparently see but which does not exist on any paper. Now, that is an interesting way to interpret the Constitution—to just say that if there is not something you can see; if there is not something you would like to depend upon in the Constitution, just call it an unwritten amendment. And then suggest that all we are doing is putting into words what our forefathers had in mind as if we somehow could read the minds of those long since deceased.

We have to deal with the Constitution as it is now written, the Constitution as it has been interpreted for almost 200 years; and to try to make a conscious decision as to whether this indeed is an appropriate addition to it.

The Senators from Arizona and Illinois both referred to Thomas Jefferson and quoted his abhorrence of public debt, which was not exactly matched by his willingness to assume private debt. And, in fact, he built one of the grandest homes in the United States, Monticello, partially through borrowing as a long-term investment.

I am not going to stand here, and it is not the point of the argument today, to embrace debt, especially the size of the national debt as it has grown. I join again with the proponents in saying that we are indeed out of control. But no debt; moving to a completely cash budget; doing what virtually no private citizen does, virtually no corporation does, and virtually no State or local community does? We would be virtually unique among all the private and public entities of this Nation if we were to suddenly and radically decide that we would embark on a direction that brooks no investment whatsoever in our long-term future through debt.

As I say, it is not my purpose to embrace debt as a direction we ought to move, at least in the amount we have. But let's face it, that $2 trillion debt, immense as it is, has bits and pieces of it which helped preserve freedom during World War II. It has helped support farmers from being driven

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from their land. It has hepled our poor from going hungry. It has helped build highways and bridges and the America we know today. It has helped to provide aid for students to go to college and universities and become the educated next generation leadership of this country. It has insured banks and, to a degree, an investment in our own future.

Now, of course, it is out of control in terms of its size and, of course, it ought to be brought under control. But we hear too often people on this floor talking about the absolute of a balanced budget, of no debt, of all cash, and I am not certain that that is the appropriate direction. In fact, I am quite certain it may not be.

The Senator from Arizona also mentioned that we cannot rely on the President and on the Members of Congress to do a responsible fiscal job.

If we cannot rely on those Representatives, if we cannot rely on ourselves as citizens of this Nation, then the words of a constitutional amendment are indeed a thin reed on which to lean.

Whether we have a constitutional amendment or not, it still takes the will of people elected to office, and the vigilance of the voters who put them there to ensure that appropriate action is taken.

The Senator from Arizona correctly mentioned that each of us in taking office swear to uphold the Constitution. It is part of the oath we all take, and suggested that with that oath we would by definition enforce any constitutional amendment or any section of the Constitution.

Well, I would suggest to him that has not always been the case. We passed the 18th amendment to the Constitution which prohibited transportation, sale, and in all respects the distribution of alcohol.

I suspect—although I would hate to point to any single Member—that in those days Members at the beginning of a congressional session would hold up their hands, swear to uphold the Constitution of the United States, and hasten out some place close by to celebrate with a quick drink. You simply cannot, unless there is the will, ensure that everyone is going to live up to the Constitution.

As we have moved along on this debate in the last half-dozen years, we have seen a significant change in the attitude of the American people toward a balanced budget amendment to the Constitution. On the one hand, an increasing desire toward moving a more responsible way on budgeting but a decreasing support for the specific balanced budget amendment to the Constitution.

The Gallup Poll has most consistently asked the question and produced the results. In 1978, 81 percent favored a balanced budget amendment to the Constitution. Essentially, the same question was asked in 1982 when it was down to 75 percent. Essentially, the same question was asked this last year when it was down to 49 percent. There was a drive a few years ago for States to seek a constitutional convention for a balanced budget amendment because the Congress would not act.

Few States have been added to that list in the last couple of years. That too has faltered with the recognition not only of the danger of opening up a constitutional convention, but a growing recognition that the balanced budget amendment is not the real answer.

I have said before, and I say again, that to approve this amendment would be irresponsible. I believe debate over the last several weeks has shown this, and if one needs more proof, Mr. President, I ask unanimous consent that the statement of 217 distinguished economists, including seven Nobel laureates of economics and four former chairman of the Presidents Economic Advisers be printed in the Record, who said the following:

> We do not believe that the quality of our economic policies will be improved by amending the Constitution. Rather, they will be improved only through better and wider public understanding of the economic elements in national policy, and by electing public officials who are competent, responsible, and responsive to the will of the electorate.

There being no objection, the material was ordered to be printed in the Record, as follows:

Economists' Open Letter Opposing a Constitutional Amendment Requiring Balanced Federal Budget and Limiting Federal Tax Receipts

The undersigned professional economists, who hold a variety of views regarding national economic policies, nevertheless are united in opposing enactment of the proposed constitutional amendment embodied in Senate Joint Resolution 13 or the Simon Substitute. Our reasons are given below. We are not all equally impressed by each of these reasons; and some of us have still other reasons for opposing the Amendment. But we are unanimous in our conviction that such an amendment is not in the national interest.

1. Whether a given expenditure budget and set of tax provisions will produce a deficit or a surplus depends to an important degree on the state of the economy over a period that will end considerably more than year from the time when appropriations and tax laws are enacted. This future state of the economy will be significantly influenceed by the budget itself; but it also depends on many other events and circumstances that cannot be foreseen. Achieving the purpose of the proposed Amendments—i.e., avoiding deficits—thus implies an impossible accuracy in economic forecasting. Of course, Congress could deliberately evade the purpose of an Amendment by making economic assumptions that its members knew or suspected were unlikely to be realized. Such devious procedures clearly should not be encouraged by an unworkable Constitutional provision.

2. Even if Congress were able accurately to foresee the state of the economy, and able accurately to predict the revenues and expenditures associated with any economic forecast and any set of tax laws and appropriations, it is bad public policy to enact a budget that would be balanced in a fiscal year foreseen to be characterized by excessive unemployment and deficient sales, production, and incomes. Such a balanced budget could, in those circumstances, itself markedly increase unemployment and further depress production and incomes.

3. Similarly, if the fiscal year for which the budget and tax rates were being determined were expected to be a year of strong demand, high production and employment, and rising inflation, the provision of S.J.R. 13, that would limit the percentage rise in tax revenues to the previous year's percentage increase in national income could require tax rate reductions that would further increase demand and further fuel inflation, leaving tight money and high interest rates as the principal weapons for attempting to stabilize demand and prices.

4. Precise definitions of "expenditures", "revenues", "deficit", "national income" and related concepts are not included in the present draft amendments. Thus, an Amendment would need to contain (or the Courts would need to supply) such definitions. The relevance of any particular set of precise definitions changes materially over time. The Constitution cannot be periodically amended or reinterpreted to keep up with changing fiscal concepts and practices.

5. Constitutional limits on the use of budgetary policy for purposes of economic stabilization could in many cases be evaded by the use of regulatory policies or tax differentials designed to achieve the same ends. Regulatory provisions are normally far less efficient than economic incentives, and regulations or tax differentials seriously distort private economic choices. Inventing new forms of "off-budget" expenditures or financing would be another easy but undesirable means to frustrate the intention of an Amendment.

6. Interpretation of the Constitution—including an Amendment, if approved—is a function of the judiciary. We believe it unwise to involve the courts in the interpretation of economic theory and economic policy. It often take years to develop a judicial construction sufficiently thorough to comprehend the full range of issues, arguments, and conflicts inherent in a new legal situation. Moreover, it often takes years to adjudicate the cases that arise to test the scope and application of a new legal concept. To be effective, economic policy must be flexible, and respond to changing economic conditions, insitutions, and relationships; bringing the courts into the policy process would severely undermine the necessary flexibility.

7. The proposed Amendments demand a three-fifths vote of the full membership of each House of Congress in order to permit a Federal deficit under any circumstance other than a formal declaration of war. A special majority would also be needed to raise tax revenues by more than the previous year's increase in National Income (which might be a decrease). In a national emergency other than war, a prohibition of deficits or tax increases might make it impossible adequately to protect the national interest. A national-security emergency does not always (or, in recent history, even generally) involve a formal declaration of war; and a threat to national security may not

always be so obvious that three-fifths of the members of each House will perceive it and actually vote that it exists. Further, acknowledgement of such a threat by so explicit an action might be highly inappropriate or even dangerous. The debate and confusion involved in such a major and unprecedented policy decision could preclude immediate response to an imminent danger.

8. Most of us agree that Federal budget deficits can be and often have been incurred unwisely—at the wrong times, or in the wrong amounts. However, we do not believe that the quality of our economic policies will be improved by amending the Constitution. Rather, they will be improved only through better and wider public understanding of the economic elements in national policy, and by electing public officials who are competent, responsible, and responsive to the will of the electorate.

The motivation for Congress' sudden interest in amending the Constitution to prohibit deficits appears mainly to reflect frustrations associated with its inability to enact a fiscal-year 1985 budget that would be balanced in a year that it officially predicts will be marked by vigorous economic recovery. As the Washington Post noted editorally on June 21, 1982, "It is grotesque for senators and a president who cannot get their current deficit under $100 billion to support, piously, constitutional language putting it at zero."

The undersigned are all professional economists, engaged in research, teaching, consulting, or staff capacities. We sign this statement as individuals, our institutional affiliations are provided only for purposes of identification, with no implication that we represent anyone's views other than our own.

ECONOMISTS IN OPPOSITION TO SENATE JOINT RESOLUTION 13 AND THE SIMON SUBSTITUTE

Nobel Prize winners in economics: Kenneth J. Arrow, Lawrence R. Klein, Wassily Leontief, Franco Modigliani, Paul Samuelson, Herbert Simon, and James Tobin.

Former Governor of Federal Reserve Board: Andrew Brimmer, and Sherman J. Maisel.

Former president of National Association of Business Economists: Richard W. Everett.

Former Chairman of the Council of Economic Advisers: Gardner Ackley, Walter W. Heller, Leon Keyserling, and Charles Schultze.

Former presidents, American Economic Association: Kenneth J. Arrow, William J. Baumol, Kenneth E. Boulding, Walter Heller, Lawrence R. Klein, Wassily Leontief, Franco Modigliani, Paul Samuelson, Robert Solow, and James Tobin.

President, National Economic Association: Bernard E. Anderson.

President, Conference of Economic Progress: Leon Keyserling.

Former Chairman, Council on Wage and Price Stability: Alfred Kahn.

Former Chief Economist, U.S. Department of Commerce: Courtenay Slater.

John Bates Clark Medalists: Kenneth J. Arrow, Kenneth E. Boulding, Franklin M. Fisher, Lawrence R. Klein, Paul Samuelson, Robert Solow, and James Tobin.

Henry Aaron, Brookings Institution.

Moses Abramovtiz, Stanford University, former president, American Economic Association.

Gardner Ackley, University of Michigan, Former Chairman of the Council of Economic Advisers.

William James Adams, University of Michigan.

Irma Adelman, University of California—Berkeley.

M.A. Adelman, Massachusetts Institute of Technology.

Daniel S. Ahearn.

Clopper Almon, University of Maryland.

Bernard E. Anderson, president, National Economic Association.

Ronald Anderson, Columbia University Graduate School of Business.

Albert Ando, University of Pennsylvania.

Kenneth J. Arrow, Stanford University, Nobel Memorial Prize in Economics, 1972, formal president, American Economic Association, John Bates Clark Medalist.

Gerald E. Auten, Bowling Green State University.

Martin Neal Baily, Brookings Institution.

Harold Barger, Columbia University.

V. Lewis Bassie, emeritus, University of Illinois.

Francis M. Bator, Kennedy School of Government, Harvard University.

Ronald W. Batchelder, University of California, Los Angeles.

William J. Baumol, Princeton University and New York University; former president, American Economic Association.

Carolyn Shaw Bell, Wellesley College.

Arthur Benavie, University of North Carolina, Chapel Hill.

Abram Bergson, Harvard University.

Joseph S. Berliner, Brandeis University.

Ernst R. Berndt, Massachusetts Institute of Technology.

Robert L. Bishop, Massachusetts Institute of Technology.

Alan S. Blinder, Princeton University.

Ernest Bloch, New York University.

Roy Blough, emeritus, Columbia College.

Francis M. Boddy, emeritus, University of Minnesota, Minneapolis.

Roger Bolton, Williams College.

James T. Bonner, Michigan State University.

Kenneth Boulding, emeritus, University of Colorado, Boulder; former president, American economic association, John Bates Clark Medalist.

Samuel Bowles, University of Massachusetts, Amherst.

D.O. Bowman, dean emeritus and consultant, California State University.

Mary Jean Bowman, emeritus, University of Chicago.

David Bradford, Princeton University.

David W. Breneman, Brookings Institution.

Daniel H. Brill, former Assistant Secretary of the Department of the Treasury.

Andrew Brimmer, Andrew Brimmer & Co., Inc., former Governor, Federal Reserve Board.

Roger E. Brinner, group vice president and chief economist, International Energy and Utilities Divisions, Data Resources, Inc., Lexington, MA.

Arthur L. Broida.

Martin Bronfenbrenner, Duke University.

E. Cary Brown, Massachusetts Institute of Technology.

Henry J. Bruton, Williams College.

Ralph C. Bryant, Brookings Institution.

Edward C. Budd, Pennsylvania State University.

John F. Burton, Jr., Cornell University.

Lester V. Chandler, Princeton University.

Carl F. Christ, Johns Hopkins University.

Christopher Clague, University of Maryland.

Robert M. Coen, Northwestern University.

Richard N. Cooper, Harvard University.

Paul N. Courant, University of Michigan.

Paul A. David, Stanford University.

Paul Davidson, Rutgers University; editor, the Journal of Post Keynesian Economics.

Sidney Davidson, University of Chicago.

Gerard Debreu, University of California, Berkeley.

Robert F. Dernberger, University of Michigan.

Thomas F. Dernburg, American University.

Dudley Dillard, University of Maryland.

David P. Doane, Oakland University.

Evsey D. Domar, Massachusetts Institute of Technology.

Robert Dorfman, Harvard University.

James S. Duesenberry, Harvard University.

John T. Dunlop, Harvard University.

George C. Eads, University of Maryland.

James S. Earley, University of California, Riverside.

Richard Easterlin, University of Southern California.

Robert J. Eggert, Eggert Economic Enterprises, Inc.

Robert Eisner, Northwestern University.

Richard Everett, former president, National Association of Business Economists.

George R. Feiwell, University of Tennessee.

Franklin M. Fisher, Massachusetts Institute of Technology; John Bates Clark Medalist.

Robert J. Flanagan, Stanford University.

Murray F. Foss.

Irwin Friend, University of Pennsylvania.

George M. von Furstenberg.

Daniel R. Fusfeld, University of Michigan.

James H. Gapinski, Florida State University.

Arthur S. Goldberger, University of Wisconsin, Madison.

Stephen M. Goldfeld, Princeton University.

Richard Goode.

David M. Gordon, the New School of Social Research.

Robert J. Gordon, Northwestern University.

Roger H. Gordon, National Bureau of Economic Research.

Edward M. Gramlich, University of Michigan.

Jerry Green, Harvard University.

Karl D. Gregory, Oakland University.

Joseph Grunwald, Brookings Institution.

Jack M. Guttentag, University of Pennsylvania.

William Haber, emeritus, University of Michigan.

Bernard F. Haley, emeritus, Stanford University.

Burton C. Hallowell, president emeritus, Tufts University.

Daniel S. Hamermesh, Michigan State University.

Bruce Hamilton, the Johns Hopkins University.

Albert Gailord Hart, Columbia University.

Robert H. Haveman, University of Wisconsin, Madison.

Walter Perrin Heller, University of California, San Diego.

Walter W. Heller, University of Minnesota; former Chairman of the Council of Economic Advisers; former president, American Economic Association.

William F. Hellmuth, Virginia Commonwealth University.

Donald D. Hester, University of Wisconsin, Madison.

Bert G. Hickman, Stanford University.

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Clifford Hildreth, University of Minnesota.

C. Elton Hinshaw, Vanderbilt University.

Werner Z. Hirsch, University of California, Los Angeles.

Albert O. Hirschman, Institute of Advanced Study, Princeton University.

Donald R. Hodgman, University of Illinois, U.C.

Robert S. Holbrook, University of Michigan.

Charles C. Holt, University of Texas at Austin.

Leonid Hurwicz, University of Minnesota.

Saul H. Hymans, University of Michigan.

James C. Ingram, University of North Carolina at Chapel Hill.

F. Thomas Juster, Institute for Social Research, University of Michigan.

Alfred Kahn, Cornell University; former Chairman, Council on Wage and Price Stability.

Masahiro Kawai, the Johns Hopkins University.

Carl Kaysen, Massachusetts Institute of Technology, director, program in science.

David Kendrick, University of Texas.

Peter B. Kenen, Princeton University.

Joseph A. Kershaw, Williams College.

Leon Keyserling, former Chairman, Council of Economic Advisers; president, Conference of Economic Progress.

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Lawrence R. Klein, University of Pennsylvania; Nobel Memorial Prize in Economics, 1980; former president, American Economic Association, John Bates Clark Medalist.

Alvin K. Klevorick, Yale University.

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Lawrence B. Krause, Brookings Institution.

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Glenn C. Loury, University of Michigan.

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Frank Lysy, the Johns Hopkins University.

Louis Maccini, the Johns Hopkins University.

Sherman J. Maisel, University of California, Berkeley; former Governor, Federal Reserve Board.

Thomas Mayer, University of California, Davis.

Campbell R. McConnell, University of Nebraska-Lincoln.

Raymond F. Mikesell, University of Oregon.

Charles Miller, the Johns Hopkins University.

Jerry Miner, Syracuse University.

Hyman P. Minsky, Washington University.

Franco Modigliani, Massachusetts Institute of Technology; former president, American Economic Association.

James N. Morgan, University of Michigan.

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Peter Newman, the Johns Hopkins University.

Donald A. Nichols, University of Wisconsin.

Roger Noll, Stanford University.

Mancur Olson, University of Maryland.

Joseph A. Pechman, Brookings Institution.

Mark Perlman, University of Pittsburgh.

George L. Perry, Brookings Institution.

Wallace C. Peterson, University of Nebraska-Lincoln.

Edmund Phelps, Columbia University.

Almarin Phillips, University of Pennsylvania.

Robert S. Pindyck, Massachusetts Institute of Technology.

Mark W. Plant, University of California-Los Angeles.

Richard C. Porter, University of Michigan.

Lee E. Preston, University of Maryland.

Fredric Raines, Washington University.

Gordon C. Rausser, University of California-Berkeley.

Margaret G. Reid, University of Chicago.

Robert D. Reischauer, the Urban Institute.

Robert W. Resek, University of Illinois, U.C.; director, Bureau of Economic and Business Research.

Lloyd G. Reynolds, Yale University.

Earl R. Rolph, University of California-Berkeley.

Hugh Rose, the Johns Hopkins University.

Michael Rothschild, University of Wisconsin-Madison.

Daniel L. Rubinfeld, University of Michigan.

Vernon W. Ruttan, University of Minnesota.

Walter S. Salant, senior fellow emeritus, Brookings Institution.

Steven S. Salop, Georgetown University Law Center.

Paul Samuelson, Massachusetts Institute of Technology; Nobel Memorial Prize in Economics, 1970; former president, American Economic Association.

Isabel V. Sawhill, the Urban Institute.

Thomas C. Schelling, Harvard University.

F.M. Scherer, Northwestern University and Swarthmore College.

Joseph Scherer, Hofstra University.

Richard Schmalensee, Massachusetts Institute of Technology.

Charles L. Schultze, Brookings Institution; former Chairman, Council of Economic Advisers.

Rashi Sein, Harvard University.

Harold T. Shapiro, president, University of Michigan.

Herbert A. Simon, Carnegie-Mellon University; Nobel Memorial Prize in Economic, 1978.

Courtenay Slater, former Chief Economist, U.S. Department of Commerce.

Irvin Sobel, Florida State University—Tallahassee.

Robert Solomon, Brookings Institution.

Robert M. Solow, Massachusetts Institute of Technology; former president, American Economic Association; John Bates Clark Medalist.

Peter O. Steiner, University of Michigan.

Anita A. Summers, University of Pennsylvania.

Robert Summers, University of Pennsylvania.

Paul Taubman, University of Pennsylvania.

Lester D. Taylor, University of Arizona.

Ronald L. Teigen, University of Michigan.

Peter Temin, Massachusetts Institute of Technology.

Lester C. Thurow, Massachusetts Institute of Technology.

James Tobin, Yale University; Nobel Memorial Prize in Economics, 1981; former president, American Economic Association; John Bates Clark Medalist.

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Hal R. Varian, University of Michigan.

Raymond Vernon, Harvard University; Center for International Affairs.

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Phyllis A. Wallace, Massachusetts Institute of Technology.

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Steven B. Webb, University of Michigan.

Sidney Weintraub, LBJ School, University of Texas at Austin.

Burton A. Weisbrod, University of Wisconsin—Madison.

Thomas E. Weisskopf, University of Michigan.

Gordon C. Winston, Williams College.

Sidney G. Winter, Yale University.

James S. Worley, Vanderbilt University.

Gavin Wright, Stanford University.

Frank C. Wykoff, Pomona College.

Mr. EVANS. Mr. President, I also have the statements of 266 distinguished constitutional lawyers and professors of constitutional law who said in their summary:

> * * * it is our opinion that amending the Constitution to include budgetary and economic doctrine would undermine the flexibility and diminish the integrity of the document under which this nation was born and has prospered for almost 200 years.

And I ask unanimous consent that their statement be included in the Record.

There being no objection, the material was ordered to be printed in the Record, as follows:

Open Letter of Lawyers and Professors of Constitutional Law Opposing A Constitutional Amendment Requiring Balanced Federal Budget and Limiting Federal Tax Receipts

The undersigned lawyers and professors of law, who hold a variety of views regarding national economic policies, are united in opposing enactment of the proposed constitutional amendment embodied in Senate Joint Resolution 13 or the Simon Substitute (the "Balanced Budget" amendment). Among the reasons for our opposition are:

1. One of the chief strengths of our Constitution resides in its flexibility. Changing social-economic conditions demands changing approaches to economic policy and budgetary outlays. A constitutionally required balanced budget would severely limit the government's ability to fashion such economic policies as may be needed in particular, and often unforeseeable, circumstances. To elevate a balanced budget to

permanent constitutional status is unwise and historically unsound.

2. Under Section 1 of the proposed amendment a three-fifths vote is needed to "unbalance" the budget. While more than a majority of those present and voting is now constitutionally required for certain matters (conviction on impreachment and proposed amendments) the principle most firmly embedded in the Constitution is one of majority rule. The potential for a tyranny of the minority in regard to budget votes under Section 1 of the proposed amendment is clear, and would inevitably have a paralyzing effect on the way Congress works.

3. Section 2 of the proposed amendment, furthermore, would create a permanent bias in the legislative process against federal programs as such, by requiring constitutional majorities of both Houses to approve any programs that increase the proportion of the "national income" represented by federal revenues above that of the previous year. Whatever the merits of the political philosophy behind this provision, it is wrong to thrust the political decisions it entails on future generations through writing it into the Constitution.

4. As attorneys and law professors, we are most concerned over the prospect of increasing the role of the judiciary in the budget process. Problems of definition of terms such as "national income" are not the only points on which judicial review may be expected. To take just one example, the Congress may wish to put certain types of outlays "off-budget"; in each such case, the constitutionality of the decision would be subject to judicial review. The review process is not only time-consuming; it is also unpredictable and uncertain. Therefore the certainty required for the smooth operation of the government would be seriously eroded.

Finally, it should not be forgotten that Congress and the President already have the power to balance the budget, without a constitutional amendment. The discipline required for a balanced budget must come from within the political process, and cannot, without serious disruptions, be imposed from without.

In conclusion it is our opinion that amending the Constitution to include budgetary and economic doctrine would undermine the flexibility and diminish the integrity of the document under which this nation was born and has prospered for almost 200 years.

We sign this statement as individuals; our institutional affiliations are provided only for purposes of identification, with no implication that we represent anyone's views other than our own.

Barbara Bader Aldave, University of Texas, School of Law at Austin.

Larry Alexander, University of San Diego, School of Law.

Alfred C. Aman, Jr., Cornell Law School.

Joe E. Anderson, St. Mary's University of San Antonio, School of Law.

Kenneth F. Antley, Mercer University Law School.

Charles E. Ares, University of Arizona, College of Law.

Michael Asimow, University of California at Los Angeles, School of Law.

Frank Askin, Rutgers, The State University of New Jersey, Law School, S.I. Newhouse Center for Law and Justice.

Carl A. Auerbach, University of Minnesota Law School.

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Gordon B. Baldwin, University of Wisconsin Law School.

Milner S. Ball, University of Georgia, School of Law.

John J. Barcelo III, Cornell Law School.

Robert L. Bard, University of Connecticut, School of Law.

Robert A. Barker, Union University, Albany Law School.

Stephen R. Barnett, University of California at Berkeley, School of Law.

Edward L. Barrett, Jr., University of California at Davis, School of Law.

Dean Jerome A. Barron, George Washington University National Law Center.

Dean Richard J. Bartlett, Union University, Albany Law School.

Dean Florian Bartosic, University of California at Davis, School of Law.

Robert M. Bastress, West Virginia University, College of Law.

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Daniel O. Bernstine, University of Wisconsin Law School.

Donald L. Beschle, John Marshall Law School.

Norman Birnbaum, Georgetown University of Law Center.

Boris I. Bittker, Yale Law School.

Vincent A. Blasi, University of Michigan Law School.

Alfred W. Blumrosen, Rutgers, The State University of New Jersey, S.I. Newhouse Center for Law and Justice.

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Lee Bollinger, University of Michigan Law School.

Henry J. Bourguignon, University of Toledo College of Law.

Paul A. Brest, Stanford Law School.

Abner Brodie, Emeritus, University of Wisconsin Law School.

Alan E. Brownstein, University of California at Davis School of Law.

Barbara Brudno, Brooklyn Law School.

John C. Bullitt, Shearman & Sterling, New York, New York.

John M. Burkoff, University of Pittsburgh, School of Law.

Robert A. Burt, Yale Law School.

Burton Caine, Temple University, School of Law.

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Rodolphe J. A. deSeife, Northern Illinois University, College of Law.

Michael DeVito, Golden Gate University, School of Law.

C. Thomas Dienes, George Washington University, National Law Center.

David Dittfurth, St. Mary's University of San Antonio, School of Law.

Charles E. Donegan.

Patricia Dore, Florida State University, College of Law.

Donald W. Dowd, Villanova University, School of Law.

Robert F. Drinan, S.J., Georgetown University Law Center.

Melvyn R. Durchslag, Case Western Reserve University, The Franklin Thomas Backus School of Law.

Harold Edgar, Columbia University, School of Law.

Nancy S. Erickson, Ohio State University, College of Law.

Samuel Estreicher, New York University, School of Law.

Jack Etheridge, Emory University School of Law.

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Ted Finman, University of Wisconsin Law School.

David B. Firestone, Vermont Law School.

Thomas C. Fischer, New England School of Law.

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Thomas Franck, New York University, School of Law.

Monroe H. Freedman, Hofstra Law School.

Brian A. Freeman, Capital University Law School.

Harrop A. Freeman, Cornell Law School.

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Howard M. Friedman, University of Toledo, College of Law.

James Friedman, University of Maine School of Law.

Lawrence M. Friedman, Stanford Law School.

Gerald E. Frug, Harvard University Law School.

Edward McGlynn Gaffney, Notre Dame Law School.

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Walter Gellhorn, Columbia University, School of Law.

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Abraham S. Goldstein, Yale Law School.

Edward Gordon, Union University—Albany Law School.

Stephen E. Gottlieb, Union University—Albany Law School.

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Joseph D. Grano, Wayne State University, School of Law.

Eric D. Green, Boston University, School of Law.

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Leo Kanowitz, University of California, Hastings College of the Law.

Stephen Kanter, Lewis and Clark College, Northwestern School of Law.

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Joan Mahoney, University of Missouri-Kansas City College of Law.

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Maurice H. Merrill, General Counsel, Oklahoma Association of Municipal Attorneys.

Arthur S. Miller, George Washington University, National Law Center.

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Robert Popper, University of Missouri-Kansas City, School of Law.

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William Rich, Washburn University, School of Law.

William D. Rich, University of Akron, C. Blake McDowell Law Center.

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George Schatzki, University of Washington, School of Law.

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Peter W. Schroth, Hamline University, School of Law.

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Aviam Soifer, Boston University, School of Law.

James H. Stark, University of Connecticut, School of Law.

Sheldon Elliott Steinbach, American Council on Education, Washington, D.C.

Geoffrey R. Stone, University of Chicago Law School.

Victor J. Stone, University of Illinois College of Law, President, American Association of University Professors.

Irwin P. Stotzky, University of Miami, School of Law.

Peter L. Strauss, Columbia University, School of Law.

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Christina, Whitman, University of Michigan Law School.

Robert F. Williams, Rutgers, The State University of New Jersey, School of Law.

Michael B. Wise, Willamette University, College of Law.

Albert M. Witte, University of Arkansas, School of Law.

Larry W. Yackle, Boston University, School of Law.

James W. Zirkle, Yale Law School.

Mr. EVANS. Mr. President, when debate began on the balanced budget amendment, I believe the proposal was not only inappropriate but also unnecessary and unworkable.

With the addition of the Hatch-Armstrong amendment which requires a three-fifths vote of both Houses to increase the public debt, the proposal, I believe, has become an even more dangerous threat to the financial integrity and stability of the country. In today's terms, this means that if we reach our debt ceiling, and like death and taxes we most assuredly will, the U.S. Government could be forced by a minority in Congress to renege on an endless list of Federal financial obligations. Programs such as Federal guarantees for student loans, Commodity Credit Corporation, Federal deposit insurance, veterans' pensions, Social Security, public entities like the TVA, or the Bonneville Power Administration. All it takes is the simple majority to approve such guarantees, and approve such borrowing authority. This new provision, however, could require support of a supermajority in Congress to keep the promise when it comes to delivering the goods.

The present legal and constitutional structure focuses on the creation of an obligation that will result in spending. This usually comes in the form of budget or spending authority.

Nowhere, however, does Congress appropriate outlays. Outlays are the spending that result from the original obligation.

So actually, the emphasis of the constitutional amendment on receipts and outlays does not even deal with what we appropriate.

The report of the committee which many of the proponents have assiduously referred to takes 12 pages to describe definitions of outlays and receipts and actions to be taken.

The colloquy which is in the Congressional Record took three pages of the Record to again identify the complexity of outlays and receipts.

Let me only read a couple of the more interesting definitions.

> Outlays, receipts, fiscal years, are all terms defined by or to be defined by statute, and as such have no constitutional standing.

They go on to say at the same time the committee is "sensitive to the likelihood that such concept will undergo modification through time." In other words, there is no great constitutional protection when you go down to the detailed definitions.

Then further, we have a most fascinating discussion which I am delighted to find of what constitutes budget balance. What in their terms is a de minimus balance. In other words, if you get to the end of the year and you are close but not quite there, how much is close? They say what is de minimus is subject to interpretation given present-day monitoring abilities and the size of the Federal budget. It would be fair to say that a $10 billion imbalance or roughly 1 percent of the Federal outlays would mean balance.

They may say that $10 billion is de minimus. I suggest that $10 billion is a lot of money, and does not come close to the kind of balance they have advocated so strenuously.

The balanced budget amendment with this three-fifths requirement to raise the debt ceiling does as both the Senator from New Mexico, and the Senator from Utah stated 4 years ago. It causes some enormous problems and tilts the balance strongly toward raising taxes which only takes 51 votes, as opposed to increasing the debt limit which would take 60 votes.

For the Federal Government to pay off the guarantees of loans for crops, for students, for any other purpose; as you reach the debt ceiling, if you ran into problems, the choice then is difficult. You raise taxes—the easiest way out—or, if you insist on raising the debt, you would have to do it with a three-fifths vote. And we then put this in the hands of a relatively small minority, unusual strength from which they would extract a very large price.

Mr. President, I suggest that in referring to these 1982 statements that the choice is to increase taxes rather than to increase the debt limit. The response from the proponents was best displayed by my colleague from Illinois, who last night was on the McNeil-Lehrer program with me. His response to that question in the 1982 statements said, "Frankly, I think we need additional revenue."

Well, we may indeed need additional revenue at some point in our efforts of deficit reduction.

The PRESIDING OFFICER. The Senator is informed that the time remaining to oppose the amendment is believed less than 70 minutes, which is the amount formerly agreed to.

Mr. EVANS. I would ask unanimous consent for 5 more minutes, but I do not see any managers on the floor.

Mr. WEICKER. Mr. President, may I make a parliamentary inquiry as to how much time is left to the opponents of the amendment?

Mr. GORTON. Slightly under 41 minutes.

Mr. WEICKER. Is it proper to suggest that of such time, 5 minutes be used?

The PRESIDING OFFICER. The Chair would suggest that since the only Members on the floor are opponents, any unanimous consent request should relate to their time.

Mr. WEICKER. I ask unanimous consent that the Senator from Washington [Mr. Evans] be permitted 5 minutes, which time would be taken off the time belonging to the opponents of the business before the Senate.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. EVANS. I thank the Senator from Connecticut.

Mr. President, we may indeed need additional revenue at some point, but do we indeed need a permanent constitutional revenue machine—a machine which would be created under this

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amendment? It would give undue effort to the raising of taxes rather than leaving it balanced as it is now, where the choice can be made with full understanding of the economic characteristics of the time and the needs of our people whether to cut spending, raise taxes, or to engage in an unbalanced budget.

Mr. President, there are many ways. I have a detailed report which I ask unanimous consent to have printed in the Record, a report of a distinguished former House Budget Committee chief counsel, Wendell Belew.

There being no objection, the report was ordered to be printed in the Record, as follows:

Mathis, Belew & Associates,
Washington, DC, March 19, 1986.

Senator Daniel J. Evans,
U.S. Senate,
Washington, DC.

Dear Senator Evans: On Tuesday, March 25, the Senate is scheduled to vote on S.J. Res. 225, the Balanced Budget Constitutional Amendment. If approved this amendment will radically alter the financial structure of the United States Government. Uncertainties created by the amendment will increase interest costs, inhibit the efficient execution of government contracts and undermine domestic and international confidence in the credit of the United States.

The attached document examines some of the specific problems created by S.J. Res. 225. I hope you find it useful in considering this important matter.

Sincerely,

Wendell Belew,
Partner,
Mathis, Belew & Associates.

ANALYSIS OF PROBLEMS ASSOCIATED WITH THE BALANCED BUDGET CONSTITUTIONAL AMENDMENT

(Prepared by Wendell Belew)

The Hatch-Armstrong amendment to the proposed Balanced Budget Constitutional Amendment (S.J. Res. 225) introduces a new element of uncertainty in a wide variety of programs, ranging from Commodity Credit Corporation price supports to Guaranteed Student Loans and FDIC/FSLIC insurance. The new provision of the constitutional amendment provides that "the public debt of the United States shall not be increased to fund any excess of outlays over receipts for any fiscal year, unless three-fifths of the whole number of both houses of Congress shall provide, by law, for such an increase".

The provision is intended to supplement the requirement elsewhere in Section 1 of the Amendment that "total outlays of the United States for any fiscal year shall not exceed total receipts to the United States for that year, unless three-fifths of the whole number of both houses of Congress shall provide for a specific excess of outlays over receipts." Rather than controlling the obligation of new debt these provisions place a major stumbling-block on Congress's ability to satisfy legal and moral obligations already incurred.

The present legal and constitutional structure focuses on the creation of an obligation that will result in spending. In technical terms Congress and the President create "budget authority" or "spending authority" by law. This authority may take the form of an appropriation bill, a veterans pension, a non-recourse CCC loan, or a commitment to pay the interest on the national debt. Congress and the President may also create contingent obligations, in the form of loan guarantees, which pledge the full faith and credit of the United States behind a certain enterprise. Nowhere, however, does Congress appropriate or create "outlays". Outlays are the spending that results from the original obligation (usually in the form of budget authority) created by law. Thus, Social Security or unemployment benefits are paid out according to whether or not the claimant satisfies the standards set forth in law, not by virtue of what the outlay level may be.

Under our present system, actual spending is controlled by reducing the extent to which the United States is obligated to make payments. For example, outlays could be reduced by cutting CCC price support or loan levels, changing federal retirement benefits, or eliminating the Social Security cost of living adjustment. Stricter eligibility requirements will reduce the cost of a program by limiting the number of individuals eligible to receive benefits. It is not appropriate under current practice, however, to undertake an obligation—to promise to buy wheat at a certain price, for example—and then refuse to pay up when the contract comes due.

The modified Balanced Budget Constitutional Amendment would change all this. By focusing on the level of outlays and the public debt and by ignoring the very obligations and authorizations that generate those outlays, the revised amendment would say to the prospective beneficiary of some federal program, "No matter that we promised to guarantee the loan, buy the crop or provide a disability payment, you won't get your money until three-fifths of the whole number of both houses and the President agree that you will." It takes little imagination to conjecture the effect of such a half-hearted promise on participation rates in CCC programs, the inclination on the part of lenders to participate in the Guaranteed Student Loan program or even the cost of interest on the public debt itself.

Specific examples show the effect of the proposed amendment on important federal programs:

Commodity Credit Corporation. Under present law CCC programs typically operate in a number of ways. Under the soybean loan program, for example, the farmer plants his crop in the spring, harvests it in late summer, then faces the necessity of paying off his short-term debt. One option is to sign a contract for a short-term non-recourse CCC loan, whereby the farmer stores the crop, gets a warehouse receipt and then has the choice of selling his crop on the market or defaulting on the loan, leaving the crop with the CCC. If the constitutional amendment is adopted, the farmer may face a situation where he harvests a crop, expecting to pay off his short-term debt with a CCC loan, only to find that there is no federal money left to borrow. Similarly, producers of some crops (such as feed grains) are eligible to participate in income support programs under which the farmer signs a binding contract to control production in exchange for income support. Under S.J. Res. 225, a scenario could develop whereby the farmer signs a contract, reduces his production, harvests the crop, and finds the CCC till empty due to the failure of a Congressional super-majority to raise the debt limit. Under these circumstances, many farmers would be reluctant to participate in CCC programs.

Tennessee Valley Authority. The Tennessee Valley Authority, like other power producers, derives income from the charges its consumers pay and spends money for operations and expansion. When new power production facilities are being built, expenditures will exceed receipts—at least until the new facilities start producing power. Under the proposed constitutional amendment, once the public debt limit had been reached—or when total outlays would exceed total receipts for a given fiscal year—TVA could be forced to either drastically increase rates or dramatically cut construction so that receipts exactly equal outlays.

Guaranteed Student Loans. The federal government subsidizes student loans in two ways: (1) payments are made to the lender to provide for a slightly higher interest rate than the student pays and (2) the government guarantees the payment of the loan if the student defaults. Under the proposed constitutional amendment both the interest subsidy and the payment of the guaranteed loan would be at risk if Congress and the Administration were unable to agree on raising the debt limit or waiving the balanced budget requirements. The prospect of failing to receive payment for a given obligation would understandably make lenders less willing to participate in the GSL program and increase the cost of student loans to student and taxpayer alike. Lenders would also be more inclined to seize upon technical reasons to declare a loan in default, anticipating that funds to pay off a default may not be assured in the future.

FDIC/FSLIC Insurance. The Federal Deposit Insurance Corporation and the Federal Savings and Loan Insurance Corporation insure the deposits of member institutions. If the debt limit were reached or outlays were to exceed receipts for a given fiscal year, payments to depositors could not be made under these authorities unless there were sufficient income generated from insurance premiums and interest revenues to offset them. One can easily imagine a situation where regional economic factors result in both a deficit and financial institution failure. Under the proposed constitutional amendment, depositors in federally-insured institutions would have to wait until a super-majority of both houses and the President resolve their differences before receiving their money.

Social Security and Other Trust Funds. Federal government trust funds are characterized by having earmarked receipts flowing into the fund to finance its obligations. Federal law usually requires that receipts coming into the fund be invested in government instruments. If the proposed constitutional amendment were to be adopted and if the debt limit were reached, disinvestment of those trust funds might result. That is, the Treasury might "cash in" the investments of the Social Security and other trust funds in order to make room for more federal borrowing. Last year, disinvestment of the Social Security trust fund occurred due to the delay in approving an increase in the public debt limit.

Whatever the merits of the Balanced Budget Amendment prior to adoption of the Hatch-Armstrong amendment, the modified version of S.J. Res. 225 poses a substantial threat to the financial integrity of the United States government. Due to the uncertainties created by the amendment, interest rates would rise, contractors would demand "cash up front", and the holders of government guarantees would be motivated to join a run on the federal bank. These factors demonstrate the difficulty in solving specific economic problems through general provisions of law or the Constitution.

Mr. EVANS. He points out that under many circumstances—the difficulty with which farmers could finally collect on their crop loans under a whole series of elements where there would be difficulty in carrying on the business of the country. He adds one other situation which has not been mentioned so far.

> Under a debt ceiling crisis, defense would be equal to all other programs—procurement, pay and benefits, and readiness could all suffer. Just imagine, in anticipation of that fact, the military would be required to adjust its stockpiles not only in anticipation of war, but in anticipation of the conflict generated over the debt limit.

Mr. President, the purpose of all this is to show that the protection of a constitutional amendment is illusory. No one seeks to be obstinate and no one seeks to be tricky. But if, in fact, there is not the personal will to reach a responsible budget, whether or not we have a constitutional amendment, that job is not likely to be done.

As I said earlier, a constitutional amendment will not provide a miracle cure. We need political courage, brains, and heart, because responsible budgets are balanced by leaders, not law. Are we going to turn over much of our decisionmaking to the courts, which a constitutional amendment would almost assuredly require? Will we set our economic machine on automatic pilot where we could not make effective and responsible decisions? Are we to turn over major decisions that would affect all the people of the country to a minority—a 40-percent minority—which in the Senate could be a minority representing slightly over 10 percent of the population of the Nation?

Mr. President, I suggest that this amendment is not needed. What is needed is the continued devotion to the start which we have made with Gramm-Rudman and an opportunity to show this year that we can indeed move toward a balanced and responsible budget. We do not need the crunch of a constitutional amendment to get there.

The PRESIDING OFFICER. Who yields time?

Mr. HATCH. Mr. President, I yield 10 minutes to the distinguished Senator from Connecticut.

The PRESIDING OFFICER. Is the Senator from Utah yielding his time?

Mr. HATCH. Yes, Mr. President, on my time.

Mr. WEICKER. I thank the distinguished Senator from Utah.

Mr. President, I rise to oppose the amendment before the Senate. Let me review two recent happenings in the course of Government during the past several months. The first was the President of the United States delivering his State of the Union Address, in which he called for a balance-the-budget constitutional amendment while, at the same time, presenting an unbalanced budget to the Congress. I would suggest that it would be far better than requesting a balance-the-budget constitutional Amendment in his State of the Union Address for the President of the United States to present a balanced budget to the Congress.

Second was that moment on the Senate floor when, immediately after the passage of Gramm-Rudman, which was a macrostatement by the Senate of the United States that we had to balance our budgets, there were the three votes. The three votes that followed that were as follows: One, an amendment to reduce defense spending by 5 percent received seven votes.

The second was to raise the gasoline tax 18 cents to provide for lowering the deficit. Nine of us voted for that. The third was to include Social Security in the budget process and 27 of us voting for that. So how do you make the macrostatement that we want to balance the budget when the Senate cannot vote to do that and the President of the United States presents an unbalanced budget at the same time he calls for a balance-the-budget amendment?

I suppose what I submit to my colleagues in the Senate is if those in our generation, be they in the executive or the legislative branches of Government, do not have the courage to do what this resolution calls for, I do not think we have the right to saddle future generations with the consequences of our inadequacies.

All the power in the world exists in Presidents and Senators and Congressmen to balance the budget. Not one more word need be written into any law or the Constitution on that subject. Literally what needs doing is more than one vote to accomplish that end. I suppose what bothers me the most in the course of this debate is exacting the price for our lack of courage from the people of the United States and from future generations.

Every one of these constitutional amendments that comes up, be it religious freedom, be it the independence of the courts, every one of these proposes that the American people have just a little bit of their freedom and their rights eroded. Right now there is the unlimited opportunity to choose what the priorities of this Nation will be. Why does anybody want to trade that in? Why would a citizen of this Nation want to trade that in for a mechanism which in one way or another is going to tell him or her what they can or cannot do? Why do I stand out here and fight on the religious issue? Not because I am being given any more rights when we try to amend the Constitution but, rather, somebody is trying to take away from me one of my rights, the rights that I and 250 million other people have.

Why do we want the Congress to tell the courts what do do? How dos that impact on the average citizen in the sense that right now they have the courts and the Congress and the President to protect their rights? Maybe all three will, maybe two will, maybe one will, but they have the total right to choose what the national priorities will be at this juncture. Why would anybody want to trade that in for something less? That is what is being offered on the floor of the Senate when it comes to fiscal affairs. But more importantly, forget that terrifying word "fiscal." Think of what it is we want to do as a Nation and how we are going to pay for it.

This is a clearcut diminution of my right as a citizen—never mind as a Senator, my right as a citizen—to choose what the priorities will be, and it may very well be that subsequent generations will seek to unbalance the budget and maybe for very good reason. I have to point out that those who are ringing their hands and gnashing their teeth as to the imbalance of the budget are at least in this generation the ones who were the greatest advocates of the defense spending which unbalanced it.

Now, I have no criticism of that. That is not the issue here, because indeed the American people have chosen Ronald Reagan and his philosophy. The American people want to emphasize defense. Fair enough. But understand what you have done to achieve that defense superiority. You have unbalanced the budget.

That was a conscious choice. I am not complaining about it, but why screw up the Constitution when you have achieved the very result that was inevitable from the start? I like to think there may be a worthier objective to unbalance the budget sometime in the future. Maybe we will come to our senses and realize that the business of life is more important, such as health, science, education, and maybe we will unbalance the budget in the name of those causes. Then I will be happy.

But in all of this process, there is nothing wrong with the Constitution of the United States. It is just that somebody is trying to achieve their particular end in a painless way—and there is no such animal.

I certainly believe in abiding by the results of debates on the various matters of national priority which come before the U.S. Senate. I have no difficulty living with a budget that I think is completely out of whack. The majority does rule and that is what the majority wants.

So this matter before us then is clearly something separate and apart from the opinions and the passions of

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the times. What I say is, because of a particular situation created in our time, do not destroy the Constitution. Let it remain constant. Whether in terms of the right to choose, whether in terms of religious freedom, whether in terms of the independence of the judiciary, let the Constitution remain constant so that all generations can look to the one thing that does not change.

Now, as far as the American people are concerned, if they want to know what is wrong, I will tell them exactly what is wrong. They are sitting on their duffs, they are not voting, and they do not care about this political system in the United States. The reason we have an unbalanced budget is because they do not vote, period. Nobody will be glad to amplify on that statement more than the Democratic candidate for Governor of the State of Illinois. You cannot put the political system onto automatic pilot either. The American people have to involve themselves through the political process and vote and say what it is they want. And if a balanced budget is important, then they should elect those who believe in a balanced budget and kick out those who have created the imbalance, for whatever reason.

The PRESIDING OFFICER. The time yielded to the Senator has expired.

Mr. WEICKER. I ask for 1 more minute.

Mr. HATCH. I yield 1 more minute and then I will ask for recognition.

Mr. WEICKER. Mr. President, I hope this resolution fails. I hope we focus on ourselves and that the American constituency focuses on us. The fault lies not in the stars, dear Brutus, but in ourselves. That is where the fault for the unbalanced budget is. So leave that magnificant statement of principle and of ideals alone and let the Congress and the President do the work for which it was elected, and then come election day let the factor of accountability move us in one direction or another. Under this resolution we remain in a fog, and no one in a fog ever moved anywhere, nor could they be seen. When the voters demand it under the political system existing under our Constitution, there wil be a clear-cut direction to follow because it will be enunciated by the clear-cut words of the Nation's elected representatives. I yield the floor.

Mr. HATCH addressed the Chair.

The PRESIDING OFFICER. The Senator from Utah.

Mr. HATCH. Mr. President, as I understand, the distinguished Senator from Florida wants to speak. Could I take a minute and I will turn to the distinguished Senator from Florida.

Mr. President, we intend the term "public debt" to mean that debt held by the public which is incurred to finance a deficit. Indeed the language of the amendment I proposed explicitly limits the sweep of this provision to public debt incurred "to fund any excess of outlays over receipts." Accordingly this term does not apply to debt held by Government trust funds, revolving funds, and off-budget Federal borrowing entities, like the Federal Financing Bank. The committee report reinforces this limited definition of the term "public debt":

> Debt held by Government trust funds (e.g., Social Security trust funds, revolving funds, and off-budget Federal entitites is excluded from debt held by the public. * * * Federal financing bank borrowing from the Treasury is not included in public debt.—Pages 51–52.

The FFB does not borrow from the public, it borrows from the Treasury.

Other off-budget entities that borrow from the Treasury would not be covered by this amendment. Only that entity which borrows from the public to finance deficits—the Treasury of the United States—is covered.

Thus, public debt must be distinguished from gross Federal debt. Gross Federal debt includes public debt and agency debt and debt held by trust funds. The latter two categories are not within "public debt." Agency debt is debt that certain agencies of the Federal Government are authorized to incur on their own. These debts are generally subject to an independent statutory limit. This agency debt is not included within public debt.

The effect of these definitions and the additional clarifying terms of Senate Joint Resolution 225 is to ensure that the three-fifths supermajority requirement does not apply to any Federal borrowing except that necessary to "fund an excess of outlays over receipts for any fiscal year." The additional clause "for any fiscal year" clarifies further that this amendment does not affect credit transactions within a fiscal year, but only those at the close of a fiscal year necessary to fund a deficit.

Some of my colleagues have argued that this provision means that "Defense, Social Security, and medicare programs" would cease if some debt limit were reached. They go on to contend that the Government could not make payments on defaulted loans or make payments to its own creditors if this debt limit were exceeded. These arguments overlook the fact that the language of Senate Joint Resolution 225, unlike an entirely different amendment adopted during 1982, contains no language regarding a debt "limit." Moreover this overlooks the new language of Senate Joint Resolution 225. Because of these differences, Senate Joint Resolution 225 does not place any three-fifths limits on farm loans or student loans or lending beyond a certain limit. Those are not the terms of 225. We do not issue CCC loans or student loans "to fund an excess of outlays over receipts for any fiscal year," we make those loans to help farmers and students. If these programs or other agency programs that are authorized to incur debt must borrow within a fiscal year to meet their obligations, this proposed constitutional amendment does not interfere in the slightest with that obligatory activity. This proposed constitutional amendment only prevents increases in the limited category of public debt—a term which excludes agency borrowing. Moreover it only affects those increases in that limited category that are necessary to fund deficits which must themselves be authorized by a three-fifths vote under this amendment. Moreover it only affects those deficits authorized by three-fifths and incurred to cover a fiscal year deficit. It does not affect within-year borrowing necessary to run necessary programs.

CCC and student loan programs, just like every other program of the Federal Government, are not directly affected by Senate Joint Resolution 225. 225 changes no programs. It limits no borrowing authority—except borrowing necessary to fund a deficit authorized by a three-fifths vote of Congress for any fiscal year. Any change in CCC or student loan programs could not be caused by Senate Joint Resolution 225, which sets no statutory priorities and mentions no programs. Only Congress can change those programs by changing the law.

Finally I would note that some opponents of Senate Joint Resolution 225 have published my speeches against Senator ARMSTRONG's 1982 amendment to the 1982 constitutional amendment proposal. This was like comparing apples to aardvarks. The 1982 Armstrong amendment was significantly different; the 1982 constitutional amendment was significantly different; and the economic effect of these in 1982 was completely different than the current language.

I have already mentioned a few ways that this 1986 language is different from the 1982. The 1982 Armstrong amendment talked about putting the current statutory debt "limit" into the Constitution. The dollar amount of the current debt limit would have been frozen into the Constitution by this language. This amendment is much different. It does not employ the concept of a debt limit, but only requires three-fifths to authorize a specific kind of borrowing to fund a deficit which must itself be authorized by three-fifths. These two actions are likely to occur simultaneously.

It is also important to note that the 1982 constitutional amendment was completely different than Senate Joint Resolution 225. The 1982 constitutional amendment did not require an actual balanced budget, but only a

planned balance. It permitted deficit spending without a three-fifths vote when unanticipated revenue shortfalls caused an actual deficit despite a planned budget that was in balance. Since these revenue shortfalls would be most likely in a recession, the Armstrong amendment of 1982 would have required Congress to either vote to raise the debt limit by three-fifths or raise taxes by a majority vote. In that context, I made my arguments concerning tax increases.

Senate Joint Resolution 225, on the other hand, never creates this problem. It states forthrightly that outlays shall not exceed receipts without three-fifths authorization. Accordingly, 225 creates no dichotomy between planned and actual balance. The budget will always be balanced or Congress must vote to explain why. Under 225, therefore, a vote on increasing the public debt to accommodate a deficit will only occur in the wake of all earlier authorization to incur a deficit. Thus, this current language about public debt increases does not operate in any way to increase the likelihood of tax increases, spending cuts, or general borrowing freezes. It only operates as further assurance that Congress will do as required in section 1; namely, only allow outlays to exceed receipts when specifically authorized by Congress. The vote to authorize a specific excess of outlays over receipts and the vote to permit funding of that deficit by borrowing will most likely be simultaneous, but the conjunction of the two provisions ensures that Congress will indeed be required to authorize a deficit.

In conclusion, I would only note that the Senator who published my 1982 remarks against the Armstrong amendment and mistakenly applied those comments to Senate Joint Resolution 225 actually voted for the Armstrong amendment in 1982. It is clear that the only intent here is to defeat the balanced-budget amendment regardless of the accuracy of the arguments used to achieve that end.

Mr. President, on behalf of myself and the following Senators, I ask unanimous consent to have printed in the RECORD an explanation of a colloquy and the colloquy which was inserted in the RECORD by Senator HEFLIN on March 21, 1986, at page 5922. Senator METZENBAUM consents to entering the colloquy into the RECORD, but does not necessarily subscribe to each statement included. The following Senators have signed this request: Senator DECONCINI, Senator METZENBAUM, Senator HEFLIN, Senator THURMOND, and Senator HATCH. Senator MELCHER has not signed it, but has indicated that he would sign it.

The PRESIDING OFFICER. Without objection, it is so ordered.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

EXPLAIN COLOQUY

At the request of Senator HEFLIN of Alabama, the authors of S.J. Res. 225 entered into a colloquy to discuss the meaning of the terms used by the proposed constitutional amendment. As the Senator from Alabama noted, S.J. Res. 225 does not contain a definition section. This is, of course, not unusual. The first Congress did not append to the Bill of Rights a section to explain the meaning of the terms "speech" or "establishment" or "search and seizure" or any other words. Their objective was not to define with the precision of a statute whether the term "speech" would extend to wearing armbands or other forms of symbolic expression. Instead they meant to incorporate into the Constitution a basic principle protecting those forms of expression necessary for free exchange of political ideas, for informing the electorate, and for the preservation of an independent republic. They accomplished this magnificently with the first amendment.

The basic principle enunciated by S.J. Res. 225 is that outlays shall not exceed receipts in any fiscal year unless three-fifths of Congress vote otherwise. A necessary corollary of this principle is that all Federal spending and all Federal taxing must fall within the terms of the amendment. If S.J. Res. 225 excluded some forms of spending or taxing, the balanced budget norm would be compromised by Congressional efforts to define all favored spending programs within the exclusion. For this reason, the Senate rejected an amendment to exempt Social Security from the terms of S.J. Res. 225. The colloquy reemphasizes these axioms.

The committee report accompanying S.J. Res. 225 contains a section which discusses the contemporary meanings of the terms "outlays" and "receipts." The report states that these terms are now and in the future could continue to be defined by statute. The report, however, does not conflict with the basic principles of S.J. Res. 225. Congress would retain its authority to define certain budgetary terms after ratification as long as those definitions are consistent with the principles enunciated by S.J. Res. 225. Congress would not have discretion to define certain kinds of spending as outside the terms of the constitutional amendment, but it could switch our budget and accounting operations to an accrual system. Congress could also retain the current practice of allowing some income-producing Federal agencies to meet their income against their expenditures before counting their net outlays or receipt as part of the constitution's budget aggregates. This kind of statutory alteration would be accommodated by S.J. Res. 225 because no Federal programs would escape accountability under the terms of the Constitution. In fact, the entire section of the report discussed in this colloquy is designed to demonstrate that S.J. Res. 225 would accommodate current accounting procedures and definitions.

COLLOQUY ON MEANING OF "OUTLAYS"

Senator HEFLIN. The proposed constitutional amendment uses several important terms, including "outlays" and "receipts." The Senate Judiciary Committee report, particularly pages 42–3 and 46–53, set certain parameters for understanding these terms. During the floor debate, however, the Senate agreed unanimously to an amendment proposed by Senator Domenici, chairman of the Budget Committee, which added the word "total" before "outlays" and "receipts." Was the Domenici amendment intended to alter the explanatien of those terms in the Senate Judiciary Committee report?

Senator HATCH. At the outset, I would like to express my appreciation to the Senator from Alabama both for his significant contribution to the drafting of S.J. Res. 225 and for his interest in clarifying any remaining questions about the intent of this constitutional amendment proposal. The direct answer to the Senator's question is "No." As I stated at the time of that amendment and in response to questions posed afterwards, the addition of the intensifying modifier "total" was intended only to underscore the principles contained in the committee report. In particular, the Domenici amendment underlines the language of the report on page 54 (and implicit in the definition of "outlays" on pages 42 and 49 and elsewhere throughout the report) that "all Federal spending and taxing programs be included under the constraints of the amendment. The recourse of taking programs off the budget should not be available as a way to avoid these constraints, and using a comprehensive measure of all governmental receipts and outlays eliminates that recourse."

Thus, the term "outlays" was not changed by the Domenici amendment and is meant to be understood precisely as described by the committee report. The addition of "total" was intended only to give textual support to the principles contained in the committee report describing the term "outlays." This intent was reiterated by Senator Thurmond on the Senate floor and is shared by the other prime sponsors of S.J. Res. 225.

Senator THURMOND. I, too, would like to express my appreciation to the Senator from Alabama for his contribution to S.J. Res. 225 throughout Judiciary Committee consideration and on the Senate floor. When we accepted this amendment, it was not our intent to deviate from the explanation given the terms "outlays" and "receipts" by the Senate Judiciary Committee report. In responding to questions about the intent of the Domenici amendment, I have quoted directly from the committee report on the pages mentioned earlier.

Senator DECONCINI. I agree completely with the views expressed by the chairman of the Judiciary Committee, the Senator from Utah, and the author of the amendment adding "total" to "outlays" and "receipts." I would note as well that at the time the Senator from Utah accepted the amendment on behalf of the sponsors of S.J. Res. 225, he quoted verbatim the language from page 42 of the Judiciary Committee report explaining the term "outlays" as indicative of our intent to uphold the report's language.

Senator SIMON. At the time the Domenici amendment was accepted, I concurred with the description of this change as making the committee report "explicit." I continue to share the views of my colleagues on this intent in adopting this addition to S.J. Res. 225. The addition of "total" was not meant to alter, but to guarantee, the principles contained in the report.

Senator HEFLIN. Is it correct to state that the addition of the word "total" was not meant to change the meaning of "outlays," but only to clarify that what was already in the report would apply to the term "outlays?"

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Senator THURMOND. That is correct. I would note further that S.J. Res. 13, the other version of a constitutional amendment to require a balanced budget that was reported from the Senate Judiciary Committee on the same day as S.J. Res. 225, contains the terms "total outlays" and "total receipts," as did the balanced budget amendment that passed the Senate in 1982. The modifier "total" was not included in S.J. Res. 225 in the interest of an economy of words, but no different meaning was intended when S.J. Res. 225 emerged from committee. The addition of this term on the floor does not alter the understanding expressed in the committee report.

Senator HATCH. I share the view of the President pro tempore. Immediately prior to adoption of the Domenici amendment, I expressed that precise thought by stating that the addition of "total" would "make the amendment more clear." The Domenici amendment was meant to clarify, rather than alter, the meaning of "outlays." It merely clarifies and makes explicit the intent of the proposed constitutional amendment as expressed in the Judiciary Committee report.

Senator HEFLIN. I thank my colleagues for restating and clarifying their intent in offering and accepting the Domenici amendment. Since the committee report is authoritative on the meaning of "outlays" and "receipts," I would like to question my colleagues further on their understanding of the report.

On pages 42 and 49, "outlays" are described as including "all disbursements from the Treasury of the United States, either directly or indirectly through Federal or quasi-Federal agencies created under the authority of acts of Congress, and either 'on-budget' or 'off-budget'. With certain notable exceptions, outlays are those withdrawals subject to article 1, section 9, which provides that 'no money shall be drawn from the Treasury, but in consequence of appropriations made by law.'" The first sentence of this description seems all-inclusive; the second uses the word "exceptions." Reading the two sentences in conjunction suggests that the sentence containing the work "exceptions" should be read to mean that "outlays" encompasses more than just appropriations, not that it creates any exception in the concept of what constitutes an outlay. Is that correct?

Senator HATCH. The Senator is correct. Outlays are generally appropriated funds, but there are exceptions to that general rule. For instance, outlays includes as well entitlement payments to eligible beneficiaries, which are non-appropriated disbursements of Federal funds. Social Security benefits, for instance, are "outlays." It is appropriate to note at this juncture that the Senate confirmed this principle by rejecting an amendment which would have exempted Social Security from the terms of section 1 of S.J. Res. 225. The effect of this Senate vote was to ensure that no program, not even such a highly valued entitlement program as Social Security, would be exempt from coverage under the terms of S.J. Res. 225. As was stated during the debate on that amendment, S.J. Res. 225 would not harm Social Security or any other program in the slightest. Those programs would merely be brought within the terms of the proposed constitutional amendment. This means that S.J. Res. 225 would not alter Social Security in the slightest. Only Congress could, as it is free to do currently, change the laws governing Social Security—an extremely unlikely prospect.

Returning to the Senator's question, however, he is correct that this inclusive description of "outlays" notes only that the term includes more than just appropriated funds. It includes all disbursements—direct or indirect, "off-budget" or "on-budget"—made by any Federal or quasi-Federal entity or agency.

Senator SIMON. This is also my reading and understanding of this portion of the Judiciary Committee report. If outlays were described otherwise than in all-inclusive terms, any loophole in the coverage of S.J. Res. 225 would invite Congress to recast all new spending programs and perhaps many existing programs in terms that would fit the loophole. This could defeat the basic objective of bringing some accountability to the budgetary process.

Senator HEFLIN. This raises a further question concerning a sentence of the glossary definition of "outlays" found on page 49. That sentence states that "total budget outlays are stated net of offsetting collections, and exclude outlays of off-budget Federal entities." This implies that some off-budget outlays are not included in total Federal outlays. Could my colleagues explain this passage?

Senator HATCH. As the Senator's question suggests, there is no conflict between this sentence on page 49 and the principles we have just discussed. Some Federal entities engage in business-like endeavors that produce income. For instance, the Government Printing Office makes collections for supplying publications to citizens; the Postal Service charges for stamps. Under current accounting procedures described by the glossary, these entities are permitted to combine their collections and their outlays; only the difference is figured into the total budget outlays amount. In other words, the collections of these entities are offset against their outlays and only the net figure is computed as part of total outlays or receipts. Thus, these outlays are excluded from total outlays, but only because total budget outlays include the stated net of offsetting collections and off-budget outlays. Off-budget fiscal activities are covered by, and completely subject to, the terms of S.J. Res. 225 through this netting procedure. Offsetting collections and outlays are accounted for in the budget aggregates of S.J. Res. 225 just like any other Federal spending or taxing program. S.J. Res. 225 is flexible enough, however, to accommodate current accounting procedures which acknowledge that off-budget entities may net their collections and outlays before including their activities within the budget aggregates.

It is important to note that the sentence to which the Senator referred should not be misleading in context. On page 47, two pages before the sentence in question, the report defines and discusses the meaning of "offsetting collections." That definition states plainly that "offsetting collections are deducted from disbursements in calculating total outlays. Corresponding offsets are made in arriving at total budget authority and net obligations incurred."

Senator THURMOND. The Senator from Utah has correctly stated my understanding of this portion of the committee report. There should be no confusion about the term "offsetting receipts." This generally means that a Federal entity which raises money through its activities—like the Government Printing Office—can net its receipts or intake against its outlays or outgo. This permits easier accounting because only the net is counted within the budget aggregates. This does not mean that those incomes or outlays of the agency escape the budget process at all, but only that they are netted before being considered within the terms of S.J. Res. 225.

Senator HEFLIN. I am glad to have that explanation of the committee report by the chairman of the Senate Judiciary Committee and the chairman of the Constitution Subcommittee. It seems to me, however, that the report mentions a few exceptions to the concept of offsetting collections or offsetting receipts. Would the Senator elaborate on this distinction?

Senator HATCH. Some current receipts from proprietary activities undertaken by the Federal Government are offset directly against total outlays, without any netting operation. The report on pages 47 and 48 explains this concept under the heading "proprietary receipts from the public." This notes that offsetting receipts are generally offset against outlays by agency and by function and only the net is counted within budget aggregates. In a few narrow categories, however, such as rents and royalties for outer continental shelf lands, the receipts of Government proprietary activities are deducted directly from total outlays.

Senator HEFLIN. What is the status of borrowing and retirement of debt principal with respect to the terms "outlays" and "receipts?"

Senator HATCH. This was examined in a colloquy between Senator Simon and me earlier in this debate and is explained on pages 49 and 51 of the report. The gist of this discussion is that borrowing and retirement of debt are neither outlays or receipts.

Senator HEFLIN. The explanations in the report specifically refer to "present usage" of the terms "outlays" and "receipts" as found in "a glossary of terms used in the budget process (1984)." What if accounting procedures change, can the explanations offered by the committee report accommodate the future?

Senator HATCH. Page 53 notes that these terms are "defined by or to be defined by statute and, as such, have no constitutional standing apart from these statutory definitions. The intentions of the committee with respect to current concepts have been set forth (in the report). At the same time, the committee is sensitive to the likelihood that such concepts will undergo modification through time. Provided such modifications are not designed to subvert the restrictions on the Congress imposed by the amendment, but rather are designed to further those purposes, there is no intention that the meanings given here be immutable through time."

Thus, the committee report outlines in detail how the proposed constitutional amendment would accommodate current budgetary and accounting techniques by, among other things, permitting some Federal entities to net their receipts and outlays before reporting the effect of their fiscal activities on the budget aggregates. A future Congress, however, could elect by statute to alter some of these accounting techniques as long as the effect of that change would not allow some Federal entities or programs to escape the terms of S.J. Res. 225.

Senator HEFLIN. Could the Senator provide an example of how these explanations might be altered by future implementing statutes?

Senator HATCH. Yes, although I hasten to add that any alteration could be made by a future Congress. I can suggest some alternatives that future Congresses might consider. Under current budgetary practices, a loan guarantee is not an outlay in the year in which the loan is guaranteed. Only in the event of default on that loan would it come within the term "outlays" because then the Federal Government would be making an expenditure. Irresponsibility in the extension of loan guarantees by a prior Congress could present a successor Congress with difficult budgetary decisions. In the future, however, as mentioned on page 53 of the report, "Budgetary decisions with respect to loan guarantees might be enhanced by including in outlays the present value of such obligations in the fiscal year of obligation, rather than in the fiscal year of discharge." This change would have to be a statutory change. S.J. Res. 225 does not require the adoption of new guidelines and procedures for the Federal "credit budget," but it would accommodate such future policies.

Similary, Congress could, as mentioned on page 53, elect to switch its budget and accounting operations to an accrual system. S.J. Res. 225 would accommodate that option.

Senator HEFLIN. On further point of clarification: On page 52, the term "total outlays" is described as the "total of all outlays, exclusive of debt repayment and certain other classes of outlays, for which the Congress reasonably can expect payment to be made by the Treasury . . ." could my colleagues provide an explanation of this sentence.

Senator HATCH. In the first place, it is important to note that the report on S.J. Res. 225 should not contain the term "total outlays." Although that term "total outlays" did appear in S.J. Res. 13, it did not appear in S.J. Res. 225 at the time the committee report was written. This misstatement, however, does not affect the validity of the passage quoted by my colleague because, as my colleagues and I have stated, "total outlays" and "outlays" are both adequately explained by the same language of the committee report. As we have noted earlier, some classes of outlays, under current budgetary practices, are not included within total outlays because they are offset by some proprietary collections or receipts and only the net is accounted for in the terms "total outlays" or "total receipts." This is the meaning of the sentence referred to by the Senator from Alabama. As his question suggests, the three pages prior to that sentence make clear that these are the classes of outlays mentioned as excluded from total outlays. Again, these classes of excluded outlays are in no sense divorced from accountability under the terms of S.J. Res. 225. Instead they are fully covered by those terms, but current netting practices are accommodated.

Senator DECONCINI. I concur in descriptions given by the Senator from Utah of these passages of the report. I might add, however, that these particular explanations only describe current budget practices and are designed to show that S.J. Res. 225 can accomodate current budgetary terminology and techniques. If Congress should perceive a need to alter these techniques, it would be free to do so as long as that reordering does not offend the basic principle that all Federal financial transactions must remain within the ambit of S.J. Res. 225. Otherwise Congress would once again lose control of the Federal budget. Restoring this control with the specific norm that outlays shall not exceed receipts, except in extradordinary circumstances, is the purpose of S.J. Res. 225.

Senator THURMOND. The Senator from Arizona has concisely summarized this matter. I agree with his statement.

Senator SIMON. I, too, would like to express my agreement with what has been said.

Senator MELCHER. The Commodity Credit Corporation offers non-recourse loans. I would like to discuss with my colleagues the effect of S.J. Res. 225 on this valuable tool for our farm policy. The CCC loans money to our farmers who pledge their crops as collateral for those loans. In the event of default, the Federal Government has no recourse against any other property of the farmer other than the commodity or crop pledged at the time the loan is obtained. Thus, when farm prices are lower than the loan amount, the farmer may retain the loan amount rather than redeeming and selling his crop. The CCC is then free to sell the crop on the market to recover as much of the loan amount as possible. How would these transactions be counted, as "outlays," "receipts," "offsetting receipts," or otherwise within the terms of S.J. Res. 225?

Senator HATCH. That would be entirely up to Congress. As long as the activities of CCC were accounted for within the budgetary process, as they are today, S.J. Res. 225 would be satisfied. For instance, Congress could count the initial loan amount as an outlay and the subsequent sale of the commodity as an offsetting receipt. Thus, only the difference would appear within the term "total outlays." To the extent that farmers sell their crops and pay off the loans, there would be no difference and CCC would have no outlays to include with budget aggregates. On the other hand, if CCC came to Congress and requested an appropriation, this could be included within the general term "outlays."

This is not the only way that CCC could be handled. It could be treated much as loan guarantees are currently handled, meaning that the loan amount would not be counted as either an outlay or a receipt unless default occurred. In the event of default, the loan would become an outlay which would be reduced by the amount of any offsetting receipts when the collateral was sold on the market. Congress would have several options for dealing with CCC under S.J Res. 225. The amendment itself does not prescribe how Congress treats this type of Federal credit transaction. Moreover S.J. Res. 225 itself does not and could not alter CCC in the slightest; only Congress could, as it is free to do now, change the laws governing CCC or Social Security or any other vital Federal program. That is an extremely unlikely prospect.

Senator MELCHER. On page 53, the committee report states: "With respect to the exclusion from receipts and outlays of those transactions involving 'proprietary sales to the public,' the consensus of the committee is that such transactions represent voluntary relationships between the Government and the people. As such, there is a presumption that these relationships reflect the individual's own determination that purchases of Federal goods and services offer to him a preferred alternative." CCC could fit this description. Farmers voluntarily pledge their crops to the CCC as collateral for a loan. Would this exclude CCC from "outlays" and "receipts?"

Senator HATCH. The term "proprietary sales to the public" is explained on pages 47 and 48 of the report: "such collections are not counted as budget receipts, and . . . are offset against total budget authority and outlays by agency and by function." In other words, these transactions are covered by S.J. Res. 225, but outlays by these are offset by income or collections generated by the service the agencies provide the public. The net of these agencies' outlays and receipts would then be included in the budget aggregates. This is precisely one of the options Congress could choose when accounting for CCC under S.J. Res. 225. This option would also still permit the CCC some measure of budgetary independence.

Senator MELCHER. It seems to me that many Government lending programs could be characterized as "voluntary relationships between the Government and the people" so as to "exclude from receipts and outlays" those transactions. Would these voluntary relationships be excluded from the terms of S.J. Res. 225?

Senator HATCH. The exact amount of voluntary collections and outlays involved in "proprietary sales to the public" would be excluded from "total outlays" and "total receipts" under current budget practices, but the net of those collections and outlays would be included either within "total outlays" (in the event outlays are greater than offsetting collections) or within "total receipts" (in the event offsetting collections are greater than outlays). Thus, these voluntary governmental proprietary transactions are still completely subject to the terms of S.J. Res. 225, but the voluntariness permits these agencies to use the alternative accounting processes involving netting. This is not an exception to the basic concept that all Federal spending and taxing programs are to be subject to the budgetary disciplines of S.J. Res. 225. There are no exceptions to that basic principle as further indicated by the Senate's vote to deny Social Security an exclusion from the terms of section 1 of S.J. Res. 225.

Senator SIMON. Having read the report, I concur completely with the explanation just given concerning the intent of both the report and S.J. Res. 225. The specific definition of "proprietary sales to the public" on page 47 makes clear that the principle of offsetting receipts governs these transactions. When the report uses the word "exclusion", it is certainly correct in context, but it would have been better to have said "separate computation" or some other term suggesting that the transactions of these off-budget entities are simply figured into "total outlays" at a different stage of the process, namely after a netting function.

Senator MELCHER. I thank my colleagues for this clarification. I seek only one more explanation. In the paragraph immediately following the one I have just read, the report notes that "such an exclusion is an invitation to the Congress to subvert the intentions of the amendment." Since offsetting collections and outlays are included within S.J. Res. 225, albeit at a different stage of computation, how could this accounting technique ever be abused? Why does the report include this next paragraph?

Senator HATCH. The intent of this paragraph is to ensure that Congress does not fall prey to the temptation of setting up elaborate procedures to escape "normal budgetary procedures." Let me give a hypothetical example. After ratification of S.J. Res. 225, Congress could set up a federal entity with the exclusive right to launch satellites. Due to its monopoly on this service, the Federal entity could levy exorbitant fees that would essentially amount to taxes. Congress could then direct the satellite

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entity to use its revenues to fund a veteran's program or to subsidize an industry or for some other purpose. The entity's collections would still be offset against its outlays for the purpose of arriving at budget aggregates. If Congress had planned carefully, the net might even be near zero and these massive programs would not be scrutinized as part of the budgetary process at all. Nothing in the terms of S.J. Res. 225 prohibits this subterfuge, but it would nonetheless be a subterfuge employed to fund a veteran's program or to subsidize an industry in a manner that would otherwise be subject to normal appropriations and authorizations. Congress would have successfully shifted to a quasi-Federal entity the responsibility to care for programs that Congress ought to monitor itself. The intent of this paragraph is to counsel Congress not to evade regular budgetary accountability by throwing Federal programs into elaborate Federal charter funding arrangements.

The paragraph speaks about "exclusive franchises" and "operating without the discipline of competition" and "implicit taxing powers" because the only type of entity that could be used as a subterfuge for normal taxing and spending programs would be a Government monopoly. Any Federal entity subject to market forces would not be likely to generate sufficient surplus revenues to fund a program that otherwise "would have been organized within the Federal Government."

Senator HEFLIN. How would TVA be treated under S.J. Res. 225?

Senator HATCH. The Electric Power Program of TVA would not be covered by S.J. Res. 225. Since 1959, the financing of that program has been the sole responsibility of its own electric power ratepayers—not the U.S. Treasury and the Nation's taxpayers. Consequently, the receipts and outlays of that program are not part of the problem S.J. Res. 225 is directed to solving.

Senator THURMOND. I have listened carefully to this discussion and wish to express my complete endorsement of the explanations given. They represent my views about these matters as well.

Senator DECONCINI. I would like to commend my colleagues for raising these important points. They have helped to clarify the intent of S.J. Res. 225 and set in place a binding legislative history about the interpretation of the terms "outlays" and "receipts." I, too, agree with the answers given in response to these difficult, yet essential, questions.

Senator SIMON. Permit me as well to commend my colleagues and express my support for the answers given to these questions. We should all be grateful that these issues were raised and clarified.

Mr. HATCH. Mr. President, I yield such time as he may need to the distinguished Senator from Florida.

Mr. CHILES. I thank the distinguished chairman, the Senator from Utah.

Mr. President, this is an argument that has been going on for some time. There are great merits, I suppose, to arguing this on either side.

For a number of years, I felt as my good friend from Connecticut says today—that we should not change the Constitution to do this; that we should not need to provide in the Constitution that we should have a balanced budget; that it is an obligation and a duty of the elected representatives of the people; and that we should honor that obligation and that duty.

Mr. President, I think back to my earlier career as a creature of the State legislature of the State of Florida, where we did have to operate under a balanced budget.

Mr. President, may we have order in the Senate?

The PRESIDING OFFICER. The Senate will be in order.

Mr. CHILES. As we would decide what we thought the priorities for spending should be, we could not leave the capital before we had faced up to the situation of how we were going to meet the funding for the programs we decided on. That meant in many instances that we had to raise taxes.

There was a certain constraint about that. If you were willing to vote the money to provide for additional spending, you had to be willing to pay for that additional spending before you could leave.

I remember coming to the Senate and thinking I was leaving the minor leagues and coming to the major leagues, and finding out here that you could spend for a program and you could leave and go home and you did not have to raise the money, because we had a little printing press up here and we sort of cranked out some bonds, some Treasury bills, and the Government would go into debt.

I recall that that concerned people when I was here in the early 1970's, because we were facing a deficit of $4 or $5 billion, and it went up one time to $16 billion, and the bond market almost collapsed. Goodness knows, there was a pressure, or it seemed like there was a pressure, to try to do something. But we never did balance it in those years.

However, lo and behold, if you look back to 1981, you see what began to happen.

Mr. SIMON. Mr. President, will the Senator yield?

Mr. CHILES. I yield.

Mr. SIMON. Mr. President, I commend the Senator. No one in this body had done more than my colleague from Florida in trying to move us in a sensible direction. He and our colleague from New Mexico have done that.

The Senator from Florida just made a point that I think has been forgotten in this debate, and that is our ability to print money. If we do not have this kind of restraint, what we are likely to do is to keep on piling up these deficits, and then the pressure is on the Federal Reserve Board to print money to solve the situation.

Mr. CHILES. Absolutely.

Mr. SIMON. It is the worst possible answer.

Mr. CHILES. We have seen the results of that when we went into double-digit inflation, when we went into double-digit interest rates, and we saw what that did to the economy, and we saw what the Fed finally did to correct that situation. They stopped the printing press, and when they did, we went into a recession and it almost became a depression.

Mr. SIMON. I commend the Senator from Florida. As usual, he makes eminent good sense.

Mr. CHILES. Seeing that happen and seeing the failure of discipline on the part of Congress has changed my mind. I will have to say that it has been persuasive to see what was happening in the States, when we see State legislature after State legislature calling for a constitutional convention to require a balanced budget.

I can think of nothing worse than finding ourselves in a constitutional convention, if we think of the Constitution as a hallowed, sacred document, which I do. If we think it should not be tampered with, we should not get into a constitutional convention, which legal scholars believe might well open up every subject for that constitutional convention, as opposed to having a narrowly constructed amendment that says you must balance your budget.

Mr. President, I think that is terribly important, also, because for the first time it would require us to set our priorities on a better basis.

When we passed the Budget Act, I thought that was going to be the provision that would give us the discipline we need, would allow us to assess at the beginning of the year how much revenue we were going to take in, would allow us to look, at the beginning of the year, at the sources of money and where we should be spending that money, and come up with a blueprint to guide us toward a balanced budget.

I will say that while I think the act has been persuasive, it has not brought about the discipline, because the will was not there. We also were working at times with an administration that did not care whether they balanced the budget, and that worked against us.

Mr. President, I think the time has come. We should take this additional step. If we want to preserve the Constitution, if we want to preserve the Republic, we have to do something. We cannot have another trillion dollars added to the national debt every 4 or 5 years, as we have seen happen now. I think this discipline needs to be taken; we need to take it now. I urge the adoption of this amendment.

The one thing I was concerned about was to make sure we would do it. The committee and the chairmen have accepted an amendment I have that requires that we implement this. The worst thing we could do is to have a constitutional amendment such as the

Byrd amendment, which was passed some years ago but was honored in its breach rather than following through. So, with the adoption of the amendment that requires that Congress do this, I support the constitutional amendment. Congress must implement it. I think it will be the discipline we must have if we are going to put our fiscal house in order.

Mr. MATTINGLY. Mr. President, I rise to support the balanced budget amendment. Let me first pay tribute to the President pro tempore of this body for his many years of hard work to pass this amendment. Others deserve praise for their important contributions to this effort including Senator HATCH, the chairman of the Constitution Subcommittee, and several Senators from across the aisle including the Senators from Arizona, Alabama, and Illinois.

We need to restore fiscal sanity to the spending practices of the Federal Government. It is obvious to every reasonable observer that the Government's current methods of operating are a failure. Change must come and will come. The public will no longer tolerate the failure of Congress to balance the books of the Federal Government.

The answer to our deficit problem is to hold the line on Government spending until our steadily increasing revenues catch up. There is no need for huge tax increases. We are spending more this year than last year. We are hearing the usual cry about budget cuts this year. But when the budget resolution is finally adopted later this year, Government spending will still have increased.

The balanced budget amendment is not the panacea for all our spending woes. There is still a need for a line-item veto to give the President a tool to root out waste in our huge appropriations bills. There is still a need for the President to be given an enhanced recision process. These are just a few of the changes that we need to make. The one course of action that is indefensible is to maintain the status quo.

So, I strongly support the balanced budget amendment and urge my colleagues to vote for it. I believe the States will ratify it in record time because of its overwhelming support at the grass roots level. It is time we stopped paying lip service to the deficit spending problem we have here in Washington. It is time to begin taking action to restore order and sanity to the Government spending process.

Mr. DENTON. Mr. President, I rise today to voice my support for Senate Joint Resolution 225, the Balanced Budget Constitutional Amendment, as amended by the substitute amendment offered by my distinguished colleague, Senator THURMOND of South Carolina, for himself and others, whom I have joined as a cosponsor.

As support for the amendment has grown, I have been impressed by the urgency and the importance that millions of Americans attach to its passage. On the whole, I believe that American taxpayers are disappointed and frustrated that, year after year, the Congress has failed to balance the Federal budget. Their frustration is shown by the 32 State legislatures that have adopted resolutions urging the Congress and the President to bring the Nation's budget into balance.

At long last, the moment has come when the Congress can respond to the frustrations of American taxpayers by thoroughly debating, and then passing, the Balanced Budget Constitutional Amendment.

Senate Joint Resolution 225, as amended, would amend the Constitution to require that expenditures of the Federal Government for any fiscal year shall not exceed receipts for that year, unless three-fifths of both Houses of Congress approve of a specific excess of expenditures over receipts. Additionally, the amendment would require that before taxes could be increased, a majority of the whole number of both Houses would have to vote for the tax increase. This latter provision would make Senators and Representatives accountable to their constituents for any tax increase.

Mr. President, those who question the efficacy of a balanced budget amendment have raised two primary arguments in opposition to it. First, they argue that it would incorporate into the Constitution a rigid, and therefore economically unsound, fiscal policy. Second, they argue that amending the Constitution is too drastic a way to address the problem of spending.

I believe, however, that both arguments fail because they do not take into account the dual crises that our Nation faces: The economic crisis that threatens to destroy our historic high levels of productivity, and the crisis of confidence that results when average citizens lose faith in the ability of their government to exercise discipline in matters of taxing and spending.

I recognize that men and women of good will can disagree about specific provisions of the amendment. I also realize that there are wide philosophical and political differences about the question of how much spending the Federal Government can and should undertake.

The notion, however, that it is improper to reestablish the principle that Federal expenditures should be no greater than the Federal revenue is preposterous. It is only in recent years that the Congress abandoned the requirement of our "unwritten constitution" for a balanced budget. I do not believe that the American people will continue to tolerate the near tyranny of higher and higher rates of Government spending and taxation.

From a practical standpoint, we should recognize that the amendment is not an attempt to write a particular theory of economics into the Constitution. As Professor Scalia of the University of Chicago has pointed out, the legislative requirements of the amendment "do not require any particular economic course," such as a balanced budget with no increase in taxes, "but merely specify the procedures to be followed when that course is abandoned." I believe, however, that it is clear that this amendment rightly establishes a bias in favor of a balanced budget with no increase in taxes. That is an appropriate national goal, which happens to be a popular one as well. It is one that the amendment can help us to attain without placing our public budget in the straitjacket of inflexible economic theory.

I must emphasize again that I believe that we face a crisis of confidence on the part of the American public. Most taxpayers simply do not believe that the Congress has the willpower to cut spending and balance the Federal budget. The mistrust appears well founded when one reviews the history of statutory efforts to reform the budget process and restrain spending. Alvin Rubushka of Stanford University presented such a review in a monograph prepared for the Taxpayers' Foundation. He said:

> In the Humphrey-Hawkins Full Employment Act, a balanced budget was declared to be a national public policy priority. An amendment by Rep. (now Senator) Charles Grassley and Senator Harry Byrd, Jr., to an IMF loan program measure was enacted into law and requires that, beginning with FY 1981, total budget outlays of the Federal government "shall not" exceed its receipts (P.L. 95-435). In 1979, a provision in a measure to increase the public debt limit stated that "Congress shall balance the Federal budget" (P.L. 96-5), which required the congressional budget committees to propose balanced budgets for FY 1981 and subsequent years. None of these measures has effectively constrained deficits.

I strongly believe that the prudent and responsible management of public funds is a fundamental governmental and political requirement. The reestablishment of the balanced budget principle is a "broad and enduring ideal" that is worthy of inclusion in the document that establishes the basic structure of our Government. I am afraid that simple statutory approaches to reasserting that important principle will fail like their predecessors. Only the enactment of a constitutional amendment will explicitly mandate fiscal responsibility and be enforceable by and on future Congresses.

I urge my colleagues to join in the effort to balance our national budget by placing a requirement to that effect in the fundamental law of our land.

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We need to do that for our benefit and for succeeding generations who will otherwise bear the burden of our profligacy and irresponsibility.

Mr. HATCH. Mr. President, I want to compliment Senator Simon for his wonderful article in the St. Louis Post Dispatch on March 23, 1986, entitled "To Compel A Responsible Fiscal Policy." I ask unanimous consent to have this excellent article by Senator Simon printed in the Record.

There being no objection, the article was ordered to be printed in the Record, as follows:

[From the St. Louis Post-Dispatch, Mar. 23, 1986]

To Compel a Responsible Fiscal Policy

(By Paul Simon)

Three-digit budget deficits are garish evidence of flawed fiscal policies. But the real harm done by our massive federal deficits shows up in other figures: the alarming sums we now spend on interest to finance that debt.

It is painfully and acutely clear that Congress and the president need the discipline of a balanced budget amendment to the Constitution to make responsible fiscal policy the rule and not the exception.

For the first time in more than three years, and probably for the only time in the 99th Congress, the U.S. Senate will vote on a balanced budget amendment in the days ahead. Two Republican senators and a Democratic colleague have joined me in offering a simple, clear and direct balanced budget amendment that is a great improvement over earlier versions. I also found broad, bipartisan support for it in more than 140 town meetings last year across Illinois.

Our amendment is not burdened with language tying federal income to a percentage of national income—a serious flaw in an earlier version that now has been shelved by the Senate. Once enacted, our plan would take effect in five years, when Gramm-Rudman-Hollings expires, and would require roll-call votes on tax increases.

The danger of our huge interest payouts cannot be overstated. Consider these facts:

This year the gross expenditure on interest will be $181 billion. That is $500 million each day. I can remember back to fiscal 1962 when we had a total federal *budget* of $100 billion.

Interest expenses have risen 240 percent since fiscal 1980, climbing to third place in the budget, behind Social Security and defense. Economists predict that interest will top the list in just a few years, doubling every four or five years after that and squeezing out our ability to respond to domestic needs, to defense needs, to our entire national agenda.

The national debt stands today at $2 trillion, half of that added in the last four years alone.

We have moved in three years from being the No. 1 creditor nation to being the No. 1 debtor nation. This year 80 percent of the deficit is going to have to be purchased by people and groups outside the borders of the United States.

To pay $181 billion for interest this year, we are taking primarily from people of limited income and giving to those of substantial income, a government-sanctioned redistribution so immense that no feudal lord of the Middle Ages could have dreamed of anything like it.

We are also shifting our burden to future generations. When we run deficits of this size we are living on a giant credit card and sending the bill to our children and grandchildren. Our children will pay not only for the programs we did not want to pay for ourselves, but they will also have to pick up the interest tab. Spending half or two-thirds of the budget on interest for their parents' debts means we and our children will not have adequate resources for education or health care or defense or other needs.

One of the ironies of the present situation is that people who call themselves liberals have somehow been moved into a position of supporting huge deficits and a policy that will make it less and less likely that this government can respond to the real needs of our people and their future. I am sometimes tagged with the term "liberal," but it certainly does not include supporting policies that rob hope from the future of our country.

And for people to oppose a constitutional amendment that stops a practice of redistributing wealth—taking from those least able and giving to those most wealthy—is totally inconsistent for those who call themselves liberal.

We can't continue these trends for long. You can argue that someone could be better off one year from now through deficits of this size, but no one can argue that 10 years from now any of us are going to be better off. Whatever your political party or philosophy, it does not make sense to spend an increasing share of our tax dollars on interest rather than on goods and services.

We need a constitutional amendment that would prevent us from wading, year-by-year, into the kind of fiscal thicket that has brought us triple-digit deficits and more ominously, the flush of more and more budget dollars down the interest drain.

BALANCED BUDGET AMENDMENT

Section 1. Outlays of the United States for any fiscal year shall not exceed receipts to the United States for that year, unless three-fifths of the whole number of both Houses of Congress shall provide for a specific excess of outlays over receipts.

Section 2. Any bill to increase revenue shall become law only if approved by a majority of the whole number of both Houses of Congress by roll-call vote.

Section 3. The Congress may waive the provisions of this article for any fiscal year in which a declaration of war is in effect.

Section 4. This article shall take effect in 1991 or for the second fiscal year beginning after its ratification, whichever is later.

Mr. KERRY. Mr. President, I oppose Senate Joint Resolution 225, the proposed constitutional amendment for a Federal balanced budget. In my judgment, this legislation is unwise and unnecessary.

I have listened with great interest to the debate on this proposal over the past days. I have been particularly impressed with the reasoning presented by two of my distinguished colleagues who are themselves former Governors of their respective States—the distinguished Senator from Washington, Senator Evans, and the distinguished Senator from West Virginia, Senator Rockefeller. Both Senators bring a wealth of experience to this discussion, and a perspective which is valuable to all of us in this body.

I must add that I have also listened with great interest to the arguments put forward by my distinguished colleague from Illinois, Senator Simon, in favor of this amendment. I have great respect for the Senator from Illinois. As he well knows, we very often agree on the issues which we are called upon to conside in the U.S. Senate. We usually agree more than we disagree. Paul Simon is indeed a voice of reason in the U.S. Senate, and I know that all of my colleagues share in my respect for him. And I am in agreement with my distinguished colleague from Illinois on the desirability of an effort to move towards a balanced budget on the Federal level, and on the danger of uncontrolled deficits. But, in this case, we disagree on the best means of achieving our common goal.

Several questions have been raised with regard to the current proposal for a constitutional amendment to balance the budget. One of the most fundamental questions is: Since State and local governments have to live by the rule of a balanced budget, why should the Federal Government not have to abide by the same rules? I believe that the answer to this question has been ably provided by Senators Evans and Rockefeller, speaking from their experiences as former State Governors. I do not have that experience to draw upon, but I do have some experience of my own as Lieutenant Governor of the State of Massachusetts from 1983 to 1984. And I would like to add some observations to those that have already been offered by my colleagues.

To compare State and local government balanced budget requirements to the balanced budget requirement in the present legislation is, in a sense, like comparing apples and oranges. This is true because the accounting procedures used by State and local governments are very different from those used by the Federal Government. State and local balanced budget requirements apply only to operating expenses. Capital outlays are not covered by these requirements, and State and local governments usually borrow to meet these expenses. Many businesses and municipalities have two budgets—an operating budget and a capital budget. Salaries, interest payments, and other current expenses offset by sales or tax revenues are part of the operating budget, while expenditures which are financed by long-term borrowing are placed in a separate capital budget. If local governments and municipalities used the Federal accounting practices, many local governments would in fact be guilty of deficit financing.

In fact, from 1960 to 1980, State and local governments increased their borrowing at a faster pace than did the Federal Government. During that period, State and local debt outstanding rose at a rate of 8.3 percent per year, while Federal debt outstanding rose at a rate of 7.4 percent per year.

There is another major difference between the budgets of State and local governments, and those of the Federal Government. This lies in the nature of the Federal budget. The Federal Government cannot be oblivous to the effects on the economy of its budgetary actions. Whereas a State or local government can bring its budget into balance through a rise in taxes, or a cut in expenditures, without jolting the entire economy, the Federal Government cannot do so. If the economy begins to decline, unemployment rises, and incomes go down, and the Federal budget deficit increases as revenues decline and spending increases. Under these conditions, attempts to balance the budget by raising taxes or cutting spending will draw needed purchasing power from an already weak and slowing economy. An economic slowdown could turn into a recession, and a recession into a depression.

Because the Congress has already taken steps to reduce the deficit in a measured and resonsible way through the passage of the Gramm-Rudman-Hollings legislation, I do not believe that these conditions will come about in the forseeable future. But precisely because we have already taken steps to deal with the deficit through Gramm-Rudman-Hollings, the present legislation to require a constitutional amendment to balance the budget is unnecessary.

No Member of this body feels more strongly than I do about the necessity to reduce the Federal deficit. It was for this reason that I cosponsored, and voted for, the Gramm-Rudman-Hollings legislation last year. I did so because it is vital that we take action immediately to begin to reduce the Federal deficit. But I do not believe that passing a constitutional amendment is the way to reduce the deficit, or to balance the budget.

Under President Reagan, the Federal Government has run up the biggest deficit in our Nation's history. That deficit now stands at over $200 billion. During the same period, President Reagan has also doubled the national debt. By adding $1 trillion in deficits to the Federal debt, President Reagan has done in 5 years what it took 39 previous Presidents 190 years to do.

Since President Reagan took office, almost $500 billion in outlays has gone to pay interest on the national debt. This money comes right off the top of the budget. It is money that is unavailable to pay for meals for the elderly, or protecting the environment, or education, or nutrition for infants, or for other worthwhile programs which have lost ground under the current administration.

We can no longer tolerate the buildup of the Federal debt by spending $200 billion more per year than we take in through revenues. The burden of Federal deficits, and the necessity of financing the Federal debt, threatens the quality of life in this Nation not only for our generation, but for our children as well.

Let us be clear about it—we need to reduce the Federal deficit, and prove our ability to manage the budget. That is why we passed Gramm-Rudman-Hollings, and that is the direction in which we are now moving. By passing Gramm-Rudman-Hollings, Congress has shown its resolve to deal with the deficit. We have recognized the reality that we need to make hard choices, and set national priorities. We are now making those choices, and establishing those priorities. We have taken action to reduce the deficit, and the economy has already begun to respond. Interest rates are down, the stock market is up, the trade balance is becoming more favorable, and the deficit shows signs of declining.

Most important of all, we have restored confidence in the American people that we in the Congress are serious about reducing the Federal deficit, and we have begun to take concrete action to do it. We have started a process of reducing the deficit responsibly, while protecting those who need help, maintaining a strong national defense, and preserving flexibility in our economic planning for the future.

Unhappily, Congress was forced to take the drastic measures contained in Gramm-Rudman-Hollings to deal with the problem of the Federal deficit. But I do not believe that the answer to the problem lies in the passage of a constitutional amendment to balance the budget.

The question could be asked—if you support Gramm-Rudman-Hollings, why do you not also support a constitutional amendment to achieve the objective of a balanced budget. Let me point out several of the differences between the two measures. First, Gramm-Rudman-Hollings is a statute which is amendable by future Congresses. It can be adapted as circumstances require. Senate Joint Resolution 225 cannot be amended without initiating the long process of ratification by the states, which can take a decade or longer.

Second, Gramm-Rudman-Hollings, as passed by the Congress, is a complex piece of legislation which is 70 pages long. It deals with a myriad of problems which necessarily occur in the process of reducing the Federal deficit by approximately $200 billion over a period of 5 years. By contrast, Senate Joint Resolution 225 is only four paragraphs long. As a constitutional amendment, it is necessarily vague, and provides no guidance as to how deficit reduction is to occur, and how the process is to be enforced. The legislation which we passed last year creates a fine-tuned and orderly process for reducing the deficit. The legislation which is before us today creates no such process, gives us no guidance as to how to go about reducing the deficit, and is an invitation to chaos in the budget process.

Third, Gramm-Rudman-Hollings sets priorities by providing exemptions for certain programs while providing special protections for others. It totally exempts Social Security, and the basic low-income safety net programs such as nutrition for women, infants, and children. These exemptions were a fundamental condition of my support for Gramm-Rudman-Hollings. I insisted that these vital programs be fully protected before I agreed to give my support as a cosponsor of the legislation. The bill also limits cuts in Medicare and cost-of-living programs such as black lung, student loans, and Federal civil service retirement.

By contrast, Senate Joint Resolution 225 makes no such exemptions. Social Security would be cut, and programs such a black lung and Medicare could be gutted. There are some who believe that part of the reason that some of my colleagues are supporting this legislation is that they would like to be able to make cuts in these protected programs in the future, if the present bill were to pass and become law. I am determined to ensure that we in this body keep our covenant with the American people, to protect Social Security, to preserve Medicare, and to maintain the social safety net programs which have already been ravaged by President Reagan over the past 5 years. This is an additional reason why I oppose the present legislation.

Fourth, Gramm-Rudman-Hollings is enforced by action of the executive through a sequester order, or, if that procedure is held unconstitutional, through congressional passage of a package of across-the-board cuts. In either case, enforcement is still left to the elected branches of the Federal Government that have the expertise and flexibility to deal with budgetary matters. By contrast, a constitutional amendnent would be eventually enforced and interpreted by the judicial branch.

Balancing the budget is the responsibility of the President, and of the Congress. It is not properly the responsibility of the judiciary, which is unelected, and unequipped to deal with those issues.

We in the Congress took responsibility for reducing the deficit and balancing the budget last year when we passed Gramm-Rudman-Hollings. It would be a mistake for us to turn around now and abdicate that responsibility by turning over responsibility to the judicial branch, and asking them to do our work for us. If we pass

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a constitutional amendment to balance the budget, all sorts of spending measures may become the subject of lawsuits and injunctions, with a disruptive effect on the budget process. This is an undesirable and unnecessary result.

In addition, a constitutional amendment to require a balanced budget is unwise, because it removes a necessary element of flexibility from our economic planning. If such an amendment had been in existence in 1933, when President Franklin D. Roosevelt took office, he would have been unable to take emergency measures to strengthen and restore the economy.

I believe that we in the Congress have a responsibility to preserve the economic tools necessary to deal with changing economic cycles, with national emergencies, and with times of war. I do not believe in deficit spending as a way of life. But it would not be wise policy for us to tie our hands in such a way as to remove all flexibility from the budget process. I am concerned that the proposal before us today would be inflexible and unworkable, and would cause more problems than it would solve.

I am also concerned by this amendment because I believe that it is a mistake to attempt to make the Constitution into a piece of legislation, which is what this bill in effect would do. The nature and length of this amendment is an indication of what happens when we attempt to tamper with the Constitution. The result is neither sound legislation, nor is it consistent with the nature of our Constitution.

It is ironic that many of those who are fond of urging adherence to the "original intent" of the framers of our Constitution are the same people who are quick to urge that the Constitution be amended. Many of the same people who are proponents of this particular amendment are also advocates of constitutional amendments to deal with issues such as busing, abortion, and school prayer. I, for one, am a conservative when it comes to the U.S. Constitution. I like the Constitution the way it is. I do not believe that it needs to be amended to deal with every social problem which confront us. We do not need a constitutional amendment to balance the budget. The Constitution already provides us with the authority to balance the budget. What has been lacking is the political will to do so. Now that Congress has shown that will, there is less reason than ever for us to tamper with the U.S. Constitution in a misguided effort to require a balanced budget. The Constitution has served us well for 200 years Let us leave it intact, and get on with the business of reducing the deficit in a responsible manner.

Mr. **MITCHELL**. Mr. President, I will oppose this proposal to amend the Constitution in a way that purports to require a balanced budget.

The appeal of this and other proposals which are supposed to result in a balanced budget is obvious. All of us, supporters and opponents of the proposal alike, want to see our budget in balance. Amending the Constitution to proclaim that result is the kind of simple, dramatic step which seems to say that Congress is serious about the matter. That is its appeal.

But many proposals which are appealing in their simplicity are bad in practice. This is one.

The amendment would require that any budget in which outlays are higher than receipts be approved by three-fifths of the Members of each body of Congress, elected and sworn. This is, or course, a different and higher standard than three-fifths of the Members who are present and voting.

It would require that a majority of the Members of each body of Congress, elected and sworn, be required to pass any law that raised receipts.

It would permit these requirements to be automatically waived in any fiscal year in which a declaration of war was in effect.

And last, it would require a three-fifths vote of the Members of each body of Congress, elected and sworn, to increase the public debt of the United States.

During a week of debate, all of these provisions were exhaustively examined, and each of them raises more questions than it answers.

First is the enduring and insurmountable problem of all balanced budget constitutional amendments, which is that any budget is an estimate of future events.

A budget is, in essence, our best guess of how much money the tax system will raise, how much different programs will cost, and how expensive any natural disasters might be in the coming year.

It is based on our best estimate of how many people will be employed and paying taxes, how many people will be out of work and collecting unemployment insurance or taking early retirement and their Social Security benefits, and how or where a flood or earthquake or other disaster may occur. All of these events dictate how much money will come into the Federal Government in taxes and how much will be spent. But none of these factors can ever be known with precision before the event.

Congress cannot predict these things with accuracy. Nor can anyone else. All budgetary and economic projections of the past decade have been wrong.

Even a small error—an error of 1 percent—in a trillion dollar budget produces a deficit of $10 billion dollars. In most cases, budget projections have been wrong by much more than 1 percent.

The proposed amendment says nothing about how such a mistake or miscalculation is to be rectified. Supporters have said that this is a detail to be worked out in the future, by a future Congress.

Also in common with similar proposals, this proposed constitutional amendment uses words that must be legislatively defined. Words such as outlays, receipts, and fiscal year have no constitutional definition. Congress can and has changed the fiscal year in the past. A future Congress can change it again.

Outlays and receipts are also to be defined by the Congress. But what one Congress defines another Congress can redefine by simple majority vote.

For example, under current budgetary usage, outlays are not something that Congress controls at all. Outlays are the spending result of budget authority that Congress has previously enacted. Indeed, under the present structure, Congress has no power to slow the speed at which the Defense Department, for example, decides to spend its funds. So an unbalanced budget could come about as a result of spending decisions made by the executive branch.

Under the terms of this proposal, receipts are intended to include all funds, from whatever source, that are raised by any public authority, whether it is the Treasury Department, the Social Security trust funds, or public power authorities such as the Tennessee Valley Authority.

So under this balanced budget proposal, receipts to the Social Security trust funds, which cannot by law be spent for any purpose except Social Security benefits, would nonetheless be counted as "receipts" against which spending could take place.

This is particularly significant, because by the 1990's, the Social Security trust funds are expected to be running surpluses in the area of $70 billion and perhaps more. These are intentional long-range surpluses designed to be accumulated in order to offset the revenue drop that will occur when the baby-boom generation starts to retire and collect its own Social Security benefits.

Current law now calls for the Social Security program to be removed from the unified budget in 1991 so as to ensure that those long-range surpluses do not become a means to offset other spending on paper. But under the balanced budget proposal, it is questionable if Social Security trust funds could be treated separately, even though the money is earmarked for future benefits.

These definitional ambiguities alone make this proposal unacceptable. In addition, because each Congress could

define and redefine the meaning of the various terms, it is an invitation to dishonest budgeting. That is not something we should write into the Constitution.

The language in this proposal which requires a majority of all elected Members, referred to be some as a "supermajority," for any vote to raise revenues does not contain a similar requirement for any vote that loses revenues. If this proposal were, in fact, intended to prevent unbalanced budgets, then proposals that reduce taxes as well as those which increase them should require equally high majorities.

In practice, however, this language means that the Congress could pass an immense special interest tax loophole by a voice vote, but it could not raise the price of duck stamps without a recorded vote of an absolute majority of all those elected and sworn to office.

That is not a sound approach to balancing the budget.

The provision in this proposal that would allow a waiver of the requirement in the case of a declared war fails to recognize that, since World War II, no military emergency has resulted in a formal declaration of war. Under this amendment, the Korean war and the Vietnam war were not wars. There were, however, indisputably costly military conflicts.

Under this language, therefore, Congress would be in the position of voting declarations of war for such military operations—and the national security implications of such an approach are self-evident—or we would be in the position of requiring an absolute three-fifths of both Houses to agree to finance the military emergency by waiving the budget requirement.

It is not hard to see how a relatively small group of votes could be used in such a situation. The three-fifths voting requirement has the effect of giving each absent vote the same weight as a negative vote. The Constitution does not now allow any Member of Congress to affect the deliberations when he or she is not present. But under this proposal, absentees would count as much as negative votes.

It has been calculated that because Senators represent States, not population, 40 Senators from the low-population States, whose total population is barely over 10 percent of the national population, could dictate budget policy for the entire country.

Whether or not an outcome is likely, the structure of voting that grants disproportionate weight to absentees makes it clear that a relatively small number of Members could exert substantial influence over the workings of the Congress on an annual basis.

I also question the logic of a proposal which makes it more difficult to raise revenue or approve a deficit than to declare war. There are few actions as serious to the fate of a nation than the declaration of war, a fact acknowledged by the seriousness with which Congress has always treated such declarations and the rarity with which they have been approved.

Granting to the annual budgeting exercise a standing that sets it above the seriousness of a declaration of war trivializes the Constitution.

The additional requirement of a three-fifths majority to raise the public debt ceiling is not, as its supporters claim, a means of enforcement. It is simply another hurdle to responsible fiscal operations. Raising the debt ceiling, after all, is an action taken after the fact.

Congress increases the debt ceiling to finance the commitments that have been made—not to provide for future commitments. If we enact this hurdle to rational fiscal operations, we will cast doubt on the validity of virtually every public commitment of the Federal Government.

Banks which now provide guaranteed loans to farmers and students will be forced to question whether Congress will maintain the funding levels required to make good on the loan guarantees. They will either get out of the business of making such loans, or they will increase the costs of those loans to insure against the risk of congressional failure to muster the necessary three-fifths vote.

The final question which this proposal does not answer is the question of enforcement. During the debate, some of its supporters indicated that the Federal courts would become the final arbiters of actions taken by Congress under this constitutional provision, just as the courts now determine the constitutionality of other congressional enactments.

Other supporters claimed that the courts would not become involved because of questions of standing, justiciability, and the fact that budgetary questions are, by their nature, political questions, which the courts have traditionally not attempted to adjudicate.

But the amendment's supports cannot have it both ways. Either this language is enforceable or it is not—and to be enforceable it must be enforceable against the Congress, since Congress retains the taxing and spending powers. If it is not enforceable against the Congress, then it is not enforceable at all, but simply a statement of intent. We should not be writing statements of intent into the Constitution.

But on reading the proposal in conjunction with the Constitution, of which it would be part if it were ratified, it seems to me that aspects of it may well be enforceable against Congress in one way, and that is through Presidential veto.

The language of the proposal requires that any budget deficit be approved by both Houses of Congress by a three-fifths vote. There is no question that the three-fifths requirement would force this to be a rollcall vote. There is no doubt on the face of it that this vote would be constitutionally required—that is, a necessary vote. It could not be waived. The requirement to balance the budget could be waived, but the need to do so by vote and to provide for the amount of the deficit could not be waived.

Although supporters have said that this vote would take the form of a concurrent resolution, it seems to me that they are granting to a concurrent resolution, which is essentially an internal congressional housekeeping form of enactment, a standing that it does not have. The concurrent resolution is nowhere described in the Constitution. It has no constitutional sanction. And its historic use as a vehicle for the transaction of matters solely within the prerogative of both Houses of Congress lends weight to that conclusion.

But although the Constitution is silent on concurrent resolutions, it is not silent on the command that:

> Every order, resolution or vote to which the concurrence of the Senate and House of Representatives may be necessary shall be presented to the President of the United States; and before the same shall take effect, shall be approved by him, or being disapproved by him, shall be repassed by two-thirds of the Senate and House of Representatives . . .

The first section of the proposal before us, therefore, commands an outcome, a balanced budget, provides for a waiver of that outcome by a three-fifths vote, and does so in terms that appear to mandate something like a budget resolution because it asks for a specific excess of outlays over receipts. As a practical matter, the only way to achieve such a specific excess is to measure outlays and receipts against each other. That is, practically speaking, what a budget resolution does.

But further, because this would be a constitutional requirement, either that fact would make the vote a necessary vote, requiring the outcome to be presented to the President, or the language of article I, which requires presentment as a constitutional prerequisite to take effect seems to me to give rise to a strong case for a Presidential assertion of a right to veto any budget deficit proposed by the Congress.

Whether this is intentional or not, nothing in the debate so far has persuaded me it could not occur. And of course the President's veto power is bridled only by a requirement that he accompany his veto with an explanation. No further requirement is placed on him.

It does not take a great deal of imagination to wonder if a budget developed by Congress which included, for instance, too little in the way of defense spending, or too much for dis-

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cretionary domestic spending, or raised revenues, or cut revenues too much for the preference of a President, could be vetoed, since nothing in this constitutional amendment affects the veto power.

I do not believe it is adequate to enact a constitutional amendment that may entail such a potentially massive shift in the balance of powers between the executive and legislative branches without far more assurance that such an outcome would not occur.

I will, accordingly, vote against this proposal.

Mr. LEVIN. Mr. President, this debate on the constitutional amendment to balance the budget is a debate about methods and not about goals.

I supported and actively participated in the formulation of the Gramm-Rudman balanced budget law because I believe that huge Federal deficits present a serious threat to our long-term economic prosperity and to vital programs. We must take firm and disciplined action to get a hold on those deficits and to eliminate them. Gramm-Rudman is a process by which we can accomplish that. We can do it in a way which has the discipline to keep us on the right path, but which still retains the flexibility to act expeditiously and make a detour if that is what the national interest requires. It is a good balance, and it is such a balance which is necessary for practical governing.

If the Gramm-Rudman law turns out to be flawed in its current form, then it can be amended through the normal legislative process. We all know that the process itself can be tortuous and long. But, when faced with an overriding national need, it can work within a matter of hours or days.

Now, we have before us a constitutional amendment relative to a balanced budget. I doubt there is anyone here today in this body who would claim to be certain that there will not be a need to further change this amendment once it is ratified and is made part of the Constitution. The average time it takes to ratify a constitutional amendment is about 2 years, where the amendments have been successful. Are the Members of this body really ready to write into the Constitution a provision affecting an issue as fluid as economic policy, knowing that if there is a need to modify that provision it could take longer than events and the national interest would allow?

The problems with this constitutional amendment are not limited to the fact that it seeks to do by a constitutional provision something which should be done by statute. Under its own terms, this amendment is flawed.

First, it puts in the hands of Senators representing a tiny minority of the population the power to determine decisions on spending which affect the entire Nation. According to the amendment, outlays could not exceed receipts unless three-fifths of both Houses of the Congress agreed. In the case of the Senate, this means that 41 Senators—representing as little as 10 percent of the population—could have a veto over whether spending will exceed revenues. We all know that our political system seeks to balance majority rule and minority rights, and this is appropriate. However, this three-fifths requirement tilts that balance too far in the direction of minority rule over crucial spending decisions.

Second, this amendment has far too narrow a view of the national interest and what constitutes a threat to it. This amendment allows the balanced budget requirement to be waived by a simple majority vote for any year in which there has been a declaration of war. This waiver provision, therefore, implicitly assumes that a threat to our national security so extreme as to allow this amendment to be suspended by a simple majority vote can emanate only from a state of declared war. But it is clear from our history that a threat to the security of this Nation can also emanate from an economic situation which threatens the very livelihood of millions of Americans. It is in recognition of this reality that the preamble of the Constitution speaks not only of "providing for the common defense" but also of "insuring domestic tranquility" and of "promoting the general welfare."

Just as our national strength is not derived solely by looking to our military might, dangers to our national well-being are not only to be found in some failing of our defense posture. This constitutional amendment which we are considering today should reflect that reality and provide for it, but, unfortunately, it does not.

In fact, under the terms of this amendment, it would be possible to waive the amendment by a simple majority if the United States had declared war against Uruguay, but it would not be possible to waive the amendment by majority rule if unemployment rose to 15 percent. Such an absurd possible result is a clear sign that this amendment is fundamentally flawed.

Third, the debate on this amendment has made clear that implementing legislation will be necessary to enforce the constitutional requirement for a balanced budget. For instance, in a colloquy which I had with one of the principal sponsors, Senator Simon, it was clear that basic questions such as what is a receipt and an outlay, how would the receipts and outlays be monitored to assure that they are in balance, who would definitively determine how budget authority is translated into outlays, and who would determine whether a bill is "a bill to increase revenues" would all require answers provided by subsequent implementing legislation.

It is not appropriate to go forward and approve an amendment to the Constitution with fundamental questions unresolved and which requires implementing legislation to resolve them. Amending the Constitution is too important an undertaking to be done in the dark.

The Library of Congress could find no precedent in which the Congress had passed a constitutional amendment which imposed a mandatory requirement on the Congress but which required subsequent implementing legislation to enforce that requirement. To pass this amendment in its current form is to write a goal into the Constitution and then to rely on a leap of faith that the Congress will be able to legislate all the enforcement mechanisms to achieve that goal. We have never done it before. We should not start now.

Fourth, toward the end of the debate a modification was made to this constitutional amendment which made it even more onerous. This modification requires that there be a three-fifths vote to raise the public debt limit. This was a dangerous modification because it will make it more difficult for the Federal Government to pay the debts it has already incurred. People do not have to be Members of Congress too long to learn how difficult it can be to get a simple majority to vote to increase the debt limit and, thereby, honor the obligations this Government has already incurred. Raising that requirement from a simple majority to three-fifths would make it even more difficult.

People may differ on whether we should limit future obligations and by how much. But I don't think anybody in the Senate believes that we should not honor the obligations we have already incurred. By raising the hurdle necessary to raise the debt limit, we are making it more difficult to honor those obligations. We are making it more uncertain that those obligations will be honored. But, if we should honor those obligations, and we should honor them, then why, as this amendment provides, are we making it more difficult to honor them? Why are we making it more uncertain? Yet, that is exactly what this constitutional amendment does.

It is argued by those who support increasing the margin from a simple majority to a three-fifths vote that such an increase is necessary in order to put teeth in this constitutional amendment. It certainly does. But, they are teeth that bite the wrong people. They may be designed to put pressure on Members of Congress, but that is not where the real bite is felt. They are, in fact, biting the banker who makes a loan to a student based on the full faith and credit of the United States, or biting the person who provides goods to the United States, or biting somebody who is working in the Social Security Administration and sends out Social Security checks. To these people who have provided goods and services to or on behalf of the Federal Government will come the rude awakening that the full faith and credit of the United States is followed by a question mark and not an exclamation point.

I hope the Senate will consider all these fundamental defects with the balanced budget constitutional amendment and reject it.

Mr. ARMSTRONG. Mr. President, today could be a historic day in the U.S. Senate—one which may be remembered as the day the Senate finally caught up with the wishes of the American people and adopted a balanced budget constitutional amendment. The American people overwhelmingly favor this amendment. They want order restored to the chaos that has existed in Federal fiscal policy for the past 50 years. This amendment will compel Congress to do so.

I have supported the adoption of a tough and enforceable constitutional amendment to balance the budget since my first day in Congress. It was one of the first proposals I introduced in 1973 as a Member of the House, and one which I worked for throughout my service in Congress. So I am especially grateful that today we again have the chance to move this amendment a step closer to enactment. I believe there are few reforms, if any, which will have as salutory and important an effect on Federal fiscal policy and the future of this country than this amendment.

Mr. President, one of America's greatest Founding Fathers, Thomas Jefferson, noted that while frequent changes in our Constitution are not desirable, changes must in fact be made when the times urgently demand it. Jefferson was, as usual, precisely right. Amending the Constitution should not be done lightly. Nor should it be done to place in the Constitution one parochial political ideology. Rather, amendments to the Constitution should add enduring principles that experience has compelled be enshrined in that document.

I am convinced that the balanced budget amendment is such a principle. After reviewing the landscape of Federal fiscal policy of the past 50 years, I am frankly bewildered that some still do not recognize the necessity of so fundamental a change.

Balanced budgets at one time were the norm in American policy. Jefferson and all our founders consistently rejected the evils of Federal debt and resorted to borrowing primarily when the necessities of war required it. Soon thereafter, the public debt was quickly and routinely paid back. In fact, for a period of 28 years following the Civil War, the Federal Government ran budget surpluses.

But over the past 50 years, that heritage has been tarnished. Federal spending, deficits, and the national debt have exploded out of control. Consider these facts.

Since 1940, the Federal Government has run a deficit in 38 out of 46 years. Since 1960, we've run deficits in 25 of 26 years.

In 1940, the public debt of the United States was $43 billion. In 1986, the public debt exceeded $1.7 trillion—an increase of over 3,800 percent in 46 years.

Under current spending and revenue policies, another $714 billion will be added to the debt between fiscal year 1987 and 1991—raising the public debt in excess of $2.3 trillion.

This debt crisis has been driven by an unabated explosion in Federal spending:

Federal spending has increased nearly 1,000 percent since 1960—from $92 billion to $986 billion in projected fiscal year 1986 outlays.

In the last 10 years, spending has increased $615 billion—$400 billion since 1980 alone. The Federal Government is on the threshold of its first $1 trillion outlay level in history in fiscal year 1987.

One of the fastest growing components of Federal spending is driven by deficits themselves, namely interest on the debt. As Federal debt has increased, interest costs rise, driving up overall outlays and helping to create still more deficits. Federal fiscal policy has been on a constant treadmill of paying off the irresponsibility of past decades while producing more today.

In 1965, interest on the debt cost $9 billion and consumed 1.4 percent of GNP. By 1980, interest payments increased to $52 billion, or 2 percent of GNP.

In 1984, interest costs broke the $100 million barrier, reaching $111 billion that year. This fiscal year, 1986, interest payments will be $143 billion. This exceeds the sum of all Federal spending since the founding of the Republic in 1789 to 1936, total Federal outlays in 1966, the amount spent for defense in 1980, and is twice the level of Medicare spending today. Interest costs have increased 1,488 percent since 1965.

But if you remember one statistic, let it be this: between 1981 and 1990, the Federal Government will spend $1.3 trillion in interest payments alone. This equals the entire amount of public debt accumulated from 1789 to 1984.

How can anyone contemplate this sorry state of affairs and argue that fundamental reform is not called for? What magnitude of fiscal chaos is necessary before the Congress outlaws it in the Constitution? Surely in light of all this, Congress would be amending the Constitution, not on a whim, but only after years of failed policy.

The need is surely great. The appeal of the amendment is simple: the Federal Government shall spend only what it has. If it seeks to spend more than current revenues provide, it must raise revenues or approve a deficit by a three-fifths vote of both Houses of Congress. Otherwise, the Federal Government must set priorities and choose among them. I believe that is the art of governing in a free country. I believe it is the kind of enduring principle upon which our Nation was founded and which appropriately belongs in our Constitution. I also believe that it is simply common sense.

Moreover, the American people believe that it's common sense, and they support it overwhelmingly. Isn't it time the Congress of the United States got as smart as those who elected it and passed this amendment to the States? The time has long since passed that we do so. History will not be kind to the 99th Congress should it fail once again to send this proposal to the States. I earnestly urge my colleagues to support this amendment.

Before I conclude my comments on the amendment, Mr. President, I would like to take a moment to salute its sponsors in the Senate. I believe the Senate owes a special thanks to the distinguished Senator from South Carolina [Mr. Thurmond] and the distinguished Senator from Utah [Mr. Hatch] for their relentless efforts to perfect this amendment and bring it to a vote. They have both worked many long hours in committee and on the floor to advance this legislation. I salute them for it.

Over the past year, I have suggested a change in the amendment which I believe was necessary to strengthen the way in which it is to be enforced. I am referring, of course, to my amendment adopted by the Senate on March 13 which will require a three-fifths vote to increase the public debt after the balanced budget amendment is ratified. I believe this addition embodies the most effective way to enforce the constitutional amendment, and is perfectly consistent with the underlying amendment's requirement that a deficit be approved by a three-fifths vote of both Houses of Congress. I appreciate the assistance and support of the distinguished Senator from Utah [Mr. Hatch] in guiding this amendment to its adoption.

Let me also acknowledge the good efforts of the Senator from Arizona [Mr. DeConcini] and the Senator from Illinois [Mr. Simon]. Thanks in particular to these two distinguished Members on the other side of the aisle, this measure can truly be called

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bipartisan. I salute them also for their achievement.

Mr. BURDICK. Mr. President, shortly this body will be voting on the amendment to the Constitution requiring a balanced budget. This is not the first time this body has considered such an amendment.

During the 97th Congress, the Senate passed a similar resolution. Our Nation was facing prospective annual deficits of $200 billion. At that time drastic action was necessary to eliminate these deficits and, therefore, I supported the resolution. I believe today, just as I believed then, that balancing our Nation's budget is a goal shared by a majority of my colleagues. The case may be made that during the past 4 years congressional support for balancing the budget has increased.

In 1982 with future annual deficits expected to reach $200 billion, the Senate demonstrated its commitment to fiscal responsibility by passing a balanced budget amendment.

However, the amendment did not receive consideration by the House of Representatives. During the 98th Congress, in spite of the warnings of looming deficits, we were unable to achieve significant progress on deficit reduction.

At the end of the first session of this Congress, we found ourselves again facing an annual deficit in the $200 billion range. As the deadline approached for raising the debt ceiling, we became bogged down addressing the landmark Gramm-Rudman-Hollings Balanced Budget and Emergency Deficit Control Act. During the initial consideration of Gramm-Rudman-Hollings, I supported the bill because of a desire to keep congressional attention focused on a mechanism which would establish deficit reduction and provide for a balanced budget. Although in the final analysis of the legislation I could not support it, Gramm-Rudman-Hollings is now on the books as a statutory plan for balancing the budget.

Unlike 1982, a constitutional amendment requiring a balanced budget is no longer the only game in town. Just a few months ago Congress overwhelmingly demonstrated its desire to control and eliminate deficits by passing the historic Gramm-Rudman-Hollings legislation. Before we address a constitutional amendment, we must allow ourselves the chance to balance the budget by working within the statutory framework provided by Public Law 99-177, the Gramm-Rudman-Hollings Act.

The circumstances have changed since 1982. During the 97th Congress, a constitutional amendment requiring a balanced budget was needed because we did not have a statutory mechanism for balancing the budget. Should Congress demonstrate the fiscal responsibility required under the guidelines of Public Law 99-177, an amendment to the Constitution will be unnecessary. It would be a mistake to pass this amendment without providing ourselves the opportunity to balance the budget under current statutory law.

CLARIFICATION OF COLLOQUY ON OUTLAYS

Mr. HATFIELD. Mr. President, last Friday Senator Heflin asked that a draft colloquy on the meaning of "outlays" as used in the context of Senate Joint Resolution 225 be printed in the Record. After reading that colloquy, which included remarks by Senators Thurmond, Hatch, Helfin, DeConcini, Simon, Melcher, and Metzenbaum, I would like to put in my own 2 cents' worth, even though I will not vote for Senate Joint Resolution 225 and hope it is defeated.

In his remarks on page S3200 of the Record, Senator Hatch stated that:

> Outlays are generally appropriated funds, but there are exceptions to that general rule. For instance, outlays includes [sic] as well entitlement payments to eligible beneficiaries, which are non-appropriated disbursements of Federal funds.

Without taking issue with the overall intent of the colloquy, and with all due respect to my friend from Utah, Senator Hatch, I believe some clarification and correction of his statement is in order.

First of all, outlays are never appropriated. Outlays result form appropriations, which are generally in the form of budget authority. Once agencies have been granted that budget authority in appropriations acts, they can obligate the Government to make outlays. But the appropriations themselves are in terms of budget authority, not outlays.

Second, all funds, without exception, are appropriated. As the Constitution states in article I, section 9, clause 7: "No money shall be drawn from the Treasury, but in consequence of Appropriations made by Law * * *" There is a distinction, however, between funds appropriated in regular annual appropriations acts and those provided in permanent appropriations. And, in fact, most of the budget authority requested in the President's budget does come from permanent appropriations. Let me quote from page 6a-1 of the President's budget:

> For 1987, $1,102.0 billion of new budget authority is proposed for the Federal Government. Of this amount, $887.7 billion is for agencies included in the budget and $214.3 billion is for off-budget Federal entities. Of this total new budget authority, both on-budget and off-budget, $564.2 billion will require congressional action. New budget authority of $732.5 billion will be available through permanent appropriations under existing law. This consists mainly of trust fund receipts, which in most trust fund programs are automatically appropriated under existing law, and interest on the public debt, for which budget authority is automatically provided under a permanent appropriation enacted in 1847.

Again, Mr. President, I offer these comments with no criticism of my colleagues, but in an effort to correct what I believe to be a misperception of certain technical points.

Mr. SPECTER. Mr. President, I am voting in favor of the balanced budget amendment to the United States Constitution for the following reasons. The constitutional amendment mandating a balanced budget is one of the toughest issues which has confronted the U.S. Senate in my tenure here.

My considered judgment to vote in favor of the amendment results from weighing the burdens of the existing national debt and continuing deficits; the disadvantages from restricting majority rule; and the serious potential problems posed by a prospective constitutional convention.

Deficits in 23 out of the last 24 years have been a major factor in the economic problems facing our Nation today. We have a national debt in excess of $2,000,000,000,000. The interest on the debt this year exceeds $139,000,000,000. These figures are persuasive of the need for strong action to halt the growth of the national debt.

A nation, like a family, should live within its means. It is unfair to saddle future generations with our failure to pay for what we spend. While we should be able to limit spending without constitutional constraints, the historical fact is that the Congress has not done so.

A compelling consideration is the potential for disaster from the convening of a constitutional convention on the vote of 2 additional States to join the 32 which have already called for a convention on this issue. Once convened, such a convention might rewrite the entire Constitution. In the only precedent, the Constitutional Convention of 1787 was convened to deal with the limited issues of amending the Articles of Confederation on regulation of interstate trade and the taxation of citizens of the various States. Ignoring that limited mandate, an entirely new Constitution emerged.

That precedent provides authority for a convention with a limited call to rewrite the entire Constitution. If our Constitution were to be reconsidered today, the Bill of Rights would not emerge unscathed and the jurisdiction of the Federal courts would be drastically limited. Those are dangers which must be avoided.

In voting for this amendment, I am mindful if the special problems confronting my State. Pennsylvania has never benefited fully from the economic recovery and continues to face severe economic problems. Numerous Federal programs are critical tools in bringing about a recovery in Pennsylvania, and must be preserved until that recovery occurs.

In the long run, however, neither Pennsylvania nor any other part of the country will remain prosperous if we fail to address the intolerable Federal deficit. The sluggish performance of the national economy in 1985 must be taken as an early warning that, if we fail to address the deficit, declines in interest rates and oil prices will not be enough to keep our economic machinery in top form.

Some have cited the passage of the Gramm-Rudman-Hollings legislation last year as a reason for abandoning the balanced budget amendment now. But no mere statute such as Gramm-Rudman-Hollings is as durable as a constitutional amendment. We have already considered waiving Gramm-Rudman-Hollings on more than one occasion, and as the pain inflicted by the Federal Government's financial constraints grows this year, demands for waivers will probably become more insistent. The virtue of a constitutional amendment is that it cannot be waived by a mere majority of the Congress. Furthermore, if the Supreme Court upholds the lower court decision which decided that Gramm-Rudman-Hollings is largely unconstitutional, the country will be left without any legal mechanism for enforcing fiscal self-restraint. Therefore, the balanced budget amendment remains necessary.

A vote for the balanced budget amendment is not a vote for the budget priorities that the administration has proposed for fiscal year 1987, or for the priorities currently being observed by the Government. So long as we have States like Pennsylvania where economic problems abound, it is my sense that any fair budget must direct resources to those States as a priority matter. The Defense Department will have to take its proportionate share of cuts, and other, more prosperous States that are heavily subsidized for water and other projects will have to contribute. Economic development programs such as urban development action grants, the Economic Development Administration, the Small Business Administration, community development block grants, and mass transit subsidies, and programs such as student loans that invest in human capital, must be preserved above all until such time as there is economic prosperity in all parts of the country.

I have fought successfully for these programs each year during my service in the Senate, and will continue to fight for them. The balanced budget amendment will help assure that, even after Pennsylvania and similar States have been rebuilt, the national economy will remain on a fiscally sound footing. In the final analysis, the benefits of the amendment outweigh the very real burdens it imposes.

Mr. TRIBLE. Mr. President, last year, Congress dramatically demonstrated its concern about budget deficits by passing Gramm-Rudman which when fully implemented will eliminate the Federal deficit. Today we can take action to make a balanced budget a permanent requirement of American law.

For far too long our Nation has been on an unconscionable spending spree. In the past quarter of century we have had a budget surplus only once. Every other year we have spent more than we collect.

We cannot continue this profligacy. Budget deficits raise interest rates and divert national saving from investment in productive projects. As a result, economic growth is reduced. Real wages and living standards grow more slowly and we experience unnecessary unemployment and poverty. In all, because of these deficits, all of us are poorer.

And this slower economic growth will continue to burden our children and grandchildren. Our national debt now exceeds $2 trillion and future generations will be forced to forego the advantages of economic growth in order to pay for unpardonable spending habits.

Budget deficits not only curb economic growth. They act as the engine for inflation. Massive deficits create overwhelming pressure for excessive money creation which feeds significant inflation. This inflation not only retards growth and productivity but it places intolerable burdens on working men and women.

Budget deficits also contribute to our massive trade deficits. The demands of Federal borrowing drive up interest rates which, in turn, drive up the value of the dollar. Consequently, goods made in America must not only face unfair trade barriers, but the price of American goods is artificially high.

Mr. President, there can be no doubt that, unless we act to make a balanced budget a permanent constitutional requirement our Nation will be poorer, our children and grandchildren will be faced with a crushing burden of debt and the costs of debt service will rise so stratospherically that we will be able to provide only the most minimal governmental services.

Why is a constitutional amendment necessary? Because, Mr. President, my tenure in the Congress has convinced me that Congress is incapable of saying no. All of us in Congress are under immense pressure to expand Federal programs. We all are exhorted to provide resources for a host of Federal activities.

The political imperative for spending can only be limited by fundamental institutional change. A constitutional amendment would not permit Congress to increase spending as a matter of course. Rather, Congress can only increase spending in one area by reducing it in another, or by raising taxes.

In other words, the amendment will alter the political demands and change the present calculus of Federal spending.

As we now do business deficit financing allows Congress to respond to demands for increased spending without making difficult decisions about taxing or spending. Therefore, deficit spending allows Congress to increase spending and reap political benefits without incurring any immediate political cost.

Well I believe we must have the ability to say no to ever increasing demands for Federal spending. And the only means by which we can say no is a constitutional amendment requiring a balanced Federal budget.

Mr. President, the vast majority of our States are required by law to balance their budgets. The Federal Government, too, must learn to live within its means. I believe this amendment is essential to ensuring the economic well-being of our Nation and I urge my colleagues to support it.

Mr. HEINZ. Mr. President, as one who has authored and sponsored a constitutional amendment, to limit Federal spending, I am on record as one who supports the principle of a constitutional amendment to ensure greater fiscal responsibility. I not only believe that the unchecked growth of Government and Government spending poses an inherent threat to freedom, opportunity, and enterprise, but also I subscribe to the imperative that, absent the effect of what economists call the business cycle, the Federal budget should be balanced. Federal deficits, if not offset by equal surpluses, increase the national debt. I am strongly opposed to spending money the Government doesn't have, won't get back and will have to borrow. Any increase in the national debt is nothing less than a burden passed on by this generation to future generations—our children and grandchildren—so that some special interest group or groups, including politicians, can have it good today. To my mind, and to the minds of most Americans, piling up deficits and the national debt is just plain immoral.

The amendment we are considering, Senate Joint Resolution 225, started as a well-thought-out amendment that merited broad support. It has undergone substantial modification in the course of the Senate's consideration. Often those perfecting modifications have been useful and justifiable. However, one amendment has now been adopted to require a supermajority of three-fifths of the Senate to change the national debt that I cannot support. This is the second time we have been through the same frustrating exercise.

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In 1982, we considered a balanced-budget amendment similar to the original Senate Joint Resolution 225. As my colleagues will recall, I worked closely with the sponsors of the amendment and Senator DOMENICI to perfect the amendment. I was concerned with the implementation of the amendment and the effect of the operations of the Social Security trust funds. I have spoken earlier in this debate about the need to properly address this issue.

Also in 1982, I joined the sponsors in opposing the amendment of the Senator from Colorado, Senator ARMSTRONG, to require a supermajority three-fifths vote of both the House and Senate to raise the national debt ceiling. Regrettably this amendment has once again been offered and incorporated in Senate Joint Resolution 225. The arguments against it today are as strong now as in 1982. As I said, "requiring a supermajority every time we encounter a debt ceiling bill, as we do not just once but often several times a year, is going to make government unworkable and will result in bringing government to a halt time and again when there is a recession. Inviting all the uncertainties of on-again-off-again, stop-and-go government is simply contrary to common sense and sound public policy." The only way out of such a dilemma would be to raise taxes.

Two of the major proponents of Senate Joint Resolution 225, the Senator from Utah, Senator HATCH, and the Senator from New Mexico, Senator DOMENICI, not only opposed the amendment as I did but agree with my analysis.

Let me quote Senator HATCH, who said that the Armstrong amendment "would render—the resolution—totally inconsistent with sound and responsible countercyclical economic policy and require taxes to be raised in the face of a recession or a depression * * * If the Armstrong amendment is adopted, then Congress really has only one choice, and that is to increase taxes, because it will take three-fifths of the membership of both Houses to lift the debt ceiling."

Similarly, Senator DOMENICI stated, "Under the Armstrong amendment, three-fifths of the Members of each body would have to vote to increase the debt limit. I shall tell my colleagues what that is going to do. If that is built into the organic law, we are going to raise taxes every time, because we are not going to get the three-fifths vote to raise the debt limit. So we will do the easier thing, we will vote to raise taxes."

I do not believe that raising taxes is the result the American people want. I do not believe that bringing Government to a halt, particularly in a recession, is responsible public policys. Yet those are the two alternatives we face if we pass this amendment in its current form.

When I introduced Senate Joint Resolution 54, the original National Tax Limitation Committee amendment authored by Nobel Laureate Milton Friedman during the 96th Congress some 6 years ago, I felt as keenly then as now about strengthening our national commitment to fiscal responsibility. But that should not obligate us to pass any version of my or this amendment without careful consideration of the public policy resulting from amendments or changes.

Mr. President, as I stated at the outset, I support the principle of a constitutional amendment to limit Government spending or balance the budget. But it must be a responsible, workable amendment if it is to become a part of our Constitution. Unfortunately, Senate Joint Resolution 225 as now amended fails that test.

Mr. LEAHY. Mr. President, I rise today to urge my colleagues to vote against the flawed concept of balancing the budget by amending our Constitution and to get on with the legislative task of balancing the Federal budget.

We already have the ability and the tools to balance the Federal budget, so we must see this proposed amendment to the Constitution for what it really is. It is a political gimmick, a gimmick that ignores what our Constitution is.

Our Constitution is the document embodying our national guiding principles. It sets forth our fundamental rights and liberties and the organization and structure of our Government. Those principles have served us well for over 200 years. We cannot let gambits designed for short-term political gain taint our Constitution.

The Constitution should not include economic theories or budget formulas. The Founding Fathers never intended that. Furthermore, including such hypotheses in our Constitution is dangerous and misguided.

The danger and folly of trying to balance the Federal budget by amending our Constitution is superbly illustrated by the process through which we arrived at this version of the balanced budget amendment.

First, the Judiciary Committee, unable to agree on a single formulation, reported two separate balanced-budget amendment proposals to the Senate. Then, hastily drafted amendments and last-minute political maneuverings during the Senate debate earlier this month resulted in this version of the constitutional amendment to balance the Federal budget. The result is a lack of careful analysis and well-thought-out legislative history that any proposed amendment to our Constitution not only deserves, but requires. It is no longer even clear whether, or to what extent, the Judiciary Committee's report applies.

It would also be misguided and dangerous to adopt this amendment when the mechanics of its enforcement are unknown. For example, the proponents concede that questions of who has standing to enforce the amendment are yet to be resolved. Similarly, the proponents assert that the amendment does not grant the President impoundment authority. But their assertions ignore the reality that ultimately it is the Supreme Court which will serve as the arbiter of these questions.

Congress can and should stand up to its responsibility to balance the Federal budget legislatively. By doing so, we would not run the risk—inherent in this proposed amendment to the Constitution—that Federal courts will be reviewing all of our budget and tax decisions line by line, item by item.

Mr. President, let me close by emphasizing that I want a balanced budget. But we don't need a constitutional amendment to balance the budget. What we need is for Congress to bite the bullet and make difficult choices. We can do that by adopting a rule I have followed in every budget decision I have made. It is a simple rule. It is called "pay-as-you-go." For every new dollar in Federal spending I have supported, I have voted for a $1 cut in spending. If Congress wants to increase spending, we must find a way to pay for it, either through offsetting spending cuts in other programs or through revenues.

I also cosponsored the Hallings-Leahy freeze on all Government spending for the last 3 years. That budget plan called on Congress to spend $136 billion less than President Reagan requested himself.

And, I supported the Gramm-Rudman-Hollings deficit-reduction law which, despite its shortcomings, requires Congress to balance the Federal budget by 1991.

Reducing the deficit will not be easy; nor is it impossible.

An amendment to the Constitution is not the answer.

Mr. WEICKER. Mr. President, Carl Becker once said that:

> Economic distress will teach men, if anything can, that realities are less dangerous than fancies, that factfinding is more effective than faultfinding.

Unfortunately, as is too often the case, the Senate is once again long on blame and short on solutions. The problem of course is the budget deficit that has this generation reaching into the inheritance of the next to meet the needs of society.

Late last year, the constantly shifting focus of blame centered on the congressional budget process. We were told—and we agreed by a wide majority—that deficits are the fault of a process, unwieldy and inefficient, that binds Congress to deficit spending. I repeat what I have said before about

these "automatic pilot" reforms: They are nothing but hypocrisy. And when this conflict between word and deed threatens the Constitution, it is nothing but recklessness.

The steady decline in the political courage of the Congress has made this recklessness seem attractive to many in this body and many in this Nation. Perhaps the people have given up hope that the politicians can make tough choices, perhaps many people have forgotten how clear the Constitution has been for 199 years about fiscal authority and the power of Congress and the President to exercise. In the same way, I hope in this election year that the American people have not forgotten how to use their ballots to support those who uphold the Constitution; those who use the power they have right now to balance the budget.

That power has nothing to do with stuffing a few hastily drawn paragraphs of economic policy into the Constitution. That power has everything to do with the hard choices of budget reforms and reductions and revenue increases needed to pay for our priorities. This is the job entrusted us in the Constitution and there's nothing automatic about it.

If we are serious about balancing the budget, then we have to raise revenue, reduce defense spending, and reform entitlements. Everyone knows that, but politically, it is a very difficult admission to make.

From their writings we know that the Founding Fathers intended the Constitution to be a broad and enduring statement of our rights and liberties as Americans. To craft it as a Christmas tree on which to hang ornaments of the passing political majority—even supermajority—is not worthy of our political heritage.

The Constitution was never intended to be the vehicle for advancing the beliefs of any subset of the American people. Rather, it was intended to protect all Americans against the tyranny of the few or the many.

It may well be said that the American people look anxiously to Congress to do anything possible to gain control of the budget. We in the Senate already said no in the three votes I mentioned earlier that followed passage of Gramm-Rudman-Hollings; no to the range of choices that the American people expect us to make as their representatives. President Reagan already said no in submitting a budget that has been out of balance each year. He had the choice to submit a balanced budget each year just as we have had a choice to pass a balanced budget. Congress and the executive branch have refused to make the choice and this amendment marks the path of our retreat with a shredded copy of the Constitution.

Accountability will not be achieved by throwing some switch and putting the economy on automatic pilot. Accountability depends upon individuals who have the strength of their convictions. It depends on individuals willing to legislatively tackle the tough issues, not try to hide behind a constitutional amendment. Accountability also depends upon people willing to vote and otherwise participate in our democracy, not abandon it to apathy.

Robert Hutchins once said that:

> The death of democracy is not likely to be an assassination from ambush. It will be a slow extinction from apathy, indifference and undernourishment.

Surely our democracy is malnourished when 29 percent of the registered voters becomes a majority to elect a President, 25 to elect a Senator, or 20 percent a Congressman. Do we believe the majority of Illinois Democratic primary voters meant to choose two right-wing extremists as candidates for lieutenant governor and secretary of state as they did 2 weeks ago? It really doesn't matter what the 21 percent of eligible voters who actually voted meant to do. What matters is the 79 percent who failed to even show up. None of us dare say with certainty in any part of the Nation that it can't happen in a general election or that it can't happen anywhere in the Nation.

The greatest danger in this sort of apathy is not the elevation of extremism, not the threat that the worst can occur, but rather the promise that the best cannot. In this context, the balanced budget amendment is an incentive to mediocrity, a reward for the spectators, not the players. It promises a future that will not be the result of choice, but rather the product of default.

Let us—each of us—make an admission and call off this assault on the Constitution. The inability we have shown in dealing with the realities of the budget is the fault of constitutional officers who are responsible for choices never made or politically off limits. To say it is the fault of the Constitution is to mislead the American people.

Next year we celebrate the 200th anniversary of the Constitution. In 1887, during the celebration of the Constitution's first 100 years, British leader William Gladstone wrote, "I have always regarded that Constitution as the most remarkable work known to me in modern times to have been produced by the human intellect, at a single stroke, in its application to political affairs." In the midst of our current "political affairs," I would ask my colleagues to reflect on this anniversary. And I would ask that we stand together and refuse to have this "remarkable work" of the Founding Fathers marred by the inclusion of this manifesto of political failure called the balanced budget amendment.

Mr. BINGAMAN. Mr. President, I rise in support of Senate Joint Resolution 225, proposing an amendment to the Constitution of the United States to require a balanced Federal budget.

Amending the Constitution is an important step, one that none of us should not take lightly. The fact that our Constitution has needed to be amended so infrequently is a testimony to the wisdom of its drafters, the Founding Fathers.

Although I must admit some reservations in this current effort to amend the document, I think the need to reduce our $200 billion deficit, and the realization that the President and Congress lack the discipline to do it, are overriding considerations. This appears to me to be an appropriate issue for the Constitution to address. I further think that careful consideration has been given to this effort and important modifications have been made in the resolution that is before us today.

It is important to note that the Framers of the U.S. Constitution envisioned that each generation of Americans would pay its own bills. Thomas Jefferson said:

> We should consider ourselves unauthorized to saddle posterity with our debts, and morally bound to pay them ourselves.

Unfortunately this sound principle of not saddling future generations with our debt is not being adhered to. We have not had a balanced budget in 16 years, and only one in the last 25 years. Moreover, our deficits continue to grow larger with each fiscal year. When President Reagan came into office, 8 percent of our annual Federal budget went to pay interest on the national debt. Today 15 percent of our annual budget goes to that purpose. We can no longer turn our back on the deficit. We must now begin the process of dealing with it. In my opinion the resolution before us is carefully crafted to require a balanced budget except in extraordinary circumstances.

The amendment has several key features. Most importantly it does not mandate economic policy, but it merely outlines a procedure for approving a budget. The resolution provides that outlays for any fiscal year shall not exceed receipts for that year, unless three-fifths of the House and Senate provide for a specific excess of outlays over receipts. Its provisions could be waived by Congress during a fiscal year in which a declaration of war is in effect.

I believe these provisions embody the flexibility needed for Congress to perform its appropriate function of examining spending levels and making needed changes in spending as well as taxing. I would, however, have pre-

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ferred that the resolution not specifically address the matter of taxing.

Nevertheless, important other changes have been made. The most important, in my opinion, which makes the bill more acceptable to me, is the amendment by my distinguished colleague and friend, Senator METZENBAUM, requiring the President annually to submit a balanced budget to Congress, and if he supports an unbalanced budget, to submit that as an alternative and explain why. This is an essential element. It requires the President as well as the Congress to participate in the balanced budget process. Several other important additions have also been made, and other more harmful amendments have been wisely rejected.

Let me conclude by saying that I feel the resolution before us represents a fair and workable compromise. It recognizes the need to reduce our budget deficits and not pass them on to future generations.

Thank you, Mr. President.

Mr. BRADLEY. Mr. President, the issue of balanced budgets has been before this body many times. It seems that we spend more and more of the Senate's time debating Federal budget policy. Just last year, the Congress enacted the Gramm-Rudman legislation. In 1982, the Senate adopted a constitutional amendment to balance the budget. The constitutional amendment now before the Senate is very similar to the measure adopted by the Senate in 1982, but rejected by the House.

Mr. President, as with so many of the issues debated in the U.S. Senate, Members are deeply divided over this issue. But we all agree that deficits must be reduced. We all agree that we cannot afford to continue to accumulate the biggest budget deficits in our history.

And we all agree on the problem. The problem, as we all know, is that Congress and the President—in our desire to meet the many needs of the American people—find it easier to expand programs and to cut taxes than to eliminate programs and to increase taxes.

The consensus disappears, Mr. President, when we debate how to bring down deficits. Although I do not concur, I recognize that most Members in this body are convinced that we need to be bound to a balanced budget. The longer we debate these issues the more I am convinced that we don't need procedural or constitutional answers to the deficit problem. The Senate has all the procedures it needs to reduce deficits. It lacks the will.

I believe that a constitutional amendment is not the answer. Enactment of this legislation would be bad economic policy, would be bad public policy, and would be bad constitutional policy.

First and foremost, Mr. President, a constitutional amendment requiring a balanced budget is flawed thinking about economics. Indeed, adoption could pose a very serious threat to the economic health of the Nation. Establishing a constitutional requirement for a balanced budget drastically reduces the flexibility which the Constitution now gives to the President and Congress to pursue policies which promote economic growth and stability.

Mr. President, a study was recently conducted by Data Resources, Inc., simulating the economic impact of a balanced budget in fiscal year 1983, when the economy had not yet recovered from the recession. According to their projections, the effects would have been devastating. In 1983, real GNP would have declined by 4 percent rather than growing by 3.4 percent. By the end of 1985, had the budget been required to be balanced in 1983, real GNP would still be below its 1981 level. The unemployment rate in 1985 would have been 12.4 percent. Now maybe these projections are too pessimistic. But I remain convinced that it would not have been good economic policy to balance the budget in 1983.

Mr. President, after ratification of this constitutional amendment, what if we find out that we were wrong? It takes years to amend the Constitution. And it can also take years to repeal an amendment to the Constitution.

What we enact today in this body by statute can be removed tomorrow by statute. This is not the case for a constitutional amendment. If a majority in this body wants a balanced budget, then let us pass statutes requiring it; but let us not tie the hands of future Congresses by including this travesty in the U.S. Constitution.

Mr. President, I also want to discuss the impact of inflation on real deficit spending. Some economists would say the inflation premium built into government payments on the public debt should not be matched by revenue. With interest rates at 8 percent and inflation at about 4 percent, the Government pays about $80 billion a year just to help Treasury bill holders keep up with inflation. But under a balanced budget amendment, the Government would have to raise that $80 billion through additional taxes. That means that the public gets taxed twice—once through an inflation tax on the real value of Treasury bills, and once through direct taxes. Yet the public receives only enough to cover the inflation-tax. So under a balanced budget regime, the Government will actually drain resources from the public as long as inflation stays above zero. If this is so, then this is so, then this is a good deal for the Government, but a terrible one for constituents.

Mr. President, there is one last point I would like to make on the economic consequences of the balanced budget proposal now before us. This amendment has a strong bias toward increased taxes. Under the amendment, it takes 60 votes for Government to spend more than it takes in, but only a constitutional majority—51 votes—to raise Government's revenues. Imagine a year at the start of a recession when a deficit looms up after we are already into the fiscal year. The Constitution requires a balanced budget and Congress cannot marshall 60 votes for deficit spending. But only 51 Senators are needed to raise revenues.

What will happen, Mr. President? Taxes will be raised. Is that good economic policy, Mr. President? Of course not. Raising taxes during a recession is widely accepted by almost all economists as precisely the wrong thing to do—a prescription for worsening economic conditions.

Mr. President, I also oppose the balanced budget amendment because of the devastating effects it could have—particularly during a recession—on defense and nondefense Federal priorities.

In January 1981, President Carter projected that the 1982 budget deficit would be $28 billion; the actual 1982 deficit was $111 billion. In January 1982, President Reagan projected that the 1983 deficit would be $92 billion; the actual 1983 deficit was $195 billion. A significant share of the disparity in these projections was directly related to a miscalculation of the magnitude of the 1982 recession. What would have happened if the balanced budget amendment had been the law of the land in 1983? We would have had to drastically cut programs or raise taxes almost $100 billion more than anticipated at the beginning of the year.

We currently have in place many programs that operate as automatic stabilizers. These programs—such as unemployment insurance, food stamps, and AFDC—assist those people who are most directly affected by a sagging economy. While Congress has never been very good at fashioning effective, recession-specific countercyclical spending programs, these automatic stabilizers do provide needed benefits in time of need.

Under the proposed constitutional amendment, unless 60 Senators agreed, these automatic stabilizers would have to be curtailed or other programs would be sacrificed to keep them going. Spending automatically increases during times of recession to protect people in need; having to balance the budget during times of recession hurts people in need.

Finally, Mr. President, what about defense spending? How would it fare if we enacted the balanced budget

amendment? Since defense spending is the largest discretionary component of Federal spending, it is the area that would probably suffer the greatest disruptions. Roy Ash, the OMB Director under Presidents Nixon and Ford, recently pointed out:

> The provision in the proposed amendment waiving its effect if war is declared is too blunt an instrument to deal with real defense needs. It is much more desirable to manage defense policy so as to avoid the declaration of war. That usually involves the build up of forces to deter others and, if absolutely necessary, to prepare for war. It is ironic that the proposed amendment would require a 60-percent vote to override budget balance so as to avoid war, yet only a 50-percent vote is required to declare war.

Finally, Mr. President, I object to this amendment on constitutional grounds. Since the adoption of our Constitution in 1789, the amendment process has been used very sparingly. Twelve of the 26 amendments to the Constitution protect the rights of individuals: These include the Bill of Rights, the prohibition of slavery, and the guarantee of due process and equal protection. Five of the 26 amendments extend the right to vote: To all races, to both sexes, to the District of Columbia, to all income classes—that is, prohibiting a poll tax—and to 18-year-olds. Seven of the 26 amendments deal with how our Government should be structured: Judicial power, the electoral college, counting former slaves in apportionment of the House of Representatives, the income tax, popular election of Senators, fixing dates of congressional sessions and Presidential inaugurations, tenure, disability, and succession.

Of the 26 amendments enacted, all but two have been drafted to correct a flaw in the original structure of the Constitution or to protect the fundamental rights of American citizens. Care has been taken to avoid endorsing specific programs or to impose restraints on the Government's need to act beyond the minimum necessary to assure individual liberties and preserve a Federal system. The only two exceptions are the amendments which were passed to establish prohibition and then to repeal it.

Prohibition—established by the 18th amendment and repealed by the 21st amendment—was a scar on the face of our Constitution. Its proponents screamed, "Keep us from drinking!" only to find there was not the will equal to the words.

Mr. President, I find a parallel between the prohibition amendment and the balanced budget amendment. Proponents of the amendment scream, "Keep us from spending!" only to find that there must be the will to equal the words.

In my opinion, and in the judgment of many noted legal scholars, the proposed balanced budget amendment is more like the prohibition amendments than any of the 24 others dealing with individual liberties or Government structure. Like the prohibition amendments, the balanced budget amendment reflects more transitory concerns. Our experience in the case of prohibition should not be ignored now.

The Constitution is our most important public document, the foundation of our democracy. There is no need to change it in any way in order to achieve a balanced budget. Nothing in the Constitution stands in our way. We can have a balanced budget whenever enough Members of Congress are ready to vote for one, and it is either an illusion or a self-revealing admission to say that Senators have so little discipline that we need to change the fundamental law of the land to force us to do what we have the power to do now.

In conclusion, Mr. President, the balanced budget amendment makes no sense. In fact, while I believe that reducing the deficit is absolutely essential, balancing the budget is not. Contrary to the sponsors' favorite analogy, the national government is not similar to a household. Nor is it similar to a State government. The national government has national economic responsibilities that madate money be spent under certain economic conditions. That is the price of humane government in the 20th century.

Mr. President, sizable deficit reduction will not occur until members have the will to make the difficult political choices that we all know have to be made. And it is those tough choices we are elected to decide. Just as we exercise our judgment on other legislative issues, the public has a right to expect their elected officials to exercise judgment and moderation in responding to our serious fiscal and economic problems.

Instead of making tough choices, we are putting in place a lengthy process to absorb the attention of Congress and the States in an effort which at best will not be timely enough to solve our current economic problems and at worst will create new ones.

I urge my colleagues to join me in opposing the balanced budget amendment.

Mr. HARKIN. Mr. President, the Senate has before it today a proposal to amend the Constitution of the United States.

Let us consider for a moment the gravity of amending the Constitution. Thomas Jefferson wrote that "a permanent constitution must be the work of quiet, leisure, much inquiry, and great deliberation."

Jefferson had great respect for the Constitution and understood its function as the guarantor of our democracy and our liberties. I hope today that the Senate will show a similar respect.

Four years from now, our Nation will celebrate the 200th anniversary of the Constitution's ratification by the Thirteen Original States. Since that time, the Constitution has been amended only 26 times.

An amendment is not a matter to be taken lightly or approved hastily. An amendment is a fundamental change in the permanent law of our land.

Jefferson defined a constitution as "an act above the powers of the ordinary legislation."

It is incumbent upon the Senate then to justify, clearly and beyond doubt, why it is necessary to "act above the powers of the ordinary legislation."

I am aware of objections voiced by some that a balanced budget amendment would lead to cuts in those essential programs which are least able to care for themselves—programs for the handicapped, the poor, our older citizens.

Others fear a balanced budget amendment will lead to insufficient funding for defense.

I share both of these concerns. It is clear that this amendment will create a different climate toward Government spending—a climate that needs to be created.

Nevertheless, I will fight to preserve funding for those programs which I believe must be continued. I am committed to real opportunity and justice in our society. But the greatest threats to these goals today are the looming deficits. All who share these concerns must make this their top priority.

I will fight to increase funding for those programs—particularly education—which I believe must be expanded.

And I will fight to eliminate those programs which have outlived their usefulness. I expect that my colleagues will do the same.

Some will lose, others will gain.

But at least decisions will be made in this body, as the framers of the Constitution intended them to be.

I believe this is what Jefferson, Madison, Franklin, and the other framers of the Constitution would want us to do at this crucial moment in our Nation's history.

This is a very heated, emotional issue, but let us remember Jefferson's advice and act not out of emotion or political considerations, but out of "much inquiry and great deliberation."

For a number of years, I have struggled with the question of a balanced budget amendment to the Constitution.

In 1982, I voted for a balanced budget amendment—the Alexander substitute—that was a very straightforward proposal which would have simply required the President to submit a balanced budget and the Congress to pass a balanced budget.

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On other occasions, I have voted against balanced-budget amendments which were not as straightforward and threatened the clarity of the Constitution.

My concern with a balanced budget amendment stems from my concern that it would not be appropriate to incorporate into our Constitution a particular economic philosphy or plan.

But the risk posed by the deficits—both to our Nation's economic viability and to our ability to create a just and fair society—have now convinced me otherwise.

In the past 5 years, the national debt has doubled to more than $2 trillion.

Twelve percent of our budget goes to paying the national debt.

In effect, this national debt represents the most massive transfer in our Nation's history of wealth from the poor and the middle-class to the wealthy here and abroad who have bought up Federal bonds.

These deficits keep real interest rates high and this hurts our small businesses, our consumers, and our Nation's farmers.

The overvaluation of our exports caused by the deficits is exporting American jobs and causing an influx of imports.

In the long term, inflation is likely to be the only way to recover these deficits and this will cause even greater hardship for the average American.

And so it is, Mr. President, after great deliberation, I urge my colleagues to join with me in voting for the balanced budget amendment.

Mrs. HAWKINS. Mr. President, this is the responsible way to deal with the realities of the Federal budget. Too often rhetoric dealing with the intentions of Senators attempting to impose automatic mandates on the budget process ignore the very real neccessities of specific Government programs. This amendment would force the Members of Congress to face the tough votes they were sent here to make. Instead of providing them with rhetorical sanctuary behind an unaccountable budget process.

This amendment allows Congress to deal with the unexpected. Once the balance budget is in place and set into law, few Senators will be unwilling to risk breaking the law to deal with emergency situations. This amendment provides for just such an unforseeable event, without unduly labeling Senators as budget breakers and allows Congress a second chance.

We should all remember that the balanced budget amendment passed this body in 1982. Senate Joint Resolution 225 is similar to that proposal in that it calls for a balanced budget each year unless three-fifths of the House and Senate agree to deficit spending or in the case of war or times of national emergency.

Certain situation may arise that would require and justify an exception to the balanced budget, as for example childhood vaccines. The Federal Government currently purchases over 50 percent of childhood vaccines for its national immunization effort. The program is extremely cost effective given the tremendous cost in both terms of finances and human terms of not adequately immunizing our children against these deadly and contagious childhood diseases. I am sure that no Member of this body wants to see a return of the iron lung and destruction caused by rubella and polio outbreaks.

Once again Mr. President, I would like to commend Mr. THURMOND for introducing this amendment. This amendment is responsible government and allows us to deal with the unexpected should the need arise.

Mr. BYRD. Mr. President, I will vote against the pending substitute, the so-called Hatch-Simon version of a balanced budget constitutional amendment, because I believe it is unworkable, unclear, and dangerous to our national security.

I am in favor of a constitutional amendment which would require a balanced Federal budget. I offered my own version almost 2 weeks ago. Unfortunately, the authors of the pending Hatch-Simon substitute had already drawn the horses' round, so to speak, and a majority was unwilling to accept the formulation which I proposed.

I believe that my proposal would have accomplished the goal of constitutionally mandating a balanced Federal budget, and it would have done so in a manner that was workable and without endangering our national security.

The pending Hatch-Simon version is simply unacceptable in its present form. I will vote against it primarily because it does not adequately provide for our national defense. It could put us into a straitjacket in the event we were to become involved in an unforeseen conflict. The pending substitute also could require drastic budgetary cuts—perhaps including defense cuts—even when out Nation is involved in a war.

Although the pending proposal provides for a waiver "for any year in which a declaration of war is in effect," it does not adequately address the problem of undeclared wars, or our potential involvement in another South Korean or Vietnam-type conflict. It does not deal with another Grenada-type operation, or a potential unforeseen emergency in Central America.

If such circumstances were to arise when this amendment was in effect, it might be impossible for the President to respond appropriately, or to protect the lives of America's Armed Forces or safeguard our national security. Proponents may suggest that it is possible to waive the requirements by a three-fifths vote in each House. However, Mr. President, that would allow a minority in either body to prevent such action. If such a minority were to oppose the President's request, we could find our fighting men and women in the field victimized by political posturing at home.

I for one refuse to tie our Government's hands in such a manner that we might be unable to defend our Armed Forces and protect our vital national interests whenever they might become threatened. I might point out to my colleagues that the forumulation of a balanced budget amendment which I proposed addresses these concerns, providing an automatic exception for war, whether declared or undeclared, and for any other type of military conflict.

Let me, Mr. President, for the sake of example with immediate application, raise the circumstances in which we now find our Nation invovled in the Gulf of Sidra. On Sunday of this week—just 2 days ago—ships of the U.S. 6th Fleet were involved in a peaceful nonprovocative exercise in international waters off the coast of northern Africa. This Nation should not have needed to anticipate that anyone or any nation would object to our sailing and flying in this area, and certainly not that any attempt would be made to impede such activities by our naval forces.

Today, not 48 hours later, the situation has changed radically. Several deadly surface to air missiles were fired at our fleet's aircraft flying in international airspace over international waters from an installation on the Libyan coast of the Gulf of Sidra. In reprisal for this blatant and blatantly illegal effort to restrict access to these international areas—an effort which could have cost American lives as well as millions of dollars in destroyed equipment—American forces attacked and disabled the surface to air missile installation and two Libyan missle patrol ships which were moving in a threatening manner toward our surface vessels.

I expect I join 99 other Members of this body, and the great majority of Americans, in the fervent hope that this exchange will mark the end of this very unfortunate episode—and that Libyan strongman Mu'ammar Qadhafi forthwith will cease his illegal and dangerous attempts to restrict the access of the United States, or the citizens or vessels of any other nation, to the international waters and airspace off Libya's coast.

I raise the example of the current circumstances in the Mediterranean simply to illustrate how rapidly and unpredictably a situation embroiling

this Nation in military conflict can occur. And yet the amendment before us would make no exceptions in the case of any conflict that began as rapidly and unpredictably as events have unfolded in the past several days—until and unless such a conflict proceeded to the point of a declaration of war. As I have pointed out, two major conflicts extending over several years each, not to mention a number of lesser military actions, just since World War II, never led to a declaration of war. I can only speculate, but I can speculate that our ability to properly supply and protect the lives of our forces in several of those conflicts easily could have been jeopardized had a constitutional amendment such as the one before us today been the law of the land at the time of those conflicts.

The national security issue I have just discussed is the most serious problem which could arise under the pending substitute. Other examples are readily obvious:

In section 1, the balanced budget requirement applies to any fiscal year. What would happen if we were to go on a 2-year fiscal cycle?

The amendment also refers to both receipts and revenues. Are they the same? Must a bill that increased receipts also be subject to the voting requirements in section 2?

Mr. President, I raise these issues not because I oppose a balanced budget, but because the amendment before us holds the potential to do more harm than good. That is why I offered my budget proposal last year—to put the Government on the path to a balanced budget in a more responsible fashion than that proposed by the majority.

And that is why I offered my own constitutional amendment earlier this month—to mandate a balanced budget in a more responsible and workable manner than is proposed in the pending substitute. As I have noted, that amendment failed. Unfortunately, this body is now left with a vote on what I consider to be a fundamentally unsound and flawed proposition. The pending measure creates a potential straitjacket on this Nation's ability to defend itself and its vital economic and security interests. As such, I cannot support it.

Mr. President, as I complete my remarks, I would like, once again, to recall the admonition of Alexander Hamilton which I quoted at the time I offered my own balanced budget formulation:

> Constitutions of civil government are not to be framed upon a calculation of existing exigencies, but upon a combination of these with the probable exigencies of ages . . . nothing, therefore, can be more fallacious than to infer the extent of any power to be lodged in the National Government from an estimate of its immediate necessities. There ought to be a capacity to provide for future contingencies as they may happen; and as these are illimitable in their nature, so it is impossible safely to limit that capacity.

Mr. President, it is in the context of Hamilton's warning that I have expressed my concerns about the pending substitute. It was in that same spirit that I offered my own version of a balanced budget amendment.

I intend to vote against the pending substitute for the reasons I have expressed, and I ask unanimous consent that the balanced budget amendment which I offered on March 12, 1986 be printed at this point in the RECORD.

There being no objection, the amendment was ordered to be printed in the RECORD, as follows:

> In lieu of the matter proposed to be inserted, insert the following: "That the following article is proposed as an amendment to the Constitution of the United States, which shall be valid to all intents and purposes as part of the Constitution if ratified by the legislatures of three-fourths of the several States within seven years after its submission to the States for ratification:
>
> ARTICLE —
>
> " 'SECTION 1. The Congress shall ensure that expenditures of public money by the Federal government do not exceed its receipts, except in time of war or military conflict; or when by an affirmative vote of three-fifths of the whole number of each House, the Congress provides for a specific excess of expenditures over receipts.'.
>
> " 'SECTION 2. The Congress shall have the power to enforce this article by appropriate legislation.'.
>
> " 'SECTION 3. This Article shall take effect in 1991 or for the second fiscal year beginning after its ratification, which ever is later.'.".

RECESS UNTIL 5:30 P.M.

Mr. HATCH. Mr. President, I ask unanimous consent that the Senate stand in recess, until 5:30 p.m., in order for all Senators to attend the briefings in S-407 on the recent events in Libya.

I further ask unanimous consent that when the Senate reconvenes at 5:30 p.m. today, there be 30 minutes of debate on Senate Joint Resolution 225, to be equally divided between the majority and minority leaders or their designees.

The PRESIDING OFFICER. Without objection, it is so ordered.

Thereupon, at 4:38 p.m., the Senate recessed until 5:30 p.m.; whereupon, the Senate reassembled when called to order by the Presiding Officer [Mr. COHEN].

Mr. HATCH. Mr. President, I suggest the absence of a quorum with the time divided equally on both sides.

The PRESIDING OFFICER. Without objection, it is so ordered. The clerk will call the roll.

The bill clerk proceeded to call the roll.

Mr. HATCH. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. HATCH. Mr. President, I ask unanimous consent that 3 minutes be yielded to the distinguished Senator from Oregon from the opponents' side of the balanced budget amendment.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. HATFIELD. Mr. President, I thank the Senator from Utah.

Mr. President, I have wrestled with few items longer and with greater sobriety than this one. I cosponsored the first balanced budget amendment in 1981, and I come to a change in that position at this time with great reluctance, not only because I have such great respect for my leadership both in the Senate and in the White House but that leadership has been very persuasive and very diligent in its pursuit of this objective, and I know with great purpose and with great objectivity.

> No one is more committed to significant deficit reduction and the return to sound fiscal management than this Senator.

We have all heard that statement made on this floor many times. It represents a goal each Member of Congress shares and a declaration each Senator, including myself, has made at one time or another.

It is with that declaration in mind that I historically have supported the concept of a constitutional balanced budget amendment. In 1981, our national debt stood at a little over $1 trillion and the annual budget deficit for that year was calculated to be $58 billion. At that time, there were no alternatives being discussed by Congress to help alleviate this problem. The only game in town was Senate Joint Resolution 58, the constitutional balanced budget amendment. I believed affirmative steps should be taken to reduce the deficit and so supported that resolution with the high expectation that adoption of such an amendment would be a major step in a cooperative effort with the President toward fundamental budget reform and deficit reduction. To say the least, that expectation has not been satisfied.

Since 1981, the President has suggested and endorsed a number of proposals which, although appearing as methods to help reduce the deficit and ultimately establish a stronger fiscal policy, have been used as tools to advance a political agenda which places military growth before domestic needs, and ignores budgetary realities.

Attempts by this body to adopt a budget which reduces the deficit by properly allocating the necessary cuts have been repeatedly frustrated by administration policies. For example, it is no secret that entitlement spending comprises the largest portion of the Federal budget, a percentage which has increased from 26 percent in 1967

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to an estimated 43.8 percent this year. Yet last August, as Congress was formulating a fiscal year 1986 budget, the administration retreated from its proposal to eliminate the Social Security COLA for fiscal year 1986.

The President's proposed fiscal year 1987 budget, accompanied by almost $25 billion in proposed recisions and deferrals, is merely a different rendition of the same song. This administration is now using the mandates of Gramm-Rudman to legitimize a near trillion-dollar budget proposal which seeks to reduce the deficit without any increases in revenues or cuts in defense spending or meaningful reform of entitlement programs.

Through its support of the constitutionally doubtful line item veto, the magnitude of the proposed recisions and deferrals of budget authority for numerous domestic programs, and the introduction of a proposed fiscal year 1987 Federal budget that would substantially reduce or eliminate some 90 programs, sell numerous income-producing Federal assets and yet provide for a 12-percent growth in defense spending, the administration has clearly shown how it would reduce the deficit and balance the budget: on the backs of the poor and middle-income citizens of this country.

Apparently the administration operates using two sets of books, and only one set causes the deficit: domestic spending. Such a perception is contrary to budgetary realities. In fact, domestic spending as a percentage of the Federal budget has declined by almost 43 percent since 1967, from 24.3 percent in that year to 13.9 percent in 1986.

These are but a few examples of how, in the name of budget reform and deficit reduction, the President has used several proposals as legislative Trojan Horses: they appear to be gifts to the people of this country to help achieve fiscal stability, yet once let in and adopted, they're used as vehicles to promote the continued procurement of questionable military hardware at the expense of countless human service programs. And all the while the administration ignores the need for entitlement reform and for additional revenue sources.

Yes; Mr. President, much has happened in the past 5 years, the cumulative effect of which leads me to oppose adoption of Senate Joint Resolution 225. I will not sit back and let an amendment to our Constitution be used by the White House as the next, and most serious, subterfuge to advance budgetary priorities which I am adamantly opposed to.

As I stated on this floor as the Senate was considering Gramm-Rudman, I am convinced that our current predicament lies not with the Constitution or the budget process but with our will to make the process work. Congress has all the power and procedures necessary to reduce the deficit and balance the budget. Meaningful deficit reduction leading to a balanced Federal budget will occur only when each Member of Congress becomes less influenced by the narrow political interests of the day and more willing to make the hard choices to cut entitlement and defense spending, along with cuts in nondefense domestic spending, and to also institute methods to increase revenues.

Mr. President, I sense a new acknowledgment of this need and a greater commitment to this goal in the Senate and believe that, with continued economic growth, our deficits will be significantly reduced without the need to amend our Constitution.

Mr. President, again, as I say, I reluctantly rise at this time to shift my position to turn from a supporter to one who will have to cast his vote today against this proposed constitutional amendment. I do so with great reluctance, but in light of the current budget proposal and the obvious priorities that I totally disagree with, in selling the capital stock of this country, in not looking at 55 percent of the budget but eliminating it from the application of Gramm-Rudman, forcing Gramm-Rudman upon the backs of 45 percent of the rest of the programs to me is inequitable and unfair.

Mr. HATCH. I will be happy to yield 3 minutes to the distinguished majority leader.

The PRESIDING OFFICER. The majority leader is recognized for 3 minutes.

Mr. DOLE. Mr. President, for this Senator, it is extremely gratifying to have the opportunity to state the case for a balanced budget amendment to the Constitution of the United States. I know my colleagues are aware of my conviction that this constitutional change is essential to the long-term fiscal health of this Nation. I hope at least two-thirds of them share my conviction.

The Senate would not be considering this critical issue at all, were it not for the extraordinary efforts of the Judiciary Committee, led by my good friend, STROM THURMOND. Senator THURMOND has worked tirelessly for this kind of fundamental fiscal reform, and he has been a true believer on this issue, literally for decades. He deserves our congratulations for producing the compromise amendment we now have before us.

Mr. President, the leadership of the distinguished chairman of the Constitution Subcommittee, ORRIN HATCH, has been equally critical to this struggle. Senator HATCH has been constantly in the trenches on behalf of the balanced budget amendment and has not wavered for one moment from his devotion to this cause. Together with his colleagues on the Judiciary Committee, DENNIS DECONCINI and HOWELL HEFLIN, Senator HATCH has forged a compromise that I believe will gain overwhelming bipartisan support, particulary in view of the support this compromise has won from the distinguished Senator from Illinois, PAUL SIMON.

A SINGLE PRINCIPLE

Mr. President, the compromise amendment we are supporting embodies a simple principle. In the normal situation, outlays of the Federal Government should not exceed receipts. Our amendment just requires that to allow deficit, Congress must by three-fifths vote authorize a specific excess of outlays over receipts. In addition, the Senate has adopted a provision imposing a similar vote requirement to raise the debt ceiling. To preserve a bias in favor of controlling spending, we say that tax increases cannot be passed except by a majority of all Members of the House and Senate, not just those present and voting.

So the Senate is being presented with an historic opportunity. This proposed constitutional amendment would restore a proper balance to the way we conduct the fiscal affairs of the Government. The proposal before us is not a quick fix, a response to a sudden shift in public opinion, or an attempt to evade our assigned duties under the Constitution with regard to decisions on taxing and spending. This is an idea that has been around for quite some time, but that has gained momentum in recent years because of the growing realization that there is something fundamentally wrong with the way we conduct fiscal policy.

Fundamental problems demand fundamental solutions. Those of us who have worked to develop a responsible constitutional amendment over the years have not taken lightly our duty to respect the form and the spirit of the basic law of the land. The language of this amendment is appropriate to the Constitution. It is not premised on any particular economic philosophy, but rather on the belief that Congress ought to make specific decisions on fiscal policy and be held accountable for those decisions. The amendment requires that we follow consistent procedures in setting fiscal policy, and establishes firm parameters to govern those procedures. That is all there is to it, and it is something we very much need.

A POPULAR MANDATE

The American people clearly are convinced that our fiscal house is not in order. Popular concern over runaway budgets is the reason why the drive for a constitutional convention to draft a fiscal restraint amendment is only a few States short of its goal. Polls consistently show that 70–80 percent of the American people support a

balanced budget amendment. No one should maintain that we ought to take certain steps just because they are popular; but in this case it seems that the people are ahead of the politicians. They understand that congressional spending habits have to be put under a firm limitation, and that only new procedures, externally imposed, can do the job.

Mr. President, for these and many other reasons I urge my colleagues to support this amendment. The language of this proposal has been developed over a number of years. There has been a conscious effort to draft an amendment that could enjoy broad bipartisan support while having sufficient force to make a real difference in our national life. I believe this effort has been successful.

I also suggest that this amendment, if approved by Congress, is not the end of the story. It is the beginning. Legislative implementation and compliance will be a complex and difficult matter—we should not deceive ourselves on that point. And we are learning from the experience of the Gramm-Rudman-Hollings law that enforcement is not a simple matter. But it can and will be done once we have a clear constitutional obligation to fulfill. We can demonstrate our willingness and ability to follow through on this amendment by moving swiftly to meet the fiscal 1987 targets for Gramm-Rudman.

Serious action on the deficit will convince the American people that we are serious about the budget problem and that this constitutional amendment will be given full force and effect. Our actions on each of these matters will have a major impact now and for years to come. Let us be sure that we make the right choice.

Mr. President, we are going to be voting very quickly, and I think it will be a fairly close vote. I do not know precisely how it will shake out but I think it ought to be kept in mind that we are going to need 67 votes. I assume that all 100 Senators are here, and so whether we have 67, 68, 69, or 66, 65, 64, it is well to keep in mind that a clear majority of this body will vote for a balanced budget amendment—and nearly two-thirds, maybe more than two-thirds.

I want to take this time to commend the Members on both sides—this is a bipartisan effort and I congratulate Senators HATCH, SIMON, and DECONCINI and Senator THURMOND and others who have been leading the effort. This amendment may not be perfect, but in the view of this Senator, we need all the discipline we can find, all we can muster.

We are not talking about fiscal restraint just this year or next year. We are probably looking at 1991 before this amendment would be effective. So whether it is this year's budget or next year's budget or Gramm-Rudman, I assume that by 1991 there will be a different set of circumstances and a different leadership, different Members of the Senate in many cases.

So this really is a vote for the future of America, not a vote for what is happening today, what is happening with Gramm-Rudman, what is happening with the President's budget. We are looking ahead to what may happen to our children, our grandchildren, if we do not find some way to control the appetite of any Congress and any administration to spend your tax dollars.

I have thought a lot about this, but never really thought before about a point made by the distinguished Senator from Illinois at a press conference in the last week where he said that he found no reason to spend money on interest payments that we might be spending on other things that are worthwhile in this country.

The debt is now $2 trillion. We paid $140 billion in interest this year. We need everything we can put our hands on to get control of the debt.

So I hope we will have the two-thirds vote. I would like to see it go to the House. I would like to see a bipartisan majority there send it to the States. I believe that the States have exercised pretty good judgment, for the most part—Democrats, Republicans, State legislators. It is going to take three-fourths of the States to ratify the amendment.

We ask our colleagues to send this to the House, start the process, keep the process alive, so that we can give the States a shot at an opportunity to bring about a certain amount of order. Thirty-two States have petitioned Congress for a constitutional convention—only two States short. Whatever may happen today, it is not going to end. I assume that the principal sponsors are going to continue their efforts, as are many States.

I congratulate my colleagues on both sides of the issue. The debate has been extraordinarily good and constructive. My hope is that we provide the 67 votes.

Mr. HATCH. Mr. President, I yield 1 minute to the distinguished Senator from California.

Mr. WILSON. Mr. President, I have already spoken at length on this matter, and I will attempt to keep my remarks brief.

The reaction of Congress to the enactment of Gramm-Rudman-Hollings—the agonizing, the writhing, the roiling to escape the toils of that legislation—merely but clearly reaffirms the inability of Congress, without legal compulsion, to live within its income.

It is natural that we all hate to cut spending because it offends or disappoints some constituency.

The point the majority leader made is the essential point. In 1991, even as we reduce the budget to zero and in the process add almost $600 billion more to the national debt, we will need a permanent guarantee for the people of the United States that future Congresses, no less than those that have preceded them, will have the kind of compulsion without which they seem congenitally unable to forge the kind of consensus that averts our spending for everything in the absence of that consensus.

Mr. President, I urge my colleagues to vote for this amendment. It may not be all we would like it to be. It is essential.

Mr. THURMOND. Mr. President, how much time remains?

The PRESIDING OFFICER. Six minutes remain.

Mr. BUMPERS. Mr. President, a parliamentary inquiry. How much time is left for the opponents?

The PRESIDING OFFICER. Nine minutes.

Mr. THURMOND. I yield myself 4 minutes.

The PRESIDING OFFICER. The Senator is recognized for 4 minutes.

Mr. THURMOND. Mr. President, this is one of the most important issues that will come before Congress this year or any year.

We have not balanced the budget but one time in 26 years—two times in a third of a century.

Someone said: "Well, we have Gramm-Rudman-Hollings now, so therefore that takes care of the situation." The Gramm-Rudman-Hollings amendment is merely to try to balance this budget by 1991. That is a statute. A constitutional amendment, if we can get this budget balanced, under Gramm-Rudman-Hollings, will then keep it balanced.

In my opinion, we need to do this for the sake of our economy. We need to do it for the sake of our children and their children and generations to come.

There is no question in my mind that there is no more important issue that Congress can act on this year. Why would anybody be against this? Where is there an individual or a corporation that can stay in business that does not balance its budget but once in 26 years? This Government cannot do it, either. That is the reason why now the interest on the debt is the third largest item in the budget. It is time we reflect and take action.

The Senate passed an amendment similar to this 3 years ago. This is a simpler amendment. It is more direct, and we think it has greater appeal. It is difficult to understand why some people are hesitating about voting for it.

In my opinion, the people are going to remember this vote for a long time, because this is the year, this is the day, this is the chance, this is the op-

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portunity to take a permanent step to bring a balanced budget to this country.

Congress has not shown the fortitude to balance the budget, and that is the reason why we have gone for 26 years without balancing the budget but once. Therefore, this will be the opportunity to do that. This is the opportunity to show the people that we stand for a sound financial structure in this country.

This is an opportunity to show the people of this country, the taxpayers, that we favor keeping expenditures within income. If we do not do that, we will continue to go more and more in debt, and finally the Government will become bankrupt.

Mr. President, it is necessary that we take this step. It is important to our people. It is important to our Nation. I sincerely hope that the Senate will see fit to pass this amendment. If we pass it here, I believe we have a fine chance to pass it through the House. I think the House will go with us this time. I hope we will not hesitate to pass this amendment. It is important to the financial structure of this country and the backbone of the economy of this Nation.

Mr. President, as all of my colleagues are aware, amendment of our supreme law is a very serious endeavor. It is an action which should be reserved for those instances when it becomes necessary to protect the fundamental rights of our citizens or to ensure the survival or effectiveness of our system of government.

Mr. President, I believe that the effectiveness, indeed, the very survival of our system of government has become jeopardized by an irrational and irresponsible pattern that has developed and become entrenched in Federal fiscal policy over the last half century. Because of this fiscal policy, those liberties and opportunities of our present and future citizens, which we have come to regard as sacred, are seriously threatened.

For many years, I have believed, as have many other Members of Congress, that the way to reverse the misguided fiscal direction of the Federal Government is by amending the Constitution to mandate, except in extraordinary circumstances, balanced Federal budgets. The threat posed to our Nation's security by the ever-worsening Federal budgetary condition is, I believe, a distinct danger. It makes appropriate, indeed, necessitates a solution in the form of a constitutional amendment.

During the debate on Senate Joint Resolution 225, we have been told by its opponents that self-imposed congressional restraint is what is needed to solve our fiscal woes—not a constitutional amendment. The fact is, however, that in the face of frightening deficits, Congress has not proven that it is capable of such restraint.

Again, some of my colleagues have pointed to the Gramm-Rudman-Hollings balanced budget statute as evidence that a balanced budget constitutional amendment is unnecessary. I supported Gramm-Rudman-Hollings. I remain optimistic that it can succeed. However, we must remain cognizant of the fact that, even if executed to the letter, Gramm-Rudman-Hollings will result in only one balanced Federal budget—that in fiscal year 1991. While a balanced budget in fiscal year 1991 would be cause for celebration, it is sobering to remember that it would be the first balanced Federal budget in 21 years and only the second in nearly a third of a century.

Unfortunately, even if Gramm-Rudman-Hollings is successful, it will not have conclusively reversed the now-entrenched pattern of deficit spending by the Federal Government. Once again the Congress would be unrestrained in its ability to borrow on the credit of future generations.

What is needed today—indeed, what is long overdue—is an addition to our most basic and supreme law which establishes balanced budgets as a fiscal norm, rather than a fiscal abnormality.

Additionally, we cannot ignore the reality that Gramm-Rudman-Hollings is statutory law and nonbinding on any Congress which wishes to alter or abolish its provisions. Regrettably, in the past, self-imposed limitations in the form of statutes or budget resolutions have failed to provide sorely needed fiscal responsibility. Already, press accounts and some of our colleagues have suggested that prospending and antitaxing pressures could cause Congress to look for ways to avoid compliance with Gramm-Rudman-Hollings.

A balanced budget constitutional amendment is necessary because only such an amendment can exert the sort of external constraint and limitation upon Congress which will enable it to resist those pressures. No Congress could ignore its dictates, reverse its effect, or dodge its intent.

Mr. President, the recent history of the Federal Government is, by now, all too well known:

Congress has balanced the Federal budget only once in the last 25 years.

The level of annual budget deficits has grown enormously over this period of time. Since 1970, the United States has incurred the 12 largest peacetime deficits in the history of the Nation.

Last year, the total national debt of the United States soared to more than $2 trillion and continues to increase rapidly.

As a result of a quarter-century of virtually unchecked deficit spending, this Nation has suffered periods of historically unprecedented levels of unemployment, periods of double digit levels of inflation, periods of catastrophically high interest rates, and periods of declining levels of national investment and productivity.

Mr. President, continued deficit spending by the Federal Government will undoubtedly lead the Nation to new periods of economic stagnation and decline. The tax burdens which today's deficits will place on future generations of American workers is staggering. We must reverse the fiscal course of the Federal Government, and I believe that a constitutional amendment is the best way to do it.

The PRESIDING OFFICER. Who yields time?

Mr. BUMPERS. Mr. President, will the manager of the bill for the opponents yield me 2 minutes?

Mr. DeCONCINI. Mr. President, I yield 2 minutes to the Senator from Arkansas.

Mr. BUMPERS. Mr. President, there is not one Member of this body who does not understand the politics of this vote. If you vote aye, you do not ever have to explain. In the art of politics, that is the vote that normally prevails around here. But the fact of the matter is that nobody can tell you what an outlay is; nobody can tell you what a receipt is.

We are not talking about waiving this amendment in case of a declared war. We have had five declared wars in the history of this country and many times that number of undeclared wars—including Vietnam and Korea.

You have to have a 60-vote margin, three-fifths of the U.S. Senate, in order to raise the debt ceiling. Let us assume for the purpose of argument that there are 53 Republicans and 47 Democrats. Let us assume that the Republicans want to raise the debt ceiling and the Democrats do not want them to, because we want to force them to raise taxes. All we have to do is vote as a party, and you will have to raise taxes.

There is nothing about this, nothing in this amendment, that permits majority rule. We start off saying that, as a matter of principle, we should balance the budget. Who is opposed to that? Not one person in the U.S. Senate. Everybody agrees with that as a principle. But then what do we do? We follow that by saying, "Except, except, except." It will be waived in this case; it will be waived in that case.

I found one amendment had been dressed up here to make it acceptable, and I find it really is not at all. Under this amendment, you will still have cases of guaranteed loan programs where there can be misjudgments as to how many of those loans are going to be in default. Farmers, small business, students—all get guaranteed loans.

If you misjudge in the budgetary process how many of those loans go into default, the banker who accepted the full faith and credit of the U.S. Government——

The PRESIDING OFFICER. The time has expired.

Mr. BUMPERS. One minute?

Mr. DeCONCINI. Mr. President, I yield 30 seconds to the Senator from Arkansas.

Mr. BUMPERS. The banker is going to have to come up here and plead with Congress to vote by a three-fifths majority of both Houses to please pay off his defaulted loan.

When I first came to Congress I supported a very simple constitutional amendment to balance the budget. If you are going to adopt one it ought to be very, very simple.

This one is amazingly complex. You are going to have more lawsuits filed challenging this amendment than you will ever be able to handle.

Mr. President, if every Member of Congress had voted as I have over the last 4 years, our budget would be in balance this year. For the last 3 years, I have championed budget proposals by Senators HOLLINGS and CHILES to freeze spending across the board. These proposals, had they been adopted, would have balanced the budget much sooner than a constitutional amendment would.

In 1981, I voted for the President's massive cuts in spending, but against the 1981 tax cut because I thought $750 billion was too much revenue to lose without sending the Federal deficit out of control. That turned out to be correct. The nonpartisan Congressional Budget Office says that the 1981 tax cut is responsible for 45 percent of our deficits since then and will account for an even higher percentage of our deficits in the next 5 years. In 1982, David Stockman admitted that the whole supply side tax cut notion was drawn up on the back of an envelope, and since then we have doubled the national debt accumulated over the years from George Washington to Jimmy Carter.

Our trillion-dollar national debt, which President Reagan rightly said in 1980 was a national disgrace, is now a two-trillion-dollar debt. Now, we have passed a Balanced Budget Act called Gramm-Rudman. I voted for it, and I believe that even though it isn't perfect, it is forcing Congress to discipline itself as never before. I think it can work, and work now. Bear in mind that this proposed constitutional amendment may never be ratified by the States, and even if it is, will not become effective for years. We need action now, not in 1991. We can have a balanced budget by 1991 under Gramm-Rudman.

For the last 3 years, some of us here have argued until we were blue in the face for a budget freeze—an actual, concrete proposal—which the Congressional Budget Office certified would have balanced the Federal budget by fiscal year 1987. I think the high-water mark for our budget was 36 votes, and I think a lot of other Senators knew in their hearts that we were right and would have voted with us had the President's men not been here working the floor of the Senate in opposition. Our budget freeze even exempted defense.

Mr. President, I do not argue with the intent of this amendment. I firmly believe that the Federal Government—barring war or some national calamity—should have a balanced budget. When I came to the Senate in 1975 after 4 years as Governor of my State, a State which requires a balanced budget, I felt that we should require no less of the Federal Government.

At the time, I even believed that a balanced budget was best accomplished by a constitutional mandate. In the 95th Congress (1977), I sponsored Senate Joint Resolution 2, a very simple constitutional amendment which provided that except in times of war or economic emergency, expenditures of the Federal Government may not exceed revenues in any fiscal year. I still believe in the policy expressed by that amendment, and in the policy expressed by the amendment we are considering today. But it is now clear to me that this amendment, as now worded, should not be part of the Constitution of the United States. We should only amend the Constitution when we are agreed on the purpose of the amendment and further agree that the wording of the amendment accomplishes that purpose. Here I agree with the purpose, but the wording falls far short of implementing the purpose.

I said in 1982:

> This document we call the Constitution is so dear and sacred to me, it is second only to the Holy Bible. Of about 1,900 proposals over a 200-year history, the people of this country in their infinite wisdom have seen fit to tinker with it only 26 times.

When I read Senate Joint Resolution 225 as a part of the Constitution I find it extremely troublesome; I find it a cynical amendment; I find it a hypocritical amendment. This amendment first enshrines the principles of the balanced budget as a fundamental law of the land, and then in the same breath says that this high principle will not always represent wise or appropriate Government policy so it immediately sets up ways to abrogate this principle. The first thing this amendment does is recognize that it won't always be possible—either because of unforeseen national or international crises, economic conditions beyond our control, or simply policy choices made by future Presidents and Congresses—for the U.S. Government to have a zero deficit. So the amendment provides for "flexibility" in application by allowing the balanced-budget mandate to be waived by a three-fifths vote of the Congress.

Mr. President, I know why this waiver is in the resolution. It is there to answer criticisms that the amendment would otherwise be unworkable, and that it would turn future recessions into depressions, that it would hamstring the country in time of war, and so forth. I want to emphasize here that the amendment is self-contradictory. If achieving a balanced budget is such an important and immutable principle, why is half of the amendment taken up with the procedure for abrogating or circumventing this principle?

I want my colleagues to look at this amendment from the standpoint of the Constitution, that sacred document that all of us have sworn to uphold. It is the most brilliant note ever struck off by the mind of man, and I ask you, if this proposal becomes the supreme law of the land, becomes a part of our hallowed Constitution, to consider how this amendment is likely to be implemented and enforced in the way that other constitutional rights and power are enforced.

Incidentally, I heard the Senator from Colorado [Mr. ARMSTRONG], say that he may vote against this amendment because there is no way to enforce it in the courts. Well, Mr. President, I'm not sure I want the Federal judges enforcing this amendment. Does the Senator seriously want the Supreme Court to have the power to raise taxes or to veto defense spending bills. Or would he prefer that the Court enforce the amendment by holding the President and Congress in contempt of court? I, for one, Mr. President, do not want to give any such power to the judiciary.

The sponsors of this amendment openly admit that there will be numerous occasions when receipts and outlays will be out of balance. Incidentally receipts and outlays aren't designed either. Do we really want to create a situation where Congress must vote to waive the Constitution every time we cannot meet the balanced-budget mandate? I know I am painting with a broad brush here. Technically we would not be waiving the Constitution, we would be voting on a constitutional waiver procedure. But does anyone in this Chamber really believe that the public will perceive our actions as technical corrections? I can see the newspaper headlines now: "Congress Waives 27th Amendment; Congress: Thumbs Down on Constitution;" or, perhaps in the New York Post, "Congress to Constitution; Drop Dead."

This amendment says we can waive the amendment in case of a "declaration of war." Defending the Nation is

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an absolutely unimpeachable rationale for unbalancing the budget. But we have fought five declared wars in our history and many times that in undeclared wars. Some of our undeclared wars, Korea and Vietnam of late, were just as surely wars as the declared ones, yet they wouldn't qualify, and a 60-percent vote would be required.

And this amendment requires a three-fifths majority to raise the debt ceiling. That means that if one party has 45 Members in the Senate and wants a tax increase, they simply vote against a debt ceiling increase and force the majority party to raise taxes. The most ardent proponents of this amendment vigorously opposed this provision 4 years ago, but now, in order to pick up two or three votes here today, they approve this change. Farmers, small businessmen and students couldn't get guaranteed Government loans because, if there were a default, the banks would have to wait for a three-fifths vote of both Houses to get their money.

I believe that in 1991, when Gramm-Rudman is fully implemented, Congress and the President will work together to maintain a balanced budget, with the flexibility to respond to economic, domestic, and international crises along the way. I hope we have learned our lesson about the impact of excessive deficits on the economy; and I venture to say that we will not willingly sail in those hazardous waters again, with or without a constitutional amendment.

Another aspect of this constitutional amendment proposal which concerns me, as I indicated earlier, is enforcement. I have listened to the debate on this issue and I am not convinced by the sponsors' arguments to the effect that the Federal courts will not be able to review the implementation of this amendment by Congress and the executive branch because of such court-created legal doctrines as "standing" and "political questions." The Judiciary Committee has given its opinion that judicial involvement would be rare because citizens will lack standing to bring suit on violations. If the committee is correct, then the amendment is meaningless because it cannot be enforced.

If the committee is incorrect, then as my good friend the Senator from Maryland, Senator Mathias, and others have pointed out, Federal judges could become involved in every detail of Federal spending, in every decision on taxation—either ordering tax increases or sequestering appropriated funds. It is obvious that judicial enforcement of a balanced budget amendment could be a nightmare for the country. And bear in mind that this doctrine of standing, which is supposed to restrain the courts, is partly a matter of judicial philosophy and subject to change. The courts have been increasingly inclined, it seems to me, to hear what are known as taxpayer suits.

I want to commend to all of my colleagues a recent OP-ED piece in the Washington Post by Roy L. Ash, the Director of the Office of Management and Budget in the Nixon and Ford administrations. His arguments against this constitutional amendment are cogent and compelling. First, he points out that a constitutional amendment can be circumvented by a variety of bookkeeping subterfuges. Most States know this. Forty-eight States have constitutional amendments requiring balanced budgets, but they manage to operate because they have placed more than half their debt off budget. In other words, the States can live with a balanced budget requirement because they finance programs and capital expenditures off budget. And, Mr. President, I dare say that Congress would do the same.

Mr. Ash also points out that a constitutional amendment would cause rather dramatic problems at year's end. Suppose 60 days before the end of the year, at which time the budget would have to be in balance, it was projected that spending would be $20 billion over revenues. How can $20 billion be cut out within 60 days? It would be virtually impossible to do so, because it would require a cut in the magnitude of an annual rate of $120 billion to actually remove $20 billion in outlays in a 2-month period.

He also points out an incontrovertible fact. Our defense capability has the most to lose under a constitutional amendment because it is by far the largest discretionary spending program, and the quickest way to get outlay cuts in the defense budget is to reduce our readiness capability—manpower, operations and maintenance.

I ask unanimous consent that Mr. Ash's piece entitled "Worse Than Gramm-Rudman" appear in the Record immediately following my remarks.

The PRESIDING OFFICER. Without objection, so ordered.

Mr. BUMPERS. Mr. President, the distinguished Senator from Pennsylvania [Mr. Heinz], has already pointed out to this body the disastrous consequences a balanced budget constitutional amendment could have on the Social Security Program. That program structures its funding to meet long-term needs. For example, it is currently building up a large surplus in preparation for the retirement of the baby boom generation, beginning around the year 2012. This surplus could be an attractive target under a balanced-budget requirement, but tapping it would only exacerbate future deficits. Moreover, tampering with the long-term integrity of Social Security would breach the faith which currently exists between generations, and would destroy the balancing of the interests of the young and old, rich and poor which lie at the heart of the Social Security Program.

I know the politics of this vote. An aye vote would never have to be explained. One reason we're in this predicament right now, is because the votes that require no explanation prevail so often. But we have a solemn duty to talk to our people as both the popular and the unpopular. I have always placed my faith in the innate common sense of my people. I do so again today. So I will continue voting to balance the budget, but not to place uncertain language in our precious Constitution.

There being no objection, the article was ordered to be printed in the Record, as follows:

[From the Washington Post, March 7, 1986]

Worse Than Gramm-Rudman

(By Roy L. Ash)

The Gramm-Rudman "bad idea whose time has come" pales beside the specter of the proposed constitutional amendment to balance the federal budget. The amendment's goal of forcing fiscal discipline is no less noble than the Gramm-Rudman objective. Yet the amendment would do just the opposite of what is intended and result in fiscal chaos. Why?

A constitutional amendment can be negated readily, and undoubtedly would be, by resort to the many bookkeeping subterfuges available. Proponents of the amendment say that our lawmakers are to principled to do this. Yet, 48 states operate under constitutional requirements to balance their budgets. And, upon imposition of such restrictions, they invented ways to remove more than half their aggregate debt from their budgets.

Putting aside the use of bookkeeping artifice, the amendment, if applied, would create operating turmoil by its requirement that actual annual outlays not exceed actual receipts. Every year, the flow of outlays and receipts varies from estimates at the beginning of the year by many billions of dollars for unavoidable, yet acceptable, reasons.

At the end of the year, under the amendment, there must be no deficit. A likely scenario would be to find, four months from year's end, that $20 billion of expenditures must be eliminated during the remaining portion of the year. That's an annual rate of $60 billion.

Who would have the authority to decide what to cut? The president? Congress couldn't act in time for effective implementation. Even if Congress could reach the necessary consensus in a month, and the president would agree, the annual rate of required outlay reductions would then be not $60 billion but $80 billion. Such decisions would have to be made and immediately acted upon.

The consequences to the economy from the annual budget balancing act would be counterproductive. Not only would the short-term flip-flops wreak havoc but the longer-term stabilizing function of fiscal policy would be sacrificed.

The budget's role in balancing the economy is more important than balancing federal bookkeeping. Were the amendment operative, economic decline in any year, which

automatically reduces revenues and generates higher unemployment and other outlays, would force offsetting and Herculean cuts in other programs, further exacerbating the decline.

Conversely, strong economic growth in other years would invite undue federal stimulus. In either case, fiscal management would add to and exaggerate both the growth and slow periods of the economy.

Our defense capability has the most to lose under the proposed amendment. Because it is by far the largest "discretionary" program in the budget, it would suffer the greatest disruptions from expenditure rate changes. And because so much defense spending is for long lead-time weapons purchases, the brunt of the disruption would fall on our readiness capability—manpower, operations and maintenance.

Furthermore, the provision in the proposed amendment waiving its effect if war is declared is too blunt an instrument to deal with real defense needs. It is much more desirable to manage defense policy so as to avoid the declaration of war. That usually involves the buildup of forces to deter others and, if absolutely necessary, to prepare for war. It is ironic that the proposed amendment would require a 60 percent vote to override budget balance so as to avoid war, yet only a 50 percent vote is required to declare war.

Finally, the Constitution is not a trivial document. Violations of it are not inconsequential. Any citizen could bring suit in the courts challenging federal taxing, spending and even bookkeeping actions, asserting his own ideas of how the books should be kept and fiscal policy implemented.

The Gramm-Rudman legal actions so far should give us pause before adopting the even more embracing constitutional amendment. Do we want the courts to make taxing, spending and bookkeeping decisions?

Deficits of the size we've been incurring are unacceptable. But it's not enough just to deplore them in colorful language and then, with an unsupported leap of logic, assert that the only response is a constitutional amendment.

The antidote for a severe headache is not a lobotomy. Almost none of the congressional hearing time spent over recent years has been given to discussion either of alternative responses to the need or of the very practical problems such an amendment would have.

Now that the bill is on the floor, let's seriously discuss the workability of the idea before we enshrine in the Constitution the primacy of bookkeeping, and probably bad bookkeeping at that, over all other national goals, priorities and values.

Mr. DeCONCINI. I yield 1 minute to the Senator from Kansas.

The PRESIDING OFFICER. The Senator from Kansas is recognized for 1 minute.

Mrs. KASSEBAUM. Mr. President, I have never believed and I do not today that a procedural mechanism can solve our budget problems. It is a political question and that is why I would urge my colleagues to think seriously about what would be a comforting solution in a constitutional amendment to balance the budget but which I believe has grave consequences for us.

Mr. President, for the second time since I have been privileged to serve in this body, we are debating a measure designed to fundamentally change the Constitution in our quest to balance the Federal budget. Today's debate continues a recent trend that I find alarming. I am speaking of this body's growing preoccupation with finding constitutional solutions to economic and social problems.

Mr. President, I am not, and have never claimed to be, a constitutional scholar. My technical understanding of the finer legal implications of the Constitution, is, I am sure, surpassed by many in this body. However, I choose to believe that relying on my instinctive historical reverence toward the Constitution has served me well on questions of constitutional change.

From my less-than-perfect perspective, I must say I find much about this debate deeply disturbing. It troubles me greatly that Members of this body appear to approach amending the Constitution with the same degree of reverence that city councils approach amending local zoning ordinances. It further troubles me that we appear to be unwilling to give those who authored the Constitution the benefit of the doubt in questions of wisdom and foresight. And finally, it troubles me that we are willing to consider changing the fundamental constitutional allocation of government power for purposes of political expediency.

I cannot count the number of times we have been told that the much-maligned Founding Fathers couldn't have foreseen $200 billion deficits, or a $2 trillion debt, or entitlement spending, or a myriad of other acts of alleged economic irresponsibility. I find those arguments less than compelling. Of course the Founding Fathers couldn't anticipate specific economic, political, or social trends of the distant future. Much to their credit they didn't try. Rather, they anticipated the need for general safeguards against specific acts of government irresponsibility. Those safeguards include public accountability and popular elections.

In the case of Federal spending and the Federal budget, I believe the Founding Fathers displayed exceptional judgment. They laid down no rigid guidelines for governmental fiscal policy in future generations. Instead, they provided for public accountability on the part of those in future generations charged with executing fiscal policy.

First, they vested the power to lay and collect taxes with the Congress and prescribed specific rules for the consideration of all bills raising revenue. Second, they provided that no money shall be drawn from the Treasury unless authorized by Congress through appropriations. Third, they stipulated that a regular statement and account of the receipts and expenditures of all public money shall be made public. And finally, they provided for the regular public election of all those in whom these exclusive powers are vested.

Mr. President, I may be missing something, but the elegant simplicity of this arrangement suggests to me that the Founding Fathers were lacking in neither vision nor judgment. Rather than attempting to prejudge the policy decisions of elected officials from generations yet unborn, the authors of the Constitution provided the framework by which future generations could judge themselves.

The ultimate judge of our fiscal responsibility, or the lack thereof, will be the American electorate. That is as it should be. For us to suggest that a constitutional amendment is necessary to impose fiscal responsibility on an irresponsible Congress is to suggest that the American public is incapable of discharging the most fundamental duty of citizenship in a representative democracy—informed voting. If that is, in fact, the case, then we need more than a constitutional amendment to address the ills of democracy.

Those who are the most vocal in espousing the need for a balanced budget amendment tend to be those whose arguments I find least persuasive and whose motives I find most suspect. I consider particularly puzzling the advertising extravaganza supported by the W.R. Grace Co. proclaiming that we are callous and irresponsible in laying a national debt on future generations.

Let me explain—

All Federal spending can be roughly divided along the lines of spending for investment and spending for current consumption. Investment type outlays range from lending, which yields a monetary return; to the acquisition of physical assets, which yield a stream of services over a period of years; to expenditures for human capital in the form of research, education, and training which also provides for long-term national benefits.

On the other hand, spending for current consumption consists of outlays for operating expenses and personal benefits. The largest and most expensive of programs for current consumption are those paying retirement benefits, medical benefits, veterans benefits, and unemployment benefits.

To the extent that we spend the process of Federal taxing and borrowing for investment purposes, we are providing benefits for future generations. We are leaving our children an extensive system of interstate highways, waste water treatment plants, agricultural watersheds, an air traffic control system, and an extensive military establishment for the continued defense of democracy—to name a few items that come to mind. In addition, we are providing Federal funds for their education, medical reesearch for

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their health, and public assistance for their welfare.

Yet to hear, W.R. Grace tell the story, all we are leaving is massive debt. By that logic, any parent who bequeathed his eldest son a controlling interest in General Motors is guilty of child abuse, because GM carries a multimillion dollar debt.

Those who argue that a constitutional amendment will benefit future generations have not examined recent history. We are now in our sixth year of forced budget austerity. The pattern of spending restraint we have followed in the quest for deficit reduction does not lead me to believe that the massive budget cuts required to comply with a constitutional amendment will benefit our children.

Since 1981, Federal deficit reduction efforts have concentrated heavily on investment spending. Major current spending programs have continued to grow. The spending-trend lines for education, research and development, infrastructure programs, job training programs, and nondefense capital assets are going down. On the other hand, spending for retirement programs, medical assistance for the elderly, and other middle-income transfer programs continues to grow.

Our past efforts at spending restraint have not been evenhanded. I suggest that trend will continue and grow if we enact the pending measure. Does anyone really believe that enactment of a balanced budget amendment will lead to major reductions in Social Security, Medicare, veterans pensions, or other middle-class income transfer programs? I doubt it.

If we are to be honest about this legislation, I suggest we begin by ceasing to proclaim it is for the benefit of future generations. We have established a well-defined hierarchy of budget priorities. These priorities will not be easily changed. However, changes will come by political procedures not by a constitutional amendment mandating a balanced budget.

The PRESIDING OFFICER. Who yields time?

Mr. DeCONCINI. Mr. President, how much time remains on this side?

The PRESIDING OFFICER. Five minutes is remaining to the side in opposition.

Mr. DeCONCINI. I am now controlling the time of the opponents.

Mr. EXON. Will the Senator from South Carolina yield to me for just a few moments to put an appropriate matter in the Record?

Mr. DeCONCINI. I yield 30 seconds to the Senator from Nebraska.

Mr. EXON. Mr. President, the deficit crisis is the most important economic issue facing the Nation. The accumulated national debt has doubled in the last 5 years and will soon top $2 trillion. The interest expense budget for 1987 alone will exceed the entire 1965 Federal budget.

The supplyside spending binge of the last 5 years has had a devastating effect on rural America. Huge deficits and reckless economic policies have brought high interest rates, the overvalued dollar, low commodity prices, and falling land values. These factors have pushed the Nation's farmers, ranchers, and rural businessmen and women into an economic crisis matched only by the conditions of the Great Depression.

It is time to swim out of our sea of red ink and put our economic ship on course. The balanced budget constitutional amendment will not magically balance the budget or cure our Nation's economic ills. It must be combined with tough action to cut spending and restore fairness to the Nation's Revenue Code.

Mr. President, I have been a long time proponent of the balanced budget constitutional amendment. As the Governor of the great State of Nebraska, I had the benefit of a similar provision in the Nebraska State Constitution. This constitutional mandate forced discipline on the executive and legislative branches of government. Nebraskans take pride in the fact that their State government pays its bills and will not mortgage the future of the next generation.

Certainly, the Federal Government should come under the same discipline. In 1976, while I was Governor of the State of Nebraska, the Nebraska State Legislature overwhelmingly passed a resolution calling on Congress to pass the constitutional amendment to require a balanced budget and, in the alternative, to call a constitutional convention for that purpose.

It was with special satisfaction that I voted in favor of the balanced budget constitutional amendment in the summer of 1982. Unfortunately, the 1982 effort stalled in the House of Representatives. I dare to say that if the 1982 amendment had been sent to the States, it would have been swiftly ratified and the fiscal condition of this Nation would be in a much sounder state.

I was an original cosponsor of Senate Joint Resolution 13, the balanced budget and spending limitation constitutional amendment which was introduced on the first day of the 99th Congress. I am now pleased to have played a role in our current effort to take a giant step toward fiscal sanity.

Mr. President, I am especially grateful to the managers of the balanced budget amendment for their help and cooperation in securing language to involve the President in the budget process. This is a provision I have been promoting for several years. The Metzenbaum-Exon-Gore amendment which requires the President to submit a balanced budget makes the proposed constitutional amendment strong and effective.

As a longtime fiscal conservative, I sincerely believe that a government, like a family or a business, cannot continue to spend more than it has without facing financial ruin. Passage of this constitutional amendment is vital to the future of the Nation.

Mr. President, I urge my colleagues in the strongest terms to support the proposed constitutional amendment to require a balanced budget.

Mr. THURMOND. Mr. President, I yield 1 minute to the distinguished Senator from Oklahoma and remaining time to the distinguished Senator from Utah.

Mr. NICKLES. Mr. President, one, I wish to thank my good friend and colleague, Senator Thurmond, and I compliment Senator Thurmond and also Senator Hatch for the leadership that they have shown in this critical issue.

Mr. President, we have heard people say that the constitutional amendment will not work. It can work. It works in most States. It works in my State of Oklahoma.

Mr. President, we need a constitutional amendment to make us balance the budget. We know, as politicians, we are a lot more popular giving to people than taking it away from them.

I think that is primarily the reason why we have had these deficits for all these years.

Mr. President, I think it is vitally important that we do amend the Constitution, the Constitution that we are sworn to uphold, to make us balance the budget. I hope that our colleagues will support it today.

I thank my good friend and colleague from South Carolina.

The PRESIDING OFFICER. The Senator from Utah is recognized for the remainder of the time.

Mr. THURMOND. I yield the remainder of the time to the senior Senator from Utah.

Mr. HATCH. Mr. President, I get the impression around here that Congress, including this body, has the impulses of Imelda Marcos at a red-dot sale at Shoe Town, that really we have been spending this country blind for most of the last 50-some years. As a matter of fact, for 25 of the last 26 years, we have failed to balance the budget—for 48 of the last 56 years.

You know we can all come up with all the arguments we want and all the excuses we want, but in all honesty, Congress is the problem with this country because we are unwilling to put in the restraints to have to live within our means.

I call Congress 50 percent splendor and 50 percent spender because literally that is what we have done for most of the last 50-some years. If this amendment were put into the Constitution, every Member, whether conservative or liberal, every Member would have to live within his means just like every family has to try to live within their means.

I think you know you can say many things about this, and we have said a lot of things throughout the debate.

In a few minutes, the Senate will take a vote destined to be counted among a handful of votes that shaped the 99th Congress and the history of the Nation.

As we approach that pivotal vote, I would like to pause to thank and congratulate my colleagues who have participated on both sides of this momentous debate. At the top of anyone's list of credits on this issue must be the President pro tempore and chairman of the Judiciary Committee. His leadership on this issue only enhances his reputation as one of the giants in the history of this body. Without his leadership, there would be no vote today.

I must also mention the majority leader both for his influence in bringing this resolution to the floor and for his contributions to every decision made about the language and directions of this effort. Senator DeConcini deserves to be known as one of the chief fathers of this movement. He has brought great stature and leadership to this debate throughout this arduous process. Senator Simon should be remembered for his courage and dedication. Without him, this amendment may still be stalled in committee. I would be remiss to overlook Senator Grassley, a member of my Constitution Subcommittee, or Senators Heflin and Denton from Alabama, or Senator Specter. Each of them has played key roles in this process.

And, of course, I would be remiss in not paying tribute to Senator Evans and those associated with him. They deserve credit for honorably ensuring a full airing of all the issues involved.

I do not think that any of these good friends and colleagues would disagree with the primary issue: We can't go on this way. No nation can go on borrowing hundreds of billions of dollars each and every year and expect to remain strong—strong economically, strong politically, strong militarily.

Already, our children are shackled with a national debt of over $2 trillion. Already, we face a $170 billion bill each year just to pay the interest on that debt. Our children face even greater burdens in the future. A recent poll showed that 90 percent of Americans agree that "our children and our children's children [should not be] saddled with an enormous national debt."

The opponents of Senate Joint Resolution 225 suggest that the answer to this moral dilemma is that Congress should simply exert its will to balance the budget. Congress has exerted its will, yet we have had deficits for 25 of the last 26 years and 48 of the last 56.

Moreover, we cannot pin this national crisis on past Congresses. The 12 largest deficits in our Nation's history have occurred since 1970, since many of us came to this body. We have run up nearly half of our national debt in just the last 9 years. This congress and its predecessors and successors simply cannot overcome the spending bias without a constitutional tool.

Some of my colleagues would argue that we've already got a tool to balance the budget with the passage of the Gramm-Rudman-Hollings Act. Gramm-Rudman was an important first step down the road to fiscal responsibility. But Gramm-Rudman is only a statute—a statute already undergoing statutory revision as Congress moves toward larger deficits in its recent budget proposals.

Gramm-Rudman avoids the real problem behind Congress' largess. It declares much of the budget off limits entirely—including Social Security and other huge entitlement programs. As a result, Congress is on the road to missing the first-year deficit reduction target by as much as $36 billion. Already, we are beginning to hear complaints that the required cuts would be, well, just too painful. Maybe, we hear, we should just learn to live with hefty deficits well into the 1990's and poke some more holes in Gramm-Rudman's leaky bucket. A Federal court has already declared the law's key enforcement mechanism unconstitutional.

The track record of other statutory restraints on excessive Government spending is not anything to write home about, either. How about Public Law 95-435, requiring a balanced budget for fiscal year 1981? It did not prevent us from ending that fiscal year with a deficit of $50 billion. These statutory restraints just have not worked because they simply can't bind subsequent Congresses.

But even if Gramm-Rudman works—and really, I hope it does—all Gramm-Rudman guarantees is one balanced budget, in fiscal year 1991. It gets the congressional spendaholics back on the wagon, but it doesn't do anything to keep them on.

It is clear that we need something more to ensure that our Nation does not enslave its children with fiscal, if not real, chains. We need the constitutional safeguards in Senate Joint Resolution 225, which the Judiciary Committee approved by the overwhelming vote of 14-4.

Now opponents have charged that Senate Joint Resolution 225 would "trivialize" the Constitution by writing economic policy into it. But it is they who have trivialized the Constitution by knocking out one of its vital underprintings—the unwritten "constitutional" requirement that we not spend more than we take in, absent a war or other emergency.

The reason this rule was left unwritten was that our Founding Fathers and those who followed couldn't imagine any other way of running a government. Thomas Jefferson, Alexander Hamilton, John Adams, James Madison, James Monroe, John Quincy Adams, Andrew Jackson, Andrew Johnson, William McKinley, Benjamin Harrison, Woodrow Wilson, Calvin Coolidge—even Franklin Roosevelt, when he was first elected President—were among those enunciating the unwritten constitutional command for a balanced budget.

The abandonment of this principle has resulted in a decided bias in favor of deficits. Although the potential beneficiaries of a spending program are often a numerical minority, they have a stronger incentive to keep informed, to organize and to lobby for their favorite program than the majority of Americans have in avoiding a few dollars in additional taxes.

Once the restraint and accountability provided by the unwritten balanced requirement were removed, the price of opposing such spending became higher than the price of supporting—and the floodgates of Federal spending were opened. If this process of buying votes with our children's money—and that's really what it is—is not trivializing our constitutional system, then I ask my colleagues to tell me what is.

Senate Joint Resolution 225 is not an attempt, as some charge, to write economic policy into our Constitution. It does not specify any particular level of Federal expenditures, how those expenditures should be apportioned, or how the revenues to pay for those expenditures should be raised.

Senate Joint Resolution 225 does not affect in the slightest the Rural Electrification Program or any other program. Only Congress can change those laws; 225 does not change a single law. It does not require a single spending cut. It does not mandate taxes. It certainly does not require a cut in REA. Only Congress can make changes in REA or any other program.

Moreover, as I have stated numerous times, the Armstrong-Hatch public debt language does not affect REA in the slightest. The public debt language only applies to public debt. Public debt does not include, according to the explicit language of the committee report, Government trust funds, revolving funds—like REA—and agency borrowing. Moreover, as a second level of protection, the Armstrong amendment only applies to borrowing necessary "to fund an excess of outlays over receipts in any fiscal year." REA loans fund rural electrification, not the deficit. This constitutional amendment only affects borrowing by one entity—the U.S. Treasury—and for one purpose—to fund a yearly

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deficit. There are three reasons REA is not covered: First, REA is not within Treasury. Second, REA does not fund the deficit. Third REA's borrowing, by the terms of the "Special Analysis of the Budget," is not within the meaning of the term "public debt." REA, CCC, or other agency borrowing and lending are simply not covered by the language of Senate Joint Resolution 225. For three separate reasons, these programs are not covered.

On this point, I would add further that this constitutional amendment should not be appraised on the basis of its impact on one program or another because it does not affect these programs. No language in 225 affects Social Security; indeed the Senate rejected an amendment to exempt that single program. All decisions on how 225 affects programs are left to future Congresses.

Senate Joint Resolution 225 says only that spending should not, in ordinary times, exceed the level of revenues raised. And by requiring a majority, on-the-record vote to raise taxes, it provides accountability for tax increases.

The fact is, Mr. President, the debate over a balanced budget amendment isn't a debate about economics at all. And although Senate Joint Resolution 225 is a political response to a political problem, the debate really isn't about politics, either. It is a debate about the future and survival of our constitutional system of government. If we keep going on this way—and force the collapse of our economy under a mountain of debt—liberty and democracy are likely to be crushed by the falling rocks and boulders.

This debate, then, is really about our freedoms. James Madison, Father of our Constitution, advocated a balanced budget to "liberate the public resources by an honorable discharge of public debt." But this amendment liberates more than the public sources. No man can truly be free when he wears around his neck a millstone of $8,000 in debt incurred against his wishes and outside of his control. No nation can long remain free if its strength is mortgaged for millenia into the future.

In the spirit of the great document created just under 200 years ago, Senate Joint Resolution 225 liberates the American people by limiting the powers of their Government. I urge my colleagues to join me in guaranteeing the rights and liberties our Founding Fathers hoped to preserve in that document, by voting for this vital, liberating amendment.

Mr. President, if I were to end this debate on one thought that I think really makes a lot of sense, it is one my dear colleague from Illinois gave to me just a few seconds ago. I am familiar with this but I did not have the quote with me and I am indebted to him that he gave it to me.

Senator Simon walked up to me and said this quote by Thomas Jefferson really says it all and I think it does. Jefferson in 1796 said:

> I wish it were possible to obtain a single amendment to our Constitution. I would be willing to depend on that alone for the reduction of the administration of our government to the genuine principles of its Constitution; I mean an additional article, taking from the federal government the power of borrowing.

This amendment would not—take away the Federal Government's right to borrow. But it would certainly put upon every Member of Congress the obligation of living within our country's means, especially during times of plenty, something that was absolutely assumed by almost all early Founding Fathers of this country and by almost every political leader in this country's history up until the last 56 years.

Mr. President, this is our chance to turn around the difficulties that this country has undergone.

You have to say the purpose Gramm-Rudman is to take us literally to a balanced budget. Whether it works or not is a real, real question.

The PRESIDING OFFICER. All remaining time has now expired.

Mr. DeCONCINI. Mr. President, I note the minority leader is here and he wanted some time. I yield the remainder of our time to the minority leader.

I know eventually that the Senator from Washington did have unanimous consent to enter a statement into the Record.

Mr. BYRD. Mr. President, I thank the distinguished Senator from Arizona. I ask unanimous consent that I may revise and extend my remarks in the Record.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. BYRD. Mr. President, I shall vote against the amendment.

I offered an amendment to the amendment sometime ago which I thought at the time, and still believe, was an improvement over the amendment that is before us. I do compliment, however, those Senators on both sides who have labored so diligently to adopt a constitutional amendment on a balanced budget.

I am confident that every Member in this body approves of a balanced budget, but I do not think that this amendment, worded as it is, will be effective or workable.

I am concerned that it refers to a declaration of war while, as a matter of fact, this country has not fought a declared war since the Second World War. Meanwhile, we have engaged in two undeclared wars, in Vietnam and Korea, and I am concerned that this amendment, the way it is phrased, will possibly make it difficult for this country to deal with an undeclared war or even with "military activities" which may not really come within the definition of a full-blown war.

I understand the distinguished Senator from Washington wishes to insert some remarks in the Record.

I yield the floor.

Mr. BAUCUS. Mr. President, for 200 years, Congress has considered amendments to the Constitution. But only 26 have been approved. Americans are very cautious when it comes to changing the document that sets forth the fundamental principles of our republic, and rightfully so.

Once again, however, a constitutional amendment is being advocated. This one, now being considered by the Senate, would require Congress to balance the budget each year.

The Government could operate in the red only if three-fifths of Congress voted to spend more than the Treasury collects. If Congress needed to raise revenues, a majority of Members would be required to approve the revenue bill.

This is an appealing proposal. The current budget system actually encourages the Government to increase spending and taxes. It is time to eliminate this bias.

Budget deficits are choking the economy. Federal borrowing to finance this year's deficit, estimated to top $200 billion is drying up credit for private business and helping to keep interest rates high.

But we should not let ourselves be hoodwinked into amending the Constitution to correct these problems.

The substantive provisions of the amendment can make a real difference in the way the Government conducts its business. I support requiring a three-fifths majority for the approval of a budget deficit. I support the principle of avoiding hidden tax increases. I support making Members of Congress vote on all tax increases.

But the real question is whether these provisions should be in the Constitution. I don't believe they should be.

The Constitution was not designed to include specific rules to respond to short-term problems. A constitutional amendment would put the Supreme Court and the lower Federal courts in the business of enforcing the balanced budget provisions and to interpret the economic terms in the amendment. Congress should heed the words of Justice Oliver Wendell Holmes who cautioned, "The Constitution should not embody any particular economic theory."

The constitutional amendment raises another problem. The ratification process can take up to 7 years. Americans can't wait that long. This amendment is little comfort to those suffering today because U.S. jobs are going overseas and while unemployment here at home remains far too high.

Congress and the President must regain control of the economy. But the constitutional amendment to balance the budget is not the appropriate tool for that task. During the 1982 debate on the balanced budget amendment, I offered an alternative which the Senate rejected: Put the provisions of the amendment in statute, not the Constitution. Since then, I have twice offered an across-the-board budget freeze and I voted for the Balanced Budget Act of 1985, also called the Gramm-Rudman-Hollings bill.

The point is that if Congress is really serious about having a balanced budget, let us roll up our sleeves and start working on one now, not 7 years down the road. Let us stop talking about reducing the deficit and start making the tough decisions on what we can afford and what we need in our Federal budget, and what we can live without.

I am strongly committed to balanced budgets. I am willing to make the tough choices involved in cutting Federal spending. But let's not be stampeded into approving the constitutional amendment because it's the politically popular thing to do. People balance budgets, not constitutional clauses.

Mr. EVANS. Mr. President, is there any time remaining?

The VICE PRESIDENT. There are 2 minutes remaining.

Mr. EVANS. Will the Senator from Arizona yield 1 minute to the Senator from Rhode Island?

Mr. DeCONCINI. I am glad to yield a minute to the Senator from Rhode Island.

Mr. CHAFEE. Mr. President, no domestic problem facing this Nation is in greater need of a solution than the Federal deficit. No problem has been discussed more thoroughly here in the Senate in the past year, and no Senator is more anxious than I am to find a solution. Though the idea of eliminating deficits by simply making them unconstitutional has some appeal, I believe it is the wrong approach, and I must oppose it.

Enactment of a constitutional requirement for a balanced budget would represent a false promise to the American people, set a bad constitutional precedent, and establish a rigid budgetary framework which could be harmful to our economy.

The biggest domestic problem facing us today is not that the budget is out of balance. It is the extent to which it is out of balance. Now the whole economy is out of balance because of these horrendous deficits, still hovering around $200 billion. They threaten our economic recovery and will lead to higher interest rates and skyrocketing unemployment if left unchecked. They are adding to a growing debt which continues to compete with other pressing problems for scarce Federal resources.

Approving a constitutional amendment to require a balanced budget in 1991 will do nothing to address this problem. The deficit is a problem today. The consequences of ignoring the deficit are damaging today. And the tools for resolving the problem are in our hands today if we have the will to use them.

I believe there is cause for optimism that Congress is ready to use those tools. Passage of the Gramm-Rudman-Hollings Balanced Budget and Emergency Deficit Control Act last year has imposed new discipline on our budget process. It has established binding targets for reducing the deficit which, if not met, will trigger across-the-board cuts which none of us would welcome. And it has strengthened the budget process by placing the debate on a pay-as-you-go basis: those who would spend more in any area will have to show how their ideas will be paid for elsewhere in the budget. This will make Members of Congress accountable today for decisions to increase spending.

In adopting the Gramm-Rudman-Hollings plan we recognized that we cannot and need not wait for a mandate from the States to reduce Federal deficits. Congress and the administration can cut the deficits if both are willing to make choices. We now have a law in place which will force such choices. Our challenge this year is to meet the law's deficit reduction targets and at the same time shape a responsible budget. I am optimistic that we can do both.

If precisely balanced budgets were judged to be a realistic and desirable goal, Congress could amend its rules today to make unbalanced budgets out of order. But the measure we are debating today would enshrine this economic theory in the Constitution of the United States. This would be both an unnecessary and inappropriate use of the Constitution, which up until now has functioned to establish the framework of government and to protect basic individual freedoms, goals for which the regular legislative process is inadequate.

The Gramm-Rudman-Hollings plan is the embodiment of an economic theory that high deficits are a threat to our economy. This theory is widely shared today. But Congress will have the power to alter the law if necessary to make it work more effectively in the future. A change would be harder to accomplish if Gramm-Rudman-Hollings were part of the Constitution. As fiscal doctrine, it does not belong in the Constitution and neither does a balanced budget requirement.

The balanced budget amendment embodies the same theory, admittedly a popular one at the moment. But will it withstand the changes of events and shifts of opinion through decades to come? It does not meet the test laid down by Alexander Hamilton in the Federalist No. 34, when he wrote:

> Constitutions of civil government are not to be framed upon a calculation of existing exigencies, but upon a combination of these with the probable exigencies of ages * * *. Nothing, therefore, can be more fallacious than to infer the extent of any power proper to be lodged in the national government for an estimate of its immediate necessities. There ought to be a capacity to provide for future contingencies as they may happen; and as these are illimitable in their nature, so it is impossible safely to limit that capacity.

Reducing the deficit is an immediate necessity for which no constitutional amendment is needed. But adopting a constitutional requirement for a balanced budget would hinder our capacity to provide for future contingencies, and would therefore be unwise.

Even if it was appropriate to include an economic theory in the Constitution, a rigid requirement for a balanced budget would be the wrong theory. Such a requirement could create unintended, dangerous economic dislocations during recessionary periods. We are just now starting to recover from a recession whose effects—high unemployment and a stagnating economy—would have been worse if a balanced budget amendment were in place.

In a time of recession, the massive outlay reductions and revenue increases needed to keep the budget precisely in balance would hinder economic growth and prolong the recession. And the programs in place to fight the effects of recessions, such as unemployment compensation and social welfare programs, could be weakened by cuts just when they are most needed.

The measure before us today is not the true test of where the Senate stands on the deficit problem. That test will come in the weeks and months ahead as we use the tools at hand to bring the deficit under control. Will we adopt a fair and responsible budget which meets the Gramm-Rudman-Hollings goals? Will we work to ensure that these goals are adhered to in the appropriations process?

These are the tests that count. If we succeed, great things are ahead for our Nation. If we fail, it will take more than a balanced budget amendment to solve our problems.

We have the capacity to limit it in this Nation if we would only act upon them. It seems to me it is not necessary to have this very convoluted as I see it, constitutional amendment. So for those reasons, I will vote against it. I thank the distinguished Senator from Washington.

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Mr. DeCONCINI. Mr. President, how much time remains?

The VICE PRESIDENT. All time has expired.

The question is on Senate Joint Resolution 225. The yeas and nays have been ordered and the clerk will call the roll.

The assistant legislative clerk called the roll.

The PRESIDING OFFICER (Mr. Stevens). Are there any other Senators in the Chamber who desire to vote?

The result was announced—yeas 66, nays 34, as follows:

[Rollcall Vote No. 45 Leg.]

YEAS—66

Abdnor
Andrews
Armstrong
Bentsen
Bingaman
Boren
Boschwitz
Chiles
Cochran
D'Amato
Danforth
DeConcini
Denton
Dixon
Dole
Domenici
Durenberger
East
Exon
Ford
Garn
Goldwater
Gore
Gramm
Grassley
Harkin
Hatch
Hawkins
Hecht
Heflin
Helms
Hollings
Humphrey
Johnston
Kasten
Laxalt
Long
Lugar
Mattingly
McClure
McConnell
Melcher
Murkowski
Nickles
Nunn
Packwood
Pell
Pressler
Proxmire
Pryor
Quayle
Roth
Rudman
Sasser
Simon
Simpson
Specter
Stennis
Stevens
Symms
Thurmond
Trible
Wallop
Warner
Wilson
Zorinsky

NAYS—34

Baucus
Biden
Bradley
Bumpers
Burdick
Byrd
Chafee
Cohen
Cranston
Dodd
Eagleton
Evans
Glenn
Gorton
Hart
Hatfield
Heinz
Inouye
Kassebaum
Kennedy
Kerry
Lautenberg
Leahy
Levin
Mathias
Matsunaga
Metzenbaum
Mitchell
Moynihan
Riegle
Rockefeller
Sarbanes
Stafford
Weicker

The PRESIDING OFFICER. On this vote, there are 66 yeas, and 34 nays. Two-thirds of the Senate not having voted in the affirmative, the joint resolution is rejected.

Mr. BYRD. Mr. President, I move to reconsider the vote by which the resolution was rejected.

Mr. EVANS. I move to lay that motion on the table.

The motion to the lay on the table was agreed to.

Mr. DOLE addressed the Chair.

The PRESIDING OFFICER (Mr. Stevens). The majority leader.

ORDER OF PROCEDURE

Mr. DOLE. Mr. President, there will be no further votes tonight.

The PRESIDING OFFICER. Will the leader say that louder? There will be less noise in the Senate.

Mr. DOLE. There will be no further votes this evening.

Mr. BYRD. Mr. President, may we have order so that the majority leader may be heard?

The PRESIDING OFFICER. Will the Senate please come to order?

Mr. BYRD. Mr. President, while the majority leader has the floor, and has indicated there will be no more rollcall votes today, may I ask the distinguished majority leader if he might tell us what the program will be for tomorrow, for Thursday, if possible, and whether we will have votes tomorrow.

Mr. DOLE. Mr. President, it would be my hope that we could complete the water resources bill this evening. That would take unanimous consent because we are still on a motion to proceed on the airports compact. I think we could obtain that unanimous consent. However, we are not quite ready yet to complete the water resources bill.

I am advised we might be able to do that tomorrow morning and do it probably in 30 minutes to 1 hour.

If that were the case, I would do that in the morning and then move to the Contra aid resolution, which we have been attempting to put together in a bipartisan way. We may not be able to do that. In any event, as soon as we complete the water resources bill, then we would move to the Contra resolution and try to complete action on that tomorrow evening. There are 10 hours allowed under the statute.

If we could finish tomorrow night, we would have to make a decision on whether or not we would go back to the airports compact bill on Thursday.

Mr. BYRD. Mr. President, I thank the distinguished majority leader. He does foresee a session for Thursday?

Mr. DOLE. Based on the uncertainty about the Contra resolution, whether we will finish it tomorrow night, I would say there would be a session.

Mr. BYRD. Would the distinguished majority leader indicate the hour——

Mr. STENNIS. Mr. President, it is impossible to hear because of the noise in the Chamber.

The PRESIDING OFFICER. The Senator from Mississippi is absolutely correct. The Senate will please be in order.

Mr. BYRD. Mr. President, would the distinguished majority leader indicate his intentions with respect to a convening hour tomorrow?

Mr. DOLE. If we come in about 9 o'clock, there would be special orders and, hopefully, we could get on the water resources bill by 10 o'clock and complete it by 11 o'clock. But if we cannot get consent to proceed to the water bill, then we would go to the Contra aid bill.

Perhaps the distinguished Senator from Maryland can answer whether we would be able to complete action on the water bill tomorrow.

Mr. President, what would be the pending business?

The PRESIDING OFFICER. The motion to proceed would be the pending business.

Mr. DOLE. I would need his consent to go to the water bill.

Mr. KERRY. Mr. President, is it the intention of the majority leader to complete the Contra resolution tomorrow night, no matter what?

Mr. DOLE. It would depend on the debate.

Mr. KERRY. There are 10 hours.

Mr. DOLE. If we were on the Contra aid resolution by 11 o'clock tomorrow, and quorum calls and rollcall votes do not come out of the 10 hours, it is conceivable we could complete action on the Contra measure by 9 o'clock tomorrow evening, with the cooperation of all Members.

Mr. SARBANES. Mr. President, I will say to the majority leader I am anxious to help cooperate and clear the program for Senate consideration that he is talking about, the water resources bill and the Contra aid bill. I do think, frankly, that the airports bill ought to go over until after the recess. I think there should be a legitimate substantive period to consider amendments, and so forth, that will be needed on that bill. Those are not just my own amendments but amendments that others have as well. I would expect at some point after the recess, when the majority leader would want to, we could return to it.

Mr. DOLE. Mr. President, if we could agree when we come back that we would be on the bill rather than on a motion to proceed, it would be fine with this Senator, if we complete action, to go out tomorrow night rather than meet on Thursday.

Mr. SARBANES. I think that would be all right. I would like to discuss it with some of my colleagues. I certainly want to cooperate concerning consideration of the water resources bill and the Contra aid issue.

Mr. DOLE. I yield to the Senator from Massachusetts.

Mr. KENNEDY. Mr. President, I look forward to debate on Contra aid. I want to indicate to the leader and others that we are quite prepared to offer an amendment that would terminate all military assistance, including humanitarian assistance, and I hope we could get started with the matter at an early hour. I would be happy to lay down my amendment as the first amendment, and to confer with others as to the allocation of time.

Mr. CRANSTON. Will the Senator yield?

Mr. DOLE. I yield to the Senator from California.

Mr. CRANSTON. Is it the leader's intention to have debate tonight on Nicaragua?

Mr. DOLE. I do not think that is possible. I have not had an opportunity to discuss that with the distinguished minority leader. I do not think we can do it this evening. In fact, I am prepared to wrap this up.

APPOINTMENTS BY THE PRESIDENT PRO TEMPORE

The PRESIDING OFFICER. On behalf of the majority leader and minority leader, in accordance with Public Law 96-114, as amended by Public Laws 98-33 and 99-161, I appoint the following members of the Congressional Award Board:

Senator Malcolm Wallop, Senator Paul Simon, Mr. Ben H. Love, Mr. Joshua Miner, Sir Gordon White, Miss Cathy Lee Crosby, Mr. Donald R. Keough, Mr. S. Lee Kling, the Honorable Shirley A. Chisholm, and Mr. Phillip V. Sanchez.

APPOINTMENTS BY THE VICE PRESIDENT

The PRESIDING OFFICER. On behalf of the Vice President, in accordance with 10 U.S.C. 9355(a), I appoint the following Members to the Board of Visitors, U.S. Air Force Academy: Senator Ted Stevens and Senator Barry Goldwater.

On behalf of the Vice President, in accordance with title 46, section 1295(b) of the United States Code, I appoint the following Members to the Board of Visitors, U.S. Merchant Marine Academy: Senator Robert Kasten and Senator John Danforth.

On behalf of the Vice President, in accordance with title 14, section 194(a) of the United States Code, I appoint the following Members to the Board of Visitors, U.S. Coast Guard Academy: Senator John Danforth and Senator Bob Packwood.

On behalf of the Vice President, in accordance with 10 U.S.C. 4355(q), I appoint the following Members to the Board of Visitors, U.S. Military Academy: Senator Lowell Weicker and Senator Phil Gramm.

On behalf of the Vice President, in accordance with 10 U.S.C. 6968(a), I appoint the following Members to the Board of Visitors, U.S. Naval Academy: Senator Mark O. Hatfield and Senator Jeremiah Denton.

ORDER OF PROCEDURE

Mr. BYRD. Mr. President, there is still some lack of understanding on this side of the aisle, perhaps because of the confusion in the Chamber, as to whether or not the distinguished majority leader will attempt to drive for a final vote on the Contra aid tomorrow, and, if that is achieved, I believe I understood the distinguished majority leader to indicate the Senate would not be in Thursday.

Mr. DOLE. If I can work out something with the Senator from Maryland, Senator Sarbanes, so that when we come back after the recess we will be on the bill itself rather than a motion to proceed to consider the bill, then I would be prepared to say we would not have a session on Thursday if we complete action on Contra aid. Otherwise, I would want the clock to start running on Thursday.

Mr. SARBANES. Mr. President, will the majority leader yield?

Mr. DOLE. I yield.

Mr. SARBANES. It seems to me something could be worked out. Since the Senate voted cloture today on the motion to proceed, the next phase will be to consider substantive amendments to the airports bill which a number of Members have. That could reasonably be undertaken after the recess.

Mr. DOLE. I think there is a good chance tomorrow evening to be able to leave 1 day early and when we come back the airports bill will be pending. I do not want to deprive the Senator from Maryland of his right, but I hope we could come back and be on the bill.

Mr. STENNIS. Mr. President, does that mean that tomorrow we will begin the water bill?

Mr. DOLE. There has been an indication by the Senator from Maryland [Mr. Sarbanes] that he would not object to that. I believe we may be very near working out some of the final problems. If that is the case, I am advised by the managers that that bill can be disposed of in about an hour.

Mr. STENNIS. That is very fine indeed. I shall certainly be here for the water measure.

I thank the Senator.

Mr. BYRD. Mr. President, I thank the distinguished majority leader.

THE DEBATE ON THE BALANCED BUDGET AMENDMENT

Mr. DOLE. Mr. President, I want to indicate for the record that we considered the balanced budget amendment Senate Joint Resolution 225, on March 6, 7, 10, 11, 12, 13, 18, and 25, a total of 8 days. We consumed 34 hours as of 6:10 p.m. today. There were 8 rollcall votes and 12 amendments and motions considered: 5 agreed to, 2 rejected and 4 tabled. One was withdrawn.

I also want to again thank the distinguished chairman of the committee [Mr. Thurmond]; the distinguished manager on the Democratic side [Mr. DeConcini]; Senator Simon, who played an important role on the Democratic side; and, of course, Senator Hatch, who has been in the forefront of this issue for a long, long time.

I regret that we railed by one vote—one vote—to indicate to the American people that we are still concerned about deficits in 1991 and beyond by submitting to the States or at least sending to the House a constitutional amendment for a balanced budget.

The debate was good. The votes were not there. I commend my colleagues on both sides of the argument. It was very close, and could not have been closer. One more vote, would have changed the outcome.

I assume that we will not revisit this matter this year, but we will continue to work in the States—in the State of Michigan, the State of Kentucky, the State of West Virginia, and other States where there may be an opportunity to have the State legislature petition the Congress for a constitutional convention. Other States in which there may be a chance are Connecticut, and the State of Washington. There are a number of States that have this under consideration.

Again, I thank my colleagues. I hope that when it is debated again we shall be successful. In the interim, maybe the States will be successful in calling the constitutional convention. We have demonstrated that we are almost there, but not quite.

For those who supported the measure, I extend my appreciation. To those who opposed it, I congratulate them for a victory and a very effective debate.

Mr. HELMS. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. HELMS. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

GREEK INDEPENDENCE DAY

Mr. HELMS. Mr. President, on behalf of Senator Specter, and other Senators, I send a resolution to the desk and ask for its immediate consideration.

The PRESIDING OFFICER. The resolution will be stated by title.

The assistant legislative clerk read as follows:

> A Senate joint resolution (S.J. Res. 308) designating March 25, 1986, as Greek Independence Day: A National Day of Celebration of Greek and American Democracy.

The PRESIDING OFFICER. Is there objection to the present consideration of the resolution?

There being no objection, the Senate proceeded to consider the resolution.

Mr. SPECTER. Mr. President, today I am introducing a joint resolution to designate March 25, 1986, as Greek Independence Day and a Celebration of Greek and American Democracy.

One hundred and sixty-five years ago the Greeks began the revolution that would free them from the Ottoman Empire and return Greece to its

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democratic heritage. It was, of course, the ancient Greeks who developed the concept of democracy in which the supreme power to govern was vested in the people. Our Founding Fathers drew heavily upon the political and philosophical experience of ancient Greece in forming our representative democracy. How fitting, then, that we should recognize the anniversary of the beginning of their effort to return to that democratic tradition.

This democratic form of government is only the most obvious of the many benefits we gained from the Greek people. The ancient Greeks contributed a great deal to the modern world and particularly to the United States of America, including art and philosophy, science, and law. Today, Greek Americans continue to enrich our culture and to make valuable contributions to American society, business, and government.

In the next few days, Secretary of State Shultz will be going to Greece to reaffirm our links with that country. It is my hope that the strong support for this joint resolution in Congress will serve as a clear goodwill gesture to the people of Greece with whom we have enjoyed such a close bond throughout history.

I am pleased to sponsor this joint resolution today, along with my distinguished colleague from New Jersey, Senator Frank Lautenberg, and Mr. Boschwitz, Mr. D'Amato, Mr. Thurmond, Mr. Murkowski, Mr. Hatch, Mr. Warner, Mr. Pressler, Mr. Heinz, Mr. Roth, Mr. Trible, Mr. Biden, Mr. Bradley, Mr. Burdick, Mr. Cranston, Mr. DeConcini, Mr. Dixon, Mr. Dodd, Mr. Eagleton, Mr. Gore, Mr. Harkin, Mr. Johnston, Mr. Kennedy, Mr. Kerry, Mr. Leahy, Mr. Levin, Mr. Metzenbaum, Mr. Pell, Mr. Moynihan, Mr. Riegle, Mr. Rockefeller, Mr. Sarbanes, Mr. Simon, Mr. Sasser, Mr. Zorinsky, and Mrs. Hawkins, to designate March 25, 1986, "Greek Independence Day: A National Day of Celebration of Greek and American Democracy."

Mr. LAUTENBERG. Mr. President, I am pleased to introduce, along with Senator Specter, this resolution to designate March 25, 1986, as Greek Independence Day: A National Day of Celebration of Greek and American Democracy. This resolution also asks the President to issue a proclamation calling upon the people of the United States to observe the designated day with appropriate ceremonies and activities.

March 25, 1986, marks the 165th anniversary of the beginning of the revolution which freed the Greek people from the Ottoman Empire. It is fitting that we celebrate this day together with Greece in order to reaffirm the common democratic heritage of Americans and Greeks.

The ancient Greeks forged the very notion of democracy, in which the ultimate power to govern was vested in the people. As Aristole said:

> If liberty and equality, as is thought by some, are chiefly to be found in democracy, they will be attained when all persons alike share in the government to the utmost.

Because the concept of democracy was born in the age of the ancient Greeks, all Americans, whether or not of Greek ancestry, are kinsmen of a kind to the ancient Greeks. Indeed, our own Founding Fathers drew heavily upon the political and philosophical experience of ancient Greece in forming our representative democracy.

Constitutional democracy has made the American way of life possible. It established the precious freedoms of speech, religion, and assembly which Americans cherish, and which are so fundamental to American democracy. For that contribution alone, we owe a heavy debt to the Greeks. The common heritage which we share has forged a close bond between Greece and the United States, and between our peoples. And it is reflected in the numerous contributions made by present day Greek Americans in New Jersey and across the country to our American culture.

I urge my colleagues to pass this resolution as a tribute to those contributions, past and present, which have greatly enriched American life.

Mr. SARBANES. Mr. President, on this day, 165 years ago, the Greek nation began an arduous struggle to reestablish its independence after nearly four centuries of tyrannous Turkish Ottoman rule. Struggling for nearly a decade against tremendous odds, the Greek patriots ultimately succeeded in reaffirming both the independence of Greece and the freedom and integrity of the individual.

Regarded skeptically by the monarchial governments of Europe, the uprising in Greece nonetheless captured the imagination and commanded the admiration of many of the European people. In the preface to his poem "Hellas" Shelley wrote: "Our laws, our literature, our religion, our arts have their roots in Greece;" he concluded the poem with "The world's great age begins anew, The golden years return."

Nowhere was there greater enthusiasm for the Greek struggle, however, than in the young American Republic, where the recent experience of colonial domination overthrown and democratic republic established was very vivid. State legislatures and town meetings across the Nation passed resolutions in support of the Greek effort, and Congressman Daniel Webster put the Greek case to his House colleagues in the 18th Congress.

He said on the floor of the House of Representatives in 1823:

> The Greeks a people of intelligence, ingenuity, refinement, spirit, and enterprise, have been for centuries under the most atrocious, unparalleled Tartarian barbarism that ever oppressed the human race.

He continued:

> They look to us as the great Republic of the Earth and they ask us by our common faith, whether we can forget that they are now struggling for what we can now so ably enjoy? I cannot say, sir, that they will succeed: that rests with heaven. But for myself, sir, if we tomorrow hear that they have failed—that their last phalanx had sunk beneath the Turkish scimitar—that the frames of their last city had sunk in ashes and that naught remained but the wide melancholy waste where Greece once was, I would still reflect with the most heartfelt satisfaction, that I had asked you, in the name of seven millions of freemen, that you would give them at least a cheering of one friendly voice.

The ties which join the two nations and the two peoples were thus forged in the early days of the American Republic, as the war in Greece for Greek independence was being waged. For more than 150 years they have been reinforced in countless ways, the enduring ties of history reaffirmed by the very personal ties which join the American and Greek peoples, and by the role Americans of Greek background play in our own national life.

As nations and peoples, Americans and Greeks were steadfast allies in World War I. In the bleak early days of World War II the Greek defeat of Mussolini's army gave the besieged free world its first victory over the Axis powers, forcing Hitler to despatch his own armies to occupy Greece. Nowhere was the Nazi occupation more brutal than in Greece; and nowhere, in turn, was the resistance more determined or heroic than in Greece. In the postwar period, the commitment of President Harry Truman and the American people helped the people of Greece to turn back a Communist insurgency and to rebuild their country, ravaged by years of armed conflict. Today Greece is a stable democracy, a member of the NATO alliance and of the European Community.

Throughout their long history, often in the face of great adversity, the Greeks have maintained their abiding commitment to freedom; and they remain deeply concerned, therefore, over the situation on Cyprus, where for nearly 12 years Turkish occupation, imposed by force, has routed several hundred thousand Greek Cypriots from their homes and communities divided the island Republic. The Greeks know from their own experience that freedom is not divisible; and like lovers of freedom everywhere they seek the restoration of peace, justice, and national integrity to Cyprus.

Mr. President, it is fitting today to mark Greek Independence Day, because the Greek War of Independence has significance for all of us. It is not only an inspiring chapter in the long history of Greece's steadfast devotion to the principles we also cherish; it is a milestone in the struggle for freedom in the modern world.

The PRESIDING OFFICER. The resolution is open to amendment. If there be no amendments to be proposed, the question is on the engrossment and third reading of the resolution.

The Senate joint resolution was ordered to be engrossed for a third reading, was read the third time, and passed.

The preamble was agreed to.

The resolution with its preamble, is as follows:

Whereas the ancient Greeks developed the concept of democracy, in which the supreme power to govern was vested in the people;

Whereas the Founding Fathers of the United States of America drew heavily upon the political and philosophical experience of ancient Greece is forming our representative democracy;

Whereas March 25, 1986, marks the one hundred and sixty-fifth anniversary of the beginning of the revolution which freed the Greek people from the Ottoman Empire;

Whereas these and other ideals have forged a close bond between our two nations and their people; and

Whereas it is proper and desirable to celebrate with the Greek people, and to realfirm the democratic principles from which our two great nations sprang: Now, therefore, be it

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled, That March 25, 1986 is designated "Greek Independence Day: A National Day of Celebration of Greek and American Democracy", and that the President of the United States is authorized and requested to issue a proclamation calling upon the people of the United States to observe the designated day with appropriate ceremonies and activities.

Mr. HELMS. I move to reconsider the vote by which the joint resolution was passed.

Mr. BYRD. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

REMOVAL OF INJUNCTION OF SECRECY

Mr. HELMS. Mr. President, as in executive session,

I ask unanimous consent that the injunction of secrecy be removed from the following six bilateral investment treaties transmitted to the Senate today by the President of the United States:

Investment Treaties with Panama (Treaty Document 99-14), Senegal (Treaty Document 99-15), Haiti (Treaty Document 99-16), Zaire (Treaty Document 99-17), Morocco (Treaty Document 99-18), and Turkey (Treaty Document 99-19).

I also ask that the treaties be considered as having been read the first time; that they be referred, with accompanying papers, to the Committee on Foreign Relations and ordered to be printed; and that the President's messages be printed in the Record.

The PRESIDING OFFICER. Without objection, it is so ordered.

The messages of the President are as follows:

To the Senate of the United States:

With a view to receiving the advice and consent of the Senate to ratification, I transmit herewith the Treaty between the United States of America and the Republic of Panama concerning the Treatment and Protection of Investments, with Agreed Minutes, signed October 27, 1982, at Washington. I transmit also, for the information of the Senate, the report of the Department of State with respect to this treaty.

This treaty is among the first six treaties to be transmitted to the Senate under the Bilateral Investment Treaty (BIT) program that I initiated in 1981. The BIT program is designed to encourage and protect U.S. investment in developing countries. The treaty is an integral part of U.S. efforts to encourage Panama and other governments to adopt macroeconomic and structural policies that will promote economic growth. It is also fully consistent with U.S. policy toward international investment. That policy holds that an open international investment system in which participants respond to market forces provides the best and most efficient mechanism to promote global economic development. A specific tenet, reflected in this treaty, is that U.S. direct investment abroad and foreign investment in the United States should receive fair, equitable, and nondiscriminatory treatment. Under this treaty, the parties also agree to international law standards for expropriation and compensation; free financial transfers; and procedures, including international arbitration, for the settlement of investment disputes.

I recommend that the Senate consider this treaty as soon as possible, and give its advice and consent to ratification of the treaty, with agreed minutes, at an early date.

Ronald Reagan.

The White House, *March 25, 1986.*

To the Senate of the United States:

With a view to receiving the advice and consent of the Senate to ratification, I transmit herewith the Treaty between the United States of America and the Republic of Senegal concerning the Reciprocal Encouragement and Protection of Investment, with Protocol, signed December 6, 1983, at Washington. I transmit also, for the information of the Senate, the report of the Department of State with respect to this treaty.

This treaty is among the first six treaties to be transmitted to the Senate under the Bilateral Investment Treaty (BIT) program that I initiated in 1981. The BIT program is designed to encourage and protect U.S. investment in developing countries. The treaty is an integral part of U.S. efforts to encourage Senegal and other governments to adopt macroeconomic and structural policies that will promote economic growth. It is also fully consistent with U.S. policy toward international investment. That policy holds that an open international investment system in which participants respond to market forces provides the best and most efficient mechanism to promote global economic development. A specific tenet, reflected in this treaty, is that U.S. direct investment abroad and foreign investment in the United States should receive fair, equitable, and nondiscriminatory treatment. Under this treaty, the parties also agree to international law standards for expropriation and compensation; free financial transfers; and procedures, including international arbitration, for the settlement of investment disputes.

I recommend that the Senate consider this treaty as soon as possible, and give its advice and consent to ratification of the treaty, with protocol, at an early date.

Ronald Reagan.

The White House, *March 25, 1986.*

To the Senate of the United States:

With a view to receiving the advice and consent of the Senate to ratification, I transmit herewith the Treaty between the United States of America and the Republic of Haiti concerning the Reciprocal Encouragement and Protection of Investment, with Protocol, signed December 13, 1983, at Washington. I transmit also, for the information of the Senate, the report of the Department of State with respect to this treaty.

This treaty is among the first six treaties to be transmitted to the Senate under the Bilateral Investment Treaty (BIT) program that I initiated in 1981. The BIT program is designed to encourage and protect U.S. investment in developing countries. The treaty is an integral part of U.S. efforts to encourage Haiti and other governments to adopt macroeconomic and structural policies that will promote economic growth. It is also fully consistent with U.S. policy toward international investment. That policy holds that an open international investment system in which participants respond to market forces provides the best and most efficient mechanism to promote global economic development. A specific tenet, reflected in this treaty, is that U.S. direct investment

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abroad and foreign investment in the United States should receive fair, equitable, and nondiscriminatory treatment. Under this treaty, the parties also agree to international law standards for expropriation and compensation; free financial transfers; and procedures, including international arbitration, for the settlement of investment disputes.

I recommend that the Senate consider this treaty as soon as possible, and give its advice and consent to ratification of the treaty, with protocol, at an early date.

Ronald Reagan.

The White House, *March 25, 1986.*

To the Senate of the United States:

With a view to receiving the advice and consent of the Senate to ratification, I transmit herewith the Treaty between the United States of America and the Republic of Zaire concerning the Reciprocal Encouragement and Protection of Investment, with Protocol, signed August 3, 1984, at Washington. I transmit also, for the information of the Senate, the report of the Department of State with respect to this treaty.

This treaty is among the first six treaties to be transmitted to the Senate under the Bilateral Investment Treaty (BIT) program that I initiated in 1981. The BIT program is designed to encourage and protect U.S. investment in developing countries. The treaty is an integral part of U.S. efforts to encourage Zaire and other governments to adopt macroeconomic and structural policies that will promote economic growth. It is also fully consistent with U.S. policy toward international investment. That policy holds that an open international investment system in which participants respond to market forces provides the best and most efficient mechanism to promote global economic development. A specific tenet, reflected in this treaty, is that U.S. direct investment abroad and foreign investment in the United States should receive fair, equitable, and nondiscriminatory treatment. Under this treaty, the parties also agree to international law standards for expropriation and compensation; free financial transfers; and procedures, including international arbitration, for the settlement of investment disputes.

I recommend that the Senate consider this treaty as soon as possible, and give its advice and consent to ratification of the treaty, with protocol, at an early date.

Ronald Reagan.

The White House, *March 25, 1986.*

To the Senate of the United States:

With a view to receiving the advice and consent of the Senate to ratification, I transmit herewith the Treaty between the United States of America and the Kingdom of Morocco concerning the Encouragement and Reciprocal Protection of Investments, with Protocol, signed July 22, 1985, at Washington. I transmit also, for the information of the Senate, the report of the Department of State with respect to this treaty.

This treaty is among the first six treaties to be transmitted to the Senate under the Bilateral Investment Treaty (BIT) program that I initiated in 1981. The BIT program is designed to encourage and protect U.S. investment in developing countries. The treaty is an integral part of U.S. efforts to encourage Morocco and other governments to adopt macroeconomic and structural policies that will promote economic growth. It is also fully consistent with U.S. policy toward international investment. That policy holds that an open international investment system in which participants respond to market forces provides the best and most efficient mechanism to promote global economic development. A specific tenet, reflected in this treaty, is that U.S. direct investment abroad and foreign investment in the United States should receive fair, equitable, and nondiscriminatory treatment. Under this treaty, the parties also agree to international law standards for expropriation and compensation; free financial transfers; and procedures, including international arbitration, for the settlement of investment disputes.

I recommend that the Senate consider this treaty as soon as possible, and give its advice and consent to ratification of the treaty, with protocol, at an early date.

Ronald Reagan.

The White House, *March 25, 1986.*

To the Senate of the United States:

With a view to receiving the advice and consent of the Senate to ratification, I transmit herewith the Treaty between the United States of America and the Republic of Turkey concerning the Reciprocal Encouragement and Protection of Investments, with Protocol, signed December 3, 1985, at Washington. I transmit also, for the information of the Senate, the report of the Department of State with respect to this treaty.

This treaty is among the first six treaties to be transmitted to the Senate under the Bilateral Investment Treaty (BIT) program which I initiated in 1981. The BIT program is designed to encourage and protect U.S. investment in developing countries. The treaty is an integral part of U.S. efforts to encourage Turkey and other governments to adopt macroeconomic and structural policies that will promote economic growth. It is also fully consistent with U.S. policy toward international investment. That policy holds that an open international investment system in which participants respond to market forces provides the best and most efficient mechanism to promote global economic development. A specific tenet, reflected in this treaty, is that U.S. direct investment abroad and foreign investment in the United States should receive fair, equitable, and nondiscriminatory treatment. Under this treaty, the parties also agree to international law standards for expropriation and compensation; free financial transfers; and procedures, including international arbitration, for the settlement of investment disputes.

I recommend that the Senate consider this treaty as soon as possible, and give its advice and consent to ratification of the treaty, with protocol, at an early date.

Ronald Reagan.

The White House, *March 25, 1986.*

MEASURES INDEFINITELY POSTPONED

Mr. HELMS. Mr. President, I believe these have been cleared with the other side. I ask unanimous consent the following calendar items be indefinitely postponed: Calendar Order 11, S. 469; Calendar 351, S. 1776; Calendar 379, S. 1816; Calendar 387, Senate Resolution 241; Calendar 428, S. 1912.

Mr. BYRD. Mr. President, those items have been cleared on this side of the aisle for postponement.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. HELMS. I thank the Chair.

THE CALENDAR

Mr. HELMS. Mr. President, I inquire of the minority leader if he is in a position to pass the following calendar items: Calender 573, Senate Resolution 298; Calendar 575, Senate Concurrent Resolution 95.

Mr. BYRD. Mr. President, the two measures identified by the distinguished acting leader have been cleared on this side of the aisle. We are ready to proceed.

Mr. HELMS. I thank the able Senator.

Therefore, Mr. President, I ask unanimous consent that the calendar items just identified be considered en bloc and passed en bloc and that the committee-reported preamble will be considered agreed to.

The PRESIDING OFFICER. Without objection, it is so ordered.

EXPRESSING SUPPORT AND ENCOURAGEMENT OF THE UNITED STATES DISABLED SKI TEAM

The resolution (S. Res. 298) expressing support and encouragement of the Senate for the United States Disabled Ski Team at the 1986 World Disabled Ski Championships to be held in Salen, Sweden, on April 6 through

April 17, 1986, was considered and agreed to.

The preamble was agreed to.

The resolution, with its preamble, is as follows:

S. Res. 298

Whereas the United States Disabled Ski Team is a very special group of fine athletes who have displayed the courage, dedication, and perseverance needed to qualify for competition on a national and international level;

Whereas the commitment and determination exhibited by these superior athletes is an inspiration to all people;

Whereas the United States Disabled Ski Team will travel to Salen, Sweden, to represent the United States in international competition;

Whereas the United States Disabled Ski Team has exhibited outstanding performance and has promoted full participation of disabled persons in athletic competition; and

Whereas the United States Disabled Ski Team has been instrumental in changing perceptions of society about persons with disabilities: Now, therefore, be it

Resolved, That the Senate—

(1) commends the achievements of the United States Disabled Ski Team; and

(2) encourages and supports the United States Disabled Ski Team in the competition at the 1986 World Disabled Ski Championships to be held in Salen, Sweden, on April 6 through April 17, 1986.

Mr. HELMS. Mr. President, I move to reconsider the vote by which the resolution was agreed to.

Mr. BYRD. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

HONORING THE CONTRIBUTIONS OF CONSUMERS UNION

The Senate proceeded to consider the concurrent resolution (S. Con. Res. 95) to recognize and honor the contributions of Consumers Union.

Mr. METZENBAUM. Mr. President, Consumers Union of United States, Inc., the nonprofit organization that publishes Consumer Reports, is celebrating its 50th anniversary in 1986. As part of that celebration, I have introduced Senate Concurrent Resolution 95, commemorating the organization's efforts on behalf of American consumers. This resolution is cosponsored by Senators Packwood, Moynihan, Ford, Proxmire, Hollings, DeConcini, Zorinsky, Thurmond, Abdnor, Sarbanes, Heinz, Garn, Matsunaga, Glenn, and Kasten.

Since its founding in February 1936, Consumers Union has spoken out for consumers through a wide range of activities, including product-testing and service evaluation, publication of magazines, books, and newsletters, television productions, educational programs, and legislative and legal efforts.

Through Consumer Reports, Consumers Union has helped bring equity and order to the marketplace. For 50 years consumers have been able to rely on an expert, independent source of information when they were in the market for consumer goods and services. The magazine has warned us of fraud, misleading advertisements, and worthless products. When products deserved commendations, the magazine told us that as well.

We all owe a debt of gratitude to this outstanding organization. Consumers Union has helped make the marketplace a better, safer place for people in this country and throughout the world. I urge my colleagues to join with me in honoring Consumers Union and to adopt this resolution.

The concurrent resolution was considered and agreed to.

The preamble was agreed to.

The concurrent resolution, with its preamble, is as follows:

S. Con. Res. 95

Whereas Consumers Union of United States, Inc., was formed in February of 1936, to provide consumers with information and counsel on consumer goods and services and matters relating to the expenditure of the family income, and to initiate and cooperate with individual and group efforts seeking to create and maintain decent living standards;

Whereas for the past fifty years Consumer Union has provided consumers with necessary facts to participate in an increasingly complex marketplace, through the publication Consumer Reports;

Whereas Consumers Union has become a widely respected source of impartial information about consumer products and services, and legislation and regulations affecting consumers;

Whereas Consumers Union has crusaded for fifty years for improvements in product safety, and has played an important role in reducing hazards to consumers;

Whereas Consumers Union has pursued reforms to make the marketplace more fair for consumers, and has been a leader in helping advance the consumer interest in the United States and around the world; and

Whereas Consumers Union is celebrating its fiftieth anniversary in 1986, with plans that include providing increased services; Now, therefore, be it

Resolved by the Senate (the House of Representatives concurring), That the Congress recognizes and honors the Consumers Union for the continuing contributions made in informing, protecting, and aiding consumers in the Nation.

Mr. HELMS. Mr. President, I move to reconsider the vote by which the concurrent resolution was agreed to.

Mr. BYRD. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

MESSAGES FROM THE PRESIDENT

Messages from the President of the United States were communicated to the Senate by Mr. Saunders, one of his secretaries.

EXECUTIVE MESSAGES REFERRED

As in executive session, the Presiding Officer laid before the Senate messages from the President of the United States submitting sundry nominations and treaties which were referred to the appropriate committees.

(The nominations received today are printed at the end of the Senate proceedings.)

MESSAGES FROM THE HOUSE

ENROLLED JOINT RESOLUTIONS SIGNED

At 2:01 p.m., a message from the House of Representatives, delivered by Ms. Goetz, one of its reading clerks, announced that the Speaker has signed the following enrolled joint resolutions:

S.J. Res. 226. Joint resolution to designate the week of April 6, 1986, through April 12, 1986, as "World Health Week," and to designate April 7, 1986, as "World Health Day".

S.J. Res. 262. Joint resolution to authorize and request the President to issue a proclamation designating June 2, through June 8, 1986, as "National Fishing Week"; and

H.J. Res. 573. Joint resolution making a repayable advance to the Hazardous Substance Response Trust Fund.

The enrolled joint resolutions were subsequently signed by the President pro tempore [Mr. Thurmond].

ENROLLED JOINT RESOLUTIONS PRESENTED

The Secretary of the Senate reported that on today, March 25, 1986, she had presented to the President of the United States the following enrolled joint resolutions:

S.J. Res. 226. Joint resolution to designate the week of April 6, 1986, through April 12, 1986, as "World Health Week", and to designate April 7, 1986, as "World Health Day"; and

S.J. Res. 262. Joint resolution to authorize and request the President to issue a proclamation designating June 2, through June 8, 1986, as "National Fishing Week";

REPORTS OF COMMITTEES SUBMITTED DURING RECESS

Under the authority of the order of the Senate of March 24, 1986, the following reports of committees were filed on March 24, 1986, during the recess of the Senate:

By Mr. DOMENICI, from the Committee on the Budget, without amendment:

S. Con. Res. 120. An original concurrent resolution setting forth the congressional budget for the U.S. Government for the fiscal years 1987, 1988, and 1989 (with additional and minority views) (Rept. No. 99-264).

REPORTS OF COMMITTEES

The following reports of committees were submitted:

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By Mr. McCLURE, from the Committee on Energy and Natural Resources, with an amendment in the nature of a substitute and an amendment to the title:

H.R. 3113. A bill providing for the Coordinated Operation of the Central Valley Project and the State Water Project in California (Rept. No. 99-265).

By Mr. HATCH, from the Committee on Labor and Human Resources, without amendment:

S. 1895. A bill for the relief of Marlboro County General Hospital Charity, of Bennettsville, South Carolina.

EXECUTIVE REPORTS OF COMMITTEES

The following executive reports of committees were submitted:

By Mr. DANFORTH, from the Committee on Commerce, Science, and Transportation:

James Eugene Burnett, Jr., of Arkansas, to be a Member of the National Transportation Safety Board for the term expiring December 31, 1990;

Joseph Trippe Nall, of North Carolina, to be a Member of the National Transportation Safety Board for the remainder of the term expiring December 31, 1987;

Robert Ortner, of New Jersey, to be Under Secretary of Commerce for Economic Affairs;

Pursuant to the provisions of 14 U.S.C. 729, the following named captain of the Coast Guard Reserve to a permanent commissioned officer in the Coast Guard Reserve in the grade of rear admiral (lower half):

Daniel J. Murphy.

(The above nominations were reported with the recommendation that they be confirmed, subject to the nominees' commitment to appear and testify before any duly constituted committee of the Senate.)

Mr. DANFORTH. Mr. President, for the Committee on Commerce, Science, and Transportation, I also report favorably a list of U.S. Coast Guard Academy cadets for appointment as ensigns in the Coast Guard (list printed in the CONGRESSIONAL RECORD of March 12, 1986) and, to save the expense of reprinting them on the Executive Calendar, I ask unanimous consent that they lie at the Secretary's desk for the information of Senators.

By Mr. HELMS, from the Committee on Agriculture, Nutrition, and Forestry:

John William Bode, of Oklahoma, to be a member of the Board of Directors of the Commodity Credit Corporation.

INTRODUCTION OF BILLS AND JOINT RESOLUTIONS

The following bills and joint resolutions were introduced, read the first and second time by unanimous consent, and referred as indicated:

By Mr. McCLURE (by request):

S. 2227. A bill to authorize appropriations to carry out the programs of the U.S. Holocaust Memorial Council; to the Committee on Energy and Natural Resources.

By Mr. ZORINSKY:

S. 2228. A bill to provide for the equitable tax treatment of certain foreign expropriation losses; to the Committee on Finance.

By Mr. DODD:

S. 2229. A bill to amend the Impoundment Control Act of 1974 to provide that deferrals of budget authority by the President shall not take effect unless within 45 legislative days Congress completes action on a deferral bill, and for other purposes; to the Committee on the Budget and the Committee on Governmental Affairs, jointly, pursuant to the order of August 4, 1977, to the Committee on the Budget and Governmental Affairs with the instructions that if one committee reports, the other committee has 30 days of continuous session to report or to be discharged.

By Mr. MATTINGLY:

S.J. Res. 307. A joint resolution to designate the week of April 18 through April 27, 1986, as "National Carpet and Floorcovering Week"; to the Committee on the Judiciary.

By Mr. HELMS (for Mr. SPECTER (for himself, Mr. LAUTENBERG, Mr. BOSCHWITZ, Mr. D'AMATO, Mr. THURMOND, Mr. MURKOWSKI, Mr. HATCH, Mr. WARNER, Mr. PRESSLER, Mr. HEINZ, Mr. ROTH, Mr. TRIBLE, Mr. BIDEN, Mr. BRADLEY, Mr. BURDICK, Mr. CRANSTON, Mr. DECONCINI, Mr. DIXON, Mr. DODD, Mr. EAGLETON, Mr. GORE, Mr. HARKIN, Mr. JOHNSTON, Mr. KENNEDY, Mr. KERRY, Mr. LEAHY, Mr. LEVIN, Mr. METZENBAUM, Mr. PELL, Mr. MOYNIHAN, Mr. RIEGLE, Mr. ROCKEFELLER, Mr. SARBANES, Mr. SIMON, Mr. SASSER, Mr. ZORINSKY, and Mrs. HAWKINS)):

S.J. Res. 308. A joint resolution designating March 25, 1986, as "Greek Independence Day: A National Day of Celebration of Greek and American Democracy"; considered and passed.

SUBMISSICN OF CONCURRENT AND SENATE RESOLUTIONS

The following concurrent resolutions and Senate resolutions were read, and referred (or acted upon), as indicated:

By Mr. KENNEDY (for himself and Mr. PELL):

S. Con. Res. 121. A concurrent resolution expressing the sense of the Congress concerning representative government, political parties, and freedom of expression on Taiwan; to the Committee on Foreign Relations.

STATEMENTS OF INTRODUCED BILLS AND JOINT RESOLUTIONS

By Mr. McCLURE (by request):

S. 2227. A bill to authorize appropriations to carry out the programs of the U.S. Holocaust Memorial Council; to the Committee on Energy and Natural Resources.

U.S. HOLOCAUST MEMORIAL COUNCIL

● Mr. McCLURE. Mr. President, pursuant to an executive communication referred to the Committee on Energy and Natural Resources, at the request of the U.S. Holocaust Memorial Council I send to the desk a bill to authorize appropriations to carry out the programs of the U.S. Holocaust Memorial Council.

Mr. President, this draft legislation was submitted and recommended by the U.S. Holocaust Memorial Council, and I ask unanimous consent that the bill, and the executive communication which accompanied the proposal from the Acting Executive Director be printed in the RECORD.

There being no objection the bill and letter were ordered to be printed in the RECORD, as follows:

S. 2227

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That part of section 8 of the Holocaust Memorial Council Act (Public Law 96-388, as amended; 36 U.S.C. 1408) which precedes the proviso is amended to read as follows: "There is authorized to be appropriated to carry out the purposes of this Act $2,057,000 for the fiscal year 1987 and such sums as may be necessary for fiscal year 1988."

U.S. HOLOCAUST MEMORIAL COUNCIL,
OFFICE OF EXECUTIVE DIRECTOR,
Washington, DC, March 13, 1986.

Hon. GEORGE BUSH,
President of the Senate,
Washington, DC.

DEAR MR. PRESIDENT: Enclosed is a draft bill to authorizing appropriations to carry out the programs of the United States Holocaust Memorial Council.

We recommend that the bill be referred to the appropriate committee for consideration, and that it be enacted.

Public Law 96-388, October 7, 1980 (36 U.S.C. 1401), provides for the establishment of the United States Holocaust Memorial Council to provide appropriate ways for the Nation to commemorate Days of Remembrance, plan, construct, and oversee the operation of a permanent living memorial museum to the victims of the Holocaust, and develop a plan for carrying out the recommendations of the President's Commission on the Holocaust. Section 8 authorized $722,000 for Fiscal Year 1981; $800,000 for Fiscal Year 1982; and $850,000 for Fiscal Year 1983, to carry out the purposes of this Act. Public Law 99-190 provided net appropriations in the amount of $2,112,000 for Fiscal Year 1986.

The enclosed draft bill would amend the appropriation authorization in Section 8 of the United States Holocaust Memorial Council Act (Public Law 96-388, as amended; 36 U.S.C. 1401) to authorize an appropriation of $2,057,000 for Fiscal Year 1987, and such sums as are necessary for Fiscal Year 1988.

Such an authorization and appropriation would enable the Council to carry out its responsibilities through September 30, 1987, as provided in the President's 1987 budget. The amended authorization is necessary to the planning of the living memorial museum, continued observance and expansion of Days of Remembrance, as well as the preservation and development of research and documentation of the Holocaust.

The Council has made measurable progress in carrying out its mandated responsibilities since its inception in 1981. It is anticipated that the requested funding level for 1987 will allow each of its components to proceed with their program responsibilities to meet the ultimate objectives of the Council.

The Office of Management and Budget advises that enactment of this proposal would be in accordance with the program of the President.

A similar letter is being sent to The Honorable Thomas P. O'Neill, Jr., of the House of Representatives.

Sincerely,

MICAH H. NAFTALIN,
Acting Excutive Director.●

By Mr. ZORINSKY:

S. 2228. A bill to provide for the equitable tax treatment of certain foreign expropriation losses; to the Committee on Finance.

PERUVIAN EXPROPRIATION TAX RELIEF

● Mr. ZORINSKY. Mr. President, the bill I am introducing today would provide equitable tax treatment for a Nebraska constituent that suffered substantial foreign expropriation loss late last year.

HNG/InterNorth, Inc., which is headquartered in Omaha, NE, in 1983 acquired Belco Petroleum which has been engaged in oil and gas exploration and development in northwest Peru since 1959. Despite the fact that Belco was a model corporate citizen in Peru and employed over 2,500 Peruvians, in 1985 Belco's relations with the Peruvian Government soured.

In August 1985, the Peruvian Government unilaterally rescinded the contracts under which Belco had been conducting petroleum operations in Peru. After its contracts were rescinded, Belco negotiated in good faith with Peruvian officials but on the evening of December 27, 1985, soldiers surrounded Belco's Lima office and nationalized its operations. The next morning, the general manager of PetroPeru, accompanied by soldiers and press, arrived at Belco's operational headquarters at Talara and read a Presidential decree that nationalized Belco's Peruvian assets.

Since that time HNG/InterNorth officials have negotiated with the Peruvian Government for the return of its assets or just compensation for the confiscation, but without any success.

FINANCIAL IMPACT

This arbitrary seizure by the Peruvian Government obviously dealt HNG/InterNorth a significant financial blow. The company's actual investment in assets seized by the Peruvian Government was approximately $393 million. This amount, however, does not reflect the full value of the properties confiscated since it does not take into account the actual worth of Belco's proven oil and gas reserves.

The company's loss might be offset by a recovery of up to $175 million from all sources, including the Peruvian Government. There is, however, presently no assurance that any recovery will be realized.

THE TAX PROBLEM

Even though HNG/InterNorth had $393 million of actual cash investment in the Belco Peruvian operations that were confiscated, existing tax rules seem to permit no relief to the company.

When InterNorth acquired Belco Petroleum in August 1983, the acquisition was structured in such a way that the company carried over Belco's old tax basis, which was substantially below the actual purchase price. Thus, under the current Tax Code, the company is stuck with a basis for loss deduction purposes which is not only far below the actual value of the property lost, but far below the company's actual cash invested since 1983.

Consequently, when the amount of any potential recovery is netted out, the company will be permitted little or no deduction for tax purposes even though it has just suffered a serious financial hardship.

Moreover, at the time the company's Peruvian assets were expropriated, it had $27 million in unrecovered foreign tax credits for tax paid to Peru. Without some legislative relief, there is virtually no likelihood that the company will be able to utilize these unrecovered tax credits even though it could have utilized them in the future if its Peruvian operations were continued.

PROPOSED LEGISLATION

The bill I am introducing today would provide relief from this unfair result. The bill would permit the company to claim an expropriation loss on the full value of its unrecovered financial investment in its Peruvian assets reduced, of course, by the amount of any potential recovery. This is consistent with the loss reported on the company's Form 10k filed with the Securities and Exchange Commission.

Also, the legislation would waive the limitations on the use of foreign tax credit to permit the company to utilize its unrecovered Peruvian tax credits against this domestic tax liability. This relief would be limited to the actions under this specific Peruvian Presidential decree.

I am hopeful that the Senate Finance Committee will promptly take up this matter as part of the tax reform bill it is presently considering. In my view the operation of the present tax rules operates to impose an unjustified hardship on a company already injured by the arbitrary actions of a foreign government.

Mr. President, I ask unanimous consent that a copy of the bill be printed at the conclusion of my remarks.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 2228

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That in the case of a seizure of the assets of a corporation in December 1985 pursuant to Peruvian Presidential Decree No. 035-85-EM,—

(a) For purposes of section 165 of the Internal Revenue Code of 1954, any loss shall be considered to have been sustained during the taxable year including December 1985.

(b) Notwithstanding the provisions of section 165(b) of the Code, the basis for determining the amount of the deduction for any loss shall be the amount of the net loss from the seizure set forth in the parent corporation's Form 10-K filed with the securities and Exchange Commission for calendar year 1985 increased by the estimated recoveries by insurance or otherwise.

(c) For purposes of determining the foreign tax credit allowable under section 27(a) of the Code, sections 901(e), 904(a), and 907 of the Code shall not apply to the taxes imposed by Peru on the corporation whose assets were seized.●

By Mr. DODD:

S. 2229. A bill to amend the Impoundment Control Act of 1974 to provide that deferrals of budget authority proposed by the President shall not take effect unless within 45 legislative days Congress completes action on a deferral bill, and for other purposes; pursuant to the order of August 4, 1977, referred jointly to the Committee on the Budget and the Committee on Governmental Affairs.

VETO OVER DEFERRAL LEGISLATION

● Mr. DODD. Mr. President, I am introducing today a bill which amends the Impoundment Control Act of 1974 to provide that deferrals of budget authority proposed by the President shall not take effect unless Congress approves the deferral within 45 days. A substantially similar bill was just recently introduced in the House by my good friend and colleague from Connecticut, Representative BRUCE MORRISON.

This bill is necessitated by a 1983 U.S. Supreme Court decision and continuing action by President Reagan which flies in the face of that decision. Under section 1013 of the original act, Congress may override any deferral by the President by passing an impoundment resolution disapproving the deferral in either the House or the Senate. In 1983, the Supreme Court, in Immigration and Naturalization Service versus Chadha, held that this "one-House veto" violated the principle of separation of powers and the lawmaking requirements of article I of the Constitution.

Because this unconstitutional veto provision was not intended to be severable from the rest of section 1013, the President has no remaining power under the law to defer budget authority. As the legislative history of the Impoundment Control Act clearly shows, Congress would not have vested the President with the power to defer spending without retaining the power to override those deferral decisions, if necessary.

Notwithstanding the Chadha decision and clear congressional intent, however, President Reagan, on February 5, 1986, sent an impoundment notice to Congress setting forth $32 billion worth of proposed rescissions and deferrals. Pursuant to this notice, the President seeks to defer budget authority for several housing and com-

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munity development programs, such as the Community Development Block Grant Program, the "Section 202" Program, "Section 8" housing, and the "Section 312" Rehabilitation Program.

The bill I am introducing today is simple and straightforward. It says that no proposed deferral by the President would go into effect unless both Houses of Congress pass a bill approving it within 45 legislative days after receiving the impoundment notice from the President. The bill would establish a procedure for deferral which is identical to the rescission procedure presently in place under the Impoundment Control Act.

It is my hope today that Congress will take swift action on this bill in order to restore a necessary "check" on the President's exercise of the deferral power—a check which was intended from the beginning to accompany the deferral power. This bill would allow us to reclaim that power over appropriations which the original Impoundment Act—and the Constitution—intended for us to have.

Mr. President, I ask unanimous consent that the text of this legislation be printed in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 2229

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled.

SECTION 1. DEFINITION OF DEFERRAL BILL.

(a) DEFINITION OF DEFERRAL BILL.—Paragraph (4) of section 1011 of the Impoundment Control Act of 1974 is amended to read as follows:

"(4) 'deferral bill' means a bill or joint resolution which only authorizes the deferral of budget authority proposed to be deferred in a special message transmitted by the President under section 1013, and upon which the Congress completes action before the end of the first period of 45 calendar days of continuous session of the Congress after the date on which the President's message is received by the Congress;".

(b) CONFORMING AMENDMENT.—Paragraph (5) of section 1011 of the Impoundment Control Act of 1974 is amended by—

(1) inserting "or (4)" after "paragraph (3)" each place it appears; and

(2) inserting "or section 1013" after "section 1012" each place it appears.

SEC. 2. DEFERRAL OF BUDGET AUTHORITY.

(a) AMENDMENT OF SECTION HEADING.—The heading of section 1013 of the Impoundment Control Act of 1974 is amended to read as follows: "Deferral of Budget Authority".

(b) REQUIREMENT TO MAKE AVAILABLE FOR OBLIGATION.—Subsection (b) of section 1013 of the Impoundment Control Act of 1974 is amended by striking out "if either House of Congress passes an impoundment resolution disapproving such proposed deferral" and by inserting in lieu thereof the following: "unless, within the prescribed 45-day period, the Congress has completed action on a deferral bill authorizing the deferral of the amount proposed to be deferred".

SEC. 3. TECHNICAL AMENDMENTS RESPECTING PROCEDURE IN THE HOUSE AND SENATE.

(a) REFERRAL.—Subsection (a) of section 1017 of such Act is amended by striking out "impoundment resolution" and inserting in lieu thereof "deferral bill".

(b) DISCHARGE OF COMMITTEE.—

(1) Paragraph (1) of subsection (b) of section 1017 of such Act is amended—

(A) by striking out "impoundment resolution" each place it appears and inserting in lieu thereof "deferral bill"; and

(B) by striking out "or resolution".

(2) Paragraph (2) of subsection (b) of section 1017 of such Act is amended by striking out "or resolution" each place it appears.

(c) FLOOR CONSIDERATION IN THE HOUSE.—Subsection (c) of section 1017 of such Act is amended—

(1) by striking out "or impoundment resolution" each place it appears and inserting in lieu thereof "or deferral bill";

(2) by striking out "or resolution" each place it appears;

(3) by striking out "an impoundment resolution" in paragraph (2) and inserting in lieu thereof "a deferral bill";

(4) by striking out "the resolution" in such paragraph and inserting in lieu thereof "the bill"; and

(5) by striking out "and resolutions" in paragraph (5).

(d) FLOOR CONSIDERATION IN THE SENATE.—Subsection (d) of section 1017 of such Act is amended—

(1) by striking out "or impoundment resolution" each place it appears in paragraphs (1) and (2) and inserting in lieu thereof "or deferral bill";

(2) by striking out "an impoundment resolution" each place it appears in paragraphs (2) and (3) and inserting in lieu thereof "a deferral bill";

(3) by striking out "or resolution" each place it appears in paragraph (2);

(4) by striking out "concurrent resolution" in paragraph (3) and inserting in lieu thereof "bill"; and

(5) by inserting "or deferral bill" and "rescission bill" each place it appears in paragraphs (4) and (5).

SEC. 4. TECHNICAL AMENDMENT TO TABLE OF CONTENTS.

The item relating to section 1012 in the table of contents set forth in section 1(b) of the Congressional Budget and Impoundment Control Act of 1974 is amended to read as follows:

"Sec. 1012. Deferral of budget authority.".●

By Mr. MATTINGLY:

S.J. Res. 307. Joint resolution to authorize and request the President to designate the week of April 18, 1986, through April 27, 1986, as "National Carpet and Floorcovering Week"; to the Committee on the Judiciary.

NATIONAL CARPET AND FLOORCOVERING WEEK

● Mr. MATTINGLY. Mr. President, my colleagues are by now familiar with my, and others, outspoken concern over the current crisis in the U.S. textile industry. Cheaper foreign-made textile products have flooded our markets, forcing mill closings in the hundreds and unemployment in the tens of thousands. As the only industry in a given area, a mill closing can threaten an entire community. I rise today to bring to my colleagues' attention a sector of the U.S. textile industry that remains as one of its few bright spots—I am referring to our carpet and floorcovering manufacturers.

The first carpet mill was established in 1791 in Philadelphia, PA. Today there are over 370 carpet and rug manufacturing plants located in 23 States. In 1950 the U.S. carpet industry shipped 97 million square yards. Currently shipments are in the range of 1 billion square yards annually and have a mill dollar value of $6 billion. Today's export market is over 48 million square yards with a dollar value of $264 million, compared to 7.4 million square yards in 1970 with a dollar value of $25 million. This industry is especially important to my State of Georgia, home of Dalton, GA, the carpet capital of the world, and where 66 percent of all carpet and rugs manufactured in the United States are produced. Yet this American industry, like so many others, is feeling the pressure of increased competition.

U.S. carpets, rugs, and other floor coverings are competitive. The industry is technologically advanced employing the latest in automated looms, tufting, and backing machinery. Over roughly a 30-year period, the price of U.S. carpet has increased by only 52 percent. Compare this to new car prices which rose 172 percent or all commodities which experienced price increases of over 267 percent. In 1978 square yard exports accounted for 2.8 percent of total U.S. production while imports accounted for 1.3 percent of total U.S. production. However, in 1985 square yard exports represented 2.6 percent of total U.S. production while imports represented 4.6 percent of total production. It has been argued that this shift in export/import percentages is the result of U.S. imports of handmade, expensive Oriental or Persian style rugs. This is not so. The dollar value per square yard of U.S. carpet and rug imports has fallen from $12.60 in 1978 to $10.08 in 1985.

The U.S. carpet and floorcovering industry is well aware that competition is, and will continue, to increase. They are looking to the future and beginning to adapt to the changing global environment. The backbone of their strategy is a self-help philosophy that is best evidenced by the industry's redoubled efforts to market American carpet and floorcovering products. For the second year in a row the U.S. industry will sponsor the national carpet and floorcovering floor show during the week of April 18, 1986. This is a nationwide promotional event designed to showcase U.S. carpet and floorcovering products. To recognize the importance of this textile industry, today I am introducing legislation designating April 18, 1986, through April 27, 1986, "National Carpet and Floorcovering Week." Mr. President, I ask unanimous consent that a copy of

the joint resolution be printed in the RECORD. I urge my colleagues to join me in cosponsoring this joint resolution and recognize the determination of this important industry to maintain its competitive position.

There being no objection, the joint resolution was ordered to be printed in the RECORD, as follows:

S.J. RES. 307

Whereas, since its founding more than two hundred years ago, this nation has promoted the concept of prosperity through a free enterprise system;

Whereas American business has traditionally prospered and flourished through fair pursuit of free enterprise, but finds itself now beset by increased unfair competition from overseas;

Whereas American carpet and floorcovering producers represent one of the last remaining areas of strength for the U.S. textile industry;

Whereas, in the spirit of marketing and promotion that has helped make the United States the world's premier industrial power, an unprecedented national promotional effort is to be made in conjunction with National Carpet and Floorcovering Week, April 18 through April 27, 1986;

Whereas this annual event has become known as the United States' largest carpet and floorcovering event showcasing the enormous variety and excellent quality of goods offered by American fiber producers, mills, distributors, and retailers;

Whereas these efforts have been specifically designed to bring to the consumers' attention the vast array of American floorcovering products on the market and to heighten public awareness as to the design and fashion uses of American floorcoverings; and

Whereas it is only with resourcefulness, determination, and perserverence similar to that shown by the American carpet and floorcovering producers that U.S. industry can continue to meet the demands and needs of the world's consumers in what are increasingly competitive national and international marketplaces; Now, therefore, be it

Resolved by the Senate and the House of Representatives of the United States of America in Congress assembled, That the President of the United States is authorized and requested to issue a proclamation designating April 18, 1986 to April 27, 1986, as "National Carpet and Floorcovering Week", and calling upon the people of the United States to observe that week with appropriate programs and activities.●

ADDITIONAL COSPONSORS

S. 8

At the request of Mr. CRANSTON, the names of the Senator from Georgia [Mr. NUNN], and the Senator from Hawaii [Mr. INOUYE] were added as cosponsors of S. 8, a bill to grant a Federal charter to the Vietnam Veterans of America, Inc.

S. 558

At the request of Mr. MOYNIHAN, the name of the Senator from South Carolina [Mr. HOLLINGS] was added as a cosponsor of S. 558, a bill to amend the Internal Revenue Code of 1954 to permanently exclude educational assistance programs from gross income, and for other purposes.

S. 1569

At the request of Mr. BINGAMAN, the name of the Senator from Mississippi [Mr. STENNIS] was added as a cosponsor of S. 1569, a bill to amend title XVIII of the Public Health Service Act to encourage health promotion and disease prevention through the implementation of a coordinated national nutrition monitoring system.

S. 1687

At the request of Mr. MATSUNAGA, the name of the Senator from Nevada [Mr. HECHT] was added as a cosponsor of S. 1687, a bill to develop a national policy for the utilization of fuel cell technology.

S. 1980

At the request of Mr. THURMOND, the name of the Senator from Wyoming [Mr. WALLOP] was added as a cosponsor of S. 1980, a bill to amend title 17, United States Code, regarding the conveyance of audiovisual work, and for other purposes.

S. 2004

At the request of Mr. ROTH, the names of the Senator from Missouri [Mr. EAGLETON], and the Senator from Florida [Mr. CHILES] were added as cosponsors of S. 2004, a bill to require the President to submit to the Congress an annual report on the management of the executive branch of the Government.

S. 2005

At the request of Mr. ROTH, the name of the Senator from Missouri [Mr. EAGLETON] was added as a cosponsor of S. 2005, a bill to amend the Inspector General Act of 1978.

S. 2080

At the request of Mr. RIEGLE, the names of the Senator from Illinois [Mr. SIMON], the Senator from Connecticut [Mr. DODD], the Senator from Ohio [Mr. GLENN], and the Senator from Oklahoma [Mr. BOREN], were added as cosponsors of S. 2080, a bill to amend title 3, United States Code, and the Uniform Time Act of 1966 to establish a single poll closing time in the continental United States for Presidential general elections.

S. 2081

At the request of Mr. STAFFORD, the name of the Senator from Missouri [Mr. EAGLETON] was added as a cosponsor of S. 2081, a bill to reauthorize the Head Start Act, the Low-Income Home Energy Assistance Act of 1981, the Community Services Block Grant Act, for deferred cost care programs, and for other purposes.

S. 2083

At the request of Mr. STAFFORD, the name of the Senator from Rhode Island [Mr. PELL] was added as a cosponsor of S. 2083, a bill to amend the Toxic Substances Control Act to require the Environmental Protection Agency to set standards for identification and abatement of hazardous asbestos in the Nation's schools to mandate abatement of hazardous asbestos in the Nation's schools in accordance with those standards, to require local educational agencies to prepare asbestos management plans, and for other purposes.

S. 2087

At the request of Mr. GRASSLEY, his name was added as a cosponsor of S. 2087, a bill to amend part B of title XIX of the Public Health Service Act to specify the method of determining State allotments.

S. 2108

At the request of Mr. KASTEN, the names of the Senator from Pennsylvania [Mr. SPECTER] and the Senator from Oklahoma [Mr. BOREN] were added as cosponsors of S. 2108, a bill to provide that Federal tax reform legislation shall not take effect before January 1, 1987.

S. 2115

At the request of Mr. THURMOND, the name of the Senator from Virginia [Mr. WARNER] was added as a cosponsor of S. 2115, a bill to recognize the organization known as the 82d Airborne Division Association, Inc.

S. 2181

At the request of Mr. D'AMATO, the name of the Senator from Montana [Mr. BAUCUS] was added as a cosponsor of S. 2181, a bill entitled the "Construction Industry Labor Law Amendments of 1986."

S. 2186

At the request of Mr. MURKOWSKI, the name of the Senator from Montana [Mr. MELCHER] was added as a cosponsor of S. 2186, a bill to exempt any amounts available to provide certain benefits to veterans with service-connected disabilities from any requirement for sequestration of funds under part C of the Balanced Budget and Emergency Deficit Control Act of 1985.

S. 2191

At the request of Mr. ROTH, the name of the Senator from Wisconsin [Mr. KASTEN] was added as a cosponsor of S. 2191, a bill to amend the Federal Aviation Act of 1958 so as to prohibit reprisals against certain officers, employees, or contractors of air carriers.

S. 2195

At the request of Mr. GORTON, the name of the Senator from Arizona [Mr. DECONCINI] was added as a cosponsor of S. 2195, a bill to amend the Internal Revenue Code of 1954 to provide tax-exempt status for organizations which assist in introducing into public use technology developed by operating research organizations.

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S. 2198

At the request of Mr. Trible, the names of the Senator from Mississippi [Mr. Cochran] and the Senator from Hawaii [Mr. Inouye] were added as cosponsors of S. 2198, a bill to provide that the full cost-of-living adjustment in benefits payable under certain Federal programs shall be made for 1987.

S. 2203

At the request of Mr. D'Amato, his name was added as a cosponsor of S. 2203, a bill to establish a program to reduce acid deposition and for other purposes.

S. 2216

At the request of Mr. Stevens, the name of the Senator from Mississippi [Mr. Stennis] was added as a cosponsor, of S. 2216, a bill to designate September 17, 1987, the bicentennial of the signing of the Constitution of the United States, as "Constitution Day," and to make such day a legal public holiday.

S. 2221

At the request of Mrs. Kassebaum, the names of the Senator from Nebraska [Mr. Zorinsky] and the Senator from Wisconsin [Mr. Kasten] were added as cosponsors of S. 2221, a bill to amend section 108 of the Internal Revenue Code of 1954 to provide that the discharge of certain farm indebtedness shall not be included in gross income.

SENATE JOINT RESOLUTION 251

At the request of Mr. Hatch, the names of the Senator from Missouri [Mr. Danforth] and the Senator from Hawaii [Mr. Matsunaga] were added as cosponsors of Senate Joint Resolution 251, a joint resolution to designate the week of May 11, 1986, through May 17, 1986, as "National Science Week, 1986."

SENATE JOINT RESOLUTION 261

At the request of Mr. Moynihan, his name was added as a cosponsor of Senate Joint Resolution 261, a joint resolution to designate the week of April 14, 1986, through April 20, 1986 as "National Mathematics Awareness Week."

SENATE JOINT RESOLUTION 264

At the request of Mr. Pryor, the names of the Senator from Maine [Mr. Mitchell] and the Senator from Kentucky [Mr. Ford] were added as cosponsors of Senate Joint Reolution 264, a joint resolution designating April 28, 1986, as "National Nursing Home Residents Day."

SENATE JOINT RESOLUTION 274

At the request of Mr. Grassley, the names of the Senator from Kansas [Mr. Dole], and the Senator from Nebraska [Mr. Zorinsky] were added as cosponsors of Senate Joint Resolution 274, a joint resolution to designate the weekend of August 1, 1986, through August 3, 1986, as "National Family Reunion Weekend."

SENATE JOINT RESOLUTION 280

At the request of Mr. Heinz, the names of the Senator from Tennessee [Mr. Gore], the Senator from Kansas [Mr. Dole], the Senator from South Dakota [Mr. Pressler], the Senator from Indiana [Mr. Lugar], the Senator from Hawaii [Mr. Matsunaga], the Senator from Maine [Mr. Cohen], and the Senator from Maryland [Mr. Sarbanes] were added as cosponsors of Senate Joint Resolution 280, a joint resolution to designate the month of November 1986 as "National Alzheimer's Disease Month."

SENATE JOINT RESOLUTION 281

At the request of Mr. Nunn, the names of the Senator from California [Mr. Cranston], the Senator from Florida [Mrs. Hawkins], the Senator from Maine [Mr. Mitchell], and the Senator from Virginia [Mr. Warner] were added as cosponsors of Senate Joint Resolution 281, a joint resolution to designate the week of May 11, 1986, through May 17, 1986, as "Senior Center Week."

SENATE JOINT RESOLUTION 284

At the request of Mr. Metzenbaum, the names of the Senator from Minnesota [Mr. Boschwitz], the Senator from Arkansas [Mr. Bumpers], the Senator from Alabama [Mr. Denton], the Senator from Nebraska [Mr. Exon], the Senator from Alabama [Mr. Heflin], the Senator from Michigan [Mr. Levin], the Senator from Massachusetts [Mr. Kerry], and the Senator from West Virginia [Mr. Rockefeller] were added as cosponsors of Senate Joint Resolution 284, a joint resolution to designate the month of May 1986 as "Better Hearing and Speech Month."

SENATE JOINT RESOLUTION 286

At the request of Mr. Hatfield, the names of the Senator from Arizona [Mr. DeConcini], and the Senator from Michigan [Mr. Levin] were added as cosponsors of Senate Joint Resolution 286, a joint resolution to designate the week of April 20, 1986, through April 26, 1986, as "National Reading Is Fun Week."

SENATE JOINT RESOLUTION 290

At the request of Mr. DeConcini, the names of the Senator from Wyoming [Mr. Simpson], the Senator from Indiana [Mr. Lugar], the Senator from Iowa [Mr. Grassley], the Senator from Alabama [Mr. Denton], the Senator from Pennsylvania [Mr. Specter], and the Senator from New Jersey [Mr. Lautenberg] were added as cosponsors of Senate Joint Resolution 290, a joint resolution to designate July 4, 1986, as "National Immigrants Day."

SENATE JOINT RESOLUTION 303

At the request of Mr. Mathias, the names of the Senator from Oregon [Mr. Packwood], the Senator from South Carolina [Mr. Hollings], the Senator from New York [Mr. D'Amato], the Senator from Minnesota [Mr. Durenberger], the Senator from Virginia [Mr. Trible], and the Senator from Missouri [Mr. Danforth] were added as cosponsors of Senate Joint Resolution 303, a joint resolution to designate April 1986, as "Fair Housing Month."

SENATE CONCURRENT RESOLUTION 116

At the request of Mr. Kasten, the name of the Senator from Illinois [Mr. Simon] was added as a cosponsor of Senate Concurrent Resolution 116, a concurrent resolution concerning the ongoing famine in Ethiopia and the Ethiopian Government's resettlement policy.

SENATE CONCURRENT RESOLUTION 119

At the request of Mrs. Kassebaum, the names of the Senator from Nebraska [Mr. Zorinsky] and the Senator from Wisconsin [Mr. Kasten] were added as cosponsors of Senate Concurrent Resolution 119, expressing the sense of the Congress relating to an amendment to the Internal Revenue Code of 1954 excluding the discharge of qualified agricultural indebtedness from cancellation of indebtedness income.

SENATE RESOLUTION 365

At the request of Mr. Glenn, the name of the Senator from North Dakota [Mr. Andrews] was added as a consponsor of Senate Resolution 365, a resolution to implement rule XLII of the Standing Rules of the Senate, relating to employment practices.

SENATE CONCURRENT RESOLUTION 121—CONCERNING REPRESENTATIVE GOVERNMENT, POLITICAL PARTIES, AND FREEDOM OF EXPRESSION ON TAIWAN

Mr. KENNEDY (for himself and Mr. Pell) submitted the following concurrent resolution; which was referred to the Committee on Foreign Relations:

S. Con. Res. 121

Whereas prosperity and educational progress on the island of Taiwan have created conditions in which a democratic system of government can thrive;

Whereas stability and peace prevail on the island of Taiwan and in the Western Pacific region;

Whereas the people on Taiwan, primarily in elections at the local level, have shown themselves fully capable of participating in a democratic political process;

Whereas in spite of this, only a small minority of the seats in the central legislature and central electoral college are filled through periodic election, with the vast majority of seats still being held by individuals who took office in the late 1940's;

Whereas the system of martial law imposed in 1949 and other emergency provisions prevent the democratic opposition on Taiwan from organizing a genuine opposition party and constrain it from exercising the constitutionally mandated freedom of the press and freedom of expression;

Whereas the system of martial law provides the authorities broad latitude in charging political dissidents with the crimes of sedition and treason;

Whereas the preservation and enhancement of human rights of all the people on Taiwan are objectives of the United States;

Whereas section 806 of the Foreign Relations Authorization Act, Fiscal Years 1986 and 1987, states the sense of the Congress that "one important element of a peaceful future for Taiwan is greater participation in the political process by all the people on Taiwan" and that "accordingly, the United States should encourage the authorities on Taiwan to work vigorously toward this end"; and

Whereas a more free and open Taiwan, with full respect for human rights, would have an even stronger claim to the moral support of the American people: Now, therefore, be it

Resolved by the House of Representatives (the Senate concurring), That it is the sense of the Congress that the authorities on Taiwan should continue and accelerate progress toward a fully democratic system, in particular by—

(1) allowing the formation of genuine opposition political parties;

(2) ending censorship and guaranteeing freedom of speech, expression, and assembly; and

(3) moving toward full representative government, including the free and fair election of all members of all national legislative bodies, and direct Presidential elections.

Mr. KENNEDY. Mr. President, I rise to introduce a resolution with my good friend Senator Pell calling for democracy in Taiwan. This May will mark the 37th year the people of Taiwan have lived under a political system which denies them the freedom to fully express their civil rights. For 37 years, the people of Taiwan have lived under a martial law—and it is high time that true democracy was brought to the people of Taiwan.

The thriving economy of Taiwan has been the envy of the developing world. By hard work and ingenuity, the people of Taiwan have created an educated citizenry, a prosperous society, and a respected body of able local leaders. Stability and peace have prevailed on the island of Taiwan and in the Western Pacific region and the citizens of Taiwan have repeatedly demonstrated the will and the capacity to participate fully in the democratic political process.

Yet, the Government of Taiwan continues to deny the people of Taiwan the right to a democratic system of government. Under martial law and associated legislation, the Government has suspended civil liberties, controls most of the media and heavily censors the handful of independent magazines it permits to exist. Independent organizations must register with the Government and only one legal organization per function may exist. The Government tightly controls labor unions and has outlawed strikes. In addition, the Government has outlawed new political parties in order to maintain their virtual monopoly on political activity.

Those who challenge this restrictive system are subject to harsh treatment by the Taiwanese authorities. Many citizens—some whose only crime is peaceful protest—face courts-martial for charges of sedition, the death penalty or long terms in military prisons. Internationally recognized rules of trial procedure are often not followed and there are many reported incidents of torture of those held in prison.

The political structure in Taiwan has shut out participation by the majority of the population. Only 8 percent of the members of the national legislative bodies represent Taiwan and are elected by the people. According to the State Department, "Effective power resides with the aging KMT leadership which fled the mainland in 1949." The vast majority of the leadership was elected on mainland China 30 years ago; their average age is 80 and when they vacate their seats, their offices remain vacant or are filled by appointment.

The resolution I am introducing calls on the Government of Taiwan to take steps to bring a full democratic system to the people of Taiwan. It calls for the Government to permit the formation of genuine opposition political parties, to end censorship, to guarantee freedom of speech, expression and assembly and for the Government to move toward full representative government, including the free and fair election of all members of the national legislative bodies and for direct Presidential elections.

The time has come for Taiwan to follow the same path of the Philippines. The time is now for a truly democratic Taiwan. I urge my colleagues to give careful consideration to this resolution and hope it is expeditiously and swiftly approved by the U.S. Congress.

AMENDMENTS SUBMITTED

METROPOLITAN WASHINGTON AREA AIRPORT TRANSFER

PRESSLER (AND OTHERS) AMENDMENT NO. 1705

(Ordered to lie on the table.)

Mr. PRESSLER (for himself, Mr. Exon, Mr. Hollings, and Mr. Specter) submitted an amendment intended to be proposed by them to the bill (S. 1017) to provide for the transfer of the Metropolitan Washington Airports to an independent authority; as follows:

On page 35, line 7, strike "Five" and insert in lieu thereof "Two".

On page 35, line 8, strike "three" and insert in lieu thereof "two".

On page 35, line 11, strike "one member" and insert in lieu thereof "five members".

On page 36, lines 5-6, strike ", in the case of the Commonwealth of Virginia and the District of Columbia,".

On page 36, lines 8-10, strike "The Governor of Virginia shall make the final two Virginia initial appointments for one 2-year and one 4-year term.".

MATHIAS AMENDMENT NOS. 1706 THROUGH 1708

(Ordered to lie on the table.)

Mr. MATHIAS submitted three amendments intended to be proposed by him to the bill (S. 1017) to provide for the transfer of the Metropolitan Washington Airports to an independent airport authority; as follows:

Amendment No. 1706

On page 30, line 6, strike out the period and insert in lieu thereof "within six months after the date of enactment of this Act. In no event shall the determination of hypothetical indebtedness by the Federal Aviation Administration pursuant to this paragraph be an amount which is less than the greater of—

"(A) the audit finding of the Comptroller General of the United States; or

"(B) $108,600,000.".

Amendment No. 1707

On page 37, line 5, strike out all through the period on line 8 and insert in lieu thereof "means use of an airport for any of the activities described pursuant to subparagraphs (A), (B), and (C) of paragraph (2) of section 503(a) of the Airport and Airway Improvement Act of 1982 (49 U.S.C. 2202(a)(2) (A), (B), and (C)). Nothing in this subsection shall prohibit the Airports Authority from financing any aviation-related capital improvement project approved by the Authority board and identified in the Facilities Planning Guide for Washington National Airport and the Washington Dulles International Airport Master Plan. Fifty percent of any revenue provided to the Authority by such nonaviation business or activities shall be deposited in the general fund of the United States Treasury.".

Amendment No. 1708

On page 41, strike out lines 17 and 18 and insert in lieu thereof "and in conformance with section 511 of the Airport and Airway Improvement Act of 1982 (49 U.S.C. 2210), no landing fee, automobile parking concession, terminal area or other building rental, land lease, or any other concession, rent or user charge providing operating revenue to the authority—".

On page 41, line 19, insert "generated" after "(A)".

On page 41, line 23, insert "generated" after "(B)".

On page 42, insert between lines 2 and 3 the following new paragraph:

(9) To further the intent of paragrapah (8), the Airports Authority shall—

(A) maintain separate financial records for Washington National Airport and Washington Dulles International Airport;

(B) prepare an annual report on the operation of the Metropolitan Washington Airports in accordance with the audit procedures set forth in paragraph (6) of this subsection; and

(C) submit such report to the Congress.

On page 42, line 3, strike out "(9)" and insert in lieu thereof "(10)".

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NOTICES OF HEARINGS

COMMITTEE ON RULES AND ADMINISTRATION

Mr. MATHIAS. Mr. President, I wish to announce that the Committee on Rules and Administration will meet in SR-301, Russell Senate Office Building, on Wednesday, March 26, 1986, at 5 p.m., to hold an administrative business meeting. The committee will be considering the schedule for the receipt of vendor responses to the amended request for proposal for the procurement of a new telephone system for the Senate.

For further information concerning this meeting, please contact John Swearingen of the Rules Committee staff on extension 49078.

AUTHORITY FOR COMMITTEES TO MEET

SUBCOMMITTEE ON PREPAREDNESS

Mr. DOLE. Mr. President, I ask unanimous consent that the Subcommittee on prepardness of the Committee on Armed Services, be authorized to meet during the session of the Senate on Tuesday, March 25, 1986, in open later to become closed session, in order to receive testimony on Navy and Marine Corps readiness, operations, and maintenance,

The PRESIDING OFFICER. Without objection, it is so ordered.

SUBCOMMITTEE ON STRATEGIC AND THEATER NUCLEAR FORCES

Mr. DOLE. Mr. President, I ask unanimous consent that the Subcommittee on Strategic and Theater Nuclear Forces, of the Committee on Armed Services, be authorized to meet during the session of the Senate on Tuesday, March 25, in open, later to become closed executive session, in order to conduct a hearing on SDI.

The PRESIDING OFFICER. Without objection, it is so ordered.

COMMITTEE ON ENERGY AND NATURAL RESOURCES

Mr. DOLE. Mr. President, I ask unanimous consent that the Committee on Energy and Natural Resources be authorized to meet during the session of the Senate on Tuesday, March 25, to hold an oversight hearing on domestic and international petroleum situation and the implications of fees on imported oil.

The PRESIDING OFFICER. Without objection, it is so ordered.

COMMITTEE ON THE JUDICIARY

Mr. EVANS. Mr. President, I ask unanimous consent that the Committee on the Judiciary be authorized to meet during the session of the Senate on Tuesday, March 25, in order to conduct a hearing on the issue of white collar crime.

The PRESIDING OFFICER. Without objection, it is so ordered.

COMMITTEE ON BANKING, HOUSING, AND URBAN AFFAIRS

Mr. DOLE. Mr. President, I ask unanimous consent that the Committee on Banking, Housing and Urban Affairs be authorized to meet during the session of the Senate on Tuesday, March 25, at 6 p.m., in order to hold a markup on the following provisions of the Garn-St Germain bill: titles I and II; to impose a moratorium on nonbank banks; and farm, oil, and gas lending banks language.

The PRESIDING OFFICER. Without objection, it is so ordered.

ADDITIONAL STATEMENTS

RENEWAL OF THE PRICE-ANDERSON ACT

● Mr. McCLURE. Mr. President, one of the issues that the 99th Congress will hopefully complete action on by the end of the session is the renewal of the Price-Anderson Act, which provides for liability coverage in the event of a nuclear incident at a facility either licensed by the Nuclear Regulatory Commission or operated under contract with the Department of Energy.

The renewal of the Price-Anderson Act has been the subject of the business meetings of the Committee on Energy and Natural Resources for the past several weeks. The bill that Senator Simpson and I introduced last year—S. 1225—is the focus of my committee's markup.

Mr. President, it is important to note that, to date, many national organizations have issued formal position statements with respect to Price-Anderson renewal. Among these groups, there are several declarations worth noting as they relate to S. 1225.

The National Governors' Association supports:

First, a liability ceiling for commercial reactors of $2 billion, based on a one-time retrospective premium assessment of no more than $15 million per reactor per incident. If an accident caused damages in excess of the $2 billion, the Federal Government should step in to provide additional means for compensation of victims.

Second, broadening Price-Anderson coverage to explicitly cover nuclear waste activities, and precautionary evacuations.

Third, revising the statute of limitations for extraordinary nuclear occurrences from the present 20 years to a several-year-long discovery rule.

Resolutions of the National Association of Regulatory Utility Commissioners with respect to Price-Anderson renewal endorse:

First, preservation of an upper limit to liability;

Second, adjustment of the liability limit to account for inflation; and

Third, a clear commitment by Congress to fully compensate victims of a nuclear incident.

The National Conference of State Legislatures state in their energy committee resolutions that:

The Federal Government should be responsible for protection of the public against damages and personal injury incurred as a result of an accident in the transportation or disposal of high-level nuclear waste, and that the States should be held harmless for any such accidents.

The American Bar Association supports renewal of Price-Anderson provisions that authorize Federal indemnification of all contractors engaged in Department of Energy work with respect to nuclear activities.

The AFL-CIO fully supports the extension of the Price-Anderson Act beyond its 1987 expiration date.

Given that the interests of these national organizations are often widely divergent, it may seem surprising that their concerns are so similar with respect to Price-Anderson. Let me assure my colleagues that this is no coincidence. Furthermore, it is no coincidence that S. 1225, as written and as it is further evolving during committee markup, closely parallels the positions of these various groups. The explanation for this remarkable consistency can be found by examining the single most important motivation driving the issues: That is, the desire to maximize the protection to the public afforded by the Price-Anderson scheme, while at the same time preserving the key elements of that scheme that allow it to work so well.

I might add that it is also not just a coincidence that movement in the House on Price-Anderson renewal is very clearly in the direction of S. 1225. Given the many varying options, the many different bills, and the many creative proposals floating in the Halls of Congress concerning Price-Anderson renewal, the fact that all these interested parties that I've mentioned are converging on one final target gives me real hope that we will see this bill through Congress this year.

Whereas we are far from finished with the job of fine tuning the Price-Anderson bill, I am confident that the progress we have made so far will continue to drive the process toward a reasonable, balanced, and workable final product.●

NOTICE OF DETERMINATIONS BY THE SELECT COMMITTEE ON ETHICS

● Mr. RUDMAN. Mr. President, it is required by paragraph 4 of rule 35 that I place in the Congressional Record notices of Senate employees who participate in programs, the principal objective of which is educational,

sponsored by a foreign government or a foreign educational or charitable organization involving travel to a foreign country paid for by that foreign government or organization.

The select committee has received a request for a determination under rule 35, for Ms. Patricia L. Lynch, a member of the staff of Senator Dennis DeConcini, to participate in a program in Taipei, Taiwan, sponsored by Tamkang University, from March 28-April 6, 1986.

The committee has determined that participation by Ms. Lynch in the program in Taiwan, at the expense of Tamkang University, is in the interest of the Senate and the United States.

The select committee has received a request for a determination under rule 35, for Ms. Jean Huffer, a member of the staff of Senator Donald W. Riegle, Jr., to participate in a program in Taipei, Taiwan, sponsored by Tamkang University, from March 28-April 6, 1986.

The committee has determined that participation by Ms. Huffer in the program in Taiwan, at the expense of Tamkang University, is in the interest of the Senate and the United States.

The select committee has received a request for a determination under rule 35, for Mr. John Dukakis, a member of the staff of Senator John F. Kerry, to participate in a program in Taiwan, sponsored by Tamkang University, from March 29 to April 6, 1986, and in a meeting with United States and Thai officials in Bangkok, Thailand, sponsored by Refugees International, from April 6 to April 10, 1986.

The committee has determined that participation by Mr. Dukakis in these programs in Taiwan, at the expense of Tamkang University, and in Thailand, at the expense of Refugees International, is in the interest of the Senate and the United States.

The select committee has received a request for a determination under rule 35, for Mr. Ray Bramucci, State director for Senator Bill Bradley, to participate in a program in Taiwan, sponsored by Tamkang University, from March 28 to April 5, 1986.

The committee has determined that participation by Mr. Bramucci in the program in Taiwan, at the expense of Tamkang University, is in the interest of the Senate and the United States.

The select committee has received a request for a determination under rule 35, for Ms. Marilyn Yager, a member of the staff of the Labor and Human Resources Subcommittee of the Handicapped, to participate in a program in Taiwan, sponsored by the Chinese Cultured University, from March 26 to April 5, 1986.

The committee has determined that participation by Ms. Yager in the program in Taiwan, at the expense of the Chinese Culture University, is in the interest of the Senate and the United States.

The select committee has received a request for a determination under rule 35, for Mr. C. Randall Nuckolls, a member of the staff of Senator Sam Nunn, to participate in a program in Taiwan, sponsored by Tamkang University, from March 29 to April 6, 1986.

The committee has determined that participation by Mr. Nuckolls in the program in Taiwan, at the expense of Tamkang University, is in the interest of the Senate and the United States.

The select committee has received a request for a determination under rule 35, for Mr. Jonas K. Bobelis, a member of the staff of Senator Paula Hawkins, to participate in a program in Taiwan, sponsored by the Chinese Culture University, from March 29-April 5, 1986.

The committee has determined that participation by Mr. Bobelis in the program in Taiwan, at the expense of the Chinese Culture University, is in the interest of the Senate and the United States.

OUR NUCLEAR INDUSTRY

● Mr. McCLURE. Mr. President, commercial nuclear power in the United States reached a milestone this month when the Perry One plant in North Perry, OH, went on line, becoming the Nation's 100th commercially operable nuclear powerplant.

In light of that occasion, I would like to spend a few moments to discuss the past, present, and future of our nuclear industry.

For 25 years, nuclear powerplants in this country have operated efficiently, safely, and economically. They provide an alternative to oil and independence from the unstable countries that hold most of the world's reserves.

Despite the exemplary record and obvious benefits to a stable, self-directed future, I am concerned the nuclear power industry in the United States faces a cloudy future.

By 1990, about 120 nuclear powerplants are expected to be operating in this country. But beyond that, there is no new plant construction planned.

While energy supplies are plentiful now, it is well-chronicled that the United States will need more generating capacity in the next decade. In hearings last summer before the Senate Energy and Natural Resources Committee, featuring 32 of the Nation's foremost authorities on electricity demand and energy economics, the majority of witnesses agreed that the country is likely to need new generating capacity early in the next decade. Without it, the Nation could face a shortage of electricity and a return to widespread dependence on oil and gas.

A number of factors have contributed, and continue to contribute, to the uncertain future of nuclear power.

Many plants were planned and started to meet the huge energy demands that grew out of the 1950's and 1960's. The 1973 Arab oil embargo unexpectedly slowed energy growth and caused drastic increases in energy costs, which in turn touched off runaway inflation and higher interest rates. The interest rates hurt large-scale construction projects, including nuclear plants.

In addition, hundreds of new regulations affecting nuclear plant construction have been imposed in recent years. Many of these were imposed retroactively, requiring many utilities to tear out and rebuild already completed systems.

The cost increases that resulted from this one-two punch led some State regulatory commissions to withhold all or parts of nuclear plant investment allowances from utility ratebases, effectively punishing utilities that have already invested to meet future demands. This, in turn, has undermined investor confidence in utility investment and dampened utility incentive to undertake large-scale construction.

The problems of the current generation of nuclear units in the United States, in the words of the Edison Electric Institute Task Force, arise not from the nature of the technology but from the way we have chosen to regulate and manage the country's nuclear enterprise.

Nuclear power is thriving in France, Japan, Sweden, and other countries. It can thrive here too. We must work together to correct the problems that threaten this country's most promising energy option. Letting the industry wither away would be a tragedy of immense proportions.

Let the celebration of the opening of the North Perry plant be the dawn of a resurgence in our nuclear industry, not the swan song of an important technology that can lead the world out of the age of fossil fuels.●

REPORT OF THE SURGEON GENERAL'S ADVISORY COMMITTEE ON THE HEALTH CONSEQUENCES OF USING SMOKELESS TOBACCO

● Mr. LUGAR. Mr. President, I would like to share with all of my colleagues the statements of Surgeon General C. Everett Koop, Senator Hatch, and myself in response to the release of the "Report of the Surgeon General's Advisory Committee on the Health Consequences of Using Smokeless Tobacco." These statements bring to light important information as to the health hazards of smokeless tobacco

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use and I ask that the statements be printed in the Record.

The statements follow:

Statement of Surgeon General C. Everett Koop

This Report on the Health Consequences of Using Smokeless Tobacco completes the Public Health Service's initial examination of smokeless tobacco's role in the causation of cancer, noncancerous and precancerous oral diseases or conditions, addiction, and other adverse health effects. The final copy of the report will be available for distribution on April 1, 1986. Almost 30 years after the Public Health Service's first statement of the health effects of cigarette smoking, it is now possible to issue the first comprehensive, indepth review of the relationship between smokeless tobacco use and health.

Ironically, while cigarette smoking has declined during the past 20 years, the production and apparent consumption of smokeless tobacco products have risen significantly. These increases are in marked contrast to the decline in smokeless tobacco use in the United States during the first half of this century. Indeed, smokeless tobacco products, particularly chewing tobacco and snuff, have recently emerged as popular products for the first time since the turn of the century. National estimates indicate that at least 12 million Americans used some form of smokeless tobacco during 1985 with use increasing especially among male adolescents and young male adults.

The report constitutes a comprehensive review by an Advisory Committee to the Surgeon General of the available scientific literature to determine whether using smokeless tobacco increases the risk of cancer and noncancerous oral diseases, leads to addiction and dependence, and contributes to other health consequences.

After a careful examination of the relevant epidemiologic, experimental and clinical data, the committee concludes that the oral use of smokeless tobacco represents a significant health risk. It is not a safe substitute for smoking cigarettes. It can cause cancer and a number of noncancerous oral conditions and can lead to nicotine addiction and dependence.

The major overall conclusions of this report are the following:

(1) It is estimated that smokeless tobacco was used by at least 12 million people in the United States in 1985 and that half of these were regular users. The use of smokeless tobacco, particularly moist snuff, is increasing, especially among male adolescents and young male adults.

(2) The scientific evidence is strong that the use of snuff can cause cancer in humans. The evidence for causality is strongest for cancer of the oral cavity, wherein cancer may occur several times more frequently in snuff dippers compared to nontobacco users. The excess risk of cancer of the cheek and gum may reach nearly fiftyfold among long-term snuff users.

(3) Some investigations suggest that the use of chewing tobacco may also increase the risk of oral cancer, but the evidence is not as strong and the risks have yet to be quantified.

(4) Experimental investigations reveal potent carcinogens in smokeless tobacco. These include nitrosamines, polycyclic aromatic hydrocarbons, and radiation-emitting polonium. The tobacco-specific nitrosamines often have been detected at levels 100 or more times higher than Government-regulated levels of other nitrosamines permitted in foods eaten by Americans.

Animals exposed to these tobacco-specific nitrosamines, at levels approximating those thought to be accumulated during a human life-time by daily smokeless tobacco users, have developed an excess of a variety of tumors. The nitrosamines can be metabolized by target tissues to compounds that can modify cellular genetic material.

(5) Smokeless tobacco use can lead to the development of oral leukoplakias (white patches or plaques of the oral mucosa), particularly at the site of tobacco placement. Based on evidence from several studies, a portion of leukoplakias can undergo transformation to dysplasia and further to cancer.

(6) Gingival recession is a commonly reported outcome of smokeless tobacco use.

(9) All commonly marketed and consumed smokeless tobacco products contain substantial quantities of nicotine. The nicotine is delivered to the central nervous system in addicting quantities when used in the fashion that each form is commonly used (or as recommended in smokeless tobacco marketing campaigns).

(10) A number of studies have shown that nicotine exposure from smoking cigarettes can cause addiction in humans. In this regard, nicotine is similar to other addictive drugs such as morphine and cocaine. Since nicotine levels in the body resulting from smokeless tobacco are similar in magnitude to nicotine levels from cigarette smoking, it is concluded that smokeless tobacco use also can be addictive. Besides, recent studies have shown that nicotine administered orally has the potential to produce a physiologic dependence.

(11) Since the exposure to nicotine from smokeless tobacco is similar in magnitude to nicotine exposure from cigarette smoking, the health consequences of smoking that are caused by nicotine also would be expected to be hazards of smokeless tobacco use. Areas of particular concern in which nicotine may play a contributory or supportive role in the pathogenesis of disease include coronary artery and peripheral vascular disease, hypertension, peptic ulcer disease, and fetal morality and morbidity.

This report is the work of numerous experts within the Department of Health and Human Services and in the non-Federal scientific community. I express my gratitude for their contributions.

Statement of Senator Orrin G. Hatch

I am pleased to be here today, along with Senator Lugar and the Surgeon General, Dr. C. Everett Koop, to release the "Report of the Surgeon General's Advisory Committee on the Health Consequences of Using Smokeless Tobacco." I believe this report is must reading for the 12 million users of these potentially deadly products.

We have suspected that smokeless tobacco presented serious health risks for more than 250 years, ever since Dr. John Hill described an association between snuff use and cancer. More recently, the National Institutes of Health confirmed those suspicions concluding that "human data provides convincing evidence for an increased risk of oral cancer as the result of smokeless tobacco use" and went on to conclude "that tobacco by the oral route has substantial addicting properties."

This report buttresses the NIH findings. It concludes that oral use of smokeless tobacco represents a "significant health risk." It is not a safe substitute for smoking cigarettes. It can cause cancer. And it can lead to nicotine addiction. These conclusions are based on an extensive review of the relevant epideniologic, experimental, and clinical data by some of this country's most prominent scientists and researchers. This report represents the most extensive review of the health risks of smokeless tobacco products to date.

When most of us think of smokeless tobacco, we think of the professional athletes who endorse them. But we'd better think again—because today it is or children who are using this product. Studies have shown that in some areas up to 21 percent of kindergarteners—I repeat kindergarteners—have tried smokeless tobacco products.

Fortunately, my own state of Utah has set an example for the rest of the country. I'm thankful that we have the lowest rate of smokeless tobacco use and, in fact, the lowest rate or tobacco use in general. This is one of the factors which has lead to Utah having the lowest cancer-related death rate in the country. I hope the rest of the nation will profit from our example.

In response to the consensus on the part of the scientific community as to the health risks of smokeless tobacco products, Senator Lugar and I introduced legislation August 1st last year to place three strong health warnings on smokeless tobacco products and advertisements. Our bill also bans smokeless tobacco advertisements from radio and television, establishes a public education program, and requires that manufacturers make available to research scientists a list of chemical ingredients they use in smokeless tobacco products. I am delighted to say that the President signed our bill into law on February 27, 1986 (P.L. 99-252).

Now that the endorsements by athletes that hooked our children on these poisonsous products are fading from public view, I would like to give equal time some advice given by the Hall of Fame quarterback from the New York Jets, Broadway Joe Namath. During this year's Pro Bowl telecast, Joe confided that he had used smokeless tobacco products for seventeen years. He finally was able to quit, but described it as the hardes thing he had ever done. He then advised others not to repeat the mistake he made by starting. Joe, I know Dr. Koop, Senator Lugar, and so many others are glad to have you on our side as we take the field against these potential killers. I hope your sound advice scores points with young people across America.

Statement of Senator Richard G. Lugar

I am very pleased that the Report of the Surgeon General's Advisory Committee on the Health consequences of Using Smokeless Tobacco has now been presented. I commend the Surgeon General, Dr. Koop, for his forthright leadership on this issue. This report does much to further identify and bring to public attention the unmistakable scientific evidence that oral use of smokeless tobacco represents a significant health risk to our nation and our young people, specifically.

This critical report presents a comprehensive review of the scientific literature and highlights that the use of smokeless tobacco, particularly moist snuff, can cause cancer and that these products contain potent carcinogens at levels 100 times higher than permitted government-regulated levels. The report examines the addictive qualities of smokeless tobacco and cites recent studies indicating that nicotine administered orally has the potential to produce a physiologic dependence.

As the original sponsor of the Comprehensive Smokeless Tobacco and Health Education Act of 1986, P.L. 99-252, I am acutely aware of the need to educate the public as to the health risks associated with the use of smokeless tobacco products. I introduced this measure and worked for its passage because I feel strongly that American citizens, particularly our young people, must be warned about the health hazards of smokeless tobacco use. The bill contains three strong and accurate health warnings:

Warning: This product may cause mouth cancer.

Warning: This product may cause gum disease and tooth loss.

Warning: This product is not a safe alternative to cigarettes.

These warnings are required on packages of smokeless tobacco as well as on print advertising of these products. The bill also bans smokeless tobacco advertisements from radio and television and requires that the ingredients, particularly chemical additives, must be made available to research scientists in order to determine whether they might cause harmful effects in addition to the well documented toxic effects of tobacco. In addition, the bill provides for the development of public education programs to aid in warning the public as to the dangers associated with smokeless tobacco use.

There are currently about 12 million Americans who regularly use smokeless tobacco. Of these 12 million, 3 million are under the age of 21. However, a shocking fact is that a large proportion of our children use this product. A Texas study found that 88 percent of regular smokeless tobacco users started before the age of 15, and 55 percent started before the age of 13. A Louisiana study found that 50 percent of 14 year old youths regularly use smokeless tobacco products. An Arkansas study found that more than 21 percent of the kindergarten children have tried smokeless tobacco products. In Indiana, my home, a survey of 8th to 12th graders indicate that in some classes, up to 47 percent of the male students are users of smokeless tobacco.

These statistics are particularly alarming when examined in the face of the known health risks of smokeless tobacco use. According to the Surgeon General's Report and the National Institutes of Health Consensus Development Statement, "The human data provide convincing evidence for an increased risk of oral cancer as the result of smokeless tobacco use" and the risk increases with increasing duration of snuff use. Moreover, the use of smokeless tobacco is associated with receding gums, periodontal bone destruction, tooth abrasion, and precancerous lesions such as leukoplakia. Finally, most snuff and chewing tobacco contain significant levels of nicotine which is associated with a rise in blood pressure and heart rate, and addiction.

The unquestionable health risks associated with the use of smokeless tobacco products, coupled with the increased use of this product, especially among our young people, can no longer be ignored. I commend Dr. Koop for his timely report outlining the scientific evidence documenting these significant health risks.●

ON THE 100TH ANNIVERSARY OF THE BIRTH OF ATHENAGORAS I

● **Mr. SARBANES.** Mr. President, today marks the 100th anniversary of the birth of Athenagoras I, ecumenical patriarch of Constantinople from his enthronement on January 26, 1949, until his death more than 23 years later on July 6, 1987, and from 1931 to 1949, archbishop of the Greek Orthodox Church of North and South America. It is an occasion well worth marking, for to this day, Athenagoras is remembered and revered as a wise and holy man, a devoted servant of God and shepherd to his flock whose teaching and example reached round the world.

Born in the little town of Vassilikon, in the Epirus region in northwestern Greece, Athenagoras, as a young man, left home to study theology at the Patriarchal Theological School of Halki, near Istanbul. Upon completion of his training in 1910, he was ordained a deacon and appointed to serve as archdeacon of the diocese of Peagonia in Macedonia, where he served until 1918. The following year, he was named archdeacon to Archbishop Meletios of Athens, who subsequently became ecumenical patriarch of Constantinople, and shortly thereafter first secretary of the Holy Synod of Greece. At the same time, he was ordained a priest and began his illustrious service in the Orthodox priesthood that was to span more than half a century.

Three years later, in 1922, he was elevated to the rank of bishop and named metropolitan of Corfu and Paxos. His fame spread throughout Greece during the 8 years he served the Corfu diocese, for in addition to being a spiritual leader, he proved to be an administrator of unusual skill and, in the face of Mussolini's bombardment of Corfu in 1923, a courageous spokesman for his people. His elevation in 1931 to be archbishop of the Greek Orthodox Church of North and South America reflected the admiration and trust which he inspired.

The bright promise of his earlier years was fully realized in his 18 years' devoted service as primate in the Americas. Athenagoras brought new life and spirit to the Orthodox Church in this country, and indeed to the Greek-American community. He traveled the length and breadth of the archdiocese, using his great energy and diplomatic skills to organize Greek Orthodox communities, and enlisting the support of existing Greek-American societies whose friend he became. He devoted special attention to the establishment of eductional institutions: parochial schools where none had existed; the Holy Cross Greek Orthodox Theological School, now a division of the Hellenic College; the Academy of St. Basil; the Ladies' Philoptohos Sisterhood, to function as the philanthropic agency for the archdiocese. At the same time, he reached out beyond the Greek Orthodox community to leaders of other religious faiths and, becoming a U.S. citizen, to the adopted country which welcomed him.

In view of his great accomplishments as archbishop, Athenagoras' election to be ecumenical patriarch of Constantinople, with responsibility for all Greek Orthodoxy outside of Greece itself, was not surprising. Nor was it surprising, in view of the respect and affection which Athenagoras had earned, that President Truman should provide a special plane for the flight of the patriarch-elect to Istanbul in January 1949.

Enthroned as ecumenical patriarch, Athenagoras brought to his great tasks a new vision of peace, harmony, and renewal. Seeking to promote great unity among the world's Orthodox churches, he arranged for an exchange in 1954 between delegations of the patriarchate and those of the Churches of Alexandria, Antioch, Bulgaria, Rumania, Russia, Serbia, and Greece; he himself visited the Holy Land and Egypt in 1959 and met personally with the patriarchs of Antioch, Jerusalem, and Alexandria. In 1963, he made his first visit to Greece as ecumenical patriarch.

In his striving for greater unity the world's Orthodox churches, Athenagoras convened the first Pan-Orthodox Conference in 1961 and the second in 1963, always carrying out with tact and wisdom the sensitive role of the ecumenical patriarch as "first among equals." But his concerns extended beyond the limits of the Orthodox world. Shortly after his election as ecumenical patriarch, Athenagoras had arranged for the partriarchate to join the newly organized World Council of Churches; at the 1961 conference and more specifically in 1963, he raised the question of closer relations between the Orthodox and Roman Catholic churches. In December 1963, having received a cordial message from the newly elected Pope Paul VI, Athenagoras proposed that the two meet in Jerusalem.

The historic meeting took place on January 5 and 6 on the Mount of Olives and marked an important step toward the reconciliation of the two ancient churches, who, the following year, annulled the excommunication which each had placed upon the other at the time of the schism in 1054 A.D. In 1967, the two leaders met again, first in Constantinople and later in Rome. Athenagoras then went on to London for talks with the leader of the Anglican Church, the archbishop of Canterbury, to continue the work, which had begun with their meeting several years earlier in Constantinople, of drawing the two churches closer together.

In the last years, Athenagoras continued the great work to which he had devoted his life. It was said of him

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that "what was considered impossible and utopian became the purpose of his activities and his goal." Beloved by the millions whose spiritual leader he was, revered and respected everywhere, he was truly a visionary leader and a prophet of reconciliation and peace. On the occasion of the 100th anniversary of his birth, he is remembered with deep gratitude.●

BIELORUSSIAN INDEPENDENCE DAY

● Mr. SIMON. Mr. President, today is the 68th anniversary of Bielorussian Independence Day. I am pleased to recall this anniversary in honor of the brave Bielorussian people who are still fighting for their national and cultural independence.

When we think of the Soviet Union, too often we focus on the major power struggles between Moscow and Washington, or between top Communist Party officials vying for control. Many of us still use "Russia" interchangeably with "Soviet." But of the 15 republics comprising the Soviet Union, 14 are non-Russian. There are hundreds of different languages and nationalities, and we must never forget that the non-Russian peoples' traditions and liberties are sharply curtailed and in some cases forbidden by Moscow.

We ought to pay particular attention to the American Bielorussian community's suggestions for easing the plight of their compatriots under Soviet control. We ought to try and get an American consulate opened in Minsk, the capital of Bielorussia. We should encourage the United States Information Agency to include Bielorussian and other non-Russian groups in the new Cultural Exchange Agreement. And we should broadcast in the Bielorussian language to the 10 million Bielorussians over the Voice of America, a decision long overdue.

We must not forget the captive nations under Soviet domination. We must continue to bring attention to their yearnings for freedom. Mr. President, I ask that the letter from the Bielorussian Congress Committee of America be printed in the RECORD.

The letter follows:

BYELORUSSIAN CONGRESS
COMMITTEE OF AMERICA,
Queens, NY, March 14, 1986.

Hon. PAUL SIMON,
U.S. Senate,
Washington, DC

GENTLEMAN: The American citizens of Byelorussian origin will celebrate on March 25, 1986 the 68th anniversary of the declaration of independence of the Byelorussian Democartic Republic. This event reflects the desire of the Byelorussian people for freedom and national independence. The following presentation gives a short historical background of the events that led to the declaration of independence with the present day implications.

The Tsarist Russian Empire collapsed at the end of World War I, in March, 1917. At the favorable moment simultaneously with other Captive Nations, Byelorussia restored its natural soverignty.

After extensive preparatory activities by many organizations, the First All-Byelorussian Congress assembled in Minsk on December 14, 1917. The Congress consisted of 1,872 delegates democratically elected from all regions of Byelorussian ethnographic lands. This Congress was a national constituents whose goal was to establish the statehood of Byelorussia Bolshevik-Russian delegates were in small minority and were not able to influence the congressional decision. After the Congress had chosen independence for the Byelorussian state, the Soviet Russian troops dispersed it on December 18, 1917.

The next day, the Congress reconvened and delegated its rights and authority to the Council of Congress. On March 25, 1918, this enlarged Council proclaimed independence of the Byelorussian Democratic Republic. This Republic was recognized de jure by Austria, Estonia, Czechoslovakia, Finland, Georgia, Latvia, Lithuania, Poland, and the Ukraine. It was recognized de facto by Bulgaria, Denmark, France and Yugoslavia.

In direct opposition to this independent Byelorussian state, the Soviet Russian government created the Byelorussian Soviet Socialist Republic (BSSR). This puppet state was created and its government was selected in Moscow. Proclamation of the BSSR rook place in the conquered, at that time, city of Smolensk, on January 1, 1919. Subsequently, the Soviet Russian Army engaged in aggression against Byelorussia. In the northeastern part of the country, armed fighting against Soviet Russian armies was directed by Major-General Bulak-Balakhovich. But, his armed forces finally were defeated by the Russians and he retreated to Estonia in 1920.

The severe fighting developed in the southeastern part of the country, directed from the city of Slutsk. However, without any outside help, the Byelorussian division of Slutsk was not able to stop the invasion of the Red Russian armies and on December 28, 1920, it retreated to the west, crossing the Polish border.

This was the time when Soviet Russia tried also to occupy Poland. But after being defeated at Warsaw on August 17, 1920, Russia concluded a peace treaty with Poland in Riga on March 18, 1921. The Moscow government, with representatives from the BSSR, partitioned the territory of Byelorussia as follows: the BSSR was allotted a territory of six counties of the Minsk district only, with a population of approximately 1.2 million; Poland received around 100,000 sq. km. of Byelorussia with a population of approximately 4.0 million; approximately 250,000 sq. km of Byelorussian territory with a population of over 9.0 million was annexed directly to the Russian SFSR. In this way the Soviet Russian government brutally suppressed the desire of the Byelorussian people for self-determination and independence.

After all non-Russian independent republics were conquered and destroyed by Soviet Russian armies and the Kremlin created the puppet Soviet Socialist Republics, the Moscow government started the campaign for a formal unification of these national republics and for a complete administrative subordination to the centralist government in Moscow. Lenin and Stalin were instrumental in accomplishing this goal. The session of the Central Committee of Russian Communist Party (Bolsheviks) on October 6, 1922 adopted the draft by Lenin formulating the creation of the USSR. The 4th Assembly of the Soviets of Byelorussian SSR, as an obedient body to Moscow rule, adopted the declaration for the necessity of creation of the USSR. On December 30, 1922, the Moscow selected representatives of the BSSR, together with similar representatives of other Soviet Republics, signed the Declaration and Agreement formally establishing the USSR.

Economic chaos and internal resistance to the communist policies in 1921-1922 forced the Moscow government to deviate from communist program and introduce a more liberal New Economic Policy (NEP). The NEP also included substantial concessions to the national culture, education, etc. for non-Russian nations. According to this, in 1924, a number of districts from Homel, Smalensk, and Vitsebsk provinces were ceded by Russia to the BSSR. In 1926 the counties of Homel and Rechytsa were ceded by Russia to the BSSR. At that time, the population of the BSSR reached 5 million. However, about half of the Byelorussian ethnographic territory still remained inside of the Russian SFSR.

Having established its power in the USSR, the Bolshevik government of Moscow in 1929 drastically changed its relatively liberal NEP into a communist policy of severe national persecution and economic exploitation. The first Five Year Plan inaugurated in 1928 signalized this basic change. It started with the annihilation of Byelorussian leaders. In 1928 J. Adamovich was removed from the post of Chairman of the Soviet People's Commissars and sent into banishment. In 1929 A. Balicki was removed from the post of Commissar of Education, D. Pryshchepav was removed from the post of Commissar of Agriculture, the known scientist V. Lastouski was removed from the post of Secretary of the Byelorussian Academy of Sciences, and Prof. S. Nekrashevich was removed from the post of Vice President of the Academy. Thousands of scholars, writers, teachers, state officials, and even students, were arrested, murdered in jails, or deported to concentration camps. Subsequently, Byelorussians were constantly removed from all leading posts in the country and replaced by non-Byelorussians.

At that time, forced collectivization of agriculture was introduced into BSSR. The Byelorussian peasants were distinguished by their traditional attachment to private property. They offered firm resistance to collectivization. The Moscow government applied mass and ruthless terror. The more prosperous peasants, over 1.5 million, were arrested and deported to the concentration camps in the forests of Siberia and deserts of Kazakhstan. In this way the collectivization of the individual farms was conducted in BSSR over several years and completed only in 1937, four years later than projected in the 1930 plan.

The waves of mass arrests, executions and deportations were systematically occurring all over Byelorussia. In 1930-1932 the countless intellectuals were arrested, among them Dr. A. Cvikievich, former Prime Minister of the Byelorussian Democratic Republic; the scholar V. Lastouski; the geographer A. Smolich; agronomist D. Pryshchepav; the scientist S. Niekrashevich. They were charged with belonging to an illegal organization (in reality nonexistent), the League

for the Liberation of Byelorussia from Soviet domination.

In 1933-1934, among the many arrested, all were former Byelorussian members of the Polish Parliament who sought political asylum in the BSSR. They were accused of belonging to the nonexistent Byelorussian National Center, of cooperating with the Polish General Staff and the Ukrainian National Center.

In 1936-1937 over 90 poets, writers, composers, dramatists, artists, and professors were arrested. Among them were such great talents as U. Dubouka, Ya. Pushcha, M. Zaretski, C. Dudar, U. Zhylka, M. Hatetski, B. Klashtorny, M. Charot, and many others. Among the most famous Byelorussian scientists, professors, and academicians arrested were Epimakh-Shypila, Douna Zapolski, G. Haretski, Krutalevich, Dydyrka, J. Zamotsin, Piatukhovich, and many others, altogether over 50 men. At that time, tens of thousands of Byelorussian teachers, agronomists, physicians, engineers, lawyers and students were arrested, executed or deported to concentration camps.

In 1938 arrests were carried out on a large scale among the Byelorussian Communist high officials. A. Charviakov, President of BSSR; M. Haladzied, Chairman of the Council of People's Commissars of BSSR; I. Ubarevich, Commander of the Byelorussian Military District; B. Sharanhovich, the First Secretary of the Central Committee of the Byelorussian Communist Party were all arrested and killed. The entire Central Committee of the Byelorussian Communist Party was purged in 1938. Many thousands of Byelorussian government officials were liquidated. They were replaced by non-Byelorussians.

Religious life was attacked by Bolsheviks ruthlessly. The Assembly of the Clergy and Laymen on July 23, 1923 in Minsk, proclaimed formation of the Autocephalic Byelorussian Orthodox Church to secure independence from Moscow Patriarchate. However, the elected Head of the Church, Metropolitan Melkhisedek, was summoned to Moscow, imprisoned and died under mysterious circumstances. Bishop Ioan of Mazyr died in a concentration camp, Bishop Filaret of Babruysk and Bishop Mikalai of Slutsk died in prison. Subsequently, all 2,000 clergymen were executed or deported to concentration camps. 2,500 churches and 23 monasteries were ruined or closed. By 1937, the Orthodox Church in BSSR was destroyed completely. A similar fate had met the religious life of all other demoninations and church organizations.

After the liquidation of the NEP, the Moscow government started an intensified campaign for Russianization of the Byelorussian people and their country. To bring the Byelorussian literary language closer to Russian, on August 26, 1933, changes in Byelorussian grammar and orthography were introduced.

The Moscow government removed from circulation and destroyed all ethnographic and patriotic Byelorussian books and periodic publications. For this purpose in 1935, a secret catalogue was printed, "Joint Control List of Publications of the Byelorussian State Publishing House", in an edition of 500 copies for use only by the Communist Party members. According to this publication, in the year 1935 alone there were destroyed 1,778 listed titles of books and magazines in a total amount of 12 million copies. Instead, Byelorussian was flooed with Russian publications of classical literature and Communist propaganda.

On March 13, 1938 by a Moscow governmental decree, the study of the Russian language was made obligatory in the schools of Byelorussia and the other national republics of the USSR. Immediately a final Russianization of schools was pursued. The language of instruction in all universities and in almost all high schools and grammar schools was made Russian. The Russian language was introduced into cultural life, administrative offices, commerce, communications, armed forces, etc.

The Moscow government commenced to liquidate the cultural achievements of the Byelorussian people created in the historical past. Many architectural and religious monuments, cathedrals, churches, and monasteries, were ruined completely. Even after World War II at the Freedom Place in Minsk, the Roman Catholic Cathedral and a medieval city hall tower of the specific Byelorussian architecture were destroyed. Buildings in Byelorussia were erected in the uniform present Russian style.

The names of towns, streets, institutions, schools, etc., are dedicated to the Russians or international Communists. The university in Minsk is dedicated to the Russian Communist Lenin; the military school in Minsk is dedicated to the Russian czarist General Syvorov; the prospect in Minsk is dedicated to the Russian poet Pushkin. In Byelorussian towns and cities many monuments were erected and dedicated to the Russian personalities.

After the occupation of Western Byelorussia in 1939, the Soviet government of Moscow immediately deported more than half a million of its population to the concentration camps of Siberia and Kazakhstan.

During World War II, the Soviet Russian guerrillas were murdering, as a rule, Byelorussian teachers, officials, writers, farmers, priests, and all relatives of those who held any position in national Byelorussian life.

Despite mass terror and huge devastation of Byelorussian population by Soviet Russia, the Second All-Byelorussian Congress held, at the time of the German departure on June 27, 1944 in Minsk, the activities of the Byelorussian Central Council, and the armed fight of the Byelorussian National Guard against Soviet Russia for independence for native country, gave the best proof for the real desire of the Byelorussian people. Therefore, after the occupation of Byelorussia in 1944, the Russian government used its mass deportations, public hangings, and executions by shooting of the Byelorussian national and cultural leaders, workers, and peasants.

During World War II, the All-Byelorussian Orthodox Church Assembly convened in Minsk on August 30, 1942. This Assembly, composed of bishops, priests, and laymen, restored the Autocephalic Byelorussian Orthodox Church and requested the Patriarch of Constantinople to grant the required Thomos. The believers in Eastern Byelorussia began to repair and restore churches and to renew services as well as the entire religious life. However, after the occupation of Byelorussia in 1944, the Soviet Russian government liquidated the Byelorussian Church. Byelorussian bishops were forced to leave the country, many priests were executed or deported to concentration camps, and many parishes were closed. All existing churches in Byelorussia were subordinated to the Patriarch of Moscow and Russianized.

During 68 years of occupation, the Moscow government has annihilated over 6 million of the Byelorussian population. The barbarian massacre of 35,000 Afghan civilians during 1985 by Soviet Russian troops, according to the United Nations report of February 26, 1986, represents only a small part of the mass annihilation perpetrated by Russian Bolsheviks on the Byelorussian people. Nearly 5 million Afghans were able to flee from the Soviet Russian terror and presently are living abroad, according to the same report. Byelorussians, however, being encircled by Russian occupiers, have not had such a lucky possibility and were murdered or deported to concentration camps for exploitation or an early death.

The desire for freedom of oppressed by Soviet regime nations and nationalities is a common phenomenon. The latest refusniks, arriving to the Free World, are persistently stating that "this is the ecumenism of the Gulag, the universal solidarity of the yearning for freedom" (Chicago Tribune, Feb. 25, 1986). Two youths from Minsk, the Byelorussian capital, tried to flee the USSR in a dinghy via Estonia to Finland. However, they were caught by Soviet Russian Coast Guard patrols (Chicago Tribune, Jan. 29, 1986). Their future will be very sad.

It is hard to believe that the genocidal policies of the present Soviet Russian government will be able to eradicate the desire of the Byelorussian people for national independence. The historical past is convincing that at the suitable opportunity, Byelorussians will again commence the military fight for their liberation.

Very truly yours,
MICHAEL SIENKO,
Secretary.
JOHN KOSIAK,
President.●

GREEK INDEPENDENCE DAY

● Mr. SIMON. Mr. President, today we celebrate the 165th anniversary of Greek independence. After the fall of the Byzantine Empire in 1453, the Greek people lived for almost 400 years under Turkish domination. With determination and courage, the Greek people kept the spirit of freedom alive and finally regained their independence in 1827.

In 1814, Greek merchants formed a secret organization to plan an uprising of all Greeks of the European section of the Sultan's empire. In 1821, a revolution began in the Piloponnese, Central Greece, and the Aegean Islands. Europeans, as well as Americans, joined in the fight for Greek independence. Many of them went to Greece to fight with the Greek armies. Special committees were established in various European countries to collect money and supplies for the Greek army. Thousands of people backed the Greek cause.

With the attack of a Turkish fleet at the Battle of Navarino on October 20, 1827, the Sultan was forced to concede national political independence to Greek revolutionaries. The struggle by the Greek people to regain their freedoms and values was finally over. As Americans, we pay tribute to the Greeks for their dedication and perseverance.

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Greek Americans have made significant contributions to our society. In early history, the Greeks established the basis of our present-day form of democracy. The Greek people have enhanced all areas of our lives, including art, architecture, literature, and science. They continue to contribute to the growth and prosperity of our country.

During a recent trip to Greece, I met with Prime Minister Andreas Papandreou, as well as several other Greek officials. I discussed possible solutions to the Cyprus situation with Prime Minsiter Papandreou and opposition leader Constantine Mitsotakis. We agreed that the problems between the Turkish-Cypriots and the Greek-Cypriots are not insoluble. A solution can be reached if both parties are willing to negotiate, and the United States can offer its support for peace in Cyprus.

In the spirit of Greek Independence Day, it is appropriate that we give thanks for our freedoms and independence in America and recognize the significant contributions to our society by the Greek people.

Mr. President, I would also like to take this opportunity to commemorate the late Patriarch Athenagoras I on the 100th anniversary of his birth. Greek Orthodox communities all across America are also celebrating this anniversary today.

The late patriarch was beloved by his followers. As patriarch, he met with Pope Paul VI and what followed was the end of 933 years of mutual excommunication between the two Sees of Christendom. During the years 1931–48, when he was archbishop of the Americas, the Greek Orthodox communities organized systematically. In that period, several eminent organizations were founded in the United States, including the Ladies Philoptochos Society, the Holy Cross School of Theology, and St. Basil's Academy.

On March 25, the 100th anniversary of the birth of the late patriarch, it is indeed proper that we recognize the tremendous faith and vision of the late patriarch and join in the celebration of the Greek Orthodox communities of America.●

NAUM AND INNA MEIMAN

● Mr. SIMON. Mr. President, I would like to call my colleagues' attention to the case of Naum and Inna Meiman, Soviet Jews who want desperately to leave the Soviet Union.

The Meimans are a warm, compassionate couple, who have done nothing which is illegal under Soviet law, yet they are treated like criminals. In the past, Naum's phone has been cut off, and almost all his mail continues to be confiscated. He has been kept from pursuing his profession as a scientist, and has been isolated from the scientific community. Inna has been subjected to inhumane treatment. She has had to endure four painful operations to remove cancerous growths on her spine. Modern, more sophisticated medical treatment is available in the West which could help Inna's condition. However, the Soviets continue to refuse to allow her to travel to the countries which offer this advanced treatment. The Meimans deserve to live the rest of their lives as comfortably and peacefully as possible.

I implore the officials in the Soviet Union to let the Meimans emigrate to Israel.●

THE ENDURING MYSTERY OF MIDDLETON PLACE

● Mr. HOLLINGS. Mr. President, the April 1986 issue of Historic Preservation, the monthly magazine of the National Trust for Historic Preservation, features an excellent article by Charles Fenyvesi entitled, "The Enduring Mystery of Middleton Place." This beautiful Charleston plantation, along the Ashley River, was laid out in 1741 and, as Mr. Fenyvesi notes, "Quickly earned a reputation on both sides of the Atlantic as the premier garden of the 13 colonies." The core of the Middleton estate has never been deeded out of the family that founded it 10 generations ago.

Let me remind the Senate of the Middletons of South Carolina. The founder of the Middleton Place, Henry Middleton, was President of the first Continental Congress. His son Arthur signed the Declaration of Independence. Two generations later, Williams Middleton signed the Ordinance of Secession, and then fled the plantation as General Sherman's troops advanced and destroyed most of the great house of the estate. Later, Judge Henry Augustus Middleton Smith resolved the Middleton Place would not be sold when many of the surrounding large holdings were broken up.

Charles Duell took over Middleton Place in 1969 and has continued the restoration started in 1925 by his grandparents, Mr. and Mrs. J.J. Pringle Smith. Over the last 17 years he has further restored the house, rebuilt the gardens to their original specifications, and the stableyards are now alive with farm animals and authentic farm implements of a South Carolina rice plantation. We are all indebted to Charles Duell for his uncompromising efforts in maintaining a meticulous, balanced, and systematic program of reclaiming Middleton's glory that attracted more than 100,000 visitors in 1985.

Mr. President, I wish my colleagues could see the lovely pictures that accompany this fine article about a South Carolina treasure. Mr. Fenyvesi's text paints vivid pictures in our mind as he describes the plantation, and I ask that the article be printed in the RECORD for the information and enjoyment of my colleagues.

The article follows:

THE ENDURING MYSTERY OF MIDDLETON PLACE

AT THIS ANCESTRAL CHARLESTON PLANTATION, CHARLES DUELL UPHOLDS AN UNBROKEN TRADITION OF STEWARDSHIP

(By Charles Fenyvesi)

By all the rules of financial wisdom, the North American continent's first great French-style formal garden should have been wiped off South Carolina's map long ago.

The elaborately geometrical garden of the Charleston plantation known as Middleton Place was laid out in 1741, when George Washington was 9 years old, and it quickly earned a reputation on both sides of the Atlantic as the premier garden of the 13 colonies.

But the garden became an anachronism after the Civil War. Without slaves to do the tedious work of planting and harvesting rice, the vast Ashley River plantation was no longer profitable, and its owners could not afford such extravagances as maintaining a formal garden on close to a hundred acres. Furthermore, fires set by General Sherman's troops had destroyed most of the great manse that presided over the estate.

Over the next several decades, many southern planters in similar predicaments sold old family properties, some of them to Yankee industrialists. Amazingly, however, the core of the Middleton estate has never been deeded out of the family that founded it 10 generations ago, in the 1690s. And the garden, though at times neglected and often out of fashion, escaped the bulldozers of progress.

When Charles Duell took over Middleton Place in 1969, some of his friends and business associates suggested he sell what had by then become a choice suburban location. One counseled that, given his business expertise, he himself ought to turn his unproductive ancestral domain into a goldmine of a housing development. Another suggested he build a prestigious residential community with the famous garden as an inviting centerpiece. One early offer he declined was $7.5 million for 700 of the 6,545 acres he inherited. Indeed, more than one of his neighbors along historic Ashley River Road had turned acreage into housing—causing great concern among preservationists and planners alike.

Instead, Duell, then 31, took up where his maternal grandparents had left off in renovating the garden and the buildings, beginning a meticulously balanced, systematic program of reclaiming the glory that was Middleton.

"We were land poor then, and we are still land poor," he says. "Most of our wealth is in land. We have to keep borrowing and begging. We have to be careful how we spend our funds."

He shrugs when asked if it had ever occurred to him to listen to the siren song of real estate profits. "It sounds corny," he says, "but I have a strong sense of history, which I think is essential to our psyche, to a happy way of life, because it provides a continuum instead of a vacuum. We mustn't lose where we are coming from. I don't want any aspect of Middleton Place to lie fallow. We should let the various parts of the Middleton story unfold. I believe in the idea of

stewardship—and I am now the steward of Middleton Place."

His role models were both numerous and illustrious. Founder Henry Middleton served as royal commissioner of Indian Affairs and became president of the first Continental Congress. His son Arthur signed the Declaration of Independence. Two generations later, Williams Middleton signed the Ordinance of Secession and had to flee Middleton Place in the face of the Union Army, which sacked and burned his plantation in 1865.

Soft-spoken, reticent and almost shy, Duell is an activist rather than a promoter—an "American squire," one writer called him. He is that, with appropriate interests in riding, foxhunting, French civilization and the pursuit of excellence.

At 47 he is slender, handsome and athletic, and the image of a successful businessman. He serves on the executive boards of a number of corporations and nonprofit organizations includng the National Trust. Although he is very much a businessman, he identifies his occupation as "historic preservation."

His speech has just a suggestion of a South Carolina drawl, which he acquired during the summers he spent with his grandparents at Middleton Place and through his residence in the state for the past 20 years. He was born in New York, where his father had been in publishing. His mother, Josephine Smith, was the belle of Middleton Place when she met C. Halliwell Duell, then touring with the Yale Glee Club.

Charles Duell, too, was educated at Yale, where he majored in English. After a tour around the world and two years of studying history and international law in Paris, he embarked on a career in banking, estate planning and investment. He earned his stripes at Morgan Guaranty Trust in New York City.

He says that the decision to hold on to Middleton no matter what was made by his great-grandfather, Henry Augustus Middleton Smith—a Greek and biblical scholar and a federal judge. "He was my hero, though I didn't know him," says Duell. "He was a 19th-century character, a vast landowner, a historian, a distinguished federal judge and a man of vision."

Restoration of the garden and the southern flank of the great house—all that remained after Sherman's visit—began under Judge Smith's son, J. J. Pringle Smith, and his Virginia-born wife, Heningham Lyons Ellett. In 1924 the young couple moved from a Charleston townhouse to Middleton Place, which was then in disrepair and virtually out in the wilderness. The house had no electricity, no telephone. There was no mail delivery, and the dirt roads were often impassable. The garden was in a pitiful state of neglect. Acres of honeysuckle had to be rooted out, and the prunings from the overgrown ornamental shrubbery amounted to a forest. The Smiths replaced some of the shrubs, reseeded the lawns and rebuilt the artificial ponds.

"My grandparents did a lot," says Duell, "particularly my grandmother. By occupational necessity, she was a pruner. We live in a climate where you are required to be a pruner, and you get more experience cutting vegetation than in planting it."

After his grandparents died, Duell's first move was to keep improving the garden, open to the public since the 1930s. Visitors were impressed with the spectacular views of the river and the ponds, and they enjoyed looking at the gardens built at various levels. The allees of magnolia, camellia and crepe myrtle were irresistible. Even without the circles, triangles and rectangles outlined in the tourist brochures, visitors could sense the grand design which united all the elements.

But there was plenty of work left for Duell. The house needed more repairs. In the garden a good number of the original pathways had to be found, cleared and sometimes rebuilt. Planting several of the self-contained gardens had yet to be completed.

Duell recalls the disappointed faces of visitors walking to the garden through the empty stableyards. There were no farm animals and no farm implements. What had once been the kitchen garden was now a weed patch.

Duell consulted with scholars to identify the authentic elements of a South Carolina rice plantation. He began collecting old ploughs and flails, carpenter's hand tools and blacksmith equipment, carriages once pulled by horses and mules, and cypress dugouts used in paddling through rice fields and marshes.

Now, two decades later, the stableyards are alive with sheep, goats chickens, ducks, pigs, horses and cows. Whenever possible, they are authentic. The cattle for instance, are Devons and Jerseys. The shortlegged Devons were the first breed imported from England; the Jerseys came a little later to improve the milk.

The sheds are now filled with preindustrial agricultural implements found in or around various buildings of the estate, bought at auctions or borrowed from museums.

Studying old farm textbooks, Duell came to realize "the incredible number of things made on the plantation—like nails, hinges, candles, cloth." He decided to recruit craftspeople—a weaver, blacksmith, cooper, carpenter and potter—to make use of the tools and to give craft demonstrations in the sheds of the stableyards. They agreed to work with pre-industrial material and technology—without electricity and without synthetics.

"We don't miss electric motors or plastic pails," said Kurt Krucke, manager of the stableyards. "I wish we could be even more self-sufficient." Weaver-in-residence Holly Retter calls the plantation "a refuge for craft people."

In 1983 Duell deeded over the garden and the buildings—110 acres—to a not-for-profit charitable institution he created, called Middleton Place Foundation. He is president and general manager.

The foundation has been instrumental in retrieving a large number of original artifacts from Middleton descendants throughout the country, such as a pierced cake basket of silver, made in 1810, and a pair of mahogany side chairs. Duell takes great pride in the fact that today 95 percent of the objects exhibited in the old manor—furniture and china, books, paintings, etchings, letters and clothing—are original family possessions.

The donations are tax-deductible, and every year brings more of them. Antique dealers from as far as Baltimore and New Orleans are on the lookout for Middleton pieces—anything with the Middleton coat-of-arms—any letter or note written by a Middleton. "We keep finding things," Duell says. "The search is like looking for pieces of a puzzle."

He has been able to track down more than 400 Middleton descendants, now living throughout the country, and 300 of them are foundation members.

Restoring the garden posed the biggest and most complex puzzle of all for Duell. Should he be faithful to the original 18th-century grand design of French formality and throw out new plantings and design changes made in the 19th century? Should he dilute the pure classicism of Louis XIV's century with the romanticism of Queen Victoria's time or with the informality of American plantings? Should he seek to cater to our contemporary sensibility? Or, going a step further, should he not restyle the garden to suit his own preferences?

Of all the building arts, gardens are the most open to change. Every spring brings planting fever, and it is no plagiarism to adopt a neighbor's way of massing daffodils and squills, or arranging epimediums and hostas. Gardening invites imitation. There is nothing sacred or even permanent about the shape or the location of a flowerbed, and there are no gardening rules that can't be guiltlessly violated.

Gardeners question whether a garden ever needs to be kept as unchanging, as static as a museum. Gardens are displays of what is the best and the latest in plant breeding, and it seems strange—almost unnatural—to limit one's choices to one historical period. Why did the Middleton gardens never change?

No one knows the answer, but it never occurred to Duell to update the garden of his ancestors.

In most cases, he loyally returned to what he acknowledges as "the stilted formality of 18th-century France." And he cheerfully accepted what he calls "the almost reactionary love for the geometric form." He has removed much 19th-century plant material, particularly azaleas, replacing them with what was in vogue in the 18th century.

In the rose garden his goal was to concentrate on varieties popular in the 18th century. No modern hybrids grow there, and the result is a fragrant garden—an evocation of the perfumed South.

In a similar vein, the flowers planted—tulips, marigolds, ageratum, periwinkle and begonia—are in masses of either white or blue or yellow. There are no mixed borders—the hallmark of a contemporary garden.

On the other hand. Duell left intact an entire hillside of azaleas, in shades of pink and red, planted in the 19th and 20th centuries. There is no pat answer to the question whether to restore to one point in time or to reflect the entire evolution of a place." he says. "At one time people thought that we must restore everything as it was at one particular time. Then the pendulum swung to the view that you have to preserve the total evolution.

"We looked at the soul of the property and found that broad period that mattered most. The house didn't just serve one generation but enjoyed an evolution.

"But I can also envisage the opposite: a house that screams for the period in which it was built. If people try to follow one rule, they can lose the guts of a place."

Duell's ultimate goal is "to unfold all aspects of the story of a self-sustaining economy and a unique way of life." Still on the drawing board are plans to demonstrate how rice was cultivated and harvested, but he is undecided about rebuilding the great house.

Duell feels the need for more research and more financial preparation. This past year the foundation hired an ornithologist

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to survey the wildlife, as well as a nationally known chef, Edna Lewis, to prepare authentic early American dishes at the restaurant next to the stableyards. The foundation's budget has grown to $1 million, generated from admission charges and private donations. In 1985 there were more than 100,000 visitors.

Colonial Williamburg is the closet thing to a model Duell has had in mind. But perhaps more critical is the negative model: to avoid creating a Disneyland.

"We have no petting zoo and no period costumes," says spokeswoman Rosemary Hertel. "Nobody here is playing Scarlett O'Hara."

Duell disregarded the advice of some of his preservationist friends in building a thoroughly contemporary 55-room inn on his property, a stone's throw away from the 110-acre historical core he donated to the foundation. Overlooking the river, the inn consists of four clusters of guest rooms, a lodge and a conference center. The boxy style features plenty of decorative flourishes, lots of concrete, but combined almost playfully with Italian marble. The interiors are of oak, cypress and pine.

Duell opted for modern design instead of Jacobean or Georgian styles because Middleton "cried out for the best of the 20th century." A winding path connects the inn to the garden; the transition from the 20th to the 18th century is pleasant, with the timeless river in constant view.

Duell says that while he does not intend to make a financial killing, he does want to earn enough money to pay his taxes and to help keep up the foundation. The inn is a money maker, and the plans to build "a small neighborhood of well-built houses" in another part of his estate. There are still more than 6,000 acres left—land now even more desirable than it was 20 years ago.

The homesites, ranging from an acre to 2½ acres, are not visible from the historic core of the property and are priced between $75,000 and $100,000. The density is one house for every six acres. Architectural guidelines call for simple design and colors that blend with the surrounding woods, and all plans must be approved by an architectural review board. No more than five sites are scheduled to be sold in a year for the next five years.

And so, gently, Charles Duell is adding his own imprint to Middleton Place. But the sprawling ancestral home remains essentially intact, and still full of mystery.

Why would a plantation owner spend vast sums of money to carve out of the South Carolina wilderness an exquisitely formal French garden? Then, one wonders, why didn't the founder's 19th-century descendants follow fashion in replacing the relentlessly symmetrical 18th-century design with the so-called natural landscape advocated by Capability Brown and other English landscapers? Finally, why did the family so stubbornly refuse for so many years to sell or develop the land?

Surely such questions confronted every generation at Middleton. The answers may be lost forever, yet the tradition lives on.

Getting There: Middleton Place and the Middleton Inn are located 14 miles northwest of Charleston, S.C., on Scenic Highway 61. The gardens are open every day from 9 to 5. For information call (803) 556-6020.

(Charles Fenyvesi is a writer with U.S. News and World Report. His gardening column appears weekly in the Washington Post.) ●

CONGRESSIONAL CALL TO CONSCIENCE

● Mr. KERRY. Mr. President, I am surely not the only one of my colleagues who was deeply moved by the Soviet Union's release of prisoner of conscience Anatoly Shcharansky. When Mr. Shcharansky walked across the Kleinicke Bridge last month, he breathed freedom after suffering for 3 years in prison and 5 years in a labor camp.

While Anatoly's step to freedom was a giant one, it represented only a small step forward for Soviet Jewry as a whole: Some 20,000 refuseniks have yet to take that precious walk across the Kleinicke Bridge. Their lives in the Soviet Union continue to be filled with harassment, isolation, loss of employment and inability to practice freely the laws and customs of the Jewish religion.

Rather than viewing Mr. Shcharansky's release as the ultimate triumph for the Soviet Jewry movement, we must mark the beginning of our renewed struggle on behalf of all prisoners of conscience. In the words of my friend and colleague, Prof. Alan Dershowitz, who was Shcharansky's American attorney, "We must take no more than one moment to celebrate and then get back to the struggle."

I rise today to call attention to the tragic plight of the Latinsky family. Iosif and Olga Latinsky, and their 10-year-old daughter Anna, have applied for and been denied exit visas numerous times since 1979. Their crime? The Latinsky family wants to exercise two rights guaranteed them by the Helsinki accords: The right to practice freely their religion and the right to emigrate to the country of their choice.

As a result of the Latinskys' application to emigrate, Iosef was fired from his job as an illustrator of children's books. Olga lost her job as a high school mathematics teacher, and was forced to take another one which pays only 100 rubles a month. After appealing their case before Soviet officials, the Latinskys received typical refusenik treatment: their telephone was cut off; they are continually harassed, and subject to intense scrutiny.

I ask you Mr. President, how can the Soviet Union oppress their citizens like this, and continue to claim that the treatment of Soviet Jewry is an "internal matter"? I join with my colleagues in claiming that we will continue to condemn these intolerable conditions until our voices are not only heard, but heeded, in the Soviet Union.

My letters may go unanswered and my requests may be denied. But as long as families such as the Latinskys continue to be denied their basic human rights, I will not cease to struggle on their behalf.

So long as the Soviet Union cannot provide its own people with the human rights they are entitled to, there will continue to be many people in that land who wish to emigrate and are kept there solely by government restrictions and repression.

It is our mutual responsibility to work for the day when all men and women will be free to live where they wish, and as they wish, to worship how they wish, under a government that they have chosen.

Until the day they are free, let us not forget the Latinskys.●

CONTROLLING ACID RAIN

● Mr. D'AMATO. Mr. President, I rise today in support of S. 2203, legislation to control acid rain. I commend my distinguished colleague, Senator STAFFORD, chairman of the Committee on Environment and Public Works, for his leadership on this issue.

I am also a cosponsor of two other acid rain bills, S. 52 and S. 283. Both of these would require a ten-million-ton per year reduction in sulfur dioxide emissions. As I have stated on several occasions, I am willing to support any reasonable proposal to address the acid rain problem. It is an urgent problem which demands immediate attention.

S. 2203 is stronger than previous acid rain proposals in several respects. In the past, attention has been focused specifically on sulfur dioxide. Although recent research on this issue has made the case against sulfur dioxide even more convincing, it has implicated other airborne chemicals as well. Therefore, I am pleased that S. 2203 proposes reductions in not only sulfur dioxide, but also oxides of nitrogen, ozone, hydrocarbons, and carbon monoxide.

I am also pleased that S. 2203 expands our focus. Acid rain is a growing concern in the State of New York, not only for its detrimental effects on aquatic chemistry and life, but also for the increasing appearance of problems with our forests, crops, and even our drinking water.

As I regularly visit the beautiful Adirondack region, I have been particularly concerned over the damage in that area. As a rule, the Adirondack lakes do not have enough natural buffering capacity to neutralize the detrimental effects of acid rain. The combined effect of the damage to the forests and the loss of sport fisheries has cost the region millions of dollars in lost tourism.

Although scientists speak in cautious words, it is clear that acid rain is a disaster. It has even scarred the Statue of Liberty.

Mr. President, I do not believe, as some would propose, that we should simply study this problem over and over before taking action. Without prompt action, this problem will grow.

A lake can take only so much acid; after a point, it loses its fish and plant life forever. Some of our lakes have passed that point; others are drawing dangerously close. Once acid rain has laid waste a forest, it takes decades for the trees to grow back.

Worse yet, acid rain may do harm we are only starting to understand. If enough acid gets into a reservoir, it might release aluminum and mercury from the bottom, with serious implications for our drinking water supplies. Also, acid might leak lead from the pipes in water delivery systems. The health effects are still unknown, but the possibilities are disturbing.

I know that the Environmental Protection Agency has made a commitment this year to place a priority on acid rain research. With all due respect to Mr. Thomas, I would like to point out that we already have technology to address this problem. We could take immediate steps. We know about scrubbers. We know about low-sulfur coal. We know that 25 percent of all cars now being sold in the United States already contain state-of-the-art emissions controls. We could begin our improvement right now.

The citizens of New York are extremely concerned about acid rain. The overwhelming majority of New Yorkers who have contacted me on this issue have indicated that they support strong acid rain legislation—even if it means slightly higher utility bills. I think we all understand the cost. There is the possibility that S. 2203 may result in higher prices for new cars. We understand that. But the cost of ignoring the problem will be greater, and the losses may be irreplaceable.

New Yorkers agree. They do not want to see Congress delay action through more hearings. They do not want to see Congress delay action through more discussions. They do not want to see us authorize more studies which do nothing to actually accomplish a reduction in emissions. They want a solid, strong acid rain control program, and they want it now.●

MANAGING THE ECONOMY

● Mr. BIDEN. Mr. President, it is important that we in the Senate remind ourselves from time to time how little anyone understands what makes the economy work. Our failures to foresee or influence a variety of economic events over the past 10 years, and more, make this most evident. From the stagflation of the 1970's, to the trade deficits today, we have experienced a wide variety of unexpected economic events.

This problem was examined in a March 12 article in the Washington Post by Robert J. Samuelson, entitled "The Interest-Rate Mystery." As he said in that article:

Our mastery of business cycles or changes in specific industries is illusory. Economic policies are blunt instruments that, in a complex economy, have unintended side effects.

Congress has much to do to put sound, basic economic policies in place. We must take positive action to reduce budget deficits. We must adopt a real tax reform bill, which will lessen government interference in private markets. We must adopt sound trade policies.

We may disagree on precisely how to accomplish these goals. But if we refuse to be diverted into quick fixes—short term efforts to bolster some segment of our economy—we should be able to make good progress in setting fundamental policies that will guide us toward a healthy, growing economy.

Mr. President, I ask that the entire article appear in the RECORD at this point.

The article follows:

[From the Washington Post, Mar. 12, 1986]

THE INTEREST-RATE MYSTERY

(By Robert J. Samuelson)

For economic wallop, what compares with collapsing oil prices? Well, declining long-term interest rates. Since early 1985, they've dropped roughly 3 percentage points. Lower rates have ignited the stock market, stimulated housing construction and favored business investment. If the economy is improving—and February's rise in the unemployment rate to 7.3 percent and still leaves some doubt—lower interest rates are a main reason.

What happened? No one really knows. With hindsight, it's easy to say that lower long-term rates reflect lower inflation. And they do. But this broad generalization slides over the reality that the sharp drop in interest rates was neither predicted nor, in any direct way, caused by the Federal Reserve, Congress or the White House. As recently as last October, a group of 50 economists forecast an average 1986 rate of 11.2 percent on high-quality corporate bonds; by March, the rate was 9 percent.

The basic lesson is how little we understand and control the economy. Sound economic policies—an efficient tax system, a balanced budget, stable prices—can promote confidence and long-term economic growth. But our mastery of business cycles or changes in specific industries is illusory. Economic policies are blunt instruments that, in a complex economy, have unintended side effects. Looking back, the 1980s have been full of surprises. No one foresaw the severity of the 1981-82 recession, inflation's steep decline or huge trade deficits.

For all their importance, interest rates remain a subject of immense confusion and mystery. The idea that high rates resulted from big government deficits now seems, at best, an oversimplification. The general notion that long-term rates represent expected inflation plus some "real" return to investors has obvious appeal. But, in practice, it provides a poor guide for prediction. "Expectations" are an elusive concept, and there's no evidence that the "real" return stays constant.

HOW LITTLE WE UNDERSTAND AND CONTROL THE ECONOMY

The striking aspect of the current decline is that long-term interest rates have dropped far more than short-term rates. Compared with the 3-percentage-point drop of long-term Treasury bonds, rates on short-term Treasury bills have declined roughly 1 percentage point. Other interest rates have followed this pattern—though often with a delay—so that average rates of fixed-rate conventional mortgages fell from 12.3 percent in January 1985 to 10.7 percent in February 1986. In some areas, they are now below 10 percent.

The implication is that the Federal Reserve has played a secondary role so far in lowering rates. Its direct influence is concentrated on short-term rates. For example, the Fed lends to banks (which makes mostly short-term loans) at the so-called discount rate. In May 1985, the discount rate was lowered from 8 to 7.5 percent. The next cut—to 7 percent last Friday—followed the decline of long-term rates. At most, the Fed's influence over short-term rates might explain one-third of the reduction of long rates.

And the rest?

One popular theory is that dropping oil prices and lower prospective budget deficits have improved investors' expectations of inflation and future interest rates. This makes sense but, examined closely, is not totally convincing. For starters, about half the decline in long-term rates had occurred by last November—before the steep fall in oil prices or the passage of the Gramm-Rudman balanced-budget law. In addition, there's been conflicting economic news. A depreciating dollar (which makes imports more expensive) darkens the inflation outlook; and one court already has ruled Gramm-Rudman unconstitutional.

Nor is it clear how much expectations have changed. Consider a regular survey of 462 financial professionals by Richard Hoey of the brokerage firm of Drexel Burnham Lambert. In January 1985, the respondent forecast average inflation of 5.2 percent over the next decade. Last month, the forecast for the decade still exceeded 5 percent, even though the inflation forecast for 1986 had declined. Likewise, the forecast in June 1985 for the fiscal 1990 budget deficit was $166 billion; last month, the estimate was $142 billion. These are not startling changes.

To be sure, it's possible to quibble over details. Since last month's survey, oil prices have declined further. (The respondents predicted an average of $19 a barrel for 1986; by early March, some "spot" prices had dropped to $12.) And of course, the survey may not reflect broad investor expectations. But that's the point. The economy is not a finely calibrated machine, but the result of millions of individual decisions. Crowd psychology influences interest rates just as it does the stock market. If people think rates are going down, they will—at least temporarily.

Small investors have flocked into bonds, raising their prices and reducing their interest rates. Last year, sales of bond mutual funds increased more than $70 billion. In January, the figure was $8.7 billion, or an annual rate exceeding $100 billion, according to economist Edward Yardeni of Prudential-Bache Securities. As high-yielding bank certificates of deposit matured and could be replaced only at much lower interest rates, investors switched to bonds. "This tremendous demand for bonds by 'mom and pop' explains why so many professional money managers, technicians and economists have been flabbergasted" by the bond market, Yardeni argues.

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No one doubts the importance of interest rates. Kept too low, they encourage inflation by promoting excessive borrowing. Kept too high, they kill investment and economic growth. For the moment, lower rates promise to be a tonic. In January, housing starts (at an annual rate) exceeded 2 million, the highest monthly level since February 1984. Two recent surveys show that businesses have raised their investment plans since last fall. The stimulus may be needed; the higher unemployment rate and lackluster retail sales indicate some economic weakness.

But our ignorance is unsettling. In the end, lower rates may be a delayed reaction to lower inflation. But who knows? We do not know what is precisely the "right" level of interest rates—low enough to promote healthy expansion, but high enough to contain inflation. Even as lower rates help the economy today, could they be laying the ground for higher inflation tomorrow?

THE YIELD CURVE

Long term interest rates have declined more than short-term rates. The table compares rates on three-month Treasury bills with those on 10-year Treasury bonds. Other long-term rates change (usually with a delay) in parallel with these bond rates. The third column shows that the difference (in percentage points) between the short and long rates has narrowed. Economists refer to the difference between long-term and short-term rates ("yields") as the "yield curve."

	3-month T-bill rate (percent)	10-year T-Bond rate (percent)	Difference
January 1985	8.03	11.38	+3.35
November 1985	7.44	9.78	+2.34
March 10	6.75	7.77	+1.02

Sources: Joint Economic Committee, Council of Economic Advisers.

FAIR HOUSING MONTH

● Mr. D'AMATO. Mr. President, I rise today to join as a cosponsor of Senate Joint Resolution 303, which designates the month of April as "Fair Housing Month." Fair housing is something we should be concerned about, not just during the month of April, but throughout the year as well.

The promise of decent shelter has been an enduring dream for all Americans, but unfortunately the reality is sometimes otherwise. The Fair Housing Act protects the right of free choice in the housing market. It prohibits housing discrimination on the basis of race, color, religion, sex, or national origin. Housing discrimination must not, and will not, be tolerated.

A continuing commitment to this principle that we promote the intention of the Fair Housing Act—title VIII of the Civil Rights Act of 1968. Therefore, I urge my colleagues to join me in support of Senate Joint Resolution 303 which exemplifies the intent of the Fair Housing Act and shows a continuing commitment to the elimination of housing discrimination during the month of April and beyond.●

ORDERS FOR WEDNESDAY

RECESS UNTIL 9:30 A.M. TOMORROW

Mr. HELMS. Mr. President, I ask unanimous consent that when the Senate completes its business today, it stand in recess until 9:30 a.m. on Wednesday, March 26, 1986.

The PRESIDING OFFICER. Without objection, it is so ordered.

RECOGNITION OF CERTAIN SENATORS

Mr. HELMS. Mr. President, I ask unanimous consent that following the recognition of the two leaders under the standing order on tomorrow, there be special orders in favor of the following Senators for not to exceed 5 minutes: Mr. DOMENICI, Mr. CRANSTON, Mrs. HAWKINS, Mr. PROXMIRE, and Mr. MURKOWSKI.

The PRESIDING OFFICER. Without objection, it is so ordered.

ROUTINE MORNING BUSINESS TOMORROW

Mr. HELMS. Mr. President, following the special orders just identified, I ask unanimous consent that there be a period for the transaction of routine morning business, not to extend beyond 10 a.m., with Senators permitted to speak therein for not more than 5 minutes each.

The PRESIDING OFFICER. Without objection, it is so ordered.

PROGRAM

Mr. HELMS. Mr. President, at the conclusion of routine morning business on tomorrow, the Senate could turn to the consideration of S. 1567, Water Resources, and complete action, if possible.

Also, the Senate will turn to the consideration of Senate Joint Resolution 283, the Contra resolution.

The Senate can expect rollcall votes throughout the day, and will likely continue late into the evening.

TECHNICAL CORRECTIONS TO THE RECONCILIATION BILL

Mr. BYRD. Mr. President, the enrolling resolution House Concurrent Resolution 305, making technical corrections to the reconciliation bill, has been cleared for action on this side of the aisle.

I hope that this resolution will clear the Senate. I just want the record to show that we are prepared to proceed tonight on House Concurrent Resolution 305 on this side.

Mr. DOLE. Mr. President, I thank the distinguished minority leader. I share his view, and I indicate for the record that there is one minor problem—we hope it is minor—on this side of the aisle. We hope to have it cleared by tomorrow morning; and perhaps even before turning to any legislation tomorrow, we can pass this, because it is needed to get the resolution bill signed by the President.

Mr. BYRD. Mr. President, I thank the distinguished majority leader.

RECESS UNTIL 9:30 A.M. TOMORROW

Mr. DOLE. Mr. President, there being no further business to come before the Senate, I move that the Senate stand in recess until 9:30 a.m. tomorrow.

The motion was agreed to, and at 6:55 p.m., the Senate recessed until tomorrow, Wednesday, March 26, 1986, at 9:30 a.m.

NOMINATIONS

Executive nominations received by the Senate March 25, 1986:

DEPARTMENT OF ENERGY

Marshall A. Staunton, of California, to be Administrator of the Economic Regulatory Administration, vice Rayburn D. Hanzlik, resigned.

EXTENSIONS OF REMARKS

MAYOR CISNEROS COMMENTS ON STATE OF U.S. CITIES

HON. JAMES J. FLORIO

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Tuesday, March 25, 1986

Mr. FLORIO. Mr. Speaker, I would like to direct the attention of my colleagues to a very thoughtful statement concerning the plight of American cities made by Mayor Henry Cisneros of San Antonio, TX. Henry Cisneros is the current president of the National League of Cities and his remarks were delivered at the league's annual congressional-city conference held here in Washington earlier this month.

Any of my colleagues who has a major urban area in his or her constituency should read the mayor's remarks with great interest. The First Congressional District of New Jersey, which I have the privilege of representing, includes one of New Jersey's largest cities—the city of Camden. What Mayor Cisneros is describing on a national level is also common to Camden on a local level.

Mr. Speaker, I ask that Mayor Cisneros' remarks to the National League of Cities Conference be included in todays' RECORD. I urge my colleagues to examine this insightful statement by the mayor of San Antonio. His efforts on behalf of our Nation's cities have not gone unnoticed or unappreciated.

FULL TEXT OF CISNEROS' ADDRESS: AT STAKE IS A "VISION OF OUR COUNTRY"

Representatives of America's cities have been gathering at this conference, in this very room for over 15 years. If these walls could speak, they would tell a powerful story of America and of its city leaders.

In these seats where you sit now, have sat leaders of the big cities and of the small communities, from the Northeast and from the Midwest, and the South and the West, from all across America. Recounting the history of this conference would tell a story of the places that we love and the dramatic story of America's cities.

Over the last 15 years since this room has been used in this way every year, we have seen miraculous turnarounds: stories such as that of Baltimore and Boston, and Indianapolis and Cleveland. We've seen smaller communities that have succeeded and that have given us leaders to the national organization, like Scotland Neck, N.C., and Sunnyvale, Calif. Communities like Lincoln, Neb., and Lancaster, Pa., Lowell, Mass., Topeka, Kan., Nitro, W.Va., and Vancouver, Wash.

We've seen cities that were sort of in the second rung of cities and now are national powers like Tampa and Seattle and Atlanta, Minneapolis, Denver and Houston and San Jose and the second largest city in the country now—Los Angeles. We see the same cities that were struggling, work to forge new roles for themselves to completely convert their economies and perform in this new era. Cities like Akron, Fort Wayne, Fort Worth, Rochester, Beaumont and Tucson.

All in all, what we have seen are the performances of the finest public officials in American life. The jobs that they have done have been masterful, tough, independent, resourceful, financially responsible and competent. All across those years that they have been here, you have been here. Sometimes, it was to build new partnerships as in the early 1970s when in this room, this organization met to celebrate the passing of revenue sharing signed by President Nixon. The mood then was excited and exuberant, optimistic and appreciative of the respect extended by the federal government.

Sometimes we met in years when the mood was more one of commiseration over the black clouds that loomed on the horizon far away—as in the Carter years—when the theme was high inflation. Or, in the early years of the Reagan presidency when we heard the first language of the New Federalism. The mood then was anxious and cautious.

But always we have been city officials first, Republicans and Democrats second, liberals, conservatives somewhere else, but city officials first.

This year all of us together face a new problem that none of those who sat in these chairs has faced before. It is a disastrous dismantling of the federal-local partnership. It is a meat-axe chopping of the domestic obligations of government.

These are not in the category of threats or distant storm clouds, but the realities of the next 90 to 120 days. The mood, our response must not be gloom, or timidity, or uncertainty, or hang-dog apologetics.

We must be determined to stand up for what is right in the face of what I can only call disrespect: a disrespect for our cities, disrespect for the people who govern them, and disrespect for the people who live in them.

Now, if you think that the word "disrespect" is too strong, then I don't know any other word that describes what is happening.

"Miscommunication" or "misunderstanding" doesn't explain it. The only word that I can find that fits the bill is disrespect.

How else can one account for the fact that since 1980 when urban programs were $69 billion in our nation's budget, that today they are $17 billion, a dramatic cut? Yet over that same period of time, the deficit has grown from $27 billion to $200 billion. Picture that for a minute: a deficit that has grown from $27 to $200 billion, our programs have gone from $69 billion to $17 billion, and it is we who are blamed for the deficit! It is just not true, and don't you believe it!

I'll tell you what is true, though. What is true is that the loopholes in the tax codes are up 8 percent, while housing programs are down 67 percent. What is true is that foreign aid is up 8 percent, but job training is down 16 percent. What is true is that defense is up 12 percent, but municipal wastewater grants are down 25 percent.

Where is the balance, where is the equal sacrifice, where is the fairness in that? People of our cities will lose—not because there is a deficit—but because the way the rules of the game have been set by the administration and the Congress.

When the rules of the game are set in this way, when you increase defense by 12 percent, when you leave the entitlements untouched so that they grow by 8 percent, when there are no new revenue sources at all, and when you hold tax reform revenue neutral and still try to balance the budget on the Gramm-Rudman timeframe, there is no way that you can win in the ball game.

The fact of the matter is that the numbers don't work. The only course when the rules of the game are set that way is to dismantle the domestic side of government, which may in fact have been the intent of some of those in the Congress and the administration all along.

In 1981, we had what was called the Gramm-Latta tax cut. It cut taxes on upper incomes with the supposed knowledge that it would invigorate the economy so that we would have a balanced budget in a few short years. Instead, we ended up with the worst deficits in the history of our country: $200 billion. So we now have Gramm-Rudman, which is supposed to solve what Gramm-Latta didn't, by dismantling the domestic side of government.

You may have seen a listing of some of the programs that are slated to be eliminated. It is a long list, and it includes a whole host of programs such as EDA, programs related to senior citizens' housing, FHA and the Small Business Administration and countless others. Many of you have said that you want to know what we stand for. Before this meeting is out, we hope to set before you a priority list that indicates what programs this organization is going to fight for, recognizing that we can't fight for them all. But even as we are losing programs, we are also losing the capacity to generate revenues because of what is happening on the other side of the discussion—not the spending side, not the budget side, but with tax reform.

Tax reform [legislation] involves some $400 billion of incentives and credits in the tax code, and right now there is a Berlin Wall, if you will, placed between a tax code that is intended to be revenue neutral and the budget cuts that are being made.

You end up with some really unfair contrasts.

For example, accelerated depreciation for office buildings went up from $10 billion in 1984 to $15 billion in 1986 in the tax code, while CDBG was slated for a 32 percent reduction on the budget side.

Special capital gains treatment for timber went up by 150 percent in the tax code, while low income housing will be down 67 percent in the budget.

Corporate tax breaks and subsidies are running at $140 billion in the tax code, while general revenue sharing will be cut out, aced out 100 percent in the budget.

The purchase price of a corporate plane can be recouped entirely through tax credits and deductions in the tax code, while city mass transit monies will be down 31 percent in the budget.

Again, where is the equality of sacrifice when we leave the tax code side alone with some $400 billion and make all the cutting that needs to be made on the budget side?

But if that were not enough, tax reform goes even further and goes to the heart of the ability of cities to finance the selfreliance that is intended.

Of course the attack on state and local tax deductibility is one of those. We must remember that before there was a federal income tax, there were state and local taxes. These taxes already existed before there was a federal tax, and when the federal tax came into existence, it recognized the fact that people were paying state and local taxes.

So don't allow ourselves to be "walked into" the logic that says that we are just one other lobby group on the question of the tax code. Unlike other incentives built into the tax code to encourage some kind of spending or buying activity on the part of the American public, this is a fundamentally different thing.

The same thing is true of tax exempt bonds. We've gotten ourselves into a situation where the enormity exists right now that the Federal government mandates us to do clean water, but yet calls the bonds that we'll need to do sewage treatment plants as nonessential. That's the craziness, if you will, of this present situation, and so when I use the word "disrespect," that's exactly what I mean. There is no other way to describe it except as disrespect that is thoughtless and will result in years of damage.

The shape of our governmental system for 15 years is going to be set in the next 180 days, and I honestly don't believe that we can allow the dismantling of such a system that has been so productive. The breakup of working relationships that have been put together on a bipartisan fashion year in and year out, the closing of day care centers, the termination of housing initiatives, the closing of senior citizen nutrition centers, the reduction of manpower training centers.

I honestly believe that you don't deserve to be portrayed as the inept managers who cut, slashed and chopped people programs because you didn't know how to manage. But that's the picture that will be facing urban America in another 180 days.

No matter what size of city you come from, you have got to see that the homeless, the poor, and the old will not be going to the oak-panelled committee rooms in the Rayburn House Office Building to make their case.

They're not going to be going to take their case to the white-gloved gentility of the West Wing of the White House. They are not going to penetrate the upper office suites of HUD or the Treasury Department.

But they will be at your council offices. They will be at your offices at City Hall. And they will be even at your house.

You are the ones that are going to have to cut the parks in your community because there is no more revenue sharing. You are the ones that are going to have to cut day care because there is no more community services block grant. You are the ones that are going to have to cut job training because there is no nore Job Training Partnership Act.

You are the ones that are going to have to cut housing programs because CDBG has been reduced. You are the ones that are going to have to let sewer moratoria run a risk in your community because the Clean Water Act monies have been eliminated. You are the ones that are going to have to let traffic become congested because transportation programs are reduced.

And you are going to be the ones who raise taxes, because in 1986 the federal government decided to get out of the business of domestic America.

I've sensed some reluctance on the part of some of you over the course of the last days and weeks, some ambivalence, a sense even on the part of some that says, "I care about this program but not that program, and I'm here to work on mine and I'll make my arrangement with my congressmen, and as soon as we cut our deal then we'll sort of break away from the rest of the organization."

I understand some of that sense, because I come from a region where it is very difficult to articulate the kind of message that I'm trying to convey to you today. But this is one of those cases, ladies and gentlemen, where, if we don't hang together, then we'll hang separately.

This is a time when we need to address some questions of attitude even before we get into tactics. I say one of the first things we need to address together and understand together is that there is no need to apologize because you run cities.

There is no need to apologize because you are sworn to uphold a city charter. It is an honorable place in our system; the cities of America are where 80 percent of the people of this country live. The cities of America are where the essential dynamics of modern American life occurs.

When the cure for cancer is found in this country, it is going to be found in the hospital of a great American city. When new ideas of government are advanced, it's in the neighborhood movements of American cities and towns. When new forms of art are advanced, it's in the galleries that exist in the cities. When new books and ideas in literature are contributed, it's in the universities' complexes that exist in your cities and towns.

All in all, the cities of America are important to this country, and as a result the city governments of America are important.

When people stop and think every night as they go to sleep, whether there is going to be somebody that they can depend on if their spouse should be walking across the bedroom floor and collapses of a heart attack, it's not some esoteric argument at that stage. It's a question of whether they can pick up the telephone and find that emergency medical service on the other end of that line that can get there in a reasonable span of time.

Or as one sleeps at night and worries about crime and burglary problems in the neighborhood, is there a police officer on hand that the city government put in place?

One sends one's children off to school in the morning in the knowledge that they are walking on sidewalks, through traffic signalizations systems, on decent streets where the traffic flows safely, that the city made possible.

Even as they leave for their jobs, often it's to jobs in a restaurant or a retail center adjacent to something that the city government helped put in place.

The point I'm making simply is that you have absolutely nothing to apologize for in fighting for these programs, nor for standing up for the place of cities in the American system of government.

This is not just another lobby group. The truth of the matter is that not one of you in this room will make one more penny next year in terms of what the charter salary is in your city, because you have fought to save CDBG.

This in not like someone who gets a bonus in their salary or who gets stock savings or stock options if they are successful in running their cities better. All you're trying to do is advocate for a place for people in the American system.

So there is no need to be defensive; in fact, we have a very good offense. Think about the business of running cities as defense and offense. Defense means protecting our cities against these kinds of incursions, whether they be budgetary or tax reform. On the other hand we have an offense which means what we do with our own capability in our respective towns.

We have one hell of an offense. We have an offense that includes Charley Royer and what he has managed to do to make Seattle an international city by developing that port capability and marketing that city. We have an offense that includes Bill Hudnut and what he's managed to do in Indianapolis, rebuilding that downtown and bringing back an older industrial city, and what Kathy Whitmire has done in Houston—despite the fact that the city is ravaged by the decline of oil and gas prices.

We have an offense that includes Mayor Schaefer in Baltimore and what he has been able to do with an old port city, or Buck Rinehart, mayor of Columbus, Ohio, and his unique relationships with the university there, and Bob Bolen in Fort Worth. And in the small communities, places like Lowell, Lancaster and Fort Wayne, there are countless examples of people who have been competent and self-reliant. There is nothing to apologize for on that scale.

But at the same time, when we're called upon to play defense, we have a defense as well. It begins with the priorities on the national agenda for the Nation's cities.

Top of the list, General Revenue Sharing reenactment, and after that, other priority program reenactments: Community Development Block Grants, Urban Development Action Grants, environmental programs, transportation programs and the housing assistance programs.

Our priority is to try also to educate our people about the Gramm-Rudman-Hollings process, and so that is listed as a priority for this year. Other priorities include: tax reform, tax expenditures (which is that $400 billion that I described earlier that's available, but at the moment not being used for deficit reduction), federal mandates (which require that we clean water, but gives us no revenues to clean it), and the liability insurance issues. Stated in one succinct format, these are the priorities of the National League of Cities in 1986.

In preparation for testimony recently, Mayor Voinovich and I asked the staff to prepare the 10 toughest questions that we were likely to encounter. We have reproduced those questions and some answers for your use in meetings with your congressmen and senators.

Question 1: Isn't it hypocritical for you to express concern about the federal deficit and then to oppose Gramm-Rudman because it will cut city programs?

No. Gramm-Rudman substitutes nonelected officials to make critical budget priority decisions affecting our taxpayers in place of the accountability and responsibility on the part of people who are elected to make those decisions. Gramm-Rudman is not fair. It applies to only 13 percent of the budget. That portion could be cut out 100

percent, and the budget will still not be balanced. Congress and the administration need to adopt fair and balanced deficit reduction budgets. The NLC board has adopted a budget priority statement that would reduce the deficit, but without increasing your property taxes or cutting your services.

Question 2: Aren't you really calling for a tax increase?

No. Tax reform would lead to increased revenues to reduce the deficit. The federal budget includes federal tax subsidies, benefits and loopholes totalling more than $500 billion next year. Just freezing federal tax expenditures would reduce the deficit over $50 billion.

Question 3: Won't a tax increase or increased revenues cause a recession, as the President insists?

No. There is no general rule on that question, a recession depends on many economic variables. In fact, in 1981 there was a tax cut but a recession followed a tax cut. In 1982 Federal taxes rose, but we have had a steady building of the economy since then.

Question 4. What really has happened to federal aid in the last five years or so?

Federal aid to cities has been cut from $69 billion in 1980 to about $17 billion proposed this last year. Gramm-Rudman and the new budget will likely result in the elimination of the federal partnership with cities and towns over its five-year life. Having rigged the game the way I described, the only outcome can be elimination of all Federal programs over time.

Question 5. What will happen to and in cities if Gramm-Rudman operated for five years without a major Federal tax increase?

If Gramm-Rudman continues for five years all federal aid to local governments will likely be eliminated. But because such a small portion of the federal deficit is subject to Gramm-Rudman (only 13 percent), the federal deficit itself will remain after the dismantlement of the working relationship that has been so arduously and carefully built up over all these years.

Question 6. How do you reconcile your call for closing tax expenditures and your vigorous lobbying to retain the deductibility of state and local taxes and the tax exemption for interest on bonds?

Tax expenditures are incentives built into the federal tax code to encourage certain types of activities, but the deductibility of state and local taxes and the tax-exempt bonds were not put into the code to encourage constituents to pay property taxes. They were already paying property taxes. It was a constitutional recognition of a partnership, of a relationship; not an incentive device as all of the other provisions in the code, but a recognition of another level of government.

Question 7. Federal aid is down, local taxes may go up. You call that passing the buck, but isn't that really the best way to finance these activities so they address local need?

No. Federal spending of money coming from our cities and towns is up, but aid back to our municipalities is down. There is a question of priorities. Why should we be spending more in foreign aid and eliminating domestic aid? Second, not all cities and towns have the same capacity to raise their own local taxes. Some cities and towns have to provide a disproportionate level of services, because they have a very poor community and also a poor tax base. So the structure of the tradeoff is just not fair. We will force, for example, people to rely less on a progressive income tax and more on regressive local fees.

Question 8. More than a majority of cities seem to be doing all right. Why then are you so insistent about the dire effects of Gramm-Rudman and the loss of federal aid? Aren't you exaggerating and painting an unnecessarily bleak picture just in order to rationalize keeping federal aid programs for your constituency?

The cities have sacrificed, have cut, and have raised taxes, year after year. Some cities are in good shape, but many (especially in regions beset by economic turndowns) are at the end of their ropes. Poverty is up in America, unemployment is up in America, and tax caps have been thrown in place. Cities truthfully, honestly have a more difficult time; and I think that point needs to be gotten across.

Question 9. How can you support General Revenue Sharing, when there is no revenue to share—especially when General Revenue Sharing goes to so many wealthy jurisdictions?

General Revenue Sharing was not created to share methodical federal revenues or surpluses. It was created to help comply with federal mandates, but it is shared according to need. The lower the average income of your city's taxpayers, the greater the revenue sharing amount. When President Nixon signed Revenue Sharing into law there was a federal deficit then. Since 1972, when revenue sharing was enacted, federal funding for revenue sharing has been cut, but the deficit has grown by 1,000 percent.

Question 10. Finally, are the governors right when they say that the federal role should be basically national defense and Medicaid, but all other programs such as housing, environment, education and transportation should be left to the states?

The answer, we feel, is no. Providing a decent, safe and sanitary house for all Americans has been a federal goal since 1937. Cleaning the nation's air and water is a national problem; we can't have 50 different sets of laws and standards for bodies of air and water that don't respect state borders because of their natural layout. Giving our children a quality education must be a national priority for the future of our country. Providing the American people access to schools and jobs and health care on the waters highways, rails and air is a fundamental to a national economy. So the states have an important role to play but so does the federal government. The proof of the need for federal aid is the costly mandates in each and every area imposed upon us.

In other words, the federal government cares enough about these questions to set down regulations and laws thereby defining its interest in the subject—defining a role for the federal government, but withdrawing from the financing of those activities.

As I said to you this morning, I think we have a tremendous opportunity. I came away from Seattle [the 1985 Congress of Cities] totally depressed, beset by a feeling of gloom. I didn't see a sliver of daylight in an otherwise solid wall of obstruction and opposition. But it seems to me that as we get closer to the day of reckoning on these questions there is some reason for some measure of, if not open optimism—then at least a hard sense of determination.

First of all, I think we are going to get some movement on the re-enactment date on the bonds, on that effective date of the bonds as you heard Mr. Rostenkowski suggest this morning, but we have to work on that.

I think we will see some movement on state and local tax deductibility, but you have to work on that.

I think we'll see some movement on the tax exempt bond question, but you can determine whether that actually happens. And on the question of the programs, I think that as the congressmen realize what is actually going to happen, I think you are going to see some opening of daylight for compromise.

But it's got to be in a spirit of clear determination on our part. There is not one moment that can be wasted, not one iota of energy wasted on apologizing for the cities' role in this country or for their place in this system.

We have a place to roam, to play, it is an honorable one and I cannot tell you in words just how important. Because what I think is at stake here is a lot more than just the cities, as important as that is. I think what is at stake here is a lot more than some federal titles in a law, as important as that is. I think what is at stake is a lot more than some budgetary appropriations.

What's at stake here is an American way of life, in which we have set some ideals. This country works so that all its people have a measure of justice and opportunity, prosperity and, yes, equality.

We teach little children at five years of age their first day in school to recite words that they don't even understand, at that point, and that's the Pledge of Allegiance. We teach them as they say that to close that phase, "one nation under God, indivisible, with liberty and justice for all."

One nation, not the Sunbelt against the Frostbelt, not the big cities against the little cities, not the defense industry pitted against the needs of the homeless or daycare.

One nation under God—a God who can see just as easily into the homes of those senior citizens, who wait in the cold scared about whether or not the programs that they depend on are going to continue—just as easily as he can see into the skybox suites of the modern stadiums.

Indivisible, not divided, white against black, rich against poor, with liberty and justice for all and if we lose that sense in this country. A country that fundamentally believes in a sense of equality, so that people are willing to work their hearts out now knowing that there's something better out there for them and their children.

If we lose that quality of people sacrificing now for the future, then we will end up no more than a nation in a constant adversarial hostility, as people have to demand right this minute everything because there is no faith in the future.

Ladies and gentlemen, the stakes here are a lot bigger than our individual cities, or even laws, or even grant programs. The stakes are a vision of our country, and the cities have had and will continue to have a place in that system. A lot of how it comes out is up to you and what you do over the course of the next 24 hours. Thank you very much.

NORTH CAROLINA OPPOSITION TO CONTRA AID

HON. STEPHEN L. NEAL

OF NORTH CAROLINA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, March 25, 1986

Mr. NEAL. Mr. Speaker, last week the House voted down the President's request for

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$100 million in additional aid to the Nicaraguan Contras. However, the debate continues. The Senate is taking up the measure today and I understand that the House will again consider aid to the Contras next month. To contribute to the ongoing debate, Mr. Speaker, I am inserting into the RECORD two editorials opposing further military assistance to the Contras, as well as a brief news article about a Southern Baptist volunteer working in Nicaragua, who felt compelled to speak out against United States support for the Contras.

The editorial entitled "Break the Stick," is taken from the Elkin Tribune, a weekly newspaper published in Elkin, NC, and the editorial, "'No' to Contra Aid," was published in the Greensboro News & Record. Both editorials were published on March 19, 1986.

I urge my colleagues to pay close attention to these southern views of the administration's Nicaraguan policy.

[From the Elkin (NC) Tribune, Mar. 19, 1986]

BREAK THE STICK—CONGRESS SHOULD REJECT MILITARY AID FOR CONTRAS

A vote is scheduled in Congress Thursday afternoon on President Reagan's request for $100 million in military aid for the Contras, the right-wing forces fighting the Marxist Sandinista government in Nicaragua.

It's expected to be close, but with a determined stand by such congressmen as our own Steve Neal and Bill Hefner it should be consigned to the dustbin it deserves.

The Big Stick approach to foreign policy just won't work. We've proven that repeatedly. Somehow we have to shed ourselves of our overweening faith in our own omnipotence.

Support for the Contras does us more harm than good in that area where we fear the domino effect most, Central and South America. By and large our Latin American friends, many gradually emerging as democracies, oppose Reagan's plans. We are risking turning them against us.

The problems plaguing Latin America—the same problems that led to the Sandinista overthrow of the American-backed Somoza dictatorship—are economic. Hunger, debt, poverty and unemployment won't be defeated by M-16s and a helicopter or two.

We have tried economic sanctions. We have sunk $100 million in earlier Contra aid into this quagmire. These have failed and there's no reason to expect anything other than failure from the president's military aid package.

What we need to try is diplomacy, something we've lost our touch in. We're not dreamers; holding out a flower to the Sandinistas isn't going to reverse their direction overnight.

But it will do much to quell the fears of our Latin American friends that we will turn against them, too, if they don't toe our line. These friends have an even greater interest in the peace and eventual prosperity of their region. They are working diplomatically to curb the excesses of the Sandinistas.

Supporting these democracies, and renouncing the Big Stick, won't be easy, but it will win.

[From the Greensboro (NC) News & Record, Mar. 19, 1986]

"NO" TO CONTRA AID

The hour of decision on Nicaragua has come. The House of Representatives is to vote tomorrow on President Reagan's request for $100 million in aid for the Nicaraguan contras. The Senate will quickly follow.

The president's televised speech last Sunday does not appear to have changed many congressional votes, nor has it apparently altered public opinion, both of which are running counter to the president's request. That calculus may change; Reagan has proved to be an impressive changer of minds.

But there are reasons for this resistance to the president's package, and not all of them are rooted in the administration's charge that opponents either don't care about the spread of communism in Central America or don't understand it.

Part of the problem lies in the hyperbole surrounding the administration's case. To listen to the president and his advisers, if this aid isn't approved, Nicaragua will fall to the communists and a sea of red will spread from Managua through Mexico to the Rio Grande.

Most Americans understand it isn't that simple. The Sandinistas may be bad guys, but they are not yet the hideous totalitarians the Reagan administration has labeled them. And while the administration has an obligation to contain the Sandinistas and push them toward democratic pluralism, one must question whether that obligation translates into arming a resistance force headed in part by members of the hated Somoza regime, orchestrated by the Central Intelligence Agency and opposed by leading Latin American nations.

It is not an impressive formula for success, especially when you consider that the United States has a history of intervening in the region. If the threat posed by the Sandinistas is as menacing as the administration claims, it's also worth wondering whether $100 million in aid, of which $70 million is to be used for military purposes, is really enough. The suspicion remains that this is only the beginning of a longer and deeper involvement in a war that the contra guerrillas cannot hope to win.

Now let's examine the consequences of not granting the aid now. It is true that the contras will become less of a nuisance for the Sandinistas. But it seems unlikely that they will fade from sight. The contras have proven resourceful in winning aid fom private sources. Some of their most impressive gains have come at times when U.S. aid has been curtailed or cut off.

At the same time, it is reasonable to assume that a cutoff of U.S. aid will lead to another round of negotiations to bring an end to the conflict. President Reagan contends that only a wider civil war will bring the Sandinistas to the negotiating table, but there is no evidence of that. If anything, the war has hardened negotiating positions and given the Sandinistas an excuse to clamp down on their opposition.

Perhaps a cutoff of aid will only further the Sandinistas' regional ambitions. But there is little evidence that current U.S. policy toward Nicaragua is working. Another serious try at negotiation, it seems to us, is well worth the effort. It need not mean an end to the contras, who say negotiation is their main goal as well.

If negotiations fail because of clear bad faith on the Sandinistas' part, then the burden of that failure will fall squarely on them, and U.S. policy will be reassessed. But until that time arrives, the United States is taking grave risks by immersing itself in a dirty Central American civil war that can't be won.

[From the Greensboro (NC) News & Record, Mar. 18, 1986]

BAPTIST CONDEMNS AID TO CONTRAS

NASHVILLE, TENN.—A Southern Baptist volunteer working in Nicaragua condemned U.S. support for the contra movement in a letter to church officials, claiming the guerrillas have killed Baptists and closed churches and clinics.

Douglas Sullivan, 29, a Chattanooga, Tenn., native, charged in his open letter that officials of the Nashville-based Southern Baptist Convention have "politely evaded any direct, prophetic challenge" to U.S. government policy in Nicaragua.

"I am moved as a volunteer representative of our mission work in Nicaragua to personally condemn any further assistance to the counterrevolutionaries because to continue that aid violates our national law and international law, (and) it continues sustained persecution of our Baptist family," Sullivan wrote in the March 10 letter.

Sullivan claimed at least five Baptists have been killed by the contras, who he says are responsible for closing four Baptist churches and destroying several Baptist health clinics in Nicaragua.

President Reagan is involved in a personal lobbying effort to gain Congressional approval of a $100 million aid package to the contras. Debate is scheduled to begin in the House Wednesday.

Sullivan's letter was addressed to Don Kammerdiener, director of the Southern Baptist Foreign Mission Board's work in Central America and the Caribbean.

Responding in a letter dated last Thursday. Kammerdiener acknowledged Sullivan's feelings are shared by many people in both Nicaragua and the United States and said "I have no doubt they are a sincere indication of your commitments in the cause of Christ."

But Kammerdiener told Sullivan that political neutrality for Southern Baptist missionaries worldwide is "more than mere tradition and more than simply evading the realities of our day."

"In point of fact, it is clearly stated policy of the Foreign Mission Board not to become involved in political controversy," Kammerdiener wrote.

Sullivan said he had remained silent as long as he could in an effort to honor the board's "tradition" of political neutrality.

But the volunteer said he had "long since tired of participating in the memorial services of innocent children and parents who have become victims to the horrible criminals which our government supports."

Sullivan first went to Nicaragua independently at the invitation of Nicaraguan Baptists and later was accepted into the Foreign Mission Board's Mission Service Corps volunteer program, the church aid. His original one-year term was extended through July.

SOUTHERN PINE BEETLE EPIDEMIC

HON. JOHN BRYANT

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, March 25, 1986

Mr. BRYANT. Mr. Speaker, I oppose the U.S. Forest Service response to the southern pine beetle epidemic when it is encountered in wilderness areas. I recently testified about this matter before the Public Lands Subcommittee

of the House Committee on Interior and Insular Affairs in opposition to the control method used by the Forest Service which is devastating the newly established, federally protected wilderness tracts in east Texas and other wilderness areas. The following statement explains my position:

Honorable Chairman and members of the Subcommittee: I am shocked and saddened every time I have seen the devastation that the U.S. Forest Service is causing in the Texas Wilderness in the name of controlling Southern pine beetles.

The Forest Service buffer cuts not only fell huge, healthy pine trees, but in the process knock the limbs and tops off the oaks and hickories and smaller pine trees as the big pines fall through them.

And it galls me to see the ruts of the heavy equipment that enters the wilderness when the felled pines are commercially sold.

Other Congressmen and I, with support of thousands of our constituents, worked for years to save these beautiful areas for wildlife and recreation and to preserve them intact for our children. Congress passed the East Texas Wilderness Act to stop the Forest Service from methodically and indiscriminately cutting the trees. We never expected that the Forest Service would immediately find an excuse to resume logging operations as they have done.

Today, I would like to assist this subcommittee in seeing through the sophistry that the Forest Service is dispensing to justify its pine bettle cutting program.

Dr. David L. Wood of the University of California, and other nationally respected forest entomologists have presented sworn statements that there is no scientific proof that buffer cutting controls the population or movement of Southern pine beetles. In reply, the Forest Service entomologists have said many times that they were not cutting to control the population or movement of Southern pine beetles. I quote from an affidavit of Forrest L. Oliveria, U.S. Forest Service, Pineville, Louisiana, a witness for the Forest Service in the Texas Southern pine beetle case and again in the Washington, D.C. case:

"The affidavit by David L. Wood indicates that he is of the opinion that no direct control methods for the treatment of Southern pine beetle infestations have scientifically been proven successful in either controlling population size or in preventing population movement. It is my opinion that control of Southern pine beetle populations on an area-wide basis has not yet been adequately researched. However, controlling population size or preventing population movement as suggested by Wood is not the purpose of the United States Forest Service Southern pine beetle control program. The Forest Service control program is for the control of Southern pine beetle populations in an individual spot and, in my opinion, the control of Southern pine beetle populations in an individual spot can be effectively accomplished."

That statement by the Forest Service raises the logical question: If the cuts are not known to control populations on an area-wide basis nor movement of beetles from one spot to a different spot, then why should the Forest Service be allowed to cut in wilderness at all?

My answer to that question is that they should not cut in wilderness.

The Forest Service has stated many times its two over-all objectives of cutting inside wildernesses: to contain infestations to wilderness areas, and to prevent infestations from spreading to Red-cockaded woodpecker colonies. I attach to my statement a paper listing twelve Forest Service statements to that effect.

It seems very clear to me that, in the absence of proof of controlling larger areas, the control of individual spots can not be accepted as preventing Southern pine beetles from infesting pines outside wildernesses. Yet the Forest Service implies that control of spots must somehow aid in the protection of totally distinct and separate spots elsewhere.

The Forest Service position might not be so obviously phony if all their cuts in wilderness were on the boundary line. But that is not the case. They are cutting as deep within wilderness areas as possible. In Upland Island, that is up to a mile and a half inside boundaries which are only three miles apart. They are cutting even further away from Red-cockaded woodpecker colonies.

Here is what is happening. The Forest Service is not able to hire entomologists who are willing to claim proof that cutting in one or more spots will stop the beetles in other places. Their entomologists will not challenge the independent experts head-on. But they will, and do, try to leave the impression that their cutting actually has the effect that they admitted they could not prove. That is misleading at best or just downright deceptive.

Here is what the Forest Service witnesses go on to say. They say that their cutting is effective. When pinned down, they mean that, by their own definition, they control individual spots. But their definition is highly self-serving.

To the Forest Service, control or success means that, after a spot has been cut once or more, the beetles no longer infest any of the pines immediately adjacent to the cut. If the beetles fly to other pines twenty-five yards away, or a half-mile away, as they can and often do, the Forest Service counts that as a fresh spot, and counts the former cut as a success. They say they have controlled the first spot because that is all they mean by control. By their definition, it is inevitable that they will claim a very high rate of success. And the more destructive cutting they do, the greater successes they will claim.

Another way they put it is that control is achieved when there are not more breakouts from a spot they have cut. They define a break-out as follows:

"* * * when Southern pine beetles emerging from a treated spot attack neighboring, immediately adjacent trees. * * * When uninfested host trees are located between the treated spot and the new infestation, when the new infestation is considered a separate spot. The breakout must occur within thirty days of treatment of the spot."

There again I have quoted the testimony of the Forest Service's own expert, Oliveria, in the Washington, D.C. beetle case now pending.

In Forest Service bureaucratese, all they have to do to succeed is to keep on cutting break-outs until the beetles fly a short distance outside the buffer. Mind you, beetles are still boring away, but they had to move to do it.

Imagine a quail hunter who defined one-hundred percent success as where he shot some of the birds and forced the rest to fly to a new spot!

The Wilderness Act of 1964 calls for areas to be left unmarred, except as may be "necessary in the control of fire, insects, and disease". The definition of "necessary" is: "essential to a desirable or projected end."

As to buffer cutting, in wilderness, the Forest Service's end is to protect commercial pine timber outside the wilderness. There is no proof that the cutting achieves that end; therefore, it is not essential to that end. Therefore, it is not necessary. Since it is not necessary, the Wilderness Act, in my opinion, does not allow it.

I ask the subcommittee to put a stop to the buffer cutting for Southern pine beetles in all federally protected wilderness areas where they exist.

Last summer during an inspection of beetle cutting conducted by this subcommittee, I stood in a clearing of about 100 acres. It was in what had been a deep and shady forest well inside Upland Island Wilderness. The Forest Ranger told our group that after a small infestation of beetles months earlier, they had cut buffer after buffer, and each time the beetles had broken out, until finally, after 27 cuts, the Forest Service had achieved control. I pointed out there were three new spots, just outside the wilderness boundary which we had observed en route, and asked:

"How can you claim to have controlled the beetles if they flew outside the boundary and started new spots?"

To which he replied, "There haven't been any new infested trees adjoining this cut for thirty days."

"But you did not keep the beetles from infesting the lands outside the boundary," I pointed out.

To which he insisted, "But we kept them from enlarging this spot."

We have already lost 100 acres of forest in this one wilderness area alone. Yet the beetles had infested the pines outside our wilderness anyway—exactly what the Forest Service said it was attempting to prevent. But, by Forest Service standards, the cutting was a success. I say that those standards are ridiculous and in no one's interests.

Throughout the wilderness areas, the Forest Service has been cutting for beetles, yet there were about as many spots per square mile along the outside of the wilderness boundary as inside the boundary. The beetles during this epidemic have been everywhere where there were many pines. For 2½ years, the Forest Service has cut as fast as they could. They brought in crews from other states to cut more and more. But their unproven and unprovable policy did not prevent the epidemic from becoming the largest in recorded history.

It is clear to me that when the beetles are infesting trees throughout the forest, we do not protect any part of the forest by cutting spots, any more than we could protect part of a child's body during a case of the measles by cutting the spots as they broke out.

The experts agree that when pine trees become too dense, pine beetles will periodically peak and destroy some of them. We can not curb the epidemic by cutting spots. In wilderness areas cutting does not just cause tremendous harm. It defeats the purpose of establishing the wilderness in the first place. I have heard the Forest Service claim that the beetles, if left uncontrolled, would damage the wilderness anyway.

I have stood in a remote place in the wilderness where beetles had killed many pines but the Forest Service had not intruded and cut. Most of the dead pines had lost their needles, bark, then twigs, then limbs, then 90 percent of their water content, but were still standing. The few that had finally fallen were so light that they caused little damage to surrounding oaks, hickories, and gums.

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All around the dead pines stood healthy hardwood trees, providing pleasant shade. The forest floor was cool and moist. Turkeyberries and occasional wildflowers provided patches of color. Birds sang. It was still wilderness—the living woodland where death nurtures life.

In contrast, out where the Forest Service had cut buffers of green pines, crashing pines had blasted the hardwoods. Vehicles had completed the scarification of the soil. It was like a clearcut, a war zone, a desert.

That frightening sort of contrast needn't exist in our wilderness. I do not want to see it happen anymore. Neither does anyone who honestly wants to preserve a little bit of today's natural heritage for tomorrow.

I am confident that this subcommittee will take prompt action to stop the buffer cutting in wilderness that promises only devastation.

VERMONTERS ADVISE CONGRESS ON CUTS AND TAX REFORM

HON. JAMES M. JEFFORDS

OF VERMONT

IN THE HOUSE OF REPRESENTATIVES

Tuesday, March 25, 1986

Mr. JEFFORDS. Mr. Speaker, I'm pleased today to be able to announce the results of my 12th annual Vermont questionnarie.

The 10,487 Vermonters who responded to this year's survey have provided some sound advice on the issues that dominate nearly every debate in this Chamber, budget cuts and tax reform

I believe that as in the past, the results of this year's Vermont questionnaire will be of interest to my colleagues.

CONGRESS ON THE RIGHT TRACK BUT SHOULD STAY IN THE DRIVER'S SEAT

An overwehlming majority of Vermonters said we did the right thing when we passed the Gramm-Rudman-Hollings Deficit Reduction Act. As agonizing as that issue has been here in Washington, Vermonters support the decision to follow a strict schedule in the direction of financial sanity. In fact, only 3.8 percent said the legislation should be repealed.

But at the same time, only a minority, 26.9 percent, said we should proceed on cruise control by simply allowing the mandatory budget cuts to go into effect automatically.

The largest number, 34.1 percent, said we should "Adopt an alternative plan to meet the deficit reduction targets by budget cutting, with more cuts in the military budget than the domestic budget." Only 8.6 percent said we should "Adopt a plan with more cuts in the domestic budget than in the military budget."

Meanwhile, 22.1 percent said we should "meet the budget targets with a combination of selective budget cuts and revenue increases," and 4.5 percent said the targets should be met with revenue increases alone.

CONTINGENCIES FOR RAISING REVENUES

Although only a minority thought we should raise taxes, all respondents expressed opinions on where a tax increase should occur if it is needed.

The numbers add up to well over 100 percent, because many people checked more than one area.

The largest number by far, 66.3 percent, said if revenue increases are needed they should include "higher taxes for corporations." Responses for other potential revenue sources were as follows: A new tax on imported oil, 23.1 percent; a value added tax, 20.7 percent; higher income taxes for individuals, 20.3 percent; and higher taxes on gasoline, 18 percent. Another 18.3 percent said we should enact "no new taxes under any circumstances whatever."

AREAS FOR BUDGET CUTS

To determine where Vermonters feel the Federal budget should be cut, I listed 26 budget areas. That's a pretty arbitrary number, but I ran out of alphabet letters.

Interestingly, of the 26 budget areas, there were only four in which a majority of Vermonters said cuts should be made. They are foreign economic aid, foreign military aid, SDI, and weapons systems other than SDI.

Following is the list, and the percentages of Vermonters who said budgets should be cut in each area:

Public education, 9.9 percent.
Aid to college students, 19.5 percent.
Foreign economic aid, 60.3 percent.
Foreign military aid, 78.8 percent.
Social Security, 7.4 percent.
Veterans benefits, 9.9 percent.
Food Stamps, 17.1 percent.
Job Training, 13.5 percent.
Military Retirement, 44.7 percent.
Civil Service Retirement, 37.3 percent.
SSI for elderly, blind and disabled, 1.6 percent.
Aid to Families with Dependent Children, 7.4 percent.
Civil Service salaries, 37.7 percent.
Military salaries, 27.5 percent.
Women, Infants and Children nutrition program, 8.9 percent.
Dairy price supports, 30 percent.
Farm supports other than dairy, 32 percent.
SDI ("Star Wars"), 58.8 percent.
Weapon systems other than SDI, 55 percent.
Amtrak, 29.8 percent.
Highway aid, 12.5 percent.
Water projects, 20.5 percent.
Military troop strength, 24 percent.
Small business loans, 17.9 percent.
Farm ownership loans, 14.6 percent.
Misc. assistance to states and municipalities, 23.5 percent.

TAX REFORM

The tax reform bill we passed late last year won general approval from 84.5 percent of those who answered the questionnaire. Only 12.9 percent expressed opposition to the general concept of the bill.

But because some features of the bill could be revised when it comes back to us, I also asked Vermonters for their opinions on a very significant aspect of the legislation, deductibility of State and local taxes. Respondents chose among three options.

The largest number, 48.1 percent, endorsed the decision we made in the House by saying we should—

Continue to allow the Federal tax deduction for tax payments to State and local governments, as under the present tax law.

Another 31.2 percent said we should—

Restrict all deductions in excess of $1,000, including the state and local deduction, to 70 percent of the itemized amount. Use the "savings" to raise the personal tax exemption from $1,500 to $2,000 for each dependent.

Meanwhile, 15.7 percent said we should—

Eliminate the state and local deduction. Use the $32 billion in "savings" to reduce the deficit.

Mr. Speaker, I'm well aware that none of us would want to rely solely on questionnaire responses for advice from our constituents. No survey can convey all the shades of opinion, the individual insights or the intensity of feeling we get from letters, phone calls or personal visits.

But over the last 12 years, the Vermont questionnaire has proven to be an essential complement to those other forms of communication. It is a valuable guide to the views of my constituents on many of the major issues we face in Congress.

As in past years, I'll be referring to it regularly throughout the year.

THE GARRISON DIVISION UNIT IRRIGATION PROJECT

HON. BERKLEY BEDELL

OF IOWA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, March 25, 1986

Mr. BEDELL. Mr. Speaker, shortly after the Easter break, the House will consider H.R. 1116, legislation to reauthorize the Garrison Diversion Unit irrigation project in North Dakota. At that time, I intend to offer an amendment to make clear the intent of Congress that this project not subsidize the production of more surplus crops.

My amendment would simply provide that, if an irrigator chooses to use the irrigation water he gets from this project to grow more of crops that are already in surplus, he must pay the full cost to the taxpayers of that water.

THE PROBLEM

Mr. Speaker, the old saying that, "if you're not part of the solution, you are part of the problem," seems especially appropriate on this issue. Two of the biggest economic problems confronting Congress are the budget deficit and the problem of surplus agricultural commodities. The deficit is such a big problem that we have had to cut from programs many of us support, including national parks, certain defense programs, farm programs and others. None of us seriously believes that the deficit problem will go away easily or quickly.

Second, we are awash in a world of surplus agricultural commodities. As a member of the Agriculture Committee who has wrestled with the farm problem, I can assure you that no serious agricultural analyst believes that the surpluses will disappear soon. Any action based on that notion is pure speculation. World agricultural production is increasing so rapidly that it is extremely difficult for the United States to sell its commodities on the glutted world markets. The United States spends millions just to store surplus commodities, and we pay our farmers more and more not to grow these crops in the first place. In fact, under the farm bill's long-term conservation reserve, we will pay farmers to take 40 million acres out of

production over the next 5 years, in addition to millions of acres of annual set-asides that will take additional land out of production.

Is there any logical reason why taxpayers should now grant huge new irrigation subsidies to grow more of crops, such as corn, that taxpayers are already paying farmers not to grow? If ever the United States could afford this wasteful luxury, the world has changed permanently and we never will be able to again.

THE GARRISON PROJECT

The primary justification for the Garrison project in North Dakota is that North Dakota gave up a number of acres of farmland which became reservoirs during construction of the large dams on the Missouri River that control flooding downstream. I believe North Dakota deserves some compensation in exchange for giving up the land. In deciding exactly what that compensation should be, we must of course consider current realities. I have no objection to trying to furnish water to communities as needed—in fact, the project's enhanced municipal and industrial water supply features are admirable—nor do I object to seeking other ways to help the State, including irrigation if it makes economic sense.

However, my common sense tells me that it seems to be the poorest possible use of Federal dollars for us to heavily subsidize the growing of crops which are already in surplus, and then have to pay farmers more money to further restrict their production. There must be some way to spend money to help North Dakota without adding to our other problems. My proposed amendment to this bill is the very least that Congress can require if we are to claim that we are fiscally responsible.

LEGISLATIVE HISTORY

The Reclamation Act of 1902 set the policy of providing opportunities to settle and develop arid western lands by making irrigated water available. One goal of this 1902 legislation was that water rates be set so that Federal costs to construct projects could be recovered. Over the years, various changes in law have resulted in enormous subsidies for irrigation. In recent decades, recognizing that our reclamation policies must be brought into line with today's budget and agricultural realities, Congress has sought to modify reclamation policy in order to end the conflict between reclamation and agricultural policies.

In fact, section 5 of the original 1965 Garrison authorization legislation contained a concept similar to the amendment I am proposing. Section 5 provided that no water from the project should be delivered to grow surplus crops on newly irrigated lands. The text of this section follows:

> Sec. 5. For a period of ten years from the date of enactment of this Act, no water from the project authorized by this Act shall be delivered to any water user for the production on newly irrigated lands of any basic agricultural commodity, as defined in the Agricultural Act of 1949, or any amendment thereof, if the total supply of such commodity for the marketing year in which the bulk of the crop would normally be marketed is in excess of the normal supply as defined in section 301(b)(10) of the Agricultural Adjustment Act of 1938, as amended, unless the Secretary of Agriculture calls for an increase in production of such commodity in the interest of national security.

Unfortunately, this language will not work as intended. First, the absolute prohibition in section 5 contained an escape clause in that it was written to apply only for a period of 10 years, beginning with the date of enactment of authorizing legislation.

Congress again tried to address the issue during debate on the comprehensive Reclamation Reform Act of 1982. The House adopted an amendment of mine which again would have flatly prohibited the delivery of irrigation water to grow surplus crops. This amendment was watered down in conference to a study. But this study ("Production of Surplus Crops on Irrigated Land Served by the U.S. Bureau of Reclamation", U.S.D.A. Economic Research Service, February 1984) confirms the problem and supports the solution I propose today. In addition, a 1985 study by the Natural Resources Defense Council and the California Rural Legal Assistance Foundation also recommended disincentives to irrigating more surplus crops.

My amendment to require full cost for water used to grow surplus crops is a better way to approach the problem than past proposals to use an absolute prohibition on delivery of water to a project. The absolute prohibition was unenforceable and punitive because it stated that "no water . . . shall be delivered" to grow surplus crops on newly irrigated lands. In order to enforce this provision, the Secretary of the Interior would have to actually turn off the water. As has been pointed out in hearings before the House Interior Subcommittee on Water and Power, the pressures against turning off the water are so strong that the concept doesn't work.

This modest amendment would merely increase the fairness and workability of existing provisions of law intended to end this wasteful conflict between reclamation and agricultural policies.

Furthermore, applying the concept of full cost pricing to surplus crops is consistent with reclamation law. The Reclamation Reform Act of 1982 requires that irrigators repay the full cost of providing them the water, unless they qualify for a subsidy. The act allowed subsidies to family farmers and small corporate farmers, but denied subsidies to those who do not deserve them. My amendment would simply extend the concept of full-cost pricing to those who choose to work against the goals of our farm programs.

SUSSIDIES IN THE BILL

The Garrison project's irrigation features would cost $700 million to irrigate 130,000 acres of farmland. Although the project will cost more than $5,000 per acre, it would increase the average market value of an acre of farmland by only about $600 at most.

If farmers were required to repay the full cost to the taxpayers of this irrigation project, they would have to pay back about $500 per acre per year. As reported by the Interior Committee, the bill would require repayment of 10 percent of full cost for water used to grow surplus crops. This means that that bill would reduce the annual repayment required of farmers to about $70 per acre per year, granting an annual subsidy of more than $400 per acre. My amendment would simply say that the Government will not grant this $400 subsidy to those farmers who choose to work against government policy by using the water to grow more of the very same crops that the Government is already paying these and other farmers not to grow.

FAIRNESS AND PRACTICALITY

The concept of charging full cost for water used on surplus crops is fair and practical. It is fair to the irrigator who can decide whether he is willing to pay for the subsidy if he chooses to use it for no productive purpose. Second, it is fair to other farmers who do not receive irrigation subsidies and who must now compete against those who do, and who must now suffer the consequences of a glutted market. Third, it is fair to the taxpayers, because they shouldn't have to pay for both farm programs and irrigation subsidies.

The amendment is practical because it would be no harder to administer than the bill as written. Because the bill provides for payment of 10 percent of interest costs, it already requires the writing of appropriate contracts, the administrative determination of the percentage of water used for surplus crops, the computation of interest charges, and so forth. The only difference is that the Government would not have to divide by 10 at the end of the calculation.

Mr. Speaker, this amendment is not a new idea, nor is it unfair to apply it to the Garrison project. The amendment embodies concepts that have been recognized by Congress for decades, and which were included in the original 1965 Garrison Act.

I attach a factsheet describing the amendment.

EXPLANATION OF EXCESS CROPS AMENDMENT

GENERAL

The amendment requires that irrigators who choose to use project water to grow surplus crops sign a contract with the government agreeing to pay the full cost of that water.

REQUIRES REPAYMENT OF INTEREST

Under current reclamation law, irrigators are frequently only required to repay a small part of the full cost of providing them the water (i.e. only principal & operation/maintenance expenses). Repayment of interest costs, by far the largest cost to the government, is often not required, due to various provisions in the Reclamation Reform Act of 1982. The amendment requires repayment of interest costs for that portion of the water used to irrigate surplus crops.

DEFINITION OF SURPLUS CROPS: APPLIES TO ANY BASIC AGRICULTURAL COMMODITY

Like the bill's Section 7, the amendment applies to any basic agricultural commodity if the total supply of that commodity is determined to be in surplus by the Secretary of Agriculture. In agriculture law, "normal supply" includes sufficient carryover stocks.

FARM PROGRAM PARTICIPATION IRRELEVANT

For purposes of this excess crops section, it does not matter whether or not an individual irrigator himself participates in farm programs. An irrigator who pays full cost, grows corn and does not participate in farm programs still worsens the problem of the corn surplus for everyone. The amendment seeks to reconcile national reclamation and agricultural policies.

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DEFINITION OF FULL COST

The definition of "full cost" used in the amendment is the current standard, and the same definition used in the bill. It is the definition in the Reclamation Reform Act of 1982, the most recent comprehensive congressional revision of reclamation policy law.

PAYMENT CALCULATED ANNUALLY

The actual amount of interest costs to be repaid annually by the irrigator is determined year-by-year, based on what percentage of project water is obtained for irrigating surplus crops. On July 1 of each year, the Secretary of the Interior announces the amount of the full cost payment for the following year.

REPAYMENT INCREASES MAY NOT BE OFFSET ELSEWHERE

The amendment does not permit any increase in interest cost repayments under this section to offset other payment obligations required under reclamation law, such as repayment of principal or of operation and maintenance expenses. Nor does the amendment permit any increases in interest cost repayments under this section to increase the amount of project costs to be repaid from revenues of sales of federal power.

H.R. 4407, A BILL TO LIMIT THE LIABILITY OF FISHING VESSEL OWNERS THAT COMPLY WITH IMPROVED SAFETY REQUIREMENTS

HON. WALTER B. JONES

OF NORTH CAROLINA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, March 25, 1986

Mr. JONES of North Carolina. Mr. Speaker, on March 13, 1986 I introduced H.R. 4407, a bill to limit the liability of fishing vessel owners and operators if the fishing vessels owners meet certain obligations and the vessels they operate meet certain safety standards.

Nearly every Member of this body is aware of the current liability insurance crisis. Many industries cannot afford or even find liability insurance. Our municipal, county, and State governments are in the same dire situation as private industry. This crisis has also extended its tentacles to the U.S. fishing industry.

Fishing vessel owners and operators are faced with skyrocketing insurance costs, rapidly shrinking insurance coverage, and in the worst cases, the complete unavailability of fishing vessel insurance.

To add insult to injury, our fishermen are faced with a number of other problems: They have lost traditionally important fishing grounds, such as a portion of Georges Bank, as a result of a recent World Court ruling, and United States access to shrimp fishing grounds off Mexico as a result of Mexico's declaration of a marine exclusive economic zone; they face a rising tide of cheap foreign fish imports which depresses the price paid for the fish they catch; many fish stocks are at all time lows because of adverse environmental conditions, such as El Nino on the west coast and severe freezes in the gulf and South Atlantic; and last, profits have been reduced because the number of vessels participating in many fisheries has exceeded the capacity of the fishery resource.

A remedy to the current fishing vessel insurance crisis is urgently needed. The fact of the matter is that the U.S. fishing industry needs the insurance industry far greater than the insurance industry needs our fishermen. This makes the U.S. fishing industry captive to the whims of the insurance industry. In some cases, fishermen are forced to keep their vessels tied to the dock because of the lack of affordable insurance. In other situations, fishermen are operating without insurance, at the risk of losing their life savings in the event of an accident. If our fishing vessels do not carry adequate insurance, crewmen will not be adequately compensated if they are injured aboard fishing vessels.

While the regulation of the insurance industry at large is a matter for each State, the U.S. Constitution places the activities of the merchant marine and seamen under Federal jurisdiction. Liability for fishing vessel owners and operators centers around three areas. First, the employers of fishing vessel crewmen are subject to the doctrine of maintenance and cure. Under this doctrine, the employer is financially responsible to provide for the cure of seamen who become ill, injured or disabled while in the service of a vessel and for maintaining the seamen through remuneration for room and board until a cure is achieved. Second, under the 1920 Jones Act, seamen are guaranteed the right to bring action in Federal court if an injury, illness, or disability results from the negligence of the employer. Third, the vessel owner is subject to the doctrine of seaworthiness, whereby the seaman can bring court action if an injury is sustained as a result of the vessel being unseaworthy.

To be sure, this is not the first time the fishing vessel insurance crisis has arisen. There have been similar crises in 1965, 1975, and the latest which began in the mid-1980's. These cycles are closely tied to interest rates. During times when interest rates are high, the underwriters of marine insurance pay little or no attention to loss rates, for they can make a handsome profit from the investment of insurance premiums. During these times, the insurance companies compete for premiums through lower and lower insurance rates. When interest rates drop, the industry awakens to the fact that losses are exceeding income from the investment of premium payments and it then responds by increasing premium rates to lofty heights.

The current situation appears to be different from past crises in that never before has the dilemma reached such proportions. Many persons in the fishing industry contend that factors other than interest rates have played a large role in the skyrocketing cost of fishing vessel insurance. Many fishing vessel owners and insurance industry spokesmen contend that there has been an excessive payment of claims filed for injuries incurred aboard fishing vessels. Examples are often cited in which $500,000 may be awarded for a broken arm. While these cases gain notoriety, they are far from the norm; however, these cases do serve to erode the confidence of the insurance industry in the orofitability of fishing vessel insurance. The confidence of the insurance industry has also been eroded by a number of suspicious sinkings in the North Pacific king crab fleet and the New England groundfish fleet.

The number of cases where suits have been brought and awards made have risen. A study carried out by Prof. Dennis Nixon of the Sea Grant Program at the University of Rhode Island points out that statistically, large awards represent a very small number of injury cases. The real problem appears to be short-term injury awards between $20,000 and $100,000. Many in the industry have also asserted that the development of a plaintiff's bar at the dockside has resulted in an unprecedented number of claims and subsequent awards. Many fishermen believe that attorneys representing seamen have reaped unreasonable profits and have served only to fuel the problem.

Fishing vessels have traditionally been exempt from any governmental regulation for purposes of providing minimum safety standards. Under current law the only statutory requirements for fishing vessels are for the vessel to carry a fire extinguisher, a life preserver for each individual, vents for fuel tanks, and a flamearrester. Many believe that enhanced safety standards may reduce the number of fatalities and injuries experienced by the fishing industry. The U.S. Coast Guard has provided my committee with data showing that the fatality rate for commercial fishermen is approximately seven times the overall U.S. industry average. A 1983 Coast Guard study points out that fishing vessel loss rates are on the order of five times that of U.S. ocean-going cargo ships—vessels that are required to meet more stringent safety equipment and seamen training standards. In addition, it is apparent that some Federal fishery management plans have the effect of encouraging fishermen to operate under weather conditions they would normally avoid and to load vessels with excessive amounts of fishing gear and catch.

My bill, H.R. 4407, is an atttempt to remedy some of the outstanding problems that have apparently led to the current fishing vessel insurance crisis and in doing so to be fair to fishing vessel owners, fishing vessel crewmen, and attorneys. The bill I have introduced addresses four broad areas: First it would limit fishing vessel owners' liability, but only if certain conditions are met; second, it would mandate that fishing vessels built after 1987 would be required to meet certain fishing vessel safety standards; third, it would authorize the courts to review and if appropriate, reduce attorneys fees for handling injury claims; fourth, it would amend the Fishery Conservation and Management Act to require fishing vessel and crew safety to be taken into consideration in developing and implementing fishery management plans.

H.R. 4407 would limit liability under current doctrine and law as follows: First, seamen would be prohibited from bringing an action under General Maritime Law and the Jones Act if an injury or disability is less than 1 year in duration; second, the statute of limitation for bringing an action under the Jones Act or General Maritime Law would be reduced from the current 3 years to 2 years; and third, non-

pecuniary awards would be capped at $350,000.

In order to qualify for the limitation of liability, fishing vessel owners or operators would be required to meet certain obligations: First, as under current law they would have to provide a cure for any injured, disabled, or ill seamen; second, they would be obliged to provide maintenance at the rate of $15,000 per year or 80 percent of average wages, whichever, is greater, until the injured seamen is recovered; last, the fishing vessel would have to meet certain safety standards. If these conditions are not met, the limited liability scheme would not apply.

H.R. 4407 would require the Secretary of Transportation to develop safety regulations governing: Navigation equipment, life saving equipment, fire protection and fire fighting equipment, the use and installation of insulation materials, fuel ventilation systems and vessel stability. These regulations would be mandatory for vessels built after 1967 and voluntary for existing vessels. In addition, the managing operator of a fishing vessel would be required to hold a special operators training certificate and fishing vessel owners and operator's would be required to inform crewmen of safety and emergency procedures.

Two marine accident reports recently issued by the National Transportation Safety Board [NTSB] on the sinking of the fishing vessels *Americus, Altair,* and *Atlantic Mist* clearly demonstrate how new vessels complying with this legislation can avoid problems encountered by older vessels. In the case of the *Americus* the Board found the probable cause of the capsizing was "inadequate intact stability caused by improper loading and the addition of trawling gear;" and the contributing factor was the "owners' failure to determine the stability characteristics of the *Americus* and to amend the vessel's stability information after the trawling gear was installed." In the case of the *Atlantic Mist* the NTSB determined that the probable cause of the sinking was the "failure of the master to lock the covers on the circular deck openings" and the contributing factor was the "clogging of the fish hold drains by loose clams" and the "non-watertight bulkhead penetrations into the engine room which allowed progressive flooding of the vessel." In these three disasters, a total of 16 fisherman died needlessly.

This legislation also requires the insurance companies to supply periodically to the Secretary of Transportation information on casualties aboard fishing vessels. it is my hope that this information will ultimately provide a basis for marine insurers to decrease their insurance rates for those classes of vessels possessing safe operating histories rather than the current practice of across-the-board increases or decreases.

Mr. Speaker, H.R. 4407 is an attempt to resolve a very complex and dire situation. In doing so, it will require sacrifices on the part of fishing vessel owners and operators, crewmen, the insurance industry, and attorneys. Through each party making a sacrifice it is my ardent hope that all parties will benefit by having a predictable market for fishing vessel insurance and by a system that adequately protects seamen and compensates them in the event that they are injured. Through the hearing and markup process, I am hopeful that any outstanding problems or areas where the bill may fall short can be resolved. With that, I urge my fellow members to support H.R. 4407 at such time as it or a modified bill comes before the full House of Representatives.

USE OF CHRYSOTILE ASBESTOS

HON. ELDON RUDD

OF ARIZONA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, March 25, 1986

Mr. RUDD. Mr. Speaker, Hubert F. Wood and Alvin W. Gerhardt live in Globe, AZ, which is in my congressional district. These gentlemen have spent half of a century involved in the mining, production, and use of chrysotile asbestos, which differs from other types of carcinogenic asbestos such as crocidolite and amosite.

Mr. Wood and Mr. Gerhardt disagree with the Environmental Protection Agency's proposed rules, which were published in the Federal Register on January 29, 1986, restricting the mining, manufacturing, processing, and importing of all types of asbestos, with no differentiation between the minerals such as chrysotile, because they are hazardous to one's health.

I would like to share with my colleagues the following statements of these two gentlemen as presented in testimony before the EPA meeting on March 6, 1986 in Tucson, AZ.

My name is Alvin Gerhardt, I am 79 years of age. I am a 1933 graduate of the University of Arizona with a Mining Engineering Degree and have been active in the mining industry ever since. Beginning in 1951, I worked for 21 years in the asbestos industry in Gila County at a time when dust control measures were very inadequate.

Thank you for the opportunity to offer comments on the E.P.A. report number 530-SW-033.

E.P.A. continues to use the generic term "Asbestos" in reference to health effects and regulations. Other countries differentiate between the commercial asbestos minerals.

E.P.A. says asbestos poses a serious risk to human health, but let's talk about chrysotile which furnishes 95% of the asbestos uses and which is the best substitute for most of the other 5%. The other fibrous asbestos minerals are not mined commercially in North America.

Chrysotile is less carcinogenic to humans than other asbestos minerals. Chrysotile has not been shown to cause ill health, cancer or mesothelioma in low concentrations to the occupational or non-occupational in mining communities where only chrysotile is encountered. Chrysotile is more readily expelled from the lungs and more readily dissolved in the lungs than other types of asbestos. How else would my lungs be clear after 21 years exposure to high concentration? Chrysotile is less carcinogenic than many man-made fibers which are being used as substitutes.

E.P.A. says suitable substitutes are available and can be developed. A suitable substitute does not mean equal in strength, flexibility, acid and fire resistance. According to several scientific sources, man-made fibers including fiberglass and glass wool are more carcinogenic than chrysotile. (Saracci et al; British Journal of Medicine Vol. 48 Pages 425-436, 1984): (Enterline and Marsh; WHO-EURO, BIOL. "Effects; man-made fibers").

On page 4-31 from the E.P.A. Report to Congress, E.P.A. again fails to recognize asbestos differences. It states that E.P.A. chose to evaluate asbestos as a potentially hazardous waste constituent because of the well documented inhalation danger that asbestos fibers, even in small quantities, pose to human health. It should be noted that only crocidolite and amosite danger has been documented in small quantities and not chrysotile.

On page 4-34, E.P.A. calls mesothelioma a "Signature Disease" for asbestos. Most mesothelioma cases related to asbestos are caused by crocidolite and amosite. A cause for one third of mesothelioma cases is unknown. Chrysotile seldom, if ever, causes mesothelioma.

On page 4-34, setting the emission standards for friable asbestos does not take into account the material may be chrysotile, the least harmful of the asbestos minerals.

From the E.P.A. news releases to the public, using the all inclusive word "asbestos", the public has been whipped into such hysteria, they are demanding asbestos-containing materials be ripped out of public buildings, particularly school buildings. The ambient air outside the buildings has been found to contain more asbestos than inside the buildings. No mention is made by E.P.A. that over 95% of the asbestos in the buildings may be chrysotile.

A large percentage of the rocks and soil, which cover the earth, contain asbestiform minerals which emit particles to the air during weathering processes. Carcinogens are in the air we breathe, the water we drink and even in plant food we eat. We cannot eliminate cancer risk from our lives but with a little caution we can reduce risk to where it becomes insignificant.

To attack asbestos in metal mines where only a very small amount of fibrous minerals may be present is expanding the bureaucracy on work projects and not on health projects. Usually waste from mining and beneficiation are placed on the surface where they cover other rocks and soils which may contain fibrous minerals. The asbestos in these wastes have a specific gravity of about 2.6 so it does not migrate to the surface. The asbestos does not add any more acidity to the ground water than other silicate minerals. The added asbestos to our present atmospheric background would be negligible.

J.C. McDonald and others have carefully documented the relationship between lung cancer and incidence from cumulative exposure to chrysotile. For men exposed over 20 years in dust categories averaging approximately 20 fibers per cc, total mortality rate was less than for the general population of Quebec.

Studies were conducted on the female population of two large chrysotile mining towns of Quebec where the women were exposed 24 hours a day, 7 days a week, most of them since childhood, to an environment in the vicinity of mines and dumps which were about a hundred times more polluted with chrysotile than most major cities. The women have not experienced mortality rate significantly in excess of that for the general population.

Such studies make it doubtful that chrysotile waste piles are a significant health hazard. Liddell in 1981 stated, "Miners

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working a lifetime at 2 fibers per cc are not expected to present any significant health problems relative to those in other mining industries."

Since 1970 the risk from exposure to mining and milling of chrysotile has been greatly reduced. With the present standard of 2 fibers per cc of air for chrysotile, I believe, like Liddell, we have reached that insignificant risk. It is a standard that is realistic, attainable, and allows us to continue to use a valuable strategic mineral for which there is no equal substitute.

Ingestion of asbestos in food and water has not been found to be a health hazard. In the chrysotile mining areas of Canada the population was drinking water that contained 172,000,000 to 1.3 billion fibers per liter without evidence of ill effects.

The U.S. Health Department conducted a study of golden hamsters in which one group was fed 1% asbestos in its food. The group that was fed asbestos grew larger, was healthier and lived longer than those without asbestos in the diet.

The E.P.A. has been negligent in not bringing to the attention of the Resource and Recovery Act, the Congress and the public that the word asbestos as used in the law is a generic term for a large group of minerals of different chemical compositions and morphology which are not equally health hazardous or carcinogenic.

This negligence has cost this nation billions of dollars, frightened the public into hysteria and closed down businesses and industries. It has deprived this nation of a very useful, strategic and life preserving commodity without an equal substitute.

This law was passed on the basis of a government financed study of 17,800 shipyard and insulation workers who were exposed to various types of asbestos, principally the most harmful types that were specified for shipbuilding. This study was severely criticized by a number of scientists for not having the proper control groups or peer review. It was also noted that only three of those who died did not smoke. It has been estimated that the incidence of cancer in smokers who breathe asbestos is sixty to ninety times that of non-smokers.

In 1978, because of that study, Califano who was then Secretary of the Department of Health, Education and Welfare, predicted 67,000 deaths per year for the next 30 to 35 years due to asbestos. In the same year, Dr. Irving Selikoff, Director of that study, estimated 40,000 deaths per year. By 1981 Dr. Selikoff had reduced that figure to 20,000, 10,000 and then 8,500.

In 1982 two separate scientists made estimates from statistics of actual illnesses and both estimates were less than 600 deaths per year. Could the difference have been because over 95% of the population was breathing chrysotile?

If the full truth about asbestos is not presented to Congress and the public, the mechanism of going through one hearing after another is a farce.

This hearing, we hope, will not be just a formality like the ones in Globe, Arizona which were orchestrated to accomplish a goal for political purposes.

Mike Wood Report

I am Mike Wood, Age 78, A graduate of Boston University with a BS degree in Education. I have been a resident of Globe since 1944 and during that time sold life and Health Insurance. I have never had a claim for illness or death which was related to asbestos.

I appreciate the opportunity to talk on asbestos which has been a major contributor to the health, welfare and security of this nation.

I consider the E.P.A. report in the Federal Register as a complete fraud. Why? Because the generic term, "Asbestos" classifies all asbestos minerals equally hazardous to the health in humans. Chrysotile rarely, if ever, causes mesothelioma or lung cancer to the non-occupational. It furnishes about 96% of the asbestos used. Amosite and crocidolite have furnished about 2% each and they are imported. These two have had bad histories of causing mesothelioma and lung cancer.

The Federal Register outlines plans to phase out all asbestos in 10 years. No mining: No manufacturing; No use without the E.P.A. permission. The E.P.A. may approve importation for special purposes. I ask, "Where from?" Russia is the greatest producer of chrysotile today. This strategic material must not be put into the hands of the Russians to supply us in times of conflict.

The need for maintaining our production was driven home during the last war. The U.S. Government sent a man to Globe in 1943 to get out 5 tons of chrysotile for each of 100 ships that were under construction. This fiber was needed in the filtering systems of our new baby aircraft carriers and other ships. They could not sail without it. Globe supplied this strategic fiber and the carriers were launched in time to prevent the Japanese from invading our West Coast. You may recall that our three great carriers were disabled or sunk in early action. Globe supplied the navy with 3,000 tons and the pharmaceutical industry the fiber to use in filters for germproofing pharmaceuticals and to process blood plasma.

The E.P.A. had the generic term "Asbestos" placed in the Federal Statutes. This controls the laws they operate under. Thus, chrysotile has been condemned by innuendo. Until these Statutes are changed by our Congressmen, havoc will continue in our industries and in our schools at a tremedous sacrifice to the economy and to the security of our nation.

In 1981, the importation of the amphiboles increased 15.1% while chrysotile importation decreased 32%. The E.P.A. must be wrong somewhere, for other nations have banned the use of amosite and crocidolite.

On pages 4-66 and 1-10 in the Report to Congress, 115,000 cubic meters (or 150,405 cubic yards) of tailings were said to be used to level the Mountain View Mobile Home Estates site. Where did the E.P.A. get those figures? No tailings were ever dumped on that property! This would bury the 17 acres to a depth of over 5 feet. Where did they get the 78 fibers per cc in the air samples? The Health Department Study made in 1979 showed .001 to .004 fibers per cc. Another fabrication. These levels, as measured, are background levels in all countries and cities. It is hard to believe that Governor Babbitt would declare the mountain View Mobile Home Estates—"The most health hazardous place in Arizona".

Several studies and reports were made to determine the health hazards to human health in Gila County. They are listed below.

1970—The U.S. Public Health Services made a medical study.

1973—The Jaquays Asbestos Corp. made a medical study.

1981—NIOSH made a medical and mortality study.

1982—Wood-Gerhardt team made a tape-recorded health study.

1957—Dr. Thomas B. Jarvis, Pathologist, made a report.

1980—U.S. Vital Health Statistics made a State report showing Gila County ranked 8th among 14 Counties for cancer.

1985—A report from the Arizona Workmen's Compensation Fund.

All of these studies and reports did not reveal one case of asbestosis, mesothelioma, lung cancer or death from the Gila County chrysotile asbestos.

The E.P.A. turned their big guns on Globe in 1983 following Governor Babbitt's ability to get Superfunds. A Feasibility Study was made and hearings were held as prescribed by law. The hearings were merely a formality, testimonies were ignored by the E.P.A. and also the news media. The Ontario Research Foundation reviewed the Feasibility report of the fiber count in the air at the Mountain View Mobile Home Estates. They said, "The great variations in the analytical sensitivity do not allow conclusions to be drawn and the statistical evaluations of the data is clearly erroneous."

In view of the above information 4,300 people of the Globe area signed a petition to Governor Babbitt with the following:

The people of Globe and Gila County have suffered great and economic loss from the fear generated by innuendo with no actual proof that human cancer or mesothelioma can be due to Arizona chrysotile asbestos.

"Therefore we, the undersigned, request that if there are known cases of these diseases in Gila County during the 68 years of mining and milling of asbestos, they be presented. Otherwise, we request a public statement be made to remove the health stigma by stating there are no known cases and assuring the public that Globe and Gila County are not hazardous places in which to live."

The Governor became angry when presented with the petitions and after several weeks, when pressure was brought, he reluctantly sent the petitions to the U.S. Surgeon General to get himself off the hook. The petitions were ignored by the Governor and the Surgeon General. The ignoring of the petitions combined with the studies and reports was evidence enough to show that Arizona chrysotile is not hazardous to the health of humans.

Chrysotile has been condemned on the basis of being associated under the generic term with crocidolite and amosite in the Congressional laws. Other slightly carcinogenic substances are not called hazardous. We appeal to the E.P.A. and Congress to confess their sins and work toward the removal of Arizona chrysotile from the list of hazardous minerals.

ARROW AIR CRASH: QUESTIONS STILL LINGER

HON. JAMES J. FLORIO

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Tuesday, March 25, 1986

Mr. FLORIO. Mr. Speaker, we were shocked last December to learn of the deaths of 248 members of the 101st Airborne Division in the crash of a chartered airliner in Canada. Some us have become even more shocked with the increasingly alarming reports which have come to light since the crash. I

refer specifically to the reports surrounding the credibility of Arrow Air Lines.

Mr. Speaker, I urge my colleagues to read the following article by Sandy Grady of the Philadelphia Daily News. The thought of U.S. servicemen, or for that matter anyone, being transported under such conditions leads to a demand for answers.

Mr. Speaker, our distinguished colleague Congressman CHARLES BENNETT of Florida has introduced legislation which would obtain both those answers which we seek and insure the quality of air safety we need for military troop charters. H.R. 4014 which concerns military air charter safety requirements is a bill which I am proud to cosponsor. I commend Mr. BENNETT on his initiative on this matter and urge my colleagues to read the attached piece and then examine H.R. 4014.

The article follows:

[From the Philadelphia Daily News]

Bitter Lesson From Arrow Air

(By Sandy Grady)

She said she was a stewardess for Arrow Air Lines. Her roommate, another Arrow stewardess, had been killed in the Newfoundland crash that wiped out 248 servicemen. Her voice on the phone was choked with anger and tears.

"All of us were afraid to fly those damn planes," she said.

She was one of several Arrow employees who called me after I'd written about Arrow's scandalous service record. All had similar horror stories but were afraid to let their names be used.

The tearful stewardess's words are unforgettable, though:

"It's a disgrace the government flies kids all over the world in planes like that . . . Once we took off with a rear door jammed open six inches. I told the pilot who said, 'Don't worry, pressure will close it.' . . . Another time we landed at night in New York with a malfunctioning engine. There was nobody to check it but a 21-year-old mechanic. We flew on to Iceland. . . .

"I think the pilots were scared by the equipment, too. I saw one guy drunk in his hotel room two hours before a flight. The good ones were exhausted, flying 18 to 24 hours a stretch. I've gone to the cockpit and found the whole crew asleep, the plane on automatic."

I didn't write that or similar horror tales at the time. First, the accounts were anonymous. Second, I wasn't sure they weren't exaggerations.

After the heart-wrenching story told to a Senate committee Thursday by ex-Arrow pilot Dan Hood, I believe every word.

Hood, who now flies for Pan Am, says he quit Arrow in the spring of 1985 because the maintenance was dangerously shoddy and the flying hours brutal.

But he had one tie to Arrow—his fiance, Ruthie Vargo Phillips, was a stewardess.

Four days before the ill-fated Arrow DC-8 was to fly its load of GI's from the Middle East, she telephoned Hood.

"The plane has a bad engine. Something called 'compressor stall.'" Phillips said. "They're not going to fix it until we get back to the States."

"Why don't you just quit, get off the airline right now?" asked Hood.

"I'll make one last flight and resign," said Phillips.

They would have been married in May.

Nobody's sure why the Arrow plane went down. But we do have some cruel facts—the Pentagon kept flying GI's on Arrow after the Federal Aviation Administration had loads of evidence Arrow was cutting safety corners. And—bad news for the future—budget cuts may limit FAA watchdogs from keeping an eye on cut-rate lines such as Arrow.

"Maintenance on Arrow planes was the worst I've experienced," another former Arrow pilot, Michael Sanjenis, told senators. "Pilots had to fly 18 or 20 hours at a time. Sometimes the whole crew was asleep in the cockpit."

Mechanic Randy Stirm verified that the doomed Arrow DC-8 had a troublesome engine. He recalled a Green Beret captain waving a pistol and threatening to shoot the pilot if the plane wasn't fixed.

But George Batchelor, Arrow's chairman, didn't believe any of it. "Arrow was and is a safe airline," insisted Batchelor, who also questioned a new FAA report on Arrow's lousy maintenance.

"Do you just look at the balance sheets?" snapped Sen. Albert Gore Jr., D-Tenn.

"I'd like to see inspectors all over you like flies," said ex-astronaut Sen. John Glenn, D-Ohio, bitterly.

But Glenn may not have his way. After the Gramm-Rudman guillotine slams down, the FAA may have fewer safety inspectors to ride herd on non-sheduled airlines such as Arrow.

Despite the flock of new airlines after deregulation, Reagan budgeteers cut aircraft inspectors from 674 to 569. Transportation Secretary Elizabeth Dole restored the full force in 1984. Now—despite one of the worst years for U.S. air crashes—automatic budget cuts may again gut the safety teams.

You can rail at Big Government. But when you're white-knuckled at 30,000 feet, you don't want anybody cutting corners on airline safety.

If there's anything learned from the Arrow crash, Three Mile Island, or the space-shuttle explosion, it's that technology is only as good as the humans who operate it.

The poignant testimony of Dan Hood brings home the message about the Arrow catastrophe: A lot of people screwed up.

Somebody should put up a sign at FAA headquarters and the Pentagon: No More Arrows.

BIAGGI INTRODUCES BILL TO ESTABLISH SPECIAL TASK FORCE ON ELDER ABUSE

HON. MARIO BIAGGI

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, March 25, 1986

Mr. BIAGGI. Mr. Speaker, as chairman of the House Select Committee on Aging's Subcommittee on Human Services, I am proud today to introduce legislation called the Task Force on Elder Abuse Act of 1986. I am joined by the distinguished gentleman from Florida Mr. [LEHMAN], as an original cosponsor of this legislation.

I would note at the outset that this is identical to S. 1919, a bill which passed the Senate on February 19.

The problem of elder abuse is growing in terms of both incidences and consequences. Today in our Nation as many as 1 million seniors may be victims of elder abuse whether in their homes, the homes of relatives, or in institutions. Elder abuse can and does take four distinct forms. It can be physical, psychological, material, or involve basic loss of rights to the elderly individual.

The House Select Committee on Aging and my Subcommittee on Human Services have been involved in the elder abuse issue this entire decade. Our committee held the first hearing on this subject in 1980 and developed the first legislation specifically dealing with elder abuse.

I was proud to be a coauthor of the Family Violence Prevention and Treatment Act which became law in 1984. This was incorporated as title III of the Child Abuse Prevention and Treatment Act Amendments of 1984. The legislation authorized $65 million over 3 years to programs providing services to victims of family violence including elder abuse. After a lengthy delay, the Department of Health and Human Services did announce last week the formal release of the first appropriated funds from this act—$8.4 million.

I offer this legislation as a compliment to ongoing efforts to curb the problem of elder abuse. The task force that would be created under my bill would have among its duties: To assess the nature and extent of public and private efforts that are needed to report, monitor, and redress the incidence of elder abuse in the United States.

The task force would be comprised of 17 members including the Secretary of Health and Human Services and 10 individuals appointed by the Secretary, the Director of the National Insititute on Aging and 5 individuals appointed by the Attorney General and the Secretary.

The task force will be vested with sufficient authority to conduct hearings and conferences as well as obtain "information necessary to enable it to carry out this act." Finally the task force will be responsible for submitting a report to the President and Congress not later than 9 months after its first meeting.

It is my fervent hope that we will join the Senate and pass this legislation. Elder abuse is a problem which we know exists yet we need to know a great deal more about so that when we shape out legislative and regulatory proposals we have the full benefit of the kind of information and recommendations of an entity such as this task force. I call on my colleagues for their support.

At this point in the RECORD, I wish to insert the full text of the legislation.

H.R. 4494

An act to establish a task force to examine the issues associated with abuse of the elderly.

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SHORT TITLE

SECTION 1. This Act may be cited as the "Task Force on Elder Abuse Act of 1985".

ESTABLISHMENT

SEC. 2. There is established a task force to be known as the Task Force on Elder Abuse (hereafter in this Act referred to as the "Task Force").

DUTIES

SEC. 3. (a) The Task Force shall assess the nature and extent of public and private ef-

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forts that are needed to report, monitor, and redress the incidence of elder abuse in the United States. Task Force shall—

(1) define and analyze the factors that cause elder abuse;

(2) specify and clarify mechanisms that exist or can be developed in the private sector to alleviate elder abuse;

(3) examine and assess methods of educating and training health professionals, the general public, the clergy, law enforcement officers, and other agencies and individuals that may be instrumental in caring for those who are victims of elder abuse and also those who may be instrumental in alleviating elder abuse; and

(4) make recommendations for the conduct and coordination of continuing research concerning elder abuse.

(b) For purposes of this Act, the term "elder abuse" means abuse of an individual over 65 years of age involving—

(1) deliberate physical injury;

(2) negligence;

(3) financial injury;

(4) sexual abuse; or

(5) violation of rights.

MEMBERSHIP, APPOINTMENT, PAY, AND MEETINGS

Sec. 4. (a) The task Force shall be composed of 17 members as follows:

(1) the Secretary of Health and Human Services (hereinafter referred to as the "Secretary") or the designee of the Secretary;

(2) five individuals appointed by the Attorney General and the Secretary who are not officers or employees of the United States and who represent health and senior citizen organizations and who have experience in handling elder abuse matters;

(3) the director of the National Institute on Aging; and

(4) ten individuals appointed by the Secretary, consisting of one individual responsible for administering State services regarding aging from each of the ten regions of the United States administered by the regional offices of the Department of Health and Human Services.

(b) A vacancy in the Task Force shall be filled in the manner in which the original appointment was made.

(c) Members of the Task Force shall be appointed for the life of the Task Force.

(d)(1) Except as provided in paragraph (2), members of the Task Force shall each be paid at a rate equal to the daily equivalent of the annual rate of basic pay in effect for grade GS-18 of the General Schedule for each day (including travel time) during which they are engaged in the actual performance of the duties of the Task Force.

(2) Members of the Task Force shall be paid per diem and reimbursed for travel and transportation expenses in connection with the performance of the functions and duties of the Task Force as provided in sections 5702 and 5703 of title 5 United States Code.

(3) Members of the Task Force who are officers or employees of the United States or Members of the Congress shall receive no additional pay, allowances, or benefits by reason of their service on the Task Force.

(e) Eleven members of the Task Force shall constitute a quorum but a lesser number may hold hearings.

(f) Not later than 15 days after the effective date of this Act, the Secretary of Health and Human Services shall designate the Chairman of the Task Force from among members of the Task Force. The Chairman shall not be an officer or employee of the United States.

(g) The first meeting of the Task Force shall be held not later than 30 days after the designation of the Chairman pursuant to subsection (f). The Task Force shall meet at least five times during the existence of the Task Force. The date and time of all meetings of the Task Force shall be at the call of the Chairman or a majority of its members.

EXECUTIVE DIRECTOR AND STAFF

Sec. 5. (a) The Task Force shall have an Executive Director who shall be appointed by the Chairman of the Task Force and who shall be paid at a rate determined by the Chairman. The rate of pay may not exceed the annual rate of basic pay payable for GS-18 of the General Schedule.

(b) Subject to such rules as may be prescribed by the Task Force, the Chairman of the Task Force may appoint and fix the pay of five professional staff members and two support services staff members. A rate of pay fixed pursuant to the first sentence may not exceed the annual rate of basic pay payable for GS-18 of the General Schedule.

(c) The Executive Director and staff of the Task Force may be appointed without regard to the provisions of title 5, United States Code, governing appointments in the competitive service, and may be paid without regard to the provisions of chapter 51 and subchapter III of chapter 53 of such title relating to classification and General Schedule pay rates.

(d) Subject to such rules as may be prescribed by the Task Force, the Chairman of the Task Force may procure temporary and intermittent services under section 3109(b) of title 5 of the United States Code, but at rates for individuals not to exceed the daily equivalent of the annual rate of basic pay payable for GS-18 of the General Schedule.

(e) Upon request of the Task Force, the head of any Federal agency is authorized to detail, on a reimbursable basis, any of the personnel of such agency to the Task Force to assist the Task Force in carrying out its duties under this Act.

POWERS

Sec. 6. (a) The Task Force may, for the purpose of carrying out this Act, hold such hearings and conferences, sit and act at such times and places, take such testimony, and receive such evidence, as the Task Force considers appropriate.

(b) Any member or agent of the Task Force may, if so authorized by the Task Force, take any action which the Task Force is authorized to take by this section.

(c) The Task Force may secure directly from any department or agency of the United States information necessary to enable it to carry out this Act. Upon request of the Chairman of the Task Force, the head of such department or agency shall furnish such information to the Task Force.

(d) The Task Force may accept, use, and dispose of gifts or donations of services or property.

(e) The Task Force may use the United States mails in the same manner and under the same conditions as other departments and agencies of the United States.

(f) The Administrator of General Services shall provide to the Task Force on a reimbursable basis, such administrative support services as the Task Force may request.

(g) The Task Force, through its Chairman, may enter into any contract which the Task Force considers necessary to carry out this Act.

REPORTS

Sec. 7. (a)(1) The Task Force shall transmit to the President and to each House of the Congress—

(A) an interim report five months after the first meeting of the Task Force is held pursuant to section 4(g);

(B) such interim reports as it considers appropriate; and

(C) a final report not later than nine months after the first meeting of the Task Force.

(2) The final report shall contain a detailed statement of the findings and conclusions of the Task Force, together with its recommendations for such legislation and administrative actions as it considers appropriate.

(b) After the final report is transmitted to the President and each House of the Congress pursuant to subsection (a), each executive department and agency affected by the final report, as determined by the President, shall submit to the President recommendations for implementing the final report.

TERMINATION

Sec. 8. The Task Force shall terminate thirty days after its final report is transmitted to the President and each House of the Congress pursuant to section 7(a).

AUTHORIZATION OF APPROPRIATIONS

Sec. 9. There is authorized to be appropriated for the fiscal year ending on September 30, 1987, the sum of $350,000 to carry out this Act. Any sums appropriated under the authorization contained in this section shall remain available until expended.

INTRODUCTION OF THE HIGH TECHNOLOGY TRADE PROMOTION ACT

HON. LES AuCOIN

OF OREGON

IN THE HOUSE OF REPRESENTATIVES

Tuesday, March 25, 1986

Mr. AuCOIN. Mr. Speaker, next to reducing the Federal budget deficit, the most important problem facing the U.S. Congress today is the U.S. trade deficit.

Last year, our trade imbalance hit an all-time high of $148.6 billion. And things aren't looking any better. In December, we hit a new monthly record of $17.4 billion which translates to an annual rate of $208 billion.

Things have been a little different in my home State of Oregon where we have historically enjoyed trade surpluses. But the picture is even getting a little dismal back in the Northwest. It was reported in February that, for the first time since Federal trade records began to be kept in 1924, imports going through Oregon's Columbia/Snake River Customs District exceeded exports in 1985.

What are the reasons for our trade deficit and what are the solutions?

The Federal Government's $210 billion Federal budget deficit is the major cause of our trade woes. That deficit drives up interest rates which, in turn, cause the U.S. dollar to become artificially overvalued overseas. And an overvalued dollar is tantamount to imposing a U.S. tax on imports. In fact, some economists have suggested that the overvalued dollar is responsible for almost three-fourths of our trade deficit.

Thus, the current fiscal crisis is at the core of our trade deficit. It's my hope that the Gramm-Rudman balanced budget proposal will put us back on a glidepath toward budget deficit reduction. That, in turn, will reduce the value of the dollar and help wipe out that hidden tax.

Another cause of our trade imbalance is unfair trading practices. It's a fact of life that some of our trading partners don't play by the same open rules that we do. Although these practices account for only a fraction of our deficit, it is still an issue that must be addressed. We have to insure that U.S. exporters who are damaged by unfair trading practices can obtain swift and effective relief. And our trading partners must learn that if they want to play by unfair rules, then we can change our rules to defend our industrial base from such practices.

There's one other problem that contributes to our trade deficit. It's a problem that does not generate headlines. It's a problem that does not have the impact of the overvalued dollar or unfair trading practices. But it is a problem that is faced on a daily basis by many U.S. exporters.

I am referring to the U.S. system of export controls.

The purpose of the U.S. export control system is to insure that high technology products designed and manufactured in the United States are not used in a manner that would undermine our national security or that would run counter to U.S. foreign policy objectives. The bulk of these controls can be found in the Export Administration Act (EAA).

In 1985, the Congress reviewed and reauthorized this law with an eye toward eliminating some of the unnecessary redtape that had been spawned as a result of these controls. For years, I had been hearing horror stories from my local exporters who had to wait 8 or 9 months before getting permission to ship some low-technology item to even our closest allies. These delays resulted in lost sales and, in some cases, a loss of our technological innovative edge. Last year, the Congress, after a tremendous struggle, took several steps to streamline this unnecessarily burdensome export license process. And, as a former co-chairman of the House Democratic Task Force on Trade and a member of the House Subcommittee on International Economic Policy and Trade, I was deeply involved in these efforts.

But despite our efforts, America's high technology and electronics industries still face a myriad of hurdles when trying to export the simplest of technologies. In too many cases, exporting has become a privilege instead of a right. And this continues to contribute to lost sales and lost profits.

The U.S. electronic industry is already going through some difficult times. Between 1980 and 1985, U.S. worldwide electronics trade fell from a surplus of $7.4 billion to a deficit of $8.6 billion. And although I don't mean to suggest that export controls are entirely responsible for this problem, it is a fact that in many cases, the Federal Government has become an obstacle to trade, rather than a facilitator.

Last year, after listening to the continuous complaints of Oregon high tech companies, I formed an informal task force to come up with some legislative solutions to their problems. The members of this task force are mainly export licensing managers in Oregon's "Silicon Forest." They are the ones who deal on a daily basis with our export control laws, and they're the ones who continue to have problems with shipping their products.

They've convinced me that the time is appropriate to re-address the issue of U.S. export controls.

Therefore, today I am introducing the "High Technology Trade Promotion Act." My bill will cut unnecessary redtape and bring down some of the barriers to trade that have been erected by our own Government—barriers that have no relation whatsoever to our national security or foreign policy concerns.

My bill would:

(1) Eliminate the requirement for licenses on exports to and re-exports from countries that participate in the "Coordinating Committee" (Cocom).

Cocom is the 15 member-organization of Western nations that constitutes the multilateral strategic control system for trade with Communist countries. It includes allies such as France, Great Britain, and Japan.

In 1982, the General Accounting Office issued a report entitled "Export Control Regulation Could Be Reduced Without Affecting National Security." That report found that our Government required export licenses for more items than was necessary to protect our national security. This resulted in "a licensing system characterized more as a paper exercise than as an instrument of control."

A quick glance at some startling numbers tells the whole story: In fiscal year 1983, the Department of Commerce approved 26,341 licenses on shipments to Cocom countries—they denied 45. In fiscal year 1984, they approved 32,315 licenses—they denied 74. In fiscal year 1985, they approved 32,500 licenses—they denied 49.

And, according to the Department of Commerce, 99 percent of those licenses that were denied were not denied because of national security concerns. They were denied because of unreliable consignees. And this unnecessary paperwork cost American industry an estimated $6.1 million.

A review of the above numbers makes you wonder why we still require licenses for shipments to our allies.

But there are other reasons why we should reconsider eliminating license requirements for exports to Cocom countries:

Most Cocom members do not require export licenses of any kind for high-technology exports to other Cocom members. This again puts our high tech companies behind the eight ball in their competition with overseas products;

From 1979 to 1982, the Justice Department obtained only five criminal convictions involving export control violators; and

The United States does not require export licenses for shipment of high-technology items to Canada. Is Canada any less of a security risk than our European allies?

The issue of decontrolling exports to Cocom nations has arisen in the past. In 1983, Congressman Don Bonker held hearings on this and other related issues and the vast majority of industry representatives agreed that licenses should be eliminated when shipping items to Cocom countries. The Department of Defense, on the other hand, cited national security claims in opposing the decontrol of these shipments. A compromise was finally reached last year when the Congress established a new "G-Com" procedure as part of the reauthorization of the Export Adminsitration Act. This procedure allows "low technology" items to be shipped to Cocom countries without a license.

Unfortunately, G-Com is not working as originally intended. The Commerce Department has cast a narrow definition of these "low technology" items to the point where even the most basic of technologies is still being subjected to costly and time-consuming controls.

Let me share with you an example of how the new G-Com license isn't working:

The Commerce Department recently declared that a 250-megahertz oscilliscope ready for export was not a "low technology" item and, therefore, not eligible for shipment under the G-Com process. A certain high tech company in Beaverton, OR, which has the product, has been waiting several months for approval to ship this item, to a friendly European country, no less!

Meanwhile, the People's Republic of China has the same machine with a capacity of 300 megahertz. And the Soviet Union has a 350-megahertz oscilliscope!

And we're telling struggling U.S. exporters that they have to wait months on end before they can ship these products to our allies?

Another common problem is the difficulty in understanding which items are available for G-Com treatment. Several companies in my district tell me that they have hired technical experts to pore over the lists, but often to no avail. The lists produced by Commerce are still to confusing and, therefore, offer no practical guidance as to what can be shipped without a license.

Overregulation, unnecessary paperwork, and massive confusion have made the G-Com process unworkable.

Meanwhile, export licenses for shipments to Cocom countries that do not qualify for G-Com treatment are still facing unnecessary delays. Every other week I'm visited by Oregon high tech managers who are in Washington to track down another lost license. That's because they haven't been able to get an accurate update over the phone, assuming that they can get through to someone on the phone.

My bill tears down unnecessary trade barriers imposed on our own Federal bureaucracy. My bill simply states that an exporter will not have to get a license when shipping an item to a Cocom country. They would merely have to notify the Department of Commerce that the item has been shipped.

My bill also addresses the issue of re-exports by Cocom countries. Cocom nations generally report back to the Department of Commerce before they re-export a U.S. item to a third country. This procedure also adds unnecessary time and effort to the export process.

My bill eliminates the re-export controls on shipments to Cocom countries.

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To those who would raise the appropriate question of our national security, I'd remind them that any shipment that goes to a Cocom country would still be subject to controls imposed by Cocom. In other words, the United States exporter would be able to ship an item to France, and France would not have to get permission from the Department of Commerce to re-export the item. But France would still have to adhere to the export controls imposed by Cocom—and the United States sits on Cocom. Therefore, there would always be controls on sensitive items.

Requiring foreign nations to obtain permission from Commerce before an item is re-exported is just another unnecessary burden that is being borne by our high technology firms, and it is a burden that other competitors do not have to bear.

It's time to remove these shackles.

(2) Changes in the use of foreign availability.

One of the main reasons for U.S. export controls is to prevent militarily critical technologies from falling into the hands of our adversaries. The national security of this country is of paramount concern to all Americans and no one opposes any controls designed to meet that objective.

There's a point, however, where these controls have gone too far. I'm referring to cases where an item is readily available to a controlled country from a non-U.S. source.

The United States has a so-called "foreign availability" provision in the law whereby a U.S. exporter may ship an item to a Communist country if it can be proven that that item is available from another source.

This is how the current process works: The exporter who wants to ship an item to a Communist country sends a request to Commerce with some evidence that the item is available in a foreign country. If Commerce determines that the item is, in fact, available from another country, then the item will be decontrolled and freed for shipment after a certain period of time. The item will not be decontrolled, however, if the President determines that removing controls would prove "detrimental to the national security of the United States" and he begins negotiations with the non-U.S. source to remove the item from their market.

The purpose of this law is simple: If an item is already available from a foreign competitor, why shouldn't our exporters get in on the action?

There are two problems with current law:

(A) Commerce may ask the exporter to provide additional "evidence" that the item is available from a foreign source before decontrolling it. Commerce can ask the exporter to provide foreign manufacturers' catalogues, brochures, operation or maintenance manuals, articles from reputable trade publications, photographs, and depositions based upon eyewitness accounts. And Commerce is asking for such documentation.

Satisfying these demands from Commerce can take a lot of time and money. It is a particularly burdensome process for the smaller exporters who do not have the resources to provide the reams of documentation that is often asked for. In an industry where new technologies are being developed on almost a weekly basis—and a lot of that innovation is being developed by these small high tech firms—requiring our exporters to come up with as much information as they seem to be requiring is tantamount to shutting them out of the sale altogether. And our failure to acknowledge the realities of the marketplace too often results in a situation where U.S. products are released after they become economically competitive.

We're asking the little guy to incur big expenses, just to try to ship an item that is already on the world market.

These overly broad controls can have a negative impact on the international competitiveness of U.S. industry. They also weaken our ability to remain innovative technological leaders. I believe we should relieve our exporters of this unnecessary burden. I therefore propose a new "foreign availability" test:

If an exporter wishes to ship an item to a Communist country, he/she would send the necessary paperwork to Commerce with "any evidence" that the item is available in another country. The Commerce Department would have 4 months to deny the license on the basis that it is not available from the foreign source cited in the exporter's statement. If the exporter does not hear from Commerce within that time period, the item will be decontrolled.

Meanwhile, the President still has the option to trying to negotiate with a foreign country to impose controls on that product if he believes its control is in our national security interest. He would have 4 months to pursue this objective and that period would be triggered with the submission of the exporter's allegation of foreign availability.

To discourage exporters from making false statements of foreign availability, current penalties regarding untrue representations to the Government would apply.

The concept of "foreign availability" was created to provide a dynamic tool for reform. But the evidence suggests that its actual impact has been virtually nil.

It's time to let U.S. exporters compete with those foreign markets.

(3) Reshaping the Cocom negotiating team.

The United States has a permanent delegation that conducts negotiations with Cocom countries for the purpose of deciding which items should be controlled. Unfortunately, there is no one on the Cocom delegation who represents American industry. The team is composed entirely of representatives from the Department of Defense, Department of State, and the Department of Commerce.

I believe it makes sense for our negotiators to have the benefit of the advice of someone who is in the trenches of international high tech competition on a daily basis. I believe it makes sense to have someone who is familiar with the new developing technologies. I believe it's time to add someone to our Cocom team who has relevant experience in the high tech and electronics field.

My bill requires the President to appoint a member of the U.S. electronic industry to the Cocom negotiating team.

(4) Technical advisory committees changes.

The Technical Advisory Committees (TAC's), which are made up of representatives from industry and the Federal Government, are responsible for making recommendations regarding items that should or should not be on the Controlled Commodity List. There are dozens of TAC's which evaluate many kinds of technologies.

(A) For the most part, these committees are dominated by representatives from the Department of Defense and the Department of Commerce. This imbalance often results in decisions being made that are not necessarily in touch with the real world of high-technology. Much like the Cocom negotiating team, I believe that every TAC should have an equal number of representatives from industry as there are from DOD and DOC. My bill requires that equal representation. It is, after all, advisory.

(B) All of the work done by the committees is done in secret. U.S. exporters therefore have no idea of what items are being considered for decontrol. My bill would require that the minutes of these meetings be published in the Federal Register. Any information that would impair our national security would be exempt from this requirement.

ROUKEMA LAUDS NEWTON YOUTH

HON. MARGE ROUKEMA

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Tuesday, March 25, 1986

Mrs. ROUKEMA. Mr. Speaker, each year, the Veterans of Foreign Wars of the United States and its Ladies Auxiliary conduct the Voice of Democracy scriptwriting contest. This year, more than 250,000 secondary school students participated in the contest competing for the six national scholarships which are awarded as top prizes. The winning contestant from each State is brought to Washington, DC, for the final judging as a guest of the Veterans of Foreign Wars.

I am proud to announce that the winning script from the State of New Jersey was delivered by Thomas Frank Klein, of Newton. Thomas attends North Warren Regional High School in Blairstown, where he is currently a junior. The son of Max and Ingrid Klein, Thomas' hobbies include skiing, hiking, writing, and sailing. He plans to pursue a career in writing and communications, and from the quality of his winning essay, I would say that Thomas' prospects are bright.

The theme for this year's Voice of Democracy contest was "New Horizons for America's Youth." I commend to your reading Thomas Klein's excellent essay.

NEW HORIZONS FOR AMERICA'S YOUTH

(By Thomas Klein)

As we, today's youth of America, look on to the horizon, we see many paths. The question, therefore, is which to take. To help us with this decision, we must study our forefathers' mistakes and accomplishments, and from them find guidance in the fashioning of our own future.

The horizon we look to is both bright and gloomy. Only our actions will determine which will prevail. But to succeed, we must first have clearly stated goals and anticipate pitfalls. We cannot let our determination be compromised as has been done so often in the past, until nothing of substance remains. But what task must my generation

take on. What should be our goal? It should be something so universal that it influences every aspect of human life, yet so simple that man has trouble addressing it.

Peace. That, I feel, must be our goal. True peace is a concept that eludes man; at any given time about twenty wars are being waged on this planet. This great civilization that mankind has created is just a facade underneath which lurks the specter of our great weapons, the proof that man is the same barbarian he was a thousand years ago. After all, we are creatures of conditioning. Having heard enough body counts and having seen enough photographs, even wars seem not so horrible, or newsworthy.

Peace. Global peace. It requires only that we throw down our guns and join hands, yet it is its very simplicity that makes it so breathtaking in scope. It is much easier to make an enemy than it is to make a good friend. And it is far more difficult to make enemies into friends. This is the greatest obstacle in creating worldwide peace. When two nations enter into war, their rift in friendship does not end with the war's end. From then on, hatred runs deep, and is passed on from generation to generation almost like heredity. The Arabs and the Israelis. Africa's blacks and whites. These are all examples of century-old racial hatred, a hated which can only end when people's intellect can overcome their emotions.

Unfortunately, in this day in age when nuclear weapons are coming into the hands of more and more nations, the potential for a war to end all wars becomes more credible. Enraged men act rashly, but in our Nuclear Age there is little room for error, and none for redemption. One man's rage can leave the world in ashes.

Peace. By this word, I don't just mean a military alliance between nations. This type of peace leads only into war. I mean genuine love and friendship between the nations, not just a sense of being allies or government declared peace, but true peace in which the people actually know, love, and understand one another. There must be widespread youth exchange and a trade and appreciation of cultures. The nations of this world must band themselves together and form a sort of international nation of nations united by the concept of love and peace. Remaining divided, we will surely fall. And this is the reason it is so urgent we take action. One way or another, the world's people will be united. Whether it be in the mass grave of the ultimate war or true global peace, only our actions will determine.

What mankind is engaged in is a race, a race against time to unite ourselves in peace before our division destroys us. It is a race my generation is forced to compete in. It is a race we must win.

VOICE OF DEMOCRACY ESSAY

HON. HARLEY O. STAGGERS, JR.

OF WEST VIRGINIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, March 25, 1986

Mr. STAGGERS. Mr. Speaker, Susan Jennings, an 11th grade student at Central Preston High School in my district, was the West Virginia winner of the Veterans of Foreign Wars Voice of Democracy essay contest this year.

Ms. Jennings, the daughter of Maurice and Iris Jennings of Tunnelton, is very active in school and community activities. Along with the residents of the Second Congressional District, I am very proud of Susan. Her essay clearly states the challenges for our youth and for America as well. I would like to make Susan's essay now a part of the public record, so that all involved in shaping the future of America may benefit from its wisdom. The essay follows:

NEW HORIZONS FOR AMERICA'S YOUTH

Any acceptable dictionary can tell its reader that a horizon is the intersection where earth meets sky; such an intersection is called the "apparent horizon" or "visible horizon". But did you know there also exists; a "sensible horizon," a "rational horizon" and a "celestial horizon".

I didn't, until I began work on this speech. I did know who America's youth is, though. We are the children of the flower children. The flower children, you may recall, were somewhat infatuated with the celestial horizon. And if I remember my American history, the founders of our country were governed by a "rational horizon" and passed on to us a government founded on principles so reasonable that they have remained pretty much intact to our present day.

The rationalists and the celestials share with my group certain challenges that come with being a member of the human race; these are the challenges of work, family and citizenship. What is new about these challenges for America's youth is the way they are presented to us, and this way is at a rapid pace indeed.

The American youth that face these challenges are as unique as the way they are presented.

First of all, there aren't very many of us; there were a great many flower children, they were called Baby Boomers, but they didn't have many children.

As American youth, we are highly competitive, and we are nearly all employed; at least part of our year is spent working at a part-time job. This industry and competition will be an asset to us in our choice of careers, but we had better be highly versatile and receptive to change, for the workplace we wish to enter is very different from any that has come before. Without anyone's consulting us, the technological world has become the work world, and to survive in it and not become a victim of its speed, we must prepare, so that we can control its haste and not be swept along by its acceleration.

We face different family lives too. Working mothers, and daycare centers, and harassed fathers trying to keep pace can cause broken homes, not whole sanctuaries that in past times were comfortable retreats.

The information that clouds our horizons has become such a glut that we will find it difficult to distinguish the important from the trivial, the truth from the false. In order to become good citizens we must sort out our information carefully to make the right choices.

How can we meet a horizon that promises more stress than rest, more confusion than clarity? One way to do this is to look at our own health. Good physical programs can be a first step toward avoiding mental fatigue. Recreation too, and especially that which families can enjoy together should be a large part of our horizons.

We should make our parks, playgrounds, and natural environment our first priorities, for if ours is a fast work—we need someplace to retreat from its stress. Our theaters and museums should be available to all to sooth our wearied minds and tired spirits.

The rational horizon people set out to do and solve; the people of the celestial horizon insisted on rest and introspection. Let us take the best of both of their philosophies and become the sensible horizon who ride our rockets to the stars.

SALE OF CONRAIL

HON. THOMAS E. PETRI

OF WISCONSIN

IN THE HOUSE OF REPRESENTATIVES

Tuesday, March 25, 1986

Mr. PETRI. Mr. Speaker, today I am introducing a bill to provide a new competitive process, approximating the normal process for private sector sales of large companies, to dispose of the Federal Government's interest in Conrail.

It has been a characteristic of the rail problem in the Northeast and Midwest that events overtake the legislative mechanisms established to deal with them. The changes in the regional economy following World War II overwhelmed the existing railroad regulatory scheme. Similarly, the continued erosion of the traffic base of the railroads in the region undermined the plans established under the 3R Act and the 4R Act. Now, the structure established in the Northeast Rail Services Act of 1981 for returning Conrail to the private sector has been overtaken by events.

The principal event that requires modification of the Northeast Rail Services Act is the remarkable success of Congress' previous efforts to create a viable and profitable rail system in the region. Conrail's profitability owes much to the efforts of Conrail's management and employees, and this committee which was largely responsible for the regulatory and procedural reforms that were essential to Conrail's revival. Under current regulatory and market conditions, there is little doubt that Conrail will continue to be a profitable carrier, and not simply a viable carrier, but a very strong competitor in the market. The extent of this transformation, which far exceeds any that even the most vigorous supporters of Conrail contemplated, simply could not have been foreseen in 1981.

There have been other changes in the environment that could not have been fully taken into account in the 1981 legislation for returning Conrail to the private sector. The process of rail regulatory reform has moved very rapidly in removing regulatory control of the rail industry and replacing it with the discipline of the competitive market. Accordingly, it has now become critical that careful attention be paid to any proposed changes in the structure of the rail industry that might have the effect of removing or substantially reducing the discipline of the competitive market.

A third change in the environment is closely related to the concern that we pay careful attention to the effect of structural changes on competition. The structure of the rail industry has undergone substantial changes in the years since Congress began the process that led to the enactment of the Northeast Rail Services Act in 1981. The CSX merger and

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the Burlington Northern-Frisco mergers have been fully implemented. The Norfolk & Western and the Southern Railway have merged; the Southern Pacific and the Santa Fe are seeking approval to merge; the Milwaukee has disappeared entirely, partly abandoned and partly acquired by the Soo; and the Rock Island has disappeared from the map.

Last but not least, there have also been substantial changes in the Federal budget situation since Congress began consideration of the Northeast Rail Services Act. In order to meet the deficit reduction targets of the Gramm-Rudman-Hollings legislation without harming essential programs, Congress will have to ensure that each dollar of spending is as productive as possible, and that sales of assets yield the maximum possible return to the taxpayer.

The processes contemplated by the Northeast Rail Services Act were predicated upon a fragile Conrail, and even envisioned its possible breakup. At that time the focus was on ensuring that rail service in the region would be preserved to the maximum extent possible. It was simply not possible or desirable to establish a vigorous competitive bidding and negotiation process to maximize the price for the Government's stock. Today, the continued viability of Conrail and the preservation of rail service in the region appears to be ensured, and the challenge is to obtain the maximum possible price for the Government's stock and to preserve rail competition in the region. It is significant that the latter objective is not even mentioned in the Northeast Rail Services Act provisions relating to the sale of the Conrail stock.

Mr. Speaker, the proposal presented to Congress by the Department of Transportation is the product of a process that has been superseded by events and does not take account of these changed conditions.

First, let us consider the price the Government would receive—$1.2 billion. After the sale Conrail will have $800 million in cash, and its pension plan is overfunded by approximately $300 million. Also, as a result of the Government's investments in the late 1970's, and Conrail's own investments in the 1980's, Conrail's 14,000 mile physical plant is in excellent condition and is carried at a tax basis of about $3 billion. I for one have difficulty believing that $1.2 billion is the best price we can get for an 85-percent interest in a company with cash or near cash assets of $1.1 billion, and with a first class 14,000 mile physical plant with gross revenues exceeding $3 billion annually.

Insofar as profits are concerned, Conrail is doing very well. In 1985 Conrail's profits were approximately $440 million, and 1985 was not a particularly good year for railroad traffic levels. Over the past year or so, the stock market has substantially increased the price earnings multiples of the stocks of the major railroad companies. While these companies are not completely comparable to Conrail, it is significant that they are selling at price earnings multiples around 10. I find it hard to believe that $1.2 billion is the best price we can get for an 85-percent interest in a company with almost half a billion in annual earnings.

Second, I am not satisfied that the competitive consequences of Norfolk Southern's acquisition of Conrail have been adequately considered. Further, I have serious doubts that this essential matter can receive adequate consideration under the processes of the Northeast Rail Services Act. Careful analysis of the competitive impact of such a transaction requires a great deal of detailed information about the planned merger and about the parties' intentions after the merger. It also requires that there be an opportunity to test and explore these matters in adversarial proceedings. The Congress simply is not structured to give this matter the detailed and searching review it deserves. I do not believe this is an appropriate way to proceed in a matter of such importance.

The overriding difficulty with the process established by the 1981 act is, of course, that the Secretary chose Norfolk Southern as her candidate to purchase Conrail for a price of $1.2 billion. Since that choice a little more than 1 year ago, an extensive record has been developed that demonstrates that selling Conrail to Norfolk Southern should not be a preferred option.

Even under the existing arrangement there are other choices. Both Morgan Stanley and the Allen/First Boston Group have come forward with more substantial financial offers for Conrail which would keep the railroad independent and free of the anticompetitive consequences of a Norfolk Southern takeover. Thus, we in the House of Representatives are confronted with choosing between the administration's choice of Norfolk Southern, with all its problems, or two competing bids from Wall Street. We are ill-equipped to make that kind of a choice.

Mr. Speaker, I am introducing a bill which will establish a new process for returning Conrail to the private sector by July 1, 1987, in a manner that realizes the full value of the Government's stock and ensures the protection of the public interest. The bill's general approach is to try to conform the Government's sale of the Conrail stock as closely as possible to the process that would occur in a private sale. Let me describe it briefly.

The bill establishes a "Conrail Sale Board" to be chaired by the Secretary of Transportation and consisting of the Secretaries of Transportation, Treasury, and Labor, the Attorney General, and the Chairman of the Board of the U.S. Railway Association. This Board brings together the Government's expertise in the areas principally involved, transportation, finance, labor, antitrust, and special knowledge of the regional rail problem. The Board would control the sale process. However, it would be required to retain an investment banker to assist it in its functions.

The bill next requires that a request for bids be prepared by the Board and that bids for the Government's interest in the Conrail stock be solicited from responsible bidders. The Board is authorized to set conditions in the request for bids to ensure that the bidders can close the transaction on the date called for, and that the bids meet certain minimum conditions with respect to price, form of payment, regulatory compliance, and such other conditions as the Board believes appropriate. Following receipt of bids, the Board, through its investment banker, is authorized to negotiate with the bidders who have met the minimum conditions to obtain the highest possible price for the Government's stock.

The bill contemplates that the public interest will be protected in the same manner as occurs in a sale between private parties—by subjecting the sale to regulatory review if the successful bidder is an entity, such as a railroad, that under existing law needs regulatory approval to acquire control of Conrail. In the event that a railroad is the successful bidder, and regulatory approval has not been obtained prior to the closing date on the stock sale, the bill would follow current procedures and permit the transfer of the stock to an independent voting trustee operating under a voting trust agreement approved by the regulatory agency pending regulatory approval of the railroad's acquisition of control. The existing regulatory agencies are in a much better position than Congress to undertake the type of thorough and detailed review of a proposed acquisition of control of Conrail by another railroad that is needed to protect the public interest; and the availability of judicial review will ensure that the regulatory agency follows appropriate procedures and bases its decision on substantial evidence produced at an adversary hearing.

In order to structure Conrail's balance sheet to improve the marketability of the common stock, the Board is authorized to cause a recapitalization of Conrail, eliminating, if it deems desirable, existing Conrail securities. The Board is also authorized to cancel Conrail's investment tax credit carryforwards and net operating loss carryforwards, and to enter into appropriate agreements with the Commissioner of Internal Revenue regarding the tax consequences of the recapitalization. The bill would also require Conrail to pay a dividend of at least $400 million to its common stockholders prior to the closing date for the stock sale transaction unless the Board deems such a dividend to be imprudent under the circumstances. This provision is intended to compensate for the additional time a new bidding process will require as opposed to a rush to judgment by Congress on the three bids before it.

Mr. Speaker, it is time to return Conrail to the private sector. I am convinced that this can be done in a manner that both protects the public interest and maximizes the return to the Government. It is time to update the the Northeast Rail Services Act. A stronger and more appropriate foundation is needed that I think my bill will provide.

I recognize that the bill I have introduced can be improved. I am anxious to work with the appropriate committee, interested Members, the administration, Conrail, and potential bidders for the Conrail stock to improve it.

TREAT URBAN PROGRAMS FAIRLY IN FISCAL YEAR 1987 DEFICIT REDUCTION EFFORTS

HON. BILL RICHARDSON

OF NEW MEXICO

IN THE HOUSE OF REPRESENTATIVES

Tuesday, March 25, 1986

Mr. RICHARDSON. Mr. Speaker, I would like to share a report with my colleagues

which was given to me by the major and city councillors of Albuquerque, NM. This report is thoughtful and well organized—it explains the hardships our local governments are experiencing due to current Federal budget cuts. While I agree that budget cuts are necessary, the priorities of the current administration have been irresponsible.

The city of Albuquerque has not asked for an increase in Federal funding for the past 7 years—the city has continually accepted lower levels of Federal assistance. At the same time, defense spending has increased dramatically. The cuts proposed in urban programs for fiscal year 1987, as with many other domestic programs, are too much of a burden on these programs. Mr. Speaker, I believe this report shows the needs of our local communities. I have inserted it in the RECORD for the consideration of my colleagues.

GENERAL REMARKS—ALBUQUERQUE CITY OFFICIALS, WASHINGTON VISIT, MARCH 1986

We are asking that urban programs be treated fairly in FY87 budget deficit reduction efforts. In the past seven fiscal years, cities have accepted cuts in all major urban assistance programs.[1] We estimate that these urban programs have been reduced by 71% since FY81.

The City of Albuquerque has not asked for an increase in the funding for federal programs over the past seven years. We have been supportive of the Administration's and Congress' efforts to reduce the federal deficit. During this period the City has maintained local service by increasing sales tax from 1% to 1.85%. Water and Sewer rates have been increased three times. Other charges have been increased as needed. As this indicates we are straining local taxpayers to maintain current programs.

We have been responsive to requests from Washington to accept a lower level of federal assistance. However, we do not see the benefits of our sacrifice. The estimated 71% cuts in our programs have not had a corresponding effect on the federal deficit which has increased by 64% over the same period (FY81-87).

While nondefense discretionary spending has decreased, defense spending has increased 80% since 1981 from $151.5 billion to $282.2 billion. We are for a strong defense, it is essential, and it is important to New Mexico's economy. We wonder if a commitment to a strong national defense means no urban programs. The President's budget proposal would decrease the state and local share of total federal outlays for FY87 from 11.7% to 4.0% in FY91. At the same time, defense spending would increase it's share of federal outlays from 22.8% in FY87 to 32.6% in FY91. Defense and entitlement programs should take a fair share of cuts to achieve deficit targets.

Congressional efforts to reduce the deficit by looking for additional revenues is an option that should be pursued. We urge Congress to earmark all new revenue for deficit reduction. We are not asking for any new revenue to be used for expanding federal programs.

We recognize that one of the President's principal objectives is to shrink the size of the federal government by calling for deficit reduction. We support his efforts to make government more manageable and responsive and believe his program has succeeded in establishing a lean federal government. However, further deficit reduction at local government expense is excessive.

You have a difficult job. We are asking for fair treatment. We think that additional revenues and careful examination of defense and entitlement spending can help minimize the need for further domestic program cuts.

ALBUQUERQUE PRIORITIES PROGRAMS

1. CDBG—Maintain FY86 level with 15% reduction from FY85 level. Do not approve additional 15% cut from $500 million deferral request in President's FY87 budget. Cuts of this magnitude (33%) will diminish ability to maintain commitments to infrastructure, housing and economic development projects. Over $258,000 of Albuquerque CDBG funds are being used for elderly nutrition programs in FY86.

Albuquerque uses 2.0M on housing rehabilitation loans which could not be made otherwise.

Many economic development projects are funded with CDBG which could not be funded with local resources because of the "Anti Donation Clause."

Housing Modernization—HUD is talking about zeroing out $760,000 in funding. The city has some $30,000,000+ in housing to maintain, if HUD is going to zero out this funding, rules and regulations should not be a burden on the local tax payer.

2. Older Americans—Agree with Presidents FY87 budget to freeze program at FY85 levels of $669 million.

If Gramm Rudman FY87 forces across the board cuts of 20% Senior Centers will reduce outreach, transportation, preventive health, legal services, daycare, nutrition, and employment programs. The state is withholding 20% of FY87 funds until the federal budget deficit picture is clear.

3. Housing—FY87 Budget eliminates Rental Rehabilitation funds—Albuquerque has 2,600 substandard units which qualified for this program.

FY87 Budget eliminates Section 312—commercial and residential loans used for renovation. In FY86, 19 units on Broadway and Coal took advantage of loan program.

Section 8 Existing Housing Assistance will not increase thus not keeping up with inflation or demand. There are 2,018 families in Albuquerque using Section 8 assistance and 1400 families on a waiting list.

Public housing construction—President's proposal would eliminate all new public housing construction. Albuquerque has 1,087 units and a demand for 500 more.

Housing regulations

Relax Public Housing regulations to allow more local flexibility—this would help offset some of the reductions and improve program operations.

Relax Section 8 regulations to allow more flexibility at the local level as well.

Provide local Housing Authorities incentives to sell public housing units to tenants.

4. Transit.—Albuquerque must replace 58 buses over the next three years. The bus system relies on federal assistance for operations and capital. The budget proposal reduces mass transit assistance by 67% and eliminates operating assistance.

LEGISLATION

Tax reform—Tax legislation should not impose further restrictions on the use of tax exempt bonds. Specifically, H.R. 3838 contains six provisions that the City of Albuquerque opposes. They are:

1. H.R. 3838 creates two categories of bonds: *governmental* and *non-governmental.* Municipal bonds which fail to meet the new test of "governmental bonds" will be ineligible for tax exempt financing. Other bonds which retain their tax exempt status under the government purpose test will require an allocation of bonding authority under a state volume cap.

Albuquerque's bonding authority volume cap per year is currently $36 million. If the state volume cap in H.R. 3838 becomes law, it is estimated that the City's volume cap will be reduced to between $15 and $18 million. The City used $25 million of its allotment in calendar year 1985.

2. If 5% of the bond proceeds are not spent in 30 days from the delivery date of the bonds, the interest on bonds are taxable. Current law calls for at least $100,000 of proceeds to be spent in 6 months. DFM reports that the more restrictive provisions in H.R. 3838 would have affected the City's December 1985 G.O. bond issue.

3. H.R. 3838 requires a city to spend all bond proceeds from an issue in 3 years. If the issuer does not, the bonds are taxable. In cases where Albuquerque uses its bond proceeds as a match with state money such as for road construction, the tax exempt status of the bonds is in jeopardy if there are delays which extend the project spending beyond the 3 year period. This provision would affect the airport bond issue. The airport project is expected to take five years to complete.

4. The paperwork required to keep track of arbitrage in accordance with H.R. 3838 would offset any savings.

5. Congress should indicate that the effective date of any tax legislation will be January 1, 1987 or later.

6. Provisions that make municipal bonds taxable on a retroactive basis penalizes all issuers. The present sanction of prohibiting a municipality of issuing tax exempt bonds in the future if rules are violated is more than adequate to police wrongdoers.

MUNICIPAL LIABILITY

Congress needs to develop a comprehensive solution to the municipal insurance and liability problem.

1. The City's Police liability policy for the period 7/1/84-6/30/85 was basically "all risk" and carried a premium of $349,552. Upon renewal, the premium dropped to $182,026, but coverage was reduced to $500,000 aggregate subject to a $50,000 per occurrence deductible. In addition, coverage for punitive damages and injunctive relief was excluded. The largest awards are made for punitive damages.

2. Albuquerque's property damage policy has increased from $62,000 with a $5,000 deductible to $260,000 with a $25,000 deductible. The City's current policy does not include coverage for flood or earthquake damage, so the City was forced to get limited separate coverage at an additional cost of $44,000. The deductible for this policy is $5 million with a $10 million limit of liability.

3. Albuquerque is concerned with potential liability from hazardous waste pollution. Insurance coverage is not available. Of particular concern is the Comprehensive Environmental Response, Compensation and Liability Act of 1986.

4. City endorses the Administration's efforts to encourage tort reform as part of the solution for the liability issue.

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[1] (CDBG, General Revenue Sharing UDAG, EDA, Subsidized housing, transit, wastewater, job training, work incentive, education, child nutrition, community service, and emergency food and shelter programs.)

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5. We request that Congress initiate a review of the existing system of insurance regulation. The federal state partnership in this area should be strengthened by establishing minimum federal requirements for the regulation of the insurance industry.

6. Congress should consider establishing a federal reinsurance program for providers of essential services who cannot obtain insurance.

7. Barriers which present new capital from being brought into the insurance industry should be relaxed.

8. Your staff should contact the American Tort Reform Association and the National League of Cities for further information. We particularly support the following:

a. eliminate or at least limit the requirement that Cities pay for Plaintiff's Attorney's fees in Civil Rights Actions;

b. limit the scope of the Federal Civil Rights Act by eliminating federal court jurisdiction for tort claims which belong in State court;

c. limit or eliminate punitive damages in Civil Rights Actions;

d. provide specifically that a State Tort Claims Act statute of limitations applies to Civil Rights Actions;

e. prevent a plaintiff from bringing both a Federal Civil Rights Action and a State Tort Claims Action.

Also of great concern is the potential liability of Cities for land disposal facilities. Of particular concern is the Comprehensive Environmental Response, Compensation, and Liability Act of 1980 (CERCLA).

TRANSPORTATION—URBAN SYSTEMS FUNDS

In order for municipalities to be able to utilize their scarce Urban Systems Funds more appropriately, administrative requirements for project development now imposed by the Federal Highway Administration on the State and on the City by the State should be simplified or done away with altogether.

POLICE

The Firearms Owner Protection Act, commonly known as McClure-Volkmer Act is a cleverly disguised piece of legislation. The name of the Act is a misnomer because instead of protecting firearms owner it makes it easier for criminals, mental defectives, terrorist, and others to obtain firearms which can and will be used against law enforcement officers.

The 1968 Gun Control Act preserves the ability of states and localities to regulate guns by prohibiting the interstate sale of guns. Except for certain limitations a resident of one state cannot travel to another state and purchase a firearm. S-49 would overturn this provision and specifically authorize dealers to make face-to-face firearms sales to out-of-state customers, *if* the sale would be lawful under the laws of the seller's and the buyer's jurisdiction.

S-49 would take away the ability of BATF to conduct surprise visits and instead would require that a dealer be given reasonable notice before an inspection.

S-104 Senators Thurmand/Moynihan.

HR-3132 passed the House of Representatives on December 17, 1985. As you are aware this bill would ban armor piercing ammunition.

WATER

Continue funding by EPA for Sewer Water Treatment Plants: We would also urge that the Clean Water Act be passed so that we can continue construction of planned projects.

WHAT REALLY WORKS?

HON. AUGUSTUS F. HAWKINS

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, March 25, 1986

Mr. HAWKINS. Mr. Speaker, last week President Reagan and Education Secretary William Bennett displayed another example of this administration's emphasis on ceremony over substance and rhetoric over responsibility in its education policy by holding a ceremony at the White House to release to the public a new education booklet called "What Works."

It's an interesting enough little booklet that can provide parents and teachers with some good tips on how best to teach children. But, as the following letter from a Wisconsin mother, and the news clipping from the March 11 USA Today quoting educators so strongly point out, it contains nothing new. What was the reason for the ceremony?

Mr. Speaker, perhaps the Reagan administration's ploy to distract attention from the real education issues and its lack of Federal support for schools didn't work this time.

The letter and news clipping follows:

RICE LAKE, WI,
March 1, 1986.

Mr. AUGUSTUS F. HAWKINS,
House of Representatives,
Washington, DC.

DEAR MR. HAWKINS: I was aghast to read the enclosed article, titled "Agency Says Tips Can Teach Teachers About Teaching," in the March 1, 1986 issue of the St. Paul Pioneer Press Dispatch.

The article states that Education Secretary William Bennett "unveiled" a list of tips on how best to teach children. These recently "unveiled" tips were "distilled from years of research." According to Webster's New World Dictionary, unveil means to reveal something that is unknown or secret.

Is taxpayer money really spent for something so utterly ridiculous as research which concludes that "young children learn arithmetic more easily when they have blocks or other real objects to help them"? Did we need research to tell us that "children improve their reading ability by reading a lot" or that "the best way for parents to help their children become better readers is to read to them"?

These are not revolutionary ideas. I already read to my five-month old son, as my parents did to me as a child 38 years ago. I already use objects to count out loud to my son. Counting blocks have been around for years. Why do you think children's blocks are numbered 1, 2, 3 etc.? Haven't we always known that accomplishment is dependent on hard work? Does anyone really believe that simply because they have above average "innate ability" success will magically appear without the benefit of hard work and self-discipline?

Bennett states that he had been unaware before reading the reports that experts have found "that a good way to teach children arithmetic is to use objects." What kind of qualifications does this man have to hold the position of Education Secretary? Does he really believe our teachers need to be informed of these basic common sense ideas?

I can only conclude by stating that this is a gross misuse of government funding for research. I recently read that a cancer research project was cancelled at University of Wisconsin because of budget cuts. Can we afford to cut something so important and continue to spend money on frivolous research?

Sincerely,

JACQUE SCHAFFER.

[From USA Today]

BENNETT SCOLDED—TEACHING GUIDE "SMOKESCREEN"

WASHINGTON.—Portland, Ore., School Superintendent Matthew Prophet doesn't think very much of Education Secretary William Bennett's teaching guide—and told him so at lunch Monday.

Bennett's guide to teaching, said Prophet, is "shallow" and a "smokescreen" for a lack of federal support for schools.

"You're sacrificing public education on the altar of political expediency," Prophet said at a luncheon for leaders of 37 urban school systems.

Prophet said that school leaders "out there every day working our buns off with all of these kids" did not need "to be told that the more one studies the more one learns.".

Bennett's What Works booklet unveiled Feb. 28 includes "common-sense advice." Example: Students who read a lot and do more homework perform better in school.

"To give our children a good education, we're going to have to do the things described in this book," Bennett told the educators. "You can spend all the money in the world, and if you don't do these things, you'll get bad education. We proved that in the '60s and '70s. We spent and spent and we dumbed and dumbed."

Fresno, Calif., Superintendent John Stemple responded:

"Where we put the money, the test scores improved significantly. . . . The government ought to stand up and say that and take credit" for gains in reading scores among minority youngsters in the past decade.

Prophet advised Bennett to stop rehashing "findings that have been known since the history of mankind."

ROUKEMA PRAISES TENAFLY VOLUNTEER

HON. MARGE ROUKEMA

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Tuesday, March 25, 1986

Mrs. ROUKEMA. Mr. Speaker, each year during the holiday season, volunteers from across America join with the U.S. Marine Corps Reserve in the Toys for Tots campaign to produce an enormous amount of new toys, games, and other gifts for disadvantaged children who would otherwise be forgotten during the holiday season.

This year, I would like to draw attention to the efforts of one particular volunteer, Ms. Sharon Amy Levinsohn of Tenafly, NJ. Sharon's tireless efforts on behalf of the Toys for Tots charity have won her a nomination for the President's Volunteer of the Year Award. Sharon's voluntarism was recognized recently in the February 2 edition of Today, in an article written by Joseph J. Murphy, president of Murphy Realty/Better Homes and Gardens.

The article follows:

The recent Toys for Tots campaign that we at Murphy Realty/Better Homes and Gardens successfully held for the fifth consecutive year with the U.S. Marine Corps Reserve produced an enormous amount of new toys, games and other gifts for disadvantaged children who would otherwise be forgotten during the holiday season.

It also produced many wonderful stories of caring and sharing by warm-hearted people, some of whom we were privileged to meet, who joined our sales and management staff in bringing a bit of much-needed joy into the hearts of the unfortunate youngsters.

One of the extraordinary individuals was Sharon Amy Levinsohn, daughter of Mr. and Mrs. Jay Levinsohn of Tenafly.

A concern and willingness to help others has always been a part of Levinsohn's lifestyle. Some say it stems back to her great-grandmother, Ann Levinsohn, who with the late Mrs. Dwight Morrow, was a leading philanthropist in Englewood of her time.

Five years ago, while a student at Goucher College, Levinsohn started buying toys and donating them to the U.S. Marine Corps Toys for Tots campaign. Since graduation, she continued giving her contributions to collection points in Boston and New York City.

This year, while living back home with her family in Tenafly while being unemployed, she purchased three toys to donate to the drive.

She was about to contact the U.S. Marine Corps to find the location of the nearest collection center when she read a story in her local newspaper noting that the Murphy Realty/Better Homes and Gardens branch office in Tenafly was an official collection site.

When she arrived at the start of the drive at the Murphy Realty/Better Homes and Gardens' Tenafly office, she expected to see donations of toys piled up to its ceiling. She was disappointed at the time, because despite the firm's advertising, publicity and efforts to encourage contributions to the campaign, she felt there was a certain amount of apathy from the public. If some people might be hesistant about bringing toys into the Murphy Realty collection depot, she decided to go out on her own, seek contributions and bring them in herself.

Her first step was to have Marianne Contino, one of our sales executives at the Tenafly office, give her a letter stating she was an unpaid volunteer and another official letter explaining Murphy Realty's role in the campaign.

For six days, using up two tanks of gas, Levinsohn visited 93 merchants in seven Bergen County towns appealing for and picking up toys donated by warm-hearted retailers.

Most of the merchants shared Levinsohn's feelings. While being brought up in a comfortable home where she was never deprived of necessities, it always seemed to trouble her that there are many disadvantaged children in the world.

Although Levinsohn is Jewish, she felt it extremely important that any underprivileged child who might not otherwise receive any gifts for Christmas not be forgotten. Almost all the merchants she contacted seemed to share her Judeo-Christian philosophy.

After more than 40 hours of pounding the pavement, knocking on doors and even occasionally meeting with a discourteous retailer, Levinsohn described her toy collecting experience as very rewarding.

"On several occasions, I had to return to the stores when the managers or owners would be in. Some retailers offered me coffee or tea while they were assembling toys for me to take back. Most of the people thanked me for giving my time and effort to contact them and pick up the toys," she said.

"I thank my parents, who have been unequalled role models in caring and sharing throughout my life as well for their total support, generosity and helpfulness in my effort. I am also very grateful to Murphy Realty/Better Home and Gardens, the U.S. Marine Corps Reserve, my friends and the 58 retailers who donated more than 30 toys so that Christmas would be brighter for many disadvantaged boys and girls."

Merchants in Bergenfield, Closter, Cresskill, Englewood, Teaneck, Tenafly and Westwood donated gifts to Levinsohn's campaign.

In a time where "volunteerism" is deparately needed on society, Levinsohn has set an example of this virtue that other can follow. He dedication and devotion to help others earned her the praise, admiration, affection and respect of many people, including Mayor Richard K. Van Nostrand of Tenafly and the borough council.

PITTSBURGH RIVERBOAT EXECUTIVE NEW PRESIDENT OF THE NATIONAL ASSOCIATION OF PASSENGER VESSEL OWNERS

HON. DOUG WALGREN

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, March 25, 1986

Mr. WALGREN. Mr. Speaker, I am delighted to bring to the attention of the House of Representatives the election of Zack J. D'Alesandro, Jr., as president of the National Association of Passenger Vessel Owners.

Mr. D'Alesandro, general manager and vice president of the Gateway Clipper Fleet in Pittsburgh, has been a personal friend of mine for many, many years. Few men have as much experience, knowledge, or love for our rivers and waterways as Zack. I know that the National Association of Passenger Vessel Owners will thrive under Zack's leadership. An active member of the South Hills community where Zack serves on our school board, he brings to this new position the intelligence, commitment, and warmth of a very fine individual.

I know my colleagues will join me in saluting Zack D'Alesandro and wishing him well in his new position.

The text of the announcement of his election follows:

PITTSBURGH RIVERBOAT EXECUTIVE NEW PRESIDENT OF NATIONAL ASSOCIATION OF PASSENGER VESSEL OWNERS

WASHINGTON, DC, MAR. 11, 1986.—Zack J. D'Alesandro, Jr., general manager and vice president of the Gateway Clipper Fleet, Pittsburgh, PA, was elected President of the National Association of Passenger Vessel Owners (NAPVO) at their annual meeting at Lake Tahoe, Nevada.

As NAPVO's President and Chief Executive Officer, D'Alesandro will be responsible for coordinating and supervising the organization's public relations efforts, as well as overseeing the functions of NAPVO's Washington-based Office of the Executive Secretary.

The new NAPVO President will also direct the organization's development of national legislation promoting the interests of passenger vessel owners and the public they serve.

D'Alesandro has served as general manager of the Pittsburgh recreational riverboat fleet for the past 15 years.

He was first elected as a board member of the National Association in 1982.

NAPVO was created in 1971, with Pittsburgh's Gateway Clipper Fleet a charter member. From the outset, the organization has comprised of passenger vessel companies from coast to coast.

"The National Association was formed to foster closer relations between owners of passenger vessels, and to facilitate the exchange of ideas and information," D'Alesandro says.

"The beautiful waterways traversing America are truly one of our Nation's most valuable national resources, both for recreational and commercial reasons," the new NAPVO president adds. "As passenger vessel owners and operators, it is our responsibility to see that the full recreational potential of these waterways be realized and that the comfort and safety of the passengers we carry remain our foremost concern."

Toward that end, NAPVO acts as an important liaison to the United States Coast Guard and plays a major role in developing the high level of respect and safety-conscious performance the passenger vessel business enjoys in America today.

Also elected were Jim Cross of West Palm Beach, Fl. as vice president, James Rooney of Washington, D.C. as treasurer, Tom Bourdo of Toledo and Alan Bernstein of Cincinnati as directors.

THE MEDICARE PROGRAM

HON. FORTNEY H. (PETE) STARK

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, March 25, 1986

Mr. STARK. Mr. Speaker, I would like to include at this point in the RECORD an announcement from the Ways and Means Health Subcommittee seeking information for a future hearing on "Lessons for Medicare From the Private Sector: Opportunities and Problems":

The Honorable Fortney H. (Pete) Stark (D., Calif.), Chairman of the Subcommittee on Health, Committee on Ways and Means, U.S. House of Representatives, today announced that the Subcommittee on Health is soliciting information on the operation of health plans in the private sector which hold lessons—or warnings—for the medicare program. Chairman Stark said that he expects the most interesting, attractive, and controversial private sector developments would be discussed at a hearing later this year.

"When medicare was created two decades ago, it mimicked the insurance practices that were then prevalent in the private sector," said Chairman Stark. "Since then, these practices have changed significantly, but medicare has not. Perhaps it should.

"I am very interested in reports about private employers who have actually reduced their insurance costs without restricting benefits or imposing a bigger financial burden on beneficiaries. How have they done this, and can medicare adopt some of

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these methodologies? If large companies or unions can obtain quality, low-cost services through bidding and utilization review processes, could medicare do the same thing?

"I am equally interested in examples of private sector 'cost savings' and restrictions which may be having an adverse impact on the quality of care. Some self-insured private sector plans may be creating problems through restrictions on 'freedom of choice' of providers and enrollees' ability to choose providers. Others may be pushing people out of hospitals 'quicker and sicker,' or providing incentive payments to physicians to contain costs to such an extent that medical judgment is being clouded.

"Some say the private sector does things better than the government does," Stark said. "Whether that's true in providing quality, low cost health care is a question worth exploring."

Those who wish to suggest ideas should mail their recommendations to the Subcommittee on Health, 1114 Longworth House Office Building, Washington, D.C. 20515, to the attention of Erica Mozer, no later than close of business Friday, May 2, 1986.

AVOID ANOTHER CUBA

HON. ROBERT J. LAGOMARSINO

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, March 25, 1986

Mr. LAGOMARSINO. Mr. Speaker, I would like to call to the attention of my colleagues an editorial which appeared in the March 17, 1986, edition of the Santa Maria, California Times, a prominent newspaper in my district. The editorial describes the proposal for renewed military assistance to the democratic resistance in Nicaragua as necessary to avoid another Cuba.

The editorial concludes:

> The one certainty in all this is that abondoning the Nicaraguans, Reagan rightly calls freedom fighters guarantees defeat. Any hope for democracy in Nicaragua would be forfeited. The Cubans and Soviets would win by default, consolidating a forward base for future subversion in Central America. The least Congress can do to avoid this debacle is approve aid for Nicaraguans willing to die to prevent it.

I urge my colleague to consider carefully this commentary.

> AVOID ANOTHER CUBA
>
> President Reagan is posing the question of renewed military aid to the Nicaraguan contras just the way it should be posed. Does Congress want to prevent or permit the establishment of a second Cuba in the Western Hemisphere?
>
> If the former, Reagan insists that Congress has no alternative to aiding the insurgent army of Nicaraguans fighting against a Sandinista regime that is unambiguously pro-Soviet and pro-Cuban.
>
> Most members of Congress, including many Democrats and liberals, agree that the United States has legitimate security interests in Central America. Most agree that the consolidation of a second Cuba would endanger these interests, not least by posing a permanent threat to those neighboring Central American states friendly to the United States. And, let it be noted, almost no one in Congress still attempts to defend the Sandinistas. Even liberals now acknowledge that the regime in Managua is a one-party Marxist dictatorship that muzzles the press, harasses the Catholic Church, denies Nicaraguans all basic civil and political rights and make common cause with Moscow and Havana.
>
> So why is Reagan having such trouble persuading Congress to resume military aid to the contras after a two-year hiatus? Partly, of course, it is the isolationist impulse, the hope that if only a problem is ignored it will go away. But it is also true that Reagan's policy of backing the contras strikes many in Congress as leading in uncertain directions.
>
> The administration's stated objective in Nicaragua is not to overthrow the Sandinistas but to help the Nicaraguan resistance pressure the Sandinista regime into granting a measure of democracy. Trouble is, few in Washington, including officials at the Pentagon and the Central Intelligence Agency, believe the contras are strong enough to accomplish this any time soon, even with $100 million in arms and logistical help during the next year.
>
> This discouraging outlook leaves some congressional moderates, who might otherwise vote for contra aid, looking to diplomacy for an alternative policy. But diplomacy unsupported by force or the threat of force offers even fewer prospects for success than relying on the contras alone. Why should the Sandinistas, good Leninists that they are, relinquish power through negotiations when they seem to possess more than enough Soviet arms to hold it exclusively? Until someone provides a convincing answer to this question, congressional opponents of renewed aid for the contras won't be able to offer more than wishful thinking as a rationale for their negotiating option.
>
> The likelihood, then, is for an eventual compromise between the White House and Congress. Rather than $100 million in aid for the contras, Reagan might get, say, $60 million or $75 million with much of that placed in escrow for a few months while diplomacy is given another try. The incentive for the Sandinistas to negotiate in earnest would be the knowledge that without a show of good faith, the aid would be released to the contras and perhaps even increased.
>
> But whichever way Congress goes, it seems more and more that the Sandinistas, bolstered by $500 million in Soviet armaments since 1981 plus several thousand Soviet-bloc military advisers, are already too strong to be ousted or forced to grant democratic concessions by the contras alone. That means the United States could eventually find itself pressed to intervene more directly, perhaps by recognizing the anti-Sandinista resistance as a government in exile and then enforcing an air and sea blockade against further shipments of Soviet-bloc arms to Nicaragua.
>
> The one certainty is all this is that abandoning the Nicaraguans Reagan rightly calls freedom fighters guarantees defeat. Any hope for democracy in Nicaragua would be forfeited. The Cubans and Soviets would win by default, consolidating a forward base for future subversion in Central America. The least Congress can do to avoid this debacle is approve aid for Nicaraguans willing to die to prevent it.

VOTING RECORD

HON. MORRIS K. UDALL

OF ARIZONA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, March 25, 1986

Mr. UDALL. Mr. Speaker, it has become my practice from time to time to list my votes in the CONGRESSIONAL RECORD. I strongly believe that the people of the Second Congressional District of Arizona have a right to know where I stand on the issues decided by this body, and I have found that printing my record here is the best way to provide that information.

This is not an all inclusive list. I have omitted noncontroversial votes such as quorum calls, motions to resolve into the Committee of the Whole House, and motions to approve the Journal of the previous day.

The descriptions are necessarily somewhat short, and I am sure that some of my constituents will have additional questions about the issues described here. So I invite them to write me for more specifics.

The votes are described as follows:

KEY

1. Rollcall Number;
2. Number of the bill or resolution;
3. Title of the bill or resolution;
4. A description of the vote;
5. The outcome of the vote;
6. The vote total;
7. My vote, in the form Y=yes, N=no, and NV=not voting;
8. The vote totals of the Arizona delegation (yes—no—not voting);
9. The date.

301. H.R. 2100. Farm Programs Reauthorization, Fiscal 1986-90. Madigan, R-Ill., amendment to strike the wheat and feed grain farmer referendum section from the bill. The farmer referendum would have been on the question of establishing a marketing certificate and export subsidy program for domestic wheat and feed grain production. Adopted 251-174: N(4-1-0), October 3, 1985.

302. H.R. 2100. Farm Programs Reauthorization, Fiscal 1986-90. Lundine, D-N.Y., amendment to phase out the price-support and national quota program for peanut producers by 1989, gradually limiting the size of the peanut crop that would come under the national poundage quota, lowering the price support level and allowing growers not holding a quota to compete for the domestic market in order to meet demand. Rejected 195-228: N(3-2-0), October 3, 1985.

303. H.R. 2100. Farm Programs Reauthorization, Fiscal 1986-90. English, D-Okla., amendment to exempt agriculture export credit programs from the cargo-preference requirements that half of all government-generated exports be shipped on U.S. flag vessels. Rejected 179-245: Y(4-1-0), October 3, 1985.

304. H.R. 2100. Farm Programs Reauthorization, Fiscal 1986-90. Bereuter, R-Neb., amendment to require the Maritime Administration to pay the costs of subsidies incurred by applying cargo-preference requirements to agricultural export programs. Rejected 151-269: N(4-1-0), October 3, 1985.

305. H.R. 2100. Farm Programs Reauthorization, Fiscal 1986-90. Glickman, D-Kan., amendment to bring highly erodible crop land farmed in 1981-85 under the sanctions of the bill's "sodbuster" provisions by 1995,

or two years after completion of soil maps, whichever is later, with the requirement that such land must be planted under an approved conservation plan by 1990. Adopted 313-90: NV(2-1-2), October 3, 1985.

306. H.R. 2100. Farm Programs Reauthorization, Fiscal 1986-90. Emerson, R-Mo., amendment to eliminate the expanded benefit and eligibility levels for food stamps contained in the bill. Rejected 171-238: N(4-1-0), October 7, 1985.

307. H.R. 2100. Farm Programs Reauthorization, Fiscal 1986-90. Gingrich, R-Ga., amendment to require states to set up employment and training ("workfare") programs for food stamp recipients, and to require 75 percent of eligible recipients to be enrolled in a work program over three years. Rejected 183-227: N(4-1-0), October 7, 1985.

308. H.R. 2100. Farm Programs Reauthorization, Fiscal 1986-90. Frank, D-Mass., amendment to place a cap on honey price-support loans available to commercial bee keepers. Adopted 340-65: Y(5-0-0), October 7, 1985.

309. H.R. 3174. Military Medical Malpractice. Glickman, D-Kan., motion to suspend the rules and pass the bill to allow active-duty members of the armed services to sue the government for medical and dental malpractice at government facilities. Motion agreed to 317-90: Y(3-2-0), October 7, 1985.

310. H.R. 2100. Farm Programs Reauthorization, Fiscal 1986-90. Petri, R-Wis., amendment to repeal tobacco price-support programs, effective in 1986. Rejected 195-230: N(1-4-0), October 8, 1985.

311. H.R. 2100. Farm Programs Reauthorization, Fiscal 1986-90. Stangeland, R-Minn., substitute for the Alexander, D-Ark., substitute, to establish separate referendums on mandatory production control programs for grain farmers, soybean farmers, dairy farmers and cotton farmers, with approval for each crop program based on a 60 percent majority vote. If grain farmers disapprove of the mandatory controls, the agriculture secretary would be required to allow farmers to repay their wheat and feed grain crops at no higher than state average market prices; target prices for wheat would be set at $4.50 a bushel for the first 15,000 bushels, and at $4.00 a bushel for the remainder; target prices for corn would be set at $3.25 a bushel for the first 30,000 bushels, and $2.75 a bushel thereafter. Rejected 52-371: N(0-5-0), October 8, 1985.

312. H.R. 2100. Farm Program Reauthorization, Fiscal 1986-90. Alexander, D-Ark., substitute to establish a mandatory production control program for wheat, feed grains, rice, cotton and soybeans if approved by a majority of farmers in a national referendum to be held every four years. If the referendum were disapproved, the Agriculture Department would establish programs for all major commodities. If it were approved, crop-support non-recourse loan rates would be set at 70 percent of parity (a formula based on farmers' purchasing power during the years 1910-14) for the 1986 crop and increased 2 percentage points a year thereafter until 1996. Farmers would be required to idle 15 percent of their normal crop acreage. Rejected 59-368: N(0-5-0), October 8, 1985.

313. H.R. 2100. Farm Programs Reauthorization, Fiscal 1986-90. Miller, D-Calif., amendment to deny any type of federal farm assistance to any farmer with 10 or more field hand employees who fails to provide drinking water and sanitation facilities to his employees. Rejected 199-227: Y(1-4-0), October 8, 1985.

314. H.R. 2100. Farm Programs Reauthorization, Fiscal 1986-90. Passage of the bill to extend and revise agricultural price-support programs; to provide for agricultural export, soil conservation, farm credit and agricultural research programs; and to continue food assistance to low-income persons through fiscal 1990. Passed 282-141: Y(1-4-0), October 8, 1985.

315. H.R. 3008. Federal Pay Equity Study. Burton, R-Ind., amendment to establish a 14-member commission, rather than the 11-member commission established by the bill, composed of seven members appointed by Democrats and seven appointed by Republicans, to oversee the study of the federal pay and classification system. Rejected 150-272: N(4-1-0), October 9, 1985.

317. H.R. 3008. Federal Pay Equity Study. Burton, R-Ind., substitute to require a study of whether federal pay and classification complies with the Civil Rights Act of 1964 and the Fair Labor Standards Act of 1938, and with trends in promotion and hiring. Rejected 142-277: N(3-1-1-), October 9, 1985.

318. H.R. 3008. Federal Pay Equity Study. Passage of the bill to establish a commission to oversee a study of the federal work force to determine whether differences in pay and classification have arisen because of discrimination on the basis of sex, race, or national orgin. Passed 259-162: Y(1-4-0), October 9, 1985.

319. H.R. 1562. Textile Import Quotas. Adoption of the rule (H Res 286) to provide for House floor consideration of the measure to impose new quota restrictions on textile imports. Adopted 277-139: Y(1-3-1), October 10, 1985.

320. H.R. 1562. Textile Import Quotas. Passage of the bill to impose new quota restrictions on textile imports. Passed 262-159: N(0-4-1), October 10, 1985.

321. H.R. 3248. Arts and Humanities Endowments Authorizations, Fiscal 1986-87. Passage of the bill to authorize $167 million for the National Endowment for the Arts, $140 million for the National Endowment for the Humanities and $22 million for the Institute of Museum Services in fiscal year 1986, and 4 percent more for each agency in fiscal 1987. Passed 349-57: NV(2-1-2), October 10, 1985.

322. H.J. Res. 372. Public Debt Limit. Rostenkowski, D-Ill., motion to disagree to the Senate amendments to the joint resolution and to request a conference with the Senate on the measure to raise the ceiling on the federal debt to $2.079 trillion. Motion agreed to 327-50: Y(4-0-1), October 11, 1985.

323. H.J. Res. 372. Public Debt Limit. Michel, R-Ill., motion to instruct the House conferees on the joint resolution to raise the ceiling on the federal debt to report promptly amendments to the 1974 Congressional Budget and Impoundment Control Act (PL 93-344) that would provide mechanisms for reducing the federal budget deficit, including specific, mandatory goals for achieving a balanced budget in six years (by fiscal 1991). Motion agreed to 354-15: Y(4-0-1), October 11, 1985.

325. H.R. 1409. Military Construction Authorization, Fiscal 1986. Passage of the bill to authorize $9.2 billion in fiscal 1986 for certain construction at military installations, and for other purposes. Passed 354-38: Y (5-0-0), October 16, 1985.

326. H.R. 3327. Military Construction Appropriations, Fiscal 1986. Adoption of the rule (H Res 282) to waive certain points of order against the bill to provide $8,372,730,000 in fiscal 1986 appropriations for military construction for the Department of Defense. Adopted 369-33: Y(4-1-0), October 17, 1985.

327. H.R. 3327. Military Construction Appropriations, Fiscal 1986. Passage of the bill to provide $8,372,730,000 in fiscal 1986 appropriations for military construction for the Department of Defense. Passed 373-36: Y(5-0-0), October 17, 1985.

328. H.R. 2095. Daylight-Saving Time Extension. Adoption of the rule (H Res 286) to provide for floor consideration of the bill to change daylight-saving time to run from the first Sunday in April to the first Sunday in November. Adopted 352-43: Y(3-2-0), October 17, 1985.

329. H.R. 463. Topsoil Preservation. Udall, D-Ariz., motion to suspend the rules and pass the bill to establish topsoil preservation guidelines for federal or federally assisted construction projects larger than 100,000 square feet, and to authorize $6 million annually to carry out the program in each fiscal year after September 30, 1986. Motion rejected 225-185: Y(2-3-0), October 22, 1985. A two-thirds majority of those present and voting (274 in this case) is required for passage under suspension of the rules.

330. HR 2095. Daylight-Saving Time Extension. Passage of the bill to change daylight-saving time to run from the first Sunday in April to the first Sunday in November. Passed 240-157: N(0-4-1), October 22, 1985.

332. H.R. 3500. Omibus Budget Reconciliation, Fiscal 1986. Adoption of the rule (H Res 296) to provide for House floor consideration of the bill to make changes in law to achieve the deficit-reduction targets of the fiscal 1986 budget resolution (S Con Res 32), and to allow amendments by Latta, R-Ohio, to strike certain provisions; Fazio, D-Calif., to strike a provision placing transportation trust funds off off budget; and Florio, D-N.J. to insert a House-passed Amtrak authorization bill (HR 2266). Adopted 230-190: N(1-4-0), October 23, 1985.

333. H.R. 2409. National Institutes of Health Authorizations, Fiscal 1986-88. Adoption of the conference report to authorize $2.4 billion in fiscal 1986, $2.6 billion in 1987 and $2.7 billion in 1988 for certain research activities of the National Institutes of Health, and to create a new institute for research on arthritis. Adopted (thus cleared for the president) 395-10: Y(4-1-0), October 23, 1985.

334. H.R. 3500. Omnibus Budget Reconcilliation, Fiscal 1986. Latta, R-Ohio, amendment to eliminate new programs and increased spending authorized in the bill, to remove transportation trust funds from the budget in fiscal year 1989, and to reduce proposed salary increases for federal civilian employees. Rejected 209-219: N(4-1-0), October 24, 1985.

335. H.R. 3500. Omnibus Budget Reconcilliation, Fiscal 1986. Fazio, D-Calif., amendment to strike a provision of the bill that would have removed two transportation trust funds from the budget. Adopted 222-205: N(4-1-0), October 24, 1985.

336. H.R. 3500. Omnibus Budget Reconcilliation, Fiscal 1986. Passage of the bill to make changes in law to reduce spending by $60.9 billion over fiscal years 1986-88, to conform with the fiscal 1986 budget resolution (S Con Res 32) that called for $276 billion in spending cuts and higher revenues over three years. Passed 226-199: Y(1-4-0), October 24, 1985.

337. H.R. 3606. Defense Cost Reporting. Aspin, D-Wis., motion to suspend the rules and pass the bill to require the Department of Defense to keep certain data on manufac-

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turer's labor costs. Motion agreed to 397-18: Y(3-1-1), October 29, 1985.

338. H. Con. Res. 201. Handicapped Children Education Anniversary. Williams, D-Mont., motion to suspend the rules and adopt the concurrent resolution to commemorate the 10th anniversary of the enactment of the Education for All Handicapped Children Act (PL 94-142), which was signed into law on November 29, 1975. Motion Agreed to 404-1: Y(4-0-1), October 29, 1985.

339. S. 1160. Department of Defense Authorization, Fiscal 1986. Adoption of the rule (H Res 299) to provide for House floor consideration of the conference report on the bill to authorize $222,992,600,000 for military programs in fiscal 1986. Adopted 320-91: Y(4-0-1), October 29, 1985.

340. H.R. 2942. Legislative Branch Appropriations, Fiscal 1986. Adoption of the conference report on the bill to appropriate $1,598,293,800 in fiscal 1986 for Congress and related agencies. Adopted 251-164: Y(2-2-1), October 29, 1985.

341. H.R. 3629. Department of Defense Appropriations, Fiscal 1986. Frank, D-Mass., amendment to delete from the bill $1.7 billion for procurement of 12 MX missiles. Adopted 211-208: Y(1-3-1), October 30, 1985.

342. H.R. 3629. Department of Defense Appropriations, Fiscal 1986. Frank, D-Mass., amendment to delete from the bill $1.7 billion for procurement of 12 MX missiles. Rejected 210-214: Y(1-3-1), October 30, 1985.

343. H.R. 3629. Department of Defense Appropriations, Fiscal 1986. Passage of the bill to appropriate $268,850,600,000 in new budget authority and $7,747,700,000 in transfers from other accounts for Defense Department programs in fiscal 1986. Passed 359-67: Y(3-1-1), October 30, 1985.

345. H.R. 3128. Deficit Reduction Amendments. Derrick, D-S.C., motion to order the previous question (thus ending debate and the possibility of amendment) on the rule (H Res 301) to provide for House floor consideration of the bill to reduce the deficit by $19.5 billion over fiscal 1986-88 through spending reductions in the Medicare program; tax increases on tobacco products, imports, coal manufacturers and employers participating in a federal pension plan; and user fees for Customs inspections. The bill would also make changes in the Aid to Families with Dependent Children program, and reauthorize the Trade Adjustment Assistance program and related trade agencies. Motion agreed to 219-205: Y(1-4-0), October 31, 1985.

346. H.R. 3128. Deficit Reduction Amendments. Gradison, R-Ohio, motion to recommit the bill to the Ways and Means Committee with instructions to delete eight provisions that would require $954 million in new spending over fiscal 1986-88. Motion rejected 183-238: N(4-1-0), October 31, 1985.

347. H.R. 3128. Deficit Reduction Amendments. Passage of the bill to reduce the deficit $19.5 billion over fiscal 1986-88 through spending reductions in the Medicare program; tax increases on tobacco products, imports, coal manufacturers and employees participating in a federal pension plan; and user fees for Customs inspection. The bill would also make changes in the Aid to Families with Dependent Children program and reauthorize the Trade Adjustment Assistance program and related trade agencies. Passed 245-174: Y(1-4-0), October 31, 1985.

349. H.J. Re.s 372. Public Debt Limit. Rostenkowski, D-Ill., motion to recede from the disagreement with the Senate amendment to the bill to increase the public debt limit. Motion agreed to 288-134: N(4-1-0), November 1, 1985. This was a procedural move clearing the way for a house vote on the Democratic alternative to the budget amendment sponsored by Gramm, R-Texas, Rudman, R-N.H., and Hollings, D-S.C.

350. H.J. Res. 372. Public Debt Limit. Rostenkowski, D-Ill., motion to recede from the House position and concur with the Senate amendment to the bill to increase the public debt limit, with a substitute amendment to provide for declining annual statutory limits on the federal debt, automatic deficit reduction and, under certain circumstances, procedural revisions in the congressional budget process. Motion agreed to 249-180: Y(1-4-0), November 1, 1985.

A TRIBUTE TO THE 50TH ANNIVERSARY OF McCLELLAN AIR FORCE BASE

HON. VIC FAZIO

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, March 25, 1986

Mr. FAZIO. Mr. Speaker, I rise today to pay tribute to the 50th anniversary of McClellan Air Force Base. For the last 50 years, McClellan has played an integral role in our Nation's defense and an important part in the growth and prosperity of Sacramento, CA. The history of McClellan is long and proud. Recognition of this fine base would not be complete without a capsulation of the events which have shaped this prestigious Air Force installation.

In 1935, Arthur S. Dudley, secretary-manager of the Sacramento Chamber of Commerce, initiated efforts to obtain an Army-Air Force base for Sacramento. At the time, Rockwell Air Depot in San Diego had become obsolete because of technical advances in aviation. After substantial lobbying by Dudley, Congress passed and President Roosevelt on June 22, 1936, signed a bill appropriating money for a depot in the Sacramento area. Arthur S. Dudley, who lived to see McClellan grow to its maturity as an air logistics center, is considered the "Father of McClellan."

September 8, 1936, marked the groundbreaking ceremony for the newly named Sacramento Air Depot. Three years later, under the able supervision of Lt. John A. Austin, the basic construction of the depot was completed. Maintenance and operations hangers, an equipment building, and a depot supply building were all part of the original plan. On April 29, over 50,000 people attended the dedication ceremony. Distinguished guests included the Chief of Army Air Corps, Maj. Gen. Henry H. Arnold, and the Army Deputy Chief of Staff, Brig. Gen. George C. Marshall.

Later that year, the War Department officially changed the name from Sacramento Air Depot to McClellan Field to honor Hezekiah McClellan. A true Californian with a degree in military aeronautics from the University of California at Berkeley, Major McClellan was an Army aviation pioneer who died while testing a consolidated PB-2A aircraft. The Army awarded the Distinguished Flying Cross to Major McClellan posthumously.

As America prepared for an impending war, McClellan bore the responsibility for the logistical support of the west coast. At this time, the work force numbered 373. By September 1939, when the Germans invaded Poland, the number of employees had doubled.

In the early years of the war, planes stationed at McClellan ferried supplies to Alaska and the Panama Canal Zone. New employees moved rapidly through training classes which allowed them to advance quickly through the civil service hierarchy. After the bombing of Pearl Harbor, McClellan became key in providing air logistics support in the Pacific.

During the war, McClellan AFB was instrumental in the first successful Allied bombing raid of Tokyo. Known as the "Doolittle Raid," Americans in B-25B's lead by Lt. Col. James Doolittle, attacked Tokyo. Prior to the attack, Lieutenant Colonel Doolittle personally visited McClellan to oversee the special modifications on the B-25B's that were needed for the secret mission. The "Doolittle Raid" ended the string of early setbacks suffered by the Allies.

By June 30, 1943, there were 17,652 civilians and 4,250 military working at McClellan, but Sacramento's workload declined as the other west coast depots opened. At the end of the war, the civilian work force shrank to only 7,004 employees and these workers were relegated to storing surplus aircraft and supplies. However, in 1947, when the Air Force was established as a separate service, activity increased at McClellan.

Two years later, war began on the Korean peninsula. Once again, McClellan provided vital air logistic support for the Pacific, repairing and maintaining the F-80c, F-51, and the F-86. Decentralization of the Air Material Command resulted in more duties to McClellan. By the end of the conflict, responsibilities had increased to include management of the F-80, T-33, F-94, F-51, and the F-82.

The workload was reduced at the end of the Korean conflict in 1952, but the arrival of the F-104 Starfighter and the F-100 Super Sabre—the first supersonic aircraft in history—assured the continued importance of McClellan. An airborne early warning control [AEWC] was established after the introduction of the RC-121 Constellation at McClellan. By 1953, McClellan was providing 45 percent of the logistical support for all aircraft flown by the USAF, Air National Guard, and the Air Force Reserve.

The early fifties was also a time when McClellan was assigned many vital large projects. In 1954, "Project Pull Out" was responsible for the modification of over 650 F-86's. "Project Milk Bottle," upgrading the B-47 and a later Air Force project to repair the F-106 *Delta Dart*, were essential in order to maintain technological supremacy in fighter planes. These large undertakings prepared McClellan for the onset of the Space Age.

McClellan was the prime support manager for the Air Force Discoverer satellite, and the Agena space vehicle and satellite system. However, the contributions of McClellan to the exploration of space were temporarily suspended with the onset of the Vietnam conflict.

Once again, McClellan was called upon to provide logistical support in the Pacific. At the beginning of American involvement, McClellan prepared and shipped all the material and equipment necessary to establish an entire Air

Force base at Tuy Hoa on the Vietnamese coast, 300 miles from Saigon. Next, McClellan pioneered the rapid area maintenance [RAM] concept, which was responsible for fast and efficient repair of aircraft damaged in crashes or battles. McClellan also sent highly skilled AFLC workers to Indochinese combat theaters to perform maintenance beyond the capabilities of bases in that part of the world. Further, McClellan provided logistical support to the AIE, F-105, FB-111, and the F-111C.

In the midsixties, McClellan diversified its activities. In 1966, the base began extensive inspection and repair of the KC-135 jet tankers as well as installing inflight refueling capability, liquid oxygen capabilities, and camouflaging for the F-102. Another first for McClellan included using laser equipment for aircraft system alignment and bore sighting aircraft guns. These are just a few of the many valuable projects and systems developed at McClellan.

Not only was the Sacramento base known for its technical capabilities, but it was also known for innovative concepts in management. Claude Farinha, civilian assistant to AFLC's directorate of maintenance Brig. Gen. William A. Jack, proposed altering the role of the depot to allow AFLC specialization which would encourage competition with private industry. Adopted by the AFLC Command in 1971, the technology repair center [TRC] concept induced many changes in the AFLC system. McClellan became the TRC for ground communications, electronics equipment, flight control accessories, and hydraulics.

In spite of the many innovations that McClellan brought to the forefront in the late 1960's and early 1970's, this was a period of scaling back. The Air Force had to close 9 of its 14 air logistics centers. While McClellan remained open, there was a great concern in the community that this base could be next on the list. As a result, there was a lack of investment in the industrial base which thereby impeded McClellan's ability to attract high-technology missions. But with the arrival of Maj. Gen. Dewey K.K. Lowe as commander of the Sacramento ALC, in the mid-1970's, things took a turn for the better. The superb work force, the community at large, and the congressional delegation joined together to assist the base's leadership. We made tremendous strides in getting Congress to approve funds for modern new facilities. And General Lowe was extremely effective in attracting high-technology missions to the base. The business and civil communities have gone all out to show their support for McClellan. Pulling together has paid off.

McClellan is now one of the premier maintenance facilities in the United States. Further, McClellan's work in the fields of fiber optics, advanced composites, electronics, communications, and space systems, have made it one of the Armed Forces' leaders in high technology. It's known far and wide as the "smart ALC." In fact, in 1984, McClellan was designated program manager for the advanced tactical fighter, also known as "stealth" which is expected to be operational by the mid-1990's. And, last week, McClellan was chosen as the long-term maintenance facility for the F-15—the Air Force's top fighter plane. These two acquisitions reveal the confidence that our U.S. Air Force has in McClellan's military and civilian work force.

In the past 15 years, ALC units at McClellan have earned almost 20 Department of Defense awards. Two of the most recent awards have included the Eugene M. Zuckert Air Force Management Award to Gen. Dewey K.K. Lowe in 1984 and the Hennessy Trophy for the best Air Force dining hall, also received in 1984. Today, McClellan AFB encompasses 2,700 acres and is home to 23 tenant units and 15,000 civilian employees and 4,000 military personnel. I would like to salute each of these outstanding units along with the Sacramento Air Logistic Center and all the men and women who are an integral part of McClellan's USAF mission: The 2049th Communication Group of the Air Force Communications Command, the 1849th Electronics Installation Squadron of the Air Force Communications Command, the Fourth Air Force (Reserve), the 406th Combat Logistics Support Squadorn of the Air Force Reserve, the 41st Rescue and Weather Reconnaissance Wing of the Military Airlift Command, the 41st Aerospace Rescue and Recovery Squadron of the Military Airlift Command, the 41st Consolidated Aircraft Maintenance Squadron of the Military Airlift Command, the 55th Weather Reconnaissance Squadron of the Military Airlift Command, the Technical Operations Division, the Defense Property Disposal Office at McClellan, the Northern California Complex Air Force Commissary Service, the McClellan AFB Commissary, the Field Training Detachment 510 of the Air Training Command, the Detachment 950 of the Air Force Audit Agency, the Detachment 5 of the 3025th Management Engineering Squadron, the Air Force Office of Special Investigation of the Detachment 1905, the Royal Air Force Detachment, the Canadian Forces Logistics Liaison Unit Detachment, the Coast Guard Air Station of Sacramento, and the 431st Test and Evaluation Squadron of the Tactical Air Unit.

Above all, McClellan is nationally recognized for the skill and quality that it brings to the Air Force Logistic Command. Under the competent leadership of Maj. Gen. Lee V. Greer, his vice commander, Brig. Gen. James W. Hopp, and base commander, Col. David S. Whitman, McClellan ALC will continue to enjoy an outstanding reputation.

Mr. Speaker, for the last 50 years, McClellan Air Force Base has been an essential part of this Nation's defense. With the thousands of dedicated employees, strong support from the Sacramento community, and the able command of the Air Force, McClellan has and will continue to be at the forefront in developing technologies to meet the challenges of the 21st century.

PROTECT THE FAMILY UNIT IN AMERICA

HON. WILLIAM O. LIPINSKI

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, March 25, 1986

Mr. LIPINSKI. Mr. Speaker, as we quickly move through the second half of this decade, it has become apparent that a serious and harmful trend is taking place across this country—the disintegration of the family unit. A recent study has indicated that 60 percent of the children born in 1984 can expect to live in a one-parent family before reaching age 18. Unfortunately, this type of family disorganization has become commonplace in American society and not just a statistic of a sensitive and stigmatized minority.

Clearly based upon the nature of an industrial society, no government can avoid having policies that influence the family unit. However, the key issue is whether these policies reach to the heart and soul of strengthening the American family.

There are two basic assumptions we must follow in order to adequately address this problem: the first being that the family structure has been the cornerstone for stability and understanding in our society and second, the Government has the tools necessary to preserve that structure.

To be sure, the processes of change in the family foundation can be attributed to a number of policies and programs, and one could make a very strong case that government at all levels must take into account the actual or potential effects these programs have upon our families..

The absence of an indepth national industrial policy addressing plant closings and job loss has contributed to the destructiveness of family harmony and stability. Many case studies of plant closings have identified serious strains on the families of unemployed workers. Undoubtedly, the stress, anxiety, and depression realized by the displaced worker is magnified in the overall family setting where the spouse and children become highly vulnerable victims to this emotional fallout.

Of all the policies that have affected family growth and stability, none has been more inequitable than our current tax policy. The exemption for dependents, "a children's allowance" built into the Tax Code, has risen from $600 in 1948 to only $1,040 in 1985. To maintain the value of the personal exemption based upon an inflation index over 27 years would mean that the exemption today should be valued at approximately $5,000. Although to some extent, this country has pursued a national family policy that exempted most of the cost of child-rearing from taxation, it has also followed an equally powerful policy that is for all practical purposes antifamily.

What we generally value as a society and what we generally think is conducive to the things we value is self-efficiency. People in this country are affected by poverty and it follows that we should not tax individuals, much less families to the point where they are statistically poor and virtually dependent. It is, therefore, necessary to show a willingness on a national level to act both in a positive and compassionate manner and develop a comprehensive plan that will seriously address the needs of the American family. We need a sweeping national plan that will:

First, adjust the tax policy to incorporate a more realistic dependency allowance figure in our Tax Code.

Second, provide tax incentives to subsidize those families who are financing their child's

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higher education. This could be done by having a tuition exemption built into our Tax Code.

Third, institute a national industrial policy that will not only address plant closing consultation and mass layoffs but will assist in providing counseling and other social services for the spouse and children of the unemployed worker.

Fourth, allow the first time home buyer family reasonable interest rates and financing incentives such as drawing on established IRA accounts without financial penalties to purchase a home.

Fifth, establish a more comprehensive Drug and Alcoholic Abuse Program in this country. The increased use of drugs and alcohol has had, to say the least, a detrimental effect on family stability.

The current hardships confronting the American family are basically an indictment of this country's leadership for permitting it to fall into such a state of disrepair. Over the past 100 years we, as a country, have prided ourselves on being a nation of families but yet we have pursued a course without design or direction that has discouraged the establishment of a strong family unit. We certainly cannot stand by and watch the family structure crumble before our eyes. The future of this Nation will remain contingent on protecting the health and spirit of the American family who have been the bastion of strength of our society.

FIFTY YEARS OF SERVICE BY IITRI

HON. STENY H. HOYER

OF MARYLAND

IN THE HOUSE OF REPRESENTATIVES

Tuesday, March 25, 1986

Mr. HOYER. Mr. Speaker, on the occasion of the 50th anniversary of the IIT Research Institute, I would like to pay tribute to the outstanding work and services provided by this independent, not-for-profit, research organization. Among the divisions of this company is the Maryland Technology Center located in Lanham, MD.

Originally started by a handful of professors from the Armour Institute of Technology, now the Illinois Institute of Technology, on April 6, 1936, this firm today employs more than 850 scientists, researchers, and support personnel at two offices in the State of Maryland. Across the country, through its four divisions, the IIT Research Institute undertakes research for industry and government in such diverse fields as electronics, microwave and electrooptics, chemistry and chemical engineering, life sciences, energy, explosion science, railroad technology, manufacturing technology, surface engineering, software engineering, and information sciences.

The Maryland Technology Center in Lanham, MD, which contributes to the growing attractiveness of Prince Georges County as a center for high technology and advanced research, provides services for the Defense Mapping Agency and the Engineering Topographic Laboratories among other Federal and corporate clients. The IIT Research Institute has found a favorable business climate in the State of Maryland since 1961.

Based on its half century of experience, a rich diversity of professional and scientific resources and employees, and a solid record of technological accomplishments, it is fair to say, in the words of David L. Morrison, the president of IIT Research Institute,

> From a small research organization with a handful of employees, we have evolved into one of the world's largest, independent, not-for-profit organizations performing vital scientific and engineering research and development. During our next half century, we will build on that foundation by combining technology with added service, knowledge of the opportunities technology can provide, and an unwavering commitment to doing more things in a better way.

The IIT Research Institute will indeed continue to make things better for us all. On the golden anniversary of this research organization, I wish the IIT Research Institute further success and achievement.

ATHENAGORAS I

HON. GUS YATRON

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, March 25, 1986

Mr. YATRON. Mr. Speaker, giant of a man in stature and spirit, Athenagoras the first, late ecumenical patriarch of Constantinople would have been 100 years old today. His leadership of the Greek Orthodox Church of North and South America and subsequent assumption of the leadership of the Eastern Orthodox Church will remain indelibly etched in the annals of church history.

He was born in a small village of northern Greece called Vasilikon, which means "kingly." Indeed, he lived up to that description in the manner he carried himself and exercised his religious duties as a representative of his God and a servant of his people.

His service in America created an organized church for Greek emigrants and gave impetus to the organization of other branches of the Eastern Orthodox Church in this country. When he left America to go to Instanbul, Turkey on Harry Truman's Presidential plane, he carried with him the vision of an extraordinary accomplishment in America and a desire to apply his experiences in this unique country of ours on a wider and ecumenical plane of action.

He set a new tone for the church in Turkey and achieved good relations with the Turkish Government. He forged new ties with the Pope of the Roman Catholic Church and succeeded in meeting with him for the first time in centuries on the holy soil of Jerusalem.

We remember him as a visionary who fleshed out his faith and as a churchman whose example should be emulated by all people of whatever faith. His example and love transcend time and will remain as a mark of Christian commitment and spiritual acuity. We are grateful for the life and the remembrance of Athenagoras the first, a true churchman. We are especially thankful for his personification of Christian ideals and the vivid expression of his Greek heritage on this significant day when Greeks the world over commemorate Greek independence day.

NATIONAL SOCIAL WORK MONTH

HON. OLYMPIA J. SNOWE

OF MAINE

IN THE HOUSE OF REPRESENTATIVES

Tuesday, March 25, 1986

Ms. SNOWE. Mr. Speaker, I am pleased to join with my colleagues in the House in observance of March 1986 as National Social Work Month. With the theme, "Aging Parents: Return the Gift of Caring," the National Association of Social Workers—NASW—is launching its public service campaign stressing the importance of the family caregiver. Emphasizing quality of life for the older family member, this yearlong effort by the NASW will focus on the role of the family in caring for the aging parent and the special problems this may present for the whole family.

Recent research has shown that between 80 and 90 percent of the medically related care, personal care, household maintenance, transportation and shopping needed by older persons is provided by caregiving family members. While for many the role of the family caregiver is rewarding, the responsibility is not assumed without sacrifice. Many family caregivers face a variety of stressful situations as they seek to provide quality care for their elderly family members. They often find themselves caught between the competing demands of their children and their parents. Many face the tension of stretching already limited financial resources. Still others are trying to cope with the emotional demands of caring for an ailing parent in addition to maintaining a job. Thus, many individuals are finding that meeting the needs of the family, working, and fulfilling the caregiving role combine to create both emotional and financial stress.

Caregivers need education on how best to care for a disabled person, they need respite care to give them temporary relief from the strains of their task, and they need information about the resources available to them in the community. But most of all, they need our support and recognition of their difficult, understated, and often underappreciated role. To this end I have introduced House Joint Resolution 555, a bill to designate the week beginning November 24 as "National Family Caregivers Week." In this way, we can begin to recognize the contribution of the family caregivers who care for the disabled or frail and through whose efforts our responsibility and commitment to the family is embodied. In the decision between home care and institutional care, the family is the crucial difference.

In all of this, social workers play a key role in helping both the aging parent and the family cope with the burdens inherent in this stressful time. They offer counseling to help individuals and families understand the emotional conflicts that often arise in the caregivers relationship; they provide information and referral, connecting persons with sources of economic aid, community resources, socialization, support groups and helping networks; they help families to make informed decisions about how best to care for an aging parent. At all stages of care, social workers seek to enrich the lives of older persons and their caregivers.

Thus, as the National Association of Social Workers celebrates the family caregiver in conjunction with National Social Work Month, the most fitting salute to their efforts is summed up in their own words:

> How we as individuals and as a society react to our aging population will be a measure of our humanity and our ability to care for those who brought us into the world and nurtured us as we grew. For all of us there comes a time to return the gift of caring.

NATIONAL FISHING WEEK

HON. WALTER B. JONES

OF NORTH CAROLINA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, March 25, 1986

Mr. JONES of North Carolina. Mr. Speaker, I would like to express my thanks to the leadership of the Committee on Post Office and Civil Service, and in particular, Subcommittee Chairman GARCIA for bringing this resolution to the floor.

I initiated the effort to establish National Fishing Week by introducing H.J. Res. 433 on October 29, 1985. The policy of the House Committee on Post Office and Civil Service is not to report such measures until they are supported by at least 218 cosponsors. House Joint Resolution 433, requesting the President to proclaim June 2–8, 1986 as National Fishing Week, now has some 225 cosponsors and I would like to extend my gratitude to my fellow Members who chose to join me in honoring our Nation's fishermen.

On January 30, 1986, Senator WALLOP introduced an identical measure, Senate Joint Resolution 262, which was passed by the Senate on March 4, 1986. Although I will not have the pleasure of passing House Joint Resolution 433 and sending that measure on to the Senate and ultimately to the President, I would like to point out that the effort to recognize the importance of fishing, both sport and commercial, was initiated here in the House.

Mr. Speaker, fishing is a tradition deeply rooted in the history of our great Nation. Fishing provided our ancestors, the pioneers and settlers of our coastal communities, with an immediate and steady food supply. Many of the early coastal communities in my district depended on fishing for food and sustenance. These same communities, like many others in America, now rely on fishing as a major source of income and employment and as the basis of a growing tourist industry.

It is estimated that well over 200,000 commercial fishermen ply the oceans in search of seafood to fill the plates of millions of Americans. Our fishery resources not only enter the channels of commerce, but they also provide a source of pleasure for many anglers. Over 54 million Americans are sport fishing enthusiasts. In addition to providing enjoyment for many Americans, sport fishing is also an important industry, encompassing tackle, boat, and motor manufacturing, as well as service industries, such as hotels, motels, bait shops, groceries, and the like. Together, the sport and commercial fishing industries employ over 1 million Americans and generate over $27 billion in economic activity.

For the consumer, fishing provides healthful, protein-rich food. Recent scientific research shows that the consumption of seafood reduces the probability of heart disease. Perhaps this is one of the many reasons why fishing will grow as America continues to grow.

Whether fishing is family-oriented outdoor recreation, or commercial fishing carried out on the high seas, the result will be a healthier and stronger America. I urge my colleagues to honor our fishing industry and the fishing public of the United States by supporting the passage of Senate Joint Resolution 262. I also urge the President to sign this measure with all due speed and to lend his support to activities designed to honor and recognize the importance of fishing to America.

A TRIBUTE TO THE UNION HILL CONGREGATIONAL CHURCH OF RICHMOND HILL

HON. GARY L. ACKERMAN

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, March 25, 1986

Mr. ACKERMAN. Mr. Speaker, I rise today in tribute to the Union Hill Congregational Church of Richmond Hill, NY, on the momentous occasion of its 100th anniversary.

Located at 115th Street and 86th Avenue in Queens County, the Union Hill Congregational Church of Richmond Hill had its beginnings when Richmond Hill was still a peaceful country village. In 1884, a group of men and women met at the Association Hall—a loft over a store on the northwestern corner of Myrtle and Hillside Avenues—and established the Richmond Hill Christian Association, which was later to become the Union Congregational Church and Society of Richmond Hill.

By 1946, the church had an active membership of 1,640 that included among its local luminaries the American journalist, author, and social reformer Jacob Riis and his wife, and Elizabeth and Clarissa Van Ingen—whose family members still attend the church. Today, the congregation has a membership of over 300, and is an active member of the United Church of Christ and the Queens Federation of Churches. The Union Hill Congregational Church is a well-established landmark of Richmond Hill and Queens County, a spiritual center with a distinguished legacy and a proud future.

Mr. Speaker, a communal feeling of religious devotion is especially demonstrated by the congregants of this church through their charitable works. The men's club and the women's fellowship are two church organizations whose main concerns focus on the welfare of the membership and the community. Their faith and good works are a source of inspiration to people of all faiths.

In celebration of its centennial, the church has organized a yearlong series of events which will culminate with a special anniversary service on April 13. The service will be a reunion of all former members of the church and will feature several speakers and former ministers of the church.

Mr. Speaker, throughout its distinguished history, the Union Hill Congregational Church has been a source of comfort for its congregation and strength for the entire Queens community. I would particularly like to commend the Reverend Nevin M. Kirk, the dedicated pastor; Robert K. Stower, chairman of the board of trustees; and Herman Thiene, chairman of the board of directors. Their contributions, as well as the commitment of the other fine officers and members, have made the Union Hill Congregational Church such an outstanding institution.

Mr. Speaker, I call on all of my colleagues in the U.S. House of Representatives to join with me now in congratulating the Union Hill Congregational Church of Richmond Hill on the auspicious occasion of its 100th anniversary.

A MISSION OF DREAMS

HON. NEWT GINGRICH

OF GEORGIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, March 25, 1986

Mr. GINGRICH. Mr. Speaker, Katherine Dailey of Newnan wrote a poem titled, "A Mission of Dreams." Mrs. Dailey was so shocked, as all of us were, when the space shuttle *Challenger* exploded just after takeoff. She wrote this poem in honor of the seven astronauts who gave their lives while serving their country. I strongly urge all of my colleagues to read Mrs. Dailey's poem.

A MISSION OF DREAMS

(By Katherine B. Dailey)

Ten miles into outer space
High up in Heaven's skies
God reached out His loving arms
To enfold those precious lives.

We would be less than human
If we did not question why
Those seven gallant heroes
High above the earth would die.

There was mission Commander Scobee
And Pilot Michael Smith
Whose hopes and dreams and visions
Were much more than just a myth.

The lovely Judith Resnik
And smiling Ronald McNair
Who with hopes and aspirations
Soared serenely through the air.

Greg Jarvis and Ellis Onizuka
Waited patiently to see
If their boyhood dreams and wishes
Would finally come to be.

Then Sharon Christa McAuliffe
Filled with goals yet to achieve
Of lessons taught from outer space
To help us all believe.

Those precious children left behind,
Mothers, fathers, husbands, wives
And the grief and sorrow we all feel
For that tragic loss of lives.

The void they left cannot be filled
But we know they live in Heaven
So let's keep alive the hopes and dreams
Of those "Brave and Gallant Seven".

JACOB JAVITS

HON. WILLIAM F. GOODLING

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, March 18, 1986

Mr. GOODLING. Mr. Speaker, I would like to take this opportunity to pay tribute to Jacob Javits, an outstanding legislator.

I had the privilege of working with Senator Javits in his capacity as a member of the Committee on Labor and Human Resources.

By far, he was the most organized and knowledgeable Senator that I have ever met with in a House/Senate conference. He not only knew in detail all of the issues we were discussing, but he already had alternatives in mind to present to the conference. Very seldom did he turn to get information from his staff.

For 24 years Senator Javits gave service to his country as a U.S. Senator. I am saddened by his death, but feel he will never truly leave us. He will always be remembered as the laws he worked so hard to enact remain a living legacy to his work and dedication—and to the man himself.

I wish to express my heartfelt sympathy to the family of Senator Javits.

TRIBUTE TO JACOB JAVITS

HON. SILVIO O. CONTE

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, March 18, 1986

Mr. CONTE. Mr. Speaker, I rise today in tribute to Jacob Javits, a dedicated and distinguished former colleague in the Senate who was called from us Friday, March 6 after a long battle with Lou Gehrig's disease.

During his 24 years in the Senate, as an outstanding representative of the people of New York and all Americans, Jacob Javits earned the respect of all who knew him. This was a man of tremendous courage, a man who fought for civil rights, a man who believed that his place as a Senator was one of supreme importance in the quest for a better world.

And yet, this man was humble and consumed not with the limelight of public office but with the hard work and persistence that won him distinction and honor time after time.

We will remember Jacob for authoring the Pension Reform Act, the War Powers Act, his fight for civil rights in the 1950's and 1960's, and fair labor laws. But most important, we will remember Jacob for showing us all the tremendous contribution one can make in the face of adversity.

Jacob Javits fought his disease until the end—never letting up in his persistent battle for what he felt was just in American society and world affairs. Despite the crippling effects of Lou Gehrig's disease, Jacob continued to testify before congressional committees, speak publicly, and work long hours on the volumes of papers he compiled during two and a half decades in the Senate.

Jacob Javits' contribution to the Senate will long be heralded as one of historic proportion.

His contribution to the betterment of life for all Americans will outlive us all, and his courage, wit, and inspiring deduction will drive us on to find new and better answers to the questions of our time.

PERSONAL EXPLANATION

HON. DOUG WALGREN

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, March 25, 1986

Mr. WALGREN. Mr. Speaker, on March 18, I am recorded as not voting on several votes before the House of Representatives. Since I was in my congressional district at the time, I would like the record to show how I would have voted had I been present:

Rollcall No. 56, budget reconciliation, to table a motion to disagree to the Senate amendment and request a further conference, yes;

Rollcall No. 57, budget reconciliation, to disagree to the Senate amendment and return the measure to the Senate, yes;

Rollcall No. 58, diplomatic security (antiterrorism), to change the compensation program from an entitlement program to one subject to the appropriations process, no;

Rollcall No. 59, diplomatic security, to pass H.R. 4151, to provide for the security of the U.S. diplomatic personnel, facilities, and operations, yes; and

Rollcall No. 60, Older Americans Act, to agree to the conference report on commodity distribution, yes.

MARY MARSH

HON. JOSEPH J. DioGUARDI

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, March 25, 1986

Mr. DioGUARDI. Mr. Speaker, I rise today to honor Miss Mary Marsh of Scarsdale, NY. On April 9, 1986, the Fox Meadow School of Scarsdale will pay tribute to Miss Marsh for her 50 years of service in the Scarsdale School District.

Upon graduating from Colby Junior College in 1936, Miss Marsh began working at the central business office of the Scarsdale School District. Seven years later Miss Marsh transferred to the Fox Meadow Elementary School. She has been the Fox Meadow School secretary for the past 43 years. Over the past four decades, Miss Marsh has greatly assisted the administrators and faculty of Fox Meadow by providing assiduous and loyal service.

However, Miss Marsh's service to the administrators and faculty is secondary to her love for the community's future leaders: the children of Scarsdale. She has not only provided these children with love, but she has served as a model to the children of Scarsdale. Miss Marsh personifies hard work, loyalty, and dedication. Who could be a better example for our children?

Miss Marsh does not limit herself. Aside from her dedication to Fox Meadows, she makes time to dance, garden, paint in watercolor, and ski. On top of these hobbies, Miss Marsh has a prized collection of miniatures acquired for a dollhouse built by her father. Perhaps Miss Marsh's most unique possession is her special collection of foxes which she maintains in her office at Fox Meadow School.

Indeed, Miss Marsh is a unique lady. She is loved by her family which includes her brother, Joel, and her sister, Louise. She is admired and respected by students and staff members, both past and present. She has touched the hearts of thousands of Scarsdale residents. Needless to say, Scarsdale and the Scarsdale public school system have been blessed by Miss Marsh's presence.

I wish Miss Marsh continued success in her various endeavors. It has been my great privilege to have this opportuntiy to speak in honor of this outstanding lady. Thank, you, Mr. Speaker.

THE HELLENIC REVOLUTION

HON. GUS YATRON

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, March 25, 1986

Mr. YATRON. Mr. Speaker, March 25, 1821, is a historic date for the Greek people. On that day, after four centuries of Ottoman rule, Greeks rose up in arms, fought valiantly for several years, and finally achieved a dream centuries old: liberation from the Turkish yoke.

At the time, the Greek revolution was looked at in askance by reactionary forces prevailing in Europe in the aftermath of the Napoleonic wars. Outnumbered and outgunned, thousands fought and thousands died singing the poem of Rigos Fereos that began, "Better that I live for one hour as a free man instead of living 40 years as a slave."

The struggle of the Greek people and their cry for freedom was heard throughout the world and captured the imagination of freedom-loving people everywhere. According to newspaper reports of the period, hundreds of volunteers from Europe and America flocked to Greece and joined the ranks of the revolutionaries.

In commemorating the Hellenic revolution, Americans of Greek descent feel particularly proud they are also getting ready to celebrate the centennial of the Statue of Liberty—a monument dedicated to freedom. For Greek-Americans, this double anniversary could not be more fitting. On both occasions they are celebrating freedom, a value that their ancestors gladly fought and died for.

ANNIVERSARY OF THE BURNING OF THE TRIANGLE SHIRTWAIST FACTORY

HON. THOMAS J. MANTON

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, March 25, 1986

Mr. MANTON. Mr. Speaker, today is the 75th anniversary of the tragic fire at the Triangle Shirtwaist Co. in New York City that took the lives of 147 young women. This fatal fire brought to national attention the hazardous working conditions in sweatshops. The tragedy provided a major impetus for the growth of the International Ladies Garment Workers Union and the development of Federal and State laws to ensure safe working conditions and stringent building codes.

Most Americans today would find the conditions of sweatshops at that time incomprehensible. In the Triangle Shirtwaist factory the workers were crowded, the lighting was poor, there was little ventilation, fire exits were blocked or nonexistent. In fact, the stairway exit door was locked and the one fire hose in the building was inoperative. Although 200 women escaped down unlighted staircases, many plunged to their deaths as they jumped from windows or in panic, jumped down the elevator shafts in hope of escaping the inferno. Furthermore, there were few, if any, inspections to monitor the working conditions in the factory. The building was declared unsafe after the fire.

For the past 75 years the International Ladies Garment Workers Union has worked tirelessly to remove the existence of sweatshops and replace them with a safe workplace. However, under the Reagan administration the clock has been turned back. The President's antilabor bias is well known. However, the President and the executive branch have a responsibility to enforce the law of the land. The Occupational Safety and Health Act provides for safe working conditions. However, the Reagan administration has cut back funding for inspectors and been lax in its enforcement of existing law. The administration has refused to closely monitor compliance. Frequently, when an employer has been cited for safety violations, the employer has been given several repeated time extensions to make the changes necessary to comply with the law. Some of these extensions have lasted for years while employees continue to work in hazardous environments.

Mr. Speaker, today, we remember the tragic, unnecessary deaths of 147 young women. I urge the administration to step up its enforcement of existing health and safety laws. If the administration fails to do so, we may again experience similar tragedies, as well as the permanent return of sweatshops. American workers deserve a safe workplace. We can and we must guarantee it.

THE POLISH CENTURY CLUB, INC. OF DETROIT

HON. DENNIS M. HERTEL

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Tuesday, March 25, 1986

Mr. HERTEL of Michigan. Mr. Speaker, last month marked the 70th year of service to the community of the Polish Century Club, Inc., of Detroit.

This benevolent organization was founded when a group of 21 spirited American citizens of Polish descent met at Skrzycki's Hall. Originally this group met to discuss supporting and perpetuating the valued customs and traditions of their forefathers, and to espouse the cause of Polish peoples. Not only has this goal been realized, it has expanded. One example of this is the Polish American Museum which is a large exhibit in the club building which tells the story of Polish Americans by way of arts, crafts, photographs, stories, and other examples of traditional Polonia.

Originally, as its name suggests, the club was limited to 100 members, although its contribution and devotion to community service has always remained unlimited. Today the membership, both dues paying and retired, lists 260 concerned community leaders. The club's work, however, extends far beyond its membership roster. The Polish Century Club has hosted many other leaders, from the local level to the international level, and from all professions and backgrounds.

Through the years, the Polish Century Club has increased the scope of its activities. It regularly sponsors patriotic, political, and social affairs and is very generous with its resources by supporting worthwhile ethnic and community causes. Every year since 1927, the club has distributed Christmas baskets to disadvantaged families in our community. It also regularly sponsors scholarships for many deserving young people. These are only two examples of this organization's dedication to the enhancement of our spiritual and cultural lives.

I ask that my colleagues join me in commending this fine example of community involvement and commitment. I encourage the Polish Century Club to continue in the fine tradition of its founders for many years to come.

HONORING THE 100TH ANNIVERSARY OF THE BIRTH OF THE ECUMENICAL PATRIARCH ATHENAGORAS

HON. EDWARD F. FEIGHAN

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Tuesday, March 25, 1986

Mr. FEIGHAN. Mr. Speaker, I join Greek Americans everywhere today in celebration of the 100th anniversary of the birth of the Ecumenical Patriarch Athenagoras. His Eminence, Archbishop Iakovos, Primate of the Greek Orthodox Church of the Americas, has designated this year as the Athenagoras Year in honor of the patriarch.

Athenagoras I was enthroned as the 262d Ecumenical Patriarch of Constantinople in 1949. Prior to that time he served for 17 years as Archbishop of the Americas. In this position he organized the Greek Orthodox communities in the United States, Canada, and throughout the Western Hemisphere.

He preached Christian unity throughout his years in the church. In 1967, he made history when he met with Pope Paul VI and ended the 933-year-old mutual ex-communication between the Churches of Rome and Constantinople.

Patriarch Athenagoras was a person of extraordinary ability and holy achievement and I send Greek Orthodox communities my heartfelt prayers of a joy-filled anniversary year.

ATHENAGORAS I

HON. GEORGE W. GEKAS

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, March 25, 1986

Mr. GEKAS. Mr. Speaker, I am pleased to report that the Greek Orthodox Archdiocese of North and South America is commemorating today the 100th anniversary of the birth of the late Ecumenical Patriarch Athenagoras I. The importance of Athenagoras I to the Greek Orthodox Church is signified by the declaration of 1986 as the Athenagorian Year to honor the late religious leader.

Athenagoras I served as the archbishop of the Americas from 1931 to 1948, and during that time he organized the Greek Orthodox communities in the Western Hemisphere. He was responsible for the founding of St. Basil's Academy, the Ladies Philoptochos Society, and the Holy Cross School of Theology. After his tenure in that position, Athenagoras I was enthroned as the Ecumenical Patriarch of Constantinople on January 26, 1949, in Istanbul. He was the 267th person to serve in that position.

During the first meeting between a Greek Orthodox Bishop and the Pope in 350 years, Athenagoras I delegated Archbishop Iakovos as his special emissary in a private audience with Pope John XXIII in 1959. He later proposed meeting with Pope Paul VI, which then took place on the Mount of Olives in the Holy Land in 1964. As a result of that meeting, the "anathema" between Rome and Constantinople was lifted, ending a 933-year-old mutual excommunication.

Because of the hard work by Patriarch Athenagoras I to realize his dream that all Christians would worship as one, and his devotion to the welfare of mankind, it is indeed appropriate that the 100th anniversary of his birth be commemorated today in the House of Representatives. His example of love and devotion to God will live on for those persons of the Greek Orthodox faith, and for every man, woman, and child who came into contact with the late Ecumenical Patriarch Athenagoras I.

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TRIBUTE TO FRANK HUMPERT, JR.

HON. GENE CHAPPIE

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, March 25, 1986

Mr. CHAPPIE. Mr. Speaker, I'd like to bring to my colleagues' attention a special person from the Second Congressional District of California who is retiring from the Napa Unified School District after 35 years. His name is Frank Humpert, Jr., and recently he was honored by his colleagues and friends at a special dinner in recognition of his lifelong service to Napa and to his country.

Frank is a respected community member who successfully combined two careers as an educator and as a "citizen soldier." Born and raised in California, Frank maintained close ties to the community for which he dedicated so much of his life. Before transferring to the University of California, where he was a member of the starting lineup of the 1950 Rosebowl team, he attended Napa Junior College. After graduation, he returned to Napa where he was a history and social studies teacher at Ridgeview Junior High School and Napa High School; the dean of students at Napa High School and Silverado High School; the principal for Silverado High School and Napa High School; and finally, the educational administrator for the Napa Valley Unified School District. In addition to teaching, Frank coached and trained the football teams for Napa and Vintage High Schools.

Frank's distinguished military career earned him the Legion of Merit Medal, one of the highest honors awarded to Air Force personnel. He began his military career in World War II in the South Pacific as a U.S. merchant marine cadet; in 1948 he enlisted in the U.S. Air Force Reserve as a private and rose to the rank of major general. While in the Reserve, he saw active duty during the Korean and Vietnam wars. His last Air Force asssignment was as the mobilization assistant to the Superintendent of the USAF Academy, from which he retired in January.

Frank is an outstanding citizen whose life has been dedicated to the growth and enrichment of young people, and to the preservation of the freedom that we enjoy in this country. I know I speak for many northern Californians when I express my appreciation for his achievements. I wish him the best as he begins his well-earned retirement.

TRIBUTE TO MAYOR CARL F. DEL VECCHIO

HON. ROBERT J. MRAZEK

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, March 25, 1986

Mr. MRAZEK. Mr. Speaker, I rise today to pay tribute to Mayor Carl F. Del Vecchio of Williston Park, NY. Mayor Del Vecchio is being honored for over two decades of service to his community. It is my pleasure to bring the accomplishments of Mayor Del Vecchio to the attention of my colleagues in the U.S. House of Representatives.

Mayor Del Vecchio was elected village trustee in 1961. By 1968, he assumed the office of mayor which he has held ever since. As mayor he has been responsible for the introduction of many innovative programs and services to his constituents. He has been actively involved in the Nassau County Village Officials Association serving as president in 1961 and 1982 and on the Legislative and By-Laws, Revenue Sharing, and Police and Narcotics Committees.

In addition to his political activities, Mayor Del Vecchio has been heavily involved in various community activities. These activities include membership in American Legion Post 144, the Chamber of Commerce, Kiwanas Club, Rotary Club, and the Nassau County Heart Fund Committee. He is also former chairman of the United Fund for 1971-76 and former director of the Williston Park/Albertston Cancer Society.

Mr. Speaker, Mayor Del Vecchio truly represents the spirit of service to one's community which has made this country great. I ask my colleagues to join with me and the people of Williston Park, and Nassau County in paying tribute to this special man.

INTRODUCING A JOINT RESOLUTION TO DESIGNATE THE WEEK OF SEPTEMBER 7, 1986, "NATIONAL FREEDOM OF INFORMATION ACT AWARENESS WEEK"

HON. GERALD D. KLECZKA

OF WISCONSIN

IN THE HOUSE OF REPRESENTATIVES

Tuesday, March 25, 1986

Mr. KLECZKA. Mr. Speaker, 1986 marks the 20th anniversary of the Freedom of Information Act (FOIA). Today I am introducing a resolution to recognize this anniversary by proclaiming the week of September 7, 1986, to be National Freedom of Information Act Awareness Week. I urge all my colleagues to join me in focusing attention on this milestone of open government.

The Freedom of Information Act has been important for many reasons. First and foremost, it has enabled journalists, scholars, and private citizens to learn more about how Federal decisions are made, and to participate in the political process. The law has also allowed the public to keep its Government honest. As the columnist William Safire wrote last April:

> The FOIA has done more to inhibit the abuse of Government power and to protect the citizen from unlawful snooping and arrogant harassment than any legislation in our lifetime.

It is fitting that Congress commemorate the FOIA's anniversary because the original act was very much a product of this body. The original FOIA proposal was met coolly by the executive agencies, and President Johnson initially objected to the bill. It took strong bipartisan cooperation to get the bill enacted in 1966, and to strengthen it in 1974.

Perhaps the most productive result of a FOIA Awareness Week will be education. For this reason, I have chosen a week at the beginning of the school year, September 7-13, to mark the anniversary.

Included below is a list of the resolution's original cosponsors, and the resolution's text:

ORIGINAL COSPONSORS

Mr. English, Mr. Horton, Mr. Savage, Mr. Fauntroy, Mr. Conyers, Mr. Towns, Mr. Miller of Washington, Mr. Roe, Mr. Martinez, Mr. Fuster, Mr. Solarz, Mr. Levin of Michigan, Mr. Bryant, Mr. Fazio, Mr. Vento, Mr. Matsui, Mrs. Boxer, Mr. Erdreich, Mr. Alexander, Mr. Bosco, Mrs. Burton of California, Mr. Dellums, Mr. Coelho, Mr. Panetta, Mr. Roybal, Mr. Levine of California, Mr. Torres, Mr. Bates, Mr. Gejdenson, Mr. Bennett, Mr. Smith of Florida, Mr. Fascell, Mr. Stallings, Mr. Evans of Illinois, Mr. Gray of Illinois, Mr. Jacobs, Mr. Perkins, Mr. Frank, Mr. Mavroules, Mr. Moakley, Mr. Wolpe, Mr. Kildee, Mr. Bonior of Michigan, Mr. Lowry of Washington, Mr. Sikorski, Mr. Richardson, Mr. Mrazek, Mr. Manton, Mr. Schumer, Mr. Weiss, Mr. Biaggi, Mr. Rose, Ms. Kaptur, Ms. Oakar, Mr. Cooper, Mr. Chapman, Mr. Coleman, Mr. Wise, Mr. Aspin, Mr. Moody, Mr. De Lugo, Mr. Stark, Mr. Waxman, Mr. Morrison of Connecticut, Mr. MacKay, Mr. Fowler, Mr. Barnard, Mr. Akaka, Mr. Russo, Mr. McCloskey, Mr. Studds, Mr. Neal, Mr. Murtha, Mr. de la Garza, Mr. Bustamante, Mr. Ortiz, Mr. Mineta, and Mr. Hughes.

TEXT OF A JOINT RESOLUTION DESIGNATING THE WEEK OF SEPTEMBER 7, 1986, NATIONAL FREEDOM OF INFORMATION ACT AWARENESS WEEK

Whereas a fundamental principle of the American system of government is that the people of the United States should participate in the governing process;

Whereas the people of the United States, in order to participate effectively in the governing process, require free access to information about the activities and decisions of Federal agencies;

Whereas section 552 of title 5, United States Code, commonly known as the Freedom of Information Act, helps provide the people of the United States with free access to such information;

Whereas the Freedom of Information Act became law in 1966, and 1986 is the 20th anniversary of the Act;

Whereas the commemoration of the Freedom of Information Act should include efforts to educate the people of the United States with respect to the substance and principles of the Act;

Whereas such efforts should be made by schools in the United States; and

Whereas the week beginning September 7 is the week in which many students begin the academic year: Now, therefore, be it

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled, That the week beginning September 7, 1986, is designated "National Freedom of Information Act Awareness Week," and the President of the United States is authorized and requested to issue a proclamation calling upon Federal, State, and local government officials and the people of the United States to observe such week with appropriate ceremonies and activities.

TWENTY-FIFTH ANNIVERSARY OF CALIFORNIA STATE UNIVERSITY-DOMINGUEZ HILLS

HON. AUGUSTUS F. HAWKINS

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, March 25, 1986

Mr. HAWKINS. Mr. Speaker, I would like to extend a special tribute to California State University-Dominguez Hills who this year mark their 25th anniversary.

In 1977 the name of California State College, Dominguez Hills was changed to California State University-Dominguez Hills. Through the years the university has greatly served the needs of the South Bay area, one of the Nation's most diverse socioeconomic and cultural communities.

Through their outstanding commitment to academic achievement California State University-Dominguez Hills has significantly enriched the educational community in southern California.

I am proud as chairman of the House Education and Labor Committee to be a part of that unique partnership that has evolved between the Federal Government and higher education. This partnership is best expressed in its agenda to advance key national objectives: social justice, economic growth, civic and cultural enrichment, and security for the Nation.

Throughout its history America has linked its strength to knowledge. By expanding opportunities for both high school and college education we can continue to work toward this goal. California State University-Dominguez Hills shares this lofty goal. The exemplary tradition of their university continues to serve as a beacon of hope for our future youth who will greatly benefit from their commitment to excellence.

LET OUR PEOPLE GO

HON. STEPHEN J. SOLARZ

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, March 25, 1986

Mr. SOLARZ. Mr. Speaker, at sundown on April 23, Jews throughout the world will celebrate the first night of Passover, commemorating the flight of the ancient Israelites from Egypt over 3,000 years ago to escape the oppression of the Pharaoh.

Unhappily, elsewhere in the world, other Jews must celebrate their Seder in secret or, at best, in a hostile land that makes their religion an object of discrimination and persecution.

In the Soviet Union thousands of Jews can only cling to a small hope of celebrating next year in Jerusalem since most of their petitions to leave have been denied. In recent years, the number of Jews allowed to emigrate from the Soviet Union has fallen to abysmally low levels. Those who are forced to remain must endure the inhumane treatment of the Soviet authorities—treatment that includes forced institutionalization in mental hospitals, prohibition from working in the fields in which they were trained, and an absence of religious freedom.

The atmosphere of state-sponsored anti-Semitism in the Soviet Union is pervasive, working not only to wear down the resistance of individual dissidents, but also to effectively weaken the morale of all Jews who want to leave the Soviet Union.

As the Jewish people prepare for Passover this year, few of us have to face the grim prospects of our courageous brethren held captive in the Soviet Union. Here in the United States the Jewish community is able to enjoy the full meaning of Passover, since freedom is the keystone of our national heritage.

But so long as Jews—or others—anywhere in the world are denied their most fundamental human rights and the opportunity to be free, the Passover holiday and the Seder service will continue to serve as a message of hope and inspiration for those who, like the ancient Israelites, still yearn to be free. We will not relinquish our fight until we no longer must repeat the words of Moses: "Let my people go."

AMID CRITICISM

HON. STEPHEN L. NEAL

OF NORTH CAROLINA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, March 25, 1986

Mr. NEAL. Mr. Speaker, Charles McDowell, Washington columnist for the Richmond Times-Dispatch and a panelist on the PBS program "Washington Week in Review," spoke not long ago at the fall convocation at the University of Virginia. His topic was politics, and the theme of his remarks was "In defense of politicians."

It is not often, Mr. Speaker, that we hear or read kind words about us as a group. I was heartened by Mr. Dowell's speech, which was printed in the University of Virginia Alumni News, and want to commend it to my colleagues.

Mr. McDowell, a distinguished journalist, has been a Washington correspondent since 1965. He is a graduate of Washington and Lee University and the Columbia University Graduate School of Journalism.

The article follows:

[From the University of Virginia Alumni News, Jan./Feb. 1985]

A GOOD WORD FOR POLITICIANS

The mission that I invented for myself is to say a good word for politicians—generic politicians—and I can see faces falling all the way back to the Rotunda. Why would anyone want to come out on a beautiful day in October to probably the single most beautiful man-built place on this continent and say a good word about politicians. It just seems gratuitous.

I'll tell you why I'm going to do it, and I feel moderately deeply about it. I think my mission is to remind those of you young enough to accept advice that you really can take pride in the free government that has worked for 200 years and to suggest to you that politicians must have had something to do with it. I would like to encourage you to consider public service or at least to become involved in political affairs.

Anyway, I'd like for you to be aware enough—to learn enough—to be wary of "anti-politics" as the philosophy of government in America. By "anti-politics," I mean a moralist, rigid, ideological approach to government and a contempt for politicians who believe in a spirit of compromise and consensus as what's necessary to hold a diverse country together.

The American tradition is reverent toward our free institutions but skeptical and often contemptuous of the politicians who maintain our institutions. Political humorists built on that contempt. And it's a wholesome skepticism. It's a populist kind of thing—not to be very reverent toward our masters of government. That's good stuff. That's where Mark Twain and Will Rogers came from. What worries me is when the contempt becomes ritualized and turns into something people take seriously.

Mark Twain said maybe the meanest and best sentence ever said about Congress, which is sort of my college of politicians. He said "There is no distinctively native American criminal class except Congress," and that sets the tone for much of our comic and even serious literature. Our newspaper cartoons are founded on the one-joke principle that politicians are less than ordinarily moral and decent. One can assume from the Johnny Carsons down through 200 years that politicians generally are dumb, self-serving, probably crooked, and almost surely moral illiterates.

Well, I confess that in 30 years or more of trying to cover politics I've seen some crooks, and I've seen some fools. The astonishing thing is relatively how few—enough. As for crooks, reaching for some hope of less corruption all the time is the history of government in America, for the last half century anyway.

And remember, when you think about political corruption, that political corruption is not something politicians tend to do alone. Consider Watergate. That's about the largest one we ever had. It made Teapot Dome look pretty petty, because Watergate was constitutional corruption. Nearly two dozen people were convicted and sentenced for serious crimes in the Watergate scandal, and not one was an elected official. Not one. These were lawyers, executives, advertising men, public relations experts, believers in morality in America. It was they who came into a political campaign and into Washington full of contempt for politics and politicians, and their contempt for politics and politicians lies at the root of the Watergate scandal.

One elected politician was involved. His name was Nixon, and he was not convicted of anything. The heroes of Watergate were politicians—politicians who rose to the occasion as few have in the history of our country, particularly Republican and conservative Democratic politicians who saw constitutional crime for what it was, who had a sense of proportion and morality and outrage and who brought down a corrupt administration.

Here are some of my own observations of politicians after 20 years in Washington and 10 in the Virginia legislature:

Politicians as a profession are at least as honest, intelligent, hard working and morally reliable as the cross-section of doctors, lawyers, farmers, college professors, newspaper people or anybody else.

Politicians as a profession do care about their duty and their country and they particularly care about their constituencies, which I think Mr. Jefferson understood, and I wonder if many of us still do. We elect

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politicians out of constituencies, and those constituencies vary.

The good politician comes not only to know his own constituency but to respect the constituency of his opponent and to get some notion of how his opponent's motives tend to lie with that constituency's interests. It's an obvious matter, but an amazing number of people don't care about it.

The really good politicians, and there are many of them, develop a broader and more enlightened and more compassionate view of our society than most of the rest of us ever do.

Sure there are oftentimes narrow ones, self-righteous ones, and I mentioned fools earlier. But the narrow ones, the self-righteous ones and the simpletons are to some degree self-correcting. They tend not to be effective. They tend not to achieve much influence. They tend not to last as long as the good ones. Those are all tendencies; don't bet on them.

For all I say that is noble about politicians, I have to remind you that a poll shows that people rate politicians among the least trusted professions, down with used car salesmen and news reporters. Polls on the reliability, honesty and competence of Congress shows that only about 30 percent of the American people give only a vaguely positive rating to members of Congress as a whole.

But listen to the other side of that. When the same respondents are asked about their own congressmen, 65 to 70 percent give a positive judgment. Even if they don't agree politically with the congressman, they rate him fine for being reliable and reasonably fair minded and not a crook.

So what it shows us is that it is all those other members of Congress who are so bad. It's all those politicians we don't know. They're the ones who are so shameless in voting for special interest legislation and a pork barrel project for the district. Our congressmen tend to be pretty good, our mayor, our whatever. It's everybody else's that we just assume are not so hot.

Why are we so hard on politicians? Why do we go beyond what I would consider a healthy skepticism and really warp our view of something that should mean so much to us? I think one thing we do is put down politicians as a way of simplifying our own lives. If you just put the politician down as a fool and a nut and probably an idiot, then you don't have to think about the difficult issues he is dealing with anymore. You don't have to think about democracy itself, if you're willing to put down politicians hard enough.

If we don't put down all politicians, we tend to try to sort them out and label them—the good guys and the bad guys. Now we're learning to say the good women and the bad women. We don't have to judge the issues or understand them at all if we've got everybody sorted out as the good ones and the bad ones, and we're with the good ones.

When was the last time that you remember being with a good one that you thought the other one was other than a bum? Amazingly few people have an election day in their lives where they think they are choosing between two good candidates. We flatter ourselves and deceive ourselves by picking the one we like, through our self-interest or through knowing something, and we won't settle for the fact that the other one might also be a very responsible, decent citizen. We ease our minds by saying he or she is a bum, worthless.

Another thing we do is commit ourselves to an ideology, a strict set of righteous beliefs that don't allow for another view at all. We make a religion of politics, or to be timely, politics of a religion.

I suggested that anti-politics is on the rise as a philosophy of government in America, and I think it is. Television as the medium of politics probably promotes that phenomenon. TV draws us to personality. TV draws us to impressionistic judgments about leadership. It draws us to a simplistic treatment of complex issues in terms of right and wrong.

Probably it's no coincidence that political parties have lost coherence and influence in the age of television. For more than a century political parties have been the basic mechanism of consensus, compromise and moderation in American politics. Now they are being supplanted, in advocacy and in fund raising, by political action committees devoted to single issues or narrow, hard ideological positions.

Many Americans find it somehow patriotic to brag that they vote for the person and have an inestimable kind of contempt for the parties themselves. I also think that's a sad development.

All of this contributes to the rising theme of anti-politics in America. The last two presidents—Carter, Reagan—have run against Washington. They have dealt distantly with Congress as if offended by its processes and by its folkways. They have tried to demonstrate that they are not really politicians. That's too bad. For still it's the politicians that have to do the job of balancing competing interests in this country, who have to do the job of promoting great principles through compromise, and who have to do the job of making government work. To make government work, we have to bring majorities together. That requires flexibility. To make government work fairly, and in some hope of true glory, we have to understand the rights of minorities. That requires wisdom and compassion. We are a diverse people, geographically, religiously, ethnically, economically—in other words, politically. We have a thousand factions in this country.

What holds us together in this diversity is nothing more nor less than the practice of politics under a Constitution drawn by politicians. That's the strength of the United States.

LET'S MAKE THE "FED" MORE DEMOCRATIC

HON. BYRON L. DORGAN

OF NORTH DAKOTA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, March 25, 1986

Mr. DORGAN of North Dakota. Mr. Speaker, I am introducing today two proposals to begin the reform of the process by which monetary policy is made in our country. The Federal Reserve Reform Act of 1986 and the Federal Reserve Accountability Act of 1986 are needed today to make monetary policy more open and responsive to the interests of the American people.

The Federal Reserve Board currently develops this country's monetary policies. Decisions made by the Fed have an impact on every farmhouse, business, and home in America. Monetary policy and fiscal policy are the twin pillars of Government economic activity. Interest rates rise and fall with the Fed's decisions; inflation, productivity, and economic growth are all heavily influenced by actions of the Federal Reserve Board.

While the Fed's influence is immense, its responsiveness to the public is minimal. It covers itself with a cloak of secrecy matched only by the intelligence agencies. Its debates on policy take place behind closed doors, and its decisions are not announced until long after they have been made. The architects of our Government's fiscal policy—the administration and the Congress—have no direct impact on or even knowledge of the decisions made by the Fed.

The effect of this process is predictable. One of the Government's economic hands often does not know what the other is doing. As a result, coordination of our fiscal and monetary policies is rarely attained, for Congress must create fiscal policy in a vacuum. Meanwhile the financial markets react to the uncertainty of monetary policy in a predictable way; interest rates are increased to hedge against what the Fed might have done weeks earlier.

Paul Volcker understands what he is doing, even if he is unwilling to tell the rest of us. When a group of farm State legislators came to tell the Fed Chairman what monetary policy was doing to their farms and their towns, Volcker summed up the situation neatly. "Your constituency is unhappy," he is said to have told the legislators. "Mine is not." Volcker's constituency is not the family farmers or small businesses; it is the big banks and the financial establishment.

Volcker gets away with what he does because he hides behind an impenetrable wall of silence. When the Fed makes decisions in secret, when they do not announce those decisions until weeks after they are put into effect, when there is little coordination with other economic policies, then Volcker can say anything he wants. No one knows whether to blame him because no one knows what he has done.

Fiscal policy makers and market traders are left searching for signs in the smoke rings Volcker puffs at congressional hearings. Secrecy at the Fed is so deep, and its decisions are so important, that one investment advisory firm is said to have hired a private, counterintelligence service to analyze a tape of Volcker's voice, looking for indications of stress that might provide some clue on the direction of monetary policy. An innovative approach, certainly, but not how information should be disclosed in a democracy.

The lawmakers who wrote the original Federal Reserve Act in 1913 labored to ensure the Fed would never become what, in fact, it has become—a powerful central bank accountable to no one. While the act was under consideration, President Wilson emphasized: "The control of the system of banking and of (issuing money) must be public, not private * * * it must be vested in the Government itself so that the banks may be the instruments, not the masters of individual initiative and enterprise."

It is time that we followed President Wilson's advice.

Our democracy is governed by the will of the people. But not monetary policy. It's time to make some changes. We must find ways to make the Fed more responsive to those it is supposed to serve. No matter what Paul Volcker thinks, his constituency should be all citizens of this country, not just the big banks.

The Federal Reserve Act of 1986 takes some steps in the right direction. First, the Secretary of the Treasury would become a voting member of the Federal Open Market Committee. Second, the term of the Fed's Chairman would parallel that of the President, to better coordinate monetary with fiscal policy. Third, monetary policy decisions would be announced on the day made, to end this absurd secrecy and regain rationality in the financial markets. Fourth, Fed Governors would have terms of 7 years, rather than 14, to enable more frequent public scrutiny of the monetary policy czars without impairing continuity. Fifth, the General Accounting Office would be required to conduct an annual financial audit of the Federal Reserve System. Finally, the Federal Reserve System would be required to submit a budget to the President in the same manner as the judicial and the legislative branches to be subject to the congressional budget process.

The Federal Reserve Accountability Act of 1986 provides for necessary and appropriate congressional review of the Chairman of the Federal Reserve Board. It would allow for his removal as Chairman, but not from the Board itself, upon the adoption of a joint resolution of the Congress.

These are modest steps, fully supported by a broad range of economists. We need to take these steps, to put the Federal Reserve Board on the road to being a full participant in our democracy.

A TIME FOR BIPARTISAN SUPPORT OF U.S. MILITARY ACTION AGAINST TWO THREATS

HON. MARIO BIAGGI

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, March 25, 1986

Mr. BIAGGI. Mr. Speaker, I wish to indicate my full support for the actions of the President to quell the dual threats which Libya and the Sandinistas of Nicaragua pose to our national security.

In the case of Libya, the United States is entirely warranted in the military response we were forced to launch following the attack by Libya at United States warplanes on maneuvers in the internationally recognized waters of the Gulf of Sidra. The Qadhafi regime fired six Soviet built SA-5 and SA-2 surface-to-air missiles. The United States retaliated by sinking a Libyan high speed patrol boat, damaged a second Libyan ship and other actions. These all occurred yesterday. Libya's aggression continues today and the United States has again responded in a decisive fashion.

The United States must never allow any nation to dictate where we may or may not go in international waters. It was the provocation of the madman Qadhafi who invented the so-called line of death and it was the madman Qadhafi who initiated military action when the United States crossed this line. This line is a figment of his imagination; it has no legal sanction so an attack such as yesterday's is both unwarranted and tantamount to an act of war.

The United States use of military force in this instance is entirely justified and should be supported. We are gratified that we have succeeded in our mission without loss of life. We also hope that our upholding our rights under law will produce a humiliating defeat for Libya.

The situation is an extremely fluid one that requires constant monitoring. The time is now for all of us in the Congress and the Nation to back our Commander in Chief.

I also endorse the President's call for an emergency $20 million appropriation to ward off another act of aggression by the Sandinistas against the sovereign nation of Honduras. Two elite Sandinista battalions numbering more than 1,600 troops crossed the Honduran border in pursuit of anti-Communist resistance forces, also known as Contras. The intended target of the Sandinista invasion appeared to be the rebels' principal training camp, El Centro De Instruccion Militar, located 10 miles into Honduras.

This is a matter of grave concern. Not only does the invasion violate the so-called Rio treaty, it poses a direct threat to the security of United States military personnel stationed in Honduras. It is vital that we provide the full degree of protection for our personnel while also ensuring that the Contras are capable of mounting an effective challenge to this brazen act of aggression.

It is obvious that the complexion has changed dramatically in Nicaragua by virtue of this invasion. It is obvious that the Sandinistas not only want to impose a totalitarian state in Nicaragua—they want to destabilize Honduras. We cannot allow this. We should support the President's emergency request and must schedule an early vote on a legislative package to provide aid to the Contras.

H.R. 4486, PROCEEDS OF CONRAIL SALE TO FUND AMTRAK

HON. BILL RICHARDSON

OF NEW MEXICO

IN THE HOUSE OF REPRESENTATIVES

Tuesday, March 25, 1986

Mr. RICHARDSON. Mr. Speaker, I would like to direct the attention of my colleagues to a bill I introduced last week. I believe this bill, H.R. 4486, is important to both Amtrak and to the future of rail passenger service in this country.

My district is well served by Amtrak; and while I have a local interest and commitment to seeing this service continued, I am not alone—Amtrak serves over 500 communities nationwide, more than all the major airlines combined. Amtrak directly and indirectly employs over 25,000 people. Amtrak serves 161 communities that have no air service, 52 communities that have no bus service, and 29 communities that have neither air nor bus service. Amtrak riders are disproportionately poor and elderly. In the event of a national security emergency, Amtrak could provide up to 76,000 seats to transfer military personnel.

Even given all these statistics about the service Amtrak provides the Nation, funding for Amtrak has again come under fire from this administration, which has recommended zero funding for the second year in a row. While I too support a balanced budget—I supported the Gramm-Rudman amendment along with a majority of my colleagues—I did so because I believe we need reasonable, across-the-board cuts in both domestic and defense spending. I do not however support the singling out of important programs, such as rail passenger service, for elimination.

In his State of the Union Address, the President made the development of a supersonic passenger plane to Tokyo one of his highest transportation priorities. He then turned around and asked Congress to eliminate rail service for over 1 million commuters who rely on Amtrak to get to work each day and for 20 million travelers who rely on Amtrak for transportation each year. It is difficult for me to understand why travel from Washington to Tokyo should be more important than travel from Boston to Baltimore.

While no one supports a balanced budget more than I, I also believe that the rail passenger service provided by Amtrak is vital to our economy, to our security, and to our national health and well-being. I do not advocate unlimited and indiscriminate funding of Amtrak—in fact I advocate just the opposite. I support the judicious use of the Federal dollar, evidence of a willingness to save taxpayer's dollars, the need to cut back on funding for Amtrak and support for alternatives to Amtrak subsidies.

For these reasons, I have introduced H.R. 4486, a bill which would take half of the proceeds the Federal Government will receive from the sale of Conrail to be used for the continued funding of Amtrak. These funds would be placed in a separate Amtrak account to be used to keep Amtrak "on track" for the next 5 years. While I do not intend for Conrail proceeds to be the only funds Amtrak receives during this time, my bill would ensure two things: One, that the ongoing financial commitment to Amtrak from the Treasury will be substantially reduced and; two, that the taxpayer's investment in Conrail will continue to be used for a good and much-needed purpose—the continuation of rail passenger service in this country. It is my sincere hope that during this 5-year period, Amtrak's performance will continue to improve and that alternative sources of funding can be found for its continued operation.

I urge my colleagues to join with me in support of Amtrak by adding their name to this legislation.

TRIBUTE TO THE MARY LOUIS ACADEMY

HON. GARY L. ACKERMAN

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, March 25, 1986

Mr. ACKERMAN. Mr. Speaker, I rise today to commend and congratulate the Mary Louis Academy of Jamaica Estates, NY, on the occasion of its 50th anniversary, which will be celebrated on April 19, 1986.

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During the pessimistic era of the Great Depression, building a school was a heroic act of faith, and a statement of confidence for the place of Catholic education in a better future. Yet it was at this time that the Mary Louis Academy was established, reflecting the founders courageous commitment to young women and their faith that those who graduated from the academy would be a force for good in society.

Mr. Speaker, in 1936 the academy opened with 57 students and a simple but eloquent goal—to educate women to take their places in society. Today, with more than 10,000 alumnae, the Mary Louis Academy enjoys the reputation of providing an outstanding college preparatory education for young women. From its small beginnings, the Mary Louis Academy has expanded to keep up with new demands and changing educational needs. In the 1950's, a new music complex and biology lab opened, joined by an art center and resource centers in the 1960's; recently, a computer room opened to meet the challenges of the 1980's.

The vision of Mother Mary Louis and the sisters, to prepare youth so that they may expand and enhance the world of the future, is central not only to Catholic ideology, but to American philosophy as well. The academy has dedicated itself to enriching life by means of education, and over the last half century, it has exposed thousands of Queens youngsters to both the joy and value of learning. The Mary Louis Academy will celebrate this tradition with a special dinner-dance at Leonard's of Great Neck on April 19.

Mr. Speaker, I would like to ask all of my colleagues in the U.S. House of Representatives to join with me now in paying tribute to the Mary Louis Academy's accomplishments upon the momentous occasion of its 50th anniversary.

ATHENAGORIAN YEAR

HON. NICHOLAS MAVROULES

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, March 25, 1986

Mr. MAVROULES. Mr. Speaker, I would like to call my colleagues' attention to the fact that this year has been proclaimed by Archbishop Iakovos, Primate of the Greek Orthodox Church for North and South America, Athenagorian Year in honor of the birth of the late Ecumenical Patriarch Athenagoras I 100 years ago today.

Perhaps one of Patriarch Athenagoras' most noted achievements since he was elected Ecumenical Patriarch in 1949 was his visit in 1967 with Pope Paul VI. This visit is viewed by many as one of the most important ecclesiastical events of the last 10 centuries. It represented an end to the 933-year-old mutual excommunication between the churches of Rome and Constantinople.

I join in celebration with Greek Americans everywhere in honor of this devout man and his distinguished achievements.

ECUMENICAL PATRIARCH ATHENAGORAS I

HON. MICHAEL BILIRAKIS

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, March 25, 1986

Mr. BILIRAKIS. Mr. Speaker, I wanted to take a moment to bring to the attention of my colleagues the significance of March 25 to those of the Greek heritage and Greek Orthodox faith.

March 25, as many already know, is Greek Independence Day, the 165th anniversary of Greece's independence from the yoke of the Ottomon Empire. The long and arduous struggle of the Greeks against their Turkish oppressors is no less than a perfect example of the ability to overcome obstacles that appear insurmountable if the will to persevere is strong enough. The example of the Greeks is the example that oppressed people throughout the world today should look to and gain strength from in their struggle to overcome their oppressors and the odds against them. The example of the Greeks overcoming their Turkish oppressors is the ultimate example of justice and right prevailing over might. I hope, Mr. Speaker, that it will give inspiration to those who may currently be despondent and without hope.

While the importance and significance of March 25 as Greek Independence Day must never be overshadowed or overlooked, Mr. Speaker, it also hold religious significance for millions of faithful throughout the world. March 25 is the Day of the Annunciation—the day when Mary was given the news that she would bear the Christ child who would come to save mankind from sin.

The Greek Orthodox faithful, however, have still further reason for celebration, for March 25 also marks the birth date of the late Ecumenical Patriarch Athenagoras I, who was born exactly one century ago today.

Athenagoras I was a man of God in the truest sense. He devoted a lifetime to the service of his Lord and his church and lived and struggled for one ideal—that of bringing Christianity back to unity.

Athenagoras I reigned as Archbishop of the Americas from 1931 to 1948 and systematically organized the previously sporadic Greek Orthodox communities in the Western Hemisphere to where Orthodoxy is, today, recognized as one of the major religions in the United States. Among his many notable accomplishments as archbishop, Athenagoras I founded the philanthropic organization known as the Ladies Philoptochos Society, the Holy Cross School of Theology, and St. Basil's Academy.

Patriarch Athenagoras' accomplishments, however, do not end there. He was enthroned as the 262d Ecumenical Patriarch of Constantinople on January 26, 1949, at the Patriarchal Church of St. George in Istanbul and continued his struggle to bring peace, unity, and harmony to the Christians of the world. Patriarch Athenagoras delegated Archbishop Iakovos as his special emissary in private audience with Pope John XXIII in 1959—the first Greek Orthodox Bishop to visit the Pope in 350 years. Furthermore, this man of vision proposed the historic meeting with Pope Paul VI in the Holy Land in 1964—a meeting which resulted in the lifting of the 933-year-old mutual excommunication which existed between Rome and Constantinople—the two Sees of Christendom.

Athenagoras I was a man who wanted to see the love of Christ reign first and foremost throughout the world. He fought separation wherever it existed and struggled to replace it with love and devotion to God among all people of the world.

For these, and numerous other reasons, Mr. Speaker, Archbishop Iakovos, leader of the Greek Orthodox Church in North and South America, has proclaimed 1986 as "The Athenagorian Year." It will be marked with educational, ecumenical, civic, and cultural programs throughout North and South America that will enable the Greek Orthodox faithful, as well as all peoples, to know and understand the great ministry of this holy and prophetic man—the late beloved Ecumenical Patriarch Athenagoras I.

I would hope, Mr. Speaker, that each of us will gain some inspiration for the improvement of our own lives through learning of the noble ways of this truly unique individual.

FEDERAL FINANCIAL MANAGEMENT IMPROVEMENT ACT

HON. JOSEPH J. DioGUARDI

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, March 25, 1986

Mr. DIOGUARDI. Mr. Speaker, today I am introducing Financial Management Improvement Act. This act would:

First, establish an independent Office of the Chief Financial Officer of the United States within the Executive Office of the President for the purpose of providing Governmentwide direction and coordination of financial management activities;

Second, establish an Office of the Assistant Secretary-Financial Management within each executive agency; and

Third, create a Federal Financial Management Council chaired by the Chief Financial Officer and composed of the Assistant Secretaries-Financial Management of major executive agenices.

Today, as never before, the task of reducing our enormous Federal deficit is commanding this body's utmost attention.

"Whether the automatic mechanism of Gramm-Rudman is upheld, or whether we have to go to the back-up procedure, tough decisions on what to cut and what to keep—decisions that affect our constituents' lives and livelihoods—will have to be made. And those decisions will be based on faulty financial information produced by totally inadequate accounting systems.

As Comptroller General Charles Bowsher recently remarked:

> Gramm-Rudman is reminding us of the poor quality of accounting in the government. Some systems are not in very good shape, and many don't tell us if we're really making good decisions on cutting programs.

There is nothing new about this state of affairs. For years the GAO's famous blue-covered reports have been telling the same story. Our departments and agencies are a veritable jungle of special purpose, incompatible, antiquated accounting systems producing unreliable, incompatible and often irrelevant financial information. One of the latest GAO studies, moreover, reports that 53 percent of agency accounting systems do not conform to GAO accounting principles, standards and related requirements.

The GAO is certainly an authoritative spokesman on this issue. Whom can Congress believe if it can't believe its own watchdog? But other voices as well have called attention to the inadequacy of Government accounting systems. The Grace Commission dealt at length with the problem, and we can also look to a September 1985 study by the systems committee of the President's Council on Management Improvement concerning a "Strategic Plan for Federal Financial Management."

That study is unique in that it does not depend on the assessments of outside critics. Its results come from those on the firing line—financial management executives in Federal departments and agencies. Those interviewed for the study regarded less than 50 percent of governmental accounting and financial reporting systems as capable of producing timely, accurate and relevant information for management decisionmaking: 61 percent of the systems cannot provide the data necessary for assessing management performance; 35 percent of the systems were considered incapable of providing sufficient data to support the allocation of funds; and 33 percent do not provide effective control over and accountability for assets.

The extent to which the Government as a whole departs from basic accounting textbook requirements—to say nothing of common sense—defies logic. An earlier GAO study, Managing the Cost of Government, pointed out for example, that agency budgeting and accounting for program costs are largely done on different bases, and are isolated from one another. Budgets are requested and justified in terms of programs and projects, such as infant health care or dams for flood control. Accounting and other financial reports, however, often focus on appropriations and categories of expenses such as travel or personnel, without relating them to the particular programs or projects for which the money was requested and approved.

As well as producing bad financial information, inadequate accounting systems are certainly a pervasive source of waste. But countless other instances of costly financial mismanagement abound. The Grace Commission found 47 volumes' worth.

This is not to say that Congress and the administration have been idle in confronting financial managment issues. The rollcall of initiatives is, in fact, quite impressive: The Inspector General Act of 1978; The Federal Managers' Financial Integrity Act of 1982; Reform '88; Debt Collection Act of 1982; The Grace Commission; The President's Council on Integrity and Efficiency; The President's Council on Management Improvement; and Financial management improvement initiatives in over 30 executive branch departments and agencies.

Congress, in particular, can credit its achievements on financial management in part to the leadership of Representative JACK BROOKS, the distinguished Member from Texas, and chairman of the House Government Operations Committee on which I am privileged to serve, and to Representative FRANK HORTON of my own State of New York, the distinguished ranking minority member of that committee.

President Reagan clearly recognizes the importance of sound financial management. He specifically called for passage of Grace Commission waste reduction measures in his State of the Union message, noting that the deficit problem cannot be solved by budget cuts alone. The administration also recently sent Congress a package of management improvement bills for consideration.

In the case of both faulty internal control evaluations and faulty accounting system compliance assessments, the GAO has cited OMB's failure to develop adequate guidelines as a principal cause. But something more fundamental is at issue. Despite OMB's best intentions, the development of such guidelines may require more time, resources and expertise—and the actual process more leadership—than OMB can provide, or is likely to provide under the current system. OMB's lack of resources, and frankly, the secondary role of financial management to budgetary considerations, hampers the Office's ability to give adequate emphasis to financial management matters.

The management which administration officials say is alive and well in OMB is administrative management, and they can justly take credit for helping to revive it. Whether financial management is equally alive and well is an entirely different question. It is a highly specialized area which deserves independent, top-level attention in its own right.

It does not now have that status. Despite the number of financial management improvement initiatives that have been undertaken, no structure or mechanism has been developed to improve financial management on a governmentwide basis and assure not only continuity of effort across successive administrations, but systematic progress toward a set of established, long term financial management goals.

Instead, almost the opposite is true. As the Grace Commission and the PCMI study among others, have pointed out, financial management leadership responsibilities and functions are seriously fragmented and disorganized, resulting in inconsistencies, overlap and duplication.

Federal Government financial management Functions are split among three central agencies in the executive branch—OMB, OPM, and Treasury; the various executive branch agencies; and the GAO in the legislative branch. None of these entities has clear cut responsibility for oversight and direction of the Federal Government's financial management operations and activities. In addition, financial management responsibilities have frequently been shifted from one central agency to another; and in each central agency financial management functions must compete with a number of other assigned responsibilities for their fair share of attention.

There is a missing link in the Federal Government. The linchpin of financial discipline is nowhere to be found.

The financial management leadership void must be filled. That is why I am proposing the creation of a chief financial officer for the Federal Government, an assistant-secretary level controllership in all executive departments and agencies, and a Federal Financial Management Council.

I would like to briefly highlight several key aspects of this legislation.

First, creation of an independent office for the CFO. A great deal of thought has been given to the difficult question of where a CFO function should be placed. At one time or another OMB, the Treasury Department, or a new Office of Federal Management have all been considered as alternatives.

We decided that the best organizational approach would be a new, and independent office in the Executive Office of the President. History has shown that financial management functions placed in other organizations do not receive the attention they deserve. We do not want history to repeat itself.

Second, duties of the CFO. The CFO will have responsibility for operational financial management leadership—comparable to the responsibility accorded a controller in the private sector.

Third, term of office of the CFO. Financial management improvements have a long gestation period. Progress cannot be interrupted by changes in priorities and direction from administration to administration. Obviously, a certain amount of that will take place in any case, but we have attempted to ensure maximum, long-term continuity by making the tenure of the CFO 10 years.

Fourth, creation of the position of Assistant-Secretary, financial Management. The establishment of this position will ensure top level, departmentwide attention to the implementation of financial management initiatives and activities at the agency level; eliminate inconsistencies that exist among agencies in the status and structure of financial management operations; and eliminate internal agency overlap, duplication, and inconsistency in financial management activities.

Finally, creation of a Federal Financial Management Council. This Council will be composed of the CFO and the agency-level Assistant Secretaries for Financial Management. The Council will provide an important avenue of communication and interchange between the central financial management function and its counterparts in the departments and agencies—resulting in more effective implementation and coordination of financial management initiatives.

Mr. Speaker, Gramm-Rudman has been called a bad idea whose time has come. A Chief Financial Officer for the Federal Government is a good idea whose time is long overdue.

The idea for a Chief Financial Officer first began to be proposed seriously in the early part of 1980 by leaders in financial management in both the public and private sectors. Mr. Roland W. Burris, the comptroller of the

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State of Illinois, and Mr. Joseph E. Connor, the chairman of the accounting firm of Price Waterhouse, have both assumed a key role in promoting the need for a CFO in the executive branch of the Federal Government.

Through their leadership, other individuals and groups have studied the concept of a Federal Government CFO and have concluded that it is an idea whose time has come. These include the Grace Commission, the Financial Executives Institute, the National Association of State Auditors, Comptrollers and Treasurers, the Association of Government Accountants, and the National Association of Public Administration. Isn't it about time we took advantage of all the work and thought that has gone into developing this concept?

I have often been accused by my colleagues of looking at the world through green eyeshades. As I have commented before, I believe the Government would be better off if there were more sets of green eyeshades around here and fewer pairs of blinders.

Sound financial management is not just an accountant's issue. It is not just a Republicans' issue. It is not just a Democrats' issue. I believe that my colleagues on both sides of the aisle can agree on the clear need for action in this vital area.

We have taken a first, although very painful step toward getting the Federal Government back in control of itself. But if we do not give our efforts to build fiscal discipline into the system a solid foundation of valid financial information and genuine financial discipline, the entire structure is going to collapse around everyone's ears. The American taxpayers deserve better of us.

HALLEY'S COMET AND THE NEXT STEP

HON. WYCHE FOWLER, JR.

OF GEORGIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, March 25, 1986

Mr. FOWLER. Mr. Speaker, recently, the world witnessed its first close encounter with that famed cosmic traveler known as Halley's Comet. Returning again to our region of the solar system—after 30 or more previous visits and the first since 1910—Halley's Comet was met this time by an international armada of robot explorers.

These explorers—named Suisei, Sakigake, Vega 1 and 2, and Giotto—completed stunningly successful missions. The five automated spacecraft are the products of years of planning, research, and development. They sprang from impressively diverse orgins—Suisei and Sakigake from Japan, the twin Vega probes from the Soviet Union, and the Giotto spacecraft from Europe. We salute the responsible governments and agencies for their skill, daring, and vision in undertaking these missions.

Already, these missions have told us much about Halley's Comet. The very dark, dirty snowball that composes the comet's core, or nucleus, was photographed for the first time, appearing to be potato-shaped, 15 by 6 to 8 kilometers. The region surrounding the nucleus was very dusty, as expected, but also contained larger chunks of debris as well. Geysers of dust erupt from the nucleus and extend, in some cases, to distances of thousands of miles.

In the coming weeks and months, as scientists continue their analysis, we will no doubt hear much more about the structure and composition of the comet and its various parts: the nucleus; the tenuous atmosphere, or coma, that surrounds the core; and, of course, the luminous tail that most of us associate with Halley's Comet and other comets.

The international effort in space and here on Earth will result in the most thorough characterization, to date, of any comet. But the results, no matter how thorough, will be limited by their context—that is, by the nature of quick spacecraft flybys during only one brief period of the comet's evolution.

The findings of the Halley spacecraft armada will lay a basis for more detailed explorations. At present, NASA is designing just such an exploration, an actual rendezvous in which an American spacecraft could meet a comet and fly in formation with it for 3 years.

The mission is called the Comet Rendezvous Asteroid Flyby. As its name states, the CRAF mission would also provide an opportunity for closeup study of another mysterious class of body, the asteroid.

Under plans being developed at NASA's Jet Propulsion Laboratory, a new spacecraft known as the Mariner Mark II would be launched in September 1992 from a space shuttle and upperstage rocket.

Nine months later, in June 1993, the spacecraft would fly past the asteroid Malautra—and conduct a historic first encounter with one of the small rocky bodies of the asteroid family. A swing back toward, and then past, our Earth would give the Mariner Mark II a needed "gravity assist" toward its encounter with the asteroid Hestia in January 1995.

The spacecraft would continue on to the comet Tempel 2 and rendezvous with it in December 1996—fully 1,000 days before the comet reaches its perihelion, or closest approach to the Sun, and begins its most active phase. Unlike the recent flyby missions, CRAF would study its target comet over a long duration—before and during perihelion passage and perhaps beyond. This allows the diverse time varying phenomenon to be studied. The spacecraft will study the nucleus from a 50-kilometer orbit for more than 1 year providing 50 centimeter resolution coverage of the whole body and infrared reflectance spectral maps with 10 meter resolution. A nucleus penetrator will be ejected from the spacecraft that will study the subsurface material. This penetrator will determine the physical strength, temperture, and chemical composition—up to 20 elements—of that location.

The coma, dust tail, and ion tail will be studied at perhaps 5,000 kilometer and periodically from very close—possibly 100 kilometer. These close periods will allow dust samples to be collected for analysis when the spacecraft is back out at a safer distance. The spacecraft will also perform an excursion down the tail to approximately 75,000 kilometer and back. These coma and tail studies will allow both time and spatial varying phenomena to be studied. The solar wind and its interaction with all aspects of the comet will be extensively studied.

Although the flyby missions of 1985 and 1986 revealed new coma and tail information about Giacobini-Zinner and Halley, only limited characteristics of the relatively tiny nucleus could be ascertained during the brief encounters. Obtaining detailed data on the chemical and physical properties of a comet's nucleus remains for the future.

Understanding the all important nucleus comes with the next step—a mission in which the spacecraft can travel along with the comet, observe it at close range from a variety of vantage points and watch its activity grow and diminish as the comet first approaches and then speeds away from the Sun. Better-defined coma and tail measurements also will be produced with the time-varying multiple-location observation of a rendezvous mission.

An ambitious and important mission such as this can be accomplished with available technology and at relatively low cost. Even as we salute our international colleagues for their successes of the past several days, we must begin to look ahead to taking this next step in cometary study.

SENATE—*Wednesday, March 26, 1986*

(Legislative day of Tuesday, March 18, 1986)

The Senate met at 9:30 a.m., on the expiration of the recess, and was called to order by the President pro tempore [Mr. THURMOND].

PRAYER

The Chaplain, the Reverend Richard C. Halverson, D.D., offered the following prayer:

Let us pray.

The heavens declare the glory of God; and the firmament sheweth His handiwork * * *.—Psalm 19:1.

Eternal Father, spring breaks upon us demonstrating the inexorable power and resilience of life—the beauty and fragrance, the diversity and harmony of nature. We rejoice in the bounty which You have lavished upon our Earth—the unfailing provision of light and warmth, of sound and color.

With profound sorrow we view our troubled world—the violence, injustice, inhumanity, tragedy, and suffering—its darkness in such stark contrast to the gracious euphoria of spring. Infuse the Senate with Your presence that the promise of Passover deliverance and Easter resurrection may fill all hearts with love and hope—that the burden of critical legislation may be discharged with truth and righteousness, to the glory of God and the welfare of all. Amen.

RECOGNITION OF THE MAJORITY LEADER

The PRESIDENT pro tempore. The able majority leader, Senator DOLE, is recognized.

Mr. DOLE. Mr. President, I thank the distinguished President pro tempore, Senator THURMOND.

SCHEDULE

Mr. DOLE. Mr. President, the leaders have 10 minutes each under the standing order and we have special orders for Senators DOMENICI, CRANSTON, HAWKINS, PROXMIRE, and MURKOWSKI not to exceed 5 minutes each; routine morning business not to extend beyond the hour of 10 a.m., with Senators permitted to speak for 5 minutes each.

Mr. President, I ask unanimous consent to make that 10:30 a.m. instead of 10 a.m.

The PRESIDING OFFICER (Mr. PRESSLER). Without objection, it is so ordered.

Mr. DOLE. Following morning business, the Senate hopefully will turn to S. 1567, the water resources bill, and complete action, if possible. I am told again by the managers that if we can reach some agreement it should not take over 1 hour. Then the Senate will turn to the Contra resolution, Senate Joint Resolution 283. Rollcall votes can be expected throughout the day and late into the evening and possibly tomorrow on that resolution.

A SEARCH FOR COMMON GROUND

Mr. DOLE. Mr. President, over the past several days I have been in touch with the White House, the chairman of the Foreign Relations Committee, the minority leader and with other Senators on his side, in a effort to determine if we could find common ground on a program of support for the Contras, as part of our broader strategy in Central America.

I am pleased to advise the Senate that we are very near agreement—we have not reached any agreement yet, but it is possible we can agree on language in an amendment acceptable to the President and which should draw wide support on both sides of the aisle and across the political spectrum.

If we can iron out some of the remaining details, it would probably expedite the business today, and I know that a number of Senators on each side are hoping that would be possible.

I did want to take a moment now, though, to explain—especially to those who have been prepared all along to support the President's request—why we have worked so hard to find this common ground because, as I have indicated, there are a number of Members who say why are we doing anything, why compromise, why not just have the vote, no compromise. And there are a number of Senators who feel strongly about that, including the Senator now presiding.

POLICY MUST BE LONG TERM AND SUSTAINABLE

I would indicate that the problem we confront in Central America is not a short-term problem. It is not going to be resolved this month or this year. Although passage of the bill we are working on is an essential element in solving the problem, this bill alone is not going to do the job.

For this long-term problem, we need a policy which is credible and sustainable—and which is seen by everyone, including both the Sandinistas and the Contras, as sustainable—over the long term. By far the best chance we have of fashioning such a policy is by finding common ground on which the large majority of us—President and Congress alike—can stand together.

MUCH ON WHICH WE AGREE

In fact, there is a great deal on which most of us agree. Most important, almost all of us—Republicans and Democrats alike—agree that the Sandinista regime is bad news. The normal standards of decorum in the Senate prevent me from quoting fully the comments of Speaker O'NEILL yesterday about Sandinista President Ortega, but I trust most of you read TIP's remarks. On this occasion, he was the speaker for us all.

The events of the past few days, especially the Sandinista invasion into Honduras, have given us a real opportunity to take a giant step toward broadening the base of support and understanding for our policy toward Nicaragua. If we can get a large vote here, and then in the House, for this package, we can send a clear, strong message to Managua. We can let the Sandinistas know that all Americans—President and Congress, Republicans and Democrats, leaders of Government and the population at large—we are moving together on this issue, we are in it for the long haul and we are going to achieve our goals. That would represent a major contribution to a successful resolution of the situation in Central America.

NOT A "LEAST COMMON DENOMINATOR" COMPROMISE

And let me add one final word. What we are fashioning is not a "least common denominator" compromise. It encompasses the essential elements of the President's request. It will be fully acceptable to the President and the administration. It will not hamstring the President or limit our future options. It will provide the wherewithal the Contras need, when they need it, so that they can be an effective pressure point in pursuit of our broader objectives. It is a solid, strong program, that can do the job.

This is our chance. Let us all join together to pass this legislation and pursue our national goals in Central America.

LETTER ON SAUDI ARMS SALE

Mr. DOLE. Mr. President, on March 11, Congress was notified by the administration that it intended to press ahead with the sale of an arms package to Saudi Arabia. Yesterday, I received a letter from President Reagan

● This "bullet" symbol identifies statements or insertions which are not spoken by the Member on the floor.

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emphasizing how critical he believes the sale is to peace in the Middle East.

In his letter, the President points out that the escalation in the Iran-Iraq war, and the unsettled situation in South Yemen heighten the need for the arms sale. I quote from the President: "Our support for Saudi Arabia at this time is the key to deterrence and to protecting vital American interests in the region."

Mr. President, I know providing weapons to the Saudis is a highly charged and controversial issue in Congress. What the President has asked for is a full hearing, the opportunity for the administration to plead its case. And I believe that is fair. Reserving judgment about the Saudi package, especially in light of this week's activities in the Middle East, until we have heard all the facts seems the sensible and wise course to follow.

All of us remain totally committed to preserving the security of the State of Israel. The President, in his letter, states that the Saudi arms sale package is consistent with the administration's support of Israel. Giving the President, and his military and foreign affairs advisers, the chance to explain the rationale for the timing and scope of the Saudi arms sale, will only enhance our ability in Congress to make the most prudent decision.

Mr. President, I ask unanimous consent to have printed in the Record the letter, to which I have made reference, that I received from the President yesterday concerning the Saudi arms sale.

There being no objection, the letter was ordered to be printed in the Record, as follows:

The White House,
Washington, March 25, 1986.

Hon. Robert J. Dole,
Majority Leader,
U.S. Senate, Washington, DC.

Dear Bob: I am deeply concerned about a foreign affairs issue now before Congress that directly affects global U.S. strategic, political, and economic interests. I am referring to the United States Government's support for our moderate Arab friends at a time when Western strategic interests and the individual Gulf states are threatened by a hostile aggressor.

Recent Iranian gains in the Iran-Iraq war have alarmed Saudi Arabia and other Gulf states, not the least because Iran has followed its battlefield successes with explicit threats against its Arab neighbors. The danger of escalation is real and more immediate than at any time since the spring of 1984, when our support for the Saudis caused Iran to stop its threats. Additionally, the current unstable situation in South Yemen, exacerbated by Soviet interference, further raises the potential of a renewed threat to Saudi Arabia's southern border. Saudi Arabia has once again turned to the United States for reassurance. I strongly believe that the United States must make clear its support for the self defense of our friends, particularly in periods of heightened threat. Our support for Saudi Arabia at this time is the key to deterrence and to protecting vital American interests in the region.

On March 11, the Administration gave advanced notification to Congress of its intention to sell Saudi Arabia a limited supply of air-to-air, air-to-sea, and ground-to-air missiles. We had originally planned to pursue these sales later this year. In view of the intensified threat to Gulf states and oil shipments, however, we have forwarded this limited request now. A clear demonstration of U.S. willingness to support Saudi self-defense is essential to deter Iran from expanding the war.

By acting now, the U.S. sends the clear message that we stand with our friends. Moreover, we reduce the chances that U.S. forces would be required later to protect our vital interests in the Gulf. In short, approval of these sales is essential both to the security of Saudi Arabia and to our own national interests.

I have reviewed this sale carefully and am fully convinced it will serve these vital interests without in any way derogating the security of Israel. I remain committed to maintaining Israel's decisive military advantage over any foreseeable combination of potential adversaries. These sales are fully consistent with that fundamental policy.

I understand that some members of Congress have indicated their intention to seek legislation disapproving these sales. Given the importance of these sales to our national interest, I want to make my support very clear. It will be necessary for me to veto any resolution of disapproval intended to block these sales. For the sake of our national interest, I hope we can work together to achieve approval of the sales.

Sincerely,

Ron.

RECOGNITION OF THE MINORITY LEADER

The PRESIDING OFFICER. Under the previous order, the minority leader is recognized.

CONTRA AID

Mr. BYRD. Mr. President, I share with the distinguished majority leader the feeling that without strong bipartisan support, out there in the country, no foreign policy of our Government can be successful for long in its implementation. We saw that in Vietnam, we saw it in Lebanon, and we will see it in Central America.

I hope that we may develop a proposal that will have strong bipartisan support. Up to this point, as far as I am concerned, our staffs have been working to try to develop a common approach, and I have been encouraged by the distances that have been narrowed in respect to several controversial points.

I personally feel as of now that the possibility is there for agreement. However, we are just beginning this morning—Senator Dole and I, Senator Sasser, Senator Lugar—to sit down and talk among ourselves as to the points that have been agreed to thus far by staff people and as to points that have not been agreed to, because the staff people, of course, in the final analysis, are not authorized to agree on behalf of any of us to an entire package or to anything at this point.

One of the sticking points is as to whether or not there will be a second vote. That has been one of the main sticking points all along. I personally believe there should be an opportunity for an affirmative up or down vote by the Congress down the road. Personally, I have no problem with advancing some of the $100 million early on, but I do feel that the Senate ought to have the opportunity, in the meantime, to evaluate the developing situation, and then have another vote as to the remainder of the $100 million.

There have been those who have advocated what one might refer to as a "negative" vote down the road; in other words, a vote on a resolution of disapproval. The problem with that is, in essence, that it requires a two-thirds vote of both Houses, because two-thirds would be needed to override any Presidential veto of a disapproval resolution. Maybe we can reach accord on this and other sticking points.

I have said from the beginning that I do not seek a Democratic proposition. It is not a party matter with me. Obviously, I feel that this legislation must be discussed in my party caucus for the edification of all of us. But as to saying that we in our caucus should develop a party position on this matter, I do not believe we should do that. We should approach this from the standpoint of trying to determine what is in the best interest of the United States and how we achieve what is in the best interest of the United States. There will be differing viewpoints.

Again, I do not seek a party position on this issue. We Democrats do seek to edify and educate and inform ourselves the best we can with open and full discussions in our conference. We will continue to do that. There are times and there are subjects that I feel we should try to develop a party position on, but not on this legislation.

Mr. President, I ask unanimous consent that I may reserve the balance of my time.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. BYRD. I thank the Chair and I yield the floor.

RECOGNITION OF SENATOR MURKOWSKI

The PRESIDING OFFICER. Under the previous order, the Senator from Alaska, Mr. Murkowski, is recognized for not to exceed 5 minutes.

THE HOLLOW CORPORATION

Mr. MURKOWSKI. Mr. President, recently, the Department of Commerce announced that GNP growth for the fourth quarter of 1985 was

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only 0.7 percent. This downward revision was tied to a higher than expected trade deficit. A deficit that was $150 billion in 1985, and one which may grow to $200 billion in 1986.

We are all familiar with imports such as: Toyota, Sony, Cannon. Now these imports are being joined by new foreign brands—General Electric, General Motors, Schwinn, American names that we have all revered.

U.S. manufacturing companies are becoming hollow shells as production is transferred overseas. For example, by mid-1986, only 10 percent of GE's consumer electronics employees in the United States will be engaged in manufacturing versus 60 percent in 1984. Our manufacturing corporations are slowly becoming big service outlets.

Of the 11 million jobs created since the 1981–82 recession, 80 percent are in services. However, these jobs are lower paying, and have lower productivity rates than their counterparts in manufacturing. Some economists have expressed concern that a big drag on future growth will be the limited income generating power of services.

The transfer of manufacturing jobs overseas is a dangerous development, unless we are sure that we are aware of what is going on. It is also very likely that high paying design and technical jobs will eventually follow. When Motorola decided to build a plant in the United States, it had to import engineers from the Third World because U.S. engineers no longer had the skills to meet their requirements. If this trend continues, we must ask ourselves, "Where will we find decent employment for large sector of our population?" This trend is particularly ominous for minority males, whose unemployment rate is twice that of their white counterparts. Factory jobs, where minorities have been able to make significant progress in the job market, is past.

The United States also faces many barriers to services trade. In Japan alone, my subcommittee has found significant barriers to United States services exports: High cube containers, tobacco shipping, JAL com computer, difficulties in getting on other countries interairline computers, and I plan to hold additional hearings on other Japanese barriers to trade in services.

However, Japan is not the only country where we face barriers to trade in services, we face significant obstacles in our attempts to penetrate markets in Europe, Latin America, and other parts of the Far East.

It is naive to think that we will be able to make up in services trade what we lose in manufacturing. Our surplus in services trade is also declining. For the first time since we became involved heavily in trade, we are running a $1.1 billion deficit in services with Japan alone.

However, it is possible to reverse this disturbing trend, and we can start by removing self-imposed barriers in export competition:

We must continue to urge stronger cooperation between management and labor. We can remove tax disadvantages which encourage U.S. manufacturers to move their operations overseas. We can work to reduce the Federal deficit, and we can give greater support to research and development which is necessary to remain a productive, innovative, manufacturing economy.

I would like to call to my colleagues' attention an important article on the decline of manufacturing in the United States which appeared in the March 3 issue of Business Week. That article is called "The Hollow Corporation, the Decline of Manufacturing Threatens the Entire U.S. Economy." I ask unanimous consent that it be printed in the Record.

There being no objection, the article was ordered to be printed in the Record, as follows:

The Hollow Corporation

"American companies have either shifted output to low-wage countries or come to buy parts and assembled products from countries like Japan that can make quality products at low prices. The result is a hollowing of American industry. The U.S. is abandoning its status as an industrial power."—Akio Morita, Sony Corp. chairman and co-founder.

While economists engage in an eerily detached debate about whether the U.S. is losing its industrial base—and even whether it matters—Sony's 64-year-old chief affirms what American business leaders have been seeing for more than a decade: In industry after industry, manufacturers are closing up shop or curtailing their operations and becoming marketing organizations for other producers, mostly foreign.

Autos, steel, machine tools, videorecorders, industrial robots, fiber optics, semiconductor chips—these are some of the markets in which the U.S. is losing dominance or has been driven out. More markets are destined to feel the bite of foreign competition.

The result is the evolution of a new kind of company: manufacturers that do little or no manufacturing and are increasingly becoming service-oriented. They may perform a host of profit-making functions—from design to distribution—but lack their own production base. In contrast to traditional manufacturers, they are hollow corporations.

Unchecked, this trend will ultimately hurt the U.S. economy. The traditional industrial sector has long been the leader in U.S. growth in productivity, the wellspring of innovation, and the generator of a rising standard of living. The spectacular rise in employment in the fast-growing service sector will continue to offset the loss of jobs in manufacturing. But services, on average, do not measure up well against manufacturing in productivity growth or in personal income. In short, the idea that a post-industrial America can become increasingly prosperous as a service-based economy appears to be a dangerous myth.

No one who finds this threat a bit remote right now will be accused of economic myopia. The U.S. economy appears to be enjoying a period of unusually well-balanced growth. The collapse of oil prices has revived a three-year-old expansion that seemed to be winding down only a few months ago. Economists are scurrying to raise their forecasts for growth, employment, and personal income. The oil plunge, along with a general weakness in commodity prices, has blown away the specter of inflation for the forseeable future. The dollar continues to soften against most foreign currencies. Interest rates, reflecting the improved inflation outlook, are declining. And the stock market is just wild about all of the above.

Unfortunately, however, this is only part of the story—the short-term chapter. Beneath this shiny surface, U.S. industry is undergoing fundamental changes whose full impact on the economy may not be seen for a decade. If the hollowing process continues in industrial America, the economy of the mid-1990s will look vastly different from the one that is generating the current prosperity. And there are serious reasons to doubt that the long-term picture will be as bright as today's.

It may be some consolation that Sony, Honda Motor Co., and other foreign producers make many of their products in the United States. That keeps some jobs in this country and may help to defuse protectionist pressures in Congress. Indeed, foreign companies are now pouring money into their U.S. operations faster than American companies are investing abroad. Ironically, however, as foreign producers move into the U.S., American manufacturers continue to take their operations oveseas. Low wage bills in South Korea, Taiwan, and other Asian countries clearly are part of the attraction, but all too often it appears that American companies are simply giving up on the U.S. as a suitable place to make their goods. Says Sony's Morita: "We are not taking away your manufacturers' business. They are giving it up. If they move out factories and depend on the Far East, that means the hollowing of American industry."

Indeed, U.S. manufacturers are pursuing a strategy of outsourcing—buying parts or whole products from other producers, both at home and abroad—with a vengeance. Outsourcing breaks down manufacturers' traditional vertical structure, in which they make virtually all critical parts, and replaces it with networks of small suppliers. Even such proud giants as International Business Machine Corp. and General Electric Co. are doing it to varying degrees. In the short run, the new system may be amazingly flexible and efficient. In the long run, however, some experts fear that such fragmented manufacturing operations will merely hasten the hollowing process.

NEW FOUNDATION?

What is happening to the U.S. economy, some futurists and economists say, is simply progress. It reflects the adaptation of a mature industrial economy to the realities of international competition. According to this view, the U.S. is undergoing a transition to a new foundation of services and information-based high technology—a changeover potentially as sweeping and beneficial as the industrial revolution or the mechanization of agriculture. What survives of manufacturing will be done in the totally computerized and robotized factory of the future,

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where employment will be so low that wage costs become irrelevant.

But to others, all of this is wishful thinking. They consider it a given that the U.S. cannot prosper without a strong manufacturing base. "The growth of manufacturing has historically paralleled that of the overall economy," says Roger E. Brinner, chief U.S. economist for Data Resources Inc. "It's useless to ask which is the chicken and which is the egg. They go together, and if manufacturing keeps slipping, it may drag down the rest of the economy." Adds DRI's Sara Johnson: "Past gains in manufacturing are what enabled our economic system to afford to increase its demand for services."

Another Japanese industrialist, Tsutomu Ohshima, senior managing director of Toyota Motor Corp., puts it even more strongly: "You can't survive with just a service industry." Ohshima finds it hard to understand that U.S. policymakers are not talking about what he and many other foreigners see as a clear need for America to reindustrialize.

Is concern over deindustrialization, or a hollowing of industry, justified? By most measures, manufacturing is a disaster area. In current dollars, the sector has plunged from a peak of 30% of U.S. gross national product in 1953 to about 21% in 1985, with much of the decline coming in the last decade (chart). Durable goods production alone has tobogganed from 17.8% of GNP in 1953 to about 12% last year. That's a drop of 30% or more in both cases. In 1953, one of every three nonfarm workers was in manufacturing; today the ratio is roughly one out of five.

Some economists complain that it is torturing the data to look at manufacturing's side only in current dollars. Says Robert Z. Lawrence of the Brookings Institution: "If you look at manufacturing's share in real dollars, using 1972 as a price base, the numbers are virtually trendless until the last couple of years, and that decline is just a function of the strong dollar." As for the drop in current dollars, Lawrence says that it largely represents productivity gains and technological improvements, particularly in computers and other office equipment, and therefore is nothing to worry about.

But this view is not shared by the nonpartisan Congressional Budget Office. The CBO examined the measurement problem as it prepared a study on industrial policy two years go and decided that the current-dollar numbers are the ones that count. Explains one CBO economist: "Those are the dollars we care about. They tell you what business has to invest today, what income and value-added you are creating, and whether business can increase employment now. They give you the social value of your output."

U.S. manufacturers doubt the dollar's realignment and the plunge in world oil prices will bail out American industry. They note that their major foreign competitors are even more dependent on imported oil than are American manufacturers—and therefore benefit even more from the price slide. The drop in the dollar gives the foreigners a further bonus since everyone pays for oil in dollars. The perception remains that the tide of foreign competition is inexorable, and U.S. manufacturers must continue to position themselves to live with the new realities. For many producers, the answer will continue to be to manufacture less.

One way or another, U.S. industry has been engaged for the past decade in a massive drive to lower the costs of doing business, whether through outsourcing, squeezing concessions out of unions, closing inefficient plants, or opening plants abroad. Companies long identified with making goods of all sorts now often only produce the package and the label.

Says economist Nestor Terleckyj of the National Planning Assn.: "For corporate managers the central question is not necessarily what product their companies make but whether their companies make profits. If Ford Motor, for example, can make money by making loans, it will become a bank and let the Japanese make more and more of its cars."

Robert E. Lipsey of the City University of New York cites U.S. multinationals as an example of successful adaptation to international competition, with business moving abroad to take advantage of lower wages and capital costs. "These firms prove that American business can compete on a firm-by-firm basis," says Lipsey, though he concedes the resultant job losses in the U.S. and other macroeconomic effects "may not be beneficial for the economy in the aggregate."

Lipsay's concern about the aggregate is a masterpiece of understatement. Yes, individual companies can adjust to Asian competition by making their products in Taiwan or South Korea. They may revitalize domestic operations through infusions of Japanese management and production technology. They can also hammer down wage costs by farming out production jobs and buying services from outside vendors. And others find it pays better to ride the merger wave and shuffle existing assets than to raise capital to invest in new plants and equipment.

But does all this add up to a healthier U.S. economy? Probaby not. It is true that the growth of the service sector has been phenomenal in recent years. The retail and wholesale trades, transportation, communications, finance, and personal services have added almost 10 million jobs to the U.S. economy since 1979, in contrast to 1.5 million lost in manufacturing. Just since 1960, services have grown from 60.4% of GNP to more than 68% in 1985.

COUNTER JOBS

What's more, the service tide shows no sign of ebbing. In the next 10 years, services will provide roughly 90% of all new jobs, according to Labor Dept. projections. But economists, political scientists, and other experts raise serious questions about how much punch that growth will carry when it comes to keeping the U.S. competitive in world markets and raising Americans' standard of living.

For one thing, the new service jobs will, on average, pay less than the median wage for U.S. workers. Highly valued jobs in leading-edge technologies, finance, and the professions will be a large part of that market, but so will jobs for janitors and clerks. As one economist puts it: "The McDonald's counter jobs will offset the McKinsey consultant jobs."

Nor can the U.S. count on services for the growth in productivity that is essential for a rising standard of living. Services have historically trailed manufacturing in gains in output per hour by a wide margin. They are likely to continue lagging behind for at least a decade until automation becomes more widespread in offices and shops. And judging by experience to date, such productivity gains are not immediately reflected in the income of service workers.

But the greatest shortfall in services is a basic inability to fill the void in trade that is being left by manufacturing. Right now the U.S. holds a powerful edge in high technology. But Lester C. Thurow of Massachusetts Institute of Technology asks: "If U.S. industries lose their production base, how can their engineers and scientists keep coming up with the software to sell overseas?" Most advances in technology are generated along the learning curve of an ongoing production process, not in the vacumm of a university laboratory.

Private U.S. research and development expenditures in nondefense industries already have slipped behind those of the country's keenest competitors as a share of GNP. Business and, more important, government, may be reluctant to keep funding R&D even at present rates if the resultant products wind up being produced in Taiwan or Brazil.

Finally, there is no reason to think the U.S. has an invulnerable advantage in services any more than it had one in making steel or autos. Foreigners are playing all sorts of trade-barrier games to limit inroads by U.S. service companies while they nurture their own. Indeed, the rapid growth of telecommunications is making it as easy to farm out such service jobs as keypunching as it is to outsource hardgoods production.

A NICHE ECONOMY

In short, the U.S. still needs a strong and growing industrial base. And the need may be greater than ever because that base is so vitally linked to the most promising service and high-tech businesses. Says economist Stephen Cohen of the Berkeley Roundtable on the International Economy at the University of California: "If you lose your industrial base, you can't be a prosperous service economy. The U.S. is too big to be a niche economy."

Cohen cites a vast variety of services—from trucking to banking to computer programming—that have a "direct linkage" to the goods-producing industries. And he notes that "to sustain U.S. incomes and productivity, it really matters who does the manufacturing. In a global input-output model, it may not matter where the goods come from, but a huge core of this economy depends on what's made on these shores."

The manufacturing-vs.-services debate comes down to competitiveness. And if lowering wages is the only way for the U.S. to regain its edge, then the solution may be worse than the problem. This clearly is the answer for many less developed countries, which can easily sell their wares on the world market by keeping wages at subsistence levels. But American business has long known—at least since Henry Ford made it an economic axiom—that its welfare ultimately depends on having workers who make enough to buy its products.

Says political scientist Bruce R. Scott of the Harvard business school: "U.S. competitiveness means the ability to employ U.S. resources, both human and capital, so that Americans earn increasing returns while in open competition with other countries." The U.S. can temporarily meet the competition by lowering the wage base, by outsourcing, by literally turning its industries inside out—in short, by hollowing. But enduring prosperity will require investment in human and physical resources, in innovation, and in raising productivity in both manufacturing and services. The first step is to take careful look at the phenomenon of the hollow corporation.—*By Norman Jonas in New York*

EVEN AMERICAN KNOWHOW IS HEADED ABROAD

Not so long ago, Caterpillar Tractor Co. was perhaps the single biggest customer of the U.S. forging industry. No more. Last year, the heavy equipment manufacturer shopped overseas for 16% of the components it buys for its vehicles—four times the level in 1981. Within a few more years, Chairman George A. Schaefer expects foreign-made components to account for a quarter of all purchased parts. "What's the alternative?" asks Robert E. Ranney, Caterpillar's product availability manager. "If our major concern is whether we're gonna be around next year, we'd better make a dollar."

Caterpillar is indeed making a buck again, thanks largely to the cheaper goods it has found offshore. Last year, Cat netted $198 million, on sales of $6.7 billion. That's quite a turnaround for a company that had been wallowing in red ink since 1982, as Japan's Komatsu Ltd. and other foreign competitors applied severe pricing pressures. Now some of those same rivals are aiding the Peoria (Ill.) manufacturer's comeback: South Korea's Daewoo Heavy Industries Ltd. builds lift trucks that Cat covers with its familiar yellow paint, while Germany's Franz Eder and Norway's Kaldnes Verksted supply hydraulic excavators.

While such moves may make perfect sense for an individual company, they could spell ultimate disaster for the U.S. economy as a whole. By shifting production overseas or shopping abroad for parts and components, U.S. companies are whittling away at the critical mass essential to a strong industrial base. And Cat is far from the only industrial company to conclude that the best way to shore up the bottom line against low-price foreign rivals is, quite literally, to join them. Other examples:

General Electric Co. spent $1.4 billion last year to import products sold in the U.S. under the GE label. Virtually all of its consumer electronics goods are already made in Asia. By the end of summer, the company plans to shut down its last domestic color-TV plant. In appliances, GE now buys its microwave ovens from Japan and will begin going offshore for room air conditioners in 1987.

Eastman Kodak Co. is counting on foreign-made products to fuel much of its growth. To diversify from the stagnant film business, Kodak is buying video camera-recorders and videotape from Japan, along with its midsize copying machines. It also imports floppy disks from a Kodak factory in Britain.

Honeywell Inc. gets the central processing "brain" for its biggest mainframe computer from a Japanese manufacturer, and two other mainframes that Honeywell sells in the U.S. are imported as finished products from Europe. The Minneapolis company also goes abroad for a host of components used in its factory-automation equipment and commercial air-conditioning systems.

If this trend continues, warns Jack D. Kuehler, senior vice-president of International Business Machines Corp., companies will gradually become less adept at understanding how new technology can be exploited and eventually "lose the ability to design." Adds Robert A. Lutz, chairman of Ford of Europe Inc.: "You're seeing a substantial deindustrialization of the U.S., and I can't imagine any country maintaining its position in the world without an industrial base."

The deindustrialization that Lutz speaks of has a new, sinister meaning. In the 1960s and early 1970s, many companies exported blue-collar jobs to low-wage countries. That trend continues. Only now U.S. companies are also shifting far more valuable things overseas: fundamental technology, management functions, and even the design and engineering skills that are crucial to innovation.

In a takeoff on Detroit's once-touted "world car" concept, U.S. manufacturers are pushing ahead with what is euphemistically dubbed "globalization." This involves searching the world for the best factory site—lax government regulations and favorable tax policies are the chief criteria—and building a factory, often highly automated, that supplies worldwide markets. Or worse, they are throwing in the towel, closing domestic factories, and simply shopping the globe for the best bargains made by foreign companies.

LONG-RANGE DAMAGE

Yet the world-car strategy, now abandoned, didn't bail out the auto makers. Despite spending $9 billion a year to cut costs with new manufacturing technology and slashing their domestic work force by one-third since 1979, the Big Three still cannot build a car as inexpensively as the Japanese. So now the auto makers are gearing up to buy massive numbers of foreign-made cars. By 1988, the Commerce Dept. estimates, 17% of the cars sold by Detroit will be produced by the likes of Toyota, Nissan, and Honda. That will lift the total market share of foreign-made autos to 40%—and cost 90,000 more jobs, even though the Japanese are cranking up the capacity to make a million or more cars on U.S. soil by 1990.

Even the cars Detroit assembles here will carry a huge proportion of imported parts. According to a recent survey by Arthur Andersen & Co., 29% of the parts in domestically produced autos may be imported by 1995, up from 18% last year. Carmakers are also beefing up their overseas capabilities in research and development, engineering, and design. Senior Detroit executives are aware of the long-range damage this can cause to the U.S. economy. "We're all doing it with a great deal of sadness," says Lutz of Ford. "But we have come to regard our primordial duty as the preservation of the company and the shareholders."

DRUBBINGS

Unable to cut dometic costs enough to offset Japan's structural advantages, the move offshore is a last recourse. At least it preserves U.S. ownership of some manufacturing technology. That way, Detroit hopes to forestall complete capitulation. The Japanese already own an alarming number of U.S. markets where domestic producers can no longer compete in price, quality, technology, or all three. Calculators, cameras, hi-fi equipment, motorcyles, watches, and videorecorders come quickly to mind.

But those well-known drubbings mask the fact that the same thing is happening in industrial and commercial markets, too—in machine tools and robots, typewriters and copying machines, semiconductors and fiber-optic communications. Ten years ago, says John J. Murphy, chairman of Dresser Industries Inc., 90% of power shovels for the mining industry were made in the U.S. "Today," he says, "it is actually reversed."

Manufacturing expertise is slipping away in other areas as well. Take bearings. U.S. industry is relying more and more on foreign sources for all types of bearings, from the huge swivels for mounting construction cranes to the minature roller bearings in computer disk drives. In fact, three-quarters of all the miniature bearings used in the U.S. are now imported.

Tote up all the imports, and the dependency of the U.S. economy is staggering. Finished goods sold to U.S. companies now account for $5 billion of the swelling U.S. trade deficit with Japan, notes Yohei Mimura, president of Mitsubishi Corp. Japanese-made parts used by U.S. factories add $8 billion more. Finally, Japan ships $4 billion of products that simply are not made here, such as 35mm cameras and videocassette recorders. All told, reports Data Resources Inc., imports last year took 21% of total sales of manufactured products—more than twice the 1970 figure.

The spillover of this influx cascades down through the economy, all the way to basic industries. An imported car, for example, not only robs American steel makers of the metal content in that one car but also of the steel in the machine tools that won't be needed to stamp the body panels or grind the engine parts in some U.S. factory. Then there are the trucks and railcars that won't be needed to haul those machines to a user or to bring iron ore from a mine to a steel mill (table). The steel industry's lobbying in Washington, focused on quotas for the basic material, "is aimed at the wrong end," says Stanley J. Feldman, DRI's vice-president for interindustry services.

Similarly, Caterpillar's decision to buy its forgings offshore is driving another nail into the coffin of the forging industry, which has lost some 40% of its market to foreign companies over the past decade. To keep its customers, a U.S. forger may be forced to switch to low-cost imported steel. Or it may supply U.S. customers in part from a foreign plant, as Cleveland's Sifco Industries Inc. does.

INSTANT REWARDS

But locating a plant overseas often has unforeseen complications. Foreign plants spawn their own competition by creating a local pool of managers and skilled technicians. General Instrument Corp.'s Taiwan subsidiary now competes with 11 local companies founded by former employees. Also in Taiwan, Hewlett-Packard Co. is training local engineers to use computer-assisted systems to design printed-circuit boards that are produced in a factory that HP helped lay out. And Apple Computer Inc. recently transferred production of its familiar Apple II personal computers to a Singapore plant. "We're building somebody else's skill base, not our own," says Stephen R. Rosenthal, professor of operations management at Boston University. "If you add it all up, it's quite severe."

Moreover, such plants inevitably draw the service jobs that surround manufacturing. "As time goes on, local banks handle the payroll, the insurance is carried locally, legal services are done there," notes Robert W. Galvin, chief executive officer of Motorola Inc. And once skills have been transferred out of the U.S., that knowhow can wither within the parent company. Intel Corp. had to call in Malaysian experts from its Penang factory to help set up the chip assembly line at an automated chipmaking factory it started building in Arizona three years ago. None of its U.S. employees had that expertise any longer.

The hollowest option of all, though, is to ax manufacturing altogether and instead serve as the marketing arm for a foreign-

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owned factory. Yet more and more industrial giants, from Kodak to RCA Corp., are choosing this course for its almost instant rewards. Firestone Tire & Rubber Co. turned red ink into black for its radial truck-tire business by selling the plant to Bridgestone Corp., its Japanese archrival, and buying tires made in the same factory.

OUT OF TOUCH

In the short term, exploiting another company's manufacturing investments can be a winning strategy. IBM, for example, used it with devastating effect to launch its personal computer quickly by building it from many purchased components. Thus, it was able to saturate the market far more rapidly than if it had first taken time to install the necessary production capacity. But then the company plowed hundreds of millions of dollars into automated factories to make the key components in the U.S. "Unless you own the technology," explains Patrick A. Toole, IBM's vice-president for manufacturing, "you can't be in the game for long."

For proof of that, look no further than the hi-fi business. The U.S. is so out of touch with audio technology that no American company is producing a popularly priced compact-disk player, which is breathing new life into the market. Sales of CD players topped 750,000 units last year, and 1986 sales are projected to hit 2.5 million units. And the manfacturing efficiencies that Japan's electronics giants are gaining in mass-market CD players may well presage a takeover in optical-disk computer memories, too, because the technologies are similar.

BACKING AWAY

The same thing is already happening in the videorecorder market. When Sony Corp. unveiled the first VCRs in 1975, they carried price tags of more than $1,000, so most U.S. companies dismissed them as too expensive and complex ever to command a major market. Besides, they were already backing away from tape recorders, the source of the technology that went into the VCR. Now, with product simplication and automated production, VCRs are selling—like hotcakes—at less than $300.

Here, too, not one is made in the U.S., although Sony plans to start building a U.S. VCR factory this year. And now it has spun off its VCR technology into the so-called camcorder, a combination video camera-recorder that promises to be the last straw for movie cameras and film. Alarmed, Kodak has jumped into the video market—with a camcorder made by Matsushita Electic Industrial Co.

However, as RCA has learned, selling goods made by a foreign competitor can be a rocky partnership. RCA has leveraged its name and distribution resources to grab the biggest share of domestic VCR sales, an estimated 20%. Its machines now get stamped with the RCA logo in a Hitachi Ltd. factory. Matsushita used to do that for RCA. But in 1984, with Matsushita gaining market share by undercutting RCA's prices with Panasonic VCRs that were clones of RCA's units, RCA turned to Hitachi. RCA suspects the deal with Hitachi will also prove temporary. "You can only source for a limited time," admits Jack K. Sauter, an RCA group vice-president. But RCA, GE, and Zenith are compelled to endure the situation. Not only do the profits from VCRs help subsidize their manufacturing losses on color TV sets, but also they lack the expertise to produce competitively.

Parallels of RCA's ordeal turn up time and again. 3M Co. markets plain-paper copy machines from Toshiba Corp. Now Toshiba is pushing its own brand name and charging 20% less than 3M. In 1981, with Chrysler Corp. financially on its knees, Mitsubishi Motors Corp. prevailed on the U.S. company to scrub the exclusivity clause in their contract so that Mitsubishi could set up its own network of U.S. dealers. "The Japanese pattern is very clear. Get an American involved to build the business, then get rid of the American," says Donald N. Frey, chief executive of Bell & Howell Co. In the 1950s and 1960s, when Japan's camera makers sought the help of American partners, Bell & Howell took on Canon Inc.'s line. Then came a 1971 meeting that Frey recalls vividly. Canon's CEO canceled the arrangement, explaining that Bell & Howell had "raised his children, but now he wanted his family back."

To many American managers, this smacks of underhandedness. But in fairness, even before trade tensions became sticky, many senior Japanese executives were politely cautioning their American counterparts about abandoning too much manufacturing too fast. More recently, Sony Chairman Akio Morita has warned that unless U.S. industry shores up its manufacturing base, "It could lose everything."

WAITING IN THE WINGS

For U.S. companies, the problem is that competitive pressures are certain to intensify. Emboldened by Japan's successes, other nations are using the same ploys. Samsung, Korea's largest electronics company, currently sells most of its TV and VCR exports through U.S. companies. However, now that its exports have reached sufficient volume to warrant investing in its own distribution network, Samsung is promoting its own brand name. And waiting in the wings is China. Joseph D. Romano, vice-president of A.T. Kearney Inc., recently toured China's factories, where machinists earn roughly $1 a day, and came away astonished at the variety, quality, and creativity of Chinese manufacturing. "They're going to make the Japanese invasion look like a tea party," he predicts.

Not all companies are oblivious to the implications of deindustrialization. A small but growing band is feverishly working to develop the technologies that will usher in the totally automated factory. Even Caterpillar has launched a major effort to automate production, both in the U.S. and abroad. And Cat is encouraging managers to think long term, planning 10 years ahead. "That's a dramatic difference" in philosophy, says Caterpillar's Ranney.

But far too many chief executives are reluctant to make such a commitment. Only a third of the nation's 278 industrial largest companies even bother to invite the senior manufacturing executive to top management meetings, according to a study by the Conference Board.

Motorola CEO Galvin worries more than most about these issues. Motorola has been running full-page ads in major business publications to discuss America's competitiveness. But with survival of the company his father founded increasingly at risk, even Galvin is laying plants to move fully half of Motorola's jobs, including some product development positions, overseas within 5 to 10 years, up from a third now. Unless the trend is reversed, warns Harley Shaiken, a specialist in industrial restructuring at Massachusetts Institute of Technology the U.S. economy could end up as solid as "a skyscraper built on mud."—*By Kenneth Dreyfack in Chicago and Otis Port in New York.*

AND NOW, THE POST-INDUSTRIAL CORPORATION

Lewis Galoob Toys Inc. is obviously a successful company. It sold $58 million worth of its sword-wielding Golden Girls "action figures" and other trendy toys last year—10 times the 1981 total. Its stock, issued in 1984 at 10, has soared as high as 15 and now sells for 13½. Yet by traditional standards of structure, strategy, and management practice, Galoob is hardly a company at all.

A mere 115 employees run the entire operation. Independent inventors and entertainment companies dream up most of Galoob's products, while outside specialists do most of the design and engineering. Galoob farms out manufacturing and packaging to a dozen or so contractors in Hong Kong, and they, in turn, pass on the most labor-intensive work to factories in China. When the toys land in the U.S., they're distributed by commissioned manufacturers' representatives. Galoob doesn't even collect its accounts. It sells its receivables to Commercial Credit Corp., a factoring, company that also sets Galoob's credit policy. In short, says Executive Vice-President Robert Galoob, "our business is one of relationships." Galoob and his brother, David, the company's president, spend their time making all the pieces of the toy company fit together, with their phones, facsimile machines, and telexes working overtime.

DYNAMIC NETWORKS

Galoob is just one of a crowd of companies emerging in toys, garments, electronics, sporting goods, and other industries that are as different from today's industrial giants as early mammals were from dinosaurs. In management jargon, these new corporations are "vertically disaggregated," relying on other companies for manufacturing and many crucial business functions. They are industrial companies without industrial production. And they just may be the organizational model for businesses in the post-industrial era. As the U.S. increasingly exports the production of commodity goods, these companies, will become more and more common, says Raymond E. Miles, dean of the School of Business Administration at the University of California at Berkeley. "What you'll have is a switchboard instead of a corporation," Miles predicts.

That may be overstating things. But there are strong forces pushing U.S. companies in this direction. These new corporations—Miles calls them "dynamic networks"—can take advantage of low-cost foreign labor and foreign technology. They can pounce more quickly on new markets or new technologies. With less bureaucracy, they are well-suited to an era in which managers and workers are demanding a bigger say in their jobs. At a time when U.S. companies find it harder and harder to earn a living manufacturing domestically, these corporations offer a way to exploit some of the same advantages foreign companies have.

In a 1984 book, The Second Industrial Divide, economist Michael J. Piore and political scientist Charles F. Sabel come to similar conclusions. The Massachusetts Institute of Technology professors forecast a new international economy in which mass production shifts to the Third World, while developed countries turn increasingly to "flexible specialization." Piore and Sabel believe "solar-system organizations," with external suppliers orbiting small central headquarters, will be prominent players in this scheme of things.

STAGE THREE

In such a universe, vertically integrated companies won't disappear altogether. Few large corporations, so far, have turned completely into network organizations. But even many big companies that continue, for now, to do most of their own manufacturing are edging toward disaggregation. Forced by the high cost of developing products and penetrating world markets, many are turning to foreign sources for finished products. Others are forming joint ventures and temporary alliances overseas. General Motors Corp., a prototypical vertically integrated company, does all of the above. Industrial giants such as Firestone, 3M, and General Electric all sell finished products bought from foreign companies. Says Henry Wendt, president of Smith Kline Beckman Corp.: "We'll see more collaborative arrangements rather than less."

The network model, if it is broadly adopted, would be only the third real organizational innovation since the corporation evolved in the mid-19th century. Around 1850, as industrial processes grew more complex and as national markets developed, businesses grew larger. They took on more managers—each assigned to oversee a phase in the commercial chain from raw material to finished product—and the vertically integrated industrial company was born.

The first important change came in the 1920s: GM pioneered the divisional structure still typical of U.S. industry, where vertical chains of command for each operating division exist in parallel. Then, after World War II, aerospace companies started the trend toward the "matrix" system. Matrices, with workers reporting to various supervisors depending on the task they performed, make it easier to assemble temporary teams for big projects.

Now network companies may have their day. They are not entirely new—publishers, garment makers, and construction companies have contracted out work for years. But the network structure is spreading, pushed in part by communication breakthroughs that make it easy to coordinate suppliers and customers around the world.

Academics and consultants are divided about the future of disaggregated companies. They are only now beginning to study the impact on corporate structure of recent changes in technology, work force, and competition. MIT's Sloan School of Management, for example, has launched a multidisciplinary research program on management in the 1990s. Michael Scott-Morton, the professor who heads the program, says it's too early to draw conclusions—but he adds that the trend toward increased flexibility and away from vertical hierarchies is clear. Others doubt that networks will be the wave of the future. "It may be a transitory stage," says Robert J. Cardinal, director of SRI International's Manufacturing Consulting Practice.

Indeed, no one knows whether disaggregation is a brave new world or a blind alley, leading U.S. companies further astray from improving their competitiveness. Because network companies typically ride waves of fashion or technology, their earnings can be extremely volatile—and their existence precarious. Nike Inc, the sports-shoe giant that has used offshore contract manufactures since it started in 1964, lost money for two quarters last year when its designers guessed wrong, and 22 million pairs of shoes went unsold. Galoob, too, dipped into the red in the fourth quarter of 1985 when it failed to meet sales projections.

TURNCOATS

Network companies may be more vulnerable to attack from integrated companies, from new network companies that need to put up very little capital to join the competitive fray, and—cruelest of all—from their manufacturing suppliers. Several U.S. sporting-goods companies, for example, turned to Taiwan's Kunnan Enterprises to make rackets. Now, Kunnan is invading the U.S. market with its own rackets. Japan's Seiko Instruments & Electronics Ltd., which makes a 20-in. color-graphics display terminal for Tektronix Inc., now offers its own comparable model priced 20% below the Tektronix unit. At one recent trade show, Seiko salespeople were sniping at the Tektronix model, trying to woo buyers to Seiko.

Diversified and integrated companies, meanwhile, tend to have more staying power in the marketplace: With a broader base, they can better afford to subsidize unprofitable parts of their operations. "I question whether in the long run [network companies] will be competitive against integrated Japanese and European operations," says SRI's Cardinal. Japanese companies would seem to agree. In fact, some of Japan's big, traditional trading companies—in some ways similar to the new network companies—are moving into manufacturing.

Longer-term, there's an even bigger worry. Without the ability to manufacture, companies can lose the capacity to design innovative products, some experts say. Others, however, downplay this as a drawback. They counter that technological advances usually come from outside established companies, which have a vested interest in extending the life of their products. What's more, they note that network companies are flourishing in areas such as toys and garments, where fashion is more important than innovation.

FIXED-ASSET FREEDOM

In any case, many U.S. companies are convinced that a network structure works best for them. Nike thinks of itself not as a manufacturer but as a research, development, and marketing corporation that, like other companies in labor-intensive industries, probably could not compete any other way. A pair of shoes that it buys in Korea and sells in the U.S. for $45 would have to be priced at $65 or more if manufactured at home.

Pitney Bowes Inc. had other reasons for going overseas when its Dictaphone Corp. subsidiary discovered demand for a super-small dictating unit. Dictaphone could design it, but it had little experience making very small components in high volume. Recalls President James L. Bast: "That said we've got to find a competent vendor who has worked with small components. It was a technology decision." Dictaphone chose Victor Co. of Japan as its supplier.

Emerson Radio Corp. designs and engineers its TVs, stereos, and other consumer electronics items, but it contracts out production to Asian suppliers, largely for cost reasons. Now, Emerson cites other advantages to the arrangement: Besides having greater flexibility, the company can spend more money on research and advertising than it otherwise might, since there is less need to invest in fixed assets. In fact, President Stephen L. Lane cannot think of a single disadvantage Emerson has compared with an integrated company. "Reliability of supply is a fear, but it has never worked out as a problem," he says.

Even International Business Machines Corp., which used to pride itself on making virtually everything it sold, adopted a disaggregated format when it decided in 1981 to enter the personal computer market. In Boca Raton, Fla.—far from its Armonk (N.Y.) headquarters—IBM set up its Entry Systems Div., which relied heavily on off-the-shelf components and contract manufacturers to get its popular PC to market quickly and keep costs down. ESD provided another plus, too: It fostered the entrepreneurial spirit so prized but so hard to cultivate at large corporations.

General Electric has followed suit. To stay in the cutthroat consumer-electronics market, it is buying TV's and videocassette recorders, based on its own designs, from the Far East. By mid-1980, only 10% of the employees in GE's consumer-electronics unit will be engaged in manufacturing vs. 60% in mid-1984. "The value added [in consumer electronics] is in marketing, sales, and distribution—not manufacturing," argues Vice-President Jacques A. Robinson. He concedes that return on sales will decline, but he says investment declines faster. "You're working your capital much harder," so return on investment goes up "most noticeably."

All in all, the network structure allows companies to zero in on what they do best and leave the rest to other experts. U.S. companies most often focus on design or marketing—but not always. A cadre of American specialists has sprung up to do manufacturing for electronics companies. California's Flextronics Inc., for example, counts only 50 or so of its 1,400 employees in sales, marketing, administration, or finance jobs. "Everybody else is in manufacturing, purchasing, and customer service," says President Robert G. Todd Jr. "We are dedicated to doing one thing and doing it well."

LOSS OF CONTROL

Schwinn Bicycle Co. is more typical. It decided that it was really a design, distribution, and merchandising company, not a manufacturer. "The leverage of the business was no longer in manufacturing," explains President Edward R. Schwinn Jr. Now Schwinn imports most of its bikes from Asia. "When you are a manufacturing company, your mind-set tends to be to sell what you can make," says Jay Townley, a Schwinn vice-president. "We're market-driven now."

Ocean Pacific Sunwear Ltd., meanwhile, is thriving by licensing the Op name to other companies, who also do much of the design work. Chairman Larry Ornitz sees his mission as cultivating the Op mystique. He does that by fielding a common sales force, advertising, and sponsoring special events such as surfing contests and Beach Boys concerts. Sales of Op clothing have bloomed from $7 million to $270 million in 10 years. Yet Ocean Pacific has only its name at risk: If a line of shorts or shirts bombs, the licensees swallow the losses.

If there is one managerial drawback to the network organization, it's the lack of close control over operations. George Morrow's San Leandro (Calif.) company, Morrow Designs Inc., relies heavily on outsiders to develop and manufacture its microcomputers, and he recalls the frustration of watching 5,000 unneeded machines pour in from contractors in the Far East. "We tried to turn the spigot off," he says, "but it kept running."

SUPPLIER SYMBIOSIS

Even slight misunderstandings can be expensive, as Caterpillar Tractor Co. learned

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when it transfered manufacturing of some undercarriage parts to a supplier in Scotland. "We assumed when they machined the product, they'd use essentially the same [machining] location points as we used," recalls Robert E. Ranney, Cat's product-availability manager. "It didn't turn out that way. We ended up with more than $100,000 worth of a product that wouldn't work." And IBM restructured ESD along traditional lines when the unit rushed ill-conceived, low-cost, and portable versions of the PC to market.

Information technology solves only part of the control problem. Nike product managers still fly the Pacific on occasion with a pair of hot prototype shoes to rush a product change or to press for a tricky manufacturing detail. Designers at San Francisco's Esprit de Corp, a fast-growing apparel company with ties to more than 150 outside factories around the world, spend six months a year on the road. "No matter how great your specification is, it will be changed by the manufacturer if you aren't standing there," says Roger Kase, president of the Esprit Div.

Often, relationships with suppliers grow to be almost as close as internal corporate ties. TIE Communications Inc. relies on Japan's Nitsuko Ltd. for most of the telephone equipment it sells, and the two companies' engineers work side-by-side to develop products. Isamu Watanabe, president of Nitsuko America Corp., whose factory is just down the street from TIE's Shelton (Conn.) headquarters, sometimes wanders the halls at TIE. Emerson Radio once had to help pay a supplier's payroll. When price competition heats up, Emerson's management quickly teams up with its Asian suppliers. "We help them find ways to reduce the cost of products," says Lane. Such symbiotic relationships do much to reduce the risk of having a supplier turn into a rival.

These situations demand management skills far different from those commonly valued today. At network companies, strong financial, operations, or legal skills may well take a back seat to the ability to spot trends quickly, to set an entrepreneurial example, and to develop strong outside relationships. Says GE's Robinson: "It's partnership management, not the classic pyramid where you issue orders every day."

As a result, different kinds of executives are likely to rise to the top. Doug Tompkins, a prep-school dropout and avid outdoorsman who co-founded Esprit, considers himself a corporate "image director." The Galoob brothers, who hold degrees in cinematography and psychology, pride themselves on the strength of their relationships with outside manufacturers. Scott McNealy, president of Sun Microsystems Inc., has presided over a meteoric rise in computer workstations though he barely comprehends the work of his systems and software designers. He feels that a central part of his role is setting a tone and sense of urgency for Sun. "Companies take on the character of their top managers," he says. These ebullient managers probably wouldn't function well in traditional corporations.

Some large companies are, however, finding that they may have to function as networks. Disaggregation helped save a big chunk of business for Sulzer Brothers Ltd., a Swiss company that once was a world leader in manufacturing big, low-speed marine diesel engines. Years ago, Sulzer turned to licensing its designs and servicing engines made by licensees. Otherwise, says President Pierre Borgeaud, Sulzer would have been squeezed out of the market entirely by low-cost Asian rivals and by developing countries intent on building their own manufacturing base. These days, Sulzer still claims 45% of its market.

ONSHORE REMEDY

In other mature businesses, too, the network structure might help keep some of the action—and the jobs—onshore. Some experts argue that America's big steel companies, which control steelmaking from the coal and iron mines to finished slab steel, could have stemmed their decline by disaggregating. Rival "minimills," which make their raw steel from cheap steel scrap, have grabbed nearly 20% of the U.S. steel market, and they're still gaining. But for big producers to disaggregate now, by using more scrap, would mean huge writeoffs of investments in integrated mills. And, having lobbied for stiff import quotas, they have reduced their chances to buy a lot of cheaper foreign slab, at least until 1989, when current restraints end.

Some companies that still have the network option are turning to outsiders to fill out their product lines, to stanch losses in tough markets without giving up a brand franchise, or to focus on more profitable products. New companies may want to organize as networks to gain agility and cost advantages. What's good for them, however, may not be good for the economy as a whole. If it goes too far, the U.S. could be left without a vibrant manufacturing base. That would leave the nation more dependent than ever on the fewer and lowerpaying jobs in the service economy.—*By John W. Wilson in San Francisco, with Judith H. Dobrzynski in New York*

How Automation Could Save the Day

(Alarmed by the snakes that were devouring many of his contemporaries, a young frog consulted the wise old owl. "What can I do to avoid being eaten by a snake?" asked the frog. The wise owl pondered and then advised: "Fly away." The frog was delighted with this simple solution—until he tried to flee from an approaching snake. "Sorry," said the owl as the frog disappeared down the snake's gullet. "I only deal with concepts, not reality.")

That fable drew appreciative chortles from an audience of engineers and managers when Joseph D. Romano, vice-president of A.T. Kearney Inc., suggested that it describes the state of computerized manufacturing. He spoke at last November's Autofact '85 in Detroit, a showcase for the latest developments in factory automation. The meeting certainly highlighted the stark contrast between concept and reality. The exhibit halls brimmed with robots and flashy computerized equipment designed to save America's croaking manufacturers from being swallowed whole by foreign competitors. But a walk through most U.S. plants would quickly show that the much-heralded "factory of the future" remains just that.

And that's unfortunate. Rapid exploitation of existing automation technology could halt—and even reverse—the hollowing of domestic manufacturing by preparing the way for fully automated factories. But the sad fact is that most American companies are dragging their feet. At the same time, some experts are concerned that foreign corporations are more aware of the strategic implications of advanced manufacturing and are moving rapidly to implement it.

TRYING TO LEAPFROG

They can do so because the fully automated factory is finally emerging from the mists of theory and conjecture. One of the toughest problems—getting disparate computers and machines to communicate with each other—is well on the way to being solved. That will make way for the ultimate factory technology: computer-integrated manufacturing. With CIM, the U.S. can "compete favorably with any offshore manufacturer," declares Patrick J. Zilvitis, president of Martin Marietta Data Systems. "We're not trying just to catch up with the Japanese," adds Joel A. Schnur, manager of computer-aided manufacturing at Hughes Aircraft Co.'s Electro-optical & Data Systems Group. "We're trying to leap-frog them."

The basic premise behind CIM is that by totally automating and linking all of the functions of the factory and the corporate headquarters, a manufacturer would be able to turn out essentially perfect, one-of-a-kind products—at the lowest possible cost and almost overnight (drawing). With a computerized factory, greased liberally with expert systems and other forms of artificial intelligence, a company could:

Conceive new products on a computerized design (CAD) system that would allow designers to optimize their ideas.

Pass the CAD data electronically to a computer-aided engineering (CAE) system to verify that the design will do the job intended and can be made economically.

Extract from the CAE data the information needed to make the product. The information would be sent to a computer-aided manufacturing (CAM) system. The CAM system would send electronic instructions for making the product to computer-controlled machine tools, robotic assembly stations, and other automated equipment on the shop floor.

Coordinate with computerized management systems, such as manufacturing-resource planning, which keeps a running tab on the consumption of parts and materials, and manufacturing-process planning, which helps schedule production for optimum efficiency. In addition, the mainframe computer in the factory would continuously update the corporate data banks used by marketing, finance, purchasing, and other headquarters functions.

This facile factory will have a profound impact on how manufacturers do business. "No part of the entire company will be untouched by the change," says Thomas G. Gunn, director of the manufacturing consulting group at Arthur Young and former vice-president for CIM at Arthur D. Little Inc.

For starters, a CIM factory will be so flexible that it will be able to make the first copy of a product for little more than the cost of the thousandth. As a result, says Erich Bloch, who left International Business Machines Corp. in 1984 to become director of the National Science Foundation, "organizations optimized for economies of scale may become obsolete."

SLASHING LABOR COSTS

With a CIM factory that can be reprogrammed to switch from making one product to another at the drop of a hat, companies would have the ability to respond instantly to changing market conditions, tailor products for each buyer, cultivate a wider mix of customers, and introduce new products at will. CIM will thus haul down the capital and market-share barriers now guarding many markets, notes Booz, Allen & Hamilton Inc. As a result, marketing and customer service will assume much greater importance. Indeed, companies expect to run their future factories as Johnny-on-the-spot servants of sales: Nothing will be produced without an order in hand.

Moreover, the new technology would bring a crashing halt to the madcap chase after cheap foreign labor. Because labor costs would be virtually zero and other offshore savings—cheaper materials and lower overhead—would be overwhelmed by the benefits of quick turnarounds and low inventories, the computerized factory could produce things in Indiana for less than they cost to import from India. "So the ideal location for the factory of the future," says Patrick A. Toole, vice-president for manufacturing at IBM, "is in the market where its products are consumed."

The strategic implications of all this will reverberate throughout industry, uprooting cherished precepts in marketing, finance, business planning, and other headquarters functions. The benefits of CIM will be so overpowering, says L. Serwood Lannarston, director of new business development at Westinghouse Electric Corp., that any shrinking violets "will just disappear."

What worries many industrialists is that, although the U.S. currently enjoys a technological edge in CIM, overseas rivals are closing the gap. Among American companies, the hang-up is partly cost, because CIM doesn't come cheap. Partly it's technological, since the pieces are not yet all in place. Partly it's a shortage of good people, because the brightest engineers have shunned manufacturing for the glamor of design. But mostly it's management inertia. Implementing CIM demands a long-range commitment and entails wrenching changes in organization and culture. That intimidates many managers.

Only about two dozen U.S. companies have factories that even come close to the goal of total automation. Add up all the companies making more than token investments in computer integration and the number falls short of 250, estimates International Data Corp., a market researcher. Nor is this state of affairs apt to change soon, despite a coming surge in capital spending. Yankee Group, another market research firm, projects that sales of factory computers will soar 2½ times, to nearly $13 billion, in 1990. Add in robots and other equipment, and Westinghouse pegs the total CIM market in 1990 at more than $38 billion—nearly triple last year's figure. However, Yankee Group notes that the bulk of these investments will come from only 2% of the manufacturers. The big spenders will continue to be giants such as General Electric Co., which plans to invest roughly $1 billion over five years to automate six appliance plants.

That leaves the vast majority of U.S. manufacturers sitting on the sidelines. Too many chief executives have a "Band-Aid mentality," charges Dennis S. Bray, director of integrated manufacturing systems at Ingersoll Milling Machine Co. They think they can wait for CIM to happen and then jump in. But that could backfire, Bray warns. Installing CIM will take three to five years, so companies that put off a decision risk being left in the dust of more farsighted competitors.

America's cash-strapped small companies are in particular peril. These operations are the lifeblood of American industry. Some 100,000 so-called job shops, each with fewer than 50 employees, account for fully three-quarters of all U.S.-manufactured items. Small companies employ the majority of blue-collar workers, create the lion's share of new jobs, and generate most innovations. Yet these companies have little choice but to wait until turnkey CIM systems are available. Most can't afford the custom-engineered systems that dot the aerospace and defense industries.

Even a flexible manufacturing system (FMS), which is a sort of CIM factory in miniature, can run $5 million or more. An FMS consists of machine tools, robots, and other programmable devices under the integrated control of a computer. So far there are 30 to 35 such systems in the U.S., says Kearney & Trecker Corp., with only 30 each in Japan and Europe. But the U.S. Commerce Dept. paints a grimmer competitive picture: 47 FMSs in America, compared with 50 in Japan and 84 in Europe.

The main development tugging CIM into the light of reality is the Manufacturing Automation Protocol (MAP) that General Motors Corp. began developing in 1982 and will eventually require for the factory equipment it buys. The immediate goal is to allow a factory's various "islands of automation" to talk with each other. But a decade hence, General Motors even wants different computers to be able to process each other's data.

As it stands now, the designs from a CAD system normally can't be fed directly to, say, a numerically controlled milling machine. First the data must be translated into the special commands that the particular machine understands—and each machine is different. It's as if the poor user must try to play a piano with instructions that give the fingering for a flute. Researchers are working to develop computer software that would give factory equipment the equivalent of a standard musical scale. For example, the Automated Manufacturing Research Facility, a lab run by the National Bureau of Standards, has developed a "smart" milling machine. When given the CAD data for a part, the machine's controller translates that data into the control codes needed to make the desired part.

However, even if all the technological holes were plugged, it probably would still be tough to persuade top management to make major investments in CIM technology. First, management has to rethink the way it justifies capital investments. In the past, manufacturing costs could be divided roughly in thirds: labor, materials, and overhead. Labor was the chief elastic factor, so investments tended to be justified on the basis of labor savings. But labor costs have now been trimmed to the point where they represent as little as 5% and usually no more than 15% of total costs. So management must look elsewhere for savings.

INTO THE BACKSEAT

Moreover, nearly all financial yardsticks ignore the benefits of such intangibles as flexibility, better quality, and shorter lead times in getting new products to market. Yet these intangibles provide the most concrete reasons for automating. The cost of bad quality, for instance, is a major drain. In some plants, close to a third of all workers are engaged in finding and fixing errors.

The handful of companies that have made a boardroom commitment to automation are showing some spectacular successes. LTV Aerospace & Defense Co.'s Vought Aero Products Div. has one of the more advanced FMS installations. Its $10.1 million, 8-machine system interchangeably makes 564 parts for the B-1B bomber—and could produce almost anything that can be carved out of a block of metal up to 32 in. on a side. The system has run 24 hours a day, six days a week since July 2, 1984, without mishap—"an unqualified success," says A.J. Roch, Vought's director of industrial modernization.

So proponents are confident that the factory of the future is on the way. Leonard H. Magnuson, a marketing manager at Intel Corp., believes we are at "the turning point in the next era of the Industrial Revolution." But that shining new era may not help the U.S. unless more manufacturers are willing to commit themselves to the new technology. Otherwise, CIM could end up as a painful example of yet another technology that was developed in the U.S., only to be put to work by America's competitors—By Richard Brandt in San Francisco and Otis Port in New York, with bureau reports.

The False Paradise of a Service Economy

Manufacturers may be fighting for their lives, but service industries have never been riding higher. Hopes are high that prospering service businesses will keep the U.S. economy chugging along. "We will look back on the late 1980s as the 'booming '80s,'" futurist John Naisbitt confidently predicts, with a record number of new companies and jobs emerging from what he calls the "information services" sector.

But some economists caution that these gains will not do much to boost the nation's standard of living or restore its economic supremacy. A service-driven economy, they argue, must count on sales to basic industry to survive. Vast support networks—including utilities, distributors, and financial, accounting, and consulting firms—will inevitably be hurt if manufacturing continues to atrophy. Experts point to weak productivity in services and lower wage levels than in manufacturing. And, just as worrisome, services are expected to face aggressive competition from abroad, not only in export markets but also at home.

Despite the incredible growth in service employment—25 million new service jobs since 1970—economists voice concern that the pace cannot be kept up if manufacturing is allowed to wither. "Both sectors suffer together," observes Roger E. Brinner, chief U.S. economist for Data Resources Inc. "People like to think that business services such as consulting are not cyclical because, when times are tough, the need for business information expands. That may be true, but the ability to pay for it falls off even more rapidly." Even health care, which has doubled as a share of gross national product since 1960, is starting to come under pressure as hard-pressed manufacturing companies struggle to contain medical benefit costs. Courtenay M. Slater, former chief economist at the Commerce Dept., advises: "We should not look to services to take up all the slack of a weak manufacturing sector."

HISTORY REPEATS

The manufacturing-service linkage is pervasive. In fact, many of the highest-flying service industries depend on manufacturing for a major share of their business. Follow the wires of any major manufacturing company, and you will find them hooked up to a network of service companies ranging from financial factors to ad agencies. General Motors Corp.'s largest single supplier is not a steelmaker or tire manufacturer but Blue Cross/Blue Shield.

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True, expanding financial services helped bring New York City back from the brink of fiscal disaster in the last decade. But worldwide telecommunications links make it possible to perform such services almost anywhere on the globe, and foreign governments want the business for their own institutions. According to the Bank for International Settlements, Japan's banks recently jumped ahead of American banks in holdings of international lending assets.

Robert Reich, a professor at Harvard's Kennedy School of Government and an ardent proponent of government-sponsored industrial policy, worries that the U.S. economy will go the way of Britain's. Once the center of international banking and finance, Britain held on to its leadership position for a half century after its manufacturing sector started to decline. Then New York took center stage. "Now," says Reich, "we're seeing it happen all over again, as financial services grow and move to Japan. If your goods-producing sector declines, it is virtually inevitable."

No doubt, the service economy has supplied tremendous thrust to the present expansion. Of the 11 million jobs created since the 1981–82 recession, nearly 80% were in services. Today, service enterprises deliver paychecks to 70% of private-sector workers. And no letup is in sight. The Labor Dept. forecasts that 9 of 10 new jobs between now and 1995 will be in services.

Moreover, many service jobs are not even counted in the official tallies, because they are buried in the figures for manufacturing employment. While word processing, computer programming, and secretarial jobs, for example, are clearly service occupations, the Labor Dept. includes a portion of them with manufacturing employment, since these positions contribute to the production of physical, not intangible, output. And more and more, old-line companies are moving into service operations. General Electric Co. and Borg-Warner Corp. now derive a third of their revenues from service businesses, and the figure for Westinghouse Electric Corp. is nearly 50%.

MARKET OF MIDGETS

However, the shift to services and the resulting employment surge have yet to usher in a higher standard of living or recoup lost purchasing power. Even after three years of economic recovery, the average hourly wage, adjusted for inflation, is lower today than 10 years ago. One big reason: The continuing shift of jobs to the service sector drags down the average. The pay gap between industrial and service sector workers remains wide: Average hourly pay is 11% lower in services in the private sector than in manufacturing (chart page 81). This earnings disparity is made even worse by short workweeks, because many service employees in retailing, finance, and health care work only part-time.

Future wage gains will be restrained, say economists, because the fast-growth industries are more competitive than the traditional manufacturing industries and can't afford premium wages. No company in the new go-go industries will come anywhere near the monopoly status that the giants in steel, rubber, and autos attained—nor will any earn similar monopoly profits. The fast-growing software area, for example, "is a market of midgets," notes Gerald R. Faulhaber, director of the Wharton School's Center for the Study of the Service Sector. "There are thousands of firms, highly specialized, scattered across the country."

In such a fragmented environment, the unions that once drove manufacturing wages up are easily held at bay. Except for the regulated utilities and transportation sector, organized labor has barely gained a toehold in the private workplace, where fewer than 10% of employees carry union cards, compared to 25% in manufacturing. "It's difficult to find a strong union that's not in a cartelized or monopolized industry," says Michael Drury, economist at the consulting firm of A. Gary Shilling & Co.

Furthermore, monopolies in old-line service industries, such as transportation and communications, are being frayed by deregulation and spirited price competition. In the long run, these companies will become more efficient, and the improvements in productivity will translate into higher wages. Meantime, unions that once were firmly entrenched are now being thrown off balance by deregulation. The disappearance of pass-along pricing is putting a cap on wages and forcing workers to submit to two-tier salary agreements. Says Drury: "You won't see premium wages except where there are premium profits. Anyone newly hired by American Airlines will get People Express wages."

LOWER STANDARDS?

Service-sector enthusiasts counter that high-paying jobs in engineering and data processing will be among the fastest-growing in the next decade. But many of these fields are expanding from a narrow base, so they are not the ones that will generate the most new jobs. According to the Labor Dept.'s latest employment outlook, the 10 occupations that will supply the largest number of jobs through 1995, amounting to roughly a quarter of the openings, are all in services—but none is high tech (chart). The top gainer is cashiers, whose wages are less than 60% of the average.

Of course, plenty of well-paying jobs will open up for lawyers, accountants, and other professionals. But that won't change the underlying trend. "More and more workers are being channeled into low-wage occupations," observes, forecaster Lawrence Chimerine, chairman of Chase Econometrics. "A larger portion of workers in services work at lower-paying jobs than in manufacturing or the commodities sector. As the shift is made to services, we can except it to put pressure on living standards."

Thus, a flourishing service sector will not snap the economy out of its "slow-growth mode," says Chimerine. Chase predicts that the GNP will grow by an average of less than 3% a year through 1995, with per capita income gaining only 1½% a year. The big drag on growth, according to Chimerine, will be the limited income-generating power of services.

Only sizable gains in productivity could move incomes much higher, and services so far have been unable to deliver on this front. The Amerian Productivity Center (APC) in Houston estimates that total productivity in the service-producing sector improved at a rate of only 0.1% a year from 1979 through 1983, while goods-sector productivity rose five times as fast—despite two recessions in the period. A few service industries, such as communications and business services, have outperformed manufacturing, but they are offset by declining productivity in utilities, transportation, and finance. Adds APC Senior Vice-President Carl Thor: "Service industries are in a state of unusual disruption because of changing regulation and new competition from strange places, like Sears in banking."

These businesses are hoping that the information revolution will help them regain lost ground and do for the service economy what mass production did for manufacturing: drive down costs and expand output. The McGraw-Hill winter capital spending survey estimates that service businesses spent close to $40 billion on new computer and office equipment technology in 1985. But the productivity payoff has yet to be realized.

The push to automate services will stimulate the need for labor that is "compatible" with the new technology and will dry up demand for workers who are undertrained. "Employers will place a greater premium on literacy, 'numeracy,' and deftness with computers," predicts New York University economist Thomas M. Stanback Jr.

The economy's tilt toward services may worsen the already dire employment outlook for black adult males, whose 13% jobless rate is more than twice as high as for white adults. Notes Stanback: "Black males did well if they could find a job in a factory. The part of the economy they succeeded in, in the greatest numbers, is the part being phased out. They are the one having the hardest time in the transition."

Women, who landed the bulk of the new service jobs, should have benefited most from the boom in these industries, yet they have made little progress. Their growing participation in the labor force has fueled the growth in jobs, but they have not broken through the barriers that limit their wages. Five of the 10 largest growth areas identified by the Labor Dept. are sex-segregated jobs, with three-fourths or more of these jobs held by women. The National Academy of Sciences concludes that sex discrimination in such occupations is a major cause of the 40% pay gap between men and women.

PLAYING ROUGH

A further threat to the long-run growth of service jobs comes from abroad, where government-backed companies are capturing a larger share of the services that U.S. companies were providing. Artfully concocted barriers stymie U.S. service companies' efforts to exports. The U.S. share of global trade in special business services, such as engineering, consulting, brokerage, and deals for licensing rights, has fallen from 15% in 1973 to 8% in 1983, putting it behind France, West Germany, and Britain. As far off as Korea and as close to home as Canada, discriminatory rules abound. Brazil bars foreign-owned investment banks from dealing in currency exchange. Branches of U.S. accounting firms in France are not permitted to use their internationally recognized company names. In Japan, they must submit all audit reports to a Japanese company for approval. In Korea, foreign-owned banks cannot acquire title to real estate and other property.

Businesses wanting to move information also come up against legal hurdles: Customer account data that originate in West Germany are supposed to be processed first in that country. Bank account data from Canada must be stored in duplicate within Canadian borders, raising costs from non-Canadian vendors.

Washington has made little headway in lowering foreign barriers to U.S. service companies. The U.S. is working to persuade its trading partners to put the issue on the table for the 1987 round of trade talks sponsored by the General Agreement on Tariffs & Trade.

So far, other countries are determined not to be shut out by the U.S. technological lead in services. "We are in the position we once had in manufacturing, when we had a technology that wasn't shared," says Brinner. "We're smarter in creating insurance packages, we have a more flexible, well-developed capital market, and we're smarter at building computer data bases." But all that may not be enough.

The rest of the world has learned a lesson and is resisting U.S. service companies' efforts to expand oveseas—whether it's by blocking the transmission of time-share data or restricting membership on the Tokyo Stock Exchange. They have adopted the "infant industry" argument that is often pleaded by startup companies before regulators, adds Brinner.

KEYPUNCH EXPORTS

What's more, service jobs already in the U.S. are not necessarily here to stay. Dogged by the same competitive pressures that face manufacturers, managers are scanning the globe for cheaper labor. Denver-based National Demographics & Lifestyles, which conducts market research for Zenith, GE, and Minolta, among others, opened up shop in Barbados in 1978. Its 104 workers keypunch the results of consumer questionnaires and process 10 million documents a year.

Executive Vice-President Rob Johnson figures that his Barbados workers, whose wages are "30% of what we pay here," save his firm up to $1 million a year, about 10% of its revenues. Johnson is searching the horizon for his company's next keypunch center, possibly in Britain or Western Europe, to service future research operations there.

So far, it's only the low value-added jobs that are being shipped out. Data entry and clerical work are the natural candidates. Fears that these jobs will be eliminated by outsourcing or automation leads Executive Director Karen Nussbaum of 9 to 5, a national association of working women, to predict that clerical employees will make up "the next generation of dislocated workers."

To keep jobs and bolster incomes, the U.S. will have to make better use of its competitive advantage in creating technology. To nurture services, Brinner advises, "we should export jobs that require simple training, since they will find their cheapest home anyway, and build on jobs that require education. The creation of technology requires education. That's where we can build a base."

The U.S. can urge its service sector on with more forward-looking education policies, but this still leaves open the question: How prosperous can it be if it relinquishes manufacturing? A services boom will not lessen the pressures from low-wage foreign rivals and sluggish U.S. productivity growth. Economic resurgence will depend on more than this sector's expansion. For what ails this economy, don't look to services for the cure-all.—By Joan Berger in New York.

Is the Financial System Shortsighted?

(Any elementary economics textbook will tell you that finance exists to serve industry; now we're busy making industry into a plaything for finance.—Lester C. Thurow, professor of economics, Massachusetts Institute of Technology)

To many, Thurow's assessment would seem unfair. For one thing, the U.S. has what is undoubtedly the most efficient financial system in the world. With the stroke of a key, millions of dollars can be lent across borders. With a phone call or two, an investor can line up partners and a commitment for billions of dollars to buy a company. Furthermore, this ready credit has helped fuel the strongest economic recovery of the postwar period. Investors have poured about $10 billion into high-tech and other startup ventures since 1982. And last year, mergers and acquisitions valued at a record $138.8 billion were completed.

Still, there is a nagging problem. It may be that our highly efficient financial system is not serving the best economic interests of the nation. The deals that make financial sense to individual investors and companies may, in fact, be detrimental to the country's long-term economic health and competitiveness, especially with such nations as Japan.

"We've comforted ourselves for years that we have the broadest and deepest capital markets in the world, and that no one can touch us," says Roger C. Altman, an Assistant Treasury Secretary in the Carter Administration and managing director at Shearson Lehman Brothers. "But that's no longer the case—in terms of competitive benefits to industry—when you compare us with Japan."

Critics of the financial system point to a number of problems. The system is too tightly focused on the short term, they say. In the U.S., hot money chases short-term yields, often playing havoc with long-term planning and growth. In Japan, by contrast, capital is "patient." It is invested for the long haul and nurtures industry through extended periods of low returns or even losses.

In the U.S., some critics charge, the financial system encourages executives to reshuffle assets through takeovers rather than build new ones. The tax code encourages excessive borrowing for such deals, others say. And a few iconoclasts argue that U.S. businesses aren't borrowing nearly enough and should be more highly leveraged. The cost of capital, almost everyone agrees, is too high. The system needs more deregulation, some argue, while others warn that deregulation has gone too far.

THE SHORT-TERM BIAS

Any blue-blooded Wall Streeter will argue that there's nothing wrong with aiming for the highest return and the quickest profit. After all, the primary mandate for any corporation is that it increase shareholder wealth. But shareholder wealth has acquired the very narrow meaning of high short-term yields, where once it encompassed long-term gains, as well.

A comparison of Japanese and U.S. stock performance over 16 years yields a startling result: U.S. shareholders have been shortchanged. The value of U.S. stocks, in local currency, doubled during the period. By contrast, Japanese stocks grew sixfold in value (chart). This means that even while U.S. management has paid homage to the notion of benefiting shareholders, the stocks of U.S. companies have far underperformed Japanese rivals, who put little emphasis on rewarding shareholders.

U.S. investors won't sit still for such long-term commitments—at least that's what corporate management usually says. Investments are made for the fast payback. Even more troublesome, some ventures fail early, and others never see the light of day because they are unlikely to reward investors soon enough. "There are new businesses where Americans know they simply can't match Japanese competitors in terms of the cost of capital and the patience of capital," says economist Stephen Cohen, co-director of the Berkeley Roundtable on the International Economy at the University of California at Berkeley.

The billions of dollars that flowed into Silicon Valley, Route 128, and other hothouses of innovation and entrepreneurial dynamism would appear to dispute Cohen's assessment. But even venture capital may not be so patient anymore. Altman, who lectures at Yale School of Organization & Mangement, says that most U.S. venture capitalists have a relatively short time horizon. Some of them now want to liquefy an investment—by taking the company public or merging it—within three to five years, hardly enough time for many important new industries to show a positive cash flow.

Indeed, new businesses in the U.S. may face some of their biggest hurdles as they approach maturity, after they have exhausted venture capital support and have already gone public. Altman cites Unimation Inc., which only four years ago was the leading robotics manufacturer in the U.S. and one of the largest in the then-fledgling industry worldwide. In 1982, with meager earnings and rising debt, Unimation needed a capital infusion of $30 million to $40 million to expand, retool, and improve its technology over the next three years.

No commitments from bankers or equity investors were forthcoming, however, and Unimation was bought by Westinghouse Electric Corp. It floundered under its new owner, and the Japanese now dominate the industry. Special financing deals, a government commitment to the industry, and other incentives spurred robotics in Japan. Similar commitments are behind the development of other leading-edge industries in Japan. Short-term profit is not a priority.

The U.S. financial system not only puts short-term results ahead of long-term development but also seems to favor the reshuffling of existing assets over the creation of new ones. Most takeovers, of course, are touted for the financial and economic sense they make. Marking up asset values and redepreciating them cuts an acquirer's tax bill. So does financing the deal with debt, whose interest cost is tax-deductible. Some mergers even pay off in greater operating efficiency. But for all that, the long-term value for the economy at large of the biggest recent business combinations is uncertain.

"Most of Corporate America is worrying about buying existing assets rather than investing in the future," says Lawrence Chimerine, chairman of Chase Econometrics. "We may be making some companies more efficient, but we're not getting a stronger industrial base."

That base may be weakening, many economists argue, because rising debt burdens are financing this asset reshuffling. "Today, interest costs account for about 26% of corporate cash flow, up from 19% in the 1976–78 period," says Henry Kaufman, executive director of Salomon Brothers. MIT's Thurow believes that heavy debt loads will make many companies much more vulnerable during the next recession, as they strain to meet interest payments.

Not everyone agrees. Some Wall Streeters are beginning to argue in favor of more leverage, and they don't see it as dangerous for Corporate America to take on more debt. "German and Japanese companies are much more highly leveraged," says Frederick H. Joseph, chief executive officer of Drexel Burnham Lambert Inc. "U.S. companies are underleveraged, and I think our fi-

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nancial system can stand more intelligently applied debt." Joseph's firm has been the dominant force in the high-yield, or junk-bond, financing of takeovers—a business now threatened by the Federal Reserve Board's recent restrictions.

Joseph is not alone in this argument. "Managers are afraid that if they take on too much debt, even if it's the strategically correct thing to do, it will appear that they aren't good financial stewards," says Richard R. Ellsworth, associate professor of strategic management at the Claremont Graduate School. "I'm not sure that any particular amount of leverage is a given."

COST OF CAPITAL

The argument in favor of higher leverage is an outgrowth of the debate about the relative cost of capital here and in Japan. U.S. companies pay about twice as much for capital as their Japanese competitors do, according to some studies. The key factor seems to be the high cost of equity financing relative to debt financing. In selling new stock, most manufacturing companies incur a far larger claim on future earnings than they would if they simply borrowed the money, especially since interest is tax-deductible. Since U.S. companies use more equity relative to debt than Japanese companies do, the cost of capital is higher in the U.S.

Does this mean that American companies should take on more debt? Not necessarily. There are big structural and institutional differences between the U.S. and Japan. In Japan, the large banking chains operate in a cartel-like environment; banks are owners as well as lenders to Japanese industry. Large private-sector loans are implicitly guaranteed by the government. In the U.S., financial control is not concentrated among a very few banks, lenders are not owners of industry, and the U.S. government comes through with guarantees rarely and only on an ad hoc basis. Says Albert M. Wojnilower, managing director at First Boston Corp.: "The argument for more leverage in the U.S. is a treacherous one. To match what is happening overseas without matching the sociopolitical backdrop is dangerous."

DEREGULATION

It is precisely this kind of institutional difference that prompts some economists to argue that the U.S. financial system should be reformed. Salomon's Kaufman argues that the nation should "resurrect the primacy of equity capital" by eliminating the capital gains tax and double taxation of dividends. At the same time, he urges more conservative standards for financial institutions and a far more judicious use of leverage.

Thurow favors a revival of merchant banking, which was prohibited by the Glass-Steagall Act of 1933. This would allow banks to become owners of industry as well as lenders. By strengthening the links between finance and industry, the U.S. would give financiers an incentive for providing emerging industries with "patient capital" and foster stronger economic growth.

The critical point in the arguments of Thurow and Kaufman is that somehow incentives for investment must be targeted toward new capital rather than the shuffling of old assets. No one is urging that the U.S. wholeheartedly embrace Japan's financial system. But the U.S. economy's performance—and the opportunities lost to American industry—are forcing a reappraisal of a financial system once believed to be unassailably the best in the world.—*By Karen Pennar in New York*

A STRATEGY FOR REVITALIZING INDUSTRY

A Japanese banker and a member of Japan's Ministry of International Trade & Industry had a quiet talk recently. The man from MITI was trying to persuade the banker to grant a loan for a long-range industrial development. The bank was balking. The MITI man asked the banker: "Do you expect your bank to be around longer than Japan?" End of argument.

This illustrates a familiar point: The Japanese are fiercely competitive, but cooperation takes precedence when the issue is national economic survival. Americans are no strangers to the idea of national purpose, especially in wartime. Where they differ from the Japanese is that national unity and long-range thinking do not extend to the economic front.

Can the U.S. afford to be so cavalier about its future when its trade rivals are playing a different game? Trade was only 8% of gross national product in the early 1970s. Today, exports and imports total almost 15% of GNP. The trade gap is almost $150 billion a year, and, according to a study by the Institute for International Economics, a continuation of current trends would put the U.S. $1 trillion in debt to the rest of the world by the end of 1990.

The cost of servicing that debt would exceed $90 billion a year. At some point, foreigners are likely to tire of sinking their dividends and interest payments back into the U.S. and will want to be paid in goods and, to a lesser extent, services. The U.S. had better have something to sell.

This means that the U.S. must regain its competitive edge in manufacturing, and to do so it must revitalize its industrial base. The plunge in oil prices and the decline in the value of the dollar may help somewhat. A serious effort by Washington to cut the budget deficit would also help. And a handful of companies have proved that computer-integrated manufacturing could someday make U.S. factories competitive again. But these actions do not add up to a solution.

INSTANT GRATIFICATION

The U.S. will continue to lose markets and see its industrial base shrink if business persists in the process of hollowing its own manufacturing capability and focusing only on short-run returns. This is an economics of instant gratification, an abdication of responsibility to future investors, workers, and consumers.

If globalization of industry means that U.S. manufacturers will wind up simply licking the labels and sticking them on products that are made abroad, the nation can look forward to a declining standard of living. Nor can services save the day. Our ability to market cookies and hamburgers in inventive ways and our propensity to sue each other will in no way help us pay our debts.

What is the answer? Let's look at one that's been rejected: industrial policy. The idea of a national policy to spur new industries revive the old, and use government to coordinate the private sector's response to the foreign challenge became a hot option for the Democrats just before the 1980 and 1984 Presidential campaigns. Each time, they quietly sidled away from the issue because no one could conceive of a way to do it without slipping into a type of central planning and capital allocation that would be anathema to this society.

Nonetheless, the U.S. already has dozens of industrial policies, ranging from tax laws that favor one industry over another to spending programs that redistribute income among individuals, sectors, and regions in a helter-skelter fashion. There must be an alternative to this ad hoc approach and the state-directed strategies used abroad. To paraphrase Leo Durocher, we can't beat something with nothing.

Perhaps what is needed is simply to get U.S. policymakers, business leaders, and labor to start thinking strategically about U.S. competitiveness. The late Otto Eckstein, founder of Data Resources Inc., called for a "stronger representation of an industrial viewpoint in general economic policy." Even conservative guru Kevin P. Phillips advocates trade and industrial strategies to meet the foreign competition Business Week has culled a list of such suggestions and offers its own menu of ideas for revitalizing U.S. industry:

ECONOMIC POLICY

Until Washington stops sopping up the bulk of private savings to finance the federal debt, the U.S. will continue to trail its foreign rivals in investment growth. The Gramm-Rudman Act, if it is ever implemented, would move in the right direction but would cut the deficit so fast that it is likely to cause a recession by 1988. That would guarantee further erosion of U.S. industry. Congress should modify Gramm-Rudman to require a deficit below 2% of GNP by fiscal 1990 rather than a balanced budget.

With the cooperation of the Federal Reserve Board, a realistic budget program would free capital for private investment and trim real interest rates. This would lower the dollar and improve U.S. manufacturers' chances for regaining markets at home and abroad.

TAX REFORM

The House-Passed tax revision plan, like President Reagan's before it, is a halfhearted shot at reform. The sharp reduction in benefits for capital investment would increase incentives to stop manufacturing in the U.S. and buy or make products overseas. The proposed reduction in corporate income taxes is welcome but falls far short of offsetting the potential damage to investment. Congress and the White House should eliminate the corporate tax entirely. This would end the double taxation of dividends and cancel the advantage of debt over equity investment. It would allow investment decisions to be made on the basis of business rather than tax considerations.

If this idea is too earthshaking, Congress should find some way of revamping the depreciation system other than going back to pre-1981 write-off schedules that shortchanged industry on recovering its capital costs. An alternative: first/year expensing. This approach has been tried in Britain and has not done its industry much good. But the U.S. isn't Britain—yet.

Under a perfect income tax, capital gains would be taxed as ordinary income. Under a perfect consumption tax, they wouldn't be taxed at all. But since we are unlikely to get such radical reform, why not lower the capital-gain tax rate but lengthen the holding period for long-term gains? This would help steer venture capital into promising small enterprises and keep it there until they can go public.

PATIENT CAPITAL

It's also time to repeal or at least rewrite the Glass-Steagall Act to permit merchant banking in the U.S. If banks or other institutions could take large equity positions in the companies they lend to, it would be in their interest to stick with projects that

might take four or five years to reach a payoff. Many such ventures now run to Japanese and other foreign companies for funding—turning over vital technology in return. The U.S can't afford to lose leading-edge industries this way. The law could still prohibit 1920s-style abuses, but it should foster productive links between finance and industry.

HUMAN CAPITAL

The U.S. can no longer afford a large pool of undereducated and even illiterate workers. "Smart" machines in the workplace will call for workers who are better educated and more highly trained than today's work force. The U.S. simply is not spending enough for education and job training. We are at serious risk of running short of highly skilled workers while creating a large underclass of unemployable dependents. Human capital requires at least as much nurturing as currently favored financial investments.

LABOR ROLE

Management and unions can no longer afford old-style adversarial relations. They do seem to agree on one thing: They want to combat low-wage foreign competition with protectionism. That's the wrong way to go. What they should be agreeing on is a new system of labor-management relations and compensation that links new technology with a fundamental restructuring of work practices.

This approach would replace the traditional division of work into narrow tasks requiring little training or commitment with a system of production teams with broader jobs, rotating assignments, and considerable self-management. Union work rules would be wiped out, but managerial supervision would be held to a minimum, and employees would have a strong voice in decision-making. Team members would be constantly retrained for new technology, and basic wages would be supplemented by productivity bonuses. This system is being tried at the plants of Procter & Gamble, General Motors, General Electric, Cummins Engine, Goodyear, Weyerhaeuser, and a handful of other companies. Early evidence points to productivity gains of 25% to 45% over traditional plants.

INNOVATION

The U.S. has increased spending on nondefense research and development in the last decade, but such outlays trail those of its top trade rivals as a share of national output. This is a mistake. R&D is the clearest case of subsidization making sense, since the innovations produced by private research generally yield large benefits to the public and not just to the companies footing the bill.

At the same time, congressional tax reformers want to target the R&D tax credit more sharply to research and experimentation and exclude the development stage. This is a penny-pinching blunder. Basic research is not innovation. Real innovation occurs when research is turned into marketable products. This is why the Japanese are now buying technology from U.S. biotechnology concerns while expanding their lead in fermentation processes that will use these innovations.

To keep harping on what Japan is doing right and what the U.S. is doing wrong is of limited utility. Cultural and institutional differences account for much of the disparity, and Americans aren't about to become Japanese in their work and saving habits. Warns Charles E. Sporck, chief executive officer of National Semiconductor Corp.: "Long-term, we have to do something about Japan's structural advantage, or we'll all end up as sharecroppers on Japanese-owned farms."

The U.S. cannot do much about Japan's structural advantage, but it can do a great deal to eliminate its own self-imposed disadvantages in world competition. It must start by clearing away governmental impediments to capital formation and maintaining a nurturing climate for innovative small businesses. It must focus its best thinking on where U.S. industry wants to be 5, 10, or even 20 years from now, not just on the next annual report. And it must get back to its own basic strengths. As Sony Corp.'s Akio Morita says: "Just do what you used to do so well"—invest in American enterprise.—By Norman Jonas in New York.

RECOGNITION OF SENATOR PROXMIRE

The PRESIDING OFFICER. Under the previous order, the Senator from Wisconsin [Mr. PROXMIRE] is recognized for not to exceed 5 minutes.

HOW BIG WILL THE STAR WARS BURDEN BECOME? ANSWER: PLENTY

Mr. PROXMIRE. Mr. President, what will be the cost of SDI or star wars? We have general estimates from experts. But no one knows for sure. Secretary Weinberger and General Abrahamson have told the Congress that they cannot give a responsible and realistic estimate of the cost now. They say that several more years of research will be required to provide an understanding of the hardware that will be necessary. When asked to estimate the general range of cost for this antimissile system, former Under Secretary of Defense for Research and Development DeLauer, a supporter of star wars simply said "the cost will stagger you."

We do know that the program has already become the most rapidly rising and most costly research program this Government has ever engaged in. In the past 3 years the cost of this project has tripled. If the Congress provides the funds requested by the administration for 1987 that will mean the program has quadrupled in 4 short years. The Congress has already appropriated more than $6 billion. Congress has been told that the 5-year cost of research alone for star wars in the 5 years that began in 1985 will be $25 billion. We have also been told that the Defense Department expects to spend some $50 billion on research before the research and development portion of the program are completed. Keep in mind, this is just for research.

What will the production of the hardware and deployment cost? The Defense Department has begged off on that one. They say they cannot even make an educated guess until the early 1990's. At that point the Paul Nitze criteria will apply as to whether the costs justify a go-or-no-go decision. The Nitze criteria would require that star wars cost less to deploy than the cost of producing an offensive system that would overcome it. Of course, at that point this country would have expended as much as $50 billion simply to get the answer to how much more the program will cost. What will be the answer? This Senator knows the answer now. The answer is completely predictable. There is no suspense. The way this question is framed star wars cannot lose. Why cannot star wars lose? Because not one estimate will be required, but two. Both will be largely guesses even 5 or 6 years from now. The first guess will attempt to estimate how much it will cost to produce, to deploy and to maintain a system that the Pentagon will have already expended up to $50 billion for research on. It will be a freezing day in July in Washington when the Defense Department over estimates the cost of any project they want. The estimates will cover 10 to 15 years at least. The discipline span of the Congress is rarely more than 2 years—the time until the next election. Defense knows it will suffer little penalty for a 10- or 15-year underestimate. So the star wars cost estimate will be below, and probably far below, the actual cost. Now how about the other estimate the Defense Department must make to meet the Nitze criteria? What kind of estimate will the star wars boys make of the cost of building an offensive system that could overwhelm their star wars pet or spoof it, or dodge it, or deceive it, or destroy it? On this one, the sky is the limit. Whatever estimate these star wars aficionados make for the cost of constructing their system they will double or maybe triple in estimating the cost of overcoming their baby. And how can any Member of the Congress or any critic prove they were wrong until the day of Armageddon when the adversary penetrates star wars like Niagara Falls flooding through a sieve? That will be years from now, and if the attack comes there will be few if any survivors any way.

Mr. President, the job of this Congress is to control the public purse. This is our prime power. It is our basic responsibility. We have a duty to do all we can to get the most expert independent opinion we can get about the ultimate cost of the biggest expenditures this or any government has ever undertaken. So let us consider the judgments of two former Secretaries of Defense. Both are highly competent and highly respected. One served in a Democratic administration. One served in a Republican administration. Former Secretary Dr. Harold Brown tells us the cost of star wars "could approach a trillion dollars." Former Secretary Dr. James Schlesinger has

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made the flat estimate: $1 trillion. Another independent and expert authority, Physics Today magazine has said the project "might cost as much as $2 trillion."

These estimates are for research, production of the hardware, and deployment. But that is not all. Once deployed the cost of maintaining the system would be a substantial continuing and additional burden on the Nation. The Federation of American Scientists has found that "the additional cost to the DOD budget of maintaining an SDI system would be between $50 billion and $200 billion a year." This would mean an increase in the defense budget ranging from more than 15 percent per year to more than 50 percent per year, a truly colossal annual increment. The maintenance cost could according to this estimate be as much as the entire Federal deficit in the deficits peak year. This permanent cost would come on top of the trillion dollar production and deployment cost.

Even these vast sums are far more likely to be underestimates rather than overestimates. Here is why: A star wars defense is absolutely certain to provoke a feverish rush by the Soviets to develop a nuclear offensive that could penetrate the defense. Why the feverish rush by the Soviets? Because a successful star wars would put their credibility as a nuclear superpower at stake. And because the Communist Party in Russia has a total control over the Russian economy and over its political decisions. They do not have to worry about public opinion. They can spend as much as they want to maintain their superpower status, and they will.

So the star wars route not only means that for generations our country will suffer the constantly increasing danger of an all-out arms race. Star wars also will bring the immense burden of dedicating increasing shares of our overburdened economy to the sterility of military competition.

MYTH OF THE DAY

Mr. PROXMIRE. Mr. President, in the past few years, the Japanese have constructed several automobile manufacturing facilities in the United States. That came in response to American concerns about a rising tide of imported automobiles, the rumbles of trade protectionist feeling, and the legislative calls for producing a percentage of foreign cars and parts in the United States.

Building those Japanese-owned plants stem some of the calls for trade barriers. It has shown the Japanese to be responsive to well-founded concerns about unemployment in the United States auto industry. It also has been good for Americans. Hundreds of jobs have been created in the Japanese-owned plants. Our automakers have watched and learned from the Japanese examples of efficiency and quality auto production. Moreover, U.S. suppliers have had an opportunity to bid on lucrative parts contracts to supply the thousands of cars and trucks that roll out of these factories.

But Mr. President, the myth of the day is that these valuable parts contracts will continue to remain open to United States suppliers as the Japanese-owned plants succumb to the pressures of sweetheart deals and insider competition. What do I mean? Well, let us take a look at what is happening.

In 1982, the Japanese automaker Honda led the auto invasion by building an assembly plant in Marysville, OH. In the years since, other Japanese carmakers have followed that same path, or else signed contracts with United States automakers to bring their cars to our country.

By 1990, according to a United States auto industry analyst, there will be 1 million to 1½ million United States-built Japanese autos cruising American boulevards. And if you are an auto parts supplier, your eyes should gleam. Why? Simple: all those cars will need everything from wiper blades to tires to exhaust valves. So the incentive is there to compete for valuable parts contracts.

But look at what is happening. In the case of the Ohio Honda plant, managers say U.S. produced auto glass is not the quality they require. So what have they done? They have invited Honda's traditional Japanese auto glass supplier to establish its own manufacturing plant in this country. The object? To supply U.S.-built Hondas with glass from the Japanese-owned company. The result naturally will be to say, "so long, United States glass producer," and "hello, Japanese glass manufacturer."

Now, what does this mean? People who follow the auto industry are warning about the start of a big automotive trend. Lured by the assurance of access to a steady, reliable market, more and more traditional Japanese suppliers will open factories in this country. They will be gaining a foothold in the United States by producing glass, seats, filters, and hundreds of other components for Japanese automakers already here. It is not too hard to imagine these foreign suppliers knocking on the doors at Ford, General Motors, or Chrysler, offering their wares.

Let me hasten to say that competition is all well and good. It can increase quality while holding down prices, which are both very good and very desirable goals. But this action by Honda, and presumably by extension the other Japanese automakers, should raise a few questions in our minds.

The folks at Honda say the decision to turn to their traditional Japanese supplier was based on quality. The Japanese product, their argument goes, is higher quality than that of United States supplier, the century-old PPG Co. of Pittsburgh. And perhaps it is. But there might be something else involved. And what is it? Namely one company dealing with an old and trusted traditional supplier; two business friends working out a mutually advantageous arrangement. And what is the result? The U.S. supplier loses out. Matter of fact, it never even had a competitive chance.

Another question is one of technology. If a new Japanese plant opens in the United States to compete against existing American suppliers, who do you think will possess the latest technology? Will it be the brand, spanking new Japanese-owned firm, or the established U.S. company? If having access to the latest technical marvels lowers costs, boosts productivity and quality, who would you buy from? Would it be the United States supplier or the shining Japanese plant?

Who are the winners and losers in this case? U.S. car buyers certainly win if better quality parts help produce higher quality automobiles. And if, as predicted, more Japanese-based companies start production in the United States, another positive benefit will be the creating of more new jobs for Americans.

But it will not be so wonderful if those new jobs come at the expense of already existing U.S. jobs. And we will definitely be the losers if the gains come at the cost of losing established American companies that have been unfairly locked out of competing for important parts contracts.

RECOGNITION OF SENATOR HAWKINS

The **PRESIDING OFFICER.** Under the previous order, the Senator from Florida [Mrs. HAWKINS] is recognized for not to exceed 5 minutes.

DEKKER DELIVERS THE DOPE

Mrs. HAWKINS. Mr. President, this morning, I would like to introduce the Senate to "Dekker." Dekker is the code name used by a witness in my April 1985 hearing on the role of Nicaragua in drug trafficking. Dekker testified under oath before my subcommittee with a hood over his face and a voice scrambler to disguise his identify and prevent possible retaliation. He is an international fugitive and a drug trafficker who currently is doing time in Federal prison. What I want to remind the Senate this morning is Dekker's direct dealings with Robert Vesco, who was operating out of Cuba, and with Frederico Vaughn, aide to

Tomas Borge, Nicaragua's Minister of the Interior.

I would like to quote Mr. John Keeney, Deputy Assistant Attorney General for the criminal division at the Department of Justice, who, in his opening statement before the same subcommittee, said,

> We believe Dekker to be credible in this case because so much of his testimony is corroborated by the independent testimony of other witnesses and by the tangible evidence which the investigation has gathered.

Today, I would like to tell the Senate the story that Dekker told my subcommittee. Dekker had known Robert Vesco since 1978. They had engaged initially in various smuggling efforts in violation of the U.S. trade embargo with Cuba, but later they turned their attention to drug trafficking. The original contacts between Dekker and the Nicaraguans had been established by Angelo, a top associate of Vesco's. These contacts led to the establishment of a trading company in Brussels that was to serve as a front for illegal Cuban and Nicaraguan transactions that would include cocaine trafficking to Europe.

Arrangements were made to move the cocaine to Europe. After the transactions were completed, Dekker and Angelo paid Frederico Vaughn $100,000 and promised him another 300,000 Dutch guilders. At the time, Frederico Vaughn expressed concern about how he would get so much money back to Nicaragua. Dekker suggested that he try to take it out via France, Italy, or Spain. Dekker described what followed by saying, and I quote from testimony:

> he (meaning Vaughn) said he got a better suggestion, picked up the phone, called the Nicaraguan Embassy, made an appointment with the Ambassador for lunch at Les Brasseries by the next day, 2 o'clock. So at 2 o'clock, the next day, Mr. Angelo—Mr. Vaughn went downstairs to have lunch with the Ambassador. I was to stay in my room, and when they were finished with lunch, he would call me. The money was in the box; I went downstairs, picked up the money out of the box, walked in Les Brasseries, was introduced to the Ambassador, gave the money to Frederico who handed it to the Ambassador.

Thus we have an eyewitness account of a high level Nicaraguan diplomat involved in the shipment of money that had been earned by trafficking in cocaine.

Later in his testimony, Dekker told of spending considerable time with Frederico Vaughn and during that time, Dekker expressed his reservations about trafficking in cocaine, and they discussed getting started with marijuana. According to Dekker's sworn testimony, he said:

> I was not too happy with the cocaine trade profitwise or difficultywise; it was not an interesting position. He (that is, Frederico Vaughn) said marijuana; I said convert it into hashish would be much better. After some phone calls to Nicaragua, that would be made possible for me any amount of land, labor, if I would deliver the expertise to produce the plants, convert it into hashish, which is much easier for shipping than marijuana.

This Senator asked Dekker why he thought the Nicaraguans were getting involved in drug trafficking, and he testified:

> We had a long discussion about their government and what they were doing, and their major point of saying why they would go heavily in the drug trade was that, as well as not only the U.S. Government, but most European governments, except Spain and France, I think, were cutting their foreign aid to minimal amounts.

So according to Vaughn, Nicaragua was in desperate need of hard currency so they turned to drug trafficking to make their money.

I was curious about Mr. Vaughn and his relationship with the Nicaraguan Government so I asked Mr. Dekker if he thought Mr. Vaughn represented the Nicaraguan Government, to which he replied,

> Oh, yes, that was made clear on all trips as well as to Cuba, whoever was sent never had to enter customs, immigration, would be picked up directly from the airplane.

Subsequently, he reinforced this testimony by asserting that the drug trafficking effort was the direct result of Nicaraguan Government policy. As regarded his plans to begin trafficking in hashish, he said,

> The government provided everything. I was offered the total shipping from Europe to Nicaragua for my company, and Mr. Vaughn could not do that on his own, I imagine.

In introducing Dekker and the other witnesses to my subcommittee, John Keeney of the Justice Department concluded his remarks by saying,

> . . . Let me say that this investigation did not set out to implicate the Nicaraguan Government in any illegal activity. The Nicaraguans were not targeted. Nevertheless, we feel that we have uncovered strong evidence that high officials of the Nicaraguan Government were indeed involved in the international cocaine traffick.

Mr. President, I agree. There is strong evidence of high level Nicaraguan involvement in drug trafficking. How else can you explain that airplanes and airfields were available to Vaughn, or why Nicaraguan army soldiers, customs and immigration officials, and Nicaraguan Ambassadors all obeyed orders issued by Frederico Vaughn in connection with his drug trafficking efforts, orders that were witnessed by independent witnesses who corroborate one another's testimony?

Mr. President, I believe that, overall, the evidence is persuasive, and I hope we will bear this in mind as we consider the vote on aid for the Nicaraguan freedom fighters.

ROUTINE MORNING BUSINESS

The **PRESIDING OFFICER.** Under the previous order, there will now be a period for the transaction of routine morning business not to extend beyond the hour of 10:30 a.m., with statements therein limited to 5 minutes each.

SENATOR CHAFEE WARNS OF THE GREENHOUSE EFFECT

Mr. STAFFORD. Mr. President, last Sunday, my good friend and colleague, JOHN CHAFEE, the distinguished chairman of the Subcommittee on Environmental Pollution, of the Committee on Environment and Public Works, delivered an address at the eighth annual New England Environmental Conference. That conference was sponsored by the Lincoln Filene Center for Public Affairs at Tufts University.

About 1,000 environmentalists attended 2 days of lectures and workshops on issues ranging from nuclear war to toxic waste. By all reports, the address by Senator CHAFEE was a high point in the 2-day event. After receiving the New England Environmental Network Award "for outstanding contributions to New England's environmental leadership," our colleague spoke on "Our Global Environment and the Greenhouse Effect—the Next Challenge."

This speech includes some serious warnings and a call for action before we have an environmental disaster on our hands. The Senator has an important message to deliver, and I ask unanimous consent that his speech be printed in the RECORD so that we might all take note and rise to the challenge he has identified.

There being no objection, the speech was ordered to be printed in the RECORD, as follows:

OUR GLOBAL ENVIRONMENT AND THE GREENHOUSE EFFECT—THE NEXT CHALLENGE

(Speech by Senator John H. Chafee)

It is a pleasure to be here today with so many concerned and dedicated individuals. Too often, lately, one hears people say that the environmental movement peaked in the 1970's and is now moribund; that environmentalism is passe. Well, I've never believed that. If anyone did, take a look around this room! What a marvelous gathering, dedicated to giving nature a fair chance.

Environmentalism is well and thriving. We continue to make progress. For example:

In 1982 we enacted the Coastal Barriers Resources Act, a law to protect our fragile beaches and islands; it passed the entire Congress with only four dissenting votes;

In 1984 we rewrote and improved the law controlling the management of toxic wastes; it passed both houses of Congress unanimously;

This year we will finish important work on bills to strengthen the Clean Water and the Safe Drinking Water Acts and to increase by five times the funding for the Superfund toxic waste clean-up program;

All across the country, people are approving bond issues to preserve open spaces and

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to pay the waste management facilities. A good example of this is my own state of Rhode Island where the voters last November approved by 65 percent a large bond issue to fund the purchase of development rights on farm land.

The challenges this forum has been dealing with are of immense importance—toxic waste, acid rain, wetlands preservation and others. Each is thankfully receiving some attention. I would like to discuss with you briefly a problem that has not been elevated to high visibility, yet has extraordinary ramifications for the world we inhabit: the problems of ozone depletion and the greenhouse effect.

INTRODUCTION

Most of you probably remember back to the late 1970's when concerns were first raised about depletion of the atmosphere's ozone layer from the use of chemicals called chlorofluorocarbons (CFC's) in aerosol spray cans. More recently, you have probably seen articles in the papers or heard about the "greenhouse effect"—how the world is becoming warmer and the polar ice caps might melt.

Muted cries of alarm have been heard and then we all moved on to more immediate problems that seemed solvable. In Congress, we have done little to add to our understanding of the possible magnitude, timing, and implications of either ozone depletion or the greenhouse effect. Our efforts necessarily tend to focus on the environmental crisis of the day—toxic waste clean-up, safe drinking water and the struggle for clean air. While these are critical issues demanding immediate action, we have to do a better job of anticipating and responding to today's new environmental warnings before they become tomorrow's environmental tragedies.

If we knew at the time what would happen when toxic waste was dumped at Love Canal in New York or at the Picillo Pig Farm in Rhode Island, we would have put a stop to such practices. Not only would such foresight have resulted in a safer environment, but preventing such disasters in the first place would have been millions of dollars cheaper than paying to clean them up many years after the fact.

OZONE DEPLETION

Let me first focus briefly on the problem of ozone depletion. Ozone in the upper part of our atmosphere acts as a shield that absorbs most of the sun's harmful ultraviolet rays. There is convincing evidence that without such protection: There would be an increased incidence of skin cancer and cataracts; our immune systems would be suppressed, making us more susceptible to illness; and some species of plants and aquatic organisms would be destroyed.

Now what is the problem? The problem is chlorofluorocarbons (CFC's), man-made chemicals that are used in a wide range of consumer goods. When these chemicals are released into the environment, they migrate upward. When they reach the upper atmosphere, they are exposed to ultraviolet radiation, their molecules break down, and their chlorine is released. Once released, chlorine acts as a catalyst and converts ozone (O_3) into diatomic oxygen (O_2). In short, CFC's are destroying the ozone layer of our atmosphere. The sun's ultraviolet rays thus come through in unrestrained fashion with all their harmful effects.

Many people assume that we solved the problem, when, in 1978, the United States prohibited the use of CFC's in aerosol spray cans. Unfortunately, many nations of the world have not enacted such a prohibition and still use CFC's in spray cans. In addition, these same chemicals are used in the United States and throughout the world: as the coolant in air conditioners and refrigerators; as a solvent to remove impurities in manufacturing high-tech equipment; and as a foamblowing and insulating agent in a wide variety of goods.

Because of the substantial health and environmental risks from continued and expanded use of these chemicals, the United Nations, through its Environment Program, initiated negotiations in 1980 on a treaty that would provide for international cooperation aimed at developing a better understanding of the problem. This treaty was adopted in April of last year and is currently before the Senate for ratification.

While I fully support this treaty and will work for its approval, I do not believe that it goes far enough. We need more than continued studies.

What we need is action to limit, on an international basis, the growth of CFC use. Given the enormous risks from ozone depletion, a treaty that limits the availability of CFC's for essential uses only would seem to be the sensible course to pursue. The good news is that, under the leadership of the United Nations Environment Program, negotiations aimed at developing an international agreement to limit future growth in CFC's—to impose controls—are currently underway. The not so good news is that we don't have an agreement yet.

A recent report by NASA warns that future growth in CFC emissions is likely to lead to substantial depletion of the ozone layer over the United States. Evidence like this tells us that controls are needed. Delaying action will only mean that more substantial and costly cutbacks in the use of CFC's will be required in future years.

THE GREENHOUSE EFFECT

This is the second aspect of atmospheric pollution that I will briefly discuss. Carbon dioxide, which is given off when coal, oil and other fossil fuels are burned, is the most commonly referred to greenhouse gas. However, the same problems that stem from increased levels of carbon dioxide also come from CFC's and other atmospheric gases, such as methane and nitrous oxides.

These gases do not interfere with the sun's energy coming through our atmosphere to warm the planet, but the gases do prevent the escape into space of some of the energy rebounding from the earth. In effect, these gases form a thermal blanket around our planet.

We can thank greenhouse gases for the temperate conditions that now exist on earth. Without them, based solely on our distance from the sun, the earth's temperature would be 59 Farenheit degrees colder. At the other extreme, we know from recent satellite excursions to Venus that its atmosphere contained 97 percent carbon dioxide and its temperature is about 789 degrees Farenheit.

Thus, some amount of greenhouse gases in the atmosphere are essential, but more in this case is definitely not better. As these gases increase in the atmosphere, the thermal blanket becomes less and less easy to penetrate from the earth upwards, thus upsetting the careful atmospheric balance under which our civilization has flourished.

Let me briefly review the scientific evidence behind my concerns about climate change from the greenhouse effect.

We have careful measurements showing that the amount of these gases in the atmosphere has increased over time. For example, carbon dioxide has grown by 25 percent since the 1850's. This increase coincides with the onset of the Industrial Revolution which brought with it the expanded use of fossil fuels.

Despite enormous complexities, we are beginning to better understand the likely timing and magnitude of a global warming. Key questions here are: How fast is the earth likely to warm and how much hotter is it likely to get?

Unfortunately, these are very difficult questions to answer. We cannot simply ask one of the government's research labs to run an experiment that gives us answers—there is no "experimental earth" to use for these purposes. Instead, by continuing to alter the chemical make-up of our atmosphere we are conducting a dangerously uncontrolled experiment on ourselves and on our planet.

Despite limitations, global climate models are beginning to provide answers. They suggest that early in the next decade, the 1990's, we are likely to see the earth's climate deviating from its historic course. By the early part of the next century—for example, 25 years from now—increases in greenhouse gases could result in a warming of two to six degrees Fahrenheit. If we continue to pollute the atmosphere with these greenhouse gases over the next 50 to 75 years, a warming of three to nine degrees is likely before the end of the next century.

To put the magnitude of these temperature changes in perspective, when this city was under a thick sheet of ice about 12,000 years ago during the last Ice Age, the temperature was approximately nine degrees cooler than it is today. A change of this same magnitude from increases in greenhouse gases is being predicted for the future by climate models. Only these changes are likely to occur over the next 100 years, not over 12,000 years.

These models also predict that extraordinary changes in climate are likely to accompany increases in temperature. For example, rainfall and snow patterns are likely to change. Some regions will become considerably drier while others will become wetter. Storm patterns, growing seasons, and hurricane tracks are also likely to be altered.

As the earth warms, some ice at the poles is likely to melt. This will lead to increases in global sea level by as much as three feet by the middle of the next century.

Last October, a meeting on the effects of climate change was organized by the United Nations Environment Program, the World Meteorological Organization, and the International Organization of the National Academies of Sciences.

They concluded, ". . . There is little doubt that a future change in climate of the order of magnitude obtained from climate models . . . could have profound effects on global ecosystems, agriculture, water resources, and sea ice."

For example, the Dust Bowl droughts of the 1930's which caused mass migrations resulted from shifts in rainfall far smaller than the amount that could occur from the greenhouse effect. The "Little Ice Age" during the Middle Ages was also a period of widespread starvation and disease, in part due to a few degrees of temperature change.

More recently, the droughts in Africa provide disturbing evidence of the fact that large populations are vulnerable to changes

in climate conditions—particularly in developing nations.

Yet these examples only begin to suggest the consequences of our actions if we continue to add greenhouse gases to our atmosphere. What might happen with a climate change?

First, predicted shifts in rainfall, growing season and temperature in our Midwest could dramatically alter our ability to continue as a world leader in food production. Assuming that the grains we now grow in the U.S. could be grown elsewhere when the climate changes—a major assumption that is of doubtful validity—I'm not sure that we should be comforted by the thought of the wheat or corn belt moving northward into Canada.

Second, many of us place considerable emphasis on protecting our nation's wetlands and coasts. A rise in sea level of the magnitude projected to occur would cause untold damage to these ecologically fragile and extremely fruitful areas. Coastal New England would be particularly hard hit by such changes.

Third, it is the effect such changes would have on thousands of plants and animals. Think for a moment about the consequences of a rapid change in climate on the survival of thousands and thousands of plant and animal species. Could they evolve quickly enough or find suitable new environments fast enough to keep pace with our changing climate? Many, I fear, would perish.

THE CHALLENGE

This view of global warming offers a bleak future. We cannot simply shrug our shoulders and say that this is a problem for others to handle.

But what can be done to preserve the integrity of our atmosphere and climate system? I believe that we need to move aggressively on several fronts.

First, we should seek to know what changes are taking place in our atmosphere. NASA is doing some work in this area. This must be given higher priority by NASA.

Second, we need to know what will be the effect on climate if the atmosphere does change.

Lacking an experimental earth to use as a basis for testing what might happen to climate as we change our atmosphere, we are going to have to rely on computer simulation models to serve as our guide—so we had better do as good a job as possible of gathering the necessary data and advancing the development of these models.

To begin addressing these issues I intend to conduct Congressional hearings within the next few months to make certain that the energies of the responsible government agencies are properly focused on these issues and that timely answers are forthcoming.

Third, we must step up our efforts to involve the global community in dealing with this challenge. As the standard of living improves throughout the globe, growth in greenhouse gases from energy consumption, use of chlorofluorocarbons, and other chemicals is inevitable. We need to seek ways to ensure that future improvements in the quality of life can occur for all nations of the world without increasing the risks of climate change. We must start by working through the United Nations Environment Program and similar world bodies to place this issue high on their agendas.

In addition to supporting an international treaty that controls future growth in CFC's, I believe two additional opportunities exist to move forward on the international front. The State Department should be encouraged to support the recent international convention which focuses and accelerates research efforts related to climate change among the international scientific community.

I will be speaking with officials at the White House about placing the issue of climate change on the agenda for the next summit meeting between our President and Mr. Gorbachev. This issue represents an area of mutual dependence and an opportunity for our nations to work together to safeguard the future of our planet.

Finally, we need to begin evaluating opportunities, in addition to limits on CFC's, for reducing the growth in emissions of greenhouse gases. One obvious direction would be to renew efforts for energy conservation and the development of safe and inexpensive nonfossil fuels—programs that may now be losing out to falling oil prices. The need to find nonfossil fuels may even make us swallow hard and move toward nuclear energy.

CONCLUSION

It seems that the problems man creates for our planet are never ending. But we have found solutions for prior difficulties and we will for these I have mentioned as well.

What is required is the same dedication and commitment that each of you have demonstrated in such magnificent fashion for so many years. We thank you for what you have done in the past, what you are doing now and what you will do in the future!

CONSOLIDATED OMNIBUS BUDGET RECONCILIATION ACT

TECHNICAL CORRECTIONS

(The following occurred later in the day:)

Mr. **STAFFORD**. Mr. President, I am happy to yield to the majority leader.

Mr. **DOLE**. Mr. President, we have another matter that we could dispose of in about 30 seconds if it is all right with the manager of the bill. We have technical corrections to the reconciliation bill which we need to adopt quickly. It has been approved by the House. We need to do this before we can send the enrolled, the reconciliation bill for signature to the President. It has been approved on both sides.

I would, therefore, ask unanimous consent that the pending matter and also the motion to proceed be set aside and we turn to the consideration of House Concurrent Resolution 305, the technical corrections to reconciliation.

Mr. **BYRD**. Mr. President, reserving the right to object, and I do not object, will the distinguished Senator put a 5-minute, 2-minute, or 3-minute limitation on this matter?

Mr. **DOLE**. Yes. I ask unanimous consent for 5 minutes debate equally divided.

The **PRESIDING OFFICER**. Without objection, it is so ordered.

The clerk will report the concurrent resolution.

The assistant legislative clerk read as follows:

> A concurrent resolution (H. Con. Res. 305), to make technical corrections in the enrollment of the bill H.R. 3128.

The Senate proceeded to consider the concurrent resolution.

Mr. **METZENBAUM**. I wish to call to the attention of the Senator from Oklahoma section 11008(d) of the Single-Employer Pension Plan Amendments Act of 1986, which is included in the budget reconciliation bill. Under that provision, which applies only to standard terminations, plan administrators of certain plans may not make final distribution of plan assets until they have received a notice of sufficiency from the Pension Benefit Guaranty Corporation. By its terms, this provision applies to plans that, among other conditions, "filed a notice of intent to terminate with the Pension Benefit Guaranty Corporation" either before January 1, 1986, and no notice of sufficiency was issued prior to the date of enactment of SEPPAA, or after January 1, 1986, and before 60 days after enactment and no notice of sufficiency was issued before enactment.

After the date of enactment, plan administrators will be required to file "notices of intent to terminate" with parties affected by the termination but not with the PBGC. Nevertheless, it is my understanding that section 11008(d) applies to plans that file notices of intent to terminate after the date of enactment and otherwise satisfy the requirements of that section, notwithstanding the fact that the notice is filed only with parties other than the PBGC. I would ask my friend from Oklahoma whether this is also his understanding.

Mr. **NICKLES**. Yes. After the enactment date, the operative requirement will be the filing of a notice of intent to terminate with affected parties. I understand that the PBGC will administer section 11008(d) in the manner described by the Senator from Ohio.

Mr. **DOLE**. Mr. President, I yield back my time.

The **PRESIDING OFFICER**. Is all time yielded back?

Mr. **BYRD**. Yes. I yield back my time.

The **PRESIDING OFFICER**. All time is yielded back.

The question is on agreeing to the concurrent resolution.

The concurrent resolution (H. Con. Res. 305) was agreed to.

Mr. **DOLE**. Mr. President, I move to reconsider the vote by which the concurrent resolution was agreed to.

Mr. **STAFFORD**. Mr. President, I move to lay that motion on the table.

The motion to lay on the table was agreed to.

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THE NEW THREAT OF FASCISM IN THE UNITED STATES

Mr. MOYNIHAN. Mr. President, last Friday I spoke to the Senate about a disturbing presence in the Democratic Party. Members of the Lyndon H. LaRouche organization, as we are all aware, won the Democratic nomination for Lieutentant Governor and secretary of state in Illinois last week.

In today's New York Post, my friend Max Lerner had some particularly incisive thoughts on the troubling news from Illinois—and the problems behind what has happened there. Mr. President, I ask unanimous consent that the New York Post article "The New Threat of Fascism in the U.S." be included in the Record, and an address I gave in Washington Heights, NY, on Sunday.

There being no objection, the material was ordered to be printed in the Record, as follows:

[From the New York Post, Mar. 26, 1986]

The New Threat of Fascism in U.S.

(By Max Lerner)

This is the face American fascism will wear.

There is more than one moral to the ugly, dismaying results of the Democratic primaries in Illinois, where two Lyndon LaRouche followers captured the nominations for lieutenant governor and secretary of state.

The first response of Democrats, in their shock, is that they weren't looking. But what this says about the Illinois Democratic post-Daley organization is that, in its faction-ridden amnesia, it is in shambles.

Adlai Stevenson III, nominee for governor and honorable gentleman to the end, says he won't run with these gutter teammates, one of whom is "a heartbeat away from the governor's seat." He will form a new and "true" Democratic ticket if he can.

Alas, it will be all but impossible. The Democrats—and the nation too—are somnolent on more than a ticket-watchers level.

The theory is that if local communities will spot the LaRouchites on the ballot, and expose their true nature as kooks, extremists and proto-fascists, they will be swamped and all will be well.

Fine. This is needed, but it falls into the necessary-but-not-adequate category.

We have to ask why the LaRouche candidates got the votes they did, and what corrosions their poison will spread when they appear on national TV, as Janice Hart (nominee for Illinois secretary of state) did on Ted Koppel's "Nightline".

I like the way an Illinois pollster, J. Michael McKeon, puts it. What the vote reflects, he says, is "the mood of working-class people who are tired of the way the two political parties handled their problems."

LaRouche is no unknown, suddenly thrusting up into the media, He has had one of those volative careers, from the Communist left to the fascist right, that marks an erratic political mind.

He qualifies as a kook with paranoid conspiratorical obsessions—about Henry Kissinger, the TriLateral Commission, the Ford Foundation, Israeli intelligence, Queen Elizabeth as (of all things) a drug pusher.

Other men who have similar fantasies have been classified as borderine personalities. But this one is fielding 700 candidates for local and statewide election as Democrats and will doubtless again run for the presidential nomination in 1988.

What makes LaRouchism dangerous is its leader's propagandist shrewdness in reading and exploiting the popular discontents in working-class areas. The issues he wants to capture for himself are the pockets of smokestack unemployment, the sense of outrage over widespread drug use, the panic fear about being infected by AIDS.

Hence the militant metaphors the LaRouche warriors use—"Nuremberg-style" (death penalty) trials for drug traffickers, compulsory AIDS tests for everyone, "tanks rolling down" the main streets, in Janice Hart's phrase that revealed so much of the mental terrain of the LaRouche fanatics.

I talk of the Democrats because LaRouche clearly regards them as the capturable party. They have been asleep at the switch of the popular mind, as the Social Democrats were in the early years of another "kook"—Adolph Hitler.

The lesson of Illinois is that neither party can take for granted how the people feel at the base of the culture, or ignore their passionate sense that both major parties are cut away from the realities of their lives.

If fascism ever comes to America it will be by this route of sustained absence of mind about the deep discontents at the base of the culture. And LaRouche's rages and paranoia will be the face that fascism will wear.

Lyndon H. LaRouche and the Democratic Party

(Remarks of Daniel P. Moynihan)

Two weeks ago, I spoke at the annual dinner of the New York State Democratic Committee on the subject of corruption within the New York Democratic Party.

Today I wish to talk about the corruption of the party. Specifically, the infiltration by the neo-Nazi elements of Lyndon H. LaRouche's National Democratic Policy Committee.

The nation, or parts of it, woke on Wednesday morning to learn that this neo-Nazi group had won the party's nomination for Lieutenant Governor and Secretary of State in Illinois, and also the nomination for two Congressional seats in the 13th and 15th Districts. Things, would change, said the new candidate for Secretary of State: Tanks will roll down State Street.

Subsequently, it was learned that LaRouche candidates are in Democratic primary races for local, state, and national office across the land. NBC News reported Friday night that LaRouchites have qualified for U.S. Senate races in 12 states, for Governor and other statewide races in five others. NBC then said the LaRouche organization claims to have supporters running in 29 Congressional districts. Today's New York Times reports that local Democratic leaders in Santa Ana, California, "were surprised to discover that a LaRouche supporter . . . is running unopposed in the Democratic primary for the 40th District Congressional seat."

I would like to talk a little bit about how this came about, dwelling on what I see as the responsibility of traditional democrats—I am one—for allowing this to happen.

I won't spend too much time on LaRouche or his movement. This is not my subject. (In passing, may I say that with the exception of William Dennis King, it has been almost nobody's subject. The first American journalist to get on to this group, in 1979–80, he wrote a brilliant series of articles for "Our Town," a weekly circulated mostly on the East Side of Manhattan. To its credit, the League for Industrial Democracy collected and reprinted the series. To its discredit, the Pulitzer Prize Committee seems never to have noticed. All honor, then, to NBC News for its willingness in 1984 to air a documentary on LaRouche and his movement.)

LaRouche, if until recently an unfamiliar person, is nonetheless a familiar type, at least to New Yorkers of my generation. In 1949 (I draw entirely from King here) he jonied the Socialist Workers Party, a Trotskyite communist sect. He lived in Greenwich Village and began formulating his theory of the "third stage of imperialism," thus presumedly taking this theory another stage beyond Lenin's revision of Marx. It gets a little creepy when he introduces the Guelphs and Ghibbelines as still-active influences, but there you are. I never did undestand the Trotskyites either. No matter. In these days he called himself Lyn Marcus, from Lenin and Marx, and in King's words:

"His first moment of glory came in 1968, when his followers, operating under the name "SDS Labor Committee," helped to lead the Columbia University student strike and LaRouche himself lectured on Hegelian philosophy at a "free university" improvised in a Columbia fraternity house."

He soon broke with the Students for a Democratic Society and began drifting to the right. (Why do we use these terms?) Fascism and Nazism both began as leftists groups—National Socialists—and in what sense did they change? He took followers with him, and soon had an organization. This organization was notable for its erratic views, but consistent in its belief in the existence of a world conspiracy in which Jews and Capitalists play a central role and the United States is placed in maximum danger.

Even here there are ambiguities. A story in the LaRouchite newspaper, "New Solidarity," of September 15, 1978, is headlined:

ZIONISM'S NAZI GUILT IN FALANGIST LEBANON

The connection between Zionism and Nazism was, of course, a Soviet propaganda theme which first appeared in Pravda in 1970 and which culminated in the infamous United Nations resolution of 1975. Nothing simple about these folk!

At all events, in 1981, the LaRouchites felt strong enough to mount a direct assault on the New York Democratic Party itself. Why they chose us is hard to say. They could as well have tried to take over portions of the Republican Party. But they did choose us.

Specificially, in 1981, they entered a candidate, Mel Klenetsky, in the primary campaign for the Democratic nomination for Mayor of New York City.

As I said on the Senate floor Friday afternoon, to the disgrace of our party—the oldest political party on earth, and from the first a democratic party—no effort (or none that I know of) was made to keep these fascists out of our ranks and off our ballot. To the contrary, rumor had it that in some circles they were welcomed: The more confusion the better.

In any event, Mr. Klenetsky was treated throughout as a legitimate candidate in a Democratic contest, and the corruption commenced.

The next year, 1982, I was up for reelection. On June 21, I was unanimously renominated by the Democratic Convention in Syracuse, and set about tinkering with our campaign organization and resting up a bit prior to the fall campaign. (Nominations in New York are not finally confirmed until the primary election in mid-September.)

Of a sudden, without warning (not that you are entitled to warning in politics, but you usually pick up something), I was challenged by the very same, now much-legitimated, Klenetsky.

The crucial event here was that the State legislature had had great difficulty redistricting our Congressional seats after the 1980 census, and ran over into the time normally allotted for the primaries of the 1982 elections. To make up for this, the number of signatures required to qualify for a primary contest was greatly reduced. In our State of 18 million people, 10,000 valid signatures would get you on the ballot as a Democratic or Republican candidate for the United States Senate.

All of a sudden, our campaign faced a wholly unexpected problem. If for a moment I am going to seem congratulatory, please bear in mind that I am not talking about myself. I am talking about the persons who ran the campaign. They say that a lawyer who tries his own case has a fool for a client. So also a candidate who runs his own campaign. Long before 1982, specifically back in 1976, I was able to enlist the counsel and support of some extraordinary New Yorkers and in matters such as the one we now face, I asked for and took their advice. Let me list them. First of all my campaign manager, Timothy J. Russert; my campaign chairman, Chester J. Straub; Counsel, Thomas J. Schwarz; Treasurer, John Westergaard; my principal fundraiser, Steve Mann; the indefatigable Nina Rosenwald; Joe Crangle, of Erie County. Above all, my wife, Elizabeth, and daughter, Maura.

We had a simple and not unsual problem. We were short of money.

Specifically, we had about $1.5 million. Not much for a Congressional campaign these days: dangerously little for a Senate campaign in a state with a population nearly that of Canada.

And, so we faced a temptation.

There was no way Mel Klenetsky could win the Democratic nomination from me. Even if we did nothing.

I fear this temptation was present in Illinois. I fear it will be present eleswhere.

And this is what we did.

We decided that while it was a nice thing to be in the Senate, it would be a hollow victory if we got there by allowing a fascist, anti-Semitic conspiratorial element to be further legitimated as a element in our party.

We decided to fight.

Klenetsky had handed in 29,857 signatures. We challenged every one. Melvin L. Schwitzer, Counsel to the New York State Democratic Committee managed the effort which went night and day for weeks. The Board of Elections ruled that 18,607 signatures were invalid. (Have you ever tried to prove 18,607 signatures, one by one, are fraudlent or otherwise ineligible?) It reserved decision on 1,203 we had also challenged. But this left 10,047 still presumedly valid. Forty-seven more than necessary. The activist in the U.S. Labor Party once again entered a Democratic primary.

Granted, the LaRouche campaign wasn't all that compelling. The chief charge against me was that I was a tool of Averell Harriman (my wife and I did indeed work for him when he was governor in the 1950s), that Harriman was a tool of Adolf Hitler. I offer a sample.

MEL KLENETSKY SAYS: MOYNIHAN FOLLOWS NAZI HARRIMAN IN HITLERITE POLICIES AND TACTICS!

Harriman's Nazi Record

FACT: Throughout the 1910s and 1920s, the Harriman family tried to turn the United States into what they called a "Nordic race state," and succeeded in closing the door to many immigrants they considered "racially inferior."

FACT: The Harrimans conducted a drive for decades to have America's poor sterilized as "genetically inferior." Mary Harriman Rumsey, Averell's sister, advocated forced sterilization as a cost-cutting measure, saying: "There is a direct relationship between a large ungoverned feebleminded population and the amount of taxation you pay each year."

FACT: After 1915, when it was proved by Dr. Joseph Goldberger that the disease pellagra was caused by a vitamin deficiency, the Harriman "Eugenics Lobby" conducted a nationwide campaign of systemic lying that pellagra was hereditary. As a result, it is conservatively estimated tht 6 million Americans, half of them black, died of untreated pellagra.

FACT: In 1932 Averell's mother brought Nazi doctors to the American Museum of Natural History to address a "Conference on Eugenics," the science of extermination they promoted. That year, the Harrimans and their retainers hailed the coming to power of Adolf Hitler as their "personal achievement."

And so on.

But note at the bottom of the page:

DEMOCRAT MEL KLENETSKY FOR SENATE

And so we commenced to spend the whole of our campaign treasury in a primary against a candidate who could not beat us, but could destroy our party.

Specifically, The Moynihan Campaign spent $1,334,903 in the primary campaign, I suppose we had a bit left over, and obviously we raised some more. But in the end all we could raise for the general election was $712,307.

It came out all right. The LaRouche candidate only got 15 percent of the vote. But note: three times his showing of the year before. In the general election I carried 50 of New York's 62 counties. (The previous record for a New Yorker was set by Franklin Delano Roosevelt who carried 47 counties when he ran for Governor in 1930. Martin Van Buren carried 42 in his 1836 Presidential race.)

Even so, I don't think we made our point. The LaRouchites still were dismissed as kooks. Looking through the clipping files I can only find editorials from the Binghamton Evening Press and the Buffalo Courier-Express commenting on just who Klenetsky was and what he stood for.

The fact is we didn't make much of an impression if you consider the hideous nature of our opposition.[1]

In point of fact, such notice as our efforts did receive came from a group of New Yorkers who had banded together as a Committee on Decent Unbiased Campaign Tactics (Conduct) to ensure that every candidate behaved properly that year. Mr. Peter Straus was chairman, and the board contained such eminences as Rabbi Balfour Brickner, Hodding Carter, Bishop Paul Moore, Jr., Stewart R. Mott, and Howard M. Squadron.

Guess who was the first to complain?

Klenetsky.

The New York Post had run a short item reporting that we intended to challenge Klenetsky's petition signatures. (Almost two out of three, recall, would be ruled invalid.) Tim Russert, explaining this, said the National Democratic Policy Committee was: "A fanatical sect" attempting to use the Democratic primary "as a forum to preach blatant anti-Semitism."

The worthies of Conduct demanded to know just how we could defend such a statement. (By this time a New York State Supreme Court judge had found that it was fair comment to label these people anti-Semitic.) To cite their letter of August 26, 1982, Conduct was concerned "that issues of bigotry would become an issue in anyone's campaign."

Tom Schwarz stopped everything, and prepared a brief two inches thick.

On September 18, just days before the general election campaign, we were acquitted in a letter from R. Peter Straus. But it was close.

Did New York learn anything? Well, something. The following year LaRouche candidates filed candidates for each of the nine positions on the District 6 Community School Board election in Upper Manhattan. State Senator Franz Leichter, Assemblyman John Murtaugh, and City Councilman Stanley Michels, who represents the area, spotted this. The School District election turnout is light. A determined and organzied minority could easily get in. They called me. We arranged a press conference on the steps of City Hall. We were joined by labor leaders Victor Gotbaum and Albert Shanker, and most importantly Mayor Koch. I made it a national issue. Michels and Koch a City issue. Gotbaum and Shanker an education issue. And we won. Every LaRouche candidate lost. They got just 475 votes of some 14,500 cast.

But that did not stop them. As we saw in Illinois; as we see around the nation.

It comes to this, or so I believe. In an age of ideology, in an age of totalitarianism, it will not suffice for a political party to be indifferent to and ignorant about such movement.

Democrats have been. It is part of the general decline in interest in political ideas that I have been watching for years, and writing about of late. In 1980, I wrote in the Washington Post that the Republicans had become a "party of ideas" and asked if we had ceased to be. I want to be careful in what I say. I don't know how I could demonstrate that there has been a decline of such interest in our Party. But surely there has been a decline in the prestige of intellect. Else how to explain Illinois in 1986? How to explain the New York City mayoral campaign of 1981?

Last October in the Sol Feinstone lecture at West Point I speculated a bit on the seeming inability of our foreign policy leaders to read the underlying ideological messages that were coming out of Asia during the period of the Vietnam War, specifically

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[1] Here, if you can stomach it, is a sample of "jokes" from an earlier column in New Solidarity:

Ethnic Studies:

Q: What potion do Zionists use in the mass-suicide ritual known as the "Masada complex? A: No poisons, just a massive overdose of chicken soup. It works every time.

Sociology: Q: What's the meaning of "gay rights movement"? A: A Nazi faggot dancing the hora.

Koalas Beware: Q: What are Rupert Murdoch's sexual preferences? A: Strictly from down under.

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the indications of huge tensions, even conflict between the Soviet Union, the Peoples Republic of China, and North Vietnam. I sense something the same here. I suppose LaRouche explaining that the World Council of Churches, itself controlled by British (their code word, incidentally, for Jewish) intelligence, and its U.S. branch, the National Council of Churches, are in turn controlled by the "Anglo-Jesuit penetration" using Georgetown University as a base, sounds nutty.

Yet in troubled times there are troubled people who will listen. A year ago, January 31, 1985, Mike McKeon of McKeon & Associates of Joliet, Illinois, in a poll of trade union households in Illinois found a distinct "movement away from traditional voting trends by union members and their families." Mr. McKeon warned of "the growth of the LaRouche party in areas plagued by crime and unemployment." He noted that among those who expressed a willingness to vote for LaRouche party candidates, "most had no idea of what the party stood for, but were fed up with the way the two major parties were handling crime and unemployment issues."

We know of the current appeals by the LaRouchites—Nuremberg trials for drug pushers, the takeover of the Continental Bank where the money "is laundered"; quarantine for AIDS victims. What will they seek in the future, and end to the British-Jesuit-Zionist-KGB connection?

The future of the Democratic Party is threatened. It is our party that has been tarnished in Illinois. Where next? If we don't think about the LaRouchites, and talk about them, we could lose to their like. And lose much more.

I close with this excerpt from an editorial in today's Washington Post:

"The Democratic Party, the press and the voters who now claim to have been hideously surprised all bear some responsibility for what happened, if what we are talking about here really is, as we devoutly hope, a failure of information. If it turns out that such candidates continue to win even when voters realize who they are and what they stand for, this country is in much bigger trouble than the returns from Illinois seem to signify at the moment."

KENNEDY FARM ADVISER CALLS FOR END TO FARM PROGRAMS

Mr. **HELMS**. Mr. President, among the most helpful sources of advice to the Congress in formulating the 1985 farm bill was the input provided by former Secretaries of Agriculture and other distinguished agricultural policy experts from previous administrations.

At one stage of the debate in 1985, four former Secretaries, including Secretary Freeman from the Kennedy and Johnson Administrations, Secretary Hardin from the Nixon Administration, Secretary Butz from the Nixon and Ford Administrations, and Secretary Bergland from the Carter Administration, met in Washington to express their views on the legislation pending before the Congress. While these four former Secretaries of Agriculture—two Democratic and two Republican—perhaps did not totally agree as to an ideal farm bill, they did share a consensus that the legislation should provide for a transition to a market-oriented agriculture, including significantly lower loan rates.

Mr. President, this policy input process has continued since the farm bill was enacted in December 1985. Recently, in the premiere edition of the American Agricultural Economics Association's magazine entitled Choices, Dr. Willard Cochrane, professor emeritus at the University of Minnesota and former policy adviser to President Kennedy and Secretary Freeman, spelled out his position regarding current farm commodity programs. Specifically, he recommends that the programs be eliminated immediately.

In the Choices article, Professor Cochrane articulates his reasons for abolishing the current commodity programs. He explains that the structure of farming has changed dramatically since the current programs were originally enacted and that the benefits of the farm programs generally accrue to a more concentrated group of landholders.

Because Professor Cochrane's views are widely respected by members of the agricultural economics profession and many public officials, including Members of the Senate, I ask unamous consent that the article be printed in the Record so that Senators may have an opportunity to read it.

There being no objection, the article was ordered to be printed in the Record, as follows:

[From Choices magazine premiere issue]

A New Sheet of Music: How Kennedy's Farm Adviser Has Changed His Tune About Commodity Policy and Why

(By Willard W. Cochrane)

The displeasure with present-day farm policy is apparent wherever you go—among farmers, urban consumers and taxpayers, politicians and policy-oriented economists. They're all unhappy with farm policy in general and with the commodity programs in particular.

This is particularly true with respect to agricultural economists of my generation—many of whom were once strong supporters of the commodity programs. They now feel those programs no longer serve their intended purpose—namely, to provide income support and protection to all farmers.

Speaking specifically for myself, I have become so disenchanted with the commodity programs, as they operate in the 1980's, that I'm now convinced we should do away with those programs completely. In fact, they should be eliminated immediately.

WHY I'VE CHANGED MY THINKING

Why has my position changed so drastically since I was policy adviser to President John F. Kennedy and Secretary of Agriculture Orville Freeman? Certainly not because the food and agricultural sector has become more stable. The same basic forces—that is, the interactions between a severely inelastic aggregate demand for farm food products and unpredictable shifts in aggregate supply—are generating instability in the 1980's that were at work from 1900 to 1980. And with the integration of the U.S. farm economy into the world economy, that instability has become sharper, wider and more unpredictable.

However, I would eliminate the commodity programs—immediately—for three important and inter-related reasons.

First, the structure of farming has changed substantially over the past 40 years. Through a massive decline in the total number of farms and the concentration of productive resources into the hands of fewer and fewer and larger and larger farms, 12 percent of U.S. farmers now produce and sell about 70 percent of the total national farm product. There are some 300,000 farmers, each of whom grosses over $100,000 per year, in this grouping.

It should come as no surprise then to learn that these large farmers benefit most from commodity programs by receiving some 45 percent of direct government payments for participating in the programs.

The indirect income benefits from these programs to the large farmers are far more important than the direct government payments. Recent studies have shown that income benefits of the commodity programs in the 1980's appropximate $6 to $7 billion per year because market equilibrium levels through such devices as acreage controls commodity additions to the Farmer-owned Reserve and commodity take-overs under the loan program. Since 300,000 large farmers produce and sell 70 percent of the total farm products, it is reasonable to deduce that those same farmers receive some 70 percent of such income benefits.

I see no reason why I or other urban income earner should be called upon to pay taxes and higher-than-equilibrium prices on farm food products to provide an income subsidy to these large farmers. And these are large farms—controlling, on the average, assets that were valued in 1983 prices at over $1.5 million per farm.

FARMERS ON A TREADMILL

My second reason for wanting to eliminate commodity program is to me more important than the first. Any innovator who adopts a new practice which reduces his cost structure will, as a result, either reduce his losses or increase his profits. But as more and more farmers adopt the practice, total supplies are increased and the gains of the early adopters are eroded away under a free market system through failing prices in the competitive process. This is the familiar Treadmill Theory.

But how do the gains of the early adopters and those that follow get competed away where the commodity programs hold market prices above free market equilibrium prices?

Not by failing market prices—the commodity programs were designed to prevent just such an unpleasant experience. With price-supporting commodity programs in place, the early-bird innovators who adopt a cost-reducing practice, and those who follow, see their profit positions maintained. Thus they seek to expand their farming operations and increase their total profits.

But with a fixed land base, these innovative operators can expand their operations only by acquiring land from their neighbors. This they do by using their favorable profit position to bid land away, through purchasing or renting, from the less aggressive, less capable farmers in their local areas.

The early adopters thus become larger operators, and the total number of farmers declines in a situation of rapid technological, managerial and commercial advances coupled with price and income support under the commodity programs.

The competitive end result of a no-profit position for the early adopters is not avoided, however. As the competition for scarce land increases it drives up land prices for the early adopters as well as for everyone else.

In this competitive process the early adopters become large operators and wealthy land owners, and their less capable neighbors fall by the wayside. Borrowing the term from my friend, Phil Raup at the University of Minnesota, I have described this whole process under the shelter of the commodity programs as a *cannibalistic process*.

In a situation of rapid and important technological, managerial and commercial advances, the early adopters of those practices will have an important advantage over their laggard neighbors in expanding their operations with or without the commodity programs. But the commodity programs provide a perfect protective cover for expansion, since it is not until a significant number of operators actually expand their operations that land prices begin to rise and the profit position of the early adopters is eroded away.

By that time many early adopters will have already become large operators. Thus, we see that the commodity programs developed originally to support and protect the incomes of all farmers have become a vehicle for doing in the laggard farmer.

In this connection it is not my position that roadblocks should be placed in the way of aggressive, innovative farm operators. But neither do I believe that all of American society should be required to pay in one way or another for the now very expensive commodity programs which help concentrate productive farm resources into the hands of fewer and fewer and larger and larger farmers.

A CATCH-22 SITUATION

Thirdly, the benefits from each commodity program level are quickly bid into higher land values through the dynamic and competitive process described above. And these higher land values become increased costs which must be met in succeeding production periods.

The increased price of land, as a cost, thus forms the basis of an argument to increase program benefits in succeeding years. Benefits must rise, so the argument goes, to enable "average" farmers to break even and stay in business.

The commodity programs, coupled with rapid and signficant technological, managerial and commercial advances, thus have created a Catch-22 situation with a built-in self-propelling dynamic for further increasing farm program benefits and thus farm program costs.

A a result, commodity program expenditures for supporting farm prices and incomes rose to almost $19 billion in fiscal 1983 (with another $10 billion of commodities for PIK payments). They declined to a "mere" $7 billion in fiscal 1984 and rebounded to $18 billion in fiscal 1985. Rising land values in a situation involving substantial commodity program benefits, coupled with rapid and significant technological, managerial and commercial advances, constitute a real phenomenon. But the concept of an average or typical farmer is a fiction.

What we have had in American agriculture for 30 to 40 years is a relatively small group of innovative, aggressive farmers who, at the existing level of price and income support, have made good to excellent profits and have used those strong profit positions to expand their operations by acquiring the land and other productive assets of their less capable neighbors.

Increasing price and income supports to assist "average" farmers who are in financial difficulties has, in reality, improved the profit position of the innovative, aggressive farmers. This, in turn, has increased the innovative, aggressive farmers' capacity to cannibalize the very farmers that the higher price and income support were supposed to help.

Meanwhile, many, if not most, farm politicians, farm leaders and farm economists have been standing on the sidelines—wringing their hands over the demise of the family farm. It is time to stop this foolishness. It is time to get rid of the commodity programs!

THE OBSTACLES

It might seem wise, in light of the substantial commodity program benefits that now flow to the farm sector, to phase out the commodity programs gradually, say over a 5-year period. This phase-out would give farmers an opportunity to make financial and production adjustments to an uneven decline in farm prices, the loss of government payments and an almost certain decline in land values.

In a rational world that would be the best solution. But, unfortunately, we don't live in a rational world.

The commodity programs are held in the vice-like grip of two closely related groups: the commodity trade associations that represent farmer-producers in Washington, D.C., and their corresponding commodity subcommittees of the House and Senate Agricultural Committees.

These two groups are controlled, or influenced if you prefer, by the same constituents, namely, the large, affluent producers who get 70 percent of commodity program benefits. Consequently, these two groups work as a team to achieve the legislative goals of their large, affluent producer constituents.

Over the years the two groups working together hand in glove have learned how to obtain the most that is attainable in the legislative process for their producer constituents. Hence, they are not about to acquiesce in any action that would terminate the commodity programs either immediately or gradually.

THE MYTHS THAT BIND US

Buttressing the power politics which protect and support the commodity programs on Capitol Hill are two beliefs widely held by the American public. These beliefs are deeply imbedded in the conventional political wisdom of the nation.

The first belief holds that there is an average or typical farmer of moderate size and moderate means who does not receive a fair return for his labor, management and capital invested, and that the commodity programs are necessary to help that farmer earn a fair return.

The second belief holds that, if this average or typical farmer should fail in the absence of commodity programs, his productive resources would go out of production, supplies would be reduced and food prices would rise.

Neither of these beliefs are grounded in reality as of 1985 and have not been for many years. They are myths. But they are myths with the force of reality, because they are accepted as the truth by much of American society.

Today, we have fewer than 300,000 large farm operators each of whom gross over $100,000 per year. Many of these farmers have become wealthy landowners. Some of them are innovative, aggressive operators who are prospering and expanding the size of their operations in the mid 1980's. Some portion of them will go out of business in 1985–86 as the result of bad investment decisions made in the late 1970's and early 1980's.

Below this class in size are nearly 400,000 farm operators who gross between $40,000 and $99,000 per year. A few of these operators are making it financially and moving up in size. But many are failing and going out of business each year, and most are struggling to survive with the aid of off-farm employment.

Then there are nearly 1.5 million "farmers" who gross less than $40,000 per year off the land. These are farmers in name only; most of their net income comes from working full-time off the farm.

In summary, there is no such thing as an average or typical farmer in the 1980's, and the earnings of these farm families range from huge down to the poverty level.

With regard to the second belief, when a farmer fails and goes out of business, his productive assets do not stand idle. His land will be quickly acquired through purchasing or renting by an aggressive neighboring farmer who is seeking to expand his operation. The livestock and equipment will be purchased at a farm sale by thrifty neighbors looking for good buys.

In all likelihood the land acquired by the aggressive neighbor will be incorporated into a more efficient operation than the one from which it came, be farmed more intensively than it was previously, and turn out a greater total product. In the usual case, the demise of a struggling farmer and the reorganization of his assets among his neighbors will increase the total supply of farm products, not diminish them. Our conclusion, then, is that commodity programs will not be terminated easily or readily. Substantial obstacles stand in the way: erroneous beliefs about the structure of farming and the behavior of farmers, a powerful coalition of forces at the Congressional level working to protect and strengthen the commodity programs, and fallacious analyses regarding the consequences of the programs in the dynamic farm economy.

CAN IT BE DONE?

Then what could terminate the commodity programs? In my judgment, it will require an urban revolt against farm legislation or some crisis such as the current budget deficit to terminate the commodity programs. It can be hoped that the deficit crisis in combination with an urban revolt will eventually produce a farm bill minus the commodity programs in 1985. (This article was written in September, 1985).

But such a development seems unlikely since urban dissatisfaction with the commodity programs is far from a white heat, and the deficit crisis is being overwhelmed by the farm crisis. It should further be recognized that an urban revolt in Congress, if and when it occurs, is not likely to produce a gradual, orderly phase-out of the commodity programs.

The revolt could be hastened up, however, by disseminating the right information in the right places. That, of course, is one purpose of this essay.

I admit that the essay will have little or no influence on those people in Washington

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(administration officials, legislators and lobbyists) who presently control and manage the commodity programs or on the large farmers who are the principal program beneficiaries.

But this article might help sway three groups who have mistakenly believed that commodity programs serve to keep small to medium-sized farmers in business:

—Those few farm leaders who are genuinely interested in keeping as many farmers on the land as possible.

—Congressional leaders who really want to reduce government expenditures.

—Those urban leaders in Congress and within the Administration who would like to lead a revolt against conventional political wisdom.

IS NOW THE TIME?

If you accept my arguments regarding the need to eliminate the commodity programs, you might reasonably question whether now is the time to take such drastic action. After all, the farm economy is depressed and many farmers are going out of business. Would not the complete elimination of commodity programs now put an additional and severe burden on our already hard-pressed farmers?

The answer to that question is "yes". The farm sector and the farmers in it would lose both the direct and indirect benefits flowing from the commodity programs. And that action alone would probably push a few more farmers over the brink and into business failure.

The farmers who seem destined to fail over the the next two years made wrong investment decisions in the late 1970's and early 1980's. They bet that inflation would continue, farm exports would remain high, farm product prices would soar and the real rate of interest would remain close to zero.

With this expectation they mortgaged their existing assets, borrowed all the money they could and expanded their operations by buying very high-priced land and expensive modern machinery. Farmers, large and small, turned speculators in the late 1970's.

Their expectations were not realized. Inflation was tamed, exports declined, farm prices declined modestly and the real rate of interest soared. Now these farmers cannot meet their loan payments, and they are losing—or are in danger of losing—their entire operations to their creditors.

Continuing the commodity programs at their present level of benefits will not save those farmers who bet wrong in the 1970's and early 1980's. They cannot make it financially at the 1985 level of farm prices and the interest rates they are obliged to pay.

And if by some miracle the level of commodity program benefits could be raised enough to save those farmers making wrong investment decisions, that level of benefits would create a bonanza for that small percentage of farmers who are currently prospering. It would further cost American taxpayers and and consumers many, many billions of dollars in the form of direct payments to farmers and increased food prices.

Further, and in line with the arguments of this essay, it would create the incentive and the profit position for the prospering farmers to buy out their less prosperous neighbors who were and are just barely surviving economically.

WHAT'S NEEDED NOW

What the farmers about to go out of business need is not a continuance of the commodity programs. What they need is a credit program that would refinance them at much lower rates of interest and more favorable repayment terms than were a part of their original loans.

But this raises an important set of questions. In a reasonably free economic society such as ours, should the government be expected to bail out each and every business person who made a wrong investment decision? And if the answer is "no" as a general proposition, why should the government be expected to do this for farmers?

I am inclined to doubt that the government should assume the responsibility of bailing out those farmers who made bad investment decisions in the late 1970's and early 1980's unless it can be shown that the government caused their investment decision to turn sour.

In the case of farmers who are about to go broke as a result of investment decision made back in the 1970's, the situation is somewhat ambiguous. They were not advised by the government to expand their operations, although they may have received such free advice in the local coffee shops.

But those farmers are suffering now from effective public policies to curb inflation and ineffective public policies which have resulted in an overvalued dollar and a decline in farm product exports.

Thus, the government's responsibility in this case is debatable. And it has been debated and will continue to be debated. It is my guess that the government will assume a part of the responsibility, but will take the wrong corrective action.

The current farm depression and the imminent danger of many thousands of farmers failing will be used as an excuse in Congress to maintain commodity program benefits at or near recent levels in spite of the national deficit crisis.

In such an event the federal deficit will not be reduced by as much as would be desirable, and the current strong incentive for the large, innovative, aggressive farmers who made the right investment decisions to gobble up their less-able neighbors will remain—and the resource concentration process in agriculture and be expected to continue and perhaps speed up.

GOVERNMENT INTERVENTION STILL NEEDED

Some of you who have known me for decades may be saying "the old codger is becoming conservative in his old age." That is not the case. I remain an unreconstructed New Deal Democrat. The ideal farm economy, in my view, is one with many, many relatively small family producting units; where the monopololistic elements in the distributions system are at a minimum; where those farmers who produce abundantly and efficiently are rewarded with a fair and stable return; and where consumers are assured of an adequate, healthful food supply, fairly distributed.

But such an economic world requires direction and intervention from the governing body (as with the National Football League) to make the economic game reasonably efficient and tolerably acceptable to all participants (producers, middlemen and consumers).

There are some large, difficult problems in the food and agricultural sector that are beyond the capacity of a single farmer—a group of farmers or—the affected consumer groups to cope with. Hence, there is a need to take collective action at the state or federal level to deal with these problems.

Thus, I still see the need for governmental intervention in the food and agricultural sector in numerous ways. I will tick off a few of them. Each of them merits separate articles in this magazine.

1. Supporting agricultural research.
2. Providing food assistance to the poor and the down-trodden at home and abroad.
3. Protecting the consumer through food inspection and regulation.
4. Protecting and conserving this nation's soil and water resources.
5. Expanding farm exports by coping with the overvalued dollar problem and reducing foreign trade barriers.
6. Operating a grain reserve program with the capacity to dampen world grain price fluctuations and thereby help stabilize the U.S. grain/livestock economy.
7. Targeting medium-sized farmers (those grossing $40,000 to $100,000 per year) for special assistance. This could take various forms, such as management assistance, subsidized production credit, and plans and credit to modernize and possibly expand the operation's size.
8. Possibly developing a special program to help farmers, large and small, who are caught in the current credit crunch to refinance their farming operations and survive.

So I would not walk away from the food and agricultural sector and leave it and its participants to swing in the unpredictable breezes of the free market. The production and distribution of food in every civilized nation is considered too important to be left to the unseen hand of Adam Smith.

U.S. MANUFACTURING SACRIFICED ON ALTER OF FREE TRADE

Mr. THURMOND. Mr. President, recently an editorial entitled "U.S. Manufacturing Sacrificed on Alter of Free Trade" appeared in the State newspaper in South Carolina. This insightful commentary was written by Roger Milliken who is the chairman and chief executive officer of Milliken & Co., a Spartanburg, SC, based manufacturing concern. Mr. Milliken also serves as chairman of the Crafted With Pride in the U.S.A. Council.

In this editorial, Mr. Milliken points out that a wholesale transfer of American economic strength to other nations is underway. He warns that as the industrial base of our Nation declines, we stand to lose our status as a world power. To support that conclusion, Mr. Milliken discusses the experiences of Spain in the 17th century and of Great Britain in the 19th century. Both of these nations lost their world preeminence when they allowed foreign products to dominate their markets.

Mr. Milliken sees the same thing, unfortunately, happening to America. As he points out, "the American industrial base is the strategic core of the free world's defenses."

Mr. President, we must assure the survival of our manufacturing sector if we are to remain a world power. I commend my good friend Roger Milliken for this timely piece and urge all of my colleagues to read it carefully.

Mr. President, I ask unanimous consent that the full text of the article

from the State be included in the RECORD.

There being no objection the article was ordered to be printed in the RECORD, as follows:

U.S. MANUFACTURING SACRIFICED ON ALTAR OF FREE TRADE

(By Roger Milliken)

Questions of trade policy have moved to the top of the list of issues that preoccupy government policy makers. Unfortunately, this country does not have a consistently sound and accepted trade policy or framework for determiming what is in the national interest. Therefore, in the eyes of many people, America's trade problem is no more than a traditional confrontation between free traders on one side and protectionists on the other.

Nothing could be further from the truth. Trade policy questions today are different. The stakes have never been this high before. We are not talking today about the loss of imports of a few percentage points in market share. We are talking about the wholesale transfer of economic strength to other nations and the resulting decline in American power. This transfer is well under way. How much longer can we afford to watch as out policymakers, guided by an inappropriate theoretical framework, permit this transfer to continue?

Under our current reckless application of the "free trade" model, the American economy will continue to move away from manufacturing, and with the decline of its industrial base, will lose its status as a world power. History suggests that this is no idle threat, as the earlier examples of Spain and England illustrate.

THE SPANISH EXPERIENCE

Spain at the height of its power was the first true world empire and for about 100 years the dominant power in Europe. Interestingly, it took Spain a century, from 1480 to 1580, to attain political preeminence and another century to lose it. By the end of the 17th Century, Spain had fallen back into the ranks of the second-rate powers. For a time, Spain, like us, had one of the higher standards of living. It had plenty of gold and silver with which to buy imports.

Spain had intellectuals and government officials who had many of the same ideas, particularly on international trade issues, as their counterparts in the United States have today. For example, the idea that the United States can continue to import indefinitely larger and larger quantities of manufactured goods, without worrying about the declining exports and the demise of domestic manufacturing, corresponds very closely to the views of Spanish officials in the 17th Century.

Although it required considerably more effort to mine and transport gold from Spanish mines in Central and South America than it takes to print paper dollars, the living was easy, especially for those who were part of the system. Members of the aristocracy, administrators, merchants, "information processors," and others in the service economy of Spain, were pleased with themselves. So pleased, in fact, that laws were passed which placed a stigma of social dishonor on the manufacturing occupations. Eventually, as one contemporary observer said, "any no-good wretch would die of hunger before he would take up a trade."

Others saw in Spain the "spectacle of a nation which is dependent on foreigners not only for its manufactured goods, but also for its food supply; while its own population goes idle, or is absorbed into economically unproductive occupations."

As imported products carried in foreign ships poured into Spain, the increasingly larger trade imbalances were made up in gold and silver, and the unsatisfactory state of trade, which involved the transfer of Spanish raw materials and precious metals for higher value-added foreign manufactured goods, caused much concern to Spain's economic writers.

They identified the root causes of Spain's troubles as:

1. High taxes.
2. Love of luxuries.
3. Pursuit of idleness.
4. Diversion of the population into unproductive occupations.
5. Mania to attain the status of knight or hidalgo.
6. Aristocratic and religious ideals which held manufacturing occupations in contempt.

The leading writers agreed on both the diagnosis of their country's problems and the principal features of the cure: A change in economic relations with the rest of the world and extensive internal reforms.

They demanded special incentives and tax concessions to "labourers and married men, so that the fields might be brought back to cultivation, and the countryside be repopulated." Unfortunately for Spain, they were largely ignored.

As Spain's economy deteriorated, beggars and displaced workers crowded the roads and cities. The excessive reliance on imports to supply the country's needed manufactured goods did not produce employment for Spanish labor. As in the United States today, the displaced workers did not all find acceptable employment in the service sector of the economy.

When the gold finally ran out, Spain's import-supplied world empire collapsed. Long-term wealth went to those in other countries who produced and exported. To this day, Spanish living standards are low for Europe.

THE BRITISH DECLINE

By the middle of the 19th Century, approximately 150 years after the final collapse of Spanish power and influence, the British Empire's preeminence in the world was unquestioned. The British Empire was built and prospered under a highly protected economic system. For some historians, it is, therefore, all the more surprising that Adam Smith launched his attack on protectionism from England, the leading economic power of its day and the most successful practitioner of mercantilism.

It was under the imperial system of trade management that the British began to industrialize. A half-century after Adam Smith, the highly protected British industries had achieved technological and managerial advantages over their rivals in the rest of the world. With the competitive superiority of British manufacturers taken for granted, the government then embraced and implemented the model of free trade.

At first, perhaps because it was fashionable to copy British ideas and institutions, the power of the new free trade theory was persuasive enough to be considered by other nations. But these other nations soon found that they could not compete with the more advanced English manufacturing industries.

Emerging industries in other countries needed protection. France, Germany, the United States and, later Japan, protected their industries.

As England's competitors rose to economic power behind their own walls, the relative position of England declined. Hit hard by foreign competition, the open British Empire was flooded by imported manufactured goods by the beginning of the 20th Century. Like the Spanish experience, 200 years earlier, Englands's economic and military power declined relative to that of its rivals.

U.S. PARALLELS

How relevant are the Spanish and British case histories to us today? For the moment, imported products are easily obtained from eager sellers for paper dollars that cost next to nothing to create. The defenders of this practice seem to have forgotten that the causes of wealth are different from wealth itself. Only those nations that protect their ability to produce wealth through a healthy manufacturing sector can count on a high standard of living in the future.

For the United States, the gold will probably run out when the dollar ceases to be an overvalued international trading and reserve currency. Would it not be prudent to make sure today that when gold runs out, our manufacturing sector is intact? The Spanish example suggests that long-term wealth does not belong to consumption-oriented and import-supplied service economies.

I suggest there is a need to reject the free-trade dogma which conditions Americans to accept the decline of our manufacturing sector as a natural process in the evolution of economic systems which should not be resisted.

Smaller nations may be free to abandon whole sectors of their economies on purely economic grounds. But the United States cannot follow this practice. Whether we like it or not, the American industrial base is the strategic core of the free world's defenses.

An intelligent trade policy which assures the survival of our manufacturing sector would not solve all our problems. But I believe that whatever a nation's problems, they are made worse by the displacement of domestic industry by foreign competition.

The United States must stop sacrificing its manufacturing infrastructure on the altar of free trade—a god no other nation worships.

Thomas Jefferson said, "To be independent, for the comforts of life, we must fabricate them ourselves—manufacturers are now as necessary to our independence as to our comfort.' This was in 1816. Is it any less true today?

Mr. STAFFORD. Mr. President, I suggest the absence of a quorum.

The **PRESIDING OFFICER.** The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. STAFFORD. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The **PRESIDING OFFICER.** Without objection, it is so ordered.

CONCLUSION OF MORNING BUSINESS

The **PRESIDING OFFICER.** Morning business is closed.

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WATER RESOURCES DEVELOPMENT ACT

Mr. STAFFORD. Mr. President, I ask unanimous consent that the Senate temporarily lay aside the motion to proceed to S. 1017 and proceed to the consideration of S. 1567, the water resources bill.

The PRESIDING OFFICER. Is there objection?

Mr. SARBANES. Mr. President, reserving the right to object—and I will not object—as I indicated last night to the majority leader, I am anxious to cooperate with him in moving forward with the matters ahead of us—the water resources bill and the Contra aid provision. The majority leader and I have discussed the airport bill, and I hope we can work out an agreement to take up the airport bill after the recess, at an appropriate time, and then proceed to consider it in a reasonable manner with respect to the amendment process.

The water resources legislation for which permission to proceed to S. 1567 is sought, is very important, and I commend the chairman, the ranking minority member, and the other members of the committee for the very fine work they have done. We have been a long time without a water resources bill, and it is very important that we take up and pass this legislation. Therefore, I do not object to the request. In fact, I very strongly support it.

Mr. BYRD. Mr. President, reserving the right to object—and I will not object—I just want to commend and to thank Senators Stafford, Moynihan, Abdnor, and Bentsen and others for the consideration they have shown with respect to the bill. I thank them for the patience they have demonstrated, and I deeply appreciate, personally, the consideration they have given to matters that were of some concern. They have been patient, cooperative, and understanding, and I am grateful for that.

I have no objection.

Mr. STENNIS. Mr. President, if the Senator will yield, I want to thank and highly commend the Senators for the hearings they have held, the patience they have shown, and for their skill and know-how over a period of years—9 years as I understand it. This bill is very far-reaching.

Soon after I came to the Senate, I was on a subcommittee, an ex officio member, in public works, and I learned about the country and its problems.

I thank the Senators.

Mr. STAFFORD. Mr. President, I thank the able minority leader and the most distinguished Senator from Mississippi, Senator Stennis, for their kind remarks, and the Senator from Maryland as well.

The PRESIDING OFFICER. The clerk will report.

The assistant legislative clerk read as follows:

A bill (S. 1567) to authorize the Secretary of the Army to construct various projects for improvements to rivers and harbors of the United States, and for other purposes.

The Senate resumed consideration of the bill.

Pending:

Stafford (for Armstrong) amendment No. 1688, to modify a project for flood control on the Platte River, in Colorado.

Mr. BENTSEN addressed the Chair.

Mr. STAFFORD. Mr. President, will the Senator withhold a minute?

Mr. BENTSEN. Yes.

Mr. STAFFORD. We need to make another motion here.

I now ask unanimous consent that the committee amendment to S. 1567 may be set aside and the Armstrong amendment called up.

The PRESIDING OFFICER. Without objection, it is so ordered.

AMENDMENT NO. 1688

(Purpose: To modify a project for flood control on the South Platte River, Colorado)

The PRESIDING OFFICER. The amendment will be stated.

The assistant legislative clerk read as follows:

The Senator from Vermont [Mr. Stafford], for Mr. Armstrong, proposes an amendment numbered 1688.

Mr. STAFFORD. Mr. President, I ask unanimous consent that the reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

On page 65, between lines 5 and 6, insert the following:

Sec. 337. Section 88(c) of the Water Resources Development Act of 1974 is amended by—

(1) inserting after "encroachments" the following: "(other than the Mineral Avenue/Ken Caryl Road extension and associated transmission lines)"; and

(2) inserting "significantly" after "areas which would".

Mr. BENTSEN. Mr. President, I would like to thank my distinguished friend, the Senator from Mississippi. I know that much work that has been done by this committee has been due to him and that he has been helpful to each of us when we have problems in our States.

This bill, S. 1567, implements a major transformation in the way water projects will be built in the future.

What we had in the past was a situation where power plays were used to authorize water projects based on the exercise of political muscle and influence. Sometimes legislation was enacted in the dark of the night, and sometimes it was enacted when practically no one was on the floor.

With passage of S. 1567 there will be little incentive for that kind of activity. With this bill financial participation by the local communities will be required. Unless they are willing to put up their share of project costs, the project will not be built. The Federal Government will still play a very major role in the infrastructure of our country. Our infrastructure is in serious trouble; it has not been adequately maintained and it has not met the growing demands of the population of this country. Under the provisions in S. 1567 we will begin to construct and maintain projects based on a Federal determination that each project has merit and based on the local determination that the project is worth paying for.

What we have before us is a very major piece of legislation. I am delighted to have been able to participate in it.

The distinguished chairman of the full committee, Senator Stafford, has made a very major commitment and contribution to this legislation, as has Senator Abdnor, the chairman of the subcommittee, and my good friend, Senator Moynihan from New York, who, like me, represents a State of great population and geographical size. New York has some major projects in this bill, but Senator Moynihan participated in the development of this legislation with the kind of judgment necessary to insure that we will be able to totally justify the projects that we are authorizing.

I congratulate each and every one of these distinguished Senators for their work.

Mr. MOYNIHAN. Mr. President, I will just add a few remarks. I, too, wish to thank our revered senior statesman from Mississippi for his kind remarks, and the minority leader, Senator Byrd, who spoke of our patience during the past week.

In reply I say to the distinguished Senator from West Virginia that I am now in my 10th year on this committee, and this is the first bill we have brought to the floor. We have learned patience. I assure him that 7 days' delay is of no consequence whatever. On the contrary, the bill is strengthened by a well-reasoned agreement.

I would like very much to join with the ranking member of our committee, the Senator from Texas, to say that the Senate in this act is transforming the approach to the first major internal activity of the U.S. Government—water resources development. The Federal role began with a decision by Justice John Marshall which allowed New York State to regulate steamboat traffic on the Hudson River. This case, decided in 1824, was Gibbons versus Ogden. There ensued a great battle between the Jacksonians and the Whigs during the 1830's and 1840's over internal improvements. Finally, those who sought this responsibility for the Federal Government prevailed, and the result was development of the Ohio, Mississippi, and Missouri water systems. The Government continued to build the great reclamation systems in the West hydroelectric projects, and more elaborate navigation improvements. These have always been wholly federally funded projects.

The day came when the optimum projects had been built, and Senators began to regard water projects as free goods. Thus many inefficient allocations were authorized piecemeal in the manner which the Senator described—sometimes in the middle of the night or when few were in attendance on this floor.

What the Water Resources Development Act of 1986 introduces is a market test and a Federal principle. The Federal Government will share in activities with State and local governments, and together we will make a judgment whether it really is worth deepening a harbor or building a flood control project. In this fashion we will resume a major national enterprise. I think the sooner we get on with it the more likely it is to happen. We do not want to press our luck.

Mr. BENTSEN. Just press our locks.

Mr. MOYNIHAN. That's right—just to press our locks.

Mr. STAFFORD. Mr. President, unless there is debate, I move the adoption of the Armstrong amendment. I believe it has been cleared.

Mr. MOYNIHAN. Mr. President, I would like particularly to thank Senators Stafford and Abdnor for allowing us to hold that amendment over. The Senator from Colorado was gracious in making sure that his colleagues agreed to the matter. I move the amendment.

The PRESIDING OFFICER. The question is on agreeing to the amendment.

The amendment (No. 1688) was a agreed to.

Mr. STAFFORD. Mr. President, I move to reconsider the vote by which the amendment was agreed to.

Mr. MOYNIHAN. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. LONG. Mr. President, when the Senate considered this measure on March 14, 1986, approval was given to an amendment offered by the Senator from Missouri [Mr. Danforth] to establish the jurisdiction of the U.S. district courts over the imposition, computation, or collection of user fees by non-Federal sponsors. I supported this amendment, as did the chairman of the Finance Committee, and it was agreed to without objection.

While I supported the Danforth amendment when it was offered, I also noted that concerns had been raised by public port authorities and bond counsel about the impact of the amendment on the issuance of revenue bonds to finance the local share of project requirements. At that time, I expressed hope that the concerns raised by port authorities and others could be addressed and resolved in conference.

Since the amendment was offered, I have heard from industry representatives who have informed me that they are discussing this issue and will continue to do so in an effort to resolve the outstanding issues to the satisfaction of all parties concerned. I would like to ask the chairman of the Finance Committee if he agrees with the need to seek a resolution of this issue in conference.

Mr. PACKWOOD. I, too, have heard from port authorities, barge interests and liner operators who have expressed a number of concerns about this issue. I would encourage them in their efforts to reach an accord and would agree with the Senator from Louisiana that we should try to resolve this issue in conference.

Mr. LONG. I thank the chairman.

The PRESIDING OFFICER. The question before the Senate if the committee amendment.

Mr. BYRD. Mr. President, will the distinguished manager of the bill momentarily delay?

Mr. STAFFORD. Yes.

Mr. BYRD. Mr. President, based on the assurances that have been given me by committee staff people on both sides of the aisle, I have no problems with this amendment.

The PRESIDING OFFICER. If there be no further debate on the committee amendment, the question is on agreeing to the committee amendment.

The committee amendment was agreed to.

Mr. STAFFORD. Mr. President, I move to reconsider the vote by which the committee amendment was agreed to.

Mr. MOYNIHAN. Mr. President, I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. ABDNOR. Mr. President, if I may, I just want to say how much I appreciate all the kind remarks that have been made about the leadership on this bill. I will say it does represent 5 years of struggle, 5 years plus several months. But every moment of it has been worth it. We come before the Senate with a bill that has been well thought out. We have tried to deal individually with everyone's problems and worked out the problems the best we could. Because of that, we made some real progress here a little over a week ago when we spent a few hours on the bill, and today we hope we can bring it to a conclusion.

I am very pleased to say it has had the support and cooperation of everyone on our committee and just about everyone we had to deal with on the floor.

As was stated when this bill was considered on the floor last week, this is a carefully crafted compromise bill that resolves longstanding controversies surrounding the Water Resources Program of the Army Corps of Engineers. This bill breaks the decade-long impass on corps projects and will allow this program to go forward in a way that is both fair and responsible. It maintains the Federal commitment to wise water resources development without putting an unacceptable burden on the Federal Treasury or on local project sponsors.

The water resources work authorized by this bill is extremely important to this Nation. It includes vitally important and long overdue navigation improvements, sorely needed flood control projects, and a variety of other essential water resources work. These projects will make an important contribution to the economies of our cities, our States, and to the Nation.

This is good legislation, and it is obviously long overdue. I urge my colleagues to support its swift passage.

I yield the floor to my good friend from New York, the ranking minority member of the Water Resources Subcommittee, Senator Moynihan.

Mr. MOYNIHAN. Mr. President, I see that our learned and distinguished colleague, the chairman of the Appropriations Committee is on the floor. I believe he would like to speak on this matter and we would very much like to hear him.

Mr. HATFIELD. Mr. President, I thank the Senator from New York. I would be happy to yield to the Senator for his remarks, as the cosponsor of this bill and one who has labored for 10 years in the vineyard, along with Senators Abdnor, Stafford, and others, to bring it about. I would be happy to yield to him.

Mr. MOYNIHAN. Mr. President, my opening remarks welcome the Senator from Oregon to the floor and thank him for the opportunity to hear him on this matter.

Mr. ABDNOR. Mr. President, if the Senator will yield for 1 second, I question very seriously whether this bill would have ever been on the Senate floor without the leadership and strong support of the Senator from Oregon, who has an interest in water and a great concern for this country. I just wish to thank him for his help. Without it we would not have this bill before us today.

Mr. HATFIELD. Mr. President, I thank the Senator from South Dakota and the Senator from New York for permitting me to make a few brief remarks at this time on a bill that has been journeying down a very long, long road and finally has now been

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brought to the Senate and will hopefully be acted upon shortly.

In fact, it has been more than a decade since Congress has been able to develop an acceptable omnibus water resources bill.

Let me say, Mr. President, that this delay is not the fault of my distinguished colleagues at all, especially the leadership that has been demonstrated over the years by the Environment and Public Works Committee. They have worked tirelessly over the last four Congresses to produce legislation that would strike a balance between the needs of our infrastructure and the imperative of our budget deficit. I believe this legislation meets this goal and I congratulate their effort.

The time has come to move forward with this legislation and establish a new era in water resources policy. S. 1567 in its current form makes profound changes in the way we fund operations and maintenance and new construction for our Nation's waterways. It provides a new foundation for replacement of crumbling facilities and provides needed development of our ports to allow us to remain competitive in the next century.

I would like to comment on a few of the navigation provisions.

First, we establish priorities for new development, both on the inland system and at our ports. We acknowledge that not all worthy projects can be included in this legislation, but that some must go forward. We set up a new cost sharing formula that reflects the "market-test" philosophy which meets the administration's concerns while keeping the level of cost sharing reasonable to ensure that development may move forward.

Second, we set up a reasonable user fee for our Nation's ports. The ad valorem fee of 40 cents per $1,000 value has proven through analysis to be the most equitable basis to assess all commodities at all ports on a nationally uniform basis. This is the fee concept I proposed in my bill. S. 865, in the 98th Congress. Ad valorem fees acknowledge the differences in ports' needs and commodity mixes. This is a good step toward balance and equity. We also have placed these funds in a trust fund similar to the highway trust fund.

Last, we have made changes to the inland waterway fuel tax which will guarantee adequate funding for authorizations like the Bonneville lock.

Mr. President, this legislation is a milestone and I believe the committees deserve a great deal of thanks. They have persevered through many difficulties and they should be congratulated. The staff too should be congratulated. I have come to know some of the staff people who worked on this every bit as well as the Members for whom they worked. They have put in hundreds of hours and have helped to make this day possible.

I would like to also pay tribute to my colleague, Senator PACKWOOD, from Oregon, who, through the role the Finance Committee played in the development of this legislation, was very fundamental to its reality coming to a reality, as well.

Mr. HEINZ. Mr. President, I first wish to commend the managers of the bill, particularly Senator ABDNOR and Senator MOYNIHAN, who worked so long and hard on this legislation. This is quite a significant day—after some 10 years of watching and waiting, seeing our navigation system on the rivers, our ports and harbors, literally deteriorate before our eyes. The Senator from South Dakota, together with his colleague from New York, has performed such an important public service to the country in bringing this legislation to the Senate, particularly with the great support that it has behind it.

I can safely say that the Water Resources Development Act that we have before us, S. 1567, marks the culmination of some 9 years of work, effort, and negotiation, both within the Congress and between the Houses of Congress, with the waterways industry, and with several administrations. So this really is an important day in our recent legislative history as we pass this legislation.

S. 1567 authorizes many long-awaited water projects of vital importance to this Nation's citizens, to our natural resources, and to our ports and inland waterways. Like many such efforts, this bill is the product of compromise and is not perfect. But on the whole, I believe that we can take great pride in accomplishing what four previous Congresses have not been able to do—namely, reaching agreement on a responsible omnibus water bill.

Why is passage of this bill so important? First, the bill addresses crying needs in our Nation's navigation system. Water transportation is the lifeblood of America's economy. It is essential for the import and export of many manufactured goods, and the inland transportation of many commodities—coal, steel, and grain among them—that are essential to our prosperity.

I am particularly pleased that the bill authorizes construction of three navigation projects of critical importance to commerce in my State of Pennsylvania—locks 7 and 8 on the Monongahela River, and the Gallipolis Lock and Dam on the Ohio River. Construction of these projects will greatly improve the transportation network that the coal and steel industries rely upon to market their goods both in the United States and abroad, and given the problems plaguing these industries, let me tell you that any improvement is good news.

Let me take just a moment of my colleagues' time to illustrate what this bill will mean to the Pennsylvania coal industry.

It currently takes 45 minutes for a coal barge to move through lock 8 on the Monongahela River. This is hardly surprising, since the lock was built roughly 60 years ago, when people still flew in zeppelins. Following the replacement of lock 8 as authorized in the water resources bill, however, the time it takes for a barge to move through this lock should be cut in half. And with coal barge transportation rates hovering around $150 per hour, this time savings will translate into significantly reduced costs to the industry.

Mr. President, authorization of these three navigation projects will bring $420 million in new investment to western Pennsylvania and the Ohio River Valley. In addition, this legislation will create thousands of new jobs, jobs in our construction industry for those who will work directly on the lock rehabilitation projects, and jobs in all of those industries that rely on water transportation. And I can assure my colleagues that new jobs will be mighty welcome in an area that has not shared in our national economic resurgence.

Mr. President, in addition to navigation projects, S. 1567 provides for many important flood control projects that will help protect citizens and businesses in flood-prone areas. As in the case of locks and dams, these flood control projects represent many years of hard work on the part of State, local, and Federal officials. Of particular significance to me are four important Pennsylvania flood control projects—projects for Harrisburg, Saw Mill Run in Pittsburgh, the Wyoming Valley in Luzerne County, and Lock Haven. In addition, the bill provides further authorization for the shoreline erosion project at Presque Isle in Erie, PA. Finally, I am pleased to report that enactment of this bill would represent the first step toward construction of the Rowlesburg Dam, a project that would have prevented 90 percent of the more than $80 million in damages sustained in western Pennsylvania's Monongahela Valley following last November's disastrous flooding. In all, this bill will bring some $900 million of needed work and improvements to projects directly vital to the Commonwealth of Pennsylvania.

As we all know, one reason we are now able to enact this water resources bill is that we have reached an agreement with the administration and the waterways industry on cost-sharing for the construction and maintenance of these projects. I remain philosophically opposed to such user fees, especially at a time when most barge companies

are struggling just to survive. I believe that the maintenance of our Federal navigation system is truly a national responsibility. Nevertheless, I am willing to compromise in this case because the inland and deep-draft user charges imposed in this bill are tolerable and, in any event, a necessary price to pay to enable and ensure construction of these projects.

I do have one outstanding concern, however, with regard to the cost-sharing provisions in S. 1567 regarding reallocation of storage in existing reservoir projects. H.R. 6 provides that in cases in which a non-Federal interest enters into a cost-sharing agreement with the Corps of Engineers, it should have to pay the cost of original construction project plus the interest rate at the time of construction. I believe that this is a sensible cost-sharing arrangement, which would enable the best use of our existing reservoir system, and that the Senate should seriously consider this approach in the conference.

I am also concerned that S. 1567 does not include a project that is of vital importance to Pennsylvania—the Schuylkill River basin flood control project in Pottstown, PA. This project, which is included in H.R. 6, would deepen and remove obstructions in the channel of the Schuylkill, thus reducing the potential for flooding damages in nearby communities. I would strongly urge the conferees to consider inclusion of this project in the final version of the bill. In addition, I would like to urge the conferees to authorize the Corps of Engineers to continue with studies necessary at the Milton flood control project on the West Branch of the Susquehanna River. Such an authorization is included in H.R. 6, and is important to the citizens of the Borough of Milton and surrounding communities.

Mr. President, if this water bill represents anything, it is the ability of concerned parties—government officials and private organizations—to work together toward a common goal. This bill is as much the product of local initiatives—of employers and affected workers in waterway-dependent industries, of local waterway associations, of mayors and of city councilmen—as it is the product of all of our hard work in Washington. In my area of the country, people like Art Parker of McKeesport, Barry Palmer of Pittsburgh, and Bob Yowell of Lock Haven, and many, many others have played pivotal roles in shaping this bill. To those many citizens with whom I and others have worked for many years in anticipation of this moment, I would like to express my full gratitude and deepest appreciation.

Mr. President, I believe commendation is in order for the majority and minority leaders who have helped immeasurably in shepherding this important bill to passage.

Also, Mr. President, I believe that commendation is in order, as I said at the outset, for the managers of this bill. The Senator from South Dakota, and the Senator from New York really have made this a historic occasion. I join the rest of my colleagues in saluting their very shrewd, wise, and farsighted statesmanship.

I thank the Senator from South Dakota, and the Senator from New York specifically in that regard.

I urge my colleagues to adopt the water resources development bill.

Mr. ABDNOR. Mr. President, I certainly want to thank the Senator from Pennsylvania, my colleague, for his kind words. We believe we have a bill that addresses many of the water resources problems in this country.

Mr. MOYNIHAN. Mr. President, I join with my indefatigable chairman in thanking the Senator from Pennsylvania.

The Senator from Pennsylvania may wonder sometimes how it is that the French discovered Pittsburgh, and Pennsylvania began its westward movement. I would like to say that in this instance that the Pennsylvanians are so much indebted to the State of New York. But it is part of the whole hydrosystem of the United States.

I am sure he knows that in the little hamlet of Barcelona on Lake Erie there is to this day a portage, in the form of a street that leads to a very gentle portage up 15 miles into Lake Chautauqua from which you can swim to the Gulf of Mexico. The Iroquois took the French up the portage, and down to the junction of the Allegheny and Monongahela, and hence the French and Indian wars. And they finally got over the mountains. Without us they might still be there in the lowlands of the Atlantic around Philadelphia.

May I say that I particularly appreciate his remarks about the lock and dam improvements on the Monongahela, and at Gallipolis. If any Member of this body has seen those two installations, they will know why we need this bill. Some of them are almost hopeless. I do not want to exaggerate. But it is terrible to see the Corps of Engineers personnel working with 70-year-old electric motors, trying to keep them going somehow or other, patching them up, and dealing with concrete that is collapsing. The whole enterprise is very much in need of elemental repair, and in this case, reconstruction.

The outdated condition of these locks creates choke points in major commerce. It is in the fundamental interest of the U.S. economy to attend to these repairs. If it redounds to the benefit of Pennsylvania, so be it.

Mr. HEINZ. May I say to my colleague from New York that I think his remarks are as usual insightful, enlightening, and wise. I am glad he has seen those locks and dams. To say that they are in a state of disrepair is to somewhat understate the case.

Mr. MOYNIHAN. They are in a state of dangerous disrepair.

Mr. HEINZ. Dangerous disrepair is adequate.

I thank him for his understanding, together with Senator ABDNOR, to whom we are deeply indebted.

Mr. MATTINGLY. Mr. President, I want to urge my colleagues to support this important piece of legislation. It represents a great stride forward in the essential job of modernizing our Nation's capability to compete in world commerce and trade. It has been far too long since projects were authorized by Congress which will increase the capacity of our inland waterways and deepwater ports and thus allow us to facilitate the efficient movement of both domestic and foreign cargo. This is a subject which has occupied a great deal of my time over the past 5 years, and I want to congratulate the distinguished Senator from South Dakota for his determined pursuit of this matter. The Senator and I have not always agreed on several elements and concepts which were contained in the many previous versions of various water resources bills which we have studied. I am happy to say that the measure before us today addresses most of the major elements upon which we previously disagreed, and upon which we now have reached accommodation.

This legislation also marks a major new initiative in the creation of a stronger partnership between the Federal Government and local sponsors and beneficiaries of water development projects. At a time when we in the Senate are struggling with a horrendous budget deficit, we embark today on a new cost-sharing philosophy wherein the States and localities will assume a greater role in funding these vitally needed projects. We have come to realize that—although these facilities generally benefit the Nation as a whole—they also provide specific and identifiable benefits of a somewhat greater magnitude to the area or region in which they are located. I think that we are recognizing this fact by adopting this measure and the various cost-sharing formulas it contains.

We have come a long way, Mr. President. I remember that back in 1981 there was a great division over the question of whether or not we should mandate cost sharing at all. Many of our colleagues were of the opinion that the Federal Treasury should continue forever to bear the cost of these projects, ignoring the reality of the greater value bestowed upon the immediate project situs and its surrounds. In 1982 the debate shifted to

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the question of how best to raise the moneys which would represent the local sponsors' share of the costs, and we then spent another 2 years attempting to craft the legislative vehicle in a manner which would not in and of itself create competitive differences among the Nation's ports, both large and small. Earlier suggestions that all or part of port operations and maintenance fees be levied on a port specific basis which would have created immediate competitive disadvantages for many facilities, thus effectively destroying the national network of waterborne commerce. In today's version, we have settled upon a nationally uniform levy which will allow the continued operation of all deep draft seaports with their diverse capabilities serving distinctly differing cargo needs.

Working as a team, several of us examined all of these factors with great scrutiny. This group included the distinguished senior Senator from Oregon [Mr. HATFIELD]; the esteemed President pro tempore of the Senate, [Mr. THURMOND]; the learned minority leader, Mr. BYRD; our colleagues from Virginia, Mr. WARNER, and from Ohio, Mr. GLENN. We also tried to include features which would make our Great Lakes ports more fully a part of the overall network of facilities which serve the needs of commerce. Well, all those efforts—the prolonged involvement of numerous Senators and the literally thousands of staff hours which were invested finally resulted in raising the issues to a level where they were seriously considered by the Senate Committee on Environment and Public Works, with the Senator from South Dakota [Mr. ABDNOR], serving as chairman of the Subcommittee on Water Resources. Subsequently, it was also given thorough scrutiny by the Senate Finance Committee under the leadership of the Senator from Oregon [Mr. PACKWOOD], with the knowledgeable ranking member from Louisiana [Mr. LONG], providing a steady hand at the helm. I think the measure now pending satisfactorily addresses the major concerns of a great many Senators and offers a reasonable opportunity to proceed with the modernization of America's water transportation facilities in a responsible manner.

Well, Mr. President, I could stand here all day—probably many days—relating the endless efforts which have been devoted to this issue by a multitude of dedicated individuals. I guess 5 years is enough to imbue one with a fairly thorough knowledge of the needs, the conflicts, the concerns, and the compromises which surfaced throughout the somewhat tortured history of this legislation. While I will certainly not take that much of the Senate's time, Mr. President, it would certainly be remiss if we did not recognize the dedicated, professional staff who literally ate, slept, and drank the subject of this bill over the past years. I sometimes wonder if we really know the lengths to which our staff will go, or if we truly appreciate the sometimes sacrifice they make in order to further the objectives of the U.S. Senate. Let me just acknowledge the tireless efforts of those staff who worked with my office the most closely. These would include Tom McGinnis and his successor, Jeff Arnold from Mr. HATFIELD's office; Susan Magill and Roger Sindilar with Mr. WARNER; Randy Ihara from the minority leader's office; Mark McKnight and Pete Kalmala from Mr. THURMOND's staff and John Loftus with Mr. GLENN. These and others, I think, deserved our gratitude and praise for their tireless efforts on our behalf, Mr. President.

I will conclude by again congratulating the committee, committee staff, and urging in the strongest manner that we act expeditiously this evening in adopting this landmark legislation.

AMENDMENT NO. 1709

Mr. MOYNIHAN. Mr. President, I send an amendment to the desk, and ask for its immediate consideration.

The PRESIDING OFFICER. The clerk will report.

The legislative clerk read as follows:

The Senator from New York [Mr. MOYNIHAN] proposes an amendment numbered 1709.

Mr. MOYNIHAN. Mr. President, I ask unanimous consent that further reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

At the appropriate place in the bill insert the following: The Congress directs the Corps of Engineers to study offshore monitoring systems as described below.

ENVIRONMENTAL ENHANCEMENT INFRASTRUCTURE FOR THE NEW YORK BIGHT

A Hydro-Environmental Monitoring and Information System in the New York Bight is required in the form of a system using computerized buoys and radio telemetry that allows for the continual monitoring (at strategically located sites throughout the New York Bight) of: wind, wave, current, salinity and thermal gradients and sea chemistry, in order to measure the effect of changes due to air and water pollution, including changes due to continued dumping in the Bight.

In addition, there is also the need for a proper Physical Hydraulic Model of the New York Bight and for such an offshore Model to be tied into the existing inshore Physical Hydraulic Model of the Port of New York and New Jersey operated by the US Army Corps of Engineers.

Such sums necessary for this purpose are authorized.

Mr. MOYNIHAN. Mr. President, this is simply a recommendation that a study take place of the tidal, thermal, and the wind systems outside of the New York Bight which is an area of Federal waters that joins State waters. The Corps of Engineers has a model of the tides, currents, and thermal changes within the harbor. This suggests that a complementary study of the offshore waters be made. This study will examine state-of-the-art development of the buoys that will transmit to the computers, and different modules.

I believe this is acceptable by my chairman. I move its adoption.

The PRESIDING OFFICER. Is there further debate on the amendment? If not, the question is on agreeing to the amendment of the Senator from New York.

The amendment (No. 1709) was agreed to.

Mr. MOYNIHAN. Mr. President, I move to reconsider the vote by which the amendment was agreed to.

Mr. ABDNOR. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

The PRESIDING OFFICER. The Senator from South Dakota.

Mr. ABDNOR. Mr. President, at the time this bill was considered on March 14, 1986, a number of amendments were adopted. Subsequent evaluation revealed that three of these items needed to be clarified.

I ask unanimous consent of the Senate to make three changes in the amendments that were adopted to S. 1567 on March 14, 1986.

Each of these changes has been cleared with other interested Members and should pose no problem whatsoever.

The initial item simply clarifies the language that was inserted on page 35 of the bill after line 16 modifying 301(b) of the Water Supply Act.

I send to the desk the language that was included in the bill as item 1, and ask unanimous consent that the language I now send to the desk, item 1A, be substitued.

The PRESIDING OFFICER. Is there objection to the unanimous-consent agreement?

Mr. MOYNIHAN. Mr. President, I would like to associate myself fully with the statement of the chairman of the subcommittee. These amendments have been cleared. They are useful and desirable additions to our bill. I move their adoption.

The PRESIDING OFFICER. The unanimous-consent request has been made. Is there objection? Without objection, it is so ordered.

The material follows:

ITEM 1—MARCH 14, 1986, LANGUAGE

"SEC. . (a) Section 301(b) of the Water Supply Act of 1958 (72 Stat. 319), as amended (43 U.S.C. 390b.(b)), is amended further as follows:

"(1) In the third proviso, after the word "demands" appears the first time delete the remainder of that proviso.

"(2) Strike the fourth proviso and insert in lieu thereof: '*And provided further,* That the Secretary of the Army may permit the full non-Federal contribution to be made, without interest, during construction of the project, or, with interest, over a period of not more than thirty years from the date of project completion. Repayment contracts shall provide for recalculation of the interest rate at five-year intervals.'.

"(3) After the first sentence insert the following: 'All annual operation, maintenance, and replacement costs for municipal and industrial water supply storage under the provisions of this section shall be reimbursed from State or local interests on an annual basis.'.

"(4) Strike the second sentence and insert in lieu thereof: 'Any repayment by a State or local interest shall be at a rate to be determined by the Secretary of the Treasury, taking into consideration the average market yields on outstanding marketable obligations of the United States with remaining periods of maturity comparable to the reimbursement period, during the month preceding the fiscal year in which costs for the construction of the project are first incurred (or, in the case of recalculation, the fiscal year in which the recalculation is made), plus a premium of one-eighth of one percentage point for transaction costs.'.

"(b) Nothing in this section shall be deemed to amend or require amendment of any valid contract entered into pursuant to the Water Supply Act of 1958 and approved by the Secretary of the Army or the Secretary of the Interior prior to the date of enactment of this Act.

ITEM 1A—MARCH 26, 1986, SUBSTITUTE

On page 35, after line 16, insert:

"SEC. . (a) Section 301(b) of the Water Supply Act of 1958 (72 Stat. 319), as amended (43 U.S.C. 390b.(b), is amended further as follows:

"(1) In the third proviso, after the word "that" appears for the first time, insert the following: '(1) for Corps of Engineers projects, not to exceed 30 per centum of the total estimated cost of any project may be allocated to anticipated future demands, and, (2) for Bureau of Reclamation projects,"

"(2) In the fourth proviso, after the word "that" appears for the first time, insert the following: 'for Corps of Engineers projects, the Secretary of the Army may permit the full non-Federal contribution to be made, without interest, during construction of the project, or, with interest, over a period of not more than thirty years from the date of completion, with repayment contracts providing for recalculation of the interest rate at, five-year intervals, and for Bureau of Reclamation projects,"

"(3) After the first sentence insert the following: 'For Corps of Engineers projects, all annual operation, maintenance, and replacement costs for municipal and industrial water supply storage under the provisions of this section shall be reimbursed from State or local interests on an annual basis."

"(4) After the first sentence insert the following: 'For Corps of Engineers projects, any replacement by a State or local interest shall be at a rate to be determined by the Secretary of the Treasury, taking into consideration the average market yields on outstanding marketable obligations of the United States with remaining periods to maturity comparable to the reimbursement period, during the month preceding the fiscal year in which costs for the construction of the project are first incurred (or, in the case of recalculation is made), plus a premium of one-eighth of one percentage point for transaction costs.).

"(5) In the second sentence, strike the word "the" where it appears for the first time, and insert in lieu thereof: 'For Bureau of Reclamation projects, the'."

"(b) Nothing in this section shall be deemed to amend or require amendment of any valid contract entered into pursuant to the Water Supply Act of 1958, and/or Federal reclamation law and approved by the Secretary of the Army or the Secretary of the Interior prior to the date of enactment of this Act."

Mr. ABDNOR. Second, the amendment adopted on March 14 added language on line 6 at page 118 of the bill authorizing several new flood control projects that had been approved by the Chief of Engineers. One of those items was conditioned on anticipated action by the Chief of Engineers on March 17, 1986.

That action has occurred. Therefore, I ask unanimous consent that we delete language that I send to the desk as item 2 and insert in lieu thereof language that I now send to the desk as item 2A.

The PRESIDING OFFICER. Is there objection to the unanimous-consent request made by the Senator from South Dakota? If not, without objection, it is so ordered.

The material follows:

ITEM 2—MARCH 14, 1986, LANGUAGE

"(80) Pearl River Basin, Mississippi: Report of the Chief of Engineers dated March 17, 1986, at a total cost of $80,100,000 (October 1985): Provided, That if the Chief of Engineers fails to sign such report on such date, this paragraph shall be void.

ITEM 2A—MARCH 26, 1986, SUBSTITUTE

On page 118, on line 6, inset:

"(80) Pearl River Basin, Mississippi: Report of the Chief of Engineers dated March 17, 1986, at a total cost of $80,100,000 (October 1985);"

Mr. ABDNOR. Finally, Mr. President, the Senate also adopted, at the suggestion of the Senator from Ohio [Mr. METZENBAUM], amendment No. 1677, which occurred on March 14, 1986. The change I will propose has been approved by Senator METZENBAUM. I send to the desk the language to the original amendment as item 3 and ask unanimous consent that it be deleted and I now send to the desk language in item 3A which I ask be substituted in its stead.

The PRESIDING OFFICER. Is there objection to the unanimous-consent request?

Without objection, it is so ordered.

The material follows:

ITEM 3—MARCH 14,1986, LANGUAGE

On page 65, between lines 5 and 6 insert the following:

"SEC. 337. (a) The Congress finds and declared that—

(1) the Great Lakes are a most important natural resource to the eight Great Lakes States and two Canadian provinces, providing water supply for domestic and industrial use, clean energy through hydropower production, an efficient transportation mode for moving products into and out of the Great Lakes region, and recreational uses for millions of United States and Canadian citizens.

(2) the Great Lakes need to be carefully managed and protected to meet current and future needs within the Great Lakes Basin;

(3) any new diversions of Great Lakes water for use outside of the Great Lakes Basin will have significant economic and environmental impacts, adversely affecting the use of this resource by the Great Lakes States and Canadian provinces; and

(4) four of the Great Lakes are international waters and are defined as boundary waters in the Boundary Waters Treaty of 1909 between the United States and Canada, and as such any new diversion of Great Lakes water in the United States would affect the relations of the Government of the United States with the Government of Canada.

(b) It is therefore declared to be the purpose and policy of the Congress in this section—

(1) to take immediate action to protect the limited quantity of water available from the Great Lakes system for use within the Great Lakes Basin and in accordance with the Boundary Waters Treaty of 1909;

(2) to prohibit any diversion of Great Lakes water by any State, Federal agency, or private entity for use outside of the Great Lakes Basin unless such diversion is approved by the Governor of each of the Great Lakes States; and

(3) to prohibit any Federal agency from undertaking any studies that would involve the transfer of Great Lakes water for any purpose for use outside of the Great Lakes Basin.

(c) As used in this section, the term 'Great Lakes States' means each of the States of Illinois, Indiana, Michigan, Minnesota, Ohio, Pennsylvania, New York and Wisconsin.

(d) No water shall be diverted from any portion of the Great Lakes within the United States, or from any tributary within the United States of any of the Great Lakes, for use outside of a Great Lakes Basin unless such diversion is approved by the Governor of each of the Great Lakes States.

(e) No Federal agency may undertake any study, or expend any Federal funds to contract for any study, of the feasibility of diverting water from any portion of the Great Lakes within the United States, or from any tributary within the United States of any of the Great Lakes, for use outside of the Great Lakes Basin, unless such study or expenditure is approved by the Governor of each of the Great Lakes States. The prohibition of the preceding sentence shall not apply to any study or data collection effect performed by the Secretary or other Federal agency under the direction of the International Joint Commission in accordance with the Boundary Waters Treaty of 1909."

ITEM 3A—MARCH 26, 1986, SUBSTITUTE

On page 65, after line 5, insert:

"SEC. . (a) The Congress finds and declares that—

"(1) the Great Lakes are a most important natural resource to the eight Great Lakes States and two Canadian provinces, providing water supply for domestic and industrial use, clean energy through hydropower production, an efficient transportation mode for products into and out of the Great

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Lakes region, and recreational uses for millions of United States and Canadian citizens;

"(2) the Great Lakes need to be carefully managed and protected to meet current and future needs within the Great Lakes Basin;

"(3) any new diversions of Great Lakes water for use outside of the Great Lakes Basin will have significant economic and environmental impacts, adversely affecting the use of this resource by the Great Lakes States and Canadian provinces; and

"(4) four of the Great Lakes are international waters and are defined as boundary waters in the Boundary Waters Treaty of 1909 between the United States and Canada, and as such any new diversion of Great Lakes water in the United States would affect the relations of the Government of the United States with the Government of Canada.

"(b) It is therefore declared to be the purpose and policy of Congress to prohibit any Federal agency, without an Act of Congress or the concurrence of the Governors of the Great Lakes States, from undertaking any studies for the purpose of the transfer of waters of the Great Lakes for use outside the Great Lakes Basin. This section does not apply to studies conducted at the direction of the International Joint Commission, in accordance with the Boundary Waters Treaty of 1909.".

Mr. GARN. Mr. President, it is my understanding that the intent of the committee's amendment No. 20, which was offered on March 14, 1986, was to amend the Water Supply Act of 1958 as it pertained to Corps of Engineer's project only.

Mr. STAFFORD. The Senator from Utah is completely correct. The provision was intended to affect only the Corps of Engineers, and not affect work of the Bureau of Reclamation.

Mr. GARN. It is also my understanding that clarifying amendment the Senator from Vermont is offering, and that I am cosponsoring in response to concerns expressed by some members of the Energy Committee, would clarify certain ambiguities which remain and have the possibility of affecting the Bureau of Reclamation's projects. Does the chairman of the Environment and Public Works Committee now agree that with these further technical clarifications, the provisions of amendment No. 20 will have absolutely no effect on the Bureau of Reclamation and the provisions of the Water Supply Act of 1958 as it pertains to reclamation projects?

Mr. STAFFORD. The Senator is correct. This clarifying amendment will show that the Bureau is not affected at all by the earlier amendment.

Mr. President, I am pleased the committee leadership amendment includes language that brings the Water Supply Act, as it affects the Corps of Engineers, into line with the new authorities of S. 1567.

These changes follow closely the language contained in S. 968, which I was honored to introduce a year ago.

Mr. President, I ask unanimous consent that a letter to me regarding the water supply provisions of the bill and my own legislation, S. 968, be printed at this point in the RECORD.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

DEPARTMENT OF THE ARMY,
OFFICE OF THE CHIEF OF ENGINEERS,
Washington, DC, May 30, 1986.

Hon. ROBERT T. STAFFORD,
Chairman, Committee on Environment and Public Works, Washington, DC.

DEAR MR. CHAIRMAN: I read with interest your bill (S. 968) which would amend the Water Supply Act of 1958, and accompanying remarks, as contained on pages S. 4465 and S. 4466 of the April 22, 1985, Congressional Record. Recognizing your remarks were based on an August 7, 1981, report of the General Accounting Office, I would like to take this opportunity to present you with the current status of the Corps "Municipal and Industrial" (M&I) water supply program.

The Corps Tulsa District has 23 percent of the Corps nationwide total M&I water supply. The District currently has 1.41 million acre-feet of M&I storage space in 28 operational projects; 69 percent of which is under contract. There is an additional 65,000 acre-feet of M&I storage space in two projects which are under construction; 100 percent of which is under contract.

Nationwide, as of May 1, 1985, there was 7.80 million acre-feet of M&I storage space in 105 operational projects; 86 percent of which is under contract in 162 separate agreements. We also have an additional 1.43 million acre-feet of M&I storage space in seven projects under construction; 99 percent of which is under contract in nine separate agreements. This total M&I storage space of 9.23 million acre-feet represents a Federal investment of $1.159 billion; 88 percent of which is under contract for repayment.

While we are encouraged that 88 percent of the storage space included in Corps projects for M&I water supply is under contract, we recognize this is not good enough. Therefore, in response to a directive from Mr. Robert K. Dawson, the Acting Assistant Secretary of the Army (Civil Works), we have within this past year instituted a two phase water marketing program. This program addresses only that 1.13 million acre-feet not under contract. In the first phase, we contacted the non-Federal sponsors who had provided the original letters of assurance to determine their plans for using such storage. This exercise was very rewarding, indicating that by the year 2000 only about eight percent of the total 9.23 million acre-feet would not be under contract and that there was no apparent demand for less than three percent of the total.

We have now initiated the second phase of the water marketing initiative. Under this phase we are contacting governors, state agencies, local government entities, industries, and other potential buyers and informing them of this unused space. Hopefully, some of this remaining storage will shortly be placed under contract. The results of this phase are still being collected.

Regarding your specific amendments to the Water Supply Act, Administration cost sharing proposals and recent changes to our regulations move in the same direction of your bill. These items are as follows:

Cost sharing proposal to require non-Federal sponsors to repay all investment costs allocated to water supply during the period of construction;

Regulation change to require that interest expense on the investment cost on storage under future use contract be paid annually after expiration of the ten-year interest free period rather than accrued and added to the principal;

Regulation change to require that annual operation and maintenance expense allocated to future use storage under contract be paid annually after expiration of the ten-year interest free period rather than becoming a Federal expense which is never reimbursed;

Regulation change to limit the repayment period in water supply contracts to 50 years from the first water supply storage contract in each project rather than 50 years from the date of each contract; and

Regulation change to require that non-Federal shares of major replacement and major rehabilitation costs be paid during construction rather than repaid over 25 years.

If I may be of further assistance in this area, please do not hesitate to contact me. Your interest in Corps of Engineers activities is very much appreciated.

Sincerely,

JOHN F. WALL,
Major General, U.S. Army,
Director of Civil Works.

Mr. PRYOR. Mr. President, in August of 1984 the Senate approved H.R. 71. This bill established a program of study and demonstration projects to examine the potential for artificial recharge of aquifers in a region of our country known as the High Plains States. This legislation provided an authorization of $20.5 million to be used for this purpose.

I recognize the need that exists in this region, although I come from a State that is water rich. Because Arkansas has an abundance of water it has, from time to time, been looked at as a potential supplier of water for States that are in need of additional water. This has given rise to very serious concerns in Arkansas about the interstate transfer of water, and previous studies financed through grants from the Department of Commerce to the High Plains Council have fueled the fires of this concern.

In the 1984 bill, an amendment I offered was accepted by the Senate Committee on Energy and Natural Resources on the Senate floor. My amendment simply provided that no authorized funds could be used for activities associated with the interstate transfer of water, or the study of such transfer. This amendment would have ensured that the future of Arkansas' water resources would be determined by Arkansans.

In the pending bill, S. 1567, I have a similar concern with section 219. While I do not intend to offer an amendment, I did want to point out to the members of the committee that I have serious concerns over any study relating to the proposed interstate transfer of water. In this regard, I would appreciate any remarks the distinguished Senator from New Mexico [Mr. DOMENICI] might make on this issue.

Mr. BUMPERS. Mr. President, I want my colleagues from the High Plains States to know that I am sympathetic with their concern over their region's long-term water supply needs, and I certainly recognize the vital importance of research in adequately addressing this critical issue. However, I want to take this opportunity to satisfy myself that the supporters of this study have no intention for the study to lead to the examination of water supplies in surrounding States. Specifically, I would like to have assurances that this research will not lead to the study of the potential for Arkansas' water supply being transported from Arkansas to meet the needs of other States. Water is one of the natural riches that my rural, economically depressed State can claim, but it is not limitless. Its protection and enhancement for present and future use by the citizens of Arkansas are critically important to our future, and we must take whatever steps are necessary to ensure its long-range availability for the citizens of Arkansas.

Two years ago, similar legislation providing funding for the Plains States for water research was amended to include this protection we are seeking again today. I want to state my strongest opposition to any study or other proposal which might lead to the transfer of Arkansas' water into surrounding States. I hope that the chairman can provide his assurances that the Ogallala aquifer research project authorized by this legislation is not intended to study and will not study the potential or possibility for such a transfer. If I can get such assurances, then I will not offer legislative language.

Mr. DOMENICI. Mr. President, my colleagues from Arkansas have raised an issue with respect to section 219 of this legislation that is a valid concern, and one which we should address here and now. I appreciate their willingness to allow me to respond in this manner so that we may avoid any protracted discussions and/or possible rollcall votes on amendments on this issue.

Let me assure my colleagues that there is no intent in this section to authorize the expenditure of any funds for research or for anything else that would lead to the diversion of water from the State of Arkansas. The problem that this section addresses is a problem within the High Plains States and should be resolved utilizing the resources of the High Plains States. I want to assure my colleagues that this committee held no hearings or discussions that implied, or in any way could be construed, that diversion of Arkansas water was an alternative to be considered in resolving our very difficult problem with water in the High Plains States.

As one of the leading proponents of the authorization contained in section 219 of this legislation, I can state categorically that this program will not impact in any way on the water resources of the State of Arkansas.

TIME LIMITATION FOR CONTESTING FEE SCHEDULES

Mr. BENTSEN. Mr. President, port authorities located within the State of Texas have recently brought to my attention significant concerns regarding section 606 of S. 1567, which authorizes the non-Federal sponsor to collect user fees in order to recover its share of a project's cost.

In my opinion the current language in section 606 will make it extremely difficult, if not impossible, for a port to meet the financial obligations imposed by section 602(a). Success in providing the required local share of a project's costs will be subject to the local sponsor's ability to issue bonds and secure loans. Their success in securing bond issues or loans will be subject to the ability to establish user fee schedules providing sufficient income to assure creditors of their ability to repay outstanding credit. Therefore, it is imperative that the user fee be predictable, longstanding, and not subject to unforeseen challenge beyond a reasonable time limitation.

Currently, each State has its own law establishing a statute of limitations varying in length of time up to 4 years. As long as there is a possibility of suit being filed, bond attorney will not recommend that bonds be issued. As a result, under existing law, ports will have to wait several years after their fee schedule has been proposed, until their State's statute of limitations has run, to actually issue bonds and initiate construction. It is extremely vital that conferees address this issue and establish a reasonable time limitation which will serve the public's best interest.

Mr. LAUTENBERG. Mr. President, I rise in support of the Water Resources Development Act, which authorizes long-delayed and badly needed water resource development projects. If approved, S. 1567 will be the first omnibus water resources bill enacted since 1970. In the last 10 to 15 years, many projects vital to maritime commerce or to protect our shorelines and flood prone communities have been delayed. It is past time that we get moving on these projects.

Over the last 2 years, the Congress has been engaged in a lengthy and often frustrating set of negotiations between the House and Senate, between the authorizing and appropriating committees, and with the White House trying to fashion a new method of approving and paying for water resources improvements. S. 1567 is an attempt, and, on balance a quite good attempt, to resolve the controversies which have surrounded water resource development and get on with this important work.

Mr. President, among the 170 projects authorized by this legislation are a number of projects of vital concern to New Jersey. In 1984, New Jersey was hit with devastating flooding which cost millions of dollars in property damage and several lives. S. 1567 contains seven important projects to address flood control in New Jersey.

A $101.8 million project will control flooding in the lower Green Brook subbasin communities of Bound Brook, Green Brook, Bridgewater, North Plainfield, Dunellen, South Plainfield, Piscataway, and Middlesex. This project involves the construction of levees, floodwalls, pumping stations, and the realigning of some streams and the replacement of bridges.

S. 1567 contains two projects to control flooding along the Rahway River at Robinson's Branch and Van Winkles Brook. The $25.9 million Robinson's Branch project will consist of the construction of levees and floodwalls and the replacement of one bridge. The project will serve the city of Rahway in Union County. The $17.5 million Van Winkles Brook project would serve Springfield, NJ, and Union Township through the construction of levees and floodwalls.

Mr. President, S. 1567 contains four vital projects to control flooding in the Passaic River basin of northern New Jersey. It was this area in which the devastating 1984 floods hit hardest. The projects included in this bill will relieve flooding along tributaries of the Passaic River. As the Chief of Engineers of the Army Corps of Engineers has approved these interim projects, certifying that they were environmentally sound and cost effective, I have introduced legislation to authorize their construction. The projects listed in this bill and in the committee amendment are: 6.2 million for the Ramapo and Mahwah Rivers project in Mahwah, NJ; $36.8 million for the lower Saddle River in Bergen County; $21.8 million for Molly Ann's Brook in Paterson, Haledon, and Prospect Park; and $6.6 million for the Ramapo River at Oakland, NY.

Mr. President, S. 1567 contains an authorization for one of the most important projects to be undertaken by the Army Corps of Engineers this year. The project to correct the deficiency in the design of the jetties at Barnegat Inlet addresses the most dangerous shoaling problem on the east coast. Numerous deaths have been attributed to the shoaling in the inlet, which results from the design of the jetties in 1940. The effort to resolve the Barnegat Inlet problem has been long and exacting. I have fought for this project and, as a member of

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the Appropriations Committee, I will continue to work to insure that the construction schedule is maintained.

S. 1567 addresses the acute need for ameliorating beach erosion in the historic seaside resort of Cape May. Cape May has long been an important tourist attraction for New Jersey. The beautiful Victorian structures in Cape May and the ocean draw millions of tourists each year. The economy of Cape May has long been threatened by the erosion of its beaches. According to the Army Corps of Engineers, this erosion is caused by the construction and operation of the Cold Spring Inlet.

Mr. President, not only is Cape May threatened by beach erosion, but the Coast Guard training facility located just south of Cold Spring Inlet is threatened as well. Unless something is done soon to arrest this erosion, the economy of Cape May and the property of the training facility itself will be further damaged. S. 1567 contains a $17 million mitigation project to compensate Cape May for the destruction of its beaches. I sought and strongly support this project.

Mr. President, south of Cape May City is Cape May Point. This area also is threatened by beach erosion and coastal storms. S. 1567 authorizes a $6.6 million to address the need for storm protection and beach erosion at Cape May Point.

In the area from Third Avenue in Cape May City to Cape May Point lies an area which has suffered serious sand erosion over time. The Army Corps of Engineers maintains that some 37 percent of the erosion in this area can be attributed to the Cold Spring Inlet construction. For that reason, as part of the $17 million mitigation project, sand will be pumped into this area and the potential future erosion will be monitored. Hopefully, the serious erosion of the beaches fronting a State park and wildlife preserve can be arrested. If the monitoring indicates that more extensive measures are called for, I will seek authorization for the construction of the necessary work.

Finally, Mr. President, S. 1567 authorizes critically important port dredging projects. These projects, including the dredging of the Kill Van Kull channel along the New Jersey waterfront, are essential if the United States is to remain competitive in maritime commerce. The $248.1 million project to deepen the Kill Van Kull will provide a 45 foot channel capable to handling the larger ocean-going vessels now being employed by shipping companies worldwide.

S. 1567 does not contain an authorization for the Arthur Kill channel. This project is equally critical to the New York/New Jersey port community. The Arthur Kill project did not meet the committee's criteria that projects included in this legislation have a Chief of Engineers report. Arthur Kill project has now been reviewed by the Corps of Engineers and is awaiting approval by the Chief of Engineers. Should the chief of Engineers approve this project, as is expected, I would hope the conferees on this legislation would include the Arthur Kill as an authorized project in conference.

Mr. President, in any bill of this size and complexity, there will be provisions with which Senators will not be in complete accord. Certainly that is my feeling about this bill. There was substantial opposition in New Jersey to charging a user fee for the operation and maintenance of ports, particularly in the Philadelphia region. Year to year, Philadelphia faces a massive job of maintaining the channel in the Delaware River. At times, the operation and maintenance of this channel has consumed up to 10 percent of the Corps of Engineers O&M budget.

Because I share the reservations of the Philadelphia port community regarding user fees, I sought to limit such charges. The .04 percent ad valorem tax on cargo, while undesirable, is a vast improvement over past proposals. During committee consideration of this provision, I sought to clarify the nature and duration of this tax. I am pleased to note that in reviewing this provision, the Finance Committee specifically indicated that this fee will not escalate over time. The Finance Committee report states:

> The Committee believes that the rates established in the Committee amendment are at the appropriate level currently and for the foreseeable future.

Mr. President, the Finance Committee has clearly stated that escalating the .04 percent ad valorem tax would do harm to the competitiveness of American products and commodities. I strongly agree with that view.

Mr. President, during review of S. 1567 by the Environment and Public Works Committee, I supported an amendment to exempt fisheries from paying the newly established ad valorem tax. I am pleased to note that the Finance Committee, in preparing its amendment to this bill, has clearly exempted fish from the list of cargoes to which this new fee will apply.

In summary, Mr. President, it is time to get on with the job of protecting our economy by dredging our harbors, providing protection to our shoreline communities from the erosion of our beaches, and buffering our citizens from the ravages of floods. This legislation is long overdue and I urge its adoption.

The PRESIDING OFFICER. The Senator from Mississippi.

Mr. COCHRAN. Mr. President, let me make some preliminary comments about some concerns I have in spite of my general support for this legislation.

I compliment those who are bringing the bill to the Senate for their hard work and for their consideration of the request of Senators of projects which are very important in their individual States.

There is one provision that concerns me greatly, however. That is the Mississippi River and tributaries project, which was authorized by the Congress in 1982 as a result of the most devastating floods this country has ever witnessed. In 1927, Senators may recall that the entire Lower Mississippi River Valley was devastated because of a flood on the Mississippi River.

Because of that tragic event, Congress reacted and declared that it was a matter of national priority and responsibility that the Lower Mississippi River Valley be protected by a series of flood control projection measures.

Over the course of time there have been projects that are a part of this overall Mississippi River and tributaries project which have been planned, engineered, and constructed. Many of the planned features of this project, however, have not been completed. In some areas, construction may not be considered by some to have technically begun.

It concerns me that in the bill there are certain terms used which describe circumstances that would require separate portions of these projects to have the local sponsor provide a substantial part of the cost. That is my concern.

In our part of the country, Mr. President, we have States that are least able to sustain some of these cost-sharing provisions. In my State of Mississippi, for example, to require each individual part of the Mississipi River and tributaries project to be paid for by local sponsors would mean that there would not be any more of this project completed, ever. There are going to be floods in the future and there will be damage and devastation in the future if the Federal Government now decides to abandon its responsibility for the completion of this Mississippi River and tributaries project.

I am not going to offer an amendment. I am not going to obstruct final passage of this bill. But I do want to express this concern and urge that the managers of this bill, in conference with the House, make sure that the language that is finally worked out takes into account the very real problems that are going to exist in the Lower Mississippi River Valley if each separate part of this Mississippi River and tributaries project is going to come under the requirement for cost sharing.

I feel very strongly about this. I have had some opportunity to discuss it with the committee members. I appreciate their understanding of this special problem. I hope that this understanding carries forward so that we can see in the final analysis a bill that will continue to show the Federal Government's concern and its acknowledgment of the responsibility to complete this project.

There is one other area of concern, Mr. President, and I will not take a long time. It is that in the bill there is an expression that for communities that cannot really come up with their share of local costs that may be required under the bill, there can be some adjustments made in the administration of this legislation. But this does not apply to harbor projects. Those are flood control projects, as I understand it from my review of the bill.

I feel very strongly that there can be situations—and I have one in my State in mind, Gulfport Harbor, where they are trying to deepen the channel—that if the enormous cost-sharing requirements are imposed there, we can find that the project just is not going to be accomplished, it is not going to be completed because of the way the bill is written.

I hope the managers will take another look at that in conference with the House, and that consideration will be given to including some provision, maybe in the statement of managers, that would allow the Corps of Engineers to relax flood control cost-sharing requirements for communities that cannot afford to meet them and that that apply also to harbor projects. I think it is very important to have that flexibility in the legislation, Mr. President.

Mr. President, as I have said, I am in general support for Senate bill 1567, the Water Resources Development Act of 1986. As has been indicated previously, there has been no major water resources development bill signed into law since 1976. As a result, authorization of new projects has been accomplished via other legislation on a case-by-case basis. I express my appreciation to Senator Jim Abdnor, the capable chairman of the Water Resources Subcommittee of the Senate Environment and Public Works Committee, ably assisted by Senator Moynihan, his counterpart from the other side of the aisle, as well as the committee chairman and ranking member, Senators Bob Stafford and Lloyd Bentsen. Serving on the appropriations subcommittee that deals with these matters, I am thoroughly familiar with the amount of effort that has resulted in this vital price of legislation being brought before you today. As a result of their efforts, we have the opportunity to define a comprehensive water resources program for the first time in 10 years.

No legislation of this size and complexity can be all things to all people. In this vein, I would like to take a few minutes to discuss one area of this bill in particular which concerns me a great deal. This piece of legislation increases the non-Federal share of construction, operation, and maintenance costs for new Corps of Engineers projects, including not only those projects authorized by this bill, but also those previously authorized projects which are not yet under construction. I fully recognize the need for cost sharing in general. The Federal deficit, and ongoing efforts to address it, will inevitably mean less funds being available for water resource projects nationwide. The cost-sharing provisions in this bill will permit the construction of more projects with the available funding, while at the same time, by virtue of the requirement for State and local funding, it is expected that only those essential projects will be proposed for construction. Both of these results will serve to ensure the optimum use of Federal funds.

In certain cases, this bill carries the cost sharing too far. As many of my colleagues are aware, the Mississippi River drains 41 percent of the continental United States, including 31 States and two Canadian Provinces. In the spring of 1927, a combination of factors resulted in a flood which saw the levee system broken in 13 places and 23,000 square miles of the alluvial plain flooded. Then Secretary of Commerce Herbert Hoover described this flood as, "* * * the greatest disaster of peace times in our history." As a result of this flood, and nationwide public outcry, President Coolidge signed the Jones-Reid bill on May 15, 1928. This act established the Mississippi River and tributaries flood control project and made flood control for the Mississippi Valley a national responsibility.

In the intervening years, as part of this project, billions of Federal dollars have been spent on this massive system of rivers. As you can imagine, the amount of flood control effort required to protect the 1¼ million square miles of property along this system was not accomplished overnight. A systematic construction of necessary elements of the project has been underway since 1928, and in general, the impact of those upstream adjustments on the lower Mississippi require continual planning and construction. In other words, if the floods don't occur upstream, the water comes downstream. My State of Mississippi and the States of Louisiana and Arkansas are at the end of the pipe.

The cost-sharing provisions of this bill, rather than apply to new projects, now will apply to "separable elements" of existing projects on which construction has not commenced. As a result, those portions of the Mississippi River and tributaries project on which, by reason of cost, construction has not begun, will be subject to a different set of cost-sharing rules than were the completed portions. Much of the incomplete work is in the area of the country which can least afford the cost. While I do not intend to offer an amendment, nor do I intend to obstruct the passage of this vital bill, I would like it to be crystal clear that I oppose any cost sharing on the MR&T project.

Another area of this bill that concerns me is the method of funding harbor improvements. While the bill includes a provision that allows the Corps of Engineers to relax flood control cost-sharing requirements for communities that cannot afford to meet them, no such provision exists for harbor projects. Gulfport Harbor, for example, is faced with a local share of as much as $28 million to deepen their channel. The home of the Navy's Construction Battalion Center, and Keesler Air Force Base, the Port of Gulfport is the largest seaport in the poorest State in the Union. It has been faced with the cost of recovery from hurricanes, and is extremely limited by law in the amount of local funds that it can raise. I would like to see the "ability-to-pay" provision in the bill be applicable not only to flood control, but also to other projects as well.

Mr. President, I am not totally satisfied with this bill, and I hope that conference will produce an act which is more equitable in its treatment of those areas least able to afford essential flood control and harbor projects. I do support passage of this vital piece of legislation, and appreciate the efforts of all involved in its formulation.

Before I yield the floor, I would like to address a question to the managers of the bill if I might, particularly as it relates to the definition in the bill of "separable elements." Senators have heard my concern about the Mississippi River and tributaries project, but the bill refers to "separable elements" in several locations in the bill. I wonder if someone could tell me what is meant by "separable elements."

Mr. ABDNOR. I shall certainly attempt to give an answer to that question, because it is one that we have given considerable consideration to. This is a major part of our bill. To us, I would say a separable element is a portion of a project on which a decision to program funds has not been made. Heretofore, no decision has been made on programming the funds.

Mr. COCHRAN. I thank the distinguished Senator for providing the answer to my question. I have one other question. That is, on page 23 of the committee report accompanying this bill, it is stated that construction is determined to begin when construction funds are appropriated. In the

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bill, "physical construction" is referred to in several locations. I wonder if the managers could respond to my question: When does construction begin?

Mr. ABDNOR. They are really intended to say the same thing; that is, physical construction begins when there is a contract awarded for construction.

Mr. COCHRAN. Is the language in the report that construction is determined to begin when construction funds are appropriated not accurate?

Mr. ABDNOR. It is not accurate, that is correct.

Mr. COCHRAN. It is not accurate?

Mr. ABDNOR. Construction begins when the Federal agent—the Corps of Engineers—awards a contract for construction.

Mr. COCHRAN. I appreciate very much the assistance of the distinguished Senator from South Dakota to my understanding of the different terms and what is meant by the committee. I continue to have serious problems with some features of this bill, but I am going to vote for it.

I compliment again the efforts that have been made to bring the bill forward and get its approval by the Senate.

Mr. ABDNOR. Mr. President, I thank my distinguished colleague from Mississippi for what he just said. I know of his deep, deep interest in this bill. He has been one of the major players in our efforts to pass a water projects bill. We appreciate his understanding because it has been problems such as his that have taken us this long to resolve. We have tried to be fair with the cost sharing called for in this bill. Flood control projects could not possibly go forward in the future without increased cost sharing. We know that when we get this bill all set in place we will have a document that is going to work to the advantage of everyone, treat everyone fairly and we think it will be good for America.

Mr. MOYNIHAN. Mr. President, I join my chairman in thanking the Senator from Mississippi for his remarks. I assure him that we have listened to them with great care and will keep them closely in mind as the conference committee commences its work.

COST SHARING PROVISIONS

● Mr. PRYOR. Mr. President, this legislation contains provisions in section 701 establishing new and far-reaching cost-sharing policies which will impact on our communities for years to come. These cost-sharing provisions, while reflecting the President's position on Federal participation in civil works projects, are radically different from the provisions contained in the companion legislation passed in the House of Representatives last year.

While I believe that local sponsorship and local cost sharing are integral parts in the composition of a major civil works project involving a multimillion-dollar Federal investment, I am particularly concerned about the future of our flood control projects under this policy, if it indeed becomes the law of the land. Many of our more important and more expensive flood control projects are located in rural areas where farming and food production are the primary beneficiaries. In Arkansas this is particularly true in our eastern delta region, where the Nation's leading rice and soybean production lands are situated.

The problem with these new cost-sharing policies is that in the rural areas, there are fewer benefited parties to make up the local sponsor group, and the amounts they would have to tax themselves to pay 25 to 35 percent of construction costs are onerous. If they are unable to pay and there is therefore no flood control project constructed, all of us, taxpayers and consumers alike, will suffer at the checkout line in our Nation's food stores. Simply put, in these desperate times in our Nation's breadbasket, can we afford not to invest in projects that make sense with our food supply?

Mr. President, there are many issues besides the agriculture issue addressed in this legislation. But I think it is critical that we stop to think about what we are about to do to an already depressed segment of our economy—the farm economy.

There are three such rural flood control projects in Arkansas specifically authorized in this bill, and I am grateful to the committee for including them. They are the Eight-Mile Creek project in Greene and Craighead Counties, the Fifteen-Mile and Ten-Mile Bayou in St. Francis and Crittenden Counties, and the Helena Flood Control project in Phillips County. In addition, a previously authorized but not yet constructed flood control project on the L'Anguille River in eastern Arkansas would be affected, as would many of the "separable elements" of the St. Francis basin project which are not yet under construction.

Mr. President, I seriously doubt that any of these projects will be constructed if these cost-sharing provisions are allowed to stand. I realize the committee has tried to address this question in subsection 701(h) with a provision that allows the Secretary to establish a procedure whereby a non-Federal sponsor's ability to pay is considered and the local sponsor share of the project is reduced if justified. This is a good-sounding and well-intentioned provision, and I hope it can be made to work. I envision numerous problems with it as we change administration to administration, and Secretary to Secretary. I have even known Secretaries who change their own policies on occasion.

What we have to have is a consistent and fair policy on which local sponsor groups can rely.

Mr. President, I am going to support this bill. However, In want all of our Senate conferees who will meet with the House conferees to understand that I am reserving my right to oppose this legislation on passage if we cannot compromise to a more reasonable position in the conference committee. I respect what the committee has had to do in moving a very tough and tenuous piece of legislation to the point we have reached. I hope and believe we can go further forward with the right approach from our leadership on the committee.●

Mr. DOMENICI and Mr. GLENN addressed the Chair.

The PRESIDING OFFICER. The Senator from New Mexico.

Mr. DOMENICI. Mr. President, I shall not be long. I am going to talk for a few moments about this issue.

First, I want to indicate my strong support for the passage of S. 1567. Second, I want to commend to the highest extent possible the chairman of the subcommittee [Mr. ABDNOR] and the ranking minority member [Mr. MOYNIHAN]. This bill is long overdue. Our country needs it. I commend them for the diligent effort that they have exercised and the patience that they have suffered under. The fact that they are now here is a testimonial to the fact that both of them are fully aware that this country needs some new water policy.

Each Member of this body is familiar with the fact that we have had no new omnibus water resources development law since 1976.

During that span, I have had the honor to serve as a member of the Subcommittee on Water Resources. That has been a period when we have struggled with the difficult issue of bringing the program of the Army Corps of Engineers up to date.

We have struggled with the need to develop reforms—not for the sake of reforms, but for the sake of reviving a program that has continued to decline over the past two decades.

It is my hope that we can, in this bill, move aggressively on several issues related to water resources development.

These are matters that are very important to our country's future, obviously related to water resource development. We must authorize new, up-to-date projects.

We must work to resolve the issues of cost sharing on harbor and waterway development projects.

We must move toward more realistic cost sharing on flood control and other types of projects

Each of these items, admittedly, since they run against the tide of past history pose some difficult choices.

Much of our problem grows from the chaotic methods Congress has used historically to authorize and fund water resource projects. We simply have lacked any rational approach for the development of projects.

To meet that challenge, the Committee on Environment and Public Works wrestled with the need for continued development of our Nation's water resources. We wrote and passed several innovative bills.

Sadly, the full Congress has failed to act upon any of these bills.

Mr. President, we again face that challenge.

Thankfully on my part at least, and I am confident from the country's standpoint, we are in a position and at a time in the Senate when we are going to change this past history.

The toughest issues before us involve commercial navigation.

Title 5 involves inland waterways and is quite controversial. It authorizes six big inland lock projects, at a cost of $1 billion. These include Bonneville, Gallipolis, Oliver, and a second chamber at lock and dam 26 on the Mississippi River.

Title 6 concerns harbor development. Traditionally, Federal expenditures have been spread broadly, but thinly, among the Nation's ports. Rather than target the Federal investment, construction funds and work have been distributed widely among many ports, in most cases, achieving far less than we ever intended.

Until Federal policy is altered to recognize and encourage local initiative, the slow and often fruitless pace which development has taken in the past two decades will continue. Unless we change, the opportunities for increasing export trade will be lost.

A system of partial local funding, where a port authority or local government must go to the bond market and potential users to test the economic viability of the project, provides a reasonable and responsible market test.

Harbor dredging projects will achieve their desired results in a much more timely manner and an economically significant fashion when interested parties are involved more directly in the project. So as one might suspect, if these were the problems, this bill will set new standards for cost sharing on harbor construction.

They are as follows:

Projects of less than 20 feet: A 10-percent non-Federal cash contribution, during construction.

Projects of more than 20 feet but less than 45 feet: A 25-percent non-Federal cash contribution, during construction.

Projects deeper than 45 feet: A 50-percent in cash contribution during construction.

Such cash payments during construction are essential to focus Federal investment where it will return commercial benefits to the economy.

Those who will share in the fruits and the benefits will have to begin at the local level to pay part of the costs. There is no better clearinghouse for projects of this type than some kind of cost sharing. We can continue to say that we will decide, as Members of Congress, in committees or on the floor or we will leave it up to the Corps of Engineers or similar type entities to make the selections, in which event we will drag these projects on indefinitely, and there is more than a 50-50 chance that the projects will be unneeded, that they will be built and then there will be no need for them.

I was amazed in the early days of efforts on this committee with my friend from New York when we were discussing new deep ports there was a real rage here to build three or four of them. It came before the committee and the parochial flags went up, "Build mine, build his, build the other one." And sure enough, in came somebody who sells bonds on big projects like this. It happened to be one of the constituents of the distinguished Senator from New York because that is where they do all this. This man came before us and said, "I will tell you how to make sure you build the right one. Let the marketplace decide." Was that not interesting? Was that not interesting? Who else should have decided. The marketplace means those who are going to use it and pay something for it. We listened, the Senator from New York and myself and a few others, for hours as this gentleman said:

> Very simple. Pass a law that says they have to pay for part of it, give them some authority to issue some bonds on their own and the one who gets here first will be the one who needs it most. And the one who gets here second will be the one who needs it second most.

Sure enough, it was like a new light coming on the committee. The process of a few Members of Congress deciding whether Baltimore should have the first deep port of Louisiana or, as I recall, one of the west coast cities sort of left the scene and we started talking about changing the authority at the local level to finance and pay part of these projects. I am very pleased that we made that decision and we did not proceed to pick and choose the first five or six that came before us. Good intentions, expressed by their respective Senators and chambers of commerce from the area, "Build ours, we need it," sort of left the scene.

I close by saying not only with reference to deep ports but with reference to the future of the inland waterway system, we have begun to cut into this gigantic process—chaotic and willy-nilly, parochial, who got there first with the strongest delegation, who was running for election closest in time could get something through. We had hundreds and hundreds of projects languishing, authorized because somebody got there and got them authorized and lo and behold that was the last we saw of them. I even remember there is one 24 years old that makes Dallas a seaport; is that correct?

Mr. MOYNIHAN. That is correct.

Mr. DOMENICI. Somebody came through at one point in time and said, "Houston is not enough. We ought to make Dallas one." So there is an authorizing bill here, never been revoked, that says in due course we will begin that project.

Well, times have changed. If somebody has to pay 15, 20 percent at the local level with their own resources, and as you study this bill and as it works its way through Congress, we will find that not only is this the right way to do it, but as my friend from New York, the distinguished senior Senator concluded when we first introduced the bill 8 years ago together, trying to move toward cost sharing, unless this program is made into a national program, where the fruits of these resources are spread across the land where need exists, and unless those who are going to benefit from it pay some portion of it, the program, instead of going up in dollars as the need grows, will continue downward as it has for the past 15 years, both in terms of resources and new project starts.

This may be the beginning of a new era for water projects. I do not think any one here ought to have a false sense of security, however. The cost sharing was negotiated out over months, and for those even in the other body to think that when we go to conference we can just wipe those cost-sharing provisions out and add hundreds and hundreds of new projects, much the same way that we did for previous 20 years, except we put them all in one bill now, I hope there is not the euphoria sufficiently out of balance that they think we will just give away these processes and that the President will sign such a bill. I do not believe that such is the case. I believe in the struggle for a little bit of marketplace clearing, a little bit more local initiative in selecting the projects and a little bit more of the resources going where the need really is because the need is defined by ability, by desire to pay, and a marketplace clearing mechanism. For those who think that this is going to go away and we are going to get a new dawn of water resource development, I believe that is not the case. I think without those kinds of provisions we will be back to where we were 8 years ago, I say to my friend from New York, when we had the first hearings on a national water policy with some cost-sharing ingredients.

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Title 7 involves cost sharing, affecting only corps projects. This title makes no change in existing law or hydropower or agricultural water projects. The significant area of change involves flood control, where the new standard is 25 percent—including lands, easements, and rights of way—providing at least 5 percent is contributed in cash.

Title 7 also authorizes a great number of new corps projects—138 of them, at a cost of $7.3 billion.

Among the projects is authorization for an extension of the Albuquerque levees in New Mexico, at a cost of $39,200,000. This is an important project. It is the intent of the Senate to move forward on this project, despite any debate over whether the bed of the Rio Grande in this location is on the rise or on the decline.

The proposal by the Chief of Engineers should go forward in any event, recognizing that if further studies show the bed is declining, that will simply provide greater flood protection for Albuquerque than previously.

Section 701(a)(39) authorizes a flood control project on the Rio Puerco in Gallup, NM, at a cost of $3,220,000. I also support this project.

Title 8, as redrawn by the Committee on Finance, imposes taxes on two specific areas: It doubles the existing tax on the inland barge industry, and imposes a new ad valorem tax on cargoes moving through U.S. harbors to help offset the cost of future port maintenance.

The ad valorem tax recognizes, for the first time, the fact that harbor maintenance offers benefits to direct commercial beneficiaries of these programs.

While I regret that the increase in the inland fuel tax will barely keep up with inflation over the next 12 years, the increase recognizes that we must bring new money into this program.

Now let me move on to discuss several provisions that have less national impact, but remain significant.

All too often Federal funds will be spent to provide flood protection for a community, and provide a windfall benefit to one or two landowners. Section 201 requires that such windfalls must be shared with the taxpayers.

Section 202 involves the Agriculture Department's Soil Conservation Service [SCS] projects. This section requires that SCS report on recreational benefits, including data on all public recreation facilities in the project area, and include the impact of the new project on the usage of those other areas.

Section 203 creates a new deauthorization procedure for corps projects. Any project which has not received appropriations in the preceding 10 years would automatically be deauthorized, unless the Secretary of the Army determines, in consultation with affected State Governors, that the project should remain authorized. This procedure becomes effective 1 year after the date of enactment.

Section 204 provides a similar deauthorization process for corps studies that have not received funds for 5 years.

Section 205 provides that new SCS projects submitted to the Committee on Environment and Public Works of the Senate and the Committee on Public Works and Transportation of the House, with costs in excess of $10 million, must be authorized by act of Congress. Presently, all SCS projects, no matter how costly, are authorized by committee resolution.

Section 206 requires that SCS projects submitted to the Committee on Environment and Public Works of the Senate and the Committee on Public Works and Transportation of the House must have at least 20 percent of their benefits related directly to agriculture. This is a section designed to maintain the rural integrity of the SCS Program.

Section 207 requires the Secretary of Agriculture to report to the Congress on the advisability of opening to the public all impoundments with recreation potential which have been built under the SCS Programs.

I am particularly anxious that my colleagues in the Senate recognize the value of section 219, the provision creating a research program for the six-State area of the Ogallala Aquifer.

The Ogallala is the largest aquifer in the United States, providing an important source of water to the six High Plains States. These six States produce 15 percent of our wheat, corn, grain, sorghum, and cotton, as well as producing 38 percent of the total value of livestock, a critical part of the national and international agriculture market.

In all, there are 14.3 million acres of irrigated land with more than 170,000 irrigation wells. More than 21 million acre-feet of water were pumped annually from the aquifer. Monitoring of the aquifer over past years has revealed, however, that recharge is not keeping pace with the rate at which water is being pumped out of the aquifer.

It is estimated that the aquifer is being overdrawn by over 3 million acre-feet annually. Taking into consideration the projected growth in the area, it is clear that action is needed now to reverse this serious trend.

This section amends the Water Resources Research Act to add a comprehensive research and development program to reverse the depletion of the Ogallala Aquifer. Under this section, $9.5 million in grants are available annually to the six States within the High Plains region—Colorado, Kansas, Nebraska, New Mexico, Oklahoma, and Texas—to enable them to perform critical research on water resources needs and demonstrate new water and solid conservation techniques.

This is a sound approach.

Section 222 seeks to augment the value of corps projects by requiring that outside studies of corps engineering be undertaken to assure the best value on each project.

I am also in support of the language in section 224, which establishes a system for automatic wildlife mitigation authority at existing corps projects, with requirements for simultaneous mitigation, where appropriate, on new projects.

Mr. President, there are also a number of sound initiatives in title 3, notably ones that affect directly the State of New Mexico.

Section 303, for example, authorizes $2.5 million for construction of emergency gates at the existing Abiquiu Dam, NM, in line with the original design of the dam. The Abiquiu provision in no way alters Federal law regarding the size of the permanent pool of Abiquiu, or the status of that dam. This is simply a provision to carry out the original design of the Abiquiu project.

Section 304 modestly expands the size of the corps' Albuquerque district. The State of New Mexico once was divided among five corps districts. We get fine service from the Albuquerque district. But frankly, other sections of the State feel shortchanged. The corps has already transferred eastern portions of the State under the responsibility of Albuquerque. Section 304 brings the western portions of the State of New Mexico under the direction of the Albuquerque district.

Section 311 concerns the city of Truth or Consequences, NM, which experienced significant flooding in 1972 and again in 1976. Another flood poses a serious danger of loss of life. Section 311 modifies the Truth or Consequences flood control project, which was authorized in 1948.

When authorized, the project consisted of a series of levees along the Rio Grande. However, because of urban development in the area since 1948, that project is no longer feasible. Therefore, the corps has reformulated the project and has determined that the best alternative would be to detain flood flows on Cuchillo Negro Creek. This section modifies the authorization to reflect this change, authorizing a dam on that creek.

Section 313 concerns New Mexico's acequias, which are community irrigation ditches dating back to the 18th century. They have historic, as well as economic, significance. However, many of the diversion structures and associated canals of the acequia systems are in need of repair.

The section declares that the acequia systems have cultural and historic value and authorizes the corps to undertake whatever measures are necessary to protect and restore those structures. The sum of $40 million is authorized for this purpose, to be matched by $13.3 million from the State of New Mexico or other non-Federal sponsors.

One of the first areas to be reviewed under this program, I anticipate, would be ditch systems in the area of Springer, NM.

Mr. President, I have simply skimmed over a few of the highlights of this legislation.

It is a good bill, a sound bill. This bill deserves the support of the Senate.

I urge passage of S. 1567, and commend Senator ABDNOR and others for their strong and effective leadership in bringing this important bill to the Senate floor.

Mr. MOYNIHAN addressed the Chair.

The PRESIDING OFFICER. The Senator from New York.

Mr. MOYNIHAN. The Senator from New Mexico is no doubt going to have to leave the floor as he has so many other duties, but before he does, I say to the Senate that this bill would not be on the floor were it not for him. He has been characteristically modest. He is that. The things he was describing as to the process of development of this bill were ideas and measures which he initiated. He was the energy behind them. If I joined with him, it was at his invitation.

He describes very clearly and dramatically the hearing where a financier, Joel Price, vice president of Rotan Mosle, Inc., testified, "You want to know how to decide how many 60-foot coal ports to build? Find out who will pay part of the cost of building them."

Our problem is very simple, classic economics. Ports were free goods, and as free goods, they were wasted. In time however, the competition for these free goods became so great that by the beginning of this decade we, in the United States, had the clear imprimatur to produce at least three 60-foot coal ports. We needed to have access to a European market that the Australians and South Africans were preparing for with supertankers. We had a system in place that, by the year 2030, would have given us twenty 60-foot ports but we needed them 40 years sooner. The decade is almost over but it is not too late, and we are starting to make the right decisions. It is to be wished that one could speak loudly enough to be heard in the other body, so that they would hear what the Senator from New Mexico has just said. We have 181 major projects in this bill, and that is enough. Cost sharing is the absolute minimum condition. Absent that, there will be no legislation, and we will lose another decade. I have put 10 years in on this bill, for my part. But perhaps others must have the experience of how to get nothing, which is to ask for too much.

Mr. DOMENICI. Mr. President, I know that the Senator from Ohio wants to speak, and I will be one moment.

This has been a very interesting 13 years, so far as the Senator from New Mexico is concerned. I vividly recall that just before the Senator from New York [Mr. MOYNIHAN] came to the committee, Mr. Gravel, of Alaska, was chairman of the subcommittee.

I am not embarrassed to say that I had only one legislative success of any significance in the first 8 or 9 years I was here, and that had to do with the inland barges paying a fuel tax. That was a very historic event. I was able to say that I passed at least one major piece of legislation, as that worked its way through here.

I should like to share with Senators how that happened. It is interesting to put in on the record. We were having a hearing about 10 o'clock in the morning on lock and dam 26. I am from New Mexico. Obviously, we do not have any inland waterways.

We were discussing how we ought to go on the users paying for a little of lock and dam 26, and somebody made a slight mistake at the witness table. They were from the lock and dam area.

The decorum of the committee room was broken when the person stood up and said: "Who are you?" He said this to me. "What business is it of yours as to what we do with our lock and our dam and our river?"

I thought, "Isn't that interesting?" I said: "What do you mean?"

He said,

> Well, you shouldn't have anything to say about it. We know what we're doing, and we're going to decide how we're going to run these. And you all are going to pay for them. Just as you have been paying for them for a long time. I kind of wish, young man, you would mind your own business.

That set the stage for a very interesting 3 years for me. I had a great deal of fun. I enjoyed immensely the final day when that mode of transportation started paying a little tax on the fuel, so as to defray a little of the taxpayers' burden.

I note that in this bill there is a continuation of that process, with another tax on those using it going into effect in future years. It is not what we have desired, because it is not sufficient to pay the costs.

However, I do commend those in the inland waterway business—in the industry, those who represent them here—for the good common sense to add some more to that very minimal tax, and that is provided in this bill.

I was part of that compromise. I said they should have a lot more, because that is not enough. I, too, compromised.

I think it is a very good sign for the future of the inland waterways that those who use them will at least reimburse the taxpayers of America by a small portion, 10 or 15 percent of the cost.

Mr. ABDNOR. Mr. President, I was in the House at the time the Senator is speaking of, when all this started. Now I have a better understanding of it.

I used to hear about the Senator from New Mexico, who was trying to change the whole history of water development and about terrible "user charges." I wondered what kind of mean, ornery individual he was. I found out what the Senator was like when I came to the Senate. There is no person in this Chamber who deserves greater credit for bringing this about, even though many of its provisions do not go as far as he would like. This bill is still a great step forward in water development for America, and we all thank him for supporting it.

Mr. DOMENICI. I thank the Senator.

Mr. GLENN. Mr. President, I realize that bringing up any new amendments would be futile in this environment. I realize that the floor managers of the bill have made it clear that they will strongly oppose any floor amendments to the bill, adding projects that have not cleared the whole Corps of Engineers process. Realizing what the situation is, I will not offer amendments for the matters about which I wish to speak briefly. But I hope that with what I put forward here, the conferees on this bill will look favorably upon the House position in conference on these two measures—which, I might add, comply completely with what the distinguished Senator from New Mexico and the distinguished Senator from New York just discussed about users paying a portion, and local political entities, be they State, county, municipal, or whatever, sharing in the burden of whatever the project may be.

The two items I wish to bring to the attention of the floor managers and other Senators and those who will be conferees on this bill are two that affect my home State of Ohio, and they are two in which the State and local communities are willing to share in the burden.

First, I wish to discuss briefly the Cleveland Harbor project. It is a commercial navigation project.

The components stress the importance of river, as well as harbor, actions necessary to correct navigation hazards, and foster safe, profitable commercial shipping through the Port of Cleveland. I urge my colleagues to adopt the House provision in conference.

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The Cleveland Harbor project, for which $36 million in Army Corps of Engineers participation is requested, consists of the following actions:

First. Deepening and widening of the East Harbor entrance. This provision, for $4.3 million, is included in the leadership amendment to the bill and has a chief's report from the Corps of Engineers.

Second. Bulkheading and other necessary repairs to pier 34.

Third. Sheeting, bulkheading, and necessary repairs to docks 20, 24, 32, and 36.

Fourth. Construction of a basin south of pier 34, with related protective structures and approach channels.

Fifth. Removal or correction of navigation impediments at specific bridges crossing the navigation channel of the Cuyahoga River, and correction of "bow thruster" and other infrastructure problems at Cleveland Harbor.

Sixth. Report of Cuyahoga River bank—sheeting, bulkheading.

Seventh. Sheeting, bulkheading, and necessary repair of approach to the U.S. Coast Guard Station in Cleveland Harbor.

Total cost of the Cleveland Harbor project is $65.3 million, with participation, which was just discussed on the floor, as follows: Army Corps of Engineers, $36 million; State of Ohio, $8.45 million; local and other, $20.85 million.

A Federal investment of $36 million is fully appropriate and in the national interest when you consider the importance of the Cleveland area to our Nation's economy. The Cleveland area is the ninth largest industrial market in shipments nationwide, shipments for the seven-county Cleveland area average more than $33 billion annually, and two-thirds of U.S. industrial production is located within 600 miles of Cleveland.

I also note that startup funds for the Cleveland project were included in the 1985 supplemental appropriation bill. The House water resources bill, H.R. 6, authorizes up to $36 million for Cleveland Harbor.

The Cleveland project has the unanimous support of the public and private sector. This support for the project is backed up with financial commitments from all parties. Local and State participants are prepared to act on a cost-sharing agreement for the project as soon as we give them the go-ahead in this authorization bill.

The components of the Cleveland Harbor project have been studied by the Corps of Engineers and are referenced in various corps documents related to Cleveland Harbor and the Cuyahoga River. In fact, some bridge-related corps recommendations date back to 1937.

The Cleveland project includes action by the corps to prepare a safe harbor basin, at a total cost of $5.1 million. Federal share for corps action on the basin is only $3.7 million. The need for such safe harbor is referenced in both corps and Coast Guard studies related to the frequency of sudden and severe weather on Lake Erie. The State of Ohio has committed funds to develop the recreational potential of the land surrounding the basin—corps participation is limited to construction of the safe harbor basin, related protective structures, and approach channels only.

Certainly any shipping facilities of the size and economic importance of Cleveland Harbor warrants a $36 million Federal sharing of the cost or investment, as I view it.

So I urge my colleagues when they consider the House provision in conference that they look with favor upon this because I believe it is one that is most worthwhile and one that benefits us nationally as well as just the State of Ohio and the Cleveland area.

Mr. President, the second element of consideration for the conference that I wish to address briefly, is the Lake Milton Dam near Youngstown, OH. The Lake Milton Dam is in Mahoning County. Shortly, unless emergency repairs are done, that dam must be breached and the lake drained, and that lake has been there many, many years. The lake must be drained unless these emergency repairs are done.

The rehabilitation of this dam is of utmost importance to the area around Youngstown and Mahoning County.

I do not have to recount here today the economic difficulties that have beset that part of our State, that part of our Nation, as our steel mills have gone down and some single-industry towns have come upon hard times.

Mr. President, this is a beautiful recreation area. It is a tourist attraction. Other businesses and economic development can occur around that area which can help the northeast Ohio recovery.

The total cost of repairs for the dam is estimated as $6.75 million but, lest the managers of the bill take too much umbrage to that, let me say that there is significant State cost sharing for this project. The State of Ohio will contribute $4.3 million or 63 percent of the cost of the repairs. What we need is Federal authorization for the gap of only $2.5 million.

Repairing the dam is cost effective. The estimated cost of reconstructing a structure of this size we estimate would be more than $100 million today.

In the House bill legislation is provided to take care of this problem. There is a loan in the House bill. We hope that that could be perhaps changed into a grant in the conference committee. But this is a beautiful area. It is of benefit to the economically devastated area of Youngstown and northeastern Ohio.

Mr. President, I urge my colleagues and hope the conferees on the conference committee that we will be in touch with will look with great favor on the legislation already in the House bill for this Lake Milton Dam as well as the Cleveland Harbor project that I have already mentioned.

Mr. President, today we take an important step forward in continuing the development of this Nation's waterways and flood control efforts. With the passage of S. 1567, the Senate has ensured that America will develop and maintain a modern infrastructure capable of handling the demands of our modern industrial society. And I am proud to say that Ohio will share in the benefits of this far-reaching and long overdue program.

S. 1567 contains funding for a number of projects of great importance to my State of Ohio. Maumee Bay State Park will receive $15.8 million for shoreline protection. The potential benefits of this expenditure are several: Industrial development, increased job opportunities in a depressed area, expanded recreation facilities, and environmental protection. As such, the project will substantially enhance the quality of life in the area on the south shore of Lake Erie near Toledo.

This bill also authorizes $256 million to replace and modernize the Gallipolis locks and dam. I sponsored legislation to authorize this work several years ago and I am pleased that our efforts are finally paying off. The existing facilities are obsolete after nearly 50 years of service and present a serious danger to commerce on the Ohio River. Even when the locks are operating at full capacity, Gallipolis is a bottleneck. When there is an accident, which is a common occurrence, the delays can last for days or even weeks. The funding for this work will correct a worsening condition on the Ohio River transportation corridor and benefit the commerce of several States.

The Lorain Harbor will receive $5.5 million for necessary improvements. Lorain has suffered from severe economic distress in recent years. The proper maintenance of Lorain Harbor, along with the development of the Lorain Small Boat Harbor which we funded in October of last year, will help improve the economy of the Lorain area.

The Cleveland Harbor will be authorized to receive $4.3 million for deepening and widening of the East Harbor entrance. These improvements are necessary to correct navigation hazards and foster safe, profitable commercial shipping through the Port of Cleveland.

This bill provides additional authorization for the comprehensive plan for the development of the Ohio River

Basin. This project was originally authorized in 1936 and has proven extremely valuable in building a viable Ohio River transportation system. I am pleased to see that this important work will continue.

This legislation includes several important flood control projects for Ohio. The citizens of southwestern Ohio will be happy to see a substantial Federal effort to control the flooding of the Miami and Little Miami Rivers. S. 1567 sets aside $23.3 million to provide relief of those who have been plagued with property damage resulting from high waters on these rivers over the years.

In addition, the citizens of North Chillicothe, OH, will receive $10.7 million to control the flooding from the Scioto River. The bill also includes authorization for a flood control project at the Hocking River, at Logan and Nelsonville, in the amounts of $7.7 million and $8.0 million respectively.

As the cochairman of the Great Lakes Task Force for the Northeast-Midwest Senate Coalition, I also want to note that S. 1567 contains several provisions of significance to the Great Lakes region. The legislation authorizes five Great Lakes harbor improvement projects, including Lorain Harbor and Cleveland Harbor in Ohio; Duluth-Superior Harbor, in Minnesota and Wisconsin; Grand Haven Harbor, in Michigan; and Monroe Harbor, in Michigan.

Title VIII, "Navigation Taxes," includes an important provision for Great Lakes shipping interests; Rebate of St. Lawrence Seaway tolls paid to the St. Lawrence Seaway Department Corporation. Also included in title VIII is a provision directing the Secretary of State, in consultation with the Secretary of Transportation, to initiate negotiations with the Canadian Government with the objective of reducing or eliminating all tolls on the international Great Lakes and the St. Lawrence Seaway. The ultimate elimination of seaway tolls, both Canadian and American, would make the ports of the Great Lakes region competitive, for the first time, with ports on the other three U.S. coastlines. These two provisions in title VIII constitute an important first step toward elimination of seaway tolls.

S. 1567 also establishes a harbor maintenance trust fund for the purpose of providing operation and maintenance for commercial channels and harbors. It authorizes 100 percent of the eligible operation and maintenance costs of the St. Lawrence Seaway Development Corporation to be appropriated out of this harbor maintenance trust fund.

Mr. President, we have waited a decade for a new water resources authorization bill. I urge my colleagues to adopt this legislation.

Mr. MOYNIHAN. Mr. President, may I thank the distinguished Senator from Ohio for his very cogent and careful remarks.

It is the case that we have not been able to accept any substantive amendments but we will go to conference and we will have carefully in mind his cogent thoughts.

Mr. ABDNOR. I assure the Senator we will give it every consideration in the conference.

Mr. GLENN. I thank the Senator very much.

Mr. METZENBAUM. Mr. President, I want to urge the chairman of the committee and the ranking democratic member to support in conference the project to repair Milton Dam in Youngstown, OH.

Milton Lake has been a prime recreation area for the city of Youngstown and the surrounding region for more than 60 years.

Unfortunately Milton Dam is in a state of serious disrepair. A 1980 report of the Army Corps of Engineers concluded that an "emergency situation may ultimately result" if steps were not taken to repair it.

Following a new study of the dam last month, the Ohio Department of Natural Resources concluded that the dam is unsafe, and recommended that the dam be breached and the lake drained.

This would be a tragedy for Youngstown and the entire region.

Mr. President, the economy of Youngstown is severely depressed. The city simply does not have the $6.7 million needed to repair Milton Dam. As a matter of fact, the mayor of Youngstown says that the city cannot even afford to pay back a loan if such a loan to repair the dam is provided.

H.R. 6, the House passed measure would loan Youngstown 80 percent of the funds needed to repair the dam. Recognizing that a loan would not save Milton Dam, the State of Ohio recently offered to provide a $4 million grant to help pay for the needed repairs. That still leaves Youngstown $2.6 million short.

Mr. President, I was prepared to offer an amendment to provide the additional needed funds. However, the bill managers have indicated that no amendments for new projects would be accepted.

Therefore, I would hope that the conferees see fit to provide the additional $2.6 million grant needed to complete the repair project. I believe the State of Ohio clearly has demonstrated its commitment to solving this crucial problem. It is a worthwhile investment, and many people in Youngstown are depending on it.

AMENDMENT NO. 1710

(Purpose: To make certain technical and other modifications to the bill)

Mr. ABDNOR. Mr. President, I send an amendment to the desk and ask for its immediate consideration.

The PRESIDING OFFICER. The clerk will report the amendment.

The bill clerk read as follows:

The Senator from South Dakota [Mr. ABDNOR] (for himself, Mr. STAFFORD, Mr. BENTSEN, and Mr. MOYNIHAN) proposes an amendment numbered 1710.

Mr. ABDNOR. Mr. President, I ask unanimous consent that the reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

(Amendment 1). On page 3, line 1, after the word "reimbursed", insert the following: "during each such fiscal year".

(Amendment 2). On page 5, line 7, delete the figure "$250,000" and insert in lieu thereof "$5,000,000".

(Amendment 3). On page 5, line 20, after the word "Representative" insert the following: "after July 1, 1987,".

(Amendment 4). On page 65, after line 5, insert the following and number accordingly:

"SEC. (a)(1) Congress is concerned about the impact that the century-high water level of the Great Lakes is having on shoreline along the Great Lakes and connecting channels.

"(2) Congress recognizes scientific findings that indicate the level of the Great Lakes will continue to rise if, as expected, the current long term weather cycle of cooler temperatures and higher precipitation prevails.

"(b) The Secretary, in cooperation with the National Oceanic and Atmospheric Administration, the Federal Emergency Management Agency, the International Joint Commission, and other appropriate Federal, State, and local agencies and the private sector, is authorized to conduct a study of shoreline protection and beach erosion control policy and related projects of the Secretary, in view of the current situation and long-term expected increases in the levels of the Great Lakes. Such study shall include, but is not limited to—

"(1) a study to determine the magnitude and extent of current and expected future shoreline erosion on the Great Lakes and connecting channels occurring as a result of high water levels. The study shall examine the impacts of the long term cold weather cycle on lake levels and shoreline damage. The study shall also examine the relationship of shoreline damage to the regulation of outflows from Lake Superior and Lake Erie in accordance with approved regulation plans of the International Joint Commission;

"(2) an economic and hydrologic analysis to determine whether changes in the inflows and outflows of the existing structures may be desirable to reduce shoreline damages, and whether further regulations of the outflow of Lake Erie may be warranted to achieve better regulation of the water levels of the Great Lakes;

"(3) a summary of the legal and institutional impacts of rising lake levels on riparian lands; and,

"(4) recommendations for new or additional criteria for Federal participation in shore-

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line protection projects along the Great Lakes and connecting channels.

"(c) Within three years after the date of enactment of this Act, the Secretary shall transmit the studies prepared pursuant to subsection (b) of this section, together with supporting documentation and the recommendations of the Secretary, to the Committee on Environment and Public works of the Senate and Committee on Public Works and Transportation of the House of Representatives.

"(d) For the purposes of this section, there is authorized to be appropriated to the Secretary for the fiscal year ending September 30, 1987, or thereafter, the sum of $3,000,000, such sum to remain available until expended.

"SEC . The Secretary is directed to include in the feasibility study of Sunset Beach Harbor, Bolsa Chica Bay, California, an assessment of the feasibility of non-Federal cost sharing for the Sunset Beach Harbor project, utilizing the provisions of section 215 of this Act, in consultation with the appropriate non-Federal sponsors: Provided, That no such assessment shall be considered as an alternative to any non-Federal cost sharing otherwise required during the period of construction of any possible project. The assessment under this section will examine whether, and to what extent, the provisions of section 215 of this Act can be used by the non-Federal sponsors of the Sunset Beach Harbor project to support non-Federal cost-sharing for this project.

"SEC. The project for navigation, Cape Charles City Harbor, Virginia, authorized by the River and Harbor Act approved March 2, 1945 (59 Stat. 15), is modified to provide that the local interests shall not be required—

"(1) to provide bulkheads, or

"(2) to reserve berthing space for general public use, along a great distance of the shoreline than such bulkheads are provided or such berthing space is reserved on the date of the enactment of this Act.

"SEC. The Secretary is directed to expedite the hydroelectric power studies of the Red River Basin Comprehensive Study, Arkansas, Texas, Louisiana, and Oklahoma (authorized by Public Law 98–63), with a particular view of investigating the feasibility of adding hydroelectric power generating facilities at the Tuskahoma Lake, Oklahoma, project.".

(Amendment 5). On page 102, line 11, delete the semicolon and insert in lieu thereof the following: ": *Provided*, That after the date of enactment of this Act, the Secretary shall not submit to Congress any proposal for the authorization of any water resources project that has a hydroelectric power component unless such proposal contains the comments of the appropriate Power Marketing Administrator designated pursuant to section 302 of the Department of Energy Organization Act (Public Law 95-91) concerning appropriate Power Marketing Administration's ability to market the hydroelectric power expected to be generated and not required in the operation of the project under the applicable Federal power marketing law, so that, 100 per centum of operation, maintenance and replacement costs, 100 per centum of the capital investment allocated to the purpose of hydroelectric power (with interest at rates established pursuant to or prescribed by applicable law), and any other costs assigned in accordance with law for return from power revenues can be returned within the period of such costs by or pursuant to such applicable Federal power marketing law;".

(Amendment 6). On page 119, line 16, delete the semicolon and insert in lieu thereof the following: ": *Provided*, That this authorization shall not preclude development of hydroelectric power by a non-federal interest if, within three years of the date of enactment of this Act, such non-federal interest obtains a license from the Federal Energy Regulatory Commission for non-federal development of hydroelectric power at the Blue River Lake project;".

Mr. ABDNOR. Mr. President, Because we have had over a week since the Senate set aside S. 1567, we have had time to carefully review a few minor technical amendments and amendments which our colleagues had planned to offer to S. 1567.

Six of these amendments are sound additions and should be noncontroversial. So, rather than deal with these amendments one by one here on the floor, we have decided to offer these amendments en bloc on behalf of our colleagues. I therefore have sent to the desk a package of six amendments for the Senate's consideration.

The first amendment clarifies the obligation ceilings on Corps of Engineers construction spending in title I of S. 1567. This amendment makes it clear that if reimbursement occurs during the same year in which construction occurs, reimbursed funds would not be counted toward the construction cap.

The second amendment simply makes a technical correction to section 205 of the bill. As originally reported, section 205 references the figure "$250,000." However, this figure does not reflect public law 83-566 as it has been subsequently amended. The figure that is now in that law, and hence the figure which should be referenced is "$5,000,000."

The third amendment modifies section 206 of the bill which requires that Soil Conservation Service small watershed projects sent for authorization to the Public Works Committees of the House and Senate must have a least 20 percent agriculture benefits. This modification makes this requirement effective beginning on July 1, 1987. This will permit a phase-in period for this change.

The fourth amendment is being offered on behalf of Senators DURENBURGER, SIMON, BOSCHWITZ, RIEGLE, KASTEN, and METZENBAUM. It authorizes a study of Corps of Engineers shoreline protection projects and policy with respect to the continuing rise in the water level in the Great Lakes. This is a serious problem which is already resulting in millions of dollars of damages to property bordering the lakes.

A total of $3 million is authorized to be spent on this study which is meant to examine a number of factors related to the rising lake levels. The study is meant to be completed and transmitted to Congress within 3 years after the date of enactment of this act.

This amendment also modifies the study authorization for the Sunset Harbor project in California. This change is being offered on behalf of the two Senators from California, Senator WILSON and Senator CRANSTON. The amendment would allow the Corps of Engineers to study the Sunset Harbor project as a demonstration of the workability of section 215 of S. 1567. Section 215 allows local project sponsors to form project repayment districts for the purpose of repaying to the Federal Government their share of a water project's cost.

This change is in no way meant to replace the need for non-Federal cost sharing required during and/or after the period of construction. It simply authorizes a feasibility study of the payment or recovery of an appropriate share of the costs of a project through a Federal project repayment district.

On behalf of our able colleague from Virginia, Senator TRIBLE, amendment 4 also modifies the authorization for Cape Charles Harbor in Virginia. This modifies the requirement in Public Law 79–14 that local project sponsors are to provide 1,000 feet of berthing space along a bulkhead. Since the need for all of this berthing space never arose, the town only constructed 650 feet. This amendment merely reduces the required length of the dock from 1,000 feet to 650 feet. The Corps of Engineers has no objection to this change and it costs the Federal Government no money.

In addition, amendment 4 also directs the Secretary to expedite the hydroelectic power studies of the Red River basin comprehensive study. This change, which was included at the request of the distinguished Senators from Oklahoma, Senator BOREN and Senator NICKLES, specifically instructs the Secretary to investigate the feasibility of adding hydroelectric capability at the Tuscahoma Lake project in Oklahoma.

Amendment 5 is offered on behalf of our distinguished colleague from Montana, Senator BAUCUS. This amendment requires that future reports on proposed corps hydroelectric projects include the comments of the appropriate power marketing administrator on the ability of that power marketing administration to market the power produced by the project. This reporting requirement would better enable Congress to judge the viability of the project with respect to the repayment of construction, operation, maintenance, and replacement costs. This information will be valuable in future congressional consideration of Corps of Engineers' hydroelectric projects.

Finally, amendment 6 modifies section 702(b)(8), which authorizes the Blue River Lake hydroelectric project in Oregon. This change, offered on behalf of Senator PACKWOOD, would

simply allow a 3-year period for non-Federal development of this project to begin before any Federal Development could take place.

This modification is necessary because the Eugene Water & Electric Board [EWEB] in Eugene OR, has applied for a Federal Energy Regulatory Commission [FERC] license to construct this hydroelectric project on its own.

Normally, congressional authorization for the Corps of Engineers to construct a project will preclude non-Federal project development. Since it is fully expected that the EWEB will construct this project, this amendment is intended to ensure that authorization for Federal development will not prejudice EWEB's license application.

Thus, this amendment will allow the EWEB to construct this project if they receive a FERC development license within 3 years of the date of enactment of this act. If, by the end of this period, FERC license has not been received by the Eugene Water & Electric Board, the Corps of Engineers could then proceed with construction of this project.

Mr. MOYNIHAN. Mr. President, these are amendments that have been thoroughly examined and agreed to on both sides. I move their adoption.

The PRESIDING OFFICER. The question is on agreeing to the amendment.

The amendment (No. 1710) was agreed to.

Mr. MOYNIHAN. Mr. President, I move to reconsider the vote by which the amendment was agreed to.

Mr. ABDNOR. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

The PRESIDING OFFICER. The Senator from Montana is recognized.

AMENDMENT NO. 1711

(Purposes: To add recreation to the purposes of Fort Peck Reservoir)

Mr. MELCHER. Mr. President, I send an amendment to the desk and ask for its immediate consideration.

The PRESIDING OFFICER. The amendment will be stated.

The bill clerk read as follows:

The Senator from Montana [Mr. MELCHER] proposes an amendment numbered 1711.

Mr. MELCHER. Mr. President, I ask unanimous consent that the reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

Add a new section to Title III which reads as follows:

Sec. . The project for navigation and Power generation, Fort Peck, Montana, authorized by the Act entitled "An Act to Authorize the completion, maintenance, and operation of the Fort Peck project for Navigation and for other purposes" Approved May 18, 1938 (16 U.S.C. 833), shall include recreation as a purpose of such project."

Mr. MELCHER. Mr. President, when Fort Peck Dam was built, one of the first dams built on the Missouri, apparently nobody thought about recreation being one of the purposes of the construction of the dam. This was in the early 1930's. The last time that I know of when this matter was thought of was an act of 1938 which authorized the completion and the maintenance and operation of the project for navigation and other purposes.

It was primarily thought it was for some power development and for navigation, if possible, and flood control, but never recreation.

All the other dams that have been built later on the Missouri have always mentioned recreation.

The House of Representatives seeks to correct that by an amendment offered by the Congressman from the eastern district of Montana which was accepted.

I offer an amendment picking up the same language, simply stating that recreation will be one of the purposes of Fort Peck. I think that just brings it into conformity with how the dams of the Missouri are used.

I hope the managers of the bill will accept it because it merely picks up an oversight and corrects it.

I point out that there might have been some confusion whether the Corps of Engineers agrees with this amendment. They have added it in the House bill. They had a great amount of time to look at it. They see nothing wrong with it.

If that is concurrence, then they concur.

The PRESIDING OFFICER. The Senator from New York.

Mr. MOYNIHAN. Mr. President, I thank my able friend from Montana for his amendment.

The Corps of Engineers already has the authority to add recreation as a project purpose at its facilities. That amendment would merely reinforce the sense of Congress that recreation should be a project purpose at Fort Peck. It adds no new money.

We find it a worthy amendment and we are happy to support it on this side.

Mr. ABDNOR. I am glad the Senator was able to work out this situation, and I think he has come up with a good amendment. We are very happy with it.

Mr. MELCHER. I thank the managers.

The PRESIDING OFFICER. The question is on agreeing to the amendment.

The amendment (No. 1711) was agreed to.

Mr. MOYNIHAN. Mr. President, I move to reconsider the vote by which the amendment was agreed to.

Mr. ABDNOR. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. GORE. Mr. President, I wish to commend the authors and managers of this legislation for the excellent job they have done. I call particular attention to the 3-year study of the greenhouse effect and its impact on coastal areas which is contained in this legislation.

Earlier, I had published in the RECORD a proposed amendment to expand the study of the greenhouse effect and I wish to explain to my colleagues the reasons for not introducing it at this time.

Some members of the committee have expressed interest in further studying the approach that I have suggested. I look forward to working with members of the committee.

But let me point out, Mr. President, that I believe the greenhouse effect will be recognized in the next decade as the most significant environmental issue facing all mankind.

We have tended to pay far too little attention to this issue.

The February 18, 1986, issue of the New York Times contained the article "Significant Rise in Sea Level Now Seems Certain." The story pointed out that many scientists predict a rise in sea level of 1 foot within the next 30 to 40 years. Even this relatively small increase could push the coastline inland, in some areas, by 100 feet.

This could be felt on the beaches and marshes from Long Island to Florida and throughout the gulf and Pacific coasts. These fragile lands would shrink in size and decline in number. Louisiana's shore, for example, which now loses 50 square miles annually, would suffer even greater erosion. Fish and shrimp would lose growth habitat, while saltwater intrusion would make farmland useless for agricultural purposes.

Even more alarming would be the increase in both frequency and extent of coastal flooding and erosion due to storms. This in turn could destroy buildings and roads. As a result, the cost of maintaining infrastructures in coastal communities would increase.

As many of you are aware, the lifetime of large-scale projects such as buildings and bridges is assumed to be 30 years. Therefore, a building constructed in a coastal area today could be expected to face impact of a 1-foot rise in sea level.

Other countries could suffer even more severe consequences. Highly populated areas near sea level could experience extensive loss of life and property from storms, made worse by the increased sea levels. Most vulnerable are the river deltas in Bangladesh, Pakistan, China, Egypt, and Colombia.

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All these dire predictions are based on a 1-foot sea level rise within the next 30 or 40 years. Yet the predictions by scientists for the next 100 years suggest an even greater rise. Some projections for increased levels range from 2 to 5 feet. By comparison, the sea level rise over the last century was only 4 inches. Needless to say, the long-range impact of a 5-foot rise could be catastrophic.

I have been concerned about the effects of the greenhouse phenomenon for some time. In the other body, I chaired a subcommittee that held three hearings over a period of 4 years. The views of the scientists have evolved from doubts about the importance of the greenhouse effect in 1981 to a consensus by 1984 that it is real and must be studied extensively.

This past December I testified on the greenhouse effect at a hearing before a subcommittee chaired by the distinguished Senator from Minnesota, Mr. Durenberger. The conclusions that I drew from that outstanding hearing was that it is more critical now than ever before that we move ahead with studies of the greenhouse effect.

What I have suggested on several occasions is an international year of scientific study on the greenhouse effect. I remember very well the International Geophysical Year of 1957 and the tremendous benefits which came from that year of international study.

Insofar as the greenhouse effect is a global problem and insofar as measures to ameliorate its impact will require action on a global basis, it seems to me that our urgent priority should be to increase the level of confidence we have in the scientific predictions about what the greenhouse effect will mean for mankind. As a result, an international year of scientific study seems to me to be a good way to proceed.

Out of respect for members of the committee, I will not offer this amendment at this time, but I do urge my colleagues to give serious consideration to this idea. In the future I will offer it to another bill that perhaps may be a more appropriate vehicle.

I am absolutely convinced, Mr. President, that we in this body must begin to turn our attention to the greenhouse effect. The problem is not only the burning of fossil fuels, it is the accumulation of trace gases, like methane and fluorocarbons in the atmosphere and also deforestation, which is one of the major contributors to this problem.

I will elaborate in my statement for the Record, because I know we need to proceed with this bill, but I did want to explain why I am not offering the amendment that I had earlier published in the Record.

Mr. MOYNIHAN. Mr. President, may I express, I am sure, on behalf of myself and Senator Abdnor, our appreciation to Senator Gore, not for withdrawing his amendment but for bringing this matter to the Senate floor. I think his idea of an international year modeled on the International Geophysical Year is an exceptionally compelling one. As Senator Gore well knows, if anyone thinks we have flood control problems in the United States today, just wait until the level of the Atlantic and Pacific Oceans rises 3 feet and we will have nothing but flood control projects here. I know he will pursue this matter and encourage him to so do.

Mr. GORE. I thank my colleague for his comments. I would only add we are talking about an effect which could be felt in our lifetime.

Mr. ABDNOR. Mr. President, I thank the Senator from Tennessee for what he is attempting to do here and for the work and time he spent on this. It is something that the Committee on Environment and Public Works will be devoting its attention to. We thank him very much for his involvement, and look forward to working with him on this important matter.

Mr. GORE. I appreciate the chairman's kind words. Once again, Mr. Chairman, I commend the chairman and ranking member for the outstanding jobs they have done in bringing this historic bill to the floor. I yield the floor.

SCHUYLKILL RIVER BASIN FLOOD CONTROL PROJECT

Mr. SPECTER. Mr. President, at the outset, I join my colleagues who have commended the distinguished Senator from South Dakota, [Mr. Abdnor], the manager of the bill, and the ranking member, the distinguished Senator from New York [Mr. Moynihan], on a very prodigious effort. I thank them further for careful consideration and inclusion of projects very important to my State of Pennsylvania.

There are two matters which I would like to address, and I shall do so briefly this morning. One is on a project which the Senate water resources bill does not include, which is very important to Pennsylvania, and that is the Schuylkill River Basin flood control project near Pottstown, PA. The Schuylkill River basin is subject to flooding even from summer thunderstorms. Manatawny Creek is also subject to flooding from Schuylkill River backwaters, as well as from the runoff from smaller localized storms in the Manatawny Creek watershed.

Pottstown suffers with flooding two or three times a year. Property damages from these recurring floods have been heavy. In 1972, Hurricane Agnes caused over $25 million in property damage in the town, ruining residences, commercial, industrial, and public property.

Currently, most of the town's jobs are located in a commercial/industrial area along the river. When floods occur, this area and the industrial highway serving these businesses are incapacitated. In addition to the direct damages to buildings, inventories, and other property, the losses from lost work time and lost business orders are substantial. With over 1,000 employees working in businesses along the industrial highway, flooding results in wage losses of $50,000 to $75,000 per day. Generally, floodwaters shut down this area for 2 days, creating wage losses of $100,000 to $150,000 per flood.

Because flooding occurs regularly in both the old downtown area and the industrial area of the town, businesses have been reluctant to lease space in this area. The city has a number of abandoned buildings which they are trying to rehabilitate for new businesses. Their success in this endeavor is directly related to reducing the likelihood of flooding.

I believe, Mr. President—and I know my distinguished colleague, Senator Heinz, has spoken on this matter, as well—that the Pottstown flood control project is urgently needed to ensure the future protection and economic development of the area.

I appreciate the fact that the Corps of Engineers has not given final approval to this project and that it strains the standards which the managers of the bill have established. But there is more to consider here than simply the cost-benefit ratio.

I have discussed this with the manager of the bill, who has been very accommodating. The project is in the House bill and I am very optimistic that the matter can be accommodated in conference.

Mr. ABDNOR. Mr. President, if my friend and colleague from Pennsylvania will yield, we have had an exchange on this subject and I certainly understand the importance of this Pottstown project to him and to the people of Pennsylvania, and particularly in that area.

As he said, it is in the House bill. In conference with the House, I can assure him we will give the Pottstown project favorable consideration, but subject to the overall objective of what we are trying to do here—get a bill that we can get signed by the President. That is our biggest single goal.

Mr. MOYNIHAN. Mr. President, I wish to associate myself wholly with the remarks of our chairman. We have listened with care and will do what we can do in the conference.

Mr. SPECTER. I thank the manager of the bill and the distinguished ranking member for those assurances.

AMENDMENT NO. 1712

(Purpose: To carry out further studies for engineering and design for a flood control project at Milton, PA)

Mr. SPECTER. Mr. President, I have one other matter on which I shall be brief. It is a short amendment, which I send to the desk and ask for its immediate consideration.

The PRESIDING OFFICER. The clerk will report.

The assistant legislative clerk read as follows:

> The Senator from Pennsylvania [Mr. Specter] proposes an amendment numbered 1712.

Mr. SPECTER. Mr. President, I ask unanimous consent that further reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment reads as follows:

> The Secretary of the Army, acting through the Chief of Engineers, has been conducting a study of the feasibility of providing flood protection along the West Branch of the Susquehanna River for the Borough of Milton, Pennsylvania. The Secretary is directed to undertake further studies for engineering and design for a flood control project at Milton, Pennsylvania.

Mr. SPECTER. Mr. President, the amendment has been marked up, but I can read it briefly to state the purpose as follows:

> The Secretary of the Army, acting through the Chief of Engineers, has been conducting a study of the feasibility of providing flood protection along the West Branch of the Susquehanna River for the Borough of Milton, Pennsylvania. The Secretary is directed to undertake further studies for engineering and design for a flood control project at Milton, Pennsylvania.

There have been discussions with the distinguished manager of the bill and among staff.

Mr. President, the need for this important flood control project has been thoroughly demonstrated by history. The Borough of Milton has been subject to periodic devastation by floods from the west branch of the Susquehanna River. Over the past 40 years, the borough has experienced six major floods: 1936, 1946, 1951, 1964, 1972, and 1975. Tropical storm Agnes in 1972 caused the greatest amount of hardship, inflicting almost $40 million in flood damages. During the June 1972 flood, the depth of flood water in parts of the borough was as much as 15 feet, and between 4 and 8 feet through the central business district. According to the Army Corps of Engineers, approximately one-third of the borough was inundated during the flood, with about 800 homes, 120 commercial establishments, and 13 industries incurring flood damage. Almost the entire population of Milton was directly or indirectly affected by the flood.

Without this badly needed flood control project, Milton will continue to exist under the threat of severe destruction from future storms. The heavy development in the flood plain area and the adverse physical flow conditions at Milton have made it very susceptible to flood damage. Milton's river channel is constricted by several large islands, the Route 642 highway bridge, and a railroad bridge and embankment. Furthermore, the flood problem is heightened by the existence of Limestone Run, a small stream with a 15-square-mile drainage area which flows through the center of the borough. Flood flows on the west branch back up Limestone Run and flood the low-lying flood plain.

Citizens of Milton have alerted me to another problem that is caused by the flooding: stream-bank erosion of the east bank of the west branch. The east bank of the river averages from 20 to 30 feet high in areas of Milton and has eroded to a point where several buildings along Front Street are being endangered.

Mr. President, various flood control plans for Milton have been examined by the Corps of Engineers. The best approach, according to the corps, however, is a series of levees and flood walls which are designed to confine flood flows to a designated channel or floodway. This flood control method has been proven for providing a high degree of protection around concentrated urban areas, such as Milton.

Having suffered through six severe floods and the ravages of tropical storm Agnes, Milton needs substantive protection to prevent the possibility of future destruction. My sense is that now is an opportune time to proceed on this important public works program, given current economic conditions and the need for infrastructure improvements.

It is estimated that the Milton project will cost $87 million. While this is a considerable amount of money, I believe it is a necessary expenditure that will protect property and prevent the recurrence of previous devastation. That the Army Corps of Engineers has not recommended construction for Milton does not convince me that inaction is appropriate. We have already witnessed severe damages reflecting present conditions and potential for further destruction. The possibility of future destruction from flooding and the capability of providing valuable jobs to this region make the Milton flood control project important to central Pennsylvania.

Further studies for engineering and design are necessary steps in obtaining this important project.

Mr. President, I believe this amendment is acceptable.

Mr. ABDNOR. Mr. President, I say to my colleague from Pennsylvania that I certainly recognize the problem. I think he has taken the proper steps by calling for the study. We are happy to accept the amendment on this side of the aisle.

Mr. MOYNIHAN. We are happy to accept it on this side.

The PRESIDING OFFICER. The question is on the amendment.

Mr. SPECTER. Mr. President, if I may add, before the amendment is acted upon, I do understand there are problems with going beyond the study at this time because of the lack of approvals. I think that the study will advance the cause and ultimately lead to the appropriate resolution for Milton, PA.

I thank the manager and I thank the ranking minority member.

The PRESIDING OFFICER. The question is on agreeing to the amendment of the Senator from Pennsylvania [Mr. Specter].

The amendment (No. 1712) was agreed to.

Mr. ABDNOR. Mr. President, I move to reconsider the vote by which the amendment was agreed to.

Mr. MOYNIHAN. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. SYMMS. Mr. President, in the past, there have been some questions about the Corps of Engineers authority to dredge the Clearwater River at Lewiston, ID, in order to keep the Port of Lewiston navigable. I had planned to introduce an amendment to S. 1567 to make it clear that the corps has the authority to maintain the Port of Lewiston. However, I have contacted Assistant Secretary of the Army, Robert K. Dawson on this issue. In a letter dated March 17, 1986, Mr. Dawson states, "The corps would pursue the desired dredging as a part of its normal operation and maintenance program." Senator Abdnor, would you agree that the Assistant Secretary does have the authority to dredge the Clearwater River?

Mr. ABDNOR. Yes, I think that is quite clear.

Mr. SYMMS. Do you also feel that the Assistant Secretary also intends to do the desired dredging?

Mr. ABDNOR. I think that is also clear.

Mr. SYMMS. The corps and the Port of Lewiston are in agreement that navigation should be maintained at least to the Memorial Bridge, River Mile 2. Senator Abdnor, is it your understanding that the corps has the authority to maintain the river for navigation to at least River Mile 2?

Mr. ABDNOR. That is my understanding.

Mr. SYMMS. Thank you, Senator. I also want to commend you for your excellent work on this legislation and your cooperation on this particular issue.

Mr. President, I ask unanimous consent that the full text of the letter

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from Mr. Dawson, dated March 17, 1986, be entered in the Record. I also ask that the full text of a letter from Col. Richard M. Connell of the Corps of Engineers, dated March 22, 1971, and the response from Brig. Gen. Roy S. Kelly of the Corps of Engineers dated, June 25, 1971, be also entered into the Record.

There being no objection, the letters were ordered to be printed in the Record, as follows:

Department of the Army,
Office of the Assistant Secretary,
Washington, DC, March 17, 1986.

Hon. Steven D. Symms,
U.S. Senate,
Washington, DC.

Dear Senator Symms: The purpose of this letter is to clarify the Department of the Army's position on dredging the Clearwater River in the vicinity of Lewiston, Idaho. In 1983, the Corps of Engineers, in response to concerns expressed by the Port of Lewiston, initiated studies under the authority of Section 107 of the 1960 River and Harbor Act to determine the feasibility of dredging the Clearwater River to depths adequate for safe navigation.

These efforts resulted in a Reconnaissance Report under Section 107, dated October 1985, which contained an analysis of several alternatives and a recommendation for further studies. The Detailed Project Report which would contain final plan recommendations is scheduled for completion in the near future.

However, additional information recently obtained by the Corps indicates that navigation on the Clearwater River at Lewiston is already authorized. Upon confirmation of this information, the Corps would discontinue its efforts under Section 107 and pursue the desired dredging as a part of its normal operation and maintenance program as budget priorities and funding permit.

If you have further questions regarding this matter, please do not hesitate to contact me.

Sincerely,

Robert K. Dawson,
Assistant Secretary of the Army
(Civil Works).

Department of the Army,
Walla Walla District,
Corps of Engineers,
Walla Walla, WA, March 22, 1971.

Subject: Modification of the Camas Prairie Railroad Bridge, Lower Granite Lock and Dam Project.

To: Division Engineer, North Pacific.

1. Design Memo No. 9.3, Modification of Camas Prairie Railroad Bridge, was submitted to higher authority on 19 September 1966 and approved by OCE 4th Indorsement dated 11 July 1967. This report proposed reactivation of the existing navigation swing span, removal of the south truss span, and raising the bridge and adjoining track to provide clearance above Lower Granite Pool and Lewiston Levee. The reactivated swing span would provide openings with a horizontal clearance of 100 feet and unlimited vertical clearance. The clearance over normal pool elevation, 738 feet m.s.l., with the swing span closed would be 6.7 feet. A hearing was not held in connection with the proposed bridge raising, since there were no changes in the navigation clearances and existing traffic did not warrant declaring the bridge restrictive. A vicinity map showing Lewiston area and the section of relocated line is provided as inclosure 1.

2. The estimated design memorandum cost for raising the bridge under operating traffic was $564,000, July 1966, and the estimated escalated July 1973 cost for bridge modification is $990,000. The railroad company's shares of modification costs for July 1966 and July 1973 are $126,000 and $221,000, respectively. A letter of agreement has been negotiated with the railroad company to assure the fulfillment of this modification plan and their operation of the swing span. The plan for raising the existing bridge is shown on Plate 6, inclosure 2.

3. Public Law 14, approved 2 March 1945, authorized improvement of Snake River to Lewiston. The improvement was to be accomplished by a series of dams and channel improvements to provide a depth of 9 feet. The 1962 Flood Control Act authorized the navigation channel project depth to be increased to 14 feet at minimum flow and provided a width of 250 feet.

4. Since the submittal of General Design Memo No. 3, the Lewiston Port District has selected an area on the north bank of the Clearwater River just upstream of the railroad bridge for port terminal development. It has purchased land for the development and made studies on a proposed rail spur to this area. The proposed rail spur embankment would encroach upon the narrow channel of the Clearwater River at the site of bridge crossing and reduce the available opening on one side of the swing span to about 50 feet. Subsequent to completion of our bridge studies, the Coast Guard has assumed responsibility for bridge permits over navigable water. The railroad has submitted a permit application to the Coast Guard at this District's urging, based upon the bridge modification as previously described; and the Coast Guard issued a public notice on the proposed modification. Letters of objection to the proposed plan were received from shippers, the port district, the Inland Empire Waterways Association, and the Northwest Rivers and Harbors Congress. Some objectors requested that a larger navigation span opening, 400 feet horizontal and 60 feet vertical clearance, be incorporated in the modified plan. Other objectors requested that we use a plan similar to an alternate studied for DM 9.3 (inclosure 3), which provided a 320-foot horizontal opening with lift span. However, a 600-foot-long guide wall on one side was also requested. The cost of such bridge modification would be about $5,950,000, without guide wall, based on estimated 1973 construction costs. Railroad interests objected to the new span and cited the large expenditure of public funds for the bridge to provide the unjustified enlargement of navigation span opening. However, the railroad interests have indicated that they have no strong objections, since their share of cost in either plan of modification would be about the same, assuming that their cost for the enlarged opening would be based on the Truman-Hobbs formula.

5. In a recent meeting, representatives of the Coast Guard, Union Pacific Railroad, and Walla Walla District reviewed the objections to the railroad's permit application and the present construction schedule needs for the Lower Granite Project pool raising. The Coast Guard considers that they have authority for ruling on this bridge, since the plan of modification was not approved by the Chief of Engineers until 11 July 1967. Informally, they have indicated that they may recommend a wider navigation span to the Commandant and leave the decision of a hearing to that office. They have further indicated that they could not apply the Truman-Hobbs Act for many years because of national priorities and the fact that there is no traffic at the present time. The Coast Guard's decision on the permit will undoubtedly be delayed for 6 to 12 months. If the bridge is to be rebuilt within a period of only about 10 years after pool raising, it would be desirable to include the construction within the present project construction schedule. Since pool raising is to be in the spring of 1975, track laying needs to start by mid-September 1973, levee construction in June 1972, and bridge construction no later than January 1973. To meet this schedule, preparation of plans and specifications should start in July 1971.

6. Alternative plans of action available to the Corps are as follows:

a. Proceed with design of the railroad relocation as presently approved in Design Memo No. 9.3. This decision would, in general, ignore the views of the Coast Guard. The other points to which we should address ourselves are the views of navigation interests, Port of Lewiston, State of Idaho, Inland Empire Waterways Association, Northwest Rivers and Harbors Congress, senators, and local newspapers, all of whom would be strongly against this plan of development. This plan could also reduce the water competitive advantages creditable to the Port of Lewiston where barge tows would need to be moved as single units into the Clearwater River Arm. The limited bridge opening could ultimately prove to be unsafe for future heavy barge traffic.

b. Proceed with raising the bridge as approved in DM No. 9.3, with the addition of guide walls to provide improved passage. Guide walls would reduce the channel capacity and necessitate further raising of the levees and the railroad bridge to pass flood flows. This plan would not satisfy local interests' objections to the narrow navigation span.

c. In order to keep the project on schedule with pool raising in 1975, it would also be possible to limit the pool height to elevation 723 feet m.s.l. and continue the efforts toward solution of bridge construction before raising to elevation 738 feet m.s.l. Such a plan would require the relocation and raising of the rail line crossing in two steps. The plan would also result in loss in power production including no opportunity for power peaking of the Lower Granite Project. This is not an acceptable alternative.

d. Modify the bridge to provide standard clearance as now exists on the Snake River. This now appears to be the only alternative which would satisfy all interests, and it is believed that public opinion and the continued Congressional urging will force us to go this route.

7. If this office proceeds with standard bridge clearance plans on the waterway reach, the economic justification for the added expenditure would be speculative. In order to justify this increased capital cost of $4,960,000, annual benefits of $157,000 would be required. It is not readily possible for us to establish such benefits, nor can port or shippers provide such benefit. The Truman-Hobbs Act is not now applicable because there currently is no commercial river traffic moving on or through the lower 2 miles of Clearwater River. It appears that the railroad company could be expected to participate in the cost of activation of the swing span, but to require the railroad to

pay the total added capital cost is unrealistic and unfair. The possible provision that the Port of Lewiston bear the increased cost of a widened navigation span as special benefit to the Port is reasonable, but the investment cost is beyond the Port's ability to bear financially. Consideration might also be given to a plan to have Port of Lewiston secure a special act of Congress providing that funds for this modification be assigned to Lower Granite Project construction. It might also be possible to interpret the authorization act as providing for improvement of navigation to the Port of Lewiston, rather then limiting improvement to the Snake River. This office believes that we will eventually be forced by the public, Congress, and the Coast Guard to plan for the standard clearance for the Camas Prairie Bridge at project expense. We should, therefore, astart searching for means now without waiting for others to direct us to do it.

8. There would be several political and social implications if we should continue to sponsor the approved bridge plan and ignore the problems of the Port of Lewiston resulting from that action. Segments of local interests and some Federal and State agencies concerned with open-river boating, pollutants which might concentrate near the head of pool in Lewiston, and migratory fish problems are very vocal about urging that Lower Granite Pool be reduced to elevation 726 feet or even to elevation 710 feet. If such a movement continues to gain prominence and prevails, the revision to the project will be far reaching, since it would have the effect of radically modifying the present contracts. It would prevent carrying out the authorization of a 14-foot channel to Lewiston or would alternatively require extensive dredging at great cost to provide the necessary channel depth and width. It would also probably prevent any future feasibility for waterway extension to the limestone deposits on Snake River near mile 170, which may be a source of this product in the future. The levees would not be eliminated by reducing the pool level to elevation 720 feet ± because flood flows would create a backwater nearly as high as that of the planned project pool elevation of 738 feet at the confluence of the rivers. We sincerely believe that if we do not provide a bridge opening considered adequate by navigation interests, we will lose some of our remaining support for the present project to the detriment of development of the area.

9. If the Corps accepts responsibility for complete rebuilding of the Camas Prairie Railroad Bridge, it is quite possible that local interests may then further request that we modify the Interstate Highway lift bridge over Snake River between Lewiston and Clarkston and the fixed Memorial Bridge over the Clearwater River near mile 2. Since the Lower Granite Pool does not affect these latter two structures except for minor bankline and levee adjustments around the approaches and reduction of vertical clearance, there is no real reason to charge the cost of such modifications to the Lower Granite Project when or if they should also be found obstructive by the Coast Guard. The barge traffic above Interstate Highway Bridge is predicted as a small percentage of the traffic reaching Lewiston area for the next ten to twenty years. The prospect for commercial traffic extending above the Memorial Highway Bridge is confined to lumber shipments and supply needs of the Potlatch Forests Mill. The fixed highway bridge would allow some barge movements of light draft to move above the bridge, although channel depth is generally less than about ten feet with project pool at 738 feet m.s.l. Provisions are not currently being made for shipping to or from the industrial area above the highway bridge.

10. In summary, there is already adequate information to make a decision on the physical scope of the bridge relocation, although the financing methods are very indeterminate and probably cannot be settled in the time available before design should start. If the various administrative and financing problems are not solved by 1 July 1971, I propose to start on design of a bridge with a 320-foot span similar to that in alternate plan 2-A in DM 9.3 (inclosure 3, Plate 8) or such other span as we can develop with the Coast Guard. This action will be a risk which must be taken if we are to meet our construction schedules. It is considered to be a better risk than designing according to the approved plan.

11. It is recommended that this letter be forwarded to OCE to assist the staff when the problem is referred to them by the Coast Guard within the next few weeks. We believe that a Coast Guard decision to hold a public hearing on the present application would only add to our public relations problem in this severely impacted area. If the Commandant decides the present application provides inadequate clearances, it is hoped he will reject it without a hearing and give us the minimum standards he would accept as a basis for a new application.

Richard M. Connell,
Colonel, CE, District Engineer.

DA, North Pacific Division, Corps of Engineers, 210 Custom House, Portland, Oregon 97209, 25 June 1971.

To: District Engineer, Walla Walla

1. References:

a. The River and Harbor Act of 2 March 1945, Public Law 14, 79th Congress, 1st Session (S. 35).

b. Your letter, subject as above, dated 8 June 1971.

2. I have made an examination in depth of the circumstances bearing on the proposal to modify the Camas Prairie Railroad Bridge so as to increase horizontal clearances for navigation. My study included detailed review of the basic letter, of supplemental information in reference 1.b., of Coast Guard correspondence pertaining to the bridge and their ruling on its restrictive nature, and of the plans of the Port of Lewiston. Also, I have consulted with the General Counsel, Office Chief of Engineers. Legislation basic to development of the lower Snake River, reference 1.a., provides authorization adequate to permit modification of the Camas Prairie Railroad bridge, as part of the Lower Granite Project, to meet Coast Guard requirements and to serve the needs of the Port of Lewiston.

3. As a basis for preparing your recommendation for bridge modification, I suggest, as did the Coast Guard, a meeting of interested agencies including the Port of Lewiston, the railroad and waterway users. The following guidelines should be observed in establishing an agreement as to the nature of the eventual modification and the extent of work to be undertaken at this time:

a. The modification should be the minimum that will meet the needs of the Port and the Coast Guard, and that will be licensed by the Coast Guard.

b. Any features not an essential part of the immediate modification as, for example, manning the movable structure or installing operating equipment, should be deferred.

4. Please prepare and submit for review a supplemental Design Memorandum which should include your analysis and recommendations.

Roy S. Kelley,
Brigadier General, USA,
Division Engineer.

Amendment No. 1713

(Purpose: to prohibit certain studies on the Wabash River)

Mr. ABDNOR. Mr. President, I send an amendment to the desk on behalf of Senators Lugar, Quayle, and Simon, and ask for its immediate consideration.

The PRESIDING OFFICER. The clerk will report.

The assistant legislative clerk read as follows:

The Senator from South Dakota [Mr. Abdnor] for Mr. Lugar, Mr. Quayle, and Mr. Simon, proposes an amendment numbered 1713.

Mr. ABDNOR. Mr. President, I ask unanimous consent that further reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

On page 65, after line 5, insert the following and number appropriately.

Sec. . "No monies shall be appropriated or obligated for a feasibility study of navigation improvements on the Wabash River, Indiana and Illinois, pursuant to the authorized Wabash River Comprehensive Study."

Mr. ABDNOR. Mr. President, this amendment would prohibit the appropriation or obligation of funds for a feasibility study of navigation improvements on the Wabash River, Indiana and Illinois.

The purpose of this amendment is to ensure that the Corps of Engineers does not proceed with the feasibility study of making the Wabash River navigable. It does not affect any other authorities under the Wabash River Comprehensive Study.

Mr. LUGAR. I appreciate the Senator's support for this amendment. The Wabash Canal project is more than a century and a half old. Arguments for its construction, perhaps once valid, are no longer defensible. The rising costs of this project, coupled with the potential damage to the environment, far exceed any foreseeable benefits that might come from it.

Mr. ABDNOR. Mr. President, I move adoption of the amendment.

Mr. MOYNIHAN. Mr. President, I would like to express the strong desire that the moonlight should continue to shine on the Wabash, and I also move adoption of the amendment.

The PRESIDING OFFICER. The question is on agreeing to the amendment.

The amendment (No. 1713) was agreed to.

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Mr. MOYNIHAN. Mr. President, I move to reconsider the vote by which the amendment was agreed to.

Mr. ABDNOR. Mr. President, I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. ABDNOR. Mr. President, I would note an error in the Congressional Record of Friday, March 14. It listed on page S. 2863 of the language on amendment 30, which involves section 504 of the committee leadership amendment.

The correct version of subsection (j) should read:

> (j) None of the funds appropriated pursuant to the authorization contained in subsections (f) and (g) of this section shall be considered to be attributable to commercial navigation.

The correct version was presented to the desk, and is in the hands of the enrolling clerk. It is now part of the bill.

TREATMENT AND CONVEYANCE FACILITIES FOR PARKER LAKE

Mr. NICKLES. Mr. President, water, as we all know, is a resource which is essential for the growth and future development of all communities. Planning and working toward the future is a key to water development, particularly since there is so much lead time required before new projects become operational.

Today, along with my good friend and Oklahoma colleague, Senator Boren, I want to demonstrate strong Senate support for language in the House bill which would include water treatment and conveyance facilities for the Parker Lake project.

Parker Lake is proposed for construction approximately 20 miles east of Ada, OK. The Army Corps of Engineers does not now have the authority to include treatment and conveyance facilities in the construction of Parker Lake.

Parker Lake is a multipurpose project planned for the upper Muddy Boggy Creek area about 20 miles east of Ada, OK. The lake would have a total capacity of 237,000 acre-feet and would yield 42 million gallons of water per day for municipal and industrial water supply. It is important to note that the project would provide needed flood control benefits. The authorization for construction of Parker Lake is found in S. 1567, the legislation before us today.

In the House version of the Water Resources Development Act of 1985, H.R. 6, the Secretary of the Army is authorized and directed to construct treatment and conveyance facilities to treat and convey water from Parker Lake to municipalities and rural water systems within the jurisdiction of the RedArk Development Authority in the State of Oklahoma.

This project is an important element to central Oklahoma's future. I have discussed this project with the chairman of the Water and Power Subcommittee, Senator Abdnor, and request his support of the House language during conference.

Mr. BOREN. Mr. President, I would like to join Senator Nickles in expressing concern about the future of the Parker Lake project in Oklahoma. This project was designed primarily for water supply and flood control. It will have the capacity to yield 42 million gallons per day for municipal and industrial water supply. This project is in my home area of Oklahoma and I know from personal knowledge that it is badly needed. Much of the surface water supply in the area was badly contaminated by oilfield pollution several years ago. There is only one problem. Currently, in S. 1567, there is no authorization to construct treatment or conveyance facilities necessary to get the water from Parker Lake to municipalities and rural water systems.

I urge the Senate conferees to address this omission when they meet with the House. It makes very little sense to design and construct a project whose stated purpose is water supply and then stand in the way of final completion. The communities to be served by Parker Lake cannot afford to fund the additional construction, yet they desperately need the additional water supply.

I would like to thank Senator Abdnor and his staff for their previous help and I hope that they will pursue this issue further at conference.

Mr. ABDNOR. Mr. President, I appreciate the time and effort given to this project by my Oklahoma colleagues, Senator Nickles and Senator Boren. During our discussions, they have clearly pointed to the importance of this project and others to the State of Oklahoma and its resident. This matter will be considered in conference with the House. The efforts of the Oklahoma Senators will demonstrate their is support for inclusion of the House language authorizing construction of treatment and conveyance facilities for the Parker Lake project. I thank my colleagues.

OKLAHOMA HYDRO POTENTIAL

Mr. NICKLES. Mr. President, for some time I have been interested in developing the hydroelectric potential of my State. As you know, Oklahoma is blessed with an abundance of water power and it is an inexpensive and clean form of power.

A while ago I contacted Robert Dawson, Assistant Secretary of the Army for Civil Works, about the possibility of studying the development of Lake Tuskahoma from a standpoint of the addition of hydropower.

When we contacted Bob Dawson and urged him to go forward with this project, we received his commitment to study the matter on an expedited basis.

Mr. President, I would ask unanimous consent that our exchange of letters on this subject be inserted in the Congressional Record at this point.

There being no objection, the letters were ordered to be printed in the Record, as follows;

U.S. Senate,
Washington, DC, March 13, 1986.

Hon. Robert K. Dawson,
Assistant Secretary of the Army for Civil Works, the Pentagon, Washington, DC.

Dear Mr. Dawson: I have been told that the authorized Tuskahoma Lake Project in Oklahoma does not include hydropower as one of its purposes. It is my firm belief that this project will eventually be needed for water supply, flood control, and recreation and that if hydropower facilities are installed, generation of power would be feasible using storage eventually needed for municipal and industrial purposes.

In view of the above, I strongly request that the Tulsa District study in an expedited manner the feasibility of adding hydropower as a project purpose. A favorable report would be the first step in obtaining Congressional authorizations and could lead to early appropations to initiate construction.

Sincerely,

Don Nickles,
U.S. Senator.

Department of the Army,
Office of the Assistant Secretary,
Washington, DC, March 26, 1986.

Hon. Don Nickles,
U.S. Senate,
Washington, DC.

Dear Senator Nickles: In response to your request for study of the feasibility of adding hydropower to the Tuskahoma project, I have asked the Corps to include this investigation in its comprehensive study of the Red River Basin. The reconnaissance phase of this study will be done at 100 percent Federal cost.

If the reconnaissance report shows that it would be feasible for a non-Federal entity to construct the power facilities, the Corps will stop the study and will make this information available to potential public and private power interests so they can pursue construction under the Federal Energy Regulatory Commission license procedure. If it would not be practical for a non-Federal entity to construct power facilities, and power appears feasible, the Corps would proceed with a cost-shared feasibility study. This could lead to a recommendation for construction with non-Federal financing.

Please let me know if I can be of further assistance in this matter.

High regards,

Robert K. Dawson,
Assistant Secretary
of the Army (Civil Works)

Mr. NICKLES. Mr. President, in the legislation we are considering today, the Senate has the opportunity to develop and improve our Nation's vital water resources. During the first session of Congress, the House passed H.R. 6 which is its version of an omnibus water resources bill. The Water Resources Development Act, S. 1567, represents the Senate's version of legislation which would make some important policy changes in the area of water resources.

I support S. 1567 because I believe this bill will advance the development and restoration of this country's water resources. However, S. 1567 can be improved.

A number of issues will be discussed with the House Members during conference. One issue which needs addressing is the cost-sharing arrangements for storage reallocation is existing reservoir projects. Language to correct a current inequity in this issue is contained in H.R. 6.

Many local areas in our country have expressed a vital need for new or expanded water supply sources. Yet, it has been proven that a substantial amount of underused or unused storage is available under Federal management in existing reservoirs. Reallocation of such storage would result in a number of economic and environmental benefits by prompting both State and local governments to acquire this storage for supply use. Reallocation of such shortage would allow the Federal Government to regain its share of the original construction costs and to balance its part in future operations and maintenance expense.

My strongest concern, however, is with a policy recently adopted by the executive agencies. This policy involves the Federal Government charging State and local governments prices which reflect costs much higher than the Federal Government's original construction costs. This policy allows these agencies to reap income on public investments by charging water users above the appropriate cost. It should be noted, however, that this policy was never reviewed or approved by Congress.

Mr. President, section 628 of the House bill addresses this problem. The legislation requires that the Secretary of the Army study the arrangements for storage reallocation in existing water projects along with cost-sharing and financing arrangements for these reallocations. The House bill also requires the Secretary to uphold the intent of the 1958 Water Supply Act, which limits cost-sharing requirements to 100 percent of the real costs of the reallocated storage without a profit or loss by the Federal Government.

Mr. President, I realize that the House language dealing with storage reallocation may need some fine tuning. With this in mind, I urge the conferees to work toward a solution which will reallocate existing storage in an equitable manner.

Mr. WILSON. Mr. President, at the outset, I want to commend the Senator from South Dakota, Mr. Abdnor, for his untiring efforts and commitment which have resulted in a solid and responsible omnibus water bill. The distinguished subcommittee chairman, the committee and its staff have delivered an omnibus bill which includes initiatives and reforms, particularly the new cost-sharing requirements, which will restore credibility to the Nation's Water Development program.

Mr. President, because this legislation will have a significant impact in my State, I would like to take this opportunity to bring some concerns to the committee's attention. I commend and support the committee's efforts to keep the costs of this bill in check, by only including projects which have a favorably reviewed report of the Chief of Engineers. However, should some modification to this rule be made in conference, I would ask the Senate conferees to give serious consideration to the Los Angeles and Long Beach harbors, San Pedro Bay, CA, water development and port expansion project—the "2020 plan."

As the distinguished chairman knows, this project meets the new cost-sharing requirements. The House water resources bill, H.R. 6, authorizes a $230 million Federal commitment. The commitment of the local sponsor to the balance of the $4 billion 2020 plan exemplifies local support and financial commitment.

The benefits of this major port expansion are great. The construction and operating of the projects resulting from this proposal will create 779,800 job years nationally, an average annual increase of 21,000 jobs per year for each of the 37 years of the program.

At present, the Los Angeles and Long Beach Harbors handle a total tonnage of approximately 83 million which will increase to 223 million tons by 2020 and should yield cumulative tax receipts of $7.7 billion.

Aside from these tax benefits, the port's annual custom receipts into the Federal Treasury will rise from $2 billion to more than $6 billion in 2020. Again, it is important to note that the only Federal expense in this $4 billion port expansion project is this request for $230 million.

For all of these reasons, I strongly support the 2020 plan. While the final Report of the Chief of Engineers is not yet complete, it is clear that the 2020 plan warrants serious consideration. Therefore, if the conferees accept projects without an approved Report of the Chief of Engineers, I am asking that the 2020 plan be included.

Mr. ABDNOR. Mr. President, I thank my friend, the Senator from California, for his thoughtful remarks. I am especially appreciative of his continued support for this legislation and particularly his support for the requirement of a final report of the Chief of Engineers prior to authorization.

Mr. President, it is my firm hope that this benchmark will indeed be upheld by the conferees as it is a central element of responsible Federal water policy. However, I want the Senator from California to know that I am well aware of the significance of the 2020 project at the local, State, and Federal levels.

Mr. WILSON. I thank the distinguished subcommittee chairman for his remarks.

Mr. President, at this time, I would also like to thank Senator Abdnor and the leadership of the Committee on Environment and Public Works for offering the Sunset Harbor amendment, on behalf of myself and Senator Cranston. This amendment was adopted earlier today.

Mr. President, the amendment authorizes a feasibility study of Sunset Beach Harbor, Bolsa Chica Bay, CA, to investigate the feasibility of non-Federal cost sharing for ports and harbors through the establishment of a Federal repayment district, under the revised provisions of section 215 of this act.

The intent of the amendment is to allow for a creative financing mechanism whereby, local sponsors will be better able to pay the non-Federal cost sharing for ports and harbors. This amendment does not alter any of the upfront non-Federal cost sharing provisions required in the bill. Rather it will evaluate an alternative financing mechanism—a Federal project repayment district—to determine its feasibility in aiding local sponsors to meet the non-Federal share of this and other port and harbor projects.

Mr. ABDNOR. On behalf of my colleagues on the committee, I would just say we were pleased to offer the amendment. Let me reiterate however, that this amendment does not replace any non-Federal cost sharing requirements required during the period of construction of any possible project but simply authorizes a feasibility study of the payment or recovery of an appropriate share of the costs of a project through a Federal project repayment district.

Mr. WILSON. Mr. President, I would like to call the distinguished chairman's attention to the San Lorenzo River, Santa Cruz County, CA. This flood control project was authorized by the Flood Control Act of 1954 and was intended to provide 100-year flood protection to the city of Santa Cruz.

Unfortunately, Mr. President, since construction in 1959, the carrying capacity of the project has been reduced substantially due to inadequate maintenance and to the accumulation of sediments in the river bed. The Corps of Engineers reports that under present conditions, should a flood larger than a 35-year event occur, Santa Cruz would sustain serious damage with possible loss of life. I might add that the river peaked at flood level during last month's flood-

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ing which devastated much of northern California.

Language has been included in H.R. 6 which modifies the authorization in an effort to bring the project up to its original 100-year protection level. It is my hope that the conferees will recognize the inherent flaw in this project and its pending threat to the city of Santa Cruz and thus give serious consideration to modifying the original authorization so the project can meet its intended objectives.

Mr. ABDNOR. Again Mr. President, I appreciate the Senator's remarks. While I cannot make any promises, I know that this project will be considered in conference committee.

Mr. WILSON. Mr. President, there has been some concern by constituents in my State that the Big Dry Creek Reservoir element of the Redbank and Fancher Creek, Fresno County, CA, flood control project may exceed the real need.

Mr. President, I have asked Assistant Secretary Dawson to investigate these concerns. Mr. Dawson has assured me that this project is not overdesigned and in fact meets the existing need. Therefore, I want to reiterate my continued support for the Redbank and Fancher Creek flood control project as approved in the report of the Chief of Engineers, dated May 7, 1981.

Mr. President, I am pleased that the committee amendment includes language for the authorization of the Santa Ana River mainstem flood control project. The Santa Ana River has been consistently recognized as one of the greatest, if not the greatest, flood damage threats in the Nation. The Corps of Engineers states that "over 2 million people would be affected by a major flood, which would cause $12 billion in damages in 15 cities."

I am pleased that the controversy regarding the Mentone Dam portion of the project has been completely resolved. All parties support the Corps of Engineers alternative which is both viable and cost-effective. This alternative has been included in the authorization language in the committee amendment as has language to investigate the feasibility of including water supply and conservation storage at Prado Dam. I am pleased with the progress that has been made on this important project and hope it is constructed in a timely manner.

Additionally, Mr. President, I want to call the committee's attention to a request by the Imperial Irrigation District, Imperial County, CA, for the Corps of Engineers to undertake flood control studies in the county. The county presently has a sophisticated irrigation system however, there are times when the area receives rain in large quantities which causes flooding. Because recent judicial decisions indicate that the irrigation district has an inherent responsibility to provide flood control and because of the agricultural importance of the Imperial Valley, the district is asking for this study.

I know the distinguished chairman, Mr. Stafford, has contacted Assistant Secretary Dawson regarding this proposed project. It is my hope that if the Corps of Engineers responds favorably to the chairman's inquiry, that the Environment and Public Works Committee will approve a resolution authorizing the Corps of Engineers to study flood control problems in Imperial County, CA.

Again, Mr. President, I want to extend my congratulations and thanks to the managers of this legislation that have made its passage a reality. The committee, particularly Mr. Abdnor, Mr. Stafford, Mr. Bentsen, and Mr. Moynihan are to be commended for their unending commitment to restoring the credibility of Federal water policy. Additionally, I want to take this opportunity to thank the committee staff for the responsiveness and assistance they continue to afford my office. Their help is very much appreciated.

Mr. CHAFEE. Mr. President, I would like to ask the distinguished chairman and ranking minority member of the Water Resources Subcommittee to make a clarification with respect to section 223 of S. 1567, which implements a new cost-sharing procedure for Corps of Engineers feasibility studies.

It is my understanding that the administration has gone forward on its own and has entered into agreements with several non-Federal sponsors to share the costs of project feasibility studies in much the same way as would be required by section 223.

It is also my understanding that the language of section 223 and the corresponding language in the committee report on S. 1567 could be interpreted to mean that cost sharing would not be required for the feasibility phase of any study, if any part of that study was initiated prior to the enactment of this legislation. If this interpretation was correct, it might jeopardize the cost-sharing agreements on feasibility studies into which the administration has already entered.

I must say to my colleagues on the Committee on Environment and Public Works, that in committee, when I proposed the amendment which was to become section 223, I in no way intended it to preclude cost sharing for studies for which cost-sharing agreements have already been signed, or for which reconnaissance reports were initiated in fiscal year 1984 or later.

I would therefore inquire of my good friends, the chairman and ranking minority member of the Water Resources Subcommittee, their opinion of the committee's intent with respect to this aspect of section 223.

Mr. ABDNOR. The distinguished Senator from Rhode Island has raised an important point. I would just say to the Senator, that I believe the intent of the committee was in harmony with his intent. There was in no way any intent to jeopardize any agreements the Secretary of the Army has entered into requiring non-Federal cost sharing for feasibility reports or for reconnaissance reports initiated in fiscal year 1984 or later.

Mr. MOYNIHAN. Mr. President, I fully agree with the Senators from South Dakota and Rhode Island in their interpretation of the committee's intent with respect to section 223.

Mr. CHAFEE. I thank the Senators for helping to clarify this matter. Mr. President, I yield back the floor.

Mr. GRASSLEY. Mr. President, I would like to bring to the attention of the committee and my colleagues a project to provide flood control for the city of Muscatine. Since 1969, the Corps of Engineers has been working with the city of Muscatine, the Muscatine Island Levee District and Muscatine-Louisa county Drainage District No. 13 to develop a feasible flood protection plan from the Mississippi River for the city of Muscatine and the area south of the city.

The corps originally approved a 500-year protection plan at a cost of $15 million. This plan was accepted by the House in its water resources bill, H.R. 6. The corps, however, is now in the process of revising the Muscatine flood protection to provide for 200-year protection which will only cost $6.022 million. The corps report for the revised, lower-cost project is expected to be completed in the near future.

Inclusion of this project in the water resources authorization bill at this time should not be based on the fact that the revised plan is not yet approved, when the previous plan did get approval. To hold up this important project while we wait for the downsized plan approval, which should be completed shortly, would be unfair to the city of Muscatine.

Mr. HARKIN. May I interrupt my colleague from Iowa to say I would like to associate myself with the comments and add that this situation has serious ramifications in case of a major flood. Such major industries as Grain Processing Corp. and Monsanto are both located in the flood area. These firms are essential to the Iowa farm economy. Also, the Muscatine municipal powerplant and the Iowa-Illinois generating plants are located in the flood plain and are very important to eastern Iowa's economic health.

The city of Muscatine is well aware of the financial problems of the Federal Government and efforts to reduce

our national deficit. I can assure you the city of Muscatine, along with all other cities in Iowa, are already feeling the substantial reduction in Federal assistance. The House and Senate bills both propose to change the traditional contribution formula by increasing the local share to 25 percent in the House bill and to 35 percent in the Senate version. This would obviously increase the local share substantially. But even under those conditions, the city is prepared to move ahead with the project if approved by Congress.

Mr. GRASSLEY. I appreciate the Senator bringing up these important facts regarding the need for this project. As was stated earlier, this project started over 17 years ago and still hasn't been completed. I agree with my fellow Senator from Iowa that we need to move ahead with this project to insure that these major companies in Iowa are not closed or damaged due to flooding in that area.

We would hope that when this measure goes to conference committee, the Senate will look seriously at the inclusion of this authorization for the Muscatine project in the final bill.

Mr. ABDNOR. I thank the Senators from Iowa for bringing the Muscatine project to the attention of the committee and assure them that we will carefully review the project during the conference committee.

Mr. GRASSLEY. I thank the Chairman for his consideration.

Mr. HARKIN. I also want to thank the distinguished subcommittee chairman.

Mr. GRASSLEY. Mr. President, I would like to share with the committee and my colleagues a problem with a flood protection project in Waterloo, IA, which I feel deserves attention in this authorization bill.

The city of Waterloo experienced two of the most serious floods in its history in June and July 1969. Heavy flooding damaged millions of dollars worth of property and the city was placed in serious economic jeopardy.

In 1961, 1962, 1964, 1965, and again in 1968, the city of Waterloo was declared a major disaster area by Presidents Kennedy, Johnson, and Nixon. Millions of dollars in emergency Federal financing poured into the city during these years to supplement the local expenditures involved in the flood recovery effort. During these tragic experiences, the morale of our people was high and the cooperation of the Federal and State officials was outstanding. The events of the summer of 1969 brought home the necessity of accelerating public works and capital improvements programs to be coordinated with the local flood control program.

In comprehensive discussions carried on with the U.S. Army Corps of Engineers and with other experts in the field of flood control, the city concluded that the most successful route in carrying out a flood control program would be to combine it with an urban renewal program, extensive water and sewer installations, a flood plain management program, an increased park and open spaces project, and revitalization of the center city on either side of the Cedar River.

The city advanced the two programs of flood abatement and urban renewal simultaneously because it was cost-effective and prevented duplication of efforts. The development of both programs permitted a level of planning and execution that provided for the best utilization of local and Federal funds.

The Waterloo local flood protection project was authorized by the Flood Control Act of 1965, Public Law 89-298. The estimated cost of the project at the time of authorization was: Federal $14 million; city $3,750,000; with a total project cost of $18,665,000. The Corps of Engineers have revised their estimates upward periodically. On January 13, 1969, the estimated Federal cost was $16,500,000; city $5,650,000 for a total project cost of $22,150,000. On April 30, 1973, the Federal cost was estimated to be $21,400,000; city $6,850,000; total cost $28,250,000. By October 1979 the estimated cost was Federal $32,260,000; city $10,140,000; total cost $42,400,000.

With construction of the flood protection devices nearing completion, $42,192,328 has been spent or obligated by the Corps of Engineers for construction. The city has spent over $11,555,000 on land acquisition and related relocation. Six flood producing vehicular bridges have been demolished and rebuilt at an elevation in excess of the 100-year flood requirements at a cost to the city of $7,267,073. Costs in addition to the above have made the city's total expenditures to date in excess of $20 million.

One of the tributaries to the Cedar River is Blowers Creek. Major flooding in the Blowers Creek watershed has occurred in 1968, 1979, and 1980 and caused significant property damage and hardship to the affected property owners. In the past, rescue operations during the flooding have been required to prevent potential loss of life. The Blower's Creek portion of the Waterloo flood control project is completed with the exception of two bridges located on U.S. Highway 20 near the outlet of the watershed.

The city of Waterloo presently is having an economic crisis unprecedented in the city's history and it will be very difficult for the community to contribute more funding for the completion of these bridges. The two major industries in the city are Rath Packing Co. and John Deere's tractor works. Rath has gone bankrupt and closed. John Deere's factories are working at less than a third of their capacities causing a tremendously high rate of unemployment.

Mr. ABDNOR. I want to say to my colleague from Iowa that I am aware of the Waterloo, IA, local flood control project and the problems surrounding it.

Mr. GRASSLEY. The House of Representatives has included in its water resources authorization bill a direct authorization not to exceed $1.7 million for the reconstruction of the bridge on U.S. Highway 20 and the Lafayette Street Bridge. I recognize that the Senate's authorization bill does not include this type of project in its bill. I would hope, however, that when this measure goes to conference committee, the Senate will look seriously at the inclusion of this authorization for Waterloo in the final bill.

Mr HARKIN. I would like to associate myself with the comments of the colleague from Iowa. Clearly, Waterloo, without Federal help, will be unable to replace these bridges. If they are not replaced, the narrow waterway will back up causing major flood damage. Water from moderately heavy rains back up behind the bridges now. In anything approaching a 100-year flood, we will see major flooding and would even see the bridges go.

Waterloo is suffering from major unemployment. The unemployment rate is now 16.4 percent. The city property valuations have fallen by over 10 percent and the cities tax revenues have fallen as well. Its largest employer, John Deere, makes farm equipment. What used to be a major employer, Rath Packing, is bankrupt. This city cannot afford to build these bridges.

It is true that the original plan called for the city to build the bridges. However, the original plan called for the city to carry out work that amounted to 21 percent of the estimated project cost. Even if the Federal Government pays for these two bridges, the city share will be around 33 percent—one-third rather than one-fifth of the total cost of the flood control project.

I would like to note that the city has put in a pumping station which was totally unforeseen when the flood control plan was first develolped and the division of work established.

I would also note that these two bridges are completely tied to the flood control project. Under each of the two present bridges, we only have two box culverts which are totally inadequate for the water flow.

Mr. ABDNOR. I thank the two Senators from Iowa for bringing this to the attention of this body. I assure you that the Senate conferees will carefully review the Waterloo project.

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Mr. GRASSLEY. I want to thank the distinguished subcommittee chairman for his consideration.

Mr. HARKIN. I would like to raise a specific concern with my colleagues concerning the Rathburn watershed in Iowa. The Rathburn Regional Water Association made its first request that a portion of the water in the reservoir be reserved as a water supply for its members in 1973. The Army Corps of Engineers undertook a study of the availability of water for that purpose under the terms of the Water Supply Act before such a request could be granted.

Water was sold to the Rathburn Water Association during the interim as allowed under the Flood Control Act of 1944 while the study was completed. At the time the Rathburn Association started to withdraw water, they were led to believe that the corps would enter into a standard 50-year contract. Unfortunately, the corps did not complete the study until 1985. At that point, last August, the corps sent the Association a contract for signature.

The association believes that the price of the water should be based on the costs of the reservoir updated to 1975, the year in which the study should have been completed. The corps is insisting that the water be sold using the cost of the impoundment updated to the year when the contract is let, that is fiscal year 1986.

I would note that the Army Corps of Engineers have signed memorandum of understanding in other cases where they have accepted the principle that they will sell water at a cost calculated at a basis of original cost as opposed to updated costs.

The Rathburn system is in the most depressed area of the State of Iowa. It is an area where banks have closed and many farmers are losing their land. Even the small extra costs involved would cause a hardship on the systems water users.

Mr. GRASSLEY. I would like to associate myself with the comments of my colleague from Iowa. We recognize the validity of the policy of requiring customers to pay a reasonable portion of the costs of the goods and services they receive from the Government. However, penalizing the customers of the Rathburn Regional Water Association for the failure of the corps to complete the storage allocation study in a timely manner is patently unfair. It is doubly so because the years over which this delay occurred were ones of high inflation and rising interest rates occurred. Both of those factors make the penalty that the corps is attempting to impose that much greater.

Mr. ABDNOR. I want to say to my colleagues from Iowa that I am aware of the circumstances that you have raised. I appreciate the impact of the increased price for water in an area experiencing economic difficulty. I assure you that the Senate conferees will take a close look at this issue and will review it carefully.

Mr. MOYNIHAN. I share the concerns expressed by the Senators from Iowa over the increased price that will have to be paid by their constituents in southern Iowa. I assure my colleagues that the conferees will most carefully consider the case for requiring that contract prices be based on the 1975 date when the corps was expected to have finished the study.

CAPE CHARLES HARBOR AMENDMENT

Mr. TRIBLE. Mr. President, I would like to thank the leadership of the Committee on Environment and Public Works for offering on my behalf an amendment to make a small technical change involving the langauge of a 1942 corps report for a project in Cape Charles Harbor, VA.

Public Law 79–14 authorized expansion of a harbor project at Cape Charles City, VA. That authorization required the local sponsor to provide 1,000 feet of berthing space along a bulkhead. However, the town only constructed a 650-foot bulkhead because there was no need for more space.

The corps is now negotiating local cooperation agreements in order to conduct maintenance dredging next year. The corps cannot proceed because the 1942 chiefs report requires 1,000 feet of bulkhead and the town has only built 650 feet.

Mr. President, this amendment merely reduces the required length of public dock from 1,000 feet to 650 feet. The corps has no objection to this amendment, and there will be no cost. I thank my colleagues for adopting it.

Mr. BOREN. Mr. President, my distinguished colleagues have worked long and hard to develop the language of S. 1567, the omnibus water resources bill. We need policy that will address the growing needs of our country in the ongoing development of conservation and restoration programs. The process of writing this bill has taken years, drafting sessions in the Environment and Public Works Committee, recommendations going back and forth between this Congress and the administrations. Many people have worked diligently to get this bill ready for final consideration by this body.

In this time of stress in our Nation's economy, especially considering the enormous debt of our Federal budget, we must be very careful that every dollar entrusted to us is spent wisely. Every investment must be carefully made. Many constituents often feel more directly affected by water policy than by foreign policy, or constitutional amendments, or whatever. The overall policy that we have been developing and that we will accept soon on the floor of this body of Congress will effect the lives of many many persons, both in urban and rural areas all over our great Nation.

This is no easy task. I respect and appreciate the job that my colleagues and many of their staffs have undertaken and completed. Obviously, every policy issue cannot be definitively answered in one piece of legislation. However, there must be room for workable understandings. This is the time for discussion to pinpoint the parts of this bill that may have been overlooked and that can afford to be strengthened. There are a few areas that should be brought up for final examination here on the floor and in the conference committee.

Mr. President, the Water Supply Act of 1958 provided that when storage space is reallocated to water supply storage at a Federal reservoir, non-Federal interests should pay the proportionate share of the project's original cost, plus the accrued interest at the rate in effect at the time the project was constructed. However, in recent years the Assistant Secretary of the Army for Civil Works has changed the legislated terms and intent of the Water Supply Act of 1958.

This new policy requires repayment of escalated costs including interest at the current interest rate. This not only contradicts the provisions of the applicable law, but it is also applied arbitrarily and inconsistently. We need language to reaffirm the original intent of the Water Supply Act of 1958 as passed by the U.S. Congress. The House version of S. 1567, H.R. 6, included language for repayment of allocated storage. I strongly urge that this revised language be adopted in the Senate version of the bill as well. I feel that this inclusion will be responsive to the Federal Government's interest in recovering past construction costs as well as to the States' responsibilities in efficient utilization of water resources.

I would like to share one example in my home State of Oklahoma where this has adversely affected our water resources. The economic growth in northeastern Oklahoma has been dependent on the water resources in this area. Originally spurred by the oil industry, the Tulsa area now supports a diversified regional economy. The primary sources of water are two city-owned lakes, Eucha and Spavinaw, and Lake Oologah constructed by the Corps of Engineers. A pipeline connection to Lake Hudson is also available as an emergency supply source. The 1971 opening of the Tulsa-Rogers County Port of Catoosa, which is the head of navigation for the McClellan-Kerr Arkansas River navigation system, further strengthened the economy in this area.

However, studies have recently indicated that demands could exceed existing supplies in this area as early as 1990. While alternative strategies for future water supply development are being analyzed, the expenses are prohibitive and the obstacles are numerous. Existing reservoir yield has been fully allocated. Access to potential sources of available existing supply would require conveyance from great distances.

An interim agreement was set up by the city of Tulsa to sell raw water from Oologah to Public Service Co. [PSO] of Oklahoma. PSO was planning to expand its generating capability by building two additional units and constructing the Black Fox Nuclear Generating Station near Inola, thus a substantial amount of additional water was needed. Since that time, PSO has indicated that instead, a coal-fired generating plant may be constructed on the same site, which reduces the amount of water to be reserved by Tulsa for their use. After several other considerations, PSO was willing to release the contract provided water rights and a storage contract at Skiatook could be obtained to supplement water needed for their power generation facilities.

Skiatook Lake was impounded by the Corps of Engineers in November 1984 to provide the additional water supply and water quality storage for municipal and industrial water. The Oklahoma Water Resources Board approved water rights applications for the full water supply yield of Skiatook. About the same time, PSO asked that the Corps of Engineers determine if any water quality control storage in Skiatook could be reallocated to water supply. Comments were attained from the Oklahoma Water Resources Board and the Environmental Protection Agency. One possible consideration was for Skiatook Lake to release water to serve both water quality requirements and PSO's water supply needs. All parties saw a workable solution at hand, but in January 1985 PSO was notified that additional agreements had to be made. Throughout this process, PSO was led to believe that the cost of water from the reallocated water storage would equal what the Corps quoted as the price for water from the original water supply storage in Skiatook, or 11.4 cents per 1,000 gallons. In March however, PSO learned that the price was considered to be 25.7 cents per 1,000 gallons! That is a 125-percent increase! This higher price was based on updated construction costs for the reallocated storage plus interest at fiscal year 1985 rates! Thus, the higher costs have made Skiatook an uneconomical alternative.

Mr. President, there must be a clarification of intent in this legislation to protect the agreement regarding Skiatook Lake. All parties involved are losing here, involving the PSO of OK, the city of Tulsa, the Corps of Engineers and the U.S. Treasury. The Corps of Engineers' reallocation cost policies have been detrimental to the entire economic structure affecting water policy. I strongly recommend legislative language to reaffirm the intent of the Water Supply Act of 1958 as included in the House version of this measure. This is a necessary correction to this bill, and I urge its inclusion.

Mr. President, I would like to thank Senator ABDNOR and his staff on the subcommittee for their help in addressing some of my concerns with S. 1567. I have been working with Senator NICKLES and Representative WATKINS to insure a healthy future for water resource development in Oklahoma. Together we have been in contact with Assistant Secretary Dawson and we have worked out a compromise that will expedite a feasibility study for the addition of hydroelectric facilities at the proposed Tuskahoma Reservoir.

I am confident this expedited study will show the growing need for hydroelectric capacity in eastern Oklahoma, and I remain hopeful that we will soon be able to authorize hydroelectric production as a project purpose at Tuskahoma. I will continue to work to accomplish that goal.

Mr. STAFFORD. Mr. President, I wish to again urge that the Senate pass S. 1567, the omnibus water resources bill.

I commend my colleagues on their careful work on this bill.

This is landmark legislation. It is legislation, I am confident, the President will sign in its present form.

This bill contains three key components:

First, new, up-front cost sharing for flood control and harbor construction projects.

Second, a new ad valorem harbor maintenance tax, and an increase in the existing barge fuel tax.

Third, no major new programs or projects lacking adequate study by the Chief of Engineers.

If we are to obtain a bill the President will sign, I am convinced we must send him legislation that holds to the cost sharing principles in this bill, as well as to its $12 billion cost.

In closing, Mr. President, I wish again to commend our subcommittee chairman [Mr. ABDNOR], who has worked so hard and effectively in developing this bill, the first in a decade. His unstinting work, plus the hard work of the distinguished Senator from New York [Mr. MOYNIHAN], has been essential to the bill before the Senate. They deserve the full praise of each and every Member of the Senate.

Mr. CHAFEE. Mr. President, the Water Resources Development Act of 1985, Senate bill S. 1567, is a well-crafted piece of legislation which revives the Federal Water Resources Development Program and makes it more efficient. No major water resources development bill has been passed since 1978. Despite the need for improvements and new projects in many parts of the country, an average water development project currently takes 26 years to move from the study stage to actual construction.

This bill authorizes a number of new projects, including three in Rhode Island, and creates new cost-sharing methods for harbor and flood control projects, as well as a new user-fee system to help pay for harbor and inland waterway maintenance. The projects authorized in my home State are: the Big River Reservoir, which will receive $39.9 million; an improvement project at Gorton's Pond in Warwick, which will receive $730,000; and the demolition—for safety reasons—of the India Point Railroad Bridge in Providence, at a cost of $500,000.

The new cost-sharing procedures for projects, and the user fee system created to finance a portion of Federal operation and maintenance, make this a fiscally responsible bill. I support these provisions wholeheartedly, and was especially pleased to play a role in making sure we fairly applied the 0.04 percent ad valorem user fee on cargo loaded or unloaded at Federal harbors.

When the bill was before the Committee on Environment and Public Works, I urged adoption of a special exemption from this fee for fishermen. Imposing such a tax on our fishermen would be unfair since no other food source is subject to a tax at the point of harvest. The exemption includes all unprocessed fish and aquatic animals brought in to port for the first time. However, fish reloaded for transport would be subject to the fee. The committee adopted this amendment.

When the Finance Committee on December 11 considered this same user fee, I proposed an amendment broadening the exemption for fishermen to include those who process their catch at sea before bringing it in. The processing of fish at sea is a fairly new procedure among U.S. fishermen, although foreign fishing ships have used it for years. It involved the packaging and freezing of the catch on board, so that it is ready for sale when it is unloaded. With less than 10 so-called freezer-trawlers operating in the Northeast, and a small number in the rest of the country, this industry is still in the startup stage. Four of these ships are based in Davisville, RI. I believe that processed fish landed for the first time should also be exempted from the 0.04-percent tax since the ability to process fish on board is an innovation which is helping modernize the U.S. fishing industry in the face of foreign competition. The Finance Committee agreed that we should not

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impose a new tax on this fledgling industry, and adopted my amendment.

In addition, I urged the Finance Committee to adopt another amendment exempting from the user fee any ports which have received no Federal funds for operation and maintenance since 1977, when the Army Corps of Engineers began keeping records on such assistance. Since we have attempted to adopt a genuine user fee, and not merely a tax, it seemed unfair to impose the fee on users of harbors which receive no Federal funds.

The amendment, which the committee passed, exempts 33 ports, including Providence, RI, and Newport, RI. If any of these ports receive Federal funds in the future, cargo passing through them would automatically, and permanently, be subject to the 0.04 percent ad valorem fee. The adoption of this exemption makes the user fee system fairer, and ensures that the users of two important Rhode Island ports do not have to pay for services which do not benefit them.

With this bill, Mr. President, we commence a new era of cost-efficient modernization and operation of our harbors and inland waterways. It was a pleasure to work on this bill with the distinguished chairman of the Subcommittee on Water Resources, Senator Abdnor, without whose expertise we would not have such an outstanding piece of legislation. At this point, I would also like to commend Senator Hatfield, who worked long and hard to craft a water resources bill which was acceptable to both Congress and the administration.

I hope that after we pass this bill the House and Senate are able to work together in conference to reach a satisfactory compromise. Considering the significant differences between the two pieces of legislation, this will require no small amount of work. But if they keep in mind our overall goal of putting into operation this excellent new system of financing for water project, I am sure that the conferees will act quickly and responsibly.

WINFIELD LOCKS AND DAM

Mr. BYRD. Mr. President, I would like to engage in a colloquy with the distinguished chairman of the Environment and Public Works Committee, Senator Stafford. As the Senator knows, I am very interested in authorizing construction of a new lock at the Winfield Locks and Dam on the Kanawha River in West Virginia. The Corps of Engineers projects that traffic at the present Winfield facility will reach 24 million tons by the year 2000. This is a substantial increase over the 1984 level of 15.3 million tons. Even with the present volume of traffic, the average delay per tow in 1984 was 3.9 hours and the average tow required nearly four lockages to pass through the small and inefficient 360-foot long lock chambers. Given the delays and increased shipping expenses which are already occurring, the Corps of Engineers projects tremendous and unacceptable delays averaging nearly 3 full days for each tow by the year 2000 if nothing is done to improve the present locks and dam facility.

The Corps of Engineers now recommends construction of a new 800-foot long lock beside the existing small locks at Winfield at a total cost of $128 million. Under the cost-sharing provisions in S. 1567, as I understand them, one-half of this expense would be provided from fuel taxes deposited in the inland waterway trust fund. The Corps of Engineers estimates that the new lock would have a benefit cost ratio of 6.2 to 1.

At the present time, coal makes up 64 percent of the traffic through the existing Winfield Locks and Dam. This region of West Virginia produces excelent high Btu, low-sulphur coal. Coal represents this Nation's energy future with new clean-burning technologies on the way to improve the emissions from existing facilities and provide substantially better performance at newly constructed large coal-burning installations. In addition, the Kanawha Valley is a major world center for the production of chemicals. More than 20 chemical plants are located in this region, and 16 percent of the traffic through the Winfield Locks in 1984 was chemical products.

So, Mr. President, I am very interested in seeing a modern, and efficient, new lock constructed on the Kanawha River at Winfield. The proposal by the corps is clearly a superior project. I am told that the only reason why it has not been included in this Water Resources Development Act, S. 1567, is that it does not yet have a completed Chief's report. Can the chairman of the committee confirm my understanding on this point?

Mr. STAFFORD. The Senator from West Virginia is correct. By all accounts, the new lock facility which the corps is studying for the Winfield site appears to be a sound project. However, we have been unable to include it here in this bill because the Chief of Engineers has not completed his study.

Mr. BYRD. Are there any projects that will be authorized in this bill that do not have a completed chief's report at this time?

Mr. STAFFORD. No, there are no such projects included in this bill.

Mr. BYRD. I note that the Winfield Locks and Dam would be authorized in the House-passed bill, H.R. 6. This will be a conference matter. The chairman has made it clear to me that he is unwilling to accept any amendments for projects that do not have completed chief's reports; but I wonder if I could receive his assurances that the Winfield Locks and Dam, because of its urgent need, will receive favorable consideration in conference.

Mr. STAFFORD. I thank the Democratic leader for bringing this project to our attention today. He has written me in the past indicating his support for it, and I know his support will continue in the future. I can assure him that we will give the Winfield Locks and Dam project every consideration once we meet with the House in conference on this bill.

GALLIPOLIS AND LOCKS AND DAMS 7 AND 8 ON THE MONONGAHELA RIVER

Mr. BYRD. Mr. President, the Senate has before it the first omnibus water resources bill in 10 years. It is particularly important, to my State of West Virginia, that included in this legislation is the full authorization of $256 million for the Gallipolis locks replacement.

I have spoken, on the Senate floor many times on the importance of this project to the Ohio River navigation system. The replacement of the Gallipolis locks will complete a series of modern, efficient locks from near Pittsburgh to Smithland locks and dam at river mile 918.5. At the present time, the locks at Gallipolis are the only ones in the region that have not been expanded to 1,200 feet by 110 feet, enabling them to handle the larger barges that navigate the Ohio River. Because the existing locks at Gallipolis are only one-half the modern size locks in use elsewhere, a large bottleneck is created, causing a backlog along the entire Ohio River navigation system. The severity of this problem is clearly reflected in the benefit cost ratio of 11.3 to 1 favoring construction of two new locks.

The Gallipolis project, consists of two new locks, one 1,200 feet by 110 feet, and one 600 feet by 110 feet, which will be located in a channel on the West Virginia side of the Ohio River. This design is not only more efficient due to the larger locks, but by straigtening out the approach to the locks, the design also incorporates an important safety feature.

In the past, the Congress has consistently supported authorization for construction of the Gallipolis project. I am particularly pleased that the committee recognized the immediate need for improvements at Gallipolis, and authorized the total amount needed for the completion of this vital Ohio River navigation system project.

In addition, this legislation contains the authorization of $163.1 million for the replacement of locks and dams 7 and 8 on the Monongahela River in Pennsylvania, near the West Virginia—Pennsylvania State line. Historically, coal shipments have accounted for 85 percent of the traffic on the Monongahela River. The replacement and rehabilitation of these inefficient and outdated locks and dams will substantially aid economic development in West Virginia, particularly our northern coal fields.

I would like to thank the subcommittee chairman, Senator Abdnor, and the ranking Democratic subcommittee member, Senator Moynihan, as well as the committee chairman, Senator Stafford, and ranking Democratic committee member, Senator Bentsen, for their diligent efforts on this legislation.

Mr. BENTSEN. Mr. President, it is with a sense of real achievement that I witness Senate passage of the first water resources authorizing legislation to win approval of both Houses of Congress since 1976.

I am proud to have taken an active role in the development of this measure. It contains major new initiatives in the procedures under which water resources projects are planned, constructed, operated, and maintained. These new procedures will require non-Federal project sponsors to participate more fully in the development and the financing of water projects. I believe that the policy changes outlined in this legislation will result in the implementation of projects which are truly needed and economically viable.

As I stated when S. 1567 was first brought up in the Senate on March 14, the other members of the Committee on Environment and Public Works are to be complimented on their years of hard work which have culminated in the measure passed today. I pay particular tribute to Chairman Bob Stafford and the chairman and ranking member of the Water Resources Subcommittee, Jim Abdnor and Daniel Patrick Moynihan.

I look forward to working with the Committee on Public Works and Transportation of the House in the development of a measure which will be acceptable to the President. If is my hope that we can go to conference in a timely fashion so that these much-needed reforms can be implemented and the projects authorized by this measure can be built.

Mr. SYMMS. Mr. President, I send an amendment to the desk and ask for its immediate consideration.

The PRESIDING OFFICER. The Senator has sent a resolution to the desk. The resolution is not in order.

Mr. SYMMS. Mr. President, I ask unanimous consent that it be in order.

Mr. BYRD. Mr. President, reserving the right to object.

The PRESIDING OFFICER. The preamble and the resolving clause are not in order.

Mr. SYMMS. I withdraw the amendment.

The PRESIDING OFFICER. The Senator has a right to withdraw his amendment.

AMENDMENT NO. 1714

Mr. McCLURE. Mr. President, the Senate has already adopted amendment No. 20. There is a need for modification of the language contained in a portion of that amendment.

On page 35, line 16, of amendment No. 20, it struck and inserted language.

I ask unanimous consent that the provision with respect to section 8 of the public law be amended pursuant to the amendment which I send to the desk at this time.

The PRESIDING OFFICER. Is there objection to the unanimous-consent request?

Without objection, it is so ordered.

The PRESIDING OFFICER. The clerk will report.

The assistant legislative clerk read as follows:

The Senator from Idaho [Mr. McClure] proposes an amendment numbered 1714 to amendment numbered 1676 previously agreed to.

Mr. McCLURE. Mr. President, I ask unanimous consent that further reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

Strike:

"On page 35, after line 16, insert and number appropriately the following:

"Sec. . Section 8 of Public Law 78-534, approved December 22, 1944 (58 Stat. 891; 43 U.S.C. 390), is hereby amended by adding the following at the end thereof: 'In the case of any reservoir project constructed and operated by the Corps of Engineers, the Secretary of the Army is authorized to contract with water districts, irrigation districts, conservancy districts, and any other such entities, with individuals, and with appropriate state agencies, at such prices and on such terms and for such periods as he may deem reasonable, for the interim use for irrigation purposes of storage provided in the project for municipal and industrial water supply purposes until such storage is required for municipal and industrial water supply. No contracts for the interim use of such storage shall be entered into which would significantly affect then-existing uses of such storages.' "

And insert:

"Sec. . Section 8 of Public Law 78-534 approved December 22, 1944 (58 Stat. 891; 43 U.S.C. 390), is hereby amended by adding the following at the end thereof;

" 'In the case of any reservoir project constructed and operated by the Corps of Engineers, the Secretary of the Army is authorized to allocate water which was allocated in the project purpose for municipal and industrial water supply and which is not under contract for delivery, for such periods as he may deem reasonable, for the interim use for irrigation purposes of such storage until such storage is required for municipal and industrial water supply. No contracts for the interim use of such storage shall be entered into which would significantly affect then-existing uses of such storages.' "

Mr. McCLURE. Mr. President, I am asking unanimous consent to substitute some language for the language contained in the designated portion of amendment No. 20.

The PRESIDING OFFICER. Is there objection?

Mr. MOYNIHAN. Mr. President, reserving the right to object, and I will not object, do I understand it is the purpose of the distinguished Senator from Idaho to simply see that this legislation does not affect current reclamation?

Mr. McCLURE. If the Senator will yield, the intent of the amendment is to facilitate the contracting for temporary water supplies authorized pursuant to amendment No. 20. The intent of this amendment will clarify the contracting for such temporary water supplies for those water projects which lie in the reclamation shall be done by the Secretary of the Interior.

Certainly, the experience of the Secretary of the Interior with regard to the sale of agricultural water supplies will be of great benefit to those seeking temporary water supplies pursuant to amendment 20.

In addition, the adoption of this clarification will assure that those seeking such contracts will know with whom they should deal. This amendment removes any question.

Mr. MOYNIHAN. Mr. President, I have no objection.

The PRESIDING OFFICER. Without objection, the language is substituted.

The question is on agreeing to the amendment.

The amendment (No. 1714) was agreed to.

Mr. MOYNIHAN. I move to reconsider the vote by which the amendment was agreed to.

Mr. ABDNOR. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. McCLURE. Mr. President, I thank the managers and their staffs for having accepted this clarification of a problem which only became apparent after the amendment was adopted. It has been corrected in a satisfactory manner and I certainly do appreciate it.

AMENDMENT NO. 1715

(Purpose: Expressing the sense of the Senate that actions to control the deficit should take precedence over tax reform legislation during the Second Session of the Ninety-Ninth Congress)

Mr. SYMMS. Mr. President, I send the amendment to the desk and ask for its immediate consideration.

The PRESIDING OFFICER. The clerk will state the amendment.

The assistant legislative clerk read as follows:

The Senator from Idaho [Mr. Symms] proposes an amendment numbered 1715.

The Congress finds that as recently as February 4, 1985, the Office of Management and Budget projected that deficits for fiscal

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years 1986 through 1990 would increase the Federal debt by $697,289,000,000;

Congress sought to remedy this problem of escalating debt by enacting the Gramm-Rudman-Hollings, deficit reduction program, which was passed by both Houses of Congress and signed into law by the President on December 12, 1985;

Even under Gramm-Rudman-Hollings, the Federal debt is projected to grow to $2,323,100,000,000 in fiscal year 1987, $2,523,000,000,000 in fiscal year 1988, and $2,697,700,000,000 in fiscal year 1989;

As a result, even Gramm-Rudman-Hollings will produce a Federal debt which, by fiscal year 1989, will represent well over $10,000 for every man, woman, and child in the United States;

The financial markets of the United States and the other industrialized nations of the world look to the Government of the United States for leadership in the resolution of its deficit crisis; and

The consideration of tax reform by the Senate of the United States without first making serious efforts to control the deficit will only succeed in enhancing the uncertainty in financial markets which those deficits create:

It is the sense of the Senate that tax reform should not be considered or debated by the United States Senate until a firm, definite budget agreement has been reached between the President and the Congress of the United States.

The PRESIDING OFFICER. The question is on agreeing to the amendment.

The Senator from Idaho is recognized.

Mr. SYMMS. Mr. President, this amendment is very self-explanatory. It really requires no debate. It is a nonbinding sense-of-the-Senate resolution. What this Senator seeks is a quick resolution of the amendment and a vote on it.

Mr. MOYNIHAN. Mr. President, I yield to my distinguished chairman.

Mr. ABDNOR. Mr. President, I was not aware that this amendment was going to be offered. Philosophically, I agree with much of what he is trying to do. The Senator offering this amendment knows this is true. As a matter of fact, I signed a letter earlier this year to the President calling attention to the fact that we should take care of the deficit before we proceed on tax reform. But, Mr. President, we have been 5 years developing a water bill and I know what will happen when we start considering amendments which clearly cannot be taken up by unanimous consent. This is not the time, the last hour and minute of the consideration and passage of this bill, to start loading everyone's favorite subject onto the water bill.

Please, let us move the water bill to clear the way for the policy reforms which will permit the building of new water projects, which has nothing to do with the amendment being offered by my friend, the Senator from Idaho.

Please do not to push this amendment.

Mr. STAFFORD. Mr. President, I urge the very able Senator from Idaho [Mr. SYMMS] to withdraw this amendment at this time. It has no place on this bill. As we all know, the managers of this bill, the ranking member of the full committee, and the chairman of the committee, have all worked for years bringing the water projects legislation to this point. We are at a point where we can pass this bill and ask for a conference with the House. We know that other pressing matters are awaiting the consideration of the Senate and time is running out to get this done. So we urge the able Senator to set aside his amendment at the present time and let us get this bill passed.

Mr. SYMMS. Mr. President, I share the concern to pass the bill and I thank the distinguished chairman for his effort, and I thank the distinguished Senators from South Dakota and New York. I see the distinguished majority leader is on the floor, as is the distinguished minority leader. I wonder if there is any way this amendment could come before the Senate for a vote in the future as a free-standing resolution. I see this as the only vehicle for the majority to bring this up today. I would like to see the Senate make a statement on this problem. It would not be binding but it would be at least a statement of the sense of the direction in which we should go. I should be happy to yield to the majority leader or the minority leader for a comment.

Mr. DOLE. Mr. President, if the Senator will yield, I have not discussed this with either the chairman of the Budget Committee or the chairman of the Finance Committee. I do not know whether they would have any problem with it or not.

I do not disagree with the Senator from Idaho, first. But obviously, it does not have much of a place on this bill. As to whether or not we could bring it up at some future time, I would first need to consult with at least the Budget Committee chairman, I would think, and the Finance Committee chairman.

Mr. SYMMS. Mr. President, if the distinguished majority leader would yield, I would simply say this Senator would be willing to have 5 minutes' time on this, enter into a 5-minute time agreement, then to vote on it up or down. It would not have to be voted on, necessarily, on this bill. I just think it is appropriate, the language in the sense-of-the-Senate amendment speaks for itself. Disruptions are being caused, dislocations of what we may or may not do. I think they are very important. I think that is all I would like to do, have a statement on the part of the Senate as to the position the Senate takes on this.

The PRESIDING OFFICER. The question is on agreeing to the amendment.

Mr. MOYNIHAN. Mr. President, as a member of the Committee on Finance and knowing that my ranking member of the Committee on Environment and Public Works, Senator BENTSEN, is also a member of the Finance Committee, I find this amendment inappropriate. I cannot imagine that our chairman, Mr. PACKWOOD, would feel that he had had an opportunity to consider this.

I do have a suggestion, in a cooperative spirit as our distinguished majority leader might say, that there is a bill coming up later in the afternoon that has to do with spending where we might consider this resolution.

Mr. DOLE. There will be a little bill later on, Mr. President, on Contra aid.

Mr. MOYNIHAN. If we ever get to it, but we shall never get to it if we have to do this.

Mr. DOLE. Mr. President, if I could make a suggestion, if the Senator from Idaho would yield——

Mr. SYMMS. I would be happy to yield.

Mr. DOLE. Mr. President, we can table it right now and vote on it, and I think we can probably table it, or second, let me consult with the distinguished chairmen of the Budget and Finance Committees. I do not have any problem with its being a separate, freestanding resolution. I guess particularly the Finance Committee chairman would have some concerns with it. I just cannot say until I have met with him. This resolution, I would assume, would go to the Finance Committee.

A parliamentary inquiry, Mr. President: Where would this resolution go if it were referred?

The PRESIDING OFFICER. The resolution would go to the Committee on Finance.

Mr. DOLE. I wonder if we could not offer this in the Finance Committee as an amendment to the tax bill.

Mr. SYMMS addressed the Chair.

The PRESIDING OFFICER. The Senator from Idaho has the floor.

Mr. SYMMS. If the minority leader has not made a comment on this, and he may not wish to, I would hope that the majority leader could give this Senator some opportunity in the future to offer this. Because of all the agenda we have today and because of the hard work our colleagues and myself and others on the Public Works Committee have done to pass this bill, I withdraw the amendment.

The PRESIDING OFFICER. The amendment is withdrawn.

Mr. DURENBERGER. Mr. President, at long last the Senate is finally poised to pass the Water Resources Development Act (S. 1567). This bill, which enjoys the administration's strong support, is truly a creature of compromise. In return for the President's signature on the first water resource development legislation in 15 years, the Senate has agreed to a doubling of the existing 10-cent-a-gallon barge diesel fuel excise tax, the institution of the first port use fee in our Nation's history, sharp increases in cost-sharing for flood control, beach erosion and other corps projects, and, finally, an overall $1.3 billion annual obligation ceiling on all corps activities. As a result of these reforms in existing water policy, the bill has also garnered the support of the environmental community.

In general, the bill authorizes over 170 projects at a total Federal and non-Federal cost of $11.1 billion. Included among these projects are 6 inland navigation projects, 77 flood control projects, 32 harbor projects, 10 hydropower development projects, 18 shoreline protection projects, 11 fish and wildlife mitigation projects, 10 inland and recreational harbor projects, 1 bank stabilization project and 2 demonstration projects. And, with virtually no exceptions, every one of these projects has received a chief's final report from the corps, which is approved only after completion of a cost/benefit analysis and an environmental impact statement. If this and future Congresses adhere to the cost sharing requirements and water resource development policy reforms established by this legislation, this country will have seen the last of the environmentally damaging and economically inefficient pork barrel water projects of the past.

Mr. President, prompt approval of this historic legislation will bring Congress one step closer to enacting a water resource development and policy reform program to guide the Nation's future investments in our water resource infrastructure.

Like every other Member of this body, I have my own parochial interests reflected in this bill, including the authorization of the St. Paul, Marshall, Houston, and Rochester flood control projects, the Duluth-Superior Harbor project, the authorization for an environmental program and second chamber at lock and dam 26 and the rebate on tolls paid by shippers using the U.S. portion of the St. Lawrence Seaway. However, though these projects are beneficial to the State of Minnesota, they have important national benefits as well.

Mr. President, had it not been for the dogged determination of JIM ABDNOR, PAT MOYNIHAN, BOB STAFFORD, and LLOYD BENSTEN, we would not be discussing this issue today. Many are the obstacles which have prevented adoption of similar measures in the past, and it is a minor miracle that most of them have now been cleared. Without the bipartisan efforts of all the members of the Environment and Public Works Committee and the Finance Committee there is no doubt in any mind that we would continue to set this Nation's water resource policy in the appropriations process.

Mr. President, as I indicated earlier, there are many projects in this bill which are extremely important to the State of Minnesota. For example:

INLAND WATERWAY PROJECTS

Section 504 of this bill authorizes the construction of a 600-foot second chamber at lock and dam 26 to complement the existing 1,200-foot chamber, as well as the bulk of the environmental components contained in the Upper Mississippi River Master Plan.

The 600-foot second chamber, which would cost an estimated $220 million, will be financed 50 percent from the Inland Waterways Trust Fund and 50 percent from general revenues.

The environmental program, which would be administered by the corps with the cooperation of the Department of the Interior and the Upper Mississippi River System States, contains the following components:

The planning, construction, and evaluation, of a series of measures for fish and wildlife habitat rehabilitation and enhancement, at a cost of $124,000,000 over the next 10 years.

A long-term resource monitoring program, at a cost of $53,400,000 over the next 10 years; and

A computerized inventory and analysis program, at a cost of $8,365,000 over the next 10 years.

The cost sharing requirements of section 224 of this legislation would be applied to the environmental programs in the following manner:

The habitat rehabilitation and enhancement projects which have national benefits or are located on lands managed as national wildlife refuge lands would be 100 percent federally funded. Projects benefiting a single State would be financed 33⅓ percent non-Federal.

Recreation projects would be financed 50 percent Federal, 50 percent non-Federal.

The long-term resource monitoring program and computer inventory and analysis system would be 100 percent federally funded.

The costs of the recommended traffic monitoring system would be 100 percent Federal.

HARBORS-DEEP DRAFT NAVIGATION PROJECTS

Duluth Superior: The westerly portions of the North and South Channels, the Upper Channel and the Minnesota Channel all vary from 21 to 23 foot depths. The bill authorizes the deepening of channels to 27 feet, providing a turning basin of 1,500 feet, and constructing an upland confined disposal facility. The total project cost is $12,200,000.

FLOOD CONTROL PROJECTS

St. Paul: Located on the Mississippi River opposite downtown St. Paul, the bill authorizes the raising of the existing levees and flood walls by 4 feet. Floods in 1965 and 1969 overwhelmed the capacity of the original 1964 project, and a future recurrence would pose a serious threat to the existing levees. Total cost of the project in $8,454,000.

Marshall: Located on the Redwood River, the existing project channels lack the capacity to convey the design flow to the existing diversion channel without damaging overbank and backwater effects. The bill authorizes channel widening levees, construction of an overflow diversion structure with control and outlet works and recreational facilities. The total cost is $4,280,000.

Houston: There is extensive flooding in the Root River Basin which adversely affects the city of Houston and surrounding farmland. The bill authorizes construction of 3 miles of levee at the town and an interior drainage pumping station. The total project cost is $8,195,000.

Rochester: Over one-third of the city lies in the Zumbro River flood plain. A recurrence of a 100-year flood would cause over $100 million in damages. The bill authorizes the deepening and widening of the Zumbro River Channel, Bear Creek and Cascade Creek and the construction of two short levees. The total project cost is $64,470,000.

GREAT LAKES-ST. LAWRENCE SEAWAY

Perhaps one of the greatest inequities in our Nation's water navigation infrastructure has been the tolls levied on the users of the St. Lawrence Seaway. Nowhere else in this country must shippers using a water resource development facility pay tolls sufficient to cover 100 percent of the facilities operations, maintenance, and, until Congress forgave the seaway debt in 1982, construction expenses. With passage of this legislation, that anomaly will come to an end.

Under section 805 of this legislation, shippers using the St. Lawrence Seaway will now receive a rebate of the tolls paid for those tolls attributable to the U.S. portion of the seaway. Under section 806 of this legislation, the Secretary of State would be directed to enter into negotiations with the Government of Canada for the purposes of eliminating the remaining Canadian tolls. By doing so, this bill lifts the burden of seaway tolls from the shoulders of Great Lakes shippers and, for the first time since 1954, places the users of Great Lakes ports on equal footing with other coastal ranges.

Mr. LONG. Mr. President, the legislation before the Senate today is very important to the continuation of work on the Mississippi River and tributaries project. While some may view the MR&T project as a regional project, this project has major national implications.

The Mississippi River and its tributaries is the third largest drainage basin in the world. The system drains roughly 41 percent of the continental United States and parts of Canada. The river systems of the MR&T are vital to interstate and international commerce. These systems provide water, power, recreation, and the transportation of food, fuel, and manufactured goods.

Millions of Americans in every State of the Union, not just those bordering the Mississippi, directly or indirectly benefit from the river and its tributaries.

After the devastating flood of 1927, the 70th Congress recognized its larger Federal responsibility for flood control in the lower Mississippi Valley. The Flood Control Act of 1928 authorized the Mississippi River and tributaries project to mitigate damages from future floods. While the Federal Government provided the lion's share of support for the MR&T, the project included substantial local contributions of funds, rights-of-way, and easements.

The financial responsibility of the Federal Government for work on the MR&T project has not been significantly altered since 1928. The bill before us today, however, seeks to drastically change the cost-sharing requirements for the continuation of work on the MR&T.

Mr. President, it is my view that the cost-sharing requirements of S. 1567 place a disproportionate burden on those residents at the southern end of the project. These residents and local governments have already made significant financial contributions. It is unfair to ask these residents to bear an increased share of the burden of protecting the interests of all Americans. This is an unsound policy, and one which places undue hardships on localities which are already facing budget crisis. Additionally, because more than half of the work on the MR&T has been completed, Congress should not change the rules of the game at this late date.

Such a change in policy would be of great harm to my home State of Louisiana. Those sections of the MR&T project which have been completed under existing law will have provided other States with a better deal in terms of financial contributions to MR&T construction. Mr. President, if we would change the flow direction of the Mississippi, then all work on the southern end would have been completed first. If that were the case, I feel confident, Mr. President, that my colleagues from Illinois and other Mississippi River States would be adamantly opposed to the imposition of new cost-sharing requirements, especially in view of the inequity of the financial burden.

Mr. President, while many new segments have been added to the original MR&T project, the intent of the authorizing legislation was to consider all aspects of MR&T as one project which enjoyed the same cost-sharing provisions. S. 1567 would change this provision. S. 1567 would exempt only authorized mainstem work on the Mississippi and Atchafalaya Rivers. All other work needed in conjunction with mainstem work would be subject to the newer and more rigid cost-sharing requirements.

S. 1567 would also treat segments of the Mississippi River and tributaries project as separable elements of the original project, thereby subjecting projects previously authorized, but where construction had not commenced, to new stringent cost-sharing requirements.

The inclusion of the word "separable" in various sections of S. 1567 has caused much concern among levee districts and flood control associations across the country, and especially those who have worked many years in the development of the Mississippi River and tributaries project. Mr. President, I would like to name a few of the levee districts and flood control associations who have contacted me relative to this issue—the Lower Mississippi Valley Flood Control Association, the Association of Levee Boards of Louisiana, the Fifth Louisiana Levee District Board of Commissioners, and the West Jefferson Levee District Board of Commissioners.

I ask unanimous consent that a letter from the Assistant Secretary for Civil Works, Mr. Dawson, be placed in the RECORD. Mr. Dawson's letter provides helpful information in the form of several tables which identify flood control work on the Mississippi River and tributaries project authorized for construciton and scheduled during the period of this authorization bill.

Mr. President, while I have serious concerns about the impact of the new cost-sharing requirements of S. 1567, as well as the effect of the "separable" element on future development of the MR&T, it is more important to enact this legislation which continues the vital construction work on MR&T—a project which is essential to the economic well-being of all Americans.

Therefore, Mr. President, I will support final passage of S. 1567, with reservations as noted.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

DEPARTMENT OF THE ARMY,
OFFICE OF THE ASSISTANT SECRETARY,
Washington, DC, February 20, 1986.

Hon. RUSSELL B. LONG,
U.S. Senate,
Washington, DC.

DEAR SENATOR LONG: The purpose of this letter is to discuss S. 1567, the Water Resources Development Act, and to specifically address its effect on flood control features of the Mississippi River and Tributaries (MR&T) project. We are encouraged that the bill has been reported by the Committee on Environment and Public Works and the Committee on Finance and that floor consideration appears likely in the very near future. The minimal impacts on the MR&T project set out below are more than offset by the opportunity to break the decade-long drought for a water project authorization bill.

The new cost sharing provisions of S. 1567 would apply to authorized but unstarted separable elements of the MR&T project, as well as MR&T elements that would be authorized by the bill and future authorizations. We agree that all regions of the nation should be treated equitably and that any new project cost sharing requirements should be applied uniformly by extending those requirements to the as-yet unstarted separable elements of all projects, including the MR&T project.

Over the past several weeks there have been discussions on the impacts of S. 1567 on elements of the MR&T project related to flood control. Therefore, I believe it would be helpful to provide an estimate of those impacts. We recognize and S. 1567 recognizes that there are special considerations to be given the MR&T project, and we believe the bill strikes the proper balance between the uniqueness of MR&T and the need to get a signable bill that grasps the present budgetary realities.

First, let me address the impacts of S. 1567 on previously authorized elements. Table 1 lists the authorized project elements related to flood control under the MR&T. That portion of the project which is not yet constructed is referred to as "balance to complete" and is represented by the sum of the last two columns. Of the approximately $5.1 billion balance to complete, $4.4 billion is either included in the President's budget for Fiscal Year 1987 or is likely to be included in future budgets. The $4.4 billion is comprised of all non-separable elements of the MR&T project as well as all separable elements under construction. Only authorized separable elements of the MR&T project on which construction has not been initiated, such as the principal features of the Yazoo Backwater Pumping Plant, are included in the "unscheduled balance to complete" column. Therefore, about $725 million, or just over 14% of the total balance to complete of the presently authorized flood control elements of the MR&T project would be subject to new cost sharing. I should point out that a large proportion of this amount may not have a real likelihood of being built in the years ahead because of lack of economic justification under current standards, environmental problems, loss of local support, and so on. In summary, almost 86% of the balance of construction would be exempt from additional cost sharing, an even larger percentage when you consider just the work likely to be implemented in the foreseeable future. Work exempted from new cost sharing requirements includes construction on the Mississippi River levees, Mississippi River channel improvement, the Upper Yazoo project, main stem Yazoo River work, and flood control work in the Atchafalaya Basin.

Now let me move to MR&T flood control elements that are presently contained in S. 1567. Table 2 lists eight MR&T flood control projects and two mitigation plans for MR&T flood control projects along with the estimated Federal and non-Federal shares

in accordance with S. 1567 and traditional policies. The total cost of these ten features is $265 million. The non-Federal share for the projects would increase from $52 million to $105 million under S. 1567 or from 20% to 40% of total cost.

In conclusion, we believe that all flood control projects across the nation must be treated evenly and should pay according to the same cost sharing principles if we can expect to get a bill enacted into law which will enable the Army Civil Works program to continue to serve the Nation's needs. We urge your support in resisting amendments to S. 1567 that would give preferential cost sharing treatment to any project, thereby seriously weakening the bill's chances for ultimate success.

The Office of Management and Budget advises there is no objection to the presentation of this letter from the standpoint of the Administration's program. I hope this information has been helpful to you and look forward to working together to obtain a workable bill that can be enacted into law. If I may be of further assistance, please let me know.

Sincerely,

ROBERT K. DAWSON,
Assistant Secretary of
the Army (Civil Works).

TABLE 1.—FC, MR&T PROJECTS AUTHORIZED FOR CONSTRUCTION

Project	Total estimated Federal cost, (Oct. 1, 1983)	Amount allocated to date (Sept. 30, 1985)	Scheduled balanced to complete	Unscheduled balance to complete
Mississippi River Levees	$1,227,000,000	$541,422,000	$685,578,000	$0
Channel Improvement	3,010,000,000	1,442,521,000	1,567,479,000	0
Section 6 Levees	3,745,000	3,745,000	0	0
Mud Lake Pumping Station	4,470,000	457,000	0	4,013,000
Old River	301,300,000	246,866,000	54,434,000	0
St. Francis Basin	361,000,000	239,763,000	121,237,000	0
Lower White Rivers	54,800,000	13,331,000	0	41,469,000
Augusta-Clarendon	(4,601,000)	(1,780,000)	(0)	(2,821,000)
Big Creek & Tribs.	(37,998,000)	(365,000)	(0)	(37,633,000)
Clarendon Levee	(1,576,000)	(561,000)	(0)	(1,015,000)
White River Backwater	(10,625,000)	(10,625,000)	(0)	(0)
Reelfoot Lake—Lake No. 9, TN-KY	10,400,000	8,365,000	0	2,035,000
Reelfoot Lake (completed)	(440,000)	(440,000)	(0)	(0)
Reelfoot Lake—Lake No. 9	(9,960,000)	(7,925,000)	(0)	(2,035,000)
Cache River Basin	157,000,000	8,335,000	0	148,665,000
L'Anguille River Basin	26,400,000	1,555,000	1,345,000	23,500,000
West Tennessee Tribs.	104,000,000	32,441,000	71,559,000	0
Grand Prairie-Bayou Meto	130,900,000	0	0	130,900,000
Flood Control	(38,500,000)	(0)	(0)	(38,500,000)
Water Supply	(92,400,000)	(0)	(0)	(92,400,000)
Lower Arkansas	35,000,000	22,726,000	0	12,274,000
South Bank	(21,000,000)	(15,676,000)	(0)	(5,324,000)
North Bank	(14,000,000)	(7,050,000)	(0)	(6,950,000)
Tensas Basin	471,000,000	223,019,000	160,518,000	87,463,000
Boeuf & Tensas Rivers	(154,400,000)	(39,536,000)	(51,450,000)	(63,414,000)
Tensas River	66,400,000	2,123,000	863,000	63,414,000
Lake Chicot Pumping Plant	(92,300,000)	(87,745,000)	(3,682,000)	(873,000)
Recreation	3,000,000	2,563,000	372,000	873,000
Red River Backwater	(169,900,000)	(50,616,000)	(96,108,000)	(23,175,000)
Below Red River	24,500,000	714,000	610,000	23,176,000
Tensas-Cocodrie Pumping Plant	(54,400,000)	(45,122,000)	(9,278,000)	(0)
Tensas National Wildlife Refuge	40,000,000	40,000,000	0	0
Yazoo Basin	1,320,240,000	416,067,000	795,972,000	108,201,000
Arkabutla Lake	(18,207,000)	(18,207,000)	(0)	(0)
Enid Lake	(23,575,000)	(23,593,000)	(−18,000)	(0)
Grenada Lake	(50,500,000)	(46,879,000)	(18,000)	(3,605,000)
Sardis Lake	(20,097,000)	(20,097,000)	(0)	(0)
Greenwood	(12,100,000)	(11,630,000)	(470,000)	(0)
Upper Yazoo Projects	(361,950,000)	(46,355,000)	(315,595,000)	(0)
Main Stem	(169,000,000)	(27,407,000)	(141,593,000)	(0)
Tributaries	(242,000,000)	(83,195,000)	(158,805,000)	(0)
All Work Except Ascalmore-Tippo and Opossum Bayous	204,100,000	60,513,000	143,587,000	0
Ascalmore-Tippo & Opossum Bayous	37,900,000	22,682,000	15,218,000	0
Big Sunflower River, Etc.	(108,000,000)	(34,199,000)	(73,801,000)	(0)
Yazoo Backwater	(264,240,000)	(62,865,000)	(96,697,000)	(104,678,000)
Pumping Plant	100,000,000	4,730,000	4,950,000	90,320,000
Rocky Bayou	18,240,000	2,773,000	1,109,000	14,358,000
Streambank Erosion Control Evaluation and Demonstration	(14,767,000)	(14,767,000)	(0)	(0)
Demonstration Erosion Control	(13,700,000)	(5,399,000)	(8,301,000)	(0)
Will M. Whittington Auxiliary Channel	(11,573,000)	(10,951,000)	(622,000)	(0)
Belzoni	(317,000)	(317,000)	(0)	(0)
Yazoo City	(2,206,000)	(2,206,000)	(0)	(0)
West Kentucky Tributaries	23,800,000	1,169,000	450,000	22,181,000
Harris Fork Creek	21,500,000	870,000	0	20,630,000
Lower Red River—South Bank Levees	28,700,000	18,495,000	0	10,205,000
Bayou Cocodrie & Tribs.	26,500,000	4,774,000	425,000	21,301,000
Atchafalaya Basin	1,433,000,000	503,512,000	929,488,000	0
Mississippi Delta Region	35,700,000	1,655,000	0	34,045,000
Teche-Vermilion Basin	35,700,000	34,978,000	722,000	0
Eastern Rapides-South Central Avoyelles	62,300,000	1,217,000	3,123,000	57,960,000
Sardis Dam (Dam Safety Assurance)	9,000,000	100,000	8,900,000	0
Completed Work	165,432,000	165,432,000	0	0
Total	9,100,851,000	3,972,785,000	4,403,240,000	724,826,000

TABLE 2.—MRC FLOOD CONTROL & MITIGATION REPORTS CONTAINED IN S. 1567 (COST SHARING SUMMARY)[1]

[Dollar amount in thousands]

Project name and purpose	Total	Traditional				S. 1567			
		Appropriation reqs		Ultimate		Appropriation reqs		Ultimate	
		Non-Fed	Federal	Non-Fed	Federal	Non-Fed	Federal	Non-Fed	Federal
Bushley Bayou, Red River, LA (PH I)—FDP	$44,700	$0	$44,700	$0	$44,700	$12,662	$32,038	$12,662	$32,038
Eight Mile Creek, Paragould, AR—FDP	14,950	0	14,950	50	14,900	10,700	4,251	10,750	4,201
Helena and Vicinity, AR—FDP	13,700	1,800	11,900	1,800	11,900	3,425	10,275	3,425	10,275
Horn Lake Creek, TN & MS—FDP	3,400	1,160	2,240	1,200	2,200	1,326	2,074	1,366	2,034
Louisiana State Penitentiary Levee, Miss River, LA—FDP	22,646	1,159	21,487	1,159	21,487	5,662	16,985	5,662	16,985
Nonconnah Creek, TN & MS—FDP	25,900	7,073	18,828	7,600	18,301	8,227	17,673	8,754	17,146
St. Johns Bayou and New Madrid Floodway, MO—FDP	108,900	40,071	68,829	40,100	68,800	45,513	63,387	45,542	63,358
West Memphis and Vicinity, AR—FDP	20,600	0	20,600	0	20,600	15,047	5,553	15,047	5,553
Obion Creek (West KY Tribs), KY—MIT	4,900	926	3,974	926	3,974	1,225	3,675	1,225	3,675

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TABLE 2.—MRC FLOOD CONTROL & MITIGATION REPORTS CONTAINED IN S. 1567 (COST SHARING SUMMARY) [1]—Continued

[Dollar amount in thousands]

Project name and purpose	Total	Traditional				S. 1567			
		Appropriation reqs		Ultimate		Appropriation reqs		Ultimate	
		Non-Fed	Federal	Non-Fed	Federal	Non-Fed	Federal	Non-Fed	Federal
Yazoo River Mitigation, MS—MIT	4,993	0	4,993	0	4,993	1,248	3,745	1,248	3,745
Total	264,689	52,189	212,501	52,835	211,354	105,034	159,655	105,680	159,009

[1] October 1984 prices.

Mr. BRADLEY. Mr. President, I rise to support Senator GORTON's amendment on cargo diversion which was adopted earlier by the Senate. This amendment exempts from the water resources bill's proposed harbor maintenance tax any bonded cargo passing through U.S. ports on the way to and from any foreign country. Basically, this means that United States ports competing with Canadian ports for cargo originating in or destined for Canada will not have to pay a tax that would put them at a competitive disadvantage. Without the exemption, this user fee would become a self-imposed trade barrier against our own port services and transportation industries.

About 45,000 jobs at United States ports depend partly on Canadian cargo. For example, the Port of New Jersey/New York handles $1.8 billion of the $12 billion in Canadian cargo going through United States ports on the way to or from Canada. Roughly 6,700 jobs in the New Jersey-New York metropolitan area depend on Canadian cargo handling. All these jobs are put at risk by a harbor maintenance tax that effectively raises the costs to shippers of using ports like Newark or Seattle rather than Montreal or Vancouver.

Some people have asked me how a fee amounting to only 9.4 percent of cargo value could have dramatic effects on the share of shipping that United States ports competing with Canada can maintain. The reason is that an 0.04-percent cargo fee can amount to a substantial proportion of shipping costs. And shippers make their routing decisions on the basis of shipping costs, not overall cargo values. The average value per container for Port New Jersey/New York containerized shipments is $3,122; the average value of a container at Seattle is $7,000. These are the shipments that would be lost to Canadian ports under the proposed harbor maintenance tax. What kinds of cargo travel through these ports? Take photo supplies: the tax would amount to $67.44 per container, ordinarily 2 percent of the transportation cost—close to the entire profit margin for some shippers. The tax would come to $51 per container for certain specialized machinery, or 2.7 percent of shipping costs. This tax would deal a staggering blow to the ability of United States ports to compete on a fair basis with Canadian ports. Why do it?

The amendment that Senator GORTON and I are offering is designed to be perfectly fair to Canada. Imposing the tax would be a unilateral United States move putting United States ports at a competitive disadvantage to Canadian ports. Refraining from imposing the tax on Canadian or Mexican cargo keeps the ports competing on a level sea. If Canada imposes a similar tax, then this exemption would no longer have effect.

There is a broader issue at stake here, one of overall competitive strategy. The Nation as a whole benefits from ports that keep open our windows on the world. Many businesses can compete internationally only if they have access to efficient, inexpensive port services. Ports, like many businesses, experience economies of scale. If we force U.S. port cargo traffic to dwindle, we will see our shipping costs increase and the competitiveness of our export industries fall. We must not be shortsighted as we look for new ways to raise revenue. A maintenance tax that raises the cost of United States ports for cargo that could be diverted to Canadian ports will kill the business on which the tax is based.

Mr. BRADLEY. Mr. President, I would like to take this opportunity to emphasize my strong support for this bill; its passage is of great concern to the citizens of New Jersey.

My colleagues are well aware that it has been nearly 10 years since the Senate last passed a water projects bill. And yet, evidence of the need for this legislation can be found throughout the country. Our reservoirs, waterways, harbors, and coastal areas are in serious disrepair. Because of this, we are jeopardizing our ability to provide water to our cities and farms, protect our people and their homes from floods, improve ports for commercial shipping and fishing, and provide safe recreational areas to all Americans.

The Federal Government's traditional role in the development and maintenance of our Nation's water resources infrastructure should not be viewed as something that can be left for another day. In October of 1984, the provisions of both the House and Senate water projects authorization bills were stricken from the general appropriations bill that occupied the 98th Congress during most of the last 2 weeks of the session. Last fall, the need for a water projects authorization bill was clearly expressed by the inclusion of 45 projects in the fiscal 1985 Supplemental Appropriations Act (H.R. 2577, Public Law 99-88). However, funding of these projects will depend on whether or not new cost sharing formulas are enacted into law by May 15 of this year, or whether the Federal Government and the non-Federal sponsor can agree on terms acceptable to the Secretary of the Army. I am concerned that important projects included in H.R. 2577—like the Liberty State Park seawall—will be placed in a precarious position if Congress does not act to pass S. 1567. Although there still may be some minor difficulties to be worked out by the conferees, it appears that the sharp disagreements over port user fees and new cost sharing schedules that have blocked passage of previous authorization efforts appear to have been laid to rest.

The committee's recognition of the growing needs in this area indicates that further inaction will only increase costs in the future. On one particular project in New Jersey, failure to act could result in the loss of life. The passengers of the 800,000 boats that pass through New Jersey's Barnegat Inlet can attest to the dangerous shoaling and sand build up which occur at the inlet. As recently as 1984, Barnegat's shifting shoals, dangerous currents, submerged rock jetties, and narrow channels contributed to the deaths of eight people.

I would like to thank the committee for acknowledging that the original Barnegat Inlet project, authorized by section 1 of the River and Harbor Act of August 30, 1935, was seriously flawed. Despite the Federal Government's obligation to correct this deficiency, the State of New Jersey and the Federal Government recently reached a compromise on cost sharing for this project. This compromise is similar to the committee's new approach to financing all future projects. The Barnegat Inlet authorization will allow for the construction of a new south jetty that will deepen the channel and correct the dangerous conditions which have plagued commercial and recreational boaters for over 30 years.

Inadequate channel depths also have caused navigation problems in one of

the Nation's greatest commercial shipping areas—the Kill Van Kull and Newark Bay Channels. Although S. 1567 classifies it as a "New York" project, this project is of great economic importance to the massive Port Newark/Port Elizabeth Marine Terminal Complex which has an annual payroll exceeding $130 million. Widening and deepening of the existing channels will help make passage through this area safer and more efficient in the future.

Many of New Jersey's most serious flooding problems are addressed by S. 1567. Residents living near the Rahway River in Union County or within the Green Brook Subbasin of the Raritan River in Somerset, Middlesex, and Union Counties are well aware of the need for these projects. Recurrent flooding in these towns has caused tremendous economic and personal hardship for thousands of residents.

Two tremendous floods that struck northern New Jersey in 1984 caused heavy damages. Residents of towns in the Passaic River basin suffered both loss of property and life. In drafting S. 1567, the committee only included projects which had a final report from the Army Corps of Engineers. The Mahwah and Ramapo Rivers channel modification was one such project. Recently, final reports were filed on other projects in this region. I am very pleased to cosponsor with my friend and colleague from New Jersey an amendment to S. 1657 that will authorize flood control projects for the Saddle River, the Ramapo River at Oakland, Wayne, and Pompton Lakes; and Molly Ann's Brook near the city of Paterson, Haledon, and Prospect Park. These projects will help to alleviate the past flooding problems that residents have endured in recent years.

Finally, the committee's addition of nearly $24 million for shoreline protection at and along the Cape May Point and Inlet is greatly appreciated by New Jerseyans and out-of-State visitors who frequent this scenic area year after year.

The continued maintenance of our Nation's coastline and waterways is vitally important. Economic concerns cannot, of course, be overlooked. New Jersey's shore communities have experienced unparalled economic success in recent years. Furthermore, commercial fishermen and recreational boaters in New Jersey and throughout the Nation rely upon the continued operation and maintenance of our waterways for their safety.

Although budgetary constraints and other considerations have made cost-sharing agreements a necessity for water projects, S. 1567 will reestablish the Federal Government's traditional role in water resources development. Further delay in passing a water project authorization bill will not only jeopardize those projects included in H.R. 2577, but may cause serious damage to some of our Nation's most beautiful and precious resources. I would like to again commend the committee for its efforts, and urge my colleagues to support this bill.

Mr. HEFLIN. Mr. President, I am pleased to see that all of the water resources development projects that I have worked on since my first year in the U.S. Senate are included in this final version of S. 1567. There is no doubt that projects such as the replacement of the Bacon Oliver lock and dam on the Black Warrior River near Tuscaloosa are truly needed. The Oliver lock replacement study conducted by the Army Corps of Engineers reveals that the replacement is economically feasible. The benefit-cost ratio is, I might emphasize, an impressive 2 to 1.

In this time of economic transition and recovery, we cannot afford to ignore any feasible opportunity for economic growth. The complete modernization of the great Warrior-Tombigbee waterway offers such an opportunity. With replacement of the Oliver lock, we shall have moved an important step closer to the fulfillment of this important objective.

Mr. President, there are two stream bank erosion projects included in this bill that results from legislation I introduced several years ago. Section 301 authorizes bank stabilization efforts to preserve two invaluable historical sites in Alabama. One is the Fort Toulouse National Historical Landmark located in Elmore County and the other is Mound State Park near Moundville, AL.

Authorization for improvements in the existing channel of Mobile Harbor is also contained in section 609. The Port of Mobile is Alabama's only seaport and is one of the Nation's great natural harbors. Deepening the existing channel to 55 feet and widening it to 550 feet is essential if the Port of Mobile and the Tennessee-Tombigbee waterway are to achieve their potential benefits to the people of Alabama and the entire Nation.

Title VII of the bill includes two major flood control projects that will correct two problem areas in my State. I have worked with the people of Birmingham for several years to insure that the Village Creek flood control project would be authorized to remedy the serious flooding in the older residential sections of Birmingham. Another flood control project will enlarge the inadequate channel capacity of Three Mile Creek that frequently results in major flood damage to the urbanized area of Mobile. I am grateful that my colleagues on the Environment and Public Works Committee agreed with my recommendation to also include authorization for recreational facilities in this project, so long as these facilities are compatible with flood plain use.

There is one project that is not included which has to be addressed in the near future—that being bank erosion on the Tombigbee River near Gainesville, AL. Unfortunately the Secretary of the Army hasn't finished the study of this matter at this time. Hopefully it can be taken care of in the near future without legislation.

Mr. President, I have worked on all of the projects for the past 7 years and I am supportive of the efforts to authorize the construction of the projects. However, I am disappointed that the Committee on Environment and Public Works and the Committee on Finance has imposed a port-user charge and increased the inland waterway excise tax to fund the construction or rehabilitation of specified navigational lock and dams or harbors.

While these new sources of revenues are disguised as "user charges," it is evident that these charges are new taxes. It is ridiculous to impose a new tax on a faultering industry such as the barge and towing industry. Last year alone over 90 barge companies went out of business. These new changes are in direct conflict with the philosophy of reducing taxes to stimulate economic growth of a depressed industry.

Mr. President, let me state again that I am supportive of legislation to authorize the construction of new water resource development projects, but I am not supportive of the concept to impose new taxes on an industry that is barely surviving and to drastically increase the cost-sharing responsibilities of non-Federal sponsors.

HELENA HARBOR FLOOD CONTROL

Mr. PRYOR. Mr. President, the legislation before us contains authorizations for two of the most important public works projects ever developed in the Arkansas Delta counties of Phillips and Lee. I refer to the Helena Harbor project and the Helena flood control project.

The Helena Harbor project has been under development for several years and has been awaiting congressional authorization since 1979.

Mr. President, this project has been hailed, for as long as I have been in the Senate, as the most important development in Phillips County, and a large portion of eastern Arkansas, to come along in the last decade. I have supported it since its' inception, and have had numerous opportunities during my tenure in the Senate to meet with project sponsors and local civic and community leaders to push the Army along in its study and review process. I am grateful that this process has reached the point it has, and that the committee had the foresight to include it in this bill.

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I want also, at this time, to express a special thanks to Chairman STAFFORD. In 1984, Assistant Secretary of the Army Robert Dawson, who was Acting Assistant Secretary at that time, wrote a letter to the committee indicating that the administration no longer supported the Helena Harbor project and did not consider it to be a development with a Federal interest. I wrote to Chairman STAFFORD at that time and strongly disagreed with Secretary Dawson. I thought he selected a poor time to change the administration's policy. It had been several months by then since he had had the opportunity to testify before the committee. It had been several months since the committee had included the Helena Harbor in its authorization bill.

Chairman STAFFORD wrote back to me and assured me that the Helena Harbor did indeed fit the criteria established by the committee for inclusion in the authorizing legislation. He assured me the project would be in this legislation, and he has been true to his word. I am grateful for his leadership.

The flood control project for Helena is extremely important as well. Helena has experienced three major floods in the last 10 years. Two of those floods exceeded the 100 year frequency flood. This project will cost $13.7 million and I can assure you the damages this project will protect against far out weigh the costs. I am excited that we are about to see progress on this very serious and life threatening problem.

FOURCHE CREEK FLOOD CONTROL PROJECT

Mr. President, it is with relief and pleasure that I acknowledge one of the more important civil works projects contained in the committee's original text of this bill—the Fourche Creek flood control project in Pulaski County, AR.

Relief, that we have finally gotten this project to the point where authorization appears imminent, and construction within sight. Pleasure, from the knowledge that Little Rock and Pulaski County will finally gain relief from serious flood threats.

Mr. President, this project has been ready for authorization and construction for several years now. The failure of the Congress to enact a comprehensive water resources bill in the last several years has held it back. This year the President has requested $760,000 in his proposed fiscal year 1987 budget to initiate construction.

I was Governor of Arkansas in 1978 when devastating flood waters ripped through Little Rock and killed 13 people. With the exception of my colleague, Senator BUMPERS, no one here today knows better than I of the need for this very important civil works project. I want to thank the committee for its diligence and the Army Corps of Engineers for its thoroughness in planning and developing the project.

Mr. QUAYLE. Mr. President, I commend my colleagues on the Environment and Public Works Committee for their diligent work on this legislation, the Water Resources Development Act. Its consideration on the Senate floor today is of significant importance for our Nation's commerce which relies on our inland waterways and coastal ports. Unfortunately, we have witnessed a deterioration of our water resources and a delay of new projects, while we debated the role of the Federal Government in addressing infrastructure costs.

I commend especially the diligent work of the Senator from South Dakota [Mr. ABDNOR], chairman of the Subcommittee on Water Resources, who skillfully negotiated with many interested parties on this water resources bill during the last several years. The bill we have before us today contains a workable, realistic agreement on cost sharing for water project construction and calls for new navigation cost sharing and fees. It limits the amount of money the Secretary of the Army can obligate for civil works construction to $1.3 billion annually through fiscal year 1990. For flood control projects, a minimum 25 percent is required of non-Federal sponsors, which may include the necessary lands, easements, and rights-of-way. I strongly endorse the committee's meticulously crafted cost-sharing provisions and I am pleased to note the participatory role and accord of the administration.

The Water Resources Development Act also contains important deauthorization language. Those projects on which no construction has begun within 10 years of authorization will be terminated automatically, unless further justified by the Secretary of the Army to the public works committees. This automatic deauthorziation would affect over 675 projects, including some in my State of Indiana which date back over 50 years, which would cost the Federal Government $26.4 billion if constructed. In addition, the bill would rescind the Army Corps' authority to conduct studies when no funds have been spent within the last 5 years. This provision will affect some 309 studies which if pursued would cost an estimated $366.5 million. I commend the committee for adopting these stringent guidelines to remove unnecessary and dubious water projects which in all probability will never be funded nor completed.

I also wish to thank the Senator for his consideration of my request for inclusion of two meritorious projects of particular importance to northwest Indiana, a heavily populated, industrialized area which also enjoys some of nature's finest assets, particularly the scenic dunes area along the southern tip of Lake Michigan. The Indiana shoreline erosion project will help protect against further loss of shoreline at the Indiana Dunes National Lakeshore, the Indiana Dunes State Park and the community of Beverly Shores, caused in part by a federally built harbor structure.

The Little Calumet flood control project addresses the flooding problems, navigation, and recreation needs along the Little Calumet River between the Illinois-Indiana State line and the eastern city limits of Gary. The plan calls for the development of a flood warning system and the development of hiking trails. It is the State of Indiana's highest water project priority and enjoys a favorable cost-benefit ratio of 2.5 to 1. The flood control project will provide economic benefits to the entire Calumet region which is a crossroads of the Midwest.

I regret the committee did not include authorization for the Lake George demonstration project in Hobart, as included in the House-passed measure, H.R. 6. Lake George is located in the center of this town of approximately 20,000 people and provides boating, fishing, and swimming activities. Because of continual buildup of sediment brought into Lake George from outside sources including the Deep River, the lake's condition has deteriorated. This authorization would direct a demonstration project for the removal of silt, aquatic growth, and other sediment and for the construction of silt traps to prevent future buildup. The planning and findings of the project are to be coordinated with the Environmental Protection Agency and would be helpful to that Agency in improving the environmental quality of other freshwater lakes throughout the country. I urge my Senate colleagues who will be conferees on this water resources bill to support the Lake George demonstration project as proposed by the House.

Mr. SIMPSON. Mr. President, I am pleased to support S. 1567—the Water Resources Development Act of 1985.

Passage of this legislation is crucial in order to bring about structural reform to the funding of the Army Corps of Engineers and its massive array of water projects thoughout the country.

This omnibus Corps of Engineers legislation will finally implement meaningful cost sharing as a key element in the financing of the water projects. It only makes sense that those who benefit directly from the projects authorized by the bill should financially support the projects. This has always made sense—but it is an inescapable conclusion in the face of the massive Federal deficits and the Gramm-Rudman-Hollings deficit reduction legislation.

Additionally, this legislation will place spending constraints upon the system of corps project authorization and obligation of funds to pay for the projects. As a consequence the bill will limit the corps' construction program and restrict the ability of the corps to alter projects without further review by Congress.

Another structural reform is the shift from the General Treasury of the costs for development, maintenance, and operations of ports—with more of the tab to be picked up by the direct beneficiaries of such expenditures.

Mr. President, I do want to take a moment to comment on the proposed Exon-Zorinsky amendment No. 1694, which I understand was withdrawn on Friday, March 14. I have some very strong concerns over this amendment and if you will indulge me briefly I will explain why I do oppose it.

This amendment purports to control flood damage along the Platte River drainage in the State of Nebraska through a series of "demonstration projects" to be financed by the Federal Government for the purpose of erosion control and prevention.

The amendment is far too limited to fully address the chronic flooding along the Platte River drainage. Flood damage over the years has been along the entire Platte River encompassing parts of Wyoming, Nebraska, and Colorado.

This amendment affects only a small portion of a large flood ravaged area. By attempting to solve the problem in such a piecemeal fashion, we in Congress merely foster the belief of the general public that we are only concerned about Federal spending when it occurs inside of our own political districts.

In addition the measure calls for the complete financial burden of construction to be borne by the Federal Government. We can no longer afford to do that. Indeed, the original legislation from which this amendment came—S. 539—introduced by my colleagues from Nebraska, would have initially authorized $25 million to carry out the provisions of the legislation.

This is even more remarkable when one considers that the extreme erosion problems along this river have at least been partly caused by unwise farming and cultivation techniques. Cost sharing and user fees are at the heart of S. 1567—the underlying measure. This amendment flies in the face of these needed structural reforms. For these reasons I oppose the amendment.

Despite my opposition to this particular amendment, I do support the Water Resources Development Act and commend the very fine work of Senators ABDNOR and MOYNIHAN—for their hours of effort to bring this crucial legislation to the floor for debate. I urge my colleagues to support the bill and vote for its passage.

Mr. DOLE. Mr. President, first of all I would like to thank the members of the Environment and Public Works Committee for their hard work on S. 1567, the Water Resources Development Act. The distinguished chairman of the Committee on Environment and Public Works, Senator STAFFORD; the chairman of the Subcommittee on Water Resources, Senator ABDNOR; and the ranking minority members, Senators BENTSEN and MOYNIHAN, are to be commended for developing a bipartisan compromise on this important piece of legislation—one which has the support of the administration.

COST SHARING AND USER FEES

Mr. President, Congress has been unable to write a new water bill for nearly a decade because of an impass over how costs were to be shared by the Federal Government, States, and local communities. Shifting a larger portion of the costs associated with a water resource project to the localities is consistent with our deficit reduction efforts. This policy encourages States and local communities to more accurately assess the need for, and feasibility of building these projects. No longer will the Federal Government simply write a blank check to cover all the costs of these expensive projects.

In addition, this bill also contains provisions mandating user fees for our Nation's port facilities. Those shipping concerns which directly benefit from the use of ports should not get a wrong signal just because the Federal Government is asking them to share the cost of providing services. After all, their businesses benefit because the Federal Government has underwritten a large portion of the costs. It is only fair that the costs of operating and maintaining our ports should be shared by those who profit from these services.

COST CONTAINMENT FOR SPECIAL PROJECTS

Mr. President, we all know that many of the water projects authorized over the years will never—and should never—be built. The funding process followed by past Congresses has imposed no limits on construction costs or on the price of subsequent operations and maintenance. Appropriations bills have primarily served as a vehicle to fund special projects in Members' home districts, regardless of merit. Particularly in the House, it became a real game to see whose special project would survive the process after a bill was loaded up.

This bill will place an annual obligation ceiling at $1.3 billion for 5 years—another appropriate restraint on congressional spending. It also contains provisions for the deauthorization of old, unnecessary projects. It is my hope that this type of approach will help insure that the merits and needs of these projects will be thoroughly evaluated.

OGALLALA AQUIFER RESEARCH

Of particular concern to this Senator and several of my colleagues is a section amending the Water Resources Act to establish a comprehensive research and development program on the depletion of the Ogallala Aquifer. This aquifer is the largest in the United States and is an important source of water to the High Plains States of Colorado, Nebraska, New Mexico, Oklahoma, Texas, and my home State of Kansas.

All together, there are 14.3 million acres of irrigated land dependent upon the Ogallala Aquifer. Monitoring over the last few years has indicated that the natural recharge is not keeping pace with the rate at which the water is being pumped from the aquifer. In fact, it is estimated that the aquifer is being overdrawn by over 3 million acre-feet annually. If this situation continues, these States will be soon be faced with a critical water shortage.

KANSAS PROJECTS

Mr. President, this legislation authorizes the construction of several important water projects in Kansas.

The city of Halstead, KS, has been plagued for years by flooding from the Little Arkansas River. The city has virtually no protection from a 100-year flood, a flood estimated to occur every 100 years that would inundate the entire city. This bill authorizes construction of a 21,000-foot levee and floodwall along the Little Arkansas River and allows for straightening the river channel.

In 1977 the Kansas City metropolitan area suffered over $66 million in damages due to the flooding of Brush Creek. This bill authorizes $15,770,000 to provide for the deepening of the Brush Creek channel and the replacement of two bridges.

Farmers living along the upper Little Arkansas watershed in central Kansas will receive some protection from the devastating flooding they have suffered in the past. This highly developed agricultural area has suffered from overbank flooding for years. S. 1567 would authorize the building of 18 small dams along the river in an effort to protect this valuable farmland.

Of special interest to southeast Kansas is a section authorizing $3 million for the construction of a paved road to the Pearson-Skubitz Big Hill Reservoir. Since water was impounded at this reservoir in 1981, it has become a popular recreation site. However, the roads leading to this area are unpaved. This legislation authorizes the construction of a safe and paved access road to the reservoir in order to accommodate traffic demands in the area.

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CONCLUDING REMARKS

Mr. President, I urge my colleagues to adopt this important piece of legislation and bring some semblance of orderliness to a process that has been left unaddressed by the past four Congresses.

Mr. BOSCHWITZ. Mr. President, today we are taking the second step toward signing into law an omnibus water resources authorization bill. It has been 10 years since the last water bill became law and it is a great tribute to the Senators involved in this legislation that they were able to work out the contentious issues and bring this bill to the floor.

Past disagreements over user fees, local cost-sharing levels, and which projects should be included have kept this legislation from moving. Thus, I believe Senators Abdnor and Moynihan, Chairmen Stafford and Packwood and ranking members Bentsen and Long, deserve all the accolades we can heap upon them. Without their persistence and tireless efforts we would again be saying, "Well, maybe next year."

Mr. President, having waited so long for this opportunity, I would like to take a little time to share the background on a few of the projects included in this bill.

The city of Rochester, MN, has been struggling with its flood plain problems for years. In 1978, a massive flood caused millions of dollars of damage and made controlling the flood plain the community's number one priority. So by May 1979, the final EIS was filed with the EPA and in 1982 a Soil Conservation Service project to construct seven dams around Rochester was approved. Since then, the SCS has completed plans and specs for the first reservoir and provided the local sponsor with work maps for the acquisition of needed lands for the first three dams.

The local sponsors have acquired the land needed for the first reservoir and some of the land for the others. So far, they have spent $1.2 million for the 1,300 acres. In addition, the city of Rochester began, in 1983, to collect a 1-percent local sales tax to fund its share of the project. Collections started in September 1983 and will continue until they meet the cost-share requirements of S. 1567. Clearly the city and its citizens are ready for actual construction to begin.

Mr. President, this legislation would authorize construction of two short levees as well as the deepening and widening of the Zumbro River channel, Bear Creek, and Cascade Creek. The total cost of the project would be $60,470,000. This construction is necessary because more than one-third of the city of Rochester lies in the Zumbro River flood plain, and estimates of damages if a 100-year flood were to occur are over $100 million.

For the sake of the citizens of Rochester, I hope this bill will quickly become law.

Mr. President, a second project, smaller in scope but equally as important to the community, is located about 80 miles southeast of Rochester, in the corner of the State. Here the problem is nearly annual flooding of the agricultural basin by the Root River. The bill would authorize construction of a 3-mile levee near Houston, MN, as well as a drainage pumping station. The total cost of this project is $8,195,000.

Mr. President, the third authorization I wish to mention is the provision dealing with the Upper Mississippi River Basin Commission Master Plan. The Inland Waterways Authorization Act (Public Law 95-502) directed the commission, in 1978, to develop a comprehensive plan for the management of the river. The commission struggled to develop a master plan that balanced the needs of environment, navigation and recreation. The result was a plan that, while not completely satisfying any of the interests, did indeed balance those interests, as a true compromise must do.

I then introduced legislation in the beginning of the 98th Congress that followed the recommendations of that plan. My legislation, S. 449, authorized funding for a second 600-foot lock at locks and dam 26, Alton, IL; a habitat rehabilitation and enhancement program; a long-term resource monitoring program; and recreation projects for the Upper Mississippi.

Mr. President, the Upper Mississippi is really a unique resource and the locks and dam system that spans it is also unique. For those of you unfamiliar with a lock and dam system, let me spend a moment explaining. A lock and dam system is really a staircase of water which allows river tows to climb or descend as they travel up or down stream. This system keeps the water depth consistent enough to facilitate uninterrupted commercial use. These staircases of water work by having the dams create a series of pools—or lakes—and the locks acts as steps to raise or lower vessels from one pool to the next.

This is important to Upper Mississippi because 699-mile stretch of river from Minneapolis to Granite City, IL, has a very uneven depth and navigation has been impossible during lower water periods. However, with the lock and dam system, the river is kept at a minimum depth of 9 feet and uninterrupted navigation can occur.

The system was first studied by the Corps of Engineers in the 1920's and in 1930 they recommended that work on the 9-foot channel begin as soon as possible. Congress agreed and the system was built between 1930 and 1940.

Locks and dam 26 itself is located in Alton, IL, a strategic position only 15 miles south of the confluence of the Mississippi and Illinois Rivers. Together, the two rivers have sent as much as 75 tons of cargo a year through locks and dam 26. Unfortunately, the practical capacity of No. 26 is only 65 million tons. And at 70 million tons a year, tows often have to wait at least 1 day and sometimes as long as 4 or 5 days to clear locks and dam 26.

Today the Corps of Engineers is trying to correct this bottleneck by constructing a 1,200-foot replacement lock 2 miles south of the existing locks. The new lock will immediately increase the practical capacity to 85 million tons, but does not solve the long-term problem. In the meantime, Minnesota farmers are shouldering the burden of millions of dollars in excess costs whenever traffic is held up by the bottleneck, because transport costs are determined by the hour. This means money, and a 2-day delay is not unusual.

The Corps of Engineers recognized the need for new locks at Alton, IL, in 1969, but Congress did not authorize construction until 1978—and then only authorized one lock instead of two. That the second lock must be immediately authorized is clear.

First, it will take 10 years to fund and build the second lock and navigation projections show the second lock will be needed in the early 1990's. Second, substantial cost savings could occur if the second lock is built at the same time as the first is being constructed; and third, a single lock system will stop all traffic if the one lock is damaged. If you will recall, Mr. President, the Great Lakes and St. Lawrence Seaway shippers suffered a great deal this past fall when the accident and subsequent damage to the Welland Channel occurred. With no auxiliary lock, no river tows would move until repairs are completed. Thus, locks and dam 26 will continue to be a barrier to foreign trade until the second lock is built.

But while the Upper Mississippi River is an important navigational corridor, it is more than that. It is the only inland river in the United States which is both a Federal commercial navigation project and a major national wildlife refuge. Because of that, it has unique demands as well.

The wildlife refuge spans 560 miles, from Wabasha, MN, to St. Louis, MO. Along the banks of this refuge are 290,000 acres of wooded islands, waters, and marshes all largely untouched. The value of this refuge system cannot be over-emphasized. Not only is the Mississippi "flyway" vital to 75 percent of the Nation's migrating waterfowl, but the refuge also plays host to 270 species of birds, 50 species of mammals, 123 species of fish, and 35 species of reptiles and amphibians.

Unfortunately, the backwater areas, the invaluable breeding areas, are slowly being destroyed by sediment deposits. The natural process of heavy rains, spring runoff, and snow melts wash sediment from fields into streams and tributaries. At the same time, deteriorating riverbanks create more sediment. Eventually the sediment is deposited on the inside of river bends and the backwater areas. In fact, since 1939, sediment has changed 25 percent of the open backwater areas to marshland.

We cannot allow this valuable resource to continue to deteriorate unchecked. That is why this bill also contains authorization for a habitat rehabilitation and enhancement program. This program will help to protect and rehabilitate aquatic and terrestrial habitats that may be lost or threatened because of the continuing deterioration of the river.

The program or recreational projects is also authorized as suggested in the master plan and an assessment of the economic benefits generated by recreational activities in the Upper Mississippi River system is also included.

Mr. President, my bill, S. 449, was subsequently attached to the omnibus water legislation that the Environment and Public Works Committee reported out in 1984. However, that bill was not dealt with in the closing days of the 98th Congress. So we were faced with it again this session. I was a cosponsor of Senator Abdnor's and Senator Moynihan's initial water resources bill, introduced on January 31, 1985, as they had retained and incorporated the provisions of my bill from the previous session into their comprehensive package.

So, Mr. President, it is with a great deal of pleasure that I commend my colleagues for their diligence and patience in moving a water bill, putting us in a position where we may, in fact, get a conference report that the President will sign.

Mrs. HAWKINS. Mr. President, the 11 authorities serving the State of Florida have recently brought to my attention a provision of S. 1567 which could cause the ports some very serious difficulties. As you know, section 606 of this bill deals with the ability of ports to impose user fees. As currently drafted, section 606 will make it extremely difficult if not impossible for the ports to meet the new cost-sharing financial obligations required by the legislation.

In order to meet the local cost-sharing requirements of section 602(a) many ports intend to establish a schedule of port user fees. These user fees would secure bond issues which would pay for the upfront local share of dredging costs.

Typically, ports secure bond issues by pledging anticipated revenues from land and facility leases. There are no leases involved in the use of a public navigation channel. Unless a port is able to guarantee to an investor that after a specific period of time, between 30 and 120 days, that the integrity of fee schedules will not be contested in court, investors will be unlikely to issue bonds or will do so only at an extremely high interest rate.

The alternative would be to delay bond issuance until the State statute of limitations expires which, in the case of Florida, extends as long as 4 years.

I commend the chairman of the Finance Committee and the chairman of the Environment and Public Works Committee for moving ahead on this important piece of legislation; however, I do not believe that it is either committee's intent that these necessary port improvement measures be delayed.

A statute of limitations providing a reasonable and finite period of time for the proposed fee schedules to be contested would provide a measure of certainty to port operations and alleviate many of the financial community's concerns.

I reiterate the comments made by my distinguished colleague from the State of Louisiana, Senator Long, on March 14, and I urge that a reasonable time limitation agreeable to all interested parties be worked out in conference. I trust that I may have the assurances of the chairman that the Senate conferees will consider this issue and work toward a reasonable solution.

Mr. MITCHELL. Mr. President, it has been many years since Congress enacted comprehensive water resources development legislation. This measure, the Water Resources Development Act of 1986 has many provisions which I support and which are important to me and other Members of the Senate.

I am particularly pleased that the measure includes a number of amendments which I introduced on behalf of Maine.

First, $3.43 million is authorized for a project to demonstrate sound farming practices in the St. John River basin. An irrigation system would provide a constant source of water to crops resulting in increased yields and improved quality of produce.

Second, $10 million is authorized to study the effects of potential tidal power projects in the Bay of Fundy. Such projects could increase the tidal fluctuation along the Maine coast resulting in incresed storm damage and altered fisheries and shellfish production.

Third, $21.7 million would be provided for improvements to Portsmouth Harbor. These changes would address unsafe and inefficient navigation conditions at Portsmouth.

Fourth, fresh fish would be exempt from a new ad valorem tax on cargo entering U.S. ports. In addition, cargo entering ports which do not receive Federal operations funding would be exempt from the tax.

Title VII of the Water Resources Development Act pertains to non-Federal cost sharing for operation and maintenance of federally authorized ports. This provision is intended to recover up to 40 percent of the nationwide costs for port operations and maintenance. The funds would be provided through an ad valorem tax equal to 4 cents for every $100 worth of cargo being transported.

As originally proposed, the tax, or user fee, would have been imposed on cargo entering all ports, regardless of whether such ports are federally authorized and eligible for Federal maintenance money. Even small fishing villages in Maine and other States would have been included.

In addition, the tax would have been imposed on cargo entering all Federal ports, regardless of whether such ports receive Federal maintenance money.

I am very pleased that the bill would now apply the tax only to federally authorized ports which have received Federal funds since 1977. Thus, ports such as Eastport, which have been deauthorized, and ports such as Searsport, which have never received Federal funds, would not be subject to the tax. These restrictions greatly enhance the fairness of the proposal.

Again, I am pleased that this measure is receiving long-awaited consideration by the Senate. It is an important bill which addresses the water development needs of many States including Maine and I urge its adoption.

Mr. CHILES. Mr. President, the legislation before us today, the Omnibus Water Resources Act of 1986, S. 1567, contains an important provision dealing with the Cross-Florida Barge Canal. When the Senate passes this bill it will mark the third time this body has voted in favor of stopping the construction of this economically and environmentally unsound public works project. Until recently, however, our efforts in the Senate to deauthorize the project have met strong opposition in the House.

Last year, though, we saw a major breakthrough in longstanding efforts to kill this canal project. This breakthrough came when the House of Representatives included in their version of water resources legislation a compromise proposal on the Cross-Florida Barge Canal.

As a long time proponent of barge canal deauthorization, I was pleased to see the House act favorably on the legislation. Although the compromise was

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not exactly what I had originally envisioned, it did meet the primary objective. The proposal puts to rest once and for all the idea that the Cross-Florida Barge Canal will be built. For this reason I requested that the Senate committee include this proposal in the water resources bill before us today, S. 1567.

The barge canal compromise deauthorizes the portions of the canal project not yet completed. The completed portions of the canal would remain under the jurisdiction of the Corps of Engineers. The legislation also establishes the Cross-Florida Conservation Area which would include the State-held lands acquired for canal purposes. The proposal calls for the Federal Government to pay the State $32 million for these lands. These funds would then be passed through to six Florida counties—Duval, Clay, Putnam, Marion, Levy, and Citrus, in amounts proportional to the counties' original contributions to the canal project.

While the committee has recommended minor technical amendments for clarification purposes, the provision in the bill before us is identical in purpose to that which has cleared the House of Representatives. For this reason I am confident this proposal will move quickly through Congress and set the stage for resolving the many and complex issues surrounding the Cross-Florida Barge Canal project.

The controversy over the barge canal project dates back to the late 1960's when concerns surfaced about the adverse environmental impacts associated with completing the construction of the canal. In 1976 the Governor and members of the elected Florida cabinet agreed to a resolution opposing completion of the project and requested that Congress deauthorize the project. The State's strong support for deauthorization prompted my introduction of legislation in 1977 and led ultimately to Senate passage of legislation in 1978. The past 10 years have seen studies and restudies of the barge canal, but through it all we have seen an intense and continual outpouring of public interest and concern about the water quality and environmental problems associated with the canal's completion.

The Senate vote on this proposal marks the beginning of a new chapter of the lengthy stage of the Cross-Florida Barge Canal. The enactment of this compromise proposal into law will be the final chapter and will satisfy the overriding concerns people in Florida have had regarding the Cross-Florida Barge Canal.

Mr. SIMON. Mr. President, I want to thank the chairman, Senators Bentsen, Abdnor, and Moynihan for their work in getting this water resources bill to the floor for consideration. I understand that it has been 16 years since the Senate passed a comparable bill and I, for one. look forward to passing S. 1567.

I would further like to commend the committee staff for their cooperation in language pertaining to the protection of the Great Lakes, both in clarifying the role of the Great Lakes States and Congress with regard to diversion and most specifically with regard to the authorization of a study to address the rising lake levels and the shoreline erosion that has resulted. The rising levels of the Great Lakes is quickly reaching crisis proportion. The impacts are pronounced and painfully evident. At Indiana Dunes National Lakeshore on Lake Michigan, a major scenic road has been closed and lakefront homes are threatened. On Lake Erie's Sandusky Bay in Ohio, farm fields are flooded, threatening their use for 27,000 acres of corn, soybeans, wheat, and oats. In Algonac, MI, homeowners are filling their basements with sand and sealing them off, moving their furnaces and water heaters to the first floors, hoping to avoid the loss of their homes. And near Chicago on Lake Michigan, homeowners are desperately trying to prevent further damage to property that is occurring due to the encroaching lake.

On March 6, 1986, the New York Times published an Army Corps of Engineers graph that clearly portrays the problem. Lakes Michigan, Huron, and Erie are at record height. Lake Superior is only 1.9 inches below record and Ontario, 7 inches below record.

A section of the committee amendment will address this problem. The amendment authorizes the Secretary of the Army to work with the National Oceanic and Atmospheric Administration, the Federal Emergency Management Agency, the International Joint Commission, and other appropriate Federal, State, and local agencies, as well as the private sector, to study shoreline protection and beach erosion control policies and to address the problems of current and expected future shoreline erosion damage on the Great Lakes and connecting channels as a result of abnormally high water levels.

The study would do three things. First it would assess shoreline damages occurring on the Great Lakes and connecting channels as a result of record high water levels. This analysis would examine the impact of existing and anticipated shoreline erosion losses and damages to coastal property. It would also examine National Flood Insurance Program policies relating to shoreline erosion and flooding to determine if changes should be recommended.

Second, the study would continue scientific investigations aimed at analyzing the impact that long-term weather cycles might have on Great Lakes water levels. It will be extremely important to determine whether our brief record of Great Lakes water levels is sufficient to predict future water levels or if additional investigation is warranted. Will these current record high water levels be considered average in the future?

Third, this study will we examine if changes in inflows and outflows of existing structures on the Great Lakes system may be desirable to reduce shoreline damages during high lake levels. I am aware of various proposals that would legislate increased diversion at various Great Lakes locations. It is my sense that authorizing such diversions without knowing the potential impacts would be foolish.

Mr. President, the shoreline and beach erosion which is occurring along the Great Lakes must be addressed immediately. The rising levels of the Great Lakes threatens not merely the recreation in that area, but the actual safety of homeowners along the shores of the Great Lakes. The committee's actions will allow us to take steps to address the situation. I appreciate that a good amount of time is necessary to complete these studies. But I would urge the corps and the various agencies involved to speed up that process in consideration of the urgency and timeliness of this problem. To the extent to which it is possible for the corps to report back to Congress in a fashion more timely than the 3 years indicated in this language, I would strongly urge them to do so. It would be my hope that the quality and substance of the study would not be compromised by such expediency.

Mr. BYRD. Mr. President, an aspect of section 701 which concerns me is the retroactive application of these cost-sharing principles to "separable elements" of the Tug Fork Flood Protection Program. This program was authorized and directed to be completed at "full Federal" expense by the fiscal year 1981 energy and water development appropriation bill. Congress recognized at that time that the local communities in the Tug Fork Valley needed expensive flood control measures but did not have the ability to pay for the construction of these measures such as flood walls and relocation efforts. In fact, the 14 major floods which have occurred in the Tug Fork Valley in this century are largely responsible for hampering economic development which might otherwise permit these communities to cost share. So, we have a chicken and egg situation. If these communities were not flooded regularly, the large recoverable coal reserves of more than 8 billion tons in the Tug Fork Valley alone would probably support an economic infrastructure that could afford some degree of flood protection. But, Mr. President, that is not the case. These communities have been severely flooded on an average of once every 5 years and for that reason are unable to afford the very flood protection which they so desperately need.

Now, as I have said, Congress made a commitment to construct these flood protection measures in the Tug Fork Valley and other 202 program areas at full Federal expense. I think it is unfair and unreasonable to have retrospective provisions, such as section 701 of this bill, which could be used to void a specific commitment which we in Congress had previously made. During the past 2 weeks, I have met with Office of Management and Budget Director James Miller on this subject as well as held extensive meetings with Mr. Robert Dawson, Assistant Secretary of the Army for Civil Works, and officials of the Corps of Engineers, and also with a number of my colleagues and local officials from the Tug Fork Valley in an effort to resolve this issue.

Mr. President, I would like at this time to include in the Record a letter from Mr. Dawson which identifies those communities in the Tug Fork Valley "grandfathered" under the old legislation which does not require cost sharing.

In summary then, Mr. President, I am not entirely satisfied with this bill, but I understand that a number of my colleagues want this bill to go forward quickly because of the 180 some projects which it authorizes. I know that Mr. Dawson is a man of his word, and that he will do what he can to see that the people of the Tug Fork Valley and other 202 program areas are treated fairly with respect to future cost-sharing requirements.

I ask unanimous consent that the letter addressed to me by Mr. Dawson be included in the Record at this point.

There being no objection, the letter was ordered to be printed in the Record, as follows:

Department of the Army,
Office of the Assistant Secretary,
Washington, DC, March 26, 1986.

Hon. Robert C. Byrd,
U.S. Senate, Washington, DC.

Dear Senator Byrd: This is in response to your request for our evaluation of Section 701, S. 1567 as it pertains to the Section 202 Flood Damage Prevention Program in West Virginia, Kentucky and Virginia. Specifically you inquired as to which communities would not be subject to the new cost sharing prescribed in S. 1567.

The Section 202 program will be affected to the extent that separable elements are not under physical construction by May 15, 1986. Based on our detailed analysis of the various separable elements, we find the following are, or will be, under physical construction by May 15, 1986.

WEST VIRGINIA

Williamson—Structural/nonstructural proj- ect and adjacent channel work, including West Williamson, the Central Business District, Fairview, East Williamson and the Valley View relocation site.

Matewan—Structural/nonstructural project including the downtown business district, Mate Creek area, nonstructural relocations and flood proofing and necessary relocation sities.

KENTUCKY

Pineville—Structural/nonstructural project including levees, floodwalls, joint highway relocations with the Kentucky Department of Transportation, and nonstructural relocations and flood proofing.

South Williamson—Structural/nonstructural project including levees, floodwalls and nonstructural relocation and flood proofing measures.

In addition to these projects, we have completed a major stream channel cutoff at Barbourville, Kentucky which in conjunction with the existing levee/floodwall, provides protection for the April 1977 flood level.

We recognize, as did Congress in previous Acts, that some of the remaining communities covered by the Section 202 program may have difficulty in paying their full share that would normally apply under Section 701(a) and intend to fully consider the ability to pay provisions prescribed in Section 701(h).

The Office of Management and Budget advises that there is no objection to the presentation of this letter from the standpoint of the Administration's program.

Sincerely,

Robert K. Dawson,
Assistant Secretary of the Army
(Civil Works).

Mr. STAFFORD addressed the Chair.

The PRESIDING OFFICER. The Senator from Vermont.

Mr. STAFFORD. I know of no further amendments to the bill. I do not believe there are any.

Mr. MOYNIHAN. Mr. President, there are no amendments on this side.

The PRESIDING OFFICER. The question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed for a third reading and was read the third time.

Mr. STAFFORD. Mr. President, I ask unanimous consent that the Senate proceed to the consideration of Calendar No. 425, H.R. 6.

The PRESIDING OFFICER. Is there objection? Without objection, it is so ordered.

The bill will be stated by title. The assistant legislative clerk reads as follows:

A bill (H.R. 6) to provide for the conservation and development of water and related resources, and the improvement and rehabilitation of the Nation's water resources infrastructure.

Mr. STAFFORD. Mr. President, I move to strike all of H.R. 6 after the enacting clause and substitute the language of S. 1567, as amended.

The PRESIDING OFFICER. The question is on agreeing to the motion of the Senator from Vermont.

The motion was agreed to.

The PRESIDING OFFICER. The question is on the engrossment of the amendment and the third reading of the bill.

The amendment was ordered to be engrossed and the bill to be read a third time.

The bill was read the third time.

The PRESIDING OFFICER. The bill having been read the third time, the question is, Shall it pass?

The bill (H.R. 6), as amended, was passed.

S. 1567

That this Act may be cited as the "Water Resources Development Act of 1986".

TITLE I

Notwithstanding any other provision of law, the Secretary of the Army (hereinafter in this Act referred to as the "Secretary"), shall, from funds appropriated, obligate no sums in excess of the sums specified in this title for the combined purpose of the "Construction, General" account and the "Flood Control, Mississippi River and Tributaries" account:

(1) For the fiscal year ending September 30, 1987, the sum of $1,300,000,000.

(2) For the fiscal year ending September 30, 1988, the sum of $1,300,000,000.

(3) For the fiscal year ending September 30, 1989, the sum of $1,300,000,000.

(4) For the fiscal year ending September 30, 1990, the sum of $1,300,000,000.

(5) For the fiscal year ending September 30, 1991, the sum of $1,300,000,000.

Nothing contained herein limits or otherwise amends authority conferred under section 10 of the River and Harbor Act of September 22, 1922 (42 Stat. 1043; 33 U.S.C. 621). Any amounts obligated against funds furnished or reimbursed during each such fiscal year by Federal or non-Federal interest shall not be counted against the limitation on obligations provided for in this Act.

TITLE II—GENERAL PROVISIONS

Sec. 201. (a) Prior to the initiation of construction of any water resources project authorized prior to this Act, in this Act, or subsequent to this Act, which is under the jurisdiction of the Secretary and which can be anticipated to provide flood control benefits, more than 10 per centum of which can be attributed to an increase in anticipated landvalues to a land owner, the non-Federal sponsor shall agree to pay, for deposit into the Treasury, during the period of construction, 50 per centum of that portion of the project's costs allocated to such land owner's benefit. Such payment is in addition to any other requirements on the non-Federal sponsor for the sharing of project costs.

(b) For any study initiated by the Secretary subsequent to the enactment of this Act, the Secretary shall, if appropriate, include information in such study report on the likelihood that the requirements of subsection (a) of this section are applicable.

Sec. 202. Any report describing a project having recreation benefits that is submitted subsequent to the enactment of this Act to the Committee on Environment and Public Works of the Senate or the Committee on Public Works and Transportation of the House of Representatives by the Secretary, or by the Secretary of Agriculture under authority of Public Law 83-566, as amended, shall describe the usage of other, similar public recreational facilities within the general area of the project, and the anticipated impact of the proposed project on the usage of such existing recreational facilities.

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Sec. 203. (a) Any project, or separable element thereof, that is under the responsibility of the Secretary, and for which construction has not commenced within ten years following the date of the authorization of such project, shall no longer be authorized after such ten-year period unless the Secretary, after consultation with the affected State or States, notifies the Committee on Environment and Public Works of the Senate and the Committee on Public Works and Transportation of the House of Representatives that continued authorization of such project, or separable element thereof, remains needed and justified.

(b) Any project, or separable element thereof, qualifying for deauthorization under the terms of this section upon enactment of this Act or which will qualify within one year of enactment of this Act, shall not be deauthorized until such one year period has elapsed.

Sec. 204. Any study authorized by any resolution of a committee or Act of Congress to be undertaken by the Secretary is automatically rescinded and is no longer authorized if no funds are appropriated for such study within five full fiscal years following its approval.

Sec. 205. The second sentence of the definition of "work of improvement", contained in section 2 of Public Law 83-568, as amended, is further amended by adding after $5,000,000" the following: "but not more than $10,000,000, for any projects submitted to the Committee on Environment and Public Works of the Senate and the Committee on Public Works and Transportation of the House of Representatives after January 1, 1986: *Provided*, That any such project with an anticipated Federal cost exceeding $10,000,000 must be authorized by Act of Congress.".

Sec. 206. Section 2 of Public Law 83-566, as amended, is further amended by deleting the period and inserting a colon at the conclusion of the proviso, and adding the following: "*And provided further*, That each such project submitted to the Committee on Environment and Public Works of the Senate and the Committee on Public Works and Transportation of the House of Representatives after July 1, 1987, must contain benefits directly related to agriculture that account for at least 20 per centum of the total benefits of the project.".

Sec. 207. The Secretary of Agriculture, acting through the Administrator of the Soil Conservation Service, shall study and report to the appropriate committees of the Senate and the House of Representatives April 1, 1987, on the feasibility, the desirability, and the public interest involved in requiring that full public access be provided to any or all water impoundments that have recreation-related potential and that were authorized pursuant to Public Law 83-566, as amended.

Sec. 208. Subsection (a) of section 134 of Public Law 94-587 is amended to read as follows:

"(a) The Secretary of the Army, as expeditiously as possible, shall institute a procedure enabling the engineer officer in charge of each district under the direction of the Chief of Engineers to certify, at the request of non-Federal interests, that particular local improvements for flood control can reasonably be expected to be compatible with a specific, potential project then under study or other form of consideration. Such certification shall be interpreted to assure interests that they may go forward to construct such compatible improvements at non-Federal expense with the understanding that such improvements can be reasonably expected to be included within the scope of the Federal project, if later authorized, both for the purposes of analyzing the cost and benefits of the project and assessing the local participation in the noncash contribution toward such project. In no event shall this section be utilzied to overturn agreements made prior to the enactment of the Water Resources Development Act of 1985.".

Sec. 209. (a) The Secretary shall undertake a program of research for the control of river ice, and to assist communities in breaking up such ice, which otherwise is likely to cause or aggravate flood damage or severe streambank erosion.

(b) The Secretary is further authorized to provide technical assistance to local units of government to implement local plans to control or break up river ice. As part of such authority, the Secretary shall require necessary ice-control or ice-breaking equipment, which shall be loaned to local units of government together with operating assistance, where appropriate.

(c) For the purposes of subsections (a) and (b) of this section, the sum of $5,000,000 is authorized to be appropriated to the Secretary in each of the fiscal years ending September 30, 1987, through September 30, 1991, such sums to remain available until expended.

(d) To implement further the purposes of this section, the Secretary, in consultation and cooperation with local officials, is authorized and directed to undertake a demonstration program for the control of river ice at Hardwick, Vermont. The work authorized by this subsection shall be designed to minimize the danger of flooding due to ice problems in the vicinity of such community. In the design, construction, and location of ice-control structures for this project, full consideration will be given to the recreational, scenic, and environmental values of the reach of river affected by the project, in order to minimize project impacts on these values. Full opportunity shall be given to interested environmental and recreational organizations to participate in such planning. For the purposes of this subsection, the sum of $900,000 is authorized to be appropriated to the Secretary for the fiscal year ending September 30, 1987, or thereafter, such sum to remain available until expended.

(e)(1) The Secretary is directed to complete an experimental program placing screens in the Salmon River in the vicinity of Salmon, Idaho, to trap frazzle ice, and thus eliminate flooding caused by ice dams in the river. Within one year of the enactment of this Act, the Secretary shall report to the Congress of the feasibility of such experiment, including consideration of any adverse environmental or social effects that could result from such experiment. If, in the Secretary's judgment, such experiment is not feasible or acceptable, the Secretary is authorized to consult with local public interests to develop a plan that is workable and practical, then submit such plan to Congress.

(2) For the purposes of this subsection, there is authorized to be appropriated to the Secretary the sum of $1,000,000 for the fiscal year ending September 30, 1987, or thereafter, such sum to remain available until expended.

(b) No later than March 1, 1989, the Secretary shall report to the Congress on activities under this section.

Sec. 210. (a) The Secretary shall, upon the request of local public officials, survey the potential and methods for rehabilitating former industrial sites, millraces, and similar types of facilities already constructed for use as hydroelectric facilities. The Secretary shall, upon request, provide technical assistance to local public agencies, including electric cooperatives, in designing projects to rehabilitate sites that have been surveyed, or are qualified for such survey, under this section.

(b) There is authorized to be appropriated to the Secretary, to implement this section, the sum of $5,000,000 for each of the fiscal years ending September 30, 1987 through September 30, 1991, such sums to remain available until expended.

Sec. 211. (a) Section 221(a) of the Flood Control Act of 1970 (Public Law 91-611) is amended by inserting the words ", or an acceptable separable element thereof" immediately after "water resources project"; and the words "or the appropriate element of the project, as the case may be" immediately after "for the project.".

(b) Section 221(b) of the Flood Control Act of 1970 (Public Law 91-611) is amended by deleting the period at the end thereof, inserting a colon, and adding the following: "*Provided*, That where the non-Federal interest is the State itself, or a body politic of the State which derives its powers from the State constitution, or a governmental entity created by the State legislature, the agreement may reflect that it does not obligate future legislative appropriations or other funds for such performance and payment when obligating future appropriations or other funds would be inconsistent with State constitutional limitations.".

(c) (1) The Secretary, in consultation with the Secretary of the Treasury, shall promulgate by rule provisions governing penalties and interest for any payments by non-Federal interests required pursuant to section 221(b) of the Flood Control Act of 1970 that may fall delinquent.

(2) The interest rate to be charged on any such delinquent payment shall be at a rate, to be determined by the Secretary of the Treasury, equal to 150 per centum of the average bond equivalent rate of the thirteen-week Treasury bills auctioned immediately prior to the date on which such payment became delinquent, or auctioned immediately prior to the beginning of each additional three-month period if the period of delinquency exceeds three months.

(d) The Secretary is authorized to determine that no funds appropriated to the Corps of Engineers for operation and maintenance, including operation and maintenance of the project for flood control, Mississippi River and Tributaries, are to be used for the particular benefit of projects within the jurisdiction of any non-Federal interest when such non-Federal interest is in arrears for more than twenty-four months in the payment of charges due under an agreement entered into with the United States pursuant to section 221(b) of the Flood Control Act of 1970 (Public Law 91-611).

Sec. 212. (a) Notwithstanding any other provision of law, construction or modification of any project, or separable element thereof, authorized in this Act and under the responsibility of the Secretary shall not commence until the project has been studied by the Chief of Engineers and reported favorably thereon.

(b) No work on any project, or portion thereof, authorized by this Act shall be initiated by the Secretary unless development of the project complies with the terms of the National Environmental Policy Act (42 U.S.C. 4341), as amended.

Sec. 213. Subject to the provisions and requirements of titles V, VI, and VII of this Act, the sums to be obligated for any project authorized by this Act shall not exceed the sum listed in this Act for the specific project, as of the month and year listed for such project (or, if no date is listed, the cost shall be considered to be as of the date of enactment of this Act), plus such amounts, if any, as may be justified solely by reason of increases in construction costs, as determined by engineering cost indices applicable to the type of construction involved, and by reason of increases in land costs; plus no more than 10 per centum of the base figure if attributable solely to cost increases resulting from modifications due to engineering, economic, and environmental considerations which the Secretary determines are advisable and which do not violate any of the parameters established in Section 218 of this Act.

Sec. 214. The Secretary shall not require, under section 4 of the Flood Control Act of December 22, 1944 (58 Stat. 889), and the Federal Water Project Recreation Act, non-Federal interests to assume operation and maintenance of any recreational facility operated by the Secretary at any water resources project as a condition for the construction of new recreational facilities at such project or any other water resources project.

Sec. 215. (a) The Secretary may enter into a contract providing for the payment or recovery of an appropriate share of the costs of a project under his responsibility with a Federal Project Repayment District or other political subdivision of a State prior to the construction, operation, improvement, or financing of such project. The Federal Project Repayment District shall include lands and improvements which receive identifiable benefits from the construction or operation of such project. Such districts shall be established in accordance with State law, shall have specific boundaries which may be changed from time to time based upon further evaluation of benefits, and shall include the power to collect a portion of the transfer price from any transaction involving the sale, transfer, or change in beneficial ownership of lands and improvements within the district boundaries.

(b) Prior to execution of an agreement pursuant to subsection (a) of this section, the Secretary shall require and approve a study from the State or political subdivision demonstrating that the revenues to be derived from a contract under this section, or an agreement with a Federal Project Repayment District, will be sufficient to equal or exceed the cost recovery requirements over the term of repayment required by Federal law.

Sec. 216. Section 202 of the Flood Control Act of 1968 (Public Law 90-483) shall apply to all projects authorized by this Act.

Sec. 217. Section 111 of the River and Harbor Act of 1968 (82 Stat. 735, 33 U.S.C. 426i) is amended to read as follows:

"The Secretary of the Army is authorized, at his discretion, to investigate, study, plan, and implement structural and nonstructural measures for the prevention or mitigation of shore damages attributable to Federal navigation works: *Provided*, That a non-Federal public body agrees to operate and maintain such measures, and, in the case of interests in real property acquired in conjunction with nonstructural measures, to operate and maintain the property for public purposes in accordance with regulations prescribed by the Secretary. The costs of implementing measures under this section shall be cost-shared in the same proportion as the cost-sharing provisions applicable to the project causing the shore damage. No project shall be initiated without specific authorization by Congress if the Federal first cost exceeds $1,000,000.".

Sec. 218. (a) Notwithstanding any other provision of law, the Secretary shall not initiate the construction of any water resources project, or separable element thereof, if such project has been modified to increase any of the following project parameters by more than 25 per centum:

(1) acreage of land acquisition;

(2) reservoir capacity;

(3) width or depth of any navigation channel;

(4) hydroelectric generating capacity; or

(5) linear miles of stream channelization.

(b) Not later than one hundred and eighty days after a water resource project is proposed by the Secretary to be modified in excess of the limitation described in subsection (a) of this section, the Secretary shall prepare and transmit to Congress a report identifying such project and describing the extent of the proposed modification, together with his recommendations thereon, accompanied by the views of other appropriate Federal and non-Federal agencies.

Sec. 219. (a) The Congress finds that—

(1) the Ogallala aquifer lies beneath, and provides needed water supplies to, the six States of the High Plains, Region: Colorado, Kansas, Nebraska, New Mexico, Oklahoma, and Texas;

(2) the High Plains region has become an important source of agricultural commodities and livestock for domestic and international markets, providing 15 per centum of the Nation's supply of wheat, corn, feed grains, sorghum, and cotton, plus 38 per centum of the value of livestock raised in the United States; and

(3) annual precipitation in the High Plains region ranges from fifteen to twenty-two inches, providing inadequate supplies of sourface water and recharging of the Ogallala aquifer needed to sustain the agricultural productivity and economic vitality of the High Plains region.

(b) It is, therefore, the purpose of this section to establish a comprehensive research and development program to assist those portions of the High Plains region dependent on water from the Ogallala aquifer to—

(1) plan for the development of an adequate supply of water in the region;

(2) develop and provide information and technical assistance concerning water-conservation management practices to agricultural producers in the region;

(3) examine alternatives for the development of an adequate supply of water for the region; and

(4) develop water-conservation management practices which are efficient for agricultural producers in the region.

(c) The Water Resources Research Act (Public Law 98-242) is amended by adding at the end thereof the following new title:

"TITLE III—OGALLALA AQUIFER RESEARCH AND DEVELOPMENT

"Sec. 301. (a) There is hereby established the High Plains Study Council composed of—

"(1) the Governor of each State of the High Plains region (defined for the purposes of this title as the States of Colorado, Kansas, Nebraska, New Mexico, Oklahoma, and Texas, and referred to hereinafter in this title as the 'High Plains region'), or a designee of the Governor;

"(2) a representative of the Department of Agriculture; and

"(3) a representative of the Secretary.

"(b) The Council established pursuant to this section shall—

"(1) review research work being performed by each State committee established under section 302 of this Act; and

"(2) coordinate such research efforts to avoid duplication of research and to assist in the development of research plans with each State of the High Plains region that will benefit the research needs of the entire region.

"Sec. 302. (a) The Secretary shall establish within each State of the High Plains region an Ogallala aquifer technical advisory comittee (hereinafter in this title referred to as the 'State committee'). Each State committee shall be composed of no more than seven members, including—

"(1) a representative of the United States Department of Agriculture;

"(2) a representative of the Secretary; and

"(3) at the appointment of the Governor of the State, five representatives from agencies of that State having jurisdiction over water resources, the agricultural community, the State Water Research Institute (as designed under this Act), and others with a special interest or expertise in water resources.

"(b) The State committee established pursuant to subsection (a) of this section shall—

"(1) review existing State laws and institutions concerning water management and, where appropriate, recommend changes to improve State or local management capabilities and more efficiently use the waters of such State, if such a review is not already being undertaken by the State;

"(2) establish, in coordination with other State committees, State priorities for research and demonstration projects involving water resources; and

"(3) provide public information, education, extension, and technical assistance on the need for water conservation and information on proven and cost-effective water management.

"(c) each State committee established pursuant to this section shall elect a chairman, and shall meet at least once every three months at the call of the chairman, unless the chairman determines, after consultation with a majority of the members of the committee, that such a meeting is not necessary to achieve the purposes of this section.

"Sec. 303. The Secretary shall annually allocate among the States of the High Plains region funds authorized to be appropriated for this section for research in—

"(1) water-use efficiency;

"(2) cultural methods;

"(3) irrigation technologies;

"(4) water-efficient crops; and

"(5) water and soil conservation.

Funds distributed under this section shall be allocated to each State committee for use by institution of higher education within each State. To qualify for funds under this section an institution of higher education shall submit a proposal to the State committee describing the costs, methods, and goals of the proposed research. Proposals shall be selected by the State committee on the basis of merit.

"Sec. 304. The Secretary shall annually divide funds authorized to be appropriated

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under this section among the States of the High Plains region for research into—

"(1) precipitation management;

"(2) weather modification;

"(3) aquifer recharge opportunities;

"(4) saline water uses;

"(5) desalinization technologies;

"(6) salt tolerant crops; and

"(7) ground water recovery.

Funds distributed under this section shall be allocated by the Secretary to the State committee for distribution to institutions of higher education within such State. To qualify for a grant under this section, an institution of higher education shall submit a research proposal to the State committee describing the costs, methods, and goals of the proposed research. Proposals shall be selected by the State committee on the basis of merit.

"SEC. 305. The Secretary shall annually allocate among the States of the High Plains region funds authorized to be appropriated under this section for grants to farmers for demonstration projects for—

"(1) water-efficient irrigation technologies and practices;

"(2) soil and water conservation management systems; and

"(3) the growing and marketing of more water-efficient crops.

Grants under this section shall be made by each State committee in amounts not to exceed 85 per centum of the cost of each demonstration project. To qualify for a grant under this section, a farmer shall submit a proposal to the State committee describing the costs, methods, and goals of the proposed project. Proposals shall be selected by the State committee on the basis of merit. Each State committee shall monitor each demonstration project to assure proper implementation and make the results of the project available to other State committees.

"SEC. 306. The Secretary, acting through the United States Geological Survey and in cooperation with the States of the High Plains region, is authorized and directed to monitor the levels of the Ogallala aquifer, and report annually to Congress.

"SEC. 307. Not later than one year after the date of enactment of this title, and at intervals of one year thereafter, the Secretary shall prepare and transmit to the Congress a report on activities undertaken under this title.

"SEC. 308. (a) For each of the fiscal years ending September 30, 1987, through September 30, 1991, the following sums are authorized to be appropriated to the Secretary to implement the following sections of this title, and such sums shall remain available until expended:

"(1) $500,000 for the purposes of section 302;

"(2) $3,000,000 for the purposes of section 303;

"(3) $1,500,000 for the purposes of section 304;

"(4) $4,000,000 for the purposes of section 305; and

"(5) $500,000 for the purposes of section 306.

"(b) Funds made available under this title for distribution to the States of the High Plains region shall be distributed equally among the States.".

SEC. 220. Whenever the Secretary transmits a report to Congress recommending implementation of a water resources development project and the Secretary determines that proceeding with advance engineering and design pending authorization of the project is in the public interest, the Secretary may initiate advance engineering and design of the project.

SEC. 221. (a) The Congress finds that increasing scientific evidence indicates the level of the oceans will rise significantly over the next seventy-five years.

(b) The Secretary, in cooperation with the National Oceanic and Atmospheric Administration, the Federal Emergency Management Agency, and other appropriate Federal, State, and local agencies and the private sector, is authorized to conduct a study of shoreline protection and beach erosion control policy and related projects of the Secretary, in view of the prospect for long-term increases in the levels of the ocean. Such study shall include, but is not limited to—

(1) an assessment of the probability and the extent of coastal flooding and erosion;

(2) an appraisal of various strategies for managing relocation, disinvestment, and reinvestment in coastal communities exposed to coastal flooding and erosion;

(3) a summary of the legal and institutional impact of rising sea level on riparian lands; and,

(4) recommendations for new or additional criteria for Federal participation in shoreline protection projects.

(c) Within three years after the date of enactment of this Act, the Secretary shall transmit the study prepared pursuant to subsection (b) of this section, together with supporting documentation and the recommendations of the Secretary, to the Committee on Environment and Public Works of the Senate and the Committee on Public Works and Transportation of the House of Representatives.

(d) For the purposes of this section, there is authorized to be appropriated to the Secretary for the fiscal year ending September 30, 1986, or thereafter, the sum of $3,000,000, such sum to remain available until expended.

SEC. 222. During the design of each water resources project which has a cost in excess of $10,000,000 and which was authorized prior to, in, or subsequent to this Act and undertaken by the Secretary, on which construction has not been initiated as of the date of enactment of this Act, the Secretary shall require a review of the cost effectiveness of such design. The review shall employ cost control techniques which will ensure that such project is designed in the most cost-effective way for the life of the project.

SEC. 223. (a) In the case of any water resources preauthorization study undertaken by the Secretary, the Secretary shall prepare a feasibility report. Such feasibility report shall describe, for each alternative analyzed, the national economic development benefits and costs, the environmental quality impacts, and other impacts of concern to Federal, State, local, and international entities, including appropriate levels of non-Federal financing and the ability of non-Federal interests to contribute such levels. The feasibility report shall also include the views of other Federal agencies and non-Federal agencies with regard to the recommended plan. This subsection shall not apply to any study with respect to which a report has been submitted to Congress before the date of enactment of this Act, or for a study related to any project authorization in this Act.

(b) Before initiating any feasibility study under subsection (a) of this section, if such study had not been initiated prior to enactment of this Act, the Secretary shall first perform, at Federal expense, a reconnaissance of the water resources problem in order to identify potential solutions to such problem in sufficient detail to enable the Secretary to determine whether or not planning to develop a project should proceed to the preparation of a feasibility report. Such reconnaissance shall include a preliminary analysis of the Federal interest, costs, benefits, environmental impacts of such project, and an estimate of the costs of preparing the feasibility report. The duration of a reconnaissance shall normally be no more than twelve months, but in all cases is to be limited to eighteen months.

(c)(1) The Secretary shall not initiate any feasibility study after the date of enactment of this Act until appropriate non-Federal interests agree, by contract, to contribute 50 per centum of the cost for such study during the period of such study. Not more than one-half of such non-Federal contribution may be made by the provision of services, materials, supplies, or other inkind services necessary to prepare the feasibility report.

(2) This subsection shall not apply to any water resources study primarily designed for the purposes of navigational improvements in the nature of dams, locks, and channels on the Nation's system of inland waterways.

SEC. 224 (a)(1) In the case of any water resources project authorized to be constructed by the Secretary in this Act, or authorized to be constructed by the Secretary prior or subsequent to the date of enactment of this Act, construction of which has not commenced as of the date of enactment of this Act, and which necessitates the mitigation of fish and wildlife losses, including the acquisition of lands or interests in lands to mitigate losses to fish and wildlife, as a result of such project, such mitigation, including acquisition of the lands or interests (A) shall be undertaken or acquired before any construction of the project (other than such acquisition) commences, or (B) shall be undertaken or acquired concurrently with lands and interests in lands for project purposes (other than mitgation of fish and wildlife losses), whichever the Secretary determines is appropriate: *Provided*, That any physicial construction required for the purposes of mitigation may be undertaken concurrently with the physical construction of such project.

(2) For the purposes of this subsection, any project on which more than 50 per centum of the land needed for the project, exclusive of mitigation lands, has been acquired shall be deemed to have commenced construction under this subsection.

(b)(1) After consultation with appropriate Federal and non-Federal agencies, the Secretary is authorized to mitigate damages to fish and wildlife resulting from any water resources project under his jurisdiction whether completed, under construction, or to be constructed. Such mitigation may include the acquisition of lands, or interests therein: *Provided*, That acquisition under this paragraph shall not be by condemnation in the case of projects completed as of the date of enactment of this Act or on which at least 10 per centum of the physical construction on the project has been completed as of the date of enactment of this Act; *Provided further*, That acquisition of water, or interests therein, under this paragraph, shall not be by condemnation. The Secretary, shall, under the terms of this paragraph, obligate no more than $30,000,000 in any fiscal year.

(2) Whenever after his review the Secretary determines that such mitigation features under this subsection are likely to require condemnation under a proviso in paragraph (1) of this subsection, the Secretary shall transmit to Congress a report on such proposed modification, together with his recommendations.

(c) Costs of implementation and operation, maintenance, and rehabilitation incurred to mitigate damages to fish and wildlife under the terms of this section shall be allocated among authorized project purposes in accordance with applicable cost allocation procedures, and shall be subject to cost sharing or reimbursement to the same extent as such other project costs are shared or reimbursed: *Provided*, That when such costs are covered by contracts entered into prior to the date of enactment of this Act, such costs shall not be recovered without the consent of the non-Federal interests or until such contracts are complied with or renegotiated.

(d) After the date of enactment of this Act, the Secretary shall not submit any proposal for the authorization of any water resources project to the Congress unless such report contains (1) a recommendation with a specific plan to mitigate fish and wildlife losses created by such project, or (2) a determination by the Secretary that such project will have negligible adverse impact on fish and wildlife. Specific mitigation plans shall ensure that impacts to bottomland hardwood forests are mitigated in-kind, to the extent possible. In carrying out this subsection, the Secretary shall consult with appropriate Federal and non-Federal agencies.

(e) In those cases when the Secretary, as part of any report to Congress, recommends activities to enhance fish and wildlife resources, the costs of such enhancement shall be a Federal cost when such enhancement provides benefits that are determined to be national, including benefits to species that are identified by the National Marine Fisheries Service as of national economic importance, species that are subject to treaties or international convention to which the United States is a party, anadromous fish, or when such enhancement is designed to benefit species that have been listed as threatened or endangered by the Secretary of the Interior under the terms of the Endangered Species Act, as amended (16 U.S.C. 1531, et seq.), or when such activities are located on lands managed as a national wildlife refuge. When benefits of enhancement do not qualify under the preceding sentence, 25 per centum of such enhancement costs shall be provided by non-Federal interests under a schedule of reimbursement determined by the Secretary, except that when benefits are limited to a single State, such non-Federal interests shall provide 33⅓ per centum of such costs. Operation, maintenance, and rehabilitation costs shall be shared in accordance with the cost sharing applicable to implementation.

(f) The provisions of subsections (a), (b), and (d) shall be deemed to supplement the responsibility and authority of the Secretary pursuant to the Fish and Wildlife Coordination Act, and nothing herein is intended to affect that Act.

(g) The project for the mouth of the Colorado River, Texas, authorized pursuant to section 101 of the River and Harbor Act of 1968 (82 Stat. 732), is hereby modified to provide that the diversion features of the authorized project, to divert Colorado River flows into Matagorda Bay, shall be constructed in accordance with the cost sharing described in subsection (e) of this section for activities providing enhancement benefits to species identified as having national economic importance by the National Marine Fisheries Service, with operation and maintenance cost sharing at the same percentage as construction cost sharing. The Secretary is directed to construct the remaining navigation features and diversion features concurrently.

SEC. 225. (a) The Secretary is authorized to plan, design, and construct streambank erosion control projects not specifically authorized by Congress when, in the opinion of the Secretary, such work is economically justified and environmentally acceptable. Prior to construction of any projects for this purpose, non-Federal interests shall agree to provide, without cost to the United States, all lands, easements, and rights-of-way necessary for construction and subsequent operation of the project; hold and save the United States free from damages due to construction, operation, and maintenance of the project, except damages due to the fault or negligence of the United States or its contractors; and operate and maintain the project upon completion.

(b) For the purposes of this section, the sum of $15,000,000 is authorized to be appropriated to the Secretary for each of the fiscal years beginning with the fiscal year ending September 30, 1987, through the fiscal year ending September 30, 1991. Not more than $2,000,000 shall be allotted for the construction of a project under this section at any single locality and such amount shall be sufficient to complete Federal participation in the project.

SEC. 226. In the interest of efficient and cost effective operations by the Secretary, the Comptroller General of the United States shall conduct a study of the Secretary's contracting procedures for civil works projects. Such study shall examine whether potential bidders or offerors, regardless of their size, are allowed to compete fairly in the interest of lowering cost on contracts for construction. Within two years of the date of enactment of this Act, the Comptroller General shall report his findings to Congress together with an assessment of whether contract procedures are applied uniformly among the various field offices under the Secretary's jurisdiction. The report shall also provide recommendations on improving contracting procedures, including (1) how the Secretary can prepare proposals for construction that assure, to the greatest extent reasonable, that no potential bidder or offeror is precluded from competing fairly for contracts, (2) whether recordkeeping requirements imposed by the Secretary on contractors are appropriate in the interest of competition, and (3) the extent to which the private sector can be used more efficiently by the Secretary in contracting for construction, architecture, engineering, surveying, and mapping.

SEC. 227. (a) Section 15 of the River and Harbor Act of 1899 (30 Stat. 1152; 33 U.S.C. 409) is amended as follows:

(1) by deleting the words "voluntarily or carelessly";

(2) by deleting the words "accidentally or otherwise,"; and

(3) by inserting the words ", lessee, or operator" immediately after the word "owner" in each place it appears.

(b) Sections 19 and 20 of the River and Harbor Act of 1899 (30 Stat. 1154; 33 U.S.C. 414 and 415) are amended by inserting "(a)" in front of the first word of each section and adding the following new subsection at the end of each section:

"(b) The owner, lessee, or operator of such vessel, boat, watercraft, raft, or other obstruction as described in this section shall be jointly and severally liable to the United States for the cost of removal or destruction and disposal as described which exceeds the costs recovered under subsection (a). Any amount recovered from the owner, lessee, or operator of such vessel pursuant to this subsection to recover costs in excess of the proceeds from the sale or disposition of said vessel shall be deposited in the general fund of the Treasury of the United States.".

SEC. 228. Section 3036(d) of title 10, United States Code, is amended by deleting the words "and may provide" and inserting in lieu thereof the following: "and, on a reimbursable basis, to a State or political subdivision thereof. Services provided to a State or political subdivision thereof shall be undertaken only on condition that—

"(1) the work to be undertaken on behalf of non-Federal interests involves Federal assistance; and

"(2) the department or agency providing Federal assistance for the work does not object to the provision of services by the Chief of Engineers. The Chief of Engineers may provide."

SEC. 229. (a) In the event of a declaration of war or a declaration by the President of a national emergency in accordance with the National Emergencies Act (90 Stat. 1255; 50 U.S.C. 1601) that requires or may require use of the Armed Forces, the Secretary, without regard to any other provision of law, may (1) terminate or defer the construction, operation, maintenance or repair of any Department of the Army civil works project that he deems not essential to the national defense, and (2) apply the resources of the Department of the Army's civil works program, including funds, personnel, and equipment, to construct or assist in the construction, operation, maintenance, and repair of authorized civil works, military construction, and civil defense projects that are essential to the national defense.

(b) The Secretary shall immediately notify the appropriate committees of Congress of any actions taken pursuant to the authorities provided by this section, and cease to exercise such authorities not later than one hundred eighty calendar days after the termination of the state of war or national emergency, whichever occurs later.

SEC. 230. Section 111 of the Act of September 22, 1922 (42 Stat. 1043; 33 U.S.C. 555), is amended by (1) inserting "no more than $5,000" in lieu of "$100"; and, (2) inserting a new sentence at the end thereof as follows: "In addition, the Secretary may assess a civil penalty of up to $2,500, per violation, against any person or entity that fails to provide timely, accurate statements required to be submitted pursuant to this section by the Secretary.".

SEC. 231. (a) The California Debris Commission is hereby abolished and the Act of March 1, 1893, ch. 193, (27 Stat. 507; 33 U.S.C. 661–685), as amended is hereby repealed.

(b) All of the remaining authorities, powers, functions, and duties of the California Debris Commission shall be transferred to the Secretary.

(c)(1) The assets, liabilities, contracts, property, and records of the California Debris Commission, the unexpended balance of appropriations, authorizations, allocations, and other funds employed, held, used, arising from, or available to the Commission, and any funds to be made available pursuant to section 202 of the Budget and

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Accounting Procedures Act of 1950 (31 U.S.C. 581c) in connection with the functions transferred by this Act, shall be transferred to the Secretary.

(2) Unexpended funds transferred pursuant to this subsection shall be used only for the purposes for which the funds were originally authorized and appropriated or as provided by contract.

(3) The Secretary is hereby authorized to retain all real property interests presently under the jurisdiction of the California Debris Commission and to take such actions as are necessary to consolidate holdings and perfect title.

Sec. 232. (a) In addition to previous authorizations, there is authorized to be appropriated for the prosecution of the comprehensive plan of development of each river basin or project, that is referred to below by name and date of basic authorization, such sums as are necessary for the Secretary to complete the comprehensive plan of development.

Basin	*Act of Congress*
Alabama-Coosa River Basin.	March 2, 1945
Arkansas River Basin	June 28, 1938
Arkansas-Red River Basin.	November 7, 1966
Baltimore Harbor	December 31, 1970
Blue River Basin	December 31, 1970
Brazos River Basin	September 3, 1954
Central and Southern Florida.	June 30, 1948
Columbia River Basin	May 17, 1950
Connecticut River Basin	June 22, 1936
Cottonwood Creek, California.	December 31, 1970
Gulf Intracoastal Waterway, St Marks, Tampa.	August 13, 1968
Mississippi River and Tributaries.	May 15, 1928
Missouri River Basin	June 28, 1938
North Branch Susquehanna River Basin.	July 3, 1958
Ohio River Basin	June 22, 1936
Ouachita River Basin	May 17, 1950
Red Run Drain and Lower Clinton River.	December 31, 1970
Red River Waterway	August 13, 1968
Sabine River Basin	December 31, 1970
Sacramento River Basin	December 22, 1944
San Joaquin River Basin	December 22, 1944
Santa Ana River Basin	June 22, 1936
South Platte River Basin.	May 17, 1950
Tampa Harbor	December 31, 1970
Trinity River Basin	October 27, 1965
Upper Mississippi River Basin.	June 28, 1938
Wabash River Basin	August 13, 1968
White River Basin	June 28, 1938

(b) The sums authorized by this section include those necessary for the Secretary to complete local flood protection in the Columbia River Basin, as authorized by section 204 of the Flood Control Act of 1950 (64 Stat. 178).

Sec. 233. If any provision of this Act or the application thereof to any person or circumstance is held invalid, neither the remainder of this Act nor the application of such provision to other persons or circumstances shall be affected thereby.

Sec. 234. Notwithstanding any provision of law, the Administrator of the General Services Administration, pursuant to the provisions of sections 202 and 203(j) of the Federal Property and Administrative Services Act of 1949, as amended, may dispose of any Corps of Engineers vessel used for dredging that is declared to be in excess of Federal needs by the Secretary, together with related equipment owned by the United States and under the control of the Chief of Engineers, through sale or lease to a foreign government as part of a Corps of Engineers technical assistance program, or to a Federal or State maritime academy for training purposes, or to a non-federal public body for scientific, educational, or cultural purposes, or through sales solely for scrap to foreign or domestic interests. Any such vessel shall not be disposed of under this section or any other provision of law for use within the United States for the purpose of engaging in dredging activities: *Provided*, That the General Services Administration shall make one such dredge available to the State of Utah, and that such dredge may be utilized by such State for purposes of dredging within the State of Utah: *And provided further*, That if such dredge is used for dredging outside the State of Utah, ownership of the dredge shall revert to the United States. Amounts collected from the sale or lease of any such vessel or equipment shall be deposited into the revolving fund authorized by section 101 of the Civil Functions Appropriations Act, 1954 (67 Stat. 199; 33 U.S.C. 576), to be available, as provided in appropriations Acts, for the operation and maintenance of vessels under the control of the Corps of Engineers.

Sec. 235. Unless otherwise specified, the costs of any project or program authorized in this Act and not assigned to the purposes of commercial navigation shall be subject, as appropriate, to the cost sharing and financing provisions of titles V, VI, or VII of this Act.

Sec. 236. Section 8 of Public Law 78–534 approved December 22, 1944 (58 Stat. 891; 43 U.S.C. 390), is hereby amended by adding the following at the end thereof: "In the case of any reservoir project constructed and operated by the Corps of Engineers, the Secretary of the Army is authorized to allocate water which was allocated in the project purpose for municipal and industrial water supply and which is not under contract for delivery, for such periods as he may deem reasonable, for the interim use for irrigation purposes of such storage until such storage is required for municipal and industrial water supply. No contracts for the interim use of such storage shall be entered into which would significantly affect then-existing uses of such storages.".

Sec. 237. Section 5 of the Act of March 4, 1915 (38 Stat. 1049; 33 U.S.C. 562), is amended by inserting the words "and after the project becomes operational" after the word "Acts" and before the comma.

Sec. 238. (a) Section 301(b) of the Water Supply Act of 1958 (72 Stat. 319), as amended 43 U.S.C. 390b. (b), is amended further as follows.

(1) In the third proviso, after the word "that" appears for the first time, insert the following: "(1) for Corps of Engineers projects, not to exceed 30 per centum of the total estimated cost of any project may be allocated to anticipated future demands, and, (2) for Bureau of Reclamation projects,",

(2) In the fourth proviso, after the word "that" appears for the first time, insert the following: "for Corps of engineers projects, the Secretary of the Army may permit the full non-Federal contribution to be made, without interest, during construction of the project, or, with interest, over a period of not more than thirty years from the date of completion, with repayment contracts providing for recalculation of the interest rate at, five-year intervals, and for Bureau of Reclamation projects,",

(3) After the first sentence insert the following: "For Corps of Engineers projects, all annual operation, maintenance, and replacement costs for municipal and industrial water supply storage under the provisions of this section shall be reimbursed from State or local interests on an annual basis.",

(4) After the first sentence insert the following: "For Corps of engineers projects, any repayment by a State or local interest shall be at a rate to be determined by the Secretary of the Treasury, taking into consideration the average market yield on outstanding marketable obligations of the United States with remaining periods to maturity comparable to the reimbursement period, during the month preceding the fiscal year in which costs for the construction of the project are first incurred (or, in the case or recalculation is made), plus a premium of one-eighth of one percentage point for transaction costs).".

(5) In the second sentence, strike the word "the" where it appears for the first time, and insert in lieu thereof: "For Bureau of Reclamation projects, the".

(b) Nothing in this section shall be deemed to amend or require amendment of any valid contract entered into pursuant to the Water Supply Act of 1958, and/or Federal reclamation law and approved by the Secretary of the Army or the secretary of the Interior prior to the date of enactment of this Act.

"Sec. 239. In the case of any water resources project which is authorized to be constructed by the Secretary before, on, or after the date of enactment of this Act, construction of which was not commenced prior to the date of enactment of this Act, and which involves the acquisition of lands or interests in lands for recreation purposes, such lands or interests shall be acquired concurrent with the acquisition of lands and interests in lands for other project purposes.

"Sec. 240. Upon the request of the governor of a State, or the appropriate official of local government, the Secretary is authorized to provide designs, plans, and specifications, and such other technical assistance as he deems advisable, to such State or local government for its use in carrying out projects for renovating navigable streams and tributaries thereof by means of predominantly nonstructural methods judged by the Secretary to be cost-effective, for the purpose of improved drainage, water quality, and habitat diversity: *Provided*, That non-Federal interests contribute half the cost of the designs or other assistance.

Sec. 241. (a) Section 208 of the Flood Control Act of 1954 (68 Stat. 1266; 33 U.S.C. 701g) as amended, is hereby amended by striking out "$250,000" and inserting in lieu thereof "$500,000".

(b) Section 14 of the Act of July 24, 1946 (60 Stat. 653; 33 U.S.C. 701r), as amended, is hereby amended by striking out "$250,000" and inserting in lieu thereof "$500,000".

(c) Section 205 of the Flood Control Act of 1948 (62 Stat. 1182; 33 U.S.C. 701s), as amended, is amended by striking out

$4,000,000" and inserting in lieu thereof "$4,500,000".

(d) Subsection 107(b) of the River and Harbor Act of 1960 (74 Stat. 486; 33 U.S.C. 577), as amended, is amended by striking out "$2,000,000" and inserting in lieu thereof "$3,500,000".

(e) Section 3 of the Act approved August 13, 1946 (60 Stat. 1056; 33 U.S.C. 426g), as amended, is amended by striking out "$1,000,000" and inserting in lieu thereof "$2,000,000".

TITLE III—PROJECT PROVISIONS

Sec. 301. (a) The Secretary is authorized and directed to take such action as may be necessary at a cost of $4,118,000, and substantially in accordance with the study directed by the Mobile district engineer and dated July 20, 1981, to correct erosion problems along the banks of the Warrior River in order to protect Mound State Park, near Moundville, Alabama.

(b) The Secretary is authorized to preserve and protect the Fort Toulouse National Historic Landmark and Taskigi Indian Mound in the county of Elmore, Alabama, by instituting bank stabilization measures, in accordance with alternative B contained in the Mobile district engineer's design supplement report entitled "Jones Bluff Reservoir, Alabama River, Alabama, Fort Toulouse, Design Report, National Historic Landmark," dated July 1975, at a cost of $15,400,000 (October 1982).

(c) The Secretary in order to protect the cultural, economic, environmental, and historical resources of Tangier Island, Virginia, located in Chesapeake Bay, is authorized and directed to design and construct a structure approximately eight thousand two hundred feet in length on the western shore of Tangier Island, adequate to protect such island from further erosion at a cost of $5,400,000.

(d) Prior to any construction under this section, non-Federal interests shall provide without cost to the United States all necessary lands, easements, rights-of-way, and relocations, agree to operate and maintain the structures after construction, and hold and save the United States free from damages due to the construction works.

(e) Notwithstanding the provisions of this section, the Secretary shall give priority in the allocation of funds for design and construction of projects for the purposes of erosion control to projects authorized prior to the enactment of this Act.

Sec. 302. The project for hurricane-flood protection and beach erosion control along the Delaware Coast from Cape Henlopen to Fenwick Island at the Delaware-Maryland State Line, authorized by section 203 of the Flood Control Act of 1968 (Public Law 90–483), is hereby modified by deleting hurricane-flood protection and authorizing the construction of sand bypass facilities and stone revetment erosion control measures at Indian River Inlet, Delaware, as described in the reevaluation report of the Philadelphia district engineer, dated January 1984, at a Federal cost for such additional facilities of $4,000,000 (October 1983): *Provided*, That project costs shall be allocated under the terms of section 111 of Public Law 90–483, if that is determined by the Secretary to be appropriate.

Sec. 303. (a) The Secretary is authorized to construct, at Federal expense, a set of emergency gates in the conduit of the Abiquiu Dam, New Mexico, to increase safety and enhance flood and sediment control: *Provided*, That such feature, which was eliminated during original construction due to cost constraints, shall be considered as completing the original design concept for the project.

(b) For purposes of this section, the sum of $2,500,000 is authorized to be appropriated to the Secretary for the fiscal year ending September 30, 1987, or thereafter, such sums to remain available until expended.

Sec. 304. The Secretary shall promptly transfer to the responsibility of the Corps of Engineers district engineer in Albuquerque, New Mexico, those portions of the State of New Mexico that, as of the date of enactment of this Act, are under the responsibility of the district engineers in Sacramento, California, and Los Angeles, California.

Sec. 305. The Waterbury, Vermont, project in the Winooski River Basin, authorized for modification in section 10 of the 1944 Flood Control Act, approved as Public Law 78–534 of December 22, 1944, is hereby further modified to provide that restoration to the concrete work on such dam shall be undertaken by the Secretary. Nothing in this section shall be construed as altering the conditions established in the Federal Power Commission license numbered 2090, issued on September 16, 1954.

Sec. 306. The city waterway navigation channel project, Tacoma Harbor, Washington, authorized by the first section of the River and Harbor Act of June 13, 1902 (32 Stat. 347), is hereby modified to direct the Secretary to redefine the boundaries of such project in accordance with the recommendations contained in the report of the Chief of Engineers dated May 3, 1983.

Sec. 307. The second paragraph under the center heading "BRAZOS RIVER BASIN" in section 10 of the Flood Control Act of 1946 (60 Stat. 641) is amended by inserting "or water supply" after "irrigation".

Sec. 308. The Pick-Sloan Missouri Basin Program shall be prosecuted, as authorized and in accordance with applicable laws including the requirements for economic feasibility, to its ultimate development on an equitable basis as rapidly as may be practicable, within the limits of available funds and the cost recovery and repayment principles established by Senate Report Numbered 470 and House of Representatives Report Numbered 282, Eighty-ninth Congress, first session.

Sec. 309. The project for Jackson Hole Snake River local protection and levees, Wyoming, authorized by the River and Harbors Act of 1950 (Public Law 81–516), is hereby modified to provide that the operation and maintenance of the project, and additions and modifications thereto constructed by non-Federal sponsors, shall be the responsibility of the Secretary: *Provided*, That non-Federal sponsors shall pay the initial $35,000 in cash or materials of any such cost expended in any one year, together with inflation as of the date of enactment of this Act.

Sec. 310. The project for flood protection for the Rio Grande Floodway, Truth or Consequences Unit, New Mexico, authorized by the Flood Control Acts of 1948 and 1950, is hereby modified to provide that the Secretary is authorized to construct a flood control dam on Cuchillo Negro Creek, a tributary of the Rio Grande, in lieu of the authorized floodway.

Sec. 311. (a)(1) The Congress finds that the irrigation ditch systems in New Mexico, known as the Acequia systems, date from the eighteenth century, and that these early engineering works have significance in the settlement and development of the western portion of the United States.

(2) The Congress, therefore, declares that the restoration and preservation of the Acequia systems has cultural and historic values, as well as economic values, to the region.

(b) The Secretary is authorized and directed to undertake, without regard to economic analysis, such measures as are necessary to protect and restore the river diversion structures and associated canals attendant to the operations of the community ditch and Acequia systems in New Mexico that are declared to be a political subdivision of the State of New Mexico: *Provided*, That the State of New Mexico, or other non-Federal sponsors, shall pay 25 per centum of the cost of any work undertaken under this section.

(c) For the fiscal year ending September 30, 1987, and thereafter, the sum of $40,000,000 is authorized to be appropriated to the Secretary for the purposes of subsection (b) of this section, such sums to remain available until expended.

(d) The Secretary is further authorized and directed to consider the historic Acequia systems (community ditches) of the Southwestern United States as public entities, if these systems are chartered by the respective State laws as political subdivisions of that State. This public entity status will allow the officials of these Acequia systems to enter into agreements and serve as local sponsors of water-related projects of the Secretary.

Sec. 312. (a) The Secretary is authorized to implement a program of research in order to demonstrate the cropland irrigation and conservation techniques described in the report issued by the New England division engineer, dated May 1980, for the Saint John River Basin, Maine.

(b) For the purposes of this section, there is authorized to be appropriated to the Secretary the sums of $1,825,000 in the fiscal year ending September 30, 1987, $820,000 in the fiscal year September 30, 1988, and $785,000 for the fiscal year ending September 30, 1989, such sums to remain available until expended.

Sec. 313. (a) Bank protection activities conducted under the Rio Grande Bank protection project pursuant to the Act of April 25, 1945 (59 Stat. 89), may be undertaken in Starr County, Texas, notwithstanding any provision of such Act establishing the counties in which such bank protection activities may be undertaken.

(b) Any bank protection activity undertaken in Starr County, Texas, pursuant to subsection (a) of this section shall be—

(1) in accordance with such specifications as may be prepared for such purpose by the International Boundary and Water Commission, United States and Mexico; and

(2) except as provided in subsection (a) of this section, subject to the terms and conditions generally applicable to activities conducted under Rio Grande Bank protection project.

Sec. 314. The section pertaining to Transfer of Federal Townsites, the Supplemental Appropriation Act, 1985, Title I, Chapter IV (Public Law 99–88; 99 Stat. 293) is amended as follows:

(a) Subsection (a)(1)(A) is amended by—

(1) inserting "(i)" immediately after the letter "(A)", and

(2) adding the following new subsections (ii) and (iii) at the end of the subsection:

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"(ii) The land utilized as a sanitary landfill by Riverdale, North Dakota, consisting of approximately 96 acres.

"(iii) The peripheral utility improvements at Riverdale, North Dakota, developed for, or being utilized as, sewage lagoons; the sewer pipeline extending from the townsite boundary to said lagoons; any outfall facilities or control structures in conjunction therewith; the water pipeline extending from the exterior boundaries of the power plant to the townsite; and appropriate easements of right-of-way for the access to, and operation and maintenance of said improvements.".

(b) Subsection (a)(1)(B) is amended by—

(1) inserting "(i)" immediately after the letter "(B)", and

(2) adding the following new subsections (ii) and (iii):

"(ii) The land utilized as a sanitary landfill by Pickstown, South Dakota, consisting of approximately 23 acres.

"(iii) The peripheral utility improvements at Pickstown, South Dakota, developed for, or being utilized as, sewage lagoons; water treatment plant; water intake structure; the sewer pipeline extending from the townsite boundary to the sewer lagoons; any outfall facilities or control structures in conjunction therewith; the water pipeline extending from the water intake to the water treatment plant and to the townsite boundary; and appropriate easements of right-of-way for access to, and operation and maintenance of, said improvements.".

(c) Subsection (a)(1)(C) is amended by—

(1) inserting "(i)" immediately after the letter "(C)", and

"(2) adding the following new subsection (ii):

"(ii) The peripheral utility improvements at Fort Peck, Montana, developed and being utilized as a water storage reservoir; the water pipelines extending from the exterior boundaries of the power plant to the townsite boundary; the water pipeline extending from the townsite boundary to the water reservoir; and appropriate easements of right-of-way to the municipal corporation for access to, and operation and maintenance of, said improvements.".

(d) Subsection (c) is amended by adding at the end thereof: "Nothing in this provision prohibits the Secretary from placing reasonable covenants in those deeds transferring improvements having significant historical, cultural, or social value in Fort Peck, Montana.

(e) The Administrator of the Western Area Power Administration is authorized to allocate power from the Pick-Sloan Missouri Basin Program (P-SMBP) to the municipal corporations of Riverdale, North Dakota, Pickstown, South Dakota, and Fort Peck, Montana, or to such other preference entity as the Administrator may designate to provide electrical service to said municipal corporations. Such allocations shall be in the amount required to meet the annual loads established prior to the date of enactment of this Act, and under terms and conditions for marketing firm power from the P-SMBP: *Except*, That upon request of a municipal corporation specified in this subsection, the Secretary shall continue to operate municipal or community owned facilities for a period not to exceed three years from the date of incorporation of such municipal corporation.

Sec. 315. (a)(1) To improve water quality and fulfill the goals of the Clean Lakes Program established in section 314 of the Clean Water Act, the Secretary is authorized to initiate a demonstration program to remove excess silt from Lake Herman, Lake County, South Dakota.

(2) For the purpose of this subsection, there is authorized to be appropriated to the Secretary for the fiscal year ending September 30, 1987, or thereafter, the sum of $5,000,000, such sum to remain available until expended.

(b) The Secretary is authorized and directed to undertake a demonstration project for the removal of silt and aquatic growth, in Lake Worth, Tarrant County, Texas, to construct silt traps and to provide other devices or equipment to prevent and abate the further deposit of sediment in Lake Worth, and to use the dredged material in the reclamation of despoiled land, and other actions necessary to the success of the demonstration, at a cost of $1,750,000 (October 1983).

(c) The Secretary is authorized and directed to conduct mitigation activities recommended in the 1982 Environmental Protection Agency diagnostic feasibility study for Gorton's Pond in Warwick, Rhode Island. Activities will include the installation of retention basins, the dredging of inlets and outlets in recommended areas and the disposal of dredge material, and weed harvesting and nutrient inactivation. For purposes of this subsection, there is authorized to be appropriated to the Secretary for the fiscal year ending September 30, 1987, or thereafter, the sum of $730,000, such sum to remain available until expended.

Sec. 316. (a) The Secretary, after consultation with the National Oceanic and Atmospheric Administration, the National Marine Fisheries Service, the United States Fish and Wildlife Service, and other appropriate governmental agencies, and the National Research Council of the National Academy of Sciences, is authorized and directed to undertake studies to identify the impacts on the United States of potential Canadian tidal power development in the Bay of Fundy, and submit such studies to the appropriate committees of the Congress.

(b) The Secretary shall conduct the studies authorized in subsection (a) of this section in two phases:

(1) Studies to be completed not later than October 1, 1988, to (A) identify effects of any such projects on tidal ranges and resulting impacts to beaches and estuarine areas, and (B) identify further studies which would be needed to meet the requirements of paragraph (2) of this subsection; and

(2) Studies to be completed not later than October 1, 1990, to (A) determine further environmental, social, economic, and institutional impacts of such tidal power development, and (B) determine what measures could be taken in Canada and the United States to offset or minimize any adverse impacts of such development on the United States.

(c) In the fiscal year ending September 30, 1987, or in any fiscal year thereafter, there is authorized to be appropriated to the Secretary the sum of $1,100,000 for the purposes of subsection (b)(1) of this section, and the sum of $8,900,000 for the purposes of subsection (b)(2) of this section, such sums to remain available until expended.

Sec. 317. (a)(1) Downstream recreation on the Gauley River is declared to be an additional project purpose of the Summerville Lake project, West Virginia, under the direction of the Secretary. Releases at times and levels (minimum two thousand four hundred cubic feet per second) suitable for such recreation shall commence on the first weekend after Labor Day of each year and continue during each weekend thereafter (and during such weekday periods as the Secretary finds appropriate) for approximately five weeks.

(2) Releases shall also be made at other times during the year as appropriate: *Provided*, That such releases are not injurious to other purposes of the Summerville Lake project. The Secretary shall schedule such releases as early as practical and provide adequate advance public notice of such whitewater release.

(b) The Secretary may temporarily suspend (for such period as may be necessary) or modify any release required under subsection (a)(1) of this section or scheduled under subsection (a)(2) of this section when necessary for purposes of flood control or any other project purpose, or for reasons of public health and safety.

Sec. 318. The three flood water control structures on the Johns Creek tributary and the program of land treatment for erosion and sediment control in the Nonconnah Creek Basin, Tennessee, are authorized to be constructed in accordance with the recommendations contained in the joint report of the district engineer and the State conservationist contained in Senate Document 95-96, at a total cost of $24,065,300 (June 1984).

Sec. 319. The Secretary is authorized to participate with appropriate non-Federal sponsors in a project to demonstrate, on an expedited basis, the feasibility of non-Federal cost sharing for rural flood protection under the provisions of sections 212 and 215 and title VII of this Act and section 134 of Public Law 94-587, as amended. Such project shall consist of channel restoration and improvements on the James River in South Dakota, and may include consideration of offstream storage, small impoundments on tributaries, and other features identified by the Secretary to alleviate flood damage and to regulate flows on such river, at a total cost not to exceed $20,000,000: *Provided*, That the Secretary shall report to Congress no later than September 30, 1989, on the extent to which additional features may be required to alleviate flood damage and regulate flows on such river.

Sec. 320. The last sentence under the center heading "ARKANSAS-RED RIVER BASIN" in section 201 of the Flood Control Act of 1970 (84 Stat. 1825) is amended to read as follows: "Construction shall be initiated in the Red River Basin in accordance with the recommendations regarding general design memorandum numbered 25 by the director of civil works on behalf of the Chief of Engineers, dated August 8, 1977. Based on such recommendations, the Chief of Engineers shall issue a Report no later than December 31, 1986: *Provided*, That for the purposes of this Act, general design memorandum numbered 25 shall be considered the Report of the Chief of Engineers if no such Report has been issued by December 31, 1986. Cost sharing for construction initiated under this section shall be the same as the cost sharing for area VIII of this project.".

Sec. 321. The project on Milk River for local flood protection at Havre, Montana, authorized by section 10 of the Flood Control Act approved December 22, 1944 (58 Stat. 897), is hereby modified to authorize the Secretary to reconstruct or replace, whichever he determines necessary and appropriate, the water supply intake weir of the city of Havre, Montana, at a cost of $1,400,000.

Sec. 322. The Secretary is authorized and directed to improve public access to, and lessen a health and safety hazard, at Pearson-Skubitz Big Hill Lake, Kansas, by upgrading existing roads to the extent feasible acquiring additional rights-of-way, and constructing new roads as required, at a cost of $3,000,000.

Sec. 323. That portion of the Hudson River in the New York Bay lying within the area described in the Congressional Record as of the date of the submission of this amendment is hereby declared to be not a navigable water of the United States within the meaning of the Constitution and the laws of the United States, except for the purposes of the Federal Water Pollution Control Act.

Sec. 324. (a) The portion of the flood control project for the Illinois River and tributaries, Illinois, Wisconsin, and Indiana, authorized by section 203 of the Flood Control Act of 1962 (76 Stat. 1189), which is to be located on the Sangamon River, Illinois, about one mile upstream from Decatur, Illinois, and which is known as the William L. Springer Lake project is not authorized after the date of enactment of this Act.

(b) Notwithstanding section 203 of the Federal Property and Administrative Services Act of 1949 and any other provision of law, before any lands acquired by the United States for the William L. Springer Lake project referred to in subsection (a) of this section are sold or otherwise disposed of or used for any purpose other than to carry out such project, such lands shall first be made available for purchase by the city of Decatur, Illinois, at the price at which such lands were acquired by the United States: *Provided*, That such lands remain in public ownership for use for public purposes, and that if any of such lands are not so owned or used, then such lands shall revest in the United States.

Sec. 325. Section 108(k) of Public Law 93-251, as amended, is amended further by striking the figure "$103,522,000" and inserting in lieu thereof "$156,122,000".

Sec. 326. For purposes of the Act entitled "An Act to provide for the alteration of certain bridges over navigable waters of the United States, for the apportionment of the cost of such alterations between the United States and the owners of such bridges, and for other purposes", approved June 21, 1940 (33 U.S.C. 551 et seq.), the Port of Houston Authority bridge over Greens Bayou approximately two and eight-tenths miles upstream of the confluence of Greens Bayou, Texas, and the Houston Ship Channel is hereby declared to be a lawful bridge for all purposes of such Act. The Secretary of Transportation is authorized to reimburse the bridge owner for work done prior to the date of enactment of this section which work, under the Act of June 21, 1940 (33 U.S.C. 511 et seq.), would be the responsibility of the United States if performed after the date of enactment of this section: *Provided*, That any reimbursement under this section shall not exceed $450,000.

Sec. 327. (a) The Secretary is authorized to undertake the following reconnaissance studies in the State of Utah in order to determine if improvements for the purposes of flood control and related purposes are economically and environmentally justified, then report on such studies to Congress:

(1) the Provo River, from the mouth of Provo Canyon to Utah Lake;

(2) the existing levees along Utah Lake from the Provo River south along Interstate Highway 15;

(3) Interstate Highway 15, adjacent to Utah Lake;

(4) Rock, Little Rock, and Slate Canyons in the city of Provo;

(5) the Bear River, its tributaries and outlets;

(6) the Weber River, its tributaries and outlets; and

(7) the Sevier River, its tributaries and outlets.

(b) For the purposes of this section, the sum of $1,600,000 is authorized to be appropriated to the Secretary for the fiscal year ending September 20, 1987, or thereafter, such sums to remain available until expended.

Sec. 328. Section 110(f) of the River and Harbor Act of 1958 (72 Stat. 303), as amended, is amended further by striking the figure "$6,528,000" and substituting the figure "$13,195,000".

Sec. 329. (a) The comprehensive plan for the control of floodwaters in the Connecticut River Basin, Vermont, New Hampshire, Massachusetts, and Connecticut, authorized by section 5 of the Flood Control Act of 1936 (49 Stat. 1570, 1572), as amended, is amended further to authorize and direct the Secretary to design, construct, operate, and maintain facilities at Townshend Dam, West River, Vermont, to enable upstream migrant adult Atlantic salmon to bypass that dam and Ball Mountain Dam, Vermont, and to provide at both Townshend and Ball Mountain Dams facilities as necessary for the downstream passage of juvenile Atlantic salmon.

(b) Prior to construction of the work authorized by this section, non-Federal interests shall agree to hold and save the United States harmless for any damages incurred in the construction and operation of such fish-passage facilities, and provide all lands, easements, rights-of-way, and relocations as may be reasonably necessary for the construction and operation of the fish-passage facilities.

(c) There is authorized to be appropriated to the Secretary in the fiscal year ending September 20, 1987, or thereafter, the sum of $1,000,000 for the construction of facilities authorized by this section, such sums to remain available until expended.

Sec. 330. The Secretary is authorized, and upon the request of any appropriate State or local authority in the Washington metropolitan area in Maryland, to permit the delivery of water from the District of Columbia water system at the Dalecarlia filtration plant, or at any other point on such water system, to any such appropriate State or local authority. All of the expenses of installing a connection or connections and appurtenances thereto, and any subsequent changes therein, as may be necessary to make such delivery of water, shall be paid by the requesting entity, which shall also pay those charges for the use of such water as may be determined from time to time, in advance, by the Secretary. Payments shall be made at such time and under such regulations as the Secretary may prescribe. The Secretary may revoke at any time any permit for the use of water which may have been granted.

(b) The Secretary is authorised to purchase water from any appropriate State or local authority in the Washington metropolitan area in Maryland which has completed a connection with the District of Columbia water system. The Secretary is authorised to pay charges as may be agreed upon, for the use of such water by the Secretary.

Sec. 331. The authorization for the Lake Brownwood modification project, Pecan Bayou, Texas, contained in the Flood Control Act of 1968 (Public Law 90-483), is hereby terminated.

Sec. 332. (a)(1) On behalf of the United States, the Secretary, in consultation with the Secretary of State, is authorized to cooperate with governments in Canada to study and to construct reservoir projects for storage in the Souris River Basin in Canada to provide flood control benefits in the United States.

(2) The Secretary is authorized further to participate in financing the storage referred to in paragraph (1) of this subsection to a maximum contribution of $26,700,000, in the event that only one reservoir, known as the Rafferty project, is constructed in Canada, or to a maximum of $41,100,000, in the event two reservoirs, known as the Rafferty and Alameda projects, are constructed in Canada. The amount of any such contribution shall be determined by an allocation of costs, based on the proportionate use of these projects for flood control in the United States and water supply in Canada.

(b) Upon completion of the structure or structures in Canada, as agreed upon between the United States and governments in Canada, the construction of Burlington Dam, North Dakota, as authorized by Public Law 91-611, and modifications at Lake Darling, North Dakota, to raise the level of the dam structure, as authorized by section 111 of Public Law 97-88 (95 Stat. 1136), shall no longer be authorized. Should the Secretary determine that an agreement between the United States and governments in Canada cannot be consummated, he shall proceed with the work authorized by section 111 of Public Law 97-88, including raising the dam structure and including storage capacity for flood control purposes, with such work to be considered a nonseparable element of the flood control project for Minot, North Dakota, authorized under section 201 of the Flood Control Act of 1965.

(c) The Secretary is authorized further to make such modifications as necessary to the existing Lake Darling, exclusive of the modifications authorized by section 111 of Public Law 97-88, for the purpose of effective operation of the project for flood control, with such work considered to be a nonseparable element of the flood control project for Minot, North Dakota, authorized under section 201 of the Flood Control Act of 1965, and to operate and maintain the project with such modifications in a manner compatible with the migratory waterfowl refuge purpose of the project.

(d) The non-Federal share of the cost of contributions to governments in Canada, as authorized by this section, shall be in accordance with Title VII of this Act for the amount over $23,600,000. The total Federal cost of work authorized by this section and by section III of Public Law 97-88, as modified herein, and including related dam safety measures, is $69,100,000 (October 1985): *Provided*, That this cost is subject to section 213 of this Act.

Sec. 333 (a)(1) For the multiple purposes of preserving, enhancing, interpreting, and managing the water and related land resources of an area containing unique cultural, fish and wildlife, scenic, and recreational values and for the benefit and enjoyment of present and future generations and the development of outdoor recreation, there is hereby established the Cross Florida National Conservation Area (hereinafter in this section referred to as the "Conservation Area").

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(2) The Conservation Area shall consist of all lands and interests in lands held by the Secretary within that portion of the high-level lock barge canal project from the Saint Johns River across the State of Florida to the Gulf of Mexico, authorized by the Act of July 23, 1942 (56 Stat. 703) (which shall in this section be referred to as the "barge canal project") that is located between the Eureka Lock and Dam and the Inglis Lock (exclusive of structures), plus all lands and interests in lands held by the Canal Authority of the State of Florida between such structures.

(b) Those portions of the barge canal project located between the Gulf of Mexico and the Inglis project structure and located between the Atlantic Ocean and the Eureka Lock and Dam, inclusive, shall be operated and maintained by the Secretary for the purposes of navigation, recreation, and fish and wildlife enhancement.

(c) In order to further the purposes set forth in paragraph (a)(1) of this section, that portion of such barge canal project located between the Eureka Lock and Dam and the Inglis Lock (exclusive of such structures) is not authorized for the purposes described in 56 Stat. 703 after the date this subsection becomes effective.

(d) The State of Florida shall retain jurisdiction and responsibility over water resources planning, development, and control of the surface and ground waters pertaining to lands cited in subsections (b) and (c) of this section, except to the extent that any uses of such water resources would be inconsistent with the purposes of this section.

(e)(1) Not later than one year after the date of the enactment of this Act, the Secretary, in consultation with the United States Forest Service, the United States Fish and Wildlife Service, and the State of Florida, shall develop and transmit to Congress a comprehensive management plan for lands (including water areas) located within the Conservation Area.

(2) Such plan shall, at a minimum, provide for—

(A) enhancement of the environment;

(B) conservation and development of natural resources;

(C) conservation and preservation of fish and wildlife;

(D) preservation of scenic and enhancing recreational values;

(E) a procedure for the prompt consideration of applications for easements across Conservation Area lands, when such easements are requested by local or State governmental jurisdictions or by a regulated public utility for a public purpose; and

(F) preservation and enhancement of water resources and water quality, including ground water.

(3) Such plan shall establish, among the Secretary, the Forest Service, the Fish and Wildlife Service, and the State of Florida, the responsibilities for implementation of such plan.

(4) Until transmittal of such plan to Congress, the Secretary shall operate, maintain, and manage the lands and facilities held by the Secretary under the terms of subsection (c).

(5) Upon submission of such plan to Congress, the Secretary and other agencies, pursuant to the agreement under paragraph (3) of this subsection, are authorized to implement such plan.

(f) The Secretary shall operate the Rodman Dam, authorized by the Act of July 23, 1942 (56 Stat. 703), in a manner which will assure the continuation of the reservoir known as Lake Ocklawaha. The Secretary shall not operate the Eureka Lock and Dam in a manner which would create a reservoir on lands not flooded on January 1, 1984.

(g)(1) As soon as possible, the Secretary shall acquire, for the sum of $32,000,000, all lands and interests in lands held on the date of the enactment of this Act by the Canal Authority of the State of Florida for the purposes of the barge canal project. In the event the sums available to the Secretary in any fiscal year are insufficient to purchase all such lands and interests, the State of Florida shall transfer to the Secretary that percentage of the total number of acres to be transferred that is proportionate to the sums received by the State compared with $32,000,000.

(2) From amounts received under paragraph (1) of this subsection, the Canal Authority shall as soon as possible make payments to the Florida counties of Duval, Clay, Putnam, Marion, Levy, and Citrus. Such payments shall, in the aggregate, be equal to $32,000,000. The amount of payment under this paragraph to each such county shall be determined by multiplying such aggregate amount by the amount of ad valorem taxes paid to the Cross Florida Canal Navigation District by such county and dividing such product by the amount of such taxes paid by all such counties.

(h) Subsection (c) shall become effective—

(1) ninety days after the Governor of Florida has certified to the Secretary that the State has met the conditions set out in subsection (i) of this section: *Provided*, That the Secretary does not determine within such period that the State has failed to comply; or

(2) on the date of the final order in a declaratory judgement action, brought by the State of Florida in a Federal District Court within Florida, finding that the State has met the conditions.

(i) Subsection (c) shall not become effective until the State of Florida enacts a law or laws which assures that—

(1) On and after the date on which construction of the portion of the barge canal project referred to in subsection (c) is no longer authorized, all lands and interests in lands held for the project by the State of Florida or the Canal Authority of such State, including those acquired pursuant to the River and Harbor Act of 1960 (Public Law 86-645), and including any State lands contained in the area proposed to be added to the Ocala National Forest by the boundary change shown on the map dated July 1978, on file with the Chief of the Forest Service, Department of Agriculture, Washington, District of Columbia, will continue to be owned by such State or canal authority pending transfer to the Secretary, for consideration, as provided in this section; and

(2) The State of Florida has fee simple title to lands acquired from the Federal government pursuant to Public Law 86-645, and will transfer such title to the Secretary, for consideration, as provided in this section.

Sec. 334. In order to alleviate a navigational hazard in the Seekonk River in Providence, Rhode Island, the Secretary is authorized to demolish and remove the center span of the India Point Railroad Bridge. For the purpose of this section, there is authorized to be appropriated to the Secretary for the fiscal year ending September 30, 1987, or thereafter, the sum of $500,000, such sum to remain available until expended. Revenue derived from the sale of scrap from this structure shall be deposited to the general fund of the Treasury.

Sec. 335. That portion of the project for navigation, Tampa Harbor and Hillsborough Bay, Florida, authorized by the Act of August 8, 1917, which portion consists of the turning basin at the junction of Garrison Channel, Seddon Channel, and Hillsborough River, is deauthorized upon enactment of this Act.

Sec. 336. Bloomington Lake located on the North Branch of the Potomac River near Bloomington, Maryland, and Keyser, West Virginia, is named and designated as the "Jennings Randolph Lake." Any reference in a law, map, regulation, document, record, or other paper of the United States to such lake shall be held to be a reference to the "Jennings Randolph Lake."

Sec. 337. Calion Lock and Dam located on the Ouachita River near Calion, Arkansas, is named and designated as the "H.K. Thatcher Lock and Dam." Any reference in a law, map, regulation, document, record, or other paper of the United States to such lock and dam shall be held to be a reference to the "H.K. Thatcher Lock and Dam".

Sec. 338. The project for Denison Dam (Lake Texoma), Red River, Texas and Oklahoma, authorized by the Flood Control Act approved June 28, 1938 (52 Stat. 1219), as amended, is hereby modified to provide that the Secretary is authorized to reallocate from hydropower storage to water supply storage, in increments as needed, up to an additional 150,000 acre-feet for municipal, industrial, and agricultural water users in the State of Texas and up to 150,000 acre-feet for municipal, industrial, and agricultural water users in the State of Oklahoma. For that portion of the water storage reserved for users in the State of Oklahoma, the Secretary may contract, in increments as needed, with qualified individuals, entities, or water utility systems for use within the Red River Basin; except that for any portion of that water to be utilized outside the Red River Basin, the Secretary shall contract with the RedArk Development Authority. For that portion for the water storage reserved for users in the State of Texas, the Secretary shall contract, in increments as needed, for 50,000 acre-feet with the Greater Texoma Utility Authority and 100,000 acre-feet with other qualified individuals, entities, or water utility systems. Nothing in the preceding sentence shall supersede any requirement of State law with respect to the use of any water subject to a contract. All contracts entered into by the Secretary under this section shall be under terms in accordance with section 301(b) of the Water Supply Act of 1958 (Public Law 85-500), as amended. No payment shall be required from and no interest shall be charged to users in the States of Oklahoma or Texas for the reallocation authorized by this section until such time as the water supply storage reserved under such reallocation is actually first used. Any contract entered into for the use of the water received under this section shall require the contracting entity to begin principal and interest payments on that portion of the water allocated under the contract at the time the entity begins the use of such water. Until such time, storage for which reallocation is authorized in this section may be used for hydropower production. With respect to any water supply contract entered into by the Secretary under this section after June 1, 1985, the Secretary shall determine (1) the amount of hydropower lost, if any, as a result of the implementation of such contract, and (2) the replacement cost of the hydropower lost (where replacement cost is

defined as the cost to purchase power from existing alternative sources). If hydropower is lost as a result of the implementation of such contract, the Secretary shall provide credits to the Southwestern Power Administration of amounts equal to such replacement costs. Such credits shall be against sums required to be paid by the Southwestern Power Administration for costs of the project allocated to hydropower. In each such case the Southwestern Power Administration shall reimburse each preference customer for an amount equal to the customer's actual replacement cost for hydropower lost as a result of the implementation of such contract, less the cost such customer would have had to pay to the Southwestern Power Administration for such hydropower. The Secretary may not increase payments of water users under a water supply contract under this section on account of the credits and reimbursement required to be provided under this section. Nothing in this section shall be construed as amending or altering in any way the Red River Compact. In consideration of benefits in connection with such reallocation and usage of municipal, industrial, and agricultural water, all benefits that can be assigned to the Red River chloride control project, Texas and Oklahoma, or the Red River and tributaries multipurpose study, Oklahoma, Texas, Arkansas, and Louisiana, and any individual projects arising from such study, shall be reserved for such projects. Nothing in this section shall affect water rights under the laws of the States of Texas and Oklahoma.

Sec. 339. (a) The existing irrigation projects known as the Hilltop Irrigation District, Brule County, South Dakota, and the Gray Goose Irrigation District, Hughes County, South Dakota, are authorized as units of the Pick-Sloan Missouri Basin Program. As so authorized, the Hilltop Unit and the Gray Goose Unit shall be integrated physically and financially with the other Federal works constructed under the comprehensive plan approved by section 9 of the Flood Control Act of December 22, 1944 (58 Stat. 887, 891), as amended and supplemented, and subject to Federal reclamation law (Act of June 17, 1902, 32 Stat. 388 and Acts amendatory thereof and supplemental thereto).

(b) Pick-Sloan Missouri Basin Program power shall be made available as soon as practicable for the Hilltop Unit and the Gray Goose Unit on the same basis as for other units of the Pick-Sloan Missouri Basin Program. The suballocated costs of the Pick-Sloan Missouri Basin Program assigned to the Hilltop Unit and the Gray Goose Unit shall be reimbursed by the water users as determined by the Secretary of the Interior in accordance with Federal reclamation law (Act of June 17, 1902, 32 Stat. 388 and Acts amendatory thereof and supplemental thereto).

Sec. 340. (a) Except as otherwise provided in this section, all rights, title, and interests of the Untied States in the lands described in subsection (b), including all improvements thereon, are hereby declared to be held in trust by the United States for the benefit and use of the Three Affiliated Tribes of the Fort Berthold Reservation and to be part of the Fort Berthold Reservation.

(b) The lands held in trust under subsection (a) are—

(1) approximately 138.44 acres lying above elevation 1850 feet (mean sea level) and the probable ultimate erosion line (other than those portions which lie north of North Dakota State Highway 23) in the following sections of Township 152 North, Range 93 West of the Fifth Principal Meridian McKenzie County, North Dakota:

Section 15: south half of the southwest quarter,

Section 21: northeast quarter and northwest quarter of the southeast quarter, and

Section 22: north of the half northwest quarter; and

(2) approximately 16.40 acres lying above elevation 1850 feet (mean sea level) situated in the west half southwest quarter, Section 15, Township 152 North, Range 93 West of the Fifth Principal Meridian, McKenzie County, North Dakota, and more particularly described as follows:

Commencing at the quarter corner common to Sections 15 and 16; thence East along the quarter line a distance of 1,320.0 feet to the true point of beginning; thence North 45 degrees 0 minutes East a distance of 891.0 feet; thence South 0 degrees 3 minutes East a distance of 1,518.0 feet; thence to a point on a line which bears South 0 degrees 3 minutes East from the point of beginning; thence North 0 degrees 3 minutes West to the point of beginning.

(c) In consideration for the transfer in trust described above, the Secretary of Interior shall transfer to the United States lands of equal value held in trust for the Three Affiliated Tribes of the Fort Berthold Reservation which are required for the maintenance and operation of the Garrison Dam and Reservoir Project: Provided, That the Tribes shall retain the right to use such lands for grazing purposes when such lands are not subject to flooding. The United States shall not be responsible for damages to property or injuries to persons which may arise from, or be incident to, the use of said lands.

(d) The United States hereby retains a flowage and sloughing easement for the purpose of flood control and related Garrison Dam and Reservoir project purposes over that portion of the lands described in subsection (b) that lie below the greater elevation of—

(1) 1860 feet (mean sea level), or

(2) any alignment the Secretary determines to be necessary for such project operations.

(e) All the rights, title, and interests of the Economic Development Administration, U.S. Department of Commerce (EDA), as evidenced by three EDA projects designated as 05-01-00676 (closed on October 8, 1971, as 06-1-00676, 05-01-0077 (closed on June 30, 1971, as 06-1-00677), and 05-02-00675 (closed on October 8, 1971, as 06-2-00675) shall remain in full force and effect for the full terms thereof, including any and all extensions and shall not be subordinated in any manner whatsoever to any other interests.

Sec. 341. (a) The project for navigation for Honolulu Harbor, Hawaii, authorized by section 101 of the River and Harbor Act of 1954, is modified to authorize and direct the Secretary to maintain a 23-foot project depth in the Kalihi Channel portion of such project.

(b) The consent of Congress is hereby given to the State of Hawaii to construct, operate, and maintain a fixed-span bridge in and over the water of the Kalihi Channel, Honolulu Harbor, Hawaii.

"Sec. 342. The Secretary is authorized to pay the Federal share of the settlement amount, and any associated interest, resulting from the decision of the Engineer Board of Contract Appeals in ENC BCA Docket Number 4650 (June 28, 1985), notwithstanding the Federal cost limitation set out in Section 84(c) of the Water Resources Development Act of 1974 (Public Law 93-251).

"Sec. 343. The project for navigation, New York Harbor Collection and Removal of Drift, New York and New Jersey, authorized by section 91 of the Water Resources Development Act of 1974, as amended, is amended further by deleting the period following the phrase "Office, Chief of Engineers" and the following sentence, and inserting in lieu thereof the following: ": Except, That the project area is expanded to include the western shore of Hempstead Harbor, New York, and the Secretary of the Army is authorized and directed to remove derelict vessels from the western shore of Hempstead Harbor. There is authorized to be appropriated to the Secretary of the Army not to exceed $30,725,000 for the purposes of this section.".

Sec. 344. (a) The Congress finds and declares that—

(1) the Great Lakes are a most important natural resource to the eight Great Lakes States and two Canadian provinces, providing water supply for domestic and industrial use, clean energy through hydropower production, an efficient transportation mode for products into and out of the great Lakes region, and recreational uses for millions of United States and Canadian citizens;

(2) the Great Lakes need to be carefully managed and protected to meet current and future needs within the Great Lakes Basin;

(3) any new diversions of Great Lakes water for use outside of the Great Lakes Basin will have significant economic and environmental impacts, adversely affecting the use of this resource by the Great Lakes States and Canadian provinces; and

(4) four of the Great Lakes are international waters and are defined as boundary waters in the Boundary Waters Treaty of 1909 between the United States and Canada, and as such any new diversion of Great Lakes water in the United States would affect the relations of the Government of the United States with the Government of Canada.

(b) It is therefore declared to be the purpose and policy of Congress to prohibit any Federal agency, without an Act of Congress or the concurrence of the Governors of the Great Lakes States, from undertaking any studies for the purpose of the transfer of waters of the Great Lakes for use outside the Great Lakes Basin. This section does not apply to studies conducted at the direction of the International Joint Commission, in accordance with the Boundary Waters Treaty of 1909.

Sec. 345. (a) The project for improvement at Racine Harbor, Wisconsin, authorized by section 2 of the act entitled "An Act authorizing the construction, repair, and preservation of certain public works on rivers and harbors, and for other purposes", approved March 2, 1907 (59 Stat. 19), as amended, is hereby deauthorized.

(b) The Secretary shall transfer without consideration to Racine County, Wisconsin, title to any facilities constructed by the United States (as part of the project described above).

Sec. 346. The navigation project for Lynnhaven Inlet, Bay and connecting waters, Virginia, authorized by section 101 of the River and Harbor Act of 1962 (76 Stat. 1173, 1174) is hereby modified to provide that the United States shall pay for the remedial work to Long Creek Canal which the City of Virginia Beach, Virginia, was required to

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carry out as a result of such navigation project, at a cost not to exceed $1,660,000.

Sec. 347. (a) The Secretary of the Army, acting through the Chief of Engineers, shall—

(1) construct under section 205 of the Flood Control Act of 1948 (33 U.S.C. 701s) a project for flood control on the San Francisco River at Clifton, Arizona, for the purpose of protecting residential and commercial properties on the east side of the river downstream of the State Highway 666 Bridge, for an estimated total cost of $3,500,000: *Provided*, That such work shall be considered to complete all studies and proposals of the Secretary for such area.

Sec. 348. For purposes of future studies undertaken pursuant to section 223 of this Act, the Secretary is authorized to consider benefits which may accrue to Indian tribes as a result of a project resulting from such a study.

Sec. 349. The Dickey-Lincoln School project, Saint John River, Maine, as authorized by section 204 of the Flood Control Act of 1965, is hereby deauthorized.

Sec. 350. Section 88(c) of the Water Resources Development Act of 1974 is amended by—

(1) inserting after "encroachments" the following: "(other than the Mineral Avenue/Ken Caryl Road extension and associated transmission lines)"; and

(2) inserting "significantly" after "areas which would".

Sec. 351. (a)(1) Congress is concerned about the impact that the century-high water level of the Great Lakes is having on shoreline along the Great Lakes and connecting channels.

(2) Congress recognizes scientific findings that indicate the level of the Great Lakes will continue to rise if, as expected, the current long term weather cycle of cooler temperatures and higher precipitation prevails.

(b) The Secretary, in cooperation with the National Oceanic and Atmospheric Administration, the Federal Emergency Management Agency, the International Joint Commission, and other appropriate Federal, State, and local agencies and the private sector, is authorized to conduct a study of shoreline protection and beach erosion control policy and related projects of the Secretary, in view of the current situation and long-term expected increases in the levels of the Great Lakes. Such study shall include, but is not limited to—

(1) a study to determine the magnitude and extent of current and expected future shoreline erosion on the Great Lakes and connecting channels occurring as a result of high water levels. The study shall examine the impacts of the long term cold weather cycle on lake levels and shoreline damage. The study shall also examine the relationship of shoreline damage to the regulation of outflows from Lake Superior and Lake Erie in accordance with approved regulation plans of the International Joint Commission;

(2) an economic and hydrologic analysis to determine whether changes in the inflows and outflows ot the existing structures may be desirable to reduce shoreline damages, and whether further regulation of the outflow of Lake Erie may be warranted to achieve better regulation of the water levels of the Great Lakes;

(3) a summary of the legal and institutional impacts of rising lake levels on riparian lands; and,

(4) recommendations for new or additional criteria for Federal participation in shoreline protection projects along the Great Lakes and connecting channels.

(c) Within three years after the date of enactment of this Act, the Secretary shall transmit the studies prepared pursuant to subsection (b) of this section, together with supporting documentation and the recommendations of the Secretary, to the Committee on Environment and Public Works of the Senate and Committee on Public Works and Transportation of the House of Representatives.

(d) For the purpose of this section, there is authorized to be appropriated to the Secretary for the fiscal year ending September 30, 1987, or thereafter, the sum of $3,000,000, such sum to remain available until expended.

Sec. 352. The Secretary is directed to include in the feasibility study of Sunset Beach Harbor, Bolsa Chica Bay, California, an assessment of the feasibility of non-Federal cost sharing for the Sunset Beach Harbor project, utilizing the provisions of section 215 of this Act, in consultation with the appropriate non-Federal sponsors: Provided, That no such assessment shall be considered as an alternative to any non-Federal cost sharing otherwise required during the period of construction of any possible project. The assessment under this section will examine whether, and to what extent, the provisions of section 215 of this Act can be used by the non-Federal sponsors of the Sunset Beach Harbor project to support non-Federal cost-sharing for this project.

Sec. 353. The project for navigation, Cape Charles City Harbor, Virginia, authorized by the River and Harbor Act approved March 2, 1945 (59 Stat. 15), is modified to provide that the local interests shall not be required—

(1) to provide bulkheads, or

(2) to reserve berthing space for general public use, along a great distance of the shoreline than such bulkheads are provided or such berthing space is reserved on the date of the enactment of this Act.

Sec. 354. The Secretary is directed to expedite the hydroelectric power studies of the Red River Basin Comprehensive Study, Arkansas, Texas, Louisiana, and Oklahoma (authorized by Public Law 98-63), with a particular view of investigating the feasibility of adding hydroelectric power generating facilities at the Tuskahoma Lake, Oklahoma, project.

Sec. 355. The project for navigation and power generation, Fort Peck, Montana, authorized by the Act entitled "An Act to Authorize the completion, maintenance, and operation of the Fort Peck project for navigation and for other purposes", approved May 18, 1938 (16 U.S.C. 833), shall include recreation as a purpose of such project.

Sec. 356. The Secretary of the Army, acting through the Chief of Engineers, has been conducting a study of the feasibility of providing flood protection along the West Branch of the Susquehanna River for the Borough of Milton, Pennsylvania. The Secretary is directed to undertake further studies for engineering and design for a flood control project at Milton, Pennsylvania.

Sec. 357. No monies shall be appropriated or obligated for a feasibility study of navigation improvements on the Wabash River, Indiana and Illinois, pursuant to the authorized Wabash River Comprehensive Study.

Sec. 358. (a) Notwithstanding any other provision of law, the Cherokee Nation of Oklahoma is authorized to design and construct hydroelectric generating facilities at the W.D. Mayo Lock and Dam on the Arkansas River in Oklahoma, as described in the report of the Chief of Engineers dated December 23, 1981: *Provided*, That, the agreement described in subsection (d) of this section is executed by all parties described in subsection (b) of this section.

(b) Conditioned upon the parties agreeing to mutually acceptable terms and conditions, the Secretary and the Secretary of Energy, acting through the Southwestern Power Administration, may enter into a binding agreement with the Cherokee Nation of Oklahoma under which the Cherokee Nation of Oklahoma agrees—

(1) to design and initiate construction of the generating facilities referred to in subsection (a) of this section within three years after the date of such agreement,

(2) to reimburse the Secretary for his costs in—

(A) approving such design and inspecting such construction, and

(B) providing any assistance authorized under subsection (c)(2) of this section, and

(3) to release and indemnify the United States from any claims, causes of action, or liabilities which may arise from such design or construction.

Such agreement shall also specify:

(1) the procedures and requirements for approval and acceptance of such design and construction are set forth,

(2) the rights, responsibilities, and liabilities of each party to the agreement are set forth, and

(3) the amount of the payments under subsection (f) of this section, and the procedures under which such payments are to be made, are set forth.

(c)(1) No Federal funds may be expended for the design construction of the generating facilities referred to in subsection (a) of this section prior to the date on which such facilities are accepted by the Secretary under subsection (d) of this section.

(2) Notwithstanding any other provision of law, the Secretary is authorized to provide, on a reimbursable basis, any assistance requested by the Cherokee Nation of Oklahoma in connection with the design or construction of the generating facilities referred to in subsection (a) of this section.

(d) Notwithstanding any other provision of law, upon completion of the construction of the generating facilities referred to in subsection (a) of this section, and final approval of such facilities by the Secretary—

(1) the Cherokee Nation of Oklahoma shall transfer title to such facilities to the United States, and

(2) the Secretary shall—

(A) accept the transfer of title to such generating facilities on behalf of the United States, and

(B) operate and maintain such facilities.

(e) Pursuant to any agreement under subsection (b) of this section, the Southwestern Power Administration shall market the excess power produced by the generating facilities referred to in subsection (a) of this section in accordance with section 5 of the Act of December 22, 1944 (58 Stat. 890; 16 U.S.C. 825s).

(f) Notwithstanding any other provision of law, the Secretary of Energy, acting through the Southwestern Power Administration, is authorized to pay to the Cherokee Nation of Oklahoma, in accordance with the terms of the agreement entered into under subsection (b) of this section, out of the revenues from the sale of power produced by the generating facilities of the

interconnected systems of reservoirs operated by the Secretary and marketed by the Southwestern Power Administration—

(1) all costs incurred by the Cherokee Nation of Oklahoma in the design and construction of the generating facilities referred to in subsection (a) of this section, including the capital investment in such facilities and interest on such capital investment, and

(2) for a period not to exceed fifty years, a reasonable annual royalty for the design and construction of the generating facilities referred to in subsection (a) of this section.

(g) Notwithstanding any other provision of law, the Secretary of Energy, acting through the Southwestern Power Administration, is authorized—

(1) to construct such transmission facilities as necessary to market the power produced at the generating facilities referred to in subsection (a) of this section with funds contributed by non-Federal sources, and

(2) to repay those funds, including interest and any administrative expenses, directly from the revenues from the sale of power produced by the generating facilities of the interconnected systems of reservoirs operated by the Secretary and marketed by the Southwestern Power Administration.

(h) There are authorized to be appropriated to the Secretary for the fiscal year in which title to the generating facilities is transferred and accepted under subsection (d) of this section, and for each succeeding fiscal year, such sums as may be necessary to operate and maintain such facilities.

TITLE IV—DAM SAFETY

Sec. 401. (a) Section 1 of Public Law 92-367 (86 Stat. 506) is amended by replacing the final period with a comma and inserting the following after the comma: "unless such barrier, due to its location or other physical characteristics, is likely to pose a significant threat to human life or property in the event of its failure.".

(b) Public Law 92-367 is further amended by inserting after section 6 the following sections:

"Sec. 7. There is authorized to be appropriated to the Secretary of the Army (hereafter in this Act referred to as the 'Secretary'), $13,000,000 for each of the fiscal years ending September 30, 1987, through September 30, 1991. Sums appropriated under this section shall be distributed annually among those States on the following basis: One-third equally among those States that have established dam safety programs approved under the terms of section 8 of this Act, and two-thirds in proportion to the number of dams located in each State that has an established dam safety program under the terms of section 8 of this Act to the number of dams in all States with such approved programs. In no event shall funds distributed to any State under this section exceed 50 per centum of the reasonable cost of implementing an approved dam safety program in such State.

"Sec. 8. (a) In order to encourage the establishment and maintenance of effective programs intended to assure dam safety to protect human life and property, the Secretary shall provide assistance under the terms of section 7 of this Act to any State that establishes and maintains a dam safety program which is approved under this section. In evaluating a State's dam safety program, under the terms of subsections (b) and (c) of this section, the Secretary shall determine that such program includes the following:

"(1) a procedure, whereby, prior to any construction the plans for any dam will be reviewed to provide reasonable assurance of the safety and integrity of such dam over its intended life;

"(2) a procedure to determine, during and following construction and prior to operation of each dam built in the State, that such dam has been constructed and will be operated in a safe and reasonable manner;

"(3) a procedure to inspect every dam within such State at least once every five years, except that such inspections shall be required at least every three years for any dam the failure of which is likely to result in the loss of human life;

"(4) a procedure for more detailed and frequent safety inspections, when warranted;

"(5) the State has or can be expected to have authority to require those changes or modifications in a dam, or its operation, necessary to assure the dam's safety;

"(6) the State has or can be expected to develop a system of emergency procedures that would be utilized in the even a dam fails or for which failure is imminent together with an identification for those dams where failure could be reasonably expected to endanger human life, of the maximum area that could be inundated in the event of the failure of such dam, as well as identification of these necessary pubilic facilities that would be affected by such inundation;

"(7) the State has or can be expected to have the authority to assure that any repairs or other changes needed to maintain the integrity of any dam will be undertaken by the dam's owner, or other responsible party; and

"(8) the State has or can be expected to have authority and necessary emergency funds to make immediate repairs or other changes to, or removal of, a dam in order to protect human life and property, and if the owner does not take action, to take appropriate action as expeditiously as possible.

"(b) Any program which is submitted to the Secretary under the authority of this section shall be deemed approved one hundred and twenty days following its receipt by the Secretary unless the Secretary determines that such program fails to reasonably meet the requirements of subsection (a) of this section. If the Secretary determines such a program cannot be approved, he shall immediately notify such State in writing, together with his reasons and those changes needed to enable such plan to be approved.

"(c) Utilizing the expertise of the Board established under section 9 of this Act, the Secretary shall review periodically the implementation and effectiveness of approved State dam safety programs. In the event the Board finds that a State program under this Act has proven inadequate to reasonably protect human life and property, and the Secretary agrees, the Secretary shall revoke approval of such State program and withhold assistance under the terms of section 7 of this Act until such State program has been reapproved.

"Sec. 9 (a) There is authorized to be established a National Dam Safety Review Board (hereinafter in this Act referred to as the 'Board'), which shall be responsible for reviewing and monitoring State implementation of this Act. The Board is authorized to utilize the expertise of other agencies of the United States and to enter into contracts for necessary studies to carry out the requirements for this section.

"(b) The Board shall consist of seven members selected for their expertise in dam safety, to represent the Department of the Army, the Department of the Interior, the Tennessee Valley Authority, the Federal Emergency Management Agency, and the Department of Agriculture, plus two members, selected by the President, from employees or officials of States having an approved program under section 8 of this Act.

"Sec. 10. The head of any agency of the United States that owns or operates a dam, or proposes to construct a dam in any State, shall, when requested by such State, consult fully with such State on the design and safety of such dam and allow officials of such State to participate with officials of such agency in all safety inspections of such damn.

"Sec. 11. The Secretary shall, at the request of any State that has or intends to develop a dam safety program under section 8 of this Act, provide training for State dam safety inspectors. There is authorized to be appropriated to carry out this section $500,000 during each of the fiscal years ending September 30, 1987, through September 30, 1991.

Sec. 12. The Secretary, in cooperation with the National Bureau of Standards, shall undertake a program of research in order to develop improved techniques and equipment for rapid and effective dam inspection, together with devices for the continued monitoring of dams for safety purposes. The Secretary shall provide for State participation in such research and periodically advise all States and the Congress of the result of such research. There is authorized to be appropriated to carry out this section $1,000,000 for each of the fiscal years ending September 30, 1987, through September 30, 1991.

Sec. 13. The Secretary is authorized to maintain and periodically publish updated information on the inventory of dams authorized in section 5 of this Act. For the purpose of carrying out this section, there is authorized to be appropriated to the Secertary $500,000 for each of the fiscal years ending September 30, 1986, through September 30, 1990.".

Sec. 14. No funds authorized in this Act shall be used to construct or repair any Federal or non-Federal dam."

Sec. 402. Any report that is submitted to the Committee on Environment and Public Works of the Senate or the Committee on Public Works and Transportation of the House of Representatives by the Secretary, or the Secretary of Agriculture acting under Public Law 83-566, as amended, which proposes construction of a water impoundment facility, shall include information on the consequences of failure and geologic or design factors which could contribute to the possible failure of such facility.

Sec. 403. (a) After the date of enactment of this Act, costs incurred in the modification by the Secretary of dams and related facilities constructed or operated by the Secretary, the cause of which results from new hydrologic or seismic data or changes in state-of-the-art design or construction criteria deemed necessary for safety purposes, shall be recovered in accordance with the provisions of this subsection.

(1) Fifteen percent of the modification costs shall be assigned to project purposes in accordance with the cost allocation in effect for the project at the time the work is initiated. Non-Federal interests shall share the cost assigned to each purpose in accord with the cost sharing in effect at the time of initial project construction *Provided*, That the Secretary of the Interior shall recover

costs assigned to irrigation in accordance with repayment provisions of Public Law 98-404.

(2) Repayment under this subsection, with the exception of costs assigned to irrigation, may be made, with interest, over a period of not more than thirty years from the date of completion of the work. The interest rate used shall be determined by the Secretary of the Treasury, taking into consideration average market yields on outstanding marketable obligations of the United States with remaining periods to maturity comparable to the applicable reimbursable period during the month preceding the fiscal year in which the costs are incurred, plus a premium of one-eighth of one percentage point for transaction costs. To the extent that more than one interest rate is determined pursuant to the preceding sentence, the Secretary of the Treasury shall establish an interest rate at the weighted average of the rates so determined.

(b) Nothing in this section affects the authority of the Secretary to perform work pursuant to Public Law 84-99, as amended (33 U.S.C. 701n) or cost sharing for such work.

Sec. 404. This title shall be known as the "Dam Safety Act of 1985".

TITLE V—INLAND NAVIGATION

Sec. 501. One-half of the cost of construction of the navigation lock and dam projects authorized in sections 502 and 504(e)(1) of this title, shall be paid only from amounts appropriated out of the general fund of the Treasury. One-half of such cost shall be paid only from amounts appropriated out of the Inland Waterways Trust Fund established pursuant to section 203 of Public Law 95-502.

Sec. 502. The following works of improvement to the inland waterways of the United States are hereby adopted and authorized to be prosecuted by the Secretary in accordance with the plans and subjects to the conditions recommended in the respective reports hereinafter designated: Provided, That the figures listed in this title shall be subject to the limitations provided under sections 212, 213, and 218 of this Act:

(1) Oliver lock replacement, Black Warrior-Tombigbee River, Alabama: Report of the Chief of Engineers, dated September 26, 1984, at a total cost of $147,211,000 (October 1984);

(2) Gallipolis locks and dam replacement, Ohio River, Ohio and West Virginia: Report of the Chief of Engineers dated April 8, 1982, at a total cost of $256,000,000 (October 1984);

(3) Bonneville lock and dam, Oregon and Washington-Columbia River and Tributaries Interim Report: Reports of the Chief of Engineers dated March 14, 1980, and February 10, 1981, at a total cost of $191,020,000 (October 1984);

(4) Lock and dam 7 replacement, Monogahela River, Pennsylvania: Report of the Chief of Engineers, dated September 24, 1984, at a total cost of $95,100,000 (October, 1984); and

(5) Lock and dam 8 replacement, Monogahela River, Pennsylvania: Report of the Chief of Engineers, dated September 24, 1984, at a total cost of $68,000,000 (October, 1984).

Sec. 503. (a) The Secretary is authorized to reimburse the State of New York for 50 per centum of the cost of operating, maintaining, and rehabilitating the New York State Barge Canal: *Provided*, That control and operation of such canal shall continue to reside with the State of New York: And provided further, That the Federal contribution to the costs of rehabilitating the New York State Barge Canal shall be limited in any fiscal year to $5,000,000, or 50 per centum of the expenditures in that fiscal year, whichever is the lesser.

(b) For the purpose of this section, the New York State Barge Canal is defined to be—

(1) the Erie Canal, which connects the Hudson River at Waterford with the Niagara River at Tonawanda;

(2) the Oswego Canal, which connects the Erie Canal at Three Rivers with Lake Ontario at Oswego;

(3) the Champlain Canal, which connects the easterly end of the Erie Canal at Waterford with Lake Champlain at Whitehall; and

(4) the Cayuga and Seneca Canals, which connect the Erie Canal at a point near Montezuma with Cayuga and Seneca Lakes and through Cayuga Lake and Ithaca and through Seneca Lake with Montour Falls.

Sec. 504. (a)(1) This section may be cited as the "Upper Mississippi River Management Act of 1986".

(2) To ensure the coordinated development and enhancement of the Upper Mississippi River system, it is hereby declared to be the intent of Congress to recognize that system as a nationally significant ecosystem and a nationally significant commercial navigation system. Congress further recognizes that the system provides a diversity of opportunities and experiences. The system shall be administered and regulated in recognition of its several purposes.

(b) For purposes of this section—

(1) the terms "Upper Mississippi River system" and "system" mean those river reaches having commercial navigation channels on the Mississippi River main stem north of Cairo, Illinois; the Minnesota River, Minnesota; Black River, Wisconsin; Saint Croix River, Minnesota and Wisconsin; Illinois River and Waterway, Illinois; and Kaskaskia River, Illinois;

(2) the term "Master Plan" means the comprehensive master plan for the management of the Upper Mississippi River system dated January 1, 1982, prepared by the Upper Mississippi River Basin Commission and submitted to Congress pursuant to Public Law 95-502;

(3) the term "GREAT I, GREAT II, and GRRM studies" means the studies entitled "GREAT Environmental Action Team—GREAT I—A Study of the Upper Mississippi River", dated September 1980, "GREAT River Environmental Action Team—GREAT II—A Study of the Upper Mississippi River," dated December 1980, and "GREAT River Resource Management Study", dated September 1982; and

(4) The term "Upper Mississippi River Basin Association" means an association of the States of Illinois, Iowa, Minnesota, Missouri, and Wisconsin, formed for the purposes of cooperative effort and united assistance in the comprehensive planning for the use, protection, growth, and development of the Upper Mississippi River System.

(c)(1) Congress hereby approves the Master Plan as a guide for future water policy on the Upper Mississippi River system. Such approval shall not constitute authorization of any recommendation contained in the Master Plan.

(2) Section 101 of Public Law 95-502 is amended by striking the last two sentences of subsection (b), striking subsection (i) in its entirety, striking the final sentence of subsection (j), and renumbering subsection "(j)" as subsection "(i)".

(d)(1) The Secretary is authorized to enter into cooperative agreements with the Upper Mississippi River Basin Association (hereinafter referred to as the "Association") established under paragraph (1) of this subsection to promote and facilitate active State government participation in river system management, development, and protection.

(2) For the purpose of insuring the coordinated planning and implementation of programs authorized in subsection (f) and paragraph (i)(2) of this section, the Secretary shall enter into an interagency agreement with the Secretary of the Interior to provide for the direct participation of, and transfer funding to, the fish and Wildlife Service and any other agency or bureau of the Department of the Interior for the planning, design, implementation, and evaluation of such programs.

(3) Any changes in the master plan recommended by the Secretary shall be submitted to the Association for comment. The Association may make comments with respect to such recommendations or initiate other recommended changes as the Association deems appropriate and shall transmit such comments or recommended changes to the Secretary. The Secretary shall transmit his recommendations, together with the comments and recommended changes of the Association to Congress for approval within ninety days of the receipt of such comments or recommended changes.

(e) The Secretary is authorized to provide for the engineering, design, and construction of a second lock at locks and dam 26, Mississippi River, Alton, Illinois and Missouri, at a total cost of $220,000,000 (October 1984). Such second lock shall be one hundred and ten feet by six hundred feet and shall be constructed at or in the vicinity of the location of the replacement lock authorized by section 102 of Public Law 95-502.

(f)(1) The Secretary, in concert with the Secretary of the Interior and the States of Illinois, Iowa, Minnesota, Missouri, and Wisconsin, is authorized to undertake, as identified in the master plan, a program for—

(A) the planning, construction, and evaluation of measures for fish and wildlife habitat rehabilitation and enhancement;

(B) the implementation of a long term resource monitoring program; and

(C) the implementation of a computerized inventory and analysis system.

(2) Each program referred to in paragraph (1) of this subsection shall be carried out for ten years. Within ten years from the date of enactment of this Act, the Secretary, in consultation with the Secretary of the Interior and the States of Illinois, Iowa, Minnesota, Missouri, and Wisconsin, shall conduct an evaluation of the programs and submit a report on the results of such evaluation to Congress. Such evaluation shall analyze each such program's effectiveness, strengths, and weaknesses, and contain recommendations for the modification and continuance or termination of such programs.

(3)(A) For purposes of carrying out paragraph (1)(A) of this subsection, there is authorized to be appropriated to the Secretary the sum of $8,200,000 for the first fiscal year beginning after the date of enactment of this Act, the sum of $12,400,000 for the second fiscal year beginning after the date of enactment of this Act, and the sum of $13,000,000 for each of the next eight fiscal years.

(B) For purposes of carrying out paragraph (1)(B) of this subsection, there is authorized to be appropriated to the Secretary the sum of $7,680,000 for the first fiscal year beginning after the date of enactment of this Act, and the sum of $5,080,000 for each of the next nine fiscal years.

(C) For purposes of carrying out paragraph (1)(C) of this subsection, there is authorized to be appropriated to the Secretary the sum of $40,000 for the first fiscal year beginning after the date of enactment of this Act, the sum of $280,000 for the second fiscal year beginning after the date of enactment of this Act, the sume of $1,220,000 for the third fiscal year beginning after the date of enactment of this Act, and the sum of $775,000 for each of the next seven fiscal years.

(4)(A) Notwithstanding the provisions of subsection (a)(2) of this section, the costs of each project carried out pursuant to paragraph (1)(A) of this subsection shall be allocated between the Secretary and the appropriate non-Federal sponsor in accordance with the provisions of section 224 of this Act.

(B) Notwithstanding the provisions of subsection (a)(2) of this section, the cost of implementing the activities authorized by paragraphs (1)(B) and (1)(C) of this subsection shall be allocated in accordance with the provisions of section 224 of this Act, as if such activity was required to mitigate losses to fish and wildlife.

(g)(1)(A) The Secretary, in consultation with any agency established under subsection (d)(1) of this section, is authorized to implement a program of recreational projects for the system substantially in accordance with the recommendations of the GREAT I, GREAT II, and GRRM studies and the master plan reports. The cost of each such project shall be allocated between the Secretary and the appropriate non-Federal sponsor in accordance with section 701 of this Act.

(B) The Secretary, in consultation with any agency established under subsection (d)(1) of this section, shall at Federal expense conduct an assessment of the economic benefits generated by recreation activities in the system.

(2)(A) For purposes of carrying out the program of recreational projects authorized in paragraph (1)(A) of this subsection, there is authorized to be appropriated to the Secretary the sum of $500,000 for each of the ten fiscal years beginning after the date of enactment of this Act.

(B) For purposes of carrying out the assessment of economic benefits of recreational activities authorized in paragraph (1)(B) of this subsection, there is authorized to be appropriated to the Secretary the sum of $300,000 for the first fiscal year beginning after the date of enactment of this Act, the sum of $300,000 for the second fiscal year beginning after the date of enactment of this Act, and the sum of $150,000 for the third fiscal year beginning after the computerized inventory and analysis system implemented pursuant to phrase (f)(1)(C) of this section is fully functional.

(h) The Secretary shall, in his budget request, identify those measures developed by the Secretary, in consultation with the Secretary of Transportation and any agency established under subsection (d)(1) of this section, to be undertaken to increase the capacity of specific locks throughout the system by employing nonstructural measures and making minor structural improvements.

(i)(1) The Secretary, in consultation with any agency established under subsection (d)(1) of this section, shall monitor traffic movements on the system for the purpose of verifying lock capacity, updating traffic projections and refining the economic evaluation so as to verify the need, if any, for future capacity expansion of the system.

(2) The Secretary, in concert with the Secretary of the Interior and the States of Illinois, Iowa, Minnesota, Missouri and Wisconsin, shall determine the need for river rehabilitation and environmental protection based on the condition of the environment, project developments, and projected environmental impacts from implementing any proposals resulting from recommendations made under subsection (h) and paragraph (1) of this subsection.

(j) None of the funds appropriated pursuant to the authorization contained in subsections (f) and (g) of this section shall be considered to be attributable to commercial navigation.

(k) This section shall not be subject to the provisions of section 212 of this Act.

Sec. 505. The navigation lock authorized by the River and Harbor Act of 1956, Public Law 84-455, provides for replacement of the navigation lock connecting the Mississippi River Gulf Outlet with the Mississippi River. Inasmuch as this new lock will provide substantial benefits to shallow draft navigation (inland waterway), the costs should be allocated between deep draft and shallow draft navigation, and the Secretary is authorized to utilize the Inland Waterways Trust Fund to pay for one-half of the costs allocated to shallow draft navigation with the remaining half of such allocated costs to be paid only from amounts appropriated out of the general fund of the Treasury.

TITLE VI—HARBOR CONSTRUCTION

Sec. 601. (a) Following the date of enactment of this Act, feasibility studies of any proposed commercial channel or harbor project or plan undertaken by the Secretary shall be initiated only in accordance with the provisions of section 223 of this Act.

(b)(1) A non-Federal sponsor may on its own undertake such a study and submit it to the Secretary. To assist non-Federal sponsors, the Secretary shall, as soon as practicable, promulgate guidelines for studies of commercial channels or harbors to provide sufficient information for the formulation of studies.

(2)(A) The Secretary shall review all such studies submitted by non-Federal sponsors under paragraph (b)(1) of this subsection for the purpose of determining whether or not such studies were carried out in accordance with the guidelines promulgated under such paragraph and developed in compliance with Federal laws and regulations applicable to Federal navigation projects.

(B) Not later than one hundred and eighty days after receiving any study under the terms of paragraph (b)(1) of this subsection, the Secretary shall transmit to the Congress in writing the results of such study and any recommendations the Secretary may have concerning the possible authorization of the project described in such study.

(3) The costs of any study under this subsection shall be a non-Federal responsibility, except that whenever such a study results in the construction of a project by the Secretary, 50 per centum of the cost of such study shall be credited toward the non-Federal sponsor's cost-sharing requirement for construction under the terms of section 602(b) of this title.

Sec. 602(a) For the purposes of cooperative financial development of projects, or separable elements thereof, for any commercial channel or harbor construction, the Secretary shall initiate no such construction project unless an appropriate non-Federal sponsor agrees to construct at its own expense all project facilities other than those for general navigation and by contract to provide during the period of construction of such project, or separable element thereof, the following percentages of the construction cost for general navigation facilities of the project, or separable element thereof, assigned to commercial navigation based on the depths below mean low water listed herein:

(1) no deeper than twenty feet: 10 per centum;

(2) deeper than twenty feet but less than, or equal to, forty-five feet: 25 per centum; and

(3) deeper than forty-five feet: 50 per centum.

(b)(1) In addition to the sums required to be paid during the period of construction under the terms of subsection (a) of this section, each non-Federal sponsor shall contract with the Secretary to repay to the United States, over a period not to exceed thirty years following completion of the project, or separable element thereof, 10 per centum of the total cost of construction of general navigation facilities for the project assigned to commercial navigation, with interest at a rate determined by the Secretary of the Treasury. In determining such rate of interest, the Secretary of the Treasury shall consider the average market yields on outstanding marketable obligations of the United States with remaining periods to maturity comparable to the reimbursement period during the month preceding the fiscal year in which costs are incurred, plus a premium of one-eighth of one percentage point for transaction costs: Provided, That the Secretary of the Treasury shall recalculate the rate of interest every five years. Funds paid under this paragraph shall be deposited into the general fund of the Treasury.

(2) Under the terms of this subsection, the Secretary may permit a non-Federal sponsor to include toward sums to be reimbursed all or part of the value of any lands, easements, rights-of-way, and dredged material disposal areas and relocations contributed or expended by the non-Federal public sponsor as a part of such project.

(c) For purposes of this section, a project shall be deemed to have commenced construction if, as of December 31, 1984, the non-Federal sponsor entered into a written contract with the Secretary to provide local cooperation required pursuant to the project authorization, including, where applicable, an agreement under section 221 of Public Law 91-611, as amended.

(d) Prior to initiation of construction pursuant to this section, the Secretary and the non-Federal sponsor shall enter into a cooperative agreement according to procedures set forth in section 221 of the Flood Control Act of 1970 (Public Law 91-611), as amended. The non-Federal sponsor shall agree to—

(1) provide to the Federal Government lands, easements, and rights-of-way, and to provide dredged material disposal areas and perform the necessary relocations required for construction, operation, and maintenance of such project;

(2) hold and save the United States free from damages due to the construction or operation and maintenance of such project except for damages due to the fault or negligence of the United States or its contractors;

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(3) provide to the Federal Government the non-Federal share of all other costs of construction of such projects; and

(4) on projects constructed by the Secretary to depths greater than forty-five feet below mean low water following enactment of this Act, be responsible for 50 per centum of the incremental maintenance below forty-five feet below mean low water.

(e) Notwithstanding the provisions of section 212 of this Act, the project for navigation at the Houston Ship Channel (Greens Bayou), Texas, authorized pursuant to section 301 of the River and Harbor Act of 1965 (79 Stat. 1091), the project for navigation at the Houston Ship Channel (Barbour Terminal Channel), Texas, authorized pursuant to section 107 of the River and Harbor Act of 1960 (74 Stat. 486), and the project for navigation at the Houston Ship Channel (Bayport Ship Channel), Texas, authorized by section 101 of the River and Harbor Act of 1958 (72 Stat. 298), are modified to authorize and direct the Secretary to assume responsibility for maintenance to forty-foot project depths, as constructed by non-Federal interests prior to enactment of this Act.

(f) For the purpose of demonstrating the potential advantages and efficiencies of non-Federal management of projects, the Secretary may approve as many as two proposals pursuant to which the non-Federal interests will undertake part or all of the project as the agent of the Secretary by utilizing its own personnel or by procuring outside services, so long as the cost of doing so will not exceed the cost of the Secretary undertaking the project.

Sec. 603. (a) Nothing in this title shall be construed to prohibit or otherwise interfere with the Secretary or other Federal authority to operate, maintain, or improve any harbor for purposes of Coast Guard navigation requirements, Department of the Navy navigation requirements, or requirements for vessels carrying military personnel and material.

(b) Whenever the Secretary undertakes improvements to a habor, the Secretary may reduce proportionally the percentage share required by the non-Federal sponsor relating to the portion of traffic that provides direct benefits to such national defense requirements of the United States.

Sec. 604. (a) In addition, to projects undertaken pursuant to section 602. (a) In addition, to projects undertaken pursuant to sectoin 602 of this title, any non-Federal sponsor is authorized to undertake navigational improvements in commercial channels or habors of the United States, subject to obtaining any permits required pursuant to Federal and State laws in advance of the actual construction of such improvements. The responsibilities authorized under subsection (f) of this section shall not apply to such improvements unless the Secretary determines, prior to construction, that the improvements, or separable elements thereof, are economically justified, environmentally acceptable, and consistent with the purposes of this title.

(b) When requested by an appropriate non-Federal sponsor the Secretary is authorized to undertake all necessary studies and engineering for any construction to be undertaken under the terms of subsection (a) of this section, and assist in obtaining all necessary permits: *Provided*, That the non-Federal sponsor contracts with the Secretary to furnish the United States funds for such studies and engineering during the period that they are conducted.

(c) The Secretary is authorized to complete and transmit to the appropriate non-Federal sponsor any study for improvements to commercial channels or harbors of the United States which were initiated prior to the date of enactment of this Act, or, upon the request of such non-Federal sponsor, to terminate such study and transmit such partially completed study to the non-Federal sponsor. Studies under this subsection shall be completed without regard to the requirements of subsection (b) of this section. Any non-Federal sponsor which has requested and received from the Secretary pursuant to this subsection, or subsection (b) of this section, the completed study and engineering for an improvement to a commercial channel or harbor, or separable element thereof, for the purpose of constructing such improvement and for which improvement a Final Environmental Impact Statement has been filed, shall be authorized to carry out the terms of the plan for such improvement. Any plan of improvement proposed to be implemented in accordance with this provision shall be deemed to satisfy the requirements for obtaining the appropriate permits required under the Secretary's authority and such permits shall be granted subject to the non-Federal sponsor's acceptance of the terms and conditions of such permits: *Provided*, That the Secretary determines that applicable regulatory criteria and procedures have been satisfied. The Secretary shall monitor any project for which permits are granted under this subsection in order to ensure that such project is constructed (and, in those cases where such activities will not be the responsibility of the Secretary, operated and maintained) in accordance with the terms and conditions of such permits.

(d) On any activity undertaken pursuant to subsection (a) of this section or section 602(a)(3) of this Act, the non-Federal sponsor shall provide 50 per centum of the costs expended on any relocation and alteration of existing pipelines, cables, and related facilities (but not to include any cost for upgrading or improvements to such pipelines, cables, and related facilities necessary for the construction of harbors), and the owner of such existing pipeline, cables, and related facility shall provide 50 per centum.

(e) Subject to the enactment of appropriation Acts, the Secretary is authorized to reimburse any non-Federal sponsor an amount equal to the estimate of Federal share, without interest, of the cost of any commercial channel or harbor improvement, or separable element thereof, constructed under the terms of this subsection if, subsequent to authorization of the project and prior to initiation of construction of the project or separable element thereof, the Secretary approves the plans of construction of such project by such non-Federal sponsor and if such non-Federal sponsor enters into an agreement to pay the non-Federal share, if any, of the cost of operation and maintenance of such project:*Provided*, That prior to such approval the Secretary does not find that the project, or separable element thereof, is no longer economically justified or environmentally acceptable. In reviewing such plans, the Secretary shall consider budgetary and programmatic priorities, potential impacts on the cost of dredging projects nationwide, and other factors that the Secretary deems appropriate. The Secretary shall regularly monitor and audit any project for a commercial channel or harbor constructed under this subsection by a non-Federal sponsor in order to ensure that such construction is in compliance with the plans approved by the Secretary, and that costs are reasonable. No reimbursement shall be made unless and until the Secretary has certified that the work for which reimbursement is requested has been performed in accordance with the approved plans.

(f) Whenever a non-Federal sponsor constructs improvements to any commercial channel or harbor, the Secretary shall be responsible for maintenance to forty-five feet below mean low water, and 50 per centum of the costs of incremental maintenance below forty-five feet below mean low water: Provided, That the Secretary certifies that the project is constructed in accordance with the appropriate engineering and design standards: And provided further, That the Secretary does not find that the project, or separable element thereof, is no longer economically justified or environmentally acceptable.

Sec. 605. (a) The Secretary, upon receipt from an appropriate non-Federal sponsor of a written notice of intent to construct improvements in the commercial channels or harbors, shall initiate procedures to establish a schedule of compliance for the purpose of joint processing of all Federal permits required prior to initiation of such construction activities.

(b)(1) Within fifteen days of the receipt of correspondence under the terms of subsection (a) of this section, the Secretary shall publish such notice in the Federal Register. The Secretary shall also notify in writing all State and local agencies that may be required to issue permits for construction of such improvements and related activities that such construction is proposed. The Secretary shall solicit the cooperation of such agencies and request that they also become parties to a memorandum of agreement (hereinafter in this Act referred to as the "agreement"). If within thirty days following publication of notice in the Federal Register any such agency advises the Secretary in writing of its willingness to become a signatory to the agreement, the Secretary shall include such agency in the agreement.

(2) Within ninety days of the Secretary's receipt of the correspondence described in subsection (a) of this section, the Secretary of the Interior, the Secretary of Commerce, the Administrator of the Environmental Protection Agency, and any State or local agencies which have notified the Secretary in writing shall enter into the agreement with the Secretary to establish a schedule of compliance with the necessary Federal permits required for undertaking such improvements. The schedule of compliance shall not exceed two years from the date of the agreement except that a time period in excess of two years may be included if necessary to meet the requirments of the National Environmental Policy Act (Public Law 91-190), as amended.

(c)(1) The agreement shall, to the extent possible, consolidate hearing and comment periods, procedures for data collection and report preparation, and the environmental review and permitting process with data collection and analysis associated with the feasibility study conducted by the non-Federal sponsor. The agreement will also detail the non-Federal sponsor's responsibilities with respect to data development, and information necessary to process each permit, including a schedule of dates when such information and data will be provided to the appropriate Federal, State, or local agency.

(2) Such agreement shall also include a scheduled date by which the Secretary, taking into consideration the views of all the affected Federal agencies, shall determine whether there is reasonable likelihood the necessary permit or permits will not be issued, in which case the Secretary shall so notify the appropriate non-Federal sponsor. The Secretary may revise the agreement only once to extend the schedule of compliance for a period not to exceed one hundred and twenty days for the purpose of allowing the non-Federal sponsor to revise the original application to meet the objections of the Federal agencies.

(d) Six months prior to the final day of the schedule the Secretary shall provide to Congress a written progress report. The report shall be transmitted to the Committee on Environment and Public Works of the United States Senate and the Committee on Public Works and Transportation of the United States House of Representatives. The report will summarize all work completed in accordance with the agreement and shall include a detailed work plan which shall assure completion of all remaining work in accordance with the agreement.

(e) Not later than the final day of the compliance schedule, the Secretary shall notify the non-Federal sponsor as to whether the permit or permits are issued.

(f) Not later than December 31, 1987, the Secretary shall prepare and transmit to the Congress a report describing the amount of time required to issue Federal environmental permits related to construction of improvements to commercial channels or harbors. The Secretary shall include in such report recommendations for reducing the amount of time required to issue such permits, including any proposed changes in existing law.

Sec. 606. (a) Notwithstanding any other provision of law, any appropriate non-Federal sponsor, upon enactment of this Act and in accordance with the provisions of this section, is authorized to recover its obligations for construction under the terms of section 602 or 604 of this title, together with its costs for incremental maintenance work undertaken pursuant to section 602(d)(4) or 604(f) of this title, and associated administrative expenditures, by the collection of fees for use of such projects by vessels in commercial waterway transportation. Such fees shall be established after a public hearing held pursuant to applicable law or procedure, shall reflect to a reasonable degree the benefits provided by the project to a particular class or type of vessel, and shall be used only for the purposes of paying for the non-Federal share of the cost of construction and any incremental maintenance work under the terms of section 602(d)(4) or 604(f) of this title, or for the purpose of retiring debt of the non-Federal sponsor to the extent incurred for such purpose, including payment of principal and interest on obligations issued by the non-Federal sponsor for such purpose to the extent issued for such purpose.

(b) Fees authorized by this section shall not imposed on—

(1) vessels not engaged in commercial activity which are owned by, or under bareboat charter or time charter to, or for any purpose under the control or custody of the United States, or any of its officers, agents, employees, or of any corporation wholly owned by the United States;

(2) vessels not engaged in commercial activity that are owned by, or under bareboat charter or time charter to, any other nation, or any of its officers, agents, employees, or of any corporation wholly owned by such other nation;

(3) vessels used by a State, or political subdivision thereof, transporting persons or property in the business of the State or political subdivision and not engaged in commercial service;

(4) vessels engaged in dredging activities or in intraport movements; and

(5) vessels with design drafts of fourteen feet or less when utilizing projects within the terms of sections 602(a) (2) and (3) of this title.

(c) The United States district court for the district in which is located a non-Federal sponsor that imposes fees subject to this section shall have original and exclusive jurisdiction over any matter arising out of, or concerning, the imposition, computation, or collection of such fees by a non-Federal sponsor under this section and, upon petition of the Attorney General or any party subject to such fees imposed by the non-Federal sponsor—

(1) may grant appropriate injunctive relief to restrain any act by that non-Federal sponsor that violates the conditions in this section;

(2) shall order that refunds be paid to the extent it is found that fees were collected in violation of this section; and

(3) may grant such other relief or remedy as may be appropriate.

Before the start of construction of a project subject to section 602 or 604, the non-Federal sponsor shall notify the Secretary that it consents to the jurisdiction of the district court as set forth in this subsection.

Sec. 607. (a) There are authorized to be appropriated out of the Harbor Maintenance Trust Fund, established pursuant to section 803 of title VIII of this Act, for each fiscal year such sums as may be necessary to pay—

(1) 100 per centum of the eligible operations and maintenance costs of those portions of the Saint Lawrence Seaway operated and maintained by the Saint Lawrence Seaway Development Corporation for such fiscal year; and

(2) not more than 40 per centum of the eligible operations and maintenance costs assigned to commercial navigation of all commercial channels or harbors within the United States.

(b) There are authorized to be appropriated out of the General Fund of the Treasury of the United States for each fiscal year such sums as may be necessary to pay the balance of all eligible operations and maintenance costs not provided by payments from the Harbor Maintenance Trust Fund, as provided in this section.

Sec. 608. For the purposes of this Act, the terms—

(1) "commercial channel or harbor" shall mean any channel or harbor (inland, coastal, or Great Lakes), or element thereof, capable of being utilized in the transportation of commercial cargo in domestic or foreign waterborne commerce by commercial vessels: *Provided*, That such term shall not include: (A) any navigational improvement designed to provide channel depths of 14 feet or less, other than a harbor (which is used principally for the accommodation of commercial vessels and the receipt and shipment of waterborne cargoes), on any inland or intracoastal waterway as described in Section 206 of the Inland Waterways Revenue Act of 1978 (33 U.S.C. 1804), as amended, (B) the Saint Lawrence Seaway, (C) local access or berthing channels, or (D) channels or harbors constructed or maintained by non-public interests: *And provided* further, That such term shall be considered for the Columbia River, Oregon and Washington, to include the channels only up to the downstream side of Bonneville lock and dam, Oregon and Washington;

(2) the term "non-Federal sponsor" means, with respect to a commercial channel or harbor improvement project, a non-Federal public body which has entered into a written agreement with the Secretary to provide the non-Federal share of operation and maintenance costs or construction costs for the project has the meaning such term has under section 221 of Public Law 91-611, as amended;

(3)(A) except as provided in subparagraph (B), the term "eligible operations and maintenance" shall mean all operations, maintenance, repair and rehabilitation, including maintenance dredging reasonably necessary to maintain the nominal depth and width of any commercial channel or harbor, including any commercial channels or harbors located within the Great Lakes;

(B) as applied to the Saint Lawrence Seaway, the term "eligible operations and maintenance" shall include all operations, maintenance, repair and rehabilitation, including maintenance dredging, reasonably necessary to keep such Seaway or navigation improvements operated or maintained by the Saint Lawrence Seaway Development Corporation in operation and reasonable state of repair;

(C) for purposes of subparagraphs (A) and (B), the term "eligible operations and maintenance" does not include providing any lands, easements, right-of-way or dredged material disposal areas, or performing relocations required for project operations and maintenance;

(4) the term "nominal depth" shall mean, in relation to the stated depth for any navigation improvement project, such depth, including any greater depths which must be maintained for any channel or harbor or element(s) thereof included within such project in order to ensure the safe passage at mean low tide of any vessel requiring the stated depth: *Provided*, That with respect to operations and maintenance of channels authorized prior to the date of enactment of this Act, the term "nominal depth" shall include such anchorages necessary to ensure safe passage of vessels utilizing such channels; and

(5) the term "United States" shall mean all areas included within the territorial boundaries of the United States, including the several States of the United States, the District of Columbia, the Commonwealth of Puerto Rico, Guam, American Samoa, the Virgin Islands of the United States, the Commonwealth of the Northern Marianas, the Trust Territory of the Pacific Islands, and any other territory of possession over which the United States exercises jurisdiction.

Sec. 609. Subject to the provisions of sections 212, 213, 218, and 602 of this Act, the following works for improvement of commercial harbors are hereby adopted and authorized to be prosecuted by the Secretary in accordance with the plans and subject to the conditions recommended in the respective reports hereinafter designated:

(1) Mobile Harbor, Alabama: Report of the Chief of Engineers dated November 18, 1981, at a total cost of $388,000,000 (October 1984);

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(2) Kodiak Harbor, Alaska: Report of the Chief of Engineers dated September 7, 1976, at a total cost of $14,841,000 (October 1984);

(3) Saint Paul Island Harbor, Alaska: Report of the Chief of engineers dated August 10, 1983, at a total cost of $24,756,000 (October 1984);

(4) Oakland Outer Harbor, California: Report of the Chief of Engineers dated January 7, 1980, at a total cost of $42,400,000 (October 1984);

(5) Richmond Harbor, California: Report of the Chief of Engineers dated August 8, 1982, at a total cost of $43,800,000 (October 1984);

(6) Sacramento River, deepwater Ship Channel, California: Report of the Chief of Engineers dated November 20, 1981, at a total cost of $125,300,000 (October 1984);

(7) New Haven Harbor, Connecticut: Report of the Chief of Engineers dated July 26, 1982, at a total cost of $25,900,000 (October 1984);

(8) Manatee Harbor, Florida: Report of the Chief of Engineers dated May 12, 1980, at a total cost of $16,115,000 (October 1984);

(9) Tampa Harbor, East Bay Channel, Florida: Report of the Chief of Engineers dated January 25, 1979, to assume maintenance;

(10) Savannah Harbor, widening, Georgia: Report of the Chief of Engineers dated December 19, 1978, at a total cost of $19,175,000 (October 1984);

(11) Hilo Harbor, Hawaii: Report of the Chief of Engineers dated December 4, 1984, at a total cost of $4,390,000 (October 1984);

(12) Mississippi River Ship Channel, Gulf to Baton Rouge, Louisiana: Report of the Chief of Engineers dated April 9, 1983, at a total cost of $456,000,000 (October 1984);

(13) Grand Haven Harbor, Michigan: Report of the Chief of Engineers dated October 9, 1979, at a total cost of $17,200,000 (October 1984);

(14) Monroe Harbor, Michigan: Report of the Chief of Engineers dated November 25, 1981, at a total cost of $139,400,000 (October 1984);

(15) Duluth-Superior Harbor, Minnesota and Wisconsin: Report of the Chief of Engineers dated August 16, 1984, at a total cost of $12,200,000 (October 1984);

(16) Gulfport Harbor, Mississippi: Report of the Chief of Engineers dated January 16, 1978, except that the Chief of Engineers is authorized to construct the project in the most cost effective and environmentally sound manner at a total cost not to exceed $78,968,000 (October 1984);

(17) Wilmington Harbor, Northeast Cape Fear River, North Carolina: Report of the Chief of Engineers dated September 16, 1980, at a total cost of $9,718,000 (October 1984);

(18) Portsmouth Harbor and the Piscataqua River Basin, Maine and New Hampshire: Report of the Chief of Engineers dated February 25, 1984, at a total cost of $21,700,000 (October 1984);

(19) Barnegat Inlet, New Jersey, phase I GDM: Report of the Chief of Engineers dated January 20, 1983, as modified by the Supplemental Chief of Engineers Report dated May 21, 1984, at a total cost of $36,435,000 (October 1984);

(20) Gowanus Creek, Channel, New York: Report of the Chief of Engineers dated September 14, 1982, at a total cost of $3,440,000 (October 1984);

(21) Kill Van Kull and Newark Bay Channels, New York and New Jersey: Report of the Chief of Engineers dated December 14, 1981, at a total cost of $248,100,000 (October 1984);

(22) Lorain Harbor, Ohio: Report of the Chief of Engineers dated February 5, 1985, at a total cost of $5,500,000 (October 1984);

(23) San Juan Harbor, Puerto Rico, phase I GDM: Report of the Chief of Engineers dated December 23, 1982, at a total cost of $86,334,000 (October 1984);

(24) Charleston Harbor, South Carolina: Report of the Chief of Engineers dated August 27, 1981, at a total cost of $84,032,000 (October 1984);

(25) Wando River, Charleston Harbor, South Carolina: Report of the Chief of Engineers dated May 1, 1985, at a total cost of $3,561,000 (October 1984);

(26) Brazos Island Harbor, Texas, Brownsville Channel: Report of the Chief of Engineers dated December 20, 1979, at a total cost of $31,417,000 (October 1984);

(27) Hampton Roads and vicinity, Virginia (drift removal): Report of the Chief of Engineers dated October 19, 1983, at a total cost of $6,870,000 (October 1984);

(28) Norfolk Harbor and Channels, Virginia: Report of the Chief of Engineers dated November 20, 1981, at a total cost of $538,000,000 (October 1984);

(29) Crown Bay Channel-Saint Thomas Harbor, Virgin Islands: Report of the Chief of Engineers dated April 9, 1982, at a total cost of $8,124,000 (October 1984);

(30) Blair and Sitcum Waterways, Tacoma Harbor, Washington: Report of the Chief of Engineers dated February 8, 1977, at a total cost of $35,816,000 (October 1984);

(31) Grays Harbor, Washington: Report of the Chief of Engineers, dated May 5, 1985, at a total cost of $93,187,000 (October 1984);

(32) Oakland Inner Harbor, California: Report of the Chief of Engineers dated January 21, 1986, at a total cost of $28,000,000 (October 1985);

(33) Palm Beach Harbor, Florida: Report of the Chief of Engineers dated December 10, 1985, to assume maintenance;

(34) Pascagoula Harbor, Mississippi: Report of the Chief of Engineers dated February 14, 1986, at a total cost of $59,112,000 (October 1985);

(35) Cleveland Harbor, Ohio: Report of the Chief of Engineers dated August 27, 1985, at a total cost of $4,308,000 (October 1984);

(36) Galveston Bay Area, Texas City Channel, Texas: Report of the Chief of Engineers dated March 11, 1986, at a total cost of $182,013,000 (October 1985); and

(37) East, West, and Duwamish Waterways Navigation Improvement Study, Seattle Harbor, Washington: Report of the Chief of Engineers dated May 31, 1985, at a total cost of $57,400,000 (October 1984).

TITLE VII—COST SHARING AND PROJECTS

SEC. 701. (a) Excluding all commercial navigation projects, the construction of Corps of Engineers water or related land resources projects (including small projects not specifically authorized by Congress), or separable elements thereof as determined by the Secretary, on which physical construction has not been initiated prior to May 15, 1986, or the date of enactment of this Act, whichever first occurs, shall be initiated only after non-Federal interests have entered into binding agreements with the Secretary, agreeing to pay 100 per centum of the operation, maintenance, and rehabilitation costs, and agreeing to share in the assigned joint and separable costs of construction as follows:

(1) urban and rural flood protection and rural drainage control: not less than 35 per centum, including a cash payment amounting to at least 5 per centum of the assigned costs to be made during the construction period; except—

(A) for local flood protection projects, the non-Federal sponsor shall agree to: provide all lands, easements, and rights-of-way required for the project; perform all necessary relocations required for the project; and, hold and save the United States free from damages due to the construction, operation, or maintenance of the project except where such damages are due to the fault or negligence of the United States or its contractors. Where the value of the required lands, easements, rights-of-way, and relocations is—

(i) greater than 20 per centum of the assigned costs, the required non-Federal contribution shall be the provision of the required lands, easements, rights-of-way, and relocations, plus 5 per centum of the assigned costs to be paid in cash during the construction period;

(ii) less than or equal to 20 per centum of the assigned costs, the Secretary shall consider a non-Federal contribution of 25 per centum, which includes payment by the non-Federal sponsor of not less than 5 per centum in cash of the assigned cost in addition to provision of the required lands, easements, rights-of-way, and relocations, if made during the construction period, to constitute fulfillment of this paragraph; and

"(iii) less than or equal to 20 per centum of the assigned costs, the non-Federal sponsor may elect to make a cash payment of 5 per centum of the assigned costs during the construction period, in addition to the provision of required lands, easements, rights-of-way, and relocations, and to repay in accordance with the terms of this title the additional amount necessary to equal a total non-Federal contribution of 35 per centum.

"(B) For major reservoir projects providing flood control, the non-Federal sponsor's contribution shall be—

(i) 25 per centum of the costs assigned to flood protection if paid during the construction period, including no less then 5 per centum, in cash, or

(ii) 35 per centum of the costs assigned to flood protection, including a cash payment of at least 5 per centum paid during the construction period, if repaid in accordance with the terms of this title.

(C) For relocation or evacuation nonstructural flood control measures involving the acquistition of land, the value of such lands and other costs associated with development of the intended benefits therefrom shall be excluded from the computation of the 5 per centum cash contribution required from the non-Federal sponsor and the non-Federal sponsor's contribution for such nonstructural measures shall be—

(i) 25 per centum of the costs assigned to such measures if paid during the construction period, or

(ii) 35 per centum of the costs assigned to such measures if repaid in accordance with the terms of this title.

(2) hydroelectric power: 100 per centum, except that the marketing of such power and the recovery of costs of constructing, operating, maintaining, and rehabilitating such projects shall be in accordance with existing law: *Provided*, That after the date of enactment of this Act, the Secretary shall not submit to Congress any proposal for the authorization of any water resources project that has a hydroelectric power component unless such proposal contains the comments of the appropriate Power Marketing Administrator designated pursuant

to section 302 of the Department of Energy Organization Act (Public Law 95-91) concerning appropriate Power Marketing Administration's ability to market the hydroelectric power expected to be generated and not required in the operation of the project under the applicable Federal power marketing law, so that, 100 per centum of operation, maintenance and replacement costs, 100 per centum of the capital investment allocated to the purpose of hydroelectric power (with interest at rates established pursuant to or prescribed by applicable law), and any other costs assigned in accordance with law for return from power revenues can be returned within the period of such costs by or pursuant to such applicable Federal power marketing law;

(3) municipal and industrial water: 100 per centum;

(4) agricultural water supply: 35 per centum;

(5) recreation, including recreational navigation: 50 per centum;

(6) hurricane and storm damage reduction: 35 per centum; and

(7) aquatic plant control: 50 per centum;

(b) The agreement required pursuant to subsection (a) of this section shall be in accordance with the requirements of section 221 of the Flood Control Act of 1970 (84 Stat. 1818) and shall provide for the rights and duties of the United States and the non-Federal sponsor with respect to the construction, operation, and maintenance of the project, including, but not limited to, provisions specifying that, in the event the project sponsor fails to provide the required non-Federal share of costs for such work, the Secretary—

(1) shall terminate or suspend work on the project unless the Secretary determines that continuation of the work is in the interest of the United States or is necessary in order to satisfy agreements with non-Federal sponsors in connection with the project; and

(2) may terminate or adjust the rights and privileges of the non-Federal sponsor to project outputs under the terms of the agreement.

(c) Costs of constructing projects or measures for beach erosion control, water quality enhancement, and fish and wildlife mitigation shall be assigned to appropriate project purposes listed in subsection (a) and shall be shared in the same percent as the purposes to which the costs are assigned: *Provided*, That all costs assigned to benefits to privately owned shores or to prevention of losses of non-Federal land shall be borne by non-Federal interests.

(d) Costs of constructing projects or measures for the prevention or mitigation of erosion or shoaling damages attributable to Federal navigation works shall be shared in the same proportion as the cost sharing provisions applicable to the project causing such damage: *Provided*, That a non-Federal public body agrees to operate and maintain such measures.

(e) Except as otherwise provided in this title, the Secretary may permit the full non-Federal contribution to be made, without interest, during construction of the project, or, with interest, over a period of not more than thirty years from the date of project completion. Repayment contracts shall provide for recalculation of the interest rate at five-year intervals.

(f) Any repayment by any non-Federal sponsor under this title shall include the rate of interest determined by the Secretary of the Treasury, taking into consideration the average market yields on outstanding marketable obligations of the United States with remaining periods to maturity comparable to the reimbursement period, during the month preceding the fiscal year in which costs for the construction of the project are first incurred (or in the case of recalculation the fiscal year in which the recalculation is made), plus a premium of one-eighth of one percentage point for transaction costs: *Provided*, That such rates for hydroelectric power shall be in accordance with existing law.

(g) At the request of any non-Federal sponsor the Secretary may permit such non-Federal sponsor to delay the initial payment of any non-Federal contribution under this title for up to one year after the date when construction is begun on the project for which such contribution is to be made. Any such delay in initial payment shall be subject to interest charges for up to six months at a rate determined by the Secretary of the Treasury taking into consideration the average market yields on outstanding marketable obligations of the United States with remaining periods to maturity comparable to the period of delay, during the month preceding the fiscal year in which costs are incurred.

(h) At the request of any non-Federal sponsor, the Secretary shall consider the cost of work undertaken in accordance with section 134(a) of Public Law 94-587, as amended, by a non-Federal sponsor to be in satisfaction or partial satisfaction of the requirements of subsection (a) of this section if—

(1) the work undertaken has been previously approved in accordance with procedures established by the Secretary; and

(2) the credit sought is only for non-Federal funds expended for such work.

(i) Any cost-sharing agreement under the terms of this title for flood control, rural drainage, or agricultural water supply shall be subject to the ability of a non-Federal sponsor to pay. The ability of any non-Federal sponsor to pay shall be determined by the Secretary in accordance with procedures established by the Secretary.

SEC. 702. Section 73(b) of the Water Resources Development Act of 1974 (Public Law 93-251) is hereby repealed.

SEC. 703. Subject to the provisions of sections 212, 213, 218, and 701 of this Act, the following works of improvement of rivers and harbors and other waterways for flood control and other purposes are hereby adopted and authorized to be prosecuted by the Secretary in accordance with the plans and subject to the conditions recommended in the respective reports hereinafter designated:

(a) FLOOD CONTROL.—

(1) Village Creek, Jefferson County, Alabama: Report of the Chief of Engineers dated December 23, 1982, at a total cost of $28,100,000 (October 1984);

(2) Threemile Creek, Mobile, Alabama: Report of the Chief of Engineers dated April 20, 1984, at a total cost of $19,070,000 (October 1984);

(3) Eight Mile Creek, Paragould, Arkansas: Report of the Chief of Engineers dated August 10, 1979, at a total cost of $14,950,000 (October 1984);

(4) Fourche Bayou Basin, Little Rock, Arkansas: Report of the Chief of Engineers dated September 4, 1981, at a total cost of $32,400,000 (October 1984);

(5) Helena and vicinity, Arkansas: Report of the Chief of Engineers dated June 23, 1983, at a total cost of $13,700,000 (October 1984);

(6) West Memphis and vicinity, Arkansas: Report of the Chief of Engineers dated September 7, 1984, at a total cost of $20,600,000 (October 1984);

(7) Little Colorado River at Holbrook, Arizona: Report of the Chief of Engineers dated December 23, 1981, at a total cost of $11,700,000 (October 1984);

(8) Cache Creek Basin, California: Report of the Chief of Engineers dated April 27, 1981, at a total cost of $30,700,000 (October 1984): *Provided*, That the Secretary acts in coordination with the State of California to assure that such project poses no danger to any component of its State park system;

(9) Redbank and Fancher Creeks, California: Report of the Chief of Engineers dated May 7, 1981, at a total cost of $84,100,000 (October 1984);

(10) Sanata Ana River mainstem, including Santiago Creek, California: Report of the Chief of Engineers dated January 15, 1982, at a total cost of $1,087,600,000 (October 1985): *Provided*, That in lieu of the Mentone Dam feature of the project and subject to the provisions of Section 212, 213, and 701 of this Act, the Secretary is authorized to plan, design, and construct a flood control storage dam on the upper Santa Ana River, if such modification is approved by the Chief of Engineers: *Provided further*, That the Secretary shall not proceed on any alternative to the Mentone Dam until the Secretary determines such alternative is within all parameters in Section 218 of this Act, and so reports to Congress: And provided further, That if a non-Federal sponsor agrees to pay at least 50 per centum of the cost of such investigation, the Secretary is authorized to investigate the feasibility of including water supply and conservation storage at Prado Dam.

(11) Fountain Creek, Pueblo, Colorado, phase I GDM: Report of the Chief of Engineers dated December 23, 1981, at a total cost of $8,400,000 (October 1984);

(12) Metropolitan Denver and South Platte River and tributaries, Colorado, Wyoming, and Nebraska: Report of the Chief of Engineers dated December 23, 1981, at a total cost of $10,563,000 (October 1984);

(13) Oates Creek, Georgia: Report of the Chief of Engineers dated December 23, 1981; at a total cost of $13,500,000 (October 1984);

(14) Agana River, Guam: Report of the Chief of Engineers dated March 14, 1977, at a total cost of $9,530,000 (October 1984);

(15) Alenaio Stream, Hawaii: Report of the Chief of Engineers dated August 15, 1983, at a total cost of $7,860,000 (October 1984);

(16) Big Wood River and tributaries, Idaho, interim report—Little Wood River, vicinity of Gooding and Shoshone, Idaho: Report of the Chief of Engineers dated November 2, 1977, at a total cost of $4,420,000 (October 1984);

(17) North Branch of Chicago River, Illinois: Report of the Chief of Engineers dated October 29, 1984, at a total cost of $14,390,000 (October 1984);

(18) Rock River at Rockford and vicinity, Illinois, Loves Park interim: Report of the Chief of Engineers dated September 15, 1980, at a total cost of $27,720,000 (October 1984);

(19) South Quincy Drainage and Levee District, Illinois: Report of the Chief of Engineers dated January 24, 1984, at a total cost of $11,688,000 (October 1984);

(20) The project for flood control, Little Calumet River, Indiana: In accordance with plan 3A contained in the Report of the

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Chief of Engineers dated July 2, 1984, provided that all of the features of the plan 3A as recommended by and described in the report of the District Engineer are included, at a total cost of $83,460,000 (October 1984);

(21) Des Moines River Basin, Iowa and Minnesota: Report of the Chief of Engineers dated July 22, 1977, at a total cost of $15,340,000 (October 1984);

(22) Mississippi River, Coon Rapids Dam to Ohio River Green Bay Levee and Drainage District No. 2, Iowa: Report of the Chief of Engineers dated October 21, 1981, at a total cost of $6,770,000 (October 1984);

(23) Interim report on Perry Creek, Iowa: Report of the Chief of Engineers dated February 4, 1982, at a total cost of $44,200,000 (October 1984);

(24) Halstead, Kansas: Report of the Chief of Engineers dated May 8, 1979, at a total cost of $7,100,000 (October 1984);

(25) Upper Little Arkansas River Watershed, Kansas: Report of the Chief of Engineers dated December 15, 1983, at a total cost of $12,200,000 (October 1984);

(26) Atchafalaya Basin Floodway system, Louisiana: Report of the Chief of Engineers dated February 28, 1983, at a total cost of $245,398,000 (October 1984): *Provided*, That fish and wildlife enhancement benefits provided by this project shall be considered to be national for the purposes of section 224 of this Act;

(27) Bushley Bayou, Louisiana, phase I GDM: Reports of the Chief of Engineers dated April 30, 1980, and August 12, 1982, at a total cost of $44,700,000 (October 1984);

(28) Louisiana State penitentiary levee, Mississippi River: Report of the Chief of Engineers dated December 10, 1982, at a total cost of $22,646,000 (October 1984);

(29) Quincy Coastal Streams, Massachusetts, Town Brook interim: Report of the Chief of Engineers dated December 14, 1981, at a total cost of $26,500,000 (October 1984);

(30) Roughans Point, Revere Massachusetts: Report of the Chief of Engineers dated May 4, 1985, at a total cost of $8,200,000 (October 1984);

(31) Mississippi River at St. Paul, Minnesota: Report of the Chief of Engineers dated June 16, 1983, at a total cost of $8,454,000 (October 1984);

(32) Redwood River at Marshall, Minnesota: Report of the Chief of Engineers dated November 16, 1981, at a total cost of $4,280,000 (October 1984);

(33) Root River Basin, Minnesota: Report of the Chief of Engineers dated May 13, 1977, at a total cost of $8,195,000 (October 1984);

(34) South Fork Zumbro River Watershed at Rochester, Minnesota: Report of the Chief of Engineers dated February 23, 1979, at a total cost of $60,470,000 (October 1984);

(35) Horn Lake Creek and tributaries, Including Cow Pen Creek, Tennessee and Mississippi: Report of the Chief of Engineers dated January 4, 1983, at a total cost of $3,400,000 (October 1984);

(36) Sowashee Creek, Mississippi: Report of the Chief of Engineers dated February 25, 1985, at a total cost of $17,500,000 (October 1984);

(37) Brush Creek and tributaries, Missouri and Kansas: Report of the Chief of Engineers dated January 3, 1983, at a total cost of $15,770,000 (October 1984);

(38) Maline Creek, Missouri: Report of the Chief of Engineers dated November 2, 1982, at a total cost of $61,900,000 (October 1984);

(39) Saint Johns Bayou and New Madrid Floodway, Missouri phase I GDM: Report of the Chief of Engineers dated January 4, 1983, at a total cost of $108,900,000 (October 1984);

(40) Cape Girardeau, Missouri: Report of the Chief of Engineers dated December 8, 1984, at a total cost of $24,600,000 (October 1984);

(41) Robinson's branch of the Rahway River at Clark, Scotch Plains, and Rahway, New Jersey: Report of the Chief of Engineers dated October 10, 1975, at a total cost of $25,907,000 (October 1984);

(42) Rahway River and Van Winkles Brook at Springfield, New Jersey: Report of the Chief of Engineers dated October 24, 1975, at a total cost of $17,500,000 (October 1984);

(43) Green Brook Subbasin, Raritan River Basin, New Jersey: Report of the Chief of Engineers dated September 4, 1981, at a total cost of $101,832,000 (October 1984);

(44) Ramapo and Mahwah Rivers, New Jersey and New York: Report of the Chief of Engineers dated November 27, 1984, at a total cost of $6,200,000 (October 1984);

(45) Middle Rio Grande flood protection, Bernalillo to Belen, New Mexico: Report of the Chief of Engineers dated June 23, 1981, at a total cost of $43,900,000 (October 1984): *Provided*, That the Secretary is authorized also to increase flood protection through the dredging of the bed of the Rio Grande in the vicinity of Albuquerque, New Mexico, to an elevation lower than existed on the date of enactment of this Act;

(46) Puerco River and tributaries, Gallup, New Mexico: Report of the Chief of Engineers dated September 4, 1981, at a total cost of $4,180,000 (October 1984);

(47) Cazenovia Creek Watershed, New York: Report of the Chief of Engineers dated September 8, 1977, at a total cost of $3,025,000 (October 1984);

(48) Mamaroneck and Sheldrake Rivers Basin and Byram River Basin, New York and Connecticut: Report of the Chief of Engineers dated April 4, 1979, at a total cost of $63,070,000 (October 1984);

(49) Tonawanda Creek Watershed, New York: Report of the Chief of Engineers dated July 2, 1984, at a total cost of $32,000,000 (October 1984);

(50) Sugar Creek Basin, North Carolina and South Carolina: Report of the Chief of Engineers dated February 1, 1985, at a total cost of $29,100,000 (October 1984);

(51) Park River, at Grafton, North Dakota: Report of the Chief of Engineers dated April 17, 1984, at a total cost of $18,790,000 (October 1984);

(52) Sheyenne River, North Dakota: Report of the Chief of Engineers dated August 22, 1984, at a total cost of $55,400,000 (October 1984): Provided that such project shall include a dam and reservoir of approximately thirty-five thousand acre-feet of storage for the purpose of flood protection on the Maple River; and provided further that modification of the Baldhill Dam for dam safety considerations shall not preclude the implementation of those project features not dependent on such safety modifications;

(53) Hocking River at Logan and Nelsonville, Ohio: Report of the Chief of Engineers dated June 23, 1978, at a total cost of $7,760,000 for Logan and $8,020,000 for Nelsonville (October 1984);

(54) Miami River, Fairfield, Ohio: Report of the Chief of Engineers dated June 23, 1980, at a total cost of $14,360,000 (October 1984);

(55) Miami River, Little Miami River, interim report numbered 2, West Carrollton, Holes Creek, Ohio: Report of the Chief of Engineers dated December 23, 1981, at a total cost of $8,910,000 (October 1984);

(56) Scioto River at North Chillicothe, Ohio: Report of the Chief of Engineers dated September 4, 1981, at a total cost of $10,740,000 (October 1984);

(57) Fry Creeks, Oklahoma: Report of the Chief of Engineers dated September 7, 1983, at a total cost of $13,000,000 (October 1984);

(58) Mingo Creek, Tulsa, Oklahoma: Report of the Chief of Engineers dated November 16, 1981, at a total cost of $133,000,000 (October 1984);

(59) Parker Lake, Muddy Boggy Creek, Oklahoma: Report of the Chief of Engineers dated May 30, 1980, at a total cost of $43,000,000 (October 1984);

(60) Harrisburg, Pennsylvania, phase I GDM: Report of the Chief of Engineers dated May 16, 1979, at a total cost of $132,900,000 (October 1984);

(61) Lock Haven, Pennsylvania, phase I GDM: Report of the Chief of Engineers dated December 14, 1981, at a total cost of $79,225,000 (October 1984);

(62) Saw Mill Run, Pittsburgh, Pennsylvania: Report of the Chief of Engineers dated January 30, 1978, at a total cost of $7,853,000 (October 1984);

(63) Wyoming Valley, Pennsylvania, phase I GDM: Report of the Chief of Engineers dated October 19, 1983, at a total cost of $234,700,000 (October 1984);

(64) Big River Reservoir, Rhode Island: Report of the Chief of Engineers dated March 9, 1983, at a total cost of $84,700,000 (October 1984);

(65) Nonconnah Creek, Tennessee and Mississippi: Report of the Chief of Engineers dated December 23, 1982, at a total cost of $25,900,000 (October 1984);

(66) Buffalo Bayou and tributaries, Texas: Report of the Chief of Engineers dated June 13, 1978, at a total cost of $90,670,000 (October 1984);

(67) Boggy Creek, Austin, Texas: Report of the Chief of Engineers dated January 19, 1981, at a total cost of $21,300,000 (October 1984);

(68) Lake Wichita, Holliday Creek, Texas: Report of the Chief of Engineers dated July 9, 1979, at a total cost of $27,300,000 (October 1984);

(69) Lower Rio Grande, Texas: The project for flood control, Lower Rio Grande Basin, Texas: Report of the Chief of Engineers, dated February 13, 1986, at a total cost of $195,304,000 (October 1984);

(70) Sims Bayou, Texas: Report of the Chief of Engineers, dated April 17, 1984, at a total cost of $123,979,000 (October 1984);

(71) James River Basin, Richmond, Virginia, phase I GDM: Report of the Chief of Engineers dated November 16, 1981, at a total cost of $101,200,000 (October 1984);

(72) Chehalis River at South Aberdeen and Cosmopolis, Washington: Report of the Chief of Engineers dated February 8, 1977, at a total cost of $21,940,000 (October 1984);

(73) Yakima Union Gap, Washington: Report of the Chief of Engineers dated May 7, 1980, at a total cost of $8,789,000 (October 1984);

(74) Centralia, Chehalis River and tributaries, Washington: Report of the Chief of Engineers dated June 20, 1984, at a total cost of $19,500,000 (October 1984);

(75) Wisconsin River at Portage, Wisconsin: Report of the Chief of Engineers dated May 20, 1985, at a total cost of $6,300,000 (October 1984);

(76) O'Hare System, Chicagoland Underflow, Illinois: Report of the Chief of Engineers dated June 3, 1985, at a total cost of $8,502,000 (October 1984);

(77) Arkansas City, Kansas: Report of the Chief of Engineers dated September 9, 1985, at a total cost of $14,270,000 (October 1984);

(78) Pearl River Basin, Mississippi: Report of the Chief of Engineers dated March 17, 1986, at a total cost of $80,100,000 (October 1985);

(79) Lower Saddle River, New Jersey: Report of the Chief of Engineers dated January 28, 1986, at a total cost of $36,850,000 (October 1985);

(80) Molly Ann's Brook, New Jersey: Report of the Chief of Engineers dated December 31, 1985, at a total cost of $21,860,000 (October 1985);

(81) Ramapo River at Oakland, New Jersey: Report of the Chief of Engineers dated January 28, 1986, at a total cost of $6,610,000 (October 1985); and

(82) Roanoke River Upper Basin, Virginia: Report of the Chief of Engineers dated August 5, 1985, at a total cost of $21,000,000 (October 1984).

(b) Hydropower Development.—

(1) Scammon Bay, Alaska (hydropower): Report of the Chief of Engineers dated August 9, 1983, at a total cost of $1,600,000 (October 1984);

(2) South Central Railbelt Area, Alaska, hydroelectric power, Valdez and Copper River Basin: Report of the Chief of Engineers dated October 29, 1982, at a total cost of $44,000,000 (October 1984);

(3) Metropolitan Atlanta area water resources management study, Georgia: Report of the Chief of Engineers dated June 1, 1982, at a total cost of $26,445,000 (October 1984);

(4) Fort Gibson Lake, Powerhouse Extension, Oklahoma: Report of the Chief of Engineers dated August 16, 1984, at a total cost of $24,100,000 (October 1984);

(5) Blue River Lake, hydroelectric power, Willamette River Basin, Oregon: Report of the Chief of Engineers dated August 9, 1983, at a total cost of $30,101,000 (October 1984): *Provided*, That this authorization shall not preclude development of hydroelectric power by a non-federal interest if, within three years of the date of enactment of this Act, such non-federal interest obtains a license from the Federal Energy Regulatory Commission for non-federal development of hydroelectric power at the Blue River Lake project;

(6) McNary lock and dam second powerhouse, Columbia River, Oregon and Washington, phase I GDM: Report of the Chief of Engineers dated June 24, 1981, at a total cost of $649,000,000 (October 1984); and

(7) Gregory County hydroelectric pumped storage facility, stages I and II, South Dakota: Report of the Chief of Engineers dated April 26, 1983, together with such additional associated multipurpose water supply and irrigation features as are generally described in the final feasibility report of the District Engineer, at a total cost of $1,380,000,000, not to exceed $100,000,000 of which may be used to construct such associated water supply and irrigation features: *Provided*, That the additional associated multipurpose water supply and irrigation features shall be undertaken concurrently by the Secretary of the Interior in accordance with the Federal reclamation laws (Act of June 17, 1902, 32 Stat. 388, and Acts amendatory thereof and supplemental thereto), as a unit of the Pick-Sloan Missouri River Basin Program: *Provided further*, That the Secretary of the Interior is authorized to undertake a feasibility study of the additional associated multipurpose water supply and irrigation features of the Gregory County hydroelectric pumped storage facility and that construction of the Gregory County hydroelectric pumped storage facility and such additional associated multipurpose water supply and irrigation features shall not be undertaken until the Secretary of the Interior has completed the feasibility report on such additional features and submitted such report to the Congress along with his certification that, in his judgment, the benefits of such features will exceed the costs and that such additional features are physically and financially feasible, and the Congress has authorized the appropriation of funds for the construction thereof.

(c)(1) Shoreline Protection.—

(A) Charlotte County, Florida: Report of the Chief of Engineers dated April 2, 1982, at a total cost of $2,255,000 (October 1984);

(B) Indian River County, Florida: Report of the Chief of Engineers dated December 21, 1981, at a total cost of $4,934,000 (October 1984);

(C) Panama City Beaches, Florida: Report of the Chief of Engineers dated July 8, 1977, at a total cost of $41,731,000 (October 1984);

(D) Saint Johns County, Florida: Report of the Chief of Engineers dated February 26, 1980, at a total cost of $9,679,000 (October 1984);

(E) Dade County, North of Haulover Beach Park, Florida: Report of the Chief of Engineers dated December 27, 1983, at a total cost of $15,605,000 (October 1984);

(F) Monroe County, Florida: Report of the Chief of Engineers dated April 27, 1984, at a total cost of $3,142,000 (October 1984);

(G) Sarasota County, Florida: Report of the Chief of Engineers dated February 28, 1986, at a total cost of $12,536,000 (October 1985);

(H) Jekyll Island, Georgia: Report of the Chief of Engineers dated March 3, 1976, at a total cost of $10,450,000 (October 1984);

(I) Casino Beach, Illinois Shoreline, Illinois: Report of the Chief of Engineers dated September 26, 1984, at a total cost of $5,370,000 (October 1984);

(J) Indiana Shoreline Erosion, Indiana: Report of the Chief of Engineers dated November 18, 1983, at a total cost of $7,920,000 (October 1984);

(K) Atlantic Coast of Maryland and Assateague Island, Virginia: Report of the Chief of Engineers dated September 29, 1981, at a total cost of $35,200,000 (October 1984):

(L) Cape May Point, New Jersey: Report of the Chief of Engineers, for beach erosion control and storm protection, dated September 30, 1975, at a total cost of $6,600,000 (October 1984), subject to the completion of Phase I Advanced Engineering and Design;

(M) Atlantic Coast of New York City from Rockaway Inlet to Norton Point, New York: Report of the Chief of Engineers dated August 18, 1976, at a total cost of $7,910,000 (October 1984):

(N) Wrightsville Beach, North Carolina: Report of the Chief of Engineers dated December 19, 1983, to extend the period of Federal participation in the periodic nourishment of the existing project;

(O) The project for shoreline protection for the southeast shore of Maumee Bay, Lake Erie, Ohio, from Cedar Point National Wildlife Refuge to West Bay Shore Road, Oregon, Ohio: Report of the Chief of Engineers, dated July 9, 1984, at a total cost of $15,800,000 October 1984: *Provided*, That the Secretary is further authorized to contract with the State of Ohio on the items of local cooperation for such project, which are to be assumed by the State, notwithstanding that the State may elect to make its performance of any obligation contingent upon the State legislature making the necessary appropriations and funds being allocated for the same or subject to the availability of funds on the part of the State;

(P) Presque Isle Peninsula, Erie, Pennsylvania: Report of the Chief of Engineers dated October 2, 1981, at a total cost of $28,100,000 (October 1984);

(Q) Folly Beach, South Carolina: Report of the Chief of Engineers dated March 17, 1981, at a total cost of $3,335,000 (October 1984);

(R) Willoughby Spit and vicinity, Norfolk, Virginia: Report of the Chief of Engineers dated April 17, 1984, at a total cost of $4,230,000 (October 1984); and

(S) Virginia Beach, Virginia: Report of the Chief of Engineers dated May 22, 1985, at a total cost of $36,500,000 (October 1984);

(2) Construction of the projects authorized in this subsection shall be subject to determinations of the Secretary, after consultation with the Secretary of the Interior, that the construction will be in compliance with the Coastal Barrier Resources Act (Public Law 97-348).

(d) Mitigation.—

(1) Fish and Wildlife Program for the Sacramento River Bank Protection project, California, first phase: Report of the Chief of Engineers dated September 1, 1981, at a total cost of $1,415,000 (October 1984);

(2) Jacksonville Harbor, Mill Cove, Florida: Report of the Chief of Engineers dated February 12, 1982, at a total cost of $6,575,000 (October 1984);

(3) Richard B. Russell Dam and Lake, Savannah River, Georgia and South Carolina, Fish and Wildlife mitigation report: Report of the Chief of Engineers dated May 11, 1982, at a total cost of $20,160,000 (October 1984);

(4) Davenport, Iowa local protection project, fish and wildlife mitigation plan: Report of the Chief of Engineers dated July 9, 1979, at a total cost of $497,000 (October 1984);

(5) Missouri River, fish and wildlife mitigation; Iowa, Nebraska, Kansas, and Missouri: Report of the Chief of Engineers dated April 24, 1984, at a total cost of $50,500,000 (October 1984);

(6) West Kentucky tributaries projects, fish and wildlife mitigation plan, Obion Creek, Kentucky: Report of the Chief of Engineers dated September 16, 1980, at a total cost of $4,900,000 (October 1984); *Provided*, That the mitigation requirements shall be adjusted to reflect any decrease in the scope of the basic flood control project as authorized in the Flood Control Act of 1965 (Public Law 89-298);

(7) Red River Waterway Fish and Wildlife Mitigation Plan, Louisiana: Report of the Chief of Engineers dated December 28, 1984, at a total cost of $11,200,000 (October 1984);

(8) Yazoo Backwater project, Mississippi, fish and wildlife mitigation report: Report of the Chief of Engineers dated July 12, 1984, at a total cost of $4,993,000 (October 1984);

(9) Downstream Measures as Harry S. Truman Dam and Reservior, Missouri: Report of the Chief of Engineers dated December 21, 1981, at a total cost of $2,100,000 (October 1984);

(10) Smithville Lake, Little Platte River, Missouri, plan for replacement of the Trim-

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ble Wildlife Area: Report of the Chief of Engineers dated September 22, 1977, at a total cost of $1,569,000 (October 1985): Except, that the Secretary shall participate with the State of Missouri in the development of wildlife management measures and facilities on State lands rather than the acquisition of lands and the development of Jackass Bend;

(11) Cape May Inlet to Lower Township, New Jersey, phase I GDM: Report of the Chief of Engineers dated December 23, 1981, including construction of measures at Lower Township to mitigate for the erosion attributed to the existing navigation project generally in accordance with mitigation features for Lower Townshop of Plan B of the Phase I General Design Memorandum, titled: "Cape May Inlet to Lower Township, New Jersey," dated August 1980, at a total cost of $17,300,000 (October 1984);

(12) Cooper Lake and Channels project, Texas, Report on Fish and Wildlife Mitigation: Report of the Chief of Engineers dated May 21, 1982, at a total cost of $14,743,000 (October 1984); and

(13) Tennessee-Tombigbee Waterway Wildlife Mitigation, Alabama and Mississippi: Report of the Chief of Engineers dated August 31, 1985: except, that the 34,000 acres of bottomland hardwoods lost as a result of the construction of the navigation project shall be replaced in-kind at a total cost of $60,200,000 (October 1985)."

(e) Inland and Recreational Harbors.—

(1) Helena Harbor, Phillips County, Arkansas: Report of the Chief of Engineers dated October 17, 1980, at a total cost of $56,403,000 (October 1984);

(2) White River Navigation to Batesville, Arkansas: Report to the Chief of Engineers dated December 23, 1981, at a total cost of $27,000,000 (October 1984): *Provided*, That the Secretary shall deposit no spoil from such project onto lands of the White River National Wildlife Refuge without the approval of the Secretary of the Interior and without mitigating fully the adverse impacts of such spoil;

(3) Lake Pontchartrain, North Shore, Louisiana: Report of the Chief of Engineers dated February 14, 1979, at a total cost of $1,264,000 (October 1984);

(4) Greenville Harbor, Mississippi: Reports of the Chief of Engineers dated November 15, 1977, and February 22, 1982, at a total cost of $42,600,000 (October 1984);

(5) Vicksburg Harbor, Mississippi: Report of the Chief of Engineers dated August 13, 1979, at a total cost of $77,700,000 (October 1984);

(6) Saint Louis Harbor, Missouri and Illinois: Report of the Chief of Engineers dated April 30, 1984, at a total cost of $30,340,000 (October 1984);

(7) Olcott Harbor, New York: Report of the Chief of Engineers dated June 11, 1980, at a total cost of $12,445,000 (October 1984);

(8) Memphis Harbor, Memphis, Tennessee: Report of the Chief of Engineers dated February 25, 1981, at a total cost of $106,105,000 (October 1984);

(9) Disposition of Kentucky River, Kentucky, Locks and Dams 5 through 14: Report of the Chief of Engineers dated July 2, 1984, for disposition purposes without any construction cost; and

(10) Atlantic Intracoastal Waterway Bridges, North Carolina: Report of the Chief of Engineers dated October 1, 1975, at a total cost of $8,800,000 (October 1984).

(f) Bank Stabilization.—

(1) Bethel, Alaska: Report of the Chief of Engineers dated July 30, 1983, at a total cost of $16,110,000 (October 1984).

(g) Demonstration.—

(1) Cabin Creek, West Virginia, Demonstration Reclamation project: Report of the Chief of Engineers dated March 1, 1979, at a total cost of $43,000,000 (October 1984).

Sec. 704. (a) A Hydro-Environmental Monitoring and Information System in the New York Bight is required in the form of a system using computerized buoys and radio telemetry that allows for the continual monitoring (at strategically located sites throughout the New York Bight) of: wind, wave, current, salinity and thermal gradients and sea chemistry, in order to measure the effect of changes due to air and water pollution, including changes due to continued dumping in the Bight.

(b) In addition, there is also the need for a proper Physical Hydraulic Model of the New York Bight and for such an offshore Model to be tied into the existing inshore Physical Hydraulic Model of the Port of New York and New Jersey operated by the U.S. Army Corps of Engineers.

(c) Such sums necessary for this purpose are authorized.

TITLE VIII—REVENUE PROVISIONS

SEC. 801. SHORT TITLE.

This title may be cited as the "Harbor Maintenance Revenue Act of 1985".

SEC. 802. IMPOSITION OF HARBOR MAINTENANCE CHARGE.

(a) General Rule.—Chapter 36 of the Internal Revenue Code of 1954 (relating to certain other excise taxes) is amended by inserting after the chapter heading the following new subchapter:

"Subchapter A—Harbor Maintenance Charge

"Sec. 4461. Imposition of charge.
"Sec. 4462. Definitions and special rules.

"SEC. 4461. IMPOSITION OF CHARGE.

"(a) General Rule.—There is hereby imposed a charge on—

"(1) any port use, or

"(2) any port maintenance use.

"(b) Amount of Charge.—The amount of the charge imposed by subsection (a) on—

"(1) any port use shall be an amount equal to 0.04 percent of the value of the commercial cargo involved, and

"(2) any port maintenance use shall be an amount equal to $0.005 multiplied by the number of net registered tons of the commercial vessel involved.

"(c) Liability and Time of Imposition of Charge.—

"(1) Liability.—

"(A) Port use charge.—The charge imposed by subsection (a)(1) on a port use shall be paid by—

"(i) in the case of cargo entering the United States, the importer,

"(ii) in the case of cargo to be exported from the United States, the exporter, or

"(iii) in any other case, the shipper.

"(B) Port maintenance use charge.—The charge imposed by subsection (a)(2) on a port maintenance use shall be paid by the vessel owner.

"(2) Time of imposition.—

"(A) Port use charge.—The charge imposed by subsection (a)(1) on a port use described in section 4462(a)(1)(A) shall be imposed—

"(i) in the case of cargo to be exported from the United States, at the time of loading, and

"(ii) in any other case, at the time of unloading.

"(B) Other charges.—Any charge imposed by this subchapter not described in subparagraph (A) shall be imposed at the time prescribed by the Secretary in regulations.

"SEC. 4462. DEFINITIONS AND SPECIAL RULES.

"(a) Definitions.—For purposes of this subchapter—

"(1) Port use.—The term 'port use' means—

"(A) the loading or unloading of commercial cargo on or from a commercial vessel at a port, or

"(B) the use of any Great Lakes navigation improvement, including any use described in subparagraph (A).

"(2) Port maintenance use.—The term 'port maintenance use' means the use of any port or Great Lakes navigation improvement for—

"(A) the purpose of bunkering, refitting, or repair of a commercial vessel,

"(B) the convenience of a commercial vessel, or

"(C) any similar purpose in connection with a commercial vessel.

"(3) Port.—

(A) In general.—The term 'port' means any channel or harbor (or component thereof) in the United States, which—

"(i) is not an inland waterway or Great Lakes navigation improvement, and

(ii) is open to public navigation.

"(B) Exception for certain facilities.—The term 'port' does not include any channel or harbor with respect to which no Federal funds have been used since 1977 for construction, maintenance, or operation, or which was deauthorized by Federal law before 1985.

"(C) Special rule for Columbia River.—The term 'port' shall include the channels of the Columbia River in the States of Oregon and Washington only up to the downstream side of Bonneville lock and dam.

"(4) Great Lakes navigation improvement.—

"(A) In general.—The term 'Great Lakes navigation improvement' means any lock, channel, harbor, or navigational facility located in the Great Lakes of the United States or their connecting waterways.

"(B) Connecting waterways.—The connecting waterways of the Great Lakes of the United States include, but are not limited to, the Detroit River, the Saint Clair River, Lake Saint Clair, and the Saint Marys River.

"(C) Saint Lawrence Seaway.—The term 'Great Lakes navigation improvement' shall not include the Saint Lawrence Seaway (or any component thereof).

"(5) Commercial cargo.—

"(A) In general.—The term 'commercial cargo' means any cargo transported on a commercial vessel, including passengers transported for compensation or hire.

"(B) Certain items not included.—The term 'commercial cargo' does not include—

"(i) bunker fuel, ship's stores, sea stores, or the legitimate equipment necessary to the operation of a vessel, or

"(ii) fish or other aquatic animal life caught on a United States vessel and not previously landed on shore.

"(6) Commercial vessel.—

"(A) In general.—The term 'commercial vessel' means any vessel used—

"(i) in transporting cargo by water for compensation or hire, or

"(ii) in transporting cargo by water in the business of the owner, lessee, or operator of the vessel.

"(B) Exclusion of ferries.—

"(i) In general.—The term 'commercial vessel' does not include any ferry engaged primarily in the ferrying of passengers (including their vehicles) between points within the United States, or between the United States and contiguous countries.

"(ii) Ferry.—The term 'ferry' means any vessel which arrives in the United States on a regular schedule at intervals of at least once each day.

"(7) Value.—

"(A) In general.—the term 'value' means, except as provided in regulations, the value of any commercial cargo as determined by standard commercial documentation.

"(B) Transportation of passengers.—In the case of the transportation of passengers for hire, the term 'value' means the actual charge paid for such service or the prevailing charge for comparable service if no actual charge is paid.

"(b) Special Rule for Alaska, Hawaii, and Possessions.—

"(1) In general.—No charge shall be imposed under section 4461(a)(1) with respect to—

"(A) cargo loaded on a vessel in a port in the United States mainland for transportation to Alaska, Hawaii, or any possession of the United States for ultimate use or consumption in Alaska, Hawaii, or any possession of the United States,

"(B) cargo loaded on a vessel in Alaska, Hawaii, or any possession of the United States for transportation to the United States mainland for ultimate use or consumption in the United States mainland, or

"(C) the unloading of cargo described in subparagraph (A) or (B) in Alaska, Hawaii, or any possession of the United States, or in the United States mainland, respectively.

"(2) Cargo does not include crude oil with respect to Alaska.—For purposes of this subsection, the term 'cargo' does not include crude oil with respect to Alaska.

"(3) United States mainland.—For purposes of this subsection, the term 'United States mainland' means the continental United States.

"(c) Coordination of Charges Where Transportation Subject to Tax Imposed by Section 4042.—No charge shall be imposed under this subchapter with respect to the loading or unloading of any cargo on or from a vessel if any fuel of such vessel has been (or will be) subject to the tax imposed by section 4042 (relating to tax on fuel used in commercial transportation on inland waterways).

"(d) Nonapplicability of charges to certain cargo.—

"(1) In general.—Subject to paragraph (2), the charge imposed pursuant to Section 4461(a)(1) shall not apply to bonded commercial cargo entering the United States for transportation and direct exportation to a foreign country.

"(2) Imposition of charges.—Paragraph (1) shall not apply—

"(A) after the date on which the Secretary determines that the Government of Canada has imposed a substantially equivalent fee or charge on commercial vessels or commercial cargo utilizing Canadian ports: *Provided*, That subject to subparagraph (B), paragraph (1) shall apply after the date on which the Secretary determines that such fee or charge has been discontinued by the Government of Canada.

"(B) with respect to a particular United States port (or to any transaction or class of transactions at any such port) to the extent that the study made pursuant to section 807(a) of the Water Resources Development Act of 1985 (or a review thereof pursuant to section 807(b) of such Act) finds that—

"(i) the imposition of such charge at such port (or to any transaction or class of transactions at such port) is not likely to divert significant amount of cargo from such port to a port in a country contiguous to the United States, or that any such diversion is not likely to result in significant economic loss to such port; or

"(ii) the nonapplicability of such charge at such port (or to any transaction or class of transactions at such port) is likely to result in significant economic loss to any other United States port.

"(e) Exemption for United States.—No charge shall be imposed under this subchapter on the United States or any agency or instrumentality thereof.

"(f) Extension of Provisions of Law Applicable to Customs Duty.—

"(1) In General.—Except to the extent otherwise provided in regulations, all administrative and enforcement provisions of customs laws and regulations shall apply in respect of the charge imposed by this subchapter (and in respect of persons liable therefor) as if such charge were a customs duty. For purposes of the preceding sentence, any penalty expressed in terms of a relationship to the amount of the duty shall be treated as not less than the amount which bears a similar relationship to the value of the cargo.

"(2) Jurisdiction of courts and agencies.—For purposes of determining the jurisdiction of any court of the United States or any agency of the United States, the charge imposed by this subchapter shall be treated as if such charge were a customs duty.

"(3) Administrative provisions applicable to tax law not to apply.—The charge imposed by this subchapter shall not be treated as a tax for purposes of subtitle F of this title or any other provision of law relating to the administration and enforcement of internal revenue taxes.

"(g) Limits on Numbers of Charges.—For purposes of this subchapter—

"(1) only 1 charge shall be imposed under section 4461(a)(1) with respect to—

"(A) the transportation of the same cargo on the same vessel, and

"(B) the loading and unloading of identical cargo at 1 port, and

"(2) the charge imposed by section 4461(a)(2) shall not be imposed more than 3 times in any calendar year upon any vessel.

"(h) Regulations.—The Secretary may prescribe such additional regulations as may be necessary to carry out the purposes of this subchapter including, but not limited to—

"(1) regulations providing for the manner and method of payment and collection of any charge,

"(2) regulations providing for the posting of bonds to secure payment of any charge,

"(3) regulations exempting any transaction or class of transactions from the charge imposed by this subchapter where the collection of such charge is not administratively practical, and

"(4) regulations providing for the remittance or mitigation of penalties and the settlement or compromise of claims.".

(b) Clerical Amendment.—The table of subchapters for chapter 36 of the Internal Revenue Code of 1954 is amended by inserting the following before the item relating to subchapter D:

"Subchapter A. Harbor maintenance charge.".

(c) Effective Date.—The amendments made by this section shall take effect on April 1, 1986.

SEC. 803. CREATION OF HARBOR MAINTENANCE TRUST FUND.

(a) In General.—Subchapter A of chapter 98 of the Internal Revenue Code of 1954 (relating to establishment of trust funds) is amended by adding after section 9504 the following new section:

"SEC. 9505. HARBOR MAINTENANCE TRUST FUND.

"(a) Creation of Trust Fund.—There is hereby established in the Treasury of the United States a trust fund to be known as the 'Harbor Maintenance Trust Fund', consisting of such amounts as may be—

"(1) appropriated to the Harbor Maintenance Trust Fund as provided in this section,

"(2) transferred to the Harbor Maintenance Trust Fund by the Saint Lawrence Seaway Development Corporation pursuant to section 13(a) of the Act of May 13, 1954, or

"(3) credited to the Harbor Maintenance Trust Fund as provided in section 9602(b).

(b) Transfer to Harbor Maintenance Trust Fund of Amounts Equivalent to Certain Charges.—There are hereby appropriated to the Harbor Maintenance Trust Fund amounts equivalent to the charges received in the Treasury under section 4461 (relating to harbor maintenance charge).

"(c) Expenditures From Harbor Maintenance Trust Fund.—Amounts in the Harbor Maintenance Trust Fund shall be available, as provided by appropriation Acts, for making expenditures for—

"(1) payments described in section 607 of the Water Resources Development Act of 1985 (as in effect on the date of enactment of this section), and

"(2) payments of rebates of tolls or charges pursuant to section 13(b) of the Act of May 13, 1954 (as in effect on the date of enactment of this section).".

(b) Clerical Amendment.—The table of sections for subchapter A of Chapter 98 of the International Revenue Code of 1954 is amended by adding after the item relating to section 9504 the following new item:

"Sec. 9505. Harbor Maintenance Trust Fund.".

(c) Effective Date.—The amendments made by this section shall take effect on April 1, 1986.

SEC. 804. INLAND WATERWAYS TAX.

(a) In General.—Subsection (b) of section 4042 of the Internal Revenue Code of 1954 (relating to tax on fuel used in commercial transportation on inland waterways) is amended to read as follows:

"(b) Amount of Tax.—The tax imposed by subsection (a) shall be determined from the following table:

"(1) Uses before 1988.—

"If the use occurs—	The tax per gallon is—
After September 30, 1983, and before October 1, 1985..	8 cents
After September 30, 1985, and before January 1, 1988.	10 cents.

"(2) Uses after 1987.—

"If the use occurs during calendar year—	The tax per gallon is—
1988	11 cents
1989	12 cents
1990	13 cents
1991	14 cents

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1992	15 cents
1993	16 cents
1994	17 cents
1995	18 cents
1996	19 cents
1997 and thereafter	20 cents.".

(b) FUEL USE ON TENNESSEE-TOMABIGBEE WATERWAY SUBJECT TO INLAND WATERWAY TAX.—Section 206 of the Inland Waterways Revenue Act of 1978 is amended by adding at the end thereof the following:

"(27) Tennessee-Tombigbee Waterway: From its confluence with the Tennessee River to the Warrior River at Demopolis, Alabama.".

(c) EFFECTIVE DATE.—The amendment made by subsection (b) shall take effect on April 1, 1986.

SEC. 904. INLAND WATERWAYS TRUST FUND.

(a) IN GENERAL.—Subchapter A of chapter 98 of the Internal Revenue Code of 1954 (relating to establishment of trust funds) is amended by adding at the end thereof the following new section:

"SEC. 9506. INLAND WATERWAYS TRUST FUND.

"(a) CREATION OF TRUST FUND.—There is hereby established in the Treasury of the United States a trust fund to be known as the 'Inland Waterways Trust Fund', consisting of such amounts as may be appropriated or credited to such Trust Fund as provided in this section or section 9602(b).

"(b) TRANSFER TO TRUST FUND OF AMOUNTS EQUIVALENT TO CERTAIN TAXES.—There are hereby appropriated to the Inland Waterways Trust Fund amounts equivalent to the taxes received in the Treasury under section 4042 (relating to tax on fuel used in commercial transportation on inland waterways).

"(c) EXPENDITURES FROM TRUST FUND.—Amounts in the Inland Waterways Trust Fund shall be available, as provided by appropriation Acts and subject to the provisions of section 501 of the Water Resources Development Act of 1985 (as in effect on the date of enactment of this section), to the Secretary of the Army to be expended for construction, rehabilitation, modification, and post-authorization planning of navigation lock and dam projects (or any component thereof) on the inland and intracoastal waterways of the United States which are authorized in sections 502, 504(e), and 505 of such Act (as in effect on the date of enactment of this section).".

(b) CONFORMING AMENDMENTS.—Sections 203 and 204 of the Inland Waterways Revenue Act of 1978 (relating to Inland Waterways Trust Fund) are hereby repealed.

(c) CLERICAL AMENDMENT.—The table of sections for subchapter A of chapter 98 of the Internal Revenue Code of 1954 is amended by adding at the end thereof the following new item:

"Sec. 9506. Inland Waterways Trust Fund".

(d) EFFECTIVE DATE.—

(1) IN GENERAL.—The amendments made by this section shall take effect on April 1, 1986.

(2) INLAND WATERWAYS TRUST FUND TREATED AS CONTINUATION OF OLD TRUST FUND.—The Inland Waterways Trust Fund established by the amendments made by this section shall be treated for all purposes of law as a continuation of the Inland Waterways Trust Fund established by section 203 of the Inland Waterways Revenue Act of 1978. Any reference in any law to the Inland Waterways Trust Fund established by such section 203 shall be deemed to include (wherever appropriate) a reference to the Inland Waterways Trust Fund established by this section.

SEC. 905. SAINT LAWRENCE SEAWAY EXPENDITURES AND REBATES OF TOLLS.

(a) IN GENERAL.—The Act of May 13, 1954 is amended—

(1) by striking out "and" at the end of paragraph (11) of section 4(a),

(2) by striking out the period at the end of paragraph (12) of section 4(a) and inserting in lieu thereof "; and",

(3) by adding at the end of section 4(a) the following new paragraph:

"(13) shall accept such amounts as may be transferred to the Corporation under section 9505(c)(1) of the Internal Revenue Code of 1954, except that such amounts shall be available only for the purpose of operating and maintaining those works which the Corporation is obligated to operate and maintain under subsection (a) of section 3 of this Act.", and

(4) by adding at the end thereof the following new section:

"REBATE OF CHARGES OR TOLLS

"SEC. 13. (a) The Corporation shall transfer to the Harbor Maintenance Trust Fund, at such times and under such terms and conditions as the Secretary of the Treasury may prescribe, all revenues derived from the collection of charges or tolls established under section 12 of this Act.

"(b)(1) The Corporation shall certify to the Secretary of the Treasury, in such form and at such times as the Secretary of the Treasury shall prescribe, the identity of any person who pays a charge or toll to the Corporation pursuant to section 12 of this Act with respect to a commercial vessel (as defined in section 4462(a)(6) of the Internal Revenue Code of 1954).

"(2) Within 30 days of the receipt of a certification described in paragraph (1), the Secretary of the Treasury shall rebate, out of the Harbor Maintenance Trust Fund, to the person described in paragraph (1) the amount of the charge or toll paid pursuant to section 12 of this Act.".

(b) EFFECTIVE DATE.—The amendments made by this section shall take effect on April 1, 1986.

SEC. 906. REPORT ON REDUCTION OR ELIMINATION OF TOLLS ON THE GREAT LAKES AND THE SAINT LAWRENCE SEAWAY.

Not later than 2 years after the date of enactment of this Act, the Secretary of State, in consultation with the Secretary of Transportation, shall initiate discussions with the Government of Canada with the objective of reducing or eliminating all tolls on the international Great Lakes and the Saint Lawrence Seaway, and the Secretary of Transportation shall report to the Congress on the progress of such discussions and on the economic effects upon waterborne commerce in the United States of any proposed reduction or elimination in tolls.

SEC. 907. STUDY OF CARGO DIVERSION.

(a) INITIAL STUDY.—The Secretary of the Treasury, in consultation with United States ports, the Secretary of the Army, the Secretary of Transportation, and other appropriate Federal agencies, shall conduct a study to determine the impact of the port use charge imposed under section 4461(a)(1) of the Internal Revenue Code of 1954 on potential diversions of cargo from particular United States ports to any port in a country contiguous to the United States. The report of the study shall be submitted to the Ways and Means Committee of the House of Representatives and the Committee on Finance of the United states Senate not later than 1 year from the date of the enactment of this Act.

(b) REVIEW.—The Secretary of the Treasury may, at any time, review and revise the findings of the study conducted pursuant to subsection (a) with respect to any United States port (or to any transaction or class of transactions at such port).

(c) IMPLEMENTATION OF FINDINGS.—For purposes of section 4462(d)(2)(B) of title 26, United States Code, the findings of the study or review conducted pursuant to subsections (a) and (b) of this section shall be effective sixty days after notification to the ports concerned.

Mr. MOYNIHAN. Mr. President, I move to reconsider the vote by which the bill was passed.

Mr. STAFFORD. I move to lay the motion to reconsider on the table.

The motion to lay on the table was agreed to.

Mr. STAFFORD. Mr. President, I now move to indefinitely postpone S. 1567.

The motion was agreed to.

Mr. STAFFORD. Mr. President, I now move the Senate insist on its amendments to H.R. 6 and ask the Chair to appoint conferees.

The motion was agreed to, and the Presiding Officer [Mr. KASTEN] appointed, on behalf of the Committee on Environment and Public Works, Mr. STAFFORD, Mr. ABDNOR, Mr. DOMENICI, Mr. DURENBERGER, Mr. BENTSEN, Mr. MOYNIHAN, and Mr. BAUCUS, and on behalf of the Committee on Finance, Mr. PACKWOOD, Mr. ROTH, Mr. DANFORTH, Mr. LONG, and Mr. MATSUNAGA conferees on the part of the Senate.

Mr. STAFFORD. Mr. President, I now ask unanimous consent to have printed for the use of the Committees on Environment and Public Works and Finance 250 copies of the version of H.R. 6 as passed by the Senate.

The PRESIDING OFFICER. Is there objection? Without objection, it is so ordered.

Mr. MOYNIHAN. Mr. President, before we leave this matter, on our side of the aisle I express our great appreciation to the staff who worked so indefatigably, led by Hal Brayman and aided by Tom Skirbunt and Mark Haynes, and on our side to Ann Garabrant and Nan Stockholm. Nan is a newcomer to these ancient battles. These people have proven themselves indispensable to this Senator and I believe to this legislation. If it is as historic as we think it is, they will surely deserve to be part of that history.

Mr. STAFFORD. Mr. President, I simply express my very deep appreciation to Senator ABDNOR and Senator MOYNIHAN for all of the hard work they have done over the years in finally bringing this legislation to fruition, and my colleague Senator BENTSEN for all of his help, particularly to the staff of the committee and Members who have worked through the years to finally get a water projects bill through the Senate. I yield the floor.

Mr. ABDNOR. Mr. President, this has been quite an experience for me, to see a bill like this finally coming to fruition. It just goes to show you that by keeping all lines of communication open, solutions can be found to problems. That has happened here. We have what we all agree is a good bill. It took an awful lot of doing. I certainly thank my chairman, Senator STAFFORD, and Senator BENTSEN, the ranking member of the committee for their support. Above all, I just want to say what a pleasure it has been to work with the ranking member of the subcommittee from New York, Senator MOYNIHAN. If all subcommittees worked together as closely as we did, there would be nothing but sound policy coming forth.

Of course, it is easy to take credit here, both the Senator from New York and myself, but we both know our committee staff worked day after day and were involved with ironing out the many differences we had. We had to work hard to keep up with the progress they were making. Certainly Hal Brayman, Tom Skirbunt, and Mark Haynes worked hours and hours and hours, as did Ann Garrabrant and Nan Stockholm on the other side. I say to all of them they did a job for which we are all very proud.

Mr. BURDICK. Mr. President, this is indeed a historic moment in the U.S. Senate, particularly for those of us who have worked for water projects and water development these many, many years. Bear in mind, this is the first water bill we have passed in 10 years, so it could be historic. I join with what was said here this morning about the cooperation we have had in the committee. Partisanship has not raised its head. We have worked together as a team. I think this water development legislation bodes well for the future of the country.

Mr. MOYNIHAN. Mr. President, I know I speak for myself and the Senator from South Dakota when I thank Senator BURDICK for his gracious remarks. His equanimity has added greatly to the bill's passage. He has been nonpartisan and public-spirited in all of these matters.

I thank the Senator from Vermont, who has been such a paternal figure in all this, and an encouraging one, and Senator BENTSEN, my colleague from Texas. One thing I do not understand; if one Lebanese in the United States can bring peace to the warring tribes of this body, why is it not possible in the Middle East?

I congratulate the peacemaker on this side of the Atlantic, Senator ABDNOR. I thank the Chair.

Mr. DOLE. Mr. President, I thank all my colleagues. We have considered this bill for 2 days. We consumed about 5½ hours as of 12:46 p.m. We considered 28 amendments and agreed to 24. Four were withdrawn.

As has been stated before, it has been 9 or 10 years, so hopefully we can work something out in conference. There are a number of outstanding projects in this legislation. Again, I commend the managers of the bill, certainly Senator ABDNOR and Senator MOYNIHAN, and the committee chairman, Senator STAFFORD, and the distinguished Senator from North Dakota, Senator BURDICK, and all others who have worked on this. It is an indication that when we put our mind to do something in the Senate, we can make things happen. Nine years is a long time, but it took 37 years for the Genocide Convention so, by comparison, we have speeded this through. We appreciate it very much. We hope we will have a successful conference; that we will be able to resolve some of the differences.

We know the House has a propensity in this type of bill to want to go about 90 to 10 their way. There is no way a bill like that would be signed by the President, so I hope that our colleagues will consider that.

I thank my colleagues. I indicate to all Members that we would hope to move to the Contra resolution a little after 1 o'clock. We were not able to reach an agreement, but there is still time for that. There are a couple of issues which still have not been resolved. There may be others. I assume there will be a number of amendments on the floor. But I would like to complete action on that bill this evening. If we go right to it at 1 o'clock, I should think by 8 o'clock or 8:30, we might be able to complete the resolution. If that is the case, we would not be in session tomorrow, if that is any incentive.

METROPOLITAN WASHINGTON AIRPORTS TRANSFER ACT

Mr. DOLE. Mr. President, what is the pending business?

The PRESIDING OFFICER. The pending business is the motion to proceed to S. 1017.

The question is on agreeing to the motion.

The motion was agreed to.

Mr. DOLE. Mr. President, I move to reconsider the vote by which the motion was agreed to.

Mr. HELMS. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

The PRESIDING OFFICER. The clerk will report Senate bill S. 1017.

The assistant legislative clerk read as follows:

A bill (S. 1017) to provide for the transfer of the Metropolitan Washington airports to an independent airport authority.

Mr. DOLE. Mr. President, I ask unanimous consent that the Senate resume consideration of S. 1017, the airport transfer bill, no earlier than 10 a.m. on Wednesday, April 9, 1986.

The PRESIDING OFFICER. Is there objection?

Mr. BYRD. Mr. President, reserving the right to object, I will not object. I have discussed this matter with the distinguished Senator from Maryland [Mr. SARBANES]. He is here on the floor. I understand he does not have any objection to this request.

I have no objection.

The PRESIDING OFFICER. Is there objection to the unanimous-consent request?

Mr. SARBANES. I have no objection to the request. I have discussed this with the majority leader. I think this is a reasonable way to deal with this matter.

The PRESIDING OFFICER. Is there objection?

Mr. DOLE. I might indicate, reserving the right to object, it may be that we would want to take it up the following week, and that is why I said no earlier than 10 a.m. on Wednesday.

Mr. SARBANES. I understand the majority leader might have other matters he might want to schedule at that time. I assume that if and when that happens, we would get some sort of reasonable notice when the majority leader is planning to go to it.

Mr. DOLE. That is correct.

The PRESIDING OFFICER. Is there objection? Without objection, it is so ordered.

Mr. DOLE. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. DOLE. Mr. President, I ask unanimous consent that further proceedings under the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

RECESS UNTIL 1:30

Mr. DOLE. Mr. President, since we are drafting some changes on the Contra resolution, and they will not be ready until probably 5 or 10 after 1, if the minority leader has no objection, I would move the Senate stand in recess until 1:15.

The PRESIDING OFFICER. Is there objection?

Mr. DOLE. Mr. President, let me revise that to 1:30.

The motion was agreed to, and at 12:43 p.m., the Senate recessed until 1:33 p.m.; whereupon, the Senate reassembled when called to order by the Presiding Officer [Mrs. KASSEBAUM].

The PRESIDING OFFICER. The Chair, in her capacity as a Senator from Kansas, suggests the absence of a quorum.

The clerk will call the roll.

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The legislative clerk proceeded to call the roll.

Mr. HATFIELD. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER (Mr. Nickles). Without objection, it is so ordered.

Mr. HATFIELD. Mr. President, I ask unanimous consent that I may be permitted to speak as if in morning business.

The PRESIDING OFFICER. Without objection, it is so ordered.

THE GULF OF SIDRA

Mr. HATFIELD. Mr. President, I am concerned that insufficient consideration was given to the far-reaching regional and international consequences of conducting U.S. freedom of navigation exercises in the Gulf of Sidra at this time. The United States is not only playing a dangerous game of "dare and double dare" but also undermining the precarious stability of our moderate Arab allies as we elevate the stature of Col. Mu'ammar' Qadhafi.

Justification for conducting these freedom of navigation exercises in the Gulf of Sidra seems to rest entirely on the discrepancy between the internationally recognized 12-mile offshore territorial limit and Colonel Qadhafi's so-called line of death drawn 150 miles off the Libyan coast. Simply stated, the United States is proving a point. With international law on our side, how could anyone dissent from the policy?

Mr. President, I dissent from the policy. I dissent because I believe there is a clear difference between what the United States has a right to do and what is in our best long-term interest. Wisdom, not technical rights, must dictate U.S. policy at all times.

Colonel Qadhafi has made his country a haven for terrorists and would-be terrorists. He is like a leach, sucking his lifeblood from regional and international tensions. While his "line of death" flies in the face of international law, his behavior flies in the face of international morality. But daring him to fight, at this time and in this way, threatens to further undermine U.S. influence in the region as the proverbial Goliath goes against David.

Publicity is power for Colonel Qadhafi. The presence of the 6th Fleet in the Gulf of Sidra at this time serves to focus the international spotlight on him. And the recent military actions taken against Libya, whether they were defensive or not, provide increased credibility for Qadhafi in his call to arms throughout the Arab world. By engaging in the same belligerent acts of which Colonel Qadhafi has been accusing the United States for several years, the United States simply proves the madman's point in the minds of many disillusioned and bitter Arab people.

The ability of the United States to negotiate peaceful settlements of conflicts in the region and throughout the world will be seriously undermined by our actions in the Gulf of Sidra. On one hand, the administration talks of peace and diplomacy in the Middle East, and on the other hand, they engage in untimely and hostile acts off the coast of Libya. How can the United States be taken seriously when its rhetoric and practice are contradictory?

Men like Egypt's President Mubarak, Jordan's King Hussein and Tunisia's President Bourguiba have put themselves and their nations on the line by calling for moderation and diplomatic solutions to regional problems. They are beacons of hope in a region torn apart by violence and instability. Are we prepared to reward their courage with moves which may erode their political stability? I suggest that we may well be doing just that.

There very well may come a time when U.S. national security is at stake in the Arab world. But if the United States cries "wolf" too often, the international community will ignore us when that time comes. Unnecessary confrontation now jeopardizes international support for the United States in the future.

We all know that international terrorism has become a serious global problem. Since the TWA hijacking last summer, a number of well publicized terrorist acts have taken the lives of innocent people. Moral outrage and fear have risen to a dangerous level largely because of the frustration the world community has experienced in seeing the perpetrators of this violence go unpunished. Because recent information points to the culpability of Qadhafi in at least the Rome and Vienna airport attacts, that frustration now has an outlet. Entice Libya into a fight, the rationale goes, and we will put Colonel Qadhafi in his place.

If only the solution to international terrorism were so simple. Unfortunately, Mr. President, the roots of international terrorism run far deeper than personalities and ideologies. Legacies of hunger and poverty, of economic inequity and social injustice, fuel the fires of international terrorism. Picking an unnecessary fight with Colonel Qadhafi at this time belittles that reality. The "eye for an eye" approach to international relations has proven counterproductive throughout history. The nature of international relations is such that retaliation begets retaliation in an unending spiral of violence while the roots of the underlying problem only grow deeper.

If we are lucky, the United States will emerge from this unfortunate confrontation without casualties. In the short term, we will have proven our point and shown Colonel Qadhafi that we are willing to challenge his bizzare and violent conduct. But in the long term, the consequences of our poor judgment will only cause more problems both for the United States and our courageous allies in the already troubled region.

Mr. LEAHY addressed the Chair.

The PRESIDING OFFICER. The Senator from Vermont.

Mr. LEAHY. Mr. President, in listening to the Senator from Oregon discussing another part of the world, I realized it is not the part of the world we will be discussing this afternoon. The Senator from Oregon has, in his usual extraordinarily sane and accurate fashion, portrayed the concerns held by many about the actions in the Middle East.

I would like to speak, if I might, on Central America.

AID TO THE CONTRAS—THE ROAD TO WAR

Mr. LEAHY. Mr. President, this is a solemn moment. The Senate, this evening or tomorrow morning, is about to cast one of the most important foreign policy votes of the decade.

I think this body knows that I am not one inclined to overstate issues. I say that with great care—the most important foreign policy vote of the decade.

The issue we are facing is no more nor no less than whether the United States should take a major step toward direct engagement in a war in Central America. No smoke about "compromises" or rhetoric about giving negotiations a "chance" for a few months can disguise that stark fact.

The American people should know what their Government is doing. They have a right. It is, after all, their sons who may be asked to fight and die in the jungles and mountains of Central America before this is over.

For the last 4 years, Congress has gone along with more and more military aid to the Contra insurgents who are trying to overthrow the Nicaraguan Government. Official justification for supporting the rebels has never been constant or clear. At different times, we have been told our aim was to block the flow of arms to El Salvador, to force the Sandinistas back to "pluralism," to make them negotiate seriously, to "cry uncle," and so on. The only thing that is unchanged is the Contras' inability to drive the Sandinistas out of Managua or to gain any significant political support among the Nicaraguan people. Meanwhile, with the Contras as a justification, the Sandinista radicals cement their hold on Nicaragua.

What are we really voting on in this resolution? Let us not deceive ourselves: What we have before us is the President's original plan for $100 million for the Contras dressed in the clothes of compromise. Today we are voting for the first time on sending American military advisers and trainers into this insurgency. We are voting to allow the President to send the CIA back into the war. We are voting to give the Contras money to continue to violate human rights, to murder Nicaraguan peasants, and to kill and be killed in a hopeless rebellion.

The compromise proposal has some language about negotiations and some of the money will be delayed several months. There are soothing words about "independent" bipartisan observers. But there is nothing in any of the compromises this Senator from Vermont has seen that explains why the United States—this great, decent Nation—is getting deeper and deeper into a squalid insurgency against an impoverished country of less than 3 million people, mostly illiterate peasants who do not have the remotest idea of what communism is, and who have never had a chance at real democracy.

What are we trying to do? If we want to pressure the Sandinistas into negotiating themselves out of power, Daniel Ortega and the Commandantes are not going to do it. If we want to drive them out of power, the Contras cannot do it.

The President, in the most extravagant words, tells us this wartorn little backwater nation—which has never known anything but dictatorships, war, and military occupation by U.S. Marines—is a deadly threat to U.S. security. If Nicaragua is the terrible menace he claims, the President should ask for a declaration of war and send in American troops. These patchwork "compromises" of the last 3 years only postpone the inevitable day when we must face the awesome decision to commit American military power to destroy the Sandinistas. Or, perhaps, after thousands more die vainly, we will finally recognize that there are other ways to deal with the upheavals in Central America.

Almost 3 years ago, after a trip to Central America, I came to this floor and warned about the dangers of the growing Contra program. Then we were being told support for the Contras was to stop arms going from Nicaragua to the Salvadoran rebels. The Contras themselves had very different ideas, which they made clear to anyone who asked, including myself. Three years ago, I asked, "If the clear and unshakeable aim is simply to interdict the flow of arms, how can we arm, train, and advise people who are entering Nicaragua to fight and die for some totally different objective?"

By 1984, the explanation changed from arms interdiction to pressuring the Sandinistas to loosen their grip on the Nicaraguan people. Supposedly, we wanted to frighten the Sandinistas to the bargaining table. But, in moments of frankness, administration officials let slip that the real aim was to throw out the Sandinistas. On April 15, 1984, I said: "I am not convinced the administration or its Senate supporters really know where this policy is leading, or how to shift from fighting to negotiating if that opportunity arises."

Two years later, little has changed. The war drags on. The killing continues. The Sandinistas' hold on Nicaragua tightens. The buildup of Soviet and Cuban military equipment continues. Our friends in the region watch with growing alarm the militarization of Central America and warn of the dangers to their fragile democracies of an escalation of conflict. Yet, the declared policy of the administration is as convoluted as ever. Now we are told the goal of the insurgency is to force Sandinistas to agree to a "national reconciliation," with the Contras. Anyone who thinks this is how the insurgency will end is deceiving himself.

Mr. President, none of our allies in the region support the administration's policy of military pressure on Nicaragua. Last month, the foreign ministers of eight Latin American nations—those making up the Contadora nations and the Contadora support group—publicly called on the President to stop any further support for the Contras. They want to give their negotiations a chance—which will not happen while a bitter, protracted civil war rages between mortal enemies. The newly elected President of Costa Rica said of the President's $100 million request:

> I would give that money to Guatemala, El Salvador, Honduras, and Costa Rica for economic aid, and not military aid to the Contras. I don't think that with that aid he is going to obtain what he wants.

Our Government is in the strange situation of officially and piously endorsing the Contadora peace process, while simultaneously ignoring the pleas of the very countries who are looking for a diplomatic settlement that would stop the fighting and defuse regional tensions.

After 4 years—4 years—it is clear that the President's policy of pressure and military confrontation through proxies simply is not working. The choice is clear: Either we use our own military power to crush the Sandinistas, or we search for a new policy toward the problem of Central America. I would take the latter road. There are other constructive alternatives that could form a new approach to the region.

The United States has four fundamental interests in Central America: First, to prevent Nicaragua from becoming a military threat to our security and that of the hemisphere by becoming a base for Soviet or Cuban forces; second, to assist in the negotiation of a political settlement that ends conflicts and strengthens stability; third, to prevent subversion and communist revolutions aimed at destroying democracy; and fourth, to promote, to the extent we can, pluralism, freedom, and democracy in Nicaragua itself.

Let me outline an alternate course that could serve these interests:

U.S. support for the Contras should stop immediately. Since we created the Contras, we cannot now leave them, armed, angry, and disperate, to menace Honduras and Costa Rica. But only aid to feed and maintain those rebels who have stopped fighting should go forward while we assist their relocation and resettlement.

Congress and the President should reach a clear understanding that the United States will act to prevent a Cuban or Soviet threat in Central America. This includes a prohibition on Soviet or Cuban military bases and on the introduction of advanced offensive weaponry from the Soviet bloc. The United States should provide congressionally approved security guarantees to Nicaragua's neighbors of assistance in repelling unprovoked Sandinista attacks on them.

The United States should finally become serious about supporting the Contadora negotiations and about engaging in bilateral talks with Nicaragua. The goal should be a regional settlement which provides for a complete termination of external support for insurgencies and noninterference in the internal affairs of the countries of the region. A mixture of economic, diplomatic, and political pressures on Nicaragua would provide the administration diplomatic leverage in seeking a settlement that prevents Nicaragua from posing a military threat to its neighbors.

The United States should provide full political, economic, and, where necessary, military support to the emerging democracies of the region, in recognition of the fact that the strongest defense against subversion and communism is democratic governments. It should be made clear to Central American military establishments that coups against democratically elected governments will mean the immediate cessation of all United States support.

It has become fashionable in this administration to equate diplomacy and negotiations as a soft and unacceptable substitute for military pressure. This is dangerous nonsense. We are a great and good nation with immense material and moral resources at our disposal—if we do not squander them in support of groups like the Contras.

When the history books of this time are written, historians will surely cite

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today's vote as a major turning point in United States involvement in the Nicaraguan war.

I ask the Senate not to be blinded by Sandinista folly, such as the recent attack on Contra camps in Honduras. For Senators to use this latest example of Daniel Ortega's stupidity as cover to vote for this aid is to be swept away by war fever. Our task is to serve the best interests of the United States—not to punish a third-rate revolutionary who repeatedly plays right into the hands of those who want to intervene in Nicaragua.

We are now at a point much as in the early 1960's, when debate raged about deepening United States involvement in Vietnam. People who dared question had their patriotism questioned—just as now. They were labeled "soft on communism"—just as now. Yet, day by day, step by step, we inched into the Vietnam morass.

My constituents in Vermont do not want their country to step into this Nicaragua quagmire. This past year, I have received more mail and telephone calls from Vermonters about Central America than on any other issue. The message is overwhelming: No support of the Contras, no American war in Nicaragua.

I urge my colleagues to listen to the American people and not to be carried down the path of least resistance. Let us today put an end to this hopeless, pointless, and futile struggle, and get on with developing a policy worthy of the United States of America.

Mr. President, the U.S. Senate has often been described as the conscience of the Nation. I can think of really no time in the 12 years I have been here when our Nation has called out to us more to use that conscience. The people of this great and good Nation are saying: There has to be a better way. We all know and we all understand that throughout this Nation, the American people are saying, no, no, do not send money, do not use the Contras as surrogates for the United States, which in some way equates us with them and equates the interests of our Nation with the interests of the Contras.

If we are not able to stand up, as we should more often these years, and lead as the conscience of the Nation, can we not at least listen to the collective conscience of our fellow Americans and, at least in our vote, reflect that conscience and say, no, no, there really is a better way?

Mr. President, I yield the floor.

AID TO CONTRAS

Mr. KENNEDY. Mr. President, in a few short moments, we shall have before us the administration's proposal for support for the Contras. At the earliest possible time, I shall ask consideration for that amendment, which I shall offer in behalf of myself and the Senator from New Mexico [Mr. BINGAMAN].

The amendment itself is very simple, Mr. President. It says that notwithstanding any other provision of law, no funds may be obligated or expended for the purpose or which would have the effect of supporting directly or indirectly, military or paramilitary operations in Nicarauga by any nation, group, organization, movement, or individual.

It is a complete and effective denial of American taxpayers' funds for the support of the Contras in Nicarauga or in the nations outside of Nicaragua. I shall offer that, Mr. President, as I mentioned, in behalf of myself and Senator BINGAMAN and look forward to a debate on the policy of the administration. Also, I would hope that we can gain support for that particular proposal.

Mr. President, we hold no brief for the Sandinistas, but those of us who oppose the administration on this issue do so because President Reagan's policy of shooting first and talking later will only lead to greater and wider war. Sending more guns and more bullets to Contras will only expand and escalate the conflict. Sadly, the latest escalation is obvious to all of us. On Monday, Nicaraguan troops invaded Honduras. Today, the war is wider, the weapons are more lethal, and the killing goes on and on—with greater ferocity now than ever before. Instead of spoiling for a fight, the United States ought to leave no stone unturned in the search for peace.

But that is not what we hear from the administration. President Reagan is asking for $100 million for the Contras. This is not a new debate for the Members of this body. It is, however, a turning point.

Before plunging ahead down the path of more war and more bloodshed, let us ask ourselves the fundamental questions:

First, what do we hope to accomplish by providing additional assistance to the Contras of Nicaragua? President Reagan has said that support for the Contras is necessary to prevent Central America from going Communist and to restore democracy to Nicaragua.

But the record shows that President Reagan's policy has achieved just the opposite. After 5 years of United States military "pressure," after 5 years of mined harbors and Contra killings, the people of Nicaragua are farther away from democracy than ever before, and the influence of the Soviets and Cubans have grown by leaps and bounds. U.S. policy has made a bad situation worse. Wrapped in the banner of Nicaraguan nationalism, the Sandinistas continue to crackdown on the church, the press, the labor unions, the opposition parties, the private sector—all of whom have witnessed the steady stripping away of civil liberties and fundamental freedoms. In the name of Nicaraguan "national security," the state of emergency continues.

Rather than reducing the influence of the Soviets and the Cubans, the administration's policy has had the opposite effect. The flow of arms has increased, and the Nicaraguan military is now the most powerful in the region.

Support for the Contras will not contain communism in Central America and the administration's belief that the Contras can restore democracy in Nicaragua is refuted by their lack of support by the Nicaraguan people, by their serious violations of human rights, and by their utter failure to pressure the Sandinistas into meaningful reforms.

If the purpose of the assistance is to oust the dictatorial Sandinistas, the administration's request is far too little. Effective military pressure on the Sandinistas would require vastly greater amounts of U.S. assistance and direct involvement of U.S. military personnel.

If the goal of the administration's proposal is to pressure the Sandinistas into reform, a lifting of the state of emergency, a restoration of human and civil rights and free and fair elections, then the administration's proposal is totally misdirected. Our policy has not and cannot achieve these goals. Adoption of the administration's request will not bring Nicaragua any closer to democracy. The Contras enjoy little popular support; Their military leaders are former members of Somoza's national guard who have committed numerous atrocities against the Nicaraguan population. Attempting to impose the Contras on the people of Nicaragua would be like attempting to reimpose Ferdinand Marcos on the people of the Philippines.

The only result of our misguided policy over the past 5 years has been a disruption of the Nicaraguan economy, murdered civilians, political prisoners, and a pretext for further Sandinista repression and closer ties to Cuba, the Soviet Union and international terrorists.

Escalation of our current policy will only further entrench the Sandinistas in power and further polarize the hemisphere.

The United States clearly has vital security interests in Central America. But we also have the resources and the political will to defend ourselves and our region against any threat to that security. Any attempt by the Soviet Union to place bases or Mig's in Nicaragua would be prevented by the President of the United States, with

the full support of the American people.

The people of the United States are not united behind President Reagan and his freedom fighters. UNO is a creation of the White House, without popular support in Nicaragua and without hope of overthrowing the Sandinistas.

After 5 years of failed policy, it is time to change course. The United States must remain committed to the restoration of democracy in Nicaragua. But it is time we realized the Contras will never achieve that goal. Conceivably, we could work over the next few years to purge them of their Somoza ties and their human rights abuses but no amount of American aid can buy popular support for the Contras. No matter how harsh the administration's rhetoric, the Contras do not now have and will probably never have the true support of the Nicaraguan people.

It is time for the United States to halt support for the Contras and start negotiating with Nicaragua and the other nations of Latin America for an end to the violence.

Last March 5, a group of leading Nicaraguan businessmen issued a strong denunciation of the Sandinista government saying they feared for their lives and liberty. They called on democratic governments to "act vigorously to defend and protect our existence, before you have to lament a sin of omission." But no one listened.

Last February, a coalition of six democratic parties inside Nicaragua joined together in signing a significant peace proposal to the Nicaraguan Government. It called for a cease fire, general amnesty for political crimes, abolition of the state of emergency, reestablishment of citizen's rights and guarantees, signing of agreements among the political parties for general elections, for fulfillment of international commitments in favor of Nicaragua's democratization and invited the regional organizations to support their proposal. But no one listened.

Thirteen Latin American nations, including Nicaragua, have supported the recent efforts of the Contadora groups to reach an end to the crisis. Their most recent proposal called for an end to support for the Contras, a removal of all foreign military advisers and installations from the region, a freeze on the procurement of armaments and respect for self-determination, territorial integrity, political pluralism and human rights. But the administration is not listening.

Last January, I visited each of the four nations that make up the Contadora Support Group—Argentina, Brazil, Peru, and Uruguay. Each of the leaders of those nations expressed dismay that U.S. policy was prolonging the civil war and enabling the Sandinistas to create a totalitarian state.

We should be providing our full support—diplomatic, economic, and political—to these efforts. We should be meeting with them and encouraging other nations to meet with them. The Contras will never topple the Sandinistas, but the people of Nicaragua—the true democratic opposition—just might.

The Contadora nations—with the support of 13 Latin American countries—have repeatedly called for an end to U.S. support for the Contras and a negotiated solution in the region. I urge my colleagues to give negotiations a fair chance—by denying aid to the Contras.

Unless the administration—and the U.S. Congress—revises dramatically its approach to the Nicaraguan crisis, we will be revisiting this issue each year and for increasing United States involvement. The time to act to reverse our dangerous course is now and I urge my colleagues to support this amendment.

Mr. President, I ask unanimous consent that additional statements in support of this proposal be printed in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

MONDAY, APRIL 22, 1985.

We urge you to vote against release of the $14 million for the contras in Nicaragua. Provision of this aid will serve neither our interests nor our ideals.

McGeorge Bundy, Special Assistant to the President for National Security Affairs, 1961–66; Clark Clifford, Secretary of Defense, 1968–69; Robert McNamara, Secretary of Defense, 1961–68; Edmund Muskie, Secretary of State, 1980–81; Elliot Richardson, Secretary of Defense, 1973; Cyrus Vance, Secretary of State, 1977–80.

HEADS OF PROTESTANT DENOMINATIONS

A moral appeal to Congress to reject the administration's request for renewed funding for the Contras from Bishop John Hurst Adams, African Methodist Episcopal Church; Dr. James E. Andrews, Stated Clerk, Presbyterian Church (U.S.A.); Dr. Robert C. Campbell, General Secretary, American Baptist Churches in the U.S.; Dr. Will L. Herzfeld, President, Association of Evangelical Lutheran Churches; Dr. C.J. Malloy, Jr., General Secretary, Progressive National Baptist Convention, Inc.; Dr. Robert W. Neff, General Secretary, Church of the Brethren; Dr. Eugene Pickett, President, Unitarian Universalist Association of Churches in North America; Dr. Avery D. Post, President, United Church of Christ; Vern Preheim, General Secretary, General Conference Mennonite Church; Dr. Kenneth L. Teegarden, President, Christian Churches (Disciples of Christ).

As leaders and representatives of ten national churches, we appeal to Congress on moral grounds to reject the Administration's request for more funds for the Nicaraguan contras, as it rejected a similar request last year. It was morally wrong for our government through the CIA to recruit, organise, train, equip and finance the contras in the first place; it would be morally wrong for our government to resume such activity now.

Supporting or seeking support for the contras is but one aspect of U.S. policy that disturbs us. In addition to supporting the contras in their terrorism and economic sabotage the United States has also engaged in military exercises near Nicaraguan borders and naval maneuvers off Nicaraguan shores; mined Nicaraguan harbors; damaged the Nicaraguan economy through reducing the quota for Nicaragua's sale of sugar to the United States; blocked loans for Nicaragua by international financial institutions; insisted, in negotiations, on radical changes in Nicaraguan domestic and foreign policies without offering comparable changes in U.S. policies; broken off bi-lateral talks; effectively blocked the consummation of the Contadora negotiations process; and announced that it will not accept the jurisdiction of the World Court in Nicaragua's legal charges against the United States. It seems increasingly clear that the Administration will be content with nothing less than the demise of the Sandinista government. Its very existence seems to affront.

We are concerned with all these dimensions of our government's policy toward Nicaragua, and are particularly disturbed by the lack of evidence of good-faith efforts on the part of our government to negotiate its differences with Nicaragua. We believe that a negotiated settlement is both morally imperative and politically feasible. However, in this statement we address only the moral issue of resuming United States funding for the contras.

We believe it would be morally wrong for the Congress to resume supporting the contras for these reasons:

1. To support the contras would be to seek a morally objectionable goal: to impose Washington's will on the people of Nicaragua. "The real issue in Central America," as political scientist William M. LeoGrande has observed, "(is) whether the United States is prepared to live with revolutions on its periphery, or whether it will continue to insist, as in the past, that Washington holds veto power over the right of Central Americans to govern themselves as they see fit." The Administration's position is clear: it is determined to exercise veto power. But this determination to impose Washington's will on Managua is wrong because no nation, no matter how powerful, has the moral right to impose its will by force on another nation except under the most extreme and limited circumstances (eg., Hitler's genocide against the Jews) that are not present here. We do not agree with everything the Nicaraguan government has done. But one does not have to defend every Nicaraguan policy to insist that the United States has no moral right to seek through military means to force Nicaragua to change its policy. We Americans would certainly not grant to any other nation the moral right to impose its will by military force on us. We cannot claim for ourselves a moral right we deny to others.

2. To support the contras would be to use Nicaraguans in a morally outrageous way for an ulterior motive: to demonstrate to the Soviets and others that we are tough. All the Administration's talk about U.S. credibility makes it clear that this is its primary motive behind its policy toward Nicaragua. But it is morally outrageous for the United States to provide arms so that some Nicaraguans can kill other Nicaraguans in order to show Russians half way around the

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world that we North Americans have resolve.

3. To support the contras would be to comply with their morally repugnant means: kidnapping, terrorism, atrocities. Stores in the New York Times, the Washington Post and other papers have made clear that the contras have killed, tortured, raped, mutilated and abducted hundreds of civilians they suspect of sympathizing with the Sandinistas. Here is a report from the May 1984 national newsletter of Witness for Peace, a group of North American Christians and others, now numbering over 1,000, who have traveled to the war zones of Nicaragua to stand with the people of Nicaragua under attack by the contras, to pray for peace, and to present an obstacle to what was, until Congress' decisive action last year, a U.S. government-sponsored war: "Contras kidnap to impress Nicaraguans into the mercenary army. They also kidnap to terrorize villages. A number of Witness for Peace teams have talked with families of kidnapped men, women or children. Some of these loved ones have been found by the families: dead, sometimes burned, sometimes dismembered so that they cannot be given a decent burial. . . . A contra saying is, 'We cannot win, but we can kill.' Again and again Witnesses for Peace have talked, prayed, and mourned with families whose members have been taken away, tortured in unspeakable ways, or shot before their very eyes. A frequent act of the contras is beheading."

4. To support the contras would be to share responsibility for the morally evil consequences of their activity: the killing of thousands of Nicaraguans. The government of Nicaragua announced in November 1984 that since 1981 the contras have assassinated 910 state officials, and that the war has caused a total of eight thousand civilian deaths. Private sources, including the Latin America Studies Association, report similar figures.

5. To support the contras would be to accept the Administration's morally outrageous assumptions: that propinquity in location somehow gives us proprietory rights: that Central America is ours to win or lose; that might makes right. We find these assumptions abhorrent when the Soviet Union acts on them: its location and power does not give it the right to oppress the people of Poland or to invade Afghanistan. But if it is wrong for the Soviets to act on the basis of these assumptions, how can it be right for the United States to act on them? Might does not make right when exercised by either superpower—or anyone else. The prophet Nathan made that clear centuries ago in his encounter with ancient Israel's great King David. Our nation needs to remember the word of the prophet to the king. We need also to remember the One for whom the prophet spoke.

6. Finally, to support the contras would be to violate our nation's own moral integrity. An editorial in commonweal put it well: "The fundamental question facing the United States in Central America concerns not what the region should be, but what kind of country the United States should be." Because of our love of our nation and its moral integrity we do not want our nation once again to seek to impose its will on Nicaragua in order to impress the Soviets by supporting a mercenary army of terrorists who have already killed or caused the death of thousands of Nicaraguans.

Our churches are in close contact with sister churches in Nicaragua. The constant plea that we hear from these churches is: Stop U.S. assistance for the killings! We cannot in conscience ignore their appeal.

Thus, in solidarity with the people and churches of Nicaragua and in concern for the moral integrity of our own nation, we appeal to Congress:

Do not provide new funding for the Nicaraguan contras. Do not involve our nation further in their morally evil ways. Do not make us as American citizens unwilling accomplices to the death and destruction they sow. Stop the killing and terrorism. For the sake of life, decency, and peace with justice, support the negotiations of the Contadora nations, not the aggression of the Nicaraguan contras.

March 1, 1985.

Dear Representative: We, the undersigned American Rhodes Scholars currently studying in Oxford, England, wish to register our strong opposition to any renewal of United States aid—covert or otherwise—to the contra forces fighting the Nicaraguan government.

An objective of the Rhodes Scholarship is to foster peace and understanding among nations. In this spirit, we feel the Administration's current policy toward Nicaragua is dangerous and counter-productive. Of course, we each have our own views of the present Nicaraguan government. But we are of one mind in believing that President Reagan's policies damage the prospects for democracy in Nicaragua. And we are of one voice when we say that the President's policies damage the prospects for peace in Central America.

As United States citizens, we urge you, in the strongest possible terms, to oppose any renewal of aid to the contra forces. We urge you to work toward a more constructive foreign policy in Central America.

We do not speak for all Rhodes Scholars who are citizens of the United States. Nor do we speak for the Rhodes Trust as an institution. We speak as 46 individual Americans who are profoundly concerned that our nation's support for the contra war is harmful to US national interests as well as to the interests of Central Americans.

Please send all responses c/o Wade Buchanan, Magdalen College, Oxford OX1 4AU,, England, or 2808 S. Lakeridge Trail, Boulder, Colorado, 80302.

Sincerely yours,

Wade B. Buchanan, Boulder, CO; Claudena M. Skran, Saginaw, MI; David Vitter, New Orleans, LA; John W. Fanestil, La Jolla, CA; Daniel Porterfield, Towson, MD; Carlton Long, Gary, IN.

Brenda Buttner, Watsonville, CA; Barbara J. Toman, Crown Point, IN; Maureen E. Freed, Salt Lake City, UT; Christopher Hedrick, Olympia, WA; Jerri-Lynn Scofield, Newton, NJ; Charles R. Conn III, Cambridge, MA; Elizabeth H. Kirkland, Charleston, SC; Lawrence J. Vale, Chicago, IL.

Heather A. Wilson, Keene, NH; Lois Quam, Marshall, MN; David Noever, Oklahoma City, OK; Catherine J. Kissee-Sandoval, Montebello, CA; Kelley H. Kirklin, New Orleans, LA; Katherine R. Richards, Missoula, MT; Jean McCollister, Iowa City, IA; Raymond Paretzky, New York City, NY.

William H. Bender, Rutland, VT; Hunter Monroe, Chapel Hill, NC; David Duncombe, Boulder City, NV; Brian R. Greene, New York City, NY; George R. Stephanopoulos, Cleveland, OH; Kevin L. Thurm, Merrick, NY; Lawrence Ellis, Skillman, NJ; Storrs Hoen, Baltimore, MD.

Christopher L. Eisgruber, Corvallis, OR; Elizabeth Kiss, Alexandria, VA; Marvin Krislov, New Haven, CT; Sarah B. Sewall, Medomak, ME; Donald W. Hawthorne, Lakewood; OH; John M. MacLeod, North Sutton, NH; Richard Sommer, Morgantown, WV; Jonathan Hay, Nampa, ID.

Michael E. Hasselmo, Golden Valley, MN; Kathrin Day Lassila, Ames, IA; Richard Klingler, Cincinnati, OH; Craig G. Kennedy, Clearwater, FL; Patricia E. Connelly, Belleville, NJ; Terrence Tehranian, Honolulu, HI; Daniel Bloomfield, New York City, NY; Judith Stoddart, East Lansing, MI.

Call to Members of Congress by Nobel Laureates on the Question of U.S. Covert Aid for Use Against Nicaragua

We, the undersigned Nobel Laureates, are opposed to any military action, overt or covert, by the United States government against the Republic of Nicaragua. Aggression against Nicaragua constitutes a violation of that country's territorial integrity and national sovereignty, a violation of treaties already approved by the U.S. Congress and sanctioned by international law, as well as a violation of the Charter of the United Nations.

We call upon the Congress to refuse its consent to any request by the Reagan Administration for funds, troops, training or materiel to be used either by the armed forces of the United States directly or by the "contras" or other forces in attacks upon the people and government of Nicaragua; and we call upon the Congress to urge negotiations with Nicaragua in order to improve the relations between the two countries.

We further call upon the Congress to stop the increasing militarization of Central America by the Reagan Administration.

Philip W. Anderson, Princeton University (Physics).

Christian Anfinsen, Johns Hopkins University (Biology).

Kenneth J. Arrow, Stanford University (Economics).

Julius Axelrod, National Institutes of Health (Physiology or Medicine).

John Bardeen, University of Illinois (Physics).

Baruj Benacerraf, Harvard School of Medicine (Physiology or Medicine).

Paul Berg, Stanford University (Chemistry).

Owen Chamberlain, University of California, Berkeley (Physics).

Subrahmanyan Chandresekhar, University of Chicago (Physics).

John F. Enders, Harvard School of Medicine (Physiology or Medicine).

Walter Gilbert, Harvard University (Chemistry).

Sheldon Lee Glashow, Harvard University (Physics).

Ronald Hoffman, Cornell University (Chemistry).

Robert W. Holley, Salk Institute (Physiology or Medicine).

David H. Hubel, Harvard School of Medicine (Physiology or Medicine).

Gar Gobind Khorana, Massachusetts Institute of Technology (Physiology or Medicine).

Wassily Leontief, New York University (Economics).

Salvador E. Luria, Massachusetts Institute of Technology (Physiology or Medicine).

Edwin M. McMillan, Lawrence Berkeley Laboratory (Physics).

Severo Ochoa, Hoffman LaRoche, Inc. (Physiology or Medicine).

Linus Pauling, Palo Alto (Chemistry, Peace).

Herbert A. Simon, Carnegie-Mellon University (Economics).

Albert Szent-Gyorgi, Woods Hole Marine Biological Laboratory (Physiology or Medicine).

Henry Taube, Stanford University (Chemistry).

Howard M. Temin, University of Wisconsin, Madison (Physiology or Medicine).

James Tobin, Yale University (Economics).

April 18, 1985.

An Open Letter to the U.S. Congress

(By Catholic and Protestant Religious in Nicaragua Managua, Nicaragua; February 11, 1985)[1]

We are priests and pastors and men and women religious, both Catholic and Protestant. Some of us are Nicaraguans; others come from other Latin American countries and from Europe and the United States. We are united in a common bond: we all live and work in the war zones of Nicaragua. We all know well, from close contact, the death, destruction and grief that the war is producing in this country.

We are writing to you because we know that in a way the continuation of this war depends on you. We are asking you to help stop it.

Nicaragua is a small sparsely populated country with a history closely linked to that of the United States during this century. This impoverished country has been occupied on several occasions by U.S. Army troops. Many U.S. visitors know us and we have had the opportunity to share experiences and perhaps a cup of Nicaraguan coffee with them.

With the hope that our message will help you better to understand the meaning of the four-year-old war that drenches this soil with blood and takes the lives of four people a day, on the average, through combat or assassination, we relate what we are seeing here.

We know thousands of Nicaraguan campesinos who with the triumph of the Revolution have begun to live a new life. They own land; they have learned to read and write; they have electricity in their homes for the first time. Many of them have begun to work together in cooperatives, or have made their first visit to a medical doctor. They have come to understand that they are persons with dignity and rights; and they rejoice that their dreams of a better future for their children are coming true.

We also know that due to the country's limitations there are other campesinos who did not receive so many good things, campesinos who were afraid of the changes or did not understand them, campesinos who were relatives of members of the National Guard with which Somoza defended his interests.

President Reagan, since the beginning of his mandate, has sought to obstruct Nicaragua's revolutionary process. Beginning in 1981 the decision was made to covertly finance the training, the military equipment and the organization of the Somoza Guardsmen who had fled to Honduras in 1979. Mercenaries joined them, as did some campesinos like those we just described. Some were kidnapped and carried off to the counterrevolutionary bases in Honduras. Some who joined the counterrevolution did so because of family connections or because of the great confusion that prevailed. This latter case was especially true among the Miskito population of the Caribbean Coast. The Miskitos were little known by most Nicaraguans until these years of revolutionary change.

The counterrevolutionaries, whom President Reagan calls "Freedom Fighters," have been organized, supplied and backed by the U.S. Government, openly, publicly and continuously, and they have been active in Nicaraguan territory since 1983.

We have endured a war which in different forms has been waged since 1981. Its intensity and cruelty steadily increase. Even though there are Nicaraguans on both sides, this is not a civil war. It is a premeditated publicized war where one side is supplied with arms and communication materiel by the United States and makes use of bases in Honduras and Costa Rica.

This war does not have its roots in an internal conflict, although it takes advantage of problems—big and little—such as exist in any society. The errors in the Nicaraguan Revolution should be corrected by Nicaraguans; they do not justify foreign intervention. This is not a war to free a part of the Nicaraguan people, as if a tyrannical totalitarian Government were installed here. The best proof of the participation and pluralism of political options existing here is the electoral campaign which culminated in the elections of November 1984. Observers from around the world were present and reported on the elections.

This war originated in the political will of the Republican Administration of the U.S. which is determined, at any cost, to destroy the Nicaraguan Revolutionary model, a model that is adequate for this country and which has achieved notable successes on the road to development.

The contras bring a scenario that disturbs us. We remember what happened in Chile in 1973 and Guatemala in 1954. Fearful of changes in those countries U.S. Administrations helped to overthrow those governments. The alleged liberators, however, brought indiscriminate repression, not democracy.

Because the contras are not gaining any military victories they are terrorizing the civilian population. They focus their aggression on killing people and destroying everything we have painstakingly built to improve this country.

During four years of war, 2,767 civilians have been killed, including 132 children under twelve years of age. During 1984 the "Freedom Fighters" murdered 98 campesino teachers. In the four years we have had to close 359 schools and 41 health posts in areas which are under constant attack. Campesino cooperatives are being destroyed by rockets and mortars. Within hours enterprises have disappeared that cost great effort to build. In these four years the counterrevolutionaries have attacked 97 campesino villages, leaving many people dead and wounded. They have also abducted a number of people. Nearly 150,000 Nicaraguan campesinos have had to leave land and home and relocate elsewhere because of the war; and 6,236 children have been orphaned.

These may seem to be very small numbers, but in proportion to Nicaragua's meager population they are enormous. It is the same as if the U.S. had suffered 232,000 deaths in the Vietnam war instead of 58,000.

We sometimes hear that the Reagan Administration and the U.S. Congress have chosen to maintain pressure on Nicaragua through a low-intensity war, instead of by direct intervention of troops. For us who see all this from the standpoint of Nicaragua, with its limited human and material resources, this is a very high-intensity war. How long will it take Nicaragua to train new technologists, teachers and nurses to replace those who were killed? Who will erase from the memory of these thousands of orphans the grief of the loss of father or mother? How do we construct houses and schools from the rubble. And how do we care for the mutilated victims—those without arms or legs?

Members of the Congress, we write to you as men and women religious. We believe in God and we cannot fail to see this situation through the eyes for our Christian faith. Because of this faith and because we accompany the campesino people of Nicaragua who want peace, we must tell you that this U.S.-financed war is unjust and immoral. This war is a sin. It is not the fault of the Revolution, a Revolution which though still immature is full of possibilities.

The United States is using its force and enormous power, as well as money and propaganda, to impose its will on us and is making people suffer unspeakably, a people which only wants to live in peace and construct a dignified nation.

In the name of the God in whom we believe and of the people with whom we work and for whom we are willing to live and give our lives, we ask you to stop helping, by any means or in any way, the counterrevolutionary groups. Put your laws at the service of justice and treat this nation with respect.

Hear the cry of the people: "We want peace!" Peace here depends on you.

Signed by: 42 priests, religious and pastoral agents working in the war zones; and by 46 in other parts of the country.

(Translated by James and Margaret Goff, Antonio Valdivieso Ecumenical Center, Apartado 3205, Managua, Nicaragua.)

National Organizations in Opposition to Covert Intervention in Nicaragua Who Have Formally Passed Resolutions or Signed Statements Against Covert Program in Nicaragua

Agricultural Missions, Inc.

Amalgamated Clothing & Textile Workers Union, AFL-CIO.

American Association of Jurists, U.S. Section.

American Baptist Churches, USA.

American Christians for the Abolition of Torture.

American Civil Liberties Union.

American Ethical Union.

American Federation of Federal, State, County & Municipal Employees (AFSCME), AFL-CIO.

American Federation of Government Employees, AFL-CIO.

American Friends Service Committee.

American Lutheran Church.

Americans for Democratic Action.

Americans for Indian Opportunity.

Americans for Peace in the Americas.

Artists for Nuclear Disarmament.

Association for Community Based Education.

Association of Arab-American University Graduates, Inc.

Black American Law Students Association.

Catholic Peace Fellowship.

Center for Constitutional Rights.

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[1] Translated from "A los congresistas de los Estados Unidos de América," Managua, Feb. 11, 1985, 2 pp. (Mimeographed).

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Center for Development Policy.
Center for International Policy.
Center for National Security Studies.
Center for Third World Organizing.
Center of Concern.
Chile Committee for Human Rights.
Chile Legislative Center.
Christian Church (Disciples of Christ).
Christic Institute.
Church Coalition for Human Rights in the Philippines.
Church of Scientology.
Church of the Brethren.
Church Women United.
Citizens' Energy Project.
Clergy and Laity Concerned.
Coalition of Latin American Trade Unionists.
Coalition of a New Foreign & Military Policy.
Commission on U.S.-Central American Relations.
Commission on Social Action of Reform Judaism.
Committee Against Registration and the Draft.
Committee for Health Rights in El Salvador.
Committee in Solidarity with the People of El Salvador.
Common Cause.
Conference of Major Superiors of Men.
Congregation of the Sisters of the Holy Cross.
Congress Task Force.
Council on Hemispheric Affairs.
Democratic Socialists of America.
Development Group for Alternative Policies.
DISARM Education Fund.
Dominican Sisters of the Poor.
Ecumenical Program for Interamerican Communication & Action.
Environmental Group.
Environmental Action Foundation.
Environmentalists for Full Employment.
Episcopal Peace Fellowship.
Fellowship of Reconciliation.
Franciscan Federation of Brothers and Sisters of the United States.
Friends Committee on National Legislation.
Friends of the Filipino People.
Fund for Constitutional Government.
Fund for New Priorities in America.
Fund for Open Information & Accountability.
Fur, Leather and Machine Joint Board, New York City Grand Jury Project.
Greensboro Justice Fund.
Haitian Refugee Project.
Humanitas International Human Rights Committee.
Indian Law Resource Center.
Institute for Food & Development Policy.
Institute for Secular Missionaries.
Interfaith Action for Economic Justice.
International Association of Machinists, AFL–CIO.
International Longshoremen & Warehousemen's Union.
International Union of Electrical Workers, AFL–CIO.
Interreligious Task Force on El Salvador & Central America.
Jubilee Fund.
Leadership Conference of Women Religious.
League of United Latin American Citizens.
Libertarian Party.
Maryknoll Fathers and Brothers.
Maryknoll Sisters.
Methodist Federation for Social Action.
Middle East Research and Information Project.
Middle East Resource Center.
Mobilization for Survival.
Moravian Church in North America.
Nation Institute.
National Alliance Against Racist & Political Repression.
National Assembly of Women Religious.
National Black United Front.
National Center for Immigrants' Rights.
National Coalition of American Nuns.
National Conference of Black Lawyers.
National Committee Against Repressive Legislation.
National Council of Churches of Christ.
National Education Association.
National Federation of Priests' Councils.
National Indian Youth Council.
National Interreligious Board for Conscientious Objectors.
National Labor Committee in Support of Human Rights and Democracy in El Salvador.
National Lawyers Guild.
National Network in Solidarity with the People of Guatemala.
National Network in Solidarity with the Nicaraguan People.
National Office of Jesuit Social Ministries.
NETWORK, A Catholic Social Justice Lobby.
New Jewish Agenda.
Newspaper Guild, AFL–CIO.
North American Congress of Latin America.
North American Federation of Temple Youth.
Organizing Media Project.
The Other Side/Jubilee, Inc.
Oxfam America.
Palestine Human Rights Campaign.
Pax Christi, U.S.A.
PUSH.
Quixote Center.
Rainbow Coalition.
The Redemptionists, Western Province.
Religious Task Force on Central America.
Riverside Church Disarmament Program.
SANE.
School Sisters of St. Frances Generalate.
Service Employees International Union, AFL–CIO.
Sisters of St. Joseph of Peace.
Society of Missionaries of Africa W.F.
Southern Christian Leadership Conference.
Sojourners.
TransAfrica.
Unitarian Universalist Association of Churches in North America.
Unitarian Universalist Service Committee.
United Automobile, Aerospace, Agricultural Implement Workers of America.
United Church of Christ.
United Church Board of World Ministries.
United Electrical Workers.
United Methodist Church.
United States Farmers Association.
U.S. Catholic Mission Association.
U.S. Out of Central America.
U.S. Peace Council.
United States Student Association.
Vietnam Trial Support Committee.
Vietnam Veterans' Peace Campaign.
War Resisters League.
Washington Office on Africa.
Washington Office on Latin America.
Witness for Peace.
Women for Racial and Economic Equality.
Women Strike for Peace.
Women USA.
Women's International League for Peace & Freedom, U.S. Section.
World Peacemakers.
Young Ideas, Inc.
Young Women's Christian Association of the USA.

(Compiled by SANE & the Coalition for a New Foreign & Military Policy.)

[From the New York Times, Mar. 30, 1985]

Don't Fund the "Contras"

(By Adolfo Pérez Esquivel)

It must be clear to everyone that the confrontation between the Reagan Administration and the Sandinista Government has neared a breaking point. Both the Sandinistas and American policy makers seem unwavering in their determination to survive each other. Only Congress can defuse this time bomb.

Soon Congress is to decide whether to support the Administration's war against Nicaragua by voting an expected $14 million Administration request for covert aid to the "contras," or to seek a peaceful solution to the region's problems. Latin Americans hope common sense and a healthy awareness of self-interest will move the lawmakers to end the war against the tiny Central American republic.

The Reagan Administration has done its best to create an atmosphere conducive to deepening the conflict. It has waged an undeclared war through the contras, who, if given sufficient support, hope to topple the Sandinista regime. For Nicaragua, one of the world's poorest nations, this unrelenting aggression has resulted in postponement of economic development.

Material damages, inflicted with United States taxpayers' money, are estimated at more than $400 million. The fighting has killed more than 2,300 people, among them many women, children, students and workers. The Administration's rationale for its policy has been the Nicaraguan Government's alleged totalitarianism, its denial of basic freedoms and the menace it poses to its regional neighbors and, ultimately, to United States security interests.

During several trips to Nicaragua and the United States, I have grown convinced that these arguments are, at best, overstatements designed to justify an essentially unjustifiable policy of aggression. The debate on Capitol Hill will, I hope, reveal the distortion and manipulation of fact by high Administration officials.

Yes, the Sandinistas have made mistakes—but they have also registered remarkable achievements that far outweigh their shortcomings. Certainly, their mistakes do not justify the terrible punishment Washington is meting out. My conversations with Nicaraguan leaders in virtually all sectors of society made it clear that the Sandinistas recognize that a better understanding should be developed with the Roman Catholic Church, the opposition party, the press and the Miskito Indians.

But common sense dictates that we all take into account the dramatic social changes that Managua has implemented. The revolutionary Government has outlawed capital punishment and demonstrated extraordinary restraint in dealing with defeated adversaries, the deposed forces of Anastasio Somoza Debayle.

While the Sandinistas must divert a large portion of their financial and physical resources to defense, they have carried out policies that have resulted in a sharp decline in infant mortality rates and have greatly increased medical care for the population. Their health program caused the World Health Organization to select Nicaragua as one of the five model countries for

primary health care. These successes are mirrored by advances in education, with marked declines in the national illiteracy rate following one of the most effective literacy campaigns in Latin America.

The Administration ignores these accomplishments in its need to escalate the conflict. Through its support for the contras and direct intervention by the Central Intelligence Agency, it has bombed and mined Corinto, the main port, in violation of international law. It has disregarded the International Court of Justice while advocating terrorism against a sovereign state. It unilaterally withdrew from talks with the Sandinistas in Manzanillo, Mexico, and undermined the peace initiatives of the Contadora countries—Colombia, Mexico, Panama, Venezuela—when it failed to manipulate that initiative toward its own desired ends.

These acts of hostility and terrorism, far from breaking the Sandinistas' spirit, have only galvanized them in their resolve and rallied much of Latin America to their support. Even high Pentagon officials acknowledge that further assistance to the contras will not bring about military defeat of the Sandinistas.

Existing evidence, a feeling for history and common sense should enable Congress to reject the Administration's counterproductive policies.

At this critical moment, it seems the Sandinistas are ready to support a policy of nonintervention in the region by any external power and an end to arms shipments and use of military advisers in Central America.

The Congress should make clear its respect for self-determination of all peoples and reject the Administration's proposal for continued aid to the contras. At the same time, it must implement measures that would make it virtually impossible to circumvent that decision.

The Reagan Administration should resume talks with the Sandinistas, and seriously support the Contadora peace initiative. The choice is clear: the Administration either continues its policy of destruction and death or chooses one of cooperation and life.

A Better Way to Peace in Nicaragua

(By Sol M. Linowitz)

The president's new peace proposal for Nicaragua may mark a significant turning point in the administration's attitude toward the struggle in that country. In recent weeks, the administration has been indicating that its objective is the capitulation of the Sandinistas. But in his current proposal, the president emphasizes negotiation as the course to be followed in trying to deal with the problems, and implies willingness to support a negotiated solution that might be worked out between the parties. If it does nothing else, the proposal puts emphasis on a negotiated rather than a military solution to the fighting in Nicaragua. To that extent, it is a welcome move.

As to the specifics of the president's new plan, however, the fact is that it really isn't new and it isn't really his. The plan was previously put forward by the contras and rejected by the Sandinistas several weeks ago. The only truly new part of the plan has to do with the use of the $14 million in aid to be made available by the United States to the contras.

Here the problem is that the proposal would offer much to the contras and little to the Sandinistas. Indeed, the contras can't lose. The Sandinistas are called upon to negotiate based on the offer made by the contras a month ago. If the Sandinistas persist in their refusal to do so, then, under the plan the United States would be able to resume military aid to the contras. If the Sandinistas do undertake to negotiate but don't reach agreement with the contras within 60 days, then the contras can refuse to prolong the negotiations, and the United States will be free to resume military aid to them.

It is not too difficult to see why the Sandinistas would hesitate to enter into negotiations that promise legitimization of military aid to the contras if, within a designated time, the Sandinistas have not come to agreement with them.

Second, the president is asking Congress to approve indirectly what it has indicated it would not approve directly. It is obvious that while the president's proposal would make $14 million available to the contras for humanitarian purposes, this would free up other contra funds for the acquisition of military equipment and supplies.

It is also worth noting that in El Salvador, the United States has strenuously objected to "power sharing" between the government and the opposition group. But in the current proposal, the plan is for the government of Nicaragua to engage in negotiations with the contras that would seem to call for precisely the kind of "power sharing" previously denounced by the United States.

Is there another way to approach the situation that might have a greater prospect for success and also advance the administration's announced objectives?

The Contadora nations—Colombia, Mexico, Panama and Venezuela—have been trying to find a basis for peaceful settlement of the fighting in Nicaragua and elsewhere in Central America. It is regrettable that the United States did not consult with the Contadora group prior to the announcement of the new approach in Nicaragua. It is not too late, however, for the United States now to join with the Contadora group in calling for a dialogue in Nicaragua between the Sandinistas and the contras, under the aegis of Contadora and with the mediation of the Catholic Church.

There would be no preconditions for such a dialogue, and both sides would be given a full opportunity to state their positions in order to advance the prospect for national reconciliation and a fair and free election under international supervision. At the end of a designated period, the United States could reexamine the situation and determine whether humanitarian or other aid to the contras would be appropriate and necessary in the light of the facts as they have evolved.

The difference between this approach and the one set forth in the president's proposal is that the discussions between parties in Nicaragua would take place under the auspices of the Contadora nations, which have won the respect of both sides, and the United States will not hold the threat of military support for the *contras* over the negotiations. The Sandinistas would know, however, that if they refuse to participate in such a dialogue, they will have strengthened the case for aid to the *contras* in a way that the administration itself has not been able to do.

April 16, 1985.

Dear Member of Congress: In the coming days, Congress will consider a request from President Reagan to renew funding for a covert aid program against the Government of Nicaragua.

Attempts to destabilize the elected government of Nicaragua and support of the bombings, burning of villages and crops, murder of civilians, mining of harbors and assassination of officials offends American principles and is contrary to American desires.

We, the undersigned, are firmly opposed to any renewal of covert aid funding and want you to vote against any request to appropriate funds for the covert aid program against Nicaragua. This would include any request that would make available funds to the Central Intelligence Agency, the Department of Defense or any other agency or entity of the United States involved in intelligence activities which would have the effect of supporting directly or indirectly military or paramilitary operations in Nicaragua by any nation, group or individual.

We want you to oppose and vote against all efforts to any so-called economic options, humanitarian aid or any open and overt support funds to the "contras", as such aid only serves to support military operations against the government and people of Nicaragua.

Further, we urge an investigation of private sector funds for same activities, as these funds only serve to support military operations against the Government of Nicaragua.

Sincerely,

Tony Adams, producer; Julie Andrews, actress; Edward Asner, actor; Rene Auberjonis, actor; Ned Beatty, actor; Tinker Beatty; Tyne Daly Brown, actor; Georg Stanford Brown, actor/director; Jackson Browne, musician; Alan Burns, writer; Carol Caldwell, writer; David Clennon, actor; Sean Daniel; Michael Douglas, actor/producer.

Richard Dreyfuss, actor; Blake Edwards, director/producer; Shelly Fabares, actress; Mike Farrell, actor; Jack X. Fields, agent; Robert Foxworth, actor/director; Bonnie Franklin, actress; Robert Greenwald, director/producer; Stephanie Hagen, actress; Daryl Hannah, actress; Howard Hesseman, actor; Margot Kidder, actress; Barry Frost, producer; Dianthe Lebezon, attorney/producer; Edward and Mildred Lewis, producers; Martha Luttrell, agent; Paul Mazursky, director; Marc Merson, producer.

Marvin Minoff, producer; Elizabeth Montgomery, actress; Michelle Phillips, musician/actress; Mark Rosenberg, producer; Eugenie Ross-Leming, writer/producer; Susan Sarandon, actress; Pepe Serna, actor; Bert Schneider, producer; Timothy R. Sexton; Stanley K. Sheinbaum; Robert Singer, producer; Paul L. Tucker; Jeff Wald, producer; Paula Weinstein, producer; Julia Winston, curator; Bill Zimmerman, political consultant; David Soul, actor/director.

Inter-American Dialog Urges Policy Changes To End Nicaraguan Crisis

Members of the Inter-American Dialogue, a private, non-partisan group of prominent leaders from Latin America and the Caribbean, the United States, and Canada, today called on the U.S. government to "renounce plans—overt or covert, direct or indirect—to renew support for the military and paramilitary activities of the Nicaraguan insurgents" (the contras). In a statement released by Dialogue co-chairmen Sol M.

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Linowitz and Galo Plaza, the group also called on the Nicaraguan government to renounce support for the insurgents in El Salvador. "There will be no peace in Central America as long as the norm of non-intervention is flouted by any country."

Declaring that the tensions between the United States and Nicaragua threaten the Hemisphere's security "more than any situation in 20 years," the Dialogue statement proposed five steps to achieve peace in Nicaragua. It urged the United States to "recognize, as did the Kissinger Commission, that an indigenous revolution in the Americas can be compatible with U.S. national security, and to refrain from interfering in the internal affairs of Nicaragua."

The statement on Central America (full statement attached) was issued by members of the Dialogue's newly-formed Executive Committee after an all-day meeting in Washington. Members present were: Sol M. Linowitz, former U.S. Ambassador to the Organization of American States and principal U.S. negotiator of the Panama Canal Treaties; Galo Plaza, former President of Ecuador and Secretary-General of the Organization of American States; Peter Bell, former President of the Inter-American Foundation; Rodrigo Botero, former Finance Minister of Colombia; McGeorge Bundy, former U.S. National Security Advisor; Jose Maria Dagnino Pastore, former Finance Minister of Argentina; Ivan Head, President of the Canadian International Development Research Centre; Daniel Oduber, former President of Costa Rica; and Elliot Richardson, former Secretary of Defense and Attorney General. Other Committee members are Fernando Henrique Cardoso, the Senate leader of Brazil's governing party, and Ralph Pfeiffer, chairman of IBM World Trade Americas/Far East Corporation.

Chairmen Linowitz and Plaza also announced the Committee's decision to launch a five-year program of activities for the Inter-American Dialogue. The Dialogue will meet again in plenary in November and expects to issue its third report on U.S.-Latin American relations early in 1986. The Dialogue has a membership of approximately 50 persons, drawn equally from North America and Latin America. Participants include former presidents and cabinet secretaries; bankers, industrialists, and labor leaders; scholars, media executives, and foundation heads; and religious, political, and military leaders.

CURRENT U.S.-LATIN AMERICAN RELATIONS, EXECUTIVE COMMITTEE, INTER-AMERICAN DIALOGUE, APRIL 4, 1985

The crisis of economic growth, debt, and trade remains the most important problem in Latin America today. Recent progress toward restructuring the external debt of several major countries is significant, but it should not obscure the fact that the region's fundamental economic problems are unresolved; indeed, they may be worsening.

The next session of the Inter-American Dialogue will consider proposals to deal with regional economic problems. It will examine the proper role of international financial institutions, of foreign investment, and of national policies—both of the Latin American countries and of the industrial countries, including the United States. The Dialogue will also take up other major issues, including narcotics, immigration and refugees, and arms control. We will continue our strong focus on how to strengthen democracy and help assure the protection of human rights throughout the Hemisphere.

We are compelled today to address the most urgent issue in the Americas: the dangerous tension between Nicaragua and the United States that threatens the region's security more than any situation in 20 years.

Only a few months ago, the diplomatic initiative of the four Contadora nations to fashion a settlement in Central America seemed promising. We welcomed the start of direct U.S.-Nicaraguan talks at Manzanillo, Nicaragua's positive response to the second Contadora draft treaties, and the Nicaraguan commitment to hold national elections in 1984.

Our hopes have dimmed in recent months. The Contadora process has run into serious obstacles. Nicaragua's regime and leading opposition parties could not agree on procedures to make the 1984 elections broadly representative. The United States has suspended the talks at Manzanillo and has stepped up pressures against Nicaragua. Recent public statements suggest that the U.S. government may be seeking capitulation by the Sandinistas. The possibility of a much more intense war in Nicaragua, involving the United States indirectly—and perhaps even directly—is real.

Even if such a war is avoided, the Nicaraguan crisis may poison U.S.-Latin American relations and undermine efforts to resolve other serious hemispheric problems. It has already weakened the Organization of American States and the Inter-American Development Bank, and prompted a challenge to the authority of the World Court. It has polarized the domestic politics of Costa Rica and Honduras. It has distracted attention, especially in the United States, from the fundamental Latin American economic crisis. Most important, in human terms, the fighting in Nicaragua has killed and wounded thousands, displaced tens of thousands from their homes, and set back the country's economy by a decade or more.

It is imperative that the leaders of the United States, Nicaragua, the other Central American countries, Cuba, and the Contadora nations work to forge peaceful solutions to the struggles in Central America.

Last Sunday's election in El Salvador shows the popular support for President Jose Napoleon Duarte's dramatic initiative to open a dialogue with the insurgent left at La Palma. Now President Duarte, strengthened by these elections, should move vigorously toward negotiation. In this effort, he requires the strong support of the United States and the other nations of the Hemisphere. These negotiations must be more than a tactic, for they are the only path to lasting peace in El Salvador.

With regard to Nicaragua, we believe that every effort must be made to achieve peace before a wider war becomes inevitable.

1. We call upon the governments of Nicaragua and the United States to resume their bilateral discussions.

2. We ask the government of Nicaragua to open the way toward national reconciliation by pursuing a dialogue with all significant parties who seek an end to the civil war and by providing the conditions necessary to hold free and fair elections under international supervision.

3. We ask the government of the United States to recognize, as did the Kissinger Commission, that an indigenous revolution in this Hemisphere can be compatible with U.S. national security and with hemispheric security, and to refrain from interfering in the internal affairs of Nicaragua. The United States and the other countries of the Hemisphere share a concern to prevent the expansion of a Soviet or Cuban military presence in the Americas.

4. We call upon the Contadora nations, meeting again next week, to persist in the difficult task of negotiation, and to recommit their best efforts toward designing inspection and verification provisions that can be monitored and enforced, taking into proper account the concerns of all parties. We call upon the governments of the United States and Nicaragua to commit themselves, in deed and not just in word, to active support for the Contadora process of mediation and for a negotiated regional settlement.

5. Finally, it is imperative that the governments of Nicaragua and the United States pledge themselves not only to the principle but to the practice of non-intervention. The government of the United States should clearly renounce plans—overt or covert, direct or indirect—to renew support for the military and paramilitary activities of the Nicaraguan insurgents. The Nicaraguan government should clearly renounce all support for the military and paramilitary activities of the insurgents in El Salvador and elsewhere. There will be no peace in Central America so long as the hemispheric norm of non-intervention is flouted by any country.

EVOLUTIONS OF PRESIDENT REAGAN'S COMMENTS ON UNITED STATES SUPPORT FOR THE NICARAGUAN CONTRAS

1982

February 18, 1982

". . . we know that the Nicaraguan army is of tremendous size beyong anything that they might need for possible defense."

February 24, 1982

"For almost 2 years, Nicaragua has served as a platform for covert military action."

March 24, 1982

"We showed our intention to Nicaragua at the very beginning when we renewed a grant to them. And the grant was on—this was before they were quite as openly left—before they'd gotten rid of some of their moderates. And we withdrew the balance of the grant when we found they'd lied, because they—at the time of the grant, they promised us that they would not in any way intervene in Salvador."

December 4, 1982

". . . we've tried to communicate with Nicaragua, tried to convince them that there could be another way to go."

1983

March 29, 1983

". . . we have tried to get along with the government of Nicaragua and tried from the first . . . they made pledges to us that they would not involve themselves in El Salvador. And we found them in direct violation of that which they could not deny—that they were arming the guerillas in El Salvador.

". . . it was a revolutionary coalition . . . when the revolution was over, one faction—and it turned out to be the extreme leftist function—simply took over and ousted the other revolutionary partners . . . And what we're seeing now are the other revolutionary factions—totally ousted from any participation in the government—now fighting back on that."

April 14, 1983

". . . the Nicaraguan government is a revolutionary government that took power by force, but with the promise of democratic elections, none of which have taken place.

". . . Anything that we're trying to do in that area is simply trying to interdict the supply lines which are supplying the guerrillas in El Salvador."

April 27, 1983

"Let us be clear as to the American attitude toward the Government of Nicaragua. We do not seek its overthrow. Our interest is to ensure that it does not infect its neighbors through the export of subversion and violence. Our purpose, in conformity with American and international law, is to prevent the flow of arms to El Salvador, Costa Rica, Guatemala, and Honduras. We have attempted to have a dialogue with the Government of Nicaragua, but it persists in its efforts to spread violence.

". . . We should not, and we will not, protect the Nicaraguan government from the anger of its own people. But we should, through diplomacy, offer an alternative. And as Nicaragua ponders its options, we can and will—with all the resources of diplomacy—protect each country of Central America from the danger of war."

May 4, 1983

(Q): "You'd be willing to accept the idea of covert aid to the anti-Sandinistas in Nicaragua?"

(RWR): "Yes, but not if they do it as one individual or more than one, as suggested on the Hill—that they would do it, and then, we would have to enforce restrictions on the freedom fighters as to what tactics they could use."

(Q): "All of a sudden now we're aiding freedom fighters. I thought we were just interdicting supplies into other countries?"

(RWR): ". . . I thought that the use of freedom fighters was because—I found out that it seems as if there's a kind of bias in the treatment of guerrilla fighters. It depends on what kind of government they're opposing. . . ."

"In reality, when we talk about Nicaragua and everyone says, 'the government in Nicaragua,' well, it was a government out of the barrel of a gun . . . And what really—other than being in control of the capital, you might say, and having a handle on all the levers—what makes them any more a legitimate government than the people of Nicaragua who are asking for a chance to vote for the kind of government they want?"

May 4, 1983

". . . these forces that have risen up in opposition to the Sandinista government are under what you might say is a sort of a group, a controlling body . . . Most of them are former anti-Somoza people. They are people who simply want this Government of Nicaragua to keep its promises."

July 21, 1983

". . . what is really needed is what the Contras are asking for, and that is the Sandinista government is in violation, literally, of a contract that they made with the Organization of American States . . . what the Contras are really seeking, having been members of the Sandinista Revolution for the most part in its effort to bring democracy to Nicaragua, they are trying to restore the original purpose of the revolution . . . what is being struggled for there is a restoration of the original revolution."

August 13, 1983

"And we oppose the unelected Government of Nicaragua, which supports those El Salvadoran guerrillas with weapons and ammunition. Now, that, of course, puts us in sympathy with those Nicaraguans who are trying to restore the democratic promises made during the revolution, the so-called contras."

1984

March 29, 1984

"And many of the people now fighting as so-called contras are elements of the revolution . . . it is less an overthrow that they're fighting for as it is a demand that they be allowed to participate in the government and that the government keeps its promises as to what it had intended for the people . . . . And I see no dichotomy in our supporting the Government, the democratic Government of El Salvador, and the contras here.

April 4, 1984

"The present Government of Nicaragua is exporting revolution to El Salvador, its neighbor . . . and as long as they do that, we're going to try and inconvenience that government of Nicaragua until they quit that kind of action."

April 10, 1984

(The Principal Deputy Press Secretary) "Further, last week (April 4) the President sent a letter to the majority leader of the Senate, Howard Baker, assuring him that our objectives and goals in the region had not changed—specifically, 'the United States does not seek to destabilize or overthrow the Government of Nicaragua.'"

April 15, 1984

(Radio address) "We've maintained a consistent policy towards the Sandinista regime, hoping they can be brought back from the brink peacefully through negotiations."

May 9, 1984

(Address to the Nation) "By aiding the Communist guerrillas in El Salvador, Nicaragua's unelected government is trying to overthrow the duly elected government of a neighboring country . . . by contrast, the contras, the freedom fighters in Nicaragua, have offered to lay down their weapons and take part in democratic elections, but there the Communist Sandinista government has refused. That's why the United States must support both the elected government of El Salvador and the democratic aspirations of the Nicaraguan people."

October 31, 1984

". . . talking is what is needed . . . it isn't the overthrow of a government. It is getting that government to return to the principles of revolution that it enunciated when it was fighting the revolution."

November 4, 1984

(Q): What about the contras? Are you going to continue to seek funding for them?

(RWR): Yes, because the Sandinista government is still supporting the guerrillas that are fighting against the duly elected government of El Salvador.

November 9, 1984

(On Intelligence Authorization Act for FY'85) "I sincerely regret the inability of Congress to resolve the issue of continuing certain activities in Nicaragua that are important to achieving U.S. policy objectives. The necessity of U.S. support for this program is beyond question. I am signing this act [H.R. 5399] with every expectation that shortly after the next Congress convenes it will provide adequate support for programs to assist the development of democracy in Central America."

December 14, 1984

"The contras are veterans of the revolution that put the Sandinistas in power. And it was a total revolutionary effort aimed at democracy."

February 6, 1985

(State of the Union Address) "Support for freedom fighters is self-defense and totally consistent with the OAS and UN Charters."

February 11, 1985

"I think there's every reason for the *contras* to be representing those who continue to strive for the democracy that they fought for a revolution to get."

(Q): "How do we propose to help the contras?

(RWR): "Well, I think that we—I still believe in covert programs where they're necessary and where they're desirable. And so, once you say that, then there are some limits to what you can specify."

February 16, 1985

(Radio Address) "The true heroes of the Nicaraguan struggle—non-Communist democracy-loving revolutionaries—saw their revolution being betrayed and took up arms against the betrayer. These men and women are today the democratic resistance fighters some call the contras. We should call them freedom fighters."

February 21, 1985

(Q): ". . . Secretary Shultz suggested that a goal of your policy now is to remove the Sandinista government in Nicaragua. Is that your goal?"

(RWR): "Well, remove in the sense of its present structure, in which it is a Communist totalitarian state, and it is not a government chosen by the people . . ."

(Q): ". . . aren't you then saying that you advocate the overthrow of the present government of Nicaragua?

(RWR): "Not if the present—"

(Q): "—you substitute another form of what you say was the revolution?"

(RWR): "Not if the present government would turn around and say, all right, if they'd say "Uncle. All right, come on back into the revolutionary government, and let's straighten this out and institute the goals."

March 8, 1985

"I've spoken recently of the freedom fighters of Nicaragua. You know the truth about them. You know who they're fighting and why. They are the moral equal of our Founding Fathers and the brave men and women of the French Resistance. We cannot turn away from them, for the struggle here is not right versus left; it is right versus wrong."

March 21, 1985

". . . the U.S. is trying to help people who had a Communist tyranny imposed upon them by force, deception, and fraud."

March 25, 1985

"The freedom fighters are people of the land; they're the true revolutionaries. They are the hope for a future of democarcy, and with out help, democracy can and will be restored."

THE WHITE HOUSE,
Washington, DC, April 4, 1984.

Hon. HOWARD BAKER,
Majority leader,
U.S. Senate,
Washington, DC.

DEAR HOWARD: There have been questions resulting from my March 29, interview in the New York Times and whether our policy toward Nicaragua has changed.

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The fact is, no change has occurred. The United States does not seek to destabilize or overthrow the Government of Nicaragua; nor to impose or compel any particular form of government there.

We are trying, among other things, to bring the Sandinistas into meaningful negotiations and constructive, verifiable agreements with their neighbors on peace in the region.

We believe that a pre-condition to any successful negotiations in these regards is that the Government of Nicaragua cease to involve itself in the internal or external affairs of its neighbors, as required of member nations of the OAS.

Sincerely,

RONALD REAGAN.

Proposal to the Nicaraguan Government for a Solution to the Crisis in Our Country

The political parties that have signed this document, inspired by the best and most constructive patriotic spirit to achieve Nicaragua's pacification and ensure its future development based upon the Nicaraugans' authentic wishes, declare their firm and public decision to make every effort to achieve these objectives.

Also supported are the Contadora Groups's efforts recently reiterated in the Caraballeda Message issued on 12 January 1986, especially Section II, Clause B.

For this purpose the government is urged to join the people in attaining the following goals within the shortest time possible:

1. An agreement to immediately suspend hostilities between the government forces and the irregular forces opposed to them as a preliminary step toward a definite peace agreement and the country's demilitarization.

2. Approval of an effective general amnesty law for political crimes and related common crimes that will result in an effective reconciliation of the Nicaraguan family.

3. Abolition of the state of emergency, and full reestablishment and implementation of the Nicaraguans' rights and guarantees.

4. Signing of an agreement between the country's political parties for the preparation and fulfillment of a new electoral process that will lead to general elections in which all of the political parties or groups that desire to participate may do so, once they have obtained political and legal recognition.

5. Effective, fulfillment of international commitments in favor of Nicaragua's democratization.

6. The invitation to existing continental organizations (Contradora) and ad hoc groups that have demonstrated an interest in peace and justice in the Central American area, as well as to international political organizations, so they can express their concurrence with implementation of the points demanded.

Signed:

Independent Liberal Party: Virgilio Godoy, President.

Social Christian Party: Francisco Taboada.

Social Democratic Party: Luis Rivas Leiva, Secretary General.

Constitutionalist Liberal Party: Rodolfo Mejia Ubilla, Adjunct Secretary General.

Democratic Conservative Party of Nicaragua (nonruling party): Enrique Sotelo B., National Political Secretary.

Nicaraguan Conservative Party: Mario Rappaccioli, National President.

[From the New York Times, Mar. 6, 1986]

Nicaragua Businessmen Express Fear of Attacks by the Sandinistas

(By Stephen Kinzer)

MANAGUA, NICARAGUA, March 5.—A group of leading Nicaraguan businessmen issued a strong denunciation of the Government today, saying they feared for their lives and liberty.

In a statement, the businessmen said President Daniel Ortega Saavedra appeared to be threatening them when, during a nationally broadcast speech Feb. 21, he singled out the Superior Council of Private Enterprise as among those responsible for the country's problems.

The council is Nicaragua's principal private-sector federation, and has been a leading critic of the Sandinista Government.

Its president, Enrique Bolanos, said today that a council leader was killed by security police in 1980, and that several others were jailed in 1981. He suggested that the Government could be preparing another attack against the organization.

PROTECT OUR EXISTENCE

Mr. Bolanos called on democratic governments to "act vigorously to defend and protect our existence, before you have to lament a sin of omission."

Mr. Bolanos and leaders of the council who were seated beside him as he spoke to journalists and supporters said their statement was not intended to support the Reagan Administration's request that Congress renew aid to anti-Sandinista guerrillas.

But they refused to condemn President Reagan's request for $70 million in military aid and $30 million in economic aid for the rebels.

Nicaraguan leaders have repeatedly demanded that all patriotic Nicaraguans speak out against United States policy toward their country.

"As Nicaraguans, both sides of the conflict are ours," said Jaime Bengoechea, President of the Chamber of Industry. "Choosing to support one of the bans only increases the problem."

CHALLENGE TO SANDINISTAS

Another activist member of the council, Ramiro Gurdián, said, "Only the Sandinistas can end the spilling of blood in Nicaragua."

Mr. Bolaños, a leading opposition activist whose land was confiscated by the Government last year, read a statement that reflected the continuing confrontation between the Sandinistas and their domestic opponents.

"The Sandinistas front, lord and absolute master of Nicaragua through the power of the cannon and the militarist boot, behind the back and against the tradition, will morality, individuality and religous beliefs of the immense majority of the Nicaraguan people, is forcing the implementation of its Marxist-Leninist project," the council's statement asserted.

It continued, "The logical consequences, among many other things, are shortages, discontent, economic collapse, hunger, and above all, the spilling of blood and the direct and deep immersion of Nicaragua into the East-West confrontation.

NO NEW DIRECT THREATS TO GROUP

Although Sandinista officials have said that only traitors would refrain from condemning United States policy toward Nicaragua, there have been no new direct threats against the enterprise group or the opposition newspaper La Prensa, which President Ortega condemned in his Feb. 21 speech as "the newspaper of intervention."

Mario Rappaccioli, an anti-Sandinista activist who attended the news conference today, said the businessmen were protesting because the Sandinistas "like to catch you unprepared."

He continued, "They set you up with a lot of accusations and then one day they can grab you."

Business leaders said they supported a peace proposal issued Jan. 30 by six Nicaraguan politcal parties. It called for an immediate cease-fire by warring groups, a new amnesty law, an end to the state of emergency decreed in October and new national elections.

The official Sandinista newspaper, Barricada, condemned the proposal as "a document that would sell out the country."

Communique Issued by the Members of the Contadora Group and the Group of Support

The Ministers of Foreign Affairs of the Contadora Group (Colombia, Mexico, Panama and Venezuela) and of the Group of Support (Argentina, Brazil, Peru and Uruguay) met today with the U.S. Secretary of State, George P. Shultz, in an attempt to encourage Contadora's process of negotiation and begin undertaking the actions set forth in "the Caraballeda message" within the context of the dialogue which the eight Latin American governments have decided to maintain with all parties involved in the Central American conflict.

This message—representing a Latin American initiative towards peace, security, and the strengthening of democracy in Central America—proposes the following essential measures for their immediate implementation:

The renewal of negotiations leading to the endorsement of Contadora's act for peace and cooperation in Central America.

The cessation of support to irregular forces operating within the region.

The cessation of support to insurrectional movements in all countries of the region.

A freeze in the procurement of armament and their progressive reduction.

The end of international military maneuvers.

The progressive reduction, leading to a complete removal, of foreign military advisors and foreign military installations.

A non-aggression commitment made by each of the five Central American countries through unilateral statements.

The adoption of purposeful steps leading to national reconciliation and the full observance of human rights and civil liberties.

To promote regional and international cooperation, in order to reduce the pressing economic and social problems affecting the Central American region.

This initiative was endorsed by all Central American governments in Guatemala, on January 14, 1986, and has the explicit support of the members of the European Economic Community and of the international community in general.

In their meeting with Secretary Shultz, the Latin American foreign ministers underlined the need for the above actions to be urgently undertaken, and for progress to be made regarding each of these actions in a simultaneous manner. In this regard it was restated that the end of external support to irregular forces operating in the area is an indispensable contribution to peace. It was also mentioned as imperative the need to adopt effective measures of national reconciliation in all situations where there have been deep divisions within the social fabric.

The ministers affirmed that regional security and stability require the observance of what eight Latin American democracies defined in Caraballeda as permament bases for peace. That is: A Latin American solution, self-determination, non-interference in the internal affairs of other states, territorial integrity, pluralistic democracy, non-presence of weapons or military bases, not undertaking acts of aggression, non-presence of foreign troops or advisors, non-support of subversive groups, and the respect of human rights.

The ministers also expressed their firm decision to continue negotiations leading to the achievement of a peaceful solution to the regional crisis, with the parties directly involved in the Central American conflict, and with countries with ties and interests in the region.

Meeting in a climate of frankness, the Latin American foreign ministers and U.S. Secretary of State Shultz coincided completely in that the solution to the Central American crisis must be found within political channels and through negotiations.

WASHINGTON, DC. *February 10, 1986.*

Punta del Este Communique

The Ministers of Foreign Affairs of Colombia, Mexico, Panama and Venezuela, members of the Contadora Group, and those of Argentina, Brazil, Peru, and Uruguay, members of the Group of Support, met in Punta del Este, Uruguay, on February 27th and 28th, 1986, for the purpose of studying the evolution of conditions in Central America, to follow- up on their proposals, and to continue carrying out the actions prescribed by the "Caraballeda Message for Peace, Security and Democracy in Central America."

2. The Ministers had the satisfaction of confirming that the international community has given its explicit support to the Caraballeda Message, and particularly that the Central American Governments themselves accept the Message through the Declaration of Guatemala; the Ministers also remarked that the Contradora process towards peace in the region has gained new thrust, thus proving this to be the only way of reaching a fair and negotiated solution to the crisis.

3. The Ministers underlined the importance of normalizing relations between the governments of Costa Rica and Nicaragua, and emphasized the fruitful results of the meeting held by the Deputy Ministers of Foreign Affairs of both countries with the participation of those of the Contadora Group in the city of Managua, on February 24, 1986. In this regard, the Foreign Affairs Deputy Ministers expressed their support for this kind of actions which contribute to a climate of trust in the Region and are an expression of the desire by all parties involved for a prompt establishment of peace in the area.

4. A new meeting was called for on this occasion, to be held March 12, 1986, in San José Costa Rica, for the purpose of determining the form to be taken by the "Civil Commission for Observation, Prevention and Inspection on the border between Nicaragua and Costa Rica, which will have the necessary technical and logistic means and international participation. This task will be carried out by the Contadora Group with the collaboration of the Group of Support.

5. This Commission is, in fact, a clear expression of the progress being made and the results which will not doubt be attained through the consensus of Latin America as a whole. Latin America must solve and is able to solve its problems without foreign intervention.

6. The Ministers coincided in their opinion that it is indispensable to complete, as soon as possible, the negotiation of Contadora's Act for Peace and Cooperation in Central America, on the basis of the proposals made by the Contadora Group regarding issues still pending agreement, so that the Act will be signed and become effective as soon as possible. The Ministers also underlined that the Caraballeda Message far from substituting the negotiation process of Contadora's Act contributes to expedite its coming into effect.

7. The Ministers however emphasized the need for the total observance of the "permanent bases for peace" contained in the Caraballeda Message. It is, consequently necessary to initiate the actions proposed in that Message. It is also necessary that these actions be simultaneously undertaken, so that they reinforce reciprocal confidence, which is indispensable to achieve peace and that no action will be given priority to the detriment of others. Each of them is valid perse therefore, they cannot be conditioned to one another, since each of them constitutes a political and legal duty for each state.

8. The Ministers reiterated that the cessation of external support to irregular forces and insurrectional movements operating in the countries of the Region is an imperative need for the reestablishment of international legal order, and a contribution which will favor the endeavors towards peace.

9. The Ministers also made a call regarding the indispensable need for a negotiated solution to the internal conflicts experienced by some of the countries in the Region, and indicated the urgency for their respective governments to adopt measures leading to a genuine national reconciliation. In this regard, the Ministers reiterated their willingness to contribute towards the completion of this process by all means considered to be convenient.

10. The Ministers expressed their satisfaction in convening the forthcoming summit meeting of Central American Presidents, which doubtless will contribute to emphasize the climate of understanding and to reestablish the trust indispensable for peace.

11. The Ministers also underlined the fact that the creation of the Central American Parliament shall help to the achievement of the aforementioned objective and particularly the strengthening and permanence of the democratic processes which must be consolidated in each of the Central American countries.

12. The Ministers decided to continue their endeavors towards peace and, for this purpose, are making a cordial invitation to their colleagues of the five Central American States, to consider, in a meeting to be held the second half of March in the island of Contadora, the progress made and the new actions to be taken.

13. To conclude, the Ministers stated that the solution to the Central American crisis implies ensuring peace, security and prosperity for the entire Latin American Region. History shows that any kind of foreign intervention in Latin America, as well as any country's interference in the internal affairs of others, makes the international legal order vulnerable and, consequently, endangers peaceful coexistence among nations.

14. Democratic self-determination, territorial integrity, and noninterference are the irreplaceable bases for the solution of the actual crisis in Central America, and the sine qua non conditions of our existence as free and independent nations.

PUNTA DEL ESTE, URUGUAY, *February 28, 1986.*

Mr. BINGAMAN. Mr. President, I rise in support of Senator KENNEDY's amendment to block the administration's proposal for $100 million in humanitarian and military aid to the so-called Contras fighting against the Sandinista government of Nicaragua.

I believe that there is a serious inconsistency in our policy toward Nicaragua. We have granted the Sandinista government full diplomatic recognition. This implies acknowledging the full sovereignty and legitimacy of the Sandinista government over the territory of the country. On the other hand, we support what amounts to an armed insurrection against that government by forces which, by their own admission, wish to overthrow it. I have no misconception about the Government of Nicaragua. It is a self-proclaimed Marxist regime that has actively sought and accepted aid from other totalitarian countries, including the U.S.S.R. and Cuba. I question, Mr. President, whether this circumstance, in terms of international law, is sufficient grounds to justify the administration's policy.

Before we provide aid to the Contras, I think we also need to ask ourselves if we have a realistic expectation that whatever government the Contras would bring to Nicaragua would be an improvement for the Nicaraguan people. The administration seems to be very clear about what it is against in Nicaragua. It is against the Sandinista government and against increased Soviet and Cuban influence in this region. But what are the positive goals that the administration wants to achieve? If these goals include freedom and democracy for Nicaragua, it is not clear to this Senator that support for the Contras will achieve those ends.

Despite assurances from our State Department that Contra leaders are supporters of democracy, I still have serious doubts about the character of the Contra movement. During the early stages, many Contra leaders were previous members of the Somoza regime. Now we hear that the Contra leadership has changed, and we hear the Contras described as "freedom fighters." Mr. President, I do not think we should ask the taxpayers to pay $100 million if there is a high probability that we might simply be trading one despotic Nicaraguan Government for another.

A historic mistake which the United States has made in dealing with Latin America has been to respond to their longstanding problems with ill-advised immediate solutions. We have supported corrupt regimes to suit our short-

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term economic interests. I believe that we are paying a price for this past policy in both Cuba and Nicaragua today. I further believe that supporting the Contras is a countinuation of this shortsighted policy of political and economic expediency.

If our country plans to spend hundreds of millions of dollars—perhaps billions—over the next few years in Latin America, I think we must take a longer view of the problems in the area. First, we must decide what are our long-term objectives in Latin America and what barriers must be overcome for us to meet those long-term objectives. Then we need to decide what strategy is necessary to overcome the barriers to reach our objectives. And finally, in terms of the problem we are here to discuss today, we should decide how to deal with Nicaragua in a manner consistent with our overall strategy.

I believe that one of our objectives should be to ensure economic, military, and political stability throughout Latin America. Such stability would generate better trading partners for the United States in the area and would prevent the spread of totalitarian and Communist influence. Some of the factors that prevent stability in the region include poverty, a lack of self-sufficiency in industry and agriculture, political upheaval, and a low level of literacy. In addition, many countries in the region retain an economic and social system of two classes, the "haves" and the "have nots." Autocratic governments, including the one that is in power in Nicaragua today, are created from these conditions.

The Contadora countries, including Mexico, Venezuela, Columbia, and Panama, have what I believe is a valid perspective on the situation in Nicaragua. They recognize that the Nicaraguan ties to Cuba and the Soviet Union are a serious problem, but they do not see Central America primarily as the frontline of freedom against Communist expansion. To the Contadora countries, Nicaragua is symptomatic of the need for progress against poverty, unemployment, and international indebtedness. I believe that the Contadora countries have more accurate understanding of the situation than does the Reagan administration. It is significant that not one country in the Contadora group supports the President's policy on Contra aid. I, therefore, recommend that the United States support more fully the Contadora process and honestly adopt the recommendations of the Contadora group.

Mr. President, I am not so naive to believe that the Nicaraguan Government is about to emerge as a democratic country. However, I do believe that there is a basis for negotiation and I believe we should exhaust diplomatic discussions before we resort to military action. It is both unrealistic and, in my view, counter productive to embrace the President's objectives, which would be satisfied when the Nicaraguans, in the administration's words, "holler uncle." In my view, this objective is not a mature basis for establishing U.S. foreign policy.

Mr. President, I have not received any mail from or talked with any constituent from my home State who wants to send U.S. troops into Central America. But I feel that opting immediately for a military approach in this area, the United States puts itself that much closer to direct military intervention. As long as the Nicaraguans perceive a threat from the Contras, I believe we will see more incursion by Sandinista troops into Honduras. This situation can only lead to military escalation and increased U.S. involvement. President Reagan has said that the United States would not send troops into Central America, but that he would keep up pressure on the Sandinistas by use of military action. This policy looks like a dead end which will result in total failure or lead to direct U.S. involvement.

In summary, we do not have a viable policy in Central America. Our friends in the region are against us because we have not supported the Contadora process, despite administration assurance last year. The Reagan administration apparently will be satisfied with nothing less than the overthrow of the present Nicaraguan Government. However, I do not believe that any objective military analyst believes that the Contras are now capable, or would be capable, even with a $100 million in assistance, of achieving this goal.

Despite the fact that Nicaragua is now dedicating a huge proportion of its budget to countering the Contras, which has caused economic hardships for the average Nicaraguan citizen, there are few signs of a significant popular uprising against the Ortega government. In fact, I surmise that United States actions may create a seige mentality among Nicaraguans and actually strengthen Sandinista control.

Mr. President, I see grim signs for the United States future in Central America based on the present policies of the Reagan administration. We are continuing to push the Nicaraguan Government farther away from democratic processes and more into the arms of the Soviet Union and Cuba. I urge my colleagues to vote against the administration's proposal.

Mr. President, I suggest the absence of a quorum.

The **PRESIDING OFFICER**. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. **BUMPERS**. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The **PRESIDING OFFICER**. Without objection, it is so ordered.

Mr. **BUMPERS**. Mr. President, before we get into this whole question of aid to the Contras, I just want to touch on something that received a little notoriety at one point, but not very much, and to say that whatever passes out of here, I hope this problem will be redressed.

It deals with a GAO report to the House committee which asked for a report on what happened to the $27 million of humanitarian aid we voted for the Contras last year.

I ask unanimous consent that that report be printed in the RECORD at the conclusion of my remarks.

The **PRESIDING OFFICER**. Without objection, it is so ordered.

(See exhibit 1.)

Mr. **BUMPERS**. Mr. President, that report pointed out, No. 1, that of the $27 million we voted last year, only $12.2 million has been spent. Of the $12.2 million which has been spent, $5.1 million was spent in the United States for supplies which were sent to the Contras. The GAO has a perfectly legitimate trail of the expenditures, receipts, and proper documentation of the expenditures.

However, as the report points out, the other $7.1 million presents an entirely different picture and an entirely different problem. That is money that they say was spent in "the region." They do not define the region, but presumably it is in the Honduras-Nicaraguan area.

Of the $7.1 million, which came to 58 percent of the total funds spent, they were unable to trace the expenditures of the money, to determine whether or not the money had been spent for humanitarian aid, and to determine whether or not anything had ever been delivered.

The only thing the report points out is that there was a very curious arrangement under which the money was to be sent to Miami banks, in the names of designated suppliers. The money went to Miami banks, in the names of people who were reputed to be suppliers of this nonlethal humanitarian aid, but nobody can determine that the U.S. Government or the Contras received any of the humanitarian goods.

The GAO report goes on with a further indictment by saying that despite this sorry record and the fact that we cannot document that any of the $7.1 million actually went to the Contras in the form of supplies—despite that fact and despite the fact that the GAO has communicated this problem to the State Department, an increasing proportion of future expenditures are calculated to be spent "in the region."

Mr. President, we now know where hundreds of millions of dollars of aid that we have given the Philippines over the last several years has gone. I am not suggesting that this money is going to work its way from Miami bank accounts into Swiss bank accounts. But I do say that it would be the height of irresponsibility for this body to vote on an aid bill for the Contras that did not take into account this GAO report and provide some kind of system to be certain that whatever we send there, humanitarian or lethal aid, can be accounted for.

Mr. President, unless there is some other Senator who wishes to speak, I yield the floor.

EXHIBIT 1

STATEMENT OF FRANK C. CONAHAN, U.S. GENERAL ACCOUNTING OFFICE, BEFORE THE COMMITTEE ON FOREIGN AFFAIRS, SUBCOMMITTEE ON WESTERN HEMISPHERE AFFAIRS, HOUSE OF REPRESENTATIVES, ON HUMANITARIAN ASSISTANCE TO THE NICARAGUAN DEMOCRATIC RESISTANCE

Mr. Chairman, Members of the Subcommittee, I am pleased to be here to discuss the management of the $27 million in humanitarian assistance authorized for the Nicaraguan democratic resistance. My statement will concentrate on our review of the accounting and management procedures and controls to ensure that the funds are being spent in accordance with the law's intent.

Before I discuss the results of our review, I would like to point out some limitations on our presentation today. We have been informed by the Department of State that certain information about this program is classified. For example, State has told us the following matters are classified: specific quantities of items purchased, attitudes or roles of countries in the region with respect to this program, and attempts to arrange for delivery of goods purchased in the United States.

None of these limitations, however, hinders our ability to address your major question; i.e., does the Department of State have adequate procedures and controls to ensure that the funds are being used for the purposes intended by law, and are not being diverted to other uses.

Our overall answer is that the Department does not have procedures and controls which would allow it to provide these assurances—in large measure because those charged with administering the program are unable to verify expenditures made in the region, and are unable to observe the end use of procured items to ensure that they were not diverted, bartered, or exchanged. Initially, the State Department's Nicaraguan Humanitarian Assistance Office (NHAO)—which is charged with the program's administration—had intended to set up operations in the region, but diplomatic sensitivities of certain countries in the region prevented NHAO from doing so. Thus, NHAO is not able to exercise the financial and programmatic control beyond the U.S. border that it wanted to.

We reviewed all expenditures as of February 24, 1986 (a detailed breakdown is attached to the statement). As of that date, NHAO had actually paid out over $12.2 million. About $5.2 million (or 42 percent) was spent in the United States, and $7.1 million (or 56 percent) was spent in the region. NHAO's control over its funds varied significantly depending on whether the purchases were made in the United States or in the region.

For purchases from U.S. suppliers, NHAO exercises considerable control over disposition of funds. NHAO has established procedures for administering procurements and making payments, which allows it to control and oversee the types of goods and services being purchased and the prices paid. NHAO relies principally on the United Nicaraguan Opposition (UNO)—an umbrella organization representing the various resistance forces—to determine the types and quantities of goods and services to be purchased.

UNO submits to NHAO a pro forma invoice prepared by a proposed U.S. supplier identifying the goods or services to be purchased and the amount to be paid. NHAO reviews the invoice to determine if the item or service is consistent with program objectives and that the stated price appears to be reasonable. In many cases, NHAO obtains Dunn and Bradstreet reports on the proposed supplier to ensure that the company is legitimate. Furthermore, NHAO often checks with other suppliers of similar items and with DOD procurement officials to verify the reasonableness of prices quoted. If the review is satisfactory, NHAO provides the supplier a letter of commitment for the funds to be paid upon receipt of the goods by UNO. When the supplier sends NHAO a confirmation of delivery of the goods, NHAO issues a payment voucher, and the Treasury sends a check directly to the supplier. NHAO also has inspected some of the supplies stored in U.S. warehouses awaiting shipment to the region to ensure that approved items have been delivered.

It is a much different story for the $7.1 million in purchases made outside the United States. NHAO has received invoices and receipts to support almost all purchases, and before authorizing payment, NHAO reviews the invoices and receipts to ensure that the items are allowable under the program. However, from its offices in Rosslyn, Virginia, NHAO cannot assess the validity of the regional receipts, is unable to check out many suppliers, has difficulty establishing reasonableness of prices, and cannot verify actual delivery or receipt of items. Another major difference between controls over U.S.-sourced procurements and those made in the region is that payment is not made directly to the supplier. Instead, payment is usually made to a Miami bank account of one of several brokers authorized by the regional suppliers to act as their agents. There is no audit trail showing payments from the brokers' accounts to suppliers, and only partial documentation of shipments from the suppliers to the resistance forces.

Despite the deficient controls over expenditures outside the United States, an increasing proportion of the assistance funds is being spent in the region. NHAO officials attribute this situation to the difficulties encountered in delivering U.S.-purchased items to the resistance forces. Initially NHAO had assumed that, except for food, most supplies would be purchased from U.S.-suppliers—not only because NHAO's control would be greater, but also because the quality of U.S. goods was higher and U.S. costs were lower. However, due to the diplomatic sensitivities of the countries involved, deliveries of goods purchased in the United States could not take place. Thus, U.S.-sourced items were stored in U.S. warehouses, principally in New Orleans. This has delayed the delivery of supplies (mostly pharmaceuticals, boots, and field gear) to the resistance forces, and has caused more money to be spent in the region than might otherwise have been the case. If delivery problems continue, most funds are likely to be spent in the region. The Department has recently undertaken intensified efforts to reverse problems in delivering U.S.-sourced goods to the resistance.

Turning now to what has been purchased for the $12.2 million spent to date. (A breakout is attached to the statement.) The legislation stipulates that funds be used to provide food, clothing, medicines, and other humanitarian assistance. The legislative definition specifically rules out weapons, ammunition, or other items which could cause injury or death. The principal criterion used by NHAO in determining what can be provided is that it be non-lethal.

The $12.2 million has been spent on the following broad categories:

$4.7 million (or 39 percent) on food and sundries, which were procured in the region. Food receipts included other items such as clothing, matches, cigarettes, and toilet articles. About $350,000 of the $4.7 million purchased local currency, which was to be used for food.

$2.8 million (or 23 percent) was spent for pharmaceuticals and medical supplies. Most of these were purchased in the United States.

The last major item—clothing—accounts for $2.7 million (or 22 percent) of the expenditures. About $1.8 million was spent in the United States and the remainder was spent in the region. Included in the clothing purchases were combat boots, uniforms, ponchos, socks, and web gear.

About another million dollars was spent for miscellaneous supplies and equipment, such as blankets, tools and trucks—a little more than half of which was spent in the United States and the rest in the region. Over $500,000 was expended on transportation, storage, and warehousing of these items, mostly in the United States. Lastly, about $260,000 was spent on various medical expenses, including hospitalization of resistance fighters; $125,000 was spent on a UNO-administered human rights program; and about $75,000 was spent for UNO administrative expenses. An additional $89,000 is for NHAO administrative expenses.

I want to emphasize that the foregoing breakdown of expenditures is based on our examination of receipts provided to NHAO. While we are confident that the receipts for U.S.-sourced items are valid, we have no basis to evaluate regional receipts. We inspected U.S.-sourced items in warehouses in New Orleans and are satisfied that receipts reflect purchased items; we were not able to do the same for purchases made in the region. We found nothing, however, to indicate that NHAO paid for lethal items.

This concludes my prepared remarks. I would be happy to answer any questions you might have.

SUMMARY OF GOODS AND SERVICES (AS OF FEB. 24, 1986)

Goods and services (examples)	Total	Purchases made— Not in United States	In the United States
Food, sundries, consumables, foreign currency, and some delivery costs	$4,694,496	$4,694,496	0

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SUMMARY OF GOODS AND SERVICES (AS OF FEB. 24, 1986)—Continued

Goods and services (examples)	Total	Purchases made—	
		Not in United States	In the United States
Pharmaceuticals, medical supplies, and refrigerators (drug storage)	2,764,551	281,602	2,482,949
Uniforms, boots, ponchos, socks, hats, belts, and other clothing	2,672,464	919,530	1,752,934
Flashlights, hand tools, hammocks, trucks, and other equipment	989,113	420,716	568,397
Transportation, storage, security, warehousing, and some freight costs	555,793	391,372	164,421
Medical services, hospitalization and related expenses, and doctor fees	262,240	222,884	39,356
Human Rights Program (Fundacion de Nicaragua)	125,000	125,000	0
Administrative support for United Nicaraguan opposition	75,448	0	75,448
Total of Goods and services	12,139,105	7,055,600	5,083,505
Nicaraguan Humanitarian Assistance Office administrative expenses	89,167	0	89,167
Total	12,228,272	7,055,600	5,172,672

NOTE.—(1) Transport for food and other commodities was sometimes listed separately. At other times, it was included in the price of the commodity. Similarly, receipts for food at times included sundries and clothing which were not listed separately under other commodity categories. (2) Receipts for food purchased outside the United States usually included sundries and clothing, such as cigarettes, batteries, matches, candies, antimosquito incense, toilet paper, deodorant, glue, insect killer, toothpaste, panties, bras, plates, detergent, shoe polish, sandals, socks, mops, soap, plastic buckets, flashlight bulbs, blankets, shirts, frying pans, engine oil, and oil filters.

Mr. EXON. Mr. President, we are about to become engaged in a truly necessary full debate on foreign policy. It has far telling potential ramifications. It could be argued that this is not as important as the Gulf of Tonkin resolution, but don't bet on it. It certainly is more far reaching than the ill-fated marines to Beirut issue which turned into a tragic fiasco.

A legitimate concern in our debate is the Marxist Cuban-Soviet backed Sandinista government of Nicaragua. As a member of the Armed Services Committee, I agree they do pose a potential threat to stability in the region. The question is not whether the Sandinistas are bad or good, or who is for or against Communism. At issue is how we best proceed.

This Senator clearly had serious reservations about the Sandinistas from their beginning, expressed on this floor when I voted against the very first flood of dollars we sent Nicaragua after the revolution. We have poured money into that troubled country, to Somoza, to the Sandinistas, and now the Contras.

The President's request for $100 million, unrestricted approval, will not have my support. This is real money and to suggest it is some funds we have sitting around unneeded in the defense budget that can be transferred to this unrestricted adventure without hurt or harm makes a mockery out of the President's protestations about reductions in defense spending. If we have an extra $100 million in the military budget, it could be well used in Nebraska and elsewhere for loans to those in the troubled agricultural sector. We have a chance of getting that back.

I have no quarrel with those who have thought through this issue and are convinced that the President's request makes sense and is in our national interest. They are good Americans just as I hope those so inclined would respect the attitudes of those of us who do not concur. My considered opinion is that despite all the bravado, most on both sides of this important foreign policy decision view our proper course of action with a high degree of uncertainty. Few, I think, if any, are convinced that this or that or somewhere in between is the correct course. I hope none will take the easy way out and simply support the President's proposals, demands, and rhetoric on a simplistic "support your local sheriff" rationale. In this case, the posse may be riding off on a mission that ends up in a self-hanging.

We are asked to authorize a minimum downpayment of $100 million on a questionable endeavor without even an estimate of what the eventual dollar cost will be. It amounts to a signing of a blank check because here no one believes $100 million will accomplish the stated desired goals. Indeed, the Secretary of Defense has stated more was needed and wanted initially, but the administration felt they would have difficulty getting approval of a higher amount than that requested.

The President is backing the Contras, whom he calls freedom fighters. He has also named the MX missile the peacekeeper. Many of our citizens have been led to believe the Contras have the support of a majority of the people of Nicaragua. Such is distinctly not the case. Official estimates say no more than 20 percent of the citizens of that country now support the Contras. Among other reasons for this is that the people know that hated former Somoza national guard figures make up most of the Contra leadership. It is true that the Sandinistas do not enjoy the popular support they once held and there have been prominent defections. Nevertheless, if there was a free election today in Nicaragua and the choice was between the Contras or the Sandinista, the best informed view is that the latter would prevail. The United States is launching upon a dangerous course, regardless of its eventual outcome, of sponsoring policies and actions in a foreign country whose citizens do not agree. Indeed, all of this smacks of Yankee gunboat diplomacy with all its inherent and perilous pitfalls.

Not one of the neighbor Central American countries or any of the Contadora group of nations, all friends of the United States as of now, who are seeking regional diplomatic solutions, support military aid to the Contras. None of our traditional military allies have endorsed the course the President is steering us on. We are simply going it alone. I fear the "Yankee go home" cry could become deafening again. There are those who warn the United States and say we will play right into the Sandanista, Cuban, and Soviet hands by giving them continued excused for repression because they have a war to fight. There is reason to believe the Cubans and Soviets will step up their assistance militarily to match whatever we give.

But aside from all of the more traditional arguments, I view the President's course of action as dangerously unique and precedent setting.

Like it or not, the Sandanistas were successful in a revolutionary overthrow of the Somoza dictatorship and were subsequently elected in general balloting in that country. They are the recognized Government of Nicaragua. This is the first time in our history where we have supported military action against an elected government while still recognizing that government diplomatically. Nicaragua has an Ambassador here in Washington with staff and we have an Ambassador with staff in Managua. Is this not hypocritical at best? Would we continue full diplomatic relations if Nicaragua was openly and militarily financing and supplying a group of people in the United States to overthrow or force policy changes on the elected government of President Ronald Reagan? Of course we would not. If the President wants to finance a war to change or overthrow an elected government, the honorable course would be to, at least, first break diplomatic relations.

The wheeling and dealing by the White House on trying to get votes on their plans is disturbing. The President has every right to his opinion and to take persuasive action, even arm twisting if he feels strongly, as he obviously does.

Last week the President, the Commander in Chief under the Constitution, reportedly picked up a vote in the House by promising a wavering Member that he would not send United States troops to Nicaragua. This has not been denied. On Sunday, the President was quoted as saying he was offended by claims his aid request was:

> Only a forerunner of my desire to put troops in there—you're looking at an individual that is the last one in the world that would ever want to put American troops into Latin America.

Mr. President, remember that last term "into Latin America."

No one knows what the future holds. If Soviet Mig fighters are introduced in Nicaragua or, let us theorize, if Soviet missiles were introduced, the threat to the United States would be clear and undisputed. No commander-in-chief would be worth his salt, under

such conditions, if he did not employ troops or any other military means at his disposal to take them out. I am sure that President Reagan would under such circumstances and would have support. His comments and promises then for expediency's sake to get a vote are not well taken and leave a wrong impression. With regard to his stipulation against the use of troops in Latin America, I hope the President has not forgotten Grenada and Honduras. He has previously dispatched troops to those Latin American places. This Senator supported those actions. Indeed, in addition to regular troops building air fields 25 miles from the Nicaraguan border and elsewhere in that country, we are constantly rotating national guard troops in and out of Honduras on a regular basis. So the President has already dispatched troops into Latin America.

Mr. President, save from the involvement of marines in Beirut, this is the only major foreign policy initiative on which I have not supported the President. I hope a compromise can be reached between the Congress and the President, a truly workable and meaningful compromise. This Senator cannot support the President's original request, and I object to his confrontational approach fostered by those around him, nor can I support the simple incorporation of his last minute letter of understanding to the House of Representatives on fencing as part of legislation on a meaningful compromise.

I have received a brief overview of some of the compromise proposals for a true bipartisan understanding. I will review these in detail and listen to the debate to see if any at least minimally meets my goals. Those goals are: First, forcing intense diplomatic efforts before we release substantial military aid; and, second, providing that the Congress has a real opportunity to review and express itself by vote before we plunge further into this difficult foreign policy problem.

In closing, Mr. President, no one disagrees that we must deal forcefully with this situation in our own hemisphere. I do not downplay the potential threat to our security. What I am advocating, however, is that we attempt every possible diplomatic solution available—and that we lead in this effort—before moving further down the road to confrontation and hostility.

(Mr. HECHT assumed the Chair.)

Mr. CRANSTON. Will the Senator yield?

Mr. EXON. I am happy to yield.

Mr. CRANSTON. Mr. President, I applaud the Senator from Nebraska for a fine and courageous statement of the issue that is now before the Senate.

I have one question. I take it that the Senator feels that if the situation is as dire as the President of the United States seems do indicate it is down there, that he is really derelict in his duty in not asking for far more than the $100 million, with various limitations upon it, that he has submitted to the Congress as a request to cope with a problem that all of us know cannot be coped with with $100 million. I am not advocating we go those further steps. I do not feel we should. But I gather the Senator feels if it is as bad as the President states he should be seeking to do far more than he is now undertaking.

MR. EXON. In answer to the good question posed by my distinguished friend and colleague from California, let me say that the answer to his question is yes. I do not think there is a single person on this floor or in the Department of Defense that believes that $100 million, as set forth by the President, is enought to do what the President says he wants to do. I am not even sure it is a good downpayment on what they propose to do. Certainly, it was indicated, as I said in my remarks, by Caspar Weinberger, the Secretary of Defense, that the administration wanted and thought they should have more but they thought they might have trouble with $100 million.

In addition, I say to my friend from California, and I draw attention to my remarks and the statement that I just delivered, that it seems to me that we are hypocritical indeed in not following at least the basis of good diplomatic procedures if we are going to all but declare war and finance a military action in a country with whom we have diplomatic relations. It seems to me that is not being up front.

Mr. CRANSTON. As the Senator knows, the administration is refusing to make, as a condition of this aid going forward, a prior direct negotiation between our Government and the Government of Nicaragua and, in view of that refusal, it appears that the administration prefers a military rather than a diplomatic solution. Is that the judgment that the Senator from Nebraska would make from those circumstances?

Mr. EXON. I say to my friend from California, the distinguished Senator Cranston, a member of the Foreign Relations Committee, that generally I would agree with this statement. It seems that the President of the United States at least is bound and bent for a military confrontation with our finances. And I think he has not explored all the diplomatic possibilities at hand. The members of the Foreign Relations Committee, my good friend from California, and my great and dear friend, Senator Zorinsky from Nebraska, who are members of that committee, would know more first-hand about that then myself. But my clear impression is that we have not begun to meaningfully explore all of the diplomatic options at hand. In fact, there have been indications, in some of the statements coming out of the White House, and the rejection of some of the bipartisan compromise attempts, that coming to an understanding on this has been rejected on the single basis that it is all or nothing as far as they are concerned. I thank my friend from California.

Mr. CRANSTON. Has the Senator heard anybody who advocates such $100 million, whether in the administration or the Senate or elsewhere, state that $100 million can do the job?

Mr. EXON. No; I have not.

Mr. President, I yield the floor.

Mr. CRANSTON. I thank the Senator very much.

Does the other Senator from Nebraska seek recognition?

Mr. ZORINSKY. No.

Mr. MURKOWSKI. Mr. President, I would like to make a parliamentary inquiry. The question is whether the debate currently ensuing on the Contra issue is being charged against the anticipated time for the debate, which I believe the leadership indicated was some 10 hours?

The PRESIDING OFFICER. It is not.

Mr. MURKOWSKI. I wonder if there would be any objection to a unanimous consent request that the debate currently taking place be charged against the anticipated time, some 10 hours. If there would be no objection, I would ask unanimous consent.

Mr. PELL. I object.

The PRESIDING OFFICER. Objection is heard.

Mr. MURKOWSKI. Mr. President, the latest news from Central America, I think most of my colleagues would agree, underscores the dangers that the Nicaraguan conflict could spread throughout the entire area of Central America. By invading Honduran territory, Nicaragua has served notice that it will respect no borders in its efforts to "consolidate" its revolution.

Costa Rica and El Salvador have long been worried by Nicaragua's military buildup. Now their fears take on new urgency. In the United States, Nicaragua's attack has led to a new and sober realism about the threat—to Central Americans and ourselves—posed by that country's Sandinista rulers.

I think it is important, Mr. President, that we identify the players because there is a good deal of confusion and misinformation in the minds of some.

The Sandinistas took over Nicaragua's Government in 1979, following a popular revolt against the dictatorship of Anastasio Somoza. At first, they promised democracy. The United States supported the new regime with

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aid. But we were soon disillusioned. By 1981 the movement had been taken over by hard-core radicals who expelled their moderate colleagues and declared their intentions to establish a Marxist-Leninist regime.

Make no mistake, it was the intent to establish in our hemisphere this Leninist regime.

Since that time, Mr. President, the Sandinistas have created quite a remarkable record. It is acknowledged that they have suspended freedom of the press, freedom of assembly, and various freedoms of religion have been substantially thwarted.

It is a fact, Mr. President, that they brought in 200 Soviet advisers. It is a fact, Mr. President, that they brought in 7,000 Cuban troops, and specialists from East Germany, from Libya, and from the PLO. It does not take one long deliberating just what these groups currently stand for.

They stand for world recognition and safe haven of terrorists. Mr. President, one can generalize by saying, in effect, they are bad guys.

Further, Mr. President, the Sandinistas have used some $600 million worth of Soviet arms to become the most heavily armed country in Central America. Mr. President, there are more arms than the rest of Central America put together.

One has to ask, why? What is the necessity of this type of military capability in Central America?

The conclusion is obvious, Mr. President. They are up to no good. They have persecuted church leaders, they have persecuted the country's indigenous Indian population, and we know for a fact, Mr. President, they have supported terrorists attempting to overthrow democracy in other Latin American countries.

They have also sent arms to Communist guerrillas in El Salvador. We have evidence of that. And they have become deeply involved in the flow of international drug traffic into the United States.

We are aware that in Nicaragua they are building an airfield. It is going to have the longest runway in Central America. It can serve as a base for long-range Soviet aircraft, such as the Bear, aircraft that currently have no base in the North American Hemisphere, and a runway similar to what was proposed in Grenada before we went in there and stopped the Soviet influence from dominating that island.

In addition, Mr. President, they are expanding their port facilities in Nicaragua, port facilities that would be adequate to service Soviet ships as well as Soviet submarines. The difference here from Cuba is that they are in our hemisphere.

Clearly, Mr. President, the United States can no longer tolerate this kind of Soviet threat in the Western Hemisphere.

Today we are considering the President's request for $100 million in humanitarian and military aid to opponents of the Sandinistas known as Contras, Spanish for counterrevolutionaries.

Like the Sandinistas, the Contras changed significantly over time. Orginially, many were Somoza loyalists. Today, the majority are former Sandinistas disillusioned by the Communist takeover of what they had once hoped would be a democratic revolution. Like the Sandinistas, they have been accused of human rights violations. However, I hope that with the new system of military courts martial, which has been established, these violations will be reduced and eliminated.

Mr. President, too much of our debate about this issue has revolved around the either/or argument—either we should aid the Contra freedom fighters or we should negotiate with the country's Sandinista leaders.

Mr. President, we should do both. Without the prospect of armed opposition by the Contras, the Sandinistas have no reason to negotiate with anyone. We need to use both diplomacy and power to get the results of a peaceful resolve in our hemisphere.

We learned this lesson in 1984. When Congress cutoff military aid to the Contras then, the Sandinista military buildup did not slow. Instead, the flow of Soviet arms increased.

I believe the Congress will recognize these facts by approving aid but insisting that it should be linked to serious efforts at negotiation. Without attempting to predict the final compromise which may emerge, I would like to share some of the suggestions we are considering and perhaps elaborate briefly.

Under these proposals, part of the funds requested by the President would be made immediately available. The rest would not be released until the President certifies that international negotiations have been tried and failed. All United States aid could cease immediately if the Sandinista Government, first, declared a ceasefire; second, restores civil rights; and, third, sends all foreign military forces and advisers home.

Mr. President, the Sandinistas represent the bitter truth about the tendency of revolutions to start out with liberal ideals and be taken over by extremists. They ended up replacing one dictatorship with a new one just as brutal, or perhaps even more so.

Mr President, dealing with this requires realism, steadiness, and clarity of purpose. I support the Contadora process of negotiations led by Latin countries who cannot afford illusions about the nature of Nicaragua's military buildup. But precisely because I do support negotiations, I believe we need to give the President the tools he needs to make the Sandinistas take them seriously.

I think it is appropriate, Mr. President, that we recall the difficult decisions to assist in the El Salvadoran crisis during 1984. We have a great deal of deliberations here on the floor of the U.S. Senate, but we helped with both military and economic aid. Today we have in El Salvador a fledgling country, a country more stable, a country where the seeds of democracy are beginning to grow. They are beginning to grow, Mr. President, because we acted as a good neighbor and as an interested neighbor.

Mr. President, I think that is the position that is appropriate for us to take in the consideration of our debate on contra aid to Nicaragua this afternoon.

I intend to support the position of our President, I intend to support the position of the chairman of the Senate Foreign Relations Committee, who has labored long and hard to put together the draft of a proposal that I think is responsible, that represents the interests of all Senators with regard to the need to continue to negotiate, but, as proven time and time again successful negotiations are the result of being able to negotiate from strength.

Mr. President, in view of the actions in the last few days associated with the Sandinista invasion of Honduras, I think that we must negotiate not only from stength that we have, but the reality of what has occurred, and with what is obviously in the national security interests of the United States.

Mr. CRANSTON addressed the Chair.

The PRESIDING OFFICER. The Senator from California.

Mr. CRANSTON. Mr. President, the Senate will vote shortly—tonight or tomorrow—on the proposal to provide additonal U.S. military assistance to opponents of the Nicaraguan Government.

While the proposal before us is being advertised as a "compromise," I think we should be very clear what it will and will not provide.

Efforts to work out a real compromise broke down today at the White House. What will be before us very shortly will provide U.S. taxpayers' dollars to a rag-tag band of mercenaries and former national guardsmen at war with the Government of Nicaragua.

It will provide military equipment to individuals who have repeatedly been implicated in acts of terrorism.

It will open the door to renewed direct involvement of CIA and DOD officials in the Contra aid program, as I understand the measure will be written.

It will give the President authority to spend this money without requiring

a subsequent affirmative vote by Congress.

But this money will not provide a solution to the dilemma which troubles each of us here in this Chamber. All of us are troubled by this situation.

It will not make the Sandinistas go away. Indeed, I have yet to hear a reasonable voice, Democrat or Republican, liberal, or conservative, who believes the Contras can militarily overthrow the Sandinistas.

Certainly, no one believes $100 million can accomplish that task in any significant way. We are simply providing the funds to the Contras and the Sandinistas bleeding in the jungle a while longer.

Many of my colleagues find comfort in the administration's lipservice to pursuing the Contadora negotiating process. But what is it they expect from the administration's negotiating position? The administration refuses to negotiate directly with the government in Managua until Nicaragua negotiates directly with the contras. Should the U.S. Government negotiate with terrorists and mercenaries seeking to change our popularly elected government by force? Do we really expect the Sandinistas to negotiate the terms of their own demise with a rag-tag band of Somozistas, militarily led by generals who were the leaders of the Somoza dictatorship?

The fact is that if the Reagan administration feels so threatened by the small-time band of Marxists ruling in Managua, the administration is going to have to stop hiding behind the Contras. The Contras are inadequate to the task that people like Pat Buchanan seek to accomplish—for they seek the direct military overthrow of the Sandinistas and the replacement under force of arms of that government by one more to our liking.

We must not kid ourselves. No one in this Chamber admires the Sandinistas. We are united in our opposition to communism and to totalitarian dictators. But if we continue to fund the Contras, the only logical conclusion of the process the Reagan administration is setting in motion is to have the President seek a declaration of war against Nicaragua.

I believe President Reagan when he says he has no intention of sending American boys to fight in Nicaragua, but that is the logical consequence when his flawed policy fails. What an American President wants and what the American people get often turn out to be very different things. I would reject such a declaration of war as would the vast majority of the American people. It simply is not in America's interest to strut about the globe pressing military force across the continents in a futile attempt to remake governments in our own image.

Mr. President, to lead is to choose. That is why we have been sent here; we have been elected to make choices.

I cannot, in good conscience, support a policy which bears no hope of progress. I cannot and will not endorse efforts of our Government to fund an undeclared guerrilla war without end. And I refuse to approve expenditure of taxpayer funds to prosecute a supposedly secret war which violates basic principles of both our own Constitution and the Treaty of the Organization of American States.

I oppose any more funding of any kind for the Contras and I urge my colleagues to do likewise.

Unfortunately, despite the efforts of those of us who oppose wasting any more of the U.S. taxpayers' money in futile support of the Contras, it appears that the Senate will approve some form of a Contra-aid bill.

But because of the efforts of many of us who oppose this, whatever bill finally is approved will at least be a better bill than the $100-million blank check the administration originally requested.

For that, the U.S. taxpayers and the youth of America may have something to be thankful for.

In my judgment, it is not enough. The American people deserve better.

The U.S. taxpayers have been promised economic stringency by their Government.

They are about to turn over still more of their hard-earned dollars to the Internal Revenue Service.

They deserve better than to see their money squandered in Nicaragua, with the dire expectation that this will not be their last payment.

As long as the Sandinistas decline to negotiate their own demise—as the administration demands they must do—the taxpayers can expect they will be spending more and more millions to keep the fighting going in Nicaragua—as the administration demands it must.

One hundred million dollars is not going to do the job. Everybody knows that. And everybody knows that money alone is not going to do the job.

The way things are going, U.S. money will be followed by more U.S money, then by U.S. advisers, then by U.S. troops.

Everybody says we do not want that to happen. But that is what will happen if we follow the administration's present course.

Mr. President, none of us, however we feel about the issue now before the Senate, wants communism in Central America. We all want the Sandinistas to live up to their promises of a free and democratic society in Nicaragua. But spending American taxpayers' money on the Contras is not the way to bring that about.

Spending the Yankee dollar to support armed mercenaries who resort to terrorism builds nationalistic fervor and rallies the people around the Sandinistas.

It provides the Sandinistas with a ready excuse for importing Communist arms from the Soviet Union and Cuba.

And it gives them a further excuse to repress freedom and the democratic process in Nicaragua.

We should join our Latin American neighbors in lending active and sincere support of the Contadora initiative.

The principal idea of Contadora is for Latin American nations to help the war-torn Central American nations work out a regional solution to the conflicts in the region. One of the main obstacles to Contadora success has been the lack of genuine U.S. support.

The United States is a great power, the most powerful Nation the planet has ever known. Our actions have great influence throughout the world and are particularly meaningful in the Western Hemisphere.

Our active, explicit, genuine, and enduring support of Contadora could go a long way to help make the regional peace process work and to foster true democracy in Latin America.

Mr. President, I yield the floor and I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. HART. Mr. President, I suggest that further proceedings under the quorum call be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. HART. Mr. President, what is the parliamentary situation?

The PRESIDING OFFICER. There is no business pending before the Senate.

Mr. HART. Then, Mr. President, I seek recognition.

The PRESIDING OFFICER. The Senator from Colorado.

Mr. HART. Mr. President, today we are debating the future tenor of American foreign policy in Central America, perhaps to a degree throughout the world—the basis of our strategy, our objectives, our values, our dealings with other nations around the globe. This issue cannot be reduced to a simplistic question of whether one supports one or another transitory administration policy.

This issue is a measure of our ability to project American power and American leadership effectively, and in a way that reflects this Nation's fundamental and historic beliefs and values.

It is a measure of our willingness to work with fragile democracies that look to the United States for support as they seek regional security and internal stability.

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It is a measure of our ability to be honest about our foreign policy goals and pursue them in a way befitting a great democratic power.

Mr. President, since the report of the Kissinger Commission, there has been an emerging consensus in the country and the Congress that there is no military solution to the Central American region's problems. The issue before us is whether the policy we are considering today furthers or undermines this consensus.

First, Mr. President, the United States cannot allow any Central American country to become a military base for the Soviet Union. The increased role of the Soviet Union, Cuba, and East bloc countries in arming and training the Nicaraguan armed forces challenges United States interests and the viability of democracies in Central America.

Yet, in the 5 years since the President's policy of support for the Contras, what has happened? The Soviet and Cuban military presence in Nicaragua has increased from about 600 Cubans in 1981 to 3,000 Cuban and 300 Eastern bloc advisers today.

We must pursue a course that decreases the influence of the Soviet Union and its surrogates in a region where, by reasons of geography and mutual interest, our Nation has a duty to exert forceful leadership and provide for the common security.

The second goal of American policy should be to help reverse the increasingly totalitarian rule in Nicaragua and advance the propects for democracy and human rights throughout the region, including in Nicaragua. Our strength as a nation lies in our democratic principles and we must encourage them through our foreign policy. The Sandinistas' state of emergency and related repression are anathema to American values. Political pluralism within Nicaraguan society remains a central goal of United States policy.

But, Mr. President, our current policy has been ineffective in promoting political reform and human rights in Nicaragua. We want the original democratic goals of the Nicaraguan revolution realized. We all share the goal of moving that society toward economic and political pluralism and away from political repression and persecution.

The third goal of our policy should be to support those fragile Latin American democracies that walk a difficult line between leftist insurgents and reactionary military establishments. In the last year, Guatemala, Costa Rica, El Salvador and Honduras have conducted free elections. These very governments, which have had transitions to democracy, in spite of the policies of the Nicaraguan government, are among the most vocal critics of the President's military aid request.

Do we not all agree that the United States must show sensitivity to these governments in our policymaking for the region? If so, we should be heeding their words.

We should heed the words, for example, of President Betancur of Columbia, who said, "I think that an initiative such as the request for $100 million taken by President Reagan is wrong. * * * I know we can get more through negotiation."

We must conduct our foreign policy in a manner which enhances U.S. influence and prestige, not only to our neighbors, but as seen through the eyes of our friends and allies throughout the world. We all want a foreign policy that is credible and respected by our allies.

The fourth goal, Mr. President, should be a policy which promotes the Contadora nations' efforts at negotiations, because these negotiations represent our best hope for lasting peace in the region. But administration policy—including military funding for the Contras—has not made a tangible contribution to this process.

For the last few years the administration's requests for increased military assistance to the Contras has accompanied an apparent indifference to the Contadora negotiating process. Where dynamic and creative support have been required, the U.S. position toward negotiations has been anemic and rigid, frozen in place. The administration is apparently unwilling to recognize that the Contadora process has made real progress in an effort to address United States concerns and forge a truly equitable solution to regional problems.

Thirteen governments representing 85 percent of the population of Latin America support the Contadora process and ending the Nicaraguan conflict through negotiations.

The European Community and Japan support Contadora.

But the record shows this administration's policy pays lipservice to Contadora. It uses the promise of negotiations not as leverage to secure peace in Central America but as leverage to get more funds from Congress for the Contras.

In 1983, the administration promised that it would encourage church-mediated negotiations between the Contras and the Sandinistas, only if Congress approved more Contra aid.

In January 1985, the Reagan administration cut off its talks with the Sandinista government.

In June 1985, as part of the $27 million aid package, the President again agreed to dialog. Once again, we see no progress—only a request for more military assistance.

After having spent over $100 million, isn't it time to ask when we will see results? The Contras cannot claim a political program, a military victory in Nicaragua, or popular support among the Nicaraguan people. Even the administration claims that Communist governments never negotiate themselves out of power. So where will this policy lead?

And that leads to the fifth, and most important, goal of our policy. We must discourage trends which would lead deliberately or by default to the introduction of American combat troops in the Central American region.

Mr. President, in spite of the heated protestations of the administration to the contrary, many of us believe that the request being debated today is no more than a down payment on a far vaster military support effort. It lays the foundation for vastly expanded military activities of highly dubious effectiveness.

The American people will not support a strategy which promises another failed military adventure—in any region of the world. They do not want this Congress to fund the guerilla forces simply to provide the President a mandate for continued military escalation. And they will not support a policy which increases the likelihood of American military intervention.

Our decision today must be based on a careful assessment of the contribution funding the Contras makes to the goals which I have set forward. Regardless of our frustration over the behavior of Sandinistas, a policy that does not forward our aims in the region is a policy which must not be pursued—covertly or overtly—by the United States. Mr. President, in the view of this Senator, funding the Contras not only fails to accomplish these objectives but is inimical to U.S. interests in the region.

Instead of reducing Cuban and Soviet influence, American support for undeclared war, veiled threats of potential direct United States military intervention, the declaration of intent to overthrow the Nicaraguan government, and the continuing highly visible military maneuvers in neighboring areas such as Honduras, have pushed Nicaragua ever forward toward increasing military reliance on the Soviet bloc. That reliance, in turn, increases the threats faced by our allies in the region.

But we must recognize that funding the Contras fighting the Nicaraguan government has failed to move the Sandinistas closer to those goals. Instead, by continuing the war, the Contras have heightened the state of siege in Nicaragua; they have rigidified and legitimized the harassment by the Sandinistas of political opposition, censorship of the press, and repression of the church. Instead of advancing the fundamental goals in the region, our support of the Contras seems to be having precisely the opposite effect, providing an excuse for Sandinista repression.

Mr. President, I believe that the leaders in Congress working with members of the administration have the capacity to find a better path for this country—to work together to address our common concerns, and define a set of policies which both promote our objectives and earn the support of the American people. There are a variety of options, other than military aid to the Contras, we should explore.

We should treat the Contadora process with serious intent, rather than using it as a fig leaf for Contra aid funding.

We could get consensus among our allies and cut off trade with Nicaragua.

We could get consensus to terminate bilateral and multilateral aid to Nicaragua.

We could impose tougher sanctions on Nicaragua and prohibit financial transactions such as bank loans.

We could work with our allies to isolate Nicaragua in regional affairs.

We could for that matter even break diplomatic relations with Managua.

But our first task today is forging such a consensus on Central America is to reject soundly a policy which does not contribute to progress in that region.

Mr. President, it is an anomaly that the President of the United States goes on national television to tell the American people the great threat represented by the government of Managua to this Nation and then asks for a mere pittance to counteract that threat. It is, in fact, the very difference and disparagement between the threat the President notifies us of and the remedy he suggests that gives to this Senator and other Members of the Senate and the American people at large the notion that this administration is not serious about that threat or believes that there is some simple, quick fix to counter that threat, if it does exist.

To conclude, Mr. President, the question before us today is not whether the United States has legitimate interests in Central America or whether we condone the Sandinistas' behavior in Nicaragua. We have central interests in the region, and we affirmatively reject the Sandinistas' policies. The questions instead are whether funding the Contras will lead to a negotiated settlement or wider war; whether this policy will change the behavior of the Nicaraguan government or intensify its repression; whether this policy enhances United States interests or strengthens anti-Americanism in the region.

It is the judgment of the senior Senator from Colorado that this policy is wrong and that it is counterproductive to American interests. I intend to vote against widening the war in Central America and for a policy that truly represents American values and principles not only in Central America but around the world as well.

Mr. STEVENS. Mr. President, the statement we have just heard, I think, frames the issue from the negative point of view as to why the President's request should not be granted.

I find it interesting that there is an underlying agreement in the Senate that there should be no base for the Soviets in Nicaragua. Yet, it is hard to examine what has happened in Nicaragua without determining that the Soviets do have a base there now.

Since 1979, the Soviets have put into Nicaragua over one-half billion dollars in the newest, most capable, and sophisticated military equipment they possess: MI-24 Hind attack helicopters, which are helicopter gunships, MI-8 transport helicopters; artillery; their T-55 medium battle tanks, PT-76 light amphibious tanks, high-speed personnel carriers and patrol boats.

Some of us have warned for several years now that they would use that equipment outside of their own boundaries, and we were told it would never happen, that it was there for their defense. It is unfortunate that we have to stand on the floor today and say we were right. A substantial portion of that armament is now going into Honduras.

Think of the situation that exists there now. Costa Rica has no army at all. El Salvador, as we know, is in the middle of a revolution. Honduras has 21,000 troops in its armed forces.

Somoza, who was so much under attack—and I believe we helped remove him—never had more than 14,000 troops in his National Guard. Yet, the Sandinista army has now grown from 16,625 in December of 1979 to over 60,000 active duty people and 60,000 highly-trained reserves and militia.

Someone might say: "Well, so what, if they want to arm their people and live as a military camp?" They are, in fact, the most heavily armed people, per capita, on the face of the globe today. I suppose some people would say that is their own business. I am here to talk, however, about what is already happening in terms of the use of that land mass by the Soviets.

I should like to recall to the Senate what happened in 1962, when the then President of the United States, John F. Kennedy, stated that the policy of the United States was that there should be no Russian missiles in this hemisphere. He took action to blockade Cuba, and there were no missiles placed in Cuba.

Today, the Cubans are lengthening the runway in Nicaragua. It is now longer than 10,400 feet. It need not be that long to serve any of the cargo planes or even any of the normal patrol planes that the Soviets might furnish to the Nicaraguans.

The only reason for it would be for the high performance planes of the Soviet Union, particularly the cruise missile carrying Bear-H bomber. It is my judgment, based upon the information that has come to me, that that is precisely the reason for the lengthening of the Nicaraguan runway.

So I had this charge prepared for the Senate. It shows what a Bear bomber could do, operating out of Nicaragua.

Incidentally, as an Alaskan, let me tell you that this is no hypothesis. We have Bear bombers operating over the North Pacific and the Bering Straits quite often. Several times recently, we have had to send up American fighters to escort them out of American airspace.

It is one thing to have a Bear bomber off the coast of Alaska, and it is an entirely different thing to have it operating out of Nicaragua, with its cruise missile launch capability. Not that I feel any comfort in the fact that they are off our shores; but, after all, they are our close neighbors.

When I was at home on Monday, I was closer to Japan than to Washington, DC. We understand that part of the world and know that there are just 4 miles between the two islands of the Diomedes, so far as the United States interests in Alaska and the Soviet interests in Big Diomede are concerned.

As a practical matter, if a cruise missile were to be launched from Nicaragua, the first circle would be the range of that cruise missile. The maximum range of that, by the way, would be 3,000 kilometers.

If that cruise missile were launched from the Bear-H bomber, we would find that, with a return round-trip capability, so far as the Bear bomber is concerned, the cruise missile range would be above San Francisco and above the dividing line between the United States and Canada, in the Northeast.

There is no question that the introduction of a cruise missile-carrying Bear bomber would present to the United States a confrontation similar to that which was presented to President Kennedy in 1962.

We know that the Russians were trying to do that in Grenada. They were trying to expand that runway and establish a satellite there and failed. Now they are busily expanding that runway near Managua.

The real question is: Do the people who oppose this money now really believe what they are saying? I have heard the statements that there should be no base for the Soviets in Nicaragua. What are we going to do if the Contras fold up and there is no opposition from Nicaraguans to the Sandinista government and their policies

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of Marxism? What if there is no internal Nicaraguan opposition to its becoming a Soviet satellite in our hemisphere? Nicaragua sits on our land mass. It is on the inter-American highway. It has an operational capability as an air base for Soviet offensive forces, and particularly for their cruise missile-carrying air bomber. I think that should cause us to stop and think. I have.

Without any question, I support the request of the President, because I think that to fail to do so will mean that our costs in the future of defending this hemisphere will increase—increase on a basis that is far beyond the cost of this $100 million to keep the Contra pressure on the Sandinista government so that they will desist from becoming a Soviet satellite.

We have urged that they withdraw foreign military personnel from Nicaragua, that they establish a balance with their neighbors, and that they end the insurgency of Nicaraguan support in other countries of Central America. For me, that is the goal we are seeking now in supporting the Contras.

They are Nicaraguans, many of whom fought in the revolution against Somoza, who want to see to it that the Sandinista revolution accomplishes its goal of establishing a true democracy in their country. As has been pointed out here, they are alone in not having a democracy in that area.

It will be a sad day if by virtue of our failure to support those who are willing to fight for the freedom of their own country and the establishment of democracy there, we some day see a request from the President of the United States to do what the opponents of this measure agree would have to be done: eliminate the Soviet base in Nicaragua.

Anyone who doubts there is a Soviet base there now, in my judgment, is just unwilling to open his or her eyes as regards the kind of equipment in Nicaragua and its purpose. It is Soviet equipment. It is sophisticated Soviet military hardware, and it is there, I believe, in the pursuit of their goal to pressure our Government in our North American hemisphere to offset the pressure that we have on them by virtue of our support of our NATO allies in Europe.

Mr. President, this request is a request which again, in my judgment, ought to be approved. I think any further delay on the sole basis that there ought to be more talk with the Sandinistas was answered by Ortega himself when he ordered his troops into Honduras. Those who have been to Honduras know the situation down there, particularly in the area in which the Nicaraguan troops have entered. It is an area that is very difficult for the Honduran people to defend. It is extremely difficult to understand why the Sandinistas have made the move at this time.

I heard the Senator ask yesterday why did they do it? In my judgment, they did it because they are carrying out the plan that they have. That plan is to move eventually Soviet armor at will through all of Central America.

I do not blame the public officials of Costa Rica, Honduras, Guatemala, and other Central American countries for not protesting loudly. There have been mild protests, but who wants to see a neighbor like this one, with, as I said, 60,000 active duty military people, 60,000 more in the reserves and militia, PT–76 light amphibious tanks, artillery, Hind helicopter gunships, armored patrol boats, the medium battle tanks from the Soviet Army? In Nicaragua, there are now 2,500 to 3,500 Cuban military advisers along with 3,500 to 4,000 Cuban civilian advisers, 300-plus additional advisers from the Soviet bloc, Libya, and the PLO.

There is just no question that we already have a military base for the Soviet Union in Nicaragua, and the only thing that keeps them from having the freedom to sit there in Managua and plan what to do with that force is the Contras, the freedom fighters.

This Senator will vote to give them the assistance they need to continue.

I yield the floor, Mr. President.

The PRESIDING OFFICER. The Senator from North Carolina.

Mr. HELMS. Mr. President, I thank the Chair for recognizing me.

Much of the day some of us have been in consultation about legislation to authorize the President to do what he is already authorized to do under the Constitution, and that is to conduct the foreign policy of this country, free of the implications of major news media and those who are not sympathetic to the President's desire to forestall a takeover of Central America by the Soviets and its surrogates.

Mr. President, I find myself troubled by the fact that we are even contemplating a debate on this question in the Senate. It seems to me that this is one matter that has been discussed over and over again, and we ought to go to a vote on it and let us see who stands where with respect to protecting the American people from the inevitable if Central America is allowed to fall as the latest victim into the hands of the Communists.

I cannot recall an issue, Mr. President, so clear cut as to needing no debate. This is a matter which Senators either favor or they do not. Either we are in favor of helping the Nicaraguan freedom fighters throw off Communist oppression, or we are not.

But as we debate this crucial issue, the Sandinista armies, under Cuban and Soviet supervision, have arrogantly invaded Honduras. Two well-trained Sandinista battalions, comprised of more than 1,500 soldiers, have penetrated more than 20 miles inside the border—so clearly it is not some mistake. They have fired upon the freedom fighter camps with artillery and rocket fire, and there are unofficial yet credible reports that more than 100 of the Contras have been wounded or killed. Their blood is still flowing as we talk in the U.S. Senate.

Mr. President, it baffles me that we can even be debating 90-day delays when men striving to be free are being killed? How can we talk about additional 15-day delays, and expedited debates about disallowing real assistance when the Sandinistas are obviously trying to preempt the situation with an armed invasion of their neighbor? Oh, to be sure, there are reports that the Sandinistas have rolled back. The Sandinistas as are all Communists, are good at thrusting and parrying.

How can we be bogged down with discussions of further negotiations, and commissions to study and determine whether the President is pursuing negotiations in good faith when the Communist Government of Nicaragua is, obviously, trying to pursue a decisive military victory against the Contras while we talk here.

Honduras, as all Senators know, has requested emergency assistance, and the President yesterday signed orders under existing law to provide an emergency $20 million to Honduras.

Mr. President, when the legislation is formally before the Senate, I shall offer an amendment to the resolution, which will focus attention on the real issues involved. What are the real issues? Let us identify some of them.

First, the fact is that Nicaragua has engaged in a Marxist-Leninist program of overt and covert aggression against other countries in the region.

Second, the fact is that Nicaragua has continued to import thousands of tons of armament into that small country, and has brought in thousands of foreign military and security personnel.

Third, the fact is that Nicaragua refuses to send those foreign personnel home, or to reduce their number to a level appropriate to her needs—and I suggest that that number should be no greater than 55.

Then there is the fact, Mr. President, that Nicaragua has refused to stop these activities because Nicaragua, shown by the events of this week, is trying to pursue a program of decisive military victory against the freedom fighters.

Moreover, Mr. President, it is abundantly clear that Nicaragua has no interest in a democratic solution. When are we going to wake up and smell the coffee around this place? Nicaragua does not even consider a negotiated democratic solution. If we cannot see that, we need a seeing-eye dog. When, Mr. President, has a Communist regime ever given up a position of power through negotiation? The answer to that is simple: Never. Never.

The fact is that Nicaragua refuses to acknowledge that it has an obligation to the Organization of American States to implement democracy, according to the OAS Resolutions of June 23, 1979 and July 12, 1979, and that Nicaragua undertook a similar obligation when it agreed to the September 1983 Contadora document of objectives.

So where is the first scintilla of good faith on the part of the Communists in Nicaragua? I will tell you, Mr. President, it is the same place where you find good faith on the part of the Communists anywhere in this world—nowhere. If you doubt that, ask the people of Afghanistan or Ethiopia or Hungary or Angola.

Finally, Mr. President, it is a fact that, on a very practical level, Nicaragua refuses to give non-Marxist political parties permission even to begin organizing political activities in preparation for elections to be held at some long distant future date.

They do not operate that way, Mr. President. They do not believe in democracy. They do not believe in freedom. What they believe in is making a sucker out of the United States of America.

Mr. President, that is why I say if there is to be a debate, we need to be discussing what is reality, not some fanciful thing of setting up a $400,000 commission to study this and study that and burn up the taxpayers' money sending people down there to supervise and observe and monitor.

We know what we confront. We do not need to study it. We do not need to monitor it. We need to look at history and remind ourselves of what communism is and what the goals of communism are.

We need to look at the controlling facts in this situation. We need to look at issues that determine whether we want to get rid of communism in Nicaragua or not by letting the freedom fighters there have a fighting chance. But there are some in this Chamber, and there was a majority in the other Chamber, that said, no, we are not going to do that. Well, I will say this, Mr. President, if we are unwilling to discuss these issues, then we are unwilling to discuss freedom or the steps necessary to defend freedom.

Mr. President, let me digress a moment just for a personal observation. Some years ago—about 10, to be exact—a distinguished citizen of the Soviet Union then came to my home. We spent the better part of an evening discussing the implications of the reluctance of the United States of America and the news media of America to confront what communism is and what the goals of communism are. This man's name was Alexandr Solzhenitsyn. I have never met a man with a greater intellect than Solzhenitsyn, nor have I ever met a man more impressive in his dedication to the proposition that the cruel tyranny of communism must be erased.

We all know the story of Alexandr Solzhenitsyn, how he was locked in that concentration camp for year after year after year. He wrote books in his mind because he was denied any paper or pencil. And he sat that evening in my home, Mr. President, and he pointed his finger at me and he said "Why, why do the American people, why do they not understand?" And I had to tell him I did not know.

Well the years have rolled by since that evening and we still do not know. So many people in this country, they are misled by the reports that they hear, by the obfuscation that occurs from the comments of politicians, motivated by the Lord knows what. I even heard one say the other day that he doubted that Nicaragua was even Communist.

Well, I have a Nicaraguan stamp here. It is an attractive stamp. It has a picture of Mr. Lenin on it. This is a 1985 issue now under circulation, in commemoration of the 115th anniversary of Lenin's birth. A nation only chooses to put its heroes on its stamps. Nicaragua's choice speaks for itself.

(Mr. EVANS assumed the chair.)

Mr. HELMS. Well, Mr. President, Let us return to Central America and specifically to Nicaragua. It seems to me the President of the United States made a modest request. He asked to reprogram $100 million in funds already appropriated. No new money; money already appropriated. Yet what do we hear? We hear voices insisting that we should be seeking compromises with the Communists, knowing full well that the Communists are not going to compromise.

Now, there is no question whatsoever about the regime in Nicaragua being a Marxist-Leninist regime which has installed the classic features of Communist dictatorships.

I think back, Mr. President, to the years 1979–80, when we had debates about the Sandinistas on this floor. I stood in astonishment as I watched some of my colleagues make various protestations.

I did the best I could to analyze the situation that existed at that time. I did my best to analyze the Marxist orientation of the power groups in the Sandinista junta. And I pointed out—and the Record will show it—that the directing role being played by Castro was something we ought to watch and certainly not support.

I remember saying to Senators, "Look out for the infiltration of Cuban Communists at every key role in the Sandinista Government."

Now do you know what the issue was then, Mr. President? It was whether we were going to send $75 million to the Communist regime in Nicaragua. And this Senate voted to do it and then followed up with another $75 million. I pointed out at that time the directing role being played by Mr. Castro. I detailed the treaties that bound the Sandinistas to the Communist Party of the Soviet Union and other parties belonging to the hard line Soviet bloc. I listed—and it is all there in the Record for anybody who wants to look it up—I listed the military armaments that were even then flowing into Nicaragua to the Sandinistas.

But this Senate would not be deterred. I remember one Senator said, "I'm willing to take a chance." He was willing to take a chance with $75 million of other people's money, not his own.

The Carter administration was asking for $75 million, supposedly to help the private sector. That was the news we received up here. It was baloney.

I pointed out that this money would not be used to help the private sector, but to capture and control the private sector, which is exactly what happened.

That does not mean that I am wiser than anybody, now or then. I am simply saying that communism and Communists do not change, no matter what continent they are on.

Those of us who had grave doubts above the move of the U.S. Senate on that occasion did not prevail; $75 million—down it went to the Communists in Nicaragua.

In May 1980, the Senate cast that vote. It is all right to make one mistake. But, E Pluribus Unum, one mistake out of many.

Let us move to another section of the world. Let us look at Zimbabwe.

In a free and fair election, a fine black man named Abel Muzorewa was elected prime minister. Abel Muzorewa is a Methodist bishop. He was taught to read by a dear little lady missionary who now lives in North Carolina. She led him to be a Christian.

But what happened in the political machinations of this country and in the news media of this country is that the manipulations began. Then all of a sudden they decided they had to have a new election over there and deposed Muzorewa. And what happened, Mr. President? Mr. Mugabe, a Communist, was elected and he now runs that country with a bloody fist.

When will we wake up?

Back to the curious activities of this Senate, of this Congress, and the then administration.

In June 1980, the Senate voted to give the second $75 million to the Communist Sandinistas. That made

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$150 million. Here we are proposing to debate until late in the night, possibly over until tomorrow, about whether to help the freedom fighters who represent the people in Nicaragua who want to be free. We are tying all sorts of strings to the hands of the President of the United States. For example, we are going to set up a commission to monitor the progress of negotiations. It will spend $400,000, and it will be an utter waste.

I say again, why do we not wake up? Why are we even spending time on this?

Yes, in 1980, in June of that year, there was another $75 million for the Sandinistas. But by that time a certain uneasiness was beginning to show its head, though a little too late. But at least some Senators were saying, "Well, I made a mistake when I voted for that first step."

I decided to offer an amendment to strike all military assistance to the Sandinistas from the bill. Mr. President, that amendment was adopted. We had an outburst of common sense, for once.

I remember speaking at some length on that. I had a member of my staff get out my exact words. Here, again, Mr. President, I assign myself no particular wisdom. It would seem to me that anybody with common sense would arrive at the same conclusion that I did at that time. In any case, I said at that time:

> All that we would accomplish by sending these (military) funds—amounting to about $145 million—would be to strengthen the hands of the Marxist oppressors who are still trying to consolidate power.

Then I continued:

> If any military aid is sent to Nicaragua at all, it should go to the liberation groups who are fighting clandestinely to take back their country from the Communists.

That was said in this Chamber, Mr. President. I say again that this statement and this position of mine in 1980 does not represent any gift of prophecy. I think it was just common sense.

The economic funding that was voted in this Senate and in the House of Representatives had a result almost as deadly. Fortunately, there was a change in adminstrations in January 1981 and the funding was terminated because of the Sandinista support for terrorism in El Salvador.

Do you see the pattern, Mr. President? It is the same everywhere when communism rears its head.

The total amount disbursed to the Communists in Managua was $119 million, more than the sum total of all the assistance that the United States had provided Nicaragua in the entire pre-Communist period.

Mr. President, truth compels me to point out that many of the Senators who voted to give that aid to the Communists in Nicaragua are no longer Members of this body. They are not here to vote again as they voted before. Some of them, of course, are still here. It is those Senators who did vote to aid the Communists in 1980 to whom I would address this plea, though no doubt it will fall on deaf ears.

I ask with all the sincerity I possess, Mr. President, of these Senators who voted to send millions upon millions of dollars in 1980 to the Communists in Nicaragua, can they not muster up enough common sense to say, "Well, turn-about-is-fair-play?" Since the United States put up the money to enable the Sandinistas to consolidate their power as a Communist government in Nicaragua, is it not in fact a moral responsibility that this Senate now vote to help the freedom fighters—the democratic resistance, the resistance that we betrayed in 1980?

The democratic resistance has had to resort to arms to win back their freedom and I think it only fair that we help them. That is the position of the President of the United States. He is right on this issue and the major news media are wrong. The politicians are wrong when they say we have to tie the President's hands, that we have to impose this restraint and that restraint.

If we really believe in freedom, Mr. President, we are not going to hobble the President with the provisions of a compromise designed to accommodate all points of view. We cannot stand spraddle-legged on this issue. The issue is: Freedom, are we for it; or freedom, are we against it?

I hope that we will not be setting up hurdle after hurdle which the freedom fighters will find almost impossible to clear. I hope we will not be setting up that $400,000 commission to report on whether or not the President is pursuing negotiations in good faith.

I hope we will not be seeking to have yet a third debate in Congress on disallowing the President's action after the $400,000 commission's report has been filed.

I have a better suggestion: Forget about the commission and send the $400,000 to the freedom fighters.

Mr. President, it should be noted that the so-called compromise—and it is still being fashioned as I speak—may set up conditions that would give a clear advantage to the other side, the Marxist side. I hope that is not so. I have yet to see the final language. I know that the people who have been working on it are doing so in good faith, but I have not been a party to it today.

There has been a suggestion that there be a condition requiring the President to report that no Contadora agreement exists before real aid can be sent. What is that? Just another delaying tactic and the Sandinistas love it. That gives the Contadora nations the upper hand in establishing the pace and the outcome of the negotiations and, never sympathetic to the cause of freedom, the eight-nation Contadora group—which does not formally include the United States, by the way—could and probably would come up with a meaningless treaty that would have the effect of killing aid to the freedom fighters.

Then there is another proposal, to allow the Sandinistas themselves to get control of delivery of the aid package without their having to give up anything. I do not understand that kind of logic. If the Sandinistas decreed an end to the state of siege, if they decreed a cease fire, if they agreed to negotiate with all parties concerned—all these actions could kill the package.

Of course, that action could be rescinded the moment the aid package is dead. I say again that is historically the cunning Communist operation—no good faith now or any time before. If any Senator can identify a time when the Communists have acted in good faith, I want to know it.

In any case, I cannot believe that the Senate really wants to allow Communists to tell President Reagan when he can or cannot send assistance to freedom fighters.

Mr. President, the amendment that I have drafted for the legislative package when it is formally before the Senate would not negate the language of the resolution, but it would override it if the conditions pertaining to the real situation are not met. In other words, the empty rhetoric about negotiations would no longer be the test for giving aid. The test for giving aid would be whether the Communist Sandinistas are in fact stopping their aggression against the Nicaragua people and against their neighbors. If that is not a fair proposition, I cannot think of one if, Mr. President, we are sincere about wanting to support freedom in this hemisphere, let alone anywhere else in the world.

So that is the real question, Mr. President: Do we really want to help people achieve their freedom? It is just like that night when Solzhenitsyn sat in my living room and he asked, "Do the American people really care?" I think they do.

I hear all sorts of polls about the American people being opposed to this. Let me tell you, Mr. President, it depends on how you ask the question. A major poll taken last week, from March 11 to March 13, shows what the American people believe. By a margin of 52.8 percent to 36.5 percent, the American people believe that the United States has a moral obligation to assist anti-Communist freedom fighters throughout the world. By a margin of 47.7 percent to 39.1 percent, voters opposed giving $100 million in military aid to freedom fighters in Nicaragua.

However, when presented with the facts of what is actually taking place in Nicaragua, the reversal of opinion is dramatic. Voters favored military assistance to Nicaraguan freedom fighters by a margin of about 55 to 27 percent when they were informed that there are presently thousands of Russian and Cuban military advisers in Nicaragua. When they are advised that the Communist government of Nicaragua imposed limits on basic human rights; when the American people are advised that the Government troops in Nicaragua are using the latest Russian military hardware to combat the freedom fighters; and when the American people are advised that over the last 4 years, Qadhafi has given weapons and more than $400 million in aid to the Communist Sandinistas in Nicaragua—when the people know that in this poll, they overwhelmingly support Ronald Reagan in his proposal to send $100 million to help the freedom fighters.

Mr. President, this bill was taken by the nationally known firm of Arthur J. Finkelstein & Associates, a firm with a distinguished reputation. The survey was administered to 1,010 voters across the United States. Interview selection was random within predetermined election units. These units were structured to statistically correlate with actual voter distributions in national elections.

Mr. President, I ask unanimous consent that the results of the Finkelstein poll be printed in the Record at the conclusion of my remarks.

So, the real question, I say again, Mr. President, is: Do we really want to help people regain freedom? Do we want to give hope to the Communist regime that they can prevail against freedom? If so, then let us tie the President's hands. Why not deny him any authority whatsoever to send help to the freedom fighters? Let us go ahead and reinforce the Communist claim that once a Marxist-Leninist regime takes power, it can never be overturned. Indeed, the way to reinforce that Communist claim is to make it difficult if not impossible for the President to conduct a sensible, responsible foreign policy in terms of helping the freedom fighters. That is the question, Mr. President. It is just that simple.

That is why, later on this afternoon or tomorrow, I shall offer an amendment to the proposed resolution that will—shortly perhaps—become the pending business in the Senate.

Mr. President, I thank the Chair. I yield the floor.

(Exhibit 1)

[Arthur J. Finkelstein & Associates]

National Survey Summary—Voter Opinion on Nicaragua, March 1986

SURVEY SUMMARY

1. A clear majority of the respondents believe that the United States has a moral obligation to support anti-communist Freedom Fighters throughout the world. By political affiliation, Republicans demonstrate the greatest agreement with this statement. However, both Democrats and Independents express agreement with this statement as well.

2. Overall, with less than a majority, the respondents oppose military aid to the Freedom Fighters in Nicaragua by a small margin. HOWEVER, WHEN THOSE RESPONDENTS WHO STATED OPPOSITION TO MILITARY AID WERE PRESENTED WITH CERTAIN FACTS PERTINENT TO THIS ISSUE, THE REVERSAL IN OPINION IS DRAMATIC. In each and every instance, this issue moves from net opposition to where a clear majority of the respondents now favor military aid, based on these certain facts.

3. Overall, an overwhelming majority of respondents believe that President Reagan has the best interests of our country at heart in his support of aid for the Freedom Fighters in Nicaragua. By political affiliation, Republicans express the greatest agreement with this statement, followed by Independents. Moreover, even Democrats agree with this statement with a substantial majority.

4. An overwhelming majority of the respondents believe it is very or somewhat likely that the Russians would place nuclear weaponry in Nicaragua if the communist government were to remain in power. By political affiliation, Republicans and Democrats view the likelihood of the Russians placing nuclear weaponry in Nicaragua at virtually the same level. However, Independents view this as somewhat less likely to occur.

5. Overall Russia and its influence in Nicaragua is viewed as the most serious and immediate threat to U.S. security, provided the communist government in Nicaragua remains in power. Interestingly, Libya edged out Cuba, receiving the second largest response as the most serious threat to U.S. security, with Cuba receiving the least number of responses. By political affiliation, Republicans view Russia and Libya as nearly equal threats to security, Democrats viewed Russia and Cuba nearly equally, while independents are more firmly agreed upon Russia as our most serious threat.

1. Do you believe that the United States has a moral obligation to assist anti-communist freedom fighters throughout the world?

[In percent]

	Overall	Adjusted percent	Republicans	Democrats	Independents
Yes, assist	52.8	59.1	58.5	49.6	52.1
No, not assist	36.5	40.9	32.1	41.1	34.1
Don't know/refused	10.7	....	9.5	9.3	13.8

2. Do you favor or oppose giving 100 million dollars in military aid to the anti-communist freedom fighters in Nicaragua?

[In percent]	Overall
Favor	39.1
Oppose	47.7
Don't know/refused	13.2

Aid to freedom fighters if you knew that:

"There are presently thousands of Russian and Cuban military advisors in Nicaragua helping fight against the freedom fighters."

[In percent]	Overall
Combo favor	54.9
Combo oppose	26.3
Don't know/refused	18.8

"Recently, the communist government in Nicaragua imposed limits on basic human rights such as freedom of speech and freedom of assembly."

[In percent]	Overall
Combo favor	55.6
Combo oppose	26.3
Don't know/refused	18.1

"The government forces in Nicaragua are using the latest Russian military hardware to combat the freedom fighters."

[In percent]	Overall
Combo favor	54.9
Combo oppose	27.3
Don't know/refused	17.8

"Over the last four years, Libyan leader Mohmmar Khadafi has given weapons and over 400 million dollars in aid to the communist government in Nicaragua to help combat the freedom fighters."

[In percent]	Overall
Combo favor	54.9
Combo oppose	28.2
Don't know/refused	16.9

"The communist government has punished Catholic, Protestant and Jewish religious leaders for speaking out against the government.

[In percent]	Overall
Combo favor	56.6
Combo oppose	26.5
Don't know/refused	16.9

Combo—These numbers are recalculated percentages which reflect the following:

Combo favor—Those who originally favored, combined with those who now favor based on the statement.

Combo oppose—Those who firmly oppose, regardless of the statement.

Don't know/refused—Those who originally expressed no opinion, combined with those who expressed no preference after hearing the statement.

3. "Do you believe that President Reagan has the best interest of our country at heart in his support for giving military aid to the freedom fighters in Nicaragua?"

[In percent]

	Overall	Republicans	Democrats	Independents
Yes, best interest	67.8	80.5	58.3	64.4
No, not best interest	22.7	13.2	33.2	21.8
Don't know/refused	9.5	6.3	8.4	13.2

4. "Again, regardless of how you feel about aid to the freedom fighters in Nicaragua, if the communist government of Nicaragua were to remain in power, in your opinion how likely is it that the Russians would place nuclear weapons and missiles in Nicaragua? Would you say it is very likely, only somewhat likely or not likely at all?"

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[In percent]

	Overall	Republicans	Democrats	Independents
Very likely	44.1	49.0	45.0	36.0
Somewhat likely	29.2	25.8	30.2	33.0
Not likely at all	20.3	18.6	17.7	26.1
Don't know/refused	6.4	6.6	7.1	5.0

Mr. HECHT addressed the Chair.

The PRESIDING OFFICER. The Senator from Nevada.

Mr. HECHT. Mr. President, today the Senate once again debates the pros and cons of a Reagan administration request to aid the Nicaraguan Freedom Fighters. I want to state from the outset that, notwithstanding the actions of the other body, the U.S. Senate absolutely must support the President and help these brave people.

In a truly unfortunate act, Mr. President, the House of Representatives last week voted not to assist the Contras, and I think the question must finally be asked, When is Congress going to stop this annual folly of fighting Ronald Reagan tooth and nail when he seeks to aid those who combat tyranny and oppression? When will this administration finally receive cooperation in carrying out a foreign policy designed to keep America free from Soviet and Cuban expansionism? And when, Mr. President, is Congress going to lead, as we have been elected to do, and act responsibly?

Since Ronald Reagan has been in office, Mr. President, Soviet adventurism throughout the globe has been on the rise. All we need do is observe where Russia is stirring trouble—Afghanistan, Angola, or the Middle East—to realize their plans are clear, they desire to cause problems for the United States and dominate wherever they can. They are succeeding, I am sorry to say, and they are succeeding too close to our borders. By requesting Contra aid, President Reagan is saying Soviet expansionism must stop. The United States simply cannot tolerate another totalitarian state so close to home. I could not agree more.

This last statement raises an important point as we follow the Central American question, Mr. President. Cuba, unfortunately, exists. It is a reality of life and a lesson we should have learned from over the past 25 years, but apparently many have not. If it were not for the Communist foothold in Cuba, there is every likelihood we would not even be here today seeking $100 million for the Contras. And really, Mr. President, that is the essence of what we are discussing. Castro and the Soviets have established themselves in this hemisphere and they are serious cause for concern. If we allow their aggression to continue unabated, we are sure to have more trouble down the road.

Mr. President, the only solution in Central America is to eradicate the Sandinistas. But how do we accomplish this? Opponents of aiding the Contras say we should negotiate. They are wrong; there is nothing to negotiate. The solution is simple. We want Moscow and Havana out of Nicaragua. We want them out of Central America. To me it is clear that the only way to return Nicaragua to the sphere of self-determination and democracy is by completely eliminating the Sandinista cancer altogether. We simply must support the Contras and give them the means by which to overthrow the Sandinistas.

Mr. President, the Congress must not fail the freedom fighters. We must stand by President Reagan and vote to approve aid to the Contras.

Mr. President, I ask unanimous consent that two recent editorials be included in the RECORD. These editorials, the first titled "U.S. Should Give Its Full Support to Contra Forces" is from the March 12, Reno Gazette-Journal; the second is the March 20, 1986, "Where I Stand" column by Mr. Hank Greenspun, editor of the Las Vegas Sun. I believe both reflect the true concern Nevadans hold for the Sandinista threat, which is closer to Nevada than Nevada is to Washington.

There being no objection, the articles were ordered to be printed in the RECORD, as follows:

UNITED STATES SHOULD GIVE ITS FULL SUPPORT TO CONTRA FORCES

So now, in Washington, they are debating whether to give $100 million in aid to the Nicaraguan contras, or to compromise with $70 million, or $50 million. Or perhaps the administration and Congress will decide to wait six months before giving anything, just to see how things go, and then fork over the munificent sum of $100 million if the Sandinista government doesn't negotiate—which, of course, it won't do if there is no pressure upon it.

And all the while, everyone knows—or should know—that this debate amounts to no more than boxing at shadows. It is a matter of absolute indifference whether the contras get $100 million or something less—because giving them any of these sums will be no better than administering an aspirin for a broken leg.

With $100 million (or $70 million, or $50 million), the contras will be permitted to harass the government, but not to force it to the negotiating table. They will be permitted to fight and die, but not to win.

In common decency, what the United States government must do is either refuse all aid and let the contra movement die a quick, merciful death, or give it the support it needs to oust the communist government from Managua.

If this Congress is wise, it will do the latter. It will join the Reagan administration in giving all-out support to the contras.

Why should it do this? Because the United States cannot afford to have an aggressive communist government in Central America.

Are the contras imperfect? Of course they are. Are they really the "freedom fighters" that Reagan claims? Only partially. To a considerable degree, they represent some remnants of Somoza supporters and members of the old middle class. They will not be eager to help the poor.

Yet, if they could gain power, either through negotiation or outright victory, they would offer a better long-range chance of democracy than the Sandinista government, dedicated as it is to communist-style dictatorship. The United States could influence a contra government toward democracy, as it did in the Philippines. The United States cannot do the same with the Sandinistas, whose only claim toward democracy was an election as fraudulent as that of Ferdinand Marcos.

But equally important, the contras would not destabilize Central America, something the Sandinistas very well might do. The history of most communist dictatorships is to unsettle neighboring governments and either dominate them or make them brother communists. The lesson from Vietnam, Cuba and even Russia itself is clear. Even China took over Tibet.

A destabilized or communist Central America would pose a serious threat to Mexico, and thus, eventually, to the United States. And the time for effective action is short. In 1984, the contras had the Sandinistas on the defensive. But since the U.S. has drastically trimmed its aid, the Sandinistas have gained the offensive. With the aid of Russian supplies, training and advanced helicopters, the Sandinistas are poised to eliminate the contras as a viable threat, perhaps within a year.

In self-defense—and for the good of the peoples of Central America and Mexico—the United States must support the contras with whatever training and equipment they need.

WHERE I STAND

(By Hank Greenspun)

Pro or conTRA . . . .

In this violent, terror-diplomacy doctrine that has supplanted law in our international order, all nations must take sides.

The two opposing ideologies are a democratic society or a communist state. The countries that espouse freedom have no plan for world domination but are willing to live alongside their communist counterparts without territorial ambition or clandestine subversion of the opposition.

The Soviets have a master plan that will go on for years and years until the free world falls and the entire globe goes communistic. That is their goal. It is written in the teachings of Marx and Lenin.

Russia has long been the peril to the social and political order of all nations who are not allied with the political ideology of Marxism. And wherever possible its rules have not imperiled their own security and master plan for some temporary advantage.

They have been successful in infiltrating and penetrating vital areas without openly antagonizing other world leaders. They have been content to use surrogates.

Their principal surrogate in the Americas is Fidel Castro of Cuba who is still young and vital enough to be daring and venturesome. Russia supplies the weapons and money, and Castro makes the moves.

He has not only moved thoughout Central and South America but his influence through troops, training and terror has gone into far-flung areas where Russia seeks footing and influence.

The Persian Gulf, Africa and the South Atlantic have felt the spearhead of Cuban

penetration in establishing bridgeheads for the Soviets to move in.

Castro has always tweaked the U.S. nose with impunity because our nation has never taken a stand against his incursions into foreign lands or even Central America.

It was Castro's troops, weapons and planes that overthrew the brutal dictatorship in Nicaragua and established Daniel Ortega as the head of government. Ortega is a die-hard Marxist who is even bolder and more daring than Castro because his is a tiny impoverished nation with nothing to lose and everything to gain.

Nicaragua, a country with three million population, has tanks, planes, missiles and weapons sufficient for a country 30 times its size. Russia has poured in close to a billion dollars in the most sophisticated armament and built airfields to rival the best of countries many times its size.

Libya has given all kinds of terror weapons approximating many hundreds of millions of dollars, plus advisers, strategists and actual combat troops to assist the Russian advisers who number in the thousands. Yemen, the PLO and other terror nations have sent advisers, weapons and troops to train and actually fight in neighboring Central American countries in an effort to overthrow governments and lead them down the path of Marxism.

There is a debate presently taking place in the House of Representatives of the United States on an administration proposal to provide the Contras who are fighting to overthrow the Sandinistas with a $100 million aid package encompassing $30 million in humanitarian aid and $70 million at the disposal of President Reagan for military assistance to the Contras.

The pro and con lineup appears to be along party lines with the Democrats opposing military aid and the Republicans supporting the President's proposal. There are a few defections in both parties.

Yes, the Democrats are saying: "We are against communist subversion in Central America—we are against spreading Russian influence in Nicaragua and to its neighbors."

But, in the debate, many Democrats have stated they will wait for negotiations to take place first; and if the Russians attempt to build a submarine base in Nicaragua, then there will be time to act.

Who can the U.S. negotiate with? The Russians, Libyans, PLO or Yemen. They are in control of Nicaragua. Ortega is a mere tool.

Russia has no intention of building a naval base in Central America until the entire region is under Cuban and Nicaraguan domination. Then it will be too late for the U.S. Marines.

The Soviets are in no great hurry. The master plan calls for one country a decade and only when the free countries are lulled into a false state of security or are too cowed for reprisals. This is their history and experience.

If we deny the Contras aid to resist, to fight, to keep Russian ships from unloading massive military aid for infiltration of Central America, then we are aiding Russia, Cuba and Libya in doing their nefarious work.

If we deny Contras military aid no matter how insufficient the amount, then we are sending the wrong signal to the communists and their allies and surrogates. We are admitting that we have no foreign policy as far as Soviet Imperialism is concerned.

The president is surrounded by selfish interests of every kind. The Democrats cannot vote Tip O'Neill's antipathy against Reagan.

In matters of threats to our country's survival, Abraham Lincoln said: "We are no longer Democrats—we are no longer Republicans."

He meant it and the words are as true today as they were when Lincoln spoke them.

We need not question the patriotism of any member of Congress, but the facts are there. All the philosophizing and rationalizing in the world isn't going to change anything. It was the George McGovern-Jimmy Carter policy that started all the appeasement of Russian influence in Central America.

No member of Congress can be pro or conTRA Russian penetration at one and the same time. You are either for something or against it.

No matter how you juggle or straddle, it is one side or the other. Pro or conTRA—take you pick and history will record the vote.●

Mr. DIXON. Mr. President, as our colleagues on both sides of the aisle continue to discuss the question of Contra assistance, I think it is entirely appropriate that a Member from this side of the aisle, who has supported that concept in the past, briefly express his point of view, in the hope that those who are carrying on the discussions may hear my comments, and in the hope that my comments might lead to the kind of appropriate compromise that could bring about a solution to this problem.

I feel very strongly that the President is correct when he says that we have to keep the pressure on in Nicaragua. I feel very strongly that Mr. Ortega is clearly a Communist, a Marxist who came to power without free elections, promising freedom of religion, free labor unions, freedom of assembly, freedom of the press, and that none of those institutions in reality exists in Nicaragua today.

So I think it is important for us to do the necessary things to support the Contras as they keep the pressure on in Nicaragua. But I think it is also important that we make clear to the American people that we are doing this with definite, finite goals in mind; and I am concerned that there is not that complete understanding in the country of what we ought do do.

I believe we should make it very clear to the country that in connection with this process we are seeking further talks in Nicaragua utilizing the Contadora group and other interested parties, including ourselves and the Nicaraguan Sandinistas, to bring about free elections in Nicaragua—free elections, it is hoped, properly supervised by the Organization of American States.

I believe I am correct in saying, Mr. President, that the measure has not been laid before the Senate at this time.

The PRESIDING OFFICER. That is correct.

Mr. DIXON. I hope that when that legislation is before us, and it is appropriate to debate the issues before us, we will adopt at least one amendment I will offer—and I am preparing several.

I see the distinguished Senator from Texas on the floor. If my recollection is correct, he was in the Armed Services Committee when we were privileged to have testimony from the administration spokesman. That information was that they do not intend to send any military personnel, military advisers, military people, or representatives of our Government on to the ground in Nicaragua. We should make it clear in connection with this process that we are not sending any military advisers or others of that stripe on to the ground in Nicaragua.

I think the message is clear, as I return to my home State, that the people there are very concerned about the fact that Vietnam began in that way and that other serious engagements could arise as a consequence of that kind of policy.

As one of the minority on my side—I expect—who is prepared to support Contra assistance, I think it is clear that we should have the policies and the goals of the Senate set forth clearly in what we do here; that we should say that we are seeking discussions; that we should say that we are interested in achieving free elections, properly supervised by the Organization of American States.

We ought to make only sufficient sums available at this time for defensive weapons. Frankly, I think that the Contras out there, facing Soviet-armed helicopters, ought to have Stingers and the appropriate defensive weapons to do that kind of job, and we should make that available as soon as possible.

I believe we should link the rest of the money to appropriate talks that take place within a reasonable period of time or that we have definite information that every effort at talks has failed because Ortega and the Sandinistas will not cooperate in such a process.

I do not know how many people I speak for here when I make these statements, but I do believe that there are a substantial number of us on both sides, of moderate persuasion, who will support appropriate assistance to get the job done, to keep the pressure on down there, with the right kinds of goals set forth in the legislation we adopt.

I urge my colleagues—on the floor, off the floor, wherever they may be—particularly those in leadership on the issue on both sides, to seriously pursue a compromise and an accommodation that achieves those kinds of purposes.

Mr. GRAMM. Mr. President, I rise in support of the President's proposal

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to provide $100 million of aid to the Contra rebels fighting for their freedom and for American interests in Nicaragua.

I hear a lot of talk about negotiations, and certainly I support talking rather than shooting. But it seems to me that many of those who talk about negotiations forget the fact that the United States with the Organization of American States has already done that. Negotiations with the Sandinistas were completed and a negotiated settlement was reached—in the summer of 1979.

The 1979 commitments by the Sandinistas are binding, and U.S. law requires Congress to insist that they be lived up to.

In 1979, based on the Sandinistas promises, the United States and the OAS, in an unprecedented step, withdrew recognition from a sitting government, that of Somoza, and then recognized the Sandinistas.

Again based on the Sandinistas promises, the United States gave the Sandinistas $118 million in direct aid—more than they got from any other country—and we arranged a total air package with a value of over $1 billion.

The problem is not for us to reach a settlement, there is one. The problem is to get the Sandinistas to abide by it.

We can see why the Sandinista Communists would break their pledges, but we cannot understand any effort to absolve them for doing so.

In 1979, we made an agreement that committed the Sandinistas to respect human rights. Are those who are saying that we ought to have more talks saying that we ought to renegotiate that point? Are they saying now that we no longer demand that they recognize human rights? I certainly demand that they do, and I believe the American people do as well.

The 1979 agreements committed the Sandinistas to genuine, free, open, and honest elections.

To those who today are calling for negotiations, are they saying that somehow we ought to repudiate this agreement that we do not want genuinely free open and honest elections? I do not think so.

Under the 1979 agreements the Sandinistas pledged to not subvert their neighbors. Are we really willing through renegotiation to give up that point? I think the American people are not.

Under the 1979 agreements the Sandinistas pledged not to turn Nicaragua into a Soviet base camp. Perhaps it is too late to renegotiate that for they have not lived by that agreement, nor have they lived by any other major element of the agreement in 1979 under which we recognized the Sandinistas as the legitimate government of the people of Nicaragua.

The truth is that we have an agreement. It is an agreement that they have broken and as a result I am a little bit confused. When we made a deal in 1979, that deal was binding then and it is now.

Are those who are saying that we need more time for negotiations saying that we ought to renegotiate these agreements? Are they saying that perhaps we should let the Sandinistas out of agreements they made in the past? I am certainly not willing to do that.

There is no part of the 1979 agreements that we can give up, and there is no likelihood of getting an agreement that is any better.

I wish that words would deal with the problem. I wish that by sending Band-Aids to the Contra rebels fighting for their freedom that that would offset the impact of Soviet gunships flown by Cuban pilots, but unfortunately it will not.

I think it is very interesting, Mr. President, that every time the House of Representatives has acted to deny military assistance to those fighting for their freedom in Nicaragua, Comandante Ortega has responded with more aggression.

Last year when the House rejected aid, Comandante Ortega went to Moscow to negotiate more arms agreement and in fact came back with an aid package of $350 million worth of military assistance.

In the very week that the House voted down military assistance for the Contra rebels, Comandante Ortega ordered an invasion of Honduran sovereign territory in the largest strike ever by the Sandinistas into their neighbor's territory. But they were not very effective militarily. Unfortunately for Comandante Ortega it seems that they suffered a severe defeat.

I have heard much talk about the Sandinistas and about their military strength and about the weakness of the Contras.

Let me remind my colleagues that the incursion into Honduras was undertaken not by military from the Sandinista government but from its crack troops.

Who today in light of the success of the Contra rebels is willing to say that they do not have the ability to fight? I think the evidence is overwhelming that they do.

It is true that there are "only" 20,000 freedom fighters fighting with the Contras in Nicaragua. But that is three times as many people as were fighting Somoza when Somoza was overthrown.

I think the evidence is overwhelming that these are people who legitimately are seeking their freedom. The idea that they are made up of people who were in the Somoza national guard is ludicrous upon its face when most of the people who are fighting with the Contras are teenagers and have never served in any military organization before.

What is at stake here? There is one crucial point that I want to make in explaining why I support the President's proposal.

First of all, I support it because we do not have just a Central American conflict. We have a conflict that has arisen because the Soviet Union and Cuba have provided massive military assistance to a Communist government that is gaining a foothold on the mainland of the Americas.

People talk about letting the Central American work the problem out for themselves. I am in favor of that. But we cannot have meaningful negotiations. We cannot have self-determination when the Soviet Union sends gunships piloted by Cuban pilots.

I think it is important to recognize that unless we are willing to provide military supplies and medical supplies to those who are fighting for their freedom the Communists are going to prevail in Nicaragua and in Central America and they are going to menance Mexico and ultimately the United States.

Perhaps my vision is a little bit clearer on this issue because I represent Texas. There are 100 million people between the Panama Canal and the border between Mexico and Texas. Today, one out of every 5 Nicaraguans is a political refugee. Communism is not a very effective economic system, but it is very effective in creating political refugees.

I want to ask my colleague as we debate this issue: If we do not provide military assistance, and if the President is right, and the Communists gain a foothold on the mainland of the Americas, it will set off a tidal wave of humanity seeking political freedom, economic security and protection. When a tidal wave of humanity comes across the border into Texas, how many people who are opposed to the President's aid package today are going to be willing to take some of these political refugees? They are going to come into Texas by the millions if we allow Central America to be disrupted by Communist insurgency. Perhaps we ought to have today, if this package fails, a refugee sharing program, a program whereby all the Members of the Senate who do not support the aid package would commit as to how many political refugees they are willing to relocate in their State.

I am deeply concerned because most of the population of my State is closer to Nicaragua than it is to Washington, DC. I hear comparisons to Vietnam, but let me tell you the major difference between Nicaragua and Vietnam. The major difference is 8,000 miles. Now we are talking about America's own backyard. In the past because of peaceful borders we have been able to

focus our attention on preventing potential threats from the Soviets in Europe and Asia.

If we allow the Communists to have a firm foothold on the mainland of the Americas, American interests will be threatened and America is ultimately going to be pulled into the conflict.

I hear my colleagues say let us not provide $100 million of aid because it is a stepping-stone to direct American involvement. But I say exactly the opposite. Let us supply the $100 million of aid as a substitute for American involvement.

If we do not provide assistance, the Sandinistas will secure their foothold in Nicaragua, will menace, subvert, and ultimately overthrow the government of their neighbors and ultimately menace Mexico.

Mexico is a potential powder keg because of their economic and political problems. And not only are we going to have a huge number of political refugees, but we are going to have the potential of having an unstable 2,000-mile border, 1,000 miles of which will be a border of Texas. Under those circumstances, it is easy for me to see direct American military involvement.

I do not want that to happen. I have two little sons, one 12 and one 10, and I do not want to see them someday fight and die in Mexico because we had such faint hearts that we were unwilling to provide $100 million of aid to people who were fighting for their freedom and against Communist subversion in Central America.

I think the evidence is overwhelming that, No. 1, Ortega does want more time, he does want to talk, but he does not want to talk to solve the problem. He wants to talk in order to buy time. They want to buy time to wipe out the Contras. They want to buy time to consolidate their Communist dictatorship. They want to buy time to expand their military power. They want to buy time to subvert their neighbors and thereby threaten the United States.

It is very interesting to me, Mr. President, that our enemies know what side they are on. We have in Nicaragua the Soviets, Cubans, East Germans, the Czechs, the PLO, the Libyans, the North Koreans, and the Iranians. They all are absolutely certain what side they are on. They are against the United States of America.

Only here do we have a question as to what side we are on. I think it is clear, Mr. President, what side we ought to be on. We ought to be on the side of those who are fighting for their freedom and who are fighting against a foothold for communism on the mainland of the Americas.

I yield the floor, Mr. President.

Mr. **SYMMS**. Mr. President, I ask unanimous consent to proceed as though in morning business.

The **PRESIDING OFFICER**. Without objection, it is so ordered.

(Mr. **GORTON** assumed the chair.)

Mr. **SYMMS**. Mr. President, the issue of aid to the Contras has been before this body many times now, and each time we have furious debates and close votes. But it disturbs me that the issue continues to be obscured by false and misleading information. Similarly, public interest in the problems in Central America and U.S. foreign policy in the region is high but public understanding of the situation there is not.

The public's ability to understand and make decisions about the situation in Central America is hampered by misinformation, the difficulty in gaining access to information inside Nicaragua, and the well-meaning naivete of many Americans who have visited Nicaragua and returned impressed by the "gentleness" and "sincerity" of the Sandinistas.

Mr. President, I would like to believe that these people will change their minds and come to realize the severity of the threat the Sandinistas pose to their neighbors, to U.S. interests and to the very freedom we enjoy in this hemisphere. I would hope that the recent Sandinista invasion of Honduras would hasten this reevaluation. But, it is not as though this is the first such Sandinista action.

One of the great values of our free society is that opposing viewpoints on critical issues can be expressed openly without fear of reprisal. Our press unlike the press in Nicaragua, is free to investigate and oppose our Government's policies. I think that is one of the many reasons we all love being Americans. I realize that in a free society such as ours—where information flows freely—disinformation also flows freely. Occasionally the news media in our country abuses its freedom and uses the privileged position of trust which it occupies in our society to distort facts to further its own political views. This poses a serious problem to our open society. But the solution is not censorship or restriction, but more information. Because I believe the American people will always make the right decision if they know the facts.

I have long been concerned about the problems in Central America and their effect on the future of representative government in this hemisphere and the security of the United States. I base my assessment of the situation in El Salvador, Honduras, Guatemala and Nicaragua on detailed analysis of State Department, CIA, DIA and Defense Department intelligence; on information and insight gained from congressional hearings, my personal visits to the region, the many visits of members of my staff—who have served as official pollwatchers for the Nicaraguan, Guatmalan and El Salvadoran elections, and discussions with refugees and officials of the nations of Central America. I also carefully study press accounts of the situation there, the reports of human rights groups and comments from constituents who have visited the region.

All of my study of this issue has led me to conclude that the President's policy in Nicaragua—as in the whole of Central America—is the right policy. I repeat, Mr. President, in my opinion, the President is right and we should support him.

The Contras are freedom fighters. Theirs is a cause which this Nation has a moral duty to support. The opposition to the Sandinistas is a direct result of their failure to implement the goals of the anti-Somoza revolution. The Sandinistas, as part of a pluralistic, anti-Somoza revolution, pledged to democratize post-Somoza Nicaragua. After the revolution, though, they proceeded to turn their guns against their partners in the struggle against Somoza. They have reneged on their promises to the OAS and to the people of Nicaragua. The Sandinistas have simply replaced one dictatorship with another.

A recent report by the Permanent Human Rights Commission of Nicaragua states that there are over 6,900 political prisoners in Nicaraguan jails—this means that Nicaragua has the most political prisoners of any Latin American country. Because of institutionalized human rights abuses, persecution of the Catholic Church, the Nicaraguan Jews, Evangelical groups, political parties, labor unions, Miskito Indians and the private sector, over 200,000 Nicaraguans have become refugees since 1979—a number immensely greater than the total refugees from all the years of Somoza's pre-Sandinista government.

Over 20,000 of these people have taken up arms against the Sandinistas. These are the Contras. The Contras represent the democratic aspirations of the Nicaraguan people. They are composed largely of peasants, former Sandinistas and longtime Nicaraguan human rights activists.

A myth has arisen that the Contras are all Somocista. This is simply false. There are more Somocistas in the Sandinista government than in the Contra organizations. Over 30 top leadership positions in the Sandinista government are held by former Somocistas. There are far more former Sandinistas fighting with the Contras than there are former Somoza supporters.

In these areas, figures are hard to get and necessarily rough, but of the 17,000 members of the FDN, the largest Contra organization, only about 150 are former Somoza National Guard members. The top leadership of the FDN is composed of long-time Somoza opponents, such as Adolfo Calero. The few former Somoza supporters who are in the FDN leadership

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are greatly outnumbered by the democratic leaders who were long and ardent opponents of Somoza.

Over 30 percent of the FDN members are former Sandinistas who turned to the FDN when the Sandinistas betrayed the revolution. The three other large Contra groups do not have any former Somoza guardsmen and are composed entirely of peasants, former Sandinistas, and Miskito Indians.

The Contras are often charged with being murderers and terrorists. In a guerrilla war fought in a nation which tightly controls its press, it is difficult to get reliable information, even so, none of the charges of Contra atrocities have been substantiated by anyone but Sandinistas, or people held in their custody. During recent Senate investigations of one of these atrocities, it was found that many of the witnesses against the Contras had been paid or threatened by the Sandinistas to perjure themselves in Senate hearings.

According to the State Department, the Sandinista government "regularly blames the opposition for abuses committed by Sandinista forces." The armed resistance has consistently sought to direct its military operations only against military or strategic targets.

Nevertheless, the war in Nicaragua is a guerrilla civil war. Such enterprises are not without risk—or threat to innocent bystanders. The Contras are not perfect, few governments in Central America are, much less guerrilla movements. But we should support the Contras as the best—by far the best—alternative in this conflict.

Foreign policy is often the art of choosing the best of imperfect alternatives. Jeffersonian Democrats are scarce in third world nations. But a choice can and must be made. Inaction brings the worst of results. Surely, for the people of Vietnam, Diem and Thieu were better alternatives than Le Duan and the ruthless Communists. Lon Nol was an easy choice in Cambodia over the murderous Pol Pot. And the Shah was easily preferable to the insane Ayatollah.

In the Philippines, despite the obvious weaknesses of Ferdinand Marcos, five Presidents—two Democrats and three Republicans—backed Marcos in order to secure our strategic interests and our valuable bases in the Philippines. Despite the dictatorial policies of Marcos, he was seen as an alternative to the Communists.

Hopefully, with our help, the new government of President Aquino will be a successful alternative to the insatiable greed of Marcos and the violent barbarity of the Communist New People's Army. But, as we have seen since the ouster of Marcos, trouble is brewing there. We as Americans must remain strongly committed to the Philippines if we are to avoid disaster there.

We must also commit ourselves to democracy in Nicaragua. In Nicaragua, the Contras are clearly a better alternative for the people of Central America than the despotic Soviet-controlled Sandinistas.

It is in our interest to encourage democracy and freedom in the Western Hemisphere.

It is in the interest of freedom. It is in the interest of the people in this hemisphere.

It is necessary and honorable for us to support and protect our friends and allies in Central America from aggression from Nicaragua and Cuba. For our own security we cannot afford to have a Soviet puppet-state on our southern flank. President Reagan's request for Contra aid represents a wise policy necessary to preserve our security and Central America's freedom.

Some opponents of this aid claim that it is a violation of international law. But, U.S. military aid to the Contras does not violate the United Nations Charter. Article 51 clearly protects the right of "individual or collective self-defense if an armed attack occurs against a member of the United Nations." The OAS Charter, which also applies in this case, reaffirms this basic right to collective self-defense, as does the Rio Treaty. The United States is involved in aiding the Nicaraguan Contras because we have a duty to ourselves and our allies in the region to help stop Sandinista aggression in Central America.

Mr. President, I harken back to January of 1961 when John F. Kennedy declared he would "Support any friend, oppose any foe," and bear the burden of the cause of liberty. I think how applicable that is to this particular instance here today. We must recognize who our enemies are. And we must oppose them with effective force. In Central America it is obvious who are our enemies and who are our friends.

There is no question that U.S. military aid to the Contras constitutes use of force against the Sandinista government. But this use of force is justified by continuing aggression of Nicaragua against its neighbors. The fact that Nicaragua has, since 1980, been directly and militarily involved in attempting to overthrow Costa Rica, El Salvador, and Honduras—all of which are democratic United States friends—is affirmed by the United States State and Defense Departments, the United States Congress, the Governments of El Salvador, Honduras, and Costa Rica, the Contadora nations, the Kissinger Commission, and the Sandinistas themselves.

I do not know what more it takes for us to see what is going on in Central America. As Senator HELMS said earlier today on the floor, when are we going to wake up and smell the coffee? When will we recognize what is going on, what this struggle is all about, and who is on whose side?

U.S. aid to the democratic Contras represents a minimal effort to support our friends in the region who are under attack. In my opinion, the President's proposal is not enough and should be more. We should have a stronger position. We should make sure the world and our friends in Central America know that the United States is in this to stay, and that we are in it to win.

Direct American intervention in Central America is not necessary at this time, nor do I believe it will be in the future if the President's proposal for Contra aid is accepted. If we are irresponsible enough to allow the Soviets and their clients—Nicaragua and Cuba—to continue their destabilization and military conquests in the region, this might change.

Mr. President, I think this is one reason many of the Senators who view this issue as I do are supportive of the President's policies. We prefer to allow the Nicaraguans to achieve their freedom without the intervention of United States troops and the possibility that United States blood might end up being spilled. U.S. intervention might be totally unnecessary if we make the right decisions now.

Much has been said in the debate on this issue about the Contadora peace process. I support and applaud the goals of the Contadora peace process. The Sandinistas, of course, do not. I support the demilitarization of the region, but the Sandinistas, obviously, do not. Since conquering Nicaragua, the Sandinistas have: Imposed a draft to create a standing army of 65,000 and an armed militia of 57,000; received hundreds of million of dollars in Soviet military hardware, including 340 Soviet tanks.

How well I remember when the news media—the New York Times and the Washington Post—talked about the "military dictatorship" of Somoza. Somoza had only three old U.S. World War II tanks. Now the Sandinistas have 340 Soviet tanks. What a comparison. Which is the more military? Which is more of a dictatorship?

The Sandinistas also have Soviet fighter aircraft and dozens of helicopters—including several MI-24 Hind "Flying Tanks." This enormous military buildup, unprecedented in Central America, makes Nicaragua's Armed Forces by far the largest in the region. We are finally seeing—in Honduras this week—the practical application of this military power.

It was interesting that last evening on the "McNeill-Lehrer Report," the Sandinista Ambassador to the United States, Nora Astorga, was at ease as she blatantly lied that there was no Sandinista incursion of Nicaragua. I heard her words repeated again on the National Public Radio this morning. It is amazing that the Sandinistas continue to lie despite the fact the evidence overwhelmingly proves them wrong.

There is a Soviet-backed intervention in Honduras taking place right now at this very moment. And yet the Sandinista representative in this country blatantly lies about it as if this were her normal business.

But, this is nothing new. This practice has been popular with Communist governments for years. Any time things do not go right, they just lie about it.

The Contadora process is proceeding at a very slow pace, an unacceptably slow pace, for those being oppressed by the Sandinistas in Nicaragua and those in El Salvador, Costa Rica, and Honduras who are being victimized by Sandinista-supported guerrillas. In addition, Contadora faces great difficulty in guaranteeing that the large Nicaraguan military machine will be dismantled, or that the Soviet and Cuban presence in Nicaragua will be ended. The Sandinistas have rejected any proposal which would allow inspection by OAS representatives of their compliance with any Contadora agreement.

Thus, Contadora is a good idea and a noble effort which I support, but in practical terms it will neither solve the problem fast enough to keep it from spreading, nor bring about a solution which will eliminate the threat of an aggressive Nicaragua expanding their revolution to the surrounding countries in that region.

It takes two, Mr. President, to tango. It is very obvious that there is only one side in this conflict that is willing to allow the Contadora peace process to work. That is the side the United States is supporting. The side the Soviet Union is supporting is not in a mood to negotiate, or to comply with any agreement they make. They aren't now—and they never will be. No Communist nation ever has—none ever will. Why? Why can't we learn this simple political truth of our age?

As Winston Churchill said, "I know of nothing the Soviets respect more than strength, and nothing for which they have more contempt than weakness, especially military weakness."

The Soviets are in this to win. If we are to stop them, we must be strong enough to help our friends.

Democracy is finally starting to gain ground in Latin America. Throughout the region despots of both the left and the right are being ousted and replaced with fledgling democracies. El Salvador and Guatemala are well on the way to developing a stable democratic tradition. Grenada and Haiti have both been given a second chance by timely and prudent United States assistance. Nicaragua, along with Cuba, is the glaring exception. In Cuba, freedom has been extinguished. In Nicaragua it is still flickering, thanks to the Contras and United States aid. If the Contras are crushed, Sandinistas and Cubans will turn their attention to wiping out freedom in other nations in the region. American aid to the Contras will prevent this.

That is why this vote is so important. It is so important that we pass this legislation to demonstrate not only to our allies and our friends in Central America, but to those all around the world, that the United States of America will stand up for freedom and will oppose oppression; that we will oppose our enemies and support our friends.

It is most important for resistance movements around the world to know that the United States stands behind the Contras. This issue is bigger than just Central America. The drum beat of liberty is pounding in far-away places like Angola and Afghanistan and without this vote today in support of the Contras, these very brave people who are resisting the oppression of the Soviets will be very, very keenly dispirited. They will lose hope in their future and will lose faith that there will be anyone to help them if they stand up against Soviet oppression.

In 1983, some of my colleagues in the Senate opposed assistance to El Salvador. To help a "corrupt" government against infiltrating Communist guerrillas, they argued, would demean the moral integrity of the United States. In 1986, El Salvador, largely because of American assistance, is well on the way to a stable democratic future.

Two elections have demonstrated the overwhelming desire of the people there to live in a democracy, to live in a country where they have representative government. The government there has started effective implementation of many democratic reforms. Human rights abuses have dropped dramatically. President Duarte has had success rallying the people against the Sandinista-supported rebels.

We should be proud of our Nation's role in this transformation. We should continue our commitment and our aid to El Salvador to ensure that these gains are not lost.

Now the focus is Nicaragua. This time the President's congressional opponents and their supporters in the public say it is "immoral" for the United States to help native democratic guerrillas against a totalitarian Communist government.

In reality, these people oppose any American support for democracy in Central America. This attitude places the United States in a dangerous position; it destroys our flexibility in the region. If we adopt this isolationist policy, we will have no option but direct U.S. intervention when the situation becomes desperate.

I thought the comments of my colleague from Texas about refugees were most enlightened, and most appropriate.

Many people in my State have become so concerned about Nicaragua that they have visited that country. Their interest is commendable and their intentions are admirable, but they cannot get a proper perspective on the situation there from a short, government-controlled visit. These "Potemkin village" tours never include a stop-off at the local political prison, or a weekend in a Miskito concentration camp. One might easily visit the Soviet Union and see no evidence whatsoever of gulags or labor camps for political prisoners. This does not mean they do not exist.

These Americans, for all their good intentions, have been and are being used by the Sandinistas as pawns in their propaganda offensive against the democratic resistance in Nicaragua. It has always puzzled me that so many educated, prosperous, middle income Americans are willing to accept the word of a Marxist dictator over the testimony of their own Government. We have seen this phenomenon over and over again: in 1917 Russia; in 1949 China; in 1959 Cuba; in Vietnam, throughout our involvement there; in 1975 Cambodia; and now in Nicaragua. The irony is that these Americans, because of their education, their prosperity and their middle-income status, would have been the first people to be executed had they lived in any of these nations after the Communists came to power.

Oftentimes, when I am at home attending town meetings, like the one this Saturday in Cambridge, ID, I am asked, "What about the situation in Central America? Whom do I believe?" A very sincere lady asked me this question. She said "Whom do I believe? I hear the propaganda from our Government, I hear the propaganda from the Sandinista government. Who am I to believe?"

I told her to believe in the country that will allow you to get your passport, cash in your assets, and leave the country freely, if you want to. I told her I would believe the word of that government much more than the word of the propagandists from behind the Iron Curtain who prevent their people from leaving the country with AK-47's and bullets in the back, who deny their people the most fundamental human rights, and who use brutality and psychological torture as tools of public relations.

Why so many of our people accept this Soviet propaganda is beyond me, yet many well-intentioned Americans continue to fall for this line. Perhaps

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Soviet style barbarism is so foreign to our way of life that we cannot believe it really exists.

The evidence that Nicaragua is militarily aggressive toward its neighbors is overwhelming. It can only be denied by those seeking to apologize for that regime who deliberately ignore the facts. It is equally clear that the Sandinistas are wholly dependent on and committed to the Soviet Union and Cuba. The military buildup in Nicaragua and its continuing human rights violations cannot be denied, nor can the ongoing genocide of the Miskito Indians.

As in Grenada, the Reagan administration policy in Nicaragua will, if carried out, restore freedom and democracy to a whole nation of people. As in Grenada, the President's policies will enhance the security of the United States. If Congress acts wisely and swiftly, these goals can be achieved, as they and are being in El Salvador, without use of American forces or loss of American lives. We have allies in the field willing to die in the struggle to restore freedom to their country, all they require of us is financial and material support. That is a small price to pay for freedom and security in the North America.

I yield the floor, Mr. President.

ORDER OF PROCEDURE

Mr. DOLE addressed the Chair.

The PRESIDING OFFICER. The majority leader is recognized.

Mr. DOLE. Mr. President, I thank the distinguished Senator from Texas for permitting me to take this time.

I want to alert my colleagues. Many are asking not only about votes but whether we will complete action on the Contra resolution this evening.

We will have the resolution, I hope, on the Senate floor in the next 30 or 40 minutes. There are meetings still going on. I know the distinguished minority leader is meeting in his office; I have been meeting in my office. Some of us have not given up hope of working out at least one of the very controversial areas that would, in my view, yield a strong bipartisan vote for its passage. So that still has not been—it is still alive, let us put it that way.

It is my hope that we shall be able to have something on the Senate floor in the next 30 to 45 minutes. I know Senator BYRD's meeting started at 5:15 and we hope to get together as soon as his meeting ends.

There will be opportunity for amendment. If we can compromise one of the two elements that are still outstanding, it would certainly reduce the time. I doubt we can complete action on the resolution this evening.

But if not, we will try to set a time certain for a vote early tomorrow so that Members may make plans accordingly.

I thank the Senator from Texas.

Mr. BENTSEN. Mr. President, men and women of good will are trying to work out their differences on this issue. I find that there is very little disagreement in the objectives of what we are trying to accomplish in this regard. The problem is in trying to find the means, in trying to get some agreement there. I could not help thinking, as I was listening to the reports of what has happened in Honduras and Nicaragua in the last couple of days, of what took place last year when you saw an initial congressional rejection of renewed assistance to the Contras. No sooner was that done than Commandante Daniel Ortega took off for Moscow to ask for additional aid. Now, last Saturday, only 2 days after the initial House defeat of proposed additional aid to the Contras, you saw Nicaragua send more than 1,400 troops into Honduras.

It was interesting last night to watch on television the Nicaraguan Ambassador to the United Nations absolutely deny that there were any Nicaraguans in Honduras. It is an incredible statement. You had an incursion that went in over 20 kilometers. You are talking about 1,400 armed men. You are talking about MI-8's going into escort them. And then to deny it, with the evidence we have that that was taking place, reminded me a lot of Qadhafi over the last couple days saying he shot down three U.S. Navy planes.

When are we going to face up to what the Sandinistas really are? They are well-armed Soviet clients and they are determined to strengthen their power and their control even when some Members of the Congress try to encourage peace talks by denying support to the Sandinista opponents.

No, it is not the United States which refuses to give peace a chance. It is the government in Nicaragua which has been delaying the Contadora process since last fall, and which has been relentless in trying to crush their opponents rather than negotiating with them.

I only have to think back to 1979 and what took place then. I can remember how we voted for aid to Nicaragua. We have voted more aid to the Sandinistas in this Congress than we have voted to the Contras, the democratic resistance to the Sandinistas.

I hope we will learn from these repeated lessons that the Sandinistas are more interested in consolidating their power than in reconciling with their opponents, and that they will treat U.S. reluctance to aid the Contras as an opportunity for belligerent action, and not as an olive branch for peace negotiations.

Mr. President, I am not here supporting aid to the Contras because I agree with the way in which some of the public debate has been carried on. In particular, I consider it unfortunate that some advocates have impugned the patriotism of those who might oppose the continuation of aid to the Contras. I do not think we have to choose between being called patriots or being labeled appeasers. There is no lack of patriotism in this body, and I resent those who would try to divide us in the debate on those kinds of grounds.

I have yet to hear anyone in this debate who favors the Sandinista government, what it has done and what it stands for. No, I think there is in this Senate nearly universal disapproval of the Sandinistas. They are a bad lot, and we know it. So most of us here share the same goals for Nicaragua. Our difference lies in the means of achieving those goals.

I know it would be easy to walk away from the problems of Nicaraguan subversion, their repression, their intimidation; it would be easy to declare an end to our support for the Contras and simply to shield our eyes from the reality of it. I know what the polls read. I know that I am on the unpopular side of a political issue today, but I believe this is in the short run. I think in the long run the American people will be deeply aroused and concerned about this kind of a Soviet satellite continuing to export subversion of democratic governments throughout that region. And if we did deny this aid, I think it would be a shameful betrayal of men and women who are standing up with rifles to fight against these flying gunships, the MI-24's that the Soviets have supplied to the Sandinistas.

Time and time again in recent years we have been the ones who have urged negotiations in order to settle the disputes, to safeguard Central America. Most recently the foreign ministers of the Contadora and Support Groups called for renewed talks, both multilateral and bilateral, between the United States and Nicaragua. Secretary of State Shultz welcomes the good offices of these nations. He offered to resume direct talks with Managua simultaneously with the beginning of Sandinista dialog with the democratic resistance.

The Nicaraguan Government, by contrast, has spurned both multilateral peace talks and internal reconciliation talks. As recently as February 14, Nicaragua refused to negotiate on a Contadora treaty at a meeting in Panama of Contadora and Central American negotiators. In these circumstances we have to avoid the trap of making negotiations a substitute for help to the democratic resistance, thus allowing the Sandinistas to strengthen their position simply by stalling. And they are masters of that.

I must tell you I do not have a great deal of faith in the idea of negotiation with the Sandinistas. Indeed, I do not know of any Communist government

that has willingly relinquished its power. But I still hold out some small hope that this can be an exception to that rule, and I am willing to try it. If this is to be that exception, the negotiations with the Sandinistas have to be backed up by more than mere words. They have to be backed up with a clear understanding on the part of the Sandinistas that we are going to continue to support the armed opposition and that this support will not end until certain conditions are met.

What are these conditions? They are the same ones that many of us have suggested in the past. First, the Sandinistas are going to have to eliminate their close military ties to the Soviets and to the Cubans.

Second, they have to reduce their military buildup to a level that is commensurate with other nations in that area. They have more people under arms and they have more armament than any of their neighbors.

Now, why do they need all this military might if they do not intend to continue to subvert the democracies of that area? We have seen a good example of that in the last couple of days.

There are a lot of people who say the Contras are a failure; that they do not have a chance; that we would be throwing good money after bad to vote them additional aid. Well, I would say to those folks that we never really gave the Contras a chance. We have supported them in fits and starts over the past few years. First, we offer them a bit of aid, then we pull it away and say, "No, sorry, you are going to have to undergo this alone, do it on your own." It is amazing to me that they have not just bled away by now, but instead of that you have 15,000 to 20,000 volunteers. That is a large number of volunteers.

The Soviets use Cubans as mercenaries. These are paid guns. They are not fighting for their own country. They are sent to places like Angola and sent into Nicaragua. But here we are talking about native people trying to regain their country. You cannot do it on the cheap. Trying to fight for democracy and liberty and regain a country will not be easy.

We voted $27 million this past summer. Much of it did not get to the Contras immediately because of the intransigence of the former president of Honduras. That problem has been resolved. There is now a mechanism in place to get the funds to the Contras—the humanitarian assistance and the military assistance. Given adequate weapons to defend themselves against the flying tanks of the Sandinistas, the Contras will give a much better account of themselves on the ground in Nicaragua.

As to those who said they cannot fight, that they do not have the will to fight, let us take an example of what has happened just over this last weekend. Fourteen hundred troops came across that border to drive into a training camp. They thought this was going to be a piece of cake, that they were going to be able to destroy it, move out, and no one would have been the wiser before they were gone.

It did not work out that way. They got their nose bloodied in the effort. Some of them were turned back at the border, and others were almost entrapped by the FDN. The Contras accounted for themselves rather well, from what we have been able to determine thus far.

Some folks say that the Contras could never win, that you could never push the Sandinistas to the point of a serious negotiation. I do not believe that. I believe that a growing force of volunteers, adequately armed and ultimately controlling the countryside, can lead to increasing defections from the Sandinista draftees.

Moreover, the church, a powerful influence in a nation which is 95 percent Roman Catholic, is as strongly opposed to the Sandinista government as it was opposed to the Marcos government in the Philippines. Those kinds of things coupled together can finally lead to an untenable situation on the part of the Sandinistas in Nicaragua.

One of the things that I think is important in trying to get a bipartisan policy here is to show that we carry it by a substantial majority, that we have a real commitment in this, and that it is a commitment with continuity. The Sandinistas can understand that.

The United States welcomed the Sandinista revolution, and we tried to sustain what we thought was its democratic commitment with an infusion of $118 million in aid in those first 2 years. They made their commitment to the Organization of American States as to what they would do in establishing pluralism and doing away with repression, and they violated each of those commitments.

It is an irony that we gave more to the Sandinistas, as I said a moment ago, than we have given to the Contras. But Managua turned its back on its own promises and on its hemispheric well-wishers and embraced instead the Soviet Union and its policies.

People try to tell me that the Contras really have not been effective against the Sandinistas. Let us look at the imbalance. Let us look at the support and the commitment.

Since the beginning, in 1979, the Soviets have sent the Sandinistas $1.8 billion in aid. In 1984, while we debated whether to provide the Contras with a meager $24 million in military assistance, the Russians and their allies gave Nicaragua 10 times as much military hardware.

Last year, when we grudgingly approved $27 million in humanitarian assistance, the Soviet bloc was pumping in 15 times as much economic aid.

This year, while we argue over whether to give $100 million in military and economic help, the Soviet bloc is expected to provide Nicaragua six times as much aid.

While the Sandinistas have been receiving tanks and helicopters, we have been giving the armed democratic resistance boots and bandages.

Several years ago, I went down to one of those grass landing strips, looked at an old DC-3, met the pilot, met the copilot, met a 16-year-old kid who flew with them and kicked the boots and the supplies out to the Contras in the mountains of Nicaragua.

One week later, they were shot down and they were dead. Do not talk to me about the courage of those people.

Are there some duds among them? Yes, I am sure there are. But I am sure they have them on both sides. Have they committed some atrocities? Yes, I am sure they have. And they have been committed on both sides. War is not a pleasant pastime. It is mean, and it is cruel, and civil war is the worst of wars.

Here we are, when we will not give assistance and we will not give training and try to bring about discipline, as we did with the Salvadoran Army, and then talk about the fact that it is not well managed. What you have here is a peasant army. You have people who have left their farms because they have a government that has violated their religion, that has disrupted their customs, that in many cases has taken their land.

I have been over there with the Miskito Indians. I spent a week with them on the eastern shores of Nicaragua. They are a people with simple lives. They really would just like to be left alone and not have government intrude on them. But they have fought the Sandinistas tooth and nail because of what the Sandinistas have done to them. They want their liberty, and they will fight for their liberty.

We have seen thus far the level of commitment by the Russians to the Sandinistas, and we have seen the lack of commitment and continuity that has happened on behalf of our Government. You have seen much more steadfastness on the part of the Russians, more consistency and strength of purpose, 10,000 miles away from here.

We seem quite willing to support the expenditure of perhaps even hundreds of millions of dollars of military aid, on behalf of the Afghan freedom fighters in a country that borders directly on the Soviet Union. Talk to me about the Contras winning. Do you really think the Afghans are going to be able to defeat the elite troops of the Russians coming across that border every day, with their squadrons

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of aircraft, their bombers, their missiles? Yet, we support the Afghan rebels, and we go all out.

The U.S. Senate has shown consistent unanimity of support in helping those rebels against Soviet domination. On October 3, 1984, we voted 97 to 0 in support of a resolution declaring that the policy of the United States is to support effectively the people of Afghanistan in their fight for freedom.

Last May 14, after just a few minutes of discussion, we approved by voice vote—no one even asked for a rollcall vote—an amendment earmarking $15 million for humanitarian assistance to the Afghan people.

No doubts, no second thoughts, no dissent about this policy in a far distant land.

But we hesitate and we argue over the notion of supporting democracy and opposing Communist totalitarian subversion here in our own Western Hemisphere less than 1,000 miles from home.

Ten thousand miles away, send it, support it, with unanimity; our own hemisphere, and we question it.

Mr. CHILES. Mr. President, will the Senator yield?

Mr. BENTSEN. I am happy to yield to my distinguished friend from Florida.

Mr. CHILES. I do not want to interrupt, but I listened to what the Senator was saying and decided I wanted to come over here because I am persuaded by his remarks and I certainly want to associate myself with them.

Afghan rebels do not constitute and they are not the legal government there, are they?

Mr. BENTSEN. No, they surely are not.

Mr. CHILES. There is a so-called legal government there?

Mr. BENTSEN. That is correct.

Mr. CHILES. Yet we are supporting the rebels in that instance and we call them freedom fighters. But there is supposed to be something wrong with us supporting the Contras against what is supposed to be the legal government of the Sandinistas.

Mr. BENTSEN. I do not understand the rationale of that.

Mr. CHILES. That is strange reasoning, is it not?

Mr. BENTSEN. Yes, it is. This is our hemisphere.

Mr. BENTSEN. As the Senator from Texas has so eloquently said, this is in our backyard, and yet we are willing to expend that in the other.

Again, as to his remarks about the native Americans over there, the Miskito Indians, they are native Americans. We do an awful lot for our native Americans here in this country. There is no Somoza tinge on the Miskito Indians over there.

Mr. BENTSEN. No.

Mr. CHILES. They have been moved out of their homelands. They have seen their villages put to the torch. And they are still fighting for freedom, as the Senator so eloquently pointed out.

Mr. BENTSEN. That is correct.

I thank my distinguished friend.

Mr. CHILES. I thank my friend from Texas. I think his remarks are very well placed and I think he makes an excellent point.

Mr. SYMMS. Mr. President, will the Senator yield?

Mr. BENTSEN. I am happy to yield.

Mr. SYMMS. I join with my colleague from Florida and compliment the Senator from Texas. I think the Senator from Texas made one of the finest speeches I have ever heard given on this floor. I support in what he is saying. I wish somehow we could capsulize his message and spread it all over the United States. I hope it went out on the radio and that many of our countrymen heard it, because I think that the Senator is right on target.

I appreciate very much his leadership in this fight and I hope, as I am sure he does, that we could get a vote here today that is 100 to nothing in favor of aiding the Nicaraguan freedom fighters. We must demonstrate that we are standing together as Republicans and Democrats, Americans one and all, to support our fellow Americans, our friends and neighbors in Nicaragua who are fighting for their freedom and the freedom of all the people of this continent.

I thank him very much for an excellent speech.

Mr. BENTSEN. I thank the Senator.

My concern is if we abandon our principles, if we forget the Contras, if we forget the Sandinistas, we will only condemn the people of Nicaragua to perpetual domination by a government whose strength lies with the Cuban-style block committees; and the Cuban, North Korean, and East German security force advisers. We would also be abandoning the Salvadorans, Costa Ricans, Colombians, and Guatemalans, and the other democracies in that region to the armed subversion which the Sandinistas are already supporting.

If we blind ourselves to these truths, we will never have the foresight or the determination to defend our neighbors against the consequences of a very powerful and unrestrained Sandinista government.

I wish we could go back to the beginning of the Sandinista revolution. We cannot do that. We have to wrestle with the situation as it is today.

I wish we could go back and exercise more influence for the democratic process.

I can remember the commitments they made. Senator Chiles has been down to visit at La Prensa. He talked to Mrs. Chamorro as I did. I looked at her bulletin board, standing outside that office, the front page of La Prensa for that morning, with great big holes cut in it. That was that morning's censorship. They left the classified section. But that is the kind of government that we are talking about.

Wars are engines of suffering. Civil wars are particularly bad.

You are never going to have the Marquis of Queensberry rules.

I agree with my friend the Senator from Georgia, Senator Nunn, that we ought to use all of our influence on the Contras to have them develop better discipline to be sure that we really have democratic leadership throughout it. I know that there are some ex-Somozas still among them. We understand that. But I well know that among the leadership are people who were imprisoned by Somoza, and I also know that you have former Sandinistas that are now heading up that effort.

It seems to me we have a clear choice to make. We can turn our backs and turn away and allow the final consolidation of a totalitarian regime in Managua, complete with its Soviets and Eastern bloc advisers. And by doing so we can give the green light to increased subversion across Central America. Or we can give the Contras the material and the assistance they need to fight the Sandinistas on a credible basis and force the Sandinistas to live up to their promises.

Defeat of this kind of aid will consolidate a second Cuba on the mainland of North America and, of course, will mark the liquidation of the democratic resistance in the Nicaraguan civil war.

Mr. President, I ask unanimous consent that a table I have showing Soviet bloc aid to Nicaragua be printed in the Record.

There being no objection, the table was ordered to be printed in the Record, as follows:

SOVIET BLOC AID TO NICARAGUA

[In millions of dollars]

Year	Total	Military	Economic
1979	2	0	2
1980	36	6	30
1981	120	40	80
1982	238	88	150
1983	356	116	240
1984	530	250	280
1985	500	100	400
1986	[1] 600	[1] 100	[1] 500
Total	2,382	700	1,682

[1] Estimate.

The PRESIDING OFFICER (Mr. Stafford). The Senator from Georgia.

Mr. MATTINGLY. Mr. President, more than 200 years ago, a group of extraordinary individuals pledged their lives and their honor in support of a belief that government is instituted to secure for the people certain unalienable rights and that the powers of government are derived from the consent of those who are governed. So states our Declaration of Independence.

That document remains one of the world's treasures because it so eloquently expresses universal truths. Its sentiments are as valid in Nicaragua today as they were in the America of 200 years ago.

The people of Nicaragua today, like the colonists of yesterday, are suffering from a ". . . long train of abuses . . ." imposed by an authority that seeks through ". . . repeated injuries and usurpations . . . the establishment of an absolute tyranny . . ."

If there are any who doubt whether the Marxists who rule Nicaragua are intent on establishing that absolute tyranny referred to in our declaration, they should review the record of the Sandinista government during the past 7 years; or, again quoting from the declaration, ". . . let the facts be submitted to a candid world."

So let us consider some facts.

The Nicaraguan communists have betrayed the democratic goals of the revolution that overthrew the dictator Somoza. The pledge made in 1979 to the Secretary General of the Organization of American States to hold free elections and to fully respect human rights has been ignored.

Cuban advisers entered Managua less than a week after Somoza's departure. That number has now grown to 7,500, 3,000 of whom are military or security personnel. They have been joined by advisers from the Soviet Union and East Germany and contingents from Libya, the Palestine Liberation Organization, Bulgaria, Czechoslovakia, Poland, and Hungary.

Assisted by these allies, the Sandinista Marxists have built the largest military force in the region, 62,000 active duty personnel.

The Soviets have strengthened these forces by giving the ruling Junta more than 350 tanks and armored vehicles; 70 howitzer and rocket launchers; and 30 helicopters including 6 of the world's fastest attack helicopters, the MI-24 Hind D. That is the same weapon that has been used by the Soviet Union to attack and kill freedom fighters in Afghanistan.

The Marxist Sandinistas have allied themselves with, and supply, the Communist guerrillas in neighboring El Salvador. That assistance has complicated enormously the struggle toward democratic reforms in that nation.

Clear evidence has been presented that attests to the involvment of the Nicaraguan Marxists in international drug trafficking.

Religious repression began as early as mid-1980 and continues against Catholic, Protestant, and Jew. Members of the Indian minority on Nicaragua's Atlantic coast have been forcibly relocated, arrested, tortured, and killed.

The Sandinistas have established block or neighborhood committees which control access to ration cards and other government services. More importantly, they serve as a crucial link in that nation's network of informers and have been called by Interior Minister Borge the "eyes and ears of the revolution."

The list of abuses is long. The facts are unpleasant. But to those of my collegues who may yet have some reluctance to support the request of the President for assistance to the resistance forces in Nicaragua, consider just several more:

Who was the honored guest at the ceremonies celebrating the first anniversary of the Sandinistas' revolution? Answer: Yassir Arafat.

Who supplied the weapons that the M19 Colombian guerrillas used last year to murder 11 supreme court justices in Colombia? Answer: Nicaragua.

When the Nicaraguan regime dedicated a new powerplant, who did they choose to honor? They named the plant in honor of the Sandinista who died murdering innocent people in the massacre at the Tel Aviv Airport.

Who was the only head of state who dignified with his attendance the swearing-in of Commandante Ortega as President following the election charade of 1984? Answer: Fidel Castro.

These are the types of people that we are dealing with. Know them by their deeds. Know them by their friends and allies. Mr. President, it has been said that there are none so blind as those who will not see. To those of my colleagues reluctant to support the aid request, I say, do not blind yourself to the truth but open your eyes and gaze upon the true face of the Marxists in Nicaragua!

The facts, Mr. President, are as many as they are distasteful. The choices that face the United States, though, it seems to me, are few.

We can do nothing. That will enable the Nicaraguan Marxists to crush what little opposition would remain to their efforts to consolidate their hold on that nation. I certainly do not recommend this course and I doubt if many of my colleagues would either.

The introduction of U.S. troops is an option that is open to the President as Commander in Chief but it is one that President Reagan has continually, and, in my view, quite properly, rejected.

Or the United States can provide assistance to the freedom fighters in Nicaragua while continuing the efforts to reach a negotiated settlement.

This last alternative is clearly the option that best advances our interests and those of the people in Central America. That is why a request for assistance should be overwhelmingly approved by the Senate.

To those who say that we should not support these forces because among its ranks are former national guardsmen under Somoza, I refer you to a recent editorial comment: "Perhaps not all the Contras are democrats, but all the democrats are Contras." The current leadership of the resistance forces were not only enemies of Somoza, a number of them were actually members of the Sandinista junta who repudiated the revolution and its Marxist leadership when it became clear that the revolution had betrayed the Nicaraguan people.

To my colleagues who oppose aid to the freedom fighters because they do not believe that the United States has pursued in good faith a diplomatic, negotiated settlement, I must offer respectful disagreement. But I am willing to support the new, diplomatic initiatives outlined in the President's request. In all honesty, without the pressure exerted by the military assistance sought by the President, I do not believe that the ruling Marxists in Managua can ever be convinced that it is in their best interests to negotiate in good faith.

To the opponents of the proposal who base that opposition on a belief that financial aid now will lead inevitably to the introduction of U.S. troops later, I offer the proposition that, to the contrary, failure to provide that financial assistance now will almost certainly lead to the time when a U.S. President and a future Congress will have to send U.S. troops to Central America. If we do not help the resistance forces in Nicaragua who are prepared to oppose the Communists now, then we are insuring that such a force will not be there in the future and the choices that confront us will be far more painful than those we face today.

And so, Mr. President, we find ourselves confronted with a request for assistance from a force of poorly trained and ill-equipped men and women who are prepared nevertheless to take up arms and attempt to rid themselves of a modern-day tyranny.

They seek our assistance just as 200 years ago, American patriots sought, and won, help in their efforts to establish a government that derived its powers from the people. The fundamental principles that are involved in today's crisis are no less vital than those that were at stake 200 years ago. That is because they are the same.

Mr. HEFLIN. Mr. President, there is really little debate in this body on the nature of the Government of Nicaragua. It is self-proclaimed as a Marxist-Leninist totalitarian government built on the Cuban Communist blueprint of block committees which calls for the worldwide triumph of communism. As I said, it is self-proclaimed, so we do not have to question what type of gov-

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ernment may exist in Nicaragua and what its ultimate goals may be. I have heard no Member of this body argue in favor of the Sandinista government of Nicaragua and what it has done and what it stands for.

In my opinion, those who question the patriotism of the Members of Congress who might vote in opposition to aid to the Contras are extremely unfair. We all share the same goals for the people of Nicaragua—the same goals as the President—namely, freedom, democracy, dignity, liberties, and human rights. The disapproval of the Sandinistas is nearly universal. We differ in the manner in which the goals should be accomplished.

There is no question of the strategic or geographical importance of Nicaragua. With Nicaragua as a base, the Soviet Union and Cuba could become the dominant force in the crucial corridor between North and South America. They would be in a position to threaten commerce through the Panama Canal, interdict Caribbean sealanes, and intimidate its Central American neighbors.

With an armed force of 120,000 men and women backed by more than 4,000 Cuban Soviet and Eastern bloc military advisers, Nicaragua is a threat to all of its neighbors in the region.

I am most concerned about the reports of Cuban and Eastern bloc teachers in the school systems of Nicaragua. And estimated 3,500 teachers and instructors are indoctrinating the young people of this nation in the fundamentals of Marxism, subversion, and of military science—military science like which is taught in high schools under ROTC units.

When I consider the fact that my home State of Alabama has a population of 4 million people, and the whole country of Nicaragua has a population of a little bit more than 3 million people, I realize that my State is larger. I do not know the number of high schools that exist in Nicaragua. In the State of Alabama there are about 600 public high schools. If you were to look, and, say, divide the 3,500 or 3,600 schoolteachers that are there in Nicaragua—says, there are as many high schools, 600—it would mean that in each high school there would be something like six or more who would be instructing students. An average high school in my State is around 400 or 500 pupils. They would be instructing students in the arts pertaining to the military as well as indoctrinating them in the cause of Marxism, and indoctrinating them into methods of subversion and what they can do to spread their philosophy of government.

I think it would have a tremendous impact. The faculty of around a 400-member school system in my State would be in ordinary terms probably 25 schoolteachers. So you can see that 6 out of maybe 25 would be substantial number which would have a tremendous influence.

The revolutionary reach of the Sandinistans is far beyond their immediate neighbors. Radicals and revolutionaries trained and supplied in Nicaragua threaten the security of all of the Latin American and Caribbean countries. They can come to Nicaragua, be trained, and then go back to their countries. They may well be 2,000 miles away somewhere in South America where they might go. But they can be trained as to becoming dissidents, how foment revolution, and from that they can cause trouble in their particular country.

In addition to the thousands of Cuban, East German, Polish, Soviet military advisers and instructors, it is clear that there are tons and tons of Warsaw Pact weapons, tanks, armaments and equipment that are pouring into this Central American country which is only 2 hours' flying time from the United States.

Basically, I think the bottom line is that we cannot allow a second Cuba to be created in this strategic, important area of the world. Cuba, the Soviet Union, the East Germans, and the other Soviet bloc nations have made a large investment in Nicaragua. They have been consistent in their efforts to gain a satellite government in Nicaragua at their doorsteps of the United States. While they have been consistent, we continually argue over whether we will support democracy, and oppose Marxist totalitarainism and subversion here in our own hemisphere.

The strategic importance of Nicaragua is an issue of national security vital to the United States. National security issues should be and must be bipartisan issues. Those in either party, whether they be Republican or Democrat, or whether they be congressional leaders or White House advisers who make the national security as partisan issue, do so at risk to this Nation.

The President has proposed $100 million of aid to the Contras. The question being debated in this body should be the practicality of that proposal. What goals do we seek with this measure of participation? Do those goals correlate with the objectives we seek in Nicaragua?

First, let us look at the alternative of doing nothing. If we abandon our principles, abandon the Contras, neglect our interests, and ignore the Sandinistas we will condemn the people of Nicaragua and eventually other countries of Latin America and the Caribbean to domination by a Marxist totalitarian state.

We did just that in Cuba. We will compromise our own national security in the global struggle against the Soviet Union and its satellite countries.

Clearly, we must do something. Some have suggested negotiation. While that might be a desirable solution—and I wish that it were possible, and in my judgment that would solve the problem. But in order for there to be negotiations, there must be a willingness by both parties to negotiate with prospects for a satisfactory result.

We look to the Mideast, and since the Camp David accords we have had negotiation after negotiation but there has not been much progress in the peace process in that area, largely because of the inability or the unwillingness of some of the parties to negotiate.

Currently there is neither the willingness for the prospect of successful negotiation concerning the Nicaraguan problem. Methods of influencing foreign governments can take many forms. The continuum ranges from informal nods and private conversations to economic sanctions and mass invasion.

There is no doubt that we are far beyond the informal nod stage in Nicaragua. Even an indirect participant in Nicaragua needs a good reason to impose economic sanctions, a compelling reason to pay for someone else's bullets and troops, and the best of reasons to send its own troops into that country.

We have not reached the best of reasons. And that is a direct threat on the sovereignty of the United States. Therefore there is no present need to send troops into Nicaragua, and I hope there never will be.

But I believe we have reached a compelling reason. That compelling reason is a direct threat to the national security interests of this Nation.

The question returns to the President's proposal. While I do not expect the Nicaraguan Contras to be able to overthrow the Sandinistan government in the next year or 18 months, the Contras will keep the Sandinistans occupied and less able to export their Communistic influences to other countries in Central and South America, and in particular to El Salvador, if we go ahead and provide the aid as called for by the President.

This is an important benefit and result.

This $100 million will not be adequate to overthrow the Sandinistas, but it will allow the Contras to grow and in a few years enable them to exert more influence. However, the administration must develop some mechanism to account for the money we provide ensuring that it is spent for the intended purposes. There must be some specific plans, goals, and objectives established and then an accounting made of them. This is one of the weakest points of the administration's proposal.

With this aid the Contras will be better able to defend themselves against the sophisticated weapons the Eastern bloc has provided the Sandinista government. They will be given an opportunity to show a better account of themselves on the ground in Nicaragua.

A bolstered Contra force will be better able to attract volunteers particularly from defections from the Sandinista's army of conscripts. They would be able to take advantage of support from the church, a powerful influence in this nation where 95 percent of the population is Catholic. The ingredients are there to produce a situation which over time could become intolerable for the Marxist dictatorship.

The choice is clear. We can turn our backs on the Contras of Nicaragua and allow the final consolidation of a Communist totalitarian government in Managua. We can allow the subversion of Nicaragua's neighbors in Central America, South America, and the Caribbean Basin. We can allow a permanent threat to our shipping interest in this crossroads of the world. We can allow another Cuba to develop on this bridge between the Americas.

Or we can give the Contras a moderate amount of assistance they need to fight this Marxist government. To do so we will be promoting those concepts we believe in—democracy and freedom. To do so will be in the best interest of the United States strategically and geographically. To do so will be to protect our national security. And to do so will be a justified proportional response to a grave threat to the freedom and independence of an entire region.

Mr. SIMON addressed the Chair.

The PRESIDING OFFICER. The Senator from Illinois.

Mr. SIMON. Mr. President, let me stress first this is a judgment call and I respect the opinion of those on either side. That is what we are here to make, judgment calls. But I think we ought to make judgment calls that are based on the facts; judgment calls that respond to the national interest, rather than the national passion.

Here let me just add I have heard this afternoon a lot of references to Cuba. Frankly, if three of us had gotten together over in Moscow and said, "How can we design American foreign policy so that we will make Cuba a satellite of the Soviet Union?" We could not have designed a better policy than the policy that we now have.

I do not suggest that a modification of our policy toward Cuba is going to get Castro to turn around. The reality is that that government has more political prisoners than any government in all of Latin America. But it is interesting that Cuba is more of a satellite of the Soviet Union today than is either Romania or Hungary. If we were to sell Cuba medicine or food, and maybe take a few steps in a solid direction, maybe we could get some modification of their policy. Certainly, there can be no evidence that Cuba can be any more tightly knit to the Soviet Union than they now are.

But the question right now is not Cuba. The question right now is Nicaragua and what we do there.

No one—and I just heard my colleague from Alabama say it—in this body defends the Sandinistas. That is true. They are not Boy Scouts. The Sandinistas have an excessive military might. They have violated human rights. They are not giving the people of that country what they want to have.

But I have reached the conclusion, I think looking at the facts somewhat dispassionately, that we make a mistake if we provide this $100 million.

Why is it a mistake?

Let me just tick off a few things very briefly.

No. 1, we should learn a lesson from Vietnam, from the Philippines, from country after country: If you provide weapons, and you do not have the people of the country with you, you are not going to win. I do not care how many weapons you supply. The reality is the Contras do not have the people of Nicaragua with them. That is the reality.

I spoke I guess 6 or 8 months ago to a group of educators gathered here in Washington from around the world. The State Department asked me to speak to them.

Before I began my remarks, I asked, "Is there anyone here from Nicaragua?" Two men raised their hands and I said, "I would like to talk to you afterwards."

Afterward, they came down and I asked them, without indicating what my position was at all, "What should United States policy be toward Nicaragua?"

Both of them said, "We do not like the Sandinistas but let us solve our problems ourselves. Do not send down your guns that are going to kill us."

The reality is—and I am not passing out classified information because we have all been getting briefings and it has been in the press—if we provide the guns, 1 year from now where are we going to be? If we provide the military equipment, 1 year from now we are going to be in exactly the same position, with the Contras not having one village, one town. It will have another 6,000 dead Nicaraguans, as we did last year.

This administration's policy is clearly guns first, the military side first, then diplomacy. I think our policy should be precisely the opposite.

Sunday's New York Times had a comment about Central America and pointed out that the leaders of Central America are unanimous in condemning the Sandinistas publicly, but they are also unanimous in saying our policy is not a sound policy, and we ought to be listening to them.

I received a letter the other day from someone saying, "How can you be so inconsistent as to support the Afghan freedom fighters and oppose helping the Contras?"

There are two massive differences as well as one similarity.

The differences between Afghanistan and the Nicaraguan situation is one is an invasion, a clear-cut invasion from another country into Afghanistan.

The second is a civil war.

There is a second difference. In one, we have world opinion in our corner, virtually solidly. The U.N. vote, as I recall, was about 80 to 20, including Romania, one of the Communist nations, and one or two other Communist nations. In Afghanistan, we have world public opinion with us. In Nicaragua, in our actions, we are all by our lonesome out there. I think we have to ask ourselves, is the rest of the world out of step or are we out of step?

The similarity is we want to get a message to the Sandinistas and to the Soviet Union, "Don't cause problems for your neighbors." The question is how you effectively do that. In Afghanistan, I think we do it by helping the freedom fighters. In Nicaragua, I think we ought, at least initially, to try to do it through diplomacy.

There is also one fundamental question that we have to ask ourselves. That is, should the United States be involved in civil wars? Should the United States be trying to overthrow governments of other countries? If we want to overthrow governments we do not like, that is about two thirds of the governments on the face of the Earth. We are going to have our hands full.

While I do not like the Sandinistas and the Marxism they represent, the day when Marxism was the wave of the future or appears to be in Africa, Asia, and Latin America fortunately is a day of the past unless we re-create it.

I heard my colleague from Alabama discussing what is going on in the schools in Nicaragua. That, frankly, is something that ought to concern us and we ought to be doing some positive things to change the climate down there. But sending weapons to the Contras certainly is not going to do that.

What we are doing right now is reinforcing an image—partly earned, partly not earned, but an image that Uncle Sam has in Latin America of being a bully and an exploiter. One of our colleagues here visited with the President of a democracy in South America recently. That president said,

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> I don't pretend to know very much about Nicaragua, but I know that what you are doing in Nicaragua is making Marxists in our country.

I think we have to listen to our friends in Latin America. And if the President is right—I listened to the President's speech the other night. If the President is right about the immensity of the challenge and the threat that we face here, then it ought to receive a lot more than one-ninetieth of 1 percent of the budget. This is one thirty-sixth of what we get from the cigarette tax in this country. If this threat is so great, should we do something more than vote one thirty-sixth of what we get from the cigarette tax? I think the answer is fairly obvious.

As I said, we are alone. The Western European nations this past year gave about 200 million dollars' worth of assistance to the Government of Nicaragua, to help that Government, while we are providing $100 million or being asked to provide $100 million to the Contras—$100 million—I see my good friend, the senior Senator from Vermont [Mr. STAFFORD] presiding right now—while the same administration asks us to cut back on education programs, while the same administration asks us to cut back $58 million in cancer research and a variety of other things. What are the priorities?

Finally, Mr. President, I think we ought to do some positive things to combat Marxism. I think one of the positive things we ought to do is work with the Contadora group, to sit down and negotiate and try to resolve this thing through diplomacy, not through weapons. Let me give one very practical kind of thing that we could be doing, and again, Senator STAFFORD can appreciate this more than most Members of this body.

In Central America today, we provide 391 scholarships for young people down there to come to United States colleges and universities—to go to the University of Vermont or the University of Wyoming or the University of Illinois. In that same area today, the Soviets and Soviet satellite countries are providing 7,500 scholarships—primarily the Soviet Union. I do not pretend that every student who goes to the University of Moscow or the University of Leningrad is going to come back a dedicated Communist, but I think we are fooling ourselves if we do not recognize that there is a tilt, just as the students who go to the University of Wyoming or the University of Illinois or the University of Vermont or Middlebury College come back with a tilt that is favorable to our side. If we really want to combat Marxism in Central America, let us get into the scholarship war with the Soviets and not an arms war down there. We are going to be a heck of lot more successful.

A few weeks ago, I was reading, doing the kind of reflective reading we do not get to do very much around here, and I came across—I was reading Thomas Hobbes. I came across this sentence: "Prudence in the conduct of peace or war is power."

I believe in the accuracy of that statement.

The reality is we have not been prudent in Cental America, so we have dissipated our power. I think if we exercise greater prudence, if we show real concern—and if I may tell just one other story, Mr. President. Back some years ago, our family drove down the Panama Highway to San Jose, Costa Rica. In San Jose, we visited with—this was long before I was in Congress. We visited with Jose Figueros, who was then the President of Costa Rica. This was right after Richard Nixon had become President of the United States. In his living room was an autographed picture of Hubert Humphrey, the only picture in his living room.

I said to him, "I am curious, Mr. President. Why have that autographed picture of Hubert Humphrey there?"

He said, "We sense that Hubert Humphrey really cares about us."

What we have to do if we want to be effective in Central America is we have to really care about the people in that region, not view them as some kind of pawns in an East-West struggle. And if we care, if we do the kinds of things that really help the people in that area, my friends, Marxism is not going to gain any ground whatsoever. If we fool ourselves into thinking we can provide 100 million dollars' worth of weapons and then we are really doing something effective to counter Marxism, well, we are indeed fooling ourselves. Weapons can win if you have the people with you. If you do not have the people with you, they are not going to be effective at all.

I recognize the political realities in this body and I know that within the next 24 hours, we will be passing the President's request, but it will not be with my vote. It will be a vote that I shall be proud of 5 years from now, 10 years from now, 20 years from now. I hope that enough of us stand up and say what we think, that we will cause at least eventually some reconsideration of a policy that is a very imprudent, shortsighted policy.

I thank the Chair.

Mr. WALLOP addressed the Chair.

The PRESIDING OFFICER. The Senator from Wyoming.

Mr. WALLOP Mr. President, I thank the Chair.

Before my friend from Illinois leaves the floor, let me observe to him that I, with others, realize that Marxism is a failed policy around the world and is, where choice can be made, being rejected. Where a choice can be made, it is being rejected. Where it is imposed, it cannot be rejected. That is what is at issue here.

I think nobody here is seeking to impose upon Nicaragua a government that is more to our liking. We are seeking to get them to come to grips with the promise which they made to their own people, to the Organization of American States, to this hemisphere, and to the world; a promise which the Senator from Illinois and I both know they will not keep, and under the circumstances a promise which is impossible for them to entertain as a thought. Because as soon as they do, their Cuban and Soviet masters will replace them with people who do not entertain such thoughts. Those masters know the very thing of which the Senator from Illinois speaks: That when people choose, they do not choose communism. So there is no choice.

It is fine for us to seek to combat the Soviet scholarship with scholarships through a scholarship war. But it only works if that is all we are competing in. If the competition is as it is now, with more than a billion dollars' worth of Soviet aid, more than 8,000 Cuban military personnel, thousands of other "advisers"—Bulgarians and East Germans and North Koreans and PLO and Libyans—in other words, those who can impose upon a suffering people the denial of freedom, then the United States is in a bad situation.

Mr. SIMON. Will my colleague yield?

Mr. WALLOP. I will yield for a question.

Mr. SIMON. I thank the Senator. I do not want to impose on his time, but I agree that I would love to exclude those influences that the Senator has just named. Does the Senator think it is worthwhile to sit down and meet with the Contadora group to see if we can diplomatically work out an enforceable kind of agreement?

Mr. WALLOP. My friend, we have been with the Contadora group from the beginning and have supplied our support to it. The Contadora group has not wanted us as part of that negotiating process. If the Senator can explain to me where is history, where anywhere in the modern history of the world since the end of World War II or even the establishment of the Soviet imperialist state, where there has been a Communist government that negotiated itself out of existence or even into an election?

Mr. SIMON. If my colleague will yield for me to give a very short answer, there was one instance and that was Austria. It is the only instance I know of.

Mr. WALLOP. And that instance was at the death of Stalin, when the Soviet Union thought above all that the United States was willing to go to war to liberate what we then called

captive or occupied Europe. The Soviet Union acted then in a fit of fear, at the death of Stalin. Today there is no death of Stalin. There is no lack of a Soviet grip on the situation down there. That is the problem we face.

It is naive of us to assume that a totalitarian state will negotiate itself into democracy. We can try. Indeed, we have. Ambassador Schlaudeman was down there. A distinguished member of the Senator from Illinois own party was an ambassador down there in the early days of all of this, former Senator Stone. The Secretary of State has been in Nicaragua and explored this issue. There was also the Manzanillo Conference. There has been no shortage of effort on behalf of negotiations. There has been a shortage of response. That is where we lie tonight.

A case can be made for doing nothing. That case is not one which I would agree with, but it can be made. That case asks us to wait until our border is threatened, to wait until some other set of circumstances awakens us. And a stronger case can be made for doing everything that the President seeks. But, Mr. President, no case at all can be made for doing something that is halfway in between, something that is certainly doomed to failure. To take half-measures will do nothing more than run upstream against the old Machiavellian advice, "Never do your enemy a little harm." To take such measure, will educate generations of Sandinistas, whom we will have put into power, in a circumstance of hatred and contempt for this country.

What is at issue, Mr. President, is war. As uncomfortable as that is for Members of Congress to come to grips with, that is what is at issue and there are but two sides, no more.

On the one side you have the Soviet imperialist state with its Cuban surrogates and its band of people which they put in place to extract the last bit of willingness of a population to stand up for itself: Bulgarians to do the secret work, East Germans to organize the neighborhoods so that people cannot even tell their children their deepest thoughts, where neighbor spies on neighbor. That is the heritage of East Germany. The PLO practices their grisly specialty. They are not known for expertise in tropical agriculture. What is at issue, Mr. President, is war and this Congress will be choosing tonight one of two sides. They will choose the side of Soviet imperialism without embracing it. There will be speeches saying that is not what I am doing, but that is the only other side to the side which wishes to express freedom. What is at issue tonight is the issue between democracy and freedom and totalitarian enslavement.

What is also at issue is geography. Does anyone in this Chamber seriously believe that Nicaragua is a momentary accident in our domestic political aspiration? That it is insignificant that it happens to control the isthmus between the two great continents of this hemisphere.

Has anybody looked at the map of Soviet expansion—Angola, Mozambique, now perhaps Seychelles, certainly Ethiopia, the Yemens, the Indian Ocean, Cam Ranh Bay, now exploration for prospects in the Marianas? Are these all accidents? Is it just totally accidential that the geography of the world puts the Soviet Union astride the world's major sea lanes? It is simply not possible to believe that Members of this body who would look at a map would declare it accidental.

Why not a large Cuban presence in some other parts of this hemisphere where turmoil is ripe? Because of geography, Mr. President.

What is at issue tonight is naivete at best and a purposeful ignorance at worst. Those who say, "I, too, hate the Sandinista government but what are we to do; let's negotiate," must answer the question, "With what?" They must answer the question, "With what leverage will these negotiations be undertaken? What pry bar is there to get anybody to do it?"

Mr. President, if it is a matter of waiting, the totalitarian state will always have 1 more day than a democracy. Democracies are not known for patience. They are known for a yearning for freedom, and to be rid of irritants. What is at issue here is cowardice, simply.

Some of us have said that the American public is not yet ready to follow us; that they do not fully understand what is at stake.

Mr. President, how can the public follow when the Congress refuses to lead, when it is we who have the classified briefings, when it is we who know that a Cuban was captured fighting with the Sandinistas inside Honduras and that another Cuban was killed there, when it is we who have seen the pictures of the airports and the submarine bases and we still express hesitancy because, good Lord, there is no public consensus. How can the public achieve consensus in the presence of cowardice? How is that possible?

Mr. President, Winston Churchill, at one moment in time, at the beginning of World War II, made a statement which I will put in the RECORD. His statement basically was:

> If these words are uncomfortable to hear, let them be uncomfortable. There comes a time when elected people, exercising the accountability and responsibility of their office, must take a chance with the public they lead. They must take a chance to do what they know to be right. They must, if they treasure democracy, not be frightened of the office which they hold.

Yet, that is what I see here tonight. Who will stand up and side with the Sandinistas? No one, I say, because I have heard those who are opposed to this resolution and everyone else say how deplorable the Sandinista government is. They do all the things we say. They commit more human rights violations than Somoza ever did.

Nearly 100 times as many refugees has left the country during Somoza have fled it since the Sandinistas took over. One-eighth of their population has left that country, yet some Senators say that the Sandinistas have the people on their side, not the Contras. Funny, how they express that support, is it not? I have heard them say that it is the legitimately constituted government of Nicaragua. Is a government that holds power by the gun in this hemisphere legitimate, when we have a choice to support that government or another that seeks freedom for its people?

Negotiate, I hear some say, in a bilateral way. If we negotiate in a bilateral way, all of a sudden the relationship that this Government has with the Contras is completely changed. It is changed from that of a free government helping people seek freedom to a government controlling mercenaries and using them as the tool to negotiate.

Is that what the Democrats want when they seek bilateral negotiations? Clearly, it is not. It is an oversight of the consequences that are taking place.

We do not want, whatever we do, to have those people who are fighting for their freedom lose their dignity by our putting them in the position of mercenaries and not freedom fighters, not people operating in their own country, with their own people, for the freedoms they thought they once had won.

Let us take an example of what may be down the road on this beachhead of imperialism, on the land mass—not an island—of this hemisphere.

I have spoken of the refugees. There are 120 million people between the Rio Grande and Panama. Does anybody here suppose that those people will be fleeing toward their "liberators" in the person of Cubans and Soviets and Bulgarians and East Germans? Does anybody suppose for even one-tenth of a second that that path is not; as it is today, going northward?

What are we to do in this country when confronted with that? Are we going to have our own Berlin wall lined across the Mexican border to keep these people out? What a lovely symbol that is for America!

Are we going to have gunboats in the ocean, sending them back to their Communist masters? Are we going to say to Mexico, who uses us as a valve for their unemployment and economic

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problems, "You keep them out"? Are we going to say: "Better you run south, boys; you can't come north; we're full"?

It is absurd, on its face, not to consider this as a problem that is confronting us in the near future.

What about the social fabric of the United States at that moment in time, friends? Who are we going to get to guard this border, supposing that is our decision? Are we going to shoot them if they cross this wall that we build? Who will we ask to shoot them? Those Hispanics whom we call brother and citizen? Those who are policemen and judges, first sergeants and privates, airplane pilots and astronauts, neighbors and friends? Or are we going to say to them: "That's too hard a task for you; we'll let the Anglos do it." Clearly, we cannot do that.

What are we going to do when the PLO's little teams begin to operate in this country, as they have in, say, Israel? Keep in mind that the border of Israel is perhaps the most sophisticated border in the world today. Yet, those teams can get in, and have machine-gunned buses full of children and tour buses full of senior citizens, blown up bombs in marketplaces, kidnaped families, raped, pillaged, created all that terror creates.

Is this going to topple the Government of the United States? Of course not. But what is it going to do? It is going to do what terror does. It is going to make a whole class of Americans suspect. It is going to make anybody who looks remotely Hispanic a suspect of others who will be wondering if that is somebody that the PLO sent out.

It will not take a lot of them: one little school bus in Texas, the main gate at Fort Bliss, a bridge crossing an interstate highway, a couple of pylons. Anything that sheds blood and creates panic will be sufficient to begin to have us wonder about our neighbor, wonder who we trust.

Is it not wise to begin to stop that now? Is it not wise to begin to think of the consequences of inaction?

When is it going to be time for us to decide? What is an appropriate moment, if we are not persuaded by an incursion into their neighboring country, with their thesis in hand, that this is a revolution without borders? What does it take to persuade us?

When we see these contras—whom we have been told by opponents of this aid package are an incompetent bunch of little ragtags, who control no territory, capture no city—take on the very best that the Sandinistas have, pin them down and whip them good, we now know we have been supporting capable military fighters and that those we have been fearing are perhaps not so capable as we had feared.

We have learned a lot in the last couple of days, but we will not listen. The only thing we will not believe is when the Communists tell us the truth. The truth is that they have crossed that border and that they do not care about borders. They are insistent upon establishing their tyranny, maintaining their bridgehold on this continent.

We wonder maybe if we are nice a little while longer surely they will see we mean them no harm and they will be nice back, they will negotiate themselves straight out of power with no tool.

It just will not happen and we know it. To say otherwise is to be cowardly. To say otherwise to the American people is to say "I don't trust your judgment at all. You are not old enough to understand this game of war and in this democracy I am not going to put you to the test."

In point of fact the American people stand the test very well. They understand very clearly when told forthrightly what is at issue and what must be done.

When the American people are aware that there is a total Communist Soviet beachhead on this continent, not on an island, and when their surrogates, the Cubans, the Bulgarians, the East Germans, and the North Koreans are in here seeking to wreak havoc among our democratic friends in this hempisphere and to expand their empire, we must at least admit that choosing the other side is a very weak choice indeed. Choosing the other side is choosing Soviet imperialism and nothing more and nothing less. It is choosing the side that does not stand for freedom.

So we sit and we wonder why these people are not embracing the Contras?

My friend, put yourself in a small village in Nicaragua tonight and wonder if you dare choose the Contras when our country cannot make up its mind whether its support will last another day, another month, another year, or not exist at all. Ask yourselves why anyone in that situation should make a commitment when he has seen what happens to those who do commit to freedom in the presence of a vacillating Congress of the United States over an issue of freedom?

Give them the choice of freedom and they will choose. Give them the certainty that we mean for them to succeed and they will choose. They will rise up as did Hungarians. They will rise up as did Czechs. They will rise up as did Poles. And they will rise up not with the Soviet Union on their border but with the world and this hemisphere watching them and giving them support the day they do that.

But how can you in your little hut in a village in Nicaragua make that choice tonight when you see us equivocating over whether or not freedom really is on the agenda of the biggest free people in the world?

They cannot make that choice down there tonight until Congress has the courage to choose. We had a choice given us. The President has presented us with a program. We can do what he suggests or we can do nothing and we can wait until the threat is a little bigger. But to do something in between is totally irresponsible.

I ask us once again, what does it take to make us understand the threat is real, and what will it take to make us confront our constituents with the awful truth that there is a cancer on this hemisphere, that the Soviet empire has arrived on the land mass of North America?

Mr. KERRY. Mr. President, will my colleague yield for a question?

Mr. WALLOP. I am happy to yield for a question.

Mr. KERRY. I ask my colleague—I just want to make sure whether or not I heard him correctly at the outset of his comments—did I hear my colleague say that in funding the Contras they did not seek the violent overthrow of the Government of Nicaragua, is that correct, in his colloquy with Senator Simon?

Mr. WALLOP. In point of fact, that is probably not what I said, although that is my understanding of where we are headed. It is my understanding that that exists as a possibility. Now ultimately it also exists as no possibility. It will either be overthrown violently or it will exist as the cancer that it is. But the possibility exists now, because the people are not with the Sandinista government.

Mr. KERRY. But my question is really, if I may say, Is the Senator's understanding the money that is being asked for here those who are voting for the Contras and is the Senator in voting for money for the Contras voting with the understanding that they are seeking to violently overthrow the Government of Nicaragua; is that correct?

Mr. WALLOP. Absolutely not, and the Senator well knows that is not part of the proposition that has ever been proposed by the President of the United States or anybody else. But it may happen.

Mr. KERRY addressed the Chair.

Mr. WALLOP. I have the floor. I responded to a question which the Senator just asked me.

It may well be that that is the only way in which it can take place, but that is not the purpose any more than it is the purpose in Afghanistan, or in Angola.

Mr. KERRY. What is the purpose?

Mr. WALLOP. The purpose is to bring the power that is held by the guns to the table so that elections can take place, so that negotiations between Nicaraguan parties can take place.

Mr. KERRY. If I can continue the question, I find that really fascinating because the Senator spent a certain amount of time trying to convince our colleagues here as he and many others do that Communist governments never negotiate away their power.

Mr. WALLOP. The Senator is positively correct. I can answer that and did if he had been listening to my remarks.

Mr. KERRY addressed the Chair.

Mr. WALLOP. The Senator from Wyoming possesses the floor. I yielded to the Senator for a question. I am trying to respond to that question.

In point of fact the one thing that could make it possible to achieve what we wish to achieve is that the Soviet Army is not on the Nicaraguan border, ready to roll in and crush an uprising. I do not say that it will happen that way. I have never said that. I do not say that it would not happen that that government is overthrown violently. But there is a chance, with the Soviet Union, occupied as it is with its own internal and domestic problems, that the Soviets would see the futility of trying to supply an army in another hemisphere and oceans away with sufficient equipment to keep a determined guerrilla force at bay when the people in the country rise up to support them.

Mr. KERRY. If I interpret that answer correctly, the Senator is then saying that this regime, given its particular situation, given the circumstances of the lack of the Soviet army right there to help them, could negotiate away its existence; is that correct?

Mr. WALLOP. It could have no other choice.

Mr. KERRY. Fine, it could have no other choice because it is aware of the situation that it faces; is that correct?

Mr. WALLOP. It does not face it yet because we have given it no threat. We cannot know and the Senator cannot know, nor can I know. We can only know what is a plausible way for events to unravel.

Mr. KERRY. For it to come to that conclusion, it would have to view the Contras as a threat; is that correct?

Mr. WALLOP. I am sorry. I did not hear the Senator's question.

Mr. KERRY. For it to come to that conclusion, it would have to view the Contras as a threat.

Mr. WALLOP. It would have to view them as a credible threat, indeed.

Mr. KERRY. And in order to be a threat, they would have to have the ability to overthrow them.

Mr. WALLOP. They would have to have the ability to keep the Nicaraguan Army totally occupied while the civilian population rose in support of the Contras.

My guess is that when the civilian population finally believes that the United States is purposeful about freedom, they will do just that.

Mr. KERRY. I thank the Senator.

Mr. WALLOP. Mr. President, I yield the floor.

Mr. MATHIAS addressed the Chair.

The PRESIDING OFFICER (Mr. Denton). The Senator from Maryland.

Mr. MATHIAS. Mr. President, there is not much dispute about the facts. Nicaragua has the first Marxist-Leninist government in continental America. The Sandinistas do not deny it—they proclaim it. That government is a bitter disappointment to many who helped establish it after fighting for years against the Somoza dictatorship. Civil liberties are reported to be more restricted today than they were under Somoza—newspapers and political parties are suppressed; moderates are silenced. There is much to deplore and enough to condemn.

The dispute centers on what to do about it. It seems to me that the decision has to contemplate three points, and that the Senate must consider them as it assumes responsibility for a fateful decision.

The issue of providing arms and military supplies to the Contras, who are mounting an insurrection in Nicaragua, is complex and difficult, but can be reduced by analysis to foundamentals.

The first point is the change in the military situation in Central America that could come about as a result of such assistance. It has been observed that every elevation in the military capacity of the Contras has been matched by a similar advance on the part of the Sandinistas' capability. Thus every new weapon added to the Contras' arsenal can be expected to result in a new weapon of comparable sophistication in the Sandinista camp. This means that the Sandinista forces acquire enhanced offensive power that could be directed against any one of their neighbors in Central America. We nearly guarantee the Sandinistas greater military strength by giving them the excuse to ask for it from their friends, and the long-term peace of Central America is thus made more fragile.

The second point is whether our stated objective is advanced or retarded by the process of arming the Contras. The President, the Secretary of State and all in authority in the administration have said solemnly and repeatedly that the only purpose in mind in aiding the Contras is to induce the Sandinistas to negotiate. It is something to ponder whether encouraging a rebellion is an argument in favor of negotiation. Given the history of the area, given the close identification of many Contras with the Somoza regime, it could be argued that the greatest gift the Sandinistas could be given is the opportunity to raise the old cry of "Yankee Go Home." It must certainly be having a positive effect on domestic support for the government and in some cases silencing those who would otherwise be critical. If the Sandinistas are reluctant to negotiate, for whatever reason, that reluctance is more likely to be accepted by their own public and by the Hispanic world as long as they can plead that they cannot act under duress while a state of siege continues. In fact, that is the very basis for the emergency powers that they have put in place. If this conflict drags along for a protracted period, with all the bitterness typical of fratricidal battle, it is probable that it will make negotiations more rather than less difficult.

The third point contemplates the true stakes for U.S. foreign policy. Is it merely the question of who presides over the Government in Managua that is at stake, or should the impact in Buenos Aires, Brazilia, and Mexico City be considered as well?

There is a radical difference between the age of electronic media and the prior era when gunboat diplomacy could be practiced in private with assurance that not much of the world would know until after the gunboat had sailed away over the horizon. Television and radio make every viewer and listerner a participant. There is no doubt how the millions of such participants in South America feel on this matter and how they will feel about the United States if we continue on this course.

President Reagan is right when he says that it matters who is in charge of Nicaragua. But it matters even more who is in charge in Buenos Aires and Brazilia and Mexico City, and in the other capitals of the Latin American world. Not only do we strain their patience and friendship when we maintain a course that they have condemned, but we also make serious problems for them in their domestic politics if they continue to cooperate with the United States in other ways.

The population of Nicaragua is 3 million, but the population of the rest of Latin America is more than 250 million. The friendship, cooperation, and assistance of our neighbors in this hemisphere is always important and may someday be vital. We should not risk losing it or impairing it for a cause that is at best doubtful and uncertain. To have the respect of our friends in Latin America, we must grant them respect. This is the moment to do so.

There is a mood of resurgent democracy in South America which should be recognized and employed in the Nicaragua solution. The governments of South America that exhibit a sense of responsibility should be encouraged to take the lead. It is clear that no Latin American nation would condone the creation of a nuclear weapons base in Nicaragua and that resistance to the concept of a new Soviet outpost is very high. All of these sentiments are

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consistent with U.S. policy and should be nourished by maximum diplomatic effort. If they are ignored, they could wither—if they are cultivated, they could grow and expand.

Experience with the diplomatic approach has not been encouraging. Both the United States and the Nicaraguan Government have talked about the Contadora process, but neither one has accepted it. Considering the likely result of further escalation, however, I believe it is worth another effort, a bolder, full-fledged effort, to achieve a negotiated settlement under Contadora auspices.

For these reasons, I cannot at this time agree to the expenditure of $100 million for assistance to the Contras.

The PRESIDING OFFICER. Who seeks recognition?

Mr. MATHIAS. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. DOLE. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

AID TO NICARAGUAN DEMOCRATIC RESISTANCE

Mr. DOLE. Mr. President, I ask unanimous consent the Senate now turn to Calendar No. 558, Senate Joint Resolution 283, the Contra aid resolution.

The PRESIDING OFFICER. The clerk will report.

The legislative clerk read as follows:

> A joint resolution (S.J. Res. 283) relating to Central America pursuant to the International Security and Development Cooperation Act of 1985.

The PRESIDING OFFICER. Is there objection to the request of the Senator from Kansas?

There being no objection, the Senate proceeded to consider the joint resolution.

Mr. DOLE. Mr. President, a parliamentary inquiry. Is it correct that under the legislation there is a time limit of 10 hours on the resolution?

The PRESIDING OFFICER. The majority leader is correct.

Mr. DOLE. Mr. President, I ask unanimous consent that the time be reduced by 3 hours, 1½ hours on each side.

Mr. BYRD. Mr. President, reserving the right to object, and I do not think I shall, would the distinguished majority leader indicate that the Senate will go out immediately and come in tomorrow at whatever time he wishes?

Mr. DOLE. Yes. If we can reduce the time by 3 hours, it would be the intention of the majority leader that there would be no more votes this evening. There is still a glimmer of hope that we might be able to forge something together by tomorrow morning, to come in fairly early and hope to, in one way or another, finish our work by early afternoon.

Mr. BYRD. Would the distinguished leader think it likely that we could be back on this measure by 9 o'clock tomorrow morning or 9:30?

The PRESIDING OFFICER. If the majority leader will defer, it is the understanding of the Chair that the majority leader said he wanted to reduce the time for debate by 3 hours. But then in a subsequent remark the Chair heard "equally divided 1½ hours on each side."

Does the majority leader mean that is the reduction in time?

Mr. DOLE. Yes.

The PRESIDING OFFICER. One-and-a-half hours on each side. I thank the distinguished majority leader.

Is there objection to that request?

Mr. BYRD. Reserving the right to object——

Mr. DOLE. I hope by 9:30, and we can come in early enough to take care of the special orders, and be on this by 9:30.

Mr. BYRD. There would then be 7 hours remaining under the statutory time agreement. That would be equally divided then between, say, the majority leader and the minority leader.

Mr. DOLE. That is correct.

Mr. BYRD. There would be 3½ hours to each side.

Mr. DOLE. I would be even willing to reduce that further, if we can get an agreement.

Mr. BYRD. We might be able to do that tomorrow, if we can be assured of this tonight.

Mr. DOLE. I am happy to yield.

Mr. ZORINSKY. Mr. President, reserving the right to object, and I probably will not object, can I ask the minority leader, Will I be protected under the time agreement? I will not have an amendment. However, will I be enabled to offer a statement within that time agreement?

Mr. BYRD. Yes. I assure the Senator that, since the time will be under the control of the two leaders, he may have 30 minutes of my time.

Mr. ZORINSKY. I thank the distinguished minority leader.

I have no objection.

The PRESIDING OFFICER. Will the majority leader answer the Chair's inquiry? Is the request simply that the time be reduced to 7 hours for debate or that the time will be equally divided between both sides, and controlled by the two leaders?

Mr. BYRD. That is my request. Otherwise, the statute says between the proponents and the opponents. I think it would be better if it were under the control of either the managers or the majority and minority leaders, or our designees.

The PRESIDING OFFICER. Is there objection to the request?

Without objection, it is so ordered.

Mr. DOLE. Mr. President, let me indicate, as I have, that there will be no further votes tonight. We will do nothing further on this tonight. We will not lay down the substitute there might be something which will happen overnight which will be very helpful to all of us. There are a couple of areas where we have disagreements.

I know the distinguished chairman of the Foreign Relations Committee is prepared to go with a substitute. But there will be no more votes tonight, and no more action on this measure.

ROUTINE MORNING BUSINESS

Mr. DOLE. I now ask unanimous consent that there be a period for the transaction of routine morning business for not to extend beyond the hour of 7:45 p.m.

The PRESIDING OFFICER. Without objection, it is so ordered.

MESSAGES FROM THE PRESIDENT

Messages from the President of the United States were communicated to the Senate by Mr. Saunders, one of his secretaries.

EXECUTIVE MESSAGES REFERRED

As in executive session, the Presiding Officer laid before the Senate messages from the President of the United States submitting sundry nominations which were referred to the appropriate committees.

(The nominations received today are printed at the end of the Senate proceedings.)

ANNUAL REPORT OF NATIONAL INSTITUTE OF BUILDING SCIENCES—MESSAGE FROM THE PRESIDENT—PM 125

The PRESIDING OFFICER laid before the Senate the following message from the President of the United States, together with an accompanying report; which was referred to the Committee on Banking, Housing, and Urban Affairs:

To the Congress of the United States:

In accordance with the requirements of Section 809 of the Housing and Community Development Act of 1974, I herewith transmit the Ninth Annual Report of the National Institute of Building Sciences.

RONALD REAGAN.

THE WHITE HOUSE, *March 26, 1986.*

NATIONAL ENERGY POLICY PLAN—MESSAGE FROM THE PRESIDENT—PM 126

The PRESIDING OFFICER laid before the Senate the following message from the President of the United

States, together with an accompanying report; which was referred to the Committee on Energy and Natural Resources:

To the Congress of the United States:

I am pleased to report to you that the state of our energy health is good, and the prospects for its future promising.

Our energy climate has undergone a remarkable transformation in just five years. Crude oil prices have declined, with savings passed on to consumers. The United States is using energy more productively, and our energy supply is more diversified than ever. Total U.S. energy production is at an unprecedented level, and we are far less vulnerable to disruption of our energy supplies.

Our renewed energy health is a testament to the ingenuity of the American people and the strength of American businesses, large and small. We have rightly placed our trust in our people and the belief that we were not running out of energy, only imagination. We have reduced regulation, wherever and whenever possible. We have placed our confidence in the marketplace, rather than government, to make key economic decisions about energy.

The result is a foundation of energy stability and energy security. We stand at the beginning of a new era of energy strength in which the United States has the resources and capabilities to sustain vigorous economic growth, as well as our important role in the free world.

With this new opportunity, of course, come new challenges. Unless these challenges are met, we may not achieve the energy exploration, technological advance, and conservation improvements this Nation needs. We have more work to do in cutting regulatory barriers, especially natural gas controls, diversifying our resources, and increasing alternate energy sources, which should further reduce our dependence on insecure energy imports. I am submitting the Fifth National Energy Policy Plan, which addresses the job ahead.

We are fortunate we can look forward to the coming era with confidence that we have learned from the lessons of the past and that with new tools and justified belief in the American people, our technology, and free markets, we will meet the energy challenges and opportunities ahead.

RONALD REAGAN.

THE WHITE HOUSE, *March 26, 1986.*

U.S. GOVERNMENT PARTICIPATION IN THE UNITED NATIONS—MESSAGE FROM THE PRESIDENT—PM 127

The PRESIDING OFFICER laid before the Senate the following message from the President of the United States, together with an accompanying report; which was referred to the Committee on Foreign Relations:

To the Congress of the United States:

I am pleased to transmit herewith a report of the activities of the United States Government in the United Nations and its affiliated agencies during the calendar year 1984, the fourth year of my Administration. The report is required by the United Nations Participation Act (Public Law 264, 79th Congress).

RONALD REAGAN.

THE WHITE HOUSE, *March 26, 1986.*

EXECUTIVE AND OTHER COMMUNICATIONS

The following communications were laid before the Senate, together with accompanying papers, reports, and documents, which were referred as indicated:

EC-2794. A communication from the Acting Assistant Secretary of State (Legislative and Intergovernmental Affairs), transmitting, pursuant to law, notification of the executive branch allocation of fiscal year 1986 military assistance funds; to the Committee on Appropriations.

EC-2795. A communication from the General Counsel of the Department of Defense, transmitting a draft of proposed legislation to amend chapter 47 of title 10, United States Code (Uniform Code of Military Justice), to clarify that military judges may perform certain trial functions, even though the membership of a court-martial has been temporarily reduced below quorum, and to permit additional peremptory challenges when additional court members are detailed to a court-martial; to the Committee on Armed Services.

EC-2796. A communication from the General Counsel of the Department of Defense, transmitting a draft of proposed legislation to amend chapter 47 of title 10, United States Code (Uniform Code of Military Justice), to simplify trial and post-trial proceedings and to modify the statute of limitations; to the Committee on Armed Services.

EC-2797. A communication from the Acting Chairman of the Federal Trade Commission, transmitting, pursuant to law, the annual report of the Commission for fiscal year 1984; to the Committee on Commerce, Science, and Transportation.

EC-2798. A communication from the Secretary of the Interior, transmitting, pursuant to law, the notice of leasing system for the Central Gulf of Mexico, sale 104, scheduled to be held in April 1986; to the Committee on Energy and Natural Resources.

EC-2799. A communication from the Secretary of the Interior, transmitting, pursuant to law, the first annual National Plan for Research in Mining and Mineral Resources; to the Committee on Energy and Natural Resources.

EC-2800. A communication from the U.S. Trade Representative, transmitting a draft of proposed legislation to authorize appropriations for the Office of the U.S. Trade Representative for fiscal years 1987 and 1988; to the Committee on Finance.

EC-2801. A communication from the Director of the Office of Technology Assessment, transmitting, pursuant to law, the second report on the Prospective Payment Assessment Commission; to the Committee on Finance.

EC-2802. A communication from the Director of the U.S. Information Agency, transmitting a draft of proposed legislation to authorize appropriations for the U.S. Information Agency for the fiscal year ending September 30, 1987, and for other purposes; to the Committee on Foreign Relations.

EC-2803. A communication from the Acting Executive Director of the Board for International Broadcasting, transmitting a draft of proposed legislation to amend the Board for International Broadcasting Act of 1973, to authorize appropriations for 1987; to the Committee on Foreign Relations.

EC-2804. A communication from the Assistant Legal Advisor for Treaty Affairs, Department of State, transmitting, pursuant to law, a report on international agreements, other than treaties, entered into by the United States in the 60-day period prior to March 21, 1986; to the Committee on Foreign Relations.

EC-2805. A communication from the Secretary of the Postal Rate Commission, transmitting, pursuant to law, notice of a prehearing conference on Third Class Mail Preparations, 1986; to the Committee on Governmental Affairs.

EC-2806. A communication from the Under Secretary of Agriculture (Small Community and Rural Development), transmitting, pursuant to law, a report on a Privacy Act system of records; to the Committee on Governmental Affairs.

PETITIONS AND MEMORIALS

The following petitions and memorials were laid before the Senate and were referred or ordered to lie on the table as indicated:

POM-604. A resolution adopted by the Senate of the State of Oklahoma; to the Committee on Agriculture, Nutrition, and Forestry.

"SENATE RESOLUTION NO. 48

"Whereas, the Oklahoma family farmer has brought food to the people of America at a price and quality which allows all Americans to enjoy one of the highest living standards in the world; and

"Whereas, the family farm is the backbone of rural Oklahoma, with agricultural revenue providing jobs at the grocer, the filling station, the hardware dealer, and the bank, and supporting the education of young and old at common and vo-tech schools in the locale; and

"Whereas, the policies of the Federal Government over the past decade, including three devastating embargoes on international grain sales, and a farm policy that encouraged expansion, fueled inflationary land values, and accumulated vast product surpluses, has led the Oklahoma family farmer to the brink of foreclosure and ruin; and

"Whereas, low product prices, high interest costs and declining land values have together already forced many Oklahoma family farmers off their land; and

"Whereas, the Federal Government, through the Federal Credit System and the Farmers Home Administration, now holds the bulk of outstanding family farm loans in Oklahoma; and

"Whereas, ample precedent and law exists for those Federal instrumentalities to forbear, set-aside, restructure, and otherwise adjust the loans of those family farmers

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which are delinquent, so that foreclosure and loss of the farm are not the inevitable remedy to service those loans; and

"Whereas those Federal instrumentalities also have authority to take special steps, even in foreclosure, to adjust security so that the homestead can be retained by the family.

"Now, therefore, be it resolved by the Senate of the 2d session of the 40th Oklahoma Legislature:

"That the Oklahoma State Senate does hereby petition the President of the United States to recognize the contribution of the family farm to the health of our Nation's people and economy; and the responsibility of the Federal Government for most instances of the current agricultural crisis.

"That the Oklahoma State Senate further memorializes the President to order the immediate suspension of foreclosure actions by the Farmers Home Administration of the U.S. Department of Agriculture, to request such suspension by the Farm Credit System, and to direct that every effort of both Federal instrumentalities be expended to protect the family farmer's possession of the land and the homestead.

"That copies of this resolution be distributed to the President, the Speaker of the United States House of Representatives, the President of the United States Senate, and to all members of the Oklahoma delegations."

POM-605. A joint resolution adopted by the Legislature of the State of Alaska; to the Committee on Commerce, Science, and Transportation:

"RESOLUTION

"Whereas the United States Department of Transportation is reviewing proposals for providing essential air service to Cordova, Yakutat, Petersburg, Wrangell, and Gustavus; and

"Whereas two proposals have been submitted, one proposing to continue existing air service with B-737 and B-727 aircraft, and another proposing use of the Convair 580 to provide air service; and

"Whereas the Convair 580 is inadequate to meet current passenger and freight demands, particularly during peak travel periods; and

"Whereas seafood, timber, and tourism are vital industries that depend on receiving this essential air service; and

"Whereas the demands for adequate and regular air service would require the use of B-737 and B-727 aircraft to carry passengers and freight to and from Cordova, Yakutat, Petersburg, Wrangell, and Gustavus;

Be it resolved that the Alaska State Legislature respectfully requests the United States Department of Transportation to continue to require the use of B-737 and B-727 aircraft to provide essential air service to Cordova, Yakutat, Petersburg, Wrangell, and Gustavus.

"Copies of this resolution shall be sent to the Honorable George Bush, Vice President of the United States and President of the U.S. Senate; the Honorable Thomas O. O'Neill, Jr., Speaker of the U.S. House of Representatives; and to the Honorable Elizabeth Dole, Secretary of the Department of Transportation; and to the Honorable Ted Stevens and the Honorable Frank Murkowski, U.S. Senators, and the Honorable Don Young, U.S. Representative, members of the Alaska delegation in Congress."

POM-606. A resolution adopted by the Fifth Northern Marianas Commonwealth Legislature; to the Committee on Energy and Natural Resources:

"SENATE RESOLUTION No. 5-3

"Whereas, the Covenant to establish the commonwealth of the Northern Mariana Islands was approved by the United States Congress and was signed by the President of the United States and subsequently became effective on January 9, 1978; and

"Whereas, there are some major issues affecting the people of the Commonwealth of the Northern Marianas that the United States has not yet fully resolved, such as unpaid war damage claims, headnote 3(a) protection, control and protection of local fisheries, Third Country Foreign Aid, and immigration control; and

"Whereas, because of the extremely fragile nature of our island economy, local control and protection of immigration and protection and control over our fisheries are essential if we are to lessen our dependency on federal grants; and

"Whereas, almost ten (10) years after the Micronesian War Claims Commission investigated and adjudicated the indebtedness of the United States of America to the people of the Trust Territory, including the people of the Northern Marianas, there remains an unpaid balance of war claim payments of some $24 million; and

"Whereas, under the concept of Third Country Foreign Aid it was contemplated that the Commonwealth of the Northern Mariana Islands would be eligible to receive aid from foreign countries in specific technical areas under Grant Aid Programs such as those available from Japan, but it is unlikely that the Commonwealth of the Northern Marianas can receive such aid assistance unless the United States concurs; and

"Whereas, within the past several months, the Compact of Free Association with the Federated States of Micronesia and the Republic of Belau have been approved and steps are now being taken to request the Security Council of the United Nations to terminate the Trusteeship Agreement for all entities of the Trust Territory; and

"Whereas, while we welcome the fact that an end to the Trusteeship Agreement is in sight, we consider it essential that certain issues of crucial importance to our development be addressed prior to terminating the Trusteeship Agreement; now, therefore,

"Be it Resolved by the Senate of the Fifth Northern Marianas Commonwealth Legislature, First Regular Session, 1986, that the President of the United States of America and the Congress of the United States be and they hereby are respectfully requested and urged not to unilaterally terminate the Trusteeship Agreement until certain essential obligations of the United States relative to the Covenant are fully resolved; and

"Be it further Resolved that the President of the Senate shall certify and the Senate Legislative Secretary shall attest to the adoption hereof and thereafter transmit certified copies to the Honorable Ronald Reagan, President of the United States; the United States Congress; the Secretary of State; the Secretary of Interior; and to the Honorable Pedro P. Tenorio, Governor of the Commonwealth of the Northern Mariana Islands."

POM-607. A joint resolution adopted by the Legislature of the State of New Mexico; to the Committee on Environment and Public Works:

"JOINT RESOLUTION

"Whereas, because of the excessive amounts of acid rain pollution in various parts of the United States, the congress is considering legislation to reduce such pollution; and

"Whereas, if congress decides to enact acid rain control legislation, it should be the most cost effective, and to be cost effective, congress must permit utilities to freely make the best economic choice between switching to low sulfur content coal and scrubbing; and

"Whereas, sulfur dioxide (SO_2) emissions from high sulfur content coal can be as much as four percent, which is particularly true of eastern United States coal; whereas, low sulfur content coal, with as little as one-half percent of SO_2, is prevalent in the western United States; and

"Whereas, in coal-burning plants in western states, for example in New Mexico, low sulfur content coal is utilized exclusively along with extensive, as well as expensive, scrubbers; and

"Whereas, in view of such air quality standards, states such as New Mexico should not be penalized by congress in considering legislation to reduce acid rain throughout the country; and

"Whereas, the most economical production depends, therefore, on the utilization of low sulfur content coal with scrubbers, while eastern states' utilization of high sulfur content coal requires far greater dependency upon scrubbers with the resultant increased cost of production;

"Now, therefore, be it Resolved by the legislature of the State of New Mexico that the Congress of the United States is hereby respectfully requested to insure freedom of economic alternatives in any legislation to reduce acid rain pollution by consideration of the sulfur dioxide content of the coal used and the extent of usage of scrubbers; and

"Be it further Resolved that Congress is also respectfully requested to exclude from any such legislation a national generating tax which would place an unfair burden on those states which have already paid for the cost of their pollution control; and

"Be it further Resolved that copies of this memorial be sent to the speaker of the United States House of Representatives, the president pro tempore of the United States Senate and each member of the New Mexico congressional delegation."

POM-608. A joint resolution adopted by the Legislature of the State of Maine; to the Committee on Finance:

"JOINT RESOLUTION

"We, your Memorialists, the House of Representatives and Senate of the State of Maine of the One Hundred and Twelfth Legislature, now assembled in Second Regular Session, most respectfully present and petition the President of the United States and the United States Congress as follows:

"Whereas, imported oil represents ⅓ of the energy consumed in New England and a tax on imported oil would dramatically increase heating costs in the State of Maine; and

"Whereas, an import tax on oil would have a severe negative impact on consumers and businesses in the State, particularly low-income and middle-income citizens, the State's elderly citizens and on energy-intensive industries dependent upon oil as an energy source; and

"Whereas, an import tax on oil would disproportionately and unfairly hurt oil-consuming states; and

"Whereas, the current glut in the world oil supply has lowered the price of oil and made an import tax attractive. We do not believe that the current glut will last. Prices are due to rise again soon, thus making an import tax even more harmful to consumers and industries; now, therefore, be it

"Resolved, That We, your Memorialists, concur with the Federal Reserve Board Chairman, Paul Volcker, that this is an unsound and unwise method of deficit reduction and in expressing our opposition to any plan which would bail out the energy producing states at the expense of the New England states, we hereby respectfully urge the Honorable Ronald W. Reagan, President of the United States and Members of the United States Congress to oppose taxation on imported oil; and be it further

"Resolved, That a copy of this resolution, duly authenticated by the Secretary of State, be transmitted by the Secretary of State to the Honorable Ronald W. Reagan, President of the United States and to the United States Congress and each Member of the Maine Congressional Delegation."

POM-609. A joint resolution adopted by the Legislature of the State of California; to the Committee on Finance:

"ASSEMBLY JOINT RESOLUTION No. 67

"Whereas, the President of the United States has proposed a federal income tax reform plan to promote "fairness, simplicity, and growth"; and

"Whereas, the President's plan for tax reform would tax the unrealized appreciation in the value of a life insurance policy (other than a term insurance policy), which is often referred to as the inside build-up; and

"Whereas, the taxation of the inside build-up would impose a disproportionate tax burden on the elderly; and

"Whereas, other tax reform proposals have proposed to treat as taxable income, rather than as a loan, any borrowing against a life insurance policy, while denying the deductibility of interest paid on those loans; and

"Whereas, the ability of a policyholder to borrow against the policy's cash surrender value and to deduct the interest payments is a critically important feature inasmuch as it relieves the anxiety often associated with the making of a long-term financial commitment and, moreover, enables policyholders to keep their insurance in force in the event of financial emergency; and

"Whereas, other tax reform proposals have proposed to eliminate the limited exclusion of group term life insurance provided by an employer; and

"Whereas, historically, the appreciation or inside build-up of a life insurance policy has never been taxed, unless the policy is surrendered, just as the appreciation on the value of a home is not taxed until the home is sold; and

"Whereas, the disincentive to purchase life insurance policies resulting from the adoption of any of those proposals would have the result of significantly reducing a major source of capital formation; and

"Whereas, the enactment of any of those proposals would produce confusion and administrative problems; and

"Whereas, if enacted, those proposals are likely to produce results which are contrary to the stated goals of fairness, simplicity, and economic growth; and now, therefore, be it

"Resolved by the Assembly and the Senate of the State of California, jointly, That the Legislature of the State of California memorializes the President and the Congress of the United States to continue the current tax treatment of life insurance in any revision of federal income tax law which is enacted; and be it further

"Resolved, That the Chief Clerk of the Assembly transmit copies of this resolution to the President and Vice President of the United States, to the Speaker of the House of Representatives, and to each Senator and Representative from California in the Congress of the United States."

POM-610. A resolution adopted by the City Council of Burlington, Vermont opposing aid to the Counterrevolutionary forces in Nicaragua; to the Committee on Foreign Relations.

POM-611. A concurrent resolution adopted by the Legislature of the State of Indiana; to the Committee on the Judiciary.

"HOUSE CONCURRENT RESOLUTION No. 11

"Whereas, the framers of the Constitution of the United States established a noble and unique form of government with the ultimate power residing in the people; and

"Whereas, that government is made up of three separate branches—the executive, the legislative, and the judicial; and

"Whereas, each of these branches of government was established to operate as a check and balance on the inappropriate exercise of power by the others; and

"Whereas, under that constitution, federal judges are appointed for life, removable only by impeachment proceedings or voluntary retirement; and

"Whereas, while the lifetime tenure of federal judges insulates them from the people and the government they serve, it is flawed because some of the judges abuse the system—precisely because they are completely insulated for life; and

"Whereas, the interests of justice and the people can be better served by correcting the defect caused by guaranteed lifetime tenure of federal judges; and

"Whereas, this defect may be corrected by providing the Congress with the option of limiting the tenure of federal judges to a term of years: Therefore,

"Be it resolved by the House of Representatives of the General Assembly of the State of Indiana, the Senate concurring:

"SECTION 1. That we urge the Congress of the United States to take appropriate action to amend the Constitution of the United States to give Congress the power to limit the tenure of federal judges to a term of years.

"SECTION 2. That copies of this resolution be transmitted to the presiding officers and to the majority and minority leaders of both houses of Congress and to each member of Congress representing the people of Indiana."

REPORTS OF COMMITTEES

The following reports of committees were submitted:

By Mr. DANFORTH, from the Committee on Commerce, Science, and Transportation, with an amendment:

S. 2054. A bill to provide that the National Aeronautics and Space Administration may accept gifts and donations for a space shuttle which may be named *Challenger II* (Rept. No. 99-266).

By Mr. DANFORTH, from the Committee on Commerce, Science, and Transportation, without amendment:

S. 2180. A bill to authorize appropriations for activities under the Federal Fire Prevention and Control Act of 1974 (Rept. No. 99-267).

By Mr. GARN, from the Committee on Banking, Housing, and Urban Affairs, without amendment.

S. 2231. A bill to amend the Federal Deposit Insurance Act.

● Mr. GARN. Mr. President, today I am reporting the Agricultural and Energy Bank Incentive Act of 1986. This bill encourages commercial banks to work with farmers and farm businesses as well as those in the oil and gas business.

This bill was reported out of the Banking Committee last night without objection. It is the product of considerable effort by Senator DIXON and this Senator as well as many other members on and off the Banking Committee over the past 8 months as well as the Federal bank regulators. Consequently, the following Senators join with me in support of this legislation: Senators DIXON, D'AMATO, PROXMIRE, MATTINGLY, CRANSTON, GRAMM, RIEGLE, GORTON, DODD, SARBANES, NICKLES, ABDNOR, ZORINSKY, and EXON.

The process began with Senator DIXON's introduction of S. 1151, the Farm Credit Relief Act of 1985. Senator DIXON described S. 1151 as "an assistance and needed flexibility for both farmers and their lenders." That bill would have permitted banks to negotiate with farmers on appropriate debt restructuring and to amortize the losses over a 30-year period rather than requiring losses to be written off against capital at the time they are recognized. The committee held a hearing on the Farm Credit Relief Act of 1985 on July 24, 1985.

In November and December of last year, the Congress considered and passed legislation rescuing and reorganizing the cooperative farm credit system, the primary money source for farmers and rural cooperatives. During Senate debate, numerous suggestions were offered to ease the strains on those commercial banks primarily engaged in agricultural lending. They included proposals to place a moratorium on future foreclosures, to require principal and interest rate buydowns, and to apply the net worth certificate program to qualified agricultural financial institutions. All those amendments were rejected since it was clear that further work was needed on these issues.

In December 1985, I wrote the bank regulators and requested the agencies to conduct an analysis of the effect the farm crisis has had on financial institutions primarily engaged in agricultural lending. Additionally, they were asked to submit options as to how Congress could best ease the

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strains resulting from such lending commitments. Those reports were received by the committee on February 17, 1986.

During this process, numerous meetings were held in an effort to put together a legislative package that would address the problems we are today discussing. The majority leader, in addition to providing helpful insight into these issues, hosted and allowed numerous gatherings in his Capitol office to discuss the many suggestions offered. Senator BOSCHWITZ likewise put together several meetings in an effort to accelerate the legislative process. The regulators have also been active participants in the process. While their schedules are no doubt hectic, in addition to holding countless events concerning the subject, they attended most meetings personally. This effort, as reflected by the cosponsorship of the measure, has been forged together by Members on both sides of the political aisle. Without such bipartisan support and cooperation, we would not be on the floor today considering this bill.

The committee held 2 days of hearings on how best Congress can ease the strains experienced by farm banks resulting from the agriculture crisis. On March 6, the committee heard testimony from Charles O. Sethness, Assistant Secretary of the Treasury for Domestic Finance, who presented the administration's views on the difficulties facing insured agricultural banks. Testifying also were representatives from the American Bankers Association and the Independent Bankers Association of America, who presented to the committee the recommendations of the ABA-IBAA Task Force on Agricultural Credit. Additionally, the American Council of Life Insurance offered their views on the Farm Credit Amendments Act of 1985 and its effects on agricultural lending and agricultural banks. On March 11, the Federal Deposit Insurance Corporation, Comptroller of the Currency, and the Federal Reserve Board discussed their previously submitted reports concerning the problems being experienced by agricultural banks, and outlined actions Congress might take in making the needed adjustments through this transition period. At the conclusion of the hearing, the regulators issued a joint statement on regulatory policies toward agricultural lenders. The statement outlined supervisory and regulatory policies that the banking agencies believe is appropriate to assist basically sound, well-managed banks to weather this transition period.

As a result of these efforts, the committee members and the other cosponsors found that the problems in the agricultural and oil and gas community, if left unabated, could result in the denial of credit to creditworthy farmers and businesses. Therefore, we proposed this bill to achieve two purposes:

1. To provide commercial banks with encouragement and positive sentiment to meet the needs of their borrowers in a manner consistent with generally accepted accounting and sound banking principles; and

2. By providing such regulatory flexibility for such commercial banks, the bill seeks to ensure future credit availability to farmers and those in the oil and gas business.

The Agricultural and Energy Bank Incentive Act has the potential for providing significant relief to borrowers. Although the type and number of borrowers potentially affected cannot be quantified, borrowers which have reasonable prospects for recovery can be benefited.

Reasonable prospects for recovery can be enhanced by allowing the farm borrower to pay his loan off on the basis of his individual cash flow circumstances. For example, this borrower may be only able to make the loan payments if the bank either reduces the interest rate, extends the loan payment schedule, or actually forgives a portion of the loan principal.

Although the bank may agree the borrower would be able to make these loan payments if any of these changes were made, there are significant concerns as to the effects of these concessions to the financial condition of the bank.

These concerns can be, one, having to recognize a loss equal to the concession granted; two, having to raise additional capital as a result of such losses in accordance with bank regulatory policies; three, having to publicly report more problem loans which news media may report causing some depositors to lose confidence in the bank; four, having an increase in "classified" loans which may trigger some bank regulatory action, and, five, having the modified loan being in violation of the bank's legal lending limits.

If the proposed act is enacted, many of these concerns can be either reduced or eliminated entirely. First, by ensuring the bank regulatory agencies will follow FAS No. 15, the bank will not be required to recognize a loss on the loan restructuring with the farmer borrower if there is reasonable probability the entire amount of the loan principal will be repaid. Thus, the loan could be modified with longer repayment terms, reduced interest rates, or other concessions without any loss being booked.

Congress has already passed the Debt Adjustment Program (FHA guarantee program) which encourages the bank to make these types of concessions with the farm borrower. Under this program, the modified loan will qualify for a 90 percent Government guarantee if the bank makes enough concessions to enable the farmer to repay the loan based upon his anticipated cash flow.

Thus, the provision of FAS No. 15 and this program encourage the bank to work with the farm borrower without significant adverse consequences.

Many banks still have difficulties working with their farm borrowers because of losses they have already experienced. As a result, they may be reluctant to make these concessions because earnings will be reduced such that their capital may fall below amounts permitted by the bank regulatory agencies. The proposed act reduces this concern by allowing these banks to operate at lower capital levels for a limited period. Again, this provides an incentive for the bank to structure longer term solutions with the borrower in the same manner they require for their solutions.

Depositor loss of confidence from reporting higher problem loan amounts is also reduced by the proposed act. Banks that modify the loan with farm borrowers will be able to report these loans as performing loans. Thus, reporting will be a more accurate appraisal of the bank, and the bank will not be further penalized through inaccurate labels as a result of making these necessary concessions.

Banks that take advantage of the Debt Adjustment Program will have less "classified" assets since 90 percent of the loan will be Government guaranteed and not subject to classification. Since the amount of classified assets is a bank regulatory supervisory concern, reductions in classified assets will be a significant factor in any proposed regulatory action. Thus, this result also provides the bank with an added incentive to allow the farm borrower more favorable loan terms.

Finally, with respect to national banks, the proposed act recognizes that the Comptroller of the Currency will provide a mechanism for affected agricultural banks to maintain higher legal lending limits. This will not only allow these banks to restructure their farm loans without violating the law, but also provide the bank with a vehicle to continue to serve their agricultural borrowers with additional loans without causing lending limit violations.

The bill also deals with an extension of the emergency authorities in Garn-St Germain and the thrift net worth certificate from April 15, 1986, to July 15, 1986.

Additionally, the bill creates a moratorium on the establishment of new federally insured nonbank banks by charter or through change of control until July 15, 1986. The change of control of savings and loans by companies (other than savings and loans or savings and loan holding companies) is restricted until July of this year to those acquisitions arising out of the emergency authority of the FSLIC. In imposing these prohibitions, however, the committee is not suggesting or deciding which institutions will be grandfathered and which will be required to divest. The bill makes clear that no expression of congressional intent on grandfathering should be drawn. The committee is only seeking to preserve its options of imposing the grandfather date and other provisions of S. 2851 which passed the Senate in 1984.

I am also presenting the letter dated March 26, 1986, from the Congressional Budget Office indicating under part of the bill additional costs would be insignificant and under the other part that there would be savings that they could not estimate.

Mr. President, I ask unanimous consent that a section-by-section analysis of the bill reported by the Banking Committee be printed in the RECORD.

There being no objection, the analysis was ordered to be printed in the RECORD, as follows:

SECTION-BY-SECTION ANALYSIS OF THE AGRICULTURAL AND ENERGY BANK INCENTIVE ACT

FINDINGS AND PURPOSES

Section 2 sets forth the findings of Congress and the purposes of the bill. Congress finds that during recent years broad sectors of the American agricultural economy have experienced severe economic reversals and that the economic crisis in the agricultural sector has caused serious problems for financial institutions which are largely beyond their control. Congress further notes the deteriorating financial condition of agricultural banks which traditionally have been well capitalized. The failure rate for agricultural banks has increased significantly in the past 18 months. Finding that the likelihood of agricultural bank problems will continue in 1986 at least at levels comparable to those in 1985, Congress believes that leaving such problems unresolved will result in the denial of credit to farmers and farm businesses.

With regard to the energy sector, Congress finds that declining oil prices have worsened existing problems in the energy sector. Well-managed institutions attempting to provide credit to their customers have suffered adverse effects as a result of these severe economic conditions.

Accordingly, Congress has proposed this bill with two primary purposes. First, Congress seeks to provide agricultural and energy banks with incentives and sufficient time to resolve their asset quality problems in a constructive, orderly manner while at the same time, meeting the needs of their borrowers, and helping to rehabilitate borrowers and the banks themselves. However, any methods used to accomplish those objectives must be consistent with regulatory and supervisory principles and maintain depositor confidence in the banking system. Second, by providing relief for agricultural and energy banks Congress seeks to ensure future credit availability for farmers, farm businesses and oil and gas businesses, and to provide an incentive for the work-out of problems between banks and borrowers in a constructive manner that would minimize foreclosures and bankruptcies.

AMENDMENT TO THE FEDERAL DEPOSIT INSURANCE ACT

Section 3 amends the Federal Deposit Insurance Act (12 U.S.C. Section 1823) by adding a new subsection (j) to authorize appropriate Federal banking agencies (Federal Deposit Insurance Corporation, Federal Reserve Board and Office of the Comptroller of the Currency) to take specific actions with respect to agricultural and energy banks. Under subsection (j)(2) agencies shall permit an agricultural or energy bank to account for troubled debt restructuring in a manner consistent with generally accepted accounting principles, specifically Financial Accounting Standards Board Statement No. 15 ("FASB 15"), "Accounting by Debtors and Creditors for Troubled Debt Restructurings". Application of FASB 15 is triggered when a creditor grants a debtor a concession. The statement of the accounting standards board applies when "the creditor's objective is to make the best of a difficult situation . . . the creditor expects to obtain more . . . value from the debtor, or to increase the probability of receipt, by granting the concession than by not granting it." Troubled debt restructuring may include a modification of terms—either a reduction of interest rate, extension of maturity date, forgiveness of debt, transfer of property or some combination of the above.

Subsection (j)(3)(A) requires each Federal banking agency to establish a capital forbearance program with respect to agricultural and energy banks if the bank's reduction in capital is largely attributable to problems in the agriculture and energy sectors. Under such a program, a bank would be allowed to operate under relaxed capital requirements for a reasonable period of time—generally between five and seven years.

Subsection (j)(3)(B) establishes A window period, beginning on the date of enactment and expiring on December 31, 1987, during which an agricultural or energy bank may submit an application to its appropriate Federal banking agency for inclusion in the program. The bank's application must be accompanied by a plan (which must be acceptable to the Federal banking agency) detailing the bank's program to restore its reduced primary capital to levels at or above the regulatory minimum no later than January 1, 1993.

Subsection (j)(3)(C) gives the federal banking agencies discretion to establish specific requirements for a bank's qualification for the capital forbearance program. In addition, the Act specifically requires that a bank's weakened financial condition must be primarily the result of problems attributed to the economic conditions in the agricultural and energy sectors. The weakened condition cannot result from mismanagement, excessive operating expenses, excessive dividends or actions taken to enable the bank to qualify for capital forbearance. Furthermore, a bank must adopt and comply with its plan to restore primary capital to minimum levels and report periodically on its progress in complying with the plan.

Subsection (j)(4) requires the federal banking agencies to implement requirements in the Reports of Condition and Income ("call reports") to provide an amended description of the status of renegotiated "troubled" loans. This requirement would allow banks to distinguish loans that, although renegotiated, are in compliance with modified terms. Those loans would no longer need to be included in the category of nonperforming loans but could be disclosed in the call report as "Restructured and in Compliance With Modified Terms" or a similar description.

Subsection (j)(5) requires each Federal banking agency to issue its capital forbearance program and call report requirements within 3 days of enactment of the bill. This would include policy guidelines established by the agency under which they will refrain from taking administrative actions to enforce normal capital standards.

Subsection (j)(6) defines various terms used in the bill:

"(a) The term 'troubled debt restructuring' is defined as debt restructuring by a lender who grant a concession to the debtor for economic or legal reasons relating to the financial difficulties of the debtor that it would not otherwise consider, as defined by standards of financial accounting standards issued by the Financial Accounting Standards Board.

"(b) The term 'capital forebearance' means policy guidelines established by the Federal banking agencies under which they will refrain from taking administrative actions to enforce normal capital standards.

"(c) The terms 'agricultural bank' and 'energy bank' mean an insured bank that has agricultural loans, or oil and gas loans in the case of energy banks, in excess of 25 percent of its total outstanding loans."

Any bank that has combined agricultural or energy loans that exceed 25 percent of its total loans also would be considered an agricultural or energy bank. Additionally, any bank that does not meet the definition of an agricultural or energy bank may be considered for inclusion in an agency's capital forbearance program upon a case-by-case review and approval by the Federal banking agency after a showing that the bank is experiencing capital reductions largely attributable to problems in the agricultural or energy sectors of the economy.

REAL ESTATE HOLDING PERIOD

Section 4 of the bill amends 12 U.S.C. Section 29, which establishes the limited purposes for which national banks may purchase, hold and convey real property. Permissible purposes include the holding of property mortgaged, conveyed or otherwise acquired as security for or in satisfaction of a debt previously contracted. Currently, a bank must dispose of such property within five years unless the Comptroller of the Currency approves the possession for an extended period not to exceed an additional five years. This amendment would allow any national bank to hold such real property for a 10-year period without the Comptroller's approval. However, no extension would be available. The amendment is intended to prevent further depressed farmland values which could result from agricultural banks' disposal of such real estate.

NATIONAL BANK LENDING LIMITS

Section 5 amends 12 U.S.C. Section 84 which establishes lending limits for national banks. Currently, the general limitation established in 12 U.S.C. Section 84 is 15 percent with an additional percentage allowed under specific exceptions and circumstances. This amendment remedies the reduced lending limits that would result for affected banks due to capital reductions attributable to problems in the agricultural and energy sectors. The amendment provides for a maximum limit of 20 percent to operate in lieu of the 15 percent limit currently provided in 12 U.S.C. Section 84(a)(1). By establishing an increased lending limit, a bank participating in the capital forbearance program who suffers moderate loses on agricultural and energy loans could maintain its current dollar lending limits. A bank which suffers large losses will have a reduced limit; however, that limit would not be as low under the 20 percent limit as it would have been under the 15 percent limit.

Section 6 extends to July 15, 1986 the emergency authorities of Garn-St Germain as well as the net worth assistance for thrifts which are scheduled to expire on April 15, 1986. These emergency authorities include FSLIC's authority to convert mutuals to stock form as well as the emergency acquisition authorities for both insured banks and savings institutions.

Section 7 creates a moratorium on the establishment of nonbank banks until July 15, 1986. It prohibits the Comptroller of the Currency from granting final approval on nonbank banks should the court injunction be lifted. The FDIC would be prohibited from granting insurance for any newly chartered state nonbank banks during this period if such applications are not required by state law. Additionally, the appropriate Federal bank agency shall be required to disapprove any change of control which could result in a new nonbank bank. Similarly, until July 15, 1986, the FSLIC is required to disapprove changes of thrift control which are not related to an emergency acquisition or savings and loan restructuring. The bill specifically states that the moratorium provision should not be interpreted as evidence of Congressional intent on which institutions shall be grandfathered and which companies shall be required to divest.●

● Mr. DIXON. Mr. President, I am pleased to join the distinguished chairman of the Banking Committee, Senator GARN, and my other distinguished Banking Committee colleagues in reporting the Agricultural and Energy Bank Incentive Act.

This bill will provide some desperately needed relief for hard-pressed farmers and the financial institutions that serve rural America. It will also provide breathing room for energy banks experiencing difficulties because of recent developments that have caused major problems for the U.S. oil and gas industry.

This bill has been worked out in concert with the Federal banking regulators. It provides the same kind of assistance that my two banking bills, S. 1151 and S. 1943, would have provided. Those bills would have permitted banks to amortize agricultural loan losses over a period of years, thus effectively permitting banks to operate below normal capital levels for that period. The legislation we are introducing today takes a somewhat different road, but it ends up at the same place. The benefits for bankers and their farmer-borrowers will be the same.

It is important to note that this legislation provides important benefits not just for eligible banks, but also for farmers. By providing incentives for banks to restructure loans, this bill will help farmers that do not have sufficient cash-flow to pay their loans as currently structured, but who could pay restructured loans. It will also help keep agricultural banks open, thus ensuring that farmers do not lose access to capital. The bill will not prevent all foreclosures, but it will help reduce the likelihood that foreclosure will be necessary.

I want to thank my friend, Senator GARN, for his effort and for his cooperation in getting quick action in the Banking Committee to report this original bill. I also want to thank the distinguished ranking Democratic member, Senator PROXMIRE, for his support and assistance.

I hope we can act on this bill today, Mr. President. The need for this assistance is urgent. We cannot afford delay. The provisions of this bill represent a consensus among bankers, regulators, and the committee. We should enact this consensus bill just as quickly as we can.●

● Mr. ZORINSKY. Mr. President, the Banking Committee is reporting long overdue original legislation to ease the financial strains on farm banks. This bill recognizes that agricultural banks can survive if they are not forced to absorb all of their losses in a single year. These changes are endorsed by the regulators, supported by the banking community, and needed for our farmers. The legislation—which I strongly endorse—may not be a panacea, but it will give the banks some breathing room.

Farm debt now runs well over $200 billion. According to the FDIC, 23 percent of that debt is in near-term danger; another 22 percent is headed that way. Commercial banks hold $48 billion in farm loans. Farms banks—banks with over one-quarter of their assets in farms loans—hold $26 billion of that $48 billion.

Looming over this debt is the depression in the farm belt. The financial conditions for farming continue to worsen. There are no signs that commodity prices or farm land values will rise any time soon. If anything, a further decline seems more likely. The results have been predictable and dire. During the past year and one-half, farm banks accounted for over half of all bank failures. Nebraska has suffered more than its fair share in this disaster. During 1985, we tied for first place in the number of bank closings. 1986 is off to a similarly dismal start. Two banks have already closed this year, bringing a total of 15 failures in as many months.

The impact on a community of a bank closing is tremendous. Local business is disrupted, checks are stopped, credit needed for commerce dries up, and a Federal bureaucracy tangles itself in borrowers' financial affairs. Current banking regulations are insensitive to these costs our towns and people have borne from bank closings. The welfare of the farm community is simply not being served by blind adherence to accounting principles and rules which are wholly out of place. The time has come for revision of our present laws.

The bill makes three major changes in current regulations for farm banks. The most important provision, called capital forbearance, is a variation of loan loss deferral plans. Under present law, when full repayment of a loan is no longer assured, banks must immediately recognize the amount of that loss on their books. Given the current crisis in the farm economy, forcing banks to recognize immediately the full amount of their losses only exacerbates the problem. Banks are forced to call in other loans to balance off any losses. Borrowers responsible for these loans may not be able to repay their outstanding balances. As a result, more loans fall into default and even more stringent rules are imposed on the banks. At the very least, banks may have to withdraw as lenders to their communities. And, more likely, the bank will be driven to the brink of closing.

The bill would permit banks to place a portion of their agricultural loan losses into a separate, special account. The losses could then be written off over the next 5 years. This procedure gives banks some breathing room without sacrificing the integrity of the accounting methods. Limitations and restrictions insure that the relief is targeted for the appropriate loans and that no banks are artificially propped up well beyond the bounds of reason.

The second change under the bill would create a new way of categorizing loans when the repayment schedule or other terms of the loan are modified. Often, a bank will stretch out payments or reduce the effective interest rate to help a borrower continue to repay the loan. Under current law, whenever a bank modifies the original terms of a loan, regulators force the bank to declare the loan to be "nonperforming." When a regulator calls a loan nonperforming, the bank suffers.

The bill alters disclosure requirements so that banks can change a loan's terms without jeopardizing the good standing of the loan. As long as repayment under the new terms is expected, regulators will not punish the bank. Instead of being classified as nonperforming, the loan is placed in a category called—logically enough—loans restructured and in compliance with modified terms. Putting a loan in this category will not get the bank into so much trouble.

The third initiative encourages farm banks to use a more lenient method of accounting for restructured debt—statement 15 of the Financial Accounting Standards Board of "FASB 15". Under FASB 15, a bank need not count as a loss any restructured loan as long as all the original principal is

repaid. FASB 15 is so complex, however, that only large banks have had enough lawyers and accountants to use it. The bill initiates an education program to bring FASB to the small banks. By teaching farm banks how to use FASB 15, the regulators will give the banks more flexibility when they renegotiate loans with farmers.

The bottom line of the changes is that banks will be allowed to recognize some of their losses without incurring the usual regulatory punishment. Obviously, the bill is only a part of the overall program needed to address the problems facing our farmland today. But it is an essential part of that program, and I urge my colleagues to give it their full consideration.●

By Mr. THURMOND, from the Committee on the Judiciary, with amendments:

S. 8. A bill to grant a Federal charter to the Vietnam Veterans of America, Inc (Rept. No. 99-268).

By Mr. THURMOND, from the Committee on the Judiciary, with an amendment in the nature of a substitute:

S. 1923. A bill to provide for additional bankruptcy judges (Rept. No. 99-269).

By Mr. GARN, from the Committee on Banking, Housing, and Urban Affairs, without amendment:

S. 1707. A bill to authorize the President to present a gold medal to the parents of Father Jerzy Popieluszko.

S. 1756. A bill to authorize the President to present to Sergent Shriver, on behalf of the Congress, a specially struck medal.

S. 1952. A bill to provide for the striking of medals to commemorate the Young Astronaut Program.

● Mr. GARN. Mr. President, on December 16, 1985, I introduced S. 1952, a bill providing for the striking gold, silver, and bronze medals to commemorate and financially assist the Young Astronaut Program. I am pleased that the Banking Committee recently reported this bill out of the committee, and I urge the Senate to pass this legislation.

S. 1952 provides for the minting of commemorative medals by the Department of the Treasury. The medals will be turned over to the Young Astronaut Council, the committee which runs the program, for a price which includes manufacturing costs plus a 10-percent surcharge. This program will not cost the Federal Treasury one dime because the council will pay for all costs, and the Government gets a guaranteed ten percent surcharge. The legislation specifically provides that the council must furnish security satisfactory to the Director of the Mint to indemnify the United States for full payment of such costs.

Once the council purchases the medals, it will sell them and use the profits to financially support the programs and activities of the Young Astronaut Program. Already, the program has opened thousands of chapters, produced a diversified class curriculum for grades 1 through 9, sponsored field trips, and published an informative monthly newsletter to chapter leaders and students providing updates on the space program.

The objective of the Young Astronaut Program is to channel the excitement of the Space Program into capturing the imagination of young people, and sharpening their science, math, and technological skills. I believe that it provides a healthy and constructive way to engage the energies of our youth as they develop and expand their minds to bring the stars within our reach.

Mr. President, I urge passage of this bill.●

By Mr. DANFORTH, from the Committee on Commerce, Science, and Transportation, with amendments and with a preamble:

S. Res. 332. A resolution to honor the *Challenger* space shuttle astronauts (Rept. No. 99-270).

By Mr. HEINZ, from the Committee on Banking, Housing, and Urban Affairs, without amendment:

S. 2245. A bill to authorize appropriations to carry out the Export Administration Act of 1979 and export promotion activities (Rept. No. 99-271).

By Mr. HEINZ, from the Committee on Banking, Housing, and Urban Affairs, without amendment:

S. 2246. A bill to eliminate foreign predatory export credit practices, to establish a tied aid credit facility, and for other purposes (Rept. No. 99-272).

S. 2247. A bill to amend and extend the Export-Import Bank Act of 1945, and to eliminate foreign predatory export practices (Rept. No. 99-273).

S. 2248. A bill to amend and extend the Export-Import Bank Act of 1945 (Rept. No. 99-274).

By Mr. GARN, from the Committee on Banking, Housing, and Urban Affairs, without amendment:

S. 2084. A bill authorizing the President to present gold medals to the families of the crew members of missions 51-L of the space shuttle *Challenger*.

By Mr. GARN, from the Committee on Banking, Housing, and Urban Affairs, with an amendment and an amendment to the title and an amended preamble:

S.J. Res. 222: A joint resolution concerning the cruel and inhuman killing of Leon Klinghoffer by international terrorists aboard the cruise ship *Achille Lauro*, because he did not submit to the demands of these terrorists.

EXECUTIVE REPORTS OF COMMITTEES

The following executive reports of committees were submitted:

By Mr. GARN, from the Committee on Banking, Housing, and Urban Affairs:

C.C. Hope, Jr., of North Carolina, to be a member of the Board of Directors of the Federal Deposit Insurance Corporation for a term of 6 years.

(The above nomination was reported from the Committee on Banking, Housing, and Urban Affairs with the recommendation that it be confirmed, subject to the nominee's commitment to respond to requests to appear and testify before any duly constituted committee of the Senate.)

By Mr. McCLURE, from the Committee on Energy and Natural Resources:

Jed Dean Christensen, of Virginia, to be Director of the Office of Surface Mining Reclamation and Enforcement.

(The above nomination was reported from the Committee on Energy and Natural Resources with the recommendation that it be confirmed, subject to the nominee's commitment to respond to requests to appear and testify before any duly constituted committee of the Senate.)

INTRODUCTION OF BILLS AND JOINT RESOLUTIONS

The following bills and joint resolutions were introduced, read the first and second time by unanimous consent, and referred as indicated:

By Mr. ROTH:

S. 2230. A bill to improve the management of the Government by establishing an Office of Federal Management in the Executive Office of the President, and for other purposes; to the Committee on Governmental Affairs.

By Mr. GARN, from the Committee on Banking, Housing, and Urban Affairs:

S. 2231. A bill to amend the Federal Deposit Insurance Act; placed on the calendar.

By Mr. HEINZ:

S. 2232. A bill to provide for temporary suspension of the duty mixtures of mancozeb, dinocap, stabilizer, and application adjuvants; to the Committee on Finance.

S. 2233. A bill to provide for the temporary suspension of the duty on crosslinked polyvinylbenzyltrimethylammonuium chloride (cholestyramine resin USP); to the Committee on Finance.

S. 2234. A bill to provide for the temporary suspension of the duty on 3-amino-3-methyl-1-butyne; to the Committee on Finance.

S. 2235. A bill to provide for the temporary suspension of the duty on mixtures of 1,1-bis(4-chlorophenyl)-2,2,2,-trichloreothanol (dicofol) and application adjuvants; to the Committee on Finance.

S. 2236. A bill to provide for the temporary suspension of the duty on mixtures of maneb, zineb, mancozeb, metiram, stabilizer, and application adjuvants; to the Committee on Finance.

S. 2237. A bill to provide for the temporary suspension for the duty on the mixtures of 2,4-dinitro-6-octyl phenyl crotonate 2,6-dinitro-4-octyl phenyl crotonate and nitrooctyl phenols (dinocap), and on mixtures of dinocap with application adjuvants; to the Committee on Finance.

By Mr. SPECTER:

S. 2238. A bill to amend part C of the Balanced Budget and Emergency Deficit Control Act of 1985 to provide that cost-of-living increases in benefits under the civil service, military, and Postal Service retirement and disability programs shall be exempt from reduction pursuant to sequestration orders thereunder; to the Committee on Governmental Affairs.

By Mr. HELMS:

S. 2239. A bill to amend the Food Stamp Act of 1977 and the Balanced Budget and Emergency Deficit Control Act of 1985 to repeal certain expansions of the food stamp and related programs and to remove the exemption of certain food assistance programs

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from reductions under sequestration orders; to the Committee on Agriculture, Nutrition, and Forestry.

By Mr. PACKWOOD:

S. 2240. A bill to amend various provisions of title 49, United States Code, to provide for a more competitive, safe, and efficient trucking industry, to reduce regulatory burdens on the industry, and for other purposes; to the Committee on Commerce, Science, and Transportation.

By Mr. MOYNIHAN:

S. 2241. A bill to extend temporary suspension of duties on certain clock radios until December 31, 1989; to the Committee on Finance.

By Mr. DIXON (for himself and Mr. Glenn):

S. 2242. A bill to amend the United States Housing Act of 1937 to encourage resident management of public housing; to the Committee on Banking, Housing, and Urban Affairs.

By Mr. INOUYE (for himself, Mr. Andrews, and Mr. Melcher):

S. 2243. A bill to improve the health status of native Hawaiians, and for other purposes; to the Select Committee on Indian Affairs.

By Mr. GRASSLEY (for himself, Mr. Danforth, Mr. Zorinsky, Mr. Baucus, Mr. Pressler, Mr. Pryor, Mr. Bumpers, and Mr. Mattingly):

S. 2244. A bill to amend the Tariff Act of 1930 with respect to the definition of industry in antidumping and countervailing duty investigations involving certain processed agricultural products; to the Committee on Finance.

By Mr. HEINZ (for himself, Mr. Garn, Mr. Dixon, and Mr. Proxmire):

S. 2245. A bill to authorize appropriations to carry out the Export Administration Act of 1979 and export promotion activities; to the Committee on Banking, Housing, and Urban Affairs.

By Mr. HEINZ (for himself, Mr. Garn, Mr. Dixon, Mr. Danforth, Mr. Chafee, Mr. Dodd, Mr. Cranston, and Mr. Gorton):

S. 2246. A bill to eliminate foreign predatory export credit practices, to establish a tied aid credit facility, and for other purposes; to the Committee on Banking, Housing, and Urban Affairs.

By Mr. HEINZ (for himself, Mr. Garn, Mr. Dodd, Mr. Gorton, Mr. Dixon, Mr. Danforth, Mr. Chafee, and Mr. Cranston):

S. 2247. A bill to amend and extend the Export-Import Bank Act of 1945, and to eliminate foreign predatory export practices; to the Committee on Banking, Housing, and Urban Affairs.

By Mr. HEINZ (for himself, Mr. Garn, Mr. Dodd, Mr. Proxmire, Mr. Cranston, and Mr. Gorton):

S. 2248. A bill to amend and extend the Export-Import Bank Act of 1945; to the Committee on Banking, Housing, and Urban Affairs.

By Mr. GRASSLEY (for himself, Mr. DeConcini, Mr. Zorinsky, and Mr. D'Amato):

S. 2249. A bill to add a new chapter to the Bankruptcy Act, title 11 of the United States Code, to aid in the reorganization of family farms; to the Committee on the Judiciary.

By Mr. LEVIN (for himself, Mr. Cohen, Mr. Rudman, Mr. Chiles, and Mr. Durenberger):

S. 2250. A bill to strengthen the prohibition of kickbacks relating to subcontracts under Federal Government contracts; to the Committee on Governmental Affairs.

By Mr. DURENBERGER (for himself, Mr. Leahy, Mr. Roth, Mr. Cohen, Mr. Hatch, Mr. Murkowski, Mr. Specter, Mr. Hecht, Mr. Bentsen, Mr. Nunn, Mr. Hollings, Mr. Boren, Mr. Bradley, Mr. Goldwater, Mr. Moynihan, Mr. Lugar, Mr. Laxalt, Mr. Denton, Mr. Trible, Mr. Gramm, Mr. Nickles, Mr. Boschwitz, Mr. Cochran, Mr. Zorinsky, Mr. Exon, Mr. Matsunaga, Mr. Hart, Mr. Pell, and Mr. Johnston):

S.J. Res. 309. Joint resolution to designate the week of June 1, 1986 through June 7, 1986 as "National Intelligence Community Week"; to the Committee on the Judiciary.

By Mr. HELMS (for himself, Mr. Zorinsky, and Mr. Dole):

S.J. Res. 310. Joint resolution to proclaim June 15, 1986 through June 21, 1986, as "National Agricultural Export Week"; to the Committee on the Judiciary.

SUBMISSION OF CONCURRENT AND SENATE RESOLUTIONS

The following concurrent resolutions and Senate resolutions were read, and referred (or acted upon), as indicated:

By Mr. DOMENICI (for himself, Mr. D'Amato, Mr. Denton, Mr. Dodd, Mr. Durenberger, Mr. Gramm, Mrs. Hawkins, Mr. Hecht, Mr. Kasten, Mr. Nickles, Mr. Simon, Mr. Thurmond, and Mr. Wilson):

S. Res. 371. Resolution to express the sense of the Senate to protect the public and private financing of infrastructure by retaining the current treatment of such financing through tax-exempt bonds, depreciation of recovery property, and regular tax credit for investment in depreciable property; to the Committee on Finance.

STATEMENTS ON INTRODUCED BILLS AND JOINT RESOLUTIONS

By Mr. ROTH:

S. 2230. A bill to improve the management of the Government by establishing an Office of Federal Management in the Executive Office of the President, and for other purposes; to the Committee on Governmental Affairs.

FEDERAL MANAGEMENT REORGANIZATION AND COST CONTROL ACT

Mr. ROTH. Mr. President, I have often said that today we stand on the threshold of a future filled with excitement and progress. And as often I have encouraged this distinguished body to take the appropriate and necessary steps that will insure our future of optimum progress and bountiful opportunity.

One of these steps, necessary for the strength and efficiency of our present government—as well as for the longevity of public support—is the legislation I am introducing today that proposes a series of management and cost-control reforms.

In the wake of Federal budget cuts, when we are looking to trim Government programs and services, it is inexcusable that we allow glaring weaknesses to exist within the fiber of the bureaucracy, especially in how we purchase goods and services, keep track of our finances, and make use of modern computer technologies.

If a member of the private sector, let us say a retail merchant, were in the same economic predicament as the Federal Government, it would appear foolish if he sought to improve his financial condition by cutting inventory and customer services before he gave little, if any, regard to the internal efficiency of his business.

It has often puzzled me why we do not require the Federal Government to play by the same rules we impose on the private sector. Equally perplexing is why we believe our solutions to the deficit differ substantially from the economic solutions the free market system has proven effective time and time again.

Evidently, we are operating under the philosophy that we can do things differently and still find success. But I am here to say this philosophy is wrong. One need only look at the private America today—the flourishing free market that is reaching new highs in employment and growth—to find the answer. This productive society is not raising prices, it is lowering them. It is not cutting needed services, it is increasing them. And its hallmark is efficiency.

But I wonder how this finely tuned economic machine would operate if the corporations and financial institutions that served as its foundation allowed over $20 billion in delinquent debts to be handled by inefficient, even faulty collection systems.

I wonder how it would run if it were plagued by ever-increasing vulnerability to failure and fraud in its accounting systems that process literally hundreds of billions of dollars annually.

How would it run if it failed to have adequate accountability for multibillions of dollars in inventory, property, payments to contractors, and other programs expenses?

Today, these weaknesses exist within our Government's infrastructure, and more needs to be done to fix them. If we were a private corporation our days of financial well-being would be numbered—if not gone. Instead, we are the Federal Government. And we believe we play by different rules. But we should not.

Today, 86 percent of our nontax delinquent debts are being handled by inefficient and ineffective collection systems. Today, there is failure and fraud and increasing vulnerability in our accounting systems that process well over $174 billion in Social Security payments alone—not to mention in our Pentagon procurement programs and our automated data processing systems.

Today, it is no secret that we have inadequate accountability for multibillions of dollars in Government property, payments to contractors, and other program outlays. The Comptroller General recently detailed widespread accounting and management control weaknesses that permeate all aspects of Government operations.

Mr. President, I believe it is potentially embarrassing that as elected officials we ask the citizens of our great country to do the tough things necessary to balance the budget and reduce the deficit while we fail to take the most elementary steps toward greater management and cost control within the Government.

It is for these reasons that I am introducing the Federal Management Reorganization and Cost Control Act of 1986.

It is clear that Congress has taken an active interest in management reform in recent years through legislation like the Paperwork Reduction Act of 1980, the Prompt Payment Act, the Debt Collection Act of 1982, and the Federal Managers' Financial Integrity Act—all of which were reported by the Government Affairs Committee which I chair.

However, it is even more clear that the American people are waiting for additional effort in this area. One need only look at the excitement generated among Americans over the Grace Commission reports. I am pleased to say that the Governmental Affairs Committee has also undertaken a 2-year effort to put in legislative form those recommendations of the the Grace Commission that are needed to reduce the cost of Government.

Up until now, we have only nibbled at the edges of management reform within the Federal Government. However, this bill allows us to take the fundamental steps to make Government effective.

I ask unanimous consent that a copy of the bill, a summary, and a section-by-section analysis be printed in the Record.

There being no objection, the material was ordered to be printed in the Record, as follows:

S. 2230

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "Federal Management Reorganization and Cost Control Act of 1986".

TITLE I—IMPROVING FEDERAL MANAGEMENT

Part A—Establishment Of Office Of Federal Management

PURPOSE

Sec. 101. In order to strengthen the overall management of the Federal Government, reform and improve the Government's financial systems, foster economy and efficiency, establish more effective systems and structures for Government programs, improve the executive leadership of Federal departments and agencies, and build the capacity of such departments and agencies to carry out their missions, this title (1) establishes an Office of Federal Management in the Executive Office of the President, (2) within that Office, establishes an Office of Financial systems, (3) establishes controllers within executive departments and agencies with responsibilities parallel to the Administrator of the Office of Financial Systems, (4) provides for the transfer of appropriate functions of the Director of the Office of Management and Budget to the Office of Federal Management, (5) redesignates the Office of Management and Budget as the Office of Federal Budget, and (6) requires the President to submit an annual management report.

ESTABLISHMENT OF OFFICE

Sec. 102. (a) Subtitle I of title 31, United States Code, is amended by adding at the end thereof the following new chapter:

"CHAPTER 9—OFFICE OF FEDERAL MANAGEMENT

"SUBCHAPTER I—ESTABLISHMENT

"Sec.
"901. Office of Federal Management.
"902. Officers.
"903. Functions of the Director.
"904. Employees.
"905. Necessary expenditures.
"906. Regulations.
"907. Definition.

"SUBCHAPTER II—OFFICE OF FINANCIAL SYSTEMS

"911. Office of Financial Systems.
"912. Administrator.
"913. Functions of the Administrator of the Office of Financial Systems.
"914. Regulations.

"SUBCHAPTER III—AGENCY CONTROLLERS

"921. Appointment.
"922. Functions.

"SUBCHAPTER I—ESTABLISHMENT

"§ 901. Office of Federal Management

"(a) The Office of Federal Management is an office in the Executive Office of the President.

"(b) The Office of Federal Management is composed of—

"(1) the Office of Information and Regulatory Affairs established under section 3503 of title 44;

"(2) the Office of Federal Procurement Policy established under section 5(a) of the Office of Federal Procurement Policy Act (41 U.S.C. 404(a)); and

"(3) the Office of Financial Systems established under subchapter II of this chapter.

"§ 902. Officers

"(a) The head of the Office of Federal Management is the Director of the Office of Federal Management. The Director is appointed by the President, by and with the advice and consent of the Senate. The Director shall be the principal advisor to the President on the management of the Federal Government. Under the direction of the President, the Director shall administer the Office.

"(b) The Office has a Deputy Director of the Office of Federal Management, appointed by the President, by and with the advice and consent of the Senate. The Deputy Director—

"(1) shall carry out the duties and powers prescribed by the Director; and

"(2) acts as the Director when the Director is absent or unable to serve or when the office of Director is vacant.

"(c) The Office has 5 Associate Directors who shall carry out the duties and powers prescribed by the Director.

"(d) The Office may have not more than 6 additional officers, each of whom is appointed in the competitive service by the Director, with the approval of the President. Each additional officer shall carry out the duties and powers prescribed by the Director. The Director shall specify the title of each officer.

"(e) When the Director and the Deputy Director are absent or unable to serve or when the Offices of the Director and Deputy Director are vacant, the President may designate an officer of the Office to act as Director.

"§ 903. Functions of the Director

"(a) The Director shall—

"(1) provide overall leadership in the development and implementation of Federal management policies and in the coordination of programs to improve the quality and performance of managerial personnel;

"(2) assist the President in carrying out the responsibilities of the President as Chief Executive Officer of the Government;

"(3) provide central policy direction and leadership in general management and managerial systems, procurement policy, grants and contracts management, financial systems, information and statistical policy, regulatory affairs, property management, and in other management functions, including organizational planning and analysis, human resources planning, and legislative review;

"(4) inform Congress and the public concerning the state of Federal management and concerning imperatives for more effective management;

"(5) facilitate actions by Congress and the executive branch to improve Government operations and to remove impediments to effective administration;

"(6) provide leadership in management innovation through experimentation, testing, and demonstration programs, and through the adoption of modern management concepts and technologies;

"(7) maintain continuous oversight of the organizational structures and managerial systems and processes of the Government, and recommend changes in such structures, systems, and processes;

"(8) promulgate goals to, and assist in the development and implementation of plans to, improve the productivity of Government personnel in program performance and in the delivery of Federal services;

"(9) advise the President on—

"(A) the requirements for providing executive leadership for the executive branch; and

"(B) the managerial requirements of positions filled by appointment by the President and on the relevant qualifications of candidates for such positions; and

"(10) work with State and local governments to strengthen the Federal system and provide assistance to such governments with respect to intergovernmental programs and cooperative arrangements.

"(b) The general management improvement and evaluation functions of the Director shall include—

"(1) the periodic assessment of the management performance of executive agencies, and recommendations to agency and organi-

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zation heads and to the President on needed corrections and improvements;

"(2) conducting, in cooperation with executive agencies, management research, systems development, and demonstration projects, and to provide assistance to executive agencies in establishing new programs and organizations;

"(3) providing guidance and assistance to executive agencies in developing common automated systems to provide the President and the agency heads with timely, compatible, and accurate management information;

"(4) establishing uniform policies, guidelines, definitions, and reporting requirements for the evaluation of Federal programs and activities; and

"(5) providing guidance on, and monitoring agency efforts to implement, sound internal control systems as required under subsections (b) and (c) of section 3512 of this title.

"(c) The human resources management functions of the Director shall include—

"(1) advising the President on the managerial requirements of executive agency positions to which Presidential appointments are made and on managerial qualifications of potential nominees to such positions;

"(2) reporting to the President on pay and benefit levels for executive level positions in the Federal Government appropriate to recruiting and retaining highly qualified administrators and managers;

"(3) advising the Office of Personnel Management and executive agencies on the development of planning systems for effective workforce management and on the improvement of the quality and availability of data on human resource activities of the Government; and

"(4) developing, in coordination with the Directors of the Office of Federal Budget and the Office of Personnel Management, Governmentwide policies for pay, benefits, and labor-management relations, and of integrated personnel and payroll systems which meet categorical needs while responding to the circumstances of individual agencies.

"(d) The productivity improvement functions of the Director shall include—

"(1) developing and promulgating goals, principles, guidelines, and standards for the administration of an effective productivity improvement program for the executive agencies;

"(2) identifying and proposing the elimination of statutory barriers that inhibit opportunities to make improvements in productivity;

"(3) developing, in consultation with the agencies, organizational performance standards for those common Government and common agency functions that are appropriate targets for improved quality, timeliness, and efficiency;

"(4) assisting in the development of a productivity improvement plan for each executive agency, and reviewing each agency's productivity plan, based upon the requirements and guidance issued pursuant to this section; and

"(5) reporting annually to the Congress, in conjunction with the budget submitted by the President under section 1105 of this title, on the state of productivity plans and accomplishments of the agencies and the Government as a whole.

"(e) The organization and coordination functions of the Director shall include—

"(1) reviewing Governmentwide organizational structure on a continuous basis, periodic reporting to the President on the state of Government organization and of proposals to improve the performance and efficiency of Federal programs;

"(2) overseeing the overall operations and management of Government corporations and other Government-sponsored enterprises;

"(3) facilitating interagency cooperation in the field, and assisting in developing effective coordinating mechanisms throughout the Government;

"(4) overseeing intergovernmental administration, and grants management systems and techniques;

"(5) overseeing Governmentwide policies on (A) privatization of Government programs, services, and facilities, (B) administration of contracts between Government agencies and private parties, and (C) other relationships between the Government and the private sector; and

"(6) oversight of Governmentwide travel and travel services management.

"(f) The Director shall provide assistance in developing the President's legislative program by drawing together and reviewing all agency proposals for legislation and agency reactions to proposed legislation.

"§ 904. Employees

"The Director of the Office of Federal Management shall appoint and fix the pay of employees of the Office under regulations prescribed by the President.

"§ 905. Necessary expenditures

"The Director of the Office of Federal Management may make necessary expenditures for the Office under regulations prescribed by the President.

"§ 906. Regulations

"In the exercise of functions under this chapter, the Director of the Office of Federal Management shall be subject to subsections (b), (c), and (d) of section 553 of title 5, notwithstanding subsection (a) of such section.

"§ 907. Definition

"For purposes of this title, the term 'financial management' means all systems, controls, policies, and procedures of an executive agency which—

"(1) plan, account for, document, and report on financial performance and control of resources; and

"(2) promote economical and efficient use of financial resources such as financial planning, budget execution, accounting, financial information systems development and maintenance, financial analysis, debt and credit management, cash management and analysis, inventory and property management, and financial reporting.

"SUBCHAPTER II—OFFICE OF FINANCIAL SYSTEMS

"§ 911. Office of Financial Systems

"The Office of Financial Systems is an office in the Office of Federal Management.

"§ 912. Administrator

"(a) The head of the Office of Financial Systems is the Administrator. The Administrator is appointed by the President, by and with the advice and consent of the Senate, and shall be an individual of high personal integrity with demonstrated ability in accounting, budget execution, financial and management analysis, auditing, systems development and implementation, financial reporting, and public administration.

"(b) The Administrator shall be the principal advisor to the President and the Director with respect to Federal financial management policy.

"(c) The Administrator shall be appointed for a term of 4 years, coinciding with the term of the President. The Administrator may be removed from office by the President prior to the expiration of such term for permanent disability, inefficiency, incompetence, neglect of duty, malfeasance, or a felony or conduct involving moral turpitude. The President shall communicate the reasons for removal to both Houses of Congress.

"§ 913. Functions of the Administrator of the Office of Financial Systems

"(a) The Administrator of the Office of Financial Systems shall—

"(1) provide leadership, direction, guidance, and monitoring of the Government's financial management systems;

"(2) advise the President, the Congress, the Director, and agency heads on financial management matters and on the status of financial management in the Government;

"(3) establish policies for agencies, in conjunction with the Secretary of the Treasury and in consultation with the Comptroller General, and provide guidance for agencies, relating to financial management matters, including—

"(A) policies prescribing the overall objectives, structure, and information requirements for the financial management systems of the Government;

"(B) accounting policies and procedures which implement the Comptroller General's accounting principles, standards, and requirements prescribed under section 3511 of this title;

"(C) policies and procedures for the design and implementation of new or enhanced financial management systems;

"(D) policies and procedures to implement the internal control standards required by law;

"(E) policies for agency financial operations;

"(F) policies and procedures for agency asset management, including cash management, credit management, debt collection, and inventory and property management and control; and

"(G) policies and procedures for financial reporting which conform with the accounting principles, standards, and requirements of the Comptroller General;

"(4) develop and annually revise the five-year financial management plan required by subsection (c) of this section;

"(5) coordinate and monitor the activities and operations of the agency controllers appointed under subchapter III of this chapter in order to ensure that—

"(A) such controllers comply with—

"(i) policies and procedures established by the Administrator;

"(ii) accounting principles, standards, and requirements and internal control standards of the Comptroller General; and

"(iii) all provisions of law governing financial management;

"(B) adequate financial management systems have been established in agencies and are operating effectively; and

"(C) such systems and controls meet the needs of agency managers for internal controls and financial information;

"(6) review agency financial management plans and policies in order to assure that—

"(A) such plans and policies are—

"(i) consistent with the overall objectives, structure, and information requirements of Government financial management systems established under paragraph (3)(A) of this subsection; and

"(ii) applied uniformly across the agencies to assure parity and consistency; and

"(B) in the case of any project for the development of new or improved financial management systems, such project does not duplicate efforts by other agencies;

"(7) review agency budget requests for financial management, and advise the President, the Director, the Director of the Office of Federal Budget, and the Congress on the financial resources required to effectively operate and maintain the Government's financial management systems and to correct any major deficiencies in such systems;

"(8) review the development and enhancement of agency financial management systems in order to assure that the development and enhancement of such systems comply with approved agency financial management plans and are effectively carried out;

"(9) encourage and coordinate interagency projects to design and implement financial management systems that can be used by more than one agency in order to reduce the number of systems, eliminate duplication, and foster parity and consistency;

"(10) facilitate the exchange of information between agencies on financial management systems and efforts to improve such systems;

"(11) provide guidance to the Director of the Office of Personnel Management in the development and implementation of—

"(A) personnel qualifications and job descriptions for all executive agency financial management positions; and

"(B) professional development and training programs,

in order to ensure that qualified, trained personnel carry out Federal financial management functions; and

"(12) provide advice to agency heads with respect to the selection of agency controllers appointed under subchapter III of this chapter in order to help ensure the relevance of the background, experience, and capabilities of such controllers.

"(b)(1) Within one year after the date of enactment of this chapter, the Administrator shall prepare and transmit to the Congress, Director of the Office of Federal Management, and the Comptroller General a five-year plan for the financial management activities of the Federal Government. The plan shall provide for:

"(A) The strengthening of accounting, auditing, and financial reporting to ensure that complete, reliable, consistent, and timely financial information is available throughout the Government on a uniform basis and to ensure that such information meets the needs of agency management.

"(B) The development of reliable cost and performance information in order to enable the accurate and complete calculation of the costs of program results and alternatives based on accounting information from the financial management system and to enable the establishment of user fees for Government services based on the actual cost of providing such services.

"(C) The integration of accounting and budgeting systems in order to enable the use, in the budget formulation and execution processes, of accounting information and actual budget data for the most recently completed fiscal year which is obtained from the accounting systems.

"(D) The establishment of internal controls for financial management systems which are designed to ensure compliance with the objectives of subsections (b) and (c) of section 3512 of this title.

"(2) The Administrator of the Office of Financial Systems shall annually revise the plan required by paragraph (1) of this subsection and shall transmit the revised plan to the Congress, Director of the Office of Federal Management, and the Comptroller General.

"(3) Within 60 days after receiving a plan under paragraph (1) or (2) of this subsection, the Comptroller General shall prepare and transmit to the Congress a report which contains the analysis and comments of the Comptroller General with respect to the plan and the progress being made by agencies to strengthen financial management.

"§ 914. Regulations

"In the exercise of functions under this subchapter, the Administrator shall be subject to subsections (b), (c), and (d) of section 553 of title 5, notwithstanding subsection (a) of such section.

"SUBCHAPTER III—AGENCY CONTROLLERS

"§ 921. Appointment

"(a) There shall be in each agency specified in subsection (b) an agency controller, who shall be appointed by the head of the agency, after consultation with the Administrator of Financial Systems.

"(b) The agencies referred to in subsection (a) of this section are:

"(1) The Department of Agriculture.
"(2) The Department of Commerce.
"(3) The Department of Defense.
"(4) The Department of Education.
"(5) The Department of Energy.
"(6) The Department of Health and Human Services.
"(7) The Department of Housing and Urban Development.
"(8) The Department of the Interior.
"(9) The Department of Justice.
"(10) The Department of Labor.
"(11) The Department of State.
"(12) The Department of Transportation.
"(13) The Department of the Treasury.
"(14) The Department of the Army.
"(15) The Department of the Navy.
"(16) The Department of the Air Force.
"(17) The Environmental Protection Agency.
"(18) The General Services Administration.
"(19) The National Aeronautics and Space Administration.
"(20) The Small Business Administration.
"(21) The Veterans' Administration.

"§ 922. Functions

"An agency controller shall—

"(1) conduct, supervise, and coordinate all financial management activities and operations of the agency;

"(2) advise the agency head on financial management;

"(3) develop and maintain agency financial management systems, including accounting systems, internal control systems, and financial reporting systems, which—

"(A) implement the policies and procedures of the Administrator of Financial Systems and the accounting principles, standards, and requirements and internal control standards of the Comptroller General;

"(B) comply with the requirements of law applicable to such systems; and

"(C) provide for—

"(i) complete, reliable, consistent, and timely information which is prepared on a uniform basis and which is responsive to the financial information needs of agency management;

"(ii) the development of cost information;

"(iii) the integration of accounting and budgeting systems; and

"(iv) the systematic measurement of performance;

"(4) direct and manage agency financial management activities and operations, including—

"(A) the preparation and annual revision of a five-year agency financial management plan;

"(B) the development of agency financial management budgets;

"(C) the recruitment and training of qualified, trained personnel to carry out agency financial management functions;

"(D) the management of financial management system design or enhancement projects; and

"(E) the implementation of asset management systems, including systems for cash management, credit management, debt collection, and property and inventory management and control; and

"(5) prepare and transmit an annual report to the agency head and the Administrator of Financial Systems, which shall include—

"(A) a description and analysis of the status of agency financial management; and

"(B) copies of the most recently completed annual agency financial statements required under section 3515 of this title and the most recently completed biennial audit of such statements required under section 3516 of this title.".

(b)(1) Section 5313 of title 5, United States Code, is amended by adding at the end thereof the following new item:

"Director of the Office of Federal Management.".

(2) Section 5314 of such title is amended by adding at the end thereof the following new items:

"Deputy Director of the Office of Federal Management.

"Administrator of the Office of Financial Systems.".

(c)(1) Sections 503 and 504 of title 31, United States Code, are repealed.

(2) The chapter analysis for chapter 5 of such title is amended by striking out the items relating to sections 503 and 504.

DEFINITIONS

Sec. 103. For purposes of this title—

(1) the term "Administrator" means the Administrator of the Office of Financial Systems appointed under section 912 of title 31, United States Code (as added by section 102(a) of this Act); and

(2) the term "Director" means the Director of the Office of Federal Management appointed under section 902(a) of title 31, United States Code (as added by section 102(a) of this Act).

TRANSFERS

Sec. 104. (a)(1) The Office of Information and Regulatory Affairs is transferred to the Office of Federal Management.

(2) There are transferred to the Director of the Office of Federal Management all functions of the Director of the Office of Management and Budget with respect to, or being administered through, the Office of Information and Regulatory Affairs.

(b)(1) The Office of Federal Procurement Policy is transferred to the Office of Federal Management.

(2) There are transferred to the Director of the Office of Federal Management all functions of the Director of the Office of Management and Budget with respect to, or

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being administered through, the Office of Federal Procurement Policy.

(c) There are transferred to the President—

(1) all functions specified in sections 903 and 913 of title 31, United States Code (as added by section 102 of this Act) which, on the day before the date of enactment of this Act, were vested by law in the Director of the Office of Management and Budget; and

(2) all functions specified in such sections 903 and 913 which were, on the day before the date of enactment of this Act, carried out by the President through, or delegated by the President to, the Director of the Office of Management and Budget.

(d) The President shall delegate to the Director of the Office of Federal Management all functions transferred to the President under subsection (c), except that the delegation of such functions under this subsection shall not relieve the President of responsibility for the administration of such functions.

(e) The Director shall delegate to the Administrator all of the functions which are specified in section 913 of title 31, United States Code (as added by section 102 of this Act) and which are delegated to the Administrator under subsection (d), except that the delegation of such functions under this subsection shall not relieve the Director of responsibility for the administration of such functions.

REFERENCE

Sec. 105. With respect to the functions transferred by this title to the Director or the Administrator and exercised after the effective date of this title, reference in any other Federal law to—

(1) the Director of the Office of Management and Budget; or

(2) the Office of Management and Budget or any officer or office thereof,

shall be considered to refer to the Director or the Administrator, as the case may be.

TRANSITION

Sec. 106. With the consent of the President, the Director is authorized to utilize—

(1) the services of such officers, employees, and other personnel of the Office of Management and Budget with respect to functions or offices transferred to the Director or the Office of Federal Management by this title; and

(2) funds appropriated to such functions or offices for such period of time as may reasonably be needed to facilitate the orderly implementation of this title.

PERSONNEL PROVISIONS

Sec. 107. (a) Except as otherwise provided in this title, the personnel employed in connection with, and the assets, liabilities, contracts, property, records, and unexpended balances of appropriations, authorizations, allocations, and other funds employed, used, held, arising from, available to, or to be made available in connection with the functions and offices transferred by this title, subject to section 1531 of title 31, United States Code, shall be transferred to the President. Unexpended funds transferred pursuant to this section shall be used only for the purposes for which the funds were originally authorized and appropriated.

(b)(1) The President, at such time or times as the President shall provide, is authorized to make such determinations as may be necessary with regard to the functions and offices transferred by this title, and to make such additional incidental dispositions of personnel, assets, liabilities, grants, contracts, property, records, and unexpended balances of appropriations, authorizations, allocations, and other funds held, used, arising from, available to, or to be made available in connection with such functions and offices, as may be necessary to carry out the provisions of this title. The President shall provide for such measures and dispositions as may be necessary to effectuate the purposes of this title.

(2) After consultation with the Director of the Office of Personnel Management, the President is authorized, at such times as the President may provide, to make such determinations as may be necessary with regard to the transfer of positions within the Senior Executive Service in connection with the functions and offices transferred by this title.

(c)(1) Except as otherwise provided by this title, the transfer pursuant to this title of full-time personnel (except special Government employees) and part-time personnel holding permanent positions shall not cause any such employee to be separated or reduced in grade or compensation for one year after the date of transfer of such employee under this title.

(2) Any person who, on the day preceding the effective date of this title, held a position compensated in accordance with the Executive Schedule prescribed in chapter 53 of title 5, United States Code, and who, without a break in service, is appointed in a Federal agency to which functions are transferred by this title to a position having duties comparable to the duties performed immediately preceding such appointment shall continue to be compensated in such new position at not less than the rate provided for such previous position, for the duration of the service of such person in such new position.

SAVINGS PROVISIONS

Sec. 108. (a) All orders, determinations, rules, regulations, permits, contracts, certificates, licenses, and privileges that—

(1) have been issued, made, granted, or allowed to become effective by the President, any Federal agency or official thereof, or by a court of competent jurisdiction, in the performance of functions which are transferred by this title; and

(2) are in effect when this title takes effect,

shall continue in effect according to their terms until modified, terminated, superseded, set aside, or revoked in accordance with law by the President, the Director, a court of competent jurisdiction, or by operation of law.

(b)(1) The provisions of this title shall not affect any proceedings, including notices of proposed rule making, or any application for any license, permit, certificate, or financial assistance pending on the effective date of this title before the Office of Management and Budget or any office thereof with respect to functions transferred by this title; but such proceedings or applications, to the extent that they relate to functions transferred, shall be continued. Orders shall be issued in such proceedings, appeals shall be taken therefrom, and payments shall be made under such orders, as if this Act had not been enacted; and orders issued in any such proceedings shall continue in effect until modified, terminated, superseded, or revoked by the Director, by a court of competent jurisdiction, or by operation of law. Nothing in this subsection prohibits the discontinuance or modification of any such proceeding under the same terms and conditions and to the same extent that such proceeding could have been discontinued or modified if this Act had not been enacted.

(2) The Director and the Director of the Office of Management and Budget are authorized to issue regulations providing for the orderly transfer of proceedings continued under paragraph (1).

(c) Except as provided in subsection (e)—

(1) the provisions of this title do not affect actions commenced prior to the effective date of this title, and

(2) in all such actions, proceedings shall be had, appeals taken, and judgments rendered in the same manner and effect as if this Act had not been enacted.

(d) No action or other proceeding commenced by or against any officer in his official capacity as an officer of the Office of Management and Budget with respect to functions transferred by this title shall abate by reason of the enactment of this title. No cause of action by or against the Office of Management and Budget with respect to functions transferred by this title, or by or against any officer thereof in his official capacity, shall abate by reason of the enactment of this Act. Causes of action and actions with respect to a function or office transferred by this title, or other proceedings may be asserted by or against the United States or an official of the Office of Federal Management, as may be appropriate, and, in an action pending when this title takes effect, the court may at any time, on its own motion or that of any party, enter an order which will give effect to the provisions of this subsection.

(e) If, before the date on which this title takes effect, the Office of Management and Budget or any officer thereof in his official capacity, is a party to an action, and under this title any function of such office or officer is transferred to the Director, then such action shall be continued with the Director substituted or added as a party.

(f) Orders and actions of the Director in the exercise of functions transferred to the Director by this title shall be subject to judicial review to the same extent and in the same manner as if such orders and actions had been by the Director of the Office of Management and Budget or any office or officer thereof, in the exercise of such functions immediately preceding their transfer. Any statutory requirements relating to notice, hearings, action upon the record, or administrative review that apply to any function transferred by this title shall apply to the exercise of such function by the Director.

REDESIGNATION

Sec. 109. (a)(1) The Office of Management and Budget is hereby redesignated as the Office of Federal Budget and the Director of the Office of Management and Budget or any other official of the Office of Management and Budget is hereby redesignated the Director or official, as appropriate, of the Office of Federal Budget.

(2) Any reference to the Office of Management and Budget, the Director of the Office of Management and Budget, or any other official of the Office of Management and Budget in any law, rule, regulation, certificate, directive, instruction, or other official paper in force on the effective date of this title shall be deemed to refer and apply to the Office of Federal Budget or the Director of the Office of Federal Budget, respectively, except to the extent such reference is to a function transferred to the Director or the Administrator under this title.

(b)(1) Section 501 of title 31, United States Code, is amended by striking out "Management and" each place it appears in the text and the section heading and inserting in lieu thereof "Federal".

(2) Section 502 of such title is amended by striking out "Management and" each place it appears and inserting in lieu thereof "Federal".

(3) The chapter analysis for chapter 5 of such title is amended by striking out "Management and" in the chapter heading and in the item relating to section 501 and inserting in lieu thereof "Federal".

(4) The item relating to chapter 5 in the analysis for subtitle I of such title is amended by striking out "Management and" and inserting in lieu thereof "Federal".

EFFECTIVE DATE

Sec. 110. (a) This title shall take effect one hundred and twenty days after the date of enactment of this Act, except that—

(1) section 111 shall take effect on the date of enactment; and

(2) at any time after the date of enactment of this Act—

(A) the officers provided for in chapter 9 of title 31, United States Code (as added by section 102 of this Act) may be nominated and appointed, as provided in such chapter; and

(B) the Director and the Director of the Office of Management and Budget may promulgate regulations under section 108(b)(2).

(b) Funds available to the Office of Management and Budget (or any official or component thereof), with respect to the functions and offices transferred by this title, may be used, with approval of the President, to pay the compensation and expenses of an officer appointed under subsection (a)(2)(A) who will carry out such functions until funds for that purpose are otherwise available.

INTERIM APPOINTMENTS

Sec. 111. (a) If one or more officers required by chapter 9 of title 31, United States Code (as added by section 102 of this Act) to be appointed by and with the advice and consent of the Senate have not entered upon office on the effective date of this title and notwithstanding any other provision of law, the President may designate any officer who was appointed by and with the advice and consent of the Senate, and who was such an officer on the day before the effective date of this title, to act in the office until it is filled as provided by such chapter.

(b) Any officer acting in an office pursuant to subsection (a) shall receive compensation at the rate prescribed by chapter 53 of title 5, United States Code, for such office.

AUTHORIZATION OF APPROPRIATIONS

Sec. 112. There are authorized to be appropriated such sums as may be necessary to carry out the provisions of this title. Amounts appropriated under this section shall be available until expended.

Part B—Annual Management Report

PRESIDENTIAL REPORT

Sec. 121. (a) Chapter 11 of title 31, United States Code, is amended by adding at the end thereof the following new section:

"§ 1115. Annual management report

"(a) With each budget of the United States Government submitted under section 1105 of this title, the President shall submit to the Congress a report on the management of the executive branch of the Government with respect to the most recently completed fiscal year, the current fiscal year, and the fiscal year for which the budget is submitted. Each such report shall include—

"(1) an overview of the general management improvement goals of the President for the executive branch of the Government during such fiscal years;

"(2) a summary of the management problems and issues for the executive branch of the Government, and the major management improvement initiatives and accomplishments for the executive branch of the Government, involving—

"(A) program delivery systems;

"(B) human resources management;

"(C) productivity;

"(D) information resources management;

"(E) financial management;

"(F) procurement and grants management;

"(G) property management; and

"(H) any other relevant subject areas; and

"(3) for each initiative summarized in paragraph (2), a description, where feasible and appropriate, of—

"(A) the purpose of the initiative;

"(B) the progress and problems in the implementation of the initiative; and

"(C) the impact of the initiative on agency operations, including—

"(i) any additional costs which have been incurred as a result of the implementation of the initiative;

"(ii) any cost savings which have been achieved or which are projected as a result of the implementation of the initiative;

"(iii) any improvements in Federal program efficiency or productivity which have resulted from the implementation of the initiative; and

"(iv) any improvements in the delivery of services which have resulted from the implementation of the initiative;

"(4) proposals for legislative or other action to improve the management or organization of the executive branch of the Government, including proposals to remove statutory impediments to the improvement of the management of the executive branch of the Government; and

"(5) a summary of each significant new management policy for the executive branch of the government which has been adopted or which is planned for the current fiscal year or the fiscal year for which the budget is submitted, and a discussion of the reasons for such policy.".

(b) The analysis for chapter 11 of such title is amended by adding at the end thereof of the following:

"1115. Annual management report.".

REVIEW OF REPORT BY COMPTROLLER GENERAL

Sec. 122. Section 719 of title 31, United States Code, is amended—

(1) by redesignating subsections (g) through (i) as subsections (h) through (j), respectively; and

(2) by inserting after subsection (f) the following new subsection:

"(g) Within 90 days after the President has submitted a report under section 1115 of this title, the Comptroller General shall prepare and transmit to the Congress a statement analyzing such report. The statement shall include—

"(1) an evaluation of the items contained in such report which the Comptroller General considers to be of particular interest to the Congress;

"(2) a specification of any questions or issues raised by such report which the Comptroller General considers to require further clarification;

"(3) an analysis of the extent to which such report complies with the requirements of section 1115 of this chapter; and

"(4) recommendations, if any, for improvement of the management or organization of the executive branch of the Government, including modification or repeal of statutory impediments to efficient and effective management.".

TITLE II—ACCOUNTING AND INTERNAL CONTROL SYSTEMS

FINDING AND PURPOSE

Sec. 201. The Congress finds that executive agencies must have reliable and effective accounting and internal control systems. Therefore, it is the purpose of this title to ensure that, within two years after the date of enactment of this Act, the financial systems of executive agencies will conform to the accounting principles, standards, and requirements, and with the internal control standards, prescribed by the Comptroller General pursuant to law.

FEDERAL BUDGET REQUIREMENTS

Sec. 202. Section 1105 of title 31, United States Code, is amended—

(1) by redesignating subsections (c), (d), and (e) as subsections (d), (e), and (f), respectively; and

(2) by inserting after subsection (a) the following new subsection:

"(b)(1) The President shall include in the budget a statement as to whether, and to what extent, the information submitted under subsection (a) was generated or supported by an accounting system that conforms to the accounting principles, standards, and requirements prescribed by the Comptroller General, and to such accounting and other related requirements as may be required by the Administrator of the Office of Financial Systems. To the extent an accounting system does not conform to such principles, standards, and requirements, the President shall include in such statement an analysis and explanation of the problems with the system and the steps taken to assure that the Congress can rely on the accuracy of the information presented in the budget submitted under subsection (a) of this section.

"(2) The statement required by paragraph (1) shall include a separate specification of the matters described in such paragraph for each executive department, agency, and office which maintains an accounting system used in preparing or supporting budget requests.".

ACCOUNTING SYSTEMS

Sec. 203. Section 3512 of title 31, United States Code, is amended by adding at the end thereof the following new subsection:

"(g) The Administrator of the Office of Financial Systems shall review reports submitted under this section by the head of each executive agency. Based on such reviews, reports by the General Accounting Office, and such additional information as may be appropriate, the Administrator shall determine whether the accounting and internal controls systems substantially comply with the requirements of this section. If, after two years after the effective date of this subsection, the Administrator determines that an accounting or internal control system does not substantially comply with the requirements of this section, the accounting and other financial management operations of the agency which are supported by the system will be subject to the direction and supervision of the Administrator to

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the extent considered necessary by the Administrator.".

TITLE III—AGENCY FINANCIAL STATEMENTS

FINDING AND PURPOSE

SEC. 301. The Congress finds that the effective and efficient management of Government resources, and the making of informed policy and programmatic decisions, can better be achieved if the Congress and executive agencies have complete, accurate, and timely information on the financial position and the results of operation of the Government. Therefore, it is the purpose of this title to ensure that such information is available by requiring the annual preparation and biennial audit of agency financial statements, and an annual audit of the financial statements of Government corporations.

ACCOUNTING REQUIREMENTS

SEC. 302. (a) Subsection (a) of section 3511 of title 31, United States Code, is amended by inserting a comma and "the Administrator of the Office of Financial Systems," after "Treasury".

(b) Paragraph (3)(B) of section 3511(b) of such title is amended by inserting ", including a method for the preparation of financial statements" before the semicolon.

PREPARATION AND AUDIT OF STATEMENTS

SEC. 303. (a) Subchapter II of chapter 35 of title 31, United States Code, is amended by adding at the end thereof the following new sections:

"§ 3515. Preparation of agency financial statements

"(a) By December 31 each year (beginning with the year in which ends the first full fiscal year completed after the date of enactment of this section) each executive agency shall have prepared financial statements that include the accounts of all of its offices, bureaus, and activities and that present the financial position and results of operations of such agency during the preceding fiscal year.

"(b) The Administrator of the Office of Financial Systems, in conjunction with the Secretary of the Treasury and in consultation with the Comptroller General, shall prescribe the form and content of the financial statements required by subsection (a). Such form and content shall be consistent with the principles, standards, and requirements prescribed by the Comptroller General under section 3511 of this title.

"§ 3516. Audit of agency financial statements

"(a) Beginning with the financial statements prepared under section 3515(a) of this title for fiscal years 1990 and 1991, and biennially thereafter, a financial and compliance audit shall be performed of the financial statements prepared under such section for the two most recently completed fiscal years. The audit shall be conducted in accordance with generally accepted Government auditing standards issued by the Comptroller General.

"(b) A financial and compliance audit of an executive agency's financial statements required by subsection (a) of this section shall be performed by—

"(1) the Inspector General of the executive agency;

"(2) an internal auditor of the executive agency who is independent (as defined by generally accepted Government auditing standards issued by the Comptroller General); or

"(3) an independent external auditor who meets the qualifications and other requirements of the generally accepted Government auditing standards issued by the Comptroller General.

"(c) The Comptroller General shall perform the audit required by subsection (a) of this section, when deemed appropriate by the Comptroller General or upon the request of a committee of Congress. An audit performed by the Comptroller General under this subsection shall be in lieu of the audit that otherwise would be performed by the persons specified in subsection (b) of this section.

"(d) The Comptroller General is authorized to review an audit conducted by the Inspector General of an executive agency, an internal auditor of an executive agency, or an independent external auditor, to ensure compliance with the accounting and audit requirements of this section. The Comptroller General shall report to the Congress and the executive agency the results of any review conducted under this paragraph, and shall include in such report any recommendations the Comptroller General considers appropriate.

"(e) For any audit conducted under this section, a report on the audit shall be transmitted to the head of the executive agency and the Congress by April 30 following the end of the fiscal year for which such audit was conducted. A copy of the report shall be transmitted to the President, the Administrator of the Office of Financial Systems, and the Comptroller General.

"(f) Within two years after the date of enactment of this section, the Administrator, in consultation with the Comptroller General, agency controllers, and the Inspectors General, shall submit to the Congress a plan for ensuring that the audits required by this section for agency financial statements for fiscal year 1991 are completed. The Administrator shall subsequently notify the Congress of any substantive changes to the plan submitted.".

(b) The chapter analysis for such chapter is amended by inserting after the item relating to section 3514 the following new items:

"3515. Preparation of agency financial statements.

"3516. Audit of agency financial statements.".

AUDITS OF GOVERNMENT CORPORATIONS

SEC. 304. Section 9105 of title 31, United States Code, is amended to read as follows:

"§ 9105. Audits

"(a)(1) The financial statements of—

"(A) wholly owned Government corporations; and

"(B) mixed-ownership Government corporations during periods in which capital of the United States Government is invested in a mixed-ownership Government corporation,

shall be audited annually by an independent external auditor in accordance with generally accepted Government auditing standards issued by the Comptroller General. The Government corporation's financial statements shall be presented in accordance with generally accepted accounting principles.

"(2) The Comptroller General is authorized to review an audit conducted by a Government corporation's independent external auditor to ensure compliance with the accounting and auditing requirements specified by this section. The Comptroller General shall report to the Congress and the Government corporation the results of any review conducted under this paragraph, and shall include in such report any recommendations the Comptroller General considers appropriate.

"(b)(1) In lieu of an annual audit that otherwise would be performed by an independent external auditor under paragraph (1) of subsection (a), the Comptroller General, as the Comptroller General considers necessary or upon the request of a committee of Congress, shall audit the financial statements of a Government corporation in the manner provided in such paragraph.

"(2) A Government corporation shall reimburse the Comptroller General for the full cost of any audit conducted under paragraph (1) of this subsection, as determined by the Comptroller General. Reimbursements received by the Comptroller General shall be retained and used for authorized purposes.

"(c) All books, accounts, financial records, reports, files, workpapers, and property belonging to or in use by a Government corporation and the Government corporation's auditor, needed for purposes of this section, shall be made available to the representatives of the Comptroller General.

"(d) Activities conducted under subsection (a)(2) or (b)(1) are in lieu of an audit of the financial transactions of a Government corporation the Comptroller General is required to make in reporting to Congress or the President under any other law.

"(e) Necessary amounts are authorized to be appropriated to the Comptroller General to carry out this section.".

FINANCIAL REPORTS OF GOVERNMENT CORPORATIONS

SEC. 305. Section 9106 of title 31, United States Code, is amended to read as follows:

"§ 9106. Financial reports

"(a)(1) A Government corporation shall submit to Congress a report of financial position and results of operations, including an audit conducted under section 9105(a)(1) of this title, not later than April 30 after the end of the Government corporation's fiscal year. The corporation's financial statements shall be in accordance with generally accepted accounting principles and shall include—

"(A) a balance sheet showing assets, liabilities, capital and surplus or deficit;

"(B) a statement of income; and

"(C) a statement of changes in financial position.

"(2) A Government corporation's financial report shall also include—

"(A) an opinion on the financial statements resulting from an audit conducted under section 9105 of this title; and

"(B) any other comments and information necessary to inform Congress about the operations and financial condition of the corporation.

"(b) A Government corporation shall give the President, the Administrator of the Office of Financial Systems, the Secretary of the Treasury, and the Comptroller General a copy of the report when it is submitted to Congress.".

TITLE IV—CASH MANAGEMENT

PURPOSE

SEC. 401. It is the purpose of this title to increase the efficiency of efforts to manage cash throughout the Government by providing additional procedures and incentives for cash management.

DISBURSEMENT OBJECTIVES

SEC. 402. (a) Subchapter II of chapter 37 of title 31, United States Code, is amended

by adding at the end thereof the following new section:

"§ 3720B. Disbursement of Federal funds

"(a) Each head of an agency (other than an agency subject to section 9 of the Act of May 18, 1933 (48 Stat. 63, chapter 32, 16 U.S.C. 831h) shall, under such regulations as the Secretary of the Treasury, in consultation with the Administrator of the Office of Financial Systems, prescribe, provide for the timely disbursement of Federal funds through cash, checks, electronic funds transfer, or any other means identified by the Secretary. The Secretary is authorized to collect from any agency not complying with the requirements imposed pursuant to the preceding sentence a charge in an amount the Secretary determines to be the cost to the general fund caused by such noncompliance.

"(b) The head of an executive agency shall pay to the Secretary of the Treasury charges imposed pursuant to subsection (a). Payments shall be made out of amounts appropriated or otherwise made available to carry out the program to which the disbursements relate. The amounts of the charges paid under this subsection shall be deposited in the Cash Management Improvements Fund established under section 3720(c) of this title.".

(b) The chapter analysis for chapter 37 of such title is amended by inserting after the item relating to section 3720A the following new item:

"3720B. Disbursement of Federal funds.".

(c) The Secretary of the Treasury, in consultation with the Administrator of the Office of Financial Systems, shall prescribe regulations, including the regulations required under subsection (a) of section 3720B of title 31, United States Code (as added by subsection (a) of this section) to ensure the full implementation of such section 3720B by October 1, 1987.

PAYMENT OF INTEREST

SEC. 403. (a) Section 6501 of title 31, United States Code, is amended—

(1) by redesignating clauses (7), (8), and (9) as clauses (9), (10), and (11), respectively;

(2) by inserting after clause (6) the following new clauses:

"(7) 'Administrator' means the Administrator of the Office of Financial Systems.

"(8) 'Secretary' means the Secretary of the Treasury."; and

(3) by striking out clause (10) (as redesignated by clause (1) of this subsection) and inserting in lieu thereof the following:

"(10) 'State' means a State of the United States, the District of Columbia, a territory or possession of the United States, and an agency, instrumentality, or fiscal agent of a State but does not mean a local government of a State.".

(b)(1) Section 6503 of title 31, United States Code, is amended to read as follows:

"§ 6503. Intergovernmental financing

"(a) Consistent with program purposes, and regulations of the Secretary, and by means mutually agreed upon by the Secretary and the State, the head of an executive agency carrying out a program shall schedule the transfer of funds to minimize the time elapsing between transfer of funds from the United States Treasury and the issuance or redemption of checks, warrants, or payments by other means by a State.

"(b) Consistent with program purposes and regulations of the Secretary and by means mutually agreed upon by the Secretary and the State, a State shall minimize the time elapsing between transfer of funds from the United States Treasury and the issuance or redemption of checks, warrants, or payments by other means for program purposes.

"(c) The Secretary is authorized to issue regulations that would require a State to pay interest on funds from the time they are deposited to the State's account until the time that they are paid out in order to redeem checks or warrants, or make payments by other means for program purposes. Such interest shall be at the rate specified from time to time by the Secretary pursuant to section 323 of this title, relating to Treasury tax and loan accounts.

"(d) If a State disburses its own funds for program purposes in accordance with Federal law, regulation, or Federal-State agreement, the State shall be entitled to interest at the rate specified pursuant to section 323 of this title, from the time the State's funds are paid out to redeem checks or warrants, or make payments by other means until the Federal funds are deposited to the State's bank account. Such interest shall be paid out of the Intergovernmental Interest Fund established by section 6509(a) of this title.

"(e) If a State collects and holds refunds of grant funds, such refunds shall be distributed to the Federal Government on a timely basis or used to offset related Federal program funds owed to the State. Interest earned on such refunds shall be considered when setting overall interest obligations between the State and the Federal Government as required by this section.

"(f) In cases where the Federal Government makes payment on behalf of a recipient organization, the principles of this section shall apply.

"(g) A State may not be required by a law or regulation of the United States to deposit grant money received by it in a separate bank account. However, a State shall account for grant money made available to the State as United States Government grant money in the accounts of the State. The head of the State agency concerned shall make periodic authenticated reports to the head of the appropriate Federal executive agency on the status and the application of the money, the liabilities and obligations on hand, and other information required by the head of the executive agency. Records related to the grant received by the State shall be made available to the head of the executive agency and the Comptroller General for auditing, as prescribed by Chapter 15 of this title.

"(h) The Secretary shall prescribe the methods of payment of interest between the Federal Government and the States, including provisions for offsetting amounts owed by the respective parties. These methods of payment shall provide for comparable treatment in the manner, technique and timing for both the States and the Federal Government.

"(i) The Inspector General of an agency, or an officer of any agency performing functions similar to an Inspector General, in the case of an agency in which an Inspector General has not been established by law, shall periodically conduct audits. Periodic audits shall also be conducted by the States within the scope of work performed under chapter 15 of this title.

"(j) Consistent with Federal program purposes and regulations of the Administrator of the Office of Financial Systems, the head of a Federal executive agency carrying out a program shall execute grant awards on a timely basis to assure the availability of funds to accomplish transfers in compliance with subsection (a) of this section.

"(k) In assessing charges to be paid by a State to the Federal Government under subsection (c), or to a State by the Federal Government under subsection (d), the Secretary shall consider costs incurred by the State in administering this section.".

(2) The item relating to section 6503 in the chapter analysis for chapter 65 of title 31, United States Code, is amended to read as follows:

"6503. Intergovernmental financing.".

(c)(1) Chapter 65 of title 31, United States Code, is amended by adding at the end thereof the following new section:

"§ 6509. Intergovernmental interest fund

"(a) There is established in the Treasury of the United States a fund known as the Intergovernmental Interest Fund (hereafter in this section referred to as the 'Fund').

"(b) The Fund shall include amounts received as payment of interest under section 6503(c) of this title, and such sums as may be necessary to pay interest pursuant to section 6503(d) of this title.

"(c) Moneys in the Fund shall be available without fiscal year limitation.

"(d) The Secretary is authorized to credit such portions of the Fund as the Secretary determines are in excess of the amount necessary to pay claims to miscellaneous receipts in the Treasury.

"(e) Where interest is earned by a State on a program where only the Secretary of the Treasury is authorized to invest funds, the interest earned shall be credited to the appropriate trust fund.".

(2) The chapter analysis for such chapter is amended by adding at the end thereof the following new item:

"6509. Intergovernmental Interest Fund.".

(d) The provisions of this section and the amendments made by this section shall apply to all Federal programs and shall supersede the provisions of any Federal law or regulation in effect on the date of enactment of this Act.

(e) The amendments made by this section shall take effect on the date of enactment of this Act, except that the provisions of section 6503 of title 31, United States Code (as added by subsection (b) of this section) which relate to the payment and receipt of interest by the Federal Government and State governments shall take effect two years after the date of enactment of this Act.

SOCIAL SECURITY WITHHOLDING

SEC. 404. Section 218(e)(1)(A) of the Social Security Act is amended to read as follows:

"(A) that the State will pay to the Secretary of the Treasury, in accordance with the same payment schedule as applies to payment by employers of the taxes imposed under sections 3101 and 3111 of the Internal Revenue Code of 1954, amounts equivalent to the sum of the taxes which would be imposed by sections 3101 and 3111 of such Code if the services for which wages were paid in such month to employees covered by the agreement constituted employment as defined in section 3121 of such Code; and".

ELECTRONIC FUNDS TRANSFER

SEC. 405. (a) Section 3332 of title 31, United States Code, is amended by striking out subsections (a), (b), (c), (d), and (e), and inserting in lieu thereof the following:

"(a) In this section, 'financial organization' means a bank, savings and loan association, a credit union chartered by the

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United States Government or a State, or a similar institution.

"(b)(1) Notwithstanding any other provision of law, the Secretary of the Treasury, in consultation with the Administrator of the Office of Financial Systems, may issue regulations requiring, where the Secretary determines it to be cost effective, that wages and salaries of any or all employees of an agency be paid by electronic funds transfer or any other method determined by the Secretary to be in the interest of economy and effectiveness, with sufficient safeguards over the control of, and accounting for, public funds.

"(2) Such regulations shall require covered employees to designate the financial organization to receive payments of their salaries and wages.

"(3) Such regulations may allow for payments of salary and wages by check to be mailed on the due date.

"(4) The head of each employing agency shall include in certifications of payments of wages and salaries information required by the Secretary about the financial organization chosen by the agency's employees.

"(5) The Secretary shall not charge financial organizations any fees in connection with payments made in accordance with this section.

"(6) Financial organizations shall not charge agency employees for handling payments made in accordance with this section.

"(7) The Secretary may, upon request by an employee who was employed by the United States Government on the effective date of this section and whose annual rate of basic pay is less than $20,000, exempt such employee from the requirements of this section.

"(c) Payment of an amount by the United States by methods authorized pursuant to subsection (b) or (d) of this section, and accepted by a financial organization, shall constitute full acquittance of the United States for that amount.

"(d) Notwithstanding any other provision of law, the Secretary, in consultation with the Administrator, may develop regulations which would allow conversion of a regular payment from one method to another without the employee's written request using any method authorized by the Secretary pursuant to this section, if the following conditions are met:

"(1) The employee is notified by the Secretary or the designee of the Secretary of the proposed change along with the new payment information in writing.

"(2) The employee has thirty days in which to notify the Secretary or his designee that information specified pursuant to clause (1) should be changed.

"(e)(1) Notwithstanding any other provision of law, the Secretary, in consultation with the Administrator, may issue regulations requiring that, where the Secretary determines to be practicable, benefit and other payments may be made by electronic funds transfer or any other method determined by the Secretary to be in the interest of economy and effectiveness, with sufficient safeguards over the control of, and accounting for, public funds as long as the recipient has the option of receiving a check.

"(2) The requirements of paragraphs (5) and (6) of subsection (b) and of subsections (c) and (d) of this section shall apply to benefits and other payments made under paragraph (1) of this subsection.".

(b) Section 3332(f) of such title is amended by striking out "The" in the first sentence and inserting in lieu thereof "Notwithstanding subsection (b)(1) of this section, the".

(c) The amendments made by this section shall take effect on October 1, 1986.

IMPROVING THE COLLECTION AND DEPOSIT OF GOVERNMENT RECEIPTS THROUGH NATIONAL LOCKBOX SYSTEMS

SEC. 406. (a) For purposes of this section—

(1) the term "Administrator" means the Administrator of the Office of Financial Systems;

(2) the term "executive agency" has the same meaning as in section 102 of title 31, United States Code;

(3) the term "lockbox system" means a system under which—

(A) persons owing payments to an executive agency transmit such payments to a locked post office box in offices of the United States Postal Service; and

(B) such payments are collected from such box by a financial institution and are credited by such institution to the account of such agency without any specific action by such agency; and

(4) the term "Secretary" means the Secretary of the Treasury.

(b) The Secretary shall study and make recommendations concerning standards for the establishment of lockbox systems for executive agencies. In conducting such study, the Treasury shall—

(1) consider—

(A) the feasibility of establishing such systems;

(B) the benefits and costs of establishing such systems; and

(C) the needs of each executive agency for such a system;

(2) develop methods of internal controls and accounting by which the Government can assure that payments received through a lockbox system will be promptly and fully credited to the Treasury of the United States;

(3) develop criteria for the adoption of lockbox systems by executive agencies;

(4) analyze the feasibility and costs of operating lockbox systems through the Department of the Treasury, the Federal Reserve Board, or other appropriate executive agencies; and

(5) develop recommendations for the establishment of lockbox systems by executive agencies, with the cost of establishing and operating such systems paid by appropriated funds; and

(c) Executive agencies using lockbox services developed under this section shall pay the Secretary the actual cost for such services from their appropriated funds. Such payments shall be deposited in the Treasury as miscellaneous receipts. The Secretary shall use its appropriated funds to pay operators of the lockboxes used under this section.

(d) Within one hundred and eighty days after the date of enactment of this Act, the Secretary shall submit a report on the study conducted under subsection (b) to the President pro tempore of the Senate, the Speaker of the House of Representatives, and the Administrator. The report shall describe the findings of the study and contain such recommendations as the Secretary considers appropriate.

(e) Within ninety days after receiving the report required under subsection (d), and after consulting with the Administrator, the Secretary shall prescribe guidelines which specify procedures to be used by executive agencies in determining whether to establish and operate lockbox systems.

(f) Within ninety days after the Secretary prescribes guidelines under subsection (f), the head of each executive agency shall submit to the Secretary a report describing the plans of such agency for the establishment of a lockbox system or specifying the reasons why such a system is not feasible or cost effective for such agency.

TITLE V—CREDIT MANAGEMENT

PURPOSE

SEC. 501. It is the purpose of this title to strengthen the overall management of Federal credit programs and to make these programs consistent with the goals of deficit reduction by—

(1) assuring the proper management of credit transactions of Federal agencies;

(2) increasing the efficiency of Governmentwide efforts to collect debts owed the United States; and

(3) providing additional procedures for the management and collection of debts owed to the United States.

IMPROVEMENT OF CREDIT MANAGEMENT PROGRAMS

SEC. 502. Title 31, United States Code, is amended by inserting after chapter 37 the following new chapter:

"CHAPTER 38—CREDIT MANAGEMENT

"SUBCHAPTER I—GENERAL PROVISIONS

"Sec.
"3801. Definitions.

"SUBCHAPTER II—CREDIT EXTENSION AND ADMINISTRATION

"3811. Subsidy statement.
"3812. Interest rates.
"3813. Loan origination and application fees.
"3814. Prior default by applicant.
"3815. Default and acceleration clauses.
"3816. Private sector participation.
"3817. Regulations and financial contract.
"3818. Effective date.

"SUBCHAPTER III—DEBT MANAGEMENT

"3821. Collection targets.
"3822. Delinquency and default standards.
"3823. Audit of credit programs.
"3824. Regulation deadline.

"SUBCHAPTER I—GENERAL PROVISIONS

"§ 3801. Definitions

"For purposes of this chapter—

"(1) The term 'Federal agency' means an executive department, an independent Federal establishment, or a corporation or other entity established by law that is owned in whole or in part by the United States.

"(2) The term 'obligation' means any note, bond, debenture, or other evidence of indebtedness, but does not include Federal Reserve notes or stock evidencing an ownership interest in the issuing Federal agency.

"(3) The term 'direct loan' means a disbursement of funds by a Federal agency (not in exchange for goods or services) under a contract that requires the repayment of such funds with or without interest. Such term shall also include an obligation guaranteed by a Federal agency and purchased by the Federal Financing Bank. Such term shall not include any commodity price-support loan made by the Commodity Credit Corporation.

"(4) The term 'subsidy' means, with respect to a direct loan, the difference between—

"(A) the costs (including interest) which would have been incurred by a borrower to obtain the loan from private sources, minus

"(B) the costs (including interest) which were incurred by the borrower to obtain the loan from the Government.

"(5) The term 'debt' means an amount of money or property that has been determined by an appropriate official of an agency to be owed to the United States by any person, organization, or entity except another Federal agency.

"(6) The term 'loan guarantee' means contingent liability of an agency. A guaranteed loan is—

"(A) any debt obligation on which the agency pledges to pay part or all of the amount due to a lender or holder in the event of default by the borrower; or

"(B) a direct Federal loan that an agency sold under a guarantee or agreement to repurchase.

"(7) The term 'credit extension' means that portion of the credit management cycle involving review and approval of requests for short-term or long-term credit.

"(8) The term 'financial contract' means any agreement or contract made by an agency, the primary purpose or results of which is to make private credit available, or available on more favorable terms than in the absence of the contract, to a non-Federal entity by indirectly or directly assuming the risk involved. Such term includes financial contracts such as an agreement to pay all or part of the principal or interest on the debt obligation of a non-Federal entity (debt service payments), financial lease agreements for assets and project financing, and repayment arrangements.

"(9) The term 'creditworthy' means a favorable determination entitling an applicant to receive credit, which is based on—

"(A) the perceived ability and willingness of the borrower to repay the debt and the lending organization's level of acceptable risk; and

"(B) the consideration of other Federal obligations that could jeopardize or be jeopardized by the new debt under consideration.

"(10) The term 'receivables' means amounts owed the Government upon completion of the acts giving rise to claims, and includes amounts, such as amounts due for taxes, loans, sales of goods and services, fines, penalties, forfeitures, interest, overpayments, fees, duties, rents, royalties, claims, damages, audit disallowances, and travel advances.

"(11) The term 'account servicing' means that portion of the credit management cycle dealing with monitoring the status of accounts of indebtedness, maintaining records of current debts, billing for amounts due, collecting amounts due, dunning for past due amounts, handling debtor correspondence, performing followup functions, and providing accurate reporting of debt portfolios.

"(12) The term 'debt collection' means that portion of the credit management cycle dealing with recovery of amounts due after routine followup fails, and includes the assessment of the debtor's ability to pay, the exploration of possible alternative arrangements to increase the debtor's ability to pay, and other efforts to secure payment.

"(13) The term 'delinquency' means the status of any account which is 30 days past due.

"(14) The term 'default' means the failure to meet any obligation or term of credit, grant, or contract agreement that causes the lender to accelerate demand on the borrower because of the severity of the borrower's breach of the agreement, and for purposes of this chapter, default occurs—

"(A) In the case of a direct loan, when the account is past due over 180 days; and

"(B) In the case of a guaranteed loan, when the Government repurchases the loan.

"(15) The term 'reschedule' means to establish new terms and conditions to facilitate repayment of a debt.

"(16) The term 'referral for litigation' means—

"(A) referral to the Attorney General for appropriate legal proceedings; or

"(B) in any case in which an agency has statutory authority to bring legal actions without referral to the Attorney General, referral to the organization within the agency that is responsible for litigation.

"(17) The term 'credit report' means any written or documented oral communication of information provided by a commercial or consumer credit reporting agency dealing with the credit worthiness or financial reliability of an applicant or debtor.

"SUBCHAPTER II—CREDIT EXTENSION AND ADMINISTRATION

"§ 3811. Subsidy statement

"All legislative proposals for the enactment of new credit programs or the amendment of existing credit programs shall contain an explicit statement of any subsidies in such direct or guaranteed loan programs.

"§ 3812. Interest rates

"Interest rates in all new direct loan programs shall be related to market rates for comparable private sector loan programs, and the interest rates in such direct loan programs shall be adjusted annually to reflect changes in comparable private sector rates.

"§ 3813. Loan origination and application fees

"Loan origination and application fees shall be assessed on all loan or loan guarantee programs to defray administrative costs and costs of defaulted loans.

"§ 3814. Prior default by applicant

"Federal loan or loan guarantee funds may not be made available to any applicant who defaults on a Federal loan or loan guarantee made after the effective date of this section, unless—

"(1) the new loan or loan guarantee is necessary to protect the Government's interests;

"(2) the debt in default was discharged under Federal bankruptcy laws; or

"(3) the default has been cured.

"§ 3815. Default and acceleration clauses

"Loan and loan guarantee contracts shall contain default and acceleration clauses. Default clauses shall provide for interest from the date of default and at the greater of the interest rate due under the existing loan or loan guarantee contract or the rate prescribed by the Secretary of the Treasury under section 3717 of this title. Acceleration clauses shall provide that upon default the entire remaining principal balance shall be due and subject to collection at that time.

"§ 3816. Private sector participation

"The President shall provide for the conduct of a study to determine which Federal direct loan programs could be carried out, in whole or in part, by private lending institutions as direct loans without Government guarantees. Within one year after the date of enactment of this chapter, the President shall transmit to the Congress a report which describes the results of the study and contains such recommendations as the President considers appropriate, including recommendations for legislation.

"§ 3817. Regulations and financial contract

"(a)(1) The Administrator of the Office of Financial Systems shall establish Federal credit management policies and promulgate regulations implementing this subchapter. Such policies and regulations shall apply to direct loans, loan guarantees, loan insurance, financial contracts designed to support borrowing, and debts arising from contracts, grants, and other administrative arrangements. Such policies and regulations shall apply to all executive branch departments and agencies and to Government corporations unless specifically exempted from Federal control by other statutory authority. The Administrator shall include in such regulations any and all credit practices necessary to make Federal credit practices substantially conform to the best established credit practices of the private sector. Such regulations shall include regulations with respect to—

"(A) credit analysis of borrowers (credit worthiness, financial responsibility, and ability to repay determinations);

"(B) program eligibility;

"(C) alternative sources of credit;

"(D) use of taxpayer identification numbers;

"(E) establishment of regular repayment schedules;

"(F) account servicing practices (adequate recordkeeping and documentation, account review and loss estimates, followup procedures on delinquent accounts, and automation of loan servicing activities);

"(G) debt accounting and reporting systems;

"(H) interest, penalties, and administrative costs;

"(I) administrative offset;

"(J) use of collection agencies;

"(K) referral for litigation;

"(L) calling guarantees;

"(M) controlling and foreclosing on collateral;

"(N) Federal employee salary offset;

"(O) income tax refund offset;

"(P) rescheduling;

"(Q) writeoff and closeout procedures;

"(R) portfolio sales;

"(S) management review; and

"(T) improvement plans.

"(2) Regulations promulgated under paragraph (1) of this subsection shall not apply to debts arising under the Internal Revenue Code of 1954, the Social Security Act, the tariff laws of the United States, or to debts owed by State or local governments.

"(b) The Secretary of the Treasury, in consultation with the Administrator, shall prescribe minimum requirements for contracts for all loans or loan guarantees governed by this chapter.

"§ 3818. Effective date

"The provisions of this subchapter shall take effect 90 days after the date of enactment of this chapter.

"SUBCHAPTER III—DEBT MANAGEMENT

"§ 3821. Collection targets

"(a) Each agency which operates credit programs, as part of its budget request (beginning with budget requests for fiscal year 1988), shall develop and specifically identify collection targets for all agency credit programs so that amounts collected may be predicted and used as a source of program

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funding. To the extent an agency fails to meet its collection targets, program funding shall be reduced by the amount by which the agency fails to meet its collection targets. To the extent that targets are exceeded, 25 percent of the amount that exceeds the target shall be available to the agency as additional program funding.

"(b) Within 180 days of the effective date of this subchapter, the Secretary of the Treasury, in conjunction with the Administrator of the Office of Financial Systems and the Director of the Office of Federal Budget, shall develop and present to the Congress a plan for implementing this subchapter.

"§ 3822. Delinquency and default standards

"(a) Within one year after the date of enactment of this chapter, each agency operating credit programs must develop delinquency and default rate standards for each loan and loan guarantee program and report such standards to the Congress.

"(b) For the first fiscal year beginning two years after the establishment of an agency's delinquency and default rates standard under subsection (a) of this section, and for each fiscal year thereafter, any agency's delinquency and default rates, for loans and loan guarantees made on or after the establishment of the delinquency and default rates, that exceed the respective delinquency and default rate standards shall cause the agency's loan and loan guarantee authority to be reduced in accordance with a formula to be developed by the Secretary of the Treasury, in consultation with the Administrator of the Office of Financial Systems.

"(c)(1) The Secretary of the Treasury shall develop and submit to the Congress, within one year after the date of enactment of this chapter, the formula referred to in subsection (b) of this section. Such formula shall take into account the percentage of deviation from established standards and such other factors as the Secretary considers relevant.

"(2) Any reductions to agency appropriations through application of the formula developed under paragraph (1) of this subsection shall be reported to the Congress by the Secretary.

"§ 3823. Audit of credit programs

"(a) Within two years after the date of enactment of this chapter, the credit management and debt collection systems and operating policies of each agency operating programs must be audited by the Inspector General, or in the case of an agency in which an Office of Inspector General has not been established by law, by an officer of the agency performing functions similar to an Inspector General.

"(b) Each audit conducted under subsection (a) shall determine whether the agency has met the requirements of the Federal Claims Collection Act of 1966, as amended by the Debt Collection Act of 1982, the requirements of this chapter, and the related requirements of the Comptroller General, the Attorney General, the Administrator of the Office of Financial Systems, and the Secretary of the Treasury. Copies of the audit report of each such audit shall be provided to the Congress and the Administrator of the Office of Financial Systems. For any weaknesses disclosed by the audit, the agency head, within 60 days, must furnish the Congress with an explanation as to why the weaknesses exist, and a plan of appropriate action to correct those weaknesses.

"§ 3824. Regulation deadline

"Within one year of the date of enactment of this chapter, each agency operating credit programs shall have promulgated all final agency regulations required by this chapter and the Federal Claims Collection Act of 1966 as amended by the Debt Collection Act of 1982.".

MISCELLANEOUS AMENDMENTS

SEC. 503. (a) Section 3711(f) of title 31, United States Code, is amended by—

(1) striking out "may" after "legislative agency" in paragraph (1) and inserting in lieu thereof "shall"; and

(2) striking out "may" after "system" in subparagraph (A) of such paragraph and inserting in lieu thereof "shall".

(b) Section 3718(a) of such title is amended by—

(1) inserting "to augment agency collection efforts" after "appropriate"; and

(2) striking out "may" after "head of the agency" and inserting in lieu thereof "shall".

(c) Section 5514(a) of title 5, United States Code, is amended by adding at the end thereof the following new paragraphs:

"(5) This subsection does not apply to intragency deductions for routine administrative overpayments which are the result of clerical or administrative error or delays in the processing of pay documents and which are rarely controversial or disputed. However, even with respect to these routine adjustments of pay, the agency should afford the individual reasonable opportunity to dispute the deduction although this need not be done prior to making the deduction, and should not be done prior to making the deduction if the debtor's employment is about to terminate.

"(6) No claim may be collected under the authority of paragraph (1) of this subsection more than 10 years after it first accrues.".

(d) Section 6103(m)(2)(A) of the Internal Revenue Code of 1954 is amended by inserting before the period a comma and "and other statutory authorities granting agencies independent claims collection authority".

(e) Section 1105(a) of title 31, United States Code, is amended by adding at the end thereof the following new subparagraph:

"(26) a separate statement for each agency operating credit programs detailing the agency's compliance with and activities under chapter 38 of this title and the Federal Claims Collection Act of 1966 as amended by the Debt Collection Act of 1982, which statement shall be filed in a format to be prescribed by the Administrator of the Office of Financial Systems.".

TITLE VI—FEDERAL INFORMATION POLICY

PURPOSE

SEC. 601. The purpose of this title is to improve the management of Federal information resources and activities by (1) amending chapter 35 of title 44, United States Code, relating to the coordination of Federal information policy, and (2) amending sections 110 and 111 of the Federal Property and Administrative Services Act of 1949, relating to funds for providing telecommunications and automatic data processing resources for Federal agency use in carrying out authorized missions.

INFORMATION COLLECTION PURPOSES

SEC. 602. (a) Section 3501(3) of title 44, United States Code, is amended to read as follows:

"(3) to maximize the usefulness of information collected, maintained, and disseminated by the Federal Government;".

(b) Section 3501(5) of such title is amended to read as follows:

"(5) to ensure that automatic data processing, telecommunications, and other information technologies are acquired and used by the Federal Government in a manner which improves service delivery and program management, increases productivity, improves decisionmaking, reduces waste and fraud, and, wherever practicable and appropriate, reduces the information processing burden for the Federal Government and for persons who provide information to the Federal Government; and".

DEFINITIONS

SEC. 603. Section 3502 of title 44, United States Code is amended—

(1) by striking out paragraph (4) and inserting in lieu thereof the following:

"(4) the term 'collection of information' means (a) obtaining or soliciting of facts or opinions by an agency through the use of written report forms, application forms, schedules, questionnaires, regulations, or other similar reporting requirements, or (b) requiring persons to create and maintain records through any of the above means, and calling for either—

"(A) answers to identical questions posed to, or identical reporting or recordkeeping requirements imposed on, ten or more persons, other than agencies, instrumentalities, or employees of the United States; or

"(B) answers to questions posed to agencies, instrumentalities, or employees of the United States which are to be used for general statistical purposes;";

(2) by striking out "Management and Budget" in paragraph (8) and inserting in lieu thereof "Federal Management";

(3) by striking out paragraph (11) and inserting in lieu thereof the following:

"(11) the term 'information collection request' means a written report form, application form, schedule, questionnaire, regulation, or other similar method calling for the collection of information or maintenance of specified records;";

(4) by redesignating paragraphs (14) through (16) as paragraphs (19) through (21), respectively;

(5) by redesignating paragraph (13) as paragraph (15);

(6) by inserting after paragraph (12) the following new paragraphs:

"(13) the term 'information resources' includes (A) data and information collected from the public or otherwise obtained or created for agency use or distribution, (B) individuals having information-related skills, (C) information technology resources, and (D) information-related services;

"(14) the term 'information resources management' means the process of—

"(A) defining in a systematic way the information needed to effectively accomplish the authorized agency missions, goals, and objectives;

"(B) managing information resources to efficiently and economically meet the defined information needs; and

"(C) integrating the skills of individuals in the various information resources management functions set forth in section 3504 of this title,

in order to provide for the information needs of the agency in a reliable, accurate, complete and timely manner;";

(7) by striking out paragraph (15) (as redesignated by paragraph (4) of this subsection) and inserting in lieu thereof the following:

"(15) the term 'information system' means (A) a collection of information developed or acquired and maintained through either manual or automated means to fulfill an agency's mission, goals, or objectives, (B) the processes, procedures, and personnel to obtain, maintain, use, and disseminate information, and (C) the related information technology resources employed to maintain the information;"; and

(8) by inserting after paragraph (15) the following new paragraphs:

"(16) the term 'information technology resources' includes information technology hardware, software, and services employed by Federal agencies (that is, automatic data processing, telecommunications, audio, image, and other technology for collecting, processing, storing, and disseminating information);

"(17) the term 'major information system' means an information system that requires special continuing management attention because of its importance to an agency mission; its high development, operating, or maintenance costs; or its significant impact on the administration of agency programs, finances, property, or other resources;

"(18) the term 'managing information resources' extends through the stages of collection or creation, processing, use, dissemination, and disposition of information by agencies and includes the management activities of planning, budgeting, organizing, directing, controlling, and evaluating the use of such resources; the training of personnel resources; and promoting the effective and efficient use of information resources;".

OFFICE OF INFORMATION AND REGULATORY AFFAIRS

SEC. 604. (a) Section 3503(b) of title 44, United States Code, is amended to read as follows:

"(b) There shall be at the head of the Office an Administrator who shall be appointed by the President, by and with the advice and consent of the Senate. The Director shall delegate to the Administrator the authority to administer all functions under this chapter, except that any such delegation shall not relieve the Director of responsibility for the administration of such functions. The Administrator shall report directly to and shall serve as principal adviser to the Director on Federal information policy. The Administrator shall be qualified and experienced in information policy and information resources management.".

(b) The amendment made by subsection (a), insofar as it relates to appointment of the Administrator of the Office of Information and Regulatory Affairs, shall take effect—

(1) immediately after the individual holding that office on the date of the enactment of this section ceases to hold that office; or

(2) on the date of enactment of this Act, if that office is vacant on that date.

FUNCTIONS OF DIRECTOR

SEC. 605. Section 3504 of title 44, United States Code, is amended—

(1) by striking out subsection (a) and inserting in lieu thereof the following:

"(a) The Director shall develop and implement Federal information policies, principles, standards, and guidelines and shall provide direction and oversee the review and approval of information collection requests, the reduction of the paperwork burden, Federal statistical activities, records management activities, privacy and security of records, decision support, agency sharing and dissemination of information, and acquisition and use of automatic data processing, telecommunications, and other technology for managing information resources. The authority under this section shall be exercised consistent with applicable law.";

(2) in subsection (d)—

(A) by striking out "and" at the end of paragraph (3);

(B) by striking out the period at the end of paragraph (4) and inserting in lieu thereof a semicolon; and

(C) by inserting after paragraph (4) the following new paragraphs:

"(5) integrating the functions described in paragraphs (1) through (4) of this subsection with the other information resources management functions established under this chapter; and

"(6) appointing a chief statistician who is a trained and experienced professional statistician.";

(3) in subsection (f), by inserting "and security" after "privacy" in the matter preceding paragraph (1); and

(4) in subsection (g)—

(A) by striking out paragraphs (3) and (4) and inserting in lieu thereof the following:

"(3) providing advice and guidance on the acquisition and use of automatic data processing, telecommunications, office automation, and other information technology (hardware and software), and coordinating, through the review of budget proposals and other methods, agency proposals for acquiring and using such technology;

"(4) promoting the use of automatic data processing, telecommunications, office automation, and other information technology (hardware and software) by the Federal Government to improve the effectiveness of the collection, processing, use, access, and dissemination of data and information in the operation of Federal programs;";

(B) by striking out the period at the end of paragraph (5) and inserting in lieu thereof a semicolon and "and"; and

(C) by inserting after paragraph (5) the following new paragraphs:

"(6) developing guidance requiring that agencies analyze their investments in information technology resources, and establishing that a specified minimum return on investment be met before the agency proceeds with the acquisition of such resources; and

"(7) providing advice and guidance on the use of information technology, including computer models and computer-aided decision support systems, to improve the quality and effectiveness of Federal agency decisionmaking and the ability of the Government to monitor and analyze information on longer term trends relevant to agency programmatic and policy decisions.".

ASSIGNMENT OF TASKS AND DEADLINES

SEC. 606. Section 3505(3)(E) of title 44, United States Code, is amended to read as follows:

"(E) develop and annually update based on information supplied by the agencies, and in consultation with the Administrator of General Services, a five-year plan for meeting the automatic data processing, telecommunications, office automation, and other information technology needs of the Federal Government in accordance with the requirements of section 111 of the Federal Property and Administrative Services Act of 1949, as amended (40 U.S.C. 759), and the purposes of this chapter, which plan shall include—

"(i) an analysis of current and projected information technology, software, personnel, and telecommunications trends in Government;

"(ii) an analysis of the implications of major agency information technology plans for security and privacy;

"(iii) the identification of opportunities for use of innovative information technology in carrying out agency missions; and

"(iv) a statement of how the Government will respond to such trends and opportunities; and".

AGENCY RESPONSIBILITIES

SEC. 607. Section 3506 of title 44, United States Code, is amended to read as follows:

"§ 3506. Federal agency responsibilities

"(a) Each agency shall—

"(1) carry out its information management activities in an efficient, effective, and economical manner;

"(2) work diligently to achieve the purposes of this chapter; and

"(3) comply with the information policies, principles, standards, and guidelines prescribed by the Director.

"(b) The head of each agency shall designate, within three months after the effective date of this Act, a senior official or, in the case of the military departments and the Office of the Secretary of Defense, officials who report directly to such agency head to carry out the responsibilities of the agency under this chapter. If more than one official is appointed for the military departments, the respective duties of the officials shall be clearly delineated. Each official designated under this subsection shall be an individual who is a member of the Senior Executive Service or equivalent, who is qualified and experienced in information management, including the planning and coordination of information management programs, and whose primary responsibility is implementing the information management functions of the agency.

"(c) Should the financial budgets of any agency (such as an executive department) be under the direction of, or otherwise administered by, the bureau, administration, or other major subcomponent level, then the head of such bureau, administration, or major subcomponent shall appoint a counterpart official to the senior official appointed under subsection (b) to work with that official to coordinate and insure that the agency's information resources are efficiently, effectively, and economically employed in supporting the accomplishment of the agency's missions, goals, and objectives.

"(d) It shall be the primary responsibility of the agency officials designated under subsections (b) and (c) above to carry out the agency's information management activities. These officials shall—

"(1) organize the agency's information resources management activities so as to achieve the objectives and requirements of this chapter;

"(2) take such actions as may be necessary to assure compliance by the agency with Government information resources management policies and objectives;

"(3) establish and implement agency policies and guidance for the information resources management functions covered by this chapter, including paperwork management, statistical activities, records management, privacy, security, decision support, sharing, and dissemination of information, and information technology functions, which are consistent with the policies, prin-

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ciples, standards, and guidelines issued by the Director;

"(4) develop and annually update the agency's information resources management plan, a component of which is a five-year plan for meeting the automatic data processing, telecommunications, office automation, and other information technology needs of the agency's programs and activities;

"(5) systematically inventory and maintain current, complete records of the agency's information resources, including the number of computers in use, investment in software and telecommunications, and personnel, for use in developing and updating the agency's information resources management plans;

"(6) establish procedures and controls for the review and approval of information collection requests, including regulations containing information reporting or recordkeeping requirements, at the agency level prior to their submission to the Director for approval;

"(7) insure that information collection requests required by law or to obtain a benefit, and submitted to nine or fewer persons, contain a statement to inform the person receiving the request that the request is not subject to the requirements of section 3507 of this title;

"(8) develop procedures for assessing the paperwork, including reporting and recordkeeping, burden of proposed legislation affecting such agency;

"(9) establish such procedures as necessary to ensure compliance of the agency with requirements of the Federal Information Locator System, including necessary screening of the system prior to proposing new information collection requests;

"(10) insure that collections of statistical information for program or agency management purposes are done in accordance with accepted statistical methodology and requirements for statistical surveys prescribed by the Director;

"(11) insure compliance with the laws requiring the maintenance of adequate records covering agency activities as required by chapters 29, 31, and 33 of this title;

"(12) insure compliance with requirements for the security, privacy, confidentiality, and sharing or disclosure of information collected or maintained by or on behalf of the agency;

"(13) be responsible for the conduct of and accountable for any acquisitions made pursuant to a delegation of authority under sections 111 and 205 of the Federal Property and Administrative Services Act of 1949, as amended (40 U.S.C. 759 and 486, respectively) or made under section 2315 of title 10;

"(14) consolidate, review, and approve the budgets of offices and units of the agency for automatic data processing, telecommunications, office automation, and other information technology resources;

"(15) budget and account, separate from the costs of other activities, for the full costs of acquiring and operating information technology resources, including the costs related to protecting security and privacy relative to systems employing such resources;

"(16) require program and agency managers to use specific information technology resources when it is determined that, from an agencywide viewpoint, such use is the most cost-effective method for meeting the program requirements;

"(17) insure that agency information systems do not overlap each other or duplicate the systems of other agencies;

"(18) oversee and coordinate the major uses of computer models and computer-aided, decision-support systems within the agency and maintain an inventory of such uses, including uses that monitor and analyze information on longer-term trends relevant to agency decisions;

"(19) identify opportunities for innovations related to information technology that can improve the agency's ability to accomplish its authorized missions, and provide mechanisms by which such innovations can be analyzed, supported, and shared among and between agencies;

"(20) establish, in coordination with inspectors general or other relevant agency staff, a mechanism for identifying, tracking, and reporting incidents of computer-related fraud and abuse within the agency;

"(21) periodically evaluate and improve as needed the quality (that is, accuracy, completeness, and reliability) of data and records contained within Federal information systems;

"(22) establish an information resources management steering committee, composed of representatives of both officers and employees of the agency who carry out information management activities and who carry out substantive programs, including officers and employees who use the work products generated by agency information systems, to advise the senior official on areas such as the agency information resources management plans, appropriate amounts of information resources to commit to agency programs considering agency priorities, and applications of information technology resources to solve identified problems or improve program operations;

"(23) periodically review, for effectiveness and efficiency, the agency's information resources management activities, including the planning, budgeting, organizing, directing, training, promoting, controlling, and other managerial activities involving the collection or creation, processing, use, dissemination, and disposal of information;

"(24) identify to the Director statutory, regulatory, and other impediments to the efficient management of Federal information resources and recommend to the Director legislation, policies, procedures, or other guidance to improve such management; and

"(25) assist the Director in the performance of the functions of the Director under the Paperwork Reduction Act of 1980 and this chapter, and make agency personnel, services, and facilities available to the Director for this purpose to the extent practicable.".

FEDERAL INFORMATION LOCATOR SYSTEM

SEC. 608. The second sentence of subsection (a) of section 3511 of title 44, United States Code, is amended by inserting before the period a comma and "and shall be designed so as to assist the Federal agencies and the public in locating existing Government information".

RESPONSIVENESS TO CONGRESS

SEC. 609. (a) Subsection (a) of section 3514 of title 44, United States Code, is amended—

(1) by striking out "and" after the semicolon in paragraph (7);

(2) by striking out the period at the end of paragraph (8) and inserting in lieu thereof a semicolon; and

(3) by inserting after paragraph (8) the following new paragraphs:

"(9)(A) a summary of accomplishments and planned initiatives to improve Federal information resources management within agencies;

"(B) a detailed statement, with respect to each agency, of new initiatives to acquire information technology to improve such management; and

"(C) an analysis of the extent to which the policies, principles, standards, and guidelines issued pursuant to section 3504 of this title promote or deter such new initiatives; and

"(10) with respect to the statistical policy and coordination functions described in section 3504(d) of this title—

"(A) a description of the specific actions taken, or planned to be taken, to carry out each such function; and

"(B) a description of the status of each major statistical program, including information on—

"(i) any improvements in each such program;

"(ii) any program which has been reduced or eliminated; and

"(iii) the budget for each such program for the previous fiscal year and the fiscal year in progress and the budget proposed for each such program for the next fiscal year.".

(b) Section 3514 of such title is further amended—

(1) by redesignating subsection (b) as subsection (c); and

(2) by inserting after subsection (a) the following new subsection:

"(b) At the time the President submits the budget for fiscal year 1988, and for each succeeding fiscal year under section 1105 of title 31, the Director shall submit a report to the President of the Senate and the Speaker of the House of Representatives, containing—

"(1) a description of the funds requested in the budget for such fiscal year for each of the following information resources management functions required by this chapter:

"(A) paperwork and regulatory review;

"(B) general information policy, records management, and Federal information access, dissemination, and disclosure policy;

"(C) privacy and security policy;

"(D) statistical policy;

"(E) automatic data processing and telecommunications, and other information technology policy; and

"(F) administrative and other functions;

"(2) a statement of the objectives and goals which the Director intends to achieve during the fiscal year for each of the functions specified in paragraph (1); and

"(3) a description of the allocation of the funds available to the Office of Information and Regulatory Affairs for such functions in the preceding fiscal year.".

AUTHORIZATION

SEC. 610. Section 3520 of title 44, United States Code, is amended to read as follows:

"§ 3520. Authorization of appropriations

"There are authorized to be appropriated to carry out the provisions of this chapter, and for no other purpose—

"(1) $9,000,000 for the fiscal year ending September 30, 1987;

"(2) $9,500,000 for the fiscal year ending September 30, 1988;

"(3) $10,000,000 for the fiscal year ending September 30, 1989; and

"(4) $10,500,000 for the fiscal year ending September 30, 1990.".

INFORMATION TECHNOLOGY FUND

SEC. 611. (a)(1) Section 110 of the Federal Property and Administrative Services Act of 1949 (40 U.S.C. 757) is amended to read as follows:

"INFORMATION TECHNOLOGY FUND

"SEC. 110. (a)(1) There is established on the books of the Treasury an Information Technology Fund (hereinafter referred to as the 'Fund'), which shall be available without fiscal year limitation. There are authorized to be appropriated to the Fund such sums as may be required. For purposes of subsection (b), the Fund shall consist of—

"(A) the capital and assets of the Federal telecommunications fund established under this section (as in effect on December 31, 1986), which are in such fund on January 1, 1987;

"(B) the capital and assets which are in the automatic data processing fund established under section 111 of this Act (as in effect on December 31, 1986) which are in such fund on January 1, 1987; and

"(C) the supplies and equipment transferred to the Administrator under sections 111 and 205(f) of this Act, subject to any liabilities assumed with respect to such supplies and equipment.

"(2) The Administrator shall determine the cost and capital requirements of the Fund for each fiscal year and shall submit plans concerning such requirements and such other information as may be requested for the review and approval of the Director of the Office of Federal Management. Any change to the cost and capital requirements of the Fund for a fiscal year shall be made in the same manner as provided by this section for the initial fiscal year determination. If approved by the Director, the Administrator shall establish rates to be charged agencies provided, or to be provided, information technology resources through the Fund consistent with such approvals. Such cost and capital requirements may include funds—

"(A) needed for the purchase (if the Administrator has determined that purchase is the least costly alternative) of information processing and transmission equipment, software, systems, and operating facilities necessary for the provision of such services;

"(B) resulting from operations of the Fund, including the net proceeds of disposal of excess or surplus personal property and receipts from carriers and others for loss or damage to property; and

"(C) which are appropriated, available under subsection (d), authorized to be transferred, or otherwise made available to the Fund.

"(b) The Fund shall—

"(1) assume all of the liabilities, obligations, and commitments of the funds described in subsection (a); and

"(2) be available for expenses, including personal services and other costs, and for procurement (by lease, purchase, transfer, or otherwise) for efficiently providing information technology resources to Federal agencies and for the efficient management, coordination, operation, and utilization of such resources.

"(c)(1) In the operation of the Fund, the Administrator is authorized to enter into multiyear contracts for the provision of information technology resources for periods not in excess of five years, if—

"(A) funds are available and adequate for payment of the costs of such contract for the first fiscal year and any costs of cancellation or termination;

"(B) such contract is awarded on a fully competitive basis; and

"(C) the Administrator determines that—

"(i) the need for information technology resources being provided will continue over the period of the contract;

"(ii) the use of the multiyear contract will yield substantial cost savings when compared with other methods of providing the necessary resources; and

"(iii) such a method of contracting will not exclude small business participation.

"(2) Any cancellation costs incurred with respect to a contract entered into under this subsection shall be paid from currently available funds in the Fund.

"(3) This subsection shall not be construed to limit the authority of the Administrator to procure equipment and services under section 201 of this Act.

"(d) Following the close of each fiscal year, the uncommitted balance of any funds remaining in the Fund, after making provision for anticipated operating needs, as determined by the Administrator, shall be transferred to the general fund of the Treasury as miscellaneous receipts.

"(e) A report on the operation of the Fund shall be made annually by the Administrator to the Director of the Office of Federal Management and the Director of the Office of Federal Budget and reports shall be prepared on a monthly basis for internal management use. Such reports shall (1) identify Fund expenses by program, by object class, and in summary total, (2) identify any proposed increases to the capital of the Fund, and (3) include a report on information processing equipment inventory, utilization, and acquisitions.

"(f) For the purposes of this section, the term 'information technology resources' includes any service or equipment which had been authorized to be acquired or provided by this section or section 111 of this Act (as in effect on December 31, 1986), and other information processing and transmission equipment, software, systems, operating facilities, supplies, and services related thereto, and maintenance and repair thereof. Section 111 of this Act shall continue to apply to the provision of automatic data processing equipment.".

(2) The table of contents of the Federal Property and Administrative Services Act of 1949 is amended by striking out the item pertaining to section 110 and inserting in lieu thereof the following:

"Sec. 110. Information Technology Fund.".

(b)(1) Section 111 of the Federal Property and Administrative Services Act of 1949 is amended—

(A) by striking out subsections (c) and (d); and

(B) by redesignating subsections (e), (f), (g), and (h) as subsections (c), (d), (e), and (f) respectively.

(2) Section 3504(g) of title 44, United States Code, is amended—

(A) by striking out "section 111(f)" in paragraph (1) and inserting in lieu thereof "section 111(d)"; and

(B) by striking out "section 111(g)" in paragraph (2) and inserting in lieu thereof "section 111(e)".

(3) Section 3(b) of the Paperwork Reduction Act of 1980 is amended by striking out "section 111" and inserting in lieu thereof "sections 110 and 111".

EFFECTIVE DATE

SEC. 612. This title and the amendments made by this title shall take effect on the date of enactment of this Act, except that the provisions of section 611 and the amendments made by such section 611 shall take effect on January 1, 1987.

SUMMARY: FEDERAL MANAGEMENT REORGANIZATION AND COST CONTROL ACT OF 1986

TITLE I—IMPROVING FEDERAL MANAGEMENT

This title strengthens the overall management of the Federal Government by reforming and improving the Government's financial systems, fostering economy and efficiency, establishing more effective systems and structures for Government programs, improving the executive leadership of Federal departments and agencies, and building the capacity of such departments and agencies to carry out their missions.

To accomplish these goals, an Office of Federal Management is established in the Executive Office of the President. Within that Office, a new Office of Financial Systems is created to provide leadership in coordinating and upgrading Federal agency financial systems and management. Controllers within executive departments and agencies are established with responsibilities parallel to the Administrator of the Office of Financial Systems. The Office of Federal Procurement Policy (OFPP), the Office of Information and Regulatory Affairs (OIRA), and appropriate functions of the OMB Director are transferred to the new Office of Federal Management. OMB is redesignated as the Office of Federal Budget. Finally, the President is required to submit with his budget an Annual Management Report.

TITLE II—ACCOUNTING AND INTERNAL CONTROL SYSTEMS

This title reaffirms the intent of the Federal Managers Financial Integrity Act that executive agency financial systems shall conform to the accounting principles, standards, and related requirements, and with the internal control requirements prescibed by the Comptroller General.

First, the President is required to include in his annual budget a statement on the extent to which information in the budget was generated or supported by agency accounting systems conforming to the Comptroller General's principles and standards and any other requirements of the Administrator of the Office of Financial Systems. Second, the OFS Administrator will determine whether agency accounting and internal control systems are in substantial compliance with the Comptroller General's principles and standards. After a two-year time limit, agency systems not in substantial compliance are subject to the direct supervision and direction of the Administrator.

TITLE III—AGENCY FINANCIAL STATEMENTS

This title assures that essential financial information is available to Congress and the executive branch by requiring executive agencies to prepare annual financial statements that would be audited independently and providing that the financial statements of government corporations are also subject to annual independent audits.

Agencies are to produce annual financial statements beginning with the first full fiscal year following the passage of this act. Beginning with fiscal year 1991, and in subsequent years these statement's are to be audited biennially by each agency's Inspector General in accordance with generally accepted government auditing standards issued by the Comptroller General. Within two years of the passage of this Act, the Administrator of the Office of Financial Sys-

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tems, in conjunction with the Comptroller General and the Inspectors General, are to develop a plan for completing the initial financial audits.

The Government Corporation Control Act is amended to require annual audits of government corporation financial statements and to permit the conduct of such audits by independent certified public accounts. The Comptroller General is to review all independent audits of government corporations and, at the request of a committee of Congress, have such audits conducted by the General Accounting Office.

TITLE IV—CASH MANAGEMENT

Building on provisions in the Deficit Reduction Act of 1984 implementing improved Federal cash management systems and techniques, this title increases the efficiency of efforts to manage cash throughout the Government by providing additional cash management procedures and incentives.

Timely disbursement of Federal funds through checks, cash, or electronic funds transfer are to be made by agencies in accordance with regulations prescribed by the Department of the Treasury. Agencies are to be penalized for not adhering to Treasury regulations, and the proceeds are to be used for improving cash management.

Consistent with a memorandum of undertaking agreed to by the Joint State/Federal Cash Management Reform Task Force in 1983, the Federal Government is allowed to collect interest from a state that receives Federal funds earlier than needed to cover disbursements for federally funded programs. Conversely, the Federal Government is required to pay interest to a state that disburses its own funds under a Federal program, unless such a condition is the result of delays in a state's billing of the Federal Government for program costs.

States are required to remit Social Security Act withholdings for state and local employees within three days of the end of a pay period (the same time as permitted the private employers) instead of the 15 days the states are now allowed. Treasury is authorized to require, with certain limitations and exceptions, the use of electronic funds transfer to pay employee salaries, benefit payments, and other government disbursements. Treasury is required to study and issue regulations concerning standards for executive agency use of lockbox systems for payments to the Federal Government.

TITLE V—CREDIT MANAGEMENT

Overall management of Federal credit programs is strengthened, and credit programs are made consistent with the goals of deficit reduction by: (1) assuring the proper management of federal agency credit transactions; (2) increasing the efficiency of governmentwide debt collection efforts; and (3) providing stronger procedures for Federal management and collection of debts.

All legislative proposals enacting new credit programs or amending existing ones are explicitly to state any subsidies in direct or guaranteed loan programs. Interest rates in such loan programs are to be comparable to private sector market rates and adjusted annually in order to reflect any change in private sector rates. Loan origination and application fees are to be assessed in loan programs to defray administrative costs.

Federal loans or loan guarantee funds are not to be available to any applicant who defaults on a federal loan or loan guarantee made after the title's effective date unless the new loan is necessary to protect the Government's interest. Loan and loan guarantee contracts are to include default and acceleration clauses.

The President is to conduct a study to determine which Federal direct loan programs should be carried out by private lending institutions. The Administrator of the Office of Financial Systems will promulgate regulations on direct loans, loan guarantees, loan insurance, and other debt instruments applicable with certain exceptions to all executive agencies and Government corporations.

Debt collection targets are to be developed for each agency and collections used as a source of program funding. Such funding is to be reduced if an agency fails to meet its target. Delinquency and default standards are to also be set for direct loans and loan guarantees and failure to meet the standard will result in reduction of an agency's lending authority.

TITLE VI—FEDERAL INFORMATION POLICY

This title improves the management of Federal information resources by reauthorizing the Office of Information and Regulatory Affairs, strengthening executive agency information resources management functions, consolidating the central revolving funds for automated data processing (ADP) and telecommunications, and clarifying existing law.

The Federal information coordination policy chapter of title 44, United States Code, is amended to clarify that its purpose is to maximize the usefulness of information not only "collected," but also "maintained and disseminated." Several terms commonly used in information policymaking are also defined.

The Administrator of the Office of Information and Regulatory Affairs is hereafter appointed by the President subject to confirmation by the Senate. Appropriations for OIRA are authorized for fiscal years 1986-1989. The Administrator is required to prepare a five-year plan to meet the Government's ADP, telecommunications, office automation, and other information technology needs.

The information resources manager in major departments and agencies must be a member of the Senior Executive Service and qualified and experienced in information management. Specific duties are assigned to this official, including organizing the agency's information resources management activities, and establishing and implementing agency policies and guidance for the information resources management functions.

The purpose of the Federal Information Locator System is clarified, and the ADP and telecommunications funds administered by the General Services Administration are consolidated.

Federal Management Reoganization and Cost Control Act of 1986

TITLE I—IMPROVING FEDERAL MANAGEMENT

Sec. 101. Purpose: To strengthen overall federal management and, in particular, financial management and information resources management, and to reduce the costs of administration. This title:

Establishes the Office of Federal Management (OFM) in the Executive Office of the President;

Establishes the Office of Financial Systems (OFS) as an office in OFM;

Transfers the Office of Information and Regulatory Affairs (OIRA) and the Office of Federal Policy Procurement (OFPP) to OFM;

Transfers all management, organization, and legislative reference functions from the Office of Management and Budget (OMB) to OFM;

Transfers appropriate existing functions of the Director of OMB to the Office of Federal Management and

Redesignates OMB as the Office of Federal Budget (OFB).

Sec. 102. Adds Chapter 9 to subtitle I of Title 31.

CHAPTER 9—OFFICE OF FEDERAL MANAGEMENT

Subchapter I—Establishment

Sec. 901. Office of Federal Management. The Office of Federal Management (OFM) is created in the Executive Office of the President.

The Office of Information and Regulatory Affairs (OIRA) is transferred to OFM.

The Office of Federal Procurement Policy (OFPP) is transferred to OFM.

Sec. 902. Officers. Heading OFM are the Director and Deputy Director of OFM to be nominated by the President, with advice and consent of the Senate. Established are 5 Associate Directors and as many as 6 additional officers of OFM.

Sec. 903. Functions of the Director. The Director of OFM will assist the President in his executive functions and provide leadership and direction to the agencies in the areas of managerial systems; information and statistical policy; regulatory affairs, productivity; property management; federal organization and coordination; human resources planning; intergovernmental administration; and legislative review.

Sec. 904. Employees. The Director shall appoint employees and fix pay.

Sec. 905. Necessary expenditures. The Director may make necessary expenditures to perform the functions of this title.

Sec. 906. Regulations. The Director may promulgate regulations as provided by the notice-and-comment provision of the Administrative Procedure Act.

Subchapter II—Office of Financial Systems

Sec. 911. Office of Financial Systems. The Office of Financial Systems (OFS) is created in the Office of Federal Management.

Sec. 912. Administrator. OFS is headed by an Administrator who shall be nominated by the President, with advice and consent of the Senate, for a 4 year term to coincide with that of the President.

Sec. 913. Functions of the Administrator of the Office of Financial Systems. Functions of the Administrator are to advise the President, Congress, the Director of OFM, and agencies on accounting and financial management and, in consultation with the Secretary of the Treasury, to provide overall guidance for;

Prepare a 5-year financial management plan;

Coordinate activities of agency controllers and assure their compliance with OFS policies;

Review agency financial management plans and systems and budget requests for financial management plans;

Coordinate interagency financial management projects; and

Advise agencies on the selection of controllers.

Sec. 914. Regulations. The Administrator may promulgate rules according to the notice-and-comment provision of the Administrative Procedure Act.

Subchapter III—Agency Controllers

Sec. 921. Appointment. There is a controller in each executive agency, appointed by the head of the agency after consultation with the administrator of OFS.

Sec. 922. Functions. Agency controllers shall conduct, supervise, direct and coordinate all financial management matters of the agency; advise the agency head on accounting and other financial management matters; implement policies of the Administrator of Financial Systems; and prepare the annual financial management report to the agency head and the Administrator for OFS.

Sec. 103. Definitions. "Administrator" is the Administrator of the Office of Financial Systems; "Director" is the Director of the Office of Federal Management.

Sec. 104. Transfers. Transfers OIRA and OFPP to the Office of Federal Management; transfers OMB management functions, ultimately to OFM; transfers financial management functions to OFS.

Sec. 105. Reference. With respect to functions transferred to the Director of OFM and the Administrator of OFS, reference to such functions in other federal law shall be to the Director or the Administrator, as the case may be.

Sec. 106. Transition. The President is to determine the transfer of personnel, assets, funds, etc., appropriate to transferred functions.

Sec. 107. Personnel provisions. Personnel employed in connection with functions and assets transferred in connection with this title are transferred accordingly, at the determination of the President.

Sec. 108. Savings provisions. All orders, determinations, rules, etc., shall continue in effect until otherwise terminated, notwithstanding the transfer of functions declared in this title. The Director of OFM and Director of OMB are authorized to issue regulations to provide for an orderly transfer of such proceedings that are underway.

Sec. 109. Redesignation. The OMB is redesignated Office of Federal Budget.

Sec. 110. Effective date. This title takes effect 120 days after enactment.

Sec. 111. Interim appointments. The President may make interim appointments.

Sec. 112. Authorization of appropriations. Such sums as may be necessary to carry out the provisions of this title are authorized.

Sec. 121. Presidential report. Chapter 11 of Title 31 is amended as follows:

Sec. 1115. The President shall submit an "Annual Management Report" for the executive branch covering: program delivery; human resources management; productivity; information resources management; financial management; procurement and grants management; and property management; along with an explanation of initiatives, implementation, costs, program delivery improvements; and a summary of new policies.

Sec. 122. Review of report by Comptroller General. Within 90 days after the President has submitted the Annual Management Report, the Comptroller shall prepare and transmit an analysis of the Report to the Congress.

TITLE II—ACCOUNTING AND INTERNAL CONTROL SYSTEMS

Sec. 201. Purpose. Within two years of the effective date of this title, the financial systems of the executive agencies shall conform to the accounting principles, standards and related requirements, and with the internal control requirements prescribed by the Comptroller General, as authorized by the Accounting and Auditing Act of 1950.

Sec. 202. Federal budget requirements. The President shall include in the budget a statement as to the extent to which the information submitted in the budget was generated or supported by agency accounting systems that conform to the principles and standards prescribed by the Comptroller General and to such other requirements determined by the Administrator.

Sec. 203. Accounting systems. The Administrator of OFS shall determine whether the accounting and internal control systems of each executive agency are in substantial compliance with the principles and standards set by the Comptroller General under provisions of Section 3512 of Title 31. If, two years after passage of this Act, the Administrator determines that such systems are not in substantial compliance, they will be subject to the direction and supervision of the Administrator.

TITLE III—AGENCY FINANCIAL STATEMENTS

Sec. 301. Purpose: To ensure that essential financial information is available to Congress and the executive branch by (1) requiring the preparation and audit of agency financial statements and (2) providing that government corporations be audited annually by an independent external auditor.

Sec. 302. Accounting requirements. 31 U.S.C. 3511, is amended to require the Comptroller General to consult with the Administrator of the Office of Financial Systems in prescribing accounting standards, and to provide for the development of a method for preparing financial statements as an integral part of an agency's financial disclosure.

Sec. 303. Preparation and audit of statements. Section 3515 is added to Chapter 35 of title 31 to require agencies to produce annual financial statements beginning with the first full fiscal year following the passage of this title.

The financial statements shall be audited biennially by the Inspector General or an independent external auditor, beginning with fiscal year statements ending September 30, 1991. The audit must be conducted in accordance with generally accepted government auditing standards issued by the Comptroller General. At his discretion, or upon request of a committee of Congress, the Comptroller General shall perform the biennial financial statement audit.

A report on the audit shall be given to the agency head and Congress by April 30 following the end of fiscal year for which the audit was conducted. The Administrator of the Office of Financial Systems, in conjunction with Comptroller General and the Inspectors General, shall submit to Congress within two years of the passage of this title a plan for completing the initial financial audits.

Sec. 304. Government corporation audits. The Government Corporation Control Act (31 U.S.C. 9105 and 9106) is amended to require Government corporations to be audited annually by an independent external auditor (instead of the current requirement that government corporations be audited by the Comptroller General at least once every three years). The financial statements and audits shall be in accordance with standards specified in the title.

The Comptroller General shall review the audits by the independent external auditors. At his discretion, or at the request of a committee chairman, the Comptroller General is to conduct the audit. When the Comptroller General conducts the audit, the costs he incurs shall be fully paid by the Government corporation and the reimbursement available for use by the Comptroller General.

Sec. 305. Audit reports. A government corporation shall submit to Congress a report on its audit not later than April 30 after the end of the corporation's fiscal year, with the same April 30 requirement applying when the Comptroller General performs the audit.

TITLE IV—CASH MANAGEMENT

Sec. 401. Disbursement of Federal funds. New section 3721 is added to chapter 37 of title 31 to allow Treasury to accomplish the same objectives for disbursements as are now permitted for collections under the Deficit Reduction Act of 1984. Agency heads shall provide for the timely disbursement of federal funds through cash, checks, or electronic funds transfer in accordance with regulations prescribed by Treasury. Treasury would be permitted to penalize agencies for not adhering to its disbursement regulations, and the proceeds would go to a revolving fund to be used for improving cash management.

Sec. 402. Payment of interest. The Intergovernmental Cooperation Act (31 U.S.C. 6103(a)) is amended, consistent with a Memorandum of Undertaking agreed to by the Joint State/Federal Cash Management Reform Task Force in 1983.

The Federal Government may collect interest from a state that receives federal funds earlier than needed to cover disbursements for federally funded programs.

The Federal Government is required to pay interest to a state that disburses its own funds under a federal program, unless such disbursements are the result of delays in state billing of the Federal Government for program costs.

The Secretary of the Treasury, in consultation with Administrator of Financial Systems, shall promulgate implementing regulations.

An "Intergovernmental Interest Fund' is established to receive and make interest payments under this section.

Sec. 403. Social Security withholding. Section 218 of the Social Security Act is amended to require that Social Security withholding for state and local employees be remitted within three banking days of the end of the pay period (as now required of private companies) instead of the 15-day period now allowed for states.

Sec. 404. Electronic funds transfer. Section 3332 of Title 31 is amended to give the Secretary of the Treasury, in consultation with the administrator of the Office of Financial Systems, the authority to require the use of electronic funds transfer, or any other method deemed practicable, to pay wages of federal employees. Employees whose annual basic pay is less than $20,000 are excluded from this provision.

Treasury is permitted to develop regulations allowing conversion of a payment from one method to another without an employee's written request so long as the employee is notified in writing of the change and given 30 days to respond.

The Secretary is permitted to expand the use of electronic funds transfer, or any other method determined practicable, for benefits and other government payments. Notification requirements for beneficiaries and payees are the same as for federal employees. However, different from federal employees, other federal funds recipients would have the option to receive a check.

Sec. 405. Improving the collection and deposit of Government receipts through national lockbox systems. Treasury is required

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to study and make recommendations concerning standards for the establishment of lockbox systems for executive agenices. A "lockbox system" is the use of locked Post Office boxes to receive payments. Payments are collected from the lockbox by a financial institution and credited to the account of the agency without any action by the agency. Based on Treasury's study, the Secretary, in consultation with the Administrator of the Office of Federal Systems, shall prescribe procedures for agency lockbox use, and each agency will be required to report to the Treasury its plan for a lockbox system.

TITLE V—CREDIT MANAGEMENT

Sec. 501. Purpose: To (1) assure proper management of the credit transactions of Federal agencies; (2) increase efficiency of Governmentwide efforts to collect debts owed the United States, and (3) provide stronger procedures for management and collection of debts owed.

Sec. 502. Adds Chapter 38 to Title 31.

Subchapter I. General Provisions: definitions of terms for the purposes of the chapter.

Subchapter II. Credit Extension and Administration.

Sec. 3811. Subsidy statement. All legislative proposals to enact new credit programs or amend existing ones are explicitly to state any subsidies in direct or guaranteed loan programs.

Sec. 3812. Interest rates. Interest rates in such loan programs are to be comparable to market rates in private sector and shall be adjusted annually in order to reflect any change in private sector rates.

Sec. 3813. Loan origination and application fees. Loan origination and application fees are to be assessed in loan programs to defray administrative costs.

Sec. 3814. Prior default by applicant. Federal loan or loan guarantee funds shall not be available to any applicant who defaults on a federal loan or loan guarantee made after the effective date of the legislation unless the new loan is necessary to protect the Government's interest, the default was discharged under Federal bankruptcy laws, or the default has been cured.

Sec. 3815. Default and acceleration clauses. Loan and loan guarantee contracts shall include default and acceleration clauses. Default clauses provide for interest from date of default, at the rate prescribed by Secretary of Treasury. Acceleration clauses provide that the entire remaining principal balance may be subject to collection upon default.

Sec. 3816. Private sector participation. The President shall conduct a study to determine which federal direct loan programs could be carried out by private lending institutions. The President shall submit a report on this study of Congress within one year of enactment of this title.

Sec. 3817. Regulations and financial contract. The Administrator of the Office of Financial Systems shall issue regulations relative to direct loans, loan guarantees, loan insurance, financial contracts to support borrowing, debts arising from contracts, grants and other administrative arrangements. Such regulations shall apply to all executive branch departments, agencies, and Government corporations. The regulations shall not apply to debts arising under Internal Revenue Code, the Social Security Act, tariff laws of the United States, or debts owed by State or local governments. The regulations shall include all credit practices necessary to conform to the best credit practices of the private sector, and a number of specific practices are enumerated.

Subchapter III. Debt Management.

Sec. 3821. Collection targets. Each agency, as part of its budget request, shall develop and identify debt collection targets for all agency credit programs so that amounts collected may be predicted and used as a source for program funding.

If an agency fails to meet its collection target, funding for the program shall, therefore, be reduced by the amount by which the agency fails to reach its target. To the extent targets are exceeded, 25 percent of the excess amount shall be available to the agency.

Within 180 days of the effective date of this subchapter, the Secretary of the Treasury, in consultation with the Administrator of the Office of Financial Systems, shall develop and present to Congress a plan for implementing the collection target program.

Sec. 3822. Delinquency and default standards. Within one year of enactment of this chapter, agencies shall develop delinquency and default standards for each of loan and loan guarantee program and report such standards to Congress. For the first fiscal year beginning two years after establishment of these standard rates and for each year thereafter, rates that exceed the standard rates will cause the agency's loan and loan guarantee authority to be reduced in accordance with a formula to be developed by Treasury, in consultation with the Administrator. The formula, which shall take into account the percentage of deviation from established standards and other relevant factors, shall be submitted to Congress within one year of enactment of this chapter. The Comptroller General shall review and submit his comments to Congress within 120 days of receipt. The Secretary must report to Congress any subsequent reductions to appropriations through application of the formula.

Sec. 3823. Audit of credit programs. The credit management, debt collection, and operating policies of each agency shall be audited biennially within two years of the date of enactment of this chapter and periodically thereafter. Such audit shall be conducted by the agency's inspector general or its equivalent. The audit shall determine if the agency has met the requirements of the Federal Claims Collection Act, this Act, and related executive branch requirements. This audit may be performed in conjunction with the biennial financial audit, but the final report must contain a separate section on credit management and debt collection. Copies of the report shall be provided to Congress and the Administrator. For any weaknesses disclosed, the agency head must report to Congress within 60 days, why weaknesses exist and proposed corrective actions.

Sec. 3824. Regulation deadline. Within one year of the effective date of this chapter, each agency with credit programs shall have established all final regulations required by the Federal Claims Collection Act, this title, and the Office of Financial Systems.

Sec. 503. Miscellaneous amendments.

Section 3711(f) of the title 31 is amended to require that agencies report delinquent debts to credit reporting agencies. by changing "may" to "shall".

Section 3718(a) to title 31 is amended to require the use of private collection contractors to augment agency collection efforts.

Section 5514(a) of title 5 is amended:

(1) The due precess requirement for involuntary salary adjustments shall not apply to intraagency deductions for routine salary adjustments. Employees shall be given a reasonable opportunity to dispute the deduction, although this need not be done prior to making the adjustment.

(2) The same 10 year statute of limitation in force for administrative affects shall apply to salary offsets for federal employees.

Section 6103(m)(2)(A) of the Internal Revenue Code of 1954 is amended to authorize IRS to provide taxpayer information to agencies pursuing debt collection activities under authorities other than the Federal Claims Collection Act.

Section 1105(a) of title 31 is amended to require that agencies shall include as part of their budget submission a separate statement detailing their compliance with the activities under this title and the Federal Claims Collection Act as amended by the Debt Collection Act of 1982.

TITLE VI—FEDERAL INFORMATION POLICY

Sec. 601. Purpose: To amend Title 44, Chapter 35 to improve the coordination of Federal information policy and to amend the Federal Property and Administrative Services Act by consolidating the federal telecommunications and automated data processing funds as the Informations Technology Fund to be administered by the Administrator for General Services.

Sec. 602. Information collection purposes. Title 44 is amended to "maximize the usefulness of information collected, maintained, and disseminated by the Federal Government," and to insure that Federal information technologies are used in such a way as to improve service delivery, reduce waste and fraud, and to reduce the information processing burden for the Government and others.

Sec. 603. Definitions. Title 44, Section 3502 is amended to define: "collection of information", "information collection request", "information resources", "information resources management", "information system", "information technology resources", "major information systems", and "managing information resources".

Sec. 604. Office of Information and Regulatory Affairs. Provision is made for Presidential nomination and Senate confirmation of the Administrator of the Office of Information and Regulatory Affairs, to take effect once the present incumbent ceases to hold office. The Director of OFM shall delegate to the Administrator of OIRA authority to administrator all of the functions of this chapter.

Sec. 605. Functions of Director. Title 44, Section 3504 is amended to provide that the Director of OFM shall develop and implement Federal policies for information, paperwork reduction, statistical activities, records management, automatic data processing, telecommunications, and other information technology. The Director shall appoint a chief statistician. The functions of the Director are broadened to include guidance of agency analyses of their investments in information technology to improve the effectiveness of agency decision-making and abilities to monitor and analyze information relevant to programs and policies.

Sec. 606 Assignment of tasks and deadlines. Title 44, Section 3505 is amended to require the Administrator to develop a five-year plan to meet ADP, telecommunications, office automation and other information technology needs of the Government.

Sec. 607. Agency responsibilities. Each Federal agency shall, within three months, designate at least one qualified senior official with primary responsibility to carry out the information management responsibilities required by this Chapter. Counterpart information officials shall be appointed in the bureaus and major subcomponents of executive departments. These officials are given a wide range of duties, authorities, and responsibilities in order to carry out the purposes of this chapter.

Sec. 608. Federal information locator system. Title 44, Section 3511 is amended to clarify that the "system" shall be designed to assist in locating existing Government information.

Sec. 609. Responsiveness to Congress. Title 44, Section 3514 is amended to broaden agency information management initiatives, statistical policy and coordination functions, and reporting on funds requested for information resources management.

Sec. 610. Authorization. Title 44, Section 3520 is amended to reauthorize appropriations for this title for fiscal years 1986 through 1989.

Sec. 611. Information technology fund. Section 110 of the Federal Property and Administrative Services Act (40 U.S.C. 757) is amended:

Sec. 110. The Federal telecommunications fund, the automated data processing fund, as well as supplies and equipment transferred to the Administrator of General Services under provisions of the Act, shall collectively become the Information Technology Fund on the books of the Treasury. The Administrator, with approval of the Director of OFM, shall determine the cost and capital requirements of the Fund for each fiscal year and shall establish rates to be charged agencies for information technology resources supplied through the Fund.

Cost and capital requirements may include funds needed for information processing and transmission systems and related facilities.

The Fund may receive net proceeds from the disposal of surplus property, insurance proceeds, appropriated funds, and authorize transfers.

Under certain conditions, the Administrator is authorized to enter into multiyear contracts for provision of information technology resources for periods of not more than five years.

Uncommitted balances shall be transferred to the general fund at the close of each fiscal year.

A report on the operation of the Fund shall be made annually to the Director of OFM.

Sec. 612. Effective date. This title shall take effect on passage of the Act, except for Section 611, which shall take effect on January 1, 1987.

By Mr. SPECTER:

S. 2238. A bill to amend part C of the Balanced Budget and Emergency Deficit Control Act of 1985 to provide that cost-of-living increases in benefits under the civil service, military, and Postal Service retirement and disability programs shall be exempt from reduction pursuant to sequestration orders thereunder; to the Committee on Governmental Affairs.

EXEMPTING CERTAIN COST-OF-LIVING INCREASES FROM SEQUESTRATION

Mr. SPECTER. Mr. President, the Gramm-Rudman-Hollings Deficit Reduction Act contains a provision which jeopardizes the cost-of-living adjustments [COLA's] for Federal, military, and railroad retirees whenever sequestration is invoked for automatic deficit reductions to meet deficit goals. The provision requires that these COLA's be reduced until the deficit target is met or until the COLA reduction has contributed a maximum 50 percent of the required deficit reduction.

This provision was invoked in fiscal year 1986 and resulted in no COLA's being awarded to these groups in fiscal year 1986. Since then, numerous retiree organizations have contacted me to protest this situation.

Federal, military, and railroad retirees have been seriously injured by this provision. While veterans and Social Security recipients' COLA's were correctly left untouched, the above-mentioned retirees have had their COLA's eliminated.

I have always maintained that COLA's for retirees should be treated equally. I am today introducing a bill that will reinstate retirees' COLA's for fiscal year 1986 and exempt those COLA's from sequestration in future years. I urge my colleagues to support this amendment and to send a clear message that they disapprove of this injustice against the retirees that have served so well.

Mr. President, I ask unanimous consent that the bill be printed in the Record.

There being no objection, the bill was ordered to be printed in the Record, as follows:

S. 2238

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. EXEMPTION FROM REDUCTION.

(a) In General.—Section 255 of the Balanced Budget and Emergency Deficit Control Act of 1985 is amended by redesignating subsection (i) as subsection (j), and by inserting after subsection (h) the following new subsection:

"(i) Federal Retirement and Disability Programs.—Increases in benefits payable under the following programs—

"Central Intelligence Agency retirement and disability system fund (56-3400-0-1-054);

"Civil service retirement and disability fund (24-8135-0-7-602);

"Comptrollers general retirement system (05-0107-0-1-801);

"Foreign service retirement and disability fund (19-8186-0-7-602);

"Judicial survivors' annuities fund (10-8110-0-7-602);

"Military retirement fund (97-8097-0-7-602);

"National Oceanic and Atmospheric Administration retirement (13-1450-0-1-306);

"Railroad retirement tier II (60-8011-0-7-601);

"Retired pay, Coast Guard (69-0241-0-1-403);

"Retirement pay and medical benefits for commissioned officers, Public Health Service (75-0379-0-1-551);

"Special benefits, Federal Employees' Compensation Act (16-1521-0-1-600); and

"Tax court judges survivors annuity fund (23-8115-0-7-602);

including benefits payable by reason of section 1005(d) of title 39, United States Code, shall not be considered 'automatic spending increases' for purposes of this title; and no reduction in any such increase or in any of the benefits involved shall be made under any order issued under this part.".

(b) Conforming Amendments.—

(1) Section 255(j) of such Act (as redesignated by subsection (a) of this section) is amended by striking out "(g) and (h)" and inserting in lieu thereof "(b), (g), (h), and (i)".

(2) The list of programs contained in subparagraph (A) of section 257(1) of such Act is amended by striking out the items relating to the following programs:

Central Intelligence Agency retirement and disability system fund (56-3400-0-1-054).

Civil service retirement and disability fund (24-8135-0-7-602).

Comptrollers general retirement system (05-0107-0-1-801).

Foreign service retirement and disability fund (19-8186-0-7-602);

Judicial survivors' annuities fund (10-8110-0-7-602);

Military retirement fund (97-8097-0-7-602);

National Oceanic and Atmospheric Administration retirement (13-1450-0-1-306);

Railroad retirement tier II (60-8011-0-7-601);

Retired pay, Coast Guard (69-0241-0-1-403);

Retirement pay and medical benefits for commissioned officers, Public Health Service (75-0379-0-1-551);

Special benefits, Federal Employees' Compensation Act (16-1521-0-1-600); and

Tax Court judges survivors annuity fund (23-8115-0-7-602).

SEC. 2. EFFECTIVE DATE.

The amendment made by section 1 shall apply to fiscal years beginning after September 30, 1986.

By Mr. HELMS:

S. 2239. A bill to amend the Food Stamp Act of 1977 and the Balanced Budget and Emergency Deficit Control Act of 1985 to repeal certain expansions of the food stamp and related programs and to remove the exemption of certain food assistance programs from reduction under sequestration orders; to the Committee on Agriculture, Nutrition, and Forestry.

FOOD STAMP COST AVOIDANCE ACT

Mr. HELMS. Mr. President, I am today introducing legislation which will contribute to reducing deficit spending for fiscal year 1986 and beyond by repealing the proposed increases in food stamp spending that are currently scheduled to be implemented on May 1, 1986. The Congressional Budget Office estimates that these changes will increase spending for fiscal year 1986 by $64 million—that is, $64 million on top of costs that already exceed $12.5 billion annually.

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Additionally, costs will be increased by $1.6 billion over the next 5½ fiscal years because of the liberalizations in food stamp benefits included in the 1985 farm bill (Public Law 99-198).

Mr. President, we certainly know now what we should have known in December 1985: We simply cannot afford the lavish increases in spending proposed by the farm bill legislation. This is confirmed by recent estimates furnished by the Congressional Budget Office. According to CBO, a supplemental appropriation of at least $50 million may be necessary for fiscal year 1986. This possible supplemental appropriation will have been made necessary by the liberalized provisions of the 1985 farm bill.

However, it should be noted that any supplemental appropriation for the Food Stamp Program would be a violation of the Gramm-Rudman-Hollings legislation. Congress has already exceeded the budget resolution spending parameters for fiscal year 1986, and increased spending would be subject to section 311(a) of the Budget Act.

Just as we needed farm bill "corrections" to modify various commodity provisions of the farm bill, we now need "corrections" to remove the unnecessary new provisions which were included in the farm bill legislation and which are now driving up food stamp costs. Adoption of this bill, repealing the farm bill increases, may well prevent the need for a supplemental appropriation. Indeed, repealing the increases now could preclude program disruptions that may occur if a supplemental appropriation for the program is not enacted.

At this point, I ask unanimous consent that a table be printed in the Record outlining the CBO estimate of costs which could be avoided by repealing these farm bill add ons.

There being no objection, the table was ordered to be printed in the Record, as follows:

ESTIMATED CHANGES FROM CBO FEBRUARY 1986 BASELINE

[By fiscal year, in millions of dollars]

	1986	1987	1988	1989	1990	1991
Sec. 102—Income deductions:						
Earned income:						
Budget authority	−22	−55	−57	−59	−62	−65
Outlays	−22	−55	−57	−59	−62	−65
Separate dependent care:						
Budget authority	−7	−18	−19	−19	−20	−21
Outlays	−7	−18	−19	−19	−20	−21
Shelter deduction:						
Budget authority	−13	−32	−33	−34	−36	−38
Outlays	−13	−32	−33	−34	−36	−38
Sec. 103—Resources limit:						
Budget authority	−22	−77	−119	−124	−130	−136
Outlays	−22	−77	−119	−124	−130	−136
Food stamp total:						
Budget authority	−64	−182	−228	−236	−248	−260
Outlays	−64	−182	−228	−236	−248	−260
Sec. 106—Puerto Rico						
Authorization level		22	−53	−83	−112	−152
Outlays		−21	−52	−82	−111	−151
Sec. 121—Food, nutrition and consumer education:						
Authorization level						
Outlays						
Title I total						
Budget authority/authorization level	−64	−204	−281	−319	−360	−412
Outlays	−64	−203	−280	−318	−359	−411

Mr. HELMS. Mr. President, this legislation also makes several modifications in the Gramm-Rudman-Hollings legislation—Public Law 99-177. Under that legislation, certain programs under the jurisdiction of the Committee on Agriculture, Nutrition, and Forestry were excluded from the domestic programs that otherwise would be subject to reduction—that is, sequestration—to achieve specified deficit targets and, ultimately, a balanced budget.

In my judgment, Mr. President, there is no appropriate reason why these, or other programs, should be excluded from the impact of automatic reductions. These programs certainly have contributed to deficit spending over the years, and they should certainly be a part of an overall effort to reduce spending to achieve a balanced budget. Indeed, the exclusion of these and other domestic programs results in disproportionately greater reductions in nonexempt domestic programs. Frankly, the nonexempt domestic programs now comprise only about 15 percent of all domestic spending.

The base of domestic programs included in a possible sequester for the future should be broadened so that other important domestic programs do not shoulder a disproportionate share of any future reductions.

The legislation I am introducing today would remove the exemptions for the food stamp program, the special supplemental food program for women, infants, and children [WIC], and child nutrition programs, thereby making these programs subject to across-the-board reductions.

Mr. President, I ask unanimous consent that a summary of the bill and the text of the bill be printed in the Record.

There being no objection, the bill and summary were ordered to be printed in the Record, as follows:

S. 2239

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the "Food Stamp Cost Avoidance Act of 1986".

TITLE I—FOOD STAMPS AND RELATED PROVISIONS

Subtitle A—Food Stamp Provisions

SEC. 101. CATEGORICAL ELIGIBILITY.

(a) In General.—Section 1507 of the Food Security Act of 1985 (Public Law 99-198) is repealed.

(b) Categorical Eligibility.—Section 5(a) of the Food Stamp Act of 1977 (7 U.S.C. 2014(a)) (as amended by section 1507(a)(1) of the Food Security Act of 1985 (as it existed before the amendment made by subsection (a))) is amended by striking out the second sentence.

(c) Denial of Application or Termination of Benefits.—Section 11(i) of the Food Stamp Act of 1977 (7 U.S.C. 2020(i)) (as amended by section 1507(b) of the Food Security Act of 1985 (as it existed before the amendment made by subsection (a))) is amended by striking out the last sentence.

SEC. 102. DEDUCTIONS FROM INCOME.

(a) In General.—Section 1511 of the Food Security Act of 1985 is amended to read as follows:

"DEDUCTIONS FROM INCOME

"Sec. 1511. Section 5(e) of the Food Stamp Act of 1977 (7 U.S.C. 2014(e)) is amended—

"(1) in the second sentence, by striking out 'homeownership component' and inserting in lieu thereof 'homeowners' costs and maintenance and repair components; and

"(2) in subclause (i) of the proviso of clause (2) of the fourth sentence, by striking out homeownership costs' and inserting in lieu thereof 'the homeowners' cost and maintenance and repair component of shelter costs'.".

(b) Standard Utility Allowances.—Section 5(e) of the Food Stamp Act of 1977 (7 U.S.C. 2014(e)) (as amended by section 1511(4) of the Food Security Act of 1985 (as it existed before the amendment made by subsection (a)) is amended by striking out the eighth through the twelfth sentences.

SEC. 103. RESOURCES LIMITATION.

Section 1514 of the Food Security Act of 1985 is amended—

(1) by striking out clause (1); and

(2) by redesignating clauses (2) and (3) as clauses (1) and (2), respectively.

SEC. 104. QUALITY CONTROL STUDIES AND PENALTY MORATORIUM.

Section 1538 of the Food Security Act of 1985 is repealed.

SEC. 105. AUTHORITY TO REDUCE BENEFITS.

The second sentence of section 18(b) of the Food Stamp Act of 1977 (7 U.S.C. 2027(b)) (as amended by section 1541(2) of the Food Security Act of 1985) is amended by striking out "the appropriation amount authorized in subsection (a)(1)," and inserting in lieu thereof "the limitation set herein,".

SEC. 106. PUERTO RICO BLOCK GRANT.

Section 19(a)(1)(A) of the Food Stamp Act of 1977 (7 U.S.C. 2028(a)(1)(A)) (as amended by section 1543(1) of the Food Security Act of 1985) is amended by striking out "for the fiscal year ending September 30, 1986, $852,750,000 for the fiscal year ending September 30, 1987, $879,750,000 for the fiscal year ending September 30, 1988, $908,250,000 for the fiscal year ending September 30, 1989, and $936,750,000 for the fiscal year ending September 30, 1990," and inserting in lieu thereof "each fiscal year".

Subtitle B—Commodity Distribution Provisions

SEC. 111. COMMODITY DISTRIBUTION PROGRAMS.

(a) Additional Sites; Low-Income Elderly Persons.—Section 5 of the Agriculture and Consumer Protection Act of 1973 (7 U.S.C. 612c note) (as amended by section 1562(c) of the Food Security Act of 1985) is amended by striking out subsections (f) and (g).

(b) Hold Harmless Provision for Existing Elderly Persons.—Section 1562 of the Food Security Act of 1985 is amended by striking out subsection (d).

Subtitle C—Nutrition and Miscellaneous Provisions

SEC. 121. FOOD, NUTRITION, AND CONSUMER EDUCATION PROGRAM.

Sections 1584 through 1588 of the Food Security Act of 1985 are repealed.

TITLE II—DEFICIT REDUCTION

SEC. 201. REMOVAL OF EXEMPTIONS FOR CERTAIN FOOD ASSISTANCE PROGRAMS.

Section 255(h) of the Balanced Budget and Emergency Deficit Control Act of 1985 (Public Law 99-177) is amended—

(1) by striking out "Child nutrition (12-3539-0-1-605);";

(2) by striking out "Food stamp programs (12-3505-0-1-605 and 12-3550-0-1-605)";

(3) by inserting "and" after "(75-0512-0-1-551);";

(4) by striking out "; and" after "(75-0406-0-1-609)" and inserting in lieu thereof a period; and

(5) by striking out "Women, infants, and children program (12-3510-0-1-605).".

Summary

Categorical Eligibility.—Eliminates the requirement that States grant automatic food stamp eligibility to households composed entirely of AFDC or SSI recipients. Such categorical eligibility permits certain households with income above food stamp eligibility limits to participate in the food stamp program. [Sec. 101.]

Earned Income Deduction.—Repeals the scheduled increase in the earned income deduction. Currently, food stamp households with earnings are permitted to deduct 18 percent of earnings as a deduction before determining food stamp benefit levels. The farm bill raised this deduction to 20 percent—effective May 1, 1986. [Sec. 102.]

Excess Shelter and Dependent Care Deduction.—Repeals the scheduled increase in the excess shelter deduction and repeals the scheduled establishment of a separate limit on dependent care expense deductions, at $160 per month. Currently, households are permitted to deduct up to $139 per month for any combination of excess shelter costs or dependent care expenses. This limit is adjusted annually, each October, for changes in shelter costs as measured by the Consumer Price Index. [For households containing elderly or disabled members, this limit applies only to dependent care expense deductions inasmuch as there is no ceiling on excess shelter costs for such households.] The farm bill expanded this in two ways by establishing a separate deduction for dependent care, at $160 per month, and by raising the excess shelter deduction to $147 per month—both to be effective May 1, 1986. The proposed legislation would repeal both expansions and maintain current procedures. [Sec. 102.]

Standard Utility Allowances.—Repeals the farm bill provision dealing with restrictions on how Low-Income Home Energy Assistance Act (LIHEAA) payments shall be considered for purposes of standard utility allowances. The provision merely repeals the confusing language adopted in the farm bill. Legislation to currect remaining inconsistencies in treatment of various forms of LIHEAA assistance, such as recommended last year by the Agriculture Committee, will be introduced later this year. [Sec. 102.]

Resources Limitations.—Repeals the scheduled liberalization in food stamp resources, or assets, limitations. Existing law provides liquid asset limits to $3,000 for households of two or more with an elderly member; and $1,500 for all other households. The farm bill increased this to $3,000 for households consisting of one elderly member (the $3,000 level would continue to apply for households of two or more with an elderly member); and $2,000 for all other households. This provision does not target food stamp benefits to the most needy; rather it serves to bring in households who have an extra $500 in liquid assets that are available to them. This provision was the most costly added during the farm bill—adding over $600 million over the next 5½ fiscal years to the cost of the food stamp program. [See 103.]

Error Rate Moratorium and Quality Control Studies.—Repeals the 6-month moratorium on the collection of sanctions through a reduction in administrative payments. States would again be required to reimburse the Secretary for certain overissued benefits that exceed the statutory "tolerance" level of 5 percent. Such reimbursements may be paid through reductions in administrative payments to the States. The section also repeals the requirement for the Secretary of Agriculture and the National Academy of Sciences to conduct studies on the quality control system. [Sec. 104.]

Authority to Reduce Benefits.—Eliminates the provision added by the farm bill which restricts the Secretary's ability to take action to reduce benefits when appropriations for the year will be insufficient to fund the program and thereby restores the Secretary's authority (never exercised) to reduce benefits. [Sec. 105.]

Puerto Rico Block Grant.—Restores the authorized amount for the Puerto Rico block grant to $825 million annually, thereby repealing the increased authorizations for fiscal years 1987-90. [Sec. 106.]

Commodity Supplemental Food Program.—Repeals the expansions of the commodity supplemental food program contained in the farm bill. The CSFP program provides supplemental commodities for pregnant women, nursing mothers, infants, and small children. The farm bill proposed to add CSFP sites, to establish participation by the elderly, and to increase administrative reimbursements to CSFP operations. [Sec. 111.]

Food, Nutrition, and Consumer Education Program.—Repeals the authorization for this new program established by the farm bill which duplicates the already existing Expanded Food and Nutrition Education Program (EFNEP). [Sec. 121.]

By Mr. PACKWOOD:

S. 2240. A bill to amend various provisions of title 49, United States Code, to provide for a more competitive, safe, and efficient trucking industry, to reduce regulatory burdens on the industry, and for other purposes; to the Committee on Commerce, Science, and Transportation.

TRUCKING COMPETITION ACT

● Mr. PACKWOOD. Mr. President, the trucking industry is a vital segment of our Nation's transportation system, hauling 77 percent of the dollar value of all freight carried in the United States and generating annual revenues in excess of $200 billion.

Prior to 1980, the operations of interstate trucking companies were hindered by a burdensome Federal economic regulatory system administered by the Interstate Commerce Commission [ICC]. These regulations, first imposed in 1935, restricted carriers in terms of the routes over which they could travel and the commodities they could haul. These restrictions led to costly, inefficient operations.

It was also extremely difficult for new carriers to enter the industry. Not only was the ICC's consideration of applications for new operating authority a lengthy process, but new carriers were frequently faced with protests to their applications from carriers who merely were afraid of competition. Typically, these protests won the day. The resulting lack of competition, in the form of new entry, combined with the carriers' ability to meet and set their rates collectively, resulted in shippers paying higher rates than necessary and having fewer service options available than the free market would have provided.

This situation changed dramatically with enactment of the Motor Carrier Act of 1980 [MCA]. This legislation substantially eased entry regulations and provided carriers greater operating and pricing freedom. The MCA also took the important procompetitive step of eliminating antitrust immunity for collective ratemaking with respect to single-line rates.

Mr. President, deregulation has worked well. According to the ICC, more than 31,000 new carriers have received operating authority since enactment of the MCA. In addition, more and more carriers are taking advantage of the pricing flexibility provided by the MCA. The combination of more carriers providing service with a greater amount of independent pricing provides shippers with a greater variety of price and service options.

In fact, shippers are very satisfied with trucking service under partial deregulation. Since enactment of the MCA, the number of service complaints received by the ICC has decreased steadily. This does not just hold true for large metropolitan areas—small communities also have benefited from deregulation. The research conducted by and for the ICC and the Department of Transportation [DOT] has consistently shown that overall motor carrier service to small communities is at least as good

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as it was prior to enactment of the MCA, and often better.

While deregulation has brought substantial benefits to users of trucking services, there is no doubt that the trucking industry and trucking company employees have experienced difficulties since 1980. There have been several bankruptcies of large and small trucking companies. Because of this, as well as the fact that most of the new motor carriers in operation since 1980 are nonunion, many Teamsters have lost their jobs in the years following deregulation. It is important to remember, however, that all of the trucking industry's problems cannot be blamed on the MCA. The economic recession of the early 1980's brought difficulties for American business as a whole. As business activity in our Nation slowed, the amount of freight available for transport by trucking companies decreased. Fortunately, our economic situation has improved, to the benefit of business enterprises overall, including trucking.

Mr. President, it is important to remember that while the MCA greatly reduced economic regulation over interstate trucking companies, it did not provide complete deregulation. There is no need for continued Federal economic regulation of trucking companies. In fact, former ICC Chairman Reese Taylor went so far as to characterize the Commission's trucking-related functions as "a monumental paper-shuffling operation." I see no reason to continue such needless activity.

Many others agree with this view. During hearings last September before the Commerce Committee's Surface Transportation Subcommittee, a number of groups came out in support of the concept of total economic deregulation of the trucking industry. Among these groups were the following: the Department of Transportation, the Interstate Commerce Commission, Public Citizen, the National Industrial Transportation League, the American Retail Federation, the National Small Shipments Traffic Conference, the Coalition for Motor Carrier Regulatory Reform, the National-American Wholesale Grocers Association, the Food Marketing Institute, the Private Truck Council of America, and the Private Carrier Conference.

Mr. President, today I am introducing legislation which would finish the job started by the MCA. My bill, the "Trucking Competition Act of 1986," would accomplish the following:

First, provide Federal economic deregulation of trucking companies which operate in interstate commerce, while retaining safety, insurance, and cargo liability requirements;

Second, eliminate all collective ratemaking antitrust immunity on July 1, 1990;

Third, create a motor carrier administration at DOT;

Fourth, preempt State economic regulation of interstate trucking companies—this would affect neither State economic regulations over carriers which operate solely on an intrastate basis nor State safety regulations governing all trucking companies;

Fifth, prohibit States from imposing discriminatory and retaliatory taxes against interstate trucking companies;

Sixth, direct DOT to develop uniform standards for State registration of trucking company vehicles;

Seventh, provide more extensive highway access for the large trucks authorized for nationwide use by the Surface Transportation Assistance Act of 1982;

Eighth, provide authority to DOT to limit the operations of Canadian and Mexican motor carriers in the United States if these countries discriminate against United States carriers seeking operating authority;

Ninth, eliminate the "environmental restoration" requirement of the MCA, while retaining all monetary levels of insurance coverage specified in the act; and

Tenth, "sunset" the ICC's trucking-related functions on October 1, 1987—except for its authority over collectively set truck rates, which would expire on July 1, 1990—and transfer remaining responsibilities to the motor carrier administration at DOT.

Mr. President, the time has come to totally deregulate the trucking industry. My legislation not only would bring more competition to the trucking industry through total deregulation, it would also address many of the productivity and efficiency concerns raised by the truckers themselves. I am eager to move forward with this legislation and I urge my colleagues to join me in this effort.

Mr. President, I ask unanimous consent that the text of the "Trucking Competition Act of 1986" be printed in the Record.

There being no objection, the bill was ordered to be printed in the Record, as follows:

S. 2240

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "Trucking Competition Act of 1986".

PURPOSE

Sec. 2. This Act is part of the continuing effort by the Congress to reduce burdensome and unnecessary Government regulations and to enhance competition, safety, and efficiency in the motor carrier industry.

FINDINGS

Sec. 3 The Congress find that—

(1) a safe, sound, competitive, and fuel-efficient motor carrier system is vital to the maintenance of a strong national economy and a strong national defense;

(2) the statutes governing Federal regulation of the motor carrier industry are outdated and must be revised to reflect present and future transportation needs and realities;

(3) historically, the regulatory structure has inhibited market entry, carrier growth, maximum utilization of equipment and energy resources, and opportunities for minorities, small businesses, and others to enter the trucking industry;

(4) protective regulation has resulted in operating inefficiencies, anticompetitive pricing, and diminished price and service competition in the trucking industry, and has tended to suppress technological and managerial innovation;

(5) the trucking industry should compete in the marketplace to the same extent as nonregulated industries by removal of antitrust immunity for collective ratemaking;

(6) significant competitive and consumer benefits have resulted from the enactment and implementation of the Motor Carrier Act of 1980 (Public Law 96-296; 94 Stat. 793);

(7) in light of the experience to date under the Motor Carrier Act of 1980 (Public Law 96-296; 94 Stat. 793), it is now appropriate to phase out remaining economic regulation of the trucking industry by the Interstate Commerce Commission, while retaining Federal safety, insurance, and cargo liability requirements;

(8) such a phaseout of regulation by the Interstate Commerce Commission would not only eliminate outmoded and wasteful economic regulation, but also reduce Government spending;

(9) in many cases, State economic regulations governing the operations of interstate motor carriers are unnecessary, burdensome, and outdated, and inhibit productivity in the utilization of equipment, energy, and other resources;

(10) interstate motor carriers should be subject to uniform regulatory and taxation reporting standards throughout the United States in order to enhance motor carrier productivity;

(11) unfair and discriminatory taxes imposed on interstate motor carriers impose substantial burdens on such carriers;

(12) the establishment of a Motor Carrier Administration within the Department of Transportation will improve access to and interaction among Federal, State, and local governmental agencies, motor carriers, shippers, and the traveling public, thereby furthering the public interest; and

(13) legislative and resulting changes should be implemented with the least amount of disruption consistent with achieving the reforms enacted.

MOTOR COMMON CARRIER ENTRY

Sec. 4. Section 10922 of title 49, United States Code, is amended—

(1) by redesignating subsections (b) through (l) as subsection (c) through (m), respectively;

(2) by inserting after subsection (a) the following new subsection:

"(b)(1) The Interstate Commerce Commission shall issue a certificate to a person authorizing that person to provide transportation subject to the jurisdiction of the Commission under subchapter II of chapter 105 of this title as a motor common carrier of property other than a household goods carrier if the Commission finds that the person is fit, willing, and able to provide the transportation to be authorized by the certificate and to comply with this subtitle and regulations of the Commisson.

"(2) As used in this subsection, the term 'fit, willing, and able' means safety fitness (as defined by the rules adopted pursuant to section 215 of the Motor Carrier Safety Act of 1984 (49 App. U.S.C. 2512)), and proof of minimum financial responsibility under section 30 of the Motor Carrier Act of 1980 (Public Law 96-296; 94 Stat. 820).";

(3) by striking "property" in subsection (c), (j), (k) and (l), as so redesignated, and inserting in lieu thereof "household goods" wherever it appears; and

(4) in subsection (h), as so redesignated, by inserting "of household goods" immediately after "carrier" wherever it appears.

MOTOR CONTRACT CARRIER ENTRY

Sec. 5. Section 10923 of title 49, United States Code, is amended—

(1) in subsection (a), by inserting "of passengers and household goods" immediately after "motor contract carrier";

(2) in subsections (b)(3), (b)(4), (b)(6), (d)(1), and (e), by striking "property" and inserting in lieu thereof "household goods" immediately after "motor contract carrier" wherever it appears;

(3) in subsection (c)(1), by inserting "of household goods" immediately after "carrier" the first place it appears;

(4) in subsection (d) (2) and (3), by inserting "of passengers and household goods" immediately after "motor contract carrier"; and

(5) by adding at the end thereof the following new subsection:

"(f)(1) The Interstate Commerce Commission shall issue a permit to a person authorizing that person to provide transportation subject to the jurisdiction of the Commission under subchapter II of chapter 105 of this title as a motor contract carrier of property other than a household goods carrier if the Commission finds that the person is fit, willing, and able to provide the transportation or service to be authorized by the permit and to comply with this subtitle and regulations of the Commission.

"(2) As used in this paragraph, the term 'fit, willing, and able' means safety fitness (as defined by the rules adopted pursuant to section 215 of the Motor Carrier Safety Act of 1984 (49 App. U.S.C. 2512)), and proof of minimum financial responsibility under section 30 of the Motor Carrier Act of 1980 (Public Law 96-296; 94 Stat. 820).".

RATE REGULATION AND TARIFF FILING REQUIREMENTS

Sec. 6. (a) Section 10702(b) of title 49, United States Code, is amended—

(1) by inserting "of household goods or passengers" immediately after "contract carrier" wherever it appears; and

(2) by inserting "and passengers" immediately after "shippers".

(b) Section 10704 of title 49, United States Code, is amended—

(1) in subsection (b)(1)—

(A) in subparagraph (A), by striking "carrier for" and inserting in lieu thereof "carrier of household goods and a motor common carrier of passengers", and by inserting "(insofar as any rates established under an agreement which is exempt from the antitrust laws are concerned)" immediately after "title"; and

(B) by adding at the end thereof the following: "This subsection will cease to have effect with respect to motor common carriers of property, other than a household goods carriers, on July 1, 1990.";

(2) in subsection (c)(1), by inserting "(with respect to transportation of household goods or passengers)" immediately after "II";

(3) by striking subsection (d); and

(4) by redesignating subsections (e) and (f) as subsections (d) and (e), respectively.

(c) Section 10705 of title 49, United States Code, is amended—

(1) by striking subsections (b) and (h);

(2) by redesignating subsections (c) through (g) as subsections (b) through (f), respectively;

(3) in subsection (b), as so redesignated, by striking "rail carrier," and inserting in lieu thereof "rail carrier or", and by striking ", or motor common carrier of property";

(4) in subsection (e), as so redesignated, by striking "or (b)"; and

(5) in subsection (f), as so redesignated, by striking "(f)" and inserting in lieu thereof "(e)".

(d) Section 10708(d) of title 49, United States Code, is amended—

(1) in paragraph (1), by striking "motor common carrier of property or" and inserting in lieu thereof "motor common carrier of household goods or"; and

(2) in paragraph (2), by striking "property" and inserting in lieu thereof "household goods".

(e)(1) Section 10762(a)(1) of title 49, United States Code, is amended—

(A) by inserting "and a motor contract carrier of property other than household goods" immediately after "motor common carrier" the first place it appears;

(B) in the second sentence, by inserting "of passengers and a motor common carrier of household goods" immediately after "carrier";

(C) by inserting immediately after the second sentence the following: "Until July 1, 1990, a motor common carrier of property other than household goods shall publish and file tariffs containing the rates for transportation it may provide under this title if such rates were established under an agreement which is exempt from the antitrust laws."; and

(D) in the fourth sentence by inserting "of household goods" immediately after "contract carrier".

(2) Section 10762(g) of title 49, United States Code, is amended by striking "property" and inserting in lieu thereof "household goods".

COLLECTIVE RATEMAKING

Sec. 7. Section 10706(b)(3)(D) is amended—

(1) by striking the first two sentences and inserting in lieu thereof the following: "No agreement approved under this subsection may provide for discussion of or voting upon single-line rates. In addition, no agreement approved under this subsection may provide for discussion of or voting upon joint-line rates, general rate increases or decreases, or commodity classifications by motor common carriers of property other than household goods on or after July 1, 1990. The antitrust laws, as defined in the first section of the Clayton Act (15 U.S.C. 12), shall apply to all rates established by motor common carriers of property, except household goods carriers, on and after July 1, 1990." and

(2) by striking "following:" and inserting in lieu thereof "following (with respect to motor common carriers of household goods):".

BACKHAUL ALLOWANCES

Sec. 8. (a) Section 10732 of title 49, United States Code, is amended—

(1) by amending the heading to read as follows: "BACKHAUL ALLOWANCES";

(2) in subsection (a), by striking "food and grocery" each place it appears; and

(3) in subsection (b), by striking "the Motor Carrier Act of 1980 and not less often than once a year thereafter" and inserting in lieu thereof "the Trucking Competition Act of 1986".

(b) The item relating to section 10732 in the analysis for chapter 107 of title 49, United States Code, is amended to read as follows:

"10732. Backhaul Allowances.".

SHIPPING DOCUMENTS

Sec. 9. (a) Section 10527 of title 49, United States Code, is amended—

(1) in subsection (a), by inserting "(1)" immediately after "(a)";

(2) by redesignating subsections (b) and (c) as subsections (a)(2) and (a)(3), respectively;

(3) by amending the catching of such section to read as follows:

"§ 10527. Shipping documents"; and

(4) by adding at the end thereof the following:

"(b)(1) All shipments over 100 pounds moved in interstate commerce shall be accompanied by a master shipping document which sets forth the terms and conditions of the transportation services provided. This document shall include the following information:

"(A) the rights and liabilities of all parties involved with the shipment; and

"(B) the shipment weight.

"(2) The Commission shall prescribe, by regulation, the minimum requirements and conditions of shipping documents required to be used under this section.".

(b) The item relating to section 10527 in the analysis for chapter 105 of title 49, United States Code, is amended to read as follows:

"10527. Shipping documents.".

ENFORCEMENT: INVESTIGATIONS, RIGHTS, AND REMEDIES

Sec. 10. (a) Section 11705(b) of title 49, United States Code, is amended—

(1) in paragraph (1), by inserting "or a motor common carrier of property whose rates are set collectively" immediately after "title" the first place it appears;

(2) in paragraph (3), by inserting "or a motor common carrier of property whose rates are set collectively" immediately after "title"; and

(3) by adding at the end thereof the following new paragraph:

"(4) This subsection shall cease to be in effect on July 1, 1990 with respect to motor common carriers of property whose rates are set collectively.".

(b) Section 11706(a) of title 49, United States Code, is amended by inserting "or a motor common carrier of property" immediately after "title".

(c) Section 11707(a) of title 49, United States Code, is amended—

(1) in paragraph (1), by (A) inserting ", or a motor common carrier of property," immediately after "title" the first place it appears, and (B) inserting ", except in the case of a motor common carrier of property," immediately after "and" in the third sentence; and

(2) in paragraph (2), by inserting "or a motor common carrier" immediately after "title".

MISCELLANEOUS PROVISIONS

Sec. 11. (a) Section 10931 of title 49, United States Code, is amended by inserting "of passengers or household goods" immediately after "carrier" wherever it appears.

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(b) Section 10932(b) of title 49, United States Code, is amended by inserting "of passengers or household goods" immediately after "carrier" wherever it appears.

(c) Section 11145(c) of title 49, United States Code, is amended by striking "property" wherever it appears and inserting in lieu thereof "household goods".

(d) Section 11342(a) and (b)(1) of title 49, United States Code, is amended by striking "property" wherever it appears and inserting in lieu thereof "household goods".

(e) Section 11343(e)(1) of title 49, United States Code, is amended by striking "property" and inserting in lieu thereof "household goods".

MOTOR CARRIER ADMINISTRATION

Sec. 12. (a) Section 104 of title 49, United States Code, is amended—

(1) in subsection (c), by (A) inserting "and" immediately after the semicolon at the end of paragraph (1), (B) striking paragraph (2), and (C) redesignating paragraph (3) as paragraph (2); and

(2) by striking subsection (d).

(b)(1) Chapter 1 of subtitle I of title 49, United States Code, is amended by adding at the end thereof the following new section:

"§ 111. MOTOR CARRIER ADMINISTRATION

"(a) The Motor Carrier Administration is an administration in the Department of Transportation, to which the Secretary shall delegate responsibility for motor carrier matters.

"(b)(1) The head of the Administration is an Administrator who is appointed by the President, by and with the advice and consent of the Senate. The Administrator reports directly to the Secretary of Transportation.

"(2) The Administration has a Deputy Administrator who is appointed by the Secretary, with the approval of the President. The Deputy Administrator shall carry out duties and powers prescribed by the Administrator.

"(c) The Administrator shall—

"(1) carry out duties and powers related to motor carrier safety vested in the Secretary by chapters 5 and 31 of this title;

"(2) carry out other functions, powers, and duties of the Secretary prescribed by the Secretary; and

"(3) establish policy on essential matters including vehicle sizes and weights, develop improvements in technology and systems, coordinate intermodal programs, and protect the interests of the public, including shippers, motor carriers, and operators of motor carrier equipment.

"(d) There is created within the Administration an Office of Small Business and Consumer Assistance. This Office shall be responsible for addressing complaints related to the operations of motor carriers and providing information to motor carriers on Federal regulations and standards and related matters.

"(e) A duty or power specified in subsection (c)(1) of this section may be transferred to another part of the Department only when specifically provided by law or a reorganization plan submitted under chapter 9 of title 5. A decision of the Administrator in carrying out those duties or powers and involving notice and hearing required by law is administratively final.

"(f) The Secretary may require motor carriers of property other than household goods to file annual reports detailing the affairs of the carrier for the 12-month period ending on the last day of December of each year.".

(2) The analysis for chapter 1 of subtitle I of title 49, United States Code, is amended by adding at the end thereof the following:

"111. Motor carrier administration.".

(c) Section 3102 of title 49, United States Code, is amended by adding at the end thereof the following new subsection:

"(e) Notwithstanding any other provision of law, the Secretary of Transportation shall have jurisdiction over the safety, insurance, cargo liability, and rules imposed by States affecting the operations of motor carriers of property and passengers which provide transportation in interstate or foreign commerce.".

(d) The Secretary of Transportation shall implement a plan to consolidate and coordinate all activities within the Department of Transportation with respect to motor carrier research, planning, and programs, including the safety of motor carrier drivers, vehicles, and operations, and shall assign to the Motor Carrier Administration such duties and powers as may be appropriate.

(e) This section shall become effective October 1, 1987.

INSURANCE

Sec. 13. Section 30(a)(1) and (b)(1) of the Motor Carrier Act of 1980 (49 U.S.C. 10927, note) is amended by (A) striking the comma after "public liability" and inserting in lieu thereof "and", and (B) striking ", and environmental restoration".

PREEMPTION OF STATE ECONOMIC REGULATIONS

Sec. 14. (a) Notwithstanding any other provision of law, no State or political subdivision thereof and no interstate agency or other political agency of two or more States shall enact or enforce any law, rule, regulation, standard, or other provision having the force and effect of law relating to interstate or intrastate rates, routes, or services of any owner or operator of commercial vehicles which provides transportation of property (except household goods) in interstate commerce.

(b) Section 11503 (a)(4) of title 49, United States Code, is amended by adding at the end thereof the following:

"(5) 'retaliatory tax' means a tax or fee imposed by a State on or with respect to the operations of (A) a motor carrier of property with a principal place of business in another State, or (B) a motor carrier vehicle or other motor carrier property registered by a motor carrier in another State, the amount of which tax or fee is set or computed by reference to the law of such other State.".

(c) Section 11503a(b)(3) of title 49, United States Code, is amended—

(1) by striking the period and inserting in lieu thereof a semicolon; and

(2) by adding at the end thereof the following:

"(4) impose another tax or fee that discriminates against a motor carrier of property providing transportation in interestate commerce, including—

"(A) a retaliatory tax;

"(B) a tax or fee that discriminates between motor carriers of property providing transportation in interstate commerce and other modes of commercial transportation;

"(C) a tax or fee that discriminates between motor carriers of property providing transportation in interstate commerce and other commercial and industrial taxpayers; and

"(D) a tax or fee that, without reference to any other tax or fee levied by the State or subdivision thereof, results in a higher incremental per-mile cost of operation for a motor vehicle registered outside the State than for a motor vehicle registered in the State; but not including a vehicle registration fee.".

(d)(1) Within 6 months after the date of enactment of this Act, the Secretary of Transportation shall initiate a rulemaking regarding regulation by States and political subdivisions thereof of interstate motor carriers with respect to requirements for vehicle registration, filing and reporting, and fuel taxes. As part of such rulemaking, the Secretary shall, at a minimum, consider—

(A) standardized definitions, schedule requests, due dates, procedures and forms;

(B) the desirability or necessity of one or more offices in each State at each of which a motor carrier may apply for initial registration, annual renewals, and temporary and other permits, file required forms and reports, and pay highway taxes; and

(C) base State administration of all State highway taxes in general use (except for vehicle operator's licenses and sales taxes other than on motor fuel, including—

(i) processing of applications for initial registrations and annual renewals;

(ii) issuing the required credentials and indicia for external display to show the highway taxes for which and the States in which the carrier is registered;

(iii) filing (by the base State) of required forms and reports;

(iv) receiving and verifying proper tax payments; and

(v) prompt and equitable distribution of tax collections to the States where due.

(2) Within 24 months after the date of enactment of this Act, the Secretary shall issue final standards applicable to State regulation of interstate motor carriers. Such standards shall not define or limit the amounts of any State registration fees or fuel taxes.

(3)(A) After the effective date of the standards issued under paragraph (2) of this subsection, no State shall impose administrative requirements that are in excess of or in conflict with such standards.

(B) The Attorney General of the United States may institute any civil action for injunctive relief as may be appropriate to ensure compliance with the provisions of this Act. Such action may be instituted in any district court of the United States in any State where such relief is required to ensure compliance with the terms of this Act. In any action under this Act, the court shall, upon a proper showing, issue a temporary restraining order or preliminary or permanent injunction. In any such action, the court may also issue a mandatory injunction commanding any State or person to comply with any applicable provision of this Act, or any rule issued under the authority of this Act.

HIGHWAY ACCESS

Sec. 15. (a) Section 412 of the Surface Transportation Assistance Act of 1982 (49 App. U.S.C. 2312) is amended—

(1) in subsection (a), by striking all after "unloading" and inserting in lieu thereof a period; and

(2) in subsection (b), by (A) inserting "on access" immediately after "restriction", and (B) striking all after "any" the third place it appears and inserting in lieu thereof "commercial motor vehicle subject to this title.".

(b) Section 411(b) of the Surface Transportation Assistance Act of 1982 (49 U.S.C. App. 2311(b)) is amended by inserting immediately after the third sentence the following: "For purposes of this section, trailers or

semitrailer configurations shall be considered to have been in actual and lawful use on December 1, 1982, if a shipper or a carrier can provide documentation to a State that cargo was moved by such equipment on or before December 1, 1982.".

(c) Notwithstanding any other provision of this section, States contained within or touched by the circumference line of a 750-mile-radius circle centered on Salt Lake City, Utah, may issue special permits for the transportation of readily divisible loads in excess of 80,000 pounds gross weight when the vehicle combinations under such permits are in compliance with the single and tandem axle weights and the formula set forth in section 127(a) of title 23, United States Code (Bridge Table B), and the total number of axles involved does not exceed nine.

OPERATIONS OF FOREIGN MOTOR CARRIERS

Sec. 16. Section 10922 of title 49, United States Code, is amended by adding at the end thereof the following new subsection:

"(m)(1) Whenever the Secretary of Transportation determines that the government of any country contiguous to the United States, or any political subdivision or instrumentality of any such contiguous country, has engaged in unfair, discriminatory, or restrictive practices with a substantial adverse competitive impact upon United States motor carriers of property with respect to motor carrier transportation within such foreign country or political subdivision or between such foreign country and the United States, the Secretary shall seek elimination of such practices through consultations or other appropriate methods of representation.

"(2) Notwithstanding any other provision of law, when consultations or other methods of representation fail to result in the elimination of the unfair, discriminatory, or restrictive practices specified in paragraph (1), the Secretary may, in consultation with the Secretary of State and the United States Trade Representative, suspend, modify, amend, condition, or limit operations by motor carriers from such foreign country or political subdivision in interstate or foreign commerce within the United States, if the Secretary determines that such action is in the national interest. The Secretary shall publish notice of such determination, including the reasons for the determination and the action being proposed, in the Federal Register. Unless the Secretary determines that expeditious action is required, the Secretary shall provide an opportunity for presentation of views concerning the taking of such action.

"(3) The Secretary may, in consultation with the Secretary or State and the United States Trade Representative, remove or modify any action taken under paragraph (2) if the Secretary determines that such removal or modification is in the national interest.

"(4) Any suspension, modification, amendment, condition, or limitation imposed under paragraph (2) and documentary requirements that may be necessary to institute and enforce such suspension, modification, amendment, condition, or limitation shall be accomplished in accordance with regulations issued by the Secretary, in consultation with the Secretary of State and the United States Trade Representative. Such regulations shall be enforced by the Department of Transportation, the Department of the Treasury, or the Department of Justice.".

REVIEW AND SUNSET PROVISIONS

Sec. 17. (a)(1) The Interstate Commerce Commission shall prepare and submit to the Congress a comprehensive review of the Commission's implementation of the provisions of this Act.

(2) Such review shall include—

(A) a detailed comparison of the degree of competition, including pricing competition, within the trucking industry as of the year before the date of enactment of this Act and the final year covered by such review;

(B) a comparison of the extent of trucking service provided to small communities during the two one-year periods specified in subparagraph (A) of this paragraph; and

(C) an assessment of the impact of the subjects specified in subparagraphs (A) and (B) of this paragraph upon the trucking industry in terms of benefits or detriments to the shipping public and the trucking industry.

(3) The Commission shall submit such review, including legislative and other recommendations, to the President and the Congress not later than July 1, 1987.

(4) There are authorized to be appropriated for fiscal year 1987 such sums as may be necessary to carry out the provisions of this subsection.

(b) Notwithstanding any other provision of law, the Interstate Commerce Commission shall have no jurisdiction over motor carriers of property (except motor carriers of household goods and motor carriers of property which set rates under an agreement which is exempt from the antitrust laws) under subtitle IV of title 49, United States Code, after September 30, 1987.

(c)(1) The authority of the Interstate Commerce Commission to make safety fitness determinations for motor carriers of property other than motor carriers of household goods pursuant to sections 10922 and 10923 of title 49, United States Code, and the authority of the Commission to issue operating certificates and permits for such carriers, impose insurance requirements on such carriers, and impose cargo liability requirements with respect to the operations of such carriers are transferred to the Department of Transportation on October 1, 1987.

(2) On and after October 1, 1987, the Department of Transportation shall have authority to promulgate rules and regulations to carry out any functions transferred under this subsection, except that the Department of Transportation shall not promulgate any rule or regulation which imposes new economic regulatory requirements.

(d) The following matters shall remain in effect until modified, terminated, superseded, or set aside in accordance with law by the Secretary of Transportation, a court of competent jurisdiction, or by operation of law:

(1) The Interstate Commerce Commission Rules and Regulations in 49 CFR part 1057, Lease and Interchange of Vehicles, as amended by the Interstate Commerce Commission decision in Ex Parte Numbered MC-43 (Sub -No. 12) Leasing Rules Modification, permiting private carriers to trip-lease drivers and equipment to authorized carriers, and 49 CFR part 1058, Identification of Vehicles; and decisions and policy statements of the Interstate Commerce Commission in Ex Parte Numbered MC-118, permitting the grant of motor carrier operating authority to an applicant who intends to use such authority primarily as an incident to the carriage of its own goods and its own non-transportation business (affirming TOTO Purchasing and Supply Co., Inc., 128 M.C.C. 873), and Ex Parte Numbered MC-122 (Sub-No. 2), as modified to permit private carriers to lease drivers and vehicles from a single, unregulated source without any minimum lease-term; and

(2) the Interstate Commerce Commission Rules and Regulations in 49 CFR part 1005, Principles and Practices for the Investigation and Voluntary Disposition of Loss and Damage Claims and Processing Salvage; part 1008, Procedures Governing the Processing, Investigation, and Disposition of Overcharge, Duplicate Payment, or Overcollection Claims; part 1043, Surety Bonds and Policies of Insurance, including the form endorsements required therein; part 1044, Designation of Process Agents by Motor Carriers; part 1051, Information Required on Receipts and Bills; part 1052, Handling of C.O.D. Shipments; and part 1322, (part 1320) Motor Carrier Extension of Credit to Shippers.

(e)(1) Chapter 3 of title 49, United States Code, is amended by inserting immediately after section 307 the following new section:

"§ 307a. SAFETY FITNESS AND COMPLIANCE

"(a) The Secretary of Transportation shall establish safety fitness requirements and maintain safety compliance records in the Department of Transportation to determine the continued safety fitness of interstate owners and operators of commercial motor vehicles, interstate motor carriers of property, motor carriers of property, and motor private carriers.

"(b) When the Secretary is not satisfied with the safety record of any owner or operator of interstate commercial motor vehicles, interstate motor carrier of property, motor carrier of property or motor private carrier, the Secretary shall take prompt action under the Motor Carrier Safety Act of 1984 (49 App. U.S.C. 2501 et. seq.) to obtain compliance, redress violations, collect penalties and fines, and issue orders against imminent hazards to safety.

"(c) The Secretary of Transportation shall have safety jurisdiction over the operations in commerce, as defined in section 103 of the Hazardous Materials Transportation Act (49 App. U.S.C. 1802), of motor carriers of property and motor private carriers. The provisions of section 112 of the Hazardous Materials Transportation Act (49 App. U.S.C. 1811) shall apply to actions of the Secretary of Transportation under this subsection.".

(2) The analysis for subchapter I of chapter 3 of title 49, United States Code, is amended by inserting immediately after the item relating to section 307 the following "307a. Safety fitness and compliance.".

MOTOR CARRIER SAFETY—AUTHORIZATION OF APPROPRIATIONS

Sec. 18. Section 404 of the Surface Transportation Assistance Act of 1982 (49 App. U.S.C. 2304) is amended—

(1) by striking "$40,000,000" and inserting in lieu thereof "$50,000,000";

(2) by striking "and" after "1987,";

(3) by striking "$50,000,000" and inserting in lieu thereof "$80,000,000"; and

(4) by striking "1988." and inserting in lieu thereof "1988; not to exceed $70,000,000 in the fiscal year ending September 30, 1989; and not to exceed $80,000,000 in the fiscal year ending September 30, 1990.".

OWNER-OPERATOR STUDY

Sec. 19. (a) The Secretary of Transportation, in consultation with the Interstate

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Commerce Commission, shall conduct a study of the productivity and safety of the operations in interstate commerce of owner-operators and the economic condition of the owner-operator segment of the motor carrier industry. In conducting such study, the Secretary shall consult with representatives of the owner-operator sector of the motor carrier industry and shall solicit public comments on such study. The Secretary shall submit a comprehensive report regarding such study, including legislative or other recommendations, to the President and the Congress not later than one year after the effective date of this Act.

(b) There are authorized to be appropriated for fiscal year 1987 such sums as are necessary to carry out such study.

CARGO LIABILITY STUDY

Sec. 20. (a) The Secretary of Transportation, in consultation with the Interstate Commerce Commission, shall conduct a study of the cargo liability requirements of title 49, United States Code, which are applicable to motor carriers of property and freight forwarders. Such study shall include an examination of—

(1) the costs and benefits of cargo liability requirements for carriers, freight forwarders, shippers, and receivers;

(2) whether such cargo liability requirements could be modified to enhance the effectiveness of such requirements; and

(3) whether continued Federal regulation of cargo liability is necessary.

In conducting such study, the Secretary shall solicit comments from the public on the subject of cargo liability requirements.

(b) The Secretary shall submit the results of such study, including legislative or other recommendations, to the President and the Congress not later than one year after the effective date of this Act.

(c) There are authorized to be appropriated for fiscal year 1987 such sums as are necessary to carry out such study.

SEPARABILITY

Sec. 21. If any provision of this Act or the application thereof to any person or circumstance is held invalid, the remainder of this Act and the application of such provision to other persons or circumstances shall not be affected thereby.

EFFECTIVE DATE

Sec. 22. Except as otherwise provided, this Act shall become effective 60 days after the date of enactment of this Act.

By Mr. MOYNIHAN:

S. 2241. A bill to extend temporary suspension of duties on certain clock radios until December 31, 1989; to the Committee on Finance.

SUSPENSION OF DUTY ON CERTAIN CLOCK RADIOS

● Mr. MOYNIHAN. Mr. President, I rise today to introduce legislation to extend the suspension of duties on certain clock radios from the current expiration date of December 31, 1986, to December 31, 1989.

The clock radios, to which the temporary suspension of duties applies, are narrowly defined in the Appendix of the Tariff Schedules under Item 911.95. The definition restricts these items to entertainment broadcast band receivers valued at not over $40 each (however provided for in schedule 6), incorporating timekeeping or time display devices, not in combination with any other article, and not designed for motor vehicle installation. (The $40 limit and the exclusion of clock radio combinations with other articles prevents modification of expensive radio equipment to avoid duty.)

Mr. President, Congress first temporarily suspended duties on clock radios in the 97th Congress (P.L. 97-446) and saw fit to do so again in the 98th Congress (P.L. 98-573). During the 3 years the duty suspension has been in effect, consumers have benefited as importers have passed along their savings.

Yet I would note, Mr. President, that the suspension of duties has not, and will not, displace domestic manufacturing. Since 1981, clock radios have not been manufactured in the United States.

Indeed, insofar as the suspension of duties has been a factor (through lower prices) in clock radio sales almost doubling in the last 3 years, the effect has been to maintain and promote employment for Americans. While we no longer manufacture clock radios in this country, several hundred New Yorkers continue to be employed in designing, engineering, marketing, and servicing clock radios that are manufactured abroad.

Finally, Mr. President, I might just briefly address a concern that has been expressed in the past. Some have suggested that even if the duty suspension is warranted, the United States should not unilaterally suspend the duty but should reserve such action as a concession to be made in some future trade negotiation.

It should be noted, however, that over 70 percent of imported clock radios come from Hong Kong and Singapore, countries with which we have few problems and which are examples of free markets. An additional 13 percent comes from Malaysia and the Philippines, countries which would be able to export clock radios to the United States duty-free under the GSP program.

For these reasons, Mr. President, I believe the bill is desirable, expect it to be noncontroversial, and urge its passage.

I ask unanimous consent that the text of the bill appear in the Record at this point.

There being no objection, the bill was ordered to be printed in the Record, as follows:

S. 2241

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That item 911.95 of the Appendix to the Tariff Schedules of the United States (19 U.S.C. 1202) is amended by striking out "12-31-86" and inserting in lieu thereof "12-31-89".●

By Mr. DIXON (for himself and Mr. Glenn):

S. 2242. A bill to amend the United States Housing Act of 1937 to encourage resident management of public housing; to the Committee on Banking, Housing, and Urban Affairs.

PUBLIC HOUSING RESIDENT MANAGEMENT ACT

Mr. DIXON. Mr. President, today I am introducing legislation with my distinguished colleague, Senator Glenn, to create the Public Housing Resident Management Act of 1986. A similar proposal has been introduced in the House by Congressman Walter Fauntroy.

The mention of public housing typically generates the thought of impoverished, crime-ridden developments having tenants with few expectations for a better tomorrow.

The Dixon-Glenn proposal is intended to offer hope and improvements in the overall living conditions of public housing tenants, as well as a valuable return on an investment for taxpayers. It would provide an opportunity for public housing tenants to be responsible for managing their own housing conditions. It would permit a majority of adult public housing tenants to establish a resident council which, in turn, would determine the feasibility of establishing a resident management corporation. The corporation would provide management for the housing project. Additionally, the Dixon-Glenn proposal would permit the management corporations to retain profits from improved rent collections and to eventually provide more homes for low-income families.

As a protection against loss and theft, the legislation would require management corporations to provide fidelity bonding and insurance, or their equivalents. In addition, it would require an annual audit of the books and records of each corporation, with a written report of the audit to go to the public housing agency and the Secretary of Housing and Urban Development.

According to Chicago's Roman Catholic Archbishop Joseph Cardinal Bernardin, the only way to correct the problems of Chicago's high-rise public housing projects is to replace them with a new concept. Since the 1970's—on an experimental basis—tenants have managed at least one public housing project in the cities of Boston, Rochester, St. Louis, Louisville, Jersey City, New Orleans, and Washington, DC. Tenant management, however, is still a new concept to many other public housing developments and to most taxpayers.

It is my understanding that where many resident management teams currently exist, tenant services have improved and maintenance costs have been reduced. There has been a reduction in the number of residents receiving public assistance, and rent collections have increased. The developments have created jobs, formed day-care centers, developed health clinics,

and produced other business ventures. Overall, these public housing communities have become safer and more stable.

On September 10, 1985, I hosted a reception for concerned residents from Cabrini-Green, a 14,000 inner-city residence complex in Chicago. They were here in Washington to study first hand an example of successful tenant-managed public housing at Kenilworth Parkside, an inner city complex. While here, the residents and other concerned Illinois constituents expressed great hope in my introducing resident management legislation as a possible solution to some of their multiple community problems.

The same concern was expressed by representatives of the Leclaire Courts Development which recently negotiated a special agreement with the Chicago Housing Authority to become Chicago's first tenant management corporation. I offer this proposal in response to these appeals, along with my general interest in trying a new concept to improve the housing conditions of public housing residents, while wisely investing our scarce tax dollars.

Let me make it perfectly clear that this legislation does not displace current tenants. It does not provide for tenant resident ownership. It does not require tenant management of public housing. It does not relieve the Federal Government of its housing programs. Instead, the legislation increases the flexibility of the residents of those housing projects choosing tenant management. Additionally, as an incentive for efficient management, resident managers would be permitted to retain and use revenues that exceed their operating costs.

Mr. President, I believe that the time has come for enactment of this legislation. Therefore, I urge my colleagues to join Senator Glenn and me in supporting the passage of this bill, and I ask unanimous consent that the text of the bill be printed in the Record.

There being no objection, the bill was ordered to be printed in the Record, as follows:

S. 2242

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the "Public Housing Resident Management Act of 1986".

SEC. 2. PUBLIC HOUSING RESIDENT MANAGEMENT.

The United States Housing Act ot 1937 is amended by adding at the end thereof the following new section:

"PUBLIC HOUSING RESIDENT MANAGEMENT

"Sec. 20. (a) Purpose.—The purpose of this section is to encourage increased resident management of public housing projects, and to improve existing living conditions in public housing projects, by providing increased flexibility for public housing projects that are managed by residents by—

"(1) giving a priority for comprehensive improvement assistance under section 14;

"(2) permitting the retention, and use for certain purposes, of any revenues exceeding operating and project costs; and

"(3) providing funding, from amounts otherwise available, for technical assistance to promote formation and development of resident management entities.

"(b) Program Requirements.—

"(1) Resident council.—As a condition of entering into a resident management program, a majority of the adult residents of a public housing project shall approve the establishment of a resident council to determine the feasibility of establishing a resident management corporation to manage the project.

"(2) Public housing management specialist.—The resident council of a public housing project, in cooperation with the public housing agency, shall select a qualified public housing management specialist to assist in determining the feasibility of, and to help establish, a resident management corporation and to provide training in the daily operations of the project.

"(3) Bonding and insurance.—Before assuming any management responsibility for a public housing project, the resident management corporation shall provide fidelity bonding and insurance, or equivalent protection, in accordance with regulations and requirements of the Secretary and the public housing agency. Such bonding and insurance, or its equivalent, shall be adequate to protect the Secretary and the public housing agency against loss, theft, embezzlement, or fraudulent acts on the part of the resident management corporation or its employees.

"(4) Management responsibilities.—A resident management corporation that qualifies under this section, and that supplies insurance and bonding or equivalent protection sufficient to the Secretary and the public housing agency, may enter into a contract with the public housing agency establishing the respective management rights and responsibilities of the corporation and the public housing agency. Such contract may include specific terms governing management personnel, access to project records, submission of and adherence to budgets, rent collection procedures, tenant income verification, tenant eligibility determinations, tenant eviction, the acquisition of supplies and materials, and such other matters as may be appropriate.

"(5) Annual audit.—The books and records of a resident management corporation operating a public housing project shall be audited annually by a certified public accountant. A written report of each audit shall be forwarded to the public housing agency and the Secretary.

"(c) Priority for Comprehensive Improvement Assistance.—Public housing projects managed by resident management corporations shall be given a priority in the allocation of comprehensive improvement assistance under section 14.

"(d) Operating Subsidy.—

"(1) Calculation.—Notwithstanding any provision of section 9 or any regulation under such section, the operating subsidy for a project managed by a resident management corporation shall not be less than the public housing agency per unit monthly amount provided in the previous year as determined on an individual project basis. The operating subsidy amount established for such a project under this subsection may not be reduced during the three-year period beginning on the date on which the resident management corporation first receives such an operating subsidy.

"(2) Retention of excess revenues.—Any revenues exceeding the operating costs and project costs of a public housing project managed by a resident management corporation shall be retained by the resident management corporation for purposes of improving the maintenance and operation of the project, establishing business enterprises, or acquiring additional dwelling units for lower income families.

"(e) Resident Management Technical Assistance and Training.—

"(1) Financial assistance.—The Secretary may provide financial assistance to resident management corporations or resident councils that obtain, by contract or otherwise, technical assistance for the development of resident management entities, including the formation of such entities, the development of the management capability of newly formed or existing entities, the identification of the social support needs of residents of public housing projects, and the securing of such support.

"(2) Limitation on assistance.—The financial assistance provided under this subsection with respect to any public housing project may not exceed $100,000.

"(3) Funding.—Of the amounts available for financial assistance under section 14 for fiscal year 1987, the Secretary may use not more than $1,500,000 to carry out this subsection.".

● Mr. GLENN. Mr. President, I rise today to join my colleague Senator Dixon in introducing legislation which will begin transferring management of public housing to residents.

Local government authorities are poor landlords. Property holdings used for public housing are just too extensive for effective and efficient management. Unlike private housing managers, government managers typically work an 8-hour day, are not on-site, and have no real stake in the condition of the property. As a result, public housing is often badly managed and poorly maintained.

Public housing projects are generally managed by public housing agencies. There is no question that there are problems associated with the current operation of the projects. In fact, in Columbus, OH, the HUD inspector general has recently completed a review of the Columbus Metropolitan Housing Authority. The inspector general concluded that CMHA did not take adequate corrective actions to remedy reported problems concerning maintenance, back rents and vacancies. Management by residents' council or resident management corporation is a good solution to these recurring problems.

The success of tenant management has led me to believe that it should be extended to other projects. The improvements ascribed to tenant management include higher morale among tenants, decreased vandalism and maintenance problems with conse-

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quent lowering of operating costs, and decreased rent delinquency resulting in an increase in project income.

Resident management is the trend in housing management. Experimental management programs have been implemented throughout the country. And I am especially proud that one of these sites is in Cleveland, OH.

The Lakeview Terrace Tenant Management Firm was established in November 1985 in Cleveland, OH. It was organized by the tenants to confront severe problems of high vacancy, crime, drug trafficking and mismanagement in their project. Lena Jackson, tenant director, and her resident management group is succeeding in transforming the community into a beautiful urban neighborhood.

One important goal of tenant management is to employ residents to care and protect their own project. Before resident management the local housing authority had nine employees to maintain the grounds and housing units. Now, Lakewood Terrace employs 55 residents to provide these services for the same costs. On March 29, 1986, an additional 15 tenants will be eligible for employment as security officers.

Lena Jackson and her tenant managers are proud to report that since last November, the vacancy rate is virtually zero, vandalism is almost nonexistent, senior citizens feel safe, and tenants are now taking pride in their neighborhoods.

Nationwide tenant management programs like Lakewood Terrace are successful because tenants are accountable to each other. I believe that we must develop a policy which recognizes these accomplishments and removes the barriers to resident self-help initiatives.

I urge my colleagues to join Senator Dixon and myself in cosponsoring this important legislation.●

By Mr. INOUYE (for himself, Mr. Andrews, and Mr. Melcher):

S. 2243. A bill to improve the health status of Native Hawaiians, and for other purposes; to the Select Committee on Indian Affairs.

IMPROVED HEALTH CARE FOR NATIVE HAWAIIANS

● Mr. INOUYE. Mr. President, on behalf of Senator Mark Andrews, chairman of the Senate Select Committee on Indian Affairs, and Senator John Melcher, ranking minority member of the committee, I am introducing legislation to address the pressing health-care needs of our Nation's Native Hawaiians.

The legislation which we are introducing today is an outgrowth of hearings that were held by the Select Committee on Indian Affairs and the result of several studies which have been conducted by the Department of Health and Human Services over the past several years.

It is a most unfortunate reality that Native Hawaiians are disproportionately represented on the wrong end of almost every health indicator that we have. For example, Native Hawaiians experience a disproportionately high rate of chronic ailments, including heart conditions, hypertension, asthma, diabetes, gout, and bronchitis. Native Hawaiian women have a significantly greater number of pregnancy risk factors, such as teenage pregnancies and teen births, illegitimate births, and pregnant women have late or no prenatal care.

The Native Hawaiian infant mortality rate is higher than any other major ethnic group in the State of Hawaii. The National Cancer Institute [NCI] reported recently that Native Hawaiians have the highest incidence of cancer of any segment of our population.

Mr. President, the bill which we are introducing today would go a long way in having the Federal Government accept Federal responsibility for these Native American people and, further, gives a high priority to the establishment of various prevention activities, which as we all know, is really the key to reversing these statistics.

I am most pleased that my colleagues have agreed to cosponsor this measure with me and I look forward to the committee's positive determination on this important measure in the near future.

Mr. President, I ask unanimous consent that the text of this bill be printed in the Record.

There being no objection, the bill was ordered to be printed in the Record, as follows:

S. 2243

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

FINDINGS

Section 1. The Congress finds that—

(1) the Federal Government retains the legal responsibility to enforce the administration of a public trust responsibility for the betterment of the conditions of Native Hawaiians by the State of Hawaii;

(2) in furtherance of the State of Hawaii's public trust responsibility for the betterment of the conditions of Native Hawaiians, contributions by the Federal Government to the provision of health education and health services to maintain and improve the health status of Native Hawaiians are consistent with the historical and unique legal relationship of the Federal Government with the government that represented the indigenous native people of Hawaii;

(3) it is the policy of the Federal Government to raise the health status of Native Hawaiians to the highest possible level and to encourage the maximum participation of Native Hawaiians in the planning and management of health services in order to achieve this objective;

(4) Federal support for programs that provide health care to Native Hawaiians has resulted in a reduction in the prevalence and incidence of preventable illnesses among Native Hawaiians and in a reduction in premature deaths of Native Hawaiians; and

(5) further improvement in the health status of Native Hawaiians is necessary on the basis of findings that—

(A) Native Hawaiians experience the highest age-sex standardized mortality rate in the State of Hawaii,

(B) Native Hawaiians experience a lower life expectancy than any other population group in the State of Hawaii,

(C) Native Hawaiians experience a higher rate of infant mortality, congenital abnormalities and underweight infants than any other population in the State of Hawaii,

(D) Native Hawaiians have the greatest risk of diabetes, heart disease, and some forms of cancer than any other population in the State of Hawaii,

(E) Native Hawaiians experience the onset of diabetes, heart disease, and hypertension at earlier ages than other populations in the State of Hawaii,

(F) Native Hawaiians have significantly higher rates of heart disease and hypertension than other populations in the State of Hawaii,

(G) Native Hawaiians have one of the highest cancer rates of any population in the United States and Native Hawaiians have the poorest survival rates from cancer than any other population in the State of Hawaii,

(H) Native Hawaiian pregnant women rank the highest of all populations of pregnant women in the State of Hawaii in—

(i) receiving late or no prenatal care,

(ii) smoking and alcohol consumption during pregnancy,

(iii) toxemia and urinary tract infections during pregnancy, and

(iv) complications of pregnancy over age 35,

(I) Native Hawaiians have higher rates of suicide among young adult and elderly males than the statewide population as a whole,

(J) Native Hawaiian children have one of the highest peridontal disease rates and the poorest dental hygiene of any other population in the State of Hawaii,

(K) Native Hawaiians have higher proportion of alcohol and narcotics use and school performance impairment than the statewide population as a whole,

(L) Native Hawaiians have higher levels of stress than the statewide population as a whole based on leading stress indicators,

(M) Native Hawaiians are underrepresented in rates of participation in health education, health promotion, screening, and referral programs,

(N) utilization of mental health services by Native Hawaiians is significantly below that of other populations in the State of Hawaii, and

(O) Native Hawaiians are underrepresented in the health professions.

DEFINITIONS

Sec. 2. For purposes of this Act—

(1) The term "disease prevention" includes—

(A) immunizations,

(B) control of high blood pressure,

(C) control of sexually transmittable diseases,

(D) prevention and control of diabetes,

(E) pregnancy and infant care, including prevention of fetal alcohol syndrome,

(F) control of toxic agents,

(G) occupational safety and health,

(H) accident prevention,

(I) fluoridation of water, and

(J) control of infectious agents.

(2) The term "health promotion" includes—

(A) cessation of tobacco smoking,

(B) reduction in the misuse of alcohol and drugs,

(C) improvement of nutrition,

(D) improvement in physical fitness,

(E) family planning, and

(F) control of stress.

(3) The term "Native Hawaiian" means any individual who has any ancestors that were natives, prior to 1778, of the area that now comprises the State of Hawaii.

(4) The term "Native Hawaiian organization" means any organization that—

(A) serves and represents the interests of Native Hawaiians, and

(B) is recognized by the Governor of the State of Hawaii for the purpose of planning, conducting, or administering programs (or portion of programs) authorized under this Act.

(5) The term "Secretary" means the Secretary of Health and Human Services.

HEALTH PROMOTION AND DISEASE PREVENTION

Sec. 3. (a)(1) The Secretary shall, in consultation with Native Hawaiian organizations, establish a program of health promotion and disease prevention designed to serve the Native Hawaiian population.

(2) The program that is to be established under paragraph (1) shall—

(A) provide necessary preventive-oriented health services, including maternal and child health care and mental health care;

(B) provide for the collection of data related to the prevention of diseases and illnesses among Native Hawaiians, including the prevention of fetal alcohol syndrome, hypertension, heart disease, and diabetes;

(C) provide for medical and general health-related research into the diseases that are most prevalent among Native Hawaiians including, but not limited to, heart disease, hypertension, cancer, and diabetes;

(D) provide for research into the mental health problems that are most prevalent among Native Hawaiians including, but not limited to, alcoholism, substance abuse, reduction of stress, and child abuse;

(E) provide for education in health promotion and disease prevention in the Native Hawaiian population;

(F) provide for health planning in areas which shall include, but not be limited to, health planning in maternal and child health, nutrition, disease prevention, health promotion, health education, and mental health;

(G) provide training for Native Hawaiian community health outreach workers as paraprofessionals in the provision of health care and health education in Native Hawaiian communities by means of a curriculum which—

(i) combines education in the theory of health care with supervised practical experience in the provision of health care,

(ii) provides instruction and practical experience in health promotion and disease prevention activities, particularly—

(I) nutrition,

(II) physical fitness,

(III) weight control,

(IV) cessation of tobacco smoking,

(V) stress management,

(VI) control of alcohol and substance abuse, including prevention of fetal alcohol syndrome,

(VII) control of high blood pressure,

(VIII) prevention and control of diabetes,

(IX) prevention of lifestyle related accidents,

(X) prenatal and postnatal infant health care, and

(XI) maternal health care, and

(iii) provides instruction in the most current and effective social, educational, and behavioral approaches to the establishment and maintenance of good health habits; and

(H) provide a centralized monitoring function which shall submit annual reports to the Congress through the Secretary on activities that—

(i) are designed to address the health care needs of Native Hawaiians, and

(ii) may be conducted by—

(I) the State of Hawaii,

(II) the Federal Government,

(III) community health centers,

(IV) Native Hawaiian organizations, or

(V) private health care providers.

(b)(1) Subject to the availability of funds appropriated under the authority of paragraph (3), the Secretary shall provide grants to Native Hawaiian organizations for the purpose of developing the management capabilities of such organizations to plan and operate the health promotion and disease prevention program that is to be established under subsection (a).

(2) The total amount of grants that may be made to any Native Hawaiian organization under paragraph (1) shall not exceed $75,000.

(3) There are authorized to be appropriated $600,000 for each fiscal year for the purpose of funding grants under paragraph (1).

(c)(1) The Secretary is authorized to enter into an agreement with a Native Hawaiian organization under which the Secretary is authorized to assign personnel of the Department of Health and Human Services to such Native Hawaiian organization, or to the educational institutions of such Native Hawaiian organization, on detail for the purpose of providing education to Native Hawaiian children in health promotion and disease prevention.

(2) Any assignment of personnel made by the Secretary under any agreement entered into under the authority of paragraph (1) shall be treated as an assignment of Federal personnel to a local government that is made in accordance with subchapter VI of chapter 33 of title 5, United States Code.

(d)(1) The Secretary shall establish in the State of Hawaii, as a demonstration project, a Native Hawaiian Program for Health Promotion and Disease Prevention for the purpose of exploring ways to meet the unique health care needs of Native Hawaiians.

(2) The demonstration program that is to be established under paragraph (1) shall—

(A) provide necessary preventive-oriented health services, including health education and mental health care,

(B) develop innovative training and research projects,

(C) establish cooperative relationships with the leadership of the Native Hawaiian community, and

(D) ensure that a continuous effort is made to establish programs which can be of direct benefit to other Native American people.

(3) The Secretary is authorized to enter into contracts with Native Hawaiian organizations for the purpose of assisting the Secretary in meeting the objectives of the demonstration program that is to be established under paragraph (1).

(4) The Secretary shall submit to the Congress an annual report on the status and accomplishments of the program during each of the fiscal years 1988, 1989, and 1990.

(5) There are authorized to be appropriated $500,000 for each of the fiscal years 1988, 1989, and 1990, for the purpose of carrying out the provisions of this subsection.

COMMUNITY HEALTH CENTERS; NATIONAL HEALTH SERVICE CORPS PROGRAM

Sec. 4. (a)(1) The Secretary is authorized—

(A) to designate Native Hawaiians as a medically underserved population for purposes of section 330 of the Public Health Service Act (42 U.S.C. 254c),

(B) to provide planning grants (no more than 8 and of no more than $100,000 per grant) to Native Hawaiian organizations, or to any organization of health care professionals serving Native Hawaiians, for the purpose of planning community health centers to serve the health needs of Native Hawaiian communities, and

(C) to establish community health centers under section 330 of such Act to serve the health needs of Native Hawaiian communities.

(2) The Secretary shall consult with the Governor of Hawaii regarding any grants that may be made under section 330(c)(1) of the Public Health Service Act (42 U.S.C. 254c(c)(1)), or under paragraph (1)(B), for the planning and developing of community health centers to serve the health needs of Native Hawaiian communities.

(3) In addition to any other amounts authorized to be appropriated for carrying out section 330 of the Public Health Service Act, there are authorized to be appropriated for fiscal year 1987—

(A) $800,000 for the purpose of providing planning grants authorized under paragraph (1)(B), and

(B) $2,800,000 for the purpose of establishing under section 330 of the Public Health Service Act no more than 8 community health centers to serve the health needs of Native Hawaiian communities,

such sums to remain available until expended, without fiscal year limitation. No more than $350,000 of the funds authorized to be appropriated under subparagraph (B) may be expended for each community health center.

(b) The Secretary is authorized to designate Native Hawaiians as a population group which has a health manpower shortage for purposes of subpart II of part C of title III of the Public Health Service Act.

HEALTH SERVICE SCHOLARSHIP PROGRAM

Sec. 5. (a) Subject to the availability of funds appropriated under the authority of subsection (c), the Secretary shall provide scholarship assistance to students who—

(1) meet the requirements of section 338A(b) of the Public Health Service Act (42 U.S.C. 254l(b)), and

(2) are Native Hawaiians.

(b) The scholarship assistance provided under subsection (a) shall be provided under the same terms and subject to the same conditions, regulations, and rules that apply to scholarship assistance provided under section 338A of the Public Health Service Act (42 U.S.C. 254l).

(c) There are authorized to be appropriated $1,800,000 for each fiscal year for the purpose of funding the scholarship assistance provided under subsection (a).

HEALTH CARE REFERRAL SERVICES FOR NATIVE HAWAIIANS

Sec. 6. (a)(1) The Secretary shall enter into contracts with Native Hawaiian organi-

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zations for the provision of health care referral services for Native Hawaiians. Any such contract shall include requirements that the Native Hawaiian organization successfully undertake to—

(A) determine the population of Native Hawaiians who are, or could be, recipients of health care referral services,

(B) determine the current health status of Native Hawaiians served by the Native Hawaiian organization,

(C) determine the current health care needs of Native Hawaiians served by the Native Hawaiian organization,

(D) identify all public and private health services resources which are, or could be, available to Native Hawaiians,

(E) determine the use of public and private health services resources by Native Hawaiians,

(F) assist such health services resources in providing services to Native Hawaiians,

(G) assist Native Hawaiians in becoming familiar with such health services resources and in utilizing such health services resources,

(H) provide basic health education to Native Hawaiians, including education in health promotion and disease prevention through a community health outreach program that uses Native Hawaiian community health outreach workers,

(I) establish and implement manpower training programs to accomplish the referral and education tasks set forth in subparagraphs (F), (G), and (H),

(J) identify any disparity between the health needs of Native Hawaiians that are not being met and the resources available to meet such needs, and

(K) make recommendations to the Secretary and Federal, State, local, and other resource agencies on methods of improving health service programs to meet the needs of Native Hawaiians.

(2) The Secretary shall prescribe regulations which provide the criteria for selecting Native Hawaiian organizations to enter into contracts under this subsection. Such criteria shall, among other factors, include—

(A) the extent of the health care needs of Native Hawaiians served by the Native Hawaiian organization that are not being met,

(B) the size of the Native Hawaiian population served by the Native Hawaiian organization,

(C) the accessibility to, and utilization of, health care services by Native Hawaiians served by the Native Hawaiian organization,

(D) the extent, if any, to which the activities that are required to be undertaken under paragraph (1) would duplicate—

(i) any previous or current public or private health services project that was, or is, funded by any means other than a contract entered into under this section, or

(ii) any project funded by means of a contract entered into under this section,

(E) the capability of the Native Hawaiian organization to—

(i) perform the activities that are required to be undertaken under paragraph (1), and

(ii) enter into a contract with the Secretary under this subsection,

(F) the satisfactory performance and successful completion by the Native Hawaiian organization of other contracts entered into with the Secretary under this section,

(G) the appropriateness and likely effectiveness of conducting the activities that are required to be undertaken under paragraph (1), and

(H) the extent of existing participation, or likely future participation, in the activities that are required to be undertaken under paragraph (1) by appropriate health and health-related Federal, State, local, and other agencies.

(b)(1) The Secretary may enter into contracts under this subsection with Native Hawaiian organizations which have not entered into a contract with the Secretary under subsection (a). The purpose of entering into a contract under this subsection shall be to determine—

(A) the matters described in paragraph (2) in order to assist the Secretary in assessing the health status and health care needs of Native Hawaiians served by the Native Hawaiian organization, and

(B) whether the Secretary should enter into a contract under subsection (a) with the Native Hawaiian organization.

(2) Any contract entered into by the Secretary under this subsection shall include requirements that the Native Hawaiian organization—

(A) document the health care status and health care needs of Native Hawaiians served by the Native Hawaiian organization,

(B) with respect to Native Hawaiians served by the Native Hawaiian organization, determine the matters described in subparagraphs (B), (C), (D), and (H) of subsection (a)(2), and

(C) complete performance of the contract within one year after the date on which the Secretary and the Native Hawaiian organization enter into such contract.

(c)(1) The Secretary shall include in any contract which the Secretary enters into with any Native Hawaiian organization under this section such conditions as the Secretary considers necessary to encourage the establishment of programs which make health care services more accessible to Native Hawaiians.

(2) The Secretary shall develop procedures to evaluate compliance with, and performance of, contracts entered into by Native Hawaiian organizations under this section. Such procedures shall include provisions for carrying out the requirements of this section.

(3) The Secretary shall conduct an annual onsite evaluation of each Native Hawaiian organization which has entered into a contract under subsection (a) for purposes of determining the compliance of such organization with, and evaluating the performance of such organization under, such contract.

(4) If, as a result of the evaluations conducted under paragraph (3), the Secretary determines that a Native Hawaiian organization has not complied with or satisfactorily performed a contract entered into under subsection (a), the Secretary shall, prior to renewing such contract, attempt to resolve the areas of noncompliance or unsatisfactory performance and modify such contract to prevent future occurrences of such noncompliance or unsatisfactory performance. If the Secretary determines that such noncompliance or unsatisfactory performance cannot be resolved and prevented in the future, the Secretary shall not renew such contract with such organization and is authorized to enter into a contract under subsection (a) with another Native Hawaiian organization that serves the same population of Native Hawaiians which is served by the Native Hawaiian organization whose contract is not renewed by reason of this paragraph.

(5) In determining whether to renew a contract entered into with a Native Hawaiian organization under subsection (a), or whether to enter into a contract with a Native Hawaiian organization under subsection (a) which has completed performance of a contract entered into under subsection (b), the Secretary shall—

(A) review the records of the Native Hawaiian organization and the reports submitted under subsection (e), and

(B) in the case of a renewal of a contract entered into under subsection (a), shall consider the results of the onsite evaluations conducted under paragraph (3).

(d)(1) No contract entered into under this section may provide for a total amount of payments under the contract by the Federal Government that exceeds $125,000.

(2) All contracts entered into by the Secretary under this section shall be in accordance with all Federal contracting laws and regulations except that, in the discretion of the Secretary, such contracts may be negotiated without advertising and need not conform to the provision of the Act of August 24, 1935 (40 U.S.C. 270a, et seq.).

(3) Payments made under any contract entered into under this section may be made in advance, by means of reimbursement, or in installments and shall be made on such conditions as the Secretary deems necessary to carry out the purposes of this section.

(4) Notwithstanding any other provision of law, the Secretary may, at the request or consent of a Native Hawaiian organization, revise or amend any contract entered into by the Secretary with such organization under this section as necessary to carry out the purposes of this section, except that whenever such organization requests retrocession of any contract entered into under this section, such retrocession shall become effective upon a date specified by the Secretary that is not more than 120 days after the date of the request by such organization or at such later date as may be mutually agreed to by the Secretary and such organization.

(5) All contracts entered into under this section with Native Hawaiian organizations, and all regulations prescribed under this section, shall include provisions to assure the fair and uniform provision to Native Hawaiians of health care referral services and assistance under such contracts by such organizations.

(e)(1) For each fiscal year during which a Native Hawaiian organization receives or expends funds pursuant to a contract entered into under this section, such organization shall submit to the Secretary a quarterly report on—

(A) in the case of a contract entered into under subsection (b), disparities identified and recommendations made under subparagraphs (J) and (K) of subsection (a)(1),

(B) activities conducted by the organization under the contract,

(C) the amounts and purposes for which Federal funds were expended, and

(D) such other information as the Secretary may request.

(2) The reports and records of any Native Hawaiian organization which concern any contract entered into under this section shall be subject to audit by the Secretary and the Comptroller General of the United States.

(3) The Secretary shall allow as a cost of any contract entered into under subsection (a) the cost of an annual private audit conducted by a certified public accountant.

(f)(1) The authority of the Secretary to enter into contracts under this section shall be to the extent, and in an amount, provided for in appropriation Acts.

(2) There are authorized to be appropriated $625,000 for each fiscal year for the purpose of funding contracts entered into under this section.

ACCESS TO MEDICARE AND MEDICAID SERVICES

SEC. 7. (a) The Secretary shall, in consultation with Native Hawaiian organizations, conduct a study of any barriers which may exist to the participation of Native Hawaiians in programs established under title XVIII of the Social Security Act (medicare) or under title XIX of the Social Security Act (medicaid).

(b) By no later than the date which is one year after the date of enactment of this Act, the Secretary shall submit to the Congress a report on the study conducted under subsection (a). Such report shall include—

(1) recommendations for legislation which—

(A) would remove any barriers to participation identified in such study, and

(B) would encourage participation by Native Hawaiians in the programs described in subsection (a), and

(2) estimates of—

(A) the potential number of Native Hawaiians eligible for medicare,

(B) the potential number of Native Hawaiians eligible for medicaid,

(C) the number of Native Hawaiians participating in the medicare program, and

(D) the number of Native Hawaiians participating in the medicaid program.

GENERAL AUTHORIZATION

SEC. 8. There are authorized to be appropriated for each fiscal year such sums as may be necessary to carry out the provisions of this Act for which a specific authorization of appropriations is not otherwise provided for in this Act.●

By Mr. GRASSLEY (for himself, Mr. DANFORTH, Mr. ZORINSKY, Mr. BAUCUS, Mr. PRESSLER, Mr. PRYOR, Mr. BUMPERS, and Mr. MATTINGLY):

S. 2244. A bill to amend the Tariff Act of 1930 with respect to the definition of industry in antidumping and countervailing duty investigations involving certain processed agricultural products; to the Committee on Finance.

ANTIDUMPING AND COUNTERVAILING DUTY

● Mr. GRASSLEY. Mr. President, today I am reintroducing legislation which would amend the Tariff Act of 1930 to clarify the intent of Congress with regard to the application of the antidumping and countervailing duty statutes to agricultural products.

On September 11, 1985 I originally introduced legislation to deal with the problem, S. 1629. The Finance Committee held a hearing on this legislation on December 9, 1985. Several members of the agricultural community and representatives from the ITC and USTR testified before the committee with a majority of those present supporting the intent of the legislation. However, since some concerns were raised by the administration's witnesses, I have agreed to add further clarifying language to the bill.

Based on discussions with Finance Committee staff and administration officials, I feel I have made the necessary changes to further clarify the application of the antidumping and countervailing duty laws to domestic agricultural producers and at the same time meet the concerns initially raised by the administration witnesses. In brief the bill would amend S. 1629 in the following ways:

First. The bill would change the focus of S. 1629 to the industry producing the processed agricultural product, rather than attempting to equate the raw and processed agricultural products as like products. This change focuses the legislation more directly upon the industry actually affected by imports of the processed agricultural products.

Second. The bill would maintain the two-part test currently applied by the International Trade Commission to determine when an industry will be deemed to include producers of both the raw and the processed agricultural product. In other words, the processed product must be produced from the raw product through a single continuous line of production and there must be a coincidence of economic interest between producers of the raw and processed product. S. 1629 would have required that only one of the conditions have been met in order for producers of the raw product to be considered part of the industry producing the processed product.

Third. The bill adds the concept of value-added to the S. 1629 as one of the economic factors to be considered in examining coincidence of economic interest. In addition, guidance is provided to the ITC with respect to its consideration of price and value-added relationships. Thus, the Commission is directed to examine the degree of correlation between prices of the raw and processed agricultural commodity and with respect to value-added, the Commission will consider whether the raw agricultural product constitutes a significant percentage of the value of the processed product. As an example, these factors would be generally found to apply in the case of producers and packers of livestock.

Fourth. At the suggestion of the administration, the bill adds new language which would direct the Commission, in making decisions regarding the threat of material injury, to focus upon the impact which the imposition of duties on either the raw or the processed product—but not both—would have upon imports of the other product.

Fifth. The bill adds new language which would make it clear that producers of the raw product which were deemed to be part of the industry producing the processed agricultural product would have standing to initiate countervailing duty and antidumping cases concerning imports of the processed product.

For further background on my introduction of the original bill, S. 1629, I would refer you to the RECORD for September 11, 1985, page S 11279.

At this point in the RECORD, I ask unanimous consent that a copy of the bill be printed in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 2244

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. INDUSTRY.

Paragraph (4) of section 771 of the Tariff Act of 1930 (19 U.S.C. 1677(4)) is amended by adding at the end thereof the following new subparagraph:

"(E) Industry producing processed agricultural products.—

"(i) IN GENERAL.—In an investigation involving a processed agricultural product produced from any raw agricultural product, the producers or growers of the raw agricultural product shall be considered part of the industry producing the processed product if—

"(I) the processed agricultural product is produced from the raw agricultural product through a single continuous line of production, and

"(II) there is a substantial coincidence of economic interest between the producers of the raw agricultural product and the producers of the processed agricultural product based upon relevant economic factors, which may include price, market value added by the producers, or other economic interrelationships (regardless of whether such coincidence of economic interest is based upon any legal relationship).

"(ii) PROCESS.—For the purposes of this subparagraph, the processed agricultural product shall be considered to be processed from a raw agricultural product through a single continuous line of production if—

"(I) the raw agricultural product is substantially or completely devoted to the production of the processed agricultural product, and

"(II) the processed agricultural product is produced substantially or completely from the raw product.

"(iii) EVALUATION OF FACTORS.—For purposes of this subparagraph, in evaluating the factors relevant to the question of coincidence of economic interest, the Commission shall—

"(I) if price is taken into account, consider the degree of correlation between the price of the raw agricultural product and the price of the processed agricultural product, and

"(II) if market value added by the producers is taken into account, consider whether the value of the raw agricultural product constitutes a significant percentage of the value of the processed agricultural product.

"(iv) RAW AGRICULTURAL PRODUCT.—For purposes of this subparagraph, the term 'raw agricultural product' means any farm, forest, or fishery product.".

SEC. 2. MATERIAL INJURY.

Paragraph (7) of section 771 of the Tariff Act of 1930 (19 U.S.C. 1677(7)) is amended—

(1) by striking out "and" at the end of subparagraph (F)(i)(VII),

(2) by striking out the period at the end of subparagraph (F)(i)(VIII) and inserting in lieu thereof ", and", and

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(3) by adding at the end of subparagraph (F)(i) the following new subclause:

"(IX) in any investigation under this title which involves imports of both a raw agricultural product (within the meaning of paragraph (4)(E)(iv)) and any product processed from such raw agricultural product, the Commission shall, in addition to any other relevant economic factors, consider the likelihood that an affirmative determination by the Commission with respect to either the raw agricultural product or the processed agricultural product (but not both) would result in an increase in the imports of the other agricultural product to an injurious level.".

SEC. 3. INTERESTED PARTIES.

(a) In General.—Paragraph (9) of section 771 of the Tariff Act of 1930 (19 U.S.C. 1677(9)) is amended—

(1) by striking out "and" at the end of subparagraph (E) and inserting in lieu thereof a comma,

(2) by striking out the period at the end of subparagraph (F) and inserting in lieu thereof ", and", and

(3) by adding at the end thereof the following new subparagraph:

"(G) in any investigation under this title involving a processed agricultural product, a manufacturer, producer, or wholesaler (or an association thereof) in the United States that is defined as representative of an industry engaged in the production of such processed agricultural product (determined in accordance with section 771(4)(E)).".

(b) Conforming Amendments.—

(1) Title VII of the Tariff Act of 1930 is amended by striking out "subparagraph (C), (D), or (E) of section 771(9)" each place it appears and inserting in lieu thereof "subparagraph (C), (D), (E), (F), or (G) of section 771(9)".

(2) Subsections (g)(2) and (h)(1) of sections 704 and 734 of the Tariff Act of 1930 (19 U.S.C. 1671c; 1673c) are each amended by striking out "subparagraphs (C), (D), (E), and (F)" and inserting in lieu thereof "subparagraphs (C), (D), (E), (F), or (G)".

(3) Section 514 oi the Tariff Act of 1930 (19 U.S.C. 1514) is amended by striking out "as defined in section 771(9) (C), (D), (E), and (F), of this Act".

(4) Subsection (a) of section 516 of the Tariff Act of 1930 (19 U.S.C. 1516(a)) is amended by adding at the end thereof the following new paragraph:

"(3) Any producer of a raw agricultural product who is considered under section 771(4)(E) to be part of the industry producing a processed agricultural product of the same class of kind as the designated imported merchandise shall, for purposes of this section, be treated as an interested party producing such processed agricultural product.".●

By Mr. GRASSLEY (for himself, Mr. DeConcini, Mr. Zorinsky, and Mr. D'Amato):

S. 2249. A bill to add a new chapter to the Bankruptcy Act, title 11 of the United States Code, to aid in the reorganization of family farms; to the Committee on the Judiciary.

FAMILY FARM REORGANIZATION ACT

● Mr. GRASSLEY. Mr. President, I am pleased to introduce along with Senators DeConcini, D'Amato, and Zorinsky, the Family Farm Reorganization Act of 1986. The act makes changes in the Federal Bankruptcy Code to better allow farmers to rehabilitate themselves in the face of the downturn in the farm economy.

More farmers than ever before are seeking protection under the Bankruptcy Code. In 1985, the number of farm bankruptcy filings in the southern half of Iowa alone soared 69 percent from the previous year to a record high of 435. The situation in Iowa is duplicated in other agricultural States.

Accordingly, how the Bankruptcy Code serves farmers is of the utmost concern.

During 2 days of hearings before the Judiciary Committee in November, I heard that certain provisions in the Bankruptcy Code may unfairly limit a farmer's ability to work out of his debt problems. I learned that a Bankruptcy Code set up to serve individuals with consumer debt and businesses fails to recognize the unique attributes of farming, such as irregular and seasonal income.

This bill seeks to remedy the shortcomings of the Bankruptcy Code in a way that provides a fairer opportunity for farmers to reorganize, while still protecting important creditor rights. This bill combines some features of chapter 11 and some of chapter 13 into a new, and separate chapter 12—to be used only by farmers—and to sunset in 5 years, or when the farm crisis abates. The bill also includes the best features of H.R. 2211 which has passed in the other body and companion Senate bills.

The bill eliminates the need to adequately protect "lost opportunity costs" as part of the code's adequate protection requirement, and adds the payment of reasonable rent as a means of adequate protection. The bill redefines the term "farmer" in a way that recognizes that farm families have had to leave the farm to earn income.

Allowing the farm-debtor to provide adequate protection by paying rent recognizes the economic realities of foreclosure. During a time of depressed farm values, the lender will usually be the high bidder at a foreclosure sale. If the lender cannot resell the property, it typically will rent the property at the market rate. If the debtor pays market rent while he reorganizes, the lender will be getting only what it would realistically get as a result of a foreclosure. Paying a reasonable rent as a method of protecting secured creditors was permitted during the Depression by the second Frazier-Lemke Act, which survived constitutional challenge in the Supreme Court.

Although the general intent is to combine the features of chapters 11 and 13 that benefit family farmers, the bill also protects the interests of creditors in several ways, among them:

Supervisory trustees will be appointed, as they are in chapter 13 cases, to scrutinize the farmer's financial affairs, monitor progress toward a reorganization plan and ensure that the code's reporting requirements are met; creditors may file a plan of liquidation if the debtor cannot file or confirm a plan within the exclusive period; discharge rules follow the more limited provisions of chapter 11, rather than chapter 13, to protect against abuses.

I recognize that new bankruptcy laws are not the answer to the farm crisis. The solutions lie in the fiscal, monetary and trade policies of the Federal Government. At the same time, our bankruptcy laws should not hinder a farmer's reorganization efforts. Accordingly, this bill adopts a carefully measured and balanced approach. It is one that avoids a major shock treatment to the bankruptcy system.

I ask unanimous consent to insert in the Record at this point, a copy of the bill.

There being no objection, the bill was ordered to be printed in the Record, as follows:

S. 2249

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "Family Farm Reorganization Act".

Sec. 2. (a) Title 11 of the United States Code is amended by inserting between chapters 11 and 13 the following new chapter:

"CHAPTER 12—FAMILY FARMER REORGANIZATION

"Sec.
"1201. Definitions.
"1202. Application of certain sections of this title.
"1203. Trustee.
"1204. Rights and powers of debtor.
"1205. Authorization to operate farming and other businesses.
"1206. Creditor's committee.
"1207. Powers and duties of a committee.
"1208. Right to be heard.
"1209. Removal of debtor as debtor in possession.
"1210. Conversion or dismissal.
"1211. Who may file a plan.
"1212. Contents of plan proposed by debtor.
"1213. Plan by party other than debtor, impairment of claims; postpetition disclosure and solicitation; acceptance.
"1214. Modification of plan.
"1215. Confirmation hearing.
"1216. Confirmation of a plan proposed by the debtor.
"1217. Confirmation of a plan by a party other than the debtor.
"1218. Limitations on confirmation.
"1219. Effect of confirmation.
"1220. Implementation of plan; distribution; exemption from securities laws.
"1221. Aircraft equipment and vessels.
"1222. Adequate protection.
"1223. Sales free of interests.
"1224. Claims and interests.
"1225. Emergency care of stock.

"§ 1201. Definitions

"For purposes of this chapter—

"(1) 'family farmer' means a person whose aggregate debts do not exceed $1,500,000 if

not less than 80 percent of the aggregate noncontingent, liquidated amount of those debts, at the time the case commences, arise out of a farming operation owned or operated by such person and, if such person is a corporation—

"(A) more than half of the aggregate value of the outstanding equity securities of such corporation are held by one family or by one family and the relatives of the members of such family; and

"(B) if such corporation issues stock, such stock is not publicly traded;

except that such aggregate amount does not include a debt incurred for the acquisition or improvement of a principal residence of such person unless such debt arises out of a farming operation;

"(2) 'debtor' means family farmer; and

"(3) 'debtor in possession' means debtor except to the extent that the court orders otherwise.

"§ 1202. Application of certain sections of this title

"Provisions of sections of other chapters of this title shall apply to this chapter as provided by such section.

"§ 1203. Trustee

"(a) If the court has appointed an individual under section 1302(d) to serve as standing trustee in cases under chapter 13, and if such individual qualifies as a trustee under section 322 of this title, or if a trustee has been appointed pursuant to chapter 15, then such individual shall serve as trustee in any case filed under this chapter. Otherwise, the court shall appoint a person to serve as trustee in any case.

"(b) The trustee shall—

"(1) perform the duties specified in sections 704(2), 704(3), 704(5), 704(6), 704(7), 704(9), 1106(a)(3), and 1106(a)(4) of this title;

"(2) appear and be heard at any hearing that concerns—

"(A) the value of property subject to a lien;

"(B) confirmation of a plan;

"(C) modification of the plan after confirmation; or

"(D) the sale of property of the estate;

"(3) distribute any rental payments received pursuant to section 1222(b)(3) as determined by the court;

"(4) advise, other than on legal matters, and assist the debtor in performance under the plan;

"(5) ensure that the debtor commences making timely payments required by a confirmed plan; and

"(6) if the debtor ceases to be a debtor in possession, perform the duties specified in section 704(8) and section 1106(a).

"(c) If the number of cases under this chapter commenced in a particular judicial district so warrants, the court may appoint one or more individuals to serve as standing trustee for such district in cases under chapter 13 or, in appropriate cases, appoint a trustee under chapter 15.

"(d) The compensation for individuals appointed under subsection (a) shall be authorized and limited by section 1302(e) and the percentage fee provided in section 1302(e)(1)(B) for cases under this chapter shall not exceed three percent of payments made under the plan of such debtor, with respect to payments made after the aggregate amount of payments made under the plan exceeds $450,000.

"§ 1204. Rights and powers of debtor

"(a) Subject to any limitations on a trustee serving in a case under this chapter, or a case under chapter 11, and to such limitations or conditions as the court prescribes, a debtor in possession shall have all the rights, other than the right to compensation under section 330, and powers, and shall perform all the functions and duties, except the duties specified in paragraphs (3) and (4) of section 1106(a), of a trustee serving in a case under chapter 11.

"(b) A debtor in possession shall perform the duties of the trustee specified in section 704(8).

"(c) Notwithstanding section 327(a), a person is not disqualified for employment under section 327 by a debtor in possession solely because of such person's employment by or representation of the debtor before the commencement of the case.

"§ 1205. Authorization to operate farming and other businesses

"(a) Unless the court, on request of a party in interest and after notice and a hearing orders otherwise, the debtor in possession may operate the debtor's farming and other businesses.

"(b) If the debtor ceases to be a debtor in possession, the trustee may operate the debtor's farming and other businesses unless the court, on request of a party in interest and after notice and a hearing, orders otherwise.

"§ 1206. Creditor's Committee

"(a) On request of three creditors holding unsecured claims, the court may order the appointment of a committee of unsecured creditors, except that if a United States trustee had been appointed pursuant to chapter 15, such United States trustee shall appoint the committee of such creditors.

"(b)(1) A committee of creditors appointed under subsection (a) shall ordinarily consist of the persons willing to serve that hold the five largest unsecured claims against the debtor.

"(2) On request of a party in interest and after a hearing, the court may change the membership or size of a committee appointed under subsection (a) if the membership of the committee is not representative of the different kinds of claims or interests represented.

"§ 1207. Powers and duties of a committee

"(a) At the scheduled meeting of a committee appointed under section 1206 at which a majority of the members of such committee are present, with the court's approval, the committee may select and authorize the employment, by the committee, of an attorney. If the debtor's financial records have not been adequately maintained, or the debtor's financial affairs are deemed by the court to be unduly complex, the committee may select and authorize the employment, by the committee, of an accountant.

"(b) An attorney or an accountant employed pursuant to subsection (a) may not, while employed by the committee, represent any other entity in connection with the case.

"(c) A committee appointed under section 1206 may—

"(1) consult with the debtor in possession of the case;

"(2) investigate the acts, conduct, assets, liabilities, and financial condition of the debtor, the operation of his farming and other businesses, the means required to maintain the farming or other business, and any other matter relevant to the case or to the formulation of a plan;

"(3) participate in the formulation of a plan, advise those represented by the committee of the committee's determinations as to any plan formulated, and collect and file with the court acceptances of a plan;

"(4) request the dismissal of the case if there is no possibility of a feasible plan being accepted or if the debtor fails to comply with final orders of the court;

"(5) request that the debtor not be a debtor in possession; and

"(6) perform such other services as are in the interest of those represented.

"(d) As soon as practicable, after the appointment of a committee under section 1206, the debtor and the trustee shall meet with the committee to transact such business as is necessary and proper.

"§ 1208. Right to be heard

"(a) A party in interest, including the debtor, the trustee, a creditor's committee, a creditor, or any indenture trustee, may raise and may appear and be heard on any issue in a case under this chapter.

"(b) The Department of Agriculture, the Attorney General, or the director or similar chief officer of the agricultural department or agency of any State in which property of the debtor is located, may raise, and appear and be heard on, any issue in a case under this chapter, but may not appeal from any judgment, order, or decree entered in the case.

"§ 1209. Removal of debtor as debtor in possession

"(a) On request of a party in interest, and after notice and a hearing, the court shall order that the debtor shall not be a debtor in possession—

"(1) for cause, including fraud, dishonesty, incompetence, or gross mismanagement of the affairs of the debtor, either before or after the commencement of the case, or similar cause; or

"(2) if it is not in the best interest of creditors for the debtor to be a debtor in possession.

"(b) On request of a party in interest, and after notice and a hearing, the court may reinstate the debtor in possession.

"§ 1210. Conversion or dismissal

"(a) The debtor may convert a case under this chapter to a case under chapter 7 at any time. Any waiver of, or attempt to waive, such right to convert a case under this subsection is unenforceable.

"(b) If a person, in good faith, files a petition for relief under this chapter, but is not a family farmer, such person may convert the case to a case under chapter 7, 11, or 13 if such person may be a debtor under the chapter to which the case is being converted.

"(c) If a person files a petition for relief under this chapter, but is not a family farmer, on request of a party in interest, and after notice and a hearing, the court may convert the case to a case under chapter 7 unless such person is a farmer or a corporation which is not a moneyed business or commercial corporation, or may dismiss the case, whichever is in the best interest of creditors.

"(d) The court may not convert a case under this chapter to a case under chapter 7 of this title if the debtor is a family farmer.

"(e) On request of a party in interest, and after notice and a hearing, the court may dismiss a case under this chapter, for cause, including—

"(1) continuing loss to or diminution of the estate and absence of a reasonable likelihood of rehabilitation;

"(2) inability to effectuate a plan;

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"(3) unreasonable delay by the debtor that is prejudicial to creditors;

"(4) failure to propose a plan within any time fixed by the court;

"(5) denial of confirmation of every proposed plan and denial of a request made for additional time for filing another plan or a modification of a plan;

"(6) revocation of an order of confirmation under section 1144 of this title, and denial of confirmation of another plan or a modified plan under section 1216 or 1217 of this title;

"(7) inability to effectuate substantial consummation of a confirmed plan;

"(8) material default by the debtor with respect to a confirmed plan;

"(9) termination of a plan by reason of the occurrence of a condition specified in the plan other than completion of payments under the plan; or

"(10) nonpayment of any fee and charges required under chapter 123 of title 28.

"§ 1211. Who may file a plan

"(a) The debtor may file a plan with a petition commencing a case, or at any time thereafter.

"(b) Except as otherwise provided in this section, only the debtor may file a plan until after 240 days after the date of the order for relief under this chapter.

"(c) Any party in interest, including the debtor, the trustee, a creditor's committee, a creditor, or any indenture trustee, may file a plan only if—

"(1) the debtor is not a debtor in possession;

"(2) the debtor has not filed a plan before 240 days after the date of the order for relief under this chapter; or

"(3) the debtor has not filed a plan that has been confirmed before 300 days after the date of the order for relief under this chapter.

"(d) On request of a party in interest made within the respective periods specified in subsections (b) and (c), and after notice and a hearing, the court may, for cause, reduce or increase the 240-day period or the 300-day period referred to in this section.

"§ 1212. Contents of plan proposed by debtor

"(a) Notwithstanding any otherwise applicable provision of nonbankruptcy law, a plan proposed by a debtor shall—

"(1) designate, as provided in section 1122, classes of claims, other than claims of a kind specified in section 507(a)(1) or 507(a)(7) and classes of interests;

"(2) provide the same treatment for each claim or interest of a particular class, unless the holder of a particular claim or interest agrees to a less favorable treatment of such particular claim or interest;

"(3) provide adequate means for implementation of the plan such as—

"(A) retention by the debtor of all or any part of the property of the estate;

"(B) transfer of all or any part of the property of the estate to one or more entities, whether organized before or after the confirmation of such plan;

"(C) merger or consolidation of the debtor with one or more persons;

"(D) sale of all or any part of the property of the estate, either subject to or free of any lien, or the distribution of all or any part of the property of the estate among those having an interest in such property;

"(E) satisfaction or modification of any lien;

"(F) cancellation or modification of any indenture or similar instrument;

"(G) curing or waiving of any default;

"(H) extension of a maturity date or a change in interest rate or other term of outstanding securities;

"(I) amendment of the debtor's charter; or

"(J) issuance of securities of the debtor, or of any entity referred to in subparagraph (B) or (C) of this paragraph, for cash, for property, for existing securities, or in exchange for claims or interests, or for any other appropriate purpose; and

"(4) contain only provisions that are consistent with the interests of creditors and equity security holders and with public policy with respect to the manner of selection of any officer, director, or trustee under the plan and any successor to such officer, director, or trustee.

"(b) Subject to subsection (a) of this section, a plan proposed by a debtor may—

"(1) designate a class or classes of unsecured claims, as provided in section 1122 but may not discriminate unfairly against any class so designated, however, such plan may treat claims for a consumer debt of the debtor if an individual is liable on such consumer debt with the debtor differently than other unsecured claims;

"(2) modify the rights of holders of secured claims, or of holders of unsecured claims, or leave unaffected the rights of holders of any class of claims;

"(3) provide for the curing or waiving of any default;

"(4) provide for payments on any unsecured claim to be made concurrently with payments on any secured claim or any other unsecured claim;

"(5) provide for the curing of any default within a reasonable time and maintenance of payments;

"(6) subject to section 365, provide for the assumption, rejection, or assignment of any executory contract or unexpired lease of the debtor not previously rejected under such section;

"(7) provide for the payment of all or part of a claim against the debtor from property of the estate or property of the debtor;

"(8) provide for the sale of all or substantially all of the property of the estate, and the distribution of the proceeds of such sale among holders of claims or interests;

"(9) provide for the vesting of property of the estate, on confirmation of the plan or at a later time, in the debtor or in any other entity; and

"(10) include any other appropriate provision not inconsistent with this title.

"§ 1213. Plan by a party other than the debtor; impairment of claims; postpetition disclosure and solicitation; acceptance

"(a) Sections 1123 and 1125 apply, as the court for cause may require, to plans proposed by a party in interest, including the debtor.

"(b) Section 1126 applies to plans proposed by a party in interest other than the debtor, except that for purposes of this chapter, the phrase 'that have accepted or rejected such plan' in subsection (c) and subsection (d) of such section shall not apply to this chapter.

"§ 1214. Modification of plan

"(a) The proponent of a plan may modify such plan at any time before confirmation, but may not modify such plan so that such plan as modified fails to meet the requirements of—

"(1) section 1212 if the proponent is the debtor; or

"(2) sections 1122 and 1123 if the proponent is a party in interest other than the debtor.

After the proponent of a plan files a modification of such plan with the court, the plan as modified becomes the plan.

"(b) At any time after confirmation but before the completion of payments under a plan proposed by the debtor, the plan may be modified by the debtor to—

"(1) increase or reduce the amount of payments on claims of a particular class provided for by the plan;

"(2) extend or reduce the time for such payments; or

"(3) alter the amount of the distribution to a creditor whose claim is provided for by the plan to the extent necessary to take account of any payment of such claim other than under the plan.

Modifications under this subsection are subject to the requirements of section 1216 and the plan as modified becomes the plan unless, after notice and a hearing, such modification is disapproved.

"(c) The proponent of a plan, other than the debtor, may modify such plan at any time after confirmation of such plan and before substantial consummation, as defined in section 1101(2), of such plan, but may not modify such plan so that, as modified, such plan fails to meet the requirements of sections 1122 and 1123. Such plan as modified under this subsection becomes the plan only if circumstances warrant such modification and the court, after notice and a hearing, confirms such modified plan, in accordance with the requirements of section 1129(a). Any holder of a claim or interest that has accepted or rejected a plan is deemed to have accepted or rejected, as the case may be, a plan as modified, unless, within the time fixed by the court, such holder changes such holder's previous acceptance or rejection.

"(d) The proponent of a modification under subsection (c) shall comply with section 1125 with respect to the plan as modified, for any material modification.

"§ 1215. Confirmation hearing

"After notice, the court shall hold a hearing on confirmation of the plan. A party in interest may object to the confirmation of the plan.

"§ 1216. Confirmation of a plan proposed by the debtor

"(a) The court shall confirm a plan proposed by the debtor if—

"(1) the plan complies with the provisions of this chapter and with the other applicable provisions of this title;

"(2) any fee, charge, or amount required under chapter 123 of title 28, or by the plan, to be paid before confirmation, has been paid;

"(3) the plan has been proposed in good faith and not by any means forbidden by law;

"(4) any payment made or to be made by the debtor, or by a person issuing securities or acquiring property under the plan, for services or for costs and expenses in or in connection with the case, or in connection with the plan and incident to the case, has been approved by, or is subject to the approval of, the court as reasonable;

"(5)(A)(i) the debtor has disclosed the identity and affiliations of any individual proposed to serve, after confirmation of the plan, as a director, officer, or voting trustee of the debtor, an affiliate of the debtor participating in a joint plan with the debtor, or a successor to the debtor under the plan; and

"(ii) the appointment to, or continuance in, such office of such individual, is consistent with the interests of creditors and equity security holders and with public policy; and

"(B) the debtor has disclosed the identity of any insider who will be employed or retained by the reorganized debtor, and the nature of any compensation for such insider.

"(6) except to the extent that the holder of a particular claim has agreed to a different treatment of such claim, the plan provides—

"(A) for the full payment, in deferred cash payments, of all claims entitled to priority under section 507, except section 507(a)(7); and

"(B) with respect to a claim of a kind specified in section 507(a)(7), the holder of such claim will receive, on account of such claim, deferred cash payments, over a period not exceeding six years after the date of assessment of such claim, of a value, as of the effective date of the plan, equal to the allowed amount of such claim;

"(7) the value, as of the effective date of the plan, of property to be distributed under the plan, on account of each allowed unsecured claim, is not less than the amount that would be paid on such claim if the estate of the debtor were liquidated under chapter 7 of this title on such date;

"(8) with respect to each allowed secured claim provided for by the plan—

"(A) the holder of such claim has accepted the plan;

"(B)(i) the plan provides that the holder of such claim retain the lien securing such claim; and

"(ii) the value, as of the effective date of the plan, of property to be distributed under the plan on account of such claim, is not less than the allowed amount of such claim; or

"(C) the debtor surrenders the property securing such claim to such holder;

"(9) with respect to the holder of an interest provided for by the plan, the value, as of the effective date of the plan, of property to be distributed under the plan on account of such interest is not less than the lesser of—

"(A) the amount that would be paid on account of such interest if the estate of the debtor were liquidated under chapter 7 on such date; or

"(B) any fixed price at which the debtor, under the terms of any security representing such interest, may redeem such security from such holder;

"(10) the debtor will be able to make all payments under the plan, comply with the plan, and the plan complies with the provisions of section 1325(b) without reference to time period; and

"(11) confirmation of the plan is not likely to be followed by the liquidation, or the need for further financial reorganization, of the debtor or any successor to the debtor under the plan, unless such liquidation or reorganization is proposed in the plan.

"(b) After confirmation of a plan, the court may order any entity from whom the debtor receives income to pay all or any part of such income to the trustee.

"(c) Except as otherwise provided in the plan or in the order confirming the plan, the trustee shall make payments to creditors under the plan.

"§ 1217. Confirmation of a plan by a party other than the debtor

"The court shall confirm a plan proposed by a party in interest other than the debtor if the plan and the proponent meet the requirements of section 1129(a).

"§ 1218. Limitations on confirmation

"(a) The court may confirm only one plan, unless the order of confirmation in the case has been revoked under section 1144. If the requirements of sections 1216 and 1217 are met with respect to more than one plan, the court shall consider the preferences of the debtor, creditors, and equity security holders in determining which plan to confirm.

"(b) Notwithstanding any other provision of this chapter, on request of a party in interest that is a governmental unit, the court may not confirm a plan if the principal purpose of the plan is the avoidance of taxes or the avoidance of the application of section 5 of the Securities Act of 1933 (15 U.S.C. 77e). In any hearing under this subsection, the governmental unit has the burden of proof on the issue of avoidance.

"§ 1219. Effect of confirmation

"(a) Except as provided in subsections (d)(2) and (d)(3), the provisions of a confirmed plan bind the debtor, any entity issuing securities under the plan, any entity acquiring property under the plan, and any creditor, equity security holder, or general partner in the debtor, whether or not the claim or interest of such creditor, equity security holder, or general partner is impaired or provided for under the plan and whether or not such creditor, equity security holder, or general partner has objected to, has accepted, or has rejected the plan.

"(b) Except as otherwise provided in the plan or the order confirming the plan, the confirmation of a plan vests all of the property of the estate in the debtor.

"(c) Except as provided in paragraphs (2) and (3) of subsection (d), and except as otherwise provided in the plan or in the order confirming the plan, after confirmation of a plan, the property dealt with by the plan is free and clear of all claims and interests of creditors, equity security holders, and of general partners in the debtor.

"(d)(1) Except as otherwise provided in this subsection, in the plan, or in the order confirming the plan, the confirmation of a plan—

"(A) discharges the debtor from any debt that arose before the date of such confirmation, and any debt of a kind specified in section 502(g), 502(h), or 502(i) whether or not—

"(i) a proof of claim based on such debt is filed or deemed filed under section 501;

"(ii) such claim is allowed under section 502; or

"(iii) the holder of such claim has accepted the plan; and

"(B) terminates all rights and interests of equity security holders and general partners provided for by the plan.

"(2) The confirmation of a plan does not discharge an individual debtor from any debt excepted from discharge under section 523.

"(3) The confirmation of a plan does not discharge a debtor if—

"(A) the plan provides for the liquidation of all or substantially all of the property of the estate;

"(B) the debtor does not engage in business after consummation of the plan; and

"(C) the debtor would be denied a discharge under section 727(a) of this title if the case were a case under chapter 7 of this title.

"(4) The court may approve a written waiver of discharge executed by the debtor after the order for relief under this chapter.

"§ 1220. Implementation of plan; distribution; exemption from securities laws

"Sections 1141, 1143, 1144, and 1145 shall apply to plans confirmed pursuant to sections 1216 and 1217 of this title.

"§ 1221. Aircraft equipment and vessels

"Section 1110 shall apply to cases under this chapter.

"§ 1222. Adequate protection

"(a) Section 361 does not apply in a case under this chapter.

"(b) In a case under this chapter, when adequate protection is required under section 362, 363, or 364, such adequate protection may be provided by—

"(1) requiring the trustee to make a cash payment or periodic cash payments, to the extent that the stay under section 362, use, sale, or lease under section 363, or any grant of a lien under section 364 results in a decrease in the value of property securing a claim or of an entity's ownership interest in property;

"(2) providing an additional or replacement lien to the extent that such stay, use, sale, lease, or grant results in a decrease in the value of property securing a claim or of an entity's ownership interest in property;

"(3) paying to the trustee for the use of farmland the reasonable rent customary in the community where the property is located, based upon the rental value, net income, and earning capacity of the property; or

"(4) granting such other relief as will adequately protect the value of property securing a claim or of an entity's ownership interest in property.

"§ 1223. Sales free of interests

"In addition to the authorization contained in section 363(f), the trustee in a case under this chapter may sell property under section 363 (b) and (c) free and clear of any interest in such property of an entity other than the estate if the property is farmland or farm equipment.

"§ 1224. Claims and interests

"(a) A proof of claim or interest is deemed filed under section 501 for any claim or interest that appears in the schedules filed in a case under this chapter except a claim or interest that is scheduled as disputed, contingent, or unliquidated.

"(b) For purposes of voting and distribution in a case under this chapter, a claim, secured by a lien on property of the estate shall be allowed or disallowed under section 502 the same as if the holder of such claim had recourse against the debtor on account of such claim, whether or not such holder has such recourse.

"§ 1225. Emergency care of stock

"The court may authorize the obtaining of credit pursuant to section 364 for the case, including feeding of stock owned by, or in the possession of, a debtor without notice or a hearing where the court finds that credit is needed to obtain funds to care for stock, an emergency exists and that immediate and irreparable injury, loss, or damage, will result if authorization to obtain credit for the care of stock is delayed, and that it is in the best interests of the estate to obtain credit and care for the stock. Notice shall be immediately given, by mail, to all creditors of entry of the order authorizing credit under this subsection and a copy of the order entered by the court hereunder shall be attached to the notice.".

(b) The table of chapters for title 11, United States Code, is amended by inserting

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between the items relating to chapter 11 and chapter 13 the following new item:

"12. Family Farmer Reorganization .. 1201".

SEC. 3. (a) Section 103 of title 11, United States Code, is amended by—

(1) in subsection (a) by inserting "12," after "11,":

(2) by adding at the end thereof the following:

"(i) Chapter 12 of this title applies only in a case under such chapter.".

SEC. 4. Section 1930(a) of title 28, United States Code, is amended by inserting between paragraph (4) and the matter that follows such paragraph, the following:

"(5) For a case commenced under chapter 12 of title 11, $200.".

SEC. 5. Title 11, United States Code, is amended—

(1) in sections 327(c) and 347(b), by striking out "or 11" each place it appears and inserting in lieu thereof ", 11 or 12";

(2) in sections 329(b)(1)(B) and 383(l), by striking out "or 13" each place it appears and inserting in lieu thereof ", 12 or 13";

(3) in sections 362(c)(2)(C), 365(d)(2), 365(g)(1), 365(g)(2), and 502(g), by inserting "12," after "11," each place it appears;

(4) in section 326(b), by inserting "chapter 12 or" before "chapter 13";

(5) in section 328(a), by inserting "or section 1206" after "section 1102";

(6) in sections 328(a), 328(c), 330(a), and 331, by striking out "or 1103" each place it appears and inserting in lieu thereof "1103, or 1207";

(7) in section 328(c), by striking out "or 1107(b)" and inserting in lieu thereof "1107(b), or 1204(c)";

(8) in section 327(b), by striking out "or 1108" and inserting in lieu thereof "1108, or 1205";

(9) in sections 363(c)(1) and 364(a), by inserting "1205," after "1108," each place it appears;

(10) in sections 348(b), 348(c), and 348(e), by inserting "1210," after "1112," each place it appears;

(11) in section 348(d) and paragraphs (A) and (B) of section 365(g)(2), by inserting ", 1210," after "1112" each place it appears;

(12) in section 347(b), by striking out "or 1173" and inserting in lieu thereof "1173, 1216, or 1217";

(13) in sections 523(a), 524(a)(1), 524(c)(1), and 524(d), by inserting "1219," after "1141," each place it appears;

(14) in sections 322(a) and 546(a)(1), by inserting "1203," before "or 1302" each place it appears;

(15) in section 326(b), by inserting "section 1203(a) or" before "section 1302(a)"; and

(16) in section 348(b), by inserting "1211(b), 1211(c), 1219(d)(4), 1221," after "1146(b),".

SEC. 6. (a) This Act is an emergency measure and shall apply with respect to cases commenced under title 11, United States Code, after the date of the enactment of this Act but before 5 years after such date.

(b) This Act and the amendments made by this Act shall be repealed on the date 5 years after the date of enactment of this Act.●

By Mr. LEVIN (for himself, Mr. COHEN, Mr. RUDMAN, Mr. CHILES, AND Mr. DURENBERGER):

S. 2250. A bill to strengthen the prohibition of kickbacks relating to subcontracts under Federal Government contracts; to the Committee on Governmental Affairs.

ANTI-KICKBACK ENFORCEMENT ACT

● Mr. LEVIN. Mr. President, today I am introducing a bill that will strengthen our arsenal in the war against fraud in the Federal procurement system. The target is fraud at the subcontractor level—specifically, prime contractor employees who demand and subcontractors who pay kickbacks to obtain part of the work needed to carry out Government contracts.

This legislation, entitled the Anti-Kickback Enforcement Act of 1986, is unanimously supported by the members of the Senate Subcommittee on Oversight of Government Management. The Oversight Subcommittee members, in addition to myself, are Senator COHEN, the Chairman; Senator RUDMAN, Senator CHILES, and Senator DURENBERGER. Each of them is a cosponsor of the bill I am introducing today.

The purpose of the legislation is simple. It seeks to strengthen the Anti-Kickback Act, 41 U.S.C. 51, the only Federal law now on the books that deals specifically with subcontractor kickbacks. This statute, first enacted after World War II, hasn't been amended in 25 years. It contains confusing language, overly restrictive provisions and weak criminal and civil penalties. The Justice Department and law enforcement officials tell us that the act requires extensive revision if it is to become a useful weapon in the battle against subcontractor fraud.

The need to improve the Anti-Kickback Act became clear over the course of a 4-month, nationwide investigation conducted by the Oversight Subcommittee into the nature and extent of subcontractor kickbacks in the defense industry. The subcommittee held its first hearing on this issue on February 27, 1986. The situation we found was nothing less than shocking.

We were told that, in the defense industry, the payment of subcontractor kickbacks to obtain defense work is a widespread and well-entrenched practice. The U.S. attorney for the central district of California, Robert C. Bonner, testified that, according to his criminal investigations, up to 50 percent of the frontline procurement personnel of defense prime contractors are on the take. The U.S. attorney for the eastern district of Louisiana, John Voltz, described numerous longstanding and lucrative kickback schemes at a shipyard doing defense work near New Orleans. Representatives of the Federal Bureau of Investigation testified to the existence of ongoing investigations across the country and, based upon the cases completed to date, described typical defense subcontractor kickback and bid-rigging schemes. The testimony from these witnesses documented a national scandal.

In an attempt to gauge the number of persons potentially involved in these kickback activities, in February of 1986, the subcommittee surveyed the top 10 defense prime contractors to determine how many of their procurement personnel had direct control over the issuance of subcontracts for Government work. We found that these 10 companies alone employ over 6,200 buyers and immediate supervisors. Moreover, each of them deals with hundreds or even thousands of subcontractors annually to perform their Government work. These facts, when combined with U.S. attorney Bonner's estimate, suggest that hundreds if not thousands of persons may be engaged in kickback schemes in the defense industry.

The subcommittee also looked at the Federal dollars at risk. We found that of the $146 billion spent in 1984 on defense procurement expenses, almost one-third, or $47 billion, went to subcontractors. That is an enormous amount of money.

Moreover, the Oversight Subcommittee limited its indepth investigation to subcontractor kickbacks in the defense industry. There is evidence to suggest that the problem extends to other areas of Federal procurement as well. For example, indictments and ongoing probes have exposed kickback scams involving the U.S. procurement of computer software, construction services and other items. We have not even attempted to quantify the dollars at risk in such nondefense procurements.

The implications of such widespread corruption are alarming to say the least. Subcontracts allocated on the basis of payoffs rather than on the basis of merit distort competition among the Government's suppliers. Honest subcontractors are, by definition, pushed out of the market. Product prices are inflated by at least the cost of the kickbacks being paid, and these higher costs are inevitably passed on to the United States taxpayers. Subcontractors who obtain business by virtue of the bribes they pay are less likely to be concerned with producing quality products and may be supplying inferior goods or services to the Federal Government. Such results call into question the very integrity of the Federal procurement process.

You may be wondering, as I did, how these practices could go on without detection. Part of the explanation is that kickback schemes rarely leaves a paper trail for auditors to catch. The typical scam works like this. A subcontractor looking for Government work contacts a prime contractor employee with input into the procurement process, usually a "buyer." The subcontractor offers or the buyer demands a payoff to direct a contract award to the subcontractor. The amount of the payoff is often a percentage of the subcontract's face value, say 5 or 10 percent of the subcontract price. The parties agree on when and how payment is to be made. Sometimes a subcontractor pays part or all of the amount before the subcontract is awarded. Many times the subcontractor makes the payoff only after the subcontractor has itself received payment, "kicking back" a percentage of the money received.

The buyer participating in the scheme takes steps to make sure the subcontract is awarded to the favored company. The buyer can do this many ways. The buyer can fabricate higher bids from other companies, tell the favored subcontractor the price to beat, or solicit higher bids from unqualified companies. In come cases, the buyer may initiate a full-fledged bid-rigging scheme. For example, we were told about a "10-percent club," in which buyers call together their subcontractors, allocate available subcontracts among them, and instruct the "winning" companies to include a 10-percent kickback in their "low bids." We learned of another buyer who used coded bid solicitations; one code meant the recipient was to submit an inflated "courtesy bid," while the other code meant the recipient was to submit a low bid, inflated just enough to include the buyer's kickback.

A common thread among these schemes is the absence of any documentation of the fraud. The amount of the kickback is easily concealed in the subcontractor's bid. Payments are made outside contract transactions, and the rigged bid may be disguised in many ways. As the FBI testified at the hearing:

> It is nearly impossible to detect kickbacks solely through reviews of paperwork and systems, because the scheme can be concealed easily by a knowledgeable buyer who takes the time to generate the paperwork that creates the appearance of a competitive bidding environment.

A corrupt procurement administrator expressed the same idea graphically in a tape-recorded conversation played at the hearing:

> As long as I can show competition, whether it's true competition or courtesy competition or * * * competition * * * that's all I gotta be able to show is competition.

These sentiments suggest that our law enforcement officials will not have an easy time detecting and stopping subcontractor kickbacks. They will need all the help they can get to investigate and prosecute these crimes. This is particularly true in light of another pattern exposed at the hearing with respect to how prime contractors handle allegations of kickback activity. The companies' typical procedure is to confront the suspected employee with the evidence. The employee then offers to resign without admitting guilt. While this resignation apparently resolves the problem for the prime contractor, it does not resolve the problem for the United States, since the corrupt employee often finds a new job in the industry and resumes his or her kickback scams. Prime contractors tell us that they even refrain from telling prospective employers of suspicious individuals, since they fear their former employees may sue them for slander or invasion of privacy.

This is a deplorable state of affairs. We have got to enlist the help of the prime contractors if we want to eliminate subcontractor kickbacks. They are in the best position to police their procurement employees, to inform the Government of suspicious activities and to keep corrupt individuals out of the workforce. Moreover, a commonality of interest does exist. After all, in most cases, the prime contractor does not know and does not benefit from the corrupt activities of its procurement personnel. The kickbacks don't go to the company coffers—they stay in the employees' pockets. And when the corruption comes to light, it is the prime contractor that suffers from the adverse publicity and impaired relations with the Government.

The legislation I am introducing today is designed in part to encourage prime contractors to take a more active role in detecting and stopping subcontractor kickbacks. Among other actions, it requires prime contractors to report possible kickback activity to the Federal Government. It makes prime contractors civilly liable for their employees' misconduct, unless they promptly turn over any information they have about the matter to the United States and, at the time of the misconduct, had implemented and were following reasonable procedures to detect and stop such misconduct. The bill further requires prime contractor employees who are involved in Federal procurement to submit sworn annual declarations to the Government listing the gifts and gratuities they received from subcontractors during the previous year.

The bill also strengthens the Anti-Kickback Act by clarifying the statutory language, removing overly restrictive provisions and increasing its criminal and civil penalties. A detailed analysis of the bill's provisions and changes from existing law follows.

Subcontractor kickbacks are an extremely serious problem for the Federal procurement system. We need to modernize the laws prohibiting such misconduct to provide Federal officials with a forceful and effective weapon in the battle against subcontractor kickbacks. For this reason, I urge my colleagues to join in this effort to combat procurement fraud.

Mr. President, I ask unanimous consent that a copy of the bill and a section-by-section analysis be printed in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

S. 2250

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "Anti-Kickback Enforcement Act of 1986".

SEC. 2. (a) The Act entitled "An Act to eliminate the practice by subcontractors, under cost-plus-a-fixed-fee or cost reimbursable contracts of the United States, of paying fees or kick-backs, or of granting gifts or gratuities to employees of a cost-plus-fixed-fee or cost reimbursable prime contractors or of higher tier subcontractors for the purpose of securing the award of subcontracts or orders", approved March 8, 1946 (41 U.S.C. 51-56), is amended to read as follows:

"SHORT TITLE

"SECTION 1. This Act may be cited as the 'Anti-Kickback Act of 1986'.

"DEFINITIONS

"SEC. 2. As used in this Act:

"(1) 'Contracting agency', when used with respect to a prime contractor, means any department, agency, or establishment of the United States which awards a prime contract to the prime contractor.

"(2) 'Kickback' means any money, fee, commission, credit, gift, gratuity, thing of value, or compensation of any kind.

"(3) 'Person' includes a corporation, partnership, business association of any kind, trust, joint-stock company, and individual.

"(4) 'Prime contract' means a contract awarded by the United States to furnish supplies, materials, equipment, or services of any kind.

"(5) 'Prime contractor' means a person awarded a prime contract.

"(6) 'Prime contractor employee' means any officer, partner, employee, or agent of a prime contractor.

"(7) 'Subcontractor'—

"(A) means any person, other than the prime contractor or a prime contractor employee, who offers to furnish or furnishes any item or service required by a prime contract or a subcontract entered into under such prime contract; and

"(B) includes any person who offers to furnish or furnishes general supplies to the prime contractor or a higher tier subcontractor.

"(8) 'Subcontractor employee' means any officer, partner, employee, or agent of a subcontractor.

"PROHIBITED CONDUCT; PRESUMPTION THAT PROHIBITED CONDUCT OCCURRED

"SEC. 3. (a) It is prohibited for any person—

"(1) to pay, attempt to pay, or offer to pay any kickback, directly or indirectly, to any prime contractor, prime contractor employee, higher tier subcontracter, or higher tier subcontractor employee for the purpose of obtaining favorable treatment or acknowledging favorable treatment received in connection with a prime contract or any subcontract entered into under a prime contract; or

"(2) to solicit, accept, or attempt to accept any kickback, directly or indirectly, from any subcontractor or subcontractor employee for the purpose of furnishing favorable treatment or acknowledging favorable treatment furnished to a particular subcontractor in connection with a prime contract or a

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subcontract entered into under a prime contract; or

"(3) to include, directly or indirectly, the amount of any kickback prohibited by clause (1) or (2) in the contract price charged by a subcontractor to a prime contractor or higher tier subcontracting or in the contract price charged by a prime contractor to the United States.

"(b) In a civil suit or administrative action commenced under this Act, there shall be a conclusive presumption that the amount of any kickback paid or accepted in connection with a prime contract in violation of subsection (a)(1) or (a)(2) has been included in the price of such prime contract and the affected subcontracts under such prime contract, and has been ultimately borne by the United States.

"CRIMINAL PENALTIES

"SEC. 4. (a) Any individual who knowingly engages in conduct prohibited by section 3(a) shall be fined not more that $250,000 or be imprisoned for not more than 10 years or both.

"(b) Any person (other than an individual) which knowingly engages in conduct prohibited by section 3(a) shall be fined not more than $1,000,000.

"SEC. 5. (a)(1) The United States may bring a civil suit against any person who violates section 3(a).

"(2) In a civil suit brought under paragraph (1), the United States may recover an amount equal to the sum of—

"(A) twice the amount of any kickback paid, accepted, or charged in violation of section 3(a); and

"(B) not more than $10,000 for each occurrence of prohibited conduct.

"(3) In a civil suit brought by the United States under this subsection against a prime contractor for a violation of section 3(a), the prime contractor's liability shall be limited to the amount of any kickback actually included in the prime contract price and paid by the United States, if—

"(A) the prime contractor furnished the United States with the information known to such prime contractor about such violation within 30 days after the date on which the prime contractor first obtained the information;

"(B) the prime contractor fully cooperated with any Federal Government investigation of such violation;

"(C) at the time the prime contractor furnished the United States with the information about the violation, no criminal prosecution, civil action, or administrative offset had commenced under this Act with respect to such violation; and

"(D) at the time the violation occurred, the prime contractor had implemented and was following reasonable procedures to prevent and detect any such violation.

"(b) A civil action under this section shall be barred unless the action is commenced within 6 years after the later of (1) the date on which the prohibited conduct establishing the cause of action occurred, and (2) the date on which the United States should reasonably have become aware that the prohibited conduct had occurred.

"TERMINATION OF CONTRACTS

"SEC. 6. (a) If a violation of section 3(a) has occurred in connection with a prime contract, as determined by the head of the contracting agency, the head of such agency may, by written notice to the prime contractor, terminate the prime contract for default. Any such termination may be adjudicated under the Contract Disputes Act of 1978.

"(b) If a prime contractor is terminated as provided in subsection (a), the United States has the same remedies against the prime contractor as are available to the United States for a breach of contract by such prime contractor.

"ADMINISTRATION OFFSETS

"SEC. 7. (a) The United States may recover the amount of any kickback paid, accepted, or charged in violation of section 3(a) by offsetting such amount against any moneys owed by the United States—

"(1) to the prime contractor, prime contractor employee, subcontractor, or subcontractor employee which included such amount in a contract price; or

"(2) to the recipient or recipients of such kickback.

"(b)(1) Upon the direction of the contracting agency or the General Accounting Office, a prime contractor shall withhold from sums the prime contractor owes a subcontractor the amount of any kickback reported to or found by such agency or office to have been paid, accepted, or charged, in violation of section 3(a), in connection with that subcontractor's subcontracts.

"(2) A prime contractor shall pay all sums withheld under paragraph (1) with respect to any violation of section 3(a) to the contracting agency or shall credit such sums against any administrative offset made pursuant to subsection (a) with respect to such violation.

"REPORTS OF VIOLATIONS

"SEC. 8. (a) A prime contractor shall promptly report possible violations of section 3(a) which come to the attention of the prime contractor.

"(b) A prime contractor shall make reports required by subsection (a) to the inspector general of the contracting agency, the head of the contracting agency if the agency does not have an inspector general, or the Department of Justice.

"ANNUAL DECLARATIONS BY PRIME CONTRACTOR EMPLOYEES

"SEC. 9. (a) Each contracting agency shall include in each prime contract awarded by such agency a provision that requires the prime contractor to file with such agency, by January 15 of each year, a sworn or affirmed declaration by each prime contractor employee who is involved in entering into subcontracts or issuing purchase orders in connection with such prime contract.

"(b)(1) Except as provided in paragraph (2), the sworn or affirmed declaration of a prime contractor employee required pursuant to subsection (a) shall identify and describe all moneys, fees, commissions, credit, gifts, gratuities, things of value, and compensation of any kind that the employee has received, directly or indirectly, from the prime contractor's subcontractors or subcontractor employees during the year preceding the year in which the declaration is due.

"(2) If a prime contractor employee did not receive any item referred to in paragraph (1) during a year covered by a declaration required pursuant to subsection (a) or the total value of all such receipts during such year did not exceed $25, the prime contractor employee may, for the purposes of such subsection, declare that there were no such receipts or that the total amount of such receipts did not exceed $25, as appropriate.

"INSPECTION AUTHORITY

"SEC. 10. For the purpose of ascertaining whether there has been a violation of section 3(a) with respect to any prime contract, the General Accounting Office and the inspector general of the contracting agency, or a representative of such contracting agency designated by the head of such agency if the agency does not have an inspector general, may inspect the facilities and audit the books and records of any prime contractor or subcontractor under a prime contract awarded by such agency.".

(b) The title of such Act is amended to read as follows: "An Act to eliminate the practice of subcontractors, in connection with Federal Government contracts, of paying fees or kickbacks or of granting gifts or gratuities to employees of prime contractors or of higher tier subcontracts or orders or other favorable treatment.".

SEC. 3. (a) Except as provided in subsection (b), the Anti-Kickback Act of 1986 (as set out in section 2(a)) shall apply to conduct described in section 3(a) of such Act which occurs on or after the date of the enactment of this Act.

(b) Section 9 of the Anti-Kickback Act of 1986 (as set out in section 2(a)) shall apply to contract solicitations issued by an agency, department, or other establishment of the Federal Government on or after the date of the enactment of this Act.

SUMMARY OF THE ANTI-KICKBACK ENFORCEMENT ACT

The Anti-Kickback Enforcement Act of 1986 amends the existing Anti-Kickback Act by reorganizing its provisions and adding new language. In particular, the bill:

(1) adds a definition section to the Act;

(2) clarifies language prohibiting the payment of kickbacks, the acceptance of kickbacks, and the inclusion of kickback costs in contract expenses ultimately borne by the United States;

(3) makes it clear that the Act applies to kickbacks paid by independent sales representatives and by companies that furnish general supplies to prime contractors;

(4) Expands the Act to prohibit attempted as well as completed kickbacks;

(5) expands the Act to prohibit kickbacks paid in connection with any government contract, removing the Act's present restriction to "negotiated contracts";

(6) expands the Act to prohibit kickbacks paid to obtain *any* type of favorable treatment in connection with a government contract, removing the Act's present restriction to kickbacks paid to induce or acknowledge the award of a subcontract;

(7) increases the Act's criminal penalties from a maximum of two years imprisonment and a $10,000 fine to a maximum of ten years imprisonment and a $250,000 fine for individuals and a $1 million fine for corporations;

(8) expands the Act's civil remedies, now limited to the recovery of kickbacks charged to the United States, to permit the United States to recover twice the amount of such kickbacks plus a $10,000 civil fine for each occurrence of prohibited conduct;

(9) expands the Act's civil remedies to make prime contractors liable for their employees' misconduct unless, prior to any criminal prosecution or other civil suit on the matter, the prime contractor promptly provides the United States with any information it obtains on the case, cooperates with any government investigation, and, at the time the misconduct occurred, had implemented and was following reasonable procedures to prevent and detect such misconduct;

(10) clarifies the statute of limitations for filing civil actions, stating that it shall be a period of 6 years;

(11) codifies existing case law from the Supreme Court, *United States* v. *Acme Process Equipment Co.*, 385 U.S. 138 (1966), enabling the United States to terminate prime contracts tainted by subcontractor kickbacks;

(12) clarifies language allowing the United States to use administrative offsets to recover the cost of kickbacks charged to the government;

(13) adds language requiring prime contractors to report possible violations of the Act to the government;

(14) adds language requiring employees of prime contractors to file annual, sworn declarations with the United States listing any fees, gifts or other compensation received from subcontractors during the previous year; and

(15) maintains a provision authorizing the General Accounting Office to conduct audits to investigate violations of the Act and extends the same authorization to other federal agencies.●

● Mr. COHEN. Mr. President, I rise today in strong support of the proposed Anti-Kickback Enforcement Act of 1986 and commend my colleague from Michigan, Senator LEVIN, for taking the initiative to address what I consider to be a very serious and pervasive problem in defense contracting—subcontractor kickbacks.

The legislation we're introducing, along with Senators RUDMAN, CHILES, and DURENBERGER, would amend the Anti-Kickback Act to strengthen the statutory sanctions against subcontractor kickbacks by increasing the maximum criminal penalties from $10,000 to $250,000 for an individual and from $10,000 to $1 million for a business, lengthening the maximum prison term from 2 to 10 years, providing a civil penalty of double damages plus $10,000 for each violation, and adding the prime contractor as a liable party for recovery of the kickback and civil penalties. The bill also would close loopholes in the act's coverage, require annual sworn statements from purchasing agents listing gratuities received from subcontractors, and permit the United States to terminate a prime contract for violations of the act.

Subcontractor kickbacks are described by some in the defense industry as a "cost of doing business" and by others as "a way of life." The typical kickback scheme involves a purchasing agent for a prime contractor who either accepts or solicits payment from a subcontractor in return for some form of favorable treatment. In some cases, the subcontractor offers the bribe; while in other cases, the purchasing agent demands payment.

In both cases, the consequence is the same: the price of the contract is inflated to cover the cost of the kickback—often by 5 or 10 percent of the cost of the subcontract—with the Government, and ultimately the taxpayer, getting stuck with the tab.

Last month, the Governmental Affairs Subcommittee on Oversight of Government Management, which I chair, held a hearing to examine the extent of subcontractor kickbacks in the defense industry and the efforts undertaken to combat this fraudulent activity. The testimony confirmed our worst fear that subcontractor kickbacks are not the exception, but rather the rule, in defense contracting in some parts of the country.

In perhaps the most compelling testimony at the hearing, Robert Bonner, the U.S. attorney for the Central District of California, stated that:

> Kickbacks on defense subcontracts are a pervasive, longstanding practice which has corrupted the subcontracting process at most, if not all, defense contractors, and infected most, if not all, defense procurement programs within the Central District of California.

Mr. Bonner, who has been very active in prosecuting kickback cases, estimated that "up to 50 percent of the buyers or front line procurement personnel at prime contractors take kickbacks in return for issuing subcontracts."

Kickbacks are so pervasive in southern California, according to Joseph Sheehan, an FBI agent experienced in investigating kickback cases, that there is actually an informal club of kickback conspirators. The so-called 10 percent club consists of certain purchasing agents who disclose to selected subcontractors the contracts that their companies intend to announce during the upcoming season, and then divide up the pie among the subcontractors in a classic bid-rigging arrangement. The bids are typically inflated by at least 10 percent—hence the name of the club—to cover the cost of the kickbacks.

While subcontractor kickback activity appears to be most prevalent on the west coast, where the concentration of prime contractors has attracted a similar grouping of subcontractors, the problem is by no means restricted to this area. John Volz, the U.S. attorney for the Eastern District of Louisiana, testified that subcontractor kickbacks were a "way of life" at Avondale, a New Orleans shipyard. Mr. Volz told the subcommittee that:

> [I]n almost every situation where a kickback scheme existed, the defendants stated that their predecessors at Avondale in the same positions participated in similar kickback activities and that the defendants just continued a tradition of kickbacks.

In addition, Jeffrey Jamar, section chief of the White-Collar Crimes Section of the FBI, testified that "significant problems have been identified in New England, the Midwest * * *, and other areas." The oversight subcommittee is currently investigating these cases as well.

The breadth of subcontractor kickback activity, while significant, is only part of the problem. Contributing to this problem is the fact that the Anti-Kickback Act, the statute enacted in 1946 to provide sanctions against subcontractor kickbacks, is woefully inadequate and rarely used. According to the Justice Department, there have been only eight convictions under the Anti-Kickback Act during the past 5 years. Federal prosecutors often resort to other laws, such as the mail fraud and conspiracy statutes, to prosecute individuals involved in kickback schemes.

The Avondale case is a particularly good example of both the breadth of the kickback problem and the inadequacy of the Anti-Kickback Act to deal with this problem.

Much of the kickback activity uncovered at Avondale centered around the procurement of welding supplies. In 1983, internal auditors discovered that the shipyard was buying many more welding supplies than it could ever use. In fact, Avondale actually paid for more than a half a million dollars worth of material that was never even provided, with the bills charged to the Navy and the proceeds split between certain shipyard employees and suppliers.

In some instances, the superviser of accounts payable submitted certain suppliers' bills for double payment, approving both the original and carbon copy, and then sharing in the profit. In other instances, the superviser would tear up credit memos issued by certain suppliers for welding materials that had been paid for but returned, again, splitting the proceeds.

For those welding supplies actually paid for and received by the shipyard, the purchasing agent would conspire with certain suppliers to inflate the price of their bids by a percentage of the amount of the buy, ranging from 5 to 10 percent depending on the vendor, to cover the cost of a kickback.

A welding warehouse superviser was also in on the scam as he would direct business to specific suppliers in exchange for a percentage kickback. The warehouse superviser labeled the welding supplies with false identification numbers so that the purchasing agent, who was also involved in the deal, would know to purchase the supplies from designated suppliers.

The welding superviser also stole some welding supplies and sold them through a bogus company to certain suppliers at half price. These suppliers then resold the tips back to the shipyard at a 100-percent markup, with the proceeds divided among all those involved.

To date, 26 Avondale employees and suppliers have been convicted for offenses ranging from conspiracy and mail fraud to extortion and embezzlement—but none was charged with violating the Anti-Kickback Act. The reasons, according to prosecutors involved

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with the case, were primarily twofold. First, the act only applies to negotiated contracts. Most of the affected contracts at Avondale, however, were either sealed bids or orders from existing contracts.

Second, the act requires that the payment of a kickback be accepted with knowledge of its purpose to induce the award of a subcontract, or as an acknowledgement of a subcontract previously awarded. This limitation precludes prosecution under the act of kickbacks paid by a subcontractor to a prime contractor that are not related to the award of a specific subcontract. In the Avondale case, for example, certain subcontractors paid the purchasing agent a weekly $500 kickback merely as a "cost of doing business."

In addition to these statutory shortcomings, Victoria Toensing, Deputy Assistant Attorney General of the Criminal Division, testified at the oversight subcommittee's hearing on "a number of problems with the act" that have restricted its use.

For example, in order to bring a successful prosecution under the Anti-Kickback Act, the Government must prove that there was acceptance of a payment directly or indirectly by or on behalf of a subcontractor. Consequently, the act does not prohibit the offer or solicitation of kickbacks and would not apply in undercover operations where the offer or solicitation is clear, but payment has not been made. This is a significant limitation since, according to Mr. Jamar's testimony, most kickback schemes are uncovered through sting-like operations.

Moreover, Ms. Toensing testified that the act has "a relatively light penalty structure," providing for imprisonment of only 2 years and a $10,000 fine, compared to other fraud statutes that impose 5- or 10-year prison terms. The Anti-Kickback Act's lighter penalty discourages its use, according to law enforcement experts, because it limits prosecutorial bargaining room and may be interpreted as signalling that the crime involved is not a serious one.

To remedy these and other problems, Ms. Toensing recommends that first, the scope of the act should be broadened so that it covers kickbacks paid for purposes other than the award of a particular subcontract; second, the act should include kickbacks under all types of contracts, not just negotiated prime contracts; three, the act should be amended to cover the offer or solicitation of kickbacks; and fourth, the maximum term of imprisonment for violations should be increased.

The Anti-Kickback Enforcement Act of 1986 not only would effectively implement the Justice Department's recommendations, but also would strengthen the act in other significant ways as well.

This legislation addresses a problem which, aside from the present statutory limitations, has greatly hampered enforcement efforts. Mr. Bonner testified that prime contractors, upon receiving allegations of kickbacks being paid, often take matters into their own hands and do not seek Federal law enforcement assistance. Employees suspected of accepting kickbacks are simply fired rather than turned over to Federal authorities. These roving buyers are subsequently able to continue their illicit activities elsewhere.

While prime contractors are, more often than not, the victims of corrupt employees, they generally have been reluctant to confront kickback problems because of the bad publicity and possible adverse consequences. The proposed legislation would encourage prime contractors to report their corrupt employees to Federal authorities by exempting the primes from civil liability if such primes, first, inform the United States, in a prompt manner, of all information known by the prime about the kickback violation and second, demonstrate that reasonable procedures to prevent and detect any kickback violation were in place at the time the violation occurred. Otherwise, the prime contractor could be held liable.

To assist in the detection of kickbacks and to heighten awareness of the problem, the legislation also requires that Federal agencies include a clause in all contracts requiring prime contractors to file with the agency sworn annual statements by each employee involved in purchasing listing gratuities received during the previous year from subcontractors.

Finally, this legislation would authorize the United States to terminate a prime contract for violations of the act and to pursue breach of contract remedies against the prime contractor following such termination.

It is important to note that several defense contractors have taken the initiative to combat the problem of corrupt employees and kickback schemes. In what Mr. Jamar described in his testimony as an "increased emphasis on self-policing," many defense contractors, including Avondale, have instituted elaborate internal control systems to prevent any further kickback problems. Some companies, such as Hughes Aircraft, have set up management seminars and employee training sessions to highlight the problem and stress management's determination to take corrective action.

Notwithstanding the defense industry's best efforts, however, I believe that the changes proposed in the Anti-Kickback Enforcement Act of 1986 are needed to strengthen the Federal Government's hand in dealing with this problem, and I urge my colleagues to lend their support.●

By Mr. HELMS (for himself, Mr. Zorinsky, and Mr. Dole)

S.J. Res. 310. Joint resolution to proclaim June 15, 1986, through June 21, 1986, as "National Agricultural Export Week"; to the Committee on the Judiciary.

NATIONAL AGRICULTURAL EXPORT WEEK

● Mr. HELMS. Mr. President, today I am joined by the distinguished ranking minority member of the Senate Committee on Agriculture, Nutrition, and Forestry, (Mr. Zorinsky) and the distinguished majority leader, (Mr. Dole) in introducing a joint resolution to proclaim June 15 through June 21, 1986, as "National Agricultural Export Week."

The proclamation of June 15 through June 21 as National Agricultural Export Week would be a significant, positive gesture in recognition of the importance of our agricultural exports to America's farmers and ranchers, to our international balance of trade, and to the entire Nation's economy.

During the past few weeks, much attention has been focused on the progress of the NCAA Collegiate Basketball Tournament. As the field has dwindled to four teams, it has been uncanny how often the performance of the star player on a team has seemed to predispose the team's sucess or failure—in the words of several television commentators during this tournament, "As goes the star, so goes the team."

Mr. President, the same relationship exists in American agriculture: As go our exports, so goes American agriculture.

During the 1970's, our star player was brilliant—the annual value of agricultural exports from the United States grew by more than fivefold, from $7.3 billion in 1977 to $43.3 billion 1981.

In recent years, however, the star of American agriculture has gone through a slump. Agricultural exports have fallen to an estimated $28 billion during the current year. The agricultural balance-of-trade surplus, or the level of exports minus imports, is estimated at approximately $7 billion, the lowest figure since 1972. This figure compares with an agricultural trade suplus of $26.6 billion in 1981.

This has had important implications, not only for agriculture itself, but the entire Nation's economy. The nearly $20 billion decline in our agricultural trade surplus is one of the major factors contributing to the increased trade deficit.

Reduced agricultural exports have undoubtedly curtailed economic activity in the United States. Every billion dollars in farm exports generates

35,000 jobs and creates another $1.4 billion of economic acitivity in the United States.

Fortunately, many signals point to an end in our agricultural export slump—and to a brighter future for American agriculture.

The 1985 farm bill, which provides for market-oriented crop loan rates and an unprecedented set of tools for the expansion of our agricultural exports, including the Export Enhancement Program, targeted export assistance, intermediate export credits, exemption of commercial agricultural exports from cargo preference requirements, and Food for Progress, will greatly enhance the U.S. position in international agricultural markets.

The resolve demonstrated by this body thus far to abide by the mandate of Gramm-Rudman-Hollings will, if continued, provide a healthy "Assist" to the competitiveness of our agricultural exports. By diminishing and eventually eliminating the Federal Government's demand for credit, we will once again enjoy the benefits of more realistic interest rates. These benefits include a more reasonably priced dollar and lower production costs for U.S. products.

Indeed, the dollar has already fallen to significantly lower exchange rates against many currencies. The recent decline of the dollar—the dollar has fallen by 35 percent against the yen to a record low, for example—portends favorably for our exports in the months and years ahead.

The designation of June 15 through June 21 of this year as National Agricultural Export Week will help to highlight important activities scheduled during that week regarding the agricultural export issue. Planning is underway for "Agexport '86", A week-long program of conferences, hearings, and other activities on agricultural exports. This is being coordinated by the National Commission on Agricultural Trade and Export Policy, which will make its final report on July 1, 1986, on recommendations to restore the U.S. position in international agricultural markets.

The revitalization of our agricultural exports is essential to America's agricultural "team" and the rest of the American economy. I urge Senators to support this joint resolution.●

● Mr. ZORINSKY. Mr. President, I am pleased to join my colleagues in introducing this joint resolution to proclaim the week of June 15, 1986, through June 21, 1986, as "National Agricultural Export Week".

The importance of agriculture to this Nation's economy cannot be overemphasized. Agriculture is our largest single industry and provides an abundance of food and fiber for the health and well-being of our citizens and people throughout the world. However, the health and well-being of this important industry are not good. Unless prompt action is taken to improve the prices that our farmers and ranchers receive for their products, the prospects for the future of American agriculture will not be bright.

The huge surplus of commodities overhanging the agricultural markets during 1985 resulted in lower prices for nearly all crops.

Recently, the Department of Agriculture estimated that U.S. agricultural exports during 1986 may total approximately $29 billion in value, or as much as 10 percent less than the value of our agricultural exports during 1985. U.S. exports of all major grains are nearly one-third below their level of a year ago.

This decline in the level of volume, as well as value, of agricultural exports must be reversed if there is to be a significant reduction in the surplus stocks of commodities and an improvement in prices for our farmers.

The 1985 farm bill contains many provisions designed to help make U.S. farmers competitive in the international marketplace. The farm bill lowers loan rates and provides export incentives. However, thus far we have not seen any substantial use of these export incentives by the administration. Yet, we continue to witness a reduction in net farm income and increasing farm foreclosures, as well as closings of agricultural banks.

It is imperative that the administration make use of the tools contained in the 1985 farm bill and other provisions of law to improve our competitive position in the export markets. Export assistance to offset the effects of unfair trade practices of foreign governments should be used aggressively. Surplus stocks must be used to develop and enhance export markets for our agricultural commodities and products.

The crisis in American agriculture has spread beyond the States in the Midwest, and—if allowed to go unchecked—the economic health and well-being of the whole country will be at risk.

Mr. President, I hope that the introduction of this resolution will focus the attention of the administration on the need to take immediate action to increase our agricultural exports through an aggressive trade program and thereby improve the prospects of adequate prices for our farmers.●

ADDITIONAL COSPONSORS

S. 8

At the request of Mr. Cranston, the name of the Senator from Montana [Mr. Baucus] was added as a cosponsor of S. 8, a bill to grant a Federal charter to the Vietnam Veterans of America, Inc.

S. 1662

At the request of Mr. Pell, the name of the Senator from Tennessee [Mr. Gore] was added as a cosponsor of S. 1662, a bill to encourage the transfer of training technology developed by the Federal Government to commercial users and public interest users.

S. 1756

At the request of Mr. Bumpers, his name was added as a cosponsor of S. 1756, a bill to authorize the President to present to Sargent Shriver, on behalf of the Congress, a specially struck medal.

S. 1793

At the request of Mr. Kennedy, the name of the Senator from Tennessee [Mr. Gore] was added as a cosponsor of S. 1793, a bill to amend the Public Health Service Act to establish a grant program to develop improved systems of caring for medical technology dependent children in the home, and for other purposes.

S. 1823

At the request of Mr. Rockefeller, the name of the Senator from Pennsylvania [Mr. Specter] was added as a cosponsor of S. 1823, a bill to strengthen the technological literacy of the Nation through demonstration programs of technology education.

S. 1900

At the request of Mr. Roth, the names of the Senator from Wisconsin [Mr. Kasten] and the Senator from Wisconsin [Mr. Proxmire] were added as cosponsors of S. 1900, a bill to amend the Foreign Agents Registration Act of 1938 by providing for the 5 year suspension of exemptions provided to an agent of a foreign principal convicted of espionage offenses.

S. 1901

At the request of Mr. Roth, the names of the Senator from Wisconsin [Mr. Kasten], and the Senator from Wisconsin [Mr. Proxmire] were added as cosponsors of S. 1901, a bill to amend the Foreign Missions Act regarding the treatment of certain Communist countries, and for other purposes.

S. 1917

At the request of Mr. Bradley, the names of the Senator from Oklahoma [Mr. Nickles], and the Senator from Florida [Mrs. Hawkins] were added as cosponsors of S. 1917, a bill to amend the Foreign Assistance Act of 1961 to provide assistance to promote immunization and oral rehydration, and for other purposes.

S. 1950

At the request of Mr. Bradley, the name of the Senator from Massachusetts [Mr. Kennedy] was added as a cosponsor of S. 1950, a bill to amend the Internal Revenue Code of 1954 to disallow deductions for advertising expenses for tobacco products.

S. 1984

At the request of Mr. Nickles, the name of the Senator from Maine [Mr.

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COHEN] was added as a cosponsor of S. 1984, a bill to amend the Employee Retirement Income Security Act of 1974 to improve the financial solvency of multiemployer pension plans, and for other purposes.

S. 2050

At the request of Mr. METZENBAUM, the name of the Senator from Hawaii [Mr. MATSUNAGA] was added as a cosponsor of S. 2050, a bill to notify workers who are at risk of occupational disease in order to establish a system for identifying and preventing illness and death of such workers, and for other purposes.

S. 2081

At the request of Mr. BUMPERS, his was added as a cosponsor of S. 2081, a bill to reauthorize the Head Start Act, the Low-Income Home Energy Assistance Act of 1981, the Community Services Block Grant Act, for deferred cost care programs, and for other purposes.

S. 2129

At the request of Mr. KASTEN, the name of the Senator from Maryland [Mr. SARBANES] was added as a cosponsor of S. 2129, a bill to facilitate the ability of organizations to establish risk retention groups, to facilitate the ability of such organizations to purchase liability insurance on a group basis, and for other purposes.

S. 2147

At the request of Mr. WEICKER, the name of the Senator from New York [Mr. D'AMATO] was added as a cosponsor of S. 2147, a bill to extend the authorization for not-for-profit organizations operated in the interest of handicapped and blind individuals to receive procurement contracts under the Small Business Act.

S. 2186

At the request of Mr. MURKOWSKI, the names of the Senator from Maryland [Mr. SARBANES], the Senator from Illinois [Mr. SIMON], and the Senator from North Dakota [Mr. BURDICK] were added as cosponsors of S. 2186, a bill to exempt any amounts available to provide certain benefits to veterans with service-connected disabilities from any requirement for sequestration of funds under part C of the Balanced Budget and Emergency Deficit Control Act of 1985.

S. 2190

At the request of Mr. SARBANES, the names of the Senator from Tennessee [Mr. GORE], the Senator from Tennessee [Mr. SASSER], the Senator from North Dakota [Mr. BURDICK], and the Senator from Illinois [Mr. SIMON] were added as cosponsors of S. 2190, a bill to provide that the full cost-of-living adjustment in benefits payable under certain Federal programs shall be made for 1987.

S. 2209

At the request of Mr. DOLE, the name of the Senator from Maine [Mr. COHEN] was added as a cosponsor of S. 2209, a bill to make permanent and improve the provisions of section 1619 of the Social Security Act, which authorizes the continued payment of SSI benefits to individuals who work despite severe medical impairment; to amend such act to require concurrent notification of eligibility for SSI and Medicaid benefits and notification to certain disabled SSI recipients of their potential eligibility for benefits under such section 1619; to provide for a GAO study of the effects of such section's work incentive provisions; and for other purposes.

S. 2211

At the request of Mr. LAUTENBERG, the names of the Senator from Colorado [Mr. HART], and the Senator from Michigan [Mr. LEVIN] were added as cosponsors of S. 2211, a bill to amend the Internal Revenue Code of 1954 so as to extend temporarily the authority to collect Superfund taxes, and for other purposes.

S. 2212

At the request of Mr. LAUTENBERG, the names of the Senator from Colorado [Mr. HART], the Senator from Michigan [Mr. LEVIN], and the Senator from Maryland [Mr. MATHIAS] were added as cosponsors of S. 2212, a bill to make an advance to the Hazardous Substance Response Trust Fund to enable the fund to meet certain expenses under the Comprehensive Environmental Response, Compensation, and Liability Act of 1980, and for other purposes.

S. 2221

At the request of Mrs. KASSEBAUM, the name of the Senator from Nebraska [Mr. EXON] was added as a cosponsor of S. 2221, a bill to amend section 108 of the Internal Revenue Code of 1954 to provide that the discharge of certain farm indebtedness shall not be included in gross income.

SENATE JOINT RESOLUTION 251

At the request of Mr. HATCH, the name of the Senator from Rhode Island [Mr. PELL] was added as a cosponsor of Senate Joint Resolution 251, a joint resolution to designate the week of May 11, 1986, through May 17, 1986, as "National Science Week, 1986."

SENATE JOINT RESOLUTION 256

At the request of Mr. TRIBLE, the name of the Senator from Pennsylvania [Mr. HEINZ] was added as a cosponsor of Senate Joint Resolution 256, a bill designating August 12, 1986, as "National Neighborhood Crime Watch Day."

SENATE JOINT RESOLUTION 284

At the request of Mr. METZENBAUM, the names of the Senator from South Carolina [Mr. HOLLINGS], the Senator from Nevada [Mr. LAXALT], the Senator from Hawaii [Mr. INOUYE], and the Senator from Florida [Mrs. HAWKINS] were added as cosponsors of Senate Joint Resolution 284, a joint resolution to designate the month of May 1986 as "Better Hearing and Speech Month."

SENATE JOINT RESOLUTION 289

At the request of Mr. ROTH, the name of the Senator from Massachusetts [Mr. KENNEDY] was added as a cosponsor of Senate Joint Resolution 289, a joint resolution to designate 1988 as the "Year of New Sweden" and to recognize the New Sweden '88 American Committee.

SENATE CONCURRENT RESOLUTION 119

At the request of Mrs. KASSEBAUM, the name of the Senator from Nebraska [Mr. EXON] was added as a cosponsor of Senate Concurrent Resolution 119, expressing the sense of the Congress relating to an amendment to the Internal Revenue Code of 1954 excluding the discharge of qualified agricultural indebtedness from cancellation of indebtedness income.

SENATE RESOLUTION 303

At the request of Mr. HEINZ, the names of the Senator from Michigan [Mr. LEVIN], the Senator from Arizona [Mr. DECONCINI], and the Senator from Rhode Island [Mr. PELL] were added as cosponsors of Senate Resolution 303, a resolution to express the sense of the Senate with respect to the proposals currently before the Congress to tax certain employer-paid benefits and other life-support benefits.

SENATE RESOLUTION 371—RELATING TO FINANCING OF INFRASTRUCTURE BY VARIOUS MEANS

Mr. DOMENICI (for himself, Mr. D'AMATO, Mr. DENTON, Mr. DODD, Mr. DURENBERGER, Mr. GRAMM, Mrs. HAWKINS, Mr. HECHT, Mr. KASTEN, Mr. NICKLES, Mr. SIMON, Mr. THURMOND, and Mr. WILSON) submitted the following resolution; which was referred to the Committee on Finance:

S. RES. 371

Whereas the United States faces a need for capital investment in basic infrastructure such as water supply, sewage treatment, waste disposal, and transportation systems that is estimated to be between $860,000,000,000 and $1,000,000,000,000 between now and the year 2000 or between $57,500,000,000 and $73,400,000,000 annually;

Whereas the annual Federal, State, and local expenditures for infrastructure fall short of the annual need by approximately $18,000,000,000 and will probably continue to decrease due to Federal spending cuts;

Whereas private financing of infrastructure facilities is an increasingly important means of compensation for the shortfall in expenditures on such facilities;

Whereas tax-exempt bonds issued by or on behalf of the States and their political subdivisions or instrumentalities are an essential source of financing for both public and private expenditures for infrastructure at the State and local level;

Whereas the deductions relating to depreciation of recovery property under the accelerated cost recovery system and the regular credit for investment in depreciable property have been essential factors in obtaining private financing of infrastructure facilities;

Whereas on December 17, 1985, the House of Representatives passed H.R. 3838, entitled the "Tax Reform Act of 1985", which amends several provisions of the Internal Revenue Code of 1954;

Whereas H.R. 3838 includes amendments to the provisions of the Internal Revenue Code of 1954 that relate to the exclusion from gross income for Federal income tax purposes of the interest payable on bonds issued by or on behalf of the States and their political subdivisions or instrumentalities;

Whereas if enacted in current form and substance such amendments, in general, would be effective as to bonds issued after December 31, 1985, and would impose new restrictions and requirements relating to the investment, uses, and expenditure of the proceeds of tax-exempt bonds and the use of the facilities financed with such proceeds in order to qualify the interest thereon for exclusion from gross income for Federal income tax purposes;

Whereas such amendments would additionally require that the interest payable on certain bonds be treated as a tax preference item in the computation of the alternative minimum tax imposed by section 55 of the Internal Revenue Code of 1954 and would adversely affect the tax consequences for financial institutions and for property and casualty companies of investing in tax-exempt bonds;

Whereas such amendments would greatly diminish the ability of State and local governments to finance needed infrastructure through tax-exempt bonds by increasing the burden of recordkeeping and administration, imposing restrictions and requirements that are difficult or impossible to comply with, restricting legitimate cash managment techniques, severely limiting the volume of bonds that can be issued for several types of infrastructure facilities, precluding tax-exempt financing for privately owned water supply facilities, and discouraging important classes of investors from purchasing tax-exempt bonds;

Whereas such factors and effective dates have already caused serious and dangerous disruptions in all areas of State and local government financing and construction activities throughout the United States because H.R. 3838 is being treated and applied as law prior to its consideration by the Senate;

Whereas H.R. 3838 also includes amendments to the provisions of the Internal Revenue Code of 1954 that relate to the deduction allowed with respect to depreciation of recovery property, and the repeal of the regular tax credit for investment in depreciable property;

Whereas the new depreciation schedules if enacted in current form and substance would significantly lengthen the recovery period for depreciable property in most infrastructure facilities, particularly solid waste disposal, wastewater treatment, and water supply facilities;

Whereas enactment of such amendments relating to depreciation and the investment tax credit will discourage many private investors from contributing to the financing of needed infrastructure facilities, and will lead to the charging of higher user fees for those facilities that are privately financed in order to make such financing feasible; and

Whereas the sum effect of the enactment of the provisions of H.R. 3838 relating to tax-exempt bonds, deductions for depreciation of recovery property, and the regular tax credit for investment in depreciable property will be an increase in costs to State and local governments of financing and construction of needed infrastructure, an increase in the fees charged to members of the general public for receiving the benefit of infrastructure facilities, and the failure of State and local governments to undertake many needed infrastructure projects: Now, therefore, be it,

Resolved, That it is the sense of the Senate to instruct Senate committees and conferees that—

(1) the Senate will not approve any provisions relating to tax-exempt bonds in H.R. 3838 or similar legislation that will adversely affect the ability of the States and political subdivisions thereof to finance infrastructure needs,

(2) the Senate will retain incentives in the capital formation provisions of any tax reform legislation to encourage private investment in public infrastructure, and

(3) the Senate will not approve any tax reform provisions that would adversely affect the tax-exempt status of the bonds or other obligations of the States or their political subdivisions or instrumentalities which comply with current law and which are issued prior to—

(A) January 1, 1987, or

(B) any later date provided in enacted law.

● Mr. DOMENICI. Mr. President, today I am submitting a resolution to put the Senate on record on what I consider to be one of the most crucial issues facing us today: the financing of our Nation's infrastructure. In particular, the resolution deals with the devastating effect that the House tax reform bill, H.R. 3838, would have on capital investment in infrastructure if enacted.

By "infrastructure" I mean the basic public works that are necessary to ensure health and safety and carry on everyday life: water supply systems, sewage and solid waste disposal facilities, transportation systems, and the like. These projects are usually financed, built and operated at the State and local level, with the financing coming from a variety of sources—Federal grants, State and local taxes, tax-exempt bond issues, user fees, and increasingly, private capital. One of those sources, Federal grants, will at best grow no more and under current budget constraints could shrink. Two others, tax-exempt bonds and investment or private capital, are directly threatened by tax reform.

Indeed, the tax-exempt bond provisions of H.R. 3838 have been operating this year as a law that isn't a law. Because the provisions of H.R. 3838 apply to all bonds issued on or after January 1, 1986, the bond market has been effectively frozen since January. The administration and the tax-writing committees recently issued a statement that the retroactive date would be changed to a prospective one for governmental bonds only. While this clarification has helped somewhat, it is inadequate. Bond counsel will not guarantee the tax exemption of a local bond issue unless they are certain that it complies with the provisions of H.R. 3838, so that its exemption will be safe if those provisions are enacted.

Thus, even though H.R. 3838 has not been enacted—has not even been considered by the Senate—it has been operating as if it were already law. This is terribly unfair, both to the local governments who made plans for needed projects in reliance on current law, and to the residents who will be deprived of or forced to pay higher prices for basic public services.

Let me give you a few examples of the far-reaching effect H.R. 3838 is having in my State.

According to Tucumcari's city manager the restrictions in H.R. 3838 are wrecking the road paving program in the State.

Earlier this year, the city of Farmington issued bonds for a sewer line replacement project. To keep the construction moving, they had to comply with the provisions of H.R. 3838. The bond issue took longer to complete; it cost the city more money in legal fees; and the bonds had to carry a higher rate of interest. In general, trying to comply with H.R. 3838 was dubbed an "administrative nightmare."

The New Mexico Educational Assistance Foundation can't refund the bonds it needs, thereby jeopardizing the student loan program in my State.

Dona Ana County had a bond election to issue bonds for the fairgrounds, a judicial complex in Anthony, and the renovation of the courthouse in the county seat. The fair, the needed courtrooms and the renovation are on hold because of H.R. 3838.

Taos, NM, needs a new hospital, but 501(c)(3) organizations like the hospital and its project are paralyzed because of H.R. 3838.

Clovis, Bloomfield, Farmington, Questa, and Roswell are cities that need school building renovation or new construction, but the worksites are idle and the classrooms and playgrounds won't be ready because of H.R. 3838.

It seems tragic to me that we have a House-passed bill that has been governing like the law of the land when the Senate version of the bill has not even been reported by the committee.

The tax-exempt bond provisions of H.R. 3838 will severely constrain State and local governments in their use of this traditional financing tool. They will enormously increase the complexity, cost and overall burden for local governments of administration and compliance; impose restrictions and requirements for the issuance of tax-exempt bonds that will be difficult

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and in some cases literally impossible for local governments to comply with; prevent local governments from using legitimate cash management techniques to obtain the most value from bond proceeds; make it difficult to obtain tax-exempt financing for sewage, solid waste and water supply facilities by placing them under a severely limited volume cap in competition with several other types of bonds; and discourage important classes of investors from purchasing tax-exempt bonds.

The committee print that the Finance Committee is using in its markup is an improvement over H.R. 3838. It is certainly a better starting point but it does not go far enough. While some tightening up over current law may be appropriate, the committee print is too restrictive and will negatively affect the ability of States and localities to provide public services.

It is important to stress that the provisions of tax reform will affect traditional, governmental public works projects for which there is a clear public need and public purpose. I feel it is wrong to hamper public financing in this way, and for that reason, I have joined Senator Durenberger in introducing S. 2166, which would amend H.R. 3838 in a manner that addresses most of these concerns. I urge my colleagues to do the same.

As worrisome as the effect of H.R. 3838 on public financing is the effect that it will have on the availability of private capital for infrastructure. As I mentioned earlier, State and local governments are increasingly turning to private capital as a way of meeting the gap between the financing that is available from public sources and the estimated annual need—a gap that is estimated by the Congressional Budget Office to be around $18 billion a year. Private investment has been particularly important in the areas of sewage treatment, solid waste disposal, and water supply.

Local governments are able to attract private investors to these facilities now because of certain tax benefits that compensate for the otherwise low and very lengthy rate of return. Tax-exempt financing is one such benefit. Another is accelerated depreciation. Most of the property in sewage, solid waste, and water supply facilities is 5-year property under the current accelerated cost recovery system. Under the depreciation system of H.R. 3838, property in these facilities would be scattered among several classes, with recovery lines ranging from 10 years for some solid waste property to 30 years for water supply facilities. Worse still, if the property is financed with tax-exempt bonds, the depreciation period becomes even longer.

These changes will effectively end private investment in water facilities. For other facilities private investment will be greatly reduced, and when it does occur, higher user fees will be required for the facility in order to maintain the necessary rate of return to the investor.

In the end, it all comes down to the people who live in the States, counties, cities, and towns that are trying to finance these facilities, the people who would benefit from the services they provide. It is they who will suffer from the increases in State and local taxes brought about by the need to cover higher debt costs; who will find themselves paying higher user fees in order to receive the basic services that are necessary to everyday life; and who will be forced to rely on old, outmoded, and unsafe facilities or on no facilities at all because the capital is simply not there to build new ones. And as is always the case, those who have a lot of money will be affected less than those with little. H.R. 3838 may be intended to make the Tax Code more fair and progressive, but at the State and local level it will have an effect that is very regressive.

We have come to take for granted in this country such services as clean water from the tap and sanitary disposal of sewage. I am seriously concerned that the citizens of the State of New Mexico and of this Nation may find such services to be too expensive or unavailable in the future if we take away the tools that State and local governments use to finance basic infrastructure facilities.

That is why I am calling on my fellow Senators to join me in a resolution declaring it to be the sense of the Senate that we will not approve any provisions that will adversely affect the ability of State and local governments to finance their infrastructure needs, and will not approve any provisions affecting the tax-exempting status of State and local government bonds that would take effect before January 1, 1987. It is essential that we send a clear message to those with the principal responsibility for shaping a tax reform bill that it is not true reform to enact provisions that jeopardize the ability of State and local governments to protect our health and safety and provide the basic support system on which all economic activity depends.

I urge the Finance Committee to listen to the public officials in our country who are responsible for providing public services. The Senate tax bill must not reduce the capital available to finance our Nation's infrastructure. It is my hope the the committee will retain current law depreciation for infrastructure facilities and will add the provisions of the Durenburger proposal to its committee bill. If not, I am prepared to offer and strongly support floor amendments, if necessary, to be certain that tax reform does not undermine our Nation's public facilities and services.●

● Mr. D'AMATO. Mr. President, I rise today as an original cosponsor of a resolution introduced by my friend from New Mexico, Senator Domenici, to put the Senate on record that major tax reform should not inhibit State and local governments' ability to finance their infrastructure.

I commend my colleague for drafting this resolution to protect essential services provided by State and local governments. Financing for State and local governments is essential to ensure proper health and safety services, as well as basic support systems on which all economic activity depends.

It is wrong to hamper local governments through the inclusion of provisions in tax reform which will discourage investors from purchasing tax-exempt bonds; which will make it difficult to obtain tax-exempt financing by placing certain projects under limited volume caps; which will impose retroactive effective dates; or which will prevent local governments from using legitimate cash-management techniques.

In the end, it is the individual who suffers from the lack of proper facilities, and it is the individual who suffers from increased State and local taxes needed to finance these outmoded or unsafe facilities.

I believe it is necessary, therefore, for Members of the Senate interested in protecting the infrastructure of State and local governments, as well as the individual constituent, to join together and send a message to those responsible for producing a tax reform bill: True reform does not deny local governments the ability to finance their activities properly.

I urge my colleagues to support and adopt this resolution.●

● Mr. NICKLES. Mr. President, the resolution that my colleague, Senator Domenici, and I are offering would send a clear signal that the Senate will not approve any tax reform plan which would adversely affect the ability of State and local governments and their instrumentalities to finance their infrastructure needs.

The bill as passed by the House, H.R. 3838, makes it impossible for cities, towns, and school districts to finance their basic projects. This is particularly true in Oklahoma. The projects being delayed or canceled are certainly not the type of so-called abuses that the House purports to correct. Let us take a moment to describe the impact the House bill is having on the State of Oklahoma.

The bill requires that an issuer must expend 5 percent of the proceeds of its bonds within 30 days. Under Oklahoma law and standard issuance procedures, this is impossible to comply

with. Other restrictions on arbitrage and advance refundings would further impeded these needed projects.

In Woodward, OK, they are trying to refinance existing debt on the Woodward Municipal Hospital. Under the House bill, this would not be economically possible. When the economy in this city was booming in 1982, they undertook expansions of their hospital to provide enhanced care. Due to the recent downturn in the State economy, they are in default on the bonds used to finance this expansion since sales tax revenues have failed to materialize. With interest rates low, they are missing a prime opportunity to refinance and save the hospital.

Even general obligation bonds are affected. Oklahoma school districts, cities, and towns are having to forgo or delay issuances to wait and see what Washington is going to do. We cannot allow our constituents to be denied these essential services which are provided by these facilities.

In order to allow these projects to continue and guarantee that Congress will not hinder future infrastructure projects, we need to pass this resolution. I urge my colleagues to support it.●

AMENDMENTS SUBMITTED

WATER RESOURCES DEVELOPMENT ACT

MOYNIHAN AMENDMENT NO. 1709

Mr. MOYNIHAN proposed an amendment to the bill (S. 1567) to authorize the Secretary of the Army to construct various projects for improvements to rivers and harbors of the United States, and for other purposes; as follows:

At the appropriate place in the bill insert the following: The Congress directs the Corps of Engineers to study offshore monitoring systems as described below.

ENVIRONMENTAL ENHANCEMENT INFRASTRUCTURE FOR THE NEW YORK BIGHT

A Hydro-Environmental Monitoring and Information System in the New York Bight is required in the form of a system using computerized buoys and radio telemetry that allows for the continual monitoring (at strategically located sites throughout the New York Bight) of: wind, wave, current, salinity and thermal gradients and sea chemistry, in order to measure the effect of changes due to air and water pollution, including changes due to continued dumping in the Bight.

In addition, there is also the need for a proper Physical Hydraulic Model of the New York Bight and for such an offshore Model to be tied into the existing inshore Physical Hydraulic Model of the Port of New York and New Jersey operated by the US Army Corps of Engineers.

Such sums necessary for this purpose are authorized.

ABDNOR (AND OTHERS) AMENDMENT NO. 1710

Mr. ABDNOR (for himself, Mr. Stafford, Mr. Bentsen, and Mr. Moynihan) submitted an amendment to the bill, S. 1567, supra; as follows:

(Amendment 1). On page 3, line 1, after the word "reimbursed", insert the following: "during each such fiscal year".

(Amendment 2). On page 5, line 7, delete the figure "$250,000" and insert in lieu thereof "$5,000,000".

(Amendment 3). On page 5, line 20, after the word "Representative" insert the following: "after July 1, 1987,".

(Amendment 4). On page 65, after line 5, insert the following and number accordingly:

"Sec. . (a)(1) Congress is concerned about the impact that the century-high water level of the Great Lakes is having on shoreline along the Great Lakes and connecting channels.

"(2) Congress recognizes scientific findings that indicate the level of the Great Lakes will continue to rise if, as expected, the current long term weather cycle of cooler temperatures and higher precipitation prevails.

"(b) The Secretary, in cooperation with the National Oceanic and Atmospheric Administration, the Federal Emergency Management Agency, the International Joint Commission, and other appropriate Federal, State, and local agencies and the private sector, is authorized to conduct a study of shoreline protection and beach erosion control policy and related projects of the Secretary, in view of the current situation and long-term expected increases in the levels of the Great Lakes. Such study shall include, but is not limited to—

"(1) a study to determine the magnitude and extent of current and expected future shoreline erosion on the Great Lakes and connecting channels occurring as a result of high water levels. The study shall examine the impacts of the long term cold weather cycle on lake levels and shoreline damage. The study shall also examine the relationship of shoreline damage to the regulation of outflows from Lake Superior and Lake Erie in accordance with approved regulation plans of the International Joint Commission;

"(2) an economic and hydrologic analysis to determine whether changes in the inflows and outflows of the existing structures may be desirable to reduce shoreline damages, and whether further regulation of the outflow of Lake Erie may be warranted to achieve better regulation of the water levels of the Great Lakes;

"(3) a summary of the legal and institutional impacts of rising lake levels on riparian lands; and,

"(4) recommendations for new or additional criteria for Federal participation in shoreline protection projects along the Great Lakes and connecting channels.

"(c) Within three years after the date of enactment of this Act, the Secretary shall transmit the studies prepared pursuant to subsection (b) of this section, together with supporting documentation and the recommendations of the Secretary, to the Committee on Environment and Public Works of the Senate and Committee on Public Works and Transportation of the House of Representatives.

"(d) For the purposes of this section, there is authorized to be appropriated to the Secretary for the fiscal year ending September 30, 1987, or thereafter, the sum of $3,000,000, such sum to remain available until expended.

"Sec. . The Secretary is directed to include in the feasibility study of Sunset Beach Harbor, Bolsa Chica Bay, California, an assessment of the feasibility of non-Federal cost sharing for the Sunset Beach Harbor project, utilizing the provisions of section 215 of this Act, in consultation with the appropriate non-Federal sponsors: Provided, That no such assessment shall be considered as an alternative to any non-Federal cost sharing otherwise required during the period of construction of any possible project. The assessment under this section will examine whether, and to what extent, the provisions of section 215 of this Act can be used by the non-Federal sponsors of the Sunset Beach Harbor project to support non-Federal cost-sharing for this project.

"Sec. The project for navigation, Cape Charles City Harbor, Virginia, authorized by the River and Harbor Act approved March 2, 1945 (59 Stat. 15), is modified to provide that the local interests shall not be required—

"(1) to provide bulkheads, or

"(2) to reserve berthing space for general public use, along a great distance of the shoreline that such bulkheads are provided or such berthing space is reserved on the date of the enactment of this Act.

"Sec. . The Secretary is directed to expedite the hydroelectric power studies of the Red River Basin Comprehensive Study, Arkansas, Texas, Louisiana, and Oklahoma (authorized by Public Law 98-63), with a particular view of investigating the feasibility of adding hydroelectric power generating facilities at the Tuskahoma Lake, Oklahoma, project.".

(Amendment 5). On page 102, line 11, delete the semicolon and insert in lieu thereof the following:

": *Provided*, That after the date of enactment of this Act, the Secretary shall not submit to Congress any proposal for the authorization of any water resources project that has a hydroelectric power component unless such proposal contains the comments of the appropriate Power Marketing Administrator designated pursuant to section 302 of the Department of Energy Organization Act (Public Law 95-91) concerning appropriate Power Marketing Administration's ability to market the hydroelectric power expected to be generated and not required in the operation of the project under the applicable Federal power marketing law, so that, 100 per centum of operation, maintenance and replacement costs 100 per centum of the capital investment allocated to the purpose of hydroelectric power (with interest at rates established pursuant to or prescribed by applicable law), and any other costs assigned in accordance with law for return from power revenues can be returned within the period of such costs by or pursuant to such applicable Federal power marketing law;".

(Amendment 6). On page 119, line 16, delete the semicolon and insert in lieu thereof the following:

": *Provided*, That this authorization shall not preclude development of hydroelectric power by a non-federal interest if, within three years of the date of enactment of this Act, such non-federal interest obtains a license from the Federal Energy Regulatory Commission for non-federal development of hydroelectric power at the Blue River Lake project;".

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MELCHER AMENDMENT NO. 1711

Mr. MELCHER proposed an amendment to the bill, S. 1567, supra; as follows:

Add a new section to the Title III which reads as follows:

"SEC. . The project for navigation and power generation, Fort Peck, Montana, authorized by the Act entitled "An Act to authorize the completion, maintenance, and operation of the Fort Peck project for navigation and for other purposes" approved May 18, 1938 (16 U.S.C. 833), shall include recreation as a purpose of such project."

SPECTER AMENDMENT NO. 1712

Mr. SPECTER proposed an amendment to the bill, S. 1567, supra; as follows:

The Secretary of the Army, acting through the Chief of Engineers, has been conducting a study of the feasibility of providing flood protection along the West Branch of the Susquehanna River for the Borough of Milton, Pennsylvania. The Secretary is directed to undertake further studies for engineering and design for a flood control project at Milton, Pennsylvania.

LUGAR AMENDMENT NO. 1713

Mr. ABDNOR (for Mr. LUGAR,), proposed an amendment to the bill, S. 1567, supra; as follows:

On page 65, after line 5, insert the following and number appropriately:

"SEC. . No monies shall be appropriated or obligated for a feasibility study of navigation improvements on the Wabash River, Indiana and Illinois, pursuant to the authorized Wabash River Comprehensive Study."

McCLURE AMENDMENT NO. 1714

Mr. McCLURE proposed an amendment to the bill S. 1567, supra; as follows:

On page 35, after line 16, insert and number appropriately the following:

"SEC. . Section 8 of Public Law 78-534, approved December 22, 1944 (58 Stat. 891; 43 U.S.C. 390), is hereby amended by adding the following at the end thereof: 'In the case of any reservoir project constructed and operated by the Corps of Engineers, the Secretary of the Army is authorized to contract with water districts, irrigation districts, conservancy districts, and any other such entities, with individuals, and with appropriate state agencies, at such prices and on such terms and for such periods as he may deem reasonable, for the interim use for irrigation purposes of storage provided in the project for municipal and industrial water supply purposes until such storage is required for municipal and industrial water supply. No contracts for the interim use of such storage shall be entered into which would significantly affect then-existing uses of such storages.' "

And insert:

"SEC. . Section 8 of Public Law 78-534 approved December 22, 1944 (58 Stat. 891; 43 U.S.C. 390), is hereby amended by adding the following at the end thereof: 'In the case of any reservoir project constructed and operated by the Corps of Engineers, the Secretary of the Army is authorized to allocate water which was allocated in the project purpose for municipal and industrial water supply and which is not under contract for delivery, for such periods as he may deem reasonable, for the interim use for irrigation purposes of such storage until such storage is required for municipal and industrial water supply. No contracts for the interim use of such storage shall be entered into which would significantly affect then-existing uses of such storages.' "

SYMMS AMENDMENT NO. 1715

Mr. SYMMS proposed an amendment to the bill, S. 1567, supra; as follows:

The Congress finds that as recently as February 4, 1985, the Office of Management and Budget projected that deficits for Fiscal Years 1986 through 1990 would increase the federal debt by $697,289,000,000;

Congress sought to remedy this problem of escalating debt by enacting the Gramm-Rudman-Hollings deficit reduction program, which was passed by both Houses of Congress and signed into law by the President on December 12, 1985;

Even under Gramm-Rudman-Hollings, the federal debt is projected to grow to $2,323,100,000,000 in fiscal year 1987, $2,523,000,000,000 in fiscal year 1988, and $2,697,700,000,000 in fiscal year 1989;

As a result, even Gramm-Rudman-Hollings will produce a federal debt which, by fiscal year 1989, will represent well over $10,000 for every man, woman, and child in the United States;

The financial markets of the United States and the other industrialized nations of the world look to the government of the United States for leadership in the resolution of its deficit crisis; and

The consideration of tax reform by the Senate of the United States without first making serious efforts to control the deficit will only succeed in enhancing the uncertainly in financial markets which those deficits create:

It is the sense of the Senate that tax reform should not be considered or debated by the United States Senate until a firm, definite budget agreement has been reached between the President and the Congress of the United States.

AUTHORITY FOR COMMITTEES TO MEET

SUBCOMMITTEE ON MANPOWER AND PERSONNEL

Mr. STAFFORD. Mr. President, I ask unanimous consent that the Subcommittee on Manpower and Personnel of the Committee on Armed Services be authorized to meet during the session of the Senate on Wednesday, March 26, in executive session, to receive staff briefings on options to reform the military retirement system; and possibly markup an original bill to reform the military retirement system.

The PRESIDING OFFICER. Without objection, it is so ordered.

COMMITTEE ON ARMED SERVICES

Mr. STAFFORD. Mr. President, I ask unanimous consent that the Committee on Armed Services be authorized to meet during the session of the Senate on Wednesday, March 26, 1986, in closed executive session, in order to conduct a hearing on Navy tactical programs.

The PRESIDING OFFICER. Without objection, it is so ordered.

SUBCOMMITTEE ON STRATEGIC AND THEATER NUCLEAR FORCES

Mr. STAFFORD. Mr. President, I ask unanimous consent that the Subcommittee on Strategic and Theater Nuclear Forces, of the Committee on Armed Services, be authorized to meet during the session of the Senate on Wednesday, March 26, 1986, in closed executive session, in order to conduct a hearing on Strategic Command control and communications.

The PRESIDING OFFICER. Without objection, it is so ordered.

COMMITTEE ON THE JUDICIARY

Mr. STAFFORD. Mr. President, I ask unanimous consent that the Committee on the Judiciary be authorized to meet during the session of the Senate on Wednesday, March 26, in order to receive testimony concerning S. 2046, the Litigation Reform Act of 1986.

The PRESIDING OFFICER. Without objection, it is so ordered.

SELECT COMMITTEE ON INTELLIGENCE

Mr. STAFFORD. Mr. President, I ask unanimous consent that the Select Committee on Intelligence be authorized to meet during the session of the Senate on Wednesday, March 26, in closed session to conduct a hearing on the fiscal year 1987 intelligence authorization.

The PRESIDING OFFICER. Without objection, it is so ordered.

ADDITIONAL STATEMENTS

ANNIVERSARY OF SHARPEVILLE AND UITENHAGE MASSACRES IN SOUTH AFRICA

● Mr. KENNEDY. Mr. President, "On March 21, 1960, 69 people were killed and 180 wounded by police bullets outside Sharpeville police station. This massacre proved to be a watershed in the struggle for democracy in South Africa, coming as it did after 12 years of concerted, popular opposition to the Apartheid policies of the nationalist government." Thus ran the introduction for the Wits Student, a Johannesburg student newspaper, published on March 21, 1985. The authors had little idea that that day would bring yet another mass killing in Uitenhage, a township outside of Port Elizabeth. These two events which, coincidentally, occurred on the same date, assure that March 21 will never go unnoticed by the black people of South Africa; it represents many years of grief and injustice. We in Congress should remind ourselves not only of the tragedies that have occurred on this day but also of the constant suffering that occurs every day in South Africa.

In 1960, the African National Congress and the Pan-Africanist Congress

called for a national campaign of nonviolent civil disobedience directed against the pass laws. On March 21, 1960, black South Africans were to leave their passes at home and surrender peacefully and voluntarily to the police. Nearly 5,000 people gathered at the Sharpeville police station to offer themselves for arrest. The police claim that the crowd became unruly and began throwing stones. What cannot be disputed is that the police opened fire. It was learned afterward that at least 155 people had been shot in the back while fleeing.

Twenty-five years later, in 1985 at Uitenhage, 5,000 people were on their way to a funeral in an adjoining township. As had happened with Sharpeville, the police claimed that they were attacked with stones, "and other missiles including petrol bombs." But in fact the people were unarmed. The police claimed that 17 people died and 19 were injured as a result of their open fire. But the people reported that at least 43 people died that day and hundreds more were injured.

Ten days after the Sharpeville massacre, the Government declared a state of emergency and hundreds of people were arrested and detained. This culminated in the banning of both the ANC and the PAC. The March 21, 1985, edition of the Wits Student said that "Even in the light of the naked repression which drove these organisations underground, the commitment to establishing a just and peacful society and the determination not to sink to the level of the indiscriminate brutality of the enemy, the apartheid state, remained firm."

It is sad to note that 25 years after Sharpeville, the Uitenhage massacre was also followed by a state of emergency and hundreds of arrests and detentions. The state of emergency has now been lifted, but the violence and repression continues unabated. We must work to encourage swift change and to bring an end to apartheid. We do not want another 25 years to pass and for March 21, 2000, to come with the apartheid state still in power.●

ADDRESS BY GOVERNOR CUOMO BEFORE ABRAHAM LINCOLN ASSOCIATION

● Mr. SIMON. Mr. President, I was in Springfield, IL, when Gov. Mario Cuomo of New York gave a talk before the annual Abraham Lincoln Association.

It was, obviously, something that Governor Cuomo thought about carefully before delivering.

It was well received.

It is not only a thoughtful commentary about Abraham Lincoln, it is a reflection on the thoughtfulness of the chief executive of the State of New York.

This country is fortunate to have in that kind of a key position someone who is a scholar, and who combines sensitivity, commonsense and compassion, as does Mario Cuomo. Interestingly, those were the characteristics of Abraham Lincoln, also.

I ask unanimous consent that the Cuomo speech be inserted in the RECORD.

The speech follows:

GOV. MARIO M. CUOMO, "ABRAHAM LINCOLN AND OUR 'UNFINISHED WORK,' " ADDRESS BEFORE THE ABRAHAM LINCOLN ASSOCIATION, SPRINGFIELD, IL, FEBRUARY 12, 1988

"It is for us, the living, rather, to be dedicated here to the unfinished work . . . that this nation, under God, shall have a new birth of freedom—and that, government of the people, by the people, for the people, shall not perish from the earth."—Gettysburg Address (Everett Copy) November 19, 1863.

Governor Thompson, I thank you for that generous introduction. It is a privilege for Matilda and me to be in your great State and we appreciate your taking the time to be here to introduce me.

I would also like to thank Judge Harlington Wood for inviting me to be part of this celebration of one of the monumental figures of our history, whose words and life and legend have been for me, as they have for you I'm sure, an instruction and an inspiration for most of a lifetime.

I am also honored to be in the company of Representative Richard Durbin, who occupies the congressional seat Lincoln held, and Senator Paul Simon, himself an extraordinary success story, a man of intellect and integrity—whose distinguished works on the Lincoln theme have illuminated the man we honor tonight.

It is an intimidating thing to stand here tonight to talk about the greatest intellect. The greatest leader, perhaps the greatest soul, America has ever produced.

To follow such legendary orators as William Jennings Bryan and Adlai Stevenson.

Only a struggling student myself, to face as imposing an audience as the Lincoln scholars—tough-minded. Demanding. Harsh critics. Highly intelligent.

And to face so many Republicans: Tough minded. Demanding, harsh critics . . .

And I certainly wasn't encouraged after I learned that when another New York Governor, Franklin D. Roosevelt, announced his intention to come here to speak on Lincoln, a local political stalwart threatened him with an injunction.

To be honest with you, I feel a little like the Illinois man from one Lincoln story.

When he was confronted by a local citizens' committee with the prospect of being tarred and feathered and run out of town on a rail, he announced, "If it weren't for the honor of the thing, I'd just as soon it happened to someone else."

But seriously, this is an event beyond the scope of partisan politics.

When Lincoln gave his one and only speech in my capital, Albany, New York, he told the Democratic Governor, "You have invited and received me without distinction of party."

Let me second that sentiment, and thank you for inviting and receiving me in the same spirit.

To be here in Springfiled, instead of at the memorial in Washington, to celebrate this "high holy day" of Lincoln remembrance, gives us a special advantage.

In Washington, Lincoln towers far above us, presiding magisterially, in a marble temple.

His stony composure, the hugeness of him there, gives him and his whole life a grandeur that places him so far above and beyond us that it's difficult to remember the reality of him.

We have lifted Lincoln to the very pinnacle of our national memory. Enlarged him to gargantuan proportions in white stone recreations.

We have chiseled his face on the side of a mountain, making him appear as a voice in the heavens.

There is a danger when we enshrine our heroes, when we lift them onto pedestals and lay wreaths at their feet. We can, by the every process of elevating them, strain the sense of connection between them and the palpable, fleshy, sometimes mean concerns of our own lives.

It would be a terrible shame to lose Lincoln that way. To make of him a celebration but not an instruction, a memory, but not a model, a legend but not a lesson.

Here in Springfield there is less chance of that.

Although he left Springfield 125 years ago, here—where he practiced law, served as a legislator, and warned this Nation of the dangers of a "house divided"—Lincoln, the man, still presides.

Here we can remember that Lincoln—the miracle that we call Lincoln—worked within the hard, sometimes discouraging, sometimes terrifying, limits of time and place and chance.

And by our so remembering, he can again begin to light our minds and move our hearts.

That is why I have come here . . . not just to light a candle to the apparition of him, but to remember his specific wisdom and goodness and to consider how it can continue to touch us, to teach us, to move us to the higher ground.

I have come to remember Lincoln as he was. The flesh and blood man. Haunted by mortality in his waking and his dreaming life. The boy who had been uprooted from one frontier farm to another, across Kentucky and Indiana and Illinois, by a father restless with his own dreams.

To remember some of Lincoln's own words—which, taken altogether, are the best words America has ever produced.

To remember the words that he spoke ten days after his lyrical, wrenching farewell to Springfield on his way to his inauguration as our sixteenth President.

"Back in my childhood," he said then, "the earliest days of my being able to read, I got hold a small book . . . 'Weems' Life of Washington.'

"I remember all the accounts there given of the battlefields and struggles for the liberties of the country . . . and the great hardships of that time fixed themselves on my memory.

"I recollect thinking then, boy even though I was, that there must have been something more than common that those men struggled for.

"I am exceedingly anxious that the thing which they struggled for; that something even more than national independence; that something that held out a promise to all the people of the world for all time to come; . . . shall be perpetuated in accordance with the original idea for which the struggle was made . . ."

Here was Lincoln, just before his inauguration, reminding us of the source of his

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strength and eventual greatness. His compelling need to understand the meaning of things and to commit to a course that was directed by reason, supported by principle, designed to achieve the greatest good. He was a man of ideas, grand and soaring ones. And he was cursed by the realization that they were achievable ideas as well, so that he could not escape the obligation of pursuing them, despite the peril and the pain that pursuit would inevitably bring.

Even as a boy he grasped the great idea that would sustain him—and provoke him—for the rest of his days. The idea that took hold of his heart and his mind. The idea that he tells us about again and again throughout his life. It became the thread of purpose that tied the boy to the man to the legend—the great idea—the dream, the achieveable dream, of equality, of opportunity . . . for all.

"The original idea for which the struggle was made . . ." the proposition that all men are created equal. That they are endowed by their creator with certain unalienable rights. That among these are life, liberty and the pursuit of happiness.

Even by Lincoln's time, for many, the words had been heard often enough that they became commonplace, part of the intellectual and historical landscape, losing their dimension, their significance, their profoundness.

But not for Lincoln.

He pondered them. Troubled over their significance. Wrestled with their possibilities.

"We did not learn quickly or easily that all men are created equal," one Lincoln scholar has observed.

No. We did not learn those words quickly or easily. We are still struggling with them in fact.

As Lincoln did. For a whole lifetime. From the time he read weems' little book, until the day he was martyred, he thought, and planned and prayed to make the words of the declaration, a way of life.

Equality and opportunity, for all. But truly, for all.

Lincoln came to believe that the great promise of the Founding Fathers was one that had only begun to be realized with the Founding Fathers themselves. He understood that from the beginning it was a promise that would have to be fulfilled in degrees. Its embrace would have to be widened over the years, step by step, sometimes painfully, until finally it included everyone.

That was his dream. That was his vision. That was his mission.

With it, he defined for himself and for us, the soul of our unique experiment in Government: The belief that the promise of the declaration of independence—the promise of equality and opportunity—cannot be considered kept, until it includes everyone.

For him, that was the unifying principle of our democracy. Without it, we had no nation worth fighting for. With it, we had no limit to the good we might achieve.

He spent the rest of his life trying to give the principle meaning. He consumed himself doing it.

He reaffirmed Jefferson's preference for the human interest and the human right. "The principles of Jefferson," he said, "are the definitions and axioms of free society."

Lincoln extended those instincts to new expressions of equality.

Always, he searched for ways to bring within the embrace of the new freedom, the new opportunity, all who had become Americans.

Deeply—reverently—grateful for the opportunity afforded him, he was pained by the idea that it should be denied others. Or limited.

He believed that the human right was more than the right to exist, to live free from oppression.

He believed it included the right to achieve, to thrive. So he reached out for the "penniless beginner."

He thought it the American promise that every "poor man" should be given his chance.

He saw what others would or could not see: The immensity of the fundamental ideas of freedom and self-determination that made his young Nation such a radically new adventure in Government.

But he was not intimidated by that immensity. He was willing to use the ideas as well as to admire them. To mold them so as to apply them to new circumstances. To wield them as instruments of justice and not just echoes of it.

Some said Government should do no more than protect its people from insurrection and foreign invasion and spend the rest of its time dispassionately observing the way its people played out the cards that fate had dealt them.

He scorned that view. He called it a "do nothing" abdication of responsibility.

"The legitimate object of Government," he said, "is to do for the people what needs to be done, but which they cannot, by individual effort, do at all, or do so well, for themselves. There are many such things . . ." he said.

So he offered the "poor" more than freedom and the encouragement of his own good example: He offered them government. Government that would work aggressively to help them find the chance they might not have found alone. He did it by fighting for bridges, railroad construction, and other such projects that others decried as excessive government.

He gave help for education, help for agriculture, land for the rural family struggling for a start.

And always, at the heart of his struggle and his yearning was the passion to make room for the outsider, the insistence upon a commitment to respect the idea of equality by fighting for inclusion.

Early in his career, he spoke out for women's suffrage.

His contempt for the "do-nothings" was equalled by his disdain for the "know-nothings."

America beckoned foreigners, but many Americans—organized around the crude selfishness of the nativist movement—rejected them. The nativists sought to create two classes of people, the old stock Americans and the intruders from other places, keeping the intruders forever strangers in a strange land.

Lincoln shamed them with his understanding and his strength, "I am not a know-nothing" he said. "How could I be? How can anyone who abhors the oppression of Negroes be in favor of degrading classes of white people? . . . As a nation we began by declaring 'all men are created equal.'

"We now practically read it. 'All men are created equal except negroes.' When the know-nothings get control, it will read 'all men are created equal except Negroes, and Catholics and foreigners.'

Then he added: "When it comes to this I shall prefer emigrating to some country where they make no pretense of loving liberty—to Russia for instance, where despotism can be taken pure, and without the base alloy of hypocrisy."

Had Lincoln not existed, or had he been less than he was and the battle to keep the Nation together had been lost, it would have meant the end of the American experiment. Secession would have bred secession, reducing us into smaller and smaller fragments until finally we were just the broken pieces of the dream.

Lincoln saved us from that.

But winning the great war for unity, did not preserve us from the need to fight further battles in the struggle to balance our diversity with our harmony, to keep the pieces of the mosaic intact, even while making room for new pieces.

That work is today, as it was in 1863, still an unfinished work . . . still a cause that requires "a full measure of devotion."

For more than 100 years, the fight to include has continued:

In the stuggle to free working people from the oppression of a ruthless economic system that saw women and children worked to death and men born to poverty, live in poverty and die in poverty—in spite of working all the time.

In the continuing fight for civil rights, making Lincoln's promise real.

In the effort to keep the farmer alive.

In the ongoing resistance to preserve religious freedom from the arrogance of the know-nothing and the zealotry of those who would make their religion the State's religion.

In the crusade to make women equal, legally and practically.

Many battles have been won. The embrace of our unity has been gradually but inexorably expanded. But Lincoln's work is not yet done.

A century after Lincoln preached his answer of equality and mutual respect, some discrimination—of class or race or sex or ethnicity—as a bar to full participation in America—still remains.

Unpleasant reminders of less enlightened times, linger. Sometimes they are heard in whispers. At other times they are loud enough to capture the attention of the American people.

I have had my own encounter with this question and I have spoken of it.

Like millions of others, I am privileged to be a first generation American. My mother and father came to this country more than sixty years ago with nothing but their hopes. Without education, skills or wealth.

Through the opportunity given them here to lift themselves through hard work, they were able to raise a family. My mother lived to see her youngest child become chief executive of one of the greatest States in the greatest Nation in the only world we know.

Like millions of other children of immigrants, I know the strength that immigrants can bring. I know the richness of a society that allows us a whole new culture without requiring us to surrender the one our parents were born to. I know the miraculous power of this place that helps people rise up from poverty to security, and even affluence, in the course of a single lifetime. With generations of other children of the immigrants, I know about equality and opportunity and unity, in a special way.

And I know how, from time to time, all this beauty can be challenged by the misguided children of the know nothings, by the shortsighted and the unkind, by contempt that masks itself as humor, by all the casual or conscious bigotry that must keep the American people vigilant.

We heard such voices again recently saying things like, Italians are not politically popular.

Catholics will have a problem.

He has an ethnic problem.

An ethnic problem.

We hear the word again. "Wop."

"We often times refer to people of Italian descent as 'wops'," said one public figure, unabashedly.

Now, given the unbroken string of opportunity and good fortune provided my by this great country, I might simply have ignored these references.

I could easily have let the words pass as inconsequential, especially remembering Lincoln—himself the object of scorn and ridicule.

But the words took on significance because they were heard far beyond my home or my block or even my State.

Because they were heard by others who remembered times of their own when words stung and menaced them and their people.

And because they raised a question about our system of fundamental American values that Lincoln helped construct and died for. Is it true? Are there really so many who have never heard Lincoln's voice, or the sweet sound of reason and fairness? So many who do not understand the beauty and power of this place, that they could make of the tint of your skin, or the sex you were born to or the vowels of your name, an impediment to progress in this land of opportunity?

I believed the answer would be clear. So I asked for it by disputing the voices of division. By saying, "It is not so. It is the voice of ignorance and I challenge you to show me otherwise."

In no time at all the answer has come back from the American people. Everyone saying the same things:

"Of course it's wrong to judge a person by the place where his forbears came from. Of course that would violate all that we stand for, fairness and common sense. It shouldn't even have been brought up. It shouldn't even have been a cause for discussion."

I agree. It should not have been. But it was. And the discussion is now concluded, with the answer I was sure of and the answer I am proud of as an American. The answer Lincoln would have given. "You will rise or fall on your merits as a person and the quality of your work. All else is distraction."

Lincoln believed, with every fibre of his being, that this place, America, could offer a dream to all mankind, different than any other in the annals of history.

More generous, more compassionate, more inclusive.

No one knew better than Lincoln, our sturdiness, the ability of most of us to make it on our own given the chance. But at the same time, no one knew better the idea of family, the idea that unless we helped one another, there were some who would never make it.

One person climbs the ladder of personal ambition, reaches his dream, and then turns—and pulls the ladder up.

Another reaches the place he has sought, turns, and reaches down for the person behind him.

With Lincoln, it was that process of turning and reaching down, that commitment to keep lifting people up the ladder, which defined the American character, stamping us forever with a mission that reached even beyond our borders to embrace the world.

Lincoln's belief in America, in the American people, was broader, deeper, more daring than any other person's of his age—and, perhaps, ours, too.

And this is the near-unbelievable greatness of the man—that with that belief, he not only led us, he created us.

His personal mythology became our national mythology.

It is as if Homer not only chronicled the siege of troy, but conducted the siege as well.

As if Shakespeare set his playwrighting aside to lead the English against the armada.

Because Lincoln embodied his age in his actions and in his words.

Words, even and measured—hurrying across three decades, calling us to our destiny.

Words he prayed, and troubled over—more than a million words in his speeches and writings.

Words that chronicled the search for his own identity as he searched for a nation's indentity.

Words that were, by turns, as chilling as the night sky and as assuring as home.

Words his reason sharpened into steel, and his heart softened into an embrace.

Words filled with all the longings of his soul and of his century.

Words wrung from his private struggle, spun to capture the struggle of a nation.

Words out of his own pain to heal that struggle.

Words of retribution, but never of revenge.

Words that judged, but never condemned.

Words that pleaded, cajoled for the one belief—that the promise must be kept—that the dream must endure and grow, until it embraces everyone.

Words ringing down into the present.

All the hope and the pain of that epic caught, somehow, by his cadences:

The tearing away, the binding together, the leaving behind, the reaching beyond.

As individuals, as a people, we are still reaching up, for a better job, a better education, even for the stars—just as Lincoln did.

But because of Lincoln, we do it in a way that is unique to this world.

What other people on Earth have ever claimed a quality of character that resided not in a way of speaking, dressing, dancing, praying, but in an idea?

What other people on Earth have ever refused to set the definitions of their identity by anything other than that idea?

No, we have not learned quickly or easily that the dream of America endures only so long as we keep faith with the struggle to include. But Lincoln—through his words and his works—has etched that message forever into our consciousness.

Lincoln showed us, for all time, what unites us.

He taught us that we cannot rest until the promise of equality and opportunity embraces every region, every race, every religion, every nationality, . . . and every class. Unit it includes," the penniless beginner" and the "poor man seeking his chance."

In his time, Lincoln saw that as long as one in every seven Americans was enslaved, our identity as a people was hostage to that enslavement.

He faced that injustice. He fought it. He gave his life to see it righted.

Time and again, since then, we have had to face challenges that threatened to divide us.

And time and again, we have conquered them.

We reached out—hesitantly at times, sometimes only after great struggle—but always we reached out—to include impoverished immigrants, the farmer and the factory worker; women, the disabled.

To all those whose only assets were their great expectations, America found ways to meet those expectations—and to create new ones.

Generations of hard-working people moved into the middle class and beyond.

We created a society as open and free as any on Earth.

And we did it Lincoln's way—by founding that society on a belief in the boundless enterprise of the American people.

Always, we have extended the promise. Moving toward the light, toward our declared purpose as a people: "To form a more perfect union," to overcome all that divides us because we believe the ancient wisdom that Lincoln believed—"a house divided against itself cannot stand."

Step by step, our embrace grows wider.

The old bigotries seem to be dying. The old stereotypes and hatreds, that denied so many their full share of an America they helped build, have gradually given way to acceptance, fairness and civility.

But still, great challenges remain.

Suddenly, ominously, a new one has emerged.

In Lincoln's time, one of every seven Americans was a slave.

Today, for all our affluence and might, despite what every day is described as our continuing economic recovery, nearly one in every seven Americans lives in poverty, not in chains—because Lincoln saved us from that—but trapped in a cycle of despair that is its own enslavement.

Today, while so many of us do so well, one of every two minority children is born poor, many of them to be oppressed for a lifetime by inadequate education and the suffocating influence of broken families and social disorientation.

Our identity as a people is hostage to the grim facts of more than 33 million Americans for whom equality and opportunity is not yet an attainable reality, but only an illusion.

Some people look at these statistics and the suffering people behind them, and deny them, pretending instead we are all one great "shining city on a hill."

Lincoln told us for a lifetime—and for all time to come—that there can be no shining city when one in seven of us is denied the promise of the declaration.

He tells us today that we are justly proud of all that we have accomplished, but that for all our progress, for all our achievement, for all that so properly makes us proud, we have no right to rest, content.

Nor justification for turning from the effort, out of fear or lack of confidence.

We have met greater challenges with fewer resources. We have faced greater perils with fewer friends. It would be a desecration of our belief and an act of ingratitude for the good fortune we have had, to end the struggle for inclusion because is is over for some of us.

So, this evening, we come to pay you our respects, Mr. Lincoln.

Not just by recalling your words and revering your memory, which we do humbly and with great pleasure.

This evening, we offer you more, Mr. President—we offer you what you have asked us for, a continuing commitment to live your truth, to go forward painful step by painful step, enlarging the greatness of this Nation with patient confidence in the ultimate justice of the people.

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Because—as you have told us Mr. President—there is no better or equal hope in the world.

Thank you.●

CONGRESSIONAL COALITION ON ADOPTION TO HOLD HEARING

● Mr. HUMPHREY. Mr. President, I would like to announce for the information of the Senate and the public that the Congressional Coalition on Adoption is holding its first public hearing at 2 p.m. on Thursday, April 17, 1986, in room 485 of the Russell Senate Office Building. Witnesses at the hearing will address one of three issues: First, adoption benefits; second, adoption counseling; and third, health care for special needs adoptions. For further information about the hearing, or to receive a detailed witness list as it becomes available, please call Emily Cooke at (202) 224-2841.●

HUMAN RIGHTS IN ROMANIA

● Mr. SIMON. Mr. President, the question of human rights in Romania is an emotional one. Since the Senate Finance Committee hearings last July, seven House and Senate bills have been introduced addressing whether or not we should continue to grant most-favored-nation status to Romania.

In Illinois lives the brother, mother, and father of Dorel Catarama, a Romanian prisoner of conscience serving 14½ years for a crime he claims he didn't commit. Various human rights groups including Amnesty International believe that charges have been falsified. They believe that he is being persecuted for being a Seventh Day Adventist. I agree.

I see no reason that this man cannot be reunited with his family in Chicago. I have repeatedly contacted Ambassador Gavilescu and Romanian Government officials requesting their cooperation in releasing Dorel Catarama. I ask my colleagues to join me in that effort.

We must urge Romania to cooperate in this area. We have an opportunity today through MFN to peacefully negotiate our differences. We have a chance to better understand our respective nations and together move toward improvements in human rights. We should be taking better advantage of this opportunity.●

SMALL BUSINESS TAX REFORM

● Mr. SASSER. Mr. President, small business is the growing, vibrant segment of our economy. As I have repeatedly stressed in the past, it is of critical importance that we address the needs of this economic vanguard in the present tax reform debate. Indeed, we can and should use the tax reform debate to construct a national tax policy which promotes economic growth and simplifies the Tax Code for small business. I have introduced legislation, S. 1130, which seeks to achieve such results. Among the key points of my bill are provisions maintaining direct expensing as a valuable tax tool for small business, maintaining progressive tax rates for small businesses which file as corporations and allowing for continued use of cash accounting for some small businesses.

I am very pleased to note that the initial draft of the Finance Committee's tax reform proposal contains several of my suggestions as well as other provisions which are beneficial to small firms. I believe these sections will go far in stimulating growth and entrepreneurial activity in our small business community.

In the area of direct expensing, present law allows taxpayers to expense up to $5,000 of the cost of personal property that is purchased and used in a trade or business. The administration's tax reform proposal sought to repeal the scheduled increases in this ceiling, leaving the expensing cap at $5,000.

I testified before the Finance Committee that this figure was simply too low to provide much of an incentive to small business. I urged that this low ceiling be rejected and that we increase the direct expensing ceiling to provide a significant incentive for investment activity in our small business community. Moreover, I stressed the importance of direct expensing in achieving tax simplification. As noted in the administration's own proposal, "for smaller businesses, expensing eliminates or reduces the recordkeeping and computational burdens of recovering an asset's cost over a number of years."

I am pleased to note that the Finance Committee has thus far agreed with this logic. The committee draft provides for a $50,000 ceiling for direct expensing.

My proposal also did not agree with the administration's plan to all but eliminate the availability of cash accounting. Rather, my bill allowed for greater use of cash accounting. The Finance Committee has disagreed with the administration on this important point as well. The committee proposal permits the continued use of cash accounting to certain firms with gross receipts of $5 million or less.

There are other provisions in the Finance Committee package which are beneficial to small business. Language pertaining to small business participating debentures and LIFO accounting rules are important small business concerns.

But there are some areas of concern which remain to be addressed. In the area of graduated rates for corporate taxpayers, the Finance Committee proposal provides for three tax brackets for corporations, 15, 25, and 35 percent. My proposal goes one step further and provides a tax break for the smallest of the small firms. I am troubled that our smallest corporate taxpayers are the only group which will not receive a tax break in this tax reform proposal.

In addition, consideration of this tax reform package should be used to extend coverage of the Regulatory Flexibility Act to the Internal Revenue Service. As many of my colleagues know, the Regulatory Flexibility Act is designed to insure that Federal regulation is imposed on small business only to the degree necessary to meet the statutory mandates of legislation. As any small business owner can tell you, the rules which have the greatest impact on small business are issued by the Internal Revenue Service. Unfortunately, the IRS has managed to evade complying with this act in most cases. My legislation calls for extending the Regulatory Flexibility Act to the IRS and I believe the tax reform debate provides an excellent opportunity to take this important step.

Mr. President, I have raised these concerns in the past and will continue to do so in the days ahead. My point is simple enough. Meaningful tax reform must extend to that segment of the business community which is our greatest job generator and leading innovator, small business. I believe the Finance Committee has taken great strides to ensure that the tax concerns of small business are addressed in this debate and I commend the committee's action.●

UNITED STATES ASSISTANCE TO GUATEMALA

● Mr. SIMON. Mr. President, Senator HATFIELD and I recently sent a letter to President Cerezo of Guatemala commending action that he has taken to initiate reorganization and discipline of the security forces in Guatemala. Senator HATFIELD has also written an excellent editorial in the New York Times which stresses that our approach ought to be an economic and developmental one as opposed to a military route with respect to our aid to Guatemala. I fully agree with him and I ask that his article be printed in the RECORD.

The article follows:

[From the New York Times, Jan. 16, 1986]

AID GUATEMALA DOESN'T NEED

(By Mark O. Hatfield)

WASHINGTON.—Those who want to see what transition to democracy in Guatemala looks like can begin by looking at the body of Beatriz Eugeni Barrios. Her face bears the marks of torture. Her hands rest on her stomach, her wrists severed. On her chest is carved in ballpoint pen the message, "More is to come."

Beatriz Barrios was alive and going about her own business on election night when the President-elect, Marco Vinicio Cerezo Arévalo, stood triumphantly before a throng of admirers and supporters and pledged his unconditional support to an abrupt end to the terrorism that has made Guatemala the world's garden spot of human rights violations.

In the grand ballroom of the Camino Real Hotel in Guatemala City, Mr. Cerezo, himself the victim of several assassination attempts, embodied the hope of his people that the military would return to its barracks and that this long, bloodstained chapter in Guatemala's history would be over.

But the election celebrations had barely ended when—the timing was coincidental—Beatriz Barrios was snatched from the streets of Guatemala City on the morning of Dec. 10 by four heavily armed men. She was traveling by taxi, making last-minute preparations for her departure to Canada. Weeks earlier, the Canadian Government had learned of threats against her life and had swiftly granted her refugee status, a status it denies subversives, guerrillas or criminals.

An elementary school teacher and mother of two small boys, she was an unlikely candidate for persecution. So a frantic search for her ensued. But on the afternoon of Dec. 13, the discovery of her mutilated corpse served notice to the rest of the world that elections in themselves do not usher in democracies.

Vinicio Cerezo's Presidency has raised such high hopes in Washington that it appears all systems are go for the resumption of military aid to Guatemala. Citing the Salvadoran model as if it has succeeded, many in Congress will be tempted to put Guatemala on what has come to be regarded as the fast track toward democratic reform.

It surely won't be long before Congress will be asked to send the Guatemalans spare parts for helicopters, training for the military, which supposedly wants to step aside for a civilian Government but needs to learn how, and some lavish economic support funds made necessary by accelerating capital flight and dubious Guatemalan business practices.

Vinicio Cerezo's integrity and competence are refreshing and unquestioned. If the United States really wants to help him, then it will have to consider precisely what resources he needs to nurture an infant democracy. Sending money to feed a military machine would be inexcusable in light of Beatriz Barrios's tragedy and the thousands before her that have not led to one solitary conviction of even a foot soldier.

Vinicio Cerezo inherits enough problems, foremost of which is an economy teetering on collapse. The United States should provide generous assistance that meets the basic human needs of the Guatemalan people. Any other economic aid should be conditioned on progress in human rights and meaningful judicial reform.

The United States can best help Vinicio Cerezo by withholding all military assistance to Guatemala until the regular military, the security forces, the paramilitary forces and the special police become accountable to their new President, and to the civilians whom they serve.

To do otherwise is to succumb to the unforgiveable naiveté that the military network that perpetuated a systematic torture of suspected adversaries has somehow magically "disappeared"—like so many thousands of Guatemalan citizens.●

PRESS FREEDOM IN LATIN AMERICA

● Mr. LEVIN. Mr. President, a strong and free press is essential to the establishment and maintenance of democratic institutions and freedom. Yet, despite the encouraging trend toward democracy in Latin America, journalism remains widely restricted throughout much of the hemisphere. In his introduction to the third annual "Survey of Press Freedom in Latin America," compiled jointly by the Council on Hemispheric Affairs [COHA] and the Newspaper Guild [AFL-CIO] and released last August, Charles A. Perlik, Jr., Newspaper Guild president and former chairman of COHA's board of directors, provides an overview of the ways in which the flow of information is restricted.

Freedom and democracy flourishes where there are open societies which afford their people political, social, and economic justice. On this day, as the Senate addresses the question of military aid to the Contras, we should consider the indispensable contributions made by a free press to democracy and freedom throughout Latin America. As we seek to find the best way to ensure the victory of freedom in Central America, it is appropriate that we consider the place a free press can play in this effort. A free and strong press throughout our hemisphere will help ensure that repression will not prevail.

The introduction follows:

The annual report on freedom of the press in Latin America by the Council on Hemispheric Affairs (COHA) and the Newspaper Guild (AFL-CIO, CLC) is, happily, after only three years, an established tradition. The working press in North America and Europe has expressed its enthusiasm to us for this effort to closely examine the conditions under which their colleagues throughout Latin America pursue the difficult and often dangerous task of reporting news in a professional manner.

With an increasing focus on the numerous crises in the region and a growing corps of foreign correspondents constantly present in Central America and elsewhere in the hemisphere, there exists an increased sensitivity to the notion that press freedoms in Latin America are an international concern. It can be said that Latin America has become a growth industry for U.S. journalism. No area in the world has seen more new bureaus being opened up by U.S. news organizations than the Western Hemisphere. Major newspapers like the Miami Herald, the New York Times, the Washington Post and the Los Angeles Times are expanding their operations in the area, while regional newspapers in all sections of the country are either launching Latin American bureaus for the first time or sending their reporters on extensive assignments in various area hot spots. Never before have we had such a well-trained and region-wise press corps working Latin America as we do today.

Our research shows, unfortunately, that as reporting by the foreign press increases in the region, the practice of journalism continues to remain an extremely hazardous activity for the local press despite decided overall improvements in the hemisphere throughout 1984 and the first half of 1985. Democratization, the watchword in Southern Cone countries such as Argentina, Brazil and Uruguay, has put an end to the iron hand of brutal military regimes that stifled the most elementary of freedoms, that of life, let alone free expression. Yet in many countries in Latin America, thorough and faithful reporting is rewarded by firings, beatings, jail and, too often, death. Cuba's slight improvements are still too small to overshadow the government's total control of the news media. Because of what is happening to newspaper people and their publications, the nightmare countries in today's Latin America are Chile and Paraguay, closely followed by reprehensible conditions existing in Guatemala, El Salvador, Haiti, Honduras and Guyana.

Overt censorship, while the most visible form of control of the press, is by no means the only form of repression of journalists. Information is also subtly restricted in the region without fanfare through means seldom subject to public scrutiny and which may even be overlooked by diligent foreign observers. Economic reprisals and incentives top the list of the quieter gags on reporters and editors alike.

Woefully underpaid in Latin America, journalists are often vulnerable to bribes. In most Latin American countries, advertising revenue from government sources is too large a source of income to risk losing for however worthy a story. Most Latin American editors and publishers are also subject to officially controlled licensing—a spreading trend that ultimately can be used by unprincipled regimes to gag courageous journalists who insist on telling the truth even if it negatively affects people in high places. Newspapers frequently face government controls on newsprint and broadcasting equipment that, in most cases, must be imported, giving government officials the means to squeeze news organizations by denying supplies or import licenses. Journalists constantly receive telephone calls from the appropriate government officials, which often enough is the vehicle for consigning a story to the spike.

The regimes of Gen. Augusto Pinochet in Chile and Gen. Alfredo Stroessner in Paraguay are today unquestionably the worst offenders against the press in the hemisphere. Like the heartless former Uruguayan and Argentine military juntas before them, both regimes face an increasingly vocal opposition, spurred by the restoration of democracy in recent years in Bolivia, Peru, Argentina, Uruguay and Brazil. As a result, repression of all aspects of civil life in both Chile and Paraguay has reached unprecedented levels. Indeed, they exhibit signs of a painful paradox; as the iron grip of Gens. Pinochet and Stroessner begins to slip; the dictators call out every means at their disposal to quell their countries' democratic forces and, in the process, muzzle the press, often eliminating publications altogether.

In Chile, as in the last year of military dictatorship in Uruguay, the government has banned all mention of the opposition's actions, including massive acts of protest evident to even the most uninformed observer. All media that offer an alternative to the tightly supervised major press, including magazines and courageous radio stations, have simply been closed by decree. Journalists complain that a veritable reign of terror, characterized by continually shifting guidelines on what may and may not be printed or broadcast, has created a deathly

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chill on the conduct of their work. Such measures had not been taken since the September 1973 coup, when upwards of 11,000 citizens, including many journalists, were murdered and the press was forced into utter silence. In late June the ban against the dissident press was formally lifted, but the authorities are using other means to muzzle their opponents.

The regime of Paraguayan dictator Stroessner, who has held all but absolute control of the country's life since 1954, moved with vindictiveness to extinguish the sole surviving vehicle of admittedly self-censored but courageous independent reporting, ABC Color. Following the paper's coverage of statements by civilian leaders of the dissident Movimiento Popular Colorado (MOPOCO), the government closed down the paper and then proceeded to move against every other publication owned by Aldo Zucolillo's Azeta publishing house—including sports and children's magazines. The move has been widely interpreted as a personal vendetta against the remarkable Zucolillo, who throughout the past three decades has steadfastly remained a thorn in the general's side. At this writing, neither ABC Color nor Azeta's other publications have reappeared.

Events in Paraguay have attracted attention in the U.S. Congress and also the State Department, which has chosen to make the Stroessner regime a rare, if muted, showcase example of its alleged concern for human rights in Latin America, although it has consistently ignored evidence of human-rights violations in regimes that the Reagan Administration considers to be its allies. Even so, the State Department's newly formed Office for Combating Terrorism until recently had the temerity to list MOPOCO, whose doughty leaders were in exile in Argentine from 1959 to 1984, among terrorist groups. This nomenclature hardly fits the dissident faction of Stroessner's Colorado Party, which represents the germ plasm of democracy in that country.

A word also must be said about the continuing effects of the Central American crisis on the press. Clearly, in El Salvador only the semblance of democracy, but not its substance, is in place. Reporting there is still a hazardous activity, as our survey shows. The Reagan Administration has also undertaken to assiduously pressure the peaceful but now rapidly deteriorating democracy of Costa Rica to become involved in its Central American strategy. Even though the country abolished its armed forces in 1948, Washington is providing military aid and arranged for a Voice of America broadcasting facility that was opened in the northern part of the country.

Last but certainly not least, COHA and TNG remain concerned about the developing tensions between the government and the dissident press in Nicaragua. The jury is still out on the extent to which the leading opposition paper, La Prensa, has contributed to the hostility with which it is has been treated by the government. Certainly there is ample evidence that former Editor Pedro Joaquin Chamorro, Jr., the son of an ardent Somoza opponent murdered by the dictator's regime and a relative of the editors of the two progovernment papers, has been one of the main opposition forces in the country against Sandinista rule. Since 1982, when Nicaragua implemented press censorship, La Prensa has been closed twice by the government, and on 32 occasions the editors halted publication in protest against censorship.

While many foreign journalists feel that La Prensa has not conducted itself in an entirely ethical manner and frequently engages in shabby journalism, it seems to us that the real question is whether the government can display sufficient judgment and toleration to let the marketplace of ideas rather than the heavy hand of censorship; determine the newspaper's fate.

Our survey demonstrates that despite notable improvements, particularly in the Southern Cone countries, freedom of the press is still a distant ideal in many Latin American nations. We hope that our efforts to bring to light the abuses still prevalent in the region will bring that ideal closer to realization.

Charles A. Perlik, Jr.,
President,
The Newspaper Guild (AFL-CIO, CLC).●

TRANSPORTATION TRUST FUNDS AND THE BUDGET DEFICITS

● Mr. SYMMS. Mr. President, State transportation officials, highway users, highway construction contractors, and airport users across the Nation have written to me regarding the transportation trust funds. All of them concur with my view that the trust funds should be exempted from Gramm-Rudman-Hollings budget cuts.

One of the letter writers is Dean Tisdale, director of the transportation department in my State of Idaho. Dean makes some poignant comments about the nature of user-financed programs and their place in the Federal budget. I urge my colleagues to take a few moments to read Dean's letter because I believe it may make a significant contribution to our consideration of this important issue.

Mr. President, I ask that Director Tisdale's letter be printed in the Record.

The letter follows:

State of Idaho
Transportation Department,
Boise, ID, January 24, 1986.

Re Removal of Transportation Trust Funds from the Unified Federal Budget.

Hon. Steven D. Symms,
U.S. Senate,
Washington, DC.

Dear Senator Symms: A proposal by the Public Works and Transportation Subcommittee for the subject action was defeated in the House last October. The close vote (222 to 205) suggests that such a proposal deserves additional careful consideration. This Department strongly supports removal of the highway, airways and transit trust funds from the Unified Federal Budget.

President Reagan, in his recently televised press conference, said, in response to one question on Social Security, "I have never thought that Social Security plays a part in the deficit. It doesn't because Social Security is supported by its own tax and that tax can't be used for anything else. So it's playing games to pretend that Social Security is a part of the budget and can affect the deficit. As a matter of fact, a previous President put it in the budget only because the bookkeeping in ink would look like the deficit was smaller if you could count as an asset the Social Security tax. Well, I think that's not playing fair with the people so we've taken it out."

We believe the same logic applies equally to self-financed trust funds for these reasons:

1. They are self-supporting from user fees which did not contribute to the budget deficit. The dedicated funds cannot be used for purposes other than transportation improvements as provided by law.

2. By law, these trust funds are deficit-proof. Since the programs cannot spend out more than they take in, they operate under a de facto balanced budget.

3. Reductions in trust funded programs do not truly help the deficit since borrowing from these trust funds requires repayment of interest and merely shifts external debt to internal debt. The budget reductions are therefore illusory and misleading to the public as stated by President Reagan.

4. The programs they finance are subject to the same degree of scrutiny as appropriations acts and can be relied upon to provide the same degree of fiscal restraint as is provided by appropriations acts in the case of general fund programs.

5. If all federal programs worked as well as the proven Transportation Trust Funds, we wouldn't be faced with a deficit.

We are concerned that Western States may bear a disproportionate share of budget reduction under Gramm-Rudman—especially states such as Idaho with sparse populations and large public land holdings. The estimated reduction caused by the Gramm-Rudman-Hollings Act on Idaho's federal highway funding alone is $4 million in FY 1986 and could be as high as $28 million by FY 1987.

It is my understanding that removal of transportation trust funds from the budget will likely be included in congressional deliberations for reauthorization of transportation bills in the coming months. Your support of those efforts should be greatly appreciated by Idaho transportation users, which includes just about everyone in the State.

Sincerely,

E. Dean Tisdale,
Director.●

CONGRESSIONAL CALL TO CONSCIENCE

● Mr. ROCKEFELLER. Mr. President, today, in recognition of the plight of Soviet Jewry, I am pleased to take part in the congressional call to conscience vigil. The recent release of Anatoly Scharansky has given us hope and encouragement in our efforts to secure the freedom of those who are forced to remain in the Soviet Union against their will. We must remember, however, that his release is only one victory in a continuing struggle. As long as Soviet Jews are subjected to religious persecution and denied the right to emigrate, our celebration must be brief and our determination unending. We cannot be appeased by limited concessions while thousands are denied their basic human rights. Mr. Scharansky's release must only strengthen our resolve to continue our efforts in defense of human rights.

The need for our support of Soviet Jewry has never been more vital. Emigration has slowed to a trickle while incidents of harrassment and abuse are on the rise. The case of Nadezhda Fradkova vividly portrays the plight of Soviet Jewry today. She first applied for emigration in 1978 only to be denied because of her father's "access to state secrets." The cruel irony is that she has never seen her father. Her parents were divorced when she was an infant.

Fradkova has launched periodic hunger strikes to protest the Soviet Government's refusal to grant permission to emigrate. Her efforts to date have brought only increased harrassment and hardship. With each hunger strike she has been placed in a psychiatric hospital and in some instances subjected to massive dosages of drugs leaving her paralyzed and semiconscious. Cruel irony surfaced in her life once again in May of 1984 when she was taken directly from a mental hospital and charged with "parasitism." This allegation made no mention of the fact that the charge against her refers to a time when she was forcibly detained in a psychiatric hospital and obviously unable to work. Currently, she is serving a 2-year sentence in a labor camp. No word has been received from her since she was imprisoned.

It is difficult for us to imagine what life must be like in a country where the government has such little regard for human rights. Often, in our own country, we tend to take these rights for granted, forgetting how truly precious and vulnerable they are. The reality of life for Fradkova and the rest of the Jewish minority trapped in the Soviet Union is a painful reminder that human rights abuses do exist. We in the free world have an obligation to pressure the Soviets to end their inhumane policies of persecution and restricted emigration. Our commitment to human rights must not be doubted. We cannot rest until all Soviet "prisoners of conscience" are granted the full rights guaranteed them by the Helsinki Final Act.●

THE KLAN THAT TRIED TO STEAL CHRISTMAS

● Mr. SIMON. Mr. President, there is a fair amount of bad news, disturbing news, but every once in awhile, things happen that are encouraging. The developments in the Philippines constitute such an experience.

But I picked up in the Christian Century magazine a story about the small community in Commerce, GA, with a population of 4,092, that is one of those heartwarming stories. It is a story about "The Klan That Tried to Steal Christmas."

The story is written by Rev. Blake Breitenhirt, Jr., the pastor of the town's Presbyterian Church.

I believe my colleagues will enjoy it, and I submit it for the Record.

The article follows:

The Klan That Tried To Steal Christmas

Commerce, GA.—It started out as but a small-town parade. As is the custom in this community, a Christmas parade is organized each year to mark the beginning of what is called the "Christmas buying season."

The parade attracts many groups: local churches have floats, usually depicting a religious theme; various Scout organizations are represented; bands from the area's schools play the familiar music of Christmas; and at the end of the parade, one of the city's firetrucks comes down the street—siren blaring and lights flashing—carrying Santa Claus, who dispenses candy to all those present.

But such was not to be the case in 1985. For, in a wonderful sentence from an Atlanta Constitution editorial, "Enter the damned Klan."

A Saturday walk to the post office with our six-year old daughter had been interrupted this past summer when she suddenly asked, "Daddy, who are those people in those funny white clothes?" There they were: white-robed, wizard-capped citizens on the public streets. I had read of the Ku Klux Klan in history books, but here we were, actually seeing them, gathered in front of the only local store owned and operated by a Jew.

As kindly and as accurately as possible, I sought to explain to Elizabeth who the people were and what they believed. It was, all in all, a revolting way to start one's day. And it was miserable trying to explain it all to a young child who counts a number of black people among her friends.

The Klan members appeared again and again throughout the summer and into the fall. Then when they called a rally and a grand total of six people gathered to listen to their expostulations, some of us believed—and hoped—that Commerce would be spared any further appearances.

But such was not to be the case. The Klan asked for permission to hold a parade. When the city council denied the request, Klan members attended a council meeting to exchange threats with council members.

One of the few happy incidents surrounding the Klan's presence occurred during the Klan's first appearance. Through an inspired directive by local authorities, all of our town's black police officers were assigned to direct traffic around the impediment created by the Klan's presence. Black deputy sheriffs joined them in protecting the racists. What a splended announcement of the town's views!

We should note that the Klan members who demonstrated in our community came from other counties. The Georgia Bureau of Investigation and other law-enforcing groups monitored events closely and concluded that the cars whose license plates they photographed were predominatly from a metropolitan Atlanta county and another nearby county with a small city.

As the time for the Christmas parade approached, the Klan requested permission to be in the parade. It was rumored that this group's float would depict the theme "Wishing You a White Christmas." Though concern was voiced over the prospect of the Klan in the parade, various authorities ruled that there was no way legally to prevent the organization from participating along with others.

Meanwhile, those preparing groups and floats for the parade began receiving telephone calls from parents of black children who were understandably concerned over the safety of their children who were to participate in the parade—a concern shared by some of us white parents. Because of the tensions in the community and council members' sense of responsibility for the security of all local citizens, the council reluctantly canceled the parade. Floats that had been constructed before the decision were torn apart. Children were disappointed; adults were bitter toward the Klan.

It then came to pass that the mayor called a meeting of all the town's ministers. Plans immediately began falling into place for a Commerce Community Christmas Celebration. The largest local church, First Baptist, offered to host the celebration; the Presbyterians took on musical matters; a black Baptist minister agreed to preach. Publicity began circulating by the next morning.

On Monday evening, December 23, Commerce celebrated. It has been written elsewhere of the service that "the singing and speaking went better than well." From the choir's first notes, it became obvious that this was to be a joyful service. A choir, made up of representatives of at least seven churches, was led by the Presbyterian church's choir director. The entire congregation sang with uncommon vigor, and the organist and the pianist from the host Baptist church played their instruments with joy.

"The Birth of a Belief" was the sermon title—and a dynamic statement it was. Without ever mentioning the Klan, Leroy Doe nevertheless used recent events in our community's life to help us understand the birth of our Lord. "This got started out of adversity," he said, "but it came together out of love." His hermeneutics was admirable, his testimony estimable and his delivery powerful.

About 40 per cent of those present were black. All members of the city council came. Both black and white ministers led in various parts of the service.

The news media converged. Each of the three major networks was represented by its Atlanta affiliate, and several newspapers sent reporters and photographers. At first, these people simply tended to their duties. But as the service progressed, a change came over them: they were singing as vigorously as anyone in the church, obviously caught up in the service. Indeed, one of them was moved to tears. Wire service and national radio networks carried stories about Commerce, a town with 4,092 souls, nestled in the piedmont section of northeast Georgia.

And so a different kind of Christmas came to Commerce in 1985. No, the children didn't have the opportunity of being in a parade. And no, we didn't line up beside our town's main street to welcome the "Christmas buying season." But yes, Santa Claus did come to the front lawn of First Baptist Church after our special Christmas celebration. And yes, the glory of the Lord somehow shone around us as we—black and white—worshiped, as our black council member said, "in peace, in spirit and together."—Blake Breitenhirt, Jr.●

FESTIVAL OF PURIM

● Mr. MOYNIHAN. Mr. President, Jewish people throughout the world have just celebrated the happy festival of Purim. This holiday commemorates the failure of the evil Haman's plans to liquidate the Jews of Ancient

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Persia. Haman was an Amelekite, a people of antiquity whose national identity long ago disappeared, yet Haman's intended victims not only survived his intended genocide, but they continue to flourish 2½ millenia later.

I recalled this historic irony recently when I had the pleasure of visiting the K'hal Adath Jeshurun community of Washington Heights in upper Manhattan. This community is a virtual replica of the magnificent Jewish Kehilla of Frankfurt, Germany that the Nazi Hamans sought to annihilate. I visited this community's beautiful school, Yeshiva Rabbi Samson Raphael Hirsch. In the front lobby of the high school building hangs a plaque in German—the plaque from their original school that the Nazis destroyed in 1940. This plaque was found in a heap of rubble after the Second World War by the school's principal—Rabbi Jacob Breuer, whose father Rabbi Dr. Joseph Breuer was the prime architect of this community's miraculous rebirth in the Washington Heights neighborhood. Haman is gone, Hitler is gone. The children of Yeshiva Rabbi Samson Raphael Hirsch continue to learn the Torah value that these evil men sought to destroy.

My colleagues in the Senate may have heard of Rabbi Samson Raphael Hirsch. He created the intellectual framework that permitted Western European Jews to participate in the secular world while remaining loyal to the full range of religious traditions. Rabbi Hirsch was already a renowned author and a member of the Austrian Parliament when he was summoned by the struggling traditional Jews of Frankfurt to become their Rabbi in 1850. He founded K'hal Adath Jeshurun or community of the faithful of Jershurun, a Biblical synonym for the Jewish people. He founded the first schools in modern Jewish history that taught traditional Torah studies in a secular language. Commentary magazine conducted a survey on the state of Jewish belief in 1965. Virtually all of the Orthodox respondents based their responses on Rabbi Hirsch's writings.

After Rabbi Hirsch's death in 1888 his community, or "kehilla", grew and prospered under the leadership of his son-in-law Rabbi Salomon Breuer and grandson, Rabbi Dr. Jospeh Breuer (1882–1980). In 1939 Dr. Breuer escaped from Nazi Europe and began to rebuild the kehilla in Washington Heights, the home of the largest community of German-Jewish refugees. This unique community includes a synagogue—modeled after the one destroyed by the Nazis, the Samson Raphael Hirsch elementary and high schools—with 800 students, a Rabbinic college and teachers seminary for women, bakeries, butchershops, cemeteries, kosher food stores and restaurants, a ritualarium and social service agencies.

The kehill's first president in America was Dr. Raphael Moeller, whose daughter Elisabeth Wurzburger is executive director of the Washington Heights Jewish Community Council, which has done so much for that neighborhood. Dr. Moeller was succeeded after his death in 1980 by Edwin Katzenstein, a local businessman. The kehilla called Rabbin Simon Schwab from Baltimore in 1958 to assist Dr. Joseph Breuer as Associate Rabbi. He now heads the kehilla. Rabbi Schwab held a pulpit in Bavaria before the Second World War and is one of the last surviving links with prewar German Jewish Rabbinic leadership.

I visited several classes in the Yeshiva and was particularly moved by the gracious welcome that I received from an 11th grade student, Malka Leah Kramer of Yonkers. I ask to place Ms. Kramer's remarks in the RECORD.

The remarks follow:

REMARKS OF MALKA LEAH KRAMER ON BEHALF OF THE YESHIVA RABBI SAMSON RAPHAEL HIRSCH GIRL'S HIGH SCHOOL

Tomorrow night we begin our celebration of the holiday of Purim. We will rejoice in recalling how, with God's help, our people were saved from a tyrant's decree in far off Persia long ago.

Now we are blessed to be living in a country that our Torah sages refer to as a "Medina shel Chesed"—a land of loving kindness. The freedoms that are precious to all Americans are especially precious to us Jews—because our people remember what can happen when "good men do nothing" and tyrants rule.

These freedoms are ever guarded by the many vigilant individuals who serve in the Congress of the United States. These elected officials are true friends of Israel and of the Jewish people because they are American patriots—and, as such, are defenders of liberty and democracy and enemies of prejudice and hatred.

It is my very great honor to express our appreciation to the Congress of the United States and to introduce the Senior Senator from the State of New York—the Honorable Daniel Patrick Moynihan.●

RULES OF COMMITTEE ON FINANCE

● Mr. PACKWOOD. Mr. President, I submit for the RECORD a copy of the Rules of Procedure for the Committee on Finance, which were adopted by the Committee on February 7, 1985, for the use of the committee during the 99th Congress.

The rules follow:

RULES OF PROCEDURE OF THE COMMITTEE ON FINANCE

I. RULES OF PROCEDURE

(Adopted February 7, 1985)

Rule 1. *Regular Meeting Days.*—The regular meeting day of the committee shall be the second and fourth Tuesday of each month, except that if there be no business before the committee the regular meeting shall be omitted.

Rule 2. *Committee Meetings.*—(a) Except as provided by paragraph 3 of Rule XXVI of the Standing Rules of the Senate (relating to special meetings called by a majority of the committee) and subsection (b) of this rule, committee meetings, for the conduct of business, for the purpose of holding hearings, or for any other purpose, shall be called by the chairman. Members will be notified of committee meetings at least 48 hours in advance, unless the chairman determines that an emergency situation requires a meeting on shorter notice. The notification will include a written agenda together with materials prepared by the staff relating to that agenda. After the agenda for a committee meeting is published and distributed, no nongermane items may be brought up during that meeting unless at least two-thirds of the members present agree to consider those items.

(b) In the absence of the chairman, meetings of the committee may be called by the ranking majority member of the committee who is present, provided authority to call meetings has been delegated to such member by the chairman.

Rule 3. *Presiding Officer.*—(a) The chairman shall preside at all meetings and hearings of the committee except that in his absence at the meeting shall preside.

(b) Notwithstanding the rule prescribed by subsection (a) any member of the committee may preside over the conduct of a hearing.

Rule 4. *Quorums.*—(a) Except as provided in subsections (b) and (c) seven members, including not less than one member of the majority party and one member of the minority party, shall constitute a quorum for the conduct of business.

(b) Notwithstanding the rule prescribed by subsection (a), one member shall constitute a quorum for the purpose of conducting a hearing.

(c) Once a quorum as prescribed by subsection (a) has been established for the conduct of business in executive session, the committee may continue to conduct business so long as five or more members are present, including not less than one member of the majority party and one member of the minority party.

Rule 5. *Reporting of Measures or Recommendations.*—No measure or recommendation shall be reported from the committee unless a majority of the committee is actually present and a majority of those present concur.

Rule 6. *Proxy Voting; Polling.*—(a) Except as provided by paragraph 8(a)(3) of Rule XXVI of the Standing Rules of the Senate (relating to limitation on use of proxy voting to report a measure or matter), members who are unable to be present may have their vote recorded by proxy.

(b) At the discretion of the committee, members who are unable to be present and whose vote has not been cast by proxy may be polled for the purpose of recording their vote on any rollcall taken by the committee.

Rule 7. *Order of Motions.*—When several motions are before the committee dealing with related or overlapping matters, the chairman may specify the order in which the motions shall be voted upon.

Rule 8. *Bringing a Matter to a Vote.*—If the chairman determines that a motion or amendment has been adequately debated, he may call for a vote on such motion or amendment, and the vote shall then be taken, unless the committee votes to continue debate on such motion or amendment, as the case may be. The vote on a motion to

continue debate on any motion or amendment shall be taken without debate.

Rule 9. *Public Announcement of Committee Votes.*—Pursuant to paragraph 7(b) of Rule XXVI of the Standing Rules of the Senate (relating to public announcement of votes), the results of rollcall votes taken by the committee on any measure (or amendment thereto) or matter shall be announced publicly not later than the day on which such measure or matter is ordered reported from the committee.

Rule 10. *Subpoenas.*—Subpoenas for attendance of witnesses and the production of memoranda, documents, and records shall be issued by the chairman, or by any other member of the committee designated by him.

Rule 11. *Open Committee Hearings.*—To the extent required by paragraph 5 of Rule XXVI of the Standing Rules of the Senate (relating to limitations on open hearings), each hearing conducted by the committee shall be open to the public.

Rule 12. *Announcement of Hearings.*—The committee shall undertake consistent with the provisions of paragraph 4(a) of Rule XXVI of the Standing Rules of the Senate (relating to public notice of committee hearings) to issue public announcements of hearings it intends to hold at least one week prior to the commencement of such hearings.

Rule 13. *Witnesses at Hearings.*—(a) Each witness who is scheduled to testify at any hearing must submit his written testimony to the staff director not later than noon of the last business day preceding the day on which he is scheduled to appear. Such written testimony shall be accompanied by a brief summary of the principal points covered in the written testimony. Having submitted his written testimony, the witness shall be allowed not more than ten minutes for oral presentation of his statement.

(b) Witnesses may not read their entire written testimony, but must confine their oral presentation to a summarization of their arguments.

(c) Witnesses shall observe proper standards of dignity, decorum and propriety while presenting their views to the committee. Any witness who violates this rule shall be dismissed, and his testimony (both oral and written) shall not appear in the record of the hearing.

(d) In scheduling witnesses for hearings, the staff shall attempt to schedule witnesses so as to attain a balance of views early in the hearings. Every member of the committee may designate witnesses who will appear before the committee to testify. To the extent that a witness designated by a member cannot be scheduled to testify during the time set aside for the hearing, a special time will be set aside for that witness to testify if the member designating that witness is available at that time to chair the hearing.

Rule 14. *Audiences.*—Persons admitted into the audience for open hearings of the committee shall conduct themselves with the dignity, decorum, courtesy and propriety traditionally observed by the Senate. demonstrations of approval or disapproval of any statement or act by any member or witness are not allowed. Persons creating confusion or distractions or otherwise disrupting the orderly proceeding of the hearing shall be expelled from the hearing.

Rule 15. *Broadcasting of Hearings.*—(a) Broadcasting of open hearings by television or radio coverage shall be allowed upon approval by the chairman of a request filed with the staff director not later than noon of the day before the day on which such coverage is desired.

(b) If such approval is granted, broadcasting coverage of the hearing shall be conducted unobtrusively and in accordance with the standards of dignity, propriety, courtesy and decorum traditionally observed by the Senate.

(c) Equipment necessary for coverage by television and radio media shall not be installed, or removed from, the hearing room while the committee is in session.

(d) Additional lighting may be installed in the hearing room by the media in order to raise the ambient lighting level to the lowest level necessary to provide adequate television coverage of the hearing at the then current state of the art of television coverage.

(e) The additional lighting authorized by subsection (d) of this rule shall not be directed into the eyes of any members of the committee or of any witness, and at the request of any such member or witness, offending lighting shall be extinguished.

(f) No witness shall be required to be photographed at any hearing or to give testimony while the broadcasting (or coverage) of that hearing is being conducted. At the request of any such witness who does not wish to be subjected to radio or television coverage, all equipment used for coverage shall be turned off.

Rule 16. *Subcommittees.*—(a) The chairman, subject to the approval of the committee, shall appoint legislative subcommittees. All legislation shall be kept on the full committee calendar unless a majority of the members present and voting agree to refer specific legislation to an appropriate subcommittee.

(b) The chairman may limit the period during which House-passed legislation referred to a subcommittee under paragraph (a) will remain in that subcommittee. At the end of that period, the legislation will be restored to the full committee calendar. The period referred to in the preceding sentences should be 6 weeks, but may be extended in the event that adjournment or a long recess is imminent.

(c) All decisions of the chairman are subject to approval or modification by a majority vote of the committee.

(d) The full committee may at any time by majority vote of those members present discharge a subcommittee from further consideration of a specific piece of legislation.

(e) Because the Senate is constitutionally prohibited from passing revenue legislation originating in the Senate, subcommittees may mark up legislation originating in the Senate and referred to them under Rule 16(a) to develop specific proposals for full committee consideration but may not report such legislation to the full committee. The preceding sentence does not apply to nonrevenue legislation originating in the Senate.

(f) The chairman and ranking minority members shall serve as nonvoting *ex officio* members of the subcommittees on which they do not serve as voting members.

(g) Any member of the committee may attend hearings held by any subcommittee and question witnesses testifying before that subcommittee.

(h) Subcommittee meeting times shall be coordinated by the staff director to insure that—

(1) no subcommittee meeting will be held when the committee is in executive session, except by unanimous consent;

(2) no more than one subcommittee will meet when the full committee is holding hearings; and

(3) not more than two subcommittees will meet at the same time.

Notwithstanding paragraphs (2) and (3), a subcommittee may meet when the full committee is holding hearings and two subcommittees may meet at the same time only upon the approval of the chairman and the ranking minority member of the committee and subcommittees involved.

(i) All nominations shall be considered by the full committee.

(j) The chairman will attempt to schedule reasonably frequent meetings of the full committee to permit consideration of legislation reported favorably to the committee by the subcommittees.

Rule 17. *Transcripts of Committee Meetings.*—An accurate record shall be kept of all markups of the committee, whether they be open or closed to the public. This record, marked as "uncorrected," shall be available for inspection by Members of the Senate, or members of the committee together with their staffs, at any time. This record shall not be published or made public in any way except:

(a) By majority vote of the committee after all members of the committee have had a reasonable opportunity to correct their remarks for grammatical errors or to accurately reflect statements made.

(b) Any member may release his own remarks made in any markup of the committee provided that every member or witness whose remarks are contained in the released portion is given a reasonable opportunity before release to correct their remarks.

Notwithstanding the above, in the case of the record of an executive session of the committee that is closed to the public pursuant to Rule XXVI of the Standing Rules of the Senate, the record shall not be published or made public in any way except by majority vote of the committee after all members of the committee have had a reasonable opportunity to correct their remarks for grammatical errors or to accurately reflect statements made.

Rule 18. *Amendment of Rules.*—The foregoing rules may be added to, modified amended or suspended at any time.

II. EXCERPTS FROM THE STANDING RULES OF THE SENATE RELATING TO STANDING COMMITTEES

Rule XXV—Standing Committees

1. The following standing committees shall be appointed at the commencement of each Congress, and shall continue and have the power to act until their successors are appointed, with leave to report by bill or otherwise on matters within their respective jurisdictions:

* * * * *

(i) Committee on Finance, to which committee shall be referred all proposed legislation, messages, petitions, memorials, and other matters relating to the following subjects:

1. Bonded debt of the United States, except as provided in the Congressional Budget Act of 1974.
2. Customs, collection districts, and ports of entry and delivery.
3. Deposit of public moneys.
4. General revenue sharing.
5. Health programs under the Social Security Act and health programs financed by a specific tax or trust fund.
6. National social security.
7. Reciprocal trade agreements.

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8. Revenue measures generally, except as provided in the Congressional Budget Act of 1974.

9. Revenue measures relating to the insular possessions.

10. Tariffs and import quotas, and matters related thereto.

11. Transportation of dutiable goods.

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Rule XXVI—Committee Procedure

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2. Each committee shall adopt rules (not inconsistent with the Rules of the Senate) governing the procedure of such committee. The rules of each committee shall be published in the Congressional Record not later than March 1 of each year, except that if any such committee is established on or after February 1 of a year, the rules of that committee during the year of establishment shall be published in the Congressional Record not later than sixty days after such establishment. An amendment to the rules of any such committee shall be published in the Congressional Record not later than thirty days after the adoption of such amendment. If the Congressional Record is not published on the last day of any period referred to above, such period shall be extended until the first day thereafter on which it is published.

* * * * *

5. (a) Notwithstanding any other provision of the rules, when the Senate is in session, no committee of the Senate or any subcommittee thereof may meet, without special leave, after the conclusion of the first two hours after the meeting of the Senate commenced and in no case after two o'clock post-meridian unless consent therefor has been obtained from the majority leader and the minority leader (or in the event of the absense of either of such leaders, from his designee). The prohibition contained in the preceding sentence shall not apply to the Committee on Appropriations or the Committee on the Budget. The majority leader or his designee shall announce to the Senate whenever consent has been given under this subparagraph and shall state the time and place of such meeting. The right to make such announcement of consent shall have the same priority as the filing of a cloture motion.

(b) Each meeting of a committee, or any subcommittee thereof, including meetings to conduct hearings, shall be open to the public, except that a meeting or series of meetings by a committee or a subcommittee thereof on the same subject for a period of no more than fourteen calendar days may be closed to the public on a motion made and seconded to go into closed session to discuss only whether the matters enumerated in paragraphs (1) through (6) would require the meeting to be closed, followed immediately by a record vote in open session by a majority of the members of the committee or subcommittee when it is determined that the matters to be discussed or the testimony to be taken at such meeting or meetings—

(1) will disclose matters necessary to be kept secret in the interests of national defense or the confidential conduct of the foreign relations of the United States;

(2) will relate solely to matters of committee staff personnel or internal staff management or procedure;

(3) will tend to charge an individual with crime or misconduct, to disgrace or injure the professional standing of an individual, or otherwise to expose an individual to public contempt for obloquy, or will represent a clearly unwarrented invasion of the privacy of an individual;

(4) will desclose the identity of any informer or law enforcement agent or will disclose any information relating to the investigation or prosecution of a criminal offense that is required to be kept secret in the interests of effective law enforcement;

(5) will disclose information relating to the trade secrets of financial or commercial information pertaining specifically to a given person if—

(A) an Act of Congress requires the information to be kept confidential by Government officers and employees; or

(B) the information has been obtained by the Government on a confidential basis, other than through an application by such person for a specific Government financial or other benefit, and is required to be kept secret in order to prevent undue injury to the competitive position of such person; or

(6) may divulge matters required to be kept confidential under other provisions of law or Government regulations.

(c) Whenever any hearing conducted by any such committee or subcommittee is open to the public, that hearing may be broadcast by radio or television, or both, under such rules as the committee or subcommittee may adopt.

(d) Whenever disorder arises during a committee meeting that is open to the public, or any demonstration of approval or disapproval is indulged in by any person in attendance at any such meeting, it shall be the duty of the Chair to enforce order on his own initiative and without any point of order being made by a Senator. When the Chair finds it necessary to maintain order, he shall have the power to clear the room, and the committee may act in closed session of order.

(e) Each committee shall prepare and keep a complete transcript or electronic recording adequate to fully record the proceeding of each meeting or conference whether or not such meeting or any part thereof is closed under this paragraph, unless a majority of its members vote to forego such a record.

INNA AND NAUM MEIMAN: HARASSMENT CONTINUES

● Mr. **SIMON.** Mr. President, for the last week, I have been trying to reach two friends of mine, Inna and Naum Meiman, in Moscow. The Meimans are long-term refuseniks and have borne the burdens of ostracism bravely.

The process to phone a person in the Soviet Union is complex. The actual placement of the call is similar to calling any foreign nation except that most often, there is a 7- to 8-hour delay. The most difficult part is the waiting to see if the call will go through at all. Unlike the United States, no recorded message plays if the phone is out of order or the number has been changed. The phone simply rings and rings.

I have placed three phone calls to the Meimans. All of them have ended with the Soviet operator telling me that the party was not at home as the phone rang and rang.

In order to speak to Naum, I placed a messenger call. This means that the Soviet operator must send Naum a telegram directing him to go to the post office to receive my call. Only through this complicated method was I able to speak to Naum this morning.

The news he had to tell me was not good. The reason that his phone had rung and rung when I called was not that he and Inna were not at home, but that their phone had been disconnected. Under any circumstance it is serious when the Soviets cut off a refusenik's phone. Disconnecting the Meimans' phone is profoundly more serious because Inna is so terribly ill. Imagine being cut off from medical assistance because the government does not want you to have a phone.

I implore the Soviet Government to cease harassing the Meimans and permit them to emigrate to Israel.●

TAX PLAN'S BOOST TO PRIVATIZING SERVICES

● Mr. **HUMPHREY.** Mr. President, over the past several weeks, I have inserted several different articles into the Record on an aspect of tax reform that I feel deserves extra attention: The deductibility of State and local taxes. Today, I would like to call to the attention of my colleagues still another article. However, this one is a bit different from the others. Written by Mr. E.S. Savas, "Tax Plan's Boost to Privatizing Services" attempts, rather successfully I may add, to dispel the notion that the elimination of deductibility of State and local taxes will force State and local governments to cut back on services.

Mr. President, one of the major arguments put forth by opponents of repeal has been that, if deductibility were repealed, taxpayers in high-tax States would begin to feel the full weight of State and local taxes. They would then put such pressure on State and local government officials that those taxes would have to be cut drastically. As a result, State and local governments would have to cut back on essential services at a time when they are being asked to shoulder more of the burden of providing various services to their citizens.

Is this going to happen? As Mr. Savas puts it, "No way." Mr. Savas gives two very good examples of States that survived drastic tax cuts, California and Massachusetts, with no severe loss of services. However, as Mr. Savas goes on to say:

> More important is the simple acknowledgement that a reduction in revenue does not have to be witlessly accommodated by a corresponding cut in services.

A much better alternative would be to simply give the taxpayers more for their money. A proven technique for accomplishing this goal, Mr. Savas points out, is privatization. In his work as both a city administrator and as an Assistant Secretary at the Department

of Housing and Urban development, Mr. Savas knows of what he speaks.

In reading Mr. Savas' article, one important point must not be overlooked. The effect on State revenues is by no means certain. While Mr. Savas mentions that "even if tax revenues were ultimately to decline in accordance with this unlikely scenario, the drop would be only a few percentage points," he does not mention still another important point. All of the States that use the Federal definition of income to determine income for State income tax purposes will see their tax revenue rise. This will happen because the income base will broaden without the reduction in rates which will occur at the Federal level.

Mr. President, given these facts, why do people insist on basing their view of deductibility on such erroneous arguments? The arguments in favor of repeal are great, especially the need to repeal if we are to achieve significant rate reduction. Here, another argument opposing repeal is shown for what it is: A fallacy.

Mr. President, Mr. Savas provides us with one more reason to repeal deductibility. More importantly, he dispels still another reason to retain it. How long are we going to ignore the clear arguments of reasons in favor of the cloudy arguments of demagoguery? I believe the time has come for true tax reform, of which the repeal of deductibility is an essential part. Let's get on with it.

Mr. President, I ask that the article be printed in the Record.

The article follows:

Tax Plan's Boost to Privatizing Services

(By E.S. Savas)

Some state and local officials believe that President Reagan's proposal to eliminate the federal deduction for state and local taxes would cause painful reductions in local government services. No way. The impact on state and local services will be negligible, but the opportunity to actually improve services is immense.

Let's examine the implied scenario that leads to the gloomy forecast: A loss of deductibility will cause wealthy taxpayers in some states to pay more in federal income taxes. These taxpayers will successfully press for cuts in state and local taxes so that their total taxes—federal, state and local—will be as low as they were before the reform. Finally, the thinking goes, this loss of revenue for state and local governments must inevitably be translated into proportional reductions in services. This reasoning does not withstand even cursory inspection.

First, even if tax revenues were ultimately to decline in accordance with this unlikely scenario, the drop would be only a few percentage points. Localities survived quite nicely in California and Massachusetts despite much more traumatic cuts triggered by Propositions 13 and 2½.

More important is the simple acknowledgement that a reduction in revenue does not have to be witlessly accommodated by a corresponding reduction in services. Giving the taxpayers more for their money—by better management and increased productivity, is a vastly better alternative. In fact, state and local governments now have available a thoroughly tested technique that regularly produces productivity improvements in the range of 30% to 50% privatization.

The evidence on privatization by "contracting out" is now overwhelming and is no longer a matter of serious debate. The only question is one of political will, and of following prudent and proper practices.

Careful studies involving hundreds of communities, in the U.S. and abroad, compared the relative efficiency and effectiveness of municipal agencies and private contractors in providing identical services. For example, Los Angeles county recently reviewed the cumulative results of its privatization program since 1979. It concluded that its 407 separate contracts cost only $92 million, whereas if county agencies had done the work directly, the cost would have been $143 million, or 55% more.

A detailed analysis sponsored by the Department of Housing and Urban Development found that the cost of street construction by city agencies was 96% greater than similar work by contractors, and that municipal costs were greater by 43% for street cleaning, 73% for janitorial services, 56% for traffic signal maintenance, and 37% for tree pruning. In each case there were no differences in quality. Only in payroll preparation were the costs equal.

The most studied municipal service is refuse collection. Nine independent, large-scale studies have been conducted by academes and by government agencies in the U.S., Canada, West Germany, Japan and Switzerland. All concluded that municipal collection is significantly more costly than contract collection, by anywhere from 15% to 124%. Moreover, a citizen survey covering more than 8,000 randomly selected households in 82 randomly selected cities showed greater satisfaction with private companies than with municipal agencies, for the same level of collection service.

International studies comparing public and private bus operations show the former to be 67% to 100% costlier than the latter, but no better or safer. (The public bus agency in Calcutta, India, employed a whopping 50 employees per bus, far more than the private bus lines in the same city.) In the U.S., an exhaustive review of 249 transit systems by researchers at the University of California at Irvine concluded that privately owned and managed bus systems were the most efficient.

Early results indicate that the private sector can do better in constructing and operating prisons, waste-water treatment plants, street lights and resource-recovery facilities. In support functions such as data processing, food service and audio-visual services, a recent analysis of 235 federal-agency contracts reported by the Office of Federal Procurement Policy showed that the cost of such work by government had been 38% higher than contract work.

A clear trend toward privatization is under way. A 1984 survey of 55 state and local highway officials by Roads magazine disclosed that, by a 2-to-1 ratio, the officials would be relying more on contractors and less on their own forces for road construction and maintenance because they "are convinced that the private contractor can do the job more cost-effectively than public crews and equipment can." More than 100 different municipal activities are now being provided by contract, ranging from adoption services to zoning control.

Simple pragmatism, not ideology, is the driving force behind contracting out of state and lcoal services. Officials are learning that they can maintain and even improve services while reducing costs significantly, and today this is important for reelection—at least as important as patronage and swollen public payrolls were in earlier days.

The reason why privatization works so well is not that the people employed by government are somehow inferior to those employed by the private sector; they are not. It works because privatization offers choice, and choice fosters competition, which leads to more cost-effective performance. Contracting out means dissolving unnecessary government monopolies and introducing competition in the delivery of public services. The public benefits from this competition—provided that sound bidding, contracting and performance monitoring procedures are employed.

Governments are responsible for deciding which services are to be paid for by the public, but they do not have to produce and deliver the services using government employees. In effect, privatization elevates each government agency to the same commanding position as a manufacturer who can decide whether to make or buy a component for the product he is assembling. The efficient manufacturer will maintain a competitive balance among his suppliers—including his own plant—to assure the best possible overall results.

Predictably, public-employee unions oppose contracting out and federal tax reform because they see an end to their cozy monopolies and a loss of jobs to their new competitors in the private sector. Ironically, these private workers are themselves often unionized.

State and local governments can take advantage of the climate created by the federal tax-reform proposal and budget-reduction effort to introduce new and better ways to manage their own affairs. Privatization, with its amply demonstrated benefits, leads to a better division of responsibilities between the public and private sectors, and can bring better and cheaper services to the public.●

ORDERS FOR THURSDAY

RECESS UNTIL 9 A.M.

Mr. **DOLE** addressed the Chair.

The **PRESIDING OFFICER.** The majority leader is recognized.

Mr. **DOLE.** Mr. President, I ask unanimous consent that once the Senate completes its business today it stand in recess until the hour of 9 a.m., on Thursday, March 27, 1986.

The **PRESIDING OFFICER.** Without objection, it is so ordered.

ROUTINE MORNING BUSINESS

Mr. **DOLE.** Following that, I ask unanimous consent that there be a period for the transaction of routine morning business for not to extend beyond the hour of 9:35 a.m., with Senators permitted to speak for not more than 5 minutes each.

The **PRESIDING OFFICER.** Without objection, it is so ordered.

PROGRAM

Mr. **DOLE.** The Senate will resume consideration of Senate Joint Resolution 283, the Contra aid bill hopefully

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at 9:30 a.m. It may be a bit beyond 9:30, but by 9:30.

I can assure Members there will be votes throughout the day. Hopefully, if we can start at 9:30, we might be able to complete action by 2 or 3 o'clock tomorrow afternoon. That is a hope.

Mr. KENNEDY addressed the chair.

Mr. DOLE. Mr. President, I am happy to yield.

Mr. KENNEDY. Mr. President, I was prepared to offer my amendment earlier today. I spoke to the amendment. I was wondering if there would be any objection to making that the pending amendment.

Mr. DOLE. We did not offer our substitute tonight. We are looking to the Senator from Massachusetts to offer the first amendment to that substitute.

Mr. KENNEDY. That would be fine.

Mr. DOLE. If that is all right with the managers.

Mr. KENNEDY. I am more than glad to enter into a time limitation as well with the majority leader tomorrow.

Mr. DOLE. We can do that in the morning, as far as I am concerned, if there is no objection by the managers to considering that the first amendment and the pending amendment.

Mr. KENNEDY. I indicated as far as I was concerned, we would not be more than maybe a half an hour equally divided. So at least we can get started on it, there will be a vote fairly quickly. It seems that we have debated that measure to some extent.

Mr. DOLE. That would be very helpful.

Let me indicate that there could be a vote to occur then before 10:30 a.m. tomorrow.

Mr. KENNEDY. Mr. President, I thank the distinguished majority leader.

Mr. DOLE. I thank the Senator from Massachusetts, Mr. KENNEDY.

RECESS UNTIL 9 A.M. TOMORROW

Mr. DOLE. Mr. President, there being no further business to come before the Senate, I move, in accordance with the order just entered, that the Senate stand in recess until the hour of 9 a.m., Thursday, March 27.

Thereupon, at 7:26 p.m., the Senate recessed until tomorrow, Thursday, March 27, 1986, at 9 a.m.

NOMINATIONS

Executive nominations received by the Senate March 26, 1986:

THE JUDICIARY

James Larry Edmondson, of Georgia, to be U.S. circuit judge for the Eleventh Circuit vice Albert J. Henderson, retired.

Andrew J. Kleinfeld, of Alaska, to be U.S. district judge for the District of Alaska vice a new position created by Public Law 98-353, approved July 10, 1984.

DEPARTMENT OF THE TREASURY

J. Roger Mentz, of New Jersey, to be an Assistant Secretary of the Treasury, vice Ronald Alan Pearlman, resigned.

DEPARTMENT OF THE INTERIOR

Frank H. Dunkle, of Montana, to be Director of the U.S. Fish and Wildlife Service, vice Robert A. Jantzen, resigned.

U.S. INSTITUTE OF PEACE

Morris I. Leibman, of Illinois, to be a member of the Board of Directors of the U.S. Institute of Peace for a term of 2 years expiring January 19, 1987. (New position.)

IN THE NAVY

The following-named Naval Reserve Officers Training Corps candidates to be appointed permanent ensign in the line or staff corps of the U.S. Navy, pursuant to title 10, United States Code, section 531:

Kathryn K. Murray
Gregory L. Plum
Steven M. Smith
Richard P. White

The following-named Navy Enlisted Commissioning Program candidates to be appointed permanent ensign in the Line or Staff Corps of the U.S. Navy, pursuant to title 10, United States Code, section 531:

Randall G. Genners
Paul E. Karlsson
Mark P. Pitts
Kevin M. Weir

The following-named Naval Reserve officers to be appointed permanent ensign in the Line or Staff Corps of the U.S. Navy, pursuant to title 10, United States Code, section 531:

Sidney J. Baumann III
Kenneth W. Carel
Bradley S. Cody
Anthony R. Derossett
Michael J. Fogarty III
Eric A. Klug
Richard W. Loan
Steven J. Madsen
Steven C. Maltby
Raphael E. Potts
Paul A. Randall
Susan L. Still

The following-named Navy officer to be appointed ensign in the Medical Service Corps of the U.S. Navy, pursuant to title 10, United States Code, section 531:

Michael A. Riley

The following-named Navy enlisted candidate to be appointed permanent chief warrant officer, W-2, in the U.S. Navy, pursuant to title 10, United States Code, section 555:

Wesley L. Brant

The following-named U.S. Navy officers to be appointed permanent captain the Medical Corps of the U.S. Naval Reserve, pursuant to title 10, United States Code, section 593:

Frank R. Arko
Bolar R. Rao

The following-named U.S. Navy officers to be appointed permanent commander in the Medical Corps of the U.S. Naval Reserve, pursuant to title 10, United States Code, section 593:

Miguel P. Medina
Narendrakrumar M. Raval
Michael F. Walsh
John F. Wilker

EXTENSIONS OF REMARKS

SENATE COMMITTEE MEETINGS

Title IV of Senate Resolution 4, agreed to by the Senate on February 4, 1977, calls for establishment of a system for a computerized schedule of all meetings and hearings of Senate committees, subcommittees, joint committees, and committees of conference. This title requires all such committees to notify the Office of the Senate Daily Digest—designated by the Rules Committee—of the time, place, and purpose of the meetings, when scheduled, and any cancellations or changes in the meetings as they occur.

As an additional procedure along with the computerization of this information, the Office of the Senate Daily Digest will prepare this information for printing in the Extensions of Remarks section of the CONGRESSIONAL RECORD on Monday and Wednesday of each week.

Any changes in committee scheduling will be indicated by placement of an asterisk to the left of the name of the unit conducting such meetings.

Meetings scheduled for Thursday, March 27, 1986, may be found in the Daily Digest of today's RECORD.

MEETINGS SCHEDULED

APRIL 8

9:30 a.m.
Finance
Business meeting, to resume markup of proposed legislation providing for revisions in Federal tax laws.
SD-215

2:00 p.m.
Appropriations
Agriculture, Rural Development and Related Agencies Subcommittee
To continue hearings on proposed budget estimates for fiscal year 1987 for the Department of Agriculture, focusing on the Federal Crop Insurance Corporation, and the Rural Electrification Administration.
SD-124

Appropriations
Interior and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1987 for energy conservation programs.
SD-138

Armed Services
Defense Acquisition Policy Subcommittee
To resume hearings on S. 2082, to improve the management of major defense acquisition programs, to establish a Defense Acquisition Service, and to limit employment contracts between senior officials of the Department of Defense and defense contractors, S. 2151, to establish within the Office of the Secretary of Defense an Office of Defense Acquisition for the centralized procurement of all property and services for the Department of Defense and to provide for an Under Secretary of Defense Acquisition, and to discuss the acquisition findings and report of the President's Blue Ribbon Commission on Defense Management (Packard Report).
SR-253

APRIL 9

9:30 a.m.
Appropriations
District of Columbia Subcommittee
To resume hearings on the overcrowding issue of the District of Columbia prison system.
Room to be announced

Appropriations
Labor, Health and Human Services, Education, and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1987 for the Office of the Secretary of Education, Departmental Management (salaries and expenses), Office for Civil Rights, and Office of Inspector General, all of the Department of Education.
SD-116

Appropriations
Commerce, Justice, State, the Judiciary, and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1987 for the Office of Attorney General, Department of Justice.
S-126, Capitol

Finance
Business meeting, to continue markup of proposed legislation providing for revisions in Federal tax laws.
SD-215

Labor and Human Resources
Business meeting, to consider pending calendar business.
SD-430

Select on Intelligence
To resume closed hearings on proposed legislation authorizing funds for fiscal year 1987 for the intelligence community.
SH-219

10:00 a.m.
Appropriations
Defense Subcommittee
To hold closed hearings on proposed budget estimates for fiscal year 1987 for the strategic defense initiative.
S-407, Capitol

Appropriations
HUD-Independent Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1986 for the Department of Housing and Urban Development.
SD-124

Appropriations
Transportation and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1987 for the Federal Railroad Administration, Department of Transportation, and the National Railroad Passenger Corporation (AMTRAK).
SD-138

Foreign Relations
Western Hemisphere Affairs Subcommittee
To hold hearings on the situation in Panama.
SD-419

2:00 p.m.
Appropriations
Treasury, Postal Service, and General Government Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1987 for the Office of Personnel Management, and the Federal Elections Commission.
SD-124

Foreign Relations
Western Hemisphere Affairs Subcommittee
To continue hearings on the situation in Panama.
SD-419

Select on Indian Affairs
To hold hearings on S. 1452, to settle certain Wampanoag Indian land claims in Gay Head, Massachusetts.
SD-538

APRIL 10

9:30 a.m.
Appropriations
Agriculture, Rural Development and Related Agencies Subcommittee
To resume hearings on proposed budget estimates for fiscal year 1987 for the Department of Agriculture, focusing on the Food and Nutrition Service, and the Human Nutrition Information Service.
SD-138

Appropriations
Labor, Health and Human Services, Education, and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1987 for the Department of Education, including compensatory education for the disadvantaged, special programs, and impact aid.
SD-116

Commerce, Science, and Transportation
Science, Technology, and Space Subcommittee
To hold hearings on proposed legislation authorizing funds for the National Bureau of Standards, Department of Commerce.
SR-253

10:00 a.m.
Appropriations
Defense Subcommittee
To hold hearings on proposed budget es-

● This "bullet" symbol identifies statements or insertions which are not spoken by a Member of the Senate on the floor.
Matter set in this typeface indicates words inserted or appended, rather than spoken, by a Member of the House on the floor.

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timates for fiscal year 1987 for the strategic defense initiative.
SD-192

Appropriations
Treasury, Postal Service, and General Government Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1987 for the Office of Management and Budget.
S-126, Capitol

Foreign Relations
To hold hearings on the United States foreign assistance programs and aid to Ireland.
SD-419

10:30 a.m.
Finance
Business meeting, to continue markup of proposed legislation providing for revisions in Federal tax laws.
SD-215

11:30 a.m.
Foreign Relations
Business meeting, to consider pending nominations and treaties.
SD-419

2:00 p.m.
Appropriations
Foreign Operations Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1987 for the Office of Inspector General, Agency for International Development, Peace Corps, Inter-American Foundation, and the African Development Foundation.
S-126, Capitol

Governmental Affairs
Energy, Nuclear Proliferation and Government Processes Subcommittee
To hold oversight hearings on government nonproliferation activities for 1985.
SD-342

Veterans' Affairs
To hold hearings to review Veterans' Administration policies relating to the construction of major medical facilities.
SR-418

APRIL 11

9:30 a.m.
Energy and Natural Resources
Public Lands, Reserved Water and Resource Conservation Subcommittee
To hold hearings on S. 977, to establish the Hennepin Canal National Heritage Corridor in Illinois, S. 1374, to establish the Blackstone River Valley National Heritage Corridor in Massachusetts and Rhode Island, S. 1413 and H.R. 2067, bills to validate conveyances of certain lands in California that form part of the right-of-way granted by the United States to the Central Pacific Railway Company, S. 1542, to designate the Nez Perce Trail in Oregon and Montana, as a component of the National Trails System, H.R. 3556, to provide for the exchange of land for the Cape Henry Memorial site in Fort Story, Virginia, and S. 2029, to establish the Big Cypress National Preserve Addition to the State of Florida.
SD-366

Finance
Business meeting to continue markup of proposed legislation providing for revisions in Federal tax laws.
SD-215

10:00 a.m.
Appropriations
Defense Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1987 for the strategic defense initiative.
SD-192

ARPIL 14

9:30 a.m.
Finance
Business meeting, to resume markup of proposed legislation providing for revisions in Federal tax laws.
SD-215

10:00 a.m.
Appropriations
Energy and Water Development Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1987 for energy and water development programs.
SD-192

2:00 p.m.
Appropriations
Energy and Water Development Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1987 for energy and water development programs.
SD-192

Energy and Natural Resources
To hold hearings on the nominations of William F. Martin, of the District of Columbia, to be Deputy Secretary of Energy, and David B. Waller, of the District of Columbia, to be an Assistant Secretary of Energy for International Affairs and Energy Emergencies.
SD-366

APRIL 15

9:30 a.m.
Appropriations
Agriculture, Rural Development and Related Agencies Subcommittee
To resume hearings on proposed budget estimates for fiscal year 1987 for the Department of Agriculture, focusing on the Animal and Plant Health Inspection Service, Agricultural Marketing Service, and the Food Safety and Inspection Service.
SD-138

Appropriations
Labor, Health and Human Services, Education, and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1987 for the Department of Education, including education for the handicapped, rehabilitation services and handicapped research, and special institutions (including Howard University).
SD-116

Commerce, Science, and Transportation
Aviation Subcommittee
To hold hearings to review safety issues relating to an aging commercial airline fleet.
SD-628

Commerce, Science, and Transportation
Science, Technology, and Space Subcommittee
To hold hearings on proposed legislation authorizing funds for National Oceanic and Atmospheric Administration, focusing on funds for satellite and atmospheric programs.
SR-253

Finance
Business meeting, to continue markup of proposed legislation providing for revisions in Federal tax laws.
SD-215

10:00 a.m.
Appropriations
Energy and Water Development Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1987 for energy and water development programs.
SD-192

Energy and Natural Resources
Energy Regulation and Conservation Subcommittee
To hold hearings on S. 1302, proposed Natural Gas Regulatory Reform Act of 1985, S. 1251, proposed Natural Gas Utilization Act of 1985, and S. 2205, to eliminate certain restrictions on the use of natural gas and petroleum.
SD-366

Foreign Relations
To hold hearings on nuclear testing.
SD-419

Select on Indian Affairs
To hold hearings on S. 1988, to establish a program for the prevention and control of diabetes among native Americans.
SR-385

1:00 p.m.
Select on Intelligence
Closed business meeting, to mark up proposed legislation authorizing funds for fiscal year 1987 for the intelligence community.
SH-219

2:00 p.m.
Appropriations
Foreign Operations Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1987 for the Agency for International Development.
S-126, Capitol

Appropriations
Interior and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1987 for the National Endowment for the Arts and the Institute of Museum Services.
SD-138

Appropriations
Energy and Water Development Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1987 for energy and water development programs.
SD-192

APRIL 16

9:00 a.m.
Veterans' Affairs
To hold joint hearings with the House Committee on Veterans' Affairs to review the legislative priorities of AMVETS, Vietnam Veterans of America, World War I Veterans, Jewish War Veterans of the U.S.A., and Atomic Veterans.
SD-106

9:30 a.m.
Appropriations
Labor, Health and Human Services, Education, and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1987 for the Department of Education, including student financial assistance, guaranteed student loans, higher education, higher education facilities loans and insurance, college housing loans, and educational research and training.
SD-116

Appropriations
Commerce, Justice, State, the Judiciary, and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1987 for the National Oceanic and Atmospheric Administration, Department of Commerce, and the Marine Mammal Commission.
S-146, Capitol

Energy and Natural Resources
Business meeting, to consider S. 570, S. 372, S. 913, and proposed amendments, measures to improve the administration of the Federal coal leasing program, and other pending calendar business.
SD-366

Finance
Business meeting, to continue markup of proposed legislation providing for revisions in Federal tax laws.
SD-215

Labor and Human Resources
To hold hearings on Acquired Immune Deficiency Syndrome.
SD-430

Select on Intelligence
To hold closed hearings on intelligence matters.
SH-219

10:00 a.m.
Appropriations
HUD-Independent Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1987 for the National Aeronautics and Space Administration.
SD-124

Appropriations
Energy and Water Development Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1987 for energy and water development programs.
SD-192

Appropriations
Transportation and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1987 for the U.S. Coast Guard, Department of Transportation.
SD-138

Foreign Relations
Business meeting, to consider pending calendar business.
SD-419

2:00 p.m.
Appropriations
Energy and Water Development Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1987 for energy and water development programs.
SD-192

Appropriations
Treasury, Postal Service, and General Government Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1987 for the Department of the Treasury, Postal Service, and general government programs.
SD-124

APRIL 17

9:30 a.m.
Appropriations
Labor, Health and Human Services, Education, and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1987 for the Department of Education, including bilingual education, vocational and adult education, education research and improvement, and libraries.
SD-116

Finance
Business meeting, to continue markup of proposed legislation providing for revisions in Federal tax laws.
SD-215

10:00 a.m.
Commerce, Science, and Transportation
To hold hearings with the National Ocean Policy Study on S. 2138 and H.R. 2935, bills to establish a National Marketing Council to enable the United States fishing industry to establish a coordinated program of research, education, and promotion to expand markets for fisheries products.
SR-253

Energy and Natural Resources
Water and Power Subcommittee
To hold hearings on S. 1319, to relieve the Washoe County Water Conservation District, Nevada, of certain Federal repayment obligations, and S. 1772, to convey certain real property to the Pershing County Water Conservation District.
SD-366

Foreign Relations
To hold hearings on arms sales to Saudi Arabia.
SD-419

Select on Indian Affairs
To hold hearings on S. 2118, to provide for the distribution of funds appropriated to pay a judgment awarded to the Sisseton and Wahpeton Tribes of Sioux Indians in Indian Claims Commission dockets numbered 142 and 359.
SD-485

2:00 p.m.
Appropriations
Foreign Operations Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1987 for foreign assistance programs.
S-126, Capitol

Appropriations
Interior and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1987 for the U.S. Fish and Wildlife Service, Department of the Interior.
SD-192

4:00 p.m.
Select on Intelligence
To hold closed hearings on intelligence matters.
SH-219

APRIL 18

9:30 a.m.
Commerce, Science, and Transportation
Business, Trade, and Tourism Subcommittee
To hold hearings on proposed legislation authorizing funds for the U.S. Travel and Tourism Administration.
SR-253

Finance
Business meeting, to continue markup of proposed legislation providing for revisions in Federal tax laws.
SD-215

APRIL 21

9:30 a.m.
Foreign Relations
To hold oversight hearings on activities of the Agency for International Development.
SD-419

APRIL 22

9:30 a.m.
Appropriations
Agriculture, Rural Development and Related Agencies Subcommittee
To resume hearings on proposed budget estimates for fiscal year 1987 for the Department of Agriculture, focusing on the Soil Conservation Service, Agricultural Stabilization and Conservation Service, Office of the General Sales Manager, Foreign Agricultural Service, Office of International Cooperation and Development, and the Food for Peace program (P.L. 480).
SD-138

Appropriations
Labor, Health and Human Services, Education, and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1987 for the Soldiers' and Airmen's Home, Prospective Payment Commission, Railroad Retirement Board, National Labor Relations Board, National Mediation Board, Occupational Safety and Health Review Commission, Federal Mediation and Conciliation Service, and the United States Institute of Peace.
SD-116

Appropriations
Commerce, Justice, State, the Judiciary, and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1987 for the Federal Bureau of Investigation and Drug Enforcement Administration, Department of Justice, and the Equal Employment Opportunity Commission.
S-146, Capitol

Foreign Relations
To continue oversight hearings on activities of the Agency for International Development.
SD-419

10:00 a.m.
Select on Indian Affairs
To hold hearings on S. 1991, to authorize funds for fiscal years 1987-1990 for Native American programs.
SD-385

2:00 p.m.
Appropriations
Foreign Operations Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1987 for the Department of State, focusing on international narcotics control, migration and refugee assistance, and anti-terrorism programs.
S-126, Capitol

Appropriations
Interior and Related Agencies Subcommittee

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To hold hearings on proposed budget estimates for fiscal year 1987 for the Navajo-Hopi Indian Relocation Commission, and the Office of Surface Mining, Reclamation and Enforcement, Department of the Interior.
SD-192

APRIL 23

9:30 a.m.
Appropriations
Labor, Health and Human Services, Education, and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1987 for ACTION (domestic programs), Corporation for Public Broadcasting, National Council on the Handicapped, Mine Safety and Health Review Commission, National Commission on Libraries and Information Science, and National Center for the Study of Afro-American History and Culture.
SD-116

Labor and Human Resources
To hold hearings on S. 1815, to prohibit any employer from using any lie detector test or examination in the work place, either for pre-employment testing or testing in the course of employment.
SD-430

Select on Intelligence
To hold closed hearings on intelligence matters.
SH-219

10:00 a.m.
Appropriations
Defense Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1987 for Navy aircraft procurement programs.
SD-192

Appropriations
Transportation and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1987 for the United States Railway Association and Conrail.
SD-138

Energy and Natural Resources
Business meeting, to consider pending calendar business.
SD-366

Foreign Relations
Business meeting, to consider pending calendar business.
SD-419

1:30 p.m.
Foreign Relations
To continue oversight hearings on activities of the Agency for International Development.
SD-419

2:00 p.m.
Appropriations
Energy and Water Development Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1987 for energy and water development programs, focusing on atomic energy defense activities.
SD-116

APRIL 24

9:30 a.m.
Appropriations
Agriculture, Rural Development and Related Agencies Subcommittee
To resume hearings on proposed budget estimates for fiscal year 1987 for the Department of Agriculture, focusing on Farmers Home Administration, and the Farm Credit Administration.
SD-192

Appropriations
Labor, Health and Human Services, Education, and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1987 for the Departments of Labor, Health and Human Services, and Education, and certain related agencies.
SD-116

Foreign Relations
To continue oversight hearings on activities of the Agency for International Development.
SD-419

Labor and Human Resources
Labor Subcommittee
To hold hearings on S. 1018, to clarify the meaning of the term "guard" for the purpose of permitting certain labor organizations to be certified by the National Labor Relations Board as representatives of employees other than plant guards.
SD-430

10:00 a.m.
Appropriations
Defense Subcommittee
To hold closed hearings on proposed budget estimates for fiscal year 1987 for intelligence programs.
S-407, Capitol

Appropriations
Foreign Operations Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1987 for the Department of State, focusing on voluntary contributions to international organizations programs, and for the Office of the U.S. Representative to the United Nations.
SD-138

Energy and Natural Resources
Natural Resources Development and Production Subcommittee
To hold hearings on S. 1322, proposed Geothermal Steam Act Amendments of 1985.
SD-366

Labor and Human Resources
Education, Arts, and Humanities Subcommittee
To hold hearings on S. 1662, proposed Training Technology Transfer Act of 1985.
SD-628

2:00 p.m.
Appropriations
Interior and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1987 for the Energy Information Administration and the Economic Regulatory Administration, Department of Energy.
SD-192

APRIL 25

9:30 a.m.
Appropriations
Labor, Health and Human Services, Education, and Related Agencies Subcommittee
To hold hearings on the impact of proposed budget estimates on health research programs.
SD-138

APRIL 29

9:30 a.m.
Appropriations
Labor, Health and Human Services, Education, and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1987 for the Departments of Labor, Health and Human Services, and Education, and certain related agencies.
SD-116

10:00 a.m.
Appropriations
Defense Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1987 for certain defense programs.
SD-192

Appropriations
HUD-Independent Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1987 for the Department of Housing and Urban Development and certain independent agencies.
SD-124

Select on Indian Affairs
To hold hearings on S. 2105, S. 2106, and S. 2107, bills to provide for the settlement of certain claims of the Papago Tribe of Arizona.
SR-385

2:00 p.m.
Appropriations
Interior and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1987 for the Bureau of Indian Affairs, Department of the Interior.
SD-192

APRIL 30

9:30 a.m.
Appropriations
Commerce, Justice, State, the Judiciary, and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1987 for the Office of U.S. Trade Representative, and the Federal Communications Commission.
S-146, Capitol

Labor and Human Resources
To hold oversight hearings on the human resources impact of reentry of women into the labor force.
SD-430

10:00 a.m.
Appropriations
HUD-Independent Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1987 for the Department of Housing and Urban Development and certain independent agencies.
SD-124

Energy and Natural Resources
Business meeting, to consider pending calendar business.
SD-366

Foreign Relations
To hold hearings on embassy security enhancement.
SD-419

2:00 p.m.
Appropriations

Agriculture, Rural Development and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1987 for the Food and Drug Administration of the Department of Health and Human Services, and the Commodity Futures Trading Commission
SD-138

MAY 1

9:30 a.m.
Appropriations
Labor, Health and Human Services, Education, and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1987 for the Department of Labor, Health and Human Services, and Education, and certain related agencies.
SD-116

10:00 a.m.
Appropriations
Defense Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1987 for certain defense programs.
SD-192

2:00 p.m.
Appropriations
Interior and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1987 for territorial affairs, Department of the Interior.
SD-192

MAY 6

9:30 a.m.
Appropriations
Labor, Health and Human Services, Education, and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1987 for the Departments of Labor, Health and Human Services, and Education, and certain related agencies.
SD-116

10:00 a.m.
Appropriations
Defense Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1987 for Air Force aircraft procurement programs.
SD-192

MAY 7

9:30 a.m.
Appropriations
Commerce, Justice, State, the Judiciary, and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1987 for the Supreme Court of the United States, U.S. District Courts/Courts of Appeals, and the Commission on the Bicentennial of the U.S. Constitution.
S-146, Capitol

Labor and Human Resources
To hold oversight hearings on medical malpractice.
SD-430

10:00 a.m.
Appropriations
Transportation and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1987 for the Urban Mass Transportation Administration, Department of Transportation, and the Washington Metropolitan Area Transit Authority.
SD-138

Energy and Natural Resources
Business meeting, to consider pending calendar business.
SD-366

MAY 8

9:30 a.m.
Appropriations
Labor, Health and Human Services, Education, and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1987 for the Departments of Labor, Health and Human Services, and Education, and certain related agencies.
SD-116

10:00 a.m.
Appropriations
Defense Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1987 for strategic systems.
SD-192

Appropriations
Transportation and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1987 for the Federal Aviation Administration, Department of Transportation.
SD-138

2:00 p.m.
Appropriations
Interior and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1987 for the Holocaust Memorial Council and the Smithsonian Institution.
SD-192

MAY 13

9:30 a.m.
Appropriations
Labor, Health and Human Services, Education, and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1987 for the Departments of Labor, Health and Human Services, and Education, and certain related agencies.
SD-116

MAY 14

9:30 a.m.
Appropriations
Labor, Health and Human Services, Education, and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1987 for the Health Resources and Services Administration, Department of Health and Human Services.
SD-116

Appropriations
Commerce, Justice, State, the Judiciary, and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1987 for the Legal Services Corporation, and the Securities and Exchange Commission.
S-146, Capitol

Labor and Human Resources
To hold hearings to review barriers to health care.
SD-430

10:00 a.m.
Appropriations
Transportation and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1987 for the Department of Transportation and certain related agencies.
SD-138

Governmental Affairs
Energy, Nuclear Proliferation and Government Processes Subcommittee
To hold hearings on S. 525, to provide for the transfer to the Secretary of Health and Human Services the authority of the Secretary of Energy to conduct epidemiological studies of radiation effects.
SD-342

MAY 15

9:30 a.m.
Appropriations
Labor, Health and Human Services, Education, and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1987 for the Departments of Labor, Health and Human Services, and Education, and certain related agencies.
SD-116

2:30 p.m.
Appropriations
Interior and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1987 for fossil energy and clean coal technology.
SD-192

MAY 20

2:00 p.m.
Appropriations
Interior and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1987 for the Indian Health Service, Department of Health and Human Services.
SD-192

MAY 21

9:30 a.m.
Appropriations
Commerce, Justice, State, the Judiciary, and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1987 for the U.S. Information Agency, and the National Endowment for Democracy.
S-146, Capitol

Labor and Human Resources
To resume oversight hearings on medical malpractice.
SD-430

MAY 29

2:00 p.m.
Appropriations
Interior and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1987 for the Office of the Secretary and Office of

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the Solicitor, Department of the Interior.
SD-192

JUNE 3

10:00 a.m.
Governmental Affairs
Energy, Nuclear Proliferation and Government Processes Subcommittee
To hold hearings on statistical policy for an aging America.
SD-342

JUNE 4

9:30 a.m.
Appropriations
Commerce, Justice, State, and Judiciary, and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1987 for the Departments of Commerce, Justice, and State, the Judiciary, and certain related agencies.
S-146, Capitol
Labor and Human Resources
To hold oversight hearings to review the imposition of user fees in FDA approval procedures for new drugs.
SD-430

JUNE 11

9:30 a.m.
Labor and Human Resources
To hold hearings on pending nominations to the National Advisory Council on Women's Educational Programs.
SD-430

JUNE 17

9:30 a.m.
Labor and Human Resources
To hold hearings on food safety issues.
SD-430

JUNE 18

9:30 a.m.
Labor and Human Resources
Business meeting, to consider pending calendar business.
SD-430

JUNE 25

9:30 a.m.
Labor and Human Resources
To hold hearings on the administration of the Mine Safety and Health Review Commission.
SD-430

JULY 16

9:30 a.m.
Labor and Human Resources
To hold hearings on the establishment of generic drug procedures and patent term restoration for animal drugs.
SD-430

JULY 30

9:30 a.m.
Labor and Human Resources
Business meeting, to consider pending calendar business.
SD-430

AUGUST 13

9:30 a.m.
Labor and Human Resources
To hold hearings to review the private sector initiatives in human services.
SD-430

SEPTEMBER 10

9:30 a.m.
Labor and Human Resources
To hold hearings to review the human resources impact on drug research and space technology.
SD-430

SEPTEMBER 16

9:30 a.m.
Labor and Human Resources
To hold hearings on pending nominations.
SD-430

SEPTEMBER 24

9:30 a.m.
Labor and Human Resources
Business meeting, to consider pending calendar business.
SD-430

CANCELLATIONS

MARCH 27

9:30 a.m.
Veterans' Affairs
Closed meeting to discuss reported sightings of live military personnel missing in action in Southeast Asia.
SR-418

SENATE—*Thursday, March 27, 1986*

(*Legislative day of Tuesday, March 18, 1986*)

The Senate met at 9 a.m., on the expiration of the recess, and was called to order by the President pro tempore (Mr. Thurmond).

PRAYER

The Chaplain, the Reverend Richard C. Halverson, D.D., offered the following prayer:

Let us pray:

Husbands, love your wives, even as Christ loved the church, and gave Himself for it * * *.—Ephesians 5:25.

Father God, we pray for our families that they may be whole and strong. We pray for the family of every person who works in the Senate—wherever there is a need, may this week to come be an occasion for reconciliation and healing. You know the problems, Father—the spouses who feel like second class citizens—who feel they are less important than the job on the Hill. You know the children for whom a parent has become a stranger. You know the loneliness, the rejection, the bitterness, the lostness suffered by those are neglected day after day, week after week.

Gracious God, at this season when deliverance, resurrection and new life are celebrated, help this next week to be a time for complete restoration of family relationships. Help us to put priority where it belongs, where the Creator God intended it to be. Dear God, bless our families in special ways during this recess. Give us the will to make these days a time for renewal and love. In Jesus' name we pray. Amen.

RECOGNITION OF THE MAJORITY LEADER

The PRESIDENT pro tempore. The able majority leader is recognized.

Mr. DOLE. Mr. President, I thank the distinguished President pro tempore (Senator Thurmond).

SCHEDULE

Mr. DOLE. Mr. President, under the standing order, the leaders have 10 minutes each. Then we have special orders in favor of the following Senators for not to exceed 5 minutes each: Senators Hawkins, Proxmire, Cranston, and Baucus.

Following the execution of the special orders, there will be a period for the transaction of routine morning business not to extend beyond the hour of 9:30 a.m., with Senators permitted to speak therein for not more than 5 minutes each.

Following morning business, the Senate will resume consideration of Senate Joint Resolution 283, the Contra aid resolution. We have 7 hours remaining for debate. A rollcall vote could occur prior to the hour of 10:30 a.m.

Mr. President, I think there would be no objection if the first amendment be the Kennedy amendment. I ask unanimous consent that there be 20 minutes, 15 minutes to the Senator from Massachusetts and 5 minutes to the Senator from Indiana [Mr. Lugar], on that amendment.

The PRESIDENT pro tempore. Without objection, it is so ordered.

Mr. DOLE. Mr. President, also, and I am not certain what time it will be laid down, there will be a Sasser substitute. I believe we have agreed that there should be 3 hours of debate equally divided on the Sasser substitute. There is no certainty whether it will be offered second or third. We have to check to see if we need to lay down our substitute or whether it will be offered to the underlying measure.

Mr. President, I ask unanimous consent that on the Sasser substitute, whenever it is offered, that there be 3 hours of debate equally divided.

The PRESIDING OFFICER (Mr. Andrews). Without objection, it is so ordered.

Mr. DOLE. Mr. President, I thank the Chair and I thank the distinguished minority leader.

POINDEXTER PLAYING CONSTRUCTIVE ROLE

Mr. DOLE. Mr. President, I want to make a few brief comments about two aspects of our effort to work out a Contra aid package.

First, I want to set the record straight about the role that the President's National Security Adviser has been playing and particularly played yesterday in our attempt to find common ground on which many of us could support a bill.

John Poindexter came up here at my request, and with the consent of the minority leader, to see if he could help us bridge some final differences between the two sides. He spent 3 or 4 hours with us—an enormous commitment of his time, considering what is going on in the Gulf of Sidra and in Honduras. As far as I am concerned, everything he did while he was up here was constructive, helpful, and aimed at helping us achieve agreement.

He did defend the President's viewpoint and seek to maintain the elements of a package that are essential to the President's strategy—as National Security Adviser, that is exactly what he is supposed to do. But he did not torpedo anything and keep us from reaching an agreement we otherwise might have reached.

The simple fact is there were two issues which divided us and—despite good faith efforts on all sides, including on the part of Admiral Poindexter—we were not able yesterday to bridge our differences.

Today is a new day and we will try again, perhaps. But, in any case, I just want to underscore that it is an important part through John Poindexter's involvement that we are as close as we are to an agreement.

The other point I want to note, because I think it is being lost sight of in all the attention being paid to the details of any compromise, is just how far we have come on the issue of aid to the Contras. Last summer, we were barely able to scrape up a majority for a small amount of purely humanitarian aid, with many strings attached. This year, whether or not we work out a single package or decide between two different ones, we are on the verge of giving solid, bipartisan approval to a $100 million package, including the kind of aid which can really help us move our strategy forward, and with only the most reasonable strings attached. And, from what I am hearing, we are going to be able to have an identical or similar package in the House.

Mr. President, the people of this country, and the Members of this Congress, are waking up to the reality in Nicaragua. We are waking up to the threat that the Sandinistas really represent. We are waking up to truth. And we are waking up to the need to do something about it.

Mr. President, as I have indicated, there are some of us—though it may not happen—who are still trying to work out some agreement. If it is a good agreement, if it is in the interest of the American people, then hopefully before the day is out it can be achieved.

I would suggest that there is a strong bipartisan approach. I do not believe it should be interpreted any other way.

● This "bullet" symbol identifies statements or insertions which are not spoken by the Member on the floor.

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Obviously, some on the other side have their own proposal, but it is $100 million. There is no question about it. So I just suggest whatever may happen on the floor today, there is strong bipartisan support for our policy in Central America.

I commend Members on both sides of the aisle.

We are not quarreling over the $100 million. Last year that was the issue in the press, if it was going to be $27 million, $24 million, how many millions.

That is not an issue. There is a clear majority in the Senate that say it ought to be $100 million, and a clear majority indicating that some of it ought to be military aid.

So I think as far as the battle is concerned in the Congress, it has been won, not won by any one party, but won by Members of Congress who have begun to recognize the Sandinista threat.

Some of the votes may be close today, but it is a shade of difference. Some Democrats may have a bit different view than some Republicans. Some on each side will not support any proposal.

I suggest it has been lost in some of the speculation about whether there will be a compromise, whether we take care of this issue or that issue. The major point of debate is that we will agree on $100 million, whether it is a Democratic package or a Republican package, or a bipartisan package.

RECOGNITION OF THE MINORITY LEADER

The PRESIDING OFFICER. The distinguished minority leader is recognized.

Mr. BYRD. Mr. President, first with reference to who torpedoed what, it reminds me of a bluegrass tune going around these days, "Who Showed Who?"

A guy beat up on his wife for running around, and she killed him. Then she went to prison for life. So, Who Showed Whom?

Well, there are those of us who were there at the meeting. After a while when it was clear that some of us wanted language providing for bilateral negotiations, and that others wanted language that would provide for a second approval of funding requests down the road, 90 days or whatever, Admiral Poindexter said, "Well, the White House is firm on this."

Obviously, I cannot give the exact quotation, but, in essence, "The White House is firm on this, and I do not see any point in continuing the discussion."

That was Admiral Poindexter. Everybody who was there knows that is what happened.

Having said that, Mr. President, let me say that the lines of communication are being kept open. It is quite possible that, during the day, we can reach an understanding that will lend itself to an agreement. I would like to see a bipartisan agreement. I think I was probably about the first to say, around here, that we needed a bipartisan agreement. I felt then that there was too much rhetoric flowing in both directions at that point—talk at the White House of a need for bipartisanship but, at the same time, innuendos and even stronger words that could easily be interpreted as questioning the patriotism of Members of Congress on both sides of the Hill and both sides of the aisle.

If we are going to have real bipartisanship in this matter, my point was that we ought to stop the innuendos, questioning the motives, the patriotism, the good faith of Members of Congress. At that point, I felt that for real bipartisanship to occur, let us get at it and dispense with the rhetoric.

I think the distinguished majority leader and I and others on both sides could probably come to some kind of agreement. We might even come to agreement on the two main issues over which yesterday's meeting broke up. But it was the White House's inflexibility at that point—we were given the understanding by Admiral Poindexter that there is no point in carrying on this effort here, continuing to talk, because we were not going to get anywhere. It was that kind of inflexibility that ended that meeting.

Mr. President, that is not to say that we cannot yet work for and hope for flexibility on the two key issues, even though we are still far apart from the White House on an acceptable resolution of policy toward Nicaragua and Central America.

The White House is resisting diplomacy in Central America and wishes only an endorsement, apparently, of its request for $100 million in aid to the Contras, including U.S. advisers, at this time. What appears to me to be exclusive reliance on the military option at this point is premature. I think it is unwise at this time. So I shall continue to try to reach an acceptable bipartisan accord in the Senate on bilateral negotiations, with a cease-fire and a decent chance for diplomacy to work, and continue to support the Contras at an appropriate level of aid.

I find the distinguished majority leader to be doing everything he can to bring about a bipartisan agreement. He has problems. He has demonstrated from time to time that he is a man of his own thinking and has the courage to differ with the White House. At the same time, we all understand that he also has responsibilities for leading his party, just as I have on my side. If it were just left up to Senator DOLE and me, I think we could get a bipartisan agreement quickly.

I do not think it is unreasonable to press for bilateral negotiations. I do not think it is unusual to try to have another vote on funding down the road. After all, these are taxpayers' dollars we are talking about, $100 million. These are not my dollars only, though I am a taxpayer; these are American taxpayers' dollars. The Senate has much responsibility under the Constitution in the field of foreign policy.

If it were a Democratic President in the White House, I would not feel differently. As I used to say, "I'm the Senate's man. I am not President Carter's man, I am the Senate's man."

The American people, if we could hear what they say this morning, I think would support the idea of another vote. I am perfectly willing to go forward with $25 million or $30 million. But I do think that bilateral negotiations are important, and I believe that a second affirmative resolution, for consideration by the Congress not only would be appropriate but would also be the fulfillment of our responsibilities as elected representatives of all the people of the United States.

I just cannot understand why there is all this resistance to another opportunity to evaluate the developments down the road and be in a position at that time to exercise our responsibility to the American people by reaching a judgment at that point as to whether or not the remaining $70 million or $75 million, whatever it may be, should be voted.

Mr. President, those are the problems that divide us. I hope that during the day, we can find more flexibility on the part of the White House and that we can go forward arm in arm and support the same policy on both sides of the aisle. If the White House inflexibility would become White House flexibility, I have no doubt that there would be an overwhelming vote in the Senate to proceed.

WEIRTON (WV) STEEL

Mr. BYRD. Mr. President, I wish to bring to the attention of my colleagues the outstanding success of the Weirton Steel Corp., which is located in Weirton, WV.

Weirton Steel—the largest employee-owned company in the Nation—was financed through the employee stock ownership plan [ESOP] method, and has, since its creation a short time ago, set a record of excellence of which we can all be proud.

Since it became employee-owned on January 11, 1984, Weirton Steel has had eight consecutive profitable quarters.

Earlier this month—on March 14—the company distributed its first profit-sharing money to 8,400 active and retired employees who chose to

participate in the ESOP. The amount of the profit-sharing pool was $20,345,000, representing one-third of 1985's profit of $61 million.

Profit sharing is the reward for building a successful business, for being competitive, and for striving for excellence. The people of Weirton Steel are demonstrating to the world that the concept of working together, cooperating, and striving for a common goal can make dreams come true.

The company is revitalizing itself by continued investment in new equipment and processes so that it can continue to be competitive in world steel markets in the future.

All of this is happening in a community in West Virginia where the people take exceptional pride in unity and in cooperative effort.

I am pleased that I was able to lend assistance with Weirton's ESOP purchase and with some environmental problems the new company encountered in its start-up effort. I am proud of what the citizens of Weirton have accomplished. The diligent effort and sacrifice which they have made to keep their community and their company intact and moving forward have paid off. They deserve our congratulations and our continued support. Their accomplishments are a source of pride and inspiration for us all.

RECOGNITION OF SENATOR HAWKINS

The PRESIDING OFFICER. Under the previous order, the Senator from Florida [Mrs. HAWKINS] is recognized for not to exceed 5 minutes.

THE COMMUNIST TRAIL OF DRUGS, ARMS, AND TERRORISM

Mrs. HAWKINS. Mr. President:

> The complicity of Communist governments in the drug trade is cause for grave concern among the nations of the free world. It is part of a larger pattern of international lawlessness by Communist nations that * * * also includes support for international terrorism and other forms of organized violence against legitimate governments.

Those words were spoken on September 14, 1984, by Secretary of State George Shultz in an address to the Chamber of Commerce in Miami. They are just as true today as they were 18 months ago.

The leading Communist-led nations in the Western Hemisphere—Cuba and Nicaragua—are involved in international terrorism and its inseparable twin, narcotics trafficking. With their failing economies, Cuba and Nicaragua need hard currency for essentials. The drug trade is a ready source of cash. Once a drug smuggling network is set up, it can be used to funnel arms to Communist insurgent groups and terrorists. Beyond that, plowing huge quantities of drugs into Western nations can serve the broader Communist goal of weakening the fabric of democratic society. The evidence is rather conclusive that Communist nations use the international drug trade for their own nefarious purposes and have every reason in the world to not only perpetuate it, but also to expand it.

When one tries to unravel the complex web of international terrorism, some of the strands almost invariably lead to the Communist world. Former DEA Administrator Francis Mullen has noted the curious coincidence that "Soviet weapons turn up in so many cases" of international terrorist acts. Terrorist groups are armed with the most sophisticated weapons and that takes money. Once again, drugs are a source of quick cash.

To illustrate this point, let us examine the Bulgarian connection and the Kintex organization. Kintex is the official import/export agency of the Communist Bulgarian Government. As such, it oversees the trade of such legitimate commodities as textiles, appliances, and tobacco. It also trades in drugs and weapons. In one of the most comprehensive examples of investigative journalism ever undertaken in this country, the Long Island newspaper Newsday published a 40-part series entitled "The Heroin Trail." The series asserted that Kintex made a deal with Turkish drug traffickers allowing the movement of morphine base through Bulgaria in exchange for the transport and delivery of guns and ammunition to leftist terrorist groups in Turkey. A confidential informant of the DEA and its predecessor agencies once told interrogators that the directors of Kintex were top-ranking members of the Bulgarian intelligence service.

To help meet the requirements of the Bulgarian Government for cash, according to the informant, Kintex was involved in the flow of arms throughout Europe to the Middle East and sold heroin and morphine base to European traffickers. The Kintex management also devised a plan to import large amounts of opium into Bulgaria for conversion to morphine base and heroin by Turkish traffickers established in Sofia. Morphine base produced in Sofia later turned up in West Germany and the source was traced to a Turkish national in the Bulgarian capital.

In the November 1983, issue of the Reader's Digest, writer Nathan Adams provides details of an interview with a former Bulgarian state security officer. That officer related that heads of the security services of the Warsaw Pact nations met in Moscow to devise methods to "exploit and hasten the inherent corruption of Western society." Later a meeting of Bulgarian security officers was held in Sofia to make plans for implementing the strategy. The Reader's Digest article related that a Bulgarian state security directive was issued subsequently with the avowed purpose of "destabilization of Western society through, among other tools, the narcotics trade." The instrument chosen to execute the strategy was Kintex.

There is yet another instance of Communist involvement in narcotics trafficking. Communist Bulgaria was involved in a complex arrangement that involved drug running, arms shipments, and export of high technology. Testimony at the Miami hearing in 1983, held jointly by Senator DENTON and me, disclosed that runaway financier Robert Vesco was engaged in a two-way trade, bringing drugs into the United States and providing high-technology equipment to Cuba and weapons to a Red guerrilla movement in Colombia. The scheme worked this way: Cocaine was smuggled from Colombia and Bolivia to Nicaragua, Cuba provided a safe haven for drug boats operating in Cuban waters, as well as protection during offloading. The drugs found their way to Western Europe and the United States, while arms purchased from Libya were shipped to Latin America in Bulgarian freighters. Part of the profits in this despicable scheme went to Kintex, the Bulgarian import/export house, to fuel more drug purchases and arms shipments. Kintex is believed, by Western intelligence sources, to be responsible in one way or another for half of all the heroin reaching Western Europe.

We are, Mr. President, living in a complex world. There are no simple solutions. However, one conclusion is inescapable. Any actions that we can pursue to curb the international drug traffic and disrupt narcotics operations will be steps taken toward reducing global terrorism and the Communist threat to the way of life.

RECOGNITION OF SENATOR PROXMIRE

The PRESIDING OFFICER. Under the previous order, the Senator from Wisconsin is recognized for not to exceed 5 minutes.

TO STOP THE ARMS RACE—STOP NUCLEAR TESTING

Mr. PROXMIRE. Mr. President, on March 24 Assistant Secretary of Defense Richard Perle and Congressman TOM DOWNEY appeared on the MacNeil-Lehrer program to debate whether the nuclear test ban treaty would serve this country's national interest. Here was a debate on what many of us regard as the most important issue of our time: nuclear arms control. In the view of this Senator, the crux of arms

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control is the negotiation of a comprehensive nuclear test ban treaty between the two superpowers. For many years Presidents of the United States have proposed such negotiations. This has been our proposal—the American, I repeat the American, proposition to stop the arms race by stopping weapons development. The Soviets until very recently have resisted the proposal. Some time ago Secretary Gorbachev came around to the American view and agreed to negotiate such a comprehensive test ban treaty. So what did our President do? President Reagan's reaction was swift and decisive. He said no. Why? Why did the President refuse to take yes for an answer? President Reagan contended that we could not verify such an agreement.

That was the reason given by the administration. It was the only reason. Now Secretary Gorbachev says the Soviets will accept monitoring stations in the Soviet Union to determine whether explosions have occurred. He has followed that offer with an agreement to permit on-the-spot inspections of any suspicious explosions. Gorbachev has agreed to the most meticulous verification. So what has been the Reagan administration reaction? Now they have shifted their objection to the test ban treaty. No longer do they offer as their principal objection that we could not verify compliance with the treaty. What is the current alibi for our refusing to negotiate on the very proposition this country has for so long advanced? Now the administration contends that we must test for a different reason. Now we must test in order to assure the safety and reliability of our present stock of nuclear warheads.

Assistant Secretary of Defense Richard Perle has long been recognized as the ablest and strongest champion in the Government for continued nuclear testing. He is also recognized for his powerful and extraordinarily effective opposition to arms control and especially to the test ban treaty. Congressman Tom Downey of New York has served New York in the House of Representatives for 11 years. He has won wide recognition as both a champion of arms control and as an expert on the details of arms control.

So Monday night on MacNeil-Lehrer there was quite a debate. Downey zeroed in on Perle's argument that this country needs to continue to test nuclear weapons to assure their safety and reliability. The Congressman contended that there are many ways we can determine reliability without testing. He charged that this administration tests not for reliability purposes but for the purpose of developing more surely destructive weapons. Perle, on the other hand, contended that the testing enabled us to develop weapons that were more effective and smaller. He pointed out that both the number and megatonnage of our nuclear stockpile has declined over the past 20 years. Today, said Perle, our weapons are fewer and more reliable. We should continue to test because that will enable us to continue to reduce the number of nuclear weapons as well as to make them safer. Downey responded that the record shows that the overwhelming majority of American nuclear tests were not to improve reliability but to develop newer and more effective weapons. He also contended that the constant development of more destructive weapons represents the worst kind of example to the rest of the world. It surely advances proliferation.

This is especially true if we accept Perle's argument that the new weapons that our testing advances are smaller. They are indeed. And what does that mean? That means they are cheaper. Why does smaller mean cheaper? Here is why. The big cost of a nuclear weapon is not in the warhead. The big cost is in the delivery system: The billion dollar trident submarine, the $200 million dollar B–1 bomber. The smaller the nuclear weapons the easier and especially cheaper the delivery system. Small and devastating nuclear weapons are ideal for terrorists. What is the major obstacle in the way of building a nuclear arsenal by the Libyan Government, or by Syria or Iraq or Brazil or Argentina or any of the scores of developing countries? The answer is the cost, the economic burden. So by Richard Perle's own words is it clear that nuclear testing will lead to smaller nuclear weapons? You bet. And what does that spell? It spells proliferation. It means more and more countries will have nuclear weapons. That greatly increases the prospect of nuclear war.

Mr. President, the heart of the arms race is the technological competition between the superpowers to develop ever more devastating, smaller, cheaper weapons. The quintessential need of that arms race is to test the nuclear weapons. Ending testing begins the end of the nuclear arms race. And not just between the superpowers. Ending testing stops the most serious potential threat of proliferating nuclear arms. Over the next few years, the superpowers must stop this race to develop ever more devastating and smaller and cheaper weapons. And that means they must stop testing. If they do not, our children and grandchildren will be very lucky to live out their lives without the most destructive and terrible war in human history.

Mr. President, I ask unanimous consent that a transcript of the part of the "MacNeil-Lehrer Show" devoted to the debate on nuclear testing between Secretary Perle and Congressman Downey on March 24 be printed in the Record.

There being no objection, the transcript was ordered to be printed in the Record, as follows:

To Test or Not

Woodruff. The United States has conducted almost 800 nuclear tests since the 1940s, but the U.S. underground test last Saturday in Nevada created almost as much political fuss as all the ones before. The Soviets, who have conducted more than 600 tests, have been following a self-imposed testing moratorium since August which was scheduled to expire on March 31st. The Saturday test here drew a sharp Soviet criticism, followed by an announcement today that the Soviets would stick with their moratorium at least through the end of the month. To explain why the administration went ahead with the test, we have joining us Richard Perle, assistant secretary of defense for international security policy.

Secretary Perle, why did we go ahead with this?

Richard Perle. Because we have a deterrent that is intended to keep the peace, which has kept the peace since the last world war, that depends on nuclear weapons. It's an unfortunate fact of life. We wish it weren't necessary, but it is. And as long as we require nuclear weapons in order to maintain the peace we have to test those weapons. We want to be sure that they're safe, that they're secure, and that they're reliable. And we don't know of any way to do that except by nuclear testing.

Woodruff. But the Soviets, of course, have been under this self-imposed moratorium since August. Doesn't this make us look like the aggressors in this situation?

Secretary Perle. Well, I think it's intended to do that. It's a shallow propaganda maneuver. The Soviets, even during the moratorium, were preparing for the test series that will begin shortly when they resume testing. They knew that we would not accept an abandonment of nuclear testing because they know that we depend on nuclear weapons and must therefore test them. They were in a position to propose a moratorium, knowing that it would be refused by the United States and hoping thereby to gain some propaganda advantage. But I don't think that we can afford to operate a nuclear force with unsafe, unreliable weapons in order to grant the Soviets whatever propaganda benefit they may think they can achieve.

Woodruff. Is that the main reason for these tests, that we want to make sure our weapons, when and if we need them, are safe and sound and reliable?

Secretary Perle. That's correct. And we also want to keep the numbers of these weapons to an absolute minimum. You know, in the 20 or so years since the American nuclear stockpile reached its peak in the 1960's, we've had steady reductions in the size of the U.S. nuclear force, the number of weapons in it and the yield or megato of those weapons. Those reductions have been possible because testing has permitted the introduction of better, more effective weapons so fewer of them will provide an adequate deterrent and, perhaps most important, much smaller nuclear weapons that have tailored effects rather than the very large weapons of the 1960s.

INTRO

Woodruff. What was being tested on Saturday exactly?

Secretary Perle. I don't think we have said specifically what was being tested on

Saturday, but the general tendency of our testing program over the last 20 years has been aimed at more effective weapons, fewer of them with lower yield. And I believe that's true of the current test series as well.

Woodruff. Well, I read a report that it was supposed to be an early warhead design for Midgetman intercontinental missile. Can you confirm that?

Secretary Perle. Well, if it were that I would only point out that there are many who believe that mobile missiles, because they can't be targeted, would introduce greater stability into the nuclear balance between the United States and the Soviet Union. I'm not sure that's true, but it points up the fact that in a situation where the stockpile is evolving testing is going to be necessary. And it's really putting the proposition backwards. We ought to be working on, and indeed are working on, proposals to reduce the number of nuclear weapons in the world, to diminish the importance of nuclear weapons in our overall defense. And then perhaps we can arrive at the point where we can get along without testing. But to have these weapons and not test them is foolish and dangerous.

Woodruff. Richard Perle, stay with us Jim?

Lehrer. A very different view of it now from Congressman Tom Downey, Democrat of New York, chairman of the Arms Control Task Force for the House Democrats. He called publicly Friday for postponing Saturday's test. Why? Why did you do that?

Representative Thomas Downey. Well, I think it's important to understand, Jim, that a very fundamental principal of American foreign policy under the six presidents prior to President Reagan is to attempt to get a comprehensive test ban, that it's wise for the superpowers to practice what they preach. We've told the rest of the world that it's not good to have nuclear weapons. There's just no better way to do that than by the United States and the Soviet Union setting an example of not testing and not developing more weapons. We have on this planet about 50,000 nuclear warheads today. We've got about 11,000 aimed at the Soviet Union. They've got about 10,000 aimed at us. I don't think we need any more. I think that the whole world understands how dangerous the situation is. And if we understand that and also understand the fact that the vast majority of the tests that the United States has conducted have not been reliability or safety tests. Rather, they've just been tests to develop new and different kinds of weapons. You'll understand that testing means new weapons, weapons that are potentially hair-trigger on both sides, and we have a golden opportunity now; the Soviet Union has not tested nuclear weapons for the last seven months. Indeed, the United States, in an attempt to work out some sort of deal, had not tested nuclear weapons since late last year. So we had that and on top of that we had an offer from six countries to verify a moratorium that they have offered the United States and the Soviet Union. And on top of that you had the Soviet Union saying for the first time in 40 year, come on site and take a look at what we're doing with tamper-proof seismic monitoring stations. So we had an opportunity to achieve something we've been trying to do for 20-plus years, to move closer to a comprehensive test ban, call the Soviets' bluff if that's what it is, go on site, do the inspections and start the process of not seeing proliferation of nuclear weapons by setting an example.

Lehrer. You heard what Secretary Perle just said. It would be foolish and dangerous not to test nuclear weapons that we have because our whole deterrent is based on that.

Representative Downey. Well, first of all, there are many ways to determine the reliability of nuclear weapons. Our designs are more advanced than the Soviet Union. You don't need to have a nuclear weapons detonation to test a triggering mechanism or the command and control and communication of nuclear weapons, and Mr. Perle knows that. What Mr. Perle wants more nuclear weapons tests for are more warheads and for the strategic defense initiative. This is an administration that frankly is not interested in arms control, and I think Mr. Perle has amply demonstrated in his reasoning why they aren't.

Lehrer. What is the harm of what happened Saturday?

Representative Downey. Well, actually the Soviets have indicated today that they will continue to follow their moratorium, and that's good for U.S. security interests. And it would be my hope that we will delay the next scheduled test on April the 16th and sit down and talk to the Soviet Union and try and negotiate if we can both a moratorium leading to a test ban.

Lehrer. In other words, you do not agree with Secretary Perle that the Soviets are up to a shallow propaganda maneuver?

Representative Downey. Well, everything that the Soviets do in Richard's eyes are shallow propaganda maneuvers, and maybe they are, but we have an opportunity to test whether it is or isn't by calling their bluff and saying, okay, you've said come on to our sites and do inspections, put tamper-proof seismic monitoring stations. Now is the time to test whether or not this is a propaganda move or a legitimate offer.

Lehrer. All right, thank you. Judy?

Woodruff. Well, Mr. Secretary, the congressman says you've got many ways to test the reliability of weapons other than detonating them.

Secretary Perle. Well, in fact you cannot have safety and reliability tests without the sorts of tests that we now conduct. You can take weapons apart, you can try to examine the components, but we've had some unpleasant surprises over the years and we have learned by experience that you must be able to test. That's the view of the experts. Congressman Downey may not share that view, but I'm inclined to listen to the people who build and design and test the weapons as to whether it's vital or essential. And I don't want to see somebody apologizing after an accident because he operated on some theory that you didn't need to test.

Woodruff. Congressman Downey?

Representative Downey. Well, first of all, experts differ and they clearly differ on this point. The experts that I have listened to have told me categorically that there are ways to determine weapons safety and reliability without nuclear explosions. The second point that I would hope Richard would address is in the current environment where the United States has an advantage in warhead design, reliability and effectiveness, what possible advantage is there to the United States continuing to test and allowing the Soviet Union to break out of their moratorium? It seems to me that we would like as Americans not to see the Soviet Union catch up to the U.S. in warhead design, effectiveness and reliability. We can prevent the Soviets from testing by maintaining a moratorium of our own.

Woodruff. Let me ask you that.

Secretary Perle. As a matter of fact, I would prefer that both sides operate the safest possible weapons, including the Soviets, and it seems to me that the likelihood of an intentional nuclear war is extraordinarily low. The danger of an accident is of far greater concern, and anything that can be done to protect against that I think is highly desirable. So I'm not unhappy if the Soviets produce more reliable weapons. If we had adopted your view 20 years ago, we would not have today the weapons we have which are fewer in number. It's not that we want more weapons. We want fewer weapons and more reliable weapons enable us to have smaller numbers. And we have much safer weapons today than we had 20 years ago. There have been a number of crucial safety innovations that would never have taken place if we had stopped—

Representative Downey. Richard, forgive me for being skeptical, but the fact is that this administration used to make the argument that the reason we couldn't have a moratorium or a comprehensive test ban had nothing to do with safety. Safety has only emerged recently when the Soviet Union has showed up and said, we are prepared to allow you on-site inspections and tamper-proof monitoring stations. Verification, if you will remember, Richard, had always been your problem with the Soviet Union. Now that they have taken that problem away, we suddenly find that we have to test so that our warheads will be safe. Really? When 800-plus warheads tests had nothing to do with safety, now we're so concerned about safety?

Woodruff. Let him respond.

Secretary Perle. First of all, Tom, the verification problem remains. We know of no way, no way to assure that the Soviets are not conducting very low-yield tests, and the idea that we can put unmanned sensors in the Soviet Union, unless you cover the entire Soviet Union, is totally unworkable. The fact is that we have proposed to the Soviets that they permit us to instrument, and therefore verify compliance with, tests that they have been conducting and will resume conducting with respect to the existing threshold that's in agreement between us, and they've absolutely refused that. They won't let us verify compliance with the existing agreement, and now you want to plunge into another agreement that we have no way of verifying.

Representative Downey. Oh, Richard, that's nonsense and you know it. The fact is that the Soviets have indicated to us that they are prepared to allow both around Semipolitensk and the Vayazemble, their two test sites, tamper-proof monitoring stations as well as on-site inspection. That would be enough just for the moratorium. For the purpose of moving ahead to a comprehensive test ban, where you could verify everything except sub-kiloton explosions, you would be able to do that with a systematic placement of seismic monitoring stations across the Soviet Union. Are you now telling me that the United States' position is that we could have a comprehensive test ban up to, let's say, a sub-kiloton or less, that that's verifiable? Because it is.

Woodruff. I'll let you respond to this and then let's move on to another point, if you want to.

Secretary Perle. We know of no way to verify very low-yield tests, but the point is, even if a test ban were verifiable, it's not in our interest to stop making the improvements that we are making that are leading

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to a safer and more reliable stockpile of nuclear weapons.

Woodruff. Can we assume that the United States is not going to go along with the Soviet request at this point, to agree to some kind of a joint test ban?

Secretary Perle. Of course we're not going to go along with it. We have renewed our proposal to the Soviets to enter into serious negotiations aimed at making the existing limitations verifiable because we think there is substantial evidence the Soviets are violating the existing limitations.

Woodruff. Well, what the Soviets have been saying lately seems to suggest that they're linking our agreement on that with arms control progress with a summit between our President and Mr. Gorbachev.

Secretary Perle. They haven't said that to us. I think there'll be a summit and we will continue the process of negotiation. But we're looking for agreements that are meaningful, agreements that would affect the stability of the balance between us and give us a safer world. And continuing to maintain nuclear weapons but not testing them is not going to make the world safer. It's going to make it more dangerous.

Woodruff. Congressman Downey, a comment on how all this affects you and Soviet relations?

Representative Downey. Well, I think that it's missing a marvelous opportunity to move a small step toward a safer and saner world. The fact is we don't need to test the experts. Richard's experts may differ from mine, but the fact remains that the rest of the world will follow the U.S. and the Soviet example. If we want to see non-proliferation, the best way to do it is to set the example, the U.S. and the Soviet Union, number one. Number two, Richard just told you that there are indications that the Soviets have violated the 150-kiloton threshold test. He has three reports on his desk from his own experts that suggest the absolute reverse of that, that the Soviet Union hasn't violated the 150-kiloton. And, Richard, I wish you would stop saying that they have when reports to your own office suggest that they haven't.

Woodruff. Do you want to respond to that?

Representative Downey. We are missing—we are missing here an opportunity not only from these six countries but to deal directly with the Soviet Union and to call their bluff, and to prevent new Soviet weapons from being——

Woodruff. Do you want to respond? Let's let him respond to that.

Secretary Perle. Yeah, I've looked carefully at the evidence and have concluded, as President Reagan did, that there is significant evidence the Soviets have violated the 150-kiloton threshold, and we have the solution for that, which is to improve the verification arrangements that surround that agreement, and the Soviets have refused.

Woodruff. Mr. Secretary, I can't let you leave without asking you about this latest incident, confrontation, between the United States and Libya. Is there anything you can add to what we reported and what we heard tonight?

Secretary Perle. I don't think I can. I think the United States will continue to insist on the right to operate freely in international waters and to take protective measures when attacked.

Woodruff. Do you think we could expect further military action by the United States?

Secretary Perle. I think that depends entirely on whether our forces are placed in jeopardy by the actions of the Libyans. But they surely can't expect us to expose ourselves to danger and not respond.

Woodruff. Who provoked this latest incident?

Secretary Perle. I believe that it resulted from a threat to U.S. forces that were operating in international waters by the Libyans.

Woodruff. Well, Mr. Secretary, Secretary Perle, we thank you for being with us. Congressman Tom Downey, thank you.

Representative Downey. Thank you.

MYTH THAT SAUDI ARABIA POSES NO THREAT TO ISRAEL

Mr. PROXMIRE. Mr. President, the myth of the day is that Saudi Arabia is a moderate Arab country that poses no threat to the existence of Israel.

This is what the administration and the State Department would have us believe, Mr. President—that Saudi Arabia is the peacemaker of the Arab world.

Well, that is a myth and the facts clearly prove it. Peaceful Saudi Arabia conducted warfare against Israel in 1948, 1967, and again in 1973. Each time they used all the weaponry at their disposal. They held back nothing in terms of technology or manpower or money. How can it now be argued that they would not join in another war against Israel? Clearly they would. And now they have American technology, American weaponry, and unlimited petrodollars.

Has the official position of Saudi Arabia changed toward Israel since 1948? No, it has not. Saudi supported newspapers still call for the destruction of Israel. Saudi oil revenues flow to the PLO and other terrorist organizations—partly out of a fear that lack of financial support would turn such groups against the ruling family.

Has Saudi Arabia embraced the Middle East peace effort? Again the answer is no. They have opposed every major initiative of the United States in recent years to bring the disputing parties to the conference table.

So, Mr. President, how should we reward this country which has been so disruptive of the peace process? With a new round of arms sales including advanced air-to-air missiles when Israeli security depends on controlling airspace? I think not. The arms sale package should be rejected and the administration's myth exploded.

RECOGNITION OF SENATOR BAUCUS

The PRESIDING OFFICER. Under the previous order, the Senator from Montana [Mr. Baucus] is recognized for not to exceed 5 minutes.

HEALTH COSTS AND U.S. COMPETITIVENESS

Mr. BAUCUS. Mr. President, last week the administration reported that the United States became one of the four largest debtor nations in the world economy. Moreover, the U.S. trade deficit grew by 9 percent last year, reaching a record trade inbalance of $124 billion in 1985.

We are now on the short list with Mexico, Brazil, and Venezuela, the nations that are the deepest in debt to foreign investors and foreign competitor industries.

Today, I will talk about only one small step that U.S. industries can take to become more competitive in the international marketplace..

But I also want to make a much more important point, that improving U.S. competitiveness means much more than trade talks, or changes in antitrust laws, or shortsighted provisions to protect particular industries.

Competitiveness with foreign industries means taking hundreds, or thousands, of steps to improve the quality of American products and the productivity of the American work force.

One important step to improve our competitive position with foreign industries is for American companies to take control of their costs for health care.

U.S. corporations are only starting to examine their bottom line with an eye on their corporate health care bill. As major purchasers of health care, corporations are acting to reduce unnecessary or inappropriate health costs. That translates directly into a more competitive position in an international marketplace.

According to the latest statistics of the Employee Benefit Research Institute [EBRI], employers spent $97 billion on employee health in 1984. That equals 2.57 percent of the gross national product.

Over a 10-year period, corporate payments for employee health have increased by nearly 300 percent.

EBRI estimates that corporate health care costs per employee average over $1,700 throughout American industries, with the highest cost paid in the manufacturing sector, where the per worker expense exceeds $2,000.

Let me cite just one example.

When Lee Iacocca began to look at Chrysler's health care bill, he was startled to find that Chrysler's total health care expense came to $530 for every car they sold in 1984, about 10 percent of Chrysler's lower-priced models, the K car.

To pay their annual health bill, Chrysler had to sell 70,000 automobiles. They found that Blue Cross-Blue Shield was the company's largest supplier and that the corporate health tab was growing every year.

Lee Iacocca asked Joe Califano, the former Secretary of HEW, and Doug Fraser, United Auto Workers president, to begin a program to lower the corporation's health costs while still

providing high quality care to Chrysler employees. It was a tall order, but a major corporation faced with the prospect of financial collapse needs to take bold action.

Chrysler recognized what more and more American industries are beginning to learn. They saw that U.S. competitiveness in the global market required effective control of total production costs, and that one of the fastest growing corporate costs is for health care.

Two years ago, I invited Joe Califano to join me in my State of Montana to tell Chrysler's story about its efforts to control health care costs.

Joe talked about Chrysler's efforts to reduce unnecessary surgery and expensive hospitalization. He described how the corporation has begun to negotiate with health care providers for fair prices for standard services.

Finally, Joe talked about how health promotion and disease prevention programs have been started to encourage good health habits among blue-collar workers and white-collar managers.

This is what improving U.S. competitiveness is all about. Being competitive by aggressively managing health care costs pays off in dividends. It lowers production costs and it helps to create a more productive work force. Again, a key is health promotion and disease prevention.

In the March 16 edition of the Washington Post, Joe Califano reiterated Chrysler health care initiative. He said that he now believes that the best hope for controlling health care cost will come from "an aroused private sector" that is "fed up with waste and inefficiency of our health industry."

Coming from Joe Califano, these statements represent a major conversion. As Secretary of Health, Education and Welfare, Joe Califano led the charge for government controls on health costs.

His message today, is "let business lead the way." Show American industry that it is in their competitive interest to lower their health costs.

Driven by the necessity to compete in world markets, corporations will begin to work with their employees, insurers, and the health care industry to manage these costs.

The Federal Government needs to encourage corporations to be innovative in buying quality health care. We have much to learn from the private sector in combating the health cost spiral.

Chrysler's experience has paid off. They saved $58 million in 1984 in their health costs and they have started to turn the corner on what was previously considered an uncontrollable expense.

Thousands more corporations are now starting down the same path. These corporations are proving that we can, and we will, be more competitive by being more cost conscious and healthier at the same time.

Mr. President, I ask unanimous consent that an article by Joseph Califano, Jr., entitled, "Let Business Cut Health Costs" from the March 16, 1986, Washington Post be printed in the Record.

There being no objection, the article was ordered to be printed in the Record, as follows:

[From the Washington Post, Mar. 16, 1986]

Let Business Cut Health Costs

(By Joseph A. Califano, Jr.)

For over a decade, I was convinced that the job of reining in health-care was too big for the private sector, that only government could do it. As secretary of Health, Education and Welfare during the Carter administration, I proposed an across-the-board cap on hospital charges that would have controlled payments by all private insurers as well as the government.

My years at HEW, and six more outside government, now lead me to believe that the great hope for containing health-care costs lies in an aroused private sector. Government has to do its share, get its house in order. But a Congress whose members depend on private contributions for election campaigns, who must satisfy constituencies in home districts and states, and who will always worry about offending hospital trustees and local medical societies cannot do the job alone. Our best hope to change the health-care system rests in an awakened, competitive world of business purchasers demanding and bargaining for high-quality care from a variety of competing providers.

Fed up with the waste and inefficiency of our health industry, the biggest buyers of health care are mounting aggressive efforts to change the way providers are used and paid and to reshape financial incentives that encourage patients to seek unnecessary care. These forces are sparking a sweeping social and cultural shift in how our people view hospitals, doctors and medical machines and in how individuals see their responsibilities to take care of their health.

In business, Lee Iacocca, fighting off Chrysler's collapse, was jolted into action when he found Blue Cross/Blue Shield was the company's biggest single supplier and health care was one-tenth the cost of a Chrysler K-Car. To fight rising costs and spur competition, corporations are embracing health maintenance organizations they once derided as socialistic.

In politics, leaders as diverse as President Ronald Reagan, who discovered that Medicare was growing at a faster clip than Social Security, and Sen. Edward Kennedy, who realized that even his cradle-to-grave national health plan could not afford to cover costs of long-term care for the nation's elderly, are pressing for changes in our health-care system.

To determine how to restructure our health-care system, we must first understand how we got where we are. Each of us did our share, acting by and large with the finest motives, for the most compassionate reasons.

Doctors acquired an unnecessarily broad monopoly over the practice of medicine as they defined it, and we established a payment system that has encouraged them to treat us when we are sick, not teach us to take care of ourselves. Rather than institutions of last resort, hospitals became settings of first choice for treating many minor ailments, especially when the insurance coverage was good.

Corporations and unions tilted employee health benefits toward the most expensive care and gave workers little sense of its cost. Private insurers saw themselves as agents of doctors and hospitals rather than of companies and patients who paid their bills. In enacting government programs to provide care to senior citizens and poor people, we acceded to demands of hospitals and doctors for reimbursement systems that promoted breakneck inflation in health costs and had virtually no incentives for efficiency. The profit motives of medical-equipment manufacturers and cleverness of our scientists found no sales resistance from hospitals that were reimbursed for whatever price they paid. Our elderly population exploded and placed unanticipated financial demands on Medicare to provide high-tech medicine; government reacted to its budgetary problems by shifting costs like peas in a shell game rather than working to recast the health-care system.

The result has been an explosion of unnecessary medical services, particularly surgery, often at unreasonably high prices. There are many examples to illustrate this, but none more revealing than the brief history of coronary bypass surgery in the United States.

America is in the midst of a coronary-bypass epidemic. Americans are four times more likely to have a coronary-bypass operation than Western Europeans with the same symptoms, twice as likely as Canadians and Australians. Why? Largely because of the American fee-for-service payment system. In Europe, Great Britian and Australia most doctors get salaries rather than piece rates. So do surgeons and cardiologists working under prepaid plans in the United States, and their patients get coronary bypass less than half as often as those who go to fee-for-service doctors.

Fees for coronary-bypass surgery are high enough to tempt the least knife-happy surgeon. Dr. Thomas Preston, chief of cardiology at Seattle's Pacific Medical Center, estimates that in 1984 cardiac surgeons fees for a coronary bypass ran up to $15,000 and averaged $5,000.

Evidence from a major European study and similar findings of the Veterans Administration and the National Institutes of Health reveal that coronary-bypass surgery clearly prolongs life for only 11 percent of the patients who receive the operation: those whose left main coronary artery is severely obstructed. Bypass surgery may prolong life for 10 to 30 percent more patients—those with obstructions in the three main coronary arteries—but the evidence is inconclusive.

If we don't change the system, prepare to live in an America where the annual health-care bill will hit a trillion dollars in the early 1990s and continue to double every six or seven years after that; where the cost of health care makes our products so expensive that American industry can't compete in a global marketplace: and where government rations health care and bureaucrats issue hundreds of regulations that determine who lives and dies.

There's hope because there's so much variety and freedom in America that, given the right incentives, doctors can compete with each other and hospitals, and because pressure on state governments to cut costs may open up many medical procedures to

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paramedics. There's hope because the federal government is trying to get its Medicare Act together by offering providers carrots and sticks to be efficient. There's hope because the genius of American business, determined to compete abroad, is turned on to making our doctors and hospitals more efficient.

An important role will remain for government. In a competitive health care system, there will be no room for "Robin Hood health care" that shifts costs to the well-insured to pay for the poor and elderly. Government will still have the task of protecting the vulnerable.

The time has come to fundamentally alter the way we deliver health care, who has access to it, how we pay for it, the way we educate doctors and protect their turf, the abandon with which we handle our bodies and minds, and the professonal and financial incentives we offer all the players in the health-care industry—and the patients.

ROUTINE MORNING BUSINESS

The PRESIDING OFFICER. There will now be a period for the transaction of routine morning business.

A TRIBUTE TO JUDGE FRANK B. EMBRY

Mr. HEFLIN. Mr. President, I am filled with sadness as I rise today to note the recent death of my good friend, Judge Frank B. Embry. Judge Embry was a man who through his long years of public service did much to mold and shape the spiritual, judicial, and political climate of Alabama. He was my father's closest friend and a great friend of mine. He was a man of immense integrity—regarded by his friends and colleagues with the highest respect and admiration. He will be greatly missed by his family, by his State, and by all who knew him.

Judge Embry was born into a family with a strong legal background. His father, James A. Embry, actively practiced law until his death at 93, and served as a circuit solicitor in Alabama from 1909 to 1915. His grandfather, Judge Leroy F. Box, served as a State legislator, as State superintendent of education, and as a circuit judge.

Judge Embry graduated from Cumberland University Law School, in Lebanon, TN, and was admitted to the Alabama Bar in 1913. He began his career by setting up practice with his father in Ashville, AL, the small town where he was born. He soon became known throughout the area for his proficiency as an attorney. This reputation led to his election as mayor of Pell City for two terms, and then to his service in the Alabama House of Representatives from 1923 to 1927.

It was during his tenure in the Alabama Legislature that Judge Embry became involved in the judicial and legislative activities for which he was known. As a representative, he was appointed to a joint legislative committee to "read and revise the manuscript of the 1923 code." In this position he worked to benefit the laws of Alabama. His influence is still being felt today.

In 1944 Embry became the circuit solicitor—the district attorney—for St. Clair, Etowah, and Blount Counties. He was a remarkable prosecutor who struggled to fight crime, corruption and negligence at every opportunity. He was once quoted as saying that "the God-fearing and liberty loving people of St. Clair County will not wave the white flag of surrender to the lawless element." In each of his cases, before leaving the jury to decide its verdict, he would say, "May he who marks the sparrow's fall guide you to a righteous verdict." In this way, throughout his life, he sought not merely to win cases, but to pursue true justice.

In 1953, Gov. Gordon Persons did the State of Alabama a huge favor. He appointed Frank Embry as circuit judge of the same circuit in which he had served as solicitor. As a judge, Embry ruled with equity and continuity; a combination which is more beneficial in administering the law. For over 30 years he provided excellent direction and leadership. In hearing cases he united a keen intellect with his vast legal knowledge to render decisions which were insuperable. He phrased his opinions in a forthright manner that demonstrated his impeccable values. After sentencing five men to jail for not paying child support he stated that, "Anybody who refuses to support his own flesh and blood deserves the penalty." Such was the manner in which he used his seat—to restore order and establish justice.

After he retired from the circuit bench in the early 1970's, Judge Embry did not slow in his duties, but, rather, he continued in a supernumerary capacity, steadfast, and indomitable. At that time, as chief justice of the Alabama Supreme Court, I appointed Judge Embry as a special circuit judge. He heard many different cases throughout the State which involved great delicacy and from which other judges had often removed themsevles. As always, he provided the consideration, the expertise, and the impartiality necessary for a rightful solution. In 1977, on my appointment, he heard five cases as a special judge of the Alabama Supreme Court. During three of these cases he sat with his son, T. Eric Embry, who was already serving with me as an associate justice. This is the only time in history that a father and son have served together on the Alabama Supreme Court. I know that both father and son delighted in this distinction.

Throughout his life, Judge Embry always remained active in his community, and in his State. He was a faithful member of the Methodist Church in Pell City for over 70 years. My father was his pastor and when my father retired he lived for more than 20 years in Pell City, where Judge Embry was his Sunday school teacher during that entire time. He was interested in politics, being a former vice chairman of the Alabama Democratic Party. Above all else, Frank B. Embry was a staunch defender of the liberties, and the values of our State and our Nation. His contributions are overwhelming. His record speaks for itself. His life will be remembered by thousands as an example and an inspiration.

Mr. President, I ask unanimous consent that an article from the Alabama Lawyer be printed in the Record.

There being no objection, the material was ordered to be printed in the Record, as follows:

Judge Frank B. Embry

(By J.O. Sentell)

"For age is opportunity no less than life itself."

These words of Henry W. Longfellow, epitomize the life of Judge Frank B. Embry, the son of James A. Embry and Lulu Box Embry.

Frank B. Embry was born at Ashville, Alabama, on October 12, 1891. He attended the public schools in Ashville and graduated from the Cumberland University Law School, Lebanon, Tennessee. He was admitted to the Alabama State Bar in 1913 and commenced practicing law with his father in Ashville.

Judge Embry is the third member of his family to be admitted to the bar of Alabama. His maternal grandfather, Leroy F. Box, a resident of St. Clair County, was admitted to the bar in 1869, was a representtive in the Legislature, was State Superintendent of Education, 1876–1880 and was a Circuit Judge at the time of his death in 1895.

James A. Embry was admitted to the bar in Alabama in 1882 and was Circuit Solicitor from 1909 to 1915. He died at Ashville in 1953 at the age of ninety-three. Although he was blind the last fifteen years of his life, he actively practiced law until his death. He was one of the oldest members of the Alabama Bar.

Frank B. Embry's son, T. Eric Embry, was admitted to the Alabama Bar in 1947. After practicing law with his father in Pell City, T. Eric Embry became a member of Beddow, Embry and Beddow of Birmingham. He has been an associate Justice of the Alabama Supreme Court since January, 1975.

In 1914, Frank Embry married Miss Isabelle Mungall, of Pell City. They had three children; two of whom are now living. Mrs. Betty Lou Cody, with whom Judge Embry now lives at Pell City, and T. Eric Embry. Mrs. Embry died eight years ago. Judge Embry has five grandchildren and twelve great grandchildren.

Mr. Embry served two terms as Mayor of Pell City and was a member of the Alabama House of Representatives, 1923 to 1927. He is the sole survivor of the joint legislative committee that was appointed, "to read and revise the manuscript of the 1923 Code. He was solicitor of the circuit comprised of Blount, Etowah and St. Clair Counties from 1944 to 1953. Governor Gordon Persons, appointed him Judge of the circuit composed of Blount and St. Clair Counties on September 2, 1953. He had been a friend of Governor Persons for years.

He was a vigorous Circuit Solicitor. Although he was in favor of capital punishment, he never asked the jury to give the death penalty. Five of the defendants that he prosecuted received the death sentence; four were executed; one sentence was commuted to life imprisonment.

His peroration to the jury was always:

"May he who marks the sparrow's fall guide you to a righteous verdict."

He declared to a special grand jury that he called to investigate gambling and liquor law violations that, "the God-fearing and liberty living people of St. Clair County will not wave the white flag of surrender to the lawless element."

The Chief Justice of the Supreme Court of Alabama assigned Judge Embry as special Circuit Judge on many occasions. He served as special Judge in the circuit courts of Scottsboro, Russellville, Centre, Birmingham, Selma, Butler, Bay Minette and Montgomery. He served as special Judge of the Montgomery Circuit Court for approximately six years. He tried all kinds of cases—public utility cases involving millions of dollars, divorce, murder, contracts, torts, burglary, rape and robbery.

On January 22, 1973, the Montgomery County Bar Association adopted a resolution which in part reads:

"During his tenure in this circuit, Judge Embry has been called upon to preside over numerous criminal and civil jury trials. In addition he has made himself available to all attorneys on pleadings, motions, and related matters. Between jury terms, he has heard and decided numerous equity cases, he has performed all of his duties with efficiency and dispatch. Because of his thorough knowledge of the law and his courteous and pleasing manner, he has gained the deep respect of all the members of the association."

September 20, 1973 was designated as "Appreciation Day for Judge Embry" in the Montgomery Circuit Court.

Presiding Judge Eugene W. Carter said:

"I think that there are four essential qualifications for a judge: He first must be honest, above reproach, can't be bought, can't be sold. Next, he has to have patience—The next thing he has to be diligent, he has to work. We don't need any judge in this county who does not like to work. We've got the biggest work load here of any place I know; and I want to say one thing for him, he really works. And the last thing, he has to have a knowledge of the law; and he has all four to the "nth" degree."

On February 28, 1978, the Montgomery County Bar Association presented Judge Embry with a plaque in grateful appreciation for his years of dedicated and faithful service to the bench and bar of Montgomery County.

In the meantime, he was trying cases in Birmingham. In September, 1976, while serving as special Judge in Birmingham. Judge Embry sent five men to jail for contempt of court for failing to pay child support as decreed by the court. Judge Embry said, "Anybody who refuses to support his own flesh and blood deserves the penalty. None of them stayed in jail long. When they realized it was jail or pay, they paid."

In October, 1976, Judge Embry, as special Judge in Jefferson County, rendered a decision of constitutional significance[1] in holding that the statute authorizing a Judge in a divorce case to grant an allowance to the wife out of the estate of the husband was unconstitutional in that, "it denies equal protection of the laws to all persons."

Judge Embry further held:

"If a statute of this kind is to be constitutional, a classification must be reasonable, not arbitrary, and must rest upon some grounds of difference having a fair and substantial relation to the object, of the legislation so that all persons similarly circumstanced should be treated alike."

The Supreme Court of the United States in Orr v. Orr[2], on March 5, 1979, held the statute to be unconstitutional and said:

"To withstand scrutiny" under the equal protection clause, "'Classification by gender must serve important governmental objectives and must be substantially related to achievements of those objectives.'"

Judge Embry, as special Judge in the Montgomery Circuit Court, adhered to his view that this statute was unconstitutional in Warwick v. Warwick.[3] On appeal, the Alabama Court of Civil Appeals reversed this case a year before the Orr decision was rendered in the United States Supreme Court.

Warwick v. Warwick was one of the twelve cases in which Judge Elmbry was reversed by an appellate court from 1974 to 1978. Fifty-six cases tried by him were appealed; thirty-severn were affirmed; four were affirmed in part and reversed in part; one was remanded for sentence although affirmed; and two were dismissed.

After Judge Embry was 85 years of age, he sat as a special Judge on The Supreme court by assignment of the Chief Justice in five cases.[4] In three of the cases, he served on the same division of the Court as his son, Justice T. Eric Embry. This was the first time in the history of the Supreme Court that a father and son sat on the same case.

Judge Embry has a storehouse of anecdotes. One illustrates the veneration in which he held his Grandfather Box.

Frank Embry, when he was solicitor, was riding to court with a man who told him that he had an appeal case in court; that he didn't know anybody at court, but he once knew a Judge; that he was in a boarding house with him and gave him the last drink of water he had before he died.

The Judge the man knew was Judge Box, Mr. Embry's grandfather. The prosecutor of the man's case was Mr. Embry. The prosecutor promptly nol prossed the case. The Judge called Mr. Embry to the bench and said, "The jury is sitting there, wondering what is happening. What is going on?" When Solicitor Embry explained, the Judge slapped him on the back and said, "good job."

In the early fifties, Judge Embry was interested in a friend's candidacy for a high state judicial office. He gave the candidate a check for his campaign and told him that because of his own judicial position, he could not publicly endorse him, but told him to go to the bank at the noon rush hour on payday when the employees were lined up to get their pay checks cashed; introduce himself and in a loud voice say that he would like to cash a check that Judge Frank Embry gave him for his campaign. The candidate did just that. He carried St. Clair County and was elected.

Judge Embry once told a young lawyer in Montgomery, after he had ruled against him:

"It's been my rule, since I've been a judge, that you have five days in which to 'cuss' the court. After the expiration of five days, if I hear you 'cussing' me, I am going to put you in jail for contempt."

Frank Embry once successfully defended a woman charged with murder. She came to him later and said:

"I've been upset ever since you talked the jury into believing I was innocent."

The woman reached down into her bosom and pulled out three sheets of paper. She had written down how she killed her husband, where she got the poison and every detail about it. Judge Embry said he was filled with regret for having defended the woman.

On another occasion, he defended a distraught husband, whose wife had left him and was then living with two men in Ashville. So the husband got a one-barrel shotgun and walked thirteen miles to Ashville to kill a man. He had but one shell, but he killed the wrong man. Mr. Embry pleaded the "unwritten law" and the defendant was acquitted.

Judge Embry spends most of his time now in Pell City. He has been a member of the Methodist Church in Pell City for sixty-six years, and is its oldest living member. He taught the Brotherhood Class for twenty years.

Judge Embry's office is located in a law firm's building in Pell City. It is his habit to come to his office each morning around eight to see if there is any mail to be answered. Pictures of well-known personalities and plaques of appreciation and recognition are in his office.

He says:

"I'll sit here and reminisce for a while, meditate and pray some—"

WIDOW OF SENATOR LISTER HILL PASSES

Mr. HEFLIN. Mr. President, it is with deep regret and sadness that I inform the Members of the U.S. Senate that on this last Sunday, March 23, 1986, Mrs. Lister Hill, wife of the former Member of this body, U.S. Senator Lister Hill of Alabama, died in Montgomery, AL of pneumonia. She is survived by one sister, Mary McCormick Andrews; a son, L. Lister Hill; a daughter, Mrs, Charles (Henrietta) Hubbard; five grandchildren and four great-grandchildren.

Funeral services were held Tuesday, March 25 from the Church of the Ascension in Montgomery.

Henrietta McCormick Hill will be remembered by many in Washington and in this body as being a very gracious and delightful lady whose encouragement made Senator Hill one of the outstanding Members of this body

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[1] In Re: The Marriage of Helen Ruth Abel and William I. Able, No. 198-270 Jefferson County Circuit Court, at Birmingham, in Equity, October 27, 1976.

[2] Orr v. Orr. 99 S. Ct. 4340 VS 268; 59 L Ed 2d 306 (1979).

[3] Alabama Civil Appeals, 356 So.2d 194.

[4] City of Hueytown v. Burge; Alabama 342 So.2d 339, (1977). First National Bank of Birmingham v. Culberson; Alabama 342 So.2d 347 (1977). Cooter v. State Farm Fire & Casualty Company; Alabama 344 So.2d 496 (1977). Edmonson v. Blakey, et al; Alabama 341 So.2d 481 (1976). Snider v. Shirley; 341 So.2d 677 (1977).

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to serve in this century. Memorial donations may be made to: the Parkinson Disease Research Project, Medical School, University of Alabama in Birmingham, University Station, Birmingham, AL 35294.

CONCLUSION OF MORNING BUSINESS

The PRESIDING OFFICER. Morning business is closed.

AID TO NICARAGUAN DEMOCRATIC RESISTANCE

The PRESIDING OFFICER. The clerk will report the pending business.

The legislative clerk read as follows:

A joint resolution (S.J. Res. 283) relating to Central America, pursuant to the International Security and Development Corporation Act of 1985.

The PRESIDING OFFICER. The Senator from Indiana is recognized.

Mr. LUGAR. Mr. President, the underlying business today is a resolution dealing with the Central American situation.

The order of business, as we understand it, is that very shortly the distinguished Senator from Massachusetts will offer an amendment and that this may be followed in due course by a substitute amendment offered by the Senator from Tennessee.

As opposed to offering an opening statement on the bill, I will relate my remarks to the various amendments as they come along.

For the moment, I hope the Chair will recognize the distinguished ranking minority member of the Foreign Relations Committee.

The PRESIDING OFFICER. The Senator from Rhode Island is recognized.

Mr. BYRD. Mr. President, I ask unanimous consent that the time which is under the minority leader's control be controlled by the distinguished Senator from Rhode Island [Mr. Pell].

The PRESIDING OFFICER. The democratic leader has the right to make that designation.

The time will be under the control of the Senator from Rhode Island.

Mr. PELL. Mr. President, I rise in opposition to the proposal to provide $100 million in military and nonmilitary aid to the Contras. I respect the position taken by my friend and colleague, the chairman of the Foreign Relations Committee, Mr. Lugar, but I respectfully differ with him and with our President concerning what best serves our national interest in Central America.

I have long opposed aid to the Contras, because the administration's policy is based on an exaggeration of the Nicaraguan threat, a guilding of the makeup of the Contra military leadership, and a rejection of more peaceful alternatives to protecting United States interests in Central America.

It is a policy of paranoia and defeatism to conjure up an image of a red tide lapping at our shores if Contra aid is not approved. Nicaragua is a poor, backward country with a mere 3 million people—one-eightieth the population of the United States—and its military forces are outnumbered by those of its Central American neighbors. The balance of forces and difficult terrain simply do not lend themselves to a credible threat of invasion by Nicaragua.

The threat of subversion from Nicaragua is also overstated in my view. Nicaragua has meddled in El Salvador, but Nicaragua's support for the insurgents in that country is minute in comparison with the arms and other assistance that we have poured into El Salvador. More important, however, is the fact that with the transition to democracy in Guatemala and Honduras, Nicaragua is now surrounded by democrats with built-in resistance to becoming fertile ground for Sandinista-supported insurgency. The administration deserves credit for supporting this transition, and I believe that the $100 million proposed for the Contras could be put to more effective use to strengthen the economies of the Central American democracies, as was recently suggested by President Arias of Costa Rica.

I also do not find credible the threat of a Soviet or Cuban base in Nicaragua. The Soviets do have technical advisers to assist with equipment they have provided—exactly as we do in many nations—and the Cubans help to train troops—exactly as we do in many nations—but neither Cuba nor the Soviet Union has combat units in Nicaragua. There have been reports that individual Cuban advisers have accompanied Nicaraguan forces in counterinsurgency operations, but there is no indication that they have been in command positions or served as pilots.

The Soviet Union and Cuba know that we would not tolerate their establishment of a base in Nicaragua. It is not the Contras that will prevent the establishment of a Soviet or Cuban base, but it is American power. Everyone knows that America has the forces and the will to prevent the establishment of such a base; so no one should be fooled into thinking that the Contras could provide a shield against Soviet or Cuban aggression in Central America.

Internally, the Contras are not a viable alternative to Sandinista rule. Despite contentions to the contrary by the administration, the Contra military leadership is dominated by members of former dictator Somoza's hated national guard. According to an updated report issued on March 12 by the Arms Control and Foreign Policy Caucus, based on Contra publications and former Contra members, 12 of the 13 commanders of the high command of the FDN, the main Contra force, are former Somoza national guard officers.

These thugs have presided over the murder, pillage, and rape of the very people they profess to want to liberate. In fact, I do not know what the Sandinistas would do without the Contras as they move to consolidate their power and justify their denial of basic liberties to the Nicaraguan people. It gives them the excuse which they seek and which they need. If the definition of a terrorist is someone who employs wanton, indiscriminate violence against civilians in an effort to influence government policy, then the Contras are our terrorists. And I, for one, do not want to fund terrorism.

Our support for the Contras brings to mind our involvement three decades ago in overthrowing the Arbenz government in Guatemala. Having achieved that objective, we condemned the people of Guatemala to over 30 years of repressive military rule, abuse, and torture. The Contras are not, as the administration claims, the moral equivalent of our Founding Fathers—a comparison I find insulting. Much has been made recently of a so-called Nicaraguan disinformation campaign, but this administration's efforts to whitewash the Contras and portray them as something they are not—freedom fighters and the democratic opposition—tops anything the Sandinistas are doing.

The administration has also linked the Contra aid issue with recent developments in the Philippines. The line being pushed is that we stood for democracy in the Philippines and we should stand for democracy in Nicaragua. Fine. But there are, however, profound differences between the role we played in the Philippines and the role proposed in Nicaragua.

In the Philippines, where much of the leadership is taken by my colleague the chairman of the committee, we were motivated by a desire to avoid violence and bloodshed. That was a noble motive, and I have congratulated the administration for what it did. In Nicaragua, though, we are promoting violence and bloodshed in a proxy war against that country's government. In the Philippines, we allied ourselves with truly democratic forces who had been cheated on an election they won. In Nicaragua, we are allied with people associated with over a half-century of abuse and fraudulent elections. If the administration stands for democracy in Nicaragua, it has chosen a very, very odd way to show it.

Our administration claims that support for the Contras is needed to pressure the Sandinistas into negotiating on issues of regional security and

internal political reform. The claim is further made that the administration has given its all in negotiations to date and that Nicaragua is to blame for the failure of the Contadora process. These claims simply do not ring true.

In 1984, Nicaragua was prepared to sign a treaty addressing all the issues of professed concern to our administration; but our administration pressured the other Central American governments into rejecting it. More recently, in January of this year, the eight Latin American governments of the Contadora nations and the South America Support Group issued a call at Caraballeda, Venezuela, for a renewal of negotiations, cessation of support for irregular forces in the area, removal of all foreign military advisers and installations, a freeze on arms procurement and respect for self-determination, territorial integrity, political pluralism and human rights. This proposal was greeted with stony silence by the administration, while Nicaragua and all of the other Central American nations endorsed it.

Even more recently, on March 3, the Nicaraguan Ambassador wrote to me and stated that his government is prepared to sign a binding and enforceable agreement guaranteeing that stated American security interests are met. Under such an agreement, all foreign military advisors would be withdrawn from Central America; countries in the region would renounce the acquisition of new systems of armaments and impose strict and verifiable compliance and control mechanisms on those commitments; and Nicaragua would guarantee that its territory will never be used as a base for any foreign power or for subversion of any other government and allow on-site inspection to assure its full compliance.

I was also informed that upon cessation of American support for the Contras and ratification of a peace agreement, Nicaragua will terminate the state of emergency, restore the full panoply of civil liberties, proclaim a full amnesty for all Contras, and permit them to organize political parties and run for elective office.

Mr. President, I ask unanimous consent that the full text of this letter be printed in the Record immediately following my remarks.

The PRESIDING OFFICER. Without objection, it is so ordered.

(See exhibit 1.)

Mr. PELL. Mr. President, the Caraballeda declaration, together with the Nicaraguan statement I have just cited, provide the basis for the negotiations the administration claims to want. Let us test the seriousness of Nicaragua by joining our Latin American allies in unconditional negotiations with the Sandinistas. In this connection, I hope that Ambassador Habib, in whom I have great trust and confidence, will visit Managua and begin the process of testing Nicaragua's seriousness.

If we continue to reject the approach proposed by our allies in the region, I fear that we will be heading down a slippery slope toward direct United States military involvement in Nicaragua, an involvement we should not forget when for all of those many years our marines were occupying that nation. The administration has already said that military aid to the Contras is needed because economic sanctions have not worked. If the aid requested is given and does not achieve the results sought—which it will not—the administration will be back for more.

In the process, the Soviets and Cubans will up the ante by shipping in more arms, and thus we will create a self-fulfilling prophecy of a Nicaragua more heavily armed and more dependent on the Soviets and Cubans. As the stakes rise, I fear that the pressure will become irresistible within the administration to make sure that the Contras do not lose, even if that means sending in our troops to fight in Nicaragua. Nicaragua, however, is no Grenada; while we have 80 times the population of Nicaragua, Nicaragua has 30 times the population of Grenada. We would suffer more casualties then we did in Grenada—and our Nation would be divided again as we were during Vietnam.

The issue before us is not a test of patriotism. It is not, as some have said, a choice between Ronald Reagan and Daniel Ortega. It is, rather, a question of what best serves U.S. security and foreign policy interests. Members of both parties can and will differ on what best serves those interests, but their patriotism and loyalty ought not to be impugned.

As for me, I favor the course of peace through serious—and I repeat, serious—negotiations. Let us reject the request before us and, instead, support an agreement with Nicaragua and other Central American nations. If the agreement is violated by Nicaragua, we should take the matter to the OAS for collective action as we did during the Cuban missile crisis. That way, we would be acting within international law and with broad public support at home and abroad.

We should take the Nicaraguans up on the Ambassador's formal offer to meet most of our demands. We should say "put up or shut up."

I thank the President for his patience in hearing me.

I yield to the Senator from Massachusetts, and I add that I look forward to supporting his amendment.

Exhibit 1

Embajada de Nicaragua,
Washington, DC, March 3, 1986.

Hon. Claiborne Pell,
U.S. Senate, Washington, DC.

Dear Senator Pell: As the situation in Central America continues to evolve, the new hopes for peace are jeopardized by the intensification of U.S. military involvement in the region.

The statement issued on January 12, 1986 by eight Latin American Governments belonging to the Contadora and the Lima Groups, Argentina, Brazil, Colombia, Mexico, Panama, Peru, Uruguay and Venezuela, known as the "Caraballeda Message for Peace, Security and Democracy in Central America," has brought new hope for a diplomatic solution to the problems in Central America.

The Caraballeda Message comes at a time when the U.S. Administration is increasing its involvement in Central America. The U.S. Administration, while insisting that the situation in Central America is part of the East-West conflict, has announced new U.S. military maneuvers to take place in Honduras; they have begun their efforts to obtain more military assistance for the contras, and have rejected Latin American calls for a renewal of bilateral negotiations with Nicaragua. All of these actions are clearly against the Contadora and Lima Groups efforts to achieve a negotiated settlement to the conflicts in Central America.

The Caraballeda Message firmly rejects the U.S. Administration belligerent approach. It clearly states that the problems in Central America are not part of the East-West conflict: "the solution of Latin American problems should spring from and be ensured by the region itself so that the area will not be put into the East-West world strategic conflict."

The Caraballeda Message also called for an end to U.S. support for contra forces, suspension of all international military maneuvers, withdrawal of foreign troops and military advisors in Central America, new actions of national reconciliation in accordance with the current legal system in each of the countries, resumption of talks between the governments of the United States and Nicaragua in order to eliminate differences, as well as other points.

Nicaragua endorsed the Caraballeda Message of January 12 when it joined Costa Rica, El Salvador, Guatemala and Honduras, in the "Declaration of Guatemala" on January 16, 1986, named after the meeting of Heads of State and Foreign Ministers of Central America that took place on the occasion of the inauguration ceremonies of President Vinicio Cerezo of Guatemala.

Nicaragua is willing to act simultaneously on the steps agreed in the Caraballeda Message provided that all other major parties involved in the Central American conflict, including the United States, do the same.

A recent example of Nicaragua's readiness to achieve diplomatic solutions was the agreements reached with Costa Rica to establish a Permanent International Commission to prevent and investigate any further incidents in our common border.

On February 24, with the presence of the Contadora Group, the Costa Rican and Nicaraguan Governments met in Managua and agreed to establish this Commission. The Commission will be made up of civilian personnel from Costa Rica, Nicaragua and the Contadora and Support Groups. A meeting

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is scheduled for March 12 in San José, to discuss the final aspects of this agreement.

Also, the newly elected President of Guatemala, Vinicio Cerezo, has called on a Summit of Central American Presidents to discuss solutions to the region's crisis. President Daniel Ortega has welcomed the initiative and will participate in this meeting that will take place on May 20th in Guatemala.

Nicaragua has also recently proposed the establishment of a bilateral Commission to solve the problems that exist along our common border with Honduras. My Government believes that we can initiate a process of negotiations and achieve solutions to our problems with Honduras, as we have progressed with Costa Rica.

As Nicaragua has expressed hopes that these efforts with Costa Rica and Honduras can contribute to bring peace and stability, we have to raise our concern with the announcement that the U.S. Administration intends to provide the 100 million dollars more to the contras. This aid would be a serious blow to the ongoing Latin American peace efforts.

The United States has claimed that it has security interests in Central America and Nicaragua has agreed to accommodate these stated security concerns for the achievement of regional peace.

My Government is, and has always been, prepared to sign a binding and enforceable agreement guaranteeing that stated U.S. security interests are met. As part of such an agreement, the Central American nations and Nicaragua would:

1. Have all foreign military advisers withdrawn.

2. Renounce the acquisition of new systems of armaments, and impose strict and verifiable compliance and control mechanisms on those commitments and,

3. Guarantee that Nicaraguan territory will never be used as a base for any foreign power or for subversion of any other government, and allow on-site inspection to assure its full compliance with these obligations.

Let me also state categorically that Nicaragua's Revolution stops at Nicaragua's frontiers. We do not seek to export it and we never shall. I want to reiterate also a long-standing position of my Government. Upon cessation of the current U.S. aggression against Nicaragua, and ratification of a peace agreement, my government will immediately proceed to:

1. Terminate the State of Emergency which was made necessary by the U.S. supported war and restore the full panoply of civil liberties to which my Government is committed, including freedom of speech and of the press.

2. Proclaim again General Amnesty for all the contras, permitting them to return to Nicaragua and participate fully and freely in the social and political life of the country. They would have the right to organize political parties and run for all elected offices, including president.

As you can see Mr. Senator, the record is clear, Nicaragua has shown its willingness to enter into binding agreements that will meet the stated security concerns of the United States and we remain ready to do so. Further U.S. military involvement in Central America, however, not only goes against the efforts of Latin America to achieve lasting negotiated solutions to the conflicts in the region, but brings the U.S. closer to sending U.S. troops into combat to Central America. And this would bring unforeseen consequences to U.S. relations with Latin America, not to mention the people of Central America.

Let me thank you again for your consideration and please, feel free to contact me if I can be of further assistance.

Sincerely yours,
CARLOS TUNNERMANN B.,
Ambassador.

The PRESIDING OFFICER. The Senator from Massachusetts.

AMENDMENT NO. 1716

(Purpose: To prohibit any U.S. assistance to military and paramilitary groups operating in Nicaragua)

Mr. KENNEDY. Mr. President, I send an amendment to the desk on behalf of myself, Mr. BINGAMAN, Mr. INOUYE, Mr. LEAHY, and Mr. HART, and ask for its immediate consideration.

The PRESIDING OFFICER. The clerk will report.

The assistant legislative clerk read as follows:

The Senator from Massachusetts [Mr. KENNEDY], for himself and Mr. BINGAMAN, Mr. INOUYE, Mr. LEAHY, and Mr. HART, proposes an amendment numbered 1716. Strike out all after the resolving clause and insert in lieu thereof the following:

Notwithstanding any other provision of law, no funds may be obligated or expended for the purpose or which would have the effect of supporting directly or indirectly military or paramilitary operations in Nicaragua by any nation, group, organization, movement, or individual.

Mr. KENNEDY. Mr. President, parliamentary inquiry: Do we have a time agreement on this particular amendment?

Mr. DOLE. The Senator has 50 minutes. We have 5.

Mr. KENNEDY. Mr. President, I yield myself 6 minutes.

The Senate must today decide whether or not to continue aid to the Contras. The administration originally claimed that the purpose of this funding was to halt the flow of arms to El Salvador. At the beginning, many Senators supported this program with that understanding in mind. It is now clear, however, that the architects of this policy had much more ambitious plans. While the administration claimed to be trying to prevent Nicaragua from interfering in the internal affairs of other nations, the administration was plotting to overthrow the government of a nation with whom we have formal diplomatic relations.

As we debate the administration's proposal to provide additional military assistance to the Contras, we must remember that, being a critic of the Contras is not the same as being a cheerleader for the Sandinistas. This is not a resolution of commendation for the commandantes, nor is the Senate being asked to cast a vote of approbation or approval for Sandinista policies.

If there is any consensus to be found in the Senate today, it is that the Sandinistas have fallen short of their pledge to build an open, tolerant, pluralistic, democratic society in Nicaragua. They have violated the human rights of thousands of Indians inside Nicaragua. They have aligned themselves with the enemies of freedom throughout the world. They have made their country a host to sponsors of international terrorism—the Libyans, the Bulgarians, the PLO. They have established mechanisms of social control and political oppression, and they have supported the guerrillas in El Salvador. We are in agreement that the Sandinistas have taken a dangerous turn toward the totalitarians, and we are in agreement that U.S. policies should work to reverse that course.

But the real question before us today is whether the Reagan administration's policy of military support for the Contras is wise, whether it has any hope for success, and whether it is consistent with our fundamental values.

Six weeks after President Reagan took the oath of office, he endorsed the CIA's plan to organize and to fund paramilitary activities against the Sandinista government in Nicaragua. Our policy toward Nicaragua has been hostage to that decision ever since. Mr. Reagan turned first to the secret use of military force as the way to deal with the Sandinistas, and we have had to live with that decision now for over 5 years.

Today, let us take a step back from the passions that this policy has generated among the American people and among their Representatives in Congress, and let us examine what this policy has achieved.

We have had 5 years of blood and battle, and what is there to show for it?

Rather than reducing the influence of the Cubans and the Soviets inside Nicaragua, that influence has grown over the past 4 years. There are thousands of Cuban advisers inside Nicaragua and, according to the President, there are Soviet advisers also to be found among the Nicaraguans. We know too that the Nicaraguans have summoned the assistance of other enemies of freedom in their struggle to resist the attacks of the Contras. In Nicaragua today, there are Bulgarians and Libyans and representatives of the PLO. This is hardly the mark of a successful policy.

Rather than forcing greater democracy inside Nicaragua, the "secret war" has given the Sandinistas a pretext to resort to repression—under the guise of a "state of emergency"—as a means of controlling internal opposition and dissent. Press censorship has continued, and the activities of opposition political groups have been carefully controlled and sharply circumscribed. This is hardly the mark of a successful policy.

Rather than reducing the military threat from Nicaragua to the region,

the "secret war" has prompted the Nicaraguan Army to grow in numbers and to improve in skill. The "secret war" has given the Sandinistas an excuse to build their military into a power unprecedented in Nicaraguan history. The Nicaraguan Army is large, it is well equipped, it is well armed, and it has been tested in combat. This is hardly the mark of a successful policy.

Rather than isolating the Sandinistas among the nations of the world, the "secret war" has made them heroes. They now play the role of David to the American Goliath. They are the underdogs, valiant defenders of their homeland against overwhelming odds, and the United States is seen to be a bully. This is hardly the mark of a successful policy.

Rather than enhancing the reputation of the United States among the nations of the world as a moral leader, the United States is now widely perceived to be an international outlaw that breaks the rules when the rules do not favor us. We may soon join the company of Iran and South Africa as violators of international law in the eyes of the World Court. This is hardly the mark of a successful policy.

After 5 years of failure, let us now concede that the policy is bankrupt. Let us now be candid with ourselves and with our friends that President Reagan's jump to military confrontation with the Sandinistas was unwise, and that it has been unsuccessful.

There are many reasons why this policy should be reversed.

First, the policy is illegal. It is not, as President Reagan has so often stated, "totally consistent with the OAS and UN Charters." U.S. military support for the Contras is in blatant violation of international law. Article 2(4) of the Charter of the United Nations prohibits the threat or use of force against the territorial integrity or political independence of any state, and article 18 of the Charter of the Organization of American States says that, "No state . . . has the right to invervene, directly or indirectly, for any reason whatever, in the internal or external affairs of any other state." The United States is a party to these agreements and a decent respect for international law requires us to honor them. We have even breached our treaty obligations of the International Court of Justice. Rather than defend his policies in the World Court, last April, President Reagan withdrew the United States from the Court's jurisdiction.

Second, while we deplore the policies of the Sandinistas, their abuses do not justify the activities of the Contras. Numerous reports, increasingly well-documented, from respected human rights groups, and from national magazines have detailed atrocities committed by the Contras against defenseless men, women, and children. I urge my fellow Senators to read Christopher Dickey's new book, "The Contras."

It is now beyond dispute that the Contras have murdered civilians, attacked schools and health facilities, and have tortured and mutilated prisoners. Yet the Reagan administration has apparently chosen to remain in "intentional ignorance" of this violence. The President has the audacity to call the Contras "the moral equal of our Founding Fathers." It dishonors the Founding Fathers to compare the Contra commandantes with George Washington and Thomas Jefferson. The Contras are not "our brothers" and our continued support of the Contras' activities makes any peaceful resolution to the conflict more and more distant.

Third, the U.S. support of the covert war in Nicaragua has been counterproductive. It has helped the Sandinistas to consolidate support among the Nicaraguan people by identifying their revolution with Nicaraguan nationalism. It has inspired a wave of anti-Americanism in that country and throughout the hemisphere.

Fourth, the administration's policy has not worked, and there is no evidence to suggest that it can ever succeed. Last year, the commander of the U.S. Forces in Central America, Gen. Paul Gorman, admitted that the Nicaraguan rebels are incapable of overthrowing the Sandinista government "in the foreseeable future," and that it will take "years" before Contra pressure can produce any significant change in the Nicaraguan Government. This year, before the Senate Armed Services Committee, General Galvin confirmed that judgment. The only way that this policy can succeed is with U.S. troops, and I don't think that the American people want to be drawn into the quagmire of Central America.

It is time to cast a vote for peace in Central America. But as we do so, let us send a clear message to the Sandinistas.

Do not embrace the enemies of freedom any longer. Do not, in your anger at your North American neighbors, become beguiled by those who would use your country for their own ideological purposes. Send them away.

Do not fear freedom for your people. Let there be freedom of speech and freedom of press and freedom of association and freedom of religion in your land. Let the voices of dissent and disapproval be read, so that the dreams of your revolution for self-expression and self-improvement can become a reality. Let your people speak freely, and let them be heard.

Do not let your people become prisoners of war by locking them into a garrison state or by chaining them into a siege mentality. Let the soldiers come home to be with their families. Let your people turn their attention to the task of building a better country for all the citizens of Nicaragua. Get rid of the weapons of war and return once again to the battle against poverty, disease, and despair among your own people.

And, in response to this vote for peace by the American Congress, do not be arrogant or self-righteous or recriminatory. Now is the time to bring your people together. Now is the time to heal wounds and to mend the fabric of your society which has been so terribly torn. Give your political prisoners their freedom, and let your adversaries return to their homeland without fear of retribution.

And finally, never forget that the United States of America does have legitimate security interests in Central America, and that Americans of all parties and of all parts of the political spectrum are in agreement that the United States will not hesitate to take whatever action is necessary to protect and defend those interests. We will not permit the Soviet Union or Cuba to establish military bases in Central America. We will not look the other way if offensive weapons are imported into the region. And we will oppose the efforts of any country in the region, directly or indirectly, to overthrow or destabilize other governments.

This has been one of the most painful debates in our recent history. And it never seems to end. The rhetoric has been escalated, and the stakes have been exaggerated. It would be a tragedy for the country and for the Congress for this debate to go on and on and on—as it has nonstop over the past 14 months. There is more important business for this Congress, for this country, for this continent—indeed, for this hemisphere. We are neglecting far more serious problems—here at home, and throughout our hemisphere. Let us now, once and for all, pass judgment on this policy. Let us turn our backs on the idea of overthrowing a government, and let us move on to a new approach. Let us finally follow the leadership of our friends and neighbors—the Contadora countries—and let them be our guide on the path toward peace and stability in Central America.

Mr. President, this amendment offers the Senate of the United States the clearest choice about our policy toward Nicaragua and Central America. That issue will not be posed to the Senate as clearly as it is posed in this amendment because this amendment, if enacted will terminate all aid and assistance to the Contra military organizations or paramilitary organizations operating in Nicaragua.

Mr. President, as we begin discussion of this amendment and the other amendments today, I want to identify

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certain things that this body agrees upon. First of all, none of us in this body hold any brief for the Sandinistas. All of us are aware of their repression of the people of Nicaragua. And that issue has been spelled out by those who question the policy of this administration as well as by those who support it.

Second, no one in this body doubts that we have important national security interests in Nicaragua and in Central America. Clearly we do. I would define it this way, Mr. President: we cannot permit Soviet bases in Nicaragua; we cannot permit advanced offensive military technology in Nicaragua that can threaten the United States; and, third, Mr. President, we cannot permit Nicaragua to be involved in destabilizing democratically elected countries in Central America or in South America.

Mr. President, that really defines what our security interests are in that part of the world.

Mr. President, if we reject this particular amendment, we endorse a policy which has been a failure over the period of the last 5 years. The administration's policy toward Nicaragua over the past 5 years has resulted in the following, first, increasing dependency on the Soviet Union; second, increasing militarization of Nicaragua; third, increasing presence of Cubans and agents from other Eastern European countries; fourth increasing repression inside Nicaragua. All of that has happened during the period of the last 5 years.

We are being asked today to provide more of the same—more guns, more bullets, more support for the Contras.

Mr. President, I believe there is no credible evidence that this administration has seriously pursued negotiations. I think that fact has been illustrated in the period of the last 24 hours when there was an attempt here on the Hill to work out a bipartisan common policy toward Nicaragua, the key element of that policy was to be a resumption of negotiations between the United States and Nicaragua.

But the administration declined and demurred and the negotiations broke down. This administration is willing to negotiate with the Soviet Union. This administration is willing to negotiate with the Chinese. This administration is willing to negotiate with Communist bloc countries in Eastern Europe. But this administration will not negotiate with Nicaragua.

Mr. President, not only is this the conclusion by many of us in this body, in the House of Representatives, and across this country, but it is also the conclusion of the nations of the Contadora group and the Contadora support group. Most of the leaders of South America believe that we have not taken that last step for peace; many think we have not even taken the first step. Before we go to a wider war in Central America, let us take an important step for peace. We always have the military option, Mr. President.

With this amendment, we ask only that the United States renew its efforts to support the Contadora process by bringing an end of support for the Contras.

Mr. President, I have great admiration for the work that has been done by the chairman of the Foreign Relations Committee, Senator Lugar, and by the ranking minority member of the Foreign Relations Committee, Senator Pell. Through their intercession, they have had a powerful and positive influence on this administration in giving peace a chance in the Philippines. This was a statesmanlike role played by both of these very distinguished individuals.

And that kind of negotiation, of statesmanlike conduct, I think, Mr. President, has really been lacking in the administration's approach to Nicaragua.

So I hope, Mr. President, that we have an opportunity to give peace a chance here in the U.S. Senate today.

The final point that I would like to make, Mr. President, is this: Over the last 3 days we have seen that American combat troops, American servicemen—pilots of the helicopters that transported Honduran troops to the Nicaraguan border—have become directly and actively involved in military operations—fighting along the border—against the Nicaraguan military.

The PRESIDING OFFICER. The Senator's time has expired.

Mr. KENNEDY. Mr. President, I yield myself 2 more minutes.

Some will point out that those American pilots, those American military combat forces, were not in harm's way. But the fact is that they were a very few miles away from the actual fighting. Today, the United States is very close to becoming involved in the actual fighting.

We have received assurances time in and time out by this administration that American combat forces will not be involved. But there can be no question in the mind of any individual here in this body—certainly there is no question in the minds of millions of Americans—that we are moving closer and closer and closer to the very direct involvement of American combat forces.

That is inevitable, Mr. President, with the escalation of our military assistance for the Contras and with the militarization of our policy in Central America.

Make no mistake about it. Continuing this policy toward Nicaragua will inevitably involve American combat forces and American combat men—in combat—in Central America.

The policy must be reversed—right now, by voting for this amendment. I hope the Senate will adopt it. I reserve the remainder of my time.

Mr. PELL. I yield myself 1 minute.

I ask the Senator from Massachusetts to add me as a cosponsor to his amendment.

Mr. KENNEDY. I ask unanimous consent that the Senator be added as a cosponsor.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. PELL. With regard to the troops in Honduras, the Nicaraguans' going in is exactly the same as when we went into Cambodia some years ago in order to try to get rid of the staging camps of the Vietcong in Cambodia. The Nicaraguans are doing exactly this in going into Honduras.

I am not excusing it in either case. I think we were wrong in going into Cambodia and the Nicaraguans are wrong in going into Honduras. I yield the floor.

Mr. LUGAR. I yield 1 minute to the Senator from Nebraska.

Mr. EXON. I thank the chairman of the Foreign Relations Committee.

Mr. President, I rise in opposition to the amendment before the body. It is well-intentioned, I am sure. There are strong feelings on both sides of this issue. I, for one, hope we can reach a compromise. Negotiations are still going on to try to reach a reasonable compromise to work our way out of a situation in which this body finds itself today.

The acceptance of this amendment, in my opinion, would eliminate any chance of a compromise and would certainly eliminate the Sasser proposal, which I intend to support when and if it is voted on in this body.

Yesterday I drew attention to the fact that I thought the President was being unreasonable in his position. I think that we cannot have a position of what the President wants on the one hand and what those totally opposed want on the other. Therefore, I think it is in the best interest to try to work something out if the amendment before us is defeated. I urge my colleagues to vote accordingly.

Mr. LUGAR. I yield 1 minute to the Senator from Minnesota.

Mr. DURENBERGER. Mr. President, later in the day I will seek recognition to explain why I oppose the Dole-Lugar, et al. resolution, but let me rise now to explain why I will oppose the amendment of the Senator from Massachusetts.

We will have our differences in this body, as is going to be clearly evident during the course of the day today, as to whether or not we are here to debate policy ends or policy means. Some will take the position that there are no ends that have been clarified in

this resolution so we will spend our time debating the means.

If I assume that the proper ends are peace in Central America, the advancement of the economic, social, and political liberties of people in Central America, including Nicaragua, then it is appropriate for me to consider whether the policy we debate today advances those ends.

We made a decision last year in this Congress to support aid to the democratic resistance.

The PRESIDING OFFICER (Mr. Armstrong). The time of the Senator has expired.

Mr. KENNEDY. I would be glad to yield 2 minutes to the Senator.

Mr. DURENBERGER. I thank my colleague from Massachusetts.

The important change we made last year was to move aid, which we could not admit we were giving, from lethal to nonlethal and we moved it from the military guerrilla forces to the democratic resistance, the former democratic revolutionaires, in an organization called the United Nicaraguan Opposition.

The staff of the Senate Intelligence Committee has been very careful over the last 9 months to oversee the humanitarian aid which we are attempting to provide to the United Nicaraguan Opposition. I can share with my colleagues briefly the fact that some aid is getting through. Not all $27 million of it, but some of it is. But it is also getting in through the political arm and not through the military arm.

So to the extent that we are trying to shift our means from the support of an uncontrolled FDF military operation to a more diplomatic political operation, we have been successful. For that reason, I would suggest that my colleagues not support the very well-intentioned amendment by my colleague from Massachusetts, but, instead, support a continuation of nonlethal aid toward the political arm of the diplomatic opposition.

I fear that the Kennedy amendment rules out the means to achieve a negotiated solution, which I know he trusts will come from this process.

Mr. KENNEDY. Mr. President, how much time have I remaining?

The PRESIDING OFFICER. The Senator has 6 minutes remaining.

Mr. KENNEDY. I yield 2 minutes to the Senator from New Mexico.

Mr. BINGAMAN. Mr. President, let me say that I support the Kennedy amendment, that I cosponsor it. I believe it is the correct course for us to pursue. The distinctions that we are trying to make between nonlethal and humanitarian and military aid have become meaningless from this debate and in the negotiations with the administration.

We now hear that nonlethal aid means defensive weapons but not offensive weapons. I think it is clear to anyone who has studied this issue for 30 seconds that the difference between a defensive weapon and an offensive weapon depends upon which end of the gun you are standing on.

Clearly, we are being asked here, by the administration, to continue to fund a war which they would like to become a civil war in that country of Nicaragua. I do not believe it is an appropriate course for us. I do not believe it is designed to lead to the kind of resolution of that problem that the American people want.

The Sandinista government is stronger today within its own borders by virtue of the threat posed by the Contras with our help.

I believe the quicker we withdraw that help, the quicker we will be able to come to some kind of resolution of the situation in that part of the world.

I am proud to support Senator Kennedy's proposal, and I commend him for making this proposal to the Senate.

Mr. INOUYE. Mr. President, it is with unease and a sense of deja vu that I rise today to join the debate over aid to the Contras. None of the policy questions or facts before us are new. Indeed, we as a Nation have been grappling with the Contra issue ever since the spring of 1982 and the early controversy over the Boland amendment. Since then, we have had to revisit this issue at least once every 6 months.

In our discussions, several Senators, myself included, have explored the parallels that exist between United States involvement in Nicaragua and other countries, especially Vietnam. While I respect the differences between Southeast Asia, Central America, and the Middle East, it is important for us to heed the lessons of history—especially when we paid for them with our own flesh and blood.

Mr. President, our recent experiences in Vietnam and Lebanon have taught us several things. First, it is important for our Government to have the support of the American people in the conduct of our foreign policy—especially when it comes to war. Second, if we commit American soldiers to an armed conflict, we should do so openly and convincingly, with the intention of winning. Dispatching United States Marines to Lebanon as part of an ill-defined peace keeping mission was a painful and tragic reminder of this lesson. A corollary of this rule is that we should not take military action until we have exhausted every possible alternative, including a mediated, diplomatic solution. The United States should certainly not use military means to solve the social, economic, and political problems of our neighbors.

President Reagan's request for $100 million in additional aid to the Contras ignores these broad lessons of history. Moreover, it ignores specific information that we have developed about the Contras' battle against the Sandinistas over the past 6 years.

Mr. President, I wish to make it very clear that I disagree with the policies and practices of the Sandinistas. It is my fervent hope that the Nicaraguan people will be able to reclaim their revolution from the Marxist ideologists who usurped it following the fall of Somoza. However, President Reagan's proposal for increased military aid is not the best means for reaching this goal. I will thus vote against further aid to the Contras for the following reasons:

First, the Contras have been ineffective in their attempts to topple the Sandinista government. Aside from weakening the Nicaraguan economy and causing hardship for ordinary citizens, the Contras have strengthened, not loosened the Sandinistas' grip on their country. The Sandinistas have used attacks by the Contras to justify first, the suspension of civil rights, second, the imposition of a draft, and third, keeping the economy on a wartime footing. Rather than encourage moderate opposition to the Sandinistas within Nicaragua, Contra attacks and atrocities against civilians have enabled the Sandinistas to focus their nation's attention on the "threat from outside." Instead of helping the democratic opposition within Nicaragua—as we sought to do in the Philippines—United States support for the Contras has consolidated the Sandinistas' control over a reluctant population.

An unfortunate byproduct of the Contra war is that we have driven the Sandinistas into the arms of the very people we want to keep out of Central America—Cubans and the Soviets. Thanks to ineffective trade embargoes and poorly executed military pressure, we have left the Sandinistas no alternative but to seek arms, foodstuffs, and economic assistance from the Soviet bloc. In so doing, we are squandering the goodwill that most Nicaraguans feel toward the United States while reinforcing the Sandinistas' caricature of Americans as bullies and aggressors.

Second, the Contras have shown that they cannot win an armed conflict against the Sandinistas. After 6 years of paramilitary action and more than $100 million in aid from the U.S. Government alone, the Contras are no closer to their political and military objectives today than they were at the outset. The President's request that we commit another $100 million to a losing battle is wasteful and will raise, both literally and figuratively, the United States stake in the Nicaraguan conflict. The need to place United States military advisers in Central America to supervise and train the Contras will increase, not decrease,

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the likelihood of direct United States intervention in the region. By staking U.S. prestige on the outcome of the Contras' battle against the Sandinistas, the United States is taking a major step toward the commitment of U.S. troops to the conflict—an event which most Americans agree is unnecessary and undesirable.

Third, continued involvement by our Defense and Intelligence agencies in the Nicaraguan conflict is destroying their credibility and undermining their effectiveness. Our foreign policy depends on good intelligence, but the CIA's role in Nicaragua has only tarnished the agency and hampered our foreign policy. CIA activity has violated U.S. treaty obligations and international law. Rather than advance our goals, it has brought the United States adverse publicity and disrepute. In an era of increased international terrorism and espionage, it is against our national interest for the CIA or the U.S. Government to be involved with the Contras.

A final thought, Mr. President, is this: What would happen if the Contras ever win, either after years of U.S. assistance or direct U.S. military involvement? We might be able to establish a friendly government in Managua, but how would we reconcile the competing Contra factions, one of which is fighting the Sandinistas from Costa Rica, the other from Honduras? More to the point, how would we deal with the Sandinistas, who would no doubt take to the hills and return to their old style of guerrilla warfare? Is the United States prepared to occupy Nicaragua for several decades, as we did between 1912 and 1933? [Note that we never captured Augusto Cesar Sandino, the guerrilla who gave the Sandinistas their name]. What would happen to the insurgencies in El Salvador, Honduras, and Guatemala if the Sandinistas resumed their role as revolutionaries? Would we improve the security and stability of our allies in the region, or would we further destabilize the region and realize our worst fears of terrorist attacks against the southern border of the United States?

It is clear that peace in Central America depends on a negotiated, political solution involving all the key players in the region. The United States should join the Governments of Central and South America in the Contadora peace process, and, if that bears no fruit, investigate new diplomatic initiatives of our own. Peace will never come to Central America from the barrel of a gun, and we should disapprove the President's ill-timed and ill-conceived request for additional military aid to the Contras.

Mr. KENNEDY. Mr. President, I yield myself 3 minutes.

Mr. President, it seems that those who oppose this amendment really are making this case: Let us continue to support a bipartisan policy which we helped design and implement over the past 5 years. But this body has not been involved in the shaping or formulation of this policy, and the explanation for this policy has been shifting.

First of all, we were told that we supported Contra aid in order to interdict military weapons going into El Salvador. That was the first justification for administration policy.

Second, the administration said we should support Contra aid in order to see the liberalization of the Sandinista regime in Nicaragua. That was the second justification.

The third justification was to force the Sandinistas to come to the bargaining table. That was the third justification.

Now we know the real reason and purpose of this policy: The administration wants to overthrow the Sandinista government.

That is what the Contras understand and that is what this administration understands. And now we are again expected to sign off that particular policy.

We have not been involved in the shaping of that policy and once again today we are asked to go ahead and support it.

We advocate a return to the Contadora process. The Latin American countries that represent 90 percent of the population and 90 percent of the territory and 90 percent of the resources of the continent believe that we should halt our support for the Contras. We stand alone in this hemisphere and in the world. We are separated from our allies in the hemisphere, and we are separated from our allies in Western Europe. It is time, Mr. President, to reverse this policy, to stop supporting the Contras, and to move back toward negotiations.

Mr. President, I reserve the remainder of my time.

Mr. LUGAR. Mr. President, how much time remains?

The PRESIDING OFFICER (Mr. Durenberger). The Senator from Indiana has 2 minutes and 38 seconds.

Mr. LUGAR. Mr. President, the Senator from Massachusetts has offered an important amendment. As he states, it offers a very clear choice. I think the choice is so clear that most Members on both sides of the aisle would commend the Senator for offering this amendment in order to clear the air at the outset. But I think that it is deficient in terms of any practical use if we are serious about negotiations and if we are serious about improving our relationship not only with the country of Nicaragua but most of the rest of Central America.

In short, we have tried the Senator's prescription before. Inadvertently, though perhaps some would say deliberately, we cut off all assistance to the Contras for a period of time.

The Senator from Massachusetts argued that our policy has led to increased militarization, increased repression by the Nicaraguans of their own people; it has led in essence to all sorts of results. But in fact, it appears, I think for most readers of history, that the Sandinistas, at least those that remain from the original revolution—the Ortega types, the Borge types, the Marxists—were intent upon the kind of revolution they now have. In my judgment, they will continue until they have collectivized the country. They have done so whether we were sending arms or not sending arms to the Contras.

It seems to me a fairly large majority of us on both sides of the aisle want to talk seriously about how negotiations might work. Phil Habib, the President's negotiator, has said "Negotiations will work only if there is a vote in the House and a vote in the Senate that I, Phil Habib, have going with me.

"Otherwise, they are a gesture of futility because there is no reason for the Sandinistas to at least cough up one concession."

I agree with Philip Habib. I agree with the President who wants to give these negotiations a real try. I agree with Members on both sides of the aisle, a large majority, who are thinking very carefully about how the situation might be crafted in which those negotiations will have a better chance. For that reason, I ask my colleagues to oppose the Senator's amendment. I agree it offers a clear choice and I hope that will be reflected in the votes that will be cast.

Mr. KENNEDY. Mr. President, how much time do I have left?

The PRESIDING OFFICER. One minute, fifty-four seconds.

Mr. KENNEDY. Mr. President, I yield myself the remaining time.

I still have not heard an answer to the petition from the Latin American countries themselves, from Sarney of Brazil, Alfonsin of Argentina, Garcia of Peru, Sanguinetti of Uruguay, and Betancur of Colombia. These leaders are concerned about the future of their region, concerned about peace, and they deplore communism.

Many of those individuals fought against the tyranny of repressive governments for years. They say that the biggest obstacle to peace in Central America is the military assistance that the United States continues to provide to the Contras. That is their petition. That is their plea.

Why is it that we believe that we—and we—alone can superimpose a solution in Central America? By providing this kind of aid and assistance to the Contras, we are saying, we will do this unilaterally—against the advice of the

combined leadership of the Latin American countries.

They are no less concerned about democracy. They are no less concerned about freedom. They are no less concerned about human rights. They are no less concerned about the repression of the Sandinista regime. And they say, halt, stop, negotiate.

If we reject this amendment, Mr. President, we will be saying that we in the United States are not interested in what other countries in the hemisphere say; we in the United States, alone in the hemisphere and the world, will say it must be an American solution, not a Latin solution. Do it our way. I had hoped those days were over.

Mr. President, I ask for the yeas and nays on my amendment.

The PRESIDING OFFICER. Is there a sufficient second? There is a sufficient second.

The yeas and nays were ordered.

Mr. LUGAR. Mr. President, let me say very quickly that a very sincere petition has come through the President of Honduras for $20 million of assistance. He is asking in the most eloquent way possible for aid to his country, having seen his borders violated. My judgment is that that is a timely petition.

The PRESIDING OFFICER. The time to the amendment has expired.

All time has expired. The question is on agreeing to the amendment. The yeas and nays have been ordered. The clerk will call the roll.

The assistant legislative clerk called the roll.

Mr. CRANSTON. I announce that the Senator from Louisiana [Mr. Long] and the Senator from Hawaii [Mr. Matsunaga], are necessarily absent.

The PRESIDING OFFICER (Mr. Gorton). Are there any other Senators in the Chamber desiring to vote?

The result was announced—yeas 24, nays 74—as follows:

[Rollcall Vote No. 46 Leg.]

YEAS—24

Bingaman
Burdick
Cranston
Dodd
Ford
Harkin
Hart
Hatfield
Inouye
Kennedy
Kerry
Leahy
Levin
Mathias
Melcher
Metzenbaum
Pell
Proxmire
Riegle
Sarbanes
Simon
Specter
Stafford
Weicker

NAYS—74

Abdnor
Andrews
Armstrong
Baucus
Bentsen
Biden
Boren
Boschwitz
Bradley
Bumpers
Byrd
Chafee
Chiles
Cochran
Cohen
D'Amato
Danforth
DeConcini
Denton
Dixon
Dole
Domenici
Durenberger
Eagleton
East
Evans
Exon
Garn
Glenn
Goldwater
Gore
Gorton
Gramm
Grassley
Hatch
Hawkins
Hecht
Heflin
Heinz
Helms
Hollings
Humphrey
Johnston
Kassebaum
Kasten
Lautenberg
Laxalt
Lugar
Mattingly
McClure
McConnell
Mitchell
Moynihan
Murkowski
Nickles
Nunn
Packwood
Pressler
Pryor
Quayle
Rockefeller
Roth
Rudman
Sasser
Simpson
Stennis
Stevens
Symms
Thurmond
Trible
Wallop
Warner
Wilson
Zorinsky

NOT VOTING—2

Long
Matsunaga

So the amendment (No. 1716) was rejected.

Mr. DOLE. Mr. President, I move to reconsider the vote by which the amendment was rejected.

Mr. GRAMM. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

The PRESIDING OFFICER. The Senate will be in order.

The minority leader is recognized.

Mr. BYRD. Mr. President, I ask unanimous consent that we proceed for 5 minutes for colloquy between the distinguished majority leader and myself without that 5 minutes being charged to either side.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. BYRD. Mr. President, I take the floor at this time to ask the distinguished majority leader about the schedule for the remainder of the day.

The PRESIDING OFFICER. The Senate is not in order. The Members cannot hear. Conversations on the floor, please terminate.

Mr. BYRD. About the schedule for the remainder of the day and to develop an understanding if we may, or by unanimous consent, that certain amendments appear in a certain sequential manner and that we have time limitations on those amendments where we may be able to reach such time limits.

Let me say to begin with, we are going to get ourselves into a very difficult situation at the end of the time on this measure.

What is the remaining time on it, may I ask?

The PRESIDING OFFICER. The majority leader has 197 minutes; the minority leader has 184 minutes.

Mr. BYRD. I thank the Chair.

Mr. President, there are certain amendments we know about and, before I ask the distinguished majority leader for his response, I would hope we all understand when we get down to the final moment and all time has run unless there is a unanimous-consent agreement otherwise, in the meantime, unlike the usual situation where we have time agreements, Senators may not then call up amendments, have them voted on even without debate. So we ought to understand that.

I am very concerned that if we get down to that point some Senators will not have had any time to call up their amendments.

I say all that to say this: Time on quorum calls comes out of the side that asks for the quorum call. Time on the rollcall is not charged to the overall time.

We have certain amendments we know about. I would hope that Senators in the first place would restrain themselves not to call up too many amendments.

Second, I would hope we could reach some understanding as to the sequential order in which Senators will be called on for their amendments; and, further, I would ask that the Chair announce the name of the Senator who is speaking, rather than just say the Senator from Mississippi or wherever, so we have the name also announced.

I yield to the distinguished majority leader for his response.

Mr. DOLE. Mr. President, if I could have the attention of all our colleagues I have had a number of inquiries. First of all, when we are going to finish this today. I am optimistic. I think somewhere around between 4 and 5 o'clock with a little help and a lot of cooperation.

We have agreed on a 3-hour limit for the so-called Sasser substitute and an hour and a half on each side. We have agreed on a 30-minute debate on a statement from the distinguished Senator from Nebraska, Senator Zorinsky, which will follow this colloquy that is to be charged against the minority's time.

Following that I would hope that we could have an agreement that the distinguished Senator from North Carolina can be recognized to offer an amendment of 20 minutes equally divided.

Following that, it would be the Sasser substitute for 3 hours.

I make that request following the Zorinsky statement the Senator from North Carolina may be recognized to offer a germane amendment with 20 minutes equally divided.

Mr. BYRD. Mr. President, could we have an understanding as to what the Helms amendment would do?

Mr. DOLE. I yield to the Senator from North Carolina.

Mr. HELMS. Mr. President, I say to my friend from West Virginia that copies of the amendment are on the way here. In substance, the amendment would place conditions on the Sandinistas. If they failed to meet those conditions—and they are reasonable conditions—including human rights and that sort of thing, then the President will have more latitude than the proposal now before the Senate.

The PRESIDING OFFICER. Is there objection to the request of the majority leader?

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Mr. BIDEN. Mr. President, reserving the right to object, will the majority leader state again what the request is?

Mr. DOLE. The request would be that following the statement by the Senator from Nebraska, which I undertstand is 30 minutes, to be charged against the distinguished minority leader's time; to be followed by an amendment by the Senator from New York, a germane amendment, 20 minutes equally divided; to be followed by the Sasser substitute on which we have already agreed on a 3-hour time limit to be equally divided.

Mr. BIDEN. Reserving the right to object, Mr. President, that would leave time after the Sasser amendment for those of us who have an amendment or statements to participate?

Mr. DOLE. There will still be about 3 hours left.

Mr. DeCONCINI. Mr. President, I wonder if the leader will yield?

Mr. BYRD. I yield.

Mr. DeCONCINI. I have no objection to the amendment of the Senator from North Carolina.

I would like to ask that my amendment follows the Sasser amendment with 20 minutes equally divided, which would be quite appropriate if the majority leader would consider amending his unanimous-consent request.

Mr. BYRD. Mr. President, may I ask the distinguished Senator from Arizona if he would be willing, in the event all others concur, for Mr. Cranston to go with his amendment immediately after the Sasser substitute or immediately after an amendment on the distinguished majority leader's side if he wishes to offer an amendment?

Mr. DeCONCINI. If the minority leader will yield, I do not care when I go. I do not want to find myself down to 3 minutes for a unanimous consent at the end to have a minute to debate my amendment.

If I could get the agreement to follow the Senator from California, Mr. Cranston's amendment, for 20 minutes equally divided, I would be perfectly happy not to object. But I need some protection here. I see us running out of time.

Mr. BYRD. I yield to the distinguished majority leader for a response.

Mr. DOLE. I thank the Senator.

Let me suggest that, during this discussion with Senator Zorinsky, I will sit down with the minority leader and try to work out a time allotment so everyone will be protected. I do not want anyone to be denied an opportunity to debate his amendment.

Following that statement, we might be able to make a series of requests.

Mr. DeCONCINI. That is quite satisfactory. I thank the majority leader.

Mr. BYRD. Mr. President, will the distinguished majority leader put a request at this time locking in the Sasser substitute if there is one, locking in the Helms amendment, and locking in the Cranston amendment, and if someone on that side has one, to go lock that in, and then lock the amendment in with Mr. DeConcini.

I am concerned—I have been over this road many times—if we do not lock in these amendments and sequence them, we are going to have Senators on both sides of the aisle want to come to the floor and want to make a speech not on any particular amendment. If they do that, the very limited time we have right now will be running out and Senators who have amendments will find themselves without time.

Mr. DOLE. I prefer to maybe lock in Senator Helms amendment, the Sasser amendment, and then not lock any more in because then if we start taking 20 minutes, 20 minutes, there may not be any time.

Mr. DeCONCINI. If the majority leader will yield, I do not want to be an obstructionist here, but I understood the majority leader to say let the Senator from Nebraska go ahead without any other unanimous consents and that the majority leader and minority leader try to lock in the Sasser amendment, the Helms amendment, the Cranston amendment, whatever else, the DeConcini amendment.

I prefer if the majority leader would attempt to work in that direction.

Mr. DOLE. Let us do that. We have 30 minutes while the statement is being made. I agree.

Mr. BYRD. Mr. President, I yield the floor.

Mr. McCLURE. Mr. President, will the majority leader yield for a question?

Mr. DOLE. Yes.

REQUEST FOR AUTHORITY FOR COMMITTEE TO MEET

Mr. McCLURE. Mr. President, earlier today we have been circulating a unanimous-consent request on behalf of the Energy and Natural Resources Committee.

We have a markup session this morning on a bill that relates to the Price-Anderson Act. If we can have permission to sit, we can complete that bill this morning, I believe. I understand that there may be an objection to our permission to sit. If so, we have to adjourn at 11 o'clock. We have already lost almost half the morning. I wonder if we could ask unanimous consent at this time that the Energy and Natural Resources Committee have permission to sit during the session of the Senate on this morning.

Mr. METZENBAUM. Reserving the right to object, of course I will object. I say to the distinguished chairman of the Energy Committee that I think we may be able to work this matter out. I suggest he withdraw his request at this point to see whether we can discuss it.

Mr. McCLURE. Obviously, it requires unanimous consent. If the Senator from Ohio objects, I have no alternative. But I do believe it is important for us to get this matter before the committee. It has been before the committee for some time to be disposed of. I am happy to talk to the Senator from Ohio.

Mr. DOLE. If the Senator will yield, perhaps if he could visit now we could renew the request following the statement of the Senator from Nebraska.

Mr. DENTON. Mr. President, may I ask the majority leader a question?

Mr. DOLE. On whose time?

Mr. DENTON. I don't want to make a speech now, but I do not want to be denied the opportunity to try to answer later some of the questions raised by some who oppose aid. I think I have the answers. I want 10 minutes once and 10 minutes again, or 20 minutes at one time to be able to do that. I think they are openminded enough to at least listen.

I have a contribution I want to make. I do not want to be locked in, on this last day, to an agreement where we are just going to have 20 minutes a side, or 30 minutes a side, and the managers will not be able to come in, under that agreement, to permit me to make a contribution.

Mr. DOLE. Mr. President, I think we have to make that request of the manager. If we have 3 hours on the Sasser substitute, I assume the Senator could speak against that substitute. But just to have freewheeling statements, I do not know whether we are going to have any time or not.

Mr. DENTON. I will be speaking not in a freewheeling manner. I have spoken with the floor manager, who finds it impossible so far to see his way clear to afford me more than one 10-minute period. If we can work something out, I will not make an objection. But I intend to object if we cannot.

Mr. DOLE. If everybody is going to demand 20 minutes uninterrupted, we are not going to be able to complete the bill.

Mr. BYRD. Will the distinguished majority leader yield? I am sorry to interrupt. Time is running, and if we do not get these agreements the statutory time will run.

Mr. DOLE. I suggest we try to work it out with all Senators, and certainly with the Senator from Alabama and others who wish to speak. But I am not certain everybody is going to have precisely the exact time they would like to have. There is not that much time.

The PRESIDING OFFICER. The Senator from Nebraska is recognized under the previous order.

Will the Senator withhold?

Will the Senate be in order? The Senator from Nebraska.

Mr. ZORINSKY. Thank you, Mr. President.

President, Albert Sorel observed once that "There is an eternal dispute between those who imagine the world to suit their policy, and those who correct their policy to suit the realities of the world." Today that dispute is located in the U.S. Congress, and is centered on the question of U.S. aid to the Contras.

Mr. FORD. Mr. President, I make a point of order. The Senate is not in order. We should be able to hear the distinguished Senator from Nebraska.

The PRESIDING OFFICER. Will the conversations in the rear of the Democratic side of the Chamber take itself elsewhere, and the same thing holds true on the Republican side of the Chamber.

The Members cannot hear the debate. Four or five separate conversations are going on, on the floor. Others are debating. Time will be charged to the final vote until the Senate is in order.

The Senator from Nebraska.

Mr. ZORINSKY. Thank you, Mr. President.

Mr. McCLURE. Mr. President, will the Senator yield for a unanimous-consent request?

Mr. ZORINSKY. Certainly.

Mr. McCLURE. I withhold that. I thank the Senator.

Mr. ZORINSKY. Mr. President, Albert Sorel observed, "There is an eternal dispute between those who imagine the world to suit their policy and those who correct their policy to suit the realities of the world." Today that dispute is located in the U.S. Congress and is centered on the question of U.S. aid to the Contras in Nicaragua.

Both sides in this dispute begin by agreeing that there is cause for concern regarding United States policy in Nicaragua and the whole of Central America; concern for the security interests of the United States; concern about the leftist nature of the Nicaraguan Government; concern about the Nicaraguan military buildup; about the increasingly close relationship with Cuba and the Soviet Union; about the tensions in the regions and especially the increasing tension between the United States and Nicaragua. But that is about where the agreement ends and the perceptions of reality diverge.

The great majority of the American people believe the Central America of greatest concern is not Nicaragua but Nebraska, Kansas, Iowa, and those other great farm States that make up our Midwest. The American people are concerned that the administration's call for another $100 million in aid to the Contras is wasteful and costly at a time when the backs of American farmers are to the wall; when their debts are mounting, and when farm foreclosures are becoming commonplace. At a time when Gramm-Rudman is demanding heavy sacrifices of our entire society, our constituents cannot understand why our Government wants to send $100 million to a band of inept, incapable, and incorrigible thugs trying to overthrow a government with which we conduct formal diplomatic relations.

Currently, there exists an American Embassy in Managua, Nicaragua with that beautiful stars and stripes flying over the top of the Embassy and a duly appointed Ambassador assigned to that country representing the United States of America. Likewise, the Sandinista government has an Embassy here in Washington, DC, with a duly recognized Ambassador to our country from the Sandinista government of Nicaragua.

It is very hard to explain to high school students when I appear at their classes, how a country can recognize another country, and at the same time ask for tax dollars to overthrow the government of that other country, so you can bring your own flag down over your own embassy in the capital of that nation.

It is very difficult for me to relate to that. It is difficult for anyone to explain that. And it is very sickening when your own allies and other countries, Canada, European countries, and NATO partners ask you the logic in doing that.

The administration is presenting the request for $100 million as a mere shifting of funds within the Defense Department; but don't think for 1 minute that the funds will not be restored. The administration also wants to increase defense spending. The money to do all this is going to come from somewhere. That somewhere is the hide of the American taxpayer.

Not I have to ask, where is Gramm-Rudman when you need it? The administration has $100 million to spend on its ill-fated policy to overthrow the Sandinistas but doesn't have it for American farmers, or students, or for balancing the budget. In Nebraska we have farmers who cannot get a $2,000 loan. One hundred million is about $2,000 for every Nebraska farmer.

Indeed, $100 million is enough to reverse the cuts mandated by Gramm-Rudman in guaranteed loans to farmers across the United States, with millions of dollars left over. With $100 million we could also fund almost all the Gramm-Rudman cuts from the National Institutes of Health, including some 28 different programs. Mr. President I ask unanimous consent that a list of those programs be inserted at this point in the Record.

There being no objection, the list was ordered to be printed in the Record, as follows:

GRAMM-RUDMAN CUTS IN NIH PROGRAMS

(Health Research, Education and Training)

National Cancer Institute, HR $28,509,000.

National Heart Lung and Blood Institute, HR $16,200,000.

National Institute of Diabetes, Digestive and Kidney Disorders, HR $10,841,000.

National Institute of General Medical Sciences, HR $9,712,000.

National Institute of Neurological and Communicative Disorders, HR $8,032,000.

National Institute of Allergy and Infectious Diseases, HR $7,687,000.

Research Resources, HR $7,227,000.

National Institute of Child Health and Human Development, HR $6,026,000.

National Institute of Environmental Health Science, HR $4,748,000.

National Eye Institute, HR $3,716,000.

National Institute on Aging, HR $3,237,000.

National Institute of Dental Research, HR $2,368,000.

Office of the Director, HR $1,809,000.

National Library of Medicine, ET $1,127,000.

National Library of Medicine, HR $524,000.

National Eye Institute, ET $491,000.

John E. Fogarty Center, — $278,000.

National Institute of General Medical Sciences, ET $271,000.

National Institute of Diabetes, Digestive and Kidney Disorders, ET $238,000.

Buildings and Facilities, — $215,000.

National Institute of Environment and Mental Health Sciences, ET $92,000.

Office of the Director, ET $89,000.

National Institute of Allergy and Infectious Diseases, ET $73,000.

National Institute of Child Health and Human Development, ET $72,000.

National Institute of Dental Research, ET $32,000.

National Cancer Institute, ET $28,000.

National Institute on Aging, ET $21,000.

Research Resources, — $2,000.

Total, $111,755,000.

Mr. ZORINSKY. The American people are concerned also that one of the realities of our world is that the administration's policy in Nicaragua is doomed to failure. No objective observer in the Congress, in the intelligence community, or in the Pentagon believes the Contras can win. And the American people fear that the Contras' failure will necessitate a tremendous commitment of U.S. dollars, and ultimately, U.S. troops. That is a commitment which the people of this country are not willing to give. They are not willing to see their boys fighting in the streets of Managua, in the mountains of Matagalpa, and in the swamps near the Costa Rican border in what will be, for sure, a prolonged war—no Grenada operation this time.

Mr. President, we have been down that road before. Earlier in this century U.S. troops occupied Nicaragua. Because of their failure to subdue the original Sandinistas, we finally withdrew from Nicaragua leaving behind the beginning of the Somoza family dictatorship. U.S. support for that dictatorship led us in Nicaragua to where we are today—on the brink of another military intervention. It is a curious and tragic cycle from which we must escape. To shackle ourselves to the present policy is to doom the Nicara-

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guan people to another generation of oppression and dictatorship and to bequeath to our children another generation of Latin fear, hatred, and distrust. Freedom for Nicaragua cannot be won with the $100 million already spent, nor with the $100 million requested, nor with the billions this policy will eventually cost the American people.

That is not to say that the current regime in Nicaragua offers freedom to its people. I am one who has publicly and privately criticized the Sandinista leadership in Managua for backing away from their commitments to work for a democratic and pluralistic society after the ravages of the 40 year dictatorship of the Somozas. As early as December 1980, I wrote Sergio Ramirez, presently Vice President, but then a member of the junta, of my deep personal concern regarding Sandinista actions toward the electoral process, the judicial system, the press, and the private sector. In that letter, I wrote, "I did not support the overthrow of the Somoza regime in order that others like him, be given a chance to circumscribe the rights and freedoms of the Nicaraguan people." Since then, as today, I continue to be concerned about the problems with the Church, the opposition—especially the private sector, the labor unions, and La Prensa. The solution to the complexities brought about by the situation in Nicaragua, however, is not military support of the Contras to overthrow the Managua government for the United States. We cannot rent any army to do it for us.

I would like to say in all the debate that has taken place in this Chamber on this $100 million game plan, I have heard time and time again that we are assuring ourselves that no American boys will be involved in this tragic situation. The administration, over and over, has assured this body that Americans will not be involved in a war.

Mr. President—and this may cost a future political election for this Senator speaking—I think that is blasphemy. For the American people—and I know this comes very hard to a mother who has raised sons, and I have two sons of my own—for us to categorically look the other way and deny the sending of American sons if it warranted for the protection of the freedom and independence of the United States of America is wrong. I think it is blasphemy to assure that no American sons will be involved in this war.

If it is as serious as the President says, and he has not made that case to me yet, then I say it is time for us to take a look at that and evaluate whether we should preclude sending American military into that area.

I see on television where the administration spokesmen say, "Managua is only 1,200 miles from San Antonio, TX." I have heard speeches on this floor that the proximity is what makes this situation dangerous.

On the same map shown on television that night, was the nation of Cuba. Everybody here is worried about the Cubans in Managua. Nobody is worried about the Cubans in Cuba. Cuba is 90 miles from the United States.

The answer I received from a Senator, a right-wing Senator, a very conservative Senator, is, "They can walk from Managua to the United States." An asinine excuse for $100 million.

We have had refugees in leaky rowboats come from Cuba to our shores. If refugees in leaky rowboats can come, so can Cubans in amphibious craft. If we are really going to be so concerned about the proximity of the Cubans. It is an insult to the intelligence of the American people.

There is no military leader who can tell me that we can seek military victory with the renting of an army at the cost of $100 million this go-around. As a former businessman, I seek an answer to the question: Tell me, how much money and how long will it take? I cannot get an answer to that question.

I tell my colleagues that I have many unanswered questions concerning the recent invasion, so-called invasion, of the Sandinistas into Honduras. Now there are conflicting reports. When Cabinet Members and elected officials of Honduras are asked by the news media, "Where are they going today?" they are going to take their holidays. It indicates that they are not nearly so concerned about what happened in this recent incursion as we are here in the United States.

There is something called the Rio Pact. If this were truly an act of war, the Sandinistas going into Honduras, and the Honduran Government were concerned about the survival of their country, they have the option to go to the OAS and trigger the Rio Pact which would demand that the United States intervene militarily to defend an attacked nation in the Western Hemisphere.

They did not do it. Why did they not do it? Obviously, they are not that concerned. Some Hondurans, currently and very quietly, I might add, because Hondurans also receives a lot of money from the United States, are telling their people that they better not speak too loudly because the Senate is voting very shortly on $100 million in Contra aid and certain elements of our Government here do not want that vote upset.

I went through this with the Salvadorans, who at one time were supposedly attacked by a group of guerrillas from Nicaraguan territory. Observers down there could not even find the footprints in the sand where supposedly the invaders landed. They could not find evidence of a landing of guerrillas from Nicaragua into El Salvador. Finally, it came out that it was all a contrived action in order to initiate U.S. financial assistance at that time.

We have been talking about the Superfund on this floor from time to time. The concept is that when somebody pollutes, they should pay to clean up the pollution.

Let me tell my colleagues, we are the polluters in Central America. Now the time is coming for the polluters—which are we—to clean up the mess we made down there. We created the Contras, now we have to protect the Contras. In order to protect the Contras—when they get chased out of Nicaragua, they have to go somewhere; they have to go to Costa Rica or Honduras. The people of those nations woke up and realized we need them. And of course, now they want money from our taxpayers. At a time when we have $200 billion deficits, we should not pollute any area of this hemisphere because we cannot afford the cleanup of the aftermath.

Mr. President, people here yesterday said, let us go back in history and see what happened in 1979; we gave $75 million to those Sandinistas. That is a lie. We did not give $75 million.

I have heard that said over and over in this Chamber, that we gave $75 million. If we want to be factual, if we want to be truthful, go get the Congressional Record and see what happened to that $75 million.

We stopped at $60 million. And of that $60 million, as provided by an amendment adopted on this floor, 60 percent had to go to the private sector in Nicaragua—which means 40 percent of the $60 million went to the Sandinista government. So an accurate depiction of what the Sandinista government got would be 40 percent of the $60 million or $24 million. And what happened to that?

(Mr. PRESSLER assumed the chair.)

Mr. DURENBERGER. Mr. President, would my colleague yield for one inquiry on that point?

Mr. ZORINSKY. Yes, Mr. President.

Mr. DURENBERGER. The President of the United States has tried to convince the people of this country that we spent $200 million in the first 18 months of the revolution, more than anybody else spent, when the reality is we did not spend a nickel for 10 months after the revolution. Not one nickel. Is that not true?

Mr. ZORINSKY. My colleague is absolutely correct. I would like to say I went a step further. I would be glad to show this to my colleagues who would like to see it.

I went to AID and got the records of every dime we gave the Sandinistas to see what happened with the money. I think that is a responsible thing for a U.S. Senator to do. I have the receipts for every dime as to how that money was spent. Would it come as a shock to the people in this Chamber that every dime of that money we gave the Sandinistas—and AID has the records and I have copies of them—was given back to legitimate companies in the United States of America to buy things for peaceful purposes?

For instance, a lot of that money was spent with something called the Brown & Williamson Tobacco Co. They bought a lot of used tobacco manufacturing equipment with the money we gave them. They gave it back to an American company that is a taxpayer in this country.

They spent money with International Harvester. They spent money buying tractors. They wanted to raise food down there. I guess they must eat there, too.

They spent money with pesticide companies, with fertilizer companies. They bought seeds, they bought Motorola equipment also. No lethal weapons were bought with that money.

So having all these receipts, I listen to the floor debate and hear people get up here to say, "We gave those people $75 million to start all these problems with." It is not true.

Incidentally, this is a bipartisan problem. It is not a Democratic problem, it is not a Republican problem, it is not an administration problem. We are all in this together.

Would it come as a shock to people that the majority of Republicans voted for that $75 million aid to the Communist-Marxist Sandinista government?

Mr. DENTON. Mr. President, would my friend from Nebraska yield for one brief inquiry?

Mr. ZORINSKY. Yes; I would be happy to yield.

Mr. DENTON. We are tossing numbers around, and the word "lie" around. The information I have from the State Department, confirmed today, is that Congress approved $150 million in aid to the Sandinistas. We had sent $119 million to the Sandinistas by June 1980. When President Reagan came into the Presidency, he stopped the remainder of the aid. That is my information.

I do challenge that we did not send them any more than $50 million.

Mr. ZORINSKY. Mr. President, all I can say is this, those numbers are like all the other figures the Department of State has. I think they do not know what their own figures reveal. They are about as reliable as the uncertainty that there were 1,500 Sandinistas invading Honduras yesterday. I heard the Department of State release those numbers. Today I have heard them retract some of those numbers.

So I would not go very far with released figures like that.

To begin with, some of that aid, "approved" by Congress, came after the Carter administration. Moreover, not all aid "approved" was actually spent. And 60 percent of the aid "approved" by Congress was mandated to go to the private sector in Nicaragua—not the Government.

As a matter of fact, if you go back to the Congressional Record, some of the people, like Alfonso Robelo, Arturo Cruz, and Eden Pastora, who are with the Contras today were then in the Government of Nicaragua. Arturo Cruz for example, in an article by Alan Riding of the Washington Post, February 12, 1981, indicated that he was supporting aid to Nicaragua at that time. There was money in the pipeline at that time. But there is no doubt, if you go back into the records—and I challenge members of the news media, who, I think, have a lot better records than the Department of State to check this. The Department of State changes its records for political convenience. I have talked to some in the Department of State who have said this to me, that they change their numbers for political convenience. Figures do not lie, but liars can figure. I might even accuse the State Department to that extent publicly, right here.

So I feel very confident in my figures.

Senator Lugar and I were maybe too deeply involved in figures or numbers in those days. But those days are being relived now, and I just want to set the record straight with the actual count of what money went and where it went and how it went.

Mr. President, our perspective of reality in Nicaragua must be clear even if it causes us discomfort. Yesterday I heard someone saying what makes a base in Nicaragua is the length of a runway. Nicaragua has more than a million people. Is a country not entitled to a runway that will land a 747 airplane on it without being accused of designing it for Bear Soviet bombers to land on it? A Bear bomber takes about a 12,000-foot runway. A 747 airplane takes about a 11,500-foot runway. It is OK to build a runway for a 747, but it is not OK to build a runway for a Bear Soviet bomber, but the length of the runways happen to be just about the same.

Incidentally, a MIG-25 takes about 6,500 feet. So if you have a runway you could land a 747 on, you could also land a MIG-25 on it. All of a sudden, it then becomes a base runway rather than a commercial runway.

I think that is another asinine argument, how long a runway is, for deciding whether there is a base being established.

As a matter of fact, in Grenada, our AID group recommended extending the runway so 747's could land there for tourism purposes. When the Cubans started extending it, we accused them of creating a base. When we invaded Grenada and drove the Cubans out, we extended the runway so 747's could land on it. Then it was not a base.

I think we have to stop trying to insult each other's intelligence by using these types of arguments to identify what is a base and what is not.

To me, a base is when you see a Soviet submarine going into a pen, into a submarine area, to refuel or reload or be serviced. That is a base. Do you know what you do when you find a base like that in Nicaragua? You do not go rent an army. You call SAC Headquarters, you take B-52's, you take American men and go take it out if it is truly offensive. If it is truly a threat to democracy, if it is truly a threat to the future freedom of our Nation, you use American boys.

People are afraid to say that on this floor. They are saying get that rented army. Hell, they have a rent-a-Marxist program down in Honduras. They have a rent-a-Marxist program in Costa Rica. Just rent a Marxist and we will give you $50 million. As a matter of fact, I even heard some of our farmers saying, "Maybe if I proclaim Marxism here, I could get some money from my own Government."

Surely it is not difficult to find fault with the Sandinistas, but can we forget the Somoza excesses which brought these people to power?

Mr. President, remember the ruthlessness with which the forces of the Somoza dictatorship, the infamous national guard attempted to defeat the Nicaraguan people's quest for freedom? Remember the rebellion which included conservative politicians and businessmen as well as the Sandinistas? Remember the torture of the political prisoners? Remember the severing of children's hands in a town known for its handicrafts? Remember the wanton destruction of cities like Esteli by Somoza's air force and the terrible cost of innocent civilian lives, including one American newsman shot in the back of the head by a Somoza guardsman as he lay defenseless on the ground? I remember. I do not think the State Department remembers.

Are the Sandinistas lily white on this score? Amnesty International in its latest report criticizes the treatment of prisoners and poor prison conditions in the Sandinista prisons. And it also notes reports of torture, killings, and detentions carried out by Sandinista troops in the areas of conflict. And I am making no excuses for the Sandinistas either. They are just as bad as the other guys.

Mr. DENTON. Will the Senator yield?

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Mr. ZORINSKY. I am saying that the bottom line should be what is in the best interest of the United States of America. I do not want to be committed to the bleeding and blackmail of billions and billions of dollars of hard-earned taxpayers' money from this country. That is why I advocate, as I have not heard it advocated yet by the conservatives, by the rightwingers or anybody else, using American troops, using American equipment if the situation truly warrants it in the defense of the freedom and independence of the United States of America.

Mr. DENTON. Will the Senator yield for a question?

Mr. ZORINSKY. No. I have only about 4 minutes left and I would like to finish my statement.

Mr. President, Amnesty International also has received information on the public trial and imprisonment of Sandinista military personnel found responsible for such abuses. Can anyone recall one national guardsman imprisoned by Somoza for torture or murder? What about the guardsman who murdered the American newsman before TV cameras? Was he brought to justice? The same Amnesty report states that the Contras, whose military command is headed by former Somoza guardsmen, have been responsible for "a persistent pattern of * * * abuses * * * ." The report states that Contra forces frequently retain no prisoners, killing captives on the spot. Amnesty also has testimonies from witnesses regarding "execution style" killings in which captives were bound and tortured and their throats slit by FDN forces.

"With the Contras," by Washington Post reporter Christopher Dickey, describes the fate of three returned Contra deserters—ages 13, 17, and 20—as related by another Contra. "They had tried to escape to Nicaragua," Dickey quotes the Contra as saying. "They were all torn up, naked, their bodies black and blue all over from the blows, as if from whips. You saw the blows on their chests and their arms. When they were going to be executed the 13-year-old kid screamed to El Muerto, "Boss, I won't do it again. Don't kill me boss." El Muerto shut him up and kicked him, And he cut his throat there." He used one of the heavy combat knives the FDN troops usually carried. "You felt that the screams were escaping from the wound, from the throat. And the others who were tied up to some stakes then also had their throats. cut"

Do I have to remind my colleagues that these are the so-called freedom fighters that the administration wants to fund to the tune of $100 million, which we all know is just the tip of the iceberg in terms of financial and human costs? These are the people who are going to lead Nicaragua back to democracy? Let's not kid ourselves. Let's not be blind to the reality of what the Contras would bring to Nicaragua. All the "big lie" techniques in the world will not make the Sandinistas more brutal than Somoza, or the Contras more democratic than the Sandinistas. Some within the administration and out of it may repeat this propaganda day in and day out, but it fools no one. A constituent of mine recently wrote complaining of comparisons of the Contras with our Founding Fathers. In his letter he asked, "Do you really believe George Washington hacked people to death with a machete, or Ben Franklin assassinated school teachers and medical personnel, or Paul Revere raped women and children?" No, I do not and neither do the American people. it is obscene to even think that American money, and eventually lives, might put such terrorists in power.

To understand the breadth and depth of the misinformation about the Contras, we need only listen to words of a former member of the Contra directorate, Edgar Chamorro, who wrote the following in a public letter dated January 9, 1986:

> It is cynical to assert that the "contras" respect human rights. During my four years as a "contra" director, it was premeditated policy to terrorize civilian noncombatants to prevent them from cooperating with the Government. Hundreds of civilian murders, mutilations, tortures and rapes were committed in pursuit of this policy, of which the "contra" leaders and their CIA superiors were well aware.
>
> Only when these practices were revealed in the U.S. press and by human-rights groups did the "contra" leaders feel compelled to give lip service to ending them. But no serious effort to stop them has been made, because terror is the most effective weapon of the "contras." In August 1985, in a typical case, the "contras" briefly occupied the town of Cuapa, gathered the residents in the town square, selected those civilians they suspected of sympathizing with the Government and shot them in cold blood as a lesson.
>
> It is a gross fabrication to claim that the "contras" are composed of "democratic groups" who "joined in the revolution against Anastasio Somoza." As I can attest, the "contras" military force is directed and controlled by officers of Somoza's National Guard, who fought at the dictator's side until the very end and they fled to Honduras. My knowledge is confirmed by an April 1985 Congressional study that shows that 46 of the 48 positions in the FDN's military leadership were held by ex-National Guardsmen. At U.S. urging, some former Somoza opponents—including Mr. Cruz and Mr. Robelo—have now been affiliated with the "contras" to make them more palatable to Congress. But real power in this military organization rests with those who have the guns—the ex-guardsmen.
>
> The Sandinistas, for all their faults, have made enormous advances in education, housing, and health care, issues of vital importance to Nicaragua's poor majority. Unfortunately, the "contras" burn down schools, homes, and health centers as fast as the Sandinistas can build them.

Mr. President, is it any wonder that the Nicaraguan people have failed to rally to the Contras' call? Less than 7 years ago, the Nicaraguan people united to oust Somoza. They are no strangers to rebellion and revolution. They know full well how to do it. If, as the administration claims, the Nicaraguan people want to throw off the Sandinista yoke, where are the street barricades, the protests, the network of rebel sympathizers found in the Somoza era. They cannot simply be afraid. Fear did not stop them in the face of Somoza's brutalities. And if the fear of Nicaraguans were so great, then all of the administration's friends would not be able to return from Nicaragua with their many stories of Nicaraguan complaints against the Sandinista regime. Fear of the magnitude would silence them.

The Sandinista government is not one of my choosing, but that is not the point. It apparently is the choice of the majority of the Nicaraguan people—especially if the alternative is the return to power of Somoza's guardsmen. There will be no revolution in Nicaragua without the support of its people, and it is precisely the lack of such support which explains the failure of the Contras to spark a rebellion or achieve any military success despite $100 million in United States aid and safe haven in neighboring nations.

Some may ask: But what of the security threat emanating from Managua? The President has spoken of a Nicaraguan move against Mexico. But by his own calculations, Mexico is 15 times as large and 25 times as populous as Nicaragua. From the point of view of United States security, it is a matter of clear national consensus that a Soviet base in Nicaragua would be intolerable. If one existed, I cannot believe the President as Commander in Chief, with the support of the Congress, would fail to move forthrightly against it. Instead, he now maintains formal diplomatic relations with Nicaragua. In the unlikely eventuality of a significant Soviet threat in Nicaragua, we will not need the Contras. We will need B-52's and B-1's and that is why, among other reasons, I have supported a strong national defense.

Mr. President, there are some things in this world worth fighting and dying for and one of them is freedom. If President Reagan really believes that a significant threat to our security and freedom exists in Nicaragua, then he should tell us so and take immediate steps upon the War Powers Act to correct it. I conclude from his inaction that what we're dealing with in Nicaragua is not a hemorrhage but a paper cut, not a threat, but a concern, so we should be realistic.

I firmly believe that the Soviets and the Nicaraguans fully recognize our

military predominance in this hemisphere and, therefore, will not seek to provoke it. They would surely lose. But we must recognize the limits of our power which stops at another nation's doorstep. We cannot, singlehandedly, direct the internal affairs of every country in this hemisphere.

And Mr. President, if we are truly fearful of a tide of immigrants from the South, as some have stated in the last few days, then we must honestly look at the facts—at reality.

It is the truth—in part a sad truth—that people of this hemisphere will continue their migration to the North so long as the economic disparity remains so great. It is inevitable that people should be drawn to our success and to the opportunities proceeding from that success just as our own forebears were. The answers to this problem lie not in military intervention or in policies which polarize societies. Those strategies only create the conditions for more economic and political refugees. The answers must come from policies designed to narrow the differences and create hope and incentive in the nations South of us.

In conclusion, my colleagues, I want to point out that there is another way. There is an alternative to the administration's military policy. Rather than just pay lipservice to the subject of negotiations, the administration must make it the keystone of our policy. The Foreign Ministers of the Contadora nations and the South American Support Group regard the administration's military policy as inconsistent with the peace process and they are right. It is ludicrous to believe that waging war creates a climate for negotiations. War is a last resort.

Mr. President, I have received a letter from Nicaraguan Ambassador Carlos Tunnermann, dated March 3, 1986, which has also been received by other Senators. In it the Ambassador states clearly that Nicaragua is prepared to sign a binding and enforceable agreement guaranteeing stated United States security interests are met. As part of the agreement, Nicaragua, along with the other Central American States, would agree to have all foreign military advisers withdrawn; renounce the acquisition of new armaments, and impose strict and verifiable compliance mechanisms; and guarantee that Nicaraguan territory will never be used as a base for any foreign power or for subversion, and allow onsite inspection. Further, it states that when United States hostilities stop and a peace agreement is ratified, Nicaragua will restore civil liberties, and proclaim an amnesty for the Contras to enable them to participate in political life.

It is time to take up the challenge of peace. After a signed Contadora agreement and bilateral commitments with the United States, it is the Sandinistas who will have to answer to the world and to their people if there is backsliding.

Mr. President, administration policymakers have imagined the world to suit their policy. The burden now facing the Congress is to correct our policy to suit the world's realities. Let us not shrink from that task.

AID TO THE CONTRAS: BROKEN STICKS AND WOODEN CARROTS

Mr. GORTON. Mr. President, I rise to voice my opposition to the proposed aid to the Contras. In my view, this approach is not likely to produce the policy results at which we aim in Central America. It is a policy of broken sticks and wooden carrots.

Let it be clear that I carry no brief for the Sandinistas. The regime which they have put in place is repugnant. The regime which they have put in place is repugnant to us, Nicaragua's neighbors, and to many of its own people. And under certain future circumstances, we may be called upon to respond to actions which the Sandinistas have taken against the people of that region. But the proposal we are voting on today is not the proper response at this time.

The question before us is one of means, not ends. And I submit to you that the means which the administration has selected to deal with the Sandinista problem have been and continue to be inappropriate and ineffective. The President has told the American people, in no uncertain terms, that our national security is in jeopardy. He has articulated, in the most dramatic terms, the threat posed by the Sandinistas. And he has asked us to accept the Contras as the solution to this problem.

But there is a great disjuncture between the threat articulated by the administration—the "Reds at the Rio Grande rhetoric"—and the means which are proposed to meet it. Who among us believes that another shipment of combat boots to Enrique Bermudez will prevent the Soviets from developing a deepwater port on the Nicaraguan coast? Who among us believes that the Contras are capable of the kind of large-scale and sustained military and political effort which will be necessary to dislodge the Sandinistas? If the stakes are in fact as high as the supporters of the administration's proposal indicate, then we should be more forthright about our responsibilities for national and regional defense.

We have experienced this kind of muddling of foreign policy ends and means before, and apparently we have learned very little. The history of our involvement in Vietnam is replete with misunderstandings of precisely this kind. Our policymakers could not or would not bring into sharp and public focus the relationship between what we intended in Southeast Asia and what was really necessary to get the job done. Because we were so vague and uncertain, we were fatally inconsistent in the application of power designed to realize our foreign policy objectives.

In the case at hand, the President is quite clear about our objectives, but he fails to convince this Senator that he has chosen the proper means of achieving those objectives. If the danger in Nicaragua is as grave as the President believes, he should not publically and repeatedly forswear the use of American troops to meet it. It does not serve the task of making foreign policy in a democracy for the President to avoid stating what obviously follows from his threat assessment; that is, that American military intervention into Central America may be necessary, that the American people should be willing to pay the price necessary to prevent Nicaragua from becoming another Cuba, and that tourniquets, not bandaids, are needed to stop the gusher in Central America. Let us engage in public debate about whether or not we believe that the threat from the Sandinistas warrants this kind of response.

I find it disingenuous for the President to propose the funding of guerrillas whose purpose is the overthrow of the Sandinista government, while at the same time maintaining diplomatic relations with this Government and flying Members of Congress to Managua to shake hands with the Ortegas as a way of certifying that they are the source of all evil in Central America. Nor do I find convincing the administration's coupling of military aid to the Contras with a "synthetic" attempt at negotiations.

If the threat in Nicaragua is as severe as the President says it is, we will be unable to avoid an American military commitment for long and it will be essential that the American people support it. If the threat is not sufficient to justify intervention, then we should get on with the business of fashioning a proportionate response.

Fundamentally, we are being asked to vote for policy which will continue to kill men, women, and children in Nicaragua and Honduras but which will neither replace the Sandinistas nor cause them to negotiate either peace or democracy. Such a policy is both ineffective and immoral.

I take issue as well with the manner in which the administration has attempted to link support for the Contras with the prospects for a negotiated solution in Central America. The majority leader admonished this body 2 days ago on the need to use military pressure to achieve a negotiated solution, the kind of pressure which support for the Contras is hoped to produce. More than a decade ago the same argument was used to support the bombing of North Vietnam as the

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best means of bringing the North Vietnamese to the conference table. Then-Senator McGee quoted General Maxwell on the floor of the Senate in 1967 with respect to the effectiveness of the air war in "convincing our adversary of the futility of his attempt to impose a Communist regime on the people of South Vietnam." General Taylor had argued that "the basic case for the bombing of North Vietnam is the need * * * to create a situation for the leaders in Hanoi such that, from considerations of self-interest, they will change their ways and cease the aggression against the South." The Senate Armed Services Committee reported that same year that the air war over North Vietnam was intended to "cause North Vietnam to pay an unacceptable price for its aggression."

But that kind of constant adjustment of the level of violence coupled with the dangling of peace talks in front of the North Vietnamese did not, in the end, achieve our policy objectives in Southeast Asia. While I do not assert that Nicaragua is Vietnam, I find this administration's "package" for Central America no more promising in 1986 than our policy in Vietnam proved to be in 1967.

Finally, I draw the Members' attention to the response of our Central and Latin American allies to our policy of support for the Contras. They are, almost universally, on record as opposing the kind of widening of the conflict which aid to the Contras predicts. The administration attempts to speak for the governments which would be most threatened by an aggressive regime in Managua. It suggests that we are told in private what those governments cannot say in public, that they fear the Sandinistas and pray that Uncle Sam will take care of the problem for them.

Yet it is these same countries which have publicly and repeatedly asked us to return to the bargaining table, to eschew military options in favor of good faith negotiations. The administration has responded by incorporating negotiations into the proposal for aiding the Contras. But we have a serious credibility problem here. We are not perceived as having negotiated in good faith, and for good reason. Few of us believe that the Sandinistas will accept arrangements which would jeopardize their monopoly on political power, which is precisely what a negotiated democracy is Nicaragua will mean. If we do not believe that the Sandinistas will reach a political agreement which we will find acceptable, we fool no one by grafting an appeal for negotiations onto the Contras arms proposal.

In my view we should heed the counsel of the governments of Central and South America and allow them an opportunity to live with Sandinista Nicaragua with minimum American intervention. Let us test their faith in the virtues of negotiations and the good intentions of Managua. If they are wrong about the Sandinistas and President Reagan is right, it will not be too late for the United States to lead a regional effort to preserve the security of this hemisphere—when our friends and allies in Latin America are willing publicly to ask us to do so.

A former President of Mexico once lamented about his country, "Poor Mexico, so far from God and so close to the United States." I regret the history which inspired this observation, and I urge my colleagues to consider it carefully before they vote on the measure before us today.

AMENDMENT NO. 1717

(Purpose: To provide assistance to the Nicaraguan democratic resistance if the Government of Nicaragua has not taken certain actions)

The PRESIDING OFFICER. Who yields time? The Senator from Indiana.

Mr. LUGAR. Mr. President, I would like to ask the Chair to recognize the Senator from North Carolina for the purpose of an amendment.

The PRESIDING OFFICER. The Senator from North Carolina.

Mr. HELMS. Mr. President, I thank the Chair and the distinguished manager of the bill. I have a substitute at the desk which I call up and ask that it be stated.

The PRESIDING OFFICER. The clerk will report.

The legislative clerk read as follows:

The Senator from North Carolina [Mr. HELMS] proposes an amendment numbered 1717.

Strike all after the resolving clause and insert the following:

That the Congress hereby approves the additional authority and assistance for the Nicaraguan democratic resistance that the President requested pursuant to the International Security and Development Cooperation Act of 1985, notwithstanding section 10 of Public Law 91-672.

Notwithstanding any other provision of this section, assistance may be provided under this joint resolution at any time after May 15, 1986, if the President determines and reports to Congress that the Government of Nicaragua—

(1) has not terminated all overt and covert aggression against other countries;

(2) has not terminated all importation of military supplies and foreign military and security personnel;

(3) has not expelled all Soviet and Cuban personnel in Nicaragua;

(4) is delaying the implementation of the acts described in paragraphs (1), (2), and (3) in order to pursue decisive military victory against the Contras;

(5) has not explicitly acknowledged that it has an obligation to the Organization of American States (OAS) to implement democracy, according to the OAS resolutions of June 23, 1979, and July 12, 1979, and that the Government of Nicaragua undertook a similar obligation in agreeing to the September 1983 Contadora Document of Objectives; or

(6) has not given permission for all political parties to begin organizing political activities in preparation for elections to be held at a future date.

Mr. HELMS. Mr. President, I suppose this could be called a put-up-or-shut-up amendment. We hear all sorts of declarations on this floor that we are in favor of human rights, that we are in favor of free election, and all the rest of it. Yet there has not been one scintilla of a suggestion—until this amendment in the nature of a substitute—was called up that the Sandinistas ought to bear the burden of restrictions on this assistance package.

Mr. President, the basic flaw in proposals which will be before us later today is that the restrictions which it sets up are not directed against the Communists in Managua. Rather, they are directed against the President of the United States and the freedom fighters in Nicaragua. What kind of nonsense is this?

There are Members of this body who are taking the position that the biggest danger to freedom and American security is coming from the President and the freedom fighters. They are acting as though the real problem—the existence of a Soviet- and Cuban-controlled government on the American continent—is irrelevant to the issue.

Mr. President, the issue is, will this Senate, this day, take this modest step toward trying to assure that Central America will not be taken over totally by the Soviet Union, using its surrogates in Cuba and Nicaragua?

I have listened in disbelief to some of the statements made on this floor in the past 2 days. We find the criticism directed against the Contras. They are not democratic enough to suit some Senators. They are not as well organized as we would like to see them be. They are allegedly engaged in atrocities. They have not been as successful as we would like them to be.

Well, I ask, how could they be successful? First, the U.S. Congress put hobbling restrictions on them. I don't even hear the opponents today talking about the crippling effect of the Boland amendment on the aid that was given to the Contras before it was cutoff completely. No, not a syllable do we hear about that. Nor do I hear any discussion of the impact on morale, training, and discipline created by the cutoff. Some Members of the Senate simply do not want to talk about the consequences of their own actions.

Mr. President, the purpose of the substitute at the desk is very simple. It puts the restrictions on the Sandinistas, not on the freedom fighters. It gives the President authority to act after May 15, so long as the Sandinistas continue to do what they are doing—serving as a Soviet base for

subversion and aggression throughout the hemisphere. If the President finds that Nicaragua has not terminated all overt and covert aggression, if he finds that they have not terminated the importation of military supplies and foreign security personnel; if he finds that they have not expelled the Soviet and Cuban personnel, and that they refuse to implement democracy, then the President is free to act, which should have been the situation anyway.

So I say again to Senators who say, "Well, we don't want communism in Central America," the way to make good on that declaration is to support the very clear, simple substitute that is at the desk.

Mr. President, if my substitute is adopted, we can go home right now for Easter recess. As Senators know, under the Senate rules a substitute cannot be amended further once it is adopted. So the real comparison is between my substitute and the substitute which will undoubtedly be offered later and has already received wide circulation.

So what does the substitute which will be offered later do? What it does is ensure that once more we hobble the President in his conduct of foreign policy. First, the other resolution purports in section 2 to declare what the foreign policy of the United States should be. Every constitutional expert I have ever heard has said that the authority for foreign policy is vested in the executive branch, not the legislative branch. The legislative branch has the power of the purse, and the Senate has the power to give advice and consent on treaties and ambassadors. But aside from that we do not have the power to make foreign policy. I don't understand why we are even considering section 2.

Now section 3 says that the United States Government will enter into negotiations with Nicaragua under certain circumstances. This is not a sense of the Congress resolution. This says "United States policy shall be based" on actions to be taken by Nicaragua.

What business of Congress is it to tell the President what U.S. foreign policy shall be? What business is it of Congress to say that the United States will "engage in bilateral discussion with the Government of Nicaragua?"

It would be perfectly proper for Congress to say what we think should be done; but we have no constitutional authority to say what shall be done under the President's authority to conduct foreign relations. This is not just an authorization to conduct negotiations, which the President wouldn't need anyway; it is mandatory under the circumstances set forth.

I think it is quite clear that these provisions are unconstitutional.

In section 4, the proposal takes position that the Contras are a flawed instruments, that the fighters have to be under democratic control, that they are to be punished if they violate human rights or engage in drug smuggling, that they must achieve unity and define a program for achieving democracy in Nicaragua, et cetera, et cetera—all aimed at the people in Nicaragua who are fighting and dying trying to regain their freedom. Not a syllable about the Communist Sandinistas. Not one phrase saying, "you have to stop," or "you have to live up to your commitment," or anything of that sort.

What are we up to in the Senate, Mr. President, when we take such a convoluted position as that?

To talk imposing such restrictions in the middle of a guerrilla war is beyond reason. I believe that all of these are desirable goals, but none of them can be imposed in the middle of warfare, outside of the structure of government.

Mr. President, the Contras can have only one objective at the present time, and that objective must be to win. They can win in several ways. They can win by causing enough damage to the Nicaraguan regime so that the regime is forced to negotiate. They can win by creating the psychological and military climate in which mass desertions from the Sandinista army and broad public uprisings take place. Or they can win by a series of successes resulting in the overthrow of the regime. Of course all the experts say that the last is impossible; but anyone familiar with experts knows that experts are often wrong.

The U.S. Congress should do nothing to obscure the main point: The Contras must achieve victory in some fashion. It is not going to be on my conscience if we refuse to help those people who are fighting and dying trying to regain freedom in Nicaragua.

An army that is fighting must concentrate on fighting, and not sit around in academic discussion of future society in Nicaragua. As for the alleged abuses, there is no credible evidence that the allegations are the result either of policy or practice. Indeed, the Contras are fighting a regime that is consistently engaged in human rights violations.

In section 5, DOD funds are transferred at the rate of $15 million every 90 days. Mr. President, I ask this body, how can we put a guerrilla war on a rigid timetable? How can we determine in advance that the funds will be needed on an orderly schedule? What happens if there is a massive attack? What happens if the conditions are right for a sweeping forward movement? What this timetable does is to tell the Sandinistas that they have a leisurely schedule to wipe out the freedom fighters.

In section 9, we say that we do not trust the President. We say that we do not trust him to make a determination that sending military aid to the Contras is the only solution. We say that we do not trust him to make a determination that the Contras are under air attack. We tell the Sandinistas in advance that they can bring in new helicopters and other aircraft to attack the freedom fighters and that the United States will do nothing. We tell them that their allies in the U.S. Congress will attempt to disallow any equipment and supplies to fend off air attacks. We tell them that there will be debates and delays in Congress ad infinitum, while the Communists consolidate their power.

And in section 10, we say that a commission will be set up to second guess the President, to provide the allies of the Sandinistas in Congress with more ammunition, with more propaganda, with more excuses for temporizing and giving the Communists time to destroy all internal and external opposition.

Yesterday, on this floor, I alluded to some of the debate in 1980, when the Senate successfully approved two $75 million in grants to the Communists in Nicaragua. Fortunately, only $119 million out of the $150 was actually approved. But I think some of the Senators who participated in that debate ought to get out the CONGRESSIONAL RECORD and read what they said. As I made clear yesterday, I assign no particular wisdom to myself, but I did try to warn the Senate on those occasions, when those mistakes were being made, that we were feeding the crocodile. But I remember very well Senators saying, "I'll take a chance on that." They were taking a chance, but not with their own money, and not with their own freedoms.

Look at what has happened. It is the same story that has happened all over the world, every time the Communists decide to take over a territory. We hear about negotiations. I want a Senator, any Senator, to tell me one time that the Communists have negotiated in good faith. Tell me just one time—it cannot be done.

So the issue here is, do we really believe in freedom? Do we really want to help those who are fighting and dying, not merely in Nicaragua, but also in Angola, in Afghanistan, and everywhere in the world that people have the yearning, as Solzhenitsyn put it, to be free? We can turn our backs, if we wish, but this Senator will not.

The question then is whether we go all out to support the President, or whether we hobble his actions to support freedom in Central America.

Mr. President, I ask for the yeas and nays.

The PRESIDING OFFICER. Is there a sufficient second? There is a sufficient second.

The yeas and nays were ordered.

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Mr. HELMS. Mr. President, I yield the floor.

Mr. McCONNELL. Mr. President, on April 24, 1985, the U.S. House of Representatives rejected a bill to provide humanitarian aid to the Contras in Nicaragua. Immediately, Daniel Ortega left Nicaragua for Moscow. On April 30, a Washington Post story announced Ortega has secured $200 million in Soviet aid during his visit. The April visit was followed in May by Sandinista troops crossing into Costa Rica and killing two Costa Rican civil guardsmen.

Last week, the House of Representatives voted, once again, to reject aid to the Nicaraguan resistance. Within 48 hours, Sandinista forces invaded Honduras.

To me, the cause and effect seems clear. In response to U.S. signals of weakness, in response to American lack of resolve, the Sandinistas have deliberately and aggressively moved to eliminate any and all opposition to their Marxist-Leninist government. The House demonstration of support for negotiated reason was squarely confronted with Sandinista aggression.

The Sandinista dictatorship has most recently engaged in aggression against a neighbor. But, the history of aggression within Nicaraguan borders against the Nicaraguan people is equally alarming. On October 15 last year the Sandinista government reinstated and broadened restrictions on civil liberties. The Sandinistas suspended the right of personal security and habeas corpus; the right to a trial, to be presumed innocent until proven guilty and to an appeal; the right to organize unions and to strike; the right of peaceful assembly; the freedom of association and movement; the freedom of information, and finally the freedom from arbitrary interference in a citizen's personal life, family, and home. President Ortega claimed that the suspension of Nicaraguan freedom was aimed at problems caused by United States aggression and counterrevolutionary activity. I would ask opponents of aid to the Contras to explain how suspension of freedom of information addresses or contributed to resolving the problem created by the Contras? Since the Contras do not own or operate a newspaper in Nicaragua, it is clear that suspension of freedom of information in Nicaragua is intended to restrict, repress, and eliminate any political activity or opposition to the Sandinistas. With or without the pressure applied by the Contras, the Sandinistas would be marching along the Marxist-Leninist path, consolidating their repressive dictatorship with the military and financial help of the Soviet Union, Eastern European nations, and Libya.

Their goals are brutally obvious. The question is, what are ours? What should United States policy achieve in Nicaragua and Central America?

As expressed by the President and virtually every member of his Cabinet, United States policy is designed to promote a democratic opening in Nicaragua because it is the best guarantee for regional peace, security, human freedom, and economic recovery. The key to establishing democracy in Nicaragua is keeping the opposition alive.

At this point, peaceful, political opposition has been effectively silenced. State security officials have broken into the Catholic Church radio station in order to cut off the transmission of Cardinal Obando y Bravo's homilies. The only opposition press, La Prensa, is severely censored and in danger of being closed completely. Arturo Cruz, the former Sandinista Ambassador to the United States was prevented from participating in the Nicaraguan elections. And, finally, civil liberties were suspended last October essentially preventing any public expression of political opposition.

The hope for restoration of freedom in Nicaragua is embodied in the United Nicaraguan Opposition's—the Contra's—cause and statement of principles. The UNO is engaged in a military struggle to win political pluralism and the participation of all citizens in the exercise of representative democracy. The UNO has stated it seeks to guarantee government respect for freedom of speech, worship, and association—the basic rights denied Nicaraguans by the Sandinistas.

The UNO cannot be kept alive with humanitarian assistance alone. It is not enough in the face of the massive Soviet and Cuban military aid which has fortified the Sandinistas. The Sandinistas have been provided battalions of tanks, armored personnel carriers, artillery, SA-7, surface-to-air missiles, rocket launchers, light attack aircraft, and helicopter gunships. These military deliveries have been complemented with training and advice.

The weight of this powerful military force is being brought to bear on a dedicated group of freedom fighters. The leadership of the Contras is a reflection of the diversity of their popular support. While it is true that some senior military leaders were Somoza National Guardsmen, the overwhelming majority are either ex-Sandinistas or civilians.

I raise the background of the members of the opposition because critics have said we should not be supporting the Contras because they are primarily ex-National Guardsmen. This is simply not true and I believe the false rumors warrant rebuttal.

However, I do not think the Senate should be engaged in a dissection of the political pedigree of the members of the opposition. Such a discussion only diverts our attention from the central and serious issue: Are we prepared to help keep the opposition alive? Are we willing to support forces struggling for basic freedoms?

My answer is an unqualified yes. The Sandinistas will not engage in serious, productive negotiations for regional peace and security nor will they initiate meaningful internal, democratic reforms unless they are faced with the certainty that the opposition will survive and must be included in the political process.

This view is clearly shared by the majority of people living in the region as independent Gallup polls have recently shown. Central Americans are convinced the Sandinistas pose a serious military threat to their peace and security. The threat in and to the region is obvious. It is the Sandinistas.

Recently, three staff members from the Senate Intelligence Committee traveled to the region. In a report to the members, the staff observed that the Contras were a well organized, thriving combat force with a clear understanding of their task and the motivation required to continue their fight.

We have a choice. We can allow the Sandinistas to continue to threaten regional peace and stability as they consolidate their totalitarian grip on the Nicaraguan people. Or, we can choose to support these well organized, dedicated freedom fighters who have declared their support for basic rights every American enjoys.

Last year, when the Sandinistas saw the United States hesitate in its commitment to the freedom fighters, Ortega rushed off to Moscow in search of the support necessary to finally defeat the Contras. Yet, the Contras survived. Last week, in a similar move, when the House of Representatives hesitated, the Sandinistas launched an invasion into Honduras in what I suspect was an effort to prove, once and for all, that the Contras' strength was failing. Instead it was the plan that failed. The Sandinistas have suffered a significant military defeat, to say nothing of the embarrassment of once again being caught carrying out an act of aggression against a neighbor.

In conclusion, Mr. President, I would urge my colleagues not to hesitate again. The consequences of our hesitancy have been made all too clear by the Sandinistas. I urge my colleagues support for the immediate provision of comprehensive aid to the Nicaraguan freedom fighters.

Mr. PELL. Mr. President, the Senator from North Carolina, in a very eloquent way, has presented his views.

The question of the Contras and assistance to them depends on which way you look at it. Some have referred to the Contras as freedom fighters, and our President referred to them as the moral equivalent of our Founding Fathers. My own feeling is that they are really terrorists, because what

they are doing is perpetrating acts of violence and indiscriminate actions against men and women and children.

I think our job is to try to bring about peace to that part of the world and not to continuously fuel the fires of violence and warfare.

I hope my colleagues will vote negatively on this amendment.

The PRESIDING OFFICER. Is there further debate? If not, the question is on agreeing to the amendment. On this question the yeas and nays have been ordered, and the clerk will call the roll.

The legislative clerk called the roll.

Mr. CRANSTON. I announce that the Senator from West Virginia [Mr. ROCKEFELLER] is necessarily absent.

I further announce that, if present and voting, the Senator from West Virginia [Mr. ROCKEFELLER] would vote "Nay."

The PRESIDING OFFICER (Mr. EVANS). Are there any other Senators in the Chamber who desire to vote?

The result was announced—yeas 39, nays 60, as follows:

[Rollcall Vote No. 47 Leg.]

YEAS—39

Abdnor
Armstrong
Boren
Cochran
D'Amato
Danforth
Denton
Dole
Domenici
East
Garn
Goldwater
Gramm
Hatch
Hawkins
Hecht
Heflin
Helms
Humphrey
Kasten
Laxalt
Lugar
Mattingly
McClure
McConnell
Murkowski
Nickles
Pressler
Quayle
Roth
Simpson
Stevens
Symms
Thurmond
Trible
Wallop
Warner
Wilson
Zorinsky

NAYS—60

Andrews
Baucus
Bentsen
Biden
Bingaman
Boschwitz
Bradley
Bumpers
Burdick
Byrd
Chafee
Chiles
Cohen
Cranston
DeConcini
Dixon
Dodd
Durenberger
Eagleton
Evans
Exon
Ford
Glenn
Gore
Gorton
Grassley
Harkin
Hart
Hatfield
Heinz
Hollings
Inouye
Johnston
Kassebaum
Kennedy
Kerry
Lautenberg
Leahy
Levin
Long
Mathias
Matsunaga
Melcher
Metzenbaum
Mitchell
Moynihan
Nunn
Packwood
Pell
Proxmire
Pryor
Riegle
Rudman
Sarbanes
Sasser
Simon
Specter
Stafford
Stennis
Weicker

NOT VOTING—1

Rockefeller

So the amendment (No. 1717) was rejected.

Mr. DOLE. Mr. President, I move to reconsider the vote by which the amendment was rejected.

Mr. LUGAR. Mr. President, I move to lay that motion on the table.

The motion to lay on the table was agreed to.

The PRESIDING OFFICER. The Senate will be in order. All conversations in the aisle will cease. Senators will clear the well.

The Senate will not proceed until the Senate is in order. Will Senators conversing in the aisles please clear the aisles? The Senate will not proceed until the Senate is in order. The Senate is not in order until Senators clear the aisle.

The majority leader.

Mr. DOLE. Mr. President, I understand there are 5 hours 36 minutes remaining and requests for time of 6 hours 40 minutes.

I do believe that some of the amendments that are listed will be duplicative or they can be disposed of in less than 20 minutes.

In any event, in order to try to have some order, I have suggested to the distinguished minority leader a unanimous-consent agreement which would provide the Sasser substitute to be offered next. We did have a 3-hour time agreement equally divided. This would be 2 hours, but the proponents would still have 1½ hours. We would reduce our time to 30 minutes.

That is to be followed by a Dole-Lugar substitute for 2 hours, but we would have 90 minutes and the opponents 30 minutes. That is 4 hours.

That is to be followed by the Cranston amendment requiring bilateral negotiations, 20 minutes equally divided; a Durenberger amendment to the substitute prohibiting the use of authority to overthrow the Nicaraguan Government, equally divided, 20 minutes; 20 minutes on a DeConcini amendment prohibiting Stinger missiles to the Contras, equally divided; 20 minutes on a Durenberger amendment, equally divided; 20 minutes on the Biden amendment setting conditions for the use of funding for the military, equally divided; 20 minutes on a Wilson amendment to require the President to report on negotiations, equally divided; 20 minutes on a Dixon amendment prohibiting the use of U.S. military personnel, equally divided; 20 minutes on a Kennedy amendment prohibiting the use of U.S. personnel, equally divided.

I think two or three of those amendments are fairly similar.

Those are the requests that we have. Even if we could obtain this agreement, we would still be over the allotted time by about 1 hour.

Mr. BYRD. Mr. President, I understand that it is not the intent to enter into the entire agreement at this time. The modification has come to me only of late. I wonder, however, in the meantime, while trying to get an agreement on the rest of it, if we could go forward with an agreement, let us say, looking at the list of amendments and to which I am addressing my comments, at least going through the DeConcini amendment, through that position on the list. That would mean we have agreed on the Sasser substitute at 2 hours, 1½ hour to this side and 30 minutes to that side. Then if we could, agree on the Dole-Lugar substitute with an hour and a half on that side and 30 minutes on this side, and then time on the Cranston amendment, and the Durenberger and DeConcini amendments. On each of those amendments the request is 20 minutes equally divided. I believe Mr. CRANSTON would want to offer his amendment to the Dole-Lugar substitute.

As would DeConcini.

Mr. DOLE. Mr. President, all the amendments after the substitute, if it is adopted, or even prior to its adoption, would be amendments to the Dole-Lugar substitute.

Mr. STEVENS. Mr. President, will the Senator yield?

Mr. DOLE. Yes, Mr. President.

Mr. STEVENS. How much time remains on the bill, Mr. President?

The PRESIDING OFFICER. The proponents have 3 hours and 4 minutes. The opponents have 2 hours 29 minutes.

Mr. STEVENS. As I understand, Mr. President, if the Senator will yield further, the outline of the distinguished Democratic leader would cover 7 hours right there. It is 2 hours and 2½ hours. That is 5. And there are 2 more hours left in terms of what is left on the list. Am I wrong?

The Senator from West Virginia has covered 5 hours—2 hours, 2 hours, and 1 hour.

Mr. BYRD. Yes, Mr. President.

Mr. STEVENS. And there are still 2 hours left beyond that.

Mr. DOLE. One hour and 40 minutes.

Mr. STEVENS. Mr. President, I think a time limit is a time limit. I urge that the proponents of these amendments see if they cannot reduce the time and stay within the limit. I say that because there are many of us who have schedules that are not going to make it possible to be with our families unless we finish this bill within a reasonable time today.

Mr. BYRD. Mr. President, if the distinguished majority leader would allow me, I think the time the distinguished majority leader has indicated for the Sasser substitute has already been cut 1 hour, if it is agreed to, from that which we had earlier thought we would have. So that has been cut 1 hour. The Dole-Lugar substitute is 2 hours. I suppose that has been reduced somewhat, too, I am not sure.

Finally, if the distinguished majority leader would get consent that this time not come out of either side—could we do that, for the colloquy?

Mr. DOLE. Mr. President, I ask unanimous consent that this exchange not be taken from either side.

The PRESIDING OFFICER. Is there objection? Without objection, it is so ordered.

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Mr. DOLE. The problem is there are other Members who are not being covered and they are going to object. I have had word from this side that we are going to have an objection. I think the Senator from Delaware has an amendment that is not in the first group.

Mr. BIDEN. Mr. President, if the majority leader will yield for a moment, I really do not have any objection, except if we agree to this and then do not agree to extend the time, by definition, we will not be able to offer the amendments. So I think we may be putting the cart before the horse.

Mr. BYRD. Would the majority leader yield?

Mr. BIDEN. Yes.

Mr. BYRD. If we do not agree with this, it is going to be worse.

Mr. BIDEN. I understand it is going to be worse for other Senators than for this Senator. I shall take my chances then. But this way, I see I will not get an opportunity to offer my amendment.

Knowing how fastidious and honest the Chair is, I know I have an equal chance of being recognized.

Mr. BYRD. I certainly want to help the Senator, but I must say to all Senators that if they want to object, it is conceivable that the majority leader could move to shut all the time down to an hour. I hope he will not do that.

That would be nondebatable and a majority vote would be all he would need.

That aside, if we do not get some agreements, a lot of Senators are going to be shut out. As a matter of fact, we could consume all the rest of the time on one amendment.

Mr. BIDEN. Mr. President, I have no objection, as I say to the majority leader, and would not disagree with that. But quite frankly, if I do not get a chance to vote on my amendment, I would just as soon the majority leader shut it down and we vote up or down. I do not know why the minority leader will not agree to the whole unanimous-consent request at this time and this Senator, at least, will not object.

Mr. BYRD. Mr. President, I think I have to say to the distinguished Senator, he says he does not know why the minority leader does not agree to the whole request at this time?

Mr. BIDEN. That is what I said, Mr. President, yes.

Mr. BYRD. I am in no position to do that. I have to run it by Senators, to accommodate this Senator, and I do not want automatically and preemptorily to agree to this. Now I cannot do that, becasuse I would have problems on my own side.

Mr. BIDEN. I fully understand that, Mr. President, just as I hope he understands that I am not preemptively going to agree to be preemptively preempted. [Laughter.]

Mr. BYRD. The Senator has made that preeminently clear.

Mr. STEVENS. Mr. President, would the Senator yield for just a moment?

Mr. DOLE. I am happy to yield.

Mr. STEVENS. I urge that all Members try to reduce this time. I think 1½ hours , 2 hours is too long on these two amendments. If they came down to 1 hour and 20 minutes, we could accommodate everybody within this timeframe we already have.

I for one would object to any extension of time on this bill. That is all there is to it. In effect, we have been on it for 3 days, although we are just debating it now. Some of us debated it yesterday before the time started. I do believe that this time ought to run and we ought to vote at the end of this time that is statutorily provided.

That is my intent. I urge people to reduce the demand for this time. The 1½ hours seems long. It is 1½ hours on this side on one, 1½ hours on that side on another. That could be reduced to accommodate the Senator from Delaware and get all these amendments considered and voted on in the timeframe.

The time for voting, the time for quorum calls and time for talk like this does not come out of the 7 hours, either.

Mr. DOLE. The time for the quorum calls does.

Mr. President, I yield to the Senator from Maryland [Mr. SARBANES].

Mr. SARBANES. Mr. President, I want to point out, in light of the comments made that it was not until this morning that something was laid down so the amending process was in order. It seems to me a desire to get time to do amendments ought to be regarded—I am really directing this to the Senator from Alaska—somewhat differently than a desire to get time simply to debate, where there was opportunity to do that yesterday. In fact, I think 3 hours were charged off for that purpose. But it was not until this morning that something was actually laid down and made the amendment process in order. It seems to me if we could work out some way that Members are covered who want to offer amendments within a reasonable period of time, it would be a significant accomplishment.

Mr. DOLE. Mr. President, let me indicate to all my colleagues that I do not want to preclude anybody from offering amendments. I could at this time send our substitute to the desk and stay on it until the time expires. Obviously, I do not intend to do that, but then there would not be any opportunity on the Sasser substitute or any of the other amendments.

I hope we could at least agree on the two substitutes, the two major amendments. We would even be prepared to take 15 or 30 minutes and instead of 90 minutes, make it 60 or 75 minutes on each side. That saves us a half hour.

I think we are going to be able to accommodate some Senators with their amendments. That will eliminate some of the other time. I think we can be within the time constraints suggested by the Senator from Alaska and still permit Senators from Alabama and others to speak their 10 minutes. But we are not making any progress right now.

Let me make this modified unanimous-consent request, if I might: That on the Sasser substitute, there be a 1½ hours with 60 minutes under the control of the minority leader and 30 minutes under the control of the majority leader. Then on the Dole-Lugar substitute, there would be 1½ hours, with 60 minutes under the control of the majority leader—Senator LUGAR, really—and 30 minutes under the control of the minority leader. Could we agree to that much?

The PRESIDING OFFICER. Is there objection?

Mr. BYRD. Reserving the right to object, Mr. President, I was momentarily distracted. Would the distinguished majority leader restate that request?

Mr. DOLE. What I would attempt to do at this time is get agreement on the two major provisions, the two substitutes: reduce the 90 minutes to 60 minutes in each case; there would be an hour and a half on the Sasser substitute—60 minutes to the minority leader, 30 minutes to the majority leader.

On the Dole-Lugar substitute, there would be 60 minutes to the majority leader and 30 minutes to the minority leader.

Mr. BYRD. Reserving the right to object, Mr. President, is the distinguished majority leader saying that with respect to the Dole-Lugar substitute, let us say, the time of 60 minutes as against 30 minutes would apply aside from the time that would be allotted on amendments to the Dole-Lugar substitute?

Mr. DOLE. That is correct.

Mr. BYRD. Mr. President, if Senator CRANSTON should call up his amendment, with 20 minutes equally divided on it, that would not run against the 1½ hours on the Dole-Lugar substitute?

Mr. DOLE. That is correct.

Mr. BYRD. I have no objection.

The PRESIDING OFFICER. Under this agreement, an amendment to the Dole-Lugar amendment would not be debatable.

Mr. BYRD. Then we would have to provide for that, it seems to me, I say to the distinguished majority leader.

Mr. HARKIN. Mr. President, will the distinguished majority leader yield?

Mr. DOLE. I yield.

Mr. HARKIN. Mr. President, I rise today in opposition to the proposal of the President and the amendment of the Senator from Indiana and the majority leader.

The President's Nicaragua policy is a policy we cannot afford—in terms of its cost in dollar, human lives, and its potential damage to future relations with our Latin allies.

The $100 million the President seeks today is the first installment on a deeper financial commitment to the Contras, and a hefty downpayment on direct U.S. military involvement in Nicaragua in the future.

Mr. President, aid to the Contras is not just a bankrupt policy, it is part of a program that is bankrupting rural America.

In 1986 alone, Iowa will lose more than 12,000 farms—one-tenth of all farms in the State. That loss will result in 25,000 dislocated farm families, the loss of 9,000 small businesses, and the loss of 25,000 small town jobs.

Yet, in the midst of the farm crisis, the administration will cut Farmers Home Administration Loan Program for Iowa by one-third. That cut—totaling over $200 million—will result in 3,000 fewer loans for Iowa's farmers.

The President talks much about saving our own backyard from communism. He should spend more time trying to save our farmyards from bankruptcy.

Just a few short weeks ago, the President and Pat Buchanan heralded the vote on the Contra aid request as a choice between freedom and communism. Support the Contras and ally with the "forces of freedom," or oppose the request and line up behind the Sandinistas and face the prospect of Soviet-armed Nicaraguans crossing the Rio Grande River.

Such misguided and simplistic reasoning plagues this administration's Nicaragua policy. The rhetoric of Red Dawn is an elaborate smokescreen to hide the true intentions of the President's policy.

Mr. President, the real choice today is not between the Contras and Mr. Ortega. We must decide whether we give the green light to the administration's plan to escalate the war in Nicaragua, or whether we give the Contadora peace process a chance and join with our Latin allies in pursuing a negotiated solution to the Central American conflict.

From the outset of this covert war, the administration has misled the American people as to its true purpose.

To quote the President, from a statement before a joint session of Congress on April 27, 1983, "Let us be clear as to the American attitude toward the Government of Nicaragua."

He continued, "We do not seek its, overthrow. Our purpose is in conformity with American and international law is to prevent the flow of arms into El Salvador."

But that was not then, nor is it now, our purpose in Nicaragua. Five years and $100 million later, the Contras have not captured a single major cache of arms.

Within 6 months of the President's statement to us, within 6 months of the President saying our goal was not to overthrow the Government, the CIA was drafting a manual on how to conduct guerrilla war in which it was stated, "This is the moment in which the overthrow can be achieved and our revolution can be an open one."

This administration continues to spin its web of half-truths to justify its Nicaragua policy.

In his March 16 address to the Nation, for example, the President claimed that "top Nicaraguan Government officials are deeply involved in drug trafficking."

Yet, our own Drug Enforcement Administration—the principle agency in drug-smuggling operations—refuted Mr. Reagan's assertions, stating it had no information implicating "the Minister of Interior or other Nicaraguan officials."

This, by the way, was the second time DEA had to refute this claim.

The administration's contempt for the facts is just as profound as its disregard for negotiations. I believe, as do many of my colleagues in this body, that the Reagan administration has one goal in mind in Nicaragua—the removal of the Sandinistas from power.

The State Department's leading adviser on Latin American affairs, Elliott Abrams, has publicly stated that we cannot trust the Sandinistas to abide by any signed agreement. For Mr. Abrams, the only way to satisfy our security concerns was to install a new government in Managua.

For the President, we just need to make the Sandinistas "cry uncle."

The Permanent Select Committee on Intelligence, in its recent report on the Contras aid request, concluded that for the past 3 years, this administration has hoped to achieve this goal through military force.

Yet, even our own military advisers admit that the Contras are no match for the Sandinistas militarily. Retired Col. Ed King has bluntly warned that we should not be misled into believing that Contra military action is capable of changing the Sandinista government.

Gen. Paul Gorman, former commander of the Panama-based United States Southern Command, testified before Congress that the rebels were incapable of overthrowing the Sandinistas "in the foreseeable future."

Five years of U.S. training and aid—at a price tag of $100 million—have not made the Contras effective militarily.

Nor has United States assistance, according to the House Intelligence Committee, produced an insurgency capable of sustaining itself among the population in Nicaragua.

To a majority of Nicaraguans—many of whom are discontented with the Sandinistas—the Contras, and its fighting arm, the FDN, are led not by freedom fighters, but by the same national guardsmen who fought against freedom during the Somoza era.

This is not my conclusion. It is that of UNO leader Arturo Cruz, who conceded in a recent interview in the Washington Post that "the largest number in the inner staff" are ex-guardsmen. It is the conclusion of Central American analyst, Robert Leiken, who has written that "the FDN high command, with one exception, is drawn entirely from the national guard."

And, it now is the conclusion of the administration, who, in a March 13 letter to Senator PELL, confirmed that 9 of the 13 members of the FDN high command are former guard officers.

A review of the résumés of the FDN leaders will demonstrate why the Contras have failed to win the popular support essential to winning a sustained guerrilla war.

The head of the FDN, Enrique Bermudez, is a member of the national guard who founded the Contra group. One of his closest associates, Ricardo Lau, has been linked by the Honduran military to death squad activity in Honduras. And according to the former head of military intelligence in El Salvador, Mr. Lau participated in the assassination of Archbishop Oscar Romero in El Salvador.

No, the Contras are not freedom fighters who reflect the ideals and values of the American people. They and their leaders are, according to Robert Leiken, part of a cabal that is closely linked to a shadowy network of expropriated landowners, bankers, and industrialists and former associates of Somoza.

In sum, Mr. President, the administration's policy of pressure is a failure, and spending another $100 million isn't going to make it any more effective.

What we need now is a policy with clearly defined and achievable objectives? We don't need a program that offers only cosmetic changes in the flawed and failed Reagan policy of the past half decade.

We begin with a set of agreed upon principles.

First, as objectionable as the conduct of Nicaragua is viewed to be both here and abroad, attempting to change it by pure military pressure has not succeeded and will not succeed. Simply put, our legitimate security concerns—the removal of foreign military advisers, a pledge not to establish military

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bases, and a halt to support for neighboring insurgencies—cannot be achieved by further aiding the Contras.

Second, we need to have a policy that reflects the intentions, concerns, and values of our allies in the hemisphere as well as the high principles of our democratic traditions.

The Contadora process is a mechanism for implementing that policy. In January, eight major Latin American democracies comprising the Contadora group and its support group met in Caraballeda, Venezuela, and called for a Latin American solution to the Central American crisis.

These eight major U.S. allies specifically called for the "termination of external support to the irregular forces operating in the region"—that is, the Contras.

On January 14, under the leadership of Guatemala's newly elected President, Vinicio Cerezo, the five Central American foreign ministers endorsed the Caraballeda document and called for an end to United States support for the Contras and the resumption of bilateral talks between the United States and Nicaragua.

On February 10, the foreign ministers of the eight Latin nations met with Secretary Shultz in Washington. They reaffirmed their support for Contadora and urged the United States not to resume funding for the Contras.

Secretary Shultz rejected their plea. President Reagan rebuffed the Latins by calling for increased aid to the Contras.

Colombia's Foreign Minister has labeled the President's action "intransigent and extreme." The most revealing statement of Mr. Reagan's disregard for Contadora is his March 16 speech. It simply drew a blank on Contadora.

The Reagan administration, which so far has paid only lipservice to Contadora, must put teeth into its commitment by declaring that it is prepared to participate in and sign a regional agreement.

A United States commitment to go to the Organization of American States, invoke the Rio Treaty and, if necessary, resort to joint military action in the event the Nicaraguans violate a regional Contadora agreement will be assurance that the Sandinistas keep their end of the bargain.

Withholding military aid, and conditioning its release on a Presidential report, will not force the President to negotiate. Does anyone really believe that during the next 90 days, the administration will actually move forward, in good faith, toward negotiations. For the past 5 years, they haven't despite the entreaties of the Contadora nations, and the leaders of every Central American nation.

There is an alternative to supporting the Contras or resorting to direct military intervention in Central America.

But we must accept the counsel of our Latin neighbors in formulating U.S. policy in Central America. Otherwise, the result it will be disastrous not just for the Nicaraguan people but for our long-term relations with Latin America if the administration continues to ignore the advice of the Contradora nations.

We are now witnessing a new era of regional interdependence and self-determination in Latin America. It is an era of popular democrats, not tinhorn dictators. It is an era when Latins choose their governments and their foreign policy for themselves.

The President's "Lone Ranger" policy—and United States support for the Contra war—has isolated the United States, not Nicaragua. U.S. support for the Contras stands in splendid isolation from the rest of Latin America, and our Western European allies. Such a policy cannot be sustained nor can it in the end succeed.

I urge my colleagues to vote against this resolution and join with the Contadora nations in support of a negotiated solution to the conflict in Central America.

We must devote ourselves to developing a policy on which there is a consensus and to working together with the democracies in Central and Latin America who oppose Nicaragua's policies but also oppose the Contra war.

A unilateral policy has not and will not work.

A policy that supports Contadora negotiations over a bloody, protracted war will have the support of our friends, and can work.

Mr. PELL. Mr. President, will the majority leader yield?

Mr. DOLE. I yield.

Mr. PELL. Mr. President, reserving the right to object—and I have no intention of objecting—I observe that on our side we have quite a few Senators who have indicated a desire to speak: Senators Dodd, Kerry, Melcher, Matsunaga, and others. They should be on notice that the way things stand now, there is not the time available, only on amendments, and they may have to speak by getting time on one of the amendments. I just felt that my colleagues should be on notice in this regard. I am sure the chairman has the same thought.

Mr. LUGAR. Mr. President, I join the distinguished ranking member in saying that however all the unanimous-consent negotiations come out, it appears that the carpet of time will cover all the remaining time. Therefore, we will work with Senators who have speeches on those particular points and do not have amendments, and we will try to accommodate them within the time allocated to the agreement.

Mr. DANFORTH. Mr. President, will the Senator yield?

Mr. DOLE. I yield.

Mr. DANFORTH. Mr. President, I strongly support the President's request for $100 million to aid the rebels fighting the Communist government of Nicaragua. The Sandinistas are a threat to the peace and stability of our hemisphere. They have wronged their own people and are an increasing menace to their neighbors.

The danger posed by the Sandinistas is broad and growing. Their internal repression and their attempts to spread their brand of Marxism-Leninism to the region demand our immediate and decisive response.

It is the attempt to subvert their neighbors that is the source of my gravest concern. Just this week, 1,500 Nicaraguan troops invaded Honduras. On Tuesday, Honduras was forced to request $20 million in emergency aid and the help of U.S. airlift to carry Honduran troops into the war zone. These events are a vivid reminder of the danger the Sandinistas present to Central American peace.

Many of my colleagues have expressed surprise at Sandinista leader Daniel Ortega's stupidity in ordering such as action days before a major vote in the Congress. His action, however, is not so much stupid as it is revealing. He showed his true colors last year when, less than a week after Congress denied a request for military aid to the Contras, he flew to Moscow seeking another $200 million in Soviet aid. He has shown his true colors again by sending troops into Honduras.

This incursion is not the first of Nicaragua's hostilities toward its neighbors. The Sandinistas have long equipped, trained, and supported the infiltration of guerrillas into Honduras.

They have also armed and supported the Communist guerrillas in El Salvador, whose headquarters was in Managua until late 1983. Salvadoran guerrillas still maintain radio transmitters, training facilities, and major logistics support facilities in Nicaragua.

The Sandinistas have not acted alone. Nicaragua is home to 200 Soviet and East Bloc advisors. Cuban civilian and military advisors have been closely involved in Nicaraguan planning since the beginning of the regime; Cuba now has over 3,000 military advisors and an even larger number of civilian advisors in Nicaragua. Libya, the PLO, and a variety of other terrorist organizations maintain a presence in Nicaragua.

These forces are aiding the Sandinistas in their unprecedented and unwarranted military buildup. Since 1981, Nicaragua has received more than a

half-billion dollars in Soviet arms shipments, including tanks, heavy armaments, and Mi-24 Hind attack helicopters. By 1980, just 1 year after the revolution, the Sandinista Armed Forces were twice as large as the Somoza National Guard at its height. They had doubled again by 1982. Today, Nicaragua has some 62,000 troops on active duty and another 57,000 in reserves. Neighboring Honduras has just 21,000 troops, and Costa Rica has no army at all—only an 8,000-man police force.

It is clear that the Sandinistas have violated the goals of their revolution and trampled the hopes of the Nicaraguan people. They have throttled the press. They have harassed, threatened, and interrogated leaders of the private sector, labor unions, church organizations, and political parties who oppose their goals. They have ended the rights of free expression and public assembly. They have eliminated the right to strike.

The Sandinistas, with the aid and support of its patrons in Havana and Moscow, have built a totalitarian Communist state in our own back yard.

Opponents of aid have argued that the Contras lack popular support, that they are guilty of human rights violations, and that they have no chance of winning. Let me make just a few points.

First, the Contras forces today are three times the size of the Sandinista army that overthrew the Somoza dictatorship. Their leaders come primarily from civilian backgrounds. They are strongly committed to democracy. The bulk of their 15,000-man fighting force comes from the peasant population. The military leadership does contain former Somoza National Guardsmen; it also contains a substantial number of former Sandinistas.

All parties to the war in Nicaragua, including the Contras, have been guilty of human rights abuses. We cannot condone such violations. It is just these abuses, however, that the military training proposed by the President is designed to counter.

Finally, we are told that the Contras have no chance of success. The truth of that assertion depends largely on us. Let us remember what they are up against. Soviet-supplied helicopters, tanks, and machineguns will decimate an opposition that is unarmed and poorly trained. The Contras are asking for the means to fight a Communist dictatorship. With our help, they may have a chance to bring about fundamental reform in Nicaragua. Without it, they will certainly lose.

Mr. President, the question we face today is whether or not we in the United States will stand up to communism in our own hemisphere. President Reagan has not exaggerated the importance of this vote. The democratic resistance forces in Nicaragua are risking their lives in the cause of freedom. The Senate and the United States should support them.

Mr. DOLE. Mr. President, I think we are making some progress. But in order not to waste additional time, we do have an agreement on the Sasser amendment of 3 hours, the time equally divided. He has a right to offer that amendment. I suggest that the time during those 3 hours that is not used on this side be reserved to this side because we have requests by speakers. Some may want to speak against the Sasser amendment.

Mr. BYRD. Mr. President, I think that is a fair approach.

Could we also agree that there be an up-and-down vote on the Sasser amendment, with no amendments to it?

Mr. DOLE. The manager has no objection.

Mr. BYRD. Will the Senator make that request?

Mr. DOLE. Mr. President, I make the request that there be an up-and-down vote on the Sasser amendment, with no amendments to it.

The PRESIDING OFFICER. And 3 hours of debate?

Mr. DOLE. And the time not used on this side to be reserved to this side.

The PRESIDING OFFICER. Is there objection? The Chair hears none, and it is so ordered.

AMENDMENT NO. 1718

(Purpose: To restrict assistance to the Nicaraguan democratic resistance to humanitarian assistance, and for other purposes)

Mr. SASSER. Mr. President, I send to the desk an amendment on behalf of myself and my able colleague from Tennessee, Mr. Gore, and ask for its immediate consideration.

The PRESIDING OFFICER. The amendment will be stated.

The assistant legislative clerk read as follows:

The Senator from Tennessee [Mr. Sasser], for himself and Mr. Gore, proposes an amendment numbered 1718.

Mr. SASSER. Mr. President, I ask unanimous consent that reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

Strike out all after the resolving clause and insert in lieu thereof the following: That (a) it is the goal of United States policy—

(1) to reduce the Soviet-Cuban presence in Nicaragua, to prevent the establishment of bases by Communist-bloc countries in Nicaragua, and to reduce the level of military assistance provided to Nicaragua, with specific restraints on the type of military equipment provided;

(2) to end the export of revolution by Nicaragua to its neighbors through the export of munitions, material, and personnel.

(3) to open up the political system of Nicaragua to a legitimate opposition, to bring about an end to the state of emergency established in Nicaragua, and to encourage the reinstatement of political and civil liberties in that country; and

(4) to support the Contadora process in order to achieve demonstrable progress toward a peaceful, regional settlement providing for peace, stability, and security for the democratic nations of Central America.

(b) In order to assure every opportunity for a peaceful resolution of the conflict in Central America, and in order to promote the goal of its policy described in subsection (a), the United States will begin serious bilateral negotiations with the Government of Nicaragua without requiring as a precondition negotiations between the Government of Nicaragua and the forces opposed to the Government of Nicaragua; provided that, before the United States begins such negotiations, a cease fire to be monitored by the Contadora countries and the Contadora support group countries is established.

(c) It is the sense of the Congress that the United States delegation to the negotiations described in subsection (b) should cooperate to the maximum extent with the Senate Central American Negotations Observer Group to be created by this resolution.

(d) For purposes of this section—

(1) the term "contadora countries" refers to Colombia, Mexico, Panama, and Venezuela; and

(2) the term "contradora support group countries" refers to Argentina, Brazil, Peru, and Uruguay.

Sec. 2. (a) Notwithstanding section 10 of Public Law 91-672, section 8109 of the Department of Defense Appropriations Act, 1986, section 502 of the National Security Act of 1947, or any other provision of law, there are transferred to the President for use in carrying out the provisions of section 3, $30,000,000 of unobligated funds from such accounts for which appropriations were made by the Department of Defense Appropriations Act, 1986 (as contained in Public Law 99-190), as the President shall designate.

(b) Funds transferred under subsection (a) shall remain available for the same periods of time, but not to exceed September 30, 1987, as such funds would have been available under the Department of Defense Appropriations Act, 1986 (as contained in Public Law 99-190), but for the enactment of this section.

Sec. 3. (a) The amounts transferred under section 2(a) shall be available only for the provision of humanitarian assistance to the forces opposed to the Government of Nicaragua by the Nicaraguan Humanitarian Assistance Office (established by Executive Order 12530).

(b) Of the amounts made available only for purposes of subsection (a), $3,000,000 shall be available only for strengthening programs and activities of the United Nicaraguan Opposition for the observance and advancement of human rights.

(c) For purposes of subsection (a), the term "humanitarian assistance" has the same meaning as is given to such term by section 722(a)(5) of the International Security and Development Cooperation Act of 1985.

(d) It is the sense of Congress that no funds should be provided to any element of the forces opposed to the Government of Nicaragua which is not genuinely democratic, which does not respect human rights, or which engages in criminal activities.

Sec. 4. (a) Except as provided in this joint resolution, no funds may be obligated or expended for the forces opposed to the Gov-

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ernment of Nicaragua on or after the date of enactment of this joint resolution.

(b) Nothing in this joint resolution may be construed as authorizing the use of the Central Intelligence Agency or any other department, agency, or other component of the United States Government involved in intelligence-related activities for the provision of any assistance to the forces opposed to the Government of Nicaragua; and it is hereby prohibited for any member of the United States Armed Forces to provide, directly, indirectly, or under the auspices of any department, agency, component, or other entity of the United States Government, any type of military assistance or advice to any organization or group opposed to the Government of Nicaragua.

Sec. 5. (a)(1) For purposes of this section, the term "joint resolution" means only a joint resolution which is introduced within 3 legislative days in either House of Congress, but in the Senate only by the Majority or Minority Leader of the Senate, after the President transmits to the Congress a report requesting additional assistance for the forces opposed to the Government of Nicaragua and which states in substance that it approves such assistance.

(a)(2) For the purposes of this subsection, the term "legislative day" means a day on which the respective House of Congress is in session.

(b) A joint resolution described in subsection (a) shall be considered in the House of Representatives in accordance with the provisions of paragraphs (3) through (5) of section 722(s) of the International Security and Development Cooperation Act of 1985, except that amendments to such joint resolution are in order.

(c) A joint resolution described in subsection (a) shall be considered in the Senate in accordance with the provisions of paragraphs (3) through (7) of section 8066(c) of the Department of Defense Appropriations Act, 1985 (as contained in Public Law 98-473), except that—

(1) references in such paragraphs to the Committee on Appropriations of the Senate shall be deemed to be references to the appropriate committee or committees of the Senate; and

(2) amendments to such joint resolution are in order.

(d) This section shall take effect six months after the date of enactment of this joint resolution, unless the President certifies to the Congress before that date that additional assistance is necessary for the forces opposed to the Government of Nicaragua: *Provided further*, That this section shall then take effect upon receipt by Congress of the aforementioned Presidential certification and of an independent report by the Senate Central American Observer Group created by this resolution addressing the issues raised in the Presidential certification.

Sec. 6. (a) Not later than 30 days after the date of enactment of this joint resolution, and every 30 days thereafter, the President shall prepare and transmit to the Comptroller General of the United States a report accounting in full for the uses of all funds made available under this joint resolution which were obligated or expended during the preceding 30 days, including a description of all goods and services purchased, whether within or outside the United States, with such funds. Such report shall include a classified addendum where necessary.

(b) Not later than 15 days after receipt of a report required to be transmitted by subsection (a), the Comptroller General of the United States shall transmit to the appropriate committees of the Congress such report, together with a report which is prepared by the General Accounting Office and which analyzes the data supplied in the report of the President. For purposes of this subsection, the Comptroller General of the United States shall have access to and the right to examine any pertinent books, documents, papers, and records of any agency of the United States or any contractor or subcontractor thereto.

Sec. 7. (a) There is established the Senate Central American Negotiations Observer Group (hereafter in this section referred to as the "Observer Group"), which shall be composed of 10 Members of the Senate, as follows:

(1) the Majority Leader and the Minority leader of the Senate, who shall be ex officio members; and

(2) four Members appointed by the Majority Leader of the Senate and four Members appointed by the Minority Leader of the Senate.

(b) The purpose of the Observer Group is to observe the conduct and substance of any direct bilateral negotiations between the Government of the United States and the Government of Nicaragua or of any negotiations between the two governments which occur in connection with the Contadora process.

(c) In connection with its duties, the Observer Group shall make such reports as it deems necessary to the Majority Leader and Minority Leader of the Senate, except that, not later than 6 months after the date of enactment of this joint resolution, the Observer Group shall prepare and transmit to the Majority Leader and the Minority Leader of the Senate a report setting forth the status of any negotiations described in subsection (b), the issues involved in such negotiations, and the role of United States assistance in promoting peace, stability, and security in Central America.

(d) The necessary travel expenses of the Observer Group shall be paid from the contingent fund of the Senate, out of the account of Miscellaneous Items, upon vouchers approved by the Majority Leader and the Minority Leader of the Senate.

(e) The Observer Group shall terminate 30 days after transmittal of the report required to be transmitted by subsection (c).

Mr. SASSER. Mr. President, may we have order?

The PRESIDING OFFICER. The Senate will be in order, and the aisles will be cleared.

Mr. SASSER. Mr. President, like many of my colleagues in this body and literally millions of Americans, I have been greatly troubled by developments in the country of Nicaragua over the last few years. I suspect that many of us here, and indeed millions of our countrymen, did not grieve with the fall of the hated Somoza regime in Nicaragua. We looked forward to a progressive democratic government that would rebuild the economy of Nicaragua that had been torn apart after years of civil war.

We looked forward to a progressive democracy that would restore liberty to its citizens and would develop a respect for human rights in Central America, that would be a beacon for all countries in that region to look to.

In recent times, we have been distressed—or at least this Senator has been distressed—by the apparent betrayal of the Nicaraguan revolution by the Sandinista government. We have seen a continuing repression of civil liberties, a silencing, a censoring of the press in Nicaragua, harassment and imprisonment of political opponents, repression of a betrayed union movement, and all the apparatus of a Marxist-Leninist government being slowly and cumbersomely swung into place in that small Central American country.

In an effort to develop firsthand information, I went to the region a few weeks ago to meet with the leaders of the Central American democracies. With the exception of Costa Rica, these governments in Central America—Guatemala, El Salvador, Honduras—are very fragile democracies indeed. After consultation with the leaders of these countries, I became convinced that we in this country and this body should attempt to commit ourselves to a bipartisan policy with regard to Central America, a bipartisan policy that emphasized, on the front end, negotiations and diplomacy as a means of settling the disputes that threaten to tear that region of the world apart and threaten to draw the United States deeper and deeper into a morass that may ultimately require the deployment of U.S. military forces.

Since my return from Central America, I have been urging the Senate, as well as the administration, to develop a bipartisan foreign policy that will address the Nicaraguan problem. I feel very strongly that such a bipartisan policy is crucial if the present Marxist government in Nicaragua is to be contained. I believe that a bipartisan foreign policy for Central America is equally necessary, if we are to have any hope of bringing about peaceful change and reconciliation inside the borders of the country of Nicaragua itself.

I feel that a bipartisan foreign policy strongly supported by Members of both parties and both Houses of this Congress would send a strong message of resolve to those who wish us well in Central America as well as those who wish us ill:

That we intend to stay the course.

That we intend to side with democracy, with human rights, with progressive governments in that region.

That we intend to emphasize patient negotiation, we intend to emphasize diplomacy.

That we in the United States by our foreign policy intend to set an example in that region that other nations can follow; and

That we intend to operate in concert with the other democratic nations of

that hemisphere and that region who devoutly wish a peaceful environment so that economic progress can go forward, so that social progress can go forward and so that people will have the ability to lead better lives as we move forward into the last decade of the 20th century.

If we speak with one voice I think that we can protect our legitimate interests in Central America and we can work in concert with the other nations of good will to promote stability in the entire region.

But if those who wish us ill, and particularly the Sandinista government, believe that if we are a house divided, then the resolution of the problems in Central America become infinitely more difficult. And I think, each day of conflict between the administration and Congress is another day in which those who wish to suppress freedom in Nicaragua, can consolidate power and I fear another day in which we step further toward a military morass in Central America for the United States.

When I returned from Central America 3 weeks ago, I offered a good faith compromise which, in my judgment, meets the legitimate interests of the United States in the region, a pragmatic compromise, one that I do not think can be characterized as naive, one that I believe is hardheaded but at the same time sensible, a compromise that could lead to a true bipartisan consensus on this very difficult issue.

I am sorry to report, Mr. President, that the administration has rejected my proposal, seeking instead to push through this body a single dimension military alternative that I fear closes down all chances for a negotiated settlement.

The compromise that I espoused rests on the cornerstone of good faith, bilateral negotiations between the two principal belligerents in Central America, the United States and the Sandinista government of Nicaragua. And for the life of me, Mr. President, I cannot imagine how we can hope to resolve these disputes and reach an accommodation that would be mutually satisfactory if we refuse to discuss those issues that divide us.

Only through direct bilateral negotiation will we ever be able to protect our national security interests in that region short of the exercise of military force.

Only a direct bilateral agreement with the Sandinista government can assure us that Nicaragua will not become a base for Soviet operations in Central America, and only a direct bilateral agreement with the Sandinistas will guarantee that they will stop exporting revolution to their democratic neighbors short of replacing that government in Nicaragua.

I submit, Mr. President, at this juncture that government cannot be replaced short of the exercise of massive U.S. military force.

But the administration consistently rejects the simplest and most direct route to the goals that I think all of us agree upon.

The administration has insisted on preconditions to the bilateral negotiations that would simply doom such negotiations before they begin. The administration officials with whom I have discussed this matter appear to me to be unyielding in their opposition to negotiations, unless the principal and primary item on the agenda is negotiation between the FDN or so-called Contras and the Sandinistas.

Mr. President, fencing ourselves off completely from meaningful negotiations about our national security interests is a dangerous policy that can only perpetuate and intensify the tensions in Central America.

As long as the fundamental differences between the United States and the Sandinista government and Nicaragua remain, there is quite literally no chance for a Contadora peace agreement among the countries of the regions themselves, I fear.

In sum, Mr. President, bilateral negotiations are the key to easing hotilities in Central America and they are the key to preventing U.S. involvement in a war in Central America.

Now, in an effort to be fair, in an effort to understand, I have tried to put myself in the shoes of the administration officials and I have tried to understand what would be lost if the United States agrees to sit down in good faith at a bargaining table with the Sandinista government. But for the life of me, I simply cannot understand our administration's objection to doing that at this time.

If we are so certain that the Sandinistas will not bargain in good faith, and they may not, then I say why not put them to the test and let the world see them for what they are if they refuse to bargain. Already they are being cut away from friends and supporters in Western Europe who have aided them financially and in other ways over the past few years. If they do not want to negotiate in good faith, then let us expose this hypocrisy for all the world to see. But we cannot do that unless we agree to go to the table ourselves.

So, Mr. President, giving negotiation a true last change to succeed appears an eminently reasonable approach that we should not discard.

I do not think it is an overstatement to say that the question before the U.S. Senate today is a question of war and peace. Will the administration commit to peace before it commits to war? In the face of so crucial a question, I believe the American people deserve an enlightened foreign policy that truly gives peace a chance. I believe the American people want a policy that will stop the inexorable progress toward war in Central America while we still have a chance, a policy which says to the Nicaraguans we will permit no Soviet bases on our soil and we will permit no subversion of our neighbors in this hemisphere.

We need a policy which says there must be an end to the state of emergency that represses liberties in Nicaragua and a policy that says we demand an opening of that society.

Finally, we must have a policy which says we support democratic change and we support democratic change before we support an artillery charge.

Mr. President, the administration has within its grasp the opportunity to achieve a bipartisan consensus which has been missing in our Nicaraguan policy, but I fear the administration has thus far ignored that opportunity, seeking instead to divide and polarize the issue.

I say it is time to put divisiveness aside. It is time to put polarization aside. It is time to agree on where we are going in Central America before we find ourselves with the U.S. troops on the battlefields and the body bags coming home once again.

I must say to my colleagues that we are still undertaking even now to persuade the administration of the need for a consensus.

We need to compromise in the interest of peace, but I am not optimistic at this late hour that we will be able to get from the administration a genuine commitment to negotiations first, but we shall continue to try to do so.

I have determined that I must put forward a good faith proposal that embodies the elements of a Central American policy which can truly become the basis for a bipartisan agreement in this body. The amendment I am offering provides real incentives for the Sandinistas to begin to make changes which are acceptable to the free democratic peoples of the world.

The amendment I am offering commits this great Nation of ours to bilateral negotiations, and support for the Contadora peace process. The amendment includes the following provisions; it states that our goals are these: The reduction of Soviet-Cuban presence in Nicaragua, and a demand there be no Communist bloc bases, and a reduced level of military aid with specific restraint on the type of equipment received by the Nicaraguans. We seek to end the exporting of munitions, materials, and personnel from Nicaragua—in essence the exporting of revolution to its Democratic neighbors. We seek an opening up of the Nicaraguan political system to legitimate opposition, ending the state of emergency declared last October which suppresses the civil liberties and human rights of Nicaraguan citizens, and we seek the

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reinstatement of political and civil liberties in that country.

Our amendment calls for support for the Contadora process to make demonstrable progress toward regional settlement of outstanding questions.

How do we achieve these goals? Our amendment states that we must emphasize diplomacy first. We must begin with bilateral negotiations between the United States and the Nicaraguan Government without any preconditions that demand negotiations between the Sandinistas and the Contras. We specify that an observer team to monitor negotiations, appointed by the Speaker of the House, and the majority and minority leader of the Senate, shall report back to this body as to what if any progress is being made on these bilateral negotiations.

Our amendment specifies that a cease-fire be established prior to the opening of negotiations, and further that the cease-fire should be monitored by Contadora, and Contadora support group nations.

The distribution of U.S. aid designed to facilitate the negotiation process would be as follows: Nonlethal aid would continue the current program at $30 million; my amendment includes the sense of the Congress language which states that none of these funds shall be provided to any elements of the Contras, which are not truly democratic, which do not respect human rights, or which engage in criminal activities.

Further, there would be a prohibition on the use of U.S. intelligence agencies as a conduit for such nonlethal aid, and a prohibition on the introduction of U.S. military advisers during the negotiated period for military training of the Contras or otherwise. The distribution of further aid could come; that is, further military aid could come to the Contras, after a mandatory review at the end of 6 months, or an earlier review if the President certifies the need for it at any time, and expedited procedures are provided in the amendment for taking up such a proposal.

At the end of the negotiating period, or sooner if the President, with the acquiescence of the bipartisan commission, specifies, further aid must be approved by an affirmative vote of Congress introduced within 3 legislative days in either House but only be introduced in the Senate by the majority or minority leader after the President requests congressional approval for additional assistance.

Lastly, the amendment includes provisions for greater accountability in the distribution of aid so that our taxpayers and this Congress will know that this aid is being used properly, and not ending up in some bank account in Miami.

This amendment provides that the President must transmit to the Comptroller General a report with full accounting on all funds every 30 days. The Comptroller General must then submit within 15 days to the appropriate congressional committees the President's report with an attached GAO analysis.

Mr. President, I think this amendment represents the only course we have before us that provides an opportunity to secure our interest without the threat of a wider and broader war. It provides for lethal aid to the Contras fighting in Honduras and Nicaragua. It provides for 6 months of negotiation including bilateral negotiations. It provides for a commission appointed by the leadership of both Houses to monitor the negotiations, and report back to our leadership and to this body. It provides for an accounting of the funds that may go forward. It allows at least a 6-month period for peace to have a chance, and for negotiations and diplomacy to take the place of military force.

It allows 6 months within which to have a cease-fire to stop the bloodshed in an effort to reach, Mr. President, a negotiated settlement, or an accommodation that in the final analysis will be in the best national interest of the United States, and in the interest of our region.

It is the only proposal I think before us that truly puts the Sandinista government on notice that we are willing to talk, that we demand that they listen, and that we demand they change. I am proposing that we force the Sandinistas into a time of choice. They can choose diplomacy or they can choose to continue hostilities. It is there for the world to see which way they choose to go.

And I am proposing that we ourselves accept the proposition that force does not make sense until all attempts at rational discussion have failed. The most crucial variable in the equation contained in this amendment is that we meet our adversaries face to face, that we present them with our objections to their behavior, and make them aware of how we expect that behavior to be modified.

I think it is both common sense and good policy to confront our opponents head on.

Mr. President, as I said at the outset, I truly believe there is a shared common belief in this body on both sides of the aisle, and a common ground on which we can build a durable and effective foreign policy in Central America.

Unfortunately, it is clear to me, and I suspect it is clear to the American people, that the administration has rejected the single element that would give us such a policy at this junction. By that, I mean direct bilateral negotiations.

It is my hope that, as this day goes on, the administration will agree to such negotiations without preconditions that doom negotiations from the very start.

Mr. President, let us not kid ourselves. The American people know what is happening in Central America. They know that American troops are already engaged in supporting hostilities in Honduras. They know the Reagan administration is steadfastly clinging to military options before exhausting peaceful negotiating solutions.

They know, Mr. President, that unless the administration is willing to go to the bargaining table, the situation will likely worsen.

They know that the United States helicopters will be involved in more than shuttling just Honduran troops to the border; they know that these helicopters will be shuttling our forces to fight in the jungles of Nicaragua.

So I appeal to the administration to compromise on this important point of negotiations. What do we have to lose?

I have stated, along with our distinguished minority leader, Senator BYRD, in negotiating sessions with the administration, that if the Sandinistas do not negotiate in good faith, I will join in cosponsoring a resolution to unlock military aid funds to the Contras. My patience is worn thin with the Sandinistas as is that of many of my colleagues. They have to show to the world they are serious about ending the conflict in their country.

The Sandinistas have to agree to a cease-fire. They have to end the state of emergency that has deprived the Nicaraguan people of basic civil and human right, and they have to effectively open up their political system to internal opposition.

I believe the opportunity still exists to secure a negotiated peace in Central America.

As I talked to the leaders of the Central American democracies, I came to the conclusion that the Sandinistas find themselves increasingly isolated by their Central American and Latin American allies, increasingly estranged from their allies in Western Europe. This would be exacerbated even more if the United States would commit to a negotiated settlement in the region.

So let us put the Sandinistas to the test. Let us find out if they are serious. Let us find out if they do have the courage to prevent free expression in their country. Let us lay down this challenge to the Nicaraguan Government and, at the same time, let us lay down the challenge to our own administration.

If this administration makes a good-faith effort and the Sandinistas do not, then I suspect the administration will find very substantial bipartisan support for funding the Contras as another source of pressure to bring to bear against the Sandinistas.

But we say, negotiate first. I think the administration owes that to the American people, to the citizens of this country and to the citizens of this hemisphere.

This administration owes that to our own young people who may be called upon to make the ultimate sacrifice in Central America if peace is not achieved soon.

Mr. President, I think the amendment I am now offering gives peace a chance.

Mr. HATFIELD addressed the Chair.

The PRESIDING OFFICER (Mr. RUDMAN). The Senator from Oregon.

Mr. LUGAR. Mr. President, I yield 5 minutes to the Senator from Oregon.

Mr. HATFIELD. Mr. President, a myriad of moral, practical, political, and geopolitical considerations confront us. It may be useful to review the landscape.

Just what are we attempting to accomplish? In the early days of the so-called secret war we were told that the primary purpose was to interdict arms flowing from Nicaragua into El Salvador. But soon it became apparent that the flow of arms had diminished to the point where the maintenance of an entire army to perform that mission was difficult to justify. So we changed that tune. Then it was suggested that the Contras would meet with sufficient support in the countryside to create a provisional government on Nicaraguan soil. But it did not remain a credible goal for very long because the Contras were not able to hold an inch of the countryside.

Next we began to receive signals indicating that the overthrow of the Nicaraguan Government was the objective. But that did not exactly go over very well with the American public. Then Contadora came along. And suddenly, with a flash of brilliance, "peace" became the objective.

No one in this Chamber is going to be surprised when an administration chooses to emphasize some arguments over others. That is nothing new. All of us have at one time or another chosen to omit or embellish—or exaggerate in the advocacy of one cause or another. But this is different. "Incoherent" is the most generous term I can think of to describe the evolution of this policy. One policy directed at one country: Yet there is a new justification for its existence with each passing year. And now this year after having observed the hate thermometer reach the boiling point during last year's Senate debate—where we held an anti-Nicaragua "hate-in"—they thought we were ready. Really ready to go the distance. Really ready for vitiolic anticommunism. So they tried that. And that did not work. So now we are back to "peace."

I am beginning to feel a little like a contestant on a television game show trying to find out which door conceals the prize. But then it came to me. The policy is not incoherent at all.

This policy is simply a mirror image of the Contras themselves. And when you begin to think about it in that light it all begins to make some sense. It is a classic case really of knowing what you are against but not knowing what you are for. Knowing what you want but not knowing why. Knowing you want "it," but not quite knowing what "it" is.

Edgar Chamorro, the former Contra leader makes the point about as well as it can be made saying:

> Imagine the best case scenario of this policy. Suppose after years of protracted conflict, thousands more deaths and millions of dollars spent—suppose the Contras win. The fighting will not be over. The Sandinistas would fight on from the hills, from neighboring Costa Rica and Honduras—destablizing the fragile democracies. The northern Contras would fight the southern Contras—because they don't fight for the same reasons. The Miskitos would fight whatever government for their autonomy. In short, you would have the fragmentation—the Lebonization—of Nicaragua and an increased possibility of regional war.
>
> If the Contras win with direct U.S. intervention, then we are back to 1928. Back to the Marines in Nicaragua and the creation of a new Somoza, a new National Guard and a new Sandino.

Why is it, Mr. President, that by any cost-benefit analysis of the forces which the United States backs in Central America we are failing miserably?

In both conflicts, the people are sick and tired of war. In El Salvador we continue our obsession with waging the war while ignoring its causes. In Nicaragua, we give guns to anyone who will carry them. And just as the confusion of our policy is a mirror image of the Contras themselves, so it is that the "shoot first, ask questions later" combat style of the Contras is also fast becoming an apt description of U.S. diplomacy. The people of Central America percieve only a choice between lesser evils. And invariably the fact is that if our enemies look bad, we somehow always wind up looking worse.

Let me give a concrete example of this. As my colleagues know, there is no sector of the Nicaraguan population that has been more directly affected by Sandinista abuse and repression than the Miskito Indians on the Atlantic coast.

It is worth recalling that most east coast Indians and Creole natives are members of the Moravian Church.

In a declaration issued by the Moravian Church last month, they said the following:

> We have experienced sorrow, suffering, displacement, destruction, family separation, and death. We have been unable to enjoy the most fundamental rights of life because of an unjust, unnecessary war, imposed by forces which are alien to our Nicaraguan reality. Today more than ever before, we are aware that war serves only to destroy and not to build. We invite the Government of Nicaragua, and Nicaraguans in armed conflict against the Government, to seek fraternal, responsible and sincere dialogue in order to reach an honorable reconciliation, social justice, and lasting peace. We also demand that all outside forces, alien to our own reality, immediately halt their support of violence and use their influence to promote peace.

This is an eloquent plea, as I hear it, from those in the midst of the action for an end to Contra aid and the fighting it sustains.

It is an eloquent way of casting considerable doubt about the administration's claim that the Nicaraguan Government has become a monster—a monster beyond redemption and worthy only of destruction.

The creation of a monster is a science. And I must say, very impressive techniques have been employed in the science of monster creation by this administration. I will not run through the descriptions used by this administration to portray Nicaragua as a living hell. All of you have heard them. But let me tell you about country X. I invite you to consider its right to exist. Country X is a place where the average citizen has 18 to 20 files in the possession of the government. Where every working citizen is assigned a number by which the government can cross-check and track them for virtually any purpose it desires. Where elderly people are left to freeze and starve in their homes because their government's appetite for weapons is so insatiable. Where people sleep on grates just a few feet from the Presidential mansion. It is a country where the state imposes higher standards governing the conditions of confined animals than confined human beings. Where executions are performed by firing squads, hangmen, and lethel injections. Where 1 out of every 133 of its citizens can expect to be murdered in their lifetime. Where government agents enter places of worship wearing electronic surveillance equipment to arrest church leaders who are providing refuge to those fleeing oppression. Country X has one of the highest infant mortality rates in the developed world while many of its wealthiest citizens do not even pay taxes.

Those are a few disconnected, unrepresentative, yet factual, descriptions of the greatest Nation on Earth. A nation I fought for and would consider it an honor to fight for again. If you can take the greatest Nation on Earth and portray it as a monster, Nicaragua should be a snap. It might be easy to create monsters that do not exist but when you do, you are playing Mr. Qadhafi's gutter games—you are playing Khomeini's gutter games. You are

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playing the Soviet Union's gutter games. What shoddy acts to follow. What shoddy company to keep.

And that takes us back to the ultimate question: Just how legitimate is the suggestion that what we decide here today is of grave importance? I would suggest that it is—but for wholly different reasons than those we have been given.

If, in fact the "future of Central America" hinges on what we decide here today, $100 million would appear so hopelessly inadequate as to border on the ridiculous. One hundred million dollars, Mr. President, is petty cash indeed to be leveled against "a Soviet ally only 2 hours flying time from our own borders."

A nation which will be "in a position to threaten the Panama Canal, interdict our vital Caribbean sealanes, and ultimately move against Mexico!"

A "potential threat to the entire New World!"

A "second Libya right on the doorstep of the United States."

One hundred million dollars, Mr. President, to "prevent a Communist takeover of Central America?" These are verbatim quotes of the reasons we should approve this package.

Mr. President, I cannot help but think that this torturous debate misses the mark entirely. Should we not be asking ourselves whether we are derelict in the performance of our responsibilities to stand here wasting time discussing such a minuscule sum in the face of a threat of this magnitude? Should we not be employing every weapon—every sinew of technological muscle we can muster? Should we not be mobilizing every able-bodied man and woman in the country?

It is us and them. Black and white. Good against evil. It is so easy to create a monster and then it becomes so logical to destroy it.

If this is in fact the struggle between good and evil which its proponents claim that it is—everyone knows that it is not going to end here. On no. A great struggle is not waged in annual $100 milion increments. It is waged to be won. And to win we must escalate. And to escalate we must rise above this dirty little war—this dirty little unwinnable war, cross the threshold—and prove our commitment with American blood. And if there is a parallel between our nightmare in Southeast Asia and the nightmare we are attempting to create here today—it is that we will virtually destroy the nation and the people we set out to save. That is the bottom line. That is what it will take to win this game. And it will take a large piece of us. It is doing that now. Every farm we bomb, every school we burn, every innocent person who perishes in the cross-fire, robs from us another strand of moral fiber. And you can be sure that if your credentials as patriotic Americans are being questioned now—for some petty change as far as a Pentagon account is concerned—just wait for the true test. The one where it's demanded that you stand here and send your youth down there.

Some people call my office these days to ask whether I am a Communist or a Republican. I have not been accused of anything worse than being a Democrat since we gave away the Panama Canal.

It does not matter that I have expended a good bit of energy admonishing groups who oppose U.S. policy for their failure to criticize the repressive tendencies of the Sandinista regime. It does not matter that I have voiced my outrage at the Nicaraguan Ambassador over repression directed against the church—against the detention of evangelicals. Mr. President, this is not a debate between those who can see and those who are blind. This is a problem which is not dissimilar from the situation we face with the Soviet Union. The question most of us pose in that context is not: Are they godless communists? Of course they are. It is not, can they be trusted? Of course they cannot. The question is: What kind of arrangement can we create in which the dangers they pose to our security can be contained and monitored?

The administration would like us to believe that such diplomacy in Central America has been tried and failed. This stands in stark contrast to the truth.

The truth is that Contadora represents an unparalleled achievement in regional cooperation and diplomacy.

The truth is that if the Sandinistas are bluffing about their willingness to achieve a diplomatic solution we are in an excellent position to call their bluff.

The truth is that if the administration wants to contain Nicaragua under the auspices of the Contadora group, it is within range of that objective.

The fact is: That we would no longer be able to escalate the fighting in El Salvador nor would we be permitted to retain United States troops in Honduras under a Contadora agreement. I doubt that this administration is going to allow either of those things to happen. Why, we would be relinquishing our military options. My God—what a frightening prospect.

Let me conclude, Mr. President, by pointing out what $100 million would do for Americans in need. What right do we have to spend money on the Contras when our own needy are left hungry and cold, Mr. President? The choice is ours—arm 18,000 guerrillas or feed 164,000 elderly, provide lunches for 540,000 children or provide 150,000 students with a chance to go to college. The choice is ours and what will it be?

There is no shortage of violence in the world today. And there is no shortage of violent solutions to the problems on the agenda of this Congress. Let me suggest that in order to be eligible to be a Member of this Congress one should be required to have a son or daughter serving in a combat role in the Armed Forces. Let me suggest further that members of your family would be among those flirting with death in those helicopters airlifting Honduran troops to the border right now. Let me suggest that this vote would turn out differently if that were the case.

If there is one point that we cannot afford to forget today, Mr. President, it is that an alternative to violence exists. There is a diplomatic alternative here and those who are trying to make it work have informed us in unequivocal terms that approval of this aid request will jeopardize that effort. The Contadora nations can tell you precisely what they seek to accomplish and precisely how they intend to get there. We, on the other hand, don't seem to have the faintest idea. All we seem to know is that we want this war to roll on.

It is the responsibility of Congress to reframe this issue.

I urge my colleagues today to recall the history of President Truman in relation to Tito's Yugoslavia, or President Nixon in his relationship to Communist China. We have creative diplomacy, creative alternatives to this military policy which will bring us to even deeper involvement in death and destruction of not only those in Nicaragua but our own people as well.

The PRESIDING OFFICER. Who yields time?

Mr. SASSER. Mr. President, I yield 2 minutes to the distinguished Senator from Rhode Island [Mr. PELL].

Mr. PELL. Mr. President, first I congratulate the Senator from Tennessee on the tremendous job he has done these past days and weeks in trying to weld together some form of compromise. I think he has the congratulations not only of me but of every one of his colleagues.

Second, while I have voted to oppose any kind of aid to the Contras, including humanitarian aid in the past, at least, when the Kennedy amendment came up for a vote, we had an opportunity to vote for that. I voted for it enthusiastically.

The amendment that is now before us by the Senator from Tennessee is, on balance, a good amendment. I think it goes a little further today than I would normally want, but for the sake of consensus, and for the recognition of how many people will be brought under the roof of this particular amendment, I intend to support it and I urge my colleagues to do the same.

The PRESIDING OFFICER. Who yields time?

Mr. LUGAR. Mr. President, I yield 10 minutes to the distinguished Senator from Alabama.

The PRESIDING OFFICER. The Senator from Alabama.

Mr. DENTON. I thank the distinguished floor manager of the bill, the chairman of the Committee on Foreign Relations.

Mr. President, I oppose this amendment. To this Senator's mind, by addressing this as we have other amendments, we are engaged at this moment, and have been for 2 days, on two different planes of activity as we try to come to agreement regarding aid to the freedom fighters of Nicaragua. On one plane, we are toying with the overexertion of senatorial vis-a-vis Executive powers. We are doing this, not because of the desires of the chairman of the Foreign Relations Committee but because of those who have been toying thus, not only in cavalier disregard of the proper separation of powers, but in disregard of the only suitable or feasible process by which this Nation can properly survive—namely, by the Government's providing for the common defense through the proper vesting of the initiative for foreign policy in the Executive. The very act in which we are now engaged, to devise fundamental policy for the situation in Nicaragua, in my view, is a constitutionally illegal divestiture of that power from the Executive.

In total, the sum of such actions since I became a Senator and for over a decade prior constitutes, in my view, an effective governmental revolution; a congressional coup d'etat.

Our unconstitutional misdemeanors, together with those of the House, are not only technically unwarranted but have been dreadfully harmful to the steering of the ship of state. The ship has been seen as foundering, clearly foundering, by our friends and enemies alike, as we presume not to advise and consent but to devise and dissent.

As the Washington Post editorial in yesterday's issue—March 26—maintains, the Senate is miscast as a middleman between two governments, one of them its own.

The present amendment is a particular case in point, offered perhaps not incidentally by the so-called Democratic responder to the President's proposal regarding policy toward Nicaragua—a responder whom I respect—but who, although a single Senator, was presented immediately after the President's address to the Nation by the networks in an effort to prolong the 15 years or more of departure from the generally bipartisan support for Presidential initiatives, from 1941 to 1970, which served this Nation so well.

In all realism, I am aware that my deploring this fault will not arrest its continuation today. So in all realism, I am willing to vote for a joint resolution that answers the dire pressing need. The amendment under consideration does not satisfy the dire pressing need. That brings us to the second plane of our present activity.

We are trying to decide whether, what, when, and under what conditions to help alleviate a critical situation to which we have so far only contributed $27 million in humanitarian aid, only one-half of which the Contras have received. That level of participation by the United States in the game going on in Central America is a disgrace to the judgment of this body.

The present amendment does not recognize facts. The situation has long been clear. The time has long since come for more than negotiations. On the one hand, we have a choice between giving aid to satisfy a clear need for supporting those who wish to preserve freedom and to support our own national interests; and on the other hand, to procrastinate further, which is to choose dishonor. If we choose dishonor, we will inherit war and risk defeat.

As our President desires, we need to send a clear signal to our enemies and to our friends that we choose freedom, promptness, and economy of effort over acquiescence in the accelerating spread of slavery in our own hemisphere and belatedly to face an ultimately much greater sacrifice in United States blood and treasure, after which our very survival would still be in jeopardy.

Let us look at the facts. The Soviet Union has provided the Sandinistas with $600 million in military hardware alone between 1979 and 1985. Above and beyond that it has provided many millions in the form of military advisers, training, and the construction of military bases throughout the country, as well as airstrips, and naval facilities. The most threatening naval base is being completed at Bluefields on Nicaragua's Atlantic coast, and it will prove a challenge to our own naval presence in our vital Caribbean Sea areas.

Concurrent with the military buildup, the Sandinistas have added an internal apparatus for the brutal, systematic repression of the Nicaraguan people themselves. That is a repression I came to know too well in 7½ years in Vietnam. It is for them that I am sorry, even as I am interested in our own security.

Externally, the Sandinistas have proclaimed and duly pursued their commitment to revolutionary change throughout Central America.

We have helped El Salvador effectively, with credit reflecting on this Congress.

But what of Costa Rica, for example?

Between June 6, 1982 and August 16, 1985, the Sandinista regime undertook 123 aggressive actions against Costa Rica, according to a report that country filed with the Organization of American States. Without a standing army, how can Costa Rica be expected to become openly hostile with Nicaragua, which has an army and militia of 120,000? Is it any wonder that during my visit to that country in December 1983, its newly retired foreign minister described to me the pattern in which Central American governments must speak differently in public than they do in private? He had retired from the government when he thought he had an arrangement by which the Ambassador to the United Nations from Costa Rica would vote to abstain on our action in Grenada, but, because of Costa Rican fears that they would be the first stood against the wall when America failed them, as it has so many other allies, the agreement was breached and the Ambassador voted to condemn.

The foreign minister resigned in protest.

This body is not aware of how they themselves, are causing a two-tier conversation with the United States for Central America.

Colombia faces similar pressures. In the wake of the M-19 guerrilla attack and massacre at the Colombian Palace of Justice last year—an attack for which the Sandinistas provided the weapons and other support—how can Members of this body expect that President Betancur will openly endorse military aid for the "Contras" without assurance of U.S. resolve on the matter? I remember hearing from Ambassador Tambs, a courageous man. He went down to Colombia confidently. He came of there in terror and in near despair because of the way we have dealt with that area in policy.

What of Honduras?

In July 1983, the Sandinistas sent in an armed insurgency to establish a base and work for the destabilization of Honduras' fledgling democracy.

The Honduran Government has decried that, and similar aggressions, repeatedly in the Organization of American States. Its pleas for help have largely fallen on deaf ears.

Now, let us consider an update on the current situation in Honduras.

Early in the morning of March 23, a large Sandinista military force launched four assaults in the vicinity of a Nicaraguan refugee center located more than 15 kilometers north of the Nicaraguan/Honduran border.

These attacks were reportedly repulsed by new resistance student volunteers which were armed only that morning.

By late in the evening on March 23, several Sandinista special counterinsurgency battalions were heavily engaged in Honduras. These units normally have 15 to 20 Cuban advisers integrated down to the company level. At that point on March 23, one of these battalions attempted to withdraw back into Nicaragua, but their route of exfiltration was evidently blocked by a large resistance column which had moved back to the border region from Nicaragua. This battle apparently continued throughout the day on March 24 with as many as 1,500 Sandinistas in two task forces participating in the action deep inside Honduras. Throughout the battle on March 23 and 24, the Sandinistas supported their units inside Honduras with heavy artillery fire, volleys of rocket fire from Soviet-made BM-21 multiple rocket launchers, and MI-8 gunships.

Last night, in response to the armed attack into sovereign Honduran territory, President Azcona formally requested urgent United States military assistance, to include assisting in lifting Honduran troops as necessary and other materiel assistance in order to repel this and future Sandinista attacks.

This is the clearest, most desperate call for help from him thus far. This delay in his call was brief, considering the need for time to assess the degree of incursion. There is another reason.

As the United States commitment to freedom in Central America, as manifest in Congress, has remained shaky and the Sandinista military buildup becomes more overwhelming, the Hondurans have become more quiet in public and more desperate in private.

As of Tuesday morning, it was reported that there were significant numbers of Sandinista casualties and several Sandinista prisoners had been captured. It would be interesting to learn, Mr. President, if any of these prisoners are Cubans since 10 to 15 Cubans are normally attached to Sandinista battalions down to the company level. According to resistance sources, the Sandinista prisoners have indicated that their mission was to attack what they believed to be a resistance training center, nearly 20 kilometers inside Honduras and to destroy resistance supplies and medical facilities. The resistance radio broadcast that large numbers of Nicaraguan civilian refugees are in the area and that they are in desperate need of food, water, and medical supplies.

Contrary to statements by Nicaraguan emissaries, it appeared that as many as 300 Sandinista troops continued to be blocked in Honduras and were unable to extricate themselves from the engagement. We had reports that they were breaking down into small groups, abandoning their weapons, and attempting to make it back across the border into Nicaragua.

Mr. DENTON. Among information obtained from the White House, I have the text of President Azcona's letter to President Reagan, which formalized his initial verbal request for U.S. assistance.

As I read it, remember the two-tier conference: one private and under the table, "Nuke 'em"; the other above the table, "peace, follow Contadora," and so on.

This is an open cry for help by the President of Honduras. He says to our President:

> MR. PRESIDENT: My government has confirmed the presence of Sandinista armed forces on Honduran territory in flagrant abuse of our sovereignty. The Sandinista troops have entered the eastern zone of our country in the department of Olancho.
>
> The area invaded by the Sandinista forces is very inaccessible, making it virtually impossible for the Honduran armed forces to deploy to the region quickly, therefore I formally and urgently request military assistance from the United States of America, to include, first of all, air transport of Honduran troops as necessary and other material assistance that may be necessary to repel the Sandinista forces and to prevent these attacks from recurring in the future.
>
> In the hope that this request will be approved with the urgency that the case merits, I close this letter, Mr. President, with an expression of my highest consideration and esteem.
>
> JOS AZCONA HOYO,
> *Constitutional President of Honduras.*

Aside from aggressive and subversive acts directly applied from Nicaragua-based Marxists against Costa Rica, Honduras, and El Salvador——

The PRESIDING OFFICER. The Senator's time has expired.

Mr. DOLE. Mr. President, does the Senator need 2 more minutes?

Mr. DENTON. Mr. President, I ask unanimous consent for 2 more minutes.

The PRESIDING OFFICER. The Senator is recognized for 2 additional minutes.

Mr. DENTON. Mr. President, aside from the aggressive and subversive acts against those three countries, Costa Rica, Honduras, and El Salvador, Marxist-Leninists and Maoist Communists using terrorism, narcoterrorism, and other means, are causing great and conspicuous subversion and chaos in Colombia, Ecuador, Brazil, Chile, Argentina, Uruguay, the Dominican Republic, and Panama.

Is this body deaf, blind, and mindless enough to be unable to detect these threats to freedom and to our own security interests?

As to negotiations, since 1983, when the Boland amendment first suspended aid to the Contras, the President has emphasized negotiations. It has not been because of our intransigence, but because of theirs, that negotiations have not moved. We therefore need to bring pressure to bear on them.

Some raise the question: Can the aid given to the Contras be represented as sufficient pressure? No, but it will be sufficient as part of other pressures—economic pressure, diplomatic pressure, and it will strengthen pressure from the Sandinistas internal opposition such as the Catholic Church, the private sector—both business and agriculture—and La Prensa. The editor of that besieged paper has finally fled Nicaragua in fear after I got to know him so well in Managua and respect him as I do the Archbishop, now Cardinal Obando y Bravo.

Let us exert this pressure. Let us say we are prepared to resolve to exert more. It can succeed without U.S. soldiers fighting there if we sober up and act with realistic promptness. Soviet suport will tend to decrease and negotiations will improve.

How to predict what will happen all the way down the pike is not something the Communists do, as they play their dirty, effective game there. We should not be called upon to try to predict exactly what will happen because much will depend upon what the enemy does. They are the ones playing the game. We must joint the game.

The PRESIDING OFFICER. Who yields time?

Mr. SASSER. Mr. President, I yield 10 minutes to the distinguished Senator from Arkansas.

Mr. BUMPERS. I thank the Senator from Tennessee.

Mr. President, it is doubtful any of the speeches made here in the next couple of hours are going to change any minds, as is so often the case in this great deliberative body, but most of us want to make the record crystal clear for our own personal use as well as future generations.

I remember my predecessor in this body, Senator Fulbright, said after the Gulf of Tonkin resolution, his vote for which he considered to be the one fatal mistake he made while he was in the Senate, that it was over; he could not do anything about it, but at least he could alert the Senators in the future not to take such impulsive action as was taken on the Gulf of Tonkin which began the Vietnam war, a war which began because of an incident that never happened.

A hundred million dollars in the scheme of things around here is not very much money, just as sending 50 military advisers to Vietnam in the early 1960's seemed innocent enough.

But it seems to me that if we go with what the President is trying to do here, rather than the proposal by the Senator from Tennessee, we are making the very worst decision first instead of last. There are arguments on both sides of this issue. Every thoughtful Member of this body understands that the Sandinistas are Communists. The ordinary person in Nicaragua grubbing out $200 a year cannot care less about any ideological fight between the Sandinistas and the Contras or, for that matter, the Sandinistas and the U.S. Government.

But the Senator from Tennessee has very thoughtfully provided us with a measured, rational response to a problem. He gives negotiations and peace a chance before we commence wholesale killings. Killing, you know, is a very serious business. Death and killing really do not amount to much unless it is happening in your neighborhood. We are more thoughtful the moment we have to understand that we are talking about unspeakable misery in this poor, miserable country.

We are debating here today whether we are going to embark on a major foreign policy venture.

The other day Secretary Shultz appeared before the Committee on State, Justice and Commerce Appropriations Subcommittee. I said:

> Mr. Secretary, I don't believe $100 million will do the trick and I don't known of anybody that does. Not one single leader in Central America believes that $100 million will do the trick. And if that is correct, that means that next year, you will be back here asking for another $100 million or $200 million. And the year after that you will be back asking for another $100 million, $200 million and just for the purposes of argument, assume that the Contras are losing and that the Sandinistas have solidly entrenched themselves and there we sit. What do we do then? Do we send the Marines in?

His answer was: "Nobody could answer a question like that 3 years in advance." And my response to that is: The United States ought not to be making major foreign policy decisions where we do not even know what we are going to do under a certain set of circumstances down the road.

The Secretary made the point that what this country lacks is staying power. That was the Vietnam argument, that this country did not have the staying power. The reason why we did not have the staying power in Vietnam is that the American people decided that it was a major foreign policy mistake to have gone in, in the first place.

This country has never lacked for tenacity and staying power where we felt confident with what we were doing—never.

I am inclined to agree with William Buckley. I am not recommending this. But if Nicaragua represents a serious security threat to this hemisphere, why are we tinkering with $100 million? The point was made by the very thoughtful Senator from Oregon [Mr. HATFIELD] a moment ago: Why, $100 million is nothing, if they are really a threat to the hemisphere.

Revolutions are like romances; they very seldom work when they are arranged by outsiders. There are not any leaders in Central America or South America who think that this one is going to work best on the approach we are taking.

So the Senator from Tennessee says let us at least negotiate our goals. Let us try to get what we otherwise would get by force through peaceful means. If it does not work, we will vote again on it.

He is not saying that forever, eternally, we will do nothing. He is saying we want to negotiate; we want Nicaragua to allow opposition parties; we want the Cubans and the Soviets out of Nicaragua; we want a cease-fire; we want somebody to negotiate. We want somebody to monitor the negotiations. What on Earth is wrong with that approach, other than the fact that this body wants to rush to judgment on, as I say, the worst decision first?

The history in Nicaragua certainly does not give anybody cause to believe that the Nicaraguans are going to welcome any action on our part down there. In 1909, President Taft's Secretary of State, Philander Knox, who, as a lawyer, used to represent a mining concern with interests in Nicaragua, talked the President into backing the overthrow of the Nicaraguan Government which had obstructed the mining interests of Knox's former employer. The marines themselves went in, in 1912, and when do you think they left? Thirteen years later—1925. They were only gone a year, and they went back in 1926 and stayed until 1933. Do you know why they left in 1933? Because we established Somoza's first national guard.

We put in power in Nicaragua the most despicable leader Central America has ever known, who raped and pillaged the poor people of that nation until 1979.

In the first 3 years I was in the U.S. Senate, I never heard one word of criticism of Anastasia Somoza or his son. He did exactly the same thing to that poor country, in spades, that Ferdinand Marcos did to the Philippines.

Incidentally, we now know where hundreds of millions of dollars of aid to the Philippines has been going—in shoes. [Laughter.]

Read the GAO report about the $27 million that is going down there in humanitarian aid. We have sent only $12.2 million so far, and here is what the GAO report 2 weeks ago said about that—$7.1 million of it, they say, was spent in the region. They say:

> However, from its offices in Rosslyn, Virginia, NHAO cannot assess the validity of the regional receipts, is unable to check out many suppliers, has difficulty establishing reasonableness of prices, and cannot verify actual delivery or receipt of items. Another major difference between controls over U.S.-sourced procurements and those made in the region is that payment is not made directly to the supplier. Instead, payment is usually made to a Miami bank account of one of several brokers authorized by the regional suppliers to act as their agents. There is no audit trail showing payments from the brokers' accounts to supliers, and only partial documentation of shipments from the suppliers to the resistance forces.

Nobody here will be surprised if we find that most of that aid is in Swiss bank accounts. One thing for sure is that we do not know what happened to it. But that is not what we are debating here. We are debating a major foreign policy decision that bodes well or ill for the future of this country.

Mr. President, I hope that my colleagues will take this short respite that this amendment calls for to contemplate a policy decision that ought to be more measured and more thoughtful than it has been so far.

So, before we start and what everybody knows is unspeakable misery in this poor, miserable country, let us at least give peace a chance through negotiations.

I yield the floor.

The PRESIDING OFFICER. Who yields time?

Mr. LUGAR. Mr. President, I yield to the distinguished Senator from California.

The PRESIDING OFFICER. The Senator from California is recognized.

Mr. WILSON. Mr. President, we have just been urged, eloquently and passionately, to give negotiations a chance. Great God, where have my colleagues been since 1979?

Give negotiations a chance? We have done so to a fault already, Mr. President, as the history of these negotiations—which my distinguished colleague and friend, Senator LUGAR, will shortly place in the RECORD—all too abundantly documented. Later today, we will vote for a substitute resolution that will continue to give negotiations a chance. But, happily, it will not make the mistake of delaying necessary aid, military aid, to those who are besieged by modern Soviet armaments.

The trouble with the Sasser amendment is that while its preambles imply good intentions, it authorizes only "humanitarian" aid. It is naive to think that will suffice. The amendment prohibits even intelligence assistance or training by U.S. military personnel. It even prohibits the President from requesting any more than the grossly inadequate assistance which the amendment provides for 6 months while young Nicaraguan freedom fighters, lacking effective air defense, pay with their lives for the congressional luxury of insistence on giving negotiations a chance.

This is not just naive. It is not simply a harmless expression of good intentions. It is deadly dangerous.

Mr. President, people will die as a result of these naive, good intentions. What will happen if there is not an air defense capability provided to the Contras is that this force, mostly teenagers who are fighting for the freedom

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of Nicaragua against the Sandinistas, will continue to be slaughtered needlessly by Soviet gunships.

That is why it is so terribly wrong of Congress to deny this aid or to hedge it with unwise restrictions—or even to delay it. It is wrong to insist that there be bilateral negotiations between the United States and the Nicaraguan Government and to prohibit involving the Contras in those negotiations as the Sasser amendment does. A later Dole-Lugar substitute will provide that the Contras are involved.

And nothing could be more unfortunate, or more unfair, than the totally false impression in the American people created by the Sasser amendment and this debate that there have been no negotiations, that we are starting afresh, and that negotiations—if only we will give them a chance—will produce a just peace in Central America.

Mr. President, I am willing to engage in some clearly delimited further negotiations, but I tell you now they will prove unavailing, as they have in the past. Negotiations, to the Sandinistas, are purely a tactic by which they seek to delay, to stall. The Sandinistas, as they have done for years, will seek to protract this process, to delude the naive into believing that they are in good faith, when they have made clear they are not from their earliest actions when they broke all the promises contained in their celebrated telegram to the OAS in 1979, on down to their most recent deceptions.

They will have us believe that they are in good faith, despite the abundance of evidence to the contrary, in order to wait us out, to wait for a new President, one less zealous in the defense of our neighbors' freedom than Ronald Reagan. They will wait for a succession of new Congresses, anticipating some perhaps even more naive than this one.

The Sandinistas are in no hurry now, as they have been in no hurry since 1979, when they broke their promises to the OAS. Why should they be?

The delay has served them well. While we waited for reforms, for human rights, for real elections, they did not wait. They armed themselves. Nicaragua is an incredible arsenal of Soviet and Warsaw Pact armament. Sandinista military might so far exceeds the legitimate defensive needs of that tiny nation surrounded by tinier and weaker neighbors, there can be no justification for it.

It allows no reasonable inference other than that they are waiting patiently, in the best Communist tradition, for the day when they can openly engage in aggression instead of simple subversion against their weak and tiny democratic neighbors.

They arm not only themselves but also use negotiations to buy time to arm Marxist guerrillas seeking the violent overthrow of these neighboring democracies—guerrillas who have blown bridges, cut power lines, ambushed busloads of innocent workers, and otherwise terrorized and perpetrated atrocities against innocent civilians. Guerrillas armed and directed from Managua have militarily attacked voters at the polls participating in honest elections in El Salvador.

Mr. President, the Sandinistas will manipulate what we term "negotiations" and drag them out for as long as we are fatuous enough to let them do so.

If there are to be continued negotiations, then there must be a term, a set deadline. As it serves their purpose to do so, the Sandinistas will continue to give lip service to negotiations with no intention whatever of ever relinquishing power or of exposing their regime to any real and honest process of democratic choice.

Mr. President, I do not know how many of our colleagues have visited Nicaragua. Three years ago, I had a one-on-one meeting with then Commandante, now President, Ortega. I pressed him repeatedly as to when the Sandinistas were going to hold real elections, as they had promised in their 1979 telegram plea for OAS support. Finally he said with rare candor that their revolution was simply too important. He said that they would never negotiate it away, and never subject it to any process that could threaten to remove from power their revolution.

That was at least an honest expression of their intentions.

And as the Sandinistas succeed in dragging out "negotiations," all the while continuing to arm, all the while continuing to subvert their neighbors, a picture of the United States is clearly and tragically emerging. It is one of a powerful but hopelessly indecisive giant, incredibly naive and incapable of taking obviously needed and justified action, even the simplest action. And here I agree with my friends who are in the ironic position of supporting a resolution that provides no military aid when they say that $100 million is insufficient. If they feel that way, then let them augment this aid to the appropriate amount. I will join them.

I agree $100 million is not enough. But it will at least allow those who are disposed to resist the Sandinistas to have some air defense as they valiantly fight for their freedom and, ultimately, ours, and that is no exaggeration.

The image of the United States that is emerging from this congressional paralysis is one of a thoroughly unreliable ally, not to be trusted. How can we be looked to for leadership when we cannot be counted on to stand with those whom by lipservice we encourage to stand and fight for their freedom? Our debate is not lost upon either our adversaries or our allies. Our allies, as they watch, are losing heart. Our enemies are taking heart. And in time they will take by aggression or perhaps by simple subversion the countries of the valiant but weak democracies that neighbor them, and make far more likely if not inevitable the day when there may be a real domino effect extending northward along the Central American Isthmus. They bring much closer the day when needlessly and tragically American lives, the lives of those who are now children, those who are now teenagers, those who are sons, grandsons, and nephews of the Members of this body, will be subjected to war, to combat, and to death. Mr. President, that is tragic. And because it is needless, it is unforgiveable.

We are asked not to send our sons but to send money—a pittance. We are asked to provide air defense to those who are being slaughtered in the defense of their own freedom by Soviet gunships against which they are presently defenseless. Humanitarian aid will not supply them with what they require.

Mr. President, we should not have another vote. We should not wait 6 months.

Yes, we can press for negotiation but I will tell you when negotiation will be fruitful, and that is when the Sandinistas feel themselves pressed militarily.

No less an authority than Jose Napoleon Duarte, freely elected President of El Salvador, said so in no uncertain terms as clearly as he identified Nicaragua as the center for arming and directing the Marxist terrorists seeking to overthrow his democratically elected government.

Mr. President, we are at a time when, as Clare Boothe Luce said, the 99th Congress, if it is remembered at all, will be remembered as that which stopped communism in this hemisphere or that which failed to stop it.

The Sasser amendment will not stop it. It will encourage it. That is not its purpose. All the whereases, all the preliminary statements and findings are accurate. It is simply that the response is grossly, painfully inadequate.

Good intentions, Mr. President, are not enough. It is time the United States sent a message very clearly. It must be an unequivocal message of support for those who are willing to fight for their freedom—a message that will echo around the world, in Afghanistan, in Africa, in the Mideast, in Moscow, and in the United Nations. Those who are listening and waiting to see which message we send will learn whether the United States still has the courage of its convictions or whether we are so naive and impotent

that we can no longer be the leader of the free world.

I thank the Chair.

The PRESIDING OFFICER. Who yields time?

Mr. SASSER. Mr. President, my friend, the distinguished Senator from California, indicated that the Sasser amendment might lead to or would lead to additional bloodshed in the region. It was naive to think otherwise, he said.

I would suggest to my friend that a careful reading of the amendment indicates that preliminarily and as a condition precedent to negotiations there must be a cease fire. If there is a cease fire between all the parties, then clearly this amendment does not lead to additional bloodshed; it stops the killing at least for a brief period of time during negotiations.

I am always amused, Mr. President, at those who equate naivete with trying to stop war. It appears that only those who are hard-nosed and pragmatic and realistic, those are the ones who are always characterized as favoring military solutions or force to solve the problems of the world.

I would submit, Mr. President, that a careful reading of modern history during this century clearly indicates that violence begets violence, war begets war, and it is a poor way of solving problems.

Marxism and communism have spread rapidly following most of the wars of this century.

Mr. President, I yield 20 minutes to the distinguished Senator from Massachusetts [Mr. Kerry].

The PRESIDING OFFICER. The Senator from Massachusetts is recognized.

Mr. KERRY. Thank you, Mr. President.

Mr. President, I congratulate Senator Sasser on his commitment to try to move the administration and indeed to move the Senate toward a sensible position of compromise on this issue.

I have been pleased to serve as part of the working group with the distinguished Senator from Tennessee, and I thank him for having adopted a number of approaches that meet concerns of mine and others.

I urge my colleagues who disagree with me on the question of the value of supporting the Contras to vote for this proposal because it is vastly superior to the carte blanche involvement that is going to be brought to us by the administration. This proposal is limited to only humanitarian aid, it gives us a second vote in 6 months, and places the highest priority on negotiations.

Mr. President, I am going to vote for this proposal not because I support the Contras, as I repeatedly have said that I do not, because I think this proposal offers the Senate the kind of opportunity that the U.S. Senate ought to be seeking when it discusses issues of war and peace.

In saying that I will support this, however, I wish to underscore one central point. Any proposal, any effort that leaves the Senate in a position, or Congress, or this country in a position, where we are looking to the Contras as some kind of final leverage as an entity that is somehow going to bring a solution to the problem in Central America is a flawed solution.

If one accepts that the Contras are part of the problem and most of the Senators I have heard talking have put forward that proposition, then they cannot continue to be part of the solution.

The debate here is not over whether or not the Contras qualify as freedom fighters; not over whether or not 10 or 12 percent are ex-Somocistas.

The debate here is over whether or not the Contras can at any point in time, in any way, contribute to a real solution of the conflict. And I think that the evidence is clear that rather than help solve that conflict, the Contras prolong it; rather than diminish the tensions in the region, we are militarizing it; rather than creating a framework for negotiations, the Contras raise hopes that fly in the face of the negotiated settlement because, as I have heard from Senator after Senator on the one hand say, "How can you negotiate with Communist nations; the Sandinistas will never negotiate." We just heard it from the Senator from California. He talked to Ortega. He knows he is never going to change.

So the reality is that hidden behind all of the rhetoric, what we are really doing here is voting on lethal aid to the Contras in order to give them the ability to be able to overthrow the Sandinistas. That is the real policy.

Rather than leaving the Sandinistas to deal with economic problems they have, with political problems they have, we are going to give the Sandinistas the excuse to be able to turn to their people and to turn to other Latin American nations and say, "Look at the colossus of the North, look at what the colossus of the North is doing to us. We need your help." So they will continue to unify their people around that threat.

What is worse, Mr. President, is that the Contras bring with them the inevitability of further U.S. involvement. I know there are many in here who said in the last days, oh, no, we do not want American boys down there. We have heard it from the White House—we are not going to widen this war. We are not going to see American troops down there. That is not our intention. How many times have we heard that in the debate?

Mr. President, how quickly do we forget? How quickly do we forget? No one wanted to widen the war in Vietnam. We heard that. Let me remind you of what we said during that period of time.

"There is going to be no involvement of America in war unless it is a result of the constitutional process that is placed upon Congress to declare it. Now let us make that clear." That was the President of the United States in 1954.

"We would not get into a war except by the constitutional process which, of course, involves the declaration of war by Congress." That was the President of the United States in 1954.

"Using United States ground forces in the Indochina jungle would be like trying to cover an elephant with a handkerchief. You just can't do it." That was the Senate majority leader in 1954.

"I would go to Congress before committing combat troops." That was another President in 1962.

"I would oppose the use of United States troops as the direct means of suppressing guerrillas in South Vietnam." That was the Chairman of the Joint Chiefs of Staff, 1964.

"We have no plans at present to send combat troops to South Vietnam"—Robert McNamara, 1964.

"I don't feel expanded use of American ground troops to be an effective addition to the war"—the senior Senator from Arizona, in 1965.

"The commitment of American troops anywhere on Asian soil is a mistake"—the senior Senator from Arizona, in 1966.

"There is a grave danger at the present time that the administration will go overboard in increasing American forces in Vietnam. We might be able to win the war but by doing so we would have on our hands the dependency for a long time to come. That is the wrong way to handle it"—Richard M. Nixon, in 1966.

Those words did not mean anything. Then we got into the war. We began to say, We do not want to widen it. "The United States seeks no wider war"—Lyndon Johnson, 1964.

"We can plainly say we are not escalating the war." That was the Senator from Alabama. "We seek no wider war"—William P. Bundy. "We seek no wider war"—White House, February 1965. "The United States still seeks no wider war"—Lyndon Johnson, 1965. "We still seek no wider war"—Lyndon Johnson, later in 1965. "The United States could not win militarily in a classic sense because our national policy of not expanding the war"—General Westmoreland. And so on.

Finally, President Nixon, 1970. "In cooperation with the armed forces of South Vietnam, attacks are being launched this week to clear out major enemy sanctuaries on the Cambodian-Vietnam border."

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Mr. President, I remember Christmas of 1968 sitting on a gunboat in Cambodia. I remember what it was like to be shot at by Vietnamese and Khmer Rouge and Cambodians, and have the President of the United States telling the American people that I was not there; the troops were not in Cambodia.

I have that memory which is seared—seared—in me, that says to me, before we send another generation into harm's way we have a responsibility in the U.S. Senate to go the last step, to make the best effort possible in order to avoid that kind of conflict.

Mr. President, good intentions are not enough to keep us out of harm's way. The danger here is our support of the Contras. Everyone knows the Contras are our Contras. We have a proprietary interest in the Contras. So with that proprietary interest we will raise the stakes, and then will come the commitment of our prestige and worse our pride, our pride. How many battles do we fight for pride? The ultimate vote today on temporary policy to give lethal aid that everyone in this Chamber says is not enough to do the job—the job, I take it, meaning to overthrow the Sandinistas is the ultimate vote.

There is an enormous contradiction in that because we will see people come back to us at the same time next year and say to us, you know, we need more money. Now, I will hear it from the senior Senator from North Carolina, and others: We have backed these guys. We have given them guns. We have given them the hope for freedom. We have given them a stake in their own country. We cannot desert them now.

I remember a politician who ran for President in 1968 with the secret plan for peace, and he was elected. The only promise he kept was that 4 years later the plan was still a secret. At the time that he ran there were only 22,000 or so names eligible to be on the wall down there at the Mall. When he finished, there were 58,000.

So, Mr. President, we have a special responsibility. We will be back here, and when the money is needed, we ultimately have to come back. We will be voting on a self-fulfilling prophecy that we have created. We give the Contras aid, and mark my words, you will see more Soviet helicopters, you will see more Cubans. Then the President will have another excuse to come back to the people of this country and say, look at what is happening down in Central America. Look at what is happening in Nicaragua. All these Soviets and all these Cubans. We have got to do something about it. And the stakes will increase; international tensions will increase; superpower cold war rhetoric will increase. And nothing will be done to create greater stability.

(Senator WILSON assumed the chair.)

If we continue to fund the Contras, we enhance tensions, we further isolate ourselves from our allies, and we put ourselves in a much more serious predicament.

For the first time in our history, for the first time in our dipomatic history today, the U.S. Senate is going to vote on giving lethal aid to a group of people who overtly are seeking to overthrow a government with whom the United States still has diplomatic relations. This is not exactly a Gulf of Tonkin resolution. It is at least, thank God, one step removed. But it carries with it implications that are just as grave. It is bent on a course of dividing this Nation.

If there is one lesson that many learned during those terrible years of Vietnam, lessons learned both fighting in the war as well as fighting against it back in this country, it is that never again did we want to see people in American uniforms put in the position of having to fight when this Nation does not support the policy. That is where the problem of the issue of resolve, raised by the junior Senator from California, comes in. Even if you have the best intentions and a noble cause, you do not have the ability to rally around that cause if the American people do not understand why it is that sons and daughters of theirs must go to war.

This administration tells us they are serious about negotiations, and have been all along. But all of us have been watching this process. I have watched it with the distinguished chairman of the Foreign Relations Committee and others, the Senator from Tennessee. I think all of us share a deep concern that this administration is not willing to negotiate. That is why the Sasser amendment is so important—because it holds us to a regimen of accountability in negotiations without leaving the administration the open door to be able to simply define the lack of good faith in those negotiations, and automatically have military money to expend as a consequence.

Why is it, if this administration were serious that it was only shortly before the vote in the House of Representatives last week, that finally an Ambassador of Phillip Habib's stature is appointed? Why is it that that Ambassador does not visit Nicaragua? Why is it that the Ambassador of Nicaragua to the United States has never met with the Secretary of State in serious negotiations let alone discussions in this city?

Why is it that the White House has not called on the presidents of the Contadora nations to come to the White House and to meet with them? There is not a person in the media, a Senator or a Congressman in Washington, who are all well-schooled in the nature of the media and how you attract attention and give visibility to something—there is not a person here who does not know that these talks could have been put on a higher plane of activity and of intensity. Yet that we have not yet done that. We have done the direct opposite.

Last year as we were poised to vote for humanitarian aid only, just humanitarian aid, the President of the United States sent a letter to us through the majority leader, and I quote:

> I recognize the importance some Senators have attached to bilateral talks between the United States and Nicaragua and the establishment of a ceasefire. I have considered these views and believe that such steps could help to promote the internal reconciliation called for by Contadora and endorsed by so many Latin American leaders. Therefore, I intend to resume bilateral talks with the government of Nicaragua and will instruct our representatives in these talks to press for a ceasefire as well as a church-mediated dialog between the contending Nicaraguan factions.
>
> Sincerely,
>
> RONALD REAGAN.

That is what he told us last year. That is what got him humanitarian aid. Now what is the U.S. Senate poised to do?

The U.S. Senate is poised to reward this administration for its lack of good faith in not following through on that letter and that promise, and not just give them humanitarian aid, "Hey, let us give them lethal aid, too."

That simply does dishonor to the process of legislating, it does dishonor to the nature of the words of the President, and it does dishonor to all of us in the Senate who I think deserve better when we accept the President's word in good faith.

I do not believe that this country cannot find it in its spirit to take 6 months under the confines of this amendment to pursue a peace process.

Let me just say, Mr. President, I have talked to the distinguished chairman of the Foreign Relations Committee about this. I keep hearing Senators come to this floor and say, "We have a threat of a Soviet base in Nicaragua. We have the threat of offensive weapons. We have problems of political pluralism. We have problems of whether or not we are going to be able to enforce these things."

I agree we have some of these problems. There is not a Senator on the Democratic side or the Republican side who does not believe there are not serious issues at stake in Central America. The issue here today is how do you fashion a policy that will allow you to protect those goals?

Mr. President, you do not pursue that policy by dividing. You do not pursue that policy by ignoring opportunities for negotiations. All of us share those concerns. But I would submit to you that it is only after we

have exhausted negotiations, only after we have pursued multilateral remedies through the Organization of American States, only after we have worked closely with our allies to support our policy, and only after the American people understand the perfidiousness of the Sandinista administration if they persist, that we will be able to take the actions that the Contras inevitably lead us to.

That is what is at stake in this vote today.

You know, it is interesting, Mr. President, that Senator after Senator has pointed to every single Latin American leader not supporting our policy. What is worse, when we imposed unilateral economic embargo on Nicaragua, it was not Libya that came in to fill the vacuum. It was not the Bulgarians. It was not the North Koreans. It was not the Soviet Union or the Cubans.

Who replaced for the United States as a source for Nicaraguan products? Japan, Belgium, the Netherlands, Italy, Canada—our own allies. Our own allies are keeping Nicaragua afloat.

If we went through the Organization of American States and if we supported strongly a Contadora agreement as the Nicaraguans say they do, then we would have a document to hold up on the floor of the Senate and say to the people, "Look, they signed this document. They agreed to do these things. They must be held accountable to it."

I think, Mr. President, that that is the stuff of which a sound foreign policy is built. I think when you go through that kind of process, you earn the right to turn to the American people and say the things that have been said on this floor.

Mr. President, I do not think there is a Senator in this body who has not at one time or another walked down by the Vietnam memorial wall here in Washington. It is, I understand, the most visited area in all of Washington. I visit there at times, in an attempt to place the issues of war and peace in their proper perspective. The names of some of my friends leap out at me, from John Rose, to Johnny White, to Dick Pershing, and others. When I see those names, Mr. President, I remember that I came here to the Senate with a special responsibility.

Edmund Burke wrote a letter to the sheriffs of Bristol, and in that letter he said that conscientious men should be cautious how they deal in blood.

I see leaping out at me in those names, and in that message a reminder that we should be cautious in how we deal in blood; that we are a nation that can afford to take the extra step before we see another wall with more names.

I think the nations of the world expect that of us. I think our Latin American neighbors expect that of us. I think that our constituents expect that of us.

Finally, Mr. President, I would hope that we think enough of ourselves and of this process to expect it from ourselves. I hope my colleagues will not be stampeded and not be frightened into saying that it is not worth a few months to put to test a negotiating process and build a consensus around our policy, rather than rushing headlong into an ultimate confrontation that throws caution about blood to take wind.

The PRESIDING OFFICER. The time of the Senator has expired.

Mr. LUGAR. I yield 10 minutes to the distinguished Senator from Florida.

Mrs. HAWKINS. Mr. President, I rise to oppose the amendment offered by Senator SASSER to condition the flow of assistance to democratic opposition in Nicaragua. The combination of political, security, and humanitarian concerns makes the arguments for providing this assistance without unneeded restrictions compelling. We constantly hear from those opposed to the administration's request that support for the democratic opposition in Nicaragua represents a kind of gradual involvement of the United States in a foreign conflict that we will find difficult to escape, similar to Vietnam. I believe these opponents are applying the wrong lesson from history. If we want to apply a more appropriate lesson from history in assessing the need for supporting the opposition in Nicaragua, we ought to look at what happened on the island of Cuba in the late 1950's and early 1960's. In this tragic history we ignored the political, security, and humanitarian concerns that we should have had and we are still paying the price for our future.

Mr. President, the parallels with Castro's revolution in Cuba are frighteningly similar. A quick assessment of the Sandinista regime shows that it poses a threat similar in nature to that of Cuba.

First, the Sandinista government is a Marxist-Leninist regime. Within months of its coming to power, the leadership of the Sandinistas National Liberation Front met to outline their future policies. The Sandinistas designated the "traitorous bourgeosie" as the principal domestic enemy, moved to nationalize the economy, eliminate domestic political opposition including those who assisted the Sandinistas in overthrowing Somoza, established a governmental organization based on "democratic centralism," moved to diminish the role of religion in Nicaraguan society, established a foreign policy based on opposing American imperialism, and moved to control the flow of information by denying the rights of free speech and association. They have also conducted a vicious campaign of anti-Semitism, destroying Jewish homes and synagogues and driving Jews from the country.

The Sandinistas regime did these things at a time that they held themselves out to the international community as truly representative of the democratic will in Nicaragua, just as Castro did in Cuba in the late 1950's. Some believed Castro's promises then and some believe the Sandinistas today. Castro broke his promises and the Sandinistas' promises of late 1979 have been broken without exception. Anyone who continues to believe that Nicaragua's Government is not Marxist-Leninist and represents the democratic will in that country is simply ignoring the facts.

Second, the Sandinista government in Nicaragua is an expansionist regime, also a similarity with today's Cuba. The Sandinistas have declared their revolution to have no borders. They have assisted insurgencies in countries throughout Latin America, as has Cuba. The countries of Guatemala, El Salvador, Costa Rica, and Colombia are fighting leftist insurgencies that have been armed by the Sandinistas. The Sandinistas have also trained insurgents in the Dominican Republic, Ecuador, Venezuela, Brazil, Uruguay, and Chile. Anyone who believes that Nicaragua's revolution is purely indigenous need only look at the recent activity in Honduras to be convinced otherwise.

Third, the Sandinista regime is militaristic. The Nicaraguan Army now is 60,000 strong, with 60,000 more in the reserves. This is up from just 16,000 in December of 1979. This buildup far exceeds Nicaragua's legitimate defense needs in that Honduras has only 21,000 troops and Costa Rica has no army at all. The Sandinistas have received T-55 battle tanks, PT-76 amphibious tanks, artillery pieces, helicopter gunships, and patrol boats from Eastern bloc countries. There are over 2,500 Cuban military advisers in Nicaragua today. This military buildup parallels the Cuban buildup that has been constant since the early 1960's. Anyone who believes that the Sandinistas have not built up their military to levels that exceed their legitimate defensive needs has just ignored the facts.

Finally, the Sandinistas have aligned themselves with Soviet interests in the Western Hemisphere and globally. Similar to Cuba, 90 miles from Florida. Nicaragua has pledged political support to the Soviet Union in exchange for military and security assistance. Nicaragua votes with the Soviets at the United Nations and abets Soviet effort to destabilize countries throughout the world, particularly in Latin America. The Eastern bloc's generous donations of at least $500 million in military assistance is only the most tangible indication of Managua's coop-

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eration with the Soviet Union and Cuba.

Mr. President, we can no longer delude ourselves that the Sandinista regime represents the democratic will in Nicaragua. We must face the fact that the Sandinistas stand for the export of revolution and are working for Soviet interests in the Western Hemisphere. We failed to face this fact soon enough with Castro in Cuba. We must not make this mistake again. We cannot bury our heads in the sand and hope the Sandinistas are going to change without external pressure; they will not.

Mr. President, the second parallel between the revolution in Cuba a generation ago and the current revolution in Nicaragua is the threat these revolutions pose in our security. The presence of Communist military forces in Cuba represents an ongoing threat to our security. The Cuban presence seriously complicates our military planning if there were a conventional military conflict with the Soviet Union in Europe. In the event of such a conflict, more than half of the resupplies for NATO would go through the straits near Cuba. Likewise, a critical part of our NATO strategy calls for shifting our forces through the Panama Canal, which is within easy striking distance of Nicaragua. The sea lanes of the Caribbean Basin and the Gulf of Mexico carry 55 percent of our imported oil and 45 percent of our foreign trade.

Communist Cuba and Nicaragua represent a serious threat to these vital sea lanes, which we need in both times of war and peace.

Mr. President, along with NATO, the alliance in the Western Hemisphere represented by the Rio Treaty forms the system that protects the security of the free world and has secured global peace for almost 40 years. Cuba has long stood as a threat to the cooperative security arrangement in the Western Hemisphere.

If the Sandinistas are allowed to consolidate their power, Nicaragua will pose a similar threat to the good partnership we have with our neighbors in Latin America. Nicaragua will continue its policies of exporting terror and revolution, thereby intimidating the friendly countries of Latin America. We must take action to limit Nicaragua's freedom of action as it pursues its policy of destabilizing the region.

Finally, the Sandinistas are busy copying their Cuban patrons in mounting an unprecedented military buildup. As I stated earlier, the Sandinistas have 120,000 men under arms. They have received training, tanks, artillery, and patrol boats from the Eastern bloc, some of which is financed by Nicaragua's participation in the drug trade that directly threatens the youth of this country. The Sandinistas have received training from the PLO and other members of the global terrorist network. This buildup in military power far outstrips Nicaragua's legitimate defense needs. Obviously, the Sandinistas plan to use their military to bully their neighbors and export their revolution. This military buildup poses a threat to our interests and the security of our friends in the region.

Mr. President, we can no longer afford to ignore the threat implicit in Nicaragua's military buildup. We ignored the threat in Cuba until it was too late.

After the failure of the Bay of Pigs, we allowed the Cubans to expand their military to the point that we had to bring the world to the brink of a nuclear exchange in order to force Cuba to withdraw its offensive weapons. In 1983, when the Soviets stated that they would take analogous steps against the United States in response to the pending deployment of Pershing II and Cruise missiles in Europe, Nicaragua Defense Minister Humberto Ortega said that Nicaragua would consider accepting Soviet missiles, if asked. While there has been no evidence of such a request by the Soviets, the Defense Minister's statement is revealing of Nicaragua's intent. Are we going to sit idly by until we face another offensive threat similar to that of the Cuban missile crisis of 1962? I remind my colleagues that such a crisis today would occur in an environment of strategic nuclear parity, not the overwhelming superiority we had in 1962.

Mr. President, it is clear that the Sandinistas pose a direct threat to our security. We cannot afford to declare that Nicaragua is unimportant and of no strategic value to the United States. Nicaragua is in our front yard. An antagonistic government in Managua is an ongoing threat to the United States and its allies in this hemisphere, as Cuba has been for over 25 years. Mr. President, $100 million in assistance to the freedom fighters is a modest price to pay for limiting the freedom of action of the Sandinistas.

We need only to make this modest investment now because we will be addressing the problem in a timely manner. If, however, we fail to recognize the threat to our security now and take the needed action of approving this request, we may find the price of protecting our security later to be excruciatingly high. Mr. President, some believe that if we step back from the situation in Central America and limit our activities that the threat will go away. Those people are sadly mistaken. Unless we take the needed action today, the threat will only grow until we can no longer ignore it.

Mr. President, there is a final aspect of the developing situation in Central America that parallels the events of Castro's revolution in Cuba. This issue involves our humanitarian concerns for the people of the region. Inevitably, Communist totalitarian governments result in streams of refugees; the sad sight of people leaving the country of their birth to escape the yoke of Communist dictators. Today, over a million Americans of Cuban descent reside in the Miami area. They represent those lucky enough to have escaped Castro's dictatorship. They have become patriotic Americans with a firm belief in democracy, the free enterprise system, and America's place of leadership in the free world. Likewise, Nicaraguan refugees are now estimated to number 95,000 in Costa Rica and 79,000 in Honduras.

Miami alone is estimated to have 60,000 undocumented Nicaraguan aliens. As the Sandinistas consolidate their power, the number of refugees can only increase. Mr. President, what is the United States to do when it faces a flood of refugees from Central America? Do we say to them that they failed in the attempt to achieve democracy in Nicaragua and they ought to live under a Communist dictatorship?

Mr. President, I urge my colleagues to listen to the voices of the Cuban-Americans in Florida concerning the issue of the Communist threat to Latin America. These patriotic people ask me why the U.S. Government did not take decisive action to assist them in their hour of need when we could have prevented the Castro regime from consolidating power. Unfortunately, there is not an adequate answer to this question. The fact is that we failed to take decisive action on a timely basis in Cuba. It is a failure that we have had to live with for over 25 years.

I, for one, think it would be inexcusable for Congress to make the same mistake in Nicaragua. We cannot afford to ignore the problems in Central America. These problems have to be addressed. We should not wait. We should not tie the administration's hands on this issue. The $100 million we invest today will be much less than the costs we will incur later if we fail to act.

I implore my colleagues to vote to approve this assistance and vote to prevent the tragic history of Cuba from repeating itself in Nicaragua and the rest of Central America. I urge my colleagues to vote against the Sasser amendment.

The PRESIDING OFFICER. Who yields time?

Mr. SASSER. I yield to my distinguished colleague from Arizona for 10 minutes.

Mr. DeCONCINI. Mr. President, I thank my friend from Tennessee for bringing this amendment before this body.

I thank also the distinguished Senator from Indiana, who has put forth great effort in some of the last several hours and days in trying to find a compromise here. I know he has worked hard at it. We cannot always succeed. I know we have a chance to succeed now by adopting the Sasser amendment that is before us.

There is no power so great as an idea whose time has come. In Central and Latin America today, the idea is democracy and its time has surely arrived. Over the past decade, 10 countries in this region have moved from dictatorships or military regimes to largely democratic and open societies. The United States has nourished and gently encouraged this trend through diplomacy, negotiations, concern for human rights, economic sanctions, and occasional military aid. But as we rejoice over this triumph of democracy in this crucially important region, we face a Government in Nicaragua increasingly totalitarian in its consolidation of power and determined to subvert the independence and integrity of its neighbors. Therefore, aid to the Nicaraguan Contras is vitally important to Nicaraguans, Central Americans, and citizens of the United States.

Americans, indeed most Arizonans, object with good reason to the way the Sandinistas are repressing their citizens and betraying earlier promises of pluralism and free elections. I adamantly object to the Sandinista's close ties with the Soviet Union and Cuba, their construction of military bases identical to those landing Soviet Mig jets in Cuba, and to the oppressive policies fettering basic individual and religious freedoms. I firmly believe that the key to dealing with this relentless and often brutal police state is to encourage a resolution to the conflict in Central America through establishment of a true democracy in Nicaragua.

Mr. President, if politics is the art of the possible, then foreign policy must embody potentially successful and realistic goals. In this endeavor, the administration has yet to produce sound politics or cost-effective and fruitful policy in response to the ongoing crisis in Nicaragua. Let me cite my principal objections to the administration's $100 million foreign assistance package.

The administration has requested a nearly 400-percent increase in United States funding for the forces seeking democracy in Nicaragua. If $250 million or $500 million would achieve that end, it would be money prudently spent. But few experts believe that the Contras can either defeat the Sandinistas or force them into negotiations where they would be defeated politically.

We must focus on the fundamental questions of moral principle and cost efficiency. What are the costs of this foreign policy? As hundreds of Arizonans telephoned my office these past weeks, they inquired as to the fairness of spending $10,000 per Contra when they were experiencing the balanced budget requirements of Gramm-Rudman. I cannot justify the $100 million in foreign assistance when this money has no hope of accomplishing its objectives.

In addition to the budgetary costs, my concern is also one of costs to American prestige abroad. Money cannot buy democracy in Nicaragua and we simply cannot afford to spend lavishly on foreign policy destined to fail. At the same time, we must distinguish between freedom fighters based upon the democratic people power exhibited in Manila and the former Somocistas we have read about in the jungles in Nicaragua. Amnesty International and the Washington office on Latin America reported 118 human rights violations by the Contras. We must not ask the United States taxpayer to bankroll mercenaries who terrorize and pillage the people of Nicaragua. Reports indicate that 12 of the 13 principal leaders of the FDN Contra force are ex-National Guard officers,

The United States has been supporting this Contra effort for 4 years. The Central Intelligence Agency was financing the rebels as early as 1981, covertly channeling money and arms. Although I supported $27 million in assistance for clothing, food, medical supplies, and transportation, I am skeptical about $70 million for arms, ammunition, and Stinger antiaircraft missiles. Sending sophisticated $80,000 surface-to-air missiles can only mean we will soon send military advisors and more technology to support these efforts. U.S. intelligence analysts have concluded that only the introduction of American combat troops can resolve this conflict. Ten democracies are flowering in this region without our military involvement.

To hear the President, this vote is a simple choice between good freedom fighters and evil Marxists. The question of Contra aid cuts far deeper than party labels, good versus bad, and patriotism versus treason. In a dramatic moment on the floor of the Senate, Senator KASSEBAUM said, "I find this simplistic reasoning to be highly offensive * * *" The distinguished Republican Senator from Kansas and an expert in foreign policy rejects the partisan and simplistic framework of the debate formulated by this administration. It does not come down to "those who love America will support the President and those who oppose want him to abandon San Diego to the Sandinistas." In a similar vein, this issue cannot be presented with biased and simplistic statements supporting aid because "money now saves American lives later." A vote debated on terms of good-bad certainties did not inspire 1,400 Arizonans to telephone my office in less then 48 hours.

After the facts of the Gulf of Tonkin incident, we realized what happened in Vietnam.

As much as I distrust and despise this oppressive government in Managua—and I visited there and talked to them—I am not convinced that $100 million or $500 million will give the people of Nicaragua a chance at democracy. It will not automatically halt their involvement with the drug trade or terrorism. It will not immediately stabilize the fragile democracies in this region. These fledgling democracies have implored President Reagan to utilize the $100 million for economic assistance, as recommended by the bipartisan Kissinger Commission, and to support the Contadora peace plan, which these countries have endorsed. We should do more to strengthen these democracies in Honduras, Guatemala, and Costa Rica.

So how do we deal with a government as deplorable as the one that the Sandinistas now have in Managua? Unfortunately, I do not believe the administration's current proposal meets the objectives of encouraging a diplomatic reconciliation of the differences that separate the Government from its democratic opposition and incorporating the interests of the democratic countries in this region. The Governments of nearby democracies—Mexico, Guatemala, El Salvador, Costa Rica, and Colombia—are discouraging a military solution.

I have talked with President Reagan, as many people have, at length precisely about these concerns. When we discussed the Contra aid package 3 nights ago, I expressed to him the reservations I conveyed over the past weekend to my constituents in Arizona. Quite candidly, the President has not displayed the diplomatic skill and has not brought forth a plan to succeed. I have been disappointed in the administration's tendency to define this debate in simplistic terminology and shop for additional votes instead of seeking legitimate compromise.

What is wrong with the proposal that is before us today, I ask the administration? The distinguished Senator from Tennessee has made a real effort to provide the President with that hammer, with that stick, with all the forces he would need. All he has to do is demonstrate to this country that he is prepared to find a solution other than military and to do it in good faith with an observer group commissioned to oversee it. Not to veto it and say, "No, you can't agree to that," not to say that we cannot proceed, but just to oversee that there are truly negotiations made.

We should also insist that the Sandinistas stop construction of two air

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bases in Nicaragua and demand the Cubans and Soviets to leave. This should be verified by the Contadora countries. The money for arming the Contras could be held in an escrow account for 6 months to see if these conditions are met. Also, we should encourage a truly united and democratic resistance effort. Prior to providing military assistance to the democratic resistance, we must demonstrate to the American people and the new democracies that we have diligently pursued all possibilities for a regionally based political solution. I believe we can build support in this region by meeting our commitment to encourage economic development in the Central American democracies. The President has proposed a package of $100 million in economic assistance to 8.3 million people in Guatemala, a newly established democracy, and $100 million for roughly 10,000, 15,000, maybe 20,000, at best, Contras. These priorities do not make sense, at least on top of the fact that the present administration has laid out no plans to succeed. So where will we be next week, next month, or next year when the $100 million is spent? We will be back here again saying, "Well, it don't work. Let's come cough up a little bit more and that will force them to negotiate."

Let us try it first. If it does not work, I, like the Senator from Tennessee, will join in a very forceful effort to be sure that the Sandinistas realize we are not going to tolerate the continued occupancy there of military bases with sophisticated weapons supplied by the Soviet Union.

The Sasser proposal, introduced by the distinguished Senator from Tennessee, meets many of my requirements for a balanced and farsighted policy for Central America. This proposal sets goals which are in the best interests of promoting democracy in this region and reducing the Soviet-Cuban presence in Nicaragua. The goals of U.S. policy in Senator Sasser's package emphasize bilateral negotiations, a ceasefire prior to opening of talks, and appointment of an observer team appointed by both parties. This program also continues to support the democratic resistance with $30 million in nonlethal assistance. I believe that this leverage will encourage the Nicaraguan Government to open up their repressive political system while not, as yet, providing the Contras with United States military aid.

I have supported, in the past, assistance to the Contras. I am not adverse to considering doing that again before we go this massive step of $100 million and next year $200 million or $500 million. Without some program of success, without trying a real bilateral effort to negotiate, I do not think it makes sense.

If improvements are not reported by the U.S. observer team, then 6 months after passage of this proposal Congress can evaluate military assistance and this Senator would vote for it.

I have also encouraged my colleagues to cooperate in crafting a bipartisan proposal which includes many of the goals I have cited in my remarks.

Mr. President, for democracy to continue its hold in this region, we must listen to the democrats, with a small "d", both in Central America and the United States of America. Eight countries involved in the Contadora peace plan have asked us to delay this military aid package. Additionally, my correspondence from Arizona has been opposed to aid, as have the phone calls. I come from a State that is very supportive of the President's policy in Central America and I cite to you not too long ago when we granted a substantial increase in aid to El Salvador, I supported that. I think it has worked. But, Mr. Duarte, the President there, has gone the step of negotiating, we have gone the step of negotiating, bringing it into the process, and it appears to have some success. Why are we not willing to do that here? I do not understand what the recalcitrance is on the part of the administration to enter into at least 90 days, if not 6 months, bilateral negotiations and then proceed from there. What do we lose? Mr. President, I do not think we lost anything and maybe we gain peace.

Mr. LUGAR. Mr. President, I yield 10 minutes to the distinguished Senator from Washington.

The PRESIDING OFFICER. The Senator from Washington.

Mr. EVANS. Thank you, Mr. President.

Oh, how quickly we forget. One month ago, we joined with the Nation in celerating the events in the Philippines. It was hailed as a triumph of American policy, as indeed it was. We should have learned some lessons, however, from that success, and from the historical high points of American foreign policy.

Three elements, it seems to me, continually reappear when American foreign policy succeeds: It is bipartisan, it represents a unity of effort between the legislative and executive branches, and the leadership comes from those countries most directly involved. All were present in the Philippines. We were united, Republican and Democrat; we were united, executive and legislative; and the leadership came spectacularly from the people of the Philippines themselves.

And we are now headed, Mr. President, for votes which I am afraid will violate all three of these principles. We have a bitter, partisan division and close and indecisive votes.

We have heard strident voices from the administration, accusations and protestations questioning our loyalty and Americanism and patriotism, voices which have no place in a successful American foreign policy.

What message do we send to the audiences we attempt to reach with a narrow vote, a failed vote first in the House, and then, even if successful, a narrow and divided vote in the Senate and in the House? What message is that to the American people? What message is it to our South American friends who are attempting to build their own democracies? What kind of message is it to the internal opposition in Nicaragua, and indeed what kind of message is it to the Sandinistas themselves?

If the message to all four of those audiences is a message of weakness, if indecision, of divisinveness, and of partisanship, none will listen to us. Nor should they.

Mr. President, it is useful, I think, to examine a little of the history of Nicaragua and the interventions which have occurred there in order to understand something of where we are.

The Spanish Conquistadors came first through Central and Latin America in the 1500's, imposed a semifeudal system on that land and governed in an authoritaian way, until Mexico and all Central America gained independence from Spain in 1821. The Mexican empire fell shortly after, and the United Provinces of Central America arose, but fell quickly.

Anarchy and violence punctuated that period. Year after year, one after another, buccaneer or entrepreneur attempted to take over and run Nicaragua and its people.

Britain set up a Miskito kingdom among the Miskito Indians. Americans finally pressured the British to get out.

I am sure that my colleague from Tennessee will be interested in knowing that William Walker, a Tennessean filibuster—filibuster in its original connotation of a buccaneer—installed himself as President of Nicaragua.

Year after year, it is a story not of independence, not of democracy, but a story of three centuries of control by one group or another, with precious little opportunity for democracy to flourish.

Mr. SASSER. Mr. President, if the distinguished Senator from Washington will yield for a moment——

Mr. EVANS. On the Senator's time.

Mr. SASSER. I am aware of the history of the great man of distinction, Mr. Walker, from Tennessee. I say to the Senator from Washington that one of his direct descendants is presently on my staff in the U.S. Senate.

I thank the Senator.

Mr. EVANS. I hope he has no designs on Nicaragua, as his ancestor did. [Laughter.]

Mr. President, the history of American military intervention in Nicaragua

is a long one indeed. Going clear back to 1853, we began intervening in Nicaragua: In subsequent years, the Marines again and again and again entered Nicaragua to advance what were then considered to be American interests. More than a dozen times in the last 140 years, American military troops have invaded or landed in Nicaragua for one purpose or another. Little wonder, then, that with that history of American intervention, we have problems of belief, both in Nicaragua and in the rest of Central America.

Mr. President, I ask unanimous consent to have printed in the Record two papers on American military interventions and on the history of Nicaragua.

There being no objection, the material was ordered to be printed in the Record, as follows:

BRIEF SKETCH OF HISTORY OF NICARAGUA

Pre-1500's: Diffuse Indian population; no central government.

1500's Spanish conquest of Central and Latin America.

Mid-1500's-1821: Spanish impose semifuedal system based on large land holdings and the exploitation of indigenous populations. By mid-1500's, "Kingdom of Guatemala" emerged, encompassing Costa Rica, Honduras, Guatemala, El Salvador and Nicaragua; governed by Captain-General located in Guatemala who served under the Spanish Viceroy in Mexico. Political system is authoritarian; economy was exploitive and mercantilist; and, society was an elitist hierarchy made up of two distinct classes. The indigenous populations were never integrated into political life.

1821: Mexico and all Central America gain independence from Spain; Central America ruled by Mexican Empire.

1823-24: Mexican Empire falls and Central America breaks away; forms United Provinces of Central America, basically a confederation of city-states. Civil wars were prevalent.

1838-47: UPCA falls apart; 5 individual countries form, although they are still essentially city-states—small, weak and vulnerable. Politically, they called themselves "republics" and adopted constitutions modeled after the U.S. and Spain's (1812). Had Presidential and electoral systems, however, this clashed with traditional judicial system based on Roman civil law (designed to maintain state control).

"Liberal" and "conservative" political parties rule and clash over the role of the State and church-state relations.

Local leaders head armed bands that contend for power.

Anarchy and violence punctuate the period.

1847: Guatemala becomes a republic, others follow suit; confederation proves to be impossible.

1840's-1850's: International interest in the region grows because of passage through the isthmus (spurred by the gold rush in California).

Britain establishes treaty relations with the Miskito Indians (largely for trade in wood), helps to set up the Miskito Kingdom.

1855-57: William Walker, a Tennessean filibuster, installs himself as President of Nicaragua.

1870's: Coffee boom begins in Costa Rica, spreads to all Central America and transforms export economies and provides new wealth (middle class begins to develop).

1849-1900's: Pressured by the U.S. to get out of the hemisphere, Britian gives up the Miskito Kingdom and liquidates its interests in the region (actually leaves in 1894 but it takes until 1905-07 to clear up all the legal details of British withdrawal).

1900's: Banana, coffee and sugar interests grow as does interest in a canal—Nicaragua is a favorite site (much discouraged by France, who owns Panama).

1893-1909: Nicaraguan Liberal, Jose Santos Zelaya, stages a revolt and takes over; Nicaraguan Conservatives ask for American assistance and with our intervention, oust Zelaya.

1912: Liberals try to overthrow Conservative President Adolfo Diaz, U.S. marines intervene.

1912-1925: U.S. forces remain in Nicaragua to prop up whichever Conservative is in power.

1925: Conservative Alfonso Diaz installed as President before U.S. marines leave. As soon as marines depart, Liberals try to form a rival government under Juan Baptiste Sacasa.

1926-33: U.S. forces return to Nicargua to end fighting and supervise election; Liberal Jose Maria Moncada is elected in 1928. Augusto Cesar Sandino declares Moncada to be a puppet of the U.S. 1927-1933, Sandino leads a peasant-based guerrilla movement, taking the marines on many chases throughout the country until they persuade him to lay down his arms when Liberal Juan B. Sacasa wins the presidency in a more acceptable election in 1932. U.S. marines leave Nicaragua.

1933: Anastasio Somoza Garcia, head of the National Guard and President Sacasa's nephew, essentially takes control of the country although Sacasa is still President.

1934: Somoza arranges murder of Sandino as he is leaving peace talks.

1936: Samoza elected President, as a Liberal, in an election marked by extreme intimidation.

1956: Samoza assassinated; power divided by the two sons:

Luis—becomes President (said to be intellectual and politically fair).

Anastasio, Jr.—becomes head of the National Guard.

1963: Luis dies; elections are held and Liberal Rene Schick is elected.

1963-66: Schick is the "official" leader, although Samoza, Jr. maintains power, until his death in 1966.

1966-67: Lorenzo Gutierez, becomes the next "official" head of state following Schick's death.

1967: Anastasio, Jr., fully consolidates his power, holds an election, wins and establishes a corrupt, militaristic regime.

1972: devastating earthquake destroys much of Managua and the country; Somoza siphons off much of the disaster relief money.

1979 July: Somoza overthrown.

U.S. MILITARY INTERVENTION IN NICARAGUA

1853—March 11-13: To protect American lives and interests during political disturbances.

1854—July 9-15: San Juan del Norte (Greytown) was destroyed to avenge an insult to the American Minister to Nicaragua.

1857—April to May; November to December: To oppose William Walker's attempt to gain control of the country. In May, Commander C.H. Davis of the U.S. Navy, with some Marines, received Walker's surrender and protected his men from the retaliation of native allies who had been fighting Walker. In November and December of the same year, U.S. vessels Saratoga, Wabash, and Fulton opposed another attempt of William Walker on Nicaragua. Commodore Hiram Paulding's act of landing marines and compelling the removal of Walker to the United States, was tacitly disavowed by Secretary of State Lewis Cass and Paulding was forced into retirement.

1867: Marines occupied Managua and Leon.

1894—July 6-August 7: To protect American interests at Bluefield following a revolution.

1896—May 2-4: To protect American interests in Corinto during political unrest.

1898—February 7-8: To protect American lives and property at San Juan del Sur.

1899—February 22-March 5: To protect American interests at San Juan del Norte.

A few weeks later—at Bluefields in connection with the insurrection of Gen. Juan P. Reyes.

1910—February 22: During a civil war, to get information of conditions at Corinto.

May 19-September 4: To Protect American interests in Bluefield.

1912-25—August-November 1912: To protect American interests during an attempted revolution. A small force serving as a legation guard and as a promoter of peace and governmental stability, remained until August 5, 1925.

1926-33—May 7-June 5, 1926; August 27, 1926-January 3, 1933: The coup d'etat of General Chamorro aroused revolutionary activities leading to the landing of American marines to protect the interests of the United States. U.S. forces came and went but seem not to have left the country entirely until Jan. 3, 1933. Their work included activity against the outlaw leader Sandino in 1928.

Mr. EVANS. Mr. President, we are caught in a classic catch-22 proposition. We say negotiations will not work; the Sandinistas will not share power, at least not voluntarily. So the alternative is to offer military aid to the Contras. But I have heard no one assert that the $100 million of aid would overthrow or assist in overthrowing that Government. In fact, they say we do not intend that that is the purpose.

If negotiations will not work and we will not overthrow the Government with this aid, where does this leave us? It appears to me that it leaves us with a nasty, extended, dirty war, escalating on both sides. Who will die? Nicaraguans. Who will suffer? Nicaraguans.

Mr. President, I do not believe that we have searched hard enough for a solution that can unite us and send a message of unity and strength and concern for the citizens of Central America.

The President has likened Nicaragua and the Nicaraguan Government to a cancer, a cancer which must be excised. But there are other ways to treat cancers. One is to develop antibodies to counter and stop the growth of the cancer. I believe we are considering some of the essential ingredients of such a policy that would act as an antibody to the Nicaraguan-Marxist cancer which does exist.

The National Bipartisan Commission on Central America recommended extended aid to Central America of $1.2 billion a year. We promised to deliver that aid in 1985; but, oh, how quickly we forgot. In 1986, that aid dropped by 30 percent. Even the President's budget for 1987 would be short of our promises by more than 12 percent. Both Congress and the administration have, once again, in Central and South America, promised and then failed to deliver.

Mr. President, I think it is time for elements that might draw us together. First and foremost in this policy, to reestablish our commitment to full, sustained, multiyear economic aid to our friends in Central America who have made so much progress.

Second, to recognize that the problems in Central America are primarily problems of those nations. I believe that negotiations should be led on both sides by those for whom Spanish is a primary tongue.

Third, we ought to assist and develop whatever legislation we pass in a way that would give the coming summit meeting in Central America the maximum chance to succeed, when it takes place in May.

Fourth, I think 90 days is insufficient to allow whatever flows from that summit to be successful. At least 120 days ought to be given to allow that process work or to have a chance to work.

Fifth—and here is where I would differ with my friend from Tennessee—to the degree that bilateral negotiations between the United States and Nicaragua are necessary, and I believe they are, let them occur in parallel with Latin American negotiations, or perhaps even somewhat behind them. Let those people who live there and who speak the language and who understand the territory lead in the kinds of negotiations that are important. And in bilateral negotiations, let us carefully recognize the needs of our allies and of our friends and their concern.

Sixth, we must not set impossible preconditions on bilateral negotiations. To require that the Contras be negotiators with the Sandinistas is very much like requiring that the PLO must be at the same table before the Israelis and the Jordanians can negotiate. Human rights, free elections, national reconciliation, all are to be devoutly wished, but as results, not preconditions.

Seventh, we must reassert our determination to join with others under the Rio Treaty in opposing armed aggression by Nicaragua against its neighbors and make our determination very clear.

This, it seems to me, is the core of a comprehensive policy which aids our friends, builds upon their strengths, isolates and confines the Nicaraguan Government and gives Latin Americans a chance to take the lead in resolving the critical conflict which is rapidly approaching.

Unfortunately, Mr. President, it seems to me that none of the current proposals meet this test. I hope that before final congressional action is taken we step back, lower our partisan defenses, and seek that illusive but vital strategy that will unite us and that will work.

Mr. SASSER. Mr. President, I yield 2 minutes to the distinguished Senator from Nebraska.

The PRESIDING OFFICER. The Senator from Nebraska.

Mr. EXON. I thank the Senator from Tennessee and encourage and appreciate his leadership in this area.

Mr. President, I ask unanimous consent to be added as a cosponsor to the proposal that he presently has before the Senate.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. EXON. Mr. President, it seems to me that after a talk that I made on this subject yesterday my thoughts, my desires, my goals are not significantly different from the talk that we just listened to by my colleague and friend from Washington. Where do we go from here?

I have been one of those who has been looking forward to some kind of a true bipartisan compromise that would send the message around the world and especially to Central America that we were not divided on this subject.

That is why I am keenly disappointed that the promising bipartisan negotiations that have been going on for the last couple of days have eluded us once again. I suspect in the end we are going to have a relatively close vote that will be a victory for the President but not necessarily a victory for the goals that all of us wish to accomplish in trying to overcome the threat that the Marxist-Communist Government of Nicaragua clearly is sending as a warning signal around the world.

We have established the fact, and my friend and colleague from Tennessee has been in the area—

The PRESIDING OFFICER. The 2 minutes yielded to the Senator from Nebraska have expired.

Mr. EXON. One more minute?

Mr. SASSER. I yield my friend from Nebraska an additional 2 minutes.

Mr. EXON. My friend from Tennessee has been in the area. He has talked to the Contadora leader.

We have well established in debate that none of the countries in the Contadora group, in fact none of the countries in the whole area, are supporting the President's proposal or anything close to it. That should be a warning signal of some kind that we might hear loud and clear once again if we go in with military aid without some specific understanding of the old term "Yankee Go Home."

We have talked very much, though, about what the people in Nicaragua think. Because of the nonfree press, because of the repression that exists there today, because of the Communist-Marxist dictatorship, we do not have public opinion polls, but I get the distinct impression that neither the Contras nor the Sandinistas have overwhelming support in Nicaragua today.

We should be asking ourselves a question: What do we think the people of Nicaragua want that we are about to try and dictate?

I ask my friend from Tennessee as a result of his travels there what impression he has picked up on this particular matter. I happen to feel that the information that we have been told that probably only 20 percent of the people in Nicaragua today strongly and unequivocally support the Contras, 20 to 30 percent probably support the Sandinistas, and if an election were held today the best intelligence is that if it were between the Contras, on one hand, and the Sandinistas on the other, that as bad as they are the Sandinistas might win.

What does my learned friend from Tennessee have to say about that? He has had some firsthand knowledge.

Mr. SASSER. I say to my friend from Nebraska that in my view and from what I was able to learn, the majority of the people of Nicaragua would say pox on both their houses, that they are not enthusiastic about the Sandinistas at all, nor are they supportive of the Contras.

We must realize that as far as the largest body of the Contras are concerned, the FDN, about 80 percent of the leadership of that group are old Somoza national guardsmen, so they are not welcome in most areas of Nicaragua.

Mr. LUGAR. Mr. President, I yield 10 minutes to the distinguished Senator from Indiana.

The PRESIDING OFFICER. The Senator from Indiana.

Mr. QUAYLE. Mr. President, first of all, I thank my senior colleague for all his extraordinary efforts in this very delicate matter in trying to bring together a bipartisan compromise. I will be in opposition to the amendment before us but will be supporting his amendment, which will be offered later on.

Mr. President, I think what we are witnessing here today reflects a reversion to an old, discredited double standard, a double standard that the United States allowed to bring pressure and influence in opposition to governments considered to be rightwing and authoritarian but is prohibited from bringing pressure against governments that are leftwing dictatorships and in the particular case of Nicaragua, a Marxist-Leninist government.

There is no argument about the facts concerning Nicaragua. Those have been hashed out before.

The question is, What are we going to do about it?

The United States put its reputation on the line in Nicaragua in 1978 to see a change. It put its reputation on the line in the Philippines to see a change. Now we are trying to put our respect and credibility to support the freedom fighters and the Contras.

When changes took place in Iran and Nicaragua, and particularly in Nicaragua in 1978, there was a general euphoria. There was euphoria that Somoza was gone, that we had gotten rid of this evil dictator. We were very hopeful that the new government to come to power would live up to its promises and see a true democracy prevail in Nicaragua.

After our euphoria died down in 1978 and 1979 we woke up and found that the Sandinista government was what a lot of people warned us they were, that they were not only in the Cuban-Soviet camp, but were in fact a dedicated Marxist-Leninist government. The decision now is what are we going to do about it.

The supporters of this amendment keep talking about negotiations, if we could only have another 90 days, just give us another 90 days to negotiate, and things will be OK, let negotiations have a chance. We have been trying to negotiate for 6 years and they have not succeeded.

Furthermore, there is not one case in point in the history of Leninism where a Marxist-Leninist government has in fact negotiated itself into a true power-sharing arrangement. There is not a case in point on that particular matter where a Marxist-Leninist government has sat down and actually negotiated a true power-sharing arrangement with the opposition.

We have all seen what Marxist-Leninism does and what Marxist-Leninist nations will do when they are threatened. We saw what happened to the freedom fighters in 1956 in Hungary and how the tanks were sent in. We saw what happened in Czechoslovakia in 1968. When the people wanted to liberalize, once again the tanks rolled in and the people's call for freedom was put to rest.

Now we are seeing this patterrn once again where a Marxist-Leninist government is in trouble. The Sandinistas in fact, will not allow a change. It is the Brezhnev doctrine repeated right here in our own hemisphere, "What is mine in mine, and what is yours is negotiable."

We, in fact, have tried negotiations. Marxist-Leninist Sandinistas will not, have not, and by doctrine will not tolerate any kind of negotiated settlement.

So what do we do about it? Some say negotiate anyway. We have for 6 years. Try another 90 days. Well, if we are serious, I think that we must consider what will happen if, in fact, we follow this course and do not support the Contras. What will happen in Central America?

First, there is no doubt that if there is no pressure, and no opposition, the Sandinistas will be able to Stalinize that country, will be able to have complete control of that country, and once they get complete control, which they do not yet have fully today because there is still popular opposition there, the Sandinistas will only intimidate their neighbors more. They will be able to accelerate the exportation of terrorism in that region—Central and South America. As the Soviet Union and Cuba pour more and more manpower, more and more weapons into that country, and we stand idly by, they will repress their people even more than they have already done.

Also, we ought to think about what kind of a signal our inaction will send to Central America, our own hemisphere, and what kind of a signal will this send to the world? I am very fearful that a signal that will be sent is that America will not be willing to stand up for its friends, that we will not be willing to put America's name on the line to bring pressure to a Marxist-Leninist leftwing dictatorship. I think that would be a very ominous signal.

The PRESIDING OFFICER. The Senator's time has expired.

Mr. QUAYLE. May I ask for an additional 30 seconds?

Mr. LUGAR. I yield 30 seconds.

Mr. QUAYLE. In conclusion, Mr. President, let us not lapse back to this double standard that we can only bring pressure on our rightwing authoritarian governments, and we cannot do the same thing to those on the left. Let us stand up for democracy, whether it be from the left or the right; let us give freedom a chance in Nicaragua, let us support the Lugar package.

Certainly, any fair review of the arguments suggests the imperative to do this. Again, the debate no longer is over who the Sandinistas are or what they are up to, but rather what we intend to do about it. Will we give military aid to the Contras or not?

Those opposed to the President's policy would like us to believe that we should debate what we should do for another 6 years. All sorts of arguments are offered as to why aiding the Contras is wrong. Like the arguments made 6 years ago, though, these too fail to face the facts. Let us consider what is argued.

First, we have no right to impose democracy on another country especially one where we enforced a dictatorship for so long. By this logic the United States should have done nothing for Haiti or the Philippines—two dictatorships the United States previously supported.

Second, we should support only peaceful transitions to democracy not ones that entail war. So much for supporting democracy in Greece after World War II, giving aid to Afganistan, or helping freedom fighters in Cambodia. If we are unwilling to support democracy in war who will think much of our support in peace? Certainly not the Sandinistas.

Third, the Contras are Somocistas, not democrats. Some commanders are ex-Guarida but even the most rightwing and powerful of the Contras three political leaders, Adolfo Calero, was a longtime opponent of Somoza and was jailed for this effort. The other Contras leaders—Arturo Cruz and Alfonso Robelo—served as members of the early Sandinista Junta. Finally, the most important Contra commander who did serve in the guard under Somoza—Enrique Bermudez—was himself cleared of war crimes by the Sandinista military in December 1982. None of this should seem surprising—one doesn't raise a 20,000 peasant army by promises of restoring a despised dictatorship.

Fourth, the Contras cannot win. Certainly, unarmed and unaided they cannot but those who make this argument invariably are those who vote repeatedly to deny them such military aid. With such aid Contras can win just as the Sandinistas did themselves by taking not the strongholds near the cities, but the countryside. In fact, this was precisely what the Contras were doing before Congress cut off military aid.

Fifth, the Cubans and the Soviets will only match our escalation. The Soviets, in fact, have not given all that they could to the Sandinistas for fear of provoking direct United States intervention. More important, such prophecies are as misleading as they are self-fulfilling: Certainly, world history would be much different if we used this argument as our guide during the Berlin and Cuban missile crises of the fifties and sixties.

Sixth, Contra aid will draw the United States into another Vietnam war. Nothing is more likely to force American military intervention than the consolidation of pro-Soviet Sandinista power in the region. The Contras want to do their own fighting. Denying them aid certainly will do nothing to prevent the growth of Sandinista power.

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Seventh, aiding the Contras will only drive the Sandinistas further into the hands of the Soviets. It is hard to see how they could be driven anyfurther into Soviet hands given that they were already there even before they took power in Nicaragua. Moreover, the United States tried the olive leaf granting $118 million in aid to the Sandinistas in 1979 and 1980. It was during this period that the Sandinistas received their first Soviet block military aid and advisers.

Eighth. Officials in the regions seem to favor the Contadora process over aid to the Contras. So do the Sandinistas and they are willing to intimidate others to share this view both by having an overwhelming military greater than the combined armed forces of the rest of Central America and by the sponsoring of terror, such as the M-19 attack. Yet, privately, these officials are anything but optimistic about what negotiations with the Sandinistas can produce.

Ninth. But we should try diplomacy not force. The Sandinistas already gave their parchment pledge to the OAS not to undermine human rights or spread revolution back in 1979. As we can see in the case of Honduras, it did not do much good. Nor should we suppose that there has been a lack of U.S. diplomatic effort. As far back as 1981 the United States offered a bilateral nonaggression agreement and renewed economic assistance and efforts to control the Contras if Nicaragua would stop aid to Salvadoran guerrillas. Nicaragua rejected this offer. But, when multilateral efforts were attempted, Nicaragua balked because the United States was among the nations proposing talks. Then, when talks were proposed without the United States, Nicaragua reversed itself and demanded direct talks with the United States and Honduras. Finally, the United States got back into Contadora directly in 1983, Nicaragua was uninterested until their own internal opposition demanded action. After 9 rounds of talks with Nicaragua, the United States and the other members of Contadora approved an agreement that would require enforcement and verification procedures. Unfortunately Nicaragua has steadfastly rejected these procedures. This has been Nicaragua's position for the last 2 years. Without the additional pressure, the sort of pressure the Contras can provide, there is little reason to think continued diplomacy alone will improve matters.

Tenth. $100 million is not enough. Perhaps, but it is a start that can give the United States a chance to review what more is needed.

Mr. President, we need to give our support to these freedom fighters. There are too many excuses for us not doing what is right. The right thing is to support freedom and democracy in Nicaragua. The right thing to do is support the majority package.

Mr. SASSER. Mr. President, I yield 3 minutes to the distinguished Senator from Tennessee [Mr. Gore].

The PRESIDING OFFICER. The Senator from Tennessee.

Mr. GORE. Mr. President, I rise in support of the substitute offered by my senior colleague from Tennessee, Senator Sasser.

However, before I move on to the substantive portion of my comments, I want to make a personal comment. To the extent that this body has the benefit, today, of a choice between reasoned alternatives, all of us on both sides of the debate owe a debt to the Senator's efforts over recent weeks. He has displayed leadership with expertise, conscience and courage. He has also tried to arrive at a bipartisan compromise through negotiations with the administration. But the administration chose yesterday to break off those discussions by refusing to even consider the possibility of bilateral negotiations with Nicaragua. Therefore, the essential choice before us today is one involving risk.

If we follow the President's preferences, we will soon become far too deeply enmeshed in an enlarged conflict within Nicaragua. According to the President, we must do this to avoid the risks attendant upon leaving the Sandinistas alone and to their own devices, even for a relatively short time while we attempt negotiations. The risk of the President's policy however, is that once engaged, we may find if politically and morally impossible to follow through. Not only is the Congress deeply divided over this issue, but so are the American people. And it is bad policy to engage in limited wars, when the nation is more likely to break apart than to unite over the merits.

The administration admits that the Contras cannot win militarily. Their mission rather is to impose as much chaos on Nicaragua as possible. Many of us have concluded that the Contras cannot win the support of the Nicaraguan people because of the prevalence of ex-Somoza national guardsmen among their leadership. In fact, many suspect that the Sandinistas are able to use the presence of the Contras to rally support from among the Nicaraguan people that they would not othewise have.

My colleague from Tennessee does not flinch from the possibility that the Sandinistas may be beyond any appeal for peace, no matter how equitable. He hoped that would not be the case. He knows that it might well be. But all his proposal really says is that before the President asks our country to finance and perhaps to be drawn into a civil war, the President should pause to exhaust the possibilities for peace, accept the advice of our allies in the region, and try to negotiate with the Nicaraguans. And that having done so, the President should then and only then lay before us and before the American people the brutal choice of war, whether war by proxy or in person.

Even if the administration carries the day in the Congress, it will have no true mandate from the people: It will only have a bare legal majority. Such a majority may be fine for raising taxes or cutting spending; it is not nearly good enough for taking lives.

I hope, therefore, that win or lose, the administration will practice wisdom. I urge them to continue negotiations to try to arrive at a true bipartisan policy to open bilateral discussions with the Nicaraguan Government, and try to exhaust the possibilities for peace before this wider war becomes real in Central America.

I would urge for example, that the administration temper its demand for Nicaraguan negotiations with the Contras. We resist such demands when made by revolutionaries in El Salvador; we cannot expect them to be any more welcome when we make the demand in Nicaragua. Could we not, for example, at least propose in this situation what we have been trying to do in the Middle East: The inclusion at the table of a panel of Nicaraguans acceptable to the Contras but not of them? Can this administration honestly say that it has exhausted every possibility when it seems bent on avoiding talks rather than finding ways to conduct them?

Mr. President, until then, wisdom is where our colleague has pointed, and I support his proposal.

I yield back the balance of my time, Mr. President.

Mr. LUGAR and Mr. SASSER addressed the Chair.

The PRESIDING OFFICER. The Senator from Indiana.

Mr. LUGAR. I yield 10 minutes to the Senator from Minnesota.

Mr. DURENBERGER. I thank my colleague.

Mr. President, let me suggest to those who are involved in this debate that it might be well, sometime during the next week or 2 to go back and read some of the statements of the past because they are probably as enlightening or more enlightening than the brief time which we were all able to devote to this issue on the floor today.

This is not the first time that I have been on my feet on this subject. The first time was in the fall of 1979 when the chairman of the Foreign Relations Committee and I happened to be on the same side of the issue trying to support the financing of American foreign policy with regard to a new revolutionary government in Nicaragua. I went back and read that last night. I went back, as I indicated earlier, and

read some of the speeches on the floor on May 19, 1980, when we were finally getting around to deciding we were going to try to support the revolution in Nicaragua. I found that a fascinating debate. I would recommend that, if for no other reason than it proves what we are demonstrating here today; that is, once again we have the wrong time with the wrong people in the wrong place.

I know that sounds negative, and I will not prolong the negative nature of this statement, except by way of occasional reference.

Yesterday, we had maps of Bear bomber raids, showing how this vote could result in Russian Bear bombers attacking the Yukon. My colleagues, I say that is not the issue before us. We have heard and will hear arguments about invasions through Mexico into Texas. I say to my colleagues, that is not the issue.

We will hear the same kind of stories about dead humans being found in Honduras. We have heard those stories in the past and we will hear them in the future. That is not the issue.

This issue is rife with emotion. It is rife with instinct. Everybody gets up here with their own particular instinct, all of which has one thing in common, that is, give a little money to any organization and that somehow makes them legitimate and that makes their cause legitimate. That is not the issue nor the objective here.

I do not know how many people in this place really want a military solution to this problem. I assume nobody. Yet everybody is here today voting for a military solution.

For the same reason that Nicaraguans are dying in Honduras today, Nicaraguans will continue to die not only in Honduras but in Nicaragua, Costa Rica, and perhaps eventually in El Salvador.

There is little to recommend the current policy other than the desire to use military means to achieve what they hope is a diplomatic end.

Mr. President, I suggest that until we have focused on the real issue, we are not going to find ourselves making much of a contribution here on the floor.

All of the debate seems to be around means to an end and there is no agreement on what that end ought to be.

It strikes me that we ought to be debating what administration policy ought to be. We can debate that at the level that the Senator from Washington, Senator Evans, suggested, that is at the level of development of Central American countries as a part of international development and as an important part of America's national security.

Or in the more real time sense we can debate it on the level of what our options are with regard to Nicaragua. Is our policy option to replace the present regime in Nicaragua with one that is acceptable to us, or is our policy option to live with the regime if the threat it poses is reduced to an acceptable level?

I would defy anybody in this body, whether in the President's solution to this problem or in the debates on the floor of the Senate, the substitute that is before us now or the substitute that is to come before us, to find the answer to that question.

The outcome of the current debate over means is irrelevant, since the means proposed by the President do not lead to either of these two options.

A good faith effort has been put in by many of my colleagues to try to aim us in that direction, one of them sitting right in front of me, the Senator from Maine, Senator Cohen.

He has been helped in that regard by our colleague from Kansas, Senator Kassebaum. In each case, it is an effort to try to focus on the decision, how do you get the people who need to get to the table to the table, with some sense of security that they get to walk out of the room when it is all over with some kind of a deal?

Even in the most difficult of labor negotiations, the union and the employer know at the end of the debate that they get to walk out with their skins. There is no guarantee that if the Sandinistas, so-called, the much decried Sandinistas, walk to the table of negotiations with the United States or with "all elements of the democratic resistance," that they are ever going to get out of it alive. That means alive not in the physical sense but perhaps in the political sense, because we have not clarified the objective that is at the end of the United States policy in Nicaragua.

I indicated that the debate is engaged in using wrong information. If you want more detail on that, I suggest that you read the Record. I take the President's speech of a couple of Sunday nights ago and in my capacity as chairman of the Intelligence Committee, without disclosing any classified information, I will tell you that was the greatest job of exaggeration I have ever seen in my life.

We have the problems of the mysterious FDN. Who are they? What is their motivation? What is their capability?

Everyone has discussed that one here on the floor today.

I will include in the Record an unclassified copy of the Intelligence Committee staff visit to that very base camp in Honduras a week ahead of the so-called invasion by the Sandinistas. It is a rather enlightening report.

I am going to include a copy of Fred Barnes' article in the New Republic. The two of them are not very dissimilar.

I suppose the most heart rending part of all of that is the description of the 13-, 14-, and 15-year-old boys and girls who are fighting for this illusory freedom that the President has characterized.

The problems of deniability have been obvious to us just within the last day or so. The poor Hondurans find out that the Sandinistas or Nicaraguans have come into their country but they cannot say anything to anybody because there are not supposed to be any Contras in their country, therefore, there cannot be any Nicaraguans in their country.

Mr. President, my personal involvement with developments in Central America began approximately 14 years ago when I was associated with H.B. Fuller Co., of St. Paul. At that time, I was serving as counsel for that firm, which operated several subsidiaries in Central America.

The Central America of 1986 is a far different place than the Central America which existed in 1972—politically, economically, and socially. Costa Rica was the only functioning democracy and the only nation in the Central American region with a consistent commitment to social justice. The other nations of the region—Nicaragua, El Salvador, Honduras, and Guatemala—could perhaps be best characterized as regimes of the right, which had little interest in eliminating a legacy of injustice, economic stagnation, and the arbitrary exercise of power. In the El Salvador of 1972, the army stepped in and nullified a free and fair election which would have placed Christian Democrat Jose Napoleon Duarte into the Presidency of his country. In the Nicaragua of 1972, I was a witness to that nation's devastating earthquake and saw the dictator Anastasio Somoza conduct a massive rip off of his own people and of American taxpayers in an effort to enrich himself and his cronies.

Rising expectations and economic instability in the latter half of the 1970's brought on revolutionary political situations in Nicaragua, El Salvador, and Guatemala. In Nicaragua, the old Somoza dictatorship was ousted from power in 1979 by a broad coalition composed of business, labor, the Catholic Church, and Sandinista revolutionaries. In El Salvador, another military regime turned over a badly polarized society to a civilian-military junta that was dominated by Christian Democrats and reformist officers. In Guatemala, a leftist insurgency was crushed in especially brutal fashion by the regime of Gen. Romeo Lucas Garcia.

One of the most significant global political developments since the end of World War II has been the surge of democracy throughout Latin America. Today, approximately 90 percent of the people in the Americas live in democratic societies as compared with

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34 percent in 1976. While the trend toward democracy is highly positive, it also is not irreversible. Newly democratic societies such as those in El Salvador, Guatemala, and Haiti remain vulnerable to political insurgencies and economic instability.

As I noted in a speech last March before the National Press Club, no repressive government can remain in power in Central America unless it receives outside support. But equally, no democratic movement can flourish unless it too attracts outside backing. Much of that support must come from the Latin American democracies themselves. They cannot be detached observers—critical or noncommital in public, yet supportive in private.

They must participate in the democratic revolution for they will benefit the most from its success and suffer the most from its failure. We cannot solve the Sandinista problem in isolation from the Governments and peoples of the other Central American states. The democrats of Central America must remember how the United States stood by them in difficult times in the past few years—whether it is a Duarte resisting efforts by Communist and Fascist elements to undermine his nation's democratic legitimacy or a Cerezo struggling to restore respect for law and individual rights in a politically polarized society. The Sandinistas must certainly recognize this shift in American policy as well.

It is equally clear that the Central American governments do not feel that they can respond effectively to the Sandinista challenge. It is past time for the democrats of Central America to stand by their democratic allies still inside Nicaragua. If they do nothing now to strengthen a democratic political alternative there, they will consign Nicaragua's democrats to oblivion and leave no alternative but a military resolution to the present stalemate.

I believe that it is essential that the President lay out a policy for Central America that can attract bipartisan support at home and which offers a positive and long-term approach to the economic, social, and political problems which plague all of the nations of Central America. In my National Press Club speech, I urged President Reagan to develop a Central American policy that was guided by six general principles.

First, we must recognize that a long-term commitment to policy requires the active support of the public and of the Congress. An effective policy must be built on an affirmative vision of the future—a policy which emphasizes the need for a truly independent and democratic Nicaragua as an integral part of a politically democratic and economically interdependent Central America.

Second, our policy must have the element of credibility which comes from an evident willingness to undertake difficult, and potentially expensive, actions. Without credibility, our actions raise doubts and questions.

Third, we should make greater use of the economic tools at our disposal. Our greatest resource is not our ability to arm people, but to feed them, and to help them develop sound and growing economics.

Fourth, we must make clear that our support for the democratic revolution means that we are willing to live with diversity so long as a nation's core values involve a commitment to the democratic process.

Fifth, any policy which we undertake must be predicated on Central American unity and leadership. This is not our struggle alone; it requires the participation of the European and Latin American democracies as well as other democratically oriented institutions like the international labor movement, the Socialist International, and the Inter-American Press Association.

Sixth, we should be cautious about reliance on tools that can only support a political goal, not define one. Two such tools are military action and negotiations.

In the year since I gave this speech, we have made some progress in developing a policy which strengthens democracy in Central America and which enhances the national security of the United States. With the exception of Nicaragua and Panama, all of the Central American nations have held free and fair elections since 1984 and have installed representative governments. Democratic leaders as different as President Duarte of El Salvador, President Azcona of Honduras, President Cerezo of Guatemala and President-Elect Arias of Costa Rica have displayed a newfound unity of action and thought in a whole range of areas. Economic and political cooperation between these nations has grown substantially in the past year. This cooperation comes from a collective recognition that democratic institutions and practices in the region are generally recent and rather fragile.

While democracy remains vulnerable in all of these nations, it is equally clear that Nicaragua and Panama remain the exceptions to this new pattern of democratic revolution. In his recent message on freedom, regional security, and global peace, President Reagan provided a brief yet comprehensive meaning of our policy in support of the democratic revolution:

> In this global revolution, there can be no doubt where America stands. The American people believe in human rights and oppose tyranny in whatever form, whether of the left or the right. We can use our influence to encourage democratic change, in careful ways that respect other countries' traditions and political realities as well as the security threats that many of them face from external or internal forces of totalitarianism. Our traditions and the traditions of those whom we help can hardly be identical. And their programs will not always match our own experience and preferences. This is to be expected. The real question is: can our policy—of active American support—increase the likelihood of democratic outcomes? I believe it can.

The fundamental question, therefore, is whether we believe that the democratic revolution should move forward in Nicaragua and Panama and how democratization can be achieved there.

As in the past, unfortunately, the debate on Nicaragua has focused on the specifics of the means to achieving this goal, rather than on its worthiness. The current national debate on Nicaragua shows that there is a large measure of confusion on United States policy toward the Sandinistas and toward the rebel forces. Many Americans simply do not understand the relationship of the use of limited military force to achieving the objective of democracy in Nicaragua. Other Americans wonder whether the Sandinistas pose a threat to American security, to that of Nicaragua's neighbors, or to neither. Still others are puzzled by the "Inside the Beltway" debate on whether assistance to the rebels should be provided overtly or covertly.

My principal difference with President Reagan's stance toward the Nicaraguan democratic resistance is the widespread public perception that the administration's sole emphasis has been on a military solution to halting the spread of the Sandinista revolution. The confusion now rampant in the United States, Central America, and the rest of the world results from the administration's failure to clearly articulate the goals of its policy toward Nicaragua. This failure stands in stark contrast to the unity of the executive and legislative branches in developing a policy plan to support the democratic revolution in the Philippines and Haiti. In Nicaragua, the administration must show a greater willingness to attempt collective political, economic, and diplomatic actions in conjunction with our Latin and European allies.

We should also assess the President's request within the context of the budget reductions that are affecting our entire society. The Gramm-Rudman-Hollings proposal is cutting everything in the domestic arena. Many Americans question the priorities of an administration which devotes so much effort for so little apparent gain. The price for achieving democracy, peace, security, and growth is not $100 million per year for the Nicaraguan resistance. As the Kissinger Commission suggested, comprehensive United States support for democracy and development will cost $8

billion over the next 5 years for all of Central America, including Nicaragua.

I share the President's basic objectives for Nicaragua. Like him, I favor a negotiated solution on internal democratization which restores the freedoms of speech, press, religion, and assembly to all Nicaraguans. Like him, I have urged all of the parties to the Nicaraguan civil war to participate in a national reconciliation process which is mediated by the Nicaraguan Catholic Church. Like him, I support efforts to reduce the quantity of arms and the number of Soviet, Cuban, Bulgarian, and other Soviet bloc military advisers inside Nicaragua. And like him, I have called for an end to the Sandinistas' support for insurgency in countries as diverse as Colombia, El Salvador, and Costa Rica.

Both in the bilateral Manzanillo talks and in the multilateral Contadora negotiations, the United States and our democratic allies in Central and South America have persistently raised four issues with the Sandinistas. First, we want Nicaragua to cease its support for insurgencies in other countries. Second, we want the Sandinista government to adhere to the principles of the OAS Charter, and to honor the promises it made in 1979 in return for OAS recognition as a transitional government. Third, we want Nicaragua to reduce the size of its military to parity with that of its neighbors, and to refrain altogether from obtaining or seeking advanced military technology. Fourth, we want to see a reduction in Nicaraguan dependence on the Soviets, the Cubans, and clients like the PLO or Libya.

Just as important, the Central American leaders have agreed through their acceptance of the Caraballeda message of January 12 that democratization and internal reconciliation must take place in all of the nations of Central America, including Nicaragua. In a March 3 letter to me, Ambassador Tunnermann of Nicaragua indicated that his government would be willing to act on the steps agreed in the Caraballeda message for demilitarization and democratization throughout Central America:

> Let me also state categorically that Nicaragua's revolution stops at Nicaragua's frontiers. We do not seek to export it and we never shall. I want to reiterate also a long standing position of my Government. Upon cessation of the current United States aggression against Nicaragua and ratification of a peace agreement, my Government will immediately proceed to:
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> 1. Terminate the State of Emergency which was made necessary by the U.S.-supported war and restore the full panoply of civil liberties to which my Government is committed, including freedom of speech and of the press.
> 2. Proclaim again General Amnesty for all the contras, permitting them to return to Nicaragua and participate fully and freely in the social and political life of the country. They would have the right to organize political parties and run for all elected offices, including President.

Mr. President, I must confess that I am troubled by the discrepancies between what Ambassador Tunnermann commits his government to in this letter, and what leading members of that same government, including Tomas Borge, Bayardo Arce, and Henry Ruiz, actually believe and have said on other occasions. Simply enough, can we trust the Sandinista government to live up to its commitments to its neighbors and to its own people to establish a pluralistic and nonaligned democracy? Sadly, the historical record of Nicaragua's noncompliance with the commitments made by the revolutionary government at the Organization of American States is most unpromising.

United States policy appears to have neglected the importance of the political dimension in the Nicaraguan conflict. It is my view that the political legitimization of UNO, both inside Nicaragua and internationally, was ignored by UNO's leadership. Only in recent months has UNO provided us with a very general political program which might serve as an alternative to the Sandinista regime.

Before we proceed any further in our efforts to aid the democratic resistance, we need to ask a few hard questions about the focus of our political efforts. First, what are the resources required to build the strength of UNO's existing political structure? Second, what is the dynamic between the external and the internal opposition and UNO's political structure? Third, what roles are the Central and South American democracies as well as the European governments going to play in assisting the democratic opposition? The democratic governments and nongovernmental organizations of Latin America and Europe should have just as great a moral and political commitment to the embattled democrats in Nicaragua as they do to those in South Africa and Chile.

No reasonable person will argue that most, if not all, Sandinista leaders are anything but deeply committed Marxists who are seeking to consolidate their antidemocratic regime. Nevertheless, there are elements within the Sandinista leadership that recognize that their regime's survival depends upon concessions on internal reforms and an end to support for international subversion. It is my belief that the United States has the leverage to attain all of its policy objectives on Nicaragua if it employs the right combination of incentives and disincentives toward the Sandinistas.

If the Sandinistas are truly pragmatic and do wish to serve the best interests of their country, they would recommit themselves to the original principles of the 1979 Junta of National Reconstruction and would allow the democratic process to work its will in Nicaragua. In response to such pragmatism, the United States could once again consider the normalization of relations as well as the resumption of economic aid and support for private sector investment. However, if the Sandinistas continue their antidemocratic policies, the United States and its allies will intensify the political and military pressure against the Sandinista directorate. It seems that the choice is clear: Will Nicaragua become an independent, democratic, and truly nonaligned society that benefits from the support of all of its hemispheric neighbors or will it remain a militarized autocratic regime which lives in fear of its own people and dependent upon its relationship with the Soviet Union and Cuba.

I have urged President Reagan to call for a summit of all of the Central American heads of state, including President Ortega of Nicaragua, during this 60 day grace period. It is absolutely essential that there be a consensus among the region's leaders of the seriousness of the current situation. If Central America is important to this Nation's future—and it is—it is important that a comprehensive dialog be established among all of the leaders who are engaged in the Central American conflict.

In tandem with the Contadora negotiations, the Sandinistas should accept the February 6 proposal of the six Nicaraguan political parties that are affiliated with the Coordinadora Democratica. This proposal set forth several conditions for a ceasefire, for the lifting of the state of siege, and for the establishment of a new election schedule. A multinational democratic effort should be initiated now to persuade Nicaragua to conduct free and fair elections which are closely monitored by international observers and which permit the possibility of a transition to democracy in Nicaragua.

Senator KASSEBAUM and I, among several others, have repeatedly stressed the importance of UNO's political composition. While only the Nicaraguans themselves can determine the political structure of UNO, I feel that a truly democratic organization must reflect the diversity of democratic thought that is present among Nicaraguans. UNO must become a legitimate political coalition, rather than simply a facade to justify a military program. Other democratic groups such as Misurasata, ARDE, and the Bloque Opositor del Sur represent significant strains of democratic thought which should be part of a broadened UNO coalition.

Finally, the United States must intensify its efforts with other Latin and European democratic states to support the internal democratic opposition. There should be no doubt within the

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Sandinista leadership that their antidemocratic policies will be met with strong and vocal opposition internationally. The international democratic movement should seize this opportunity to make Nicaragua an example of the solidarity of democrats worldwide. There is no reason why the members of the four democratic internationals—the Socialist International, the Christian Democratic International, the Liberal International and the International Democratic Union—should not be intensifying their activities in support of such organizations as La Prensa, the CTN and CUS labor unions, the CPDH human rights organizations, the COSEP business coalition, and the democratic coordinator.

It is my firm belief that the adoption of these proposals will convey to the Sandinistas and to our Central American allies the seriousness of our commitment to democracy throughout the region. Serious dialog must take place in a situation where trust is lacking between the Governments of the United States and Nicaragua. One must hope that this conflict of Nicaraguans can be resolved to mutual satisfaction through a process of negotiations. There is no doubt that these negotiations will be difficult, but they must take place if we are to avoid a bloody conflict in Nicaragua.

President Reagan wants democracy in Nicaragua at any price. I have been troubled, but not especially surprised, by the tone and the virulence of the debate on this question. Rhetoric has superceded policy on both sides of the issue. The virtucrats of the right and of the left have been intolerant of opposing views. It is a comparatively small thing when reputations are besmirched or careers are ruined in the heat of ideological conflict over what constitutes our national interest. Something that is far more important seems to have been lost in what has an essentially domestic political struggle. Human lives—Sandinista, Contra, Miskito, or campesino—have value too. We should not forget that whatever decision that we make today will cost Nicaraguan lives. If we approve the President's request, many innocent and a few guilty people will die. If we deny this request, much the same will occur. In voting on this program, we should carefully weigh our motives. National pride is not a good enough reason on which to make policy; we should be certain that our Nation's security is truly at risk.

Mr. President, I ask unanimous consent to have printed in the Record various articles and letters relating to the situation in Nicaragua.

There being no objection, the material was ordered to be printed in the Record, as follows:

March 18, 1986.

Subject: Trip Report, Staff Visit to Central America, March 13-16, 1986.

Submitted by: Jim Currie, Larry Kettlewell, and George Tenet.

The attached "substantive report" is submitted in accordance with committee rules. It consists of two parts: (1) an unclassified section with attached documents obtained while on the trip and photographs taken there and (2) a classified annex.

Trip Report: Intelligence Committee Staff Visit to the Contras

FOREWORD

Three professional staff members of the Senate Select Committee on Intelligence (Jim Currie, Larry Kettlewell, and George Tenet) spent March 15 and 16 on a visit to both civilian and military headquarters and field units of the contra forces fighting against the current government of Nicaragua. These staff members did not go inside Nicaragua at any time during their trip. The material in this report is based upon their own observations, plus information supplied by both the contras themselves and other sources. All information that is not based upon direct, personal observation is so identified.

VISITING THE CONTRAS

Civilian Headquarters

Staff members devoted Friday, March 15, to visits to the civilian headquarters and support facilities of UNO, the Unified Nicaraguan Opposition. There were visits to three different sites, including the main civilian headquarters, the communications headquarters, and the logistics headquarters.

Staff members were told of UNO efforts to emphasize proper treatment of civilians and prisoners by troops under their direction. Staff was also told that approximately 1000 reports of Sandinista atrocities had been submitted to the headquarters of the Organization of American States over the past year and that the OAS has not even acknowledged receipt of these reports.

The facilities at each location were serviceable and appeared to be suitable to the accomplishment of the particular missions of each. The logistics headquarters records of weapons, ammunition, and other supplies. The records the staff viewed are detailed, showing quantities of each type of weapon in the warehouse, the quantity of ammunition on hand in the warehouse and committed to specific field units, with quarterly and yearly summaries.

The general observations made by the group were two: (1) The record-keeping was much better and more detailed than had been anticipated, both with regard to the ordnance and to rations. Though the staff group was always aware of the possibility of records having been "dummied" for the purpose of giving a false and enhanced impression, the group's judgment was that this was most unlikely. The records were too extensive for this to have been done easily, and there were all the signs of their having been compiled and used over a period of time (i.e., worn pages, erasures, different handwriting, different writing instruments). Furthermore, one member of the staff group observed at the UNO Command Headquarters one category of weapons in which the numbers were substantially the same as what had been observed in the logistics center records.

(2) The quantities of weapons and ammunition shown as on-hand revealed the types of anomalies that would be expected of an insurgent movement that has obtained weapons from many sources. The main assault weapon was the Soviet-designed AK-47, of which on paper there appeared to be an adequate number. The quantity of 7.62 × 39mm ammunition (AK-47) shown in the records was an impressive amount, though not enough for sustained combat operations over more than a few months. There were many "cats and dogs" shown in the records, that is, such a wide variety of weapons as to make the ammunition procurement and the operation of the logistics system quite complicated. There were also examples of small quantities of a particular weapon with large amounts of ammunition or large quantities of a particular type of weapon with little ammunition. The records showed obvious shortages of support-weapons, i.e., M-60 machine guns and ammunition and mortars of various calibers.

Field Visits

The staff group visited four areas in the field, devoting all day Saturday to this task. Places visited were the UNO Command Headquarters, a field hospital, the logistics center, and another hospital near the logistics center.

Command headquarters

The field headquarters consisted of wooden buildings and tents in an area which would be hard to approach on the ground without alerting the camp occupants. The buildings, which housed the headquarters and several of the staff sections, were constructed of rough-sawed boards which the staff was told the soldiers had made themselves from trees cut nearby and roughed out with a chainsaw. The staff observed the construction in progress on one building, with a soldier truing the board using a machete.

In the communications section, staff observed an operator receiving an incoming voice message of coded numbers off a one-time pad, transmitted from a task force in Nicaragua. Approximately 20 minutes later, what was said to be this same message, decrypted and typed, was handed to the FDN Commander as the SSCI staffers sat with him in a briefing. Earlier, the staff had observed an operator in the communications center sending a message in Morse code, and staff was told that operator proficiency of 17 words per minute is achieved using that method of communication.

There were perhaps 200 or so FDN troops in the camp at the time of the staff visit. While staff was there, it was able to observe the pre-launch preparations of a reconnaissance patrol which was being sent out to investigate a report of a Sandinista patrol in the area. The staff observed the patrol members, both men and women, being issued their basic load of ammunition, loading their gear, checking each other's equipment, and falling in for inspection. The patrol divided into two groups of perhaps 35-50 soldiers each, formed into ranks, and numbered off as someone the equivalent of an NCO called a roll.

Weapons carried by the patrol members were primarily AK-47 assault rifles, with Belgian-designed FALs making up the balance. The FALs, the group was told, are used to lay down a base of fire during initiation of contact. Other weapons in evidence were H & K 40mm grenade launchers, Chinese versions of the Soviet-designed RPG-7 (a light anti-tank weapon), and standard fragmentation hand-grenades. Each patrol member was carrying a field pack, personal first aid kit, and canteen. The area in which they were operating was quite dusty, but a random examination of half a dozen magazines taken from the assault rifles showed

no evidence of dirt or corrosion. The individual rounds could be taken easily from the magazine and reinserted. Cleaning fluid in use appeared to be a mixture of diesel fuel and some other substance, but whatever it was, it appeared to work. Staff was able to observe cleaning rags stuffed in the stocks of numerous personal weapons, leaving the impression that weapons cleaning was a part of the individual soldier's routine.

Troops were observed close-up. Some, according to appearance and what they said, were as young as thirteen years of age. In response to a staff question, an FDN officer stated that individuals that young were not allowed to join the force unless accompanied by an older relative such as a father or brother. There were a number of young women in the group who were carrying the same weapons, equipment, and packs as the men. Most soldiers appeared to be in their late teens or early twenties, but given staff inexperience in judging the ages of Central American campesinos, the average age could well be higher.

There were two older men who serve as armorers for the group, and they were observed at work cleaning, repairing, and cannibalizing weapons for parts. There was a large pile—perhaps several hundred or more—of unserviceable weapons, largely Spanish copies of the West German G-3 assault rifle, plus assorted AKs, some U.S. Army M-1s, and at least one U.S. Army M-14. Staff was told that the G-3 has not proven serviceable under field conditions, and other sources confirmed that the Spanish copy wears out quickly because of the heavier powder load of the standard NATO round.

The visiting staff was then given an operations briefing at the command headquarters. Staff was shown a detailed operational map, with plots of Sandinista order-of-battle information, and overlays of current contra operations and locations. Other sources confirm the overall accuracy of the information presented to the staff.

Current operations inside Nicaragua, according to information given in the above-mentioned briefing, are being conducted by 6000 soldiers of the Jorge Salazar Task Forces I, II, and III who have been inside Nicaragua for over a year, plus 3500 members of at least five other task forces that have succeeded in reinfiltrating into Nicaragua in recent weeks. These 3500 soldiers are on their way toward ten well-defined objectives, which were indicated on the situation map.

One of the task forces, according to the briefing, has met with such substantial Sandinista opposition that it has taken an alternative route toward its objective; another has been unable to push through a Sandinista blocking force on the way to its objective, and fighting was going on there. Another had nearly reached its objective, according to the briefing. Staff was also told of a recent attack (unconfirmed by other sources) on a government-owned tobacco warehouse in the northwestern part of Nicaragua in which the contra forces succeeded in destroying a large quantity of tobacco.

SSCI staff were told that headquarters staff positions are not occupied permanently by the same officers, but are rotated among individuals who are back from the field, some of them recovering from wounds. Among the staff section chiefs was "Mike Lima," who lost an arm in the fighting.

Refugees, according to statements made at the Field Headquarters, are extensive in the area. Unconfirmed statements were that approximately 40,000 refugees are currently in the vicinity of the headquarters and that 18,000 of these had followed the contras out of Nicaragua when they withdrew this past year for lack of supplies.

Military training center

During the past six months, according to information given the staff by the FDN Commander and confirmed by other sources, the contras have constructed a training center at which several military courses are taught. This was accomplished during the time when supplies were in short supply and troops had to be withdrawn from Honduras. The SSCI staff visited this facility, which goes by the acronym "CIM." It is constructed on three terrain levels, and there was evidence of proper attention to perimeter defensive needs, such as a comprehensive system of trenches and foxholes appropriately sited to protect the facility.

The camp is well-appointed with various training aids and devices, including a rappelling tower about 40 feet high, which staff saw demonstrated, a small arms range, an obstacle course, what appeared to be hand grenade pits, plus a drill field. There are some wooden buildings with the same construction as at the HQ, housing a communications section, a training library, a chaplain, and a training headquarters. The director of the CIM is known as "Commandante Mack," and he told the staff that he had been a sergeant in the Guardia Nacional before the revolution. He stated that he had received training at Lancera, the Columbian Jungle Warfare School.

Courses of instruction offered at the CIM, according to briefings and course materials obtained by staff, include what might be termed "Basic Officer Training," consisting of 250 hours of instruction in 5 weeks; "NCO Training," consisting of 300 hours in 6 weeks; "Basic Infantry Training," consisting of 200 hours in 4 weeks; and "Artillery Training," meaning all indirect fire weapons, taught in 200 hours over 4 weeks.

Troops in training at the center, staff was told, numbered approximately 900 men and women, and consisted of both experienced and new recruits. Staff was able to observe perhaps 500-600 troops there. Other troops were engaged in small arms training being conducted at a nearby range. Trainees were for the most part clad in uniforms consisting of very heavy, olive drab fatigues, and all the men had their hair cropped short. Staff observed them engaged in physical training, which they were told was the prescribed course of instruction for a Saturday. Staff was told, and had confirmed from other sources, that this was the second group of trainees, and that this group was in its second week of instruction. The first training session had resulted in the graduation of 1200 soldiers.

Staff observed a bulletin board with UNO declarations posted, including the listing of UNO objectives. There were also a dozen or so sets of "orders" posted, listing court martials conducted against contra troops for specific violations of articles of war.

Staff observed evidence of close-order drill practice among the 500-600 troops who assembled on the drill field. Upon command, for example, troops executed "open ranks" across a front of perhaps fifty individuals. NCOs and officers were clearly in charge of the trainees, and there was proper military courtesy (coming to attention and saluting) as appropriate. Altogether, the impression at the CIM was one of order, planning, and appropriate training.

Field hospital

The staff then visited a nearby field hospital, which consisted of one permanent structure and several tents. There was one person there identified as the doctor, plus several nurses. The hospital has one operating room and perhaps three dozen beds. In his briefing, the man identified as the doctor stated that people treated there include both combatants and civilians. The civilian patients include both dependents of contra troops and locals. There was one infant at the facility and a young boy of perhaps six who had an eye injury. Several patients were being administered intravenous dextrose solution. Most of the combat wounds, according to the doctor there, were in the extremities; he said that those wounded in the chest or abdomen did not often survive to reach the hospital. He also stated that there were surprisingly few post-op infections, although he could not offer any explanation for this situation.

Logistics center and hospital

Staff members then visited the primary logistics center for the contras. The main impression there was of both organization and great need. The warehouses were well-organized, with supplies stacked or palletized and prepared for airdrop. The most evident need was for aircraft. There was at this location a DC-6 configured for cargo. It was in evident need of repair; one tire was so bad that it could not fly until a spare was obtained. A DC-3 was at the center, but confirmed information was that it had not been able to fly in a year. Other unserviceable aircraft, including two OV-2 push-pulls, were in evidence, as was one small twin-engine Beechcraft Queen Air which belongs to the UNO.

The runway at this facility is rock-surfaced and not suitable for extensive operations. The contras have four parachute riggers here and would require about thirty if resupply were to be attempted deep into Nicaragua to a substantial number of troops. Staff judgment based upon visiting this facility is that heavy aerial delivery capability is presently non-existent. This would have to be an area of prime attention if significant additional aid were to reach the contras.

The Hospital here is larger and better equipped than the previously-mentioned field facility, but it is still primitive by U.S. standards. There are two medical doctors here, one of whom stated that he had served with the Sandinistas during the revolution and had continued to serve with them until about three years ago. At that time, he stated, he raised objection to the Russian military advisors coming in and claiming to be medical personnel. He was accused of having a "counterrevolutionary attitude" and was told he would need re-education. He fled to the United States, he said, and then returned to work for the contras. He stated that he was a urologist by training.

Many of the humanitarian medical supplies furnished by the United States under the present program are stored here at this hospital, stacked under tents. On the shelves of the pharmacy are supplies of bandages, ointments, and antibiotics (outdated ampicillin), plus a large supply of Tylenol capsules. There was no way of determining which of these supplies were furnished through the present humanitarian assistance program and which had been acquired from other sources. There were perhaps a dozen beds at this facility, which has recently acquired an x-ray machine as part of the humanitarian aid program. The machine had just arrived and was not operational. As at the field hospital, the doctors here stated that soldiers with wounds other than in the extremities did not usually survive the trip out of Nicaragua to get to this point. There was also a fear that the Sandinistas might decide to take out this facility, which they could certainly do with their MI-24s.

PHOTOGRAPHS

Staff members took photographs of the facilities they visited and will make these a part of the record and of the trip report.

CONCLUSIONS

The contributing staff members do not take a position in this report as to the desirability of U.S. assistance to the contras and do not present this topic as one for them to comment upon here. They are unanimous in stating, however, that decisions about the desirability of such assistance should be made with the best and latest information at hand. Overall observations, based upon what was seen while visiting the contras are that, first, it is a well-organized fighting force, and not a "rag-tag bunch of refugees sitting around in camps getting fat off of U.S. largesse," as portrayed in some accounts. Second, the military appearance of the contras, and all of the outward signs that were observable by the visiting staff, indicate a clear understanding of the task at hand and motivation required to fight the Sandinistas. Military objectives were well-defined, reasonable, and presented in logical fashion. Third, there is an obvious need for continued external assistance if the contras are going to present a continuing significant military challenge to the Sandinistas. There is both lethal and non-lethal material in existence, but if the quantities indicated on the inventory reports are accurate, it will not last more than a few months. Fourth, at every facility visited there was a sense of order and organization that belies the press reports of chaos among the contras.

Finally, it should be pointed out that no Congressional delegation—staff or Member-led—has ever been to all of the areas visited by the SSCI group, according to information given the visiting staff members.

Roughing It With the Freedom Fighters: Contra for a Day

(By Fred Barnes)

On the Nicaraguan Border

Getting there was not half the fun. Think of the most arduous, sweaty, and uncomfortable hiking trip you've taken. Getting to the northern border of Nicaragua, where I spent a weekend with the contras at two of their camps, is worse. Exactly how I got there I can't say. I'm sworn to secrecy. But let me give you some of the flavor. My companion and I had to ford five streams. Yes, we had a four-wheel vehicle, but it didn't take the bumps in what passed for roads too smoothly. Some bumps were so bad I hit my head on the roof. It's the dry season and the roads were serpentine dust bowls. Practically everyone we encountered was armed, contras and civilians, which is normal for a war zone but still unnerving. The most memorable part of the trip occurred when an iguana darted across the road. My companion slammed on the brakes, grabbed his .22 pistol, and rushed toward some brush on the side of the road. He fired two shots. But he came back empty-handed. Too bad, he said. Fried iguana is supposed to be a great delicacy.

I had to settle for standard contra food. It wasn't too bad if you like rice, beans, and mystery meat for breakfast, lunch, and dinner. I ate hearty. The coffee wasn't hot enough, but it was sweet and strong. And the chow was better than the overnight accommodations at a training camp 15 miles inside Nicaragua. I was told to bring a sleeping bag, heavy boots, water, bug spray, malaria pills, flashlight, toilet paper. I needed all of them. My bed in the Hospedaje Visita, the place for visitors, consisted of a plywood slab on legs. I've slept better. I took my flashlight and toilet paper with me on a late-evening foray to the outhouse. It was supposedly the top-notch outhouse, for officers only. I gave it a quick inspection, aiming my light into the hole in the ground. The eyes of half a dozen rats glistened.

But on a more serious note: Why would thousands of men and boys gather along this remote, mountainous northern border of Nicaragua to fight the Sandinistas? It's not the money. They don't get any. I talked to scores of contras over three days, and got basically two answers. Most of the officers have ideological reasons. They hate communism. Or they love democracy. Or they worked for the old Somoza regime, which automatically made them outcasts, and often jailbirds, in Nicaragua under the Sandinistas. Or they worked for the Sandinistas, and soured on them. What's significant is that they have political reasons for being in the hills.

The common soldiers, the grunts, answer quite differently. Politics is meaningless to them, ideology even less so. They have specific grievances against the Sandinistas. Land was taken. Money confiscated. A relative killed or jailed. A religious sect persecuted. Or, most common of all, conscription in the Sandinista army was imminent.

Two ideas died quickly after I got to Contraland. One was that the contras are merely a ragtag outfit. Their uniforms aren't uniform, and the basic training for recruits is inadequate. But the contras have established themselves, at least in northern Nicaragua where I was. From a helicopter you can see contra camps stretching for miles and miles, clusters of huts with green plastic wrap for roofs. The most impressive installation is the training camp, carved in three plateaus on the side of a mountain—officers on the peak, troops halfway down, clinic and mess at the foot. It looks permanent. There are plenty of nonlethal supplies at the camps. The problem is supplying troops deep in Nicaragua. The contras can't hold positions against fancy Sandinista weaponry, let alone maintain supply lines.

The second idea was that the contras, and in this case the largest contra group, the Nicaraguan Democratic Force (FDN), is an army of Somocistas. Far from it. There are a number of former members of Somoza's National Guard in the officer corps, including FDN chief Enrique Bermudez. But the foot soldiers are exactly the stoical peasant fighters that 1960s radical fantasized about in other contexts. Mostly they are young, a few not even in their teens. I was told the average age of a contras was 19 or 20. When I saw 930 of them assembled at the training camp, I figured 19 was on the high side. The camp commander, Comandante Mack, contended that the soldiers represent a third generation. There were Somocistas, then Sandinistas, now "a new generation of Nicaraguans."

Desperate for good publicity, contra officers suggested people for me to interview. I decided to pass up most of these interviews and to question solders at random. Most were inarticulate in the extreme, muttering short answers in Spanish. I found an 18-year-old at the dental clinic, where a paramedic with three months' training was about to pull a cavity-infested tooth. The soldier's name was Lionel, and he did farm work before joining up. He said he wants "to see a free country." Was that all? Well, the Sandinistas had drafted him, and he deserted after 15 days. "I didn't like the way they treated me," he said. "Only the volunteers get training. They just send the rest of us to fight." It took about a minute to pull his tooth. There was a crunching noise, and the tooth fell in the dirt by his foot. By the way, there was Novocain for the extraction, but the camp hospital lacks aspirin. There are plenty of Tylenol capsules, though, the kind that have been removed from the shelves in the United States.

Lionel was typical. Soldier after soldier told me he fled to the contras when faced with being drafted into the Sandinista army. A 14-year-old boy from Esteli in northern Nicaragua who identified himself as Mario Jose—like every contra, he adopted a military alias—said "the Sandinistas were going to take me. I don't like communism." A 10-year-old from San Juan with the alias Marvin had the same story. He said the Sandinistas were now grabbing kids as young as 12, something other teenage contras claimed as well. None of the teenagers could explain to my satisfaction why serving with the contras was preferable to being in the Sandinista military. It just was, several said.

One under-age soldier I spotted in formation had a better excuse. He was named Jorge, and he said his father had brought him. With an officer's permission, he ran off and brought back his father, 40-year-old Miquel Agal, who said he had been a farmer in a hamlet in northern Nicaragua. He got into trouble with the Sandinistas for attending a Pentecostal Christian church. "They said I was a counter-revolutionary," he explained. "I'm a contra. I'm contra every people." After working in the contra underground, he left his wife and two daughters and joined the contra army. His 13-year-old son was killed in combat, he said. He and Jorge, 11, were taking basic training together.

Sensing my interest in father-son contras, an officer nick-named The Lung (he lost one lung when wounded in 1979 while, as a National Guardsman, fighting the Sandinistas, rustled up another pair, Edward Noel Araus, 35, and his son Edmund Rofino Araus, 15. The father said he had provoked the wrath of the Sandinistas by "building up some capital"—a cattle farm, a bus, a machine shop. When he was put under investigation, he fled, bringing along his son for fear the Sandinistas would draft him.

Frank, 28 year old, was one of the few blacks spotted. Like other blacks in Nicaragua, he's from the sparsely populated Atlantic Coast region. Frank said he was a designer of coral jewelry, which he made in Managua and sold around the country. A year ago, "I got in trouble with the Sandinistas. They searched me, found money, and said I'm a counterrevolutionary because I have too much money." After a week in jail, he headed for contra territory. Frank has a tattoo of a swastika on his arm. He was sheepish about it. "It's very bad, I know," he said. "But it don't mean nothing. I'm going to put an eagle over it."

Were all these contra lying? It's not inconceivable, but doubt it. If contra commanders can train scores of uneducated peasants to

tell nice stories to a journalist, they've created a more disciplined army than anyone guessed. If that were true, the contras would be a highly trained juggernaut. They aren't quite that. And more than virtually every army this side of the Khmer Rouge, the contras have gotten a bad press. Comandante Mack said American reporters "say they are with us. But when they get back, they write something different."

Mack is a veteran of the National Guard. He was trained in Argentina, I was told, and has been a contra "since day one." The training camp was built under his direction. I interviewed him in his small sleeping quarters, which double as a storeroom. Thirty-three cases of Coca-Cola were stacked next to his hammock. He is short, stocky, dapper and was listening to an American rock station on a shortwave radio when I walked in unannounced. Mack said what every contra commander I encountered said. The contras can win. With military aid from the United States, they can advance against the Sandinistas and hold positions. "From the first moment we get the aid and full support, the Sandinistas are going to start crumbling. It'll be an avalanche." Threatened, the Sandinistas will step up their repression, he said. This, in turn, will touch off "a general insurrection." The Sandinistas will "face a crisis by the end of the year," insisted Bermudez, the contra leader. Mack doesn't have a timetable.

These assurances didn't seem to spring from mere bravado. Comandante Invisible, the chief of intelligence, ran down a half-dozen reasons why the contras won't wind up like the Cuban exiles who landed at the Bay of Pigs in 1961, didn't touch off a national rebellion, and were defeated. Discontent, repression, devaluation of the currency, betrayal of democratic principles, persecution of the Catholic Church, inflation—all are products of Sandinista rule, Invisible said. Besides, the Cubans weren't confronted by "a consolidated armed force like we have. And the [anti-Castro] Cubans didn't have the support of the population that we have."

Invisible, 35 years old, got his nickname when he escaped from a Sandinista jail. He had been in the National Guard for two years when Somoza fell, and he planned to leave Nicaragua under Red Cross protection. Instead, he was turned over to the Sandinistas and imprisoned for four years. "The moment I got out, I headed for the contras," he said. As a Guardsman, he insisted, he never supported Somoza or any politician. "I belonged to a younger generation of officers who were trying to change the National Guard and get away from the past." He gave a Nuremberg defense. "I was a disciplined soldier. I followed orders." Now he has the most disciplined appearance of the contra comandantes. His hair is neatly combed, his fatigues immaculate.

I talked to two comandantes who said they had fought in the Sandinista army. Both later defected for political reasons. Jimmy Leo stayed for only a few months of Sandinista government. "I thought I was going to work for a democratic regime," he said. "We were betrayed. Whatever it takes, the Sandinistas have to be driven out." Comandante Johnson became a follower of Adolfo Robelo, the leader of a social democratic party and now one of the three leaders of the United Nicaraguan Opposition (UNO), the weak umbrella group for all the contra forces. The Robelo link got Johnson in trouble with the Sandinistas, who had installed him as head of a coffee distributing firm. He couldn't get a passport, so he left Nicaragua by foot in 1981. His wife and children went to Honduras. Three of his brothers stayed behind. Johnson said all three are officers in the Sandinista army.

Next to Bermudez, the most uncompromising of the comandantes I talked to was Dr. Aureliano, the chief surgeon combat unit. He was in Mexico studying medicine during the 1970s, he said, and wound up in California in 1981. His family stayed in San Francisco while he headed to the Nicaraguan border. His wife complained, but "nobody can tell me anything. I am an enemy of communism, 100 percent." The doctor went with Adolfo Calero, one of the UNO troika, to Angola last year for a summit of anticommunist guerrillas sponsored by New York businessman and politician Lewis Lehrman. He sneaked into Managua in 1983, and barely escaped. His brother, who runs a hospital, was thrown in jail as a reprisal, he said. Word was passed through their sister recently that the brother would be released if Aureliano abandons the contras. His response: forget it. "Many commanders have died at the hands of the Sandinistas. If my brother dies, he'll be just like those commanders."

Bermudez, who, like Sandinista honcho Daniel Ortega, wears designer sunglasses, has more enemies than just the Sandinistas. He was Somoza's military attaché in Washington in the late 1970s, but understandably plays that down now. In his office, a wooden shanty decorated with a bathing-beauty calendar and a U.S. Marine Corps desk set, he railed against the press and human rights groups. The stories of continuing atrocities by his troops are untrue, he said. To prove it, he presented a commander named Tigrillo, who he said was blamed in a recent report for murder. The man was in the hospital at the time, Bermudez contended. Anyway, it's not up to him to combat false stories of human rights abuses. "I'm totally involved in military problems," he said. "The only source of information we have here are the radio, Voice of America, and Radio Sandino." UNO should handle human rights issues, he suggested. Its leaders "live in Miami, in Washington, in Central America. They read the magazines. They know the accusations. We don't have any organizational capacity to mount a propaganda campaign. We can't put out a booklet on Sandinista human rights abuses. But all anyone has to do is interview Nicaraguans at the refugee camps." Journalists refuse to do that, he said.

I didn't interview any refugees either. The best I could do in three days was form a few impressions. I couldn't investigate human rights cases or determine whether the contras are indeed too tightly controlled by Bermudez and friends. If the hierarchy needs a dose of base-broadening, the junior officers and the rank and file don't. The thousands of young men (and some women) who have flocked to the contras in the last two years have already given the anti-Sandinista army a democratic face. Many of the younger commanders are victims of the Nicaraguan version of McCarthyism, pilloried as Somocistas because of brief service in the National Guard, which was Nicaragua's only military force under Somoza.

Two final impressions. The contras are in this for the duration. They convinced me of this. Many of the officers have given up comfortable exile in Florida or California or Honduras to live in a squalid war zone. With or without American aid, they'll fight the Sandinistas. "We're not going to make the mistake the Cubans did, which was to rely too much on U.S. support," a contra told me. "When that support vanished, they gave up. We won't."

No matter what President Reagan says, the contras are not fighting for a seat at the negotiating table. Who is going to put his life on the line for that? They don't trust the Sandinistas to follow through on whatever they might agree to anyway. Not one of the comandantes whom I spoke to mentioned anything about negotiations with the Sandinistas over power-sharing, lifting of censorship, or a new election. To a man, they spoke of defeating the Sandinistas in a military and civilian uprising in which the government of Nicaragua goes from communist to democratic in one swoop. Finally, I asked Invisible about negotiations. He said he strongly favored them. "The negotiations could go this way. If the nine Sandinista leaders leave, the others can stay. We fight for national reconciliation."

Just before I left, Bermudez got word that a Sandinista helicopter had been shot down. He was ecstatic. I was informed that the man responsible was Comandante Douglas, whom I'd met on the road, an hour from the camp. He was dressed in civilian clothes, with a pistol jammed under his belt. What he bagged the helicopter with, I don't know. I never heard a shot fired the whole weekend. Except when the iguana crossed the road.

[A discussion paper on the Nicaraguan Resistance]

From a Proxy Force to a National Liberation Movement

(By Bruce Cameron and Penn Kemble)

(The following paper is intended merely to stimulate discussion and debate among friends of the Nicaraguan democratic resistance. The views of the authors are tentative, and we welcome corrections, argument, and additional suggestions. This paper is not for circulation or quotation.)

Debate about U.S. assistance to the democratic resistance in Nicaragua has been cast as a debate between those who favor U.S. assistance to the armed opposition and those who believe we should seek an accommodation with the Sandinista regime. This debate has obscured and confused consideration of another set of critical problems: How should the U.S. provide the most effective military and political assistance to the insurgents, and what general strategy should guide our aid program? These questions will become more pressing during coming months, as controversy grows over whether the U.S. should provide direct military aid to the Nicaraguan insurgency. It is our hope that this debate will now move beyond the deadlocked ideological dispute over interventionism and isolationism, toward a discussion of how the United States might best contribute to building an effective and democratic opposition movement in Nicaragua.

When the Sandinistas imposed a state of emergency in Nicaragua last October and launched their sweeping assault on Nicaragua's independent labor, church, press and human rights organizations, they forced a fundamental change in the moral problem Nicaragua poses to the world's democracies. In Daniel Ortega's comments to the press during his October visit to the United Nations, and in the conduct of Sandinista leaders since, it has been clear that the Nicaraguan government is determined to crush its opponents by force—even at great cost to the Sandinistas' claims to represent libera-

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tion and progress for the Nicaraguan people. This represents a stark challenge to those who support Nicaragua's democrats. We must either stand back while the Sandinista police and military machine (supplied and increasingly manned by Cuba and the Soviet bloc) eliminates our friends, or we must respond with increased assistance of our own. It is clear that unless the United States now provides the military assistance which, with some justice, it so far has withheld, the Sandinistas will in a devastating victory.

But the problem we face cannot be solved so simply. We have no moral justification for increasing our military aid to the insurgents unless there are reasonable grounds to believe that in the time they can succeed in forcing the Sandinistas to make good the democratic promise of the Nicaraguan Revolution. If the insurgents are defeated after we have begun giving them military assistance, we will pay a high political price. Unless the insurgency has the practical potential to succeed, our real choices are either to press the U.S. to do the job itself, or to move back toward an aid program that will make the dissolution of the Nicaraguan opposition and the consolidation of Sandinista authority as humane a process as it can possibly be. (This was the underlying purpose of the Barnes-Hamilton resolution that was narrowly defeated in the House of Representatives last June.)

The crucial issue for the coming round of debate on Central America is, then, will U.S. military assistance to the Nicaraguan insurgency give it a reasonable chance of success? And, if not, are there additional things the U.S. and others might do to create that possibility of success?

As it stands today, it seems unlikely that the resistance can achieve much against the Sandinistas even with substantial U.S. military assistance. But if military assistance is given and at the same time firm steps are taken to strengthen the social and political character of the resistance and to overcome its diplomatic isolation, its prospects will be greatly improved—and military assistance can be justified.

Some will be tempted to dismiss this proposition as another disruptive intrusion by political considerations into a matter which should be left to military experts. We would argue that so long as the U.S. is unwilling to intervene directly in the Nicaraguan civil war, military success depends heavily upon political factors: upon Nicaragua's internal political climate, upon the acceptance the insurgency gains from Nicaragua's neighbors, and upon the stance of key Latin American and Western European powers toward the conflict. Until the political balance shifts decisively against the Sandinistas, both within and outside Nicaragua, their military capabilities will enable them to withstand any challenge short of direct U.S. engagement.

POLITICAL LIMITATIONS AND MILITARY CONSEQUENCES

At present, the Nicaraguan resistance movement is a curious hybrid which combines three elements: (1) The first is the original U.S. proxy force (a creation which lacked a popular social base within the country, and had the limited purpose of harassing the Sandinistas, perhaps to create "bargaining chips"). (2) The second is a mass of Nicaraguan peasant recruits, who gathered around the "contras" in bitter reaction against the Sandinistas' policies in rural areas. (3) The third element is an assortment of disaffected figures from the leadership of the Nicaraguan revolution itself: men such as Arturo Cruz and Alfonso Robelo, who represent elements of Nicaragua's democratic middle class and intelligentsia.

This miscellany of social and political forces has proved far more effective and attractive than most observers expected. It continues to attract military recruits, and its standing has grown significantly in the eyes of many Latin American observers. But the bravery and accomplishments of the democratic resistance should blind no one to the fact that in its present condition it cannot, even with more and better weapons, contend effectively with the Sandinista fighting forces. This is a pivotal judgment, and it deserves the most thorough discussion. For brevity's sake we can here simply assert the reasons that have led us to it:

1. The rank-and-file troops of the insurgency come in disproportionate numbers from very poor rural backgrounds and often lack the skills and aptitudes for modern warfare, especially small unit guerilla warfare. They cannot do such things as read maps, repair and maintain mechanical equipment, keep to organized schedules or carry out complex tactical maneuvers. By comparison, the front-line Sandinista combat troops include larger numbers of urban and working class youth who, whatever their morale, are better prepared for the tasks they face.

2. The relatively low cultural level of the insurgent forces makes them especially unsuited to small unit guerilla operations. They need attentive leadership if they are to operate effectively. But the insurgents have not attracted adequate numbers of more educated and motivated junior commanders needed to lead these troops. The Sandinistas have many weaknesses of their own, but they have had time to turn a number of their young militants into effective field officers.

3. The lack of technical competency among the insurgents will make it difficult to introduce quantities of more modern weapons and communications into their effort. At a minimum, their troops will need substantial training.

4. The command structure of the FDN forces is still heavily influenced by figures from Nicaragua's old order. These leaders are not the brutes that some make them out to be, but they do not generate the enthusiasm and loyalty of which the insurgency is capable.

5 The "proxy force" mentality lingers on in the insurgents' leadership—a mentality that leads to caution, dependency and, perhaps, the unspoken expectation that sooner or later their U.S. patron will come in to do the job itself.

These difficulties in the internal composition of the insurgent movement reflect political problems that persist in the movement's relations with both the larger Nicaraguan society and with Nicaragua's neighbors.

1. Despite the quiet satisfaction many urban and middle class Nicaraguans take from the existence of an anti-Sandinista insurgency, they do not yet regard it as theirs. It is not so much that the U.S. supports the insurgency as it is that the insurgency is a creature of the U.S.

2. The insurgency has not sought close ties with democratic forces which remain on the "inside" in Nicaragua—on the contrary, some of its leaders have scornfully urged members of Nicaragua's civic opposition to "come out." This may have been understandable when the presence of opponents in Managua and other urban centers could be exploited as testimony to the Sandinistas' democratic pretensions. But since the state of emergency was declared these pretentions have grown very thin. The insurgency now need closer links to dissidents in the cities. The Sandinistas cannot be opposed successfully by a movement that operates only in the countryside; to be effective, the insurgency must develop an urban base.

3. Political conflicts among opponents of the Sandinista regime have brought armed opposition to a virtual stand-still on the Southern (Costa Rican) front. This permits the Sandinistas to concentrate their best forces against the FDN command on the Northern (Honduran) front, and gravely hinders the guerilla campaign.

4. The limited political appeal of the insurgency diminishes the movement's standing in the eyes of the people who are Nicaragua's neighbors, enabling neighboring governments to at times show a destructive opportunism toward the logistical and communications needs of the insurgents.

5. Some Latin American governments which are critical to the success of the insurgency—Venezuela, Colombia—still give political excuses for holding back their support, while some Western European democracies—Sweden, France—even provide economic assistance to the Sandinistas. But every reasonable effort must be made to overcome this both by the U.S. and by the insurgents themselves.

WHAT CAN BE DONE?

The Nicaraguan insurgents clearly need a major infusion of U.S. military assistance. But our arms and training will be useless unless the political and social character of the resistance is broadened and becomes stronger. It would be the most profound irresponsibility to train and equip guerilla fighters for a mission that is essentially futile. So long as their military operations rest upon so narrow a political base, the capacities of the insurgents will be gravely weakened.

In briefest outline, we believe that the political requirements for U.S. military assistance are:

1. Strengthen the Democratic Character of the Resistance.

Changes that could achieve this have been treated both by the Reagan Administration and key leaders of the insurgency as if their only value were their public relations usefulness here in the United States. We disagree. They are essential for military success in Nicaragua. Without such changes, the insurgency will never be truly Nicaraguan, nor will it be broadly popular. Nor, it needs hardly be said, will it win.

What, specifically, seems to be required is that:

A. UNO must exercise full and effective command over all military forces and political activities. Divisions among resistance groups should be replaced by a more organic unity.

B. A determined effort must begin at once to bring the political and military forces of the Southern Front into a close working relationship with UNO in all phases of its activities. A similar effort must be directed toward the popular leaders of Nicaragua's Indian and Creole communities.

C. The monitoring and enforcement of the conduct of resistance forces with respect to human rights must begin in earnest. So far this program, with President Reagan pledged to insist upon in his letter last June

to Congressman Dave McCurdy, has produced only the most modest beginnings.

D. The insurgency must develop a determined program of propaganda and recruitment aimed at potential middle class and working class supporters. It must become an all Nicaraguan movement, which draws upon the best qualities of all sectors of Nicaraguan society. It must overcome the danger of sociological isolation.

E. Although such efforts must keep clear of direct involvement with the insurgents, non-violent civic protest and dissent should be encouraged throughout Nicaragua.

2. Mount an International Political Offensive.

A. Both the insurgents themselves and the United States government need a clear, simple statement of the goals and strategies of this campaign. It is impossible to win serious allies and supporters to an effort which is so closely guarded and ambiguous.

B. The resistance greatly needs to improve its capacities for waging "the war of ideas." Response to Sandinista actions and statements is often slow and inept. Too often the U.S. government fills the breech. A stronger presence in Washington on the part of UNO's political leaders could be very helpful.

Sandinista repression has now shattered any remaining illusions that Nicaragua has been moving—in ways not understood by the ordinary observer—in a humane and progressive direction. If their present campaign of repression can be successfully resisted, the Sandinistas will soon find themselves more isolated and more vulnerable to diplomatic, economic and internal political pressures. The United States government, together with Nicaraguan democratic leaders and all other friends of democracy, must undertake a massive campaign of public diplomacy and education to cut off support for the Sandinistas and to win support for the resistance.

C. Democracy has grown stronger in Central and South America in the past year, and many of the region's democratic leaders show a clearer understanding of the Sandinistas' role in fomenting violence and subversion. Because of this, there is a growing possibility that substantial pressure can now be mounted through the Contadora process to push the Sandinistas toward democracy and negotiations. Our diplomacy should encourage a vigorous revival of the Contadora process, while adhering firmly to the conviction that peace and freedom will not be secure for the rest of Central America so long as the government of Nicaragua denies peace and freedom to its people.

D. There appears to be no organized "resistance support network" either in Central America or inside the United States. The Sandinistas have surely shown how helpful such networks can be. It seems likely that there are numbers of citizens who would like to be informed, write letters, pressure their Congressmen, etc. The "proxy war" mentality ignores such potential supporters such as these. Certainly more of an effort must be made by credible representatives of the resistance to reach and win the loyalty of citizens here in the United States. All this is equally true with respect to Central America.

E. We think it would be advisable to create a high level, bipartisan and broadly representative citizens' commission to act as a liason agency between the United States and Nicaragua's insurgents. There need to be many closer relationships between those active in the Nicaraguan resistance and the leaders of America's democratic movements and institutions: labor, business, the universities, civic organizations, etc. It would also be helpful to offset some of the spirit of partisan politics that weighs so heavily upon this effort. A blue ribbon Committee of Liaison could help keep the American public informed in an unbiased way, could offer leadership and assistance to resistance leaders (not just conditions and complaints), and could help a busy Congress and a strong-willed President shape more effective legislation and policy.

Paradoxical as it may seem, the kind of effort we envision would require greater, not less, U.S. involvement. But, in relative terms, our role would include more open political and diplomatic activity, and would not continue to be so much a matter of closeted logistical and tactical advice.

3. Give Substantial Military Assistance.

A Nicaraguan insurgency which is moving rapidly toward becoming a genuinely popular political alternative to the Sandinistas will be destroyed unless it has the weapons and the training to defend itself against the Sandinistas massive and growing military power, and has them soon.

It will need sophisticated anti-aircraft weapons, including missiles.

It will need the best quality intelligence.

It will need expert military training.

It will need an expert, dependable logistics operation, which must include a capability to resupply forces inside Nicaragua both by sea and air.

Many Americans understandably imagine that U.S. military aid to the insurgents will lead to a great increase in the numbers killed and wounded in Nicaragua's civil war. But the kind of assistance that the insurgents most need—training, communications, and anti-aircraft—could actually help limit the casualties among both military personnel and civilians. What the insurgents need is the capability to attack well-defined military targets, and to escape retaliation from the massive firepower of the Sandinista army. They also need to be able to protect their own bases, political structure, and educational operations from Sandinista attack. Resistance leaders do not believe that they can mount frontal military challenge to the Sandinistas—they agree that their hopes lie in the development of a more broad-based internal political opposition. When their need for our military assistance is placed in this context, it can win support from many in this country who may now be reluctant to grant it.

[From the Washington Times, Feb. 26, 1986]

TRYING TO DECODE REAGAN'S HUFF AND PUFF ON NICARAGUA

(By John Lofton)

Ronald Reagan is blowing it in Nicaragua.

The man who for years drew thunderous applause with his declaration that we should never again be in a war we are not trying to win, is now in a war he is not trying to win: our war with imperialistic, expansionist communism.

Mr. Reagan wants to give millions of dollars in military aid to the so-called "contras," the Nicaraguan freedom fighters. But he says he is not trying to defeat militarily those who are fighting these freedom fighters, the Communist Sandinistas who are terrorizing the Nicaraguan people and posing a serious threat to the national security of the United States. This policy makes no sense whatsoever. And it will fail, as did our immoral and catastrophic policy of incremental gradualism in Vietnam.

Any way you look at it, President Reagan's policy as regards Nicaragua is an incoherent mess. On his recent trip to Grenada, when asked if military force might be used in Nicaragua, since it worked in Grenada, Mr. Reagan said, with a grin and a little nod of his head: "No, we think it's an entirely different situation."

When pressed, and asked if this answer means that he's ruling out any U.S. force in Nicaragua, Mr. Reagan said, after a pause: "We've never had any plans for such a thing."

But, in his address to a mass rally of citizens of Grenada at Queen's Park, Mr. Reagan contradicted himself, noting: "Today in Nicaragua, we see a chain of events similar to what happened here. (Emphasis mine.) We hear the same excuses made for the Communists while the people of Nicaragua feel their freedom slowly but surely eaten away. . . . And that is why the United States must help those struggling for freedom in Nicaragua.

"In the cause of liberty, all free people are part of the same family. We should stand together as brothers and sisters, and if we do, the Nicaraguan people will be able to free themselves from Communist tyranny and win the liberty that you now enjoy in Grenada."

Meanwhile, back in the United States, on the same day Mr. Reagan was in Grenada, State Department spokesman Charles Redman was saying: "The United States has no intenton of seeking a military solution to the conflict in Nicaragua. Our assistance to the democratic resistance has been and will continue to be for the purpose of exerting pressure on the Sandinistas to come to the negotiating table."

Well, now. If there is a policy that's dumber, more quixotic, and historically more bankrupt than trying to get Communists to give up in negotiations what they have gained on the battlefield, I don't know what this policy might be.

Think about it, please, somebody.

The fatal flaw in the idea of forcing the Sandinistas to come to the negotiating table is the presupposition that whatever is agreed to during such a negotiation would be worth, at least, the paper any agreement would be printed on.

But would such an agreement be of any value? Not at all. The Communists, as President Reagan once observed, are liars, cheats, and murderers who will stop at nothing to implement their plan to take over the world. Lenin said treaties are like pie crusts—made to be broken. And Stalin said that the prospect of sincere diplomacy is about as likely as iron wood or dry water.

And consider the record of the Sandinista Communists in particular. They seized power militarily and promised a whole slew of democratic reforms, none of which have happened or ever will happen. Why? Because the Sandinistas are Communists! And Communists are not democratic!

Every day, every top administration official who deals with Communists ought to be made to write 1,000 times on a blackboard: Communists are liars! Communists are cheats! Communists are not democratic!

Got it? OK.

Seriously, what is it the administration thinks the Sandinistas think is negotiable? After all, these thugs are a group of Communist revolutionaries who shot their way into power. And, according to the State Department, the Sandinista Communists have 65,000 troops on active duty. Three percent of the country's population is under arms,

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which is a ratio five times as high as that of Honduras and four times as high as that of Guatemala—a buildup State says is "unprovoked and far exceeds defensive needs."

Furthermore, the Sandinista Communists have thousands of Cubans fighting with and advising them; the Soviets have given them more than $500 million in military aid since 1981; and they get military assistance from Libya, Bulgaria, East Germany, the PLO, North Korea, Communist Vietnam, and Czechoslovakia.

Does anybody in his right mind really believe that the Sandinista Communists are going to negotiate any of this away? Not bloody likely! And if anybody does think this is likely he is willfully ignoring what the Sandinista Communists are saying. As Nicaragua's Foreign Minister Miguel D'Escoto made crystal clear in an interview in Barricada last month: "The danger is that they (the United States, us) may not have enough common sense to realize that the Sandinista people's revolution is an irreversible process."

But why don't Mr. Reagan and his administration have the common sense to realize this? Why can't Mr. Reagan just shut up and at least refuse to rule out the use of American military force to overthrow the Sandinista Communists if, as he has said repeatedly, they represent a threat to the security of our hemisphere? What's wrong with seeking a military solution, since this is the precise way the Sandinista Communists seized power? Why not fight fire with fire and the sooner the better? Those who are our "brothers and sisters" deserve no less.

IDENTIFY U.S. AIMS IN NICARAGUA

The Reagan administration's campaign is under way to pry $100 million from Congress to aid the "contra" rebels fighting Nicaragua's Sandinista government. In two weeks the Washington battle is expected to be joined, when the White House sends its formal aid request to Congress. Some $70 million is intended as resumed military aid, and the rest for nonlethal assistance, over 18 months.

Congress and the nation should look very carefully at the request. The most important question: What does the administration ultimately hope to accomplish by resuming military aid to the contras? The Reagan administration should be asked to articulate its aim clearly, and to defend it.

Is the goal to overthrow Nicaragua's Marxist government? To get it to share power with the contras or other non-Marxists? Or to prevent it from consolidating power and exporting revolution, by keeping Nicaragua's Army busy and its economy under heavy pressure?

Neither overthrow nor power-sharing would appear feasible in the short term. Keeping Nicaragua's government and military occupied would be a more attainable goal in the near future.

Past requests for aid to the contras have too often seemed primarily an effort to buy time, in hopes that the solution would become apparent later.

In this respect Washington's desire to restore military aid to the contras parallels this week's virtual administration confirmation of what had been assumed in Washington for weeks—that the United States is resuming military assistance to Jonas Savimbi's UNITA rebels in Angola. Here, too, exactly what the administration expects to achieve is not apparent. The prospect exists that increased U.S. aid to UNITA will be met, not by withdrawal of Cuban forces from Angola or any agreement to withdraw, but by stepped-up Cuban or Soviet assistance to the Marxist government.

The Savimbi financing is not subject to direct congressional review, since the money is being provided from existing CIA funds. The contra situation, however, is quite different.

Congress must approve the contra assistance before it can be dispensed, which gives senators and representatives the opportunity to examine administration plans and goals. This is an appropriate congressional function. Congress should consider the issue promptly as well as thoroughly; the longer it is unresolved, the closer a decision would come to November's congressional elections, with their potential for skewing the process.

The Sandinistas have lately made it clear they are no friends of the United States, however they may have started out. Yet what matters most is Nicaragua's behavior in the rest of the Western Hemisphere, not whether Washington approves of Managua's brand of government.

Congress should carefully examine Nicaragua's actions, and the Reagan administration's plans and their feasibility, before making its decision.

SPAIN: NEWEST PLAYER ON THE NICARAGUAN SCENE

(By Hewson Ryan)

The international media have given little attention to a new participant on the Central American scene, a participant that might give a more positive cast to this most frustrating of inter-American problems. With little fanfare but considerable energy, Spain appears to be seeking a catalytic role in the Nicaraguan situation.

Following his attendance at the inauguration of Guatemalan President Marco Vinicio Cerezo Arévalo, Spanish Foreign Minister Francisco Fernández-Ordóñez visited Nicaragua and Costa Rica, where he held sessions with Nicaraguans of all political persuasions.

In all of these meetings he is said to have stressed Spain's support for dialogue. In Managua he met with President Daniel Ortega Saavedra and other officials of the Sandinista government, the Constituent Assembly, and those who chose not to participate in last year's election. He also met with high officials of the Roman Catholic Church.

In San José he received a delegation of three principal figures of the civilian group that supports the "contras": Arturo Cruz, Adolfo Calero, and Alfonso Robelo. They formally requested Spain's help in seeking accommodation between Nicaragua's warring factions. In his statements he asserted that Spain had no particular solution in mind but that its role was to facilitate dialogue among the parties. He emphasized his government's support of the Contadora initiative of Mexico, Venezuela, Colombia, and Panama and recent complementary initiatives through which Argentina, Uruguay, Brazil, and Peru and the five Central American nations associate themselves with Contadora.

This move toward fostering dialogue . . . could mark the beginning of a move toward the management, if not the solution, of the intractable problems of this unhappy area.

Fernández-Ordóñez's visits in Central America are apparently the culmination of a series of Spanish initiatives on the Nicaraguan issue carried out very discreetly by Spain's active ambassador in Nicaragua, Luis Cuervo. He has been sponsoring a series of meetings between Sandinista officials and opposition leaders still in place in Nicaragua. That the civilian side of the contra movment has also been involved in this initiative is evidenced by the carefully worded and extensive document on the political plans of the contra movement presented to Fernández-Ordóñez's in San José by the three leaders already mentioned.

As further evidences that this is not just a flash in the pan, among the minister's formal activities in San José was the signing of an agreement with the Costa Rican government for the establishment of a radio relay station near San José to rebroadcast to Central America the Voice of Spain's international service. This transmitter, which will go into service later this year, will be the first Spanish government radio relay in the Americas; it would seem to indicate an affirmation of Spain's intention to play a more activist role in the area.

The motivation for this move is not quickly evident. Central America has never been of particular concern to governments in Madrid, even in the colonial period. Nor does the region offer any special economic or commercial incentive.

Prime Minister Felipe González, when he was active in the Socialist International some years ago, visited the area; he had given verbal support to the Sandinistas early on. But, as with many of his European socialist colleagues, this support has not been very much in evidence recently. His first foreign minister, Fernando Morán López, made no secret of his pro-Sandinista leanings, but he was replaced early last fall by the much more moderate and centrist Fernández-Ordóñez. Nevertheless, there is a residual feeling of sympathy for Sandinismo among the more militant in the Socialist Party.

Another possible motive might be a need to distract attention from other major foreign policy issues. Political difficulties over Spain's relationship with NATO and severe economic problems resulting from its entry into the European Common Market loom very large on the González agenda. The nebulous prospect of a diplomatic breakthrough in Central America would hardly seem justification for such an initiative. But this possibility cannot be dismissed out of hand.

A third possible motive, the "madre patria" or "motherland" syndrome, likewise seems weak. Franco's "Hispanidad" campaign to bring the nations of Spanish America together under Spanish leadership through exploitation of cultural and language ties never engendered enthusiasm in Spain; except for vistis to the area by charismatic King Juan Carlos, there has been little evidence of strong ties between Spain and its former colonies.

Most likely it is a mix of all three of these motives with an admixture of Spanish Don Quixote-like idealism—"to dream the impossible dream," as said by the protagonist of "Man of La Mancha.

Whatever the motives, this move toward fostering dialogue should not be deprecated. It could mark the beginning of a move toward the management, if not the solution, of the intractable problems of this unhappy area.

(Hewson A. Ryan is Murrow professor of public diplomacy at the Fletcher School of Law and Diplomacy.)

[From the Washington Post, Feb. 20, 1986]

CONTRA AID DRIVE OFF TO ROCKY START

(By Lou Cannon)

The Reagan administration's efforts to win approval of a $100 million military and economic aid package for anti-Sandinista rebels was off to a rocky start yesterday, in part because of a Central Intelligence Agency document about a Nicaraguan "disinformation" campaign that caused confusion among the legislators it was designed to impress.

President Reagan has seen more than 60 members of Congress in two days in an effort to persuade them to support the package, but a White House senior official said yesterday that the private reaction of leaders had been "silence at best."

Senate Majority Leader Robert J. Dole (R-Kan.) said the administration had "a lot of work to do" to get the package passed and added that, "until the American people have a better understanding of this issue, it's going to be fairly difficult for many members of Congress to support it."

In another development, Oscar Arias Sanchez, president-elect of Costa Rica, who has been praised by Reagan administration officials, said he opposes military aid to the rebels, or contras, fighting Nicaragua's government.

"If I were Mr. Reagan, I would give that money to Guatemala, El Salvador, Honduras and Costa Rica for economic aid and not military aid to the contras," Arias said in a taped television interview on "John McLaughlin: One on One." "I don't think with that aid he is going to obtain what he wants."

But the biggest problem for the administration yesterday came not from Capitol Hill nor Costa Rica but from its own ranks. White House spokesman Larry Speakes declined for a second consecutive day to make the classified report about Nicaragua disinformation public, and some officials said the document had clouded the renewed effort to obtain aid for the contras.

Some administration officials and lawmakers were privately critical of the tactics used by William J. Casey, the director of central intelligence, whom they said unwittingly had diverted attention from the aid request and toward the administration's tactics.

As recounted by participants, Casey showed up at a White House briefing Tuesday and passed out classified reports in brown wrappers on the "Sandinista Disinformation and Public Manipulation Plan."

The reports detailed an elaborate and sophisticated Nicaraguan plan to manipulate Congress and U.S. public opinion in favor of the Sandinistas and against the rebels. Among the elements of the plan was a Nicaraguan proposal to encourage network coverage of the Nicaraguan coffee harvest, an event that had already been depicted on NBC.

The report also said that U.S. church groups and such organizations as the Washington Office on Latin America would be used to widely publicize human rights violations committed by the rebels.

The Washington Office on Latin America yesterday issued a report, endorsed by three congressmen, that cited 139 cases of attacks against Nicaraguan civilians, 118 of which were committed by the contras and 21 by members of the Nicaraguan armed forces. A similar report recently was issued by Amnesty International and promptly denounced by Speakes.

But a report the same day from the National Endowment for the Preservation of Liberty, based on interviews with Nicaraguan refugees, painted a graphic portrait of Sandinista abuses, including "indiscriminate shelling of villages" and torture and killing of civilians.

A congressman familiar with both reports said that legislators of both parties were unlikely to be swayed by "propaganda" from either side. A senior White House official who briefed reporters on Reagan's trip today to Grenada acknowledged that the administration had put out "a half-story" on Nicaragua and expressed hope that a declassified version of the report will soon be made available.

In his trip to Grenada to commemorate the October 1983 invasion that he considers to be one of the foreign policy highlights of his administration, Reagan intends to draw a parallel between what happened on Grenada before the U.S. intervention and the situation in Nicaragua.

"You can see in Grenada the hijacking of a country by a small, dedicated, ruthless, violent band of communists and you can see that is what happened to the Nicaraguan revolution," the official said.

THE KIND OF ASSISTANCE NICARAGUA DOESN'T NEED

(By Julie Heegaard)

President Reagan has asked Congress for $100 million to continue the contra war against Nicaragua. There is one very good and simple reason why Congress should deny that request: It is policy doomed to failure.

The administration's reliance on the contras is inappropriate and ineffective. It does not promote the legitimate goals of U.S. foreign policy in Central America, nor does it alleviate the concerns of Americans. In fact, the current approach accentuates the problems, increasing instability and making the possibilities for peace in the region more remote.

There are two legitimate goals for U.S. policy in Central America: the protection of U.S. security interests and the promotion of democracy, pluralism and human rights.

The contras do not protect our security interests. U.S. concerns in this area would be best alleviated by regional, verifiable agreements with clear-cut consequences for violations of those agreements. The contras do nothing to limit the size of the armies and arsenals in the region, nor do they help to control the number of East Bloc and Cuban advisers in Nicaragua. In fact, current U.S. policy is in great part responsible for a major military buildup in Central America, which is potentially much more threatening to U.S. interests than anything the Sandinistas are capable of doing.

The contras do nothing to promote democracy. The best way to do that is to back truly democratic organizations and individuals who respect human rights and liberties, and can serve as examples to others.

But as Edgar Chamorro, a former director of the largest contra organization, made clear in his recent visit to Minneapolis, those who are in charge of this operation are former Somocistas who have little interest in human rights or democracy. Democratically oriented anti-Sandinistas such as Arturo Cruz and Alfonso Robelo have been used simply as wrapping on a package: They hide the ugliness that is inside; they make the contra war more attractive to Congress. But what they are helping sell is an undisciplined group of criminals who use terrorist techniques to wreak havoc on the peasant population of Nicaragua. What kind of examples for democracy are they?

Reagan, in his blind crusade against communism, tells us we must stand up for our democratic principles against the evil Sandinistas. He claims that if we don't show our strength to the world now, we will soon be fighting the Soviets at our doorstep. But when the most powerful country in the world tries to bully a tiny, powerless country like Nicaragua into submission, it does not show that we are strong. And Nicaragua, which has just rediscovered national pride, will never submit to such humiliating tactics.

No matter how much aid the contras receive, they will remain a weak and ineffective military force. The Sandinistas know that. If we continue to insist that the Nicaragua government cry "uncle," direct U.S. military involvement will be inevitable.

But this would lead only to prolonged and bloody conflict. If the United States overthrew them, the Sandinistas would simply flee to the hills and take up arms. Even those in Nicaragua who oppose the current leadership would not welcome a U.S. invasion. The attitude within the country toward the U.S. military is, in general, very negative. Nicaragua is not another Grenada.

In addition, there would be a tremendous backlash in the United States, similar to that which occurred during the Vietnam years. Already more than 70,000 people have signed a pledge saying they would protest such an invasion. Many have promised to engage in acts of civil disobedience. It has taken years for the American people to regain the sense of unity and pride in this country that was lost during Vietnam. An invasion of Nicaragua would reopen wounds that have just begun to heal.

The only way to avoid such a disaster is for the United States to become a serious participant in a political solution. Some 85 percent of the countries in Latin American now back the Contadora negotiations. But the United States, with the help of the contras, has continually undermined that process. For a political solution to be possible, the contra war must stop.

Many members of Congress, including Sen. Dave Durenberger, R-Minn., know this is true. They know the contras do nothing to enhance U.S. security or democracy in the region. They know we are heading toward another Vietnam.

But Reagan has been bullying them as well. His campaign to make those who oppose him look "weak on communism" has made it politically threatening to deny the aid request. The right-wing lobby in Washington has left Congress cowering in fear.

Many will take one step away from the administration and vote for some "humanitarian aid." But this approach still allows Reagan to pursue his contra war and avoid serious negotiations. When that policy has led to disaster for the United States, Americans will hold those Congress members responsible.

Durenberger could avoid this. He has the support in Minnesota and the respect in Congress to be able to take a strong stand against the contras and in favor of a negotiated solution.

It would require courage to take the lead in this, but, five years from now when people look back and realize the insanity of the current approach, they would not see him as the man who was "weak on communism." Instead, he would be viewed as the one who stood up for decmoracy and helped

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save the United States from disgrace and dishonor.

(Julie Heegaard is director of Minnesotans for Peace in Central America, Minneapolis.)

Today Managua, Tomorrow San Diego

(By Patrick J. Buchanan)

Washington.—Whether Central America follows Southeast Asia, Afghanistan and Angola as the next appendage of the Soviet empire is a question to which the Democratic Party in Congress now holds the answer.

The president's position is clear, and so is Moscow's. To the routinized liberal piety, "This conflict does not lend itself to a military solution," Moscow responded in 1985 with $350 million in tanks, armored vehicles and helicopter gunships. Daniel Ortega and Fidel Castro are going for "a military solution."

Denied U.S. weapons, the Nicaraguan democratic resistance is bleeding badly. Bedrolls and bandages are inadequate substitutes for surface-to-air missiles in combating the same Hind helicopters that have made a slaughterhouse of Afghanistan.

Emerging from Nicaragua with 1,200 dead and wounded, one contra commander bitterly echoed President Reagan: We will not go back to fight and die for freedom unless America—the sometime Arsenal of Democracy—gives us the weapons to fight and win.

The strategic issue is a simple one: Who wants Central America more—the West or the Warsaw Pact? Castro, who has sent in 3,500 combat advisers to keep Nicaragua Communist, or the United States, which restricts to 55 the number of advisers it sends to keep El Salvador free?

With military aid, the resistance could immediately field 25,000 volunteers. Without it, Nicaragua's freedom fighters will fall beneath Soviet gunships just as the Hungarian freedom fighters fell before Soviet tanks. In 1956 we argued that Hungary was on the doorstep of the Soviet Union; to rescue Budapest was to risk war. What is the excuse now?

About the character of the Sandinista regime, doubt no longer remains. Even the "useful idiots" of Lenin's depiction—the liberated nuns and Marxist Maryknolls, the journalistic camp followers and tenured professors anxious to wow the coeds with how they picked coffee beans for the revolution—seem defensive. The censored press, the bogus "People's Church," the obliteration of Indian culture, the mob assaults on priests, the schools given over to class hatred, the smashed unions, the secret police, the neighborhood "block committees" of informants, the harassment, exile and murder of dissidents—all the unmistakable hallmarks of the modern fascism that travels under the passport of Marxist socialism are now apparent.

Nicaragua aims to become a second Cuba, a privileged sanctuary for the export of revolution on the mainland of North America. As Cuba is base for bombers patrolling off Norfolk and Charleston, so Nicaragua would soon play host to Bear bombers patrolling off San Diego and Seattle.

Guerrilla wars would be ignited anew in Guatemala—and instigated in Costa Rica and Honduras. While the Central American middle class could fly to Miami, for the 20 million poor the only way out would be the long trek north to the United States. And as Castro seeded the Mariel boatlift with psychotics and rapists and murderers, so Ortega and Borge would surely guarantee that the flood tide of desperate refugees fleeing north contained a flotsam of spies, saboteurs and terrorists.

The Iranian, PLO Libyan and Red Brigade elements turning up in Managua have not arrived to help with the banana harvest. As Moammar Khadafy exulted: We support the Sandinistas "because they are fighting America at its doorstep."

During Vietnam, the mocking taunt of the antiwar movement was, "Are you saying that if we don't stop the Viet Cong here, they'll be in San Diego?" Well, if Central America goes the way of Nicaragua, they *will* be in San Diego.

Having voted to abandon Southeast Asia to Hanoi and Moscow, the Democratic Party would not likely survive the ceding of Central America to the Warsaw Pact. But the political demise of the San Francisco Democrats would be small consolation for an America that could, before the century's close, find its Rapid Deployment Force stretched out along the Rio Grande.

Two decades ago, the Democratic Party began its withdrawal from the great Western coalition to contain Communist expansion, which it once led. It voted, first, to scuttle Southeast Asia, then, with the Clark amendment, not to interfere with the Soviet conquest of Angola. By cutting arms shipments to Nicaragua's freedom fighters, by tying the president's hands with the Boland amendment, the national Democratic Party has now become, with Moscow, a guarantor of the Brezhnev doctrine in Central America.

Whose side are you on? That was Dean Rusk's pointed question. With the vote on contra aid, the Democratic Party will reveal whether it stands with Ronald Reagan and the resistance—or with Daniel Ortega and the Communists. The time for debate has expired.

(Patrick J. Buchanan is White House communications director.)

Limits of American Interventionism

(By Henry S. Bienen)

Princeton, NJ.—A new interventionist spirit is abroad in the United States. It has seized conservatives who want to intervene to support Jonas Savimbi's forces in Angola, the contras in Nicaragua and "freedom fighters" in Afghanistan. But is has also emerged among liberals and centrists who are pushing for sanctions against South Africa and oppose U.S. support for repressive regimes. It is a dangerous tendency, and one that may in the end involve us in places we don't want to be.

The Reagan administration has encouraged this attitude among conservatives and liberals alike, opening a pandora's box of demands that the United States act as arbiter of politics and factional struggle in a host of countries, most recently and prominently in the Philippines. It all bagan in 1980, when candidate Reagan campaigned against what he saw as failures arising from the "Vietnam syndrome"—among them, an American lack of strength and will in Angola, the Horn of Africa, Nicaragua and Iran.

Among the first things he did in office was institute a policy of "constructive engagement" designed to prevent a vacuum from forming in South Africa, where the Soviet Union might project its influence. By the time he began a second term, he claimed to have restored U.S. military strength and political influence and set out to exploit the Soviet Union's own regional difficulties around the world.

It did not take long for liberals to follow his cue, suggesting that the United States should feel free to abandon and even overturn repressive and illegitimate dictatorships. The clarion calls for the removal of Presidents Jean Claude Duvalier in Haiti and Ferdinand Marcos in the Philippines were made in the name of human rights. Other liberal interventionists spoke of the need to protect American long-term interests through good relations with the people of these countries.

Both arguments got a good hearing among the centrist bureaucrats who make foreign policy. Such people are all too aware of the dangers of large-scale instability—the hemorrhaging capital, mounting debts and growing dissidence—that arise when dictators overstay. For these policyholders, the lessons of Iran are to look at alternatives to ineffective leaders earlier in the game and to anticipate widespread opposition.

What is wrong with this impulse? The United States cannot avoid making decisions that affect the prospects of the Marcoses, Duvaliers, Zias, Mobutus and Bothas. Nor should we flinch from using our political influence or our military and economic aid to further our own interests.

We must, however, beware of any intervention in places where the prospects for instability are great even after the removal of the dictator.

The interventionist language we hear so much of these days should be disturbing to those who understand the limits of American power. Senators who said that the Marcos government had "lost the confidence of the United States" and arrogated to themselves the power to decide who should be inaugurated in Manila echoed a questionable U.S. imperial past. Filipino opponents of Marcos may take pleasure in such words now, but one day they will undoubtedly be used against the United States by its enemies in the Philippines.

Then there is the question of consistency. There are many governments that are corrupt and repressive. Electoral fraud was widespread in the Philippines but present also in recent gubernatorial and municipal elections in Mexico. The electoral process has been structured to favor incumbents or their surrogates in many countries with which the United States has close relations—Pakistan, South Korea and Taiwan, for example. In many others, such as Nigeria, military leaders have replaced elected regimes. How then should the United States decide where to intervene?

The answer is that when a leader's strength fails, as occcurred in Haiti and the Philippines, we should act to protect our long-term interests. We need not feel constrained to act, when we can be effective, We must, however, give careful consideration to the depth and scope of our intervention—and to the amount of publicity it receives. How much, for example, are we willing to spend now in Haiti and the Philippines? How far are we willing to go to influence the way both countries are governed? What will we do if it turns out that no one can stabilize the Philippines?

There are places where we will not want to be engaged. And even in countries, such as the Philippines, with which we have had long, close ties, our ability to encourage democracy will be limited. Filipinos should want it that way. American policymakers who have a sense of the limits to American resources, abilities, commitment and attention span might want it that way also.

Perhaps Ronald Reagan has been too successful in restoring the United States' sense of its own power.

(Henry S. Bienen is director of the Center of International Studies at Princeton University.)

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100 Donate Blood in Contras Protest

(By Jim George)

About 100 people opposed to U.S. Sen. Dave Durenberger's support of rebel activity in Nicaragua filed through his Minneapolis office Monday on their way to donate their blood in protest of the fighting taking place in that Central American country.

The protesters registered about 10 a.m. in the Minnesota Republican senator's office to give blood and then were bused to the Minneapolis Blood Center to make their donations.

Mel Duncan, an organizer of the demonstration, said the donated blood won't actually be sent to Nicaragua but will be used in Minnesota.

Ducan said the blood donation was more of a symbolic act to protest what he described as the support Durenberger and others in the U.S. government are giving to the bloody and terroristic activity of Nicaragua's so-called insurgent forces, the contras.

He said a more practical form of aid will be raising money from concerned citizens to send blood bags and blood collection materials to Nicaragua.

The equipment will be sent directly to the Nicaraguan Red Cross for use in combat areas, Duncan said, where blood collection materials are in such short supply that body-to-body transfusions are commonplace.

Durenberger on Monday disputed the claims that he supports war in Central America.

"It is premature to characterize my position on this issue, other than to say I am diligently searching for a way to use a positive U.S. role to end the conflicts in Central America which have brought suffering and economic dislocation to millions of people who have already suffered too long," Durenberger said in a statement.

A team of two doctors, a hematologist and five nurses who have worked in Nicaragua registered the blood donors in Durenberger's office, Duncan said.

One donor, Connie Converse, a mother of three, said she came down from Brainerd to donate her blood and leave a message of her opposition to Durenberger's support of the contras.

"Our blood may be going down there only symbolically," she said, "but it is important to make a statement to the Senator that the bloodshed there has to stop."

Each of the blood donors made a statement onto a tape recording that was left for Durenberger.

The protesters claim Durenberger has been a leading advocate of contra aid.

Mr. SASSER. Mr. President, I yield 3 minutes to the distinguished Senator from Connecticut.

The **PRESIDING OFFICER.** The Senator from Connecticut.

Mr. DODD. I thank my colleague for yielding. I will be very brief. I will reserve to a later point remarks that go to the substance, the very foundation, of the particular issue before us.

I want to commend my colleague from Tennessee and others who have worked with him and to tell him and others that I intend to support the Sasser substitute.

As many in this Chamber know, this is a substantial movement for this particular Senator. I have long objected to the old notion that somehow this policy could ever achieve the stated results of its supporters. I have deep concerns about various aspects of the Sasser proposal.

But as our colleague from Washington, Senator Evans, pointed out in what I thought were some of the finest remarks I have heard in this debate in the last several days, there is an absolute necessity for consensus. Consensus cannot be imposed; it must be sought.

For those of us, all of us in this Chamber, who have differing views on how this matter ought to be resolved, I think it is incumbent upon us as individuals to seek that consensus where possible, so that we build the broadest possible base, so that we may, in fact, have a foreign policy that is sustainable.

I do not know if anyone has figured out exactly what ought to be done. Each of us may have our own particular proposals and propositions. But where possible, even where not perfect or pure in our own mind, it seems to me we ought to try and rally behind those proposals and give them a chance.

I think the Senator from Tennessee, Senator Sasser, has done just that with his proposal. It calls for resumption where possible of bilateral talks. It gives this institution, the Senate, the Congress of the United States, an opportunity to come back and consider once again this proposal at a later date.

Those are the very minimal requests that would allow this program to go forward no matter how questionable I and others may find it.

I supported the proposition of the distinguished Senator from Massachusetts this morning. That is where my true sentiments lie.

I would hope that we would take advantage of this proposal. I believe there is an opportunity to build some consensus around this proposal being offered by the Senator from Tennessee. I urge its adoption.

The **PRESIDING OFFICER.** The Senator's time has expired. Who yields time?

Mr. LUGAR. I yield 2 minutes to the Senator from Connecticut.

Mr. WEICKER. I rise to oppose the amendment of the Senator from Tennessee and will also oppose the amendment of the majority leader and Senator Lugar.

To paraphrase the saying, "A rose by any other name" as it applies to the $100 million request: A meadow muffin by any other name remains just that.

The issue is not whether the aid level should be $100 million, or $75 million, or $50 million. It is not whether it is military or humanitarian. It is not whether you are going to give the money next month, next week, or tomorrow. It is not whether there is going to be a congressional veto. The issue is very clear cut.

The issue is disease, the issue is poverty, the issue is ignorance, the issue is homelessness. It is all those elements that are the textbook conditions for communism entering any part of this world. Now we have it on our back doorstep because of the neglect of the United States over decades and over many administrations.

This issue does not apply just to Nicaragua. It applies throughout Central America and South America. The time has come to devise a policy, an activist policy, whereby we do not have communism in our hemisphere.

Some might argue, that is going to be expensive. I counter that with the example that within 3 days, between this $100 million and the $20 million for Honduras, we have spent $120 million. That is what is at issue. I suggest to my colleagues that it will be far less expensive to eliminate those causes which brought communism into our hemisphere. That will be a small price to pay rather than the bottomless pit down which the money goes. Next the lives of Central Americans will go, and finally our own direct involvement will come about.

So make no mistake about it, Mr. President. Mr. Kennedy's amendment, which was rejected this morning, is the one that should have prevailed. We should not be in this at all in a military sense. In a constructive way, yes; militarily, no.

The **PRESIDING OFFICER.** Who yields time?

Mr. PELL. Mr. President, in behalf of the Senator from Tennessee, I yield 3 minutes to the Senator from Ohio [Mr. Glenn].

Mr. GLENN. Mr. President, I am not wholly satisfied with the Sasser substitute, and I suspect many of my colleagues are not. However, it is clear to me that the Senate will pass something today, either the administration's proposal or the Sasser substitute. Of those two the Sasser substitute is, in my view, the preferable option. Last year I opposed humanitarian aid to the Contras and I am still troubled by the provision of the Sasser proposal which continues the Humanitarian Aid Program. However, in the Sasser approach, humanitarian aid is contingent on a cease-fire and the resumption of bilateral United States-Nicaraguan negotiations with a bipartisan negotiating team. In other words, while we are giving this aid to the Contras, they will not be fighting. Further, the Sasser proposal adds accountability provisions which will ensure that our aid is used for, and only for, nonmilitary, nonlethal supplies.

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I have long contended that the United States should give our full backing and support, and not just lip-service, to the Contadora process. If bilateral negotiations between the United States and Nicaragua might help to get the ball rolling, then let's start talking. The Sasser amendment mandates such negotiations as a precondition for the continuation of the Contra aid program. I have long wrestled with the problem of how Congress can induce the administration to do what they have so far been unwilling to do, and that is to make a good-faith effort to seek a negotiated settlement of our differences with Nicaragua. As an attempt to solve this problem, the Sasser proposal mandates that the negotiating team be bipartisan. While this may still not be enough to overcome the administration's intent to seek a military, rather than a diplomatic, solution, it, nonetheless, offers the best chance of realizing that goal of any proposal put forward to date.

Finally, unlike the administration's proposal, the Sasser approach ensures that the efforts of the administration to achieve a negotiated solution will be examined again by the legislative branch by requiring that any further aid must be approved by the affirmative vote of both Houses of Congress.

Mr. President, it has long been my position that we should not start down the road to a long, costly, and bloody war in Nicaragua. At an absolute minimum, I believe we should fully exhaust all chances for a negotiated settlement. The Sasser approach offers the best available opportunity to see that the diplomatic option becomes the centerpiece of our policy, not just a sideshow. Hence, despite my reservations about continuing the Humanitarian Aid Program, I will support the Sasser substitute as the only realistic option the Senate has had presented to it in opposition to the administration's misguided policy.

There is one final issue I want to address today. I do not believe it was brought up heretofore, and I am truly sorry that it has become necessary to do so. Within the past 3 weeks, the administration has chosen to introduce an ugly element into this debate—an element that has no more place in this country now than it did in decades past. I'm talking about red-baiting—and the administration's shameful suggestion that anyone who does not support Contra aid is either a stooge for the Communists or in sympathy with their cause. On March 5, the White House Communications Director was either asked or was allowed to write that "with the vote on Contra aid, the Democratic Party will reveal whether it stands with Ronald Reagan and the resistance—or Daniel Oretga and the Communists." And on March 6—just 1 day later—the President himself was asked if the choice was between him and the Communists. He replied—and I quote—"It's what the choice comes down to, whether it is knowingly or not."

Well, Mr. President, that is not what the choice comes down to. Like many Members of this body, I have fought for America, first in World War II and later in Korea. That does not make me different from a lot of people. No one is more anti-Communist than I, and no one has been more willing to risk his life in defense of this Nation. And I can tell you I deeply resent the administration's recent sickening display of neo-McCarthyism on the Nicaraguan issue.

The President is not a dictator, he is not a king, he does not even have as much power as most prime ministers in this world. He is simply the President of the United States, endowed by our blessed Constitution with the powers and authority of government.

It is time this administration learned that dissent is not disloyalty, and that those who disagree with them are not handmaidens of the Communist conspiracy. I resent having my motives challenged and my patriotism impugned just because I differed with this administration over the size of the defense budget or with the wisdom of our involvement in Nicaragua's civil war. The Democratic Party is not the enemy; we are the loyal opposition. It is long past time that the Reagan White House recognized the difference.

The PRESIDING OFFICER. The Senator's time has expired.

Mr. GLENN. I ask for 1 more minute.

Mr. SASSER. Mr. President, I say to my friend from Ohio we simply have no time. I have to reserve 2 minutes at the end. I regret I do not have more time.

Mr. President, we reserve the remainder of our time.

Mr. LEVIN. Mr. President, I support Senator Sasser's substitute and oppose the President's request for military aid to the Contras. After careful consideration of the issues, and close examination of the arguments, it is my judgment that the President's requested aid would be, in the final analysis, detrimental to the interests of the United States.

I am a Senator willing to support true humanitarian aid. Last June, I voted for an amendment offered by Senator Biden that prohibited military or paramilitary aid to the Contras, but would have provided controlled and conditioned humanitarian aid. Unfortunately, that amendment, which was intended to help move all sides to a negotiated settlement, was defeated.

There is a distinction between true humanitarian aid and the type of aid the administration is talking about. There is a tradition and history of true humanitarian aid in war. But, air defense missiles and tactical training of combatants in radio communications, intelligence gathering and utilization, and small-unit tactics do not qualify.

That type of aid is not humanitarian, and every nation in the world knows it. That is why I supported Senator Kennedy's amendment: It is abundantly clear that the aid the administration intends to deliver is not true humanitarian aid.

I am deeply concerned about the direction and tone this debate has taken in recent days. In Congress, it is our duty, our sworn oath, to defend and protect the interests of the United States. I do that with pride and total conviction. Each of us does. We all have the same goal and purpose: to do what is best for the United States.

Our judgment on how to achieve that may differ, but one thing does not—our unswerving determination to vote our convictions, and vote what we judge is best for the United States.

It is wrong to state that in this legislative battle we do not have the same goal.

There is only one goal: serving the national interests of the United States.

We all agree that the United States has clear and undeniable interests in the region. It is in our national interest to make sure that Nicaragua does not export its revolution, and does not further supply and support the rebels fighting El Salvador or other countries in the region. It is in our clear national interest to ensure that no Soviet bases or strategic weapons are located in the region. It is in our national interest to work toward the successful demilitarization and democratization of Central America.

The question before us is how best to achieve these goals.

To fashion a wise policy, we should avail ourselves to the lessons of history. Communism is less likely to prevail in a society that is prospering, offering its people political and economic freedom and opportunity. Communism's best chance of success is where there is economic oppression and unfairness, where the people are denied justice.

It is in our interest, and the interest of all people who share this hemisphere with us, to do all we can to see that poverty, disease, ignorance, illiteracy, and social and economic injustice is eradicated. It is in our national interest, and the interest of human justice, to work toward a region secure and stable, prosperous and at peace.

But, further military aid to the Contras is not the way to achieve this. There is much evidence supporting this conclusion.

First, our friends and allies, particularly those in Central America, are opposed to this aid.

On February 10, 1986, the foreign ministers of the Contadora group and the foreign ministers of the Group of Support came to Washington to urge the United States to support the new initiative proposed in Carabelleda, Venezuela, and not fund the Contras. It would be wise policy to listen to our allies in the region, and work with them. They, too, have an undeniable stake in this. It is an approach that should be given genuine support, and given a true chance to succeed.

Oscar Arias Sanchez, President-elect of Costa Rica, opposes military aid to the Contras. He said last month, "If I were Mr. Reagan, I would give that money to Guatemala, El Salvador, Honduras, and Costa Rica for economic aid and not military aid to the Contras."

Second, U.S. military assistance to the Contras helps bolster the Sandinista's internal support. We should be sensitive to the ramifications of our actions. I am afraid we are handing the Sandinista government a propaganda weapon for further repression.

The Sandinista government is facing economic and political crisis, and is—justifiably—losing internal support. Yet, U.S. policy is providing them a rallying cry. As long as they continue to be threatened militarily, they can try to—and are succeeding to—shift the blame. By being on a war footing, they justify the curtailment of civil liberties and freedoms, and rationalize their economy's poor performance, and further consolidate their authoritarian regime.

Third, I fear that U.S. aid supports human rights abuses.

The Contras are guilty of documented human rights abuses and atrocities. In spite of repeated promises and announcements of reforms and codes of conduct, the abuses continue. The Contras are not the moral equivalent of our Founding Fathers. Further U.S. identification with such atrocities further hurts our image, moral standing, and effectiveness in the region and throughout the world.

Aid to the Contras is being justified on grounds that it will provide the Sandinistas with the incentive to negotiate. Yet, the truth is, there have been any number of lost, missed, and rejected opportunities to negotiate. What the administration really means by negotiation is for the Sandinistas to be replaced, not reformed.

The administration's intention is clear.

Fourth, the administration's demands of the Sandinistas, as presented thus far, cannot succeed. The administration demands that the Sandinistas unilaterally reverse their military buildup and send its foreign advisers home, prior to negotiations and not linked to negotiations. Yet, at the same time, Congress addresses this request to continue funding the Contras.

Unfortunately, Nicaragua is using the events of history to argue and try to persuade its people that the United States is preparing to invade. It is sad and painful to acknowledge that the United States has a history of insensitive heavy-handedness toward Nicaragua—as well as other countries in the region—and we have invaded and occupied before. The Nicaraguans argue that they are justified to distrust us. A wise United States policy would be to recognize this, and try to deal with the fact that much of the appeal of the Sandinistas in Nicaragua—whatever little there may be left—is Nicaraguan nationalism. It is a point of national pride, and a measure of Nicaraguan patriotism, to oppose Yankee domination. This product of history demands that our policy recognize this, and take this into account.

Fifth, it must be noted that this aid as proposed will not be effective, and will not accomplish the goals the administration seeks.

After 5 years, and tens of millions of dollars of U.S. aid, the Contras have not succeeded, nor even made much progress. The administration's analogies to the Philippines are not accurate. If anything, such comparisons argue against the administration's case. In the Philippines, a dictator was overthrown because of overwhelming popular opposition and in the face of overwhelming military superiority.

The Contras do not have that support.

The Contras as currently structured are flawed, for they are too often perceived to be a creation of the U.S. Government, rather than an indigenous uprising with broad-based popular support.

Sixth, this request for military aid is a violation of international law, our treaty obligations, and our domestic law.

In April 1984, the International Court of Justice [ICJ] ruled against the United States in proceedings brought before it by Nicaragua. It was ruled the covert war activities funded by the United States violated article 2(4) of the United Nations Charter, articles 18 and 20 of the OAS Charter, article 8 of the Convention on Rights and Duties of States, and customary international law.

In response, the United States moved to have the case dismissed. When the Court rejected that move, the United States declared it would no longer participate in proceedings before the ICJ on this matter.

Such aid, as proposed, also violates our treaty obligations.

The Charter of the Organization of American States, in articles 15, 16, and 17, states:

> ARTICLE 15
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> No State or group of States has the right to intervene, directly or indirectly, for any reason whatever, in the internal or external affairs of any State. The foregoing principle prohibits not only armed force but also any other form of interference or attempted threat against the personality of the State or against its political, economic and cultural elements.
>
> ARTICLE 16
>
> No State may use or encourage the use of coercive measures of an economic or political character in order to force the sovereign will of any State and obtain from it advantages of any kind.
>
> ARTICLE 17
>
> The territory of a State is inviolable; it may not be the object, even temporarily, of military occupation or of other measures of force taken by another State, directly or indirectly, on any grounds whatever. No territorial acquisitions or special advantages obtained either by force or by other means or coercion shall be recognized.

And finally, such aid is inconsistent with domestic U.S. law under the Neutrality Act (18 USC § 960). The Neutrality Act prohibits initiating, organizing, or funding hostile expeditions launched from U.S. territory against a foreign country with which the United States is at peace.

Rejecting aid to the Contras is not the same as withdrawing from the region. It is an area of vital U.S. interests. But, there are alternatives.

Mr. President, a satisfactory military solution to the challenges in Central America is not possible. To Americanize a military effort will be counterproductive. A heightened militarization of the region, a military escalation, particularly if Americanized, will not facilitate, in the long run, the accomplishment of our national goals. Our long-term national interest is to see a stable and democratic Central America, free of oppressive governments, and at peace.

I have heard proponents of the President's proposal say on the Senate floor that they support the President's efforts to eradicate the Sandinistas. The statement has been made that "there is nothing to negotiate" with the Sandinistas, and that is why the President's proposal should be supported.

The parameters of the debate are clear.

None of us are naive. None of us have illusions about negotiating with dictatorships and Communist governments. None of us think that the Sandinistas can be taken at their word.

To negotiate, however, we need not trust our adversary. We need not agree with them. We need not like them.

But, we need not be funding a war against them, either.

In negotiations, nations do not give anything away. In negotiations, nations try to reach common ground of common interest. In negotations, nations seek to serve their own national interests, and can do so without being naive.

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We negotiate with Communist adversaries. It is necessary to do so, to negotiate hard to achieve our national objectives without war.

An honest effort should be made to see if we can achieve our national goals through negotiations.

There have been insightful and prudent suggestions offered for negotiations. We should open bilateral negotiations, and we should work with the members of the Contadora group and the support group to facilitate the ongoing multilateral negotiations. We should seek a mutual cease-fire.

We should enter negotiations. We should hold fast to finding workable solutions to contain Nicaragua. We should understand, and make clear, that we will support our allies in the region. We should negotiate with the Sandinistas, as we do with the Soviet Union, making clear and unmistakable our interests and our determination to protect them.

Mr. MITCHELL. Mr. President, I rise in support of the Sasser amendment to Senate Joint Resolution 283, which would only make aid available to the Contras subject to several important conditions which best serve the U.S. interest. It is unfortunate that the administration so strongly opposes this amendment, for it represents the best alternative in a difficult, complex situation.

The United States has two distinct interests at stake in Central America.

First and foremost is the United States' own security interest. In a modern application of the Monroe Doctrine, our self-interest requires that we not permit the introduction of Soviet or otherwise hostile forces on the mainland of the American Continent. We also cannot tolerate the presence of hostile offensive weapons in the Americas, and we will not do so. On that point there is no disagreement.

Our second interest is to further the development of representative governments, democratic institutions, individual liberties, and pluralism in the Western Hemisphere. This interest also reflects the traditional Monroe Doctrine through which our Nation, from its earliest revolutionary period, stood firmly in support of movements for freedom and independence throughout Latin America.

The Sasser amendment recognizes both these traditional Monroe Doctrine applications. It sets clear, specific, and achievable policy goals with respect to Nicaragua. The administration's lack of clarity in its goals has contributed both to confusion of the debate, and more importantly, to the failure of our current actions to achieve results.

The United States has not clearly articulated its goals to date. Doing so will help us measure our movement toward them, and it will help us distinguish between those actions which serve our interests and those which do not.

The goals established by the Sasser amendment are fourfold. The first goes directly to the question of Soviet and other Communist-bloc military aid and presence in Nicaragua. The second concerns the export of revolution to Nicaragua's neighbors. The third addresses reforms by the Sandinista regime. And the fourth goes to strengthening the ability of regional nations to resolve regional problems.

Americans can agree on all these goals. They are realistic in terms of what can be achieved and they do not betray our ideals in terms of what should be sought. Most important, they are goals whose validity will endure well into the future.

We must not only forge a policy in this region which has bipartisan support. We must have a policy which can be sustained over time.

Individually, each goal consists of components that can be achieved.

The most immediate issue in the presence of Soviet and Communist-bloc personnel and military aid. The amendment sets as United States policy the reduction of that presence and military support, a clear ban on Soviet or Cuban—or other Communist-bloc—military bases in Nicaragua.

Measurable success for that policy will require not only a reduced level of military aid to Nicaragua from Soviet, Cuban, and other Communist-bloc sources, but also specific restraints on the type of equipment that may be introduced.

These goals are achievable. The question is how they may be best achieved, through diplomacy or through military force? That is the crux of this debate.

I believe diplomacy has not been adequately explored.

The pending amendment would establish a framework through which diplomacy could be fully explored before a resort to military force.

It would require bilateral negotiations between the United States and the Nicaraguan Government, with no precondition. If, under those conditions, the Sandinista government does not negotiate, the circumstances of its refusal will be crystal clear.

The amendment would provide for congressional observers to the negotiations, and a cease-fire, monitored by regional nations, prior to negotiations.

Again, if the Nicaraguan Government will not accept a cease-fire, the circumstances of its refusal will be clear.

The amendment does not wholly abandon the Contra forces, which now rely on U.S. aid. It continues nonlethal aid at the present level of $30 million.

It provides for a mandatory review of this policy and its progress within 6 months.

It specifically sets forth the prospect of further aid to be voted to the Contras if negotiations clearly are not moving.

It requires the pursuit of United States policy goals through direct negotiations between the United States and the Government of Nicaragua—the one party which can most directly accept or reject United States interests. It also clearly expressed the U.S. intention to retain all its options in the event that progress is not made.

This policy approach will uphold clear and real U.S. security interests, in direct and unambiguous terms.

Such a change in approach is needed because past policy approaches have failed. We have, over the past 6 years, moved from cutting off economic assistance to the Sandinista government to having the CIA mine Nicaraguan harbors, to initial covert support for the Contras, to a trade embargo, and humanitarian aid.

Now we are asked again for direct military aid. But if one thing is clear, it is that $70 or $100 million will not win the Contras' war for them. It will not win regional stability for us.

The President's aid request is not enough to achieve the goal the President wants. The President is not asking—yet—for the degree of American involvement that might secure his goal. And it is precisely that level of involvement, which would require direct American military intervention, which we want to avoid.

The Sasser amendment stands in contrast to the failed policies of the past 6 years.

Our past policy has steadily escalated conflict in Central America. Administration rhetoric has created the impression of a momentum toward the complete overthrow by military force of the Sandinista government. But the administration has not been prepared to ask for the resources to do so.

If the administration's intent is to eliminate hostile Communist outposts in Central America, $100 million is inadequate.

The result is a stumbling toward a wider conflict and a deeper United States involvement which serves nobody's interests; neither the people of Nicaragua, the rebels fighting their present government, nor the United States.

Instead, an outcome of this confused policy has been to intensify the militarization of Nicaragua by the Sandinista government; to push them closer into the orbit of Soviet assistance; and to provide a convenient excuse to curtail the basic human liberties of the Nicaraguan people.

Attention has thus been deflected from the Sandinistas' own shortcomings and their increased isolation from Western World opinion—and directed instead to U.S. support of the Contras.

The Sandinistas' domestic position has been strengthened, rather than weakened.

We have now spent hundreds of millions of dollars, as well as 6 years, in an effort to oppose the Sandinista government by military means. We have pursued a buildup of military facilities in Honduras. We have engaged in land and naval military exercises in the region. And we have extended military and humanitarian aid to the Contras.

Today, we are told that only American money is necessary, not American troops. But, predictably enough, we have also been warned that American military advisers probably will be needed to train Contra troops in Honduras. That's the way it happens. First, American money. Then, American advisers. Then, inevitably, American troops.

None of our allies support our policy, especially the democratic nations of Central and South America, who risk the most from an escalating conflict. They see resulting from it the grim specter of wider war, something their desperately poor people neither want nor can afford.

The policy set forth by this amendment supports the Contadora process, and returns the United States to negotiations with the Government of Nicaragua.

The policy of first resort to military force rather than negotiations has not worked. An additional $100 million will not make it work.

The alternative of negotiations and the involvement of the interested Central American nations—Mexico, Venezuela, Colombia, and Panama—makes much more sense. The amendment contains clear deadlines and policy goals that make its success measurable.

Direct negotiations and the Contadora process uphold the promise of international law and international cooperation. Only such international cooperation can ensure the vitality of the Monroe Doctrine.

As an outpost for Soviet-inspired adventurism, the Sandinista regime poses a threat to regional security.

The Sandinistas must take steps toward demilitarization and internal democratic reform.

This amendment seeks to blend continued pressure with concrete inducements for the Sandinistas to negotiate their differences with us directly. It preserves all our options, and it strengthens the legitimate claims of Nicaragua's closest neighbors for regional reconciliation.

It is the best alternative crafted to guide our actions in Central America, in ways that serve the interests of the United States and the entire hemisphere. It deserves our support.

Mr. EAGLETON. Mr. President, last year, President Reagan stated:

> My administration is determined to pursue political, not military solutions in Central America . . . and to secure democracy and lasting peace through rational dialogue and regional negotiations. We do not seek the military overthrow of the Sandinista government or to put in its place a government based on supporters of the old Somoza regime.

I agree with the President's stated policy.

I emphasize the word "stated" because there is a huge difference between what the President says about "political solutions" and "rational dialog" and what the President in fact does. In fact and action, the President's policy is exclusively a policy of military overthrow of the Sandinista regime.

I am not convinced, based on the administration's track record to date, that the President has lived up to his spoken word. But I am cautiously willing to provide the administration a new opportunity to achieve its stated policy of a peaceful negotiated settlement.

Of all the arguments the administration has made on behalf of the additional aid to the Contras, the only one which has any semblance of merit, in my view, is that the Contras keep pressure on the Sandinistas for internal political change. No doubt the Contras constitute a continuing and heavy nuisance to the Sandinistas.

I have no illusions about the Sandinista government. It is a harsh, repressive, Marxist, dictatorial Soviet client. Commandante Ortega's sheer political stupidity—last year in the form of a heaven-sent trip to Moscow and this year in the form of an incursion across the Honduran border—has certainly made things easier for the administration. Daniel Ortega is a thug—and an incredibly stupid one at that. But, at the same time, I harbor no illusions about the so-called freedom fighters. Despite their recent reorganization, their military leadership remains comprised for the most part of former members of Somoza's national Guard, another bunch of thugs. As some would cast it, it's "our thus versus their thugs."

I have opposed military aid to the Contras in the past because it is in my view a blind alley. The Contras lack the support of the people of Nicaragua and militarily, they simply are not equipped to march into Managua, even if the President were to obtain the full amount of military aid he seeks today.

The Sasser substitute buys time—and that is about all it does. I fervently hope it buys sufficient time for the United States to develop a real policy which puts its efforts behind a political settlement in Nicaragua.

This may well be the last chance for a political settlement, fragile as that chance may be. If negotiations fail, the administration's proxy war will inevitably escalate. This year's $100 million will lead to next year's $150 million or more. Soon it will dawn on the President that the Contras—the army that can't shoot straight—need some first-class training—training that only the good old U.S.A. can provide. The training, it will be argued, must, for practical purposes, delivered in or close to the field of operation. Soon trainers will become advisors. Then, it will dawn on someone that the only way to oust the Sandinistas from Managua is for some U.S. support forces to be used. Then, after support forces it becomes ground forces.

And all the time the United States is escalating its input into the Contra war, the Sandinistas will be getting enhanced aid and weaponry from Cuba and the U.S.S.R. matching weapon by weapon what we supply—with possibly a great deal more to boot.

Will the region be more secure? No. Will the Sandinistas become more pluralistic and amenable to democracy? No. Are the risks of direct American involvement greater? Yes.

Thus, traveling the Contras road in Nicaragua is traveling a road to a bottomless pit. It is a road to no promising end. It is a road fraught with ever-escalating risks and dangers.

Mr. LUGAR. Mr. President, I yield myself 12 minutes. The Sasser amendment is an important amendment. The debate has been an excellent one in which Members on both sides have spoken, I think cogently and fervently, about general issues that face us today in addition to the specific amendment offered by the distinguished Senator from Tennessee. Let me speak directly now to that amendment because that is the vote that we shall be having in a very few minutes. It is important to address the essential items that divide us on this issue.

First, the distinguished Senator from Tennessee, in his amendment, has stated goals for our foreign policy which I suspect all of us share. Clearly, we are talking about the task of attempting to reduce the Soviet-Cuban presence in Nicaragua and to prevent the establishment of bases in that country by the Soviet bloc.

We hope to end the export of revolution by Nicaragua to its neighbors. This is one of the elements of foreign policy the Senator has stated.

We hope to open up the political system in Nicaragua to legitimate opposition. We hope to support the Contadora process. So far so good.

Of course the proof of the pudding is in the elements that are suggested to bring these improvements about. The first difference we have comes in the thought that the United States "will"—and that is the language used—the United States will begin serious bilateral negotiations with the Government of Nicaragua—without requiring as a precondition negotia-

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tions between the Government of Nicaragua and the forces opposed to that government—provided that before the United States begins such negotiation, the cease fire be monitored by the Contadora countries and the Contadora support group countries.

Mr. President, I ask unanimous consent that there be printed a fact sheet entitled "U.S. Efforts To Negotiate a Peaceful Settlement in Central America."

There being no objection, the fact sheet was ordered to be printed in the Record, as follows:

Fact Sheet: U.S. Efforts to Negotiate a Peaceful Settlement in Central America

A negotiated settlement in Central America that protects our national interests is a principal objective of U.S. policy. Nicaragua has consistently avoided serious negotiations.

In September 1980 and again in January 1981, the Carter Administration warned of a cutoff of aid if the Sandinistas did not stop support to the Salvadoran guerrillas.

In August 1981 and April 1982, we proposed improved relations in exchange for Nicaragua ending support for the Salvadoran guerrillas. Nicaragua rejected the first and evaded a direct response to the second.

In October 1982, we joined in a multilateral demarche (the Declaration of San Jose) to Nicaragua. The Sandinistas refused even to receive the proposal.

We have supported the Contadora process. We have given Nicaragua an incentive to negotiate by making clear that we would respect a Contadora agreement. Since June 1985, Nicaragua has refused to negotiate. It rejects the September 1985 Contadora draft and insists on a prior accommodation with the U.S.

From June–December 1985, we held nine rounds of bilateral talks with Nicaragua. Nicaragua refused to consider national reconciliation and rejected a U.S. proposal of bilateral security assurances.

We proposed bilateral assurances of the sort that Nicaragua has sought in a non-aggression pact in exchange for changes to the September 1984 Contadora draft that we and the other Central Americans consider essential to a balanced and workable agreement.

Currently, we are pledged to renew bilateral talks simultaneously with the initiation of Sandinista talks with the Nicaraguan democratic resistance.

We support the March 1985 (reaffirmed in January 1986) proposal of the United Nicaraguan Opposition (UNO) for a church-mediated dialogue.

We support the February 7 proposal of six Nicaraguan opposition political parties for a cease-fire, lifting of the state of emergency, and new elections.

We are willing to respond positively—outside the context of a negotiated treaty—to any meaningful change in Nicaraguan behavior.

SUMMARY

We have made repeated and sustained efforts to obtain a negotiated settlement. These efforts preceded our support of the Nicaraguan resistance. They have continued to the present, long after our support for the resistance began. Nicaragua has either rejected or sidestepped meaningful negotiations. At Manzanillo, Mexico, we offered Nicaragua bilateral assurances of non-aggression in order to get an acceptable Contadora agreement. Nicaragua refused, revealing a hostility to Contadora that has since become public. It is worth noting that the Manzanillo talks began shortly after the U.S. Congress cut off all assistance to the Nicaraguan armed opposition.

Even now, however, Nicaragua has available to it a diplomatic exit from the dilemma created by its own actions. We are pledged to respond positively to any meaningful change in Sandinista behavior. We are also pledged to renew bilateral talks in support of a Contadora agreement simultaneously with a Sandinista dialogue with UNO and the civic opposition. There are reasonable proposals on the table that, accepted by the Sandinistas, would lead to a cessation of hostilities as a first step. It is up to the Sandinistas to demonstrate that they genuinely want peace.

United States efforts to negotiate a political settlement with Nicaragua have been a consistent element of our policy to protect our national interests in Central America.

We have sought to achieve a negotiated settlement through three different means: bilateral talks in 1981 and 1982; multilateral talks, through the San Jose inititative and, subsequently, through the Contadora process. We held nine rounds of bilateral talks at Manzanillo, Mexico, in an attempt to get a Contadora agreement; and an internal dialogue in Nicaragua between the Sandinistas and both the armed and civic opposition.

BILATERAL INITATIVES

In August 1981, the United States proposed a five-point plan for improved relations. It was designed to meet Nicaragua's expressed fear of a U.S. invasion and desire that Nicaraguan exile groups in the United States be tightly controlled. The U.S. proposal, based on an end to Sandinista support for guerrilla groups, called for both sides to make public declarations of nonintervention in Central America; a U.S. statement on the enforcement of U.S. law pertaining to exile group activities; an end to the Nicaraguan military buildup; reestablishment of U.S. economic assistance; and expansion of cultural ties. The Sandinistas rejected this proposal as "sterile" in October 1981.

At the urging of Mexico, a second, expanded proposal was made in April 1982. This proposal made clear that a halt to Sandinista support for subversion was the sine qua non for achieving results on the other elements of the proposal. In response Nicaragua sought refuge in procedure, demanding that talks take place at a higher level and that Mexico be drawn into the exchanges. The exchanges petered out inconclusively in mid-summer 1982.

MULTILATERAL APPROACHES

San Jose.—In October 1982, three months before Contadora's inception, the United States and seven other democratic states of the region sought to engage Nicaragua in a multilateral diplomatic dialogue. But the Sandinistas declined to receive the Costa Rican Foreign Minister, acting as emissary for the group, on the grounds that a dialogue with a group including the United States would be structured to Nicaragua's disadvantage. When Colombia, Mexico, Panama, and Venezuela subsequently initiated the Contadora process, they chose not to include the United States in order to meet this Sandinista concern. Informed through diplomatic channels, we indicated our understanding and support.

Contadora.—Since Contadora began and as an incentive to Nicaragua, we have made it clear repeatedly, both publicly and privately, that we support Contadora objectives and that we would abide by the terms of a comprehensive and verifiable agreement. The President expressed that support authoritatively on April 27, 1983, before a Joint Session of the Congress. We have further stated that a verifiable and comprehensive implementation of the September 1983 Contadora Document of Objectives would met our concerns in Nicaragua.

Manzanillo—An Effort to Get a Contadora Agreement.—In a reversal of the concern that had led to exclusion of the United States from the Contadora process, Nicaragua began to assert in 1983 and 1984 that no truly effective arrangements could be agreed in Contadora without the United States. At Contadora request, in June 1984 the United States initiated a series of bilateral discussions with the agreed objective of facilitating the Contadora process. Over the next five months, nine rounds of talks were held, all but one in Manzanillo, Mexico. The United States entered the discussions prepared to reach bilateral understandings that, channeled into the multilateral process, would promote conclusion of a comprehensive Contadora regional agreement. The Sandinistas' purpose, it became clear, was to negotiate bilateral accords dealing exclusively with their own security concerns.

Consistent with the Document of Objectives, the initial U.S. proposal was to develop jointly a calendar of reciprocal actions addressing the key aspects of the regional crisis. In order to build confidence, the actions were to be carried out in phases and to be independently verified. Nicaragua proposed a series of bilateral and multilateral treaties that would deal on a priority basis with U.S. support for what Nicaragua termed "counterrevolutionary, mercenary forces" and the U.S. military presence and exercises in the region.

In late September, the United States offered to limit the size, frequency, and duration of its military exercises to reflect progress made in other areas. It proposed a common, low ceiling on foreign advisers in the region and a staged process for negotiations on arms and force levels among the Central American states. To meet Nicaragua's contention that it could not reduce its military establishment while facing an internal insurgency, the United States suggested that adjustment down to agreed limits might take place in phases, after steps were taken to end support for insurgency.

At the same round, Nicaragua adopted the Contadora draft agreement of September 7 as its negotiating position. The United States attempted to build on this acceptance by offering to negotiate bilateral assurances that would meet specific Nicaraguan concerns about modifications to the draft that would make it acceptable to us and to Nicaragua's neighbors. We proposed, for example, that in exchange for Nicaraguan agreement to the continuation of international military exercises, we would unilaterally limit exercises to levels worked out with Nicaragua. To meet Nicaragua's concern of a U.S. invasion from Honduras, we proposed to pledge to limit our use of Honduran military facilities and bases exclusively for purposes that would not threaten Nicaragua. Such an assurance would have given Nicaragua the guarantee of non-aggression that it has repeatedly sought.

After requesting time to consider the proposal, Nicaragua rejected it at the ninth round, reiterating its position that any approach involving substantive changes to the September 7 draft was unacceptable. Nicaragua did hint at a willingness to make concessions in the security sphere, but only in a bilateral agreement reached outside the Contadora framework. A bilateral agreement would free Nicaragua from any obligation to address the issues of democratization, national reconciliation, and regional arms reductions.

Given the Sandinista position, agreement would have been possible only if the United States approved the September 7 draft without change, despite the imperfections acknowledged by Contadora participants, or disregarded Contadora entirely and entered into purely bilateral negotiations. Neither alternative was acceptable, and the United States declined to schedule further discussions pending demonstration that Nicaragua was prepared to negotiate seriously within the Contadora framework. The United States made clear that it does not rule out a resumption of bilateral talks.

It is worth noting that the Manzanillo talks began shortly after United States military assistance to the Nicaragua resistance was ended in June 1984.

Contadora since Manzanillo—Nicaraguan Opposition Becomes Clear.—As 1984 came to a close, two draft agreements were under consideration within the Contadora process: a September 1984 revision of a June 1984 draft; and an October 1984 draft (the "Tegucigalpa" draft) that defined the position of Costa Rica, Honduras, and El Salvador. During the first nine months of 1985, Contadora mediators attempted to blend these two drafts into a third that might prove acceptable to all the Central Americans. After two interruptions in Contadora talks—the first caused by Nicaragua's refusal to respect the right of asylum in dispute with Costa Rica and the second by its walk out of talks in June—the Contadora Group tabled a third draft in September 1985.

The nine Central American and Contadora Group ministers agreed to convene negotiations in October, 1985 with the aim of reaching final agreement within 45 days. Two rounds of talks were held in October. On November 11, however, Nicaragua went public with extensive, detailed objections to the Contadora draft. In essence, Nicaragua took the position that it requires an accommodation with the United States prior to a Contadora agreement.

A third round of talks, also unsuccessful, exhausted the 45 days set for reaching agreement. Nicaragua at first agreed with the others to continue talks, but on December 3 reversed its position by calling for a suspension in talks until May 1986. On December 9, Nicaragua was the only state to oppose an OAS General Assembly Resolution calling for continuation of Contadora talks.

On January 15, Nicaragua endorsed the January 12 "Message of Caraballeda" of the Contadora Group and Support Group ministers, which included a call to resume talks. But the following day Nicaragua reaffirmed its statement of November 11—that it will not negotiate in Contadora until it reaches agreement with the United States. At a meeting of Contadora representatives February 14-15, Nicaragua confirmed that it was not prepared to negotiate. Meeting at Punta del Este, Uruguay, on February 27-28, the Contadora Group and Support Group ministers declared that completing negotiations is "essential." There is currently no indication that the Sandinistas are willing to negotiate.

U.S. SUPPORT FOR NATIONAL RECONCILIATION IN NICARAGUA

National reconciliation through dialogue in countries with armed insurgencies is a fundamental principle of the Contadora process. It was explicitly accepted by all five Central American states, Nicaragua included, in the September 1983 Document of Objectives. Although they signed the Document of Objectives, the Sandinistas have consistently rejected dialogue with the Nicaraguan democratic resistance. The following statement by Tomas Borge, quoted in Daily Barricada, June 27, 1985, is characteristic:

"We will negotiate with the Contras on the day the right wing parties and COSEP count all the grains of sand in the sea and all the stars in the sky. When they finish we will ask them to count them all again.

The Sandinistas seek instead to portray the crisis in Central America as deriving from United States hostility toward the Nicaraguan revolution. The Sandinistas' refusal to deal directly with their own people constitutes the essential roadblock to peace in Central America.

Both the internal, or "civic" opposition, and the external, or armed, opposition have repeatedly proposed dialogue. On February 22, 1985 the internal opposition set forth the conditions under which a national dialogue could be successfully conducted. These included the lifting of the state of emergency; freedom of expression; a general amnesty and pardon for political crimes; restoration of constitutional guarantees and the right of habeas corpus; guarantees of the safety of members of the resistance movement who participate in the dialogue; and the implementation of these measures under the supervision of guarantor governments.

On March 1, 1985, the externally-based opposition (including representatives of the FDN, the Miskito group MISURA, ARDE; and prominent democratic civilian leaders such as Artuzo Cruz) proposed a national dialogue to be mediated by the Nicaraguan Catholic Church. It included a mutual *in situ* cease-fire and acceptance of Daniel Ortega as President until such time as the Nicaraguan people decided on the matter through a plebiscite. On March 22, the Nicaraguan Catholic Church hierarchy (Episcopal Conference) issued a communique reiterating its support for a national dialogue and declaring its willingness to act as a mediator.

President Reagan on April 4 undertook an intiative to support these possibilities. A key feature was the offer to refrain from providing military assistance to the democratic resistance if the Sandinistas accepted the March 1 offer. The Sandinistas have repeatedly rejected these offers.

There is growing recognition, however, that the Central American crisis is a Nicaraguan crisis, and that it cannot be resolved in the absense of a political settlement inside Nicaragua. On January 12, 1986, the "Message of Caraballeda" called for "new steps to promote national reconciliation." On February 10, Secretary of State Shultz met with the eight foreign ministers of the Contadora Group and Support Group. To provide an incentive for an internal dialogue in Nicaragua, the Secretary made two pledges:

To resume bilateral talks with Nicaragua simultaneously with the beginning of a Sandinista dialogue with the civic opposition and the United Nicaraguan Opposition (UNO). Previously, we had called on the Sandinistas to demonstrate their seriousness by entering into an internal dialogue first; and

To respond positively to any meaningful change in Sandinista behavior. The latter pledge meant, in effect, that the United States is willing to de-escalate tensions even outside the context of a comprehensive agreement.

On January 22, the UNO leaders released to the public a "Statement of Principles and Objectives" and reiterated the March 1985 offer for a Church-mediated dialogue. On February 7, six civic opposition parties presented to the Government of Nicaragua a proposal to resolve the crisis in Nicaragua. The six-party document called for:

A cease-fire, as a first step; effective amnesty; lifting of the State of Emergency; and an agreement for a new electoral process.

UNO leaders subsequently endorsed this six-party proposal. In meetings February 18–24 with chiefs of state of the Contadora Group and Support Group, United States Special Envoy conveyed our support for the six-party proposal. The Sandinistas have not yet responded.

Contadora Document of Objectives

There follows the text of the Document of Objectives agreed to at the September 7-10 meeting of the Contadora Four, Colombia, Mexico, Panama, and Venezuela, and the Central American states, Costa Rica, El Salvador, Guatemala, Honduras, and Nicaragua.

DOCUMENT OF OBJECTIVES

Considering.—The situation prevailing in Central America characterized by a climate of tension that threatens the security and peaceful coexistence of the region, which requires for its solution the observance of the principles of international law which regulate the activities of states, especially:

Free (self) determination of peoples;

Non-intervention;

Sovereign equality of states

Peaceful solution of controversies;

Abstention from recourse to the threat or use of force;

Respect for the territorial integrity of states;

Pluralism and its various manifestations;

Full play for democratic institutions;

Fomenting of social justice;

International cooperation in favor of economic development;

Respect for and promotion of human rights;

Proscription of terrorism and subversion.

Desire to reconstruct the Central American fatherland through the progressive integration of its economic, juridical, and social institutions.

The necessity for economic cooperation among the states of Central America in order to contribute in a fundamental way to the development of the people and the strengthening of their autonomy.

The commitment to create, foment, and invigorate democratic systems in all of the countries of the region.

The need to eliminate unjust economic, social, and political structures which aggravate conflicts in Central America.

The need to put an end to tensions and establish the bases for understanding and solidarity between the countries of the area.

The arms race and the growing traffic in arms in Central America which worsen political relations in the region and divert economic resources that coud be destined for development.

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The presence of foreign advisors and other forms of foreign military interference in the region.

The risks of using the territory of Central American states for the realization of military and political destabilizing actions against others.

The need for political accommodation in order to bring about dialogue and understanding in Central America, to exorcise the danger of the generalization of the conflicts and put into effect mechanisms that can assure peaceful coexistence and the security of peoples.

The signatories expressed the purpose of achieving the following objectives:

Promote detente and put an end to situations of conflict in the area, avoiding any actions which might put in danger political confidence or tend to obstruct the objective of achieving peace, security, and stability in the region.

Assure strict compliance with the principles of international law previously listed, the lack of observance of which could determine responsibilities.

Respect and guarantee the exercise of human, political, civil, economic, social, religious, and cultural rights.

Adopt measures conducive to the establishment and, as may be the case, the improvement of democratic, representative, and pluralistic systems that guarantee effective popular participation in the taking of decisions and assure free access of diverse currents of opinion to honest and periodic electoral processes founded in the full observance of the rights of the citizens.

Promote actions of national reconciliation in those cases in which there are deep divisions in the society, in order to permit, in accord with the law, participation in political processes of a democratic character.

Create political conditions designed to guarantee the international security, the integrity and the sovereignty of the states of the region.

Control the armaments race in all of its forms and begin negotiations on the control and reduction of actual inventories of armaments, and of the number of persons under arms.

Proscribe the installation in their territories of foreign military bases or any other form of foreign military intervention.

Reach agreements to reduce with a view to eliminate, the presence of foreign military advisors and other foreign elements who participate in military and security activities.

Establish internal mechanisms to control or impede the traffic in arms from the territory of any country of the region to the territory of any other country.

Eliminate the traffic of arms, within the region or coming from outside the region, destined to persons, organizations, or groups which intend to destabilize the governments of the Central American countries.

Impede the use of their own territory and not permit from it military or logistical support to persons, organizations, or groups that intend to destabilize governments of the countries of Central America.

Refrain from fomenting or supporting acts of terrorism, subversion or sabatoge in the countries of the area.

Constitute mechanisms and coordinate systems of direct communication with the object of preventing or, as the case may be, resolving incidents between states of the region.

Continue the humanitarian aid designed to assist the Central American refugees that are displaced from their countries of origin, bringing about at the same time adequate conditions for the voluntary repatriation of these refugees, in communication or cooperation with the High Commissioner (for refugees) of the United Nations and other international organizations that may be pertinent.

Undertake programs of economic and social development with the purpose of achieving greater welfare and an equitable distribution of wealth.

Revitalize and normalize mechanisms of economic integration in order to achieve sustained development based on cooperation and mutual benefit.

Seek to obtain foreign monetary resources which will permit new inputs to finance the reactivation of intraregional commerce, overcome grave balance of payments problems, get funds for working capital, support programs to broaden and restructure productive systems and foment medium and long-term investment projects.

Seek a better and broader access to international markets in order to expand the flow of commerce between the Central American countries and the rest of the world, especially with industrial countries, by means of a revision of commercial practices, and elimination of trade barriers both tariff and non-tariff in nature and the assurance of remunerative and just prices for the products exported by the countries of the region.

Seek mechanisms of technical cooperation for the planning, programming, and execution of multi-sector investment and commercial promotion projects.

The Ministers of Foreign Relations of the Central American countries, with the participation of the countries of the Contadora group, will initiate negotiations with the purpose of preparing agreements and adopting the necessary means to formalize and develop the objectives contained in this document, and assure the establishment of adequate systems of verification and control. For these purposes they have taken account of the initiative presented in the meetings convoked by the Contadora group.

UNITED NICARAGUAN OPPOSITION PRINCIPLES AND OBJECTIVES FOR THE PROVISIONAL GOVERNMENT OF NATIONAL RECONCILIATION

Under the protection of God and interpreting the hopes of the great majority of people in Nicaragua, who with heroic patriotism shook off the yoke of the previous dictatorship and now suffer the repression by force of arms of new tyrants and foreign intervention;

Given homage.—To the noble sacrifice of the democratic resistance forces which have shed their blood and continue to offer their lives in an unequal war against an army in the service of Soviet imperialism, from which it receives direction, training, weapons and supplies;

To the civic courage and democratic vocation of the political parties, labor and social organizations, ethnic minorities and individuals who have maintained a firm attitude against the abuses of the military tyranny of the Sandinista Front;

Affirming.—That the people of Nicaragua have demonstrated their will to free themselves from the totalitarian regime which oppresses them with the support of foreign forces and the so-called internationalists, carrying out a painful defensive war and a war of liberation, which have witnessed heroic actions inspired by the highest degree of patriotism on the part of the combatants of the Nicaraguan Democratic Resistance and of broad sectors of the population;

Recognizing.—That the courage and sacrifice of different sectors comprising the nation have created, in the face of repression, the conditions for the liberation of Nicaragua, faithful to the historic tradition that has led them to rise up in arms when their freedom and democratic aspirations have been snatched away from them;

Considering.—The historic democratic determination of the Nicaraguans, translated in the past struggles against the Somoza dynasty and in the present struggle against the totalitarianism of the Sandinista Front, the firm belief in a juridical order and respect for the constitution of the country and the sacrifices for the full exercise of its precepts;

Committed.—To the unrestricted observance of the human rights of all Nicarguans without exception, the establishment of a State of Law which permits the full development of the individual and the promotion of social justice;

Recognizing.—That the tragic situation of Nicaragua, embroiled in choas as a consequence of the present dictatorship, requires the adoption of special and urgent measures in the political, economic and social arenas which guarantee the quick and orderly transition toward a democratic State, by means of a Provisional Government of a duration strictly limited by the needs of the transition;

Reaffirming.—Our commitment to peace and democracy contained in the Pronouncements of San Jose of March 1, 1985, of San Salvador of June 12, 1985, and our support for the calls for National Dialogue demanded by the Democratic Coordinator and the Nicaraguan Bishops Conference;

Taking into account.—The civil war of Nicaragua, which threatens the peace of the region and of the American continent, brought about by the failure of the military tyranny of the Sandinista Front to fulfill the resolutions of the XVII Council of Foreign Ministers Meeting of the Organization of American State of June 23, 1979 which, in an action which set a precedent in our continent, explicitly withdrew its recognition of one of the member governments in order to grant it to an insurgent force, which committed itself to establish democracy and respect the human rights of all Nicaraguans without exception;

Convinced.—That the solidarity and reconciliation of all Nicaraguans, as well as the support and understanding of the peoples and governments of the free world, will contribute effectively to the creation of the indispensable conditions so that a democratic and pluralistic process is established which guarantees peace, sovereignty and freedom to our people;

Therefore.—On behalf of the Directorate of the United Nicaraguan Opposition and with the full support of its Permanent Advisory Committee, we propose to the Nicaraguan people and inform our sister Latin American nations and the democratic governments of the world, while at the same time requesting their support and solidarity, the Principles and Objectives of a Provisional Government of National Reconciliation.

PRINCIPLES AND OBJECTIVES

I. Regarding the Political System.—1. To democratize Nicaragua, guaranteeing and promoting political pluralism and the participation of all citizens at the local and national level, through the exercise of representative democracy, respecting their ethnic, cultural and religious values;

2. To establish a political system which guarantees the separation and independence of the powers of the government;

3. To establish a rule of law which assures the equality of the citizens before the law; respect for, the full exercise of, and effective development of Human Rights through the independence of the Judicial Power; giving guarantees to national Human Rights organizations, and adhering strictly to international obligations deriving from written agreements;

4. To guarantee the strictest respect for freedoms, especially those of speech, association, worship and unions with respect for agreements numbers 87 and 98 of the International Labor Organization, such as the undeniable right to strike;

5. To recognize the primacy of Civil Society over the State and the achievement of the common good as its principle objective;

6. To create an autonomous electoral system which guarantees representative democracy and respect for the popular will, freely expressed in periodic elections, assuring alternability in office, through the principle of non re-election;

7. To promulgate a Civil Service Law, establishing the administrative career. There will be created the National Comptrollership Commission to guarantee the efficient and honest use of public funds and State resources;

8. To abolish any and all types of capital punishment and to eliminate permanently and unequivocally the special tribunals which have been abusively created by the Sandinista Front;

9. To decree a General Amnesty for political and related common crimes, as an expression of the process of rehabilitation and reconciliation, without exception;

10. To recognize the historic rights of the indigenous peoples of Nicaragua, adopting special administrative and developmental measures in order to accelerate the progress of the Atlantic Coast; fostering the participation of its people in matters affecting the region, preserving their cultural identity and strengthening the nationality and territorial integrity of the Nation;

11. To demilitarize society by subjecting the military to the civil authority, proceeding to dismantle military, para-military and security organizations and the organizations of repressive nature of the Sandinista regime;

12. To create a National Army in the service of the Nation and the defense of its sovereignty, of adequate proportions for those objectives and composed principally of those Freedom Fighters who wish to serve professionally and loyally in democratic institutions, and by other Nicaraguans who also meet the conditions of moral character. No person with a record of human rights violations will be able to become a part of the new National Army.

II. Socio-economic affairs.—1. To recognize the family as the basis of society, making its protection a fundamental objective of the Government of Reconciliation;

2. To give preferential use of state resources to satisfy basic human needs: especially employment, food, health, education and housing;

3. To assure that education responds to the fundamental principles of freedom of instruction and the right of parents to select the best for their children. The preservation and the development of culture and sports will be an important part of the programs of teaching, outreach and information.

4. To carry out an integral agrarian reform, which responds to the natural right of private property, taking into account efficiency in the utilization of resources and the utility of giving land to those who work it;

5. To establish a new social contract, democratically adopted, which recognizes the equitable participation of all sectors of civil society, both in effort as well as in benefits;

6. To provide immediate assistance to the victims of the civil war, providing programs which permit their rehabilitation and economic security;

7. To adopt measures which facilitate full participation in productive civilian life by combatants who do not join the new army and national police;

8. To promote and facilitate the return of exiles through programs to finance the creation of jobs and the adoption of legal, economic and customs measures and other incentives;

9. To formulate and execute an immediate program of action and the securing of resources for the reordering and reactivation of the national economy and the providing of jobs for the Nicaraguan people;

10. To abolish state centralism and return to the private sector all those productive, commercial and service activities which said sector is able to carry out more efficiently for the common good;

11. The Government of Reconciliation, as guarantor of the common good and social peace, will observe and promote the principles of: social justice, freedom of association, work as a source of well-being and wealth, the indispensable contribution of laborers and peasants to the development of the country, as well as solidarity with the less favored sectors of the population, private property as the expression of a natural right and the sovereignty of Nicaragua over its natural resources;

12. To consolidate and perfect the Central American Common Market and to promote foreign investment as important measures to bring about socio-economic development.

III. Foreign policy.—To adopt a foreign policy which protects the peace and strengthens the independence and sovereignty of the Nation, founded on the principles of the inter-American system; supported in the fulfillment of international accords, cooperation and friendly relations, especially with those countries which practice representative democracy, and in the permanent determination to contribute to the economic, social and political integration of the Central American fatherland.

IV. Plan and program.—A Program of Government will be presented for the consideration of a consultative body in which will be represented the various democratic, political, social and labor organizations which will implement these principles. It will establish the procedures so that, by the eighth month after the installation of the new Government of Reconciliation, it will hold elections for a Constituent Assembly. After eighteen months it will hold general elections with guarantees to assure the free participation of all citizens and the integrity of the elections.

Among the preferred objectives to be considered by the consultative body should be the following: Reorganization of the Judicial Power; Municipal Autonomy; reorganization and integrity of Public Administration; health and social security; education; culture; housing; transportation; infrastructure; sports; policies of incentives for the various productive sectors; the financial system; agrarian reform; commerce; foreign investment; reduction of the foreign debt; fiscal, monetary and credit policies, giving special attention to the development of cooperatives and the balanced action of the State.

We reiterate that the liberation of our fatherland requires the participation of all the democratic sectors of the Nicaraguan people, as well as the solidarity and support of the peoples and governments of the countries of the Americas and the other free peoples of the world.

At the same time, we pledge ourselves to respect the consensus of Nicaragua's democratic spectrum in the selection of those who will implement the initial task of national reconstruction. Furthermore, we pledge ourselves to assure that it shall be the people, by means of an electoral process in full enjoyment of their rights and freedoms, who will elect the Constituent Assembly and, later, the national authorities.

PROPOSAL TO THE NICARAGUAN GOVERNMENT FOR A SOLUTION TO THE CRISIS IN OUR COUNTRY

The political parties that have signed this document, inspired by the best and most constructive patriotic spirit to achieve Nicaragua's pacification and ensure its future development based upon the Nicaraguans' authentic wishes, declare their firm and public decision to make every effort to achieve these objectives.

Also supported are the Contadora Group's efforts recently reiterated in the Caraballeda Message issued on 12 January 1986, especially Section II, Clause B.

For this purpose the government is urged to join the people in attaining the following goals within the shortest time possible:

1. An agreement to immediately suspend hostilities between the government forces and the irregular forces opposed to them as a preliminary step toward a definite peace agreement and the country's demilitarization.

2. Approval of an effective general amnesty law for political crimes and related common crimes that will result in an effective reconciliation of the Nicaraguan family.

3. Abolition of the state of emergency, and full reestablishment and implementation of the Nicaraguans' rights and guarantees.

4. Signing of an agreement between the country's political parties for the preparation and fulfillment of a new electoral process that will lead to general elections in which all of the political parties or groups that desire to participate may do so, once they have obtained political and legal recognition.

5. Effective fulfillment of international commitments in favor of Nicaragua's democratization.

6. The invitation to existing continental organizations and ad hoc groups that have demonstrated an interest in peace and justice in the Central American area, as well as to international political organizations, so they can express their concurrence with implementation of the points demanded.

Signed:

Independent Liberal Party: Virgilio Godoy, President.

Social Christian Party: Francisco Taboada.

Social Democratic Party: Luis Rivas Leiva, Secretary General.

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Constitutionalist Liberal Party: Rodolfo Mejia Ubilla, Adjunct Secretary General.

Democratic Conservative Party of Nicaragua (nonruling party): Enrique Sotelo B., National Political Secretary.

Nicaraguan Conservative Party: Mario Rappaccioli, National President.

Mr. LUGAR. Mr. President, the fact sheet that I have put into the RECORD comprises several pages detailing all of the attempts by the Government of the United States to negotiate with the Government of Nicaragua. Those efforts have been sincere; they have been numerous; they have been unsuccessful.

Perhaps the most spectacular of them was an attempt by the Secretary of State George Shultz, himself, when he flew to Nicaragua and met with leaders of the Sandinistas and found a negotiating situation that Members need to consider carefully because it is still relevant to today's debate.

Secretary Shultz found that the Sandinistas were willing to talk but they were prepared to treat the relationship between the United States and Nicaragua as the essential one—as a matter of fact the only negotiating relationship. Secretary Shultz found that the Sandinistas were prepared to shunt aside the Contadora group as irrelevant. They were prepared to treat the Contras, many of whom had been a part of the Sandinista revolution, as irrelevant. They, in fact, referred to the Contras as dogs and the United States as masters. This would be the nature of the talks, and they went nowhere because there was nothing with which to fill the agenda at that point. In short, the negotiation tree ends very rapidly if you cannot get the people of Nicaragua involved in talking together about their future, about a constituent assembly, about political parties, about ways in which democratic political life must go on.

The United States does not wish to be involved in the life of Nicaragua. We do not want to occupy the country. We do not wish to dominate its economy or politics.

We are only asking that Nicaragua respect its neighbors and not become a Soviet base threatening to us. We are asking also that it open up its government because we truly believe democracy is important. It is not irrelevant to this issue to assert that a democracy, one in which the consent of the government is taken seriously, comprises less of a threat to its neighbors. Democracy signals through its free press and its free debate the dilemmas and the difficulties of a nation and limits an aggressive foreign policy.

The current Government of Nicaragua does not signal anything except aggression across the borders of its neighbors and expressions of vituperation and hate for our country.

Let me just say, Mr. President, that the issue of negotiations is an important one. And the President of the United States has addressed it strongly, suggesting in a letter to the House of Representatives—which the distinguished majority leader and I will incorporate in our substitute in due course today—that negotiations proceed and proceed vigorously for at least 90 days. Then if, in fact, there is progress, for longer than that before additional military aid is sent to the Contras.

Phil Habib has made a first spin around the track. Ambassador Habib has told many of us on this floor of his eagerness to talk to the Contadora group, to talk to the support group, to talk even, in fact, to the Sandinistas after the stage is set and we know the lay of the land.

The President of the United States spoke today on this question of negotiations and he made the point again—and it is very valid—that simply to call for negotiations is not enough. What is needed is real resolve, what is needed is leverage. There must be something with which to negotiate.

The Sasser substitute, in my judgment, gives us nothing with which to negotiate, no reason why Ortega would move one whit. That I suspect is its major defect, at least with reference to negotiations prospects.

I was disappointed, as I read the amendment today, to note that it had been crafted with the thought of $30 million of humanitarian aid only and no military aid at all. The distinguished Senator from Massachusetts began our debate today by offering a clear choice. That choice was no aid, humanitarian or military, and that lost decisively 74 to 24. The Sasser substitute, which I had thought was a comprehensive amendment, bringing in many, many persons on the Democratic side, calls just for $30 million of humanitarian aid, not one whit of military aid, and the humanitarian only after 6 months, a long way down the trail. In short, there is not much there for the Contras.

Mr. SASSER. Will the distinguished Senator yield for one point of clarification?

Mr. LUGAR. Yes; I would be happy to yield.

Mr. SASSER. The amendment, I would say to my friend from Indiana, does provide for humanitarian aid immediately, not at the end of the expiration of 6 months.

Mr. LUGAR. I thank the Senator for his clarification and I correct my misstatement; $30 million immediately it is.

But I raise the question again with regard to the problem of leverage, the problem of why negotiations would proceed. I see no particular reason, no particular pressure produced by this measure. Members may differ and they may say: "You do not need any pressure. The Sandinistas are already hurting. This economy is in dreadful shape. The neighbors are anxious about them. The rest of the world doesn't like them."

But I simply fail to see, in commonsense terms, why there will be any vigor in the negotiations whatsoever without the military aid or threat of such aid coming to the Contras.

So I think there is a substantial difference of opinion in our view of Central America and the dynamics of Sandinistas thinking.

It appears to me that the substitute offered by the Senator from Tennessee simply does not recognize that one of the reasons that we are deeply interested in Nicaragua is the threat of Soviet bases. Why Nicaragua would change its posture with regard to the Soviets and the Cubans under the Sasser substitute is not clear at all. They are totally dependent upon the Soviet-Cuban-Eastern European complex for their daily bread. They have worked themselves into a situation in which they have the same almost total dependence, as does Cuba itself.

It is not clear, as a matter of fact—and I state this as something on which Members will have different points of view—that, even if Castro wanted to come over and visit with us in negotiations, the Soviets would let him. It is not clear the Sandinistas really are free agents, either. They are in hock. They are guarded, in fact, by their masters and we have a very difficult security problem because of that.

Now even in the face of all of that, the President of the United States has said, "Let negotiations have a chance. Let's send our best there. Let's try to bring together the Contadora process."

If Members ask, "Does the President expect negotiations will work?" I would simply ask the same question of myself, and I often do with regard to this problem. I suppose that I must admit to skepticism as to whether negotiations will work. I am not sure that at this particular stage in history there is reason, politically, for the Sandinistas to move one whit. But let me also say that I am confident they will not move without at least the pressure of military assistance coming after this negotiating period and, furthermore, a continuity of policy for at least 18 months. We must produce a certainty on the part of Sandinistas that they have got to move or there will be consequences. Under the Sasser substitute, if the Sandinistas do not move, there are no consequences and there will be no movement in my judgment.

Now let me just add one further thought, Mr. President. We have a very serious foreign policy dilemma here today because this vote is watched, not only by people in our country and in Nicaragua, but by the world. Our conduct will speak to our

ability as a free nation to be sophisticated in the use of diplomacy and in the use of power and to do so with the minimum risk to ourselves and to others.

Much thought has been given by Senators to whether lives will be lost—American lives, Nicaraguan lives, and others. That is a very important question. And I suppose that any number of people can offer ideas as to how the loss of live is to be minimized under current circumstances.

Let me just suggest that a cease-fire is a good idea and I commend the distinguished Senator for offering that thought as a precondition. It would be additionally helpful if the restoration of civil rights for people in Nicaragua was to come about so that there might be some criticism, some free press, free radio, what have you, in that country. It would be very helpful, as a matter of fact, if the Contras came into negotiations with the Sandinistas. And the Dole-Lugar substitute suggests that face-to-face negotiations between the Sandinistas and the United States would be appropriate if the Sandinistas would begin to negotiate with their countrymen and try to work something out there they all can live with.

The PRESIDING OFFICER. (Mr. MCCONNELL). The Senator has used 12 minutes.

Mr. LUGAR. I yield myself 1 more minute.

Mr. President, it seems to me we ought to be pressing for that day on which negotiations within Nicaragua occurs. The Sasser amendment, in my judgment, does not bring that about—nor does not offer reasonable grounds on which it could occur.

It is not our foreign policy supply to make certain that Nicaragua does not bother its neighbors and does not harbor the Soviets. Our policy ought to extend toward promoting movement toward openness and democracy. In the same way that Members have commended the Philippines as an opening democracy, I would hope they would see the possibility for democracy for the people of Nicaragua. There is no reason they should be consigned to a different status while we are about the process in this world of praising free elections and suggesting that government rightly ought to have consent of the governed.

Mr. President, I yield the floor.

We have how many more minutes, Mr. President?

The PRESIDING OFFICER. The Senator has just under 4 minutes remaining.

Mr. SASSER. Does the majority leader wish to speak?

Mr. LUGAR. He will be our final speaker.

Mr. SASSER. I would like to reserve my time until the end.

Mr. LUGAR. I yield the remaining amount of our time to the distinguished majority leader.

The PRESIDING OFFICER. The majority leader is recognized.

Mr. DOLE. Mr. President, I think we have had a good debate on this substitute. At this time, we have used nearly 3 hours, and we will use it all.

We provided that there be an up and down vote, provided that there be no amendments. I hope we can have some reciprocity with reference to the Dole-Lugar-Bentsen substitute, which will be offered next.

OPPOSITION TO SASSER AMENDMENT

Mr. President, I rise in opposition to the amendment offered by the Senator from Tennessee. I oppose it because it would undercut our President and his foreign policy. I oppose it because it would reduce—indeed, in practice eliminate—any real chance to achieve those goals to which I believe the Senator from Tennessee himself, would ascribe and which are shared by this Senator and by the President and I think by the vast majority of this body: The goals of a negotiated settlement in Central America, which meets our security needs, eliminates the threat to our allies and friends in the region, and gives democracy a chance in Nicaragua.

PHONY CEASE-FIRES, FREE HAND FOR THE SANDINISTAS

Under the Sasser amendment, the Contras would get only humanitarian aid for at least 6 months, on only one condition—that there be some kind of cease-fire in Nicaragua. I say "some kind of cease-fire" because we have been down the cease-fire road before. To us, a cease-fire means we cease firing. To the Marxists, it means they keep on firing, but blame us.

The amendment also makes no mention of any restraints on the Sandinistas. While we withhold even defensive aid, the Sasser amendment would keep the doors wide open for the Soviets and Cubans to continue the massive military buildup already underway in Nicaragua.

UNDERMINING THE PRESIDENT'S RIGHT TO CONDUCT NEGOTIATIONS

The amendment virtually forces the President to the bargaining table, if only the Sandinistas say they will adhere to a cease-fire and get the Contadora nations to agree to do some monitoring. That, of course, raises a basic constitutional question: it is not our role in Congress, under our Constitution, to dictate to the President with whom and when he must negotiate. In addition, and with all due respect for the Contadora nations and the important role they can play, I just do not want our vital interests in Central America subject to the sole judgment of a few bureaucrats selected by foreign governments, operating under extraordinarily difficult conditions, in terrain largely controlled by the Sandinistas.

Besides, forcing the President to the table, even were a real cease-fire to be in place, gives the Sandinistas the diplomatic victory they have sought all along—an implicit recognition by us that the Sandinistas are right when they say this really is solely an issue between Washington and Managua, in which the Contras play a role only as an adjunct of our foreign policy.

In an earlier phone conversation, Mr. Duarte indicated that this, in effect, would raise the status of Mr. Ortega. If we force negotiations, it would raise his stature, so that, in effect, he would be perceived by some as speaking for all the Central American countries. I do not think that is the intent of the Senator from Tennessee. I must say that we have been working together the past 2 of 3 days, and I do not believe that is the intent, but that is the result.

SASSER AMENDMENT MUST BE DEFEATED

Mr. President, there are many other problems in the Sasser amendment, but I do not want to take up more of the Senate's time.

First, we had the vote on the Kennedy amendment, which was nothing at all. This is a vote on next to nothing at all: $30 million in humanitarian aid, no help for the Contras, and really no impediments to the Sandinistas. These votes reflect what I thought we were almost agreeing to earlier in a bipartisan way, $100 million, in so much military aid and so much humanitarian aid.

The only two questions are, should there be a second vote in Congress, a positive vote, and should there be some way to structure bilateral negotiations that would protect the President's right and still encourage negotiations in Central America?

I am led to believe that in the other party's caucus, they could not come together. I do not quarrel with that. We have difficulty coming together in our caucus. But we have gone from talking about coming together in a bipartisan way on $100 million—$30 million, in humanitarian aid and $70 million in military aid—down to $30 million, which means that some who wanted no aid will go perhaps $30 million, and not 1 cent to help the Contras in a military way.

So it suggests to me that there are divisions—divisions among Democrats and divisions among Republicans—and I come back to where I started 2 or 3 days ago. There is a bipartisan majority in the Senate. There are some Democrats and some Republicans who have one view, that we should not do much at all. There are many Democrats and many Republicans who believe that we are pretty much on the right course.

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Let me just conclude by saying that adoption of the Sasser amendment amounts to an expression of faith in the Sandinistas, an abandonment of the Contras, and a fatal blow to the sound, effective, and strong foreign policy of the President.

I hope this amendment is defeated, as I believe it will be. We will then offer the Dole-Lugar-Bentsen substitute, and I hope we can come together with a strong bipartisan vote to reflect the views of the Senate, so that the American people will understand that this is not partisanship—it is not just the policy of Ronald Reagan—it is our policy.

So I hope this amendment will be defeated.

Mr. SASSER. Mr. President, the distinguished chairman of the Foreign Relations Committee indicated at the outset that this was an important amendment. I thank him for that observation.

Let me say that I have been most impressed with the perception and understanding of this issue on the part of the distinguished chairman during the course of our negotiations.

This is the last train leaving the station, for those of our colleagues who wish to have a last effort at a negotiated settlement in Central America. No substitute to follow, in my judgment, is going to have the compulsion requiring both sides to negotiate.

The distinguished majority leader indicated a moment ago that his objection was that this amendment compelled the President to negotiate. All this amendment says is that if the President wishes military aid, at the end of a particular period of time, to wage what is an undeclared war in Central America, then he at least must prove to Congress and the American people that his administration is going to exhaust the last diplomatic option for peace, and that is negotiation.

There seems to be an unwillingness on the part of this administration to try to resolve our differences with the Nicaraguans by discussions, by talking.

We are witnessing something that is unprecedented in the history of the United States of America. We are discussing here today a question of supplying military aid to topple a government with which we have diplomatic relations, with which we exchange ambassadors. We are plowing new ground. We are making new history today if we reject this amendment and if we go forward then and vote military aid for the Contras in Central America.

I say to my colleagues that we owe it to ourselves and to our country to exhaust every last initiative and every last possibility of a negotiated settlement before we go down that road. There seems to be an unwillingness to even treat the Sandinista government of Nicaragua—and I have no grief for the Sandinistas or for that government—an unwillingness to treat them as a legitimate government of that country, unwilling to negotiate with them as if that will raise their status unduly, and as if that will diminish our status and prestige on the world stage if we negotiate with them.

I say to my colleagues we have already diminished the status and prestige of the United States on the world stage in our efforts to deal with this upstart government in this tiny country of Nicaragua.

I think the time is now, in fact, the time is very late for this administration to sit down and realistically try to work out an accommodation at least on the large areas, at least on the question of withdrawal of Soviet and Cuban troops from Nicaragua, at least on the question of trying to reach an agreement that there will be no Soviet military bases in Nicaragua. That appears to me to be an elementary matter of interest on which we should have bilateral negotiations.

So I would urge my colleagues to vote for this amendment, to vote for efforts to reach a negotiated settlement on this matter before we let loose the dogs of war in Central America.

Mr. President, I ask for the yeas and nays.

The PRESIDING OFFICER. Is there a sufficient second? There is a sufficient second.

The yeas and nays were ordered.

Mr. BYRD. Mr. President, I ask unanimous consent to speak not more than 30 seconds.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. BYRD. Mr. President, I compliment the distinguished Senator from Tennessee [Mr. SASSER] for the work he has done and the leadership that he has shown. I shall support his amendment wholeheartedly and fully.

I have not spoken on this amendment, preferring that others who wish to speak should have the limited amount of time.

Mr. President, American policy toward Central America and, in particular, Nicaragua, must be based on a well-developed and broadly agreed-upon set of goals, and be executed in a way calculated to succeed. As with any decision which commits our people and our tax dollars and our national integrity abroad, it will only succeed in the long run if it is understandable to the American people and has won their approval. Mr. President, the administration's proposal has not met those tests.

In formulating our policy toward Nicaragua, the views of our friends in Central America and in South America must be taken into account and a consensus among the democracies of our hemisphere, both new and old, should be sought. If, in the process of achieving our goals toward Nicaragua, we alienate our friends and fragment our base of support in the rest of our hemisphere, we have won an ephemeral prize indeed.

I believe we should have three broad goals with regard to Nicaragua. First, we should seek the elimination of Soviet, Cuban, and other Communist bloc military advisers there, and a prohibition on the emplacement of Communist bloc military bases in the future. A Sandinista commitment and timetable for these accomplishments should be one goal of any negotiation. In addition, carefully defined restraints should be negotiated on military aid to Nicaragua from Communist bloc nations as well as nations and groups that promote terrorist activities.

Second, the Sandinista government should deal with its neighbors peacefully, and desist from the exportation of its so-called revolution through arms, materiel, military forces, agents, or ideological propaganda designed to inflame and upset the democratic systems in this hemisphere.

Third, we should seek to achieve progress in opening the Nicaraguan political system to democratic opposition groups; halting Sandinista human rights abuses; easing Sandinista restraints on basic democratic reforms; ending the artificially-created state of emergency imposed by the regime; and ending suppression of freedom of religion, speech, assembly and the press.

As I have already alluded, in the process of accomplishing these goals, we should take great care to forge stronger ties with the other nations of our hemisphere, and strengthen, in particular, the new democracies which have just recently emerged in Central and South America. In this regard, I hope we would support the efforts of the democratic Contadora nations in their search for peace in Central America.

I do not believe that there can be much dispute about these goals. The issue is how we as a nation can best achieve them, and that is where I have come to differ with the Contra aid program of the Reagan administration.

I do not subscribe to the proposition that aid to the Contras should be discontinued. However, aid to the Contras should be part of a larger political and diplomatic strategy which is more likely to achieve our broad policy goals in Nicaragua. The basic question remains: Can those broad goals be best accomplished simply by a renewed military aid program of some $70 million for the next year or so, or, rather, by a serious attempt to open a diplomatic track?

I submit that the carrot and stick approach is what is needed—diplomacy accompanied by incentives to gain

good faith involvement on the part of the Sandinistas. Surely we should first take this course before we throw all our support behind a fighting force which has so far proved itself ineffective.

My colleagues will recall that, last year, in connection with the administration's proposed package of $27 million in aid to the Contras, the President assured the Congress that he would make renewed attempts to engage in a bilateral dialog—bilateral negotiations—with the Sandinista government to achieve the goals I have outlined. The President committed his administration to this diplomatic "front-burner" strategy and, in a letter to Senator DOLE printed in the RECORD on April 23, 1986, stated that, "I intend to resume bilateral talks with the government of Nicaragua * * *" The strength of this assurance went a long way toward convincing the Senate to approve $27 million in humanitarian aid to the Contras last year.

Bilateral negotiations, however, were not attempted by the administration during the 11 months since those assurances by the President. In the absence of such an effort, there is no way to test the sincerity of the stated willingness of the government of Nicaragua to reach reasonable settlements of our differences.

The Sandinistas assertions should be tested through the opening of bilateral negotiations. It is clear from statements by our friends in the hemisphere, by the Contadora group of countries and the Contadora support group, as well as the countries neighboring on Nicaragua, that it would be good to test the sincerity of the Sandinistas by negotiating the security questions between the United States and Nicaragua and trying to remove these stumbling blocks to progress in Contadora negotiations.

It seems clear to me that a true test of the diplomatic option can only occur under circumstances of a cease-fire between the Contras and the Sandinistas. So, the first test of the viability of the negotiating track would be for the administration to propose a cease-fire—now.

It has been suggested by the administration that such a cease-fire, and the opening of bilateral negotiations with the Sandinistas, cannot begin until the Sandinistas negotiate with the Contras. I do not know what it is that the administration thinks the Sandinistas and the Contras would talk about. The Contras are trying to overthrow the Sandinistas: Is it realistic to expect the Sandinistas to share power with the Contras when it is clear that the Contras presently have very little popular support within Nicaragua? Is it realistic to expect the Sandinistas to give the Contras anything which the Contras cannot achieve by any other means?

A step forward was taken when the administration appointed Mr. Phil Habib as its trouble shooter in the region. If the administration would appoint a negotiating team to begin bilateral negotiations with the Nicaraguan Government, the outcome of such negotiations could command wide support in the Congress. The inclusion of a bipartisan congressional observer group similar to the one which has proved successful over the last year in the arms control area would also help to build congressional support for our policy in the region.

It is my belief that major increases in aid to the Contras—perhaps including lethal offensive and defense weaponry—can be sustained in the Congress and in the country only after the diplomatic option has been exhausted. I therefore feel that such aid should be considered at a time when a record is available on those efforts, and that is why I support a second affirmative vote on Contra aid after a reasonable length of time for evaluation of the negotiations has elapsed.

In sum, Mr. President, it seems to me that there are four critical elements of any sound policy with respect to Nicaragua: First, there should be an attempt to open bilateral negotiations between the United States and the Sandinistas; second, our negotiating team should warrant and be given strong bipartisan support in Congress; third, a cease-fire must be effected during the period of negotiations; and fourth, a time-certain should be established for the Congress to revisit this issue, carefully review the negotiating record, and consider the evaluation and any further aid for the Contras.

Based on the observations I have indicated, I have concluded that the administration proposal in not in the best interests of the United States or the remainder of the Western Hemisphere. At this time, I can support only a proposal which will provide a full and reasonable test of the diplomatic option which the administration to date has rigidly refused to employ. Consequently, I will support the amendment offered by the senior Senator from Tennessee.

I urge my colleagues of both parties to examine this matter very carefully and to support a good-faith effort to seek a peaceful but complete solution to our problems with Nicaragua.

The PRESIDING OFFICER. All time on the amendment has expired.

The question is on agreeing to the amendment. On this question the yeas and nays have been ordered. The clerk will call the roll.

The legislative clerk called the roll.

The PRESIDING OFFICER (Mr. GRAMM). Are there any other Senators in the Chamber who desire to vote?

The result was announced—yeas 33, nays 67, as follows:

[Rollcall Vote No. 48 Leg.]

YEAS—33

Baucus
Biden
Bumpers
Burdick
Byrd
Cranston
DeConcini
Dodd
Eagleton
Exon
Glenn
Gore
Harkin
Hart
Hatfield
Inouye
Kennedy
Kerry
Lautenberg
Levin
Matsunaga
Melcher
Metzenbaum
Mitchell
Moynihan
Pell
Proxmire
Pryor
Riegle
Rockefeller
Sarbanes
Sasser
Simon

NAYS—67

Abdnor
Andrews
Armstrong
Bentsen
Bingaman
Boren
Boschwitz
Bradley
Chafee
Chiles
Cochran
Cohen
D'Amato
Danforth
Denton
Dixon
Dole
Domenici
Durenberger
East
Evans
Ford
Garn
Goldwater
Gorton
Gramm
Grassley
Hatch
Hawkins
Hecht
Heflin
Heinz
Helms
Hollings
Humphrey
Johnston
Kassebaum
Kasten
Laxalt
Leahy
Long
Lugar
Mathias
Mattingly
McClure
McConnell
Murkowski
Nickles
Nunn
Packwood
Pressler
Quayle
Roth
Rudman
Simpson
Specter
Stafford
Stennis
Stevens
Symms
Thurmond
Trible
Wallop
Warner
Weicker
Wilson
Zorinsky

So, the amendment (No. 1718) was rejected.

Mr. DOLE. Mr. President, I move to reconsider the vote by which the amendment was rejected.

Mr. LUGAR. Mr. President, I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. DOLE. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. BYRD. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. BYRD. Mr. President——

Mr. LEAHY. Mr. President, may we have order?

The PRESIDING OFFICER. The Senator will suspend. The Senate will be in order.

Mr. BYRD. Mr. President, I thank the Senator and also the Chair.

This quorum time is running against me. As I indicated to all Senators earlier, quorum calls, in circumstances under the statutory language here, have to run against the time of the Senator who asks for a quorum call. I did not ask for it, but somebody on my side must have asked for it, so I guess it is on my time.

I had really wanted to address a question to the distinguished majority leader with respect to the remaining amendments and the schedule for the

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rest of the day. He may not be prepared to respond to that question at the moment. I understand that he is getting his substitute ready.

Mr. DOLE. Mr. President, if the Senator will yield, we have our substitute prepared. Just speaking for this Senator, if we continue to use an hour-and-a-half on the substitute and then make in order all the amendments that are still pending, we are looking at, I would say, about 2½ hours beyond the 2 hours and 36 minutes of debate left.

What I would like to do, based on the treatment given to the Sasser substitute, would be to get unanimous consent that the Dole-Lugar substitute would be debated for an hour-and-a-half with 60 minutes under the control of the distinguished chairman of the Foreign Relations Committee and 30 minutes under the control of the minority leader or his designee, and that no amendments be in order, the same treatment we had of the previous substitute. These are the two major amendments.

I would include in that substitute the amendment of the distinguished Senator from Illinois [Mr. Dixon] with reference to dispatching troops. I understand he would like to offer that amendment on his own, but that would be included.

I understand the Senator from Arizona [Mr. DeConcini] has been partially satisfied concerning his amendment.

I understand the Senator from California [Mr. Wilson] is prepared to have a colloquy.

I do not know about Senator Durenberger, but there has been some progress there.

It probably means there would be three amendments, the Cranston amendment, the Kennedy amendment, and the Biden amendment, if consent could be obtained, which would not be in order.

I am not certain what the amendments are. One relates to bilateral negotiations.

I think that is the Cranston amendment.

It seems to me that we have had a vote on the Democratic substitute and we ought to have a vote on a bipartisan substitute—the Lugar-Dole-Bentsen proposal. That should terminate the debate if we have been able to cover everybody who has had an interest. In other words, we ought to have the same shot as we were giving to the distinguished Senator from Tennessee [Mr. Sasser]. That not being the case, there are other ways I can shut out amendments. I prefer not to do that, as I indicated earlier, because I think other Members have amendments.

We would like to resolve this issue. I am being, as you might guess, urged by colleagues on both sides of this issue to try to get us out of here by 6 o'clock tonight. If we do not agree on an extension of time, we will probably get out fairly near 6, but there could be four, five, or six rollcalls which would make it around 8 o'clock. If there is an extension of time in which everybody gets 20 minutes or whatever, we will be here until midnight.

I think those are the facts as I see them. Maybe I should discuss this with the distinguished minority leader, maybe ask for a quorum call to be charged to this side, and have a brief discussion about the amendments.

Mr. BYRD. Mr. President, I ask unanimous consent that the time for the colloquy concerning the schedule not be charged to either side.

Is that agreeable, I ask the majority leader.

Mr. DOLE. Yes, Mr. President.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. BYRD. Mr. President, I have been on my feet a number of times today stating that we were going to run into this very kind of situation under this statutory agreement, which we tried to change and were unable to do so. So, here we are. Some Senators still want to call up their amendments as listed, and the distinguished majority leader, under this kind of agreement, has the power, if he wishes to do so, not to let any amendments in, simply vote, to cut the remaining time down and resort to other measures. But I have not believed that he would do that. I so stated earlier and he so stated earlier.

Here we are, still with a number of amendments. I would like to be able to sit down with the distinguished majority leader to see if we can work out a unanimous-consent time agreement, which we tried to do earlier and it was objected to—not on the majority leader's side but on this side.

I hope that the majority leader and I could, with the cooperation of Senators on both sides, work out an agreement that will allow all Senators who have amendments to have at least a shot at their amendments before all time expires.

For example, Mr. Kennedy is willing to go to 10 minutes now, 5 minutes on each side.

By the way, this amendment that was just defeated was not a "Democratic substitute." Take a look at the rollcall and see how the votes break down between the two parties.

Mr. STEVENS. Would the minority leader yield for a question?

Mr. BYRD. The majority leader has the floor.

Mr. STEVENS. Would the majority leader yield to me?

Mr. DOLE. Yes, I yield.

Mr. STEVENS. I wonder if we might pursue the idea of having a time certain to vote—if we had a termination time, if we had an agreement we would vote at a time certain this evening, then to build back from that the idea of fitting in time for everybody who wants to participate in that period.

As I said previously, I would object to extending the time, but I would not object to a time certain even though it might extend the time.

I think the problem is the uncertainty that comes from the procedures that could be followed here under this time limit, which I am sure my good friend understands the same as I do, to get a vote, I would suggest a time certain to vote—8 o'clock, 8:30 or whatever we want to do—somewhere along the line of accommodating some time but at the same time making certain that it is going to be over tonight.

Mr. BYRD. If the majority leader would yield to me, if we could work our way out of this statutory limit, under a time agreement, all Senators could be assured of at least a vote, perhaps with a short debate on their amendments, prior to the final vote.

Mr. DOLE. Mr. President, I think it might be well if we had about 5 or 10 minutes. I think we could resolve this.

As I look down the list of amendments, based on what I know, having visited with some of those who want to offer the amendments, it may not be that big a problem. If we could suggest the absence of a quorum——

Mr. NUNN. Would the majority leader yield for just a suggestion?

Mr. DOLE. Yes.

Mr. NUNN. Some of us would like to make brief remarks. I have no amendment. I would like to make brief remarks. Rather than use a quorum call, if we could have a brief 5 or 10 minutes to make those comments, that would be helpful.

Mr. BYRD. Would the majority leader be inclined to name the Senators who appear on this list and who still wish to call up amendments so we can try to develop an agreement?

Mr. DOLE. Mr. President, may we have order?

The PRESIDING OFFICER. The majority leader has the floor. The Senate will come to order.

The distinguished majority leader.

Mr. DOLE. Mr. President, I understand the Senator from Georgia wishes to make a statement on the general subject.

Mr. NUNN. That is right, just a general statement.

Mr. BIDEN. Mr. President, will the majority leader yield for just a second?

Mr. DOLE. Yes.

Mr. BIDEN. I have listed a request to introduce an amendment. I can read the handwriting on the wall. I would still like a few minutes to introduce my amendment. I would not ask for a rollcall vote on it, I would pull it down, but I need 8 to 10 minutes to do that with my statement. I will in turn not ask for a vote.

Mr. DOLE. I understand the Senator from Minnesota [Mr. Durenberger] will have an amendment. The Senator from Illinois will have an amendment that will be accepted, which will take 5 minutes. The Senator from Delaware would take about 10 minutes. The Senator from Arizona [Mr. DeConcini] is not here. We have not seen Senator Cranston's amendment.

Mr. DODD. Will the majority leader yield?

Mr. DOLE. Yes, Mr. President.

Mr. DODD. I am in a similar situation as the Senator from Georgia. I would make a statement on the bill generally, about 12 minutes, but I have no amendment.

Mr. KENNEDY. I have an amendment which would require 10 minutes equally divided.

Mr. DOLE. Mr. President, I suggest the Senator from Georgia be allotted 10 minutes from our time to make his statement on the bill. That will give us time for the managers to discuss this with the leaders.

Mr. BYRD. Could we have the same arrangement for Mr. Dodd?

Mr. DOLE. On your side?

Mr. DODD. It is a statement on the bill. I am not offering any amendment.

Mr. DOLE. We do not have the time.

Mr. BYRD. We will give him 10 minutes out of our time.

Mr. DOLE. Sure. That will keep us busy for 20 minutes.

Mr. NUNN. Mr. President, I say to the majority leader, I will share my time with the Senator from Maine, [Mr. Cohen]. He has similar points to make and a similar viewpoint on this matter.

Mr. BYRD. Mr. President, would the majority leader allow me just to inquire on this side as to whether or not the following Senators still intend to call up their amendments—and this time is not running, I believe, under the earlier agreement.

The PRESIDING OFFICER. The Senator is correct.

Mr. BYRD. Mr. President, I know that Mr. Cranston wants to call up his amendment; Mr. DeConcini still has an amendment which he wishes to call up; Mr. Biden has stated his preferences; Mr. Dixon, I believe, has an amendment he wishes to call up; and Mr. Kennedy. Are there others on this side?

Mr. MELCHER. I have one, Mr. Leader.

Mr. BYRD. And Senator Melcher.

Mr. DOLE. Are these germane amendments?

Mr. MELCHER. Yes.

Mr. DOLE. These are amendments we have not even heard about before.

Mr. BYRD. Let me say to the distinguished majority leader, these amendments are on the list.

Mr. DOLE. Not Senator Melcher's.

Mr. BYRD. Not Mr. Melcher's; that is correct.

Mr. DOLE. So we are not gaining anything this way.

Mr. BYRD. I am doing the best I can to help the distinguished majority leader.

Mr. President, I yield the floor.

The PRESIDING OFFICER. Who yields time?

Mr. DOLE. We yielded 10 minutes to the Senator from Georgia.

The PRESIDING OFFICER. The Senator from Georgia is recognized.

Mr. NUNN. Mr. President, last year, Senators Lugar, Bentsen, Boren, Chiles, Johnston, Dole, Durenberger, DeConcini, Rockefeller, Nickles, Dixon, and I introduced an amendment to provide humanitarian assistance to the democratic resistance in Nicaragua.

Mr. FORD. Mr. President, I make a point of order that the Senate is not in order. The distinguished Senator from Georgia needs to be heard and I would like for that to happen.

The PRESIDING OFFICER. The Senator from Kentucky is correct. The Senate is not in order. The Senator from Georgia will withhold. The Senate will please come to order.

The Senator from Georgia.

Mr. NUNN. Mr. President, I thank my friend from Kentucky.

That amendment was to provide humanitarian assistance to the democratic resistance in Nicaragua.

That amendment eventually became the law which provided some $27 million in humanitarian assistance to the Contras and also provided the basis for the President to return to Congress and ask for military aid, as he has now done.

When we introduced our resolution, the United States had terminated all assistance, both military and nonmilitary to the Contras. Congress had refused to continue to fund a so-called covert program of military assistance to the Contras because of serious concerns about the administration's goals and the nature of the Contras.

The purpose of our amendment was to chart a course which would enjoy the broadest possible support in the Congress and the American people. We felt that if the United States was to have any success in confronting the crisis in Central America, it was necessary to develop a consensus behind a policy of supporting a genuinely democratic opposition with humanitarian aid, while keeping the military option alive but on the back burner.

At the time, I said, and I quote:

> U.S. interests in the region can be reduced to two simple objectives: one, we must foster genuine democratic principles as well as economic and social growth, and two, we must prevent the Soviets or the Cubans or their surrogates from making Central America a base for the projection of their power. If we support dialogue, democracy, and national reconciliation in El Salvador as we do, we should also support those goals in Nicaragua.

I added, "Congress and the American people must be convinced that we are supporting the true democrats, men like Arturo Cruz."

Those remain our goals, that goals that I think we should pursue. We must now ask, what progress has been made since we enacted humanitarian assistance last year?

It is obvious that many people in this Chamber and in the country continue to believe that the administration's only true objective is a military overthrow of the government in Managua. Many also believe that the administration has been unwilling to negotiate either bilaterally or through the Contadora process. I believe the administration has to overcome this widespread skepticism if there is to be any hope for a sustainable American policy, whatever happens here today.

With respect to the Contras, lingering doubts remain about whether they are truly democratic and whether they respect human rights. It is unclear who is in control of the Contra organization. Is it the civilian leadership or is it the former national guard officers who make up most of the senior military leadership of the Contras?

The Sandinistas have refused to talk to the Contras and the internal opposition. They have not negotiated with the United States or the Contadora nations in good faith, and they have continued their military buildup and intensified their repressive domestic policies. Whatever one may think of the Contras and the Reagan administration policy, it is clear that the Sandinistas are repressing their people, damaging their economy, and making efforts to destabilize their neighbors.

All of this confronts us with a terrible dilemma.

I am convinced that Americans will support genuine democratic resistance movements. Recent events in the Philippines show the enthusiasm that Americans have for those committed to democratic principles.

To criticize the Contras as they currently exist does not mean we should abandon them. The road to democracy where there is meager democratic tradition to follow is not smooth or simple. The recent steps toward democracy in the rest of Central America, principally in Guatemala, Honduras, and El Salvador are evidence of this. Yet we must support these fledgling efforts, as we are. We owe our support to those governments as well as to the genuine democrats who are in the Contra leadership.

A closely allied issue is whether the Contras adequately respect human rights.

President Carter set in motion a policy which emphasized respect for human rights as a key element in U.S. foreign policy. Although he was much criticized at the time, his policies have proven a rallying cry for those who champion freedom, liberty, and democracy around the world.

Mr. President, there are simply too many questions about the human rights record of the Contras. For example, Amnesty International and the Americas Watch have just released lengthy studies which record many alleged violations of human rights by both the Sandinistas and the Contras. I do not know the truth of the allegations in these reports, but find that they raise many disturbing questions which must be answered. In a thoughtful floor statement on February 26, Senator LEAHY summarized these reports.

All of our offices have been receiving massive documents prepared by the Department of State which document human rights abuses by the Sandinistas. However, almost nothing has been said by the administration about alleged abuses by the Contras. This administration attitude must change if sustainable support for administration policy is to emerge in Congress and among the American people.

Mr. President, in deciding this issue, we are also sending a message to the people in Nicaragua and Central America that will have far-reaching implications. Nor would it be an exaggeration to say that we are also sending a message to the world. We must make this message unmistakably clear and strong.

Our message must be that the United States is firmly committed to the cause of democracy in the Americas and that we are determined that democratic movements in this hemisphere will not be crushed by armies and police power, whether of the left or the right.

What then is the solution to this dilemma and how do we convey the message of our support for democracy?

A strong message in support of democracy will not be conveyed if aid to the resistance squeaks by the Congress on a narrow vote.

In developing our policy we must demonstrate the United States neither wishes to restore the old regime in Nicaragua nor wishes to impose its own will upon Nicaragua. The resistance forces must be an authentic and democratic national liberation movement or they do not deserve our support. The message we send will be a clear one: The United States supports democracy in Nicaragua, not a return to the Somoza era.

I am encouraged by the appointment of Ambassador Habib as the President's Central America negotiator. But we need more than a man, we need a plan.

We face a difficult and demanding task. But there is reason to believe that this approach can succeed. Five years ago Nicaragua's neighbor, El Salvador, seemed destined toward greater bloodshed and repression.

But out of our debate here in Congress a two-track policy for El Salvador evolved: we gave military aid, but we also insisted upon democratization and reconciliation within Salvadoran society. The American public—and the Central American public—stood behind this sometimes slow-moving and imperfect policy. El Salvador today still has many difficulties. But the levels of civil violence have diminished, a democratically elected government is in place, and the country has begun to rebuild.

Nicaragua, of course, is not El Salvador. It is today ruled by Marxists-Leninists: home-grown, but foreign sponsored. But this is another reason why our Nicaraguan policy is so important. The United States has shown—in El Salvador, in the Philippines and in Haiti—that we can help change repressive regimes. We must also find policies that enable us to respond to the challenge of Communist totalitarianism.

Accordingly, I have written the President a letter.

In that letter, I state that unless the Contras are perceived in the United States and Central America as a genuine democratic movement, it is unlikely that American aid can be sustained or that the Contras will attract much support in Nicaragua. Therefore, I asked the President to give assurances on several points which are spelled out in my letter. Let me summarize them:

First, aid should be given only to civilian political leaders who respect human rights, are genuinely democratic, and have not engaged in criminal activity; no aid should be given directly to military leaders.

Second, this political leadership must form a genuine democratic movement.

Third, the resistance forces must investigate and prosecute individuals responsible for human rights abuses.

Fourth, all intelligence and other nonmateriel assistance should also be funneled through the civilian leadership.

Fifth, strict accounting measures over our aid must be adopted.

And, sixth, humanitarian aid should include education in reading, writing, health care and agricultural and vocational skills that will foster economic and political growth.

The President has now responded to my letter. In his response, I am pleased that the President has pledged to meet these concerns and states that he fully agrees with the objectives of my letter.

I am also pleased that the resolution which has been—will be—introduced by Senators LUGAR, DOLE, and BENTSEN contains provisions reflecting these concerns which are shared by many of us in this Chamber. I am grateful for the leadership of Senators COHEN, RUDMAN, and KASSEBAUM in this regard. Specifically, section 9(f) prohibits expenditure of the funds until the President determines and reports to Congress that the Contras "have agreed to and are beginning to implement":

> Broadening their leadership base; coordination of efforts; elimination of human rights abuses; pursuit of a program to achieve democracy in Nicaragua, and subordination of military forces to civilian leadership.

In addition, the Commission established by section 11 is required to report to Congress by June 30, 1986, on whether the Nicaraguan democratic resistance has agreed to, and are beginning to, implement these measures.

Finally, Mr. President, and this is very important, Congress must exert vigorous oversight over all aspects of this program. We must investigate carefully the allegations of human rights abuses by the Contras. We must oversee this program to assure that the administration is making a good faith effort to negotiate and to build a democratic center. We must also carefully monitor progress of the negotiations. The Commission, which will be established by section 11, will provide us with the facts upon which we can conduct this oversight.

Mr. President, if we adopt the proposal we are debating, including the provisions I have discussed, and if the President adheres to the pledges made in his letter to me, I believe it will go a long way toward developing a consensus behind a sustainable policy of military pressure on the Sandinistas to negotiate while at the same time building a genuine democratic movement which will enjoy the support of the American people and of the other governments in the region.

I have spent a good deal of time talking to the administration's top officials about this, including the President and the Secretary of State. I would like to close by quoting from my exchange of letters with the President on this subject.

Mr. President, my letter stated a number of goals. The main goal I will state very briefly:

> All aid should be given only to civilian political leaders that are genuinely democratic, respect human rights and have not or are not engaged in criminal activity, such as drug trafficking. No aid should go to the military leaders except through civilian leadership committed to these goals and principles.

Mr. President, I would like to read one part of the letter I received from President Reagan in response to my letter. This statement is on the second page of the President's letter. I think it is the most important commitment that we could have now in terms of the future of this Contra program. I quote from the President's letter:

> Please be assured that I will implement this mandate from the Congress in a manner which gives primacy to civilian leadership and democratic development within the Nicaraguan opposition. To do so, we will work with the leadership of the Nicaraguan opposition to establish a council which, like our own National Security Council, ensures that military activities are conducted under the guidance of responsible civilian leaders. It is our intention that this body will be responsible for ensuring that U.S. assistance is fairly and properly administered.

I ask unanimous consent that the letters be printed in the RECORD.

There being no objection, the letters were ordered to be printed in the RECORD, as follows:

UNITED STATES SENATE,
COMMITTEE ON ARMED SERVICES,
Washington, DC, March 26, 1986.

The PRESIDENT,
The White House,
Washington, DC.

DEAR MR. PRESIDENT: Last year when Senator Lugar and I, and a number of our colleagues, sponsored an amendment which provided humanitarian assistance for the democratic resistance in Nicaragua, we sought to develop a consensus behind a sustainable policy that would promote the growth of democracy in Nicaragua and support negotiations. One of the central purposes of our amendment was to foster the growth of democracy and respect for human rights within the democratic resistance.

I agree with your view that the establishment of a consolidated, Marxist-Leninist regime in Nicaragua, allied with the Soviet Union and Cuba, represents a potential threat to the security of the United States. The Sandinistas have steadily tightened their grip on the people of Nicaragua. They have violated the human rights, and denied fundamental freedoms, of the Nicaraguan people. Moreover, the evidence is incontrovertible that the Sandinistas have continued to support guerilla movements and terrorism outside Nicaragua and that the Soviet and Cuban presence and influence has grown.

Although some progress has been made in forming a democratic political leadership for the contras, the American people and the Congress are reluctant to support the contras because they are not convinced that they are truly a democratic movement. The Congress, and I believe the American people, are prepared to support an authentic broad-based democratic resistance movement fighting for freedom and human rights in Nicaragua.

Our policy must indicate clearly not only what the United States opposes—a Marxist-Leninist repressive regime in Nicaragua—but also what we support, democracy and human rights. As we learned in El Salvador, the most effective force to prevent a communist success is a strong, principled, democratic movement which represents the real aspirations of the people. Similarly, in the Philippines we recently saw the enormous force generated when people want democracy and believe that there are leaders with integrity and courage who support democratic goals.

Unless the contra movement is perceived in the United States and Central America as an effort to bring democracy to Nicaragua, it is unlikely that American aid can be sustained or that the contras will attract the kind of political support required to bring about changes in Nicaragua.

Unfortunately, the contras have yet to become this force. Their political program and goals remain unclear. The various forces opposing the Sandinistas are divided. The power within the FDN, the largest contra force, still does not appear to be under civilian control. Although the United Nicaraguan Opposition has recently formed a Human Rights Commission, the contras' record and commitment on human rights remains unacceptable.

In El Salvador, we have used our military and economic aid effectively with bipartisan support, to strengthen democratic forces committed to human rights. We should follow a similar course in providing military assistance to the democratic resistance in Nicaragua.

I agree with the recent suggestion of Senators Cohen, Kassebaum and Rudman that the contras must agree to broaden their base, eliminate human rights abuses, and develop and pursue a program for achieving democracy in Nicaragua. I suggest a number of measures to insure that U.S. aid is designed to bring about these goals which are essential for success.

First, all aid should be given only to civilian political leaders that are genuinely democratic, respect human rights and have not or are not engaged in criminal activity, such as drug trafficking. No aid should go to the military leaders except through civilian leadership committed to these goals and principles.

Second, the civilian political leadership of the opposition movements must form a genuine democratic movement. The United States must insist that they work together and that they broaden their base so as not to exclude Nicaraguans who are committed to democratic principles. This does not mean that they must all adhere to a common political approach, but only that they embrace democratic principles.

Third, vigorous action must be taken to enforce respect for human rights including investigation and prosecution of individuals within the resistance responsible for human rights abuses.

Fourth, all intelligence and other non-materiel assistance and cooperation should also be funneled through, or at least controlled by, the democratic civilian political leadership.

Fifth, strict accounting measures must be adopted to insure that all aid is being properly administered and accounted for.

Sixth, humanitarian aid should include basic education for the democratic resistance fighters and their families. We should, for example, teach reading, writing, health care, and other basic courses in agricultural and vocational skills which will foster political and economic growth.

It is my firm belief that these assurances would go a long way toward satisfying doubts that linger in the minds of the Congress and the American people as to whether the contras truly represent a democratic force worthy of our support. I hope you will be able to provide me with these assurances.

Mr. President, I have one final but important point. The foreign policy of the United States toward Nicaragua cannot succeed if the only way it can be sustained is by repeated, razor-thin votes of the Congress. We need to develop a bipartisan, sustainable policy toward Nicaragua that enjoys the long-term support of the Congress, the American people and of the governments and the people of Central and South America. I applaud the efforts of Senator Sasser, Senator Byrd, Senator Lugar and Senator Dole in seeking to develop such a policy. I hope you will support them in that effort and join in developing such a policy.

Sincerely,

SAM NUNN.

THE WHITE HOUSE,
Washington, March 27, 1986.

Hon. SAM NUNN,
U.S. Senate,
Washington, DC.

DEAR SAM: Thank you for your letter this morning regarding our need to move in a bipartisan manner on forging a policy which will lead to a democratic outcome in Nicaragua. I fully agree with your objective of ensuring that everything we do diplomatically, politically, economically, and, especially, with our aid should contribute to the goal of a truly democratic solution.

Your observations, regarding the Nicaraguan opposition and its need to broaden its appeal to the Nicaraguan people, are entirely accurate. I agree that we need to do more to ensure that the Nicaraguan democratic resistance is, indeed, a representative movement, responsive to civilian leadership which is, in turn, committed to the ideals of democracy, human rights, the rule of law, and a better life for the Nicaraguan people.

It is because I believe so deeply in a truly democratic outcome in Nicaragua that I have endorsed a number of proposals made by thoughtful members of Congress, regional leaders, and the leadership of the Nicaraguan opposition itself, which are designed to further that end. The legislation that we have discussed with the Senate leadership and, which I find acceptable, reflects this advice and includes the following provisions intended to give effect to the objectives identified in your letter:

"The President shall use the authority provided by this Joint Resolution to . . . encourage the Nicaraguan democratic resistance to take additional steps, strengthen its unity, pursue a defined and coordinated program for representative democracy in Nicaragua, and otherwise increase its appeal to the Nicaraguan people."

Please be assured that I will implement this mandate from the Congress in a manner which gives primacy to civilian leadership and democratic development within the Nicaraguan opposition. To do so, we will work with the leadership of the Nicaraguan opposition to establish a council which, like our own National Security Council, ensures that military activities are conducted under the guidance of responsible civilian leaders. It is our intention that this body will be responsible for ensuring that U.S. assistance is fairly and properly administered. I have also endorsed language in the legislation which provides not less than $3 million for "strengthening programs and activities of the Nicaraguan democratic resistance for the observance and advancement of human rights." Training and democratic principles will be an important part of our program. Finally, I am committed to ensuring that no aid be provided to those groups that retain in their ranks individuals who engage in human rights violations, drug smuggling, or misuse of resistance funds.

I believe that these commitments are responsive to your concerns and those of other members of Congress who are as dedicated as you and I to a sustainable bipartisan and truly democratic solution to the turmoil in Central America.

Sincerely,

RONALD REAGAN.

Mr. NUNN. Mr. President, there are a number of other statements that I think are important in President Reagan's letter. Time does not permit me to read them.

Let me close by saying that I am pleased that the resolution, the Dole-Lugar-Bentsen resolution, which I intend to vote for, contains provisions reflecting these concerns which are shared by many in this Chamber.

I am grateful to the leadership of Senators COHEN, RUDMAN, and KASSEBAUM in this regard.

I congratulate Senator COHEN for his leadership and I assure him that I agree completely with the goals that he has been effective in pursuing.

The PRESIDING OFFICER. Who yields time?

Mr. NUNN. Mr. President, if I have time, I yield whatever time I have remaining to Senator COHEN.

The PRESIDING OFFICER. The Senator has 3 minutes and 50 seconds.

Mr. COHEN. I thank the Senator for yielding.

Mr. President, the present episode in the long-running debate over U.S. aid to the Contras has been marred and clouded by intemperate rhetoric. We seem at times to be focusing more on tactics—slogans and allusions aimed at inspiring the desired response—than substance.

It is imperative that we move beyond this. There are some critical issues which must be carefully considered if we are to arrive at a responsible policy.

I believe that a key to developing a sound, long-term approach lies in a careful consideration of the principal parties in Nicaragua.

Unfortunately for the Nicaraguan populace, the Sandinista government has removed lingering doubts about its nature and intent in the past year. Last October, the Nicaraguan Government suspended fundamental civil rights of its citizens, including the right to form unions and to strike; the right to be presumed innocent until proven guilty; freedom of movement; right of peaceful assembly; freedom of information; and the right to a trial. These and the continuation of other human rights abuses underscore more clearly than ever the antidemocratic nature and intent of a force which once promised to embody the hopes of the Nicaraguan people.

It is also clear that the Sandinistas have interfered in the internal affairs of their neighbors, and have encouraged the consolidation of Cuban and Soviet presence and influence. Last year, we were surprised at Daniel Ortega's indelicate visit to Moscow on the heels of the votes in the House of Representatives to deny aid to the Contras. This week lightning struck again in the form of a significant Sandinista incursion into Honduras as the Senate prepared to debate the merits of further aid to the Contras. It would appear that Mr. Ortega thought he could vanquish any claim the Contras might have as a fighting force; instead, he suffered a serious, self-inflicted head wound.

As a result of the Sandinista's internal policies and international designs, there appears to be little remaining doubt about the nature of their rule. As the distinguished Senator from Tennessee stated in the Democratic response to the President's televised address on aid to the Contras:

> We agree that the Sandinista government has betrayed the promise of its own revolution, has suppressed the freedom of its own people, and has supported subversion against its neighbor in El Salvador.

The principal differences of view arise over the question of what to do about this. In my view, the United States does have an inescapable interest in problems and events in Latin America. Regional security is a valid concern and, tempting as it may seem, we cannot simply turn away from the situation in Nicaragua. Our objectives in this situation should be to help advance the democratic aspirations of the Nicaraguan people and to support efforts by our Latin American neighbors to ensure regional security.

To meet the latter goal, I believe we must vigorously support the efforts of our Latin American neighbors to work out diplomatic solutions through the Contadora negotiating process.

This can also be advanced through measures to promote democratization in Nicaragua. Here, then, we must turn to consideration of the Contras.

While there has been increasing agreement among the public and Members of Congress concerning the nature of the Sandinista regime and the threat that it poses both to its neighbors and to the United States, there is still no consensus over the character of the Nicaraguan rebels. Indeed, the term "Contras" is misleading to the extent that it implies a single source of armed opposition to the Sandinistas. We know that there are in fact numerous groups battling the Sandinistas, groups which do not always share the same methods or objectives.

We need to address a number of unresolved questions concerning the Contras before we embark on a policy that will deepen our involvement with these groups. We need to ensure that their goals coincide with our own, that their methods are consistent with these goals, and that they have a program and organization which promises to garner significant popular support among their countrymen in Nicaragua.

The United States backed Contras stand accused of human rights abuses. Further, it is uncertain whether they can agree on a common agenda with other resistance groups or coordinate their activities.

If our goal is to bring pressure to bear on the Sandinistas to move toward democratization and regional security, then the Contras need to develop a common set of objectives along with a program and organizational structure for implementing them. They also need to develop recognition as legitimate and representative spokesmen for large segments of the population inside Nicaragua. Internal and international support for the Contras will grow only when it is clear that they are not CIA mercenaries or ex-Somoza national guardsmen intent on returning Nicaragua to the authoritarianism of the past.

In short, support for the Contras will not prove effective unless we make it clear to them that our support is contingent on reforms that will promote the formation of a confederated, broadly based, coordinated, democratic opposition.

It is for this reason that I joined with my colleagues, Senator KASSEBAUM and Senator RUDMAN, in pressing for legislation linking assistance to the Contras to concrete measures to develop and implement a reform program. Specifically, we have argued that additional aid beyond the initial outlay be prohibited unless and until the Contras have agreed and have begun implementing:

Confederation and reform measures to broaden their leadership base;

The coordination of their efforts;

The elimination of human rights abuses;

The pursuit of a defined and coordinated program for achieving representative democracy in Nicaragua; and

The subordination of military forces to civilian leadership.

Notification that these conditions have been satisfied would be provided through Presidential certification.

We have also insisted that an independent commission, established under the legislation, prepare and transmit to the Congress a report on whether the Contra groups have carried out these obligations.

Our purpose in this legislation is not to raise unworkable obstacles, but, rather, to establish a rational framework for ensuring that U.S. assistance promotes the objectives for which it is intended. Hence, we envision detailed reporting on the reform efforts of the Contras, including relevant information relating to the degree of success achieved in meeting the goals of the legislation.

I am pleased to note that these reform provisions have been included in the legislation we are considering today. I am hopeful that their enactment will give impetus to a healthy restructuring of the Nicaraguan opposition forces. In any case, the message, I trust, will be clear. The United States will not indefinitely funnel assistance

to disparate, fractious forces with questionable human rights practices. What we demand is a broad-based, coordinated, democratic force with a popular program for promoting democracy in Nicaragua.

Mr. President, after years of debate and discussion, we are still groping for a policy toward Nicaragua. I believe it is essential that we define our objectives clearly and develop a carefully drawn plan to implement them. When a policy is ambiguous or opaque, efforts to rally support—especially through verbal bullying—will fail. Casting aspersions is not a substitute for the heavy responsibility and difficult task of persuading a free people to open their eyes and minds to near- or long-term dangers. We must instead define the problems, propose clear and specific policies to deal with them, and seek to convince the country and the Congress to support those policies.

The problems of Nicaragua and its relations with its neighbors do not lend themselves to quick or easy solutions. I believe that only through a multitrack approach which includes a Contra reform element can pressure be effectively brought to bear on the Sandinista government to move toward pluralism and democracy and to cease being a threat to regional security.

Mr. President, earlier this afternoon, I heard some of the debate characterized as a message to the Sandinistas or a message to the American people and our allies; that if we were not willing to support this assistance package, that America was not willing to stand up for her friends. A question came to my mind: Who are our friends? The enemy of my enemy is not necessarily my friend.

Mr. NUNN. Mr. President, may we have order? I am trying to listen to the Senator from Maine.

The PRESIDING OFFICER. The Senate will be in order.

Mr. COHEN. One of the major concerns Senator KASSEBAUM, Senator RUDMAN and I had was that we have no chance of success, any long-term chance of success, unless we are able to forge a bipartisan consensus in Congress and in the country.

We can only do that if we have a group that we can support that would be not only an effective military force but an effective moral force, as well; a force around which the people, the disenfranchised people of Nicaragua, could rally to say "these people now embody our aspirations"—the aspirations that have been, in fact, abandoned by the Sandinistas.

And it was for what reason that Senator KASSEBAUM, SENATOR RUDMAN, Senator NUNN, myself and others believed that it was important that we not support any package that did not call for a reform of the Contras to promote the formation of a confederated, broadly based, coordinated, democratic opposition. Right now, it consists of a number of disparate groups. They are not effectively organized. They do not adequately subordinate military forces to civilian rule. They stand accused of human rights abuses, and we simply could not continue to support a group on a long-term basis under such circumstances.

For that reason, we proposed an amendment—it was accepted—that would condition any additional aid, beyond the initial outlay, upon the Contras agreeing to implement a confederation and reform measures to broaden their leadership base, to coordinate their efforts, to eliminate human rights abuses, to pursue a program for achieving representative democracy in Nicaragua, and to subordinate military forces to civilian leadership.

Mr. NUNN. The Senator says, as I understand it—this is my view, and I am sure it is the view of the Senator from Maine—that this is not simply an altruistic principle of human rights and democratic principles, although that is part of it. It is really the key as to whether this policy we are pursuing has any chance of success, in terms of being sustainable in this country, which is in doubt now, and in terms, most importantly of being supported by the people of Nicaragua, which, in the final analysis, will determine the outcome.

Mr. COHEN. The Senator is correct.

If these groups do not organize, do not coordinate their activities, do not engage in promotion of the democratic reforms that are essential, they will lose the support of the Nicaraguan people, and we will face ultimate defeat. This is the key to a reform package.

Mr. NUNN. Will the Senator from Maine agree with the Senator from Georgia in the observation that now that we have the President's letter, and that we also have the language of the Senator from Maine in this resolution, we have something by which to judge the Contra movement? There will be no more debates in a vacuum 18 or 12 months from now. Either they move in this direction or, in my view, this will not be a program sustainable by the United States.

Mr. COHEN. The Senator is correct.

The PRESIDING OFFICER. The time of the Senator has expired.

Mr. PELL. Mr. President, I yield 15 minutes to the distinguished Senator from Connecticut. [Mr. DODD].

Mr. DODD. I thank the Senator.

Mr. President, I urge both my good friends from Georgia and Maine to see last week's interview on "Front Line," conducted by Judy Woodruff on Public Broadcasting. The person being interviewed thought the cameras and tape recorders were off. He made comments about who would be in control. I wish them well. I hope they are right in this, but I am suspicious that his statements may have been more reflective of the realities.

Mr. NUNN. I take that point well. I know about that interview, and that strengthened my conviction that there has to be civilian control by people who are committed to democratic principles.

"THE MARCH OF FOLLY"

Mr. DODD. Mr. President, I regret, as many of us do, that we were not able to adopt the Sasser amendment. I felt that that was the closest we could come to really developing a sound policy, in the long term, in Nicaragua.

When it comes to this underlying proposition, the one offered by the President, there are a number of very good reasons for opposing this request for more money to sustain the proxy war in Nicaragua.

The best reason, the overriding reason, the reason why I will vote against this request, is that it does not serve the interests of our Government, our Nation, or our people.

The President's request is simply another sad chapter in the dreary history of government's—all governments'—capacity to make mistakes; to pursue those mistakes relentlessly; and to then pawn those mistakes off as sound policy. This historical phenomenon is what Pulitzer Prize-winning historian Barbara Tuchman has aptly labeled "The March of Folly."

Such rationality and knowledge throughout history are all too rare, claims Ms. Tuchman. "A phenomenon noticeable throughout history regardless of place or period," she writes, "is the pursuit by governments of policies contrary to their own best interests." In her latest book, entitled the "March of Folly," Ms. Tuchman chronicles a series of policy disasters ranging from the fall of Troy to the Vietnam war. In these and other cases, "Persistence in error is the problem," she observes. "Yet to recognize error, to cut losses, to alter course," she concludes, "is the most repugnant option in government."

In the case of the Contra policy that is pending before us, this option is the only option that makes any sense—recognizing our error, cutting our losses and altering our course. It is the only option that accords with the facts, and it is the only option that holds out the promise of avoiding the folly of our current policy before it is too late.

Mr. President, the policy the Reagan administration is pursuing toward the Nicaragua situation is folly. It belies any fundamental understanding of the social, economic, and political forces at work in the region.

Our present policy is folly because it evidences our interest in promoting military solutions to political problems, which is not unlike Soviet behav-

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ior in Afghanistan, Eastern Europe, and other parts of the world.

Our present policy is folly because it identifies us with the status quo, if not the reactionary forces in the region, including former military commanders from the old Somoza National Guard.

Our present policy is folly because it puts us at loggerheads with our democratic allies in the region, such as Mexico, Venezuela, Colombia, Panama, Argentina, Peru, Brazil, and Uruguay.

Our present policy is folly because it plays into the hands of Fidel Castro and his cohorts, who while they did not create the deplorable conditions that exist in Central America, are fully prepared to take advantage of them.

Our present policy is folly because it indicates our willingness to disregard binding treaty commitments which bar us from intervening in the internal affairs of other nations, specifically the nations of this hemisphere.

What are we doing, and apparently what we will continue to do later this afternoon, is folly, pure and simple. How did we get into this mess? Historian Tuchman reminds us that throughout history, political "wooden-headedness," which, she notes "* * * consists in assessing a situation in terms of preconceived, fixed notions while rejecting any contrary signs," is primarily responsible for nations doing that which is directly contrary to their own self-interest. More to the point, she says, "It is acting according to wish while not allowing oneself to be deflected by the facts."

Such, I believe, is President Reagan's approach to the situation in Nicaragua. Our present actions resemble an ideological obsession, not a foreign policy.

Our present approach in Central America has taken on the appearance of a holy war; and, like all such wars, it is driven by a fanatical impulse, in this case a ideological compulsion to rid the Central American region of the Communist demon.

In the administration's view, the Sandinistas are the embodiment of that demon. And regardless of the particular troublespot in the region, all roads lead to Managua.

Toppling the Sandinistas, in the administration's view, would mean removing the bad apple from the barrel. It eliminates the Communist threat to the mainland; it reduces political instability and social unrest in the region; and perhaps most importantly, it teaches Havana and Moscow an important lesson.

To carry out this goal, the Reagan administration has chosen the ghost of Somoza, the remnants of the Nicaraguan National Guard as its instrument. Rearm them. Retrain them. Refer to them as "freedom fighters." And send them back to liberate "the Fatherland." If Congress learns about the operation, tell them it is for the purpose of interdicting military supplies, tell them it is to promote negotiations. Tell them anything that will allow us to continue this folly.

Let Congress pass all the laws it wants to restrict the use of these funds to the Contras. They are harmless measures, and in any event, by the time the folks on Capitol Hill figure out what is really going on, it will be too late. To paraphrase former President Teddy Roosevelt, "This administration will have toppled the Sandinistas regime; let Congress debate it."

All of this sounds pretty far-fetched, something akin to a foreign policy pipedream or the twisted plot of a recent spy thriller. Not so long ago that is what a lot of people in this Chamber and the other body thought. But no longer. No, the war against Nicaragua is real. The war is spreading, as we know from the events of the last several days, and our involvement is growing deeper.

Remember the time when the Contra operation was nothing more than a gleam in the President's eye; now it is an armed force numbering some 20,000 people, according to the administration.

Remember the time when United States military assistance to the Central American countries was less than $10 million per year; now it exceeds $200 million annually.

Remember the time when U.S. military exercises in the region were, at most, a yearly event; now they are a permanent feature of the landscape.

Remember the time when we did not have military trainers or advisers in either Honduras or El Salvador; remember the time when United States helicopter pilots were not ferrying foreign forces to the Honduran-Nicaraguan border; remember the time when we were not conducting aerial reconnaissance missions in the area; remember the time when we did not have radar stations or naval vessels permanently stationed there. Or remember the time, unlike today, when no one referred to the "U.S.S. Honduras" to describe our military presence in the poorest nation of the region.

And when you remember all of that, remember too there was a time when we were not distributing guerrilla materials and manuals in Nicaragua, supporting terrorist operations there, or mining harbors. Yes, there was a time, in the not-too-distant past, when we vehemently condemned such activities, when we were respected as a law-abiding nation, and when we upheld the jurisdiction of the World Court.

All of that, of course, has changed, and it has changed because the President is determined to rid Nicaragua of the Sandinista government. He is so determined that he is willing to tell Congress whatever it wants to hear—just so long as the money continues to flow. If we want it disguised as an arms interdiction program, he will tell us that; if we want it disguised as a humanitarian aid project, he will tell us that; or if we want it disguised as a bargaining chip, he will tell us that, too.

And if you are concerned about who is getting the money, the President has got the kind of answer to reassure the most hardened critic: the money is going to the "freedom fighters"; to "our brothers"; to "the moral equal of the Founding Fathers."

Yes, the President is determined to get the money he has requested, just as he was determined to send the Marines to Lebanon and just as some of his predecessors were determined to stand up for democracy in Southeast Asia. But both efforts represented serious errors in judgment, and both efforts cost us dearly. Just because a President is determined does not make him right.

To underscore this point, keep in mind that it was candidate Reagan, no less determined, who led the fight against any new treaty arrangement on the Panama Canal. Had we pursued his advice, there is little doubt but that the canal would have been closed, or there would have been bloodshed and conflict, or both. Fortunately, "cooler heads and wiser counsel" prevailed on the Panama issue. We reached a political settlement that fully protects the real interests of all concerned. Today, of course, the Reagan administration supports those treaties.

We desperately need a similar approach to Nicaragua in particular and to Central America in general. We must make a determined effort—working in concert with our regional allies—to bring an end to the violence and bloodshed; to restore peace and stability; and to make diplomacy work. To get from here to there, we must be prepared to alter course.

First, there must be unequivocal support for the Contadora process and for the efforts by Mexico, Venezuela, Colombia, and Panama and other regional democratic allies to develop political solutions to the conflicts which plague the Central American region.

Second, there must be a commitment on our part to reduce tensions in the area. We must terminate our support for paramilitary operations against Nicaragua and bring a halt to military exercises which have no other real purpose than to intimidate or provoke the Nicaraguan Government.

Third, there must be a clear, concise signal to indicate that we are ready, willing and able to provide substantial economic resources to the nations of Central America as soon as the Contadora process achieves a measure of

success in bringing peace and stability to the region.

I realize such an approach falls on deaf ears when it comes to the hardcore Nicaragua-bashers, from the President on down. But all I am suggesting is that, in an effort to give peace a chance in this region, we deal with Nicaragua like we deal with any number of other countries that we find abhorrent, such as Poland, Yugoslavia, Chile, or South Africa.

In each of these cases, were we to follow the Nicaragua formula, we would be supporting armed dissident movements and we would be doing so under the banner of freedom and democracy. We would be aiding and abetting freedom fighters in South Africa, rather than pursuing a policy of constructive engagement. Or we would be voting on $100 million for Polish dissidents, rather than having anything to do with the Communist leaders of Poland.

But we are not. In these cases we are pursuing a different course and we are using our power and influence in different ways. We are trying to make diplomacy work and we are being more pragmatic, more sober, more realistic. Surely, if President Reagan can pursue such a policy with the Jaruzelskis and the Pinochets of the world, there is no reason to regard the Ortegas as beyond the pale.

Mr. President, I make this point not because I believe the Sandinista government is a model democracy. I do not. I make this point not because I am unmindful of the difficulties faced by other political forces in Nicaragua, by the press, by the church, by the labor unions, or by the private sector. Nor do I make this point because I have turned a blind eye to Nicaragua's close relations with Cuba and with the Soviet Union. I have not.

No, Mr. President, I am concerned about all of these developments and I am as disappointed as anyone in this Chamber that the Sandinista government has yet to live up to many of the the commitments made in the name of the Nicaraguan revolution. But I not prepared to issue what is tantamount in a declaration of war because of it. Just as I am not prepared to issue a declaration of war against Poland because of its military ties to the Soviet Union, or because of its despicable human rights record. Nor am I prepared to take such action against South Africa, Chile, Paraguay, or any number of other countries whose governments do not uphold democratic standards and values. Nor is anyone else in this Chamber.

Marxist ideology does play a very major role in the Sandinista government. And many of the Sandinista leaders espouse that threadbare ideology and believe firmly in it. But obviously the same goes for the People's Republic of China. Are we to believe that Nicaragua is more of a Marxist state than the Soviet Union? Are we to believe that it is more of a Marxist state than the People's Republic of China? Are we to believe that it is more of a threat to our national security interests than either of these two Communist giants?

Obviously not. And yet just as obviously, President Reagan deals with both Moscow and Beijing in ways that stand in marked contrast to our approach to Managua. A couple of years ago the President traveled to the People's Republic of China as a guest of that country. Last year, the President met with the new leadership of the Soviet Union. These meetings evidence the President's conviction that political contacts, even with ideological adversaries, can serve to advance United States interests and lead to improved political relations. It is a sound conviction. It is one that deserves to be applied to Nicaragua, as well.

Mr. President, our real interests in Nicaragua, like our real interests elsewhere in the world, are political interests. By promoting our political interests, our political relations, we stand the best chance of promoting and protecting all of our other interests with respect to Nicaragua—be they economic, military, strategic or of any other kind. This approach also affords us the best chance of influencing the Nicaraguan Government's behavior, both internally and externally.

The resolution before us, however, takes us in the opposite direction. It simply compounds one error with another. It takes us further down the road in the march of folly. The folly is to pursue a policy that emphasizes military and paramilitary solutions, rather than political and diplomatic ones. The folly is to pursue a policy that focuses almost exclusively on external factors and forces, rather than internal differences and divisions. The folly is to pursue a policy that clearly evidences an emotional and ideological approach, rather than an objective and pragmatic one.

Just over 10 years ago, Mr. President, we finally terminated a similar policy, one that had led us into the jungles and rice paddies of Southeast Asia and one that had cost us dearly in terms of blood and treasure. The more than 50,000 names etched in marble at the Vietnam Memorial are solemn testament to that policy. No, Nicaragua is not Vietnam. And Central America is not Southeast Asia. Not yet. But the Reagan policy evidences a determination to eliminate the differences.

Before that happens, we should also keep in mind that a decade prior to our withdrawal from Saigon, this forum was engaged in another debate on another resolution. And in the course of that debate—two of our former colleagues dissented. Prior to casting his vote against this resolution on that very hot August day in 1964, our former colleague from Oregon said the following:

> I say most respectfully and sadly that in my judgment, in this resolution, we are planting seeds not of peace, but of war. Those who will follow us in the years to come will cry out in anguish and despair in criticism over the mistake that was made in 1964 when the joint resolution was passed.

Approval of the Tonkin Gulf Resolution was a mistake. A generation later, let us learn from our mistakes.

Mr. President, the pending resolution should be rejected.

Mr. PELL. Mr. President, I yield 5 minutes to the Senator from Montana.

Mr. MELCHER. I thank the manager of the bill, the Senator from Rhode Island.

Mr. President, the people are, in the majority, against the Reagan plan of the growing aid to the rag-tag revolutionaries fighting the Nicaraguan Government.

There are several reasons why President Reagan has not been successful in mobilizing widespread public support for his Nicaraguan policy of sending $100 million to the Contra rebels. I believe the most important reason is the overriding concern Americans have for the plummeting economy of the basic industries. Lower commodity prices over the past 5 years have crippled the U.S. mining, agriculture, and the forest products industries, and joining these now is the petroleum industry with rapidly sinking oil prices.

Liquidations, buy-outs, bankruptcies and bank failures are characteristic of these industries suffering huge losses in the face of the low commodity prices for their products. The secondary industries of steel, copper, and aluminum can be added to the list. Job losses number in the millions and the snowball effect et cetera.

Taking care of what needs to be down here at home has been ignored by the administration, while it attempts to motivate the people into believing that the $100 million for Nicaraguan Contras is more important and more significant than these economic wounds.

The damage of these falling prices does not stop at our shores, but depresses the economies of all other countries which are tied to these basic industries. The President's position is unbelievable; the President's priority for Nicaragua is preposterous, and the very strength of the United States economy is under siege.

During the past 30 days we have spent more time with the Senate in conferences and briefings on the question of $100 million for Nicaragua than we have devoted to addressing these significant economic problems. Keeping your own house in order is essential for solving anybody's problems. Our own economic well-being is the basis of strength which sustains our

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people. Why do we ignore that, while we debate sending $100 million to a dubious group called "Contras?"

As for a Central American policy the effect on Mexico alone from lower commodity prices, particularly petroleum, threatens their economic collapse. Further, lower commodity prices will force all of us to reevaluate global trade and markets for all goods and commodities.

The reduction of inflation in the United States has been directly tied to these lower commodity prices. While this has made the stock market soar on Wall Street, it has devastated main streets across America which must rely on the economic activity of basic industries. The clobbering they have suffered has been in direct proportion to the collapsing commodity prices. One economic analyst has said, "lower commodity prices are like a tax refund to consumers." This is a questionable consumer windfall since it was taken directly from those basic industries that are the foundation—the bedrock on which the economy is built. To have recovery requires a day of reckoning with commodity price recovery. Few citizens will be left untouched.

Wall Street's confidence in the stock market is built on a foundation of shifting sand. It may wash away at any time when there is a realization that the U.S. economy is far from sound and headed toward disaster at a breakneck speed.

No one single action by the administration can thwart economic disaster for these basic industries. And there is no one single action—not one—that the administration is pursuing to thwart the collapse of these industries, let alone a coordinated plan for recovery.

Under these conditions, to hammer away at a $100 million Nicaraguan Contra caper is worse than Nero's playing the fiddle as Rome burned.

To ignore the necessities at home, to ignore the necessities of the stability of U.S. basic industries is a gross violation of common sense and a dereliction of duty. The President and his administration have ignored the basic industries and are ignoring the needs of our country. Hammering out a policy for Nicaragua has become a bull-headed exercise. It is a futile exercise, but most damaging are the losses American citizens endure from the administration's callous disregard of their genuine concerns.

Nevertheless, in a short time we shall vote on the transfer of a $100 million to several thousand hired revolutionaries, dependent for pay from the United States, who camp in Honduras and periodically fight in Nicaragua.

They fight to overthrow the Government of Nicaragua, headed by Daniel Ortega, and establish a new government. These revolutionaries are led by a combination of former Somoza military officers, dropouts from Ortega's Sandinista group, and others, more or less Nicaraguan patriots. The total number of their military force may vary from a few thousand to a total of about 15,000.

Their numbers can be expected to be in proportion to the amount of money we send them. Their ability to operate as a military force of any credibility is questionable.

Two centuries ago King George III hired Hessians to fight with them against us in our war of revolution.

The Hessians were trained, disciplined troops. In contrast these Contra are not. I do not know how much George III paid the Hessians but it is pertinent to understand where the funds for the $100 million would come from to pay the Contras.

DESCRIPTION OF REQUEST

The $100 million would be transferred from amounts appropriated to the Department of Defense, as follows:

	Millions
Ammunition, Army: 105mm HEAT MPT cartridge	$30
Other procurement, Navy:	
2.75-inch rockets	11.5
General purpose bombs	20
Procurement, Marine Corps: 155mm ammunition	3.5
Other procurement, Air Force:	
30mm API	29.1
CBU-89 (TMD/GATOR)	5.9

These are all "readiness accounts" which are vital for our Armed Forces to meet any threat to our national defense.

Two other points need consideration:

Latin American opposition. U.S. aid to the Contras, contrary to what the administration says, does not have the support of any of the Latin American countries. Last month the Contadora nations—Mexico, Venezuela, Colombia, and Panama—and three others formally urged the United States to halt aid to the Contras. They rested their appeal on the grounds that U.S. involvement in Latin America via the Contras only aggravated the chance for a negotiated settlement of the conflict.

Second. It is unbelievable, that the President's request of $100 million is the upper level of assistance which may be provided to the Contras. Administration witnesses testified to the House Select Committee on Intelligence that approval of the House resolution would have the effect of removing any restriction upon use of the CIA's reserve for contingencies. That opens the doors of the Treasury to amounts much greater than $100 million.

The Constitution is clear that the responsible function of Congress to determine spending of Treasury funds is paramount to the President's recommendations.

In this case, the President's proposal for Nicaragua should be rejected. His statements of the need, his declarations of the aims of the Contras and their capabilities have not been corroborated by facts.

The only logical vote is to vote against his request. My vote is, No.

It is my strong belief that Nicaragua cannot be allowed to become a base for military operations to cause a threat to other countries. Preventing new armaments to come into Nicaragua through Cuba, the Soviet Union, or their counterparts continues to be the goal of the United States and that is supported by the Contadora group and the entire hemisphere.

To that extent there is a unified approach.

I believe in the meantime, we should be unified on helping the people of Nicaragua who are caught in the middle of the guerrilla war between the Nicaraguan Government military forces and those who adhere to the Contra side. That continuous strife disrupts the usual production of food and drains available resources for the people.

It is the hearts and minds of the Nicaraguan people who will, over the course of time, determine the future position of Nicaragua in its relationship with their neighbors of Central America and the rest of us in this hemisphere.

Of the various schemes to salvage United States interests in Nicaragua, all have flaws. The worst, of course, would deliberately or inadvertently add to the suffering of the 3 million Nicaraguan people and further fan their resentment toward us.

There is justification for that antagonism, whether we like to admit it or not. We first started risking Nicaraguan animosity starting in 1894. President Cleveland then, and later Presidents McKinley and Taft, found it necessary to send United States Marines to Nicaragua to protect United States interests from harm or destruction. Sending Marines to Nicaragua seemed to grow into a habit. In 1910 we began an era of 23 years where we invited the animosity of the Nicaraguan people.

President Taft responded to a growing Nicaraguan revolution against the Government by sending a 750-man provisional regiment from Philadelphia to Nicaragua. They landed in May 1910 and remained through approximately September 1910. This time they actually went into the interior of the country and fought in battles to neutralize rebel towns.

Beginning in 1912, United States Marines were stationed in Nicaragua almost continuously for the next 21 years. The events that led to the Marine landing in 1912 started a couple of years earlier when economic problems in Nicaragua caused the conservative, pro-United States Government there to apply for funds to help reorganize the country's finances. The United States supplied the money but, in return, demanded that the Nicaraguan Government place the nation's customs department, post office, national banks, mines, railways, and harbors under the control of two New York banks as a guarantee.

This increasing U.S. involvement in the internal affairs of Nicaragua provoked an uprising in 1912 against the pro-United States Government. At the request of the Nicaraguan Government, 1,700 marines were sent to Nicaragua by President Taft. Their numbers were shortly increased to 2,700. The combined Government and U.S. troops soon captured the rebel leaders and broke the back of the revolution.

With the exception of a brief 9-month period in 1925-26, the United States maintained some type of military presence in Nicaragua from 1912 until 1933, and the presence of these troops was instrumental in keeping the pro-United States Government in power.

In the late 1920's Augusto Cesar Sandino, from whose name comes the term "Sandinista," began to rise to the leadership of the nascent revolutionary forces in Nicaragua. The guerrilla-style warfare practiced by Sandino and his some 300 followers went on throughout the late 1920's and early 1930's.

In January 1933, after a decade of guerrilla war, Sandino's major condition for peace required the departure of the marines. After the marines left, Sandino signed a peace agreement with the Nicaraguan Government. Marines have not been deployed to Nicaragua since that time. During this time, Anastasio Somoza of the Nicaraguan National Guard had become a power in the Government and in 1937, with United States backing, Somoza became the head of a military regime which was to rule Nicaragua for more than 40 years, to 1979. In all, three members of the Somoza family headed the Nicaraguan Government with the backing of the United States and more than half a billion dollars in United States aid.

What was the final result of all this military support in Nicaragua? The eventual collapse of the Somoza dictatorship and the rise to power of the Marxist Sandinista government.

All in all, our involvement in Nicaragua in backing oppressive governments, including the Somoza family dictatorship, resulted in antagonizing the oppressed Nicaraguans and led to even greater support for the rebel Sandinistas in Nicaragua.

In short, this left a bitter legacy of antagonism toward our country we have not, thus far, been able to overcome.

United States aid to Nicaragua during the Carter administration neither bought us the friendship of the new Ortega government nor helped that government get along with Nicaragua's neighbors or stabilize its economy.

Worse still, the Reagan administration actions through our Central Intelligence Agency backfired in mining Nicaraguan harbors embarrassed us throughout the hemisphere. At the same time, these clumsy, misguided actions have given the Marxist Government of Nicaragua a propaganda opportunity. President Ortega finds it convenient to blame United States interference for the low state of the Nicaraguan economy and the high state of human suffering.

There was little excuse for the CIA mischief we have wrought in the region. The Nicaraguan people pose no real threat to the United States. What would constitute a threat, of course, is any attempt by Cuba, the Soviet Union, or any other outside power to funnel more arms to the Ortega goverment. Introducing armaments into Nicaragua from abroad is contrary to the Monroe Doctrine and the Rio Treaty, and preventing that from happening must be a primary goal.

On the other hand, our primary goal with regard to the Nicaraguan people must be to help them as much as we can afford to help and to do it in a manner that they can understand and appreciate.

The most stable institution in that unstable country remains the Roman Catholic Church, and though President Ortega and his cabinet insulted Pope John Paul during the Pontiff's peace mission there in 1983, Cardinal Miguel Obando y Bravo, the bishops, and most of the clergy remain the resolute and responsible arbiters between the people and their government. What is more, the Nicaraguan church leaders have maintained a positive relationship with their counterparts throughout Central America and the rest of the world.

If Cardinal Bravo and the church in Nicaragua are willing to arrange transportation and distribution, we should offer some of our surplus food to the Nicaraguan people whose national economy and food production cycles have been destabilized by a decade of intermittent strife.

Among the poorest peasants in Central America, the poor of Nicaragua have found little in our policy toward their country to identify Americans as friends and good neighbors. Since we have much more food in Federal storage than we can dispose of, we should immediately ask Nicaraguan church officials if they will receive and distribute United States commodities to their country's poor.

It is my judgment that implementing such a food aid policy through the church could begin to rebuild trust, friendship, and good will among the Nicaraguan people and, at the same time, pointedly refute the misleading and self-serving propaganda of the Ortega government.

That is long-term policy that is good for them, good for us, and promotes a chance for a return to democracy and a stable society for Nicaragua.

The PRESIDING OFFICER. The Senator's time has expired.

Mr. PELL addressed the Chair.

The PRESIDING OFFICER. The Senator from Rhode Island is recognized.

Mr. PELL. Mr. President, I yield 5 minutes to the Senator from Iowa, Mr. HARKIN.

The PRESIDING OFFICER. The Senator from Iowa is recognized.

Mr. HARKIN. Mr. President, I read with great interest—and I commend to the attention of my colleagues—the recent report of the House Permanent Select Committee on Intelligence. That report concluded that "the policy of assistance to the Nicaraguan resistance was not working, that it was, in fact, counterproductive."

Five years and nearly $100 million of U.S. taxpayers dollars have not made the Contras effective either militarily or politically.

We should not be surprised. To a majority of Nicaraguans, the Contras, and its fighting arm, the FDN [Nicaraguan Democratic Resistance], are led not by freedom fighters, but by the same National Guard who fought against freedom during the Somoza era.

There was an interview on the PBS program "Frontline," with Adolfo Calero, a member of the UNO directorate and president of the directorate of the FDN.

Mr. President, I ask unanimous consent that the interview be printed at this point in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

INTERVIEWER. It's clear that a lot of the foot soldiers, the majority, the vast 99 percent of the foot soldiers are young men who were, who where,

ADOLPHO CALERO. . . . who were kids, when the word Somosa, when Somosa was in power, they had, they were being born.

INTERVIEWER. But isn't it also clear that many of the leaders, the top leaders for sure, were members of the National Guard?

ADOLPHO CALERO. Then you haven't met, you haven't met the top leaders then, who are top leaders.

INTERVIEWER. Enrique Bermudez.

ADOLPHO CALERO. Enrique Ber . . . yeah, he's a top leader, he was a member of the National Guard.

INTERVIEWER. In Becebla?

ADOLPHO CALERO. In Becebla, it's a former capton in the National Guard who . . .

INTERVIEWER. And he is a top man?

ADOLPHO CALERO. Il Becebla, well, let's say he's one of our best educated men in operations.

INTERVIEWER. Meglema.

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Adolpho Calero. Meglema was a cadet in the Nicaraguan military academy. He was never an officer.

Interviewer. Commadente Mac.

Adolpho Calero. Commadente Mac was a sergeant.

Interviewer. In the National Guard?

Adolpho Calero. Yeah.

Interviewer. Juan Gomez?

Adolpho Calero. Juan Gomez, he's a top . . . he's an aviator. He's a pilot

Interviewer. Was he a pilot for . . .

Adolpho Calero. Yeah, he's a pilot for . . .

Interviewer. No. He was a pilot of the Nicaraguan airforce . . . under Somosa.

Adolpho Calero. Under Somosa, yeah.

Interviewer. And Calderon Lopez? He's also a top man and he was a member of the National Guard.

Adolpho Calero. Calderon, well, he's a, he was a lieutenant, yes.

End.

Narrator. The presence of former guardsmen in the leadership of the FDN has led critics of Reagan's support for the Contras to charge that the United States, in its eagerness to fight Communism, has backed an army that promises little more than a return to the past.

Mr. HARKIN. The fact that the leadership of the FDN is comprised of ex-national guardsmen is not just my conclusion.

It is that of UNO leader Arturo Cruz, who conceded in a recent interview in the Washington Post that "the largest number in the inner staff" are ex-guardsmen. It is the conclusion of Central American analyst Robert Leiken, who has written that "the FDN high command, with one exception, is drawn entirely from the national guard."

And it now is the conclusion of the Reagan administration, which, in a March 13 letter to Senator Pell, confirmed that 9 of the 13 members of the FDN high command are former guard officers.

A review of the resumes of the major FDN leaders demonstrates why the Contras have failed to win the hearts and minds of the Nicaraguan people.

The head of the FDN, Enrique Bermudez, is a member of the national guard who founded the Contra group. One of his closest associates, Ricardo Lau, has been linked by the Honduran military to death squad activity in Honduras. And, according to the former head of military intelligence in El Salvador, Mr. Lau participated in the assassination of Archbishop Oscar Romero in El Salvador.

No; the Contras are not freedom fighters who reflect the ideals and values of the American people.

They are nothing more than a ragtag band of murderers, torturers, and rapists. There have been those who have said perhaps they will clean up their act. They will not clean up their act, and they will not clean it up because the leaders of the FDN are totally corrupt.

Let me recite the major reasons for that missing $7.1 million missing from the money Congress approved for the Contras last year.

Earlier today, the distinguished Senator from Arkansas was pointing out that there was $7.1 million missing from the money that the Congress approved for the Contras last year. No one has brought this out. I think it is very interesting to note who gets to handle our taxpayers' dollars that go down to this bank account in Miami.

The money goes to a bank account in Miami, and then it is funneled out through the UNO. Listen to who handles the money. Adolfo Calero, a member of the UNO directorate, who is the leader of the FDN, and Mario Calero, brother of Adolfo, is the purchasing agent for UNO, and he lives in New Orleans.

Get this: This is the final linkage. Aristedes Sanchez is the brother-in-law of Adolfo Calero. He is the general secretary and paymaster of the FDN.

I might also parenthetically indicate that he is a close business associate with the former General Somoza.

So here we have it; $7.1 million goes to a bank account in Miami. Who gets to handle it all? Adolfo Calero, his brother Mario Calero, and his brother-in-law, Aristedes Sanchez. That ought to tell us something right there.

Mr. President, I challenge anyone to give this Senator any evidence that the $7.1 million is actually used to fund the Contras. I will bet my bottom dollar on it. That money is being socked away by Adolfo Calero and his brother Mario Calero, and the brother-in-law of Adolfo, Aristedes Sanchez. And we should not be surprised. These again are the same people who worked under the Somoza regime.

I know. It has been said that Adolfo Calero was an opponent of Somoza. Yes, he was. He was opposed to Somoza because Somoza was taking too much of his money, and he wanted a little bit more. But now Adolfo Calero, and his brother Mario, and his brother-in-law Aristedes Sanchez—the three of them have their hands in the taxpayers' money. Boy, what a sweetheart deal this is. We fund the money, they send it to the bank in Miami, and no one has to account for it thereafter.

I suggest that we ought to check the bank accounts of Mario Calero, Adolfo Calero, and Aristedes Sanchez, to find out just where the taxpayers' dollars are going.

As someone said to me the other day, Adolfo Calero is a Ferdinand Marcos before his time. I think the time has come now to cut off the aid.

The PRESIDING OFFICER. The time of the Senator has expired.

Who yields time?

Mr. DOLE addressed the Chair.

The PRESIDING OFFICER. The disginguished majority leader.

Mr. PELL addressed the Chair.

The PRESIDING OFFICER. The Senator from Rhode Island is recognized.

Mr. PELL. Mr. President, I yield 3 minutes to the Senator from Tennessee [Mr. Gore].

The PRESIDING OFFICER (Mr. Pressler). The Senator from Tennessee [Mr. Gore] is recognized for 3 minutes.

Mr. GORE. I thank the Chair. Mr. President, as I have listened to the discussions on the floor yesterday, and to the debate today, it is clear that all questions revolve around a central issue: Not whether we trust the Sandinistas; not whether we are indifferent to their presence in Central America; not whether we are absolutely in favor of or opposed to the use of force in defense of our interests; but whether we have placed right on our side by first truly seeking peace.

It was the premise of my colleague Jim Sasser's amendment that we have not yet done this: That we should, as a result, pause for a reasonable interval, sit at the table with the Nicaraguans and search for a way to live in peace with them. Those who opposed that amendment do not appear to have disagreed on the need for negotiations: Rather, they believe that the effort has already been made—more than once—and rejected—more than once.

We come, therefore, to the amendment at hand; proposed by our colleagues Senators Dole, Lugar, and Bentsen. There is a great deal in their proposal that is reasonable. But at its core, one finds the belief that we have already done enough in search of peace. Hence, the desire for $25 million up front on very loose strings; the haste in allowing but 3 more months before final release of the remaining $75 million; and the legislative design which makes release of that money at the end of that time a virtual certainty.

I oppose this amendment because I do not share its authors' assessment of what we have done to secure peace. But in so doing, I also recognize an obligation: To say with precision what, in my opinion remains to be done.

First, I would urge the President to negotiate bilaterally with Nicaragua, without a demand that the Nicaraguans first bargain with the Contras. When revolutionaries in El Salvador demand that the Duarte government sit down with them, we bridle. We should not be surprised if the same kind of demand from us—negotiate bilaterally with your deadly foe—is unwelcome in Nicaragua.

But if this is too much to ask of the President, could he not at least try to do in Central America what he has been trying to do in the Middle East? Could we not look upon the Contras as our PLO, for such they are? Could we not propose that the Contras be represented at the table by a panel of Nicaraguans acceptable to them, but not of them, and for that reason perhaps acceptable also to the Sandinistas?

And if we managed to talk, what would we ask? We would ask for confirmation of and the details behind the offers made by the Nicaraguan Ambassador to Senator Pell on the 3d of this month; namely, withdrawal of all foreign advisers; no acquisition of new systems of armaments, with strict verification measures; a guarantee that Nicaraguan territory will never be used as a base for any foreign power or for subversion, with onsite inspection; an end to the state of emergency, and restoration of full civil liberties including freedom of speech and the press; and general amnesty for all Contras with full rights of return as citizens.

Mr. President, if we found substance behind these promises, we will have found peace for the region. And if we do not, we shall have eliminated much, if not all of the doubt which divides us and the Nation over what should be done.

In summary, Mr. President, I am suggesting that we might encourage the President to search for a negotiating formula that would allow bilateral discussions with the interests of the Contras represented at the table in a manner which finesses the current disagreement which prevents the Sandinistas from sitting down with the Contras and prevents us from setting down with the Sandinistas.

I appreciate the time and I yield back whatever time remains.

The PRESIDING OFFICER. Who yields time?

Mr. DOLE. Mr. President, I am prepared, if the distinguished minority leader is prepared, to propose a unanimous-consent request.

Mr. BYRD. Yes.

Mr. DOLE. Let me read the entire request and make the entire request.

Mr. BYRD. Mr. President, how about the time for this purpose?

Mr. DOLE. I ask unanimous consent that the time used for this purpose not be charged.

The PRESIDING OFFICER. Without objection, it is so ordered.

UNANIMOUS-CONSENT AGREEMENT

Mr. DOLE. Mr. President, I ask unanimous consent that during the remainder of the Senate's consideration of Senate Joint Resolution 283, the Contra aid resolution, the time be allotted in the following fashion:

Dole-Lugar-Bentsen substitute, 1 hour, with 45 minutes under the control of the distinguished chairman of the Foreign Relations Committee and 15 minutes under the control of the minority leader or his designee; 10 minutes on a Cranston amendment to require bilateral negotiations, equally divided; 10 minutes on the Durenberger amendment that conditions lethal aid, equally divided; 10 minutes on a Biden amendment setting conditions for the use of U.S. military personnel, with all time to be allotted to the Senator from Delaware; 5 minutes on Dixon amendment prohibiting use of U.S. military personnel, all time to be allotted to the distinguished Senator from Illinois [Mr. Dixon]; 10 minutes on a Kennedy amendment prohibiting use of U.S. personnel, to be equally divided.

I also ask unanimous consent that the agreement be in the usual form, except where specified in a different fashion, that no other amendments be in order, and that they occur in the order as stated above.

The PRESIDING OFFICER. Is there objection?

Mr. BYRD. Mr. President, reserving the right to object, first I want to thank the distinguished majority leader for entering into an agreement to allow the substitute, not a Democratic substitute, offered by Mr. Sasser, to have an up-or-down vote and agreeing there would be no amendments offered to it. I think that was a very fine thing to do and I personally appreciate it.

On this request as I see it here, all of the amendments which appear below the Dole-Lugar substitute—Cranston, Durenberger, Biden, Dixon, Kennedy—would be second-degree amendments. May we have that understanding?

Mr. DOLE. That is correct.

Mr. BYRD. Mr. President, we are having an understanding of their being second-degree amendments for purposes of this agreement. That does not prejudice the distinguished majority leader.

Mr. DOLE. The minority leader is correct. We do not want additional amendments offered. That is the purpose of this consent agreement.

Mr. BYRD. Mr. President, I have no objection.

The PRESIDING OFFICER. Is there objection? The Chair hears none. Without objection, it is so ordered.

Mr. DOLE. Mr. President, let me indicate to my colleagues, and I know many of them have other plans, I think with a little luck we can complete action by 7 o'clock, or before. I thank all my colleagues on both sides for their willingness to reduce their time. I believe the distinguished chairman of the Foreign Relations Committee is now prepared to offer the substitute for himself, this Senator, and the Senator from Texas [Mr. Bentsen].

AMENDMENT NO. 1720

(Purpose: To furnish assistance for the Nicaraguan democratic resistance to provide incentives for the Government of Nicaragua to negotiate with its neighbors and its democratic opposition and to promote peace and democracy in Central America.)

Mr. LUGAR. Mr. President, I sent a substitute to the desk and ask for its immediate consideration.

The PRESIDING OFFICER. The clerk will report.

The legislative clerk read as follows:

The Senator from Indiana [Mr. Lugar], for himself, Mr. Dole, and Mr. Bentsen, proposes an amendment numbered 1720.

Mr. LUGAR. Mr. President, I ask unanimous consent that further reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

Strike out all after the resolving clause and insert in lieu thereof the following:

PURPOSES

Section 1. The purposes of this joint resolution are to promote peace, stability, and democracy in Central America, to encourage a negotiated resolution of the conflict in the region and, towards these ends, to enable the President to provide additional assistance for the Nicaraguan democratic resistance, as requested by the President on February 25, 1986, pursuant to the provisions of section 722(p) of the International Security and Development Cooperation Act of 1985 (Public Law 99-83) and section 106(a) of the Supplemental Appropriations Act, 1985 (Public Law 99-88), subject to the terms and conditions of this joint resolution.

POLICY TOWARD CENTRAL AMERICA

Sec. 2. (a) It is the policy of the United States that—

(1) the building of democracy, the restoration of peace, the improvement of living conditions, and the application of equal justice under law in Central America are important to the interests of the United States and the community of American States;

(2) the interrelated issues of social and human progress, economic growth, political reform, and regional security must be effectively dealt with to assure a democratic and economically and politically secure Central America; and

(3) the September 1983 Contadora Document of Objectives, which sets forth a framework for negotiating a peaceful settlement to the conflict and turmoil in the region, is to be encouraged and supported.

(b) The United States strongly supports as essential to the objectives set forth in subsection (a)—

(1) national reconciliation in Nicaragua and the creation of a framework for negotiating a peaceful, democratic settlement to the Nicaraguan conflict; and

(2) efforts to reach a comprehensive and verifiable final agreement based on the Contadora Document of Objectives, including efforts to encourage the Government of Nicaragua to pursue a dialogue with the representatives of all elements of the Nicaraguan democratic opposition for the purposes of achieving a democratic political settlement of the conflict, including free and fair elections.

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POLICY TOWARD THE GOVERNMENT OF NICARAGUA

SEC. 3. (a) United States policy toward Nicaragua shall be based upon Nicaragua's responsiveness to continuing concerns affecting the national security of the United States and Nicaragua's neighbors about—

(1) Nicaragua's close military and security ties to Cuba and the Soviet Union and its Warsaw Pact allies, including the presence in Nicaragua of military and security personnel from those countries and allies;

(2) Nicaragua's buildup of military forces in numbers disproportionate to those of its neighbors and equipped with sophisticated weapons systems and facilities designed to accommodate even more advanced equipment;

(3) Nicaragua's unlawful support for armed subversion and terrorism directed against the democratically elected governments of other countries;

(4) Nicaragua's internal repression and lack of opportunity for the exercise of civil and political rights which would allow the people of Nicaragua to have a meaningful voice in determining the policies of their government through participation in regularly scheduled free and fair elections and the establishment of democratic institutions; and

(5) Nicaragua's refusal to negotiate in good faith for a peaceful resolution of the conflict in Central America based upon the comprehensive implementation of the September 1983 Contadora Document of Objectives and, in particular, its refusal to engage in a serious national dialog with all elements of the Nicaraguan democratic opposition.

(b) The United States will address the concerns described in subsection (a) through economic, political, and diplomatic measures, as well as through support for the Nicaraguan democratic resistance. In order to assure every opportunity for a peaceful resolution of the conflict in Central America, the United States will—

(1) engage in bilateral discussions with the Government of Nicaragua with a view toward facilitating progress in achieving a peaceful resolution of the conflict, if the Government of Nicaragua simultaneously engages in a serious dialogue with representatives of all elements of the Nicaraguan democratic opposition; and

(2) limit the types and amounts of assistance provided to the Nicaraguan democratic resistance and take other positive action in response to steps taken by the Government of Nicaragua toward meeting the concerns described in subsection (a).

(c) The duration of bilateral discussions with the Government of Nicaragua and the implementation of additional measures under subsection (b) shall be determined, after consultation with the Congress, by reference to Nicaragua's actions in response to the concerns described in subsection (a). Particular regard will be paid to whether—

(1) freedom of speech, assembly, religion, and political activity are being respected in Nicaragua and progress is being made toward the holding of regularly scheduled free and fair elections;

(2) there has been a halt to the flow of arms and the introduction of foreign military personnel into Nicaragua, and a withdrawal of all foreign military personnel has begun;

(3) a cease-fire with the Nicaraguan democratic resistance is being respected; and

(4) Nicaragua is refraining from acts of aggression, including support for insurgency and terrorism in other countries.

(d) The actions by the United States under this joint resolution in response to the concerns described in subsection (a) are consistent with the right of the United States to defend itself and to assist its allies in accordance with international law and treaties in force. Such actions are directed, not to determine the form or composition of any government of Nicaragua, but to achieve a comprehensive and verifiable agreement among Central American countries, based upon the 1983 Contadora Document of Objectives, including internal reconciliation within Nicaragua, based upon democratic principles, without the use of force by the United States. Nothing in this joint resolution shall be construed as authorizing any member or unit of the armed forces of the United States to engage in combat against the Government of Nicaragua.

POLICY TOWARD THE NICARAGUAN DEMOCRATIC RESISTANCE

SEC. 4. (a) It is the policy of the United States to assist all groups within the Nicaraguan democratic resistance which—

(1) are committed to work together for democratic national reconciliation in Nicaragua based on the document issued by the six Nicaraguan opposition parties on February 7, 1986, entitled "Proposal to the Nicaraguan Government for a Solution to the Crisis in Our Country"; and

(2) respect international standards of conduct and refrain from violations of human rights or from other criminal acts.

(b) No assistance under this joint resolution may be provided to any group that retains in its ranks any individual who has been found to engage in—

(1) gross violations of internationally recognized human rights (as defined in section 502B(d)(1) of the Foreign Assistance Act of 1961); or

(2) drug smuggling or significant misuse of public or private funds.

(c)(1) The Congress finds that the Nicaraguan democratic resistance has been broadening its representative base, through the forging of cooperative relationships between the United Nicaraguan Opposition (UNO) and other democratic resistance elements, and has been increasing the responsiveness of military forces to civilian leadership.

(2) The President shall use the authority provided by this joint resolution to further the developments described in paragraph (1) and to encourage the Nicaraguan democratic resistance to take additional steps to strengthen its unity, pursue a defined and coordinated program for representative democracy in Nicaragua, and otherwise increase its appeal to the Nicaraguan people.

(d) In furtherance of the policy set out in this section, not less than $10,000,000 of the funds transferred under section 5(a) shall be available only for assistance to resistance forces otherwise eligible and not currently included within UNO, of which amount $5,000,000 shall be available only for the Southern Opposition Bloc (BOS) and $5,000,000 shall be available only for the Indian resistance force known as Misurasata.

TRANSFER OF FUNDS

SEC. 5. (a)(1) The Congress hereby approves the provision of assistance for the Nicaraguan democratic resistance in accordance with the provisions of this joint resolution.

(2) There are transferred to the President for use in carrying out the provisions of this joint resolution $100,000,000 of unobligated funds from such accounts for which appropriations were made by the Department of Defense Appropriations Act, 1986 (as contained in Public Law 99-190), as the President shall designate. No limitation or restriction contained in section 10 of Public Law 91-672, section 8109 of the Department of Defense Appropriations Act, 1986, section 502 of the National Security Act of 1947, or any other provision of law shall apply to the transfer or use of such funds.

(b) Notwithstanding the Impoundment Control Act of 1974, not more than 25 percent of the funds transferred under subsection (a) may be available for obligation or expenditure in accordance with this joint resolution upon the date of enactment of this joint resolution, and not more than an additional 15 percent of such funds may be so available upon the transmittal of each report required by section 12.

(c) Funds transferred under subsection (a) shall remain available for the same periods of time, but not to exceed September 30, 1987, as such funds would have been available under the Department of Defense Appropriations Act, 1986 (as contained in Public Law 99-190), but for the enactment of this joint resolution.

(d)(1) There are transferred to the President out of funds appropriated by the Supplemental Appropriations Act, 1985 (Public Law 99-88), under the heading "Assistance For Implementation of a Contadora Agreement" such sums as the President may require, but not more than $2,000,000, to facilitate the participation of Costa Rica, El Salvador, Guatemala, and Honduras in regional meetings and negotiations to promote peace, stability, and security in Central America. No limitation or restriction contained in section 15 of the State Department Basic Authorities Act of 1956, section 10 of Public Law 91-672, or any other provision of law shall apply to the transfer or use of such funds.

(2) Funds transferred under paragraph (1) shall remain available for the same period of time as such funds would have been available under the Supplemental Appropriations Act, 1985 (Public Law 99-88), but for the enactment of this joint resolution.

FUNDS FOR HUMANITARIAN ASSISTANCE

SEC. 6. (a) Of the amounts transferred under section 5(a), $30,000,000 shall be available only for the provision of humanitarian assistance to the Nicaraguan democratic resistance by the Nicaraguan Humanitarian Assistance Office (established by Executive Order 12530).

(b) Of the $30,000,000 made available only for purposes of subsection (a), $3,000,000 shall be available only for strengthening programs and activities of the Nicaraguan democratic resistance for the observance and advancement of human rights.

APPLICATION OF EXISTING LAWS

SEC. 7. (a) Except as otherwise provided in this joint resolution, funds transferred under section 5(a) shall be available for the purposes described in section 105(a) of the Intelligence Authorization Act for Fiscal Year 1986, and all the requirements, terms, and conditions of such section and sections 101 and 102 of such Act, section 502 of the National Security Act of 1947, and section 106 of the Supplemental Appropriations Act, 1985 (Public Law 99-88), shall be deemed to have been met for such use of such funds.

(b) The use of funds made available under this joint resolution is subject to all applicable provisions of law and established procedures relating to the oversight by the Congress of operations of departments and agencies.

(c) Nothing in this joint resolution shall be construed as permitting the President to furnish additional assistance to the Nicaraguan democratic resistance from funds other than the funds transferred under section 5(a) or otherwise specifically authorized by the Congress for assistance to the Nicaraguan democratic resistance.

USE OF FUNDS AFTER A PEACEFUL SETTLEMENT

SEC. 8. If the President determines and so reports to the Congress that a peaceful settlement of the conflict in Central America has been reached, then the unobligated balance, if any, of funds transferred under section 5(a) shall be available for the purposes of relief, rehabilitation, and reconstruction in Central American countries in accordance with the authorities contained in chapter 4 of part II of the Foreign Assistance Act of 1961 (relating to economic support fund assistance).

INCENTIVES FOR A NEGOTIATED SETTLEMENT

SEC. 9. (a) Assistance under this joint resolution shall be provided in a manner designed to encourage the Government of Nicaragua to respond favorably to the many opportunities available for achieving a negotiated settlement of the conflict in Central America. These opportunities include the following proposals:

(1) Six opposition Nicaraguan political parties on February 7, 1986, called for an immediate cease-fire, an effective general amnesty, abolition of the state of emergency, agreement on a new electoral process and general elections, effective fulfillment of international commitments for democratization, and observance of implementation of these actions and commitments by appropriate international groups and organizations;

(2) President Reagan on February 10, 1986, offered simultaneous talks between the Government of Nicaragua and all elements of the Nicaraguan democratic opposition in Nicaragua and between the Government of Nicaragua and the United States Government;

(3) President Jose Napoleon Duarte of El Salvador on March 5, 1986, offered an additional dialog between the Government of El Salvador and the insurgents in El Salvador if the Government of Nicaragua would simultaneously engage in a dialog with all elements of the Nicaraguan democratic opposition; and

(4) President Reagan's Message to the Congress of March 19, 1986, proposed a mission to Latin America by his special envoy to encourage the Contadora and Support Group countries to join in urging the Government of Nicaragua to initiate a national dialog with representatives of all elements of the Nicaraguan democratic opposition.

(b) In furtherance of the objectives set forth in subsection (a), and except as provided in subsection (c), assistance to the Nicaraguan democratic resistance under this joint resolution shall be limited to the following:

(1) humanitarian assistance (as defined in section 722(g)(5) of the International Security and Development Cooperation Act of 1985);

(2) logistics advice and assistance;

(3) support for democratic political and diplomatic activities;

(4) training in radio communications, collection, and utilization of intelligence, logistics, and small-unit skills and tactics; and

(5) equipment and supplies necessary for defense against air attacks.

(c) On and after July 1, 1986, the restrictions in subsection (b) shall cease to apply beginning 15 days after the President determines and reports to the Congress that—

(1) the Central American countries have not concluded a comprehensive and effective agreement based on the Contadora Document of Objectives,

(2) the Government of Nicaragua is not engaged in a serious dialog with representatives of all elements of the Nicaraguan democratic opposition, accompanied by a cease-fire and an effective end to the existing constraints on freedom of speech, assembly, religion, and political activity, leading to regularly scheduled free and fair elections and the establishment of democratic institutions, and

(3) there is no reasonable prospect of achieving such agreement, dialog, cease-fire, and end to constraints described in paragraphs (1) and (2) through further diplomatic measures, multilateral or bilateral, without additional assistance to the Nicaraguan democratic resistance, unless the Congress has enacted a joint resolution under section 10 disapproving the provision of additional assistance (other than assistance described in subsection (b)).

(d)(1) Notwithstanding subsection (c), no assistance (other than the assistance described in paragraphs (1) through (4) of subsection (b)) shall be provided at any time to the Nicaraguan democratic resistance under this joint resolution if—

(A) the President determines that—

(i) the Central American countries have concluded a comprehensive and effective agreement based on the Contadora Document of Objectives; or

(ii) the Government of Nicaragua is engaging in a serious dialog with representatives of all elements of the Nicaraguan democratic opposition, accompanied by a cease-fire and an effective end to the existing constraints on freedom of speech, assembly, religion, and political activity leading to regularly scheduled free and fair elections and the establishment of democratic institutions; or

(B) the Congress enacts a joint resolution under section 10 disapproving the provision of additional assistance (other than assistance described in paragraphs (1) through (4) of subsection (b)).

(2) The prohibition contained in paragraph (1) shall not apply with respect to assistance described in paragraph (5) of subsection (b) if the Government of Nicaragua acquires additional equipment or materiel to carry out air attacks.

(e) The limitations on assistance that may be furnished to the Nicaraguan democratic resistance which are contained in subsections (b) and (d) shall cease to apply if the Congress enacts a joint resolution, in accordance with section 10, stating that the Government of Nicaragua has failed to accept or observe a cease-fire with the Nicaraguan democratic resistance.

(f)(1) Notwithstanding any other provision of this joint resolution, on or after July 1, 1986, funds may be obligated or expended under this joint resolution only if the President determines and reports to the Congress that the Nicaraguan democratic resistance groups receiving assistance under this joint resolution have agreed to and are beginning to implement—

(A) confederation and reform measures to broaden their leadership base;

(B) the coordination of their efforts;

(C) the elimination of human rights abuses;

(D) the pursuit of a defined and coordinated program for achieving representative democracy in Nicaragua; and

(E) the subordination of military forces to civilian leadership.

(2) In making his determination under paragraph (1), the President shall take into account the effectiveness and legitimacy of the political leadership of those Nicaraguan democratic resistance groups receiving assistance under this joint resolution, including the ability of that political leadership—

(A) to reflect the views and objectives of the internal and external Nicaraguan democratic opposition;

(B) to function as the spokesman for the Nicaraguan democratic opposition with Central Americans, international organizations, and the United States Government;

(C) to represent the Nicaraguan democratic opposition in dealing with the Government of Nicaragua;

(D) to provide command and control for the military forces of all resistance groups receiving assistance under this joint resolution and to establish the goals for their military operations;

(E) to determine the distribution of assistance provided under this joint resolution; and

(F) to provide the legal mechanisms necessary for the enforcement of standards of conduct applicable to all members of the resistance groups receiving assistance under this joint resolution.

CONGRESSIONAL PRIORITY PROCEDURES

SEC. 10. (a)(1) A joint resolution described in subsection (c) of section 9 shall be one without a preamble, the matter after the resolving clause of which is as follows: "That the Congress disapproves the provision of additional assistance to the Nicaraguan democratic resistance pursuant to the joint resolution entitled 'Joint resolution relating to Central America pursuant to the International Security and Development Cooperation Act of 1985', except as provided in section 9(b) thereof.".

(2) A joint resolution described in subsection (d)(1)(B) of section 9 shall be one without a preamble, the matter after the resolving clause of which is as follows: "That the Congress disapproves the provision of additional assistance to the Nicaraguan democratic resistance pursuant to the joint resolution entitled 'Joint resolution relating to Central America pursuant to the International Security and Development Cooperation Act of 1985', except as provided in paragraphs (1) through (4) of section 9(b) and paragraph (2) of subsection (d) thereof.".

(3) A joint resolution described in subsection (e) of section 9 shall be one without a preamble, the matter after the resolving clause of which is as follows: "That the Congress finds that the Government of Nicaragua has failed to accept or observe a cease-fire and hereby approves the provision of assistance to the Nicaraguan democratic resistance pursuant to the joint resolution entitled 'Joint Resolution relating to Central America pursuant to the International Security and Development Cooperation Act of 1985.', notwithstanding subsection (b) or (d) of section 5 thereof".

(b) A joint resolution described in subsection (a)(1), (a)(2), or (a)(3) shall be considered in the House of Representatives and in

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the Senate in accordance with the provisions of paragraphs (3) through (7) of section 8066(c) of the Department of Defense Appropriations Act, 1985 (as contained in Public Law 98-473), except that—

(1) references in such paragraphs to a joint resolution shall be deemed to be references to the respective joint resolution set forth in subsection (a)(1), subsection (a)(2), or subsection (a)(3);

(2) references in such paragraphs to the Committee on Appropriations shall be deemed to be references to the appropriate committee or committees of the respective House of Congress;

(3) references in such paragraphs to the eighth day and to fifteen calendar days shall be deemed to be references to the fifth day and to five calendar days, respectively; and

(4) amendments may be in order but only if the amendments are germane.

(c) The provisions of this section are enacted—

(1) as exercises of the rulemaking powers of the House of Representatives and Senate, and as such they are deemed a part of the Rules of the House and the Rules of the Senate, respectively, but applicable only with respect to the procedure to be followed in the House and the Senate in the case of joint resolutions under section 9, and they supersede other rules only to the extent that they are inconsistent with such rules; and

(2) with full recognition of the constitutional right of the House and the Senate to change their rules at any time, in the same manner, and to the same extent as in the case of any other rule of the House or Senate, and of the right of the Committee on Rules of the House of Representatives to report a resolution for the consideration of any measure.

COMMISSION ON CENTRAL AMERICAN NEGOTIATIONS

Sec. 11. (a)(1) There is established the Commission on Central American Negotiations (hereafter in this section referred to as the "Commission"), which shall be composed of five members appointed as follows:

(A) One individual appointed by the Speaker of the House of Representatives;

(B) One individual appointed by the Minority Leader of the House of Representatives;

(C) One individual appointed by the Majority Leader of the Senate;

(D) One individual appointed by the Minority Leader of the Senate; and

(E) One individual, who shall serve as Chairman of the Commission, selected by unanimous vote of the other members of the Commission.

(2) No officer or employee of the United States may be appointed as a member of the Commission.

(b) The purpose of the Commission is to monitor and report on the efforts of the Nicaraguan democratic resistance to coordinate and reform and on the status of any negotiations on the peace, stability, and security of Central America, including negotiations conducted between or among—

(1) the Government of Nicaragua and all elements of the Nicaraguan democratic opposition, including the Nicaraguan democratic resistance;

(2) the governments of Central American countries;

(3) the Government of the United States and the Government of Nicaragua;

(4) the governments of the Contadora and Support Group countries and the government of the Central American countries; and

(5) the Government of El Salvador and the insurgents in El Salvador.

(c)(1) The Commission may appoint and fix the pay of not more than seven staff personnel, but at such rates not in excess of the rate of pay for GS-18 of the General Schedule under section 5332 of title 5, United States Code.

(2)(A) Each member of the Commission shall be entitled to receive the daily equivalent of the annual rate of basic pay in effect for grade GS-18 of the General Schedule under section 5332 of title 5, United States Code, for each day during which such member is engaged in the performance of duties as a member of the Commission.

(B) While away from his home or regular place of business in the performance of duties for the Commission, a member or staff personnel of the Commission shall be allowed travel expenses, including a per diem in lieu of subsistence, not to exceed the expenses allowed persons employed intermittently in Government service under section 5703 of title 5, United States Code.

(3) For purposes of pay and other employment benefits, rights, and privileges and for all other purposes, any employee of the Commission shall be considered to be a congressional employee as defined in section 2107 of title 5, United States Code.

(d)(1) A majority of the members of the Commission shall constitute a quorum.

(2) All decisions of the Commission, except as otherwise provided in this section, shall be by majority vote.

(e) The Commission may make such reports in connection with its duties as it deems necessary to the Speaker of the House of Representatives and the chairman of the Committee of Foreign Relations of the Senate, except that—

(1) not later than 5 days after receipt by the Congress of a report by the President under section 9(c), the Commission shall prepare and transmit to the Speaker of the House of Representatives and the chairman of the Committee on Foreign Relations of the Senate a report addressing all the matters which are required to be included in reports of the President by paragraphs (1), (3), and (4) of section 12; and

(2) not later than June 30, 1986, the Commission shall prepare and transmit to the Congress a report on whether the Nicaraguan democratic resistance groups receiving assistance under this joint resolution have agreed to and are beginning to implement measures described in subparagraphs (A) through (E) of section 9(f)(1) and an evaluation of the factors described in section 9(f)(2).

(f)(1) Salaries and expenses of the Commission, but not more than $400,000, shall be paid from the contingent fund of the Senate out of the Account for Miscellaneous Items, in accordance with the provisions of this section.

(2) Funds made available to the Commission by paragraph (1) shall be disbursed on vouchers approved by the Chairman, except that no voucher shall be required for the disbursement of the salary of an individual appointed under subsection (c).

(3) For purposes of section 502(b) of the Mutual Security Act of 1954, the Commission shall be deemed to be a standing committee of the Congress and shall be entitled to use of funds in accordance with such section.

(g) The Commission shall terminate not later than 30 days after transmittal of the reports required by subsections (e) and (f).

PRESIDENTIAL REPORTING REQUIREMENT

Sec. 12. Not later than 90 days after the date of enactment of this joint resolution, and every 90 days thereafter, the President shall prepare and transmit to the Congress a report on actions taken to achieve a resolution of the conflict in Central America in a manner that meets the concerns described in section 3(a). Each such report shall include—

(1) a detailed statement of any progress made in reaching a negotiated settlement, including the willingness of the Nicaraguan democratic resistance and the Government of Nicaragua to negotiate a settlement;

(2) a detailed accounting of the disbursements made to provide assistance with the funds transferred under section 5(a);

(3) a discussion of alleged human rights violations by the Nicaraguan democratic resistance and the Government of Nicaragua, including a statement of the steps taken by the Nicaraguan democratic resistance to remove from their ranks any individuals who have engaged in human rights abuses; and

(4) an evaluation of the progress made by the Nicaraguan democratic resistance in broadening its political base and defining a unified and coordinated program for achieving representative democracy in Nicaragua.

REQUESTS FOR ADDITIONAL ASSISTANCE

Sec. 13. The provisions of subsections (s) and (t) of section 722 of the International Security and Development Cooperation Act of 1985 shall apply with respect to any request described in section 722(p) of such Act submitted by the President to the Congress on or after the date of enactment of this joint resolution, except that, for purposes of consideration in a House of Congress of a joint resolution under subsection (s) or (t) of such section, amendments to such a joint resolution may be in order but only if such amendments are germane.

Mr. BYRD. Mr. President, will the distinguished Senator allow me to designate?

Mr. LUGAR. Certainly.

Mr. BYRD. I designate Mr. Pell, the ranking member of the Foreign Relations Committee, to control the time on this side.

I thank the distinguished Senator for yielding.

Mr. LUGAR. Mr. President, I ask unanimous consent that the distinguished Senator from South Carolina, Senator Hollings, be added as a cosponsor.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. LUGAR. I make a similar request for Senator Domenici to be added as a cosponsor.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. LUGAR. Mr. President, I will not again go through the issues around which this debate has revolved. Other Members have expressed themselves eloquently about the problems of Central America. Rather, I will use these first few minutes to outline the contents of the substitute proposal which is now before the Senate.

I will offer a section-by-section analysis in order that Members will have

an idea of the contents and be better prepared for debate on the proposal.

First of all, section one of the substitute indicates that the purpose of this substitute is to promote peace, stability, and democracy in Central America, and to encourage a negotiated resolution of the conflict in the region.

Section two states that the United States affirms that our policy is to help promote democracy, restore peace, and improve the living conditions of the people of Central America. These objectives are to be met by a settlement based on the Contadora Document of Objectives and national reconciliation in Nicaragua.

The third, section 3, our policy toward the Government of Nicaragua. Our policy is to be guided by concerns about the extent of Nicaragua's ties to Cuba and the Soviet bloc, the size of its military forces, its support for subversion and terrorism, the degree of internal repression, and whether it will negotiate an end to the conflict.

Further, section 3—and this is an important portion of the document—says the United States will enter into direct bilateral negotiations with the Government of Nicaragua if Nicaragua begins negotiations with all elements of the democratic opposition including the Contras.

The section affirms that U.S. policy is based on international law and is aimed at achieving a peaceful resolution of the dispute. It also explicitly states that this resolution does not serve as a basis for introducing U.S. troops into Nicaragua.

Section 4. Policy Toward Nicaraguan Democratic Resistance: This section makes it U.S. policy to assist all democratic opposition groups committed to a peaceful settlement of the conflict. Assistance must be terminated, however, to any group which fails to expel an individual who violates human rights, smuggles drugs, or misappropriates funds. The assistance provided must be used to promote unity among the democratic opposition groups and to assist in the pursuit of a defined and coordinated program for achieving democracy in Nicaragua. It must also be used to increase further the responsiveness of the military forces to civilian leadership.

Section 5. Transfer of Funds: This section transfers to the President $100 million from unobligated Defense Department appropriations; $25 million is available immediately and $15 million every 90 days thereafter.

The trigger of funds comes, following failure of negotiations, if that unforunate circumstance should occur. The $2 million appropriated in 1985 to carry out a Contadora agreement is also made available to offset the expenses of El Salvador, Costa Rica, Honduras, and Guatemala in participating in regional negotiations to end the conflict.

In essence, it is $2 million to assist these countries in the negotiating process.

Section 6. Funds for Humanitarian Assistance: At least $30 million of the $100 million transferred to the President must be used only for humanitarian aid. At least $3 million is only for human rights programs.

Section 7. Application of Existing Laws: This section allows the President to use the $100 million transferred to him in accord with the provisions of this resolution. It specifically denies him the right to use any other funds, such as those from the CIA Reserve for Contingencies, to aid the democratic resistance unless there has been an explicit congressional authorization.

Section 8. Use of Funds After a Peace Settlement: Once a peaceful settlement of the conflict has been reached, unexpended funds are to be used for relief, rehabilitation, and reconstruction in Nicaragua and the other Central American countries.

Section 9. Incentives for A Negotiated Settlement: The President may not provide offensive weapons to the Nicaraguan democratic resistance until July 1 at the earliest. Deliveries may not begin after that date until he has determined that there is no reasonable chance for negotiations. Congress has 15 days to reverse this determination by joint resolution. In the event delivery of offensive weapons has commenced, further deliveries must cease if the President, or the Congress by joint resolution, declares that negotiations have begun. Deliveries of weapons to defend against air attacks must also be halted, unless the Government of Nicaragua continues to acquire helicopters and other air attack weapons. The President must also certify that the Nicaraguan democratic groups receiving assistance are working together.

Section 10. Congressional Priority Procedures: A joint resolution introduced at any time which would prohibit the delivery of offensive weapons to the democratic resistance is given expedited treatment in both the House and Senate. Germane amendments are in order.

Section 11. Commission on Central American Negotiations: A five-member commission, appointed by the leaders of the House and Senate, is created to monitor and report on all negotiations. The commission may make such reports as it deems necessary, but it must in any case report to the Congress within 5 days of a Presidential determination that there is no reasonable chance for negotiations. It must also report by June 30 on efforts the Nicaraguan democratic resistance is making to work together.

I stress that the working together of the Nicaraguan democratic resistance has been underlined in two sections and is of primary importance in our resolution.

Section 12. Presidential Reporting Requirement: The President must report to the Congress every 90 days on actions taken to resolve the conflict, including the status of all negotiations. These reports must also discuss allegations of human rights violations by either members of the Government of Nicaragua or the democratic resistance. Finally, a full accounting of the assistance provided under this resolution must also be included.

Section 13. Request for Additional Assistance: This section confirms that if the President asks for additional aid for the democratic resistance, that request will be expedited in both the House and Senate.

Mr. President, in essence, this substitute is made up of the original resolution that came before the Senate at the beginning of this debate and a letter that was sent to the House of Representatives by the President of the United States on the day before the most recent debate and vote on this matter in the House. That letter has been incorporated into the legislative package.

Essentially, it provides for $100 million under the discretion of the President of the United States, given the limitations that I have stated—$30 million in humanitarian aid, $70 million in military assistance, the $25 million immediately available upon passage of this legislation. That latter installment would be primarily humanitarian aid along with some defensive weapons so that the Contras would not be defenseless during the period of negotiations that is then provided for.

The negotiation period is at least a 90-day period of time—up until July 1, and it could continue further under the provisions of this substitute if progress is made in the ways that are defined. The Contadora group is to be involved and the principles established by Contadora; namely, that Nicaragua would cease destabilizing its neighbors, would cease building up its armed forces in disproportionate numbers, would cease importation of Soviets, Cubans, and others to be part of its military operations, and would cooperate with regard to restoration of democracy and principles of human rights. These are all ideas that the Contadora group has fostered and those are ones which we have described.

It is contemplated that, following the advice of the President of the United States, Phil Habib, as chief negotiator, would go to the Contadora group and would go to the supporting South American countries. Ambassador Habib has informed many of us that he would be diligent in seeking out all friends in Central and South America to be helpful in bringing

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some openness to the situation, some possibilities for negotiation.

I expect a very strong attempt for a negotiated settlement will be made. In the event there is progress, negotiations will continue. In the event the President certifies there is prospect for progress, Congress has 15 days to take a look at the situation.

A five-member commission described in the section I have just mentioned would oversee this process and offer a report to the Congress on how the negotiations have proceeded.

A Member of Congress could offer a joint resolution of disapproval of the military aid and a vote on that would occur in both Houses. It would be subject to veto by the President of the United States, subject to either override or a confirmation of that veto. In any event, Congress has several bites at this, several opportunities for oversight along the way.

Now, further on down the trail, it is contemplated that if there is peace in Nicaragua, the moneys need not be expended for defensive or offensive weapons but, in fact, they can be spent for humanitarian purposes in Nicaragua. That I think is important.

The President also asserted in his letter, and this is picked up in this substitute, that the Kissinger-Jackson plan and report that called for very substantial amounts of economic assistance in Central America ought to be pushed by the Congress and would have the very strong support of the President. And overall economic assistance is obviously desirable and very necessary in the state of near civil war that has characterized many of the Central American countries.

Throughout the negotiations leading to the introduction of this substitute, Members have brought to the attention of the drafters the need to try to bring better organization to the Contra forces and more assurance that the Contra forces will not commit human rights violations, will not be involved in drug smuggling, will not be involved in the misuse of money. So any number of controls have been put in place in the course of drafting. This is another important element of our package.

The President of the United States has indicated that perhaps not enough attention has been accorded to what we are for—and perhaps too much, on occasion, to what we are against. It is clear what we are against: The Soviets and the Cubans and others in our hemisphere; problems of aggression and violation of civil rights by the Sandinistas. But what we are for is a democratic, negotiated solution in Nicaragua and in the political wing of the Contras, we are looking for that leadership. As a result, a great deal of care has been given to drafting portions of this substitute in which many Members have participated. I pay tribute to Senators COHEN and RUDMAN and KASSEBAUM and NUNN for their work. The letter that was addressed to Senator NUNN by the President of the United States came as a direct response to the effort made to shape up the language in this portion of our package.

Finally, Mr. President, let me just say that the President of the United States, the Secretary of State, and the National Security Adviser, Admiral Poindexter, have all been very, very much involved and interested in this legislation. Immediately following defeat of the President's proposal in the House of Representatives, he asked the majority leader and me to come to the White House. We did so and met with the President, the Vice President, the Secretary of State, Mr. Regan, the Chief of Staff, Admiral Poindexter, and others. The President made two points about the course of action he felt was most important.

First of all, he said, "The letter that I sent to the House of Representatives outlining the negotiations, outlining the focus on reorganization of the Contra effort, outlining economic aid in Central America in the future and our vision for growth there," he said, "these were important points." They perhaps were made too late. Some Members said that they came in a letter and that a contemplated Executive order was not enough—that they needed to be in legislative form.

The President said, "I agree that they should be" and he asked Senator DOLE and me to craft an amendment that would put his letter and the specific pledges with regard to the negotiations in legislative form. So we have done that. And we have done it carefully, going back and forth with the administration to make certain the language we have crafted is entirely satisfactory, and it is.

Now, in addition to that effort, we have worked carefully with Members on both sides of the aisle in a very sincere and earnest attempt to gain a substantial vote for this substitute that we are now presenting. I hope that that will be the case. I would confirm the observations of Members on the floor that one reason that the substitute did not appear until moments ago is that quite literally, our people have been writing all day. People wrote all day yesterday. They have tried to think through with Members ways in which we could have as strong a voice as possible in affirmation of negotiations that have some hope of success—negotiations backed by the thought that in the event the Sandinistas do not want to come to the table with the Contadora group or with other Nicaraguans or with us, that the consequences will be real and sustainable.

So as a result, I think, we have before us an opportunity today to make a very strong statement. I hope it will be a bipartisan statement, insofar as that is possible. And I ask all Members on both sides of the aisle to examine the package carefully in the hour that is allotted to us for this debate. It is a crucial objective, not only of our President, but, in my general judgment, of our country that we resolve this issue with the least possible ambiguity today, that it be known by friend and foe alike that we are eager to try to bring a democratic resolution to Nicaragua and peace to Central America, but, if necessary, we are prepared to assist those who are fighting for freedom both in humanitarian and military terms and to do so in a sustained manner.

Mr. President, I yield the floor.

Mr. President, I yield 10 minutes to the distinguished Senator from New Mexico.

Mr. DOMENICI. Mr. President, I thank the distinguished floor manager for yielding to the Senator from New Mexico. I wish to compliment him and all those who have worked to put together this bipartisan package.

I think it is known by some Senators that, while I am not on the Foreign Relations Committee, I was privileged to be appointed by the Senate as one of the advisers to the Kissinger Commission that resulted from Senator Jackson's suggestions.

As a result, I have visited this part of the hemisphere with that Commission. I have been in Nicaragua. I have met most of the people that we talk about here today.

I would like to share with the Senate today how I see this vote and how I view the importance of it. In my own way, I will endeavor to make the case, as I have it in my mind, for someone who wonders why we ought to be involved in Nicaragua.

We have heard some very lengthy speeches about the history. We had Senators talking about what happened 40 and 50 years ago and about American conduct in past decades.

I do not think we have to go that far back to find out why we are here. We are here to send a firm message to the current Communist Sandinista regime that they must change, or the Nicaraguan people with our help, will see that they do.

I will harken back only to July of 1979 when a very extraordinary event occurred. The Organization of American States, for the first time in its entire history, decided that it was going to derecognize a member regime. The OAS derecognized the Somoza regime—an historic event—and, at the same time, recognized a revolutionary group which we now know as the Sandinista regime.

The OAS found that the Somoza regime was dictatorial, violative of human rights, and in all respects a threat to its own people and its neighbors. They did so because, on the positive side, the Sandinistas had a plan and a proposal to democratize that wonderful country of Nicaragua. They made some sweeping pledges to the OAS and the people of Nicaragua and, in a very real sense, to us and their Latin American neighbors. The Sandinistas were going to establish in that country a genuine democracy, with freedom of religion, freedom of speech, and freedom of press. Labor was going to be recognized, business and private property was going to be respected. So, the world said, "Let's help them."

This Senator remembers vividly being called to a coffee table here in the Capitol by a Roman Catholic priest named Father Miguel D'Escoto. He talked to five Catholic Senators. While he still wore his Roman collar, he told us why we should vote for aid for this budding democracy, Sandinista style, called Nicaragua.

I fell for it, and I voted for $120 million in aid to the budding democracy that the revolutionaries promised to put in place. They would not have Somoza-type government there ever again, we were told.

I acknowledge that I made a terrible mistake. I believed that priest, now the Foreign Minister, when he said, "We are going to do all the things for democracy. Just help us."

Incidentally, that $120 million, I believe, is more than we have given to the opposition, after all the debates in recent years.

What did we get for it? What we got is a regime that is as bad as Somoza's or worse. Their contribution to humanity is in the form of Soviet tanks, Soviet equipment, and Soviet helicopters. There are 160,000 troops equipped with Soviet-East European equipment. They have a KGB apparatus, run by Bulgarians and others.

We have this same Miguel D'Escoto recently calling the most distinguished citizen in Nicaragua in the last 30 years, Cardinal Miguel Obando y Bravo, a traitor to Nicaragua.

The new cardinal was instrumental in getting rid of Somoza—and, incidentally, kept Borge from being killed by Somoza. Now, we have this ex-priest saying that Obando is a traitor.

All of this is noted in an excellent article in the papal newspaper, the Osservatore Romano.

Mr. President, I ask unanimous consent that this article be printed in the RECORD, together with an editorial from "Orientacion."

There being no objection, the material was ordered to be printed in the RECORD, as follows:

[From the Osservatore Romano, semiofficial daily newspaper of the Holy See, Mar. 9, 1986]

NICARAGUA: THE OPPRESSION OF THE CHURCH

On January 21, 1986, Cardinal Miguel Obando Bravo, Archbishop of Managua, addressed a public appeal to the Secretary General of the UN concerning the persecution against the Church in Nicaragua. During the course of a conversation at the glass building in New York, the Cardinal denounced the purpose of the Sandinista regime to "neutralize religious activity" and to reduce to silence the Church on the pretext that it practices politics. This antireligious policy has been practiced for years and it bases itself upon the progressive limitation of the room reserved to the Church for its pastoral and charitable work and action among the people, and also upon the silencing or its already-inadequate means of social communication.

These accusations need little documentation. Since last October, as a result of the emergency laws, it is forbidden—without authorization—to officiate any kind of ceremonies in the open, as if they were meetings of a seditious nature. On January 11, the authorities ordered the closure of "Catholic Radio", which was already subject to severe censure, depriving in this way the people of their right of being informed about Church activities. During the summer of 1984, ten foreign priests who has been assigned to the diocese of Managua were expelled from the country. Before this, other foreign priests had been expelled. The Sandinista Government does not allow the replacement of departing foreign priests with others, on the contrary it threatens continually their expulsion from the country. The impact of this decision can be measured by the insufficient number of clergy working in the country.

At the same time, the Government tries constantly to discredit the Church and to break up the ecclesiastic unity based upon the bishops, favoring the formation of a so-called Popular Church, represented by only a small minority of the clergy and based upon a very questionable "theology of liberation." This plan includes the inclusion within the political power of members of the clergy (who may not always realize the damage they cause to the Church, both local and universal). On the contrary, the Sandinista regime even has the nerve to praise the initiative of the priest-ministers: In fact—they say—which other country respects and honors the Church to the point of having members of clergy as part of the Government? This thesis does not call for much discussion. It is enough to remember that only a week ago, the Foreign Minister Miguel D'Escoto—a priest of the Maryknoll order suspended from his activity "a divinis" because of his refusal to give up his political activity according to the regulations set forth by the codex of the canon law—had the temerity to call Cardinal Obando "a sacrilegious traitor of the people."

The limitations set forth by the Government and administration are often accompanied by real acts of violence by young Sandinistas who break into churches during the celebration of masses, and often damage parochial buildings and insult both the clergy and the believers.

One might ask why the Sandinistas are such strong opponents of the Church. It is because, though they deny it, the Sandinistas really want to establish a totalitarian leftist regime and totalitarianism of any type cannot tolerate the existence of social and human groups except the one party. The political totalitarian ideology does not allow any extraneous of alternate choice: by dismissing "a priori" a political pluralism the citizen is left without a private space where he can practice his faith and his religion. In such an exclusivist environment, the immediate targets to hit are the political parties, the economic power and then the churches.

It must however be stated that in Nicaragua there is still some political, economic and religious freedom, albeit limited. But—in the opinion of authoritative observers of international affairs—the country is inevitably moving toward the above mentioned directions. The political experts might describe the Nicaraguan political system as an imperfect totalitarian system: either because Sandinism still lacks the strength to swallow up the society, or because Managua has conveniently kept a front of democratic freedom in order to favorably impress foreign public opinion, and in order to take advantage of the generous financial help supplied by the Western world. After all, the Sandinista experiment is only seven years old and one cannot build a totalitarian system in one day.

The Nicaraguan Church is a church in the middle of a storm. Emblematic, in this regard, is Cardinal Obando's personal experience. During the 1970's he was a courageous supporter of his people against the dictatorship's violence in fact, he was ironically called by Anastasio Somoza "General Miguel" comparing him to the Sandinista guerrillas. On July 9, he supported the Sandinista revolution as an emancipationist movement directed toward promoting social justice with respect for human rights. He had been an exemplary priests, a patriot and a progressive; now that he has assumed a critical attitude towards the regime, he is described as a reactionary, a "CIA Agent" and a "Sacrilegious Priest".

Those who slander him today had better recall an episode of not too many years ago. On August 22, 1978, the famous "Commander Zero" (Alias Eden Pastora, who has today joined the anti-Sandinista resistance) broke into the national palace in Managua taking hostage two thousand people, including ministers and other members of Somoza's government. In order to free them, he requested the release of sixty Sandinistas prisoners and one million dollars. These requests were accepted by Anastasio Somoza only under pressures from Archbishop Obando, who later accompanied to Costa Rica Pastora's men and the released political founders of the Sandinista movement and the present Minister of Internal Affairs, who actually owes his life to the Cardinal.

[Editorial from Orientacion, weekly newspaper of the Archdiocese of San Salvador, El Salvador, Mar. 9, 1986]

D'ESCOTO GOT ANGRY: BUT "REVOLUTION" IS LIKE THAT

The offensive declarations of the Nicaraguan Foreign Minister, the Maryknoll Priest Miguel D'Escoto, against the Cardinal Archbishop of Managua, show much better than many pages of news stories, the situation in that country.

We are used to Foreign Ministers, who, while in charge of managing the relations of the governments they represent, always do so with a style that lacks respect and dignity, although, when it is necessary, they are capable of being peremptory.

Nikita Khruschev's pounding the desk with his shoe as a signal of protest at the United Nations, has ceased being an anecdote and has become a political fact. It has ceased being a gross form of conduct with which a man expressed his impatience and

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> anger, and has become the sign of a powerful nation, and the lack of respect with which its government treats its own citizens and the peoples of the world.
>
> Father D'Escoto, treating contemptuously in public a person of so much dignity, can only mean that, for the Sandinista Government, appearances no longer matter, and that it has decided to confront the Hierarchy and the Nicaraugan Church and that it no longer matters whether the Government show its hostility, as though conscious that "Evil" has no cure. It is impossible for Cardinal Obando to renouce his prophetic role, given the behavior of the Sandinista Government in relation to democracy, freedom of expression, and other human rights.
>
> Abuse of the priest in charge of the social communications of the Archdiocese was the starting point for the current situation. This was followed by prohibiting broadcasting the Sunday homilies of the Archbishop and closing the Church's radio and weekly newspaper. Now it has gone to the point of personal attacks against Monsenor Obando.
>
> It is often said, "The die is cast." The judgment of other nations and respectable institutions no longer matters. The Nicaraguan people can live precariously, in isolation from its Central American brothers. Nicaragua can subsist for many years, countng as it does on Russian technicians, Cuban military advisers, and enough weapons to maintain the biggest army in Central America. On the other hand, international laws and agreements protect them. It can live under the protection of the law even though it does not respect the law. It can export its violence. It can alienate its people with the rhetoric of revolution, which does not hold man as its reason for being. It can control all the means of communication and all the resources of slogans, hymns and placards. Nor will it lack for poets, musicians and painters in the service of the revolution because it is important to include the arts as a sign of the truth and beauty of their cause.
>
> And as it is a revolution born in the sign of faith, it will need the support of its "Popular Church," with the resources of an "ad hoc" theology, of an instrumentalized liturgy and of a highly conditioned pastoral mission.
>
> In this way the necessary environment for the subsistence of the revolution is complete. It doesn't matter if in sowing the revolution they sacrifice respect for the individual, for democracy, for peace, for freedom of expression, for the happiness of the people and they publicly insult the Cardinal Archbishop.
>
> These are the reasons that we cannot believe in that type of revolution. Even though it pretends to be motivated by a great humanism, it is the negation of man.

Mr. DOMENICI. Mr. President, the article states:

> Foreign Minister D'Escoto, a Maryknoll priest suspended because of his refusal to give up political activity, called the Cardinal "a sacrilegious traitor to the people."

The article goes on to talk about Tomas Borge, a founder of the Sandinista movement and current Minister of the Interior, owing his release, along with 60 other Sandinistas, from a Somoza prison to the very cardinal they now call a traitor.

We have some of our priests and nuns in the United States telling us that this new revolutionary Nicaragua that we backed, and that the OAS backed, is some kind of budding democracy. They insist that we ought to leave them alone. For the most part the religious leadership in our country ignores what is actually happening to religious freedom in Nicaragua.

I have a letter to Cardinal Obando y Bravo, dated March 14, from the two North American archbishops, who, incidentally became cardinals on the very same day, as Archbishop Obando. I ask that it be printed in the RECORD.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

> BOSTON, March 14.—The Office of Communications of the Archdiocese of Boston today released the following letter sent by Cardinal Bernard F. Law, archbishop of Boston, and Cardinal John O'Connor, archbishop of New York, to Cardinal Miguel Obando y Bravo of Nicaragua:
>
> HIS EMINENCE MIGUEL CARDINAL
> OBANDO Y BRAVO,
> ARZOBISPADO, APARTADO, 3050,
> MANAGUA, NICARAGUA.
>
> YOUR EMINENCE: The present trials through which you and the Church in Nicaragua are suffering are a poignant reminder that the mystery of the Cross continues to be lived in the Body of Christ. During this Lent, your two brother bishops in the United States, who were called to membership in the College of Cardinals with you last May, have often thought of you and discussed the courageous efforts you make for the well-being of the Church and the people of Nicaragua. We have taken the extraordinary step of making this letter public so that the faithful in our Archdioceses and as many as possible in our country will know what is actually happening to their brothers and sisters in Nicaragua.
>
> We share your deep pain when your people are denied the full opportunity to build a just, peaceful and progressive society based on the transcendent dignity of each human person. We know your suffering when attempts are made to violate the religious conscience of Nicaraguans by denying them access to the liberating teachings of the Church. This has been done by physical harassment, crude attempts at intimidation, and censorship. Priests have been summarily expelled from your country. Offices of your archdiocese have been raided by military personnel and remain under military occupation. The Archdiocesan newspaper, Iglesia, was confiscated after its first edition, and the Catholic radio remains closed. You are subjected to a barrage of distortions, slanderous insults and innuendos at home and by some representatives of the government abroad.
>
> In this ordeal, the Church in Nicaragua has been seeking to maintain a constructive dialogue with the government in an attempt to reach a climate of mutual respect so that the Church can play a role in the reconstruction of your country. We want to assure you of our solidarity with you. With you we are praying for that peaceful reconciliation necessary to rekindle the original hope of the resolution. For this to take place, it is essential that there be an immediate cessation of the present unjust restrictions suffered by the Church and other sectors of Nicaraguan society. This will undoubtedly provide a powerful impetus to the just resolution of the conflicts in your country and in that strife-torn region.
>
> Be assured of our prayers and support, our brother Cardinal, through the intercession of the Blessed Virgin Mary, the "Most Pure," as the Nicaraguan people particularly venerate her.
>
> Fraternally yours in Christ,
> BERNARD CARDINAL LAW,
> *Archbishop of Boston.*
> JOHN CARDINAL O'CONNOR,
> *Archbishop of New York.*

Mr. DOMENICI. Mr. President, Cardinals Law and O'Conner stated in that letter that their prayers were with the Nicaraguan church and they were asking all their people to pray for the distinguished Nicaraguan leader. They conclude:

> We know your suffering when attempts are made to violate the religious conscience of Nicaraguans by denying them access to the liberating teachings of the Church. This has been done by physical harassment, crude attempts at intimidation, and censorship. Priests have been summarily expelled from your country. Offices of your archdiocese have been raided by miliatary personnel and remain under military occupation. The Archdiocesan newspaper, Iglesia, was confiscated after its first edition, and the Catholic radio remains closed. You are subjected to a barrage of distortions, slanderous insults and innuendos at home and by some representatives of the government abroad.

Can you imagine that there are still some who would say that this budding revolution marks a unique Christian event. There is nothing new in persecution of religion.

There are those who ask, "How is it in our security interests to see that the Sandinistas change their ways and go back to where they promised us and the world and the OAS they would be?"

The point is not that tiny Nicaragua is going to invade us, the United States. It is that Nicaragua is surrounded by four democracies which we are trying to help. In the midst of Costa Rica, El Salvador, Honduras, and Guatemala sits Nicaragua, a bastion of communism. While these countries move toward democracy, Nicaragua is denying its own people their basic civil rights. The Sandinista regime, at the same time, is committed to exporting their communism wherever they can in this very fragile Central America, abutting the Panama Canal and close to Mexico.

I ask why it is not in our national security interest to do what we can to help Central America. Very plainly and simply this Nation needs to tell the Sandinistas that we and others want them to return to their commitments when they were helped to power by the OAS, the Costa Ricans, and by us. They must have genuine elections, freedoms for their people, and permit the Catholic Church in that country and its distinguished leaders to promote religion. They must let free labor unions survive in peace, so that Nicaragua can begin to develop. I submit that unless we help Nicaraguans do what is necessary to achieve these objectives, we are inviting a disaster in this hemisphere.

It seems to me that the substitute legislation now before the Senate, which I am cosponsoring, answers the one remaining issue—negotiations. It says that there are 90 days for more negotiation. The Contadora Group is supposed to negotiate a regional peace among the Central Americans. We are supposed to negotiate directly with Nicaragua, as long as the Sandinistas sit down and negotiate with the democratic elements in their country at the same time. That calls for three separate negotiating tracks.

During that period of time, only humanitarian and defensive antiaircraft weapons are available to the Contras. But if certification from the President is forthcoming, and the Commission created in this legislation concurs, more aid is available thereafter.

The President and the Commission would have to agree in general that the Sandinistas do not want to negotiate seriously, that no headway is taking place. Later today, when we vote, we can send a strong, bipartisan message that we have a period of about 18 months to aid those who want Nicaragua to begin moving in the direction pledged by the Sandinistas in 1979. Those pledges to the Organization of American States helped the Sandinistas immeasurably in their quest for power, and the Nicaraguans need assistance from all OAS members in order to redeem that pledge.

We ask for no more and no less.

The risks of doing nothing are severe. If we cannot help the Contras to do it, who will do it?

I submit that if we do not help the Contras after this negotiating period, there will be no one else to redeem the freedom of Nicaragua and bring peace to the region. If we fail, eventually we will rue the day that we did not ask Nicaragua's own people to solve the problem by pushing that Sandinista regime to the negotiating table in order to return some basic rights to their people.

I yield the floor.

Mr. RIEGLE. Mr. President, today the Senate is again considering a request for military aid to the Contras fighting the Sandinista government in Nicaragua.

Discussion has focused primarily on the questions of how much aid should be provided, and how it should be conditioned. That, however, ignores the fundamental issue of whether the Contra policy we have been pursuing is an effective one. I do not believe it is.

While debate continues over the best way to promote U.S. interests in Central America, I believe most Americans agree that our policy toward Nicaragua must achieve certain goals. Those goals are to halt Soviet and Cuban involvement in Nicaragua and in the region; to halt the military buildup in Central America; to halt the subversion of Nicaragua's neighbors, and to halt internal repression in Nicaragua.

After more than 5 years and some $100 million in U.S. aid, there is little evidence that our Contra policy has advanced these objectives.

Despite the discontent of the Nicaraguan people with their government, the Contras have been unable to gain their active support. Without popular support, no insurgency effort can hope to succeed.

Mr. President, I do not believe that our policy of arming the Contras can ever advance U.S. interests in the region, regardless of the amount of money we commit. Further, it runs the risk of advancing precisely the kinds of developments which we seek to avoid.

In particular, I am greatly concerned that our current policy invites increasing U.S. military involvement in the Central American conflict, violates international norms, is inconsistent with our traditional values, divides rather than unites this country, and isolates us from our allies and the nations of Central America.

Rather than making the use of American troops unnecessary, I believe this policy, if followed to its logical conclusion, will almost certainly require U.S. military involvement.

American combat troops are not the answer in Central America any more than they were in Southeast Asia. In fact, the presence of large numbers of uniformed U.S. military personnel on the ground in Central America would provide the greatest rallying cry that our idelogical adversaries could ever dare hope for.

If we Americanize this conflict, we will be certain long-term losers. And yet, that appears to be the road we are on.

A change in policy is urgently needed. Our long-term national interests will not be served by a policy of confrontation in Central America. The wisest and most logical course is to support the initiatives of other regional governments who are seeking to contain the conflict and settle it by some process of negotiation.

The key to reversing current policy is to bring about the direct involvement of the United States in the process of negotiations. Our legitimate concerns over the development in Central America require that we actively join with the Contadora nations, the Central American States and other interested parties in a concerted effort to produce a regional accommodation satisfactory to all.

The Sandinistas have recently reiterated that, as part of a regional agreement inspired by the Contadora process, they would agree to prohibit any foreign bases on their soil, to send home Soviet and Cuban military personnel, to halt any support for guerrillas operating in other countries and to place restrictions on the force levels and weapons of their armed forces.

I believe we should seriously explore this diplomatic option. If the Sandinistas violate the agreements, the United States and other OAS countries would be in a position to take measures against Nicaragua under the provisions of multilateral agreement and in full accordance with international law. By working through international conventions, we would be upholding international law while achieving our objectives in the region. That would be a great improvement over current policy.

We are considering the administration's request for an additional $100 million in Contra aid against the backdrop of reports of renewed combat between Sandinista and Contra forces inside Honduras. The President has authorized some $20 million in additional assistance to Honduras, which includes the use of United States transport planes and pilots.

While some view this development as further evidence of Nicaraguan aggression and cite it as further proof of the need for United States Contra aid, I take the opposite view. To my mind, developments of the past few days confirm my fear that our current policy may be promoting an expansion of the conflict rather than a containment of it.

I have always believed that our own long-run strategic interests and our human values compel us to play an active and constructive role in world events, and particularly so in our own hemisphere.

I believe the message our Government should send to the citizens of the Central American countries is that we deeply share their longing for a better life. We wish to assist that basic human impulse in every constructive way we can. We are not imperialists nor do we seek to impose an American vision upon the people of Central America. We believe in genuine self-determination and believe the Central American people must determine their own future.

We are a nation born out of revolution. We understand the aspirations of those who seek their own vision of justice for themselves and their children. The yearning of the dispossessed and the oppressed was the very heartbeat that brought the United States into being.

Our neighbors to the south should know that, here in America, there is an understanding and a deep respect for their aspirations.

If those of us in positions of responsibility in our National Government can discern the right steps and avoid the wrong ones, we can play a con-

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structive role in Central America consistent with our heritage, our values and our strategic interests.

I urge the Senate to follow the House in rejecting the administration's aid request. Advancement of U.S. security interests in the region requires that we end our failed Contra effort in favor of a policy which promotes serious diplomatic efforts to resolve the conflicts in the region, and which supports the aspiration of the Central American people for self-determination.

Mr. HOLLINGS. Mr. President, I rise today to make a statement in support of aid to the Contra forces of Nicaragua. Now, I am not an innocent; I don't think $100 million is going to allow the Contras to overthrow the current Marxist regime in Nicaragua. But it is my lack of innocence that forces me to support this aid. History does not lie; people do.

In 1979, when the current Ortega regime came into power, the United States was very optimistic about the possibilities of democracy in Nicaragua. I remember a talk that I personally had with Daniel Ortega during his 1979 visit to Washington. During that talk, he assured me and other Senators that he was not a Marxist. He promised that he would guarantee free elections, freedom of the press, freedom of religion—in short, he would guarantee the Nicaraguan people a chance for democracy. I trusted him. I supported the appropriation of $50 million to help him launch an economic recovery program to offset the ravages of the Somoza regime. Over the next 2 years, we voted $118 million in aid to the Sandinistas regime. We believed in Mr. Orgega and his protestations of democracy.

Well, I do not need to tell Senators that he lied. He lied in his guarantees of basic freedoms for the Nicaraguan people. He lied when he said he wasn't a Marxist. He lied when he claimed to support the Contadora peace process. Mr. Ortega has done nothing but lie to us for almost 7 years. By late 1984, Mr. Ortega had left no doubt that he was a committed Marxist and, in fact, after the House of Representatives voted down military aid to the Contras last year, Ortega took off to Moscow to celebrate his victory.

Of course, these facts are nothing new. I don't think there is a Senator in this body that approves of the Sandinista government. The real question centers not around the desired end, but rather the means to reach that end. It is at this point in the heated debate that surrounds this aid that two points are made. The first concerns the efficacy of the Contra forces. The second concerns the more philosophical questions of whether peace negotiations can be forced or if they have to be sought.

The Contra question is easily answered. Fred Barnes, formerly a writer for the Charleston News and Courier, and now a writer for the New Republic, has stated:

> Far from [being] a rag-tag group, the Contras are a "new generation" of Nicaraguans. There is no question that they are anti-communist and fighting for the freedom that was promised in the revolution against Somoza.

The Contra forces have done an incredible job, especially when the odds against them are considered. We have provided them with no consistent aid, no long-term support. Yet rather than bite the dust, the group has continued to grow. They now number 15 to 20,000. Imagine what they could do with a little help.

The second question is harder to answer. I have always been a believer in negotiating from a position of strength. I believe history supports this position. The only time any Marxist group has ever come to the negotiating table is when it has been under the threat of force. For example, negotiations only started in Vietnam when President Nixon ordered the bombing in North Vietnam.

President Reagan is in a catch-22 position. The Sandinistas will not negotiate with the Contras unless forced to do so. If, however, he attempts to provide the Contras with the means to present a credible force, he is immediately hamstrung by the very vocal fear of commiting U.S. troops to the region. In order to combat that fear, he is forced to state, again publicly, that no U.S. troops will go in. This type of charade is a little like playing poker and telling the other guy what your ace in the hole is.

At some time, Ortega's attempts to spread communism throughout Central America will have to be stopped. Cuba has shown us that a country does not have to be large in order to export communism. Cuba's influence now reaches around the world—Iraq, Yemen, Somalia, Ethiopia, Angola, and Nicaragua. Nicaragua, in turn, has already exercised terroristic tools in Costa Rica, El Salvador, and now, Honduras. How many more examples will the Congress have to see before it acts?

There are Native Nicaraguans willing to fight, willing to die, in order to obtain their freedom. All they ask for is a little help from us, the most powerful democracy in the world. In the name of freedom, how can we refuse? Isn't it better to send money now than troops later?

Mr. MOYNIHAN. Mr. President, I will not vote for the administration's proposal for the simple reason that it appears to me altogether inadequate to its declared objectives and accordingly a formula for failure.

By way of preface, may I cite remarks I made on the Senate floor on September 29, 1983, just after our Marines were sent to Lebanon, and before that ghastly bombing and the all but forced withdrawal that followed.

> Mr. MOYNIHAN. Mr. President, I should like to offer several observations respecting the resolution which has been introduced by the distinguished majority leader and the distinguished chairman of the Committee on Foreign Relations to authorize continued U.S. participation in the multinational peacekeeping force in Lebanon.
>
> While there has been much learned in the Senate regarding the details of the War Powers Act and its applicability to the current situation in Lebanon, I should like to address my remarks to the first finding stated in the joint resolution before us:
>
> The Congress finds that . . . the removal of all foreign forces from Lebanon is an essential United States foreign policy objective in the Middle East.
>
> I repeat this:
>
> The Congress finds that . . . the removal of all foreign forces from Lebanon is an essential United States foreign policy objective in the Middle East.
>
> Mr. President, the thrust of my argument today will be that this congressional declaration is fundamentally at odds with the proposition set forth by Walter Lippmann in his classic study, "U.S. Foreign Policy: Shield of the Republic. This was published in 1943, in the middle of the Second World War. The title page contains a line from George Washington's 1796 Farewell Address, which is read here every February on the anniversary of his birth. Washington wrote of the moment—
>
> When we may choose peace or war, as our interest, guided by justice, shall counsel.
>
> It is the fundamental thesis of Walter Lippmann's book that the controlling principle of foreign policy must be that the Nation maintain its commitments and its power in equilibrium.
>
> Lippmann wrote of:
>
> The compelling and, once seen, the self-evident common principle of all genuine foreign policy—the principle that alone can force decisions, can settle controversy, and can induce agreement. This is the principle that in foreign relations, as in all other relations, a policy has been formed only when commitments and power have been brought into balance. This is the forgotten principle.
>
> Lippmann wrote in 1943, though it is as true in 1983—
>
> Which must be recovered and restored to the first place in American thought if the nation is to achieve the foreign policy which it so desperately wants . . . a foreign policy consists in bringing into balance, with a comfortable surplus of power in reserve, the nation's commitments and the nation's power.
>
> My purpose this afternoon is to state that if the Senate should vote to adopt the resolution before us, an eventuality that seems quite probable, we shall be acting completely contrary of Lippmann's wise dictum. We will assert an objective in foreign policy that it is quite beyond our power to attain. Disequilibrium shall accordingly be the result, marked by turmoil, setbacks, even defeat—though that defeat may be postponed by deeper engagement and wider commitment of our Armed Forces.
>
> To declare as essential what cannot be achieved is to insure failure.

This has been a pattern of American foreign policy in recent years, or so I

think. We seem to make great commitments to which we commit tiny forces, or carry out minimal operations, with the result that for all the sound and fury there is little consequence.

I have seen it otherwise. I was a member of the administrations of John F. Kennedy and Lyndon B. Johnson when, with perhaps too little rhetoric, too little arousal, the Nation committed itself and its Armed Forces to a land war in Asia. That also was, again in my view, too large a commitment, but certainly we did not underestimate it.

What is our situation today? We are told that the Sandinista regime in Nicaragua presents a real and present danger to the stability of Central America, and by extension Latin America. It would constitute a Soviet salient on the mainland, and a revolutionary threat in its own right.

Visions of vast tumult and upheaval are presented to the American public.

And yet what does the administration propose to do? To send $100 million or so to a group of brave but beleagured opposition forces presently deployed in the Central American equivalent of Dienbienphu.

The incremental pattern of the Vietnamese conflict is almost explicit in our behavior. Each year for 5 years now the administration has upped the rhetoric a great deal and upped the actual level of combat a little bit. The Sandinista opposition has had no difficulty in responding to each successive increment of force on our part by a corresponding increment of force on their part.

More than one Republican Member of the Senate has stated to me a genuine concern that the administration knows this is a formula for military failure in Central America, but that it sees it as a formula for political success in the United States. That would be contemptible; but it may be true. Certainly the thought has occurred to members of the administration's own party.

Can we ask for a moment just what we know about the situation in Nicaragua?

Let me say what I know. It is not a very great deal, but it is not without some relevance. For 8 years, from 1977 to 1984, I was a member of the Select Committee on Intelligence, and served as vice chairman during the latter 4 years. In this manner I was privy to a great deal of classified intelligence, and I will respect the understanding that intelligence remains classified for a very long while. However, there are enough facts in the public domain to admit of some analysis.

And so to my first point.

The administration began covert operations in Central America with a fatally divided purpose. One group within the administration, or perhaps it was simply one part of the administration's mind, as you might say, saw the operations as primarily directed toward interdicting the flow of arms from Nicaragua to the insurgents in El Salvador. A matter of greatest concern at the time. As it turned out, by the time these operations got underway, this arms flow had all but stopped. In a visit to San Salvador in December 1983, I was politely assured by two officials of the Jesuit University there that it had stopped altogether: That the Salvadoran insurgents were able to get all the equipment they needed from the regular Salvadoran army. Either by buying, stealing it, or capturing it. The simple fact, I suppose, is that the great flow of American arms in this period meant that there were simply enough to go around for all sides.

I have no reason to doubt that by 1983 the Nicaraguans had ceased to supply the Salvadoran insurgents in any significant degree.

At the same time, another group in the administration, or as I suggest, another part of the administration's mind had a very different purpose. To wit: the replacement of the Sandinista regime.

Now to my view, this was a perfectly fair objective. The United States had desired the replacement of the Somoza regime and had actively helped to bring it about. The Sandinistas are certainly no improvement.

Here, however, the two objectives came into unanticipated but fatal conflict.

For the purpose of interdicting gun runners, other gun runners will do. That is about the crowd we threw in within the Honduran equivalent of Dien Bien Phu. Following the fall of Somoza a group of his followers fled over the border into Honduras and the Argentine military junta then in power in Buenos Aires sent officers to shape them into some kind of military force. The moment the junta collapsed, the newly democratic government in Buenos Aires withdrew its officers.

I wish this weren't so. But it was. And if gun running was the problem the arrangement might have served. But as the gun running component of policy diminished, given the complete failure to turn up anything, and the political component grew, it became clear that we had picked the wrong group for a political mission. Do not misunderstand me. There were fine and upstanding men in the Contra camp in Honduras. I have met with them. I honor them. But I have to say that there was no way they could overcome their organizational origins. Or so I believe.

In any event, we had the government of Honduras to deal with. In this case General Alvarez, who clearly thought he was running the country in those years, and who just as clearly intended to use American military support to march on and take Managua. A matter of months he would say. As a matter of fact it was not all that many months until he had made it all the way to San Jose in Costa Rica. Save that instead of leading a victorious army, he arrived in handcuffs, having been deposed by his own officer corps.

What might we have done to achieve a political objective? First of all, I would think, we should have backed Eden Pastora, a revolutionary hero—Commandante Zero—of exalted credentials who had broken with the Sandinistas for the best of reasons; that they had betrayed the revolution.

We might have decided to set up an enclave around Bluefields or some other Caribbean port where English is spoken and, our people would have their back to an American sea, as opposed to a Honduran army.

We can go on from there. But only to speculate. It is too late.

And of the Sandinistas? Oddly, on one major—ultimate—point I am willing to give them the benefit of the doubt, hastening to explain that this is not a matter of trust so much as realism.

I visited Managua on December 8-9, 1983. I will not burden the Senate with my travel notes, but I would like to record one conversation. In an hour's meeting with Tomás Borge, Minister of the Interior, I put it to him, as I had earlier done with Sergio Ramirez, another junta member, that it was an elemental necessity that there neither be nor be thought to be any extension of Soviet power onto the mainland of the Western Hemisphere in the aftermath of the overthrow of Somoza. I went into great detail, explaining that I had been a member of the Kennedy administration at the time of the Cuban missile crisis and had the most vivid recollections of that near miss, as you might say, with Armegaddon. It was simply the fact that as one of the two superpowers the United States was responsible for keeping the nuclear peace, and no consideration of any kind could divert us from that responsibility. I went into some details of strategic forces, pointing out in particular that whereas in 1962 the Soviets had to try to sneak ashore in Cuba to set up rockets that could reach the American mainland, they now had nuclear submarines that lie under the arctic ice cap and can launch from there if necessary. Thus there would be no strategic purpose whatever served by putting missiles or missile capable aircraft, or for that matter, serious military equipment of any kind in Nicaragua. It would be done simply to make a political point of dominion and this the United States absolutely could not accept and would instantly destroy

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rather than risk the nuclear peace of the world.

Tomás Borge replied that the Government of Nicaragua never contemplated allowing Soviet bases in Nicaragua, the Soviets had not requested any, and the government certainly had not proposed any.

Might I note that I repeated this point in an airport press conference that evening, which was shown on Nicaraguan television. The transcript is as follows:

> I made one point which might be of interest to you which is that the United States is one of two world nuclear powers and that imposes a terrible responsibility. I was a member of the administration of President Kennedy and I recall the Cuban missile crisis and if you were in the government and in Washington, or in Moscow, you did not know if the end of civilization would come the next day. And that was at a time when there were a small number of nuclear warheads. Today the U.S. has 11,000 nuclear warheads. The Soviets have 9,000, but theirs are larger and more powerful. The danger of a very quick reaction has grown—the problem we describe as "crisis stability". The one thing that the United States could never and would never allow is another crisis involving the Soviets and the Western hemisphere, because it would be a political crisis which the Soviets would have to choose to create. It would not in fact be a military crisis.
>
> The Soviets now have nuclear submarines which in the language of the military, they speak of as a platform. They can launch missiles from submarines which, 40 miles (Cuba was 90 miles) off the American coast. They now have submarines 90 miles off our coast. We all know that, and when they launch a new submarine it is not a crisis, we understand. But a Soviet presence on land would have no military purpose, it would have a political purpose. It would create a crisis which would be a world crisis.
>
> And as one of the countries that would have the responsibility on this matter, we could never allow that. I was assured that there was no such intention, and I felt it was a useful element of our discussion, that the gravity of such an eventuality should be explained.

As for the Sandinistas themselves? There is little I can add to what is known. Borge and his associates were—are—Leninists plain out. They knew it, and I like to think they realized I knew it. Certainly democratic opposition figures with whom I met understood this, although I am not certain Catholic Church figures were as aware then as they are now.

What do we do about this? I mean the United States, the West. Certainly we would not be wrong to expect that 10 or more Third World nations will go Communist before this century is over. With luck it won't happen, but surely it might, and surely in Nicaragua it has.

I tinker in my mind with thoughts something like this. Is it possible to isolate and contain them by vigorous and incisive criticism, analysis, and forecast? That is to say, by describing at the outset just what kind of regime had come to power and forecasting exactly what would now happen: the immiserization of the masses, the disappearance of the opposition, the dictatorship of the party elite, the gradual, eventually grovelling dependence on the Soviets as the inevitably economic decline took hold? May I note in passing that Commandant Borge took me to lunch at a farmers market in the Barrio Sandino. The party was served a variation of beef stroganoff. I asked for rice and beans, a delicious dish and a boiled one. After a point an embarrassed host had to inform me that there were no beans.

All these regimes enjoy a period of attraction in the West. Managua when I visited was fair to bursting with blonde ladies from Northern Europe taking pictures for the revolution. The western press refer to them as Sandinistas. They stay on about—what?—3 years. Until the Catholic radio station is closed, and some of their friends disappear, and the living gets sordid and lines too long, and the police trained by East German advisors just a little too efficient.

Can all this be predicted, and thus in some measure thwarted? Especially if we all agree in advance that there will be no pity for those who bring misery on themselves in a manner that any schoolboy can—finally?—forecast?

And yet . . . There is a paradox here. For reasons I do not claim to understand fully it appears to me that the more the Soviet system fails at home the more necessary it becomes to find some success abroad. And have not the Soviet system and its satellites failed? In his thoughtful message to Congress of March 14, 1986, the President put it this way.

> The failure of these Soviet client regimes to consolidate themselves only confirms the moral and political bankruptcy of the Leninist model. No one can be surprised by this. But it also reflects the dangerous and destabilizing international impact that even unpopular Leninist regimes can have.

Might I add that I have made this argument for some years now: much to the scorn of the early Reagan administration. No matter. That is why we offer arguments. Sometimes they are heard.

This same Soviet Union, which must now buy wheat from India to feed its people, has just concluded another $1 billion aid package for Vietnam, and obviously is pouring money into Nicaragua. The Soviet Union supplies almost all its oil, for example, now that Mexico needs cash.

And Nicaragua? I would think it almost certain that the Sandinistas did supply guns to the M19 guerrillas who assaulted Colombia's Palace of Justice in January. Surely Borge went to a memorial mass in their honor. Now what on earth are they doing helping guerrlias in Colombia when they have a civil war of their own to fight?

Is that the Soviet syndrome? And if so, will it ever change? I think I doubt so.

And where does that leave us? Nowhere really. We haven't thought this subject through. We aren't listening to one another here in the Senate today, and certainly no one in the administration is listening to us, or most of us.

My one thought is that we underestimate the potential of the Catholic Church to resist the Sandinistas, and should be giving this matter far greater attention. Let me cite a letter which Cardinal Miguel Obando Bravo recently sent the Secretary General of the United Nations.

> Your Excellency, Secretary General of the United Nations, Doctor Javier Perez de Cuellar.
>
> I would like to express my appreciation for the very kind gesture you have made to me in giving me the opportunity to converse with you.
>
> The United Nations and its distinguished Secretary General may well be able to contribute to the development of contacts leading to a better understanding among the governments and peoples of Central America.
>
> In this sense, I have the firm conviction that, with the help of people of good will, we will be able to construct a peace which is based on love, truth, justice and liberty.
>
> The Bishops of Nicaragua have the firm goal of seeking peace for our suffering people through the use of every means at our disposal. We also wish to maintain a constructive dialogue with the government of Nicaragua, not only to avoid tensions but also to develop a climate of mutual respect and cooperation for the good of all.
>
> An internal dialogue would produce, from the very roots of our people, a propitious path for the reconstruction of our country in peace and liberty.
>
> The Episcopal Conference of Nicaragua, concerned about the situation of our people and their Church, sent the following letter on December 6th, 1985 to President Daniel Ortega:
>
> "In consideration of the fact that Your Excellency has repeatedly stated to the Bishops of this Episcopal Conference your desire to resolve, through dialogue, the problems which affect the profession and exercise of the Christian faith of our people, we wish to point out that on three different occasions we have directed ourselves to you in writing without having obtained even an acknowledgment of the receipt of our requests.
>
> The channel established by means of a Governmental Commission and a delegation from us has been constantly prevented from realizing its goals due to the continual appearance of new conflicts and the lack of fulfillment of those goals presumably previously agreed upon but which have lent themselves to "unilateral interpretations". Thus, those things we thought were advancing we have seen regress and the things we thought would go forward have been put aside indefinitely.
>
> There is a general cry from the faithful in the country and the city that the whole nation is concerned, even to the point of thinking, in many cases, that we are in a state of persecution.

> On the other hand, a great many people interested in the situation in Nicaragua have expressed to us their unhappiness and concern at the attacks on the Catholic Church.
>
> Some of the facts to which we make reference include:
>
> The intimidation and threats against foreign priests and religious "if they meddle in politics".
>
> Appointments made for Nicaraguan priests by the National Directorate of State Security and Police Procedure with the goal of interrogating them, warning them not "to get involved in politics" and documenting them as if they were criminals.
>
> The pressures and threats, even including imprisonment, of the laity who cooperate in church activities to try to pull them away from their church work and oblige them, if possible, to collaborate as informers against their own Church.
>
> The harassment of Church institutions which, in the cases of the Archdiocesan Commission on Social Promotion of Managua and the child care center of the missions of Cristo Rey, have gotten to the point of government intervention.
>
> The abuse to which some Catholics have been subjected, obliging them to sign documents containing falsehoods and calumnies against the honor of Church persons.
>
> The harsh censorship which includes the prevention of publication or the destruction of documents of the Church although providing full liberty in the media and official organs for constant attacks on religion, its principles and representatives.
>
> We believe, Mr. President, that the goal of these activities would be:
>
> To neutralize the religious activity and preaching of the gospel of the Church under the false accusation of "making politics;"
>
> To isolate Catholics from other Catholics and from their pastors by means of fear and calumnies;
>
> To limit the vital space of the Church, reducing it, if possible, to the state of a "Church of Silence;"
>
> To leave the Church without the means or materials to preach the gospel."
>
> In the first days of January, 1986, one month later, the Episcopal Conference of Nicaragua sent a new letter to President Daniel Ortega in which we expressed the following:
>
> "The Bishops of the Episcopal Conference of Nicaragua, greatly concerned for the resolution, by the Director of Communications and the Minister of the Interior, of the closing of Radio Catolica de Nicaragua, property of the Nicaraguan Episcopacy and official channel of the Catholic Church in our country, petition the valuable efforts of Your Excellency towards the reconsideration of that resolution which not only deprives the Episcopal Conference of Nicaragua of its only means of communication but also deprives the Nicaraguan people, primarily Catholic, of the right to be informed about Church life."
>
> I would like to reiterate to you, Secretary General of the United Nations, Doctor Javier Perez de Cuellar, my thanks for the attention you have given me and I have the firm conviction that you will do everything possible to see that the Nicaraguans are able to find ways which will permit us to live in peace, fraternity and liberty.

If we would not abandon the United Nations, as we seem intent on doing, we could make a great deal of such a plea, not least as grounds for all manner of peaceful assistance and diplomatic initiative that would surely do more good for the people of Nicaragua than partially prolonging this pitiful insurgency.

Mr. THURMOND. Mr. President, in the very near future, the Senate will vote on a resumption of aid to the democratic resistance in Nicaragua. Thus far the debate has been characterized by some as a litmus test for anticommunism. While I do not question the patriotism of my colleagues, I do feel that accountability is an issue, and the recent history of congressional accountability in the fight against Communist tyranny has been less than satisfactory.

Just over a decade ago, following the United States withdrawal from South Vietnam, the Congress voted to suspend aid to the struggling South Vietnamese Government in the face of a North Vietnamese invasion that was a blatant violation of the Paris Peace accords. The U.S. Congress ignored the fact that we were pledged to support the South Vietnamese. The events in Southeast Asia speak for themselves as to the shortsightedness of the Congress.

Shortly thereafter, in 1975, we were faced with a choice of supporting Jonas Savimbi and his UNITA forces against the Cuban backed MPLA in Angola or doing nothing. The Congress passed the Clark amendment forbidding covert assistance to Mr. Savimbi. Luckily for the Angolans, and thanks to Jonas Savimbi, we have a chance to correct our error in Angola. Unfortunately, the South Vietnamese and the Combodians are not so lucky.

Now the struggle against communism is at our doorstep. Nicaragua is only a 2-hour flight from our borders. We can sanction the Stalinization of a country in our hemisphere by our inaction, or we can support the democratic resistance in their struggle to free Nicaragua. The belief that the Sandinistas will voluntarily adopt democracy is shortsighted at best. There has never been one instance of a Marxist dictatorship negotiating away its power.

The recent invasion of Honduras by Nicaraguan soldiers is deplorable and should serve as ample notice of Nicaragua's intentions for its neighbors. It was just last year after the Congress rejected consideration of military assistance for the Contras, Commandante Ortega flew to Moscow to consult with his Communist superiors. This year, the House rejected the aid request and Commandante Ortega invaded Honduras. Costa Rica could be next.

I am very disappointed that there has been no great cry of indignation from the Congress about the Nicaraguan invasion of Honduras. Had the freely elected government of El Salvador sent troops into Nicaragua to attack the sanctuaries provided for Marxist guerrillas that freely move from Nicaragua to El Salvador, certain segments of the American media and some Members of Congress would be outraged.

Mr. President, 25 years ago, it was the stated policy of the United States that we would "pay any price, bear any burden, meet any hardship, support any friend, oppose any foe to assure the survival and the success of liberty." The twilight struggle goes on, and the question we now face is whether or not the price is too high, the burden too heavy and the hardship too great for us to support these great ideals.

The vote we are about to take on aid to the Contras should not be a litmus test for anticommunism, but neither should it be a litmus test for support for human rights. We oppose communism, and we support human rights, but we have to decide how to stop the spread of communism in Central America in the near term and how best to protect human rights now and for the long term.

As a combat veteran, I am aware of the horrors of war. Yet I realize that democracy and freedom are not obtained without costs. Our choice today is whether we will support the Nicaraguan freedom fighters in their struggle against Communist forces now controlling their country.

Mr. President, the United States is a nation born of revolution, and this is a fact that we should well remember. When the Continental Congress appealed to France for assistance during the American Revolution, our forbears did not ask for humanitarian assistance only, and I for one am quite thankful that Lafayette did not come to our aid with only humanitarian assistance, or we might still be a crown colony today.

Mr. President, the litany of crimes by the Sandinistas is long. They have betrayed their pledges to the Organization of American States to respect the freedoms that are vital to a democracy and instead set up a Marxist regime based on practices of Joseph Stalin. They are actively trying to subvert their democratic neighbors, and they have been accused of participating in the international drug trade.

The freedom fighters are a varied group of former Sandinistas, peasants, businessmen and former national guardsmen. They suffer from a lack of unified leadership and concrete democratic goals and are accused of violating human rights in their efforts to combat the Sandinistas. While I do not doubt that they may have violated the rights of some of the people they hope will support them, I must counsel my colleagues to remember that the various observer groups upon whose claims we base these accusa-

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tions are only permitted unfettered access to areas where the Contras have been charged with human rights violations. No such free and unemcumbered access is assured to areas where the Sandinistas are accused of human rights violations. We should not for a moment forget the genocidal practices of the Sandinistas against the Mikito Indians.

The struggle for freedom is long and difficult. The democratic resistance in Nicaragua has dedicated itself to the task of freeing a nation that is enslaved. It is our duty to support and help guide them in their fight for freedom.

Mr. President, we now know that historically there is no hope of voluntary change by a Marxist dictatorship. The best hope for change is through military aid to the freedom fighters. Therefore, I very strongly believe that we must support the democratic resistance with military aid as soon as possible, and I urge all of my colleagues to support President Reagan's request for $100 million in aid for the Contras.

The claim that the Contras are primarily former Somoza national guardsmen is untrue. About one fourth of the FDN senior military personnel are former national guardsmen. One fifth are former Sandinistas.

The senior military personnel of the Nicaraguan Democratic Forces are 26 percent civilian professional or urban employees, 23 percent peasants or small farmers, 15 percent former Sandinista soldiers, 5 percent former Sandinista officers, 12 percent former national guard soldiers, 15 percent former national guard officers, and 4 percent students.

The claim that this is not a popular uprising is also untrue. It took the Sandinistas 15 years to recruit and raise an army of just 5,000 men. In 4 years, the FDN has grown to about 20,000 men; this clearly indicates strong internal opposition to the Sandinista regime.

The FDN is criticized for being militarily ineffective. This is an unfair criticism. The Sandinistas have conscripted a 60,000 man active duty military force backed up by 60,000 reserves and militia. Samoza's national guard only numbered about 12,000.

One of the reasons that the opposition within Nicaragua cannot be effectively gauged is because our media does not have the freedom of movement that it enjoyed when Samoza was in power.

This same point is true concerning human rights violations. The only incidents that Sandinistas will allow full open investigation of are those alleged to have been committed by the Contras. No such impartial review is allowed for investigation of Sandinista abuses of human rights.

The Sandinistas have provided continuous safe haven for members of the Palestine Liberation Organization, and have attempted to drive the Nicaraguan Jewish community into exile with great success.

The Sandinistas have attempted to muzzle the Catholic Church in Nicaragua, which is one of the bedrocks of Nicaraguan culture. The Sandinistas have occupied the Catholic Church's radio station, confiscated the printing plates of the church newspaper and subjected worshipers to increasing torment. This practice of attacking organized religion is completely consistent with the history of Communist regimes as they consolidate their control over the population.

In January of 1986 Cardinal Obando y Bravo of Nicaragua delivered a letter to the Secretary General of the United Nations concerning the repression of the Catholic Church, and in it he indicated what he felt the repression intended to accomplish:

> To want to neutralize religious activity and evangelical preaching of the church under false accusations of politicking.
>
> To isolate Catholics from each other and from their pastors by means of fear and slander.
>
> To narrow the vital space of the church in order to reduce it, were it possible, to the state of a "Church of Silence."
>
> To deprive the church of the means and materials necessary to spread the Gospel.

It is not the Contras who are trying to destroy the Catholic Church in Nicaragua; it is the Sandinista government that wants to destroy the Catholic Church in Nicaragua.

Former President Jimmy Carter said following his recent visit to Nicaragua,

> There is no doubt that repression of the Catholic Church exists, as well as a lack of freedom of expression and certainly, violations of human rights.

Sandinista human rights record:

During the first 2 years of the revolution, the Sandinistas executed 8,655 people; 32 were women and 14 of the 32 were pregnant.

Since 1982, 21 independent radio news programs have gone off the air because of excessive censorship in advance.

The independent newspaper, La Prensa, has suffered an average delay of publication of about 5 hours every day, and has found 47 percent of the submitted material censored. Because of censorship La Prensa has not published at all on 33 occasions.

The Permanent Human Rights Commission [CPDH] estimates that the Sandinistas hold between 7,500 and 10,000 political prisoners. The Red Cross also estimates that the Sandinistas hold 7,500 to 10,000 political prisoners. The Sandinistas deny this.

The people of Nicaragua have none of the following rights: Habeas corpus, freedom of expression, freedom of movement, trial by peers, appeal, freedom of assembly, freedom of association, right to organize unions or to strike.

Concerning trade unions:

The March 1984 issue of Free Trade Union News stated, "Upon coming to power * * * the FSLN immediately began its campaign to destroy the two democratic trade union centers in Nicaragua."

The AFL-CIO lists 133 Nicaraguan trade unionists that have been jailed during the first 4 years of FSLN rule.

Comparing Nicaragua with Poland, one Nicaraguan labor leader said:

> We are both small countries and have suffered many invasions. We both experience long lines and scarcity while many of our products are shipped to the Soviet bloc. We are Catholic countries with close ties between the unions and the church. We live under regimes where citizens can be jailed at will. And both governments brand independent unions "anti-socialist agents of imperialism."

Mr. TRIBLE. Mr. President, I rise in support of the Lugar substitute. With its vote on aid to the Contras, the Senate will decide on one of two paths for America's foreign policy. Will we abandon freedom-loving people to Marxist oppression, or will we sustain our commitment to those resisting Communist tyranny around the world?

In Nicaragua today, hundreds of thousands of people suffer at the hands of a regime that has brutally betrayed its own revolution. The Sandinistas have suspended virtually every civil liberty. Church leaders have been harassed and expelled from Nicaragua. And the Sandinistas' promise to hold free and fair elections remains unfulfilled.

But the Sandinistas' do not merely oppress their own people, for the Ortega regime has turned its attack on freedom outward. The Sandinistas are financing the enemies of freedom in El Salvador and Colombia. They are helping to train the enemies of freedom who march under the banner of the PLO. And this week Nicaragua invaded Honduras.

Today, the Congress can help bring to an end the Sandinistas' attack on freedom. We can approve both military and humanitarian aid to the Nicaraguan freedom fighters. In so doing, we will have met our responsibility to support and defend democracy in our hemisphere and we will send a powerful signal to those who are resisting Soviet-sponsored tyranny around the world.

Make no mistake, the Senate's vote on aid to the Contras will echo in every land in which freedom-loving people are fighting Communist oppression. If we fail to approve this aid, the freedom fighter in Angola, faced with over 30,000 Cuban troops and $2 billion in Soviet arms, will question America's commitment to freedom. The Mujaheddin in Afghanistan will question how much longer America

will support their brave struggle to win back their nation.

A vote for the Contras will hearten those around the globe who believe that man was meant to be free. But we will have failed those brave men, and we will have failed the cause of freedom, if we reject this aid, and choose a path that permits the Communist presence in Central America to be consolidated.

It has been said that, instead of supporting the Contras, we should rely on the Contadora process to bring freedom to Nicaragua. Mr. President, there are serious problems with that approach. It displays an unwarrated confidence in the Sandinistas' willingness to abide by their promises. And it demonstrates a reluctance on the part of the United States to decide for itself what is in the best interests of freedom and our own security.

Mr. President, I do not question the Contadora nations' commitment to freedom and peace in Central America. But I do question the tools at their disposal. Those nations who oppose U.S. aid to the Contras would rely solely on diplomacy to end the Sandinistas' attack on freedom. But Ortega's response to diplomatic pressure has been abysmal. During that period when the United States suspended aid to the Contras, diplomacy was the only tool available against Ortega. He responded by further trampling the civil rights of his citizens, and by tigthening his embrace with the Soviet Union.

We must remember that Ortega has failed to keep his promises before. In 1979, the Sandinistas swore to the Organization of American States that they would establish a free democratic and pluralistic government. Six years later, the echoes of that empty promise reverberate throughout Nicaragua, where the most basic civil liberties simply do not exist. Dare we trust Ortega's promises again?

Dare we rely solely on negotiations with the Sandinistas, while running a grave risk that Ortega will once more use that time to further suppress his people, tighten his bonds with the Soviet bloc and consolidate a second Marxist government in the Americas? Or, do we provide material assistance to the Contras, and thereby give Ortega a reason to change his course.

Mr. President, I believe that only armed resistance will provide an incentive to negotiate. Power and diplomacy go together. The Contadora talks and other negotiations can supplement our policy toward Nicaragua. They must not substitute for it.

While we value the judgment of our allies in the region, we cannot substitute their judgment for our own. No great nation should cast a decision affecting freedom and international security into the hands of others. To freedom-loving people everywhere, the United States is still a "city on a hill," a beacon of hope. If we are to remain so, we must be willing to decide—by ourselves if necessary—what path best serves the interests of freedom, democracy, and security. And, we must be willing to act on our decision, whether or not we stand alone or stand with many.

In Nicaragua, as elsewhere, democracy has strong enemies. It must also have strong friends—friends who are willing to stand up to the forces of Communist oppression, even when they stand alone.

Mr. President, I strongly support President Reagan's efforts to foster freedom in Central America. The united opposition in Nicaragua share America's vision of democracy and freedom. These Nicaraguan's are willing to fight for that vision. They are willing to die for that vision. And this Congress must not abandon them.

I will vote to support the Nicaraguan freedom fighters, and I urge my colleagues to do the same.

Several Senators addressed the Chair.

Mr. LUGAR. Mr. President, I ask the Chair how much time remains to us on the Dole-Lugar substitute.

The PRESIDING OFFICER. The Senator has 15 minutes.

Mr. LUGAR. Mr. President, I ask unanimous consent that notwithstanding the arrangement of the unanimous-consent order, 5 minutes of the 15 minutes be reserved for final debate under the control of the majority leader.

The PRESIDING OFFICER. Is there objection? The Chair hears none, and it is so ordered.

Mr. LUGAR. That means we have 10 minutes remaining, and I will allocate 5 to the distinguished Senator from Kansas and 3 to the distinguished Senator from Georgia.

Mrs. KASSEBAUM. I suggest that I will need less than that.

Mr. LUGAR. I yield 5 minutes to the Senator from Kansas.

Mrs. KASSEBAUM. Mr. President, first I would like to say how much I appreciate the efforts of the administration, the chairman of the Foreign Relations Committee, the distinguished Senator from Indiana, the majority leader, the senior Senator from Kansas, and Members on both sides of the aisle to try and address our policy concerns not just for the moment but for that policy that can be sustainable for a period of time.

Mr. President, my principal concern over the past couple of weeks has been that the debate on military and humanitarian aid to the Contras be a constructive one that would seek to define a long-term bipartisan policy toward Nicaragua and the region.

For the past several years, the debate over our policy toward Nicaragua has been emotional and erratic. And this year, once again, our energy has been spent more on domestic political wrangling than on building a consensus for a long-term policy.

There are no easy and quick solutions to the problems that the Sandinista government has created for our security concerns, the concerns of the region, and the concerns of the Nicaraguan people. But in order to build and sustain a long-term policy, we need to reach a reasoned consensus on what our long-term policy should be.

One of the principal problems which we have not addressed adequately in my opinion is the makeup of the resistance forces and their chances for success. As I have argued before, those chances hinge in part on United States assistance, but an even more critical requirement is popular support within Nicaragua. Few guerrilla movements can survive, let alone succeed, without the aid and comfort of local populations.

I have felt strongly that we must address this critical problem, because otherwise we would just be throwing away money and any hope for an alternative to the Sandinistas in Nicaragua.

This package has been adjusted so that it does begin to address the problem of unification and reform of the Contras. A provision has been added, which I strongly support, which states that after 90 days additional funds can only be released if the President certifies that the Nicaraguan democratic resistance has agreed to and is beginning to implement—

First, confederation and reform measures to broaden its leadership base;

Second, the coordination of its efforts;

Third, the elimination of human rights abuses;

Fourth, the pursuit of a defined and coordinated program for achieving democracy in Nicaragua; and

Fifth, the subordination of military forces to civilian leadership.

Another very important addition is that this package now requires that the independent commission also must determine and report to Congress that these steps have been taken.

Our purpose in this legislation is not to raise unworkable obstacles, but rather, to establish a rational, broad framework for assuring that U.S. assistance promotes the objectives for which it is intended.

Because of these positive elements and because I think the United States does have a serious and important role to play in the events unfolding in Nicaragua, I will vote in favor of the package.

United States policy must be aimed at helping to advance the democratic aspirations of the Nicaraguan people and to support efforts by our Latin

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American neighbors to ensure regional stability. Only through a multitrack approach which includes diplomatic initiatives and efforts to unify, broaden, and reform the Contras will our policy hold any hope of success.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

THE WHITE HOUSE,
Washington, March 27, 1986.

Hon. NANCY LANDON KASSEBAUM,
Russell Senate Office Building,
Washington, DC.

DEAR NANCY: Thank you for your letter of March 19 regarding the need for a long-term policy which provides diplomatic and military pressure on the Sandinista government to move toward democracy and to cease being a threat to regional security. I fully agree with you that we must use all the avenues open to us—including diplomatic initiatives as well as aid to the Nicaraguan democratic resistance—to deal with the serious problems which the Sandinista regime has created for our security, the security of the Central American region, and the well being of the Nicaraguan people.

In order to develop a policy which meets our mutual objectives, I have endorsed a number of proposals made by thoughtful members of Congress, Latin American leaders, and the leadership of the Nicaraguan opposition. The legislation that we have discussed with the Senate leadership and, which I find acceptable, reflects this advice and includes a number of provisions intended to achieve the objectives outlined in your letter:

A delay until July 1 in release of offensive military assistance in order to encourage the Nicaraguan government to respond to the many opportunities available for achieving a negotiated settlement of the conflict in Central America;

A commission to monitor the progress of negotiations;

A stipulation that funds may not be provided to any group that retains in its ranks individuals who commit gross violations of human rights, engage in drug smuggling or misuse public or private funds;

Three million dollars for programs and activities of the Nicaraguan democratic resistance for the observance and advancement of human rights;

A provision for the apportioning of funds among UNO, BOS and Misurasata;

A commitment to encourage the Nicaraguan democratic resistance to take additional steps, strengthen its unity, pursue a defined and coordinated program for representative democracy in Nicaragua, and otherwise increase its appeal to the Nicaraguan people.

Finally, we remain committed to resume bilateral negotiations with the Nicaraguan government simultaneously with that government's opening of talks with representatives of all elements of the Nicaraguan democratic opposition. This position serves to reinforce President Duarte's recent offer to open talks with the Salvadoran guerrillas simultaneously with Nicaragua's holding of negotiations with its armed resistance. Our position also supports the strong desire of all the democratic governments of Central America to resolve the region's problems through multilateral negotiations.

I believe that these commitments respond to your concerns and those of other members of Congress who are as dedicated as you and I to a sustainable, bipartisan and truly democratic solution to the problems of Central America. I am sending an identical letter to Senators Rudman and Cohen.

Sincerely,

RONALD REAGAN.

Mr. MATTINGLY. Mr. President, the issues that we have been discussing have been clearly discussed in an article written by our distinguished majority leader entitled, "In Material Support of Democracy" published in Insight magazine on March 24.

The Senator from Kansas wrote: "It's time that those elected officials who talk strong and vote weak are called to account. They're going to have to explain themselves to the voters, especially those liberals who seem to take more delight in lambasting the President than in criticizing Soviet oppression and imperialism." I ask unanimous consent that the full article be printed in the RECORD and urge my colleagues to heed its advice.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

IN MATERIAL SUPPORT OF DEMOCRACY

(By Robert J. Dole)

Every Fourth of July, it seems, senators and congressmen return home to announce their pride in America as a bastion of freedom, a friend to the oppressed. But all too often, many of these same politicians—especially those who call themselves liberals—return to Washington to cast vote after vote after vote to emasculate our national defense and turn our backs on friends of freedom around the globe.

Well, this is an election year. And it's time that those elected officials who talk strong and vote weak are called to account. They're going to have to explain themselves to the voters, especially those liberals who seem to take more delight in lambasting the president than in criticizing Soviet oppression and imperialism.

This year will see a string of "litmus test" issues coming up in the House and Senate, and nobody's going to have the luxury of ducking the tough votes. We'll find out who is ready to stand up and be counted.

The recent changing of the guard in Haiti and the Philippines smoked out a startling double standard on Capitol Hill when it comes to dictators. While the media and the liberals hailed the toppling of Ferdinand Marcos and "Baby Doc" Duvalier, left-wing dictatorships continued to fester in every corner of the globe, including some right on our own doorstep. But instead of getting the prime-time Marcos/Aquino treatment, despots such as Nicaragua's Daniel Ortega enjoy a free ride while they trample on human rights and export terrorism to their neighbors.

Fortunately, the president knows a dictator when he sees one. Whether it is Marcos or Ortega, right or left, the administration has demonstrated it will move skillfully—and consistently—to back the forces of democracy. President Reagan has been widely hailed by the liberal gang for his brilliant handling of the Philippines crisis, yet these same cheerleaders are already booing his democratic initiative in Central America. What gives?

In late February, the White House sent us its request for aid for the democratic resistance forces in Nicaragua—the so-called Contras. As far as I'm concerned, the president's $100 million request is on the mark. It's not new money. It's savings we found in other defense programs. The goals of the president's program are clear, but somehow they offend the liberals. And what are these goals of ours that the liberals find so unreasonable? We want the Sandinistas to meet the commitment they made to the Organization of American States when they took power: to allow their neighbors to live in peace and their own people to live in freedom. And we want Daniel Ortega to quit turning his country into a beachhead for Soviet and Cuban forces in Central America.

So how are we going to do on Contra aid? It's going to be a tough fight, but I'm hopeful we have a real chance to pass a package that protects our national interest in Central America.

The president has indicated he is ready to go to the mat on this one, and that's exactly what we'll need if we are to silence the hue and cry from the Washington chapter of the Ortega fan club. Ronald Reagan's television address may well prove to have been the key, because, quite frankly, this was the only way the general public could hear the full story of the Marxist nightmare in Nicaragua.

Another issue on which some of us have been working hard during the past couple of months is Angola. No doubt about it, this is an issue where the lines are clearly drawn. The Cuban troops and the multibillion-dollar Soviet arms buildup in Angola have got to go.

The democratic resistance there deserves our support. And let's be frank about that support. We're talking about guns, not butter, guns that can stop tanks and shoot down helicopters.

The Angolan resistance is going to face a new communist onslaught in a few weeks, when the rains stop and Soviet armor can once more roll across the African plains. That's why I've been pushing Secretary of State Shultz by private letter and in a recent meeting in my office, urging the administration to proceed on an aid program to meet UNITA's real needs. When those Russian-made tanks and helicopters head out of Luanda this year, I want Jonas Savimbi to have a nice, warm reception ready for them.

The Angolan Marxists aren't going to negotiate until they have to, but they won't have to unless Dr. Savimbi and his freedom fighters have the tools to neutralize Soviet and Cuban firepower.

Meanwhile, one of our oldest allies, the Philippines, struggles to come back from a wrenching crisis. No doubt a page has been turned in Philippine history, and it's time to look ahead—but not, necessarily, to rush ahead.

Corazon Aquino has earned our admiration and respect. But she has many challenges ahead and many questions to answer. I made that point when I met her recently with one of her closest associates—her brother-in-law, Paul Aquino. She has lots of outstanding people around her. But she also has counted on the support of some elements whose rhetoric is disturbing. And some of her own comments early in the campaign, even though they were largely disavowed later, are still cause for some concern.

One message I asked Paul Aquino to convey to his sister-in-law is that we need some reassurance of the Philippine commitment to honor our military base treaty. Our Air Force and Navy facilities on the islands—Clark Air Base and Subic Bay Naval Base—are guaranteed under the treaty at least until 1991. The bases are pillars of stability in the Pacific. With the Soviet Union becoming more of a menace in the Far East, it's essential that our Philippines bases have a stable home in the Pacific.

I also pressed Paul Aquino hard on the need to keep up the pressure on the communist insurgency. I am concerned that, in the apparent haste to release all political prisoners, Corazon Aquino might have set free some dangerous elements who could again take up arms against democracy. How she deals with this hard-core element will be an early test of her administration to contain and eliminate the insurgency.

The list could go on and on: Afghanistan, Kampuchea, terrorism. The challenges are there, and they're not going to go away.

In Moscow, Mikhail Gorbachev recently brought down the curtain on that finely tuned chorus of yes-men who served as delegates to the 27th Communist Party Congress. The talk in the Kremlin was of arms control, settling regional conflicts and reform at home. And Gorbachev's new legions of fans at home and around the world are, not surprisingly, lapping it up.

But the reality outside the Kremlin walls hasn't changed a bit. It's a reality of oppression at home, aggression against the free world and support for subversion and terrorism around the globe.

Those are the challenges to us in the Congress and to all who profess to be supporters of freedom. By election day, the voters will know who stood up when it counted, and who took off when the going got tough.

Mr. MATTINGLY. Mr. President, very soon we will be voting on the proposal to send $100 million to the freedom fighters in Nicaragua. The lines are drawn and it is time to vote.

I do not question the patriotism of those who are on the other side of the issue. I do question their wisdom. I wonder how anyone can oppose this small investment for democracy in our own hemisphere. I do get weary of those who are unable to do more than wring their hands while the Marxists consolidate their position in Central America. I do get weary of those who would turn Amer,ca into a powerless giant. Even with clear evidence of Sandinista battalions in Honduras there are those who immediately assume that the United States is lying and credit the denials of the Marxists in Managua.

I believe the opponents of this measure love America. They believe their course of inaction is best for our country. I say the time for hand wringing is over. Communism has throughout history profited from apathy and inaction. It must not happen today.

Thank you, Mr. President.

The PRESIDING OFFICER. Who yields time?

Mr. LUGAR. Mr. President, how much time remains on our side?

The PRESIDING OFFICER. Three minutes and 14 seconds.

Mr. PELL. How much time remains on the minority side?

The PRESIDING OFFICER. Fifteen minutes and 1 second.

Mr. LUGAR. Mr. President, does that include the 5 minutes we reserved after the debate?

The PRESIDING OFFICER. It does not.

Mr. LUGAR. Three and one-quarter total. Very well. We reserve the 3¼ minutes per the unanimous-consent request.

Mr. PELL. Mr. President, I also ask unanimous consent that 5 minutes of my time be reserved along the same lines accorded earlier to the majority.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. PELL. Mr. President, to my mind this amendment before us is still a prescription for a military solution in Nicaragua and the rest of Central America.

Bilateral negotiations between our Nation and Nicaragua are absolutely essential, but negotiations should be unconditional. The amendment that we have before us constructs conditions to assure that they cannot be met.

My colleagues should know also that this amendment calls for weapons to be sent off immediately.

We ought to take the Nicaraguans up on their offer as presented in the letter that their Ambassador wrote to me on March 3. In the letter he stated that Nicaragua was willing to sign an agreement stipulating that all foreign military advisers be withdrawn; that the acquisition of new systems of armaments be renounced; that strict and verifiable compliance, be imposed; and that guarantees would be given that Nicaraguan territory will never be used as a base for any foreign power or for subversion of any other government.

He also stated the Nicaraguan government's willingness to terminate the state of emergency, to restore the full panoply of civil liberties and, finally, to proclaim a general amnesty for all Contras permitting them to return to Nicaragua.

It is my thought that rather than pursuing a military solution, let us pursue the proposal that has been advanced by their government. Let us ask them to put up or shut up and follow the diplomatic route, which I think makes more sense.

I yield the floor.

The PRESIDING OFFICER. Who yields time?

Mr. PELL. Mr. President, I yield back the remainder of my time, with the 5 reserved.

The PRESIDING OFFICER. Who yields time?

Mr. LUGAR. Mr. President, we yield back the 3 minutes of time we have remaining with the 5 reserved for the final statement.

AMENDMENT NO. 1722

(Purpose: Bilateral negotiations)

Mr. CRANSTON. Mr. President, I sent an amendment to the desk and ask for its immediate consideration.

The PRESIDING OFFICER. The amendment will be stated.

The assistant legislative clerk read as follows:

The Senator from California [Mr. CRANSTON] for himself and Mr. SASSER proposes an amendment numbered 1722.

Mr. CRANSTON. Mr. President, I ask unanimous consent that reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

At the end of the resolution, add the following new section:

"SEC. . Notwithstanding any other provision of law, if the Government of Nicaragua agrees to a cease fire, abolishes the state of national emergency, and pursues and is prepared to participate in good faith bilateral negotiations with the Government of the United States, no funds shall be made available to the Nicaraguan democratic resistance for other than non-lethal, humanitarian assistance. Provided further, that no funds other than for non-lethal, humanitarian assistance shall be made available if the President of the United States fails to pursue and participate in such direct bilateral negotiations with the Government of Nicaragua without further conditions, and no funds other than for non-lethal, humanitarian assistance shall be made available while such negotiations are underway, unless the Congress, not less than 90 calendar days after enactment of this provision, adopts a joint resolution finding that the Government of Nicaragua has refused to participate in good faith in bilateral negotiations with the Government of the United States. The expedited procedures stipulated in Section 13 of this resolution shall be in effect for consideration of any such joint resolution."

Mr. CRANSTON. Mr. President, I send to the desk an unprinted amendment and ask for its immediate consideration.

Mr. President, the purpose of my amendment is quite simple. It would bar the provision of any funds to the Contras if the President continues to reject direct, meaningful bilateral negotiations with the Government of Nicaragua.

Specifically, my amendment does not require the so-called Contra forces to be a direct participant at the outset of such negotiations.

However, my amendment does require that the Government of Nicaragua agree to a cease-fire and end its repressive state of national emergency as two necessary preconditions for meaningful bilateral negotiations with the United States.

Mr. President, this Chamber remains deeply divided over the proper course for American policy toward Nicaragua. Quite frankly, I oppose any U.S. assistance to the Contras. But I recognize that some form of Contra

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aid is favored by a majority of this body. So I offer this amendment, not as a means of frustrating the majority will, but rather in an effort to improve what I believe is now a flawed resolution before us.

There is one professed goal which is embraced by many supporters and critics of Contra aid alike. And that is the desirability of meaningful negotiations with the Government of Nicaragua to resolve our differences. Many in this Chamber view such negotiations as the last best hope before a request is before us to commit American advisers—and eventually, American troops.

If we agree that such negotiations are desirable, then I believe we have an obligation to restrict aid to the Contras until we have exhausted the negotiation route.

Why? Because there is a consensus that since the Contras cannot possibly defeat the Sandinistas militarily, the objective of their efforts is to prod Managua toward negotiations.

But the United States must be prepared to enter such negotiations as well. And we are fooling ourselves if we think these negotiations can take place only between the Contras and the Sandinistas. The Contras are a mercenary force created by, funded by and largely controlled by the Government of the United States. We all know that. So it is not unrealistic to expect that the negotiations should begin between Washington and Managua. And it is unwise to expect the Sandinistas to agree at the outset to sit down with a terrorist Contra force that is seeking to shoot its way back into power. The Sandinistas will not agree to negotiations designed solely to bring about their own demise. And it is hardly to be expected that they will allow themselves to be bogged down in a multilateral Contadora negotiating process if the United States is simultaneously trying to bring down the Managua government by force of arms.

Therefore, our objective must be to begin a process of negotiation and reconciliation between the United States and Nicaragua.

Now I recognize that there are a number of circumstances, not stipulated in this particular amendment, which would spur a vigorous U.S. military response—either in concert with OAS allies or through the Contra forces. For example, if Nicaragua imported nuclear weapons, if Nicaragua lanuched a full scale invasion of Honduras or Costa Rica and engaged the military forces of those countries, if Nicaragua sponsored acts of terrorism in the United States—any of these actions would prompt a vigorous United States response notwithstanding the status of any bilateral negotiation. The President would take swift action as Commander in Chief in consultation with Congress.

Three further points regarding my amendment. First, while I personally oppose any aid to the Contras, my amendment would not in any way affect purely humanitarian, nonlethal assistance to the Contras and their families. Second, the amendment stipulates that no military aid to the Contras can go forward after negotiations begin, unless—at least 90 days after this resolution passes, Congress finds that the Sandinistas are dragging their feet in negotiations and refusing to pursue an agreement in good faith. Finally, we should simply take note that if the United States and the Sandinistas agree to a cease-fire, it is incumbent upon our Government to promote respect for this cease-fire from the Contra leadership. Failure by the Contras to respect such a cease-fire would undermine U.S. policy and would not lead to a resumption of U.S. military aid.

The amendment I have offered provides an opportunity for the full Senate to speak on the crucial issue of bilateral negotiations. It is a modest, but carefully crafted amendment which can further crucial American national security interests. I urge my colleagues to give it their support.

Mr. President, I ask for the yeas and nays.

The **PRESIDING OFFICER**. Is there a sufficient second? There is a sufficient second.

The yeas and nays were ordered.

Mr. **LUGAR** addressed the Chair.

The **PRESIDING OFFICER**. The Senator from Indiana is recognized.

Mr. **LUGAR**. Mr. President, earlier in the day the Sasser substitute addressed the sense of this problem. It pressed for the President of the United States to be forced into bilateral negotiations and provided no military aid.

Senator CRANSTON, the distinguished Senator from California, has indicated he opposes military aid. I suspect one can simply say this is one last gasp of their side to try to force the President of the United States into what I think is an unwise and unconstitutional gesture—negotiating with people that he does not want to negotiate with under conditions that he does not choose to negotiate.

Just to reinforce this point, I ask unanimous consent, Mr. President, that a letter from the President of the United States to me as of this date be printed in the RECORD.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

THE WHITE HOUSE,
Washington, March 27, 1986.

HON. RICHARD G. LUGAR,
United States Senate,
Washington, DC.

DEAR DICK: This is in response to your questions regarding our policy on further bilateral negotiations with the Sandinistas. During nine rounds of negotiations in 1984, the Sandinistas refused to accept the purpose of the talks, as defined by the Contadora Group—to reach bilateral understandings which could support the Contadora Group's efforts to achieve a comprehensive multilateral settlement. By the ninth round, in December 1984, the Sandinistas position was very clear: they were using the Manzanillo talks with us as an excuse to refuse to conduct any substantive negotiations with the other countries of Central America. In addition, the Sandinistas sought to create distrust of the United States by telling the Central American democracies that the U.S. was "making a deal" behind their backs. Since December 1984, the Sandinistas have grown increasingly obstructive in the multilateral Contadora talks, while making renewal of bilateral talks with the U.S. a priority objective.

The United States remains willing to resume bilateral talks in support of a comprehensive regional agreement, including democratic internal reconciliation within Nicaragua. However, in view of past Sandinista intransigence and duplicity, we have insisted that the Sandinistas demonstrate serious intent by initiating a credible dialogue, accompanied by a ceasefire and restoration of civil liberties, with *all* elements of their opposition. Our objective is not talks which lead to "power sharing," but rather a sincere effort toward democratization.

In support of this goal, I have made a number of forthright proposals. In April 1985, I endorsed an offer by the Nicaraguan democratic resistance, in which they proposed a ceasefire and a church-mediated dialogue with the Sandinistas. In February 1986, I offered to have the U.S. begin bilateral talks *simultaneously* with the initiating of an internal dialogue by the Sandinistas with their opposition. On March 5, 1986, President Duarte added an offer to begin serious talks with the Salvadoran guerrillas, simultaneously with a Sandinista dialogue with the Nicaraguan democratic resistance. The Nicaraguan resistance has been willing to talk; the Nicaraguan Council of Bishops has offered to mediate. The Presidents of Guatemala, Honduras, Costa Rica, and I all endorse President Duarte's proposal. The Sandinistas have adamantly rejected all these offers and have obstructed further Contadora meetings. They have insisted on bilateral talks with the U.S. as their foremost objective.

The United States continues to resist the Sandinistas' effort to engage us as the intermediary between the Sandinistas and their neighbors. We should further resist their attempts to make the United States the mediator in their own internal dispute. Given the events of recent days in Honduras, I am more concerned than ever that giving the Sandinistas what they want—direct bilateral talks with the U.S.—would have a number of severe and adverse consequences:

It would seriously undercut President Duarte and his democratic neighbors who have supported him. President Duarte braved considerable internal criticism in his bold offer to open talks with the FMLN guerrillas in El Salvador, if the Sandinistas would simultaneously hold similar talks with the Nicaraguan democratic resistance. His forthright initiative provided an additional inducement that complemented our proposals to further a dialogue on national reconciliation in Nicaragua. We should not be in a position of weakening President Duarte in the eyes of his domestic critics or diminishing his prestige in the region.

It would afford the Sandinistas an opportunity for further duplicity and result in further delay in resolving the conflict. Their past record of dishonesty, during earlier bilateral talks with the U.S., has been duplicated by current Sandinista misrepresentations over the invasion of Honduras.

It would divert attention from the evidence of Sandinista performance in the international diplomatic arena, as well as their aggression against their neighbors. The real issues are genuine dialogue leading to democracy in Nicaragua and serious negotiations with their neighbors. They seek to distract attention from these matters.

Finally, suggestions that we should undertake direct negotiations with the Sandinistas, if they simply talk to their internal political opponents, would place an undue burden on the weakest elements of the Nicaraguan opposition. Representatives of these internal groups, with their families and homes at risk and subject to direct Sandinista retribution, cannot be expected to speak for the concerns of the resistance.

A democratic reconciliation in Nicaragua is essential to regional peace. The United States has consistently offered to provide incentives to initiate such a dialogue—to include simultaneous bilateral talks with the Sandinistas. Conditioning our aid to the Nicaraguan resistance on the initiation of direct bilateral talks, without first requiring that the Sandinistas talk to their own internal opposition, would seriously undercut our friends in the region and our foreign policy worldwide. We could not sustain such a policy in regard to Israel, the moderate Arab states whom we support, or the freedom fighters in Afghanistan or Angola. We should not be expected to in the case of the Nicaraguan democratic resistance. Our policy is, and should continue to be, to persuade the Sandinistas that they must come to terms with their own opposition and their neighbors.

Sincerely,

RONALD REAGAN.

Mr. **LUGAR**. I quote from this letter because the President feels very strongly about this. He cites that on a number of occasions he has endorsed negotiations, and earlier today I put in the RECORD a very substantial document about all of those negotiations. To the point, Mr. President, he says:

> I am more concerned than ever that giving the Sandinistas what they want—direct bilateral talks with the U.S.—would have a number of severe and adverse consequences:
>
> It would seriously undercut President Duarte and his democratic neighbors who have supported him. President Duarte braved considerable internal criticism in his bold offer to open talks with the FMLN guerrillas in El Salvador, if the Sandinistas would simultaneously hold similar talks with the Nicaraguan democratic resistance. His forthright initiative provided an additional inducement that complemented our proposals to further a dialogue on national reconciliation in Nicaragua. We should not be in a position of weakening President Duarte in the eyes of his domestic critics or diminishing his prestige in the region.
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That letter was written by the President of the United States, the person in our constitutional system most responsible for our diplomacy and national security.

Mr. President, I think we have to take the word of the President very seriously. I certainly do. To undercut the President of the United States, I think would be indefensible. I would simply say that throughout this debate we have discussed the issue in many forms. But to give the Sandinistas something they want without requesting anything from them in return is not a very good negotiating posture. Are we so determined to micromanage foreign affairs that we now determine even the sequence of Presidential bidding in negotiations.

I would simply say, Mr. President, that we find this amendment to be a highly dangerous way to conclude a debate which we believe is moving toward a very sound American foreign policy in this region. The Congress and the President, I feel, are moving together.

Therefore, Mr. President, I strenuously object to the amendment. And as the time comes to an end, at least, when no time exists, I will move to table the amendment.

How much time remains on our side?

The **PRESIDING OFFICER**. One minute and one second.

Mr. **LUGAR**. I will reserve the time for the moment.

Mr. **DOLE** addressed the Chair.

Mr. **LUGAR**. Mr. President, I yield to the majority leader.

The **PRESIDING OFFICER**. The distinguished majority leader is recognized.

Mr. **DOLE**. Mr. President, let me indicate that I certainly share the views expressed by the distinguished chairman of the Foreign Relations Committee. This is sort of the Sasser amendment revisited. I hope it will be dealt with in about the same fashion.

Mr. **CRANSTON** addressed the Chair.

The **PRESIDING OFFICER**. Who yields time?

Mr. **PELL**. I yield as much time as the Senator from California desires.

The **PRESIDING OFFICER**. The Senator from California.

Mr. **CRANSTON**. Mr. President, I just say that it seems ill-becoming for the United States to be backing people, seeking to overthrow the government of another country that we recognize, and for the United States to be unwilling to negotiate our differences with that country. We have profound differences with the Sandinistas. There is no supporter or sympathizer to the Sandinistas in this body. But there is a widespread feeling that we should seek a negotiated diplomatic solution rather than a military solution.

It is not accurate to state that my proposal would seek nothing from the Sandinistas. The proposal is conditioned upon the Sandinistas' willingness to enter into a cease fire. It is conditioned upon a willingness of the Sandinistas to lift their state of emergency. That is a major objective of the U.S. Government, and a way to deal with their repressive regimes.

The **PRESIDING OFFICER**. The time of the Senator has expired.

Mr. **DOLE**. Mr. President, let me tell my colleagues that we are going to try to hold this vote to 15 minutes. There are a number of our colleagues on both sides who have planes to catch, and reservations are hard to come by.

So I urge my colleagues to come to the floor, and vote favorably on the motion to table.

The **PRESIDING OFFICER**. Who yields time?

Mr. **LUGAR**. Mr. President, I yield back the time on our side. I move to table the Cranston amendment.

I ask for the yeas and nays.

The **PRESIDING OFFICER**. Is there a sufficient second? There is a sufficient second.

The yeas and nays were ordered.

The **PRESIDING OFFICER**. The question is on agreeing to the motion of the Senator from Indiana to lay on the table the amendment of the Senator from California. On this question, the yeas and nays have been ordered, and the clerk will call the roll.

The assistant legislative clerk called the roll.

The **PRESIDING OFFICER** (Mr. HECHT). Are there any other Senators in the Chamber who desire to vote?

The result was announced—yeas 66, nays 34, as follows:

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[Rollcall Vote No. 49 Leg.]

YEAS—66

Abdnor
Andrews
Armstrong
Bentsen
Boren
Boschwitz
Bradley
Chafee
Chiles
Cochran
D'Amato
Danforth
DeConcini
Denton
Dixon
Dole
Domenici
Durenberger
East
Evans
Ford
Garn
Goldwater
Gorton
Gramm
Grassley
Hatch
Hawkins
Hecht
Heflin
Heinz
Helms
Hollings
Humphrey
Johnston
Kassebaum
Kasten
Laxalt
Leahy
Long
Lugar
Mattingly
McClure
McConnell
Moynihan
Murkowski
Nickles
Nunn
Packwood
Pressler
Quayle
Roth
Rudman
Simpson
Specter
Stafford
Stennis
Stevens
Symms
Thurmond
Trible
Wallop
Warner
Weicker
Wilson
Zorinsky

NAYS—34

Baucus
Biden
Bingaman
Bumpers
Burdick
Byrd
Cohen
Cranston
Dodd
Eagleton
Exon
Glenn
Gore
Harkin
Hart
Hatfield
Inouye
Kennedy
Kerry
Lautenberg
Levin
Mathias
Matsunaga
Melcher
Metzenbaum
Mitchell
Pell
Proxmire
Pryor
Riegle
Rockefeller
Sarbanes
Sasser
Simon

So the motion to lay on the table amendment No. 1722 was agreed to.

Mr. LUGAR. Mr. President, I move to reconsider the vote by which the motion was agreed to.

Mr. PELL. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. DOLE. Mr. President, I ask unanimous consent that the distinguished Senator from Delaware, Senator BIDEN, may be recognized ahead of Senator DURENBERGER.

The PRESIDING OFFICER. Without objection, it is so ordered.

AMENDMENT NO. 1724

(Purpose: To require a Presidential certification of extension reform of the Nicaraguan resistance as a condition of further U.S. assistance to mandate negotiations; and to declare U.S. policy on the use of force in Central America)

Mr. BIDEN. Mr. President, I send an amendment to the desk and ask for its immediate consideration.

The PRESIDING OFFICER. The clerk will report.

Mr. STENNIS. Mr. President, may we have quiet?

The PRESIDING OFFICER. The Senate will be in order. Will Senators please take their seats and staff leave the Chamber? The majority leader has requested the staff either to take a seat or please leave the Chamber.

The clerk will report.

The assistant legislative clerk read as follows:

The Senator from Delaware [Mr. BIDEN] proposes an amendment numbered 1724.

Mr. BIDEN. Mr. President, I ask unanimous consent that further reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment reads as follows:

At the end of the joint resolution, add the following:

"(A) Assistance authorized by this resolution shall be available only if the President can and does certify to Congress that the Nicaraguan resistance—

"(1) has been restructured to allow complete and balanced representation of all democratic opposition forces and to ensure full subordination of military commanders to the political leadership;

"(2) has agreed upon a program of principles and objectives directed toward the attainment of democracy in Nicaragua, such program to include a plan to provide a significant measure of autonomy for Nicaraguan Indians;

"(3) has instituted full and adequate human rights-related training programs;

"(4) has removed from its ranks all persons responsible for past human rights abuses in Nicaragua; and

"(5) has established procedures to ensure severe punishment of any persons in the resistance committing human rights abuses in the future.

"(B) Assistance authorized by this resolution shall not commence until 75 days after the date of enactment, in order that, before providing additional assistance to the Nicaraguan resistance, the United States may undertake additional efforts to participate in successful negotiations leading to fulfillment of the goals enunciated by the Contadora nations in the Caraballeda Message. In this effort, the United States shall be prepared to enter into direct and unconditional negotiations with the current government of Nicaragua toward an accord providing for the cessation of United States support for the Nicaraguan resistance in exchange for agreement by the current government of Nicaragua to—

"(1) undertake a cease-fire and direct talks with opposition forces or their representatives;

"(2) lift restrictions on individual freedoms; and

"(3) remove from Nicaragua all Soviet, East European, and Cuban advisers and terminate all Soviet, East European, and Cuban military assistance and weapons transfers.

"(C) No United States personnel, civilian or military, shall be introduced into or over the territory of Nicaragua for the purpose of training or advising Nicaraguan resistance forces, or engaging in combat or intelligence operations in support of Nicaraguan resistance forces, unless Congress has authorized the introduction of United States personnel in advance by joint resolution.

"(D) United States forces shall not be committed to combat in Central America, or in an advisory role to forces in combat, unless—

"(1) United States strategic interests are threatened by the introduction into Central America of additional foreign forces, or advanced weapons systems, posing a substantially increased threat to nations of the hemisphere; or

"(2) United States military support is formally requested by nations of the region pursuant to collective defense pledges under the Rio treaty.

"Any commitment of United States forces pursuant to such policy shall be undertaken only in full compliance with provisions of the War Powers Resolution."

Mr. BIDEN. Mr. President, we are all trying to accommodate the time limitation. I thank the majority leader and minority leader for finding the opportunity for me to be able to make my case here before my colleagues.

NICARAGUA: THE REQUIREMENTS OF A SOUND AND SUSTAINABLE POLICY

Mr. President, no issue in American foreign policy since the Vietnam war has produced such heated dispute as the question of U.S. support for resistance forces opposed to the Communist government of Nicaragua. And indeed the two issues—Vietnam and Nicaragua—are related. For in the current controversy over aid to the Nicaraguan Contras, we find a continuation of one of the Vietnam war's lingering legacies: a still contentious national debate concerning the exercise of American power in the world.

A BROAD RECORD OF MISREPRESENTATION

The main energizing force in this debate is the school of thought, embodied in the Reagan administration, advocating an activist assertion of American power in the global contest against communism. Underpinned by a belief that the United States must escape its debilitating "Vietnam syndrome"—a supposed timidity about American involvement in protecting our vital geopolitical interests—the Reagan philosophy has manifested itself in two forms. The first is sharply increased defense spending; the second, an aggressively articulated doctrine favoring logistic support of indigenous freedom fighters opposing Soviet-backed regimes around the world. Notably, the Reagan school appears as yet far more robust in rhetoric than in the actual use of American Armed Forces. But its primary premise is the politically and psychologically satisfying claim that the United States, after a decade of abdicating power, is now wielding it once again.

To hear the Reagan school's most enthusiastic proponents—including the President himself—is to find new meaning in George Orwell's dictum that to control the past is to control the present. For their ebullient, self-congratulatory message relies almost entirely upon a fanciful interpretation of the preceding era that gains force not from facts but from the sheer repetition of misleading assertion.

First, in claiming credit for a dynamic strategic buildup—the buildup they so blithely pledge will someday induce nuclear missile reductions by the Soviet Union—the Reaganites have fabricated a picture of American lethargy in the 1970's which bears little relation to the steady pace of developments in the U.S. nuclear arsenal. Indeed, the principal strategic weapons of which this administration boasts—the Trident submarine and D-5 missile, the MX missile, the deployment of Euromissiles—derive from programs and policies undertaken by the very Carter administration which the Reaganites are so fond to ridicule. Only the revival of the B-1 bomber—scrapped by the previous administration for reasons not of timidity but of prudent economy and priority—can truly be said to be a Reagan initiative, a fitting symbol of expensive excess born of unbridled ideology.

Similarly, in their eagerness to fashion and advertise a distinguishing doctrine of support for freedom around the world, enthusiasts of the so-called Reagan Doctrine blithely ignore that they have invented nothing new. What were our promulgation of the Marshall plan and the Truman doctrine, and our actions in the Korean conflict and the Vietnam war, if not strenuous American commitments to defend and promote freedom in the face of a Communist threat? All, one may vote, were undertaken—for better or worst—by Democratic administrations.

Nor can the Reaganites plausibly claim that their new "doctrine" is an antidote to isolationist strains in the post-Vietnam Democratic party, or a unique willingness to support forces opposed to Communist regimes. As to the question of isolationism, the plain fact is that support for existing U.S. alliances remains strong in both the Democratic and Republican parties; indeed, any weaknesses in our current alliance structures owe principally to allied doubts about American leadership during this administration. Similarly, with regard to the Third World, the concept of U.S. activism to defend our geostrategic interests, to promote freedom—and, specifically, to aid forces fighting against Communist regimes—is not in principle a matter of partisan division. In Afghanistan, U.S. aid to the mujahideen was commenced by the Carter administration immediately after the Soviet invasion. And in Indochina, the current program of U.S. aid to democratic forces in Cambodia emanated from a Democratic initiative in Congress. Thus, neither of these components of the so-called Reagan Doctrine is in fact even a Reagan initiative.

THE CRUCIAL CRITERION: PRACTICAL CONSEQUENCES

Accordingly, the very premise of the "Reagan Doctrine"—that the United States must escape a "Vietnam syndrome" in order to move energetically to defend its interests in the Third World—is fundamentally misconceived. In American foreign policy today, issues arise primarily—as they should—not on the principle of U.S. involvement abroad but on perceptions of the practical consequences for American interests.

Nor are Democrats consistently on the side favoring passivity or inaction. Reaganites would, for example, be loathe to concede that they are unconcerned with human rights; yet they strongly criticized President Carter's interventionist activism against antidemocratic abuses among our Third World allies, on the grounds that such policies placed U.S. strategic interests at risk. Conversely, Democrats have criticized the Reagan policy of aiding Jonas Savimbi in his fight against the Soviet- and Cuban-supported regime in Angola, not on grounds of general principle, but because to do so would place us in circumstantial alliance with a South African regime which we have not only a moral but also a long-term strategic interest to oppose. It is this perverse consequence, not the principle of U.S. involvement per se, which renders the Angolan dimension of the "Reagan Doctrine" so dubious and controversial, unlike U.S. policies in Afghanistan and Cambodia.

Thus do we arrive at the issue of Nicaragua, which, along with Angola, provides the focus for dispute over the "Reagan Doctrine." Here, as in Angola, the essential question is one of practicality. Some, I acknowledge, argue that Nicaragua is indeed a question of principle: that aid to the Nicaraguan opposition is ipso facto an unacceptable violation of the principle of self-determination. My response, and I trust that of the mainstream of the Democratic Party, is that such argumentation applies principle solely to the purpose of self-paralysis. When we affirm the general principle of self-determination, we are affirming that people should decide their own destiny, precisely the opposite of declaring that we will watch with equanimity as tyrants impose their will. Tyranny gains no protection under the mantle of self-determination.

This does not mean that we are bound to intervene wherever tyranny or injustice may be found. Such universal activism would exceed the limits of our resources and our wisdom. But it does mean that we must not be immobilized by misconceived applications or principle when our vital interests—our geostrategic interests and our interest in promoting democratic values—are at stake. Had President Kennedy been governed by a blind application of the principle of Cuban self-determination in 1962, he would have watched idly as Fidel Castro and Nikita Khrushchev deployed Soviet land-based missiles 90 miles from our shores.

NICARAGUA TODAY

Turning now to the issue at hand, how are we to assess the situation in Nicaragua today? Surely whatever faint legitimacy may have been conferred upon the Sandinista government by the flawed Nicaraguan election of 1984 has been destroyed by that regime's steady evolution toward full totalitarian control. Having evicted from power all moderate elements, the current government has moved to deny the people of Nicaragua the basic rights and liberties fundamental to self-determination and remains engaged in an intensifying repression directed at political organizations, the church, the courts, the free press, trade unions, and other means of individual autonomy and expression. Meanwhile, the regime has drawn on large-scale Soviet aid and several thousand Cuban and Soviet advisers to build and sustain the largest military force in Central America.

Against this background of generally accepted fact, how are we to shape a sound U.S. policy? Unfortunately, any hope for a rational public dialog has been skewered by a White House presentation so wild in its inaccuracies, and so extreme in its assertions of the threat posed to U.S. interests, as to have become an issue in and of itself. Questions arise too of balance and priority—in short, the apparent hypocrisy of an administration that, until very recently, appeared oblivious to any oppression in the world that did not bear the Communist label. Thus was the administration's recent condemnation of Chile's hated Pinochet regime greeted with a mixture of gratitude and doubt.

But administration hyprocisy and Presidential excess do not relieve Congress of its responsibilities. The current government in Nicaragua represents a potential threat to peace and stability in Central America and—for that reason coupled to the possibility of an expanded Soviet presence in this hemisphere—poses a potential threat to security interests of the United States. The policy of the ostrich cannot apply.

NEGOTIATION OR INVASION: A FALSE CHOICE

Many, of course, argue that the administration has failed to exhaust all avenues of negotiation. And here one must express a considerable measure of sympathy. One need not believe that the United States drove the Sandinistas into the arms of the Soviets—the Sandinistas, after all, are Communists—in order to question the sincerity of the administration's claim that it has worked strenuously to support the efforts of the Contadora nations to secure a negotiated solution to the issues arising from Sandinista behavior. Plainly, the leaders of the Contadora nations themselves do not think so.

At the same time, however, one need not be an administration sympathizer to remain deeply skeptical that the Sandinistas can be induced—simply by the pressure of international opinion—to negotiate away their repressive tools of political control and the Soviet and Cuban resources which sustain their use. We fail to take the Sandinistas seriously if we refuse to

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regard them as the Communists they proudly claim to be.

Some have responded cavalierly that if the threat is so great, why not send in the Marines? But this is sloganeering as a substitute for thought. It implies an American foreign policy consisting of only two options: passivity and full-scale invasion. It also suggests a bizarre inclination to supplant Nicaraguan soldiers with American troops on a Central American battlefield. But ultimately it is simply a disingenuous stance, adopted by those who would be the first to express outrage if American forces were actually used in Central America, even in a context of greater danger or provocation.

THE CONTRAS: AN UNCERTAIN TRUMPET

And what of the administration's chosen vehicle of policy—the controverisal force known alternatively as the Contras or the democratic resistance? Clearly, the essence of the controversy is that so much of what is said about the Contras—for and against—is true. They thus provide ample data to buttress virtually any predisposition on the issue of whether the United States should support them.

The case against them is well known. The Contra force was, to be sure, a creation of the CIA, built around a nucleus of former Somoza Guardsmen. The Contras have thus far enjoyed little military success, having been set back even further by intensifying Sandinista use of Soviet-supplied helicopter gunships. Still worse, in their conduct as guerrillas and despite much conflicting evidence, we may fairly infer that Contra soldiers have been responsible for numerous actions accurately described as atrocities. Finally, notwithstanding the administration's professed purpose of supporting the Contras in order to force the Sandinistas to the bargaining table, it is clear that the aim of Contra commanders is to win—a full military victory ousting the Sandinistas from power. Accordingly, as a vehicle of American policy the Contras combine a dismal record with sweeping aspirations.

While accepting the known liabilities, supporters of Contra aid point to the future with a determined optimism. Resistance to Nicaragua's Communist government, they argue, continues to grow steadily, is manifest both in increasing support for the Catholic church as a symbol of dissent and in a continuing influx into opposition camps, and now reflects, in the composition of such guerrilla forces, an impressively diverse cross-section of the Nicaraguan people. Moreover, it is claimed, steps are being taken to heighten the professionalism and discipline of Contra forces, so as to strengthen their military effectiveness and political appeal. What is desperately needed, the argument continues, is adequate logistical, weapons, and training support to countervail Soviet and Cuban support, so that resistance forces may proceed to mount the fight they are ripe to win.

The conundrum here is obvious. Can the United States afford to commit its prestige to a force of such dubious nature and with such doubtful prospects? But if not, what realistic path is available to American policy, other than total reliance on an unpromising negotiation?

THE KEY TEST: THE NATURE OF THE RESISTANCE

For those who regard Nicaragua's Communist government as a serious hemispheric problem, and who would be prepared in principle to support a truly democratic opposition in its fight to recapture the promise of Nicaragua's revolution, the issue hinges on the true character of the Contras—and for two reasons. First, only a resistance force which embodies genuine democratic values holds promise of succeeding against the Sandinistas in the struggle for Nicaragua. And second, in the struggle for American opinion, only such a force holds promise of gaining and maintaining the public support on which a sound and sustained policy of U.S. assistance must be based. This indeed is the one surely applicable lesson of Vietnam: That we must not undertake a major foreign policy commitment without a solid national consensus behind it.

Last year, as the Senate deliberated on the issue of providing the Contras a sustaining fund of so-called humanitarian assistance, I offered an amendment which would have allowed the funding only on condition that, in conjunction with any further requests for Contra aid, the President certify that necessary steps had been taken to remove from the ranks of the Contras all persons responsible for abuses of human rights in Nicaragua. In the discussion surrounding that proposal, the floor manager of the bill, Senator LUGAR, indicated that he found possible merit in this stipulation. But he nonetheless opposed the amendment on behalf of the administration, which characteristically was disinclined to accept any strings on the funds it sought. Accordingly, the amendment received only 22 votes, almost all from my side of the aisle.

I continue to regret that decision by the administration and the Senate because I believe the provision would have established a crucially important standard governing American support for the Nicaraguan opposition—and considerable leverage, both for the administration and for those among the Contra leadership who wish to see that standard met. To be sure, the administration has now taken some note of concerns about human rights abuses by the Contra force and has allocated a small portion of its requested assistance to human rights-related training. But in the absence of a clear and legislated standard, the question will remain unresolved, both in the field and in the minds of the American people, without whose support this policy cannot succeed.

CRUCIAL PRECONDITIONS

Accordingly, Mr. President, I again this year prepared an amendment that goes to the question of the very nature of the Nicaraguan opposition to which the administration proposes to provide additional assistance. The amendment relates not only to the issue of Contra conduct in battle, but also to the overall structure of the Nicaraguan opposition and to its long-term political objectives. It would require a full political and military reform of the Contras—including the removal of all persons responsible for human rights abuses in Nicaragua—as a precondition of continuing our aid. This, I should note, is a far stronger requirement than that included in the Lugar-Dole-Bentsen compromise, which simply requires that the Contras "begin to" make certain changes.

Second, the amendment mandates that the administration make a determined effort to achieve, through bilateral negotiations with the current Government of Managua, an accord providing for a cease-fire in Nicaragua; direct talks between the government and opposition forces or their representatives; a lifting of restrictions on individual freedoms; and a removal of all Soviet, East European, and Cuban advisers, accompanied by a termination of all Soviet, East European, and Cuban military assistance and weapons transfers. I would be the first to acknowledge that the most sincere and adroit U.S. effort under this mandate would be unlikely to achieve the stated goals, even in exchange for a total cessation of American aid to the Contras. I am convinced, however, that such an effort must be made if American policy is to gain the necessary measure of public support, both domestically in the United States and in the hemisphere.

Finally, through a prohibition on the use of United States personnel in or over Nicaragua in an advisory or combat role and a formal declaration of policy regarding the use of American forces in Central America, the amendment makes clear to all concerned—the Contras, our Latin American neighbors, and the American people—that U.S. support for the Contras will not be the first step on the road to direct American involvement. The amendment stipulates that such direct United States military involvement in Central America would be occasioned only by dramatically changed circumstances—either the introduction of additional foreign forces or advanced weapons systems, or an act of aggression that produced a collective

response in the context of the Rio Treaty.

The amendment reads as follows:

(A) Assistance authorized by this resolution shall be available only if the President can and does certify to Congress that the Nicaraguan resistance—

(1) has been restructured to allow complete and balanced representation of all democratic opposition forces and to ensure full subordination of military commanders to the political leadership;

(2) has agreed upon a program of principles and objectives directed toward the attainment of democracy in Nicaragua, such program to include a plan to provide a significant measure of autonomy for Nicaraguan Indians;

(3) has instituted full and adequate human rights-related training programs:

(4) has removed from its ranks all persons responsible for past human rights abuses in Nicaragua; and

(5) has established procedures to ensure severe punishment of any persons in the resistance committing human rights abuses in the future.

(B) Assistance authorized by this resolution shall not commence until 75 days after the date of enactment, in order that, before providing additional assistance to the Nicaraguan resistance, the United States may undertake additional efforts to participate in successful negotiations leading to fulfillment of the goals enunciated by the Contadora nations in the Caraballeda Message. In this effort, the United States shall be prepared to enter into direct and unconditional negotiations with the current government of Nicaragua toward an accord providing for the cessation of United States support for the Nicaraguan resistance in exchange for agreement by the current government of Nicaragua to

(1) undertake a cease-fire and direct talks with opposition forces or their representatives;

(2) lift restrictions on individual freedoms; and

(3) remove from Nicaragua all Soviet, East European, and Cuban advisers and terminate all Soviet, East European, and Cuban military assistance and weapons transfers.

Assistance authorized by this resolution shall be available only if the President can and does certify to Congress that new good negotiation efforts have failed to achieve the goals cited in this paragraph.

(C) No United States personnel, civilian or military, shall be introduced into or over the territory of Nicaragua for the purpose of training or advising Nicaraguan resistance forces, or engaging in combat or intelligence operations in support of Nicaraguan resistance forces, unless Congress has authorized the introduction of United States personnel in advance by joint resolution.

(D) United States forces shall not be committed to combat in Central America, or in an advisory role to forces in combat, unless—

(1) United States strategic interests are threatened by the introduction into Central America of additional foreign forces, or advanced weapons systems, posing a substantially increased threat to nations of the hemisphere; or

(2) United States military support is formally requested by nations of the region pursuant to collective defense pledges under the Rio treaty.

Any commitment of United States forces pursuant to such policy shall be undertaken only in full compliance with provisions of the War Powers Resolution.

Mr. President, I hold no illusion that such requirements stipulated for certification would be easy to achieve; they may not be. But I believe that the fulfillment of these certification requirements represents an essential precondition for the conduct of a policy in Nicaragua that would bear any hope of succeeding in the field and any hope of gaining a substantial base of support among the American people.

Also crucial is the amendment's clear declaration of United States policy with regard to the use of American forces in Central America—necessary if the administration's policy is not to mislead the Contras and if it is to gain even measured support from our Latin American neighbors. It is needed too for domestic reasons—as a substantial block against any drift in American policy toward the direct involvement of U.S. forces. The President has stated that his policy does not envisage a resort to direct force; this amendment would translate that statement of intent into a durable barrier against an option that could only prove disastrous.

NICARAGUA AND VIETNAM

Mr. President, in closing I wish to return to my starting point: The conceptual connection between Nicaragua and the Vietnam war. My opposition to American policy in Vietnam was not based upon any reticence to see the United States energetically supporting the cause of freedom abroad. It was founded on the guiding concept I have enunciated here today: That U.S. policy must be based upon a clear analysis of practical consequences; and U.S. commitments must be based upon a strong consensus among the American people.

In Indochina, support for democracy in South Vietnam was a perfectly sound aim of United States policy. But American policy crossed the threshold toward its ultimate failure when we committed United States troops in a conflict which could only have been won by the South Vietnamese themselves. President Kennedy stated as much shortly before his death. Yet soon thereafter the American advisory role escalated to troops in combat. And our failure was ensured when, by intervening militarily in mass, we permitted the North Vietnamese to fight for Vietnam's future under the banner of anti-colonialism. the steady loss of public support here at home was only the logical consequence of an American policy which failed to foresee its own practical consequences.

In Central America today, the issue now posed is whether we should support Nicaraguan resistance forces seeking to overcome a Communist tyranny. As I have stated, I view this—in principle—as a valid activity of American foreign policy. What we must assess, however, are the practical consequences in light of the practical circumstances. In the absence of a thoroughgoing reform of the Contra force, our policy offers little hope of success and much danger that an increasing commitment of American prestige will carry us inexorably into a game of higher stakes with no strong hand to play—short of the commitment of U.S. forces. The President has, of course, declared that his policy does not envisage U.S. forces in combat; he has indeed expressed recognition that the use of American troops could catalyze an outpouring of Latin American enmity. But the Senate must evaluate this policy against more than that pledge and the administration's ebullient hopes for Contra success. If we are to support freedom in Central America, let us do so only by aiding those who will be seen by their own countrymen as the bearers of freedom.

I regret that the administration has gathered the necessary support to defeat any such approach, which could at least serve to overcome the most serious deficiencies in its Central American policy. I shall therefore withdraw the amendment, and oppose the resolution authorizing continuation of a policy that has earned the support neither of our Latin American neighbors nor of the American people.

The **PRESIDING OFFICER**. The amendment is withdrawn.

Mr. **DOLE**. Mr. President, I ask unanimous consent that notwithstanding the order, the distinguished Senator from Illinois [Mr. DIXON] may be recognized now to offer his amendment.

The **PRESIDING OFFICER**. Without objection, it is so ordered.

AMENDMENT NO. 1725

(Purpose: To prohibit the entry of certain U.S. personnel into Nicaragua)

Mr. **DIXON**. Mr. President, I send an amendment to the desk and ask for its immediate consideration.

The **PRESIDING OFFICER**. The amendment will be stated.

The assistant legislative clerk read as follows:

The Senator from Illinois [Mr. DIXON], for himself, Mr. BIDEN, Mr. SIMON, Mr. KENNEDY, and Mr. METZENBAUM, proposes an amendment numbered 1725.

Mr. **DIXON**. Mr. President, I ask unanimous consent that reading of the amendment be dispensed with.

The **PRESIDING OFFICER**. Without objection, it is so ordered.

The amendment is as follows:

At the end of section 4 of the amendment, add the following new subsection:

(e) Notwithstanding any other provision of this joint resolution, no member of the United States armed forces, or employee of any department, agency, or other component of the United States government may enter Nicaragua to provide military advice, training, or logistical support to paramilitary groups operating inside that country.

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Mr. DIXON. Mr. President, on behalf of myself, Mr. Biden, Mr. Simon, Mr. Kennedy, and Mr. Metzenbaum, I offer an amendment designed to clarify American policy toward Nicaragua and the Contra forces. I have been listening to the administration explain its policies and goals on this issue for a long time. In the end, I have generally supported financial assistance to the Contras, in spite of misgivings I have about a growing U.S. military involvement in Central America, and the potential extent of that involvement in the future.

There is a limit to what the United States can tolerate from Nicaragua, Mr. President. The course of the Sandinista regime's foreign policy is dangerous for the entire region. The growing Soviet, Cuban, and East European presence in Nicaragua is alarming. The extent to which the Soviet Union will utilize its foothold in Central America to develop a significant military presence is a genuine strategic military concern. The last thing we want to see down there is a well-established Soviet naval base, or a batch of medium-range ballistic missiles.

I believe these are long-range possibilities, Mr. President, and I have supported Contra assistance for these reasons. We cannot turn our backs and let Nicaragua continue in its path unchecked.

However, Mr. President, I would also suggest that there must be a limit on the degree to which we are willing to allow ourselves to become embroiled militarily in a conflict which does not require the direct involvement of U.S. Armed Forces. Comments by administration officials have compounded my misgivings. Just how far are we willing to go militarily in Nicaragua? Military advisors? Troops? We need to know. We need to draw the line.

My amendment is straightforward. Under its provisions, no member of the United States Armed Forces, or employee of any department, agency, or other component of the United States Government, may enter Nicaragua for the purposes of assisting the Contras militarily.

Mr. President, I believe this amendment is necessary in the absence of any firm commitment from the administration that United States military forces will not be used in Nicaragua. It is one thing to support the Nicaraguan democratic resistance, which has proven to be a nasty thorn in the side of the Sandinistas and a successful impediment to their aggressive policies toward their neighbors. It is another thing entirely, Mr. President, to commit American military personnel to the Nicaraguan countryside when they are not needed and where they might do more harm than good. For that reason, I ask my colleagues to join me in supporting this amendment.

Mr. President, I ask unanimous consent to have printed in the Record an editorial of Saturday, March 15, 1986, from the Chicago Tribune.

There being no objection, the editorial was ordered to be printed in the Record, as follows:

A Political Death Wish

> People who accuse the administration of trying to imitate "Rambo" in Central America have it all wrong. It is becoming more and more obvious that the real script is "Death Wish."
>
> First, the White House infuriated Congress by suggesting that opponents of his effort to provide $100 million in rebel aid were soft on communism. Now the President has opened the door to a possibility guaranteed to scare off any remaining fence-straddlers—the involvement of U.S. forces as advisers to the rebel forces.
>
> Mr. Reagan has, according to the latest Washington leak, approved a secret plan calling for the use of U.S. military personnel to train the contras in administering their supply system and to act as advisers on tactics and strategy. The White House says that it has no specific plans and that it would not place American troops on the battlefield in any case. But it cannot bring itself to repudiate the idea of a military advisory effort.
>
> Under current law, the administration can neither provide advice and training nor exchange intelligence information with the contras. In order for U.S. aid to be effective, these retrictions might have to be modified. But suggesting the use of American troops is foolish as a matter of politics, foreign policy and military strategy.
>
> Short of a commitment of U.S. combat troops, nothing frightens Congress and touches off fears among the public more than the prospect of a military advisory mission to the contras. The virtue of the Reagan military aid proposal was that it was an alternative to both nightmares.
>
> You have to wonder who thought up this plan. As soon as U.S. advisors arrived, they would end up assuming responsibility, in the minds of Americans and nearly everyone else, for everything the contras did in their struggle against the Sandinista regime in Nicaragua. That would be no advantage for the contras or the United States.
>
> If the United States really intends to pressure Nicaragua, it may have to provide something more than simply material support to the contras. But why on earth does this have to mean a military advisory effort? Why not some form of covert program, operated outside Central America by civilians?
>
> The reason seems to be that this country has lost the capacity and the willingness to engage in such secret activities. What isn't killed by leaks is rejected by administration grandstanders who can't bear the thought of achieving results without being able to boost about them in public.
>
> The President has a big job to do in his televised speech. He is going to have to talk his way out of military adviser plan or he is going to see his whole Central American strategy destroyed. The best way to do it is to guarantee that the U.S. military will not get involved in the contras' battles.

Mr. DIXON. Mr. President, this amendment has been discussed at great length with the administration, with the majority leader, with the distinguished manager of the bill, and I understand that all are now willing to accept this language as an amendment to the amendment to the bill.

I want to read the language. It is very clear. It says:

> Notwithstanding any other provision of this joint resolution, no member of the United States armed forces, or employee of any department, agency, or other component of the United States government may enter Nicaragua to provide military advice, training, or logistical support to paramilitary groups operating inside that country.

I understand that the language has been cleared with all participants, and I appreciate the consideration of the membership.

Mr. LUGAR. Mr. President, I commend the distinguished Senator from Illinois on the constructive amendment. We are prepared to accept the amendment.

The PRESIDING OFFICER. The question is on agreeing to the amendment.

The amendment (No. 1725) was agreed to.

Mr. DIXON. Mr. President, I move to reconsider the vote by which the amendment was agreed to.

Mr. FORD. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

AMENDMENT NO. 1726

Mr. DURENBERGER. Mr. President, I call up my amendment which is at the desk.

The PRESIDING OFFICER. The amendment will be stated.

The assistant legislative clerk read as follows:

> The Senator from Minnesota [Mr. Durenberger] proposes an amendment numbered 1726:
>
> In the pending amendment, on page 13, strike lines 18 and 19.

Mr. DURENBERGER. Mr. President, I will be brief. The purpose of the amendment I have called up is to clarify the nature of the aid on which this body is voting in the substitute amendment.

Included in the so-called humanitarian hors d'oeuvres—before we get to the lethal entre in this process—is an authorization for defensive, allegedly air defense, weaponry. It seems to me that with regard to the substitute resolution by the majority leader and the chairman of the Foreign Relations Committee, we have brought the president, with the help of Members of the House, a substantial distance from his original position of a month ago. This is like history repeating itself, because last spring the President insisted on lethal aid and ended up getting a commitment to support the democratic resistance and then did not do a lot about supporting that democratic resistance over the last 9 months.

Today, we have before us a resolution which I would say substantially improves the position of this country, and certainly the credit for that, in part, lies with the majority leader and the chairman of the Foreign Relations Committee.

The amendment I have called up would delete the reference to the defensive weapons. Its purpose, very simply, is to clarify the fact that we do not know what defensive weapons we are authorizing. We do not know whether they are missiles. We do not know whether they are aircraft guns. We do not know whether they are heavy machine guns. We do not know what the restrictions are on their use inside Honduras, in case they are to be used there in defense of airports or base camps such as those involved over the weekend. We do not know whether there are any restrictions on their use inside Nicaragua. Are they portable infantry weapons? If so, are they going to be carried on offensive operations? If they are going to be carried on offensive operations, how can we call them defensive weaponry?

No one explained to the satisfaction of this body why this lethal aid, which can be used for offensive purposes, should be used now when other forms of lethal aid are permitted, except for the President's delegatees, with whom we have been meeting for the last 48 hours.

Very simply, the explanation is, "The President wants it." None of the answers to any of these questions lies in this resolution nor in any letters from the President, but it is simply that the President wants the Contras, the benign Contras—do not forget, that is the formula—he wants them to have anonymous weapons.

He wants them to have these anonymous weapons.

I think the reality is and hopefully we can persuade the President over some period of time not to provide those kinds of weapons because they may shoot both ways, as some of my colleagues have pointed out, not to provide those weapons until he has provided some of the logistics and some of the changes that are needed in the eventuality that weapons like this are provided at some other period of time.

I know the FDN right now is not ready for stingers or blowpipes or anything else.

I hope the President can be persuaded not to provide that kind of aid.

I am, Mr. President, persuaded that if I continue to put this amendment and put it to a vote, I will fail for a wide variety of reasons that have been explained to me many times by the majority leader and the chairman of the Foreign Relations Committee.

Mr. President, my amendment would delete immediate lethal aid from the humanitarian aid package included in the Lugar-Dole substitute.

We are asked to approve defensive lethal antiaircraft weapons as part of the humanitarian aid package. We don't know what these weapons are—missiles or machine guns or what rules apply to their use which restrict them to defense in Honduras rather than offense in Nicaragua. All forms of lethal aid should be contingent upon negotiation because:

First, lethal aid is symbolic of our support but also is a hostile act against a country whom we recognize and with whom we hope to negotiate;

Second, this is escalation and will undoubtedly result in a provision of SA-7's to the Salvadoran insurgents;

Third, Air defense weapons are not critical to the FDN's survival or effectiveness. The Salvadoran insurgents did quite well without them. So can the FDN. The FDN needs training and logistics first. Air defense is even a secondary priority in lethal aid. They really need platoon equipment such as mortar-grenade launchers and machine guns.

It is my hope that at some point before this resolution is passed by the Congress and sent to the President that this very important deletion can be accomplished.

I now ask unanimous consent that I might withdraw my amendment.

The PRESIDING OFFICER. Without objection, the amendment is withdrawn.

Mr. LUGAR. Mr. President, I thank the Senator.

He had a good amendment and a good argument. We appreciate his withdrawing it.

The PRESIDING OFFICER. The Senator from Massachusetts.

Mr. DOLE. Mr. President, will the Senator yield briefly?

Mr. KENNEDY. I yield.

Mr. DOLE. Let me indicate to my colleagues there will be a rollcall vote on this amendment which we hope we can defeat and then there will be 5 minutes of debate if it is taken on each side and then final passage or vote on the substitute. So the vote should come shortly after 7 o'clock.

AMENDMENT NO. 1727

(Purpose: To prohibit the introduction of U.S. personnel into Nicaragua for purpose of combat or to provide advice or assistance to political or paramilitary forces operating inside Nicaragua)

Mr. KENNEDY. Mr. President, I send an amendment to the desk and ask for its immediate consideration.

The PRESIDING OFFICER. The amendment will be stated.

The assistant legislative clerk read as follows:

> The Senator from Massachusetts [Mr. Kennedy] proposes an amendment numbered 1727.

Mr. KENNEDY. Mr. President, I ask unanimous consent that reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

> At the end of the Joint Resolution, add the following:
>
> "*Provided*, that, limitation on introduction of armed forces into Nicaragua for combat *Section* : No United States personnel, civilian or military, shall be introduced into or over the territory of Nicaragua for the purpose, directly or indirectly, of combat unless:
>
> (a) Congress has declared war or authorized the introduction of such forces in advance by a joint resolution signed by the President of the United States; or
>
> (b) The President has determined that the presence of such forces is necessary to provide for the immediate evacuation of United States citizens or to respond to a clear and present danger of military attack on the United States.

Mr. KENNEDY. Mr. President, the amendment that I offer, if enacted, will prohibit the introduction of U.S. combat forces into Nicaragua without advance approval of Congress except to evacuate Americans or to respond to clear and present danger of attack on the United States. This section, if enacted, will supersede the War Powers Act solely with respect to the use of U.S. forces in Nicaragua.

In his various messages to the people of the United States on this issue, President Reagan has described what he believes is at stake in Nicaragua. He has said that we must help the Contras to "prevent a Communist takeover of Central America." He has said that, "There is a mounting danger in Central America that threatens the security of the United States." He has said that, "If we don't want to see the map of Central America covered in a sea of red, eventually lapping at our own borders, we must act now." He has said that we must help the Contras "for the defense of our own southern frontier." He has said that, "Nothing less than the security of the United States is at stake."

That is the rhetoric of a President preparing the American people to go to war.

President Reagan and his advisers have also made clear what the real objective of administration policy is. In the words of Ronald Reagan, it is to "get rid of the Sandinistas." The Contras are similarly open about their objectives. They always have been. They care nothing about reducing the flow of weapons from the Sandinistas to other countries in Central America. They care nothing about forcing the Sandinistas to the negotiating table. They want to drive the Sandinistas from power.

According to the administration, the stakes are high, but there is no one in the United States military or intelligence community that believes that the Contras can defeat the Sandinistas. That end can only be accomplished with the use of combat forces from the United States of America.

But, says the President, "American troops have not been asked for and are

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not needed." He says, that "We should send men and money and materiel now so we'll never have to send our own American boys."

The President's claim that U.S. combat troops will not become involved in Nicaragua is inconsistent with his description of what is at stake in that country and is similarly inconsistent with the real objectives of his policy toward Nicaragua. Secretary of State Shultz was more honest with the American people when he said, last May 23, in a speech to the American Bar Association that sending U.S. troops "must realistically be recognized as an option given our stakes in the region."

If American combat troops or American military advisers are to be sent to participate in the war in Nicaragua, Congress should have a voice in the matter. I do not believe that when the American people elect a President that they endow that President with the power to make war. Under the Constitution, the power to make war is reserved to Congress, and Congress has a solemn responsibility to exercise that power.

The War Powers Act was intended to give the President the freedom—for 30 days—to respond to an unforeseen emergency. Under that provision, the President would be entitled to introduce U.S. troops into combat for that specified period of time; any longer would require the approval of Congress. But the situation in Nicaragua is clear. There is little there that is unknown or unknowable, unforeseen or unforseeable. Out present course is taking the United States toward unilateral and direct intervention in Nicaragua—toward a war which, whether we want it or not, whether we like it or not, will inevitably involve American forces in combat.

The American people should have some voice in that decision—and the magnitude of that decision should not be dismissed or denied or diminished. It should not be covered up with the Contadora nations. President Reagan thinks that the Government of Nicaragua threatens the security of the United States; he has said so. President Reagan seeks to rid the region of the Sandinistas; he and his advisers have said so. The only way he can accomplish his objectives and achieve his aims is by sending in the marines. Congress has been fully and fairly forewarned.

But when it comes to going to war in Nicaragua, Congress should not give President Reagan a blank check. Congress has a responsibility to the people that elected us, and we have a duty to the Constitution. We must make sure that we are part of any decision to send American troops or advisers into combat. We have seen in our own history what kind of tragedy can occur when Congress ducks this issue.

The United States does have legitimate security interests in Central America. The United States will not tolerate the existence of a Soviet or Cuban military base in Nicaragua, or the presence of sophisticated offensive weaponry in that country. Nor will we tolerate attempts to subvert or destablize other nations in the region. There is no more certain way for the Sandinistas to lose their revolution and to plunge their country into conflict and chaos than to ignore or dismiss such concerns. On those issues, there is consensus in this country. But there will also be time for Congress to act to protect those interests.

It is time for us to heed the words of the former President of Venezuela, Carlos Andres Perez, who said:

> The United States is strongest when it acts for social justice and democratic change. It is most effective when it acts multilaterally, and most successful when it deals with its neighbors as equals, dedicated to peace, freedom, and democracy.

We must approach the Government of Nicaragua not as a colossus from the North but as one member of the community of nations in the Western Hemisphere. For too long, we have been cavalier with the Contadora nations; for too long, we have ignored the Organization of American States. There is much that we can achieve if we are willing to work with others. We will continue to falter if we stubbornly persist in going it alone.

I believe that this is a moment of truth—not only for the Members of the Senate, not only for the Members of the U.S. Congress, but for all the people of this country.

Mr. President, that is taking the President at his word and I would hope that this amendment would be accepted.

I ask for the yeas and nays, Mr. President.

The PRESIDING OFFICER. Is there a sufficient second?

There is a sufficient second.

The yeas and nays were ordered.

Mr. MATSUNAGA. Mr. President, I rise to express my strong opposition to the administration's $100 million aid request for the Nicaraguan Contras. If we are thinking in terms of what is in the best interests of this Nation, of Latin America, and of the Nicaraguan people, we should concur with the action taken by the House and reject the President's proposal. We should look instead toward a negotiated diplomatic solution to the crisis in our neighboring country, a solution already proposed by the four Contadora nations and the majority of Latin American countries. The Contadora process is an alternative which would be acceptable to the international community and superior to the administration's duplicitous strategy of undermining the Nicaraguan Government while maintaining diplomatic relations with that nation.

The superiority of the Contadora process lies in its relevance to existing circumstances. The Latin American countries which endorse the Contadora initiative recognize the Nicaraguan crisis for what it is: First and foremost as an internal Nicaraguan problem; second, as a regional Latin American dilemma; and third as an American concern, in that order of significance. The Contadora process allows those who have far greater immediate interests, those who have the most to lose and sacrifice, to take the lead. The United States should allow these nations the dignity of dealing with a problem with which they have the primary interest, and which they believe can be resolved peacefully and satisfactorily. As a good neighbor, we should assist them in their effort to negotiate a settlement without resort to warfare, and on a nation-to-nation basis let us exhaust every diplomatic means available to bring the opposing forces in Nicaragua together. Let us hold Ambassador Tunnermann of Nicaragua to his word that the "Nicaraguan Government is, and has always been, prepared to sign a binding and enforceable agreement guaranteeing that stated U.S. security interests are met." He has said that as part of such an agreement, "the Central American nations and Nicaragua would: First, have all foreign military advisers withdrawn; second, renounce the acquisition of new systems of armaments, and impose strict and verifiable compliance and control mechanisms on those commitments; and third, guarantee that Nicaraguan territory will never be used as a base for any foreign power or for subversion of any other government, and allow on-site inspection to assure its full compliance with these obligations."

Despite these assurances from the Nicaraguan Government, President Reagan has refused to engage in any negotiations, unless and until the Sandinistas give in to substantial concessions, including the holding of free elections. I submit that this reasoning places the cart before the horse. Negotiations lead to concessions; to insist on concessions as a condition to negotiations would lead to no negotiations at all.

It baffles me why President Reagan cannot accept for now the possibility that our national security interests can best be served through peaceable negotiations. On national television he has asserted that Nicaragua will become a base of operations for terrorism and communism throughout this hemisphere. He has warned that a "sea of red" will be the result if Congress does not approve $100 million in military and humanitarian aid to the Contras. Such rhetoric makes one wonder whether this Nation must tremble every time the bete noire of communism raises its ugly head. Should a nation of 250 million souls really fear a tiny one of 3 million surrounded on east and west by American-controlled waters and to the north and south by non-Marxist neighbors? Can we take seriously the jingoistic threat that "millions" of brown-skinned Latins will flee to the Texas and California borders? The spectacle of Latin America succumbing to communism is hard to perceive in the recent wave of democratic transition flowing throughout this hemisphere, from Argentina to Guatemala. If the threat is so real, why has not the President suggested sending in our own troops? Why have the dirty work done for us by proxies? Do we really expect a brave but ragtag band of 15,000 to 20,000 rebels, of whom only 6,000 are active, to be sufficient to stem the red tide the President envisions?

Mr. President, I too understand the need for vigilence. Certainly the Nicaraguans have courted the Soviets and Cubans; certainly they have accepted military and economic aid from the Communist bloc. But is this unreasonable for them to do in light of American support for rebels who are trying to forcibly overthrow their government? If we fear the many-tentacled Communist octopus to the south, the Nicaraguans must equally be concerned about the shadow of the giant superpower to the north with limitless resources. But whatever the motives of the Sandinistas, they have given us sufficient indication that they are willing to meet out security needs. If the President is skeptical of their motives, then let him admit honestly that the quarrel is not with the Nicaraguans but with the Soviets and Cubans. Let us deal with the latter directly, then, and cease this talk about freedom fighters and godless Sandinistas.

What President Reagan has done is to arbitrarily link world communism and United States security with Nicaragua's internal politics. We have seen this confusion surface in the last few weeks of debate, in the newspapers, on television, and in Congress, which has focused on human rights abuses and the political orientation of the Sandinistas and Contras. The debates have emphasized two things: First, that the Sandinistas are Marxist-Leninists while the Contras claim to be democrats; and second, that the Sandinistas and Contras are both guilty of egregious human rights abuses.

Numerous documentation has been offered to support assertions of beatings, rapes, torture, murder, and disregard for political rights on both sides. Out of this factual ambiguity has come one clear fact: that neither side can claim to be any more moral than the other. This is borne out by the Nicaraguan people themselves who seem to be undecided about the relative merits of the cause of the Sandinistas or that of the Contras. One observer roughly calculated support for the government at one-third, support for the rebels at another third, with the remaining third indifferent or passively acquiescent to the status quo. Yet, despite this clouded internal situation, President Reagan persists in portraying the Contra-Sandinista conflict as a Manichean battle between the forces of light and the forces of darkness. How he can be so confident of this characterization I am at a loss to see, particularly when the Nicaraguans themselves are so divided over their popular support. More to the point, I wonder how the President can presume to save the Nicaraguan people when the Nicaraguan people are undecided as to by whom they wish to be saved.

Mr. President, the administration's policy in Nicaragua is flawed because it attempts to combine two policy issues which should remain separate from each other: First, the disposition of the Nicaraguan Government and second, American national security interests in the region. The former is purely and simply a domestic problem which must be determined by the Nicaraguans; the latter is a legitimate United States concern which can best be addressed by nation-to-nation dialog, a dialog the President has eschewed unless the internal and external issues are firmly linked. Because of this confusion between the two policy issues, the President has pursued a highly problematic, if not schizophrenic, policy of attempting to overthrow the Sandinista government while simultaneously recognizing and maintaining normal diplomatic relations with that government. From an objective point of view such a policy is certainly unwise and beneath the dignity of the greatest democratic nation on Earth.

Mr. President, let us demonstrate to the world that the United States, the greatest, most powerful democracy this world has ever seen, can be magnanimous in its foreign policy; that it has sufficient self-confidence to pursue negotiations with lesser nations. The administration can lessen Nicaragua's suspicions of our intentions—suspicions based on history of American intervention in that benighted country—by setting aside its request for military aid to the Contras and going to the bargaining table. In Nicaragua we are reaping a harvest of mistrust largely planted in the 1920's and cultivated over decades. The United States must give Daniel Ortega and the Sandinistas the same opportunity to accept our good faith efforts as Vinicio Cerezo of Guatemala, who as a child saw democracy falter when American bombs fell on Guatemala City, but who today accepts the reality of America's role in the security of the Western Hemisphere.

Mr. President, reason would tell us that the real threat posed by Nicaragua is less one of ideology than one of social and economic injustice; reason would tell us that in this case reactive military policies will only help to polarize deep-seated fears and hatreds. Reason would tell us that we should attack the roots of communism's appeal with a long-term strategy, based less on confrontation and engagement. But that strategy must begin now. It is time to give up our arrogant unilateral approach toward Nicaragua, and Latin America in general—particularly when, as in this case, a peaceful, multilateral, regional approach is readily at hand—and begin to realize that problems of this sort cannot be solved by resorting to knee-jerk anti-Communist reaction. Mr. President, it is time to exorcise our bogies by taking the reasoned path toward diplomatic negotiations. Let us take the statesmanlike approach. Let us follow the Contadora lead. Only then will we as a nation earn the gratitude and respect of all our southern neighbors, and secure our national interests in this hemisphere.

Mr. LUGAR. Mr. President, let me just observe that the Kennedy amendment would impair the ability of the United States to carry out its obligations under the Rio Treaty. If, for example, Costa Rica or Honduras were attached by Nicaragua and called on the United States for assistance under the Rio Treaty, we would be unable to fulfill our commitment by participating in effective measures of collective self-defense.

I point out that this is hardly a hypothetical instance, given the incidents of the past week in which Nicaragua had invaded Honduras. The President of Honduras has called upon us under the Rio Treaty to respond.

Mercifully, we are dealing in a way in which the Honduras will be able to defend their own territory and the policy of our President has been to keep our people out of the line of fire. But let me say, Mr. President, that when, off the top of the head, we begin to offer suggestions like this in the latter part of the debate, we consider the consequences. We have considerable obligations under the Rio Treaty and we are living in a world in which we may be called upon to honor them on a moments notice.

Furthermore, the amendment offered by the distinguished Senator from Massachusetts would invite, in my judgment, Soviet bloc escalation. It would guarantee that the United States could not respond militarily no matter what actions had been taken by the Sandinista government, with-

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out an act of Congress coming into play.

As the Senator from Massachusetts himself pointed out, the deliberate aim of the amendment to go beyond the War Powers Act. The War Powers Act at least gives the President the right to respond. He must report. He must notify Congress before a certain number of days. But he can at least respond in an emergency.

Furthermore Mr. President, the President of the United States has affirmed again and again that we are very sensitive to the introduction of forces into Central American countries. Leaving aside Nicaragua, we have been very careful in El Salvador, during our long experience to deliberately keep trainers from the line of fire. Our President, I think, has exemplified, by deeds, his sensitivity to feelings that are sincerely felt on our part, and to the sentiment of our friends in Central America.

Finally, Mr. President, I would suggest that the amendment offered by the Senator from Massachusetts is unconstitutional. It seeks to define and constrain the constitutional powers of the President as Commander in Chief.

Let me just say, Mr. President, that once again I suspect the amendment is that degree of micromanagement of foreign policy which is not only unacceptable—but unwise if not unconstitutional.

For all these reasons, as the time comes to a conclusion, I will move to table the amendment. I will wait for that motion until we are certain the time has expired.

Mr. KENNEDY. Mr. President, I will just take a moment of the Senate's time. The war powers legislation was drafted to deal with unknown and unknowable, unforseen and unforseeable emergencies. There are no unknown, unforeseeable emergencies that really will be forthcoming in Nicaragua. We know what is at stake for the reasons that the chairman of the committee has pointed out. We know the increasing involvement of American military participation in that struggle.

So this is a unique situation. Nicaragua is a unique situation and I think the American mothers and fathers want to be sure that before their sons go to war in Nicaragua that the Congress of the United States, the Senate of the United States is going to take a position.

Finally, we do not waive the Constitution when we are signers of the Rio Treaty. The Constitution still stands and in conformance with the Rio Treaty we would move through the process and have a declared war. That argument I just do not believe applies to this amendment.

Finally, Mr. President, I believe that as a matter of policy the families of this country want to be able to speak to their Members of Congress and to the Senate before the Americans are going to send combat troops to Nicaragua or Central America. I think they are entitled to that, not just a decision being made by one individual, the President of the United States, on something which is of significance and importance as that.

So, Mr. President, I wish we had more time to debate it. I understand that we are in a time limit.

The PRESIDING OFFICER. The Senator's time has expired.

Mr. KENNEDY. I hope the amendment will be accepted.

Mr. DOLE. Mr. President, I understand the distinguished chairman of the Foreign Relations Committee will move to table this amendment.

I will just indicate we just adopted an amendment offered by the distinguished Senator from Illinois, Senator DIXON, that indicates no military advisers in Nicaragua. I think what we have here is an effort to sort of take away power from the President of the United States.

I would suggest to my friend from Massachusetts that he recently has withdrawn from any 1988 race for the Presidency, and I suggest we let the President proceed.

The PRESIDING OFFICER. All time on the amendment has expired.

Mr. LUGAR. Mr. President, I move to table the Kennedy amendment and ask for the yeas and nays.

The PRESIDING OFFICER. Is there a sufficient second? There is a sufficient second. The yeas and nays were ordered.

The PRESIDING OFFICER. The question is on agreeing to the motion to lay on the table the amendment of the Senator from Massachusetts.

On this question, the yeas and nays have been ordered and the clerk will call the roll.

The assistant legislative clerk called the roll.

The PRESIDING OFFICER. Are there any other Senators in the Chamber who desire to vote?

The result was announced—yeas 68, nays 32, as follows:

[Rollcall Vote No. 50 Leg.]

YEAS—68

Abdnor
Andrews
Armstrong
Bentsen
Boren
Boschwitz
Bradley
Bumpers
Byrd
Chafee
Chiles
Cochran
Cohen
D'Amato
Danforth
DeConcini
Denton
Dixon
Dole
Domenici
Durenberger
East
Evans
Ford
Garn
Glenn
Goldwater
Gorton
Gramm
Grassley
Hatch
Hawkins
Hecht
Heflin
Heinz
Helms
Hollings
Humphrey
Johnston
Kassebaum
Kasten
Laxalt
Long
Lugar
Mattingly
McClure
McConnell
Moynihan
Murkowski
Nickles
Nunn
Packwood
Pressler
Pryor
Quayle
Roth
Rudman
Simpson
Stafford
Stennis
Stevens
Symms
Thurmond
Trible
Wallop
Warner
Wilson
Zorinsky

NAYS—32

Baucus
Biden
Bingaman
Burdick
Cranston
Dodd
Eagleton
Exon
Gore
Harkin
Hart
Hatfield
Inouye
Kennedy
Kerry
Lautenberg
Leahy
Levin
Mathias
Matsunaga
Melcher
Metzenbaum
Mitchell
Pell
Proxmire
Riegle
Rockefeller
Sarbanes
Sasser
Simon
Specter
Weicker

So the motion to lay on the table was agreed to.

Mr. LUGAR. Mr. President, I move to reconsider the vote by which the motion to lay on the table was agreed to.

Mr. DOLE. Mr. President, I move to lay that motion on the table.

The motion to lay on the table was agreed to.

The PRESIDING OFFICER. The majority leader.

Mr. DOLE. Mr. President, let me indicate to my colleagues, there was about 5 minutes reserved to each side. I will use about 1 minute. Then I will yield back the remainder.

This will be the last rollcall vote until after the Easter recess.

Mr. WILSON. Mr. President, in light of our serious time problems, I have decided not to offer an amendment which I was prepared to present. In effect, it would have eliminated those provisions creating a new commission to report on developments in Nicaragua. Instead, my amendment would have required the President to report to the existing bodies in the Senate and the House—the Foreign Relations and Foreign Affairs Committees, respectively—who are clearly charged with responsibility for this matter. I hope that, in the future, we can avoid the knee-jerk impulse to create a new commission or investigating body for every issue, even when we already have fully competent bodies established for the purpose.

Mr. DOLE. Mr. President, I wish, first of all. To thank the Senator from California for his willingness to withhold his amendment. I share his concern about the proliferation of essentially duplicative institutions, and I hope that—as similar future situations arise—we will give serious consideration to the basic issue he has raised here.

Mr. SIMPSON. Mr. President, I rise in support of the legislation before us to aid the resistance forces in Nicaragua. I am supportive of the agreement worked out with the administration and I am hopeful that this agreement will lead to bipartisan support of aid to the resistance forces.

Passage of this legislation will accomplish a number of important objectives. First, by resuming aid to the Nicaraguan democratic resistance, we continue our support for those individuals who are pressing the Sandinistas to live up to the revolutionary promises they made when they overthrew Somoza and his excesses. We cannot allow the Sandinistas to conveniently forget their basic pledges to promote political pluralism, civil liberties, human rights, and a nonaligned foreign policy.

Second, by restricting the funds for 90 days to supplying $25 million in humanitarian assistance, logistics and training, and defensive weapons only, we will encourage the Sandinistas to rethink their intransigent position of refusing to negotiate with the Contra rebels. We cannot allow the Sandinistas to simply buy time to consolidate their totalitarian regime while the Contras wither away.

Third, this legislation encourages a change in the behavior of the Sandinistas. We offer to withhold the remaining $57 million in aid to the Contra rebels if in that 90 day period the Sandinistas agree to begin negotiations with the Contra forces. By that offer we can attempt to press the Sandinistas into a resolution of this destructive conflict.

Surely we are not so naive as to assume that the Sandinistas will somehow agree to relinquish their power in Nicaragua. However, what we must continue to push for is the recognition by the Sandinistas that the Contra forces—many of whom were their compatriots in the overthrow of Somoza—will not be forced by a lack of aid to relinquish their fight and idly stand by while the Sandinistas betray the causes of the revolution. It is imperative that the Sandinista regime recognize that they cannot pull off the act of subverting a professed democratic revolution and turning Nicaragua into a Marxist-Leninist state.

Fourth, by restating our commitment to the Contadora process and by supplying funds to bolster the negotiations process we can support efforts for a negotiated settlement of conflict in the region.

The United States must continue to pursue those four main objectives which have not changed one whit during the massive disinformation campaigns of the past several years. They are;

First, to end Nicaraguan support for guerrilla groups in neighboring countries and to retract their stated goal of a revolution without borders;

Second, to sever Nicaraguan military and security ties to Cuba and the Soviet Union;

Third, to reduce Nicaragua's military forces to levels that would restore military equilibrium to the region; and

Fourth, to fulfill the original Sandinista promises to support democratic pluralism and respect for human and civil rights.

I believe that this legislation will assist in setting us on the path toward achieving these objectives. The United States is in a unique position in the free Western World—by virtue of our continuing efforts to bring peace throughout the international community, and our geographic proximity to the region—to play a key role in attempting to restore stability throughout Central America.

Our own tradition of democracy imposes upon us a duty to do all that we are able in order to break the endless cycle of poverty, political instability and revolution, and to attempt to restore some measure of real political freedom. At the same time, we should continue to pursue policies that will contribute to the development of economic stability in the region. Perhaps it is time to revisit the Kissinger Commission recommendations that point to the root causes of political instability—that being an underdeveloped economic base. We must continue to offer our democratic allies in the region the aid that they so desperately need.

We cannot simply ignore the situation and hope that it will improve without our help—even if we could assume that Cuba and the Soviet Union would take a similar hands-off posture. We must decide not whether—but how best—to exercise most responsible and fairly the duty that our position and stature in the world has thrust upon us.

I urge my colleagues to support this legislation. I believe it is a balanced compromise which allows us to pursue peaceful negotiations with the Sandinistan government while at the same moment, it allows us to lend our tangible support to those who fight for freedom, democracy, civil liberties, and a lasting peace.

Mr. SPECTER. Mr. President, I am voting against aid to the Contras because I believe it is counterproductive to our national objectives in Central America and an unwise expenditure of $100 million at a time of deficits and cuts in vital domestic programs.

For the past 3 years, both on and off the record, I have sought a statement of United States policy in Nicaragua. In 1982, the Congress passed and the President signed legislation prohibiting the use of United States funds to overthrow the Nicaraguan Government. As much as I dislike the Communist form of government in the Peoples Republic of China or the Soviet Union as well as Nicaragua, I do not think it appropriate for the United States to seek the overthrow of such governments.

Secretary of State Shultz has testified on United States objectives in Nicaragua stating that the $100 million would be used to keep the pressure on the Sandinistas which would result in a different Nicaraguan Government, short of overthrowing their government. That result is totally unrealistic given the relative military strengths of the Sandinistas and the Contras. The Contras are not going to defeat anyone or accomplish anything. The military buildup in Nicaragua will only produce bloodshed and more violations of human rights.

I agree with the administration that United States interests require that the Nicaraguan Communists not be permitted to export Marxism to neighboring Central American countries. For that reason, I have supported the President on aid to the duly-elected Duarte government in El Salvador to combat the threat of Marxist rebels there. Similarly, I supported the administration's assistance to repel the Sandinistas from Honduras. The appropriate line to be drawn is at the Nicaraguan border.

Our ill-defined or fuzzy policy has, in my judgment, the dangerous potential for drifting into use of U.S. personnel to which I am totally opposed.

Without firmly stated policy objectives and a program reasonably calculated to fulfill those objectives, I believe it is unwise to spend $100 million at a time when many Americans, including many Pennsylvanians, have used up their unemployment compensation and others must tighten their belts to absorb cuts in domestic programs. I cannot in good conscience justify $100 million for the Contras when I am telling my constituents in open house/town meetings that hard choices have to be made on economies to reduce the deficit for the long-range benefit of the U.S. economy.

Mr. HATCH. Mr. President, I rise in support of President Reagan's Contra aid package, which could justifiably be called the Nicaraguan freedom package. Let there be no mistake about it. The real issue relating to the President's request is one of freedom—the freedom of Nicaragua's population from an oppressive Marxist regime; the freedom of the Central American Republics from terror-violence and revolutionary subversion; and the freedom of the Western Hemisphere from an alien, expansionist ideology which threatens the liberties of all nontotalitarian societies. In a word, the Contras' struggle is also our struggle, for if the Contras are defeated, the future of the free Central American Republics is at risk.

Two years after the Soviet invasion of Afghanistan in December 1979, the Soviet Ambassador to Nicaragua declared that the Soviet Union stood on the side of the Sandinista regime and would support the Nicaraguan Government against the United States "in its struggle for peace, security—and—defense * * *." The level of Soviet economic aid to the Marxist Sandinista regime has virtually tripled over the past several years. The level of military aid continues to increase. In fact, there are now as many as 3,500 Cuban military advisers in Nicaragua acting under Soviet direction. The Sandinis-

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tas have been given Soviet-built Hind helicopter gunships and other Soviet equipment. This weaponry can by no stretch of the imagination be called defensive. Soviet military supplies to Managua during 1984 weighed in at 18,000 metric tons, and provisioning of the Sandinista regime by the Soviets has again increased during the past year.

For those concerned about the rise of terrorism across the globe and the threat posed by terrorism to free societies everywhere, and especially to United States citizens and American diplomatic representatives, there should be grave warning raised by the Sandinistas' policy of providing safehaven to terrorist groups from Europe and the Middle East. We know that Nicaragua has provided refuge for Red Brigade, Basque, and PLO terrorists, and we have strong reason to believe that terrorist training camps exist in Nicaragua along the same lines as those in Lebanon, in Libya, in Syria, and in Iran. These terrorist groups and terrorist bases are a threat not only to the neighboring Central American Republics, but also to world public order. From a terrorist perspective, Daniel Ortega may well become the Muammar Qadhafi of Central America.

Moreover, one cannot overlook the role of Castro's Cuba in directing the Sandinista internal militarization and in assisting the growing Nicaraguan domestic repression. The Castro government has itself admitted that it has maintained more than 8,000 Cubans in Nicaragua. I have already mentioned that at least 3,500 of them are military personnel, and this figure does not include the hundreds of Soviet, Bulgarian, East German, and Palestinian advisers.

As Secretary of State George Shultz has cogently observed: "There is a self-evident difference between those fighting to impose tyranny and those fighting to resist it." Secretary Shultz was not merely talking about political obligations but also about moral issues. And speaking of morality, Mr. President, what is one to say about a government that promotes and carries out the distribution of illegal narcotics in order to undermine American society and to destabilize the U.S. Government?

Sandinista Interior Minister Tomas Borge's chief aide has actually been indicted by a U.S. Federal grand jury on 13 counts of drug smuggling. He was directly responsible for cocaine shipments from the Los Brasiles Military Airfield in Nicaragua to his confederates in Florida. There is a growing alliance in Central and South America between drug smugglers and arms dealers in support of terrorism and revolutionary Marxism. We now have evidence of Nicaraguan involvement in the new phenomenon of narco-terrorism. That constitutes, Mr. President, a direct threat to the safety and the security of the United States.

To say, as some administration critics have maintained, that the U.S. Government is an international law breaker, and is seeking to prevent rather than to promote hemispheric peace, is to turn reason inside out and to view Central American Marxist subversion through distorting lenses. The United States is not the threat to hemispheric peace and security. It is the Soviet Union and Cuba who have supported subversion and revolution in El Salvador, in Costa Rica, and along the borders of neighboring Honduras. Just as Cuba has been Moscow's primary proxy in spreading Marxist violence throughout Latin America and the Caribbean, so has Nicaragua become Cuba's complaint surrogate in spreading Communist insurrection in Central America.

Preserving and defending the Americas from foreign tyrannies has been a major principle of U.S. foreign policy since the days of the Monroe Doctrine. The application of the so-called Brezhnev doctrine to Central America is the true threat to hemispheric peace and not a revival of the Monroe Doctrine. In fact, the relationship of the Monroe Doctrine to the current Nicaraguan crisis is not only relevant in modern-day terms, but it is also essential. The premise of the Monroe Doctrine pure and simple was that no foreign government or expansionist ideology should be allowed to impose its alien system by means of armed aggression from outside the Western Hemisphere. This is as significant in our own time as it was in the days of President James Monroe.

Much has been made about the existence of a contemporary Reagan doctrine. This has come about because of President Reagan's firm and courageous stand that military aid and assistance will be given any beleaguered non-Marxist Latin American state whose political independence and territorial integrity is threatened by a hostile aggressor, espousing an alien, expansionist ideology. That explains the United States guarantee to Honduras. That explains the U.S. quarrel with the Sandinistas. And that explains the fundamental difference between the dangerous Brezhnev doctrine and sound administration policy.

President Reagan has formally requested from the Congress $100 million in aid for the Contras, $30 million of which—it should be noted—would be for the continuation of the program of humanitarian assistance to be administered by the Nicaraguan Humanitarian Assistance Office. Another $3 million would be used exclusively for strengthening the programs and political activities of the parties opposing the Sandinista regime to attain the observance and the furtherance of human rights.

Mere drops of humanitarian aid to the Nicaraguan rebels will not do the job. We need not only to demonstrate congressional resolve that the Americas will remain free of foreign influence, we need also to demonstrate that the United States has not forgotten its friends in need. The other $70 million is to be allocated as the President deems appropriate, through any agencies he desires, subject to normal congressional oversight procedures. This is the most important component, by far, of the President's request, because it seeks to strengthen the Contras militarily, something we have not done for quite some time but which is crucial to our efforts to bring pressure to bear upon the Sandinistas for their refusal to enter into a meaningful dialog with their opponents inside Nicaragua.

During the Presidential campaign of 1980, Ronald Reagan remarked that "we, the United States, are the last domino." If the Sandinistas were not fighting the Contra rebels, what, then, would they be doing with their oversized army and extensive military hardware? A Central America being severely undermined by a radical terror-promoting Nicaraguan Government is a Central America ready for the dominoes to topple. Given the current security problems in Costa Rica and in Mexico, this theory is hardly far-fetched.

The Reagan doctrine, Mr. President, is designed to protect not only U.S. security interests, but—equally important—hemispheric freedom. It deserves the cooperation of the Congress as well as the support of the American people. Nicaragua is acting more and more like an outlaw state. Its leadership, in fact, constitutes a bandit government. Now is the time for Congress to recognize that unhappy reality and to deal with it accordingly. We do not have much time left, for time is on the Sandinistas side.

In reviewing a chronology of efforts to bring peace to the region, we must recognize that it takes a willingness on the part of both sides to negotiate in good faith. Unfortunately, we have yet to see that willingness on the part of the Sandinistas. For more than 6 years we have been seeking in Central America a solution which provides justice, development, and democracy for the millions who live in America's front yard. In these past 6 years, beginning in the Carter administration, the major obstacle to peace has been the unwillingness of the Sandinista regime in Nicaragua to live up to its promises to the OAS for democracy, respect for human rights, a mixed economy and nonalignment.

Unquestionably, all of us in the Congress fervently seek a negotiated political settlement to the crisis in Central America. The principal concern remains, however; how do we get the Sandinistas to negotiate in good faith? If the Sandinistas believe they can continue to act as they have in the past, then there is no incentive for them to negotiate; they apparently believe the costs of their failure to live up to their promises are not great enough to force them to negotiate responsibly. For that reason, we must raise the costs they must pay for their threatening behavior. If we do not want to send American troops in the future to Central America to protect our security interests and our friends in the region, then we must support now those who oppose the Sandinistas and in so doing support out own interests as well.

Mr. President, I will not cite here chapter and verse the Sandinistas duplicitous record of refusing to bargain sincerely with its opponents. Suffice it to say, like negotiating with other Communist countries we have been continually faced with broken promises, bargaining in bad faith and general deceit.

Mr. President, the problems presented by Nicaraguan intransigence in these negotiations are compounded by the Sandinistas behavior in recent months:

October 15, 1985: Nicaraguan Government suspends all civil liberties in Nicaragua.

November 6, 1985: M-19 guerrillas seize Colombian Supreme Court killing more than 100 people. Colombian Government charges rifles used by guerrillas came from Sandinista regime in Nicaragua.

Early December 1985: Soviet-built helicopter flown by two Cuban military pilots shot down in Nicaragua confirming Cuban combat role in Sandinistas war against opponents.

December 7, 1985: Honduran officials discover ammunition, grenades, communications and encryption material being sent from Managua to Salvadoran guerrillas.

And, of course, just last week the Sandinistas invaded neighboring Honduras.

Mr. President, we must once and for all put Third World conflict-promoting states such as Nicaragua on notice that national liberation is a two-way street. We must put our actual and potential adversaries on notice that it is in the U.S. national interest to oppose alien-sponsored and Marxist-supported insurgencies throughout the Western Hemisphere. We must not allow freedom to become divisible, to be denied merely because dictatorships of the left color their totalitarian ambitions with appeals to social revolution.

The President's request for additional aid to the Contras is vital and necessary to hemispheric well-being and U.S. security. It is time, Mr. President, to restore military aid to the Contras. It is time to reestablish American support for anti-Marxist freedom fighters in Central America. I urge the Senate to join with the President in a bipartisan demonstration of American resolve. That, and only that, will send a message to Fidel Castro, to the Sandinistas, and to the Kremlin, letting them know that the United States means what it says and says what it means. The message, Mr. President, is that freedom must prevail.

Mr. BAUCUS. Mr. President, for several weeks, Members of the Senate have been debating the pros and cons of giving more aid to the Contras in Nicaragua.

We all agree that the Sandinista government is usurping power and is suppressing the rights of freedom-loving people in Nicaragua.

We all agree that Nicaragua must not become a base for operatives from the Soviet Union, Cuba, and other antidemocratic powers.

But we disagree about the right solution.

I strongly believe that giving $100 million in aid to the Contras is the wrong solution. Approving more funds at this time will just push us further down the road toward more war and bloodshed.

Rather, I believe the solution is tough, effective negotiations, including the democratic, Central American governments.

That's why I voted for the amendment by my colleague from Tennessee, Jim Sasser.

His amendment would have permitted $30 million solely in nonlethal aid, and with hefty strings attached.

The amendment would have increased the accountability for assistance transmitted to the Contras, and would have set out a specific timetable for reviewing our Central American policy.

It would have called for the administration to put negotiating first, and military aid second.

I voted for the Sasser amendment because I wanted to signal to the administration the direction many of us in Congress would like to see Central American policy take.

But the final proposal we have voted on here tonight follows a different direction. It puts military aid first, and negotiations on the back burner. It assumes that little more can be achieved at the negotiating table.

I cannot, in good conscience, support this kind of a role for the United States in Central America. I will continue to oppose military aid and push for a negotiated settlement in the context of the Contadora process.

Mr. BRADLEY. Mr. President, I am going to vote for military aid to the Contras, though I will do so with misgivings and reservations.

I have opposed military assistance in the past. I did so because I believed—and still believe—that the best hope for peace and democracy in Central America is constructive collaboration with our Latin neighbors to contain threats to our collective security interests there.

Instead of collaborating in a partnership to enhance our collective security, the administration has acted unilaterally. This has alienated and alarmed many of the very nations on whose active, sustained support the region's stability ultimately depends. In particular by slighting the Contadora process, the administration has undermined the mechanism these countries set up to contain Nicaragua's territorial ambitions by political rather than military means. That failure to move boldly and sincerely toward negotiations in 1983-84 is one of the biggest lost opportunities in American history.

In the final analysis, then, the threat to the region's security, and ultimately to ourselves, is greater today than it was when Ronald Reagan took office.

Unfortunately, enlisting key Latin American states, especially Mexico, in support of democratic revolution in Nicaragua would have required a more generous vision and a more sophisticated approach to political and economic leadership than this administration was apparently capable of. For the United States to be taken as seriously interested in the region's future—in democracy and partnership not just sporadic adventurism to impress domestic audiences—the American Government needed to do much more to help the area develop and grow. Its own blueprint, the report of the Kissinger Commission, recognized that a long-term commitment to the region's economic growth is an essential component of an effective strategy to contain Communist insurgency and thwart Soviet imperialism in our hemisphere.

Nowhere is this more true than in Mexico. If the administration's real fear is that Nicaragua will engulf Central America and unleash a Communist, or at least anti-American, revolution in Mexico, the President has done little to avert it and much to promote it. Our economic policies have weakened Mexico, not strengthened it. Mexico's economy has been badly mismanaged, there is no doubt about that. But the United States, with the IMF, decided austerity was the answer to Mexico's problems, especially its huge foreign debt burden. The Mexicans were supposed to run their economy through a wringer: Put people out of work, cut wages, cut public services, cut imports, relegate millions of Mexicans to a future of poverty and despair—so long as the banks were repaid.

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The legacy of this program was that over 1 million Americans lost their jobs in the process of squeezing Mexico dry. Why? Because of Mexico's economy shrank, Mexicans were buying fewer American goods and services at the same time they were aggressively promoting exports to service their mounting foreign debt.

United States economic policies have weakened Mexico's political spine. And they continue to undermine other fragile democracies in Latin America. If we want these countries' cooperation on regional security matters, as I believe we do, we had better rethink our debt policy—quickly. Not austerity, but growth. Not unilateralism, but partnership. Not authoritarian military regimes, but democracy. Not despair, but hope. This is what America must hold out to our Latin neighbors if we are serious about converting them to our cause.

The administration persists in downplaying the economic problems, concentrating instead on an elusive military victory in Nicaragua. As though overthrowing the Sandinistas were the holy grail of a new American crusade.

But here we are. The administration's failed policies have alienated potential allies, facilitated consolidation of the Sandinista regime, and may have precipitated the outbreak of a regional war. Indeed, even as we debated this question, fighting between the Contras and the Sandinista forces within Honduras after a Sandinista invasion.

Given these circumstances, we face a genuine dilemma. We know the Sandinistas wil try and destabilize fledgling democracies in Central America. We are all aware they have sent weapons through Honduras to the insurgents in El Salvador. And while I do not believe the Sandinistas are a threat to our borders, they do pose a threat to their democratic neighbors. It is in our interest to help these democracies, politically and economically. But they need time to grow and prosper and the best hope for buying them that time is to support the Contra opposition.

I also believe the Nicaraguan people deserve a chance at democracy. That chance wil be denied them if the Sandinistas are allowed to consolidate their totalitarian regime. By aiding the Contras, we are putting pressure on the Sandinistas to moderate their repressive system and keep some pluralism alive.

In the final analysis, the President has left us little choice but to back the Contras. Once the Sandinistas have quashed the domestic opposition, what is to stop them from subverting their neighbors or bringing in Soviet Mig's and submarines as Cuba has done for years? The only thing that could stop that is American force. But before I have to face a vote to send American boys to fight in the jungles of Nicaragua, I need to know I did everything possible to avoid that outcome.

But in voting for this $100 million, I am not signing a blank check. I will need to see that the Contras are promoting values Americans believe in: Democracy, human rights, free markets. I will also need to see that the Nicaraguan people support the Contras and believe they are committed to, and capable of, producing democracy. Finally, my continued support will depend on evidence that the United States is not bogged down in Central America in a strategic diversion that exposes larger, more compelling Western interests to heightened Soviet threats. And to the extent that we support the Contras because their struggle burdens the Soviet imperial system, I will want assurance that the costs of imposing that burden are not greater on us than on the Soviets.

One last word, Mr. President. This debate has been marred by name calling, by simplistic rhetoric, by inadvertent misstatements and deliberate half-truths. If we are to sustain the bipartisanship we will surely need if we are serious about Central America, these things must stop. Otherwise, it is the fabric of our own society that will again be rent.

Mr. GRASSLEY. Mr. President, I rise in support of the substitute being offered by the distinguished majority leader and the distinguished chairman of the Foreign Relations Committee. I believe this is a good compromise, a compromise that will hopefully contribute to a constructive solution to the problems in Central America.

When it became clear that a request for further assistance to the democratic resistance in Nicaragua would be submitted to Congress and that the request would include funds for military assistance, I had one concern and two questions.

My concern was simply this: Where will the money come from? It was clear to me that I could not support a request for additional funds if those funds increased the deficit or meant that there would be less for other programs, like agriculture. Mr. President, I have been particularly sympathetic toward the argument that we should not be spending $100 million for the democratic resistance in Nicaragua when so many people in rural America are undergoing economic difficulties. I say I have been sympathetic, Mr. President, but I have not been in agreement with that argument.

If you look where this money is coming from, it is not coming from farm programs, it is not coming from welfare payments, it is not coming from any domestic program. The $100 million is being taken out of defense funds that have already been appropriated. Mr. President, no one in this body has fought harder than I have to reduce spending on defense. I have done that because I believe the deficit weakens this country every bit as much as we are weakened by buying fewer missiles or tanks or guns. No one has fought harder in this body for fair treatment in the budget for rural America. I intend to continue those fights in the future, Mr. President. But the fact remains that whether we agree with the discussions that have been made or not, those decisions will not be changed. This body is not going to take $100 million out of defense funds it appropriated last year in order to increase the budget for agriculture. Therefore, to argue that this $100 million is somehow coming out of farm programs, or any other program, is simply not accurate.

The question before us should not be debated on the basis of whether or not there are better ways to spend $100 million, but on the basis of two questions: Should we support the democratic resistance, and if so, how?

Mr. President, this body answered this question fairly resoundingly when it soundly defeated the amendment offered earlier today by the distinguished Senator from Massachusetts, Mr. KENNEDY. A strong bipartisan majority in this body, myself included, believes that the United States should be supporting the democratic resistance in Nicaragua.

Mr. President, I do not think it is necessary for me to make a detailed indictment of the Sandinista regime. The United States has legitimate concerns with Nicaragua's close ties to Cuba and the Soviet bloc and its military buildup far in excess of its legitimate security needs—a buildup that began, incidentally, before the United States could legitimately be considered a threat to the Sandinista regime. The United States also has legitimate concern for Nicaragua's support for armed subversion and terrorism directed against its neighbors, its repression of the Nicaraguan people, and its refusal to negotiate in good faith either with its own internal opposition or with the Contadora nations. Perhaps no single one of theses transgressions would be enough to justify a decision to support the democratic resistance. Perhaps if the Sandinistas only did two or three of those things it would not justify a decision to supply military assistance to the democratic resistance. But in the totality of its actions, the Sandinista government has demonstrated to my satisfaction that this body is justifed in approving military assistance to the democratic resistance, both on the grounds of collective self defense and the moral imperative to support pluralism where it is struggling against dictatorship.

The second question I raised was how should we support the democratic resistance? My concerns in this regard were that this country should have an

objective other than simply overthrowing a government we do not like. If we support the Contras simply because we do not like the Sandinista regime, without distinguishing between those in the ranks of the Contras who truly support a democratic alternative and those who do not, then our policy in Nicaragua is bankrupt. If we simply support a military solution to the Nicaraguan question, then we have no business being there. Rather, Mr. President, this body must make it clear that we do not simply oppose Leninist dictatorships, we support people who are truly struggling for democracy. We must also make it clear that we do not support military solutions to our problems, but we have the resolve to use force where force is necessary.

Mr President, I believe that this compromise does make it clear that we prefer negotiations to solve our differences with the Sandinistas. If those negotiations fail, however, we do have the resolve and the moral clarity to support those who are fighting for liberty and human dignity.

I also believe that this resolution makes it clear that we are willing to recognize that all is not well with the Contras, that we expect further progress in human rights, civilian control over the military, and the like. Mr. President, I believe it is essential to make these points clear, to strengthen the hands of the civilian leadership now, so that if and when dialog begins with the Sandinista regime, it becomes clear that leadership is exercised by those who are committed to democratic civilian government.

In conclusion, Mr. President, let me say that I do not support an exclusively military solution to the Nicaraguan question. I am convinced, however, that the Sandinistas must be compelled to negotiate in good faith to produce the pluralistic political system they promised at the time of the revolution. I hope our concerns can be addressed through negotiations and diplomatic efforts, and we ought to be open to those possibilities. But those with whom we would negotiate in this case will not come to the bargaining table in good faith unless they are convinced that the alternative is ultimately not viable. I believe that the compromise before us now lays the foundation for a sustainable policy toward Nicaragua.

NICARAGUAN ANOTHER AFGHANISTAN

Mr. WALLOP. Mr. President, Eden Pastora Gomez, Commander in Chief of the Democratic resistance forces of Nicaragua, the Contras, wrote a letter last week to the Members of the U.S. Congress to reply to Senator JIM SASSER and to detail for us the plight of the Contras in Nicaragua under the Sandinistas and what will happen if we do not help.

Mr. President, Eden Pastora points out that he learned from a freedom fighter from Afghanistan that the Soviets are building the same machine in Nicaragua as they built in Afghanistan. Nicaraguan children are being hauled away to Cuba to be indoctrinated into communism. In Nicaragua, as in Afghanistan, there are Bulgarian agricultural advisers, East Germans running the secret police, North Vietnamese training troops and Cubans running the educational system and giving directions to the Sandinista armed forces. As in Afghanistan, the Soviets are building a Communist nation and a Soviet military base. Mr. Pastora states clearly that they are doing this to attack the United States, not the people of Nicaragua.

Mr. President, Eden Pastora emphasizes that our aid is a matter of life and death for the children of Nicaragua and for dreams of democracy. He writes that if we do not help, the Russians will win and that they will fill the prisons with the men and women who survive the slaughter on the battlefield. He knows that a denial of help today will bear bitter fruit for us tomorrow. But do the American people understand this? Do those who would deny aid understand this? I know this letter will help and I ask that it be inserted in the RECORD.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

MARCH 18, 1986.

To the honorable men and women of the American Congress:

Last Sunday, I witnessed the exercise of democracy in this country in a manner rarely known in Latin America. I am referring to the speech by President Reagan on giving aid to the democratic resistance in Nicaragua and to the response made by Senator Sasser. This exercise of democratic opinions impressed me, but it also saddened me deeply because in my country, despite all of the blood spilled by a people who want to be free, Nicaragua cannot have this kind of democracy. You Americans have lived in a democracy for two hundred years and have forgotten what it is like not to be free. You do not know how close you are to losing your freedom.

Listening to President Reagan, I felt reassured that the American people were hearing powerful statements about the communist abuses of my people and the danger to all of the American nations from the communist invasion of Central America. I felt reassured that the truth of what is happening in my country is known to you and to the American people.

At first, I was reassured that Senator Sasser understands that the Sandinistas are communists who stole the democratic revolution of the Nicaraguan people, but I am troubled that he does not understand that the communists will never give up power unless forced to. I fought with those people, and I know that all they want is power. I tried to warn the American embassy that they were communists before Somoza fell, but no one would listen. Many people still do not want to listen, even after seven years when the Sandinistas have turned their backs on promises to the Nicaraguan people, to the United States, and to the Organization of American States.

Senator Sasser also does not understand that the Sandinistas have worked from before they seized power to bring a communist government to Nicaragua. When they came to power, they brought in foreign communist advisors to help them to build the communist machine for controlling the people. Communist advisors do not make suggestions, they give commands. When they came in, they organized all of the groups of society—women, different types of workers, young people, more than thirty five different groups in order to prevent us from organizing a resistance and to build a large army.

This week I learned from a freedom fighter from Afghanistan that the same machine is being built in Nicaragua and Afghanistan. In both our countries, children are being taken away to be indoctrinated in communism. The children of Afghanistan are going to Russia. The children of Nicaragua are being sent to Cuba, to the Isle of Pines, which now is called the Isle of Youth. Both our nations have Bulgarian agricultural advisors. East Germans run the secret police. Vietnamese train special troops. We have Cubans instead of the Russians in Afghanistan to tell us how to educate our children and to command our armed forces.

Senator Sasser must know these things. All of the people in Nicaragua know them. How can he think that the Russians and the Cubans and all of the other Russian mercenaries will ever leave? They are building a communist nation and a Russian military base at the same time, and it is costing the Soviet Union very dearly. Why are the Russians making this investment? Will they leave it behind? They have built it to attack you, not the people of Nicaragua.

Senator Sasser was wrong to say that the leaders of the resistance are Somocistas. In what I know and command of the democratic resistance movement, all national leaders of the resistance struggled against Somoza, just as they struggle now against the communists. But now the fight is much more difficult, and the nine commandantes make that old bastard Somoza look like a saint. The first Somoza murdered Sandino. The nine commandantes murder the memory of Sandino every day. There are many more members of the old Somoza National Guard in the Sandinista army and secret police than in the resistance, and the ones who work for the communists have not changed.

I cannot understand who told Senator Sasser that the resistance is guilty of more atrocities than the Sandinistas. Our men are poorly trained and we do not have American style command, but we are humane. In the South alone, we have turned over more than 550 communist prisoners of war to the International Red Cross and other humanitarian agencies in Costa Rica. In the battle areas, we have freed more than 1,000 prisoners. They are our most powerful weapon against the Sandinistas. They are ambassadors who tell the people that we are trying to free them. Many prisoners decide to stay and fight with us. I can only speak for the fighters in the South, but I can say that Amnesty International and the United Nations Commission on Human Rights have not accused us of violating human rights.

War hardens the human spirit, and especially when men are desperately poor. If some freedom fighters are cruel sometimes, it is immoral and stupid. With all the help

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of the Soviet empire to squash us, the Sandinistas in Managua do not need to be cruel, but it is their policy. They must defeat us in the field and they must crush the spirit of the people to resist. When they have done this in Nicaragua, they will do it in El Salvador and Guatemala and other nations, and the Soviet Union will not stop until it has crushed your spirit.

I have heard many people say on your television that the resistance was created by the CIA and that we are mercenaries. What kind of mercenary fights for two years without pay or weapons? God and the world know that we desperately need your assistance.

I am sorry to criticize an American senator so much, but I have to say that it choked me to hear Senator Sasser say that the precious military help that we need to defend ourselves against the huge military machine that has been fielded against us in Nicaragua by the Supreme Soviet should be delayed again. If Americans were dying on a foreign battlefield, would he debate whether to send them military reinforcements immediately? Our lives should not be worth less, and especially as we are fighting your battle in Nicaragua. The Russians did not come to Nicaragua because of our wealth. They came because we are on the way to your borders.

I am a nationalist. I do not want foreign troops of any nation in Nicaragua. I want Nicaraguans to throw out the Bulgarians and East Germans and Koreans and Russians and all of the other internationalists who foul our land and oppress our people. If you give us the weapons we need, we will do the job. If you do not help us, then one day your troops will fight in Central America and Mexico. That will be a sad time for all our nations.

Senator Sasser says that we cannot defeat the Russians and their mercenaries. How many times did I hear that we could not defeat Somoza when we had only a few hundred men? In the end, we did defeat Somoza with the help of our neighbors and because the Nicaraguan people rose up to throw him out. Now we have many times as much support against the Sandinistas, because the Sandinistas are many times worse than Somoza. All we need is the help of our neighbors that we once had.

You must know that I am not an enemy of negotiations. If negotiations can persuade the communists to give up power, I am in favor of them. I do not expect this to happen, because I know that communists use negotiations to gain time and to mask their plans. The American war in Vietnam was lost in negotiations because you felt weak, even though you had defeated the communists in the field. We won the war in Nicaragua in negotiations in 1979 because we had military and political strength. We can win in negotiations with the communists, but only if we are so strong militarily, politically, and diplomatically that the communists must choose between democracy and facing the anger of the Nicaraguan people.

Senator Sasser said that he does not want his seventeen year old son to fight in Central America. I understand his feelings. I, too, have a seventeen year old child. She is fighting in Nicaragua alongside two of my sons. I once decided to fight against Somoza to spare my children from suffering. The people of Nicaragua won that battle, and then we were betrayed.

In conclusion, I respectfully wish to express to you, to Senator Sasser, and to the rest of the American people that the aid. you are debating now is a matter of life and death for the children of Nicaragua and for dreams of democracy for Nicaragua. If you refuse to open the arsenal of democracy to us, the Russians will win. They will fill the prisons with the men and women who survive the slaughter on the battlefield, and tomorrow will bring you the bitter fruit of today's denial of help.

Sin totalitarismo ni regreso al pasado somocista, patria libre o matar!

Eden Pastora Gomez.

HUMANITARIAN ASSISTANCE TO THE CONTRAS

Mr. LEAHY. Mr. President, today the Senate approaches a critical vote on whether or not to authorize the expenditure of some $100 million in assistance for the insurgents fighting against the Government of Nicaragua—the so-called Contras.

A portion of this $100 million is intended to be used to continue a program of humanitarian assistance authorized last year by the Congress.

For this program, the Congress appropriated last year nearly $27 million for what, in plain English, is a military logistical support effort for the Contras. Under it, we supply nearly everything except weapons and munitions. To implement the program, the President, on August 20, 1985, created through Executive Order 12530 a new office in the Department of State—the Nicaraguan Humanitarian Assistance Office [NHAO]. Ambassador Robert Duemling, an experienced career Foreign Service Officer, was named Director of NHAO. Part of the assurances provided to Congress was that this program would be effectively monitored to ensure full compliance with the law.

Today, Mr. President, prior to authorizing any additional nonlethal assistance for the Contras, Members should be fully aware just how this sizable expenditure of the American taxpayers' money has been used.

The truthful answer in large part is we do not know.

In recent testimony before the House Subcommittee on Western Hemisphere Affairs, the General Accounting Office's Frank Conahan discussed the management of the NHAO Program through February 24, 1986. Through this time period, NHAO paid out only $12.2 million of the $27 million appropriated by the Congress. The remaining $15 million must be obligated by March 31, 1986.

The GAO found that:

First, the Department of State "does not have procedures and controls that ensure that the funds are being used for the purposes intended by law, or are not being diverted for other uses." In large part, according to the GAO, Ambassador Duemling and his small staff are "unable to verify expenditures made in the region, are unable to observe the end use of procured items to ensure that they were not diverted, bartered, or exchanged."

Mr. President, while the GAO does not allege that any improprieties have in fact occurred, it is clear that NHAO would have no way of knowing they had occurred.

Second, NHAO has no presence within Central America. Thus, the Department of State has little or no control over funds spent to purchase nonlethal aid from suppliers in the region. Of the $12.2 million paid out by NHAO thus far, approximately $7.1 million (or 58 percent) was spent in the region. As a result, GAO concluded:

> NHAO cannot assess the validity of regional receipts, is unable to check out many suppliers, has difficulty establishing reasonableness of prices and cannot verify actual delivery or receipt of items.

The U.S. Government also is not in a position to know whether the quality of goods purchased and delivered is commensurate with price paid. It is important to note that NHAO does not make actual purchases of supplies. Rather, NHAO is relegated to the role of banker, releasing funds to suppliers after their legitimacy has been ascertained through Dunn and Bradstreet ratings.

Worse yet is the fact that though NHAO pays U.S.-based suppliers directly, it has only an indirect relationship in the payment of suppliers based in Central America. According to the GAO, NHAO makes payment to a Miami bank account of one of several brokers authorized by the regional suppliers to act as their agents. As a result, "there is no audit trail showing payments from the brokers' accounts to suppliers, and only partial documentation of shipments from the suppliers to the resistance forces."

Mr. President, one can only assume on the basis of the information made available by the GAO that the administration of the program of humanitarian assistance has been inadequate and there is a complete lack of accountability. I do not believe this should be blamed on Ambassador Duemling or his staff. On the contrary, from all information available to me, Ambassador Duemling has made the best out of a very difficult situation. He was given all the responsibility to administer a dubious and controversial program of so-called humanitarian assistance, but with precious little authority to implement it according to law.

My own impression is that NHAO was designed to fail, to create doubts about the ability of the Department of State to control an overt aid program in order to justify moving back to the Central Intelligence Agency. Such a move would provide the Senate and the American people even less in the way of accountability and therefore should be unacceptable to my colleagues.

Mr. President, my strong opposition to any aid for the Contras is well known. But the point today is that the U.S. Senate has no way of knowing whether or not the statute under which the current aid program was authorized has been observed. We do not know whether goods were bartered or diverted in order to purchase weapons and ammunition, thereby subverting the intent of Congress.

The lesson my colleagues should learn from all of this is that even an allegedly open program of aid to the Contras is accompanied by many dark unknowns. The solution does not lie in moving further into the darkness by returning to a secret aid effort. That course will lead only to greater unknowns and abuse. It is a course we as a nation should avoid.

I submit for the Record the statement of Frank C. Conahan of the General Accounting Office.

Statement of Frank C. Conahan, U.S. General Accounting Office

Mr. Chairman, Members of the Subcommittee: I am pleased to be here to discuss the management of the $27 million in humanitarian assistance authorized for the Nicaraguan democratic resistance. My statement will concentrate on our review of the accounting and management procedures and controls to ensure that the funds are being spent in accordance with the law's intent.

Before I discuss the results of our review, I would like to point out some limitations on our presentation today. We have been informed by the Department of State that certain information about this program is classified. For example, State has told us the following matters are classified: specific quantities of items purchased, attitudes or roles of countries in the region with respect to this program, and attempts to arrange for delivery of goods purchased in the United States.

None of these limitations, however, hinders our ability to address your major question; i.e., does the Department of State have adequate procedures and controls to ensure that the funds are being used for the purposes intended by law, and are not being diverted to other uses.

Our overall answer is that the department does not have procedures and controls which would allow it to provide these assurances—in large measure because those charged with administering the program are unable to verify expenditures made in the region, and are unable to observe the end use of procured items to ensure that they were not diverted, bartered, or exchanged. Initially, the State Department's Nicaraguan Humanitarian Assistance Office (NHAO)—which is charged with the program's administration—had intended to set up operations in the region, but diplomatic sensitivities of certain countries in the region prevented NHAO from doing so. Thus, NHAO is not able to exercise the financial and programmatic control beyond the U.S. borders that it wanted to.

We reviewed all expenditures as of February 24, 1986 (a detailed breakdown is attached to the statement). As of that date, NHAO had actually paid out over $12.2 million. About $5.2 million (or 42 percent) was spent in the United States, and $7.1 million (or 58 percent) was spent in the region. NHAO's control over its funds varied significantly depending on whether the purchases were made in the United States or in the region.

For purchases from U.S. suppliers, NHAO exercises considerable control over disposition of funds. NHAO has established procedures for administering procurements and making payments, which allows it to control and oversee the types of goods and services being purchased and the prices paid. NHAO relies principally on the United Nicaraguan Opposition (UNO)—an umbrella organization representing the various resistance forces—to determine the types and quantities of goods and services to be purchased.

UNO submits to NHAO a pro forma invoice prepared by a proposed U.S. supplier identifying the goods or services to be purchased and the amount to be paid. NHAO reviews the invoice to determine if the item or service is consistent with program objectives and that the stated price appears to be reasonable. In many cases, NHAO obtains Dunn and Bradstreet reports on the proposed supplier to ensure that the company is legitimate. Furthermore, NHAO often checks with other suppliers of similar items and with DOD procurement officials to verify the reasonableness of prices quoted. If the review is satisfactory, NHAO provides the supplier a letter of commitment for the funds to be paid upon receipt of the goods by UNO. When the supplier sends NHAO a confirmation of delivery of the goods, NHAO issues a payment voucher, and the Treasury sends a check directly to the supplier. NHAO also has inspected some of the supplies stored in U.S. warehouses awaiting shipment to the region to ensure that approved items have been delivered.

It is a much different story for the $7.1 million in purchases made outside the United States. NHAO has received invoices and receipts to support almost all purchases, and before authorizing payment, NHAO reviews the invoices and receipts to ensure that the items are allowable under the program. However, from its offices in Rosslyn, Virginia, NHAO cannot assess the validity of the regional receipts, is unable to check out many suppliers, has difficulty establishing reasonableness of prices, and cannot verify actual delivery or receipt of items. Another major difference between controls over U.S.-sourced procurements and those made in the region is that payment is not made directly to the supplier. Instead, payment is usually made to a Miami bank account of one of several brokers authorized by the regional suppliers to act as their agents. There is no audit trail showing payments from the brokers' accounts to suppliers, and only partial documentation of shipments from the suppliers to the resistance forces.

Despite the deficient controls over expenditures outside the United States, an increasing proportion of the assistance funds is being spent in the region. NHAO officials attribute this situation to the difficulties encountered in delivering U.S.-purchased items to the resistance forces. Initially NHAO had assumed that, except for food, most supplies would be purchased from U.S.-suppliers—not only because NHAO's control would be greater, but also because the quality of U.S. goods was higher and U.S. costs were lower. However, due to the diplomatic sensitivities of the countries involved, deliveries of goods purchased in the United States could not take place. Thus, U.S.-sourced items were stored in U.S. warehouses, principally in New Orleans. This has delayed the delivery of supplies (mostly pharmaceuticals, boots, and field gear) to the resistance forces, and has caused more money to be spent in the region than might otherwise have been the case. If delivery problems continue, most funds are likely to be spent in the region. The Department has recently undertaken intensified efforts to reverse problems in delivering U.S.-sourced goods to the resistance.

Turning now to what has been purchased for the $12.2 million spent to date. (A breakout is attached to the statement.) The legislation stipulates that funds be used to provide food, clothing, medicines, and other humanitarian assistance. The legislative definition specifically rules out weapons, ammunition, or other items which could cause injury or death. The principal criterion used by NHAO in determining what can be provided is that it be non-lethal.

The $12.2 million has been spent on the following broad categories:

$4.7 million (or 39 percent) on food and sundries, which were procured in the region. Food receipts included other items such as clothing, matches, cigarettes, and toilet articles. About $350,000 of the $4.7 million purchased local currency, which was to be used for food.

$2.8 million (or 23 percent) was spent for pharmaceuticals and medical supplies. Most of these were purchased in the United States.

The last major item—clothing—accounts for $2.7 million (or 22 percent) of the expenditures. About $1.8 million was spent in the United States and the remainder was spent in the region. Included in the clothing purchases were combat boots, uniforms, ponchos, socks, and web gear.

About another million dollars was spent for miscellaneous supplies and equipment, such as blankets, tools and trucks—a little more than half of which was spent in the United States and the rest in the region. Over $500,000 was expended on transportation, storage, and warehousing of these items, mostly in the United State. Lastly, about $260,000 was spent on various medical expenses, including hospitalization of resistance fighters; $125,000 was spent on a UNO-administered human rights program; and about $75,000 was spent for UNO administrative expenses. An additional $89,000 is for NHAO administrative expenses.

I want to emphasize that the foregoing breakdown of expenditures is based on our examination of receipts provided to NHAO. While we are confident that the receipts for U.S.-sourced items are valid, we have no basis to evaluate regional receipts. We inspected U.S.-sourced items in warehouses in New Orleans and are satisfied that receipts reflect purchased items; we were not able to do the same for purchases made in the region. We found nothing, however, to indicate that NHAO paid for lethal items.

This concludes my prepared remarks. I would be happy to answer any questions you might have.

SUMMARY OF GOODS AND SERVICES (AS OF FEB. 24, 1986)

Goods and Services (examples)	Total	Purchases made— Not in United States	Purchases made— In the United States
Food, sundries, consumables, foreign currency, and some delivery costs	$4,694,496	$4,694,496	0
Pharmaceuticals, medical supplies, and refrigerators (drug stores)	2,764,551	281,602	$2,482,949

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SUMMARY OF GOODS AND SERVICES (AS OF FEB. 24, 1986)—Continued

Goods and Services (examples)	Total	Purchases made— Not in United States	Purchases made— In the United States
Uniforms, boots, ponchos, socks, hats, belts, and other clothing	2,672,464	919,530	1,752,934
Flashlights, hand tools, hammocks, trucks, and other equipment	989,113	420,716	568,397
Transportation, storage, security, ware-housing, and some freight costs	555,793	391,372	164,421
Medical services, hospitalization and related expense, and doctor fees	262,240	222,884	39,356
Human Rights, Program (Fundacion de Nicaragua)	125,000	125,000	0
Administrative support for United Nicaraguan Opposition	75,448	0	75,448
Total of goods and services	12,139,105	7,055,600	5,083,505
Nicaraguan Humanitarian Assistance Office administrative expenses	89,167	0	89,167
Total	12,228,272	7,055,600	5,172,672

Notes.—(1) Transport for food and other commodities was sometimes listed separately. At other times, it was included in the price of the commodity. Similarly, receipts for food at times included sundries and clothing which were not listed separately under other commodity categories. (2) Receipts for food purchased outside the United States usually included sundries and clothing, such as cigarettes, batteries, matches, candies, antimosquito incense, toilet paper, deodorant, glue, insect killer, toothpaste, panties, bras, plates, detergent, shoe polish, sandals, socks, maps, soap, plastic buckets, flashlight bulbs, blankets, shirts, frying pans, engine oil, and oil filters.

Mr. ROCKEFELLER. Mr. President, there can be little doubt about the nature of the current government in Nicaragua: the Sandinistas have denied human and political rights at home, have attempted to promote revolution among their neighbors, and have aligned themselves closely with the Soviet Union and Cuba. The potential threat posed by this self-declared Marxist regime to the fragile democracies in Central America cannot be underestimated. But the fundamental issue in this debate is not whether the Sandinista regime represents a serious political and military concern to the United States; we all agree to that. The underlying question is what policy will be most effective—and sustainable—in addressing the Sandinista threat.

The administration's prescription is to turn up the heat on the Sandinistas with the apparent intent of eventually overthrowing them. But will $100 million in military and humanitarian assistance to the Contra guerrillas topple the Sandinista government and remove the Marxist threat to Central and Latin America? The answer is a clear no. Even the administration's own intelligence agency seriously doubts that the Contras can overthrow the Sandinista regime.

The Contras have been unable to attract widespread support among the Nicaraguan people. While Nicaraguans may not like the Sandinistas, they certainly are not enthusiastic about the Contras, many of whom had close ties to the hated Somoza regime. The Contras continue to engage in human rights abuses. They continue to be divided among several competing factions. It is no surprise that the Contra forces are less strong today than they were 1 year ago. And all of this despite over $100 million in U.S. aid to the Contra forces to date.

And now we are being asked to provide another $100 million. But money cannot make the Contras a popular, viable, democratic alternative to the Sandinistas—not $100 million or $500 million. Nor can U.S. military assistance hope to provide the basis for a military victory over the Sandinistas. Given the present makeup of the Contra military leadership, our support may have the ironic effect of strengthening the Sandinistas' hold on the country, allowing them to pose as the defenders of their nation against the United States, rather than what they really are: the betrayers of their revolution and their people.

Our unqualified assistance to the Contras will almost certainly result in increased Soviet and Cuban assistance to Managua, leading in turn to a further escalation of the conflict. Single-minded pursuit of a military solution will only lead to a prolonged and bloody war, ending in defeat or stalemate—or eventual U.S. intervention. Neither are very attractive alternatives. We must make every effort to provide another course of action for U.S. policy.

Our objectives in Central America should be clear: No Soviet bloc forces or bases in Nicaragua, and no Nicaraguan aid to insurgents in this hemisphere. We must at the same time seek to promote democratic values and human rights within Nicaragua. How do we achieve these aims? Not, as some would suggest, by walking away from any involvement in the region. Nor, in my view, by pursuing a misguided attempt to bolster the military capabilities of the Contras in order to overthrow the Sandinistas.

Earlier today, I opposed Senator KENNEDY's amendment prohibiting any U.S. assistance to the Contras. I am convinced that we must retain some degree of pressure on the Sandinista regime to negotiate. And I believe that if such negotiations prove futile, we should be prepared to consider assistance to a truly democratic Nicaraguan resistance.

Almost all of the countries in the Western Hemisphere have urged the Reagan administration to withhold aid to the Contras and commence direct bilateral talks with the Sandinistas. There is absolutely no reason that America should be unprepared to sit at the negotiating table with the Sandinistas, yet the President refuses to do so unless the Sandinistas first commence talks with the Contras, a precondition designed to prevent bilateral talks. This administration's reversal of support for the Contadora draft treaty in September 1984—after the Nicaraguan Government supported it—leaves me with some concern about the true intent of this administration. I am not at all convinced that the Sandinistas can be trusted to negotiate in good faith, but I think it is essential that we make an effort to find out.

The United States should join with our Latin neighbors in vigorous pursuit of a verifiable settlement along the lines of the Contadora draft treaty. Given the history of our past involvement in the region, we need to be particularly sensitive to the dangers of "going it alone." Should the Sandinistas prove to be intransigent in these talks, we and our hemispheric neighbors could credibly claim that a good-faith effort had been made and failed. Additional assistance to a reformed Contra force may be the only viable option at that point, but the case for it would be much stronger within the United States and throughout Latin America.

For these reasons, Mr. President, I support the amendment offered by the distinguished senior Senator from Tennessee. Senator SASSER's amendment rightly provides for direct talks between Managua and Washington. If those talks do not bear fruit, the Congress will again consider military aid to the Contra forces in 6 months' time. This amendment does not turn its back on the Contras—$30 million in nonlethal aid is provided immediately to the Contras. I believe that this formula offers the best hope for peace and stability in Central America, and I urge its adoption.

Mr. SIMON. Mr. President, as our intensive debate on aid to the Contras comes to a close, I am struck by the extent to which the Senate has focused its attention for the most part on the military aid portion of the President's request. The so-called humanitarian aid portion has drawn relatively little scrutiny. The assumption has been that however the military aid request is disposed of, some so-called humanitarian aid would be approved.

It distresses me, and a number of my colleagues, that the term "humanitarian assistance" has been used without examination and altogether too loosely. What the President has requested as "humanitarian assistance" is really, I believe, a corruption of the term.

The President is seeking, within the category of humanitarian assistance, to provide "logistics advice and assistance; equipment and supplies necessary for defense against air attack; . . . and training of members of the resistance in radio communications, collection and utilization of intelligence, logistics, and small-unit skills and tactics."

The effect of this request is to broaden the authority in Public Law 99-83 which governs the use of the $27 million in "humanitarian assistance" already provided. That authority had already been broadened by the fiscal year 1986 intelligence authorization bill, which explicitly allowed transportation equipment unless specifically configured to inflict bodily harm. As Senator BUMPERS has pointed out, the recent GAO report indicates that it is impossible to determine whether even the very broad authority provided the administration has been respected in its use of Contra aid funds to date.

Many of us have serious doubts about whether the $27 million already provided constitutes genuine humanitarian assistance. The fact that the recipients are not limited to civilians and noncombatants and that the assistance is used for logistical support of military activities also indicates that the aid falls outside the established norms of humanitarian assistance.

The inclusion of intelligence within the definition of humanitarian assistance is particularly troubling. As the author of the Boland amendment stated in House floor debate last week:

> If we approve the President's request, we would be making available other funds in the fiscal year 1987 intelligence budget—specifically, those in the CIA's reserve for contingencies. We would also remove all current legal restrictions on CIA or DOD assistance with respect to the $100 million in the president's request. [H1468.]

Now is obviously not the time for an extended discussion of what is meant by "humanitarian" aid or whether it should instead be called nonlethal or logistical. Whatever it was called, I would still not support it. It is essentially a means to serve the objectives of current U.S. policy toward Nicaragua. In my view, the policy itself is wrong.

However, I would urge that as we look toward the next step in the legislative process, more attention be directed toward the purposes and objectives of what for the moment is being called humanitarian aid. I, for one, hope that I will have an opportunity to vote in favor of genuine humanitarian assistance, which is so desperately needed by people in war-torn Central America.

I ask that a letter each of us has received from executives of private and voluntary organizations on the subject of humanitarian aid be printed in the RECORD.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

LETTER FROM EXECUTIVES OF PRIVATE AND VOLUNTARY ORGANIZATIONS CONCERNING AID TO THE NICARAGUAN CONTRAS

March 13, 1986.

DEAR MEMBERS OF CONGRESS: As you prepare to vote on assistance to the Nicaraguan Contras, we ask that you consider the views of organizations such as ours with long involvement in providing humanitarian assistance and with some familiarity with the human suffering caused by current US policy toward Nicaragua.

We recommend that you vote against providing $30 million in so-called humanitarian assistance to the Contras. Such aid distorts the concept of humanitarian aid as understood internationally and in the United States. It does not meet the customary tests: that humanitarian aid to be made available solely on the basis of human need, not for political purposes; that it be offered impartially to all sides in a conflict; and that it go solely to civilians and non-combatants. Mislabelling the $30 million imperils the integrity of bona fide humanitarian aid and of agencies like our own that seek to provide it. It also risks the future of people whose life depends on it.

The $30 million is, of course, part of a larger $100 million request that includes $70 million for outright military aid. The pursuit of a military solution to the current conflict between the US and Nicaraguan governments is likely, we believe, to continue to create needless suffering among the poor in the region with whom we and our colleague agencies work. We urge Congress to insist on US actions that are regional and diplomatic in character. Such actions would be in keeping with the counsel of US allies in Central and South America and in Europe who have all opposed military aid to the Contras. We particularly lament the pressure brought by the Administration against governments that have opposed such aid, most recently the holding up of an AID development loan payment to Costa Rica.

We therefore urge your rejection of the Administration's $100 million request, both its so-called humanitarian assistance and military aid elements. While some are considering a "compromise" that, in one way or another, would approve the former while rejecting the latter, what would be compromised, we believe, would be the integrity of humanitarian aid itself.

Given the reality of human need in the Nicaraguan-Honduran border area, we urge that the US provide humanitarian assistance to refugees and displaced persons wherever they are, through international organizations such as the International Committee of the Red Cross and the United Nations High Commissioner for Refugees. Because the US is a party to the conflict, we would urge against the provision of humanitarian aid through bilateral channels.

Thank you for giving consideration to our views.

Sincerely,

Norman E. Barth, Executive Director, Lutheran World Relief; Asia A. Bennett, Executive Secretary, American Friends Service Committee; J. Richard Butler, Executive Director, Church World Service; John Hammock, Executive Director, Oxfam America; Alden R. Hickman, Executive Director, Heifer Project International, Inc.; Sister Sheila McGinnis, Superior, Sector North America, Medical Mission Sisters; Richard S. Scobie, Ph.D., Executive Director, Unitarian Universalist Service Committee; Reg Toews, Associate Executive Secretary, Mennonite Central Committee.

Mr. LAUTENBERG. Mr. President, I rise in opposition to the President's request for $70 million in military aid to the Contras and $30 million in humanitarian aid, as modified by his Executive order.

The question before us today is not whether we approve of the Sandinista government, or oppose communism. This body agrees on the answers to those questions. What is at stake here is the crafting of a realistic, responsible, long-term approach to achieving our goals in the region.

What the Senate must decide today is whether the President's request brings us closer to our major foreign policy goals in Central America, and whether it is the best way to achieve those goals. Does it move the Sandinistas toward greater democracy and help to end the human rights abuses in that country? Will it lead to a reduction of the Soviet and Cuban presence in Nicaragua? Will it help to prevent Communist bloc bases from being set up in Nicaragua, and prevent Nicaragua from supporting revolution in neighboring countries?

After more than 4 years and assistance of more than $100 million to the Contras, we cannot honestly answer these questions affirmatively. Our aid to the Contras has brought us no closer to the achievement of these goals. And, that is why I cannot support the President's request for more military aid.

Mr. President, let us look at how we have fared.

We have funneled $100 million to the Contra forces over the last 5 years, in addition to the millions of dollars we have invested in Honduras. But our investment has not yielded dividends of greater democracy. Quite the opposite. We have given Daniel Ortega, the President of Nicaragua, an excuse to wrap his repressive regime in the flag of patriotism. And justify that repression as a necessity in the face of U.S. military power.

The Contras are not seen as a force for democracy in Nicaragua and do not enjoy broad support among the Nicaraguan people. It is not clear they can ever with that support. The majority of the positions in the Contra's top leadership are held by former associates of Anastasio Somozo, the brutal dictator who was overthrown in 1979. Although some of the civilian leaders of the Contras are true democrats, they are not the ones in charge.

Will the President's policy contain Cuban and Soviet influence in Nicaragua, and protect the other fragile democracies of the region against Nicaraguan subversion? The countries directly affected don't think so. Democracies in the region have publicly stated that the President's policy is not the way to go. They do not want the U.S. to give military aid to the Contras now.

Although President Reagan has said that these governments express different views privately, the fact is that they have gone out of their way to publicly express their opposition to this policy, and to urge support for a negotiated settlement.

On February 10, foreign ministers of eight Latin American countries came to Washington to urge Secretary Shultz not to go ahead with the aid,

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but to return to the negotiating table. Mexico, Panama, Colombia, Venezuela, Brazil, Argentina, Uruguay, and Peru went out of their way to make it clear that they oppose military aid to the Contras. And the President-elect of Costa Rica has joined this group. The President is isolated in the hemisphere in his view that military aid to the Contras is a constructive policy.

Mr. President, our support for the Contras has likely increased, not decreased, Cuban and Soviet influence in Nicaragua. Our veiled threats of direct military intervention, our highly visible maneuvers in neighboring Honduras, and our mining of the Nicaraguan harbors have pushed Managua further into the Soviet embrace.

The United States has very real security interest in Central America. If they are threatened by the establishment of Soviet bases, or the introduction of advanced weapons like Soviet Mig's or submarines into the region, I would support the President in strong action to keep them out.

But we cannot rely on the Contras to protect our security interests in the hemisphere. They have not succeeded in waging a credible war against the Sandinistas. They have not proven capable of winning the support of the Nicaraguan people. And, we are not even sure that our aid is getting to its intended recipients. The General Accounting Office, the watchdog of Congress, reports that we cannot even verify that all of the aid we provided last year for humanitarian aid to the Contras actually reached them. If, as the President insists, the Sandinistas pose a major and immediate threat to our security, why rely on the Contras to fight our fight?

Mr. President, if we approve the President's request, what is the next step? At best, I fear the American people will be asked to undertake a long and financially costly commitment to the Contras. At worst, we will be asking Americans not to send dollars, but to send troops. Before we ask Americans to follow either path, we must exhaustively pursue every diplomatic option available to us.

Our choice is not between providing military aid to the Contras or seeing the whole region turn red. We have another option—the Contadora peace process. That process gives the nations of Central America, whose future is directly at stake in this conflict, the chance to work out a regional solution to the conflicts in the region.

The Contadora process offers a realistic chance to address our security concerns. Its goals are the reduction of the Sandinista armed forces, the withdrawal of Soviet and Cuban military advisers, and a ban on the export of revolution. The Sandinistas have not been unreceptive to Contadora talks, and it was our government that broke them off.

The countries of the region support the Contadora process, and believe it has a realistic chance of success. With the support of the Central American countries, and the willingness of our own Government to give negotiations a serious try, the Contadora process could work. If it does not, then the military option still remains.

In order to give the Contadora process a real chance, I supported the Sasser proposal as a substitute for the administration's proposal. While not the ideal solution, it is far preferable to the military aid package sought by the President. The Sasser substitute blocks military aid to the contras. It emphasizes a diplomatic approach by urging the President, after a ceasefire, to begin serious, bilateral negotiations with the Government of Nicaragua without preconditions. And it creates a bipartisan congressional observer team to make sure that good faith, direct negotiations between the U.S. and the Sandinistas are underway. At the same time, it puts limits on further American involvement by prohibiting military advisers, military training, or the use of the CIA to disburse any aid.

Mr. President, the Sasser proposal provided for a mandatory review of this issue by Congress in 6 months, or earlier, if the President certifies the need for such a review. The President is prohibited from seeking military aid before that time unless he certifies that negotiations have broken down. In that case, the observer team will provide an independent review of the President's certification.

By urging support for the diplomatic process, while keeping the military option alive as a future alternative, we preserve our flexibility to react to future developments in Nicaragua.

Mr. President, the President's policy is unlikely to succeed because it has neither the support of the American people nor the democracies in Central America. That support is lacking because there has been no real attempt to reach a negotiated settlement. It is lacking because Americans of good faith fear that the President's policy may lead unnecessarily to war. In good conscience, we in this body owe it to those who elect us to take one step at a time in this difficult and complex situation. The first step is negotiations. This is the path we should be pursuing.

Mr. HEINZ. Mr President, the conflict in Central America presents Americans with very difficult choices. The fighting between the Sandinista government in Nicaragua and its armed opposition is first and foremost a Nicaraguan affair, but because of the importance and fragility of Central America, and because of the significant intervention by other outside powers in the area, we have no choice but to play a role.

There is something about the domestic context of this debate that must be addressed. The earlier vote in the House on the question of further assistance to the Contra rebels provoked rhetoric from both sides that I believe has no place in these debates. The charge of McCarthyism was leveled against the administration and its congressional supporters when they posed the debate as a choice between Moscow and Daniel Ortega and the United States. That is not the choice before us today in the Senate. Extreme and simplistic rhetorical formulations of an important dispute have no place in our discussion. Those who oppose the Contra assistance program are loyal Americans and their colleagues have never doubted it.

By the same token, those who support the Contra effort have been labeled as allies of terrorism and militarism, and as blind to the unfolding dangers of a deepening U.S. involvement in a foreign war. This is just as much a distortion as the charge of disloyalty used against opponents of aid.

The reason I support assistance to the Contras at this point is not because I can claim a higher level of loyalty to American ideals or U.S. security than opponents of aid, but because of a judgment that the Sandinistas have reached the point where only military pressure will force them to change their ways, both at home and in the region.

When the Sandinistas, along with a broad cross-section of Nicaraguan society, overthrew the Somoza dictatorship back in 1979, the United States reacted by offering increased economic assistance. I voted for this aid, nearly $100 million, back in 1980. We began to disperse this aid, and in response the Sandinistas welcomed Cuban and Soviet bloc military assistance, began to drive all moderate elements out of the government, initiated the repression of dissident elements, began their campaign to undermine the Roman Catholic Church, and commenced their military buildup, all of this before the Contras' armed resistance had begun. Mr. President, the Sandinistas betrayed all of us who hoped for democracy, but even worse they betrayed the revolution that overthrew Somoza.

The Sandinistas reacted the same way when we ceased our military assistance to the Contras in 1984. They stepped up their militarization, they increased their repression at home, they showed no flexibility in negotiations with the United States or with their neighbors through the Contadora process. We provided $27 million in humanitarian aid last year to the Contras. But the Sandinistas have only continued their military approach to their internal political problems. And they have continued to not only preach the export of their brand of armed revolution but have amassed a record of supporting armed revolutionary activities against El Salvador, Colombia, and other Latin American democracies.

It is argued that we should simply let the Contadora nations negotiate with the Sandinista government to get them to halt their export of revolution and to pressure abandoning their Marxist, repressive internal policies, and permit genuinely free elections. The sad reality, Mr. President, is that the Sandinistas will not negotiate with their neighbors in good faith because they have no reason to do so. Their neighbors are militarily weak. Costa Rica has no standing army, Honduras has fewer than 20,000 men under arms. Meanwhile, Nicaragua has 60,000 men in their standing forces and another 60,000 in the reserves. With these forces, equipped with modern armor, artillery, and helicopters, the Sandinistas see no reason to make a deal with their weaker neighbors, particularly if it means abandoning their self-proclaimed revolutionary mission. And their behavior at the negotiating table reflects that arrogance. It is hard to believe that will change if we sit by and do nothing.

And we should all be clear about what Sandinista behavior is and why it is not acceptable. We need look no further than today's newspapers to see one example of Nicaraguan behavior that we cannot tolerate. The Sandinista invasion of Honduras to attack Contra camps illustrates that the Sandinistas, unfortunately, seem to think only of military solutions to their country's problems.

Last June we agreed to give the Contras some $27 million in nonlethal aid, after a cutoff in U.S. assistance since 1984. Our intelligence agencies estimate that the Soviet bloc gave the Sandinistas about $350 million in military assistance, much of it quite lethal, in that same period. Among the items supplied to Nicaragua in that period are the same Mi-24 Hind helicopter gunships that the Soviets use to such effect against the mujahideen in Afghanistan. Tanks, armored personnel carriers, rocket launchers, and other military equipment have been included in the Soviet bloc military aid program. There has been criticism of the United States for emphasizing military solutions. It looks like the Sandinistas find military solutions the most attractive.

But military hardware is only one dimension of the Sandinistas' alarming alliance with foreign powers that are hostile to the United States and to regional stability. There are over 3,000 Cuban military advisers in Nicaragua, some piloting their helicopter gunships. And there are Soviets, East Germans, and even Libyans and Palestinians, whose presence in Nicaragua and interest in Central America can only be cause for grave concern.

But there has not been only a military response by the Sandinista government to the cessation of U.S. military support of the Contras of the last 2 years. There has been a political reaction that has taken a repressive character that makes optimism about their fundamental intentions impossible to maintain. Last October the Nicaraguan Government declared a state of emergency suspending most civil rights, ostensibly in reaction to the military conflict in Nicaragua. But America's Watch, a U.S.-based human rights group that has focused its attention mostly on abuses by the Contras in the field, itself rejects the Sandinistas' argument that the state of emergency and other harsh measures are justified as a reaction to what was by then a substantially limited external threat.

The Sandinistas' internal repression is something that their traditional supporters cannot continue to ignore or to minimize. Let me cite one important, but by no means the only example. The only substantial alternative source of authority in Nicaragua is the Catholic Church. Archbishop Obandoy Bravo is a national leader, but his sermons no longer are allowed to appear on national television. Just as in Haiti in the last months of Baby Doc Duvalier, the church radio station has also been shut down.

Some Americans with credentials above reproach recognize the extent to which the Sandinistas have gone to bring the church under effective government control through harassment and persecution. The archbishop of Boston, Cardinal Bernard Law, and the archbishop of New York, Cardinal John O'Connor recently sent a letter to Archbishop Obandoy Bravo of Managua. In it, and here I quote the letter, the two American religious leaders tell Obandoy that "we know your suffering when attempts are made to violate the religious conscience of Nicaraguans by denying them access to the liberating teaching of the church. This has been done by physical harassment, crude attempts at intimidation, and censorship. Priests have been expelled from your country. Offices of your archdiocese have been raided by military personnel and remain under military occupation. You are subjected to a barrage of distortions, slanderous insults, and innuendos at home and by some representatives of the government abroad."

The leading newspaper that was a voice of dissent in the days of the Somoza dictatorship, La Prensa, is again muzzled today. There is dispute about the extent of disappearances, assassinations, and torture committed by Nicaraguan security forces, but the most optimistic estimates still reveal a repressive environment.

Our ability to affect these internal conditions, or the Sandinista government's external support for Salvadoran guerrillas, is limited. At this point, our best instrument, flawed though it is, is the Nicaraguan armed resistance. The Sandinistas, I believe, have shown a complete unwillingness to engage in serious talks with their own opposition. instead they have used the period of cessation of United States military aid to the Contras in 1984 to intensify their military operations against Contra-held territory in Nicaragua. The only hope we have of their coming to the table is to make their current policy—of repression, mobilization, militarization, and diplomatic evasion—too costly to continue. The Contras are our only avenue of approach to achieve that end.

I do not believe this course is an abandonment of diplomacy. In fact, the aid package we will approve contains a 3-month window at the end of which time there must be a reassessment. Our aim in Central America, and my aim in supporting this bill, is to force negotiations leading to an end to Sandinista repression and a liberal and democratic process and the truly free elections the Nicaraguan people hope for.

One concern we cannot ignore are the questions raised about the Contras' human rights record. There have been atrocities and this creates serious substantial doubts about the Contras' future standard of behavior in Nicaragua. Significant efforts are being made, however, to reverse this situation. Those who have visited the Contras' camps in Honduras have seen signs of this progress, in the form of court martial notices posted to show what now happens to those who violate the rules of war. Our aid package explicitly charges the Contras with policing and enforcing the code of battlefield conduct, and denies any assistance to groups that keep human rights violators in their forces.

In the aid package we have approved for the Contras, $3 million will go just to ensure that Contra fighters are trained to respect human rights in Nicaragua. The reports which the President must submit to Congress on a regular basis to keep this Contra aid flowing will detail progress that has been made in protecting human rights in areas where the Contras fight the Sandinista army. This package explicitly forbids aid to any group that counts violators of human rights in their ranks.

The tragedy of Nicaragua is something that all of us recognize. It is a country that deserves peace and a chance to develop. Its people, all of its people, whether Sandinistas or not, deserve a place in their national political life. The Sandinistas are the only ones who can spare their citizens fur-

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ther suffering, by opening up their system and giving a voice to those who now can only speak with their armed resistance.

Mr. President, I ask that the letter to Archbishop Obando from the archbishops of Boston and New York be printed in the RECORD.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

BOSTON, March 14 /PRN/.—The Office of Communications of the Archdiocese of Boston today released the following letter sent by Cardinal Bernard F. Law, Archbishop of Boston, and Cardinal John O'Connor, Archbishop of New York, to Cardinal Miguel Obando y Bravo of Nicaragua:

PR Newswire, March 14, 1986.

His Eminence Miguel Cardinal Obando y Bravo,
Arzobispado, Apartado, 3030,
Managua, Nicaragua.

YOUR EMINENCE: The present trials through which you and the Church in Nicaragua are suffering are a poignant reminder that the mystery of the Cross continues to be lived in the Body of Christ. During this Lent, your two brother bishops in the United States, who were called to membership in the College of Cardinals with you last May, have often thought of you and discussed the courageous efforts you make for the well-being of the Church and the people of Nicaragua. We have taken the extraordinary step of making this letter public so that the faithful in our Archdioceses and as many as possible in our country will know what is actually happening to their brothers and sisters in Nicaragua.

We share your deep pain when your people are denied the full opportunity to build a just, peaceful and progressive society based on the transcendent dignity of each human person. We know your suffering when attempts are made to violate the religious conscience of Nicaraguans by denying them access to the liberating teachings of the Church. This has been done by physical harassment, crude attempts at intimidation, and censorship. Priests have been summarily expelled from your country. Offices of your archdiocese have been raided by military personnel and remain under military occupation. The Archdiocesan newspaper, Iglesia, was confiscated after its first edition, and the Catholic radio remains closed. You are subjected to a barrage of distortions, slanderous insults and innuendoes at home and by some representatives of the government abroad.

In this ordeal, the Church in Nicaragua has been seeking to maintain a constructive dialogue with the government in an attempt to reach a climate of mutual respect so that the Church can play a role in the reconstruction of your country. We want to assure you of our solidarity with you. With you we are praying for that peaceful reconciliation necessary to rekindle the original hope of the resolution. For this to take place, it is essential that there be an immediate cessation of the present unjust restrictions suffered by the Church and other sectors of Nicaraguan society. This will undoubtedly provide a powerful impetus to the just resolution of the conflicts in your country and in that strife-torn region.

Be assured of our prayers and support, our brother Cardinal, through the intercession of the Blessed Virgin Mary, the "Most Pure," as the Nicaraguan people particularly venerate her.

Fraternally yours in Christ.

BERNARD CARDINAL LAW
Archbishop of Boston,
JOHN CARDINAL O'CONNOR
Archbishop of New York

Mr. LEAHY. Mr. President, yesterday I spoke about the folly of sending additional aid to the Contra rebels trying to overthrow the Nicaraguan Government. My views are shared not only by so many of my constituents in Vermont, but by the editorial writers of so many of Vermont's newspapers.

I ask that several representative editorials appear in the RECORD at the conclusion of my remarks.

The editorials follow:

[From the Barre-Montpelier (VT) Times Argus, Mar. 19, 1986]

FEAR AND LOATHING

We can't say we were surprised by the speech President Reagan delivered to the nation Sunday night. The Great Communicator took to the airways to try to turn public sentiment in favor of this plan to give $70 million in military aid to the rebels fighting to overthrow the government of Nicaragua. His talk was filled with his usual assertions about what great "freedom fighters" the Contras are and how this brave band of honor-bound soldiers is all that stands between us and annihilation at the hands of the Red Horde.

The speech was infuriating. And what incensed and disturbed us the most was to see such hate-mongering on the part of the president of the United States. All of the rhetoric—his references to "the Nicaraguan military machine," "the malignancy in Managua," "the Communist menace," "the outlaw regime," "the Communist enemy"—seemed designed to whip people into a frenzy of fear and hatred.

He said the Contra aid would be spent in "defense of our own southern border," and he warned that the Sandinista's could become "a mortal threat to the entire New World." "Ask yourselves," Reagan said, "what in the world are Soviets, East Germans, Bulgarians, North Koreans, Cubans and terrorists from the P.L.O. doing in our hemisphere, camped on our doorstep? Is that for peace?" Apparently, we are to believe that all Bulgarians and East Germans are terrorists and anytime they are abroad in the world they are on an evil mission.

If Reagan were president of a homogeneous nation whose people had suffered years of persecution, we could understand if he showed signs of xenophobia. But the strength of this country, which Reagan is forever touting, has come from its openness and its ability to accommodate and assimilate all kinds of people, including Bulgarians, East Germans, Palestinians, North Koreans and Russians.

Its success stems in large part from the fact that people, despite their cultural or social differences, share many of the same dreams and goals and have believed they would be free to pursue them here. It is this underlying human understanding that Reagan either ignores or fails to grasp when he launches into his diatribes of hate against all people whose leaders may have leftist leanings or buy guns from the Soviet Union.

We understand that Reagan has a deep-seated, personal obsession with Communists, which dates back to his days in the Screen Actors Guild in Hollywood. But whatever happened to Reagan the actor 40 years ago is no reason for him to try to carry out a private vendetta against any sovereign country that decides to fly a Communist flag.

We can't help but think of the People's Republic of China when we hear Reagan talk about the great Communist menace. For 20 years, we refused to acknowledge that this country of nearly a billion people existed. But now that we have pulled our heads out of the sand, we have come to understand that the Chinese are not monsters who are going to overrun our country, make us all wear the gray jackets and caps favored by Chairman Mao and eat our children.

We have learned that we can carry on trade and conduct cultural, scientific and educational exchanges to the benefit of both countries. If a billion Communsit Chinese are not a threat to our national security and the "entire New World," how can three million Nicaraguans be such a menace?

If Reagan had any real concern for the people of Nicaragua, he would use U.S. resources and influence to help bring economic stability to the country. If he wanted Nicaragua to join the family of democratic nations, he would try to ensure that the conditions were right there for democracy to flourish. Giving $70 million to the Contras to escalate their guerrilla war will not bring about those conditions.

As president of the country that likes to think of itself as the champion of freedom, Reagan should take the lead in trying to further understanding among people and nations, not wage a campaign to incite fear and loathing in the hearts of his fellow Americans.

NICARAGUA DIALOGUE

When you have a man like Pat Buchanan on your staff and your staff is based in the White House, it's difficult to keep dialogue at a high level. Presumably Buchanan was hired because of his reputation as a master of invective.

Keeping Buchanan in mind, auditors have difficulty wasting too much sympathy for President Reagan when he complains about his adversaries engaging "in some of the most scurrilous attacks against me . . . the most dishonest use of distortions and outright falsehoods that I have heard in a legislative debate." All this in relation to House defeat of $100 million in aid to the Nicaraguan contras.

No one should blame the president for being upset by House rejection of the latest administration effort to bring the contras back into active resistance to the Sandinistas. It was a key vote and the result was the kind of outright defeat that Reagan is not accustomed to, but there are reasons why he may have feigned at least some of the anger that he expressed in decrying opposition tactics.

After all, the expectation is that in the end the president will get most, if not all, of what he wants from Congress in keeping the war going in Nicaragua through the use of the same legislation via the Senate. Administration prestige is at stake and that means to a great extent the prestige of the nation, as far as the commander-in-chief is concerned.

President Lyndon Johnson, it will be remembered, as a matter of personal pride had no intention of presiding over a defeat in Vietnam. The war in Nicaragua hasn't reached a comparable stage, but some of the same considerations are involved. And Reagan's state of mind may be much like that of Johnson. Vermont's venerable Sen. George D. Aiken, if memory serves, became persona non grata at the White House after suggesting it was time for the United States to turn the conduct of the war over to the South Vietnamese and withdraw. That was a thoroughly scurrilous proposal if there ever was one, from Johnson's viewpoint.

It has been pointed out that the contras have had good support from Honduras and El Salvador but that other Central American countries, though concerned about what is happening in Nicaragua, are not anxious to make any public declarations of sympathy for the contra insurrection. For one thing they aren't that certain about future American policy.

They would prefer to stay neutral to the Sandinistas while enjoying American good will, something that may become increasingly difficult if the war intensifies. Even the Soviet Union may not be all that enthusiastic about what's going on in Nicaragua either. The Soviets have enough to do helping Cuba and Castro stay afloat.

This is not a case of the neighbors saying let you and him fight. They'd rather not have any fight at all, hoping the Communist threat would simply go away from their borders and that the Nicaragua situation would simply simmer down without a major conflagration. They and the USA should be so lucky.

NICARAGUA POLICY IS UNWARRANTED

However the Reagan administration may believe it is serving the national interest by continuing to support the Nicaraguan contras, guerrillas who are seeking to overthrow the Sandinista regime, the fact is that the policy represents and unwarranted intrusion in the international affairs of another nation.

There is growing alarm in Latin America, Europe and Japan over the nature of U.S. intervention in Nicaragua and other Central American countries. During a meeting last week, foreign ministers of eight Latin American countries appealed to Secretary of State George P. Shultz to halt U.S. aid to the contras and work instead toward a negotiated settlement of differences in Central America. They urged that the United States resume direct talks with the Nicaraguan government. Washington broke off the talks last year.

The peace initiative, known as the Caraballeda Message, was worked out last month during a meeting of the Latin American foreign ministers in Caraballeda, Venuzuela. It calls for removal of all foreign military advisers from Central America, suspension of foreign military maneuvers, a halt to support of guerrilla armies and respect for the self-determination and territorial sovereignty of each country.

Under the plan, there would be a freeze in the region's military buildup, foreign military bases would be removed and political pluralism and human rights would be respected.

President Reagan is expected to ask Congress late this month or early in March for up to $100 million in military and non-military aid for the contras even though 31 House Democrats have asked him to postpone the request until after a March meeting of Central American heads of state. They will be seeking to revive the stalled peace talks. But it appears unlikely that Reagan will heed the call.

What should be clear to the public, however, is that U.S. intervention in the affairs of any country is a clear violation of the principle of self-determination. Meddling by Washington in Central America can only create resentment among those leaders who consider themselves friends of the United States. And it could easily lead to further difficulties for this country in Latin America.

Giving military aid to the contras is nothing more than a naked attempt to undermine a government in Managua which appears to have support of the Nicaraguan people. While it is true that the Sandinistas have used repressive tactics in dealing with dissenters, it is equally apparent that pressure from the contras may have created the situation.

U.S. diplomats should be willing to sit down and discuss their differences with the Sandinistas as part of an effort to cool tensions in Central America. Such a step might well be the beginning of a process which could bring peace to the region.

Until that is done, Congress should resist administration requests for more money for the contras.

A FATAL FALLACY

A fatal fallacy underpins the Reagan administration's efforts to use force as leverage against the government of Nicaragua. We have apparently not learned that force used against a highly motivated, nationalistic people does not work.

In Vietnam, we thought it would. Lest we forget, we ought to remind ourselves of the maddening cycle of violence that had trapped us back then. We would bomb them back to the bargaining table. We would force them to recognize our superior firepower. We would make them fear us.

In the end, we struck a deal, forced to the bargaining table by our failure to defeat a people who would not be defeated.

Our policymakers defend their reliance on force today in the same way. It is necessary leverage, they say. We must make them hurt in order to make them talk.

But the Sandinistas have already demonstrated a willingness to talk; it is the U.S. that has spurned negotiations. We don't want to negotiate because we do not want to compromise. To compromise would allow the Sandinistas to remain in power. And Reagan is determined he will not allow that to happen.

Mr. WALLOP. Mr. President, reflecting on the events of the past week has given me great cause for concern. I recognize what the distinguished majority leader said this morning in his opening remarks, that over the last year we have come a long way in forging a bipartisan policy in Central America. Today, no one doubts that the Sandinistas are an unsavory, immoral regime that neither has nor deserves the support of its people. No one doubts that the Sandinistas understand themselves as Marxist-Leninists, committed to carrying the banner of the Soviet Union, exporting revolution and tyranny to their neighbors, and enslaving their own people. No one doubts that the existence of such a Marxist-Leninist regime in the Western Hemisphere is a supreme threat to the national security of the United States.

Yet I would argue that in the past week, despite all the progress that I acknowledge has been made, we have moved away from a sane Central American policy, a policy that will command the support of the American people.

These events began with the hint of compromise that emerged from the White House before the House vote last week. Itself, a generally innocuous offer—which, by the way, won them no votes in the House and in my view lost them at least half a dozen—has opened a floodgate of amendments, modifications, and proposals which have the effect of watering down or indeed, negating the true purpose behind the President's request for $100 million in aid to the freedom fighters in Nicaragua. That purpose is to force the illegitimate Sandinista regime in Nicaragua to live up to their commitments to the Organization of American States, to the people of Nicaragua who fought against the Somoza regime along side the Sandinistas, and to the entire world. That is, to establish the basis for a civil society in Nicaragua. That little compromise, in short, changed the nature of our task from one of advancing policy to one of defending charges. No wonder the winds blew hard!

We have heard complaints that the American people are not four square behind our policy. Well, I believe that the amendments and modifications that have been proposed to date will foster increased hesitancy among our people. We are in fact giving the Senate's credibility to a national hesitancy. We who have the classified briefings, we who have the information about what the Sandinistas are up to in Central America, in our country and around the world. Last night I intended to insert in the record a quote from Winston Churchill who, in his fight to awaken the government of Great Britain to the threat of a rearming Germany, understood that it was at these times of national hesitancy that a nation's leaders earn their salt:

> No doubt it is not popular to say these things, but I am accustomed to abuse and I expect to have a great deal more of it before I have finished. Somebody has to state the truth. There ought to be a few members of the House of Commons who are in a sufficiently independent position to confront both ministers and electors with unpalatable truths. We do not wish our ancient freedom and the decent tolerant civilization we have preserved in this island to hang upon a rotten thread.

The rotten thread today is that, despite the fact that I am sure this measure will pass the Senate today and the House at a later time, it will be burdened with some 24 pages of self-doubt and ambivalence. That hesitation will

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allow many to go back to their constituencies and argue that we did the best thing: we supported the President but we also supported the cause of peace through negotiation by hamstringing the Contras from doing what they will have been given the aid to do in the first place, by making them stand up to impossible requirements of behavior in a country in the grips of a totalitarian regime, requirements which we did not and no one would have dared to impose on the Sandinistas in their original revolution in 1979. This is the rotten thread.

The hesitancy we are about to incorporate into this resolution will begat hesitancy among the general public. We have moved, therefore, in the last week from asserting the merits of a positive policy to deal with the growing threat in Central America, a policy that is the just and proper thing to do, to defending before a minority view in this Senate each and every thing we are asking to do. The logic of this position is that we do not trust the Contras, that we are unsure of the course that we are taking, that we are ambivalent about our responsibility to foster and support freedom and democracy in this hemisphere. If this is the truth, and I do not for one moment believe that this view is shared by a majority of this house, then we ought not support this measure.

But as regards the Communists, the Marxist-Leninists Sandinistas in Nicaragua, I can only conclude from these proceedings that the lessons of history have gone unlearned, and the textbooks unopened. We hear that it is the United States that is pursuing an aggressive policy in Central America. We hear that it is the United States that is pushing the Sandinistas into the hands of the Soviet Union and their Cuban lapdogs. We hear that it is the United States, through military aid to the Contras, that is causing the increasing militarization of Nicaraguan society.

We have even heard today the outrageous claim that the Sandinista attack on Honduras, in which Cuban troops fought side by side with Sandinista special forces, is after all no different that the movement of U.S. forces into Cambodia during the Viet Nam War to stop the flow of supplies from the north to the Viet Cong in the south! This view is so naive that it would be laughable, if it were not so dangerous. It plays directly into the plans of our enemies. It places the United States and the West, and the Soviet Union and its clients around the globe, on the same moral plane. I do not believe for 1 minute that this is the consensus of the Senate, but this not so trifling idiocy is now in the RECORD.

The Congress is responsible in many respects for the failure of this policy:

Critics charge that if the threat is so great, why are you only asking for $100 million? I agree with this criticism, but the White House believed, because of the totally irresolute views of both Houses on this issue in the past, that $100 million is all that we would give them. I would support an amendment from either of the distinguished Senators from Massachusetts to double, treble, or even quadruple the President's request. I would gladly cosponser such an amendment, but you and I know that the dollars are not their issue, but their excuse.

Critics charge that the rest of Central America does not support our policy. But then who would trust the United States if its support continues to be so ambivalent. How can these governments openly support our policies if they know that in so doing, and after the U.S. Congress withdraws its support, that they will be the first to go to the wall when the Sandinistas are victorious in their country?

Critics charge that the real choice here is between war and peace, between a negotiated outcome or a military outcome. How can the public possibly stand behind a sane, prudent Central American policy if the level of debate on this floor is so low, so simplistic. There is not now, and there never has been, a clear distinction between a military option or a negotiating option. What leverage will we have over the Sandinistas if we cannot confront them with an alternative more distasteful than continuing their totalitarian development in Nicaragua and actively promoting totalitarian revolution throughout Central America? Wasn't it Frederick the Great who once commented: "Diplomacy without military power, is like music without instruments."

Critics charge that the Contra aid will only perpetuate the war going on inside Central America. They ignore that there was already a war going on in Nicaragua before the issue of Contra aid. It is a war that is depreving the Nicaraguan people of all the liberties and freedoms that we hold dear. It is a war whose objective is to destroy the human spirit of the Nicaraguan people. In another sense, of course, these critics are right.

It is the defender who always chooses war, not the aggressor. The aggressor would always rather reap the fruits of war without having to fight. We could have ended the war in Europe in 1941 or 1942 by not supporting the British and the Soviet Union in their hour of need. I am sure that Adolph Hitler would have been happy to end his war, at least temporarily after the capitulation of Great Britain and the Soviet Union to the armies of the Wehrmacht. Whether such a policy would have been moral, would have improved the lot of Europeans who had to survive another 4 years of war, or even whether it would have ended the bloodshed, I leave to the judgment of my colleagues. Not supporting the Contras will not end the bloodshed. It will not end the misery. It will not provide freedom to the people of Nicaragua. It will not do these things because the Contras are not the problem in Nicaragua, they are part of the solution. It is the Sandinista regime, Mr. President, that is the problem. Tyranny is their misery, not war.

The choice that is now before this Senate, and the choice I must face, is between voting for no aid to the Contras and voting for an aid package that has been so weakened by compromise that it is practically inarticulate and will not inspire the confidence of the American people. Perhaps that former option is the better, but that would be no help to the Contras at all. I intend to vote for this resolution because it does at least provide some small measure of assistance to the freedom fighters in Nicaragua. But let one thing be clear. This policy is no longer simply the policy of the President. It is now a policy that has been fashioned to a great degree by this body.

Therefore, I will regard, as I believe history will regard, any failure in this policy as being the joint responsibility of the Congress and the administration.

Mr. BOSCHWITZ. Mr. President, I believe our Central American policy has been a success. Some of my colleagues may disagree, but think for a moment. Five years ago, things were just terrible down there. Hundreds of people were dying each month at the hands of death squads. There was no democracy in El Salvador, Guatemala, or Honduras. Costa Rica was the only democracy in the region and she had had democratic institutions for a century.

What's the situation today? All those countries are democracies, albeit fragile ones. They have made tremendous progress. Oppressive military dictatorships have been replaced with elected officials. And to achieve this I believe our policies and the way we leveraged our aid helped immeasurably.

It's hard to deny the success of our Central American policy, and yet the same people who were objecting to our helping El Salvador and those other countries are now objecting to our aiding the Contras. I believe our policy in Central America has been right on target and I'm willing to continue on with it.

The controversy over providing aid to Contras fighting the Sandinista regime in Nicaragua has been swirling around Capitol Hill for a long time now. The Sandinista regime has perverted its revolution by turning its back on democracy, forcing all non-Marxist elements out of the government while clamping down on freedom of the press and freedom of religion.

Nicaragua has served as a haven for subversion against its neighbors and has aligned itself with Cuba and the Soviet Union.

Almost everyone now concedes that the Sandinista regime has betrayed the people of Nicaragua. Even the Washington Post has recognized that fact in recent editorials. So, at least we have arrived at a common diagnosis if not a common prescription. I will support assistance to the Contras—not because I am totally satisfied with their past actions—but because I believe it is a useful stick to prod the Sandinistas to negotiate. I am also persuaded that the Contra leadership is now sensitive to our concern for democracy in Nicaragua.

Perhaps the best way to determine our policy in Nicaragua is to review the historical facts. After the revolution of 1977–78, the Carter administration attempted to normalize relations with the new regime and offered generous amounts of assistance. In fact, we gave the new Sandinista government $112 million in aid, more than we had given the Somoza regime in the preceding 30 years. The Sandinistas, however, chose to spurn our help and desire for peace.

The Reagan administration also attempted to establish a working relationship with the Sandinistas during most of 1981. Again, the Revolutionary Directorate was not receptive. Instead, they began to build up military capabilities, to forge closer ties to Cuba and the U.S.S.R., and to allow Nicaragua to become the headquarters for the guerrillas fighting against the Government of El Salvador.

Only as a result of these actions did the United States begin to channel assistance to opposition elements—as a means of blunting Sandinista subversion of its neighbors, impeding consolidation of the regime, and providing an incentive for serious negotiations.

While I'm not one who is inclined to find a Russian under every rock around the world, I am concerned about the continuing presence of Soviet and Cuban advisers, or technicians in Nicaragua. I am also very concerned because of the external threat Nicaragua poses to the developing democracies of Central America. These small countries have been particularly vulnerable to the Nicaraguan-sponsored subversion. Many of us here in Congress—from both sides of the aisle—are gowing increasingly concerned about this continuing activity. Even those who have been very critical of the administration's policies in Central America and Nicaragua's neighbors are upset.

In effect, Nicaragua serves as a center of a subversive network that includes Cuba and various South American guerrilla groups. The Communist regimes of Eastern Europe and Vietnam, the radical regimes of Libya and Ethiopia, and the PLO all provide support. It appears that the Sandinista National Directorate closely monitors the activities of representatives of terrorist and guerrilla groups that maintain at least 30 offices in and around Managua. Costa Rican officials have determined that Nicaraguan diplomats were directly involved with terrorist bombings in their country. As if this weren't enough, Latin American terrorists and guerrillas receive military training at camps in Cuba and Nicaragua.

In protest of Nicaragua's actions, President Reagan imposed a trade embargo and other economic sanctions against that government on May 1, 1985. Administration officials acknowledged that the action was largely symbolic, because Nicaragua's trade with the United States had dropped sharply and because other nations may make up for whatever trade is lost. However, the sanctions filled what many in Congress saw as an inconsistent gap in the Reagan administration's policy toward Nicaragua.

Quite frankly, I opposed these economic sanctions—and voiced my opposition to the Senate Republican Caucus and to Vice President BUSH—because they are often self-defeating. We in Minnesota have some experience with economic boycotts and embargoes, the most devastating being the grain embargo against the Soviet Union in 1980. Embargoes have not been effective in the past and I'm not too sure they will, by themselves, bring about the desired change in this case either.

Nicaragua also continues to increase its own armed forces beyond any defensive need. This unprecedented buildup began long before there were any guerrillas threatening and Sandinistas. As a matter of fact, the Sandinistas began planning and developing their large military force in 1979 and 1980, when the United States was their single largest source of economic assistance. The United States gave them five times more than any other country.

As an indication of the dimensions of the Sandinista buildup, consider this: The Somozas maintained their control of the country with 11,000 to 12,000 troops. The Sandinistas now have 60,000 or more under arms in regular forces plus at least that number of reservists—an enormous number for a country that is about two-thirds the size and two-thirds the population of Minnesota, my home State. If the United States had an army and a reserve of proportional size, we would have 12 million people under arms, a number far larger than our forces in World War II.

Honduras and Costa Rica clearly feel threatened by Nicaragua's growing offensive capabilities. In fact, the Honduran Government has confirmed reports of a major Nicaraguan incursion that began last Saturday involving "well over 1,000 Nicaraguan troops" and penetrating about 12 miles into Honduras.

Last year, I supported nonmilitary assistance to the Nicaraguan freedom fighters because the anti-Sandinistas are Nicaraguans who have chosen to risk their lives rather than live under the increasingly dictatorial Sandinista regime. They became disillusioned with the broken promises. Indeed, many of the Contras were part of the coalition that overthrew Somoza; some were surely allied with Somoza but the overwhelming majority now are not. However, the Marxist-Leninist elements, with the preponderance of military power, forced these groups out. And until the Nicaraguan regime began to face armed internal opposition, it suffered no costs for its support of subversion and terrorism in the rest of Central America. Frankly, I believe it is this kind of pressure that will cause the Sandinistas to engage in meaningful negotiations; and, it's through meaningful negotiations that a solution to this conflict can be found.

I think it is important that we provide assistance, both to Nicaragua's neighbors and to anti-Sandinista forces. Such assistance is vital to achieving peace and democracy in the region. I hope my colleagues share my desire to preserve freedom in Central America and will vote for aid to Nicaragua's freedom fighters.

I continue to hope that our help will end the agony that Central Americans are enduring. The Sandinistas must be responsible to the concerns of the region as a whole and to their own people's desire for freedom and peace. That was what their revolution was all about.

Mr. President, I ask consent to place in the RECORD four editorials that reflect my sentiments quite well.

There being no objection, the editorials were ordered to be printed in the RECORD, as follows:

[From the New York Times, Jan. 13, 1986]

KEEPING PRESSURE ON THE SANDINISTAS

(By Elliott Abrams)

WASHINGTON.—The debate over what is to be done about the Communist regime in Nicaragua will resume when Congress returns on Jan. 21. This year, however, the argument is not over who the Sandinistas are; it is over what can be done to stop their continuing repression and subversion.

There is, by now, no question that the Sandinista regime is repressive and undemocratic, and that it is subverting neighboring democratic Governments. The evidence has been mounting for years. Recent events reveal tightening Sandinista repression of the press, the internal opposition and the church, as well as continuing Sandinista efforts to overthrow President José Napoleón Duarte in El Salvador. There is now also concrete evidence that the Sandinistas support terrorism in South America—that they

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provided some of the weapons used last month to attack Colombia's Supreme Court. Finally, it has become clear that Cuban combat troops, including pilots, play an increasingly important role in Sandinista efforts to crush the democratic resistance.

That much is clear. But what can be done about it? The Administration is convinced that the Sandinistas are dedicated Communists who will never willingly permit a free press or competitive elections and never willingly stop trying to "liberate the masses" in neighboring countries. For us, this means that only pressure will lead them to change their behavior—and we are applying strong pressure, directly and indirectly, searching for an agreement that could open the way to democracy. That is the only realistic way to achieve peace in the region.

Critics of the Administration's policy propose that we abandon our efforts to promote genuine democratic change. Instead, they suggest that we seek agreements in which Sandinistas promise only that they will stop subverting their neighbors.

Such a policy is chimerical and inherently flawed. First, it ignores recent history. Since the Sandinista takeover in 1979, President Jimmy Carter and then President Reagan attempted repeatedly to persuade the Sandinistas, through diplomatic means, to end their subversive activities. We were rebuffed every time. The Sandinistas believe that it is their right, their historic duty and in their strategic interest to spread their revolution beyond their borders.

Second, this approach ignores our moral responsibility to the people of Nicaragua, who fought so hard to win their freedom, only to see their revolution betrayed by a small band of Marxist-Leninists. At the very moment when democracy is prevailing elsewhere in Latin America with our support, can we be indifferent to the Nicaraguans' aspirations?

Finally, such an approach ignores compelling pragmatic reasons for seeking democracy in Nicaragua. Let us face facts. Agreements alone will not guarantee an end to clandestine Sandinista support for terrorism and subversion throughout Latin America. Whatever agreements may be negotiated, there can be no sealed borders between Nicaragua and its neighbors. Ultimately, only the people of Nicaragua can verify that agreements will be respected.

Only if the people of Nicaragua can express themselves freely and choose their own government through fair and open elections will they be able to protect their own rights and those of their neighbors. Only Nicaraguans can be the sentinels of their own liberty. The 21 objectives drawn up by the Contadora countries—Mexico, Venezuela, Panama and Colombia—clearly reflect this view in their insistence on democracy.

The Sandinistas' contempt for international law has been clear for some time. They have broken their promises to the Organization of American States to bring democracy and peace to Nicaragua. They have reneged on their commitments to the Contadora nations. They have solemnly sworn before the International Court of Justice that they have never supported the Salvadoran guerrillas, though for years they have provided weapons, training and support, and continue to do so to this very day.

In Nicaragua, our moral goals and our security interests are identical: Democracy in Nicaragua will reinforce democracy throughout Central America, while a totalitarian regime in Nicaragua threatens those fragile democracies. Thus, the only sensible policy is to continue and increase the pressure on the Sandinistas to accede to the wishes of the Nicraguan people—for democracy, for freedom and for peace.

World's Leftists Find a Haven in Nicaragua

(By Juan O. Tamayo)

MANAGUA, NICARAGUA.—Scores of left-wing militants from around the world—some of them wanted on terrorism charges in their home countries—have settled in revolutionary Nicaragua since the Sandinista triumph of 1979.

Some are treated by the Nicaraguan government as virtual diplomats, representing their organizations. Others are fugitive militants, granted jobs, identification papers and safe haven.

An overwhelming majority are simple political exiles or leftist sympathizers come to express solidarity with the Sandinista revoltuion and mingle with ideological brethren in a friendly environment.

Several Sandinista officials acknowledge, however, that a significant minority, mostly Latin Americans, are active guerrillas, plotting the overthrow of home governments. They hold strategy meetings and, sometimes, undergo military training here and in Cuba, the officials say.

The Reagan administration has used the presence of so many people with ties to left-wing groups as proof that Nicaragua has become a nest of international terrorism. U.S. officials say they will focus on these links in asking Congress to resume U.S. assistance to anti-Sandinista rebels. Anti-Sandinista leader Alfonso Robelo calls Nicaragua "the center of terrorism in Latin America today."

But several knowledgeable sources interviewed in Managua, elsewhere in Central America and in the United States argue that Nicaragua is less a terrorists' training ground than a tropical sand-and-surf watering hole for the international revolutionary set.

One leftist intellectual close to both exile circles and the Sandinista leadership called Nicaragua "a winter barracks for over-repressed guerrillas." Training of foreign terrorists, he said, "is not government policy."

Whether they are guerrillas-at-ease or terrorists-in-waiting, it is clear that Nicaragua is attracting them by the droves.

On almost any day, Argentine and Uruguayan guerrillas gather at the Yerba Buena, a beatnik-style coffee shop-bookstore in the heart of Managua. Salvadoran rebels can often be found dining at the Los Gauchos restaurant. Italians and Germans gather for small house parties.

Some are indeed fugitives: Italians from the Red Brigades and Unita Combatente Comunisti; West Germans linked to the Bader-Meinhof Gang; members of Spain's Basque ETA separatist guerrillas; leaders of Honduras' Cinchonero guerrillas; militants from Peru's Shining Path; Montoneros from Argentina; Tupamaros from Uruguay; and a hodgepodge of Salvadorans, Costa Ricans, Colombians, Chileans, Guatemalans, Paraguayans and Bolivians.

On Feb. 8, the Italian government handed the Sandinistas a list of 22 left-wing Italian extremists believed to be living in Nicaragua, some already sentenced in absentia to 22 years in prison, some wanted on arrest warrants, others described only as "subversives."

CLEAN CONSCIENCE

The Nicaraguan Foreign Ministry has denied any knowledge of the 22 Italians. Sandinista officials also say their "conscience is clean" regarding the Reagan administration allegations they consider most damaging to their image: Reputed links to Libyan strongman Moammar Khadafy. Iranian Moslem extremists and Colombian drug traffickers.

However, one ranking Sandinista official acknowledged that "we can't deny everything. . . . It is perfectly possible that on special occassions there would be [training] courses scheduled." The official, like almost every other knowledgeable source contacted, agreed to talk about the sensitive issue on promise of anonymity.

Some Nicaraguan officials, though not many, say they regard the aid to leftists as retaliation for U.S. support for anti-Sandinista guerrillas. And they say the European leftists are fighting NATO, "the symbol of American imperialism in Europe."

Conversations with a variety of sources indicate that the Sandinistas draw a careful distinction between guerrilla movements that have armies in the field and terrorist organizations that specialize in bombings, kidnappings and assassinations. Guerrillas, especially those from El Salvador and other Central American countries, can get training and guns. The others, mostly from Europe, are kept at arm's length.

HELP WAS DENIED

But on occasion the Sandinistas have even denied help to Latin American guerrillas. Leaders of Colombia's April 19 Movement have told friends they were denied permission to use Nicaragua as a staging base for their 1981 incursion into Colombia's Caqueta province. A Peruvian writer known to be close to Shining Path guerrillas was expelled from Nicaragua last year. And Salvadoran rebels said that the Sandinistas almost refused them permission to use the Managua airport as a stopover last month for 10 crippled guerrillas traveling from Costa Rica to Europe for medical treatment.

Despite these occasional rejections, Nicaraguan government officials said, the Sandinistas have built an extensive, intricate and highly discreet system for maintaining and cultivating contacts with the foreign leftists and funneling different kinds of assistance to them.

Many Sandinista officials acknowledge that in a sense they are repaying past favors. The Palestine Liberation Organization trained at least 150 Sandinistas in Lebanon during the 1960s and 1970s, said a former Israeli intelligence agent who used to live in Nicaragua. And Argentina's Montonero guerrillas sent 20 to 30 foot soldiers to fight in the revolution, said Eden Pastora, a one-time Sandinista turned opposition guerrilla leader, in a Miami interview.

CUBA RELATIONSHIP

The Sandinistas' relationship with Cuba dates back to 1961, when Interior Minister and Comandante Tomas Borge underwent guerrilla training there. Hundreds of Sandinista rebels eventually trained in Cuba. And in 1979, Havana sent several planeloads of guns and ammunition for the final offensive against President Anastasio Somoza.

Controlling today's aid system in Nicaragua is the Sandinista Front's Directorate for International Relations, supervised by Bayardo Arce, like Borge one of the nine *comandantes* who have ruled Nicaragua since 1979. Arce is regarded as one of the most

radical of the nine, which also include Nicaraguan President Daniel Ortega.

The directorate, all of the sources agreed, manages the Sandinista party's "fraternal" relations with everybody from official ruling parties, to loyal oppositions, to broad front coalitions, leftist alliances, guerrilla groups and bands of terrorists.

"This includes groups battered by repression because of their active opposition to their governments," said one Nicaraguan official. "Many of these are underground groups."

And many of them are still virtually underground in Nicaragua, under Sandinista orders to stay out of public view. Long-time Sandinistas said this is the same wink-and-a-nod arrangement the Cubans imposed on them when they lived in exile in Havana in the 1960s and 1970s.

The sources said at least 30 of the clandestine groups have *delegados* in Managua who are officially recognized by the directorate. A *delegado* has three duties: maintain official contacts with the Sandinista Front; organize his group's meetings, publications and other political work; establish links with other foreign groups and potential sponsors.

PLO EMBASSY

The Palestine Liberation Organization has an embassy and diplomatic staff in Managua. Colombia's April 19 Movement has a political office. The Salvadoran guerrillas have three news and propaganda offices, as well as a clandestine radio transmitter.

Once a *delegado* has established himself, his key job is to find work for down-and-out compatriots living in Nicaragua, Sandinista officials said. The directorate will not help here, but allows the *delegado* to exploit his personal contacts within the government.

One Latin American exile living in Managua said that Montoneros in 1980 offered to use some of their savings, amassed in dozens of ransom kidnappings, to build a Managua factory that would employ some of their guerilla countrymen. There is no indication whether the project was carried out.

Several of the *delegodos* have taken advantage of the Sandinistas' hospitality to summon followers abroad to strategy-setting sessions in Managua. Peru's Shining Path held a "spiritual retreat" last year to study Von Clausewitz's book *On War* and "the theory of betrayal" according to Shakespeare's Macbeth, said one person who attended.

Sandinista officials usually stay away from such revolutionary seminars, sources said, although they almost certainly know about them. "They are notoriously careful about who they let into the country, so it must be with their knowledge," one official said.

A former official of the Nicaraguan Interior Ministry who now lives in Costa Rica said the directorate also occasionally helps fugitive guerrillas and terrorists by arranging financial aid through labor unions and other Sandinista-run orgainizations. It also can provide safe houses, false passports, Nicaraguan identification cards and false license plates, he said.

The Interior Ministry's General Directorate for State Security and the Sandinista army, the source added, both have officers specially assigned to help any foreign leftist that gets into trouble—a car accident or a drunken brawl.

For the first four years of the revolution, the sources said, the Sandinistas provided a steady flow of aid and assistance to their leftist friends, especially the Salvadorans.

RIPE FOR REVOLUTION

"The Sandinistas triumph brought a certain revolutionary euphoria," said one Sandinista official with close ties to the exiles. "We thought all Latin America was ripe for revolution, so there was a lot of assistance going out. Those people could count on support.

But by mid-1983, the official said, and especially after the U.S. Invasion of Grenada in October of that year, the Sandinistas "began to realize that the tide of Latin American history was moving against us."

On Nov. 20, 1983, the Sandinistas gave the Salvadoran guerrillas two days to transfer some of the people out of Nicaragua and close down some safe houses. They moved some of their logistics operations, including a radio station, to more discreet locations on the outskirts of Managua, Salvadoran rebel officials said.

A year later, however, the Sandinistas moved in still another direction after noting that controversial U.S. policies—the Grenada Invasion and deployment of U.S. cruise missiles in Europe—had gone forward without effective International opposition.

Seeing themselves as the next target for U.S. aggression, Nicaraguan officials said, the Sandinistas sought closer links with the radical European left, the failed antimissile movement, other Latin American leftists and even U.S. liberals.

Visitors from the United States, Europe and Latin America now return home, said one official, "sensitized to the Central America problem, and if they'se spent any time at all here they have passionate sentimental links to Nicaragua."

Some of the visitors leave with more than passions. According to several of the sources, there is a second level of Sandinista assistance to Latin American leftist volunteers—one that includes military training.

Cuba's top military representative in Nicaragua, Gen. Arnaldo Ochoa, runs this program through two parallel chains of command, according to the former Interior Ministry official and two present Sandinista government officials.

CUBAN FORCE

One, the "Cuban Force," is made up entirely of Cuban officers. The other, the "International Force," has only Latin American exiles, many of them Argentines, Chileans and Uruguayans, who live in Cuba military. All foreign military advisers are issued Nicaraguan identification cares, the defector added.

Sources with access to the People's Sandinista Army's payroll records said about 700 Cuban military advisers and 555 International Force officers were in Nicaragua in 1980. The number tripled the following year, they added.

The pick of the Latin American volunteers go to Cuba for instruction. In special camps in the western province of Pinar del Rio and an installation near Guanabo, close to Havana, known as "Base))," the defector said. In 1983, he said, he saw Cuban military officers at the Managua airport escorting 10–12 Costa Rican volunteers aboard a plan for a flight to Havana.

Second-level prospects, the sources said, are trained in Nicaragua, either in groups from the same country or as individuals integrated into regula Sandinista army units. Several Honduran guerrillas captured in 1983 and 1984 described 2½ years of training in Cuba and Nicaragua, followed by several months of fighting with the Nicaraguan army against anti-Sandinista rebels.

Still, most foreign leftists living in Nicaragua did not come to hone military skills or hide out.

The majority are political exiles who fled right-wing governments, or they are millitant leftists who moved to Nicaragua because of what one South American intellectual called a "moral imperative" to support the Sandinista revolution.

Many of the exiles, usually professionals and technicans who would have difficulties working in more developed countries, also came to Nicaragua because they can find jobs here, replacing a managerial class rapidly fleeing Sandinista rule.

And Nicaragua is a safe haven, a place where enemies cannot easily watch them, where they can gather in groups and perhaps persuade the government to grant them the kind of international solidarity that the Sandinistas enjoyed during their long struggle against Somoza.

"The Sandinistas received a lot of help when they were guerrillas," said a one-time high-ranking Sandinista security official now living in Costa Rica. "Now the others are collecting the debt."

[From the Miami (FL) Herald, Mar. 3, 1985]

Sandinistas Attract a Who's Who of Terrorists

(By Juan O. Tamayo)

MANAGUA, NICARAGUA.—He is a 5-foot-11, gray-eyed surgeon, treating children in a Managua slum. She is a petite journalist, writing for a Paris Magazine. Both are fugitives, wanted in their native Italy for leading left-wing guerrilla gangs.

Two West Germans linked to the Baader-Meinhof Gang are now officers in the People's Sandinista Army. One is in charge of a counterintelligence unit. The other commands an artillery battalion.

And an Argentine Montonero guerrilla, widow of the Argentine rebel who led the commando team that assassinated former Nicaraguan President Anastasio Somoza in Paraguay, is dating a ranking Nicaraguan official trained as a guerrilla by the PLO in Lebanon in the early 1970s.

These are but a few of the left-wing extremists from Europe and Latin America who came to Managua after the 1979 Sandinista revolution, seeking safe haven and a chance to prove their solidarity with the Nicaraguan government.

It is the same kind of revolutionary "networking"—leftist militants call it "internationalism"—that benefitted the Sandinistas during their long guerrilla struggle to topple Somoza.

In the late 1960s, the Sandinistas signed a pact with the Palestine Liberation Organization to train Nicaraguan guerrillas in Lebanon. Somoza was a steadfast supporter of Israel, and Nicaragua was one of the first nations to recognize the Israeli state in 1948.

A former Israeli intelligence agent once based in Nicaragua said at least 150 Sandinistas were trained in the 1970s in Lebanon camps run by the Popular Front for the Liberation of Palestine, the PLO faction most committed to terrorism in Europe and the Middle East.

Veteran Sandinistas say that it was at the PFLP camps that the Nicaraguans first met European leftists—Germans from the Baader-Meinhof Gang and its spin-offs; Italians from the Red Brigades and other radical groups—and began establishing the close personal relationships that persist today.

"The European leftists believe that the Ho Chi Minh Trail and the Quebrada del Yuro run through their countries, too," said one Sandinista official, referring to a key guerrilla supply line in the Vietnam War and the Bolivian gully where famed guerrilla chief Ernesto "Che" Guevara was killed in 1967.

One PLO-trained Sandinista, Patricio Arguello, joined the PFLP's most notorious terrorist, Leila Khaled, in a botched attempt to hijack an Israeli jetliner from Amsterdam to New York on Sept. 6, 1970. Israeli security agents killed Arguello and captured Khaled, who was later exchanged for hostages seized by another group of PFLP hijackers. The Sandinistas have named a geothermal power plant after Arguello.

Another PLO-trained Nicaraguan was communications Minister Enrique Schmidt, killed in combat with anti-Sandinista guerrillas last November: Schmidt's widow, a West German citizen born in the Basque region of Spain, now works for the Sandinista Front's Department of Political Education. Health Ministry workers say she lectured them last year on the ideology of the Basque Homeland and Liberty guerrilla group, known as ETA, fighting for independence from Spain.

Yet another Sandinista trained in Lebanon is Deputy Interior Minister Rene Vivas. He is now dating an Agentine Montonero guerrilla, the widow of Julio Alfredo Irurzun, head of the Montonero team that assassinated Somoza in Paraguay in September 1980, in what the killers called a show of "revolutionary solidarity" with Nicaragua.

The PLO now has a fully accredited embassy in Managua, and the Sandinista front has "fraternal" relations with leftist groups from Italy, West Germany, Spain's Basque region, Argentina, Uruguay, Chile, Paraguay, Peru, Colombia, Libya, El Salvador, Honduras, Guatemala and Costa Rica.

The Italian government on Feb. 9 gave the Sandinistas a list of 22 Italian leftists believed to be living in Nicaragua—about half of them wanted fugitives, the rest described only as "extremists." The Foreign Ministry said it knew nothing about the Italians but would investigate.

Topping the list, obtained by The Herald, is Guglielmo Guglielmi, 39, a one-time Rome surgeon facing five arrest warrants for crimes between 1979 and 1983 ranging from kidnapping to illegal weapons possessions to "participation in armed gangs."

International terrorism records show that Guglielmi, now working at a government-run children's clinic in the Managua slum of Ciudad Sandino, was a top leader of the Unita Combattente Comunisti, a guerrilla band that spun off from the Red Brigades in the late 1970s. He was convicted in absentia last June of kidnapping and sentenced to 22 years in prison.

Aslo on the list is a 33-year-old Milan sociologist wanted on a warrant charging her with "organizing and leading armed gangs in Italy and abroad." An Italian woman with the same name as the fugitive is a journalist accredited in Managua as correspondent for a Paris-based magazine that specializes in Third World issues.

The fugitive is also described in the international records as a member of a group that helped Guglielmi and three other Italian fugitives move from Paris to Nicaragua after the Italian government accused France in 1983 of harboring more than 200 wanted Italian militants.

The woman journalist in Managua declined comment when two Italian journalists tried to interview her last month. "I am not who you think I am," she said. Her name is known but omitted here because of the absence of proof that the journalists and the fugitive are the same.

Roberto Sandalo, 27, a Red Brigades defector living in Kenya, told Italy's Oggi news magazine last month that five Brigadisti are now serving as officers in the Sandinista army. "That's a lie." Defense Minister Humberto Ortega said last week. "We do not require that type of support to defend our principles and our flags."

Sandinista government sources said two West Germans who have bragged of having been part of the Baader-Meinhof Gang are now serving in the army—one as a captain in an artillery unit stationed at the Montelimar base southwest of Managua and the other attached to a military counterintelligence unit.

A West German known only as "Fitz" has told friends there is a warrant for his arrest in Germany. "Fitz," described as an anarchist, fought in the Sandinista revolution and later worked as an administrator at the government-owned Julio Buitrago sugar mill.

Also living in Nicaragua is Peter Paul Zahl, a well-known West German writer with former links to Baader-Meinhof who spent four years in prison for the attempted murder of a policeman in Cologne, Germany. Friends said Zahl, who is not wanted for any other crimes, is in Bluefields setting up a theater group for the port's West Indian blacks.

Nicaraguan government officials said a handful of Basque ETA guerrillas also lived in Managua until 1983, when Spanish Prime Minister Felipe Gonzalez, a strong Sandinista sympathizer, protested to the Managua government. Several ETA members moved to neighboring Costa Rica and some went to Venezuela, the officials said.

Gregorio Jimenez, 32, an ETA militant wanted by the Spanish government on terrorism charges, was arrested in Costa Rica in September 1983 and charged with plotting to assassinate Eden Pastora, leader of an anti-Sandinista guerrilla group based in Costa Rica.

Costa Rican Justice Ministry officials say Jimenez, still awaiting trial, has confessed that a Managua-based group of ETA rebels planned Pastora's assassination, without authorization from the Sandinistas, but as a sign of "revolutionary solidarity."

Since the revolution triumphed, Nicaragua has also been visited for varying periods by a string of leftist militants from Europe and Latin America, many of them simple political exiles, some of them well-known guerrilla leaders.

Mario Firmenich, head of Argentina's Montoneros, traveled legally through Nicaragua—once staying several days in the home of Interior Minister Tomas Borge—as well as Mexico and Costa Rica before the Buenos Aires government put out a warrant for his arrest. He was detained in Brazil last year and extradited to Argentina.

Two Baader-Meinhof gang members visited Nicaragua in 1980 to express their support for the Sandinistas and explain the reasons for their own struggle. They sought out three foreign journalists living in Managua and granted them interviews, one of the reporters said.

And Lauro Azzolini, 41, a Red Brigades founder sentenced in absentia to 30 years in prison for the 1978 kidnap-assassination of Italian Prime Minister Aldo Moro, visited Nicaragua in early 1980 and tried to hold a news conference to explain Moro's slaying. Journalists invited to the conference said the Sandinistas blocked it.

Azzolini, alleged to have been the man who killed Moro with a close range blast from a Czechoslovak-made Skorpion machine pistol, was later captured in Italy and is in prison.

[From the Washington Post, Mar. 16, 1986]

THE NEUTRALITY ACT OF 1986

(By Charles Krauthammer)

The great "red" scare of 1986 is over. The president and Pat Buchanan have backed off the claim that those who want to end the contra resistance would ensure the success of communism in Nicaragua. The tone of the charge was uncomfortably accusatory. But that does not make the proposition any less true this week than last.

It seems to me an unexceptionable and rather undeniable fact: if the contras wither, as House Democrats devoutly wish, there will be an irreversible consolidation of Sandinista power in Nicaragua. Can anyone present a remotely plausible scenario in which the Sandinistas, unforced, either relinquish power or permit a free competiton for power—i.e., a democratic election?

That does not mean that those who are against contra aid want to see a communist Nicaragua. But the consequence of their position, however unintended, is certainly not unforeseen.

So it is dismissed. America's national interest, it is said, depends not on the form of a foreign government, but on its foreign policy. What we want is a Nicaragua that doesn't subvert its neighbors or permit the Soviets a military base. We don't care how it is ruled. Therefore the United States should work out a deal with the Sandinistas—a negotiated "Contadora" agreement under which the Sandinistas guarantee not to bother us or their neighbors, and we guarantee them control of Nicaragua by cutting off their opponents.

Now, what will prevent the Sandinistas from violating an agreement? In 1979 in return for hemispheric support, the Sandinistas pledged in writing to the Organization of American States to bring pluralism and democracy to Nicaragua. They got the support. They gave Nicaragua dictatorship.

Apart from their word as Leninist gentlemen, what is to prevent the Sandinistas from ultimately subverting, for example, Costa Rica? Or from bringing in Soviet MIGs and transports and submarines, quietly and gradually, exactly as Cuba has done for 25 years?

Bruce Babbitt, progressive, hard-headed, neoliberal Democrat, and an advocate of such a deal, has the answer. "The United States, with its overwhelming dominance of the hemisphere, has the power and the duty to enforce such an agreement," he writes in The New York Times.

American power. It seems, then, that the Marines will do the enforcing. So it is unanimous. Everyone agrees: cut off the Nicaraguans who want to fight the Sandinistas and the only cordon against Sandinista threats to regional and U.S. security will be American boys and American blood. Not very sanitaire. And this is advertised as a counsel of prudence.

The current contra debate has produced the clearest division of the house in memory. The Democrats want to deal with the Sandinistas and the president wants to get rid of them. What muddies the waters is the neither side is permitted to say what it really thinks.

Democrats have to pretend that they care about democracy in Nicaragua. And the administration must pretend it does not seek to overturn the Sandinistas. Democrats accuse the president of seeking a military solution, as if that would be undersirable. (It certainly did the trick for Castro in Cuba, for the United States in Grenada and for that matter, for the allies in World War II.) Even more absurd, the administration is forced to agree that victory is not its objective.

Instead, it has to cook up another preposterous mission on which to send Phil Habib. This one is designed to symbolize for House Democrats the administration's desire for a diplomatic solution. To be sure, House Democrats are easily impressed by airborne symbols. Last year, after all, a single flight to Moscow by Daniel Ortega convinced them that his agrarian reformer had pro-Soviet proclivities.

And now there is on-again, off-again talk of a compromise: the United States will starve the contras for a few more months, and the Sandinistas will thereby be induced to compromise and negotiate. This is the Nicaraguan version of that memorable Vietnam success, the "bombing pause." Only this time, the bombing—deadly fire from Afghan-tested Soviet M1-24 helicopter gunships—will continue. The pause will be in the supply of anti-aircraft defenses for those on the receiving end.

Compromise or not, if in the end the contras are cut off, the reason ultimately will be fear—fear of another Vietnam. It will not be the first time we have closed our eyes to a threat to escape an evil déjá vu. Opponents of contra aid see it as another Gulf of Tonkin Resolution. They might consider another analogy, the Neutrality Acts of the 1930s, by which Congress undertook to legislate American safety in a world of Nazism and Japanese militarism. After the passing of the Third Neutrality Act of 1937, the New York Herald Tribune wryly dubbed it "an act to preserve the United States from intervention in the war of 1917-1918."

Cutting off the contras will not repeal the Gulf of Tonkin Resolution. Nor will it bring us the blessings of neutrality. At least the isolationists of the '30s had an idea: hunkering down and hiding from the world in our own hemisphere. Where do we hide now?

[From the Wall Street Journal, Mar. 18, 1986]

CONTRA AID: THE STAKES

Even at this late date in the contra debate, the Reagan administration's official position is that the purpose of military aid is to bring pressure on the Sandinistas to negotiate and hold elections. The Democratic opponents argue that something must be done to check the spread of communism in Central America, but that the means should not be the military but diplomatic. This politesse on both sides obscures what is at stake in the contra vote.

There is not going to be a negotiated solution in Nicaragua; either it will have a Communist government or it will not. Who, after all, are the Sandinistas? They are a vanguard of Communists who appropriated the name of a local historical hero and captured an indigenous revolution in true Leninist form. They have driven Somoza's democratic opponents out of power and into exile, and are entrenching themselves with the full apparatus of a totalitarian state—a military machine, block committees, secret police with Cuban and East German advisers. They are armed by the Soviet Union, and support insurgencies against their neighbors. There is no example of such a government negotiating itself out of power.

What is at stake in Nicaragua is precisely whether the Communist revolution is, as Lenin claimed, historically irreversible. U.S. interests are involved precisely because we are engaged in a historic competition with a Communist empire, a competition over differing views of man, a competition between the democrats and the totalitarians. Since the defeat of Hitler's totalitarianism, we have recognized that in today's world we can no longer retreat into isolationism, that we have no choice but to resist the expansion of the Communist empire.

Over that long period, our record is by and large a credible one. Usually we have been able to help keep new lands from falling. But after the failure of our strategically questionable and irresolute commitment to Vietnam, the Communists went on the march in the world once more, clamping Southeast Asia under the yoke and expanding their influence in the Middle East, Africa and Central America.

More lately, we have been recovering the will and ability to resist. The turning point came before Ronald Reagan, with President Carter's outrage at the Soviet invasion of Afghanistan. The Reagan administration has been able to carry through the Carter administration's planned missile deployment in Europe, hold off the insurgency in El Salvador, and even, in the tiny case of Grenada, hand the Communist empire its first outright reversal. The result has been that, in places like Argentina and the Philippines, democracy is gaining in the world today.

Our strategic dilemma has been that the Communist reversals have been temporary and their advances have been permanent. We have not been able to help the Hungarians, Czechs or Poles when they rebelled against enslavement. We can do little for the boat people in Southeast Asia. We could do nothing at all for the Cambodians beset by the Khmer Rouge. In Afghanistan we can only raise the cost of Communist conquest.

In Nicaragua we now face a test, an incipient Communist totalitarianism in our own backyard. This is not Afghanistan or Vietnam, half a world away. The totalitarian apparatus is not yet fully entrenched; important resistance still comes from the church and from the contras. An outright Communist success would have immediate repercussions, keeping Central America in turmoil, diverting the U.S. from Europe and Asia and making life much more difficult for fledging democracies. (As indeed, Castroite subversion did much to check the spread of democracy in Latin America that looked so hopeful in the 1960s.)

The choice in the contra vote is not between military and diplomatic means. The opposition Democrats can talk of negotiation, but only to hide the real choice: Cut our losses, chalk up one more nation for the Communists and promise to do better next time. The administration can talk of negotiation, but only to hide the real choice: Keep up military pressure in the ultimate hope of toppling the Nicaraguan Communists.

What the chances of this are we cannot pretend to know, but it is galling to hear congressional opponents rest their case on its alleged impossibility. The contras were making substantial progress in 1984, until Congress pulled the rug out from under them. By all accounts, the Communist government is increasingly unpopular; if the contras start to gain there may be a popular uprising or defections from its own ranks. At least Col. Enrique Bermudez, contra military commander, is willing to say: "We have been able to resist and keep the pressure on the Sandinistas with no aid. With $100 million I am sure we can defeat the Sandinistas fast." One does not have to share his optimism to admire his spirit.

This brings us to two points. Col. Bermudez was a commander under Somoza, and somehow more ink has been spilled on the character of the contras than the character of the Communists. President Reagan now tells us that many of the supposed contra atrocities have been committed by Communist *agents provocateurs*. In Salvador, more U.S. aid quite predictably brought with it a better human-rights record. The Philippines proves Jeane Kirkpatrick was right; if we retain influence we can help steer countries toward democracy. If Col. Bermudez and other contras served Somoza, Mr. Marcos was long served by Defense Minister Juan Ponce Enrile, who put an army behind Corazon Aquino's election. And of course, the contras also include opponents Somoza such as Adolfo Calero and former members of the revolutionary government such as Arturo Cruz and Alfonso Robelo. Perhaps not all of the contras are democrats, but all of the democrats are contras.

Finally, there is the matter of American troops. The opposition Democrats say two things: that giving the contras aid commits us to sending troops, and that if Nicaragua becomes a Soviet base we can always send American troops. This has been eloquently answered by the editors of The News Republic: "Nothing is more likely to force American military intervention than the consolidation of an aggressive, highly militarized, pro-Soviet regime in the area.

The contras want to do their own fighting. Cut them off, and the only body in the hemisphere able to restrain the Sandinistas will be the U.S. army. Of course. American military involvement can never be ruled out. But destroying the only indigenous armed opposition to the Nicaraguans hardly seems the way to prevent it."

The endorsement of contra aid by The New Republic was echoed in a broadside ad signed by, among others, such Carter administration national security officials as Zbigniew Brzezinski, David Aaron and Richard Holbrooke, "The Sandinistas have presented the Reagan Administration with a taunting challenge: either send U.S. military forces to save our democratic friends in Nicaragua, or yield to the consolidation of the first Marxist-Leninist state on the American mainland. We believe there is a better alternative: give Nicaragua's democratic resistance the support it needs to survive this totalitarian assault."

Contra aid is now backed by liberal magazines and Carter administration officials. It got the vote of the Democratic chairman of the House Foreign Affairs Committee, Dante Fascell. Democratic Chairman Les Aspin forced it through the House Armed Services Committee by voice vote. What remains to be seen is whether a blocking majority in the Democratic Party and the gerrymandered House of Representatives is still held by the remnants of the Vietnam protesters and critics of American imperialism. Outside of that group, we are approaching a consensus that whatever the odds on the contra aid succeeding in Nicara-

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gua, the historic stakes are high enough to be worth a lot more than $100 million.

Mr. LONG. Mr. President, I will ask to have printed in the Record several articles on Soviet and Cuban colonialism in Central America and the world in general.

Each of these articles is the work of Mr. Jim Guirard, a Washington, DC lobbyist, freelance writer and foreign policy consultant. Mr. Guirard, who is well-known to many Senators, earlier served as my administrative assistant from 1974 to early 1981. Before that, from 1968 to 1972, he served as administrative assistant to my late colleague Senator Allen Ellender.

I offer these articles for the Record because they explain so clearly why we must support what Mr. Guirard calls the New Revolution (not the counterrevolution) in Nicaragua. As an expert in the fields of propaganda and psychological warfare, he speaks in terms which few of us presently use in describing the geopolitical realities of what is happening in Central America and the world.

Mr. President, I think Senators will find in Mr. Guirard's articles many novel ideas as to how we should frame our arguments in support of civil-libertarian democracy in Central America. I end my remarks by quoting the last few lines of his most recent article, entitled "New Language for a New Revolution":

> Former Secretary of Defense James Schlesinger once observed that while most people favor good and oppose evil, they must be able to determine which is which. As he put it, "They need to know who the fellows are in the white hats and who the fellows are in the black hats."
>
> At present, most of the white-hat labels ("peace," "people," "progress," "liberation" etc.) have been co-opted by the so-called "Sandinistas," who are not at what their noble name implies—while most the black-hat labels ("Somocista," "fascist," "imperialist," "mercenary," "CIA-backed" etc.) have been struck on the so-called "counter-revolutionaries," who are not all all what their name implies, either.
>
> It is imperative that all parties, all causes and all ideologies in Nicaragua *finally become known by their proper names.* Only then will Congress be able to develop a clear perception as to who is who down there and why, in the name of human rights, the "New Revolution" must be actively supported.

I ask unanimous consent to have the articles printed in the Record.

There being no objection, the material was ordered to be printed in the Record, as follows:

[From the Washington Times, Oct. 13, 1982]

Marxists by any Other Name

Despite its increasingly repressive rule, the Sandinista junta in Nicaragua has been allowed by the American press to escape such well-deserved labels as "communist" and "Marxist-Leninist" and "dictatorship."

Instead, it is referred to as merely "leftist" (which implies liberalism) or "socialist" (which implies progressivism) or "Marxist-leaning" (which suggests that it is only slightly socialist). As a result, its true totalitarian character remains hidden from naive Western liberals and progressives—many of whom prefer it to the democratically-elected government in El Salvador.

If truth-in-labeling is the proper aspiration of an objective press, then the press—liberal and conservative alike—can guarantee the truth of its labeling by simply repeating what the Sandinistas *say about themselves* in some of their less-guarded moments. Consider these exerpts from a July 25, 1981 speech by Humberto Ortega, Minister of Defense and brother of Daniel Ortega, chief of the Junta:

"We are not going to give ourselves a false name. Our revolution has a profoundly anti-imperialist, profoundly revolutionary, profoundly class nature. We are anti-Yankee, against the bourgeoisie. . . . We guide ourselves by the scientific doctrine of revolution, by Marxism-Leninism.

". . . Without Sandinism we cannot be Marxist-Leninists, and Sandinism without Marxism-Leninism cannot be revolutionary . . ., [so] we are making the effort to transform our society in a revolutionary way, not a reformist way."

As the Sandinista dictatorship is proving once again, "liberation" movements liberate people mainly from all prospect of liberty. Why then should anyone favor these Nicaraguan clones of Castro with titles which suggest that they are anything other than communists and dictators—"successful fascists," as Susan Sontag might call them?—Jim Guirard Jr., Washington.

[From the Washington Times, Nov. 15, 1983]

The New Revolution in Nicaragua

(by Jim Guirard, Jr.)

Americans have long yearned to be on the "right side" of a truly popular revolution in Latin America—one in which the United States is not obligated, in the name of anti-communism, to prop up the repressive regime under attack. But now that there is just such a revolution in progress—the New Revolution in Nicaragua—the *New York Times-Washington Post* wing of the media is demanding that we oppose it and "finally accept" the old 1979 Sandinista Revolution instead.

The fatal flaw in this argument is that there is nothing left in the earlier revolution for an honest civil-libertarian to accept. It has devolved into nothing more than a grisly dictatorship of the Gestapo-left—a fact which is becoming so obvious as to begin causing doubts among even the most pro-Sandinista of journalists.

Between the lines, all but the very most pseudo-liberal of them seem increasingly haunted by an honorable impulse to hold their noses when trying to explain why it is "acceptable" to hold hands with such vicious illiberals—such fascists—as the Ortega brothers, Tomas Borge and Fidel Castro. But they still do recommend the old revolution over the new one.

Could it be that many of these journalists (like the House of Representatives, which has twice voted to prohibit U.S. aid to the New Revolution) fail to recognize:

The Sandinistas' total repudiation of the democratic goals which constituted their former legitimacy?

The Sandinistas' total subservience to the Cubans and the Soviets?

The pluralist, civil-libertarian sentiments of most of the New Revolution's political leaders—most of whom were leaders of the 1979 revolution as well?

Many lawmakers and journalists continue to hope naively that the Sandinista junta is merely "leftist," which falsely implies that it is liberal. Such people would do well to listen instead to what the Sandinistas say about themselves, to themselves, when they think Americans are not listening. Consider for example, the following excerpt from a July 21, 1981 speech to fellow Sandinistas by Humberto Ortega, minister of defense and brother of Daniel Ortega, chief of the junta:

"We are not going to give ourselves a false name. Our revolution has a profoundly anti-imperialist, profoundly revolutionary, profoundly class nature. We are anti-Yankee, against the bourgeoisie. . . . We guide ourselves by the scientific doctrine of revolution, by Marxism-Leninism . . . Without Sandinism we cannot be Marxist-Leninists, and Sandinism without Marxism-Leninism cannot be revolutionary . . . [so] we are making the effort to transform our society in a revolutionary way, not a reformist way."

Translation: Make no mistake about it, comrades. We believe in doing things the way Lenin did. We are dyed-in-the-wool communists, and we are going to stay that way.

Jose Esteban Gonzales, longtime enemy of Somoza and now exiled director of the Nicaragua Permanent Commission on Human Rights, explains what this means to the now "liberated" people of Nicaragua:

"During the first few days of the revolution we refused to make comparisons (between the new government and Somoza) because there was a different situation. Now I say clearly the situation is much worse. During the Somoza regime the repression didn't affect the whole community but only those who were in conflict with the government. But now everybody in Nicaragua is affected—not just those who are directly political."

Congressmen and journalists who applauded Gonzales when he condemned Somoza now seem deaf, dumb, and blind to his testimony that the Sandinistas are much worse. They condemn him and the whole "Contra" group of revolutionaries as "thugs, thieves, and brigands"—the words of Rep. Tom Downey (D-N.Y.). The talk of Nicaragua's admittedly communist dictatorship in such powder-puff terms as "non-pluralistic socialism"—the words of *Washington Post* reporter on Central America, Karen De Young.

In effect, the House and the press are listening still to the hollow echo of a "revolution" which has lost the right to be known by that honorable name. And they turn a deaf ear to the cries for help from those who desire the democracy and pluralism which gave that earlier revolution its legitimacy—its soul. Such people as:

Alfonso Robelo, a leader of the first revolution and member of the original Sandinista junta;

Eden Pastora, military hero of the first revolution and ex-deputy defense minister;

Arturo Cruz, ex-member of the junta and ex-Sandinista ambassador to the U.S.;

Jose Francisco Cardenal, former vice president of the Sandinistas' Council of State;

Edgard Macias, anti-Somoza militant and head of the Popular Social Christian Party;

Jose Esteban Gonzales, head of the Nicaraguan Permanent Commission on Human Rights;

Violeta Chamorro, ex-member of the original Sandinista junta;

Pedro Joaquin Chamorro, Jr., former Sandinista supporter—publisher (like his father before him) of *La Prensa;*

Humberto Belli, anti-Somoza editor of *La Prensa;*

Jaime Montealegre, ex-vice president of the Sandinista Council of State;

Agustin Alfaro, ex-Sandinista consul general in New Orleans;

Miguel Bolanos, ex-official of the Sandinista security police;

Adolfo Calero, head of Nicaraguan Conservative Party; jailed by Somoza; now head of the Contras;

Archbishop Obando y Bravo, head of the Nicaraguan Catholic Church and former Sandinista supporter;

Carlos Coronel, ex-Sandinista minister of fisheries;

Alvaro Taboada, ex-Sandinista ambassador to Equador;

Francisco Fiallos, ex-Sandinista ambassador to Geneva;

Heraldo Montealegre, ex-Sandinista ambassador to the World Bank;

Steadman Fagoth, leader of the Miskito Indians and former anti-Somocista.

The list goes on and on. Indeed, it grows each day as the Contras and allied groups gain recruits. The point is that in the defection of such leaders the "human rights" legitimacy of the old revolution (now deceased) has been transferred in the New Revolution—the "Nuevolucion," we should christen it.

If the revolution of 1979 merited "liberal" and "progressive" support, then the Nuevolution of 1983 merits it all the more. First, because the tyranny against which it is directed is more oppressive to Nicaraguans than was the Somoza regime. Second, because the Sandinista dictatorship is far more dangerous to neighboring peoples than Somoza ever was. Third, because so many of the same good people (absent the perfidious communists, of course) are leading this New Revolution as led the old one.

[From the Washington Inquirer, Oct. 26, 1984]

The Unlearned Lessons of Grenada

(By Jim Guirard)

As we approach the first anniversary of the liberation of Grenada, there should be great cause for rejoicing. But Geraldine Ferraro objects. She angrily assumes that if the decision has been left to her, the people of Grenada would not have been freed from their Gestapo-Left dictatorship. She assures that the little Caribbean Island would still be Fidel Castro's favorite colony.

In response to a recent question from commentator George Will, Ms. Ferraro insisted that she would have "negotiated" and would have "inquired" and would have performed any conceivable contortion to avoid "invading" Grenada.

Such a response suggests that she has either learned nothing or cares nothing about the grisly things which were going on in Grenada under the guidance of Moscow and Havana. She still portrays the U.S. role as that of a giant swatting a gnat—rather than that of a surgeon excising a deadly cancer.

Ms. Ferraro seems to be asking us (despite mountains of hard proof to the contrary) to join her in pretending . . .

That the American medical students on Grenada were not really in danger;

That the Cubans were there only to help build an airport for the tourist trade;

That the Russians, East Germans, Bulgarians, Libyans, and North Koreans were there merely for reasons of technical and cultural exchange;

That Prime Minister Maurice Bishop was too charming and charismatic to have been trained, bankrolled and installed by Castro and the Kremlin;

That, even so, Bishop was not really a communist but merely a "leftist" or "progressive" of some harmless sort;

That Grenada was not a Soviet-Cuban colony and staging base for terrorism in Central and South America;

That the Soviet ambassador to Grenada was not a four-star general and an expert in guerilla warfare;

That the multi-nation liberation of Grenada is the moral equivalent to Russia's 1979 Blitzkrieg and subsequent colonization of Afghanistan;

That we need not be concerned with the secret military treaties entered into by Mr. Bishop with the Soviets, the Cubans, the Libyans and the North Koreans—treaties which almost certainly have their parallels in Marxist Nicaragua's current relationships with these same dictatorships.

Among these fairy tales, perhaps the most insidious is the pretense that the Bishop regime in Grenada was not "really" Marxist-Leninist and that the New Jewel Party had not "really" consolidated its power. *Therefore,* the argument goes, the overthrow of this regime in favor of pluralist democracy does not "really" prove that communism can be rolled back.

Just as damaging to Moscow and Havana as their loss of the island as a strategic and military outpost are the political and ideological implications of its total liberation from communist control. It is, after all, the very first instance of a single-party Marxist-Leninist regime being eliminated in favor of a multi-party, pluralist one. Correctly understood, this is an historic precedent of major proportions—a deadly proof to other oppressed colonies of the Soviet Empire that if Grenada can be free, there is hope for them too.

A decade earlier, following the fall of the Marxist Salvador Allende in Chile, the Soviets got off this hook by convincing world opinion that since there was still opposition political parties and since Allende had not yet established control over the military, his government was not "consolidated"—and, therefore, an established Marxist-Leninist regime had not been overturned.

In the case of Grenada these convenient excuses do not apply. The Marxist New Jewel Party was the only one in operation, and it had for more than four years been in full control of the military.

But will the historical implications of Grenada's liberation ever be widely perceived? Not if the Kremlin's and Havana's propagandists have their way. For if it does, the communists' self-serving theory of "irreversibility"—once communist always communist—will be dead and buried. And dead with it will be the concomitant theory that the Western democracies are in a state of irreversible decline.

With the stakes so high, Soviet and Cuban propagandists are working their black magic to cast a dense fog over the clear perception of what Grenada really means. In this effort they are greatly aided by two unwitting (for the most part) allies:

(1) imperceptive Western journalists who have painted the late Maurice Bishop as not the committed Marxist-Leninist he was but as something of a "palm-tree idealist"—the words of Washington Post writer on Caribbean affairs Edward Cody, and

(2) imperceptive and partisan Western politicians who continue condemning the liberation of Grenada and assuring that if left to them the island would still be as it was—rather than what that awful Ronald Reagan has made of it. (Never, incidentally, do these self-annointed "progressive" politicians bother to ask the people of Grenada how they feel about what happened: do they feel "invaded" or "liberated"?)

The simple truth is that Grenada's freedom and independence are for all the world to see the first and final proof that communist colonialism is, indeed, reversible. And if it can happen once, it can happen again and again.

But this will become the universal perception only if we have the intellectual foresight and the political wisdom to openly proclaim the true legacy of Grenada and then to defend that legacy against those who argue either a) that it should never have been permitted to happen, or b) that, having happened, it didn't "really" happen in a context which serves the purposes of democracy and human rights.

Beware of the Soviet "Piece" Offensive

(By Jim Guirard, Jr.)

On the eve of President Reagan's meeting with Soviet Foreign Minister Andrei Gromyko, former Secretary of State Henry Kissinger predicted that the historic encounter probably signals the beginning of yet another Soviet "peace offensive."

Since Mr. Kissinger probably is right, we would do well to recognize the impending Soviet initiative for what it really is: a "p-i-e-c-e" offensive—one more chapter in the Soviet Union's relentless effort to colonize the entire planet, piece by piece.

Beginning Nov. 8, 1917, (after the Bolshevik *coup d'etat* overthrew the parliamentary government of Alexan Kerensky), the communist thrust for world domination has proceeded at an alarming pace. More than 30 previous independent nations, plus several more parts of nations, have been annexed, colonized, or made puppet states by communist imperialism.

Among the more glaring features of this record is the "domino" effect of the fall of South Vietnam. During the 16 years between Cuba in 1958-59 and Vietnam in 1975, not a single colony was gained by world communism. But then in the five years 1975-1980 no fewer than 10 "dominos" fell to the Gestapo-Left—Vietnam, Laos, Cambodia, South Yemen, Ethiopia, Mozambique, Angola, Afghanistan, Grenada, and Nicaragua.

And this veritable avalanche of colonies for communism does not include those eight other nations, which, during that same 1975-80 period, were taken over by single-party "socialist" dictatorships—some of them barely one short step from Marxist-Leninist tyranny: Madagascar, Libya, Congo, Sao-Tome/Principe, Tanzania, Seychelles, Guinea-Bissau, Cape Verde.

Nor does it include such relatively independent "client" states as Syria, and Iraq, and Algeria. Thus, it paints a rather conservative picture of the extent of the empire.

Of course, the "domino" effect of Soviet imperialism and colonialism (accelerated in recent years by help from the Cubans and the Vietnamese) is not unprecedented. The record shows that most conquests came during three five-year periods following World War I, World War II, and the Vietnam War. In each case the communists

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struck with stunning success at a time when they knew that the war-weary democracies were demobilizing and resolving never again to become entangled in the bloody and expensive business of foreign wars.

Following Vietnam, the Clark Amendment of 1976 even went so far as to establish a congressional prohibition against U.S. aid to the pre-Western UNITA forces in Angola. Of course, this assured victory to the pro-Soviet MPLA, which is still kept in power eight years later by 40,000 Cuban troops. And by inference, the aid cutoff applied to many other countries in Africa and Southeast Asia, where the Soviets and their surrogates were given virtual carte blanche to expand their empire.

At various times, the Soviets have been expelled from countries (Egypt, Indonesia, Ghana, Somalia) where their influence was considerable. But never in the 67 years since 1917 had a Marxist-Leninist regime been overturned in favor of pluralist democracy. Since its origins, the communist theory of "irreversibility"—once communist always communist—had remained fully in tact.

But then came the liberation of Grenada, the first nation ever freed from communist tyranny. Yugoslavia in 1948 and China and Albania in the early 1960s had left the "Soviet bloc," but each remained communist. In 1972 the Marxist Salvador Allende in Chile was deposed; but since he had not yet had time to eliminate opposition political parties nor consolidate control over the military, it is argued that his regime was not yet a Marxist-Leninist one. Chile had not yet become a "piece" of world communism.

But these excuses do not apply to Grenada. The Marxist new Jewe Party had been in full control of both the government and the military for more than four years. It was a full-fledged colony in the Soviet Cuban empire, as its secret treaties with the Soviets, the Cubans, the Bulgarians and—alas—the grisly North Koreans confirm.

To all but the invincibly ignorant El Salvador long has been scheduled as the next stop for the Soviet-Cuban "piece" train. A loss there for democracy would not only give new momentum to the communist plague itself; it would once again dissolve into virtual impotence the anti-toxin of American resolve needed to oppose further colonial expansion by the Moscow-Havana-Managua axis in Central America.

The political and psychological implications of such a defeat would be staggering, not only in this country but throughout the world. Having failed in tiny El Salvador, in a situation far more "manageable" than in Vietnam or than it would be in any other Central American country, why should there be a presumption that we would even try again to stem the tide of world communism—much less do the tough things necessary to succeed?

Many years ago, the French philosopher Montesquieu wrote eloquently of what peace is not:

"As fear is the principle of despotic government, its end is tranquility; but this tranquility is not peace. No, it is only the silence of those towns which the enemy is ready to invade."

Moral of the story: let us be clear in our own minds what sort of "peace" qualifies to be called by that honorable name. Then, let us make it clear to the Soviets that only once their relentless "piece" offensive is abandoned and repudiated will their talk of detente and coexistence be regarded as anything but a monumental fraud—and a deadly threat to true world peace.

Let us be clear in our own minds what sort of "peace" qualifies to be called by that honorable name.

CHRONOLOGY OF COMMUNIST IMPERIALISM

First 5 years

1917—Soviet Communist State. Created Nov. 8, 1917, following the Bolshevik coup d'etat, which overthrew the Provisional Government headed by Anatole Kerensky.

1919—Ukraine, annexed by the Soviets.

1919—Belorussia, annexed by the Soviets.

1920—Kazakhstan, annexed by the Soviets.

1920—Aszerbaijan, annexed by the Soviets.

1921—Armenia, annexed by the Soviets.

1921—Georgia, annexed by the Soviets.

1921—Mongolia, colonized by the Soviets.

1922—U.S.S.R. officially created, December 1922.

22-year period

1939—eastern Poland, annexed by the U.S.S.R.

1940—eastern Romania, annexed by the U.S.S.R.

1940—northern East Prussia, annexed by the U.S.S.R.

5-year period

1944—Lithuania, annexed by the U.S.S.R.

1944—Latvia, annexed by the U.S.S.R.

1944—Estonia, annexed by the U.S.S.R.

1944—Poland, colonized by the U.S.S.R.

1944—Bulgaria, colonized by the U.S.S.R.

1944—Romania, colonized by the U.S.S.R.

1944—eastern Finland, annexed by the U.S.S.R.

1944—Tannu-Tuva, annexed by the U.S.S.R.

1944—Hungary, colonized by the U.S.S.R.

1945—Yugoslavia, colonized by the U.S.S.R.

1945—Albania, colonized by the U.S.S.R.

1945—East Germany, colonized by the U.S.S.R.

1945—eastern Czechoslovaka, annexed by U.S.S.R.

1945—North Korea, puppet state of U.S.S.R.

1945—Kurile Islands, annexed by U.S.S.R.

1945—Sakhalin Island, annexed by U.S.S.R.

1948—Czecholovakia, colonized by U.S.S.R.

1948—East Berlin, colonized by East Germany & U.S.S.R.

1948—(Yugoslavia), left Soviet block; still communist.

1948-1949—China, client state of U.S.S.R.

26-year period

1950-52—N. Korea invaded S. Korea, (failed).

1951—Tibet, annexed by China.

1954—North Vietnam, client state of U.S.S.R. & China.

1956—Hungary, recolonized by U.S.S.R.

1959—Cuba, puppet state of U.S.S.R.

1960-62—(China), left Soviet block; still communist.

1962—(Albania), left Soviet block; still communist.

1968—Czechoslovakia, recolonized by U.S.S.R.

1975—South Vietnam, annexed by North Vietnam.

1975—Laos, colonized by Vietnam.

1975—Cambodia, puppet state of China.

1975-76—Angola, colonized by Cuba & U.S.S.R.

1975-76—Mozambique, colonized by Cuba & U.S.S.R.

1977-78—Ethiopia, colonized by Cuba & U.S.S.R.

1977-78—South Yemen, puppet state of & U.S.S.R.

1978—Afghanistan, puppet state of U.S.S.R.

1979—Cambodia, colonized by Vietnam.

1979—Grenada, colonized by Cuba & U.S.S.R.

1979-80—Nicaragua, puppet state of Cuba & U.S.S.R.

1979-80—Afghanistan, colonized by U.S.S.R.

1980—Poland, recolonized by U.S.S.R.

1980—Suriname, puppet state of Cuba.

1983—Grenada, liberated.

[From the Atlanta Journal and Constitution, Apr. 21, 1985]

A Chance To Be On "Right Side" in Nicaragua

(By Jim Guirard)

Showdown votes are set for Tuesday in both houses of Congress on whether to restore, after a year's suspension, aid to the revolutionary contras in Nicaragua. Most congressional Democrats seem ready to vote "nay." Along with a handful of Republicans, they seem intent on abandoning these anti-communist forces to the not-so-tender mercies of the Cuban-backed regime of the Sandinistas.

Leading the opposition to the contras are House Speaker Tip O'Neill and Sen. Christopher Dodd (D-Conn.). They and their cohorts call them "murderers, thugs, thieves and Somocistas,"—former supporters of Somoza. In this assessment, they are staunchly supported by most of the House leadership, and by many rank and file "liberals" who seem to feel tht the only good contra is a dead contra, or at least a disarmed and subjugated one.

Their principal adversary is, of course, President Reagan—who fervently contends that the contras are mostly anti-Somoza "revolutionaries" who had their democratic revolution of 1978-79 stolen from them, from within, by a Cuban and Soviet-backed communist clique.

Their principal ally (and eventual beneficiary, if they prevail) is Commandante Daniel Ortega, chief of the Sandinista junta against whom the new revolution is being waged. Ortega contends: "The leaders of the contras fought to sustain the Somoza dictatorship . . . and when they failed in that effort they fled the country and were organized, trained and financed by the CIA."

As proof positive that Reagan is correct, that Ortega is lying, and that the O'Neill-Dodd forces are sadly misinformed, the State Department has just released a document which settles the issue—period. It presents biographical sketches of the top 17 contra leaders, all but one of whom were anti-Somoza during the earlier revolution. Here are about half of those entries:

Eden Pastora—military hero of the anti-Somoza revolution and ex-deputy minister of defense;

Alfonso Robello—a leader of the earlier revolution and member of the first Sandinista junta;

Adolfo Calero—head of the anti-Somoza Nicaraguan Conservative Party; twice jailed by Somoza;

Wycliffe Diago—Miskito Indian leader and Moravian pastor; jailed by Somoza regime for allegedly being a communist;

Indalecio Rodriguez—anti-Somoza president of the University of Central America and early Sandinista supporter;

Zacarias Hernandez—independent labor union leader, many times arrested by the Somoza regime;

Roberto Ferrey—founder of the anti-Somoza student group CDF, later legal counsel to the Sandinista Ministry of Justice; and

Enrique Bermudez—professional soldier and military diplomat who spent much of his career abroad.

Among these and other prominent contra leaders, Bermudez was the only high-ranking member, a colonel, of Somoza's National Guard. But the fact that he spent so much of his career outside Nicaragua and the fact that he is now accepted by so many anti-Somoza democrats is convincing evidence that he was never a true Somocista. As military commander of the contras, he counts a dwindling number of former National Guardsmen among his forces—now less than 2 percent of the total, and falling.

An eminently fair assessment of the main contra organization, the Nicaraguan Democratic Force, was given in a Feb. 28 article by the Washington Post's principal writer on Central America, Edward Cody: "The group, known as FDN by its Spanish-language initials, has expanded from a band of ex-National Guard officers into a mainly peasant army, backed by a political organization headed by Calero and other civilian opponents of the late dictator Anastasio Somoza."

More recently, in an editorial, the Post referred broadly to the contras as "democratic people who fought the Somoza dictatorship, whose leaders served the Sandinistas in the early period and who turned against (them) only when they found the democratic promise of the revolution being denied."

Actually, this shift in perception by one of the nation's most influential newspapers is even more directly influenced by still another list of Nicaraguan democrats. Although not contras per se, these people support the new revolution and charge that the present tyranny is even worse than Somoza's. Many of them were so prominent in the earlier revolution that they became high officials in the Sandinista government before its Castroite clique seized control from within. For example:

Arturo Cruz—ex-member of the junta and ex-Sandinista ambassador to the U.S.;

Jose Estaban Gonzales—anti-Somoza head of the Nicaraguan Permanent Commission on Human Rights;

Edgard Macias—anti-Somoza militant and head of the Popular Social Christian Party; ex-Sandinista vice-minister of labor;

Violetta Chamorro—ex-member of the original Sandinista junta;

Pedro Joachim Chamorro Jr.—anti-Somoza publisher (like his father before him) of La Prensa;

Humberto Belli—former Marxist intellectual and anti-Somoza editor of La Prensa; author of a recent book on Sandinista subversion of the church;

Jose Francisco Cardenal—ex-vice president of the Sandinistas' Council of State;

Carlos Coronel—ex-Sandinista minister of fisheries;

Francisco Fiallos—ex-Sandinista ambassador to Switzerland; and

Archbishop Obando y Bravo—anti-Somoza leader of the Nicaraguan Catholic Church and former Sandinista supporter.

American "liberals" and "progressives" have long yearned to be on the "right side" of a popular revolution in Latin America—one in which the United States is not obliged, in the name of anti-communism, to prop up the repressive regime under attack.

Now, these long-suffering Nicaraguan democrats and thousands of their countrymen are waging just such a revolution and are, quite literally, *begging* for our help. Not much help. Only $14 million, which is only a miniscule fraction of the flood of military assistance the Sandinistas are receiving from Messrs, Castro, Gorbachev, Khadafy, et al.

The question is whether the present mindset and partisan bias of so many House and Senate Democrats against such good people is as impregnable as it seems. If so, there will be no restoration of aid to the revolutionary contras.

In its place, there will be great rejoicing among the Cubans, Soviets, Bulgarians, Czechs, East Germans, Libyans, Vietnamese, Iranians, North Koreans and assorted other "liberators" of the Nicaraguan people—forces that will have taken one more solid step toward liberating us, too, from our liberties.

[From the Pine Bluff (AR) Commercial, Feb. 18, 1986]

Fascist-Left Sandinistas?

Editor, The Commercial:

Why do so many prominent "liberal" journalists, academics and churchmen continue to hold hands with the patently *illiberal* dictatorship in Nicaragua?

Could it be that the language of politics has persuaded these good people that the Soviet-sponsored Sandinistas are something other than *fascists*? After all, the words and image of the so-called "left-right political spectrum" suggest that the ultra-left (communism) and the ultra-right (fascism) are opposites. Left is opposite right, *n'est pas*?

As a result of such nonthink, even Cuba's grisly Fidel Castro is able to parade about as a "progressive," a "liberator" and an exponent of "people's democracy." Never mind that he presides over the most viciously illiberal (i.e. fascistic) regime in the hemisphere.

In early 1982, distressed by communist brutality in Poland, the renowned liberal-intellectual Susan Sontag broke free of this left-right nonthink, when she proclaimed: "Not only is fascism (and overt military rule) the probable destiny of all communist societies—especially when their populations are moved to revolt—but communism is itself a variant, the most successful variant, of fascism. Fascism with a human face."

The obvious need now is for all true liberals to follow Miss Sontag's bold lead. They must look behind the semantic masks which hide the true face of the fascist-left in Nicaragua.

Perhaps then they will begin raising their voices of morality and idealism against those who (with massive help from Castro, the Soviets, the PLO, Qaddafi, Khoumeini and other assorted terrorists) have so cynically co-opted and corrupted the democratic Nicaraguan revolution of 1978-79.—Jim Guirard, Washington.

[From the Pine Bluff (AR) Commercial, Mar. 14, 1986]

New Language for a New Revolution

(By Jim Guirard, Jr.)

Congress will soon be voting on whether to restore military aid to anti-Communist guerrilla forces in Nicaragua.

Crucial to the outcome of these votes will be the lawmakers' perception as to who are the "good guys" and who are the "bad guys" in Nicaragua. And crucial to this judgment will be the political language by which the debate is conducted.

For example, the so-called "Sandinistas" will be struggling to sustain the labels which have for so long portrayed them as "liberators," "progressives," and purveyors of "social justice" and "people's democracy" in Central America.

Simultaneously, their critics will be attempting to strip away these semantic masks, in order to reveal that today's self-anointed "Sandinistas" have little in common with the late Nicaraguan patriot, Augusto Sandino—who was a pluralist, a social democrat and an outspoken nationalist. They will be searching for labels which brand the Comandantes as tyrannical internationalists—whose motivations are not Sandinista but *"Stalin-ista"* in character.

And what of the so-called "contras" who seek to overthrow the Stalinista dictatorship? Are they really the counter-revolutionaries (impling anti-reform) their Soviet-inspired nickname implies? Or are they the "freedom fighters" and the "democratic resistance" President Reagan proclaims them to be? In other words, are *they* the real Sandinistas?

The fact that so many "contra" leaders and supporters (Arturo Cruz, Eden Pastora, Alfonso Robelo, Violetta & Pedro Joachim Chamorro, Adolfo Calero) were prominent opponents of Somoza and early supporters of the new regime proves that the latter is true. But public opinion will not accept this truth so long as the language of politics (which calls them "Somocistas," supporters of Somoza) paints an entirely different picture.

To solve the problem, the contras and their supporters should use the following stepping stones (among others) in battling for the moral high ground in American and world opinion:

1. They should cease trying to discard the "contra" label and begin calling themselves the "*revolutionary contras*"—the implied next word being contra-*Communismo* (a good-guy label), rather than contra-*revolucion* (bad-guy).

2. These revolutionary (i.e. reformist) contras should proclaim a bold new ism—"*revolutionary counter-Communism*"—around which all oppressed Nicaraguans can begin to rally.

3. As revolutionary counter-Communists, they should christen their cause "*The New Revolution*" in Nicaragua—to distinguish it from the fraudulent "people's revolution" perpetrated by the Stalinistas.

4. They should proclaim the need to "*liberate*" *Nicaragua*—the same kind of *liberation* (from police-state tyranny and from Cuban colonial status) as Grenada now enjoys.

5. They must condemn Soviet and Cuban *"colonialism"* in Nicaragua. The 20,000 Communist bloc "advisors" who run the country are agents of Soviet and Cuban colonialism and must be called that—less they continue posing as *anti*-colonialist and *anti*-imperialist.

6. They should begin condemning the *"Ortega dictatorship."* Non-Communist dictatorships are always personalized in the name of the tyrant—Franco, Somoza, Pinochet, Marcos, etc. So why not impose the same burden on Comrade Ortega?

7. They should emphasize such terms as *"Cuban-led," "PLO-supported," "Libyan-supplied"* and *"Soviet-controlled"*—to remind the world of the rogues gallery of terrorist regimes which sustain the Stalinista dictatorship.

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8. They should call that dictatorship "corrupt" and should declare their "solidarity" with all Nicaraguans who seek "social justice."

9. They should promote a "theology of liberty" as alternative to the Communists heretical "theology of liberation."

10. Finally, as evidence of their democratic centrism, they should promote the symbol of a hammer and sickle, an equal sign and a swastika, along with the words "Contra Los Dos"—meaning "against both Communism and Naziism, which are the same."

Former Secretary of Defense James Schleslinger once observed that while most people favor good and oppose evil, they must be able to determine which is which. As he put it, "They need to know who the fellows are in the white hats and who the fellows are in the black hats."

At present, most of the white-hat labels ("peace," "people," "progress," "liberation" etc.) have been co-opted by the so-called "Sandinistas," who are not at all what their noble name implies—while most of the black-hat labels ("Somocista," "fascist," "imperialist," "mercenary," "CIA-backed" etc.) have been stuck on the so-called "counter-revolutionaries," who are not at all what their name implies, either.

It is imperative that all parties, all causes and all ideologies in Nicaragua finally become known by their proper names. Only then will Congress be able to develop a clear perception as to who is who down there and why, in the name of human rights, the "New Revolution" must be actively supported.

Mr. CHAFEE. Mr. President, it is impossible today to take a close look at Nicaragua and not wish for fundamental change. The hope engendered by the 1979 revolution has been replaced by disenchantment with the increasingly repressive Sandinista regime. The encouraging achievements of the Sandinistas in such areas as health care and education have been overshadowed by the Ortega regime's drift toward totalitarianism.

Like the East bloc countries with which they are cultivating ever-closer ties, the Sandinistas have consolidated their power by denying freedom of the press and freedom of assembly, and by attempting to suppress the voice of the church. They have compiled an atrocious human rights record which calls up, ironically, the memory of Anastasio Somoza, the dictator whom the Sandinistas overthrew. And they have built a huge military machine which threatens the security of the rest of the region.

Most disturbing of all, in terms of United States security interests, the multitude of Eastern bloc and Cuban military advisers that are throughout Nicaragua. This presence is deeply troubling to me. The last thing we need is another Cuba nestled among so many democratic friends of the United States, and to our own southern border.

In the face of these disturbing facts, our task is to chart a policy which is in the best interests of the United States and of the democracies of Honduras, Costa Rica, El Salvador, Guatemala, and the rest of Latin America. In my mind, diplomacy remains the preferred solution, since it offers the hope, not certainty but hope, of settlement without further bloodshed. As the leaders of all the Latin American democracies recognize, United States aid to the Contras has not helped Nicaragua solve its grave problems, and shows no signs of providing a peaceful solution.

Negotiations can be frustratingly slow to produce results, particularly when you are dealing with the intransigence of a Daniel Ortega. But face-to-face discussions between all concerned parties are far more likely to produce a settlement than sending $100 million, with all sorts of strings attached, to rebels whose popular support is in doubt.

I joined most observers of Central America in welcoming the Contadora initiative of January 1983, which seemed to offer the best hope for peace in the region. The Contadora countries of Mexico, Colombia, Venezuela, and Panama sought an understanding which would resolve the security concerns of the rest of Latin America with respect to Nicaragua, and turn Nicaragua back in the direction of real democracy.

The ongoing Contadora talks have not been fruitful to date, but that does not mean that negotiations are dead. The Latin American democracies, who have joined the United States in experiencing the frustration of Contadora, have not given up on a diplomatic settlement. On January 12, Argentina, Brazil, Peru, and Uruguay joined the four Contadora nations in signing the Carabadella Message. This statement reaffirms the belief that peaceful, positive change in Nicaragua can come through regional cooperation and direct talks between the United States and the Sandinistas. I am opposing aid to the Contras today because I agree with this statement.

Their are some, Mr. President, who claim that the key players in the Nicaraguan civil war are the Sandinistas and the Contras, and that the United States is merely on the sidelines cheering one side in the conflict. The truth, however, is that the key players in the conflict are the United States and Nicaragua. Without United States training and financing, the Contras would have a difficult time sustaining their rebellion. Without U.S. involvement in the conflict, President Ortega would have no villian to blame for his state of emergency, no justification for the ruthless and totalitarian way in which he is clamping down on dissent.

I firmly believe that the key players in this dangerous game, the United States and Nicaragua, can and should sit down and make a good-faith effort to resolve our problems. There are those who throw up their hands and say that we've tried to talk, but can't bring the Sandinistas to the table. I refuse to accept such defeatism. The United States and Nicaragua are two sovereign nations which maintain diplomatic relations. How is it that we cannot talk directly with them when they have an Embassy right here in Washington, and we have one in Managua? The Nicaraguan Ambassador has written to Congress, expressing his government's willingness to participate in bilateral talks with the United States, and to sign a binding and enforceable agreement which meets our security concerns. Certainly, we can take that statement with a grain of salt, or many grains—but it is a route that should be explored at a higher level of visibility than has previously been undertaken.

Is there any good reason to reject the message of the Nicaraguans and the Latin American democracies that bilateral talks can happen and can work? Opponents of the idea claim that Nicaragua's neighbors, who have the most to gain from such talks, are secretly against bilateral negotiations because they may result in an agreement unfavorable to the rest of Central America. The implication is that the United States would enter such negotiations pursuing only its own interests, and might ignore those of Guatemala, El Salvador, Costa Rica, and Honduras. Since the interests of the United States and the Central American democracies are identical—regional security, an end to hostilities, removal of the Soviet-bloc and Cuban presence in Nicaragua—I fail to see the logic of this argument.

I urge that, before we vote on the $100 million to the Contras which would poison the atmosphere for a diplomatic approach, we sit down for a high-level, all-out attempt to resolve our differences. These talks should be for a limited period, 75 days, 90 days, or whatever seems appropriate. Our negotiators should be the best we have, hopefully Phillip Habib. We should send observers from Congress to monitor the talks and ensure that our concerns are addressed. And we should make clear to the Sandinistas from the start that we mean business.

In these negotiations we should demand:

First, the removal of all foreign advisers from Nicaragua;

Second, reductions in the war machine which the Sandinistas have and which deeply frightens its neighbors;

Third, establishment of reliable procedures to monitor Nicaragua's relationship with its neighbors, ensuring that they do not seek to export their revolution; and perhaps

Fourth, relaxation of the repressive, totalitarian policies of the Sandinistas, and a return to democracy, including free elections.

If this earnest negotiating effort fails and we find ourselves stonewalled by a Nicaraguan refusal to accept these reasonable conditions, or a good part of them then we should reconsider military assistance to the Contras. I would support such assistance.

One of the most distressing aspects of this debate is the lack of unity in Congress and in the Nation about the best approach to the Nicaraguan conflict. If we prove to ourselves that negotiations are futile, I strongly believe the Congress will be unified on developing a stronger response to deal with the Sandinistas. Rather than tinkering with these aid proposals in order to win a vote here and a vote there, and demonstrating to the world that the U.S. Congress simply cannot agree on how to proceed, we would be able to speak with one voice. We would give the President and the Nicaraguans a strong message that the United States speaks on these matters with a voice that is united and strong.

DEMOCRACY CAN PREVAIL IN NICARAGUA—IF WE GIVE IT A CHANCE

Mr. DOLE. Mr. President, I am pleased to join as an original cosponsor of this amendment with the distinguished chairman of the Foreign Relations Committee, Senator LUGAR; the distinguished Senator from Texas, Senator BENTSEN; and the distinguished Senator from South Carolina, Senator HOLLINGS.

THE THREAT OF A "NEW CUBA"

"The United States is determined to prevent by whatever means may be necessary * * * the Marxist-Leninist regime from extending, by force or the threat of force, its aggressive or subversive activities to any part of this hemisphere * * *" Those words, which some here would undoubtedly consider bellicose, were uttered by the President of the United States. But they were uttered nearly a quarter of century ago, by President John F. Kennedy, in pledging to resist the threatening and destabilizing activities of Cuba in our hemisphere.

Today, we are faced with a second "Cuba"—A Cuba which aims to match the first in its alliance with the Soviet Union, its hospitality to foreign and terrorist forces, its aggressive military buildup, its outright attacks and support for subversion against its democratic neighbors, and its suppression of its own people. Our new Cuba is the Marxist state of Nicaragua.

OUR GOALS ARE LIMITED

Let us be straightforward. We don't like the Sandinista regime. We don't like the way it acts—toward us, toward its neighbors, and toward its own people. And we want to do something about it.

But let us be equally clear about a second point. We don't see our role as the sheriff of Central America. We don't seek to topple the Sandinista regime. But we do seek to encourage it—using every reasonable means available—to live up to some basic standards of international and democratic conduct.

OUR STRATEGY IS SOUND

We have a strategy that makes sense and can work, if we let it. That strategy is threefold. First and foremost, we will support, with military and economic assistance, Nicaragua's threatened neighbors—our allies and friends in Central America. The President's decision this week to provide $20 million in emergency aid to Honduras to help contain the most recent Sandinista invasion is evidence of our determination.

Second, we will seek a regional, negotiated, comprehensive and effective settlement, based on the Contadora principles and in cooperation with the Contadora nations. Our commitment to that process has been often demonstrated and articulated by the President and the administration. It is reflected in our extensive and continuing contacts with the Contadora nations and our genuine responsiveness to many of their initiatives.

We still believe in Contadora; we want it to happen. But we are far from convinced the Sandinistas do. And we are firm in our belief that part of any peace process must be direct negotiations between the Sandinistas and their opposition, including the democratic opposition which has taken up arms in defense of their freedoms.

Third, we support the Contras. We support them not as an end in itself but because their struggle is an integral part of our broader strategy. It is one of the key points of pressure which can be brought to bear on the Managua regime. And without such pressure there is no chance—no chance—to achieve our important objectives. There is no chance to have real negotiations. Because the Sandinistas just are not going to negotiate in good faith, unless circumstances press them to the bargaining table. And if there are still those who are willing to accept their lies and false promises as sufficient to justify our negotiations with them, I invite them to fly down to the Honduran border, to see how the Sandinistas treat the sovereign boundaries of their neighbors; or go to Managua itself, and see how they treat their own people.

ELEMENTS OF AMENDMENT

Mr. President, the amendment I offer is fully consistent with this broad strategy. It is based on the request of the President for $100 million in aid for the Contras. But it also takes into account some of the legitimate concerns expressed by Members of Congress on both sides of the aisle about some aspects of the implementation of the program.

The amendment puts our support for the Contras in a broad policy context, citing our goals and outlining our strategy—our realistic and concrete strategy—for achieving those goals. It makes clear what we want from the Sandinistas—and what we don't. It underscores our determination that any resistance groups which we support must share our essential goals and our commitment to democracy and must be, in every important way, "clean." It stresses that the anti-Sandinista movement must be as broad as possible.

The amendment reaffirms our desire for a negotiated settlement and urges and provides time and incentives for one more major effort to get real talks going.

Taking note of the importance of continued congressional participation in policymaking and support for the resulting policy, the amendment establishes some fail-safe provisions for Congress to review the program; mandates Presidential consultation with and reports to the Congress; and establishes a congressional commission to monitor the search for peace and any negotiations which result.

Finally, the amendment provides the Contras the wherewithal they need, when they need it, to be an effective part of the overall strategy. During those initial months when the negotiating option is being intensively explored, it provides them humanitarian and self-defense aid and expanded training. If the negotiating option runs into another Sandinista stone wall, as so many have in the past, it provides the Contras the weaponry they need to keep up the pressure on Managua. And if, at the end of the effective period of this legislation, the President determines that additional legislation or resources are needed, it provides him expedited procedures to seek congressional approval.

A BIPARTISAN APPROACH

Foreign policy, to be truly efffective, must be bipartisan in nature. And this amendment is a bipartisan measure, as the original cosponsorship indicates and as I believe the vote will confirm. Indeed, we had hoped to broaden its initial support even more. Despite some comments to the press to the contrary, the fact that some negotiations we had were not as successful as we had hoped should not detract from the good faith efforts on both sides—the White House and those who are more skeptical of the efficacy of the President's request.

I would particularly stress that, the comments of some to the media notwithstanding, Admiral Poindexter played a very constructive role in trying to bring the two sides together. Considering what has been going on in the Gulf of Sidra and Honduras, he gave us an enormous amount of his time. And, far from "torpedoing" anything, he worked with us intensively and in absolute good faith to try to

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find some common ground on which all of us could be comfortable.

I hope that we will have on final passage a large, positive vote for this measure. For that will be its ultimate value, equal importance to the concrete results it will set in train. For, as I noted in my remarks yesterday, if we are to have a policy in Central America that works, it will have to be a long-term, consistent policy, broadly understood and supported on Capitol Hill and the American people.

By voting for this important piece of legislation, we will have sent a strong message—to Moscow and Havana, to Managua and to the other capitals of Central America, and to those who espouse freedom everywhere—that the United States is sincere in its pursuit of peace, determined to protect its national interests, capable of effective action in pursuit of its goals and ready to support the worldwide struggle for freedom.

Mr. BYRD. Mr. President, before the distinguished majority leader yields the floor, can he respond to a question as to what he expects to schedule for Tuesday and Wednesday upon the return of the Senate following the recess?

Mr. DOLE. Mr. President, I am advised by staff that we will probably have at least two rollcall votes after 2 o'clock on Tuesday.

Mr. BYRD. What would they be on?

Mr. DOLE. A Vietnam veterans' proposal, child nutrition conference report. There is another memorial that will not require a rollcall. And perhaps the bank bill reported out by the Banking Committee yesterday.

Mr. BYRD. So the distinguished majority leader is saying that the Senate will have two rollcall votes that he knows about on Tuesday, April 8.

Mr. DOLE. After 2 o'clock, Mr. President.

Mr. BYRD. Mr. President, one other question.

Will the distinguished majority leader indicate what the main—let us say what about the budget resolution? When does he anticipate bringing that up?

Mr. DOLE. Mr. President, I hope to meet with the distinguished chairman of the Budget Committee tomorrow and also Mr. Miller, Director of the Office of Management and Budget, to make that determination. I doubt it will be the first week we are back.

Mr. BYRD. Mr. President, it helps if Senators could understand a bit better than I do at the moment as to what the distinguished majority leader thinks will be the heavy stuff, if I may put it like that, for Wednesday, Thursday, or Friday if we are in on those days that week.

Mr. DOLE. We could go back to the airport transfer bill on Wednesday, Thursday, Friday of that week. I understand the Senator from Maryland has a number of amendments. There are some amendments on this side. There could be considerable voting that week.

Mr. BYRD. Mr. President, I thank the distinguished majority leader. I yield back the remainder of the time on this side.

(The VICE PRESIDENT assumed the Chair.)

Mr. DOLE. Mr. President, as I understand it, there will be no request for a rollcall vote on passage. There will be a rollcall vote on the substitute. Is anybody going to demand a rollcall vote?

Mr. BYRD. Mr. President, I have this question of the distinguished majority leader: Is he referring to passage of this Senate joint resolution or is he going to call up a House number?

Mr. DOLE. This Senate bill.

Mr. BYRD. I thank the Senator.

The VICE PRESIDENT. The question is on agreeing to the amendment in the nature of a substitute.

Mr. BYRD. Mr. President, there is no need for a double vote.

The VICE PRESIDENT. The question is on agreeing to the amendment in the nature of a substitute.

(Putting the question.)

The ayes appear to have it.

Mr. CRANSTON. Mr. President, the yeas and nays, please.

Mr. BYRD. Mr. President, let us do the yeas and nays on this one.

The VICE PRESIDENT. Is there a sufficient second? There is a sufficient second.

The yeas and nays have been ordered.

The VICE PRESIDENT. The question is on agreeing to the amendment in the nature of a substitute. The yeas and nays have been ordered. The clerk will call the roll.

The legislative clerk called the roll.

The VICE PRESIDENT. Are there any other Senators in the Chamber who desire to vote?

The result was announced—yeas 53, nays 47, as follows:

[Rollcall Vote No. 51 Leg.]

YEAS—53

Abdnor
Armstrong
Bentsen
Boren
Boschwitz
Bradley
Chiles
Cochran
Cohen
D'Amato
Danforth
Denton
Dixon
Dole
Domenici
East
Garn
Goldwater
Gramm
Grassley
Hatch
Hawkins
Hecht
Heflin
Heinz
Helms
Hollings
Humphrey
Johnston
Kassebaum
Kasten
Laxalt
Long
Lugar
Mattingly
McClure
McConnell
Murkowski
Nickles
Nunn
Pressler
Quayle
Roth
Rudman
Simpson
Stennis
Stevens
Symms
Thurmond
Trible
Wallop
Warner
Wilson

NAYS—47

Andrews
Baucus
Biden
Bingaman
Bumpers
Burdick
Byrd
Chafee
Cranston
DeConcini
Dodd
Durenberger
Eagleton
Evans
Exon
Ford
Glenn
Gore
Gorton
Harkin
Hart
Hatfield
Inouye
Kennedy
Kerry
Lautenberg
Leahy
Levin
Mathias
Matsunaga
Melcher
Metzenbaum
Mitchell
Moynihan
Packwood
Pell
Proxmire
Pryor
Riegle
Rockefeller
Sarbanes
Sasser
Simon
Specter
Stafford
Weicker
Zorinsky

So the amendment (No. 1720) in the nature of a substitute, as amended, was agreed to.

[Applause in the galleries.]

Mr. BYRD. Mr. President, may we have order in the galleries?

The VICE PRESIDENT. The galleries will be in order. There will be no demonstrations.

The question is on the engrossment and third reading of the joint resolution.

The joint resolution was ordered to be engrossed for a third reading and was read the third time.

The PRESIDING OFFICER (Mr. Hecht). The joint resolution having been read the third time, the question is, Shall it pass?

The joint resolution (S.J. Res. 283) as amended, was passed, as follows:

S.J. Res. 283

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled,

PURPOSES

Section 1. The purposes of this joint resolution are to promote peace, stability, and democracy in Central America, to encourage a negotiated resolution of the conflict in the region and, towards these ends, to enable the President to provide additional assistance for the Nicaraguan democratic resistance, as requested by the President on February 25, 1986, pursuant to the provisions of section 722(p) of the International Security and Development Cooperation Act of 1985 (Public Law 99-83) and section 106(a) of the Supplemental Appropriations Act, 1985 (Public Law 99-88), subject to the terms and conditions of this joint resolution.

POLICY TOWARD CENTRAL AMERICA

Sec. 2. (a) It is the policy of the United States that—

(1) the building of democracy, the restoration of peace, the improvement of living conditions, and the application of equal justice under law in Central America are important to the interests of the United States and the community of American States;

(2) the interrelated issues of social and human progress, economic growth, political reform, and regional security must be effectively dealt with to assure a democratic and economically and politically secure Central America; and

(3) the September 1983 Contadora Document of Objectives, which sets forth a framework for negotiating a peaceful settlement to the conflict and turmoil in the region, is to be encouraged and supported.

(b) The United States strongly supports as essential to the objectives set forth in subsection (a)—

(1) national reconciliation in Nicaragua and the creation of a framework for negotiating a peaceful, democratic settlement to the Nicaraguan conflict; and

(2) efforts to reach a comprehensive and verifiable final agreement based on the Contadora Document of Objectives, including efforts to encourage the Government of Nicaragua to pursue a dialogue with the representatives of all elements of the Nicaraguan democratic opposition for the purposes of achieving a democratic political settlement of the conflict, including free and fair elections.

POLICY TOWARD THE GOVERNMENT OF NICARAGUA

Sec. 3. (a) United States policy toward Nicaragua shall be based upon Nicaragua's responsiveness to continuing concerns affecting the national security of the United States and Nicaragua's neighbors about—

(1) Nicaragua's close military and security ties to Cuba and the Soviet Union and its Warsaw Pact allies, including the presence in Nicaragua of military and security personnel from those countries and allies;

(2) Nicaragua's buildup of military forces in numbers disproportionate to those of its neighbors and equipped with sophisticated weapons systems and facilities designed to accommodate even more advanced equipment;

(3) Nicaragua's unlawful support for armed subversion and terrorism directed against the democratically elected governments of other countries;

(4) Nicaragua's internal repression and lack of opportunity for the exercise of civil and political rights which would allow the people of Nicaragua to have a meaningful voice in determining the policies of their government through participation in regularly scheduled free and fair elections and the establishment of democratic institutions; and

(5) Nicaragua's refusal to negotiate in good faith for a peaceful resolution of the conflict in Central America based upon the comprehensive implementation of the September 1983 Contadora Document of Objectives and, in particular, its refusal to engage in a serious national dialogue with all elements of the Nicaraguan democratic opposition.

(b) The United States will address the concerns described in subsection (a) through economic, political, and diplomatic measures, as well as through support for the Nicaraguan democratic resistance. In order to assure every opportunity for a peaceful resolution of the conflict in Central America, the United States will—

(1) engage in bilateral discussions with the Government of Nicaragua with a view toward facilitating progress in achieving a peaceful resolution of the conflict, if the Government of Nicaragua simultaneously engages in a serious dialogue with representatives of all elements of the Nicaraguan democratic opposition; and

(2) limit the types and amounts of assistance provided to the Nicaraguan democratic resistance and take other positive action in response to steps taken by the Government of Nicaragua toward meeting the concerns described in subsection (a).

(c) The duration of bilateral discussions with the Government of Nicaragua and the implementation of additional measures under subsection (b) shall be determined, after consultation with the Congress, by reference to Nicaragua's actions in response to the concerns described in subsection (a). Particular regard will be paid to whether—

(1) freedom of speech, assembly, religion, and political activity are being respected in Nicaragua and progress is being made toward the holding of regularly scheduled free and fair elections;

(2) there has been a halt to the flow of arms and the introduction of foreign military personnel into Nicaragua, and a withdrawal of all foreign military personnel has begun;

(3) a cease-fire with the Nicaraguan democratic resistance is being respected; and

(4) Nicaragua is refraining from acts of aggression, including support for insurgency and terrorism in other countries.

(d) The actions by the United States under this joint resolution in response to the concerns described in subsection (a) are consistent with the right of the United States to defend itself and to assist its allies in accordance with international law and treaties in force. Such actions are directed, not to determine the form or composition of any government of Nicaragua, but to achieve a comprehensive and verifiable agreement among Central American countries, based upon the 1983 Contadora Document of Objectives, including internal reconciliation within Nicaragua, based upon democratic principles, without the use of force by the United States. Nothing in this joint resolution shall be construed as authorizing any member or unit of the armed forces of the United States to engage in combat against the Government of Nicaragua.

POLICY TOWARD THE NICARAGUAN DEMOCRATIC RESISTANCE

Sec. 4. (a) It is the policy of the United States to assist all groups within the Nicaraguan democratic resistance which—

(1) are committed to work together for democratic national reconciliation in Nicaragua based on the document issued by the six Nicaraguan opposition parties on February 7, 1986, entitled "Proposal to the Nicaraguan Government for a Solution to the Crisis in Our Country"; and

(2) respect international standards of conduct and refrain from violations of human rights or from other criminal acts.

(b) No assistance under this joint resolution may be provided to any group that retains in its ranks any individual who has been found to engage in—

(1) gross violations of internationally recognized human rights (as defined in section 502B(d)(1) of the Foreign Assistance Act of 1961); or

(2) drug smuggling or significant misuse of public or private funds.

(c)(1) The Congress finds that the Nicaraguan democratic resistance has been broadening its representative base, through the forging of cooperative relationships between the United Nicaraguan Opposition (UNO) and other democratic resistance elements, and has been increasing the responsiveness of military forces to civilian leadership.

(2) The President shall use the authority provided by this joint resolution to further the developments described in paragraph (1) and to encourage the Nicaraguan democratic resistance to take additional steps to strengthen its unity, pursue a defined and coordinated program for representative democracy in Nicaragua, and otherwise increase its appeal to the Nicaraguan people.

(d) In furtherance of the policy set out in this section, not less than $10,000,000 of the funds transferred under section 5(a) shall be available only for assistance to resistance forces otherwise eligible and not currently included within UNO, of which amount $5,000,000 shall be available only for the Southern Opposition Bloc (BOS) and $5,000,000 shall be available only for the Indian resistance force known as Misurasata.

(e) Notwithstanding any other provision of this joint resolution, no member of the United States armed forces, or employee of any department, agency, or other component of the United States government may enter Nicaragua to provide military advice, training, or logistical support to paramilitary groups operating inside that country.

TRANSFER OF FUNDS

Sec. 5. (a)(1) The Congress hereby approves the provision of assistance for the Nicaraguan democratic resistance in accordance with the provisions of this joint resolution.

(2) There are transferred to the President for use in carrying out the provisions of this joint resolution $100,000,000 of unobligated funds from such accounts for which appropriations were made by the Department of Defense Appropriations Act, 1986 (as contained in Public Law 99-190), as the President shall designate. No limitation or restriction contained in section 10 of Public Law 91-672, section 8109 of the Department of Defense Appropriations Act, 1986, section 502 of the National Security Act of 1947, or any other provision of law shall apply to the transfer or use of such funds.

(b) Notwithstanding the Impoundment Control Act of 1974, not more than 25 percent of the funds transferred under subsection (a) may be available for obligation or expenditure in accordance with this joint resolution upon the date of enactment of this joint resolution, and not more than an additional 15 percent of such funds may be so available upon the transmittal of each report required by section 12.

(c) Funds transferred under subsection (a) shall remain available for the same periods of time, but not to exceed September 30, 1987, as such funds would have been available under the Department of Defense Appropriations Act, 1986 (as contained in Public Law 99-190), but for the enactment of this joint resolution.

(d)(1) There are transferred to the President out of funds appropriated by the Supplemental Appropriations Act, 1985 (Public Law 99-88), under the heading "Assistance For Implementation of a Contadora Agreement" such sums as the President may require, but not more than $2,000,000, to facilitate the participation of Costa Rica, El Salvador, Guatemala, and Honduras in regional meetings and negotiations to promote peace, stability, and security in Central America. No limitation or restriction contained in section 15 of the State Department Basic Authorities Act of 1956, section 10 of Public Law 91-672, or any other provision of law shall apply to the transfer or use of such funds.

(2) Funds transferred under paragraph (1) shall remain available for the same period of time as such funds would have been available under the Supplemental Appropriations Act, 1985 (Public Law 99-88), but for the enactment of this joint resolution.

FUNDS FOR HUMANITARIAN ASSISTANCE

Sec. 6. (a) Of the amounts transferred under section 5(a), $30,000,000 shall be available only for the provision of humanitarian assistance to the Nicaraguan democratic resistance by the Nicaraguan Humanitarian Assistance Office (established by Executive Order 12530).

(b) Of the $30,000,000 made available only for purposes of subsection (a), $3,000,000 shall be available only for strengthening programs and activities of the Nicaraguan

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democratic resistance for the observance and advancement of human rights.

APPLICATION OF EXISTING LAWS

SEC. 7. (a) Except as otherwise provided in this joint resolution, funds transferred under section 5(a) shall be available for the purposes described in section 105(a) of the Intelligence Authorization Act for Fiscal Year 1986, and all the requirements, terms, and conditions of such section and sections 101 and 102 of such Act, section 502 of the National Security Act of 1947, and section 106 of the Supplemental Appropriations Act, 1985 (Public Law 99-88), shall be deemed to have been met for such use of such funds.

(b) The use of funds made available under this joint resolution is subject to all applicable provisions of law and established procedures relating to the oversight by the Congress of operations of departments and agencies.

(c) Nothing in this joint resolution shall be construed as permitting the President to furnish additional assistance to the Nicaraguan democratic resistance from funds other than the funds transferred under section 5(a) or otherwise specifically authorized by the Congress for assistance to the Nicaraguan democratic resistance.

USE OF FUNDS AFTER A PEACEFUL SETTLEMENT

SEC. 8. If the President determines and so reports to the Congress that a peaceful settlement of the conflict in Central America has been reached, then the unobligated balance, if any, of funds transferred under section 5(a) shall be available for the purposes of relief, rehabilitation, and reconstruction in Central American countries in accordance with the authorities contained in chapter 4 of part II of the Foreign Assistance Act of 1961 (relating to economic support fund assistance).

INCENTIVES FOR A NEGOTIATED SETTLEMENT

SEC. 9. (a) Assistance under this joint resolution shall be provided in a manner designed to encourage the Government of Nicaragua to respond favorably to the many opportunities available for achieving a negotiated settlement of the conflict in Central America. These opportunities include the following proposals:

(1) Six opposition Nicaraguan political parties on February 7, 1986, called for an immediate cease-fire, an effective general amnesty, abolition of the state of emergency, agreement on a new electoral process and general elections, effective fulfillment of international commitments for democratization, and observance of implementation of these actions and commitments by appropriate international groups and organizations;

(2) President Reagan on February 10, 1986, offered simultaneous talks between the Government of Nicaragua and all elements of the Nicaraguan democratic opposition in Nicaragua and between the Government of Nicaragua and the United States Government;

(3) President Jose Napoleon Duarte of El Salvador on March 5, 1986, offered an additional dialogue between the Government of El Salvador and the insurgents in El Salvador if the Government of Nicaragua would simultaneously engage in a dialogue with all elements of the Nicaraguan democratic opposition; and

(4) President Reagan's Message to the Congress of March 19, 1986, proposed a mission to Latin America by his special envoy to encourage the Contadora and Support Group countries to joint in urging the Government of Nicaragua to initiate a national dialogue with representatives of all elements of the Nicaraguan democratic opposition.

(b) In furtherance of the objectives set forth in subsection (a), and except as provided in subsection (c), assistance to the Nicaraguan democratic resistance under this joint resolution shall be limited to the following:

(1) humanitarian assistance (as defined in section 722(g)(5) of the International Security and Development Cooperation Act of 1985);

(2) logistics advice and assistance;

(3) support for democratic political and diplomatic activities;

(4) training in radio communications, collection, and utilization of intelligence, logistics, and small-unit skills and tactics; and

(5) equipment and supplies necessary for defense against air attacks.

(c) On and after July 1, 1986, the restrictions in subsection (b) shall cease to apply beginning 15 days after the President determines and reports to the Congress that—

(1) the Central American countries have not concluded a comprehensive and effective agreement based on the Contadora Document of Objectives,

(2) the Government of Nicaragua is not engaged in a serious dialogue with representatives of all elements of the Nicaraguan democratic opposition, accompanied by a cease-fire and an effective end to the existing constraints on freedom of speech, assembly, religion, and political activity, leading to regularly scheduled free and fair elections and the establishment of democratic institutions, and

(3) there is no reasonable prospect of achieving such agreement, dialogue, cease-fire, and end to constraints described in paragraphs (1) and (2) through further diplomatic measures, multilateral or bilateral, without additional assistance to the Nicaraguan democratic resistance,

unless the Congress has enacted a joint resolution under section 10 disapproving the provision of additional assistance (other than assistance described in subsection (b)).

(d)(1) Notwithstanding subsection (c), no assistance (other than the assistance described in paragraphs (1) through (4) of subsection (b)) shall be provided at any time to the Nicaraguan democratic resistance under this joint resolution if—

(A) the President determines that—

(i) the Central American countries have concluded a comprehensive and effective agreement based on the Contadora Document of Objectives; or

(ii) the Government of Nicaragua is engaging in a serious dialogue with representatives of all elements of the Nicaraguan democratic opposition, accompanied by a cease-fire and an effective end to the existing constraints on freedom of speech, assembly, religion, and political activity leading to regularly scheduled free and fair elections and the establishment of democratic institutions; or

(B) the Congress enacts a joint resolution under section 10 disapproving the provision of additional assistance (other than assistance described in paragraphs (1) through (4) of subsection (b)).

(2) The prohibition contained in paragraph (1) shall not apply with respect to assistance described in paragraph (5) of subsection (b) if the Government of Nicaragua acquires additional equipment or materiel to carry out air attacks.

(e) The limitations on assistance that may be furnished to the Nicaraguan democratic resistance which are contained in subsections (b) and (d) shall cease to apply if the Congress enacts a joint resolution, in accordance with section 10, stating that the Government of Nicaragua has failed to accept or observe a cease-fire with the Nicaraguan democratic resistance.

(f)(1) Notwithstanding any other provision of this joint resolution, on or after July 1, 1986, funds may be obligated or expended under this joint resolution only if the President determines and reports to the Congress that the Nicaraguan democratic resistance groups receiving assistance under this joint resolution have agreed to and are beginning to implement—

(A) confederation and reform measures to broaden their leadership base;

(B) the coordination of their efforts;

(C) the elimination of human rights abuses;

(D) the pursuit of a defined and coordinated program for achieving representative democracy in Nicaragua; and

(E) the subordination of military forces to civilian leadership.

(2) In making his determination under paragraph (1), the President shall take into account the effectiveness and legitimacy of the political leadership of those Nicaraguan democratic resistance groups receiving assistance under this joint resolution, including the ability of that political leadership—

(A) to reflect the views and objectives of the internal and external Nicaraguan democratic opposition;

(B) to function as the spokesman for the Nicaraguan democratic opposition with Central Americans, international organizations, and the United States Government;

(C) to represent the Nicaraguan democratic opposition in dealing with the Government of Nicaragua;

(D) to provide command and control for the military forces of all resistance groups receiving assistance under this joint resolution and to establish the goals for their military operations;

(E) to determine the distribution of assistance provided under this joint resolution; and

(F) to provide the legal mechanisms necessary for the enforcement of standards of conduct applicable to all members of the resistance groups receiving assistance under this joint resolution.

CONGRESSIONAL PRIORITY PROCEDURES

SEC. 10. (a)(1) A joint resolution described in subsection (c) of section 9 shall be one without a preamble, the matter after the resolving clause of which is as follows: "That the Congress disapproves the provision of additional assistance to the Nicaraguan democratic resistance pursuant to the joint resolution entitled 'Joint resolution relating to Central America pursuant to the International Security and Development Cooperation Act of 1985', except as provided in section 9(b) thereof.".

(2) A joint resolution described in subsection (d)(1)(B) of section 9 shall be one without a preamble, the matter after the resolving clause of which is as follows: "That the Congress disapproves the provision of additional assistance to the Nicaraguan democratic resistance pursuant to the joint resolution entitled 'Joint resolution relating to Central America pursuant to the International Security and Development Cooperation Act of 1985', except as provided in paragraphs (1) through (4) of section 9(b) and paragraph (2) of subsection (d) thereof.".

(3) A joint resolution described in subsection (e) of section 9 shall be one without a preamble, the matter after the resolving clause of which is as follows: "That the Congress finds that the Government of Nicaragua has failed to accept or observe a cease-fire and hereby approves the provision of assistance to the Nicaraguan democratic resistance pursuant to the joint resolution entitled 'Joint Resolution relating to Central America pursuant to the International Security and Development Cooperation Act of 1985.', notwithstanding subsection (b) or (d) of section 5 thereof".

(b) A joint resolution described in subsection (a)(1), (a)(2), or (a)(3) shall be considered in the House of Representatives and in the Senate in accordance with the provisions of paragraphs (3) through (7) of section 8066(c) of the Department of Defense Appropriations Act, 1985 (as contained in Public Law 98-473), except that—

(1) references in such paragraphs to a joint resolution shall be deemed to be references to the respective joint resolution set forth in subsection (a)(1), subsection (a)(2), or subsection (a)(3);

(2) references in such paragraphs to the Committee on Appropriations shall be deemed to be references to the appropriate committee or committees of the respective House of Congress;

(3) references in such paragraphs to the eighth day and to fifteen calendar days shall be deemed to be references to the fifth day and to five calendar days, respectively; and

(4) amendments may be in order but only if the amendments are germane.

(c) The provisions of this section are enacted—

(1) as exercises of the rulemaking powers of the House of Representatives and Senate, and as such they are deemed a part of the Rules of the House and the Rules of the Senate, respectively, but applicable only with respect to the procedure to be followed in the House and the Senate in the case of joint resolutions under section 9, and they supersede other rules only to the extent that they are inconsistent with such rules; and

(2) with full recognition of the constitutional right of the House and the Senate to change their rules at any time, in the same manner, and to the same extent as in the case of any other rule of the House or Senate, and of the right of the Committee on Rules of the House of Representatives to report a resolution for the consideration of any measure.

COMMISSION ON CENTRAL AMERICAN NEGOTIATIONS

SEC. 11. (a)(1) There is established the Commission on Central American Negotiations (hereafter in this section referred to as the "Commission"), which shall be composed of five members appointed as follows:

(A) One individual appointed by the Speaker of the House of Representatives;

(B) One individual appointed by the Minority Leader of the House of Representatives;

(C) One individual appointed by the Majority Leader of the Senate;

(D) One individual appointed by the Minority Leader of the Senate; and

(E) One individual, who shall serve as Chairman of the Commission, selected by unanimous vote of the other members of the Commission.

(2) No officer or employee of the United States may be appointed as a member of the Commission.

(b) The purpose of the Commission is to monitor and report on the efforts of the Nicaraguan democratic resistance to coordinate and reform and on the status of any negotiations on the peace, stability, and security of Central America, including negotiations conducted between or among—

(1) the Government of Nicaragua and all elements of the Nicaraguan democratic opposition, including he Nicaraguan democratic resistance;

(2) the governments of Central American countries;

(3) the Government of the United States and the Government of Nicaragua;

(4) the governments of the Contadora and Support Group countries and the government of the Central American countries; and

(5) the Government of El Salvador and the insurgents in El Salvador.

(c)(1) The Commission may appoint and fix the pay of not more than seven staff personnel, but at such rates not in excess of the rate of pay for GS-18 of the General Schedule under section 5332 of title 5, United States Code.

(2)(A) Each member of the Commission shall be entitled to receive the daily equivalent of the annual rate of basic pay in effect for grade GS-18 of the General Schedule under section 5332 of title 5, United States Code, for each day during which such member is engaged in the performance of duties as a member of the Commission.

(B) While away from his home or regular place of business in the performance of duties for the Commission, a member or staff personnel of the Commission shall be allowed travel expenses, including a per diem in lieu of subsistence, not to exceed the expenses allowed persons employed intermittently in Government service under section 5703 of title 5, United States Code.

(3) For purposes of pay and other employment benefits, rights, and privileges and for all other purposes, any employee of the Commission shall be considered to be a congressional employee as defined in section 2107 of title 5, United States Code.

(d)(1) A majority of the members of the Commission shall constitute a quorum.

(2) All decisions of the Commission, except as otherwise provided in this section, shall be by majority vote.

(e) The Commission may make such reports in connection with its duties as it deems necessary to the Speaker of the House of Representatives and the chairman of the Committee of Foreign Relations of the Senate, except that—

(1) not later than 5 days after receipt by the Congress of a report by the President under section 9(c), the Commission shall prepare and transmit to the Speaker of the House of Representatives and the chairman of the Committee on Foreign Relations of the Senate a report addressing all the matters which are required to be included in reports of the President by paragraphs (1), (3), and (4) of section 12; and

(2) not later than June 30, 1986, the Commission shall prepare and transmit to the Congress a report on whether the Nicaraguan democratic resistance groups receiving assistance under this joint resolution have agreed to and are beginning to implement measures described in subparagraphs (A) through (E) of section 9(f)(1) and an evaluation of the factors described in section 9(f)(2).

(f)(1) Salaries and expenses of the Commission, but not more than $400,000, shall be paid from the contingent fund of the Senate out of the Account for Miscellaneous Items, in accordance with the provisions of this section.

(2) Funds made available to the Commission by paragraph (1) shall be disbursed on vouchers approved by the Chairman, except that no voucher shall be required for the disbursement of the salary of an individual appointed under subsection (c).

(3) For purposes of section 502(b) of the Mutual Security Act of 1954, the Commission shall be deemed to be a standing committee of the Congress and shall be entitled to use of funds in accordance with such section.

(g) The Commission shall terminate not later than 30 days after transmittal of the reports required by subsections (e) and (f).

PRESIDENTIAL REPORTING REQUIREMENT

SEC. 12. Not later than 90 days after the date of enactment of this joint resolution, and every 90 days thereafter, the President shall prepare and transmit to the Congress a report on actions taken to achieve a resolution of the conflict in Central America in a manner that meets the concerns described in section 3(a). Each such report shall include—

(1) a detailed statement of any progress made in reaching a negotiated settlement, including the willingness of the Nicaraguan democratic resistance and the Government of Nicaragua to negotiate a settlement;

(2) a detailed accounting of the disbursements made to provide assistance with the funds transferred under section 5(a);

(3) a discussion of alleged human rights violations by the Nicaraguan democratic resistance and the Government of Nicaragua, including a statement of the steps taken by the Nicaraguan democratic resistance to remove from their ranks any individuals who have engaged in human rights abuses; and

(4) an evaluation of the progress made by the Nicaraguan democratic resistance in broadening its political base and defining a unified and coordinated program for achieving representative democracy in Nicaragua.

REQUESTS FOR ADDITIONAL ASSISTANCE

SEC. 13. The provisions of subsections (s) and (t) of section 722 of the International Security and Development Cooperation Act of 1985 shall apply with respect to any request described in section 722(p) of such Act submitted by the President to the Congress on or after the date of enactment of this joint resolution, except that, for purposes of consideration in a House of Congress of a joint resolution under subsection (s) or (t) of such section, amendments to such a joint resolution may be in order but only if such amendments are germane.

Mr. DOLE. Mr. President, I move to reconsider the vote by which the joint resolution was passed.

Mr. LUGAR. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. DOLE. Mr. President, I thank the managers of the bill, particularly the chairman of the committee, Senator LUGAR.

We have considered this measure for 2 days, about 10 hours total time. There were nine amendments. Two were agreed to, three were rejected, two were tabled, and two were withdrawn.

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Mr. BYRD. Mr. President, I think it is obvious to everyone that the Senate is not in order. The majority leader is entitled to be heard.

The PRESIDING OFFICER. The Senate will be in order. The staff will please take their seats at the rear of the Chamber.

Mr. DOLE. In addition to the time covered by official debate, there were 5 hours of so-called nonofficial debate yesterday. Many Senators on each side made very effective statements with respect to certain portions of the bill or the general tenor of the bill.

I thank my colleagues on both sides. I particularly thank Senator LUGAR and Senator PELL, who had the management responsibilities.

I certainly thank the distinguished minority leader for his many courtesies and willingness to meet. We did not quite get an agreement, but we made the effort.

Also, I thank Senator SASSER, Senator WALLOP, Senator BENTSEN, and many others who were involved in the negotiations, even though we were not able to reach a final agreement.

As I indicated, that is the last vote before the recess.

VOTES ON APRIL 8

I am advised that on April 8, the first vote will come in late afternoon. It could be as late as 5 o'clock.

Mr. BYRD. Mr. President, will the distinguished majority leader consider a request to the effect that there be no rollcall votes before 5? That would give Senators a little more certainty as to how soon they should be here.

Mr. DOLE. I make that request, that on Tuesday, April 8, there be no record vote prior to 5 p.m.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. BYRD. Mr. President, I thank the majority leader.

Mr. LUGAR. Mr. President, I should like to take this opportunity to thank the majority leader for his diligence in keeping everybody going, and I thank the minority leader for the good colloquys we had in preparation for this bill.

I thank members of the administration who were very helpful and very cooperative as we have tried to forge something with which we could work with the President.

Finally, I thank all Members for pursuing this debate with a good spirit. Each Member exemplified patriotism in the best sense of the word and the best wisdom we could all bring to this matter.

I thank the staff members on both sides, with whose diligence we prepared a good project.

Mr. PELL. Mr. President, I thank my staff, Jerry Christianson and Barry Sklar, for the work they have done.

I particularly congratulate and commend Senator SASSER, who played a key role in many of the negotiations that occurred. I thank the leadership on both sides of the aisle for the courtesy and kindness they extended.

ROUTINE MORNING BUSINESS

Mr. SIMPSON. Mr. President, I ask unanimous consent that there be a period for the transaction of routine morning business until 8 o'clock.

The PRESIDING OFFICER. Without objection it is so ordered.

"CARL SAGAN: A MODEL FOR YOUNG SCIENTISTS"

Mr. MATSUNAGA. Mr. President, we in Congress understand how difficult it is to communicate complex political issues to a busy public. But at least we deal with bread and butter issues—food, housing, taxes, transportation—and our actions are transmitted through the mass media to the Nation at large. On the other hand, imagine how much more difficult it must be to divert public attention to the obscure activities of scientists working in laboratories on problems that seemingly bear no direct relevance to our daily lives. The challenge is greater by several orders of magnitude. I might say it is insuperable, but for the example of one extraordinary individual. Mr. President, although many politial leaders are well known to the American people, only one American scientist has gained similar access to the public. I am referring, of course, to Carl Sagan. I do not believe we realize how truly remarkable, Dr. Sagan's achievement is, or how much our Nation owes to him.

Ours is an era of mass communication, in which young people find models for their careers in the mass media. Dr. Sagan has mastered the mass media in the cause of careers in science, especially space science. His television series "Cosmos" introduced an entire generation to the wonders of humanity's next and most expansive frontier. I am sure that thousands of youngsters committed themselves to science as a result. Among them may be future Nobel Prizewinners whose contributions, in an age of science, will affect every segment of global society. Dr. Sagan's continuing writings and public appearances constitute perhaps our Nation's most powerful single recruiting tool for scientific careers. In that respect alone, Carl Sagan is an irreplaceable national resource.

In a related area, the Planetary Society founded by Carl Sagan and Bruce Murray a few years ago, and of which I am proud to be a member, has rapidly grown into the largest space interest group in the world, with more than 100,000 members. It has sponsored professional conferences, classroom activities, television programs, scientific research—always in the service of the great democratic ideal of making complex issues accessible to the general public. Some call it popularization. I call it democratization, and I hail it as a fundamental necessity for the healthy evolution of democratic society. To the extent that scientists communicate with the public, and vice versa, democratic values and institutions prosper.

But Carl Sagan has not only opened those lines of communication to an unmatched degree for space research and exploration. He has also established a political context for the ensuing dialogue that is of inestimable value for members of his profession and for the general public. One does not have to agree with Carl Sagan's opinions to admire him for insisting that scientific activities are public issues that require opinions in a democratic society—nowhere more than on the space frontier. During my 4-year effort on behalf of international cooperation in space, I have encountered no public figure more committed to that cause or more intelligent and imaginative in its pursuit.

Recently, Parade Magazine published an article by Carl Sagan that renewed his proposal for a joint United States-Soviet expedition to Mars. Others, myself included, have also spoken out for joint Mars exploration, but I don't know of a more stirring statement on behalf of such a mission than this one. Once again, Carl Sagan has displayed his unique ability to discuss our future in space with down-to-earth authority, a sense of soaring wonder, and in harmony with humanity's deepest and most ennobling aspirations. Mr. President, I ask unanimous consent to print Carl Sagan's article in the CONGRESSIONAL RECORD at this time, as the most eloquent and convincing testimony on behalf of a goal that within our hearts we all share.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

[From the Parade Magazine, Feb. 2, 1986]

LET'S GO TO MARS TOGETHER

(By Carl Sagan)

In the darkened auditorium of the National Academy of Sciences in Washington, D.C., the five of them—veterans of many space missions—reminisced about the silent movie being projected on the big front screen. With an easy, selfmocking humor, they described the design of the compatible docking module, the separate launches from Cape Canaveral, Fla., and Tyuratam in the USSR, the dangerous rendezvous, the triumphant crawling through the air locks to visit one another, the exchange of gifts, the camaraderie and their separate returns to Earth. Occasionally, a little shyly, they would put an arm around each other. Many in the audience were struck by the mutual affection and respect of Lt. Gen Thomas Stafford, U.S. Air Force, former commander at Edwards Air Force Base, where high-performance aircraft are tested, and Maj. Gen.

Alexei Leonov, Soviet Air Force, the first human to walk in space. As the film ended and the lights came on, there arose from the sedate audience of engineers and scientists a sound I have rarely heard—an ovation of such a timbre and intensity that you knew something deeply felt had been touched in that hard-bitten and tough-minded audience.

Maybe it was possible after all, you got to thinking. Maybe these two nations *could* work together in their common interest. Perhaps they *could* set aside a little of the mutual paranoia and propaganda, to say nothing of their 55,000 nuclear weapons. We've been conditioned to think that in the "real" world it could never happen, that it's too good to be true. But it had happened in World War II, against a common enemy, and in a small way it had happened in July 1975, with the Apollo/Soyuz linkup that we were celebrating.

That linkup, I knew, had its genesis, in large part, in an idea proposed by PARADE back in January 1966. Affirming in an open letter to President Lyndon Johnson that space should be a territory for peaceful exploration, not a battleground, PARADE proposed that an American astronaut and a Russian cosmonaut orbit the Earth together in a two-man capsule—a demonstration of superpower cooperation that would transcend political differences. The response at the time—from readers and newspaper editors alike—was overwhelmingly positive. Six years later, in May 1972, President Nixon and Premier Kosygin signed an agreement providing for U.S.-Soviet cooperation in exploring space for peaceful purposes, leading to the 1975 Apollo-Soyuz linkup.

Now, here they were, the veterans of that contact between alien civilizations, describing a mission whose accomplishments, apart from some worthwhile science, were chiefly in the cause of human understanding. There was a hunger in that audience—as there is throughout the world—a longing for the two nations to do something together for a change, something on behalf of the human species. Our powers are so great and our accomplishments so feeble. Think of what we could do together. As the five astronauts and cosmonauts were given relief maps of the Kasei Vallis region of Mars, you heard another stirring ovation, and again the thought arose unbidden: Maybe it was possible after all.

Mars is the world next door, the nearest planet on which an astronaut or cosmonaut could safely land. Although it is sometimes as warm as a New England October, Mars is a chilly place, so cold that some of its thin carbon dioxide atmosphere freezes out at the winter pole. There are pink skies, fields of boulders, sand dunes, vast extinct volcanos that dwarf anything on Earth, a great canyon that would cross most of the United States, sandstorms that sometimes reach half the speed of sound, strange bright and dark markings on the surface, mountains shaped like pyramids and other enigmas.

Among these many wonders and delights are the channels. The surface of Mars is covered with hundreds of ancient river valleys, carved out in a more clement time when liquid water flowed across the martian landscape. Not only were there rivers then, but also lakes and (possibly) oceans. When, in 1976, the two Viking landers set down on Mars, no sign of life was uncovered—no footprints, no artifacts, no trees or bushes or desert coneys or microbes, not even so much as a complex organic molecule. Mars seems to be lifeless today. But what seems certain is that a billion years ago, when the waters flowed, the chances of life were much greater on that wetter and warmer Mars. If we could wander down one of the sinuous valleys and examine the geological stratifications in the banks, we might discover much—and climate change and the origin and evolution of life, and about the comparative developments of sister worlds.

Mars beckons, a storehouse of scientific information—important in its own right but also for the light it may cast on the environment of our own planet. If Mars once had abundant liquid water, what went wrong? How did an Earthlike world become so parched, frigid and comparatively airless? Is there something here we should know about our own planet?

We humans have been this way before Christopher Columbus would have understood the call of Mars. But mere scientific exploration does not require a human presence. We can always send smart robots. They are much cheaper, and you can take more risks with them.

Sending humans to Mars must have more than scientific justification, as with the Apollo program. President John F. Kennedy did not ask to find out the origin of the dark lunar lowlands by the end of the 1960s; he asked for an American to land on the Moon and return safely. It was an American political response to the Bay of Pigs fiasco in Cuba and to the fact that the first person to orbit the Earth was a citizen of the Soviet Union. Kennedy explicitly cast the Apollo program in the context of peaceful competition with the Soviet Union. And, as all the world knows, that race the Americans won.

But imagine a different sort of Apollo program, in which cooperation, not competition, was the objective, because the leaders of the U.S. and the U.S.S.R had come to their senses. Imagine these leaders deciding to do something not just for their nations but also for their species, something that would capture the imaginations of people everywhere and would lay the groundwork for a major advance in human history—the eventual settlement to another planet.

It can be done. It is technologically feasible. It requires no major "breakthroughs." A project to send people to Mars sounds absurdly expensive. But the advances in technology have been so great that such a mission would cost *far* less than Star Wars, less than the Apollo program, and not much more than a major strategic weapons system. In a joint mission, the cost to any one nation would be still smaller.

But why a joint mission to Mars? Why not jointly feed the hungry in sub-Saharan Africa, or do water reclamation projects in Bangladesh? The United States and the Soviet Union could, if they chose, together help house, educate, provide medical care for and make increasingly self-reliant every citizen of the planet. But the U.S. and the USSR have no such precedent; they have been obsessed by the pursuit of short-term competitive advantages. The political realities, sadly, are that a joint mission to Mars, like Apollo/Soyuz, is well within the realm of practical possibility, while many worthy and more mundane activities are not. Not yet. But a major cooperative success in space can serve as an inspiration and spearhead for joint enterprises on Earth.

Moreover, space missions have an important subsidiary advantage: They use precisely the same aerospace, electronics, rocket and even nuclear technologies as does the nuclear arms race. There is a perception, enunciated most clearly by President Dwight Eisenhower in his farewell address, that the marriage of high technology and the military establishment creates an arms-race juggernaut that is almost impossible to turn off and that may destroy us all. An alternative program using the same industries and some military skills for peaceful purposes might be a very good thing; it is foolish to have powerful vested interests—jobs, careers, profits, dividends—mainly spacecraft that will take the first humans to Mars. By 1992, the U.S. Space Station is supposed to be ready.

If we take this path, there will come a time—perhaps at the dawn of the new century and the new millennium—when the interplanetary spacecraft will be assembled in Earth orbit, the progress in full view on the evening news. Astronauts and cosmonauts, hovering like gnats, will guide and mate the prefabricated parts. The day will come when the ship is tested and ready, boarded by its international crew and boosted to escape the Earth's gravity. For the whole of the voyage to Mars and back, the lives of the American crew members will depend on their Soviet counterparts and vice versa, a microcosm of the actual situation down here on Earth. Perhaps the first joint manned (and womanned) mission will be only a flyby of Mars. Perhaps robot vehicles will then (or earlier), with parachutes and retrorockets, gently set down on the Martian surface to collect samples and return them to Earth. But eventually—around 2001 if we wish it—humans will set foot on the planet Mars.

According to solemn treaty, signed in Washington and Moscow on Jan. 27, 1967, and ratified by the Senate and the President, no nation may lay claim to part or all of another planet. Nevertheless—for good historical reasons that Columbus would have understood well—people are concerned about who first sets foot on Mars. If this really worries us, we can arrange for the ankles of the American and Soviet commanders to be tied together as they alight in the gentle Martian gravity.

But there would be much to do besides making symbolic gestures. The crews would acquire new and previously sequestered samples, in part to search for life, in part to understand the past and future of Mars and Earth. They would experiment, for later expeditions, on extracting water, oxygen and hydrogen from the hydrated rocks and sand and from the underground permafrost—to drink, to breathe, to power their machines and, as rocket fuel, for the return to Earth. They would test our Martian materials for eventual bases and settlements on Mars.

And they can go exploring. For me, the early stage of human exploration of Mars is encapsulated by the image of a roving vehicle wandering down an ancient river valley, the crew with geological hammers, cameras and analytic instruments at the ready. Every day the explorers could rove to their own horizon, their discoveries televised back to Earth at the speed of light.

In the long run, the binding up of the wounds on Earth and the exploration of Mars might go hand in hand, each activity aiding the other. The wonders of Mars will occupy us for a long time—its surface area is equal to the land area of the Earth. The first voyage of men and women from our planet to Mars is the key step in transforming us into a multiplanet species—a step as momentous as the colonization of the land by our amphibian ancestors some 500 million years ago and the descent from the

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trees by our primate ancestors perhaps 10 million years ago.

Decades ago, Mars called to the Soviet spaceflight pioneer Konstantin Tsiolkovsky and to his American counterpart, Robert H. Goddard. The rockets they designed were intended not for the destruction of life on Earth but to take us to the planets and the stars. Is there not some special obligation of the two principal spacefaring nations—the two nations that have burdened our planet with 55,000 nuclear weapons—to put things right, to use this technology for good and not for evil, to blaze, on behalf of every human being, the trail to Mars and beyond?

AGRICULTURAL AND ENERGY BANK INCENTIVE ACT—S. 2231

Mr. GARN. Mr. President, last Tuesday the Senate Banking Committee culminated 8 months of work by unanimously reporting out S. 2231, the Agricultural and Energy Bank Incentive Act. It began last July when the committee held hearings on Senator DIXON's bill. Senator DIXON and I and other Members of the Senate—Senators DOLE, D'AMATO, PROXMIRE, MATTINGLY, CRANSTON, GRAMM, RIEGLE, GORTON, DODD, SARBANES, NICKLES, ABDNOR, and EXON—worked very hard to resolve these issues.

Yesterday and today we expressed to certain other Senators a willingness to work with them to pass this legislation. A few Senators however wanted more—wanted to add provisions to the bill which if they offered their amendments, they would have been overwhelmingly rejected. Other Senators privately expressed concerns about other provisions of the bill—which they would have liked deleted. Senators DOLE, DIXON, and I worked tirelessly with these Senators for 2 days. We tried our best to accommodate them reasonably, but we failed. A few Senators refuse to even let the Senate consider this legislation, offer their amendments, and permit the Senate to choose. In my opinion, they have frustrated the process and I hereby request that the Senate bring up S. 2231 as soon as we return from the Easter recess.

PROMPT ACTION ON SUPERFUND NEEDED

Mr. LAUTENBERG. Mr. President, on March 21 the Congress approved legislation I sponsored to provide interim funding legislation for the Superfund Program. It is critically important that we use the 60 day breathing period provided by this legislation to complete our work on the Superfund conference and enact a bill for an expanded and strengthened Superfund Program.

Taxing authority for the Superfund Program expired on October 1, 1985, and the trust fund has been virtually depleted. On April 1, EPA would have begun to dismantle Superfund by terminating contracts with companies that are currently involved in cleanup actions. Enforcement actions would have been reduced by half and no new cases developed. Emergency removals were to be curtailed by 80 percent. And, EPA would have been able to handle only three or four major emergencies a month. Last month, EPA began the process of furloughing its own employees.

In approving the interim funding measure for Superfund, Congress clearly spoke: We cannot permit the program to be dismantled. Congress recognized that it is not possible to stop a program the size and complexity of the Superfund Program and start it over again without irreparable damage.

While the Superfund conference has been meeting regularly since it convened late last month, there was no realistic prospect that the conference could complete its work prior to the Easter recess. The interim funding legislation approved by Congress was designed to keep pressure on the conference to complete its work, but provide enough funding to protect the integrity of the Superfund Program.

The measure provides $150 million for 60 days, a level consistent with the annual rate provided in the fiscal year 1986 HUD-Independent Agencies appropriations bill. The legislation makes a direct appropriation of $150 million available to the program as a repayable advance until May 31.

This measure provides the proper balance between the need to protect the Superfund Program and the need to keep the pressure on the Congress and the President to ensure that we reauthorize Superfund this year. Further delay is unacceptable.

Mr. President, in 1984 the administration opposed the reauthorization of Superfund, despite efforts by both the Senate and the House of Representatives to enact a bill. In 1985, deadlock prevailed again. The Senate approved a new Superfund bill before the tax expired, but only after months of delay due to the administration's opposition to our legislation.

Mr. President, since last summer, the Superfund Program has been on a minimal life-support system. It is time now to resolve our differences and enact an adequately funded and improved Superfund bill. The Congress has exactly 6 weeks, after returning from Easter recess, before we deplete the funds just approved. Progress has been slow in our conference, and no visible progress had been made on the tax title of the bill.

Mr. President, it is time to start making decisions and stop ducking the issues before us. We need to bite the bullet. The major issues yet to be resolved are the taxing mechanism, right-to-know, cleanup schedules and standards, liability and settlement policy, and citizen suits.

Congress must send a renewed Superfund to the President by May 21. I look forward to working with my colleagues on the Superfund conference to see that we achieve this goal.

In the interim, EPA can begin the important task of rebuilding the program and gearing up in anticipation of the Superfund reauthorization.

Mr. President, I ask that a series of editorials and articles on this issue be inserted in the RECORD, including an op-ed piece that I authored. I also ask that a letter from a number of national environmental organizations supporting the interim funding legislation be inserted in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

ENVIRONMENTAL ACTION, NATIONAL AUDUBON SOCIETY, U.S. PUBLIC INTEREST RESEARCH GROUP, SIERRA CLUB,

March 20, 1986.

Hon. FRANK R. LAUTENBERG,
U.S. Senate,
Washington, DC.

DEAR SENATOR LAUTENBERG: We understand that you have introduced a bill to provide EPA with short-term funding for 60 days to maintain the Superfund program. We strongly support this legislation that would provide up to $150 million. We also endorse the provision which prohibits obligation of these funds beyond May 31. In this way, the Superfund Conference will remain the means by which long-term continuation of Superfund will be achieved.

We vigorously oppose a one-year or any other long-term extension of the existing Superfund which would undercut the need for the Superfund Conference to complete consideration of critically needed reforms of the program.

Sincerely,

DAN BECKER,
Environmental Action.
A. BLAKEMAN EARLY,
Sierra Club.
LESLIE DACH,
National Audubon Society.
RICK HIND,
U.S. Public Interest Research Group.

[From the Newark Star Ledger]

SAVING SUPERFUND

The superfund is in trouble. The federal program funding the cleanup of toxic waste sites—one that is of enormous importance to New Jersey—has been the victim of a stalemate involving conflicting viewpoints in the Senate, the House and the Reagan Administration and it may be dismantled.

Lee Thomas, the administrator of the Environmental Protection Agency, has been permitting the program to continue to operate even though its official life has ended. But he has warned that he will not allow this situation to continue indefinitely.

Mr. Thomas said he will begin in two weeks to dismantle the superfund if nothing is done in Congress. For a state such as New Jersey, which has the largest number of toxic sites in the nation and requires urgent attention, this would be most unfortunate.

The Senate and House last year passed differing versions of legislation extending the superfund, and then recessed without a conference to reconcile the measures. The White House was not much help either, backing a third formula and then later changing its mind.

There are many differences among the versions backed by the Senate, the House and the Administration, but one of the chief ones is money. The House favors spending $10 billion over a five-year period. The Senate version calls for $7.5 billion and the Administration has been pushing a $5.3 billion substitute.

Last year, the Senate version appeared to be a workable compromise between the House and the Administration versions, not only on spending but on other points, including revenue sources. Even now, the Senate bill still looks like the clear winner.

In any event, Congress ought to make the rebirth of the superfund a matter of the highest priority. The stalemate must be broken.

Three New Jersey Democratic legislators—Sen. Frank Lautenberg and Reps. James Howard and James Florio, have been among the leaders in pushing legislation in their respective houses. Perhaps they can demonstrate to their colleagues the need for fast action to keep the superfund from being dismantled.

[From the Woodbury Gloucester County Times (NJ) Feb. 12, 1986]

SUPERFUND NEEDS TEMPORARY FUNDING

Neighbors of a lagoon filled with contaminated oil in Logan Township are well acquainted with the meaning of the word "delay." They experience more than a decade of delays until officials decide the lagoon was an environmental disaster that should be cleaned up.

They became accustomed to delays in the planned cleanup of the blackened Bridgeport Oil Services and Rental swamp—a project that has yet to start. And those nearest the 12.7-acre lagoon, whose wells are contaminated, have seen the installation of water lines to their homes delayed.

Currently, the state Department of Environmental Protection (DEP) is promising that water lines will be installed this spring. Those who live in the 15 homes with polluted water are not holding their breath.

The DEP took responsibility last summer for providing safe, public water to the homes because it was believed the state agency could get the $950,000 project completed faster than the federal Environmental Protection Agency (EPA). The EPA is supposed to reimburse the DEP for the work.

Let us hope the DEP, which has set aside funds for the project, will break the chain of delay, and at least bring safe water to those whose wells are contaminated, while the lagoon cleanup is put off even further.

Currently the interminable cleanup delays in Logan Township and elsewhere in Gloucester County—as well as around the nation—are being worsened by the lack of financing for the federal toxic waste cleanup program, known as the Superfund.

Superfund revenues from a tax on petroleum and basic petrochemicals ceased Oct 1, when the toxic waste cleanup legislation expired. A continuing debate over Senate and House versions of Superfund renewal has blocked enactment of legislation that would bring an infusion of new funds.

At first, it seemed wise to avoid temporary financing for the program, to keep pressure on Congress to enact new legislation. But since it now appears final action on the program is weeks, and possibly months, away, there is a need for revenue so that cleanups—and projects like bringing clean water to residents with contaminated wells in Logan Township—can go forward.

Lee Thomas, EPA administrator, says Superfund money is running out and, unless there is an infusion of cash, his agency, which has been running on leftover funds, will be able to conduct cleanup operations at only 34 toxic waste sites through Oct. 1, instead of the 173 cleanups planned.

Gloucester County residents have been unimpressed with Superfund cleanup efforts at Lipari Landfill in Mantua Township and at the Bridgeport oil lagoon, but without Superfund there would be virtually no hope that, at least some day, the toxic wastes sites will be cleaned up.

While the Congress continues to debate the renewal of Superfund, it should authorize stopgap funding at previous levels so that, at least in some minimal way, even further cleanup delays may be avoided.

[From the Philadelphia Inquirer, Feb. 5, 1986]

GIVE SUPERFUND A QUICK FIX

One day after the Environmental Protection Agency announced plans to shut down the federal Superfund toxic-waste cleanup program for lack of funds, EPA Administrator Lee M. Thomas went before the Senate Environment Committee last week with a compromise of sorts. If Congress would provide temporary financing while House and Senate conferees ironed out differences on reauthorization bills, cleanup could continue.

Congress should accept the compromise, but with conditions.

Nobody wants Superfund contractors to pack up their moon suits and walk away from 170 sites that at last are being cleaned up. Yet, without additional money, that urgent work can't continue.

"We can't spend money we don't have," said Superfund program chief J. Winston Porter. Financial help does not appear to be imminent, however. Bills approved by the House and Senate late last year are quite different, both in substance and in funding levels. While a meeting of the minds between the two chambers is considered quite probable, it will take time before a compromise can be hammered out. In the meantime, however, the EPA is rapidly exhausting Superfund's bank account and has been forced to cut back cleanup efforts. What little money remains will run out by October, a year after Superfund officially expired.

Mr. Thomas told senators that the EPA is spending only $17 million a month on Superfund work. If the House-passed version of Superfund reauthorization had won congressional approval, $166.6 million a month would have been available to the EPA. The Senate-passed version would have provided $125 million per month. The disparity between what's available and what might have been available for cleanup makes the need for action obvious.

EPA's proposal for stopgap funds represents a significant policy change for the Reagan administration, which had opposed interim financing last year when the Superfund debate reached an impasse. The administration's objections were based on the fact that a temporary financial rescue would eliminate a lot of the public and political pressure on Congress to get a new law on the books.

To a certain extent, the administration is correct in its thinking. That's where the Congress can play a constructive role. Emergency funding should be provided, but not for a year, as some have suggested. Rather, funds that would allow full-scale cleanup operations to continue for several months—perhaps until May or June—should be authorized. That would provide a reasonable period for conferees to settle their differences but still feel the pressures of a deadline.

The House Ways and Means Committee, which is assembling a legislative package that would renew a variety of expired excise taxes, should add the Superfund tax to its list, and Congress should give it prompt approval.

[From the New York Times, Mar. 16, 1986]

KEEP THE PRESSURE ON CONGRESS FOR A NEW SUPERFUND BILL

(By Frank R. Lautenberg)

New Jersey residents have an enormous stake in the decisions that the Congress will make in the next few weeks on the Federal Superfund program. Unless action is taken quickly, the chances for a strong Federal program to clean up the nation's toxic wastes may perish.

Authority to raise money for the Superfund program expired last Sept. 30. Enacted in 1980, the program is the major source of support for cleaning up abandoned toxic-waste sites and responding to emergency releases of hazardous substances.

Since its expiration last year, the fund has been depleted and work planned for 1986 has been canceled.

The Federal Environmental Protection Agency is now threatening to begin to furlough 1,500 Superfund employees and to terminate continuing cleanup actions. In New Jersey, Federal action at 14 sites has been delayed; action at 15 others could be canceled by April 1.

For two years, deadlock has prevented the enactment of new Superfund legislation. In 1984, the Administration staunchly opposed the renewal of Superfund, despite efforts by both the Senate and House of Representatives to enact a bill.

In 1985, deadlock prevailed again. The Senate approved a new Superfund bill before the program expired, but only after months of delay due to Administration opposition. Conflicts over strengthening the program delayed consideration of Superfund legislation in the House until after the program had expired.

When it became clear that the Congress would not enact a bill last year, I sponsored legislation to provide six months of interim funds to keep the Superfund program going. This bill would have permitted the Government to keep raising money for the program until the end of this month.

My legislation, which provided only six months of financing, was designed to keep measure on the Congress and the President to approve a bill earlier this year. But the Administration opposed the legislation, and it was not acted upon before the Congress adjourned for the year.

The House and Senate have now each approved five-year extensions of a more effective, enlarged and strengthened Superfund program, and a House-Senate conference committee is meeting to resolve differences between the two bills.

I serve on that committee and have urged the conferees to finish our work before

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April 1, when the Superfund shutdown will begin. However, a stalemate looms again.

Instead of working with the conference to quickly enact a new Superfund program, the Administration is proposing to extend the old program for a year. This extension would keep the financing for cleanup at much lower levels than the amount supported in the Congress, and it ignores proposed improvements in the program.

A one-year extension of Superfund would take pressure off the Congress just at the time when pressure should be increased. It would make it easier for President Reagan to oppose a strong Superfund bill and, possibly, to veto one.

Most ominously, because it would push Superfund renewal off until after this year's elections, it could provide the opportunity for the President to recommend that the Federal program be scaled down—or even ended—and that the states take on primary responsibility for toxic waste cleanup.

New Jersey has agreed to advance funds, for which it will be reimbursed, for cleaning up some toxic waste sites in our state this year. But it is an open question of how long and at how many sites the state will be able to help out.

With the most Superfund sites in the nation, New Jersey has a lot at stake. Since 1980, it has received about 20 percent of the funds from Superfund.

If interim financing is needed to provide a brief window to preserve the integrity of the Federal Superfund program and to give Congress time to complete its work, it should be for only three to six months. There is no excuse for ducking the issues anymore.

The Congress must enact a permanent and strengthened Superfund program. The components of such a program include:

A $10 billion fund supported by a broad-based tax on industry.

Strong community right-to-know and emergency preparedness and response planning provisions, and requirements for immediate notification in the event of a chemical release, which I sponsored in the Senate. Citizens and emergency response personnel have a right to know about the chemicals present in their communities, and how to respond if faced with an accidental spill or release.

Accelerated schedules and tougher standards for site cleanup.

The right of citizens to sue when faced with hazards in their communities if the E.P.A. is not fulfilling its responsibilities.

Concerned citizens need to keep pressure on the Congress and the White House to make sure that we achieve these goals.

[From the Newark Star Ledger, Feb. 17, 1986]

EPA Cutting 1,500 Jobs in Fund Loss

(By Gordon Bishop)

The U.S. Environmental Protection Agency (EPA) will be notifying 1,500 employees shortly that they will be laid off as the federal superfund for cleaning up the nation's toxic waste sites runs out of money.

And within six weeks, the EPA will start shutting down the $1.6 billion cleanup program affecting some 1,000 hazardous waste dumps nationally, Lee Thomas, the agency's administrator, announced.

"EPA will be formulating plans this week to lay off 1,500 employees based on length of service with the government and their performance ratings," Russell Dawson, special assistant to Thomas, told The Star-Ledger.

"We've already started the process of determining who will be the first to be furloughed based on seniority and performance," Dawson disclosed.

As the superfund program winds down, New Jersey will be the hardest hit because it has the greatest number of toxic sites on the federal superfund priority list—a total of 99.

The cost to decontaminate the most dangerous or priority sites—plus some 200 other hazardous waste dumps in New Jersey—is estimated at $2 billion.

One large site can cost from $50–$100 million to clean up, based on preliminary studies by the State Department of Environmental Protection (DEP).

New Jersey, which adopted the nation's first toxic cleanup fund in 1978, collects less than $15 million a year in surcharges on petrochemical products manufactured within the state.

At that funding rate it would take, without federal aid, more than 100 years for the state to clean up the more than 300 toxic sites identified to date.

To prevent the dismantling of the five-year-old federal superfund system over the next six months, U.S. Sen. Frank Lautenberg (D–N.J.) is urging the public to put immediate pressure on federal legislators to reauthorize the 1980 cleanup financing law which officially expired last Sept. 30.

"If Congress does not act within the next few weeks, our national toxic waste cleanup effort will collapse," Lautenberg warned. "Once that happens, it will take a long time and a lot more money to put a program of this magnitude back together again."

A member of the Senate Environment and Public Works Committee, Lautenberg has introduced emergency legislation to keep superfund alive for six months while Congress and the White House negotiate a five-to-10-year refunding strategy.

The Reagan Administration is recommending $5.3 billion, about half of the amount in the House bill and $2.2 billion less than voted by the Senate.

Lautenberg said he hopes Washington will act before it is too late.

Time already is running out on the manpower needed to carry out the federal superfund program, Lautenberg said.

The schedule for the superfund shutdown, released by EPA, is:

Mid-February: Start the process of furloughing 1,500 superfund personnel, to be completed by Oct. 1. Notice of termination of contracts to eight major contractors doing site cleanups.

End of March: Termination of two major contractors (350 layoffs).

April: Cut enforcement activities 50 percent. Limit funding of emergency removals to $1 million a month from the present $5 million monthly appropriations.

June: Terminate all laboratory analyses required for chemical identification for the proper disposition of hazardous wastes, and the termination of two more major contractors.

July: Shutting down entirely the remediation program (actual cleanup at the superfund priority sites), and further curtailment of enforcement.

September: No more emergency funding, no further enforcement.

New Jersey leads the nation in receiving superfund money. The state so far has received just less than $21 million of $72.5 million "obligated" by EPA since the program was established five years ago. The additional $50 million must still be transferred to the state as actual cleanups begin.

Only a dozen New Jersey sites have been fully or partially cleaned up under the superfund program, Lautenberg reported.

Before a site can be cleaned up, feasibility and engineering studies must first be completed, a process that can take several years.

Lautenberg and 14 other cosponsors introduced Senate Bill 1920 last Dec. 10 to extend the expired tax on chemical feedstock and oil for six months. The legislation, if enacted, would collect about $150 million, retroactive to Oct. 1 and extending through March.

Both houses of Congress passed "superfund 2" legislation late last year. But the Senate and House failed to agree on a final version to be sent to the President.

The Senate last fall approved legislation that would create a $7.5 billion fund for the next five years. Money for it would come from two sources—the original feedstock tax on chemicals and oil ($1.5 billion over five years), and a new excise tax paid by all manufacturing industries ($6 billion).

The House adopted a proposal to raise $10 billion by various means, mostly through significantly higher taxes on chemical and oil producers.

The full House rejected by a 220–106 vote recommendations from three major committees to create an excise tax similar to the one approved by the Senate.

"Few people on Capitol Hill are optimistic that the congressional stalemate that has prevented renewal of the 1980 superfund bill will be broken soon," observed a spokesman for the Chemical Manufacturers Association (CMA).

"The chemical industry continues to support reauthorization of superfund now, asserted John Slavick, the CMA's director of regional communications.

"We also continue to support broadening the fund's tax base."

EPA has identified nearly 8,100 businesses from at least 33 manufacturing industries, including individuals, local, state and federal governments as having put waste in superfund sites.

Slavick stressed that "equity demands the cost of superfund be spread equally among all who have contributed to the problem."

Funding has become the major stumbling block in renewing superfund. The House and Senate disagree not only on how money for the fund should be raised, but on how large the fund should be.

"Obviously, these and other differences in the two bills will have to be worked out in a House-Senate conference," Slavick said.

Slavick, like Lautenberg, believes pressure must be applied now to get Congress to act swiftly.

"The firing of 1,500 agency employes and the disruption of other vital EPA programs" are at stake, Slavick declared.

Until Congress responds, Lautenberg's emergency measure would, if enacted, provide borrowing authority to EPA for the collection of funds from the Treasury against anticipated receipts.

Superfund's taxing authority expired Sept. 30.

Lautenberg is a member of the joint House-Senate conference on the superfund legislation. U.S. Sen. Robert Stafford (R-VT.), chairman of the Senate Environment Committee, has set March 7 as the date for completing work on amendments to the new superfund bill.

"We need to keep pressure on tax conferees so that superfund doesn't get lost in tax reform and budget debates," Lautenberg said. "We cannot afford to let superfund drag on without reauthorization."

On the top of Lautenberg's list of superfund amendments are the "community right-to-know" and emergency preparedness requirements that the senator first sponsored last year.

"They require the first national inventories of chemicals—information about where toxic chemicals are located, in what quantities and whether or not they're being released into the air, water or disposed of in the land," Lautenberg explained.

"We need this kind of information to prevent both the immediate dangers of chemical releases—represented by the Bhopals and spills we've witnessed in New Jersey in the past year—and the long-term chronic problems represented by the hundreds of superfund sites that threaten our cities and countryside," Lautenberg explained.

"They will give residents and our state agencies information about chemicals in communities across our country—about their accidental and daily releases.

"They will provide firefighters with information about the location of chemicals so they don't have to walk blindly into chemical fires."

Gov. Thomas Kean signed into law last month similar "Bhopal" amendments to prevent accidental releases from petrochemical plants operating in New Jersey.

A chemical spill in Bhopal, India, last year resulted in the deaths of thousands of people living near a plant producing lethal gas. It was the worst disaster in the history of industrial operations.

Lautenberg said the congressional superfund conference must proceed without delay.

"At the same time, Congress must be prepared to pass an interim funding measure to keep the infrastructure—the employees, contractors and minimal removal money—intact if the conference on superfund is not completed by mid-March," Lautenberg stated.

$150 Million Superfund Bill Favored

(By Elizabeth Auster)

Washington, DC.—With a threatened shutdown of the "Superfund" only about a week away, Congress is poised to pass emergency legislation providing $150 million to sustain the toxic-waste cleanup program through May 31.

The short-term funding bill, patched together in the past few days by key congressional supporters of the Superfund, sped through the House on a voice vote last night and is expected to face equally smooth passage through the Senate this morning.

President Reagan is expected to sign the legislation, despite the administration's stated preference for a one-year extension of the program.

"Superfund is on its way back to health," said Sen. Frank Lautenberg after last night's House vote. "The (toxic-waste) sites that were under review in New Jersey can have their reviews continued. The bulldozers will remain. We're keeping the program from being torn apart."

The bill passed yesterday, virtually identical to legislation introduced Wednesday by Lautenberg would essentially provide the Superfund program with an advance of $150 million from general revenues. The money would have to be spent or committed to particular activities by May 31, and repaid when Congress officially revives the toxic-waste cleanup program.

The program expired Sept. 30, ending the Environmental Protection Agency's legal right to continue collecting taxes to pay for its activities. Congressional attempts to reauthorize the program for another five years have moved slowly, while leftover Superfund money from past years has been fading quickly.

Without some new funding, EPA Administrator Lee Thomas has warned the agency would be forced to begin dismantling the toxic-waste cleanup program Apr. 1. The agency several months ago instituted a slowdown policy, forbidding the initiation of any new phases of cleanup work. As of Apr. 1, officials would begin canceling contracts and ceasing work in progress at various sites if no new funding is approved.

For the past several weeks, Thomas has been urging Congress to pass a one-year extension of the Superfund. That proposal has been sharply attacked by environmentalists and ardent Superfund advocates in Congress, who say it would lift the pressure on lawmakers to complete action on a five-year reauthorization package.

Members of the Senate and House have been negotiating since Feb. 26 to resolve major differences between five-year Superfund bills passed by the two chambers late last year.

The conference committee has yet to agree on the most controversial points of dispute, including the amount of money to be spent on the program. Both chambers would greatly increase Superfund spending over the $1.6-billion level of the past five years—the Senate to $7.5 billion, and the House to more than $10 billion.

Sponsors of funding legislation in the Senate and House said they specifically included deadlines for EPA to spend the money because they fear that if the agency spreads it out, negotiations on Superfund legislation could also drag out.

Rep. Robert Roe, who earlier this week had introduced a 45-day interim funding proposal, said that shortly before the 60-day bill that passed last night was brought to the House floor, several members of Congress were dismayed to discover no deadline attached.

Following a "heated" discussion, the Pompton Lakes Democrat said, the May 31 deadline was included.

Various Senate leaders have expressed support for a short-term Superfund extension in receipt days, and this morning's vote is likely to be routine.

Senate Sends Reagan Stopgap Superfund Bill

(By Robert Cohen)

Washington, DC.—The Senate yesterday passed and sent to President Reagan an emergency $150 million appropriations bill designed to keep the federal superfund hazardous waste cleanup program alive for two months.

Sen. Frank Lautenberg (D-N.J.) said the stopgap funding measure will forestall a complete shutdown of the superfund on June 1, and give House and Senate negotiators time to reach a compromise to extend the hazardous waste program for five years.

"Without this action, on April 1, the Environmental Protection Agency (EPA) would have begun to dismantle the superfund program," said Lautenberg. The objective of the bill is to keep the superfund intact and functioning effectively without removing the incentive to complete action on reauthorization of the program."

The Senate approved the funding bill by a voice vote. The House acted by voice vote on the same measure Thursday evening.

An aide to EPA Administrator Lee Thomas said he expects President Reagan to sign the emergency measure.

The federal cleanup program officially expired on Sept. 30, and has been kept functioning on a limited basis for months. Thomas had warned Congress that all remaining money provided under the expired 1980 law would be gone and the program would be shut down if some action were not taken by the end of this month.

The EPA months ago suspended work on dozens of superfund sites because of the lack of new legislation, although New Jersey has been expending its own funds on the federal sites in the state with the understanding that the money will be reimbursed at a later date.

The House and Senate each has passed its own bill to extend the superfund for another five years, but negotiators have been deadlocked over a number of issues and have not made much progress. The lack of congressional action led to the potential crisis.

Rep. Robert Roe (D–8th Dist.), a key House negotiator, said he is determined to get final congressional approval of a new superfund program before the money from the the stopgap spending bill runs out in two months.

Rep. James Florio (D–1st Dist.), an active participant in the process, said he is "confident" that the House and Senate will resolve their differences before June 1.

The most contentious issue facing the House-Senate negotiators is the source of funding and the amount of money that will be available for a new hazardous waste program.

The House bill contains a funding level of over $10 billion for five years. This money would be raised through the existing superfund tax on the chemical and petrochemical industries.

The Senate bill, on the other hand, would provide $7.5 billion over five years through existing superfund fees and a new broad-based tax on the nation's biggest manufacturers.

The Administration is fighting for a funding level of about $5 billion, and is opposed to the new tax in the Senate bill.

Although the President is expected to sign the two-month funding bill, the Administration attempted to get Congress to pass a one-year emergency funding measure.

Lautenberg, Roe, Florio and others strongly opposed this because they believed it would have taken the pressure off Congress to enact a long-term program, and would have forced them to start the legislative process all over again in 1987.

The new stopgap funding bill approved by the House and Senate requires the entire $150 million to be allocated in the next two months. An effort to permit the $150 million to be distributed over a longer period of time was cut short by Roe on Thursday.

THE NOMINATION OF THOMAS K. TURNAGE AS ADMINISTRATOR OF VETERANS' AFFAIRS

Mr. SIMPSON. Mr. President, I rise today to voice my unequivocal and enthusiastic support for the nomination of Gen. Thomas K. Turnage to the post of Administrator of Veterans' Af-

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fairs. The person who assumes the duties of Administrator will face a challenging job in these days of limited budgetary resources and an expanding and aging veterans' population.

He will follow in the path of some very able former Administrators, notably the current Acting Administrator, Everett Alvarez; immediate past-Administrator, Harry Walters; Robert Nimmo; and Max Cleland. It has been my pleasure to serve on the Senate Committee on Veterans' Affairs during the tenure of each of these gentlemen, and they all brought with them dedication to veterans and commitment to hard work.

I had the pleasure of meeting with General Turnage some time ago, and I found him to be a bright and stable person, who will bring with him to the position a sense of balance and perspective so necessary to anyone who assumes the duties of this post. I believe that Thomas Turnage is equal to the challenge and will tackle the tasks facing the Administrator with energy and dedication.

There are 28 million veterans in this country, and the Administrator of Veterans' Affairs has the unenviable task of making the limited resources available to the gency do the most good for those veterans. I believe Thomas Turnage recognizes that, while there are no low priority veterans, there will be less money to go around, and the Veterans' Administration must take care of veterans to the extent that it is able to do so within the limits imposed upon it.

General Turnage will bring with him to the Veterans' Administration an impressive record of service to the U.S. Army and the Selective Service. I believe he has what it will take to do the job. I wish him well; it is a tough job he faces.

OGLALA LAKOTA PHOTO EXHIBIT IN U.S. SENATE

Mr. ABDNOR. Mr. President, I would like to take this opportunity to bring to the attention of my colleagues the Oglala Lakota College Visual Identification and Photo Exhibit Project now on display in the Russell Senate Building rotunda.

I am pleased that I could arrange for this photo exhibit in the U.S. Senate and would like to insert the following article prepared by the Oglala Lakota College and the South Dakota Committee on Humanities which details the exhibit now on display.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

OGLALA LAKOTA PHOTO EXHIBIT

The Visual Indentification and Exhibit Project began in April 1984 with a generous grant of the South Dakota Committee for the Humanities. It was conceived and conducted by a volunteer ethnologist, Helene E. Hagan, in association with Mark Thiel, Archivist and Director of the Oglala Lakota Curriculum and Historical Resource Center, Oglala Lakota College, Pine Ridge Indian Reservation.

The purpose of this project was to circulate (among elders of the Pine Ridge Reservation), a thousand minimally identified photographs obtained from a number of repositories in the United States and Europe for identification or supplemental information. This work is in keeping with the overall goal of the Oglala Lakota College to secure documents of historical and cultural significance to the Oglala people, and make those available to future generations of researchers and students on the reservation.

The photographs were carefully selected for their cultural import from thousands of photocopies of existing collections. A guideline was used for the selection, focusing on partially or nonidentified individuals and small groups, as well as activities photographed on Pine Ridge Reservation between 1900 and 1940. Those activities range from traditional or family work (butchering, meat drying, hide tanning, beading, sewing, homebuilding, planting and ranching) to meetings of a social or ceremonial character (dances, pow-wows, Fourth of July celebrations and traditional ceremonies and rituals), and a variety of School Projects. Delegations of dignitaries and Wild West Show performers were also included.

The project has been reasonably successful in as much as it established the identities of many individuals hereto left unknown. Furthermore, elders from all districts of the reservation provided information about the families of these individuals and the communities to which they belonged. The photographs which record activities have composed a portrait of life on Pine Ridge Reservation from the time of its origin to the second World War. They can now be exhibited in thematic compositions featuring the Day Schools, gardens and 4-H Projects; Women's work, sewing bees and community projects; dances and pow-wows; Sun Dances and other ceremonies; community leaders and Headmen; Oglala Lakota delegations of dignitaries to Washington and other Treaty related groups.

Some photographs have been acquired relating to Oglala men and women who traveled with the Wild West Shows. They have been kept to a minimum considering the extent of material available in the United States abroad. Of special note and pride is a group of photographs obtained from the Musee de l'Homme of Paris, France. The Oglala Lakota Curriculum and Historical Resource Center is the only repository in this country to house the entire collection of 141 portraits of men and women having been for the most part identified as members of the Wild West Shows in Europe.

Many elders helped throughout the project. They gave of their time and knowledge graciously and consistently. We would miss much information, today and in the years to come, without their contribution. We are deeply appreciative of their willingness to help and the work they contributed. A list of the participants and their photographs are maintained in the Historical Center. To all those who made this project possible, we offer our many thanks. *Pila Maye.*

BARBER CONABLE AND THE FUTURE OF THE WORLD BANK

Mr. PRESSLER. Mr. President, I recently read with interest about the President's nomination of former Congressman Barber B. Conable, Jr. to be President of the World Bank. I had the privilege of serving with Barber Conable in the House of Representatives where he earned an exceptional reputation through 20 years of dedicated service. As a member, and later ranking minority member, of the House Ways and Means Committee he demonstrated real insight and deep commitment on trade issues. Barber Conable's experience should serve him well in his new position. I am sure all of our distinguished colleagues would join me in wishing him the best in this most important and challenging undertaking.

Conable comes to the job at a time of transition at the World Bank. He will find himself taking the helm of a ship sailing in some of the stormiest waters the international economy has ever experienced. In October 1985, Treasury Secretary James Baker unveiled a plan for dealing with the ever growing Third World debt problem. The Baker initiative is designed to help 15 of the most debt-laden developing countries by combining increased World Bank lending in cooperation with additional private capital.

While the Baker framework is clear, implementation in the plan will be most difficult. Direct foreign investment in these countries has fallen from its peak of about $17 billion in 1981 to around $8 billion in 1984. Commercial banks are already highly leveraged in the Third World. The 15 countries now owe Citicorp, the largest foreign lender, an estimated 180 percent of the company's total equity.

At the same time, the debt level in these countries has reached critical proportions. The targeted countries have accumulated a $437 billion debt. The interest bill alone is now about $45 billion annually. This debt is equal to about 58 percent of their aggregate gross national product. In contrast, the historically high $200 billion foreign debt of the United States amounts to roughly 5 percent of our GNP. These countries are in deep trouble and some have either formally announced or intimated that they would be unable to continue to meet their debt payments.

What has brought the world economy to this point? Part of the problem is the socialistic and distorted nationalistic economic policies of these countries. These policies led to extremely inefficient and, in many cases corrupt, use of loan funds. Another cause was the cheap credit of the mid-1970's. Between 1972 and 1979, the indebtedness of the less-developed countries increased at an annual average rate of

21.7 percent. Additionally, the substantial drop in U.S. inflation rates from over 13 percent in the late 1970's to under 4 percent in 1982 caught many developing countries off guard.

The hope of paying back loans in cheap, inflated dollars, turned to the despair of being forced to repay debts in expensive, less inflated dollars. Falling prices for such export commodities as oil, agricultural products, and minerals resulted in declining revenue at the same time these countries were faced with increased real interest payments on their loans. They were, and are, faced with an impossible situation. Their debt is growing faster than their net export proceeds. They will simply never catch up.

What then can Barber Conable do at the World Bank to successfully implement the Baker plan and begin to resolve the international debt crisis? Nothing can be done to reverse the lending which occurred at the time of cheap credit. The rate of inflation in this country is not likely to rise substantially in the near future. Commodity prices, especially in the agricultural and oil areas, are not likely to improve significantly any time soon. This leaves us with the governmental policies of these countries. Policies regarding taxation, foreign investment, trade, state-owned enterprises, business regulations and other areas are in need of restructuring. Convincing these governments and, more importantly, the leaders of these countries who personally benefit from the status quo, to change will be a horrendous task.

If Conable can accomplish the difficult diplomatic job of convincing Third World countries that the restructuring of their economies along more free enterprise lines is in their best interest, the job will only be partly done. While the techniques of privatization are very familiar in many developed countries, much of the needed information is unknown in debtor countries. The World Bank will need to devote more of its resources and staff to teach the needed strategies.

Helping these countries' economic policies evolve according to more market-oriented principles would provide long-term relief. However, there remains the immediate problem of unmanageable debt. On this short-term problem, banks could help through conditional write-downs or loan forgiveness combined with stepped-up lending. Understandably, banks are not anxious to take such steps without some concessions. So far, the Baker initiative provides for no special treatment of troubled loans.

It may be that the United States and industrialized nations may need to guarantee some loans. It may also be time to consider allowing U.S. banks to engage in a practice already utilized by their European counterparts—capitalization of outstanding loans. Through capitalization, loans would be forgiven in exchange for equity shares in state-owned enterprises. This action would accomplish two important goals. First, it would obviously ease the debt load. Additionally, it would help to move companies from state ownership into private hands.

U.S. recognition that the debt crisis is threatening the international financial and trade system, as well as the political stability of Third World debtor nations, is an important first step. Barber Conable and the World Bank must now find new ways to turn theory into reality.

IMPROVING NATO'S ARMAMENTS COOPERATION

Mr. NUNN. Mr. President, last month I joined a number of other members of the Senate Arms Control Observer Group, including Senators STEVENS, WARNER, PELL, GORE and WALLOP, in participating in a NATO conference in Brussels on "High Technology, Western Security and Economic Growth: An Agenda for the Future." This very informative conference, which was jointly sponsored by the U.S. Mission to NATO, the U.S. Mission to the European Communities, the U.S. Mission to the OECD, and the U.S. Embassy in Brussels, was ably chaired by our distinguished Permanent Representative on the North Atlantic Council, Ambassador David M. Abshire.

During the conference, Mr. Benjamin F. Schemmer, editor of Armed Forces Journal International, presented a paper entitled "Improving Armaments Cooperation: There's a New Deck of Cards on the Table." Mr. Schemmer's presentation was both refreshingly candid in its analysis of past problems in this area and remarkably insightful in charting a course for future progress.

Mr. Schemmer underscored two principal themes in his speech. First, he reminded us that NATO has no alternative to collective defense programs if it is to improve its conventional deterrence against Warsaw Pact attack. As Mr. Schemmer noted,

> We need better armaments cooperation because it has become an imperative—militarily, because the Warsaw Pact industrial flywheel is outproducing ours; economically, because none of us any longer have the discretionary funds to reinvent each other's wheel; and socially, because we need to exploit new technologies to offset the demographic revolution just ahead.

Mr. President, it is highly regrettable that President Reagan persists in referring to charts that compare the United States/Soviet balance in such weapons as tanks or artillery pieces, as he did again just last week in his televised speech on defense. The fact is the United States would not be fighting alone in any war with the Soviet Union in Europe. The only comparisons that are instructive in assessing scenarios for a possible war in Europe are ones which measure NATO capabilities collectively against those of the Warsaw Pact in various measures of military capability.

Mr. Schemmer makes it clear in his paper that the longer the United States and its allies persist in wasting scarce defense dollars duplicating each other's separate research, development and production programs for key weapons systems, the lower the NATO aggregate figure will be in charts comparing the Alliance's capability vis-a-vis those of the Warsaw Pact.

Mr. Schemmer's second major point was that although Congress and the executive branch have joined together in the last year to establish a genuine foundation for significant progress in improving NATO's armaments cooperation, this initiative will be for naught unless the alliance responds with the resources and planning needed to produce real results. As Mr. Schemmer's points out, "Without a coherent resource strategy to exploit these initiatives collectively, we may walk into a minefield of wishful thinking and wound ourselves seriously."

Mr. President, I ask unanimous consent that Mr. Schemmer's paper be printed in full at the end of my remarks.

On February 27, NATO convened a special meeting of its Conference of National Armaments Directors [CNAD] in Brussels to review candidate programs for cooperative development under the 1985 Nunn/Warner/Roth amendment. At a meeting of the CNAD in November, the United States had submitted a list of four candidate programs, and European defense officials submitted a list of six. In the intervening months, the United States and its allies expanded on this list, identifying a large number of possible cooperative programs.

At last week's special CNAD session, NATO armaments directors discussed about half of these programs in some depth and reached agreement on a "Joint Statement of Intent" covering six separate systems. Although U.S. defense officials had hoped to reach formal agreements at this meeting committing participating States to pursue joint collaborative programs, the "Joint Statement of Intent" document stops short of binding each signatory to putting up necessary start-up funds. The United States remains hopeful, though, that the next CNAD meeting, scheduled for mid-April, will ratify formal agreements establishing the six projects and obligating U.S. and allied funds.

Mr. President, I regret that progress in implementing the 1985 Nunn/Warner/Roth amendment has not

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been as rapid as I had hoped. However, I am both impressed and encouraged by the superb job which Deputy Secretary of Defense William Taft and Under Secretary of Defense Donald Hicks are doing in pressing the allies for a positive and comprehensive response. Backed by Ambassador Abshire and his Special Advisor for Armaments, Dennis Kloske, the Taft/Hicks team can be counted upon to do everything in their power to make this important initiative a success.

There being no objection, the paper was ordered to be printed in the RECORD, as follows:

IMPROVING ARMAMENTS COOPERATION—THERE'S A NEW DECK OF CARDS ON THE TABLE

(By Benjamin F. Schemmer)

Most of us at this conference play bridge, poker, 21, baccarat, or chemin-de-fer. Some of us have even made money at it. But none of us have ever made money playing solitaire. All you do is bet on yourself—or against yourself. Solitaire is the dullest, most time-consuming, and least rewarding card game man has devised.

Solitaire is what this conference is all about: prosperous as the NATO Alliance has let us become, none of us can afford any longer to bet on ourselves. We need to pool our bets. Bright as each of us is, creative as each of our native countries is, we are going bankrupt betting on ourselves—individually as sovereign nations, collectively as an Alliance.

We need better armaments cooperation—or we will end up either broke financially, broken militarily, or politically dismembered.

Let me illustrate that point with a short, poignant, but tragic snapshot of a great nation trying to "go it alone." It's about my own country—rich, creative, lauded for its technological genius, and sometimes envied for its investment strategies.

Most of us here have flown by helicopter once, or visited, at least one of the 4⅔ U.S. Army divisions we maintain in Europe. They are here, guests on your soil, helping to defend the splendid values we share, the achievements that make this forum possible, and the aspirations we have been debating for two days on how best to maintain more efficiently the peace we have all enjoyed since the NATO Alliance was formed.

As you flew over or visited those Americans units, surely you noticed they are naked. They have no air defense umbrella. NATO has one in the Hawk/Hercules/Patriot belt; most of your divisions have their umbrellas in some form of short-range gun or air defense missile systems. Our divisions have none.

And except for a pitifully few, two-decade old, 20mm Vulcan guns and Chaparral missile launchers, U.S. air bases dotting this continent are equally vulnerable to low-altitude attack. (Our hand-held Stinger missiles, good as they are, are more symbols of revenge than they are useful as a defensive deterrent.)

Since Phil Karber and other experts on the Warsaw Pact tell us that Soviet pilots no longer practice air strikes cruising into their targets at 5,000 or 10,000 or 20,000 feet, this void in low-altitude air defense of American forces strikes one as bordering on criminal negligence.

But we meant well. We tried. Unfortunately, we tried it alone. We played solitaire—and lost.

Isn't it amazing that we in the United States have spent $4 billion trying to fix that problem—and don't have one new gun or missile to show for it? We spent $1.9 billion trying to "Americanize" the German-French Roland missile system—and cancelled that program in 1979; we spent $2.1 billion inventing a 40mm Division Air Defense gun—and cancelled that program in 1985.

A nation rich enough and creative enough to—harness the atom, put man on the moon Orbit KH-11 satellites, fly prototypes of Stealth tactical aircraft as far back as 1978, and deploy Trident submarines today—can't field a dinky little cannon from "off-the-shelf" components or even copy to U.S. specifications (with marginal product improvements) a short-range missile system our Allies in Europe have had deployed for years.

Of course we can.

But we didn't.

Our $1.9-billion investment in Roland has produced 19 small firing units now assigned to the New Mexico National Guard, which we are still reconfiguring for contingencies in Southwest Asia. Our $2.1 billion investment in DIVAD has produced a billion dollars worth of spare parts for a weapon we don't even have.

We wasted $4 billion of NATO money—it wasn't just "our" money, because the NATO Alliance gave us the security and NATO countries gave us the trade that made the investment possible—to reinvent your wheels. As Ambassador David Abshire reminds us frequently, if there's anything our NATO allies have, it's a plethora of different air defense guns and short-range air defense missile systems. But instead of buying either system—gun or missile—from you, or developing improved ones with you, the U.S. decided to march to the drum-beat of our own technicians, our own politicians—and we marched straight into the American Waterloo of short-range air defense.

In the calculus of today's economics or of a $300 billion American Defense budget, $4 billion may not sound like a lot of money. But that's very close to the $4.3 bilion we will have spent developing, building, and deploying the U.S. Air Force's entire air-launched cruise missile program; it's twice as much as we expect to spend on the entire constellation of third-generation defense satellite communications systems; it's more than the entire research and hardware cost of our ground-launched cruise missile program; it's almost as much as we'll invest in the entire Navy Hawk trainer aircraft system; it's more than we'll have spent inventing and buying 155mm Copperhead laser-homing smart munitions; it's about equal to all the money we have spent or plan to spend inventing and building the NATO Multiple Launch Rocket System; and it's 33 percent more than the entire Pershing II medium-range ballistic missile program is supposed to end us costing.

We blew big bucks trying to reinvest your wheels.

The United States Congress is not going to put up with that any more, as Senator Nunn and Senator Stevens here will attest—hard as they work (as their voters pay them to) to protect constituent interests in their home states and indeed through the United States. They are, above all United States Senators, but "from" Georgia or "from" Alaska.

In a nation only 210 years old, we have seen over the past five or six years a remarkable change in the political, cultural, and economic attitudes toward America's technological and military partnership with Europe. In spite of growing trade deficits that reached record levels last December, our Congress and the Executive Branch have decided to quit playing solitaire in the armaments arena and to back your bets on military equippage.

Since 1980, when the "two-way street" represented a disproportionate and divisive 9-to-1 imbalance of American arms sales to Europe, compared against our purchases of European military equipment, the U.S. Congress and Executive Branch have gradually reduced that ratio to about 3-to-1—perhaps even much lower, using newer figures recently agreed to between the Pentagon, England, Italy, and Germany. In the U.S. Fiscal Year 1984 (the last year for which we have such data), that 3-to-1 ratio means we sold Europe $1.5 billion more military hardware than we bought from our Allies here. But the military two-way street is not the only highway across the Atlantic; in that same year, the Pentagon spent $6.2 billion in Europe for other goods and services not covered by the two-way street equations; in that same year, our overall trade balance with our NATO Allies ended up $18.2 billion in Europe's favor. Of that trade deficit, about $9 billion was in West Germany's favor. There, some politicians and some industrialists fret that the military tow-way street in 1984 was too much in America's favor—1.43-to-1 as we originally calculated it, then 1.02-to-1 as we refined the estimates, and finally 1.88-to-1 as we negotiated a final bilateral understanding last April. For six months, two staunch Allies spent several man years bickering about a two-way street "inequity" which at one point totaled a miniscule $5.6 million advantage for the U.S. out of $621 million in defense trade—against the backdrop of an overall trade deficit 1,800 times bigger and in Germany's favor.

The Two-Way Street issue is becoming a footnote in history. Most analysts foresee that over the decade ahead, Europe will sell more arms to the U.S. than we will ship to the continent. A front-page Wall Street Journal article headlined that trend two months ago in a well-reasoned article that few European newspapers even noted.

Look at the record: it is clear that we are serious about cooperating on NATO armaments while giving Europe's technology a fair shake in our increasingly competitive aerospace market. In just five years, Congress has either urged or let the Pentagon buy:

$4.5 billion worth of Mobile Subscriber Equipment from France—for an Army whose soldiers come from a new generation of cellular telephone junkies;

Italian 9mm pistols—to arm soldiers and Marines whose great grandfathers won the west with American-made revolvers;

British Rapier air defense missiles to protect our airbases in the United Kingdom;

German-built Roland missiles to defend our aircraft in Germany;

Over a billion dollars worth of French Durandal Runway busters;

British-designed Hawk trainers for our Navy;

British-built 81mm mortars for our newest light mechanized division, while producing thousands more under license in the U.S. for 25 other divisions;

British-built 105mm howitzers for the 9th Mechanized Division;

British-powered AV-8B Harrier jump jets for the Marine Corps;

Sherpa C-23 aircraft built in Ireland to improve Air Force logistic support in Europe;

and, from another ally, Israeli-built Kfir fighters to give Navy and Marine pilots better training in dissimilar air combat maneuvering, Israeli-built remotely-piloted vehicles to give our battleships better targeting data and protect our carrier aircraft with better decoys and off-board jamming.

America does care enough to steal the very best, and we are willing to pay for it.

The tide in transatlantic arms trade is turning. We have made major studies from competing with each other to cooperating with each other.

Today, we need what Ambassador Abshire has aptly named a "Resources Strategy" to capitalize on this momentum. We need better armaments cooperation because it has become an imperative—militarily, because the Warsaw Pact industrial flywheel is outproducing ours; economically, because none of us any longer have the discretionary funds to reinvent each other's wheel; and socially, because we need to exploit new technologies to offset the diplomatic revolution just ahead. The pill has become so popular that within a decade, we all will have to trade technology for manpower. (The U.S. Army didn't buy the Rita communications system to appease European Politicians upset about Two-Way Street inequities; we bought it because we have more signalmen in Europe than infantry, and Rita will save us over 6,000 soldiers who are now busy manning outdated switchboards. And just incidentally, Europe's technology in this instance will save us five or six years in fielding a system that, had we decided to design and build one, would have cost us $3 or $4 billion more.)

But the Alliance needs a resource strategy that will let us *all* harness our technologies better to beat the pill. Rita, I am told, is named after the patron saint of lost causes: a Rita contract here and a Roland/Patriot deal there is not going to let us man NATO's forward defense adequately in 1995.

We need Dave Abshire's resource strategy to coordinate our requirements process, to integrate our technologies, and to pool our resources more wisely.

The climate for creating that resource strategy has arrived: the future for armaments cooperation is bright; the horizon is clear; and the highway to it is no longer obscured by bureaucratic fog.

Our Secretary of State, George Shultz, raised a few eyebrows in Brussels in December when he stressed in the foreign ministers' meeting how strongly the United States is committed to make NATO armaments cooperation work. Thus, this is not just a new fad in the United States; it is not just a consensus; it is a major policy initiative forged by a unique confluence of military, political, industrial, and economic interests.

The most important planning document in America's arsenal is not this year's or next year's budget. It is the Defense Guidance. The latest version, signed on December 31 by Secretary Weinberger, is unambiguous in directing the military services to:

". . . expedite filling materiel needs through acquisition of existing equipment from our Alliance nations."

It directs them to do so; it doesn't exhort them to try. It is equally strong in *directing* all the Services to:

". . . take full advantage of technologies, including emerging technologies, to improve conventional defenses by actively seeking cooperative armaments programs with our NATO allies."

Last year, in a major initiative sparked by Senators Sam Nunn and John Warner, Congress appropriated $125 million of seek money to make better NATO armaments cooperation a reality. Of that, $25 million must be spent testing Allied equipment side-by-side against our own candidate weapons before new programs are voted into production.

Congress made clear in the Continuing Budget Resolution Senator Stevens got passed just before Christmas that it can "reprogram" from other sources even more money to expand this NATO cooperative armaments initiative, which was originally authorized as a $250 million venture. Within the past two weeks, I am told by usually reliable sources I am not permitted to name, Deputy Defense Secretary William Howard Taft IV told senior civilian officials that he expects them to submit recommendations he can soon take to Congress to reprogram funds for the full $250 million, and that he intends to exceed even that target.

Last November, Deputy Secretary Taft exchanged lists of candidate programs for these new cooperative research and development initiatives with his NATO counterparts. The Council of NATO Armaments Directors meet soon to refine and to expand that list.

The U.S. has taken the new Nunn Amendment seriously; unfortunately, it has received far less attention in the press, both here in Europe and in the U.S., than the somewhat less popular 1984 Nunn Amendment. Nevertheless, Congress has backed his initiative, and it has given Secretary Weinberger the resources needed to make a reality of the directive he signed last June 6, telling his staff and the Services to:

". . . properly and thoroughly consider Allied capabilities before any new U.S. developments are begun."

But the model thus before us is one thing; reality is another. Without a coherent resources strategy to exploit these initiatives collectively, we may walk into a minefield of wishful thinking and wound ourselves seriously.

Neither we in America nor you in Europe can afford to be complacent just because we have produced four or five meetings, six documents, and a $125 million appropriation for NATO armaments cooperation. Now we need to produce real cooperation. If we do not, I submit that the combination of the 1984 Nunn Amendment, the 1985 Nunn Amendment, and the 1985 Gramm-Rudman-Hollings deficit reduction act could spell the end of NATO as we now know it.

We cannot afford another DIVAD; Britain cannot afford another Nimrod airborne early warning program; NATO cannot afford to miss the brass ring now before us.

For all we have learned on how to cooperate, we have failed to remember that timely program execution is as critical as forging a timely political consensus. In recent years, our lack of a resources strategy has cost us at least one golden opportunity.

In 1974 and 1975, five NATO nations decided in a period of less than a year to cooperate on a multinational fighter, the F-16. From concept to consensus, hardly nine months passed before that dramatic announcement at the Paris Air Show that the U.S., Norway, Denmark, the Netherlands and Belgium would grab the brass ring of RSI—rationalization, standardization, and interoperability. That program started late; the plane was already flying; but the program worked. What was launched in 1975 as a cooperative, joint production program for 348 European and 650 U.S. Air Force multi-role fighters has grown into an industrial business base entailing 515 planes for Europe, 2,821 for U.S. forces, and 756 sales to eight other countries.

Wise men marshalled the political will and industrial genius to schedule the whole NATO program and exchange technical data packages in time to make a dream become a spectacular reality: European firms build 15% of the content of all third-country sales, 10% of our planes, and 40% of their own. The 58% offset they bargained for is a reality; the military and industry mobilized a decaying aerospace complex in Europe to the point that today, the only part of any F-16 built entirely in Ft. Worth, Texas is its forward fuselage. This revitalized industrial base is still in a position to compete for more production as even other F-16s get sold in the years ahead. We melded plans and prodded politicians to make it all work.

But somewhere in that process, we lost the corporate data bank.

Today we have a new role model for cooperative, joint production and development—the Multiple Launch Rocket System. That dream may be turning into a nightmare. While it too started a little out of phase, the U.S. having launched early, it has grown so out of phase that the NATO MLRS partners may lose the market they joined to exploit. We agreed to share the third country market 60/40—but Europe's MLRS lines are coming into production so late that some nations will not be in a position to fill third country orders until 1990 or 1991. The U.S. MLRS deployed to Europe last year; Europe won't sign its first production contracts until sometime before June of this year. Yet we all got the same, validated technical data package to produce it on the same date. The United Kingdom wanted MLRS as soon as possible; but now it will deploy MLRS to the British Army on the Rhine five or seven years after V U.S. Corps fielded its first battalion.

What went wrong? What is it we do not want to waste $125 million in new seed money repeating?

We did not orchestrate the front end of the MLRS political process. We did not have an Alliance resource strategy. To sum it up in editorial shorthand, Europe is behind the power curve because European partners have spent years bickering over their resource allocation and respective work shares, while the government bureaucracies have created a paper jungle also addressing the cross-Atlantic work shares.

The total work share was never in question: each European partner paid a modest $15 million for a technical data package that would let Europe build 100% of Europe's MLRS—and share 40% of the production for all third country sales. Ironically, the U.S. is bookkeeping country sales and Europe will still get 40% of the return from market, even though it is not and will not be ready to produce much of it.

Some in Europe fear that the U.S. wants to "cooperate" so U.S. Industry can "co-opt." The F-16 and MLRS models put the lie to that myth.

But now, much of what might have been a huge third country market for MLRS will be lost to competitors elsewhere—Brazil, for instance, or Israel. And there are others: we now even have some NATO MLRS partners competing with their own national systems

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for what we all once said would be the NATO MLRS market.

Turkey, to cite another problem, may eventually buy more MLRS than West Germany's 200 launchers and 85,000 rockets. It wants, naturally, to co-produce them, but it can't get into production for seven or so years, and by then, the rest of the NATO partners will all be building entirely different warheads.

Ironically, Dave Abshire's park plug on armaments cooperation, Dennis Kloske (who will soon become Deputy Secretary Taft's Special Advisor on Armaments Cooperation), cited the MLRS as the new role model for armaments cooperation at a recent meeting of the North Atlantic Assembly. Borrowing a phrase from Mao, he said, "Let there be a hundred MLRS." In fact, we must be successful with the one we have—but we surely don't need another like it, whose basic architecture was so well designed but so poorly executed.

NATO armaments cooperation will work only as well as we conceive the foundation and commitment of each program. We need urgently to improve the front end of the planning process; we need Dave Abshire's resource strategy as clearly as NATO needs bigger ammunition stocks.

We have now the framework on which to design that resource strategy: NATO's agreement on its critical deficiencies; NATO's collective work to improve our net assessment; NATO's progress towards a Conceptual Military Framework.

But we have no list of NATO priorities, and we have no resource strategy—to include policy, strategy, doctrine and missions in priority—so research, development, and procurement can have some focus. It's that focus that made the F-16 (and hopefully will make MLRS and SDI) successful. It's this resource strategy that will give us a roadmap around or through the minefield that NATO armaments cooperation could become.

Perhaps, Senator Stevens, you could persuade Senator Nunn and Senator Warner to offer yet another Nunn Amendment—one in 1986 that will encourage, require, or coerce all of NATO's deputy defense ministers to invest a few hours each week drafting an Alliance Resource Strategy. And one hopes that it would ask our NATO partners to seriously consider, as Sir Peter Emery suggested so engagingly and importantly in his luncheon remarks yesterday, how much better our conventional defenses might become if we exploit aggressively the technological spin-offs of the $26-billion our nation may invest in S.D.I. Let's merge those spin-offs with today's emerging technology in a resource strategy focused on overtaking the flywheel of Warsaw Pact arms production and beating their deployment cycles.

There is another initiative I hope Congress will force us to consider as we look to better armaments cooperation. Inhibitions within this Alliance on technology transfer are supposed to slow the Soviet military flywheel; but I submit that the Soviets are stealing almost everything they want, and that the machinery we've set up to restrict our own technical dialogues are self-defeating, because they are slowing us down, and that's why we deploy front-line weapons so much more slowly than the Soviets. Now that the COCOM machinery is working better, I happen to believe that America should share much more Stealth technology with our Allies for the European Fighter Aircraft (EFA).

Surely our German and British and Italian Allies—and the French as well—have protected most of our "compartmented" programs better than we have been able to. You didn't leak Stealth; the Carter Administration did. You didn't lose the KH-11 operating manuals; we did. You didn't sell phased array, look-down radar to the Soviets; one of our engineers did.

It is senseless for an Alliance to build a non-Stealth aircraft for the year 2000. The Soviets know how to defeat conventionally-designed low-radar cross-section aircraft; they have better optical tracking and laser-tracking systems than we do; they have monopulse and bi-static radars that we don't; and they have now superb infrared detectors. Thus, EFA will be a sitting duck.

We need to push American technologies to our Allies—if more armaments cooperation is to pay off.

How do we focus this issue? How can we force ourselves to face up to it? I have a constructive, specific suggestion for our NATO partners: Quit being so courteous or deferential. Quit hesitating to ask about some of our programs just because they have a code word.

Since the NATO Military Committee has been charged with producing and continually updating a Conceptual Military Framework, thanks in such large part to Manfred Woerner's initiative, why not ask your Chairmen of your Joint Defense Staffs:

How are we supposed to fight this year, or next, or in the year 1990 when all of these American Stealth tactical airplanes suddenly arrive in Europe?

How do we plan an intergrated NATO air defense, when we find that the Americans plan to deploy tomorrow or the day after war breaks out a "black" air defense system none of us have been briefed on, but which we just read about in this month's Armed Forces Journal? (The Russians probably know more about Grass Blade [1] than most NATO war planners, because they cull unclassified Congressional reports even more assiduously than American magazine editors, while NATO's war planners trust U.S. authorities to tell them "in due course" what's behind the green door that might favorably affect the outcome of war.)

The Alliance is mature enough for us to share the trusts that my suggestions imply. The gap between the Pact and NATO's conventional forces continues to widen, while the growth rate of NATO's defense budgets begins to shrink. It is time to think big about armaments cooperation—with a resource strategy that lets the *Alliance* exploit technologies that might, finally, let NATO raise the early nuclear threshold we are hostage to today.

CONGRESSIONAL CALL TO CONSCIENCE

Mr. EAGLETON. Mr. President, I am pleased to participate once again in the 1986 Congressional Call to Conscience for Soviet Jewry, an effort to highlight the plight of literally hundreds of Soviet Jews.

The Call to Conscience has already brought to the attention of the Senate countless cases of Soviet Jews subject to a wide variety of repressive measures for the lone reason that they desire to practice their faith a guaranteed by the constitution of the Union of Soviet Socialist Republics.

The recently issued State Department Country Reports on Human Rights Practices details a number of cases of Soviet harrassment within the last year:

> The crackdown on Jewish (primarily "refusenik") activists and Hebrew teachers continued in 1985. (A "refusenik" is a Jew who has been denied permission to emigrate.) By year's end, 15 had been sentenced to terms of up to 4 years in a labor camp, many on trumped-up criminal charges specifically designed to discredit their cause. Moscow Hebrew teacher Dmitriy (Dan) Shapiro was brought to trial June 26. After reportedly being subjected to threats of severe punishment and other forms of pressure, Shapiro signed a "confession" to Zionist and anti-Soviet activities. Later broadcast on Soviet national television, Shapiro's statement named several Jewish "collaborators," many of whom in fact did not know him well. Shapiro was given a suspended sentence, but his public "confession" was widely interpreted as a stern warning against assertion of Jewish culture and identity.
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> Other arrests and trials of Hebrew teachers reinforced the climate of repression. Leningrad Hebrew teacher Ronald Zelichonok was tried August 8 and sentenced to 3 years in a labor camp for anti-Soviet slander, apparently on the basis of statements made in private letters. Yevgeniy Koifman was tried in Dnepropetrovsk on a trumped-up narcotics charge and sentenced to 2½ years of a closely supervised work release. His wife was confined to a psychiatric hospital following her attempts to assist and defend her arrested husband. Another Hebrew teacher, Leonid Volvovskiy, already exiled to the closed city of Gor'kiy, was charged with anti-Soviet slander and sentenced October 24 to 3 years in a penal camp. His trial took place in an atmosphere characterized by anti-Semitic slogans painted on walls near his apartment and by hostile articles in the official local press. Iosif Begun was transferred from a labor camp to a prison, apparently for violation of camp rules. His wife and son were repeatedly warned by Soviet authorities to cease activities on his behalf, such as hunger strikes and press conferences. Iosif Berenshtein underwent medical treatment for blindness suffered in a prison attack but was transferred back to a camp at Zholtye Vody with little chance of regaining his sight.
>
> Aleksandr Kholmyanskiy, another imprisoned Hebrew teacher, also suffered ill health. Samuel Epshtein, serving a term for anti-Soviet slander, had his term extended by 2 years under a new law which permits extension of camp sentences for minor infractions of camp rules. By the fall of 1985 the number of imprisoned Jewish activists was conservatively estimated at 22.

Mr. President, I know it is the hope of every member of this body that our daily efforts in highlighting these cases will give hope and fortitude to these refuseniks until they are able to openly worship their faith.

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[1] "Secret Army Program May Satisfy Some Air Defense Requirements," by Deborah Gallagher Meyer, Page 26, February 1986 AFJI.

FEBRUARY 1986 TEXTILE IMPORT FIGURES

Mr. THURMOND. Mr. President, I have just received the latest textile and apparel import figures. Unfortunately, they constitute more bad news for our beleagured domestic industry. No, Mr. President, things have not improved for the hundreds of thousands of Americans who earn a living manufacturing textiles and apparel. In fact, things look pretty bleak.

Mr. President, imports of textiles and apparel this February were up 14.9 percent over February 1985. With our domestic market growing at an annual rate of about 3 percent, any import growth over that figure means that the commitment to link import growth to the growth of the domestic market is not being kept. Import growth over 3 percent also means fewer American jobs. Fewer American jobs means a lower standard of living for the people of our great Nation.

Mr. President, I wish that I could report to my colleagues that our textile trade situation is improving, but I cannot. The year 1985 marked the fifth consecutive year that textile and apparel imports hit new record levels. For the first 2 months of 1986, imports have soared 27.7 percent higher than the first 2 months of 1985. That is correct, Mr. President, imports in January and February of this year are up over 27 percent more than they were last January and February. It looks like 1986 will shatter all previous import records. That is one record we should not be proud of.

Mr. President, I have previously reported the loss of over 350,000 jobs in the domestic textile and apparel industry over the last 5 years. Those job losses are in an industry that the Defense Department ranks second only to steel in importance to national security. Those job losses are in an industry that employs many women and minority workers. Those job losses are in an industry that accounts for 1 out of every 10 manufacturing jobs in our country. We cannot stand by and watch the decline of this vital industry. We must assure the survival of our manufacturing sector if we are to remain a world power. I urge my colleagues to work to stop the transfer of American jobs and American ecomomic power to foreign nations.

A TRIBUTE TO OSCAR M. ZEANAH

Mr. HEFLIN. Mr. President, for 22 years, Oscar M. Zeanah has been working to better educate children and high school students in the State of Alabama as the superintendent of the Andalusia City schools. During that time, he has labored to provide better instruction, better facilities, and better resources to each of the students within his system. I am pleased to learn that he has recently been rewarded for his hard work and efforts, having been chosen in the February 6, 1986, issue of the Executive Educator magazine as one of the outstanding 100 educators of North America.

Throughout his service, Mr. Zeanah has tried to give students the special programs and opportunities which will truly challenge their intellect and stimulate their interest. He has instituted advanced placement courses and vocational education programs in an attempt to offer a base from which his students can draw knowledge, experience, and skills. Indeed, his efforts have been successful, as demonstrated by the low dropout rate in his schools—only 6 percent. He has been instrumental in helping all students reach their potential.

Additionally, Oscar Zeanah has provided great educational leadership to the teachers and administrators in Alabama. Since he was made superintendent in 1964, every high school principal he has hired has gone on to become a superintendent—and one is assistant State superintendent in Alabama. Thus, he has greatly contributed to the educational climate in Alabama.

Perhaps the greatest accomplishment which Oscar has made is the education and understanding he has given to students. An education enables one to take an active role in society, and to get involved in community life. It allows one to participate in the events and affairs which affect our daily lives, to reach higher goals, and to enjoy greater happiness. Oscar M. Zeanah has done a tremendous job in preparing the young people of America for their futures. In so doing, he has also helped to insure the hope for America's future.

Mr. President, I ask unanimous consent that the article from the Executive Educator magazine appear in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

MEET THE BIG STARS OF LITTLE SCHOOL SYSTEMS

Broken bow, Battle Mountain, Prairie View, Blue Earth, Pearl River, Silver Lake: Small-town names such as these ring unfamiliar in most ears. Small school systems, too, tend to be overshadowed by the larger-than-life problems and successes of giant school systems. But size is little indication of quality, as you'll agree when you meet our 100 big stars from little school systems in the following 22 pages. Each of these school executives administers a school system of 2,500 students or fewer—and all of them have accomplished things in their school systems that are worthy of your recognition. These men and women—The Executive Educator 100 for 1986—have been singled out for recognition through a comprehensive nomination process and by a knowledgeable and respected panel of jurors.

Here's how The Executive Educator 100 for 1986 were selected.

Last spring, The Executive Educator invited nominations from readers of this magazine as well as of The American School Board journal. In addition, we invited nominations from every major national association representing school management or governance in the U.S. and Canada—and from similar organizations at the state or provincial level. The only requirement was that each nominee be an administrator working in a school system of 2,500 students or fewer as of May 15, 1985—the nomination deadline.

The response to these requests for nominations—as in previous years' searches for the EE 100—was remarkable. Each of the more than 500 persons nominated—whether selected for the 100 or not—rightly can take pride in the honor of the nomination itself.

In September 1985, our panel of independent jurors convened for the final selection process. The panel composed of the following preeminent educators: George Brain, professor emeritus, School of Education, Washington State University, Pullman; Anne Campbell, retired Commissioner of Education in Nebraska; Luvern Cunningham, professor of educational administration, Ohio State University, Columbus; Will D. Davis, former president of the National School Boards Association and Attorney with Heath, Davis & McCalla, Austin, Texas; Robert Heller, professor of educational administration, State University of New York at Buffalo; Floretta Dukes McKenzie, superintendent, District of Columbia Public Schools; Scott Thomson, executive director, National Association of Secondary School Principals; Kenneth Underwood, professor, College of Education, Virginia Tech, Blacksburg; Mildred Walton, elementary school principal, Atlanta, and president of the National Association of Elementary School Principals; and Edward Whigham, professor, School of Education, University of Alabama, Birmingham. The chairman of the panel was Carroll F. Johnson, professor emeritus of education, Columbia University, New York City.

During two intensive days (and nights) of screening, the panel examined each nomination and its accompanying material. Nominations were assessed according to the 11 criteria of excellence the panel established for selecting the EE 100 in previous years (see the accompanying article below). During the first round of screening, each nomination and its accompanying material was scrutinized by one or more of the panelists; no nominee was eliminated at that stage except by unanimous consent of the asembled panelists. During several successive rounds of careful screening, the panelists winnowed the list down to some 150 candidates. Finally, after thoroughly familiarizing themselves with the papers of each nominee still in contention, the jurors began the arduous process of selecting the final 100—each of whom was selected on the basis of a majority vote.

The EE 100 for 1986 and brief descriptions of their achievements are presented—in purely random order—on pages 17-38. (An alphabetical listing appears below.)

The Executive Educator trusts this project, as in years past, will bring positive attention to the field of public education—and especially to little school systems and their dedicated school executives. And when that happens, someone is bound to ask, "Are these 100 the best school executives from little school systems?"

To that, as in previous years, we answer: Quite possibly. No one really can say for

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sure, of course, in a field of some 300,000 working school executives. What we do know for sure is that these are 100 of the best—and they quite likely would be outstanding in any size school system.

To you, readers of this magazine, these 100—as in years past—are a tribute: These 100 are both the reality and the reflection of all the dedicated school leaders working across the continent—in school systems of all sizes.

These are Hallmarks of Excellence

In selecting The Executive Educator 100 for 1986, the independent panel of jurors limited consideration to persons nominated who were administrators in school systems of 2,500 students or fewer as of May 15, 1985. In reviewing materials submitted with the nominations, the panel used the following criteria to assess each nominee's record of accomplishments and leadership in educational administration:

1. Competence in fulfilling the responsibilities of administrative assignments.
2. Effectiveness in maintaining and improving the academic achievement of students, especially in difficult or unusual circumstances.
3. Success in conceiving and implementing innovations and improvements in educational programs and administrative practices.
4. Leadership in developing the professional competence of staff members, in identifying persons with the potential for administration, and in promoting careers in education for persons with outstanding potential.
5. Excellence in creating links to the community and in leading the community through difficult social problems.
6. A record of stable and consistent executive leadership.
7. Evidence of contributions to the profession at large.
8. Success developing and maintaining constructive relationships with other members of the administrative team and with the school board.
9. Effectiveness in working with the political system.
10. Excellence in human relations, especially as demonstrated by garnering the respect of peers, school staff members, and members of the community.
11. The ability to anticipate and analyze emerging problems and opportunities and the capability to address them constructively.

Oscar M. Zeanah, 66, superintendent (since 1964), Andalusia City Schools (K-12; enr. 2,500), in south-central Alabama.

Every high school principal Oscar Zeanah has hired in his 22 years as Andalusia's superintendent went on to be a superintendent; one is assistant state superintendent in Alabama. "We put enough money in our budget each year so that teachers and principals can travel to professional meetings," Zeanah says. "They say that's opened doors for them." Zeanah—a member of the Alabama Educational Leadership Hall of Fame and a recipient of the American Association of School Administrators Distinguished Service Award—believes in opening doors for students, too. He started programs for gifted children in all four of Andalusia's schools, instituted Advanced Placement courses in the high shool, reorganized grades to form a middle school, and expanded the vocational education program from one to 15 units. One result: Andalusia schools have a dropout rate of only 6 percent—one of the lowest in the state.

WEIRTON STEEL ESOP

Mr. ROCKEFELLER. Mr. President, the community of Weirton, WV, demonstrated this month that sustained cooperative efforts on the part of labor and management can preserve jobs in a vital but troubled industry.

Weirton Steel, the largest worker-owned company in the country, recently distributed profit-sharing checks to each of the more than 8,000 workers covered by its employee stock ownership plan [ESOP]. In an industry reeling from cutbacks in production and steady losses of employment, the ability to share over $20 million—or about one-third of the company's 1985 profits—is truly a remarkable achievement.

The success of Weirton Steel followed a difficult and lengthy struggle to keep the plant open and economy of the surrounding area alive. The decision by National Steel in 1982 to close the mill and eliminate more than 7,000 jobs was a devastating blow, and the community was determined to avert it. The cornerstone of the plan to save this mill was the establishment of an ESOP, which enabled the workers at Weirton to buy the plant. As Governor, I was privileged to work with employees, the cooperative National Steel officials, and residents of Weirton to make this plan a reality.

It took enormous effort and perseverance by the workers and their community to put this deal together. Before negotiations to buy the mill from National Steel could even begin, money had to be raised to study the feasibility of the plan, to make it into a viable operation. Through combined local, State, and Federal grants and private contributions, these initial costs were met and the study undertaken. The report considered Weirton's prospects positive, provided that the workers were willing to reduce wage and benefit costs by 20 percent.

In 1984, the employees overwhelmingly agreed to make these concessions and accepted the proposal to buy Weirton Steel. Since then, the plant has become a stunning example of successful collaboration by labor and management. Worker participation in decisions affecting the mill's operations is extensive—from the shop floor to the board room. In the years since the buyout, Weirton has become the Nation's most profitable integrated steel mill. It has made money for eight consecutive quarters, during what have been dismal years for most of the industry.

Weirton is hardly immune from the multitude of problems plaguing the steel industry. Its constructive approach to labor-management relations does not make it invulnerable to the effects of foreign competition, the overvalued dollar, and slack markets for steel. But the ESOP and reliance on a participatory style of management at Weirton has vastly strengthened the workers' stake in the success of this operation. And now, with the first profit-sharing checks, they have seen their investment begin to pay off.

Weirton further deserves praise for its steadfast commitment to modernization of its facilities. Plans are currently underway to rebuild and bring on-line an additional blast furnace. Recognizing the crucial role of research and development, Weirton has pushed to improve and expand its products including the introduction of a new galfan-coated galvanized product, Weirkote Plus. Weirton has announced it will invest $90 million in advanced technology and other upgrading of its plant this year, as part of a multiyear modernization plan.

While tough times and hard decisions still face Weirton Steel, the employee-owners deserve tremendous credit for their achievements. I am extremely encouraged by the example it sets—by the evidence that cooperative approaches by labor and management can contribute substantially to improvements in industrial performance. I hope, as a result of Weirton's experience, interest in ESOP's and other arrangements which encourage worker ownership will continue to grow—and prove beneficial to wider segments of American industry.

CONGRATULATIONS WEIRTON STEEL

Mr. LONG. Mr. President, I rise to join the Senator from West Virginia [Mr. Rockefeller] in congratulating Weirton Steel Corp., and the community of Weirton, WV, on achieving this significant milestone.

Weirton Steel Corp., has become a beacon of hope for distressed communities all across America. Back in March 1982, things looked remarkably bleak for those who lived and worked in Weirton. National Steel Corp., had announced its intention to significantly scale back their operations unless the employees could devise a plan for buying the company.

Mr. President, make no mistake about it, that steel plant is the life blood of that valley. Its closing would have meant economic ruin for Weirton and for several communities in neighboring Ohio and Pennsylvania. Yet Weirton Steel—its managers, its dedicated workers, and the community itself—all pitched in, made the necessary sacrifices and Weirton is now back on its feet.

I join Senator Rockefeller in congratulating all concerned. By utilizing an employee stock ownership plan to finance the acquisition of the company, Weirton Steel Corp., became the Nation's largest 100-percent employee-owned company. I am hopeful that they will continue their well-deserved

success and that their efforts will continue to inspire us all.

MESSAGES FROM THE PRESIDENT

Messages from the President of the United States were communicated to the Senate by Mr. Saunders, one of his secretaries.

EXECUTIVE MESSAGES REFERRED

As in executive session, the Presiding Officer laid before the Senate messages from the President of the United States submitting sundry nominations which were referred to the appropriate committees.

(The nominations received today are printed at the end of the Senate proceedings.)

REPORTS OF COMMITTEES

The following reports of committees were submitted:

By Mr. THURMOND, from the Committee on the Judiciary:

Report to accompany the bill (S. 1230) to amend the patent laws implementing the Patent Cooperation Treaty (Rept. No. 99-275).

By Mr. McCLURE, from the Committee on Energy and Natural Resources, with an amendment in the nature of A substitute and an amendment to the title:

S. 2031. A bill to authorize the Secretary of the Interior to release restrictions on certain property located in Calcasieu Parish, Louisiana, and for other purposes (Rept. No. 99-276).

By Mr. McCLURE, from the Committee on Energy and Natural Resources, with an amendment and an amendment to the title:

S. 1626. A bill to authorize the conveyance of 470 acres in Nevada to the University of Nevada for use as a research and development center (Rept. No. 99-277).

EXECUTIVE AND OTHER COMMUNICATIONS

The following communications were laid before the Senate, together with accompanying papers, reports, and documents, which were referred as indicated:

EC-2817. A communication from the President of the United States, transmitting, pursuant to law, a report on recent actions between the United States and Libya; to the Committee on Foreign Relations.

INTRODUCTION OF BILLS AND JOINT RESOLUTIONS

The following bills and joint resolutions were introduced, read the first and second time by unanimous consent, and referred as indicated:

By Mr. MATHIAS (for himself and Mr. Eagleton):

S. 2251. A bill to authorize the Administrator of General Services to convey property to the District of Columbia, and for other purposes; to the Committee on Governmental Affairs.

By Mr. BUMPERS (for himself, Mr. Pryor, Mr. Boren, Mr. Eagleton, Mr. Danforth, and Mr. Nickles):

S. 2252. A bill to appropriate $10 million to the Dairy Indemnity Program; to the Committee on Appropriations.

By Mr. HEINZ:

S. 2253. A bill to amend the Balanced Budget and Emergency Deficit Act of 1985 to exempt certain railroad retirement benefits from sequestration or reduction under an order issued by the President under section 252 of such Act; to the Committee on Governmental Affairs.

By Mr. METZENBAUM (for himself, Mr. Specter, Mr. Glenn, Mr. Heinz, Mr. Byrd, and Mr. Rockefeller):

S. 2254. A bill to provide for the tax treatment of certain amounts received as a settlement of claims for post-retirement medical insurance coverage; to the Committee on Finance.

By Mr. WILSON (for himself, Mr. Danforth, Mr. Boren, Mr. Helms, Mr. Simpson, Mr. Nickles, and Mr. Garn):

S. 2255. A bill to prohibit the expenditure of Federal funding for Congressional Newsletters; to the Committee on Rules and Administration.

By Mr. QUAYLE (for himself; Mr. Symms, Mr. Lugar, Mr. Hatch, Mr. Zorinsky, Mr. Helms, Mr. East, Mr. Wallop, and Mr. Gramm):

S. 2256. A bill to amend the Bilingual Education Act to make Federal financial assistance available for children of limited English proficiency without mandating a specific method of instruction, to encourage innovation at the State and local level through greater administrative flexibility, to improve program operations at the Federal level, and for other purposes; to the Committee on Labor and Human Resources.

By Mr. LUGAR (by request):

S. 2257. A bill to amend the Board for International Broadcasting Act of 1973, to authorize appropriations for 1987; to the Committee on Foreign Relations.

By Mr. LUGAR (by request):

S. 2258. A bill to authorize appropriations for the United States Information Agency for the fiscal year ending September 30, 1987, and for other purposes; to the Committee on Foreign Relations.

By Mr. ABDNOR:

S. 2259. A bill to amend chapter 3, sections 202 and 203 of title 3, United States Code, to enhance the security of the White House through the expansion of the United States Secret Service, Uniformed Division security perimeter to include the Treasury Building and grounds, and for other purposes; to the Committee on Finance.

By Mr. ABDNOR:

S. 2260. A bill to settle certain claims arising out of activities on the Pine Ridge Indian Reservation; to the Select Committee on Indian Affairs.

By Mr. HUMPHREY (for himself, Mr. Hecht, Mr. Thurmond, and Mr. East):

S. 2261. A bill to amend the Service Contract Act of 1965 to reform the administration of such Act and for other purposes, to the Committee on Labor and Human Resources.

By Mr. McCLURE (by request):

S. 2262. A bill to authorize appropriations to the Department of Energy for civilian energy programs for fiscal year 1987 and fiscal year 1988, and for other purposes; to the Committee on Energy and Natural Resources.

By Mr. MATHIAS (for himself and Mr. Simon):

S. 2263. A bill to protect the Public's right to receive and communicate information freely across the American border, and to ensure the right of international travel; to the Committee on the Judiciary.

By Mr. D'AMATO:

S. 2264. A bill to amend the Truth in Lending Act; to the Committee on Banking, Housing, and Urban Affairs.

By Mr. GARN (for himself and Mr. Hatch):

S. 2265. A bill to authorize the establishment of the Burr Trail National Rural Scenic Road in the State of Utah, and for other purposes; to the Committee on Energy and Natural Resources.

By Mr. WALLOP (for himself, Mr. Cranston, Mr. Hecht, Mr. Simpson, Mr. Symms, Mr. Hatch, Mr. Garn, Mr. Hart, Mr. Pressler, and Mr. McClure):

S. 2266. A bill to establish a ski area permit system on national forest lands established from the public domain, and for other purposes; to the Committee on Energy and Natural Resources.

By Mr. CRANSTON (for himself, Mr. Murkowski, Mr. Simpson, Mr. DeConcini, Mr. Matsunaga, Mr. Mitchell, Mr. Rockefeller, Mr. Specter, Mr. Leahy, and Mr. Roth):

S.J. Res. 311. A joint resolution designating the week beginning November 9, 1986, as "National Women Veterans Recognition Week"; to the Committee on the Judiciary.

By Mr. D'AMATO (for himself, Mr. Laxalt, Mr. Bradley, Mr. Heinz, Mr. Heflin, Mr. Durenberger, Mr. Rockefeller, Mr. Boschwitz, Mr. Zorinsky, Mr. Riegle, and Mr. Stafford):

S.J. Res. 312. A joint resolution designating the week beginning April 13, 1986, as "National Medical Laboratory Week"; to the Committee on the Judiciary.

By Mr. HOLLINGS:

S.J. Res. 313. A joint resolution proposing an amendment to the Constitution of the United States with respect to limiting expenditures in Congressional elections; to the Committee on the Judiciary.

By Mr. QUAYLE:

S.J. Res. 314. A joint resolution to designate the week beginning July 27, 1986, as "National Nuclear Medicine Week"; to the Committee on the Judiciary.

SUBMISSION OF CONCURRENT AND SENATE RESOLUTIONS

The following concurrent resolutions and Senate resolutions were read, and referred (or acted upon), as indicated:

By Mr. PRESSLER (for himself and Mr. Lugar):

S. Res. 372. A resolution concerning relations with Romania; to the Committee on Foreign Relations.

By Mr. WILSON (for himself, Mr. D'Amato, Mr. Lautenberg, Mr. Dole, Mr. Quayle, Mr. Symms, Mr. Hecht, Mr. Mattingly, and Mrs. Hawkins):

S. Res. 373. A resolution expressing the sense of the Senate regarding the search for, and appropriate judgment and prosecution of, Nazi war criminals; to the Committee on the Judiciary.

By Mr. FORD (for himself and Mr. Mathias):

S. Res. 374. A resolution limiting the amount that may be expended by Senators

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for mass mailings during the remainder of fiscal year 1986; to the Committee on Rules and Administration.

By Mr. HEINZ (for himself, Mr. Abdnor, Mr. Andrews, Mr. D'Amato, Mr. Denton, Mrs. Hawkins, Mr. Kasten, Mr. Nickles, and Mr. Specter):

S. Res. 375. A resolution expressing the sense of the Senate with regard to the payment of cost-of-living adjustments under title II of the Social Security Act in fiscal year 1987; to the Committee on Finance.

By Mr. CHILES:

S. Res. 376. A resolution to express the sense of the Senate that the Secretary of Agriculture should continue to fully participate in the cooperative Federal-State program to detect, control, and eradicate citrus canker infestation in the State of Florida; to the Committee on Agriculture, Nutrition, and Forestry.

By Mrs. HAWKINS:

S. Res. 377. A resolution to express the sense of the Senate that the State of Florida and the Secretary of Agriculture should participate in the cooperative Federal-State program to detect, control, and eradicate citrus canker infestation in the State of Florida; to the Committee on Agriculture, Nutrition, and Forestry.

By Mr. NICKLES (for himself and Mr. Grassley):

S. Con. Res. 122. A concurrent resolution to express the sense of Congress with respect to agricultural loan restructuring; to the Committee on Agriculture, Nutrition, and Forestry.

By Mr. ABDNOR:

S. Con. Res. 123. A concurrent resolution to permit the 1986 Special Olympics Torch Relay to be run through the Capitol Grounds; to the Committee on Rules and Administration.

STATEMENTS ON INTRODUCED BILLS AND JOINT RESOLUTIONS

By Mr. MATHIAS (for himself and Mr. Eagleton):

S. 2251. A bill to authorize the Administrator of General Services to convey property to the District of Columbia, and for other purposes; to the Committee on Governmental Affairs.

CONVEYANCE OF CERTAIN PROPERTY TO THE DISTRICT OF COLUMBIA

● Mr. MATHIAS. Mr. President, I am today introducing, for myself and for the Senator from Missouri [Mr. Eagleton], legislation to effectuate part of the agreement between the District of Columbia and the Reagan administration regarding the future of the building at Second and D Streets, in Northwest Washington.

As my colleagues know, this building currently houses a shelter for the homeless which is run by the Community for Creative Non-Violence, and CCNV leader, Mitch Snyder. The agreement reached between the city and the Reagan administration calls for this building to be turned over to the city, along with $5 million of Federal funds which will be available for the city to use in the renovation of the building as a shelter facility. The bill that Senator Eagleton and I are introducing today will simply direct the Administrator of the General Services Administration to convey the building to the District of Columbia at no cost to the city. It is my understanding that no strings are attached to the building transfer and that it is the intent of the administration that the city will decide how best to use the facility. Once the building is transferred, the administration intends to turn over the agreed upon $5 million from reprogrammed funds. No additional authorization or appropriation will be required.

Mr. President, the problems of the homeless fade from our consciousness as the spring washes warmth and color over Washington. The crisis of hundreds of homeless men and women freezing on grates by the State Department or wandering the streets in the middle of the night are easily forgotten. But the work of the Community for Creative Non-Violence continues throughout the year, and the agreement that the White House and the city have worked out will provide a great deal of needed help to the cause of caring for the homeless in Washington. I am pleased to be able to facilitate the consideration of this proposal by introducing it in the Senate. There may not be unanimous agreement that this is the best approach to the problem of the homeless that faces the entire Nation, and the Nation's Capital in particular, and I don't presume to make a statement on that issue today. I do, however, urge my colleagues to give this proposal prompt consideration. Both GSA and OMB have signed off on the bill and urge its adoption.●

By Mr. BUMPERS (for himself, Mr. Pryor, Mr. Boren, Mr. Eagleton, Mr. Danforth and Mr. Nickles):

S. 2252. A bill to appropriate $10 million to the Dairy Indemnity Program; to the Committee on Appropriations.

FUNDING FOR DAIRY INDEMNITY PROGRAM

● Mr. BUMPERS. Mr. President, I am today introducing along with Senators Pryor, Boren, Nickles, Eagleton, and Danforth a bill to provide $10 million in funding for the Dairy Indemnity Program. I have spoken on the Senate floor before about the crisis involving heptachlor-contaminated milk and milk products in Arkansas, Oklahoma, and Missouri. It would be impossible for me to overstate the enormity of the disaster facing milk producers in my State, a disaster we can help to relieve by providing financial assistance to these dairy farmers who are experiencing great suffering, both financial and emotional, through no fault of their own.

This bill would provide needed funding for a program that is already in place—the Dairy Indemnity Program—which was designed precisely for the crisis at hand. Under this program, first established in 1968, dairy producers and manufacturers of dairy products who must destroy chemically-contaminated milk and milk products may be indemnified for the losses they have experienced and will experience while working to remove the contamination from their dairy herds.

This program is right on point. The problem is that it is out of funds.

Mr. President, it is difficult to stand on the Senate floor and ask for new funding for anything, but if ever there was a situation that cried out for Federal assistance it is this one. This is in fact the classic kind of case in which Federal help would be made available. These farmers are facing devastation through no fault of their own, they have no place else to turn, and the Federal Government is partially responsible for their plight.

For the benefit of my colleagues, let me recount the events of the past month. On February 24, health officials in Arkansas, Missouri, and Oklahoma first announced that some milk produced in these States contained traces of heptachlor, a pesticide suspected of being a carcinogen. Dairymen in these States suspected of having dairy cows contaminated by heptachlor had been feeding a byproduct mash sold as feed by the J.E.W. Inc., ethanol operation through its subsidiary Valley Feeds in Van Buren, AR. Although testing of the mash on area farms had been conducted approximately 1 month earlier after reports of aflatoxin contamination, the FDA claims that heptachlor contamination was not determined until nearly 4 weeks later.

With the complete cooperation of the Arkansas dairy processing industry, by March 19 at least 339,425 gallons of milk were recalled from an eight-State area as well as 12,784 gallons of ice cream and 625 gallons of cottage cheese. An undetermined amount of cheese was also destroyed.

Yet, by far, the greatest loss is being experienced by farmers and dairy cooperatives that have dumped and will continue to have to dump millions of gallons of milk—an estimated 62 million pounds of milk in Arkansas alone—before the heptachlor contamination has passed. Of course, the tragedy is not just the staggering amount of the total loss, but the individual tragedy being experienced by dairymen in the three-State area who are seeing everything they have worked for go literally down the drain.

On March 14, on the front page of the New York Times, the story of Roger Dunn, a longtime friend from my hometown of Charleston, AR, was reported. Roger is losing over $500 a day in lost milk revenue, yet because the only known cure for heptachlor contamination in cows is milking, Roger must continue to milk his cows

until the contamination falls below action levels. Roger must continue to buy feed for his cows even though he has no milk revenues. Roger can't sell his cows for slaughter because the meat is tainted, he can't dry up or destroy his cows because the Dairy Indemnity Program—when funded—only pays an indemnity on lost milk marketings, and he can't maintain his dairy farm or meet his family living expenses because he has no income. This dairy farmer, recognized as one of the finest in the State, has in a matter of weeks gone from financial stability to financial ruin. And this same scenario is being repeated all over Arkansas, Missouri, and Oklahoma.

None of the dairymen involved is to blame in any way for their plight. J.E.W. Inc., the company that sold the contaminated feed, used heptachlor-treated seed corn in its ethanol operation. This corn is dyed red or pink to denote the contamination, but by the time the grain has gone through the fermentation process and been rendered to mash, there is no trace of the dye—but the heptachlor remains. Neither the price, $45 a ton, the average for mash which is 60 to 70 percent water, nor the color provided any hint of trouble to the farmers. Certainly, J.E.W. Inc., did not inform the farmers of any potential problems, and the farmers suspected none.

On March 18, 22 days after the contamination was first reported, the USDA sent a fact-finding task force to tour the three-State area. The task force visited several area farms and held public meetings. Yet, they could not answer the most important question raised by the dairymen involved in the contamination crisis: Would Federal assistance be made available?

Since 1968, the Dairy Indemnity Program has been on the books to help dairymen and processors caught, through no fault of their own, in a situation identical to the one being experienced in Arkansas, Oklahoma, and Missouri today. In 1982, the program was tapped to help provide necessary relief to the diary industry in Hawaii when heptachlor was determined to have contaminated the milk in that State. The program was reauthorized by section 152 of the 1985 farm bill, Public Law 99-198. However, the Dairy Indemnity Program currently only has $94,000 in its indemnity fund, and this amount is under a rescission request. We need $10 million, maybe a little more or a little less, but roughly that amount.

From the onset of the crisis, we have urged the USDA to locate unobligated funds which could be transferred into the MIPP fund. Suggestions have centered on the Commodity Credit Corporation, which has a relatively broad charter. Another suggestion has been for the USDA to borrow from an account that has existing appropriated funds, with the understanding that a supplemental appropriation request will be made in the near future to replenish the account. Unfortunately, the USDA has reported that neither suggestion is currently feasible, but we have been told that the administration will support a supplemental appropriation request for the Dairy Indemnity Program.

These farmers literally have no place else to turn. I cannot overstate the urgency of the situation. These innocent farmers have claims that would far exceed the equity of J.E.W. Inc., the parent company of the company that sold the tainted feed. Currently, J.E.W. Inc., is a party to a law suit filed by the bankruptcy trustee of J.E.W. Inc.'s, parent cooperative which went through bankruptcy in 1984. It is alleged that the gasohol plant operation largely contributed to the financial problems of the parent co-op, Farmer's Co-op of Arkansas and Oklahoma. J.E.W. Inc., sold feed through a subsidiary, Valley Feeds, Inc. The president of Valley Feeds, Jack E. White, is currently serving a 90-day jail sentence after pleading guilty to a one-count Federal indictment for submitting false information in order to obtain a $300,000 loan from a Van Buren, AR, bank. In short, there is no deep pocket here. There is, in fact, no pocket at all.

Federal indemnity is also justified for another reason. In 1983, EPA banned the pesticide heptachlor for general use. The EPA allowed stocks on hand to be used, but no Federal agency helped to provide the necessary surveillance and monitoring required to assure consumers, and our dairymen, that heptachlor would not enter the food chain. In our case, discovering the contamination in the food chain instead of before poses a threat to our consumers and may be economically fatal to the dairymen involved and the businesses that rely on their patronage.

As of March 25, the number of Arkansas dairy farms affected by the contamination numbered 117. Some 32 farms have been found to definitely have cows with heptachlor contamination and the test results on 10 more farms are pending. These figures do not include the quarantined farms in Missouri and Oklahoma.

At least 75 other Arkansas farms have been released from quarantine, but while they were quarantined they suffered daily financial loss for which they should be compensated by this program. In Arkansas, State health authorities and FDA officials acted to place dairy farms on quarantine on the basis of positive sample results from milk on the route trucks. These officials later went back and tested each farm on the route, but no farm could be removed from quarantine until a negative test result was returned—even if the dairy fed no grain purchased from Valley Feeds, Inc.

Because of necessary time delays, bureaucratic regulations, lack of availability to testing facilities, and other causes beyond the control of the individual dairymen, thousands of gallons of milk had to be dumped by these producers who were ultimately found to have no contaminated cows. I firmly believe that these dairymen—75 in Arkansas, and probably others in Oklahoma and Missouri—are as deserving of indemnification for their lost marketings as producers with known contaminated cows. It is my understanding that the Dairy Indemnity Program would cover these farmers, and it is my intention to ensure that it does.

While we debate and the USDA continues to review the situation, many dairy farmers in Arkansas are going out of business. The USDA recently responded to a request I made to make known all temporary assistance that can be offered by the FmHA. Unfortunately, even though useful programs are provided through the FmHA, Arkansas has been notified that no more direct moneys will be made available, and the guarantee program is totally inadequate to meet the needs of these dairymen. I have also asked for forbearance by the Farm Credit System banks of St. Louis, but to date my request has not been answered. In the meantime, innocent farmers are being forced out of business, and the only real relief available is the Dairy Indemnity Program.

As I said, Mr. President, Government assistance to these farmers would be Government at its finest—helping those who have been decimated through no fault of their own and who have absolutely no place else to turn. We don't have to create a new program. All we have to do is fund the one we already have on the books. I hope Congress will act quickly on this funding request, and Senators Pryor, Eagleton, Danforth, Boren, Nickles and I ask for your assistance and support in this effort. I ask unanimous consent that the text of our bill be printed in the Record immediately following my statement.

There being no objection, the bill was ordered to be printed in the Record, as follows:

S. 2252

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That $10,000,000 is hereby appropriated to the Dairy Indemnity Program, authorized by the Act of August 13, 1968 (82 Stat. 750, as amended; 7 U.S.C. 450 j, k, and l), for fiscal year 1986 to remain available until expended.●

● Mr. PRYOR. Mr. President, today I join my colleague, Mr. Bumpers, in introducing an emergency supplemental

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appropriation to adequately fund the Dairy Indemnity Program.

This program is designed to help producers who have an economic emergency that occurs through no fault of their own.

Dairy producers in Arkansas have been hit hard by heptachlor contamination in their dairy herds, a situation brought about by their consuming contaminated feed. These producers unsuspectingly bought feed from a cooperative to feed to their animals, unaware that it had been labeled for industrial use only.

The feed was a byproduct of ethanol and was labeled and colored so that it would not be used as food. After extensive testing, many herds in Arkansas, Oklahoma, and Missouri were found to be contaminated with unacceptable levels of hetpachlor. All herds testing positive have had their origin of contamination traced back to the feeding of this contaminated mash sold illegally as livestock feed.

Mr. President, the dairy business requires a lot of extraordinarily hard work and a stable cash flow. It depends entirely on the sale of one product—milk. When these producers' herds were contaminated and ultimately quarantined, the producers were required to dispose of the heptachlor-tainted milk. And they absorbed substantial economic loss through no fault of their own. For many dairy producers a weekly feed bill of $6,000 to $8,000 is not uncommon. A timely economic assistance program is a must if these producers are to stay in business.

In 1983 a similar incident occurred in Hawaii that was addressed through economic assistance to dairy producers by the Dairy Indemnity Fund. These producers, like those today in Arkansas and surrounding States, fed contaminated feed unknowingly and were required to dispose of all tainted milk. Today, Mr. President, this fund has only $94,000 for economic assistance.

Secretary of Agriculture Richard Lyng has sent a task force to the affected areas and implemented loan assistance through the Farmers Home Administration. But this is only a stopgap measure. Dairy producers don't need loans as the answer to their problem. Most of them have loans now that they are struggling to pay back.

With other Senators, I have asked for the Agriculture Department to reprogram or re-route funds to met this crisis. Up to this time, we have received no indication from the Secretary that this is a viable option.

Therefore, Mr. President, with the economic time clock ticking, I join Senator Bumpers in asking for the passage of this appropriation to provide the Indemnity Program with the necessary funding to meet the needs of these producers. We must act in a timely and compassionate manner. Many producers and their families await our assistance.●

● Mr. DANFORTH. Mr. President, I join today with my colleagues from Missouri, Arkansas, and Oklahoma in introducing legislation which would appropriate $10 million for the Department of Agriculture's Dairy Indemnity Program. This legislation may be the only way to avert bankruptcy for dozens of dairy farmers in our three states.

Dairymen in the lower Midwest face a crisis. Many have unknowingly contaminated their herds by feeding them grain mash containing heptachlor, a suspected carcinogen. Heptachlor was banned for food uses in 1975 and for seed treatment in 1983, though existing stocks could legally be exhausted. Farmers had no way of knowing that by feeding their cows this mash, purchased from a single supplier in Van Buren, AR, they were introducing a likely cancer-causing agent into their milk.

Once the Food and Drug Administration discovered the presence of heptachlor in milk, suspect herds were quickly quarantined. Some of these have been tested and found to be free of contamination. However, 54 herds, including 8 in Missouri, and totaling almost 3,500 lactating cows, have been associated with the tainted milk. No one knows just how many contaminated herds will ultimately be identified. In every case, though, a dairyman will be unable to sell his milk, unable to earn a living, and, unless assistance is forthcoming, at risk of losing his business.

Dairy farmers whose herds have been withdrawn from production need help right now. Secretary Lyng has recognized this immediate need, giving these farmers priority status in seeking loans from the Farmers Home Administration. Those farmers who secure Federal credit will be able to purchase feed and make other essential payments on an interim basis, but FmHA loans are no solution. A long-term response is needed, and the Dairy Indemnity Program may provide the only available vehicle.

Established in 1968, the Dairy Indemnity Program provides compensation for farmers who have been barred from selling their milk due to chemical or other contamination. If a producer is blameless in this contamination and has no other legal recourse, indemnity payments continue until the farmer is reinstated and once again able to produce for the marketplace.

Dairymen whose milk is now tainted with heptachlor are certainly guiltless, and compensation from the supplier of contaminated feed may be unobtainable. This case appears to meet both the letter and the spirit of the Dairy Indemnity Program.

Mr. President, affected dairy farmers simply want a chance to sustain themselves until they can rebuild businesses which have been suddenly and arbitrarily devastated. Congress must join in examining all possible alternatives for aiding these producers. The legislation which my colleagues and I introduce today begins this process, and I urge the Senate to give it expeditious and compassionate consideration.●

By Mr. HEINZ:

S. 2253. A bill to amend the Balanced Budget and Emergency Deficit Control Act of 1985 to exempt certain railroad retirement benefits from sequestration or reduction under an order issued by the President under section 252 of such act; to the Committee on Governmental Affairs.

RAILROAD RETIREMENT BENEFITS PROTECTION ACT

● Mr. HEINZ. Mr. President, I am today introducing the Railroad Retirement Benefits Protection Act of 1986. This bill will correct an oversight by Congress in the treatment of railroad retirement vested dual benefits under Gramm-Rudman-Hollings. Under the current provisions of Gramm-Rudman-Hollings, on April 1 rail retirees will receive benefit checks that reflect a 7.7-percent reduction in their vested dual benefits. Unless corrected, this oversight could ultimately wipe out as much as 10 to 20 percent of the benefits that over 312,000 retired railworkers have depended on for years.

At the time Gramm-Rudman-Hollings was signed into law, it was the intent of Congress that the spending reductions would affect all Americans. Retired workers and their families were to be affected only in certain ways. Like other Americans, retirees would feel the impact of the cuts in programs that serve everyone, such as defense and law enforcement. Retirees were also expected to bear reductions in other services such as nutrition and home care for the elderly. In the area of income security, however, Congress intended only a very limited impact on retirees. Social security and SSI were exempted from cuts, and military retirees, Civil Service retirees, and railroad retirees would, at most, have their benefits frozen. Let me emphasize, Mr. President, that in the worst case railroad retirees were at the maximum risk of losing their COLA's. I don't believe that anyone in Congress intended or contemplated reducing current retirement benefits. The record of the debate makes that clear. Unfortunately, that is exactly what has happended to rail retirees' vested dual benefits.

To understand how this situation came about, we must examine some of the history and structure of the railroad retirement system. The system was created in 1935, at the same time as social security. The intent was to

add social insurance features to the extensive private pension system that the railroads had already created. Rail workers paid taxes that were higher than social security taxes, because they expected to receive higher benefits. The basic system lasted until 1974, when Congress created the system we have today. Most of us believe that the present system pays only two types of benefits, tier 1 and tier 2, but it actually pays two additional types, supplemental benefits and vested dual benefits. The benefit structure can be summarized as follows.

Tier 1 benefits essentially duplicate Social Security. Funding comes from taxes paid by rail employers and employees into a trust fund. Tier 2 is intended to duplicate a private industry pension. Tier 2 funding also comes from rail employer and employee taxes paid into a trust fund. Supplemental benefits are an extra benefit provided to retirees with over 25 years of rail employment. This benefit is supported by taxes paid into a trust fund by rail employers. Tier 1 and tier 2 have automatic COLA's, supplemental benefits have no COLA. Virtually all of the 953,000 rail retirees receive tier 1 benefits which average $536 per month, and tier 2 benefits which average $134 per month; 201,000 retirees also receive supplemental benefits averaging $48 per month.

Vested dual benefits differ from the other benefits in several respects. These benefits arose because, prior to the restructuring of railroad retirement in 1974, persons with extensive nonrail employment qualified for higher benefits under Social Security and railroad retirement combined than did persons who worked exclusively in rail employment, despite the fact that rail employees paid more in retirement taxes. This was a drain on the Rail Retirement System because all of the extra benefits were paid by the Rail System.

Congress eliminated these dual benefits in 1974 for all workers and retirees who had not already vested for them. At the same time, Congress created a separate account, the vested dual benefits account, to pay benefits to the workers who had already vested. Congress chose to fund this account out of general revenues because of the inequity of charging rail workers for benefits that they no longer qualified for.

Mr. President, although these vested dual benefits are essential to the recipients, they really amount to a very modest augmentation of the tier 1 and tier 2 benefits. They average only $104 per month among the 312,000 retired workers, spouses and survivors who receive them. Since no new vesting can occur, and since there is no COLA for vested dual benefits, the eligible population has been shrinking and outlays have fallen from $430 million in fiscal year 1983 to $390 million in 1986, and I point out that the $390 million figure is prior to the Gramm-Rudman-Hollings cut, which amounted to $16.7 million. That cut works out to an average benefit reduction of $8 per month.

Mr. President, one may ask how it happened that vested dual benefits were cut by Gramm-Rudman-Hollings. I believe there is no explanation for this other than that it was quite simply an oversight on the part of Congress. Most of us, when we think of railroad retirement, think of only tier 1 and tier 2. We knew that Gramm-Rudman-Hollings did not affect tier 1, and that at most, it canceled the tier 2 COLA. So we believed that rail retirees would at the worst suffer a freeze or small increase in their benefits. Congress failed to understand how vested dual benefits would be affected by the "fine print." As it turns out, supplemental benefits were not cut because those taxes and benefits are processed through the same trust fund as the tier 1 benefits, so they were, fortunately, exempted from Gramm-Rudman-Hollings. It apparently was thought that vested dual benefits were similarly exempt. Because they are processed through a different account, however, as only later realized, they became vulnerable to automatic spending reductions.

Mr. President, we must remember that these vested dual benefits are more than just some bookkeeping account that no one cares about except the actuaries at the Railroad Retirement Board. There are 312,000 people out there who have depended on these benefits for years in order to make ends meet. The $8 that was cut out of benefit checks may not seem like much to some people, but for retirees who often have to make every penny count, that $8 can mean a warmer house, or several more meals at the end of a month. In addition to the loss of their benefits, these 312,000 people also have to live in fear that their benefits will be reduced in the future in an unspecified amount as the result of some automatic budget process that they understand only vaguely, if at all.

Mr. President, I urge my colleagues to join me in rectifying this situation and eliminating this fear from the lives of rail retirees by supportng the legislation I am introducing today.

I ask that the text of my bill be printed in the Record.

There being no objection, the bill was ordered to be printed in the Record, as follows:

S. 2253

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. EXEMPT PROGRAMS AND ACTIVITIES.

(a) In General.—Section 255(g)(1) of the Balanced Budget and Emergency Deficit Control Act of 1985 (2 U.S.C. 905(g)(1)) is amended by inserting after the item relating to Compensation of the President the following new item:

"Dual benefits payments account (60-0111-0-1-601);".

(b) Application.—The amendment made by subsection (a) shall apply to fiscal years beginning after September 30, 1986.●

By Mr. METZENBAUM (for himself, Mr. Specter, Mr. Glenn, Mr. Heinz, Mr. Byrd, and Mr. Rockefeller):

S. 2254. A bill to provide for the tax treatment of certain amounts received as a settlement of claims for postretirement medical insurance coverage; to the Committee on Finance.

TAX TREATMENT OF CERTAIN CLAIMS SETTLEMENTS

● Mr. METZENBAUM. Mr. President, today I am introducing along with Senators Specter, Glenn, Heinz, and Rockefeller, a bill to resolve a tax problem faced by some 5,000 former employees and their dependents of the now defunct Crucible Steel Co.

In 1983 the Crucible Steel Co. announced that it would close its Midland, PA plant and suspend health benefits for its workers. The workers filed suit challenging the termination of their health benefit coverage. The company subsequently offered workers lump-sum payments to settle their claims. Many workers elected to take the money in lieu of health insurance and to drop their litigation. Those who decided to continue the suit were eventually successful. They also were given the option of receiving lump-sum payments.

Approximately 2,750 workers elected the lump-sum payments, averaging $14,000. The IRS contends that these payments are income subject to taxation.

Mr. President, Congress has expressly exempted health care benefits from taxation. Congress has rejected prior efforts by this administration to change that policy. And the tax bill that passed the House and the tax reform proposal pending before the Senate Finance Committee has retained the exclusion. But because of unusual circumstances these workers have been forced to take cash from their former employer and purchase health care coverage on their own. It is unfair to reduce the health care purchasing power that these payments are intended to provide.

The bill we are introducing today would exempt the payments made to the Crucible Steel workers in lieu of health care coverage. Without this measure these 2,750 workers will be asked to pay taxes on a fringe benefit upon which other workers are not taxed.

I ask unanimous consent that the bill be printed at this point in the Record.

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There being no objection, the bill was ordered to be printed in the Record, as follows:

S. 2254

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled.

SECTION 1. EXCLUSION FROM GROSS INCOME FOR CERTAIN SETTLEMENTS OF CLAIMS FOR POST-RETIREMENT MEDICAL INSURANCE COVERAGE.

(a) In General.—For purposes of the Internal Revenue Code of 1954, the gross income of an individual shall not include any amount received (whether in a lump-sum or in periodic payments) in settlement of claims for postretirement medical insurance coverage under the terms of a collective bargaining agreement if such coverage is the subject to a suit filed on January 5, 1984, in the United States District Court in the Western District of Pennsylvania.

(b) Effective Date.—This section shall apply to amounts recieved in taxable years beginning after December 31, 1983.●

● Mr. SPECTER. Mr. President, I am pleased to join with Senator Metzenbaum in introducing this important legislation which would amend the Internal Revenue Code to provide relief for former employees of Crucible Steel Co. in Midland, PA.

In 1983, Crucible closed its doors and announced a suspension of health benefits for over 3,000 employees. Following negotiations with labor and industry representatives, an agreement was reached giving the former workers a choice of continued payment of monthly health benefit premiums or a lump-sum settlement. As a result of this agreement, 2,750 former workers opted for the lump-sum payment, averaging nearly $14,000 each.

Subsequent to this settlement, the Internal Revenue Service ruled that these lump-sum payments were considered as income and thus subject to income tax.

Mr. President, I have consistently opposed attempts to tax employee health and life insurance, and other fringe benefits as income. Recently I joined Senators Moynihan, Heinz, and Dixon in introducing Senate Resolution 303, which would retain the current tax exempt treatment of these benefits, and I am pleased to note that this resolution has received strong bipartisan support.

The purpose of this legislation is to guarantee equitable and consistent tax treatment for the former employees of Crucible Steel. It will grant them a one-time exclusion on the settlement they negotiated for the termination of their employer-provided health plan.

I do not believe this lump-sum payment should be taxed as earned income, nor should it be taxed as income received for any work performed by the former employees of Crucible Steel. Under the current Tax Code, if these employees had continued to work and receive health benefits, they would not have been forced to pay tax on these benefits. In addition, the tax reform legislation passed by the House of Representatives would also retain the tax-exempt status of these health benefits.

At a time when the families of the former employees of Crucible are under severe financial pressure, we simply cannot justify adding to their hardship by burdening them with additional taxes.●

● Mr. GLENN. Mr. President, I am pleased to join my colleagues from Ohio and Pennsylvania in introducing this legislation to help 5,000 former workers and their families of the shutdown Crucible Steel Co., in Midland, PA.

The Crucible Steel mill, a division of Colt Industries, closed in 1983, and suspended health benefits for workers. A lawsuit was filed on behalf of the workers in early 1984, alleging that the company did not have the right to cancel their health insurance coverage. The company offered lump-sum payments to settle their claims, and many workers accepted this settlement and dropped their suits. Those workers who did continue legal action eventually won, and were given the option of lump-sum payments or health care coverage.

Approximately 2,750 workers chose the lump-sum payments, averaging $14,000 each. But they have been informed by the Internal Revenue Service that these payments will be considered taxable income. The legislation we are introducing today specifies that these payments shall not be taxable.

Mr. President, this legislation is necessary and appropriate. Current Federal policy exempts health care benefits from taxation, and Congress has rejected efforts to change that policy. The purpose of these lump-sum payments is to compensate workers and retirees for lost health insurance coverage. It is unfair to reduce the health care purchasing power that these payments are intended to provide. I must also emphasize that a $14,000 payment is not a windfall when it comes to purchasing health insurance coverage in today's world of rising health care costs. In fact, an average health insurance policy in northeastern Ohio currently costs the following:

Individual coverage: $96.80 per month;

Family coverage: $214.18 per month; and

Medigap insurance policies for retirees $35.25 per month per person.

This legislation will benefit over 5,000 former employees and dependents of Crucible Steel. The problems of unemployed steelworkers have been bad enough throughout the Upper Ohio Valley. This legislation will lessen some of the burdens that many of these individuals are facing because of the unfair tax situation. I urge my colleagues to support this legislation.●

Mr. BYRD. Mr. President, I am pleased to join my colleagues from Ohio, Pennsylvania, and West Virginia in introducing this bill, which would offer relief for former workers of the now-defunct Crucible Steel Co. of Midland, PA. The relief, which will affect some 5,000 former employees and their dependents in our three States, is necessary because the Internal Revenue Service has issued a ruling which we believe contravenes the policy established by Congress concerning the taxation of employee health benefits.

Briefly, in 1983, the Crucible Steel mill announced its closing and also announced the immediate suspension of health benefits for its employees. The workers filed a lawsuit in early 1984, contending that the company did not have the right to cancel payment of the health benefits. After a protracted period, the suit was settled, and the workers were awarded the choice of continued payment of health benefit premiums during the negotiated period of time or a lump-sum amount paid directly to them, and 2,574 former employees opted for the lump-sum payment. They were then free to purchase health insurance on their own.

The Internal Revenue Service has ruled that these payments are income and are subject to income tax.

Mr. President, we believe these payments are employee benefits which, had these employees been able to continue to work and receive health benefits, would not be subject to taxation under our Tax Code. Nor would they be subject to taxation under the tax reform bill passed by the House of Representatives or the tax reform plan currently being considered in the Senate Finance Committee.

The bill we are introducing today would assure that these former employees are treated fairly by establishing that these payments for health benefits are not subject to taxation.

By Mr. WILSON (for himself, Mr. Danforth, Mr. Boren, Mr. Helms, Mr. Simpson, Mr. Nickles, and Mr. Garn):

S. 2255. A bill to prohibit the expenditure of Federal funding for congressional newsletters; to the Committee on Rules and Administration.

PROHIBITING FEDERAL FUNDING OF CONGRESSIONAL NEWSLETTERS

● Mr. WILSON. Mr. President, today I am pleased to introduce a bill to prohibit funding for congressional newsletters. I am joined in this effort by my distinguished colleagues Senators Danforth, Boren, Helms, Simpson, Nickles, and Garn. In our last election year, 1984, the cost of congressional postage was some $111 million. Since then, the tab has soared to an estimated $146 million. In the Senate, 75 percent of what we spend for postage is poured into newsletters—unsolicited mailings which often wind up in the trash, unread, and unwanted. Another 20 percent is spent on unsolicited town meeting notices. Less than 5 percent of our postage budget is used to respond to letters received from our constituents.

The bill would prohibit the use of Federal funds for preparation or mailing of any congressional newsletter. A newsletter is defined as any preprinted material prepared by a Member of Congress as a part of a mass mailing which describes specific activities of the Member. Town meeting notices would not be included in this prohibition.

We live in a time of austerity. A time when there are many things we might like to have—but cannot in good conscience afford. A time when all of us are straining to meet the budget requirements set forth in Gramm-Rudman-Hollings. At such a time, it is difficult indeed to justify congressional self-promotion at the taxpayers' expense. And it is absolutely unthinkable that we would appropriate an additional $42 million, as the House has proposed, to continue our budget overruns for newsletter postage.

It is one thing to keep constituents informed of the work we do here in Congress. For my part, I welcome the opportunity to write to constituents who express genuine interest or concern regarding activities in the Senate.

After all, that is why Congress was granted the franking privilege in the first place. But it is a privilege—one that has been abused—until millions of taxpayers' dollars have been channeled into extravagant mailings that are barely distinguishable from campaign literature.

Many newsletters contain useful information. Yet most seek merely to enhance the author's name recognition at home. But even without such abuse—even when employed legitimately as an informational tool—sending newsletters is simply not a cost-effective means of communicating when other methods are readily available. For instance, Senate proceedings are now being broadcast. News services will continue to report our activities as in the past. My own office responds to perhaps 15,000 inquiries a week. All told, these options cost only a fraction of the current outlay for congressional newsletters. No less important, they reach those constituents with a willing ear—those who choose to pick up a paper, write a letter, turn on the radio or television.

If you look at the estimated 1986 total for congressional mailing—$144 million—you find that it would take all of the Federal income taxes collected from all of the residents in a city of approximately 330,000 people—cities like Long Beach or Oakland, CA—just to pay the bill.

The first Gramm-Rudman-Hollings sequester reduced the spending level set in the legislative branch appropriations bill by $69 million. Ironically that savings will be ravaged by the $50.2 million overrun for newsletter mailings. What kind of an example is Congress setting? When we are forced to make cuts in health care and medical research, drug enforcement efforts, senior meals programs, education, and a whole host of other activities with a distinctly higher priority, we simply cannot continue to pour tens of millions of dollars into self-promotion.

Mr. President, I ask unanimous consent that the text of our legislation be printed in the Record at this point.

There being no objection, the bill was ordered to be printed in the Record, as follows:

S. 2255

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That (a) no Federal funds may be obligated or expended in any fiscal year for the preparation and mailing of any congressional newsletter.

(b) For purposes of this Act—

(1) the term "congressional newsletter" means any preprinted material prepared by a Member of Congress as a part of a mass mailing which describes specific activities of the Member, but does not include prepared notices indicating that a Member of Congress will be available at a specified time and place to meet with constituents; and

(2) the term "Member of Congress" means a Senator, Representative, or Delegate.●

By Mr. QUAYLE (for himself, Mr. Symms, Mr. Lugar, Mr. Hatch, Mr. Zorinsky, Mr. Helms, Mr. East, Mr. Wallop, and Mr. Gramm):

S. 2256. A bill to amend the Bilingual Education Act to make Federal financial assistance available for children of limited English proficiency without mandating a specific method of instruction, to encourage innovation at the State and local level through greater administrative flexibility, to improve program operations at the Federal level, and for other purposes; to the Committee on Labor and Human Resources.

BILINGUAL EDUCATON ACT

● Mr. QUAYLE. Mr. President, it gives me great pleasure to introduce the Bilingual Education Act Amendments of 1986 with my colleagues, Senators Symms, Lugar, Hatch, Zorinsky, Helms, East, Wallop, and Gramm. This legislation will allow flexibility in the bilingual education programs provided by school districts to more effectively meet the needs of the non-English-speaking and limited-English-proficient students.

The best way to provide bilingual education has been much debated by educators, policymakers, students, and parents themselves. The discussion focuses on what type of language training is most effective to bring non-English-speaking children up to par with their English-speaking peers. Positions range from strong support of transitional bilingual education, an approach that employs instruction in the student's native language at the beginning and increasing to use of English as time goes by, to strong support of immersion, sometimes referred to as the sink-or-swim method, and to all combinations in between.

For certain types of students, depending on their age, their literacy in their native language, and their parents literacy in their native language and fluency in English, an approach closer to immersion may be more effective than transitional bilingual education. For other children who are older and who may have a low functional literacy in their own language, a transitional approach may be more effective.

Other children will learn at different speeds, thereby necessitating review of the appropriate placement in transitional bilingual education classes or in classes that rely more heavily on English. Such students should be able to move ahead at their own speed and ability, to allow them to achieve fluency in English as quickly as possible. After all, that is the goal of bilingual education.

The legislation that I am introducing today with my colleagues will address the need for more flexibility in the Federal bilingual education programs at the local level. This bill would remove the statutory requirement in current law that mandates that 75 percent of the funds appropriated for local bilingual education programs be used for transitional bilingual education programs. By removing this 75-percent set-aside, the Secretary of Education will be able to allow greater flexibility in funding projects that rely less heavily on transitional bilingual education and more so on other forms of bilingual curriculum.

The legislation will also remove the 4-percent cap on special alternative instructional programs that the Secretary of Education can fund. This 4-percent cap on the use of bilingual education moneys, enacted in 1984, was seen as a way to provide more freedom to school districts, and this program has been a huge success with the field. The Department of Education has reported that even with the 4-percent cap, it has received over 100 applications for funding under the alternative instructional programs.

Under this legislation, grants will continue to be awarded subject to all other current guidelines in the law, and the need of the school district will continue to be assessed according to current law and guidelines. By deleting the 75-percent requirement and the 4-percent cap, school districts will be able to design programs that are more flexible, realizing that they will

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not have to meet certain Federal prescriptions or assumptions for bilingual education curriculum.

Students have learned English in all types of bilingual education programs, some more quickly in one type than another. We are not making judgments on which program has been shown through research or practice to be better than another. The cosponsors of this bill are not choosing sides between transitional bilingual education or language immersion.

We are making the statement that school districts are closer to the students and, therefore, they should be able to choose the approach they consider appropriate for educating their limited or non-English-speaking children, and the approach that helps their students learn English as easily and efficiently as possible.

Bilingual education has been a gift to many thousands of children who had no English language skills upon coming to America. The Federal Government will continue to support bilingual education. With the passage of this legislation, we will ensure that the needs of these children are met and that they, too, are given a gift to allow them to become productive and participating members of our society and to share fully in what our Nation has to offer.

Mr. President, I ask that the text of the bill, a section-by-section analysis be printed in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

S. 2256

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "Bilingual Education Act Amendments of 1986".

PURPOSE

SEC. 2. Section 702(a) of the Bilingual Education Act (20 U.S.C. 3221 et seq.) (hereafter in this act referred to as the "Act") is amended—

(1) by redesignating clauses (4) through (14) as clauses (5) through (15) respectively; and

(2) by adding after clause (3) the following new clause:

"(4) that, regardless of the method of instruction, programs which serve limited English proficient students have the equally important goals of developing academic achievement and English proficiency;".

FUNDING FLEXIBILITY

SEC. 3. Section 702(b) of the Act is amended—

(1) by striking out paragraph (3);

(2) in paragraph (4), by striking out the semicolon and everything that follows through the end thereof and inserting in lieu thereof a period; and

(3) redesignating paragraphs (4), (5), (6), and (7) as paragraphs (3), (4), (5), and (6), respectively.

TECHNICAL AMENDMENTS

SEC. 4. (a) Section 703(a)(13) of the Act is amended by striking out "areas of high concentrations of persons" and inserting in lieu thereof "individuals".

(b) Section 721(b) of the Act is amended—

(1) by striking out the paragraph designation "(1)"; and

(2) by redesignating subparagraphs (A) and (B) as paragraphs (1) and (2), respectively.

(c) Section 721(f)(7)(C) of the Act is amended by striking out "and with" and inserting in lieu thereof "with".

(d) Section 733 of the Act is amended by striking out the subsection designation "(a)".

EFFECTIVE DATE

SEC. 5. The amendments made by this Act shall take effect on July 1, 1986.

SECTION-BY-SECTION OF BILINGUAL EDUCATION AMENDMENTS OF 1986

Section 2. Section 2 would add a new statement in the policy section of the Bilingual Education Act (hereinafter referred to as "the Act") that the goal of every bilingual education program, despite the method of instruction, is to achieve academic excellence and English proficiency.

Section 3. Section 3 of the bill would amend the authorization of appropriations under the Act. This section would remove a requirement from current law that restricts the amount of funds available for special alternative instructional programs to four percent of appropriations not in excess of $140 million, and 50 percent of appropriations over $140 million, provided that no more than 10 percent of appropriations for the Act are reserved for these programs. Section 3 would also remove a restrictive provision that reserves for transitional bilingual education programs 75 percent of the funds appropriated for the basic programs under Part A of the Act. These amendments would provide greater flexibility to meet changing needs in bilingual education, and would expand the prerogatives of local education agencies.

Section 4. Section 4 of the bill would make technical amendments to (1) more accurately describe the services for limited English proficient individuals under the recently-amended Library Services and Construction Act, and (2) correct certain technical errors in sections 721(b), 721(f), and 733 of the Act.

Section 5. Section 5 of the bill would provide that the amendments proposed in the bill would take effect on July 1, 1986, so that these changes could be implemented for the 1986–87 academic year.●

● Mr. SYMMS. Mr. President, America is a generous nation. For decades she has opened her arms to immigrants coming to her shores in search of a dream. I am a descendant of some of those immigrants as are many of my colleagues in this body.

A strong ethnic sense has survived among many people in this country, yet we share a common feeling of unity and pride in our Nation. Historically, immigrants arrived on our shores eager to learn our language and culture. These new Americans taught their native tongue and traditions to their children while embracing "the American way of life."

In 1967 Congress passed the Bilingual Education Act which President Johnson signed into law on January 2, 1968. The original intent of the act was to assist low income ethnic children to become proficient in English with a long-range goal of providing them with the tools necessary to improve their economic conditions.

However, pressures from special interest groups caused Federal education officials to institute compulsory bilingual/bicultural education in schools receiving Federal funds. This has resulted in separate all-ethnic classes, and as a consequence, bilingual/bicultural education has furthered the cultural isolation and alienation of many ethnic Americans.

Pride in one's heritage is important, but the time has come to alter the Federal Government's role in the ever increasing linguistic and cultural partitioning of our Nation. To date, Uncle Sam has actively promoted isolation through inflexible bilingual education policies. Most Americans agree that our Government should promote national unity and the best possible English instruction for our young immigrants.

And that is what we seek to do with this bill. We want our non-English speaking students to learn the Nation's language and participate in the American dream. Our bill will give the local school districts the option to provide their students with the English language training they feel will help them most.

I am anxious to assist our students in a meaningful way, one that will truly help them take advantage of the opportunities this great Nation offers.●

Mr. HATCH. Mr. President, it is my pleasure today to join as an original cosponsor of the Bilingual Education Amendments of 1986 which my distinguished colleague, Senator QUAYLE, is introducing. With the enactment of this bill, our country can better educate many students who are not competent in English and help them to attain proficiency in our common tongue. This small but important tool, English proficiency, which many of us take for granted, will provide these children with a more equal opportunity to join the mainstream of our society and become productive adults.

This proposal gives new flexibility to local school districts across the land. It eliminates the requirement to use Federal moneys to teach limited-English-proficient students only by the transitional bilingual education method, which prescribes a native-language supplement to complement the child's English-language capabilities. With this bill, States and school districts will determine what methods of instruction will best educate the various groups of limited-English-proficient children in their districts. This confidence in our local school districts and teachers is warranted; they are the best judges of how to educate the children they serve.

Before 1967, little attention was paid to school children who were not competent in English. Usually they were forced to pick up whatever English they could from their classes and their peers. Often they were shunted aside, punished, or put into classes far below their academic level. These were not stupid or incapable or unmotivated children; they were merely children who did not use the language of their peers. They suffered as a result of their unmet educational needs. Many of these children dropped out of school. Many became part of what sociologists term the underclass of our society. They had not gained the tool, English proficiency, to be full participants in our society.

Many of my predecessors championed the plight of these needy children. In 1967, the first steps were taken to help bring some of them into the mainstream of our society. That year, the first bilingual education bill was passed. It provided Federal funds for bilingual education. This was a good first step.

Unfortunately, however, we now know that the 1967 act was only a first step. Courts have ruled that bilingual education was a right of all children with limited-English proficiency and, as a result, the regulations implementing the act have become much more proscriptive. The current mandate for transitional bilingual education, or TBE, which prescribes native-language instruction to complement instruction in English and native-language instruction in other subjects, was the end-product of the decisions and regulations. Thus, by the 1980's, almost all Federal money was reserved for programs which incorporated native-language instruction.

While this may sound desirable on paper, in fact only about one-third of all students classified as limited-English proficient are more capable in another language than they are in English. Thus, when a student enters a TBE class, the chance is 2 to 1 that the student can not effectively speak his native language either. Another problem has also surfaced. Even children more proficient in their native language than in English are not necessarily eligible for federally funded programs. In some schools, there are many children who do not speak English, but they are not a homogeneous group. Some may speak various Chinese dialects, some may have Middle-Eastern language capabilities, while some students might speak other languages altogether. Without teachers competent to teach both English, supplemented by the native language, and subjects like math and physics in the native language, the school districts are not eligible for Federal aid—and such teachers are not easy to find.

In 1984 Congress took a small, tentative step to try to accommodate the many children not served by the transitional bilingual education method. It authorized the Department of Education to reserve 4 percent of Federal bilingual aid for special alternative programs. The response was tremendous. While there were over 300 applications for TBE funds, over 100 additional applications competed for the small percentage of funds available for alternative programs. Surely this appeal is loud enough for all to hear. State and local educators want and need the flexibility to determine the best methods to teach their students in response to their particular needs. While we in Washington must monitor the results of the expenditure of Federal funds and must ensure that these children are indeed becoming proficient in English, we should not dictate to those in the local classrooms which teaching methods are most appropriate.

This need for flexibility has been proven. Studies done for the Department of Education show that no one method of bilingual education is definitively superior for all students. Each program has its value; each is appropriate to different linguistic and age groups. Under this bill we are sponsoring today, the local school district will be able to choose the programs most appropriate to educate all the children in that district. This bill does not eliminate transitional bilingual education. Where local educators believe TBE is the best pedagogical tool, it will be used. Where another method to instill English competency is considered appropriate, it can receive Federal funding.

With this flexibility, more non-English-proficient children will become proficient in our common tongue. They will have a more equal opportunity to participate fully in our society. It is for this reason, Mr. President, that I am so proud to cosponsor this bill today.

● Mr. EAST. Mr. President, I am pleased to add my name to the list of cosponsors of the Bilingual Education Act Amendments of 1986, because I feel that it represents a major advance toward the goal of rapidly teaching our national language to non-English-speaking students. I would also like to congratulate Secretary of Education Bennett and my distinguished colleague from Indiana, Senator QUAYLE, for their initiative on this important measure.

We all remember our own days as high school or college students trying to learn a foreign language. For most of us, that learning came hard, and, even after 4 years of French or German, we were still far less than fluent in the foreign tongue. True mastery of a new language requires a great deal of motivation, plus as much exposure to that language as possible. Given plenty of motivation and exposure, most of us can learn a language with surprising rapidity.

With the best of intentions, the current Bilingual Education Act pushes non-English-speaking students in exactly the wrong direction. By requiring that most of them be taught in their native tongues, we simultaneously reduce both their exposure to English and their motivation to learn English. In the shoes of these students, many of us might be all too willing to stay within the refuge of our native language instead of venturing into the unknown and intimidating wilderness of an alien tongue.

The Bilingual Education Act amendments remove this impediment and allow local school districts to seek the best methods of giving these students the most important tool for success and full membership in our Nation—mastery of the English language.●

By Mr. LUGAR (by request):

S. 2257. A bill to amend the Board for International Broadcasting Act of 1973, to authorize appropriations for 1987; to the Committee on Foreign Relations.

BOARD FOR INTERNATIONAL BROADCASTING AUTHORIZATION

● Mr. LUGAR. Mr. President, by request, I introduce for appropriate reference a bill to amend the Board for International Broadcasting Act of 1973, to authorize appropriations for 1987.

This proposed legislation has been requested by BIB and I am introducing it in order that there may be a specific bill to which Members of the Senate and the public may direct their attention and comments.

I reserve my right to support or oppose this bill, as well as any suggested amendments to it, when the matter is considered by the Committee on Foreign Relations.

I ask unanimous consent that the bill be printed in the RECORD at this point, together with a sectional analysis and the letter from the Acting Executive Director of the Board for International Broadcasting to the President of the Senate dated March 27, 1986.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

S. 2257

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, This Act may be cited as the "Board for International Broadcasting Authorization Act, Fiscal Year 1987."

AUTHORIZATION OF APPROPRIATIONS

SECTION 1. Section 8(a)(1)(A) of the Board for International Broadcasting Act of 1973 (22 U.S.C. 2877) is amended to read as follows—

"(A) $125,000,000 for the fiscal year 1986 and $167,509,000 for fiscal year 1987; and".

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SEC. 2. Section 8(c) of the Board for International Broadcasting Act of 1973 (22 U.S.C. 2877) is amended by deleting "$18,323,000 for the fiscal year 1987 and inserting in lieu thereof "$40,723,000 for the fiscal year 1987."

BOARD FOR INTERNATIONAL BROADCASTING,
Washington, DC, March 24, 1986.
Hon. GEORGE BUSH,
President of the Senate,
U.S. Senate, Washington, DC.

DEAR MR. PRESIDENT: There is transmitted herewith proposed legislation to make required amendments to the Board for International Broadcasting Act of 1973 and to authorize appropriations for the Board to carry out its responsibilities as specified in that Act.

The bill provides for authorization of appropriations for the Board's operation during fiscal year 1987.

A sectional analysis explaining the proposed legislation is enclosed.

The Office of Management and Budget has advised the Board that there is no objection to the presentation of this proposal to the Congress and that its enactment would be in accord with the program of the President.

Respectfully,
ANGELO R. MANGINELLI,
Acting Executive Director.

SECTIONAL ANALYSIS

Section 1. This paragraph authorizes appropriations of an additional $42,509,000 in fiscal year 1987 (1) to offset the adverse effects of recent currency fluctuations ($16,438,000), (2) to increase support for Radio Free Europe/Radio Liberty for inflation and other required costs ($3,761,000), and (3) to provide additional funds for radio facilities modernization ($22,400,000).

Section 2. This section raises the 1987 earmarking for radio modernization to the requested level of $40,723,000, and increase of $22,400,000 over the $18,323,000 currently earmarked.●

By Mr. LUGAR (by request):

S. 2258. A bill to authorize appropriations for the United States Information Agency for the fiscal year ending September 30, 1987, and for other purposes; to the Committee on Foreign Relations.

U.S. INFORMATION AGENCY AUTHORIZATION

● Mr. LUGAR. Mr. President, by request, I introduce for appropriate reference a bill to authorize appropriations for the U.S. Information Agency for the fiscal year ending by September 30, 1987.

This proposed legislation has been requested by USIA and I am introducing it in order that there may be a specific bill to which Members of the Senate and the public may direct their attention and comments.

I reserve my right to support or oppose this bill, as well as any suggested amendments to it, when the matter is considered by the Committee on Foreign Relations.

I ask unanimous consent that the bill be printed in the RECORD at this point, together with a section-by-section analysis and the letter from the Director of the U.S. Information Agency to the President of the Senate dated March 19, 1986.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

S. 2258

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

TITLE I—UNITED STATES INFORMATION AGENCY

SECTION 1. Title II of the Foreign Relations Authorization Act, Fiscal Years 1986 and 1987 (Public Law 99-93), is hereby amended as follows:

(a) SEC. 201, strike "$887,900,000" and insert "$959,195,000."

(b) SEC. 203, strike "$11,700,000" and insert "$11,639,000."

(c) SEC. 205, strike "$7,500,000" and insert "$5,200,000."

UNITED STATES INFORMATION AGENCY,
Washington, DC, March 19, 1986.
Hon. GEORGE BUSH,
President of the Senate.

DEAR MR. PRESIDENT: Pursuant to the United States Information and Educational Exchange Act of 1948, the Mutual Educational and Cultural Exchange Act of 1961, Reorganization Plan No. 2 of 1977, the Radio Broadcasting to Cuba Act, and the National Endowment for Democracy Act, I am submitting the enclosed proposed legislation to authorize appropriations for the United States Information Agency for fiscal year 1987 to enable the Agency to carry out international information and educational and cultural exchange programs.

The Office of Management and Budget has informed us that there is no objection to the presentation of this proposed legislation and that its enactment would be in accord with the program of the President.

Sincerely,
CHARLES Z. WICK,
Director.

SECTION-BY-SECTION ANALYSIS

SEC. 201: Section 201 of the Foreign Relations Authorization Act, Fiscal Years 1986 and 1987 (P.L. 99-93), authorizes the appropriation of $887,900,000 for the United States Information Agency in 1987. This amount, which is the same as the amount authorized for 1986, is not sufficient to provide for the Agency's 1987 appropriation needs of $959,195,000, the amount contained in the President's budget message to Congress. While the Agency's 1987 program level will be essentially the same as that contemplated by the 1986 appropriation Act (P.L. 99-180), fund increases are needed and requested for 1987 to cover inflation and other built-in requirements. Therefore, we are requesting that the Agency's authorization for 1987 be increased from the $887,900,00 provided for in P.L. 99-93 to $959,195,000, the amount contained in the President's budget message. This represents a net increase of $71,295,000.

SEC. 203: This section of the Agency's authorization bill for fiscal years 1986 and 1987 earmarks $11,700,000 for Radio Broadcasting to Cuba. This is one of several instances in which P.L. 99-93 provides for "not less than" a specified funding level for selected activities. For the most part, the Agency's requested authorization increase does not change these minimum amounts. Despite the extremely tight budget situation, the growth represented by the amounts noted in P.L. 99-93 for exchange-of-persons programs has been provided in the Agency budget. However, budget stringencies have precluded real growth in any other direct Agency program beyond levels funded in the 1986 regular appropriation or projected in the 1986 supplemental appropriation, adjusted for built-in changes in costs.

Among the programs limited by the overall budget restrictions is Radio Broadcasting to Cuba (section 203). The projected 1987 appropriation authorization amount, while significantly increased over 1985 and previous years, is less than the minimum amount specified in P.L. 99-93 for 1987. Accordingly, the Agency proposes to reduce the minimum level specified in P.L 99-93 Radio Broadcasting to Cuba, from $11,700,000 to $11,639,000.

SEC. 205: Section 205 of P.L. 99-93 specifies an amount of $7,500,000 for the Worldwide Book Program Initiative. The Agency has the same concerns about this funding level that we have about the level provided in the law for Radio Broadcasting to Cuba. Consequently, we are proposing to reduce the amount for the Worldwide Book Program Initiative from $7,500,000 to $5,200,000.●

By Mr. ABDNOR:

S. 2260. A bill to settle certain claims arising out of activities on the Pine Ridge Indian Reservation; to the Select Committee on Indian Affairs.

WOUNDED KNEE COMPENSATION

● Mr. ABDNOR. Mr. President, today I am introducing legislation which would finally settle all claims against the United States arising from the occupation of Wounded Knee, SD, on the Pine Ridge Indian Reservation in 1973.

This legislation is the outgrowth of a long and diligent effort to assure that the innocent victims of this occupation are compensated for the losses which they suffered through no fault of their own.

I have no intention of recounting the tragic excesses on both sides of this confrontation which resulted in the destruction of private property during the occupation. In August 1976, the Senate of the United States passed legislation which referred the entire matter of just compensation to the chief commissioner of the U.S. Court of Claims for action. Given the complexity of the issue and the difficulty of identifying and compensating the innocent victims, the court of claims undertook a long and arduous review of the events leading up to, and including the occupation of Wounded Knee. Finally in 1981, the findings of fact and recommended conclusions to accompany the opinion of the trial commissioner were filed. The 302 pages contained in the final decision clearly outlined the need for legislation to compensate the 113 individuals listed in my bill. These are innocent individuals who lost property during the occupation because of actions over which they had no control. Many of the individuals lost all of their property and

have no means to replace or recover their losses. This bill is a matter of simple justice and compensation is owed to these people by the Federal Government.

Mr. President, I ask unanimous consent that the bill be printed in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 2260

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That (a) in full settlement of all claims, legal and equitable, against the United States arising out of activities on the Pine Ridge Indian Reservation that were the subject of the findings of fact and recommendations submitted to the Senate by the Chief Commissioner of the United States Court of Claims (Congressional Reference 4-76) in response to a request of the Senate made in Senate Resolution 378 (94th Congress, agreed to on August 9, 1976), the Secretary of the Treasury is authorized and directed to pay, out of funds in the Treasury of the United States not otherwise appropriated, the following amounts:

(1) $731.05 to Joe Leavitt (claimant No. 1),

(2) $118,771.10 to William Leavitt (claimant No. 2),

(3) $10,954.48 to Dwight W. and Francis Afraid of Hawk (claimant No. 3),

(4) $15,073.31 to Stella Bear Shield (claimant No. 4),

(5) $3,582.00 to Samuel Crooked Eyes (claimant No. 5),

(6) $2,955.00 to Seth Eagle Bear (claimant No. 6),

(7) $4,095.00 to Frank and Gonne A. Grooms (claimant No. 7),

(8) $2,537.00 to Vera High Hawk (claimant No. 8),

(9) $21,092.00 to John and Nancy Hussman (claimant No. 9),

(10) $2,245.00 to Jackson and Carolyn Iron Horse (claimant No. 10),

(11) $4,467.00 to Frances Ice Chase (claimant No. 11),

(12) $1,838.60 to Eugene Kills in Water (claimant No. 12),

(13) $3,161.00 to Victoria Little Moon (claimant No. 13),

(14) $4,929.00 to Clement and Verla Locke (claimant No. 14),

(15) $12,021.56 to Frank and Gladys Locke (claimant No. 15),

(16) $11,672.50 to Charles and Martha Moose (claimant No. 16),

(17) $12,812.00 to Warfield Moose (claimant No. 17),

(18) $8,025.00 to Patrick and Sophia Pumpkin Seed (claimant No. 18),

(19) $6,161.25 to Oliver and Margaret Red Eagle (claimant No. 19),

(20) $24,562.00 to Paul and Eva Red Star (claimant No. 20),

(21) $7,768.00 to Lillian and Steve Sitting Eagle (claimant No. 21),

(22) $1,685.10 to Joseph Spotted Bear (claimant No. 22),

(23) $5,897.25 to Elizabeth Breast (claimant No. 23),

(24) $3,340.33 to Elmer and Nettie Two Two (claimant No. 24),

(25) $7,653.00 to Francis and Marie Randall (claimant No. 25),

(26) $5,603.00 to Fannie Bear Eagle (claimant No. 26),

(27) $3,597.00 to Eugene Black Bear, Jr. (claimant No. 27),

(28) $2,571.00 to Anthony and Linda Black Elk (claimant No. 28),

(29) $15,833.90 to Homer and Irene Black Elk (claimant No. 29),

(30) $8,762.75 to Rachel Eagle Bull (claimant No. 30),

(31) $4,723.00 to Florine (Ice) Hollow Horn (claimant No. 32),

(32) $6,050.40 to Oscar and Rachel Hollow Horn (claimant No. 33),

(33) $4,134.40 to Verlean Ice (claimant No. 34),

(34) $6,880.00 to Claudia Iron Hawk Sully (claimant No. 36),

(35) $7,735.55 to Paul R. Littlebear-Taylor (claimant No. 37),

(36) $3,248.10 to Hobart Keith (claimant No. 38),

(37) $1,350.00 to Mathew H. King (claimant No. 39),

(38) $4,285.00 to Dallas and Roselyn Little Bear (claimant No. 41),

(39) $3,053.60 to Julia Little Bear (claimant No. 42),

(40) $2,083.09 to Mrs. Theresa R. Means (claimant No. 43),

(41) $3,842.00 to Carol E. Red Star (claimant No. 44),

(42) $1,194.00 to John Mark Red Star (claimant No. 45),

(43) $3,793.50 to Neville C. Red Star, Sr. (claimant No. 46),

(44) $3,525.00 to Darlene Rosane (claimant No. 47),

(45) $14,882.00 to Garry Rowland (claimant No. 48),

(46) $2,485.00 to Beverly Running Bear (claimant No. 49),

(47) $4,025.00 to Rose Shott (claimant No. 50),

(48) $24,278.00 to Sub-Community of Wounded Knee (claimant No. 51),

(49) $3,750.00 to Paul Thunder Horse (claimant No. 52),

(50) $3,593.00 to Robert F. & Lorene E. Thunder Horse (claimant No. 53),

(51) $5,949.22 to Timothy H. and Audrey K. Thunder Horse (claimant No. 54),

(52) $1,900.00 to Lester White Butterfly (claimant No. 55),

(53) $1,455.00 to Daniel Dodge (claimant No. 56),

(54) $1,100.00 to Mr. & Mrs. Manfred Fast Horse (claimant No. 57),

(55) $2,207.00 to Helen S. Grant (claimant No. 58),

(56) $4,715.00 to Florine Hollow Horn *ex rel.* Bernard Ice, Sr. (claimant No. 59),

(57) $1,245.00 to Frank Jealous of Him (claimant No. 60),

(58) $5,576.10 to Matthew and Bessie J. High Pine (claimant No. 61),

(59) $5,305.00 to Cecilia (Little Moon) Fast Horse (claimant No. 62),

(60) $4,901.50 to Mabel I. Whiteface (claimant No. 63),

(61) $3,288.00 to Rachel White Dress (claimant No. 64),

(62) $2,422.30 to Dorothy Fast Wolf (claimant No. 65),

(63) $13,018.40 to Frank H. and Wilma Grooms (claimant No. 66),

(64) $4,334.67 to Jessie and Raymond Red Shirt (claimant No. 68),

(65) $28,467.95 to Carol J. Deckert Sager (claimant No. 69),

(66) $2,484.45 to LeRoy "Sunshine" Janis (claimant No. 70),

(67) $16,754.70 to Rudolph Fire Thunder (claimant No. 71),

(68) $1,535.50 to Messiah Episcopal Church (claimant No. 72),

(69) $1,984.26 to Ivy Goings (claimant No. 74),

(70) $2,679.60 to Dorothy Mae Richards (claimant No. 75),

(71) $1,640.00 to Elizabeth Bradshaw (claimant No. 77),

(72) $6,184.00 to Charles Dixon Sasse (claimant No. 78),

(73) $5,740.70 to Ovlile and Emma Lansberry (claimant No. 79),

(74) $2,129.00 to Oscar Jealous of Him (claimant No. 80),

(75) $1,984.26 to Delores Apple (claimant No. 82),

(76) $2,502.80 to Chris Hatchett (claimant No. 83),

(77) $1,920.00 to Gilbert L. and Mary A. Matthews (claimant No. 85),

(78) $5,623.00 to Irene Jumping Eagle (claimant No. 86),

(79) $69,461.83 to St. Paul Insurance Companies (claimant No. 87),

(80) $1,850.00 to John Siers (claimant No. 88),

(81) $5,505.00 to Ameilia M. Clark (claimant No. 89),

(82) $50,975.94 to George and Violet Coats (claimant No. 90),

(83) $51,290.45 to James A. Czywczynski & Jeanettee J. Czywczynski (claimant No. 91),

(84) $18,436.58 to Federal Insurance Co. (claimant No. 92),

(85) $1,650.00 to Stephen E. and JoAnne Ferace (claimant No. 93),

(86) $12,331.14 to Guy and Jean Fritze (claimant No. 94),

(87) $7,000.00 to C and F Trucking (claimant No. 95),

(88) $16,615.00 to Clive A. and Agnes Gildersleeve (claimant No. 96),

(89) $12,763.08 to Gordon G. and Lorraine F. Greenamyre (claimant No. 97),

(90) $21,917.51 to H and R Plumbling and Heating, Inc. (claimant No. 98),

(91) $39,298.25 to Home Insurance Co. (claimant No. 99),

(92) $21,457.92 to Janis Roofing (claimant No. 100),

(93) $6,431.95 to Milbank Mutual Insurance Company (claimant No. 101),

(94) $4,468.00 to Mary F. Pike (claimant No. 102),

(95) $67,511.54 to R and S Construction Company (claimant No. 103),

(96) $12,405.00 to Estate of Wilbur A. Riegert (claimant No. 104),

(97) $19,620.00 to Orville G. Schwarting (claimant No. 105),

(98) $490,934.44 to Sioux, Inc. (claimant No. 106),

(99) $8,275.02 to Stuyvesant Insurance Co. (claimant No. 107),

(100) $8,028.65 to Oglala Sioux Tribe (claimant No. 108),

(101) $28,374.00 to Oglala Sioux Housing Authority (claimant No. 109),

(102) $37,679.50 to Aaron DeSersa-Sron (claimant No. 110),

(103) $5,181.45 to Lydia Black Bear (claimant No. 111),

(104) $887.50 to Thomas Casey (claimant No. 112),

(105) $3,984.00 to Roy and Pauline White Putterfly (claimant No. 113),

(106) $3,495.00 to Eleanor Big Owl for George Iron Teeth (claimant No. 114),

(107) $3,168.09 to Standard Oil (Indiana) (claimant No. 115),

(108) $7,335.00 to Shirley Blunt Horn (claimant No. 116),

(109) $1,866.00 to Eugene and Vera Hunts Horse (claimant No. 118),

(110) $2,650.40 to Clayton and Vernice Jealous of Him (claimant No. 119),

(111) $1,021.00 to Keva A. and Reuben R. Mesteth (claimant No. 120),

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(112) $4,234.70 to Hobart Spotted Bear (claimant No. 121), and

(113) $1,425.00 to Employers Mutual Companies (claimant No. 122).

(b)(1) No part of any amount paid to any person under subsection (a) in excess of 10 percent of such amount shall be paid or delivered to, or received by, any agent or attorney on account of services rendered in connection with the claim for which such payment is made, and the same shall be unlawful, notwithstanding any contract to the contrary. Violation of the provisions of this paragraph is a misdemeanor punishable by a fine not to exceed $1,000.

(2) Pursuant to the recommendations of the Chief Commissioner of the United States Court of Claims, the Secretary of the Treasury is authorized and directed to pay, out of funds in the Treasury of the United States not otherwise appropriated, $26,486.44 to the Dakota Plains Legal Services, formerly South Dakota Legal Services Corporation for services rendered in connection with the proceeding conducted pursuant to section 2509 of title 28, United States Code, which was initiated by reason of Senate Resolution 378 (94th Congress, agreed to on August 9, 1976).●

By Mr. HUMPHREY (for himself, Mr. Hecht, Mr. Thurmond, and Mr. East):

S. 2261. A bill to amend the Service Contract Act of 1965 to reform the administration of such Act, and for other purposes; to the Committee on Labor and Human Resources.

SERVICE CONTRACT REFORM ACT

● Mr. HUMPHREY. Mr. President, today I am introducing the Service Contract Reform Act of 1986. According to the Congressional Budget Office, enactment of this legislation would save the Federal Government at least $1.2 billion in outlays over a 5-year period. It provides us with an excellent opportunity to reduce the Federal budget deficit. Just as importantly, these savings will be obtained without harming the basic purpose of the Service Contract Act, which is to protect the wages of service employees working on Government contracts from exploitation by unscrupulous employers.

The Service Contract Act of 1965 was enacted to protect the wages and benefits of service employees hired by private contractors to supply services to the Federal Government. The law is similar to other Federal prevailing wage legislation such as the Davis-Bacon Act, and is designed to ensure that covered employees will be paid wages and benefits that are consistent with the wages paid to similar jobs within the same locality. The Service Contract Act effectively prevents service employers from successfully bidding a Government contract by undercutting the local wage rate.

Unfortunately, over the years, misapplication and misinterpretation of the law's provisions, as well as its burdensome wage determination procedures and paperwork requirements, have resulted in unnecessary service procurement costs to the Federal Government. For example, the Grace Commission estimates that the Service Contract Act raises the Government's cost of procuring services by as much as $1.5 billion a year. Similarly, a 1983 report by the General Accounting Office found so many needless costs associated with the act that GAO recommended outright repeal.

I want to stress again that my bill does not call for repeal. Rather, it is intended to preserve the basic intent of the Service Contract Act—that is to protect the wages and benefits of service employees working on Government contracts—while at the same time accomplishing reforms that will substantially reduce excess costs that have resulted from shortcomings in the original law.

The Service Contract Reform Act of 1986 contains five basic provisions which modify the law as it now stands.

First, the bill raises the contract coverage threshold from $2,500 to $200,000. The SCA currently requires that employees working under Government service contracts valued at over $2,500 be paid prevailing wages and benefits as determined by the Secretary of Labor. The contract threshold level has remained at $2,500 since the SCA was passed in 1965, despite increases in inflation that now make such an amount insignificant in relative terms. CBO reports that nearly 90 percent of the estimated dollar volume subject to the SCA is in contracts in excess of $200,000. Raising the threshold from $2,500 to $200,000 exempts only an estimated $1.2 billion out of a total of $11.7 billion in contract dollars from SCA coverage. At the same time, increasing the threshold will exempt numerous small contracts from the law's redtape, thereby substantially reducing the high administrative costs associated with the act. More importantly, raising the threshold will increase participation in the contract process by small businesses, who presently avoid bidding Government service contracts because of redtape and arbitrary wage determinations. Because these small businesses are likely to be almost exclusively local employers, the purpose of the law in protecting local prevailing wages and benefits will be ensured. CBO estimates that raising the threshold to $200,000 would produce a 5-year savings in outlays of some $244 million.

Second, the bill codifies the Labor Department's 1983 regulation which strictly interprets the act as only applying to a contract "the principal purpose of which is to furnish services in the United States through service employees." This simply means that a contract will not be covered by the SCA unless the principal purpose of the contract as a whole is to provide services. Prior to revising the regulation in 1983, the DOL applied the act to separate line items and specifications for services in contracts which were not otherwise principally for the purpose of furnishing services. This overly broad interpretation resulted in extending the act's coverage well beyond what Congress originally intended. By codifying the 1983 revised regulation, we will be assured that the original congressional intent is preserved.

Third, the bill amends the SCA to provide that any wages and fringe benefits provided for in a successor contract shall apply for purposes of the SCA unless the Secretary of Labor establishes that such wages are not prevailing within the locality where the work is performed. The current language of the act operates in practice to require that union wage rates in an existing service contract become the floor for all succeeding contracts. The provision was inserted in the original law to prevent union busting through the Government procurement process. Although the law states that the predecessor contract rates do not apply where the Secretary finds that they are substantially at variance with local prevailing rates—for example, where the union rates are much higher than wages paid for similar jobs within an area—the process for making such a finding is so burdensome and time-consuming that it has proved to be totally useless.

The bill simplifies and makes the successor contract provision meaningful by permitting the successor contract wage rates to take effect—even if they are not the same as the union rates in the predecessor contract—unless the successor contract wages are not prevailing within the locality where the work is performed. If the Secretary of Labor can show that such rates are not prevailing, then the rates in the predecessor contract would automatically replace the rates in the successor contract. For example, a contractor could not get around a union by bringing in low-paid employees to perform the services if those rates were not similar to rates paid to other service employees within the area. Thus the bill preserves the original purpose of the successor contract provision by assuring that prevailing rates will be paid while minimizing the disruptions to wages and benefits in successor contracts.

Fourth, the bill defines the terms "prevailing rates" and "locality." The original law did not define these key terms, and there has been considerable confusion since the SCA was passed as to what they mean and how they should be applied. Experience has shown that the Labor Department's interpretation of these terms has frequently led to wage rate determinations far in excess of local prevailing rates. Both GAO and the Grace Commission found in their comprehensive reports on the SCA that DOL routinely sets wage and benefit rates inconsistent with local prevailing rates, thereby adding substantially to the cost of Government procurement.

Prevailing rate is defined by the bill to mean the entire range of wages and benefits paid to similar jobs working in the area where the service contract is performed. If the contract wage rate falls within the range of wages shown to be paid within the contract's geographic area, the rate is deemed to be prevailing for purposes of the SCA. For example, if it is shown that the rates paid to food service workers within an area range from $4.50 to $6.50 an hour, any contract rate within that range would be considered prevailing. It should be stressed that this is a minimum rate. Thus in the example any rate less than $4.50 would not qualify as prevailing, but any rate over $6.50 would qualify if the service contract was awarded to the contractor paying such rates. The bill's definition of prevailing rate assures that local prevailing rates will be applied to service contracts, thereby protecting the basic purpose of the Service Contract Act. At the same time, the possibility that prevailing rate determinations will be distorted is substantially reduced. Finally, it is important to note that in no case would the prevailing rate ever be set lower than the current Federal minimum wage.

The term "locality" is defined by the bill to mean "the particular urban or rural subdivision of a State in which work is performed." Because the law requires that the Labor Secretary set wages in accordance with prevailing rates for service employees within the locality where the work is performed, it is important to assure that the Secretary interprets locality to in fact mean what it is supposed to mean. For example, such a definition will prevent the importation of traditionally higher urban wage rates to a rural subdivision, and vice versa. Again, the definition will help to ensure that local prevailing rates are applied.

Fifth, the bill changes the SCA to require the Secretary of Labor to make wage and fringe benefit determinations only with respect to service contracts under which 25 or more service employees are to be employed. Current law requires such determinations on any service contract employing five or more service employees. This proposed change to the law, similar to the proposed contract threshold dollar increase, is designed to improve administration and enforcement of the act by relieving the Secretary's obligations with respect to small service contracts affecting very small populations of workers.●

By Mr. McCLURE (by request):

S. 2262. A bill to authorize appropriations to the Department of Energy for civilian energy programs for fiscal year 1987 and fiscal year 1988, and for other purposes; to the Committee on Energy and Natural Resources.

CIVILIAN ENERGY PROGRAMS AUTHORIZATION FOR FISCAL YEARS 1987 AND 1988

● Mr. McCLURE. Mr. President, at the request of the Department of Energy, I send to the desk a bill to authorize appropriations to the Department of Energy for its civilian energy programs for fiscal years 1987 and 1988, and for other purposes. This measure was transmitted to the Senate by executive communication on February 27, 1986, and referred to the Committee on Energy and Natural Resources. The measure reflects the President's proposed budget for fiscal year 1987, including proposed fiscal year 1986 deferrals.

Mr. President, I ask unanimous consent that the bill and the executive communication which transmitted it to the Senate be printed in the Record.

Mr. President, I also send to the desk an amendment to this bill, in the nature of a substitute. The amendment similarly provides authorizations for the civilian programs of the Department of Energy for fiscal years 1987 and 1988. The difference, however, is that the authorized appropriations reflect the February 25 recommendations of the Committee on Energy and Natural Resources to the Senate Budget Committee. The indicated authorizations are the appropriations necessary to maintain the civilian programs of the Department of Energy, within the jurisdiction of the Committee on Energy and Natural Resources, on a current services basis in fiscal years 1987 and 1988, after the fiscal year 1986 sequester but without adjustment for the President's proposed fiscal year 1986 deferrals.

(The text of the amendment appears under "Amendments Submitted.")

There being no objection, the material was ordered to be printed in the Record, as follows:

S. 2262

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "Civilian Energy Programs Authorization for Fiscal Years 1987 and 1988."

TITLE I—RESEARCH AND DEVELOPMENT

Sec. 101. Funds are authorized to be appropriated in accordance with section 660 of the Department of Energy Organization Act for fiscal year 1987 for civilian research and development programs of the Department of Energy, including the amounts authorized to be appropriated by section 102 of this Act, for the following accounts:

(1) General Science and Research Activities, $773,400,000;

(2) Energy Supply Research and Development, $930,287,000 for all programs in this account other than programs authorized to be appropriated under section 401(4) of this Act;

(3) Goethermal Resources Development Fund, $72,000;

(4) Fossil Energy Research and Development, $82,767,000; and

(5) Energy Conservation, $26,141,000 for all programs in this account other than programs authorized to be appropriated under sections 201(1) and 401(5) of this Act.

Sec. 102. Within the funds authorized to be appropriated by section 101 of this Act, funds are authorized to be appropriated for fiscal year 1987 for construction, including planning, construction, acquisition, or modification of facilities, including land acquisition; and acquisition and fabrication of capital equipment not related to construction of the Department of Energy for the following activities:

(1) General Science and Research Activities, $168,500,000;

(2) Energy Supply Research and Development, $172,555,000; and

(3) Energy Conservation, $1,500,000.

TITLE II—CONSERVATION, REGULATION, AND INFORMATION

Sec. 201. funds are authorized to be appropriated in accordance with section 660 of the Department of Energy Organization Act for fiscal year 1987 for the following appropriations accounts:

(1) Energy Conservation, $2,250,000 for appliance standards and the Federal Energy Management Program;

(2) Economic Regulation, $21,850,000;

(3) Emergency Preparedness, $6,044,000;

(4) Federal Energy Regulatory Commission, $99,079,000 of which not more than $78,754,000 may be derived from collections of licensing fees, inspection services, and other services and collections which may be retained and used for necessary expenses in this account; and

(5) Energy Information Administration, $59,651,000.

TITLE III—POWER MARKETING ADMINISTRATION

Sec. 301. Funds are authorized to be appropriated in accordance with section 660 of the Department of Energy Organization Act for fiscal year 1987 for the following appropriations accounts:

(1) Alaska Power Administration, Operation and Maintenance, $2,881,000;

(2) Southeastern Power Administration, Operation and Maintenance, $19,647,000;

(3) Southwestern Power Administration, Operation and Maintenance, $25,337,000; and

(4) Western Area Power Administration, Operation and Maintenance, $240,309,000.

TITLE IV—OTHER ACTIVITIES

Sec. 401. Funds are authorized to be appropriated in accordance with section 660 of the Department of Energy Organization Act for fiscal year 1987, including the amounts authorized to be appropriated by section 402 of this Act, for the following appropriations accounts:

(1) Uranium Supply and Enrichment Activities, $1,286,400,000 to be derived from revenues of $1,286,400,000 so as to provide a net level of zero; of the revenues credited to this account, $235,000,000 shall be transferred to the general fund of the Treasury in partial repayment of Goverment investment in uranium supply and enrichment activities;

(2) Departmental Administration, $151,082,000, together with $251,947,000 to

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be derived from miscellaneous revenues and receipts as necessary for providing a level of $403,029,000;

(3) Nuclear Waste Fund, $769,349,000;

(4) Energy Supply Research and Development, $323,875,000 for the following programs in that account: international solar energy program; solar technology transfer; remedial actions and waste technology; inhouse energy management; and

(5) Energy Conservation, $9,042,000 for the following programs in that account: state and local program direction; building and community systems: analysis and technology transfer; industrial energy conservation: implementation and deployment; multi-sector: National Appropriate Technology and Assistance Service; and policy and management.

Sec. 402. Within the funds authorized to be appropriated by section 401 of this Act, funds are authorized to be appropriated for fiscal year 1987 for construction, including planning, construction, acquisition, or modification of facilities, including land acquisition; and acquisition and fabrication of capital equipment not related to construction of the Department of Energy for the following appropriations accounts:

(1) Uranium Supply and Enrichment Activities, $15,300,000;

(2) Departmental Administration, $7,913,000;

(3) Nuclear Waste Fund, $32,579,000; and

(4) Energy Supply Research and Development, $18,800,000 for the following programs in that account: solar technology transfer; remedial actions and waste technology; in-house energy management; and technical information and management program.

TITLE V—FISCAL YEAR 1988 AUTHORIZATION

Sec. 501. There are authorized to be appropriated to the Department of Energy such sums as may be necessary for fiscal year 1988 to carry out civilian energy programs.

TITLE VI—MISCELLANEOUS PROVISIONS

Sec. 601. Section 1011, and its catchline, of the Omnibus Budget Reconciliation Act of 1981 (Public Law 97-35) is repealed.

Sec. 602. Section 211(f)(11) of the Department of Energy Organization Act (42 U.S.C. § 7141(f)(1)) is amended by striking "Negro, Puerto Rican, American Indian, Eskimo, Oriental, or Aleut or is a Spanish speaking individual of Spanish descent" and inserting in its place "Black, Hispanic, American Indian, Alaskan Native, Asian or American Pacific Islander".

Department of Energy,
Washington, DC, February 27, 1986.

Hon. George Bush,
President of the Senate,
Washington, DC.

Dear Mr. President: Enclosed is proposed legislation "[t]o authorize appropriations to the Department of Energy for civilian energy programs for fiscal year 1987 and fiscal year 1988, and for other purposes." The bill would authorize fiscal year 1987 (FY 87) appropriations to the Department of Energy totaling $5,083,410,000.

Section 101 would authorize FY 87 appropriations totaling $1,814,867,000 for all civilian reserach and development programs.

Section 102 would authorize FY 87 appropriations totaling $342,555,000 for plant and capital equipment for civilian reserach and development programs. This amount is included within the amount that would be authorized in section 101.

Section 201 would authorize FY 87 appropriations of $188,874,000 for certain programs within the Energy Conservation account, emergency preparedness, economic regulation, the Federal Energy Regulatory Commission, and the Energy Information Administration.

Section 301 would authorize FY 87 appropriations totaling $288,174,000 for the power marketing administrators.

Section 401 would authorize FY 87 appropriations totaling $2,791,695,000 for uranium supply and enrichment activities, departmental administration, the Nuclear Waste Fund, and certain programs within the Energy Supply Research and Development account and the Energy Conservation account. In addition, this section would require that $235,000,000 of uranium supply and enrichment activities revenues be transferred to the general fund of the Treasury in partial repayment of Government investment in these activities.

Section 402 would authorize $74,592,000 of the amount authorized in section 401 specifically for FY87 plant and capital equipment amounts. Sections 102 and 402 are necessitated by section 1011(b) of the Omnibus Budget Reconciliation Act of 1981, Public Law 97-35, which requires a separate request for authorization of plant and capital amounts.

Section 501 would authorize such sums as may be necessary for FY88.

Section 601 would repeal section 1011 of the Omnibus Budget Reconciliation Act. This provision requires that a spearate request be made for authorization of appropriations for plant and capital amounts for civilian research and development activities. Inasmuch as appropriation Acts no longer separate operating expenses from plant and capital amounts, section 1011 is an unnecessary technical requirement.

Section 602 would clarify the definition of the term "minority" for purposes of determining who is eligible for participation in the Department's Office of Minority Economic Impact programs. This proposal would merely conform the definition of the term "minority" in the Department of Energy Organization Act with current definitions used by the Office of Management and Budget to compile statistics under the Office of Federal Contracts Compliance Directive No. 15 titled "Race and Ethnic Standards for Federal Statistics and Administrative Reporting," and by the Department of Energy in 10 CFR Part 1040.3, which lays the foundation for requirements concerning non-discrimination in Department of Energy federally assisted programs. The proposal would not affect substantively who would be covered by the term "minority" in the DOE Act.

The Office of Management and Budget advises that enactment of this legislative proposal would be in accord with the program of the President.

Sincerely,

J. Michael Farrell,
General Counsel.●

By Mr. MATHIAS (for himself and Mr. Simon);

S. 2263. A bill to protect the public's right to receive and communicate information freely across the American border, and to ensure the right of international travel; to the Committee on the Judiciary.

INTERNATIONAL COMMUNICATION AND TRAVEL ACT

● Mr. MATHIAS. Mr. President, today the Senator from Illinois, Mr. Simon, and I introduced a bill amending the ideological exclusions in the McCarran-Walter Immigration Act and restrictions on travel in the Passport Act, and removing restrictions on the import and export of information. The thread that ties all of these changes together is an ideal embodied in the first amendment: The removal of barriers that inhibit the free exchange of ideas across international frontiers.

A free trade in ideas, Oliver Wendell Holmes wrote, is the theory underlying our Constitution:

> When men have realized that time has upset many fighting faiths, they may come to believe the very foundation of their own conduct: that the ultimate good desired is better reached by the free trade in ideas—that the best test of truth is the power of thought to get itself accepted in the competition of the market, and that truth is the only ground upon which their wishes can safely be carried out.

A free flow of information and ideas among American citizens is the foundation of our democratic society. Through open and robust debate in the marketplace of ideas, American citizens inform themselves of choices that affect their lives. However, this liberty, secured by the first amendment, is thwarted by a number of laws which permit the Government to restrict the flow of information and the travel of individuals into and out of the United States. These laws can exclude foreigners from our shores and inhibit the ability of American citizens to travel overseas on the basis of the political beliefs the individuals espouse. They can also be used to restrict the import and export of information on the basis of the political doctrines contained in the information.

Abstract ideals such as freedom of speech are promoted and articulated in tangible forms and concrete actions. If we deny citizens the right to travel, or hear the views and opinions of others, than we trample on this ideal. Diversity, dialog, and exchange of ideas are the life-giving elements—the water and air—of American tradition; exclusion, restriction, repression of ideas are the features of far more troubled, less confident nations. As President Reagan has said:

> Expanding contacts across borders and permitting a free exchange or interchange of information and ideas increase confidence; sealing off one's people from the rest of the world reduce it.

To be sure, we have a legitimate right and duty to maintain proper border controls. Those controls are particularly important in this day of supersonic travel, sophisticated espionage, and increased terrorist activity.

And this is all the more reason to update our laws so officials can concentrate on true threats to our national security and public welfare.

Today's telecommunications media can bring into our living rooms the images and voices of exponents of every political and artistic tendency around the globe. To deny individuals or information entry or exit not only injures our freedom but insults the intelligence of the American people. The legislation we introduce today has six major provisions. The first deals with restrictions on visitors to this country based on speech.

Sections of the 1952 McCarran-Walter Act permit our Government, acting on secret evidence, to ban from the United States a wide range of people. Many visitors overcome initial charges that brand them as everything from anarchists and Communists to professional beggars and prostitutes. But the process is a demeaning and embarrassing ritual that suggests we are not as confident, mature, and truly free a nation as we so often assert.

Under the sweeping rubric of activities "prejudicial to the public interest" or "subversive to the national security," sections 212(a) 27 and 28 of the Immigration and Nationality Act have been used to bar British actor Charlie Chaplin; Canadian author and naturalist Farley Mowat; and Japanese pacifists. Our bill would stop this. In essence the bill says that activities which would be protected by the first amendment if conducted by American citizens in the United States cannot be the sole basis for an alien's exclusion or deportation.

This bill eliminates the exclusions in section 212(a) of the Immigration and Nationality Act that are based solely on speech, nonviolent political activity, political beliefs or associations. This bill would also impose analogous restrictions on the broad authority to deport aliens contained in section 241(a) of the act. In addition, the bill permits Americans to go to court if denied the opportunity to communicate with an alien visitor because of speech-based restrictions.

Not affected by the proposed legislation is the authority of the U.S. Government to deny admission to those aliens likely to engage in criminal or terrorist activities. In addition, those who would come to this country to engage in activities that endanger the national security or jeopardize the public welfare are excludable. Finally, the President would retain the broad authority to exclude aliens by proclamation under section 212(f) of the Immigration and Nationality Act.

The changes that would be made to the Immigration and Nationality Act would make it consistent with congressional intent when the McGovern amendment was enacted in 1977. In addition, these changes are in accord with a recent U.S. court of appeals decision ruling that temporary visas to aliens cannot be denied because of political beliefs or associations.

The free exchange of ideas may also be inhibited by restricting the rights of U.S. citizens to travel abroad. Under the Passport Act of 1926, the executive branch has the authority to restrict travel by denying or revoking passports. While travel restrictions are necessary where there is imminent danger to the public health or physical safety of U.S. travelers, at times the executive branch has abused its discretion. In the past, passports have been denied to individuals of the caliber of playwright Arthur Miller, actor and singer Paul Robeson, and Nobel prize winner Linneas Pauling on the basis of their political beliefs. Passports were denied not only to artists, actors, and scientists, but also lawyers, congressional investigators, and even Federal judges have been denied passports on the basis of their political activities.

This bill amends the Passport Act by eliminating passport restrictions based on activities that would be protected by the first amendment to the Constitution if they were conducted in the United States. This bill doesn't inhibit the authority of the Secretary of State to restrict passports to areas where there are health or safety risks to U.S. travelers.

In addition to denying passports, the U.S. Government has inhibited travel to certain countries by restricting or prohibiting normal business transactions incidental to travel. This bill would amend the Trading With the Enemy Act and the International Emergency Economic Powers Act to allow U.S. citizens traveling or living in foreign countries to engage in these transactions, such as the payment of living expenses.

The Trading With the Enemy Act and the International Emergency Economic Powers Act have also been used by the Government to restrict the importation of information. Under this authority, the executive branch has embargoed informational materials such as films, posters, and phonograph records. These restrictions are inconsistent with the philosophy underlying the first amendment.

Our bill amends these statutes to ensure the free and unfettered importation of informational material from abroad, thereby promoting uninhibited and fully informed debate. This bill will not affect the Government's legitimate power in times of war or national emergency to regulate or prohibit any other transactions involving property.

The importation and dissemination of information is also limited by the Foreign Agents Registration Act, under which the Government can classify certain foreign material as "political propaganda." This label can have a chilling effect on political debate. In a free society, citizens not the government, should decide for themselves the merits of the information they read. This bill does not affect either who must register under the Foreign Agents Act, or what materials must be registered. It only reduces reporting requirements and provides for a more neutral label—"advocacy materials"—on material indicating that it was produced by an agent of a foreign power.

Besides restrictions on the importing of information, statutes regulating exports can also inhibit the dissemination of ideas. Scientific progress, in particular, depends on freedom of communication. Yet, under the Arms Export Control Act, the publishing of unclassified research and participation in scholarly conferences have been restricted and curtailed. Our bill amends the Arms Export Control Act to declare a policy endorsing the importance of vigorous scientific debate through scholarly interchange. Although a policy statement would not directly prevent excessive interference with scientific interchange, this provision shifts the balance a little more toward the free exchange of scholarly ideas, in acknowledgement of Albert Einstein's insight that "the progress of science presupposes freedom of expression in all realms of intellectual endeavor."

Some of my colleagues may be familiar with another bill, S. 2177, that Senator Simon and I recently introduced. While attempting to further the same principles, it is much more limited in scope. S. 2177 focuses only on the issue of nonimmigrant visa exclusions. This legislation is a more comprehensive package, removes more barriers that stand in the way of free debate. In sum, this free trade in ideas legislation simply applies the ideal embodied in the first amendment of the Constitution to the laws governing the travel of individuals and the movement of information.

As Justice Brandeis wrote in a 1927 decision, "Those who won our independence believed that the final end of the State was to make men free to develop their faculties * * * freedom to think as you will and to speak as you think" as a "means indispensable to the discovery and spread of political truth." That belief still animates thoughtful Americans today. The legislation we introduce today strengthens the means to that important end.

I ask unanimous consent that a copy of the bill and a list of the organizations that endorse this legislation be printed in the Record.

There being no objection, the material was ordered to be printed in the Record, as follows:

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S. 2263

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled.

SECTION. 1. This Act may be cited as the "International Communication and Travel Act of 1986".

SEC. 2. (a) Section 212(a) of the Immigration and Nationality Act (8 U.S.C. 1182(a)) is amended—

(1) in paragraph (27)—

(A) by striking out "be prejudicial to the public interest, or"; and

(B) by inserting "national" after "welfare, safety, or";

(2) by striking out paragraph (28);

(3) by redesignating paragraphs (29) through (33) as paragraphs (28) through (32), respectively; and

(4) in paragraph (28), as redesignated by paragraph (3) of this subsection—

(A) by striking out "(A)"; and

(B) by striking out "in other activity subversive" and all that follows through "1950" and inserting in lieu thereof "the overthrow of the Government of the United States by force, violence, or other unconstitutional means".

(b) Section 212(c) of such Act is amended by striking out "(30) and (31)" and inserting in lieu thereof "(29) and (30)".

(c) Section 212(d) of such Act is amended—

(1) by striking out paragraph (2);

(2) by redesignating paragraphs (3) through (8) as paragraphs (2) through (7), respectively;

(3) in paragraphs (2) and (7), as redesignated by paragraph (2) of this subsection, by striking out "(29)" each place it appears and inserting in lieu thereof "(28)"; and

(4) in paragraph (2), as redesignated by paragraph (2) of this subsection, by striking out "(33)" each place it appears and inserting in lieu thereof "(32)".

(d) Section 212(f) of such Act is amended—

(1) by striking out "aliens" the first place it appears and inserting in lieu thereof "alien";

(2) by striking out "all aliens or any class of" and inserting in lieu thereof "such alien or"; and

(3) by inserting "such alien or" after "or impose on the entry of".

(e) Section 212 of such Act is further amended by adding at the end thereof the following new subsection:

"(m)(1) Notwithstanding any other provision of this section, no alien may be denied a visa or excluded from admission into the United States because of (A) any past or expected speech, activity, belief, affiliation, or membership which, if held or conducted within the United States by a United States citizen, would be protected by the First Amendment to the Constitution, or (B) the expected consequences of any activity with the alien may conduct in the United States if that activity would be protected by the First Amendment to the Constitution if conducted within the United States by a United States citizen.

"(2) An alien granted a visa to enter the United States shall not be subjected to restrictions or conditions on the use of the visa because of (A) any past or expected speech, activity, belief, affiliation, or membership which, if held or conducted within the United States by a United States citizen, would be protected by the First Amendment to the Constitution, or (B) the expected consequences of any activity which the alien may conduct in the United States if that activity would be protected by the First Amendment to the Constitution if conducted within the United States by a United States citizen.

"(3) Any citizen of the United States or other person within the jurisdiction thereof who intends to communicate in person with, including attending a function for purposes of listening to, any alien who is denied a visa, excluded from admission into the United States, or subjected to visa restrictions in violation of the provisions of this subsection, may bring a civil action on his or her own behalf against any official of the United States Government who is alleged to have acted in violation of this subsection. Any civil action under this district in which the intended communication was to have occurred, in the district of the plaintiff's residence or principal place of business, in the district in which any defendant in the action resides, or in the District of Columbia. The district court shall have jurisdiction, without regard to the amount in controversy or the citizenship of the parties, to grant such legal or equitable relief as will enforce the provisions of this subsection.".

SEC. 3. (a) Section 241(a) of the Immigration and Nationality Act (8 U.S.C. 1251(a)) is amended—

(1) by striking out paragraph (6);

(2) by redesignating paragraphs (7) through (19) as paragraphs (6) through (18), respectively; and

(3) in paragraph (6), as redesignated by paragraph (2) of this subsection—

(A) by striking out "(29)" each place it appears and inserting in lieu thereof "(28)"; and

(B) by striking out ", unless the Attorney General" and all that follows through "Communist organization".

(b) Section 241(b) of such Act is amended by striking out "subsection (a)(11)" and inserting in lieu thereof "subsection (a)(10)".

(c) Section 241(e) of such Act is amended by striking out "or (7)".

(d) Section 241(f) of such Act is amended—

(1) in paragraph (1), by striking out "subsection (a)(19)" and inserting in lieu thereof "subsection (a)(18)"; and

(2) in paragraph (2), by striking out "subsection (a)(11)" and inserting in lieu thereof "subsection (a)(10)".

(e) Section 241 of such Act is further amended by adding at the end thereof the following new subsection:

"(g) Notwithstanding any other provision of this section, no alien may be deported because of (1) any past or expected speech, activity, belief affiliation, or membership which, if held or conducted within the United States by a United States citizen, would be protected by the First Amendment to the Constitution, or (2) the consequences of any activity which the alien has conducted or may conduct in the United States if that activity would be protected by the First Amendment to the Constitution if conducted within the United States by a United States citizen.".

SEC. 4. Section 1 of the Act entitled "An Act to regulate the issue and validity of passports, and for other purposes", approved July 3, 1926 (22 U.S.C. 211a) is amended by adding at the end thereof the following: "A passport may not be denied issuance, revoked, restricted, or otherwise limited because of any speech, activity, belief, affiliation, or membership, within or outside the United States, which, if held or conducted within the United States, would be protected by the First Amendment to the Constitution. Any denial, revocation, restriction, or other limitation of a passport shall not extend beyond that necessary to prevent conduct not encompassed by the preceding sentence.".

SEC. 5. Section 6 of the Subversive Activities Control Act of 1950 is repealed (50 U.S.C. 785).

SEC. 6. Section 203(b) of the International Emergency Economic Powers Act (50 U.S.C. 1702(b)) is amended—

(1) by striking out "or" at the end of paragraph (1);

(2) by striking out the period at the end of paragraph (2) and inserting in lieu thereof a semicolon; and

(3) by adding at the end thereof the following:

"(3) any transactions ordinarily incident to travel to and from any country;

"(4) any transactions ordinarily incident to travel within any country, including the payment of living expenses and the acquisition of goods for personal consumption; or

"(5) any transactions ordinarily incident to the importation, commercial or otherwise, of publications, films, posters, phonograph records, photographs, microfilms, microfiche, tapes, or other informational materials from any country.".

SEC. 7. Section 5 of the Trading With the Enemy Act (50 U.S.C. App. 5(b)(1)) is amended by adding at the end thereof the following new subsection:

"(c) The authority granted to the President in this section does not include the authority to regulate or prohibit, directly or indirectly—

"(1) the importation, commercial or otherwise, of publications, films, posters, phonograph records, photographs, microfilms, microfiche, tapes, or other information materials from any country; or

"(2) any transactions—

"(A) ordinarily incident to travel to and from any country; or

"(B) ordinarily incident to travel within any country, including payment of living expenses and the acquisition of goods for personal consumption there.".

SEC. 8. (a) Section 1(j) of the Foreign Agents Registration Act of 1938 (22 U.S.C. 611(j)) is amended by striking out "political propaganda" and inserting in lieu thereof "advocacy material".

(b) Section 1(o) of such Act is amended by striking out "political propaganda" and inserting in lieu thereof "advocacy material".

(c)(1) Section 4 of such Act (22 U.S.C. 614(a)) is amended by striking out in the section heading "Political Propaganda" and inserting in lieu thereof "Advocacy Material".

Section 4(a) of such Act is amended by striking out "and a statement, duly signed by" and all that follows through "transmittal".

(3) Section 4(b) of such Act is amended—

(A) by striking out "political propaganda" each time it appears and inserting in lieu thereof "advocacy material";

(B) by striking out "and such propaganda" and inserting in lieu thereof "and such material";

(C) by striking out "registered under this Act with the Department of Justice, Washington, District of Columbia, as":

(D) by striking out "and address"; and

(F) by striking out "; that, as required by this Act, his registration statement" and all that follows through "as may be appropriate".

(d) Section 4(e) of such Act is amended—

(1) by striking out "political propaganda" and inserting in lieu thereof "advocacy material"; and

(2) by striking out "propaganda" the second place it appears and inserting in lieu thereof "advocacy material".

(e)(1) Section 6(a) of such Act (22 U.S.C. 616(a)) is amended—

(A) by striking out in the first sentence "all statements concerning the distribution of political propaganda furnished" and inserting in lieu thereof "other filings made"; and

(B) by striking out in the second sentence "statements" and inserting in lieu thereof "filings".

(2) Section 6(b) of such Act is amended by striking out "propaganda material" and inserting in lieu thereof "advocacy material".

(3) Section 6(c) of such Act is amended by striking out "political propaganda" and inserting in lieu thereof "advocacy material".

(f)(1) Section 8(a) of such Act (22 U.S.C. 618(a)) is amended by striking out "or in any statement under section 4(a) hereof concerning the distribution of political propaganda".

(2) Section 8 of such Act is further amended—

(A) by striking out subsection (d); and

(B) by redesignating subsections (e) through (h) as subsections (d) through (g), respectively.

(g) Section 11 of such Act (22 U.S.C. 621) is amended by striking out "political propaganda" and inserting in lieu thereof "advocacy material".

SEC. 9. Section 38(a) of the Arms Export Control Act (22 U.S.C. 2778(a)) is amended by adding at the end thereof the following new paragraph:

"(4) Decisions on issuing export licenses under this section shall take into account the policy of the United States to sustain vigorous scientific enterprise and to respect the ability of scientists and other scholars freely to communicate their research findings by means of publication, teaching, conferences, and other forms of scholarly exchange.".

SEC. 10. Section 1 of Public Law 89-634 (19 U.S.C. 2051) is amended by inserting at the end thereof the following new sentence: "In carrying out this authority, visual or auditory material shall not fail to qualify as being of international educational character simply because it advocates a particular position or viewpoint.".

COALITION FOR FREE TRADE IN IDEAS

Amalgamated Clothing and Textile Workers Union
American Academy of Arts and Sciences
American Civil Liberties Union
American Friends Service Committee
American Society of Journalists and Authors, Inc.
Americans for Democratic Action
Americas Watch
Association of American Publishers (International Freedom to Publish Committee)
Association of Independent and Video Filmmakers
Authors League of America
Center for National Security Studies
Commission on Social Action of Reform Judaism
Committee to Protect Journalists
Environmental Action
Federation of American Scientists
Friends Committee on National Legislation
Fund for Free Expression
Fund for Open Information and Accountability, Inc.
Fund for Peace
Helsinki Watch
International Reading Association
Lawyers Committee for International Human Rights
League of United Latin American Citizens
Mobilization for Survival
Modern Language Association of America
National Committee Against Repressive Legislation
National Emergency Civil Liberties Committee
National Lawyers Guild
National Science Teachers Association
National Writers Union
New York Academy of Sciences
Newspaper Guild
PEN American Center
People for the American Way
Society of American Law Teachers
Society of Children's Book Writers
Theatre Communications Group, Inc.
Union of Concerned Scientists
United Electrical, Radio and Machine Workers of America (UE)
Washington Office on Haiti
Washington Office on Latin America ●

By Mr. D'AMATO:

S. 2264. A bill to amend the Truth in Lending Act; to the Committee on Banking, Housing, and Urban Affairs.

CREDIT CARD DISCLOSURE ACT

● Mr. D'AMATO. Mr. President, I am introducing the Credit Card Disclosure Act of 1986 in response to concerns that were addressed in a hearing on this subject conducted by the Committee on Banking, Housing, and Urban Affairs. On January 28, 1986, the Banking Committee conducted a hearing to discuss two pieces of legislation. One introduced by my colleague from Florida, Senator HAWKINS, and the other, S. 1922, the Credit Card Protection Act, which I introduced on December 11, 1985.

These bills are designed to benefit consumers by imposing limits on the interest that credit card issuers can charge cardholders. Specifically, S. 1922 imposed a floating ceiling on credit card issuers that would allow them to charge an interest rate four points above the rate charged by the Internal Revenue Service for delinquent payments. This rate is based upon a 6-month average of the prime rate and would ensure that card issuers are making a fair profit on their credit card operations rather than the excessive profits they presently enjoy.

My feelings on the rates that these issuers charge is no secret. At a time when the costs of funds to banks have fallen dramatically, these cost savings have not been reflected in the rates that credit card holders are charged. The card issuers are gouging the public by charging an average rate of 18.6 percent while the discount rate, the cost of funds to the banks, has been recently lowered to 9 percent. I find it unconscionable that some banks charge credit card interest rates as high as 21 percent when their cost of funds is 14 points lower. They are earning excessive profits at the expense of the consumer and the interest cap that was contained in S. 1922 as designed to remedy this situation.

However, the hearings revealed that S. 1922 was vehemently opposed by the banking industry. The banking industry supported raising of interest rate levels when it was to their benefit but is now opposed to lowering interest rates to realistic and reasonable rates when consumers will benefit. Despite this opposition, I remain committed to seeing that credit card interest rates are lowered and have therefore taken a different approach since quick passage of S. 1922 seemed a remote possiblity.

To restore price competition to the marketplace, I believe that the public needs to know where the best credit card rates can be found. The hearings demonstrated that there may be intense competition among credit card issuers for market share, however, there is little price competition among the 10 largest issuers of credit cards. For example, the highest rate charged by one of these 10 issuers is 21.6 percent and the lowest is 17.8 percent. However most of the rates are clustered in the area between 19 percent and 21 percent. These figures demonstrate the absence of price competition between the major issuers of credit cards.

To increase price competition in this market, and to respond to concerns that the interest rate alone does not reveal the true costs of credit cards to consumers, I am introducing legislation designed to remove the conspiracy of silence maintained by card issuers that prevents cardholders from finding credit cards with the lowest effective interest rates. Under this bill the card issuer is required to disclose:

First, the annual percentage rate used to determine a finance charge on any balance;

Second, the length of the grace period, if any;

Third, any minimum or fixed amount imposed as a monthly or other periodic finance charge; and

Fourth, any annual or other charge or fee required to be paid for the use of any credit card account.

Armed with this knowledge, cardholders will begin to exercise some economic power by choosing the cards that are most beneficial to them.

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Card issuers are also required to transmit information regarding the relevant terms and conditions of the credit card to the Federal Reserve Board. The Board would then be required to make this information available to the public upon request and to report this information to the Congress once a year.

The most important feature of the bill requires that these terms and conditions of credit card issuance are disclosed upon the application or solicitation forms that card issuers send through the mail to entice unsuspecting consumers into accepting these preapproved forms of credit. During the hearings we discovered that oftentimes consumers learn of the real costs of their credit cards only after they've been hooked. If consumers have adequate information regarding the real costs of credit cards, then hopefully they will shun unsolicited applications and seek the cards with the lowest rates. Ideally, this form of competition will force those presently gouging the public to lower their rates or forfeit a large share of their market. I believe that such disclosure will work due to the overwhelming response we received after the committee hearing during which we cited the existence of several card issuers with rates as low as 12.5 percent.

I believe that enactment of my bill will further enhance the price competition that has already been set in motion by our hearings. Therefore I urge my colleagues to give serious considerations to this bill to ensure prompt passage.

I ask unanimous consent that the bill be printed in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 2264

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the "Credit Card Disclosure Act of 1986".

SEC. 2. DISCLOSURE IN CREDIT CARD APPLICATIONS.

Section 127 of the Truth in Lending Act (15 U.S.C. 1637) is amended by adding at the end thereof the following:

"(c) In any application to open any credit card account, or in any solicitation which offers to open such an account without the need for an application to be completed, a card issuer shall disclose—

"(1) the annual percentage rate used to determine a finance charge on any balances;

"(2) the time period (if any) within which any credit extended by means of that credit card may be repaid without incurring a finance charge, or if no such time period is provided, the creditor shall disclose such fact;

"(3) any minimum or fixed amount imposed as a monthly or other periodic finance charge; and

"(4) any annual or other charge or fee required to be paid for the use of the credit card account.".

SEC. 3. REPORTING TO THE BOARD OF GOVERNORS.

Section 136 of the Truth in Lending Act (15 U.S.C. 1646) is amended—

(1) by redesignating subsection (b) as subsection (c);

(2) by inserting after subsection (a) the following new subsection:

"(b) The issuer of any credit card shall submit quarterly to the Board of information required to be disclosed by section 127(c). The Board shall make such information available to the public upon request, and shall report such information annually to Congress."; and

(3) by striking out "subsection (a)" in subsection (c), as redesignated, and inserting in lieu thereof "subsections (a) and (b)".

SECTION-BY-SECTION ANALYSIS

Currently, section 127 of the Truth in Lending Act (15 U.S.C. § 1637) requires disclosure of certain information regarding an open-end consumer credit plan before opening an account. This has been interpreted by the Federal Reserve Board in 12 C.F.R. § 226.5(b)(1) as requiring disclosure "before the first transaction is made under the plan." Thus, disclosure is not required in the application. Section 2 of this bill requires additional disclosure in an application for a credit card, as it is at the application stage that most consumers make the decision to obtain a credit card. However, less information is required in the application than must currently be disclosed before the first transaction, since the goal of such disclosure is to permit easy comparisons between credit card plans.

The information to be disclosed pursuant to this amendment must meet the requirements of section 136 of the Truth in Lending Act (15 U.S.C. § 1646), which requires information to be disclosed "clearly and conspicuously, in accordance with regulations of the Board." Moreover, that section also requires the terms "annual percentage rate" and "finance charge" to be more conspicuous than other information except that relating to the identity of the creditor.

Under section 136 of the Truth in Lending Act (15 U.S.C. § 1646), the Board is authorized to collect, publish, and provide limited dissemination to the public of annual percentage rates charged for nonsale credit by creditors, and it may require such creditors to submit the information to the Board. Section 3 amends this provision by adding a requirement that credit card issuers submit the annual percentage rate, along with grace periods, minimum finance charges, and annual fees, to the Board, which will make such information available to the public upon request and in an annual report to Congress. This will provide a means for better disclosure of information regarding credit cards, contributing to the efficient working of the market.●

By Mr. GARN (for himself and Mr. HATCH):

S. 2265. A bill to authorize the establishment of the Burr Trail national rural scenic road in the State of Utah, and for other purposes; to the Committee on Energy and Natural Resources.

BURR TRAIL NATIONAL RURAL SCENIC ROAD

● Mr. GARN. Mr. President, I am very pleased to introduce with my colleague from Utah, Senator HATCH, legislation to authorize construction of the Burr Trail national rural scenic road and an interpretive center in Garfield County, UT. The introduction of this bill comes as part of an agreement I made last December with Representatives SIDNEY YATES, BRUCE VENTO, and MORRIS UDALL. Stated simply, our agreement was to approve an $8.1 million appropriation for the Burr Trail in the fiscal year 1986 Interior appropriations bill followed by approval of subsequent authorizing legislation by the Congress. This action today is part of that process. Upon approval of this bill by the Congress, the already appropriated funds would be released to the National Park Service to begin the project.

Mr. President, the process I have just outlined is unusual. Normally, projects are first authorized and then funds appropriated later. But, in this case, I am deferring to the wishes of Representatives YATES and VENTO, who requested a detailed review of the proposal in the authorizing committees of the House and Senate. I welcome this additional review, because I am confident such scrutiny will show once and for all the proposal put forth by National Park Service Director, William Mott, to be economically reasonable and environmentally sound.

The Mott proposal as embodied in this legislation will upgrade the existing 66-mile dirt road from Boulder to Bullfrog, UT, by paving 9.8 miles and graveling 56.2 miles along the corridor. The Burr Trail national rural scenic road will be a high quality, low-speed road capable of providing access for family cars and tour busses. I should point out that the Burr Trail was widened to its present 22- to 28-foot width in 1967 by the Atomic Energy Commission for use as a uranium ore haul road. Director Mott's proposal will follow the existing alignment and turn this sometimes dangerous road into a safe, environmentally sound unit of the National Park System. My personal preference would have been to pave the entire length of the road also following the existing contour. However, in the spirit of compromise, I have agreed to support this more modest proposal offered by Mr. Mott.

To the people of southern Utah, the most important aspect of an upgraded Burr Trail is that it will link all five Utah national parks with the Lake Powell ferry boat system in the Glen Canyon National Recreation Area. This will bring us closer to realizing the promises of substantial increased tourism that were made to those people at the time Capitol Reef National Park was created in 1971 and Glen Canyon National Recreation Area in 1972. Thus, the realization of an east-west tourist route across southern Utah will become a reality.

Finally, I should point out that every Member of the Utah congressional delegation, our current Governor, as well as all living former Members of Congress and Governors, support these efforts to upgrade the Burr Trail. Local elected officials from all 12 southern Utah counties support this proposal. Most importantly, the people of Garfield County strongly support these efforts to upgrade the Burr Trail. Mr. President, I am committed to make this become a reality soon.●

By Mr. WALLOP (for himself, Mr. CRANSTON, Mr. HECHT, Mr. SIMPSON, Mr. SYMMS, Mr. HATCH, Mr. GARN, Mr. HART, Mr. PRESSLER, and Mr. MCCLURE):

S. 2266. A bill to establish a ski area permit system on national forest lands established from the public domain, and for other purposes; to the Committee on Energy and Natural Resources.

NATIONAL FOREST SKI AREA PERMIT ACT

● Mr. WALLOP. Mr. President, I am introducing legislation today, with Senator CRANSTON of California and a number of cosponsors, which would give the Secretary of Agriculture the authority to permit the appropriate amount of Federal Forest Service land to a ski area permittee for a maximum 55-year term. In 1915, the law gave the Secretary the authority to permit 60 acres for 30 years to recreational permittees. This 60-acre limitation was increased to 80 acres in 1956 (38 Stat. 1101, as amended 16 U.S.C. 497, 70 Stat. 708). Because most ski areas in the United States, and especially in the Western United States, use over 80 acres of national forest land, a second enabling law is used by the Secretary which allows the U.S. Forest Service to issue a permit for additional land. This law allows the Secretary to permit land on an annual basis for any proper and lawful use. This authority was granted in 1897 and requires that the permit is renewed every year (30 Stat. 35, as amended 16 U.S.C. 551). The U.S. Forest Service permits are issued to a ski area operator and include primarily skiable terrain and also land for constructing or maintaining hotels and other structures necessary or desirable for recreation, public convenience or safety.

National Forest Ski Area Permit Act of 1986 would consolidate the law and allow the Secretary to issue one permit rather than two to a permittee who needs over 80 acres to operate. The bill allows the Secretary to renew or cancel the permit in whole or in part when it expires. It also gives the Secretary the opportunity to increase or decrease the acreage under permit at any time to accommodate changes in plans and operations of the permittee.

The bill would require that new regulations are promulgated one year after its passage. It would convert all existing ski area permits and leases into ski area permits which conform to this Act within two years after its passage.

Mr. President, the Library of Congress recently completed a report for Congressman Michael Strang which stated that with current permitting practices,

> [Lenders] may compensate for the lack of collateral value in the Forest Service permit in several ways, including making less money available to a borrower, reducing the term of the loan, or charging a higher interest rate.

This indicates that the current permitting practices limit the availability of commercial loans necessary to expand or build a ski area. This becomes even more important when one considers that the House Ways and Means tax reform legislation eliminates sources of financing which ski areas have traditionally used for capital improvements. It is necessary to protect a permittee's term so that he is able to continue offering high quality resort opportunities.

The bill would consolidate, expedite, and minimize the administrative burden of ski areas on U.S. Forest Service personnel. The legislation would alleviate the administrative hassel of renewing a ski areas annual permit every year, and also be in compliance with the Paperwork Reduction Act. The U.S. Forest Service is in the process of changing their administrative policies. This proposed legislation would help facilitate their policy changes.

A number of lawsuits have been filed against the Secretary on the grounds that the 30-year 80-acre recreational permit prohibits any additional acreage from being permitted under the annual permit authority. Without the additional acreage, ski areas would not be able to operate. The court has decided these lawsuits on different grounds and has never resolved the question of whether the authority for the annual permit conflicts with the 1915 term permit enabling law. This is still of concern to the ski industry.

Commercial alpine and nordic ski operators occupy less than five one hundredths of 1 percent of all National Forest land, but account for almost 6 percent of current overall national forest visitor use. There are 190 million acres of national forests in the United States, of which 90,000 acres are under permit to approximately 170 ski areas. The average permit covers approximately 2,000 acres although a number of areas exceed this. There are 526 ski areas in 40 States and 114 ski areas on U.S. Forest Service land in 17 States.

Mr. President, there are currently over 21 million alpine skiers in the United States. The numbers of alpine and nordic skiers are growing in this country. Skiers are fairly evenly distributed throughout the States. In 1984–85 the National Ski Areas Association concluded there were 51.4 million skier visits in the United States. This accounts for not only those alpine skier visits on U.S. Forest Service land but also on private land. The Cross Country Ski Association estimates there were almost 6 million cross country skier visits in the United States during the 1984–85 season.

Mr. President, let me cite some facts and findings which argue for the enactment of this legislation:

Commercial alpine and nordic skiing operations are among the fastest growing and most popular multiple uses of national forest lands.

Alpine and nordic skiing are healthful activities which promote physical well-being, contribute to the enrichment of the human spirit, and foster an appreciation of the outdoor environment and the aesthetic and other outdoor recreation values which constitute prime uses of national forest lands.

Commercial alpine and nordic ski operations occupy less than 5/100ths of 1 percent of all national forest lands, but account for almost 6 percent of current overall national forest visitor use days.

Commercial nordic, and particularly alpine, ski operations are distinguishable from most other multiple-use activities or national forest lands in that they generally entail a far greater degree of construction of large-scale and permanent or semipermanent facilities—including ski lifts, trails, access roads, warming shelters, and restaurants—and require long-term private investments and other long-term operating commitments.

Existing and proposed changes in congressional budget procedures and tax laws may reduce Forest Service personnel available for ski area permitting and planning activities and may limit traditional methods of ski area financing and investment absent remedial legislation.

Current laws governing the permitting and operation of commercial nordic and alpine ski activities on national forest land, while they have in most cases sufficed to adequately permit ski area and facility development in the past, are in need for consolidation and modernization.

Mr. President, I ask unanimous consent that the bill be printed in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 2266

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "National Forest Ski Area Permit Act of 1986."

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PURPOSES

SEC. 2. The purposes of this Act are to—

(1) consolidate existing laws pertaining to ski areas on national forest lands established from the public domain and provide a unified and modern nordic and alpine ski area and facility permitting process;

(2) provide for ski area permits which more closely reflect the acreage and other physical requirements of modern ski area and facility development; and

(3) provide a permit which will be more commensurate with the long-term construction, financing and operation needs of ski areas on national forest lands established from the public domain.

SKI AREA PERMITS

SEC. 3. (a) The provisions of the Acts of June 4, 1897 (30 Stat. 34) and March 4, 1915 (16 U.S.C. 497) notwithstanding, the issuance of permits for the operation of commercial nordic and alpine ski areas and facilities on National Forest System lands established from the public domain shall henceforth be governed by this Act and other applicable law.

(b) The Secretary of Agriculture (hereinafter referred to as "the Secretary"), subject to such reasonable terms, conditions and permit fees as he deems appropriate, is hereby authorized to issue permits (hereinafter referred to as "ski area permits") for the use and occupancy of suitable lands within the National Forest System established from the public domain for commercial nordic and alpine skiing operations and purposes. A ski area permit shall (1) ordinarily be issued for a term of fifty-five years (unless the Secretary determines that the facilities or operations are of a scale or nature as are not likely to require long-term financing or operation); (2) shall encompass such acreage as the Secretary determines sufficient and appropriate to accommodate the permittee's needs for ski operations and ancillary facilities; (30 may be renewed at the discretion of the Secretary; and (4) may be cancelled by the Secretary in whole or in part for any violation of the permit terms or conditions or for non-payment of permit fees. The acreage under permit may be increased or decreased from time to time by the Secretary to accommodate changes in plans or operations as the Secretary deems appropriate in consultation with the permittee.

(c) Within one year of the date of enactment of this Act, the Secretary shall promulgate rules and regulations to implement the provisions of this Act, and shall, within two years of the date of enactment of this Act, convert all exisiting ski area permits or leases on National Forest System land established from the public domain into ski area permits which conform to the permit term and other provisions of this Act.●

By CRANSTON (for himself, Mr. Murkowski, Mr. Simpson, Mr. DeConcini, Mr. Matsunaga, Mr. Mitchell, Mr. Rockefeller, Mr. Specter, Mr. Leahy, and Mr. Roth):

S.J. Res. 311. Joint resolution designating the week beginning November 9, 1986, as "National Women Veterans Recognition Week"; to the Committee on the Judiciary.

NATIONAL WOMEN VETERANS RECOGNITION WEEK

Mr. CRANSTON. Mr. President, I am very pleased today to be introducing Senate Joint Resolution 311, a measure to designate the week beginning November 9, 1986, as "National Women Veterans Recognition Week." Joining with me are the chairman of the Committee on Veterans' Affairs [Mr. Murkowski], our colleagues on this committee, the Senator from Wyoming [Mr. Simpson], the Senator from Arizona [Mr. DeConcini], the Senator from Hawaii [Mr. Matsunaga, the Senator from Maine [Mr. Mitchell], the Senator from West Virginia [Mr. Rockefeller], and the Senator from Pennsylvania [Mr. Specter], as well as Senators Leahy and Roth.

This measure is very similar to measures I authored in the last 2 years—Senate Joint Resolution 227 in 1984, which was enacted into law as Public Law 98-438, and Senate Joint Resolution 47 in 1985, which was enacted into law as Public Law 99-152—designating a "National Women Veterans Recognition Week" in November of each of those years.

Mr. President, during the past 2 years, important strides have been made in the efforts both to honor the women who have served our country in the armed services and to build public awareness of the significant contributions by and continuing work of women veterans for this Nation. Because of the success of activities carried out in the past 2 years to recognize women veterans, I believe it important to continue this momentum by proposing the designation of such a week again this year.

Mr. President, in a 1982 General Accounting Office report and a 1984 Veterans' Administration report, it was found that many women veterans—who now comprise approximately 4.2 percent of the total veteran population—were unaware of the benefits available to them as veterans and that there were many shortcomings in the VA's efforts to contact women veterans and to meet their needs for benefits and services.

More recently, in August 1985, Louis Harris and Associates published a study commissioned by the VA—"Survey of Female Veterans: A Study of the Needs, Attitudes and Experiences of Women Veterans"—which sheds new light on the current status and experiences of women veterans. This study was particularly significant because it was the first such comprehensive survey on the veterans experience conducted solely as to women and served to both confirm and dispel a number of popular theories relating to women who have served in the military.

Among the major findings of the study, the women veterans surveyed reported few serious readjustment problems—problems relating to employment, health, or family, for example. Awareness of the benefits available to veterans continues to be low among women who have served in the Armed Forces, and this has resulted in a low usage rate of most benefits with the exception of certain health-care services.

Additionally, the 1985 Harris study found that nurses represent only 16 percent of all women veterans. This finding, which is contrary to the popular conception that most women veterans served as nurses, reflects a broadening of job assignments available to women in the military. The survey also found that only 1 percent of women veterans had completed a 20-year career in the Armed Forces with military retirement.

Findings such as these are being reviewed and addressed on an ongoing basis by the VA Advisory Committee on Women Veterans which was first established administratively on a temporary basis but later, in November 1983, given statutory permanence by virtue of the enactment, in Public Law 98-160, of legislation I first proposed. In its initial report, issued in July 1984, the Advisory Committee made the following points:

> Two fundamental problems cut across the issues discussed by the Committee. First: Many women veterans are not aware of their entitlement to the benefits administered by the VA and other women who may be aware of their entitlements are reluctant to initiate claims for their benefits. Second: VA information materials, brochures, and outreach programs designed to inform veterans of their rights and benefits have been aimed at a male constituency. In part, this is merely a reflection of a traditional societal mindset that a veteran is, almost by definition, male.

More recently, the Advisory Committee has been working to understand better and address such concerns as the special needs of aging women veterans, the gender-specific health conditions of women veterans, the employment needs and problems of women upon separation from the armed services, and the development and distribution of material to inform women veterans more adequately of the wide range of VA benefits and services for which they are eligible.

The VA has been working in concert with the Advisory Committee and has taken various steps in response to its recommendations. One of the most important steps taken last year in this regard was the establishment in the VA's Department of Medicine and Surgery of a Women Veteran Coordinator position in each VA medical center in order to help make VA health-care facilities more accessible and sensitive to the needs of women veterans. In August of last year a meeting of all Women Veteran Coordinators from across the country was held at the VA's Central Office in Washington to discuss and establish guidelines for carrying out the work of this new position. Also, many VA medical centers

have established their own advisory groups to address local concerns of women veterans.

Mr. President, although much has been accomplished in the past several years since efforts have begun to recognize the rich contributions of women in our Armed Forces and to address the unique problems and concerns of women veterans, much has yet to be done. One way for us to signify our continued support for this ongoing work is with the designation of a National Women Veterans Recognition Week in 1986.

Mr. President, as I did the last 2 years, I look forward to working with my good friends, the chairman, Mr. Thurmond and ranking minority member, Mr. Biden of the Judiciary Committee, as well as my other colleagues on that committee—particularly Senators DeConcini, Simpson, Leahy, and Specter who are original cosponsors of this resolution—as they consider this measure. We invite all our colleagues to join with us and help ensure quick enactment of the resolution so as to allow sufficient time for the advance publicity that can bring about maximum awareness in the public about National Women Veterans Recognition Week.

Mr. President, I ask unanimous consent that the text of the resolution be printed in the Record.

There being no objection, the joint resolution was ordered to be printed in the Record, as follows:

S.J. Res. 311

Whereas there are more than one million one hundred and eighty thousand women veterans in this country, representing 4.2 per centum of the total veteran population;

Whereas the number and proportion of women veterans will continue to grow as the number and proportion of women serving in the Armed Forces continue to increase;

Whereas women veterans through honorable military service often involving hardship and danger have contributed greatly to our national security;

Whereas the contributions and sacrifices of women veterans on behalf of this Nation deserve greater public recognition and appreciation;

Whereas the special needs of women veterans, especially in the area of health care, have often been overlooked or inadequately addressed by the Federal Government;

Whereas this lack of attention to the special needs of women veterans has discouraged or prevented women veterans from taking full advantage of the benefits and services to which they are entitled as veterans of the United States Armed Forces; and

Whereas recognition of women veterans by the Congress and the President through enactment of legislation declaring the week beginning on November 9, 1986, as "National Women Veterans Recognition Week" would serve to create greater public awareness and recognition of the contributions of women veterans, to express the Nation's appreciation for their service, to inspire more responsive care and services for women veterans and to continue and reinforce important gains made in this regard in the last two years as a result of the designation of the first and second National Women Veterans Recognition Weeks in November of 1984 and 1985.

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled, That the week beginning on November 9, 1986, is designated "National Women Veterans Recognition Week". The President is requested to issue a proclamation calling upon all citizens, community leaders, interested organizations, and Government officials to observe that week with appropriate programs, ceremonies, and activities.

By Mr. D'AMATO (for himself, Mr. Laxalt, Mr. Bradley, Mr. Heinz, Mr. Heflin, Mr. Durenberger, Mr. Rockefeller, Mr. Boschwitz, Mr. Zorinsky, Mr. Riegle, and Mr. Stafford):

S.J. Res. 312. Joint resolution designating the week beginning April 13, 1986, as "National Medical Laboratory Week;" to the Committee on the Judiciary.

NATIONAL MEDICAL LABORATORY WEEK

● Mr. D'AMATO. Mr. President, the fastest growing service industry in America today is health care and, with the aging of our population, it is estimated that health care will be the number one service industry in America by 1990. Currently, there are more than 6.7 million individuals employed in medical services. This number will increase dramatically, however, because there is a growing need for highly trained professionals in all facets of health care.

While there are in excess of 200 allied health occupations, I would like to focus the attention of my colleagues on one very important, but often overlooked, area of health care: the medical laboratory. There are more than 250,000 certified medical personnel—including pathologists, medical technicians, medical laboratory scientists, specialists, technicians, and assistants in clinical laboratory science—who work in more than 13,000 medical laboratories.

While physicians, nurses, and other allied health care professionals spend much of their days working closely with patients, pathologists, medical technicians, and other laboratory professionals spend their working hours in laboratories testing and processing the information which will help determine the diagnosis and the treatment for patients. These tests are performed roughly 5 billion times every year.

Some of these are simple premarital blood tests; others, however, are much more sophisticated and highly advanced. Many complex tests are performed to detect such diseases as diabetes, anemia, and cancer. Laboratory tests also are performed to help us stay healthy. By monitoring the composition of our blood, urine, other bodily fluids, and tissues, laboratory personnel are able to warn us of the possibility of contracting a disease.

These dedicated men and women are concerned solely with accurate testing to determine the absence, presence, extent, and cause of disease. These men and women, therefore, hold life and death in their hands. They work quickly and tirelessly and with great care, uncovering information that, some day, may impact directly on our own lives.

Mr. President, I am introducing today a joint resolution, which was introduced in the House in December of last year by Congressman Boehlert, to designate April 13 to 19, 1986, as "National Medical Laboratory Week." I urge my colleagues to join me by lending their support for this long overdue recognition.●

By Mr. HOLLINGS:

S.J. Res. 313. Joint resolution proposing an amendment to the Constitution of the United States with respect to limiting expenditures in congressional elections; to the Committee on the Judiciary.

CONSTITUTIONAL AMENDMENT LIMITING EXPENDITURES IN CONGRESSIONAL ELECTIONS

● Mr. HOLLINGS. Mr. President, the amendment to the Constitution that I offer today is designed to meet what I feel is the most significant problem confronting our electoral process. That problem, Mr. President, is the adulteration of the political and electoral process by the vast sums of money collected and spent to fuel Federal campaigns.

In 1974, Mr. President, Congress passed the Federal Election Campaign Act Amendments that offered broad and sweeping changes to the regulation of Federal elections. For the first time, spending limits for candidates in Presidential primary and general elections and in primary and general elections for the House and Senate were enacted. And, for the first time, the law introduced the use of public money to pay for political campaign costs by providing for optional public financing in Presidential elections.

That law was challenged in the courts and, as everyone knows, Mr. President, the Supreme Court handed down its opinion in the case of Buckley versus Valeo. The new law was attacked on the grounds that it violated the first amendment because it curbed the freedom of contributors and candidates to express themselves in the political marketplace and that the public financing provision has discriminated against minor parties and lesser-known candidates.

The Court held that the spending limits provision and the Federal Election Commission were unconstitutional. What began as an attempt by Congress to place limits on the Federal election process and ensure equal access to the process to all who offer for Federal office, wound up greatly

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changed and unable to meet the purposes that Congress established in drafting and enacting it.

We wanted to ensure that no group or entity could dominate an election through its contributions. Accordingly, with the Court's ruling, we now have laws that disclose the source of contributions, limit the amount of those contributions and disclose expenditures. In effect, we were attempting to assure that elections could not be bought by a few wealthy individuals.

Now, only a few years later, we find just the opposite to be true. Justice Thurgood Marshall correctly predicted the course of events. In rejecting the Court's reasoning in striking down the limit on how much candidates may spend on their own campaigns, he said, "It would appear to follow that the candidate with a substantial personal fortune at his disposal is off to a significant head start." And, he argued, that keeping the limitations on contributions but not on spending "put[s] a premium on a candidate's personal wealth." Today, if you have great personal wealth you are guaranteed the opportunity to present your candidacy to the public. Those without the vast sums of money needed to campaign in today's political environment are put into a great dollar chase.

My old friend, and revered figure in this body, Mr. President, Senator Richard B. Russell admonished me during my first days in the Senate that the 6-year term of office gave me 4 years to be a Senator and do the people's business, 1 year to politic, and 1 year to demagogue. Today, sad to report, Mr. President, my dear friend Senator Russell would, I'm confident, view the situation and say that I have 6 years to collect money and prepare for the next election. We give an inordinate amount of our time and attention to the process of raising the money needed to pay for the political consultants, conduct the polls, produce the direct mail, dominate the airwaves, and all the rest that goes into today's technological campaign. We do everything, Mr. President, but tend to the people's business. With the demands required to compete in the money chase there's little time for anything else. Instead of insuring that you don't have to be a millionaire to effectively represent the people who elected you to office, Mr. President, the process has developed to the point that you have to be a millionaire to guarantee that you have equal freedom and equal access to the process.

Mr. President, if the critics and pundits who deride the quality of leadership in Federal officeholders are correct that we are second rate and that the public deserves better, then it won't be too long before these same sages are saying that we are no longer second rate but the going rate and the public has not even gotten what it's paid for. In today's election environment, that's the natural conclusion of the course we're following.

My amendment, Mr. President, will overcome the "if you have the money you can talk" style freedom of speech that all too often confronts today's candidates and replace it with equal freedom of expression for all who seek Federal office. Unfortunately, with the U.S. Supreme Court's holding in Buckley versus Valeo, it is necessary to amend the Constitution in order to reform the electoral process and insure the equality that is the bedrock of our democratic form of Government. We should move forward with this amendment. The course is set and will only get worse, so there's no reason to wait.

Mr. President, I ask unanimous consent that the joint resolution that I offer today be printed in the Record.

There being no objection, the joint resolution was ordered to be printed in the Record, as follows:

S.J. Res. 312

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled, (two-thirds of each House concerning therein), That the following article is proposed as an amendment to the Constitution of the United States:

"Article —

"Section 1. The Congress may enact legislation regulating or limiting the amounts of expenditures made in Federal elections by candidates for election to Federal office or on behalf of any such candidate, and expenditures intended to affect an election to Federal office.

"Sec. 2. Section 1 shall be valid to all intents and purposes as part of the Constitution if ratified by the legislatures of three-fourths of the several States.".●

By Mr. QUAYLE:

S.J. Res. 314. Joint resolution to designate the week beginning July 27, 1986, as "National Nuclear Medicine Week"; to the Committee on the Judiciary.

NATIONAL NUCLEAR MEDICINE WEEK

● Mr. QUAYLE. Mr. President, today I am introducing a joint resolution to authorize the President to issue a proclamation designating the week of July 27, 1986, as "National Nuclear Medicine Week."

The purpose of this joint resolution is to heighten public awareness of the progress the technology of nuclear medicine has made in the diagnosis and treatment of disease through the estimated 120 million nuclear medicine procedures performed annually. This innovative technology has proven to be both cost-effective and safe and has permitted the detection and treatment of diseases in which conventional methods would have been ineffective.

Nuclear medicine is the medical specialty that uses small amounts of radioactive materials for the diagnosis, and somewhat larger amounts for the treatment of diseases. One of the main categories of nuclear medicine is diagnostic imaging which involves the administration of small amounts of radioactively labeled drugs, or radiopharmaceuticals, to patients. Sensitive equipment presents the distribution of these substances as an image which is used to establish the presence or absence of disease. Such methods are used to examine brain, lungs, liver, heart, bones, gall bladder, thyroid gland, blood vessels, and lymphatic systems, among others. These procedures are noninvasive, essentially pain free, and generally deliver much smaller radiation doses to the patient than do comparable x-ray procedures.

In addition, nuclear medicine has made invaluable contributions in both laboratory testing and therapies. It must also be emphasized that in addition to the excellent analytic results and sensitivity provided by nuclear medicine procedures, that the alternatives to these procedures, where they exist, are usually more invasive, carry a greater risk to the patient, and/or cost substantially more. For example, if a nuclear medicine heart function study could not be performed, the alternative would be cardiac catheterization. Since cardiac catheterization requires hospitalization, the end result would be considerably more expensive.

These are just some of the current uses of nuclear medicine. Ongoing research promises exciting future advances in nuclear medicine which will have a dramatic impact on the diagnosis and treatment of diseases and conditions that are currently beyond our understanding, such as many mental and neurological diseases.

I urge my colleagues to join me in supporting and passing this important joint resolution.

I ask unanimous consent that Senate Joint Resolution 314 be printed in the Record.

There being no objection, the joint resolution was ordered to be printed in the Record, as follows:

S.J. Res. 314

Whereas professionals in the field of nuclear medicine contribute significantly to the diagnosis and treatment of patients in the United States;

Whereas nuclear medicine is a safe and cost-effective type of medical care;

Whereas the techniques of nuclear medicine are used to diagnose and treat many different diseases;

Whereas the techniques of nuclear medicine are used in a variety of scientific research activities; and

Whereas it is appropriate to recognize the value of nuclear medicine and the contributions of professionals in the field of nuclear medicine: Now, therefore, be it

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled, That the week beginning July 27, 1986, hereby is designated "National Nuclear Medicine Week", and the President of the United States is authorized and requested to issue a proclamation calling upon the people of the United States to

observe such week with appropriate ceremonies and activities.●

ADDITIONAL COSPONSORS

S. 89

At the request of Mr. Inouye, the name of the Senator from Illinois [Mr. Dixon] was added as a cosponsor of S. 89, a bill to recognize the organization known as the National Academies of Practice.

S. 524

At the request of Mr. Armstrong, the names of the Senator from Virginia [Mr. Warner], the Senator from New York [Mr. Moynihan], the Senator from North Dakota [Mr. Andrews], the Senator from Alaska [Mr. Stevens], and the Senator from Oklahoma [Mr. Boren] were added as cosponsors of S. 524, a bill to recognize the organization known as the Retired Enlisted Association, Inc.

S. 698

At the request of Mr. Bradley, the name of the Senator from Kentucky [Mr. Ford] was added as a cosponsor of S. 698, a bill to amend the Age Discrimination in Employment Act of 1967 to exclude from the operation of such act matters relating to the age at which individuals may be hired, or discharged from employment, as firefighters and law enforcement officers by States and political subdivisions of States.

S. 946

At the request of Mr. Ford, the name of the Senator from West Virginia [Mr. Rockefeller] was added as a cosponsor of S. 946, a bill to amend the Federal Coal Leasing Amendments Act of 1976, and for other purposes.

S. 1244

At the request of Mr. Inouye, the name of the Senator from North Dakota [Mr. Burdick] was added as a cosponsor of S. 1244, a bill to provide that services provided by a clinical psychologist in a rural health clinic need not be provided under the direct supervision of a physician in order to qualify for payment under the Medicare and Medicaid programs.

S. 1494

At the request of Mr. Gorton, the name of the Senator from Maine [Mr. Cohen] was added as a cosponsor of S. 1494, a bill to amend title 23, United States Code, to limit outdoor advertising adjacent to Interstate and Federal-aid primary highways.

S. 1793

At the request of Mr. Hatch, the name of the Senator from Maine [Mr. Cohen] was added as a cosponsor of S. 1793, a bill to amend the Public Health Service Act to establish a grant program to develop improved systems of caring for medical technology dependent children in the home, and for other purposes.

S. 1950

At the request of Mr. Bradley, the name of the Senator from Utah [Mr. Hatch] was added as a cosponsor of S. 1950, a bill to amend the Internal Revenue Code of 1954 to disallow deductions for advertising expenses for tobacco products.

S. 1980

At the request of Mr. Thurmond, the name of the Senator from Alaska [Mr. Murkowski] was added as a cosponsor of S. 1980, a bill to amend title 17, United States Code, regarding the conveyance of audiovisual work, and for other purposes.

S. 2057

At the request of Mr. Hatch, the names of the Senator from Maine [Mr. Cohen], the Senator from New York [Mr. Moynihan], and the Senator from Hawaii [Mr. Inouye] were added as cosponsors of S. 2057, a bill to establish the President's Council on Health Promotion and Disease Prevention.

S. 2067

At the request of Mr. Lautenberg, the name of the Senator from South Dakota [Mr. Pressler] was added as a cosponsor of S. 2067, a bill to overturn the deferral of the Fiscal Year 1986 Urban Development Action Grant and Community Development Block Grant Programs.

S. 2070

At the request of Mr. Thurmond, the name of the Senator from North Carolina [Mr. Helms] was added as a cosponsor of S. 2070, a bill to require U.S. representatives to international financial institutions to oppose assistance by such institutions for the production for export to the United States of any fiber, textile, or article of apparel, and for other purposes.

S. 2074

At the request of Mr. Riegle, the name of the Senator from Colorado [Mr. Hart] was added as a cosponsor of S. 2074, a bill disapproving the proposed deferral of budget authority for Community Development Block Programs.

S. 2075

At the request of Mr. Lautenberg, the name of the Senator from South Dakota [Mr. Pressler] was added as a cosponsor of S. 2075, a bill to overturn the deferral of urban development action grant funds.

S. 2081

At the request of Mr. Stafford, the name of the Senator from Oregon [Mr. Hatfield] was added as a cosponsor of S. 2081, a bill to reauthorize the Head Start Act, the Low-Income Home Energy Assistance Act of 1981, the Community Services Block Grant Act, for deferred cost care programs, and for other purposes.

S. 2100

At the request of Mr. Lautenberg, the name of the Senator from Delaware [Mr. Biden] was added as a cosponsor of S. 2100, a bill to provide a one-time amnesty from tax penalties for taxpayers who pay previous underpayment with interest, to improve compliance with the internal revenue laws by increasing authorization to the Internal Revenue Service for enforcement, to prohibit the awarding of Federal contracts and certain licenses to taxpayers who have tax delinquent accounts, and to amend the Internal Revenue Code of 1954 to annually increase criminal and civil monetary penalties by the increase in the Consumer Price Index.

S. 2108

At the request of Mr. Kasten, the names of the Senator from Maine [Mr. Cohen], the Senator from California [Mr. Cranston], and the Senator from New Mexico [Mr. Domenici] were added as a cosponsors of S. 2108, a bill to provide that Federal tax reform legislation shall not take effect before January 1, 1987.

S. 2122

At the request of Mr. Glenn, the names of the Senator from Arizona [Mr. DeConcini], and the Senator from Mississippi [Mr. Cochran] were added as a cosponsors of S. 2122, a bill to continue the current waiver of liability presumption for home health agencies and skilled nursing facilities under the medicare program in order to protect beneficiary access to home health and extended care services.

S. 2144

At the request of Mr. Nickles, the name of the Senator from Minnesota [Mr. Durenberger] was added as a cosponsor of S. 2144, a bill to amend the Farm Credit Act of 1971 to provide credit assistance to certain borrowers of loans by institutions of the Farm Credit System, and for other purposes.

S. 2148

At the request of Mr. Nickles, the name of the Senator from Kansas [Mrs. Kassebaum], and the Senator from South Carolina [Mr. Thurmond] were added as cosponsors of S. 2148, a bill to amend the Fair Labor Standards Act of 1938 to require that wages based on individual productivity be paid to handicapped workers employed under certificates issued by the Secretary of Labor.

S. 2181

At the request of Mr. D'Amato, the name of the Senator from Maryland [Mr. Sarbanes] was added as a cosponsor of S. 2181, a bill entitled the "Construction Industry Labor Law Amendments of 1986."

S. 2190

At the request of Mr. Sarbanes, the name of the Senator from Arkansas [Mr. Bumpers] was added as a cospon-

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sor of S. 2190, a bill to provide that the full cost-of-living adjustment in benefits payable under certain Federal programs shall be made for 1987.

S. 2202

At the request of Mr. Leahy, the name of the Senator from Ohio [Mr. Metzenbaum] was added as a cosponsor of S. 2202, a bill to award a special gold medal to the family of Harry Chapin.

S. 2209

At the request of Mr. Dole, the names of the Senator from Maine [Mr. Mitchell], and the Senator from Michigan [Mr. Riegle] were added as cosponsors of S. 2209, a bill to make permanent and improve the provisions of section 1619 of the Social Security Act, which authorizes the continued payment of SSI benefits to individuals who work despite severe medical impairment; to amend such act to require concurrent notification of eligibility for SSI and Medicaid benefits and notification to certain disabled SSI recipients of their potential eligibility for benefits under such section 1619; to provide for a GAO study of the effects of such section's work incentive provisions; and for other purposes.

S. 2221

At the request of Mrs. Kassebaum, the name of the Senator from Minnesota [Mr. Durenberger] was added as a cosponsor of S. 2221, a bill to amend section 108 of the Internal Revenue Code of 1954 to provide that the discharge of certain farm indebtedness shall not be included in gross income.

S. 2229

At the request of Mr. Dodd, the name of the Senator from Rhode Island [Mr. Pell] was added as a cosponsor of S. 2229, a bill to amend the Impoundment Control Act of 1974 to provide that deferrals of budget authority by the President shall not take effect unless within 45 legislative days Congress completes action on a deferral bill, and for other purposes.

SENATE JOINT RESOLUTION 169

At the request of Mr. Mathias, the names of the Senator from Tennessee [Mr. Gore], the Senator from Ohio [Mr. Metzenbaum], and the Senator from Massachusetts [Mr. Kennedy] were added as cosponsors of Senate Joint Resolution 169, a joint resolution to commemorate the bicentennial anniversary of the first patent and the first copyright laws.

SENATE JOINT RESOLUTION 188

At the request of Mrs. Kassebaum, the name of the Senator from Minnesota [Mr. Boschwitz] was added as a cosponsor of Senate Joint Resolution 188, a joint resolution to designate July 6, 1986, as "National Air Traffic Control Day."

SENATE JOINT RESOLUTION 274

At the request of Mr. Grassley, the name of the Senator from North Dakota [Mr. Burdick] was added as a cosponsor of Senate Joint Resolution 274, a joint resolution to designate the weekend of August 1, 1986, through August 3, 1986, as "National Family Reunion Weekend."

SENATE JOINT RESOLUTION 280

At the request of Mr. Heinz, the names of the Senator from Delaware [Mr. Roth], the Senator from California [Mr. Wilson], the Senator from Georgia [Mr. Nunn], the Senator from Nebraska [Mr. Zorinsky], and the Senator from Arkansas [Mr. Pryor] were added as cosponsors of Senate Joint Resolution 280, a joint resolution designating the month of November 1986 as "National Alzheimer's Disease Month."

SENATE JOINT RESOLUTION 281

At the request of Mr. Nunn, the names of the Senator from Connecticut [Mr. Dodd], the Senator from Alabama [Mr. Heflin], and the Senator from Oklahoma [Mr. Boren] were added as cosponsors of Senate Joint Resolution 281, a joint resolution to designate the week of May 11, 1986, as "Senior Center Week."

SENATE JOINT RESOLUTION 282

At the request of Mr. Moynihan, the names of the Senator from Massachusetts [Mr. Kerry] and the Senator from South Carolina [Mr. Hollings] were added as cosponsors of Senate Joint Resolution 282, a joint resolution to express the disapproval of the Congress with respect to the proposed rescission of budget authority for the general revenue sharing program.

SENATE JOINT RESOLUTION 286

At the request of Mr. Hatfield, the name of the Senator from Rhode Island [Mr. Chafee] was added as a cosponsor of Senate Joint Resolution 286, a joint resolution to designate the week of April 20, 1986, through April 26, 1986, as "National Reading Is Fun Week."

SENATE JOINT RESOLUTION 287

At the request of Mr. Boren, the names of the Senator from Alabama [Mr. Heflin] and the Senator from Delaware [Mr. Biden] were added as cosponsors of Senate Joint Resolution 287, a joint resolution designating September 29, 1986, as "National Teachers Day."

SENATE JOINT RESOLUTION 290

At the request of Mr. DeConcini, the name of the Senator from New York [Mr. Moynihan] was added as a cosponsor of Senate Joint Resolution 290, a joint resolution to designate July 4, 1986, as "National Immigrants Day."

SENATE JOINT RESOLUTION 294

At the request of Mr. DeConcini, the names of the Senator from California [Mr. Cranston], and the Senator from Georgia [Mr. Mattingly] were added as cosponsors of Senate Joint Resolution 294, a joint resolution to designate the month of April 1986 as "National Child Abuse Prevention Month."

SENATE JOINT RESOLUTION 298

At the request of Mr. Quayle, he names of the Senator from Maryland [Mr. Sarbanes], the Senator from Maine [Mr. Cohen], and the Senator from Alabama [Mr. Denton] were added as cosponsors of Senate Joint Resolution 298, a joint resolution to designate the week of October 5, 1986, through October 11, 1986, as "Mental Illness Awareness Week."

SENATE JOINT RESOLUTION 300

At the request of Mr. Glenn, the names of the Senator from Oklahoma [Mr. Boren], the Senator from Hawaii [Mr. Inouye], the Senator from New Jersey [Mr. Lautenberg], the Senator from Alabama [Mr. Heflin], the Senator from Alabama [Mr. Denton], the Senator from Utah [Mr. Garn], the Senator from New York [Mr. Moynihan], and the Senator from North Dakota [Mr. Burdick] were added as cosponsors of Senate Joint Resolution 300, a joint resolution to recognize and honor 350 years of service of the National Guard.

SENATE JOINT RESOLUTION 303

At the request of Mr. Mathias, the names of the Senator from Delaware [Mr. Roth], and the Senator from New York [Mr. Moynihan] were added as cosponsors of Senate Joint Resolution 303, a joint resolution to designate April 1986, as "Fair Housing Month."

SENATE CONCURRENT RESOLUTION 119

At the request of Mrs. Kassebaum, the name of the Senator from Minnesota [Mr. Durenberger] was added as a cosponsor of Senate Concurrent Resolution 119, expressing the sense of the Congress relating to an amendment to the Internal Revenue Code of 1954 excluding the discharge of qualified agricultural indebtedness from cancellation of indebtedness income.

SENATE RESOLUTION 332

At the request of Mr. Armstrong, the name of the Senator from South Carolina [Mr. Thurmond] was added as a cosponsor of Senate Resolution 332, a resolution to honor the *Challenger* Space Shuttle astronauts.

SENATE CONCURRENT RESOLUTION 122—RELATING TO AGRICULTURE LOAN RESTRUCTURING

Mr. NICKLES (for himself and Mr. Grassley) submitted the following concurrent resolution; which was referred to the Committee on Agriculture, Nutrition, and Forestry:

S. Con. Res. 122

Revolved by the Senate (the House of Representatives concurring), It is the sense of Congress that—

(1) The Farm Credit Administration and its associated agencies and lending institutions should take additional regulatory and

administrative actions immediately to help alleviate the unusual financial situation facing many thousands of agricultural producers and farm lenders by providing additional time to resolve these problems in the agricultural sector, recognizing that such actions may be in the best interests of both the Farm Credit System and the borrower when there is a reasonable prospect that the borrower will eventually be able to repay the loan.

(2) The Farm Credit Administration and its associated agencies and lending institutions should—

(A) facilitate and participate in agricultural loan restructuring programs;

(B) classify restructured loans as performing, provided the payments, as restructured, are being made; and

(C) permit, to the extent feasible, the multiyear amortization of agricultural loan losses.

(3) Before instituting a proceeding to foreclose a loan made to a borrower, the Farm Credit System and its associated institutions and agencies should determine—

(A) the cost of foreclosure; and

(B) the cost or restructuring the loan, using a two-tier or other system of forbearance.

(4) If the Farm Credit System or any of its associated institutions or agencies determine that the cost of foreclosure of a loan made to a borrower is equal to or exceeds the cost of restructuring the loan, the System should utilize restructuring rather than foreclosure. Such restructuring should include consideration of the use of a two-tier loan structure which is based on the borrower's ability to pay and under which—

(A) there would be a reduced interest rate applicable to the second tier of debt, containing the portion of debt the borrower is unable to fully service;

(B) portions of the outstanding principal balance in the second tier of debt are periodically reassigned to the first tier, containing the serviceable debt, so that the outstanding principal balance in the first tier remains constant; and

(C) an agreement that, during the period of the restructuring, all debt incurred beyond normal operating expenses would be subordinated to the restructured debt.

● Mr. NICKLES. Mr. President, today, I am submitting a concurrent resolution expressing the sense of Congress that the Farm Credit System should restructure troubled farm debt, rather than foreclose, when such action will result in a smaller loss to the System and its farm and ranch borrowers.

Last year, in the process of losing an unprecedented $2.7 billion, the Nation's largest agricultural lender, the Farm Credit System, foreclosed on thousands of farmers and ranchers, forcing them and their families off land which was in turn dumped on an already depressed market.

This concurrent resolution expressed the sense of Congress that the Farm Credit System should undertake measures which will result in: One, debt restructuring for many Farm Credit System [FCS] borrowers who would otherwise be forced off their land due to circumstances beyond their control; two, stemming the rising tide of farm foreclosures initiated by the FCS; three, easing downward pressure on already depressed land values; and four, an important goal, minimizing System losses which will benefit all FCS borrowers, bondholders and the Federal Government.

This measure states that if the costs associated with foreclosure equal or exceed the cost of restructuring a loan, the FCS lending institution should restructure the loan. When considering restructuring alternatives, the Farm Credit System is encouraged to consider the use of a restructuring program recently proposed by the American Farm Bureau Federation, known as a two-tier debt restructuring program.

Under this approach, portions of the farm debt a borrower can service under existing terms would be placed in the first tier. Debt the borrower is unable to fully service is placed in the second tier. No principal payments would be made on second tier debt while a reduced interest could be charged. As debt in the first tier is payed off, portions of the second tier debt would be transferred to the first tier, keeping its balance constant.

The proposals in this concurrent resolution, similar to provisions of a bill I previously introduced, S. 2144, the Landowner Protection Act of 1986, can be of tremendous benefit to agriculture producers while at the same time, by cutting Farm Credit System losses, reducing potential outlays which may be needed to keep the System afloat.

This is not a complicated proposal. It simply encourages the Farm Credit System to do what it ought to be doing anyway, looking out for the best interests of all FCS borrowers by minimizing System losses. On behalf of American agriculture, I urge my colleagues to support this measure.●

SENATE CONCURRENT RESOLUTION 123—TO PERMIT THE 1986 SPECIAL OLYMPICS TORCH RELAY TO BE RUN THROUGH THE CAPITOL GROUNDS

Mr. ABDNOR submitted the following concurrent resolution; which was referred to the Committee on Rules and Administration:

Senate Concurrent Resolution 123

Resolved by the Senate (the House of Representatives concurring),

SECTION 1. RUNNING OF SPECIAL OLYMPICS TORCH RELAY THROUGH CAPITOL GROUNDS.

On May 30, 1986, or on such other date as the Speaker of the House of Representatives and the President pro tempore of the Senate may authorize jointly, the 1986 Special Olympics Torch Relay may be run through the Capitol Grounds as part of the journey of the Special Olympic torch to the District of Columbia Special Olympics Spring Games to be conducted at Gallaudet College, in the District of Columbia.

SEC. 2. AUTHORITY OF CAPITOL POLICE BOARD.

The Capitol Police Board shall take such action as may be necessary to carry out the first section of this resolution.

● Mr. ABDNOR. Mr. President. I am pleased to submit this concurrent resolution which will authorize the 1986 Special Olympics torch relay to use the U.S. Capitol Grounds as part of its Special Olympic torch route leading up to the D.C. Special Olympics spring games.

As a strong supporter of the Special Olympics program, I am pleased that I could offer this legislation to assist in drawing greater public attention to the importance of these games and to the participation of nearly 750 mentally retarded youngsters in the D.C. games.

Mr. President, I should also like unanimous consent to include in the Congressional Record a copy of a press release distributed by the Bureau of Alcohol, Tobacco and Firearms, detailing the law enforcement torch run for the D.C. Special Olympics.

There being no objection, the press release was ordered to be printed in the Record, as follows:

Hartnett Named Director for Law Enforcement Torch Run for D.C. Special Olympics

Washington.—Daniel M. Hartnett, Deputy Associate Director for the Bureau of Alcohol, Tobacco and Firearms (ATF) has been named Director for the Law Enforcement Torch Run for the District of Columbia Special Olympics.

The DC Law Enforcement Torch Run is a part of a nationwide series of runs to benefit the world's largest sports program for persons with mental retardation, Special Olympics.

This spring, and again in 1987, law enforcement officers will run intra-state relays carrying the lighted Special Olympics Torch, with local residents pledging monies per runner to benefit Special Olympics. The District of Columbia run will culminate at Opening Ceremonies for DC's Special Olympics Summer Games which will be held on May 30-31 on the campus of Gallaudet College.

This unique fund raising campaign is supported by the International Associaton of Chiefs of Police and sponsored by the Armour Food Companies. The "Good Sam Club," a national network of recreational vehicle owners, will provide logistical support.

As DC Torch Run Director, Hartnett is responsible for planning the route, recruiting runners and coordinating local fund raising efforts. Hartnett said about the Torch Run that, "I am pleased that the law enforcement community has the opportunity to participate in this very worthwhile endeavor."

Founded in 1968 by Eunice Kennedy Shriver, Special Olympics offers year-round training and competition in 14 official sports to any individual with mental retardation, age 8 and up. More than one million athletes in over 20,000 communities in the United States and 50 foreign countries participate in Special Olympics. Approximately 750 athletes will compete in the DC Summer Games in five areas: aquatics, track & field, gymnastics, volleyball and softball.

Volunteers interested in assisting with the DC Law Enforcement Torch Run should contact Joy Majied of the Special Olympics

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office at 244-1913. The Torch Run route will be announced at a later date.●

SENATE RESOLUTION 372—CONCERNING RELATIONS WITH ROMANIA

Mr. PRESSLER (for himself and Mr. Lugar) submitted the following resolution; which was referred to the Committee on Foreign Relations:

S. Res. 372

Whereas Romania, along with China and Hungary, has received Most Favored Nation (MFN) status through procedures enacted by the "freedom-of-emigration" Jackson-Vanik amendment applicable to "non-market" economies;

Whereas successive administrations have recognized and supported Romania's actions in asserting and defending its sovereignty, independence, and territorial integrity;

Whereas Romania's MFN status since 1975 has been contingent upon the continued existence in force of the Presidential waiver of full compliance with the freedom-of-emigration requirement and of the bilateral agreement containing the reciprocal grant of the MFN status;

Whereas total emigration from Romania and to the United States has increased significantly since 1975;

Whereas the MFN instrument has been effective in improving some emigration procedures, nevertheless Romania's emigration practices and procedures remain restrictive, and would-be emigrants continue to be subjected to harassment; and

Whereas certain outstanding issues continue to threaten bilateral relations between the United States and Romania, and to undermine the basis for continuance of Most Favored Nation status and good bilateral relations, and the fulfillment of Romania's obligations under the Helsinki Final Act and Madrid Concluding Document: Now, therefore, be it

Resolved, That in order to encourage the continued improvement of relations between the United States and Romania, and to promote good will between our two governments and peoples, it is the sense of the Senate that the Romanian government should consider taking the following actions in the light of congressional concern as well as the upcoming Berne Human Contacts Experts Meeting of Helsinki signatory states:

(1) Release imprisoned, prominent religious, social and cultural figures on humanitarian grounds.

(2) Ensure that religious bodies, religious leaders and believers receive adequate supplies of religious materials, including bibles.

(3) Improve relations between government officials and practitioners of religious including, but not restricted to, Eastern Rite Catholics (Uniates), Jehovah's Witnesses, Church of the Latter Day Saints (Mormons), Nazarenes, Pentecostals, Evangelical Brethern, and "unofficial" Baptists.

(4) Improve relations with ethnic minorities, including those of Hungarian, Gypsy, German, and Jewish descent, among others, particularly with regard to the safeguarding of cultural rights. Issues of concern include continued access to education in national languages, the retention of national libraries and museums, and university and secondary education in minority culture, language, and history.

(5) Continue progress on facilitating outstanding emigration cases, including, but not limited to, issues of family reunification, and the emigration of individuals seeking to depart permenently for countries prepared to receive them, such as the United States, Israel, and the Federal Republic of Germany. In the interest of facilitating such emigration, the Senate strongly urges the Romanian government to fully consider its obligations under the Helsinki Final Act and Madrid Concluding Document of the Conference on Security and Cooperation in Europe in respect to unnecessary impediments to emigration, including forced divestments of real property, evictions, forced work transfers, and the loss of entitlements to medical care, schooling, and/or food.

(6) Continue access to visas for scholars, and religious and cultural leaders, in order that they may continue to travel abroad as well as receive foreign visitors.

(7) Continue attention to the rights of the elderly, the very young, and the needs of families, in order that they may receive optimal medical care, food and personal contact.

It is therefore the sense of the Senate that the United States Department of State should vigorously pursue, both publicly and privately, the above-stated concerns and objectives at every possible opportunity, including at the aforesaid Berne meeting of Helsinki signatory states. To this end, the State Department should convey to the Romanian government the urgent importance of realizing progress on these humanitarian matters in the near term, so that it may be taken into consideration by the United States Congress during the 1986 MFN deliberations.

● Mr PRESSLER. Mr. President, as our colleagues may know, the European Affairs Subcommittee of the Senate Foreign Relations Committee, which I chair, recently held a hearing on United States-Romanian relations. Today, I am submitting a resolution concerning this issue. Senator Lugar, chairman of the Senate Foreign Relations Committee has joined me in sponsoring this resolution.

I should indicate that my staff and I have worked closely with the Helsinki Commission and officials of the U.S. Government in preparing this resolution. This resolution is prompted by very strong concerns over religious persecution in Romania raised at our hearing and privately with me. In addition, some other very serious human rights abuses have been brought to my attention, and I have given them very careful consideration in this resolution.

The purpose of our hearing was a thorough review of United States-Romanian relations in their East-West context. In deference to our colleagues on the Commerce and Ways and Means Committees, we focused our attention on the broadest foreign policy issues, rather than on the more particular concerns that are the province of other committees.

Our hearing was prompted by the early and extensive interest in both Houses of the U.S. Congress in the issue of most favored nation status and human rights abuses. As you may know, by early January at least 12 initiatives had been put on the legislative calendar.

The committees of jurisdiction will be holding their hearings later in the spring and during the early summer, but we felt it important for the Foreign Relations Committee to be involved in the process at an early point. Four concerns prompted our decision to hold an all-day hearing: the strong interest in the issue by several of our members, the extensive body of legislation pending, and the very real foreign policy concerns that we feared might not be examined rigorously. Lastly, we were convinced that 1986 would be a very unusual year—with MFN in serious jeopardy for the first time.

The focus of our hearing was U.S. foreign policy toward Eastern Europe, particularly the policy of differentiation. Differentiation is a policy that has been pursued under various names by each administration since President Eisenhower. This strategy is a means of encouraging East European governments to distance themselves from the Soviet Union, to improve their human right records, and to pursue liberal economic reforms. The United States has traditionally promoted such developments with a variety of tools. These tools include increased high-level diplomatic contacts, MFN status, Eximbank credit eligibility, and cultural and scientific agreements, among others.

In the Romanian case, the annual renewal of MFN prompts a debate between those who believe that differentiation is not working and those who see tangible progress. Likewise, with regard to Romania's MFN status, an annual debate occurs between those who believe that emigration is insufficient or that the Jackson-Vanik amendment should be broadened to encompasss religious and cultural persecution and those who feel that the MFN tool has exercised effective leverage on human rights issues. This latter group also tends to argue that Romania's precarious economic plight would be exacerbated by the removal of MFN. Those who argue on this side also worry that Romania's increasing energy dependence upon the U.S.S.R. is but the first stop in a growing overall dependence on the Soviets.

Because United States-Romanian relations are so complex, our hearing discussed both the broadest United States foreign policy concerns and the most detailed trade and investment issues. In addition, the entire afternoon session was devoted to religious and nationalities persecution, emigration, and the granting of MFN. By the end of that day we had developed a broad appreciation of the most pressing issues of concern to the U.S. Government, human rights bodies, the business community, and the public.

That hearing in the European Affairs Subcommittee, and the numerous conversations I have had since then with Members of Congress, the public, and Romanian officials have convinced me that a clear, concise, and unambiguous statement of Congress, position is needed.

This resolution directs the State Department to vigorously pursue these issues, both publicly and privately, at every possible opportunity, including the upcoming Berne meeting of the Helsinki signatory states. The State Department is asked to convey to the Romanian Government the urgent importance of realizing concrete progress on these issues in the near term, so that it may be taken into consideration by the U.S. Congress during the 1986 MFN deliberations.

This resolution will clearly put congressional concern on the record for all in Romania to see. The Romanian Government has several months in which to undertake concrete action on these humanitarian issues. If the Romanian Government chooses not to alter its policies, that fact will be duly noted, and it will certainly influence the MFN debate in the United States Congress.●

SENATE RESOLUTION 373—RELATING TO THE SEARCH FOR AND PROSECUTION OF NAZI WAR CRIMINALS

Mr. WILSON (for himself, Mr. D'Amato, Mr. Lautenberg, Mr. Dole, Mr. Quayle, Mr. Symms, Mr. Hecht, Mr. Mattingly, and Mrs. Hawkins) submitted the following resolution; which was referred to the Committee on the Judiciary:

S. Res. 373

Whereas the United States abhors the criminal behavior and atrocities of the Nazis during World War II;

Whereas it is the policy of the United States to vigorously pursue the search for and prosecution of Nazi War Criminals since World War II;

Whereas the United States strictly abides by the policy of extradition toward war criminals;

Whereas the United States is committed to a policy of securing and enhancing human rights and individual dignity throughout the world;

Resolved, That the Department of Justice carefully and expeditiously review the documents brought forward by the World Jewish Congress concerning Former United Nations Secretary General Kurt Waldheim to ascertain his role, if any, in Nazi war crimes and treat appropriately.

SENATE RESOLUTION 375—RELATING TO COLA'S UNDER TITLE II OF THE SOCIAL SECURITY ACT

Mr. HEINZ (for himself, Mr. Abdnor, Mr. Andrews, Mr. D'Amato, Mr. Denton, Mrs. Hawkins, Mr. Kasten, Mr. Nickles, and Mr. Specter) submitted the following resolution; which was referred to the Committee on Finance:

S. Res. 375

Whereas under the COLA trigger provisions of the Social Security Act, a cost of living increase in social security benefits may be made at the beginning of a calendar year only if the Consumer Price Index rises by at least 3% during the computation period preceding such calendar year;

Whereas there exists a substantial possibility that the rise in the Consumer Price Index during the current computation period will be less than 3%, cancelling the payment of the 1987 Social Security COLA;

Whereas the budget resolution reported by the Senate Committee on the Budget and the President's proposed budget both assume the payment of a full Social Security COLA in 1987;

Whereas full Social Security COLAs have been paid in every year since 1975;

Whereas the COLA trigger provision does not reduce the cost of the Social Security Program, and in fact adds to that cost over both the long and short term;

Resolved, That it is the sense of the Senate that the COLA trigger provisions of the Social Security Act be suspended with regard to the payment of a Social Security COLA in 1987.

● Mr. HEINZ. Mr. President, I rise to present a resolution to pay a full Social Security COLA in 1987, without regard to the 3-percent COLA trigger. I am joined in this proposal by my colleagues Senators Abdnor, Andrews, D'Amato, Denton, Hawkins, Kasten, Nickles, and Specter. The COLA trigger is a minor, outdated, technical provision in the law that postpones the payment of the COLA when inflation falls below the entirely arbitrary level of 3 percent. Yesterday the front page of the Washington Post carried the news that inflation would be less than 3 percent in 1986, and that no COLA would be paid in 1987. I believe it is important that we pass this resolution quickly in order to assure America's elderly that they will be protected from inflation at any level, whether it is 1 percent, 3 percent, 5 percent or more.

The resolution is a simple one, it states that the resolution reported by the Senate Committee on the Budget and the President's budget both assume the payment of a full COLA in 1987, and that it is the sense of the Senate that the trigger mechanism be suspended with regard to the 1987 COLA.

Some of my colleagues may recall that we faced a similar problem at the end of 1984 that the Congress enacted legislation to correct it. That legislation passed by a margin of 87 to 3, but the correction we enacted was for 1 year only—we waived the 3-percent threshold to guarantee that the 1985 COLA would be paid. The same problem arose last year, but it was avoided when inflation nudged over 3 percent at the end of the year. The solution of course, is to permanently eliminate the COLA trigger mechanism, and I intend to introduce legislation that will do this.

This administration's success in bringing inflation under control is a great achievement. For 3 years now, young and old alike have enjoyed inflation rates as low as any of us can remember. It is my firm hope that low inflation rates will continue for some time to come. I hope, at the same time however, that we are not going to make an annual event of this last minute scramble to ensure that Social Security COLA's get paid. For this reason, I urge my colleagues to join me in permanently eliminating the 3-percent threshold in the Social Security COLA.

Mr. President, the 3-percent threshold is truly an anachronism. In 1972, when the Congress enacted the automatic annual cost-of-living increase, the 3-percent COLA threshold was included so that the Social Security Administration would not have to go through the then time-consuming and costly business of computing and paying the annual COLA when the amount was small. In the interim, however, Social Security's computer capabilities have greatly improved, and the cost and hassle of posting the annual COLA are no longer what they were then.

In fact, it might surprise my colleagues to learn that eliminating the 3-percent threshold would actually save a little money. Although commonsense would suggest that not paying a COLA in any one year would result in savings, in fact the opposite is true. Anytime the COLA is not paid in one year, it is deferred and added to the increase for the next year, so that benefits actually catch up the second year. In addition, new retirees in the second year receive a windfall—they have their wage records increased for the first year's inflation, and their benefits increased for both years' inflation in the second year. This windfall then becomes a permanent part of all succeeding benefits, adding to the long term costs of Social Security. Finally, the Social Security wage base and the earnings test, the premium paid by beneficiaries under Medicare part B, and SSI benefit levels are all tied to the COLA and are frozen when inflation is below 3 percent. The net effect of freezing benefits and taxes and the resulting windfalls is a small loss to the Social Security trust funds—one that could be avoided by eliminating the 3-percent threshold.

In August 1985, the Office of the Actuary of the Social Security Administration provided the chairman of the Finance Committee with a report of the long-term effects of eliminating the 3-percent threshold. Their conclusion was that the elimination of the threshold would save the Old Age, Survivors, and Disability Insurance

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Trust Funds 0.02 percent of taxable payroll over the next 75 years. These cost figures mean that, in this period of sometimes excruciating taxing and spending decisions, we find ourselves in the rare position of being able to vote for something that both saves money and helps those in need.

I strongly urge my colleagues to join me in adopting this resolution and in permanently eliminating the trigger provisions that have created the problem.●

SENATE RESOLUTION 376—RELATING TO DEPARTMENT OF AGRICULTURE PARTICIPATION IN THE CITRUS CANKER ERADICATION PROGRAM

Mr. CHILES submitted the following resolution; which was referred to the Committee on Agriculture, Nutrition, and Forestry:

S. Res. 376

Whereas the State of Florida is suffering from an infestation of citrus canker;

Whereas citrus canker is a devastating disease that rapidly and aggressively infects citrus and may cause catastrophic damage to entire citrus growing areas;

Whereas other citrus growing regions in the country could be affected by citrus canker without proper control of the Florida infestation;

Whereas citrus canker infestation is not known to be indigenous to Florida;

Whereas various States, including Florida, rely on strong, effective Federal border protection programs to minimize the risk and spread of such infestation;

Whereas the interstate agricultural and commercial interests of Florida and the United States could be harmed by relying solely on State administered eradication and control programs;

Whereas a lack of Federal participation in detection and eradication programs could result in Federal quarantines that would have adverse affects on interstate and international commerce;

Whereas the Florida citrus industry requires continued Federal participation in the citrus canker detection and eradication effort;

Whereas the Appropriations Committees of the House of Representatives and the Senate have expressed a desire to provide assistance for a citrus canker detection and eradication program in the general supplemental appropriations bill to be considered in April, 1986: Now, therefore, be it

Resolved, That it is the sense of the Senate that the Secretary of Agriculture should continue to fully participate in the cooperative Federal-State program to detect, control, and eradicate citrus canker infestation in the State of Florida.

● Mr. CHILES. The sense of the Senate resolution I am submitting today would urge the U.S. Department of Agriculture's continued full participation in the important Citrus Canker Eradication Program.

Mr. President, Florida has suffered from citrus canker infestation since 1984. Canker is a very serious bacterial disease that afflicts citrus and can cause widespread damage to entire citrus growing areas. Florida had a run-in with canker some 50 years ago, and it would be an understatement to say that it was not a very pleasant experience.

One of the most troubling aspects of this disease is its potential ability to spead and affect other citrus growing regions in the country including Texas and California. Without a strong Federal/State relationship and commitment to contain this disease, we face the increased possiblity that other growing regions would suffer the same fate as Florida.

Continued Federal participation in the Canker Program is important for another reason, too. This has to do with interstate and international commerce. Since our country's vast agriculture base is potentially threatened by a variety of plant and pest diseases, the Federal Government has traditionally viewed its responsibilities to include the protection of plant and animal health.

This has meant joint Federal/State efforts to control, contain or eradicate such diseases or pests as Avian influenza and grasshoppers. I believe that a reduction in this Federal role could threaten the ability of agricultural producers to market their products on an interstate and/or international basis.

If the States were solely responsible for control and eradication programs, we could face U.S. Department of Agriculture quarantines that could disrupt commerce. To make sure that all knowledge is properly communicated, all expertise is brought to bear and that proper coordination is achieved, it is essential that USDA continue to participate in control and eradication programs for plant and animal diseases.

Also, without such assistance, it becomes much easier for foreign governments to exclude U.S. agricultural products from their markets. This can readily be seen in the case of United States citrus going to Japan. Without strong USDA intervention and assistance with citrus canker, it would have been much easier for the Japanese to bar citrus imports on the grounds that uncertainty existed regarding U.S. efforts to control and eradicate the disease in Florida. And, at a time when we are running huge foreign trade imbalances the last thing we need is to gamble with our remaining exports.

Mr. President, this sense of the Senate resolution would urge the Secretary of Agriculture to maintain USDA's full participation in the Federal/State citrus eradication effort. I fully expect the Congress will address this matter in the supplemental appropriations bill that is currently under consideration. But, given the fact that this bill will not be completed this week, and that USDA has announced its intention to pull out of the program by the end of March, I believe we need to send a strong message to the Department to maintain its role in this important program.

Also, I want to point out that funds will remain from the $11.2 million that was recently transferred within USDA for canker indemnification. This excess should provide for another month or two of program continuation or until the supplemental appropriations bill is approved. I plan to pursue the issue of continued Federal participation in this program vigorously, especially since it is highly unlikely that the Federal Government will incur large indemnification costs as has been the case in the past. I think it is reasonable to assume that future program costs will only be in the neighborhood of about $400,000 to $600,000 per month and could possibly be trimmed well below that as we learn more about canker and the most effective ways to detect and control it.

I urge my colleagues to support this resolution.●

SENATE RESOLUTION 377—RELATING TO DEPARTMENT OF AGRICULTURE PARTICIPATION IN THE CITRUS CANKER ERADICATION PROGRAM

Mrs. HAWKINS submitted the following resolution; which was referred to the Committee on Agriculture, Nutrition, and Forestry:

S. Res. 377

Whereas the State of Florida is suffering from an infestation of citrus canker;

Whereas citrus canker is a devastating disease that rapidly and aggressively infects citrus and may cause catastrophic damage to entire citrus growing areas;

Whereas other citrus growing regions in the United States could be affected by citrus canker without proper control of the Florida infestation;

Whereas citrus canker infestation is not known to be indigenous to Florida;

Whereas various States, including Florida, rely on strong, effective Federal border protection programs to minimize the risk and spread of such infestation;

Whereas the Florida citrus industry has requested continued Federal and State participation in the citrus canker detection and eradication effort; and

Whereas the Federal Government and the State of Florida are operating under severe budgetary constraints: Now, therefore, be it

Resolved, That it is the sense of the Senate that—

(1) the State of Florida should participate in the cooperative Federal-State program to detect, control, and eradicate citrus canker infestation in the State of Florida, in accordance with the agreement entered into between the Secretary and the State to carry out the program; and

(2) if the State of Florida participates in the program in accordance with the agreement, the Secretary of Agriculture should continue to participate in the program.

CITRUS CANKER ERADICATION PROGRAM

Mrs. HAWKINS. Mr. President, today, I offer a sense-of-the-Senate resolution encouraging the State of Florida and the Federal Government to continue participating in the Citrus Canker Eradication Program.

This program is vital to my State's important citrus industry.

I am offering this resolution on the eve of the Florida Legislature's 1986 session. My purpose is to lend support to industry efforts to secure funding from both the State and Federal Government. We need this continued assistance if we are to successfully detect, control, and eradicate this infestation of citrus canker.

Mr. President, this resolution is a small part in a complex negotiation that, if successfully completed, will allow the Federal-State program to continue.

Fortunately, we have had a recent breakthrough in the struggle to continue the canker program.

The USDA was finally able to release Federal funds that were owed to Florida citrus nurserymen who had property destroyed as part of the program.

Now, we are grappling with what future course the State and Federal Government will take in addressing this problem.

I believe that the next step is for the Florida Legislature to act and support the Florida citrus industry plan to continue eradication efforts.

If the legislature is willing to commit the State to this course, then I believe the Federal Government should continue to participate in the 50-50 agreement reached October 17, 1984.

Canker is a problem for our entire State. It must be addressed in a cooperative manner.

Mr. President, let me read from a letter recently written by Ben Hill Griffin III, chairman of the Florida Citrus Commission:

> Editor: Some members of the Legislature have already indicated they expect the citrus industry to provide a major part or all of the funds that will be needed to combat the citrus plant disease, citrus canker, during the coming fiscal year.
>
> The assumption that canker is an industry problem and the industry should pay the costs also ignores the fact that the industry is already paying far more than the $1.85-million direct payment as a one-third share of the state's total bill for canker this fiscal year.
>
> The industry is not now nor has it ever asked for a "free ride."
>
> The citrus industry is already paying extraordinary costs because of the plant disease and is willing to pay even more to lessen the burden on state government.

Mr. President, I ask unanimous consent that the letter be printed in its entirety in the Record.

There being no objection, the letter was ordered to be printed in the Record, as follows:

Canker a Problem for Entire State, Not Just Citrus Industry, Says Official

Editor: Some members of the Legislature have already indicated they expect the citrus industry to provide a major part or *all* of the funds that will be needed to combat the citrus plant disease, citrus canker, during the coming fiscal year.

The industry feels such a position is unfair and represents a departure from precedent established for the current fiscal year when the industry is providing one-third and the state two-thirds of necessary funds.

While the one-third industry and two-thirds state financing arrangements was an industry and legislative compromise endorsed by all major citrus industry organizations, many people within the industry were strongly opposed as they felt it represented an abandonment by state government of statutory responsibilities to protect agriculture by containing and eradicating pests and plant diseases that have accidentally become established in Florida.

It is easy to understand the assumption that "canker is a citrus industry problem" and therefore the industry should pay. However, the plant diseases, like the problem of four devastating freezes in the five-year period from 1979-80 to 1984-85, represents a problem for the *entire* state.

Any economic gain or loss by the citrus industry is immediately felt, not only in the 23 citrus producing counties, but statewide. And that statewide impact is substantial when it is considered that in 1984, following serious freezes in 1981, 1982 and 1983, Florida citrus generated $7.8-billion within the state's economy.

The assumption that canker is an industry problem and the industry should pay the costs also ignores the fact that the industry is *already* paying for more than the $1.85-million direct payment as a one-third share of the state's total bill for canker this year.

The industry will also pay into the state's general revenue fund $1.3-million this fiscal year in service charges imposed on the Citrus Advertising Trust Fund.

And this fiscal year the industry will spend $16-million of the equivalent of 9 cents per box of citrus to meet canker control requirements imposed by the state and federal governments.

The assumption that the industry should pay all canker costs also fails to take into account the fact that the industry is a major source of revenue for the state which annually collects some $31-million from the industry in corporate income taxes.

The industry is not now nor has it ever asked for a "free ride."

The citrus industry is already paying extraordinary costs because of the plant disease and is willing to pay even more to lessen the burden on state government.

Ben Hill Griffin III,
Chairman, Florida Citrus Commission.
Lakeland.

Mrs. HAWKINS. Mr. President, I look forward to the Senate's approval of my resolution. It will send a needed signal to the State legislature that the Federal Government is prepared to continue—if the State is as well.

Therefore, I understand the assistant majority leader will send it to the desk and ask for its immediate consideration.

Mr. BYRD. Mr. President, obviously, at this late hour, I am in no position to accept this resolution. It would need to go before the eyes of several Members on both sides of the aisle and the appropriate committee. I am sorry I have to object.

Mr. SIMPSON. Mr. President, I ask unanimous consent that the resolution be appropriately referred.

The PRESIDIGN OFFICER. The resolution is received and appropriately referred.

Mr. SIMPSON. Mr. President, I thank the Senator from Florida [Mrs. Hawkins] for her patience. It is very appreciated.

AMENDMENTS SUBMITTED

AID TO NICARAGUAN DEMOCRATIC RESISTANCE

KENNEDY (AND OTHERS) AMENDMENT NO. 1716

Mr. KENNEDY (for himself, Mr. Bingaman, Mr. Inouye, Mr. Leahy, Mr. Harkin, and Mr. Pell) proposed an amendment to the joint resolution (S.J. Res. 283) relating to Central America pursuant to the International Security and Development Cooperation Act of 1985; as follows:

Strike out all after the resolving clause and insert in lieu thereof the following: "Notwithstanding any other provision of law, no funds may be obligated or expended for the purpose or which would have the effect of supporting directly or indirectly military or paramilitary operations in Nicaragua by any nation, group, organization, movement, or individual."

HELMS AMENDMENT NO. 1717

Mr. HELMS proposed an amendment to the joint resolution (S.J. Res. 283), supra; as follows:

Strike all after the resolving clause and insert the following:

That the Congress hereby approves the additional authority and assistance for the Nicaraguan democratic resistance that the President requested pursuant to the International Security and Development Cooperation Act of 1985, notwithstanding section 10 of Public Law 91-672.

Notwithstanding any other provisions of this section, assistance may be provided under this joint resolution at any time after May 15, 1986, if the President determines and reports to Congress that the Government of Nicaragua—

(1) has not terminated all overt and covert aggression against other countries;

(2) has not terminated all importation of military supplies and foreign military and security personnel;

(3) has not expelled all Soviet and Cuban personnel in Nicaragua;

(4) is delaying the implementation of the acts described in paragraphs (1), (2), and (3)

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in order to pursue decisive military victory against the contras;

(5) has not explicitly acknowledged that it has an obligation to the Organization of American States (OAS) to implement democracy, according to the OAS resolutions of June 23, 1979, and July 12, 1979, and that the Government of Nicaragua undertook a similar obligation in agreeing to the September 1983 Contadora Document of Objectives; or

(6) has not given permission for all political parties to begin organizing political activities in preparation for elections to be held at a future date.

SASSER (AND OTHERS) AMENDMENT NO. 1718

Mr. SASSER (for himself, Mr. GORE, and Mr. EXON) proposed an amendment to the joint resolution (S.J. Res. 283), supra; as follows:

Strike out all after the resolving clause and insert in lieu thereof the following:

That (a) it is the goal of United States policy—

(1) to reduce the Soviet-Cuban presence in Nicaragua, to prevent the establishment of bases by Communist-bloc countries in Nicaragua, and to reduce the level of military assistance provided to Nicaragua, with specific restraints on the type of military equipment provided;

(2) to end the export of revolution by Nicaragua to its neighbors through the export of munitions, material, and personnel;

(3) to open up the political system of Nicaragua to a legitimate opposition, to bring about an end to the state of emergency established in Nicaragua, and to encourage the reinstatement of political and civil liberties in that country; and

(4) to support the Contadora process in order to achieve demonstrable progress toward a peaceful, regional settlement providing for peace, stability, and security for the democratic nations of Central America.

(b) In order to assure every opportunity for a peaceful resoluton of the conflict in Central America, and in order to promote the goal of its policy described in subsection (a), the United States will begin serious bilateral negotiations with the Government of Nicaragua without requiring as a precondition negotiations between the Government of Nicaragua and the forces opposed to the Government of Nicaragua; provided that, before the United States begins such negotiations, a cease fire to be monitored by the Contadora countries and the Contadora support group countries is established.

(c) It is the sense of the Congress that the United States delegation to the negotiations described in subsection (b) should cooperate to the maximum extent with the Senate Central American Negotiations Observer Group to be created by this resolution.

(d) For purposes of this section—

(1) the term "Contadora countries" refers to Colombia, Mexico, Panama, and Venezuela; and

(2) the term "Contadora support group countries" refers to Argentina, Brazil, Peru, and Uruguay.

SEC. 2. (a) Notwithstanding section 10 of Public Law 91-672, section 8109 of the Department of Defense Appropriations Act, 1986, section 502 of the National Security Act of 1947, or any other provision of law, there are transferred to the President for use in carrying out the provisions of section 3 $30,000,000 of unobligated funds from such accounts for which appropriations were made by the Department of Defense Appropriations Act, 1986 (as contained in Public Law 99-190), as the President shall designate.

(b) Funds transferred under subsection (a) shall remain available for the same periods of time, but not to exceed September 30, 1987, as such funds would have been available under the Department of Defense Appropriations Act, 1986 (as contained in Public Law 99-190), but for the enactment of this section.

SEC. 3. (a) The amounts transferred under section 2(a) shall be available only for the provision of humanitarian assistance to the forces opposed to the Government of Nicaragua by the Nicaraguan Humanitarian Assistance Office (established by Executive Order 12530).

(b) Of the amounts made available only for purposes of subsection (a), $3,000,000 shall be available only for strengthening programs and activities of the United Nicaraguan Opposition for the observance and advancement of human rights.

(c) For purposes of subsection (a), the term "hunmanitarian assistance" has the same meaning as is given to such term by section 722(a)(5) of the International Security and Development Cooperation Act of 1985.

(d) It is the sense of Congress that no funds should be provided to any element of the forces opposed to the Government of Nicaragua which is not genuinely democratic, which does not respect human rights, or which engages in criminal activities.

SEC. 4. (a) Except as provided in this joint resolution, no funds may be obligated or expended for the forces opposed to the Government of Nicaragua on or after the date of enactment of this joint resolution.

(b) Nothing in this joint resolution may be construed as authorizing the use of the Central Intelligence Agency or any other department, agency, or other component of the United States Government involved in intelligence-related activities for the provision of any assistance to the forces opposed to the Government of Nicaragua; and it is hereby prohibited for any member of the United States Armed Forces to provide, directly, indirectly, or under the auspices of any department, agency, component, or other entity of the United States Government, any type of military assistance or advice to any organization or group opposed to the Government of Nicaragua.

SEC. 5. (a)(1) For purposes of this section, the term "joint resolution" means only a joint resolution which is introduced within 3 legislative days in either House of Congress, but in the Senate only by the Majority or Minority Leader of the Senate, after the President transmits to the Congress a report requesting additional assistance for the forces opposed to the Government of Nicaragua and which states in substance that it approves such assistance.

(a)(2) For the purposes of this subsection, the term "legislative day" means a day on which the respective House of Congress is in session

(b) A joint resolution described in subsection (a) shall be considered in the House of Representatives in accordance with the provisions of paragraphs (3) through (5) of section 722(s) of the International Security and Development Cooperation Act of 1985, except that amendments to such joint resolution are in order.

(c) A joint resolution described in subsection (a) shall be considered in the Senate in accordance with the provisions of paragraphs (3) through (7) of section 8066(c) of the Department of Defense Appropriations Act, 1985 (as contained in Public Law 98-473), except that—

(1) references in such paragraphs to the Committee on Appropriations of the Senate shall be deemed to be references to the appropriate committee or committees of the Senate; and

(2) amendments to such joint resolution are in order.

(d) This section shall take effect six months after the date of enactment of this joint resolution, unless the President certifies to the Congress before that date that additional assistance is necessary for the forces opposed to the Government of Nicaragua; provided further that this section shall then take effect upon by Congress of the aforementioned Presidential certification and of an independent report by the Senate Central American Observer Group created by this resolution addressing the issues raised in the Presidential certification.

SEC. 6. (a) Not later than 30 days after the date of enactment of this joint resolution, and every 30 days thereafter, the President shall prepare and transmit to the Comptroller General of the United States a report accounting in full for the uses of all funds made available under this joint resolution which were obligated or expended during the preceding 30 days, including a description of all goods and services purchased, whether within or outside the United States, with such funds. Such report shall include a classified addendum where necessary.

(b) Not later than 15 days after receipt of a report required to be transmitted by subsection (a), the Comptroller General of the United States shall transmit to the appropriate committees of the Congress such report, together with a report which is prepared by the General Accounting Office and which analyzes the data supplied in the report of the President. For purposes of this subsection, the Comptroller General of the United States shall have access to and the right to examine any pertinent books, documents, papers, and records of any agency of the United States or any contractor or subcontractor thereto.

SEC. 7. (a) There is established the Senate Central American Negotiations Observer Group (hereafter in this section referred to as the "Observer Group"), which shall be composed of 10 Members of the Senate, as follows:

(1) the Majority Leader and the Minority Leader of the Senate, who shall be ex officio members; and

(2) four Members appointed by the Majority Leader of the Senate and four Members appointed by the Minority Leader of the Senate.

(b) The purpose of the Observer Group is to observe the conduct and substance of any direct bilateral negotiations between the Government of the United States and the Government of Nicaragua or of any negotiations between the two governments which occur in connection with the Contadora process.

(c) In connection with its duties, the Observer Group shall make such reports as it deems necessary to the Majority Leader and Minority Leader of the Senate, except that, not later than 6 months after the date of enactment of this joint resolution, the Observer Group shall prepare and transmit to the Majority Leader and the Minority Leader of the Senate a report setting forth the status of any negotiators described in subsection (b), the issues involved in such negotiations, and the role of United States assistance in promoting peace, stability, and security in Central America.

(d) The necessary travel expenses of the Observer Group shall be paid from the contingent fund of the Senate, out of the account of Miscellaneous Items, upon vouchers approved by the Majority Leader and the Minority Leader of the Senate.

(e) The Observer Group shall terminate 30 days after transmittal of the report required to be transmitted by subsection (c).

AGRICULTURAL AND ENERGY BANK INCENTIVE ACT

GRASSLEY AMENDMENT NO. 1719

(Ordered to lie on the table.)

Mr. GRASSLEY submitted an amendment intended to be proposed by him to the bill (S. 2231) to amend the Federal Deposit Insurance Act; as follows:

On page 10, after the period on line 13, add the following new material:

SEC. . (a) Title 11 of the United States Code is amended by inserting between chapters 11 and 13 the following new chapter:

"CHAPTER 12—FAMILY FARMER REORGANIZATION

"Sec.
"1201. Definitions
"1202. Application of certain sections of this title.
"1203. Trustee.
"1204. Rights and powers of debtor.
"1205. Authorization to operate farming and other businesses.
"1206. Creditor's committee.
"1207. Powers and duties of a committee.
"1208. Right to be heard.
"1209. Removal of debtor as debtor in possession.
"1210. Conversion or dismissal.
"1211. Who may file a plan.
"1212. Contents of plan proposed by debtor.
"1213. Plan by party other than debtor, impairment of claims; postpetition disclosure and solicitation; acceptance.
"1214. Modification of plan.
"1215. Confirmation hearing.
"1216. Confirmation of a plan proposed by the debtor.
"1217. Confirmation of a plan by a party other than the debtor.
"1218. Limitations on confirmation.
"1219. Effect of confirmation.
"1220. Implementation of plan; distribution; exemption from securities laws.
"1221. Aircraft equipment and vessels.
"1222. Adequate protection.
"1223. Sales free of interests.
"1224. Claims and interests.
"1225. Emergency care of stock.

"§ 1201. Definitions

"For purposes of this chapter—

"(1) 'family farmer' means a person whose aggregate debts do not exceed $1,500,000 if not less than 80 percent of the aggregate noncontingent, liquidated amount of those debts, at the time the case commences, arise out of a farming operation owned or operated by such person and, if such person is a corporation—

"(A) more than half of the aggregate value of the outstanding equity securities of such corporation are held by one family or by one family and the relatives of the members of such family; and

"(B) if such corporation issues stock, such stock is not publicly traded;

except that such aggregate amount does not include a debt incurred for the acquisition or improvement of a principal residence of such person unless such debt arises out of a farming operation;

"(2) 'debtor' means family farmer, and

"(3) 'debtor in possession' means debtor except to the extent that the court orders otherwise.

"§ 1202. Application of certain sections of this title

"Provisions of sections of other chapters of this title shall apply to this chapter as provided by such section.

"§ 1203. Trustee

"(a) If the court has appointed an individual under section 1302(d) to serve as standing trustee in cases under chapter 13, and if such individual qualifies as a trustee under section 322 of this title, or if a trustee has been appointed pursuant to chapter 15, then such individual shall serve as trustee in any case filed under this chapter. Otherwise, the court shall appoint a person to serve as trustee in any case.

"(b) The trustee shall—

"(1) perform the duties specified in sections 704(2), 704(3), 704(5), 704(6), 704(7), 704(9), 1106(a)(3), and 1106(a)(4) of this title;

"(2) appear and be heard at any hearing that concerns—

"(A) the value of property subject to a lien;

"(B) confirmation of a plan;

"(C) modification of the plan after confirmation; or

"(D) the sale of property of the estate;

"(3) distribute any rental payments received pursuant to section 1222(b)(3) as determined by the court;

"(4) advise, other than on legal matters, and assist the debtor in performance under the plan;

"(5) ensure that the debtor commences making timely payments required by a confirmed plan; and

"(6) if the debtor ceases to be a debtor in possession, perform the duties specified in section 704(8) and section 1106(a).

"(c) If the number of cases under this chapter commenced in a particular judicial district so warrants, the court may appoint one or more individuals to serve as standing trustee for such district in cases under chapter 13 or, in appropriate cases, appoint a trustee under chapter 15.

"(d) The compensation for individuals appointed under subsection (a) shall be authorized and limited by section 1302(e) and the percentage fee provided in section 1302(e)(1)(B) for cases under this chapter shall not exceed three percent of payments made under the plan of such debtor, with respect to payments made after the aggregate amount of payments made under the plan exceeds $450,000.

"§ 1204. Rights and powers of debtor

"(a) Subject to any limitations on a trustee serving in a case under this chapter, or a case under chapter 11, and to such limitations or conditions as the court prescribes, a debtor in possession shall have all the rights, other than the right to compensation under section 330, and powers, and shall perform all the functions and duties, except the duties specified in paragraphs (3) and (4) of section 1106(a), of a trustee serving in a case under chapter 11.

"(b) A debtor in possession shall perform the duties of the trustee specified in section 704(8).

"(c) Notwithstanding section 327(a), a person is not disqualified for employment under section 327 by a debtor in possession solely because of such person's employment by or representation of the debtor before the commencement of the case.

"§ 1205. Authorization to operate farming and other businesses

"(a) Unless the court, on request of a party in interest and after notice and a hearing orders otherwise, the debtor in possession may operate the debtor's farming and other businesses.

"(b) If the debtor ceases to be a debtor in possession, the trustee may operate the debtor's farming and other businesses unless the court, on request of a party in interest and after notice and a hearing, orders otherwise.

"§ 1206. Creditor's Committee

"(a) On request of three creditors holding unsecured claims, the court may order the appointment of a committee of unsecured creditors, except that if a United States trustee had been appointed pursuant to chapter 15, such United States trustee shall appoint the committee of such creditors.

"(b)(1) A committee of creditors appointed under subsection (a) shall ordinarily consist of the persons willing to serve that hold the five largest unsecured claims against the debtor.

"(2) On request of a party in interest and after a hearing, the court may change the membership or size of a committee appointed under subsection (a) if the membership of the committee is not representative of the different kinds of claims or interests represented.

"§ 1207. Powers and duties of a committee

"(a) At the scheduled meeting of a committee appointed under section 1206 at which a majority of the members of such committee are present, with the court's approval, the committee may select and authorize the employment, by the committee, of an attorney. If the debtor's financial records have not been adequately maintained, or the debtor's financial affairs are deemed by the court to be unduly complex, the committee may select and authorize the employment, by the committee, of an accountant.

"(b) An attorney or an accountant employed pursuant to subsection (a) may not, while employed by the committee, represent any other entity in connection with the case.

"(c) A committee appointed under section 1206 may—

"(1) consult with the debtor in possession of the case;

"(2) investigate the acts, conduct, assets, liabilities, and financial condition of the debtor, the operation of his farming and other businesses, the means required to maintain the farming or other business, and any other matter relevant to the case or to the formulation of a plan;

"(3) participate in the formulation of a plan, advise those represented by the committee of the committee's determinations as to any plan formulated, and collect and file with the court acceptances of a plan;

"(4) request the dismissel of the case if there is no possibility of a feasible plan being accepted or if the debtor fails to comply with final orders of the court;

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"(5) request that the debtor not be a debtor in possession; and

"(6) perform such other services as are in the interest of those represented.

"(d) As soon as practicable, after the appointment of a committee under section 1206, the debtor and the trustee shall meet with the committee to transact such business as is necessary and proper.

"§ 1208. Right to be heard

"(a) A party in interest, including the debtor, the trustee, a creditor's committee, a creditor, or any indenture trustee, may raise and may appear and be heard on any issue in a case under this chapter.

"(b) The Department of Agriculture, the Attorney General, or the director or similar chief officer of the agricultural department or agency of any State in which property of the debtor is located, may raise, and appear and be heard on, any issue in a case under this chapter, but may not appeal from any judgment, order, or decree entered in the case.

"§ 1209. Removal of debtor as debtor in possession

"(a) On request of a party in interest, and after notice and a hearing, the court shall order that the debtor shall not be a debtor in possession—

"(1) for cause, including fraud, dishonesty, incompetence, or gross mismanagement of the affairs of the debtor, either before or after the commencement of the case, or similiar cause; or

"(2) if it is not in the best interest of creditors for the debtor to be a debtor in possession.

"(b) On request of a party in interest, and after notice and a hearing, the court may reinstate the debtor in possession.

"§ 1210. Conversion or dismissal

"(a) The debtor may convert a case under this chapter to a case under chapter 7 at any time. Any waiver of, or attempt to waive, such right to convert a case under this subsection is unenforceable.

"(b) If a person, in good faith, files a petition for relief under this chapter, but is not a family farmer, such person may convert the case to a case under chapter 7, 11, or 13 if such person may be a debtor under the chapter to which the case is being converted.

"(c) If a person files a petition for relief under this chapter, but is not a family farmer, on request of a party in interest, and after notice and a hearing, the court may convert the case to a case under chapter 7 unless such person is a farmer or a corporation which is not a moneyed business or commercial corporation, or may dismiss the case, whichever is in the best interest of creditors.

"(d) The court may not convert a case under this chapter to a case under chapter 7 of this title if the debtor is a family farmer.

"(e) On request of a party in interest, and after notice and a hearing, the court may dismiss a case under this chapter, for cause, including—

"(1) continuing loss to or diminution of the estate and absence of a reasonable likelihood of rehabilitation;

"(2) inability to effectuate a plan;

"(3) unreasonable delay by the debtor that is prejudicial to creditors;

"(4) failure to propose a plan within any time fixed by the court;

"(5) denial of confirmation of every proposed plan and denial of a request made for additional time for filing another plan or a modification of a plan;

"(6) revocation of an order of confirmation under section 1144 of this title, and denial of confirmation of another plan or a modified plan under section 1216 or 1217 of this title;

"(7) inability to effectuate substantial consummation of a confirmed plan;

"(8) material default by the debtor with respect to a confirmed plan;

"(9) termination of a plan by reason of the occurrence of a condition specified in the plan other than completion of payments under the plan; or

"(10) nonpayment of any fee and charges required under chapter 123 of title 28.

"§ 1211. Who may file a plan

"(a) The debtor may file a plan with a petition commencing a case, or at any time thereafter.

"(b) Except as otherwise provided in this section, only the debtor may file a plan until after 240 days after the date of the order for relief under this chapter.

"(c) Any party in interest, including the debtor, the trustee, a creditor's committee, a creditor, or any indenture trustee, may file a plan only if—

"(1) the debtor is not a debtor in possession;

"(2) the debtor has not filed a plan before 240 days after the date of the order for relief under this chapter; or

"(3) the debtor had not filed a plan that has been confirmed before 300 days after the date of the order for relief under this chapter.

"(d) On request of a party in interest made within the respective periods specified in subsections (b) and (c), and after notice and a hearing, the court may, for cause, reduce or increase the 240-day period or the 300-day period referred to in this section.

"§ 1212. Contents of plan proposed by debtor

"(a) Notwithstanding any otherwise applicable provision of nonbankruptcy law, a plan proposed by a debtor shall—

"(1) designate, as provided in section 1122, classes of claims, other than claims of a kind specified in section 507(a)(1) or 507(a)(7) and classes of interests;

"(2) provide the same treatment for each claim or interest of a particular class, unless the holder of a particular claim or interest agrees to a less favorable treatment of such particular claim or interest;

"(3) provide adequate means for implementation of the plan such as—

"(A) retention by the debtor of all or any part of the property of the estate;

"(B) transfer of all or any part of the property of the estate to one or more entities, whether organized before or after the confirmation of such plan;

"(C) merger or consolidation of the debtor with one or more persons;

"(D) sale of all or any part of the property of the estate, either subject to or free of any lien, or the distribution of all or any part of the property of the estate among those having an interest in such property;

"(E) satisfaction or modification of any lien;

"(F) cancellation or modification of any indenture or similar instruments;

"(G) curing or waiving of any default;

"(H) extension of a maturity date or a change in interest rate or other term of outstanding securities;

"(I) amendment of the debtor's charter, or

"(J) issuance of securities of the debtor, or of any entity referred to in subparagraph (B) or (C) of this paragraph, for cash, for property, for existing securities, or in exchange for claims or interests, or for any other appropriate purpose; and

"(4) contain only provisions that are consistent with the interests of creditors and equity security holders and with public policy with respect to the manner of selection of any officer, director, or trustee under the plan and any successor to such officer, director, or trustee.

"(b) Subject to subsection (a) of this section, a plan proposed by a debtor may—

"(1) designate a class or classes of unsecured claims, as provided in section 1122 but may not discriminate unfairly against any class so designated, however, such plan may treat claims for a consumer debt of the debtor if an individual is liable on such consumer debt with the debtor differently than other unsecured claims;

"(2) modify the rights of holders of secured claims, or of holders of unsecurred claims, or leave unaffected the rights of holders of any class of claims;

"(3) provide for the curing or waiving of any default;

"(4) provide for payments on any unsecured claim to be made concurrently with payments on any secured claim or any other unsecured claim;

"(5) provide for the curing of any default within a reasonable time and maintenance of payments;

"(6) subject to section 365, provide for the assumption, rejection, or assignment of any executory contract or unexpired lease of the debtor not previously rejected under such section;

"(7) provide for the payment of all or part of a claim against the debtor from property of the estate or property of the debtor;

"(8) provide for the sale of all or substantially all of the property of the estate, and the distribution of the proceeds of such sale among holders of claims or interests;

"(9) provide for the vesting of property of the estate, on confirmation of the plan or at a later time, in the debtor or in any other entity; and

"(10) include any other appropriate provision not inconsistent with this title.

"§ 1213. Plan by a party other than the debtor; impairment of claims; postpetition disclosure and solicitation; acceptance

"(a) Sections 1123 and 1125 apply, as the court for cause may require, to plans proposed by a party in interest, including the debtor.

"(b) Section 1126 applies to plans proposed by a party in interest other than the debtor, except that for purposes of this chapter, the phrase 'that have accepted or rejected such plan' in subsection (c) and subsection (d) of such section shall not apply to this chapter.

"§ 1214. Modification of plan

"(a) The proponent of a plan may modify such plan at any time before confirmation, but may not modify such plan so that such plan as modified fails to meet the requirements of—

"(1) section 1212 if the proponent is the debtor; or

"(2) sections 1122 and 1123 if the proponent is a party in interest other than the debtor.

After the proponent of a plan files a modification of such plan with the court, the plan as modified becomes the plan.

"(b) At any time after confirmation but before the completion of payments under a plan proposed by the debtor, the plan may be modified by the debtor to—

"(1) increase or reduce the amount of payments on claims of a particular class provided for by the plan;

"(2) extend or reduce the time for such payments; or

"(3) alter the amount of the distribution to a creditor whose claim is provided for by the plan to the extent necessary to take account of any payment of such claim other than under the plan.

Modifications under this subsection are subject to the requirements of section 1216 and the plan as modified becomes the plan unless, after notice and a hearing, such modification is disapproved.

"(c) The proponent of a plan, other than the debtor, may modify such plan at any time after confirmation of such plan and before substantial consummation, as defined in section 1101(2), of such plan, but may not modify such plan so that, as modified, such plan fails to meet the requirements of sections 1122 and 1123. Such plan as modified under this subsection becomes the plan only if circumstances warrant such modification and the court, after notice and a hearing, confirms such modified plan, in accordance with the requirements of section 1129(a). Any holder of a claim or interest that has accepted or rejected a plan is deemed to have accepted or rejected, as the case may be, a plan as modified, unless, within the time fixed by the court, such holder changes such holder's previous acceptance or rejection.

"(d) The proponent of a modification under subsection (c) shall comply with section 1125 with respect to the plan as modified, for any material modification.

"§ 1215. Confirmation hearing

"After notice, the court shall hold a hearing on confirmation of the plan. A party in interest may object to the confirmation of the plan.

"§ 1216. Confirmation of a plan proposed by the debtor

"(a) The court shall confirm a plan proposed by the debtor if—

"(1) the plan complies with the provisions of this chapter and with the other applicable provisions of this title;

"(2) any fee, charge, or amount required under chapter 123 of title 28, or by the plan, to be paid before confirmation, has been paid;

"(3) the plan has been proposed in good faith and not by any means forbidden by law;

"(4) any payment made or to be made by the debtor, or by a person issuing securities or acquiring property under the plan, for services or for costs and expenses in or in connection, with the case, or in connection with the plan and incident to the case, has been approved by, or is subject to the approval of, the court as reasonable;

"(5)(A)(i) the debtor has disclosed the identity and affiliations of any individual proposed to serve, after confirmation of the plan, as a director, officer, or voting trustee of the debtor, an affiliate of the debtor participating in a joint plan with the debtor, or a successor to the debtor under the plan; and

"(ii) the appointment to, or continuance in, such office of such individual, is consistent with the interests of creditors and equity security holders and with public policy; and

"(B) the debtor has disclosed the identity of any insider who will be employed or retained by the reorganized debtor, and the nature of any compensation for such insider,

"(6) except to the extent that the holder of a particular claim has agreed to a different treatment of such claim, the plan provides—

"(A) for the full payment, in deferred cash payments, of all claims entitled to priority under section 507, except section 507(a)(7); and

"(B) with respect to a claim of a kind specified in section 507(a)(7), the holder of such claim will receive, on account of such claim, deferred cash payments, over a period not exceeding six years after the date of assessment of such claim, of a value, as of the effective date of the plan, equal to the allowed amount of such claim;

"(7) the value, as of the effective date of the plan, of property to be distributed under the plan, on account of each allowed unsecured claim, is not less than the amount that would be paid on such claim if the estate of the debtor were liquidated under chapter 7 of this title on such date;

"(8) with respect to each allowed secured claim provided for by the plan—

"(A) the holder of such claim has accepted the plan;

"(B)(i) the plan provides that the holder of such claim retain the lien securing such claim; and

"(ii) the value, as of the effective date of the plan, of property to be distributed under the plan on account of such claim, is not less than the allowed amount of such claim; or

"(C) the debtor surrenders the property securing such claim to such holder;

"(9) with respect to the holder of an interest provided for by the plan, the value, as of the effective date of the plan, of property to be distributed under the plan on account of such interest is not less than the lesser of—

"(A) the amount that would be paid on account of such interest if the estate of the debtor were liquidated under chapter 7 on such date; or

"(B) any fixed price at which the debtor, under the terms of any security representing such interest, may redeem such security from such holder;

"(10) the debtor will be able to make all payments under the plan, comply with the plan, and the plan complies with the provisions of section 1325(b) without reference to time period; and

"(11) confirmation of the plan is not likely to be followed by the liquidation, or the need for further financial reorganization, of the debtor or any successor to the debtor under the plan, unless such liquidation or reorganization is proposed in the plan.

"(b) After confirmation of a plan, the court may order any entity from whom the debtor receives income to pay all or any part of such income to the trustee.

"(c) Except as otherwise provided in the plan or in the order confirming the plan, the trustee shall make payments to creditors under the plan.

"§ 1217. Confirmation of a plan by a party other than the debtor

"The court shall confirm a plan proposed by a party in interest other than the debtor if the plan and the proponent meet the requirements of section 1129(a).

"§ 1218. Limitations on confirmation

"(a) The court may conform only one plan, unless the order of confirmation in the case has been revoked under section 1144. If the requirements of sections 1216 and 1217 are met with respect to more than one plan, the court shall consider the preferences of the debtor, creditors, and equity security holders in determining which plan to confirm.

"(b) Notwithstanding any other provision of this chapter, on request of a party in interest that is a governmental unit, the court may not confirm a plan if the principal purpose of the plan is the avoidance of taxes or the avoidance of the application of section 5 of the Securities Act of 1933 (15 U.S.C. 77e). In any hearing under the subsection, the governmental unit has the burden of proof on the issue of avoidance.

"§ 1219. Effect of confirmation

"(a) Except as provided in subsections (d)(2) and (d)(3), the provisions of a confirmed plan bind the debtor, any entity issuing securities under the plan, any entity acquiring property under the plan, and any creditor, equity security holder or general partner in the debtor, whether or not the claim or interest of such creditor, equity security holder, or general partner is impaired or provided for under the plan and whether or not such creditor, equity security holder, or general partner has objected to, has accepted, or has rejected the plan.

"(b) Except as otherwise provided in the plan or the order confirming the plan, the confirmation of a plan vests all of the property of the estate in the debtor.

"(c) Except as provided in paragraphs (2) and (3) of subsection (d), and except as otherwise provided in the plan or in the order confirming the plan, after confirmation of a plan, the property dealt with by the plan is free and clear of all claims and interests of creditors, equity security holders, and of general partners in the debtor.

"(d)(1) Except as otherwise provided in this subsection, in the plan, or in the order confirming the plan, the confirmation of a plan—

"(A) discharges the debtor from any debt that arose before the date of such confirmation, and any debt of a kind specified in section 502(g), 502(h), or 502(j) whether or not—

"(i) a proof of claim based on such debt is filed or deemed filed under section 501;

"(ii) such claim is allowed under section 502; or

"(iii) the holder of such claim has accepted the plan; and

"(B) terminates all rights and interests of equity security holders and general partners provided for by the plan.

"(2) The confirmation of a plan does not discharge an individual debtor from any debt excepted from discharge under section 523.

"(3) The confirmation of a plan does not discharge a debtor if—

"(A) the plan provides for the liquidation of all or substantially all of the property of the estate;

"(B) the debtor does not engage in business after consummation of the plan; and

"(C) the debtor would be denied a discharge under section 727(a) of this title if the case were a case under chapter 7 of this title.

"(4) The court may approve a written waiver of discharge executed by the debtor after the order for relief under this chapter.

"§ 1220. Implementation of plan; distribution; exemption from securities laws

"Sections 1141, 1143, 1144, and 1145 shall apply to plans confirmed pursuant to sections 1216 and 1217 of this title.

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"§ 1221. Aircraft equipment and vessels

"Section 1110 shall apply to cases under this chapter.

"§ 1222. Adequate protection

"(a) Section 361 does not apply in a case under this chapter.

"(b) In a case under this chapter, when adequate protection is required under section 362, 363, or 364, such adequate protection may be provided by—

"(1) requiring the trustee to make a cash payment or periodic cash payments, to the extent that the stay under section 362, use, sale, or lease under section 363, or any grant of a lien under section 364 results in a decrease in the value of property securing a claim or of an entity's ownership interest in property;

"(2) providing an additional or replacement lien to the extent that such stay, use, sale, lease, or grant results in a decrease in the value of property securing a claim or of an entity's ownership interest in property;

"(3) paying to the trustee for the use of farmland the reasonable rent customary in the community where the property is located, based upon the rental value, net income, and earning capacity of the property; or

"(4) granting such other relief as will adequately protect the value of property securing a claim or of an entity's ownership interest in property.

"§ 1223. Sales free on Interests

"In addition to the authorization contained in section 363(f), the trustee in a case under this chapter may sell property under section 363 (b) and (c) free and clear of any interest in such property of an entity other than the estate if the property is farmland or farm equipment.

"§ 1224. Claims and interests

"(a) A proof of claim or interest is deemed filed under section 501 for any claim or interest that appears in the schedules filed in a case under this chapter except a claim or interest that is scheduled as disputed, contingent, or unliquidated.

"(b) For purposes of voting and distribution in a case under this chapter, a claim, secured by a lien on property of the estate shall be allowed or disallowed under section 502 of the same as if the holder of such claim had recourse against the debtor on account of such claim, whether or not such holder has such recourse.

"§ 1225. Emergency care of stock

"The court may authorize the obtaining of credit pursuant to section 364 for the case, including feeding of stock owned by, or in the possession of, a debtor without notice or a hearing where the court finds that credit is needed to obtain funds to care for stock, an emergency exists and that immediate and irreparable injury, loss, or damage, will result if authorization to obtain credit for the care of stock is delayed, and that it is in the best interests of the estate to obtain credit and care for the stock. Notice shall be immediately given, by mail, to all creditors of entry of the order authorizing credit under this subsection and a copy of the order entered by the court hereunder shall be attached to the notice.".

(b) The table of chapters for title 11, United States Code, is amended by inserting between the items relating to chapter 11 and chapter 13 the following new item:

"12. Family Farmer Reorganization .. 1201".

Sec. 3. (a) Section 103 of title 11, United States Code, is amended by—

(1) in subsection (a) by inserting "12," after "11,";

(2) by adding at the end thereof the following:

"(i) Chapter 12 of this title applies only in a case under such chapter.".

Sec. 4. Section 1930(a) of title 28, United States Code, is amended by inserting between paragraph (4) and the matter that follows such paragraph, the following:

"(5) For a case commenced under chapter 12 of title 11, $200.".

Sec. 5. Title 11, United States Code, is amended—

(1) in sections 327(c) and 347(b), by striking out "or 11" each place it appears and inserting in lieu thereof ", 11 or 12";

(2) in sections 329(b)(1)(B) and 363(1), by striking out "or 13" each place it appears and inserting in lieu thereof ", 12 or 13";

(3) in sections 362(c)(2)(C), 365(d)(2), 365(g)(1), 365(g)(2), and 502(g), by inserting "12" after "11," each place it appears;

(4) in section 326(b), by inserting "chapter 12 or" before "chapter 13";

(5) in section 328(a), by inserting "or section 1206" after "section 1102";

(6) in sections 328(a), 328(c), 330(a), and 331, by striking out "or 1103" each place it appears and inserting in lieu thereof "1103, or 1207";

(7) in section 328(c), by striking out "or 1107(b)" and inserting in lieu thereof "1107(b), or 1204(c)";

(8) in section 327(b), by striking out "or 1106" and inserting in lieu thereof "1106, or 1205";

(9) in sections 363(c)(1) and 364(a), by inserting "1205," after "1108," each place it appears;

(10) in sections 348(b), 348(c), and 348(e), by inserting "1210," after "1112," each place it appears;

(11) in section 348(d) and paragraphs (A) and (B) of section 365(g)(2), by inserting ". 1210." after "1112" each place it appears;

(12) in section 347(b), by striking out "or 1173" and inserting in lieu thereof "1173, 1216, or 1217";

(13) in sections 523(a), 524(a)(1), 524(c)(1), and 524(d), by inserting "1219," after 1141," each place it appears;

(14) in sections 322(a) and 546(a)(1), by inserting "1203," before "or 1302" each place it appears;

(15) in section 326(b), by inserting "section 1203(a) or" before "section 1302(a)"; and

(16) in section 348(b), by inserting "1211(b), 1211(c), 1219(d)(4), 1221," after "1146(b),".

Sec. 6. (a) This Act is an emergency measure and shall apply with respect to cases commenced under title 11, United States Code, after the date of the enactment of this Act but before 5 years after such date.

(b) This Act and the amendments made by this Act shall be repealed on the date 5 years after the date of enactment of this Act.

AID TO NICARAGUAN DEMOCRATIC RESISTANCE

LUGAR (AND OTHERS) AMENDMENT NO. 1720

Mr. LUGAR (for himself, Mr. Dole, Mr. Bentsen, Mr. Hollings, and Mr. Domenici) proposed an amendment to the joint resolution (S.J. Res. 283), supra; as follows:

Strike out all after the resolving clause and insert in lieu thereof the following:

PURPOSES

Section 1. The purposes of this joint resolution are to promote peace, stability, and democracy in Central America, to encourage a negotiated resolution of the conflict in the region and, towards these ends, to enable the President to provide additional assistance for the Nicaraguan democratic resistance, as requested by the President on February 25, 1986, pursuant to the provisions of section 722(p) of the International Security and Development Cooperation Act of 1985 (Public Law 99-83) and section 106(a) of the Supplemental Appropriations Act, 1985 (Public Law 99-88), subject to the terms and conditions of this joint resolution.

POLICY TOWARD CENTRAL AMERICA

Sec. 2. (a) It is the policy of the United States that—

(1) the building of democracy, the restoration of peace, the improvement of living conditions, and the application of equal justice under law in Central America are important to the interests of the United States and the community of American States;

(2) the interrelated issues of social and human progress, economic growth, political reform, and regional security must be effectively dealt with to assure a democratic and economically and politically secure Central America; and

(3) the September 1983 Contadora Document of Objectives, which sets forth a framework for negotiating a peaceful settlement to the conflict and turmoil in the region, is to be encouraged and supported.

(b) The United States strongly supports as essential to the objectives set forth in subsection (a)—

(1) national reconciliation in Nicaragua and the creation of a framework for negotiating a peaceful, democratic settlement to the Nicaraguan conflict; and

(2) efforts to reach a comprehensive and verifiable final agreement based on the Contadora Document of Objectives, including efforts to encourage the Government of Nicaragua to pursue a dialogue with the representatives of all elements of the Nicaraguan democratic opposition for the purposes of achieving a democratic political settlement of the conflict, including free and fair elections.

POLICY TOWARD THE GOVERNMENT OF NICARAGUA

Sec. 3. (a) United States policy toward Nicaragua shall be based upon Nicaragua's responsiveness to continuing concerns affecting the national security of the United States and Nicaragua's neighbors about—

(1) Nicaragua's close military and security ties to Cuba and the Soviet Union and its Warsaw Pact allies, including the presence in Nicaragua of military and security personnel from those countries and allies;

(2) Nicaragua's buildup of military forces in numbers disproportionate to those of its neighbors and equipped with sophisticated weapons systems and facilities designed to accommodate even more advanced equipment;

(3) Nicaragua's unlawful support for armed subversion and terrorism directed against the democratically elected governments of other countries;

(4) Nicaragua's internal repression and lack of opportunity for the exercise of civil and political rights which would allow the people of Nicaragua to have a meaningful voice in determining the policies of their government through participation in regularly scheduled free and fair elections and the establishment of democratic institutions; and

(5) Nicaragua's refusal to negotiate in good faith for a peaceful resolution of the conflict in Central America based upon the comprehensive implementation of the September 1983 Contadora Document of Objectives and, in particular, its refusal to engage in a serious national dialogue with all elements of the Nicaraguan democratic opposition.

(b) The United States will address the concerns described in subsection (a) through economic, political, and diplomatic measures, as well as through support for the Nicaraguan democratic resistance. In order to assure every opportunity for a peaceful resolution of the conflict in Central America, the United States will—

(1) engage in bilateral discussions with the Government of Nicaragua with a view toward facilitating progress in achieving a peaceful resolution of the conflict, if the Government of Nicaragua simultaneously engages in a serious dialogue with representatives of all elements of the Nicaraguan democratic opposition; and

(2) limit the types and amounts of assistance provided to the Nicaraguan democratic resistance and take other positive action in response to steps taken by the Government of Nicaragua toward meeting the concerns described in subsection (a).

(c) The duration of bilateral discussions with the Government of Nicaragua and the implementation of additional measures under subsection (b) shall be determined, after consultation with the Congress, by reference to Nicaragua's actions in response to the concerns described in subsection (a). Particular regard will be paid to whether—

(1) freedom of speech, assembly, religion, and political activity are being respected in Nicaragua and progress is being made toward the holding of regularly scheduled free and fair elections;

(2) there has been a halt to the flow of arms and the introduction of foreign military personnel into Nicaragua, and a withdrawal of all foreign military personnel has begun;

(3) a cease-fire with the Nicaraguan democratic resistance is being respected; and

(4) Nicaragua is refraining from acts of aggression, including support for insurgency and terrorism in other countries.

(d) The actions by the United States under this joint resolution in response to the concerns described in subsection (a) are consistent with the right of the United States to defend itself and to assist its allies in accordance with international law and treaties in force. Such actions are directed, not to determine the form or composition of any government of Nicaragua, but to achieve a comprehensive and verifiable agreement among Central American countries, based upon the 1983 Contadora Document of Objectives, including internal reconciliation within Nicaragua, based upon democratic principles, without the use of force by the United States. Nothing in this joint resolution shall be construed as authorizing any member or unit of the armed forces of the United States to engage in combat against the Government of Nicaragua.

POLICY TOWARD THE NICARAGUAN DEMOCRATIC RESISTANCE

Sec. 4. (a) It is the policy of the United States to assist all groups within the Nicaraguan democratic resistance which—

(1) are committed to work together for democratic national reconciliation in Nicaragua based on the document issued by the six Nicaraguan opposition parties on February 7, 1986, entitled "Proposal to the Nicaraguan Government for a Solution to the Crisis in Our Country"; and

(2) respect international standards of conduct and refrain from violations of human rights or from other criminal acts.

(b) No assistance under this joint resolution may be provided to any group that retains in its ranks any individual who has been found to engage in—

(1) gross violations of internationally recognized human rights (as defined in section 502B(d)(1) of the Foreign Assistance Act of 1961); or

(2) drug smuggling or significant misuse of public or private funds.

(c)(1) The Congress finds that the Nicaraguan democratic resistance has been broadening its representative base, through the forging of cooperative relationships between the United Nicaraguan Opposition (UNO) and other democratic resistance elements, and has been increasing the responsiveness of military forces to civilian leadership.

(2) The President shall use the authority provided by this joint resolution to further the developments described in paragraph (1) and to encourage the Nicaraguan democratic resistance to take additional steps to strengthen its unity, pursue a defined and coordinated program for representative democracy in Nicaragua, and otherwise increase its appeal to the Nicaraguan people.

(d) In furtherance of the policy set out in this section, not less than $10,000,000 of the funds transferred under section 5(a) shall be available only for assistance to resistance forces otherwise eligible and not currently included within UNO, of which amount $5,000,000 shall be available only for the Southern Opposition Bloc (BOS) and $5,000,000 shall be available only for the Indian resistance force known as Misurasata.

TRANSFER OF FUNDS

Sec. 5. (a)(1) The Congress hereby approves the provision of assistance for the Nicaraguan democratic resistance in accordance with the provisions of this joint resolution.

(2) There are transferred to the President for use in carrying out the provisions of this joint resolution $100,000,000 of unobligated funds from such accounts for which appropriations were made by the Department of Defense Appropriations Act, 1986 (as contained in Public Law 99-190), as the President shall designate. No limitation or restriction contained in section 10 of Public Law 91-672, section 8109 of the Department of Defense Appropriations Act, 1986, section 502 of the National Security Act of 1947, or any other provision of law shall apply to the transfer or use of such funds.

(b) Notwithstanding the Impoundment Control Act of 1974, not more than 25 percent of the funds transferred under subsection (a) may be available for obligation or expenditure in accordance with this joint resolution upon the date of enactment of this joint resolution, and not more than an additional 15 percent of such funds may be so available upon the transmittal of each report required by section 12.

(c) Funds transferred under subsection (a) shall remain available for the same periods of time, but not to exceed September 30, 1987, as such funds would have been available under the Department of Defense Appropriations Act, 1986 (as contained in Public Law 99-190), but for the enactment of this joint resolution.

(d)(1) There are transferred to the President out of funds appropriated by the Supplemental Appropriations Act, 1985 (Public Law 99-88), under the heading "Assistance For Implementation of a Contadora Agreement" such sums as the President may require, but not more than $2,000,000, to facilitate the participation of Costa Rica, El Salvador, Guatemala, and Honduras in regional meetings and negotiations to promote peace, stability, and security in Central America. No limitation or restriction contained in section 15 of the State Department Basic Authorities Act of 1956, section 10 of Public Law 91-672, or any other provision of law shall apply to the transfer or use of such funds.

(2) Funds transferred under paragraph (1) shall remain available for the same period of time as such funds would have been available under the Supplemental Appropriations Act, 1985 (Public Law 99-88), but for the enactment of this joint resolution.

FUNDS FOR HUMANITARIAN ASSISTANCE

Sec. 6. (a) Of the amounts transferred under section 5(a), $30,000,000 shall be available only for the provision of humanitarian assistance to the Nicaraguan democratic resistance by the Nicaraguan Humanitarian Assistance Office (established by Executive Order 12530).

(b) Of the $30,000,000 made available only for purposes of subsection (a), $3,000,000 shall be available only for strengthening programs and activities of the Nicaraguan democratic resistance for the observance and advancement of human rights.

APPLICATION OF EXISTING LAWS

Sec. 7. (a) Except as otherwise provided in this joint resolution, funds transferred under section 5(a) shall be available for the purposes described in section 105(a) of the Intelligence Authorization Act for Fiscal Year 1986, and all the requirements, terms, and conditions of such section and sections 101 and 102 of such Act, section 502 of the National Security Act of 1947, and section 106 of the Supplemental Appropriations Act, 1985 (Public Law 99-88), shall be deemed to have been met for such use of such funds.

(b) The use of funds made available under this joint resolution is subject to all applicable provisions of law and established procedures relating to the oversight by the Congress of operations of departments and agencies.

(c) Nothing in this joint resolution shall be construed as permitting the President to furnish additional assistance to the Nicaraguan democratic resistance from funds other than the funds transferred under section 5(a) or otherwise specifically authorized by the Congress for assistance to the Nicaraguan democratic resistance.

USE OF FUNDS AFTER A PEACEFUL SETTLEMENT

Sec. 8. If the President determines and so reports to the Congress that a peaceful settlement of the conflict in Central America has been reached, then the unobligated balance, if any, of funds transferred under section 5(a) shall be available for the purposes of relief, rehabilitation, and reconstruction in Central American countries in accordance with the authorities contained in chapter 4 of part II of the Foreign Assistance Act of 1961 (relating to economic support fund assistance).

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INCENTIVES FOR A NEGOTIATED SETTLEMENT

SEC. 9. (a) Assistance under this joint resolution shall be provided in a manner designed to encourage the Government of Nicaragua to respond favorably to the many opportunities available for achieving a negotiated settlement of the conflict in Central America. These opportunities include the following proposals:

(1) Six opposition Nicaraguan political parties on February 7, 1986, called for an immediate cease-fire, an effective general amnesty, abolition of the state of emergency, agreement on a new electoral process and general elections, effective fulfillment of international commitments for democratization, and observance of implementation of these actions and commitments by appropriate international groups and organizations;

(2) President Reagan on February 10, 1986, offered simultaneous talks between the Government of Nicaragua and all elements of the Nicaraguan democratic opposition in Nicaragua and between the Government of Nicaragua and the United States Government;

(3) President Jose Napoleon Duarte of El Salvador on March 5, 1986, offered an additional dialogue between the Government of El Salvador and the insurgents in El Salvador if the Government of Nicaragua would simultaneously engage in a dialogue with all elements of the Nicaraguan democratic opposition; and

(4) President Reagan's Message to the Congress of March 19, 1986, proposed a mission to Latin America by his special envoy to encourage the Contadora and Support Group countries to joint in urging the Government of Nicaragua to initiate a national dialogue with representatives of all elements of the Nicaraguan democratic opposition.

(b) In furtherance of the objectives set forth in subsection (a), and except as provided in subsection (c), assistance to the Nicaraguan democratic resistance under this joint resolution shall be limited to the following:

(1) humanitarian assistance (as defined in section 722(g)(5) of the International Security and Development Cooperation Act of 1985);

(2) logistics advice and assistance;

(3) support for democratic political and diplomatic activities;

(4) training in radio communications, collection, and utilization of intelligence, logistics, and small-unit skills and tactics; and

(5) equipment and supplies necessary for defense against air attacks.

(c) On and after July 1, 1986, the restrictions in subsection (b) shall cease to apply beginning 15 days after the President determines and reports to the Congress that—

(1) the Central American countries have not concluded a comprehensive and effective agreement based on the Contadora Document of Objectives,

(2) the Government of Nicaragua is not engaged in a serious dialogue with representatives of all elements of the Nicaraguan democratic opposition, accompanied by a cease-fire and an effective end to the existing constraints on freedom of speech, assembly, religion, and political activity, leading to regularly scheduled free and fair elections and the establishment of democratic institutions, and

(3) there is no reasonable prospect of achieving such agreement, dialogue, cease-fire, and end to constraints described in paragraphs (1) and (2) through further diplomatic measures, multilateral or bilateral, without additional assistance to the Nicaraguan democratic resistance,

unless the Congress has enacted a joint resolution under section 10 disapproving the provision of additional assistance (other than assistance described in subsection (b)).

(d)(1) Notwithstanding subsection (c), no assistance (other than the assistance described in paragraphs (1) through (4) of subsection (b)) shall be provided at any time to the Nicaraguan democratic resistance under this joint resolution if—

(A) the President determines that—

(i) the Central American countries have concluded a comprehensive and effective agreement based on the Contadora Document of Objectives; or

(ii) the Government of Nicaragua is engaging in a serious dialogue with representatives of all elements of the Nicaraguan democratic opposition, accompanied by a cease-fire and an effective end to the existing constraints on freedom of speech, assembly, religion, and political activity leading to regularly scheduled free and fair elections and the establishment of democratic institutions; or

(B) the Congress enacts a joint resolution under section 10 disapproving the provision of additional assistance (other than assistance described in paragraphs (1) through (4) of subsection (b)).

(2) The prohibition contained in paragraph (1) shall not apply with respect to assistance described in paragraph (5) of subsection (b) if the Government of Nicaragua acquires additional equipment or materiel to carry out air attacks.

(e) The limitations on assistance that may be furnished to the Nicaraguan democratic resistance which are contained in subsections (b) and (d) shall cease to apply if the Congress enacts a joint resolution, in accordance with section 10, stating that the Government of Nicaragua has failed to accept or observe a cease-fire with the Nicaraguan democratic resistance.

(f)(1) Notwithstanding any other provision of this joint resolution, on or after July 1, 1986, funds may be obligated or expended under this joint resolution only if the President determines and reports to the Congress that the Nicaraguan democratic resistance groups receiving assistance under this joint resolution have agreed to and are beginning to implement—

(A) confederation and reform measures to broaden their leadership base;

(B) the coordination of their efforts;

(C) the elimination of human rights abuses;

(D) the pursuit of a defined and coordinated program for achieving representative democracy in Nicaragua; and

(E) the subordination of military forces to civilian leadership.

(2) In making his determination under paragraph (1), the President shall take into account the effectiveness and legitimacy of the political leadership of those Nicaraguan democratic resistance groups receiving assistance under this joint resolution, including the ability of that political leadership—

(A) to reflect the views and objectives of the internal and external Nicaraguan democratic opposition;

(B) to function as the spokesman for the Nicaraguan democratic opposition with Central Americans, international organizations, and the United States Government;

(C) to represent the Nicaraguan democratic opposition in dealing with the Government of Nicaragua;

(D) to provide command and control for the military forces of all resistance groups receiving assistance under this joint resolution and to establish the goals for their military operations;

(E) to determine the distribution of assistance provided under this joint resolution; and

(F) to provide the legal mechanisms necessary for the enforcement of standards of conduct applicable to all members of the resistance groups receiving assistance under this joint resolution.

CONGRESSIONAL PRIORITY PROCEDURES

SEC. 10. (a)(1) A joint resolution described in subsection (c) of section 9 shall be one without a preamble, the matter after the resolving clause of which is as follows: "That the Congress disapproves the provision of additional assistance to the Nicaraguan democratic resistance pursuant to the joint resolution entitled 'Joint resolution relating to Central America pursuant to the International Security and Development Cooperation Act of 1985', except as provided in section 9(b) thereof.".

(2) A joint resolution described in subsection (d)(1)(B) of section 9 shall be one without a preamble, the matter after the resolving clause of which is as follows: "That the Congress disapproves the provision of additional assistance to the Nicaraguan democratic resistance pursuant to the joint resolution entitled 'Joint resolution relating to Central America pursuant to the International Security and Development Cooperation Act of 1985', except as provided in paragraphs (1) through (4) of section 9(b) and paragraph (2) of subsection (d) thereof.".

(3) A joint resolution described in subsection (e) of section 9 shall be one without a preamble, the matter after the resolving clause of which is as follows: "That the Congress finds that the Government of Nicaragua has failed to accept or observe a cease-fire and hereby approves the provision of assistance to the Nicaraguan democratic resistance pursuant to the joint resolution entitled 'Joint Resolution relating to Central America pursuant to the International Security and Development Cooperation Act of 1985.', notwithstanding subsection (b) or (d) of section 5 thereof".

(b) A joint resolution described in subsection (a)(1), (a)(2), or (a)(3) shall be considered in the House of Representatives and in the Senate in accordance with the provisions of paragraphs (3) through (7) of section 8066(c) of the Department of Defense Appropriations Act, 1985 (as contained in Public Law 98-473), except that—

(1) references in such paragraphs to a joint resolution shall be deemed to be references to the respective joint resolution set forth in subsection (a)(1), subsection (a)(2), or subsection (a)(3);

(2) references in such paragraphs to the Committee on Appropriations shall be deemed to be references to the appropriate committee or committees of the respective House of Congress;

(3) references in such paragraphs to the eighth day and to fifteen calendar days shall be deemed to be references to the fifth day and to five calendar days, respectively; and

(4) amendments may be in order but only if the amendments are germane.

(c) The provisions of this section are enacted—

(1) as exercises of the rulemaking powers of the House of Representatives and Senate, and as such they are deemed a part of the

Rules of the House and the Rules of the Senate, respectively, but applicable only with respect to the procedure to be followed in the House and the Senate in the case of joint resolutions under section 9, and they supersede other rules only to the extent that they are inconsistent with such rules; and

(2) with full recognition of the constitutional right of the House and the Senate to change their rules at any time, in the same manner, and to the same extent as in the case of any other rule of the House or Senate, and of the right of the Committee on Rules of the House of Representatives to report a resolution for the consideration of any measure.

COMMISSION ON CENTRAL AMERICAN NEGOTIATIONS

SEC. 11. (a)(1) There is established the Commission on Central American Negotiations (hereafter in this section referred to as the "Commission"), which shall be composed of five members appointed as follows:

(A) One individual appointed by the Speaker of the House of Representatives;

(B) One individual appointed by the Minority Leader of the House of Representatives;

(C) One individual appointed by the Majority Leader of the Senate;

(D) One individual appointed by the Minority Leader of the Senate; and

(E) One individual, who shall serve as Chairman of the Commission, selected by unanimous vote of the other members of the Commission.

(2) No officer or employee of the United States may be appointed as a member of the Commission.

(b) The purpose of the Commission is to monitor and report on the efforts of the Nicaraguan democratic resistance to coordinate and reform and on the status of any negotiations on the peace, stability, and security of Central America, including negotiations conducted between or among—

(1) the Government of Nicaragua and all elements of the Nicaraguan democratic opposition, including the Nicaraguan democratic resistance;

(2) the governments of Central American countries;

(3) the Government of the United States and the Government of Nicaragua;

(4) the governments of the Contadora and Support Group countries and the government of the Central American countries; and

(5) the Government of El Salvador and the insurgents in El Salvador.

(c)(1) The Commission may appoint and fix the pay of not more than seven staff personnel, but at such rates not in excess of the rate of pay for GS-18 of the General Schedule under section 5332 of title 5, United States Code.

(2)(A) Each member of the Commission shall be entitled to receive the daily equivalent of the annual rate of basic pay in effect for grade GS-18 of the General Schedule under section 5332 of title 5, United States Code, for each day during which such member is engaged in the performance of duties as a member of the Commission.

(B) While away from his home or regular place of business in the performance of duties for the Commission, a member or staff personnel of the Commission shall be allowed travel expenses, including a per diem in lieu of subsistence, not to exceed the expenses allowed persons employed intermittently in Government service under section 5703 of title 5, United States Code.

(3) For purposes of pay and other employment benefits, rights, and privileges and for all other purposes, any employee of the Commission shall be considered to be a congressional employee as defined in section 2107 of title 5, United States Code.

(d)(1) A majority of the members of the Commission shall constitute a quorum.

(2) All decisions of the Commission, except as otherwise provided in this section, shall be by majority vote.

(e) The Commission may make such reports in connection with its duties as it deems necessary to the Speaker of the House of Representatives and the chairman of the Committee of Foreign Relations of the Senate, except that—

(1) not later than 5 days after receipt by the Congress of a report by the President under section 9(c), the Commission shall prepare and transmit to the Speaker of the House of Representatives and the chairman of the Committee on Foreign Relations of the Senate a report addressing all the matters which are required to be included in reports of the President by paragraphs (1), (3), and (4) of section 12; and

(2) not later than June 30, 1986, the Commission shall prepare and transmit to the Congress a report on whether the Nicaraguan democratic resistance groups receiving assistance under this joint resolution have agreed to and are beginning to implement measures described in subparagraphs (A) through (E) of section 9(f)(1) and an evaluation of the factors described in section 9(f)(2).

(f)(1) Salaries and expenses of the Commission, but not more than $400,000, shall be paid from the contingent fund of the Senate out of the Account for Miscellaneous Items, in accordance with the provisions of this section.

(2) Funds made available to the Commission by paragraph (1) shall be disbursed on vouchers approved by the Chairman, except that no voucher shall be required for the disbursement of the salary of an individual appointed under subsection (c).

(3) For purposes of section 502(b) of the Mutual Security Act of 1954, the Commission shall be deemed to be a standing committee of the Congress and shall be entitled to use of funds in accordance with such section.

(g) The Commission shall terminate not later than 30 days after transmittal of the reports required by subsections (e) and (f).

PRESIDENTIAL REPORTING REQUIREMENT

SEC. 12. Not later than 90 days after the date of enactment of this joint resolution, and every 90 days thereafter, the President shall prepare and transmit to the Congress a report on actions taken to achieve a resolution of the conflict in Central America in a manner that meets the concerns described in section 3(a). Each such report shall include—

(1) a detailed statement of any progress made in reaching a negotiated settlement, including the willingness of the Nicaraguan democratic resistance and the Government of Nicaragua to negotiate a settlement;

(2) a detailed accounting of the disbursements made to provide assistance with the funds transferred under section 5(a);

(3) a discussion of alleged human rights violations by the Nicaraguan democratic resistance and the Government of Nicaragua, including a statement of the steps taken by the Nicaraguan democratic resistance to remove from their ranks any individuals who have engaged in human rights abuses; and

(4) an evaluation of the progress made by the Nicaraguan democratic resistance in broadening its political base and defining a unified and coordinated program for achieving representative democracy in Nicaragua.

REQUESTS FOR ADDITIONAL ASSISTANCE

SEC. 13. The provisions of subsections (s) and (t) of section 722 of the International Security and Development Cooperation Act of 1985 shall apply with respect to any request described in section 722(p) of such Act submitted by the President to the Congress on or after the date of enactment of this joint resolution, except that, for purposes of consideration in a House of Congress of a joint resolution under subsection (s) or (t) of such section, amendments to such a joint resolution may be in order but only if such amendments are germane.

ADDITIONAL BANKRUPTCY JUDGES

GRASSLEY AMENDMENT NO. 1721

(Ordered to lie on the table.)

Mr. **GRASSLEY** submitted an amendment intended to be proposed by him to the bill (S. 1923) to provide for additional bankruptcy judges; as follows:

At the appropriate place in the bill insert the following:

SEC. . (a) Title 11 of the United States Code is amended by inserting between chapters 11 and 13 the following new chapter:

"CHAPTER 12—FAMILY FARMER REORGANIZATION

"Sec.
"1201. Definitions.
"1202. Application of certain sections of this title.
"1203. Trustee.
"1204. Rights and powers of debtor.
"1205. Authorization to operate farming and other businesses.
"1206. Creditor's committee.
"1207. Powers and duties of a committee.
"1208. Right to be heard.
"1209. Removal of debtor as debtor in possession.
"1210. Conversion or dismissal.
"1211. Who may file a plan.
"1212. Contents of plan proposed by debtor.
"1213. Plan by party other than debtor, impairment of claims; postpetition disclosure and solicitation; acceptance.
"1214. Modification of plan.
"1215. Confirmation hearing.
"1216. Confirmation of a plan proposed by the debtor.
"1217. Confirmation of a plan by a party other than the debtor.
"1218. Limitations on confirmation.
"1219. Effect of confirmation.
"1220. Implementation of plan; distribution; exemption from securities laws.
"1221. Aircraft equipment and vessels.
"1222. Adequate protection.
"1223. Sales free of interests.
"1224. Claims and interests.
"1225. Emergency care of stock.

"§ 1201. Definitions

"For purposes of this chapter—

"(1) 'family farmer' means a person whose aggregate debts do not exceed $1,500,000 if not less than 80 percent of the aggregate

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noncontingent, liquidated amount of those debts, at the time the case commences, arise out of a farming operation owned or operated by such person and, if such person is a corporation—

"(A) more than half of the aggregate value of the outstanding equity securities of such corporation are held by one family or by one family and the relatives of the members of such family; and

"(B) if such corporation issues stock, such stock is not publicly traded;

except that such such aggregate amount does not include a debt incurred for the acquisition or improvement of a principal residence of such person unless such debt arises out of a farming operation;

"(2) 'debtor' means family farmer, and

"(3) 'debtor in possession' means debtor except to the extent that the court orders otherwise.

"§ 1202. Application of certain sections of this title

"Provisions of sections of other chapters of this title shall apply to this chapter as provided by such section.

"§ 1203. Trustee

"(a) If the court has appointed an individual under section 1302(d) to serve as standing trustee in cases under chapter 13, and if such individual qualifies as a trustee under section 322 of this title, or if a trustee has been appointed pursuant to chapter 15, then such individual shall serve as trustee in any case filed under this chapter. Otherwise, the court shall appoint a person to serve as trustee in any case.

"(b) The trustee shall—

"(1) perform the duties specified in sections 704(2), 704(3), 704(5), 704(6), 704(7), 704(9), 1106(a)(3), and 1106(a)(4) of this title;

"(2) appear and be heard at any hearing that concerns—

"(A) the value of property subject to a lien;

"(B) confirmation of a plan;

"(C) modification of the plan after confirmation; or

"(D) the sale of property of the estate;

"(3) distribute any rental payments received pursuant to section 1222(b)(3) as determined by the court;

"(4) advise, other than on legal matters, and assist the debtor in performance under the plan;

"(5) ensure that the debtor commences making timely payments required by a confirmed plan; and

"(6) if the debtor ceases to be a debtor in possession, perform the duties specified in section 704(8) and section 1106(a).

"(c) If the number of cases under this chapter commenced in a particular judicial district so warrants, the court may appoint one or more individuals to serve as standing trustee for such district in cases under chapter 13 or, in appropriate cases, appoint a trustee under chapter 15.

"(d) The compensation for individuals appointed under subsection (a) shall be authorized and limited by section 1302(e) and the percentage fee provided in section 1302(e)(1)(B) for cases under this chapter shall not exceed three percent of payments made under the plan of such debtor, with respect to payments made after the aggregate amount of payments made under the plan exceeds $450,000.

"§ 1204. Rights and powers of debtor

"(a) Subject to any limitations on a trustee serving in a case under this chapter, or a case under chapter 11, and to such limitations or conditions as the court prescribes, a debtor in possession shall have all the rights, other than the right to compensation under section 330, and powers, and shall perform all the functions and duties, except the duties specified in paragraphs (3) and (4) of section 1106(a), of a trustee serving in a case under chapter 11.

"(b) A debtor in possession shall perform the duties of the trustee specified in section 704(8).

"(c) Notwithstanding section 327(a), a person is not disqualified for employment under section 327 by a debtor in possession solely because of such person's employment by or representation of the debtor before the commencement of the case.

"§ 1205. Authorization to operate farming and other businesses

"(a) Unless the court, on request of a party in interest and after notice and a hearing orders otherwise, the debtor in possession may operate the debtor's farming and other businesses.

"(b) If the debtor ceases to be a debtor in possession, the trustee may operate the debtor's farming and other businesses unless the court, on request of a party in interest and after notice and a hearing, orders otherwise.

"§ 1206. Creditor's Committee

"(a) On request of three creditors holding unsecured claims, the court may order the appointment of a committee of unsecured creditors, except that if a United States trustee had been appointed pursuant to chapter 15, such United States trustee shall appoint the committee of such creditors.

"(b)(1) A committee of creditors appointed under subsection (a) shall ordinarily consist of the persons willing to serve that hold the five largest unsecured claims against the debtor.

"(2) On request of a party in interest and after a hearing, the court may change the membership or size of a committee appointed under subsection (a) if the membership of the committee is not representative of the different kinds of claims or interests represented.

"§ 1207. Powers and duties of a committee

"(a) At the scheduled meeting of a committee appointed under section 1206 at which a majority of the members of such committee are present, with the court's approval, the committee may select and authorize the employment, by the committee, of an attorney. If the debtor's financial records have not been adequately maintained, or the debtor's financial affairs are deemed by the court to be unduly complex, the committee may select and authorize the employment, by the committee, of an accountant.

"(b) An attorney or an accountant employed pursuant to subsection (a) may not, while employed by the committee, represent any other entity in connection with the case.

"(c) A committee appointed under section 1206 may—

"(1) consult with the debtor in possession of the case;

"(2) investigate the acts, conduct, assets, liabilities, and financial condition of the debtor, the operation of his farming and other businesses, the means required to maintain the farming or other business, and any other matter relevant to the case or to the formulation of a plan;

"(3) participate in the formulation of a plan, advise those represented by the committee of the committee's determinations as to any plan formulated, and collect and file with the court acceptances of a plan;

"(4) request the dismissel of the case if there is no possibility of a feasible plan being accepted or if the debtor fails to comply with final orders of the court;

"(5) request that the debtor not be a debtor in possession; and

"(6) perform such other services as are in the interest of those represented.

"(d) As soon as practicable, after the appointment of a committee under section 1206, the debtor and the trustee shall meet with the committee to transact such business as is necessary and proper.

"§ 1208. Right to be heard

"(a) A party in interest, including the debtor, the trustee, a creditor's committee, a creditor, or any indenture trustee, may raise and may appear and be heard on any issue in a case under this chapter.

"(b) The Department of Agriculture, the Attorney General, or the director or similar chief officer of the agricultural department or agency of any State in which property of the debtor is located, may raise, and appear and be heard on, any issue in a case under this chapter, but may not appeal from any judgment, order, or decree entered in the case.

"§ 1209. Removal of debtor as debtor in possession

"(a) On request of a party in interest, and after notice and a hearing, the court shall order that the debtor shall not be a debtor in possession—

"(1) for cause, including fraud, dishonesty, incompetence, or gross mismanagement of the affairs of the debtor, either before or after the commencement of the case, or simillar cause; or

"(2) if it is not in the best interest of creditors for the debtor to be a debtor in possession.

"(b) On request of a party in interest, and after notice and a hearing, the court may reinstate the debtor in possession.

"§ 1210. Conversion or dismissal

"(a) The debtor may convert a case under this chapter to a case under chapter 7 at any time. Any waiver of, or attempt to waive, such right to convert a case under this subsection is unenforceable.

"(b) If a person, in good faith, files a petition for relief under this chapter, but is not a family farmer, such person may convert the case to a case under chapter 7, 11, or 13 if such person may be a debtor under the chapter to which the case is being converted.

"(c) If a person files a petition for relief under this chapter, but is not a family farmer, on request of a party in interest, and after notice and a hearing, the court may convert the case to a case under chapter 7 unless such person is a farmer or a corporation which is not a moneyed business or commercial corporation, or may dismiss the case, whichever is in the best interest of creditors.

"(d) The court may not convert a case under this chapter to a case under chapter 7 of this title if the debtor is a family farmer.

"(e) On request of a party in interest, and after notice and a hearing, the court may dismiss a case under this chapter, for cause, including—

"(1) continuing loss to or diminution of the estate and absence of a reasonable likelihood of rehabilitation;

"(2) inability to effectuate a plan;

"(3) unreasonable delay by the debtor that is prejudicial to creditors;

"(4) failure to propose a plan within any time fixed by the court;

"(5) denial of confirmation of every proposed plan and denial of a request made for additional time for filing another plan or a modification of a plan;

"(6) revocation of an order of confirmation under section 1144 of this title, and denial of confirmation of another plan or a modified plan under section 1216 or 1217 of this title;

"(7) inability to effectuate substantial consummation of a confirmed plan;

"(8) material default by the debtor with respect to a confirmed plan;

"(9) termination of a plan by reason of the occurrence of a condition specified in the plan other than completion of payments under the plan; or

"(10) nonpayment of any fee and charges required under chapter 123 of title 28.

"§ 1211. Who may file a plan

"(a) The debtor may file a plan with a petition commencing a case, or at any time thereafter.

"(b) Except as otherwise provided in this section, only the debtor may file a plan until after 240 days after the date of the order for relief under this chapter.

"(c) Any party in interest, including the debtor, the trustee, a creditor's committee, a creditor, or any indenture trustee, may file a plan only if—

"(1) the debtor is not a debtor in possession;

"(2) the debtor has not filed a plan before 240 days after the date of the order for relief under this chapter, or

"(3) the debtor had not filed a plan that has been confirmed before 300 days after the date of the order for relief under this chapter.

"(d) On request of a party in interest made within the respective periods specified in subsections (b) and (c), and after notice and a hearing, the court may, for cause, reduce or increase the 240-day period or the 300-day period referred to in this section.

"§ 1212. Contents of plan proposed by debtor

"(a) Notwithstanding any otherwise applicable provision of nonbankruptcy law, a plan proposed by a debtor shall—

"(1) designate, as provided in section 1122, classes of claims, other than claims of a kind specified in section 507(a)(1) or 507(a)(7) and classes of interests;

"(2) provide the same treatment for each claim or interest of a particular class, unless the holder of a particular claim or interest agrees to a less favorable treatment of such particular claim or interest;

"(3) provide adequate means for implementation of the plan such as—

"(A) retention by the debtor of all or any part of the property of the estate;

"(B) transfer of all or any part of the property of the estate to one or more entities, whether organized before or after the confirmation of such plan;

"(C) merger or consolidation of the debtor with one or more persons;

"(D) sale of all or any part of the property of the estate, either subject to or free of any lien, or the distribution of all or any part of the property of the estate among those having an interest in such property;

"(E) satisfaction or modification of any lien;

"(F) cancellation or modification of any indenture or similar instruments;

"(G) curing of waiving of any default;

"(H) extension of a maturity date or a change in interest rate or other term of outstanding securities;

"(I) amendment of the debtor's charter, or

"(J) issuance of securities of the debtor, or of any entity referred to in subparagraph (B) or (C) of this paragraph, for cash, for property, for existing securities, or in exchange for claims or interests, or for any other appropriate purpose; and

"(4) contain only provisions that are consistent with the interests of creditors and equity security holders and with public policy with respect to the manner of selection of any officer, director, or trustee under the plan and any successor to such officer, director, or trustee.

"(b) Subject to subsection (a) of this section, a plan proposed by a debtor may—

"(1) designate a class or classes of unsecured claims, as provided in section 1122 but may not discriminate unfairly against any class so designated, however, such plan may treat claims for a consumer debt of the debtor if an individual is liable on such consumer debt with the debtor differently than other unsecured claims;

"(2) modify the rights of holders of secured claims, or of holders of unsecured claims, or leave unaffected the rights of holders of any class of claims;

"(3) provide for the curing or waiving of any default;

"(4) provide for payments on any unsecured claim to be made concurrently with payments on any secured claim or any other unsecured claim;

"(5) provide for the curing of any default within a reasonable time and maintenance of payments;

"(6) subject to section 365, provide for the assumption, rejection, or assignment of any executory contract or unexpired lease of the debtor not previously rejected under such section;

"(7) provide for the payment of all or part of a claim against the debtor from property of the estate or property of the debtor;

"(8) provide for the sale of all or substantially all of the property of the estate, and the distribution of the proceeds of such sale among holders of claims or interests;

"(9) provide for the vesting of property of the estate, on confirmation of the plan or at a later time, in the debtor or in any other entity; and

"(10) include any other appropriate provision not inconsistent with this title.

"§ 1213. Plan by a party other than the debtor; impairment of claims; postpetition disclosure and solicitation; acceptance

"(a) Sections 1123 and 1125 apply, as the court for cause may require, to plans proposed by a party in interest, including the debtor.

"(b) Section 1126 applies to plans proposed by a party in interest other than the debtor, except that for purposes of this chapter, the phrase 'that have accepted or rejected such plan' in subsection (c) and subsection (d) of such section shall not apply to this chapter.

"§ 1214. Modification of plan

"(a) The proponent of a plan may modify such plan at any time before confirmation, but may not modify such plan so that such plan as modified fails to meet the requirements of—

"(1) section 1212 if the proponent is the debtor; or

"(2) sections 1122 and 1123 if the proponent is a party in interest other than the debtor.

After the proponent of a plan files a modification of such plan with the court, the plan as modified becomes the plan.

"(b) At any time after confirmation but before the completion of payments under a plan proposed by the debtor, the plan may be modified by the debtor to—

"(1) increase or reduce the amount of payments on claims of a particular class provided for by the plan;

"(2) extend or reduce the time for such payments; or

"(3) alter the amount of the distribution to a creditor whose claim is provided for by the plan to the extent necessary to take account of any payment of such claim other that under the plan.

Modifications under this subsection are subject to the requirements of section 1216 and the plan as modified becomes the plan unless, after notice and a hearing, such modification is disapproved.

"(c) The proponent of a plan, other than the debtor, may modify such plan at any time after confirmation of such plan and before substantial consummation, as defined in section 1101(2), of such plan, but may not modify such plan so that, as modified, such plan fails to meet the requirements of seections 1122 and 1123. Such plan as modified under this subsection becomes the plan only if circumstances warrant such modification and the court, after notice and a hearing, confirms such modified plan, in accordance with the requirements of section 1129(a). Any holder of a claim or interest that has accepted or rejected a plan is deemed to have accepted or rejected, as the case may be, a plan as modified, unless, within the time fixed by the court, such holder changes such holder's previous acceptance or rejection.

"(d) The proponent of a modification under subsection (c) shall comply with section 1125 with respect to the plan as modified, for any material modification.

"§ 1215. Confirmation hearing

"After notice, the court shall hold a hearing on confirmation of the plan. A party in interest may object to the confirmation of the plan.

"§ 1216. Confirmation of a plan proposed by the debtor

"(a) The court shall confirm a plan proposed by the debtor if—

"(1) the plan complies with the provisions of this chapter and with the other applicable provisions of this title;

"(2) any fee, charge, or amount required under chapter 123 of title 28, or by the plan, to be paid before confirmation, has been paid;

"(3) the plan has been proposed in good faith and not by any means forbidden by law;

"(4) any payment made or to be made by the debtor, or by a person issuing securities or acquiring property under the plan, for services or for costs and expenses in or in connection, with the case, or in connection with the plan and incident to the case, has been approved by, or is subject to the approval of, the court as reasonable;

"(5)(A)(i) the debtor has disclosed the identity and affiliations of any individual proposed to serve, after confirmation of the plan, as a director, officer, or voting trustee of the debtor, an affiliate of the debtor participating in a joint plan with the debtor, or a successor to the debtor under the plan; and

"(ii) the appointment to, or continuance in, such office of such individual, is consist-

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ent with the intrests of creditors and equity security holders and with public policy; and

"(B) the debtor has disclosed the identity of any insider who will be employed or retained by the reorganized debtor, and the nature of any compensation for such insider, .

"(6) except to the extent that the holder of a particular claim has agreed to a different treatment of such claim, the plan provides—

"(A) for the full payment, in deferred cash payments, of all claims entitled to priority under section 507, except section 507(a)(7); and

"(B) with respect to a claim of a kind specified in section 507(a)(7), the holder of such claim will receive, on account of such claim, deferred cash payments, over a period not exceeding six years after the date of assessment of such claim, of a value, as of the effective date of the plan, equal to the allowed amount of such claim;

"(7) the value, as of the effective date of the plan, of property to be distributed under the plan, on account of each allowed unsecured claim, is not less than the amount that would be paid on such claim if the estate of the debtor were liquidated under chapter 7 of this title on such date;

"(8) with respect to each allowed secured claim provided for by the plan—

"(A) the holder of such claim has accepted the plan;

"(B)(i) the plan provides that the holder of such claim retain the lien securing such claim; and

"(ii) the value, as of the effective date of the plan, of property to be distributed under the plan on account of such claim, is not less than the allowed amount of such claim; or

"(C) the debtor surrenders the property securing such claim to such holder;

"(9) with respect to the holder of an interest provided for by the plan, the value, as of the effective date of the plan, of property to be distributed under the plan on account of such interest is not less than the lesser of—

"(A) the amount that would be paid on account of such interest if the estate of the debtor were liquidated under chapter 7 on such date; or

"(B) any fixed price at which the debtor, under the terms of any security representing such interest, may redeem such security from such holder;

"(10) the debtor will be able to make all payments under the plan, comply with the plan, and the plan complies with the provisions of section 1325(b) without reference to time period; and

"(11) confirmation of the plan is not likely to be followed by the liquidation, or the need for further financial reorganization, of the debtor or any successor to the debtor under the plan, unless such liquidation or reorganization is proposed in the plan.

"(b) After confirmation of a plan, the court may order any entity from whom the debtor receives income to pay all or any part of such income to the trustee.

"(c) Except as otherwise provided in the plan or in the order confirming the plan, the trustee shall make payments to creditors under the plan.

"§ 1217. Confirmation of a plan by a party other than the debtor

"The court shall confirm a plan proposed by a party in interest other than the debtor if the plan and the proponent meet the requirements of section 1129(a).

"§ 1218. Limitations on confirmation

"(a) The court may conform only one plan, unless the order of confirmation in the case has been revoked under section 1144. If the requirements of sections 1216 and 1217 are met with respect to more than one plan, the court shall consider the preferences of the debtor, creditors, and equity security holders in determining which plan to confirm.

"(b) Notwithstanding any other provision of this chapter, on request of a party in interest that is a governmental unit, the court may not confirm a plan if the principal purpose of the plan is the avoidance of taxes or the avoidance of the application of section 5 of the Securities Act of 1933 (15 U.S.C. 77e). In any hearing under the subsection, the governmental unit has the burden of proof on the issue of avoidance.

"§ 1219. Effect of confirmation

"(a) Except as provided in subsections (d)(2) and (d)(3), the provisions of a confirmed plan bind the debtor, any entity issuing securities under the plan, any entity acquiring property under the plan, and any creditor, equity security holder or general partner in the debtor, whether or not the claim or interest of such creditor, equity security holder, or general partner is impaired or provided for under the plan and whether or not such creditor, equity security holder, or general partner has objected to, has accepted, or has rejected the plan.

"(b) Except as otherwise provided in the plan or the order confirming the plan, the confirmation of a plan vests all of the property of the estate in the debtor.

"(c) Except as provided in paragraphs (2) and (3) of subsection (d), and except as otherwise provided in the plan or in the order confirming the plan, after confirmation of a plan, the property dealt with by the plan is free and clear of all claims and interests of creditors, equity security holders, and of general partners in the debtor.

"(d)(1) Except as otherwise provided in this subsection, in the plan, or in the order confirming the plan, the confirmation of a plan—

"(A) discharges the debtor from any debt that arose before the date of such confirmation, and any debt of a kind specified in section 502(g), 502(h), or 502(j) whether or not—

"(i) a proof of claim based on such debt is filed or deemed filed under section 501;

"(ii) such claim is allowed under section 502; or

"(iii) the holder of such claim has accepted the plan; and

"(B) terminates all rights and interests of equity security holders and general partners provided for by the plan.

"(2) The confirmation of a plan does not discharge an individual debtor from any debt excepted from discharge under section 523.

"(3) The confirmation of a plan does not discharge a debtor if—

"(A) the plan provides for the liquidation of all or substantially all of the property of the estate;

"(B) the debtor does not engage in business after consummation of the plan; and

"(C) the debtor would be denied a discharge under section 727(a) of this title if the case were a case under chapter 7 of this title.

"(4) The court may approve a written waiver of discharge executed by the debtor after the order for relief under this chapter.

"§ 1220. Implementation of plan; distribution; exemption from securities laws

"Sections 1141, 1143, 1144, and 1145 shall apply to plans confirmed pursuant to sections 1216 and 1217 of this title.

"§ 1221. Aircraft equipment and vessels

"Section 1110 shall apply to cases under this chapter.

"§ 1222. Adequate protection

"(a) Section 361 does not apply in a case under this chapter.

"(b) In a case under this chapter, when adequate protection is required under section 362, 363, or 364, such adequate protection may be provided by—

"(1) requiring the trustee to make a cash payment or periodic cash payments, to the extent that the stay under section 362, use, sale, or lease under section 363, or any grant of a lien under section 364 results in a decrease in the value of property securing a claim or of an entity's ownership interest in property;

"(2) providing an additional or replacement lien to the extent that such stay, use, sale, lease, or grant results in a decrease in the value of property securing a claim or of an entity's ownership interest in property;

"(3) paying to the trustee for the use of farmland the reasonable rent customary in the community where the property is located, based upon the rental value, net income, and earning capacity of the property; or

"(4) granting such other relief as will adequately protect the value of property securing a claim or of an entity's ownership interest in property.

"§ 1223. Sales free on Interests

"In addition to the authorization contained in section 363(f), the trustee in a case under this chapter may sell property under section 363 (b) and (c) free and clear of any interest in such property of an entity other than the estate if the property is farmland or farm equipment.

"§ 1224. Claims and interests

"(a) A proof of claim or interest is deemed filed under section 501 for any claim or interest that appears in the schedules filed in a case under this chapter except a claim or interest that is scheduled as disputed, contingent, or unliquidated.

"(b) For purposes of voting and distribution in a case under this chapter, a claim, secured by a lien on property of the estate shall be allowed or disallowed under section 502 of the same as if the holder of such claim had recourse against the debtor on account of such claim, whether or not such holder has such recourse.

"§ 1225. Emergency care of stock

"The court may authorize the obtaining of credit pursuant to section 364 for the case, including feeding of stock owned by, or in the possession of, a debtor without notice or a hearing where the court finds that credit is needed to obtain funds to care for stock, an emergency exists and that immediate and irreparable injury, loss, or damage, will result if authorization to obtain credit for the care of stock is delayed, and that it is in the best interests of the estate to obtain credit and care for the stock. Notice shall be immediately given, by mail, to all creditors of entry of the order authorizing credit under this subsection and a copy of the order entered by the court hereunder shall be attached to the notice.".

(b) The table of chapters for title 11, United States Code, is amended by inserting between the items relating to chapter 11 and chapter 13 the following new item:

"12. Family Farmer Reorganization .. 1201".

Sec. 3. (a) Section 103 of title 11, United States Code, is amended by—

(1) in subsection (a) by inserting "12," after "11,";

(2) by adding at the end thereof the following:

"(i) Chapter 12 of this title applies only in a case under such chapter.".

Sec. 4. Section 1930(a) of title 28, United States Code, is amended by inserting between paragraph (4) and the matter that follows such paragraph, the following:

"(5) For a case commenced under chapter 12 of title 11, $200.".

Sec. 5. Title 11, United States Code, is amended—

(1) in sections 327(c) and 347(b), by striking out "or 11" each place it appears and inserting in lieu thereof ", 11 or 12";

(2) in sections 329(b)(1)(B) and 363(1), by striking out "or 13" each place it appears and inserting in lieu thereof ", 12 or 13";

(3) in sections 362(c)(2)(C), 365(d)(2), 365(g)(1), 365(g)(2), and 502(g), by inserting "12" after "11," each place it appears;

(4) in section 326(b), by inserting "chapter 12 or" before "chapter 13";

(5) in section 328(a), by inserting "or section 1206" after "section 1102";

(6) in sections 328(a), 328(c), 330(a), and 331, by striking out "or 1103" each place it appears and inserting in lieu thereof "1103, or 1207";

(7) in section 328(c), by striking out "or 1107(b)" and inserting in lieu thereof "1107(b), or 1204(c)";

(8) in section 327(b), by striking out "or 1108" and inserting in lieu thereof "1108, or 1205";

(9) in sections 363(c)(1) and 364(a), by inserting "1205," after "1108," each place it appears;

(10) in sections 348(b), 348(c), and 348(e), by inserting "1210," after "1112," each place it appears;

(11) in section 348(d) and paragraphs (A) and (B) of section 365(g)(2), by inserting ",1210." after "1112" each place it appears;

(12) in section 347(b), by striking out "or 1173" and inserting in lieu thereof "1173, 1216, or 1217";

(13) in sections 523(a), 524(a)(1), 524(c)(1), and 524(d), by inserting "1219," after "1141," each place it appears;

(14) in sections 322(a) and 546(a)(1), by inserting "1203," before "or 1302" each place it appears;

(15) in section 326(b), by inserting "section 1203(a) or" before "section 1302(a)"; and

(16) in section 348(b), by inserting "1211(b), 1211(c), 1219(d)(4), 1221," after "1146(b),".

Sec. 6. (a) This Act is an emergency measure and shall apply with respect to cases commenced under title 11, United States Code, after the date of the enactment of this Act but before 5 years after such date.

(b) This Act and the amendments made by this Act shall be repealed on the date 5 years after the date of enactment of this Act.

AID TO NICARAGUAN DEMOCRATIC RESISTANCE

CRANSTON (AND SASSER) AMENDMENT NO. 1722

Mr. CRANSTON (for himself and Mr. Sasser) proposed an amendment to amendment No. 1720 proposed by Mr. Lugar (and others) to the joint resolution (S.J. Res. 283), supra; as follows:

At the end of the resolution, add the following new section:

"Sec. . Notwithstanding any other provision of law, if the Government of Nicaragua agrees to a cease fire, abolishes the state of national emergency, and pursues and is prepared to participate in good faith bilateral negotiations with the Government of the United States, no funds shall be made available to the Nicaraguan democratic resistance for other than non-lethal, humanitarian assistance. Provided further, that no funds other than for non-lethal, humanitarian assistance shall be made available if the President of the United States fails to pursue and participate in such direct bilateral negotiations with the Government of Nicaragua without further conditions, and no funds other than for non-lethal, humanitarian assistance shall be made available while such negotiations are underway, unless the Congress, not less than 90 calendar days after enactment of this provision, adopts a joint resolution finding that the Government of Nicaragua has refused to participate in good faith in bilateral negotiations with the Government of the United States. The expedited procedures stipulated in Section 13 of this resolution shall be in effect for consideration of any such joint resolution."

CIVILIAN ENERGY PROGRAMS AUTHORIZATION FOR FISCAL YEARS 1987 AND 1988

McCLURE AMENDMENT NO. 1723

(Ordered referred to the Committee on Energy and Natural Resources.)

Mr. McCLURE submitted an amendment intended to be proposed by him to the bill (S. 2262) to authorize appropriations to the Department of Energy for civilian energy programs for fiscal year 1987 and fiscal year 1988, and for other purposes; as follows:

Strike all after the enacting clause and insert in lieu thereof the following:

"That this Act may be cited as the 'Civilian Energy Programs Authorization of Fiscal Years 1987 and 1988.'

"TITLE I—RESEARCH AND DEVELOPMENT

"Sec. 101. Funds are authorized to be appropriated in accordance with section 660 of the Department of Energy Organization Act for fiscal year 1987 for civilian research and development programs of the Department of Energy, including the amounts authorized to be appropriated by section 102 of this Act, for the following activities:

"(1) General Science and Research Activities, $683,798,000;

"(2) Energy Supply Research and Development, $2,043,915,000, including the amounts authorized to be appropriated by section 401(4) of this Act;

"(3) Geothermal Resources Development Fund, $69,000;

"(4) Fossil Energy Research and Development, $321,921,000; and

"(5) Energy Conservation, $444,449,000, including amounts authorized to be appropriated under sections 201(1) and 401(5) of this Act; and

"Sec. 102. Within the funds authorized to be appropriated by section 101 of this Act, funds are authorized to be appropriated for fiscal year 1987 for construction, including planning, construction, acquisition, or modification of facilities, including land acquisition; and acquisition and fabrication of capital equipment not related to construction of the Department of Energy for the following activities:

"(1) General Science and Research Activities, $168,500,000;

"(2) Energy Supply Research and Development, $172,555,000;

"(3) Energy Conservation, $1,500,000.

"TITLE II—CONSERVATION, REGULATION, AND INFORMATION

"Sec. 201. Funds are authorized to be appropriated in accordance with section 660 of the Department of Energy Organization Act for fiscal year 1987 for the following appropriations accounts:

"(1) Energy Conservation, $3,050,000 for appliance standards and the Federal Energy Management Program;

"(2) Economic Regulation, $23,799,000;

"(3) Emergency Preparedness, $5,783,000;

"(4)(A) Strategic Petroleum Reserve and

"(B) Strategic Petroleum Reserve petroleum acquisition,

such funds as are authorized in section 7101 of the Consolidated Omnibus Reconciliation Act of 1985;

"(5) Federal Energy Regulatory Commission, $96,079,000 of which not more than $47,000,000 may be derived from collections of licensing fees, inspection services, and other services and collections which may be retained and used for necessary expenses in this account; and

"(6) Energy Information Administration, $59,977,000.

"TITLE III—POWER MARKETING ADMINISTRATION

"Sec. 301. Funds are authorized to be appropriated in accordance with section 660 of the Department of Energy Organization Act for fiscal year 1987 for the following appropriations accounts:

"(1) Alaska Power Administration, Operations and Maintenance, $3,340,000;

"(2) Southeastern Power Administration, Operations and Maintenance, $14,720,000;

"(3) Southeastern Power Administration, Operations and Maintenance, $38,660,000; and

"(4) Western Power Administration, Operations and Maintenance, $246,313,000.

"TITLE IV—OTHER ACTIVITIES

"Sec. 401. Funds are authorized to be appropriated in accordance with section 660 of the Department of Energy Organization Act for fiscal year 1987, including the amounts authorized to be appropriated by section 402 of this Act, for the following appropriations accounts:

"(1) Uranium Supply and Enrichment Activities, $1,263,000,000 to be derived from revenues of $1,263,000,000 so as to provide a net level of zero; of the revenues credited to this account, in accordance with section 7502 of the Consolidated Omnibus Budget

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Reconciliation Act of 1985, may be transferred to the general fund of the Treasury in partial repayment of Government investment in uranium supply and enrichment activities;

"(2) Departmental Administration, $418,228,000, of which $251,947,000 to be derived from miscellaneous revenues and receipts;

"(3) Nuclear Waste Disposal Fund, $698,935,000;

"(4) Energy Supply Research and Development, such funds are necessary to carry-out the following program in that account: international solar energy program; solar technology transfer; remedial actions and waste technology; in-house energy management;

"(5) Energy Conservation, such funds as may be necessary to carry out the following programs in that account: the Energy Extension Service; state and local program direction; building and community systems: analysis and technology transfer; industrial energy conservation: implementation and deployment; multi-sector: National Appropriate Technology and Assistance Service; and policy and management.

"Sec. 402. Within the funds authorized to be appropriated by section 401 of this Act, funds are authorized to be appropriated for fiscal year 1987 for construction, including planning, construction, acquisition, or modification of facilities, including land acquisition; and acquisition and fabrication of capital equipment not related to construction of the Department of Energy for the following appropriations accounts:

"(1) Uranium Supply and Enrichment Activities, $15,300,000;

"(2) Departmental Administration, $7,913,000;

"(3) Nuclear Waste Disposal Fund, $32,579,000; and

"(4) Energy Supply Research and Development, such funds as may be necessary to carry out the following programs in that account: solar technology transfer; remedial actions and waste technology; in-house energy management; and technical information and management program.

"TITLE V—FISCAL YEAR 1988 AUTHORIZATION

"Sec. 501. There are authorized to be appropriated to the Department of Energy such sums as may be necessary for fiscal year 1988 to carry out on the basis of current services the civilian energy programs.

"TITLE VI—MISCELLANEOUS PROVISIONS

"Sec. 601. Section 1011, and its catchline, of the Omnibus Budget Reconciliation Act of 1981 (Public Law 97-35) is repealed.

"Sec. 602. Section 211(f)(1) of the Department of Energy Organization Act (42 U.S.C. 7141(f)(1)) is amended by striking 'Negro, Puerto Rican, American Indian, Eskimo, Oriental, or Aleut or is a Spanish speaking individual of Spanish descent' and inserting in its place 'Black, Hispanic, American Indian, Alaskan Native, Asian or Pacific Islander'."

AID TO NICARAGUAN DEMOCRATIC RESISTANCE

BIDEN AMENDMENT NO. 1724

Mr. BIDEN proposed an amendment to amendment No. 1720 proposed by Mr. Lugar (and others) to the joint resolution (S.J. Res. 283), supra; as follows:

At the end of the joint resolution, add the following:

"(A) Assistance authorized by this resolution shall be available only if the President can and does certify to Congress that the Nicaraguan resistance—

"(1) has been restructured to allow complete and balanced representation of all democratic opposition forces and to ensure full subordination of military commanders to the political leadership;

"(2) has agreed upon a program of principles and objectives directed toward the attainment of democracy in Nicaragua, such program to include a plan to provide a significant measure of autonomy for Nicaraguan Indians;

"(3) has instituted full and adequate human rights-related training programs;

"(4) has removed from its ranks all persons responsible for past human rights abuses in Nicaragua; and

"(5) has established procedures to ensure severe punishment of any persons in the resistance committing human rights abuses in the future.

"(B) Assistance authorized by this resolution shall not commence until 75 days after the date of enactment, in order that, before providing additional assistance to the Nicaraguan resistance, the United States may undertake additional efforts to participate in successful negotiations leading to fulfillment of the goals enunciated by the Contadora nations in the Caraballeda Message. In this effort, the United States shall be prepared to enter into direct and unconditional negotiations with the current government of Nicaragua toward an accord providing for the cessation of United States support for the Nicaraguan resistance in exchange for agreement by the current government of Nicaragua to

"(1) undertake a cease-fire and direct talks with opposition forces or their representatives;

"(2) lift restrictions on individual freedoms; and

"(3) remove from Nicaragua all Soviet, East European, and Cuban advisers and terminate all Soviet, East European, and Cuban military assistance and weapons transfers.

"(C) No United States personnel, civilian or military, shall be introduced into or over the territory of Nicaragua for the purpose of training or advising Nicaraguan resistance forces, or engaging in combat or intelligence operations in support of Nicaraguan resistance forces, unless Congress has authorized the introduction of United States personnel in advance by joint resolution.

"(D) United States forces shall not be committed to combat in Central America, or in an advisory role to forces in combat, unless—

"(1) United States strategic interests are threatened by the introduction into Central America of additional foreign forces, or advanced weapons systems, posing a substantially increased threat to nations of the hemisphere; or

"(2) United States military support is formally requested by nations of the region pursuant to collective defense pledges under the Rio treaty.

"Any commitment of United States forces pursuant to such policy shall be undertaken only in full compliance with provisions of the War Powers Resolution."

DIXON (AND OTHERS) AMENDMENT NO. 1725

Mr. DIXON (for himself, Mr. Biden, Mr. Simon, Mr. Kennedy, and Mr. Metzenbaum) proposed an amendment to amendment No. 1720 proposed by Mr. Lugar (and others) to the joint resolution (S.J. Res. 283), supra; as follows:

At the end of section 4 of the amendment, add the following new subsection:

(e) Notwithstanding any other provision of this joint resolution, no member of the United States armed forces, or employee of any department, agency, or other component of the United States government may enter Nicaragua to provide military advice, training, or logistical support to paramilitary groups operating inside that country.

DURENBERGER AMENDMENT NO. 1726

Mr. DURENBERGER proposed an amendment to amendment No. 1720 proposed by Mr. Lugar (and others) to the joint resolution (S.J. Res. 283), supra; as follows:

In the pending amendment, on page 13, strike lines 18 and 19.

KENNEDY AMENDMENT NO. 1727

Mr. KENNEDY proposed an amendment to amendment No. 1720 proposed by Mr. Lugar (and others) to the joint resolution (S.J. Res. 283), supra; as follows:

At the end of the joint resolution, add the following:

LIMITATION ON INTRODUCTION OF ARMED FORCES INTO NICARAGUA FOR COMBAT

"*Provided*, That,

Sec. . No United States personnel, civilian or military, shall be introduced into or over the territory of Nicaragua for the purpose, directly or indirectly, of combat unless:

(a) Congress has declared war or authorized the introduction of such forces in advance by a joint resolution signed by the President of the United States; or

(b) The President has determined that the presence of such forces is necessary to provide for the immediate evacuation of United States citizens or to respond to a clear and present danger of military attack on the United States;

NOTICES OF HEARINGS

SUBCOMMITTEE ON LABOR

Mr. NICKLES. Mr. President, the Subcommittee on Labor will hold an oversight hearing on employee benefit and pension policy implications contained in proposed tax reform legislation on May 1, 1986, at 9:30 a.m. in room 430 of the Dirksen Senate Office Building.

Persons wishing to testify should submit a written request to Chairman Don Nickles, Subcommittee on Labor, Washington, DC 20510 by April 7, 1986.

If you have any questions concerning the hearing, please contact Rick

Lawson, of the subcommittee staff, at 202-224-5546.

Mr. President, the Subcommittee on Labor will hold a hearing on S. 2050, a bill to notify workers who are at risk of occupational disease in order to establish a system for identifying and preventing illness and death of such workers, and for other purposes. The hearing is scheduled for May 15, 1986, at 9:30 a.m. in room 430 of the Dirksen Senate Office Building.

Persons wishing to testify should submit a written request to Chairman Don Nickles, Subcommittee on Labor, Washington, DC 20510 by April 7, 1986.

If you have any questions concerning the hearing, please contact Rick Lawson, of the subcommittee staff, at 202-224-5546.

COMMITTEE ON SMALL BUSINESS

Mr. WEICKER. Mr. President, I would like to announce that the Senate Small Business Committee will hold two field hearings in Wisconsin on the impact of the insurance liability crisis on small business. The first hearing will be held on April 7, 1986, in Green Bay, and the second will be held on April 14, 1986, in Eau Claire. The time and location will be determined at a later date. For further information, please call Erline Patrick, of the committee staff at 224-5175 or Steve Loucks of Senator Kasten's office at 224-4632.

SUBCOMMITTEE ON ENERGY RESEARCH AND DEVELOPMENT

Mr. DOMENICI. Mr. President, I would like to announce for the information of the Senate and the public that the Subcommittee on Energy Research and Development of the Committee on Energy and Natural Resources has scheduled a hearing on the Department of Energy's proposed Uranium Enrichment Service criteria; 10 CFR part 762, contained in the Federal Register Volume 51, No. 19; the amendments to S. 1004, Uranium Mill Tailings Reclamation Act of 1985; the viability of the uranium industry; and any other legislation relating to this subject which is pending before the subcommittee at the time of the hearing.

The hearing is scheduled for Thursday, April 10, 1986, beginning at 10 a.m. in room SD-366 of the Dirksen Senate Office Building in Washington, DC.

Those wishing to testify or who wish to submit written statements for the record should write to the Subcommittee on Energy Research and Development, Committee on Energy and Natural Resources, Washington, DC 20510.

For additional information regarding this hearing, you may contact K.P. Lau or Marilyn Meigs on the subcommittee staff at 202-224-4431.

SUBCOMMITTEE ON PUBLIC LANDS, RESERVED WATER, AND RESOURCE CONSERVATION

Mr. WALLOP. Mr. President, I would like to announce for the information of the Senate and the public that the hearings scheduled before the Senate Subcommittee on Public Lands, Reserved Water and Resource Conservation of the Committee on Energy and Natural Resources on Monday, March 31, 1986, in Kotzebue, AK, and Wednesday, April 2, 1986, in Bethel, AK, have been postponed to be rescheduled on a later date. The purpose of these hearings was to receive testimony on S. 2065, to amend the Alaska Native Claims Act to provide Alaska Natives with certain options for the continued ownership of lands and corporate shares pursuant to the act and for other purposes.

For further information, please contact Tony Bevinetto of the subcommittee staff at (202) 224-0613.

AUTHORITY FOR COMMITTEES TO MEET

SUBCOMMITTEE ON MILITARY CONSTRUCTION

Mr. LUGAR. Mr. President, I ask unanimous consent that the Subcommittee on Military Construction, of the Committee on Armed Services, be authorized to meet during the session of the Senate on Thursday, March 27, in open session, in order to receive testimony on base closures.

The PRESIDING OFFICER. Without objection, it is so ordered.

SUBCOMMITTEE ON SEAPOWER AND FORCE PROJECTION

Mr. LUGAR. Mr. President, I ask unanimous consent that the Subcommittee on Seapower and Force Projection, of the Committee on Armed Services, be authorized to meet during the session of the Senate on Thursday, March 27, in closed executive session, in order to conduct a hearing on the SSN-21 submarine.

The PRESIDING OFFICER. Without objection, it is so ordered.

SUBCOMMITTEE ON DEFENSE ACQUISITION POLICY

Mr. LUGAR. Mr. President, I ask unanimous consent that the Subcommittee on Defense Acquisition Policy of the Committee on Armed Services be authorized to meet during the session of the Senate on Thursday, March 27, to hold a hearing to receive testimony on the following legislation:

S. 2082, Defense Enterprise and Initiative Act of 1986;

S. 2151, DOD Acquisition Reorganization Act of 1986;

S. 2169, Defense Acquisition Improvement Act of 1986; and

Other proposals.

The PRESIDING OFFICER. Without objection, it is so ordered.

SUBCOMMITTEE ON ENTREPRENEURSHIP AND SPECIAL PROBLEMS FACING SMALL BUSINESS

Mr. LUGAR. Mr. President, I ask unanimous consent that the Subcommittee on Entrepreneurship and Special Problems Facing Small Business, of the Committee on Small Business, be authorized to meet during the session of the Senate on Thursday, March 27, to conduct a hearing on promoting U.S. entrepreneurship in small business.

The PRESIDING OFFICER. Without objection, it is so ordered.

SUBCOMMITTEE ON PREPAREDNESS

Mr. LUGAR. Mr. President, I ask unanimous consent that the Subcommittee on Preparedness, of the Committee on Armed Services, be authorized to meet during the session of the Senate on Thursday, March 27, 1986, in open, later to become closed session, in order to receive testimony on the Army, Army National Guard, and Army Reserve, readiness, operations, and maintenance.

The PRESIDING OFFICER. Without objection, it is so ordered.

ADDITIONAL STATEMENTS

YOU'RE STILL TICKING AWARDS

● Mr. CHILES. Mr. President, the older population of Florida, as well as of the United States, is growing faster than the population as a whole. This increasing number and proportion of the elderly reflect demographic changes that are having pervasive influences on the economy and on public policy. The aging of the work force is becoming an important issue facing both Congress and employers, and I think we are going to see an increasing demand for older workers in both the public and private labor force.

I have been impressed with the positive conclusions of recent studies regarding older workers. While many have held to the old notion that elder workers are less capable workers than younger ones, there has been no statistical evidence to prove this. In fact, evidence to the contrary has been found. In many of the occupations researched, older workers have held steadier rates of output, equal degrees of accuracy, and greater consistency in output than younger workers. Studies of scientists and engineers have found peaks in productivity to occur between those 40 to 60 years of age. Likewise, a very large portion of creative ideas, patents; and research papers have been produced by older employees. Older managers, as well, have been found better able to evaluate new information, analyze it, and make reliable and consistent decisions. These findings are encouraging as we enter an age where the percentage of older employees is rising.

Mr. President, in the State of Florida, there is a more than adequate number of senior citizens to support the findings of such research. In fact,

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a recent effort on the part of Florida's Department of Labor and Employment Security, has honored eight older workers who exemplify the most outstanding qualities of older workers. Each year, through the "You're Still Ticking Awards," the department recognizes meritorious older workers who are still on the job and contributing significantly to their organization. From over 600 nominations, 8 finalists were chosen by 20 distinguished judges.

The grand-prize winner, and oldest recipient of the "You're Still Ticking" award is Ester Brown. At 88, this vivacious accounting clerk for Edward Don & Co., does more than just keep track of numbers. Her employer says she sets the energy level for the entire department. Her productivity is said to be incredible, not only for a person of her age, but for a person of any age.

While ranking second in age among the eight honorees, James Cole, 87, is a blue ribbon winner when it comes to dedication and service. A tax preparer for H & R Block, he puts in a full 40-hour-week preparing both Federal and State income tax returns. When discussing retirement, James shows no intent to take that route as long as there are people who want or need his services. His employer says he is hard to beat.

Recognized as a "true gem" among the employees at Ro Mac Lumber & Supply, Inc., Claude B. Smith, an 85-year-old power saw operator, has an outstanding service record for the 40 years he has been with that company. While he has rarely missed a day's work, Claude and his wife have found time to visit every State in the Union, including Alaska and Hawaii. He is said to be living proof that the golden years can be truly golden.

At 83, Lonnie Jackson is said to be a role model to senior citizens. With artistic flair, and directed energy, Lonnie works as part of the ground maintenance crew at Serenity Gardens Memorial Park. After a 32-hour-week, he also tends two private residences as he has done for the past 25 years. His employer marks him as being living proof that age is not a determinant to an active and productive life.

Also 83, only a few months younger than Lonnie, Patsey Lucco is a maintenance supervisor with Aircraft Porous Media, Inc. Among his responsibilities are supervision of 16 maintenance helpers, and housekeeping of a 160,000-square-foot facility which manufactures aircraft filters. With the exception of a 1-day cataract surgery, Pat has taken no time off in the last 10 years. His employer says many of Pat's suggestions have saved the company a considerable amount of money. His commitment has benefited both himself and his company.

Despite the difficulty of her job as an employment counselor for the Florida Department of Health and Rehabilitative Services, Katherine Walden holds the State record for the most job placements by a single counselor. With an energy level surpassing many athletes, this 82-year-old was able to match 300 persons with jobs last year. Her commitment to the thought that there is a job out there for anyone who wants to work contributes to her outstanding success in her field.

The occupation of Charles Scher, 80, prepared him well to stay "ticking." Likewise, his endeavors have made it possible for others to "tick" better. He is a physical education instructor, and has taught all his life. Additionally, he has developed and facilitates specialized programs for the well being of senior citizens. His employer says Charles exemplifies the very best of today's older person in the labor market.

Although she is older than many she serves, Rebecca Thornton, 72, works as a home health aide for Good Samaritan Home Services. Working an average of 32 hours a week, Rebecca is recognized as having tireless energy and genuine concern for people. Her coworkers note the "extra mile" she goes, and remark on the calming ability she has on her patients. Someone commented that she must have the granddaddy of all grandfather clocks ticking inside of her.

These eight individuals are recognized not only by their coworkers, and employers as outstanding individuals, but by a tough panel of judges as being among the top working senior citizens in the State. They are a testament to the work quality older citizens bring to the workplace. I ask that my colleagues join me in recognizing the contributions these older workers have made.●

CONGRATULATIONS DAKOTA RAIL

● Mr. PRESSLER. Mr. President, I would like to bring to the attention of my distinguished colleagues an article which recently appeared in the Los Angeles Times entitled "Dakota Line One of the New Breed of Little Railroads That Can." The article discusses a new trend in the railroad industry in which I have been involved and have previously brought to the attention of other members of the Senate Commerce, Science, and Transportation Committee, on which I serve.

Since enactment of the Staggers Railroad Deregulation Act, the number of small, short line, and regional railroads has increased dramatically. This trend may well be the answer to some of the negative impacts of rail deregulation on many parts of the Midwest. Thousands of miles of track have been abandoned and the economies of many small towns have suffered as a result. But reregulation does not appear to be the answer. We have gone too far to roll back the clock now. It would not bring back the abandoned lines if we were to reregulate at this stage of the game.

But with the increase in the number of short line and regional carriers, there seems to be hope. We are today undergoing that process in South Dakota, as well as many other parts of the Midwest. Indeed, there is now a proposal under consideration that would create a large regional railroad out of 874 miles of existing Chicago & North Western track. I have been working hard over the past 3 years in an effort to save these lines. It appears that this may be the answer to our problems on that segment of railroad, and similar transactions may well prove beneficial to other marginal or light density lines which are similarly threatened.

Mr. President, a true pioneer in this business is Jerry Ross from my home State of South Dakota. As president and CEO of Dakota Rail, headquartered in Milbank, SD, Jerry and his able crew—Robin Henrichs, Michael Ross, Curt Ripley, Ben Sundquist, Cliff Rohlfs, Dale Wright, and Kenny Sparby—have done what all the experts said would be impossible. The title of the article describing "The Little Railroad That Can" is most appropriate. They have transformed a rural, smalltown railroad that most people had given up for dead into a viable short line rail operation, benefiting not only the local community but the entire State. As indicated by its prominent and extensive mention in a major newspaper, Dakota Rail has become something of a model or symbol for others and has inspired new hope for other communities similarly situated. Today, the operation has expanded into our neighboring State of Minnesota where it continues to thrive. And if I know Jerry Ross, he has not stopped yet.

Although things are looking up today, it has not been easy for the Dakota Rail crew. Those of us on the outside looking in often forget the incredible amount of long hours and hard work that went into making an impossible dream come true. And while there are no guarantees for the future, I am confident that this dedicated group of individuals will continue to do whatever it takes to keep the trains rolling.

Jerry Ross always has been ready and willing to share his considerable talents with others in an effort to preserve rail service. On his own time and expense, he traveled several hundred miles to participate in a statewide rail conference I sponsored last year, and has been of considerable assistance to me in a number of rail issues in which he has no monetary interest. His desire to see a viable rail transportation system for the rural and small towns throughout the country is unselfish and sincere. My association with Jerry Ross and his operation has been a refreshing experience. We are fortunate to have him in South Dakota, and I am proud to count him among my friends.

I have recommended to the committee that we explore the regional and short line railroad development trend in more detail by conducting Commerce Committee hearings on the issue. We need to take a closer look at the increase in regional and short line activity from a national transportation policy perspective. I believe there is much to be learned about this important phenomenon. I am hopeful that we can translate the pioneering spirit of the Jerry Rosses of the world into a viable solution for other threatened lines around the country.

Mr. President, I ask that the March 6, 1986, article from the Los Angeles Times be printed in the RECORD.

The article follows:

[From the Los Angeles Times, Mar. 6, 1986]

DAKOTA LINE ONE OF NEW BREED OF LITTLE RAILROADS THAT CAN

(By Charles Hillinger)

HUTCHINSON, MN.—Curt Ripley, the bearded engineer and vice president of operations for Dakota Rail, pulled on the whistle cord in the cab of the 1959 locomotive as it rolled through the downtown area of this snow-shrouded Midwestern town.

The sonorous wail of the blue and orange engine, bearing the logo of a charging buffalo, was a welcome sound to the townspeople of Hutchinson, population of 10,000. The 44-mile rail line that served their town was abandoned by Burlington Northern last September, only to be revived Dec. 1 by the newly formed Dakota Rail Line.

Ripley, 34, picked up the phone in the locomotive and called Robin Henrichs, 31, vice president of marketing, at her desk in the Hutchinson depot.

"Will you please give me a hand and pull the switch out front?" Ripley asked. "I'm picking up that tank car and the caboose."

The marketing executive grabbed her coat and walked briskly through six-inch-deep snow—in high heels—to the switch and promptly pulled its lever.

"We're quite versatile around here," she said. "Mostly I work in the office, but sometimes they draft me to be brakeman, sometimes to be switchman. I don't run the trains or put in the ties. Not yet, anyway."

The independent short-line railroad business is booming as major railroads cease operating on unprofitable, short-run tracks and smaller companies form to continue rail service that is vital to farming and other enterprises.

John Dow, 60, vice president of the 73-year-old Washington-based American Short Line Railroad Assn., said the organization has grown to 290 members from 200 a decade ago. There are about 400 short-line railroads in the United States, a quarter of them owned by larger railroads and not members of the association, Dow said.

"Lots of small railroads . . . would have folded if it were not for railroads like the Dakota Line coming in to take up the slack," Dow said. When rail lines have been closed and service not resumed, farmers and other businessmen have been forced to ship their goods by truck, which, in the case of grain farmers, usually costs more.

The Interstate Commerce Commission considers a short line any railroad generating less than $17 million in annual revenue. Some short lines are less than a mile in length, others have almost 300 miles of track. Short lines average 25 to 30 miles and revenue of $1 million.

"Independent short lines are helping the transportation industry continue operation over lines no longer profitable for large carriers," Dow said. "The smaller companies are able to succeed by managing on a more personalized and efficient basis."

Many short lines are owned by shippers and by paper, lumber and steel companies, but a handful are owned by individuals like Jerome D. (Jerry) Ross, Dakota Rail's president.

Ross, 56, a third-generation railroader, began a career on the rails as a teen-ager by shoveling coal on steam engines on the defunct Chicago, Milwaukee & St. Paul Railroad, known in the Midwest by its "Milwaukee Road" nickname.

In the Army during the Korean War, he became a railroad engineer, running ammunition trains from Seoul to Taejon. He returned to the Chicago, Milwaukee & St. Paul line and worked as an engineer from 1956 until 1982, when he quit to become president of his own railroad.

That was the year that the Chicago, Milwaukee & St. Paul company abandoned its 38-mile Milbank-to-Sisseton line in South Dakota. Ross organized a company and paid $606,000 to the railroad for the tracks, stations, all assets and 756 acres of land. In two months, he had Dakota Rail trains operating on the line.

"I just could not see shutting that line down. There were too many grain farmers from miles around dependent upon the railroad to ship their crops to market," Ross said, noting that shipping costs for grain farmers are generally cheaper by train than by truck. Dakota Rail connects with the Burlington Northern's main line at Milbank, and Milbank and Sisseton are important shipping points for barley, a big crop on the northeastern South Dakota prairie, along with wheat, oats and rye.

The track purchased by Ross dated back to the 1890s and was decaying, with miles of old ties and 27 rotting trestles. Ross brought it up to today's standards, and in its first year Dakota Rail moved 168,000 tons of grain on 2,400 rail cars. The railroad had $1.4 million in revenue for the year ended June 30, 1983.

FARM ECONOMY SLUMPS

"We made $75,000 profit after putting $400,000 into the rehabilitation of the line that first year; that included laying 11,000 new ties [and] strengthening the roadbed with 32,000 tons of crushed rock," he said.

However, the farm economy nose dived, and last year the number of rail cars carrying grain fell to 900, revenue sank to $425,000 and Dakota Rail hovered at the break-even point. So far this year, business has improved, Ross said.

Dakota Rail received a $927,000 federal grant from the Federal Railroad Administration, administered by the state, to upgrade the line.

While Ross revitalized the short line in South Dakota, farmers and industrialists in the Minnesota towns of Hutchinson, Silverlake, Lester Prairie, New Germany, Mayer, St. Bonifacious, Mound, Spring Park and Wayzata, to the west of Minneapolis were trying to save their railroad.

When Burlington Northern announced that it was abandoning the 44-mile line serving those nine small towns, former Rep. Ancher Nelsen, 81, a Republican who represented the area from 1959 to 1975, headed a group to keep the trains running. His wife, Elvern, 73, was the organizations's corresponding secretary.

"We kept our eye on Jerry Ross and his operation in South Dakota. We negotiated a deal with Burlington Northern to let Ross come in on a five-year plan," explained Nelsen. He proudly noted that one of Dakota Rail's cabooses was named in honor of his wife and himself, though his wife's name is misspelled *as Alvern* on the rail car.

Dakota Rail was offered the right-of-way from Hutchinson to Wayzata for $100 a year, with the provision that at the end of five years the short line would pay Burlington Northern $2 million for the route, stations along the track and 1,000 acres of land.

If Dakota Rail is unable to meet the payment, the line will revert back to Burlington Northern.

FIRST TRAIN RAN DECEMBER 1

Ross moved his corporate headquarters into the Hutchinson depot in November, and on Dec. 1 Dakota Rail ran its first train in Minnesota. Now Dakota Rail has two divisions, the Western division in South Dakota and the Little Crow division in Minnesota, 130 miles apart.

One engine operates on a South Dakota line and two on the Minnesota line, and Dakota Rail has a total of nine employees who double up in duties. When one division is busier than the other, railroad crews commute across state lines in a car caravan to keep the trains rolling.

Dakota Rail also has four passenger rail cars, and Ross plans to run commuter passenger trains on the Minnesota run within three to five years, providing rapid transit service to those living in the country who work in the city.

"We're getting both divisions on track," said Ross, whose wife, Evelyn, is Dakota Rail's secretary-treasurer. "We expect both to make money. Neither line is going to fail. I don't do things to fail."●

LIABILITY INSURANCE PROBLEMS

● Mr. SIMON. Mr. President, the New York Times had an editorial on the liability insurance problem.

This is a major concern in this country, and it's a major concern in Illinois.

I urge my colleagues who did not see the New York Times editorial to read it.

Exactly what the right answers are is not completely clear to me, but we ought to be searching for them, working with the insurance industry and with all the others affected to improve what has to be acknowledged as not a healthy situation.

The editorial follows:

[From the New York Times, Mar. 4, 1986]

LIABILITY INSURANCE IN CRISIS

In Missouri, loss of insurance forced the closing of a county jail. In New York City it halted the Roosevelt Island cable tram.

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California's Orange County was socked with a sixfold increase in its premium. The police in West Orange, N.J., had to stop patrolling in cars they could no longer insure.

Across the nation, the leap in insurance rates strains local government. Not without reason, insurers are quick to blame fee-hungry lawyers, gullible juries and a public eager to turn misfortune into millions. But the insurers themselves also deserve blame. The legal system and the public's attitude have undoubtedly raised costs, but that hardly explains the lurch in rates that struck about 18 months ago. The insurance companies' predicament was a foreseeable result of their business cycle.

Liability insurance has a "long tail"—the years of legal proceedings between a loss and ultimate payment of damages. That leaves the insurers with huge cash reserves free to invest in financial markets. When interest rates are high or stock prices rise, insurers have an incentive to pile up cash by selling coverage at what look like bargain rates, confident that investment profits will more than cover any losses on claims. When financial markets cool off, the insurers find that reduced investment profits require them to raise premiums and drop riskier types of coverage altogether.

As interest rates soared in the late 1970's, the insurers cast a wide net for cash. In the 1982 slump, when interest rates plunged, they should have raised rates to cover future obligations. But they were still fat with cash, still competing strenuously. Now they are rushing belatedly to drop high-risk customers and raise premiums of those they keep.

Local governments are among the hardest-hit victims. The Aetna Life and Casualty Company, for example, has abandoned covering 400 of them. The Utica National Insurance Group has dropped the 229 it covered in New York State. This is because municipalities stand out as especially risky. Insuring miles of streets and sidewalks always made the carriers nervous. Now there are new horrors: toxic waste dumps, day-care centers susceptible to child abuse, school buildings laced with asbestos.

The insurers are further troubled by the complexity of relevant case law and by statutes that allow injured parties to recover full damages even when governments are found only marginally responsible for any loss. The insurers call for "tort reforms" that would limit the liability of governments, clarify the law and cap the amounts that could be recovered.

Some of those proposals may have merit. But the more urgent need is to smooth out the effects of the insurance business cycle. How could state regulators who police the insurance business protect its solvency and yet guard against such damaging and disruptive crisis adjustments? How can they guarantee coverage for all who need it?

The stocks of commercial liability insurers are rising in value as they raise prices and reduce coverage. But the consequences for local government are deplorable. If insurers want tort reform, let them be required to share responsibility for relieving the stress their business strategies produce.●

REAGAN DOCTRINE FOR INSURGENT WARS

● Mr. SIMON. Mr. President, I recently had the opportunity to read a paper, written by Robert H. Johnson, for the Overseas Development Council. The article presents a critical analysis of the policy of unlimited military intervention in insurgent wars. It suggests some possible alternatives that we should seriously consider. It is a thoughtful and timely commentary and I ask that it be printed in the RECORD.

The paper follows:

ROLLBACK REVISITED—A REAGAN DOCTRINE FOR INSURGENT WARS?

The Reagan Administration's new foreign policy initiative expresses U.S. support in principle for all Third World insurgent movements fighting "Marxist-Leninist" regimes.

Application of this generalize strategy—in Angola, Mozambique, Ethiopia, Afghanistan, Kampuchea, Nicaragua, and elsewhere—could seriously damage American influence in Africa and other parts of the developing world.

The Administration cannot assure that the outcomes of this policy will be consonant with U.S. interest and values—or those of the affected nations.

The new policy signals further shifts in U.S. aid priorities away from development and toward security assistance.

Alternative strategies that merit consideration include: far more selective intervention in insurgent wars, non-intervention in such wars, and negotiated restraints on radical regimes.

After years of opposing Soviet assistance to "wars of national liberation," the United States has proclaimed a new policy of U.S. support to such Third World insurgencies—provided that they are anti-communist and directed against "Marxist-Leninist" regimes under Soviet influence. This is one of the two major new foreign policy initiatives of the Reagan second term. The other, rather paradoxically, is the move toward a less confrontational approach to the Soviet Union.

Congress is inescapably involved in the implementation of this new policy because of its intelligence oversight functions (for covert aid) and its appropriations functions (for open assistance). Moreover, aid to insurgent movements is typically accompanied by increased assistance to neighboring countries that Congress must also approve.

The Third World policies of the Reagan Administration have been driven by a preoccupation with the security threat in general and by a concern with communist involvements in Third World conflicts in particular. The result has been a shift in foreign aid priorities and a neglect of economic development problems. The new Reagan strategy seems certain to accentuate these tendencies.

THE REAGAN POLICY

The Administration has clearly proclaimed its support in principle of anti-Marxist insurgencies. But it has been leery of the efforts of conservatives such as ex-U.N. Ambassador Jeane Kirkpatrick to pin a "Reagan Doctrine" label on the new policy for fear it may restrict the government's freedom of action in dealing with each insurgency on a case-by-case basis.

The Administration has in fact up to now generally pursued a carefully differentiated policy toward Marxist regimes and toward insurgencies directed against them. It has supported insurgencies in Nicaragua and Afganistan. But in Southern Africa, it has continued U.S. support for the putatively Marxist regime in Zimbabwe; it has improved relations with Marxist-Leninist Mozambique; and it has been engaged in serious negotiations with Marxist-Leninist Angola. The Administration apparently has not supported separatist insurgencies in Ethiopia and initially resisted Congressional pressures for aid to the rebels in Kampuchea and Angola. However, by proclaiming its support in principle of anti-Marxist insurgencies, it has generated strong pressures within the executive branch as well as in Congress to conform its actions to its stated principles. Moreover, like some of its predecessors, the Reagan Administration is in danger of taking its own stated "doctrine" so seriously that its principles overwhelm its pragmatism. Factors such as these have apparently led it recently to reverse course and to decide to support the insurgents in Angola and Kampuchea.

The new policy was inspired by an immediate tactical need and by more fundamental concerns. At the beginning of 1985, the Administration had run into heavy weather with Congress over the question of aid to the "contras"—the anti-communist insurgent movement in Nicaragua. It had sought to justify such aid on the basis of a tactical argument—using the contras to interdict arms flows from Nicaragua to the leftist insurgents in El Salvador. It had also sought repeal of the Clark Amendment, which prohibited aid to the insurgent opposition in Angola.

The President put such issues in a broader context in his 1985 State of the Union address with the enunciation of a larger principle:

"We must not break faith with those who are risking their lives on every continent, from Afghanistan to Nicaragua, to defy Soviet supported aggression and secure rights which have been ours from birth. . . . Support for freedom fighters is self-defense."

Later in the same month, the President's appeal was reenforced and elaborated by Secretary of State George P. Shultz in a major speech in which he stated that "our moral principles compel us to support those struggling against the imposition of Communist tyranny."

President Reagan had rediscovered what President Truman had learned almost forty years before—that controversial U.S. actions to aid particular anti-communist forces were more likely to elicit Congressional and public support if justified on larger grounds of principle. In fact, the central principle involved—self-determination—was the same in the two cases. This appeal to principle is credited within the Administration with turning the tide on the issue of aid for the contras and on the repeal of the Clark Amendment, although other factors were obviously influential as well.

The Truman Doctrine was a major statement of U.S. containment policy for the cold war. It enunciated the principle that the United States would defend the right of peoples to determine their own futures when that right was threatened by outside communist forces. Ideological conservatives have always been uncomfortable with such a defensive posture. In the 1950s, they argued for the "rollback" of Soviet power in Eastern Europe. In the 1980s, they are similarly arguing for the rollback of Soviet influence in the Third World—or for what some conservatives prefer to call "containment plus." The Reagan strategy responds to such demands by transforming the Truman Doctrine from a policy of defending "freedom" to one of extending it.

Ideology has always influenced postwar American foreign policy, but it especially

matters to the Reagan Administration. The stakes in the contest with the Soviet Union in the Third World are, from its perspective, more ideological than geopolitical.

The new Reagan policy is also based upon the Administration's perception of a new opportunity. As the Administration came into office in 1981, a number of the Marxist-Leninist regimes that had assumed power in the 1970s confronted military insurgencies. Whereas for much of the cold war the United States had found itself in the position of helping non-communist governments defend themselves against Soviet supported insurgencies, now the United States had opportunities to support anti-communist insurgencies directed against pro-Soviet regimes. It seemed a particularly favorable development—not the least because it is commonly believed to be easier and less costly to mount insurgencies against an existing regime than to undertake successful counter-insurgencies designed to protect a regime.

Scoring "gains" at Soviet expense would reverse the U.S. "losses" that had occurred in the Third World in the 1970s—losses that the Administration attributes to U.S. military weakness and loss of will as well as to a new Soviet strategy. The Soviets have adopted a strategy that aims to transform Third World societies with Marxist leaderships into Marxist-Leninist systems with vanguard, multi-class political parties; an elaborate party-controlled internal security apparatus; and centralized, socialist economic systems. By placing Soviet bloc advisers in key governmental positions, the Soviets have apparently sought to make such regimes heavily dependent upon them. This Soviet strategy is one source of the new U.S. opportunities, since it has often generated strong resistance in the societies affected.

As former U.N. Ambassador Jeane Kirkpatrick has said, "The Reagan Doctrine emerged from the interaction of the idea of freedom and the circumstances that existed when the President assumed office. . . ."

If the Reagan strategy involves a reinterpretation of the Truman Doctrine, it also involves a similar reinterpretation of the Nixon Doctrine. In the wake of the Vietnam War, the Nixon Doctrine sought to limit U.S. commitments in Third World conflicts by making it clear that, while the United States would provide military aid to those fighting communists, it would not engage its own military forces, especially its ground forces.

The Reagan Administration similarly argues that insurgencies will be fought by local forces, but differentiates the new strategy from the Nixon Doctrine on the grounds that the latter "came to be seen as a cover for retrenchment and retreat," whereas the Reagan policy is being initiated in a period of U.S. resurgence.[1] In rhetoric at least, it emphasizes activism rather than adaptation.

GOALS OF THE POLICY

Public statements of the Administration invariably emphasize the ideological goals of the Reagan policy. The U.S. purpose is to support freedom and democracy. The new Reagan policy initative is the conservative counterpart to President Carter's human rights policy.

But democracy and national self-determination are regularly fused by the Administration. For example, one spokesman has referred to the anti-communist insurgencies as reflecting "democratic demands for national independence." The insurgents are "freedom fighters" or "democratic resistance forces." Since, in the Administration view, the "people" are battling alien regimes dominated by the Soviet Union and its agents, the insurgent movements are by their definition "democratic."

This fusion of the principle of domestic self-determination (democracy) with national self-determination reflects a characteristic cold war tendency to see the Soviet Union as the major threat to both democracy and national independence. But this tendency is also explained in the present case by the fact that, contrary to Administration rhetoric, it cannot plausibly be argued that most contemporary insurgent movements are democratically oriented.

If democracy or freedom are the Administration's central ideological goals, the principal national security goal is to reverse what the Administration has seen as the Soviet momentum of the 1970s in the Third World. The goal is to demonstrate that communism is neither inevitable nor irreversible. While some efforts are made by the Administration to argue the intrinsic strategic significance of the areas involved, the principal national security interest of the Administration is to "score" in the great game of politics with the Soviets.

THE SPECIFIC CASES

All of the insurgencies with which the Administration and the Congress are concerned involve forces fighting against self-proclaimed Marxist-Leninist regimes or regimes that the Administration claims are moving in that direction.

Africa: Angola, Mozambique, and Ethiopia

In Southern Africa, the break-up of the Portuguese empire in the mid-1970s led to the creation of Marxist-Leninist governments in Angola and Mozambique.

In Angola, this occurred after a civil war in which the Soviets and Cubans intervened militarily on the Marxist side, and the United States, Zaire, South Africa, and China intervened on the other side. That civil war continues today, with Soviet advisers and Cuban troops supporting the Marxist government and South African troops and aid supporting the rebel group (UNITA) led by Jonas Savimbi. United States aid to the rebels ceased with Congressional approval of the Clark Amendment in early 1976. Now that the amendment has been repealed, the Administration is reportedly giving serious consideration to resuming covert aid.

Mozambique avoided a civil war, but the Marxist regime that emerged with independence has had to battle an insurgent movement that was created and supported by white-rule Rhodesia and that has continued, since Rhodesia became black-ruled Zimbabwe, with South Africa's support. The United States has not assisted the insurgents. The government of Mozambique has had the support of Soviet, Cuban, and East German military advisers.

In Ethiopia, the Marxist government that came to power after the overthrow of Emperor Haile Selassie is confronted by insurgencies with separatist objectives in Eritrea and elsewhere. The Eritrean insurgency, which has a Marxist element, antedates the Ethiopian revolution. The Ethiopian regime is supported by Soviet and East German military advisers and Cuban troops—although Cuba refuses to let its forces fight against the Eritreans with whom it has had long-standing connections. The United States does not, so far as is publicly known, provide support for the insurgents.

The African anti-regime insurgencies are all rooted in regionally based ethnic groups that are battling politically dominant ethnic groups whose leaders have embraced Marxism-Leninism.

Afghanistan.—In Afghanistan, the forces of fundamentalist Islam and nationalism struggle against a Marxist government imposed by the Soviet Union and backed by Soviet military forces. The United States is, in the current year, reportedly providing through Pakistan about $250 million in "covert" aid to the resistance forces.

Kampuchea.—Insurgent forces in Kampuchea, based along the Thai border, consist of a larger and stronger communist element (the Khmer Rouge) and two weaker non-communist groups. From one point of view, they are engaged in the third Indochina War of the post-World War II era, fighting a Vietnamese-installed and backed regime in Phnom Penh. In a longer-term perspective, the conflict reflects age-old historical antagonisms between the Vietnamese and the Kampucheans. Vietnam relies heavily upon assistance from the U.S.S.R. Congress in 1985 authorized up to $5 million to support non-communist resistance forces in Kampuchea, and the Administration reportedly plans a $3.5 million program.

Nicaragua.—In Nicaragua, the insurgency against the Sandinista regime grew out of discontent with the regime's policies and out of U.S. initiatives. The principal component of the insurgent "contras" is led by officers from the National Guard of the hated Somoza regime, which was supported by the United States until it was overthrown by the Sandinistas. Some of the political leadership of the contras is not, however, identified with that regime. The United States supports the insurgents—currently with $27 million per year of non-lethal aid and earlier (until stopped by Congress in 1984) with "covert" military assistance ($80 million between 1981 and 1984).

ADMINISTRATION ARGUMENTS FOR THE STRATEGY

The principal public argument for the Reagan strategy has been that the United States, in Secretary Shultz's words, has "a long and noble tradition of supporting the struggle of people for freedom, democracy, and independence." Moreover, threats to democracy are threats to U.S. security, since "the imposition of Communist tyrannies has led to an increase in Soviet global power and influence . . . in important strategic areas."

The insurgencies, it is argued, are evidence that the Brezhnev Doctrine is dead—that the Soviets cannot act effectively to perserve Marxist-Leninist regimes when they are placed under threat.[2] Insurgencies raise questions about the legitimacy and public support of Marxist-Leninist regimes. They prevent these societies from being fully incorporated into the Soviet's global socialist system.

The Administration argues that the oppressed, because they are fighting for freedom, require only "modest support," whereas it costs the Soviets about $8 billion per year to support counter-insurgency activi-

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[1] See Donald R. Fortier, "U.S. Foreign Policy and Regional Security: Trends and Tools," Remarks to the Dean Witter Reynolds Annual Metals and Mining Forum, February 25, 1985.

[2] Testimony of Richard L. Armitage in "U.S. Policy Toward Anti-Communist Insurgencies," *Hearings, Subcommittee on Foreign Operations, Senate Committee on Appropriations,* May 8, 1985.

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ties in these countries.[3] While such costs are bearable, they are sufficiently large, given the Soviet Union's serious internal economic problems, to become a factor in future Soviet foreign policy calculations. Moreover, it is suggested, the costs to the United States of supporting insurgent movements are modest when compared with the likely long-run costs of defending neighboring countries against the depredations of Marxist-Leninist regimes.

The Administration has regularly argued that democratic governments are much less likely to be a source of U.S. foreign policy problems. Being based in the support of the people, they do not have the legitimacy problems characteristic of nondemocratic societies. They therefore do not require Soviet support to stay in power, and they can associate with the West without threatening their public support. The Administration believes that only basic internal political change can eliminate the threat from regimes like the one in Nicaragua. International agreements to constrain their behavior will not be observed, since governments that do not protect their own citizens' rights will fail to respect their international undertakings.

Supporters of intervention have argues that U.S. support for insurgents is a good way to demonstrate the credibility of American resolve. While the U.S. stakes in the outcome of particular Third World conflicts may not be great, they supposedly test our willingness to respond to Soviet threats in places where important American interests are involved, as in Western Europe or Japan.

A CRITIQUE OF THE REAGAN STRATEGY

There are, of course, many particular arguments against giving aid to insurgents in specific situations. For example, in Angola, aid would identify the United States with South Africa, the major supporter of Savimbi, and would make removal of Cuban forces and Soviet advisers even more difficult. In Kampuchea, it would entangle the United States with a guerrilla movement of which the genocidal Khmer Rouge communist forces are the most important element. And in Ethiopia, it would identify the United States with separatist forces on a continent where separatism of any kind is abhorred by all governments regardless of their political orientation. Here, however, the critique will concentrate on more general points.

The Reagan strategy rests on a Manichean view of the world—a world seen as divided between the forces of light (democracy) and of darkness (Marxism-Leninism). But in fact, movements the United States supports are not as democratic—and the regimes it opposes are not as totalitarian and uniformly Marxist-Leninist—as this view assumes.

None of the relevant insurgencies has a committed democratic leadership. While some of the civilian leadership of the contras may be democratic, any future government led by the contras, would—like all of the "democratic" regimes in Central America except Costa Rica—very probably survive only on the sufference of the military. In Angola, the leader of the opposition, Jonas Savimbi, is a self-proclaimed Marxist (and, while he was receiving aid from China, also a "Maoist") who is essentially a politically effective tribal leader. None of the leaders of other insurgencies even have pretensions to democratic credentials.

The Marxist-Leninist label does not describe anything approximating a uniform political reality. For example—in his 1985 speech at the United Nations—President Reagan did not include "Marxist-Leninist" Mozambique in his list of countries to be liberated, presumably because the regime is rapidly moving away from the extremes of socialism, is encouraging domestic and international private investment, and has actively sought openings to the West. The tendency to accept the labels that these regimes choose for themselves—or, as in the case of Nicaragua, that the United States pins on them—confuses understanding.

Ideologies are often shallowly rooted. In Guyana in the 1960s, the United States covertly supported the "moderate," Forbes Burnham, against the Marxist, Chedi Jagan—only to see Burnham, once in office, turn toward socialism and adopt an increasingly pro-Soviet policy.

It is not clear that the principle of national self-determination is at stake in most of these insurgencies. Except in Afghanistan and Kampuchea, where there have been invasions by external communist forces, the Soviets or their allies did not, contrary to Administration rhetoric, "impose" these current regimes. The Soviets were asked for assistance by governments under external threat—sometimes from groups supported by the United States. As David and Marina Ottaway have argued, the choice of Marxism-Leninism as the official ideology in African states has "without exception" been made "by independent nationalist or military leaders."[4] The Sandinistas were also an independent opposition movement.

The principle of self-determination in any event provides little guidance for U.S. policy in civil wars where the issue at stake is precisely which "self" is the legitimate self—whether one tribe or group or another has the more legitimate right to rule. For such questions there are no objective answers.

Support for insurgencies suppresses powerful, positive forces favorable to the United States. Although leaders of Third World countries may seek Soviet support to maintain themselves in power, in the longer run, powerful forces operate in the U.S. favor. One of these forces is the overwhelming desire of all Third World leaders, of whatever political stripe, to maintain their autonomy. A second such force is the fact that, if such leaders seek economic improvement, they have little choice but to participate in a global economy dominated by the West and Japan; the Soviets have very little to offer them. A third is the essentially conservative, change-resisting character of Third World societies—which limits the capacity of the Soviets to remake them in a Marxist-Leninist mold.

Increased pressure from insurgents is counterproductive because it invariably increases the reliance of these regimes on Soviet bloc aid and counters the effects of these long-run positive forces.

A policy of supporting anti-Communist insurgencies in principle is likely to lead to repetitions of the most fundamental error underlying U.S. cold war policy toward the Third World: the tendency toward universalization. Out of a preoccupation with the U.S.-Soviet competition, the United States is again, as in the past, likely to neglect important local and regional realities. In Angola, it not only tends to view Savimbi as a democrat and to ignore the important ethnic basis of the conflict, but also unrealistically tends to discount the impact of U.S. intervention on U.S. influence among African states.

The Reagan policy is not based upon a clear strategic concept. The new policy is not rooted in any over-arching view of U.S. national security goals and of the best ways to achieve them. Instead, it is a tactical response to anti-Marxist insurgencies and a political response to the need for domestic support for the Administration's Central American policy.

The tendency toward universalism and the absence of a strategic concept have been responsible for a lack of clarity as to specific U.S. objectives in supporting particular insurgencies. Does the United States seek the overthrow of the Sandinista regime in Nicaragua, or only a change in its international behavior? Preoccupation with the Marxist-Leninist threat causes the Administration to fuse these potentially separable objectives. Does the United States hope to bring Jonas Savimbi to power in Angola, or would it be content with a negotiated settlement of the civil war, or simply with getting the Cubans out? It is also not clear what the Administration hopes to achieve by a "scoreboard" approach to these conflicts. There may be some psychological satisfaction in going on the offensive and making gains at Soviet expense, but what do gains or losses mean in such a contest? The intrinsic U.S. security stakes in any one of these countries are minimal or non-existent.[5]

Lack of clarity as to our purposes obsecures the fact that our objectives and those of the insurgents are not necessarily compatible. The U.S. objective in Afghanistan, for example, may be to harass the regime and to pressure the Soviets into serious negotiations. The insurgents, however, expect to win. U.S. aid may make them less willing to compromise, but the United States is not prepared to provide the kind of support that might permit them to achieve power.

Whatever the Administration's goals may be, the prospects for U.S. success in supporting insurgencies are not great. The insurgent forces have no prospect of winning in Ethiopia, Kampuchea, or Afghanistan. They have very dim prospects in Nicaragua, Angola, and Mozambique. In Angola, Ethiopia, and Afghanistan, the Soviets (and, in the first two cases, the Cubans) will certainly outmatch any U.S. effort. For this reason, among others, these are poor places to demonstrate U.S. resolve.

Administration spokesmen have emphasized the very great importance of a U.S. commitment to sustained, long-term aid to any insurgents we choose to support. But given the politically controversial character of such aid, the poor prospects for success in the foreseeable future, and the current federal budget crunch, such sustained assistance seems very unlikely.

It is also very questionable whether support for insurgencies improves the prospects for favorable political settlements. Increased military pressure, as the earlier experience in Vietnam and the current experience in Nicaragua suggests, tends to polarize conflicts and to harden bargaining positions.

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[3] A view attributed to Director of Central Intelligence, William Casey. See Joanne Omang and David Ottaway, "U.S. Seems More Willing to Support Insurgencies," *The Washington Post*, May 26, 1985, p. 1. Another estimate of Soviet costs is $12 billion. *Business Week*, November 11, 1985, p. 85.

[4] David and Marina Ottaway, *Afro-communism* (New York: Holmes and Meier, 1981), p. 30.

[5] For a critique of U.S. conceptions of the security stakes in the Third World see Robert H. Johnson, "Exaggerating America's Stakes in Third World Conflicts," *International Security* (Winter 1985-86), pp. 32-68.

The determination of the United States to undermine certain Marxist-Leninist regimes may coflict with the severe self-imposed constraints on the use of U.S. forces. Among the guidelines on the use of force promulgated by Secretary of Defense Casper Weinberger in November 1984 were following: that vital U.S. interests should be at stake; that U.S. forces should be used only as a last resort; that such use should have the support of the public and Congress; and that the objective should be to win. The potential contradiction between Administration policies is most evident in Nicaragua, where the present stalemate in the war between the government and the contras can probably only be resolved either by U.S. escalation leading to eventual military intervention with U.S. forces or by the scaling down of U.S. objectives.

Fighting a successful insurgent war may prove more difficult and costly than believed. It is probably true, as the Administration claims, that it is easier and less costly to fight an insurgency than a counter-insurgency. However, this view may be unduly influenced by the case of Vietnam. In Vietnam, the insurgents were thoroughly committed to a nationalist/communist ideology, had mastered communist organizational techniques, and were able to exploit the special weaknesses of a society with a tradition of bureaucratic leadership. Even so, it took almost thirty years for the insurgents to win. The insurgencies that the United States might support under the Reagan policy do not have such tactical advantages. Moreover, knowledge of U.S. support for the rebels could undermine their legitimacy and consolidate support for the government.

Claims that this is a low-cost strategy also generally do not take account of the costs of increased aid to neighboring countries (see Table 1). While some of this aid in threatened areas would have been provided even if the United States did not support the insurgents, some of it has become necessary to provide reassurance to countries whose vulnerability was increased by U.S. support for the rebels. Honduras and Pakistan are perhaps the clearest current cases in point. Additional aid may also be needed to deal with the disruptive economic effects of these wars in the regions in which they occur—as in Central America.

TABLE 1.—INSURGENCIES: U.S. AID TO NEIGHBORING COUNTRIES

[Aid authorizations in millions of dollars]

	Fiscal year—					
	1980	1981	1982	1983	1984	1985
CENTRAL AMERICA						
Costa Rica:						
ESF [2]			20.0	157.0	130.0	160.0
Military		0.03	2.1	4.6	9.1	11.2
All aid [3]	15.9	15.3	53.8	218.7	179.0	222.5
El Salvador:						
ESF	9.1	44.9	115.0	140.0	120.2	285.0
Military	6.0	35.5	82.0	81.3	196.6	151.3
All aid	64.2	149.2	264.2	326.8	412.5	575.5
Guatemala:						
ESF				10.0		12.5
Military						.3
All aid	13.0	19.1	15.5	29.6	20.2	98.4
Honduras:						
ESF			36.8	56.0	40.0	147.5
Military	4.0	8.9	31.3	48.3	77.4	72.4
All aid	57.0	45.0	112.0	154.2	172.5	292.0
SOUTH ASIA						
Pakistan:						
ESF			100.0	200.0	225.0	200.0
Military			.6	260.8	300.8	325.9
All aid	58.6	76.8	200.8	539.5	608.1	646.0
SOUTHEAST ASIA						
Thailand:						
ESF	2.0	2.0	5.0	5.8	9.1	8.0
Military	37.4	54.6	80.7	96.2	101.2	102.3
All aid	67.0	65.4	117.0	125.0	143.0	140.3
Global Total (billions):						
ESF	2.2	2.2	2.9	3.0	3.1	4.2
Military	2.1	3.2	4.2	5.6	6.4	5.8
All aid	9.7	10.5	12.3	14.2	13.5	13.2

[1] Estimates.

[2] Economic support fund.

[3] In addition to economic support fund and military assistance, includes development assistance, food aid, and other economic assistance.

Sources: Congressional Research Service Foreign Aid Data Base, Agency for International Development.

Escalation is a danger. A prudent calculation of the potential costs of such a policy must also take account of the prospects for escalation. Every one of the conflicts discussed has already spilled over into neighboring countries. Although, as earlier in Indochina, the United States "seeks no wider way, " it actions to involve neighboring countries could contribute to such a development. Thus if serious attacks were to be launched against regional U.S. allies—such as Honduras, Thailand, or Pakistan—the United States would have little choice but to respond, either directly or indirectly. The danger of escalation is greatest in Afghanistan because of the possibility that the Soviets might launch a large-scale attack on the Pakistani rebel sanctuary and thereby touch off a major confrontation with the United States. The need to deter such attacks becomes a strong argument for additional security assistance to the threatened countries, but such assistance tends to increase the prospects that, should escalation occur, the United States would be deeply involved.

Covert action is impossible; overt action is politically costly. The United States prefers to provide support to insurgents covertly. Covert action minimizes the extent of the U.S. commitment, reduces the extent to which U.S. credibility is at stake, and permits the United States to respond to changing circumstances at minimum international cost. It also eases the political problems of neighboring countries, permitting them to deny involvement with greater plausibility. As much experience indicates, however, truly covert U.S. aid to insurgencies is impossible. That is not only because of America's democratic processes and free press, but also because of the scale of action involved, the extensive involvement of neighboring countries, and the basic contradiction between stating U.S. general policy openly and attempting to implement it secretly.

THE UNDERLYING ASSUMPTIONS IN THE DEBATE

Supporters of the "Reagan Doctrine" are optimistic in the short run, believing that, the United States can, by backing insurgencies, fundamentally alter the politics of societies controlled by Marxist-Leninist regimes. Their long-run perspective, however, is fundamentally pessimistic: They believe that if the United States fails to implement an effective strategy of assistance to insurgent movements in countries with Marxist-Leninist regimes, the Soviets will then make these countries permanent parts of a "world socialist system."

Opponents of the strategy are pessimistic in the short run, believing that the capacity of the United States to effect basic political change in the Third World by this route is extremely limited and that the effort to do so entails high potential costs. But they are fundamentally optimistic about the long run: They believe that, over time, the limited capacity of the Soviets to impose their will is going to be offset (except where the Soviets undertake a military occupation, as in Afghanistan) by Soviet errors and by the developing countries' own built-in resistances to change, their fierce desire to preserve their political autonomy, and their strong craving for the benefits of participation in the global economy.

ALTERNATIVE POLICIES

There are three principal alternatives to a general policy of intervention in support of rebellions against Marxist-Leninist regimes: selective intervention, non-intervention, and a policy of seeking negotiated agreements designed to restrain the behavior of such regimes. The third alternative might be combined with the first or second.

Far more selective interventions in insurgent wars

A policy of selective rather than generalized support for insurgent wars would be based upon the view that the major difficulty with the new Reagan stategy is not the idea of intervention, but the universalization of the policy. Intervention would be undertaken on a case-by-case basis only when truly significant U.S. interests were at stake. The goals of intervention could include any of the apparent goals of the Reagan Administration—e.g., increasing the costs to the Soviets, achieving a political compromise, or overthrow of a regime.

Non-intervention in insurgent wars

A policy of non-intervention in insurgent wars would be based upon some combination of three arguments: (1) that support for insurgencies is politically, financially, or otherwise too costly and the results too uncertain; (2) that in the longer term, the fundamental interests of radical regimes will turn them away from heavy reliance on the Soviet Union and its allies; and (3) that the risks are in any event minimal, since such regimes can, at most, do only marginal damage to U.S. interests. Such a policy might involve nearly total disengagement from such regimes, but it could also, at some stage, involve the use of economic and diplomatic instruments to induce them to turn toward the West.

Negotiated restraints on radical regimes

A policy of seeking agreements with radical regimes to restrain their international behavior would, like a policy of non-intervention in insurgent wars, reject the idea of attempting to overturn, or to produce basic political change in, such regimes as too costly and uncertain. It would, however, be based upon the assumption that, in particular cases at least, such regimes could—if not restrained—do significant damage to U.S. interests. Accordingly, this approach would focus on what matters most to the United States and what the United States probably has the best prospects for influencing: international actions as they affect U.S. interests.

Bilateral or multilateral negotiations would seek to define standards of acceptable and unacceptable international behavior on

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such subjects as the presence of foreign bases and military personnel, border security, support of insurgencies in neighboring countries, and inspection and control arrangements. While U.S. efforts to moderate the domestic policies of such countries would not be ruled out, the United States would not seek basic internal political change. Both pressures and inducements might be used in support of the negotiation process. Pressures might include the threat or the actuality of limited U.S. support for insurgents of such threats might only be implicit.

None of these alternatives is free of difficulties. As the efforts by Congressman Stephen Solarz and Washington attorney Lloyd Cutler suggest, it is hard to develop satisfactory criteria for selective intervention against radical regimes because the U.S. security interests involved generally are minimal, and the relative legitimacy—both international and domestic—of regimes and insurgent movements is often difficult to judge.[6] Insurgencies generated by outright invasions, as in Afghanistan and Kampuchea, are the easiest cases, But even these cases are not free of difficulties.

There is a generally strong case for the present U.S. policy of support for the insurgents in Afghanistan in the short run. However, since it is improbable that either side will give up and unlikely that the two sides will reach a political settlement, in the longer run the United States could face one of two unpleasant choices: (1) continuing support for a war of indefinite duration or (2) abandonment of U.S. support for the rebel forces.

In Kampuchea, on the other hand, aid to the rebels now would entangle the United States in a very complex political situation—without giving the United States any significant capacity to affect the outcome. And it could involve the United States in future conflicts among member countries of the Association of Southeast Asian Nations (ASEAN).

A policy of non-intervention in support of insurgencies would require a kind of patience and sophistication for which it will be difficult to sustain domestic political support, partly because such a policy runs against the grain of American activism. It may appear to involve a stance of merely hoping for changes in the policies of presently hostile societies.

A policy of seeking negotiated restraints on the behavior of radical regimes assumes that such regimes can be brought to see that restraining their revolutionary activism is in their own best interests. It also assumes that it is possible to negotiate effective inspection and control arrangements. Experience with Nicaragua suggests something of the potential problems involved in this approach.

Although each of these alternatives poses dilemmas, there are even more serious difficulties with the new Reagan strategy. It would involve a return to the attitudes and interventionism of the 1950s and 1960s, rejecting the lessons of those decades and ignoring the changes that have occurred since—while threatening serious damage to U.S. influence in Africa and elsewhere. The United States has neither the power nor the understanding to act in support of insurgencies in ways that can assure outcomes compatible with U.S. interests and values, to say nothing of the interests and values of the societies involved.

FAMILY FARM REORGANIZATION ACT OF 1986

● Mr. D'AMATO. Mr. President, I am pleased to join my distinguished colleague from Iowa as an original cosponsor of the Family Farm Reorganization Act of 1986, S. 2231. This legislation will help ease the burden upon this Nation's family farmers as they plod through an unstabilized agricultural economy.

Although the increase in the number of farm bankruptcies is predominantly in the Midwest, it is steadily creeping eastward. New York potato farms, dairy farms, and vineyards, some of which have been in a single family for more than three generations, are now in bankruptcy proceedings. In response to the crisis, the Cornell Cooperative Extension Service has established a hotline, "NY Farm Net," an information and referral system for farm families.

Mr. President, the time for the Federal Government to act is now. The Family Farm Reorganization Act creates a new chapter in bankruptcy law, chapter 12. This new law takes into consideration the uniqueness of the family farmer as a businessman forced into bankruptcy which is not sufficiently addressed by the current bankruptcy laws. The legislation combines some measures of chapters 11 and 13 that benefit the family farmer and certain new features that protects creditors as well. Overall, this legislation is a viable approach to assist family farmers through this downturn in the farm economy.

Mr. President, I urge my colleagues to act expeditiously on this legislation.●

NAUM AND INNA MEIMAN: SENDING A CLEAR MESSAGE TO MOSCOW

● Mr. SIMON. Mr. President, many of us in this Chamber speak out against human rights abuses in the Soviet Union. The ongoing Congressional Call to Conscience gives us all the opportunity to express our concern and disappointment with the Soviet Union's treatment of its citizens. Additionally, many of us make statements on the floor from time to time about specific cases. Our commitment is strong and our message to Moscow is clear: Stop the harassment and violation of international agreements.

Inna and Naum Meiman have the voices of their supporters in the West to tell the world about their situation. As a result of a young Minneapolis woman, Lisa Paul, the attention of the news media and concerned Americans, the citizens of our Nation know about the Meimans. They know that Inna is dying of cancer, that Naum's alleged secret work is 25 years out of date, that the Soviet Government will not allow Inna and Naum to seek medical treatment in the West. The American people now know of the cruel violation of Inna's right to live that the Soviets have perpetrated.

Allowing Inna and Naum to emigrate to Israel would cost the Soviets nothing and win them the approval of world opinion. I strongly urge the Soviets to take the moral step of permitting Inna and Naum to go to Israel.●

STUDENT LOANS

● Mr. SIMON. Mr. President, in the midst of the constant changing of our student loan and grant laws, we are making it less and less likely that many students will take advantage of these grants and loans, and the net result is a great loss to the Nation.

The Chronicle of Higher Education recently had an article on the topic "Many Students Said To Be Confused, Ignorant About Borrowing Money for Their Education," written by Robin Wilson.

I urge my colleagues to read this article.

We are talking about the future of our country, and whether we are going to be as competitive as we should be in the world of tomorrow.

I hope we come up with sensible answers.

I ask that the article be printed in the RECORD.

The article follows:

[From the Chronicle of Higher Education, Mar. 19, 1986]

MANY STUDENTS SAID TO BE CONFUSED, IGNORANT ABOUT BORROWING MONEY FOR THEIR EDUCATION—OFTEN, OFFICIALS HOLD, LENDERS AND ADMINISTRATORS LACK THE TIME AND INTEREST FOR COUNSELING

(By Robin Wilson)

College and university officials are increasingly concerned that students receive little guidance about securing loans for their education and managing their repayments.

Often, the officials say, lenders and aid administrators lack the time and interest to do the job—nor are they required to do it.

Indeed, students frequently receive Guaranteed Student Loans without even speaking to a lender or college official.

The problem is compounded by the fact that most students are unsophisticated in their understanding of debt, aid administrators say.

"Many students don't understand the relationship between paying off their loans and their future," says Norine L. Fuller, executive director of the Fashion Institute of Design and Merchandising. "We find them to be extremely confused. By the time their student-aid package is made up, they don't know if they've gotten a grant, a loan, or College Work-Study."

Aid administrators say students should be better informed of the monthly repayments they will face after leaving college and of the effect that increasing their debts could have on their future finances. That is increasingly important as their borrowing climbs: The average undergraduate is $7,000 in debt upon graduation, and many medical students borrow $30,000 or $40,000—and some as much as $100,000—to finance their education.

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[6] See the testimony of Stephen Solarz in *Hearings*, op cit., p. 13; Lloyd N. Cutler, "The Right to Intervene," *Foreign Affairs*, Vol. 64 (Fall 1985), pp. 96–112.

In addition, administrators say, loan counseling may help curb defauts, which are on the increase. The government's payments on defaulted loans topped $1-billion last year.

"The reason we're having the default problem is that we're not doing a good enough job in describing to students the kinds of income they can expect and what effect a debt burden will have on managing living." Says Frank R. A. Resnick, director of financial aid at Central Connecticut State University.

In light of those facts, many college officials are examining their own role in loan counseling, and some are taking steps to improve their procedures.

NO SENSE OF OBLIGATION

The College Scholarship Service held its first colloquium on student-loan counseling late last year. There, Theodore J. Marchese, vice-president of the American Association for Higher Education, decried the lack of guidance to student borrowers.

"We are routinely party to the putting of $8,000 and $10,000 loan indebtedness on students," Mr. Marchese said. But, he said, students assumed such a burden without "even the least information."

Because administration of the Guaranteed Student Loan program is spread among college officials, lenders, state student-loan guarantee agencies, and the federal government, he said, "no one party to the whole process . . . seems to have a clear sense of obligation toward students for the matter."

Lenders must inform student borrowers of the repayment obligations. But they typically satisfy that requirement by mailing students a statement on the terms of the loans, which some aid administrators say is difficult for students to understand and often goes unread.

Under federal regulations, colleges have no responsibility to help students understand the repayment requirements of Guaranteed Student Loans. Nor are colleges paid for administrative work on the guaranteed-loan program. As a result, few offer counseling sessions, aid administrators say.

A recent study of borrowers in New York State found that fewer than 20 percent of students had met with aid officers to discuss their loan-repayment plans before leaving college. Many graduates said they were unsure of how much they owed or what their monthly repayments would be.

Part of the problem, says Terry W. Hartle, a resident fellow at the American Enterprise Institute, a think tank with close ties to the Republican Party, is that there is little incentive for colleges and lenders to counsel students, since they are not responsible for the debts in the event of defaults.

"You have a program that is administratively decentralized, but all the risk stays in Washington" Mr. Hartle says. Often, he says, colleges are "less concerned with recognizing the debt students are accumulating than they are with just signing up another student."

Likewise, many lenders are eager to hold down their administrative work to keep profits high, other critics charge.

REAGAN ASKS FOR COUNSELING

In his fiscal 1987 education budget, President Reagan proposed requiring personal counseling for Guaranteed Student Loan borrowers. But Education Department budget documents did not specify whether the job would be done by lenders or by colleges. Budget analysts in the department say that would have to be worked out in regulations implementing any legislation enacted by Congress.

Both lenders and college administrators acknowledge the importance of talking with students about their debts, but each side claims the other is mostly responsible.

A group of lenders last month told the House Postsecondary Education Subcommittee that they "strongly suggest that if counseling is to be required, responsibility be placed either with the financial-aid officer or some other party."

They said counseling students individually would be costly and impractical, since some large banks lend to students who live thousands of miles away.

College administrators, for their part, say they have neither the time nor the staff to conduct face-to-face interviews with student borrowers.

"Under the Guaranteed Student Loan program, we're not the lender, and it should be a lender function to do the up-front work about rights and responsibilities," says Paul G. Barberini, director of student financial assistance at Arizona State University.

Regardless of who they believe is responsible, college administrators say that increased attention to loan defaults is forcing them to become more involved in student/loan counseling.

"Schools see the guaranteed-loan program as being in jeopardy, as having a black eye because of defaults," says John E. Dean, a lobbyist for the Association of Independent Colleges and Schools.

A provision in an extension of the Higher Education Act approved by the U.S. House of Representatives also may push colleges to strengthen their student-loan counseling. Under the bill, students at a college could no longer receive guaranteed loans if, among other things, too many of the college's former students had failed to repay.

College representatives acknowledge that aid officers can play an important role in debt-counseling because they are located on campus and meet with students.

"The aid administrator will probably be one of the most crucial individuals, informing students of obligations and making sure they are aware of potential indebtedness," says Richard T. Jerue, vice-president for governmental relations of the American Association of State Colleges and Universities.

Many college aid administrators, however, say their efforts to improve student-loan counseling face a variety of barriers—from thinly staffed aid offices and poorly paid administrators to burdensome federal regulations.

Aid administrators and college representatives cite the following obstacles to increasing their student-loan counseling:

Aid counselors often are underpaid, with a consequent reduction in job motivation and a high job-turnover rate. Aid directors are expected to earn a median salary of $29,639 in the current academic year, according to a survey by the College and University Personnel Association, placing them among the lowest-paid administrators.

Low pay discourages aid officers from taking on extra duties such as loan counseling, says Kurt Kendis, a senior project manager at the Wharton Applied Research Center, who has researched student-loan issues.

At community colleges, aid administrators say, the salary problem is even worse, since their pay is usually below that of their counterparts at four-year institutions.

Gene S. Miller, student-aid director at Pasadena Community College, says five of the college's six aid counselors quit last year. The turnover decreased the office's effectiveness, she says, because new administrators had to spend hours learning the regulations and other procedures surrounding the aid programs, leaving them little time to spend with students.

Aid offices are understaffed and counselors don't have time to talk with student borrowers.

According to a 1984 survey by the National Association of Student Financial Aid Administrators, over half of all aid directors worked in offices with only one other full-time or part-time aid administrator. Only 17 percent of the directors had professional staffs of four or more.

Aid officers must follow cumbersome federal regulations governing other student grant and loan programs, reducing their ability to focus on loan counseling.

"We are annually audited [by the Education Department] on Pell Grants and biannually on campus-based aid programs," says Ms. Miller. "That is a lot of liability held over your head, so you are going to take what administrative time you have to run those programs as well as you can run them."

In addition, under an Education Department directive, aid officers must verify whether information submitted on student financial-aid applications is correct.

"The department constantly puts aid officers through the hoops of verifying and validating student-aid information," says Mr. Jerue of the American Association of State Colleges and Universities. "While they are doing that, they are not making sure that a student has the most up-to-date aid information."

ETS HAS COMPUTER PROGRAM

Despite such problems, some colleges are moving to establish new ways to help student manage their borrowing and plan for repayment.

Over 200 institutions have purchased a computer program designed by the Educational Testing Service that serves as a student-loan counselor. It calculates a student's monthly loan repayments and figures them as a percentage of the student's future income, based on the type of job the student plans to seek.

Hundreds of colleges are using a five-minute music video, produced by the Fashion Institute of Design and Merchandising, that shows students how repaying their loans can enhance their credit rating and improve their ability to secure additional consumer financing.

Colleges in Massachusetts have joined with lenders and the Massachusetts Higher Education Assistance Corporation in a project to educate students on the ins and outs of borrowing. The project begins with students in junior high-school and spans their graduation from college.

"Financial debt-management programs won't prevent increasing debt burdens," says Sylvia Q. Simmons, senior vice-president of the Massachusetts corporation, which guarantees loans to lenders. "But they will give students the skills to manage their budgets and really understand completely and fully the loan obligation."●

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TRIBUTE TO LEONARD AND NELLIE ANDRUS

● **Mr. LEAHY.** Mr. President, as you know, I am in the habit of bragging from time to time about my home State and the unique devotion to the principles of true democracy observed in Vermont.

Vermont's traditional town meetings represent everything the framers of our Constitution envisioned when they drew up that historic document.

My first experience in government was to attend a town meeting as a boy. I marveled then, and I still do, at the simple eloquence and beauty of communities of Vermonters gathering to govern themselves and elect representatives to carry out their wishes.

A story that appeared in the Burlington Free Press on March 3 of this year tells about Leon and Nellie Andrus who have served their community together for 33 years.

I hope you all take time to read it. It will teach you something about our special state, and the people who live and work there. Andy why I take such pride in representing the people of Vermont here in Washington.

The article follows:

Wolcott Clerk Retires After 33-Year Stay

(By Nancy Crowe)

Wolcott.—When Nellie Andrus became town clerk 33 years ago she was given the town books and nothing more—not even a pencil.

The office was in her living room, which suited her just fine since she was also busy raising 2-year-old Edward and 3-year-old Alice. Leaving her children to go to an office was the furthest thing from her mind, and she never learned to drive a car.

Tuesday's town meeting will be the first time in 33 years that Mrs. Andrus, 66, will sit beside her husband, Leon, 68, instead of in her place on the Town Hall stage.

She had been married just a year and was not yet a legal resident of Wolcott when her husband was elected Wolcott town clerk. Mr. Andrus was working at a garage and, he explained last week, "I got elected on the strength that she was going to be the one to do the work." Mrs. Andrus, with experience as a bookkeeper, was appointed her husband's assistant and ran town affairs out of their small home on Main Street.

On May 21, 1953, Mr. Andrus was appointed Wolcott postmaster, and town selectmen appointed his wife town clerk. They both held those positions for 33 years, retiring this year.

Wolcott has changed in the past three decades—the village and outlying town, the tone of town meetings, and the town clerk's and postmaster's office. In 1968, after years of discussion and persuasion, a town clerk's office was built.

Her children had graduated from high school by then. Mrs. Andrus walked each morning to her office, just after her husband had left for his and the breakfast dishes were done. His office was three buildings away from their home, hers was five. At lunchtime, she would stop by at the post office and they would walk home together.

The ritual drew attention from many, including local poet David Budbill, who was inspired by the routine and by Mr. Andrus' Lower tending to invent a similar couple in his "Chain Saw Dance." The book reflects mannerisms and lifestyles of a number of Wolcott residents.

Little by little, the Wolcott town clerk's office, spurred by the Andruses, crept into the modern age, adding a calculator and a copier although town selectmen initially were reluctant to pay.

When we took over the books, there was no equipment just books, not even a pencil. No typewriter or adding machine, although after awhile we got a secondhand portable typewriter that was so small you had to fold over the margins to get the paper in. There was always this pressure of not needing an office or equipment," Mrs. Andrus recalled.

When Mrs. Andrus finally moved into her new office and began planning for a new phone, one selectmen, she said, "asked me what I needed a phone for. Honestly, it was like that then, that's just an example of what I had to fight for to get the place the way it is today. Although within the last few years, the selectmen have been very cooperative."

When Mr. Andrus became town clerk, 40 townspeople would show up at town meeting, in a good year. Today that number is closer to 150. There are three times the number of mailboxes on the rural delivery route and three times the number of tax bills sent out each year.

"Discussions at town meeting have changed," Mr. Andrus said. "People try to be more businesslike. They're more refined now, although they still criticize. It used to be that a lot of people would go to town meeting just to hear the arguments."

In the late 1940s when the Andruses moved into their village home, everybody who wasn't a farmer lived in the village. The village boasted three stores and two garages. Several dozen small farms surrounded the village and eight schools were scattered around the town.

Today, there is just one store, with gas pumps outside. Most people shop at the supermarkets six miles away in Morrisville.

The traffic on Main Street—Vermont 15—has increased dramatically, so much that Mr. Andrus said, "Lots of times I wish we had this much traffic when I had the garage."

There are just a half-dozen farms left. Most have been converted to building lots. And the schools have centralized at the Wolcott Elementary School in the village, which has seen two additions.

School directors are considering building a new school.

Mrs. Andrus described the job of town clerk as one that "gets to be a part of you. It's a job you don't go away from easily. Things are always coming up and you don't know what's going to happen next."

The Andruses have never traveled much except to an occasional national postmasters' convention because, Mr. Andrus explained, "It was always so hard to pull Nellie away from her job."

Now they are talking about a leisurely drive to Texas for the summer postmasters' convention. And Mrs. Andrus figures she'll do a bit more walking.

"Only this time," she joked, pointing away from the town clerk's office. "I think I'll walk the other way."

MORE INFORMATION ABOUT FOOD INGREDIENTS COULD SAVE LIVES

● **Mr. CHAFEE.** Mr. President, I was shocked and saddened by last month's news reports of the death of a Brown University student due to an allergic reaction to a meal eaten in a restaurant. On February 18, Katherine Brodsky, who suffered from an allergy to nuts, fell ill minutes after eating chili which had been seasoned with peanut butter.

What makes this story so tragic is that it could so easily have been prevented. What makes it so frightening is that every person who suffers from a food allergy runs the risk that what they order in a restaurant may contain an ingredient they cannot tolerate.

This is because—under current FDA interpretation of the Food, Drug and Cosmetic Act—restaurants are not required to disclose the ingredients of the dishes they serve.

In the case of packaged food bought at a grocery store, consumers with food allergies are protected by the list of ingredients that must appear on every label. Most allergy sufferers are practiced in examining ingredient lists, since—more often that not—the only treatment for their sensitivity is to avoid the food in question.

What protection does this person have, then, when he or she eats out? Ingredient information must be sought—and is frequently impossible to obtain. Anyone who has ever tried to find out exactly what is in a meal ordered in a fast food restaurant, for example, has undoubtedly encountered this problem.

And sometimes, ingredients are so unexpected that even a person with a well-established practice of avoiding certain foods would never even think to ask. For example, some people are allergic to corn syrup, a commonly found sweetener. But who could anticipate that some restaurants use it in making french fries?

Ingredient information for all types of food should be reasonably accessible, and I will soon be introducing legislation to help achieve this goal. My intent is not just to make this information more available for restaurant food, but—more generally—to highlight the vital importance of knowing what we are eating.

Protecting those who suffer from allergies is just one of many reasons to provide consumers with information about the ingredients of food served in restaurants. All consumers need this information in order to make wise choices about the food they eat. Nothing could be more basic to our collective health. ●

MAYO'S EXPANSION PLANS

● **Mr. DURENBERGER.** Mr. President, I am proud to have in my home State of Minnesota an institution which is an acknowledged leader in the U.S. health care field—the Mayo Clinic.

I am also proud to see that Mayo is continuing its role as leader and an innovator: The Mayo plans to make its research, educational activities, and health care services available to more people than ever before through an expansion program that will make it the largest private medical center in the world.

As a recent Business Week article explains, Mayo is opening branch clinics in Florida and Arizona and will become a truly nationwide provider of health care. Other large providers plan to follow Mayo's lead.

As providers of this size and reputation expand the variety and location of their services, the real beneficiary of these changes will be the patients. For example, there are already 2,000 people on the waiting list for appointments at the new Jacksonville branch of Mayo: this tells me that when economic factors force providers to compete for patients, they will ultimately be successful by providing those patients with efficient, quality care.

Mayo already knows this: as it expands to new locations, it will introduce into the local environment not only a new competitive atmosphere but also a standard of excellence in patient care around which that competition will revolve. Mayo is demonstrating that quality medicine can be cost-effective.

I ask that the "Business Week" article be printed in the Record.

The article follows:

[From Business Week, Mar. 24, 1986]

Even the Elite Clinics Are Shopping for Patients

(By Mary J. Pitzer)

Since the turn of the century, the Mayo Clinic has been at the pinnacle of U.S. health care. Some 4 million patients—including Muhammad Ali and Chief Justice Warren E. Burger—have beaten a path to Rochester, Minn., seeking everything from a routine physical examination to a cure for cancer. But suddenly the venerable clinic is finding that it can no longer afford to wait for patients to seek it out. Mayo has embarked on an expansion program that will make it the world's largest private medical center and a nationwide provider of health care.

Mayo is one of a handful of elite clinics that are finding they must change to survive in the new, hotly competitive, and cost-conscious health care market. Faced with predictions that just 10 to 20 corporations—so-called SuperMeds—will provide the bulk of the nation's health care by the 1990s, these physician-run clinics are branching out far from home to draw new patients. And many are creating their own health maintenance organizations (HMOs) to tap into the medical insurance market. These days, says Dr. William S. Kiser, chairman of the Cleveland Clinic Foundation's board of governors, "everybody must appeal to the consumer. Economic realities are driving the change."

The private clinic play an important role in U.S. health care. They are known for their high quality of care, which they attribute to the fact that they are managed by specialists who pool their expertise and resources. And they have become major centers of medical research. The Mayo Clinic organized the first such group practice and it established the nation's first graduate school of medicine in 1915. That made it a model for many others. The Alton Ochsner Medical Institutions in New Orleans has the largest non-university teaching facility in the country, with 200 residents in training. The Cleveland Clinic pioneered heart bypass surgery and artificial hearts.

Not surprisingly, the Mayo Clinic has the most ambitious plans of all. On Mar. 3 it announced that it would merge in July with the two hospitals in town, St. Marys and Rochester Methodist, to which it had long referred its patients. The merger will make the complex the world's largest private medical center, with 830 physicians admitting 1,000 patients a day. By bringing it under a single management, Mayo hopes to cut costs and streamline operations.

In addition, Mayo is building branch clinics in Jacksonville, Fla., and Scottsdale, Ariz. Centered in high-growth areas with large elderly populations, each will draw patients from a 500-mi. area. Because it marks the first time a major clinic has expanded into a distant location, the step is "a very significant development," says health care consultant Dr. Paul M. Ellwood Jr.

Cloning the clinic may not be easy, however. Branch operations "tend to develop a life and culture of their own—they become different organizations," warns Frederick S. Fink, president of the Federation of American Clinics. And Mayo has already sparked the ire of local physicians, who stand to lose patients. The atmosphere is particularly tense in Florida, where a state law was changed last year to let Mayo physicians take only an oral test in their specialities, instead of a lengthy comprehensive exam, to obtain a state license to practice. "We welcome competition, but not unfair competition like that," says Dr. Luis M. Perez, president of the Florida Medical Assn.

RESISTANCE

Mayo doesn't seem worried. Although its new operations will be dispersed, the clinic intends to hold the organization together through sophisticated telecommunications. Each clinic will initially be staffed by about 30 Mayo-trained physicians who will be able to consult with other experts in Rochester. As the branches grow, "significant programs in education and research" will be transferred there, says Dr. W. Eugene Mayberry, chairman of the board of governors.

Mayberry is confident that the clinic's reputation will draw patients, despite resistance from local doctors. Traditionally, only 20% of Mayo's patients are referred to the clinic by their doctors. And already 2,000 people are on a waiting list in Jacksonville for appointments. "We feel we have some advantage because we will be the only one of the national providers that is physician-directed" says Mayberry.

As in the past, other large clinics are following Mayo's lead. The Cleveland Clinic is considering setting up a group practice in Fort Lauderdale, Fla., and it may open similar branches abroad to augment its already booming business of treating wealthy foreigners (King Hussein of Jordan is one of its more prominent patients). Ochsner plans to open a satellite in Baton Rouge, La., in July and is eying the market in the Florida panhandle.

ECONOMIC IMPERATIVES

Although other top clinics are too small to make such big moves, they are expanding on a more modest scale—in a range of 10 mi. to 150 mi. Lovelace Medical Center in Albuquerque opened a branch in Gallup, N.M. Park Nicollet Medical Center in Minneapolis, which has 18 branches in the Twin Cities, has affiliated with independent physicians to extent its reach.

Several prestigious clinics banded together two years ago to form the Federation of American Clinics with 14 members, including Dartmouth University's Hitchcock Medical Center and the Scripps Clinic in La Jolla, Calif. With combined revenues of more than $3 billion, the federation hopes to reduce members' costs through group buying. But it also plans to start a for-profit venture to help physicians form group practices. And it wants to make deals with health insurers to develop a nationwide network of high-quality clinics that patients can use wherever they travel.

Because new medical insurance programs such as HMOs are locking patients into certain doctors and hospitals, the clinics are worried that they may be left out. So a number of clinics are setting up their own HMOs and insurance schemes to hold on to their local patients. The Cleveland Clinic is trying to interest insurance companies and employers in using a health care plan it developed that relies on area doctors and the clinic's specialists. Last year. Ochsner launched its own HMO to head off a wave of major HMOs invading New Orleans. Some clinics that have experience running HMOs are helping other groups start theirs. Park Nicollet, for one, started a management company last year to operate HMOs for other clinics around the country, including one for the Virginia Mason Clinic in Seattle.

Such moves may well be an economic imperative for the clinics. But the real test will be whether they can expand and maintain their carefully cultivated reputations for excellence. Mayo, of one, has no doubts that it is equal to that task. Says Mayberry: "We don't want to be the biggest of the systems that are going to evolve—we simply want to remain the best." That may be the biggest challenge.●

KOREA'S SEARCH FOR DEMOCRACY

● **Mr. HART.** Mr. President, over recent months, all Americans watched with admiration as the Filipino people marched peacefully and courageously toward democracy. We all know the risks that accompanied that march and accompany it still. Extreme and often violent forces at both ends of the political spectrum threaten to polarize progress toward consensus and unity. Yet the Filipino people have resisted such forces, and their prudence offers great hope that the Aquino regime will successfully meet the difficult challenges that lie ahead.

Today there is another development in the Pacific Rim that we should

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monitor with equal hope and concern. I refer to the challenges our friends in Korea face as they struggle for a peaceful transition to democracy.

Recent developments in South Korea indicate the dramatic emotions and tensions at work within their society. There have been an increasing number of antigovernment demonstrations by opponents of the Chun regime. And there has been a concerted effort on the part of Korean opposition leaders to demand a greater role in the country's electoral process.

Turbulence of this kind would be noteworthy in any nation. But in South Korea, these events assume direct importance for our own Nation's security and interests. South Korea is one of our staunchest allies. Her political fate is of central importance to our foreign policy, our military strategy, and America's overall interests in peace and stability throughout the Pacific Rim.

No one in this chamber disputes the fundamental importance of stability in South Korea. We all understand the overwhelming dangers which Koreans face daily in protecting their country from the threat of invasion from the North. We know that internal insurrection in Korea could well encourage Communist forces hostile to Korean and American interests. And we all share an iron resolve to avert such developments.

These external challenges to South Korea do not diminish the importance of the internal challenge that lies ahead for South Korea. To safeguard their own security and stability, the Korean people will require a political environment which is legitimate and fair. History demonstrates that the best guarantor of security—the most enduring environment for stability—is democracy.

America has watched the economic transformation of Korea in the postwar era with pride. The country has truly earned the title of "Asia's Economic Miracle." It is now time for South Korea to develop a political structure in line with its economic modernity—a political structure truly reflective of the international status the country has attained.

Mr. President, the key issue in South Korea today is how to achieve democracy peacefully. The opposition parties in Korea are trying one method: organizing a petition campaign to urge the government to permit direct elections of leaders by Korean citizens. The opposition objects to an electoral system in which voters select an electoral college comprised of candidates whose views are not publicly known and who are not widely perceived to represent the will of the people.

The opposition, therefore, asks for the right to have direct, open elections. Careful to avoid extremism in any form, responsible opposition leaders are asking for no more than the right to be heard—and to have their views judged openly and fairly by their fellow citizens.

I urge all those in the Congress and in our executive branch to pay close attention to the current developments in South Korea. We should help in whatever way we can to encourage the opposition parties to pursue a prudent and peaceful course. and we should also use our influence to encourage President Chun and his ruling party to listen closely to the urging of his people when they ask for a greater voice in the political process. For President Chun to delay the debate over democracy in Korea would be akin to resisting the tides of a mighty and bountiful sea.

Finally, I would urge our own leaders and representatives—especially our Ambassador in South Korea—to take the opportunity to talk directly with opposition leaders. Without prejudging the legitimacy of any group's demands, such a dialog would help inform and guide our understanding of the challenges ahead for South Korea.

Mr. President, I recently had the opportunity to meet with one of Korea's opposition leaders, Mr. Sang Hyun, Kim. The former chief of staff in Mr. Kim Dae Jung's 1972 presidential election campaign, Mr. Kim has been banned from participation in the Korean political process for 15 years. Jailed for over 4 years, Mr. Kim has since lived a life of official political exile. His so-called crimes represent nothing more than his commitment to the nurturing of democracy in Korea, based on the ability of all Koreans to have a voice in the election of their government. Mr. Kim's courage and quiet resolve are an inspiration to all of us who stand for the ideals of liberty, equality and justice—all of us who hope for peaceful progress toward democracy in Mr. Kim's homeland.

I ask that Mr. Kim's remarks before the Harvard University Korea Colloquium in February be included in the RECORD.

The remarks follow:

DEMOCRACY AND THE ROLE OF OPPOSITION PARTIES IN SOUTH KOREA

(By Sang Hyun Kim)

Ladies and Gentlemen, I am deeply honored to be a guest speaker of the prestigious Harvard Korea Colloquium this evening. I would like to thank Professor Vincent Brandt and Mr. Edward Baker for making this possible.

This evening I would like to take this opportunity to share my thoughts with you about the role which we, the opposition political parties, can play in the restoration of democracy in South Korea. Before I get into the main points, I want to share my personal political experiences with you. This is not for the sake of a flattering self-introduction, but for the better understanding of political reality in Korea.

During the thirty years of my political career, I have experienced both joy and sorrow in fighting for democracy in Korea. I can still remember that moment of enthusiasm when I worked as the chief of staff for Kim Dae-Jung's 1971 presidential election campaign. As you might know, we nearly defeated the late President Park. For the most part of my struggle for democracy, however, sorrow and setback prevailed.

Since 1972, I have been a political prisoner. I was put in jail for four years and three months. My fundamental civil right to participate in political life has been banned for the past fifteen years. The only crime I know of is that I worked hard for the restoration of democracy in Korea. During this long internal political exile, I suffered greatly from torture, imprisonment, and personal humiliation. The most painful was the artificial isolation from real politics. But the isolation taught me new lessons. Through this period of personal suffering and anxiety, I learned how to examine and analyze political realities more objectively, without being a prisoner of my emotions.

Following World War II, over a hundred countries in Asia and Africa have gained independence. All of them had common goals: nation-building and the realization of democracy. Very few, however, were successful in achieving these goals. Their endeavors turned out to be the deepening of authoritarianism and national disintegration. Unfortunately Korea was not an exception to this rule. Our lofty ideals ended in a vicious circle of political decay and authoritarian regimes.

Several factors explain the erosion of democracy in Korea. Firstly, the division of the Korean peninsula brought about a negative legacy impeding the development of democracy in Korea. Constant military tension between the North and the South has allowed dictators of both Koreas to create a political mythology of national security. The enactment and sustainment of the Anti-Communist Law, and the National Security Law reflect an aspect of taking advantage of a precarious security situation for the regime's political survival. In fact, under the name of national security, many dissidents were branded and prosecuted as communist sympathizers.

Secondly, the divided Korea inevitably brought about the emergence of the military as the largest and the most powerful institution in Korea. Since Park's military coup d'etat in 1961, its appetite for political power has known no limits. This had resulted in chronic intervention in civil politics. It is this military intervention in politics that has systematically blocked the development of a democratic policy in Korea.

Thirdly, the state-guided capitalism, which emerged out of a subtle alliance between the military, technocrats, and big business, has posed a serious obstacle to the fulfullment of democratic ideals in Korea. It is true that the state-guided capitalism has achieved a remarkable economic growth. But this growth has been at the expense of equal distribution of wealth and income. Wages have been deliberately kept at minimum in order to make Korean exports competitive in the international market. As a result, profits were not distributed fairly to the workers, but were instead shared by the industrial magnates and the military dictatorship in disguise. The unequal distribution of income and wealth, an unavoidable byproduct of export-led economic growth policies under authoritarian regimes, has undermined political and social bases of democracy in Korea. As long as a triple alliance involving the military, technocrats, and big

business remains dominant, the future of democracy in Korea is uncertain.

Fourthly, the erosion of democracy in Korea can be attributed in part to the absence or weakening of critical functions of the mass media. Since the early 1970s, the media has been co-opted by, and has succumbed to, government coercion and appeasement. To put it more bluntly, the mass media has become the handmaiden to the dictatorship. There has been absolutely no objectivity and balance in the news media coverage. A recent nation-wide boycott movement of the KBS, a national TV station, illustrates the people's discontent with the unfair and dysfunctional mass-media.

Fifthly, the lack in institutional counterbalance to the enormous power of the central government is in general, yet another major barrier to the development of a democratic Korea and is also, in particular, an impedement to the effective functioning of opposition parties. Decentralization of power through the viable system of local autonomy is a pre-requisite to democracy. But we lack such an institutional mechanism, making the path of democracy all the more difficult.

Finally, the personification of power, a common tendency among the Korean leaders, is another obstacle to democracy. Political leaders in Korea have traditionally identified themselves with the state *per se.*. This political narcissism has made them treat political opposition as anti-state, if not treason. Especially, "military-turned" politicians have customarily regarded politics as military operations. In this conception of politics, opposition parties are treated as if they were an enemy to be crushed. It is this military mentality which has encouraged and continued the politics of extreme confrontation, eventually undermining potential for democracy.

While these inhospitable conditions have barred the evolution of democracy in Korea, we, the opposition parties, are not without problems. We are also facing several challenges in realizing our solemn duty of democratization.

The first challenge is the ceaseless attempts by the ruling regime to fragment and weaken the opposition bloc. Taking full advantage of any minor factionalism, the ruling regime has effectively penetrated and fragmented the opposition coalition by the politics of co-optation and manipulation. These actions represent the true intention of those in power who do not welcome the institutionalization of political competition.

We also have the problem of political funds. The marriage of convenience (or necessity) between political power and capital has made it very difficult for the opposition to tap the business community for much-needed political funds, if not impossible. Moreover, the ruling regime's political retaliation has prevented a good number of businessmen from contributing funds to the opposition. As a result, the ruling coalition is soaked in abundance, while the opposition suffers from the acute shortage of funds.

Worse is the prevalent factional politics within the opposition bloc which has weakened its structural capability. The oppositional political parties are organized around factional leaders, rather than around the issues and the policies that are dear to the hearts of the Korean people. Consequently, confrontations between and within the opposition parties rarely involve issues; rather, they are more often conflicts over particularistic interests such as localism or personal allegiance to factional leaders.

Perhaps you can now understand why we are divided, why we are in dire need of political funds, why we are unable to recruit capable new blood, and why we are often amiss in our policy recommendations and proposals.

However, despite these structural weaknesses, the opposition parties in Korea have not only intensified their critique of the ruling regime, but have also attempted to consolidate their internal unity. Ironically, this positive movement has been a result of pressure and expectation from the bottom, the people. Nonetheless, recent events indicate a reversal of this trend, in which people's expectations are ignored, and the politics of fragmentation is revived.

It is no wonder, then, that South Korea's opposition parties functioned in the 1970s and the early 1980s as an ornament of the dictatorship. No wonder they were popularly derided as "the day-time opposition that becomes pro-government by night." This hypocritical dualism has given birth to the rise of a coalition of new oppositional forces comprising of students, religious leaders, independent labor, and intellectuals. To be candid and correct, I should note that the democractic movement in the 1970s was led not by the opposition political parties, but by these forces which were not constrained by institutional politics. These new oppositional forces united under the name of "minjung (the people)" were theoretically mature in their struggle for democracy. Being a part of this new movement, I have learned that the true democracy emanates from the people.

The Korean people's passion for democracy was tragically demonstrated by the Kwangju incident in May, 1980. I believe that this tragedy is attributable at least in part to the inability of the politicians to accommodate the intense popular desire for democracy within the political arena.

The Kwangju tragedy was not futile, however. The surprising result of the last year's general election confirmed the living spirit of those who fell on the altar of democracy in Kwangju. Despite having the advantage of utilizing the government machinery and abundant political funds, the ruling Democratic Justice Party won only 35 percent of votes, while the opposition parties accounted for 65 percent. What is interesting to note is the fact that the New Korea Democratic Party, which was born a month before the election, drew the largest support from the people. By any standard, it was a miracle in the history of Korean politics. I am proud that I was one of the key architects behind this miracle. For me, however, it was not a miracle of spontaneity, but rather an outcome of a prudent assessment of political reality and careful campaign planning. I learned another lesson through the election: objective assessment and systematic planning can bring people together and outstrip the ruling regime under any circumstances.

Ladies, and Gentlemen, in view of all this, I have come to the conclusion that the restoration of democracy in Korea requires a new political leadership. This new leadership should possess several unique qualities and capabilities.

I believe, first of all, that new political leadership should be able to balance ideals with reality and to subscribe to the principle of responsible politics. The politics of accountability negates the politics of slogans and extremism. It advocates reasonable criticisms which are followed by alternative ideas and proposals.

Secondly, a new leadership has to create a climate of dialogue and compromise. I understood that democracy, especially liberal democracy, is the process of muddling through, bargaining, logrolling, and accommodation. We cannot reach the final destination of a true democracy without going through this incremental interactive process. Even angelic ideas sometimes require a compromise with evil for their realization. Resorting to dialogue and compromise should not undermine our ultimate goal of democracy, however.

In the opposition circles today, extremism tends to prevail over moderate positions which favor dialogue and compromise. Radicalism may be emotionally soothing, but it cannot advance our society and politics. Some politicians who advocate dialogue are often branded as "sakura" (gray opportunist in Japanese). Such people are willing to compromise everything, including principles. What I am emphasizing here is a flexibility and resilience in methods, but a firm adherence to principles.

Thirdly, we, the opposition parties, must free ourselves from the traditional obsession with status and hierarchy. We should restore a truly democratic climate in inter- and intra-party relations. This is the first step in regaining the people's trust and respect. At the same time, the opposition bloc should come up with a set of viable tactics and strategies to deal with the ruling regime.

When we survey the history of opposition politics, we can note that overthrowing dictatorship is simplistically identified with the restoration of democracy. Those who advocated the violent overthrow of the dictatorial regime by rejecting the possibility of co-existence, however, turned out to have tacitly recognized the legitimacy of the regime. I submit that we have reached the point in history where the democratic movement cannot bear fruit by advocating such violent notions as an overthrow. Violence begets violence. Staging a zero-sum struggle of all or nothing will injure all parties concerned. We have to opt for what is realistically attainable, although it may be second best to what is most ideal.

Fourthly, we have to provide graceful exit for those who are in power. The current leaders in power fear political vendetta in the event of their fall. The present constitution, which stipulates indirect presidential elections, serves as a safeguard for their survival. It is from this background that they are dead set on protecting the existing constitution and ignoring the popular demand for a constitutional amendment for direct presidential elections. The confrontation between the ruling regime and the opposition forces over the issue of constitutional preservation or amendment is posing a serious political dilemma. This dilemma may erupt into violence and bloodshed, and lead to the useless sacrifice of thousands of lives. The only solution to this dilemma is to enable the current leaders to retire honorably. This may entail a campaign to help them restore their human conscience and return to the march of history. In other words, we, the opposition forces, should tame, rather than confront, a wild beast.

Equally important, however, is the restoration of honor and compensation for the victims of the Kwangju incident. We all know that they were not communist rebels. They were simple citizens who were concerned about the future of democracy in Korea. The only crime they committed was their intolerance to the repressive political

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climate. Along with the graceful exit of those in power, the discussion of the status of the Kwangju victims should be an important agenda of the constitutional amendment

Ladies and Gentlemen, I often hear that, in Korean politics, there are political tacticians but no political strategists. We have to remember that we cannot win every battle before we win the war, and truly, we do not have to. The history of Korean politics teaches us that those who have won political battles tactically were not necessarily ultimate victors. To win a war for democracy, our ultimate goal, we have to carefully weigh the implications of every tactical success and failure for the overall strategy. Tactical gains through extremist rhetoric and sporadic resort to violence often inflict greater cost to our large scale goals.

We have to leave behind the unfortunate past when the regime and the opposition alike did not budge an inch from their respective objectives, only to bring about the worst possible consequences. We have to expand our popular support and use it as a leverage in pursuing dialogue and bargaining with those in power. We have to offer the regime not only a face-saving rationale, but also incentives for them to participate in constitutional politics.

I have a dream: a dream of becoming a bridge which can lead the people to the path to democracy. I dream of becoming a tool which can mend and heal the fractured pain of our society and pave a way for the restoration of democracy in Korea. This restoration is the historical necessity, and it is the only way to ensure the peaceful and prosperous co-existence of all Koreans. To know and to put into acting the historical necessity constitutes the wisdom and the prerequisites of political leaders in Korea.

For the past two and a half decades, debates over the fundamental democratic principles have exhausted all of us. We should graduate from this infantile dispute. It will be shameful to the generations to come if we, both ruling and opposition forces, do not restore democracy now. I again emphasize that democracy is a historical necessity. Time has come. We cannot delay it any longer. We should realize a peaceful transition to democracy by all means. I sincerely hope that all of you here at Harvard University would help us move toward this destination, a peaceful restoration of democracy in Korea.●

PATRIARCH ATHENAGORAS I

● Mr. D'AMATO. Mr. President, I rise today to acknowledge the 100th anniversary of the birth of the late ecumenical Patriarch Athenagoras I. It has, in fact, been proclaimed Athenagorian year by the current archbishop of the Greek Orthodox Church of North and South America, His Eminence Iakovos. Patriarch Athenagoras I was a remarkable person, whose tenure as archbishop of the Americas spanned the years 1931–1948. He was a visionary leader of the church worldwide after 1949, when he was enthroned as the 262d Patriarch of Constantinople.

During his tenure as archbishop of the Americas, the Greek Orthodox communities in the Western Hemisphere were organized. There are over 500 Greek Orthodox churches in the United States today. During his tenure as patriarch, he met Pope Paul VI on the Mount of Olives and thereby ended 933 years of mutual excommunication between the two churches.

This year, there will be educational, ecumenical, civic, and cultural programs to honor the late patriarch, and I wish all the Greek Orthodox communities much joy in this anniversary year.●

TRIBUTE TO HUW WHELDON

● Mr. MOYNIHAN. Mr. President, Norman Podhoretz has written an ineffably lovely tribute to Huw Wheldon which I know the Senate would wish to share. I ask that it be printed in the RECORD.

The tribute follows:

[From the Washington Post, Mar. 26, 1986]

THE RAGING END OF A "TRULY GODLY LIFE"

(By Norman Podhoretz)

My closest friend in all the world died this month. He died in London, at home, in his own room, surrounded by his wife and children. He died only a little short of the allotted Biblical span of three score and ten. He died full of honors and dearly beloved of many. Nevertheless he did not die peacefully. He died hard.

"Do not go gentle into that good night/ Rage, rage, against the dying of the light," wrote Dylan Thomas in a poem addressed to his father. Like Dylan Thomas, my friend was a Welshman, and that is how he died: not gently but full of rage. I know this not because I saw it with my own eyes, but from a mutual friend of ours who quoted Dylan Thomas' lines in describing for me how the last hours had gone.

By an eerie coincidence, another mutual friend, Sen. Daniel Patrick Moynihan, fell back on those very same lines in his remarks at the funeral of Sen. Jacob Javits. In every other respect an altogether different kind of person from Jacob Javits, my friend too had known for many months that he had a terminal illness; and he too responded to the sentence of imminent death with a ferocious determination to live and live and live until the moment he died.

With every passing day he grew weaker and weaker, but day after day he forced himself to do things that no one around him could believe he had the strength to do. He was in unendurable pain, but he would take only enough medication to dull its edge because more than that insulated him from the only life he had left to live.

In deciding to die in this way, my friend never, I think, doubted that he was making the right choice. And yet the last time I saw him, about three months ago, I could see that he was in spiritual torment over his inability to resign himself, to make his peace with death.

That much underrated philospher, George Santayana, once said: "There is no God and Mary is His mother." My friend would never have said flatly, "There is no God,"—he would have thought it brazen and crass—but if he ever had, he would certainly have added, "and the Bible is His word." Raised in a devout Presbyterian family, but finally unable to sustain the literal faith of his fathers, still he never lost his belief in the spiritual truth of Christianity. Specifically, he never lost his belief in the idea that the reason we are here on Earth is to serve God and to praise Him.

Serving God as my friend came to understand it translated into devoting oneself to the service of something greater than self—in his own case it was a great national institution, but almost anything large would do—and praising God translated into praising life.

Although hymns and hosannas were certainly necessary to glorify what deserved to be glorified, one was not mainly supposed to praise life by verbal affirmation. Mainly one praised it through a readiness to enjoy what there was to be enjoyed, to relish what there was to be relished, to savor what there was to be savored, and most especially to accept every invitation to a good laugh that the world had to offer.

All this my friend did, and more. Like Falstaff, he was not only witty in himself, but "the cause that wit was in other men." And even more than wit, he was the cause that laughter was in other men. His own laugh was so loud and boisterous that—I do not exaggerate—it became famous from one end of England to the other. Nor do I exaggerate when I say that his entry into a room invariably made everyone in it smile, in happy anticipation of the laughter he was sure to bring.

That such a man—a man so alive that thinking of him dead seems a contradiction in terms—should rage against death is not surprising. But why should such a man torment himself over dying in a state of rage?

He hinted at the answer in telling me that one day, when his physical pain was at its most unbearable, he turned in a desperate search for help to a cantata about dying by Johann Sebastian Bach, *Ich habe genug*—"I have had enough." And he asked himself: "If Bach can say it, why can't I?" He meant that if Bach, in his eyes perhaps the greatest of all men, was permitted to yearn for death as an escape from the awful miseries of this life, why should he, an ordinary mortal, be required to go on raging?

But of course he knew why. Bach, who believed in an afterlife, was permitted to serve God and praise Him by welcoming death as a deliverance into the arms of his savior. My friend could only serve God and praise Him by cherishing life on this Earth to the very end and by refusing to curse it.

And so even, or rather especially, in the extremity of his suffering, he did not curse life—neither with the words of his mouth nor, I feel sure, in the meditations of his heart. Least of all did he curse it as so many do nowadays when they declare that life is worth having only when it is good and, worse yet, when they act on that satanic idea.

My friend's name was Huw Wheldon. Though he would have accused me of blasphemy for saying so, he taught everyone who was given the great and blessed gift of knowing him—including, I suspect, people who knew him only from the television screen—how, in what he himself called these spiritually illiterate times, when it is so hard to die with the peaceful resignation of a true believer, it is still possible to live a truly good life.●

Mr. DOLE. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. SIMPSON. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so orderded.

EXPRESSION OF APPRECIATION

Mr. SIMPSON. Mr. President, let me very swiftly say I did not get the opportunity previously to extend my appreciation to the majority leader and the minority leader for their work with regard to the Contra proposal and a special thanks and gratitude to Senator LUGAR and Senator PELL, two fine colleagues who did a most remarkable job on a very tough and emotional issue. Senator LUGAR has led us through many of those in these past months. He is a superb chairman of the Committee on Foreign Relations.

ORDERS FOR TUESDAY, APRIL 8, 1986

Mr. SIMPSON. Mr. President, I ask unanimous consent that when the Senate convenes on Tuesday, April 8, 1986, the reading of the Journal be dispensed with; that no resolutions come over under the rule; that the call of the calendar be dispensed with; and that, following the recognition of the two leaders under the standing order, there be special orders in favor of Senators PROXMIRE and HAWKINS for not to exceed 5 minutes each; to be followed by a period for the transaction of routine morning business not to extend beyond the hour of 12:30 p.m. with Senators permitted to speak therein for not more than 5 minutes each.

I ask unanimous consent further that the morning hour be deemed to have expired.

The PRESIDING OFFICER. Without objection, it is so ordered.

AUTHORITY FOR COMMITTEES TO FILE REPORTS

Mr. SIMPSON. Mr. President, I ask unanimous consent that during the adjournment of the Senate over until April 8, 1986, the committees be authorized to file reports on Friday, April 4, 1986, between the hours of 10 a.m., and 3 p.m.

UNANIMOUS CONSENT AGREEMENT—S. 1660

Mr. SIMPSON. Mr. President, after conferring with the Democratic Leader, I ask unanimous consent that at 2 p.m., on Tuesday, April 8, 1986, the Senate turn to Calendar No. 395, S. 1660, to grant a charter to the Confederate Memorial Association, and that no amendments or motions to recommit with instructions be in order.

The PRESIDING OFFICER. Without objection, it is so ordered.

TIME LIMITATION AGREEMENT—S. 8

Mr. SIMPSON. I ask unanimous consent that following disposition of S. 1660 on Tuesday, April 8, the Senate turn to the consideration of Calendar item No. 587, S. 8, to grant a charter to the Vietnam Veterans of America, and that it be considered under the following time agreement that 10 minutes of debate to be equally divided between the chairman and the ranking minority member of the Judiciary Committee; that no amendments be in order with the exception of the Committee Reported amendments; that no motions to recommit with instructions be in order; and that the agreement be in the usual form.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. SIMPSON. I further ask unanimous consent that it may be in order now to order the yeas and nays on passage of S. 8.

The PRESIDING OFFICER. Is there a sufficient second?

There is a sufficient second.

The yeas and nays were ordered.

Mr. SIMPSON. Mr. President, I ask unanimous consent that the vote occur on final passage of S. 8 at 5:30 p.m. on Tuesday, April 8.

The PRESIDING OFFICER. Without objection, it is so ordered.

Without objection paragraph 4, rule XII is waived.

THE CALENDAR

Mr. SIMPSON. Mr. President, I inquire of the minority leader if he is in a position to pass the following calendar items: Calendar No. 574, S. 2179; Calendar No. 577, S. 1895; Calendar No. 582, S. 1707; Calendar No. 583, S. 1756; Calendar No. 584, S. 1952; Calendar No. 585, S. 2084; and Calendar item No. 586, Senate Joint Resolution 222.

Mr. BYRD. Mr. President, all the items identified have been cleared on this side of the aisle and we are ready to proceed en bloc or in whatever mode the distinguished Senator wishes.

Mr. SIMPSON. Mr. President, I appreciate that from the minority leader.

I ask unanimous consent that the calendar items just identified be considered en bloc and passed en bloc and that all committee-reported amendments and preambles be considered and agreed to.

The PRESIDING OFFICER. Without objection, it is so ordered.

REDUCTION IN TERMS OF OFFICE OF MEMBERS OF THE FEDERAL COMMUNICATIONS COMMISSION

The Senate proceeded to consider the bill (S. 2179) to amend the Communications Act of 1934 to provide for reduction in term of office of members of the Federal Communications Commission, and for other purposes, which had been reported from the Committee on Commerce, Science, and Transportation, with an amendment.

On page 2, strike line 4, through and including line 11, and insert the following:

(1) upon the expiration of the term of office prescribed by law to occur on June 30, 1986, any person appointed as a member of the Federal Communications Commission to fill such office for the term following such date shall be eligible to serve until June 30, 1990, and any person appointed as a member of the Federal Communications Commission to the term of office prescribed by law to expire on June 30, 1987, shall be eligible to serve until June 30, 1989; and

So as to make the bill read:

S. 2179

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That (a) section 4(c) of the Communications Act of 1934 (47 U.S.C. 154(c)) is amended by striking "seven" and inserting in lieu thereof "five".

(b) The amendment made by subsection (a) of this section shall take effect on the date of enactment of this Act, except that—

(1) upon the expiration of the term of office prescribed by law to occur on June 30, 1986, any person appointed as a member of the Federal Communications Commission to fill such office for the term following such date shall be eligible to serve until June 30, 1990, and any person appointed as a member of the Federal Communications Commission to the term of office prescribed by law to expire on June 30, 1987, shall be eligible to serve until June 30, 1989; and

(2) notwithstanding the provisions of subsection (a) of this section, persons appointed as members of the Federal Communications Commission to terms of office prescribed by law to expire on June 30, 1988, June 30, 1991, and June 30, 1992, shall be eligible to serve until the expiration of the term of office on June 30, 1988, June 30, 1991, and June 30, 1992, whichever is applicable.

Mr. HOLLINGS. Mr. President, S. 2179 is good legislation that is designed to correct a disturbing situation—the fact that for 2 consecutive years out of every 7, no term of an FCC Commissioner will expire. We find ourselves with this problem because when we reduced the number of FCC Commissioners from seven to five in 1982, we did not also reduce the length of terms from 7 years to 5. Undoubtedly, congressional oversight of the FCC will diminish during these 2-year gaps, as will a President's ability to appoint commissioners during a 4-year term in office.

S. 2179 remedies this problem by shortening the length of terms to 5 years. It also changes the length of two terms—the one beginning in 1986 and the one ending in 1987—to ensure that a term will expire in both 1989 and 1990—years where currently no term is set to expire.

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I want to thank Senator GOLDWATER for introducing this important legislation. It is clearly supported by all parties and it received unanimous approval from the Commerce Committee. I urge my colleagues to support it.

The PRESIDING OFFICER. The question is on agreeing to the committee amendment.

The committee amendment was agreed to.

The PRESIDING OFFICER. The bill is before the Senate and open to further amendment. If there be no amendment to be proposed, the question is on the engrossment and third reading of the bill.

The bill (S. 2179), as amended, was ordered to be engrossed for a third reading, was read the third time, and passed.

Mr. SIMPSON. Mr. President, I move to reconsider the vote by which the bill was passed.

Mr. BYRD. I move to lay the motion on the table.

The motion to lay on the table was agreed to.

RELIEF OF MARLBORO COUNTY GENERAL HOSPITAL CHARITY OF BENNETTSVILLE, SC

The bill (S. 1895) for the relief of Marlboro County General Hospital Charity of Bennettsville, SC, was considered.

Mr. THURMOND. Mr. President, today the Senate considers legislation which would provide equitable relief to the Marlboro County General Hospital Charity [MCGHC]. This bill would allow this charitable trust the opportunity to continue providing indigent health care to the citizens of the most economically depressed county in my State. According to recent statistics, Marlboro County has the highest unemployment rate (14.2 percent) and the lowest yearly per capita income ($5,814) of the 46 South Carolina counties.

Prior to its sale, Marlboro General Hospital Inc., a nonprofit corporation, provided health care services to poor citizens of Marlboro County. This hospital was built with funds provided under the Federal Hill-Burton Program. Hospitals which received these funds were required to provide health services to the poor, including those who might not be eligible for Medicaid, or Medicare, or had no private health insurance. This obligation extended for a period of 20 years after the Hill-Burton funds had been received. Marlboro General was sold in 1981 to the Hospital Corporation of America. The sale occurred prior to the 20-year period, since the Hill-Burton funds had been received in 1962 and 1968. This charitable trust was established from the proceeds of the sale.

Under current law, the Department of Health and Human Services [HHS] has a claim to a share of the Hill-Burton funds distributed. However, the claim can be waived if the buyer agrees to establish a trust in twice the amount owed HHS, and to use these funds to provide indigent health care.

Mr. President, Marlboro County General Hospital Charity deserves the relief this bill would provide because it is in total compliance with the basic policy of the Hill-Burton waiver provisions. MCGHC has always provided funds for indigent health care services to deserving Marlboro County citizens. The trustees have always been willing to establish this trust in total compliance with these waiver provisions. However, because they are the sellers and not the purchasers of the hospital, current law prohibits MCGHC from obtaining a waiver. Without the relief this bill provides, MCGHC will be forced to return funds which have been and continue to be used for their originally intended purposes. Such a result would be an example of form prevailing over substance.

This bill mandates that the MCGHC indigent health care trust be established in compliance with current law. It would require MCGHC to enter into an agreement with HHS to ensure that appropriate indigent health care services would continue to be provided. This agreement would also provide penalties for any noncompliance by MCGHC. Relief from all liability is contingent on such compliance.

In this bill, the interests of the Government are adequately served by ensuring that these funds are only used for indigent health care services. The interests of the many area citizens who are poor and/or unemployed are served because they will not be turned away from receiving the health care services provided by this hospital. This legislation equitably addresses these interests. Accordingly, I urge its passage.

The PRESIDING OFFICER. The bill is before the Senate and open to amendment. If there be no amendment to be proposed, the question is on the engrossment and third reading of the bill.

The bill (S. 1895) was ordered to be engrossed for a third reading, was read the third time, and passed, as follows:

S. 1895

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That (a) Marlboro County General Hospital Charity, the successor in interest to Marlboro County General Hospital, Inc., also known as Marlboro County General Hospital, of Bennettsville, South Carolina, shall be relieved of all liability under title VI of the Public Health Service Act resulting from the sale of Marlboro County General Hospital to the Hospital Corporation of America, if such Marlboro County General Hospital Charity complies with the provisions of this Act.

(b) Such Marlboro County General Hospital Charity shall—

(1) establish and maintain an irrevocable trust in the amount described in section 609(d)(A)(i) of the Public Health Service Act;

(2) provide that such trust will only be used to provide health care services to persons who reside in Marlboro County, South Carolina, and who are unable to pay for such services; and

(3) provide such services to such persons during the period beginning 15 days after the date of enactment of this Act and ending on the date described in subsection (d).

(c)(1) If—

(A) the Secretary of Health and Human Services determines that such Marlboro County General Hospital Charity has complied with the provisions of paragraph (1) of subsection (b); and

(B) such Marlboro County General Hospital Charity has entered into an agreement with the Secretary to ensure compliance with paragraphs (2) and (3) of subsection (b),

such Marlboro County General Hospital Charity shall be permanently relieved of any liability under title VI of the Public Health Service Act resulting from the sale of Marlboro County General Hospital to the Hospital Corporation of America.

(2) Any agreement entered into under paragraph (1)(B) shall contain appropriate provisions specifying penalties for noncompliance by such Marlboro County General Hospital Charity with the provisions of subsection (b).

(d) The date referred to in subsection (b)(3) is the last day of the most recent 20-year period during which the Marlboro County General Hospital was required, under section 609 of the Public Health Service Act, to remain as a public or other nonprofit hospital.

Mr. SIMPSON. Mr. President, I move to reconsider the vote by which the bill was passed.

Mr. BYRD. I move to lay the motion on the table.

The motion to lay on the table was agreed to.

GOLD MEDAL TO PARENTS OF FATHER JERZY POPIELUSZKO

The Senate proceeded to consider the bill (S. 1707) to authorize the President to present a gold medal to the parents of Father Jerzy Popieluszko, which had been reported from the Committee on Banking, Housing, and Urban Affairs, with an amendment:

On page 2, line 7, strike "$22,000", and insert "$18,000".

So as to make the bill read:

S. 1707

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That (a)(1) the President is authorized to present, on behalf of the Congress, to the parents of Father Jerzy Popieluszko a gold medal of appropriate design in recognition of the accomplishments of Father Jerzy Popieluszko.

(2) For purposes of the presentation referred to in paragraph (1), the Secretary of the Treasury is authorized and directed to cause to be struck a gold medal with suitable emblems, devices, and inscriptions to be determined by the Secretary of the Treasury.

(3) There be authorized to be appropriated not to exceed $18,000 to carry out the provisions of this subsection.

(b)(1) The Secretary of the Treasury may cause duplicates in bronze of such medal to be coined and sold under such regulations as he may prescribe, at a price sufficient to cover the cost thereof, including labor, materials, dies, use of machinery, overhead expenses, and the gold medal.

(2) The appropriation used to carry out the provisions of subsection (a) shall be reimbursed out of the proceeds of such sales.

SEC. 2. The medals provided for in this Act are national medals for purposes of section 5111 of title 31, United States Code.

SEC. 3. This Act shall take effect on October 1, 1985.

The amendment was agreed to.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

Mr. SIMPSON. Mr. President, I move to reconsider the vote by which the bill was passed.

Mr. BYRD. I move to lay the motion on the table.

The motion to lay on the table was agreed to.

GOLD MEDAL TO SARGENT SHRIVER

The Senate proceeded to consider the bill (S. 1756) to authorize the President to present to Sargent Shriver, on behalf of the Congress, a specially struck medal which had been reported from the Committee on Banking, Housing, and Urban Affairs, with an amendment:

On page 2, line 10, strike "$25,000", and insert "$18,000"

So as to make the bill read:

S. 1756

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That (a)(1) the President is authorized to present to Sargent Shriver, on behalf of the Congress, a gold medal of appropriate design to commemorate the twenty-fifth anniversary of the establishment of the Peace Corps and to recognize the incomparable contribution of Sargent Shriver as the first Director of the Peace Corps. For such purpose, the Secretary of the Treasury is authorized and directed to cause to be struck a gold medal with the emblem of the Peace Corps and the likeness of Sargent Shriver as well as the names of all past Directors of the Peace Corps.

(2) There are authorized to be appropriated not to exceed $18,000 to carry out the provisions of paragraph (1).

(b) The Secretary of the Treasury may cause duplicates in bronze of such medal to be coined and sold under such regulations as he may prescribe, at a price sufficient to cover the cost thereof, including labor, materials, dies, use of machinery, overhead expenses, and the gold medal. The appropriation used to carry out the provisions of subsection (a) shall be reimbursed out of the proceeds of such sales.

SEC. 2. The medals provided for in this Act are national medals for purposes of section 5111 of title 31, United States Code.

S. 1756—MEDAL FOR SARGENT SHRIVER

Mr. DODD. Mr. President, it is with great pleasure that I join my distinguished colleague from Illinois [Mr. SIMON] and others in sponsoring S. 1756, a bill which would authorize the President to present to Sargent Shriver, on behalf of the Congress, a medal commemorating the 25th anniversary of the Peace Corps. And it is with equal delight that I stand today to honor Sargent Shriver and his outstanding work as the first Director of the Peace Corps.

Sargent Shriver launched the Peace Corps in 1961 with a small group of trained volunteers who went to developing nations to teach and aid in community and agricultural development. The Peace Corps volunteers of yesterday and today become a part of the community which they serve and, through their service, demonstrate that people can be an important impetus for change. Under his incomparable leadership from 1961 to 1966, the Peace Corps extended its program to 46 countries and its membership to over 12,000. With that foundation of solid leadership, the Peace Corps today has placed volunteers in over 62 host countries.

In the early 1960's, Presidential candidate John F. Kennedy, posed this question: "How many [of you] are willing to spend [two] years in Africa or Latin America or Asia working for freedom?" I was willing. In fact, I served as a member of the Peace Corps in the Dominican Republic from 1966 to 1968.

That experience was undoubtedly a pivotal one in my life. I gave of myself: I taught others some of the skills which most of us take for granted, and I organized people to help themselves. Immediately, I saw the destruction which dysentery could and did cause. The saddening vision of children needlessly ill with diseases which could be easily treated or avoided prompted me to embark on the central project of my stay. Shortly after settling in, I began organizing an effort to build a hospital for expectant mothers. The response was so overwhelming that we were able to build the first maternity hospital in the area in a matter of months. Almost nothing in life has satisfied me more than working on that hospital.

I said just a moment ago that I gave in the Dominican Republic. That is true. But, in giving, I gained tenfold. Among other things, I gained a better understanding of a new people and, in so doing, gained a better insight into myself.

My experience may not have been possible without the energetic and dynamic leadership of Sargent Shriver. As a New York Times article of the time exclaimed: "Shriver * * * has made the Peace Corps the special creature it is."

Sargent Shriver is an idealist. Before and during his directorship, he often talked, both publicly and privately, about the need to see a new vision of America, one not of material power but of idealism and sacrifice. He once said:

> The only genuine elite in this world, or in the next, is the elite of those men and women who have given their lives to justice and to charity.

Under this definition, Sargent Shriver is a member of the elite.

What is more, Sargent Shriver put to action his ideals and his deep personal commitment to social justice and equality. He did not spearhead the Peace Corps from the luxurious comfort of a Washington office. He personally visited and worked in more than 50 countries in Africa, Asia, and Latin America. Indeed, in his first 3 years with the Peace Corps, he once estimated he had been in foreign countries working for the Corps a full one-third of that time. The very success of the Peace Corps is due in large part to his energetic and effervescent commitment to the organization's ideals and reality. As a newspaper of the era noted:

> One begins to understand how [Sargent Shriver] took the infant organization scoffers and dubbed "Kennedy's Kiddy Korps" and built it into the most universally respected of New Frontier innovations.

The Peace Corps' purpose from the beginning has been to promote world peace and friendship and to help promote a better understanding of the American people by the peoples served and of other cultures by the American people. Through his work and directorship at the Peace Corps, Sargent Shriver has engendered an enormous amount of mutual understanding and respect among nations. He is, simply, a man of peace, and it is, therefore, fitting that this Congress pay him tribute.

The PRESIDING OFFICER. The question is on agreeing to the committee amendment.

The committee amendment was agreed to.

The PRESIDING OFFICER. The bill is before the Senate and open to amendment. If there be no amendment to be proposed, the question is on the engrossment and third reading of the bill.

The bill S. 1756, as amended, was ordered to be engrossed for a third reading, was read the third time, and passed.

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Mr. SIMPSON. Mr. President, I move to reconsider the vote by which the bill was passed.

Mr. BYRD. I move to lay the motion on the table.

The motion to lay on the table was agreed to.

YOUNG ASTRONAUT PROGRAM MEDAL ACT

The bill (S. 1952) to provide for the striking of medals to commemorate the Young Astronaut Program was considered.

Mr. GLENN. Mr. President, I am delighted that the Committee on Banking, Housing, and Urban Affairs has reported out S. 1952, the Young Astronauts Medal Act. I am particularly pleased to be an honorary co-vice chairman of the Young Astronaut Program with my colleague, Senator GARN, with whom I introduced this legislation.

The Young Astronauts Council has one thing in mind—the education of our young people in math, science, and aerospace studies. These fields are extremely important to our high-tech world of today. I am also pleased to report that Ohio has one of the best statewide programs.

It is important to understand that this legislation is cost-free to the taxpayer. All we are doing is authorizing, in accordance with law, the striking of the medal. Only private funds will be used to produce the medal, and proceeds will go to the Young Astronaut Programs. I am extremely pleased to cosponsor this legislation and I urge support for its passage.

The PRESIDING OFFICER. The bill is before the Senate and open to amendment. If there be no amendment to be proposed, the question is on the engrossment and third reading of the bill.

The bill (S. 1952) was ordered to be engrossed for a third reading, was read the third time, and passed, as follows:

S. 1952

Be it enacted by the Senate and the House of Representatives of the United States of America in Congress assembled,

SHORT TITLE

SECTION 1. This Act may be cited as the "Young Astronaut Program Medal Act".

MEDALS

SEC. 2. (a) In commemoration of the Young Astronaut Program and its educational objectives, the Secretary of the Treasury shall strike and deliver to the Young Astronaut Council not more than 750,000 medals with suitable emblems, devices, and inscriptions to be determined by the Secretary after consultation with the Council and the Commission of Fine Arts.

(b) The medals, which may be disposed of by the Council at a premium, may be delivered at such times as may be required by the Council in quantities of not less than 2,000, except that no medals shall be struck by the Secretary after December 31, 1987.

COSTS

SEC. 3. (a) The Secretary shall cause such medals to be struck and delivered at not less than the cost of manufacturing such medals (including labor, materials, dies, use of machinery, and overhead expenses) plus a surcharge equal to 10 percent of such cost of manufacturing.

(b) Security satisfactory to the Director of the Mint shall be furnished to indemnify the United States for full payment of such costs.

METAL CONTENT

SEC. 4. The medals authorized to be struck and delivered under this Act shall be struck in gold, silver, and bronze and in such size or sizes as shall be determined by the Secretary in consultation with the Council.

NATIONAL MEDALS

SEC. 5. The medals provided for in this Act are national medals for purposes of chapter 51 of title 31, United States Code.

EXAMINATION OF RECORDS

SEC. 6. The Comptroller General of the United States shall have the right to examine all books, documents, and other records of the Council which are related to the medals authorized under this Act, including all books, documents, and records regarding the marketing of such medals.

DEFINITIONS

SEC. 7. For purposes of this Act—

(1) the term "Council" means the Young Astronaut Council; and

(2) the term "Secretary" means the Secretary of the Treasury.

Mr. SIMPSON. Mr. President, I move to reconsider the vote by which the bill was passed.

Mr. BYRD. I move to lay the motion on the table.

The motion to lay on the table was agreed to.

GOLD MEDALS TO THE FAMILIES OF THE CREW OF THE SPACE SHUTTLE "CHALLENGER"

The Senate proceeded to consider the bill (S. 2084) authorizing the President to present gold medals to the families of the crew members of mission 51-L of the space shuttle *Challenger*, which had been reported from the Committee on Banking, Housing, and Urban Affairs, with an amendment:

On page 2, line 14, strike "$75,000," and insert "$21,000"

So as to make the bill read:

S. 2084

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. PRESENTATION.

The President is authorized and requested to present, on behalf of the Congress, a gold medal to each of the respective families of Francis R. Scobee, Michael Smith, Judith Resnik, Ronald McMair, Ellison Onizuka, Christa McAuliffe, and Gregory Jarvis in recognition of their courage, dedication and sacrifice as crew members of mission 51-L of the space shuttle *Challenger*.

SEC. 2. PRODUCTION.

(a) COINING THE MEDALS.—For purposes of the presentation referred to in section 1, Secretary of the Treasury (hereinafter in this act referred to as the "Secretary") shall cause to be struck seven gold medals bearing such emblems, devices, and inscriptions as the Secretary shall determine.

(b) AUTHORIZATION.—There are authorized to be appropriated not to exceed $21,000 to carry out subsection (a).

SEC. 3. DESIGNATION AS NATIONAL MEDALS.

The medals authorized by section 2(a) of this Act shall be considered to be national medals for purposes of section 5111 of title 31, United States Code.

The amendment was agreed to.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

Mr. SIMPSON. Mr. President, I move to reconsider the vote by which the bill was passed.

Mr. BYRD. I move to lay the motion on the table.

The motion to lay on the table was agreed to.

KILLING OF LEON KLINGHOFFER BY INTERNATIONAL TERRORISTS ABOARD THE "ACHILLE LAURO"

The Senate proceeded to consider the joint resolution (S.J. Res. 222) concerning the cruel and inhuman killing of Leon Klinghoffer by international terrorists aboard the cruise ship *Achille Lauro*, because he did not submit to the demands of these terrorists, which had been reported from the Committee on Banking, Housing, and Urban Affairs, with an amendment.

The amendment was agreed to.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

The amendment to the preamble was agreed to.

The preamble, as amended, was agreed to.

The title was amended so as to read:

Joint resolution concerning the cruel and inhuman killing of Leon Klinghoffer and Robert Stethem by international terrorists because they did not submit to the demands of these terrorists.

The joint resolution, as amended, and the preamble, as amended, are as follows:

S. J. RES. 222

Whereas the Italian cruise ship Achille Lauro and TWA flight 847 were peaceful journeys in the Eastern Mediterranean;

Whereas the Achille Lauro and TWA flight 847 were seized by terrorists for the purpose of frightening and threatening the passengers, their relatives, and law-abiding citizens everywhere, and for the purpose of drawing attention to the terrorists' goals;

Whereas the terrorists were armed and dangerous and attempted to force the passengers and crew of the Achille Lauro and TWA flight 847 into submission to further their purposes of terror, anarchy, hate, and death;

Whereas the terrorists of the Achille Lauro have been charged under United States law with hostage-taking, piracy, and conspiracy to commit both;

Whereas the United States Department of State has offered rewards for the apprehension of Robert Stethem's murderers;

Whereas Leon Klinghoffer, a sixty-nine-year-old dearly-beloved American who was crippled and confined to a wheelchair, and Robert Stethem, a young Navy diver, did not submit to the demands of the terrorists;

Whereas the terrorists brutally killed Leon Klinghoffer by shooting him several times and throwing his body overboard because he resisted their demands; and

Whereas terrorists brutally beat Robert Stethem to death and left him on the Beirut Airport tarmac: Now, therefore, be it

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled, That the President is authorized to present, on behalf of the Congress, posthumously to Leon Klinghoffer and to Robert Stethem a Congressional Gold Medal each to show Congress' admiration for the bravery of Leon Klinghoffer, a handicapped senior citizen, and Robert Stethem, a young Navy diver, who, during the kidnappings by terrorists, did not submit to terrorist demands to further the objectives of terrorism, and who gave their lives as a result of this resistance.

SEC. 2. The Secretary of the Treasury is directed to strike and issue the gold medals authorized by the first section of this joint resolution in accordance with the national medals provisions of section 5111 of title 31, United States Code.

SEC. 3. The President is authorized to present the gold medals authorized by this joint resolution on behalf of the Congress separately, to the daughters of Leon Klinghoffer and the parents of Robert Stethem.

SEC. 4. There are authorized to be appropriated $18,500 to carry out this joint resolution.

Mr. SIMPSON. Mr. President, I move to reconsider the vote by which the joint resolution was passed.

Mr. BYRD. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

CONSERVATION SERVICE REFORM ACT

Mr. SIMPSON. Mr. President, after conferring with the Democratic leader, I ask that the Chair lay before the Senate a message from the House of Representatives on S. 410.

The PRESIDING OFFICER laid before the Senate the following message from the House of Representatives:

Resolved, That the bill from the Senate (S. 410) entitled "An Act to repeal the Commercial and Apartment Conservation Service, and for other purposes", do pass with the following amendments:

Strike out all after the enacting clause and insert:

SECTION 1. SHORT TITLE.

This Act may be cited as the "Conservation Service Reform Act of 1986".

TITLE I—RESIDENTIAL CONSERVATION SERVICE

SEC. 101. RESTATEMENT OF FINDINGS.

Section 102(a) of the National Energy Conservation Policy Act (42 U.S.C. 8201(a)) (relating to findings) is amended to read as follows:

"(a) FINDINGS.—The Congress finds that—

"(1) the United States has survived a period of energy shortage and has made significant progress toward improving energy efficiency in all sectors of the economy;

"(2) effective measures must continue to be taken by the Federal Government and other users and suppliers of energy to control the rate of growth of demand for energy and the efficiency of its use;

"(3) the continuation of this effort will permit the United States to become increasingly independent of the world oil market, less vulnerable to interruption of foreign oil supplies, and more able to provide energy to meet future needs; and

"(4) all sectors of the economy of the United States should continue to reduce significantly the demand for nonrenewable energy resources such as oil and natural gas by implementing and maintaining effective conservation measures for the efficient use of these and other energy sources.".

SEC. 102. CHANGES IN CERTAIN PLAN REQUIREMENTS.

(a) INFORMATION REQUIREMENTS MADE APPLICABLE UNTIL JANUARY 1, 1990.—(1) Section 215(a) and section 217(a)(1) of the National Energy Conservation Policy Act (42 U.S.C 8216(a) and 42 U.S.C. 8218(a)(1)) (relating to utility programs and home heating supplier programs) are amended by striking out "January 1, 1985" each place it appears and inserting in lieu thereof "January 1, 1990 (but not more often than once during the period beginning on the date of the enactment of the Conservation Service Reform Act of 1986 and ending on January 1, 1990)".

(2)(A) Section 215(d) of such Act (42 U.S.C. 8216(d)) is amended by striking out "January 1, 1985" and inserting in lieu thereof "January 1, 1990".

(B) The amendment made by subparagraph (A) shall apply only with respect to persons who become customers of a utility after the date of the enactment of this Act.

(b) ELIMINATION OF REQUIREMENTS THAT PUBLIC UTILITIES ARRANGE FOR INSTALLATION OF SUGGESTED MEASURES AND FOR RELATED LOANS; ELIMINATION OF LISTING REQUIREMENTS.—

(1) UTILITY PROGRAMS.—Section 215(b) of such Act (42 U.S.C. 8216(b)) (relating to project manager requirements) is amended—

(A) by striking out "Each utility program shall include" through "procedures" and inserting in lieu thereof "Each utility program shall include procedures";

(B) by striking out "to" through "inspect" and inserting in lieu thereof "to inspect"; and

(C) by striking out "inspection;" and all that follows and inserting in lieu thereof "inspection.".

(2) HOME HEATING SUPPLIER PROGRAMS.—Section 217(a)(2) of such Act (42 U.S.C. 8218(a)(2)) (relating to home heating supplier programs) is amended—

(A) by striking out "will—" through "inspect" and inserting in lieu thereof "will inspect"; and

(B) by striking out "installing, suggested measures;" and all that follows and inserting in lieu thereof "installing, suggested measures.".

(3) STATE PLANS.—Section 213(a) of such Act (42 U.S.C. 8214(a)) (relating to general plan requirements) is amended—

(A) by striking out paragraphs (2) and (3); and

(B) by redesignating paragraphs (4) through (9) as paragraphs (2) through (7), respectively.

(c) RULES.—Section 212(b)(2) of such Act (42 U.S.C. 8213(b)(2)) (relating to rules of the Secretary) is amended—

(1) by striking out subparagraphs (E) and (F), and

(2) by inserting "and" at the end of subparagraph (C).

(d) DEFINITIONS.—(1) Section 210(9) of such Act (42 U.S.C. 8211(9)) (relating to definitions) is amended to read as follows:

"(9) The term 'residential building' means any building used for residential occupancy which is not a new building to which final standards under section 304(a) of the Energy Conservation and Production Act apply and which has a system for heating or cooling, or both.".

(2) Section 212(c)(4) of such Act (42 U.S.C. 8213(c)(4)) is amended to read as follows:

"(4) For purposes of this part, the term 'Governor', the term 'State regulatory authority', the term 'State agency' and the term 'agency or instrumentality of a State' mean the Tennessee Valley Authority in the case of the Tennessee Valley Authority or any public utility with respect to which the Tennessee Valley Authority has ratemaking authority.".

(e) EXEMPTION.—Section 215 of such Act (42 U.S.C. 8216), as amended by subsection (h)(7) of this section, is amended by adding at the end the following new subsection:

"(g) EXEMPTION OF CERTAIN MULTIFAMILY BUILDINGS.—The provisions of this section shall not apply to any building which has five or more dwelling units and which does not contain individual meters for the dwelling units therein.".

(f) EFFECT OF 1986 AMENDMENTS ON APPROVED PLANS FOR PURPOSES OF FEDERAL STANDBY AUTHORITY.—Section 219 of such Act (42 U.S.C. 8220) (relating to Federal standby authority) is amended by adding at the end thereof the following new subsection:

"(e) PLANS APPROVED BEFORE 1986 AMENDMENTS.—For purposes of this section, any residential energy conservation plan which was approved by the Secretary before the effective date of the Conservation Service Reform Act of 1986 shall be treated as an approved plan which is adequately implemented if such plan is adequately implemented in accordance with the requirements of this Act as amended by the Conservation Service Reform Act of 1986.".

(g) TEMPORARY EXEMPTIONS.—Section 218(a) of such Act (42 U.S.C. 8219(a)) (relating to temporary exemptions) is amended by striking out the last sentence and inserting in lieu thereof the following: "Such temporary exemption may be granted or renewed until such date as determined by the Secretary.".

(h) CONFORMING AMENDMENTS.—

(1) Section 210(18) of such Act (42 U.S.C. 8211(18)) is amended by striking out "215(b)(1)(A)" and inserting in lieu thereof "215(b)".

(2) Section 212(b)(2)(C) of such Act (42 U.S.C. 8213(b)(2)(C)) is amended by striking out "213(a)(4)" and inserting in lieu thereof "213(a)(2)".

(3) Section 213(b)(2)(A) of such Act (42 U.S.C. 8214(b)(2)(A)) is amended by striking out "215(b)(1)" and inserting in lieu thereof "215(b)".

(4) Section 214(b) of such Act (42 U.S.C. 8215(b)) is amended by striking out "(8)" and inserting in lieu thereof "(6)".

(5) Section 215(a)(3) of such Act (42 U.S.C. 8216(a)(3)) is amended by striking out "and the lists referred to in section 213(a) (2) and (3)".

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(6) Section 215(d) of such Act (42 U.S.C. 8216(d)) is amended by striking out ", the offer required under subsection (b)(1)(A)" and all that follows and by inserting in lieu thereof "and the offer required under subsection (b).".

(7) Section 215 of such Act (42 U.S.C. 8216) is amended by striking out subsection (f) and by redesignating subsection (g) as subsection (f).

(8) Section 216(c)(1) of such Act (42 U.S.C. 8217(c)(1)) is amended by striking out subparagraph (A) and by redesignating subparagraphs (B) and (C) as subparagraphs (A) and (B), respectively.

(9) Section 216(c)(2)(C) of such Act (42 U.S.C. 8217(c)(2)(C)) is amended by striking out "on the lists referred to in section 213(a)(2)".

(i) Statutory Construction.—Nothing in the amendments made by subsections (b), (c), (g), and (h) shall prevent implementation of a plan or program pursuant to the National Energy Conservation Policy Act as in effect before the date of the enactment of this Act.

(j) Effective Date.—

(1) In general.—The amendments made by this section shall take effect one hundred and eighty days after the date of the enactment of this Act.

(2) Rules.—The Secretary of Energy shall, within the one hundred and eighty-day period referred to in paragraph (1), amend the rules promulgated under section 212 of the National Energy Conservation Policy Act to carry out the amendments made by this Act.

(3) Special requirement for plans approved before 1986 amendments.—The Secretary of Energy shall, with respect to any residential energy conservation plan approved by the Secretary of Energy before the effective date (as described in paragraph (1)) of the amendments made by this section, require the appropriate official in charge of such plan to notify the Secretary of Energy, within one hundred and twenty days of the date of enactment of this Act, that the amendments made by subsections (a), (d), and (e) of this section shall be implemented for the duration of such plan. The Secretary may not impose any other notice or approval requirement on a Governor or agency or instrumentality of a State with respect to such amendments.

SEC. 103. ALTERNATIVE PLANS FOR RESIDENTIAL BUILDINGS.

(a) In General.—The National Energy Conservation Policy Act (42 U.S.C. 8201 et seq.) is amended by inserting the following new sections after section 225:

"SEC. 226. ALTERNATIVE STATE PLANS.

"(a) In General.—A Governor of any State, any State regulatory authority, or any agency or instrumentality of a State may elect, to the extent authorized under State law, to formulate and certify an alternative State plan for residential buildings under this section.

"(b) Consequences of Certification.—(1) Beginning with the date on which the certification of a plan is made with respect to a State under subsection (e) and ending with the date on which a plan is no longer in effect under this section with respect to such State—

"(A) subsections (a) through (c)(3) of section 212, sections 213 through 215 and sections 217 and 218 shall not apply with respect to—

"(i) regulated utilities in such State, and

"(ii) nonregulated utilities which are included in the plan;

"(B) section 219 shall apply to utilities described in subparagraph (A) only to the extent provided for in subsection (g); and

"(C) sections 212 through 219 shall apply to nonregulated utilities which are not included in the plan and which have not certified an alternative utility plan under section 227.

"(2) Except as provided in subsection (g), any State for which a plan is certified under subsection (e) shall continue to have such plan in effect until January 1, 1990.

"(c) Formulation of Plan.—In formulating any plan under this section, the entity in charge of formulating such plan shall—

"(1) examine energy conservation and load management programs and perform a cost benefit analysis of program measures to be included in the plan, including an assessment of the life-cycle benefits of energy conservation measures to be included in the plan;

"(2) provide for advance notice to the public of proposed rulemaking for the purpose of formulating such plan;

"(3) publish a proposed rule on the content and implementation of the plan, including goals for energy conservation;

"(4) afford interested persons an opportunity to present oral and written comments on matters relating to such proposed rule; and

"(5) after making the examination and analysis described in paragraph (1) and after taking into consideration comments made by the public, prescribe and make public a final rule setting forth the content and implementation of such plan.

"(d) Content of Plan.—(1) A plan certified pursuant to this section shall—

"(A) be designed to result in annual residential energy conservation savings of 2 percent or more;

"(B) contain the goals established for the plan and an analysis of the data and rationale used by the entity in charge of formulating the plan to determine that the plan is likely to achieve such goals;

"(C) contain adequate procedures to assure that, if a public utility supplies or installs residential energy conservation measures, such actions shall be consistent with section 216 and prices and rates of interest charged shall be fair and reasonable; and

"(D) contain adequate procedures for preventing unfair, deceptive, or anticompetitive acts or practices affecting commerce which relate to the implementation of such plan.

"(2) A plan certified pursuant to this section may—

"(A) be designed to result in the dissemination of general energy conservation suggestions to residential customers of utilities in the State;

"(B) be designed to result in—

"(i) specific energy conservation suggestions to residential customers requesting such suggestions regarding the customer's residential building,

"(ii) energy conservation improvements (which are included in such plan) to the customer's residential building, or

"(iii) load management improvements (which are included in such plan) in the customer's residential building;

"(C) be designed to benefit individuals, including but not limited to individuals with low or moderate incomes;

"(D) be carried out by the State, by utilities within the State, or a combination of both;

"(E) be consistent with the standards referred to in section 212(b)(2)(D);

"(F) contain rules consistent with the requirements of section 215(c);

"(G) contain provisions to assure that any person who alleges any injury resulting from a violation of any plan provision shall be entitled to redress pursuant to State law; and

"(H) contain provisions described in section 213(b)(2)(B).

"(e) Certification.—(1) The entity which elects to certify a plan under this section shall certify, pursuant to a form to be prescribed by the Secretary (except as provided by paragraph (2)), to the Secretary that—

"(A) the plan and the formulation of the plan meet the requirements of subsections (c) and (d)(1);

"(B) the plan is likely to achieve the goals established for the plan if it is adequately implemented; and

"(C) the plan will be adequately implemented.

"(2) If a form is not made available by the Secretary within 90 days after the date of the enactment of this section, the entity in charge of certifying the plan may make such certification on a form prescribed by such entity.

"(3) Any certification under this subsection shall include a detailed explanation of the manner in which the contents of the plan will be implemented.

"(f) Annual Report.—(1) The entity which certifies a plan under subsection (e) shall submit an annual report to the Secretary, within 60 days after the end of the 1-year period to which the report relates, describing the implementation of the plan and the results thereof.

"(2) Such report shall include—

"(A) a statement of the number of residential buildings receiving benefits under the plan,

"(B) an estimate of the actual energy savings resulting from the plan and a description of the sources of such savings,

"(C) a statement of the percentage of individuals with low and moderate incomes who receive benefits under the plan,

"(D) a detailed description of the benefits provided under the plan and of how the plan is implemented, and

"(E) the names of the entities carrying out the plan.

"(g) Administrative and Judicial Enforcement Proceedings.—(1) At any time more than 1 year after an alternative State plan has been certified under subsection (e) with respect to a State, any resident of such State may petition the Secretary of Energy to conduct a public hearing to determine if the alternative State plan has been adequately implemented. A copy of such petition shall be transmitted to the entity in charge of the plan on the same date it is transmitted to the Secretary. The Secretary shall have 90 days after the date on which such petition is received to make a determination on the matter.

"(2) Except as provided in paragraph (3), if the Secretary determines that the alternative State plan has not been adequately implemented, the Secretary shall, within the 90-day period described in paragraph (1), initiate standby authority under section 219 with respect to such State. If the Secretary does not initiate the standby authority within the 90-day period, the resident may bring a de novo action in the appropriate United States district court against the Secretary (with the State having the right to intervene) to require the Secretary to implement standby authority under section 219. If an individual prevails in such an action,

the court shall award such individual reasonable fees and expenses of attorneys and costs.

"(3) If a State which had an approved plan in effect under section 212 on the day before the date on which certification was made under this section informs the Secretary in writing, within 30 days after receiving a copy of the petition described in paragraph (1), that it will no longer implement a plan certified under this section and that it will implement the approved plan which was in effect in the State on the day before certification of the alternative plan under this section, then—

"(A) the determinations and actions described in paragraph (2) may not be carried out; and

"(B) sections 212 through 219 shall apply in such State except to the extent an alternative utility plan under section 227 is implemented in such State.

"(h) Coverage.—A plan certified under this section shall not apply to utilities other than utilities covered under section 211(a).

"(i) Inclusion of Nonregulated Utilities.—A nonregulated utility may not be included in a plan under this section unless such inclusion is authorized under State law or the nonregulated utility agrees to such inclusion.

"(j) Incentives.—The entity in charge of a plan under this section, or a State regulatory authority, may, to the extent permitted under State law, provide incentives for utilities to meet the goals contained in the State's alternative plan, including providing such utilities that meet or exceed such goals with a rate of return on expenditures made for the purpose of accomplishing such goals.

"(k) Utilities With Retail Service Territories in More Than 1 State.—For purposes of this section, any utility with a retail service territory in more than one State shall be considered to be a separate utility with respect to each State in which its retail service territory is located.

"(l) Classification as Load Management Improvement or Energy Conservation Improvement.—In the case of a technique or installation which may be classified as either a load management improvement or an energy conservation improvement, the entity in charge of carrying out the plan under this section shall determine whether to treat such technique or installation as a load management improvement, an energy conservation improvement, or both, for purposes of this section.

"(m) Amendment of a Plan.—(1) Except as provided by paragraph (2), a plan certified under this section may be amended by any amendment—

"(A) formulated in a manner consistent with the requirements applicable to the formulation of a plan under subsection (c); and

"(B) certified to the Secretary of Energy in a manner consistent with the requirements applicable to the certification of a plan under subsection (e).

"(2) A plan certified under this section may not be amended—

"(A) during the first year after it is certified; or

"(B) more than once a year thereafter.

"SEC. 227. ALTERNATIVE UTILITY PLANS.

"(a) In General.—(1) Subject to paragraph (2) and after the 6-month period beginning with the date of the enactment of this section, a utility which is in a State in which an alternative State plan is not in effect under section 226 may elect to formulate and certify an alternative utility plan for residential buildings under this section.

"(2) During the 6-month period beginning with the date of the enactment of this section, the Governor, a State regulatory authority, or another agency or instrumentality of the State concerned (whichever is authorized under State law to submit a plan to the Secretary pursuant to section 212(c)(1)(A) of this Act) may, under State law, prohibit utilities in such State from taking any action under this section.

"(b) Consequences of Certification.—(1) Beginning with the date on which the certification of a plan is made with respect to a utility under subsection (e) and ending with the date on which a plan is no longer in effect under this section with respect to such utility—

"(A) subsections (a) through (c)(3) of section 212, sections 213 through 216 and sections 217, 218, and 226 shall not apply with respect to such utility; and

"(B) section 219 shall apply to such utility only to the extent provided for in subsection (g).

"(2) Except as provided in subsection (g), any utility which certifies a plan under subsection (e) shall continue to have such plan in effect until January 1, 1990.

"(c) Formulation of Plan.—In formulating any plan under this section, the utility shall—

"(1) examine energy conservation and load management programs and perform a cost benefit analysis of program measures to be included in the plan, including an assessment of the life-cycle benefits of energy conservation measures to be included in the plan;

"(2) provide for advance notice to the public of such plan;

"(3) publish a description of the proposed content and implementation of the plan, including goals for energy conservation;

"(4) afford interested persons an opportunity to present oral and written comments on matters relating to such proposed plan; and

"(5) after making the examination and analysis described in paragraph (1) and after taking into consideration comments made by the public, prescribe and make public a final plan setting forth the content and implementation of such plan.

"(d) Content of Plan.—(1) A plan certified pursuant to this section shall—

"(A) be designed to result in annual residential energy conservation savings of 2 percent or more;

"(B) contain the goals established for the plan and an analysis of the data and rationale used by the entity in charge of the plan to determine that the plan is likely to achieve such goals;

"(C) contain certification, by the entity authorized under State law to submit a plan to the Secretary pursuant to section 212(c)(1)(A) of this Act, that the plan has adequate procedures to assure that, if a public utility supplies or installs residential energy conservation measures, such actions shall be consistent with section 216 and prices and rates of interest charged shall be fair and reasonable; and

"(D) contain certification, by the entity authorized under State law to submit a plan to the Secretary pursuant to section 212(c)(1)(A) of this Act, that the plan has adequate procedures for preventing unfair, deceptive, or anticompetitive acts or practices affecting commerce which relate to the implementation of such plan.

"(2) A plan certified pursuant to this section may—

"(A) be designed to result in the dissemination of general energy conservation suggestions to residential customers of utilities in the State;

"(B) be designed to result in—

"(i) specific energy conservation suggestions to residential customers requesting such suggestions regarding the customer's residential building,

"(ii) energy conservation improvements (which are included in such plan) to the customer's residential building, or

"(iii) load management improvements (which are included in such plan) in the customer's residential building;

"(C) be designed to benefit individuals, including but not limited to individuals with low or moderate incomes;

"(D) be consistent with the standards referred to in section 212(b)(2)(D);

"(E) contain rules consistent with the requirements of section 215(c); and

"(F) contain provisions described in section 213(b)(2)(B).

"(e) Certification.—(1) A utility which elects to certify a plan under this section shall certify, pursuant to a form to be prescribed by the Secretary (except as provided by paragraph (2)), to the Secretary that—

"(A) the plan and the formulation of the plan meet the requirements of subsections (c) and (d)(1);

"(B) the plan is likely to achieve the goals established for the plan if it is adequately implemented; and

"(C) the plan will be adequately implemented.

"(2) If a form is not made available to a utility by the Secretary within 90 days after the date of the enactment of this section, the utility may make such certification on a form prescribed by such utility.

"(3) Any certification under this subsection shall include a detailed explanation of the manner in which the contents of the plan will be implemented.

"(f) Annual Report.—(1) The utility shall submit an annual report to the Secretary, within 60 days after the end of the 1-year period to which the report relates, describing the implementation of the plan and the results thereof.

"(2) Such report shall include—

"(A) a statement of the number of buildings receiving benefits under the plan,

"(B) an estimate of the energy savings resulting from the plan and a description of the sources of such savings,

"(C) a statement of the percentage of individuals with low and moderate incomes who receive benefits under the plan, and

"(D) a detailed description of the benefits provided under the plan and of how the plan is implemented.

"(g) Administrative and Judicial Enforcement Proceedings.—(1) At any time more than 1 year after an alternative utility plan has been certified under subsection (e) under this section, any residential customer of such utility may petition the Secretary of Energy to conduct a public hearing to determine if the alternative utility plan has been adequately implemented. A copy of such petition shall be transmitted to the utility concerned on the same date it is transmitted to the Secretary. The Secretary shall have 90 days after the date on which such petition is received to make a determination on the matter.

"(2) Except as provided in paragraph (3), if the Secretary determines that the alternative utility plan has not been adequately implemented, the Secretary shall, within the 90-day period described in paragraph (1),

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initiate standby authority under section 219 with respect to such utility. If the Secretary does not initiate the standby authority within the 90-day period, the resident may bring a de novo action in the appropriate United States district court against the Secretary (with the utility having the right to intervene) to require the Secretary to implement standby authority under section 219. If an individual prevails in such an action, the court shall award such individual reasonable fees and expenses of attorneys and costs.

"(3) If a utility which was carrying out an approved plan under this part in effect on the day before the date on which certification was made under this section informs the Secretary in writing, within 30 days after receiving a copy of the petition described in paragraph (1), that it will no longer implement a plan certified under this section and that it will implement the approved plan which it was carrying out on the day before certification of the alternative plan under this section, then—

"(A) the determinations and actions described in paragraph (2) may not be carried out; and

"(B) sections 212 through 219 shall apply to such utility.

"(4) For purposes of implementing section 219(a)(2) to a regulated utility as a result of this subsection, the term 'each regulated utility in the State' in such section shall be deemed to mean only the utility with respect to which action is taken under this subsection.

"(h) Coverage.—A plan certified under this section shall not apply to utilities other than utilities covered under section 211(a).

"(i) Utilities With Retail Service Territories in More Than 1 State.—For purposes of this section, any utility with a retail service territory in more than one State shall be considered to be a separate utility with respect to each State in which its retail service territory is located.

"(j) Incentives.—A State or a State regulatory authority may, to the extent permitted under State law, provide incentives for a utility to meet the goals contained in its alternative plan, including providing such a utility that meets or exceeds it goals with a rate of return on expenditures made for the purpose of accomplishing such goals.

"(k) Classification as Load Management Improvement or Energy Conservation Improvement.—In the case of a technique or installation which may be classified as either a load management improvement or an energy conservation improvement, the utility shall determine whether to treat such technique or installation as a load management improvement, an energy conservation improvement, or both, for purposes of this section.

"(l) Amendment of a Plan.—(1) Except as provided by paragraph (2), a plan certified under this section may be amended by any amendment—

"(A) formulated in a manner consistent with the requirements applicable to the formulation of a plan under subsection (c); and

"(B) certified to the Secretary of Energy in a manner consistent with the requirements applicable to the certification of a plan under subsection (e).

"(2) A plan certified under this section may not be amended—

"(A) during the first year after it is certified; or

"(B) more than once a year thereafter.".

(b) Conforming Amendments.—

(1) Section 218(e) of such Act (42 U.S.C. 8219(e)) is amended by striking out the period at the end of the second sentence and inserting in lieu thereof "or a plan in effect under section 226 or section 227 which is applicable to such utility.".

(2) Section 219(a) of such Act (42 U.S.C. 8220(a)) is amended by striking out "If" and inserting in lieu thereof "Except as provided in sections 226 and 227, if".

(3) Section 219(b) of such Act (42 U.S.C. 8220(b)) is amended by striking out "If" and inserting in lieu thereof "Except as provided in sections 226 and 227, if".

(c) Clerical Amendment.—The table of contents for such Act is amended by inserting after the item relating to section 225 the following new items:

"Sec. 226. Alternative State plans.
"Sec. 227. Alternative Utility plans.".

SEC. 104. REPORTS AND DISSEMINATION OF INFORMATION.

(a) In General.—Section 225 of the National Energy Conservation Policy Act (42 U.S.C. 8226) (relating to a Federal Trade Commission study and report submitted before January 1, 1982) is amended to read as follows:

"SEC. 225. REPORTS AND DISSEMINATION OF INFORMATION.

"(a) General Report.—(1) No later than December 31, 1987, and December 31, 1989, the Secretary shall submit a report to the Chairman of the Committee on Energy and Commerce of the House of Representatives and the Chairman of the Committee on Energy and Natural Resources of the Senate relating to the operation of this part.

"(2) Each such report shall include—

"(A) a comparison of estimated actual and predicted energy savings resulting from plans under this part,

"(B) identification of the most effective plans (or portions thereof),

"(C) an analysis, based on completed audits and other relevant data, of the energy saving potential of the installation of additional residential conservation measures, and

"(D) an analysis of economic, technical, behavioral, and other factors considered relevant to energy consumption by the Secretary.

Nothing in this paragraph shall require a survey of each residential building in which a residential energy conservation measure has been installed under this part.

"(b) Summary of Alternative Plan Reports.—No later than December 31, 1987, and December 31, 1989, the Secretary shall submit a report to the Chairman of the Committee on Energy and Commerce of the House of Representatives and the Chairman of the Committee on Energy and Natural Resources of the Senate summarizing the annual reports the Secretary received under section 226(f) and section 227(f).

"(c) Dissemination of Information.—(1)(A) The Secretary shall at least annually, in fiscal years beginning after September 30, 1985, disseminate to the States and public utilities information providing technical assistance and relating to the most cost-effective energy conservation procedures and devices (including residential energy conservation measures) and the most successful plans (or portions thereof) under this part.

"(B) The Secretary shall make the information described in subparagraph (A) available to the public.

"(2) The Secretary shall conduct seminars in various regions of the United States to disseminate information described in paragraph (1).".

(b) Clerical Amendment.—The table of contents of such Act is amended by striking out the item relating to section 225 and inserting in lieu thereof the following:

"Sec. 225. Reports and dissemination of information.".

SEC. 105. TERMINATION.

(a) In General.—Part I of title II of the National Energy Conservation Policy Act (42 U.S.C. 8201 and following), as amended by section 103, is amended by adding at the end the following new section:

"SEC. 228. TERMINATION.

"Effective January 1, 1990, all authority under this part shall terminate, except that—

"(1) the provisions of section 216 shall not terminate and the provisions of sections 215 and 219(d) shall be considered to be in effect to the extent necessary to enforce section 216; and

"(2) such expiration shall not affect any action or proceeding based upon an act committed prior to midnight January 1, 1990, and not finally determined by such date.".

(b) Clerical Amendment.—The table of contents of such Act, as amended by section 103(c) of this Act, is amended by inserting after the item relating to section 227 the following new item:

"Sec. 228. Termination.".

SEC. 106. SUPPLY AND INSTALLATION BY PUBLIC UTILITIES.

(a) General Exemption.—Section 216(d) of the National Energy Conservation Policy Act (42 U.S.C. 8217(d)) (relating to general exemptions from prohibitions on supply and installation) is amended—

(1) by striking out "The" and inserting in lieu thereof:

"(1) Except as provided in paragraph (2), the";

(2) by redesignating paragraphs (1), (2), and (3) as subparagraphs (A), (B), and (C), respectively; and

(3) by adding at the end thereof the following new paragraph:

"(2) Effective July 1, 1987, subparagraphs (A) and (B) of paragraph (1) shall not apply to the supply or installation of residential energy conservation measures other than measures which the Secretary determines were being installed or supplied by a public utility during the 12-month period ending June 1, 1985.".

(b) Waiver.—Section 216(e) of such Act (42 U.S.C. 8217(e)) (relating to the waiver of prohibitions on supply and installation) is amended—

(1) by striking out "and" the last time it appears and inserting in lieu thereof a comma; and

(2) by inserting ", and the prevention of unauthorized cross subsidization" before the period at the end thereof.

(c) Prohibition; Enforcement.—(1) Section 216 of such Act (42 U.S.C. 8217) (relating to prohibitions on supply and installations) is amended by striking out subsection (g)(2) and subsection (h) and inserting in lieu thereof the following:

"(2) No public utility which has an exemption or waiver under this section may carry out any activity if the Federal Trade Commission, pursuant to subsection (h), or a State regulatory authority, pursuant to State law, has determined that such activity involves—

"(A) charging unfair or unreasonable prices or rates of interest with respect to the

supply and installation of residential energy conservation measures;

"(B) engaging in unfair methods of competition or unfair or deceptive acts or practices with respect to such supply and installation; or

"(C) engaging in unauthorized cross subsidization with respect to such supply and installation.

"(h) Enforcement.—(1) For the purpose of determining whether a public utility which has an exemption or waiver under this section is engaging in any activity described in subsection (g)(2), an interested resident of a State may request—

"(A) to the extent authorized under State law, a State regulatory authority; or

"(B) in any case described in paragraph (2), the Federal Trade Commission,

to review an activity being carried out by such a public utility in whole or in part in such State.

"(2) The Federal Trade Commission may review an activity of a public utility as a result of a request made under paragraph (1) only if—

"(A) a State regulatory authority has—

"(i) informed the resident making the request that it will not review such activity for the purpose described in paragraph (1); or

"(ii) within the 90-day period beginning on the date on which the request to review such activity was made to the State regulatory authority by the resident, failed to inform the resident that it will review such activity for such purpose; or

"(B) a State regulatory authority has informed the resident that it will review such activity for such purpose but has failed to initiate a proceeding for such purpose during the 6-month period beginning on the date on which the request to review such activity was made to the State regulatory authority by the resident.

"(3) If a request for review is made to the Commission in any case described in subparagraph (A) or (B) of paragraph (2), the Commission shall review the matters specified in the request to determine whether there is reason to believe that the public utility concerned is carrying out an activity described in subsection (g)(2). If the Commission determines that there is reason to believe that the public utility is carrying out such an activity, the Commission shall issue and serve upon such utility a complaint and a notice of hearing and conduct a proceeding in accordance with section 5(b) of the Federal Trade Commission Act to determine if such an activity is being carried out by the utility.

"(4) If the Commission makes a determination pursuant to a proceeding described in paragraph (3) that a public utility is carrying out an activity described in subsection (g)(2) of this section, the Commission shall, utilizing the authority of the Commission to enforce prohibitions made by section 5 of the Federal Trade Commission Act, take appropriate action to enforce the prohibition in subsection (g)(2) of this section.

"(5) Any violation of a prohibition contained in this section other than a violation of subsection (g)(2) shall be treated, for purposes of section 219(d), as a violation of a plan promulgated under section 219(a).".

(d) Conforming Amendments.—(1) Section 216(c)(2)(A) of such Act (42 U.S.C. 8217(c)(2)(A)) (relating to an exemption from the prohibition on supply and installation by a public utility) is amended by inserting the following before the semicolon at the end: "or other activities described in subsection (g)(2)".

(2) Section 216(f) of such Act (42 U.S.C. 8217(f)) (relating to the applicability of section 215) is amended by striking out "(d)(2)", "(d)(1)", and "(d)(3)" and inserting in lieu thereof "(d)(1)(B)", "(d)(1)(A)", and "(d)(1)(C)", respectively.

(3) The heading of subsection (g) of section 216 is amended to read as follows: "Authority to Monitor and Terminate Certain Activities by Utilities.—".

(e) Effective Date.—The amendments made by this section shall become effective one hundred and eighty days after the date of the enactment of this Act.

TITLE II—COMMERCIAL BUILDINGS AND MULTIFAMILY DWELLINGS

SEC. 201. REPEAL OF TITLE VII OF THE NATIONAL ENERGY CONSERVATION POLICY ACT.

(a) In General.—Title VII of the National Energy Conservation Policy Act (42 U.S.C. 8281 and following) (relating to energy conservation for commercial buildings and multifamily dwellings) is hereby repealed.

(b) Clerical Amendment.—The table of contents for such Act is amended by striking out the items relating to such title VII.

(c) Authority to Continue Certain State Energy Conservation Plans.—Notwithstanding subsection (a), any State energy conservation plan for commercial buildings and multifamily dwellings approved under section 721 of the National Energy Conservation Policy Act before August 1, 1984, may, with respect to regulated utilities, continue in effect if such plan meets the requirements of section 722 of such Act as in effect on August 1, 1984.

SEC. 202. DEMONSTRATION PROJECTS FOR ENERGY EFFICIENCY IN COMMERCIAL BUILDINGS.

The Secretary of Energy shall, using funds appropriated for energy conservation activities of the Department of Energy, carry out demonstration projects by sharing the cost of the construction and development by nongovernmental entities of facilities which demonstrate innovative technologies for utility applications that increase energy efficiency in commercial buildings.

Amend the title so as to read: "An Act to reform the Residential Conservation Service and to repeal the Commercial and Apartment Conservation Service.".

Mr. SIMPSON. Mr. President, I move that the Senate disagree to the amendment of the House to S. 410 and request a conference with the House on the disagreeing votes of the two Houses, and that the Chair be authorized to appoint the conferees on the part of the Senate.

The motion was agreed to; and the Chair appointed Mr. McClure, Mr. Hatfield, Mr. Domenici, Mr. Murkowski, Mr. Nickles, Mr. Johnston, Mr. Bumpers, Mr. Ford, and Mr. Metzenbaum conferees on the part of the Senate.

NATIONAL CHILD ABUSE PREVENTION MONTH

Mr. SIMPSON. Mr. President, I ask unanimous consent that the Judiciary Committee be discharged from further consideration of Senate Joint Resolution 294, National Child Abuse Prevention Month, and I ask for its immediate consideration.

The PRESIDING OFFICER. Without objection, it is so ordered.

The bill will be stated by title.

The assistant legislative clerk read as follows:

A joint resolution (S.J. Res 294) to designate the month of April 1986 as "National Child Abuse Prevention Month".

The PRESIDING OFFICER. Is there objection to the present consideration of the joint resolution?

There being no objection, the joint resolution was ordered to be engrossed for a third reading, was read the third time, and passed.

The preamble was agreed to.

The joint resolution, with its preamble, reads as follows:

S.J. Res. 294

Whereas the incidence and prevalence of child abuse and neglect have reached alarming proportions in the United States;

Whereas an estimated two million children become victims of child abuse in the Nation each year;

Whereas an estimated five thousand of such children die as a result of such abuse each year;

Whereas the Nation faces a continuing need to support innovative programs to prevent child abuse and assist parents and families in which child abuse occurs;

Whereas Congress has expressed a commitment to seek and apply solutions to the problem of child abuse by enacting the Child Abuse Prevention and Treatment Act of 1974;

Whereas many dedicated individuals and private organizations, including Parents Anonymous, the National Committee for the Prevention of Child Abuse, the American Humane Association, and other members of the National Child Abuse Coalition, are working to counter the ravages of abuse and neglect to help child abusers break a destructive pattern of behavior;

Whereas the average cost for a public welfare agency to serve a family through a child abuse program is twenty times greater than self-help programs administered by private organizations;

Whereas organizations such as Parents Anonymous and other members of the National Child Abuse Coalition are expediting efforts to prevent child abuse in the next generation through special programs for abused children; and

Whereas it is appropriate to focus the attention of the Nation upon the problem of child abuse: Now, therefore, be it

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled, That the month of April 1986 is designated as "National Child Abuse Prevention Month" and the President is authorized and requested to issue a proclamation calling upon all government agencies and the people of the United States to observe such month with appropriate programs, ceremonies, and activities.

Mr. SIMPSON. Mr. President, I move to reconsider the vote by which the joint resolution was passed.

Mr. BYRD. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

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NATIONAL SCHOOL LIBRARY MONTH

Mr. SIMPSON. Mr. President, after conferring with the Democratic leader, I ask that the Chair lay before the Senate a message from the House of Representatives on Senate Joint Resolution 52.

The PRESIDING OFFICER laid before the Senate the following message from the House of Representatives:

Resolved, That the resolution from the Senate (S.J. Res. 52) entitled "Joint resolution to designate the month of April 1985 as 'National School Library Month'", do pass with the following amendments:

Page 2, line 3, strike out "1985," and insert: 1986

Amend the title so as to read: "Joint resolution to designate the month of April 1986 as 'National School Library Month'.".

Mr. SIMPSON. Mr. President, I move that the Senate concur in the House amendments.

The PRESIDING OFFICER. The question is on agreeing to the motion.

The motion was agreed to.

Mr. SIMPSON. Mr. President, I move to reconsider the vote by which the motion was agreed to.

Mr. BYRD. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

EXECUTIVE CALENDAR

Mr. SIMPSON. Mr. President, I inquire of the minority leader if he is in a position to confirm the following nominations on the Executive Calendar: Calendar No. 701, John A. Bohn, Jr.; Calendar No. 722, J. Daniel Mahoney; Calendar No. 723, Barbara K. Hackett; Calendar No. 728, James Eugene Burnett, Jr.; Calendar No. 729, Joseph Trippe Nall; Calendar No. 731, under the Coast Guard; Calendar No. 732, John William Bode; Calendar No. 733, C.C. Hope, Jr.; and the nominations placed on the Secretary's desk in the Coast Guard, beginning with Douglas W. Anderson and ending with Christopher N. Zendan.

Mr. BYRD. Mr. President, there is no objection.

EXECUTIVE SESSION

Mr. SIMPSON. Mr. President, I ask unanimous consent that the Senate go into executive session to consider the nominations just identified.

There being no objection, the Senate proceeded to the consideration of executive business.

The PRESIDING OFFICER. The nominations will be stated.

Mr. SIMPSON. Mr. President, I ask unanimous consent that the nominations be considered en bloc and confirmed en bloc.

The PRESIDING OFFICER. Without objection, it is so ordered.

The nominations considered en bloc and confirmed en bloc are as follows:

EXPORT-IMPORT BANK OF THE UNITED STATES

John A. Bohn, Jr., of Virginia, to be President of the Export-Import Bank of the United States for a term of 4 years.

THE JUDICIARY

J. Daniel Mahoney, of New York, to be U.S. circuit judge for the second circuit vice a new position created by Public Law 98-353, approved July 10, 1984.

Barbara K. Hackett, of Michigan, to be U.S. district judge for the eastern district of Michigan.

NATIONAL TRANSPORTATION SAFETY BOARD

James Eugene Burnett, Jr., of Arkansas, to be a member of the National Transportation Safety Board for the term expiring December 31, 1990. (Reappointment.)

Joseph Trippe Nall, of North Carolina, to be a member of the National Transportation Safety Board for the remainder of the term expiring December 31, 1987.

COAST GUARD

Pursuant to the provisions of 14 U.S.C.729, the following named captain of the Coast Guard Reserve to a permanent commissioned officer in the Coast Guard Reserve in the grade of rear admiral (lower half):

Daniel J. Murphy.

DEPARTMENT OF AGRICULTURE

John William Bode, of Oklahoma, to be a member of the Board of Directors of the Commodity Credit Corporation.

FEDERAL DEPOSIT INSURANCE CORPORATION

C. C. Hope, Jr., of North Carolina, to be a member of the Board of Directors of the Federal Deposit Insurance Corporation for a term of 6 years.

NOMINATIONS PLACED ON THE SECRETARY'S DESK IN THE COAST GUARD, SENIOR FOREIGN SERVICE

Coast Guard nominations beginning Douglas W. Anderson, and ending Christopher N. Zendan, which nominations were received by the Senate and appeared in the CONGRESSIONAL RECORD of March 12, 1986.

JOHN BODE NOMINATION

Mr. BOREN. Mr. President, the Senate is now considering the nomination of John William Bode to be a member of the Commodity Credit Corporation Board. I have known John for over 10 years. He served as a student intern and later became a member of my staff during my tenure as Governor of Oklahoma. In both positions, he did an outstanding job.

In 1979, he became a professional staff member of the Senate Agriculture Committee and later began working in the Department of Agriculture. At the present time, he serves as the Assistant Secretary for Food and Consumer Services in the Department of Agriculture. He has consistently handled his responsibilities in a superb manner.

John Bode's background and experience in farming will make him an outstanding member of the Board. His extensive knowledge of the business of farming will prove to be an invaluable asset while he serves on the Board.

All Oklahomans are extremely proud of the record he has established in the Government. I am very pleased the President has chosen to nominate a young man with the integrity and ability of John Bode.

I urge my colleagues to confirm his nomination to be a member of the Commodity Credit Corporation Board.

C.C. HOPE NOMINATION

Mr. EAST. Mr. President, it gives me great pleasure to endorse the Senate Banking Committee's recommendation of C.C. Hope for confirmation as a Director of the Federal Deposit Insurance Corporation and urge my colleagues to support his nomination.

C.C. Hope is a man of considerable ability and talent with an excellent background of banking experience. He is one of North Carolina's most outstanding citizens with a remarkable career in banking spanning nearly 40 years. He is dedicated, hard-working, and a man whose service in this position would benefit the FDIC and the country.

C.C. Hope has had the opportunity to work in practically every aspect of banking operations. Early in his career, he worked as a teller and a branch manager. As his institution began to grow and expand, he worked in the field negotiating bank mergers. When he retired last year as vice chairman of the First Union National Bank, his work formed the basis of an institution which is one of the most respected and successful in the Nation.

In addition to his exemplary service as a banker, the nominee has devoted his life to serving North Carolina, his community, and the public in so many ways that I sometimes wonder how he was able to do so much so well. He has been president of the American Bankers Association, chairman of the North Carolina Bankers Association, treasurer of the Charlotte Chamber of Commerce, a deacon in the First Baptist Church of Charlotte, and a leader and member of charitable and service organizations too numerous to enumerate.

C.C. Hope is highly regarded among his peers and fellow citizens as an individual of great industry, dedication, and high moral character. I am confident that he will provide extraordinary leadership to the FDIC at this period of regulatory change, and I urge my colleagues to approve his nomination as Director of the FDIC.

Mr. SIMPSON. Mr. President, I move to reconsider the vote by which the nominations were confirmed.

Mr. BYRD. Mr. President, I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. SIMPSON. Mr. President, I ask unanimous consent that the President be immediately notified of the confirmation of these nominations.

The PRESIDING OFFICER. Without objection, it is so ordered.

LEGISLATIVE SESSION

Mr. SIMPSON. Mr. President, I ask unanimous consent that the Senate return to the consideration of legislative business.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. SIMPSON addressed the Chair.

The PRESIDING OFFICER. The assistant majority leader.

PROGRAM

Mr. SIMPSON. Mr. President, let me recap matters for our time of reconvening on Tuesday, April 8, 1986. We will reconvene at 12 noon following an adjournment. The two leaders then will have their time under the standing order of 10 minutes each.

There will be special orders in favor of the following Senators for not to exceed 5 minutes each: Senator PROXMIRE, Senator HAWKINS, and Senator CRANSTON.

There will be routine morning business for not to extend beyond the hour of 12:30 p.m. with Senators permitted to speak therein for not more than 5 minutes each.

ORDER FOR RECESS BETWEEN 12:30 P.M. AND 2 P.M.

Mr. SIMPSON. Mr. President, I ask unanimous consent that the Senate stand in recess at 12:30 p.m. until 2 p.m. in order for the weekly party caucuses to meet.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. SIMPSON. Mr. President, following the recess, by a previous unanimous agreement, the Senate will turn to S. 1660, the Confederate Memorial Association bill, and S. 8, a bill to grant Federal charter to the Vietnam Veterans of America, Inc.

Rollcall votes will occur on passage of S. 8 at 5:30 p.m. on Tuesday, April 8, 1986.

Then, Mr. President, the Senate could be asked to turn to any other legislative or executive items cleared for action.

COMMENDATION OF THE MINORITY LEADER

Mr. SIMPSON. Mr. President, I want to thank the minority leader for his support of the majority leader during a most important 2 days of deliberations on the aid to the Contras and Nicaragua.

I have watched that accord between them develop on that issue. That is most appreciated by those of us who must of necessity be about that type of business.

Mr. BYRD. Mr. President, I thank the very distinguished assistant Republican leader.

I must say that during our discussions back and forth, and during our meetings which took place with respect to the very controversial legislation, there was very good cooperation, a good spirit of working together, and good will.

We knew that we would not be able to agree on some things. But we disagreed in a very agreeable manner speaking of the majority leader, and in particular of Senators on the other side of the question, and on the other side of the aisle.

I thank the distinguished assistant leader.

ADJOURNMENT UNTIL TUESDAY, APRIL 8, 1986

Mr. SIMPSON. Mr. President, I move that the Senate stand in adjournment in accordance with the provisions of House Concurrent Resolution 304 until the hour of 12 noon on Tuesday, April 8, 1986.

The PRESIDING OFFICER. The question is on agreeing to the motion to adjourn.

The motion was agreed to, and at 8:34 p.m., on Thursday, March 27, 1986, the Senate adjourned until Tuesday, April 8, 1986, at 12 noon.

NOMINATIONS

Executive nominations received by the Senate March 27, 1986:

DEPARTMENT OF JUSTICE

Roger Milton Olsen, of Virginia, to be an Assistant Attorney General, vice Glenn L. Archer, Jr., resigned.

CORPORATION FOR PUBLIC BROADCASTING

Sonia Landau, of New York, to be a member of the Board of Directors of the Corporation for Public Broadcasting for a term expiring March 26, 1991. (Reappointment.)

NATIONAL COUNCIL ON THE HANDICAPPED

The following-named persons to be members of the National Council on the Handicapped for terms expiring September 17, 1988:

John F. Mills, of Virginia, vice Robert V. Bush, term expired.

Robert S. Muller, of Michigan, vice Hunt Hamill, term expired.

Brenda Premo, of California, vice Henry Viscardi, Jr., term expired.

Phyllis D. Zlotnick, of Connecticut, vice R. Budd Gould, term expired.

IN THE ARMY

The following-named officers for permanent promotion in the U.S. Army in accordance with the appropriate provisions of title 10, United States Code, sections 624 and 628:

CHAPLAIN CORPS

To be colonel

Charles R. Savely, 483-46-7343

ARMY

To be lieutenant colonel

McArthur Barnes, 254-80-3755
Peter C. Neukom, 542-52-8669

To be major

Gary K. Long, 520-54-0780
Scott D. MacGarvey, 006-54-3483
Patrick T. McDevitt, 145-36-4788
Charles D. Moore, 568-76-1898

MEDICAL CORPS

To be major

Willie C. Bruce, 419-74-9475
John H. Chiles, 499-52-7179
Young H. Choi, 375-76-8318
Carlos Ramirez-Tanchez, 583-56-2265

MEDICAL SERVICE CORPS

To be major

James W. Fairbanks, 521-60-3198

VETERINARY CORPS

To be major

Robert Russell, 414-82-6785

CONFIRMATIONS

Executive nominations confirmed by the Senate March 27, 1986:

EXPORT-IMPORT BANK OF THE UNITED STATES

John A. Bohn, Jr., of Virginia, to be President of the Export-Import Bank of the United States for a term of 4 years.

NATIONAL TRANSPORTATION SAFETY BOARD

James Eugene Burnett, Jr., of Arkansas, to be a member of the National Transportation Safety Board for the term expiring December 31, 1990.

Joseph Trippe Nall, of North Carolina, to be a member of the National Transportation Safety Board for the remainder of the term expiring December 31, 1987.

IN THE COAST GUARD

Pursuant to the provisions of 14 U.S.C. 729, the following-named captain of the Coast Guard Reserve to a permanent commissioned officer in the Coast Guard Reserve in the grade of rear admiral (lower half):

Daniel J. Murphy

FEDERAL DEPOSIT INSURANCE CORPORATION

C.C. Hope, Jr., of North Carolina, to be a member of the Board of Directors of the Federal Deposit Insurance Corporation for a term of 6 years.

The above nominations were approved subject to the nominees' commitment to respond to requests to appear and testify before any duly constituted committee of the Senate.

THE JUDICIARY

J. Daniel Mahoney, of New York, to be U.S. circuit judge for the second circuit.

Barbara K. Hackett, of Michigan, to be U.S. District Judge for the Eastern District of Michigan.

DEPARTMENT OF AGRICULTURE

John William Bode, of Oklahoma, to be a member of the Board of Directors of the Commodity Credit Corporation.

IN THE COAST GUARD

Coast Guard nominations beginning Douglas W. Anderson, and ending Christopher N. Zendan, which nominations were received by the Senate and appeared in the CONGRESSIONAL RECORD on March 12, 1986.

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HOUSE OF REPRESENTATIVES—*Tuesday, April 8, 1986*

The House met at 12 noon and was called to order by the Speaker pro tempore [Mr. Foley].

DESIGNATION OF SPEAKER PRO TEMPORE

The SPEAKER pro tempore laid before the House the following communication from the Speaker:

Washington, DC, *March 25, 1986.*

I hereby designate the Honorable Thomas S. Foley to act as Speaker pro tempore on Tuesday, April 8, 1986.

Thomas P. O'Neill, Jr.,
Speaker of the House of Representatives.

PRAYER

The Reverend Dr. Frank L. Fowler III, pastor, Trinity United Methodist Church, Hackettstown, NJ, offered the following prayer:

Eternal God, in whom alone is the strength of our heart and the hope of our world, we pause to open our lives to Your higher power, which we know as the true source of internal peace and international brotherhood.

Lead us, Lord, that the business and busyness of daily work might not divert us from understanding Your plan, and our part in it. Guide and direct these servants in their thought and labor. Fill them with the calm assurance of Your perpetual presence, that their deliberations and decisions would reflect divine truth in seeking the welfare of each of Your children.

Give us courage daily to act in accordance with Your will, seeking to reveal Your perfect love, as given through Jesus, the Christ. Amen.

THE JOURNAL

The SPEAKER pro tempore. The Chair has examined the Journal of the last day's proceedings and announces to the House his approval thereof.

Pursuant to clause 1, rule I, the Journal stands approved.

MESSAGE FROM THE SENATE

A message from the Senate, by Mr. Hallen, one of its clerks, announced that the Senate had passed with amendments in which the concurrence of the House is requested, bills of the House of the following titles:

H.R. 6. An act to provide for the conservation and development of water and related resources and the improvement and rehabilitation of the Nation's water resources infrastructure; and

H.R. 1349. An act to reduce the costs of operating Presidential libraries, and for other purposes.

The message also announced that the Senate insists upon its amendment to the bill (H.R. 6) "An act to provide for the conservation and development of water and related resources and the improvement and rehabilitation of the Nation's water resources infrastructure," requests a conference with the House on the disagreeing votes of the two Houses thereon, and appoints Mr. Stafford, Mr. Abdnor, Mr. Domenici, Mr. Durenberger, Mr. Bentsen, Mr. Moynihan, and Mr. Baucus, from the Committee on Environment and Public Works, Mr. Packwood, Mr. Roth, Mr. Danforth, Mr. Long, and Mr. Matsunaga, from the Committee on Finance for section 606 and title VIII of the Senate amendment and section 109 and title XV of the House bill, to be the conferees on the part of the Senate.

The message also announced that the Senate disagrees to the amendments of the House to the bill (S. 410) "An act to repeal the Commercial and Apartment Conservation Service, and for other purposes," requests a conference with the House on the disagreeing votes of the two Houses thereon, and appoints Mr. McClure, Mr. Hatfield, Mr. Domenici, Mr. Murkowski, Mr. Nickles, Mr. Johnston, Mr. Bumpers, Mr. Ford, and Mr. Metzenbaum, to be the conferees on the part of the Senate.

The message also announced that the Senate had passed joint resolutions and a concurrent resolution of the following titles, in which the concurrence of the House is requested:

S.J. Res. 263. Joint resolution to designate the week of September 7 through September 13, 1986, as "National Independent Retail Grocer Week";

S.J. Res. 264. Joint resolution designating April 28, 1986, as "National Nursing Home Residents Day";

S.J. Res. 279. Joint resolution to designate the month of October 1986, as "Lupus Awareness Month";

S.J. Res. 283. Joint resolution relating to Central America pursuant to the International Security and Development Cooperation Act of 1985;

S.J. Res. 294. Joint resolution to designate the month of April 1986 as "National Child Abuse Prevention Month";

S.J. Res. 296. Joint resolution to designate October 16, 1986, as "World Food Day";

S.J. Res. 308. Joint resolution designating March 25, 1986, as "Greek Independence Day: A National Day of Celebration of Greek and American Democracy"; and

S. Con. Res. 95. Concurrent resolution to recognize and honor the contributions of Consumers Union.

The message also announced that pursuant to section 9355(a), title 10, of the United States Code, the Vice President appoints Mr. Stevens from the Committee on Appropriations, and Mr. Goldwater from the Committee on Armed Services to the Board of Visitors of the Air Force Academy.

The message also announced that pursuant to section 6968(a), title 10, of the United States Code, the Vice President appoints Mr. Hatfield from the Committee on Appropriations, and Mr. Denton from the Committee on Armed Services, to the Board of Visitors of the Naval Academy.

The message also announced that pursuant to section 194(a), title 14, of the United States Code, the Vice President appoints Mr. Danforth from the Committee on Commerce, Science, and Transportation, and Mr. Packwood, from the Committee on Commerce, Science, and Transportation, to the Board of Visitors of the Coast Guard Academy.

The message also announced that pursuant to Public Law 96-114, as amended by Public Laws 98-33 and 99-161, the Chair, on behalf of the majority leader and the minority leader, appoints Mr. Wallop, Mr. Simon, Mr. Ben H. Love from private life, Mr. Joshua Miner from private life, Sir Gordon White from private life, Miss Cathy Lee Crosby from private life, Mr. Donald R. Keough from private life, Mr. S. Lee Kling from private life, the Honorable Shirley A. Chisholm from private life, and Mr. Phillip V. Sanchez from private life, to the Congressional Award Board.

The message also announced that pursuant to section 1295(b), title 46, of the United States Code, the Vice President appoints Mr. Kasten from the Committee on Commerce, Science, and Transportation, and Mr. Danforth from the Committee on Commerce, Science, and Transportation, to the Board of Visitors of the Merchant Marine Academy.

THE REVEREND FRANK L. FOWLER III

(Mr. COURTER asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. COURTER. Mr. Speaker, it gives me indeed a great deal of personal pleasure to introduce to the body today Rev. Frank L. Fowler III.

Reverend Fowler is my minister in Hackettstown, NJ. He is an ordained

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☐ This symbol represents the time of day during the House proceedings, e.g., ☐ 1407 is 2:07 p.m.

Matter set in this typeface indicates words inserted or appended, rather than spoken, by a Member of the House on the floor.

elder of the United Methodist Church, a member of the Northern New Jersey Conference.

He received his bachelor degree at West Virginia Wesleyan College, master of divinity at Wesley Theological Seminary. He attended the New College University of Edinberg, Scotland, and received his doctorate of philosophy from New York University.

He was, for a period of time, an associate pastor in Plainfield, NJ, and for 8 years, pastor at the United Methodist Church in Newfoundland, NJ.

He is a free lance writer. He is a true friend and a great minister.

Indeed, it is a pleasure for me to welcome here today the Reverend Frank Fowler.

VOTE AGAINST HUGHES "LAW ENFORCEMENT" AMENDMENT

(Mr. VOLKMER asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. VOLKMER. Mr. Speaker, I wish to issue a warning to everybody that tomorrow when we consider the Volkmer substitute for H.R. 4332, Congressman Hughes will offer an amendment he designates the "law enforcement amendment."

We want to beware. This amendment is nothing more than the most strident gun control measure he could offer. It is very insidious.

The Hughes amendment would require every gun owner who has ever traded, sold, given away, or in any way transferred any firearm, and that includes a rifle, a shotgun, or a handgun, to acquire a dealer's license before that gun owner can legally dispose of any second firearm, rifle, shotgun, or handgun thereafter.

That means that we would be registering through dealerships every gun owner in the United States.

Also, the "engaged in business" language of the Hughes amendment would in effect require virtually all of your sportsmen and hunters to become licensed dealers.

Additionally, many hand loaders, people who out there are loading their own shells—we have them all over the United States—would be licensed as manufacturers of ammunition under the Hughes amendment.

The Hughes amendment would force a majority of the Nation's 60 million firearms owners to be licensed by the Federal Government.

I urge you to oppose this gun control amendment by Congressman Hughes.

HONDURAN PRESIDENT JOSE AZCONA REBUTS REPORTS OF UNITED STATES PRESSURE

(Mr. LAGOMARSINO asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. LAGOMARSINO. Mr. Speaker, recent news reports have called into question the severity of the Nicaraguan invasion into Honduras last month. One would get the impression that perhaps the administration's concern would have been justified if 1,500 Nicaraguan soldiers had crossed the Honduran border, but if it had been only 800, then perhaps that was not so bad. Well, whether the number was 800 or 1,500, the implications of the Nicaraguan invasion of Honduras must not be minimized. Nor should we minimize the reaction of the Hondurans themselves.

News reports have said that the United States pressured the Hondurans to react strongly to the Nicaraguan invasion. Honduran President Jose Azcona rebutted those reports of United States pressure in an address to his nation last Friday night. President Azcona confirmed that 1,500 Nicaraguan troops had entered Honduran territory as Washington had reported. He also stated that Honduras had killed five Sandinista soldiers and had taken seven prisoners. President Azcona said he made his decision to seek U.S. military aid "without outside or domestic pressures" and was willing to "ask for U.S. military support as many times as is necessary to defend the nation."

ENCOURAGING NEWS ON DEFENSE MANAGEMENT REFORM

(Mr. SKELTON asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. SKELTON. Mr. Speaker, the recent announcement that the President will support changes recommended in the Packard Commission report on defense management is welcome news to those of us in Congress who have been working for years to reform the way the Pentagon does business.

The President's support in essence reversing past opposition expressed through the Secretary of Defense and the Joint Chiefs of Staff means that we are considerably closer to final enactment of legislation reorganizing the Defense Department.

Mr. Speaker, I have been pushing for reorganizing of the Defense Department, particularly the Joint Chiefs of Staff, since I first introduced legislation on this subject back in 1983.

With the participation and strong support of the gentleman from Alabama [Mr. Nichols], the chairman of the Investigation Subcommittee, and the gentleman from Wisconsin [Mr. Aspin], the chairman of the full Armed Services Committee, as well as Members of the other party in the House Armed Services Committee, we have twice been successful in getting this legislation through the House. Although the Senate was initially cool to this proposal, they have reversed themselves this past year and now seem favorably disposed toward Department of Defense reorganization.

Mr. Speaker, now that the President has embraced the conclusions of the Packard Commission and has joined those of us in Congress who have been advocating a more efficient, cost-effective national defense, we are much closer to ultimate success.

Mr. Speaker, I welcome the President onboard, although belatedly.

NATIONAL INSURANCE AVAILABILITY CRISIS COMMISSION

(Mr. SCHULZE asked and was given permission to address the House for 1 minute.)

Mr. SCHULZE. Mr. Speaker, today I am introducing legislation to address a crisis in America. A crisis touching every segment of our society and adversely afflicting our economy and the health and education of our children. The crisis is the cost and availability of liability insurance.

My legislation would establish a National Insurance Availability Crisis Commission. The Commission would include representatives from the legal profession, the insurance industry, the Federal Government and the States, and the various business sectors hit by the availability crisis. The Commission would examine all aspects of the current crisis be it tort reform or insurance pricing, and make recommendations to the Congress with mandated congressional action.

The Commission is designed to work. It includes strict timetables for action and, perhaps, most importantly, it costs no Federal dollars. My bill requires action within 11 months of enactment.

I urge my colleagues to support the establishment of a National Insurance Availability Commission and to support my legislation.

FACE BRANDING

(Mr. HORTON asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. HORTON. Mr. Speaker, today I am being joined by 18 of our colleagues in introducing a sense-of-Congress resolution urging the Secretary of Agriculture to investigate identification procedures to be used in place of the hot-iron branding of animals' cheeks.

Hot-iron cheek branding has generated substantial controversy across the country. To participate in the dairy termination program, dairy farm owners must brand all cows with a 3-

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inch X on the right cheek. For calves, a 2-inch X must be burned in.

While most cattle and dairy farm owners in the West and Midwest have used flank branding for years, very few dairy farmers in the Northeast have chosen this method. Because of this inexperience, the danger to both the animal and the brander is greatly increased. Alternatives must be found.

The letters I have here are just a sample of the tremendous outpouring of opposition to this practice in upstate New York. People are writing in, "horrified" and "appalled" at this "cruel and inhumane" treatment. Dairy farmers, many who have even named their cows, are outraged that the Government would force them to brand on the cheek. Cows are beautiful animals. I urge the Secretary of Agriculture to halt this means of identification immediately.

Mr. Speaker, this resolution directs Secretary Lyng to take immediate steps to investigate effective alternatives to hot-iron cheek branding, and to predicate future animal identification on these findings. The Secretary is directed to report to the House Agriculture Committee within 90 days of passage, and annually thereafter on the long-term findings.

I urge my colleagues to join with me in this sense-of-Congress message to the Secretary.

SQUANDERING THE CHANCES FOR PEACE

(Mr. WEISS asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. WEISS. Mr. Speaker, in Washington, the President is discussing a second summit with Soviet Ambassador Dobrynin. But in Nevada, the Reagan administration is squandering the one good opportunity for arms control that we've had in a long time.

Today's scheduled nuclear explosion at the Nevada test site will likely mean the end of the 8-month-old Soviet moratorium on nuclear tests. And that means that the unrestrained superpower race for more powerful and more accurate nuclear weapons will continue unabated.

The administration argues that a test ban isn't verifiable. It argues that we need to test to ensure the reliability of our weapons. But these arguments have as many holes as the Nevada desert has craters.

The real reason for testing is to continue development of a new generation of increasingly dangerous weapons, including the President's star wars fantasy.

Since the President refuses to act, Congress must. We should, as the bill introduced by the gentlewoman from Colorado [Mrs. Schroeder] urges, cut off all funding for nuclear tests, and we should maintain that posture so long as the Soviets do not test. Let us not squander this rare opportunity to slow down the nuclear arms race.

□ 1215

TRIBUTE TO AMBASSADOR JOHN GAVIN

(Mr. BADHAM asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. BADHAM. Mr. Speaker, I read in this morning's Washington Post, with some dismay, that John Gavin, the Ambassador of the President of the United States to Mexico, has resigned.

I would just like to say that I have known John Gavin for many years; that he and I went to elementary school, high school, and indeed the university together in California. I was somewhat amused when people were saying that, "John Gavin is an actor," when appointed by the President of the United States, not even taking time to recognize the fact that John Gavin was born in Mexico, speaks fluent Spanish, and has been probably in business in Mexico for more years than many people have even visited Mexico. He was highly trained, highly capable, highly successful as a businessman; indeed, on a first-name basis with Presidents of Mexico and served as a credit to the President of the United States, his policies, and the people of the United States in his representation.

I will be sorry to see Ambassador Gavin go, and I wish him the best of all possible things that can come his way in the future. We will miss a good Ambassador.

TRIBUTE TO UNIVERSITY OF LOUISVILLE CARDINALS AND COACH DENNY CRUM

(Mr. HUBBARD asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. HUBBARD. Mr. Speaker, our colleague Ron Mazzoli, who represents Louisville, KY, in the House, has already congratulated our University of Louisville Cardinals.

As a member of the Kentucky delegation who is a proud alumnus of the University of Louisville, I also want to congratulate our U. of L. Cardinals upon winning the 1986 NCAA basketball tournament in Dallas, TX, on March 31.

Special congratulations to U. of L. Basketball Coach Denny Crum upon winning his second NCAA basketball tournament in the past 7 years and upon his teams' reaching the final four in the NCAA tournaments four times in the past 7 years.

Hopefully, some year in the future Denny Crum will be recognized and voted "Coach of the Year" in college basketball.

Please attend the reception which our colleague Ron Mazzoli mentioned earlier and meet Coach Crum and the U. of L. championship Cardinals. That's Wednesday of next week, April 16, 3–5 p.m. in S–207 of the Capitol.

THIS OIL POLICY IS MISSION IMPOSSIBLE

(Mr. SCHUMER asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. SCHUMER. Mr. Speaker, in 1968, George Romney said he was brainwashed. In 1972, Ed Muskie cried in the snows of New Hampshire. In 1984, Walter Mondale guaranteed a tax increase to the American people. Now, in 1986, George Bush has gone to Saudi Arabia to bolster OPEC.

Everyone else in the administration has been crowing about how OPEC has been busted and what a great thing low oil prices are for America, and Mr. Bush is over there in the Middle East conducting his own private, foreign policy. It would be one thing if the Vice President were getting backup from the administration, but his mission is like "Mission Impossible"; they have disavowed any knowledge of his actions.

Mr. Vice President, this is not a Texas Chamber of Commerce field trip. You are supposed to be representing the American people. Certainly many would argue that we need to bolster domestic prices and encourage domestic oil conservation but, then, why do you not urge the President to go for an oil tax and in that way see that the money from domestic prices ends up in Uncle Sam's pockets and not in King Fahd's robes.

BEST WISHES FOR A SPEEDY RECOVERY TO CONGRESSMAN MANUEL LUJAN

(Mr. RICHARDSON asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. RICHARDSON. Mr. Speaker, I know that my colleagues join with me today in sending our best wishes for a speedy recovery to a member of the New Mexico congressional delegation, Congressman Manuel Lujan.

Over the weekend, Congressman Lujan had a heart attack and underwent a bypass operation. The good news is that he is resting comfortably in Albuquerque.

Manuel, I am anxiously awaiting your return to Congress. With the House back in session, it is time to resume some of the major New Mexico

battles of the day—not deficits, not taxes, not Nicaragua. I look forward to the day when you will again lead the charge to once again establish chili, good old New Mexico chili, as the national dish.

Mr. Speaker, I know I speak for my colleagues in wishing Congressman Lujan a speedy recovery, one of the more decent Members of this House who is desperately needed back. I join in sending to Mr. Lujan from my colleagues good wishes to his family, his lovely wife, Jean, his constituents. The message from the Congress, Manuel is, get well, Manuel.

COMMUNICATION FROM THE CLERK OF THE HOUSE

The SPEAKER pro tempore (Mr. Kildee) laid before the House the following communication from the Clerk of the House of Representatives:

Washington, DC,
March 31, 1986.

Hon. Thomas P. O'Neill, Jr.,
The Speaker, House of Representatives, Washington, DC.

Dear Mr. Speaker: Pursuant to the permission granted in Clause 5, Rule III of the Rules of the U.S. House of Representatives, the Clerk received the following message from the Secretary of the Senate:

(1) At 4:25 p.m. on Wednesday, March 26, 1986: That the Senate passed, without amendment, House Concurrent Resolution 305; and

(2) At 10:00 a.m. on Friday, March 28, 1986: That the Senate agreed to the House amendment to Senate Joint Resolution 52.

With kind regards, I am,

Sincerely,

Benjamin J. Guthrie,
Clerk, House of Representatives.

ANNOUNCEMENT BY THE SPEAKER PRO TEMPORE

The SPEAKER pro tempore. The Chair desires to announce that pursuant to clause 4 of rule I, the Speaker pro tempore signed the following enrolled bill and joint resolution on Monday, March 31, 1986:

H.R. 3128. An act to provide for reconciliation pursuant to section 2 of the first concurrent resolution on the budget for fiscal year 1986 (S. Con. Res. 32, 99th Congress); and

S.J. Res. 52. Joint resolution to designate the month of April 1986 as "National School Library Month."

COMMUNICATION FROM THE CLERK OF THE HOUSE

The SPEAKER pro tempore laid before the House the following communication from the Clerk of the House of Representative:

Washington, DC,
April 8, 1986.

Hon. Thomas P. O'Neill, Jr.,
The Speaker, House of Representatives, Washington, DC.

Dear Mr. Speaker: Pursuant to the permission granted in Clause 5, Rule III of the Rules of the U.S. House of Representatives, I have the honor to transmit sealed envelopes received from the White House 2:55 p.m. on Wednesday, March 26, 1986 as follows:

(1) Said to contain a report of the activities of the United States Government in the United Nations and its affiliated agencies during the calendar year 1984; and

(2) Said to contain a report entitled "The National Energy Policy Plan"; and

(3) Said to contain the Ninth Annual Report of the National Institute of Building Sciences.

With kind regards, I am,

Sincerely,

Benjamin J. Guthrie,
Clerk, House of Representatives.

REPORT OF ACTIVITIES OF THE UNITED STATES GOVERNMENT IN THE UNITED NATIONS AND ITS AFFILIATED AGENCIES, DURING CALENDAR YEAR 1984—MESSAGE FROM THE PRESIDENT OF THE UNITED STATES

The SPEAKER pro tempore laid before the House the following message from the President of the United States; which was read and, together with the accompanying papers, without objection, referred to the Committee on Foreign Affairs:

(For message see proceedings of the Senate of Wednesday, March 26, 1986, at page 6311.)

REPORT ON THE NATIONAL ENERGY POLICY PLAN—MESSAGE FROM THE PRESIDENT OF THE UNITED STATES

The SPEAKER pro tempore laid before the House the following message from the President of the United States; which was read and, together with the accompanying papers, without objection, referred to the Committee on Energy and Commerce:

(For message, see proceedings of the Senate of Wednesday, March 26, 1986, at page 6311.)

NINTH ANNUAL REPORT OF THE NATIONAL INSTITUTE OF BUILDING SCIENCES—MESSAGE FROM THE PRESIDENT OF THE UNITED STATES

The SPEAKER pro tempore laid before the House the following message from the President of the United States; which was read and, together with the accompanying papers, without objection, referred to the Committee on Banking, Finance and Urban Affairs:

(For message, see proceedings of the Senate of Wednesday, March 26, 1986, at page 6310.)

□ 1225

ANNOUNCEMENT BY THE SPEAKER PRO TEMPORE

The SPEAKER pro tempore. Pursuant to the provisions of clause 5, rule I, the Chair announces that he will postpone further proceedings today on each motion to suspend the rules on which a recorded vote or the yeas and nays are ordered, or on which the vote is objected to under clause 4 of rule XV.

Such rollcall votes, if postponed, will be taken on Wednesday, April 9, 1986.

PERMISSION FOR COMMITTEE ON ARMED SERVICES TO FILE REPORT ON H.R. 4420, MILITARY RETIREMENT REFORM ACT

Mrs. SCHROEDER. Mr. Speaker, I ask unanimous consent that the Committee on Armed Services may have until 6 p.m. today, April 8, 1986, to file a report on the bill, H.R. 4420, the Military Retirement Reform Act.

The SPEAKER pro tempore. Is there objection to the request of the gentlewoman from Colorado?

There was no objection.

EXECUTIVE EXCHANGE PROGRAM VOLUNTARY SERVICES ACT OF 1986

Mrs. SCHROEDER. Mr. Speaker, I move to suspend the rules and pass the bill (H.R. 3002) to provide for the establishment of an experimental program relating to the acceptance of voluntary services from participants in an executive exchange program of the Government, as amended.

The Clerk read as follows:

H.R. 3002

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the "Executive Exchange Program Voluntary Services Act of 1986".

SEC. 2. DEFINITIONS.

For the purposes of this Act—

(1) the term "Government" means the Government of the United States;

(2) the term "participant in an executive exchange program" means an executive, manager, or other individual from the private sector participating in an executive exchange program administered by the President's Commission on Executive Exchange (described in Executive Order 12493, dated December 5, 1984) or by a successor entity in function;

(3) the term "agency" means an Executive agency (as defined by section 105 of title 5, United States Code), the United States Postal Service, and the Postal Rate Commission; and

(4) the term "employee of the Government" means an individual employed in or under an agency.

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SEC. 3. EXPERIMENTAL PROGRAM.

(a) The President may establish an experimental program, to be conducted during fiscal years 1987 through 1989, under which voluntary services may be accepted by the Government, without regard to section 1342 of title 31, United States Code.

(b) Under the program, the voluntary services of an individual may be accepted if—

(1) such individual is a participant in an executive exchange program;

(2) the acceptance of such services will not result in the displacement of any employee of the Government; and

(3) the voluntary services will be performed in or under an agency.

(c)(1) An individual performing voluntary services under the experimental program shall, for purposes of any laws, rules, and regulations of the United States (including those relating to conflicts of interest, financial disclosure, and standards of conduct) be considered an individual employed in or under the agency to which assigned, except that such individual shall not be covered by chapter 51, 53, 63, 83, 87, or 89 of title 5, United States Code, or any comparable provision relating to pay, leave, retirement, life insurance, or health benefits for employees of the Government.

(d) Not more than ten individuals may commence participation in the experimental program during any fiscal year.

(e)(1) Nothing in this Act shall prevent—

(A) the continuation of pay and other benefits from the private-sector employer, or

(B) continued participation in a bona fide pension, retirement, group life, health or accident insurance, profit-sharing, stock bonus, or other employee welfare or benefit plan maintained by the private-sector employer,

for an individual performing voluntary services in the experimental program.

(2) For the purpose of this section, the term "private-sector employer", as used with respect to an individual, means the corporation or other person by which such individual was employed immediately before beginning to perform voluntary services in the experimental program.

SEC. 4. REPORTS.

Not later than March 31, 1989, the President's Commission on Executive Exchange (or a successor entity in function) shall transmit to the Congress a report on the experimental program under this Act. The report shall include a description of the administration of the program, the findings of the Commission (or successor entity) relating to the advantages and disadvantages of accepting voluntary services from participants in an executive exchange program, and recommendations for legislation (if any) relating to the continuation of the program.

The **SPEAKER** pro tempore. Is a second demanded?

Mr. **HORTON**. Mr. Speaker, I demand a second.

The **SPEAKER** pro tempore. Without objection, a second will be considered as ordered.

There was no objection.

The **SPEAKER** pro tempore. The gentlewoman from Colorado [Mrs. SCHROEDER] will be recognized for 20 minutes and the gentleman from New York [Mr. HORTON] will be recognized for 20 minutes.

The Chair recognizes the gentlewoman from Colorado [Mrs. SCHROEDER].

Mrs. **SCHROEDER**. Mr. Speaker, I yield myself as much time as I may consume.

Mr. Speaker, H.R. 3002 was introduced by our colleague FRANK HORTON at the request of the President's Commission on Executive Exchange. The executive exchange is a program created by President Johnson and supported by every President since then. It brings private sector executives into the Government and sends Government executives out to the private sector for 1-year exchange programs.

The program is one small way that the mutual distrust which sometimes exists between these two kinds of executives can be reduced.

H.R. 3002 as reported by the Committee on Post Office and Civil Service establishes an experimental program to be run during fiscal years 1987 through 1989, in which 10 of the private sector participants in the Executive Exchange Program may work for the Government but be paid by their regular employers. This will permit 10 of the private sector participants each year to be paid by their companies at rates above the Federal pay cap.

This legislation was requested by the administration because it claims that the Executive Exchange Program is unable to attract the senior level private sector managers it wants with the Federal pay cap. Obviously, what we are seeing is that Federal executives are paid far less than their private sector counterparts.

All private sector executive exchange participants, including those in the experimental program, are subject to laws relating to conflict of interest, financial disclosure, and standards of conduct. We requested an opinion from the Justice Department on the applicability to executive exchange participants of the criminal statute (18 U.S.C. 209) which prohibits executive branch employees from receiving compensation from sources other than the Government. I include a copy of the letter from the Department of Justice in the RECORD at this point.

Washington, DC, April 2, 1986

Hon. PATRICIA SCHROEDER,
U.S. House of Representatives,
Washington, DC.

DEAR REPRESENTATIVE SCHROEDER: You have asked for the opinion of this Department as to whether H.R. 3002, the "Executive Exchange Program Voluntary Services Act of 1985," conflicts with 18 U.S.C. 209, which generally prohibits executive branch employees from receiving compensation from sources other than the Government.[1] Section 3(b)(2) of the bill provides that participants in the Executive Exchange Program of the President's Commission on Executive Exchange must receive their compensation solely from the nongovernmental entity responsible for nominating them for participation in the program. While the proposed program does not directly conflict with the terms of section 209, it is somewhat at odds with the policy underlying that statute, and accordingly, we direct your attention to several matters of concern.

By its own terms, section 209's prohibition on extra-governmental compensation does not extend "to an officer or employee of the Government serving without compensation, whether or not he is a special Government employee, or to any person paying, contributing to, or supplementing his salary as such." 18 U.S.C. 209(c). Executive Exchange Program participants under H.R. 3002 would receive no compensation from the government, and thus would not be prevented from receiving compensation from their sponsoring organizations.[2] Nonetheless, while the law is technically inapplicable, we believe that the policies it embodies ought to be closely examined in the context of this bill.

The principal animating section 209 and its predecessor statutes is "that no Government official or employee should serve two masters to the prejudice of his unbiased devotion to the interests of the United States." 33 Op. A.G. 273, 275 (1922). A number of considerations underlie this concern: (1) government employees who are paid by outside sources may be subject to pressures from those sources that can adversely affect their service to the federal government; (2) such employees may tend to favor the interests of the outside sources of payment even in the absence of actual pressure; (3) employees paid by outside sources are less subject to agency discipline, and are often substantially better paid, than their fellow employees, which may lead to internal personnel difficulties; and (4) even in the absence of any specific problems, such payment may result in the appearance of impropriety. All of these considerations call for special care in authorizing the use of volunteer services, to ensure that such authorization is consistent with the interests of the government and its tradition of independent and unbiased service to the public.

Several features of the Executive Exchange Program highlight the need for careful scrutiny. First, unlike special government employees, who by statute are limited to working a relatively short period,[3] or

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[1] Section 209(a) provides: Whoever receives any salary, or any contribution to or supplementation of salary, as compensation for his services as an officer or employee of the executive branch of the United States Government, of any independent agency of the United States, or of the District of Columbia, from any source other than the Government of the United States, except as may be contributed out of the treasury of any State, county, or municipality; or

Whoever, whether an individual, partnership, association, corporation, or other organization pays, or makes any contribution to, or in any way supplements the salary of, any such officer or employee under circumstances which would make its receipt a violation of this subsection—

Shall be fined not more than $5,000 or imprisoned not more than one year, or both.

[2] Nor, of course, would the organizations be prevented from paying the salaries of participants.

[3] Special government employees include principally those who perform, "with or without compensation, for not to exceed one hundred and thirty days during any period of three hundred and sixty-five consecutive days, temporary duties either on a full-time or intermittent basis * * *." 18 U.S.C. 202(a).

most volunteers, who work part-time, the participants in the Executive Exchange Program will be working for one year as full-time government employees. The legislative history of section 209 suggests that the exception embodied in section 209(c) was largely intended to accommodate part-time or intermittent employees.[4] Again, while the express terms of section 209(c) are not so limited, we believe that the policy behind the exception has less force with respect to full-time volunteers receiving full salaries from outside sources.[5] Second, Executive Exchange Program participants will presumably serve in relatively high-level jobs within the government, participating in precisely the kinds of decisions that the conflict of interest laws most clearly contemplated.

On the other hand, we believe that H.R. 3002 substantially mitigates these concerns by proposing only a three-year experimental program limited to at most ten employees, and by making the conflict of interest laws, other than Section 209,[6] applicable to all program participants. As a result of these important qualifications, we do not object to the enactment of H.R. 3002. Nevertheless, since we have consistently noted the concerns discussed in this letter in the past, we ask that you give them serious consideration as you proceed. In particular, we would be wary of any proposal to extend this or a similar program beyond the limits set out in H.R. 3002.

The Office of Management and Budget has advised this Department that there is no objection to the submission of this report from the standpoint of the Administration's program.

Sincerely,

JOHN R. BOLTON,
Assistant Attorney General.

Mr. Speaker, participants in the experimental program are not considered Federal employees for purposes of classification, pay rates, leave, retirement, and life and health insurance. Other participants are treated like other Federal employees who are subject to a limited 1-year appointment.

The President's Commission on Executive Exchange will administer the program. At the end of the 3-year experimental program, the Commission will report to Congress on the advantages and disadvantages of the voluntary program, so we can decide whether to continue it.

I urge approval of this legislation.

Mr. **HORTON**. Mr. Speaker, I yield myself 5 minutes.

Mr. Speaker, H.R. 3002 establishes a 3-year experimental program that I believe will greatly improve the operation and objectives of the President's Commission on Executive Exchange.

I believe that a better understanding between the private and public sectors is essential to the future of this country—economically, socially, and politically. That is why I introduced H.R. 3002. The Executive Exchange Program is one vehicle that has fostered this understanding, and at low cost to the Federal budget. It allows private and public sector executives to change jobs for a 1-year period. Selected public sector executives go to work for private corporations and private sector participants come to work for the Government. To my knowledge, the participant endorsement throughout its 18-year history has been 100 percent. All agree that the experience was worthwhile and improved understanding and fostered cooperation between the two sectors.

H.R. 3002 is an attempt to correct a problem that now inhibits the participation in the program of senior private sector executives. In many instances, senior private sector executives are paid more than their public sector counterparts. And, because their compensation during their year of Federal service must fall within Federal pay scales, these executives choose not to participate because of the substantial salary reductions they would suffer. H.R. 3002 allows the sponsoring corporation to assume the full compensation of the senior executives, thereby eliminating this inhibition.

H.R. 3002 establishes this new compensation dimension of the Executive Exchange Program on an experimental basis for a 3-year period. Only 10 employees could participate each year. After the 3-year period, we can evaluate the success of the program and determine whether we want to make it permanent. My inclination is that we will, but this trial period allows us the opportunity to determine its success in attracting more senior executives from the private sector into the program. I believe this will allow the President's Commission more flexibility to meet this administration's stated commitment to a strong and effective executive exchange network.

Finally, I want to publicly commend the outgoing Chairman of the President's Commission on Executive Exchange, Mr. James Burke. Mr. Burke is the chairman of Johnson & Johnson Corp. and a firm believer in the Executive Exchange Program. I think he has done more to elevate the importance of the Commission and its efforts than anyone in recent memory.

Mr. Speaker, I also want to take this opportunity to thank my chairwoman, the gentlewoman from Colorado [Mrs. SCHROEDER] for her work in bringing this bill to the floor. She has done an excellent job as chairperson of the subcommittee, as she explained, to get the background information so that we could be certain that we met all of the requirements.

I also want to take this occasion to thank my colleague on the House Post Office and Civil Service Committee, the gentleman from California [Mr. DYMALLY] for his work. So to both of them, I salute them for the fine job that they have done to bring this bill to the floor, and I urge its approval.

Mr. Speaker, I yield back the balance of my time.

Mrs. **SCHROEDER**. Mr. Speaker, I yield back the balance of my time.

The **SPEAKER** pro tempore. The question is on the motion offered by the gentlewoman from Colorado [Mrs. SCHROEDER] that the House suspend the rules and pass the bill, H.R. 3002, as amended.

The question was taken; and (two-thirds having voted in favor thereof), the rules were suspended and the bill, as amended, was passed.

A motion to reconsider was laid on the table.

EXTENDING APPEAL RIGHTS FOR CERTAIN FEDERAL EMPLOYEES

Mrs. **SCHROEDER**. Mr. Speaker, I move to suspend the rules and pass the bill (H.R. 917) to amend title 5, United States Code, to extend to certain employees in the excepted service the same procedural and appeal rights as are afforded to employees in the competitive service with respect to certain adverse personnel actions, as amended.

The Clerk read as follows:

H.R. 917

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That (a) section 7511 of title 5, United States Code, is amended to read as follows:

"§ 7511. Definitions; application

"(a) For purposes of this subchapter—

"(1) 'employee' means—

"(A) an individual in the competitive service—

"(i) who is not serving a probationary or trial period under an initial appointment; or

"(ii) who has completed 1 year of current continuous service under other than a temporary appointment limited to 1 year or less;

"(B) a preference eligible in the excepted service who has completed 1 year of current continuous service in the same or similar positions—

"(i) in an Executive agency; or

"(ii) in the United States Postal Service or the Postal Rate Commission; and

"(C) an individual in the excepted service (other than a preference eligible) who has

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[4] See S. Rep. No. 2213, 87th Cong., 2d Sess. 6–7 (1962); *Federal Conflict of Interest Legislation: Hearings on H.R. 1900, H.R. 2156, H.R. 2157, H.R. 7556, and H.R. 10575 before the Antitrust Subcomm. of the House Committee on the Judiciary,* 86th Cong. 2d Sess. 137, 147, 201 (1960).

[5] Similarly, the part-time character of special government employees justifies their partial exclusion from the ban in 18 U.S.C. 205 on participation by government employees (or their partners) as agents or attorneys in matters involving the United States. Special employees (and their partners) are generally within this ban only with respect to matters in which they or their department or agency are directly involved. Thus, if an attorney temporarily serves as a special master in government litigation, his law firm is not necessarily obliged to withdraw from all proceedings involving the government.

[6] See, *e.g.,* 18 U.S.C. 208 (participation in matters in which the employee is financially interested); 18 U.S.C. 1906 (unauthorized disclosure of financial or proprietary information obtained in the course of government employment).

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completed 2 years of current continuous service in the same or similar positions in an Executive agency;

"(2) 'suspension' has the same meaning as set forth in section 7501(2) of this title;

"(3) 'grade' means a level of classification under a position classification system;

"(4) 'pay' means the rate of basic pay fixed by law or administrative action for the position held by an employee; and

"(5) 'furlough' means the placing of an employee in a temporary status without duties and pay because of lack of work or funds or other nondisciplinary reasons.

"(b) This subchapter does not apply to an employee—

"(1) whose appointment is made by and with the advice and consent of the Senate;

"(2) whose position has been determined to be of a confidential, policy-determining, policy-making or policy-advocating character by—

"(A) the President for a position that the President has excepted from the competitive service;

"(B) the Office of Personnel Management for a position that the Office has excepted from the competitive service; or

"(C) the President or the head of an agency for a position excepted from the competitive service by statute;

"(3) whose appointment is made by the President;

"(4) who is receiving an annuity from the Civil Service Retirement and Disability Fund or the Foreign Service Retirement and Disability Fund;

"(5) who is described in section 8337(h)(1) of this title, relating to technicians in the National Guard;

"(6) who is a member of the Foreign Service, as described in section 103 of the Foreign Service Act of 1980;

"(7) whose position is within the Central Intelligence Agency, the General Accounting Office, or the Department of Medicine and Surgery, Veterans' Administration;

"(8) whose position is within the United States Postal Service, the Postal Rate Commission, the Federal Bureau of Investigation, or the National Security Agency, except as provided in subsection (a)(1)(B) of this section; or

"(9) who is described in section 5102 (c)(11) of this title.

"(c) The Office may provide for the application of this subchapter to any position or group of positions excepted from the competitive service by regulation of the Office.".

(b)(1) This Act shall become effective on the ninetieth day after the date of the enactment of this Act, and shall apply with respect to any personnel action taking effect on or after such day.

(2) No appeal or other proceeding in the nature of review lawfully commenced before the effective date of this Act shall abate by reason of the enactment of this Act. Determinations with respect to any such appeal or proceeding shall be made as if this Act had not been enacted.

The SPEAKER pro tempore. Is a second demanded?

Mr. HORTON. Mr. Speaker, I demand a second.

The SPEAKER pro tempore. Without objection, a second will be considered as ordered.

There was no objection.

The SPEAKER pro tempore. The gentlewoman from Colorado [Mrs. SCHROEDER] will be recognized for 20 minutes and the gentleman from New York [Mr. HORTON] will be recognized for 20 minutes.

The Chair recognizes the gentlewoman from Colorado [Mrs. SCHROEDER].

Mrs. SCHROEDER. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, the legislation before us extends due process rights to about 150,000 Federal workers—mainly scientists and attorneys—who do not now have these rights because they are in the excepted service and are not preference eligibles.

Most Federal civil servants are in the competitive service, which means they are hired off of central examinations and Office of Personnel Management [OPM] registers. Some positions, such as those for scientists, chaplains, and translators, are excepted from the competitive service because it is impractical to create a central examination for these positions. Attorney positions are excepted from the competitive service because Congress has declared that it does not want lawyers subject to competitive examination.

This does not mean that employees in these positions are not competitively hired. To get a job as an attorney in the Justice Department requires enduring some of the most rigid competition which the Government has to offer. The Government aggressively recruits the best scientists and engineers out of graduate schools. Getting a job in the excepted service does not come without competition.

Attorneys, scientists, and engineers who are veterans of periods of combat get the same appeal rights as competitive service employees under the Veterans Preference Act of 1944. So, extending these due process rights to other employees in the same agencies will not undermine the effectiveness of these agencies.

Moreover, extending these rights does not dilute veterans' preference. Both the American Legion and the Veterans of Foreign Wars wrote to me last year to say that they had no objection to the enactment of H.R. 917, just as long as it did not weaken veterans' rights. The bill does not do so. I include in the RECORD at this point the letters of these two organizations.

THE AMERICAN LEGION,
Washington, DC, September 11, 1985.

Hon. PATRICIA SCHROEDER,
Chairwoman, House Committee on Post Office and Civil Service, Subcommittee on Civil Service, Cannon House Office Building, Washington, DC.

DEAR REPRESENTATIVE SCHROEDER: This letter is in response to your August 1 request for the Legion's views on H.R. 917, a bill to extend certain procedural and appeal rights to government employees in the excepted service facing adverse job actions.

According to The American Legion's Economic Division, this legislaton is in line with the history of veterans preference and the federal merit system whereby a provision is first made for veterans and is then extended to the rest of the employees. The American Legion's historic position has been that this organization will not object to such an extension of rights, provided that the rights of veterans are not weakened in the process.

Congresswoman, thank you for your interest in the views of The American Legion and if we can be of further assistance please do not hesitate to let us know.

Sincerely,

E. PHILIP RIGGIN,
Director, National Legislative Commission.

VETERANS OF FOREIGN WARS
OF THE UNITED STATES,
Washington, DC, August 12, 1985.

Hon. PATRICIA SCHROEDER,
Chairwoman, Subcommittee on Civil Service, Committee on Post Office and Civil Service, Washington, DC.

DEAR MADAM CHAIRWOMAN: This is in response to your recent letter and enclosures thereto with respect to H.R. 917 to extend to certain employees in the Excepted Service the same procedural and appeal rights as are afforded to employees in the Competitive Service with respect to certain adverse personnel actions.

It is the opinion of the professional members of my staff who deal with legislation and Civil Service matters that H.R. 917 would eliminate an inequity visited only upon certain employees in the Excepted Service. In addition, H.R. 917 would place tighter control on the latitude exercised by the Office of Personnel Management in relief of individuals in the Excepted Service.

Thank you for your courtesy in this matter; and with best wishes and kind regards, I am

Sincerely,

BILLY RAY CAMERON,
National Commander-In-Chief.

The due process rights which this legislation would extend to a new class of employees center around the right of the employee to challenge adverse actions outside of their own agency: the right to appeal to the Merit Systems Protection Board in the case of a removal, reduction in grade or pay, furlough, or suspension. Other due process rights granted include the right to notice, to answer the charges, to representation, and to a written decision.

H.R. 917 was introduced by our colleague, MERVYN DYMALLY, of California. Through his work on behalf of a Federal attorney who did not have appeal rights to challenge his removal, Mr. DYMALLY, became convinced that due process rights should be extended to virtually all Federal employees.

The bill, as reported by the Committee on Post Office and Civil Service, achieves that goal. It extends the due process and appeal rights contained in chapter 75 of title 5, United States Code, to many employees in the excepted service.

While those in the competitive service and veterans in the excepted service acquire these rights after 1 year of continuous service, those to whom the rights are extended by H.R. 917 acquire them after 2 years of current continuous service in the same or similar positions in an executive agency.

Due to special circumstances, H.R. 917 explicitly excludes certain categories of employees from coverage. These categories are:

Presidential appointees, including White House staff and Schedule C's;

Reemployed civil service or Foreign Service annuitants;

National Guard technicians;

Members of the Foreign Service, because they have their own grievance system which provides comparable rights;

Noncitizens of the United States who work for the Government outside the United States;

Central Intelligence Agency employees, because section 102(c) of the National Security Act of 1947 gives the Director clear authority to deal with CIA employees;

General Accounting Office employees, because the GAO Personnel Act of 1980 set up a GAO Personnel Appeals Board to provide due process rights of GAO workers;

Employees of the Department of Medicine and Surgery of the Veterans' Administration, because they have their own peer review system;

Employees other than preference eligibles of the U.S. Postal Service and the Postal Rate Commission, because the House has already passed legislation dealing with appeal rights for postal supervisors; and

Employees other than preference eligibles of the Federal Bureau of Investigation and the National Security Agency. In the case of these two sensitive agencies, we maintained the status quo and thereby avoided eroding the rights of veterans but did not expand the case of covered employees.

The Permanent Select Committee on Intelligence contacted the Committee on Post Office and Civil Service yesterday to ask about the coverage of other intelligence agencies, including the Defense Intelligence Agency [DIA]. We had tried to gain the views of these intelligence units prior to committee consideration. Unfortunately, both the Intelligence Committee and the Committee on Post Office and Civil Service only became aware of the concerns of these agencies yesterday.

Before making a judgment about the merit of an exception for other intelligence agencies, the committee wants an opportunity to consider their arguments. I can assure the Intelligence Committee that we will work closely with it to review the issue of coverage of excepted service employees in intelligence agencies. If there is a good reason to withhold these due process rights from employees of DIA and other intelligence agencies, we will be sure to do so.

The amendment sets an effective date of 90 days after the date of enactment. The new law would apply to adverse actions taking effect on or after that date, but would not apply to any appeal or review proceeding which began the effective date.

I urge support for this legislation.

Mr. HORTON. Mr. Speaker, I yield myself 5 minutes.

Mr. Speaker, I rise in support of H.R. 917, a bill that provides certain adverse action rights to civil service employees hired under the excepted service. The bill was reported unanimously from both the Civil Service Subcommittee and the full Post Office and Civil Service Committee.

I am especially pleased with the manner by which this legislation was developed, and I commend both Chairwoman SCHROEDER and Congressman DYMALLY for their careful and conscientious efforts. Not all excepted service employees are covered under this bill, nor should they be. There are good compelling reasons to exclude from the bill certain employees within the intelligence, law enforcement, and defense communities. They are excluded. In fact, every agency with an interest in this bill was contacted by the subcommittee so that we might have their views on whether their employees ought to be covered or not covered by H.R. 917. This was a very thorough process.

Now to the merits of the bill. I cosponsored and support H.R. 917 for a very important reason. One of the principal reasons this legislation was introduced was to give Federal Government attorneys adverse action rights. In other words, this bill would give attorneys and others due process rights if they were summarily fired without explanation. They don't enjoy these rights today. In my mind, it is essential that attorneys at the SEC, who are investigating multibillion-dollar mergers, acquisitions, securities fraud, or other violations, have these rights. The same is true for attorneys at the Federal Trade Commission, the Food and Drug Administration and the many other agencies where sensitive investigations and legal actions are pursued. Attorneys especially should know that, as they pursue their work, they are protected from any adverse action that might be taken against them as a result of their work.

Mr. Speaker, this is an excellent bill, and I urge its passage.

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Mr. Speaker, I have no requests for time.

Mrs. SCHROEDER. Mr. Speaker, I yield 5 minutes to the gentleman from California [Mr. DYMALLY], the author of the bill.

Mr. DYMALLY. Mr. Speaker, I thank our distinguished subcommittee chairwoman, Mrs. SCHROEDER, for her support of H.R. 917 and for her work to improve upon the bill as originally introduced. Let me also thank my subcommittee colleague, Mr. HORTON, for his support of my efforts and his interest in the issue of adverse action protections for Federal employees.

As the sponsor of H.R. 917, I am pleased that this legislation has progressed to the House floor with bipartisan support from the Committee on Post Office and Civil Service. More importantly, I am proud that our committee has again, in a united manner, approved legislation which recognizes the value of a great national resource—our Federal Government workforce.

It is not necessary for me to repeat in detail the provisions of H.R. 917. As Chairwoman SCHROEDER has pointed out, this bill gives Federal employees in the excepted service certain administrative due process rights when they are faced with a conduct-related adverse action. There are literally hundreds of thousands of Federal workers hired under the excepted service, as opposed to the competitive service. They include attorneys, physicians, handicapped employees, scientists, and many other Government positions for which a competitive examination is not available. Under current law, Federal workers in the competitive service and veterans in the excepted service have certain statutory rights of appeal when adverse personnel actions are taken against them. These rights include the right to appeal an adverse action to the Merit Systems Protection Board, an independent Federal agency.

I strongly believe that Federal employees, except under special circumstances, should not be subject to the loss of their jobs, grade, or pay, without any means of recourse or ability to properly defend themselves. Not only does such a system offend our notions of due process and justice, but it may subject many of our Federal workers to the whims of internal or external politics. This situation simply is not the type of position in which career civil servants should be placed.

H.R. 917 does not give excepted service employees a right which is foreign or untested. Rather, it extends to these employees the same rights which are enjoyed, under the law, by their counterparts who are veterans preference eligibles and who are in the competitive service. It gives employees covered under the bill the right to defend themselves against an adverse personnel action before an impartial, administrative review board. There should be no question that most excepted service employees deserve the minimum due process rights afforded others in the civil service. The right to work free from the fear of arbitrary, or even capricious, actions by one's employer, should be fundamental.

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Finally, let me point out that the committee has taken careful steps to ensure that the rights extended to certain excepted service employees under H.R. 917 do not infringe on the need of Federal agencies to remove employees for reasons of national security. While title 5, U.S. Code, already provides for a rapid means of dealing with an employee problem affecting national security, H.R. 917 was amended in committee to explicity exclude from coverage of the bill certain agencies which have national security related missions.

H.R. 917 was carefully drafted and received an unusually thorough review by the Subcommittee on Civil Service before action on the bill was taken this year. I urge my colleagues to approve this legislation today.

Mr. HOYER. Mr. Speaker, I rise today to commend my good friend, Representative Mervyn Dymally, for his untiring efforts on the Subcommittee on Civil Service on behalf of this legislation and the chairwoman, Representative Pat Schroeder, who worked very had to improve the bill and shepherd it to the floor today.

This legislation will provide a long denied right of due process to certain excepted employees who have worked for the Government for more than 2 years. It grants to them the same right the Congress granted veterans in the excepted service back in 1944. Primarily, the bill offers chaplains, attorneys, doctors, and scientists the right to appeal to the Merit System Protection Board in the event they face removal, suspension for more than 14 days, reduction in grade or pay, or furlough for 30 days or less. This law will give them the opportunity to have written notice of 30 days in advance of the action and the opportunity to respond and repeal to the Board if necessary.

The subcommittee has removed the controversy from this bill by excluding employees whose positions are unique either for their policy implications or their impact on security and safety. I understand that National Guard technicians have been temporarily excluded, but will be handled in other legislation soon to be before the good chairwoman's subcommittee and the Committee on Armed Services. I will look forward to cosponsoring that legislation as well, since these workers certainly deserve that protection against arbitrary action that we offer to other Federal workers.

Again, I congratulate the sponsor of this important bill and urge my colleagues to support this equitable legislation.

Mr. HORTON. Mr. Speaker, I yield back the balance of my time.

Mrs. SCHROEDER. Mr. Speaker, I yield back the balance of my time.

The SPEAKER pro tempore. The question is on the motion offered by the gentlewoman from Colorado [Mrs. Schroeder] that the House suspend the rules and pass the bill, H.R. 917, as amended.

The question was taken; and (two-thirds having voted in favor thereof) the rules were suspended and the bill, as amended, was passed.

A motion to reconsider was laid on the table.

GENERAL LEAVE

Mrs. SCHROEDER. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks and include extraneous material on the bills just passed, H.R. 3002 and H.R. 917.

Mr. SPEAKER pro tempore. Is there objection to the request of the gentlewoman from Colorado?

There was no objection.

CHRISTA McAULIFFE NATIONAL TALENTED TEACHER FELLOWSHIP PROGRAM

Mr. FORD of Michigan. Mr. Speaker, I move to suspend the rules and pass the bill (H.R. 4143) to name the National Talented Teacher Fellowship Program after Christa McAuliffe.

The Clerk read as follows:

H.R. 4143

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That section 571 of the Higher Education Act of 1965 is amended by adding at the end thereof the following new sentence: "The fellowships awarded under this part shall be referred to as 'McAuliffe Fellowships'.".

Sec. 2. The heading of part F of title V of the Higher Education Act of 1965 is amended to read as follows: "Part F—Christa McAuliffe National Talented Teacher Fellowship Program".

The SPEAKER pro tempore. Pursuant to the rule, a second is not required on this motion.

The gentleman from Michigan [Mr. Ford] will be recognized for 20 minutes, and the gentleman from Missouri [Mr. Coleman] will be recognized for 20 minutes.

The Chair recognizes the gentleman from Michigan [Mr. Ford].

Mr. FORD of Michigan. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, it is indeed a singular honor and a privilege to be recognized here today by Speaker Dale Kildee of Flint, MI, presiding over the U.S. House of Representatives, a very special pleasure that I have seldom seen the like of in my 22 years in this House.

Mr. Speaker, on January 28, 1986, in the early afternoon, I was in a meeting in my office with members of the Michigan chapter of the National School Boards Association when we were told that the space shuttle *Challenger* had exploded, 73 seconds into launch.

All of us were, of course, instantly aware that this was the flight that carried the first "teacher in space," as the NASA program had come to be popularly called.

It was at the suggestion of President Reagan in late 1984 that NASA designed the "Teacher in Space" Program and the response on the part of teachers nationwide was immediate. Out of more than 10,000 applicants, Mrs. Christa McAuliffe of New Hampshire was selected, and she proceeded to win the heart of the Nation through her personal dedication to teaching and her obvious love for children.

In the year after her selection, we all experienced vicariously her rigorous NASA training for the flight, and children delighted to see a teacher turn flip-flops in a gravity-free environment as Mrs. McAuliffe prepared for her historic space launch.

Sitting in my office with a group whose daily work embraced school and teacher-related issues at the time the explosion occurred, you can imagine our horror, and our immediate desire to express our grief over the deaths of Mrs. McAuliffe and her six companions. Then, as now, it is difficult to give expression to our collective compassion for the families of those seven brave astronauts. But in our modest way, we can pay tribute to a fine teacher and express our deep appreciation for her, by naming the National Talented Teacher Fellowship Program after Christa McAuliffe.

H.R. 4143 was introduced on February 6, 1986 by the chairman of the Committee on Education and Labor, Mr. Hawkins, together with myself, Mr. James Jeffords of Vermont, and Mr. William Lehman of Florida. The bill now has 51 cosponsors.

On March 11, 1986 the Committee on Education and Labor favorably and unanimously reported the bill. Today, we ask the House of Representatives to pass H.R. 4143, renaming the Talented Teacher Fellowship Program the "Christa McAuliffe Talented Teacher Fellowship Program."

The Talented Teacher Fellowship Program was signed into law by President Reagan in October 1984. It makes available to the States a means of identifying and rewarding outstanding teachers through State selection panels, consisting of teachers, school administrators, and parents. Selected teachers will be given opportunities to obtain further professional development and training, or to perform research in education-related fields.

Teachers honored through these fellowships will receive 1-year's pay while they are on sabbatical, based on the national average teacher salary in the award year, to be determined by the Secretary of Education. In return for the year away from the classroom, each teacher-recipient will be required to return to teaching for an additional 2 years.

Passage of H.R. 4143 will pay tribute to Christa McAuliffe and, by extension, to all teachers everywhere. Through our action today, we are reaffirming as a national policy that it is the right of every child to have a quality education so that each may achieve to their full potential as individuals. By our action today, we also reaffirm our strong belief that there is no better nor more important investment our Government can make than in education, and our belief that education should be given equal standing with Federal investments in technology, military preparedness, and balancing the budget.

Mr. Speaker, this amendment to part F of title V of the Higher Education Act, renaming the National Talented Teacher Fellowship Program after Christa McAuliffe, entails no new costs beyond those contained in the original enacting legislation, Public Law 98-558. The committee, in its desire to honor Christa McAuliffe in an appropriate and timely manner, also expresses the hope and expectation that the modest authorized appropriation of $2 million in fiscal year 1987 will be given serious consideration by the Committees on Appropriations in both the House and Senate, so that the Christa McAuliffe Teacher Fellowship Program can be implemented nationwide.

Mr. COLEMAN of Missouri. Mr. Speaker, I yield myself as much time as I may consume.

Mr. Speaker, I rise in support of H.R. 4143, a bill to name the National Talented Teachers Fellowship Program after Christa McAuliffe, one of seven astronauts who perished on January 28, 1986 in the tragic explosion of NASA's *Challenger* space shuttle.

The National Talented Teachers Fellowship Program, which this bill renames for Christa McAuliffe, was enacted into law in October 1984 as part of the Talented Teachers Act. The purpose of the fellowship program is to make funds available to States to provide talented teachers with the opportunity to take a 1-year sabbatical from the classroom to pursue professional development and training activities aimed at enhancing their teaching skills. Once the fellowship is completed, teachers would be committed to bring their experiences back to the classroom for at least 2 years. The intent of this program is to encourage good teachers to stay in the teaching profession by giving them the opportunity to improve and develop themselves professionally.

Mrs. McAuliffe was to have been the "first citizen in space." She was selected from more than 10,000 of her peers in a national competition to become the first participant in NASA's Teacher in Space Program. Mrs. McAuliffe volunteered to participate in what she called the ultimate field trip so she could share with her students the wonders and excitement of space and the expansive opportunities in space technology and science.

Christa McAuliffe represented the bright, spiritied educator we all want to teach our children. Her energy, enthusiasm, and commitment to education has been an inspiration to all teachers and every American. Her example of excellence in teaching will continue to inspire many young people to "reach for the stars" and be the best they can be. Renaming the National Talented Teachers Fellowship Program for Christa McAuliffe is a fitting tribute to her and her profession.

I urge my colleagues to join me in supporting H.R. 4143.

Mr. FORD of Michigan. Mr. Speaker, I yield myself 1 minute.

Mr. Speaker, I would just like to call to the attention of the House the fact that the gentleman who just spoke is the ranking member of the minority party on the Subcommittee on Postsecondary Education, and it was through his cooperation that we passed last fall a very comprehensive reauthorization of the Higher Education Act, which carried with it a reauthorization of the program that we are today renaming in honor of Christa McAuliffe.

With that, I yield 5 minutes to the gentleman from Oregon, Mr. Ron Wyden, who originally introduced this legislation in 1983 and saw it successfully passed into law for the first time in 1984.

Mr. WYDEN. Mr. Speaker, I particularly want to commend the gentleman from Michigan, Chairman Ford, for his tremendous leadership in going forward with this renaming of the Talented Teacher Fellowship. I think it is a very appropriate, truly fitting tribute, and I want to commend the gentleman from Michigan [Mr. Ford] for his great leadership in this regard.

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I also want to commend the gentleman from Missouri who for more than 2 years has worked with a group of us to pass the Talented Teacher Act, and commend him for both his effort in the original legislation and going forward with this tribute.

Mr. Speaker, what the Talented Teacher Act is all about is trying to bring the best and brightest into the teaching profession. You can go into any classroom in America and what you see all too often is that the best and brightest want to become lawyers, doctors, businessmen, businesswomen, or engineers, or just about anything except teachers. What our legislation does it try to reverse that. That is what Christa McAuliffe was all about. More than anything what she wished to do was to open up new vistas in education to young people both in her classroom and around the country. What she offered up to all Americans, particularly to young people, was the opportunity to participate in what she called the classroom space. Ms. McAuliffe set her sights on this achievement because she wanted to share her enthusiasm for unlocking the mysteries of space with the schoolchildren of this country. She did this regardless of risk and she was well aware of the dangers. But she put fear aside in the spirit of sharing knowledge with millions of children who she knew would be watching.

Mr. Speaker, we have been able to fund the national talented teacher scholarship portion of this program and we expect that the scholarships will be available to young people later this year. We have not been able to fund the fellowship portion of this program and I would suggest to my colleagues that we take one step today, which is to rename the Talented Teacher Program on behalf of Mrs. Christa McAuliffe, and we take another step in the days ahead, and that is to actually fund the fellowship portion of the program. Up to this point unfortunately the fellowship portion of the program has not been one that we could put in place because it has not received adequate appropriation.

So I hope today and in the days ahead we will be able to give new meaning to the living memorial to Mrs. McAuliffe, who deserves our remembrance as one who committed her life to educational achievement and excellence.

I just want to join with all my colleagues today in supporting this memorial because I cannot think of a more fitting gesture to remember her by than to reward and promote the highest standards of her colleagues in the teaching profession.

Mr. Speaker, I yield back the balance of my time.

Mr. COLEMAN of Missouri. Mr. Speaker, I have no further requests for time, and I reserve the balance of my time.

Mr. FORD of Michigan. Mr. Speaker, I yield such time as he may consume to the gentleman from Florida [Mr. Nelson].

Mr. NELSON of Florida. I thank the gentleman for yielding.

Mr. Speaker, I thank the gentleman and our colleague from Oregon for their leadership, and our colleague from Missouri, in bringing this legislation to the floor.

Yesterday, in Boise, ID, I was with Barbara Morgan, who along with Christa were the 2 selected out of the 10 finalists for the Teacher in Space Program; Barbara being selected as the backup teacher in space who went through all the training with Christa.

The three of us trained together on several occasions, particularly in the zero-gravity training in the KC-135.

Barbara and I were musing yesterday as we were visiting her native

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State of Idaho where she is an elementary school teacher in McCall, ID, about the impact of Christa's life and the impact of this program.

Indeed, Christa being the first teacher in space, albeit with a tragic ending in this national tragedy that we have all participated in, she has had a profound influence on this Nation and on the children in school in this Nation.

What I found, and Barbara was corroborating this with me, in all of our contacts in the schools, far from the children being psychologically scarred after having watched this accident on television, it has just whetted their appetite, their enthusiasm for the space program and their interest in high technology.

We had been concerned, my colleague from Michigan, my colleague from Missouri remember the report a couple of years ago on the condition of the Nation's educational system in the public schools which was entitled "The Nation at Risk." It said that we are deficient in mathematics, we are deficient in science, and we have seen the statistics about how many engineers the Soviet Union and Japan are producing as compared to a much smaller number which we are producing.

So what Christa McAuliffe's legacy has done has so interested school students all across this Nation in matters of high technology, in science, in math. Then when Barbara Morgan flies as the next teacher in space, as the backup to Christa, and when she teaches that classroom in space, it is going to ignite the imaginations of our students all across this land.

So it is with tremedous pleasure, Mr. Chairman, Mr. Ranking Member, Mr. Speaker, that you would allow me to come and to speak on behalf of this legislation, to say that it is most fitting.

As someone who has worked with, who has played with, who has enjoyed the company and the friendship, and who has been part of the love that has outpoured to Christa McAuliffe, this is a fitting tribute and I appreciate it.

ANNOUNCEMENT BY THE SPEAKER PRO TEMPORE

The **SPEAKER** pro tempore. The Chair would advise that visitors from the gallery will be notified that no expression of approval or disapproval is permitted in the Chamber.

Mr. HAWKINS. Mr. Speaker, today we are considering H.R. 4143, a bill to name the National Talented Teachers Fellowship Program after Christa McAuliffe, the teacher from New Hampshire who died in the *Challenger* space shuttle along with the other brave crew members on their fateful mission in January. Mr. JEFFORDS, Mr. FORD of Michigan, and Mr. LEHMAN of Florida joined with me as original cosponsors of this bill.

This is not a new program; it simply renames a program first created by our colleagues, Mr. WYDEN, Mr. SIMON, Mr. GOODLING, and Mr. COLEMAN of Missouri, to encourage good teachers to remain in the profession. Enacted in 1984 as part of Public Law 98–558, it has never been funded. The bill seems uniquely appropriate today as a living tribute to a fine teacher, who personified in public view the best of what a talented teacher is and does.

We all know that scattered throughout our Nation are hundreds of other teachers of Ms. McAuliffe's caliber and ideals, who have never been recognized in a public way, and who ought to be singled out and encouraged to excel at what they are best at—teaching our children.

That is what the Christa McAuliffe National Talented Teacher Fellowship Program would attempt to do. We, on the Education and Labor Committee, hope that this bill will not only be enacted, but that the program can be properly funded, as a tribute to a fine teacher, and also as a bipartisan affirmation—a small signal—that we, in the U.S. Congress, still believe that education is of the utmost importance, and that people, after all, are our first priority.

Mr. JEFFORDS. Mr. Speaker, I rise in support of H.R. 4143, a bill to rename the National Talented Teachers Fellowship Program after Christa McAuliffe, one of the seven astronauts who died on January 28, 1986, on NASA's space shuttle *Challenger*.

Christa McAuliffe represents the essence of that spirit and daring that can be characterized as America at its best. Because Christa McAuliffe was a teacher, she was special; she represented a profession that has touched the lives of all of us and she was a symbol to millions of students. Because of her, our young citizens can understand that the adventure, challenge, opportunity, and risk associated with scientific exploration involve people that they know in their own lives. A "teacher in space" brings the space program directly into the lives of every student.

This bill, which renames the Talented Teacher Fellowship Program in Christa McAuliffe's honor, is proper and fitting. The purpose of the fellowship program is to give outstanding teachers the opportunity to expand their skills and renew their enthusiasm for teaching. The program provides teachers a 1-year sabbatical away from the classroom, providing them with a stipend equal to the national average teacher salary, paid in the year that the award is made. Teachers will use this fellowship for the professional development experience of their choice. In exchange for this fellowship experience, teachers would return to teach in the classroom for a minimum of 2 years.

Teachers all across our land share in this tribute to Christa McAuliffe. Because of her courage, she will go down in history as an example to us. She truly is an inspiration and may this vote today add to the tributes she deserves. I urge enactment of H.R. 4143.

Mr. GOODLING. Mr. Speaker, I rise in support of H.R. 4143, a bill to rename the National Talented Teachers Fellowship Program after Christa McAuliffe, one of the seven astronauts who died on January 28, 1986, a little more than 1 minute into their mission on NASA's Space Shuttle *Challenger*.

As a member of the task force which originally recommended enactment of the Talented Teachers Fellowship Program, I can hardly think of a better tribute to Mrs. McAuliffe's great spirit. The purpose of the fellowship program is to give outstanding teachers the opportunity to expand their skills and renew their enthusiasm for teaching. Christa McAuliffe's enthusiasm for their chosen profession certainly would have qualified her. The program provides teachers with a 1-year sabbatical away from the classroom, providing them with a stipend equal to the national average teacher salary paid in the year that the award is made. Teachers will use this fellowship for the professional development experience of their choice. In exchange for this fellowship experience, teachers would return to teach in the classroom for a minimum of 2 years.

We are frequently told that Christa McAuliffe was an average citizen, but she was much more—she was a daring citizen, a pioneer, and the essence of America at its finest. She was to have been the first teacher in space. Her mission was simple. She was going to reawaken the pioneer spirit in Americans, especially students, by demonstrating that the space program is accessible to all. We must not permit the tragic ending of the flight of the space shuttle *Challenger* to thwart the achievement of Christa's goal.

In Christa McAuliffe, we have suffered a terrible loss. From her comments prior to the flight, it was clear Christa relished this opportunity to learn and explore. This is what I hope our children and students will remember about her, for in the words of Henry Adams, "A teacher affects eternity; she can never tell where her influence stops."

Through this tribute to Christa McAuliffe, we are encouraging our teachers to imitate her courage, her energy, and her vigor for the teaching profession by giving them the opportunity to grow personally and professionally, sharing that growth with our children. With this tribute, Christa McAuliffe's influence never has to stop.

I urge my colleagues to support H.R. 4143.

Mr. BIAGGI. Mr. Speaker, I rise in strong support of H.R. 4143, to rename the National Talented Teacher Fellowship program after Christa McAuliffe. This program, enacted in 1984, is designed to encourage good teachers to remain in the profession. It rewards these outstanding teachers from communities across our entire Nation by providing them the opportunity to obtain further professional development and training while on a 1-year paid sabbatical from teaching.

It is certainly a fitting tribute that we name this fellowship program after the courageous and beloved teacher from New Hampshire, one of the seven astronauts who died in the *Challenger* tragedy. Selected from more than 1,000 of her peers to be the first teacher and citizen in space, she truly exemplified the characteristics of her profession and the ideals of this Nation. Her launch into space was an important step toward securing a better future for our children.

Christa McAuliffe was a person who excelled in all of her roles in life—woman, wife, mother, teacher, and friend. Her strength, energy, and commitment were witnessed by all as she prepared and trained for her journey into space. It is these very traits that have made a meaningful and lasting contribution to this Nation. We are all inspired to learn, to study, to achieve, and to "reach for the stars."

It is with my deepest respect and appreciation that we recognize the contributions of Mrs. McAuliffe and her teacher colleagues everywhere. They are entrusted with the future of individuals, and more importantly, the future of this great Nation. These fellowships serve to reaffirm our commitment that each and every person in our Nation is entitled to a quality education.

We will never forget Christa McAuliffe. She was the spirited and inspiring teacher we all want to teach our children. H.R. 4143 is a sincere and lasting tribute to her, and to teachers everywhere. Through them, her ideals will live on.

Mr. BONER of Tennessee. Mr. Speaker, I join my colleagues in support of H.R. 4143, naming the National Talented Teacher Fellowship Program after teacher-astronaut Christa McAuliffe.

Through this tribute to Christa McAuliffe, and by extension to all teachers, the Congress reaffirms its support for the national principle that every child has the right to a quality education. By assisting teachers, we provide the means for our children to achieve all that they can as individuals. With this measure, Congress further reaffirms its strong belief that there is not a better nor more important investment our Government can make than in education. Education remains not only a national priority, but an important public policy, alongside and in equal standing with Federal investments in technology, military preparedness, and reducing the deficit.

H.R. 4143 is being considered by this House out of the respect and deep appreciation for a fine teacher, Christa McAuliffe. I believe that this recognition will also carry out a wish of Christa McAuliffe that her launch into space be an important step toward a better future for our children. H.R. 4143 is meant as a sincere and lasting tribute to Christa, and to her teacher-colleagues everywhere. Through them, Christa McAuliffes ideals will live on.

I am proud to join my colleagues in support of this measure. Christa McAuliffe was a spirited and inspiring teacher, as are all the teachers I know. Her selection to be the first teacher in space was a tribute to the important role teachers play in the lives of our children and to the role space exploration plays in our future.

I urge passage of H.R. 4143.

Mr. COLEMAN of Missouri. Mr. Speaker, I yield back the balance of my time.

Mr. FORD of Michigan. Mr. Speaker, I have no further requests for time, and I yield back the balance of my time.

The **SPEAKER** pro tempore. The question is on the motion offered by the gentleman from Michigan [Mr. FORD] that the House suspend the rules and pass the bill, H.R. 4143.

The question was taken; and (two-thirds having voted in favor thereof) the rules were suspended and the bill was passed.

A motion to reconsider was laid on the table.

GENERAL LEAVE

Mr. FORD of Michigan. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks on H.R. 4143, to name the National Talented Teacher Fellowship Program after Christa McAuliffe, the bill just passed.

The **SPEAKER** pro tempore. Is there objection to the request of the gentleman from Michigan?

There was no objection.

HAWAIIAN HOMES COMMISSION ACT AMENDMENTS

Mr. UDALL. Mr. Speaker, I move that the House suspend the rules and pass the joint resolution (H.J. Res. 17) to consent to an amendment enacted by the legislature of the State of Hawaii to the Hawaiian Homes Commission Act, 1920, as amended.

The Clerk read as follows:

H.J. RES. 17

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled, That, as required by section 4 of the Act entitled "An Act to provide for the admission of the State of Hawaii into the Union", approved March 18, 1959 (73 Stat. 4), the United States hereby consents to all amendments to the Hawaiian Homes Commission Act, 1920, as amended, adopted between August 21, 1959, and June 30, 1985, by the State of Hawaii, either in the Constitution of the State of Hawaii or in the manner required for State legislation, except for Act 112 of 1981.

The **SPEAKER** pro tempore. Pursuant to the rule, a second is not required on this motion.

The gentleman from Arizona [Mr. UDALL] will be recognized for 20 minutes and the gentleman from Arizona [Mr. MCCAIN] will be recognized for 20 minutes.

The Chair recognizes the gentleman from Arizona [Mr. UDALL].

GENERAL LEAVE

Mr. UDALL. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks on the joint resolution now under consideration.

The **SPEAKER** pro tempore. Is there objection to the request of the gentleman from Arizona?

There was no objection.

Mr. UDALL. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, House Joint Resolution 17 provides necessary consent of the United States to numerous amendments made by the Legislature of the State of Hawaii to the Hawaiian Homes Commission Act of 1920.

The 1920 act was passed to rehabilitate native Hawaiians by providing lands to permit them to regain the mode of living to which their ancestors had been accustomed. Under the act, native Hawaiians of at least one-half degree native blood are permitted to lease Hawaiin homelands for a nominal fee for a period of 99 years. The lands could be used for homesite, farming, or pasture purposes.

In the 1959 act admitting Hawaii to the Union, Congress transferred the management and disposition of the Hawaiian homelands to the State of Hawaii. The act gave the State the right to make amendments to the act, but provided that certain kinds of amendments and amendments to certain provisions of the act would require the consent of the United States.

The bill, as introduced, provided for U.S. consent to a State amendment which would have lowered from one-half to one-quarter the degree of native blood necessary to inherit interests in a Hawaiian homelands lease. Under the existing law, the spouse and children of a native lessee who are nonnatives or less than one-half native blood cannot inherit the interest and must vacate the lands upon the death of the lessee.

Upon the recommendation of the administration and State witnesses, the committee amended the bill to provide a blanket consent to all amendments made by the State to the 1920 act since 1950 with one exception. The amendment excepted from consent is a provision which deals with the method of appraising leasehold interests. This amendment is in irreconcilable conflict with a later State amendment.

Mr. Speaker, this bill is not without controversy within the State of Hawaii and within the native Hawaiian community. However, on balance, I believe that it does justice to the native community and recommend that it be passed as amended.

Mr. Speaker, I reserve the balance of my time.

Mr. McCAIN. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I rise in opposition to House Joint Resolution 17, a bill consenting to an amendment enacted by the Legislature of the State of Hawaii to the Hawaiian Homes Commission Act of 1920.

Mr. Speaker, our Nation's history of dealing with native people is not a pleasant one, and Hawaii is no exception. When Captain Cook arrived in

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Hawaii in 1776 over 300,000 native people lived on the islands. Now, millions of people live in the Hawaiian Islands, but only a handful constitute native Hawaiians.

In 1920, Congress took an appropriate action—it set aside a portion of the public lands in Hawaii for homesteading by native Hawaiians, to preserve the culture of this distinct group of people. Unfortunately, Congress did little to fulfill the homestead requests. As part of the Statehood Act, Congress transferred the responsibility for the Hawaiian Homes Act to the State. From our committee hearings, it is abundantly clear that the State hasn't done a much better job than the Federal Government.

In fact the case can be made that it is far worse.

There are currently 9,000 families awaiting a homestead lease. The State of Hawaii, according to information given at our hearing, finances the program out of State bonds for about $3 million or $4 million a year. At this rate it will take decades to fulfill the requests for homesteads of those who are presently eligible. Now the State of Hawaii has petitioned Congress to approve expanding the eligibility for retaining a lease.

I might add, and I would like to ask my colleague from Hawaii some questions later on, I have not heard of any increase in funding, also, in order to allow these newly eligible Hawaiians to move onto these lands which they are being made eligible for.

The hearing before the committee was brief and to the point. There was no opposition to this legislation present at the hearing, Mr. Speaker, because the opponents of the legislation were not represented. The only opposition to this bill is from the people affected by House Joint Resolution 17, the native Hawaiians of 50 percent blood quantum or more, the people who are trying to live within the present law, the people, 9,000 of them still waiting to be located on lands which are supposed to have been allocated them beginning in 1920.

Mr. Speaker, I received letters, postcards, telegrams, and phone calls from native Hawaiians in opposition to House Joint Resolution 17, including organizations such as the Kahea and the Hou Hawaiians.

The State attempted in the hearing to show that native Hawaiians do support the bill. If there was a low point in this hearing, Mr. Speaker, it had to be when the State of Hawaii revealed that they had a survey of which a thousand families were surveyed, and 16 percent of them responded and of the 16 percent who responded, 57 percent supported a change in the law. This bill, Mr. Speaker, is making a tremendous change in the eligibility for lands for native Hawaiians, and 16 percent of the people surveyed responded, and of those, barely over half of them approved. And if my math is correct, that is an error margin of plus or minus 65 percent. It is not a valid survey, Mr. Speaker. The native Hawaiians may support this legislation. But many of us do not know, because no evidence of this was presented to us in committee.

What I am asking for, Mr. Speaker, is for this Congress to require at least the participation of the people affected in the process.

Congress has an obligation to preserve the rights of individuals and minority groups in relation to the desires of the majority. In this instance, we have denied these rights to native Hawaiians, and are about to rubber stamp a decision of a State legislature, that in any other State would be viewed with a jaundiced eye.

I can understand the desire of current leaseholders to pass their lease on to their families, but let us not penalize those families who have not had the opportunity to get a lease in that effort. Let us have further hearings on the subject and allow the native opposition to this bill to have their day in court before they disappear altogether.

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Mr. Speaker, I have one final point. While this situation does differ from our relationship with Indian tribes, we are doing a disservice to native Hawaiians that we could not do to Indian tribes. We are determining who is a native Hawaiian without consulting with the currently recognized native Hawaiians for this program. It would be similar to Congress determining tribal membership without consulting the tribe.

What about if 20 years from now there are a number of native Hawaiians of 12.5 percent native Hawaiian blood who live on these lands? Are we going to have to come back and again change the eligibility by an act of Congress?

I hope that the next time this issue is revisited that we will at least consult those people who are affected by it.

In conclusion, Mr. Speaker, I believe this legislation far too premature until we give all parties an opportunity to present their views. Therefore, in closing, I would like to quote a letter I received from a native Hawaiian who said it is, "(a) sad commentary on our times when one considers the stakes are the survival of the native Hawaiian people as an identifiable culture."

Mr. LAGOMARSINO. Mr. Speaker, will the gentleman yield?

Mr. McCAIN. I yield to the gentleman from California.

Mr. LAGOMARSINO. Mr. Speaker, there were several questions that were not satisfactorily answered at the committee hearing on the primary issue of lowering the blood quantum requirement. An amendment to the bill grants U.S. consent to an additional 52 amendments to the Hawaiian Homes Commission Act. Does the gentleman from Arizona know if any hearings were held on any of the other 52 amendments?

Mr. McCAIN. No hearings have been held to my knowledge on the additional 52 amendments which were adopted between 1959 and 1985.

Mr. LAGOMARSINO. That certainly is a long span of time. I note that the committee report does not explain or even list the nature of the 52 additional amendments. House Joint Resolution 17, which we are now debating, merely approves the primary amendment and the other 52 amendments by reference. Does the gentleman from Arizona believe the committee has adequately examined the amendments to permit Congress, in good conscience, to wholly approve them?

Mr. McCAIN. The committee has had insufficient time to examine the 52 amendments. It is important to note that no testimony was received by the indigenous Hawaiians who are affected by the amendments. Since questions remain unanswered regarding the only one of the 52 amendments that was addressed in the committee hearing, I do not believe that the Congress could discharge its duty, in good conscience, and without lingering doubts and reservations, if this bill is approved without further oversight.

Mr. LAGOMARSINO. I thank the gentleman from Arizona for his comments and I want to commend him for his efforts on behalf of the indigenous Hawaiian people.

Mr. McCAIN. Mr. Speaker, I reserve the balance of my time.

Mr. UDALL. Mr. Speaker, I yield 7 minutes to the distinguished author of the measure before us, the gentleman from Hawaii [Mr. AKAKA].

Mr. AKAKA. Mr. Speaker, I thank the gentleman from Arizona for yielding this time to me.

Mr. Speaker, I rise in strong support of House Joint Resolution 17, legislation to consent to amendments enacted by the legislature of the State of Hawaii to the Hawaiian Homes Commission Act, 1920.

As the sponsor of House Joint Resolution 17, this measure represents an opportunity for Congress to fulfill a longstanding but little-known obligation which arises from the Hawaii Statehood Act. The present legislation is supported by the entire Hawaii congressional delegation, the State of Hawaii, and the administration. In addition, the measure is supported by the Department of Hawaiian Home Lands, the Office of Hawaiian Affairs, Alu Like, the Waianae Valley Homestead Community Association, and many other Hawaiian groups.

By way of background, the Hawaiian Homes Commission Act was enacted by Congress in 1921 as a homesteading program to place native Hawaiians on land in Hawaii designated for that purpose. Approximately 200,000 acres were set aside as available land under the act. This program was operated by the Federal Government until the admission of Hawaii into the Union in 1959.

At that time, Congress required that the Hawaiian Homes Commission Act become a provision of the State constitution. In addition, title to Hawaiian home lands which had previously been entrusted to the United States was transferred to the State of Hawaii. Responsibility for administration of the HHCA passed to the State, although under section 4 of the Statehood Act, Congress reserved the authority to grant its consent to certain amendments to the HHCA passed by the State of Hawaii.

The sole purpose of the bill that is before us today is to fulfill the obligation of the United States to render consent to amendments enacted by the State of Hawaii to the HHCA. Fifty-three amendments to the HHCA have been adopted by the State since Hawaii's admission, of which 14 require U.S. consent under the Admission Act. While these amendments improve the operation and administration of the Homesteading Program, some of the State amendments are by their terms not effective until U.S. consent is granted; others are by their terms effective until they are held otherwise, because of the absence of U.S. consent. It is now incumbent upon Congress to render its consent to these amendments so that the State of Hawaii can continue to operate this important program in the manner which serves the needs of native Hawaiians.

The need for expeditious action is clear. Indeed, it is a key recommendation of the Federal-State Task Force on the Hawaiian Homes Commission Act. Jointly established by the U.S. Secretary of the Interior and the Governor of the State of Hawaii, the task force conducted a comprehensive 9-month review of every facet of the Hawaiian Homes Commission Act of 1920. The purpose of the task force was to make recommendations to the Governor of the State of Hawaii and to the Secretary of the Interior on ways to better effectuate the purposes of the Hawaiian Homes Commission Act and to accelerate the distribution of benefits of the act to the beneficiaries.

In its report of August 1983, the joint Federal-State Task Force on the Hawaiian Homes Commission Act recognized that the potential for mischief under the status quo is great if consent is not rendered. Uncertainty prevails, for it is not clear whether amendments, duly enacted by the legislature of the State, are effective or not. Litigation is thereby invited, which inevitably results in inefficient operations since litigation is always expensive in terms of dollars, time, and state of mind.

While the need for consent is evident, the question may be raised as to Congress' intent in requiring such consent. Unfortunately, little exists in the record of decades of legislative activity on the matter. The record shows, in fact, that when it turned to statehood for Hawaii, the Congress devoted upward of 99 percent of its energies to arguments about statehood such as noncontiguity, non-Caucasian residents, the Communist influences, and almost no attention was given to the statutory details of how the consent of the United States should be evidenced. While Federal consent is sometimes evidenced by the approval of the President or of some lesser Federal official, that level of consent is usually the product of language so stipulating. In the absence of any provision or suggestion to the contrary, it seems appropriate that Federal consent in the case of amendments to the HHCA be granted by an act of Congress.

A related issue is the scope of congressional review in granting consent. The question is therefore posed: "To what extent should Congress scrutinize amendments made to the HHCA by the State?" As the Federal agency responsible for this matter, officials from the Department of Interior have testified that, "the subject of the amendment are all peculiarly matters of State concern. Many are and have at all times been free of controversy in Hawaii, but others—particularly the 1982 amendment with which House Joint Resolution 17 deals—have been the subject of some argument in Hawaii. Our position * * * is that we think it appropriate that such issues be resolved in Hawaii, and once they are, that the U.S. Congress be asked to consent to the decision reached at the State level." I am in full agreement with this philosophy.

This notion is relevant to one amendment in particular, Act 272, as passed on June 18, 1982. Some of my colleagues have raised the point on this matter and I feel compelled to comment on it. Act 272, Session Laws of Hawaii, 1982, seeks to amend section 209, in relation to successors to lessees, of the Hawaiian Homes Commission Act. Under the original section 209, upon the death of the lessee, his or her interest in the tract or tracts and the improvements thereon, would vest in the relatives of the decedent provided that such persons are qualified beneficiaries—native Hawaiians of not less than one-half part of the blood of the inhabitants of the Hawaiian Islands previous to 1778.

Act 272 seeks to amend section 209 to allow for successorship of a lessee's interest in the tract to certain relatives—husband, wife, or children, who are at least one-quarter Hawaiian. The impetus behind Act 272 is the need to confront factors which threaten the security and stability of Hawaiian families, and frustrate the intent of the HHCA—to assist the Hawaiian people by returning them to the land. Since 1975, a number of leases have been canceled because the spouse or children of the deceased lessee did not meet the blood requirement.

Passage of Act 272 required 6 years of review and revision by the State legislature. The act passed the Senate by a margin of 22 to 1 with the single opponent favoring a complete repeal of the blood quantum provision. The vote in the House was unanimous. The bill was approved by Gov. George Ariyoshi on June 18, 1982. Indeed, a great deal of time and effort was spent on this matter, affording native Hawaiians ample opportunity to assist the legislature in drafting a sound measure. Testimony delivered by the Waianae Valley Homestead Community Association, Inc. serves as a good example of the sentiments of the majority of native Hawaiians on this matter:

> We strongly urge you support the amendment as it applies to the lessee who was eligible through the 50-percent blood criteria, and that to lessen it to no less than 25 percent for his/her spouse or children * * * would give the family security of continuity, the opportunity to advance themselves further * * * enabling them to look hopefully into a future of stability in economics and personal achievement.

Furthermore, the Federal-State task force addressed this issue in its 1983 report. Finding that the Act 272 cannot be implemented without congressional approval, the task force recommended that:

> As soon as possible, the State of Hawaii and the United States should seek congressional approval for the amendment to the HHCA passed by the Hawaii State Legislature in 1982 which lowers the blood quantum for successorship.

Because House Joint Resolution 17 consents to all amendments—excluding Act 112 of 1981—to the HHCA, regardless of statutory requirement, I want to offer some explanation of this process. As originally introduced, House Joint Resolution 17 sought consent solely for Act 272. On the recommendation of the executive branch, the committee amended the resolution to include consent for all amendments enacted since statehood. As to the precise wording of the committee version of House Joint Resolution 17, the Department of the Interior concluded that;

> While the draft resolution could be limited to those amendments that fall unarguably within the consent requirements of section 4, we have concluded that, given the passage of so many years and so many amendments, and believing as we do that the act should now be placed on as secure a

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footing as possible, it may be wisest to seek consent to all amendments.

As previously noted, Act 112 of 1981 has been expressly excluded from the list of amendments being ratified under this measure. Briefly, Act 112 contains provisions that are in irreconcilable conflict with later amendments to the act. This is particularly evident in connection with leasehold appraisals, with Act 112 prescribing one approach, and Act 272 of 1982 a different one. Act 272 repeals the provisions contained in Act 112, and as such, should be construed as the most recent amendment. In this light, consent to the former would only confuse the applicability of the latter. Because the objective of this legislation is clarity of result, it is in the interest of Congress to exclude Act 112 from consideration. Furthermore, the State supports the exclusion of Act 112 from the legislation we are considering today.

In the future, questions may arise about the precedential value of House Joint Resolution 17. This legislation does not dictate the need for congressional consent for all amendments made to the act in the future. Rather, it is simply intended to serve as a housekeeping matter in an effort to bring Congress up to date in fulfilling its obligation under the law. In fact, the committee report states that in order that future amendments requiring U.S. consent receive consideration in a timely manner, the Secretary of the Interior and the Governor of the State of Hawaii should enter into consultations regarding the manner in which such amendments will be brought to the attention of Congress. This will no doubt result in Congress' ability to fulfill its obligation more expeditiously.

Mr. Speaker, because of the significant impact of this issue on the native Hawaiian beneficiaries of the Hawaiian Homes Commission Act and the existing lessees of Hawaiian home lands, I find this measure to be a priority issue. Passage is necessary to foster the original intent of the Hawaiian Homes Commission Act, that of returning the native Hawaiian to the land in order that the Hawaiian race may be perpetuated. Without the authority to enforce the proposed changes, the State of Hawaii believes that it is not able to confront current forces which threaten family stability and security, frustrate the intent of the HHCA, and deny the assurance and protection which allows the beneficiary to regard Hawaiian home lands as ancestral lands.

This legislation and the process in the Hawaii Statehood Act which established it are rather unique. House action would ensure fulfillment of the requirements established in the Hawaii Statehood Act.

Let me note, in closing some points which will be of interest to many Members: All changes recommended by the administration have been incorporated into House Joint Resolution 17, and the administration supports its passage. The CBO reports that there will be no cost to the Federal Government, or to State and local governments, from the enactment of House Joint Resolution 17. And, the State of Hawaii and its entire delegation support its passage.

Mr. Speaker, I urge the passage of House Joint Resolution 17.

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Mr. McCAIN. Mr. Speaker, I yield such time as he may consume to the gentleman from Alaska (Mr. Young).

Mr. YOUNG of Alaska. I thank the gentleman for yielding.

Mr. Speaker, I rise in strong support of this legislation.

Mr. Speaker, as the distinguished chairman of the Committee on the Interior has pointed out, House Joint Resolution 17 is necessary to provide Federal consent to amendments to the Hawaiian Homes Commission Act. Without these amendments, many individuals now holding leases of Hawaiian homelands will not be able to pass on their land interest to their spouses or their children. We would be denying inheritance by spouses and children solely because of arbitrary blood quantum levels established by statute.

It is not our intent to frustrate the interests of others seeking leases. However, if we do not provide a change in eligibility standards, we will be depriving 500 leaseholders an opportunity to leave lands to their descendants. This loss of family homestead would frustrate the intent of the Hawaiian Homes Commission Act.

Mr. Speaker, this legislation has received careful consideration of the Hawaiian delegation. Our colleagues from Hawaii have worked diligently on the bill, and it is supported by the administration. For all of these reasons I urge my colleagues to support this legislation.

Mr. Speaker, may I continue in saying that it has been my premise on this floor of the House that when the delegation from a State speaks on an issue affecting only that State, then this body should be listening intently and support them as far as possible, because these are truly the representatives of the people they come from.

The gentleman from Hawaii [Mr. Akaka] has worked very hard on this legislation and strongly supports it. The administration supports it. The whole delegation, including the Senators, support it. But, more than that, I cannot imagine not allowing descendants or spouses receiving the lands that they cannot under the present act without these amendments. So I strongly urge that this body accept this resolution, House Joint Resolution 17, and see that justice is done.

Mr. UDALL. Mr. Speaker, I yield 3 minutes to the distinguished gentleman from American Samoa [Mr. Sunia].

Mr. SUNIA. I thank the chairman of the Committee on Interior and Insular Affairs for yielding me this time.

Mr. Speaker, it is my great honor and high privilege to join my fellow Polynesian, the gentleman from Hawaii [Mr. Akaka] in strong support of House Joint Resolution 17. As we have heard, this resolution, if enacted, will give congressional consent to amendments enacted by the Hawaii Legislature to the Hawaiian Homes Commission Act of 1920.

In granting statehood to Hawaii, Congress reserved the authority to give its consent to certain amendments to the Hawaiian Homes Commission Act that became law in Hawaii. This resolution provides the means by which Congress may fulfill its obligation to render consent to those amendments. The Reagan administration recommended that House Joint Resolution 17 incorporate all such amendments. The resolution reflects that change, and the administration supports its passage. Having reviewed House Joint Resolution 17, the Congressional Budget Office estimates that enacting this resolution will not cost the Federal Government or the State of Hawaii or any of its political subdivisions anything.

Having myself lived and been educated in Hawaii for 5 years and still having many relatives and constituents in that State, I am particularly interested and keenly concerned about any Federal legislation that directly affects Hawaii. Touching on the subject of land, an issue dear to the residents of the American Pacific Islands, this resolution strikes a response in the heart of an American Samoan. Like native Hawaiians, we too have land laws based on blood quantum. My district follows quite closely the action that the Hawaii Legislature has taken and that Congress will take on this resolution. Sharing so much of our heritage with the people of the Hawaiian Islands, American Samoans maintain ties of affection and strong mutual interest with their fellow Polynesians.

Mr. Akaka has been most kind to me since my arrival here on Capitol Hill in January 1981. House Joint Resolution 17 was introduced by Mr. Akaka, like me an alumnus of the University of Hawaii. In preparing for and conducting the hearing of the Interior Committee on this resolution, my staff and I have valued working with Mr. Akaka and his able assistant, Miss Kehaulani Lum. I hope and fully anticipate that such warm rapport will always remain between the Members

of Congress from Hawaii and American Samoa and their constituents.

It is Congress' statutory responsibility to grant consent to amendments passed by the Hawaii Legislature and signed by the Governor of Hawaii. For that purpose the Interior Committee, having called the hearing that chairman Udall asked me to chair, reported this resolution favorably to the House. House Joint Resolution 17 represents the clearly expressed will of the Hawaiian people. The executive and legislative branches of government in Hawaii and Messrs. Akaka, Heftel, Inouye, and Matsunaga support its passage. I urge passage by this House.

Mr. McCAIN. Mr. Speaker, I yield myself such time as I may consume.

If I could have the attention of the distinguished gentleman from Hawaii [Mr. Akaka], I have some questions, and if the gentleman feels free to answer these questions, I would like to engage in a colloquy with him.

Mr. Speaker, I am very concerned about this bill. Before I ask these questions, I would like it to be known that I clearly understand the track is greased, the train is going down the track, and there is no way that I can prevent the passage of this legislation. But I think it is of the utmost importance that I point out the injustice that is being perpetrated here today, so that possibly some day in the future we can avoid a repetition of this kind of action which inflicts, I believe, such pain on native Hawaiians and native Americans.

I am concerned over the level of effort by the State of Hawaii to provide homesteads to the 9,000 native Hawaiians on the waiting list. All of these individuals are of 50 percent blood quantum or more. Some have been on the waiting list for over 30 years. Yet, the representative from the Department of Hawaiian Homelands testified at the committee hearing that the State spends only $3 to $4 million of its general bond revenue per year to finance homesteads for those on the waiting list. Recent studies estimate that if this level of effort continues, it would take 50 years to provide benefits just for those on the waiting list now, to say nothing of new applicants. Wouldn't it be appropriate for the State to step up its efforts on behalf of those currently eligible, rather than to add a new class of beneficiaries?

Mr. AKAKA. If the gentleman will yield, the State of Hawaii has really stepped up its efforts in helping Hawaiians.

As a bit of history, let me start off by noting that from 1921, when the program first started, until 1974, not much development occurred. In fact, 2,200 awards were made over the period of 53 years. The reality of the situation is that no funds were made available when the act was administered under the United States between 1921 and 1959, nor were substantial funds made available between that time up to 1974.

The program was created with the intent that it be self-sufficient, and money was not appropriated at the beginning. Then beginning in 1974, however, the State's interest in the program was sparked and the fear of expending general fund dollars on the program dissipated. From 1974 to 1984, in one-sixth of the time of the program's entire existence a total of 1,300 new awards were made. In addition to these new awards, the State upgraded the drainage systems and roads in areas where problems had existed for over 50 years. More than $70 million was spent by the Department of Hawaiian Homelands on this endeavor.

In addition to annual budget appropriations, the State also guarantees the repayment of moneys barred by the department from Government agencies or private lending institutions and on departmental guarantees of loans made to lessees up to $21 million. This loan guarantee started in the late 1960's at roughly $8 million and has since risen to the current amount. The department of homelands has made the acceleration of awards its highest priority and is working on good faith to see that more beneficiaries are placed on the land.

In fiscal year 1985, 1,000 awards were made; 1,500 additional lots have been identified for awards in the next fiscal year. The Department's appropriation for fiscal year 1986 will total close to $10 million, $6 million for award acceleration, $2 million to improve the water system on the Island of Molokai, and $2 million for the development of commercial properties, one of the department's major revenue-generating sources.

So these are parts of the acceleration that the State has launched.

Mr. McCAIN. I appreciate that information.

I have two more questions, if I might request the indulgence of my distinguished colleague from Hawaii.

Mr. Speaker, my concern over the State's level of effort is increased by reports concerning extremely poor financial management by the Department of Hawaiian Homelands. Recent studies indicated that the department's accounting system was in such a shambles that it could not be audited, that its financial statements were inaccurate and incomplete, and that its cash management system had serious flaws. In a 9-month period in 1983, the department lost a total of $280,000 in interest due to uninvested cash balances. Don't these problems raise serious concerns about whether the State can handle even its current workload?

Mr. AKAKA. If the gentleman will yield, yes, it certainly does raise a big concern. As I pointed, out, over the 53 years, there was not much movement. For the first time, I want to inform my distinguished colleague, an audit was held, and the audit has been reported. The Department of Hawaiian Homelands now is taking that audit and is reorganizing some parts of it to improve its service.

Mr. McCAIN. I thank the gentleman.

The representative from the Department of Hawaiian Homelands testified at the committee hearing that there is plenty of land available for everyone on the waiting list, and that in fact, only 20 percent of the 200,000 acres of Hawaiian homelands are currently used by native Hawaiians. However, I am concerned that there is not enough land to go around. I cite four factors in support of this concern.

First, recent studies indicate that the State has no accurate inventory of Hawaiian homelands. This is due in significant part to the poor recordkeeping and limited resources of the Department of Hawaiian Homelands. As of late 1983, the department could not account at all for nearly 20,000 acres of homelands.

Second, over 30,000 acres of homelands are being used by local governments and other entities for purposes not authorized by the Homes Commission Act. The State has been very slow to recover this land and seek compensation on behalf of native Hawaiians. Furthermore, the unauthorized uses have rendered surrounding homelands unsuitable as homesteads.

Third, 80,000 acres of homelands, over 40 percent of the available land, are leased to private, non-native Hawaiian interests, for very modest rents.

Fourth, those on the waiting list are entitled to express a geographic preference for their homesteads. In some areas, the supply of available land is insufficient to accommodate everyone on the waiting list.

All of this indicates to me that there will be serious problems in providing land to those currently eligible, much less to a new group of beneficiaries. Should not these issues be cleared up before we move further on House Joint Resolution 17?

Mr. AKAKA. I must commend my distinguished colleague for his information.

There have been movements to correct this. I did mention in my testimony that the Federal-State Task Force on the Hawaiian Homes Commission Act did cite these problems that the gentleman is mentioning and did make recommendations which are being considered, and corrections are being made. I want to assure my colleague that I am personally looking into this also, to look for the best improve-

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ments in the services that are being given by the Hawaiian Homelands Commission and assure you that these improvements are coming about.

Mr. McCAIN. I appreciate very much the information and the commitment on the part of my colleague from Hawaii to see that this legislation will be fairly and equitably carried out, as well as many of the other problems which I have raised in our colloquy here today.

In closing, Mr. Speaker, I would just like to say that we are writing another chapter, in my opinion, of making decisions and passing laws without informing or receiving consent of those minorities who are affected by this legislation. My colleague mentioned there is no cost. Indeed there is no cost, according to the Office of Management and Budget. I think there is a great deal of cost to those 9,000 native Hawaiians who have been waiting for over 30 years to locate on lands that were allocated to them many years ago.

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I do not think that it is fair or equitable of this body to pass a piece of legislation which in my mind at the very minimum has not received the consent and agreement of those who were directly affected by it.

Mr. AKAKA. Mr. Speaker, will the gentleman yield to me?

Mr. McCAIN. I am glad to yield.

Mr. AKAKA. Mr. Speaker, I thank the gentleman very much for yielding.

The passage of that Act 272 in the State legislature required 6 years of review and revision by the State legislature. I am saying this by way of the support that has come from Hawaii. That act passed the State senate by a margin of 22 to 1, with a single opponent favoring complete repeal of the blood quantum provision and his reason for that was that he felt that there should be no quantum.

The vote in the house was unanimous.

The bill was approved by the Governor on June 18, 1982.

A great deal of time and effort was spent on this matter, affording native Hawaiians in Hawaii opportunity to assist the legislature in drafting some measure.

Testimony delivered by the Hawaiian High Valley Homestead Committee Association, Inc., serves as a good example of the sentiments of a majority of native Hawaiians on this matter, and I quote:

> We strongly urge you to support the amendment as it applies to the lessee who is eligible through the 50 percent blood criteria and to lessen it to no less than 25 percent for his or her spouse or children would give the family security of continuity, the opportunity to advance themselves further, enabling them to look hopefully to a future of stability in economics and personal achievement.

Mr. UDALL. Mr. Speaker, to close debate, I would like to thank the gentleman from Arizona [Mr. McCAIN] for the constructive way in which he has gone about his reservation on this legislation. It has been helpful and I think we have made a better record because the gentleman has come forward with these objections.

Having said that, I think it would be a grave mistake for the House not to pass this legislation. As has been pointed out, there is absolutely no cost to the Federal Government. It is supported unanimously by the House delegation and by the delegation at the other end of the Capitol. The State legislature supports it. It has strong support in our committee, as evidenced by my presence here today and the statement by the gentleman from Alaska, who is the ranking Republican on our committee.

Mr. BLAZ. Mr. Speaker, I rise in support of House Joint Resolution 17 and to complement our colleagues from the State of Hawaii, DAN AKAKA and CEC HEFTEL, for calling this matter to the attention of Congress, and to Chairman MO UDALL for his outstanding leadership in bringing the joint resolution expeditiously to the House floor.

In 1959 this Congress admitted the great State of Hawaii into the Union and transferred this management and disposition of the Native Hawaiian Homesteading Program, commonly referred to as the Hawaiian Homes Commission Act, to the State. The Hawaiian Homes Commission Act was subsequently adopted as a part of the constitution of the State of Hawaii. For some innocuous reason, Congress reserved the authority to grant its consent to certain amendments to the Hawaiian Homes Commission Act passed by the State of Hawaii.

For the past 27 years, the State of Hawaii has administered the Hawaiian Homes Commission Act effectively, conscientiously, and diligently in keeping with the mandate of Congress. The State of Hawaii is the only body that can deal appropriately with the subject matters of the HHCA which are of local nature, and the State has given careful and prudent consideration to the amendments incorporated in House Joint Resolution 17. The joint resolution is endorsed and supported by all the leaders of Hawaii, including the Hawaii delegations of both Houses of Congress and the State legislature. Congress should acquiesce to the determination of the State and must now render its consent to the joint resolution.

House Joint Resolution 17 before this House would approve, en masse, all the amendments to the HHCA previously enacted by the State of Hawaii, except one. Congressional consent to those amendments is necessary to avoid any confusion and legal challenge with respect to the validity of those amendments, and I urge all my colleagues in this body to vote for the adoption of the joint resolution.

Thank you.

Mr. VISCLOSKY. Mr. Speaker, in drafting the Hawaii Admission Act, I believe that the intent of all parties to the act, especially the residents of Hawaii, was to transfer the jurisdiction of a native Hawaiian homesteading program to the State of Hawaii.

What we are here to decide is if, under the provisions of admission, we will allow the elected government of Hawaii to determine the future of the homesteading program, the Hawaiian Homes Commission Act [HHCA].

The legislature of Hawaii, after lengthy debate and laborious compromise, passed a measure which would allow for a change in the blood gantum requirements for the inheritance of homesteaded land under the HHCA. Additionally, the Hawaii delegation to the U.S. House of Representatives and the U.S. Senate unanimously supports passage of the bill which would permit these changes—House Joint Resolution 17.

I believe it is the obligation to this Congress to render consent to the amendments passed by the Hawaiian Legislature. The measure involves absolutely no cost to any governmental body. The change in the law would only affect heirs to homesteaded land, not new applicants. This is a reasonable change, the Hawaiian people want it, and we should allow them to have it.

Those who oppose this measure are compassionate in their philosophy and I appreciate their special concerns, however, I must disagree. The issue was debated in Hawaii, among Hawaiians in a thoroughly sound and democratic manner. I believe we should consent to this reasonable and sound amendment to HHCA and not question the wisdom of the Hawaiian people who have spoken through their elected representatives

Mr. HEFTEL of Hawaii. Mr. Speaker, I rise today in support of House Joint Resolution 17, a bill of great importance to the native people of Hawaii.

House Joint Resolution 17, sponsored by my distinguished colleague DANIEL AKAKA and me, grants the consent of Congress to amendments enacted by the State of Hawaii to the Hawaiian Homes Commission Act. As part of the Hawaii Statehood Act in 1959, the Federal Government turned over its control of the Hawaiian Homes Commission to the State of Hawaii. Congress reserved the right to grant authority to certain amendments made to the Hawaiian Homes Commission Act, thus, we bring House Joint Resolution 17 to the House floor today to fulfill this congressional obligation.

These amendments, which include all amendments made to the Hawaiian Homes Commission Act since statehood, are primarily to facilitate the operations of the Hawaiian Homes Program. The most significant of these amendments allows native Hawaiians living on Hawaiian homestead lands to pass the land onto either a spouse or offspring who have a minimum of one quarter Hawaiian blood quantum. Current law requires that anyone leasing Hawaiian Home Land must have at least 50 percent Hawaiian blood and thus prevents a spouse or child from staying on the land if they do not meet this requirement once the lessee dies. This amendment does not affect other successors to the land, such as siblings or other relatives of the lessee, who will still have to meet the one half Hawaiian blood quantum requirement.

This amendment is necessary because intermarriage is reducing Hawaiian blood quantums. Of over 175,000 natives of Hawaiian ancestry in Hawaii, only 27 percent have 50 percent or more Hawaiian blood quantum. We can anticipate that the next generation of lessees' children will probably not meet the Hawaiian blood requirement. Over the past 10 years only eight leases have been cancelled because the spouse or children of the deceased lessee did not meet the 50 percent Hawaiian blood requirement. This number will increase. Failure to lower the blood quantum now would be inequitable and would penalize Hawaiian children of a heritage that is rightfully theirs.

House Joint Resolution 17 was originally introduced to grant congressional consent solely to this blood quantum amendment. At the recommendation of the U.S. Department of the Interior during a hearing on the bill last November, House Joint Resolution 17 was amended to include congressional consent to all amendments made to the Hawaiian Homes Commission Act. Again, these amendments are primarily housekeeping in nature, and do not represent any cost to the Hawaii State or Federal governments.

I urge my colleagues to support House Joint Resolution 17 to fulfill this Congressional obligation to the Hawaiian people.

Mr. UDALL. Mr. Speaker, I urge adoption of this joint resolution, and I yield back the balance of my time.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Arizona [Mr. UDALL] that the House suspend the rules and pass the joint resolution, House Joint Resolution 17, as amended.

The question was taken; and (two-thirds having voted in favor thereof) the rules were suspended and the joint resolution, as amended, was passed.

A motion to reconsider was laid on the table.

WILD AND SCENIC RIVERS ACT AMENDMENTS

Mr. VENTO. Mr. Speaker, I move to suspend the rules and pass the bill (H.R. 4350), to amend the Wild and Scenic Rivers Act, and for other purposes, as amended.

The Clerk read as follows:

H.R. 4350

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

TITLE I—WILD AND SCENIC RIVER DESIGNATIONS

SEC. 101. (a) Section 3(a) of the Wild and Scenic Rivers Act (16 U.S.C. 1274) is amended by adding the following new paragraph at the end:

"(56) CACHE LA POUDRE, COLORADO.—The following segments as generally depicted on the proposed boundary maps numbered fs-56 and dated March 1986, published by the United States Department of Agriculture, each to be administered by the Secretary of Agriculture; except that those portions of the segments so designated which are within the boundary of Rocky Mountain National Park shall continue to be administered by the Secretary of the Interior:

"(A) Beginning at Poudre Lake downstream to the confluence of Joe Wright Creek, as a wild river. This segment to be designated the 'Peter H. Dominick Wild River Area'.

"(B) Downstream from the confluence of Joe Wright Creek to a point where the river intersects the Easterly North-South line of the W 1/2 SW 1/4 of Section 1, Township 8 North, Range 71 West of the 6th P.M., as a recreational river.

"(C) South Fork of the Cache la Poudre River from its source to the Comanche Peak Wilderness Boundary, approximately four miles, as a wild river.

"(D) Beginning at the Comanche Peak Wilderness Boundary to a point on the South Fork of the Cache la Poudre River in Section 1, Township 7 North, Range 73 West of the 6th P.M., at elevation 8050 mean sea level, as a recreational river.

"(E) South Fork of the Cache la Poudre River from its intersection with the easterly section line of Section 30, Township 8 North, Range 72 West of the 6th P.M., to confluence of the main stem of the Cache la Poudre River, as a wild river.

With respect to the portions of the river segments designated by this paragraph which are within the boundaries of Rocky Mountain National Park, the requirements of subsection (b) of this section shall be fulfilled by the Secretary of the Interior through appropriate revisions to the general management plan for the park, and the boundaries, classification, and development plans for such portions need not be published in the Federal Register. Such revisions to the general management plan for the park shall assure that no developments or use of park lands shall be undertaken that is inconsistent with the designation of such river segments as a wild river. For the purposes of the segments designated by this paragraph, there are authorized to be appropriated for fiscal years commencing after September 30, 1986, such sums as may be necessary for the acquisition of lands and interests in lands and for development.".

(b) Inclusion of the designated segments of the Cache la Poudre River in the Wild and Scenic Rivers system under subsection (a) of this section shall not interfere with the exercise of existing decreed water rights to water which has heretofore been stored or diverted by means of the present capacity of storage, conveyance, or diversion structures that exist as of the date of enactment of this Act, or operation and maintenance of such structures. Nor shall inclusion of the designated segments of the Cache la Poudre River in the Wild and Scenic Rivers system be utilized in any Federal proceeding, whether concerning a license, permit, right-of-way, or other Federal action, as a reason or basis to prohibit the development or operation of any water impoundments, diversion facilities, and hydroelectric power and transmission facilities below Poudre Park located entirely downstream from and potentially affecting designated segments of the Cache la Poudre River, or relocation of Highway 14 to any point east of the north-south ½ section line of Section 2, Township 8 North, Range 71 West of the 6th P.M., as necessary to provide access to Poudre Park around such facilities; provided due consideration shall be given to reasonable measures for minimizing the impact of such facilities and road relocation on the designated segments. Congress finds that development of water impoundments, diversion facilities, and hydroelectric power and transmission facilities located entirely downstream from the designated segments of the Cache la Poudre River below Poudre Park, in accordance with the provisions of this section, is not incompatible with the designation of segments of the Cache la Poudre River in the Wild and Scenic Rivers system under subsection (a) of this section. The reservation of water established by the inclusion of segments of the Cache la Poudre River in the Wild and Scenic Rivers system shall be subject to the provisions of this Act, shall be adjudicated in Colorado Water Court, and shall have a priority date as of the date of enactment of this Act.

(c)(1) The Secretary of Agriculture, acting through the Chief of the United States Forest Service, shall provide grants and technical assistance to the City of Fort Collins, Colorado, to carry out a study regarding the designation of the following area as a national recreation area: the 18.5 mile segment of the Cache la Poudre River Corridor from the northwest boundary of the city of Fort Collins urban growth area to the Weld-Larimer County line.

(2) The study under this subsection shall include each of the following:

(A) A comprehensive evaluation of the public recreation opportunities and flood plain management options which are available with respect to the river corridor involved.

(B) An evaluation of the natural, historical, and recreational values of such corridor.

(C) Patterns for possible land acquisition within the corridor which are deemed necessary for the purpose of resource protection, scenic integrity, or management and administration of the corridor area.

(D) Cooperative management proposals for the administration of the corridor area.

(E) The number of visitors and types of public use within the corridor area that can be accommodated in accordance with the full protection of its resources.

(F) The facilities deemed necessary to accommodate and provide access for such visitors and uses, including the location and estimated costs of such facilities.

(3) Within 3 years after enactment of this Act, the Secretary of Agriculture shall transmit to the Congress a comprehensive report containing the results of the study conducted pursuant to this section.

(4) Effective October 1, 1986, there are authorized to be appropriated such sums as may be necessary to carry out the provisions of this subsection.

(5) Not more than 75 percent of the cost of the study carried out under this subsection shall be paid by the United States. The remaining portion of such costs shall be contributed by the city of Fort Collins. The portion contributed by the city of Fort Collins may consist of appropriated funds or contributed services.

SEC. 102. Section 3(a) of the Wild and Scenic Rivers Act (16 U.S.C. 1274(a)) is amended by adding the following new paragraph after paragraph (56):

"(57) SALINE BAYOU, LOUISIANA.—The segment from Saline Lake upstream to the Kisatchie National Forest, as generally depicted on the Proposed Boundary Map, numbered fs-57, and dated March, 1986; to be administered by the Secretary of Agriculture. For the purposes of the segment designated by this paragraph, there are authorized to be appropriated for fiscal years commencing after September 30, 1986, such sums as may be necessary for the acquisition of lands and interests in lands and for development.".

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Sec. 103. Section 3(a) of the Wild and Scenic Rivers Act (16 U.S.C. 1274(a)) is amended by adding the following new paragraph after paragraph (57):

"(58) Black Creek, Mississippi.—The segment from Fairley Bridge Landing upstream to Moody's Landing as generally depicted on a map entitled 'Black Creek Wild and Scenic River', numbered fs-58 and dated March 1986, to be administered by the Secretary of Agriculture as a scenic river area under section 2(b)(2). For the purposes of the segment designated by this paragraph, there are authorized to be appropriated for fiscal years commencing after September 30, 1986, such sums as may be necessary for the acquisition of lands and interests in lands and for development.".

Sec. 104. Section 3(a) of the Wild and Scenic Rivers Act (16 U.S.C. 1274(a)) is amended by adding the following new paragraph after paragraph (58):

"(59) North Fork Kern River, California.—The segment of the main stem from the Tulare-Kern county line to its headwaters within Sequoia National Park, as generally depicted on a map entitled 'Proposed North Fork Kern River', numbered fs-59 and dated March, 1986; to be administered by the Secretary of Agriculture; except that those portions of the river within the boundaries of the Sequoia National Park shall be administered by the Secretary of the Interior. With respect to the portions of the river segments designated by this paragraph which are within the boundaries of Sequoia National Park, the requirements of subsection (b) of this section shall be fulfilled by the Secretary of the Interior through appropriate revisions to the general management plan for the park, and the boundaries, classification, and development plans for such portions need not be published in the Federal Register. Such revisions to the general management plan for the park shall assure that no developments or use of park lands shall be undertaken that is inconsistent with the designation of such river segments as a wild river. For the purposes of the segment designated by this paragraph, there are authorized to be appropriated for fiscal years commencing after September 30, 1986, such sums as may be necessary for the acquisition of lands and interests in lands and for development."

Sec. 105. Section 3(a) of the Wild and Scenic Rivers Act (16 U.S.C. 1274(a)) is amended by adding the following new paragraph after paragraph (59):

"(60) South Fork Kern River, California.—The segment from its headwaters in the Inyo National Forest to the southern boundary of Domelands Wilderness in the Sequoia National Forest, as generally depicted on the Proposed Boundary Map, numbered fs-60, and dated March, 1986; to be administered by the Secretary of Agriculture. For the purposes of the segment designated by this paragraph, there are authorized to be appropriated for fiscal years commencing after September 30, 1986, such sums as may be necessary for the acquisition of lands and interests in lands and for development.".

TITLE II—WILD AND SCENIC RIVER STUDIES

Sec. 201. (a) Section 5(a) of the Wild and Scenic Rivers Act (16 U.S.C. 1271-1287) is amended by adding the following new paragraph at the end thereof—

"(92) Henry's Fork, Idaho.—The segment of approximately 11 miles from Big Springs downstream to Island Park Reservoir, and the segment of approximately 31 miles from Island Park Dam downstream to the confluence with Warm River.".

(b) Section 5(b)(3) of such Act is amended by adding the following at the end thereof: "The study of the river named in paragraph (92) of subsection (a) shall be completed not later than 2 years after the date of the enactment of this sentence.".

Sec. 202. (a) Congress finds that—

(1) The West Branch of the Farmington River and related land areas possess resource values of national significance, such as significant white water rapids, undeveloped lands, scenic and cultural areas, important sport fisheries, and prime agricultural lands.

(2) Based on the National Rivers Inventory by the National Park Service, published in January 1982, this portion of the Farmington River is eligible for study for inclusion in the wild and scenic rivers system.

(3) There is strong support among local, State, and Federal officials, area residents, and river users for a concerted cooperative effort to manage the river in a productive and meaningful way.

(4) In view of the longstanding Federal practice of assisting States and local governments in protecting, conserving, and enhancing rivers of national significance, the United States has an interest in assisting the State of Connecticut and the Commonwealth of Massachusetts and the appropriate local governments in managing the river.

(b) Section 5(a) of the Wild and Scenic Rivers Act (16 U.S.C. 1276(a)) is amended by adding the following new paragraph after paragraph (92):

"(93) Farmington, West Branch, Connecticut and Massachusetts.—The segment from the intersection of the New Hartford-Canton, Connecticut, town line upstream to the base of the West Branch Reservoir in Hartland, Connecticut; and the segment from the confluence with Thorp Brook in Sandisfield, Massachusetts, to Hayden Pond in Otis, Massachusetts.".

(c) Section 5(b) of such Act (16 U.S.C. 1276(b)) is amended by adding at the end thereof the following new paragraph:

"(7) The study of the river named in paragraph (93) of subsection (a) shall be completed and the report submitted thereon not later than the end of the third fiscal year beginning after the enactment of this paragraph. Such report shall include a discussion of management alternatives for the river if it were to be included in the national wild and scenic river system."

(d)(1) At the earliest practicable date following the enactment of this Act, but not later than 45 days after enactment, the Secretary of the Interior shall establish the Farmington River Study Committee (hereinafter in this subsection referred to as the "Committee"). The Secretary shall consult with the Committee on a regular basis during the conduct of the study. Membership on the Committee shall consist of 17 members appointed by the Secretary of the Interior as follows:

(A) One member shall be appointed by the Secretary.

(B) Two members shall be appointed by the Secretary from a list of candidates supplied to the Secretary by the Governor of the State of Connecticut.

(C) Two members shall be appointed by the Secretary from a list of candidates supplied to the Secretary by the Governor of the Commonwealth of Massachusetts.

(D) Two members shall be appointed by the Secretary from a list of candidates supplied to the Secretary by the Farmington River Watershed Association.

(E) One member shall be appointed by the Secretary from each of the 8 towns located along the West Branch of the river. The governing body of each of the 8 towns shall provide a list of candidates to the Secretary from which the 8 appointments under this paragraph shall be made.

(F) Two members shall be appointed by the Secretary from a list of candidates supplied to the Secretary by the Metropolitan District Commission of Hartford, Connecticut.

(2) The members of the Committee shall elect a chairman, vice chairman, and recording secretary from the membership at the first official meeting of the Committee. Official minutes shall be kept of each regular and special meeting of the Committee and shall be open for public inspection.

(3) Any vacancy on the Committee shall be filled in the same manner in which the original appointment was made. Any member appointed to fill a vacancy occurring before the expiration of the term for which his predecessor was appointed shall be appointed only for the remainder of such term. Vacancies in the membership of the Committee shall not affect its power to function if there remain sufficient members to constitute a quorum under paragraph (4) of this subsection.

(4) A majority of the members of the Committee shall constitute a quorum for all meetings.

(5) The Committee shall advise the Secretary in conducting the study of the Farmington River segment specified in section 5(a)(93) of the Wild and Scenic Rivers Act. The Committee also shall advise the Secretary concerning management alternatives should the river be included in the wild and scenic rivers system.

(6) Members of the Committee shall serve without compensation but may be compensated for reasonable and necessary expenses incurred by them in the performance of their duties as members of the Committee.

(7) The Committee may accept and utilize the services of voluntary, uncompensated personnel.

(8) The Committee shall terminate on the later of the following:

(A) The completion of the river study of the Farmington River described in section 5(a)(93) of the Wild and Scenic Rivers Act.

(B) The completion of management alternatives should the river be included in the wild and scenic rivers system.

(e) As used in this section (other than in subsection (b) the term "River" means the segments of the Farmington River described in paragraph (93) of section 5(a) of the Wild and Scenic Rivers Act (16 U.S.C. 1276(a)).

(f) Effective October 1, 1986, there are authorized to be appropriated such sums as may be necessary to carry out the purposes of this section.

SEC. 203. GREAT EGG HARBOR RIVER.

(a) Study.—Section 5(a) of the Wild and Scenic Rivers Act (16 U.S.C. 1271-1287) is amended by adding the following new paragraph at the end thereof—

"(94) Great Egg Harbor River, New Jersey.—The entire river.".

(b) Completion Date.—Section 5(b)(3) of such Act is amended by adding the following at the end thereof: "The study of the river named in paragraph (94) of subsection (a) shall be completed not later than 3 years after the date of the enactment of this sentence.".

TITLE III—TECHNICAL AMENDMENTS TO THE WILD AND SCENIC RIVERS ACT

Sec. 301. (a) Section 3(a) of the Wild and Scenic Rivers Act (16 U.S.C. 1274(a)) is amended by redesignating the paragraphs relating to the Au Sable River, the Tuolumne River, the Illinois River, and the Owyhee River as paragraphs (52) through (55) respectively.

(b)(1) The first sentence of section 3(b) of the Wild and Scenic Rivers Act is amended as follows:

(A) Strike out "one year from the date of this Act" and substitute "one year from the date of designation of such component under subsection (a)".

(B) Strike out the second parenthetical statement and substitute the parenthetical statement, "(which boundaries shall include an average of not more than 320 acres of land per mile measured from the ordinary high water mark on both sides of the river)".

(C) Strike out the semicolon and the remainder of the sentence after the words "its various segments" and substitute a period.

(2) The second sentence of section 3(b) of such Act is amended by striking out "Said boundaries, classification, and development plans" and substituting the words "Notice of the availability of the boundaries and classification, and of subsequent boundary amendments".

(3) Section 3 of such Act is amended by adding the following new subsections at the end:

"(c) Maps of all boundaries and descriptions of the classifications of designated river segments, and subsequent amendments to such boundaries, shall be available for public inspection in the offices of the administering agency in the District of Columbia and in locations convenient to the designated river.

"(d)(1) For rivers designated on or after January 1, 1986, the Federal agency charged with the administration of each component of the National Wild and Scenic Rivers System shall prepare a comprehensive management plan for such river segment to provide for the protection of the river values. The plan shall address resource protection, development of lands and facilities, user capacities, and other management practices necessary or desirable to achieve the purposes of this Act. The plan shall be coordinated with and may be incorporated into resource management planning for affected adjacent Federal lands. The plan shall be prepared, after consultation with State and local governments and the interested public within 3 full fiscal years after the date of designation. Notice of the completion and availability of such plans shall be published in the Federal Register.

"(2) For rivers designated before January 1, 1986, all boundaries, classifications, and plans shall be reviewed for conformity within the requirements of this subsection within 10 years through regular agency planning processes.".

Sec. 302. Section 4 of the Wild and Scenic Rivers Act is amended by adding a new subsection (d) after subsection (c):

"(d) The boundaries of any river proposed in section 5(a) of this Act for potential addition to the National Wild and Scenic Rivers System shall generally comprise that area measured within one-quarter mile from the ordinary high water mark on each side of the river. In the case of any designated river, prior to publication of boundaries pursuant to section 3(b) of this Act, the boundaries also shall comprise the same area. This subsection shall not be construed to limit the possible scope of the study report to address areas which may lie more than one-quarter mile from the ordinary high water mark on each side of the river.".

Sec. 303. Section 5 of the Wild and Scenic Rivers Act is amended as follows:

(1) In subsection (a) paragraph (90) relating to the North Umpqua is redesignated as paragraph (91).

(2) At the end of subsection (b)(1) add: "Studies of the river named in paragraphs (38), (55), (83), and (87) shall be completed and the reports transmitted to the Congress not later than January 1, 1987.".

(3) Amend paragraph (4) of subsection (b) to read as follows:

"(4) For the purposes of conducting the studies of rivers named in subsection (a), there are authorized to be appropriated such sums as necessary.".

Sec. 304. (a) Section 6(e) of the Wild and Scenic Rivers Act is amended by striking out "Congress in authorized" and substituting "Congress is authorized".

(b) Section 6(a) of the Wild and Scenic Rivers Act is amended by striking out "donation, and lands" in the second sentence and substituting "donation or by exchange in accordance with the provisions of section 206 of the Federal Land Policy and Management Act of 1976. Lands".

(c) Section 6(a) of the Wild and Scenic Rivers Act is amended by inserting "(1)" after "(a)" and by adding the following at the end:

"(2) When a tract of land lies partially within and partially outside the boundaries of a component of the National Wild and Scenic Rivers System, the appropriate Secretary may, with the consent of the landowners for the portion outside the boundaries, acquire the entire tract. The land or interest therein so acquired outside the boundaries shall not be counted against the average 100-acre per mile fee title limitation of subsection (a)(1). If not needed for outdoor recreation, administrative, or other purposes in furtherance of this Act, the lands or interests therein outside such boundaries, may be disposed of, consistent with existing authorities of law, by sale, lease, or exchange.".

(d) Section 6(b) of the Wild and Scenic Rivers Act is amended as follows:

(1) Insert in the first sentence "outside the ordinary high water mark on both sides of the river" after the word "acreage".

(2) Insert "in fee title" after the word "owned".

Sec. 305. (a) The second sentence of section 7(a) of the Wild and Scenic Rivers Act is amended by deleting "approval of this Act" and substituting "designation of a river as a component of the National Wild and Scenic Rivers System".

(b) Section 7(b) of the Wild and Scenic Rivers Act is amended as follows:

(1) In the first sentence after clause (i) insert a new clause (ii) as follows:

"(ii) during such interim period from the date a report is due and the time a report is actually submitted to the Congress; and".

(2) Redesignate existing clause (ii) as clause (iii).

(3) At the end of the second sentence, delete "approval of this Act" and insert in lieu thereof the words, "designation of a river for study as provided for in section 5 of this Act".

Sec. 306. Section 8(a) of the Wild and Scenic Rivers Act is amended by adding the following at the end thereof: "This subsection shall not be construed to limit the authorities granted in section 6(d) or section 14A of this Act.".

Sec. 307. Section 9(b) of the Wild and Scenic Rivers Act is amended by striking out "issuance or leases" in the second sentence and substituting "issuance of leases".

Sec. 308. Section 11 of the Wild and Scenic Rivers Act is amended by deleting the second sentence in subsection (a) and by amending section (b) to read as follows:

"(b)(1) The Secretary of the Interior, the Secretary of Agriculture, or the head of any other Federal agency, shall assist, advise and cooperate with States or their political subdivisions, landowners, private organizations, or individuals to plan, protect, and manage river resources. Such assistance, advice, and cooperation may be through written agreements or otherwise. This authority applies within or outside a federally administered area and applies to rivers which are components of the Wild and Scenic River System and to other rivers. Any agreement under this subsection may include provisions for limited financial or other assistance to encourage participation in the acquisition, protection, and management of river resources.

"(2) Wherever appropriate in furtherance of this Act, the Secretary of Agriculture and the Secretary of the Interior are authorized and encouraged to utilize the following:

"(A) For activities on federally owned land, the Volunteers in the Parks Act of 1969 (16 U.S.C. 18g-j) and the Volunteers in the Forest Act of 1972 (16 U.S.C. 558a-558d).

"(B) For activities on all other lands, section 6 of the Land and Water Conservation Fund Act of 1965 (relating to the development of statewide comprehensive outdoor recreation plans).

"(3) For purposes of this subsection, the appropriate Secretary or the head of any Federal agency may utilize and make available Federal facilities, equipment, tools and technical assistance to volunteers and volunteer organizations, subject to such limitations and restrictions as the appropriate Secretary or the head of any Federal agency deems necessary or desirable.

"(4) No permit or other authorization provided for under provision of any other Federal law shall be conditioned on the existence of any agreement provided for in this section.".

Sec. 309. Section 12(c) of the Wild and Scenic Rivers Act is amended by deleting the words "Secretary of the Interior" and inserting in lieu thereof the words "Administrator, Environmental Protection Agency".

Sec. 310. Section 14 of the Wild and Scenic Rivers Act is amended by inserting "(a)" after "14." and adding a new subsection (b) as follows:

"(b) For the conservation purposes of preserving or enhancing the values of components of the National Wild and Scenic Rivers System, and environs thereof as determined by the appropriate Secretary, landowners are authorized to donate or otherwise convey qualified real property interests to qualified organizations consistent with section 170(h)(3) of the Internal Revenue Code of 1954. Such interest may include, but shall not be limited to, rights-of-way, open space, scenic, or conservation easements, without regard to any limitation on the nature of the estate or interest otherwise transferable within the jurisdiction where the land is located. The conveyance of any such interest in land in accordance with this subsection shall be deemed to further a Federal conservation and policy and

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yield a significant public benefit for purposes of section 6 of Public Law 96-541.".

Sec. 311. Section 16(c) of the Wild and Scenic Rivers Act is amended by adding at the end thereof: "For any designated wild and scenic river, the appropriate Secretary shall treat the acquisition of fee title with the reservation of regular existing uses to the owner as a scenic easement for purposes of this Act. Such an acquisition shall not constitute fee title ownership for purposes of section 6(b).".

The SPEAKER pro tempore. Pursuant to the rule, a second is not required on this motion.

The gentleman from Minnesota [Mr. Vento] will be recognized for 20 minutes and the gentleman from California [Mr. Lagomarsino] will be recognized for 20 minutes.

The Chair recognizes the gentleman from Minnesota [Mr. Vento].

Mr. VENTO. Mr. Speaker, I yield myself such time as I may consume.

GENERAL LEAVE

Mr. VENTO. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to insert their remarks in the Record on the pending measure.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Minnesota?

There was no objection.

Mr. VENTO. Mr. Speaker, the purpose of H.R. 4350 is to amend the National Wild and Scenic Rivers Act to designate segments of five rivers, add three rivers for study, and make several amendments to the general provisions of the Wild and Scenic Rivers Act.

In brief, H.R. 4350 would amend the National Wild and Scenic Rivers Act by designating segments of the Cache la Poudre River, Colorado; Saline Bayou, Louisiana; Black Creek, Mississippi; North Fork Kern River, California; and South Fork Kern River, California for inclusion in the wild and scenic system. The bill also would provide for the study of segments of the Henry's Fork River, Idaho; the Farmington River, Connecticut and Massachusetts; and the Great Egg Harbor River, New Jersey, for possible addition to the wild and scenic river system. In addition, a number of technical amendments are made to the National Wild and Scenic Rivers Act to clarify areas of interpretation and improve direction for the managing agencies.

Mr. Speaker, H.R. 4350 is a composite, in amended form, of many wild and scenic rivers bills that were introduced separately by out distinguished colleagues. H.R. 4350 was introduced by myself and the sponsors of all of those original bills.

Mr. Speaker, we would not be here today if it were not for the leadership of many of our colleagues who saw the need for action to protect some of our outstanding river resources before those valuable national assets were degraded or destroyed. I want to express my thanks to Nancy Johnson who introduced H.R. 2191 and Interior Committee member Sam Gejdenson who worked on this compromise measure to study the West Branch Farmington River; Jerry Huckaby who introduced H.R. 2230, to protect the Saline Bayou; Richard Stallings who introduced H.R. 2569, to study the Henry's Fork River; Hank Brown who introduced H.R. 3547, to protect the Cache la Poudre River; Chip Pashayan who introduced H.R. 3934, to protect the north and south forks of the Kern River and to clarify some language in the general sections of the National Wild and Scenic Rivers Act; Trent Lott who introduced H.R. 4091 to protect Black Creek; and Bill Hughes who introduced H.R. 4293, to study the Great Egg Harbor River.

The Committee on Interior and Insular Affairs has been working over the last year to perfect this legislation and could not have done so without the assistance of these Members and their fine staffs. I particularly wish to commend the outstanding dedication and hard work of Chris Brown and Eric Olson of the American Rivers Conservation Council [ARCC]. The many members of ARCC across the Nation can be proud of these two dedicated people.

Last but not least, I want to thank the Forest Service for its helpful and cooperative efforts to perfect this bill.

Mr. Speaker, this is a good bill and I urge all of my colleagues to support it.

Mr. LAGOMARSINO. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, the chairman of the subcommittee has explained the bill adequately and very eloquently. The Subcommittee on National Parks has been working on components of this bill since last fall. There were several very difficult compromises that needed to be made and I want to commend the chairman for his efforts in working out those problems in the bill.

As did the gentleman, I would also like to commend all the members, the same ones the gentleman mentioned. I will not name them again. Their hard work and spirit of cooperation resulted in the development of what I think is an outstanding omnibus piece of legislation. I was certainly pleased to join them as a cosponsor of the legislation.

Mr. Speaker, I rise in strong support of H.R. 4350, the Omnibus Wild and Scenic Rivers bill.

This significant legislation designates segments of the Cache la Poudre River, Colorado; the Saline Bayou, Louisiana; the Black Creek, Mississippi; and the north fork and south fork of the Kern River, California, for inclusion in the Wild and Scenic Rivers System. This legislation will result in an addition of approximately 267 miles to the current National Wild and Scenic Rivers System, which was initiated in 1968 through passage of the Wild and Scenic Rivers Act.

The bill also provides for studies of several other river segments for potential addition to the Wild and Scenic Rivers System. These include the Henry's Fork River, Idaho; the West Branch Farmington River, Connecticut and Massachusetts; and the Great Egg Harbor River, New Jersey. A total of 116 miles of rivers will be studied.

Finally, the bill contains several generic amendments to the Wild and Scenic Rivers Act intended to correct some minor technical deficiencies in the act. These changes were recommended by the administering Federal agencies, primarily the U.S. Forest Service, to assist them with implementation of the act.

Mr. Speaker, the Subcommittee on National Parks and Recreation, of which I am the ranking member, has been working on the components of H.R. 4350 since last fall. Several difficult compromises were made along the way and I want to commend Chairman Vento for his efforts in working out the problems associated with the bill. I would also like to commend the Members who sponsored the individual river measures included in the bill. Their hard work and spirit of cooperation resulted in the development of this outstanding omnibus legislation. I was certainly pleased to join with them as a cosponsor of H.R. 4350 when it was recently introduced.

Mr. Speaker, the enactment of this legislation will provide needed protection for some of the Nation's most scenic and valuable recreational river resources. In addition, it will provide some positive changes to the original act. Furthermore, it enjoys broad-based bipartisan support. Therefore, I strongly support H.R. 4350 and urge my colleagues to act favorably upon it.

Thank you, Mr. Speaker.

Mr. Speaker, I yield 3 minutes to the distinguished minority whip, the gentleman from Mississippi [Mr. Lott].

Mr. LOTT. Mr. Speaker, I rise in support of H.R. 4350, a bill which adds five new river segments to the National Wild and Scenic Rivers System. I am proud, Mr. Speaker, to say that a segment of the Black Creek, in the Fifth Congressional District of Mississippi, is one of the five rivers being proposed for designation today.

The Black Creek is located in the heart of my district in southern Mississippi. It is a unique river with special scenic value, and its incorporation into the Wild and Scenic Rivers System would be the first such designation in the State of Mississippi. I am excited about being a part of the preservation of the Black Creek and of the enhancement of the recreational value of the river by this designation.

Mr. Speaker, section 103 of this bill designates a 21-mile segment of the Black Creek as a component of the National Wild and Scenic Rivers System. This 21-mile section is almost totally included in the DeSoto National Forest and 5 miles are within the Black Creek Wilderness. Both the Forest Service and I recommend that the Black Creek segment from Fairley bridge landing upstream to Moody's landing be classified as a scenic river. This designation would have the least impact on private lands while preserving a portion of the river in a scenic condition at a minimum cost.

Mr. Speaker, I want to express my appreciation to the distinguished chairman of the Committee on Interior and Insular Affairs, the gentleman from Arizona, and to the distinguished ranking member of the committee, the gentleman from Alaska. In addition, I would like to thank the National Parks and Recreation Subcommittee chairman and ranking member, the gentleman from Minnesota [Mr. Vento] and the gentleman from California [Mr. Lagomarsino]. I also want to extend my gratitude to the U.S. Forest Service for their assistance to me in this endeavor.

Mr. Speaker, I am happy to join with my colleagues on both sides of the aisle in support of this omnibus rivers bill. I believe that the bill is worthwhile and I urge all Members to support it.

Mr. LAGOMARSINO. Mr. Speaker, I yield 3 minutes to the gentlewoman from Connecticut [Mrs. Johnson].

Mrs. JOHNSON. Mr. Speaker, I rise in strong support of this measure and wish to express my sincere appreciation to the chairman of the Interior Committee and the National Parks Subcommittee, Mr. Udall and Mr. Vento, as well as the ranking members, Mr. Young and Mr. Lagomarsino, for their leadership in bringing H.R. 4350 to the floor. I commend you on your hard work and trust that our colleagues will join us in voting for this important bill.

And, although many groups and individuals worked on this bill, I would be remiss if I did not single out my Connecticut colleague, Sam Gejdenson, a member of the committee, for his particular attention to the Farmington River in this bill, as well as Chris Brown and Eric Olson of the American Rivers Conservation Council for their yeoman efforts on behalf of this country's wild, scenic, and recreational rivers.

I am very pleased to say that one of the study rivers in this bill, the west branch of the Farmington River, is in my district in Connecticut and provides thousands of people many hours of fishing, boating, and hiking pleasures and provides a habitat for many species of fish, plant, and animal life only minutes from downtown Hartford.

Mr. Speaker, the Farmington River is one of Connecticut's polished gems. It graces the green and gentle New England countryside with its clear, cascading water, its wooded banks, and its two swiftest gorges, Tariffville Gorge and Satan's Kingdom. One-hundred years ago the Farmington was nearly poisoned by the many paper mills, tanneries, cotton mills, foundries, and sawmills that lined its shores. But today, thanks to enlightened neighbors and the ever-watchful Farmington River Watershed Association, the river is clean and supports a growing population of Atlantic salmon.

The west branch of the Farmington River was included on the Interior Department's January 1981 nationwide rivers inventory with good reason: This river is the largest trout fishery in Connecticut; two State parks and five State forests dot the river corridor; and whitewater canoeing unique to southern New England is enjoyed by thousands of people annually and still more thousands use tubes or kayaks on the river's waters.

The Farmington River serves hundreds of thousands of people throughout southern New England and is unique in its ability to provide a truly scenic and recreational environ so close to a metropolitan area. This river deserves the protections offered by the study called for in the bill and I trust that the other body will agree with the House in approving H.R. 4350.

Mr. Speaker, I am pleased that the committee has approved this legislation and I strongly urge an affirmative vote on passage.

Mr. VENTO. Mr. Speaker, I yield such time as he may consume to the gentleman from Louisiana [Mr. Huckaby], a member of the committee and a sponsor of one of the major components of this designation of the Saline Bayou. He has worked very hard and I want to commend the gentleman for his work with regard to this. I am sure with his continued work we will have success.

Mr. HUCKABY. Mr. Speaker, I thank the gentleman for yielding.

I rise in strong support of this legislation also and I want to commend the gentleman from Minnesota [Mr. Vento] and the gentleman from California [Mr. Lagomarsino] for packaging these various bills that were introduced into what I am sure will be a noncontroversial measure, with the addition of five rivers within the Nation's Wild and Scenic River System.

I am particularly interested in the Saline Bayou which flows through my congressional district. It is unique and it is also flowing through a major national forest and hence it enjoys widespread support in the State of Louisiana, not only from the press, as well as conservation and environmental groups, but in addition to that, virtually all of the State and local elected officials in the area. So I think it is very fitting and proper that we should include this Saline Bayou, one of the last of the remaining wild and free rivers in north Louisiana.

Again I want to commend the chairman for his excellent work in this and I urge its passage.

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Mr. VENTO. Mr. Speaker, I reserve the balance of my time.

Mr. LAGOMARSINO. Mr. Speaker, I yield 5 minutes to the gentleman from Colorado [Mr. Brown], author of one of the significant river portions in the bill.

Mr. BROWN of Colorado. I thank the gentleman from California for yielding this time to me.

Mr. Speaker, I would like to extend my thanks to the gentleman from Minnesota [Mr. Vento] for his fine leadership in this area. This is an area in which there are sometimes more things thrown at one than there are praises for the fine work one does, but the gentleman from Minnesota has been a forthright leader in this area. He has been dedicated to getting the compromise through, of working with both sides, and the bill that we have before us is the product of that hard work, of his leadership, and the leadership of the gentleman from California, in bringing both sides of the aisle together in a bill that I am convinced is a plus for this Nation.

This bill includes under section 101 a designation of a portion of the Cache La Poudre River in Colorado. With the passage of this legislation, that will become the first wild and scenic river so designated in the State of Colorado. It is with great pride, I think, that I think the entire State will enjoy the beautiful amenities that this river includes.

What I want to point out, Mr. Speaker, is that there is an important aspect of this bill, particularly with regard to the Cache La Poudre. It is a step forward. It is a compromise. But it is a compromise where both sides were listened to, and the best of both ideas combined into a piece of legislation.

This bill enhances the environment and also preserves essential options for water storage. It does both, and I think by doing both it helps all the people of Colorado. It is a place where a compromise helped both sides win, not one side lose and one side win. That is the kind of positive legislation I think this area needs, one that listens, one that is responsive, and one that makes winners out of all Americans.

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I might point out that some of the concern that has been expressed about this legislation is with regard to projects that are outside of the designated area, projects like the Trap Lake II project which is located outside of the designated corridor. All this bill simply means is that, that project must stand on its own. This legislation does not preclude the development of Trap Lake II and is not meant to. By standing on its own, it has the opportunity to show that it meets the guidelines that are set forth by existing law.

Mr. Speaker, I would be remiss if I did not note at this time that the portion of the river that is designated as wild is named after Peter H. Dominick, Senator Dominick served a term in this House of Representatives and went on to serve several terms in the United States. No more fitting tribute could be found than one that puts his name on a wild river in the mountains of Colorado. His memory is preserved in a way I think he would have loved.

Mr. ROSTENKOWSKI. Mr. Speaker, as reported by the Committee on Interior and Insular Affairs, H.R. 4350 would deem certain donations of real property interests to qualified organizations as qualifying for a Federal income tax deduction as a qualified charitable conservation contribution.

In order to qualify for a charitable deduction under the Internal Revenue Code, a conservation contribution must be made exclusively for conservation purposes. H.R. 4350 deems conveyances under this act to meet that standard and, consequently to qualify for the tax deduction. Expansions of allowable tax deductions certainly should be considered by the Committee on Ways and Means before being brought before the House.

It is possible that many or all contributions of real property interests under the Wild and Scenic Rivers Act would be qualified conservation contributions. However, the determination of whether the appropriate requirements are satisfied should be made under the Internal Revenue Code and not deemed to be met by some other statute.

Since this bill provides certain tax results regardless of the operation of the Internal Revenue Code, this bill is clearly a revenue measure and, as such, is a matter which falls within the jurisdiction of the Committee on Ways and Means pursuant to House Rule X.

Mr. Speaker, it is my hope that the jurisdictional concerns of the Committee on Ways and Means regarding this matter can be remedied as this bill proceeds through the legislative process. I must point out that I intend to protect the prerogatives of the Committee on Ways and Means as this bill proceeds. In addition, I intend to pursue appropriate jurisdictional referral of any future legislation which contains similar or identical provisions.

Mrs. KENNELLY. Mr. Speaker, H.R. 4350, the Wild and Scenic Rivers Act Amendments, provides for a study of the west branch of the Farmington River in Connecticut and Massachusetts. The Farmington River is nothing less than a treasure, a unique and beautiful resource of our highly urbanized State. Down the Farmington's 70-mile course through Connecticut, we are blessed with beautiful countryside, open spaces and prime farmland, whitewater rapids and gorges, historical buildings, and unique ecological phenomena.

The question how best to manage and preserve this important resource has been a vexing one in the State of Connecticut. The Farmington River is, to put it mildly, a multiuse river. It is an invaluable recreational resource, bordered by two State parks and five State forests. It plays an important role in efforts to restore Atlantic salmon to the Connecticut River basin. Its waters are used to dilute waste water from treatment plants and industrial sources in the valley. Another section of the Farmington is vital for public water supply, providing high quality drinking water to over 400,000 people in the Hartford/New Britain metropolitan areas.

Obviously, many different interests have many different ideas about how to balance these various uses of the river. An environmentally comprehensive management plan for Connecticut's water resources is a real challenge, and one that must be met. With the pressures of population growth, land development, and drought upon us, now is the time to ensure that health, recreational, environmental, and industrial needs will be met in the future working together on the Federal, State and local levels.

The study called for in this bill should be very helpful in grappling with these issues. While I had some reservations about some provisions of the original legislation, I am grateful for the efforts made to address these concerns in H.R. 4350. The bill represents an important component in the development of an environmentally comprehensive policy for a valuable water resource in Connecticut. Whether or not the legislation passed today ever leads to the designation of the west branch for inclusion in the national wild and scenic river system, the study should assist State and local interests in putting together information that might not otherwise be available to protect and manage this valuable resource.

I am pleased that the committee report makes clear that this wild and scenic study is explicitly intended to include an examination of the west branch in the context of Connecticut's water supply needs and that the Secretary of the Interior is instructed to closely coordinate the wild and scenic study with the Connecticut plan, the State of Connecticut's own ongoing comprehensive efforts to develop a master plan for future management of potable water resources. As Connecticut faces problems with chemical contamination of over 800 ground water wells and has suffered a serious drought in the past year, it would be shortsighted to study the west branch without looking at these questions. In addition, the report calls attention to the fact that the Secretary of the Interior has the authority to permit waivers of Federal regulations should water from the west branch be needed at the time of a drought, and this authority should be granted a liberal interpretation in an emergency.

H.R. 4350 establishes an advisory committee to assist the Secretary of the Interior in the development of the wild and scenic study and of the management alternatives for the west branch should it be included in the wild and scenic system. This study committee is a thoughtful innovation for the wild and scenic program and I am pleased it is more broadly representative under H.R. 4350 than had been the case in the original bill. It should also be noted however that the Secretary of the Interior is still expected to seek out a broad cross-section of local public opinion as required under the law so that all those with interests and concerns will be heard.

Mr. THOMAS of California. Mr. Speaker, because some people in California are confusing legislation affecting the Kern River, I want to explain the difference between the bill I cosponsored (H.R. 3934) and the bill I oppose (H.R. 4350) that is before the House of Representatives.

H.R. 3934, a bill which I cosponsored, would have added an area beginning 5,600 feet north of Johnsondale Bridge on the North Fork of the Kern to the Wild and Scenic Rivers System. That is the only area H.R. 3934 affected. H.R. 3934 did not put the South Fork or a stretch of the North Fork between a point north of Johnsondale Bridge and the Tulare-Kern County line into the Wild and Scenic Rivers System.

The bill before the House, H.R. 4350, is a significantly different bill. H.R. 4530 would also make the North Fork above Johnsondale Bridge part of the Wild and Scenic Rivers System. In addition, H.R. 4350 would include the South Fork and the stretch of the North Fork from the vicinity of Johnsondale Bridge to the Tulare-Kern County line in the Wild and Scenic Rivers System. I did not support these changes. I oppose H.R. 4350; it is not the bill I cosponsored.

Mr. LAGOMARSINO. Mr. Speaker, I yield back the balance of my time.

Mr. VENTO. Mr. Speaker, I have no further requests for time, and I yield back the balance of my time.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Minnesota [Mr. VENTO] that the House suspend the rules and pass the bill, H.R. 4350, as amended.

The question was taken; and (two-thirds having voted in favor thereof) the rules were suspended and the bill, as amended, was passed.

A motion to reconsider was laid on the table.

UNIVERSITY OF LOUISVILLE FIGHTING CARDINALS WIN COLLEGE BASKETBALL NATIONAL CHAMPIONSHIP

(Mr. MAZZOLI asked and was given permission to address the House for 1 minute and to revise and extend his remarks and include extraneous matter.)

Mr. MAZZOLI. Mr. Speaker, along with the Kentucky Derby, a trip to the NCAA Final Four basketball championships is becoming another rite of spring for the University of Louisville and its legions of loyal fans.

That rite was celebrated on Monday, March 31, before a capacity crowd in Reunion Arena in Dallas, TX, as the University of Louisville Fighting Cardinals won college basketball's national championship.

The Cards claimed that honor in a hard-fought, tense, emotion-draining duel against a Duke University team previously ranked No. 1 in the Nation.

This victory marks the second national championship for the University of Louisville, the first school to repeat as champion in the decade of the 1980's.

Coach Denny Crum and his able staff, in their customary fashion, assembled for the 1985-86 season a fine group of talented young athletes, blending experience and youth, size and speed. But, most of all, the group had discipline, determination, and devotion to their coaches, their school, and to the game.

This recipe produced another national title for the "Fighting Cardinals."

Those of us who have followed the Cards over the years know the tradition of excellence that has characterized U. of L. basketball under coaches Peck Hickman and John Dromo, but this tradition has been enhanced further under Coach Crum. Six trips to the Final Four under Coach Crum—four in the last 7 years—are convincing evidence to the strength of his coaching talents.

As they seem to do each season, the "Cardiac Cards" start slowly but turn into stretch-running thoroughbreds when tournament time arrives. This year, playing one of the most competitive schedules in the country, the Cards began their stretch drive early. The team jelled and was able, time and again, to rise to the occasion, winning at one point 21 of 22 games—the last 17 in a row—to finish the season 32-7.

Led by a corps of experienced seniors in Milt Wagner, Billy Thompson, and Jeff Hall, the Cards success was a result of exceptional balance and team play. Freshman "Never Nervous" Pervis Ellison, named Most Valuable Player of the Final Four, was a stalwart performer who showed remarkable poise all year. Sophomore Herbert Crook contributed yeoman-like efforts all through the campaign. And, when the need arose, there were always players who came off the bench to pick up the team with clutch performances.

As a native Louisvillian and an alumnus of the University of Louisville's Law School, I take special pride and gratification in representing this great university and its excellent basketball team.

Many congratulations to the University of Louisville for a job well done. These young men have provided us a marvelous winter of enjoyment and allowed us to share the exhilaration of their triumphs and the memories of this championship season.

We, of the Kentucky congressional delegation, are justly proud of our national champion Louisville Cardinals, and we invite Members to meet the Cardinals and their esteemed and greatly successful coach, Denny Crum, at a reception in S-207 (the Mansfield Room) in the Capitol, on Wednesday, April 16, from 3 to 5 p.m.

I am inserting at this point in the RECORD the Cardinals' NCAA Tournament record and the player and staff roster of this outstanding team.

NCAA Tournament

Louisville	93
Drexel	73
Louisville	82
Bradley	68
Louisville	94
North Carolina	79
Louisville	84
Auburn	76
Louisville	88
LSU	77
Louisville	72
Duke	69

Players

Mike Abram, Pervis Ellison, Tony Kimbro, Mark McSwain, Kenny Payne, Billy Thompson, Milt Wagner, Chris West, Herbert Crook, Jeff Hall, Avery Marshall, Will Olliges, David Robinson, Robbie Valentine, Kevin Walls, Keith Williams.

Coaches

Denny Crum, head coach.
Bobby Dotson, assistant coach.
Wade Houston, assistant coach.
Jerry Jones, assistant coach.

University President

Dr. Donald C. Swain.

Staff

Bill Olsen, athletic director.
Jerry May, trainer.
Dr. Rudy Ellis, team physician.
Jeff Witt, Manager.
Faculty representative, Burt L. Monroe, Jr.
Kenny Klein, sports information director.
Nancy Allison, associate SID.
Kathy Tronzo, secretary.
Jeff Schneider, intern.
Marty Ballen, intern.

COST-EFFECTIVE PLAN TO RESTRUCTURE THE DEBT OF THE FARM CREDIT SYSTEM

(Mr. THOMAS of Georgia asked and was given permission to address the House for 1 minute and to revise and extend his remarks and include extraneous matter.)

Mr. THOMAS of Georgia. Mr. Speaker, I am today introducing a concurrent resolution expressing the sense of the Congress regarding a cost-effective plan to restructure the debt to the Farm Credit System.

This resolution is designed to encourage an attitude of common sense and forbearance to the actions of the Farm Credit System, instead of the policy of foreclosure that is cutting at the heart of American agriculture, and rural America in general. The impact of the proposals of the resolution would be to put the outstanding loans of the System on a more solid foundation, and ultimately to reduce the prospect of losses to the System and its borrowers.

Last year, thousands of farmers and ranchers throughout the Nation were forced into bankruptcy and foreclosure under the procedures of the Farm Credit System, the Nation's largest agricultural lender. In the process, the system lost an unprecedented $2.7 billion.

Each day, the situation grows worse as more and more of our very best farmers lose the land that they love and have labored on for many years or even many generations. Our national agricultural base is shrinking, and the Farm Credit System itself is threatened with devastation and the prospect of a Federal bailout.

This concurrent resolution is identical to Senate Concurrent Resolution 122, introduced by Senators NICKLES and GRASSLEY last month.

The resolution expresses the sense of Congress that the Farm Credit System should:

One, facilitate and participate in an agricultural loan restructuring program. Two, classify restructured loans as performing loans as long as payments on the restructured loans are being made. Three, permit multiyear amortization of loan losses. Four, compare the cost of foreclosure and the cost of forbearance, and utilize forbearance if it is less costly. Five, consider the use of two-tiered loan restructuring as a viable alternative to farm foreclosures wherever feasible.

The heart of the measure relates to the provision that if the costs associated with foreclosure equal or exceed the cost of restructuring a loan, the the Farm Credit System is encouraged to consider restructuring. When considering restructuring alternatives, the Farm Credit System is encouraged to consider the use of a restructuring program recently proposed by the American Farm Bureau Federation, known as a two-tier debt restructuring program.

Under this approach, portions of the farm debt a borrower can service under existing terms would be placed in the first tier. Debt the borrower is unable to fully service is placed in the second tier. No principal payments would be made on second tier debt while a reduced interest could be charged. As debt in the first tier is payed off, portions of the second tier debt would be transferred to the first tier, keeping its balance constant.

Mr. Speaker, this proposal has one simple objective and one simple impact—it would reduce the number of foreclosures and it would reduce the losses to the Farm Credit System, and potentially, the losses to the taxpayer.

Mr. Speaker, I include the text of the resolution for the information of my colleagues.

The text of the resolution follows:

H. Con. Res. 310

Concurrent resolution to express the sense of Congress with respect to agricultural loan restructuring

Resolved by the House (the Senate concurring), That it is the sense of the Congress that—

(1) the Farm Credit Administration and its associated agencies and lending institutions should take additional regulatory and administrative actions immediately to help alleviate the unusual financial situation facing many thousands of agricultural producers and farm lenders by providing additional time to resolve these problems in the agricultural sector, recognizing that such actions may be in the best interests of both the Farm Credit System and the borrower when there is a reasonable prospect that the borrowers will eventually be able to repay the loan;

(2) the Farm Credit Administration and its associated agencies and lending institutions should—

(A) facilitate and participate in agricultural loan restructuring programs;

(B) classify restructured loans as performing, provided the payments, as restructured, are being made; and

(C) permit, to the extent feasible, the multiyear amortization of agricultural loan losses;

(3) before instituting a proceeding to foreclose a loan made to a borrower, the Farm Credit System and its associated institutions and agencies should determine—

(A) the cost of foreclosure; and

(B) the cost of restructuring the loan, using a two-tier or other system of forbearance;

(4) if the Farm Credit System or any of its associated institutions or agencies determine that the cost of foreclosure of a loan made to a borrower is equal to or exceeds the cost of restructuring the loan, the System should utilize restructuring rather than foreclosure. Such restructuring should include consideration of the use of a two-tier loan structure which is based on the borrower's ability to pay and under which—

(A) there would be a reduced interest rate applicable to the second tier of debt, containing the portion of debt the borrower is unable to fully service;

(B) portions of the outstanding principal balance in the second tier of debt are periodically reassigned to the first tier, containing the serviceable debt, so that the outstanding principal balance in the first tier remains constant; and

(C) an agreement that, during the period of the restructuring, all debt incurred beyond normal operating expenses would be subordinated to the restructured debt.

FROM LIBERTY'S VIEW

The **SPEAKER** pro tempore. Under a previous order of the House, the gentleman from Wisconsin [Mr. Kleczka] is recognized for 5 minutes.

Mr. KLECZKA. Mr. Speaker, it is the inexorable fate of us all that we cannot serve in positions of leadership forever. As generations before us have done, our mortality requires us to prepare our youth for the responsibilities, challenges, and inevitability of succession to leadership.

With this in mind, I am proud to commend to my colleagues the following essay written by a future leader who resides in my district: Mr. Christian Tentoni. Chris is a 10-year-old fourth grader attending Jefferson School in West Allis. His essay, "From Liberty's View," is a work of extraordinary perception and outstanding writing for someone so young. It reflects proudly on his parents, his school, and his community, and it reassures all of us that the future leadership of this great Nation will be left in good hands with people like Chris among our successors. The text of the essay follows:

From Liberty's View

(As Told To Christian T. Tentoni)

> I am having a birthday this summer. I will be 100 years old. It feels like it was yesterday that they took me to Liberty Island. I was a present to America. Some people think I am just a statue and have no job. My job is very important. I have seen many things in my life.
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> I was hardly put in place on Liberty Island when people started coming to America to be free. I watched them come here on ships. I saw them carry everything they owned to come here. They all had dreams about how wonderful America would be. They were excited to see me. I could hear them speak to each other in their own languages. They never knew that I was watching them too. The new people were hard workers and helped make our country great. They all studied to be Americans. I was happy that the new people came here to make new lives.
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> There were sad times. I was sad when I saw America's young boys line up on ships to fight in World War I. They left America as boys and came back as men. Many men died in the war and many more were injured. I cried inside for the men who did not come home. Nobody saw me cry because I had to be strong. Those men fought for me. Those coming home cheered when they saw me from their ships.
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> I watched America's young boys do it all over again in World War II. These boys had to become men real fast. Many of these men were the children of the new people who came here when I did. Some of these men fought for me in World War I. They wanted to fight for their new country. They wanted to fight for freedom. I still lost many more of my children.
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> There were two more wars in countries near China. I lost more children who died or are still missing. These boys were grandchildren to the people who came here when I did. They believed in me and fought to help other countries become free. I must stay here for them.
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> The years I have been outside have made me weak. Parts of me were falling apart. I started to think that nobody cared about me anymore. Many of you remembered me and sent men to fix me. I want to look good for my birthday. I still have my job to do. The workers will finish fixing me soon. People gave money to get me repaired. They forget the children who gave their lives to keep all Americans free. I will keep waiting for them with my new torch lit. I will not forget.

$42 MILLION MORE FOR CONGRESSIONAL MAILING

The **SPEAKER** pro tempore. Under a previous order of the House, the gentleman from Pennsylvania [Mr. Walker] is recognized for 5 minutes.

Mr. WALKER. Mr. Speaker, within the next few days, the House is going to be taking up a supplemental appropriations bill. In other words, once again we are going to have add-on spending over and above that which we have committed ourselves to in appropriations bills that were passed last year. Once again we go through the budget-busting that Congress has become so famous for and has resulted in us overspending the last 5 years' budgets by a total of $160 billion.

When we want to know where deficits come, from, they come from right here. Congress votes for them by voting in spending over and above that which we budgeted for year after year after year. We are the cause of deficits.

We have a supplemental appropriation that will be out here in the next few days that will be another add-on to deficits and there is one particular provision of that which I think the American people are particularly interested in and that we ought to deal with, and that is an amendment to spending within the supplemental that would add $42 million for mailing costs for the Congress. In other words, we are saying that we want to spend another $42 million over and above that which was previously appropriated to allow ourselves to do mailings out to the country.

At a time when we are attempting to do something about controlling Federal deficits, the very least we might be able to do around here is control our own mailing expenses. Let us understand that Congress did not exactly underfund mailing to begin with. We funded $95 million worth of spending originally in the bill. Actually, we had $100 million of spending in the bill in the last session of Congress, but then when Gramm-Rudman came in that was cut back by about $5 million, so we ended up with a little bit better than $95 million of mailing expenses that Congress can incur.

Let us understand how much money that is. That means for every Member of the House and the other body, there is $175,000 for mailing. That means that if here in the House if we mailed all six newsletters that we are allowed each year, and not all of us mail six newsletters, but if we did mail all six we would spend $102,000 of that $175,000. That still would leave $73,000 for mailing. Most people would think that you could probably get through the year spending $73,000 over and above that which you spent for your newsletter, because what that means is, that is 292,000 pieces of first-class mail that every Member of this body could send out. That amounts to 1,500 pieces of mail every working day that Members of Congress can send out of their offices.

It seems to me that that is plenty of money, and yet we are going to come back here, probably some time next week, with a proposal to spend $42 million more for mail; in other words, to have about $95,000 more for every Member of this body to spend on mail in the next few months.

I think that is an outrage, and I think the very least that we ought to be doing is spending only the money that we originally appropriated for mailing expenses in this particular year. We can live with what we have and we ought to live with what we have.

Therefore, I will be offering an amendment when that supplemental appropriation comes to the floor to strike the entire $42 million in spending that is in that bill for additional franking expenses. I am going to go to the Committee on Rules and I am going to try to make certain that that amendment will be in order when it comes to the floor, and I want to take this time this afternoon to assure the Members of this body that when that amendment is offered on the floor and after it is debated on the floor that we will, in fact, be voting on that particular amendment. I think it is entirely appropriate that the American people should know who among us will stand up and say, "Let us get along with what we originally appropriated for mailing expenses; let us not add $42 million more to the deficit of the country."

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UNIFORM HEALTH-CARE INFORMATION ACT

The **SPEAKER** pro tempore. Under a previous order of the House, the gentleman from Oklahoma [Mr. English] is recognized for 5 minutes.

Mr. ENGLISH. Mr. Speaker, the National Conference of Commissioners on Uniform State Laws recently approved and recommended for enactment by the States a Uniform Health-Care Information Act. This is a significant accomplishment, and I want to call it to the attention of my colleagues and the States that will be asked to consider this proposal.

The recent history of efforts to provide legislative protection for medical records dates back to the 1977 report of the Privacy Protection Study Commission. The Privacy Commission, which was established under the Privacy Act of 1974, found that the control over information in medical records once exercised by medical care providers has been greatly diluted as a result of developments within the medical profession, Government, and elsewhere. The Commission recommended that Federal legislation be enacted to protect medical record privacy.

In April 1979, President Jimmy Carter endorsed that recommendation. President Carter stated that threats to personal privacy inherent in modern information practices are not the product of any plan to invade the privacy of individuals. Information systems have developed naturally with the growth of the economy, the expansion of public and private institutions, the mobility of citizens, and the development of computers. As essential as these facilities are, President Carter warned that they can be misused to create a dangerously intrusive society.

Bills to implement the recommendations of the Privacy Protection Study Commission were considered during the 96th Congress in both the House and the Senate. Committees in both Houses reported out similar bills. While there appeared to be general agreement on the inadequacy of existing guidance on the proper use of medical records, the legislation failed to be enacted. One of the main arguments used against Federal legislation was that regulation of medical records practices should be left to the States.

This is one reason why the new proposal of the National Conference of Commissioners on Uniform State Laws is so important. Medical records will not acquire the needed protections unless the States take action to pass comprehensive laws regulating the record keeping practices of health-care providers. Laws enacted many years ago providing a privilege for medical information are woefully inadequate in today's computerized society. Only a few States have modern laws that adequately address the medical record keeping problems that confront today's physicians and patients.

The proposed Uniform State law includes all of the basic elements of a privacy law. The proposal would regulate the disclosure of health-care information by health-care providers, both with and without the consent of the patient; provide rules allowing patients to examine, copy, and correct records; require health-care providers to notify patients of information practices; and include both civil and criminal sanctions for violations of privacy protections.

It is not an easy task to write privacy laws because there are so many different interests that must be balanced. I congratulate the committee that prepared the Uniform Health-Care Information Act for doing such a fine job. The committee was chaired by K. King Burnett of Salisbury, MD. The reporters for the committee were Robert R. Belair, Washington, DC, and Alan R. Bennett, Washington, DC. Members of the committee were Harvey Bartle III, Philadelphia, PA; Geoffrey D. Cant, Annapolis, MD; Timothy J. Cronin, Jr., Boston, MA; Michael Franck, Lansing, MI; Charles W. Joiner, Ann Arbor, MI; John W. Wagster, Nashville, TN; William H. Wood, Harrisburg, PA; Carlyle C. Ring, Jr., Alexandria, VA; Phillip Carroll, Little Rock, AR; William J. Pierce, Ann Arbor, MI; and Elmer R. Oettinger, Chapel Hill, NC.

Copies of the proposed legislation are available from the National Conference of Commissioners on Uniform State Laws, 645 North Michigan Avenue, Suite 510, Chicago, IL 60611.

GREEK INDEPENDENCE DAY

The **SPEAKER** pro tempore. Under a previous order of the House, the gentleman from Illinois [Mr. Annunzio] is recognized for 5 minutes.

Mr. ANNUNZIO. Mr. Speaker, Greek Independence Day has a special meaning for Greek-Americans in this country, for 165 years ago, on March 25, 1821, Greek patriots raised the flag of revolt and began a series of uprisings against their Turkish oppressors.

This flag of revolt was blessed by Bishop Germanos of Palaeion Patron, at the monastery of Aghia Lavra, and was followed by 7 years of fierce fighing during which a handful of rebels were able to contain the combined forces of the Sultan's Ottoman Empire. These Greek patriots fought courageously and valiantly against the might of the Turks and for the victories they were able to obtain they suffered many losses and endured much tragedy.

The confrontations at Valtetsi, Dervenaia, as well as Missolonghi, where Lord Byron fought and died, rank among the most glorious pages of Greek history, and the exploits of the Greek Navy, under Miaoulis, Kanaris, and Sachtouris, inspired the peoples of Europe, who finally brought pressure upon their governments to intervene in the fight and compel the Sultan to recognize Greek independence.

In the United States feelings ran high in support of the Greeks. John Adams remarked:

> My old imagination is kindling into a kind of missionary enthusiasm for the cause of the Greeks.

Also, in an address to Congress, President Monroe expressed the feelings of the United States when he said:

> Genius and delicacy in the arts, daring and heroism in action, unselfish patriotism, enthusiastic zeal, and devotion to public and private liberty, all these are connected with the name of ancient Greece. It is natural, therefore, that their contest should arouse the sympathy of the entire United States.

On October 20, 1827, at the battle of Navarino, the Turkish fleet was finally defeated and destroyed by the combined elements of the British, French, and Russian navies. This victory gave the Greeks additional incentives in their fight against Turkish oppression, and on September 14, after many centuries of foreign rule, freedom for the Greeks was regained by the Treaty of Adrianople of 1829 and later by the London Protocol of 1830.

Mr. Speaker, the idea of democracy, born in ancient Greece over 2,000 years ago, has prevailed and has inspired other nations in their struggle against persecution. The contributions made and still being made to the growth and greatness of the United States by Greeks who have chosen to make their home in our country continue, and it is a pleasure to extend greetings to Greek-Americans in the 11th Congressional District of Illinois which I am honored to represent, and Americans of Greek descent all across our Nation, on the occasion of Greek Independence Day. Let us celebrate the precious heritage of freedom our two countries have shared in the century and a half of genuine friendship between the people of America and the people of Greece.

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RESIGNATION OF RUSSELL ROURKE AS SECRETARY OF THE AIR FORCE

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Mississippi [Mr. Montgomery] is recognized for 5 minutes.

Mr. MONTGOMERY. Mr. Speaker, I was disappointed to learn today that Russell Rourke has resigned as Secretary of the Air Force. I have known Russ Rourke for a number of years and can tell you that he will be missed by the Department of Defense.

Though he was Air Force Secretary for only a short time, Russ has dedicated a great part of his life to the military and to the service of this country. He was assistant secretary of defense for legislative affairs and was a great help to me in that capacity. Russ has a vast knowledge of defense issues and he knows how things work here on Capitol Hill. That is why he has been so effective in his dealings with Congress.

Russ Rourke is a great American and a good friend. I am sorry to see him leave Government service. He has made significant contributions in the effort to improve our national defense. He will be missed.

TRUTH IN NEGOTIATIONS AMENDMENTS OF 1986

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from South Carolina [Mr. Spratt] is recognized for 30 minutes.

Mr. SPRATT. Mr. Speaker, I am today introducing legislation to enhance the effectiveness of the Truth in Negotiations Act of 1962.

The Truth in Negotiations Act [TINA] was designed to prevent firms from reaping excessive profits on contracts with the Department of Defense, by providing Government negotiators with accurate up-to-date information on contract proposals. However, a series of court decisions over the past decade has limited the act's applicability and frustrated its original intent. This bill will correct those decisions and restore the act as the Government's most effective weapon against excess profits on defense contracts.

The Truth in Negotiations Act was passed in the wake of several General Accounting Office reports which disclosed that defense contractors were making excessive profits on negotiated, sole-source contracts. Sole-source contractors often have a monopoly on plant and equipment and technical know-how, and also on production cost data. Without competition, and without legal access to current cost data, the Government had to rely before TINA on good faith negotiations with the contractor to ensure the lowest possible price.

Contractors had little incentive to disclose the most accurate, current, and complete information concerning contract prices. In many cases, such cost data would have indicated that the contractors would actually incur lower material, labor and other costs than they were using to support their contract pricing proposals. As a result, negotiated prices were often too high and contractors' profits were in some cases excessive.

The Truth in Negotiations Act was designed to give the Government the same cost data the contractor uses when negotiating contracts. To some extent, it was to be a substitute for competition on these contracts. The law requires contractors to submit a certified statement of current, accurate, and complete cost data on contract proposals valued at more than $100,000. It also authorizes the Government to audit the records of these contractors to find out whether they possessed, but failed to submit, better and more accurate cost and pricing data. Under the law, procurement officials can reduce the contract price or recover overpayments when they find that overstated cost data was submitted to support a contract offer.

During the last 10 years, decisions made by the Armed Services Board of Contract Appeals [ASBCA] have weakened the effect of the Truth in Negotiations Act.

In one case (Whittaker Corporation, ASBCA No. 17267, 74–2 BCA 10,938), ASBCA denied a refund under the Truth in Negotiations Act by requiring the Government to prove it had no knowledge of the accurate data. The ASBCA stated that the Government's burden of proof is not satisfied merely by showing that disclosure was not made during negotiations. The Government bears the added burden of proving the disclosure was not made to other Government personnel prior to the negotiations.

In another decision (Universal Restoration, Inc., ASBCA No. 22833, 82–1 BCA 15,762), ASBCA found that a contract is not subject to price adjustment if the contractor failed to disclose all cost information, when the Government should have known the data was not disclosed. In this particular case, the Board concluded that Government officials should have known that if quantity purchased was increased, the contractor's overhead rate per unit of output would decline.

Other decisions allow a contractor who has violated the Truth in Negotiations Act to escape the act's consequences because of the sole-source nature of the procurement, the superior bargaining position held by a contractor, or the "bottom-line" form of negotiation. For example, the Board decided in one case (American Machine & Foundry Company, ASBCA No. 15037, 74–1 BCA 10,409) that the contractor's failure to disclose pricing data may not have caused an increase in price because of the firm's superior bargaining position. This decision adds another complication to enforcing TINA, which the text of the statute does not call for and legislative intent does not support.

Another decision by the Court of Claims (*Cutler-Hammer, Inc.* v. *U.S.*, 416 F.2d 1306 (Ct.Cl. 1969)) concluded that price reduction required by overstatement of some costs could be offset by underestimates of other costs. There is no indication in the statute that Congress intended to allow offsets to defective pricing submissions. Moreover, TINA imposes on the contractor a duty to develop current, accurate and complete cost data, on which the Government can rely. By allowing the contractor an offset for underestimated costs, the court has lessened the contractor's duty to certify accurately and reliably its estimated costs. These and similar decisions have reduced the act's effect and made it much more difficult for Government negotiators to obtain fair and reasonable prices on contracts.

Exceptions created by the case law also discouraged Government officials from pursuing defective pricing cases. Until recent prodding from Congress and the Department of Defense Inspector General, the Defense Contract Auditing Agency [DCAA] gave low priority to conducting defective pricing audits. Less than 5 percent of DCAA's resources were devoted to such audits. Furthermore, procurement officers have often settled defective pricing cases for as little as 10 to 20 cents on each dollars of inaccurate data uncovered by DCAA.

Until last year, the Truth in Negotiations Act did not contain incentives to encourage contractors to settle defective pricing cases in a timely manner or to discourage them from submitting incomplete or inaccurate contract proposals. Contractors who submitted defective pricing data in support of a contract have often been paid many months or years before the contracting officers are able to settle their cases.

As a consequence, contractors who submit defective pricing data have long-term use of the taxpayers' money, and until recently, paid no interest for the use of that money or penalties for submitting defective pricing data. Clearly, contractors had every incentive not to settle cases. For example, the Senate Governmental Affairs Committee uncovered one case in which a contractor agreed that it owed the Government $2 million in overcharges and yet it took almost 3 years to reach a final payment settlement. The contractor paid no fines or interest charges during the time before the case was resolved.

This situation changed with the enactment of the Defense Procurement Improvement Act of 1985 (title IX of the Department of Defense Authorization Act, 1986). Section 934 of this act makes contractors who receive overpayments resulting from defective pricing data liable for interest on the amount of such overpayment. Interest charges are incurred from the date of the overpayment to the contractor to the date the Government is repaid. This section also provides that if the contractor knowingly submitted inaccurate, incomplete, or noncurrent data, he must also pay a penalty equal to the amount of the overpayment.

The bill I offer today would codify this currently free-standing provision into the Truth in Negotiations Act in United States Code, title 10, section 2306.

In addition, my bill would:

Eliminate offsets when the contractor underpriced a portion of his proposal;

Require cost and pricing data to be provided only to the contracting officer or his negotiating representative; and

Exclude the following defenses for submission of defective pricing data:

The price would not have been modified because the contractor was in a sole-source bargaining position;

The price would not have been modified because the contractor was in a superior bargaining position;

The contracting officer should have known the data submitted were defective;

The contract was for sale to a foreign government;

The subcontractor furnished cost data after the conclusion of an agreement;

The contracting officer negotiated only the bottom line (total cost) of the contract; and

The prime contractor or subcontractor did not prepare and submit a certificate as required under the act.

These minor changes will enhance the effectiveness of the Truth in Negotiations Act. The amendments are supported by the DOD Inspector General and received a thorough hearing before the Senate Committee on Governmental Affairs. The House Armed Services Panel on Acquisition Policy, of which I am a member, is scheduled to hold hearings on these changes to TINA next week.

Although this bill would add to the use of TINA, it could reduce the need for bureaucratic oversight by making it unnecessary to reestablish the Renegotiations Board, which Congress terminated in 1979. In the opinion of the DOD Inspector General, a strengthened Truth in Negotiations Act, supported by good defective pricing audits, would be much more effective in eliminating excessive profits than any of the renegotiation proposals.

For these reasons, I urge my colleagues to join me in supporting this bill.

EMERGENCY ASSISTANCE FOR DEPOSITORY INSTITUTIONS AMENDMENTS OF 1986

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from New York [Mr. LaFalce] is recognized for 20 minutes.

Mr. LaFALCE. Mr. Speaker, today I am introducing legislation that represents an important and necessary step in our continuing efforts to resolve the serious financial problems facing many members of our Nation's thrift industry and certain sectors of the banking industry as well.

The changing economic environment of the 1980's has caused many financial institutions to experience serious, and sometimes irreperable, financial difficulties. In response to these problems and the concerns of bank and thrift regulators, Congress enacted the Garn-St Germain Depository Institutions Act of 1982. That legislation authorized, on a temporary basis, the FDIC and the FSLIC to permit interstate acquisitions of failing thrift institutions and failed banks by other healthy financial institutions. It also authorized the FDIC and FSLIC to purchase net worth certificates from ailing thrift institutions in order to bolster their net worth and allow thrifts time to restructure their financial portfolios and return to profitability.

Both the emergency acquisition procedures and Net Worth Certificate Program authorized by the Garn-St Germain Act are due to expire on April 15, 1986. Unless these vital provisions are renewed by Congress, the FDIC and the FHLBB will lose two absolutely essential tools that enable them to deal more effectively with troubled financial institutions so as to minimize the costs both to their deposit insurance funds and to the communities in which those troubled financial institutions are located.

Mr. Speaker, the bill I am introducing today would extend for 3 additional years the existing Net Worth Certificate Program with one technical change. It would also amend aspects of the emergency acquisition procedures enacted by the Garn-St Germain Act and would make the emergency acquisition procedures permanent, with the exception of a special procedure for agricultural banks which would sunset 3 years after enactment.

The existing Net Worth Certificate Program partially offsets a thrift institution's losses and is designed to bolster its net worth. The program works as follows: A thrift approved to participate in the program gives its insuring agency—either the FDIC in the case of a savings bank or FSLIC in the case of a savings and loan association—a capital instrument called a "net worth certificate." In return, the insuring agency gives the thrift a promissory note for the same amount. The exchange of a promissory note and a net worth certificate is similar to the idea of raising new capital through the sale of stock. If the thrift eventually fails and is liquidated, the promissory note from the regulator is available as an asset to satisfy the claims of creditors.

Mr. Speaker, it is essential that Congress act to extend the Net Worth Certificate Program for an additional 3 years. Both the FDIC and the FHLBB, as well as thrift industry representatives, have recommended extension of this valuable program. One of the principal benefits of the program is that it provides the FDIC and FSLIC with increased flexibility in dealing with troubled thrift institutions so that they do not have to immediately close a failing thrift or arrange for a fire sale of a troubled institution.

Moreover, the Net Worth Program has the added advantage in these times of budget austerity and strains on our deposit insurance funds of not requiring any immediate cash outlays by the regulators since no cash is involved in a net worth transaction unless a participating institution is actually liquidated. As of this date, neither the FDIC nor FSLIC have had to cash out any outstanding net worth certificates. In sum, the Net Worth Program provides weakened thrifts with an essential commodity they need to restructure their operations for survival in a changing, deregulated banking environment, and that commodity is time. It also provides regulators increased flexibility over the short run in order for them to arrange for longer term solutions to thrift industry problems.

In July of 1985, the GAO issued a report which may have cast some doubt on the effectiveness of the Net Worth Certificate Program. In particular, the GAO report pointed out that thrift institutions that are receiving net worth certificates continued to lose money in 1984 while the rest of the thrift industry had begun to show a slight profit.

In my view, it is not surprising that thrift institutions that were troubled enough to qualify for net worth certificates should still be showing losses in 1984, only 2 years after the Net Worth Program was enacted into law, and even less time after FSLIC and the FDIC had established the administration of their programs and approved applications for net worth certificates. Moreover, the figures for the first three quarters of 1985 provide heartening news about thrifts in the Net Worth Program. During the first quarter of 1985, 34 percent of the net worth certificate institutions were making a profit. By the second quarter, a full 59 percent were profitable. By the third quarter, 60 percent of the net worth certificate thrifts were making a profit. In sum, there is evidence that the Net Worth Program is working and that it has the potential to help ailing thrifts work through their problems and return to profitability.

In light of these facts, it simply does not make sense for Congress to allow the Net Worth Certificate Program to expira. If interest rates increase sharply in the future, the Net Worth Program is an inexpensive way of helping the thrift industry manage during a period of high interest rates. If the Net Worth Program expires, the thrift regulators would be left without a valuable tool which enables them to postpone—and quite probably avoid—more drastic and costly measures to help ailing thrifts. In conclusion, Mr. Speaker, it is very important that Congress act quickly to renew the Net Worth Certificate Program. The program provides many important benefits to thrifts and regulators, and it is a solution that requires no initial cash outlays. In addition, it does not reduce the regulators' authority and flexibility in disposing of problem thrifts if the opportunity to do so exists. Rather, it provides the regulators with a vehicle to temporarily postpone immediate and costly measures to help ailing thrifts.

My bill would make one change in the statutory definition of a thrift qualified to receive net worth certificates. Specifically, under current law, a thrift with low net worth must have incurred losses for two consecutive quarters in order to be eligible for net worth certificates. My bill would continue these existing eligibility requirements, except that it would provide that the determination of a thrift's losses in determining eligibility for net worth certificates should be made without taking into account extraordinary or unusual transactions by a thrift that may give it a temporary paper profit for one quarter. This change is necessary to enable thrifts that engage in one-time transactions for liquidity purposes to still qualify for net worth certificates since their underlying financial condition has not actually improved.

The other provisions of my bill would amend the emergency acquisition procedures of the Garn-St Germain Act with the goal of encouraging more healthy financial institutions to acquire problem banks and thrifts. Amending existing law to promote such acquisitions is a most cost-effective way of infusing essential capital into troubled financial institutions. Moreover, it is a solution that has been advocated by every Federal bank and thrift regulator in recent testimony before the House Banking Committee on ways to solve the financial problems affecting our financial institutions.

Existing law—which expires on April 15, 1986—contains a number of requirements which impose unnecessary and burdensome requirements which have had the unintended effect of discouraging acquisitions of troubled financial institutions. The first of these, which is one of the most burdensome for bank and

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thrift regulators, is the so-called required bidding order that regulators must follow before they may approve acquisitions of failing thrifts and failed banks under the Garn-St Germain Act's emergency acquisition procedures. Under the required bidding order, FSLIC and the FDIC are required to approve bids for ailing thrifts and banks using the following priorities: First, depository institutions of the same type in the same State; second, institutions of the same type in different States; third, institutions of different types in the same State; fourth, institutions of different types in different States. Also, if the qualified offer presenting the lowest expense to FSLIC or the FDIC is from an institution that is not an instate institution of the same type as the financially ailing bank or thrift, the regulators are required to solicit additional offers from any such instate offeror whose original bid was within 15 percent or $15 million, whichever is less, of the initial lowest acceptable offer.

As I mentioned above, both the FHLBB and the FDIC have advocated the elimination of these required bidding priorities established by the Garn-St Germain Act. Eliminating these mandated bidding preferences will increase the regulators' flexibility to negotiate emergency acquisitions of thrifts and banks and will result in at least two concrete benefits. First, it will allow more creative solutions to the problems of troubled financial institutions, which will benefit the regulators both administratively and financially. Second, it will encourage qualified and much needed capital sources, both instate and out of state, to participate more actively and at an earlier stage in the restructuring of troubled institutions.

In recent testimony before the Financial Institutions Subcommittee of the House Banking Committee, the FHLBB noted that the Garn-St Germain Act's required bidding and rebidding process contains a clear bias against out-of-state bidders which often discourages them from participating in bidding conferences at all. Discouraging a large block of financial institutions from participating in such bidding conferences precludes many potential offers presenting the lowest expense to FSLIC. These arguments apply equally to the FDIC, which must use the same bidding process when arranging emergency acquisitions of failed banks and failing thrifts under its jurisdiction. Again, these four-tiered bidding priorities have perhaps had the unintended effect of slowing down the process of eliciting the best possible bids—or even any bids—for financially troubled thrifts and banks at the earliest possible time. Such dilatory and discouraging requirements are the last things Congress should continue to burden the regulators with during a time when they need to act as quickly as possible to find creative and workable solutions for ailing banks and thrifts.

A number of other requirements of the Garn-St Germain Act's emergency acquisition procedures have also had the effect of discouraging acquisitions of problem depository institutions by healthy ones, thereby contributing significantly to the costs FSLIC and the FDIC must assume in dealing with ailing institutions. First, existing law permits acquisitions of banks under the emergency acquisition procedures only if they have assets of $500 million or more and if they are already closed.

According to figures available from the FDIC, as of December 31, 1984, there were only 484 banks and trust companies out of a total of 14,496 in this country with assets of $500 million or more. This means that 14,012 banks and trust companies, many of which are located in small communities without many banking alternatives, are completely excluded from the existing emergency acquisition procedures of the Garn-St Germain Act. Not allowing most of our banks to be acquired through emergency acquisition procedures results in signficantly higher costs to FDIC in dealing with failed and failing banks. In addition, permitting banks to fail, rather than arranging for their acquisition by other financially viable institutions, can cause devestating effects to communities served by the failed banks. These secondary effects of bank failures include business contraction in a community, unemployment, and the loss of banking services.

Another serious problem with the existing emergency acquisition provisions is that they only permit acquisitions of banks after they have actually closed. No less costly acquisition can be arranged by the FDIC when a bank is in imminent danger of closing, but has not yet closed.

Due in large part to the extremely restrictive nature of the Garn-St Germain emergency acquisition procedures for banks, only one interstate acquisition of a bank has been arranged under the emergency acquisition provisions since they were enacted in 1982. As we all know, there have been many more than a single bank failure since 1982. In 1985 alone, 118 insured commercial banks failed.

Mr. Speaker, to address these serious deficiencies in existing law which have had the unintended effect of contributing to the financial drain on the FDIC's resources and disrupting local communities, my bill would amend existing law to permit emergency acquisitions of banks that are either in danger of closing or closed and would lower the asset threshold level for ailing bank acquisitions from $500 million to $100 million. Both these essential changes will permit bank regulators more flexibility to arrange for less costly acquisitions of failing banks by healthy financial institutions.

Nowhere are banking industry's problems currently felt more urgently than by banks that lend primarily to the energy and agricultural sectors of our economy. Over the past several months, the economics of the world's energy markets have changed radically. The spot price for west Texas intermediate crude oil has fallen from $31 a barrel to about $12 a barrel today. These declines in oil prices have already begun to cause significant problems for many banks located in oil and gas producing States. Although the extent of these problems cannot yet be determined with precision, it is clear that the declining energy economy is having adverse effects on many industries that have ties to oil producers, including the banking industry. The changes my bill makes to the emergency bank acquisition provisions of the Garn-St Germain Act represent an important step in providing bank regulators with the additional flexibility they need to arrange for long-term solutions to the urgent problems which will be faced by many of our energy banks in the near future.

Another area in which a great many of our Nation's banks are experiencing severe financial difficulties is in the agricultural sector of our economy. The condition of many agricultural banks has seriously deteriorated due to their heavy concentration in farm lending and the growing credit quality problems in that sector.

As of mid-year 1985, there were about 3,900 agricultural banks—defined typically as a bank with 25 percent or more of its loan portfolio in agricultural loans—in our country. Most of them are located in the Midwestern States. These banks typically are very small, with average assets of only $28 million. Indeed, only seven agricultural banks had assets in excess of $200 million.

Moreover, according to a recent study by the FDIC on farm banks, the problems faced by our agricultural banks continue to grow more serious and are likely to worsen over the next 2 years. For example, the FDIC noted in its study that a full 23 percent of all farm debt may be in some near-term danger of liquidation, while another 22 percent is moving in that direction. According to the FDIC, agricultural bank failures as a percentage of total commercial bank failures have grown from 20 percent in 1982 to over 50 percent last year. While nonagricultural banks failed at about the same pace in 1985 as in 1984, agricultural bank failures increased significantly. In 1985, 62 of our country's agricultural banks failed with average assets of only about $21 million. Finally, the FDIC disclosed that, at yearend 1985, nearly 40 percent of problem commercial banks were agricultural banks, an increase from 24 percent only 2 years earlier.

Most indications are that farm bank problems will continue during 1986 and 1987. Estimates of additional losses on total farm loans under current conditions range from about $7 billion up to $20 billion over a 3- to 4-year period. Thus, it is likely that a substantial amount of losses have yet to be realized by farm banks. The FDIC estimates that agricultural bank failures could range from roughly 70 to 150 in 1986, and from 60 to 150 in 1987.

Something needs to be done to help these ailing farm banks and the communities they serve. While the Federal Reserve Board, the FDIC, and the OCC has recently initiated much-needed policies designed to ease the financial strains on agricultural banks and their borrowers through capital forbearance and the relaxation of reporting requirements for restructured debt, more needs to be done to help seriously ailing farm banks and their communities.

The existing Garn-St Germain Act emergency acquisition procedures virtually preclude emergency acquisition of agricultural banks since they are so small, with average assets of only about $28 million. Even under my bill, which would lower the threshold level for emergency bank acquisitions to $100 million, the vast majority of agricultural banks would be excluded from the general bank acquisition provision. For this reason, my bill would permit special treatment for emergency acquisition of agricultural banks on a temporary basis. Specifically, my bill would permit emergency acquisitions of agricultural banks without regard to their asset size for 3 years from the date of the bill's enactment. As is the case for all commercial banks under my bill, agricultural banks could be acquired if they were either "in danger of closing" or actually closed. These changes will encourage takeovers of problem agricultural banks by healthy financial institutions, reducing the adverse effects of farm bank problems and failures. Through such acquisitions, more communities will be able to retain their existing banking services, and the FDIC will have to become less involved in the financial affairs of farm communities.

Finally, my bill would amend the Garn-St Germain Act's emergency acquisition procedures to also encourage more acquisitions of problem thrift institutions by profitable depository institutions. Under current law, FSLIC may arrange acquisition of failed and failing thrifts if FSLIC also determines that a general situation exists throughout the thrift industry threatening the stability of FSLIC due to problems in a significant number of institutions.

My bill would change the existing requirements to permit emergency acquisitions of thrifts before they are in imminent danger of failing and without requiring a determination by FSLIC that general adverse conditions exist in the thrift industry as a whole. Specifically, under my bill, FSLIC could arrange an emergency thrift acquisition of a particular thrift that is either failed or danger of failing, or if FSLIC determines that severe financial conditions affecting that particular thrift pose a risk to the FSLIC insurance fund.

Mr. Speaker, both the thrift industry and its regulators have expressed their support for initiatives that will make acquisitions of problem thrift institutions more attractive to healthy financial institutions. One way to encourage such acquisitions is to permit thrift to be acquired before they are in such bad financial condition that they are in imminent danger of failing, as I am recommending. An added benefit of the change I am proposing is that it could potentially save FSLIC a great deal of money since arranging acquisitions is much less costly to FSLIC than is paying off depositors and trying to sell the assets of a failed thrift.

The change I am recommending is also a particularly timely one in light of information released in a recent GAO report indicating that nearly 1,300 out of 3,180 FSLIC-insured institutions were in a weakened condition when judged under conventional standards of financial strength. The assets of these institutions totaled approximately $433.3 billion, and they comprised a full 42.8 percent of the industry's total assets. While it is unlikely that all of these weakened thrifts will require financial assistance from FSLIC to resolve their problems, Chairman Gray of the FHLBB recently estimated that about 8 percent of FSLIC-insured institutions should be considered potential problem cases for FSLIC. In these times of severe strain on dwindling FSLIC reserves, it is absolutely essential that Congress act to provide FSLIC with the maximum flexibility it needs to arrange for resolutions of the problems faced by many of our thrift institutions. My bill would grant FSLIC such additional flexibility.

In conclusion, Mr. Speaker, I urge Congress to enact the legislation I have introduced today. The emergency acquisition powers of the Garn-St Germain Act of 1982 were enacted to grant industry regulators more avenues to cope with the incipient crises among depository institutions, particularly thrifts, that the country faced in 1982. Although the crisis has subsided somewhat in the thrift industry due in part to falling interest rates and portfolio restructuring, the problems faced by our Nation's agricultural and energy banks continue to mount. In addition, there are still many difficulties facing the thrift industry and its insurance funds. These continuing problems argue strongly for extension of the Garn-St Germain Act's Net Worth Certificate Program and for continuation of its emergency acquisition procedures with the modifications I have proposed to them. Only through the enactment of my legislation, permitting a more flexible acquisition policy for troubled banks and thrifts, can more bidders be found for these problem institutions. In these times of budget cutting and high deficits, it is not easy to find solutions to problems that cost the Government little or no money. My bill is just such a solution.

My bill does not contain a comprehensive solution to every problem facing financial institutions. Rather, it represents a step in the right direction toward solving these problems. The Federal regulators have taken some steps on their own to ameliorate the difficulties faced by agricultural banks, and I applaud these efforts. However, more still needs to be done. I look forward to working with the Federal regulators and other members of the House and Senate Banking Committees in order to enact meaningful reforms that will encourage infusions of capital by healthy financial institutions into those institutions that are experiencing financial difficulties.

SPECIAL ORDERS GRANTED

By unanimous consent, permission to address the House, following the legislative program and any special orders heretofore entered, was granted to:

(The following Members (at the request of Mr. Bartlett) to revise and extend their remarks and include extraneous material:)

Mr. Gingrich, for 60 minutes today.
Mr. Walker, for 5 minutes today.

(The following Members (at the request of Mr. Vento) to revise and extend their remarks and include extraneous material:)

Mr. Kleczka, for 5 minutes today.
Mr. English, for 5 minutes today.
Mr. Annunzio, for 5 minutes today.
Mr. Montgomery, for 5 minutes today.
Mr. Spratt, for 30 minutes today.
Mr. Frank, for 30 minutes today.
Mr. LaFalce, for 20 minutes today.
Mr. Gaydos, for 60 minutes today.
Mr. Gonzalez, for 60 minutes today.
Mr. Gaydos, for 60 minutes, on April 9.
Mr. Durbin, for 60 minutes, on April 9.
Mr. Hoyer, for 5 minutes, on April 10.
Mr. Frank, for 5 minutes, on April 10.

EXTENSION OF REMARKS

By unanimous consent, permission to revise and extend remarks was granted to:

(The following Members (at the request of (Mr. Bartlett) and to include extraneous matter:)

Mrs. Schneider.
Mr. Lungren.
Mr. Green.
Mr. Courter in three instances.
Mr. Jeffords.
Mr. Broyhill in two instances.
Mr. Kindness.
Mr. Bliley.
Mr. Shumway.
Mr. Gunderson in two instances.
Mr. Gradison.
Mr. Lagomarsino.
Mr. Lent.

(The following Members (at the request of (Mr. Vento) and to include extraneous matter:)

Mr. Anderson in 10 instances.
Mr. Gonzalez in 10 instances.
Mrs. Lloyd in five instances.
Mr. Hamilton in 10 instances.
Mr. Brown of California in 10 instances.
Mr. Annunzio in six instances.
Mr. Jones of Tennessee in 10 instances.
Mr. Boner of Tennessee in five instances.
Mr. de la Garza in 10 instances.
Mr. Owens in two instances.
Mrs. Boxer.
Ms. Mikulski.
Mr. Murtha.
Mr. Coelho in four instances.
Mr. Matsui.
Mr. Reid.
Mr. Rahall.
Mr. Bennett.
Mr. Aspin.
Mr. Weiss.
Mr. Hertel of Michigan.
Mr. Borski in four instances.
Mr. Stark.
Mr. Frank in two instances.
Mr. Schumer.
Mr. Darden.

SENATE JOINT RESOLUTIONS AND A CONCURRENT RESOLUTION

Joint resolutions and a concurrent resolution of the Senate of the following titles were taken from the Speaker's table and, under the rule, referred as follows:

S.J. Res. 263. Joint resolution to designate the week of September 7 through September 13, 1986, as "National Independent Retail Grocer Week"; to the Committee on Post Office and Civil Service.

S.J. Res. 264. Joint resolution designating April 28, 1986, as "National Nursing Home Residents Day"; to the Committee on Post Office and Civil Service.

S.J. Res. 279. Joint resolution to designate the month of October 1986, as "Lupus Awareness Month"; to the Committee on Post Office and Civil Service.

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S.J. Res. 294. Joint resolution to designate the month of April 1986 as "National Child Abuse Prevention Month"; to the Committee on Post Office and Civil Service.

S.J. Res. 296. Joint resolution to designate October 16, 1986, as "World Food Day"; to the Committee on Post Office and Civil Service.

S.J. Res. 308. Joint resolution designating March 25, 1986, as "Greek Independence Day: A National Day of Celebration of Greek and American Democracy"; to the Committee on Post Office and Civil Service.

S. Con. Res. 95. Concurrent resolution to recognize and honor the contributions of Consumers Union; to the Committee on Energy and Commerce.

ENROLLED BILL SIGNED

Mr. ANNUNZIO, from the Committee on House Administration, reported that that committee had examined and found truly enrolled a bill of the House of the following title, which was thereupon signed by the Speaker pro tempore.

H.R. 3128. An act to provide for reconciliation pursuant to section 2 of the first concurrent resolution on the budget for fiscal year 1986 (S. Con. Res. 32, 99th Congress).

SENATE ENROLLED JOINT RESOLUTION SIGNED

The SPEAKER pro tempore announced his signature to an enrolled joint resolution of the Senate of the following title:

S.J. Res. 52. Joint resolution to designate the month of April 1986 as "National School Library Month."

BILL AND JOINT RESOLUTION PRESENTED TO THE PRESIDENT

Mr. ANNUNZIO, from the Committee on House Administration, reported that that committee did on the following days present to the President, for his approval, a bill and joint resolution of the House of the following titles:

On March 26, 1986:

H.J. Res. 573. Joint resolution making a repayable advance to the hazardous substance response trust fund.

On April 4, 1986:

H.R. 3128. An act to provide for reconciliation pursuant to section 2 of the first concurrent resolution on the budget for fiscal year 1986 (S. Con. Res. 32, 99th Congress,)

ADJOURNMENT

Mr. HEFNER. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 1 o'clock and 56 minutes p.m.), under its previous order, the House adjourned until tomorrow, Wednesday, April 9, 1986, at 10 a.m.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

3109. A communication from the President of the United States, transmitting requests for supplemental appropriations for fiscal year 1986, pursuant to 31 U.S.C. 1107 (H. Doc. No. 99-187); to the Committee on Appropriations and ordered to be printed.

3110. A letter from the Assistant Secretary of the Army (Installations and Logistics), transmitting a report of the emergency disposal of a suspected chemical agent bomblet at Dugway Proving Ground, UT, pursuant to 50 U.S.C. 1518; to the Committee on Armed Services.

3111. A letter from the Assistant Secretary of the Navy (Shipbuilding and Logistics), transmitting notification of the plan to study the conversion of various functions to contractor performance at several locations, pursuant to 10 U.S.C. 2304 nt.; to the Committee on Armed Services.

3112. A letter from the Assistant Secretary of Defense (Comptroller), transmitting a report on current major defense acquisition programs (Quarterly Selected Acquisition Report), pursuant to 10 U.S.C. 139a (b)(1) and (f) (96 Stat. 740); to the Committee on Armed Services.

3113. A letter from the Assistant Secretary of Defense (Force Management and Personnel), transmitting a report on feasibility of issuing food stamp coupons to overseas households of members stationed outside the U.S., pursuant to 10 U.S.C. 133 nt.; to the Committee on Armed Services.

3114. A letter from the Assistant Secretary of the Air Force (Manpower, Reserve Affairs and Installations), transmitting a draft of proposed legislation to amend section 671 of title 10, United States Code, to permit the assignment of active duty members of the armed forces outside the United States after completion of basic training requirements; to the Committee on Armed Services.

3115. A letter from the General Counsel, Department of Defense, transmitting a draft of proposed legislation to amend Chapter 47 of title 10, United States Code (Uniform Code of Military Justice), to clarify that military judges may perform certain trial functions, even though the membership of a court-martial has been temporarily reduced below quorum, and to permit additional peremptory challenges when additional court members are detailed to a court-martial; to the Committee on Armed Services.

3116. A letter from the General Counsel, Department of Defense, transmitting a draft of proposed legislation to amend title 10, United States Code, to increase the number of members of the Selected Reserve who may be ordered to active duty, other than during a war or national emergency, to augment the active forces for an operational mission; to the Committee on Armed Services.

3117. A letter from the General Counsel, Department of Defense, transmitting a draft of proposed legislation to terminate the status as uniformed service treatment facilities of all former Public Health Service hospitals and stations and repeal requirements for on-going studies, demonstrations and reports associated with such facilities; to the Committee on Armed Services.

3118. A letter from the General Counsel, Department of Defense, transmitting a draft of proposed legislation to amend Chapter 47 of title 10, United States Code (Uniform Code of Military Justice), to simplify trial and post-trial proceedings and to modify the statute of limitations; to the Committee on Armed Services.

3119. A letter from the Administrators, General Services Administration, transmitting a draft of proposed legislation to authorize the disposal of certain strategic and critical materials from the National Defense Stockpile and to grant the Administrator of General Services the authority to transfer funds from the National Defense Stockpile Transaction Fund to the General Fund; to the Committee on Armed Services.

3120. A letter from the First Vice President and Vice Chairman, Export-Import Bank of the United States, transmitting a report on loan, guarantee and insurance transactions supported by Eximbank during January 1986 to Communist countries, pursuant to 12 U.S.C. 635(b)(2); to the Committee on Banking, Finance and Urban Affairs.

3121. A letter from the Chairman, Federal Financial Institutions Examination Council, transmitting the Council's 1985 annual report; to the Committee on Banking, Finance and Urban Affairs.

3122. A letter from the Chairman, National Advisory Council on International Monetary and Financial Policies, Department of the Treasury, transmitting a special report on United States membership in the Multilateral Investment Guarantee Agency (MIGA); to the Committee on Banking, Finance and Urban Affairs.

3123. A letter from the Chairman, Council of the District of Columbia, transmitting a copy of D.C. Act 6-143, "D.C. Uniform Conservation Easement Act of 1986", and Report, pursuant to Public Law 93-198, section 602(c); to the Committee on the District of Columbia.

3124. A letter from the Chairman, Council of the District of Columbia, transmitting a copy of D.C. Act 6-144, "Closing of a Portion of a Public Alley in Square 780, S.O. 84-155, Act of 1988", and Report, pursuant to Public Law 93-198, section 602(c); to the Committee on the District of Columbia.

3125. A letter from the Auditor, District of Columbia, transmitting a copy of his report entitled, "A Review of Substance Abuse Testing Programs in the Fiscal Year 1987 Budget", pursuant to Public Law 93-198, section 455(d); to the Committee on the District of Columbia.

3126. A letter from the Auditor, District of Columbia, transmitting a copy of his report entitled, "Review of the District's Fiscal Year 1987 Budget For Funds For Alternative Uses", pursuant to Public Law 93-198, section 455(d); to the Committee on the District of Columbia.

3127. A letter from the Secretary, Department of Education, transmitting a report on waivers of requirements of sections 312(2)(A)(ii) or 322(a)(2)(ii) of the HEA, pursuant to 20 U.S.C. 1067(a) (2); to the Committee on Education and Labor.

3128. A letter from the Chairman, National Advisory and Coordinating Council on Bilingual Education, Department of Education, transmitting the Tenth Annual Report of the National Advisory and Coordinating Council on Bilingual Education, pursuant to 20 U.S.C. 3262(c); to the Committee on Education and Labor.

3129. A letter from the Secretary of Education, transmitting the Guaranteed Student Loan Family Contribution Schedule for 1986-1987, pursuant to 20 U.S.C. 1078 nt. (Pub. L. 97-301, 9(c) (97 Stat. 481)); 20 U.S.C. 1089(a)(2); to the Committee on Education and Labor.

3130. A letter from the Chairman of the Board, Student Loan Marketing Association, transmitting the annual report of the association, pursuant to HEA section 439(n) (90

Stat. 2141); to the Committee on Education and Labor.

3131. A letter from the Secretary of Health and Human Services, transmitting a report on the most effective means of providing Federal financial support for the provision of medical treatment, general care, and appropriate social services for disabled infants with life-threatening conditions, pursuant to Public Law 98-457, section 125; to the Committee on Education and Labor.

3132. A letter from the Secretary of Education, transmitting program reviews of projects funded by the Indian Education Act, pursuant to Public Law 92-318, section 411; to the Committee on Education and Labor.

3133. A letter from the Administrator, Energy Information Administration, Department of Energy, transmitting the second quarterly report, including the annual summary, on coal imports (October-December 1985), pursuant to 42 U.S.C. 7277(a); to the Committee on Energy and Commerce.

3134. A letter from the Secretary of Health and Human Services, transmitting a report on research into the effects of changes in the ozone in the stratosphere upon humans, pursuant to 42 U.S.C. 7454(e); to the Committee on Energy and Commerce.

3135. A letter from the Administrator, Environmental Protection Agency, transmitting a draft of proposed legislation to amend and extend the Toxic Substances Control Act, as amended, for 2 years; to the Committee on Energy and Commerce.

3136. A letter from the Administrator, Environmental Protection Agency, transmitting a draft of proposed legislation to extend certain provisions of the Safe Drinking Water Act, as amended, for 2 years; to the Committee on Energy and Commerce.

3137. A letter from the Administrator, Environmental Protection Agency, transmitting a draft of proposed legislation to amend and extend the Clean Air Act, as amended, for 2 years; to the Committee on Energy and Commerce.

3138. A letter from the Administrator, Energy Information Administration, Department of Energy, transmitting a comprehensive analysis of the potential for coal imports in the United States in 1995, pursuant to Public Law 99-58, section 203; to the Committee on Energy and Commerce.

3139. A letter from the Chairman, Federal Communications Commission, transmitting the Commission's annual report on Goals, Objectives and Priorities, Fiscal Years 1986, 1987, and 1988/Accomplishments Fiscal Year 1985, pursuant to the Act of June 19, 1934, chapter 652 section 5(g) (95 Stat. 738); to the Committee on Energy and Commerce.

3140. A letter from the Secretary of Health and Human Services, transmitting a report on the experience of the Department in implementing the Freedom of Choice Waiver provisions contained in section 1915(b) of the Social Security Act, pursuant to section 1915(e)(2); to the Committee on Energy and Commerce.

3141. A letter from the Acting Assistant Secretary of State for Legislative and Intergovernmental Affairs, transmitting notification of a proposed license for the export of defense articles or defense services sold commercially under a contract in the amount of $50,000,000 or more (Transmittal No. MC-17-86), pursuant to 22 U.S.C. 2776(c); to the Committee on Foreign Affairs.

3142. A letter from the Acting Assistant Secretary of State for Legislative and Intergovernmental Affairs, transmitting notification of a proposed license for the export of defense articles and defense services sold commercially under a contract in the amount of $50,000,000 or more to the Government of Egypt (Transmittal No. MC-16-86), pursuant to 22 U.S.C. 2776(c); to the Committee on Foreign Affairs.

3143. A letter from Acting Director, Defense Security Assistance Agency, transmitting a report containing an analysis and description of services performed by full-time USG emloyees as of September 30, 1985, for which reimbursement is provided under section 21(a) or section 43(b) of the Arms Export Control Act, pursuant to 22 U.S.C. 2765(a); to the Committee on Foreign Affairs.

3144. A letter from the Acting Director, Defense Security Assistance Agency, transmitting notification of the Department of the Army's proposed Letter of Offer to Pakistan for defense articles and services estimated to cost $20 million (Transmittal No. 86-28), pursuant to 22 U.S.C. 2776(b); to the Committee on Foreign Affairs.

3145. A letter from the Acting Director, Defense Security Assistance Agency, transmitting notification of the Department of the Air Force's proposed Letter of Offer to the People's Republic of China for defense articles and services estimated to cost $550 million (Transmittal No. 86-27), pursuant to 22 U.S.C. 2776(b); to the Committee on Foreign Affairs.

3146. A letter from the Assistant Secretary of State for Legislative and Intergovernmental Affairs, transmitting notification of the Department's intention to add the Philippines to the list of participants in the Anti-Terrorism Assistance Program, pursuant to FAA, section 574(a)(1) (97 Stat. 972); to the Committee on Foreign Affairs.

3147. A letter from the President of the United States, transmitting a report prepared by the Department of State concerning international agreements transmitted to Congress after the deadline for their submission, pursuant to 1 U.S.C. 112b(b); to the Committee on Foreign Affairs.

3148. A letter from the Secretary of State, transmitting the semiannual report for the period April 1985-September 1985 listing Voluntary Contributions made by the U.S. to International Organizations, pursuant to 22 U.S.C. 2226(b)(1); to the Committee on Foreign Affairs.

3149. A letter from the Assistant Legal Adviser for Treaty Affairs, Department of State, transmitting copies of international agreements, other than treaties, entered into by the United States, pursuant to 1 U.S.C. 112b(a); to the Committee on Foreign Affairs.

3150. A letter from the Assistant Legal Adviser for Treaty Affairs, Department of State, transmitting copies of international agreements, other than treaties, entered into by the United States, pursuant to 1 U.S.C. 112b(a); to the Committee on Foreign Affairs.

3151. A letter from the Under Secretary of State for Management, transmitting a report on the implementation of travel controls on certain United Nations Secretariat and Mission employees, pursuant to 22 U.S.C. 4309a(b)(2); to the Committee on Foreign Affairs.

3152. A letter from the Acting Executive Director, Board for International Broadcasting, transmitting a draft of proposed legislation to make required amendments to the Board for International Broadcasting Act of 1973 and to authorize appropriations for the Board to carry out its responsibilities as specified in that Act; to the Committee on Foreign Affairs.

3153. A letter from the Director, United States Information Agency, transmitting a draft of proposed legislation to authorize appropriations for the United States Information Agency for the fiscal year ending September 30, 1987, and for other purposes; to the Committee on Foreign Affairs.

3154. A letter from the President, African Development Foundation, transmitting a draft of proposed legislation to authorize appropriations for the African Development Foundation; to the Committee on Foreign Affairs.

3155. Communication from the President of the United States transmitting a report of the peaceful exercise conducted as part of a global Freedom of Navigation program (H. Doc. No. 99-188); to the Committee on Foreign Affairs and ordered to be printed.

3156. A letter from the Comptroller General of the United States, transmitting a report entitled, "Compliance Report for Fiscal Year 1986—Balanced Budget and Emergency Deficit Control Act of 1985" (GAO/OCG-86-2), pursuant to 2 U.S.C. 903; to the Committee on Government Operations.

3157. A letter from the Acting Chairman, Farm Credit Administration, transmitting the agency's annual report of its activities under the Freedom of Information Act during calendar year 1985, pursuant to 5 U.S.C. 552(d); to the Committee on Government Operations.

3158. A letter from the Acting Chairman, Federal Trade Commission, transmitting the agency's annual report of its activities under the Government in the Sunshine Act during calendar year 1985, pursuant to 5 U.S.C. 552b(j); to the Committee on Government Operations.

3159. A letter from the Acting Director, Selective Service System, transmitting the agency's annual report of its activities under the Freedom of Information Act during calendar year 1985, pursuant to 5 U.S.C. 552(d); to the Committee on Government Operations.

3160. A letter from the Administrator, U.S. Small Business Administration, transmitting the agency's annual report on competition in contracting, pursuant to 41 U.S.C. 419; to the Committee on Government Operations.

3161. A letter from the Chairman, Board of Governors, Federal Reserve System, transmitting the annual report of the Federal Open Market Committee of the Federal Reserve System covering its activities under the Freedom of Information Act during calender year 1985, pursuant to 5 U.S.C. 552(d); to the Committee on Government Operations.

3162. A letter from the Chairman, Board of Governors, Federal Reserve System, transmitting the Board's ninth annual report covering its activities under the Government in the Sunshine Act during calendar year 1985 pursuant to 5 U.S.C. 552b(j); to the Committee on Government Operations.

3163. A letter from the Chairman, Federal Maritime Commission, transmitting the Commission's annual report covering fiscal year 1985 on its compliance with the requirements of the internal accounting and administrative control system, pursuant to 31 U.S.C. 3512(c)(3); to the Committee on Government Operations.

3164. A letter from the Chairman, National Endowment for the Arts, transmitting

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the agency's annual report of its activities under the Freedom of Information Act during calendar year 1985, pursuant to 5 U.S.C. 552(d); to the Committee on Government Operations.

3165. A letter from the Comptroller General of the United States, transmitting a copy of a joint study by the Office of the Auditor General of Canada and the United States General Accounting Office on identifying the information needs of users of Federal Government financial information; to the Committee on Government Operations.

3166. A letter from the Assistant Secretary for Policy, Budget and Administration, Department of the Interior, transmitting the annual report on competition during fiscal year 1985, pursuant to 41 U.S.C. 419; to the Committee on Government Operations.

3167. A letter from the Under Secretary for Small Community and Rural Development, Department of Agriculture, transmitting notification of a proposed new records system by the Federal Crop Insurance Corporation, pursuant to 5 U.S.C. 552a(o); to the Committee on Government Operations.

3168. A letter from the Inspector General, Department of Housing and Urban Development, transmitting notice of the Department's intent to conduct a computer matching program, pursuant to 5 U.S.C. 552a(o); to the Committee on Government Operations.

3169. A letter from the General Counsel, Foreign Claims Settlement Commission of the United States, Department of Justice, transmitting notification of a proposed new system of records for claims against the Government of Ethiopia, pursuant to 5 U.S.C. 552a(o); to the Committee on Government Operations.

3170. A letter from the Deputy Administrator of Veterans Affairs, Veterans Administration, transmitting notification of a proposed computer matching program, pursuant to 5 U.S.C. 552a(o); to the Committee on Government Operations.

3171. A letter from the Director of Administration, National Labor Relations Board, transmitting notification of two proposed new Federal records systems, pursuant to 5 U.S.C. 552a(o); to the Committee on Government Operations.

3172. A letter from the Executive Director, Pension Benefit Guaranty Corporation, transmitting the agency's annual report of its activities under the Freedom of Information Act during calendar year 1985, pursuant to 5 U.S.C. 552(d); to the Committee on Government Operations.

3173. A letter from the Solicitor, United States commission on Civil Rights, transmitting a report on the Commission's compliance with the laws relating to open meetings of agencies of the Government (Government in the Sunshine Act) during calendar year 1985, pursuant to 5 U.S.C. 552b(j); to the Committee on Government Operations.

3174. A letter from the Assistant Attorney General for Administration, U.S. Department of Justice, transmitting notification of a proposed new Federal records system, pursuant to 5 U.S.C. 552a(o); to the Committee on Government Operations.

3175. A letter from the Deputy Associate Director for Royalty Management, Department of the Interior, transmitting notification of proposed refunds of excess royalty payments in OCS areas, pursuant to 43 U.S.C. 1339(b); to the Committee on Interior and Insular Affairs.

3176. A letter from the Deputy Associate Director for Royalty Management, Department of the Interior, transmitting notification of proposed refunds of excess royalty payments in OCS areas, pursuant to 43 U.S.C. 1339(b); to the Committee on Interior and Insular Affairs.

3177. A letter from the Acting Assistant Secretary for Water and Science, Department of the Interior, transmitting notification of a deferment of the 1985 construction repayment installments due the United States from Kirwin Irrigation District No. 1, Pick-Sloan Missouri Basin Program, KS, pursuant to 43 U.S.C. 485b-1; to the Committee on Interior and Insular Affairs.

3178. A letter from the Assistant Secretary for Water and Science, Department of the Interior, transmitting notification of a deferment of the 1985 construction repayment installments due the United States from Webster Irrigation District No. 4, Pick-Sloan Missouri Basin Program, KS, pursuant to 43 U.S.C. 485-1; to the Committee on Interior and Insular Affairs.

3179. A letter from the Secretary of the Interior, transmitting a report on the leasing systems for the Central Gulf of Mexico, Sale 104, scheduled to be held in April 1986, pursuant to 43 U.S.C. 1337(a)(8); to the Committee on Interior and Insular Affairs.

3180. A letter from the Secretary of the Interior, transmitting notification of his decision not to renew the charter of the Cape Cod National Seashore Advisory Commission; to the Committee on Interior and Insular Affairs.

3181. A letter from the Director, Bureau of Justice Statistics, transmitting a report on the Bureau's activities during fiscal year 1985, pursuant to 42 U.S.C. 3732; to the Committee on the Judiciary.

3182. A letter from the Chief Immigration Judge, Executive Office for Immigration Review, Department of Justice, transmitting a report on grants of Suspension of Deportation of certain aliens of good character and with required residency when deportation causes hardship under section 244(a) of the Immigration and Nationality Act, pursuant to 8 U.S.C. 1254(c); to the Committee on the Judiciary.

3183. A letter from the Director, Administrative Office of the United States Courts, transmitting a draft of proposed legislation to provide for the administration of bankruptcy estates within the Judiciary; to the Committee on the Judiciary.

3184. A letter from the Secretary of Commerce, transmitting a report entitled "Federal Coastal Programs Review", pursuant to 16 U.S.C. 1462; to the Committee on Merchant Marine and Fisheries.

3185. A letter from the Chairman, Federal Maritime Commission, transmitting a report on the Commission's activities for the 1985 fiscal year, pursuant to the Act of June 29, 1936, chapter 858, section 208 (90 Stat. 380); to the Committee on Merchant Marine and Fisheries.

3186. A letter from the Secretary of Transportation, transmitting a draft of proposed legislation to authorize appropriations for the fiscal years 1987 and 1988 for certain maritime programs of the Department of Transportation, and for other purposes; to the Committee on Merchant Marine and Fisheries.

3187. A letter from the Director, Office of Personnel Management, transmitting a draft of proposed legislation to amend title 5, United States Code, to reform the civil service retirement system, and for other purposes; to the Committee on Post Office and Civil Service.

3188. A letter from the Executive Assistant, Personnel Appeals Board, General Accounting Office, transmitting a report on the Board's activities for the period October 1, 1984, through September 30, 1985; to the Committee on Post Office and Civil Service.

3189. A letter from the Acting Chairman, Merit Systems Protection Board, transmitting a report on the Board's activities during calendar year 1985, pursuant to 5 U.S.C. 1209(b); to the Committee on Post Office and Civil Service.

3190. A letter from the Secretary of Transportation, transmitting the Department's fourth annual report of accomplishments under the Airport Improvement Program, pursuant to Public Law 97-248, section 521; to the Committee on Public Works and Transportation.

3191. A letter from the Acting Assistant Secretary, Department of the Interior, transmitting a draft of proposed legislation authorizing appropriations to the Secretary of the Interior for services necessary to the nonperforming arts functions of the John F. Kennedy Center for the Performing Arts, and for other purposes; to the Committee on Public Works and Transportation.

3192. A letter from the Acting General Counsel, Federal Emergency Management Agency, transmitting a draft of proposed legislation to authorize appropriations for activities under the Disaster Relief Act, as amended; to the Committee on Public Works and Transportation.

3193. A letter from the Administrator, Environemtnal Protection Agency, transmitting a draft of proposed legislation to amend and extend the Federal Water Pollution Control Act, as amended, for 2 years; to the Committee on Public Works and Transportation.

3194. A letter from the Chairman, Board of Directors, Tennessee Valley Authority, transmitting the 52d annual report on the activities of the TVA during fiscal year 1985, pursuant to the Act of May 18, 1933, chapter 32, section 9(a) (90 Stat. 377); to the Committee on Public Works and Transportation.

3195. A letter from the Administrator, Environmental Protection Agency, transmitting a draft of proposed legislation to authorize appropriations for environmental research, development, and demonstration for fiscal years 1987 and 1988; to the Committee on Science and Technology.

3196. A letter from the Acting Administrator, Small Business Administration, transmitting a draft of proposed legislation to establish within the Department of Commerce a Small Business Administration, to terminate certain functions of the present Small Business Administration, to transfer certain functions of the present Small Business administration to the Secretaries of Commerce and the Treasury, and for other purposes; to the Committee on Small Business.

3197. A letter from the Deputy Administrator, Veterans Administration, transmitting a draft of proposed legislation to amend title 38, United States Code, to extend the authority of the Veterans' Administration to provide contract care to U.S. veterans in the Veterans Memorial Medical Center, and to provide grants to States for State veterans homes, and for other purposes; to the Committee on Veterans' Affairs.

3198. A letter from the Secretary of Commerce, transmitting the results of the Department's study of current practices applied in making adjustments to purchase price, exporter's sales price, foreign market value, and constructed value in determining

antidumping duties, pursuant to Public Law 98-573, section 624 (98 Stat. 3042); to the Committee on Ways and Means.

3199. A letter from the General Counsel, Department of Defense, transmitting a draft of proposed legislation to amend section 912(1) of the Internal Revenue Code of 1954 by including a paragraph which would grant comparable tax treatment of allowances provided to certain Department of Defense personnel under section 9(b)(1) of the National Security Agency Act of 1959 (50 U.S.C. 402 note); to the Committee on Ways and Means.

3200. A letter from the General Counsel, Department of the Treasury, transmitting a draft of proposed legislation to authorize appropriations for the United States Customs Service for fiscal years 1987 and 1988; to the Committee on Ways and Means.

3201. A letter from the Director, Office of Technology Assessment, transmitting the second report on the Prospective Payment Assessment Commission (ProPAC), pursuant to SSA, section, 1886(e)(6)(G)(i) (97 Stat. 161); to the Committee on Ways and Means.

3202. A letter from the Secretary of Health and Human Services, transmitting a draft of proposed legislation to amend the Social Security Act to make administrative improvements in the programs of aid to families with dependent children and child support enforcement, and for other purposes; to the Committee on Ways and Means.

3203. A letter from the Board of Trustees, Federal Hospital Insurance Trust Fund, transmitting the 1986 Annual Report of the Board of Trustees of the Federal Hospital Insurance Trust Fund, pursuant to 42 U.S.C. 401(c)(2), 1395i(b)(2), 1395t(b)(2) (H. Doc. No. 99-190); to the Committee on Ways and Means and ordered to be printed.

3204. A letter from the Board of Trustees, Federal Old-Age and Survivors Insurance and Disability Insurance Trust Funds, transmitting the 1986 Annual Report of the Board of Trustees of the Federal Old-Age and Survivors Insurance and the Federal Disability Insurance Trust Funds, pursuant to 42 U.S.C. 401(c)(2), 1395i(b)(2), 1395t(b)(2), (H. Doc. No. 99-189); to the Committee on Ways and Means and ordered to be printed.

3205. A letter from the Chairwoman, U.S. International Trade Commission, transmitting the 45th quarterly report on trade between the United States and the nonmarket economy countries, pursuant to 19 U.S.C. 2440; to the Committee on Ways and Means.

3206. A letter from the United States Trade Representative, transmitting a report on the dispute with the European Communities on the water solubility standard for triple superphosphate fertilizer, pursuant to 19 U.S.C. 2414(a)(3); to the Committee on Ways and Means.

3207. A letter from the Deputy Secretary of Defense, transmitting a report on the new GI bill education benefits program, pursuant to 38 U.S.C. 1436(a); jointly, to the Committees on Armed Services and Veterans' Affairs.

3208. A letter from the Secretary of Health and Human Services, transmitting a draft of proposed legislation to extend and amend programs under the Head Start Act, and for other purposes; jointly, to the Committees on Education and Labor and Ways and Means.

3209. A letter from the Chairman, Nuclear Regulatory Commission, transmitting a report on abnormal occurrences at licensed nuclear facilities, pursuant to Public Law 93-438, section 208; jointly, to the Committees on Energy and Commerce and Interior and Insular Affairs.

3210. A letter from the Chairman, Board of Directors, Gorgas Memorial Institute of Tropical and Preventive Medicine, Inc., transmitting the 57th annual report of the work and operations of the Gorgas Memorial Laboratory for the fiscal year ending on September 30, 1985, pursuant to the act of May 7, 1928, chapter 505, section 3 (92 Stat. 991); jointly, to the Committees on Foreign Affairs and Energy and Commerce.

3211. A letter from the Director, Accounting and Financial Management Division, General Accounting Office, transmitting a financial audit report entitled, "Civil Service Retirement System's Financial Statements for 1984" (GAO/AFMD-86-12); jointly, to the Committees on Government Operations and Post Office and Civil Service.

3212. A letter from the Secretary of Transportation, transmitting the 11th annual report on the Department's administration of the Deepwater Port Act, pursuant to 33 U.S.C. 20; jointly, to the Committees on Merchant Marine and Fisheries and Public Works and Transportation.

3213. A letter from the Administrator, Environmental Protection Agency, transmitting a draft of proposed legislation to amend and extend title I of the Marine Protection, Research, and Sanctuaries Act, as amended, for 2 years; jointly, to the Committees on Merchant Marine and Fisheries and Public Works and Transportation.

3214. A letter from the Board of Trustees, Federal Supplementary Medical Insurance Trust Fund, transmitting the 1986 Annual Report of the Board of Trustees of the Federal Supplementary Medical Insurance Trust Fund, pursuant to 42 U.S.C. 401(c)(2), 1395i(b)(2), 1395t(b)(2) H. Doc. No. 99-191; jointly, to the Committees on Ways and Means and Energy and Commerce and ordered to be printed.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. GARCIA: Committee on Post Office and Civil Service. H.R. 2721. A bill to amend title 13, United States Code, to require the collection of statistics on domestic apparel and textile industries; (Rept. 99-511). Referred to the Committee of the Whole House on the State of the Union.

Mr. DINGIELL: Committee on Energy and Commerce. Report on the activity of the Committee on Energy and Commerce for the 99th Congress, 1st session; (Rept. 99-512). Referred to the Committee of the Whole House on the State of the Union.

Mr. ASPIN: Committee on Armed Services. H.R. 4420. A bill to amend title 10, United States Code, to revise the retirement system for new members of the uniformed services, and for other purposes; with an amendment (Rept. 99-513). Referred to the Committee of the Whole House on the State of the Union.

PUBLIC BILLS AND RESOLUTIONS

Under clause 5 of rule X and clause 4 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. BATES:

H.R. 4516. A bill to prohibit discrimination in payment for services furnished by a physician solely because the physician is a graduate of a foreign medical school; to the Committee on Energy and Commerce.

By Mr. BROYHILL:

H.R. 4517 A bill to suspend temporarily the duty on textile reeling or winding machines; to the Committee on Ways and Means.

By Mr. FUQUA:

H.R. 4518. A bill for the relief of the Florida State University; to the Committee on the Judiciary.

By Mr. GUNDERSON:

H.R. 4519. A bill to provide that certain individuals who are not citizens or nationals of the United States and certain persons who are not individuals shall be ineligible to receive financial assistance under price support and related programs administered by the Secretary of Agriculture; to the Committee on Agriculture.

By Mr. GUNDERSON:

H.R. 4520. A bill to amend the Internal Revenue Code of 1954 to deny the tax exemption for interest on industrial development bonds used to finance the acquisition of farm property by foreign persons; to the Committee on Ways and Means.

By Mr. LAFALCE:

H.R. 4521. A bill to extend the effective period for the net worth certificate provisions enacted by the Garn-St Germain Depository Institutions Act of 1982 and make permanent the emergency acquisition provisions enacted by such act, to broaden the circumstances under which emergency acquisition authority may be exercised, and for other purposes; to the Committee on Banking, Finance and Urban Affairs.

By Mr. OWENS:

H.R. 4522. A bill to amend the Civil Rights Act of 1964 to prohibit employment discrimination on the basis of genetic characteristics, and for other purposes; to the Committee on Education and Labor.

By Mrs. SCHNEIDER:

H.R. 4523. A bill to direct the cooperation of certain Federal entities in the implementation of the Continental Scientific Drilling Program; jointly, to the Committees on Science and Technology, and Interior and Insular Affairs.

By Mr. SCHULZE (for himself, Mr. Stallings, Mr. Ridge, Mr. Lagomarsino, Mr. Rahall, Mr. Daub, Mr. Zschau, Mr. Eckart of Ohio, Mr. Yatron, Mr. Duncan, Mr. de Lugo, Mr. Porter, Mr. Biaggi, and Mr. Gallo):

H.R. 4524. A bill to establish the Insurance Availability Crisis Commission of 1986; to the Committee on Energy and Commerce.

By Mr. SCHUMER:

H.R. 4525. A bill to vindicate the principles of the first article of amendment to the Constitution of the United States by preventing persons acting under the authority of the United States from forbidding the wearing of inconspicuous religious symbols by individuals; to the Committee on the Judiciary.

By Mr. STRATTON (for himself and Mrs. Holt) (by request):

H.R. 4526. A bill to authorize appropriations for the Department of Energy for national security programs for fiscal year 1987

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and fiscal year 1988, and for other purposes; to the Committee on Armed Services.

By Mr. TAUKE (by request):

H.R. 4527. A bill to extend and amend programs under the Head Start Act, and for other purposes; to the Committee on Education and Labor.

By Mr. KILDEE:

H.J. Res. 583. Joint resolution to designate November 18, 1986, as "National Community Education Day"; to the Committee on Post Office and Civil Service.

By Mr. SWIFT (for himself, Mr. Tauke, Mr. Skelton, and Mr. Tallon):

H. Con. Res. 308. Concurrent resolution expressing the sense of the Congress regarding the availability of universal telephone service in rural areas; to the Committee on Energy and Commerce.

By Mr. RAHALL (for himself and Mr. Rogers):

H. Con. Res. 309. Concurrent resolution expressing the sense of the Congress that Japan has not honored the Joint Policy Statement on Energy Cooperation as it relates to United States exports of metallurgical coal and that the President should seek to establish an agreement with Japan for reciprocity between metallurgical coal exports and steel product imports; to the Committee on Ways and Means.

By Mr. THOMAS of Georgia (for himself, Mr. Huckaby, and Mr. Moore):

H. Con. Res. 310. Concurrent resolution to express the sense of Congress with respect to agricultural loan restructuring; to the Committee on Agriculture.

By Mr. HORTON (for himself, Mr. Coelho, Mr. Jeffords, Mr. Boehlert, Mr. Rose, Mr. Green, Mr. Obey, Mr. Daub, Mr. Lundine, Mr. Martin of New York, Mr. Lantos, Mr. Markey, Mr. Smith of New Hampshire, Mr. Brown of California, Mr. Cooper, Mrs. Schroeder, Mr. Moody, Mr. Studds, Mr. Chandler, Mr. Rahall, Mr. Whitehurst, Mrs. Boxer, Mr. Boland, and Mr. Biaggi):

H. Res. 407. Resolution expressing the sense of the United States House of Representatives that the Secretary of Agriculture should investigate identification procedures to be used in lieu of the hot-iron branding of animals' cheeks; to the Committee on Agriculture.

By Mr. SCHUMER:

H. Res. 408. Resolution expressing the sense of the House regarding the search for, and appropriate judgment and prosecution of Nazi War Criminals; to the Committee on the Judiciary.

By Mr. WEISS (for himself, Mr. Gray of Pennsylvania, Mr. Frank, Mr. Solarz, Mr. Lehman of Florida, Mr. Dellums, Mr. Owens, Mr. Heftel of Hawaii, Mr. Biaggi, and Mr. Schumer):

H. Res. 409. Resolution expressing the sense of the House of Representatives that the Attorney General should examine evidence regarding the activities of former United Nations Secretary General Kurt Waldheim during the Second World War and should determine whether such evidence requires that Kurt Waldheim be denied admission into the United States; to the Committee on the Judiciary.

MEMORIALS

Under clause 4 of rule XXII, memorials were presented and referred as follows:

322. By the SPEAKER: Memorial of the Senate of the State of Oklahoma, relative to the foreclosure actions by the Farmers Home Administration; to the Committee on Agriculture.

323. Also, memorial of the Senate of the State of Arizona, relative to a strategic defense initiative; to the Committee on Armed Services.

324. Also. memorial of the General Assembly of the State of Indiana, relative to legislation to repeal the Federal Reserve Act and restore the gold standard; to the Committee on Banking, Finance and Urban Affairs.

325. Also, memorial of the Legislature of the State of Wyoming, relative to an audit to the Federal Reserve System; to the Committee on Banking, Finance and Urban Affairs.

326. Also, memorial of the Legislature of the State of New Hampshire, relative to implementing a household hazardous waste coding system; to the Committee on Energy and Commerce.

327. Also, memorial of the Senate of the Commonwealth of Pennsylvania, relative to efforts to locate and rescue American prisoners of war in Southeast Asia; to the Committee on Foreign Affairs.

328. Also, memorial of the Senate of the Commonwealth of Massachusetts, relative to the construction of a Korean War Veterans Memorial; to the Committee on House Administration.

329. Also, memorial of the Legislature of the State of Wyoming, relative to the proposed future management of the Yellowstone and Grand Teton National Parks by the Federal Government; to the Committee on Interior and Insular Affairs.

330. Also, memorial of the House of Representatives of the State of Delaware, relative to public lands and agricultural production; to the Committee on Interior and Insular Affairs.

331. Also, memorial of the General Assembly of the State of Indiana, relative to the tenure of Federal judges; to the Committee on the Judiciary.

332. Also, memorial of the General Assembly of the State of Indiana, relative to ratification of the proposed amendment to the Constitution of the United States of America regarding the compensation of Senators and Representatives; to the Committee on the Judiciary.

333. Also, memorial of the Legislature of the State of California, relative to Federal income taxation; to the Committee on Ways and Means.

ADDITIONAL SPONSORS

Under clause 4 of rule XXII, sponsors were added to public bills and resolutions as follows:

H.R. 147: Mr. Gallo.

H.R. 512: Mr. Stallings and Mr. Frank.

H.R. 513: Mr. Daschle.

H.R. 796: Mr. Pease.

H.R. 979: Mr. Boulter.

H.R. 1295: Mr. Edgar, and Mr. Miller of California.

H.R. 1485: Mrs. Bentley.

H.R. 1486: Mrs. Bentley.

H.R. 1499: Mr. Lent.

H.R. 1577: Mr. Akaka.

H.R. 1597: Mr. Akaka and Mr. Rahall.

H.R. 1769: Mr. Hutto.

H.R. 1877: Mr. Dellums and Mr. McCollum.

H.R. 2093: Mr. Bryant, Mr. Martinez, Mr. Rangel, and Mr. Neal.

H.R. 2170: Mr. Robert F. Smith.

H.R. 2210: Mr. Fowler and Mr. Dicks.

H.R. 2504: Mr. Traxler, Mr. Gejdenson, and Mr. Broyhill.

H.R. 2568: Mr. Chappie, Mr. Gekas, Mr. Wortley, Mr. Lagomarsino, Mr. Cobey, Mr. Hendon, Mr. Leach of Iowa, and Mrs. Bentley.

H.R. 2578: Mr. Craig, Mr. Donnelly, Mr. Gilman, Mr. Hamilton, Mr. Hammerschmidt, Mr. Henry, Mr. Hubbard, Mr. Kasich, Mr. Lehman of California, Mr. Olin, Mr. Regula, Mr. Seiberling, Mr. Tallon, and Mr. Traficant.

H.R. 2793: Mr. DioGuardi and Mr. Markey.

H.R. 3006: Mr. Biaggi and Mr. Dymally.

H.R. 3024: Mr. Sundquist and Mrs. Lloyd.

H.R. 3247: Mr. Seiberling.

H.R. 3426: Mrs. Bentley and Mr. Bryant.

H.R. 3465: Mr. Bryant, Mr. Hubbard, Mr. Aspin, and Mr. Ford of Tennessee.

H.R. 3558: Mr. Fuster.

H.R. 3646: Mr. Smith of New Hampshire.

H.R. 3647: Mr. Smith of New Hampshire.

H.R. 3648: Mr. Smith of New Hampshire and Mr. Hansen.

H.R. 3649: Mr. Smith of New Hampshire.

H.R. 3688: Mr. MacKay.

H.R. 3693: Mr. Gingrich, Mr. Wortley, Mr. Cobey, Mr. Armey, Mr. Lagomarsino, and Mr. Swindall.

H.R. 3835: Mr. Martinez, Mr. Howard, and Mr. Hoyer.

H.R. 3898: Mrs. Schneider and Mr. Wirth.

H.R. 3950: Mr. Dwyer of New Jersey, Mr. Foglietta, Mrs. Johnson, Mr. Scheuer, and Mr. Gejdenson.

H.R. 4025: Mr. Volkmer, Mr. Lantos, Mr. McCloskey, Mr. Matsui, Mrs. Schroeder, Mr. Dellums, Mr. Wyden, Mr. Roe, Mr. Hendon, and Mr. Kanjorski.

H.R. 4033: Mr. Wolpe.

H.R. 4041: Mr. Denny Smith, Mr. Bilirakis, and Mr. Edwards of Oklahoma.

H.R. 4072: Mr. Seiberling, Mr. Moody, Mr. Sabo, Mr. Wolpe, and Mr. Kleczka.

H.R. 4082: Mr. Porter, Mr. Tauke, and Mr. Martinez.

H.R. 4086: Mr. Owens and Mr. Pursell.

H.R. 4204: Mr. Edwards of California and Mr. Beilenson.

H.R. 4227: Mr. Markey, Mr. Vento, and Mr. Bonior of Michigan.

H.R. 4257: Mr. Bevill, Mr. Hendon, Mr. Packard, and Mr. Jones of North Carolina.

H.R. 4267: Mr. Edwards of Oklahoma.

H.R. 4302: Mr. Martinez, Mr. Roe, Mr. Quillen, Mrs. Bentley, Mr. Stallings, Mr. Lagomarsino, Mr. Wortley, Mr. O'Brien, Mr. Horton, Ms. Oakar, Mr. Panetta, Mr. Monson, Mr. Hughes, Mr. Fazio, Mr. Hall of Ohio, and Mrs. Boxer.

H.R. 4364: Mr. Olin.

H.R. 4382: Mr. Horton, Mr. Whitehurst, Mr. Daub, Mr. Mrazek, Mr. Towns, Mr. de la Garza, and Mr. Fazio.

H.R. 4391: Mr. Moakley, Mr. Horton, Mr. Yatron, Mr. Roe, Mr. Bryant, Mr. Pepper, Mr. Leland, Mr. Jacobs, Mr. Natcher, Mr. Rahall, Mr. Jones of North Carolina, Mr. Wolpe, and Mr. Owens.

H.R. 4419: Mr. Whitehurst.

H.R. 4421: Mr. Staggers, Mr. Levin of Michigan, Mr. Bates, Mrs. Schroeder, Mr. Pepper, Mr. Rangel, Mr. Howard, Mr. Vento, Mr. Wyden, Mr. Hubbard, Mr. Dyson, Mr. Wolpe, Mr. Horton, Mr. Ford of Michigan, Mr. Penny, Mrs. Byron, Mr.

Evans of Illinois, Ms. Snowe, Ms. Mikulski, Mr. Bonior of Michigan, Mr. Barnes, and Mr. Smith of Florida.

H.R. 4422: Mr. Moakley, Mr. Boland, Mr. Frank, Mr. Walgren, Mr. Gray of Illinois, Mr. Wise, Mr. Kleczka, Mr. Vento, Mr. Mrazek, Mr. Evans of Illinois, Mr. Towns, Mr. Fazio, Mr. McHugh, Mr. Wortley, Mr. Mitchell, Mrs. Byron, Mr. Biaggi, and Mr. Scheuer.

H.R. 4439: Mr. Hutto, Mr. Daub, Mr. LaFalce, Mr. Lott, Mr. Eckart of Ohio, Mr. Tauzin, and Mr. Hammerschmidt.

H.R. 4476: Mr. Strang, Mr. Lott, and Mr. Lagomarsino.

H.J. Res. 234: Mr. Anderson, Mr. Lundine, and Mr. Nelson of Florida.

H.J. Res. 266: Mr. English, Mr. Garcia, Mr. Jeffords, Mr. Young of Missouri, Mr. Hall of Ohio, Mr. Shumway, Mr. Badham, Mr. St Germain, Mr. Brooks, Mr. Howard, Mr. Gilman, Mr. Udall, Mr. Russo, Mr. Brown of California, Mr. Wolpe, Mr. Dwyer of New Jersey, and Mr. Broyhill.

H.J. Res. 311: Mr. Luken and Mr. Anderson.

H.J. Res. 381: Mr. Russo, Mr. Thomas of Georgia, Mr. Nowak, Mr. Wolf, Mr. Molinari, Mr. Stratton, Mr. Erdreich, Mr. Murtha, Mr. Coble, and Mr. Wolpe.

H.J. Res. 422: Mr. Hall of Ohio.

H.J. Res. 460: Mr. Hoyer.

H.J. Res. 502: Mr. Bedell, Mr. Bliley, Mr. Broyhill, Mr. Chandler, Mr. Crockett, Mr. Davis, Mr. de Lugo, Mr. Derrick, Mr. Frost, Mr. Guarini, Mr. Hamilton, Mr. Hoyer, Mr. Kastenmeier, Mr. Kostmayer, Mr. Leach of Iowa, Mrs. Lloyd, Mr. Hiler, Mr. Monson, Mr. Moody, Mr. Ortiz, Mr. Petri, Mr. Richardson, Mr. Robert F. Smith, Mr. Solarz, Mr. Valentine, Mr. Waxman, Mr. Wolf, and Mr. Ford of Michigan.

H.J. Res. 504: Mr. Ackerman, Mr. Bateman, Mrs. Bentley, Mrs. Byron, Mr. Coleman of Missouri, Mr. Edwards of Oklahoma, Mr. Fowler, Mr. Hayes, Mr. Lightfoot, Mr. Manton, Mrs. Vucanovich, and Mr. Moorhead.

H.J. Res. 528: Mr. Davis and Mr. Roe.

H.J. Res. 531: Mr. Early, Mr. Hall of Ohio, Mr. Rowland of Georgia, Mr. Mavroules, Mr. Valentine, Mr. Applegate, Mr. Rahall, Mr. Skelton, Mr. Traficant, Mr. Gibbons, Mr. Skeen, Mr. Moody, and Mr. Yatron.

H. Con. Res. 303: Ms. Snowe.

H. Res. 382: Mr. Bliley, Mr. Lowry of Washington, Mr. Evans of Illinois, Mr. Frank, Mr. Kleczka, Mr. Edwards of California, Mr. Weiss, Mr. Dellums, Mr. Udall, Mr. Sabo, Mr. Addabbo, Mr. Gejdenson, Mr. Wilson, Mr. Oberstar, Mr. Pepper, Mr. Smith of Florida, Mr. Lehman of Florida, Mr. Dornan of California, Mr. Dwyer of New Jersey, Mr. Valentine, Mr. Wortley, Mr. Savage, Mr. Seiberling, Mr. Hayes, Mr. Bedell, Mr. Walgren, Mr. Dixon, Mr. Ackerman, Mr. Gilman, Mr. Vento, Mr. Hall of Ohio, Mrs. Boxer, Mr. Reid, Mr. Moody, Mr. Fazio, Mr. Matsui, and Mr. Martinez.

H. Res. 385: Mr. Bateman, Mr. Horton, Mr. Moody, Mr. Rodino, Mr. Udall, Mr. Kostmayer, Mr. Lantos, Mr. Lagomarsino, Mr. Green, Mr. Fauntroy, Mr. Frank, Mr. Wilson, Mr. Scheuer, Mr. McGrath, Mr. Lehman of Florida, Mr. Bedell, Mr. Dornan of California, Mrs. Martin of Illinois, Mr. Robinson, Mr. Rangel, Mr. Wortley, Mr. Burton of Indiana, Mr. Gilman, Mr. Saxton, Mr. Weiss, Mr. Solarz, Mr. DioGuardi, Mr. Schumer, Mr. Frost, Mr. Morrison of Connecticut, Mr. Manton, Mr. Levin of Michigan, Mr. Heftel of Hawaii, Mr. Fazio, Mr. Matsui, Mr. Hoyer, Mr. Waxman, Mrs. Boxer, Mr. Martinez, and Mr. Wirth.

PETITIONS, ETC.

Under clause 1 of rule XXII, petitions and papers were laid on the Clerk's desk and referred as follows:

296. By the Speaker: Petition of the Civil Affairs Association, relative to a civil affairs master plan; to the Committee on Armed Services.

297. Also, petition of the Cayuga County Legislature, Auburn, N.Y., relative to the enactment of H.R. 3838, "Tax Reform Act of 1986"; to the Committee on Ways and Means.

AMENDMENTS

Under clause 6 of rule XXIII, proposed amendments were submitted as follows:

H.R. 4332

By Mr. TORRICELLI:

—At the end of the bill add the following new section:

SEC. 16. PROHIBITION ON TRANSFER OF HANDGUNS TO JUVENILES.

Section 922 is amended by adding after the subsection added by section 2(b) the following:

"(o)(1) It shall be unlawful for any person (other than a licensed importer, licensed manufacturer, licensed dealer, or licensed collector) to transfer or deliver a handgun to any individual who the person knows or has reasonable cause to believe is less than twenty-one years of age.

"(2) Paragraph (1) does not prohibit the loan of a handgun to an individual for the purpose of that individual's engaging in a lawful sporting activity under the supervision of an individual who has attained the age of twenty-one years.".

By Mr. TRAFICANT:

—Page 14, line 6, insert "OR FIREARM USE IN ESPECIALLY SERIOUS DRUG TRAFFICKING CRIME" after "CRIME".

Page 14, line 12, insert "or if the drug trafficking crime is an especially serious drug trafficking crime" after "machinegun".

Page 14, line 16, insert "or if the drug trafficking crime is an especially serious drug trafficking crime" after "machinegun".

Page 14, line 18, strike out "DEFINITION" and insert "DEFINITIONS" in lieu thereof.

Page 15, after line 4 insert the following:

(3) Section 924(c) of title 18, United States Code, is amended by adding after the paragraph added by section 10(a) the following:

"(3) As used in this subsection, the term 'especially serious drug trafficking crime' means a drug trafficking crime that involves—

"(A) 2 or more kilograms of a narcotic drug described in subparagraph (C), (D), or (E) of section 102(17) of the Controlled Substances Act (21 U.S.C. 802(17));

"(B) 1 or more kilograms of a narcotic drug in schedule I or II in the Controlled Substances Act (21 U.S.C. 801 et seq.) that is not described in subparagraph (C), (D), or (E) of section 102(17) of such Act;

"(C) 1 kilogram or more of phencyclidine; or

"(D) 25 grams or more of lysergic acid diethylamide.".

By Mr. ZSCHAU:

—Page 18, strike out line 4 and all that follows through line 16 on page 19.

By Mrs. COLLINS:

(Amendment to Volkmer amendment in the nature of a substitute.)

—At the end insert the following:

SEC. . HANDGUN REGISTRATION.

(a) States Required to Establish Handgun Registration.—

(1) Not later than two years after the date of the enactment of this Act, each State shall establish a State handgun registration system.

(2) Each State shall design the State handgun registration system required under paragraph (1) so that—

(A) such system will contain an easily retrievable record identifying—

(i) the possessor of each handgun possessed by a resident of such State; and

(ii) such handgun; and

(B) suitable penalties (including mandatory imprisonment for a period of not less than 15 years) are imposed on persons possessing handguns in violation of the requirement of registration.

(3) each State shall maintain the State handgun registration system so established so that such system reasonably accomplishes such system's purposes.

(b) Federal Handgun Registration System in Noncomplying States.—

(1) The Attorney General shall declare that the Federal handgun registration system established under subsection (c) applies in any State the Attorney General determines, after opportunity for a hearing on the record, has not substantially complied with a requirement of subsection (a).

(2) Such Federal handgun registration system shall continue to apply in such State until the Attorney General is satisfied that substantial compliance by such State with the requirements of subsection (a) has been achieved.

(c) Federal Handgun Registration System.—

(1) The Attorney General shall establish a Federal handgun registration system for application to States in accordance with subjection (b).

(2) The Attorney General shall design such Federal handgun registration system so that such system will contain, in an easily retrievable record, information sufficient to identify—

(A) the possessor of each handgun possessed by a resident of each State in which such Federal handgun registration system applies; and

(B) such handgun.

(3) Whoever possesses a handgun in violation of the requirement of registration under the Federal handgun registration system established under this subsection shall be fined not more than $250,000 or imprisoned not less than 15 years, or both. The court shall not suspend a sentence of imprisonment imposed for an offense under this subsection, and a probationary sentence may not be imposed for an offense under this subsection.

(d) Definitions.—For the purposes of this section—

(1) the term "handgun" means a pistol or revolver originally designed to be fired by the use of a single hand and which is designed to fire or capable of firing fixed cartridge ammunition, or any other firearm (as such term is defined for the purposes of chapter 44 of title 18 of the United States Code), originally designed to be fired by the use of a single hand; and

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(2) the term "State" includes the District of Columbia and any possession or other territory of the United States.

By Mr. DINGELL: (Amendment to the Volkmer amendment in the nature of a substitute.)

—Page 7, line 11, insert "(except a handgun)" after "firearm".

Page 5, line 25, strike out the closed quotation mark and the period that follows.

Page 5, after line 25, insert the following:

"(25) The term "handgun" means a firearm which has a short stock and is designed to be held and fired by the use of a single hand."

By Mr. HUGHES: (Amendments to the Volkmer amendment in the nature of a substitute.)

—Page 3, strike out line 19 and all that follows through line 16 on page 5 and insert in lieu thereof the following:

"(21) The term 'engaged in the business', with respect to an activity, means devoting time, attention, and labor to that activity on a recurring basis, and for that purpose maintaining firearms on hand or being willing and able to procure firearms, but such term does not include the sale by the owner of a personal collection in connection with liquidation of such a collection.".

Page 11, after line 22, insert the following:

(5) Section 923(d)(1)E)(i) of title 18, United States Code, is amended—

(A) by striking out "conducts" and inserting "engages in" in lieu thereof; and

(B) by striking out "conduct" and inserting "engage in" in lieu thereof.

Redesignate succeeding paragraphs accordingly.

Page 7, line 10, strike out "shall not apply" and all that follows through "firearms)" in line 2 on page 8, and insert in lieu thereof the following: "shall not apply to the sale or delivery of any rifle or shotgun to a resident of a State other than a State in which the licensee's place of business is located if the transferee meets in person with the transferor to accomplish the transfer, and the sale, delivery, and receipt fully comply with the legal conditions of sale in both such States (and any licensed manufacturer, importer, or dealer shall be presumed, for purposes of this subparagraph, in the absense of evidence to the contrary, to have had actual knowledge of the State laws and published ordinances of both States)."

Page 11, strike out line 9 and all that follows through line 22 and redesignate succeeding paragraphs accordingly.

Page 11, strike out line 23 and all that follows through line 24 and redesignate succeeding paragraphs accordingly.

Page 14, beginning in line 3, strike out "of a person" and all that follows through "licensee" in line 4.

Page 14, line 6, strike out "once" and insert "twice" in lieu thereof.

Page 14, line 7, insert ", unless the Secretary or the Director of the Bureau of Alcohol, Tobacco, and Firearms approves such application" after "period".

Page 14, line 10, strike out "in the course" and all that follows through "investigation" in line 11.

Page 13, line 25, strike out "or".

Page 14, line 1, insert ", or a licensed collector" after "dealer".

Page 14, strike out line 12 and all that follows through line 21 and redesignate succeeding subparagraphs accordingly.

Page 19, line 15, strike out "willfully" and inserting "knowingly" in lieu thereof.

Page 26, strike out line 16 and all that follows through the matter immediately following line 5 on page 27 and insert in lieu thereof the following:

SEC. 106. INTERSTATE TRANSPORT OF RIFLES AND SHOTGUNS.

Section 927 of title 18, United States Code, is amended—

(1) by inserting "(a)" before "No"; and

(2) by adding at the end the following:

"(b) Notwithstanding any provision of State or local law to the contrary, any individual may transport any secured shotgun or secured rifle from such individual's place of origin to any destination State if—

"(1) such transport is—

"(A) incident to the change of the individual's State of residence; or

"(B) for the purpose of lawful participation in, or returning from lawful participation in—

"(i) hunting;

"(ii) a shooting match or contest; or

"(iii) any other lawful sporting activity;

and

"(2) the individual may lawfully transport and possess such shotgun or rifle—

"(A) in the individual's place of origin, the destination State, and the destination political subdivision of the destination State; and

"(B) under Federal law.

"(c) For purposes of subsection (b)—

"(1) a rifle or shotgun is secured if the rifle or shotgun—

"(A) is enclosed or cased;

"(B) is not readily accessible; and

"(C) is not loaded with ammunition; and

"(2) the term 'place of origin' means—

"(A) in the case of a change of residence, the State and political subdivision thereof from which residence is changed; and

"(B) in any other case, the State and political subdivision thereof in which the possession or transport of the rifle or shotgun begins.".

Page 27, beginning in line 23, strike out "part" and all that follows through "exclusively" in line 1 on page 28 and insert in lieu thereof "part designed and intended solely and exclusively, or combination of parts designed and intended,".

Page 10, line 5, strike out "and".

Page 10, line 12, strike out the final period and insert "; and" in lieu thereof.

Page 10, after line 12, insert the following:

(9) by inserting after the subsection added by paragraph (8) of this section the following:

"(o)(1) Except as provided in paragraph (2), it shall be unlawful for any person to transfer or possess a firearm silencer.

"(2) This subsection does not apply with respect to—

"(A) a transfer to or by, or possession by or under the authority of, the United States or any department or agency thereof or a State, or a department, agency, or political subdivision thereof; or

"(B) any lawful transfer or lawful possession of a firearm silencer that was lawfully possessed before the date this subsection takes effect.".

Page 28, after line 20 insert the following:

"(c) PROHIBITION ON FIREARM SILENCERS.—Section 102(9) shall take effect on the date of the enactment of this Act.".

Page 2, strike out line 16 and all that follows through line 21 and redesignate succeeding paragraphs accordingly.

Page 6, strike out line 3 and all that follows through line 16 and redesignate succeeding paragraphs accordingly.

Page 6, beginning in line 17, strike out "(2)" and all that follows through line 22 and insert in lieu thereof the following: "(2), by striking out 'or licensed dealer for the sole purpose of repair or customizing;' and inserting in lieu thereof 'licensed dealer, or licensed collector;';".

Page 7, strike out line 5 and all that follows through line 6 and redesignate succeeding subparagraphs accordingly.

Page 8, line 4, insert "and" after the semicolon.

Page 8, strike out line 8 and all that follows through line 12.

Page 10, line 19, strike out ", or importing or manufacturing" and insert "or" in lieu thereof.

Page 11, strike out line 2 and all that follows through line 4 and redesignate succeeding paragraphs accordingly.

Page 13, line 1, insert ", ammunition (other than armor-piercing ammunition) in transactions involving 1,000 rounds or more, and armor-piercing ammunition," after "firearms".

—Page 2, strike out line 16 and all that follows through line 21 and redesignate succeeding paragraphs accordingly.

Page 6, strike out line 3 and all that follows through line 16.

Redesignate succeeding paragraphs accordingly.

Page 6, beginning in line 17, strike out "(2)" and all that follows through line 22 and insert in lieu thereof the following: "(2), by striking out "or licensed dealer for the sole purpose of repair or customizing;" and inserting in lieu thereof "licensed dealer, or licensed collector;";

Page 7, strike out line 5 and all that follows through line 6 and redesignate succeeding subparagraphs accordingly.

Page 8, line 4, insert "and" after the semicolon.

Page 8, strike out line 8 and all that follows through line 12.

Page 10, line 19, strike out ", or importing or manufacturing" and insert "or" in lieu thereof.

Page 11, strike out line 2 and all that follows through line 4 and redesignate succeeding paragraphs accordingly.

Page 13, line 1, insert ", ammunition (other than armor-piercing ammunition) in transactions involving 1,000 rounds or more, and armor-piercing ammunition," after "firearms".

—Page 11, after line 22, insert the following:

(5) Section 923(d)(1)(E)(i) of title 18, United States Code, is amended—

(A) by striking out "conducts" and inserting "engages in" in lieu thereof; and

(B) by striking out "conduct" and inserting "engage in" in lieu thereof.

Redesignate succeeding paragraphs accordingly.

Page 3, strike out line 19 and all that follows through line 16 on page 5 and insert in lieu thereof the following:

"(21) The term 'engaged in the business', with respect to an activity, means devoting time, attention, and labor to that activity on a recurring basis, and for that purpose maintaining firearms on hand or being willing and able to procure firearms, but such term does not include the sale by the owner of a personal collection in connection with liquidation of such a collection.".

—Page 14, beginning in line 3, strike out "of a peson" and all that follows through "licensee" in line 4.

Page 14, line 6, strike out "once" and insert "twice" in lieu thereof.

Page 14, line 7, insert ", unless the Secretary or the Director of the Bureau of Alcohol, Tobacco, and Firearms approves such application" after "period".

Page 14, line 10, strike out "in the course" and all that follows through "investigation" in line 11.

Page 13, line 25, strike out "or".

Page 14, line 1, insert ", or a licensed collector" after "dealer".

Page 14, strike out line 12 and all that follows through line 21 and redesignate succeeding subparagraphs accordingly.

—Page 26, strike out line 16 and all that follows through the matter immediately following line 5 on page 27 and insert in lieu thereof the following:

SEC. 106. INTERSTATE TRANSPORT OF RIFLES AND SHOTGUNS.

Section 927 of title 18, United States Code, is amended—

(1) by inserting "(a)" before "No"; and

(2) by adding at the end the following:

"(b) Notwithstanding any provision of State or local law to the contrary, any individual may transport any secured shotgun or secured rifle from such individual's place of origin to any destination State if—

"(1) such transport is—

"(A) incident to the change of the individual's State of residence; or

"(B) for the purpose of lawful participation in, or returning from lawful participation in—

"(i) hunting;

"(ii) a shooting match or contest; or

"(iii) any other lawful sporting activity; and

"(2) the individual may lawfully transport and possess such shotgun or rifle—

"(A) in the individual's place of origin, the destination State, and the destination political subdivision of the destination State; and

"(B) under Federal law.

"(c) For purposes of subsection (b)—

"(1) a rifle or shotgun is secured if the rifle or shotgun—

"(A) is enclosed or cased;

"(B) is not readily accessible; and

"(C) is not loaded with ammunition; and

"(2) the term 'place of origin' means—

"(A) in the case of a change of residence, the State and political subdivision thereof from which residence is changed; and

"(B) in any other case, the State and political subdivision thereof in which the possession or transport of the rifle or shotgun begins.".

By Mr. McCOLLUM:

(Amendment to the Volkmer amendment in the nature of a substitute.)

—Page 7, strike out line 22 and all that follows through "firearms)" on line 2 on page 8 and insert in lieu thereof "accomplish the transfer or to negotiate the transfer".

Page 19, line 2, strike out "this section" and insert "paragraph (2) of this subsection, subsection (b) or (c) of this section," in lieu thereof.

Page 27, beginning in line 23, strike out "part" and all that follows through "exclusively" in line 1 on page 28 and insert in lieu thereof "part designed and intended solely and exclusively, or combination of parts designed and intended,".

Page 5, line 22, strike out "part or".

Page 5, line 23, strike out, "intended only" and insert "and intended" in lieu thereof.

Page 5, line 24, strike out "such".

Page 5, line 25, after "muffler" insert ", and any part intended only for use in such assembly or fabrication".

Page 22, line 24, strike out "not more" and insert "not less" in lieu thereof.

Page 23, line 1, strike out "suspsend" and insert "suspend" in lieu thereof.

Page 10, strike out line 5 and insert in lieu thereof the following:

(7) so that subsection (h) reads as follows:

"(h) It shall be unlawful for any individual, who to that individual's knowledge and while being employed for any person described in any paragraph of subsection (g) of this section, in the course of such employment—

"(1) to receive, possess, or transport any firearm or ammunition in or affecting interstate or foreign commerce; or

"(2) to receive any firearm or ammunition which has been shipped or transported in interstate or foreign commerce."; and

Page 27, line 20, insert "(a)" before "Section".

Page 28, after line 2, insert the following:

"(b) CONFORMING AMENDMENT.—Section 5845(a)(7) of the National Firearms Act (26 U.S.C. 5845(a)(7)) is amended to read "(7) any silencer (as defined in section 921 of title 18, United States Code);".

By Mr. TORRICELLI:

(Amendment to the Volkmer Amendment in the nature of a substitute.)—Section 102 of the matter proposed to be inserted is amendment—

(1) in paragraph (7), by striking out "and";

(2) in paragraph (8), by striking out the period at the end and inserting in lieu thereof "; and "; and

(3) by adding at the end thereof the following new paragraph:

(9) by inserting after the subsection added by paragraph (8) the following:

"(o)(1) It shall be unlawful for any person (other than a licensed importer, licensed manufacturer, licensed dealer, or licensed collector) to transfer or deliver a handgun to any individual who the person knows or has reasonable cause to believe is less than twenty-one years of age.

"(2) Paragraph (1) does not prohibit the loan of a handgun to an individual for the purpose of that individual's engaging in a lawful sporting activity under the supervision of an individual who has attained the age of twenty-one years.

"(3) As used in this subsection, the term 'handgun' means a firearm which has a short stock and is designed to be held and fired by the use of a single hand.".

Section 110 of such matter is amended—

(1) in subsection (a), by striking out "The amendments" and inserting in lieu thereof "Except as otherwise provided in this section, the amendments"; and

(2) by adding at the end thereof the following new subsection:

(c) PROHIBITION ON TRANSFER OF HANDGUNS TO JUVENILES.—Section 102(9) shall take effect on the date of the enactment of this Act.

By Mr. TRAFICANT:

(Amendment to the Volkmer amendment in the nature of a substitute.)

—Page 20, line 14, insert "or if the drug trafficking crime is an especially serious drug trafficking crime" after "machinegun".

Page 20, line 19, insert "or if the drug trafficking crime is an especially serious drug trafficking crime" after "machinegun".

Page 21, line 2, strike out the close quotation mark and the semicolon which follows.

Page 21, after line 2 insert the following:

"(3) For purposes of this subsection, the term 'especially serious drug trafficking crime' means a drug trafficking crime that involves—

"(A) 2 or more kilograms of a narcotic drug described in subparagraph (C), (D), or (E) of section 102(17) of the Controlled Substances Penalties Act (21 U.S.C. 802(17));

"(B) 1 or more kilograms of a narcotic drug in schedule I or II in the Controlled Substances Act (21 U.S.C. 801 et seq.) that is not described in subparagraph (C), (D), or (E) of section 102(17) of such Act;

"(C) 1 kilogram or more of phencyclidine; or

"(D) 25 grams or more of lysergic acid diethylamide.";

By Mr. ZSCHAU:

(Amendment to the Volkmer amendment in the nature of a substitute.)

—Page 3, strike out line 19 and all that follows through line 16 on page 5 and insert in lieu thereof the following:

"(21) The term 'engaged in the business', with respect to an activity, means devoting time, attention, and labor to that activity on a recurring basis, and for that purpose maintaining firearms on hand or being willing and able to procure firearms, but such terms does not include the sale by the owner of a personal collection in connection with liquidation of such a collection.".

Page 11, after line 22, insert the following:

(5) Section 923(d)(1)(E)(i) of title 18, United States Code, is amended—

(A) by striking out "conducts" and inserting "engages in" in lieu thereof; and

(B) by striking out "conduct" and inserting "engage in" in lieu thereof.

Redesignate succeeding paragraphs accordingly.

Page 7, line 10, strike out "shall not apply" and all that follows through "firearms)" in line 2 on page 8, and insert in lieu thereof the following: "shall not apply to the sale or delivery of any rifle or shotgun to a resident of a State other than a State in which the licensee's place of business is located if the transferee meets in person with the transferor to accomplish the transfer, and the sale, delivery, and receipt fully comply with the legal conditions of sale in both such States (and any licensed manufacturer, importer or dealer shall be presumed, for purposes of this subparagraph, in the absence of evidence to the contrary, to have had actual knowledge of the State laws and published ordinances of both States)".

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SENATE—*Tuesday, April 8, 1986*

The Senate met at 12 noon, and was called to order by the President pro tempore [Mr. Thurmond].

PRAYER

The Chaplain, the Reverend Richard C. Halverson, D.D., offered the following prayer:

Let us pray.

Trust in the Lord with all thine heart; and lean not unto thine own understanding. In all thy ways acknowledge Him, and He shall direct thy paths.—Proverbs 3, 5 and 6.

Gracious Father in Heaven, we commend to your loving care Senator Paula Hawkins as she undergoes surgery today. Guide and direct the surgeon and all who support him that the operation will be successful and Senator Hawkins will be restored total and painless health and strength.

Eternal God, we thank you for the recess—for work accomplished, for rest, recreation and refreshing—for time with families—for safety in travel. Now the Senate faces certain hard facts: demanding legislation—inflexible deadlines—speedy passage of time—99 work days to the projected sine die adjournment—and the relentless approach of November 4. In the light of these hard facts, Father, political realities confront the Senate: 34 Senators seeking reelection—one party seeking to retain leadership in the Senate, the other party seeking to recover it. All this, Lord, in addition to the pressures of political campaigns: organizations, finances, implementation and operation. During these stressful days, Gracious God, help the Senators to hear the wisdom of Solomon in the proverb with which we began this prayer. Help them to trust in the Lord and allow Him to direct their paths. In His name who is the King of Kings. Amen.

RECOGNITION OF THE MAJORITY LEADER

The PRESIDENT pro tempore. The able majority leader is recognized.

SCHEDULE

Mr. DOLE. Mr. President, under the standing order, the two leaders have 10 minutes each. There are special orders in favor of Senators Proxmire, Hawkins, and Cranston. Following the execution of the special orders, there will be a period for the transaction of routine morning business not to extend beyond the hour of 12:30 p.m., with Senators permitted to speak therein for not more than 5 minutes each.

Following morning business, the Senate will stand in recess until 2 p.m. There will be a party caucus on this side. I understand tomorrow we will make the same accommodations for the distinguished minority leader.

Mr. BYRD. Mr. President, I thank the distinguished majority leader.

(Mr. HECHT assumed the chair.)

Mr. DOLE. At 2 p.m., unless changed by unanimous consent, the Senate will proceed to the consideration of S. 1660, a bill to grant a Federal charter to the Confederate Memorial Association.

Following the disposition of S. 1660, the Senate will turn to the consideration of S. 8, a bill to grant a Federal charter to the Vietnam Veterans of America, Inc. Time for debate on that bill is limited to 10 minutes to be equally divided and controlled by the chairman and ranking minority member of the Judiciary Committee.

We are trying to resolve all this, I might say, because we have some consent agreements previously agreed to. I understand many of our colleagues on both sides would like to defer votes until tomorrow. It is my hope that we can work that out and that there will not be any votes today.

I am also hopeful that, as part of that agreement, we could not bring up S. 1017, the airport transfer bill, for any other purpose but to bring it up and file cloture on the bill itself. I hope we can avoid rollcall votes today. I think Members on both sides have also made that request. We will try to work that out with the distinguished minority leader sometime in the early afternoon.

BEST WISHES TO SENATOR HAWKINS FOR A SPEEDY RECOVERY

Mr. DOLE. Mr. President, I also thank the distinguished Chaplain for his concern for Senator Hawkins. I might add that I talked with her husband, Gene, at about 10:45 or 11 o'clock. She was still undergoing surgery in the upper neck and shoulder, but they were very hopeful that the planned surgery would be successful. He indicated that Senator Hawkins is very optimistic, so her spirits were very good prior to the operation. I know we all join in wishing her every success and we extend every wish for her complete and speedy recovery.

SENATE RETURNS FROM EASTER RECESS

Mr. DOLE. Mr. President, the spring break is over and we do have a whole series of difficult decisions—and please note we only have 99 legislative days to do it all. The House is scheduled to take another look at aid for the Nicaraguan freedom fighters. With the apparent breakdown of the Contadora talks and the Sandinista incursion into Honduras, it should now be clear to House Members that they erred when they turned down the President's aid package. Next week, the House will have a second chance—a chance to join the Senate in reaffirming U.S. commitment to democratic principles in Central America by providing assistance to the Contras. I expect this time the House will make the right choice.

TERRORISM

Sadly, while we were gone, international terrorism struck again. Once more, the target was Uncle Sam—in a TWA jet high over Greece and in a Berlin disco. In each case, American lives were lost, and an angry Nation calls for justice. If a direct link can be established between these latest barbaric acts and the Libyans, I believe Republicans and Democrats will support whatever response President Reagan deems appropriate.

MOVEMENT ON BUDGET RESOLUTION

Mr. President, we also have a very large problem right here at home—the budget. It is quite clear that Congress is not going to meet the April 15 deadline for adoption of the fiscal 1987 budget resolution. The Senate Budget Committee did its job, unlike the House, which is sitting on its hands doing nothing.

In some ways, I do not blame my colleagues in the House. The choices we confront in order to meet the deficit reduction goals set out in Gramm-Rudman-Hollings are not very appealing. But if we do not make those choices and we fail to meet the deadlines, the consequences are far reaching—for everyone.

For the administration, failure to adopt a budget resolution soon, delays and could jeopardize tax reform. Because whether we have a revenue increase, and if so how much, is a major issue in both the budget and tax reform.

For Congress, it makes it very difficult to carry out the appropriations process. Without the spending priorities set out by the budget resolution, the Appropriations Committees and Congress are flying blind.

But most important for the economy and for the American people, failure to adopt a budget resolution and the followthrough in budget reconciliation makes it less and less likely that we will achieve deficit reductions in an orderly and thoughtful way.

The threat of the Gramm-Rudman automatic cuts looms large. Do we want to cut defense spending authority $50 billion below the President's request? That is what would happen with the automatic cuts under Gramm-Rudman. Do we want to cut more than 12 percent from every Government program and activity—with the exception of those few programs that are exempt—without regard to its relative importance? That is what we get with automatic cuts.

The bottom line is that we need to act on the budget and act soon. The White House cannot afford to sit on the fence and wait, and neither can House Democrats, House Republicans, Senate Republicans, or Senate Democrats. I hope we can meet with administration officials within the next few days and determine exactly what role the White House wants to play in the budget debate. I believe they can play a constructive and important role, if they are interested; and, if not, I guess Congress will have to go it alone.

Within the next couple of weeks, we have a good crack at putting the budget ball in play. I want to commend the distinguished chairman of the committee, Senator Domenici, and the ranking Democratic member, Senator Chiles, for their meeting the deadline, reporting a budget resolution. But I must say that in my view, and in the view of probably more than half the Republican Senators, they are too big on revenue increases and not enough on defense spending and not enough reductions in other areas.

So we do have our work cut out for us, but I believe we will be able to put something together. I am not certain quite what, at this point, but I hope it will be something that will have broad support in the Senate.

I really do not find any big demand for tax increases as I travel around the country. I do find considerable demand for Congress to be more responsive in reducing the rate of growth of Federal spending.

So it could be that we could put together a package, working with the Budget Committee members, particularly with the chairman on this side and I assume with the ranking Democratic member, Senator Chiles, on the other side, working with other committee chairman and ranking members, as I have indicated, as well as working with representatives of the President at the White House.

I do not know of any issue that is more important than deficit reduction, which, in turn, I think calls upon Congress to act responsibly on the budget.

Mr. President, I reserve the remainder of my time.

RECOGNITION OF THE MINORITY LEADER

The PRESIDING OFFICER. The minority leader is recognized.

Mr. BYRD. I thank the Chair.

THE BUDGET RESOLUTION

Mr. BYRD. Mr. President, the distinguished majority leader has discussed the budget resolution. It was reported out of the Budget Committee on a bipartisan vote.

I would hope that the budget resolution could and would be brought up before the Senate very soon. I do not wish to be presumptuous in saying this—and I should not be presumptuous, nor should I appear to be presumptuous, because, after all, it is the majority leader's decision as to when a matter will be scheduled. Having been the majority leader some years ago, I recognize that he has to make decisions on the schedule based on many things, perhaps, beyond the immediate piece of legislation, which in this case would be the budget, and I have expressed the hope that it will be called up soon.

It troubles me a little that I thought I heard the distinguished majority leader say that we would have to wait—perhaps I am not precise in what I am saying—but that we would have to wait or would want to wait until we know what the White House's role will be in this or until the White House knows what role that it wants to play.

Mr. President, there are 50 hours as a maximum limitation on this measure. That is quite a number of days. I feel that we have a duty here, not to wait to see what the White House role is, but to begin debating the resolution on the floor.

With 50 hours, we can have a lot of debate—which would be enlightening not only to the public but also to ourselves. There are those of us, like myself, who need to know considerably more about what this resolution entails, and, hopefully, if there are areas within that resolution that any Member on either side wishes to address, he can do so.

If we want to try to fix it here or fix it there—if it needs fixing—we can do that on the floor.

Unless we bring it out and begin airing it soon, of course, we will miss the upcoming deadline of April 15, but such deadlines have been made and broken before. Unless, however, we begin sooner, we are going to be delayed farther down the road than we should be.

I agree with the distinguished majority leader in the expressed thought that we need to act on this resolution. Hopefully, it will have bipartisan support when it is acted on here on the floor. But we certainly do not want to see Gramm-Rudman at the end of the road triggered into making draconian cuts in the event we fail to enact a budget.

Senators will remember that under the legislation that we have passed, in the event there is not a budget enacted in due time, then the Joint Committee, which will be made up of the Budget Committees in both Houses, will meet and within 5 days, as required, will report a budget based upon the advice, counsel, and information submitted by the CBO and OMB, and that measure then has 5 days for debate on the Senate floor and there will be no opportunity to amend it.

So, as one who voted against Gramm-Rudman, I do not want to see Gramm-Rudman take over and make draconian cuts in a situation in which Senators have no right to offer amendments.

So it seems to me that the Senate must act. I am not saying I support the budget that has been reported out. I do not know all of the details of it, but those will be brought to light for all of us as the debate opens here.

So I would just say, while the distinguished majority leader is still on the floor, it will be my hope that we can get the budget up this week, and begin the debate on it and that we would not hold back until somehow or other the resolution is rewritten or changed to draw more votes. Such discussions can be going on even while the budget resolution is debated on the floor here.

So I just make that suggestion and would express the hope that the distinguished majority leader would consider it seriously and call up the resolution and let the Senate get started on it.

ORDER OF PROCEDURE

Mr. DOLE. Does the Senator from Kentucky seek recognition?

Mr. FORD. I just wanted to get 15 seconds from my leader for an extremely important statement. Would my leader give me 15 seconds?

Mr. BYRD. Mr. President, how much time do I have left?

The PRESIDING OFFICER. Three minutes and 25 seconds.

Mr. BYRD. The Senator may have any part of that time.

TRIBUTE TO 1986 NCAA BASKETBALL CHAMPIONS

Mr. FORD. Mr. President, I wish to recognize an outstanding group of young men in the State of Kentucky, the University of Louisville Cardinal basketball team, who last week won the 1986 National Collegiate Athletic Association Championship.

Two weeks ago I shared with my colleagues in the Senate Chamber my feelings about the great tradition of basketball in Kentucky, and I am

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pleased to report that Coach Denny Crum and the Cardinals have since succeeded in their pursuit of the championship.

The Cardinals' achievement is an example of the rewards of teamwork and perseverance, and these young men should be commended for their performance. A young man by the name of Pervis Ellison earned the NCAA Final Four's Outstanding Player Award, only the second freshman in the tournaments history to receive the honor. Senior Milt Wagner, who sat out last year due to a broken foot, returned this year for an outstanding season. He clinched the final game by shooting two free throws to put the Cardinals three points ahead with only 2 seconds left in the game.

Coach Denny Crum has now earned his second NCAA title in the 1980's, and he has won his place in history as one of the Nation's most admired and respected college basketball coaches. As the third most successful among active college coaches, Coach Crum is one of the game's best.

Mr. President, the victory of these individuals was the result of teamwork which exemplified the cooperation and determination that only winners possess. I am proud to hale from a State where such team spirit and healthy competition are a part of the State's heritage, and I salute the University of Louisville Cardinals, the 1986 NCAA Basketball Champions.

Mr. DOLE. Mr. President, will that reflect K.U. beat Louisville earlier in the year?

Mr. FORD. Only when it counts do we put it in the RECORD.

I thank my distinguished leader.

DEPARTMENT OF DEFENSE REVIEW OF MILITARY CHARTERS: A STEP IN THE RIGHT DIRECTION

Mr. BYRD. Mr. President, shortly after the tragic crash of an Arrow Air military charter in Newfoundland on December 12, 1985, I called for a special investigation of all civilian aircraft and airlines that are being used to provide charter service for the transport of American military personnel. A few months later, on March 12, 1986, a report by the General Accounting Office on the safety of military air charter airlines was released to the public. That report raised serious questions about the safety of such airlines. On March 28, the Washington Post carried a report that a military charter airline, Galaxy Airlines, was grounded by the FAA after the Air Force expressed concerns regarding the airline's maintenance practices.

According to the Post story, Galaxy Airlines was running two regular supply routes for the Air Force originating in San Antonio, TX. The aircraft flying these routes were Lockheed L-188 Electras. You may recall, Mr. President, that a Galaxy Airlines Electra crashed on takeoff from Reno, NV, in 1985. The latest action against Galaxy Airlines by the FAA and the Air Force came as a result of a plane that arrived at its destination leaking oil. According to the Post story, Galaxy Airlines continued to fly the aircraft despite the fact that one of its engines required 86 quarts of oil during 1 week of operation.

This past weekend the Defense Department announced the results of an internal review of its use of military charter airlines. According to another Washington Post story, this one appearing this past weekend and dated April 5, 1986, the review uncovered major shortcomings in the Pentagon's supervision of military charters. The Department has announced measures to assure the safety of air travel for military personnel and their dependents.

Mr. President, I am gratified at this response to my request for a special investigation. The measures announced by the Department of Defense should improve the safety of air travel for military personnel. However, I also urge that continued vigilence be the order of the day to ensure that a tragedy like the Gander crash will never again claim the lives of American servicemen.

I ask unanimous consent that the two articles from the Washington Post on this subject be printed in the RECORD.

There being no objection, the articles were ordered to be printed in the RECORD, as follows:

AIR FORCE GROUNDS CHARTER FIRM AFTER ENGINE OIL LEAK IS FOUND

An unattended oil leak prompted the Air Force to suspend Galaxy Airlines from flying charters until inspectors are satisfied that the carrier has resolved maintenance problems, a spokesman said yesterday.

Galaxy was running two regular supply routes for the Air Force, both originating in San Antonio and both using Lockheed L188 Electras, Air Force Capt. Thomas LaRock said.

Two Galaxy Electras crashed last year; 70 people died in one crash.

The suspension of Galaxy stemmed from the grounding last Friday of a plane that arrived at its destination leaking engine oil, said LaRock. "Our records indicated that Galaxy continued to fly the aircraft" last week "despite the fact that engine No. 1 required 86 quarts of oil in that period," he said.

The Air Force informed the Federal Aviation Administration, which inspected and grounded the plane, an FAA spokesman said. It was allowed to resume flights after the engine was replaced, he added.

But LaRock said the Air Force still wants to look "at the overall problem and see that the safety problems have been resolved." He said he did not know how long the review would last.

Attempts to reach a spokesman for Galaxy were unsuccessful.

DEFENSE PROBE CRITICIZES SUPERVISION OF CHARTERS

A Defense Department review found major shortcomings in the Pentagon's supervision of military charters, and officials yesterday announced measures aimed at assuring safer air travel for service members and their dependents. But the study, prompted by the crash of a military charter carrying 248 soldiers at Gander, Newfoundland, last December, rejected suggestions that the military use more of its own aircraft to carry personnel.

Such a shift would require the Pentagon to buy $1.1 billion worth of planes, cost at least $334 million a year in other expenses, provide less comfort and probably not make flights safer, the study concluded.

James P. Wade, assistant secretary of defense for logistics, said a variety of changes—including expansion of the number of military inspectors and creation of a special review board—are under way to solve some of the problems.

"The department intends to take aggressive action to assure that air carriers who fly our people are concerned with quality and are fully complying with high standards of air safety," Wade told reporters.

While the report generally endorsed the military charter program, which carried more than 6 million people last year, it found a number of flaws in the way the program is monitored.

The study said inspection and review of the airlines, many of which are small carriers relying heavily on military business, were found to be infrequent and irregular; some survey teams lacked experience and knowledge about civilian airline operations; and line inspectors conducted too few ramp and cabin inspections.

It also said there was no standard rule to suspend an air carrier for violating safety regulations, and little exchange of information existed between Military Airlift Command officials and the Federal Aviation Administration, which has primary responsibility for certifying and inspecting commercial airlines.

Pentagon officials said their new measures include:

Revival of the FAA liaison office and establishment of a comparable military liaison at the aviation agency.

Doubling the staff of a special airline surveillance team from four to eight.

Requiring an in-depth surveillance of every airline every two years. Previously, an inspection was required only when the airline began working for the Pentagon.

RECOGNITION OF SENATOR PROXMIRE

The PRESIDING OFFICER. Under the previous order, the Senator from Wisconsin [Mr. PROXMIRE] is recognized for not to exceed 5 minutes.

AMERICAN PHYSICISTS SAY NIX TO STAR WARS

Mr. PROXMIRE. Mr. President, who are the best qualified experts in this country to pass judgment on the prospects for the failure or success of star wars? This Senator's nomination for the best qualified are the Nation's physicists. Why are they the best qualified? Because there is no group in

this country that has a training and experience more relevant than physicists have to understand the scientific possibilities and limitations of space technology. Their specialty is obviously vital to any high technology missile defense. Where do these experts stand on star wars? On March 23, the New York Times reported the results of a poll by the respected firm of Peter Hart Research Associates, Inc. The poll was conducted in late February. It questioned 549 randomly selected members of the American Physical Society. That is the top organization of the physicists in this country. Were the physicists in any kind of conflict of interest situation that would bias them for or against the star wars project? Mr. President, if there was a conflict-of-interest bias, it was in favor of the star wars program. Here's why: 25 percent of those physicists polled said that the Defense Department paid for some or all of their work.

So, Mr. President, here you have a group of preeminent experts whose bias if anything favors Defense Department projects because a significant proportion of them are on the Defense Department payroll. So what was the conclusion of this expert group on the wisdom of the Congress proceeding with star wars? They were asked whether they considered the missile defense program "represents a step in the right direction or a step in the wrong direction for America's national security policy." By a margin of 54 to 29 percent—2 to 1—these experts said they viewed it as the wrong direction. The rest were uncertain or said they thought it made little difference. What effect did the conflict of interest of these physicists who were on the Defense Department payroll have, if any? It did have some effect. That was shown by the much closer vote of those who worked largely or in part for the Pentagon. That group still opposed star wars but by only a 42 to 38 percent margin.

Some might argue that the physicists may have been dominated by pacifist or antimilitary attitudes? Were they? The answer is "No." How do we know? Here is how: The poll asked the physicists the same question about other military technology that they had asked about star wars. They found the respondents were not opposed to weaponry in general. A majority or plurality of those responding approved the Trident submarines, long-range missile programs, cruise missiles, the so-called Stealth bomber and Midgetman. Obviously these are not knee-jerk doves.

Even with respect to star wars these physicists partially approved. By a margin of 77 to 21, the physicists approved continuing basic laboratory research on missile defense. A small majority opposed testing and developing prototypes. But 62 percent opposed actually deploying a star wars system. As in any Federal program cost is important. And it is specially important in the star wars program because the potential cost is so immense. How did these experts view the cost of the program? Less than 3 percent said the cost would be below $100 million. Twenty-five percent said the cost would come in between $100 and $500 billion. A majority said it would cost more than $500 billion. Twenty-seven percent saw the cost coming between $500 billion and $1 trillion. Twenty-nine percent estimated the cost at more than $1 trillion. Seventy percent said the cost would be worth it at $100 billion. At $500 billion only 42 percent thought the project worthwhile. If the cost exceeded $1 trillion, only 20 percent found the cost would be worthwhile.

Mr. President, to the best of my knowledge no Member of the Senate is a physicist. The President is not a physicist. Secretary Weinberger is not a physicist either. These technologically qualified physicists will not make the decision on whether or not to fund star wars. We in the Congress will. The physicists are experts. We are not. But we were elected to assume the responsibility for the hundreds of billions or trillions of dollars this program will cost. How do we make that decision? First we must determine whether or not there is a genuine likelihood the project will work. Will it? A majority of the physicists tell us it may protect missile silos and command centers, but it will not protect population centers.

Second, if we decide to protect with star wars as protection for our nuclear deterrent we have to calculate the cost of this protection and whether there is a surer and less costly way to provide the protection for our nuclear weapons. Can we preserve a fully credible deterrent without star wars? Can we do it by keeping enough of our submarines at sea at all times, and enough of our bombers in the air at all times, and enough of our proposed mobile missiles moving at all times, so that whatever preemptive attack the Soviets might launch we could retaliate with an absolutely devastating counter attack? The answer is clear and convincing. It is an emphatic yes.

We have precisely that kind of deterrent available now at sea in our submarines. We have it in the air with our bombers. We will have it on land with our mobile midgetman missiles within a very few years. We will have this at far less cost than the star wars cost. The cost of star wars research will be $50 billion over the next 10 years or so. That research cost will continue with increasing billions every year so long as we keep star wars in operation. The cost of star wars hardware—that is, building battle stations, satellites, and so forth—will certainly be in the hundreds of billions. The cost of lifting this immense amount of material into space and putting it into orbit will also be in the hundreds of billions. And all of that is the beginning. Once in space the cost of maintaining this complex hardware and the cost of constantly modernizing it to keep it ahead of advances in offensive missiles designed to penetrate it will also go on forever.

The terrible irony is that after so many costly years and such an infinity of investment, the world will not be safer. It will be less safe as both super powers build ever more complex nuclear offenses and defenses.

The arms race is absolutely senseless. America's physicists deserve our attention.

MYTH: U.S. FACES NO HOSTAGE CRISIS

Mr. PROXMIRE. Mr. President, the myth of the day is that the United States presently does not face a hostage crisis.

How can that be, Mr. President? There are no headlines in the newspapers of any hostage crisis. No bulletins on the network news of hostages in chains. No late-night vigils at the White House like we had during the Iranian hostage crisis, where negotiators scramble to free Americans held in captivity.

No, the only news out of the Middle East is that the President is riding tall in the saddle after humiliating Mu'ammar Qadhafi in the Gulf of Sidra.

So where is the hostage crisis, Mr. President?

It is in Lebanon.

Six Americans are being held hostage in that country. And even if you do not read of their plight in this Nation's newspapers, even if their tragic stories cannot be found on the network news, they still represent a hostage crisis for this Nation.

In fact, some of these Americans have been or likely will be hostages longer than the U.S. Embassy personnel were hostages in Iran.

These six Americans are:

Terry Anderson, an Associated Press bureau chief, who has been a hostage for more than a year;

Lawrence Jenco, a Roman Catholic priest, who has been held hostage for 14 months;

David Jacobsen, a hospital administrator, held in captivity for 10 months;

Thomas Sutherland, a dean at the American University in Beirut, who was kidnaped last June;

Peter Kilburn, the university's librarian, who has been missing since December 1984;

And there is the sixth American, U.S. Embassy political officer William Buckley, who is believed to have been

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killed in Iran. We all hope those reports are not true.

These six forgotten Americans, Mr. President, make up our hostage cirsis. And it is a myth to believe that this crisis does not exist.

I yield the floor.

SENATOR HAWKINS' SPECIAL ORDER

Mr. DOLE addressed the Chair.

The PRESIDING OFFICER. The majority leader.

Mr. DOLE. Mr. President, under the previous order, the distinguished Senator from Florida would now be recognized for 5 minutes. As earlier indicated, she has been undergoing surgery this morning at Duke University Hospital. Therefore, I ask unanimous consent that I may proceed to read her statement at this time.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. DOLE. The statement of Mrs. HAWKINS reads as follows:

MEXICO: A YEAR WITHOUT JUSTICE

Mrs. HAWKINS. Mr. President, today, April 8, is an anniversary of shame. One year ago today, the First District Judge for Criminal Matters in the Federal District of Mexico City formally indicted Rafael Caro Quintero, an accused murderer of DEA Special Agent Enrique Camarena Salazar.

We should take time today to recall this brave, fallen soldier, Enrique Camarena, and to ponder the lessons we have learned from the case surrounding his death.

Last April in a hearing of the Subcommittee on Children, Family, Drug and Alcoholism, I expressed my intense frustration with the Mexico Government over their handling of the Enrique Camarena murder case. That case seemed to drive home the sweeping scope of corruption in Mexico.

We all remember the situation in this country and south of the border during the time of Enrique Camarena's disappearance. At first, the Mexico Government did nothing. We all read the reports of then Drug Enforcement Administration Director Bud Mullen, who had to go to Guadalajara, and literally pound on the desk to get even the slightest bit of cooperation from Mexico.

The DEA, in my opinion, was betrayed, and with the cooperation of the Customs Service, they decided to respond, and to hit Mexico where it hurts, in the pocketbook.

Customs virtually closed down the border, conducting thorough searches of every car that passed from Mexico to the United States. The 15 minutes wait at the border stretched to 5 hours. Tourists stayed away from Mexico in droves. The Drug Enforcement Administration also attempted to place an advisory on travel to Mexico, and succeeded in tainting the reputation of Guadalajara. Word was spread to the media that seven Americans had been killed there that year, and that two teenage Canadian tourists had been raped and killed there.

As you would expect, the Mexicans screamed. President de la Madrid contacted President Reagan. The Mexicans were furious but things were beginning to move. Then all of a sudden, the first weekend in March of last year, there was a break in the case. Mexican police were involved in a shoot-out at a remote ranch where Camarena was said to have been spotted. Five prisoners were taken, leads were developed, and finally, the week of March 3, 1985, the bodies were found.

I am quite sorry to tell you that since that time, little has changed. I have recently had reconfirmed for me that corruption is rampant in Mexico's government and its police establishment. That corruption spreads from top to bottom.

Since last April, the Mexicans have done nothing on Camarena. They have done nothing on eradication and, in fact, the flow of drugs from Mexico is getting worse. Our country is now in imminent danger of being flooded with a sea of Mexican brown heroin.

Our experience with the Camarena case proves something I have been saying for years—trade and aid, that is the key to stopping the flow of illegal drugs. Try the carrot and if the carrot does not work, try the stick. In Mexico, it was too late for Enrique Camarena. We got nothing from the Mexicans that time around. Nothing.

Last week, I wrote to President de la Madrid. I reminded him that though a year has passed, there has been no evident progress in the prosecution of the case against Rafael Caro Quintero.

I know of President de la Madrid's commitment to the war against the drug traffickers, and that is why I am surprised and disappointed that the Caro Quintero case has not been used as a model of Mexican justice and an expression of that government's desire to deal with the drug traffickers in a tough and diligent manner. The failure to see progress on this case raises serious questions about Mexico's commitment to fighting the war on drugs and convicting the murderers of Enrique Camarena.

I know that Mexican anti-narcotics agents have died in the war on drugs. I am sure President de la Madrid holds his anti-narcotics agents in as high a regard as we do ours. They are our front line of defense against the merchants of death who seek to undermine our values and destroy our society.

I urged the President to press his federal judicial officials to make the Caro Quintero case and other cases involved in the Camarena murder a top priority, and to move these cases through the judicial system as quickly as possible.

In the meantime, the U.S. should continue to use the leverage we have at our disposal to see that drugs are wiped out at their source. As I said last April, in the midst of this case, "The United States should no longer do business with those who do business with drug dealers. Drug dealers are mass murderers and it is time we started to treat them that way."

Enrique Camarena's twisted and broken body has been laid to rest. His fate was removed from his control. It is time for those who love justice to take control of the lives of this brave man's killers.

Until significant steps are taken, we cannot go back to business as usual with Mexico. We will not back up and say, "Hit us again."

Mr. DOLE. Mr. President, that is the statement of the distinguished Senator from Florida, Senator HAWKINS, which she would have delivered today had she been here.

ROUTINE MORNING BUSINESS

The PRESIDING OFFICER. Under the previous order, there will now be a period for the transaction of routine morning business, not to extend beyond the hour of 12:30 p.m., with statements limited therein to 5 minutes each.

CONGRESS SPENDS LESS THAN THE PRESIDENT REQUESTS

Mr. HATFIELD. Mr. President, I am inserting in the RECORD today for the information and use of my Senate collegues a table showing enacted versus requested discretionary appropriations over the last 7 fiscal years, fiscal years 1980 through 1986.

In this 7-year period of the Reagan administration, the President has requested discretionary appropriations totaling $2,735,556 million and the Congress has enacted appropriations totaling $2,717,007 million, slightly less than 1 percent below the requested level. If you take into account the March 1, 1986, sequester of fiscal year 1986 funds under the Gramm-Rudman-Hollings Act—Public Law 99-177—enacted appropriations are reduced by $16,985 million making the accumulated total for discretionary appropriations provided $1,700,022 million.

I would also like to point out that in real terms total domestic discretionary appropriations have fallen from $200,060 million in fiscal year 1980 to $131,127 million, in fiscal year 1986, a 34.5-percent reduction. In fact, total domestic discretionary appropriations now represent 14.4 percent of the total Federal budget, whereas they represented 25 percent in fiscal year 1980.

These are important facts, Mr. President. We have faced a number of proposals in recent years to shift Congress' constitutional responsibility over Federal spending to the President, as if the President will do a better job allocating Federal resources at a lower cost. This is not so. The facts indicate that the Congress may have a different set of spending priorities than the President, but not more costly ones. The Congress has spent less than the President requested over the last 7 fiscal years.

Mr. President, I ask unanimous consent that a table showing total discretionary appropriations requested by the President and enacted by the Congress over fiscal years 1980 through 1986 be inserted in the RECORD at this point. I would like to note that this table is an update of the historical appropriations table I placed in the RECORD on February 5, 1985, on page 1744.

There being no objection, the table was ordered to be printed in the RECORD, as follows:

DISCRETIONARY APPROPRIATIONS TOTALS

[In millions of dollars]

Appropriations history, discretionary only, by subcommittee	Fiscal year 1980—		Fiscal year 1981—		Fiscal year 1982—		Fiscal year 1983—		Fiscal year 1984—	
	Request	Enacted	Request	Enacted	Request	Enacted	Request	Enacted	Request	Enacted
Subcommittee:										
Agriculture, Rural Development and Related Agencies	19,176	18,310	21,683	21,547	30,486	30,857	37,820	38,448	32,408	32,486
Commerce-Justice-State-Judiciary	12,140	11,213	9,924	9,472	8,278	8,640	9,144	10,043	10,030	10,493
Defense	126,889	125,442	152,627	157,284	192,976	190,093	229,301	215,680	246,054	234,030
District of Columbia	607	450	532	491	570	557	580	524	570	601
Energy and Water Development	12,521	11,751	12,373	12,123	11,889	12,611	12,660	14,813	14,866	14,541
Foreign Assistance	9,705	7,605	13,716	11,806	11,681	11,968	12,112	11,972	21,107	21,921
HUD-Independent Agencies	54,240	53,006	49,308	44,355	33,211	37,044	27,460	33,634	30,301	36,625
Interior	31,355	28,498	9,880	8,927	6,794	7,484	7,005	8,563	6,711	8,640
Labor, Health and Human Services, and Education	33,670	32,900	20,176	22,281	25,446	28,168	20,869	29,738	26,171	33,804
Legislative	531	482	611	530	636	551	813	645	780	726
Military Construction	3,895	3,780	5,721	5,326	7,513	7,112	8,208	7,221	8,747	7,178
Transportation	10,591	10,009	12,989	12,027	9,775	10,299	10,970	11,489	10,706	10,687
Treasury-Postal Service-General Government	6,186	5,982	6,189	6,104	5,245	5,495	5,718	6,193	6,245	6,835
Grand total, appropriations	321,306	309,428	315,720	312,273	344,502	350,879	382,660	388,963	414,896	418,376
Memo: [1]										
Defense (function 050) above	134,066	132,372	162,394	166,571	205,744	202,133	242,842	228,951	262,341	248,136
Foreign operations above	9,705	7,605	13,716	11,806	11,681	11,968	12,112	11,972	21,107	21,921
Domestic appropriations above	177,535	169,451	139,619	133,896	127,077	136,778	127,706	148,040	131,248	148,319
Memo discretionary (in constant 1982 dollars):										
Defense (function 050) above	159,413	157,398	174,056	178,533	205,744	202,133	234,177	220,782	246,098	232,773
Foreign operations above	11,458	8,979	14,733	12,681	11,681	11,968	11,635	11,500	19,489	20,241
Domestic appropriations above	209,604	200,060	149,967	143,820	127,077	136,778	122,676	142,209	121,189	136,952
Defense deflator	0.84	0.84	0.93	0.93	1.00	1.00	1.04	1.04	1.07	1.07
GNP deflator	0.85	0.85	0.93	0.93	1.00	1.00	1.04	1.04	1.08	1.08

Appropriations history, discretionary only, by subcommittee	Fiscal year 1985—		Fiscal year 1986—					Cumulative fiscal year 1980–86—			
	Request	Enacted	Request	Enacted	Adjusted [2]	Enacted versus request	Adjusted versus enacted	Request	Enacted	Enacted versus request	Adjusted versus enacted
Subcommittee:											
Agriculture, Rural Development and Related Agencies	36,264	36,587	37,050	37,725	37,459	675	(266)	214,887	215,960	1,073	807
Commerce-Justice-State-Judiciary	11,516	12,007	11,404	11,694	11,193	290	(501)	72,436	73,562	1,126	625
Defense	294,104	275,127	303,694	280,917	270,354	(22,777)	(10,563)	1,545,445	1,478,573	(66,872)	(77,435)
District of Columbia	517	547	532	547	530	15	(17)	3,908	3,717	(191)	(208)
Energy and Water Development	15,877	15,485	15,344	15,254	14,487	(90)	(767)	95,530	96,578	1,048	281
Foreign Assistance	20,775	21,074	14,989	15,025	14,428	36	(597)	104,085	101,371	(2,714)	(3,311)
HUD-Independent Agencies	34,851	37,239	32,781	40,508	39,158	7,727	(1,350)	262,152	282,411	20,259	18,909
Interior	8,046	8,371	7,350	8,083	7,762	733	(321)	77,141	78,575	1,434	1,113
Labor, Health and Human Services and Education	28,828	33,456	28,745	33,527	32,100	4,782	(1,427)	183,907	213,874	29,967	28,540
Legislative	718	667	752	658	630	(94)	(28)	4,841	4,259	(582)	(610)
Military Construction	10,324	8,405	10,340	8,498	8,082	(1,842)	(416)	54,748	47,520	(7,228)	(7,644)
Transportation	11,405	11,261	7,536	10,076	9,646	2,540	(430)	73,972	75,848	1,876	1,446
Treasury-Postal Service-General Government	6,724	7,326	6,197	7,024	6,722	827	(302)	42,504	44,759	2,255	1,953
Grand total, appropriations	479,949	467,552	476,714	469,536	452,551	(7,178)	(16,985)	2,735,556	2,717,007	(18,549)	(35,534)
Memo: [1]											
Defense (function 050) above	312,681	291,234	322,401	297,384	286,016	(25,017)	(11,368)	1,642,469	1,566,781	(75,688)	(87,056)
Foreign operations above	20,775	21,074	14,989	15,025	14,428	36	(597)	104,085	101,371	(2,714)	(3,311)
Domestic appropriations above	146,493	155,244	139,324	157,127	152,107	17,803	(5,020)	989,002	1,048,855	59,853	54,833
Memo discretionary (in constant 1982 dollars):											
Defense (function 050) above	283,226	263,799	284,054	262,012	251,996	(22,041)	(10,016)	1,586,768	1,517,430	(69,337)	(79,353)
Foreign operations above	18,516	18,783	12,922	12,953	12,438	31	(515)	100,434	97,104	(3,329)	(3,844)
Domestic appropriations above	130,564	138,364	120,107	135,454	131,127	15,347	(4,328)	981,185	1,033,637	52,452	48,125
Defense deflator	1.10	1.10	1.14	1.14	1.14						
GNP deflator	1.12	1.12	1.16	1.16	1.16						

[1] Excludes Synfuels recission of $2 billion in fiscal year 1984, $5.375 billion in fiscal year 1985 and $6.912 billion in fiscal year 1986.

[2] Reflects Mar. 1, 1986 sequester of funds under Public Law 99–177.

Source: Congressional Budget Office and U.S. Senate, Committee on Appropriations.

RECESS UNTIL 2 P.M.

The PRESIDING OFFICER. Under the previous order, the Senate will now stand in recess until the hour of 2 p.m.

Thereupon, at 12:37 p.m., the Senate recessed until 2 p.m.; whereupon, the Senate reassembled when called to order by the Presiding Officer [Mr. MCCONNELL].

The PRESIDING OFFICER. The Chair, in his capacity as a Senator from Kentucky, suggests the absence of a quorum. The clerk will call the roll.

The bill clerk proceeded to call the roll.

Mr. DOLE. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER (Mr. ARMSTRONG). Without objection, it is so ordered.

CONCLUSION OF MORNING BUSINESS

The PRESIDING OFFICER. Morning business is closed.

FEDERAL CHARTER TO THE CONFEDERATE MEMORIAL ASSOCIATION

The PRESIDING OFFICER. The clerk will report S. 1660.

The legislative clerk read as follows:

A bill (S. 1660) to grant a Federal charter to the Confederate Memorial Association.

The Senate proceeded to consider the bill.

(By request of Mr. DOLE, the following statement was ordered to be printed in the RECORD:)

● Mr. DENTON. Mr. President, I rise today in support of S. 1660, legislation to grant the Confederate Memorial Association a Federal charter, thereby providing the organization with the congressional recognition it so well deserves.

Mr. President, the War Between the States represents a part of our rich heritage which should be remembered by all Americans. One organization which has worked to preserve this part of our national heritage is the "Confederate Memorial Association."

The association was organized and incorporated under the laws of the District of Columbia in 1907, and functions as the umbrella organization rep-

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resenting all manner of Confederate historical and curatorial organizations. Organizational support comes from, among others; the Sons of Confederate Veterans, the United Daughters of the Confederacy, and the Children of the Confederacy. Membership of the United Daughters of the Confederacy is 27,829 members, with 783 charters in 31 States, and members in all 50 States; the membership of the Sons of Confederate Veterans is 8,157, with 171 camps in 22 States, and members in all 50 States; and the membership of the Children of the Confederacy is 24,311 members, with 237 charters in 14 States, and members in all 50 States. The association is open to membership without regard to race, color, religion, regional or national origin.

The noble objectives of the association include a continuing commitment, on a national basis, to:

First. Perpetuate Southern culture and history, including the memory of the patriotic deeds of the men and women of the Southern States (soldiers and civilians) during the War Between the States from 1861 to 1865;

Second. Maintain the Confederate Memorial Hall, the centerpiece of the association's public purpose, and the only shrine to the Confederacy in the Nation's Capitol;

Third. Preserve and maintain the Confederate Memorial Hall as a public historical library and a museum gallery of historical relics and memorabilia commemorating Southern history and culture;

Fourth. Encourage the preservation of historic sites and the construction and preservation of buildings, halls, and monuments commemorating Southern culture and history;

Fifth. Preserve and promote the education of the history of the war and of Southern culture and history generally;

Sixth. Participate, in a spirit of cooperation and reciprocity, in programs with other societies devoted to American history, veterans' affairs, or community interest.

The "Confederate Memorial Association" is an organization that merits the recognition of the Congress, recognition which has previously been extended to five War Between the States era organizations (i.e., the Grand Army of the Republic; the Ladies of the Grand Army of the Republic; the Legion of Valor of the United States of America, Inc.; the National Woman's Relief Corps, Auxiliary to the Grand Army of the Republic; and the Sons of Union Veterans of the Civil War).

Mr. President, I believe that it would be appropriate for the Congress to grant a Federal charter to this organization. The bill is currently cosponsored by 40 Members of this body, and I urge my remaining colleagues to support the legislation.●

The PRESIDING OFFICER. The bill is open to amendment. If there be no amendment to be proposed, the question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed for a third reading and was read the third time.

Mr. DOLE. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. SIMPSON. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER (Mr. EVANS). Without objection, it is so ordered.

The bill is before the Senate and open to amendment. If there be no amendment to be proposed, the question is on the engrossment and third reading of the bill.

The bill (S. 1660) was ordered to be engrossed for a third reading, read the third time, and passed, as follows:

S. 660

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

CHARTER

SECTION 1. The Confederate Memorial Association, organized and incorporated under the laws of the District of Columbia in 1907 is hereby recognized as such and is granted a charter.

POWERS

SEC. 2. The Confederate Memorial Association (hereinafter referred to as the "corporation") shall have only those powers granted to it through its bylaws and articles of incorporation filed in the State or States in which it is incorporated and subject to the laws of such State or States.

OBJECTS AND PURPOSES OF CORPORATION

SEC. 3. The objects and purposes for which the corporation is organized shall be those provided in its articles of incorporation and, more broadly, shall include a continuing commitment, on a national basis, to—

(1) perpetuate southern culture and history, including the memory of the patriotic deeds of the men and women of the Southern States (soldiers and civilians) during the War Between the States from 1861 to 1865;

(2) maintain the Confederate Memorial Hall, the centerpiece of the corporation's public purpose, and the only shrine to the Confederacy in the Nation's Capitol;

(3) preserve and maintain the Confederate Memorial Hall as a public historical library and a museum gallery of historical relics and memorabilia commemorating southern history and culture;

(4) encourage the preservation of historic sites and the construction and preservation of buildings, halls, and monuments commemorating southern culture and history;

(5) preserve and promote the education of the history of the war and of southern culture and history generally;

(6) participate, in a spirit of cooperation and reciprocity, in programs with other societies devoted to American history, veterans' affairs, or community interests.

SERVICE OF PROCESS

SEC. 4. With respect to service of process, the corporation shall comply with the laws of the States in which it is incorporated and those States in which it carries on its activities in furtherance of its corporate purposes.

MEMBERSHIP

SEC. 5. Eligibility for membership in the corporation and the rights and privileges of members shall, except as provided in this Act, be as provided in the constitution and bylaws of the corporation, and terms of membership and requirements for holding office within the corporation shall not be discriminatory on the basis of race, color, religion, or national origin.

BOARD OF DIRECTORS; COMPOSITION; RESPONSIBILITIES

SEC. 6. The board of directors of the corporation and the responsibilities thereof shall be as provided in the articles of incorporation or bylaws of the corporation and in conformity with the laws of the State or States in which it is incorporated.

OFFICERS OF CORPORATION

SEC. 7. The officers of the corporation, and the election of such officers shall be as is provided in the articles of incorporation or bylaws of the corporation and in conformity with the laws of the State or States wherein it is incorporated.

RESTRICTIONS

SEC. 8. (a) No part of the income or assets of the corporation shall inure to any member, officer, or director of the corporation or be distributed to any such person during the life of this chapter. Nothing in this subsection shall be construed to prevent the payment of reasonable compensation to the officers of the corporation or reimbursement for actual necessary expenses in amounts approved by the board of directors.

(b) The corporation shall not make any loan to any officer, director, or employee of the corporation.

(c) The corporation and any officer and director of the corporation, acting as such officer or director, shall not contribute to, support, or otherwise participate in any political activity or in any manner attempt to influence legislation.

(d) The corporation shall have no power to issue any shares of stock nor to declare or pay any dividends.

(e) The corporation shall not claim congressional approval or Federal Government authority for any of its activities.

(f) The corporation shall retain and maintain its status as a corporation organized and incorporated under the laws of the State or States wherein it is incorporated.

LIABILITY

SEC. 9. The corporation shall be liable for the acts of its officers and agents when acting within the scope of their authority.

BOOKS AND RECORDS; INSPECTION

SEC. 10. The corporation shall keep correct and complete books and records of account and shall keep minutes of any proceeding of the corporation involving any of its members, the board of directors, or any committee having authority under the board of directors. The corporation shall keep at its principal office a record of the names and addresses of all members having the right to vote. All books and records of such corporation may be inspected by any member having the right to vote, or by any

agent or attorney of such member, for any proper purpose, at any reasonable time. Nothing in this section shall be construed to contravene any applicable State law.

AUDIT OF FINANCIAL TRANSACTIONS

SEC. 11. The first section of the Act entitled "An Act to provide for audit of accounts of private corporations established under Federal law", approved August 30, 1964 (36 U.S.C. 1101), is amended by adding at the end thereof the following:

"(71) The Confederate Memorial Association".

ANNUAL REPORT

SEC. 12. The corporation shall report annually to the Congress concerning the activities of the corporation during the preceding fiscal year. Such annual report shall be submitted at the same time as is the report of the audit required by section 11 of this Act. The report shall not be printed as a public document.

RESERVATION OF RIGHT TO AMEND OR REPEAL CHARTER

SEC. 13. The right to alter, amend, or repeal this Act is expressly reserved to the Congress.

DEFINITION OF "STATE"

SEC. 14. For purposes of this Act, the term "State" includes the District of Columbia, the Commonwealth of Puerto Rico, and the territories and possessions of the United States.

TAX-EXEMPT STATUS

SEC. 15. The corporation shall maintain its status as an organization exempt from taxation as provided in the Internal Revenue Code of 1954. If the corporation fails to maintain such status, the charter granted hereby shall expire.

TERMINATION

SEC. 16. If the corporation shall fail to comply with any of the restrictions or provisions of this Act, the charter granted hereby shall expire.

Mr. SIMPSON. Mr. President, I move to reconsider the vote by which the bill was passed.

Mr. BYRD. Mr. President, I move to lay that motion on the table.

The motion to lay on the table was agreed to.

FEDERAL CHARTER TO THE VIETNAM VETERANS OF AMERICA, INC.

The PRESIDING OFFICER. Under the previous order, the Senate will now proceed to the consideration of S. 8, which the clerk will report.

The bill clerk read as follows:

A bill (S. 8) to grant a Federal charter to the Vietnam Veterans of America, Inc.

The Senate proceeded to consider the bill which had been reported from the Committee on the Judiciary, with amendments, as follows:

(The parts of the bill intended to be stricken are shown in boldface brackets, and the parts of the bill intended to be inserted are shown in italic.)

S. 8

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

RECOGNITION AS CORPORATION AND GRANT OF FEDERAL CHARTER

SECTION 1. The Vietnam Veterans of America, Inc., a nonprofit corporation organized under the laws of the State of New York, is hereby recognized as such and is granted a charter.

CORPORATE POWERS

SEC. 2. The Vietnam Veterans of America, Inc. (hereinafter in this Act referred to as the "corporation"), shall have only those powers granted to it through its articles of incorporation filed in the State in which it is incorporated and its constitution and bylaws, and subject to the laws of such State.

OBJECTS AND PURPOSES OF CORPORTATION

SEC. 3. The objects and purposes of the corporation are those stated in its articles of incorporation, consitution, and bylaws and include a commitment to—

(1) uphold and defend the Constitution of the United States;

(2) foster the improvement of the condition of Vietnam-era veterans;

(3) promote the social welfare (including educational, economic, social, physical, and cultural improvement) in the United States by encouraging the growth and development, readjustment, self-respect, self-confidence and usefulness of Vietnam-era veterans and other veterans;

(4) improve conditions for Vietnam-era veterans and develop channels of communication to assist Vietnam-era veterans;

(5) conduct and publish research, on a nonpartisan basis, pertaining to the relationship between Vietnam-era veterans and the American society, to the Vietnam war experience, to the role of the United states in securing peaceful coexistence for the world community, and to other matters which affect the educational, economic, social, physical, or cultural welfare of Vietnam-era veterans and other veterans and the families of such veterans;

(6) assist disabled Vietnam-era veterans and other veterans in need of assistance and the dependents and survivors of such veterans; and

(7) consecrate the efforts of the members of the corporation and Vietnam-era veterans generally to mutual helpfulness and service to their country.

SERVICE OF PROCESS

SEC. 4. With respect to service of process, the corporation shall comply with the laws of the State in which it is incorporated and those States in which it carries on its activities in furtherance of its corporate purposes.

MEMBERSHIP

SEC. 5. Except as provided in section 8, eligibility for membership in the corporation and the rights and privileges of members shall be as provided in the constitution and bylaws of the corporation.

BOARD OF DIRECTORS

SEC. 6. Except as provided in section 8, the board of directors of the corporation, and the responsibilities of the board, shall be as provided in the constitution and bylaws of the corporation and in conformity with the laws of the State in which it is incorporated.

OFFICERS

SEC. 7. Except as provided in section 8, the officers of the corporation, and the election of such officers, shall be as provided in the constitution and bylaws of the corporation and in conformity with the laws of the State in which it is incorporated.

NONDISCRIMINATION

SEC. 8. In establishing the conditions of membership in the corporation and in determining the requirements for serving on the board of directors or as an officer of the corporation, the corporation may not discriminate on the basis of race, color, religion, sex, national origin, handicap, or age.

RESTRICTIONS ON CORPORATE POWERS

SEC. 9. (a) No part of the income or assets of the corporation shall inure to any person who is a member, officer, or director of the corporation or be distributed to any such person during the life of this charter. Nothing in this subsection shall be construed to prevent the payment of reasonable compensation to the officers of the corporation of reimbursement for actual necessary expenses in amounts approved by the board of directors.

(b) The corporation shall not make any loan to any officer, director, or employee of the corporation.

(c) The corporation shall have no power to issue any shares of stock nor to declare or pay any dividends.

(d) The corporation shall not claim congressional approval or Federal Government authority by virtue of this Act for any of its activities.

LIABILITY FOR ACTS OF OFFICERS AND AGENTS

SEC. 10. The corporation shall be liable for the acts of its officers and agents when acting within the scope of their authority.

BOOKS AND RECORDS; INSPECTION

SEC. 11. The corporation shall keep correct and complete books and records of accounts and shall keep minutes of any proceeding of the corporation involving any of its members, the board of directors, or any committee having authority under the board of directors. The corporation shall keep at its principal office a record of the names and addresses of all members having the right to vote. All books and records of the corporation may be inspected by any member having the right to vote, or by any agent or attorney of such member, for any proper purpose, at any reasonable time. Nothing in this section shall be construed to contravene any applicable State law.

AUDIT OF FINANCIAL TRANSACTIONS

SEC. 12. The first section of the Act entitled "An Act to provide for audit of accounts of private corporations established under Federal law", approved August 30, 1964 (36 U.S.C. 1101), is amended by inserting after paragraph **[**(67)**]** *(71)* the following new paragraph:

["(66)**]** "*(72)* The Vietnam Veterans of America, Inc.".

ANNUAL REPORT

SEC. 13. The corporation shall report annually to the Congress concerning the activities of the corporation during the preceding fiscal year. Such annual report shall be submitted at the same time as is the report of the audit of the corporation required by section 2 of the Act entitled "An Act to provide for audit of accounts of private corporations established under Federal law", approved August 30, 1964 (36 U.S.C. 1102). The report shall not be printed as a public document.

RESERVATION OF RIGHT TO ALTER, AMEND, OR REPEAL CHARTER

SEC. 14. The right to alter, amend, or repeal this charter is expressly reserved to the Congress.

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DEFINITION OF "STATE"

SEC. 15. For purposes of this Act, the term "State" includes the District of Columbia, the Commonwealth of Puerto Rico, and each of the territories and possessions of the United States.

TAX-EXEMPT STATUS

SEC. 16. The corporation shall maintain its status as an organization exempt from taxation as provided in the Internal Revenue Code of 1954.

EXCLUSIVE RIGHT TO NAMES

SEC. 17. The corporation shall have the sole and exclusive right to use the name "The Vietnam Veterans of America, Inc.", "Vietnam Veterans of America, Inc.", and "Vietnam Veterans of America", and such seals, emblems, and badges as the corporation may lawfully adopt. Nothing in this section shall be construed to interfere or conflict with established or vested rights.

FAILURE TO COMPLY WITH RESTRICTIONS OR PROVISIONS

SEC. 18. If the corporation shall fail to comply with any of the restrictions or provisions of this Act, the charter granted by this Act shall expire.

The PRESIDING OFFICER. The time for debate on this bill is limited to 10 minutes, to be equally divided and controlled by the chairman and ranking member of the Judiciary Committee, with a vote on final passage to occur at 5:30 p.m. No amendments, except the committee-reported amendment, will be in order.

Mr. SIMPSON. Mr. President, after consultation with the Democratic leader—and I appreciate his fine cooperation in response to this request which will help us to conclude our business today and move on to our vote tomorrow—let me now ask unanimous consent that the agreement entered into with respect to S. 8 on March 27, 1986, be postponed, to begin at 2 p.m. on Wednesday, April 9, 1986, and that the vote with respect to S. 8 begin immediately following the debate and that paragraph 4 of rule XII be waived.

The PRESIDING OFFICER. Is there objection?

Mr. BYRD. Mr. President, reserving the right to object, and I will not object—I thank the distinguished assistant Republican leader, and I also thank the distinguished majority leader—this will mean, if I understand the distinguished Senator's request, that on tomorrow, at the hour of 2 p.m., the debate which, in the previous agreement, was limited to 10 minutes would begin and immediately after the 10 minutes has expired, or upon the yielding back of the time, the Senate would then proceed to vote on passage of S. 8. Am I correct in my understanding?

Mr. SIMPSON. Mr. President, that is correct. That will be the procedure.

Mr. BYRD. That was my understanding. Mr. President, I thank the distinguished majority whip. I have no objection.

The PRESIDING OFFICER. Without objection, it is so ordered.

ORDER OF BUSINESS

Mr. SIMPSON. Mr. President, for the information of our colleagues, we have now developed our agenda for tomorrow, and I am very much appreciative of the Democratic leader's assistance.

Tomorrow—and we shall develop this later in a concluding unanimous-consent agreement—we shall go to the regional airport issue in the morning, at approximately 10:30. That will become part of the formal agreement. For our colleagues who are listening, there will be no more rollcall votes today. I think that was expressed by the majority leader previously, but there could have been some doubt if we had not resolved matters in this recent fashion.

ROUTINE MORNING BUSINESS

Mr. SIMPSON. Mr. President, at this point, I ask unanimous consent for a period of routine morning business to extend until 4:45 p.m.

The PRESIDING OFFICER. Is there objection? Without objection, it is so ordered.

MESSAGES FROM THE PRESIDENT RECEIVED DURING ADJOURNMENT

Under the authority of the order of the Senate of January 3, 1985, the Secretary of the Senate, on April 7, 1986, during the adjournment of the Senate, received messagess from the President of the United States submitting sundry nominations, which were referred to the appropriate committees.

(The nominations received on April 7, 1986, are printed at the end of the Senate proceedings.)

MESSAGES FROM THE PRESIDENT

Messages from the President of the United States were communicated to the Senate by Mr. Saunders, one of his secretaries.

EXECUTIVE MESSAGES REFERRED

As in executive session, the PRESIDING OFFICER laid before the Senate messages from the President of the United States submitting sundry nominations which were referred to the appropriate committees.

(The nominations received today are printed at the end of the Senate proceedings.)

ANNUAL REPORT OF THE NATIONAL ENDOWMENT FOR THE ARTS AND THE NATIONAL COUNCIL ON THE ARTS—MESSAGE FROM THE PRESIDENT—PM-128

The PRESIDING OFFICER laid before the Senate the following message from the President of the United States, together with an accompanying report; which was referred to the Committee on Labor and Human Resources:

To the Congress of the United States:

In accordance with the provisions of the National Foundation on the Arts and Humanities Act of 1965, as amended, I transmit herewith the Annual Report of the National Endowment for the Arts and the National Council on the Arts for the Fiscal Year 1985.

RONALD REAGAN.

THE WHITE HOUSE, *April 8, 1986.*

MESSAGE FROM THE HOUSE RECEIVED DURING ADJOURNMENT

ENROLLED BILL AND JOINT RESOLUTION SIGNED

Under the authority of the order of the Senate of January 3, 1985, the Secretary of the Senate, on March 31, 1986, during the adjournment of the Senate, received a message from the House of Representatives announcing that the Speaker pro tempore (Mr. WRIGHT) had signed the following enrolled bill and joint resolution:

H.R. 3128. An act to provide for reconciliation pursuant to section II of the 1st concurrent resolution on the budget for fiscal year 1986 (S. Con. Res. 32, Ninety-ninth Congress); and

S.J. Res. 52. Joint resolution to designate the month of April 1986 as "National School Library Month."

Under the authority of the order of the Senate of January 3, 1985, the enrolled bill and joint resolution were signed on April 1, 1986, during the adjournment of the Senate, by the Vice President.

ENROLLED JOINT RESOLUTION PRESENTED

The Secretary of the Senate reported that on today, April 8, 1986, she had presented to the President of the United States the following enrolled joint resolution:

S.J. Res. 52. Joint resolution to designate the month of April 1986 as "National School Library Month."

EXECUTIVE AND OTHER COMMUNICATIONS

The following communications were laid before the Senate, together with accompanying papers, reports, and documents, which were referred as indicated:

EC-2818. A communication from the Comptroller General of the United States transmitting, pursuant to law, a report on the status of budget authority of two appropriations accounts which the President is withholding contrary to the Impoundment Control Act; jointly, pursuant to the order of January 30, 1975, to the Committee on Appropriations, the Committee on the Budget, the Committee on Banking, Housing, and Urban Affairs, and the Committee on Commerce, Science, and Transportation.

EC-2819. A communication from the Assistant Secretary of the Air Force transmitting a draft of proposed legislation to permit assignment of active duty Armed Forces outside the United States after basic training; to the Committee on Armed Services.

EC-2820. A communication from the Administrator of the GSA transmitting a draft of proposed legislation to provide authority for implementation of the President's national defense stockpile modernizaton proposal; to the Committee on Armed Services.

EC-2821. A communication from the Comptroller General of the United States transmitting, pursuant to law, a report on scientific and policy implications of nuclear winter; to the Committee on Commerce, Science, and Transportation.

EC-2822. A communication from the Chairman of the Nuclear Regulatory Commission transmitting, pursuant to law, a report on abnormal occurrences at licensed nuclear facilities in the third quarter of 1985; to the Committee on Environment and Public Works.

EC-2823. A communication from the Secretary of Health and Human Services transmitting, pursuant to law, a report on research activities relevant to the Clean Air Act; to the Committee on Environment and Public Works.

EC-2824. A communication from the U.S. Trade Representative transmitting, pursuant to law, a confidential report on the lack of resolution of a dispute with the European Economic Community; to the Committee on Finance.

EC-2825. A communication from the Under Secretary of State transmitting, pursuant to law, a confidential report on the implementation of travel controls on certain U.N. Secretariat and Mission employees; to the Committee on Foreign Relations.

EC-2826. A communication from the President of the African Development Foundation transmitting a draft of proposed legislation to authorize appropriations for fiscal years 1987 and 1988; to the Committee on Foreign Relations.

EC-2827. A communication from the D.C. Auditor transmitting, pursuant to law, a report on the review of substance abuse testing programs; to the Committee on Governmental Affairs.

EC-2828. A communication from the D.C. Auditor transmitting, pursuant to law, a report on the review of D.C. funds for alternative uses; to the Committee on Governmental Affairs.

EC-2829. A communication from the inspector general of Housing and Urban Development transmitting, pursuant to law, a Privacy Act report on a computer matching program; to the Committee on Governmental Affairs.

EC-2830. A communication from the chairman of the D.C. Council transmitting, pursuant to law, a copy of D.C. Act 6-143; to the Committee on Governmental Affairs.

EC-2831. A communication from the chairman of the D.C. Council transmitting, pursuant to law, D.C. Act 6-144; to the Committee on Governmental Affairs.

EC-2832. A communication from the chairman of the D.C. Council transmitting a request that the Congress refrain from using their original legislative power over the District of Columbia to name public places in honor of persons who have not been dead for more than 2 years; to the Committee on Governmental Affairs.

EC-2833. A communication from the Executive Director of the Pension Benefit Guaranty Corporation, transmitting, pursuant to law, the Corporation's Freedom of Information Act report; to the Committee on the Judiciary.

EC-2834. A communication from the national president of the Girl Scouts transmitting, pursuant to law, the annual report of the Girl Scouts of the U.S.A.; to the Committee on the Judiciary.

EC-2835. A communication from the president of INPO transmitting, pursuant to law, INPO's annual report; ordered to lie on the table.

EC-2836. A communication from the chief immigration judge transmitting, pursuant to law, a report on grants of suspension of deportation under section 244 of the Immigration and Nationality Act; to the Committee on the Judiciary.

EC-2837. A communication from the Chairman of the National Advisory Council on Bilingual Education transmitting, pursuant to law, the Council's 10th annual report; to the Committee on Labor and Human Resources.

EC-2838. A communication from the Chairman of the FCC transmitting, pursuant to law, the Commission's annual report; to the Committee on Commerce, Science, and Transportation.

EC-2839. A communication from the Assistant Secretary of Defense transmitting, pursuant to law, a report on the feasibility of DOD issuance of food stamps to overseas households of members stationed abroad; to the Committee on Agriculture, Nutrition, and Forestry.

EC-2840. A communication from the Secretary of the Navy transmitting, pursuant to law, a report on a breach of unit baseline cost of weapons system by 3,266.8 percent; to the Committee on Armed Services.

REPORTS OF COMMITTEES SUBMITTED DURING ADJOURNMENT

Under the authority of the order of the Senate of March 27, 1986, the following reports of committees were submitted on April 4, 1986 during the adjournment of the Senate:

By Mr. THURMOND, from the Committee on the Judiciary, with an amendment in the nature of a substitute:

S. 1236. A bill to amend title 18 of the United States Code and other laws to make minor or technical amendments to provisions enacted by the Comprehensive Crime Control Act of 1984, and for other purposes (Rept. No. 99-278).

EXECUTIVE REPORTS OF COMMITTEES

The following executive reports of committees were submitted:

By Mr. PACKWOOD, from the Committee on Finance:

Donald M. Newman, of Indiana, to be Under Secretary of Health and Human Services.

(The above nomination was reported with the recommendation that it be confirmed, subject to the nominee's commitment to appear and testify before any duly constituted committee of the Senate.)

INTRODUCTION OF BILLS AND JOINT RESOLUTIONS

The following bills and joint resolutions were introduced, read the first and second time by unanimous consent, and referred as indicated:

By Mr. DURENBERGER:

S. 2267. A bill exempting from bilateral arrangements subject to the Steel Import Stabilization Act steel products imported into the United States for processing into oil country tubular goods and subsequently exported; to the Committee on Finance.

By Mr. ROTH:

S. 2268. A bill to amend title 10, United States Code, to establish in the Department of Defense the position of Under Secretary of Defense for Acquisition; and to require the Secretary of Defense to conduct a test program to streamline the efficiency of the management structure of major defense acquisition programs; to the Committee on Armed Services.

By Mr. D'AMATO (for himself and Mr. LAUTENBERG):

S. 2269 A bill to amend title 10, United States Code, to permit members of the Armed Forces to wear, under certain circumstances, items of apparel not part of the official uniform; to the Committee on Armed Services.

By Mr. SIMON:

S. 2270. A bill to amend the Immigration and Nationality Act to deter immigration-related marriage fraud and other immigration fraud; to the Committee on the Judiciary.

By Mr. DENTON (for himself and Mr. HEFLIN):

S. 2271. A bill for the relief of Jens-Peter Berndt; to the Committee on the Judiciary.

By Mr. QUAYLE:

S. 2272. A bill to limit the amount that may be expended in any fiscal year by a Member of Congress for franked mail; to the Committee on Rules and Administration.

STATEMENTS ON INTRODUCED BILLS AND JOINT RESOLUTIONS

By Mr. DURENBERGER:

S. 2267. A bill exempting from bilateral arrangements subject to the Steel Import Stabilization Act steel products imported into the United States for processing into oil country tubular goods and subsequently exported; to the Committee on Finance.

OIL COUNTRY TUBULAR GOODS EXPORT PROTECTION ACT

● Mr. DURENBERGER. Mr. President, today I am introducing legislation that will permit domestic processors of oil country tubular goods to continue importing pipe and tube products that are finished in the United States and then exported. Since this legislation is designed to

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permit domestic processers of oil country tubular goods to compete in the fiercely competitive world market, it will serve to enhance our trade balance and retain jobs in the United States.

Many of the bilateral arrangements negotiated last year restrict the importation of pipe and tube products that are finished in the United States and reexported. Like so many other restrictions on free and open trade, these restrictions have had the effect of preserving jobs in one sector of the industry while sacrificing jobs in other sectors of the industry. Processors of oil country tubular goods often supply 50 to 60 percent or more U.S. value added during the finishing process. This translates into many new jobs in the steel industry.

This legislation would exempt casing, tubing, drill pipe, or line pipe used to process oil country tubular goods from any quantitative limits established under our bilateral steel arrangements. Although some of the pipe and tube products covered under this legislation is available from domestic suppliers, the domestic price for these products is so high that our domestic processors cannot compete effectively in foreign markets. As a result, if this legislation is not adopted, we will surely see a further decline in steel industry employment—a perverse and unintended affect of our bilateral steel import agreements.

Steel inputs covered under this legislation must be entered into the United States under a temporary import bond and certified by the selling country to be exported into the United States solely for processing into goods for subsequent export. If the U.S. processor does not export the finished product within the 1-year deadline of the temporary import bond, the processor will be penalized by an amount twice the FOB value of the imported merchandise. As under the current temporary import bond, the U.S. Customs Service may grant an extension of the bond for up to 3 years if the bond holder demonstrates the need for an extension.

This legislation also increases the temporary import bond value to twice the FOB value of the imported goods. This penalty ensures that if the processor does not reexport the finished product, it will not be able to undersell domestic competitors.

I ask unanimous consent that a copy of the bill be printed in the RECORD.

There being no objection, the bill was ordered to be printed in RECORD, as follows:

S. 2267

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. This Act may be cited as the "Oil Country Tubular Goods Export Protection Act".

AMENDMENT TO STEEL IMPORT STABILIZATION ACT

SEC. 2. Section 805 of the Steel Import Stabilization Act (19 U.S.C. 2253 note) is amended by adding at the end thereof the following:

"(d)(1) The quantitative limitation established under any bilateral arrangement for any foreign country shall not apply to any casing, tubing, drill pipe, or line pipe that is—

"(A) a product of that country;

"(B) temporarily imported under bond into the United States for processing into oil country tubular goods meeting American Petroleum Institute (API) specifications by means of upsetting, full-length heat treating, threading, and tool joining; and

"(C) covered by documentation, issued by that country and presented to the customs officer concerned at the time of importation, that certifies that the casing, tubing, or pipe is intended for export from the United States after the processing referred to in sub-paragraph (B) is completed.

"(2) The Secretary of the Treasury shall require persons who import under paragraph (1) to submit such information regarding the processing in the United States and anticipated time and place of export of the merchandise as the Secretary considers appropriate for efficient administration of this subsection.

"(3) Notwithstanding any other provision of the customs laws, temporary importation bonds given on merchandise described in paragraph (1) shall be in an amount equal to twice the fob value of the merchandise centered under bond.

"(4) Notwithstanding the provisions of paragraph (1) of this subsection, any merchandise imported into the United States for processing into oil country tubular goods under this section which is not re-exported within a period of six months shall be charged against any quantitative limitation which would otherwise be applicable to such merchandise in the absence of this subsection."●

By Mr. ROTH:

S. 2268. A bill to amend title 10, United States Code, to establish in the Department of Defense the position of Under Secretary of Defense for Acquisition; and to require the Secretary of Defense to conduct a test program to streamline the efficiency of the management structure of major defense acquisition programs; to the Committee on Armed Services.

ESTABLISHMENT OF POSITION OF UNDER SECRETARY OF DEFENSE FOR ACQUISITION

● Mr. ROTH. Mr. President, today I am introducing a bill which closely complements important recommendations of the President's Blue Ribbon Commission on Defense Management. This bill intends to strengthen the acquisition process in the Department of Defense (DOD) in two ways: First, it creates an Under Secretary of Defense for Acquisition; second, it increases the efficiency of the management structure of major defense acquisition programs by reducing the number of officials to whom a program manager must report.

Mr. President, the first title of this bill creating an Under Secretary of Defense for Acquisition should go far toward putting clear accountability in DOD's weapons acquisition process. The Under Secretary would be a civilian nominated by the President and confirmed by the Senate who would be charged with setting overall policy for and supervising, directing, and controlling all DOD acquisition activities. The Under Secretary should have extensive experience in the defense industry, including a strong managerial background in the private sector.

The creation of the Under Secretary's position closely parallels the recommendation made in the Blue Ribbon Commission's interim report of February 28, 1988, and in their most recent report submitted to the President yesterday.

It is interesting to note Mr. Chairman, that 15 years ago, Gilbert Fitzhugh, then Chairman of the President's Blue Ribbon Defense Review Commission, said of DOD procurement, "There is nobody that you can point your finger to if anything goes wrong and there is nobody you can pin a medal on if it goes right, because everything is everybody's business and * * * what is everybody's business is nobody's business."

Mr. President, I would be the first to acknowledge that it is no small task to develop, produce, and manage complex weapon systems and to hold down the cost growth which routinely affects them. If it were, the dozens and dozens of acquisition improvement efforts which have been initiated by virtually every administration would certainly by now have given us a more efficient and well-managed acquisition process.

It hasn't happened. In fact, if anything, the problems in the acquisition process are as serious today as they have ever been and the public has the perception that we really don't know how to build dependable, reasonably-priced weapon systems.

Part of this perception of an acquisition system out of control stems from the very fact that the Defense budget—and in particular, the procurement portion of the budget—has grown dramatically over the last 3 years. The Defense Department procurement request for this year is approximately three times greater, in constant dollars, than it was less than a decade ago. About 15 million separate contract actions were made in 1985 alone to buy weapons and related spare parts. Nearly 1 job in 10 in the United States today is dependent to some degree on the defense contracting business. Somewhere around half of the general tax revenues now collected go to defense programs.

The public is also aware of these substantial increases in the defense budget. But they are just as aware of the cost growth, weapon system failures, and overpriced spare parts which have resulted from the existing acquisition system. As my colleagues know from their visits with constituents back home, the fact is that the public's view of defense matters is greatly influenced by their perceptions of the way in which weapon programs and spare parts purchases are managed. My concern, and I know that of other Senators as well, is that the public is becoming convinced the Defense Department is not effectively managing the defense acquisition process.

If we don't act soon, we run the risk of losing the consensus in support of the defense rebuilding effort which we need and which was so evident in 1981. Coupled with the budget deficit pressures which have now begun to affect the size of the defense program, the public's growing disillusionment with the management of the acquisition process is a serious matter and one that I, as a strong proponent of a revitalized defense, am anxious to reverse. The job of buying weapons and equipment not only has to be done well, the public has to be convinced it is being done well.

Mr. President, the acquisition process has been examined repeatedly over the years and we are all familiar with most of the many problems cited at one time or another as major factors in cost growth and mismanagement: poor or overly optimistic cost estimates, "gold-plating," poor testing, lack of competition in contracts and schedule "stretchouts." Whether these are in fact the real causes of cost growth, or just symptoms of the problem, there is little doubt in my mind that the acquistion process is ripe for improvement. More than 3 years of hearings on acquisition management in my Governmental Affairs Committee have convinced me of that fact. A report by the General Accounting Office dramatically illustrates the very serious cost growth and management problems affecting acquisition programs.

GAO reviewed the Defense Department's budget, planning, and cost estimating procedures for its major weapons programs to provide an assessment of the realism of the Department's 5-year projection of funding requirements. The GAO looked at the actual versus planned costs for 97 major weapons between the years 1963 and 1983 and found that Congress must consistently provide substantially greater appropriations than anticipated for weaponry, an average of 32 percent more. It also found that even with the additional money, the quantities of weapons which DOD is actually able to buy is consistently less than originally planned. In fact, since 1970, this pattern of receiving more money and purchasing fewer quantities of weapons has gotten worse, and in the 23-year time period between then and now, DOD has never once been able to purchase the planned quantities.

The GAO figures indicate that our acquisition system is in a serious state of disrepair, soaking up even the sizable increases in funding which have occurred over the last 3 years and producing far less than we had hoped. We are buying less but continuing to spend more. I am convinced the American people are willing to dig deep to build a strong defense but I am equally convinced they won't accept a defense which is wasteful and more costly than necessary.

In outlining the serious problems we face in improving the management of acquisition programs, it becomes apparent to me that the solutions of the past are no longer adequate. I believe we should consider more comprehensive and far-reaching changes which may threaten the status quo, but could help set the stage for real and lasting improvements.

That is why I am proposing the creation of the Under Secretary of Defense for Acquisition.

How would such a proposal help improve the management of the defense acquisition process? It would ensure that someone—the Under Secretary of Defense for Acquisition—is identified and held accountable for the performance and cost of a weapon program. This person would have to answer for the cost increases and technical problems. This person would enjoy the rewards and recognition of a job well done.

Mr. President, in response to my request of the General Accounting Office (GAO) for their comments on my bill, they have responded in support of the legislation, particularly the provision consolidating the acquisition function within the Office Secretary of Defense.

The GAO also proposed that the Office of Assistant Secretary of Defense for Acquisition and Logistics be reestablished as an office equivalent with the Director of Defense Research and Engineering. The GAO recommends that the person holding this office also report directly to the Under Secretary of Defense for Acquisition.

These are good recommendations and I believe they should be given serious consideration when this bill is studied by the Senate Armed Services Committee.

Mr. President, I ask that the letter from GAO be printed in the RECORD.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

U.S. GENERAL ACCOUNTING OFFICE,
Washington, DC, April 7, 1986.

Hon. WILLIAM V. ROTH, Jr.,
Chairman, Committee on Governmental Affairs, U.S. Senate.

DEAR MR. CHAIRMAN: At the request of your staff, we reviewed a proposal to establish in the Department of Defense (DOD) the position of Under Secretary of Defense for Acquisition. We have long emphasized the need to improve DOD's decisionmaking process and we support the major thrust of the proposal, namely consolidating the acquisition function within the Office of the Secretary of Defense. In recent testimony, before the Subcommittee on Defense Acquisition Policy, Senate Committee on Armed Services, we noted that an advantage of this approach is that accountability for all acquisition phases would be found in one place.

Section 104 of the proposal would require the Director of Operational Test and Evaluation (OT&E) to report to the Secretary of Defense through the Under Secretary of Defense for Acquisition. As you know, the Congress mandated the Director to be the principal adviser to the Secretary of Defense on OT&E matters and report directly, without intervening review or approval, to the Secretary. We recommend deleting this section because it could either in practice or perception adversely impact on the independence and objectivity that the Director was established to ensure.

One additional comment we have deals with the Office of the Assistant Secretary of Defense for Acquisition and Logistics. The proposal does not mention the functions currently performed by the Assistant Secretary. We assume that there would continue to be an Assistant Secretary for Acquisition and Logistics who would report to the new Under Secretary. This relationship should be addressed in the proposal.

We are currently conducting a review on the feasibility of establishing a centralized civilian acquisition agency. The results of our review should be useful in evaluating proposals for making organizational adjustments to the defense acquisition function. We will keep your staff informed of the progress of our review.

We have enclosed an annotated copy of the proposal which suggests other changes intended to clarify the language. We appreciate the opportunity to comment on this proposal. If we can be of further assistance, please let us know.

Sincerely yours,
FRANK C. CONAHAN, *Director.*

Mr. ROTH. Mr. President, title II of my bill also closely parallels a Packard Commission recommendation calling for a streamlined acquisition process. If you remember, the Commission's February 28 interim report to the President states, and I quote:

> The Army, Navy, and Air Force should each establish a comparable senior position filled by a top-level civilian Presidential appointee. The role of the Services' Acquisition Executives would mirror that of the Defense Acquisition Executive. They would appoint Program Executive Officers (PEO), each of whom would be responsible for a reasonable and defined number of acquisition programs. Program Managers for these programs would be responsible directly to their respective PEO and report only to him on program matters. Each Service should retain flexibility to shorten this reporting chain even further, as it sees fit.
>
> Establishing short, unambiguous lines of authority would streamline the acquisition process and cut through bureaucratic red tape. By this means, the Department of Defense (DoD) should substantially reduce the number of acquisition personnel.

My bill would require the Secretary of Defense to put these recommenda-

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tions into effect on two major defense acquisition programs in each military service. This would be a test program and after that program runs its course and is fully evaluated, I would expect streamlining of more major defense acquisition programs until this steamlining is effectively in place on all weapons programs.

Mr. President, these recommendations for streamlining the defense acquisition process could go a long way toward reducing the chain of decision-making levels of weapons programs. Streamlining could also reduce significantly the number of acquisition personnel in each of the military services.

It is time to reduce the number of acquisition personnel. I have believed for some time that staffing of acquisition personnel for major defense acquisition programs should be cut by one-fifth or one-tenth the size of what they are at present. Fewer personnel in defense acquisition and good management could lessen the acquisition cycle for a weapon system, prevent goldplating, and field a weapon that meets its mission requirements and military specifications.

Mr. President, I think this bill is needed. It closely approximate the recommendations of the Packard Commission and should have their support.

I urge my colleagues to support this bill and ask that it be printed in the Congressional Record.

There being no objection, the bill was ordered to be printed in the Record, as follows:

S. 2268

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

TITLE I—ESTABLISHMENT OF POSITION OF UNDER SECRETARY OF DEFENSE FOR ACQUISITION

ESTABLISHMENT OF POSITION

Sec. 101. Chapter 4 of title 10, United States Code, is amended by inserting after section 134 the following new section:

"§ 134a. Under Secretary of Defense for Acquisition: appointment; powers and duties; precedence

"(a) There is an Under Secretary of Defense for Acquisition, appointed from civilian life by the President, by and with the advice and consent of the Senate.

"(b) Subject to the authority, direction, and control of the Secretary of Defense, the Under Secretary of Defense for Acquisition—

"(1) is responsible for setting overall policy for, and supervises, directs, and controls all acquisition activities of the Department of Defense; and

"(2) shall perform such duties and exercise such powers as the Secretary of Defense may prescribe.

"(c) The Under Secretary—

"(1) is the senior procurement executive for the Department of Defense for the purposes of section 16(3) of the Office of Federal Procurement Policy Act (41 U.S.C. 414(3));

"(2) is the Defense Acquisition Executive for purposes of regulations and procedures of the Department providing for a Defense Acquisition Executive; and

"(3) to the extent directed by the Secretary of Defense, supervises, directs and controls all other officers in the Office of the Secretary of Defense who have procurement or acquisition responsibilities (notwithstanding any law providing that any such officer is responsible only to, and reports directly to, the Secretary or the Deputy Secretary).

"(d) The Under Secretary takes precedence in the Department of Defense after the Secretary of Defense and, among the Deputy Secretary of Defense and the Secretaries of the military departments, in the order prescribed by the Secretary of Defense.".

PAY GRADE

Sec. 102. Section 5313 of title 5, United States Code, is amended by adding at the end thereof the following:

"Under Secretary of Defense for Acquisition.".

CONVERSION OF UNDER SECRETARY FOR RESEARCH AND ENGINEERING TO ASSISTANT SECRETARY LEVEL

Sec. 103. (a) The position of Under Secretary of Defense for Research and Engineering is hereby redesignated as Director of Defense Research and Engineering. The Director of Defense Research and Engineering is an Assistant Secretary of Defense.

(b) Section 136(b) of title 10, United States Code (relating to Assistant Secretaries of Defense), is amended by adding at the end the following new paragraph:

"(7) One of the Assistant Secretaries shall be the Director of Defense Research and Engineering. The Director shall perform such duties relating to research and engineering as the Secretary of Defense may prescribe.".

(c) Section 135 of such title is amended—

(1) by striking out the first two sentences in subsection (a) and inserting in lieu thereof the following: "There is an Under Secretary of Defense for Policy, appointed from civilian life by the President, by and with the advice and consent of the Senate.";

(2) by striking out the second sentence in subsection (b);

(3) in subsection (c)—

(A) by striking out "and the Secretaries of the military departments" and inserting in lieu thereof "the Secretaries of the military departments, and the Under Secretary of Defense for Acquisition"; and

(B) by striking out the second sentence; and

(4) by striking out the section heading and inserting in lieu thereof the following:

"§ 135. Under Secretary of Defense for Policy: appointment; powers and duties; precedence"

(d) Section 5314 of title 5, United States Code, is amended by striking out "Under Secretaries of Defense (2)" and inserting in lieu thereof "Under Secretary of Defense for Policy".

(e) The redesignation of the position of Under Secretary of Defense for Research and Engineering as Director of Defense Research and Engineering and the amendments made by subsections (b), (c), and (d)—

(1) shall not affect the appointment in that position of the person holding that position on the date of the enactment of this Act; and

(2) shall not affect the rate of pay or other benefits to which that person is entitled on the date of the enactment of this Act as an Under Secretary of Defense.

GENERAL CONFORMING AMENDMENTS

Sec. 104. (a) Section 136a(d) of title 10, United States Code (relating to the Director of Operational Test and Evaluation), is amended by striking out "Under Secretary of Defense for Research and Engineering" in the second sentence and inserting in lieu thereof "Director of Defense Research and Engineering".

(b) Section 171(a) of such title (relating to the Armed Forces Policy Council) is amended—

(1) by redesignating clauses (3) through (10) as clauses (4) through (11), respectively;

(2) by inserting after clause (2) the following new clause (3):

"(3) the Under Secretary of Defense for Acquisition;"; and

(3) by striking out "Under Secretaries of Defense" in clause (7) (as so redesignated) and inserting in lieu thereof, "Under Secretary of Defense for Policy.".

CLERICAL AMENDMENT

Sec. 105. The table of sections at the beginning of chapter 4 of such title is amended by striking out the item relating to section 135 and inserting in lieu thereof the following new items:

"134a. Under Secretary of Defense for Acquisitions: appointments; powers and duties; precedence.

"135. Under Secretary of Defense for Policy: appointment; powers and duties; precedence.".

TITLE II—EXPERIMENTAL STREAMLINING OF MANAGEMENT OF MAJOR DEFENSE ACQUISITION PROGRAMS

DEFINITION

Sec. 201. In this title, "major defense acquisition program" has the meaning given that term in section 139a(a)(1) of title 10, United States Code.

REQUIREMENT TO CONDUCT EXPERIMENTAL PROGRAM

Sec. 202. (a) The Secretary of Defense shall conduct, through the Secretaries of the military departments, a test program with respect to increasing the efficiency of the management structure of major defense acquisition programs by reducing the number of officials through whom a program manager reports to the senior procurement executive of the military department concerned.

(b) The Secretary shall require that the Secretary of each military department designate two major defense acquisition programs of that department to participate in the test program described in subsection (a).

(c) A program may be designated under subsection (b) only if the program has not proceeded into full-scale engineering development as of September 30, 1986.

GUIDELINES

Sec. 203. (a) The Secretary of Defense shall issue guidelines governing the management of the major defense acquisition programs designated by the Secretaries of the military departments under section 202(b).

(b) The guidelines shall include the following requirements:

(1) The Secretary concerned shall designate a program executive officer for each program.

(2) The program manager for each program shall report directly, without intervening review or approval, to the program executive officer for that program. The program manager shall consider recommendations received from the competition advocate for

the department with respect to decisions concerning that program.

(3) The program executive officer for a program shall report directly, without intervening review or approval, to the senior procurement executive of the military department concerned designated pursuant to section 16(3) of the Office of Federal Procurement Policy Act (41 U.S.C. 414(3)).

(4) The competition advocate for the department may appeal to the program executive officer a decision of the program manager with respect to that program.●

By Mr. D'AMATO (for himself and Mr. Lautenberg):

S. 2269. A bill to amend title 10, United States Code, to permit members of the Armed Forces to wear, under certain circumstances, items of apparel not part of the official uniform; to the Committee on Armed Services.

ALLOWING THE MILITARY TO WEAR RELIGIOUS APPAREL

● Mr. D'AMATO. Mr. President, I rise today to offer legislation with my distinguished colleague, the junior Senator from New Jersey, to correct an injustice recently affirmed by the Supreme Court. On March 25, the Supreme Court ruled 5–4 in favor of a lower court ruling that the Department of Defense was within its rights in not allowing the wearing of a yarmulke indoors by military personnel. The case, Goldman versus Weinberger, involved an Air Force officer who, though serving as a psychologist, was an ordained Rabbi. As an Orthodox Jew, Capt. S. Simcha Goldman wore his yarmulke at all times. The Air Force insisted that this was not within regulations. The case eventually reached the Supreme Court.

Mr. President, the legislation we are introducing today offers a reasonable solution to this problem. This bill would amend chapter 45 of title 10 of the United States Code to allow the wearing of all neat, unobtrusive, and conservative religious apparel. Specifically, the bill allows members of the Armed Forces to wear any neat, conservative, and unobtrusive item of apparel if the wearing of such apparel is part of the religious observance of the member, unless the wearing of such apparel interferes with the performance of the member's military duties.

This legislation would not only resolve cases involving the wearing of the yarmulke, but also allow military personnel of any religion to wear, within reason, appropriate religious apparel. I believe the Air Force and the Department of Defense interpreted too strictly regulations that prevented Captain Goldman from wearing his yarmulke indoors. Indeed, the Supreme Court's less than unanimous decision on this specific case left much room for debate. It is uncertain whether the Supreme Court would have affirmed the lower courts decision if Goldman had not joined the Air Force of his own choice. I question whether we can afford to preclude a certain group within our society from voluntary military service because of their centuries-old legitimate religious beliefs concerning the wearing of certain types of religious apparel.

For this reason, Mr. President, I feel it is necessary for a legislative solution. Obtrusive and possibly interfering apparel should not be allowed, especially if such apparel would hinder the effectiveness of the service man or woman. In addition, religious apparel should not hinder the effectiveness of other military personnel. This is straightforward legislation that further strengthens the right of freedom of religion in this country. I have discussed this legislation with many groups, including the Anti-Defamation League. Our Armed Forces should not be in the position of completely dictating what religious behavior is acceptable.

Mr. President, I urge my colleagues to join with me on this important piece of legislation, and I urge its quick passage into law. I also ask unanimous consent that the full text of this legislation be printed in the Record at the conclusion of my remarks.

There being no objection, the bill was ordered to be printed in the Record, as follows:

S. 2269

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. WEARING RELIGIOUS APPAREL NOT PART OF THE OFFICIAL UNIFORM

(a) In General.—Chapter 45 of title 10, United States Code, is amended—

(1) by redesignating section 774 as section 775; and

(2) inserting after section 773 the following new section:

"§ 774. Wearing religious apparel

"(a) Except as provided in subsection (b), a member of the armed forces may wear an item of religious apparel if—

"(1) the wearing of the item of apparel is part of the religious observance of the religious faith practiced by the member; and

"(2) the item of apparel is neat, conservative, and unobtrusive.

"(b) The Secretary concerned may prohibit a member from wearing an item of religious apparel if the Secretary determines that the wearing of such item significantly interferes with the performance of the member's military duties.".

(b) Conforming Amendments.—The table of chapters at the beginning of such chapter is amended—

(1) by redesignating the item relating to section 774 as 775; and

(2) by inserting below the item relating to section 774 the following new item:

"774. Wearing religious apparel.".●

By Mr. SIMON:

S. 2270. A bill to amend the Immigration and Nationality Act to deter immigration-related marriage fraud and other immigration fraud; to the Committee on the Judiciary.

IMMIGRATION MARRIAGE FRAUD

● Mr. SIMON. Mr. President, I am introducing legislation today which will help solve what has become a serious problem for this country.

Mr. President, what is the quickest and easiest method to enter the United States legally? By marrying a U.S. citizen or permanent resident alien. Under our immigration laws, spouses are given special priority in the preference system and are allowed to immigrate faster than anyone else. Because of the special place spouses hold in our immigration pecking order, they are allowed to "leapfrog" ahead of brothers and sisters and others in the preference system who must endure lengthy waits.

For example, brothers and sisters of United States citizens awaiting United States immigrant visas from the Philippines must wait more than 10 years to enter legally. Those from Mexico face a 9-year wait and those from Hong Kong a 7- to 13-year wait.

According to the Immigration and Naturalization Service, 149,296 people entered the United States as spouses of U.S. citizens or permanent resident aliens in 1984, a 43-percent increase since 1977. While it is difficult to determine exactly how many of these were fraudulent marriages, the INS's internal surveys show that 30 percent of all petitions they receive involve suspect marital relationships.

Our Nation's policy of giving spouses first preference has been widely and shamelessly abused. Immigration marriage fraud has become a lucrative industry which allows an unscrupulous alien to remain in the United States with a green card.

Since October 1, 1985, the INS district office in Chicago has investigated 182 cases involving fraudulent marriages. It receives approximately 10 telephone calls and 5 letters per day charging marriage fraud.

There are two types of marriage fraud. The first is the most harmful and difficult to rectify. This usually involves an unwitting U.S. citizen or permanent resident being duped by an alien who never intends to remain married but who enters into the marriage solely for the immigration benefit he or she will receive. In these cases usually the U.S. citizen is without recourse because of the scarce investigative resources the INS currently has and because of the difficult legal tests to bring the alien to justice.

The second type involves the complicity of an alien and a U.S. citizen who intentionally enter into a marriage knowing that it will be terminated or annulled at some point in the future. Normally, the U.S. citizen receives a sum of money—between $500 and $10,000—to say "I do" which he or she collects after performing the crime.

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In June 1985, the Subcommittee on Immigration and Refugee Policy, chaired by our distinguished colleague, Senator ALAN SIMPSON, held a hearing on marriage fraud. Several witnesses testified about the first type of fraud. They related stories about how they were duped by aliens claiming to be in love but who were only after the immigration benefit. One alien admitted to his American wife that she had only been his "ticket to America" and left her shortly.

Another case came to my attention from a constituent in Chicago whose daughter had been the victim of this kind of fraud. Shortly after the new husband had convinced his wife to petition for his permanent residency—which he received quickly—he left her, explaining that he had married her only for his green card. Legal battles proved fruitless in this case because of the standard of proof to convict him. The bride was told that she would have to prove that the alien had intended to defraud her from the start. According to the victim's family, to satisfy this standard, "We had to get inside of his mind. * * *" This demonstrates how difficult it is to remedy this type of crime.

The second marriage fraud scheme involves the complicity of a U.S. citizen and an alien. These are often arranged by marriage fraud rings which organize tens or hundreds of fraudulent marriages. In these cases, the organizer charges an alien several thousand dollars to have a fraudulent marriage arranged. The organizer then pays the U.S. citizen a portion of the fee for his or her participation in the marriage.

The INS in Chicago recently concluded a case involving three U.S. citizens who conspired in the arrangement of 29 sham marriages. In this case, the conspirators charged each male alien between $1,500 and $3,000 to arrange a fraudulent marriage.

Another case involved 5 U.S. citizens and 4 aliens who were known to have arranged 27 sham marriages. The arrangers were receiving between $2,500 and $3,000 from each male for whom they arranged fraudulent marriages. Each U.S. citizen female was receiving approximately $1,000 for marrying the alien men and for filing a petition to adjust status to that of lawful permanent resident on their behalf. In April 1985, eight defendants pled guilty and were sentenced.

These cases, however, point out the problem the Service currently faces: lack of resources. Currently, the INS has less than 700 investigators nationwide to cover all types of immigration fraud, including but not limited to marriage fraud. In marriage fraud cases, they are only able to devote their efforts to marriage fraud rings. During fiscal year 1984 alone, the INS investigated 62 marriage fraud rings.

There is another problem with current law in the area of fiancé(e) petitions. Right now, an alien can enter the country as a fiancé(e) as long as he or she intends to marry within 90 days. Section 214(d) of the Immigration and Nationality Act—8 U.S.C. 1184—says that an alien may receive a temporary fiancé(e) visa if the parties "* * * have a bona fide intention to marry and are legally able and actually willing to conclude a valid marriage in the United States within * * * 90 days after the alien's arrival."

If the marriage takes place within 90 days, the alien may receive his or her permanent resident status within a matter of weeks.

There is a gaping hole in the current statute which has helped create a large number of active and highly lucrative "mail-order bride" businesses. Because the current statute does not require that the two parties must meet each other prior to having a visa approved, a U.S. citizen may petition for someone he or she has never met.

In fiscal year 1984 alone, 11,721 alien fiancé(e)s were admitted to the United States. Of these, 4,935 adjusted their status to permanent resident status through marriage and 1,438 departed the United States, leaving 5,348 or nearly 45 percent unaccounted for. So, even though the intent of the statute was to make it easier for an alien fiancé(e) to be with the U.S. citizen petitioner before marriage, in a large number of cases the law is not being used for legitimate purposes.

My staff obtained a copy of a "mail-order bride" catalog which contains pictures of a number of foreign women, short descriptions of each, and instructions on how to subscribe to the company's service. The company helps the client complete the necessary INS forms to get the woman into the United States. This sort of business is alien to our culture and there is a real possibility that the alien will never marry and end up as one of the 45-percent alien fiancé(e)s unaccounted for, or marry for nothing other than the immigration benefits which can later be accorded.

The bill that I am introducing today contains several provisions which would drastically reduce the incidence of marriage fraud in three ways.

Instead of immediately receiving permanent resident status, the alien, under this bill, will be placed in a 1-year conditional resident status before he or she is given permanent residence. After this 1-year conditional status, the alien will have to provide evidence of the following things before receiving his or her permanent resident status:

First, that the marriage was not entered into for the purpose of procuring an alien's entry as an immigrant.

Second, the marriage has not been judicially annulled or terminated, other than through the death of a spouse.

Third, that no fee or other consideration—other than a lawyer's fee—was given for the filing of a petition under section 204(a) or 214(d); and

Fourth, the parties to the marriage have maintained a bona fide marital relationship, as evidenced by cohabitation, ownership of property jointly, filing of joint tax returns, or other relevant evidence during the previous period.

This sends a strong signal to those who, either through complicity or deceit, intend to use marriage solely for immigration purposes. This will discourage those who use the current system as an easy way to get permanent resident status.

Another beneficiary of this provision will be the INS. Currently, it is only able to invest its scarce investigative resources and personnel to marriage fraud rings, an extremely labor-intensive and costly undertaking. Since the alien will have to report back to the INS within 1 year to prove that the marriage was and is valid, the INS will not need to spend weeks on stakeouts and fact gathering as they do now since the burden will be each applicant to come back and prove that the marriage is still valid.

This provision will still allow the alien spouse to receive the benefits currently accorded. The only difference between the current system and this provision is that the alien must provide evidence, after 1 year, that there was no fraud involved in the receipt of his or her permanent resident status. Mr. President, this is a reasonable and fair approach to this problem. It does not allow the Government to overstep the bounds of personal liberties which the Constitution currently affords.

During the June 1985 hearing the Subcommittee on Immigration and Refugee Policy held, one of the witnesses testified that:

> * * * the United States should borrow something from the British. An alien marrying a British subject is granted, upon application, a nonimmigrant visa good for 1 year; the alien is allowed to work in the UK, to enter and leave the country, and, 1 year later to apply for permanent status *if the marriage is still valid.* (Emphasis is text.) If granted, the 1 year of nonimmigrant status can be counted toward naturalization. Neither the British subject nor the new spouse loses anything in this process but it must discourage abuse of the system and it certainly prevents any Briton from marrying an alien for money more than once a year. (Hearing on Immigration Marriage Fraud, Subcommittee on Immigration and Refugee Policy, Committee on the Judiciary, U.S. Senate, S. Hrng. 99-325 Serial No. J-99-43, July 26, 1985, p. 61.)

The provision in this bill would allow the alien to live and work in the United States, just as he or she is allowed now, but would require that he

or she certify to the Government that the marriage is still valid 1 year later. If it is valid, that first year will be counted toward naturalization. This to me, Mr. President, is a sound and reasonable change to our current law.

The bill also provides that the Commissioner has the discretion to waive the requirement this bill places on fiancé(e) petitions if he is presented with an exceptional case.

I have asked the General Accounting Office [GAO] to investigate how other countries issue spousal and fiancé(e) visas and whether marriage fraud presents as big a problem to them. The results of this study should be available in May or June of this year and I am hopeful that the subcommittee can act after it receives the GAO report.

There have been some suggestions that this bill include a provision which would not only require that both parties meet in person but that they also speak the same language. Such a provision goes beyond what is desirable and would cause serious problems for the spouses of many U.S. service personnel.

The bill also insures that those who attempt to commit marriage fraud, but who are unsuccessful, be excluded from ever entering the United States. Congress should send an extremely strong signal that this is a serious crime which deserves stiff penalties.

My friend from Wyoming, Senator SIMPSON, should be congratulated for bringing this issue to the public's attention. It is my hope that in the next few months we can enact legislation and move to reduce this problem.●

By Mr. DENTON (for himself and Mr. HEFLIN):

S. 2271. A bill for the relief of Jens-Peter Berndt; to the Committee on the Judiciary.

FOR THE RELIEF OF JENS-PETER BERNDT

Mr. DENTON. Mr. President, I rise today to introduce legislation for the relief of Jens-Peter Berndt. The bill would grant permanent residence to Mr. Berndt and expedite his naturalization as a citizen of the United States.

Mr. Berndt, or Peter, is 22 years old and a native of the German Democratic Republic, better known as East Germany, a Communist-bloc state. On January 7, 1985, while in Oklahoma City as a member of the East German swim team, Peter requested and was granted political asylum in the United States. He made that courageous decision, at great personal risk, because he wanted to become an American and live in freedom.

Peter was fortunate to be legally adopted in the summer of 1985, by Mr. and Mrs. Thomas L. Patterson of Birmingham, AL. The Pattersons have provided him with the love, family life, and guidance that have been so immeasurably important in assisting Peter in making the transition to American life.

Peter is currently enrolled as a sophomore at the University of Alabama in Tuscaloosa, where he is a member of the swim team and has established an outstanding academic record. He is an amateur swimmer of Olympic caliber, and is a former world record holder in the 400-meter individual medley. Unfortunately, Peter was prevented from competing in the 1984 Summer Olympic Games in Los Angeles due to the Soviet-sponsored boycott of the Games which was joined by East Germany.

It is Peter's desire, and that of the U.S. Olympic Swimming Team, that he compete for the United States in the 1988 Olympic games. However, in order tó do so, the rules of the U.S. Olympic Committee require that he be a U.S. citizen. Furthermore, he must be a citizen in order to compete in a number of key international swimming meets which begin this summer and are important preliminary steps to qualifying for the 1988 Olympic Team.

Without private relief legislation, Peter would not satisfy the residency and physical presence requirements for naturalization under section 316 of the Immigration and Nationality Act until 1990. The bill I am introducing provides that he be deemed to have satisfied the residency and physical presence requirements so that he may be naturalized at the earliest possible date. This will permit Peter to represent the United States in upcoming international competition and the 1988 Olympics.

The bill also provides that Peter be admitted for permanent residence in the United States, as that is a prerequisite for naturalization. Although he is lawfully present in the United States by reason of his asylum status, he has not yet been granted permanent resident status.

Finally, the bill provides that Peter will not be ineligible for U.S. citizenship because of his former life in a Communist country. Peter was raised in a country in which, tragically, Communist repression permeates every segment of public and private life, and in which athletes, in particular, are exploited for the government's purposes. Peter did not choose to be born into such a system; but, when the time came to make a choice, he bravely chose to be free and to be an American.

If Peter's only interest was to compete in international competition and the 1988 Olympics, he could become a West German citizen automatically and swim for West Germany. But that is not his sole motivation. As Peter says, "I want to become an American, not a West German."

I am proud to sponsor legislation to assist this fine young man in his quest for American citizenship. His story is an inspiration to us all and an embodiment of the American dream in its finest sense. He has demonstrated his devotion to American ideals and his desire and willingness to work hard to succeed in this country. I believe Peter will make an outstanding citizen, and I urge my colleagues to support the bill vigorously and to expedite its movement to final passage.

I ask unanimous consent that the text of the bill be printed in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD as follows:

S. 2271

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That (a) notwithstanding paragraphs (14) and (28) of section 212(a) of the Immigration and Nationality Act, for purposes of such Act, Jens-Peter Berndt shall be held and considered to have been lawfully admitted to the United States for permanent residence as of the date of the enactment of this Act. Upon the granting of permanent residence to such alien as provided for in this Act, the number of refugee admissions available for adjustment of status of aliens under section 209(b) of such Act shall be reduced by one number.

(b)(1) Jens-Peter Berndt shall be held and considered to have satisfied the provisions of section 316 of the Immigration and Nationality Act which relate to required periods of residence and physical presence within the United States and shall not be held or considered to be within any of the classes of persons described in section 313 of such Act.

(2) Notwithstanding the provisions of section 310(d) of such Act, Jens-Peter Berndt may be naturalized at any time after the date of enactment of this Act if otherwise eligible for naturalization under this Act and the Immigration and Nationality Act.

By Mr. QUAYLE:

S. 2272. A bill to limit the amount that may be expended in any fiscal year by a Member of Congress for franked mail; to the Committee on Rules and Administration.

FRANKING COST CONTROL ACT

● Mr. QUAYLE. Mr. President, it is time that we take some effective action to control our ever-escalating franking costs. I introduced a bill on this subject on February 6, 1986, but with further study and consultation with many colleagues I have developed a more effective approach.

The February 1986 issue of "Senate History" reported on the interesting and amusing history of the 19th century abuses of the frank that led to its temporary abolition in 1873 and its restoration in 1891. The current problem is nothing like that of the post-Civil War era; the reform we need now is nothing as drastic as abolition. In the prior era, the frank was misused; now it is overused.

The growth of franking costs has been well documented. We all know

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that these costs tend to be higher in even-numbered election years, and the growth from one such year to another has been phenomenal. From 1978 to 1980, franking costs increased by 36 percent; from 1980 to 1982, they increased by 51 percent; from 1982 to 1984, the increase was "only" 14 percent; and, if we do not act, franking costs will rise by an estimated 32 percent from 1984 to 1986. Unless we act to curb them, franking costs will have risen almost $100 million in just 8 years—from the 1978 level of $47 million to the $146 million projected for this year.

Under current law, there is no effective limit on the amount of franking costs that may be incurred by the Congress as a whole, because there is no effective limit on the amount that may be incurred by any Senator or Representative. As a practical matter—even if not as a matter of legal theory—the frank is an entitlement; we can run up the costs as high as we like, and then the taxpayer is obligated to pay the bill.

I doubt this frank-now-and-pay-later approach was ever justified, but I am absolutely certain that it is inappropriate in these days when we are trying to get the budget under control. We are freezing, reducing, and capping programs of vital concern to all our citizens. We should do no less with programs that concern and benefit Senators and Representatives.

Today I am introducing a very simple proposal that is an elaboration of a bill, S. 2059, which I introduced on February 6, 1986. I intend to offer this new bill as an amendment to the supplemental appropriations bill in lieu of the $42 million additional for official mail costs that has been included in that measure as reported by the House Appropriations Committee. The basic thrust of my bill is that the frank, or more correctly "official mail costs," should be treated as a regular budgeted item rather than as an entitlement. In other words, Congress should be limited to the amount that it votes through the regular appropriation process, instead of spending as much as it likes and making up the difference in a supplemental.

I can see no reason why we should not decide on an appropriate amount for official mail costs, and then live within our budget. I have little doubt that we will come up with a reasonable amount as long as it is done openly during the appropriation process and in the context of competing priorities for scarce funds. The difficult issue, it seems to me, is not the principle, but how to convert it into practice.

My bill would implement franking cost control by giving each Senator and each Representative an allowance for official mail. Each Member will be forbidden to spend more than that amount. Enforcement of this limit would be achieved by regular public reports on the amount of each Member's allocation and the amount of his or her spending.

It is, of course, crucial that the system of allocation be fair, and my bill meets that test. The available amounts are split evenly between the House of Representatives and the Senate. Five percent is set aside from the amount available to each House to cover the mailing costs of the body as a whole, such as those incurred by the Clerk of the House, the Secretary of the Senate, and the legal counsels. The amount remaining for the House is divided among the Members equally; that for the Senate is divided among Senators proportionately to the population of their States.

I recognize that it will be difficult to implement this franking cost control system in the middle of a fiscal year, but that is still better than voting for the $42 million supplemental reported by the Appropriations Committee of the House of Representatives. Under my bill, the amounts available for the remainder of 1986; that is, the amount, appropriated—$100 million—less the amount of the sequester—$4.3 million—less the amount already spent, as determined by the Post Office, would be allocated in the same way as the full appropriation would be allocated in later years.

Fiscal responsibility is never easy, and it is regrettably hard to apply it to Congress. But if we cannot control the frank, public indignation will force us to abolish it once again, and that would be a great mistake. As Senator F.T. Frelinghuysen of New Jersey said in debate over 100 years ago, the frank "is a most valuable right" because it provides for "free and unrestrained communication between the people and their representatives."

I ask unanimous consent that the February 1986 "Senate History" article on the franking privilege, and the text of the bill be printed in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

S. 2272

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "Franking Cost Control Act".

SEC. 2. Section 3210 of title 39, United States Code, is amended by adding at the end thereof the following new subsection:

"(h)(1) Notwithstanding any other provision of this title, the total amount which may be incurred by a Member of Congress for official mail costs for any fiscal year (beginning with fiscal year 1987), and for the period beginning on March 15, 1986, and ending on September 30, 1986, shall not exceed the amount allocated to such Member for such fiscal year or period, as the case may be, in accordance with this subsection.

"(2)(A) Not later than September 30 of each year (beginning in 1986) the Committee on Rules and Administration of the Senate, with respect to Senators, and the Committee on House Administration of the House of Representatives, with respect to Members of the House of Representatives, shall, for the fiscal year beginning on October 1 of such year (beginning with fiscal year 1987)—

"(i) determine, in accordance with this subsection, the allocation of official mail costs for each Senator or each Member of the House of Representatives, as the case may be, for such fiscal year; and

"(ii) provide written notice to each Senator or each Member of the House of Representatives, as the case may be, of the allocation of such Senator or Member of the House of Representatives under this subsection for such fiscal year.

"(B) Not later than 10 days after the date of enactment of this subsection, the Committee on Rules and Administration of the Senate, with respect to Senators, and the Committee on House Administration of the House of Representatives, with respect to Members of the House of Representatives, shall, for the period beginning March 15, 1986, and ending September 30, 1986, make the allocations described in clause (i) of subparagraph (A), and provide the notices required by clause (ii) of such subparagraph.

"(3) The allocation of each Member of Congress under this section for a fiscal year (beginning with fiscal year 1987) shall be determined as follows:

"(A) The total amount to be allocated for official mail costs for all Members of Congress for a fiscal year shall be the amount which is equal to the difference between—

"(i) the total amount appropriated under section 3216(a) of this title for such fiscal year, minus

"(ii) the product of the amount described in clause (i) of this subparagraph multiplied by 5 percent.

"(B) The allocation of a Senator under this subsection for a fiscal year shall be an amount which is equal to the product of—

"(i) one-half of the amount determined for such fiscal year under subparagraph (A), multiplied by

"(ii) the ratio that the population of the state represented by the Senator bears to the population of all States, multiplied by

"(iii) 50 percent.

"(C) The allocation of each Member of the House of Representatives under this subsection for a fiscal year shall be equal to the quotient obtained by dividing one-half of the amount determined for such fiscal year under subparagraph (A) by the total number of Members of the House of Representatives.

"(4) The allocation of each Member of Congress under this section for the period beginning March 15, 1986, and ending September 30, 1986, shall be determined as follows:

"(A) The total amount available for official mail costs for the period beginning March 15, 1986, and ending September 30, 1986, shall be the amount equal to the difference between—

"(i) the total amount appropriated under section 3216(a) of this title for fiscal year 1986 (after making the reduction required for such fiscal year by the Balanced Budget and Emergency Deficit Control Act of 1985), minus

"(ii) the total amount of official mail costs incurred by the officers and employees specified in section 3216(a)(1)(A) of this title

during the period beginning October 1, 1985, and ending March 14, 1986, as determined by the Postmaster General pursuant to paragraph (7) of this subsection.

"(B) The total amount to be allocated for official mail costs for all Members of Congress for the period beginning March 15, 1986, and ending September 30, 1986, shall be an amount which is equal to the difference between—

"(i) the amount determined for such period pursuant to subparagraph (A), minus

"(ii) the product of the amount described in clause (i) of this subparagraph multiplied by 5 percent.

"(C) The allocation of a Senator under this subsection for the period beginning March 15, 1986, and ending September 30, 1986, shall be an amount which is equal to the product of—

"(i) one-half of the amount determined for such period under subparagraph (B), multiplied by

"(ii) the ratio that the population of the State represented by the Senator bears to the population of all States, multiplied by

"(iii) 50 percent.

"(D) The allocation of each Member of the House of Representatives under this subsection for the period beginning March 15, 1986, and ending September 30, 1986, shall be equal to the quotient obtained by dividing one-half of the amount determined for such period under subparagraph (B) by the total number of Members of the House of Representatives.

"(5)(A) In any case in which a Member of Congress is defeated in an election, the allocation of such Member under this subsection for the fiscal year or period in which the term of office of such Member ends shall be divided between such Member and the Member-elect to the office of such Member in proportion to the number of months that such Member and such Member-elect hold such office during such fiscal year or period.

"(B) In any case in which there is a vacancy in the office of a Member of Congress, the allocation of such Member under this subsection for the fiscal year or period in which such vacancy occurs shall be divided between such Member and the successor in office to such Member in proportion to the number of months that such Member and such successor hold such office during such fiscal year or period.

"(6) Not later than 10 days after the date of enactment of this subsection, the Committee on Rules and Administration of the Senate, with respect to Senators, and the Committee on House Administration of the House of Representatives, with respect to Members of the House of Representatives, shall prescribe rules and procedures to ensure that Senators and Members of the House of Representatives, as the case may be, comply with the provisions of this subsection.

"(7) Not later than 7 days after the date of enactment of this subsection, the Postmaster General shall prepare and transmit to the Committee on Rules and Administration of the Senate and the Committee on House Administration of the House of Representatives a statement specifying the best estimate of the Postmaster General of the amount described in clause (ii) of paragraph (4)(A).

"(8) Not later than 15 days after the end of each quarter of a fiscal year, the Committee on Rules and Administration of the Senate, with respect to Senators, and the Committee on House Administration of the House of Representatives, with respect to Members of the House of Representatives, shall make available to the public a statement specifying—

"(A) the amount of official mail costs incurred by each Senator or each Member of the House of Representatives, as the case may be, during such quarter; and

"(B) in the case of—

"(i) fiscal year 1987 and each succeeding fiscal year, the allocation of each Senator or each Member of the House of Representatives, as the cse may be, under this subsection for such fiscal year; or

"(ii) fiscal year 1986, the allocation of each Senator or each Member of the House of Representatives, as the case may be, under this subsection for the period beginning March 15, 1986, and ending September 30, 1986.

"(9) For purposes of this section, the term 'official mail costs' means the equivalent of—

"(A) postage on, and fees and charges in connection with, mail matter sent through the mails under the franking privilege; and

"(B) those portions of the fees and charges to be paid for handling and delivery by the Postal Service of Mailgrams considered as franked mail under section 3219 of this title.".

SENATE HISTORY

WHEN THE SENATE GAVE UP THE FRANK

Franking privileges—the ability to send mail by one's signature rather than by postage—date back to the British House of Commons in the seventeenth century. The American Continental Congress adopted this procedure in 1775, and the First Congress wrote it into law in 1789. In addition to senators and representatives, the president, cabinet secretaries, and certain other executive branch officials also were granted the frank. In those days, every newspaper printer could send one paper postage free to every other newspaper printer in the country.

Then as now the frank was a controversial perquisite. Some nineteenth century senators mailed home their laundry each week, enclosing another frank for sending it back. Others franked barrels of china for free, but registered them for a few cents, thus making the government liable for any breakage. At the end of each session most members franked home a trunk that might contain documents, office paraphernalia, bedding, and other household goods. Legend had it that one antebellum senator attached his frank to his horse's bridle and sent the animal home to Pittsburgh. Critics accused incumbents of flooding the mails with government documents, speeches, and packages of seeds all designed to enhance their reelection prospects. The seeds, provided by the Department of Agriculture, were especially popular during the years when the rural population still outnumbered city dwellers. (One congressman received a letter from a constituent thanking him for the very fine grass seeds, but asking him to send no more since his canary had died.)

Constituents often asked congressmen to frank envelopes for their own use. One member boasted that if the papers were properly arranged he could write his frank three hundred times an hour. In the years following the Civil War, congressmen began having their signatures reproduced on rubber stamps, and having additional rubber stamps made for their friends to use. In 1869 it was estimated that a ton of free mail was leaving the Washington post office daily, only a small portion of which was the type of official correspondence originally intended to be franked. Gail Hamilton once described the franking habits of her cousin, House Speaker and later Senator James G. Blaine: "until /the frank/ was abolished, he used it freely, franking his own letters and letters of friends who happened to be under his roof, or under whose roof he happened to be, as he has been from the foundation of the frank, and just as freely he used his purchased postage stamps after the frank was abolished."

Hamilton's allusion to the abolition of the frank referred to a curious hiatus, between 1873 and 1891, when Congress relinquished its franking privileges. Pressure for reform had been mounting for years, led by various Postmasters General who objected to carrying large quantities of government mail without reimbursement. In 1869, Postmaster General John Creswell recommended against continuing the "evil" of franked mail as a means of reducing his department's deficit and making it more selfsustaining. The movement for this reform drew popular support during the administration of Ulysses S. Grant (1869-1877) when the public perceived widespread extravagance and corruption in the executive and legislative branches of the government. In 1872, the Republican party platform carried a plank demanding an end to the frank, and when Congress returned to session that December, following the election, many senators believed it time to enact that campaign promise into law.

The House passed H.R. 2982 to abolish the franking system and to charge previously franked correspondence at the prevailing rates of postage. However, the House bill also provided for special stamps for the free mailing of official House and Senate documents. When the bill reached the Senate floor, on January 22, 1873, this special stamp provision ran into opposition. Senator Hannibal Hamlin of Maine noted that the House bill "provides for the distribution of all your public matter, not your speeches, not your own private correspondence; but for all public printed matter stamps are to be furnished to the Secretary of the Senate, and by him to members." This arrangement, protested Hamlin, would do nothing to curb "the astonishing amount of useless public printing that is done." Senator George Edmunds of Vermont added that the Post Office intended to provide Senators with special machines to stamp official documents. "I have heard it said by the enemies of our great party, Mr. President, that the Post Office Department was a machine," Edmunds declared, "but I did not know that it was going into the business of making other machines, to be furnished to the various bureau officers, and so on, for the propagation of information among the people otherwise than by writing." The idea of machine stamped mail seemed deceitful to Edmunds. "If we have told the people of the United States in our /Republican/ convention at Philadelphia that we were going to abolish the franking privilege, where is the use of saying to them we have abolished it when we have not?"

A few senators spoke in favor of the frank. Senator F.T. Frelinghuysen of New Jersey defended "free and unrestrained communications between the people and their representatives," and argued that "the franking privilege has done much to promote human rights and liberty. . . . It is a most valuable right to those that I represent. It belongs to my constituents." Nevertheless, the Senate

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voted 33 to 15 for an amendment prohibiting compensation for postage of any sort. The bill then went to conference where House members tried to make the Senate's restrictions less sweeping, but failed. Abolition of the frank became law on January 31, 1873. A month later, as the 42nd Congress prepared to adjourn, its members voted themselves a pay raise from $5,000 to $7,500 a year, and made it retroactive over the past two years. Public indignation over the "salary grab" was intense, forcing the 43rd Congress to rescind the pay increase and obliterating whatever credit Congress might have won for cost-saving through abolishing its frank.

The next eighteen years saw a gradual restoration of the frank. In 1874, legislation provided for reduced postal rates for sending the *Congressional Record* and other public documents, and in 1875 they again became postage-free. Senator Edmunds, who sponsored this provision, cited the "large number of public documents . . . accumulated in our committee rooms." The 1875 law also allowed for free mailing of seeds and agricultural reports. In 1883 an act made it the duty of other government departments to enclose franked envelopes in all official communications with senators and representatives requiring responses. Finally, in 1891, Congress quietly restored full franking privileges for all its correspondence. Proponents argued that abolition of the frank had not made the slightest improvement in the Post Office's financial picture, and noted that members of Congress were the only government officials required to pay postage on their public mailings. Qualified, defined, and regulated frequently over the years since 1891, the franking of mail remains an important link in the communications between members of Congress and their constituents.

SOURCES

Gail Hamilton, "Biography of James G. Blaine" (Norwich, 1895).

Alving F. Harlow, "Old Post Bags: The Story of the Sending of a Letter in Ancient and Modern Times" (New York, 1928).

Rita L. Moroney, "A Study of the Intent of Legislation on Second-Class Mail," Office of the Postmaster General, U.S. Postal Service, 1977.

Edward Stern, "History of the 'Free Franking' of Mail in the United States" (New York, 1936).

Elizabeth Yadlosky and Jack Maskell, "The Congressional Frank—Statutory Provisions, Legislative History, Judicial Construction, and Some Proposals for Amending the Law," Congressional Research Service, 1980.

ADDITIONAL COSPONSORS

S. 8

At the request of Mr. Cranston, the names of the Senator from Wisconsin [Mr. Kasten] and the Senator from South Dakota [Mr. Abdnor] were added as cosponsors of S. 8, a bill to grant a Federal charter to the Vietnam Veterans of America, Inc.

S. 778

At the request of Mr. Heinz, the name of the Senator from Connecticut [Mr. Dodd], was added as a cosponsor of S. 778, a bill to amend title XVIII of the Social Security Act to allow Medicare coverage for home health services provided on a daily basis.

S. 1134

At the request of Mr. Cohen, the names of the Senator from Connecticut [Mr. Dodd] and the Senator from Hawaii [Mr. Matsunaga] were added as cosponsors of S. 1134, a bill to amend title 5, United States Code, to provide administrative civil penalties for false claims and statements made to the United States by certain recipients of property, services, or money from the United States, by parties to contracts with the United States, or by Federal employees, and for other purposes.

S. 1249

At the request of Mr. Heinz, the name of the Senator from Connecticut [Mr. Dodd], was added as a cosponsor of S. 1249, a bill to amend titles XVIII and XIX of the Social Security Act to provide for coverage of respiratory care services for ventilator-dependent individuals under Medicare and Medicaid.

S. 1251

At the request of Mr. Domenici, the name of the Senator from Nevada [Mr. Hecht], was added as a cosponsor of S. 1251, a bill entitled "The Natural Gas Utilization Act of 1985."

S. 1372

At the request of Mr. Heinz, the name of the Senator from North Dakota [Mr. Andrews], was added as a cosponsor of S. 1372, a bill to amend the Internal Revenue Code of 1954 to provide incentives for the establishment of statewide insurance pools to provide health insurance to high-risk individuals.

S. 1774

At the request of Mr. Grassley, the name of the Senator from Utah [Mr. Hatch] was added as a cosponsor of S. 1774, a bill to amend section 1951 of title 18 of the United States Code, and for other purposes.

S. 1900

At the request of Mr. Roth, the names of the Senator from Indiana [Mr. Quayle], and the Senator from Maine [Mr. Mitchell] were added as cosponsors of S. 1900, a bill to amend the Foreign Agents Registration Act of 1938 by providing for the 5-year suspension of exemptions provided to an agent of a foreign principal convicted of espionage offenses.

S. 1901

At the request of Mr. Roth, the names of the Senator from Indiana [Mr. Quayle], and the Senator from Maine [Mr. Mitchell] were added as cosponsors of S. 1901, a bill to amend the Foreign Missions Act regarding the treatment of certain Communist countries, and for other purposes.

S. 1941

At the request of Mr. Denton, the names of the Senator from Florida [Mrs. Hawkins], and the Senator from Alaska [Mr. Murkowski] were added as cosponsors of S. 1941, a bill to protect the security of the United States by providing for sanctions against any country that provides support for perpetrators of acts of international terrorism.

S. 1942

At the request of Mr. Denton, the name of the Senator from Florida [Mrs. Hawkins] was added as a cosponsor of S. 1942, a bill to amend title 10, United States Code, to improve the security of United States military installations.

S. 2087

At the request of Mr. Proxmire, the names of the Senator from Texas [Mr. Bentsen], and the Senator from Texas [Mr. Gramm], the Senator from Wisconsin [Mr. Kasten] were added as cosponsors of S. 2087, a bill to amend part B of title XIX of the Public Health Service Act to specify the method of determining state allotments.

S. 2122

At the request of Mr. Glenn, the name of the Senator from North Dakota [Mr. Andrews] was added as a cosponsor of S. 2122, a bill to continue the current waiver of liability presumption for home health agencies and skilled nursing facilities under the Medicare Program in order to protect beneficiary access to home health and extended care services.

S. 2133

At the request of Mr. Kasten, the name of the Senator from North Dakota [Mr. Andrews] was added as a cosponsor of S. 2133, a bill to amend the Social Security Act to safeguard the integrity of the Social Security trust funds by ensuring prudent investment practices.

S. 2134

At the request of Mr. Heflin, the name of the Senator from Maine [Mr. Mitchell] was added as a cosponsor of S. 2134, a bill to amend title 39, United States Code, to extend to certain officers and employees of the Postal Service the same procedural and appeal rights with respect to certain adverse personnel actions as are to Federal employees under title 5, United States Code.

S. 2136

At the request of Mr. Abdnor, the name of the Senator from Alaska [Mr. Stevens] was added as a cosponsor of S. 2136, a bill to provide that any requirement to substantiate a deduction under the Internal Revenue Code of 1954 for business use of a vehicle be based on the regulations in effect before the Tax Reform Act of 1984.

S. 2168

At the request of Mr. Thurmond, the names of the Senator from South Carolina [Mr. Hollings], the Senator from Arizona [Mr. DeConcini], and the Senator from Alabama [Mr. Heflin] were added as cosponsors of

S. 2168, a bill to amend title 38, United States Code, to improve veterans' benefits for former prisoners of war.

S. 2186

At the request of Mr. Murkowski, the name of the Senator from North Dakota [Mr. Andrews] was added as a cosponsor of S. 2186, a bill to exempt any amounts available to provide certain benefits to veterans with service-connected disabilities from any requirement for sequestration of funds under part C of the Balanced Budget and Emergency Deficit Control Act of 1985.

S. 2190

At the request of Mr. Sarbanes, the name of the Senator from Rhode Island [Mr. Pell] was added as a cosponsor of S. 2190, a bill to provide that the full cost-of-living adjustment in benefits payable under certain Federal programs shall be made for 1987.

S. 2191

At the request of Mr. Roth, the names of the Senator from Mississippi [Mr. Cochran] and the Senator from Hawaii [Mr. Matsunaga] were added as cosponsors of S. 2191, a bill to amend the Federal Aviation Act of 1958 so as to prohibit reprisals against certain officers, employees, or contractors of air carriers.

S. 2198

At the request of Mr. Trible, the names of the Senator from Virginia [Mr. Warner], the Senator from North Dakota [Mr. Andrews], the Senator from Pennsylvania [Mr. Heinz], and the Senator from Florida [Mrs. Hawkins] were added as cosponsors of S. 2198, a bill to provide that the full cost-of-living adjustment in benefits payable under certain Federal programs shall be made for 1987.

SENATE JOINT RESOLUTION 143

At the request of Mr. Gore, the name of the Senator from Pennsylvania [Mr. Specter], and the Senator from New York [Mr. Moynihan] were added as cosponsors of Senate Joint Resolution 143, a joint resolution to authorize the Black Revolutionary War Patriots Foundation to establish a memorial in the District of Columbia at an appropriate site in Constitution Gardens.

SENATE JOINT RESOLUTION 256

At the request of Mr. Trible, the name of the Senator from Ohio [Mr. Glenn] was added as a cosponsor of Senate Joint Resolution 256, a joint resolution designating August 12, 1986, as "National Neighborhood Crime Watch Day."

SENATE JOINT RESOLUTION 263

At the request of Mr. Boschwitz, the name of the Senator from Tennessee [Mr. Gore] was added as a cosponsor of Senate Joint Resolution 263, a joint resolution to designate the week of September 7-13, 1986, as "National Independent Retail Grocer Week."

SENATE JOINT RESOLUTION 274

At the request of Mr. Grassley, the names of the Senator from Colorado [Mr. Armstrong], the Senator from Mississippi [Mr. Cochran], and the Senator from South Carolina [Mr. Thurmond] were added as a cosponsors of Senate Joint Resolution 274, a joint resolution to designate the weekend of August 1, 1986, through August 3, 1986, as "National Family Reunion Weekend."

SENATE JOINT RESOLUTION 280

At the request of Mr. Heinz, the names of the Senator from Mississippi [Mr. Stennis], the Senator from South Carolina [Mr. Thurmond], the Senator from Virginia [Mr. Warner], the Senator from Oregon [Mr. Packwood], the Senator from Indiana [Mr. Quayle], the Senator from South Carolina [Mr. Hollings], and the Senator from North Dakota [Mr. Andrews] were added as cosponsors of Senate Joint Resolution 280, a joint resolution designating the month of November 1986 as "National Alzheimer's Disease Month."

SENATE JOINT RESOLUTION 301

At the request of Mr. Nickles, the name of the Senator from Michigan [Mr. Levin] was added as a cosponsor of Senate Joint Resolution 301, a joint resolution designating the week of May 18 through May 23, 1986, as "National Food Bank Week."

SENATE JOINT RESOLUTION 307

At the request of Mr. Mattingly, the names of the Senator from Georgia [Mr. Nunn], the Senator from South Carolina [Mr. Thurmond], the Senator from Pennsylvania [Mr. Heinz], the Senator from South Carolina [Mr. Hollings], the Senator from North Carolina [Mr. Helms], the Senator from Alabama [Mr. Heflin], the Senator from Massachusetts [Mr. Kerry], the Senator from Texas [Mr. Gramm], the Senator from Wisconsin [Mr. Kasten], the Senator from Virginia [Mr. Warner], the Senator from Minnesota [Mr. Boschwitz], the Senator from Virginia [Mr. Trible], and the Senator from Indiana [Mr. Quayle] were added as cosponsors of Senate Joint Resolution 307, a joint resolution to designate the week of April 18 through 27, 1986 as "National Carpet and Floorcovering Week."

SENATE JOINT RESOLUTION 311

At the request of Mr. Cranston, the name of the Senator from Arizona [Mr. Goldwater] was added as a cosponsor of Senate Joint Resolution 311, a joint resolution designating the week beginning November 9, 1986, as "National Women Veterans Recognition Week."

SENATE JOINT RESOLUTION 312

At the request of Mr. D'Amato, the names of the Senator from New Jersey [Mr. Lautenberg], the Senator from Indiana [Mr. Lugar], the Senator from Indiana [Mr. Quayle], the Senator from South Carolina [Mr. Thurmond] were added as cosponsors of Senate Joint Resolution 312, a joint resolution designating the week beginning April 13, 1986, as "National Medical Laboratory Week."

SENATE CONCURRENT RESOLUTION 115

At the request of Mr. Trible, the names of the Senator from Wyoming [Mr. Wallop], and the Senator from Georgia [Mr. Mattingly] were added as cosponsors of Senate Concurrent Resolution 115, a concurrent resolution expressing the opposition of the United States to the forcible resettlement and systematic oppression of the Ethiopian people.

SENATE CONCURRENT RESOLUTION 122

At the request of Mr. Nickles, the name of the Senator from Arkansas [Mr. Bumpers] was added as cosponsor of Senate Concurrent Resolution 122, a concurrent resolution to express the sense of Congress with respect to agricultural loan restructuring.

SENATE RESOLUTION 304

At the request of Mr. Trible, the names of the Senator from Florida [Mrs. Hawkins], and the Senator from Arkansas [Mr. Bumpers] were added as cosponsors of Senate Resolution 304, a resolution to express the sense of the Senate that the present 3-year basis recovery rule on taxation of retirement annuities be maintained.

SENATE RESOLUTION 332

At the request of Mr. Armstrong, the name of the Senator from Mississippi [Mr. Cochran] was added as a cosponsor of Senate Resolution 332, a resolution to honor the Challenger Space Shuttle astronauts.

SENATE RESOLUTION 371

At the request of Mr. Domenici, the name of the Senator from North Dakota [Mr. Andrews] was added as a cosponsor of Senate Resolution 371, a resolution to express the sense of the Senate to protect the public and private financing of infrastructure by retaining the current treatment of such financing through tax-exempt bonds, depreciation of recovery property, and regular tax credit for investment in depreciable property.

AMENDMENTS SUBMITTED

DEPARTMENT OF DEFENSE ACQUISITION REORGANIZATION ACT

DIXON (AND OTHERS) AMENDMENT NO. 1728

(Ordered referred to the Committee on Armed Services.)

Mr. DIXON (for himself, Mr. Quayle, Mr. Wilson, and Mr. Nunn) submitted an amendment intended to be proposed by them to the bill (S.

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2151) to amend title 10, United States Code, to establish within the Office of the Secretary of Defense an Office of Defense Acquisition for the centralized procurement of all property and services for the Department of Defense, to provide for an Under Secretary of Defense for Acquisition, and for other purposes; as follows:

Strike all after the enacting clause and insert the following:

SECTION 1. SHORT TITLE.

This Act may be cited as the "Department of Defense Acquisition Reorganization Act of 1986".

SEC. 2. UNDER SECRETARY OF DEFENSE FOR ACQUISITION.

(a) Establishment of Under Secretary of Defense for Acquisition.—Section 135 of title 10, United States Code, is amended—

(1) in subsection (a)—

(A) by striking out "Research and Engineering" in the first sentence and inserting in lieu thereof "Acquisition";

(B) by adding "or Under Secretary for Acquisition" after "Policy" in the third sentence; and

(C) by adding at the end the following new sentence: "Only a person who is well qualified by reason of education, training, and experience in industry may be appointed Under Secretary of Defense for Acquisition.";

(2) in subsection (b), by striking out all after the first sentence and inserting in lieu thereof the following: "The Under Secretary of Defense for Acquisition shall perform such duties and exercise such powers relating to the determination of requirements for weapons systems development and the acquisition of property and services for the Department of Defense as the Secretary of Defense may prescribe, including—

"(1) setting overall policy for procurement, research and development, logistics, testing, independent cost assessments, and the defense industrial base;

"(2) supervising the performance of the entire acquisition system;

"(3) establishing policy for administrative oversight and auditing of defense contractors;

"(4) all of the contract administration and contract audit functions of the Department of Defense;

"(5) the supervision, direction, and control of—

"(A) the competition advocates general of the agencies of the Department of Defense;

"(B) the functions and personnel of the Defense Acquisition Regulatory Council;

"(C) the functions and personnel of the Defense Logistics Agency;

"(D) the functions and personnel of the Office of Small and Disadvantaged Business Utilization for the Office of the Secretary of Defense, established pursuant to section 15(k) of the Small Business Act (15 U.S.C. 644(k)); and

"(E) the functions and personnel involved in the acquisition of command, control, communications and intelligence systems; and

"(6) cochair, with a senior military official designated by the Chairman of the Joint Chiefs of Staff, the Joint Requirements and Management Board. The Under Secretary shall be the acquisition executive of the Department of Defense."; and

(3) in subsection (c)—

(A) by striking out "Policy" in the first sentence and inserting in lieu thereof "Acquisition"; and

(B) by striking out the second sentence and inserting in lieu thereof the following: "The Under Secretary of Defense for Policy takes precedences in the Department of Defense immediately after the Under Secretary of Defense for Acquisition."

(b) Assistant Secretaries of Defense.—Section 136(b) of such title is amended by—

(1) in paragraph (5) by striking "Intelligence. He" and inserting in lieu thereof "Intelligence, and shall, subject to the authority, direction and control of the Secretary of Defense and the Under Secretary of Defense for Acquisition,"; and

(2) adding at the end the following:

"(7) One of the Assistant Secretaries shall be the Assistant Secretary of Defense for Research and Engineering and shall, subject to the authority, direction, and control of the Secretary of Defense and the Under Secretary of Defense for Acquisition, perform such duties relating to research and engineering as may be prescribed, including—

"(A) being principal advisor to the Secretary and Under Secretary of Defense for Acquisition on scientific and technical matters;

"(B) supervising all research and engineering activities in the Department of Defense; and

"(C) directing, controlling, assigning, and reassigning those research and engineering activities that the Secretary of Defense and the Under Secretary of Defense for Acquisition determine should have centralized management.".

(c) Director of Operational Test and Evaluation to Report to Under Secretary of Defense for Acquisition.—Section 136a(d) of title 10, United States Code, is amended by—

(1) striking out "Secretary of Defense" and inserting in lieu thereof "Under Secretary of Defense for Acquisition"; and

(2) striking out "Under Secretary" and inserting in lieu thereof "Assistant Secretary".

SEC. 3. APPROVAL OF CERTAIN ACTIONS BY UNDER SECRETARY OF DEFENSE FOR ACQUISITION

(a) In General.—Chapter 137 of such title is further amended by adding at the end thereof the following new section:

"§ 2325. Approval of new starts, full-scale development, or production

"A major system new start, or the full-scale development of a major system, or the procurement of a major system, may not be entered into unless the Under Secretary of Defense for Acquisition has reviewed and approved the Acquisition program. In reviewing any proposed program for the acquisition of a major system, the Under Secretary shall evaluate the plans and requirements for the system, determine the necessity for production, consider the commonality of parts and components of the system, and consider the complexity and practicality of the system.".

(b) Reduction of Headquarters Staff.—Within two years after the establishment of the office of the Under Secretary of Defense for Acquisition, the total number of civilian and military personnel assigned or detailed to permanent duty in the headquarters staffs reporting to the Under Secretary shall be reduced by a number equal to 10 percent of the number of civilian and military personnel assigned or detailed to permanent duty in such headquarters staffs reporting to the Under Secretary on the date of the enactment of this Act. Except in time of war or during a national emergency declared by Congress, the number of persons assigned to duty in the headquarters staffs reporting to the Under Secretary of Defense for Acquisition may not be increased after the reduction required by the preceding sentence.

(c) Development of Policies and Programs for Procurement Personnel.—The Secretary of Defense shall develop appropriate policies and programs for the career recruiting, training, development, and placement of personnel of the Department of Defense assigned to duty in a procurement function of the Department. Such policies shall take into account the procurement management personnel requirements provided for in chapter 85 of title 19, United States Code.

SEC. 4. CONFORMING AMENDMENTS TO TITLE 5, UNITED STATES CODE

Title 5, United States Code, is amended—

(1) in section 5313, by adding at the end the following new item:

"Under Secretary of Defense for Acquisition."; and

(2) in section 5314—

(A) by striking out "Under Secretaries of Defense (2) and inserting in lieu thereof, "Under Secretary of Defense for Policy.".

Amend the title so as to read: "A bill to amend title 10, United States Code, to provide for an Under Secretary of Defense for Acquisition, and for other purposes.".

● Mr. DIXON. Mr. President, today I am submitting an amendment to S. 2151, a bill I introduced on March 6, 1986, to establish within the Office of the Secretary of Defense a new position of Under Secretary of Defense for Acquisition. This job will carry with it the responsibility for all procurement policy within the Department of Defense.

The amendment I am submitting today embraces the Packard Commission recommendations to the President on Defense acquisition. As a Member of the Senate Armed Services Subcommittee on Defense Acquisition Policy, I have been attending hearings chaired by Senator Quayle on the acquisition system. These hearings were called after the Armed Services Committee marked up the DOD reorganization bill and approved in principle my amendment to create an Under Secretary for Acquisition. The President has already implemented those Packard Commission recommendations which do not require legislative authority.

My amendment will complete the process. The amendment assures that the Under Secretary for Acquisition will be the Defense executive for acquisition with the mission to establish overall policy direction for acquisition that will have to be followed by the Department of Defense and the Services. This amendment gives the Under Secretary for Acquisition the authority to control the process for major system acquisition in DOD from inception through production. Acquisition does not begin on the production line; it begins in the laboratories. The process must therefore be a continuous

one, and my amendment recognizes and underscores that premise.●

URANIUM MILL TAILINGS RECLAMATION ACT

DOMENICI AMENDMENT NO. 1729

(Ordered referred to the Committee on Energy and Natural Resources.)

Mr. DOMENICI submitted an amendment intended to be proposed by him to the bill (S. 1004) to revitalize the U.S. uranium industry and provide for reclamation and other remedial action with respect to active uranium and thorium processing sites, and to provide for a plan for the reorganization, self-financing, and eventual commercialization of the U.S. uranium enrichment program and facilities; as follows:

Strike out all after the enacting clause and insert in lieu thereof:

SECTION 1. SHORT TITLE

This act may be cited as the "Uranium Revitalization and Tailings Reclamation Act of 1986"

SEC. 2. FINDINGS AND PURPOSES

(a) Findings.—The Congress finds that—

(1) The United States uranium industry has long been recognized as vital to United States energy independence and as essential to United States national security, but has suffered a drastic economic setback, including a 90 percent reduction in employment, closure of almost all mills, more than a 75 percent drop in production, closure of many mines, and a permanent loss of uranium reserves;

(2) During the remainder of this century approximately 20 percent of United States electricity is expected to be produced from uranium fueled power reactors owned by domestic electric utilities.

(3) The United States has been the leading uranium producing nation and holds extensive proven reserves of natural uranium which offers the potential for secure sources of future supply.

(4) A variety of economic factors, policies of foreign governments, foreign export practices, new federal regulatory requirements, cancellation of nuclear powerplants and government uranium enrichment policies have caused most United States producers to close or suspend operations over the past five years and have resulted in the domestic uranium industry being found "not viable" by the Secretary of Energy.

(5) At the same time the United States Uranium Enrichment program has moved from a position of a virtual monopoly of the free world enrichment market to the highest priced enrichment supplier in a competitive market.

(6) Reestablishing a viable domestic uranium industry and a competitive domestic enrichment program are essential to:

(A) Assure an adequate long-term supply of domestic uranium and enrichment for the nation's nuclear power program to preclude an undue threat from foreign supply disruptions or price controls,

(B) Through foreign sales, aid in the nation's balance of trade payments, and

(C) Assist in our nation's nuclear non-proliferation efforts through our involvement in the nuclear fuel process.

(7) the Uranium Mill Tailings Radiation Control Act of 1978 (42 U.S.C. 7901 et seq.) was enacted to provide for the reclamation and regulation of uranium mill tailings;

(8) The owners or licensees of active uranium mills, the states in which active sites are located, the Federal Government, and owners or licensees of civilian nuclear power reactors have each benefitted from uranium produced at the active sites, and it is equitable that they share in the cost of reclamation, decommissioning and other remedial action at the active sites.

(9) The Uranium Mill Tailings Radiation Control Act of 1978 (42 U.S.C. 7901 et seq.) did not provide for a comprehensive method of financing reclamation and remedial action at active uranium and thorium processing sites; and "The owners or licensees of active uranium mills, the states in which active mills are located, the Federal Government, and owner or licensees of civilian nuclear power reactors have each benefited from uranium produced at the active sites, and it is equitable that they share in the cost of reclamation, decommissioning and other remedial action at the active sites. The funding formula contained herein will provide approximately, for an equal one-third sharing by the owners or licensees of active uranium mills, the Federal Government, and the owners or licensees of civilian nuclear power reactors, after considering sharing by the States."

(10) The creation of an assured system of financing will greatly facilitate and expedite reclamation and remedial actions at such active uranium and thorium processing sites. Financing should be shared on an equal basis by owners or licensees of active uranium mills, the Federal Government, and the owners or licensees of civilian nuclear power reactors with support from the States in which the active sites are located.

(11) Reorganization, self-financing and eventual commercialization of the Department of Energy's uranium enrichment program and facilities will improve the ability of U.S. enrichment services to compete with other suppliers, will improve the nation's balance of trade payments, will assure an adequate long term supply of domestic enrichment services and will preclude disruptions or excessive enrichment costs.

(b) Purpose.—It is the purpose of Congress with this Act to ensure an adequate long-term supply of domestic uranium and enrichment for the nation's nuclear power program; to re-establish a viable domestic uranium industry and re-establish a competitive domestic enrichment program, and to facilitate, expedite and establish a comprehensive system for financing reclamation and other remedial action at active uranium and thorium processing sites.

DEFINITIONS

Sec. 3. For Purposes of This Act.—(1) the terms "active uranium or thorium processing site" and "active site" mean—

(A) any uranium or thorium processing site, including the mill, containing byproduct material for which a license (issued by the Nuclear Regulatory Commission or its predecessor agency under the Atomic Energy Act of 1954, or by a State as permitted under section 274 of such Act (42 U.S.C. 2021)) for the production at such site of any uranium or thorium derived from ore—

(i) is in effect on January 1, 1978;

(ii) is issued or renewed after January 1, 1978; or

(iii) for which an application for renewal or issuance is pending on, or after, January 1, 1978; and

(B) any other real property or improvement on such real property that—

(i) is in the vicinity of such site; and

(ii) is determined by the Secretary, in consultation with the Commission, to be contaminated with residual byproduct material.

(2) The term "Administrator" means the Administrator of the Environmental Protection Agency.

(3) The term "byproduct material" has the meaning given such term in section 11e.(2) of the Atomic Energy Act of 1954 (42 U.S.C. 2014(e)(2)).

(4) The term "civilian nuclear power reactor" means any civilian nuclear powerplant required to be licensed under section 103 or section 104 of the Atomic Energy Act of 1954 (42 U.S.C. 2133).

(5) The term "Commission" means the Nuclear Regulatory Commission.

(6) The term "Secretary" means the Secretary of Energy.

(7) The terms "source material" and "special nuclear material" have the meanings given such terms in section 11 of the Atomic Energy Act of 1954 (42 U.S.C. 2014.)

(8) The term "tailings" means the wastes produced by the extraction or concentration of uranium or thorium from any ore processed primarily for its source material content.

(9) The term "reclamation, decommissioning and other remedial action" includes long and short term monitoring, except for the purpose of determining the date for determining when reclamation decommissioning and other remedial action is complete for the purpose of making refunds under Section 215. Further, the term "reclamation, decommissioning and other remedial action" shall include mill decommissioning only if the owner or licensee of an active site elects to make the contribution provided for in Section 213(b)(1)(C).

(10) The term "United States Usage Requirements" means the requirements for usage of at least fifty percent of the uranium contained in the aggregate of new fuel assemblies loaded in any civilian nuclear power reactor during any calendar year having been mined and milled in the United States, as provided in Sec. 112.

TITLE I—URANIUM REVITALIZATION NEGOTIATIONS TO VOLUNTARILY RESTRAIN URANIUM IMPORTS

Sec. 111. (a)(1) Negotiations Before United States Origin Usage Requirements.—The President, acting through the United States Trade Representative shall undertake negotiations with all major uranium producing countries for the purpose of achieving voluntary restraint agreements whereby the aggregate uranium not mined and milled in the United States contained in the aggregate of new fuel assemblies loaded in each domestic civilian nuclear power reactor during any calendar year beginning in 1988, and continuing until 2000, will not exceed fifty percent.

(2) A country shall be considered a major uranium producing country if there has been or likely will be, delivery of uranium mined or produced, in that country into the United States, of 3,000,000 pounds or more of U308 contained in uranium concentrate, or the equivalent amount of uranium, which has, or likely will be used for fuel in civilian nuclear power reactors during the years 1980 through 2000.

(3) If a country which is not considered a major uranium producing country on or before January 1, 1988, subsequently becomes a major uranium producing country

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thereafter, then the United States Trade Representative shall undertake negotiations with such country to achieve a voluntary restraint agreement accomplishing the purpose of this section.

(b) Action If Voluntary Restraint Agreements Take Effect.—If voluntary restraint agreements described in subsection (a) take effect between the United States and the major uranium producing countries, within one year from the date of enactment of this Act, the United States Trade Representative, with the cooperation of other appropriate Federal agencies, shall monitor the usage of uranium in domestic civilian nuclear power reactors during such period for the purpose of ascertaining if the terms of the agreements are being complied with. The United States Trade Representative shall report annually to the Congress on the results of the monitoring carried out with respect to that interval. Such annual report shall be submitted on or before March 1 of the year following the calendar year for which the report is prepared.

(c)(1) Action If Voluntary Restraint Agreements Not Entered.—Unless the President, through the United States Trade Representative, has reported to Congress within thirteen months after the date of this Act that all major uranium producing countries have entered into voluntary restraint agreements with the United States accomplishing the requirements of subsection (a) for the time period January 1, 1988 through December 31, 2000, then the United States Uranium Usage Requirements as provided in Sec. 112(a) shall become effective immediately.

(2) If voluntary restraint agreements entered into under subsection (a) are not complied with for any reason, including, the expiration, cancellation, termination, amendment or modification of such agreements, then the United States Uranium Usage Requirements as provided in Sec. 112(a) shall become effective immediately.

UNITED STATES URANIUM USAGE REQUIREMENT

Sec. 112. (a) In General.—If the United States Uranium Usage Requirement becomes effective as provided in Sec. 111(c), then at least fifty percent of the uranium contained in the aggregate of new fuel assemblies loaded into any civilian nuclear power reactor during any calendar year beginning January 1, 1988, and continuing until December 31, 2000, shall have been mined, and milled in the United States, subject to the provisions of subsection (b).

(b)(1) In making the calculation required in Sec. 112(a), uranium mined and milled in a country other than the United States included in new fuel assemblies loaded in a civilian nuclear power reactor during any calendar year shall not be considered if it was obtained under the terms of a contract for the purchase of uranium executed prior to April 8, 1986 between the licensee of such civilian nuclear power reactor and the supplier, including such contract as to which the quantity is fixed but with flexibility as to date of delivery, and including a contract with a domestic supplier which allows the supplier to select the origin of the uranium delivered. Uranium mined and milled in a country other than the United States included in new fuel assemblies loaded into a civilian nuclear power reactor during any calendar year shall be considered in calculating the requirements in Sec. 112(a) if it was obtained under the terms of contract executed on or after April 8, 1986 or obtained under an option which was exercised on or after April 8, 1986 or obtained under a contract executed before April 8, 1986 but which is modified or extended to increase the quantity of foreign source uranium delivered.

(2) If, as a result of certain foreign source uranium not being considered as provided in this subsection for the purpose of calculating the requirements of Sec. 112(a), less than 50% of the total uranium contained in the aggregate of new fuel assemblies loaded in such reactor from January 1, 1988 until December 31, 2000 will have been actually mined and milled in the United States, then all uranium loaded into the civilian nuclear power reactor, except that not considered as provided in this subsection, shall be uranium mined and milled in the United States until it is assured that at least 50% of the total uranium in the aggregate of fuel assemblies in such reactor from January 1, 1988 until December 31, 2000 will have been actually mined and milled in the United States.

(c) The percentages of foreign source uranium and uranium mined and milled in the United States, will be determined by dividing the weight of uranium mined and milled in the United States or enriched in the United States, in the aggregate of new fuel assemblies loaded into each civilian nuclear power reactor during a calendar year by the total weight of uranium in the new fuel loaded into such reactor during that year. For the purpose of this calculation, fuel loadings begun in one calendar year and which are completed in the following year will be counted in the year that the refueling outage was completed. Uranium weights and origins in the new fuel assemblies will be determined from the uranium weights and origin indicated on the DOE/NRC Form 741 for the new fuel assembly.

Sec. 113. (a) Any licensee who operates a civilian nuclear power reactor at any time during the period beginning January 1, 1988 and ending December 31, 2000 with uranium mined or milled in a country other than the United States shall be assessed a charge, to be imposed by the Secretary, of $500 per kilogram of uranium loaded in the civilian nuclear power reactor for each kilogram of uranium mined or milled in a country other than the United States in excess of fifty percent of the amount of uranium contained in the aggregate of the new fuel assemblies loaded into such reactor during any calendar year beginning January 1, 1988 and ending December 31, 2000 except as provided in section 112(b).

(b) The assessments imposed by the Secretary pursuant to subsection (a) shall be deposited in the Uranium Mill Tailings Fund.

VIABILITY

Sec. 114. The requirements, contained in Sec. 161(v)(B) of the Atomic Energy Act of 1954, as amended (42 U.S.C. 2201(v)(B)), that the Secretary, to the extent necessary to assure the maintenance of a viable domestic uranium industry, shall not offer services, in facilities owned by the Department of Energy, for the production of enrichment of source or special nuclear material of foreign origin intended for use in the United States, and the provisions of Sec. 170(B) of the Atomic Energy Act of 1954, as amended (42 U.S.C. 2210B), shall be suspended upon the date of enactment of this Act until December 31, 2000.

LICENSEE CERTIFICATION

Sec. 115. The licensee of each civilian nuclear power reactor must certify to the Secretary of Energy by March 1 of each year it has met the requirements of this Title for the previous year. The certification must include—

(a) the total weight of uranium loaded;

(b) the total weight of uranium mined and milled in the United States which was loaded;

(c) the total weight of uranium mined and milled outside of the United States which was loaded.

GOVERNMENT URANIUM PURCHASES

Sec. 116. After the date of enactment of this Act, the United States of America, its agencies and instrumentalities, including the Tennessee Valley Authority, shall not enter contracts or orders for the purchase of uranium other than for uranium mined or milled in the United States; provided, however, this section shall not affect purchases under a contract for delivery of a fixed amount of uranium entered before the date of enactment of this Act, or options exercised for fixed amounts prior to the date of enactment of this Act.

TITLE II—REMEDIAL ACTION PERFORMED BY THE OWNER OR LICENSEE OF ACTIVE URANIUM MILLS

Sec. 211. (a) In General.—The owner or licensee of an active uranium mill shall select and perform reclamation, decommissioning, other remedial actions, at active sites.

(b) Remedial Action To Be Performed in Accordance With Applicable Standards.—Any reclamation, decommissioning, or other remedial action performed under subsection (a) by an owner or licensee shall comply with all applicable requirements established pursuant to the Uranium Mill Tailings Radiation Control Act of 1978, as amended or, where appropriate, requirements established by a State that is a party to a discontinuance agreement under section 274 of the Atomic Energy Act of 1954 (42 U.S.C. 2021).

(c) Costs of Remedial Action To Be Paid From Tailings Fund.—The costs incurred by the owner or licensee for reclamation, decommissioning and other remedial action, performed by the owner or licensee under this Act shall be reimbursed from the Uranium Mill Tailings Fund established in Section 212.

URANIUM MILL TAILINGS FUND

Sec. 212. (a) Establishment of Uranium Mill Tailings Fund.—There hereby is established in the Treasury of the United States a separate fund, to be known as the Uranium Mill Tailings Fund. The Tailings Fund shall consist of—

(1) all contributions to the Tailings Fund from the States in which active sites are located as provided in Section 213(a).

(2) all contributions to the Tailings Fund from owners or licensees of active sites as provided in Section 213(b).

(3) all contributions made to the Uranium Mill Tailings Fund by the Secretary as provided in Section 213(c).

(4) all fees received from owners or operators of civilian nuclear power reactors as provided in Section 213(d).

(5) all assessments paid to the Secretary by a licensee of a civilian nuclear power reactor for failure to comply with the United States Uranium Usage Requirement.

(6) all interest earned on sums in the fund.

(b) Use of Uranium Mill Tailings Fund.—The Secretary may, subject to subsection (c), make expenditures from the Uranium Mill Tailings Fund only for purposes of compliance with this Title.

(c) Administration of Uranium Mill Tailings Fund.—(1) The Secretary of the

Treasury, after consultation with the Secretary, shall annually submit to the Congress a report on the financial condition and operation of the Uranium Mill Tailings Fund during the preceding fiscal year.

(2) The Secretary shall submit the budget of the Uranium Mill Tailings Fund to the Office of Management and Budget annually along with the budget of the Department of Energy in accordance with chapter 11 of title 31, United States Code. The budget of the Uranium Mill Tailings Fund shall consist of the estimates made by the Secretary of expenditures from the Uranium Mill Tailings Fund and other relevant financial matters for the succeeding three fiscal years, and shall be included in the Budget of the United States Government.

(3) If the Secretary determines that the Uranium Mill Tailings Fund contains at any time amounts in excess of current needs, the Secretary shall request the Secretary of the Treasury to invest such amounts, or any portion of such amounts as the Secretary determines to be appropriate, in obligations of the United States—

(A) having maturities determined by the Secretary of the Treasury to be appropriate to the needs of the Uranium Mill Tailings Fund; and

(B) bearing interest at rates determined to be appropriate by the Secretary of the Treasury, taking into consideration the current average market yield on outstanding marketable obligations of the United States with remaining periods to maturity comparable to the maturities of such investments, except that the interest rate on such investments shall not exceed the average interest rate applicable to existing borrowings.

(4) Receipts, proceeds, and recoveries realized by the Secretary under this section, and expenditures of amounts from the Uranium Mill Tailings Fund, shall be exempt from annual apportionment under the provisions of subchapter 11 of chapter 15 of title 31, United States Code.

CONTRIBUTIONS TO THE URANIUM MILL TAILINGS FUND

Sec. 213. (a) Contributions by States Containing Active Sites.—(1) Each State containing an active site or sites shall contribute from non-federal funds to the Treasury of the United States to be deposited in the Uranium Mill Tailings Fund the sum of $0.50 for each dry ton of tailings, the uranium from which was processed for commercial sales prior to the enactment of this Act at an active site within such State whose owner or licensee has elected to participate in reclamation, decommissioning or other remedial action through the Uranium Mill Tailings Fund.

(2) Such payment shall be made in five equal annual installments commencing January 1, 1990.

(3) If any State containing an active site or sites, whose owner or licensee has elected to participate in reclamation, decommissioning or other remedial actions through the Uranium Mill Tailings Fund, fails or refuses to make the contributions, or any portion thereof, required by this section, this shall not affect the right of the owner or licensee of an active site in such state to participate in reclamation, decommissioning or other remedial action through the Uranium Mill Tailings Fund.

(b) Contributions by Owners or Licensees.—(1) Each owner or licensee of an active site who elects to participate in reclamation, decommissioning, and other remedial action, through the Uranium Mill Tailings Fund shall contribute to the Treasury of the United States, to be deposited in the Uranium Mill Tailings Fund—

(A) $2,000,000 per site as to which it is the owner or licensee of which—

(i) $1,000,000 shall be contributed in the Tailings Fund on or before January 31, 1990; and

(ii) $1,000,000 shall be contributed in the Tailings Fund on or before January 31, 1991.

(B) $1.00 per dry ton for all tons of tailings at such active site, the uranium from which was processed from commercial sales prior to the effective date of the Act of which—

(i) $0.50 per dry ton for all tons of tailings at such active site, the uranium from which was processed for commercial sales prior to the effective date of this Act, shall be contributed to the Tailings Fund on or before January 31, 1992.

(ii) $0.50 per dry ton for all tons of tailings at such active site, the uranium from which was processed for commerical sales prior to the effective date of this Act, shall be contributed in the Tailings Fund on or before January 31, 1993.

(C) Each owner or licensee of an active site who elects to decommission the mill as a part of the reclamation decommissioning and other remedial action to be undertaken pursuant to the Uranium Mill Tailings Fund shall contribute an additional $500,000 to the Uranium Mill Tailings Fund on or before January 31, 1994.

(c) Contribution on Behalf of Federal Government From Department of Energy Enrichment Services Revenues.—(1) There is authorized to be appropriated the Uranium Mill Tailings Fund, $350,000,000 to remain available until expended.

(2) Funds authorized under this section shall be derived from the Department of Energy Uranium Enrichment Program revenues. These contributions shall be in lieu of appropriations from the Treasury of the United States. These contributions shall be deemed to fully and completely repay the Treasury for one hundred percent of any and all debt the Department of Energy Uranium Enrichment Program has incurred prior to FY 1986.

(3) The Secretary shall transfer funds authorized by this subsection to the Uranium Mill Tailings Fund as needed to carry out the purposes of this Title.

(d) Contributions by Licensees of Civilian Nuclear Power Reactors.—(1) Licensees for civilian nuclear power reactors shall contribute into the Uranium Mill Tailings Fund a fee of $22.00 per kilogram of uranium contained in fuel assemblies initially loaded into each civilian nuclear power reactor during each of the calendar years 1989 through 1993.

(2) The fee shall apply to fuel on its initial loading into the reactor and not to previously loaded fuel being loaded again. In calculating the total annual obligation by a licensee, fuel loaded in loadings which are begun in a calendar year and completed in the subsequent years shall be deemed to have occurred in the year in which loading is completed. The weight of uranium loaded will be determined by uranium weights indicated on the NRC/DOE Form 741 for the new fuel assemblies.

(3) The fee from each user so affected will be due on January 31 the following year with the first payment due on January 31, 1990.

(4) The contribution of this fee for the years 1989-1993 shall constitute the total obligation of licensees of civilian nuclear power reactors for uranium mill tailings reclamation, except to the extent that a user may be the owner or licensee of a uranium mill or as provided by contract executed prior to the effective date of this Act.

(5) Not later than one hundred and twenty days after the date of enactment of this Act the Secretary shall establish procedures for the collection and payment of the fee established by this Title.

ELECTION TO PARTICIPATE

Sec. 214. (a) Owner or Licensee Election to Participate.—The owner or licensee of an active site may elect to perform reclamation, decommissioning and other remedial action through the Uranium Mill Tailings Fund and be entitled to receive reimbursement for the cost incurred by such owner or licensee for reclamation, decommissioning and other remedial action performed in connection with the owner's or licensee's active site by notifying the Secretary of such election on or before January 1, 1989. If an owner or licensee makes an election to participate, the notice shall specify whether the owner or licensee elects to have decommissioning undertaken pursuant to the Uranium Mill Tailings Fund. Such election to participate or not to participate shall be irrevocable.

REIMBURSEMENT OF COSTS INCURRED FOR RECLAMATION, DECOMMISSIONING, OR OTHER REMEDIAL ACTION FROM TAILINGS FUND

Sec. 215. (a) In General.—The Secretary shall reimburse to the owner or licensee of an active site who has elected to participate as provided in Section 214, the costs incurred by such owner or licensee for the reclamation, decommissioning or other remedial actions in connection with such site from the Uranium Mill Tailings Fund. The amount reimbursed shall not exceed the total dry tailings at such site as of the date of this Act multiplied by $5.00; and provided, however, if one-third of the lower of (i) the cost of reclamation, decommission and other remedial action at an active site or (ii) the dry tons of tailings at such site at the date of the Act multiplied by $5.00 per dry ton, exceeds the sums payable to the Uranium Mill Tailings Fund by such owner or licensee of such active site, and interest deemed earned thereon then the owner or licensee of such active site shall be reimbursed from the Uranium Mill Tailings Fund an amount equal to the costs incurred by such owner or licensee for the reclamation, decommissioning or other remedial actions in connection with such site (not to exceed the total dry tons of tailings at such site as of the date of this Act multiplied by $5.00 per dry ton), LESS the amount by which one-third of the lower of (i) the cost of reclamation, decommission and other remedial action at such site or (ii) the dry tons of tailings at such site at the date of this Act multiplied by $5.00 per dry ton exceeds the sums payable to the Uranium Mill Tailings Fund by such owner or licensee of such active site and interest deemed earned thereon.

(b) Owner's or Licensee's Account.—For the purposes of accounting, one-third of the cost incurred, for reclamation, decommissioning, and other remedial action at an active site, up to the $5.00 per ton of tailings maximum, by the owner of licensee shall be deemed to be reimbursed out of the sum contributed by such owner of licensee to the Uranium Mill Tailings Fund as provided in Section 213, and interest deemed earned upon such contribution. If upon the completion of reclamation, decommissioning or

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other remedial action at a paticipating active site, one-third of the costs incurred therefore by the owner or licensee is less than the amount contributed to the Uranium Mill Tailings Fund by such owner or licensee and interest deemed earned upon such contribution, then the owner or licensee shall be refuned from the Uranium Mill Tailings Fund a sum equal to the amount by which one-third of the costs incurred by the owner or licensee is less than the amount contributed by such owner or licensee to the Uranium Mill Tailings Fund and interest deemed earned thereon. The Secretary shall maintain accounts for each participating owner or licensee to reflect contributions by such owner or licensee, interest deemed earned on such contributions, reimbursements to such owner or licensee from the Uranium Mill Tailings Fund, and the cost incurred by the owner or licensee for the reclamation, decommissioning or other remedial action in connection with such active site.

(c)(i) ACCOUNTS FOR OTHER CONTRIBUTORS TO THE TAILINGS FUND.—For the purpose of accounting, two-thirds of the costs incurred by participating owners or licensees at active sites, up to the maximum of $5.00 per dry ton of tailings at such sites as of the effective date of this Act, shall be deemed to have been reimbursed from the Uranium Mill Tailings Fund out of the portion of the Uranium Mill Tailings Fund contributed (i) on behalf of the Federal Government by the Department of Energy as provided in Section 213(c); (ii) the States which have contributed as provided in Section 213(a), and (iii) the licensees of civilian nuclear power reactors as provided in Section 213(d), and interest deemed earned upon such contributions. The Secretary shall maintain accounts for each such person or entity making contributions to the Tailings Fund, reflecting the time and amount of such contributions, and the interest deemed earned thereon.

(ii) The Secretary shall determine as of January 31, 1996, whether the amount remaining in the Uranium Mill Tailings Fund, other than the amounts contributed by participating owners or licensees of active sites and interest deemed earned thereon, when considered with the $5.00 per dry ton limit on reimbursement, exceeds the total cost reimbursable to the participating owners or licensees of active (other than that deemed reimbursed out of such participating owners or licensees contributions and interest deemed earned thereon or to borne by owners or licensees), of the active sites where reclamation, decommissioning and other remedial action has not been completed.

(iii) If the Secretary determines there is an excess, then the excess shall be refunded as set forth in subsection 215(d); provided, however, no amounts contributed to the Uranium Mill Tailings Fund by the participating owners or licensees of active sites and interest deemed earned therein shall be refunded to any person or entity other than the owner or licensee making such contribution, or their successors or assigns.

(d) REFUNDS TO CERTAIN CONTRIBUTORS.—If as of January 31, 1996, the Secretary determines that the Uranium Mill Tailings Fund contains an excess as calculated in Section 215(c), then the Secretary shall refund the excess as follows:

(1) first, to the States which have made contributions to the Uranium Mill Tailings Fund as provided in Section 213(a), until such States have been refunded the full amount of their contributions.

(2) the remaining excess, if any, shall be refunded:

(A) A total of five percent of such remaining excess to the States which contributed to the Uranium Mill Tailings Fund, pro-rata basis in accordance with their respective contributions.

(B)(i) Ninety-five percent of the remainder of such excess to the United States Treasury. The Secretary shall make a determination annually after January 31, 1996, whether an excess as calculated pursuant to Section 215(c) exists in the Uranium Mill Tailings Fund, and if the Secretary determines an excess exists, the Secretary shall make refunds in the method provided in Section 215(d)(1) shall cease when State contributions pursuant to Section 213(a) have been refunded.

(e) INTEREST DEEMED EARNED.—For the purpose of this Act, the contributions made by any person or entity shall be deemed to have earned interest annually on the contribution from the date made. The appropriate interest rate for each year shall be determined by the Secretary, taking into consideration the average market yield on outstanding marketable obligations of the United States with one year maturity during the year for which calculation is being made; provided, however, contributions made by any anticipatory owners or licensees of active sites shall be deemed to bear interest during any such year only to the extent that the contributions made by such owner or licensee exceeds one-third of the costs reimbursed out of the Uranium Mill Tailings Fund to such owner or licensee.

LIMITATION OF REIMBURSEMENT

Sec. 216. (a) $5.00 PER TON LIMIT.—The total reimbursement from the Uranium Mill Tailings Fund to the owner or licensee of an active site shall not exceed an amount equal to $5.00 multiplied by the dry tons of tailings located at the site as of the effective date of this Act. Costs in excess of $5.00 per ton shall be borne by the owner or licensee of the active site on its own account outside the Uranium Mill Tailings Fund.

(b) INFLATION ESCALATION INDEX.—The $5.00 per dry ton multiplier provided in Section 216(a) shall be increased based upon an inflation escalation index. The Secretary shall determine the appropriate index to apply.

TAILINGS GENERATED AFTER EFFECTIVE DATE OF ACT

SEC. 217. (a) IN GENERAL.—An owner or licensee of an active site who has elected to participate pursuant to Section 214 shall be entitled to reimbursement from the Uranium Mill Tailings Fund, to the limits provided, for the costs incurred for the reclamation, decommissioning or other remedial action in connection with such active site on the basis of tailings existing at such active site as of the effective date of this Act. The participating owner or licensee of an active site shall be responsible on its own account outside the Uranium Mill Tailings Fund for the costs incurred for the reclamation, decommissioning or other remedial action associated with tailings generated at such active site after the effective date of this Act.

(b) ACTIVE SITES CONTAINING TAILINGS GENERATED BEFORE AND AFTER THE EFFECTIVE DATE OF THIS ACT.—If an active site whose owner or licensee has elected to participate contains tailings generated both before and after the date of this Act, then it shall be assumed that the costs incurred by the owner or licensee for the reclamation, decommissioning and other remedial action in connection with such site were incurred pro-rata based upon the dry tons of tailings generated before and after the date of this Act, unless the Secretary determines that the costs incurred in connection with the tailings generated after the date of this Act were less than would result from the pro-rata formula, in which event such lower amount shall be used for the purposes hereof.

THORIUM SITE

SEC. 218. IN GENERAL.—At thorium sites, the cost of reclamation, decommissioning and other remedial action shall be borne by the owner or licensee except for the portion generated solely as an incident of sales to the United States, or any of its agencies and instrumentalities, the United States shall bear such costs. Tailings arising from the co-production of thorium for the United States, or any of its agencies and instrumentalities and other products for the commercial market shall be allocated to the United States. The Secretary is hereby authorized to enter a cooperative agreement with the owner or licensee of a thorium site providing for the payment by the United States of its share of the cost of reclamation, decommissioning and other remedial action at such site. For the purpose of carrying out the provisions of this section such funds as necessary are hereby authorized.

MAINTENANCE OF FUND BALANCE

SEC. 219. IN GENERAL.—The Secretary shall manage disbursements from the Uranium Mill Tailings Fund such that it never is in a deficit on a cash basis. Reimbursements to owners or licensees may be delayed until receipts allow disbursements. In such cases, owners or licensees of active sites will be treated pro-rata where only partial reimbursements can be made.

INTEREST ON COSTS INCURRED

SEC. 220. IN GENERAL.—Reimbursement from the Uranium Mill Tailings Fund for costs incurred shall include interest at the rate provided in Section 215(e) on costs incurred by the participating owner or licensee of an active site from the date a statement for reimbursement of such cost is submitted by the owner or licensee to the Secretary until reimbursement for such costs is made from the Uranium Mill Tailings Fund.

LIMITATION OF FINANCIAL OBLIGATIONS

SEC. 221. LIMITATION ON FINANCIAL OBLIGATION OF ACTIVE SITE OWNERS AND LICENSEES AND LICENSEES USING SOURCE MATERIAL OR SPECIAL NUCLEAR MATERIAL FOR A CIVILIAN NUCLEAR POWER REACTOR TO GENERATE ELECTRICAL ENERGY.—The contributions made and work performed by the owners or licensees of the active sites and the contributions made and fines paid by persons using source material or special nuclear material for a civilian nuclear power reactor to generate electrical energy shall be the sole liability and obligation imposed under federal laws in connection with the reclamation, decommissioning and other remedial action at active uranium and thorium sites.

RECLAMATION ALREADY UNDERTAKEN

SEC. 222. IN GENERAL.—The owner or licensee of a participating active site who has undertaken reclamation, decommissioning or other remedial action at such site prior to the effective date of the Act shall be entitled to reimbursement for the cost thereof as if the work was done after the effective date hereof if such work, including disposal

work, was accomplished in order to comply with the standards under Section 211. The timing of such reimbursement shall be subject to the management of the fund as specified in Section 219. An owner or licensee of an active site which has elected to participate in the Uranium Mill Tailings Fund and has performed reclamation work prior to the effective date of the Act may have any sums to which it is entitled to be reimbursed credited against any sum it is required to contribute. The Secretary shall determine whether the reclamation, decommissioning and other remedial action whether work performed at a site prior to the effective date of this Act was accomplished in order to comply with the standards under Section 211, and provide for the review of statements in connection therewith."

SECRETARY'S AUTHORITY TO MAKE REGULATIONS AND REIMBURSEMENTS

SEC. 223. IN GENERAL.—The Secretary shall adopt and issue regulations to accomplish the purposes of this Title and shall review statements by participating owners or licensees for reimbursement from the Uranium Mill Tailings Fund of costs incurred for reclamation, decommissioning and other remedial actions. Any such statement for reimbursement found appropriate shall be approved by the Secretary and reimbursement therefore shall be made from the Uranium Mill Tailings Fund.

ATOMIC ENERGY ACT OF 1954

SEC. 224. STANDARDS AND INSTRUCTIONS FOR BONDING, SURETY, OR OTHER FINANCIAL ARRANGEMENTS, INCLUDING PERFORMANCE BONDS.—Section 161x. of the Atomic Energy Act of 1954 (42 U.S.C. 2201(x)) is amended by inserting after "ensure" in the matter preceding paragraph (1) the following: ", for the share of costs for which the licensee is responsible".

TITLE III—UTILITY SERVICES CONTRACT

This Act hereby recognizes that the Department of Energy's Utility Services Enrichment Contract is approved by Congress and that such contract establishes the relevant criteria for the Department of Energy providing enrichment services, except that Department of Energy is precluded from charging for the selection of variable tails assays option (VTAO) between the 0.2% and 0.3% range authorized in the contract.

TITLE IV—URANIUM ENRICHMENT REORGANIZATION AND COMMERCIALIZATION

SEC. 401. IN GENERAL.—Within 180 days of the effective date of this Act the Secretary shall submit to Congress a plan for the reorganization of the Department of Energy's Uranium Enrichment Program to establish a mixed Government/private ownership uranium enrichment services corporation. The reorganization shall provide for the creation of a body corporate to be known by the name of the "Enrichment Services Corporation", all of the common stock of which shall be initially owned by the Treasury of the United States, with preferred stock issued for sale to the public. The Corporation is to be directed by a part-time (except for the Chairman) Board of five Directors for staggered 5-year terms. Initially, three Directors are to be appointed by the President, with advice and consent of the Senate. Two additional Directors are to be elected by the owners of the Corporation preferred stock after the sale of at least $10 million of preferred stock. The Board shall appoint a chief operating officer and other officers as appropriate. In appointing the three members of the Board, the President shall designate the Chairman, who is to be a full-time employee of the Corporation.

SEC. 402. The reorganization arrangement shall define the transfer of the Department of Energy's uranium enrichment facilities, technology, contracts and rights. The reorganization shall define the approach of the Enrichment Services Corporation for the production or enrichment of source or special nuclear material for persons or entities licensed to receive, possess, or own such material. The new organization plan shall identify:

(1) the criteria to be used in furnishing enrichment services by the Enrichment Services Corporation for the five year period after which such corporation commences the performance of enrichment services;

(2) the enrichment technology available to the Enrichment Services Corporation;

(3) financing of operations and undertakings by the Enrichment Services Corporation;

(4) protection of technical information deemed important to the national security;

(5) arrangement for furnishing technical information, inventions and discoveries, services, materials and equipment on the basis of recovery of all or part of the costs over a reasonable period of time, including provisions for royalties, if appropriate;

(6) approach to achieve eventual commercialization of the Enrichment Services Corporation, whether through ownership, in whole or in part, by private persons or entities;

(7) transition from the Department of Energy to the Enrichment Services Corporation;

(8) a business plan for the Enrichment Services Corporation; and,

(9) transfer from the Department of Energy of inventories of source and special nuclear material to the Enrichment Services Corporation;

SEC. 403. ENRICHMENT SERVICES CORPORATION.—The reorganization of the present Enrichment Services Program as the Enrichment Services Corporation shall include all of the items provided in Sec. 402, and shall not be implemented by the Secretary until reorganization plan for the Enrichment Services Corporation has been submitted to Congress, and a period of forty-five days shall elapse while Congress is in session. In computing the forty-five days there shall be excluded the days in which either House is not in session because of adjournment for more than three days.

SEC. 404. ENRICHMENT SERVICES CORPORATION.—The plan of reorganization of the Enrichment Services Program to the Enrichment Services Corporation shall not be implemented except as authorized by law by Congress.

TITLE V—SEPARABILITY OF PROVISIONS

SEC. 501. IN GENERAL.—If any provision of this amendment, or the application of such provision to any person or circumstance, is held invalid, the remainder of this amendment, or the application of such provision to persons or circumstances other than those as to which it is held invalid, shall not be affected thereby.

TITLE VI—EFFECTIVE DATE

SEC. 601. The provisions of and amendments made by this Act shall become effective upon the expiration of the sixty-day period following the date of enactment of this Act, unless otherwise provided.

● Mr. DOMENICI. Mr. President, earlier in this Congress several of my colleagues and I introduced legislation to provide a comprehensive approach to the reclamation of uranium mill tailings. That legislation was the subject of an unusual joint hearing between the Senate Energy and Natural Resources Committee and the House Committee on Interior and Insular Affairs in the fall of last year. Today I am submitting an amendment in the nature of a substitute for that bill which not only addresses a number of the concerns raised about the earlier legislation but attempts to resolve a number of other issues related to the fuel cycle of commercial nuclear power reactors. I will insert a brief section-by-section summary of the amendment for the record, Mr. President, but I will give a short summary of the amendment now.

The comprehensive program for uranium mill tailings cleanup has been modified in the following ways. First, the contributions made by nuclear utilities to the cleanup fund have been reduced from 55 percent to about 30 percent of the estimated cost. Uranium mill owners would contribute the same amount, that is, 30 percent. The Federal share of the cleanup costs would also be about 30 percent representing the approximate proportion of the active uranium mill tailings piles that have resulted from Federal purchases of uranium. States would contribute 10 percent. None of these contributions are open ended. In the case of the utilities, for example, the contribution would be derived from a fee on uranium loaded into reactors over a set period of time. At the end of that time, the fee would end. A second major change is the removal of the Department of Energy from the role of manager of the cleanup. Each uranium mill owner or licensee would be responsible for their own cleanup, with the Secretary of Energy managing only the disbursement of funds. There would also be a cap on the amount that mill owners could be reimbursed from the fund to cover the cleanup costs. Anything over $5 per ton would have to be borne by the mill owner.

There are several new subjects covered by this amendment Mr. President. The first is a direction to the U.S. Trade Representative to seek to enter into voluntary trade restrictions with the major uranium producers in the world. This is a very different approach than existing law which would require import restrictions which in the past have gone as high as a 100-percent restriction. If these efforts at voluntary restrictions fail, then utilities would be prohibited from loading more than 50 percent foreign uranium in any given year until the year 2000. Foreign uranium already contracted for would, of course, be allowed to be used even if it exceeded that 50 percent limitation. However, U.S. Government uranium purchases would be required for 100 percent domestic origin uranium only in the future.

The second new subject is to approve the Department of Energy's Utility Service Contract with the exception of prohibition on charging a fee for the selection of Variable Tails Option between the 0.2- and 0.3-percent range.

The third new subject is to reorganize the Department's Uranium Enrichment Program into a Uranium Enrichment Service Corporation, whose common stock shall be owned initially by the Treasury of the United States. The amendment will set forth the plan to make a smooth transition to achieve the eventual commercialization of the Enrichment Service Corporation, through ownership in whole or in part by private persons or entities. Coincidentally, on April 7, 1986, the Department of Energy published in the Federal Register a notice to request for expressions of interest for participation in the DOE Uranium Enrichment Program. Through this program, DOE is hoping to obtain sufficient information pertaining to private sector willingness to participate in this initiative.

Mr. President, I am asking for unanimous consent that a section-by-section summary be printed in the Record today, and I hope that my colleagues will join me in support of this amendment.

There being no objection, the analysis was ordered to be printed in the Record, as follows:

Section-by-Section Analysis of the Uranium Revitalization and Tailings Reclamation Act

Sec. 1. Short Title.
Sec. 2. Findings and Purposes.
Sec. 3. Definitions.

TITLE I—URANIUM REVITALIZATION

Sec. 111. Negotiations to Voluntary Restrain Uranium Imports—The United States Trade Representative is directed to seek to enter into voluntary restraint agreements with all major uranium producing countries (defined as those countries capable of importing three million pounds or more of U308 in any calendar year) to assure that not more than fifty percent of the uranium loaded into domestic civilian nuclear power reactors between the years 1988 and 2000 would be of foreign origin.

Sec. 112. United States Uranium Usage Requirement—If voluntary restraint agreements cannot be reached, then fuel loaded into nuclear power reactors during any calendar year would have to be at least fifty percent domestic uranium each year through the year 2000. Foreign uranium delivered to domestic utilities under contracts entered into prior to April 8, 1986 could be loaded even if the total amount of foreign uranium loaded exceeded fifty percent.

Sec. 113. A charge of $500 per kilogram would be assessed a utility for every kilogram of foreign uranium loaded into a nuclear power reactor in a given year over the fifty percent limitation.

Sec. 114. Viability—The requirements of Sec. 161(v)(B) and Sec. 170(B) of the Atomic Energy Act for the Secretary to maintain a viable domestic uranium mining and milling industry would be waived through the year 2000.

Sec. 115. Licensee Certification—Nuclear power reactor licensees would self-certify their performance under the Uranium Usage Requirements on an annual basis.

Sec. 116. Government Uranium Purchases—Agencies and instrumentalities of the United States (including the Tennessee Valley Authority) would be required to purchase only domestic origin uranium in the future.

TITLE II—REMEDIAL ACTION PERFORMED BY THE OWNER OR LICENSEE OF ACTIVE URANIUM MILLS

Sec. 211. Uranium mill owners or licensees electing to participate in the program for remedial action established by this Act must perform the remedial action pursuant to applicable environmental standards established pursuant to the Uranium Mill Tailings Radiation Control Act of 1978 and they are entitled to compensation from the Uranium Mill Tailings Fund certain costs incurred.

Sec. 212. The Uranium Mill Tailings Fund is established from which reimbursements to mill owners or licensees are made by the Secretary of Energy.

Sec. 213. Contributions to the Uranium Mill Tailings Fund—Contributions to the Fund would be made by the following parties in the designated amounts:

	Percent
Uranium Mill Owners or Licensees	30
Nuclear Power Reactor Licensees	30
Federal Government	30
States with Active Uranium Mills	10

The total of these contributions would be approximately $1 billion. Fees for mill owners would be $2 million per site plus $1.00 per ton of tailings. The Federal contribution would be equivalent to the relative amount of mill tailings attributable to Federal procurement or $350 million. The contributions by the nuclear reactor licensees would come from a fee of $22.00 per kilogram of uranium loaded in each reactor during the years from 1989 to 1993. States would contribute $0.50 per ton of active site tailings within their borders.

Sec. 214. Any mill licensee electing to participate would have to do so be January 1, 1989.

Sec. 215. The maximum reimbursement per site to a mill licensee cannot exceed $5.00 per ton and the Secretary may not reimburse a licensee for any more than two-thirds of the cost of reclamation. If the Secretary of Energy determines that there are excess monies in the Fund, the Secretary must refund those funds to the States first, then an additional 2.5% of the remainder to the States with the balance to the Federal Treasury and the States (split on a 95/5% basis).

Sec. 216. Limitation of Reimbursement—No mill licensee could be reimbursed for an amount larger than $5.00 per ton of tailings. Any additional costs would be borne by the licensee.

Sec. 217. Tailings Generated After the Effective Date of the Act—No costs incurred for the reclamation of mill tailings generated after the effective date of this Act would be eligible for compensation under the Act.

Sec. 218. Thorium Sites—The Secretary of Energy is authorized to enter into cooperative agreements with licensees for such sites to provide funds for the cleanup of those portions of the site which were created as a result of Federal activities.

Sec. 219. The Secretary is required to manage the Fund in such a fashion that no deficits occur.

Sec. 220. Interest shall accrue on reimbursements owed from the date of submission until their disbursement.

Sec. 221. Limitation of Financial Obligations—The contributions made under this Title are the sole financial liability and obligation imposed under Federal law in connection with the reclamation of active mill sites.

Sec. 222. For those sites undergoing reclamation which elect to participate in this program, the Secretary shall determine what costs are necessary in order to comply with applicable environmental standards and are thus reimbursable under this Title.

Sec. 223. General authority for rulemakings necessary for the management of the Fund by the Secretary is provided.

Sec. 224. Surety requirements under the Atomic Energy Act are modified to take into account the shared responsibility for financing cleanup established under this Title.

TITLE III

The Department of Energy's Utility Services Contract is approved except for the prohibition on charging a fee for the selection of Variable Tails Option between the 0.2% and 0.3% range.

TITLE IV—URANIUM ENRICHMENT REORGANIZATION AND COMMERCIALIZATION

Sec. 401. Within 180 days of the effective date of this Act the Secretary should submit to Congress a planned reorganization of the Department's Uranium Enrichment Program to establish a Uranium Enrichment Services Corporation (all common stock of which shall be owned initially by the Treasury of the United States). The Corporation is to be directed by three Presidential Appointees and by two Directors elected by the Corporations owners of preferred stock (which the Corporation is authorized to issue).

Sec. 402. The plan shall include the following:

(1) the criteria to be used in furnishing enrichment services by the Enrichment Services Corporation for the five year period after which such corporation commences the performance of enrichment services;

(2) the enrichment technology available to the Enrichment Services Corporation;

(3) financing of operations and undertakings by the Enrichment Services Corporation.

(4) protection of technical information deemed important to the national security;

(5) arrangement for furnishing technical information, inventions and discoveries, services, materials and equipment on the basis of recovery of all or part of the costs over a reasonable period of time, including provisions for royalties, if appropriate;

(6) approach to achieve eventual commercialization of the Enrichment Services Corporation, whether through ownership, in whole or in part, by private persons or entities;

(7) transition from the Department of Energy to the Enrichment Services Corporation.

(8) a business plan for the Enrichment Services Corporation; and,

(9) transfer from the Department of Energy of inventories of source and special nuclear material to the Enrichment Services Corporation.

Sec. 403. Enrichment Services Corporation.—The reorganization of the present Enrichment Services Program as the Enrichment Services Corporation shall include all of the items provided in Sec. 402, and shall not be implemented by the Secretary until reorganization plan for the Enrichment Services Corporation has been submitted to Congress, and a period of forty-five days shall elapse while Congress is in session. In computing the forty-five days there shall be excluded the days in which either House is not in session because of adjournment for more than three days.

Sec. 403. The plan shall not be implemented until the plan has resided before the Congress for 45 days.●

NOTICES OF HEARINGS

SELECT COMMITTEE ON INDIAN AFFAIRS

Mr. ANDREWS. Mr. President, I would like to announce for the information of the public that the Select Committee on Indian Affairs will be holding the following hearings:

On Tuesday, April 15, 1986, in Senate Russell 385, at 10 a.m., on S. 1988, to establish a program for the prevention and control of diabetes among Native Americans. Those wishing additional information on this bill should contact Max Richtman or Patricia Zell of the committee at 224-2251.

On Thursday, April 17, 1986, in Senate Dirksen 485, at 10 a.m., on S. 2118, to provide for the distribution of funds appropriated to pay a judgment awarded to the Sisseton and Wahpeton Tribes of Sioux Indians in Indian Claims Commission dockets numbered 142 and 359, and for other purposes. Those wishing additional information on this bill should contact Pete Taylor or Dave Lundgren of the committee at 224-2251.

On Tuesday, April 22, 1986, in Senate Russell 385, at 10 a.m. on S. 1991, to extend programs under the Native American Programs Act of 1974 through fiscal year 1990. Those wishing additional information on this bill should contact Mike Mahsetky of the committee at 224-2251.

SUBCOMMITTEE ON RURAL DEVELOPMENT, OVERSIGHT, AND INVESTIGATIONS

Mr. HELMS. Mr. President, I wish to announce that Senator Mark Andrews, chairman of the subcommittee on Rural Development, Oversight, and Investigations of the Committee on Agriculture, Nutrition, and Forestry, has scheduled a hearing to receive testimony on S. 1121, a bill to amend the U.S. Grain Standards Act to encourage foreign agricultural trade by improving the quality of grain shipped from U.S. export elevator facilities.

The hearing will begin at 9:30 a.m., on Thursday, April 24, 1986, in room 332, Russell Senate Office Building.

Please contact the committee staff at 224-2035 or Doug Mattson of Senator Andrews' staff if further information is needed.

SUBCOMMITTEE ON PUBLIC LANDS, RESERVED WATER, AND RESOURCE CONSERVATION

Mr. WALLOP. Mr. President, I would like to announce for the information of the Senate and the public that the Subcommittee on Public Lands, Reserved Water, and Resource Conservation of the Committee on Energy and Natural Resources has made some changes to the measures on which the subcommittee will receive testimony at its hearing scheduled for Friday, April 11, 1986, at 9:30 a.m. in room SD-366 of the Senate Dirksen Office Building, Washington, DC.

S. 2029, to establish the Big Cypress National Preserve Addition in the State of Florida, and for other purposes, will not be considered at this hearing as previously announced and instead will be postponed to be considered at a hearing to be scheduled in the near future.

Testimony will be received on two additional measures as follows: S. 1946, to designate the West Branch of the Farmington River as a study area for inclusion in the National Wild and Scenic Rivers System, and for other purposes; and S. 2265, to authorize the establishment of the Burr Trail National Rural Scenic Road in the State of Utah, and for other purposes.

As previously announced, the subcommittee also will receive testimony on S. 977, S. 1374, S. 1413, H.R. 2067, S. 1542, and H.R. 3556.

For further information, please contact Patty Kennedy of the subcommittee staff at (202) 224-0613.

SUBCOMMITTEE ON SECURITY AND TERRORISM

Mr. THURMOND. Mr. President, there will be a closed hearing of the Subcommittee on Security and Terrorism on Tuesday, April 15, 1986, at 1 p.m. in room S-407, the Capitol, on FBI oversight. Chairman Denton will preside.

COMMITTEE ON THE JUDICIARY

Mr. THURMOND. Mr. President, there will be a hearing of the Committee on the Judiciary, on Tuesday, April 15, 1986, at 10:30 a.m., upon: S. 2162, Antitrust Remedies Improvement Act, room SD-226, Chairman Thurmond will preside.

SUBCOMMITTEE ON PATENTS, COPYRIGHTS, AND TRADEMARKS

Mr. THURMOND. Mr. President, there will be a hearing of the Subcommittee on Patents, Copyrights, and Trademarks on Tuesday, April 15, 1986, at 9:30 a.m. in room SR-485 on the Berne Convention. Chairman Mathias will preside.

AUTHORITY FOR COMMITTEES TO MEET

SUBCOMMITTEE ON STRATEGIC AND THEATER NUCLEAR FORCES

Mr. COCHRAN. Mr. President, I ask unanimous consent that the Subcommittee on Strategic and Theater Nuclear Forces of the Committee on Armed Services be authorized to meet during the session of the Senate on Tuesday, April 8, in closed session, to hold a hearing on the Department of Energy Defense Programs.

The PRESIDING OFFICER. Without objection, it is so ordered.

SUBCOMMITTEE ON DEFENSE ACQUISITION POLICY

Mr. COCHRAN. Mr. President, I ask unanimous consent that the Subcommittee on Defense Acquisition Policy of the Committee on Armed Services be authorized to meet during the session of the Senate on Tuesday, April 8, to hold a hearing to receive testimony on the following legislation:

S. 2082, Defense Enterprise and Initiative Act of 1986; S. 2151, DOD Acquisition Reorganization Act of 1986; and, to discuss the report of the President's Blue Ribbon Commission on Defense Management.

The PRESIDING OFFICER. Without objection, it is so ordered.

ADDITIONAL STATEMENTS

THE CONSOLIDATED OMNIBUS BUDGET RECONCILIATION ACT OF 1985

● Mr. DOMENICI. Mr. President, yesterday, April 7, President Reagan signed into law the Consolidated Omnibus Budget Reconciliation Act of 1985. It is now Public Law No. 99-272. Because there is not yet available a final version of the act, I send to the desk the enrolled version of the bill as signed into law and ask that it be printed in the Record.

The enrolled version of the bill follows:

H.R. 3128

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SHORT TITLE

Section 1. This Act may be cited as the "Consolidated Omnibus Budget Reconciliation Act of 1985".

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Title I. Agriculture programs.
Title II. Armed services and defense-related programs.
Title III. Housing and community development programs.
Title IV. Transportation and related programs.
Title V. Corporation for Public Broadcasting and Federal Communications Commission.
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Title VII. Energy and related programs.

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Title VIII. Outer Continental Shelf and related programs.
Title IX. Medicare, Medicaid, and Maternal and Child Health programs.
Title X. Private health insurance coverage.
Title XI. Single-employer plan termination insurance system amendments.
Title XII. Income security and related programs.
Title XIII. Revenues, trade, and related programs.
Title XIV. Revenue sharing.
Title XV. Civil service, postal service, and governmental affairs generally.
Title XVI. Higher education programs.
Title XVII. Graduate Medical Education Council and technical amendments to the Public Health Service Act.
Title XVIII. Small business programs.
Title XIX. Veterans' programs.
Title XX. Miscellaneous provisions.

TITLE I—AGRICULTURE PROGRAMS

Subtitle A—Agricultural Program Savings

SEC. 1001. AGRICULTURAL PROGRAM SAVINGS.

The expenditures and outlays resulting from the provisions of title XI (relating to the export sales of dairy products) and title XIII (relating to emergency disaster loans and loan authorizations under the Agricultural Credit Insurance Fund) of the Food Security Act of 1985 (H.R. 2100, 99th Congress) shall be counted for purposes of determining savings under the Consolidated Omnibus Budget Reconciliation Act of 1985 as having been enacted under this Act.

Subtitle B—Tobacco Program Improvements

SEC. 1101. FINDINGS AND PURPOSES.

(a) Findings.—Congress finds that—

(1) the maintenance of a viable tobacco price support and production adjustment program is in the interests of tobacco producers, purchasers of tobacco, persons employed directly or indirectly by the tobacco industry, and the localities and States whose economies and tax bases are dependent on the tobacco industry;

(2) the present tobacco price support program is in jeopardy and in need of reform;

(3) under present law, the levels of price support for tobacco have resulted in market prices for tobacco that are not competitive on the world market;

(4) as a consequence, extremely large quantities of domestic tobacco have been put under loan and placed in the inventories of the producer-owned cooperative marketing associations that administer the tobacco price support program;

(5) the increased inventories have led to a significant increase in the assessments producers are required to pay to maintain the tobacco price support program on a "no net cost" basis;

(6) such increasingly large assessments are creating a severe hardship on producers;

(7) the existence of such large inventories poses a threat to the orderly marketing of future crops of tobacco;

(8) inventories of producer associations must be significantly reduced or the tobacco price support program will collapse;

(9) the Commodity Credit Corporation is threatened with substantial losses on disposition of these inventories should the tobacco price support program collapse;

(10) it is imperative that such excess inventories of tobacco be disposed of, under the supervision of the Secretary of Agriculture, in a manner that—

(A) will not disrupt the orderly marketing of new tobacco crops;

(B) will minimize any losses to the Federal Government; and

(C) will be fair and equitable to all tobacco producers and purchasers;

(11) the mutual cooperation of tobacco producers, tobacco purchasers, producer associations, and the Secretary of Agriculture is necessary—

(A) to restore the tobacco price support program to a stable condition; and

(B) to prevent substantial losses to taxpayers that would result from the collapse of the program;

(12) restoration of stability to the tobacco price support program through a sharing of the cost of that program by purchasers of tobacco along with producers of tobacco is necessary to prevent undue burdens on, or obstruction of, interstate and foreign commerce in tobacco; and

(13) the system of grading tobacco should be thoroughly reviewed to ensure that grades are assigned to tobacco that properly state the quality of such tobacco.

(b) Purposes.—The purposes of this subtitle are—

(1) to encourage cooperation among tobacco producers, tobacco purchasers, and the Secretary of Agriculture in reducing tobacco price support levels, assessment costs, the size of inventories of producer associations, and the exposure of taxpayers to large budget outlays;

(2) to adjust the method by which price support levels and production quotas are calculated to reflect actual market conditions;

(3) to facilitate the purchase and sale of Flue-cured and Burley tobacco presently in the inventories of producer associations through which producers of Flue-cured and Burley tobacco are provided price support;

(4) to provide that purchasers and producers of domestic tobacco share equally in the cost of maintaining the tobacco price support program at no net cost to the taxpayers; and

(5) to expedite reform of the system of grading tobacco so that grades assigned to tobacco more accurately reflect the quality of such tobacco.

SEC. 1102. PRICE SUPPORT ADJUSTMENTS.

(a) In General.—Effective for the 1985 and subsequent crops of tobacco, section 106(f) of the Agricultural Act of 1949 (7 U.S.C. 1445(f)) is amended by striking out paragraphs (4) and (5) and inserting in lieu thereof the following new paragraphs:

"(4) For the 1985 and 1986 crops of Burley tobacco, the support level shall be $1.488 per pound.

"(5) For the 1986 crop of Flue-cured tobacco, the support level shall be $1.438 per pound.

"(6)(A) Except as provided in subparagraph (B), for the 1986 and each subsequent crop of any kind of tobacco (other than Flue-cured and Burley tobacco) for which marketing quotas are in effect or are not disapproved by producers, the support level shall be the level in cents per pound at which the immediately preceding crop was supported, plus or minus, respectively, the amount by which—

"(i) the support level for the crop for which the determination is being made, as determined under subsection (b); is greater or less than

"(ii) the support level for the immediately preceding crop, as determined under subsection (b),

as that difference may be adjusted by the Secretary under subsection (d) if the support level under clause (i) is greater than the support level under clause (ii).

"(B) Notwithstanding subparagraph (A) and subsection (d), if requested by the board of directors of an association through which price support for the respective kind of tobacco specified in subparagraph (A) is made available to producers, the Secretary may reduce the support level for such kind of tobacco to the extent requested by the association to more accurately reflect the market value and improve the marketability of such tobacco.

"(7)(A) For the 1987 and each subsequent crop of Flue-cured and Burley tobacco for which marketing quotas are in effect or are not disapproved by producers, the support level shall be the level in cents per pound at which the immediately preceding crop was supported, plus or minus, respectively, an adjustment of not less than 65 percent nor more than 100 percent of the total, as determined by the Secretary after taking into consideration the supply of the kind of tobacco involved in relation to demand, of—

"(i) 66.7 percent of the amount by which—

"(I) the average price received by producers for Flue-cured and Burley tobacco, respectively, on the United States auction markets, as determined by the Secretary, during the 5 marketing years immediately preceding the marketing year for which the determination is being made, excluding the year in which the average price was the highest and the year in which the average price was the lowest in such period, is greater or less than

"(II) the average price received by producers for Flue-cured and Burley tobacco, respectively, on the United States auction markets, as determined by the Secretary, during the 5 marketing years immediately preceding the marketing year prior to the marketing year for which the determination is being made, excluding the year in which the average price was the highest and the year in which the average price was the lowest in such period; and

"(ii) 33.3 percent of the change, expressed as a cost per pound of tobacco, in the index of prices paid by tobacco producers from January 1 to December 31 of the calendar year immediately preceding the year in which the determination is made.

"(B) For purposes of subparagraph (A)—

"(i) the average market price for Burley tobacco for the 1985 marketing year shall be reduced by $0.039 per pound;

"(ii) the average market price for Burley tobacco for the 1984 and each prior applicable marketing year shall be reduced by $0.30 per pound;

"(iii) the average market price for Flue-cured tobacco for the 1985 marketing year shall be reduced by $0.25 per pound;

"(iv) the average market price for Flue-cured tobacco for the 1984 and each prior applicable marketing year shall be reduced by $0.30 per pound; and

"(v) the index of prices paid by tobacco producers shall include items representing general, variable costs of producing tobacco, as determined by the Secretary, but shall not include the cost of land, risk, overhead, management, purchase or leasing of quotas, marketing contributions or assessments, and other costs not directly related to the production of tobacco.".

(b) Certain Grades of Flue-cured Tobacco.—Effective for the 1986 and subsequent crops of tobacco, section 106 of the Agricultural Act of 1949 (7 U.S.C. 1445) is further amended by striking out subsection (g).

SEC. 1103. DETERMINATION OF MARKETING QUOTAS FOR FLUE-CURED AND BURLEY TOBACCO.

(a) Definitions.—Section 301(b) of the Agricultural Adjustment Act of 1938 (7 U.S.C. 1301(b)) is amended—

(1) by adding at the end of paragraph (14) the following new subparagraphs:

"(C) 'Reserve stock level', in the case of Flue-cured tobacco, shall be the greater of—

"(i) 100,000,000 pounds (farm sales weight); or

"(ii) 15 percent of the national marketing quota for Flue-cured tobacco for the marketing year immediately preceding the marketing year for which the level is being determined.

"(D) 'Reserve stock level', in the case of Burley tobacco, shall be the greater of—

"(i) 50,000,000 pounds (farm sales weight); or

"(ii) 15 percent of the national marketing quota for Burley tobacco for the marketing year immediately preceding the marketing year for which the level is being determined."; and

(2) by adding at the end thereof the following new paragraph:

"(17) 'Domestic manufacturer of cigarettes' means a person that produces and sells more than 1 percent of the cigarettes produced and sold in the United States.".

(b) Flue-cured Tobacco.—Section 317(a)(1) of such Act (7 U.S.C. 1314c(a)(1)) is amended—

(1) by striking out "'National marketing quota'" in the first sentence and inserting in lieu thereof "(A) Except as provided in subparagraph (B), 'national marketing quota'"; and

(2) by adding at the end thereof the following new subparagraphs:

"(B) For the 1986 and each subsequent crop of Flue-cured tobacco, 'national marketing quota' for a marketing year means the quantity of Flue-cured tobacco, as determined by the Secretary, that is not more than 103 percent nor less than 97 percent of the total of—

"(i) the aggregate of the quantities of Flue-cured tobacco that domestic manufacturers of cigarettes estimate the manufacturers intend to purchase on the United States auction markets or from producers during the marketing year, as compiled and determined under section 320A;

"(ii) the average annual quantity of Flue-cured tobacco exported from the United States during the 3 marketing years immediately preceding the marketing year for which the determination is being made; and

"(iii) the quantity, if any, of Flue-cured tobacco that the Secretary, in the discretion of the Secretary, determines is necessary to increase or decrease the inventory of the producer-owned cooperative marketing association that has entered into a loan agreement with the Commodity Credit Corporation to make price support available to producers of Flue-cured tobacco to establish or maintain such inventory at the reserve stock level for Flue-cured tobacco.

"(C) Notwithstanding any other provision of law—

"(i) the national marketing quota for Flue-cured tobacco for each of the 1986 through 1989 marketing years for such tobacco shall not be less than 94 percent of the national marketing quota for such tobacco for the preceding marketing year; and

"(ii) the national marketing quota for Flue-cured tobacco for each of the 1990 through 1993 marketing years for such tobacco shall not be less than 90 percent of the national marketing quota for such tobacco for the preceding marketing year.".

(c) Burley Tobacco.—Section 319 of such Act (7 U.S.C. 1314e) is amended—

(1) in subsection (c)—

(A) by striking out "The national marketing quota" in the first sentence and inserting in lieu thereof "(1) Except as provided in paragraph (3), the national marketing quota";

(B) by striking out the second sentence;

(C) by designating the third sentence as paragraph (2); and

(D) by adding at the end thereof the following new paragraphs:

"(3)(A) For the 1986 and each subsequent crop of Burley tobacco, the national marketing quota for any marketing year shall be the quantity of Burley tobacco, as determined by the Secretary, that is not more than 103 percent nor less than 97 percent of the total of—

"(i) the aggregate of the quantities of Burley tobacco that domestic manufacturers of cigarettes estimate the manufacturers intend to purchase on the United States auction markets or from producers during the marketing year, as compiled and determined under section 320A;

"(ii) the average annual quantity of Burley tobacco exported from the United States during the 3 marketing years immediately preceding the marketing year for which the determination is being made; and

"(iii) the quantity, if any, of Burley tobacco that the Secretary, in the discretion of the Secretary, determines is necessary to increase or decrease the inventories of the producer-owned cooperative marketing associations that have entered into loan agreements with the Commodity Credit Corporation to make price support available to producers of Burley tobacco to establish or maintain such inventories, in the aggregate, at the reserve stock level for Burley tobacco.

"(B) In determining the quantity of Burley tobacco necessary to establish or maintain the inventories of the producer associations at the reserve stock level under subparagraph (A)(iii)—

"(i) the Secretary shall provide for initially attaining the reserve stock level over a period of 5 years; and

"(ii) any downward adjustment in such inventories of Burley tobacco may not exceed the greater of—

"(I) 35,000,000 pounds; or

"(II) 50 percent of the quantity by which—

"(aa) the total inventories of Burley tobacco of the producer-owned cooperative marketing associations that have entered into loan agreements with the Commodity Credit Corporation to make price support available to producers of Burley tobacco; exceed

"(bb) the reserve stock level for Burley tobacco.

"(C) Notwithstanding any other provision of law—

"(i) the national marketing quota for Burley tobacco for each of the 1986 through 1989 marketing years for such tobacco shall not be less than 94 percent of the national marketing quota for such tobacco for the preceding marketing year; and

"(ii) the national marketing quota for Burley tobacco for each of the 1990 through 1993 marketing years for such tobacco shall not be less than 90 percent of the national marketing quota for such tobacco for the preceding marketing year."; and

(2) by inserting ", except in the case of Burley tobacco," after "*Provided*, That" in the fourth sentence of subsection (e).

(d) Purchase Intentions.—Effective for the 1986 and each subsequent crop of tobacco, such Act is amended by inserting after section 320 (7 U.S.C. 1314f) the following new section:

"SUBMISSION OF PURCHASE INTENTIONS BY CIGARETTE MANUFACTURERS

"Sec. 320A. (a)(1) Not later than December 1 of any marketing year with respect to Flue-cured tobacco (or, in the case of the 1986 crop, 14 days after the date of enactment of the Consolidated Omnibus Budget Reconciliation Act of 1985) and January 15 of any marketing year with respect to Burley tobacco (or, in the case of the 1986 crop, 14 days after the date of enactment of such Act or January 15, 1986, whichever is later), each domestic manufacturer of cigarettes shall submit to the Secretary a statement, by kind, of the quantity of Flue-cured tobacco and Burley tobacco (for which a national marketing quota is in effect or for which the Secretary has proclaimed a national marketing quota for the next succeeding marketing year) that the manufacturer intends to purchase, directly or indirectly, on the United States auction markets or from producers during the next succeeding marketing year (hereafter in this section referred to as the 'quantity of intended purchases').

"(2) The Secretary shall aggregate the quantities of intended purchases in a manner that will not allow the identification of the quantity of intended purchases of any manufacturer.

"(b) If any domestic manufacturer of cigarettes fails to submit to the Secretary a statement of the quantity of intended purchases of the manufacturer, as required by this section, the Secretary shall establish the quantity of intended purchases to be attributed to such manufacturer for purposes of this Act, based on—

"(1) the quantity of intended purchases submitted by such manufacturer under this section for the marketing year immediately preceding the marketing year for which the determination is being made; or

"(2) if such manufacturer did not submit a statement of the quantity of intended purchases of the manufacturer for the marketing year immediately preceding the marketing year for which the determination is being made, the most recent information available to the Secretary.

"(c)(1) All information relating to the quantity of intended purchases that is submitted by domestic manufacturers of cigarettes under this section shall be kept confidential by all officers and employees of the Department of Agriculture.

"(2) Such information may only be disclosed by such officers or employees in a suit or administrative hearing—

"(A)(i) brought at the direction, or on the request, of the Secretary; or

"(ii) to which the Secretary or any officer of the United States is a party; and

"(B) involving enforcement of this Act.

"(3) Nothing in this section shall be considered to prohibit the publication, by direction of the Secretary, of the name of any person violating this Act, together with a statement of the particular provisions of the Act violated by such person.

"(4) Any officer or employee of the Department of Agriculture who violates this subsection, on conviction, shall be—

"(A) subject to a fine of not more than $1,000 or to imprisonment for not more than 1 year, or to both; and

"(B) removed from office.

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"(d) Notwithstanding any other provision of law, a statement of the quantity of intended purchases that is submitted under this section shall be exempt from disclosure under section 552 of title 5, United States Code.".

SEC. 1104. MARKETING QUOTA ANNOUNCEMENT DATE; PROCLAMATION OF QUOTAS FOR FLUE-CURED AND BURLEY TOBACCO.

(a) In General.—Section 312 of the Agricultural Adjustment Act of 1938 (7 U.S.C. 1312) is amended—

(1) by striking out "and February 1 of any marketing year with respect to other kinds of tobacco" in the matter preceding clause (1) of subsection (a) and inserting in lieu thereof "February 1 of any marketing year with respect to Burley tobacco, and March 1 of any marketing year with respect to other kinds of tobacco"; and

(2) by striking out "and not later than the first day of February with respect to other kinds of tobacco" in the first sentence of subsection (b) and inserting in lieu thereof ", not later than the first day of February with respect to Burley tobacco, and not later than the first day of March with respect to other kinds of tobacco".

(b) Dark Air-cured and Fire-cured Tobacco.—Section 319(b) of such Act (7 U.S.C. 1313e(b)) is amended by striking out "February 1" each place it appears in the fourth paragraph and inserting in lieu thereof "March 1".

(c) Proclamation of Quota for Flue-cured Tobacco.—Section 317(d) of the Agricultural Adjustment Act of 1938 (7 U.S.C. 1314c(d)) is amended by adding at the end thereof the following new sentences: "Notwithstanding any other provision of law, for the 1986 marketing year, the Secretary shall proclaim the national marketing quota for Flue-cured tobacco not later than 21 days after the date of enactment of the Consolidated Omnibus Budget Reconciliation Act of 1985. Any proclamation with respect to the national marketing quota for the 1986 marketing year for Flue-cured tobacco made by the Secretary prior to such date of enactment shall become void on enactment of such Act.".

(d) Proclamation of Quota for Burley Tobacco.—Section 319(a) of the Agricultural Adjustment Act of 1938 (7 U.S.C. 1314e(a)) is amended by adding at the end thereof the following new sentences: "Notwithstanding any other provision of law, for the 1986 marketing year, the Secretary shall proclaim the national marketing quota for Burley tobacco not later than 21 days after the date of enactment of the Consolidated Omnibus Budget Reconciliation Act of 1985 or February 1, 1986, whichever is later. Any proclamation with respect to the national marketing quota for the 1986 marketing year for Burley tobacco made by the Secretary prior to such date of enactment shall become void on enactment of such Act.".

SEC. 1105. REDUCTION IN EXCESS TOBACCO NOT SUBJECT TO MARKETING PENALTY.

(a) Penalty on Excess Tobacco.—Effective for the 1986 and subsequent crops of tobacco, the Agricultural Adjustment Act of 1938 is amended—

(1) by striking out "110" in section 317(g)(1) (7 U.S.C. 1314c(g)(1)) and inserting in lieu thereof "103"; and

(2) by striking out "110" in section 319(i)(1) (7 U.S.C. 1314e(i)(1)) and inserting in lieu thereof "103".

(b) Price Support on Excess Tobacco.—Effective for the 1986 and subsequent crops of tobacco, section 106(c)(1) of the Agricultural Act of 1949 (7 U.S.C. 1445(c)(1)) is amended by striking out "110" and inserting in lieu thereof "103".

SEC. 1106. PURCHASE REQUIREMENTS; PENALTY.

(a) In General.—Effective for the 1986 and subsequent crops of tobacco, the Agricultural Adjustment Act of 1938 (as amended by section 1103(d)) is further amended by inserting after section 320A the following new section:

"PURCHASE REQUIREMENTS; PENALTY

"Sec. 320B. (a)(1) At the conclusion of each marketing year, on or before a date prescribed by the Secretary, each domestic manufacturer of cigarettes shall submit to the Secretary a statement, by kind, of the quantity of Flue-cured and Burley quota tobacco purchased, directly or indirectly, by such manufacturer during such marketing year.

"(2) The statement shall include, but not be limited to, the quantity of each such kind of tobacco purchased by the manufacturer on the United States auction markets, from producers, and from the inventories of tobacco from the 1985 and subsequent crops of the producer-owned cooperative marketing associations that have entered into loan agreements with the Commodity Credit Corporation to make price support available to producers of Flue-cured or Burley tobacco.

"(b)(1) Except as otherwise provided in this subsection, any domestic manufacturer of cigarettes that fails, as determined by the Secretary after notice and opportunity for a hearing, to purchase during a marketing year on the United States auction markets, from producers, or from the inventories of tobacco from the 1985 and subsequent crops of the producer associations described in subsection (a)(2) a quantity of Flue-cured quota tobacco and a quantity of Burley quota tobacco equal to at least 90 percent of the quantity of the intended purchases of Flue-cured tobacco and Burley tobacco, respectively, submitted by such manufacturer or established by the Secretary for such manufacturer for that marketing year under section 320A (as that quantity may be reduced under paragraph (2)) shall be subject to a penalty as prescribed in subsection (c).

"(2)(A) If the total quantity of Flue-cured or Burley quota tobacco, respectively, marketed by producers at auction in the United States during the marketing year in question is less than the national marketing quota (including any adjustments for overmarketings or undermarketings) for that kind of tobacco for that marketing year, the quantity of intended purchases of each domestic manufacturer of cigarettes, for purposes of paragraph (1), shall be reduced by a percentage equal to the percentage by which the total quantity marketed at auction in the United States during the marketing year is less than the national marketing quota (including any adjustments for overmarketings or undermarketings) for that kind of tobacco for the marketing year.

"(B) For purposes of this section, the term 'marketed' shall include disposition of tobacco by consigning the tobacco to a producer association described in subsection (a)(2) for a price support advance.

"(c) The amount of any penalty to be imposed on a manufacturer under this section shall be determined by multiplying—

"(1) twice the per pound assessment (as determined under section 106A or 106B of the Agricultural Act of 1949 (7 U.S.C. 1445-1 or 1445-2)) for the kind of tobacco involved; by

"(2) the quantity by which—

"(A) the purchases by such manufacturer on the United States auction markets, from producers, or from the inventories of tobacco from the 1985 and subsequent crops of the producer associations described in subsection (a)(2) of Flue-cured and Burley quota tobacco, respectively, for the marketing year; are less than

"(B) 90 percent of the quantity of intended purchases of such kinds of tobacco, respectively, submitted by the manufacturer or established by the Secretary for such manufacturer for that marketing year under section 320A (as that quantity may be reduced under subsection (b)(2)).

"(d)(1) An amount equivalent to the penalty collected by the Secretary under this section shall be transmitted by the Secretary to the appropriate producer-owned cooperative marketing association that has entered into a loan agreement with the Commodity Credit Corporation to make price support available to producers of Flue-cured or Burley tobacco, as the case may be.

"(2) Each association to which amounts are transmitted by the Secretary under this section shall deposit such amounts in the No Net Cost Fund or Account of such association in accordance with section 106A or 106B of the Agricultural Act of 1949.

"(e) The limitations on disclosure set forth in subsections (c) and (d) of section 320A shall apply to information submitted by domestic manufacturers of cigarettes under this section with respect to the quantity of purchases of Flue-cured and Burley quota tobacco during a marketing year. Any officer or employee of the Department of Agriculture who violates such limitations on disclosure shall be subject to the penalties set forth in section 320A(c)(4).

"(f) As used in this section, the term 'quota tobacco' means any kind of tobacco for which marketing quotas are in effect or for which marketing quotas are not disapproved by producers.".

(b) Conforming Amendment.—Effective for the 1986 and subsequent crops of tobacco, the last sentence of section 372(b) of the Agricultural Adjustment Act of 1938 (7 U.S.C. 1372(b)) is amended by striking out "The" and inserting in lieu thereof "Except as provided in section 320B, the".

SEC. 1107. LEASE AND TRANSFER OF BURLEY TOBACCO QUOTAS.

Effective with respect to the 1985 and subsequent crops of Burley tobacco, the fourth proviso of section 319(g) of the Agricultural Adjustment Act of 1938 (7 U.S.C. 1314e(g)) is amended by inserting after "July 1 of that crop year" the following: "or, if such record of the transfer is filed with the county committee after July 1, the county committee determines with the concurrence of the State committee that all interested parties agreed to such lease and transfer before July 1 and that the failure to file such record of the transfer did not result from gross negligence on the part of any party to such lease and transfer".

SEC. 1108. ASSESSMENTS TO NO NET COST FUNDS OR ACCOUNTS.

(a) No Net Cost Fund.—Effective for the 1986 and subsequent crops of tobacco, section 106A of the Agricultural Act of 1949 (7 U.S.C. 1445-1) is amended—

(1) in subsection (a)—

(A) by striking out "and" at the end of paragraph (5);

(B) by redesignating paragraph (6) as paragraph (7); and

(C) by inserting after paragraph (5) the following new paragraph:

"(6) the term 'purchaser' means any person who purchases in the United States, either directly or indirectly for the account of such person or another person, Flue-cured or Burley quota tobacco; and";

(2) by inserting "or paid by or on behalf of purchasers" after "producer-members" in the second sentence of subsection (c);

(3) in subsection (d)—

(A) by striking out "and" at the end of clause (i) of paragraph (1)(A);

(B) by inserting after clause (ii) of paragraph (1)(A) the following new clause:

"(iii) each purchaser of Flue-cured and Burley quota tobacco shall pay to the appropriate association, for deposit in the Fund of the association, an assessment, in an amount determined from time to time by the association with the approval of the Secretary, with respect to purchases of all such kind of tobacco marketed by a producer from a farm (including purchases of such tobacco from the 1986 and subsequent crops from the association); and";

(C) by striking out "The" in the last sentence of paragraph (1) and inserting in lieu thereof the following: "The amount of producer contributions and purchaser assessments shall be determined in such a manner that producers and purchasers share equally, to the maximum extent practicable, in maintaining the Fund of an association. In making such determination with respect to the assessment of a purchaser, only 1985 and subsequent crops of Flue-cured and Burley quota tobacco shall be taken into account. The";

(D) by inserting "and assessments" after "contributions" in the last sentence of paragraph (1);

(E) by striking out paragraph (2) and inserting in lieu thereof the following new paragraph:

"(2) require that any producer contribution or purchaser assessment due under paragraph (1) shall be collected—

"(A) from the person who acquired the tobacco involved from the producer, except that if the tobacco is marketed by sale, an amount equal to the producer contribution may be deducted by the purchaser from the price paid to such producer;

"(B) if the tobacco involved is marketed by a producer through a warehouseman or agent, from such warehouseman or agent, who may—

"(i) deduct an amount equal to the producer contribution from the price paid to the producer; and

"(ii) add an amount equal to the purchaser assessment to the price paid by the purchaser; and

"(C) if the tobacco involved is marketed by a producer directly to any person outside the United States, from the producer, who may add an amount equal to the purchaser assessment to the price paid by the purchaser;";

(F) by striking out "producers who contribute" in the proviso of paragraph (3) and inserting in lieu thereof "producers and purchasers who contribute or pay";

(G) by striking out "and" at the end of paragraph (5);

(H) by inserting "effective for the 1982 through 1985 crops of quota tobacco," after the paragraph designation in paragraph (6);

(I) by striking out the period at the end of paragraph (6) and inserting in lieu thereof "; and"; and

(J) by inserting after paragraph (6) the following new paragraph:

"(7) effective for the 1986 and subsequent crops of quota tobacco, provide, in loan agreements between the Corporation and an association, that if the Secretary determines that the amount in the Fund or the net gains referred to in paragraph (5) exceeds the amounts necessary for the purposes specified in this section, the association, with the approval of the Secretary, may suspend the payment and collection of contributions and assessments under this section on terms and conditions established by the association, with the approval of the Secretary."; and

(4) by adding at the end thereof the following new subsection:

"(h)(1)(A) Each person who fails to collect any contribution or assessment as required by subsection (d)(2) and remit such contribution or assessment to the association, at such time and in such manner as may be prescribed by the Secretary, shall be liable, in addition to any amount due, to a marketing penalty at a rate equal to 75 percent of the average market price (calculated to the nearest whole cent) for the kind of tobacco involved for the immediately preceding year on the quantity of tobacco as to which the failure occurs.

"(B) The Secretary may reduce any such marketing penalty in such amount as the Secretary determines equitable in any case in which the Secretary determines that the failure was unintentional or without knowledge on the part of the person concerned.

"(C) Any penalty provided for under this paragraph shall be assessed by the Secretary after notice and opportunity for a hearing.

"(2)(A) Any person against whom a penalty is assessed under this subsection may obtain review of such penalty in an appropriate district court of the United States by filing a civil action in such court not later than 30 days after such penalty is imposed.

"(B) The Secretary shall promptly file in such court a certified copy of the record on which the penalty is based.

"(3) The district courts of the United States shall have jurisdiction to review and enforce any penalty imposed under this subsection.

"(4) An amount equivalent to any penalty collected by the Secretary under this subsection shall be transmitted by the Secretary to the appropriate association, for deposit in the Fund of such association.

"(5) The remedies provided in this subsection shall be in addition to, and not exclusive of, other remedies that may be available.".

(b) No Net Cost Account.—Effective for the 1986 and subsequent crops of tobacco, section 106B of the Agricultural Act of 1949 (7 U.S.C. 1445-2) is amended—

(1) in subsection (a)—

(A) by striking out "and" at the end of paragraph (6);

(B) by striking out the period at the end of paragraph (7) and inserting in lieu thereof "; and"; and

(C) by adding at the end thereof the following new paragraph:

"(8) the term 'purchaser' means any person who purchases in the United States, either directly or indirectly for the account of such person or another person, Flue-cured or Burley quota tobacco.";

(2) by inserting "and purchasers" after "producers" in subsection (c)(1);

(3) in subsection (d)—

(A) by inserting at the end of paragraph (1) the following new sentence: "The Secretary shall also require (in lieu of any requirement under section 106A(d)(1)) that each purchaser of Flue-cured and Burley quota tobacco shall pay to the Corporation, for deposit in the Account of such association, an assessment, as determined under paragraph (2) and collected under paragraph (3), with respect to purchases of all such kind of tobacco marketed by a producer from a farm (including purchases of such tobacco from the 1986 and subsequent crops from the association).";

(B) by striking out "area. Such amount" in paragraph (2)(A) and inserting in lieu thereof "area and the amount of the assessment to be paid by purchasers of tobacco. The amount of the assessment to be paid by producers and purchasers shall be determined in such a manner that producers and purchasers share equally, to the maximum extent practicable, in maintaining the Account of an association. In making such determination with respect to the assessment of a purchaser, only 1985 and subsequent crops of Flue-cured and Burley quota tobacco shall be taken into account. The amount of the assessment";

(C) by inserting at the end of paragraph (2)(A) the following: "Notwithstanding the foregoing provisions of this paragraph, the amount of any assessment that is determined by the Secretary for the 1986 and subsequent crops of Burley quota tobacco shall be determined without regard to any net losses that the Corporation may sustain under the loan agreements of the Corporation with such association with respect to the 1983 crop of such tobacco."; and

(D) by amending paragraph (3) to read as follows:

"(3)(A) Except as provided in subparagraphs (B) and (C), any assessment to be paid by a producer or a purchaser under paragraph (1) shall be collected from the person who acquired the tobacco involved from such producer, except that if the tobacco is marketed by sale, an amount equal to the producer assessment may be deducted by the purchaser from the price paid to such producer.

"(B) If tobacco of the kind for which an Account is established is marketed by a producer through a warehouseman or agent, both the producer and the purchaser assessment shall be collected from such warehouseman or agent, who may—

"(i) deduct an amount equal to the producer assessment from the price paid to the producer; and

"(ii) add an amount equal to the purchaser assessment to the price paid by the purchaser.

"(C) If tobacco of the kind for which an Account is established is marketed by a producer directly to any person outside the United States, both the producer and the purchaser assessment shall be collected from the producer, who may add an amount equal to the purchaser assessment to the price paid by the purchaser."; and

(4) by adding at the end thereof the following new subsection:

"(j)(1)(A) Each person who fails to collect any assessment as required by subsection (d)(3) and remit such assessment to the Corporation, at such time and in such manner as may be prescribed by the Secretary, shall be liable, in addition to any amount due, to a marketing penalty at a rate equal to 75 percent of the average market price (calculated to the nearest whole cent) for the kind of tobacco involved for the immediately preceding year on the quantity of tobacco as to which the failure occurs.

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"(B) The Secretary may reduce any such marketing penalty in such amount as the Secretary determines equitable in any case in which the Secretary determines that the failure was unintentional or without knowledge on the part of the person concerned.

"(C) Any penalty provided for under this paragraph shall be assessed by the Secretary after notice and opportunity for a hearing.

"(2)(A) Any person against whom a penalty is assessed under this subsection may obtain review of such penalty in an appropriate district court of the United States by filing a civil action in such court not later than 30 days after such penalty is imposed.

"(B) The Secretary shall promptly file in such court a certified copy of the record on which the penalty is based.

"(3) The district courts of the United States shall have jurisdiction to review and enforce any penalty imposed under this subsection.

"(4) An amount equivalent to any penalty collected by the Secretary under this subsection shall be transmitted by the Secretary to the Corporation, for deposit in the Account of the appropriate association.

"(5) The remedies provided in this subsection shall be in addition to, and not exclusive of, other remedies that may be available.".

(c) Implementation.—The Secretary of Agriculture shall implement sections 1102 through 1109, and the amendments made by such sections, without regard to the provisions requiring notice and other procedures for public participation in rulemaking contained in section 553 of title 5, United States Code, or in any directive of the Secretary.

(d) Conforming Amendment.—The section heading of section 106A of the Agricultural Act of 1949 (7 U.S.C. 1445-1) is amended to read as follows:

"PRODUCER CONTRIBUTIONS AND PURCHASER ASSESSMENTS FOR NO NET COST TOBACCO FUND".

SEC. 1109. PURCHASE OF INVENTORY STOCK.

Notwithstanding any other provision of law, in order to reduce or eliminate the excessive inventories of Flue-cured and Burley tobacco held by associations from the 1976 through 1984 crops, and in order to provide for the orderly disposition of such excessive inventories of tobacco in a manner that will not disrupt the orderly marketing of new tobacco crops and will minimize any losses to the Federal Government:

(a) Sale of Inventory Stock.—(1) The producer-owned cooperative marketing association that has entered into a loan agreement with the Commodity Credit Corporation to make price support available to producers of Flue-cured tobacco shall offer to sell the stocks of Flue-cured tobacco of the association from the 1976 through 1984 crops as provided in this section.

(2) Each producer-owned cooperative marketing association that has entered into a loan agreement with the Commodity Credit Corporation to make price support available to producers of Burley tobacco shall offer to sell its stocks of Burley tobacco from the 1982 and 1984 crops as provided in this section.

(3)(A)(i) Not later than 30 days after the date of enactment of this subtitle, the Commodity Credit Corporation shall acquire title to the Burley tobacco from the 1983 crop that is pledged as security for loans on such tobacco by calling the loans on such tobacco.

(ii) The Corporation shall, then, offer such tobacco for sale at such times, in such quantities, and subject to such conditions as the Corporation considers appropriate.

(B) If the Commodity Credit Corporation has not sold all of the stocks of the 1983 crop of Burley tobacco within 2 years from the date the Corporation calls the loans on such tobacco, the Corporation may offer to sell to domestic manufacturers of cigarettes the remaining stocks of such tobacco as provided in this section.

(b) Sale Prices.—(1)(A) The stocks of Flue-cured tobacco from the 1976 through 1984 crops shall be offered for sale at the base prices, including carrying charges, in effect as of the date of the offer, reduced by—

(i) 90 percent for Flue-cured tobacco from the 1976 through 1981 crops; and

(ii) 10 percent for Flue-cured tobacco from the 1982 through 1984 crops.

(B) The purchasers of the stocks of Flue-cured tobacco from the 1976 through 1984 crops shall pay the full carrying charges that have accrued to such tobacco from the date of the offer made under this section to the date that such tobacco is removed from the inventory of the association.

(2)(A) The stocks of Burley tobacco from the 1982 crop shall be offered for sale at the listed base price in effect as of July 1, 1985.

(B) The stocks of Burley tobacco from the 1984 crop shall be offered for sale at the cost of the association for such tobacco as of the date of enactment of this subtitle.

(C) The purchasers of the stocks of Burley tobacco from the 1982 crop shall pay the full carrying charges that have accrued to such tobacco.

(D) The purchasers of the stocks of Burley tobacco from the 1984 crop shall pay the full carrying charges that have accrued to such tobacco from the date of enactment of this subtitle to the date such tobacco is removed from the inventories of the associations.

(3)(A) After the 2-year period specified in subsection (a)(3)(B) has expired, if the Commodity Credit Corporation offers to sell the stocks of the Corporation of Burley tobacco from the 1983 crop to domestic manufacturers of cigarettes, such stocks shall be offered for sale at the cost of the association, including carrying charges, as of the date on which the Corporation calls the loans on such tobacco, reduced by 90 percent.

(B) Neither tobacco producers nor tobacco purchasers shall be responsible for carrying charges that accrue to the 1983 crop of Burley tobacco after the date on which the Commodity Credit Corporation calls the loans on such tobacco.

(c) Terms of Agreements.—(1)(A) Each domestic manufacturer of cigarettes may enter into agreements to purchase inventory stocks of Flue-cured and Burley tobacco, in accordance with this section.

(B) To be eligible for the reductions in price specified in this section, such manufacturer shall enter into such agreements as soon as practicable, but not later than 90 days after the date of enactment of this subtitle, except that, with respect to the 1983 crop of Burley tobacco, if the Corporation offers to sell the stocks of such tobacco pursuant to subsection (b)(3)(A), such agreements shall be entered into as soon as practicable, but not later than 90 days after the end of the 2-year period referred to in subsection (a)(3)(B).

(C)(i) Such agreements shall provide that, over a period of time, each participating domestic manufacturer of cigarettes shall purchase a percentage of the stocks of Flue-cured and Burley tobacco held—

(I) by the producer-owned cooperative marketing associations at the close of the 1984 marketing year; or

(II) in the case of the 1983 crop of Burley tobacco, by the Commodity Credit Corporation at the time the Corporation offers such tobacco for sale to domestic manufacturers of cigarettes under this section.

(ii) The period of time referred to in clause (i) may not exceed—

(I) in the case of Flue-cured tobacco, 8 years from the date of enactment of this subtitle;

(II) in the case of Burley tobacco from the 1982 and 1984 crops, 5 years from the date of enactment of this subtitle; and

(III) in the case of the 1983 crop of Burley tobacco, 5 years from the end of the 2-year period referred to in subsection (a)(3)(B).

(2)(A)(i) The percentage to be purchased by each participating manufacturer shall be at least equal to the respective percentage of the participating manufacturer of the total quantity of net cigarettes manufactured for use as determined by the Secretary of Agriculture under this paragraph on the basis of the monthly reports ("Manufacturer of Tobacco Products—Monthly Reports") submitted (on ATF Form 3068) by manufacturers of tobacco products to the Bureau of Alcohol, Tobacco and Firearms of the Department of the Treasury.

(ii) The Secretary of Agriculture shall request from the Secretary of the Treasury copies of such monthly reports necessary to make the determinations required under this section.

(iii) Notwithstanding any other provision of law, the Secretary of the Treasury may release and disclose such information to the Secretary of Agriculture.

(B) "Net cigarettes manufactured for use" shall be computed by subtracting—

(i) the cumulative figures entered for large and small cigarettes in item 16f of ATF Form 3068 ("Reduction to tobacco"); from

(ii) the cumulative figures entered for large and small cigarettes in item 7 of such form ("Manufactured").

(C)(i) The percentage to be purchased by each participating manufacturer shall be determined—

(I) on the date of enactment of this subtitle; and

(II) annually thereafter over the course of the respective buy-out periods specified in this subsection.

(ii) Such percentage shall be determined by dividing—

(I) the average net cigarettes manufactured by a manufacturer for use for the 12-month period immediately preceding the appropriate determination date (the date of enactment of this subtitle and annually thereafter over the course of the respective buy-out periods specified in this subsection); by

(II) the aggregate average net cigarettes manufactured by all domestic cigarette manufacturers for use for such 12-month period.

(D)(i) The quantity of tobacco to be purchased by each participating manufacturer shall be determined annually.

(ii) Such quantity shall be based on—

(I) the percentage of net cigarettes of a manufacturer manufactured for use, as determined under subparagraph (C); multiplied by

(II) the appropriate annual quantity to be withdrawn from the inventories of the associations or the Commodity Credit Corporation.

(iii) The appropriate annual quantity to be withdrawn from inventories shall be—

(I) 12½ percent of the inventories of Flue-cured tobacco from the 1976 through 1984 crops on hand on the date of enactment of this subtitle;

(II) 20 percent of the inventories of Burley tobacco from the 1982 and 1984 crops on hand on the date of enactment of this subtitle; and

(III) 20 percent of the inventories of Burley tobacco from the 1983 crop held by the Commodity Credit Corporation on the date that is 2 years after the call of the loans on such tobacco by the Corporation.

(E) Any purchases by a manufacturer from the inventories of the associations or from the Commodity Credit Corporation for a crop covered by this section in any year of the buy-out period that exceed the quantity of the purchases of the manufacturer required under the agreement, as determined under this section, shall be applied against future purchases required of such manufacturer.

(3) In carrying out this section, manufacturers may confer with one another and, separately or collectively, with associations, the Secretary of Agriculture, and the Commodity Credit Corporation, as may be necessary or appropriate to carry out this section and the purposes of this subtitle.

(d) Approval of Agreements.—(1)(A) Each agreement entered into under this section shall be submitted to the Secretary of Agriculture for review and approval.

(B) In the case of an agreement to purchase tobacco from the inventory of a producer association, the agreement shall be submitted by the association.

(C) No agreement may become effective until approved by the Secretary.

(2) The Secretary of Agriculture shall not approve any agreement submitted under this section unless the Secretary has determined that—

(A) the agreement—

(i) will not unduly impair or disrupt the orderly marketing of current and future tobacco crops during the term of the agreement; and

(ii) is otherwise consistent with the purposes of this subtitle; and

(B) the price and other terms of sale are uniform and nondiscriminatory among various purchasers.

(e) Disclosure.—The limitations on disclosure set forth in subsections (c) and (d) of section 320A of the Agricultural Adjustment Act of 1938 (as added by section 1103(d)) shall apply to information submitted by domestic manufacturers of cigarettes under this section with respect to net cigarettes manufactured for use, including information provided on ATF Form 3068. Any officer or employee of the Department of Agriculture who violates such limitations on disclosure shall be subject to the penalties set forth in section 320A(c)(4) of such Act.

SEC. 1110. REVIEW OF TOBACCO GRADING SYSTEM AND DISASTER CROP DESIGNATION.

(a) Study.—(1)(A) The Secretary of Agriculture shall conduct a comprehensive study of the methods and procedures for grading tobacco marketed in the United States.

(B) In carrying out such study, the Secretary shall evaluate, among other things—

(i) the extent to which grades assigned to tobacco accurately reflect the quality of such tobacco;

(ii) the extent to which the number of grades of tobacco affects the operation of the grading system; and

(iii) the competence and independence of tobacco graders.

(2) The Secretary shall also study the feasibility and desirability of—

(A) providing for a grade that would be used to designate tobacco that is of such poor quality as a result of a natural disaster as to affect substantially the marketability of such tobacco; and

(B) establishing a price support level, if any, for such tobacco that may be adjusted by the Secretary as necessary to facilitate the sale of such tobacco and protect the no net cost funds or accounts.

(b) Report.—(1) Not later than 120 days after the date of enactment of this subtitle, the Secretary of Agriculture shall report the results of the studies required under subsection (a), together with any recommendations for necessary legislation, to the Committee on Agriculture of the House of Representatives and the Committee on Agriculture, Nutrition, and Forestry of the Senate.

(2) As soon as practicable after submission of the report required under paragraph (1), but not later than the opening of the marketing season for the 1986 crop of Flue-cured tobacco, the Secretary shall implement any recommendations made in such report that may be implemented by the Secretary under existing authority.

SEC. 1111. INVESTMENT OF TOBACCO INSPECTION FEES.

Section 5 of the Tobacco Inspection Act (7 U.S.C. 511d) is amended—

(1) by inserting "late payment penalties, and interest earned from the investment of such funds," after "The fees and charges," in the ninth sentence;

(2) by inserting after the ninth sentence the following new sentences: "Any funds realized from the collection of fees or charges authorized under this section and section 6 and credited to the current appropriation account incurring the cost of services provided under this section and section 6, late payment penalties, and interest earned from the investment of such funds may be invested by the Secretary in insured or fully collateralized, interest-bearing accounts or, at the discretion of the Secretary, by the Secretary of the Treasury in United States Government debt instruments. Any income realized from this activity may be used to pay the expenses of the Secretary of Agriculture incident to providing services under this Act or reinvested in the manner authorized in the preceding sentence."; and

(3) by striking out "Such fees and charges" in the tenth sentence (as it existed before the amendment made by clause (2)) and inserting in lieu thereof "The fees and charges authorized in this section".

SEC. 1112. EFFECTIVE DATE.

Except as otherwise provided in this subtitle, this subtitle and the amendments made by this subtitle shall become effective on the date of enactment of this subtitle.

TITLE II—ARMED SERVICES AND DEFENSE-RELATED PROGRAMS

SEC. 2001. COLLECTION BY THE UNITED STATES OF INPATIENT HOSPITAL COSTS INCURRED ON BEHALF OF CERTAIN PERSONS.

(a) In General.—(1) Chapter 55 of title 10, United States Code, is amended by adding at the end thereof the following new section:

"§1095. Collection from third-party payers of reasonable inpatient hospital care costs incurred on behalf of retirees and dependents

"(a)(1) In the case of a person who is covered by section 1074(b), 1076(a), or 1076(b) of this title, the United States shall have the right to collect from a third-party payer the reasonable costs of inpatient hospital care incurred by the United States on behalf of such person through a facility of the uniformed services to the extent that the person would be eligible to receive reimbursement or indemnification from the third-party payer if the person were to incur such costs on the person's own behalf. If the insurance, medical service, or health plan of that payer includes a requirement for a deductible or copayment by the beneficiary of the plan, then the amount that the United States may collect from the third-party payer is the reasonable cost of the care provided less the appropriate deductible or copayment amount.

"(2) A person covered by section 1074(b), 1076(a), or 1076(b) of this title may not be required to pay an additional amount to the United States for inpatient hospital care by reason of this section.

"(b) No provision of any insurance, medical service, or health plan contract or agreement having the effect of excluding from coverage or limiting payment of charges for certain care if that care is provided through a facility of the uniformed services shall operate to prevent collection by the United States under subsection (a).

"(c) Under regulations prescribed under subsection (f), records of the facility of the uniformed services that provided inpatient hospital care to a beneficiary of an insurance, medical service, or health plan of a third-party payer shall be made available for inspection and review by representatives of the payer from which collection by the United States is sought.

"(d) Notwithstanding subsections (a) and (b), collection may not be made under this section in the case of a plan administered under title XVIII or XIX of the Social Security Act (42 U.S.C. 1395 et seq.).

"(e)(1) The United States may institute and prosecute legal proceedings against a third-party payer to enforce a right of the United States under this section.

"(2) The administering Secretary may compromise, settle, or waive a claim of the United States under this section.

"(f) The Secretary of Defense, in consultation with the other administering Secretaries, shall prescribe regulations for the administration of this section. Such regulations shall provide for computation of the reasonable cost of inpatient hospital care. Computation of such reasonable cost may be based on—

"(1) per diem rates; or

"(2) such other method as may be appropriate.

"(g) In this section, 'third-party payer' means an entity that provides an insurance, medical service, or health plan by contract or agreement.".

(2) The table of sections at the beginning of such chapter is amended by adding at the end thereof the following new item:

"1095. Collection from third-party payers of reasonable inpatient hospital care costs incurred on behalf of retirees and dependents.".

(b) Effective Date.—Section 1095 of title 10, United States Code, as added by subsection (a), shall apply with respect to inpatient hospital care provided after September

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30, 1986, but only with respect to an insurance, medical service, or health plan agreement entered into, amended, or renewed on or after the date of the enactment of this Act.

SEC. 2002. EXTENSION OF DEADLINE FOR REPORT ON USE BY CHAMPUS SYSTEM OF MEDICARE PROSPECTIVE PAYMENT PROGRAM.

Section 634(c) of the Department of Defense Authorization Act, 1985 (Public Law 98-525; 98 Stat. 2544), is amended by striking out "February 28, 1985" and inserting in lieu thereof "June 30, 1986".

TITLE III—HOUSING AND COMMUNITY DEVELOPMENT PROGRAMS

SEC. 3001. SHORT TITLE AND TABLE OF SECTIONS.

(a) Short Title.—This title may be cited as the "Housing and Community Development Reconciliation Amendments of 1985".

(b) Table of Sections.—

Sec. 3001. Short title and table of sections.
Sec. 3002. Purchase of CDBG guaranteed obligations by the Federal Financing Bank.
Sec. 3003. Public housing operating subsidies.
Sec. 3004. Public and Indian housing financing reforms.
Sec. 3005. Rural housing authorizations.
Sec. 3006. Management of insured and guaranteed rural housing loans.
Sec. 3007. Extension of Federal Housing Administration mortgage insurance programs.
Sec. 3008. Extension of rehabilitation loan authority.
Sec. 3009. Extension of rural housing authorities.
Sec. 3010. Extension of flood and crime insurance programs.
Sec. 3011. Miscellaneous extensions.

SEC. 3002. PURCHASE OF CDBG GUARANTEED OBLIGATIONS BY THE FEDERAL FINANCING BANK.

(a) Prohibition.—Section 108 of the Housing and Community Development Act of 1974 is amended by adding at the end thereof the following:

"(1) Notes or other obligations guaranteed under this section may not be purchased by the Federal Financing Bank.".

(b) Effective Date.—The amendment made by subsection (a) shall take effect on July 1, 1986.

(c) Administrative Actions.—The Secretary of Housing and Urban Development shall take such administrative actions as are necessary to provide by the effective date of subsection (a) private sector financing of loans guaranteed under section 108 of the Housing and Community Development Act of 1974.

SEC. 3003. PUBLIC HOUSING OPERATING SUBSIDIES.

Section 9(c) of such Act is amended by striking out "and by" after "1983," and by inserting after "1984" the following: ", and not to exceed $1,279,000,000 on or after October 1, 1985".

SEC. 3004. PUBLIC AND INDIAN HOUSING FINANCING REFORMS.

Section 4 of the United States Housing Act of 1937 is amended by adding at the end thereof the following new subsection:

"(c)(1) At such times as the Secretary may determine, and in accordance with such accounting and other procedures as the Secretary may prescribe, each loan made by the Secretary under subsection (a) that has any principal amount outstanding or any interest amount outstanding or accrued shall be forgiven; and the terms and conditions of any contract, or any amendment to a contract, for such loan with respect to any promise to repay such principal and interest shall be canceled. Such cancellation shall not affect any other terms and conditions of such contract, which shall remain in effect as if the cancellation had not occurred. This paragraph shall not apply to any loan the repayment of which was not to be made using annual contributions, or to any loan all or part of the proceeds of which are due a public housing agency from contractors or others.

"(2)(A) On the date of the enactment of the Housing and Community Development Reconciliation Amendments of 1985, each note or other obligation issued by the Secretary to the Secretary of the Treasury pursuant to subsection (b), together with any promise to repay the principal and unpaid interest that has accrued on each note or obligation, shall be forgiven; and any other term or condition specified by each such obligation shall be canceled.

"(B) On September 30, 1986, and on any subsequent September 30, each such note or other obligation issued by the Secretary to the Secretary of the Treasury pursuant to subsection (b) during the fiscal year ending on such date, together with any promise to repay the principal and unpaid interest that has accrued on each note or obligation, shall be forgiven; and any other term or condition specified by each such obligation shall be canceled.

"(3) Any amount of budget authority (and contract authority) that becomes available during any fiscal year as a result of the forgiveness of any loan, note, or obligation under this subsection shall be rescinded.".

SEC. 3005. RURAL HOUSING AUTHORIZATIONS.

Subsection (a)(1) of section 513 of the Housing Act of 1949 is amended to read as follows:

"(a)(1) The Secretary may insure and guarantee loans under this title during fiscal year 1986 in an aggregate amount not to exceed $2,146,600,000, of which—

"(A) $1,209,600,000 shall be for loans under section 502;

"(B) $17,000,000 shall be for loans under section 504;

"(C) $19,000,000 shall be for loans under section 514;

"(D) $900,000,000 shall be for loans under section 515; and

"(E) $1,000,000 shall be for loans under section 524.".

SEC. 3006. MANAGEMENT OF INSURED AND GUARANTEED RURAL HOUSING LOANS.

(a) Sale of Insured and Guaranteed Loans to Public.—Section 517(c) of the Housing Act of 1949 is amended by adding at the end thereof the following new sentence: "Any loan made and sold by the Secretary under this section after the date of the enactment of the Housing and Community Development Reconciliation Amendments of 1985 (and any loan made by other lenders under this title that is insured or guaranteed in accordance with this section, is purchased by the Secretary, and is sold by the Secretary under this section after such date) shall be sold to the public and may not be sold to the Federal Financing Bank, unless such sale to the Federal Financing Bank is required to service transactions under this title between the Secretary and the Federal Financing Bank occurring on or before such date.".

(b) Interest Subsidy on Insured and Guaranteed Loans Offered for Sale to Public.—Section 517(d) of the Housing Act of 1949 is amended—

(1) by inserting "(1)" after the subsection designation; and

(2) by adding at the end thereof the following new paragraph:

"(2) Each loan made by the Secretary or other lenders under this title that is insured or guaranteed in accordance with this subsection shall, when offered for sale to the public, be accompanied by an agreement by the Secretary to pay to the holder of such loan (through an agreement to purchase such loan or through such other means as the Secretary determines to be appropriate) the difference between the rate of interest paid by the borrower of such loan and the market rate of interest (as determined by the Secretary) on obligations having comparable periods to maturity on the date of such sale.".

(c) Protection of Borrowers Under Loans Sold to Public.—Section 517(d) of the Housing Act of 1949, as amended by subsection (b) of this section, is amended by adding at the end thereof the following new paragraph:

"(3) Each loan made by the Secretary or other lenders under this title that is insured or guaranteed in accordance with this subsection shall, when offered for sale to the public, be accompanied by agreements for the benefit of the borrower under the loan that provide that—

"(A) the purchaser or any assignee of the loan shall not diminish any substantive or procedural right of the borrower arising under this title;

"(B) upon any substantial default of the borrower, but prior to foreclosure, the loan shall be assigned to the Secretary for the purpose of avoiding foreclosure; and

"(C) following any assignment under subparagraph (B) and before commencing any action to foreclose or otherwise dispossess the borrower, the Secretary shall afford the borrower all substantive and procedural rights arising under this title, including consideration for interest subsidy, moratorium, reamortization, refinancing, and appeal of any adverse decision to an impartial officer.

"(4) From the proceeds of loan sales under paragraph (2), the Secretary shall set aside as a reserve against future losses not less than 5 percent of the outstanding face amount of the loans held by the public at any time.".

(d) Use of Rural Housing Insurance Fund.—Section 517(j) of the Housing Act of 1949 is amended—

(1) by striking out "and" at the end of paragraph (4);

(2) by striking out the period at the end of paragraph (5) and inserting in lieu thereof "; and"; and

(3) by adding at the end thereof the following new paragraph:

"(6) to make payments and take other actions in accordance with agreements entered into under paragraphs (2) and (3) of subsection (d).".

(e) Eligibility for Guaranteed Loans.—Section 517 of the Housing Act of 1949 is amended by striking out subsection (n).

(f) Regulations.—Section 517(o) of the Housing Act of 1949 is amended—

(1) by inserting "(1)" after the subsection designation; and

(2) by adding at the end thereof the following new paragraph:

"(2) Not later than the expiration of the 90-day period following the date of the enactment of the Housing and Community Development Reconciliation Amendments of 1985, the Secretary shall issue regulations to facilitate the marketability in the secondary mortgage market of loans insured or guaranteed under this section. Such regulations shall ensure that such loans are competitive with other loans and mortgages insured or guaranteed by the Federal Government.".

SEC. 3007. EXTENSION OF FEDERAL HOUSING ADMINISTRATION MORTGAGE INSURANCE PROGRAMS.

(a) Title I Insurance.—Section 2(a) of the National Housing Act is amended by striking out "prior to December 16, 1985" in the first sentence and inserting in lieu thereof "not later than March 17, 1986".

(b) General Insurance.—Section 217 of the National Housing Act is amended by striking out "December 15, 1985" and inserting in lieu thereof "March 17, 1986".

(c) Low and Moderate Income Housing Insurance.—Section 221(f) of the National Housing Act is amended by striking out "December 15, 1985" in the fifth sentence and inserting in lieu thereof "March 17, 1986".

(d) Section 235 Homeownership.—

(1) Assistance payments authority.—Section 235(h)(1) of the National Housing Act is amended by striking out "December 15, 1985" in the last sentence and inserting in lieu thereof "March 17, 1986".

(2) Insurance authority.—Section 235(m) of the National Housing Act is amended by striking out "December 15, 1985" and inserting in lieu thereof "March 17, 1986".

(3) Housing stimulus authority.—Section 235(q)(1) of the National Housing Act is amended by striking out "December 15, 1985" in the last sentence and inserting in lieu thereof "March 17, 1986".

(e) Co-Insurance.—

(1) General authority.—Section 244(d) of the National Housing Act is amended by striking out "December 15, 1985" and inserting in lieu thereof "March 17, 1986".

(2) Rental rehabilitation and development projects.—Section 244(h) of the National Housing Act is amended by striking out "on or after December 16, 1985" in the last sentence and inserting in lieu thereof "after March 17, 1986".

(f) Graduated Payment and Indexed Mortgage Insurance.—Section 245(a) of the National Housing Act is amended by striking out "December 15, 1985" in the last sentence and inserting in lieu thereof "March 17, 1986".

(g) Reinsurance Contracts.—Section 249(a) of the National Housing Act is amended by striking out "December 15, 1985" in the second sentence and inserting in lieu thereof "March 17, 1986".

(h) Armed Services Housing Insurance.—

(1) Civilian employees of armed forces.—Section 809(f) of the National Housing Act is amended by striking out "December 15, 1985" in the last sentence and inserting in lieu thereof "March 17, 1986".

(2) Defense housing for impacted areas.—Section 810(k) of the National Housing Act is amended by striking out "December 15, 1985" in the last sentence and inserting in lieu thereof "March 17, 1986".

(i) Land Development Insurance.—Section 1002(a) of the National Housing Act is amended by striking out "December 15, 1985" in the last sentence and inserting in lieu thereof "March 17, 1986".

(j) Group Practice Facilities Insurance.—Section 1101(a) of the National Housing Act is amended by striking out "December 15, 1985" in the last sentence and inserting in lieu thereof "March 17, 1986".

SEC. 3008. EXTENSION OF REHABILITATION LOAN AUTHORITY.

Section 312(h) of the Housing Act of 1964 is amended—

(1) by striking out "December 15, 1985" and inserting in lieu thereof "March 17, 1986"; and

(2) by striking out "prior to December 16, 1985" and inserting in lieu thereof "on or before such date".

SEC. 3009. EXTENSION OF RURAL HOUSING AUTHORITIES.

(a) Rental Housing Loan Authority.—Section 515(b)(4) of the Housing Act of 1949 is amended by striking out "December 15, 1985" and inserting in lieu thereof "March 17, 1986".

(b) Rural Area Classification.—Section 520 of the Housing Act of 1949 is amended by striking out "December 15, 1985" in the last sentence and inserting in lieu thereof "March 17, 1986".

(c) Mutual and Self-Help Housing Grant and Loan Authority.—Section 523(f) of the Housing Act of 1949 is amended by striking out "December 15, 1985" and inserting in lieu thereof "March 17, 1986".

SEC. 3010. EXTENSION OF FLOOD AND CRIME INSURANCE PROGRAMS.

(a) Flood Insurance.—

(1) General authority.—Section 1319 of the National Flood Insurance Act of 1968 is amended by striking out "December 15, 1985" and inserting in lieu thereof "March 17, 1986".

(2) Emergency implementation.—Section 1336(a) of the National Flood Insurance Act of 1968 is amended by striking out "December 15, 1985" and inserting in lieu thereof "March 17, 1986".

(3) Establishment of flood-risk zones.—Section 1360(a)(2) of the National Flood Insurance Act of 1968 is amended by striking out "December 15, 1985" and inserting in lieu thereof "March 17, 1986".

(b) Crime Insurance.—Section 1201(b)(1) of the National Housing Act is amended by striking out "December 15, 1985" in the matter preceding subparagraph (A) and inserting in lieu thereof "March 17, 1986".

SEC. 3011. MISCELLANEOUS EXTENSIONS.

(a) Community Development Block Grant Classifications.—

(1) Metropolitan city.—Section 102(a)(4) of the Housing and Community Development Act of 1974 is amended by striking out "December 15, 1985" in the second sentence and inserting in lieu thereof "March 17, 1986".

(2) Urban county.—Section 102(a)(6) of the Housing and Community Development Act of 1974 is amended by striking out "December 15, 1985" in the second sentence and inserting in lieu thereof "March 17, 1986".

(b) Section 202 Interest Rate Limitation.—Section 223(a)(2) of the Housing and Urban-Rural Recovery Act of 1983 is amended by striking out "prior to December 16, 1985" and inserting in lieu thereof "not later than March 17, 1986".

(c) Home Mortgage Disclosure Act of 1975.—Section 312 of the Home Mortgage Disclosure Act of 1975 is amended by striking out "December 16, 1985" and inserting in lieu thereof "March 17, 1986".

TITLE IV—TRANSPORTATION AND RELATED PROGRAMS

Subtitle A—Railroads

SEC. 4001. SHORT TITLE.

This subtitle may be cited as the "Amtrak Reauthorization Act of 1985".

SEC. 4002. AUTHORIZATION OF APPROPRIATIONS.

(a) Authorization.—Section 601(b)(2) of the Rail Passenger Service Act (45 U.S.C. 601(b)(2)) is amended—

(1) in subparagraph (A) by striking out "and" after "403(b) of this Act;";

(2) in subparagraph (B) by striking out the period and inserting in lieu thereof a semicolon; and

(3) by adding at the end the following new subparagraphs:

"(C) not to exceed $600,000,000 for the fiscal year ending September 30, 1986;

"(D) not to exceed $606,100,000 for the fiscal year ending September 30, 1987; and

"(E) not to exceed $630,300,000 for the fiscal year ending September 30, 1988.".

(b) Limitation.—Such section 601(b) is further amended by adding at the end a new paragraph as follows:

"(5) Unless sufficient funds are otherwise available to operate the Corporation's rail system at substantially the same level of service, maintenance, and equipment overhauls in effect on the date of the enactment of this paragraph, funds appropriated to or for the benefit of the Corporation under this section before the date of the enactment of this paragraph which the Corporation has designated for nonoperational capital projects shall be used as necessary to maintain the operations of the system at such level.".

SEC. 4003. CAPITAL ASSETS.

Section 304(c) of the Rail Passenger Service Act (45 U.S.C. 544(c)) is amended by adding at the end thereof the following new paragraph:

"(3) The preferred stock issued pursuant to paragraphs (1) and (2) of this subsection shall be deemed to have been issued as of the date of receipt by the Corporation of the funds for which such stock is issued.".

SEC. 4004. GOVERNMENT TRAVEL.

Section 306(f) of the Rail Passenger Service Act (45 U.S.C. 546(f)) is amended by inserting ", which shall include allowing the Corporation to participate in the contract air program administered by the General Services Administration in markets where service provided by the Corporation is competitive as to rates and total trip times" before the period.

SEC. 4005. REPORT CONSOLIDATION.

Section 308(a) of the Rail Passenger Service Act (45 U.S.C. 548(a)) is amended to read as follows:

"(a) The Corporation shall submit to the Congress a report not later than February 15 of each year. The report shall include, for each route on which the Corporation operated intercity rail passenger service during the preceding fiscal year, data on ridership, passenger miles, short-term avoidable profit or loss per passenger mile, revenue-to-cost ratio, revenues, the Federal subsidy, the non-Federal subsidy, and on-time performance. Such report shall also specify significant operational problems which have been identified by the Corporation, together with proposals by the Corporation to resolve such problems.".

SEC. 4006. CHARTER TRAINS.

Section 402 of the Rail Passenger Service Act (45 U.S.C. 562) is amended—

(1) by repealing subsection (g); and

(2) by redesignating subsection (h) as subsection (g).

SEC. 4007. MISCELLANEOUS AMENDMENTS.

(a) Audits.—Section 805 of the Rail Passenger Service Act (45 U.S.C. 644) is amended—

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(1) in subsection (2)(A) by striking out "shall conduct annually a" in the first sentence and inserting in lieu thereof "may conduct"; and

(2) in subsections (2)(A) and (2)(B) by striking "audit" wherever it appears and inserting in lieu thereof "audits".

(b) Repeal of Studies and Reports.—Sections 306(k), 806, 810, and 811 of the Rail Passenger Service Act (45 U.S.C. 546(k), 645, 649, and 650) are repealed.

(c) Emergency Assistance.—Title VII of the Rail Passenger Service Act (45 U.S.C. 621 and 622) is repealed.

(d) Northeast Corridor Reports.—Section 703(1)(D) of the Railroad Revitalization and Regulatory Reform Act of 1976 (45 U.S.C. 853(1)(D)) is repealed.

(e) Performance Evaluation Center.—(1) Section 305(1) of the Rail Passenger Service Act (45 U.S.C. 545(1)) is repealed.

(2) Section 305(m) of the Rail Passenger Service Act (45 U.S.C. 545(m)) is amended by striking out "Center" each place it appears and inserting in lieu thereof "Corporation".

SEC. 4008. REVENUE-COST RATIO.

Section 404(c)(4)(A) of the Rail Passenger Service Act (45 U.S.C. 564(c)(4)(a)) is amended by adding at the end the following new sentence: "Commencing in fiscal year 1986, the Corporation shall set a goal of recovering an amount sufficient that the ratio of its revenues, including contributions from States, agencies, and other persons, to costs, excluding capital costs, shall be at least 61 percent.".

SEC. 4009. LABOR-RELATED COST SAVINGS.

Amtrak and the representatives of employees of Amtrak shall negotiate changes in existing agreements between such parties that will result in substantial cost savings to Amtrak, and shall report the results of such negotiations to the Congress within six months after the date of enactment of this Act.

SEC. 4010. ROUTE DISCONTINUANCE.

Amtrak shall not, by reason of any provision of this subtitle, including section 4002, reduce the frequency of service on any line on which, as of May 1, 1985, three or fewer trains operated per week.

SEC. 4011. EMPLOYMENT VACANCY FILING.

(a) Liability.—Section 704(c) of the Regional Rail Reorganization Act of 1973 (45 U.S.C. 797c(c)) is amended—

(1) by inserting "(1)" after "Vacancy Notices.—"; and

(2) by adding at the end a new paragraph as follows:

"(2)(A) As soon as the Board becomes aware of any failure on the part of a railroad to comply with paragraph (1), the Board shall issue a warning to such railroad of its potential liability under subparagraph (B).

"(B) Any railroad failing to comply with paragraph (1) of this subsection after being warned by the Board under subparagraph (A) shall be liable for a civil penalty in the amount of $500 for each subsequent vacancy with respect to which such railroad has so failed to comply.".

(b) Extension.—Section 704(f) of such Act (45 U.S.C. 797c(f)) is amended by striking out "4-year" and inserting in lieu thereof "6-year".

(c) Exemption.—The provisions of section 703 of the Regional Rail Reorganization Act of 1973 (45 U.S.C. 797b), section 8 of the Milwaukee Railroad Restructuring Act (45 U.S.C. 907), and section 105 of the Rock Island Railroad Transition and Employee Assistance Act (45 U.S.C. 1004) shall not apply to the National Railroad Passenger Corporation in the hiring of qualified train and engine employees who hold seniority rights to work in intercity rail passenger service in connection with the assumption by such Corporation of functions previously performed under contract by other carriers.

(d) Effective Dates.—The amendments made by subsections (a) and (c) shall take effect on the date of enactment of this Act, and the amendment made by subsection (b) shall be effective as of August 1, 1985.

SEC. 4012. TRANSPORTATION OF USED UNOCCUPIED VEHICLES.

Section 103(3) of the Rail Passenger Service Act (45 U.S.C. 502(3)) is amended by inserting ", and, when space is available, of used unoccupied vehicles" after "and their occupants".

SEC. 4013. AMTRAK CORPORATE CITIZENSHIP.

Section 306(m) of the Rail Passenger Service Act (45 U.S.C. 546(m)) is amended by inserting "only" immediately after "citizen".

SEC. 4014. ROUTE AND SERVICE CRITERIA.

(a) Route and Service Criteria Amendments.—The Rail Passenger Service Act is amended—

(1) in section 403(d) (45 U.S.C. 563(d))—

(A) by striking out "criteria set forth in section 404(d)(2)(B)" and inserting in lieu thereof "criterion set forth in section 404(d)(2)"; and

(B) by inserting after the first sentence thereof the following: "Beginning October 1, 1986, if such service is not projected to meet such criterion, the Corporation may discontinue, modify, or adjust such service so that the applicable criterion will be met.";

(2) in section 404(c)(3)(B) (45 U.S.C. 564(c)(3)(B))—

(A) by striking out "60" and inserting in lieu thereof "120";

(B) by striking out "either the Senate" and all that follows through "that it does" and inserting in lieu thereof "the Senate and the House of Representatives adopt a joint resolution during such period stating that they do"; and

(C) by adding at the end thereof the following: "For purposes of this subparagraph, continuity of session of the Congress is broken only by an adjournment sine die and the days on which either House is not in session because of adjournment of more than 3 days to a day certain are excluded in the computation of such 120-day period.";

(3) by amending section 404(c)(4)(B) (45 U.S.C. 564(c)(4)(B)) to read as follows:

"(B) The Corporation shall conduct an annual review of each route in the basic system to determine if such route is projected to meet the criterion appropriate to such route set forth in subsection (d), as adjusted to reflect constant 1979 dollars. If the Corporation determines on the basis of such review that such route will not meet such criterion, the Corporation shall discontinue, modify, or adjust the operation of rail passenger service over such route so that the criterion will be met.";

(4) in the first sentence of section 404(d)(1) (45 U.S.C. 564(d)(1))—

(A) by striking out "if—" and inserting in lieu thereof "if";

(B) by striking out "(A)"; and

(C) by striking out all after "mile" the second time it appears therein and inserting in lieu thereof a period;

(5) in the second sentence of section 404(d)(1) (45 U.S.C. 564(d)(1)) by striking out "and passenger mile per train mile";

(6) by striking out the last sentence of section 404(d)(1) (45 U.S.C. 564(d)(1)); and

(7) in section 404(d)(2) (45 U.S.C. 564(d)(2))—

(A) by striking out "if—" and inserting in lieu thereof "if";

(B) by striking out "(A)"; and

(C) by striking out all after "mile" the second time it appears therein and inserting in lieu thereof a period.

(b) Effective Date.—The provisions of this section shall take effect on October 1, 1986.

SEC. 4015. ICC REGULATION.

Section 306(a)(3) of the Rail Passenger Service Act (45 U.S.C. 546(a)(3)) is amended by striking out ", except as otherwise provided in this Act,".

SEC. 4016. MEANING OF "DISCONTINUANCE" FOR LABOR PROTECTION PURPOSES.

Section 405(a) of the Rail Passenger Service Act (45 U.S.C. 565(a)) is amended by adding at the end thereof the following: "For purposes of subsection (c) of this section and any agreement designed to implement the provisions of such subsection, a 'discontinuance of intercity rail passenger service' shall not include any adjustment in frequency or seasonal suspension of intercity rail passenger trains the effect of which is a temporary suspension of service unless such adjustment or suspension causes a reduction of passenger train operations on a particular route to a frequency of less than three round trips per week at any time during any calendar year.".

SEC. 4017. NORTHEAST CORRIDOR COST DISPUTE DECISIONS.

(a) ICC Decisions.—(1) Section 1163(a)(2) of the Northeast Rail Service Act of 1981 (45 U.S.C. 1111(a)(2)) is amended to read as follows:

"(2) The Commission, in making such a determination, shall consider all relevant factors, and shall not permit cross subsidization between intercity rail passenger service and commuter rail passenger service.".

(2) Any decisions of the Interstate Commerce Commission before the date of enactment of this Act under section 1163(a)(2) of the Northeast Rail Service Act of 1981 (45 U.S.C. 1111(a)(2)) shall have no force and effect after the date of enactment of this Act.

(b) Assignment of Costs.—Section 402(a) of the Rail Passenger Service Act (45 U.S.C. 562(a)) is amended—

(1) by inserting "(1)" immediately after "(a)";

(2) by inserting "(2)" immediately before "Notwithstanding";

(3) in the second sentence of paragraph (2), as so designated by paragraph (2) of this subsection, by striking out "180" and inserting in lieu thereof "120";

(4) in the last sentence of paragraph (2), as so designated by paragraph (2) of this subsection, by striking out "shall consider all relevant factors, and shall not permit cross subsidization among intercity, commuter," and inserting in lieu thereof "shall not permit cross subsidization between intercity rail passenger service"; and

(5) by adding at the end of paragraph (2), as so designated by paragraph (2) of this subsection, the following: "The Commission, in making such a determination, shall assign to a freight railroad obtaining services pursuant to this paragraph the costs incurred by the Corporation solely for the benefit of that railroad, plus a proportionate share of all other costs of providing services covered by this paragraph that are incurred for the common benefit of the Corporation and such freight railroad. The proportionate share of such other costs assigned to a freight railroad shall be based on relative measures of volume of car operations, tonnage, or other factors that reasonably reflect the relative use of the rail properties covered by this paragraph. Nothing in this paragraph shall be construed to preclude parties from entering into an agreement under this paragraph either before or after a determination of the Commission under this paragraph.".

(c) Effectiveness of Standard.—The compensation standard established by the amendment made by subsection (b) of this section shall be effective in any proceeding instituted under section 402(a)(2) of the Rail Passenger Service Act (45 U.S.C. 562(a)(2)) after the date of enactment of this Act.

(d) Congressional Policy.—Nothing in this section, or any amendment made by this section, shall be construed to alter the Congressional policy against cross subsidization among intercity, commuter, and rail freight services expressed in the last sentence of section 402(a) of the Rail Passenger Service Act, as in effect before the date of enactment of this Act.

SEC. 4018. LOCAL RAIL SERVICE ASSISTANCE.

Section 5(q) of the Department of Transportation Act (49 U.S.C. App. 1654(q)) is amended—

(1) by inserting after "September 30, 1984." the following: "Of the funds authorized to be appropriated under this subsection, there are authorized to be appropriated not to exceed $12,000,000 for the fiscal year ending September 30, 1986, not to exceed $10,000,000 for the fiscal year ending September 30, 1987, and not to exceed $8,000,000 for the fiscal year ending September 30, 1988."; and

(2) by adding at the end thereof the following: "No funds are authorized to be appropriated under this subsection for any period after September 30, 1988.".

Subtitle B—Highway Programs

SEC. 4101. REDUCTIONS IN HIGHWAY APPORTIONMENTS.

(a) Primary System.—The first sentence of section 105(a)(1) of the Highway Improvement Act of 1982 is amended by striking out "$2,450,000,000" and inserting in lieu thereof "$2,375,000,000".

(b) Bridge Replacement and Rehabilitation.—Section 202(1) of the Highway Safety Act of 1982 is amended by striking out "$2,050,000,000" and inserting in lieu thereof "$1,900,000,000".

(c) Interstate 4R.—The first sentence of section 105 of the Federal-Aid Highway Act of 1978 is amended by striking out "$3,150,000,000" and inserting in lieu thereof "$2,975,000,000".

(d) Apportionment Adjustments.—

(1) Determination of adjustment amount.—On the first day following the effective date of this section, the Secretary of Transportation shall determine—

(A) the amount of funds that would have been apportioned to each State on October 1, 1985—

(i) for the Federal-aid primary system program if the amendment made by subsection (a) had been in effect on such date;

(ii) for the highway bridge replacement and rehabilitation program if the amendment made by subsection (b) had been in effect on such date; and

(iii) for the program to resurface, restore, rehabilitate, and reconstruct routes on the National System of Interstate and Defense Highways if the amendment made by subsection (c) had been in effect on such date; and

(B) the amount by which the amount which was apportioned to such State on October 1, 1985, for such program exceeds the amount determined under subparagraph (A) for such program.

(2) Adjustments to current apportionment.—To the extent that any funds—

(A) which were apportioned to a State on October 1, 1985, for any program referred to in paragraph (1)(A); and

(B) which are unobligated on the first day following the effective date of this section;

do not exceed the amount determined under paragraph (1)(B) for such program, such apportioned and unobligated funds shall lapse on such first day.

(3) Adjustment to future apportionment.—If the amount determined under paragraph (1)(B) with respect to the apportionment made on October 1, 1985, to any State for any program referred to in paragraph (1)(A) is greater than the amount of funds which lapse from the apportionment to such State for such program under paragraph (2), the Secretary of Transportation shall reduce the amount which, but for this paragraph, would otherwise be apportioned to such State for such program on October 1, 1986, by the amount of such excess.

SEC. 4102. OBLIGATION CEILING.

(a) General Limitation.—Notwithstanding any other provision of law, the total of all obligations for Federal-aid highways and highway safety construction programs shall not exceed—

(1) $13,125,000,000 for fiscal year 1986;

(2) $13,525,000,000 for fiscal year 1987; and

(3) $14,100,000,000 for fiscal year 1988.

(b) Exceptions.—The limitations under subsection (a) shall not apply to obligations—

(1) under section 125 of title 23, United States Code;

(2) under section 157 of such title;

(3) under section 320 of such title;

(4) under section 147 of the Surface Transportation Assistance Act of 1978;

(5) under section 9 of the Federal-Aid Highway Act of 1981;

(6) under sections 131(b) and 131(j) of the Surface Transportation Assistance Act of 1982; and

(7) under section 118 of the National Visitor Center Facilities Act of 1968.

(c) Distribution of Obligational Authority.—For each of the fiscal years 1986, 1987, and 1988, the Secretary of Transportation shall distribute the limitation imposed by subsection (a) by allocation in the ratio which sums authorized to be appropriated for Federal-aid highways and highway safety construction which are apportioned or allocated to each State for such fiscal year bears to the total of the sums authorized to be appropriated for Federal-aid highways and highway safety construction which are apportioned or allocated to all the States for such fiscal year.

(d) Limitation on Obligational Authority.—During the period October 1 through December 31 of each of the fiscal years 1986, 1987, and 1988, no State shall obligate more than 35 percent of the amount distributed to such State under subsection (c) for such fiscal year, and the total of all State obligations during such period shall not exceed 25 percent of the total amount distributed to all States under such subsection for such fiscal year.

(e) Redistribution of Unused Obligational Authority.—Notwithstanding subsections (c) and (d), the Secretary of Transportation shall—

(1) provide all States with authority sufficient to prevent lapses of sums authorized to be appropriated for Federal-aid highways and highway safety construction which have been apportioned or allocated to a State, except in those instances in which a State indicates its intention to lapse sums apportioned under section 104(b)(5)(A) of title 23, United States Code;

(2) after August 1 of each of the fiscal years 1986, 1987, and 1988, revise a distribution of the funds made available under subsection (c) for such fiscal year if a State will not obligate the amount distributed during such fiscal year and redistribute sufficient amounts to those States able to obligate amounts in addition to those previously distributed during such fiscal year giving priority to those States having large unobligated balances of funds apportioned under section 104 of title 23, United States Code, and giving priority to those States which, because of statutory changes made by the Surface Transportation Assistance Act of 1982 and the Federal-Aid Highway Act of 1981, have experienced substantial proportional reductions in their apportionments and allocations; and

(3) not distribute amounts authorized for administrative expenses and Federal lands highways programs.

(f) Conforming Amendment.—Section 157(b) of title 23, United States Code, is amended by striking out the period at the end of the last sentence and inserting in lieu thereof "and section 4102(c) of the Consolidated Omnibus Budget Reconciliation Act of 1985.".

SEC. 4103. INCREASE IN THE STATE EMERGENCY REPAIR FUND LIMITATION.

The first sentence of section 125(b) of title 23, United States Code, is amended by inserting after "$30,000,000" the following: "(and $55,000,000 for projects in connection with disasters or failures occurring in calendar year 1985)".

SEC. 4104. NATIONAL MINIMUM DRINKING AGE AMENDMENTS.

(a) Extension of Penalty for Non-Compliance.—Section 158(a)(2) of title 23, United States Code, is amended by striking out "the fiscal year succeeding" and inserting in lieu thereof "each fiscal year after".

(b) Complying State Laws.—Subsection (a) of section 158 of such title is amended by adding at the end thereof the following new paragraph:

"(3) State grandfather law as complying.—If, before the later of (A) October 1, 1986, or (B) the tenth day following the last day of the first session the legislature of a State convenes after the date of the enactment of this paragraph, such State has in effect a law which makes unlawful the purchase and public possession in such State of any alcoholic beverage by a person who is less than 21 years of age (other than any person who is 18 years of age or older on the day preceding the effective date of such law and at such time could lawfully purchase or publicly possess any alcoholic beverage in such State), such State shall be deemed to be in compliance with paragraphs (1) and (2) of this subsection in each fiscal year in which such law is in effect.".

(c) Period of Availability; Effect of Compliance and Noncompliance.—Subsection (b) of section 158 of such title is amended to read as follows:

"(b) Period of Availability; Effect of Compliance and Noncompliance.—

"(1) Period of availability of withheld funds.—

"(A) Funds withheld on or before September 30, 1988.—Any funds withheld under this section from apportionment to any State on or before September 30, 1988, shall remain available for apportionment to such State as follows:

"(i) If such funds would have been apportioned under section 104(b)(5)(A) of this title but for this section, such funds shall remain available until the end of the fiscal year for which such funds are authorized to be appropriated.

"(ii) If such funds would have been apportioned under section 104(b)(5)(B) of this title but for this section, such funds shall remain available until the end of the second fiscal year following the fiscal year for which such funds are authorized to be appropriated.

"(iii) If such funds would have been apportioned under section 104(b)(1), 104(b)(2), or 104(b)(6) of this title but for this section, such funds shall remain available until the end of the third fiscal year following the fiscal year for which such funds are authorized to be appropriated.

"(B) Funds withheld after September 30, 1988.—No funds withheld under this section from apportionment to any State after September 30, 1988, shall be available for apportionment to such State.

"(2) Apportionment of withheld funds after compliance.—If, before the last day of the period for which funds withheld under this section from apportionment are to remain available for apportionment to a State under paragraph (1)(A), the State makes effective a law which is in compliance with subsection (a), the Secretary shall on the day following the effective date of such law apportion to such State the withheld funds remaining available for apportionment to such State.

"(3) Period of availability of subsequently apportioned funds.—Any funds apportioned pursuant to paragraph (2) shall remain available for expenditure as follows:

"(A) Funds apportioned under section 104(b)(5)(A) of this title shall remain available until the end of the fiscal year succeeding the fiscal year in which such funds are so apportioned.

"(B) Funds apportioned under section 104(b)(1), 104(b)(2), 104(b)(5)(B), or 104(b)(6) of this title shall remain available until the end of the third fiscal year succeeding the fiscal year in which such funds are so apportioned.

Sums not obligated at the end of such period shall lapse or, in the case of funds apportioned under section 104(b)(5) of this title, shall lapse and be made available by the Secretary for projects in accordance with section 118(b) of this title.

"(4) Effect of noncompliance.—If, at the end of the period for which funds withheld under this section from apportionment are available for apportionment to a State under paragraph (1), the State has not made effective a law which is in compliance with subsection (a), such funds shall lapse or, in the case of funds withheld from apportionment under section 104(b)(5) of this title, such funds shall lapse and be made available by the Secretary for projects in accordance with section 118(b) of this title.".

(d) Conforming Amendments.—Such section 158 is further amended—

(1) in subsection (a) by inserting "Withholding of Funds for Noncompliance.—" before "(1) The";

(2) in subsection (a)(1) by inserting "First Year.—" before "The Secretary";

(3) by indenting paragraphs (1) and (2) of subsection (a) and aligning them with paragraph (3) of such subsection as inserted by subsection (b) of this section;

(4) in subsection (a)(1) by inserting "first" before "fiscal year" the second place it appears;

(5) in subsection (a)(2) by inserting "After the First Year.—" before "The Secretary"; and

(6) in subsection (c) by inserting "Alcoholic Beverage Defined.—" before "As".

SEC. 4105. OHIO RIVER BRIDGE FUND REPROGRAMMING.

Section 147 of the Federal-Aid Highway Act of 1978 is amended by inserting "(a)" after "Sec. 147." and by adding at the end thereof the following new subsection:

"(b)(1) Of the funds which have been set aside previously pursuant to the fourth and fifth sentences of subsection (a) of this section and which are in excess of the amounts needed to complete the projects authorized by such subsection—

"(A) $65,000,000 shall be available to the Secretary of Transportation to carry out the state-of-the-art technology projects described in paragraph (2) of this subsection; and

"(B) the remainder shall be apportioned under subsection (e) of section 144 of title 23, United States Code, for carrying out projects under such section.

"(2) The state-of-the-art technology projects referred to in paragraph (1) of this subsection are the following:

"(A) Construction of a bridge (including approaches thereto) across the Ohio River between Newport, Kentucky, and Cincinnati, Ohio, to replace a bridge on a highway designated as a United States route.

"(B) Construction of a bridge (including approaches thereto) across the Ohio River between Covington, Kentucky, and Cincinnati, Ohio, to replace a bridge on a Kentucky State highway.

"(C) Construction of a bridge (including approaches thereto) across the Ohio River near Maysville, Kentucky, and Aberdeen, Ohio, to replace a bridge on a highway designated as a United States route.

"(3) In order to demonstrate the latest high-type geometric design features (including safety hardware) and new advances in highway bridge construction, the projects authorized by this subsection shall utilize state-of-the-art technology, and all design elements, including the decking, shall be designed to provide the best life-cycle costs, thereby minimizing future maintenance and rehabilitation costs.

"(4) The Secretary of Transportation may provide necessary technical assistance in the design and construction of projects under this subsection.

"(5) Not later than one year after the completion of the state-of-the-art technology projects under this subsection, the Secretary of Transportation shall submit a report to Congress, including but not limited to the results of such projects, the effects of using the best available technology on safety and other considerations, recommendations for applying the results to other bridge projects, and any changes that may be necessary by law to permit further use of such features.

"(6) In allocating funds made available to carry out the projects described in paragraph (2) of this subsection, the Secretary shall give priority to completing the projects described in subparagraphs (A) and (B) of such paragraph. At such time as the Secretary determines and certifies in writing that sufficient funds have been set aside, from the amount made available under paragraph (1)(A), to complete the projects described in subparagraphs (A) and (B) of paragraph (2), any remaining funds shall be used to carry out the project described in subparagraph (C) of paragraph (2).

"(7) Funds made available to carry out the projects described in paragraph (2) of this subsection shall be available for obligation in the same manner and to the same extent as if such funds were apportioned under chapter 1 of title 23, United States Code, except that such funds shall be available until expended and shall not be subject to any obligation limitation. The Federal share of the projects described in paragraph (2) of this subsection shall be that provided in subsection (a).".

TITLE V—CORPORATION FOR PUBLIC BROADCASTING AND FEDERAL COMMUNICATIONS COMMISSION

SEC. 5001. CORPORATION FOR PUBLIC BROADCASTING.

(a) Public Telecommunications Facilities.—Section 391 of the Communications Act of 1934 (47 U.S.C. 391) is amended—

(1) by striking out "and" after "1983,"; and

(2) by inserting ", $24,000,000 for fiscal year 1986, $28,000,000 for fiscal year 1987, and $32,000,000 for fiscal year 1988," immediately after "1984,".

(b) Allocation of Appropriations.—Section 393 of the Communications Act of 1934 (47 U.S.C. 393) is amended—

(1) by striking out subsection (c); and

(2) by redesignating subsection (d) as subsection (c).

(c) Financing of Corporation for Public Broadcasting.—(1) Section 396(k)(1)(C) of the Communications Act of 1934 (47 U.S.C. 396(k)(1)(C)) is amended—

(A) by striking out "and 1986" and inserting in lieu thereof "1986, 1987, 1988, 1989, and 1990";

(B) by striking out "and" after "fiscal year 1985,"; and

(C) by inserting ", $200,000,000 for fiscal year 1987, $214,000,000 for fiscal year 1988, $238,000,000 for fiscal year 1989, and $254,000,000 for fiscal year 1990" immediately before the period at the end thereof.

(2) Section 396(k)(3)(A)(i)(II) of the Communications Act of 1934 (47 U.S.C. 396(k)(3)(A)(i)(II)) is amended by striking out "research, training, technical assistance, engineering, instructional support, payment of interest on indebtedness,".

(3) Section 396(k) of the Communications Act of 1934 (47 U.S.C. 396(k)) is amended—

(A) by striking out paragraph (8); and

(B) by redesignating paragraphs (9) and (10) as paragraphs (8) and (9), respectively.

SEC. 5002. FEDERAL COMMUNICATIONS COMMISSION.

(a) Authorization of Appropriations.—(1) Section 6 of the Communications Act of 1934 (47 U.S.C. 156) is amended to read as follows:

"Sec. 6. There are authorized to be appropriated for the administration of this Act by the Commission $98,100,000 for fiscal year 1986 and $97,600,000 for fiscal year 1987, together with such sums as may be necessary for increases resulting from adjustments in salary, pay, retirement, other employee benefits required by law, and other nondiscretionary costs, for each of the fiscal years 1986 and 1987.".

(2) The amendment made by paragraph (1) of this subsection shall apply with respect to fiscal years beginning after September 30, 1985.

(b) Reimbursed Expenses.—Section 4(g)(2) of the Communications Act of 1934 (47 U.S.C. 154(g)(2)) is amended—

(1) in subparagraph (D), by striking out "1985" and inserting in lieu thereof "1987"; and

(2) by adding at the end thereof the following new subparagraph:

"(E) Funds which are received by the Commission as reimbursements under the provisions of this paragraph after the close of a fiscal year shall remain available for obligation.".

(c) Annual Report.—Section 5(g) of the Communications Act of 1934 (47 U.S.C. 155(g)) is amended by striking out "January 31" and inserting in lieu thereof "March 31".

(d) Additional Savings.—For provisions of law which, through relocation of the Fort Lauderdale, Florida, Monitoring Station of the Federal Communications Commission, reduce spending for fiscal year 1986 in satisfaction of the reconciliation requirements imposed by section 2(e) of S. Con. Res. 32 (99th Congress), see the material under the heading "Federal Communications Commission" in the Supplemental Appropriations Act, 1985 (Public Law 99-88).

(e) Charges for Operations.—The Communications Act of 1934 (47 U.S.C. 151 et seq.) is amended by inserting immediately after section 7 the following new section:

"CHARGES

"Sec. 8. (a) The Commission shall assess and collect charges at such rates as the Commission shall establish or at such modified rates as it shall establish pursuant to the provisions of subsection (b) of this section. The Schedule of Charges established under this subsection shall be implemented not later than 360 days after the date of enactment of this section.

"(b)(1) The Schedule of Charges established under this section shall be reviewed by the Commission every two years after the date of enactment of this section and adjusted by the Commission to reflect changes in the Consumer Price Index. Increases or decreases in charges shall apply to all categories of charges, except that individual fees shall not be adjusted until the increase or decrease, as determined by the net change in the Consumer Price Index since the date of enactment of this section, amounts to at least $5.00 in the case of fees under $100.00, or 5 percent in the case of fees of $100.00 or more. All fees which require adjustment will be rounded upward to the next $5.00 increment. The Commission shall transmit to the Congress notification of any such adjustment not later than 90 days before the effective date of such adjustment.

"(2) Increases or decreases in charges made pursuant to this subsection shall not be subject to judicial review.

"(c)(1) The Commission shall prescribe by regulation an additional charge which shall be assessed as a penalty for late payment of charges required by subsection (a) of this section. Such penalty shall be 25 percent of the amount of the charge which was not paid in a timely manner.

"(2) The Commission may dismiss any application or other filing for failure to pay in a timely manner any charge or penalty under this section.

"(d)(1) The charges established under this section shall not be applicable to the following radio services: Local Government, Police, Fire, Highway Maintenance, Forestry-Conservation, Public Safety, and Special Emergency Radio, or to governmental entities licensed in other services.

"(2) The Commission may waive or defer payment of a charge in any specific instance for good cause shown, where such action would promote the public interest.

"(e) Moneys received from charges established under this section shall be deposited in the general fund of the Treasury to reimburse the United States for amounts appropriated for use by the Commission in carrying out its functions under this Act.

"(f) The Commission shall prescribe appropriate rules and regulations to carry out the provisions of this section.".

(f) Until modified pursuant to section 8(b) of the Communications Act of 1934 (as added by subsection (e) of this section), the Schedule of Charges which the Federal Communications Commission shall prescribe pursuant to section 8(a) of such Act shall be as follows:

Schedule of Charges

Service	Fee amount
PRIVATE RADIO BUREAU	
1. Marine Coast Stations (New, Modifications, Renewals)	$60.00
2. Operational Fixed Microwave Stations (New, Modifications, Renewals)	135.00
3. Aviation (Ground Stations) (New, Modifications, Renewals)	60.00
4. Land Mobile Radio Licenses (New, Modifications, Renewals)	30.00
EQUIPMENT APPROVAL SERVICE	
1. Certification	
a. Receivers (Except TV & FM Receivers)	250.00
b. All Other Devices	650.00
2. Type Acceptance	
a. Approval of Subscription TV Systems	2,000.00
b. All Others	325.00
3. Type Approval	
a. Ship (Radio Telegraph) Automatic Alarm Systems	6,500.00
b. Ship and Lifeboat (Radio Telegraph) Transmitters	3,250.00
c. All Others (With Testing)	1,300.00
d. All Others (Without Testing)	150.00
4. Notifications	100.00
MASS MEDIA BUREAU	
1. Commercial TV Stations	
a. New and Major Change Construction Permits Application Fees	2,250.00
b. Minor Changes Application Fee	500.00
c. Hearing Charge	6,000.00
d. License Fee	150.00
2. Commercial Radio Stations	
a. New and Major Change Construction Permits	
(1) Application Fee AM Station	2,000.00
(2) Application Fee FM Station	1,800.00
b. Minor Changes Appl. Fee-AM & FM	500.00
c. Hearing Charge	6,000.00
d. License Fee	
(1) AM	325.00
(2) FM	100.00
e. Directional Antenna License Fee (AM only)	375.00
3. FM/TV Translators and LPTV Stations (New & Major Change Construction Permits)	
a. Application Fee	375.00
b. License Fee	75.00
4. Station Assignment and Transfer Fees	
a. AM, FM and TV Commercial Stations	
(1) Application Fee (Forms 314/315)	500.00
(2) Application Fee (Form 316)	$70.00
b. FM/TV Translators & LPTV Stations	75.00
5. Auxiliary Services Major Actions—Application Fee	75.00
6. Renewals—All Services	30.00
7. Cable Television Service	
a. Cable Television Relay Service—Construction Permits, Assignments & Transfers, Renewals & Modifications	135.00
b. Cable Special Relief Petitions—Filing Fee	700.00
8. Direct Broadcast Satellite New & Major Change CPs	
a. Application for Authorization to Construct a Direct Broadcast Satellite	1,800.00
b. Issuance of CP & Launch Authority	17,500.00
c. License to Operate Satellite	500.00
d. Hearing Charge	6,000.00
COMMON CARRIER BUREAU	
1. Domestic Public Land Mobile Stations (Base, Dispatch, Control & Repeater Stations)	
a. New or Additional Facility Authorizations, Assignments & Transfers (Per transmitter/per station)	200.00
b. Renewals and Minor Modifications (Per station)	20.00
c. Air-Ground Individual License Renewals & Modifications	20.00
2. Cellular Systems	
a. Initial Construction Permits & Major Modification Applications (Per cellular systems)	200.00
b. Assignments & Transfers (Per station)	200.00
c. Initial covering license (Per cellular system)	
(1) Wireline carrier	525.00
(2) Nonwireline carrier	50.00
d. Renewals	30.00
e. Minor modifications and additional licenses	50.00
3. Rural Radio (Central Office, Interoffice or Relay Facilities)	
a. Initial Construction Permit, Assignments & Transfers (Per transmitter)	90.00
b. Renewals & Modifications (Per station)	30.00
4. Offshore Radio Service	
a. Initial Construction Permit, Assignments & Transfers (Per transmitter)	90.00
b. Renewals & Modifications (Per station)	20.00
5. Local Television or Point To Point Microwave Radio Service	
a. Construction Permits, Modifications of Construction Permits, and Re- newals of Licenses	135.00
b. Assignments & Transfers of Control (Per Station)	45.00
c. Initial License for New Frequency	135.00
6. International Fixed Public Radio (Public & Control Stations)	
a. Initial Construction Permits, Assignments & Transfers	450.00
b. Renewals & Modifications	325.00
7. Satellite Services	
a. Transmit Earth Stations	
(1) Initial Station Authorization	1,350.00
(2) Assignments & Transfers of Station Authorizations	450.00
(3) All Other Applications	90.00
b. Small Transmit/Receive Earth Stations (2 meters or less)	
(1) Lead Authorization	3,000.00
(2) Routine Authorization	30.00
(3) All Other Applications	90.00
c. Receive Only Earth Stations	
(1) Initial Station Authorization	300.00
(2) All Other Applications	90.00
d. Applications For Authority To Construct a Space Station	1,500.00
e. Applications For Authority To Launch & Operate a Space Station	15,000.00
f. Satellite System Application	
(1) Initial Station Authorization	5,000.00
(2) Assignments & Transfers of Systems	1,333.00
(3) All Other Applications	90.00

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Schedule of Charges—Continued

Service	Fee amount
8. Multipoint Distribution Service	
a. Construction Permits, Renewals & Modifications of Construction Permits	$135.00
b. Assignments & Transfers of Control (Per station)	45.00
c. Initial License (Per channel)	400.00
9. Section 214 Applications	
a. Applications for Overseas Cable Construction	8,100.00
b. Applications for Domestic Cable Construction	540.00
c. All Other 214 Applications	540.00
10. Tariff Filings	
a. Filing Fee	250.00
b. Special Permission Filings	200.00
11. Telephone Equipment Registration	135.00
12. Digital Electronic Message Service	
a. Construction Permits, Renewals & Modifications of Construction Permits	135.00
b. Assignments & Transfers of Control (Per station)	45.00
c. Initial License (First License or License Adding a New Frequency)	135.00

TITLE VI—MARITIME, COASTAL ZONE, AND RELATED PROGRAMS

SUBTITLE A—BOATING SAFETY FUND

SEC. 6001. BOATING SAFETY FUND.

An amount equal to one-third of the amount transferred for fiscal year 1985 to the Boat Safety Account under section 9503(c)(4) of the Internal Revenue Code of 1954 (26 U.S.C. 9503(c)(4)) shall be deposited in the general fund of the Treasury as proprietary receipts of the department in which the Coast Guard is operating and ascribed to Coast Guard activities. Section 13106(a) of title 46, United States Code, shall be applied with respect to fiscal year 1985 by substituting "one-third" for "two-thirds" in the first sentence.

SUBTITLE B—NOAA NAUTICAL AND AERONAUTICAL PRODUCTS

SEC. 6011. SALE AND DISTRIBUTION OF NOAA NAUTICAL AND AERONAUTICAL PRODUCTS.

(a) Section 1307 of title 44, United States Code, is amended to read as follows:

"§ 1307. National Oceanic and Atmospheric Administration: nautical and aeronautical products, sale and distribution

"(a)(1) All nautical and aeronautical products created or published by the National Oceanic and Atmospheric Administration shall be sold at such prices as the Secretary of Commerce shall establish annually, in accordance with the provisions of this subsection. The Secretary shall publish annually the prices at which nautical and aeronautical products are sold to the public.

"(2)(A) Subject to subparagraph (B) of this paragraph, the prices of nautical and aeronautical products may be increased over a period of not less than three years after the date of enactment of this section so as to recover all costs attributable to data base management, compilation, printing, and distribution of such products. The prices of such products may be maintained to recover all such costs thereafter. At the end of such period and every three years thereafter, the Secretary, after consultation with the Secretary of Transportation, shall report to the Congress on the effect of imposing or maintaining such increased prices, including any impact on aviation and marine safety.

"(B) The Secretary, after consultation with the Secretary of Transportation, shall adjust the prices of nautical or aeronautical products in such manner as is necessary to avoid any adverse impact on aviation and marine safety attributable to the prices specified in subparagraph (A) of this paragraph.

"(3) This section shall not be construed to require the establishment of any price for a nautical or aeronautical product where, in the judgment of the Secretary, furnishing of that product to a recipient is a reasonable exchange for voluntary contribution of information by the recipient to a program of the National Oceanic and Atmospheric Administration.

"(4) Prices established under this section may not include costs attributable to the acquisition or processing of nautical or aeronautical data.

"(b) Fees collected from the sale of nautical or aeronautical products under this section and from any licensing of such products which is permitted under any other provision of law shall be deposited in the miscellaneous receipts fund of the United States Treasury.

"(c) The Secretary may distribute nautical and aeronautical products—

"(1) without charge to each foreign government or international organization with which the Secretary or a Federal department or agency has an agreement for exchange of these products without cost; and

"(2) at prices which the Secretary establishes, to the departments and officers of the United States requiring them for official use.

"(d) The fees provided for in this section are for the purpose of reimbursing the United States Government for the costs of creating, publishing or distributing aeronautical and nautical products of the National Oceanic and Atmospheric Administration. The collection of fees authorized by this section shall not alter or expand any duty or liability of the United States under existing law for the performance of functions for which fees are collected, nor shall the collection of fees constitute an express or implied undertaking by the United States to perform any activity in a certain manner.

"(e) For purposes of this section, the term 'nautical and aeronautical products' includes all nautical and aeronautical charts, tide and tidal current tables, tidal current charts, coast pilots, water level products, and associated data bases which are created or published by the National Oceanic and Atmospheric Administration.".

(b) The item relating to section 1307 in the analysis of chapter 13 of title 44, United States Code, is amended to read as follows:

"1307. National Oceanic and Atmospheric Administration: nautical and aeronautical products, sale and distribution.".

SUBTITLE C—FOREIGN FISHING PERMIT FEES

SEC. 6021. FOREIGN FISHING PERMIT FEES.

Paragraph (10) of section 204(b) of the Magnuson Fishery Conservation and Management Act (16 U.S.C. 1824(b)(10)) is amended to read as follows:

"(10) FEES.—(A) Fees shall be paid to the Secretary by the owner or operator of any foreign fishing vessel for which a permit is issued pursuant to this subsection. The Secretary, in consultation with the Secretary of State, shall establish a schedule of such fees which shall apply nondiscriminatorily to each foreign nation.

"(B) Unless subparagraph (C) applies, the fees imposed under subparagraph (A) shall be at least in an amount sufficient to return to the United States an amount which bears to the total cost of carrying out the provisions of this Act during each fiscal year the same ratio as the aggregate quantity of fish harvested by foreign fishing vessels within the fishery conservation zone during the preceding year bears to the aggregate quantity of fish harvested by both foreign and domestic fishing vessels within such zone and the territorial waters of the United States during such preceding year.

"(C) If the Secretary, in consultation with the Secretary of State, finds that any foreign nation receiving an allocation under section 201(e)—

"(i) is harvesting anadromous species of United States origin at a level that is unacceptable to the Secretary; or

"(ii) is failing to take sufficient action to benefit the conservation and development of United States fisheries;

the fees imposed under subparagraph (A) for the next fiscal year shall be at least in an amount sufficient to return to the United States an amount which bears to the total cost of carrying out the provisions of this Act during that fiscal year the same ratio as the aggregate quantity of fish harvested by foreign fishing vessels within the fishery conservation zone during the preceding year bears to the aggregate quantity of fish harvested by both foreign and domestic fishing vessels within such zone during such preceding year. If the Secretary, in consultation with the Secretary of State, finds, at any time during a fiscal year in which fees calculated under this subparagraph are in effect with respect to a foreign nation, that the conditions requiring that calculation no longer exist, the fees imposed under this paragraph with respect to that nation for the remainder of the fiscal year shall be calculated under subparagraph (B).

"(D) Before the end of each fiscal year, the Secretary, in consultation with the Secretary of State, shall review, based on the criteria established in subparagraph (C) (i) and (ii), the performance of every nation receiving an allocation under section 201(e) and provide written notice to the Congress of his findings and reasons therefor before the end of the fiscal year.

"(E) For purposes of this paragraph, the total cost of carrying out the provisions of this Act includes, but is not limited to, fishery conservation and management, fisheries research, administration, and enforcement, but excludes costs for observers covered by surcharges under section 201(i)(4).

"(F)(i) The amounts collected by the Secretary under this paragraph (except the amounts referred to in clause (ii)) shall be transferred to the fisheries loan fund established under section 4 of the Fish and Wildlife Act of 1956 (16 U.S.C. 742(c)) for so long as such fund exists and used for the purpose of making loans therefrom, but only to the extent and in amounts provided for in advance in appropriation Acts.

"(ii) The Secretary shall deposit into the general fund of the United States Treasury the difference between the amounts collected under subparagraph (C) and the amounts that would have been collected had that subparagraph not been enacted.".

SUBTITLE D—AMENDMENTS TO THE COASTAL ZONE MANAGEMENT ACT

SEC. 6041. SHORT TITLE.

This subtitle may be cited as the "Coastal Zone Management Reauthorization Act of 1985".

SEC. 6042. REFERENCE.

Whenever in this subtitle an amendment or repeal is expressed in terms of an amendment, or repeal, of a section, subsection,

paragraph, or other provision, the reference is to be considered to be made to a section, subsection, paragraph, or other provision of the Coastal Zone Management Act of 1972 (16 U.S.C. 1451 et seq.) unless otherwise specified.

SEC. 6043. REDUCTION OF ADMINISTRATIVE GRANTS.

(a) Section 312(c) (16 U.S.C. 1458(c)) is amended by striking "if the Secretary determines" and all that follows thereafter and inserting in lieu thereof the following: "if the Secretary determines that the coastal state—

"(1) is failing to make significant improvement in achieving the coastal management objectives specified in section 303(2) (A) through (I); or

"(2) is failing to make satisfactory progress in providing in its management program for the matters referred to in section 306(i) (A) and (B).".

(b)(1) Subsection (a) of section 306 of the Coastal Zone Management Act of 1972 (16 U.S.C. 1455) is amended by striking out "The Secretary may" and all that follows through "if the Secretary—" and substituting in lieu thereof the following: "The Secretary may make grants to any coastal state for the purpose of administering that state's management program, if the state matches any such grant according to the following ratios of Federal to state contributions for the applicable fiscal year: 4 to 1 for fiscal year 1986; 2.3 to 1 for fiscal year 1987; 1.5 to 1 for fiscal year 1988; 1 to 1 for any fiscal year after fiscal year 1988. The Secretary may make the grant only if the Secretary—".

(2) Section 306A is amended by striking section (d)(1) and substituting in lieu thereof the following:

"(d)(1) The Secretary may make grants to any coastal state for the purpose of carrying out the project or purpose for which such grants are awarded, if the state matches any such grant according to the following ratios of Federal to state contributions for the applicable fiscal year: 4 to 1 for fiscal year 1986; 2.3 to 1 for fiscal year 1987; 1.5 to 1 for fiscal year 1988; and 1 to 1 for each fiscal year after fiscal year 1988.".

(c) Section 306(g) (16 U.S.C. 1455) is amended by striking out the period at the end of the first sentence and all that follows thereafter and inserting in lieu thereof the following: ", and subject to the following conditions:

"(1) The state shall promptly notify the Secretary of any proposed amendment, modification or other program change and submit it for Secretarial approval. The Secretary may suspend all or part of any grant made under this section pending state submission of the proposed amendment, modification or other program change.

"(2) Within 30 days from the date on which the Secretary receives any proposed amendment, the Secretary shall notify the state whether the Secretary approves or disapproves the amendment, or whether the Secretary finds it is necessary to extend the review of the proposed amendment for a period not to exceed 120 days from the date the Secretary received the proposed amendment. The Secretary may extend this 120-day period only as necessary to meet the requirements of the National Environmental Policy Act (42 U.S.C. 4321 et seq.).

"(3) The state may not implement any proposed amendment as part of its approved program pursuant to section 306, until after the proposed amendment has been approved by the Secretary.".

SEC. 6044. NATIONAL ESTUARINE RESERVE RESEARCH SYSTEM.

Section 315 (16 U.S.C. 1461) is amended to read as follows:

"NATIONAL ESTUARINE RESERVE RESEARCH SYSTEM

"SEC. 315. (a) ESTABLISHMENT OF THE SYSTEM.—There is established the National Estuarine Reserve Research System (hereinafter referred to in this section as the 'System') that consists of—

"(1) each estuarine sanctuary designated under this section as in effect before the date of the enactment of the Coastal Zone Management Reauthorization Act of 1985; and

"(2) each estuarine area designated as a national estuarine reserve under subsection (b).

Each estuarine sanctuary referred to in paragraph (1) is hereby designated as a national estuarine reserve.

"(b) DESIGNATION OF NATIONAL ESTUARINE RESERVES.—After the date of the enactment of the Coastal Zone Management Reauthorization Act of 1985, the Secretary may designate an estuarine area as a national estuarine reserve if—

"(1) the Governor of the coastal State in which the area is located nominates the area for that designation; and

"(2) the Secretary finds that—

"(A) the area is a representative estuarine ecosystem that is suitable for long-term research and contributes to the biogeographical and typological balance of the System;

"(B) the law of the coastal State provides long-term protection for reserve resources to ensure a stable environment for research;

"(C) designation of the area as a reserve will serve to enhance public awareness and understanding of estuarine areas, and provide suitable opportunities for public education and interpretation; and

"(D) the coastal State in which the area is located has complied with the requirements of any regulations issued by the Secretary to implement this section.

"(c) ESTUARINE RESEARCH GUIDELINES.—The Secretary shall develop guidelines for the conduct of research within the System that shall include—

"(1) a mechanism for identifying, and establishing priorities among, the coastal management issues that should be addressed through coordinated research within the System;

"(2) the establishment of common research principles and objectives to guide the development of research programs within the System;

"(3) the identification of uniform research methodologies which will ensure comparability of data, the broadest application of research results, and the maximum use of the System for research purposes;

"(4) the establishment of performance standards upon which the effectiveness of the research efforts and the value of reserves within the System in addressing the coastal management issues identified in subsection (1) may be measured; and

"(5) the consideration of additional sources of funds for estuarine research than the funds authorized under this Act, and strategies for encouraging the use of such funds within the System, with particular emphasis on mechanisms established under subsection (d).

In developing the guidelines under this section, the Secretary shall consult with prominent members of the estuarine research community.

"(d) PROMOTION AND COORDINATION OF ESTUARINE RESEARCH.—The Secretary shall take such action as is necessary to promote and coordinate the use of the System for research purposes including—

"(1) requiring that the National Oceanic and Atmospheric Administration, in conducting or supporting estuarine research, give priority consideration to research that uses the System; and

"(2) consulting with other Federal and State agencies to promote use of one or more reserves within the System by such agencies when conducting estuarine research.

"(e) FINANCIAL ASSISTANCE.—(1) The Secretary may, in accordance with such rules and regulations as the Secretary shall promulgate, make grants—

"(A) to a coastal State—

"(i) for purposes of acquiring such lands and waters, and any property interests therein, as are necessary to ensure the appropriate long-term management of an area as a national estuarine reserve,

"(ii) for purposes of operating or managing a national estuarine reserve and constructing appropriate reserve facilities, or

"(iii) for purposes of conducting educational or interpretive activities; and

"(B) to any coastal State or public or private person for purposes of supporting research and monitoring within a national estuarine reserve that are consistent with the research guidelines developed under subsection (c).

"(2) Financial assistance provided under paragraph (1) shall be subject to such terms and conditions as the Secretary considers necessary or appropriate to protect the interests of the United States, including requiring coastal States to execute suitable title documents setting forth the property interest or interests of the United States in any lands and waters acquired in whole or part with such financial assistance.

"(3)(A) The amount of the financial assistance provided under paragraph (1)(A)(i) of subsection (e) with respect to the acquisition of lands and waters, or interests therein, for any one national estuarine reserve may not exceed an amount equal to 50 per centum of the costs of the lands, waters, and interests therein or $4,000,000, whichever amount is less.

"(B) The amount of the financial assistance provided under paragraph (1)(A) (ii) and (iii) and paragraph (1)(B) of subsection (e) may not exceed 50 per centum of the costs incurred to achieve the purposes described in those paragraphs with respect to a reserve.

"(f) EVALUATION OF SYSTEM PERFORMANCE.—(1) The Secretary shall periodically evaluate the operation and management of each national estuarine reserve, including education and interpretive activities, and the research being conducted within the reserve.

"(2) If evaluation under paragraph (1) reveals that the operation and management of the reserve is deficient, or that the research being conducted within the reserve is not consistent with the research guidelines developed under subsection (c), the Secretary may suspend the eligibility of that reserve for financial assistance under subsection (e) until the deficiency or inconsistency is remedied.

"(3) The Secretary may withdraw the designation of an estuarine area as a national estuarine reserve if evaluation under paragraph (1) reveals that—

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"(A) the basis for any one or more of the findings made under subsection (b)(2) regarding that area no longer exists; or

"(B) a substantial portion of the research conducted within the area, over a period of years, has not been consistent with the research guidelines developed under subsection (c).

"(g) REPORT.—The Secretary shall include in the report required under section 316 information regarding—

"(1) new designations of national estuarine reserves;

"(2) any expansion of existing national estuarine reserves;

"(3) the status of the research program being conducted within the System; and

"(4) a summary of the evaluations made under subsection (f).".

SEC. 6045. REPEALS.

The following are repealed:

(1) Section 310 (16 U.S.C. 1456c; relating to research and technical assistance programs and grants).

(2) Section 314 (16 U.S.C. 1460; establishing the Coastal Zone Management Advisory Committee).

(3) Subsection (c) of section 15 of the Coastal Zone Management Act Amendments of 1976, Public Law 94-370 (16 U.S.C. 1451 note; relating to certain additional personnel positions).

SEC. 6046. AUTHORIZATIONS OF APPROPRIATIONS.

Section 318 (16 U.S.C. 1464) is amended—

(1) by amending paragraph (1) to read as follows:

"(1) such sums, not to exceed $35,000,000 for the fiscal year ending September 30, 1986, not to exceed $36,600,000 for the fiscal year ending September 30, 1987, $37,900,000 for the fiscal year ending September 30, 1988, $38,800,000 for the fiscal year ending September 30, 1989, and $40,600,000 for the fiscal year ending September 30, 1990, as may be necessary for grants under sections 306 and 306A, to remain available until expended;";

(2) by striking paragraph (2) and renumbering the succeeding paragraphs; and

(3) by amending paragraphs (3), (4), and (5) (as renumbered by paragraph (2) of this section) to read as follows:

"(3) such sums, not to exceed $1,000,000 for the fiscal year ending September 30, 1986, and not to exceed $1,500,000 for each of the fiscal years occurring during the period beginning October 1, 1986, and ending September 30, 1990, as may be necessary for grants under section 309, to remain available until expended;

"(4) such sums, not to exceed $2,500,000 for the fiscal year ending September 30, 1986, not to exceed $3,800,000 for the fiscal year ending September 30, 1987, $4,500,000 for the fiscal year ending September 30, 1988, $5,000,000 for the fiscal year ending September 30, 1989, and $5,500,000 for the fiscal year ending September 30, 1990, as may be necessary for grants under section 315, to remain available until expended; and

"(5) such sums, not to exceed $3,300,000 for the fiscal year ending September 30, 1986, not to exceed $3,300,000 for the fiscal year ending September 30, 1987, $3,300,000 for the fiscal year ending September 30, 1988, $4,000,000 for the fiscal year ending September 30, 1989, and $4,000,000 for the fiscal year ending September 30, 1990, as may be necessary for administrative expenses incident to the administration of this title.".

SEC. 6047. TECHNICAL AMENDMENT.

Section 308(h) (16 U.S.C. 1456a(h)) is amended by deleting "subsections (c)(1)" each place it appears and inserting instead "subsections (c)".

SUBPART E—NATIONAL OCEANIC AND ATMOSPHERIC ADMINISTRATION

SEC. 6051. AUTHORIZATION OF APPROPRIATIONS.

(a) For purposes of this section—

(1) The term "Administration" means the National Oceanic and Atmospheric Administration.

(2) The term "Department" means the Department of Commerce.

(b) There are authorized to be appropriated to the Department to enable the Administration to carry out its executive direction and administration functions and duties under law, $47,667,000 for fiscal year 1986 and $49,812,000 for fiscal year 1987. Moneys appropriated pursuant to this authorization shall be used to fund those functions and duties relating to executive direction and administration authorized by the Act entitled "An Act to clarify the status and benefits of commissioned officers of the National Oceanic and Atmospheric Administration, and for other purposes", approved December 31, 1970 (33 U.S.C. 857-1 et seq.), and any other law involving such functions and duties. Such functions and duties include management, administrative support, retired pay of National Oceanic and Atmospheric Administration commissioned officers, and policy development.

(c) There are authorized to be appropriated to the Department to enable the Administration to carry out its marine services functions and duties under law, $61,791,000 for fiscal year 1986 and $64,572,000 for fiscal year 1987. Moneys appropriated pursuant to this authorization shall be used to fund those functions and duties relating to marine services authorized by the Act entitled "An Act to define the functions and duties of the Coast and Geodetic Survey, and for other purposes", approved August 6, 1947 (33 U.S.C. 883a et seq.), and any other law involving such functions and duties. Such functions and duties include ship operations, maintenance, and support.

(d) There are authorized to be appropriated to the Department to enable the Administration to carry out its aircraft services functions and duties under law, $14,779,000 for fiscal year 1986 and $15,440,000 for fiscal year 1987. Moneys appropriated pursuant to this authorization shall be used to fund those functions and duties relating to aircraft services authorized by the Act entitled "An Act to increase the efficiency and reduce the expenses of the Signal Corps of the Army, and to transfer the Weather Service to the Department of Agriculture", approved October 1, 1890 (15 U.S.C. 311 et seq.), and any other law involving such functions and duties. Such functions and duties include aircraft operations, maintenance, and support.

(e) For the purpose of enabling the Administration to carry out its functions and duties under the National Advisory Committee on Oceans and Atmosphere Act of 1977 (33 U.S.C. 857-13 et seq.), there are authorized to be appropriated to the Department $500,000 for fiscal year 1986.

(f)(1) There are authorized to be appropriated to the Department to enable the Administration to carry out its nonliving marine resource functions and duties under law, $1,800,000 for fiscal year 1986 and $1,881,000 for fiscal year 1987. Moneys appropriated pursuant to this authorization shall be used to fund those functions and duties relating to nonliving marine resources authorized by the Act entitled "An Act to define the functions and duties of the Coast and Geodetic Survey, and for other purposes", approved August 6, 1947 (33 U.S.C. 883a et seq.), and any other law involving such functions and duties. Such functions and duties include research, development, and licensing responsibilities pertaining to ocean thermal energy conversion and the deep seabed mining of manganese nodules, and polymetallic sulfide analyses and research.

(2) The authorization provided for under paragraph (1) of this subsection shall be in addition to moneys authorized under the Deep Seabed Hard Mineral Resources Act (30 U.S.C. 1401 et seq.), and the Ocean Thermal Energy Conversion Act of 1980 (42 U.S.C. 9101 et seq.), for the purpose of carrying out such functions and duties relating to nonliving marine resources.

(g)(1) There are authorized to be appropriated to the Department to enable the Administration to carry out its ocean research functions and duties under law, $33,884,000 for fiscal year 1986 and $35,409,000 for fiscal year 1987. Moneys appropriated pursuant to this authorization shall be used to fund those functions and duties relating to ocean research authorized by the Act entitled "An Act to define the functions and duties of the Coast and Geodetic Survey, and for other purposes", approved August 6, 1947 (33 U.S.C. 883a et seq.), and any other law involving such functions and duties. Such functions and duties include undersea marine resources, air-sea interaction, and ocean and Great Lakes environmental research.

(2) The authorization provided for under paragraph (1) of this subsection shall be in addition to ocean research moneys authorized under the National Ocean Pollution Planning Act of 1978 (33 U.S.C. 1701 et seq.) for the purpose of carrying out such functions and duties relating to ocean research.

(h)(1) There are authorized to be appropriated to the Department to enable the Administration to carry out its ocean service functions and duties under law, $17,181,000 for fiscal year 1986 and $17,954,000 for fiscal year 1987. Moneys appropriated pursuant to this authorization shall be used to fund those functions and duties relating to ocean services authorized by the Act entitled "An Act to define the functions and duties of the Coast and Geodetic Survey, and for other purposes", approved August 6, 1947 (33 U.S.C. 883a et seq.), and any other law involving such functions and duties. Such functions and duties include coordination of interagency research in ocean dumping and marine pollution, and provision of tide and current data for the safe and efficient use of the oceans and Great Lakes by government, commerce, and the private sector.

(2) The authorization provided for under paragraph (1) of this subsection shall be in addition to moneys authorized under the Marine Protection, Research, and Sanctuaries Act of 1972 (33 U.S.C. 1441 et seq.), the Coastal Zone Management Act of 1972 (16 U.S.C. 1451 et seq.), and the National Ocean Pollution Planning Act of 1978 (33 U.S.C. 1701 et seq.), for the purpose of carrying out such functions and duties relating to ocean services.

(i) There are authorized to be appropriated to the Department to enable the Administration to carry out its mapping, charting, and geodesy functions and duties under law, $47,943,000 for fiscal year 1986 and $50,100,000 for fiscal year 1987. Moneys appropriated pursuant to this authorization shall be used to fund those functions and duties relating to mapping, charting, and geodesy authorized by the Act entitled "An Act to define the functions and duties of the Coast and Geodetic Survey, and for other purposes", approved August 6, 1947 (33 U.S.C. 883a et seq.), and any other law involving such functions and duties. Such functions and duties include aeronautical and nautical mapping and charting activities, and geodetic data collection and analysis.

(j) There are authorized to be appropriated to the Department to enable the Administration to carry out its programs at current levels such sums as may be necessary to accommodate salary, pay, and other employee benefits authorized by law for fiscal years 1986 and 1987.

SUBTITLE F—MARINE PROTECTION, RESEARCH, AND SANCTUARIES ACT AMENDMENTS

SEC. 6061. CONSOLIDATION OF REPORT.

Section 201 of the Marine Protection, Research, and Sanctuaries Act of 1972 (33 U.S.C. 1441) is amended by striking out all that follows "connecting waters" and inserting in lieu thereof a period.

SEC. 6062. MARINE RESEARCH REQUIREMENTS.

Section 202 of the Marine Protection, Research, and Sanctuaries Act of 1972 (33 U.S.C. 1442) is amended—

(1) by inserting "(1)" before "The Secretary" in subsection (a);

(2) by striking out "in consultation" in the first sentence of subsection (a) and inserting in lieu thereof "in close consultation";

(3) by adding at the end of subsection (a) the following new paragraph:

"(2) The Secretary of Commerce shall ensure that the program under this section complements, when appropriate, the activities undertaken by other Federal agencies pursuant to title I and section 203. That program shall include but not be limited to—

"(A) the development and assessment of scientific techniques to define and quantify the degradation of the marine environment;

"(B) the assessment of the capacity of the marine environment to receive materials without degradation;

"(C) continuing monitoring programs to assess the health of the marine environment, including but not limited to the monitoring of bottom oxygen concentrations, contaminant levels in biota, sediments, and the water column, diseases in fish and shellfish, and changes in types and abundance of indicator species;

"(D) the development of methodologies, techniques, and equipment for disposal of waste materials to minimize degradation of the marine environment."; and

(4) by striking out subsection (c) and redesignating subsections (d) and (e) as subsections (c) and (d), respectively.

SEC. 6063. REGIONAL MANAGEMENT PLANS.

Section 203 of the Marine Protection, Research, and Sanctuaries Act of 1972 (33 U.S.C. 1443) is amended by adding at the end thereof the following new subsections:

"(c) The Administrator, in cooperation with the Secretary, the Secretary of Commerce, and other officials of appropriate Federal, State, and local agencies, shall assess the feasibility in coastal areas of regional management plans for the disposal of waste materials. Such plans should integrate where appropriate Federal, State, regional, and local waste disposal activities into a comprehensive regional disposal strategy. These plans should address, among other things—

"(1) the sources, quantities, and types of materials that require and will require disposal;

"(2) the environmental, economic, social, and human health factors (and the methods used to assess these factors) associated with disposal alternatives;

"(3) the improvements in production processes, methods of disposal, and recycling to reduce the adverse effects associated with such disposal alternatives;

"(4) the applicable laws and regulations governing waste disposal; and

"(5) improvements in permitting processes to reduce administrative burdens.

"(d) The Administrator, in cooperation with the Secretary of Commerce, shall submit to the Congress and the President, not later than one year after the date of enactment of this provision, a report on sewage sludge disposal in the New York City metropolitan region. The report shall—

"(1) consider the factors listed in subsection (c) as they relate to landfilling, incineration, ocean dumping, or any other feasible disposal or reuse/recycling option;

"(2) include an assessment of the cost of these alternatives; and

"(3) recommend such regulatory or legislative changes as may be necessary to reduce the adverse impacts associated with sewage sludge disposal.".

SEC. 6064. AUTHORIZATION OF APPROPRIATIONS.

Section 204 of the Marine Protection, Research, and Sanctuaries Act of 1972 (33 U.S.C. 1444) is redesignated as section 205; and such section as so redesignated is amended by striking out "and" immediately following "fiscal year 1981" and by striking out "1982." and inserting in lieu thereof the following: "1982, not to exceed $10,635,000 for fiscal year 1986, and not to exceed $11,114,000 for fiscal year 1987.".

SEC. 6065. CONSOLIDATION OF REPORTS.

Section 205 of the Marine Protection, Research, and Sanctuaries Act of 1972 (33 U.S.C. 1445) is transferred to a point immediately following section 203 of such Act and redesignated as section 204; and such section as so transferred and redesignated is amended to read as follows:

"ANNUAL REPORT

"SEC. 204. (a) In March of each year, the Secretary of Commerce shall report to the Congress on his activities under this title during the previous fiscal year. The report shall include—

"(1) the Secretary's findings made under section 201, including an evaluation of the short-term ecological effects and the social and economic factors involved with the dumping;

"(2) the results of activities undertaken pursuant to section 202;

"(3) with the concurrence of the Administrator and after consulting with officials of other appropriate Federal agencies, an identification of the short- and long-term research requirements associated with activities under title I, and a description of how Federal research under titles I and II will meet those requirements; and

"(4) activities of the Department of Commerce under section 5 of the Act of March 10, 1934 (48 Stat. 401; 16 U.S.C. 665).

"(b) In March of each year, the Administrator shall report to the Congress on his activities during the previous fiscal year under section 203.".

SUBTITLE G—NATIONAL OCEAN POLLUTION PLANNING ACT AMENDMENTS

SEC. 6071. FINDINGS AND PURPOSES.

(a) Section 2(a) of the National Ocean Pollution Planning Act of 1978 (33 U.S.C. 1701) is amended by adding at the end thereof the following new paragraphs:

"(6) Numerous Federal agencies have initiated and supported research projects to study, enhance, manage, preserve, protect, or restore the resources of the Great Lakes, the Chesapeake Bay, Puget Sound, and other estuaries of national significance.

"(7) Various research projects relating to the Great Lakes, the Chesapeake Bay, Puget Sound, and other estuaries of national significance, including those conducted at the college and university level and those conducted at the State and local governmental level, can be more effectively coordinated in order to obtain maximum benefits.".

(b) Section 2(b) of the National Ocean Pollution Planning Act of 1978 (33 U.S.C. 1701) is amended by striking out "and" at the end of paragraph (2), by redesignating paragraph (3) as paragraph (4), and by inserting after paragraph (2) the following new paragraph:

"(3) to provide for the effective coordination of research conducted to support the preservation and protection of the environmental quality of the Great Lakes, the Chesapeake Bay, Puget Sound, and other estuaries of national significance, and to encourage the use of such research in determinations that affect the environmental quality of the Great Lakes, the Chesapeake Bay, Puget Sound, and other estuaries of national significance; and".

SEC. 6072. NATIONAL OCEAN POLLUTION PROGRAM OFFICE AND NATIONAL OCEAN POLLUTION POLICY BOARD.

The National Ocean Pollution Planning Act of 1978 (33 U.S.C. 1701 et seq.) is further amended as follows:

(1) Section 3 is amended—

(A) by redesignating paragraphs (3) through (6) as paragraphs (4) through (7), respectively;

(B) by inserting after paragraph (2) the following new paragraph:

"(3) The term 'Board' means the National Ocean Pollution Policy Board established under section 3A(b)."; and

(C) by adding at the end thereof the following new paragraph:

"(8) The term 'Office' means the National Ocean Pollution Program Office established under section 3A(a).".

(2) The following new section is inserted immediately after section 3:

"SEC. 3A. NATIONAL OCEAN POLLUTION PROGRAM OFFICE AND NATIONAL OCEAN POLLUTION POLICY BOARD.

"(a) PROGRAM OFFICE.—(1) The Administrator shall establish within the Administration the National Ocean Pollution Program Office.

"(2) The Office shall—

"(A) serve as the lead entity responsible for administering the program established under section 4;

"(B) be headed by a director who shall—

"(i) be appointed by the Administrator,

"(ii) serve as the Chair of the Board, and

"(iii) be the spokesperson for the program;

"(C) serve as the staff for the Board and its supporting committees and working groups; and

"(D) review each department and agency budget request transmitted under section 4(d) and submit an analysis of the requests to the Board for its review.

The analysis described in subparagraph (D) shall include an analysis of how each departmental or agency budget request relates to the priorities and goals of the Plan established under section 4.

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"(b) Policy Board.—(1) The Administrator, with the cooperation of the Federal departments and agencies referred to in section 7, shall establish a National Ocean Pollution Policy Board consisting of representatives of those departments and agencies.

"(2) The Board shall—

"(A) be responsible for coordinated planning and progress review for the program established under section 4;

"(B) review all department and agency budget requests transmitted to it under section 4(d) and submit a report to the Office of Management and Budget and to the Congress concerning those budget requests;

"(C) establish and maintain such interagency groups as the Board determines to be necessary to carry out its activities; and

"(D) consult with and seek the advice of users and producers of ocean pollution data, information, and services to guide the Board's efforts, keeping the Director and the Congress advised of such consultations.".

SEC. 6073. FEDERAL PLANNING TO INCLUDE GREAT LAKES.

Section 4 of the National Ocean Pollution Planning Act of 1978 (33 U.S.C. 1703) is amended—

(1) by inserting after "general research on marine ecosystems" in subsection (b)(2)(A) the following: ", including the Great Lakes, the Chesapeake Bay, Puget Sound, and other estuaries of national significance,";

(2) in subsection (b)(4)—

(A) by striking out "Budget Review.—" and inserting in lieu thereof "Plan Review.—"; and

(B) by striking out "to coordinate the budget review process"; and

(3) by adding at the end thereof the following new subsection:

"(d) Budgeting.—Each Federal agency and department included under the Plan shall prepare and submit to the Office of Management and Budget, the Office, and the Board on or before the date of submission of departmental requests for appropriations to the Office of Management and Budget, an annual request for appropriations to carry out the activities of that agency or department under the Plan during the subsequent fiscal year. The Office of Management and Budget shall review the request for appropriations as an integrated, coherent, and multiagency request, taking into account the review by the Board of those requests under section 3A(b).".

SEC. 6074. DISSEMINATION OF INFORMATION ON GREAT LAKES.

Section 8 of the National Ocean Pollution Planning Act of 1978 (33 U.S.C. 1707) is amended by adding "(a)" after "Sec. 8." and by adding at the end thereof the following new subsection:

"(b) The Administrator shall ensure that the findings and information regarding ocean pollution research activities associated with the Great Lakes identified pursuant to section 4(b) be disseminated in a timely manner and in useful forms to relevant departments of the Federal Government, State governments, and other persons with an interest in such information.".

SEC. 6075. AUTHORIZATION OF APPROPRIATIONS.

Section 10 of the National Ocean Pollution Planning Act of 1978, as amended (33 U.S.C. 1709), is amended by striking out "and" after "1981," and by striking out "1982." and inserting in lieu thereof "1982, and not to exceed $3,571,000 for fiscal year 1986, and not to exceed $3,732,000 for fiscal year 1987.".

Subtitle H—Weather Modification

SEC. 6081. AUTHORIZATION OF APPROPRIATIONS.

Section 6 of the Act entitled "An Act to provide for the reporting of weather modification activities to the Federal Government", approved December 18, 1971 (85 Stat. 736; 15 U.S.C. 330e), is amended—

(1) by striking "and"; and

(2) by inserting immediately after "1981," the following: "$100,000 for the fiscal year ending September 30, 1986, $100,000 for the fiscal year ending September 30, 1987, $100,000 for the fiscal year ending September 30, 1988,".

SEC. 6082. OCEAN SATELLITE DATA.

The Administrator of the National Oceanic and Atmospheric Administration (hereinafter referred to in this subtitle as the "Administration") shall take such actions, including the sponsorship of applied research, as may be necessary to assure the future availability and usefulness of ocean satellite data to the maritime community.

SEC. 6083. AWARDING OF CONTRACTS.

The Administration may not award any contract for the performance of any "commercial activity", as defined by paragraph 6.a. of the Office of Management and Budget Circular Memorandum A-76, which is performed by Administration employees until at least 30 calendar days after the Administrator of the Administration has presented, in writing, to the President of the Senate, the Speaker of the House of Representatives, the Committee on Commerce, Science, and Transportation of the Senate, and the Committee on Merchant Marine and Fisheries and the Committee on Science and Technology of the House of Representatives, a full and complete description of such proposed contract, together with supporting documentation. Such documentation shall include—

(1) a comparison of the cost of such activity as performed by employees of the Administration and the cost of such activity as performed under the proposed contract;

(2) a comparison of the services performed by employees of the Administration and the services to be performed under the proposed contract; and

(3) an assessment of the benefits to the Federal Government of proceeding with the proposed contract.

SEC. 6084. NATIONAL CLIMATE PROGRAM.

(a) Section 4 of the National Climate Program Act (15 U.S.C. 2903) is amended—

(1) by redesignating paragraphs (1) through (3) as paragraphs (2) through (4), respectively; and

(2) by inserting before paragraph (2), as so redesignated, the following new paragraph:

"(1) The term 'Board' means the Climate Program Policy Board.".

(b) Section 5(c) of the National Climate Program Act (15 U.S.C. 2904(c)) is amended—

(1) by inserting "(1)" immediately before "The Secretary";

(2) by designating the third sentence as paragraph (4); and

(3) by striking the second sentence and inserting in lieu thereof the following new paragraphs:

"(2) The Office shall—

"(A) serve as the lead entity responsible for administering the program;

"(B) be headed by a Director who shall represent the Climate Program Policy Board and shall be spokesperson for the program;

"(C) serve as the staff for the Board and its supporting committees and working groups;

"(D) review each agency budget request transmitted under subsection (g)(1) and submit an analysis of the requests to the Board for its review;

"(E) be responsible for coordinating interagency participation in international climate-related activities; and

"(F) work with the National Academy of Sciences and other private, academic, State, and local groups in preparing and implementing the 5-year plan (described in subsection (d)(9)) and the program.

The analysis described in subparagraph (D) shall include an analysis of how each agency's budget request relates to the priorities and goals of the program established pursuant to this Act.

"(3) The Secretary may provide, through the Office, financial assistance, in the form of contracts or grants or cooperative agreements, for climate-related activities which are needed to meet the goals and priorities of the program set forth in the 5-year plan pursuant to subsection (d)(9), if such goals and priorities are not being adequately addressed by any Federal department, agency, or instrumentality.".

(c) Section 5(d) of the National Climate Program Act (15 U.S.C. 2904(d)) is amended—

(1) by striking the semicolon at the end of paragraph (7) and inserting in lieu thereof the following: ". Such mechanisms may provide, among others, for the following State and regional services and functions: (A) studies relating to and analyses of climatic effects on agricultural production, water resources, energy needs, and other critical sectors of the economy; (B) atmospheric data collection and monitoring on a statewide and regional basis; (C) advice to regional, State, and local government agencies regarding climate-related issues; (D) information to users within the State regarding climate and climatic effects; and (E) information to the Secretary regarding the needs of persons within the States for climate-related services, information, and data. The Secretary may make annual grants to any State or group of States, which grants shall be made available to public or private educational institutions, to State agencies, and to other persons or institutions qualified to conduct climate-related studies or provide climate-related services;";

(2) by striking "biennially" in paragraph (9) and inserting in lieu thereof "at least once every four years"; and

(3) by striking "under section 6" in paragraph (9) and inserting in lieu thereof "described in paragraph (7)".

(d) Section 5(e) of the National Climate Program Act (15 U.S.C. 2904(e)) is amended to read as follows:

"(e) Climate Program Policy Board.—(1) The Secretary shall establish and maintain an interagency Climate Program Policy Board, consisting of representatives of the Federal agencies specified in subsection (b)(2) and any other agency which the Secretary determines should participate in the Program.

"(2) The Board shall—

"(A) be responsible for coordinated planning and progress review for the Program;

"(B) review all agency and department budget requests related to climate transmitted under subsection (g)(1) and submit a report to the Office of Management and Budget concerning such budget requests;

"(C) establish and maintain such interagency groups as the Board determines to be necessary to carry out its activities; and

"(D) consult with and seek the advice of users and producers of climate data, information, and services to guide the Board's efforts, keeping the Director and the Congress advised of such contacts.

"(3) The Board biennially shall select a Chair from among its members. A Board member who is a representative of an agency may not serve as Chair of the Board for a term if an individual who represented that same agency on the Board served as the Board's Chair for the previous term.".

(e) Section 5(f)(2) of the National Climate Program Act (15 U.S.C. 2904(f)(2)) is amended by inserting "with the Office" immediately after "cooperate".

(f) The first sentence of section 5(g)(1) of the National Climate Program Act (15 U.S.C. 2904(g)(1)) is amended by inserting immediately before the period the following: "and shall transmit a copy of such request to the National Climate Program Office".

(g) Section 6 of the National Climate Program Act (15 U.S.C. 2905) is repealed.

(h) There are authorized to be appropriated to the Administration, for purposes of carrying out the provisions of the amendments made by this section, $1,897,000 for fiscal year 1986 and $1,982,000 for fiscal year 1987. Of such funds, at least 25 percent shall be made available for intergovernmental climate-related activities described in section 5(d)(7) of the National Climate Program Act (15 U.S.C. 2904(d)(7)), and at least 20 percent shall be made available during each fiscal year for experimental climate forecast centers described in section 5(d)(8) of the National Climate Program Act (15 U.S.C. 2904(d)(8)).

SEC. 6085. COOPERATIVE AGREEMENTS FOR MAPPING AND CHARTING SURVEYS.

Section 5 of the Act entitled "An Act to define the functions and duties of the Coast and Geodetic Survey, and for other purposes", approved August 6, 1947 (61 Stat. 788, 33 U.S.C. 883e) is amended—

(1) by inserting "(1)" after "Sec. 5.";

(2) by inserting "any Federal agency," after "or subdivision thereof,"; and

(3) by adding at the end thereof the following:

"(2) The Secretary of Commerce is authorized to establish the terms of any cooperative agreement entered into under this section, including the amount of funds to be received, and may contribute that portion of the costs incurred by the National Oceanic and Atmospheric Administration, including shiptime and personnel expenses, which the Secretary determines represents the amount of benefits derived by the Administration from the cooperative agreement.".

Subtitle I—Maritime Authorizations

SEC. 6091. MARITIME PROGRAMS.

(a) Funds are authorized to be appropriated without fiscal year limitation as the appropriation Act may provide for the use of the Department of Transportation for fiscal year 1986 as follows:

(1) for payment of obligations incurred for operating-differential subsidy, not to exceed $335,084,000;

(2) for expenses necessary for research and development activities, not to exceed $9,900,000; and

(3) for expenses necessary for operations and training activities, not to exceed $71,967,000, including not to exceed—

(A) $34,847,000 for maritime education and training expenses, including not to exceed $19,633,000 for maritime training at the Merchant Marine Academy at Kings Point, New York, $10,915,000 for financial assistance to State maritime academies, $3,000,000 for fuel oil assistance to State maritime academy training vessels, and $1,299,000 for expenses necessary for additional training;

(B) $9,277,000 for national security support capabilities, including not to exceed $7,932,000 for reserve fleet expenses, and $1,345,000 for emergency planning/operations; and

(C) $27,843,000 for other operations and training expenses.

(b) Funds are authorized to be appropriated for the use of the Federal Maritime Commission, in the amount of $11,940,000 for fiscal year 1986.

TITLE VII—ENERGY AND RELATED PROGRAMS

Subtitle A—Pipeline Programs

SEC. 7001. NATURAL GAS PIPELINE SAFETY AUTHORIZATIONS.

Section 17(a) of the Natural Gas Pipeline Safety Act of 1968 (49 U.S.C. App. 1684(a)) is amended—

(1) by striking out "and" at the end of paragraph (2);

(2) by striking out the period at the end of paragraph (3) and inserting in lieu thereof "; and"; and

(3) by adding at the end thereof the following new paragraph:

"(4) $3,450,000 for the fiscal year ending September 30, 1986.".

SEC. 7002. AUTHORIZATIONS FOR FEDERAL GRANTS-IN-AID.

(a) Combined Program.—Section 17 of the Natural Gas Pipeline Safety Act of 1968 (49 U.S.C. App. 1684) is amended by adding at the end thereof the following new subsections:

"(c) For the purpose of carrying out the Federal grants-in-aid provisions of section 5(d) of this Act and section 205(d) of the Hazardous Liquid Pipeline Safety Act of 1979 (49 U.S.C. App. 2004(d)) there are authorized to be appropriated $5,000,000 for the fiscal year ending September 30, 1986.

"(d) Not less than 5 percent of any amounts appropriated for carrying out the Federal grants-in-aid provisions for any fiscal year beginning after September 30, 1985, shall be available only for carrying out the Federal grants-in-aid provisions of section 205(d) of the Hazardous Liquid Pipeline Safety Act of 1979 (49 U.S.C. App. 2004(d)).".

(b) Conforming Amendments.—

(1) Section 5(d)(2) of such Act (49 U.S.C. App. 1674(d)(2)) is amended—

(A) by striking out "authorized to be appropriated by section 17(b) of this Act" and inserting in lieu thereof "appropriated for carrying out the Federal grants-in-aid provisions of this subsection"; and

(B) by striking out "(1) of this section" and inserting in lieu thereof "(1) of this subsection".

(2) Section 205(d)(2) of the Hazardous Liquid Pipeline Safety Act of 1979 (49 U.S.C. App. 2004(d)(2)) is amended by striking out "authorized to be appropriated by section 214 of this title" and inserting in lieu thereof "appropriated for carrying out the Federal grants-in-aid provisions of this subsection".

(3) Section 214(a) of the Hazardous Liquid Pipeline Safety Act of 1979 (49 U.S.C. App. 2013(a)) is amended by inserting after "subsection (b)" the following: "or section 17(c) of the Natural Gas Pipeline Safety Act of 1968 (49 U.S.C. App. 1684(c))".

(4) Section 17(a) of the Natural Gas Pipeline Safety Act of 1968 (49 U.S.C. App. 1684(a)) is amended by inserting after "subsection (b)" the following: "or (c)".

SEC. 7003. REPORTS.

(a) Grants Merger Report.—

(1) Merger recommendations.—The Secretary of Transportation shall prepare a report which shall contain details of the Secretary's recommendations with respect to the potential merger and joint administration of the Federal grants-in-aid provisions of section 5(d) of the Natural Gas Pipeline Safety Act of 1968 (49 U.S.C. App. 1674(d)) and section 205(d) of the Hazardous Liquid Pipeline Safety Act of 1979 (49 U.S.C. App. 2004(d)).

(2) Consultation.—In preparing the report required by paragraph (1), the Secretary shall consult with appropriate State authorities. The Secretary shall include in such report a summary of the views and recommendations of such State authorities.

(b) Grants Allocation Report.—

(1) Contents.—The Secretary of Transportation shall prepare a report which shall contain an explanation of the method by which the Secretary allocates funds to the States under section 5(d) of the Natural Gas Pipeline Safety Act of 1968 (49 U.S.C App. 1674(d)) and section 205(d) of the Hazardous Liquid Pipeline Safety Act of 1979 (49 U.S.C. App. 2004(d)).

(2) Publication.—The Secretary shall publish in the Federal Register, as a matter of public information, the explanation contained in the report required by paragraph (1).

(c) Report Deadline.—The reports required by subsections (a)(1) and (b)(1) shall be submitted to Congress no later than July 1, 1986.

SEC. 7004. HAZARDOUS LIQUID PIPELINE SAFETY AUTHORIZATIONS.

Section 214(a) of the Hazardous Liquid Pipeline Safety Act of 1979 (49 U.S.C. App. 2013(a)) is amended—

(1) by striking out "and" at the end of paragraph (2);

(2) by striking out the period at the end of paragraph (3) and inserting in lieu thereof "; and"; and

(3) by adding at the end thereof the following new paragraph:

"(4) $875,000 for the fiscal year ending September 30, 1986.".

SEC. 7005. PIPELINE SAFETY USER FEES.

(a) Establishment.—

(1) Schedule.—The Secretary of Transportation (hereafter in this section referred to as the "Secretary") shall establish a schedule of fees based on the usage, in reasonable relationship to volume-miles, miles, revenues, or an appropriate combination thereof, of natural gas and hazardous liquid pipelines. In establishing such schedule, the Secretary shall take into consideration the allocation of departmental resources.

(2) Collection.—The Secretary shall establish procedures for the collection of such fees. The Secretary may use the services of any Federal, State, or local agency or instrumentality to collect such fees, and may reimburse such agency or instrumentality a reasonable amount for such services.

(3) Liability.—Fees established under this section shall be assessed to the persons operating—

(A) all pipeline facilities subject to the Hazardous Liquid Pipeline Safety Act of 1979 (49 U.S.C. App. 2001 et seq.); and

(B) all pipeline transmission facilities and all liquefied natural gas facilities subject to the jurisdiction of the Natural Gas Pipeline

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Safety Act of 1968 (49 U.S.C. App. 1671 et seq.).

(b) Time of Assessment.—The Secretary shall assess and collect fees described in subsection (a) with respect to each fiscal year before the end of such fiscal year.

(c) Use of Funds.—Funds received under subsection (a) shall be used, to the extent provided for in advance in appropriation Acts, only—

(1) in the case of natural gas pipeline safety fees, for activities authorized under the Natural Gas Pipeline Safety Act of 1968 (49 U.S.C. App. 1671 et seq.); and

(2) in the case of hazardous liquid pipeline safety fees, for activities authorized under the Hazardous Liquid Pipeline Safety Act of 1979 (49 U.S.C. App. 2001 et seq.).

(d) Fee Schedule.—Fees established by the Secretary under subsection (a) shall be assessed against all natural gas and hazardous liquids transported by pipelines subject to the Natural Gas Pipeline Safety Act of 1968 and the Hazardous Liquid Pipeline Safety Act of 1979 after September 30, 1985, and shall be sufficient to meet the costs of activities described in subsection (c), beginning on October 1, 1985, but at no time shall the aggregate of fees received for any fiscal year under this section exceed 105 percent of the aggregate of appropriations made for such fiscal year for activities to be funded by such fees.

Subtitle B—Strategic Petroleum Reserve

SEC. 7101. AUTHORIZATIONS OF APPROPRIATIONS FOR FISCAL YEARS 1986, 1987, AND 1988.

Funds are hereby authorized to be appropriated in accordance with section 660 of the Department of Energy Organization Act for operating expenses for the Strategic Petroleum Reserve—

(1) to carry out part B of title I of the Energy Policy and Conservation Act (including any drawdown and distribution of the Reserve), except acquisition, transportation, and injection of petroleum products, as defined for purposes of such part B, for the Reserve—

(A) for fiscal year 1986, $135,912,000;

(B) for fiscal year 1987, $358,996,000; and

(C) for fiscal year 1988, $156,692,000; and

(2) to carry out part B of title I of the Energy Policy and Conservation Act for the acquisition, transportation, and injection of petroleum products, as defined for purposes of such part B, for the Reserve and for any drawdown and distribution of the Reserve—

(A) for fiscal year 1986, $357,548,000;

(B) for fiscal year 1987, $333,695,000; and

(C) for fiscal year 1988, $357,000,000.

SEC. 7102. FILL-RATE OF THE RESERVE; LIMITATION ON UNITED STATES SHARE OF THE NAVAL PETROLEUM RESERVE.

(a) Fill-Rate of the Reserve.—Section 160(c) of the Energy Policy and Conservation Act (42 U.S.C. 6240(c)) is amended by adding the following new paragraph at the end:

"(3) Notwithstanding paragraph (2), beginning in fiscal year 1986 and continuing through fiscal years 1987 and 1988 until the quantity of crude oil in storage within the Reserve is at least 527,000,000 barrels, the President shall carry out petroleum acquisition, transportation, and injection activities at a level sufficient to assure a minimum average annual fill-rate of at least 35,000 barrels per day in addition to any petroleum products acquired for the Reserve to replace petroleum products withdrawn from the Reserve as a result of a test drawdown and distribution.".

(b) Limitation on United States Share of the Naval Petroleum Reserve.—Section 160(d)(1) of such Act (42 U.S.C. 6240(d)(1)) is amended—

(1) by striking out "500,000,000 barrels" in subparagraph (A) and inserting in lieu thereof "527,000,000 barrels"; and

(2) by striking out subparagraph (C) and inserting in lieu thereof the following:

"(C) acquisition, transportation, and injection activities for the Reserve are being undertaken, beginning in fiscal year 1986 and continuing through fiscal years 1987 and 1988 until the quantity of crude oil in storage within the Reserve is at least 527,000,000 barrels, at a level sufficient to assure that petroleum products in storage in the Reserve will be increased at a minimum annual average rate of at least 35,000 barrels per day in addition to any petroleum products acquired for the Reserve to replace petroleum products withdrawn from the Reserve as a result of a test drawdown and distribution.".

Subtitle C—Federal Energy Conservation Shared Savings

SEC. 7201. SHARED ENERGY SAVINGS.

(a) In General.—The National Energy Conservation Policy Act (42 U.S.C. 8201 and following) is amended by adding at the end the following new title:

"TITLE VIII—SHARED ENERGY SAVINGS

"SEC. 801. AUTHORITY TO ENTER INTO CONTRACTS.

"The head of a Federal agency may enter into contracts under this title solely for the purpose of achieving energy savings and benefits ancillary to that purpose. Each such contract may, notwithstanding any other provision of law, be for a period not to exceed 25 years. Such contract shall provide that the contractor shall incur costs of implementing energy savings measures, including at least the costs (if any) incurred in making energy audits, acquiring and installing equipment, and training personnel, in exchange for a share of any energy savings directly resulting from implementation of such measures during the term of the contract.

"SEC. 802. PAYMENT OF COSTS.

"Any amount paid by a Federal agency pursuant to any contract entered into under this title may be paid only from funds appropriated or otherwise made available to the agency for fiscal year 1986 or any fiscal year thereafter for the payment of energy expenses (and related operation and maintenance expenses).

"SEC. 803. REPORTS.

"Each Federal agency shall periodically furnish the Secretary of Energy with full and complete information on its activities under this title, and the Secretary shall include in the report submitted to Congress under section 550 a description of the progress made by each Federal agency in—

"(1) including the authority provided by this title in its contracting practices; and

"(2) achieving energy savings under contracts entered into under this title.

"SEC. 804. DEFINITIONS.

"For purposes of this title—

"(1) the term 'Federal agency' means an agency defined in section 551(1) of title 5, United States Code, and

"(2) the term 'energy savings' means a reduction in the cost of energy, from a base cost established through a methodology set forth in the contract, utilized in an existing federally owned building or buildings or other federally owned facilities as a result of—

"(A) the lease or purchase of operating equipment, improvements, altered operation and maintenance, or technical services; or

"(B) the increased efficient use of existing energy sources by cogeneration or heat recovery, excluding any cogeneration process for other than a federally owned building or buildings or other federally owned facilities.".

(b) Table of Contents.—The table of contents of such Act is amended by adding the following at the end:

"TITLE VIII—SHARED ENERGY SAVINGS

"Sec. 801. Authority to enter into contracts.
"Sec. 802. Payment of costs.
"Sec. 803. Reports.
"Sec. 804. Definitions.".

Subtitle D—Biomass Energy and Alcohol Fuels Loan Guarantees

SEC. 7301. BIOMASS ENERGY AND ALCOHOL FUELS LOAN GUARANTEES.

Section 221 of the Biomass Energy and Alcohol Fuels Act of 1980 (Public Law 96-294; 42 U.S.C. 8821) is amended by—

(1) striking out "September 30, 1985" and inserting in lieu thereof "June 30, 1986"; and

(2) adding at the end thereof the following: "Notwithstanding any other provision of this subtitle, the Secretary of Energy may modify the terms and conditions of any conditional commitment for a loan guarantee under this subtitle made before October 1, 1984, including the amount of the loan guarantee. Nothing in this section shall be interpreted as indicating Congressional approval with respect to any pending conditional commitments under this Act.".

Subtitle E—Synthetic Fuels

SEC. 7401. SHORT TITLE.

This subtitle may be cited as the "Synthetic Fuels Corporation Act of 1985".

SEC. 7402. CESSATION OF FINANCIAL ASSISTANCE AUTHORITY.

Effective on the date of enactment of this Act, the United States Synthetic Fuels Corporation (hereafter in this subtitle referred to as the "Corporation") may not make any legally binding awards or commitments for financial assistance (including any changes in an existing award or commitment) pursuant to the Energy Security Act for synthetic fuel project proposals, except that nothing in this Act shall impair or alter the powers, duties, rights, obligations, privileges, or liabilities of the Corporation, its Board or Chairman, or project sponsors in the performance and completion of the terms and undertakings of a legally binding award or commitment entered into prior to the date of enactment of this Act.

SEC. 7403. TERMINATION OF THE CORPORATION.

(a) Within 60 days of the date of enactment of this Act, the Directors of the Corporation shall terminate their duties under the Energy Security Act and be discharged.

(b) Within 120 days of the date of enactment of this Act, the Corporation shall terminate, except as otherwise provided in this subtitle, in accordance with subtitle J of part B of title I of the Energy Security Act.

SEC. 7404. DUTIES OF SECRETARY OF THE TREASURY.

(a) Within 60 days of the date of enactment of this Act (or earlier, in the event of absence of a Chairman of the Board of Directors of the Corporation), the Secretary of the Treasury shall assume the duties of the Chairman of the Board of Directors of the Corporation.

(b) Notwithstanding any other provision of law, the duties and responsibilities of the Secretary of the Treasury under subtitle J of part B of title I of the Energy Security Act or this Act may not be transferred to any other Federal department or agency.

(c) Notwithstanding such termination of the Corporation, the Advisory Committee established under section 123 of the Energy Security Act (42 U.S.C 8719) shall remain in effect to advise the Secretary of the Treasury regarding the administration of any contract or obligation of the Corporation pursuant to subtitle D of part B of title I of such Act.

(d) To the extent that the Secretary of the Treasury may be required to take an action under section 131(q) of the Energy Security Act in connection with an award or commitment of financial assistance under such Act, the Secretary shall complete such action within 30 days of the date of enactment of this Act.

SEC. 7405. SALARIES AND COMPENSATION RIGHTS.

(a) The Director of the Office of Personnel Management shall, before February 1, 1986, determine the amount of compensation or benefits which each Director, officer, or employee of the Corporation shall be legally entitled to under any contract as of the date of enactment of this Act.

(b) Effective on the date of enactment of this Act, no change in any Director, officer, or employee compensation or benefits shall be allowed or permitted, unless the Director of the Office of Personnel Management agrees that such change is reasonable.

(c) Effective on the date of enactment of this Act—

(1) no officer or employee of the Corporation shall receive a salary in excess of the rate of basic pay payable for level IV of the Executive Schedule under title 5 of the United States Code; and

(2) the Corporation shall not waive any requirements in its By-Laws which are necessary for a Director, officer, or employee to qualify for pension or termination benefits under the By-Laws and written personnel policies and procedures in effect on the date of enactment of this Act.

SEC. 7406. REPORT TO THE CONGRESS.

The Corporation shall, within 60 days of the date of enactment of this Act, transmit to the Committee on Energy and Natural Resources of the Senate and to the Committee on Energy and Commerce and Committee on Banking, Housing and Urban Affairs of the House of Representatives a report—

(1) containing a review of implementation of its Phase I Business Plan dated February 19, 1985; and

(2) fulfilling the requirements of section 126(b)(3) of the Energy Security Act (42 U.S.C. 8722(b)(3)).

Subtitle F—Uranium Enrichment

SEC. 7501. AUTHORIZATION OF APPROPRIATIONS.

In accordance with section 660 of the Department of Energy Organization Act (42 U.S.C. 7270), there is authorized to be appropriated to the Department of Energy for each of the fiscal years 1986, 1987, and 1988 to carry out uranium enrichment service activities an amount equal to the difference between—

(1) the revenues to be received during each such fiscal year by the Department of Energy in providing uranium enrichment service activities, as estimated in the budget submitted by the President to the Congress for each such fiscal year; and

(2) the amount determined by the Secretary of Energy under section 7502(c)(1) for each such fiscal year.

SEC. 7502. REPAYMENTS TO UNITED STATES TREASURY.

(a) Partial Repayment of Unrecovered Costs.—

(1) In general.—The Secretary of Energy shall deposit in the general fund of the Treasury of the United States, in partial repayment of unrecovered Federal Government costs for uranium enrichment service activities, an amount determined by the Secretary under subsection (c) for each of the fiscal years 1986, 1987, and 1988.

(2) Revenues in excess of expenditures.—In addition to the payments required under paragraph (1), the Secretary of Energy shall deposit in the general fund of the Treasury of the United States, in partial repayment of amounts identified by the Secretary under subsection (c)(4)(B), any revenues in excess of expenditures received for the provision of such activities during the 3-year period referred to in paragraph (1).

(b) Repayment Schedule.—The Secretary of Energy may make the repayments required in subsection (a) for any fiscal year on a quarterly basis.

(c) Determination of Secretary.—

(1) In general.—The Secretary of Energy shall determine, in his or her discretion, the amount of partial repayment to be made under subsection (a)(1) for each of the fiscal years 1986, 1987, and 1988, consistent with the financial integrity of the uranium enrichment service activities program during a period of not less than 10 years. The amount of such repayment shall not adversely affect the reliability of the supply of uranium enrichment services at competitive prices for existing and potential customers. The determinations under this paragraph shall be made after notice and opportunity for public comment.

(2) Repayment goals.—The Secretary of Energy shall seek to achieve the following repayment amounts under subsection (a)(1):

(A) $110,000,000 for fiscal year 1986;

(B) $150,000,000 for fiscal year 1987; and

(C) $150,000,000 for fiscal year 1988.

(3) Schedule for determination.—The Secretary of Energy shall make the determination required in paragraph (1) for any fiscal year before the President submits to the Congress the budget for such fiscal year, except that the Secretary may make subsequent revisions in such determination.

(4) Submission to congress.—

(A) In general.—The Secretary of Energy shall submit to the Congress any determination made under paragraph (1), together with the reasons underlying such determination.

(B) Initial submission.—The Secretary shall include in the initial submission under this paragraph an estimate of the amount of prior investment in the uranium enrichment service activities program that remains unrecovered.

SEC. 7503. URANIUM ENRICHMENT REPORT.

Not later than 60 days after the date of the enactment of this Act, the Secretary of Energy shall submit to the Committee on Energy and Natural Resources of the Senate and the Committees on Energy and Commerce and on Interior and Insular Affairs of the House of Representatives a report regarding the effects of the September 19, 1985, decision of the United States District Court for the District of Colorado holding that the utility services uranium enrichment contracts of the Department of Energy are null and void (Western Nuclear Inc. v. F. Clark Huffman, Civil No. 84-C-2315). To the extent that it will not compromise the appeals process or the competitive position of the Department of Energy with regard to uranium enrichment, the report shall identify—

(1) the effects of the decision on—

(A) the operation of the uranium enrichment facilities of the Department of Energy; and

(B) the revenues of the uranium enrichment program; and

(2) how the response of the Department of Energy may mitigate such effects.

Subtitle G—Nuclear Regulatory Commission Annual Charges

SEC. 7601. NUCLEAR REGULATORY COMMISSION ANNUAL CHARGES.

(a) Submission of Report.—Within 90 days after the date of the enactment of this Act, the Nuclear Regulatory Commission shall submit to the Committee on Energy and Commerce and the Committee on Interior and Insular Affairs of the House of Representatives and the Committee on Environment and Public Works of the Senate a report evaluating the feasibility and necessity of establishing a system for the assessment and collection of annual charges from persons licensed by the Commission pursuant to the Atomic Energy Act of 1954 (42 U.S.C. 2011 et seq.) to fund all or part of the activities conducted by the Commission pursuant to such Act. Such report shall include an analysis of—

(1) the extent to which the Commission's existing statutory or regulatory authority to assess and collect annual charges, including the authority of the Commission to assess and collect fees pursuant to title V of the Independent Offices Appropriation Act of 1952, is adequate to enable the Commission to assess and collect fees commensurate with the value of the benefit rendered to the licensee and the cost to the Commission of rendering such benefit;

(2) the amounts currently assessed and collected by the Commission pursuant to existing statutory or regulatory authority, and the purposes for which such fees are assessed and collected; and

(3) any recommendations of the Commission for expanding the existing statutory authority to assess and collect fees, including the Commission's justification for such expansion.

(b) Assessment and Collection.—

(1) In general.—Upon the expiration of a period of 45 calendar days (excluding any day in which either House of Congress is not in session because of an adjournment of more than 3 calendar days to a day certain or an adjournment sine die) following receipt by the Congress of the report required pursuant to subsection (a), the Nuclear Regulatory Commission shall assess and collect annual charges from its licensees on a fiscal year basis, except that—

(A) the maximum amount of the aggregate charges assessed pursuant to this paragraph in any fiscal year may not exceed an amount that, when added to other amounts collected by the Commission for such fiscal year under other provisions of law, is estimated to be equal to 33 percent of the costs incurred by the Commission with respect to such fiscal year; and

(B) any such charge assessed pursuant to this paragraph shall be reasonably related to the regulatory service provided by the Commission and shall fairly reflect the cost to the Commission of providing such service.

(2) Establishment of amount by rule.—The amount of the charges assessed pursu-

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ant to this paragraph shall be established by rule.

TITLE VIII—OUTER CONTINENTAL SHELF AND RELATED PROGRAMS

SEC. 8001. SHORT TITLE.

This title may be referred to as the "Outer Continental Shelf Lands Act Amendments of 1985".

SEC. 8002. NATIONAL POLICY FOR THE OUTER CONTINENTAL SHELF.

The Outer Continental Shelf Lands Act (43 U.S.C. 1331 et seq.) is amended in paragraph (4) of section 3 by deleting the word "and" at the end of subparagraph (A); deleting the semicolon at the end of subparagraph (B) and inserting in lieu thereof a period; designating subparagraph (B) as subparagraph (C); and inserting after subparagraph (A) the following new subparagraph (B):

"(B) the distribution of a portion of the receipts from the leasing of mineral resources of the outer Continental Shelf adjacent to State lands, as provided under section 8(g), will provide affected coastal States and localities with funds which may be used for the mitigation of adverse economic and environmental effects related to the development of such resources; and".

SEC. 8003. REVISION OF SECTION 8(g).

Section 8(g) of the Outer Continental Shelf Lands Act (43 U.S.C. 1337(g)) is amended to read as follows:

"(g)(1) At the time of soliciting nominations for the leasing of lands containing tracts wholly or partially within three nautical miles of the seaward boundary of any coastal State, and subsequently as new information is obtained or developed by the Secretary, the Secretary shall, in addition to the information required by section 26 of this Act, provide the Governor of such State—

"(A) an identification and schedule of the areas and regions proposed to be offered for leasing;

"(B) at the request of the Governor of such State, all information from all sources concerning the geographical, geological, and ecological characteristics of such tracts;

"(C) an estimate of the oil and gas reserves in the areas proposed for leasing; and

"(D) at the request of the Governor of such State, an identification of any field, geological structure, or trap located wholly or partially within three nautical miles of the seaward boundary of such coastal State, including all information relating to the entire field, geological structure, or trap.

The provisions of the first sentence of subsection (c) and the provisions of subsections (e)-(h) of section 26 of this Act shall be applicable to the release by the Secretary of any information to any coastal State under this paragraph. In addition, the provisions of subsections (c) and (e)-(h) of section 26 of this Act shall apply in their entirety to the release by the Secretary to any coastal State of any information relating to Federal lands beyond three nautical miles of the seaward boundary of such coastal State.

"(2) Notwithstanding any other provision of this Act, the Secretary shall deposit into a separate account in the Treasury of the United States all bonuses, rents, and royalties, and other revenues (derived from any bidding system authorized under subsection (a)(1)), excluding Federal income and windfall profits taxes, and derived from any lease issued after September 18, 1978 of any Federal tract which lies wholly (or, in the case of Alaska, partially until seven years from the date of settlement of any boundary dispute that is the subject of an agreement under section 7 of this Act entered into prior to January 1, 1986 or until April 15, 1993 with respect to any other tract) within three nautical miles of the seaward boundary of any coastal State, or, (except as provided above for Alaska) in the case where a Federal tract lies partially within three nautical miles of the seaward boundary, a percentage of bonuses, rents, royalties, and other revenues (derived from any bidding system authorized under subsection (a)(1)), excluding Federal income and windfall profits taxes, and derived from any lease issued after September 18, 1978 of such tract equal to the percentage of surface acreage of the tract that lies within such three nautical miles. Except as provided in paragraph (5) of this subsection, not later than the last business day of the month following the month in which those revenues are deposited in the Treasury, the Secretary shall transmit to such coastal State 27 percent of those revenues, together with all accrued interest thereon. The remaining balance of such revenues shall be transmitted simultaneously to the miscellaneous receipts account of the Treasury of the United States.

"(3) Whenever the Secretary or the Governor of a coastal State determines that a common potentially hydrocarbon-bearing area may underlie the Federal and State boundary, the Secretary or the Governor shall notify the other party in writing of his determination and the Secretary shall provide to the Governor notice of the current and projected status of the tract or tracts containing the common potentially hydrocarbon-bearing area. If the Secretary has leased or intends to lease such tract or tracts, the Secretary and the Governor of the coastal State may enter into an agreement to divide the revenues from production of any common potentially hydrocarbon-bearing area, by unitization or other royalty sharing agreement, pursuant to existing law. If the Secretary and the Governor do not enter into an agreement, the Secretary may nevertheless proceed with the leasing of the tract or tracts. Any revenues received by the United States under such an agreement shall be subject to the requirements of paragraph (2).

"(4) The deposits in the Treasury account described in this section shall be invested by the Secretary of the Treasury in securities backed by the full faith and credit of the United States having maturities suitable to the needs of the account and yielding the highest reasonably available interest rates as determined by the Secretary of the Treasury.

"(5)(A) When there is a boundary dispute between the United States and a State which is subject to an agreement under section 7 of this Act, the Secretary shall credit to the account established pursuant to such agreement all bonuses, rents, and royalties, and other revenues (derived from any bidding system authorized under subsection (a)(1)), excluding Federal income and windfall profits taxes, and derived from any lease issued after September 18, 1978 of any Federal tract which lies wholly or partially within three nautical miles of the seaward boundary asserted by the State, if that money has not otherwise been deposited in such account. Proceeds of such account shall be distributed as follows:

"Upon the settlement of any boundary dispute which is subject to a section 7 agreement between the United States and a State, the Secretary shall pay to such State all moneys due such State from amounts deposited in the escrow account. If there is insufficient money deposited in the escrow account, the Secretary shall transmit, from any revenues derived from any lease of Federal lands under this Act, the remaining balance due such State in accordance with the formula set forth in section 8004(b)(1)(B) of the Outer Continental Shelf Lands Act Amendments of 1985.

"(B) This paragraph applies to all Federal oil and gas lease sales, under this Act, including joint lease sales, occurring after September 18, 1978.

"(6) This section shall be deemed to take effect on October 1, 1985, for purposes of determining the amounts to be deposited in the separate account and the States' shares described in paragraph (2).

"(7) When the Secretary leases any tract which lies wholly or partially within three miles of the seaward boundary of two or more States, the revenues from such tract shall be distributed as otherwise provided by this section, except that the State's share of such revenues that would otherwise result under this section shall be divided equally among such States.".

SEC. 8004. DISTRIBUTION OF SECTION 8(g) ACCOUNT.

(a) Prior to April 15, 1986, the Secretary shall distribute to the designated coastal States the sum of—

(1) the amounts due and payable to each such State under paragraph (2) of section 8(g) of the Outer Continental Shelf Lands Act, as amended by this title, for the period between October 1, 1985, and the date of such distribution, and

(2) the amounts due each such State under subsection (b)(1)(A) of this section for the period prior to October 1, 1985.

(b)(1) As a fair and equitable disposition of all revenues (including interest thereon) derived from any lease of Federal lands wholly or partially within 3 miles of the seaward boundary of a coastal State prior to October 1, 1985, the Secretary shall distribute:

(A) from the funds which were deposited in the separate account in the Treasury of the United States under section 8(g)(4) of the Outer Continental Shelf Lands Act (43 U.S.C. 1337(g)(4)) which was in effect prior to the date of enactment of section 8003 of this title the following sums:

	($ million)
Louisiana	572
Texas	382
California	338
Alabama	86
Alaska	51
Mississippi	14
Florida	0.03

as well as 27 percent of the royalties, derived from any lease of Federal lands, which have been deposited through September 30, 1985, in the separate account described in this paragraph and interest thereon accrued through September 30, 1985, and shall transmit any remaining amounts to the miscellaneous receipts account of the Treasury of the United States; and

(B) from revenues derived from any lease of Federal lands under the Outer Continental Shelf Lands Act, as amended, prior to April 15 of each of the fifteen fiscal years following the fiscal year in which this title is enacted, 3 percent of the following sums in each of the five fiscal years following the date of enactment of this Act, 7 percent of such sums in each of the next five fiscal

years, and 10 percent of such sums in each of the following five fiscal years:

	($ million)
Louisiana	84
Texas	134
California	289
Alabama	7
Alaska	134
Mississippi	2.

(2) The acceptance of any payment by a State under this section shall satisfy and release any and all claims of such State against the United States arising under, or related to, section 8(g) of the Outer Continental Shelf Lands Act, as it was in effect prior to the date of enactment of this Act and shall vest in such State the right to receive payments as set forth in this section.

(c) Notwithstanding any other provision of this Act, the amounts due and payable to the State of Louisiana prior to October 1, 1986, under subtitle A of title VIII (Outer Continental Shelf and Related Programs) of this Act shall remain in their separate accounts in the Treasury of the United States and continue to accrue interest until October 1, 1986, except that the $572,000,000 set forth in subsection 8004(b)(1)(A) of this section shall only accrue interest from April 15, 1986 to October 1, 1986, at which time the Secretary shall immediately distribute such sums with accrued interest to the State of Louisiana.

SEC. 8005. IMMOBILIZATION OF BOUNDARIES.

Section 2(b) of the Submerged Lands Act (43 U.S.C. 1301(b)) is amended by inserting before the semicolon at the end a comma and the following: "except that any boundary between a State and the United States under this Act which has been or is hereafter fixed by coordinates under a final decree of the United States Supreme Court shall remain immobilized at the coordinates provided under such decree and shall not be ambulatory".

TITLE IX—MEDICARE, MEDICAID, AND MATERNAL AND CHILD HEALTH PROGRAMS

SEC. 9000. SHORT TITLE; TABLE OF CONTENTS OF TITLE.

This title may be cited as the "Medicare and Medicaid Budget Reconciliation Amendments of 1985".

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SEC. 9101. RATE OF INCREASE IN PAYMENTS FOR INPATIENT HOSPITAL SERVICES.

(a) Extension of Current Freeze on Payment Rates Through April 30, 1986.—Section 5(c) of the Emergency Extension Act of 1985 (Public Law 99-107) is amended to read as follows:

"(c) Extension Period Defined.—

"(1) Hospital payments.—For purposes of subsection (a), the term 'extension period' means the period beginning on October 1, 1985, and ending on April 30, 1986.".

(b) Applicable Percentage Increase.—Section 1886(b)(3)(B) of the Social Security Act (42 U.S.C. 1395ww(b)(3)(B)) is amended to read as follows:

"(B)(i) For purposes of subparagraph (A) for 12-month cost reporting periods beginning during a fiscal year and for purposes of subsection (d) for discharges occurring during a fiscal year, the 'applicable percentage increase' shall be—

"(I) for fiscal year 1986, ½ percent,

"(II) for fiscal years 1987 and 1988, a percentage determined by the Secretary pursuant to subsection (e)(4), but not to exceed the market basket percentage increase (as defined in clause (ii)), and

"(III) for fiscal year 1989 and subsequent fiscal years, the percentage determined by the Secretary pursuant to subsection (e)(4).

"(ii) For purposes of clause (i), the term 'market basket percentage increase' means, with respect to cost reporting periods and discharges occurring in a fiscal year, the percentage, estimated by the Secretary before the beginning of the period or fiscal year, by which the cost of the mix of goods and services (including personnel costs but excluding nonoperating costs) comprising routine, ancillary, and special care unit inpatient hospital services, based on an index of appropriately weighted indicators of changes in wages and prices which are representative of the mix of goods and services included in such inpatient hospital services, for the period or fiscal year will exceed the cost of such mix of goods and services for the preceding 12-month cost reporting period or fiscal year.".

(c) Conforming Amendments.—(1) Section 1886(d)(3)(A) of such Act (42 U.S.C. 1395ww(d)(3)(A)) is amended by striking out "for fiscal year 1985" and inserting in lieu thereof "for each of fiscal years 1985 and 1986".

(2) Section 1886(e)(3) of such Act is amended by striking out "(instead of the applicable percentage increase described in subsection (b)(3)(B))".

(3) Section 1886(e)(4) of such Act is amended by striking out "1986" and inserting in lieu thereof "1987".

(d) Effective Date of Freeze Extension.—The amendment made by subsection (a) shall take effect on March 15, 1986, and the amendments made by subsection (c) shall take effect on the date of the enactment of this Act.

(e) Effective Date for Increase.—

(1) PPS hospitals, DRG portion of payment.—In the case of a subsection (d) hospital (as defined in paragraph (4))—

(A) the amendment made by subsection (b) shall apply to payments made under section 1886(d)(1)(A) of such Act made on the basis of discharges occurring on or after May 1, 1986; and

(B) for discharges occurring on or after October 1, 1986, the applicable percentage increase (described in section 1886(b)(3)(B)) for discharges occurring during fiscal year 1986 shall be deemed to have been ½ percent.

(2) PPS hospitals, hospital specific portion of payment.—In the case of a subsection (d) hospital—

(A) the amendment made by subsection (b) shall apply to payments under section 1886(d)(1)(A) of the Social Security Act made on the basis of discharges occurring during a cost reporting period of a hospital, for the hospital's cost reporting periods beginning on or after October 1, 1985;

(B) notwithstanding subparagraph (A), for the cost reporting period beginning during fiscal year 1986, the applicable percentage increase (as defined in section 1886(b)(3)(B) of such Act) for the—

(i) first 7 months of the cost reporting period shall be 0 percent, and

(ii) for the remaining 5 months of the cost reporting period shall be ½ percent; and

(C) for cost reporting periods beginning on or after October 1, 1986, the applicable percentage increase (as so defined) with respect to the previous cost reporting period shall be deemed to have been ½ percent.

(3) PPS-exempt hospitals.—In the case of a hospital that is not a subsection (d) hospital—

(A) the amendment made by subsection (b) shall apply to cost reporting periods beginning on or after October 1, 1985;

(B) notwithstanding subparagraph (A), for the hospital's cost reporting period beginning during fiscal year 1986, payment under title XVIII of the Social Security Act shall be made as though the applicable percentage increase described in section 1886(b)(3)(B) were equal to 5/24 of 1 percent; and

(C) for cost reporting periods beginning on or after October 1, 1986, the applicable percentage increase (as so defined) with respect to the cost reporting period beginning during fiscal year 1986 shall be deemed to have been ½ percent.

(4) Definition.—In this subsection, the term "subsection (d) hospital" has the meaning given such term in section 1886(d)(1)(B) of the Social Security Act.

SEC. 9102. ONE-YEAR EXTENSION OF PPS TRANSITION.

(a) One-year Delay of Full Implementation of Prospective Payment System.—Section 1886(d)(1)(A) of the Social Security Act (42 U.S.C. 1395ww(d)(1)(A)) is amended by striking out "1986" in clauses (ii) and (iii) and inserting in lieu thereof "1987".

(b) New Target and DRG Percentages for Remainder of Fiscal Year 1986.—Section 1886(d)(1)(C) of such Act is amended—

(1) by striking out ", or discharges occurring",

(2) by striking out "and" at the end of clause (ii),

(3) by striking out "(iii) on or after October 1, 1985, and before October 1, 1986" in clause (iii) and inserting in lieu thereof "(iv) on or after October 1, 1986, and before October 1, 1987", and

(4) by inserting after clause (ii) the following new clause:

"(iii) on or after October 1, 1985, and before October 1, 1986, the 'target percentage' is 45 percent and the 'DRG percentage' is 55 percent; and".

(c) New Blended National-Regional DRG Rate for Remainder of Fiscal Year 1986.—Section 1886(d)(1)(D) of such Act is amended—

(1) by striking out "cost reporting periods beginning, or", and

(2) by striking out "1985" and "1986" and inserting in lieu thereof "1986" and "1987", respectively, each place it appears.

(d) Effective Dates.—

(1) Delay in final transition.—The amendment made by subsection (a) shall take effect on the date of the enactment of this Act.

(2) Change in hospital specific percentage.—The amendments made by subsection (b) shall apply—

(A) to cost reporting periods beginning on or after October 1, 1985, but

(B) notwithstanding subparagraph (A), for a hospital's cost reporting period beginning during fiscal year 1986, for purposes of section 1886(d)(1)(A) of the Social Security Act—

(i) during the first 7 months of the period the "target percentage" is 50 percent and the "DRG percentage" is 50 percent, and

(ii) during the remaining 5 months of the period the "target percentage" is 45 percent and the "DRG percentage" is 55 percent.

(3) Change in blended rate.—The amendments made by subsection (c) shall apply to discharges occurring on or after May 1, 1986.

(4) Exception.—

(A) Notwithstanding any other provision of this subsection, the amendments made by this section shall not apply to payments with respect to the operating costs of inpatient hospital services (as defined in section 1886(a)(4) of the Social Security Act) of a subsection (d) hospital (as defined in section 1886(d)(1)(B) of such Act) located in the State of Oregon.

(B) Notwithstanding any other provision of law, for a cost reporting period beginning during fiscal year 1986 of a subsection (d) hospital to which the amendments made by this section do not apply, for purposes of section 1886(d)(1)(A) of of Social Security Act—

(i) during the first 7 months of the period the "target percentage" is 50 percent and the "DRG percentage" is 50 percent, and

(ii) during the remaining 5 months of the period the "target percentage" is 25 percent and the "DRG percentage" is 75 percent.

(C) Notwithstanding any other provision of law, for purposes of section 1886(d)(1)(D) of such Act, the applicable combined adjusted DRG prospective payment rate for a subsection (d) hospital to which the amendments made by this section do not apply is, for discharges occurring on or after October 1, 1985, and before May 1, 1986, a combined rate consisting of 25 percent of the national adjusted DRG prospective payment rate and 75 percent of the regional adjusted DRG prospective payment rate for such discharges.

SEC. 9103. APPLICATION OF REVISED HOSPITAL WAGE INDEX.

(a) Application of Revised Index Prospectively.—(1) Section 2316(b) of the Deficit Reduction Act of 1984 (98 Stat. 1081) is amended to read as follows:

"(b) The Secretary shall adjust the payment amounts for hospitals for discharges occurring on or after May 1, 1986, to reflect

the changes the Secretary has promulgated in final regulations (on September 3, 1985) relating to the hospital wage index under section 1886(d)(3)(E) of the Social Security Act. For discharges occurring after September 30, 1986, the Secretary shall provide for such periodic adjustments in the appropriate wage index used under that section as may be necessary, taking into account changes in the wage levels and relative proportions of full-time and part-time workers.".

(2) The amendment made by paragraph (1) shall be effective as if it had been included in the Deficit Reduction Act of 1984.

(b) Study of Methodology for Area Wage Adjustment for Central Cities.—(1) The Secretary of Health and Human Services, in consultation with the Prospective Payment Assessment Commission, shall collect information and shall develop one or more methodologies to permit the adjustment of the wage indices used for purposes of sections 1886(d)(2)(C)(ii), 1886(d)(2)(H), and 1886(d)(3)(E) of the Social Security Act, in order to more accurately reflect hospital labor markets, by taking into account variations in wages and wage-related costs between the central city portion of urban areas and other parts of urban areas.

(2) The Secretary shall report to Congress on the information collected and the methodologies developed under paragraph (1) not later than May 1, 1987. The report shall include a recommendation as to the feasibility and desirability of implementing such methodologies.

SEC. 9104. PAYMENTS TO HOSPITALS FOR INDIRECT COSTS OF MEDICAL EDUCATION.

(a) Payment for Indirect Costs of Medical Education.—Section 1886(d)(5)(B) of the Social Security Act (42 U.S.C. 1395ww(d)(5)(B)) is amended to read as follows:

"(B) The Secretary shall provide for an additional payment amount for subsection (d) hospitals with indirect costs of medical education, in an amount computed in the same manner as the adjustment for such costs under regulations (in effect as of January 1, 1983) under subsection (a)(2), except as follows:

"(i) The amount of such additional payment shall be determined by multiplying (I) the sum of the amount determined under paragraph (1)(A)(ii)(II) (or, if applicable, the amount determined under paragraph (1)(A)(iii)) and the amount paid to the hospital under subparagraph (A), by (II) the indirect teaching adjustment factor described in clause (ii).

"(ii) For purposes of clause (i)(II), the indirect teaching adjustment factor for discharges occurring—

"(I) on or after May 1, 1986, and before October 1, 1988, is equal to $2\times((1+r)^{.405}-1)$, or

"(II) on or after October 1, 1988, is equal to $1.5\times((1+r)^{.5795}-1)$,

where 'r' is the ratio of the hospital's full-time equivalent interns and residents to beds.

"(iii) In determining such adjustment the Secretary shall not distinguish between those interns and residents who are employees of a hospital and those interns and residents who furnish services to a hospital but are not employees of such hospital.

"(iv) In determining such adjustment, the Secretary shall continue to count interns and residents assigned to outpatient services of the hospital as part of the calculation of the full-time-equivalent number of interns and residents.".

(b) Adjustment of Payment Amounts.—

(1) Restandardizing DRG payment amounts to reflect change in formula.—Section 1886(d)(2)(C)(i) of such Act is amended by inserting "(taking into account, for discharges occurring after September 30, 1986, the amendments made by section 9104(a) of the Medicare and Medicaid Budget Reconciliation Amendments of 1985)" after "medical education costs".

(2) Providing for system savings from change in formula.—Subparagraph (C) of section 1886(d)(3) of such Act is amended—

(A) by inserting "(i)" after "(C)",

(B) by inserting "for fiscal year 1986" after "neutrality",

(C) by striking out "The Secretary" and inserting in lieu thereof "For discharges occurring in fiscal year 1985, the Secretary", and

(D) by adding at the end the following new clause:

"(ii) Reducing for savings from amendment to indirect teaching adjustment for discharges after september 30, 1986.—For discharges occurring after September 30, 1986, the Secretary shall further reduce each of the average standardized amounts (in a proportion which takes into account the differing effects of the standardization effected under paragraph (2)(C)(i)) so as to provide for a reduction in the total of the payments (attributable to this paragraph) made for discharges occurring—

"(I) on or after October 1, 1986, and before October 1, 1988, of an amount equal to the estimated reduction in the payment amounts under paragraph (5)(B) that would have resulted from the enactment of the amendments made by section 9104 of the Medicare and Medicaid Budget Reconciliation Amendments of 1985 if the factor described in clause (ii)(II) of paragraph (5)(B) were applied for discharges occurring during such period instead of the factor described in clause (ii)(I) of that paragraph, and

"(II) on or after October 1, 1988, of an amount equal to the estimated reduction in the payment amounts under paragraph (5)(B) for those discharges that has resulted from the enactment of the amendments made by section 9104 of the Medicare and Medicaid Budget Reconciliation Amendments of 1985.".

(3) Conforming amendment.—Clauses (i)(I) and (ii)(I) of section 1886(d)(3)(D) of such Act are each amended by inserting "or reduced" after "(B), and adjusted".

(c) Effective Date.—(1) Except as provided in paragraph (2), the amendments made by this section shall apply to discharges occurring on or after May 1, 1986.

(2) The amendments made by this section shall not first be applied to discharges occurring as of a date unless, for discharges occurring on that date, the amendments made by section 9105 are also being applied.

SEC. 9105. PAYMENTS FOR HOSPITALS WHICH SERVE A DISPROPORTIONATE SHARE OF LOW-INCOME PATIENTS.

(a) Payment for Hospitals Which Serve a Disproportionate Share of Low-Income Patients.—Section 1886(d)(5) of the Social Security Act (42 U.S.C. 1395ww(d)(5)) is amended by adding at the end the following new subparagraph:

"(F)(i) For discharges occurring on or after May 1, 1986, and before October 1, 1988, the Secretary shall provide, in accordance with this subparagraph, for an additional payment amount for each subsection (d) hospital which—

"(I) serves a significantly disproportionate number of low-income patients (as defined in clause (v)), or

"(II) is located in an urban area, has 100 or more beds, and can demonstrate that its net inpatient care revenues (excluding any of such revenues attributable to this title or State plans approved under title XIX), during the cost reporting period in which the discharges occur, for indigent care from State and local government sources exceed 30 percent of its total of such revenues during the period.

"(ii) The amount of such payment for each discharge shall be determined by multiplying (I) the sum of the amount determined under paragraph (1)(A)(ii)(II) (or, if applicable, the amount determined under paragraph (1)(A)(iii)) and the amount paid to the hospital under subparagraph (A) for that discharge, by (II) the disproportionate share adjustment percentage established under clause (iii) or (iv) for the cost reporting period in which the discharge occurs.

"(iii) The disproportionate share adjustment percentage for a cost reporting period for a hospital described in clause (i)(II) is equal to 15 percent.

"(iv) The disproportionate share adjustment percentage for a cost reporting period for a hospital that is not described in clause (i)(II) and that—

"(I) is located in an urban area and has 100 or more beds, is equal to the lesser of 15 percent, or the percent determined in accordance with the following formula: $(P-15)(.5) + 2.5$, where 'P' is the hospital's disproportionate patient percentage (as defined in clause (vi));

"(II) is located in an urban area and has less than 100 beds, is equal to 5 percent; or

"(III) is located in a rural area, is equal to 4 percent.

"(v) In this subparagraph, a hospital 'serves a significantly disproportionate number of low income patients' for a cost reporting period if the hospital has a disproportionate patient percentage (as defined in clause (vi)) for that period which equals, or exceeds—

"(I) 15 percent, if the hospital is located in an urban area and has 100 or more beds,

"(II) 40 percent, if the hospital is located in an urban area and has less than 100 beds, or

"(III) 45 percent, if the hospital is located in a rural area.

"(vi) In this subparagraph, the term 'disproportionate patient percentage' means, with respect to a cost reporting period of a hospital, the sum of—

"(I) the fraction (expressed as a percentage), the numerator of which is the number of such hospital's patient days for such period which were made up of patients who (for such days) were entitled to benefits under part A of this title and were entitled to supplementary security income benefits (excluding any State supplementation) under title XVI of this Act, and the denominator of which is the number of such hospital's patient days for such fiscal year which were made up of patients who (for such days) were entitled to benefits under part A of this title, and

"(II) the fraction (expressed as a percentage), the numerator of which is the number of the hospital's patient days for such period which consist of patients who (for such days) were eligible for medical assistance under a State plan approved under title XIX, but who were not entitled to benefits under part A of this title, and the denominator of which is the total number of the hospital's patient days for such period.".

(b) Restandardizing DRG Payment Amounts To Reflect Disproportionate

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Share Payments.—Section 1886(d)(2)(C) of such Act is amended—

(1) by striking out "and" at the end of clause (ii),

(2) by striking out the period at the end of clause (iii) and inserting in lieu thereof ", and", and

(3) by adding at the end the following new clause:

"(iv) for discharges occurring on or after October 1, 1986, and before October 1, 1988, excluding an estimate of the additional payments to certain hospitals to be made under paragraph (5)(F).".

(c) Conforming Amendment.—Section 1886(d)(5)(C)(i) of such Act is amended by striking out ", and of public or other hospitals that serve a significantly disproportionate number of patients who have low income or are entitled to benefits under part A of this title".

(d) CBO Report.—The Congressional Budget Office shall study, and report to Congress not later than January 1, 1987, on the impact of the implementation of this section on hospitals, including the appropriateness of the factors used in determining which hospitals are eligible for additional payments under section 1886(d)(5)(F) of the Social Security Act and the amount of the additional payments made to those hospitals.

(e) Effective Date.—The amendments made by this section shall apply to discharges occurring on or after May 1, 1986.

SEC. 9106. TREATMENT OF CERTAIN RURAL OSTEOPATHIC HOSPITALS AS RURAL REFERRAL CENTERS.

(a) In General.—Section 1886(d)(5)(C)(i) of the Social Security Act (42 U.S.C. 1395ww(d)(5)(C)(i)) is amended by inserting before the period at the end of the second sentence the following: "and which shall not require a rural osteopathic hospital to have more than 3,000 discharges in a year in order to be classified as a rural referral center".

(b) Effective Date.—The amendment made by subsection (a) shall apply to cost reporting periods beginning on or after January 1, 1986.

SEC. 9107. RETURN ON EQUITY CAPITAL FOR INPATIENT HOSPITAL SERVICES AND OTHER SERVICES.

(a) Inpatient Hospital Services.—

(1) Phase-down in payment for return on equity capital.—Section 1886(g)(2) of the Social Security Act (42 U.S.C. 1395ww(g)(2)) is amended—

(A) by inserting "the applicable percentage (described in subparagraph (B)) of" before "the average of the rates of interest",

(B) by inserting "(A)" after "(2)", and

(C) by adding at the end the following new subparagraph:

"(B) In this paragraph, the 'applicable percentage' is—

"(i) 75 percent, for cost reporting periods beginning during fiscal year 1987,

"(ii) 50 percent, for cost reporting periods beginning during fiscal year 1988,

"(iii) 25 percent, for cost reporting periods beginning during fiscal year 1989, and

"(iv) 0 percent, for cost reporting periods beginning on or after October 1, 1989.".

(2) Exclusion from prospective payment.—The second sentence of section 1886(a)(4) of such Act is amended—

(A) by inserting "a return on equity capital," after "anesthetist,", and

(B) by inserting "other" before "capital-related costs".

(b) Other Services.—

(1) Limitation on rate.—Section 1861(v)(1) of such Act (42 U.S.C. 1395x(v)(1)) is amended by adding at the end the following new subparagraph:

"(P) If such regulations provide for the payment for a return on equity capital (other than with respect to costs of inpatient hospital services), the rate of return to be recognized, for determining the reasonable cost of services furnished in a cost reporting period, shall be equal to the average of the rates of interest, for each of the months any part of which is included in the period, on obligations issued for purchase by the Federal Hospital Insurance Trust Fund.".

(2) Conforming amendments.—Section 1861(v)(1)(B) of such Act is amended—

(A) by striking out "any fiscal period" and "such fiscal period" and inserting in lieu thereof "any cost reporting period" and "the period", respectively, and

(B) by striking out "not exceed one and one-half times" in the second sentence and inserting in lieu thereof "be equal to".

(c) Effective Dates.—(1) The amendments made by subsection (a) shall apply to hospital cost reporting periods beginning on or after October 1, 1986.

(2) The amendments made by subsection (b) shall apply to cost reporting periods beginning on or after October 1, 1985.

SEC. 9108. CONTINUATION OF MEDICARE REIMBURSEMENT WAIVERS FOR CERTAIN HOSPITALS PARTICIPATING IN REGIONAL HOSPITAL REIMBURSEMENT DEMONSTRATIONS.

(a) Continuation of Waivers.—A hospital reimbursement control system which, on January 1, 1985, was carrying out a demonstration under a contract which had been approved by the Secretary of Health and Human Services pursuant to section 222(a) of the Social Security Amendments of 1972, or under section 402 of the Social Security Amendments of 1967 (as amended by section 222(b) of the Social Security Amendments of 1972), shall be deemed to meet the requirements of section 1886(c)(1)(A) of the Social Security Act if such system applies—

(1) to substantially all non-Federal acute care hospitals (as defined by the Secretary) in the geographic area served by such system on January 1, 1985, and

(2) to the review of at least 75 percent of—

(A) all revenues or expenses in such geographic area for inpatient hospital services, and

(B) revenues or expenses in such geographic area for inpatient hospital services provided under the State's plan approved under title XIX.

(b) Approval.—In the case of a hospital cost control system described in subsection (a), the requirements of section 1886(c) of the Social Security Act which apply to States shall instead apply to such system and, for such purposes, any reference to a State is deemed a reference to such system.

(c) Effective Date.—This section shall become effective on the date of the enactment of this Act.

SEC. 9109. FOUR-YEAR TEST FOR STATE WAIVERS FOR CERTAIN STATES.

(a) In General.—Section 1886(c) of the Social Security Act (42 U.S.C 1395ww(c)) is amended by adding at the end the following new paragraph:

"(7) In the case of a State which made a request under paragraph (5) before December 31, 1984, for the approval of a State hospital reimbursement control system and which request was approved—

"(A) in applying paragraphs (1)(C) and (6), a reference to a '36-month period' is deemed a reference to a '48-month period', and

"(B) in order to allow the State the opportunity to provide the assurances described in paragraph (1)(C) for a 48-month period, the Secretary may not discontinue payments under the system, under the authority of paragraph (3)(A) because the Secretary has reason to believe that such assurances are not being (or will not be) met, before July 1, 1986.".

(b) Effective Date.—The amendment made by subsection (a) shall take effect on the date of the enactment of this Act.

SEC. 9110. ASSET VALUATION FOR DONATIONS OF STATE PROPERTY TO NONPROFIT CORPORATIONS.

(a) General Rule.—Section 1861(v)(1)(O) of the Social Security Act (42 U.S.C. 1395x(v)(1)(O)) is amended—

(1) by inserting ", except as provided in clause (iv)," in clause (i) after "such regulations shall provide", and

(2) by adding at the end the following new clause:

"(iv) In the case of the transfer of a hospital from ownership by a State to ownership by a nonprofit corporation without monetary consideration, the basis for capital allowances to the new owner shall be the book value of the hospital to the State at the time of the transfer.".

(b) Effective Date.—The amendments made by subsection (a) shall be applied as though they were originally included in the Deficit Reduction Act of 1984.

SEC. 9111. PAYMENTS TO SOLE COMMUNITY HOSPITALS.

(a) Adjustment to Payment Amount.—Section 1886(d)(5)(C)(ii) of the Social Security Act (42 U.S.C. 1395ww(d)(5)(C)(ii)) is amended by inserting after the second sentence thereof the following: "In the case of a sole community hospital which experiences, in any cost reporting period after the cost reporting period which was used as the base for determining the target amount for payments to such hospital under paragraph (1)(A)(i)(I), a significant increase in operating costs attributable to the addition of new inpatient facilities or services at such hospital (including the opening of a special care unit), the Secretary shall provide for such adjustment to the payment amounts under this subsection for such cost reporting period and subsequent cost reporting periods as may be necessary to reasonably compensate such hospital for such increased costs.".

(b) Effective Date.—The amendment made by this section shall apply to payments for cost reporting periods beginning on or after October 1, 1983, and before October 1, 1989.

(c) Study.—The Secretary of Health and Human Services shall conduct a study of the effects of the amendment made by subsection (a). The Secretary shall report the results of such study, including recommendations for a permanent mechanism to take into account needed expansions of services by sole community hospitals and the hospital-specific medicare payment rates thereof, to the Congress prior to January 1, 1987.

SEC. 9112. INDIRECT TEACHING ADJUSTMENT FOR CERTAIN CLINICS.

(a) In General.—Section 602(k) of the Social Security Amendments of 1983 (97 Stat. 165) is amended by inserting "(1)" after "(k)" and by adding at the end the following new paragraphs:

"(2) In the case of a hospital which is receiving payments pursuant to a waiver under paragraph (1), payment of the adjustment for indirect costs of approved educational activities shall be made as if the hospital were receiving under part A of title XVIII of the Social Security Act all the payments which are made under part B of such title solely by reason of such waiver.

"(3) Any waiver granted under paragraph (1) shall provide that, with respect to those items and services billed under part B of title XVIII of the Social Security Act solely by reason of such waiver—

"(A) payment under such part shall be equal to 100 percent of the reasonable charge or other applicable payment base for the items and services; and

"(B) the entity furnishing the items and services must agree to accept the amount paid pursuant to subparagraph (A) as the full charge for the items and services.".

(b) Effective Dates.—(1) Section 602(k)(2) of the Social Security Amendments of 1983 (as added by subsection (a)) shall apply to cost reporting periods beginning on or after January 1, 1986.

(2) Section 602(k)(3) of the Social Security Amendments of 1983 (as added by subsection (a)) shall apply to items and services furnished after the end of the 10-day period beginning on the date of the enactment of this Act.

SEC. 9113. REPORT ON IMPACT OF OUTLIER AND TRANSFER POLICY ON RURAL HOSPITALS.

(a) Review.—The Secretary of Health and Human Services shall review the impact of policies respecting outliers and patient transfers on payments under section 1886(d) of the Social Security Act to rural hospitals (particularly on rural hospitals with less than 100 beds).

(b) Report.—The Secretary shall report to Congress on the findings of the review not later than January 1, 1987, and shall include in the report recommendations on changes in policies respecting outliers and patient transfers to the extent they adversely affect rural hospitals.

SEC. 9114. INFORMATION ON IMPACT OF PPS PAYMENTS ON HOSPITALS.

(a) Disclosure of Information.—The Secretary of Health and Human Services shall make available to the Prospective Payment Assessment Commission, the Congressional Budget Office, the Comptroller General, and the Congressional Research Service the most current information on the payments being made under section 1886 of the Social Security Act to individual hospitals. Such information shall be made available in a manner that permits examination of the impact of such section on hospitals.

(b) Confidentiality.—Information disclosed under subsection (a) shall be treated as confidential and shall not be subject to further disclosure in a manner that permits the identification of individual hospitals.

SEC. 9115. SPECIAL RULES FOR IMPLEMENTATION OF SUBPART.

(a) Waiver of Paperwork Reduction.—Chapter 35 of title 44, United States Code, shall not apply to information required for purposes of carrying out this subpart and implementing the amendments made by this subpart.

(b) Use of Interim Final Regulations.—The Secretary of Health and Human Services shall issue such regulations (on an interim or other basis) as may be necessary to implement this subpart and the amendments made by this subpart.

Subpart B—Miscellaneous Provisions

SEC. 9121. RESPONSIBILITIES OF MEDICARE HOSPITALS IN EMERGENCY CASES.

(a) Requirement of Medicare Hospital Provider Agreements.—Section 1866(a)(1) of the Social Security Act (42 U.S.C. 1395cc(a)(1)) is amended—

(1) by striking out "and" at the end of subparagraph (G),

(2) by striking out the period at the end of subparagraph (H) and inserting in lieu thereof ", and", and

(3) by inserting after subparagraph (H) the following new subparagraph:

"(I) in the case of a hospital, to comply with the requirements of section 1867 to the extent applicable.".

(b) Requirements.—Title XVIII of such Act is amended by inserting after section 1866 the following new section:

"EXAMINATION AND TREATMENT FOR EMERGENCY MEDICAL CONDITIONS AND WOMEN IN ACTIVE LABOR

"Sec. 1867. (a) Medical Screening Requirement.—In the case of a hospital that has a hospital emergency department, if any individual (whether or not eligible for benefits under this title) comes to the emergency department and a request is made on the individual's behalf for examination or treatment for a medical condition, the hospital must provide for an appropriate medical screening examination within the capability of the hospital's emergency department to determine whether or not an emergency medical condition (within the meaning of subsection (e)(1)) exists or to determine if the individual is in active labor (within the meaning of subsection (e)(2)).

"(b) Necessary Stabilizing Treatment for Emergency Medical Conditions and Active Labor.—

"(1) In general.—If any individual (whether or not eligible for benefits under this title) comes to a hospital and the hospital determines that the individual has an emergency medical condition or is in active labor, the hospital must provide either—

"(A) within the staff and facilities available at the hospital, for such further medical examination and such treatment as may be required to stabilize the medical condition or to provide for treatment of the labor, or

"(B) for transfer of the individual to another medical facility in accordance with subsection (c).

"(2) Refusal to consent to treatment.—A hospital is deemed to meet the requirement of paragraph (1)(A) with respect to an individual if the hospital offers the individual the further medical examination and treatment described in that paragraph but the individual (or a legally responsible person acting on the individual's behalf) refuses to consent to the examination or treatment.

"(3) Refusal to consent to transfer.—A hospital is deemed to meet the requirement of paragraph (1) with respect to an individual if the hospital offers to transfer the individual to another medical facility in accordance with subsection (c) but the individual (or a legally responsible person acting on the individual's behalf) refuses to consent to the transfer.

"(c) Restricting Transfers Until Patient Stabilized.—

"(1) Rule.—If a patient at a hospital has an emergency medical condition which has not been stabilized (within the meaning of subsection (e)(4)(B)) or is in active labor, the hospital may not transfer the patient unless—

"(A)(i) the patient (or a legally responsible person acting on the patient's behalf) requests that the transfer be effected, or

"(ii) a physician (within the meaning of section 1861(r)(1)), or other qualified medical personnel when a physician is not readily available in the emergency department, has signed a certification that, based upon the reasonable risks and benefits to the patient, and based upon the information available at the time, the medical benefits reasonably expected from the provision of appropriate medical treatment at another medical facility outweigh the increased risks to the individual's medical condition from effecting the transfer; and

"(B) the transfer is an appropriate transfer (within the meaning of paragraph (2)) to that facility.

"(2) Appropriate transfer.—An appropriate transfer to a medical facility is a transfer—

"(A) in which the receiving facility—

"(i) has available space and qualified personnel for the treatment of the patient, and

"(ii) has agreed to accept transfer of the patient and to provide appropriate medical treatment;

"(B) in which the transferring hospital provides the receiving facility with appropriate medical records (or copies thereof) of the examination and treatment effected at the transferring hospital;

"(C) in which the transfer is effected through qualified personnel and transportation equipment, as required including the use of necessary and medically appropriate life support measures during the transfer; and

"(D) which meets such other requirements as the Secretary may find necessary in the interest of the health and safety of patients transferred.

"(d) Enforcement.—

"(1) As requirement of medicare provider agreement.—If a hospital knowingly and willfully, or negligently, fails to meet the requirements of this section, such hospital is subject to—

"(A) termination of its provider agreement under this title in accordance with section 1866(b), or

"(B) at the option of the Secretary, suspension of such agreement for such period of time as the Secretary determines to be appropriate, upon reasonable notice to the hospital and to the public.

"(2) Civil monetary penalties.—In addition to the other grounds for imposition of a civil money penalty under section 1128A(a), a participating hospital that knowingly violates a requirement of this section and the responsible physician in the hospital with respect to such a violation are each subject, under that section, to a civil money penalty of not more than $25,000 for each such violation. As used in the previous sentence, the term 'responsible physician' means, with respect to a hospital's violation of a requirement of this section, a physician who—

"(A) is employed by, or under contract with, the participating hospital, and

"(B) acting as such an employee or under such a contract, has professional responsibility for the provision of examinations or treatments for the individual, or transfers of the individual, with respect to which the violation occurred.

"(3) Civil enforcement.—

"(A) Personal harm.—Any individual who suffers personal harm as a direct result of a participating hospital's violation of a requirement of this section may, in a civil action against the participating hospital, obtain those damages available for personal injury under the law of the State in which the hospital is located, and such equitable relief as is appropriate.

"(B) Financial loss to other medical facility.—Any medical facility that suffers a

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financial loss as a direct result of a participating hospital's violation of a requirement of this section may, in a civil action against the participating hospital, obtain those damages available for financial loss, under the law of the State in which the hospital is located, and such equitable relief as is appropriate.

"(C) Limitations on actions.—No action may be brought under this paragraph more than two years after the date of the violation with respect to which the action is brought.

"(e) Definitions.—In this section:

"(1) The term 'emergency medical condition' means a medical condition manifesting itself by acute symptoms of sufficient severity (including severe pain) such that the absence of immediate medical attention could reasonably be expected to result in—

"(A) placing the patient's health in serious jeopardy,

"(B) serious impairment to bodily functions, or

"(C) serious dysfunction of any bodily organ or part.

"(2) The term 'active labor' means labor at a time at which—

"(A) delivery is imminent,

"(B) there is inadequate time to effect safe transfer to another hospital prior to delivery, or

"(C) a transfer may pose a threat of the health and safety of the patient or the unborn child.

"(3) The term 'participating hospital' means hospital that has entered into a provider agreement under section 1866 and has, under the agreement, obligated itself to comply with the requirements of this section.

"(4)(A) The term 'to stabilize' means, with respect to an emergency medical condition, to provide such medical treatment of the condition as may be necessary to assure, within reasonable medical probability, that no material deterioration of the condition is likely to result from the transfer of the individual from a facility.

"(B) The term 'stabilized' means, with respect to an emergency medical condition, that no material deterioration of the condition is likely, within reasonable medical probability, to result from the transfer of the individual from a facility.

"(5) The term 'transfer' means the movement (including the discharge) of a patient outside a hospital's facilities at the direction of any person employed by (or affiliated or associated, directly or indirectly, with) the hospital, but does not include such a movement of a patient who (A) has been declared dead, or (B) leaves the facility without the permission of any such person.

"(f) Preemption.—The provisions of this section do not preempt any State or local law requirement, except to the extent that the requirement directly conflicts with a requirement of this section.".

(c) Effective Date.—The amendments made by this section shall take effect on the first day of the first month that begins at least 90 days after the date of the enactment of this Act.

(d) Report.—The Secretary of Health and Human Services shall, not later than 6 months after the effective date described in subsection (c), report to Congress on the methods to be used for monitoring and enforcing compliance with section 1867 of the Social Security Act.

SEC. 9122. REQUIREMENT FOR MEDICARE HOSPITALS TO PARTICIPATE IN CHAMPUS AND CHAMPVA PROGRAMS.

(a) In General.—Section 1866(a)(1) of the Social Security Act (42 U.S.C. 1395cc(a)(1)) is amended—

(1) by striking out "and" at the end of subparagraph (H),

(2) by striking out the period at the end of subparagraph (I) and inserting in lieu thereof ", and", and

(3) by inserting after subparagraph (I) the following new subparagraph:

"(J) in the case of hospitals which provide inpatient hospital services for which payment may be made under this title, to be a participating provider of medical care under any health plan contracted for under section 1079 or 1086 of title 10, or under section 613 of title 38, United States Code, in accordance with admission practices, payment methodology, and amounts as prescribed under joint regulations issued by the Secretary and by the Secretaries of Defense and Transportation, in implementation of sections 1079 and 1086 of title 10, United States Code.".

(b) Effective Date.—The amendments made by subsection (a) shall apply to agreements entered into or renewed on or after the date of the enactment of this Act, but shall apply only to inpatient hospital services provided pursuant to admissions to hospitals occurring on or after January 1, 1987.

(c) Reference to Study Required.—For a study of the use by CHAMPUS of the medicare prospective payment system, see section 634 of the Department of Defense Authorization Act, 1985 (Public Law 98-525), the deadline for which is extended under section 2002 of this Act.

(d) Report.—The Secretary of Health and Human Services shall report to Congress periodically on the number of hospitals that have terminated or failed to renew an agreement under section 1866 of the Social Security Act as a result of the additional conditions imposed under the amendments made by subsection (a).

SEC. 9123. EXTENSION AND PAYMENT FOR HOSPICE CARE.

(a) Elimination of Sunset.—Section 122(h)(1) of the Tax Equity and Fiscal Responsibility Act of 1982 (P.L. 97-248, 96 Stat. 362), relating to the end of the effective date for hospice care, is amended—

(1) in subparagraph (A)—

(A) by striking out "(h)(1)(A) Subject to subparagraph (B), the" and inserting in lieu thereof "(h)(1) The", and

(B) by striking out ", and before October 1, 1986", and

(2) by striking out subparagraph (B).

(b) Increase in Payment of Daily Rates for Hospice Care.—(1) Subparagraph (B) of section 1814(i)(1) of the Social Security Act (42 U.S.C. 1395f(i)(1)) is amended to read as follows:

"(B) Notwithstanding subparagraph (A), for hospice care furnished on or after April 1, 1986, the daily rate of payment per day for routine home care shall be $63.17 and the daily rate of payment for other services included in hospice care shall be the daily rate of payment recognized under subparagraph (A) as of July 1, 1985, increased by $10.".

(2) Subparagraph (C) of such section is amended by striking out "1985" and inserting in lieu thereof "1986".

SEC. 9124. LIMITING THE PENALTY FOR LATE ENROLLMENT IN PART A.

(a) Limiting Penalty to 10 Percent and Twice the Period During Which Not Enrolled.—Section 1818(c) of the Social Security Act (42 U.S.C. 1395i-2(c)) is amended—

(1) by striking out "and" at the end of paragraph (5),

(2) by striking out the period at the end of paragraph (6) and inserting in lieu thereof "; and", and

(3) by adding at the end the following new paragraph:

"(7) any percent increase effected under section 1839(b) in an individual's monthly premium may not exceed 10 percent and shall only apply to premiums paid during a period equal to twice the number of months in the full 12-month periods described in that section.".

(b) Effective Date.—(1) The amendment made by subsection (a)(3) shall apply to premiums paid for months beginning with July 1986.

(2) In applying that amendment, months (before, during, or after April 1986) in which an individual was required to pay a premium increased under the section that was so amended shall be taken into account in determining the month in which the premium will no longer be subject to an increase under that section as so amended.

SEC. 9125. PROMULGATION OF INPATIENT HOSPITAL DEDUCTIBLE.

(a) Change in Deadline.—Section 1813(b)(2) of the Social Security Act (42 U.S.C. 1395e(b)(2)) is amended by striking out "October 1" and inserting in lieu thereof "September 15".

(b) Effective Date.—The amendment made by this section shall apply to calendar years after 1985.

SEC. 9126. ACCESS TO SKILLED NURSING FACILITIES.

(a) Optional Prospective Rates for Certain Skilled Nursing Facilities.—Section 1888 of the Social Security Act (42 U.S.C. 1395yy) is amended by adding at the end the following new subsection:

"(d)(1) Any skilled nursing facility may choose to be paid under this subsection on the basis of a prospective payment for all routine service costs (and capital-related costs) of extended care services provided in a fiscal year if such facility had, in the preceding fiscal year, fewer than 1,500 patient days with respect to which payments were made under this title. Such prospective payment shall be in lieu of payments which would otherwise be made for routine service costs pursuant to section 1861(v) and subsections (a) through (c) of this section and capital-related costs pursuant to section 1861(v). This subsection shall not apply to a facility for any fiscal year immediately following a fiscal year in which such facility had 1,500 or more patient days with respect to which payments were made under this title, without regard to whether payments were made under this subsection during such preceding fiscal year.

"(2)(A) The amount of the payment under this section shall be determined on a per diem basis.

"(B) Subject to the limitations of subparagraph (C), for skilled nursing facilities located—

"(i) in an urban area, the amount shall be equal to 105 percent of the mean of the per diem reasonable routine service and capital-related costs of extended care services for skilled nursing facilities in urban areas within the same region, determined without regard to the limitations of subsection (a) and adjusted for different area wage levels, and

"(ii) in a rural area the amount shall be equal to 105 percent of the mean of the per diem reasonable routine service and capital-related costs of extended care services for skilled nursing facilities in rural areas within the same region, determined without regard to the limitations of subsection (a) and adjusted for different area wage levels.

"(C) The per diem amounts determined under subparagraph (B) shall not exceed the limit on routine service costs determined under subsection (a) with respect to the facility, adjusted to take into account average capital-related costs with respect to the type and location of the facility.

"(3) For purposes of this subsection, urban and rural areas shall be determined in the same manner as for purposes of subsection (a), and the term 'region' shall have the same meaning as under section 1886(d)(2)(D).

"(4) The Secretary shall establish the prospective payment amounts for each fiscal year at least 90 days prior to the beginning of such fiscal year, on the basis of the most recent data available for a 12-month period. A skilled nursing facility must notify the Secretary of its intention to be paid pursuant to this subsection for a fiscal year within 60 days after the Secretary establishes the final prospective payment amounts for such fiscal year.

"(5) The Secretary shall provide for a simplified cost report to be filed by facilities being paid pursuant to this subsection, which shall require only the cost information necessary for determining prospective payment amounts pursuant to paragraph (2) and reasonable costs of ancillary services.

"(6) In lieu of payment on a cost basis for ancillary services provided by a facility which is being paid pursuant to this subsection, the Secretary may pay for such ancillary services on a reasonable charge basis if the Secretary determines that such payment basis will provide an equitable level of reimbursement and will ease the reporting burden of the facility.".

(b) Publication of Data Relating to Adjustments to SNF Limits.—Section 1888(c) of such Act is amended by adding at the end thereof the following: "The Secretary shall publish the data and criteria to be used for purposes of this subsection on an annual basis.".

(c) Reinstatement of Waiver of Liability Presumption.—The Secretary of Health and Human Services shall, for purposes of determining whether payments to a skilled nursing facility should be denied pursuant to section 1862(a)(1)(A) of the Social Security Act, apply the same presumption of compliance (5 percent) as in effect under regulations as of July 1, 1985. Such presumption shall apply for the 30-month period beginning with the first month beginning after the date of the enactment of this Act.

(d) Effective Dates.—(1) The amendment made by subsection (a) shall apply to fiscal years beginning on or after October 1, 1986.

(2) The amendment made by subsection (b) shall become effective on the date of the enactment of this Act.

SEC. 9127. ADDITIONAL MEMBERS OF PROSPECTIVE PAYMENT ASSESSMENT COMMISSION.

(a) Expansion of Membership.—Section 1886(e)(6)(A) of the Social Security Act (42 U.S.C. 1395ww(e)(6)(A)) is amended by striking out "15 individuals" and inserting in lieu thereof "17 individuals".

(b) Appointments.—The Director of the Congressional Office of Technology Assessment shall appoint the two additional members of the Prospective Payment Assessment Commission, as required by the amendment made by subsection (a), no later than 60 days after the date of the enactment of this Act, for terms of three years.

SEC. 9128. SENSE OF THE SENATE WITH RESPECT TO INPATIENT HOSPITAL DEDUCTIBLE.

In view of the $92 Medicare hospital deductible increase that went into effect January 1, 1986, it is the sense of the Senate that the Committee on Finance should report legislation which will reform calculation of the annual increase in such deductible so that it is more consistent with annual increases in Medicare payments to hospitals.

SEC. 9129. MEDICARE COVERAGE OF STATE AND LOCAL EMPLOYEES.

For provision providing for medicare coverage of certain State and local employees, see section 13205 of this Act.

PART 2—PROVISIONS RELATING TO PARTS A AND B OF MEDICARE

Subpart A—Payment-Related Provisions

SEC. 9201. EXTENSION OF WORKING AGED PROVISION.

(a) Extension of Secondary Payor Status Beyond Age 69.—Section 1862(b)(3)(A) of the Social Security Act (42 U.S.C. 1395y(b)(3)(A)) is amended—

(1) in clause (i), by striking out "who is under 70 years of age during any part of such month" and ", if the spouse is under 70 years of age during any part of such month", and

(2) in clause (iii), by striking out "and ending with the month before the month in which such individual attains the age of 70".

(b) Extension of Age Discrimination Provisions.—

(1) Section 4(g)(1) of the Age Discrimination in Employment Act of 1967 (29 U.S.C. 623(g)(1)) is amended by striking out "through 69" and inserting in lieu thereof "or older" each place it appears.

(2) Section 12(a) of such Act (29 U.S.C. 631(a)) is amended by inserting "(except the provisions of section 4(g))" after "Act".

(3) Section 4 of such Act (29 U.S.C. 623) is amended by redesignating the second subsection (g), added by section 802 of the Older Americans Act Amendments of 1984, as subsection (h).

(c) Conforming Amendments.—

(1) Special enrollment period.—Paragraph (3) of section 1837(i) of the Social Security Act (42 U.S.C. 1395p(i)(3)) is amended to read as follows:

"(3) The special enrollment period referred to in paragraphs (1) and (2) is the period beginning with the first day of the first month in which the individual is no longer enrolled in a group health plan described in section 1862(b)(3)(A)(iv) by reason of current employment and ending seven months later.".

(2) Effective date of enrollment.—Subsection (e) of section 1838 of the Social Security Act (42 U.S.C. 1395q) is amended to read as follows:

"(e) Notwithstanding subsection (a), in the case of an individual who enrolls during a special enrollment period pursuant to section 1837(i)(3)—

"(1) in the first month of the special enrollment period, the coverage period shall begin on the first day of that month, or

"(2) in a month after the first month of the special enrollment period, the coverage period shall begin on the first day of the month following the month in which the individual so enrolls."

(d) Effective Dates.—(1) The amendments made by subsection (a) shall apply with respect to items and services furnished on or after May 1, 1986.

(2) The amendments made by subsections (b) and (c) shall become effective on May 1, 1986.

SEC. 9202. PAYMENTS TO HOSPITALS FOR DIRECT COSTS OF MEDICAL EDUCATION.

(a) Medicare Payment Methodology.—Section 1886 of the Social Security Act (42 U.S.C. 1395ww) is amended by adding at the end the following new subsection:

"(h) Payments for Direct Graduate Medical Education Costs.—

"(1) Substitution of special payment rules.—Notwithstanding section 1861(v), instead of any amounts that are otherwise payable under this title with respect to the reasonable costs of hospitals for direct graduate medical education costs, the Secretary shall provide for payments for such costs in accordance with paragraph (3) of this subsection. In providing for such payments, the Secretary shall provide for an allocation of such payments between part A and part B (and the trust funds established under the respective parts) as reasonably reflects the proportion of direct graduate medical education costs of hospitals associated with the provision of services under each respective part.

"(2) Determination of hospital-specific approved FTE resident amounts.—The Secretary shall determine, for each hospital with an approved medical residency training program, an approved FTE resident amount for each cost reporting period beginning on or after July 1, 1985, as follows:

"(A) Determining allowable average cost per FTE resident in a hospital's base period.—The Secretary shall determine, for the hospital's cost reporting period that began during fiscal year 1984, the average amount recognized as reasonable under this title for direct graduate medical education costs of the hospital for each full-time-equivalent resident.

"(B) Updating to the first cost reporting period.—

"(i) In general.—The Secretary shall update each average amount determined under subparagraph (A) by the percentage increase in the consumer price index during the 12-month cost reporting period described in such subparagraph.

"(ii) Exception.—The Secretary shall not perform an update under clause (i) in the case of a hospital if the hospital's reporting period, described in subparagraph (A), began on or after July 1, 1984, and before October 1, 1984.

"(C) Amount for first cost reporting period.—For the first cost reporting period of the hospital beginning on or after July 1, 1985, the approved FTE resident amount for the hospital is equal to the amount determined under paragraph (B) increased by 1 percent.

"(D) Amount for subsequent cost reporting periods.—For each subsequent cost reporting period, the approved FTE resident amount for the hospital is equal to the amount determined under this paragraph for the previous cost reporting period updated, through the midpoint of the period, by projecting the estimated percentage change in the consumer price index during the 12-month period ending at that midpoint, with appropriate adjustments to reflect previous under- or over-estimations under this subparagraph in the projected percentage change in the consumer price index.

"(E) Treatment of certain hospitals.—In the case of a hospital that did not have an

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approved medical residency training program or was not participating in the program under this title for a cost reporting period beginning during fiscal year 1984, the Secretary shall, for the first such period for which it has such a residency training program and is participating under this title, provide for such approved FTE resident amount as the Secretary determines to be appropriate, based on approved FTE resident amounts for comparable programs.

"(3) Hospital payment amount per resident.—

"(A) In general.—The payment amount, for a hospital cost reporting period beginning on or after July 1, 1985, is equal to the product of—

"(i) the aggregate approved amount (as defined in subparagraph (B)) for that period, and

"(ii) the hospital's medicare patient load (as defined in subparagraph (C)) for that period.

"(B) Aggregate approved amount.—As used in subparagraph (A), the term 'aggregate approved amount' means, for a hospital cost reporting period, the product of—

"(i) the hospital's approved FTE resident amount (determined under paragraph (2)) for that period, and

"(ii) the weighted average number of full-time-equivalent residents (as determined under paragraph (4)) in the hospital's approved medical residency training programs in that period.

"(C) Medicare patient load.—As used in subparagraph (A), the term 'medicare patient load' means, with respect to a hospital's cost reporting period, the fraction of the total number of inpatient-bed-days (as established by the Secretary) during the period which are attributable to patients with respect to whom payment may be made under part A.

"(4) Determination of full-time-equivalent residents.—

"(A) Rules.—The Secretary shall establish rules consistent with this paragraph for the computation of the number of full-time-equivalent residents in an approved medical residency training program.

"(B) Adjustment for part-year or part-time residents.—Such rules shall take into account individuals who serve as residents for only a portion of a period with a hospital or simultaneously with more than one hospital.

"(C) Weighting factors for certain residents.—Subject to subparagraph (E), such rules shall provide, in calculating the number of full-time-equivalent residents in an approved residency program—

"(i) before July 1, 1986, for each resident the weighting factor is 1.00,

"(ii) on or after July 1, 1986, for a resident who is in the resident's initial residency period (as defined in paragraph (5)(F)), the weighting factor is 1.00,

"(iii) on or after July 1, 1986, and before July 1, 1987, for a resident who is not in the resident's initial residency period (as defined in paragraph (5)(F)), the weighting factor is .75, and

"(iv) on or after July 1, 1987, for a resident who is not in the resident's initial residency period (as defined in paragraph (5)(F)), the weighting factor is .50.

"(E) Foreign medical graduates required to pass FMGEMS examination.—

"(i) In general.—Except as provided in clause (ii), such rules shall provide that, in the case of an individual who is a foreign medical graduate (as defined in paragraph (5)(D)), the individual shall not be counted as a resident on or after July 1, 1986, unless—

"(I) the individual has passed the FMGEMS examination (as defined in paragraph (5)(E)), or

"(II) the individual has previously received certification from, or has previously passed the examination of, the Educational Commission for Foreign Medical Graduates.

"(ii) Transition for current FMGs.—On or after July 1, 1986, in the case of a foreign medical graduate who—

"(I) has served as a resident before July 1, 1986, and is serving as a resident after that date, but

"(II) has not passed the FMGEMS examination or a previous examination of the Educational Commission for Foreign Medical Graduates before July 1, 1986,

the individual shall be counted as a resident at a rate equal to one-half of the rate at which the individual would otherwise be counted.

"(5) Definitions and special rules.—As used in this subsection:

"(A) Approved medical residency training program.—The term 'approved medical residency training program' means a residency or other postgraduate medical training program participation in which may be counted toward certification in a specialty or subspecialty and includes formal postgraduate training programs in geriatric medicine approved by the Secretary.

"(B) Consumer price index.—As used in this paragraph, the term 'consumer price index' refers to the Consumer Price Index for All Urban Consumers (United States city average), as published by the Secretary of Commerce.

"(C) Direct graduate medical education costs.—The term 'direct graduate medical education costs' means direct costs of approved educational activities for approved medical residency training programs.

"(D) Foreign medical graduate.—The term 'foreign medical graduate' means a resident who is not a graduate of—

"(i) a school of medicine accredited by the Liaison Committee on Medical Education of the American Medical Association and the Association of American Medical Colleges (or approved by such Committee as meeting the standards necessary for such accreditation),

"(ii) a school of osteopathy accredited by the American Osteopathic Association, or approved by such Association as meeting the standards necessary for such accreditation, or

"(iii) a school of dentistry or podiatry which is accredited (or meets the standards for accreditation) by an organization recognized by the Secretary for such purpose.

"(E) FMGEMS examination.—The term 'FMGEMS examination' means parts I and II of the Foreign Medical Graduate Examination in the Medical Sciences recognized by the Secretary for this purpose.

"(F) Initial residency period.—The term 'initial residency period' means the period of board eligibility plus one year, except that—

"(i) except as provided in clause (ii), in no case shall the initial period of residency exceed an aggregate period of formal training of more than five years for any individual, and

"(ii) a period, of not more than two years, during which an individual is in a geriatric residency or fellowship program which meets such criteria as the Secretary may establish, shall be treated as part of the initial residency period, but shall not be counted against any limitation on the initial residency period.

The initial residency period shall be determined, with respect to a resident, as of the time the resident enters the residency training program.

"(G) Period of board eligibility.—

"(i) General rule.—Subject to clauses (ii) and (iii), the term 'period of board eligibility' means, for a resident, the minimum number of years of formal training necessary to satisfy the requirements for initial board eligibility in the particular specialty for which the resident is training.

"(ii) Application of 1985–1986 directory.—Except as provided in clause (iii), the period of board eligibility shall be such period specified in the 1985–1986 Directory of Residency Training Programs published by the Accreditation Council on Graduate Medical Education.

"(iii) Changes in period of board eligibility.—On or after July 1, 1989, if the Accreditation Council on Graduate Medical Education, in its Directory of Residency Training Programs—

"(I) increases the minimum number of years of formal training necessary to satisfy the requirements for a specialty, above the period specified in its 1985–1986 Directory, the Secretary may increase the period of board eligibility for that specialty, but not to exceed the period of board eligibility specified in that later Directory, or

"(II) decreases the minimum number of years of formal training necessary to satisfy the requirements for a specialty, below the period specified in its 1985–1986 Directory, the Secretary may decrease the period of board eligibility for that specialty, but not below the period of board eligibility specified in that later Directory.

"(H) Resident.—The term 'resident' includes an intern or other participant in an approved medical residency training program.".

(b) Effective Date.—The amendment made by subsection (a) shall apply to hospital cost reporting periods beginning on or after July 1, 1985.

(c) Studies by Secretary.—(1) The Secretary of Health and Human Services shall conduct a study with respect to approved educational activities relating to nursing and other health professions for which reimbursement is made to hospitals under title XVIII of the Social Security Act. The study shall address—

(A) the types and numbers of such programs, and number of students supported or trained under each program;

(B) the fiscal and administrative relationships between the hospitals involved and the schools with which the programs and students are affiliated; and

(C) the types and amounts of expenses of such programs for which reimbursement is made, and the financial and other contributions which accrue to the hospital as a consequence of having such programs.

The Secretary shall report the results of such study to the Committee on Finance of the Senate and the Committees on Ways and Means and Energy and Commerce of the House of Representatives prior to December 31, 1987.

(2) The Secretary shall conduct a separate study of the advisability of continuing or terminating the exception under section 1886(h)(5)(F)(ii) of the Social Security Act for geriatric residencies and fellowships, and of expanding such exception to cover other educational activities, particularly those

which are necessary to meet the projected health care needs of Medicare beneficiaries. Such study shall also examine the adequacy of the supply of faculty in the field of geriatrics. The Secretary shall report the results of such study to the committees described in paragraph (1) prior to July 1, 1990.

(d) GAO Study.—(1) The Comptroller General shall conduct a study of the variation in the amounts of payments made under title XVIII of the Social Security Act with respect to patients in different teaching hospital settings and in the amounts of such payments which are made with respect to patients who are treated in teaching and nonteaching hospital settings. Such study shall identify the components of such payments (including payments with respect to inpatient hospital services, physicians' services, and capital costs, and, in the case of teaching hospital patients, payments with respect to direct and indirect teaching costs) and shall account, to the extent feasible, for any variations in the amounts of the payment components between teaching and nonteaching settings and among different teaching settings.

(2) In carrying out such study, the Comptroller General may utilize a sample of hospital patients and any other data sources which he deems appropriate, and shall, to the extent feasible, control for differences in severity of illness levels, area wage levels, levels of physician reasonable charges for like services and procedures, and for other factors which could affect the comparability of patients and of payments between teaching and nonteaching settings and among teaching settings. The information obtained in the study shall be coordinated with the information obtained in conducting the study of teaching physicians' services under section 2307(c) of the Deficit Reduction Act of 1984.

(3) The Comptroller General shall report the results of the study to the committees described in subsection (c)(1) prior to December 31, 1987.

(e) Report on Uniformity of Approved FTE Resident Amounts.—The Secretary of Health and Human Services shall report to the committees described in subsection (c)(1), not later than December 31, 1987, on whether section 1886(h) of the Social Security Act should be revised to provide for greater uniformity in the approved FTE resident amounts established under paragraph (2) of that section, and, if so, how such revisions should be implemented.

(f) Study on Foreign Medical Graduates.—The Secretary of Health and Human Services shall study, and report to the committees described in subsection (c)(1), not later than December 31, 1987, respecting the use of physicians who are foreign medical graduates (within the meaning of section 1886(h)(5)(D) of the Social Security Act) in the provision of health care services (particularly inpatient and outpatient hospital services) to medicare beneficiaries. Such study shall evaluate—

(1) the types of services provided;

(2) the cost of providing such services, relative to the cost of other physicians providing the services or other approaches to providing the services;

(3) any deficiencies in the quality of the services provided, and methods of assuring the quality of such services; and

(4) the impact on costs of and access to services if medicare payment for hospitals' costs of graduate medical education of foreign medical graduates were phased out.

(g) Establishing Physician Identifier System.—The Secretary of Health and Human Services shall establish a system, for implementation not later than July 1, 1987, which provides for a unique identifier for each physician who furnishes services for which payment may be made under title XVIII of the Social Security Act.

(h) Paperwork Reduction.—Chapter 35 of title 44, United States Code, shall not apply to information required for purposes of carrying out this section and the amendments made by this section.

(i) Prohibiting a Limit On Increases On Direct Medical Education Costs.—(1) Section 1861(v)(1) of the Social Security Act (42 U.S.C. 1395x(v)(1)), as amended by section 9107(b) of this title, is further amended by adding at the end the following new subparagraph:

"(Q) Except as otherwise explicitly authorized, the Secretary is not authorized to limit the rate of increase on allowable costs of approved medical educational activities.".

(2) The amendment made by paragraph (1) shall apply to cost reporting periods beginning on or after July 1, 1985.

(j) Special Treatment of States Formerly Under Waiver.—In the case of a hospital in a State that has had a waiver approved under section 1886(c) of the Social Security Act, for cost reporting periods beginning on or after January 1, 1986, if the waiver is terminated—

(1) the Secretary of Health and Human Services shall permit the hospital to change the method by which it allocates administrative and general costs to the direct medical education cost centers to the method specified in the medicare cost report;

(2) the Secretary may make appropriate adjustments in the regional adjusted DRG prospective payment rate (for the region in which the State is located), based on the assumption that all teaching hospitals in the State use the medicare cost report; and

(3) the Secretary shall adjust the hospital-specific portion of payment under section 1886(d) of such Act for any such hospital that actually chooses to use the medicare cost report.

The Secretary shall implement this subsection based on the best available data.

SEC. 9204. MORATORIUM ON LABORATORY PAYMENT DEMONSTRATION.

(a) Moratorium.—Prior to January 1, 1987, the Secretary of Health and Human Services shall not conduct any demonstration projects relating to competitive bidding as a method of purchasing laboratory services under title XVIII of the Social Security Act. The Secretary may contract for the design of, and site selection for, such demonstration projects.

(b) Cooperation in Study.—The Secretary of Health and Human Services and the Comptroller General shall assist representatives of clinical laboratories in the industry's conduct of a study to determine whether methods exist which are better than competitive bidding for purposes of utilizing competitive market forces in setting payment levels for laboratory services under title XVIII of the Social Security Act. If such a study is conducted by the clinical laboratory industry, the Secretary and the Comptroller General shall comment on such study and submit such comments and the study to the Senate Committee on Finance and the House Committees on Ways and Means and Energy and Commerce.

SEC. 9205. HOME HEALTH WAIVER OF LIABILITY.

The Secretary of Health and Human Services shall, for purposes of determining whether payments to a home health agency should be denied pursuant to section 1862(a)(1)(A) of the Social Security Act, apply a presumption of compliance (2.5 percent) in the same manner as under the regulations in effect as of July 1, 1985. Such presumption shall apply until 12 months after the date on which ten regional intermediaries have commenced operations to service home health agencies, as required under section 1816(e)(4) of the Social Security Act.

SUBPART B—OTHER PROVISIONS

SEC. 9211. PROVISIONS RELATING TO HEALTH MAINTENANCE ORGANIZATIONS AND COMPETITIVE MEDICAL PLANS.

(a) Financial Responsibility for Patients Hospitalized on the Effective Date of an Enrollment or Disenrollment.—(1) Subsection (c) of section 1876 of the Social Security Act (42 U.S.C. 1395mm) is amended by adding at the end the following new paragraph:

"(7) A risk-sharing contract under this section shall provide that in the case of an individual who is receiving inpatient hospital services from a subsection (d) hospital (as defined in section 1886(d)(1)(B)) as of the effective date of the individual's—

"(A) enrollment with an eligible organization under this section—

"(i) payment for such services until the date of the individual's discharge shall be made under this title as if the individual were not enrolled with the organization,

"(ii) the organization shall not be financially responsible for payment for such services until the date after the date of the individual's discharge, and

"(iii) the organization shall nonetheless be paid the full amount otherwise payable to the organization under this section; or

"(B) termination of enrollment with an eligible organization under this section—

"(i) the organization shall be financially responsible for payment for such services after such date and until the date of the individual's discharge,

"(ii) payment for such services during the stay shall not be made under section 1886(d), and

"(iii) the organization shall not receive any payment with respect to the individual under this section during the period the individual is not enrolled.".

(2) Subsection (a)(3) of such section is amended by striking out "Payments" and inserting in lieu thereof "Subject to subsection (c)(7), payments".

(3) Subsection (a)(6) of such section is amended by striking out "If" and inserting in lieu thereof "Subject to subsection (c)(7), if".

(b) Disenrollments.—

(1) Effective date.—Subsection (c)(3)(B) of such section is amended by striking out "a full calendar month after" and inserting in lieu thereof "the date on which".

(2) Information.—Such subsection is further amended by adding at the end the following: "In the case of an individual's termination of enrollment, the organization shall provide the individual with a copy of the written request for termination of enrollment and a written explanation of the period (ending on the effective date of the termination) during which the individual continues to be enrolled with the organization and may not receive benefits under this title other than through the organization.".

(c) Review of Marketing Material.—Subsection (c)(3)(C) of such section is amended by adding at the end the following: "No brochures, application forms, or other promo-

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tional or informational material may be distributed by an organization to (or for the use of) individuals eligible to enroll with the organization under this section unless (i) at least 45 days before its distribution, the organization has submitted the material to the Secretary for review and (ii) the Secretary has not disapproved the distribution of the material. The Secretary shall review all such material submitted and shall disapprove such material if the Secretary determines, in the Secretary's discretion, that the material is materially inaccurate or misleading or otherwise makes a material misrepresentation.".

(d) Prompt Publication of AAPCC.—Subsection (a)(1)(A) of such section is amended by inserting after "The Secretary shall annually determine" the following: ", and shall publish not later than September 7 before the calendar year concerned".

(e) Effective Dates.—

(1) Financial responsibility.—The amendments made by subsection (a) shall apply to enrollments and disenrollments that become effective on or after the date of the enactment of this Act.

(2) Disenrollments.—The amendments made by subsection (b) shall apply to requests for termination of enrollment submitted on or after May 1, 1986.

(3) Material review.—(A) The amendment made by subsection (c) shall not apply to material which has been distributed before July 1, 1986.

(B) Such amendment also shall not apply so as to require the submission of material which is distributed before July 1, 1986.

(C) Such amendment shall also not apply to material which the Secretary determines has been prepared before the date of the enactment of this Act and for which a commitment for distribution has been made, if the application of such amendment would constitute a hardship for the organization involved.

(4) Publication.—The amendment made by subsection (d) shall apply to determinations of per capita rates of payment for 1987 and subsequent years.

(5) Necessary modification of contracts.—The Secretary of Health and Human Services shall provide for such changes in the risk-sharing contracts which have been entered into under section 1876 of the Social Security Act as may be necessary to conform to the requirements imposed by the amendments made by this section on a timely basis.

SEC. 9213. REMOVAL OF PROHIBITION ON COMMENTS BY MEDICARE AND SOCIAL SECURITY ACTUARIES RELATING TO ECONOMIC ASSUMPTIONS.

(a) Federal Old-Age and Disability Insurance Trust Fund.—Section 201(c) of the Social Security Act (42 U.S.C. 401(c)) is amended by striking out ": *Provided*, That the certification shall not refer to economic assumptions underlying the Trustee's report, and shall" and inserting in lieu thereof ". Such report shall".

(b) Medicare Trust Funds.—Sections 1817(b) and 1841(b) of such Act (42 U.S.C. 1395i(b), 1395t(b)) are each amended by striking out ": *Provided*, That the certification shall not refer to economic assumptions underlying the Trustee's report".

(c) Effective Date.—The amendments made by this section shall become effective on the date of the enactment of this Act.

SEC. 9214. LIMITATION ON MERGER OF END STAGE RENAL DISEASE NETWORKS.

The Secretary of Health and Human Services shall maintain renal disease network organizations as authorized under section 1881(c) of the Social Security Act, and may not merge the network organizations into other organizations or entities. The Secretary may consolidate such network organizations, but only if such consolidation does not result in fewer than 14 such organizations being permitted to exist.

SEC. 9215. EXTENSION OF CERTAIN MEDICARE MUNICIPAL HEALTH SERVICES DEMONSTRATION PROJECTS.

The Secretary of Health and Human Services shall extend, for a period of three additional years, approval of four municipal health services demonstration projects (located in Baltimore, Cincinnati, Milwaukee, and San Jose) authorized under section 402(a) of the Social Security Amendments of 1967.

SEC. 9216. AUDIT AND MEDICAL CLAIMS REVIEW.

(a) Increase in Activities for Fiscal Years 1986, 1987, and 1988.—Section 118 of the Tax Equity and Fiscal Responsibility Act of 1982 (96 Stat. 355) is amended—

(1) by striking out "for fiscal years 1983, 1984, and 1985",

(2) by striking out "such fiscal years" and inserting in lieu thereof "fiscal years 1983, 1984, and 1985, and $105,000,000 for each of fiscal years 1986, 1987, and 1988", and

(3) by striking out "the purpose of carrying out provider cost audits and reviews of medical necessity" and inserting in lieu thereof "purposes of carrying out provider cost audits, of reviewing medical necessity, and of recovering third-party liability payments".

(b) Effective Date.—The amendments made by subsection (a) shall apply to fiscal years beginning with fiscal year 1986.

SEC. 9217. LIVER TRANSPLANTS.

(a) The Senate finds that:

(1) There have been more than 600 liver transplants since 1963 and the one year survival rate at qualified institutions is now greater than 70 percent.

(2) There are 4,000 to 4,700 potential candidates in the United States each year who require a liver transplant, but only a small percentage would be eligible for Medicare coverage.

(3) There are currently individuals on waiting lists for liver transplants who will die without Medicare coverage.

(4) After extensive review and consideration of all the available data, an National Institutes of Health expert panel concluded liver transplantation is "a therapeutic modality for end-stage liver disease that deserves broader application" in a limited number of centers where they can be carried out under optimal conditions.

(5) National Institutes of Health further recommended that liver transplants be done in individuals under 18 years of age.

(6) The CHAMPUS program, after considering all relevant data, determined that there was no scientific basis for limiting liver transplants to children under 18 years of age.

(7) The Department of Health and Human Services has determined that liver transplantation is no longer an experimental procedure only for children under 18.

(b) Based upon the above findings, it is the sense of the Senate that:

(1) For the purposes of title XVIII of the Social Security Act, the Secretary immediately reconsider the Medicare liver transplant coverage decision and implement a policy under which a liver transplant shall not be considered to be an experimental procedure for Medicare beneficiaries solely because an individual is over 18 years of age.

(2) A liver transplant shall be covered under such title when reasonable and medically necessary.

(3) The Secretary shall place appropriate limiting criteria on coverage, including those relating to the patient's condition, the disease state, and the institution providing the care, so as to ensure the highest quality of medical care demonstrated to be consistent with successful outcomes.

SEC. 9218. STUDIES RELATING TO PHYSICAL THERAPISTS AND OTHER PROFESSIONALS.

(a) Supervision of Home Health Services.—The Secretary of Health and Human Services shall conduct a study of the advisability of changing the requirements of title XVIII of the Social Security Act to allow home health services to be provided under the supervision of a physical therapist or other health care professional, rather than requiring the supervision of a physician or registered nurse.

(b) Office Requirement.—The Secretary of Health and Human Services shall conduct a study on the advisability of deleting the requirement under such title that a physical therapist must have an office equipped with specified equipment, even if such therapist provides all such services in patients' homes.

(c) Reports.—The Secretary shall report the results of the studies to the Congress prior to October 1, 1986.

SEC. 9219. TECHNICAL CORRECTIONS.

(a) Working Aged Technical Corrections.—

(1) Premium penalty.—The second sentence of section 1839(b) of the Social Security Act (42 U.S.C. 1395r(b)), as amended by section 2338(a) of the Deficit Reduction Act of 1984, is amended by striking out "months in which" and all that follows through "clause (iv) of such section" and inserting in lieu thereof "months during which the individual has attained the age of 65 and for which the individual can demonstrate that the individual was enrolled in a group health plan described in section 1862(b)(3)(A)(iv)".

(2) Special enrollment periods.—Section 1837(i) of the Social Security Act (42 U.S.C. 1395p), as added by section 2338(b) of the Deficit Reduction Act of 1984, is amended—

(A) in paragraph (1), by amending subparagraph (A) to read as follows:

"(A) has attained the age of 65,"; and

(B) in paragraph (2), by redesignating subparagraph (C) as subparagraph (D) and by amending subparagraphs (A) and (B) to read as follows:

"(A) has attained the age of 65;

"(B)(i) has enrolled (or has been deemed to have enrolled) in the medical insurance program established under this part during the individual's initial enrollment period, or (ii) is an individual described in paragraph (1)(B);

"(C) has enrolled in such program during any subsequent special enrollment period under this subsection during which the individual was not enrolled in a group health plan described in section 1862(b)(3)(A)(iv) by reason of the individual's (or individual's spouse's) current employment; and".

(3) Effective dates.—

(A) The amendment made by paragraph (1) shall apply to months beginning with January 1983 for premiums for months beginning with the first month that begins more than 30 days after the date of the enactment of this Act.

(B)(i) The amendments made by paragraph (2) shall apply to enrollments in months beginning with the first effective month (as defined in clause (ii)), except that in the case of any individual who would have a special enrollment period under section 1837(i) of the Social Security Act that would have begun after November 1984 and before the first effective month, the period shall be deemed to begin with the first day of the first effective month.

(ii) For purposes of clause (i), the term "first effective month" means the first month that begins more than 90 days after the date of the enactment of this Act.

(b) Miscellaneous Technical Corrections.—

(1)(A) Subclause (III) of section 1842(b)(7)(B)(ii) of the Social Security Act (42 U.S.C. 1395u(b)(7)(B)(ii)), as added by section 2307(a)(2)(G) of the Deficit Reduction Act of 1984, is amended by indenting it two additional ems to the right so as to align its left margin with the left margins of subclauses (I) and (II) of that section.

(B) Section 1861(n) of the Social Security Act (42 U.S.C. 1395x(n)), as inserted by section 2321(e)(3) of the Deficit Reduction Act of 1984, is amended by striking out "at his home" and inserting in lieu thereof "as his home".

(C) Section 1888(b) of the Social Security Act (42 U.S.C. 1395yy(b)), as added by section 2319(b) of the Deficit Reduction Act of 1984, is amended by striking out "nothwithstanding" and inserting in lieu thereof "notwithstanding".

(D) The amendments made by this paragraph shall be effective as if they had been originally included in the Deficit Reduction Act of 1984.

(2)(A) Clause (iii) of section 1842(b)(7)(B) of the Social Security Act (42 U.S.C. 1395u(b)(7)(B)), as added by section 3(b)(6) of Public Law 98–617, is amended by moving its alignment two additional ems to the left so as to align its left margin with the left margins of clauses (i) and (ii) of that section.

(B) The amendment made by subparagraph (A) shall be effective as if it had been originally included in Public Law 98–617.

(3)(A) Section 1861(v)(1)(G)(i) of the Social Security Act (42 U.S.C. 1395x(b)(1)(G)(i)), as amended by section 602(d)(1) of the Social Security Amendments of 1983, is amended by inserting, in the matter after subclause (III), "on the basis of" after "(during such period)".

(B) The amendment made by subparagraph (A) shall be effective as if it had been originally included in the Social Security Amendments of 1983.

SEC. 9220. EXTENSION OF ON LOK WAIVER.

(a) Continued Approval.—

(1) Medicare waivers.—Notwithstanding any limitations contained in section 222 of the Social Security Amendments of 1972 and section 402(a) of the Social Security Amendments of 1967, the Secretary of Health and Human Services shall continue approval of the risk-sharing application (described in section 603(c)(1) of Public Law 98-21) for waivers of certain requirements of title XVIII of the Social Security Act after the end of the period described in that section.

(2) Medicaid waivers.—Notwithstanding any limitations contained in section 1115 of the Social Security Act, the Secretary shall approve any application of the Department of Health Services, State of California, for a waiver of requirements of title XIX of such Act in order to continue carrying out the demonstration project referred to in section 603(c)(2) of Public Law 98–21 after the end of the period described in that section.

(b) Terms, Conditions, and Period of Approval.—The Secretary's approval of an application (or renewal of an application) under this section—

(1) shall be on the same terms and conditions as applied with respect to the corresponding application under section 603(c) of Public Law 98-21 as of July 1, 1985, except that requirements relating to collection and evaluation of information for demonstration purposes (and not for operational purposes) shall not apply; and

(2) shall remain in effect until such time as the Secretary finds that the applicant no longer complies with the terms and conditions described in paragraph (1).

SEC. 9221. CONTINUATION OF "ACCESS: MEDICARE" DEMONSTRATION PROJECT.

(a) Approval of Application.—The Secretary of Health and Human Services shall approve any application for a waiver of any requirement of titles XVIII and XIX of the Social Security Act necessary to provide for the continuation, through September 30, 1986, of the "Access: Medicare" demonstration project carried out pursuant to section 222 of the Social Security Amendments of 1972 and section 402(a) of the Social Security Amendments of 1967 by Monroe County Long Term Care Program, Inc.

(b) Terms and Conditions.—The Secretary's approval of an application (or renewal of an application) under subsection (a) shall be on the same terms and conditions as applied to the demonstration project as in effect on August 31, 1985.

PART 3—PROVISIONS RELATING TO PART B OF MEDICARE

Subpart A—Payment-Related Provisions

SEC. 9301. MEDICARE PHYSICIAN PAYMENT PROVISIONS.

(a) Extension of Current Freeze on Payment Rates through April 30, 1986.—Section 5(c) of the Emergency Extension Act of 1985 (Public Law 99-107), as amended by section 9101(a) of this title, is further amended by adding at the end the following new paragraph:

"(2) Physician payments.—For purposes of subsection (b), the term 'extension period' means the period beginning on October 1, 1985, and ending on April 30, 1986."

(b) Extension of Certain Provisions Through December 31, 1986.—

(1) Extension.—Section 1842(b)(4) of the Social Security Act (42 U.S.C. 1395u(b)(4)) is amended—

(A) in subparagraph (A)—

(i) by inserting "(i)" after "(4)(A)", and

(ii) by adding at the end the following new clauses:

"(ii)(I) In determining the prevailing charge levels under the third and fourth sentences of paragraph (3) for physicians' services furnished during the 8-month period beginning May 1, 1986, by a physician who is not a participating physician (as defined in subsection (h)(1)) at the time of furnishing the services, the Secretary shall not set any level higher than the same level as was set for the 12-month period beginning July 1, 1983.

"(II) In determining the prevailing charge levels under the fourth sentence of paragraph (3) for physicians' services furnished during the 8-month period beginning May 1, 1986, by a physician who is a participating physician (as defined in subsection (h)(1)) at the time of furnishing the services, the Secretary shall permit an additional one percentage point increase in the increase otherwise permitted under that sentence.

"(iii) In determining the prevailing charge levels under the third and fourth sentences of paragraph (3) for physicians' services furnished during a 12-month period beginning on or after January 1, 1987, by a physician who is not a participating physician (as defined in subsection (h)(1)) at the time of furnishing the services, the Secretary shall not set any level higher than the same level as was set for services furnished during the previous calendar year (without regard to clause (ii)(II)) for physicians who were participating physicians during that year.";

(B) in subparagraph (B)—

(i) by inserting "(i)" after "(B)", and

(ii) by adding at the end the following new clause:

"(ii) In determining the reasonable charge under paragraph (3) for physicians' services furnished during the 8-month period beginning May 1, 1986, by a physician who is not a participating physician (as defined in subsection (h)(1)) at the time of furnishing the services—

"(I) if the physician was not a participating physician at any time during the 12-month period beginning on October 1, 1984, the customary charges shall be the same customary charges as were recognized under this section for the 12-month period beginning July 1, 1983, and

"(II) if the physician was a participating physician at any time during the 12-month period beginning on October 1, 1984, the physician's customary charges shall be determined based upon the physician's actual charges billed during the 12-month period ending on March 31, 1985.";

(C) in subparagraph (C)—

(i) by inserting "(i)" after "(C)",

(ii) by striking out "(A)" and inserting in lieu thereof "(A)(i)" each place it appears, and

(iii) by adding at the end the following new clause:

"(ii) In determining the prevailing charge levels under the third and fourth sentences of paragraph (3) for physicians' services furnished during the periods beginning after December 31, 1986, by a physician who was not a participating physician on that date, the Secretary shall treat the level as set under subparagraph (A)(ii) as having fully provided for the economic changes which would have been taken into account but for the limitations contained in subparagraph (A)(ii)."; and

(D) in subparagraph (D)—

(i) by striking out "In determining" and all that follows through "subsection (h)(1))" and insert in lieu thereof "(i) In determining the customary charges for physicians' services furnished during the 8-month period beginning May 1, 1986, or the 12-month period beginning January 1, 1987, by a physician who was not a participating physician (as defined in subsection (h)(1)) on September 30, 1985", and

(ii) by adding at the end the following new clauses:

"(ii) In determining the customary charges for physicians' services furnished during the 12-month period beginning January 1, 1987, by a physician who is not a participating physician (as defined in subsection (h)(1)) on April 30, 1986, the Secretary shall not recognize increases in actual charges for services furnished during the 7-month period beginning on October 1, 1985, above the level of the physician's actual charges billed during the 3-month period ending on June 30, 1984.

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"(iii) In determining the customary charges for physicians' services furnished during the 12-month period beginning January 1, 1987, or January 1, 1988, by a physician who is not a participating physician (as defined in subsection (h)(1)) on December 31, 1986, the Secretary shall not recognize increases in actual charges for services furnished during the 8-month period beginning on May 1, 1986, above the level of the physician's actual charges billed during the 3-month period ending on June 30, 1984.".

(2) Continued enforcement.—The first sentence of section 1842(j)(1) of such Act (42 U.S.C. 1395u(j)(1)) is amended to read as follows: "In the case of a physician who is not a participating physician for items and services furnished during a portion of the 30-month period beginning July 1, 1984, the Secretary shall monitor the physician's actual charges to individuals enrolled under this part for physicians' services during that portion of that period.".

(3) Period for entering participation agreements.—The Secretary of Health and Human Services shall provide, during the month of April 1986, that physicians and suppliers may enter into an agreement under section 1842(h)(1) of the Social Security Act for the 8-month period beginning May 1, 1986, or terminate such an agreement previously entered into for fiscal year 1986. In the case of a physician or supplier who entered into such an agreement for fiscal year 1986, the physician or supplier shall be deemed to have entered into such agreement for such 8-month period and for each succeeding year unless the physician or supplier terminates such agreement before the beginning of the respective period. At the beginning of such 8-month period, the Secretary shall publish a new directory (described in section 1842(h)(4) of that Act, as redesignated by subsection (c)(3)(D) of this section) of participating physicians and suppliers.

(4) Effective date.—The amendments made by this subsection shall apply to services furnished on or after May 1, 1986.

(c) Incentives for Participating Physician Program.—

(1) 15-month extension of transfer of funds for carriers.—Section 2306(e) of the Deficit Reduction Act of 1984 (Public Law 98-369; 98 Stat. 1073) is amended—

(A) by striking out "and 1985" and inserting in lieu thereof ", 1985, and 1986",

(B) by striking out "the amendments made by this section" and inserting in lieu thereof "subsections (b)(4), (h), and (j) of section 1842 of the Social Security Act",

(C) by striking out "and" before "not less",

(D) by inserting before the period at the end the following: ", and not less than $18,000,000 for fiscal year 1986", and

(E) by adding at the end the following new sentences: "A significant proportion of such funds shall be used for the expansion of the participating physician and supplier program and for the development of professional relations staffs dedicated to addressing the billing and other problems of physicians and suppliers participating in that program. Such funds for fiscal year 1986 are available for obligation until December 31, 1986.".

(2) Improvement of participating physician directories.—Section 1842(i) of the Social Security Act (42 U.S.C. 1395u(i)) is amended—

(A) in the first sentence of paragraph (2)—

(i) by striking out "a directory" and inserting in lieu thereof "directories (for appropriate local geographic areas)", and

(ii) by inserting "for that area" before "for that fiscal year";

(B) in the second sentence of paragraph (2), by striking out "The directory" and inserting in lieu thereof "Each directory";

(C) in paragraph (3)—

(i) by striking out "directory" the first place it appears and inserting in lieu thereof "the directories", and

(ii) by striking out "directory" the second place it appears and inserting in lieu thereof "the appropriate area directory or directories"; and

(D) in paragraph (4)—

(i) by striking out "directory" and inserting in lieu thereof "the directories", and

(ii) by adding at the end the following: "The Secretary shall provide that each appropriate area directory is sent to each participating physician located in that area.".

(3) Elimination of physician assignment rate list.—Section 1842(i) of such Act is further amended—

(A) by striking out "(i)(1)" and all that follows through the end of paragraph (1),

(B) by striking out "subsection (h)(1)" in paragraph (2) and inserting in lieu thereof "paragraph (1)",

(C) by striking out "list and" each place it appears in paragraphs (3) and (4), and

(D) by redesignating paragraphs (2) through (4) as paragraphs (4) through (6) of subsection (h), respectively.

(4) Information on the participating physician and supplier program in explanations of medicare benefits for unassigned claims.—Section 1842(h) of such Act, as previously amended by this subsection, is further amended by adding at the end the following new paragraphs:

"(7) The Secretary shall provide that each explanation of benefits provided under this part for services furnished in the United States, in conjunction with the payment of claims under section 1833(a)(1) (made other than on an assignment-related basis, described in paragraph (8)), shall include—

"(A) a reminder of the participating physician and supplier program established under this subsection (including the limitation on charges that may be imposed by such physicians and suppliers), and

"(B) the toll-free telephone number or numbers, maintained under paragraph (2), at which an individual enrolled under this part may obtain information on participating physicians and suppliers.

"(8) For purposes of this title, a claim is considered to be paid on an 'assignment-related basis' if the claim is paid on the basis of an assignment described in subsection (b)(3)(B)(ii), in accordance with subsection (b)(6)(B), or under the procedure described in section 1870(f)(1).".

(5) Effective date.—Section 1842(b)(7) of the Social Security Act, as added by paragraph (4) of this subsection, shall apply to explanations of benefits provided on or after such date (not later than October 1, 1986) as the Secretary of Health and Human Services shall specify.

(d) Changing Customary and Prevailing Charge Updates for Physician Services and Other Part B Services From October to January.—

(1) Payment updates.—Section 1842(b)(3) of the Social Security Act (42 U.S.C. 1395u(b)(3)) is amended—

(A) in subparagraph (F), by striking out "(ending on September 30)";

(B) in the third sentence, by striking out "March 31" and all that follows through "of each year)" and inserting in lieu thereof "June 30 last preceding the start of the calendar year"; and

(C) in the eighth sentence, by striking out "the twelve-month period beginning on October 1 in".

(2) Participation agreements.—Section 1842(h)(1) of such Act is amended—

(A) in the second sentence—

(i) by striking out "before October 1" and inserting in lieu thereof "before the beginning",

(ii) by striking out "on the basis of an assignment" and all that follows through "1870(f)(1)" and inserting in lieu thereof "on an assignment-related basis", and

(iii) by striking out "the 12-month period beginning on October 1 of"; and

(B) in the third sentence—

(i) by striking out "after October 1" and inserting in lieu thereof "after the beginning", and

(ii) by striking out "12-month period beginning on such October 1" and inserting in lieu thereof "year".

(3) Directories.—The first sentence of section 1842(i)(2) of such Act (which is redesignated as section 1842(h)(4) by subsection (c)(3)(D)), is further amended by striking out "fiscal" each place it appears.

(4) Effective date.—The amendments made by this subsection shall apply to items and services furnished on or after October 1, 1986.

(5) Transition.—Notwithstanding any other provision of law, for purposes of making payment under part B of title XVIII of the Social Security Act, customary and prevailing charges (and the lowest charges determined under the sixth sentence of section 1842(b)(3) of such Act) for items and services furnished during the period beginning on October 1, 1986, and ending on December 31, 1986, shall be determined on the same basis as for items and services furnished on September 30, 1986.

SEC. 9303. PAYMENT FOR CLINICAL LABORATORY SERVICES.

(a) Changing Month of Annual Update From July to January.—

(1) In general.—Section 1833(h) of the Social Security Act (42 U.S.C. 1395l(h)) is amended—

(A) by striking out "June 30, 1987" and "July 1, 1987" and inserting in lieu thereof "December 31, 1987" and "January 1, 1988", respectively, each place either appears, and

(B) in paragraph (2), by inserting "(to become effective on January 1 of each year)" after "adjusted annually".

(2) Effective date.—The amendments made by paragraph (1) shall apply to clinical laboratory diagnostic tests performed on or after July 1, 1986.

(3) Transition.—The Secretary of Health and Human Services shall provide that the annual adjustment under section 1833(h) of the Social Security Act for 1986—

(A) shall take effect on January 1, 1987,

(B) shall apply for the 12-month period beginning on that date, and

(C) shall take into account the percentage increase or decrease in the Consumer Price Index for all urban consumers (United States city average) occurring over an 18-month period, rather than over a 12-month period.

(b) Providing Ceiling on Rates.—

(1) Ceiling on payments.—Paragraphs (1)(D)(i) and (2)(D)(i) of section 1833(a) of the Social Security Act (42 U.S.C. 1395l(a)) are each amended by inserting after "lesser of the amount determined under such fee

schedule" the following: ", the limitation amount for that test determined under subsection (h)(4)(B),".

(2) Establishment of limitation amount.—Section 1833(h)(4) of such Act is amended by inserting "(A)" after "(4)" and by adding at the end the following new subparagraph:

"(B) For purposes of subsections (a)(1)(D)(i) and (a)(2)(D)(i), the limitation amount for a clinical diagnostic laboratory test performed—

"(i) on or after July 1, 1986, and before January 1, 1988, is equal to 115 percent of the median of all the fee schedules established for that test for that laboratory setting under paragraph (1), or

"(ii) after December 31, 1987, and so long as a fee schedule for the test has not been established on a nationwide basis, is equal to 110 percent of the median of all the fee schedules established for that test for that laboratory setting under paragraph (1).".

(3) Method of payment for non-independent laboratories.—Section 1833(h)(5)(C) of such Act is amended by striking out "which is independent of a physician's office or" and inserting in lieu thereof "other than".

(4) Extending medicare proficiency examination authority.—Section 1123(a) of such Act (42 U.S.C. 1320a-2(a)) is amended by striking out "September 30, 1983" and inserting in lieu thereof "September 30, 1987".

(5) Effective dates.—(A) The amendments made by paragraphs (1) and (2) shall apply to clinical diagnostic laboratory tests performed on or after July 1, 1986.

(B) The amendment made by paragraph (3) shall apply to clinical diagnostic laboratory tests performed on or after January 1, 1987.

(C) The amendment made by paragraph (4) shall take effect on the date of the enactment of this Act.

(c) Report on Minimum Standards for Clinical Laboratories That Are Part of, or Associated With, Physicians' Offices.—The Secretary of Health and Human Services shall report to Congress, not later than 12 months after the date of the enactment of this Act, on the standards that might be established under the medicare program for clinical laboratories which are part of or associated with a physician's office to assure the health and safety of individuals with respect to whom the laboratories perform clinical diagnostic laboratory tests for which payment may be made under the program. In recommending standards, the Secretary shall consider the differences in the scope, type, and complexity of tests performed by such laboratories and such other factors as may indicate a need for different standards for laboratories with different characteristics.

SEC. 9304. DETERMINATIONS OF INHERENT REASONABLENESS OF CHARGES AND CUSTOMARY CHARGES FOR CERTAIN FORMER HOSPITAL-COMPENSATED PHYSICIANS.

(a) Regulations Relating to Inherent Reasonableness of Charges.—Section 1842(b) of the Social Security Act (42 U.S.C. 1395u(b)) is amended by adding at the end the following new paragraph:

"(8) The Secretary by regulation shall—

"(A) describe the factors to be used in determining the cases (of particular items or services) in which the application of this subsection results in the determination of a reasonable charge that, by reason of its grossly excessive or grossly deficient amount, is not inherently reasonable, and

"(B) provide in those cases for the factors that will be considered in establishing a reasonable charge that is realistic and equitable.".

(b) Computation of Customary Charges for Certain Former Hospital-Compensated Physicians.—(1) In applying section 1842(b) of the Social Security Act to payment for physicians' services performed during the 8-month period beginning May 1, 1986, in the case of a physician who at anytime during the period beginning on October 31, 1982, and ending on January 31, 1985, was a hospital-compensated physician (as defined in paragraph (3)) but who, as of February 1, 1985, was no longer a hospital-compensated physician, the physician's customary charges shall—

(A) be based upon the physician's actual charges billed during the 12-month period ending on March 31, 1985, and

(B) in the case of a physician who was not a participating physician (as defined in section 1842(h)(1) of the Social Security Act) on September 30, 1985, and who is not such a physician on May 1, 1986, be deflated (to take into account the legislative freeze on actual charges for nonparticipating physicians' services) by multiplying the physician's customary charges by .85.

(2) In applying section 1842(b) of the Social Security Act to payment for physicians' services performed during the 8-month period beginning May 1, 1986, in the case of a physician who during the period beginning on February 1, 1985, and ending on December 31, 1986, changes from being a hospital-compensated physician to not being a hospital-compensated physician, the physician's customary charges shall be determined in the same manner as if the physician were considered to be a new physician.

(3) In this subsection, the term "hospital-compensated physician" means, with respect to services furnished to patients of a hospital, a physician who is compensated by the hospital for the furnishing of physicians' services for which payment may be made under this part.

SEC. 9305. PHYSICIAN PAYMENT REVIEW COMMISSION AND DEVELOPMENT OF RELATIVE VALUE SCALE.

(a) Establishment of Commission.—Part B of title XVIII of the Social Security Act is amended by adding at the end the following new section:

"PHYSICIAN PAYMENT REVIEW COMMISSION

"Sec. 1845. (a)(1) The Director of the Congressional Office of Technology Assessment (hereinafter in this section referred to as the 'Director' and the 'Office', respectively) shall provide for the appointment of a Physician Payment Review Commission (hereinafter in this section referred to as the 'Commission'), to be composed of individuals with expertise in the provision and financing of physicians' services appointed by the Director (without regard to the provisions of title 5, United States Code, governing appointments in the competitive service).

"(2) The Commission shall consist of 11 individuals. Members of the Commission shall first be appointed no later than May 1, 1986, for a term of three years, except that the Director may provide initially for such shorter terms as will insure that (on a continuing basis) the terms of no more than four members expire in any one year.

"(3) The membership of the Commission shall include physicians, other health professionals, individuals skilled in the conduct and interpretation of biomedical, health services, and health economics research, and representatives of consumers and the elderly. The Director shall seek nominations from a wide range of groups, including—

"(A) national organizations representing physicians, including medical specialty organizations,

"(B) organizations representing the elderly and consumers,

"(C) national organizations representing medical schools,

"(D) national organizations representing hospitals, including teaching hospitals, and

"(E) national organizations representing health benefits programs.

"(b)(1) The Commission shall make recommendations to the Congress, not later than March 1 of each year (beginning with 1987), regarding adjustments to the reasonable charge levels for physicians' services recognized under section 1842(b) and changes in the methodology for determining the rates of payment, and for making payment, for physicians' services under this title and other items and services under this part.

"(2) In making its recommendations, the Commission shall—

"(A) consider, and make recommendations on the feasibility and desirability of reducing, the differences in payment amounts for physicians' services under this part which are based on differences in geographic location or specialty;

"(B) review the input costs (including time, professional skills, and risks) associated with the provision of different physicians' services;

"(C) identify those charges recognized as reasonable under section 1842(b) which are significantly out-of-line, based on the considerations of subparagraphs (A) and (B);

"(D) assess the likely impact of different adjustments in payment rates, particularly their impact on physician participation in the participation program established under section 1842(h) and on beneficiary access to necessary physicians' services;

"(E) make recommendations on ways to increase physician participation in that participation program and the acceptance of payment under this part on an assignment-related basis;

"(F) make recommendations respecting the advisability and feasibility of making changes in the payment system for physicians' services under this part based on (i) the Secretary's study under section 603(b)(2) of the Social Security Amendments of 1983 (relating to payments for physicians' services furnished to hospital inpatients on the basis of diagnosis-related groups) and (ii) the Office's report under section 2309 of the Deficit Reduction Act of 1984 (relating to physician reimbursement under this part);

"(G) identify those procedures, involving the use of assistants at surgery, for which payment for those assistants should not be made under this title without prior approval; and

"(H) identify those procedures for which an opinion of a second physician should be required before payment is made under this title.

"(3) The Commission also shall advise and make recommendations to the Secretary respecting the development of the relative value scale under subsection (e).

"(c)(1) The following provisions of section 1886(e)(6) shall apply to the Commission in the same manner as they apply to the Prospective Payment Assessment Commission:

"(A) Subparagraph (C) (relating to staffing and administration generally).

"(B) Subparagraph (D) (relating to compensation of members).

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"(C) Subparagraph (F) (relating to access to information).

"(D) Subparagraph (G) (relating to reports and use of funds).

"(E) Subparagraph (H) (relating to periodic GAO audits).

"(F) Subparagraph (J) (relating to requests for appropriations).

"(2) In order to carry out its functions, the Commission shall collect and assess information on medical and surgical procedures and services, including information on regional variations of medical practice. In collecting and assessing information, the Commission shall—

"(A) utilize existing information, both published and unpublished, where possible, collected and assessed either by its own staff or under other arrangements made in accordance with this section,

"(B) carry out, or award grants or contracts for, original research and experimentation, where existing information is inadequate for the development of useful and valid guidelines by the Commission, and

"(C) adopt procedures allowing any interested party to submit information with respect to physicians' services (including new practices, such as the use of new technologies and treatment modalities), which information the Commission shall consider in making reports and recommendations to the Secretary and Congress.

"(d) There are authorized to be appropriated such sums as may be necessary to carry out the provisions of this section. Such sums shall be payable from the Federal Supplementary Medical Insurance Trust Fund.".

(b) Development of Relative Value Scale for Physicians' Services.—Section 1845 of the Social Security Act, as added by subsection (a), is further amended by adding at the end the following new subsection:

"(e)(1) The Secretary shall develop a relative value scale that establishes a numerical relationship among the various physicians' services for which payment may be made under this part or under State plans approved under title XIX.

"(2) In developing the scale, the Secretary shall consider among other items—

"(A) the report of the Office of Technology Assessment under section 2309 of the Deficit Reduction Act of 1984,

"(B) the recommendations of the Physician Payment Review Commission under subsection (b)(3), and

"(C) factors with respect to the input costs for furnishing particular physicians' services, such as—

"(i) the differences in costs of furnishing services in different settings,

"(ii) the differences in skill levels and training required to perform the services, and

"(iii) the time required, and risk involved, in furnishing different services.

"(3) The Secretary shall complete the development of the relative value scale under this section, and report to Congress on the development, not later than July 1, 1987. The report shall include recommendations for the application of the scale to payment for physicians' services furnished under this part on or after January 1, 1988.".

SEC. 9306. LIMITATION ON MEDICARE PAYMENT FOR POST-CATARACT SURGERY PATIENTS.

(a) Determination of Separate Payment Amounts for Prosthetic Lenses and Professional Services.—Section 1842(b) of the Social Security Act (42 U.S.C. 1395u(b)) is amended by adding after paragraph (8), added by section 9304(a) of this title, the following new paragraph:

"(9) In providing payment for cataract eyeglasses and cataract contact lenses, and professional services relating to them, under this part, each carrier shall—

"(A) provide for separate determinations of the payment amount for the eyeglasses and lenses and of the payment amount for the professional services of a physician (as defined in section 1861(r)), and

"(B) not recognize as reasonable for such eyeglasses and lenses more than such amount as the Secretary establishes in guidelines relating to the inherent reasonableness of charges for such eyeglasses and lenses.".

(b) Effective Date.—The amendments made by this section shall apply to items and services furnished on or after April 1, 1986.

SEC. 9307. PAYMENT FOR ASSISTANTS AT SURGERY FOR CERTAIN CATARACT OPERATIONS AND OTHER OPERATIONS.

(a) Limitation on Payment.—Section 1862(a) of the Social Security Act (42 U.S.C. 1395y(a)) is amended—

(1) by striking out "or" at the end of paragraph (13),

(2) by striking out the period at the end of paragraph (14) and inserting in lieu thereof "; or", and

(3) by adding at the end the following new paragraph:

"(15) which are for services of an assistant at surgery in a cataract operation unless, before the surgery is performed, the appropriate utilization and quality control peer review organization (under part B of title XI) or a carrier under section 1842 has approved of the use of such an assistant in the surgical procedure based on the existence of a complicating medical condition.".

(b) Additional PRO Functions.—Section 1154(a)(8) of such Act (42 U.S.C. 1320c-3(a)(8)) is amended by inserting before the period at the end the following: "or as may be required to carry out section 1862(a)(15)".

(c) Prohibition for Submitting Bill for Which Payment May Not Be Made.—Section 1842 of such Act (42 U.S.C. 1395u) is amended—

(1) in subsection (j)(2), by inserting "or subsection (k)" after "paragraph (1)", and

(2) by adding at the end the following new subsection:

"(k)(1) If a physician knowingly and willfully bills an individual enrolled under this part for charges for services as an assistant at surgery for which payment may not be made by reason of section 1862(a)(15), the Secretary may apply sanctions against such physician in accordance with subsection (j)(2).

"(2) If a physician knowingly and willfully bills an individual enrolled under this part for charges that includes a charge for an assistant at surgery for which payment may not be made by reason of section 1862(a)(15), the Secretary may apply sanctions against such physician in accordance with subsection (j)(2).".

(d) Extension of Prohibition to Other Procedures.—The Secretary of Health and Human Services, after consultation with the Physician Payment Review Commission, shall develop recommendations and guidelines respecting other surgical procedures for which an assistant at surgery is generally not medically necessary and the circumstances under which the use of an assistant at surgery is generally appropriate but should be subject to prior approval of an appropriate entity. The Secretary shall report to Congress, not later than January 1, 1987, on these recommendations and guidelines.

(e) Effective Date.—The amendments made by this section shall apply to services performed on or after April 1, 1986.

Subpart B—Benefits and Other Provisions

SEC. 9313. PART B PREMIUM.

Section 1839 of the Social Security Act (42 U.S.C. 1395r) is amended—

(1) in subsection (e), by striking out "1988" and inserting in lieu thereof "1989" each place it appears;

(2) in subsection (f)(1), by striking out "or 1986" and inserting in lieu thereof ", 1986, or 1987"; and

(3) in subsection (f)(2), by striking out "or 1987" and inserting in lieu thereof ", 1987, or 1988".

SEC. 9314. DEMONSTRATION OF PREVENTIVE HEALTH SERVICES UNDER MEDICARE.

(a) Demonstration Program.—The Secretary of Health and Human Services (hereinafter in this section referred to as the "Secretary") shall establish a 4-year demonstration program designed to reduce disability and dependency through the provision of preventive health services to individuals entitled to benefits under title XVIII of the Social Security Act (hereinafter in this section referred to as "medicare beneficiaries").

(b) Preventive Health Services Under Demonstration Program.—The preventive health services to be made available under the demonstration program shall include—

(1) health screenings,

(2) health risk appraisals,

(3) immunizations, and

(4) counseling on and instruction in—

(A) diet and nutrition,

(B) reduction of stress,

(C) exercise and exercise programs,

(D) sleep regulation,

(E) injury prevention,

(F) prevention of alcohol and drug abuse,

(G) prevention of mental health disorders,

(H) self-care, including use of medication, and

(I) reduction or cessation of smoking.

(c) Conduct of Program.—The demonstration program shall—

(1) be conducted under the direction of accredited public or private nonprofit schools of public health or preventive medicine departments accredited by the Council on Education for Public Health;

(2) be conducted in no fewer than five sites, which sites shall be chosen so as to be geographically diverse and shall be readily accessible to a significant number of medicare beneficiaries;

(3) involve community outreach efforts at each site to enroll the maximum number of medicare beneficiaries in the program; and

(4) be designed—

(A) to test alternative methods of payment for preventive health services, including payment on a prepayment basis as well as payment on a fee-for-service basis,

(B) to permit a variety of appropriate health care providers to furnish preventive health services, including physicians, health educators, nurses, allied health personnel, dieticians, and clinical psychologists, and

(C) to facilitate evaluation under subsection (d).

(d) Evaluation.—The Secretary shall evaluate the demonstration project in order to determine—

(1) the short-term and long-term costs and benefits of providing preventive health services for medicare beneficiaries, including any reduction in inpatient services resulting from providing the services, and

(2) what practical mechanisms exist to finance preventive health services under title XVIII of the Social Security Act.

(e) Reports to Congress.—(1) Not later than three years after the date of the enactment of this Act, the Secretary shall submit a preliminary report to the Committees on Ways and Means and Energy and Commerce of the House of Representatives and to the Committee on Finance of the Senate on the progress made in the demonstration program, including a description of the sites at which the program is being conducted and the preventive health services being provided at the different sites.

(2) Not later than five years after the date of the enactment of this Act, the Secretary shall submit a final report to those Committees on the demonstration program and shall include in the report—

(A) the evaluation described in subsection (d), and

(B) recommendations for appropriate legislative changes to incorporate payment for cost-effective preventive health services into the medicare program.

(f) Funding.—Expenditures made for the demonstration program shall be made from the Federal Supplementary Medical Insurance Trust Fund (established by section 1841 of the Social Security Act). Grants and payments under contracts may be made either in advance or by way of reimbursement, as may be determined by the Secretary, and shall be made in such installments and on such conditions as the Secretary finds necessary to carry out the purpose of this section. Funding for the demonstration program shall not exceed $4,000,000 over the duration of the program.

(g) Waiver of Medicare Requirements.—The Secretary shall waive compliance with such requirements of title XVIII of the Social Security Act to the extent and for the period the Secretary finds necessary for the conduct of the demonstration program.

SEC. 9315. EXTENSION OF GAO REPORTING DATE.

(a) Extension.—Section 2326(e)(2) of the Deficit Reduction Act of 1984 (98 Stat. 1088) is amended by striking out "12 months after the date of the enactment of this Act" and inserting in lieu thereof "May 1, 1986".

(b) Effective Date.—The amendment made by this section shall apply as though it were included in the Deficit Reduction Act of 1984 as originally enacted.

PART 4—PEER REVIEW ORGANIZATIONS

SEC. 9401. 100 PERCENT PEER REVIEW OF CERTAIN SURGICAL PROCEDURES.

(a) Requirement.—Section 1154(a) of the Social Security Act (42 U.S.C. 1395c-3(a)) is amended by adding at the end thereof the following new paragraph:

"(12) The organization shall perform the review, referral, and other functions required under section 1164.".

(b) Additional Peer Review Functions.—Part B of title XI of the Social Security Act is amended by adding at the end the following new section:

"100 PERCENT PEER REVIEW FOR CERTAIN SURGICAL PROCEDURES

"Sec. 1164. (a) 100 Percent Review Function.—

"(1) In general.—Each utilization and quality control peer review organization shall perform the review described in section 1154(a)(1) for 100 percent of the surgical procedures specified pursuant to subsection (b).

"(2) Timing of review.—

"(A) In general.—Except as provided in subparagraph (B), the review required under paragraph (1) shall be performed—

"(i) before the performance of the procedure, in the case of an outpatient procedure, or

"(ii) before admission to the hospital for the provision of services in connection with the procedure, in the case of a procedure performed on an inpatient basis.

"(B) Exception.—The review with respect to a procedure need not be performed by the time specified in subparagraph (A) in cases of a medical emergency and under such other circumstances as the Secretary may specify.

"(b) Specification of Surgical Procedures and Qualified Reviewers.—

"(1) In contract.—The contract with each organization under this part shall specify at least 10 surgical procedures to be covered under this section.

"(2) Selection guidelines.—

"(A) In general.—The specification of procedures shall be consistent with selection guidelines established by the Secretary under paragraph (3). The procedures specified shall be included among the surgical procedures which the Secretary has identified as reasonably being able to meet such guidelines.

"(B) Exception.—The Secretary may permit an organization to include among the procedures specified under paragraph (1) procedures not identified by the Secretary under paragraph (2)(A) if to do so would be cost effective and consistent with the criteria described in paragraph (3).

"(3) Criteria.—The Secretary shall establish such guidelines and identify such surgical procedures consistent with the following criteria:

"(A) The procedure is one which generally can be postponed without undue risk to the patient.

"(B) The procedure is a high volume procedure among patients who are covered under the programs established under title XVIII or is a high cost procedure.

"(C) The procedure has a comparatively high rate of nonconfirmation upon examination by another qualified physician, there is substantial geographic variation in the rates of performance of the procedure, or there are other reasons why pre-procedure review for 100 percent of the procedures would be cost effective.

"(4) Qualifications for Physicians Providing Second Opinions.—

"(A) In general.—The Secretary shall specify, for each procedure identified under paragraphs (2) and (3), the type or types of board certified or board eligible specialists who may conduct a second opinion, required under subsection (c), based upon the nature of the procedure.

"(B) Freedom of choice of patient to choose physician.—Subject to paragraphs (C) and (D), the patient may choose any physician of the proper specialty under subparagraph (A) to provide the second opinion.

"(C) Physicians prohibited from providing second opinions.—For purposes of this section, a second opinion may not be provided by a physician who is affiliated with, or has a common financial interest with, the physician who rendered the first opinion that the procedure was necessary.

"(D) Restricted list.—In accordance with guidelines of the Secretary, an organization may disqualify a physician from providing a second opinion under this section because of the gross unreliability of the second opinions provided.

"(c) Requiring a Second Opinion in Certain Cases.—

"(1) Determinations by organization.—In the case of a review performed pursuant to subsection (a), the organization shall determine, based on such review, that the surgical procedure—

"(A) is reasonable and medically necessary,

"(B) is not reasonable and medically necessary, or

"(C) may be considered reasonable and necessary, but, because of questions as to the medical appropriateness of performing the procedure, it is appropriate to require the patient to seek a second opinion as to the necessity and appropriateness of performing the procedure before the performance of the procedure.

The Secretary shall develop appropriate measures to ensure that second opinions are only required in situations where a second opinion is needed to resolve outstanding uncertainties as to the medical necessity of the procedure. The organization shall notify, in accordance with section 1154(a)(3), the physician, patient, and hospital or other entity furnishing the service, in the event of a determination under subparagraph (B) or (C) of this paragraph.

"(2) Prohibition of payment if required second opinion not provided.—No payment may be made under part A or part B of title XVIII with respect to items or services furnished in connection with a surgical procedure for which there is a determination described in paragraph (1)(C), unless the individual undergoing the procedure obtains the second opinion required under that paragraph. The second opinion need not necessarily agree with the first opinion in order for payment to be made.

"(3) Exceptions for elective second opinions.—Paragraphs (1)(C) and (2) shall not apply to a surgical procedure if—

"(A) a delay in providing the procedure would result in a risk to the patient;

"(B) no physician is available (within such reasonable limits as the Secretary shall specify) who is (i) qualified to provide the second opinion, and (ii) a participating physician or a physician who has agreed to accept assignment for the second opinion; or

"(C) the procedure is to be performed on a patient who is a member of a health maintenance organization or competitive medical plan having a risk-sharing contract with the Secretary under section 1876.

"(d) Referral Mechanism for Second Opinions.—

"(1) Acting as referral center.—Each organization shall serve as a referral center for second opinions required under this section.

"(2) Referral of patient.—The organization shall maintain a list of physicians qualified to provide a second opinion and shall advise the patient as to which physicians are participating physicians (within the meaning of section 1842(h)) and which physicians have agreed to accept assignment to perform second opinions. The organization shall assist patients in referral to a qualified physician of the appropriate specialty for purposes of providing the opinion.

"(3) Forwarding of relevant medical records.—Each peer review organization shall, if the patient seeking the second opinion so requests, obtain the relevant medical records from the physician who rendered the first opinion that the procedure was

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necessary, and provide the relevant information to the physician selected by the patient to render the second opinion.

"(e) Notice to Physicians, Hospitals, and Beneficiaries.—The Secretary shall assure that notice is provided to physicians, hospitals, ambulatory surgical centers, and beneficiaries respecting the activities under this section, including the applicable list of surgical procedures specified under this section.".

(b) Waiver of Deductible and Copayments.—

(1) Deductible.—Section 1833(b) of the Social Security Act (42 U.S.C. 1395l(b)) is amended by striking out "and" before "(4)", and by inserting before the period at the end of the first sentence the following: ", and (5) such deductible shall not apply with respect to items and services furnished in connection with obtaining a second opinion required under section 1164(c)(2) (or a third opinion, if the second opinion was in disagreement with the first opinion)".

(2) Copayments.—(A) Section 1833(a)(1) of such Act (42 U.S.C. 1395l(a)(1)) is amended by striking out "and" before "(F)", and by adding at the end thereof the following: "and (G) with respect to items and services (other than clinical diagnostic laboratory tests) furnished in connection with obtaining a second opinion required under section 1164(c)(2) (or a third opinion, if the second opinion was in disagreement with the first opinion), the amounts paid shall be 100 percent of the reasonable charges for such items and services;".

(B) Section 1833(a)(1)(D) of such Act is amended by striking out "or under the procedure described in section 1870(f)(1)" and inserting in lieu thereof ", under the procedure described in section 1870(f)(1), or for tests furnished in connection with obtaining a second opinion required under section 1164(c)(2) (or a third opinion, if the second opinion was in disagreement with the first opinion)".

(C) Section 1833(a)(2)(A) of such Act is amended by inserting ", to items and services (other than clinical diagnostic laboratory tests) furnished in connection with obtaining a second opinion required under section 1164(c)(2) (or a third opinion, if the second opinion was in disagreement with the first opinion)," after "(other than durable medical equipment)".

(D) Section 1833(a)(2)(D) of such Act is amended by striking out "or to a provider having an agreement under section 1866" and inserting in lieu thereof "to a provider having an agreement under section 1866, or for tests furnished in connection with obtaining a second opinion required under section 1164(c)(2) (or a third opinion, if the second opinion was in disagreement with the first opinion)".

(E) Section 1833(a)(3) of such Act is amended by inserting after "1861(s)(10)(A)" the following: "and for items and services furnished in connection with obtaining a second opinion required under section 1164(c)(2), or a third opinion, if the second opinion was in disagreement with the first opinion".

(F) The last sentence of section 1866(a)(2)(A) of such Act (42 U.S.C. 1395cc(a)(2)(A)) is amended by inserting after "1861(s)(10)(A)" the following: ", with respect to items and services furnished in connection with obtaining a second opinion required under section 1164(c)(2) (or a third opinion, if the second opinion was in disagreement with the first opinion),".

(c) Conforming Amendments.—

(1) Exclusions from coverage.—Section 1862(a) of the Social Security Act (42 U.S.C. 1395g(a)), as amended by section 9307(a) of this title, is amended—

(A) by striking out "or" at the end of paragraph (14);

(B) by striking out the period at the end of paragraph (15) and inserting in lieu thereof "; or"; and

(C) by adding at the end thereof the following new paragraph:

"(16) furnished in connection with a surgical procedure for which a second opinion is required under section 1164(c)(2) and has not been obtained.".

(d) Effective Dates.—The amendments made by subsection (a) shall apply to items and services furnished on or after January 1, 1987. The Secretary of Health and Human Services shall provide for such modification of contracts under part B of title XI of the Social Security Act that are in effect on that date as may be necessary to effect these amendments on a timely basis.

(e) Study.—The Secretary of Health and Human Services shall conduct a study of the results of the amendments made by this section, and shall report the results of the study to the Congress within 36 months after the date of the enactment of this Act.

SEC. 9402. PEER REVIEW ORGANIZATION REIMBURSEMENT.

(a) Reimbursement Amounts.—Section 1866(a)(1)(F) of the Social Security Act (42 U.S.C. 1395cc(a)(1)(F)) is amended—

(1) by striking out clause (iii),

(2) by inserting "and" at the end of clause (ii),

(3) by redesignating clause (iv) as clause (iii), and

(4) by striking out "1982" in clause (iii) as so redesignated and inserting in lieu thereof "1986".

(b) Monthly Payments.—Section 1153(c)(8) of such Act (42 U.S.C. 1320c-2(c)(8)) is amended to read as follows:

"(8) reimbursement shall be made to the organization on a monthly basis, with payments for any month being made not later than 15 days after the close of such month.".

(c) Effective Dates.—(1) The amendments made by subsection (a) shall become effective on the date of the enactment of this Act.

(2) The amendment made by subsection (b) shall apply to contracts entered into or renewed on or after the date of the enactment of this Act.

SEC. 9403. DENIAL OF PAYMENT FOR SUBSTANDARD CARE.

(a) Denial Authority for PRO.—Section 1154(a)(2) of the Social Security Act (42 U.S.C. 1320c-3(a)(2)) is amended—

(1) by striking out "subparagraphs (A) and (C)" and inserting in lieu thereof "subparagraphs (A), (B), and (C)"; and

(2) by adding at the end thereof (after and below subparagraph (D)) the following:

"Determinations that payment should not be made by reason of subparagraph (B) of paragraph (1) shall be made only on the basis of criteria which are consistent with guidelines established by the Secretary.".

(b) Waiver of Liability.—Section 1866(a)(1) of such Act (42 U.S.C. 1395cc(a)(1)) is amended by striking out "and" at the end of subparagraph (G), by striking out the period at the end of subparagraph (H) and inserting in lieu thereof ", and", and by inserting after subparagraph (H) the following new subparagraph:

"(I) not to charge any individual or any other person for items or services for which payment under this title is denied under section 1154(a)(2) by reason of a determination under section 1154(a)(1)(B).".

(c) Effective Datf.—The amendments made by tnis section shall become effective on the date of the enactment of this Act.

SEC. 9404. HEALTH MAINTENANCE ORGANIZATION MEMBERSHIP ON PEER REVIEW ORGANIZATION BOARDS.

(a) Removal of One-Member Limitation.—Section 1153(b)(2)(A) of the Social Security Act (42 U.S.C. 1320c-2(b)(2)(A)) is amended by striking out "consists only of one individual member of the governing board" and inserting in lieu thereof "consists only of members of the governing board".

(b) Effective Date.—The amendment made by this section shall become effective on the date of the enactment of this Act.

SEC. 9405. PEER REVIEW ORGANIZATION REVIEW OF HEALTH MAINTENANCE ORGANIZATIONS.

(a) Comparable Review for Health Maintenance Organizations and Competitive Medical Plans.—Section 1154(a)(1) of the Social Security Act (42 U.S.C. 1320c-3(a)(1)) is amended by inserting "(including where payment is made for such services to eligible organizations pursuant to contracts under section 1876)" after "title XVIII".

(b) Effective Date.—The amendment made by this section shall apply to items and services furnished on or after January 1, 1987.

SEC. 9406. SUBSTITUTE REVIEW PENDING TERMINATION OF A PEER REVIEW ORGANIZATION CONTRACT.

(a) Substitute Review.—Section 1153(d) of the Social Security Act (42 U.S.C. 1320c-2(d)) is amended by adding at the end thereof the following new paragraph:

"(4) During the period after the Secretary has given notice of intent to terminate a contract, and prior to the time that the Secretary enters into a contract with another utilization and quality control peer review organization, the Secretary may transfer review responsibilities of the organization under the contract being terminated to another utilization and quality control peer review organization, or to an intermediary or carrier having an agreement under section 1816 or a contract under section 1842.".

(b) Effective Date.—The amendment made by this section shall become effective on the date of the enactment of this Act.

Subtitle B—Medicaid and Maternal and Child Health

SEC. 9501. SERVICES FOR PREGNANT WOMEN.

(a) Expanded Coverage.—Section 1905(n)(1) of the Social Security Act (42 U.S.C. 1396d(n)(1)) is amended—

(1) by striking out "or" at the end of subparagraph (A);

(2) by striking out "and" at the end of subparagraph (B) and inserting in lieu thereof "or"; and

(3) by adding after subparagraph (B) the following new subparagraph:

"(C) otherwise meets the income and resources requirements of a State plan under part A of title IV; and".

(b) Optional Expansion of Pregnancy-Related Services.—Section 1902(a)(10) of such Act (42 U.S.C. 1396a(a)(10)) is amended, in the matter after subparagraph (D) thereof—

(1) by striking out "and" before "(IV)" and inserting in lieu thereof a comma; and

(2) by inserting before the semicolon at the end thereof the following: ", and (V) the making available to pregnant women covered under the plan of services relating to pregnancy (including prenatal, delivery, and postpartum services) or to any other condition which may complicate pregnancy shall not , by reason of this paragraph (10), require the making available of such services, or the making available of such services of the same amount, duration, and scope, to any other individuals, provided such services are made available (in the same amount, duration, and scope) to all pregnant women covered under the State plan".

(c) Postpartum Eligibility for Pregnant Women.—Section 1902(e) of such Act (42 U.S.C. 1396b(e)) is amended by adding at the end the following new paragraph:

"(5) A woman who, while pregnant, is eligible for, has applied for, and has received medical assistance under the State plan, shall continue to be eligible under the plan, as though she were pregnant, for all pregnancy-related and postpartum medical assistance under the plan, until the end of the 60-day period beginning on the last day of her pregnancy.".

(d) Effective Dates.—

(1) Expanded coverage.—(A) The amendments made by subsection (a) apply (except as provided under subparagraph (B)) to payments under title XIX of the Social Security Act for calendar quarters beginning on or after the July 1, 1986, without regard to whether or not final regulations to carry out the amendments have been promulgated by that date.

(B) In the case of a State plan for medical assistance under title XIX of the Social Security Act which the Secretary of Health and Human Services determines requires State legislation (other than legislation appropriating funds) in order for the plan to meet the additional requirement imposed by the amendments made by subsection (a), the State plan shall not be regarded as failing to comply with the requirements of such title solely on the basis of its failure to meet this additional requirement before the first day of the first calendar quarter beginning after the close of the first regular session of the State legislature that begins after the date of the enactment of this Act.

(2) Optional services.—The amendments made by subsection (b) shall become effective on the date of the enactment of this Act.

(3) Continued coverage.—The amendment made by subsection (c) shall apply to medical assistance furnished to a woman on or after the date of the enactment of this Act.

SEC. 9502. MODIFICATIONS OF WAIVER PROVISIONS FOR HOME AND COMMUNITY-BASED SERVICES.

(a) Explicit Inclusion of Certain Prevocational and Educational Services.—Section 1915(c) of the Social Security Act (42 U.S.C. 1396n(c)) is amended by adding at the end thereof the following new paragraph:

"(5) For purposes of paragraph (4)(B), the term 'habilitation services', with respect to individuals who receive such services after discharge from a skilled nursing facility or intermediate care facility—

"(A) means services designed to assist individuals in acquiring, retaining, and improving the self-help, socialization, and adaptive skills necessary to reside successfully in home and community based settings; and

"(B) includes (except as provided in subparagraph (C)) prevocational, educational, and supported employment services; but

"(C) does not include—

"(i) special education and related services (as defined in section 602(16) and (17) of the Education of the Handicapped Act (20 U.S.C. 1401(16), (17)) which otherwise are available to the individual through a local educational agency; and

"(ii) vocational rehabilitation services which otherwise are available to the individual through a program funded under section 110 of the Rehabilitation Act of 1973 (29 U.S.C. 730).".

(b) Permitting Hospital Level of Care for Certain Participants.—(1) Section 1915(c)(1) of such Act (42 U.S.C. 1396n(c)(1)) is amended by inserting "or but for the provision of such services the individuals would continue to receive inpatient hospital services, skilled nursing facility services, or intermediate care facility services because they are dependent on ventilator support the cost of which is reimbursed under the State plan" before the period at the end thereof.

(2) Section 1915(c)(2)(C) of such Act (42 U.S.C. 1396n(c)(2)(C)) is amended—

(A) by inserting "hospital or" after "provided in a"; and

(B) by inserting "inpatient hospital services or" after "the provision of".

(c) Prohibiting Imposition of Certain Regulatory Limits.—Section 1915(c) of such Act (42 U.S.C. 1396n(c)) as amended by subsection (a), is further amended—

(1) in paragraph (2)(D), by inserting "100 percent of" after "does not exceed"; and

(2) by adding at the end thereof the following new paragraph:

"(6) The Secretary may not require, as a condition of approval of a waiver under this section under paragraph (2)(D), that the actual total expenditures for home and community-based services under the waiver (and a claim for Federal financial participation in expenditures for the services) cannot exceed the approved estimates for these services. The Secretary may not deny Federal financial payment with respect to services under such a waiver on the ground that, in order to comply with paragraph (2)(D), a State has failed to comply with such a requirement.".

(d) Computation of Expenditures for Certain Disabled Patients.—Section 1915(c) of such Act (42 U.S.C. 1396n(c)), as amended by subsection (c), is further amended by adding at the end thereof the following new paragraph:

"(7) In making estimates under paragraph (2)(D) in the case of a waiver which applies only to physically disabled individuals who are inpatients in skilled nursing or intermediate care facilities, the State may determine the average per capita expenditure which would have been made in a fiscal year for those individuals under the State plan separately from the expenditure for other individuals who are inpatients of those facilities.".

(e) Permitting Flexibility in Establishing Maintenance Income Standards.—Section 1915(c)(3) of such Act (42 U.S.C. 1396n(c)(3)) is amended by adding at the end the following new sentence: "A waiver may provide, with respect to post-eligibility treatment of income of all individuals receiving services under that waiver, that the maximum amount of the individual's income which may be disregarded for any month for the maintenance needs of the individual may be an amount greater than the maximum allowed for that purpose under regulations in effect on July 1, 1985.".

(f) Waiver Extensions.—The Secretary of Health and Human Services shall extend, upon request of the State, any waiver under section 1915(c) of the Social Security Act which expires on or after September 30, 1985, and before September 30, 1986. Such extension shall be for a period of not less than one year nor more than five years, subject to section 1915(e)(1) of such Act.

(g) Waiver Renewals.—Section 1915(c)(3) of the Social Security Act (42 U.S.C. 1396n(c)(3)) is amended—

(1) by striking out "additional three-year periods" and inserting in lieu thereof "additional five-year periods"; and

(2) by striking out "previous three-year period" and inserting in lieu thereof "previous waiver period".

(h) Coordinated Services Between MCH Program and Home and Community-Based Service Programs.—Section 1915(c) of the Social Security Act (42 U.S.C. 1396n(c)), as amended by subsection (d) of this section, is further amended by adding at the end thereof the following new paragraph:

"(8) The State agency administering the plan under this title may, whenever appropriate, enter into cooperative arrangements with the State agency responsible for administering the program for children with special health care needs under title V in order to assure improved access to coordinated services to meet the needs of such children.".

(i) Substitution of Participants.—(1) Section 1915(c) of the Social Security Act (42 U.S.C. 1396n(c)), as amended by subsection (h) of this section, is further amended by adding at the end thereof the following new paragraph:

"(9) In the case of any waiver under this subsection which contains a limit on the number of individuals who shall receive home or community-based services, the State may substitute additional individuals to receive such services to replace any individuals who die or become ineligible for services under the State plan.".

(j) Effective Dates.—

(1) Habilitation services.— The amendment made by subsection (a) shall be effective for services furnished on or after the date of the enactment of this Act.

(2) Hospitalized patients.—The amendments made by subsection (b) shall be effective for services furnished on or after October 1, 1985.

(3) Prohibition of regulatory limits and treatment of certain physically disabled individuals.—The amendments made by subsections (c) and (d) shall apply to applications for waivers (or renewals thereof) filed before, on, or after, the date of the enactment of this Act and for services furnished on or after August 13, 1981.

(4) Income standards.—The amendment made by subsection (e) shall apply to waivers (or renewals thereof) approved on or after the date of the enactment of this Act.

(5) Waiver extensions.—Subsection (f) shall apply to waivers expiring on or after September 30, 1985, and before September 30, 1986.

(6) Waiver renewals.—The amendments made by subsection (g) shall become effective on September 30, 1986.

(7) Coordinated services and substitution of participants.—The amendments made by subsections (h) and (i) shall become effective on the date of the enactment of this Act.

SEC. 9503. THIRD-PARTY LIABILITY.

(a) Amendments to State Plan Requirements.—(1) Section 1902(a)(25) of the Social

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Security Act (42 U.S.C. 1396a(a)(25)) is amended to read as follows:

"(25) provide—

"(A) that the State or local agency administering such plan will take all reasonable measures to ascertain the legal liability of third parties (including health insurers) to pay for care and services available under the plan, including—

"(i) the collection of sufficient information (as specified by the Secretary in regulations) to enable the State to pursue claims against such third parties, with such information being collected at the time of any determination or redetermination of eligibility for medical assistance, and

"(ii) the submission to the Secretary of a plan (subject to approval by the Secretary) for pursuing claims against such third parties, which plan shall—

"(I) be integrated with, and be monitored as a part of the Secretary's review of, the State's mechanized claims processing and information retrieval system under section 1903(r), and

"(II) be subject to the provisions of section 1903(r)(4) relating to reductions in Federal payments for failure to meet conditions of approval, but shall not be subject to any other financial penalty as a result of any other monitoring, quality control, or auditing requirements;

"(B) that in any case where such a legal liability is found to exist after medical assistance has been made available on behalf of the individual and where the amount of reimbursement the State can reasonably expect to recover exceeds the costs of such recovery, the State or local agency will seek reimbursement for such assistance to the extent of such legal liability;

"(C) that in the case of an individual who is entitled to medical assistance under the State plan with respect to a service for which a third party is liable for payment, the person furnishing the service may not seek to collect from the individual (or any financially responsible relative or representative of that individual) payment of an amount for that service (i) if the total of the amount of the liabilities of third parties for that service is at least equal to the amount payable for that service under the plan (disregarding section 1916), or (ii) in an amount which exceeds the lesser of (I) the amount which may be collected under section 1916, or (II) the amount by which the amount payable for that service under the plan (disregarding section 1916) exceeds the total of the amount of the liabilities of third parties for that service;

"(D) that a person who furnishes services and is participating under the plan may not refuse to furnish services to an individual (who is entitled to have payment made under the plan for the services the person furnishes) because of a third party's potential liability for payment for the service;

"(E) that in the case of prenatal or preventive pediatric care (including early and periodic screening and diagnosis services under section 1905(a)(4)(B)) covered under the State plan, the State shall—

"(i) make payment for such service in accordance with the usual payment schedule under such plan for such services without regard to the liability of a third party for payment for such services; and

"(ii) seek reimbursement from such third party in accordance with subparagraph (B); and

"(F) that in the case of any services covered under such plan which are provided to an individual on whose behalf child support enforcement is being carried out by the State agency under part D of title IV of this Act, the State shall—

"(i) make payment for such service in accordance with the usual payment schedule under such plan for such services without regard to any third-party liability for payment for such services, if such third-party liability is derived (through insurance or otherwise) from the parent whose obligation to pay support is being enforced by such agency, if payment has not been made by such third party within 30 days after such services are furnished; and

"(ii) seek reimbursement from such third party in accordance with subparagraph (B);".

(2) Section 1902 of such Act (42 U.S.C. 1396a) is amended by inserting after subsection (f) the following new subsection:

"(g) In addition to any other sanction available to a State, a State may provide for a reduction of any payment amount otherwise due with respect to a person who furnishes services under the plan in an amount equal to up to three times the amount of any payment sought to be collected by that person in violation of subsection (a)(25)(C).".

(b) PERFORMANCE STANDARDS AND REVIEW FOR MECHANIZED CLAIMS PROCESSING AND INFORMATION RETRIEVAL SYSTEMS.—(1) Section 1903(r)(6)(J) of such Act (42 U.S.C. 1396b(r)(6)(J)) is amended to read as follows:

"(J) develop and disseminate performance standards for assessing the State's third party collection efforts in accordance with section 1902(a)(25)(A)(ii).".

(2) Section 1903(r)(4)(A) of such Act (42 U.S.C. 1396b(r)(4)(A)) is amended—

(A) by striking out "once each fiscal year" and inserting in lieu thereof "once every three years"; and

(B) by adding at the end thereof the following: "Reviews may, at the Secretary's discretion, constitute reviews of the entire system or of only those standards, systems requirements, and other conditions which have demonstrated weakness in previous reviews.".

(c) REGULATIONS.—The Secretary of Health and Human Services shall promulgate final regulations necessary to carry out sections 1902(a)(25) and 1903(r)(6)(J) of the Social Security Act within 6 months after the date of the enactment of this Act.

(d) ERISA AMENDMENT.—(1) Section 514(b) of the Employee Retirement Income Security Act of 1974 (29 U.S.C. 1144) is amended by adding at the end thereof the following new paragraph:

"(8) Subsection (a) of this section shall not apply to any State law mandating that an employee benefit plan not include any provision which has the effect of limiting or excluding coverage or payment for any health care for an individual who would otherwise be covered or entitled to benefits or services under the terms of the employee benefit plan, because that individual is provided, or is eligible for, benefits or services pursuant to a plan under title XIX of the Social Security Act, to the extent such law is necessary for the State to be eligible to receive reimbursement under title XIX of that Act.".

(2)(A) Except as provided in subparagraph (B), the amendment made by paragraph (1) shall become effective on October 1, 1986.

(B) In the case of a plan maintained pursuant to one or more collective bargaining agreements between employee representatives and one or more employers ratified on or before the date of the enactment of this Act, the amendment made by paragraph (1) shall become effective on the later of—

(i) October 1, 1986; or

(ii) the earlier of—

(I) the date on which the last of the collective bargaining agreements under which the plan is maintained, which were in effect on the date of the enactment of this Act, terminates (determined without regard to any extension thereof agreed to after the date of the enactment of this Act); or

(II) three years after the date of the enactment of this Act.

(e) CONDITION OF ELIGIBILITY.—Section 1912(a)(1) of the Social Security Act (42 U.S.C. 1396k(a)(1)) is amended by striking out "and" at the end of subparagraph (A), and by adding at the end thereof the following new subparagraph:

"(C) to cooperate with the State in identifying, and providing information to assist the State in pursuing, any third party who may be liable to pay for care and services available under the plan, unless such individual has good cause for refusing to cooperate as determined by the State agency in accordance with standards prescribed by the Secretary, which standards shall take into consideration the best interests of the individuals involved; and".

(f) DISREGARD FROM ERRONEOUS PAYMENTS.—Section 1903(u)(1)(D) of such Act (42 U.S.C. 1396b(u)(1)(D)) is amended by adding at the end thereof the following new clause:

"(iv) In determining the amount of erroneous excess payments, there shall not be included any error resulting from a failure of an individual to cooperate or give correct information with respect to third-party liability as required under section 1912(a)(1)(C) or 402(a)(26)(C).".

(g) EFFECTIVE DATES.—(1) Except as otherwise provided, the amendments made by this section shall apply to calendar quarters beginning on or after the date of the enactment of this Act.

(2) In the case of a State plan for medical assistance under title XIX of the Social Security Act which the Secretary of Health and Human Services determines requires State legislation (other than legislation appropriating funds) in order for the plan to meet the additional requirements imposed by the amendments made by this section, the State plan shall not be regarded as failing to comply with the requirements of such title solely on the basis of its failure to meet these additional requirements before the first day of the first calendar quarter beginning after the close of the first regular session of the State legislature that begins after the date of the enactment of this Act.

(3) No penalty may be applied against any State for a violation of section 1902(a)(25) of the Social Security Act occurring prior to the effective date of the amendments made by this section.

(4) The amendment made by subsection (c) shall become effective on the date of the enactment of this Act.

SEC. 9505. OPTIONAL HOSPICE BENEFITS.

(a) COVERAGE OF HOSPICE CARE AS AN OPTIONAL MEDICAID BENEFIT.—Section 1905 of the Social Security Act (42 U.S.C. 1396d) is amended—

(1) in subsection (a)—

(A) by striking out "and" at the end of paragraph (17);

(B) by redesignating paragraph (18) as paragraph (19); and

(C) by inserting after paragraph (17) the following new paragraph:

"(18) hospice care (as defined in subsection (o)); and"; and

(2) by adding at the end thereof the following new subsection:

"(o)(1) The term 'hospice care' means the care described in section 1861(dd)(1) furnished by a hospice program (as defined in section 1861(dd)(2)) to a terminally ill individual who has voluntarily elected (in accordance with paragraph (2)) to have payment made for hospice care instead of having payment made for certain benefits described in section 1812(d)(2)(A) and intermediate care facility services under the plan. For purposes of such election, hospice care may be provided to an individual while such individual is a resident of a skilled nursing facility or intermediate care facility, but the only payment made under the State plan shall be for the hospice care.

"(2) An individual's voluntary election under this subsection—

"(A) shall be made in accordance with procedures that are established by the State and that are consistent with the procedures established under section 1812(d)(2);

"(B) shall be for such a period or periods (which need not be the same periods described in section 1812(d)(1)) as the State may establish; and

"(C) may be revoked at any time without a showing of cause and may be modified so as to change the hospice program with respect to which a previous election was made.".

(b) ELIGIBILITY.—

(1) LIMITATION TO TERMINALLY ILL INDIVIDUALS.—Section 1902(a)(10) of such Act (42 U.S.C. 1396a(a)(10)), as amended by section 9501 of this Act, is further amended, in the matter following subparagraph (D), by striking out "and" before "(V)" and by inserting before the semicolon at the end thereof the following: ", and (VI) with respect to the making available of medical assistance for hospice care to terminally ill individuals who have made a voluntary election described in section 1905(o) to receive hospice care instead of medical assistance for certain other services, such assistance may not be made available in an amount, duration, or scope less than that provided under title XVIII, and the making available of such assistance shall not, by reason of this paragraph (10), require the making available of medical assistance for hospice care to other individuals or the making available of medical assistance for services waived by such terminally ill individuals".

(2) HIGHER INCOME STANDARD PERMITTED.—Section 1902(a)(10)(A)(ii) of such Act (42 U.S.C. 1396a(a)(10)(A)(ii)) is amended—

(A) by striking out "or" at the end of subclause (V);

(B) by striking out the semicolon at the end of subclause (VI) and inserting in lieu thereof ", or"; and

(C) by adding at the end the following new subclause:

"(VII) who would be eligible under the State plan under this title if they were in a medical institution, who are terminally ill, and who will receive hospice care pursuant to a voluntary election described in section 1905(o);".

(c) PAYMENT FOR HOSPICE CARE.—

(1) USE OF MEDICARE RATES.—Section 1902(a)(13) of such Act (42 U.S.C. 1396a(a)(13)) is amended—

(A) by striking out "and" at the end of subparagraph (B);

(B) by redesignating subparagraph (C) as subparagraph (D); and

(C) by inserting after subparagraph (B) the following new subparagraph:

"(C) for payment for hospice care in the same amounts, and using the same methodology, as used under part A of title XVIII; except that a separate rate may be paid for hospice care which is furnished to an individual who is a resident of a skilled nursing facility or intermediate care facility, and who would be eligible under the plan for skilled nursing facility services or intermediate care facility services if he had not elected to receive hospice care, to take into account the room and board furnished by such facility; and".

(2) LIMITATION ON COPAYMENTS.—Subsections (a)(2) and (b)(2) of section 1916 of the Social Security Act (42 U.S.C. 1396o) are each amended—

(A) by striking out "or" at the end of subparagraph (C);

(B) by striking out "; and" at the end of subparagraph (D) and inserting in lieu thereof ", or"; and

(C) by adding at the end the following new subparagraph:

"(E) services furnished to an individual who is receiving hospice care (as defined in section 1905(o)); and".

(d) CONFORMING AMENDMENTS.—

(1) Section 1902(j) of such Act (42 U.S.C. 1396a(j)) is amended by striking out "(18)" and inserting in lieu thereof "(19)".

(2) Section 1902(a)(10)(C)(iv) of such Act (42 U.S.C. 1396a(a)(10)(C)(iv)) is amended by striking out "through (17)" and inserting in lieu thereof "through (18)".

(e) EFFECTIVE DATE.—The amendments made by this section shall apply to medical assistance provided for hospice care furnished on or after the date of the enactment of this Act.

SEC. 9506. TREATMENT OF POTENTIAL PAYMENTS FROM MEDICAID QUALIFYING TRUSTS.

(a) AMOUNTS TREATED AS BEING AVAILABLE FROM GRANTOR TRUSTS.—Section 1902 of the Social Security Act (42 U.S.C. 1396a) is amended by adding at the end thereof the following new subsection:

"(k)(1) In the case of a medicaid qualifying trust (described in paragraph (2)), the amounts from the trust deemed available to a grantor, for purposes of subsection (a)(17), is the maximum amount of payments that may be permitted under the terms of the trust to be distributed to the grantor, assuming the full exercise of discretion by the trustee or trustees for the distribution of the maximum amount to the grantor. For purposes of the previous sentence, the term 'grantor' means the individual referred to in paragraph (2).

"(2) For purposes of this subsection, a 'medicaid qualifying trust' is a trust, or similar legal device, established (other than by will) by an individual (or an individual's spouse) under which the individual may be the beneficiary of all or part of the payments from the trust and the distribution of such payments is determined by one or more trustees who are permitted to exercise any discretion with respect to the distribution to the individual.

"(3) This subsection shall apply without regard to—

"(A) whether or not the medicaid qualifying trust is irrevocable or is established for purposes other than to enable a grantor to qualify for medical assistance under this title; or

"(B) whether or not the discretion described in paragraph (2) is actually exercised.

"(4) The State may waive the application of this subsection with respect to an individual where the State determines that such application would work an undue hardship.".

(b) EFFECTIVE DATE.—The amendment made by subsection (a) shall apply to medical assistance furnished on or after the first day of the second month beginning after the date of the enactment of this Act.

SEC. 9507. WRITTEN STANDARDS FOR PROVISION OF ORGAN TRANSPLANTS.

(a) DENIAL OF FEDERAL PAYMENTS FOR ORGAN TRANSPLANTS UNLESS PROVIDED UNDER WRITTEN STANDARDS.—Section 1903(i) of the Social Security Act (42 U.S.C. 1396b(i)) is amended by inserting before paragraph (2) the following new paragraph:

"(1) for organ transplant procedures unless the State plan provides for written standards respecting the coverage of such procedures and unless such standards provide that—

"(A) similarly situated individuals are treated alike; and

"(B) any restriction, on the facilities or practitioners which may provide such procedures, is consistent with the accessibility of high quality care to individuals eligible for the procedures under the State plan.".

(b) EFFECTIVE DATE.—The amendments made by subsection (a) shall apply to medical assistance furnished on or after January 1, 1987.

SEC. 9508. OPTIONAL TARGETED CASE MANAGEMENT SERVICES.

(a) EXEMPTION FROM CERTAIN REQUIREMENTS.—(1) Section 1915 of the Social Security Act (42 U.S.C. 1396n) is amended by adding at the end thereof the following new subsection:

"(g)(1) A State may provide, as medical assistance, case management services under the plan without regard to the requirements of section 1902(a)(1) and section 1902(a)(10)(B). The provision of case management services under this subsection shall not restrict the choice of the individual to receive medical assistance in violation of section 1902(a)(23).

"(2) For purposes of this subsection, the term 'case management services' means services which will assist individuals eligible under the plan in gaining access to needed medical, social, educational, and other services.".

(2) Section 1915(b) of such Act (42 U.S.C. 1396n(b)) is amended by adding at the end thereof (after and below paragraph (4)) the following: "No waiver under this subsection may restrict the choice of the individual in receiving services under section 1905(a)(4)(C).".

(b) EFFECTIVE DATE.—The amendments made by this section shall apply to services furnished on or after the date of the enactment of this Act.

SEC. 9509. REVALUATION OF ASSETS.

(a) REVALUATION OF ASSETS.—Section 1902(a)(13) of the Social Security Act (42 U.S.C. 1396a(a)(13)), as amended by section 9505 of this Act, is further amended—

(1) in subparagraph (B), by striking out "hospitals, skilled nursing facilities, and intermediate care facilities" and inserting in lieu thereof "hospitals";

(2) by striking out "and" at the end of subparagraph (C);

(3) by redesignating subparagraphs (C) and (D) as subparagraphs (D) and (E); and

(4) by inserting after subparagraph (B) the following new subparagraph:

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"(C) that the State shall provide assurances satisfactory to the Secretary that the valuation of capital assets, for purposes of determining payment rates for skilled nursing facilities and intermediate care facilities, will not be increased (as measured from the date of acquisition by the seller to the date of the change of ownership), solely as a result of a change of ownership, by more than the lesser of—

"(i) one-half of the percentage increase (as measured over the same period of time, or, if necessary, as extrapolated retrospectively by the Secretary) in the Dodge Construction Systems Costs for Nursing Homes, applied in the aggregate with respect to those facilities which have undergone a change of ownership during the fiscal year, or

"(ii) one-half of the percentage increase (as measured over the same period of time) in the Consumer Price Index for All Urban Consumers (United States city average);".

(b) Effective Dates.—(1) Except as provided in paragraphs (2) and (3), the amendments made by this section shall apply to medical assistance furnished on or after October 1, 1985, but only with respect to changes of ownership occurring on or after such date.

(2) The amendments made by this section shall not apply with respect to a change of ownership pursuant to an enforceable agreement entered into prior to October 1, 1985.

(3) In the case of a State plan for medical assistance under title XIX of the Social Security Act which the Secretary of Health and Human Services determines requires State legislation (other than legislation appropriating funds) in order for the plan to meet the requirements imposed by the amendments made by this section, the State plan shall not be regarded as failing to comply with the requirements of such title solely on the basis of its failure to meet the requirements imposed by the amendments made by this section before the first day of the first calendar quarter beginning after the close of the first regular session of the State legislature that begins after the date of the enactment of this Act.

(c) GAO Study.—The Comptroller General shall conduct a study of the effects of the amendments made by this section, and shall report the results of such study to the Congress two years after the date of the enactment of this Act.

SEC. 9510. BEGINNING DATE OF OPTIONAL COVERAGE FOR INDIVIDUALS IN MEDICAL INSTITUTIONS.

(a) Coverage.—Section 1902(a)(10)(A)(ii)(V) of the Social Security Act (42 U.S.C. 1396a(a)(10)(A)(ii)(V)) is amended by inserting "for a period of not less than 30 consecutive days (with eligibility by reason of this subclause beginning on the first day of such period)" after "are in a medical institution".

(b) Effective Date.—The amendment made by this section shall apply with respect to payment for services furnished on or after October 1, 1985.

SEC. 9511. OPTIONAL COVERAGE OF CHILDREN.

(a) State Option.—Section 1905(n)(2) of the Social Security Act (42 U.S.C. 1396d(h)(2)) is amended by inserting "(or such earlier date as the State may designate)" after "September 30, 1983".

(b) Effective Date.—The amendment made by this section shall apply to services furnished on or after April 1, 1986.

SEC. 9512. OVERPAYMENT RECOVERY RULES.

(a) Overpayment Recovery.—Section 1903(d)(2) of the Social Security Act (42 U.S.C. 1396b(d)(2)) is amended—

(1) by inserting "(A)" after "(2)";

(2) by designating the second sentence as subparagraph (B), properly indented and aligned below subparagraph (A); and

(3) by adding at the end thereof the following new subparagraphs:

"(C) For purposes of this subsection, when an overpayment is discovered, which was made by a State to a person or other entity, the State shall have a period of 60 days in which to recover or attempt to recover such overpayment before adjustment is made in the Federal payment to such State on account of such overpayment. Except as otherwise provided in subparagraph (D), the adjustment in the Federal payment shall be made at the end of the 60 days, whether or not recovery was made.

"(D) In any case where the State is unable to recover a debt which represents an overpayment (or any portion thereof) made to a person or other entity on account of such debt having been discharged in bankruptcy or otherwise being uncollectable, no adjustment shall be made in the Federal payment to such State on account of such overpayment (or portion thereof).".

(b) Effective Date.—The amendments made by this section shall apply to overpayments identified for quarters beginning on or after October 1, 1985.

SEC. 9514. REGULATIONS FOR INTERMEDIATE CARE FACILITIES FOR THE MENTALLY RETARDED.

The Secretary of Health and Human Services shall promulgate proposed regulations revising standards for intermediate care facilities for the mentally retarded under title XIX of the Social Security Act within 60 days after the date of the enactment of this Act.

SEC. 9515. LIFE SAFETY CODE RECOGNITION.

For purposes of section 1905(c) of the Social Security Act, an intermediate care facility for the mentally retarded (as defined in section 1905(d) of such Act) which meets the requirements of the relevant sections of the 1985 edition of the Life Safety Code of the National Fire Protection Association shall be deemed to meet the fire safety requirements for intermediate care facilities for the mentally retarded until such time as the Secretary specifies a later edition of the Life Safety Code for purposes of such section, or the Secretary determines that more stringent standards are necessary to protect the safety of residents of such facilities.

SEC. 9516. CORRECTION AND REDUCTION PLANS FOR INTERMEDIATE CARE FACILITIES FOR THE MENTALLY RETARDED.

(a) Correction and Reduction Plans.—Title XIX of the Social Security Act is amended by adding at the end thereof the following new subsection:

"CORRECTION AND REDUCTION PLANS FOR INTERMEDIATE CARE FACILITIES FOR THE MENTALLY RETARDED

"Sec. 1919. (a) If the Secretary finds that an intermediate care facility for the mentally retarded has substantial deficiencies which do not pose an immediate threat to the health and safety of residents, the State may elect, subject to the limitations in this section, to—

"(1) submit, within the number of days specified by the Secretary in regulations which apply to submission of compliance plans with respect to deficiencies of such type, a written plan of correction which details the extent of the facility's current compliance with the standards promulgated by the Secretary, including all deficiencies identified during a validation survey, and which provides for a timetable for completion of necessary steps to correct all staffing deficiencies within 6 months, and a timetable for rectifying all physical plant deficiencies within 6 months; or

"(2) submit, within a time period consisting of the number of days specified for submissions under paragraph (1) plus 35 days, a written plan for permanently reducing the number of certified beds, within a maximum of 36 months, in order to permit any noncomplying buildings (or distinct parts thereof) to be vacated and any staffing deficiencies to be corrected (hereinafter in this section referred to as a 'reduction plan').

"(b) As conditions of approval of any reduction plan submitted pursuant to subsection (a)(2), the State must—

"(1) provide for a hearing to be held at the affected facility at least 35 days prior to submission of the reduction plan, with reasonable notice thereof to the staff and residents of the facility, responsible members of the residents' families, and the general public;

"(2) demonstrate that the State has successfully provided home and community services similar to the services proposed to be provided under the reduction plan for similar individuals eligible for medical assistance; and

"(3) provide assurances that the requirements of subsection (c) shall be met with respect to the reduction plan.

"(c) The reduction plan must—

"(1) identify the number and service needs of existing facility residents to be provided home or community services and the timetable for providing such services, in 6 month intervals, within the 36-month period;

"(2) describe the methods to be used to select such residents for home and community services and to develop the alternative home and community services to meet their needs effectively;

"(3) describe the necessary safeguards that will be applied to protect the health and welfare of the former residents of the facility who are to receive home or community services, including adequate standards for consumer and provider participation and assurances that applicable State licensure and applicable State and Federal certification requirements will be met in providing such home or community services;

"(4) provide that residents of the affected facility who are eligible for medical assistance while in the facility shall, at their option, be placed in another setting (or another part of the affected facility) so as to retain their eligibility for medical assistance;

"(5) specify the actions which will be taken to protect the health and safety of the residents who remain in the affected facility while the reduction plan is in effect;

"(6) provide that the ratio of qualified staff to residents at the affected facility (or the part thereof) which is subject to the reduction plan will be the higher of—

"(A) the ratio which the Secretary determines is necessary in order to assure the health and safety of the residents of such facility (or part thereof); or

"(B) the ratio which was in effect at the time that the finding of substantial deficiencies (referred to in subsection (a)) was made; and

"(7) provide for the protection of the interests of employees affected by actions under the reduction plan, including—

"(A) arrangements to preserve employee rights and benefits;

"(B) training and retraining of such employees where necessary;

"(C) redeployment of such employees to community settings under the reduction plan; and

"(D) making maximum efforts to guarantee the employment of such employees (but this requirement shall not be construed to guarantee the employment of any employee).

"(d)(1) The Secretary must provide for a period of not less than 30 days after the submission of a reduction plan by a State, during which comments on such reduction plan may be submitted to the Secretary, before the Secretary approves or disapproves such reduction plan.

"(2) If the Secretary approves more than 15 reduction plans under this section in any fiscal year, any reduction plans approved in addition to the first 15 such plans approved, must be for a facility (or part thereof) for which the costs of correcting the substantial deficiencies (referred to in subsection (a)) are $2,000,000 or greater (as demonstrated by the State to the satisfaction of the Secretary).

"(e)(1) If the Secretary, at the conclusion of the 6-month plan of correction described in subsection (a)(1), determines that the State has substantially failed to correct the deficiencies described in subsection (a), the Secretary may terminate the facility's provider agreement in accordance with the provisions of section 1910(c).

"(2) In the case of a reduction plan described in subsection (a)(2), if the Secretary determines, at the conclusion of the initial 6-month period or any 6-month interval thereafter, that the State has substantially failed to meet the requirements of subsection (c), the Secretary shall—

"(A) terminate the facility's provider agreement in accordance with the provisions of section 1910(c); or

"(B) if the State has failed to meet such requirements despite good faith efforts, disallow, for purposes of Federal financial participation, an amount equal to 5 percent of the cost of care for all eligible individuals in the facility for each month for which the State fails to meet such requirements.

"(f) The provisions of this section shall apply only to plans of correction and reduction plans approved by the Secretary within 3 years after the effective date of final regulations implementing this section.".

(b) Effective Date.—(1) The amendment made by this section shall become effective on the date of the enactment of this Act.

(2) The Secretary of Health and Human Services shall issue a notice of proposed rulemaking with respect to section 1919 of the Social Security Act within 60 days after the date of the enactment of this Act, and shall allow a period of 30 days for comment thereon prior to promulgating final regulations implementing such section.

(c) Report.—The Secretary of Health and Human Services shall submit a report to the Congress on the implementation and results of section 1919 of the Social Security Act. Such report shall be submitted not later than 30 months after the effective date of final regulations promulgated to implement such section.

SEC. 9517. MODIFYING APPLICATION OF MEDICAID HMO PROVISIONS FOR CERTAIN HEALTH CENTERS.

(a) Waiving Application of 75 Percent Rule and Certain Organizational Requirements.—Section 1903(m)(2) of the Social Security Act (42 U.S.C. 1396b(m)(2)) is amended—

(1) in subparagraph (A), by striking out "(B) and (C)" and inserting in lieu thereof "(B), (C), and (G)";

(2) in subparagraph (F)—

(A) by striking out "(F)(i) In the case of a contract with a health maintenance organization described in clause (ii)" and inserting in lieu thereof "(F) in the case of a contract with an entity described in subparagraph (G) or with a qualified health maintenance organization (as defined in section 1310(d) of the Public Health Service Act) which meets the requirement of subparagraph (A)(ii)";

(B) by striking out "such organization" and inserting in lieu thereof "such entity or organization"; and

(C) by striking out clause (ii); and

(3) by adding at the end thereof the following new subparagraph:

"(G) In the case of an entity which is receiving (and has received during the previous two years) a grant of at least $100,000 under section 329(d)(1)(A) or 330(d)(1) of the Public Health Service Act or is receiving (and has received during the previous two years) at least $100,000 (by grant, subgrant, or subcontract) under the Appalachian Regional Development Act of 1965, clauses (i) and (ii) of subparagraph (A) shall not apply.".

(b) Permitting 6-Month Continuation of Benefits.—Section 1902(e)(2) of such Act (42 U.S.C. 1396a(e)(2)) is amended—

(1) in subparagraph (A)—

(A) by inserting "or with an entity described in section 1903(m)(2)(G)" after "Public Health Service Act)"; and

(B) by inserting "or entity" before the period; and

(2) in subparagraph (B)—

(A) by striking out "a health maintenance organization" and inserting in lieu thereof "an organization or entity"; and

(B) by inserting "or entity" after "the organization".

(c) Health Insuring Organizations.—(1) Section 1903(m)(2)(A) of the Social Security Act (42 U.S.C. 1396b(m)(2)(A)) is amended, in the matter before clause (i)—

(1) by inserting "(including a health insuring organization)" after "any entity"; and

(2) by inserting "(directly or through arrangements with providers of services)" after "responsible for the provision".

(2)(A) Except as provided in subparagraph (B), the amendments made by paragraph (1) shall apply to expenditures incurred for health insuring organizations which first become operational on or after January 1, 1986.

(B) In the case of a health insuring organization—

(i) which first becomes operational on or after January 1, 1986, but

(ii) for which the Secretary of Health and Human Services has waived, under section 1915(b) of the Social Security Act and before such date, certain requirements of section 1902 of such Act,

clauses (ii) and (iv) of section 1903(m)(2)(A) of such Act shall not apply during the period for which such waiver is effective.

SEC. 9518. EXTENSION OF MMIS DEADLINE.

(a) New Deadline.—Section 1903(r)(1)(B) of the Social Security Act (42 U.S.C. 1396b(r)(1)(B)) is amended by striking out "the earlier of" and all that follows through the end of subparagraph (B) and inserting in lieu thereof "September 30, 1985,".

(b) Effective Date.—The amendment made by subsection (a) shall apply to payment under section 1903(a) of the Social Security Act for calendar quarters beginning on or after October 1, 1982.

SEC. 9519. REPORT ON ADJUSTMENT IN MEDICAID PAYMENTS FOR HOSPITALS SERVING DISPROPORTIONATE NUMBERS OF LOW INCOME PATIENTS.

The Secretary of Health and Human Services shall transmit to Congress, not later than October 1, 1986, a report that—

(1) describes the methodology used by States under section 1902(a)(13)(A) of the Social Security Act, in their making payments to hospitals, in taking into account the situation of hospitals that serve a disproportionate number of low income patients with special needs;

(2) identifies each of those hospitals that have had the amount of their payments under that title adjusted under that section; and

(3) for each of those hospitals, describes the proportion of total inpatient-days attributable to low income patients and the proportion of total inpatient-days attributable to patients entitled to medical assistance under that title.

SEC. 9520. TASK FORCE ON TECHNOLOGY-DEPENDENT CHILDREN.

(a) Appointment of Task Force.—The Secretary of Health and Human Services, within six months after the date of the enactment of this Act, shall establish a task force concerning alternatives to institutional care for technology-dependent children (as defined in subsection (e)).

(b) Membership.—The task force shall include representatives of Federal and State agencies with responsibilities relating to child health, health insurers, large employers (including those that self-insure for health care costs), providers of health care to technology-dependent children, and parents of technology-dependent children.

(c) Functions of Task Force.—The task force shall—

(1) identify barriers that prevent the provision of appropriate care in a home or community setting to meet the special needs of technology-dependent children; and

(2) recommend changes in the provision and financing of health care in private and public health care programs (including appropriate joint public-private initiatives) so as to provide home and community-based alternatives to the institutionalization of technology-dependent children.

(d) Report.—The task force shall make a final report to the Secretary and to the Congress on its activities not later than two years after the date of the enactment of this Act.

(e) Definition.—In this section, the term "technology-dependent child" means a child who has a chronic illness which makes the child dependent upon the continuing use of medical care technology (such as a ventilator).

SEC. 9522. EXPANSION OF SERVICES UNDER DEMONSTRATION WAIVERS.

In the case of waivers granted to (or submitted during 1986 by) the State of Oregon under section 1915(b) of the Social Security Act, the Secretary of Health and Human Services may waive the requirements of section 1903(m)(2)(A) of such Act with respect to any entity providing services under any such waiver if such entity does not provide more than 5 of the services listed in section 1903(m)(2)(A) of such Act, and does not provide inpatient hospital services.

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SEC. 9523. EXTENSION OF TEXAS WAIVER PROJECT.

(a) RENEWED APPROVAL.—Notwithstanding any limitations contained in section 1115 of the Social Security Act but subject to subsection (b) of this section, the Secretary of Health and Human Services, upon application, shall renew approval of demonstration project number 11-P-97473/6-06 ("Modifications under the Texas System of Care for the Elderly: Alternatives to the Institutionalized Aged"), previously approved under that section, until January 1, 1989.

(b) TERMS AND CONDITIONS.—The Secretary's renewed approval of the project under subsection (a)—

(1) shall be on the same terms and conditions as applied to the project as of December 31, 1985; and

(2) shall remain in effect until such time as the Secretary finds that the applicant no longer complies with such terms and conditions.

SEC. 9524. WISCONSIN HEALTH MAINTENANCE ORGANIZATION WAIVER.

The waiver granted to the State of Wisconsin pursuant to section 1915(b) of the Social Security Act relating to the requirements of section 1903(m) of such Act in conjunction with a waiver of the requirements of section 1902(a)(23) of such Act shall, upon request by the State, be reinstated, and shall be renewable for terms of 2 years, subject to the showings required generally under section 1915(b) of such Act.

SEC. 9525. NEW JERSEY DEMONSTRATION PROJECT RELATING TO TRAINING OF AFDC RECIPIENTS AS HOME HEALTH AIDES.

The Secretary of Health and Human Services shall continue for one additional year the demonstration project conducted by the State of New Jersey pursuant to section 966 of the Omnibus Reconciliation Act of 1980. Federal matching for such demonstration project shall be 50 percent.

SEC. 9526. REFERENCE TO PROVISIONS OF LAW PROVIDING COVERAGE UNDER, OR DIRECTLY AFFECTING, THE MEDICAID PROGRAM.

Title XIX of the Social Security Act is amended by adding at the end thereof the following new section:

"REFERENCES TO LAWS DIRECTLY AFFECTING MEDICAID PROGRAM

"SEC. 1920. (a) AUTHORITY OR REQUIREMENTS TO COVER ADDITIONAL INDIVIDUALS.—For provisions of law which make additional individuals eligible for medical assistance under this title, see the following:

"(1) AFDC.—(A) Section 402(a)(37) of this Act (relating to individuals who lose AFDC eligibility due to increased earnings).

"(B) Section 406(h) of this Act (relating to individuals who lose AFDC eligibility due to increased collection of child or spousal support).

"(C) Section 414(g) of this Act (relating to certain individuals participating in work supplementation programs).

"(2) SSI.—Section 1619 of this Act (relating to benefits for individuals who perform substantial gainful activity despite severe medical impairment).

"(3) FOSTER CARE AND ADOPTION ASSISTANCE.—Section 473(b) of this Act (relating to medical assistance for children in foster care and for adopted children).

"(4) REFUGEE ASSISTANCE.—Section 412(e)(5) of the Immigration and Nationality Act (relating to medical assistance for certain refugees).

"(5) MISCELLANEOUS.—(A) Section 230 of Public Law 93-66 (relating to deeming eligible for medical assistance certain essential persons).

"(B) Section 231 of Public Law 93-66 (relating to deeming eligible for medical assistance certain persons in medical institutions).

"(C) Section 232 of Public Law 93-66 (relating to deeming eligible for medical assistance certain blind and disabled medically indigent persons).

"(D) Section 13(c) of Public Law 93-233 (relating to deeming eligible for medical assistance certain individuals receiving mandatory State supplementary payments).

"(E) Section 503 of Public Law 94-566 (relating to deeming eligible for medical assistance certain individuals who would be eligible for supplemental security income benefits but for cost-of-living increases in social security benefits).

"(F) Section 310(b)(1) of Public Law 96-272 (relating to continuing medicaid eligibility for certain recipients of Veterans' Administration pensions).

"(b) ADDITIONAL STATE PLAN REQUIREMENTS.—For other provisions of law that establish additional requirements for State plans to be approved under this title, see the following:

"(1) Section 1618 of this Act (relating to requirement for operation of certain State supplementation programs).

"(2) Section 212(a) of Public Law 93-66 (relating to requiring mandatory minimum State supplementation of SSI benefits program).".

SEC. 9527. CHILDREN WITH SPECIAL HEALTH CARE NEEDS.

(a) Section 501(a)(4) of the Social Security Act (42 U.S.C. 701(a)(4)) is amended by striking out "children who are crippled or who are suffering from conditions leading to crippling" and inserting in lieu thereof "children who are 'children with special health care needs' or who are suffering from conditions leading to such status".

(b) Section 501(a) of such Act is amended by striking out "crippled children" in the matter following paragraph (4) and inserting in lieu thereof "children with special health care needs".

(c) Section 501(b)(1)(A) of such Act is amended by striking out "crippled children's services" and inserting in lieu thereof "services for children with special health care needs".

(d) Section 502(a)(2)(B) of such Act is amended—

(1) by striking out "crippled children's programs" and inserting in lieu thereof "programs for children with special health care needs"; and

(2) by striking out "crippled children's services" and inserting in lieu thereof "services for children with special health care needs".

(e) Sections 504(b)(1) and 509(b) of such Act are each amended by striking out "crippled children" and inserting in lieu thereof "children with special health care needs".

SEC. 9528. ANNUAL CALCULATION OF FEDERAL MEDICAL ASSISTANCE PERCENTAGE.

(a) ANNUAL CALCULATION.—Section 1101(a)(8)(P) of the Social Security Act is amended—

(1) by striking out "even-numbered"; and

(2) by striking out "eight quarters" and inserting in lieu thereof "four quarters".

(b) EFFECTIVE DATE.—The amendments made by this section shall apply to the Federal percentage (and Federal medical assistance percentage) for fiscal years 1987 and thereafter. Such amendments shall apply without regard to the requirement of section 1101(a)(8)(B) of the Social Security Act relating to the promulgation of the Federal percentage prior to November 30 of the year preceding the year in which the new Federal percentage becomes applicable. The Secretary of Health and Human Services shall promulgate such new percentage for fiscal year 1987 as soon as practicable after the date of the enactment of this Act.

SEC. 9529. MEDICAID COVERAGE RELATING TO ADOPTION ASSISTANCE AND FOSTER CARE.

(a) STATE OF RESIDENCE.—(1) Section 1902(a) of the Social Security Act (42 U.S.C. 1396a(a)) is amended by adding at the end thereof the following:

"For purposes of this title, any child who meets the requirements of paragraph (1) or (2) of section 473(b) shall be deemed to be a dependent child as defined in section 406 and shall be deemed to be a recipient of aid to families with dependent children under part A of title IV in the State where such child resides.".

(2) EFFECTIVE DATE.—The amendment made by paragraph (1) shall apply to medical assistance furnished on or after the first calendar quarter that begins more than 90 days after the date of the enactment of this Act.

(b) ELIGIBILITY OF CERTAIN ADOPTED CHILDREN.—(1) Section 1902(a)(10)(A)(ii) of the Social Security Act, as amended by section 9505 of this Act, is amended—

(A) by striking out "or" at the end of subclause (VI);

(B) by striking out the semicolon at the end of subclause (VII) and inserting in lieu thereof ", or"; and

(C) by adding after subclause (VII) the following new subclause:

"(VIII) who is a child described in section 1905(a)(i)—

"(aa) for whom there is in effect an adoption assistance agreement (other than an agreement under part E of title IV) between the State and an adoptive parent or parents,

"(bb) who the State agency responsible for adoption assistance has determined cannot be placed with adoptive parents without medical assistance because such child has special needs for medical or rehabilitative care, and

"(cc) who was eligible for medical assistance under the State plan prior to the adoption assistance agreement being entered into, or who would have been eligible for medical assistance at such time if the eligibility standards and methodologies of the State's foster care program under part E of title IV were applied rather than the eligibility standards and methodologies of the State's aid to families with dependent children program under part A of title IV;".

(2) In the case of an adoption assistance agreement (other than an agreement under part E of title IV of the Social Security Act) entered into before the date of the enactment of this Act—

(A) the requirements of subdivisions (aa) and (bb) of section 1902(a)(10)(A)(ii)(VIII) of the Social Security Act shall be deemed to be met if the State agency responsible for adoption assistance agreements determines that—

(i) at the time of adoptive placement the child had special needs for medical or rehabilitative care that made the child difficult to place; and

(ii) there is in effect with respect to such child an adoption assistance agreement between the State and an adoptive parent or parents; and

(B) the requirement of subdivision (cc) of such section shall be deemed to be met if

the child was found by the State to be eligible for medical assistance prior to such agreement being entered into.

(3) This subsection, and the amendments made by this subsection, shall apply to adoption assistance agreements entered into before, on, or after the date of the enactment of this Act.

SUBTITLE C—TASK FORCE ON LONG-TERM HEALTH CARE POLICIES

SEC. 9601. RECOMMENDATIONS FOR LONG-TERM HEALTH CARE POLICIES.

(a) ESTABLISHMENT OF TASK FORCE.—(1) The Secretary of Health and Human Services (hereinafter in this section referred to as the "Secretary") shall establish a Task Force on Long-Term Health Care Policies (hereinafter in this section referred to as the "Task Force"). The Task Force shall be established not later than 60 days after the date of the enactment of this Act and in consultation with the National Association of Insurance Commissioners.

(b) COMPOSITION OF TASK FORCE.—The Task Force shall be composed of 18 members, which shall include—

(1) two members representing the National Association of Insurance Commissioners,

(2) three members representing Federal and State agencies with responsibilities relating to health or the elderly,

(3) three members representing private insurers,

(4) three members from organizations representing consumers or the elderly, and

(5) three members from organizations representing providers of long-term health care services.

The Secretary shall designate a member of the Task Force as chair.

(c) DEVELOPMENT OF RECOMMENDATIONS.—The Task Force shall develop recommendations for long-term health care policies, including recommendations designed—

(1) to limit marketing and agent abuse for those policies,

(2) to assure the dissemination of such information to consumers as is necessary to permit informed choice in purchasing the policies and to reduce the purchase of unnecessary or duplicative coverage,

(3) to assure that benefits provided under the policies are reasonable in relationship to premiums charged, and

(4) to promote the development and availability of long-term health care policies which meet these recommendations.

(d) REPORT.—Not later than 18 months after the date of the enactment of this Act, the Task Force shall report to the Secretary, to the Committee on Energy and Commerce of the House of Representatives and to the Committee on Labor and Human Resources of the Senate respecting—

(1) the recommendations developed under subsection (c), including an explanation of the reasons for their selection, and

(2) such recommendations for additional activities respecting long-term health care policies as the Task Force finds appropriate.

The Secretary, in cooperation with the National Association of Insurance Commissioners, shall provide for the dissemination of the report to each of the States.

(e) TERMINATION OF TASK FORCE.—The Task Force shall terminate 90 days after the date of submission of the report required under subsection (d).

(f) REPORTS OF SECRETARY.—The Secretary shall transmit to the Committee on Energy and Commerce of the House of Representatives and to the Committee on Labor and Human Resources of the Senate two reports on—

(1) actions taken by the States to implement the recommendations developed under this section and to recommend additional action; and

(2) recommendations for legislative and administrative action, if any, needed to respond to issues raised by the Task Force or to improve consumer protection with respect to long-term health care policies.

The first report shall be transmitted 18 months after the date the report is made under subsection (d), and the second report shall be transmitted 18 months later.

(g) LONG-TERM HEALTH CARE POLICY DEFINED.—In this section, the term "long-term health care policy" means an insurance policy, or similar health benefits plan, which is designed for or marketed as providing (or making payments for) health care services (such as nursing home care and home health care) or related services (which may include home and community-based services), or both, over an extended period of time.

(h) ASSURANCE OF STATES' JURISDICTION.—Nothing in this section shall be construed as recommending Federal preemption of the States in overseeing the operation and regulation of insurance carriers in their respective jurisdictions.

TITLE X—PRIVATE HEALTH INSURANCE COVERAGE

SEC. 10001. EMPLOYERS REQUIRED TO PROVIDE CERTAIN EMPLOYEES AND FAMILY MEMBERS WITH CONTINUED HEALTH INSURANCE COVERAGE AT GROUP RATES (INTERNAL REVENUE CODE AMENDMENTS).

(a) DENIAL OF DEDUCTION FOR EMPLOYER CONTRIBUTION TO PLAN.—Subsection (i) of section 162 of the Internal Revenue Code of 1954 (relating to deduction for trade or business expenses with respect to group health plans) is amended by redesignating paragraph (2) as paragraph (3) and by inserting after paragraph (1) the following new paragraph:

"(2) PLANS MUST PROVIDE CONTINUATION COVERAGE TO CERTAIN INDIVIDUALS.—

"(A) IN GENERAL.—No deduction shall be allowed under this section for expenses paid or incurred by an employer for any group health plan maintained by such employer unless all such plans maintained by such employer meet the continuing coverage requirements of subsection (k).

"(B) EXCEPTION FOR CERTAIN SMALL EMPLOYERS, ETC.—Subparagraph (A) shall not apply to any plan described in section 106(b)(2).".

(b) DENIAL OF EXCLUSION FOR HIGHLY COMPENSATED INDIVIDUALS.—Section 106 of the Internal Revenue Code of 1954 (relating to contributions by employer to accident and health plans) is amended by inserting "(a) IN GENERAL.—" before "Gross" and by inserting at the end thereof the following new subsection:

"(b) EXCEPTION FOR HIGHLY COMPENSATED INDIVIDUALS WHERE PLAN FAILS TO PROVIDE CERTAIN CONTINUATION COVERAGE.—

"(1) IN GENERAL.—Subsection (a) shall not apply to any amount contributed by an employer on behalf of a highly compensated individual (within the meaning of section 105(h)(5)) to a group health plan maintained by such employer unless all such plans maintained by such employer meet the continuing coverage requirements of section 162(k).

"(2) EXCEPTION FOR CERTAIN PLANS.—Paragraph (1) shall not apply to any—

"(A) group health plan for any calendar year if all employers maintaining such plan normally employed fewer than 20 employees on a typical business day during the preceding calendar year,

"(B) governmental plan (within the meaning of section 414(d)), or

"(C) church plan (within the meaning of section 414(e)).

Under regulations, rules similar to the rules of subsections (a) and (b) of section 52 (relating to employers under common control) shall apply for purposes of subparagraph (A).

"(3) GROUP HEALTH PLAN.—For purposes of this subsection, the term 'group health plan' has the meaning given such term by section 162(i)(3).".

(c) CONTINUATION COVERAGE REQUIREMENTS.—Section 162 of the Internal Revenue Code of 1954 is amended by redesignating subsection (k) as subsection (l) and by inserting after subsection (j) the following new subsection:

"(k) CONTINUATION COVERAGE REQUIREMENTS OF GROUP HEALTH PLANS.—

"(1) IN GENERAL.—For purposes of subsection (i)(2) and section 106(b)(1), a group health plan meets the requirements of this subsection only if each qualified beneficiary who would lose coverage under the plan as a result of a qualifying event is entitled to elect, within the election period, continuation coverage under the plan.

"(2) CONTINUATION COVERAGE.—For purposes of paragraph (1), the term 'continuation coverage' means coverage under the plan which meets the following requirements:

"(A) TYPE OF BENEFIT COVERAGE.—The coverage must consist of coverage which, as of the time the coverage is being provided, is identical to the coverage provided under the plan to similarly situated beneficiaries under the plan with respect to whom a qualifying event has not occurred.

"(B) PERIOD OF COVERAGE.—The coverage must extend for at least the period beginning on the date of the qualifying event and ending not earlier than the earliest of the following:

"(i) MAXIMUM PERIOD.—In the case of—

"(I) a qualifying event described in paragraph (3)(B) (relating to terminations and reduced hours), the date which is 18 months after the date of the qualifying event, and

"(II) any qualifying event not described in subclause (I), the date which is 36 months after the date of the qualifying event.

"(ii) END OF PLAN.—The date on which the employer ceases to provide any group health plan to any employee.

"(iii) FAILURE TO PAY PREMIUM.—The date on which coverage ceases under the plan by reason of a failure to make timely payment of any premium required under the plan with respect to the qualified beneficiary.

"(iv) REEMPLOYMENT OR MEDICARE ELIGIBILITY.—The date on which the qualified beneficiary first becomes, after the date of the election—

"(I) a covered employee under any other group health plan, or

"(II) entitled to benefits under title XVIII of the Social Security Act.

"(v) REMARRIAGE OF SPOUSE.—In the case of an individual who is a qualified beneficiary by reason of being the spouse of a covered employee, the date on which the beneficiary remarries and becomes covered under a group health plan.

"(C) PREMIUM REQUIREMENTS.—The plan may require payment of a premium for any period of continuation coverage, except that such premium—

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"(i) shall not exceed 102 percent of the applicable premium for such period, and

"(ii) may, at the election of the payor, be made in monthly installments.

If an election is made after the qualifying event, the plan shall permit payment for continuation coverage during the period preceding the election to be made within 45 days of the date of the election.

"(D) No requirement of insurability.—The coverage may not be conditioned upon, or discriminate on the basis of lack of, evidence of insurability.

"(E) Conversion option.—In the case of a qualified beneficiary whose period of continuation coverage expires under subparagraph (B)(i), the plan must, during the 180-day period ending on such expiration date, provide to the qualified beneficiary the option of enrollment under a conversion health plan otherwise generally available under the plan.

"(3) Qualifying event.—For purposes of this subsection, the term 'qualifying event' means, with respect to any covered employee, any of the following events which, but for the continuation coverage required under this subsection, would result in the loss of coverage of a qualified beneficiary:

"(A) The death of the covered employee.

"(B) The termination (other than by reason of such employee's gross misconduct), or reduction of hours, of the covered employee's employment.

"(C) The divorce or legal separation of the covered employee from the employee's spouse.

"(D) The covered employee becoming entitled to benefits under title XVIII of the Social Security Act.

"(E) A dependent child ceasing to be a dependent child under the generally applicable requirements of the plan.

"(4) Applicable premium.—For purposes of this subsection—

"(A) In general.—The term 'applicable premium' means, with respect to any period of continuation coverage of qualified beneficiaries, the cost to the plan for such period of the coverage for similarly situated beneficiaries with respect to whom a qualifying event has not occurred (without regard to whether such cost is paid by the employer or employee).

"(B) Special rule for self-insured plans.—To the extent that a plan is a self-insured plan—

"(i) In general.—Except as provided in clause (ii), the applicable premium for any period of continuation coverage of qualified beneficiaries shall be equal to a reasonable estimate of the cost of providing coverage for such period for similarly situated beneficiaries which—

"(I) is determined on an actuarial basis, and

"(II) takes into account such factors as the Secretary may prescribe in regulations.

"(ii) Determination on basis of past cost.—If a plan administrator elects to have this clause apply, the applicable premium for any period of continuation coverage of qualified beneficiaries shall be equal to—

"(I) the cost to the plan for similarly situated beneficiaries for the same period occurring during the preceding determination period under subparagraph (C), adjusted by

"(II) the percentage increase or decrease in the implicit price deflator of the gross national product (calculated by the Department of Commerce and published in the Survey of Current Business) for the 12-month period ending on the last day of the sixth month of such preceding determination period.

"(iii) Clause (ii) not to apply where significant change.—A plan administrator may not elect to have clause (ii) apply in any case in which there is any significant difference, between the determination period and the preceding determination period, in coverage under, or in employees covered by, the plan. The determination under the preceding sentence for any determination period shall be made at the same time as the determination under subparagraph (C).

"(C) Determination period.—The determination of any applicable premium shall be made for a period of 12 months and shall be made before the beginning of such period.

"(5) Election.—For purposes of this subsection—

"(A) Election period.—The term 'election period' means the period which—

"(i) begins not later than the date on which coverage terminates under the plan by reason of a qualifying event,

"(ii) is of at least 60 days' duration, and

"(iii) ends not earlier than 60 days after the later of—

"(I) the date described in clause (i), or

"(II) in the case of any qualified beneficiary who receives notice under paragraph (6)(D), the date of such notice.

"(B) Effect of election on other beneficiaries.—Except as otherwise specified in an election, any election by a qualified beneficiary described in clause (i)(I) or (ii) of paragraph (7)(B) shall be deemed to include an election of continuation coverage on behalf of any other qualified beneficiary who would lose coverage under the plan by reason of the qualifying event.

"(6) Notice requirements.—In accordance with regulations prescribed by the Secretary—

"(A) the group health plan shall provide, at the time of commencement of coverage under the plan, written notice to each covered employee and spouse of the employee (if any) of the rights provided under this subsection,

"(B) the employer of an employee under a plan must notify the plan administrator of a qualifying event described in subparagraph (A), (B), or (D) of paragraph (3) with respect to such employee within 30 days of the date of the qualifying event,

"(C) each covered employee or qualified beneficiary is responsible for notifying the plan administrator of the occurrence of any qualifying event described in subparagraph (C) or (E) of paragraph (3), and

"(D) the plan administrator shall notify—

"(i) in the case of a qualifying event described in subparagraph (A), (B), or (D) of paragraph (3), any qualified beneficiary with respect to such event, and

"(ii) in the case of a qualifying event described in subparagraph (C) or (E) of paragraph (3) where the covered employee notifies the plan administrator under subparagraph (C), any qualified beneficiary with respect to such event,

of such beneficiary's rights under this subsection.

For purposes of subparagraph (D), any notification shall be made within 14 days of the date on which the plan administrator is notified under subparagraph (B) or (C), whichever is applicable, and any such notification to an individual who is a qualified beneficiary as the spouse of the covered employee shall be treated as notification to all other qualified beneficiaries residing with such spouse at the time such notification is made.

"(7) Definitions.—For purposes of this subsection—

"(A) Covered employee.—The term 'covered employee' means an individual who is (or was) provided coverage under a group health plan by virtue of the individual's employment or previous employment with an employer.

"(B) Qualified beneficiary.—

"(i) In general.—The term 'qualified beneficiary' means, with respect to a covered employee under a group health plan, any other individual who, on the day before the qualifying event for that employee, is a beneficiary under the plan—

"(I) as the spouse of the covered employee, or

"(II) as the dependent child of the employee.

"(ii) Special rule for terminations and reduced employment.—In the case of a qualifying event described in paragraph (3)(B), the term 'qualified beneficiary' includes the covered employee.

"(C) Plan administrator.—The term 'plan administrator' has the meaning given the term 'administrator' by section 3(16)(A) of the Employee Retirement Income Security Act of 1974.".

(d) Conforming Amendment.—Paragraph (1) of section 162(i) is amended by striking out "General rule" in the heading thereof and inserting in lieu thereof "Coverage relating to end stage renal disease".

(e) Effective Dates.—

(1) General rule.—The amendments made by this section shall apply to plan years beginning on or after July 1, 1986.

(2) Special rule for collective bargaining agreements.—In the case of a group health plan maintained pursuant to one or more collective bargaining agreements between employee representatives and one or more employers ratified before the date of the enactment of this Act, the amendments made by this section shall not apply to plan years beginning before the later of—

(A) the date on which the last of the collective bargaining agreements relating to the plan terminates (determined without regard to any extension thereof agreed to after the date of the enactment of this Act), or

(B) January 1, 1987.

For purposes of subparagraph (A), any plan amendment made pursuant to a collective bargaining agreement relating to the plan which amends the plan solely to conform to any requirement added by this section shall not be treated as a termination of such collective bargaining agreement.

SEC. 10002. TEMPORARY EXTENSION OF COVERAGE AT GROUP RATES FOR CERTAIN EMPLOYEES AND FAMILY MEMBERS (ERISA AMENDMENTS).

(a) In General.—Subtitle B of title I of the Employee Retirement Income Security Act of 1974 is amended by adding at the end thereof the following new part:

"Part 6—Continuation Coverage Under Group Health Plans

"SEC. 601. PLANS MUST PROVIDE CONTINUATION COVERAGE TO CERTAIN INDIVIDUALS.

"(a) In General.—The plan sponsor of each group health plan shall provide, in accordance with this part, that each qualified beneficiary who would lose coverage under the plan as a result of a qualifying event is entitled, under the plan, to elect, within the election period, continuation coverage under the plan.

"(b) Exception for Certain Plans.—Subsection (a) shall not apply to any group

health plan for any calendar year if all employers maintaining such plan normally employed fewer than 20 employees on a typical business day during the preceding calendar year. Under regulations, rules similar to the rules of subsections (a) and (b) of section 52 of the Internal Revenue Code of 1954 (relating to employers under common control) shall apply for purposes of this subsection.

"SEC. 602. CONTINUATION COVERAGE.

"For purposes of section 601, the term 'continuation coverage' means coverage under the plan which meets the following requirements:

"(1) Type of benefit coverage.—The coverage must consist of coverage which, as of the time the coverage is being provided, is identical to the coverage provided under the plan to similarly situated beneficiaries under the plan with respect to whom a qualifying event has not occurred.

"(2) Period of coverage.—The coverage must extend for at least the period beginning on the date of the qualifying event and ending not earlier than the earliest of the following:

"(A) Maximum period.—In the case of—

"(i) a qualifying event described in section 603(2) (relating to terminations and reduced hours), the date which is 18 months after the date of the qualifying event, and

"(ii) any qualifying event not described in clause (i), the date which is 36 months after the date of the qualifying event.

"(B) End of plan.—The date on which the employer ceases to provide any group health plan to any employee.

"(C) Failure to pay premium.—The date on which coverage ceases under the plan by reason of a failure to make timely payment of any premium required under the plan with respect to the qualified beneficiary.

"(D) Reemployment or medicare eligibility.—The date on which the qualified beneficiary first becomes, after the date of the election—

"(i) a covered employee under any other group health plan, or

"(ii) entitled to benefits under title XVIII of the Social Security Act.

"(E) Remarriage of spouse.—In the case of an individual who is a qualified beneficiary by reason of being the spouse of a covered employee, the date on which the beneficiary remarries and becomes covered under a group health plan.

"(3) Premium requirements.—The plan may require payment of a premium for any period of continuation coverage, except that such premium—

"(A) shall not exceed 102 percent of the applicable premium for such period, and

"(B) may, at the election of the payor, be made in monthly installments.

If an election is made after the qualifying event, the plan shall permit payment for continuation coverage during the period preceding the election to be made within 45 days of the date of the election.

"(4) No requirement of insurability.—The coverage may not be conditioned upon, or discriminate on the basis of lack of, evidence of insurability.

"(5) Conversion option.—In the case of a qualified beneficiary whose period of continuation coverage expires under paragraph (2)(A), the plan must, during the 180-day period ending on such expiration date, provide to the qualified beneficiary the option of enrollment under a conversion health plan otherwise generally available under the plan.

"SEC. 603. QUALIFYING EVENT.

"For purposes of this part, the term 'qualifying event' means, with respect to any covered employee, any of the following events which, but for the continuation coverage required under this part, would result in the loss of coverage of a qualified beneficiary:

"(1) The death of the covered employee.

"(2) The termination (other than by reason of such employee's gross misconduct), or reduction of hours, of the covered employee's employment.

"(3) The divorce or legal separation of the covered employee from the employee's spouse.

"(4) The covered employee becoming entitled to benefits under title XVIII of the Social Security Act.

"(5) A dependent child ceasing to be a dependent child under the generally applicable requirements of the plan.

"SEC. 604. APPLICABLE PREMIUM.

"For purposes of this part—

"(1) In general.—The term 'applicable premium' means, with respect to any period of continuation coverage of qualified beneficiaries, the cost to the plan for such period of the coverage for similarly situated beneficiaries with respect to whom a qualifying event has not occurred (without regard to whether such cost is paid by the employer or employee).

"(2) Special rule for self-insured plans.—To the extent that a plan is a self-insured plan—

"(A) In general.—Except as provided in subparagraph (B), the applicable premium for any period of continuation coverage of qualified beneficiaries shall be equal to a reasonable estimate of the cost of providing coverage for such period for similarly situated beneficiaries which—

"(i) is determined on an actuarial basis, and

"(ii) takes into account such factors as the Secretary may prescribe in regulations.

"(B) Determination on basis of past cost.—If an administrator elects to have this subparagraph apply, the applicable premium for any period of continuation coverage of qualified beneficiaries shall be equal to—

"(i) the cost to the plan for similarly situated beneficiaries for the same period occurring during the preceding determination period under paragraph (3), adjusted by

"(ii) the percentage increase or decrease in the implicit price deflator of the gross national product (calculated by the Department of Commerce and published in the Survey of Current Business) for the 12-month period ending on the last day of the sixth month of such preceding determination period.

"(C) Subparagraph (B) not to apply where significant change.—An administrator may not elect to have subparagraph (B) apply in any case in which there is any significant difference, between the determination period and the preceding determination period, in coverage under, or in employees covered by, the plan. The determination under the preceding sentence for any determination period shall be made at the same time as the determination under paragraph (3).

"(3) Determination period.—The determination of any applicable premium shall be made for a period of 12 months and shall be made before the beginning of such period.

"SEC. 605. ELECTION.

"For purposes of this part—

"(1) Election period.—The term 'election period' means the period which—

"(A) begins not later than the date on which coverage terminates under the plan by reason of a qualifying event,

"(B) is of at least 60 days' duration, and

"(C) ends not earlier than 60 days after the later of—

"(i) the date described in subparagraph (A), or

"(ii) in the case of any qualified beneficiary who receives notice under section 606(4), the date of such notice.

"(2) Effect of election on other beneficiaries.—Except as otherwise specified in an election, any election by a qualified beneficiary described in subparagraph (A)(i) or (B) of section 607(3) shall be deemed to include an election of continuation coverage on behalf of any other qualified beneficiary who would lose coverage under the plan by reason of the qualifying event.

"SEC. 606. NOTICE REQUIREMENTS.

"In accordance with regulations prescribed by the Secretary—

"(1) the group health plan shall provide, at the time of commencement of coverage under the plan, written notice to each covered employee and spouse of the employee (if any) of the rights provided under this subsection,

"(2) the employer of an employee under a plan must notify the administrator of a qualifying event described in paragraph (1), (2), or (4) of section 603 within 30 days of the date of the qualifying event,

"(3) each covered employee or qualified beneficiary is responsible for notifying the administrator of the occurrence of any qualifying event described in paragraph (3) or (5) of section 603, and

"(4) the administrator shall notify—

"(A) in the case of a qualifying event described in paragraph (1), (2), or (4) of section 603, any qualified beneficiary with respect to such event, and

"(B) in the case of a qualifying event described in paragraph (3) or (5) of section 603 where the covered employee notifies the administrator under paragraph (3), any qualified beneficiary with respect to such event,

of such beneficiary's rights under this subsection.

For purposes of paragraph (4), any notification shall be made within 14 days of the date on which the administrator is notified under paragraph (2) or (3), whichever is applicable, and any such notification to an individual who is a qualified beneficiary as the spouse of the covered employee shall be treated as notification to all other qualified beneficiaries residing with such spouse at the time such notification is made.

"SEC. 607. DEFINITIONS.

"For purposes of this part—

"(1) Group health plan.—The term 'group health plan' means an employee welfare benefit plan that is a group health plan (within the meaning of section 162(i)(3) of the Internal Revenue Code of 1954).

"(2) Covered employee.—The term 'covered employee' means an individual who is (or was) provided coverage under a group health plan by virtue of the individual's employment or previous employment with an employer.

"(3) Qualified beneficiary.—

"(A) In general.—The term 'qualified beneficiary' means, with respect to a covered employee under a group health plan, any other individual who, on the day before the qualifying event for that employee, is a beneficiary under the plan—

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"(i) as the spouse of the covered employee, or

"(ii) as the dependent child of the employee.

"(B) SPECIAL RULE FOR TERMINATIONS AND REDUCED EMPLOYMENT.—In the case of a qualifying event described in section 603(2), the term 'qualified beneficiary' includes the covered employee.

"SEC. 608. REGULATIONS.

"The Secretary may prescribe regulations to carry out the provisions of this part.".

(b) PENALTY FOR FAILURE TO PROVIDE NOTICE.—Section 502(c) of such Act (29 U.S.C. 1132(c)) is amended by inserting after "Any administrator" the following: "(1) who fails to meet the requirements of paragraph (1) or (4) of section 606 with respect to a participant or beneficiary, or (2)".

(c) CLERICAL AMENDMENTS.—The table of contents in section 1 of such Act is amended by inserting after the item relating to section 514 the following new items:

"PART 6—CONTINUATION COVERAGE UNDER GROUP HEALTH PLANS

"Sec. 601. Plans must provide continuation coverage to certain individuals.
"Sec. 602. Continuation coverage.
"Sec. 603. Qualifying event.
"Sec. 604. Applicable premium.
"Sec. 605. Election.
"Sec. 606. Notice requirements.
"Sec. 607. Definitions.
"Sec. 608. Regulations.".

(d) EFFECTIVE DATES.—

(1) GENERAL RULE.—The amendments made by this section shall apply to plan years beginning on or after July 1, 1986.

(2) SPECIAL RULE FOR COLLECTIVE BARGAINING AGREEMENTS.—In the case of a group health plan maintained pursuant to one or more collective bargaining agreements between employee representatives and one or more employers ratified before the date of the enactment of this Act, the amendments made by this section shall not apply to plan years beginning before the later of—

(A) the date on which the last of the collective bargaining agreements relating to the plan terminates (determined without regard to any extension thereof agreed to after the date of the enactment of this Act), or

(B) January 1, 1987.

For purposes of subparagraph (A), any plan amendment made pursuant to a collective bargaining agreement relating to the plan which amends the plan solely to conform to any requirement added by this section shall not be treated as a termination of such collective bargaining agreement.

(e) NOTIFICATION TO COVERED EMPLOYEES.—At the time that the amendments made by this section apply to a group health plan (within the meaning of section 607(1) of the Employee Retirement Income Security Act of 1974), the plan shall notify each covered employee, and spouse of the employee (if any), who is covered under the plan at that time of the continuation coverage required under part 6 of subtitle B of title I of such Act. The notice furnished under this subsection is in lieu of notice that may otherwise be required under section 606(1) of such Act with respect to such individuals.

SEC. 10003. CONTINUATION OF HEALTH INSURANCE FOR STATE AND LOCAL EMPLOYEES WHO LOST EMPLOYMENT-RELATED COVERAGE (PUBLIC HEALTH SERVICE ACT AMENDMENTS).

(a) IN GENERAL.—The Public Health Service Act is amended by adding at the end the following new title:

"TITLE XXII—REQUIREMENTS FOR CERTAIN GROUP HEALTH PLANS FOR CERTAIN STATE AND LOCAL EMPLOYEES

"SEC. 2201. STATE AND LOCAL GOVERNMENTAL GROUP HEALTH PLANS MUST PROVIDE CONTINUATION COVERAGE TO CERTAIN INDIVIDUALS.

"(a) IN GENERAL.—In accordance with regulations which the Secretary shall prescribe, each group health plan that is maintained by any State that receives funds under this Act, by any political subdivision of such a State, or by any agency or instrumentality of such a State or political subdivision, shall provide, in accordance with this title, that each qualified beneficiary who would lose coverage under the plan as a result of a qualifying event is entitled, under the plan, to elect, within the election period, continuation coverage under the plan.

"(b) EXCEPTION FOR CERTAIN PLANS.—Subsection (a) shall not apply to—

"(1) any group health plan for any calendar year if all employers maintaining such plan normally employed fewer than 20 employees on a typical business day during the preceding calendar year, or

"(2) any group health plan maintained for employees by the government of the District of Columbia or any territory or possession of the United States or any agency or instrumentality.

Under regulations, rules similar to the rules of subsections (a) and (b) of section 52 of the Internal Revenue Code of 1954 (relating to employers under common control) shall apply for purposes of paragraph (1).

"SEC. 2202. CONTINUATION COVERAGE.

"For purposes of section 2201, the term 'continuation coverage' means coverage under the plan which meets the following requirements:

"(1) TYPE OF BENEFIT COVERAGE.—The coverage must consist of coverage which, as of the time the coverage is being provided, is identical to the coverage provided under the plan to similarly situated beneficiaries under the plan with respect to whom a qualifying event has not occurred.

"(2) PERIOD OF COVERAGE.—The coverage must extend for at least the period beginning on the date of the qualifying event and ending not earlier than the earliest of the following:

"(A) MAXIMUM PERIOD.—In the case of—

"(i) a qualifying event described in section 2203(2) (relating to terminations and reduced hours), the date which is 18 months after the date of the qualifying event, and

"(ii) any qualifying event not described in clause (i), the date which is 36 months after the date of the qualifying event.

"(B) END OF PLAN.—The date on which the employer ceases to provide any group health plan to any employee.

"(C) FAILURE TO PAY PREMIUM.—The date on which coverage ceases under the plan by reason of a failure to make timely payment of any premium required under the plan with respect to the qualified beneficiary.

"(D) REEMPLOYMENT OR MEDICARE ELIGIBILITY.—The date on which the qualified beneficiary first becomes, after the date of the election—

"(i) a covered employee under any other group health plan, or

"(ii) entitled to benefits under title XVIII of the Social Security Act.

"(E) REMARRIAGE OF SPOUSE.—In the case of an individual who is a qualified beneficiary by reason of being the spouse of a covered employee, the date on which the beneficiary remarries and becomes covered under a group health plan.

"(3) PREMIUM REQUIREMENTS.—The plan may require payment of a premium for any period of continuation coverage, except that such premium—

"(A) shall not exceed 102 percent of the applicable premium for such period, and

"(B) may, at the election of the payor, be made in monthly installments.

If an election is made after the qualifying event, the plan shall permit payment for continuation coverage during the period preceding the election to be made within 45 days of the date of the election.

"(4) NO REQUIREMENT OF INSURABILITY.—The coverage may not be conditioned upon, or discriminate on the basis of lack of, evidence of insurability.

"(5) CONVERSION OPTION.—In the case of a qualified beneficiary whose period of continuation coverage expires under paragraph (2)(A), the plan must, during the 180-day period ending on such expiration date, provide to the qualified beneficiary the option of enrollment under a conversion health plan otherwise generally available under the plan.

"SEC. 2203. QUALIFYING EVENT.

"For purposes of this title, the term 'qualifying event' means, with respect to any covered employee, any of the following events which, but for the continuation coverage required under this title, would result in the loss of coverage of a qualified beneficiary:

"(1) The death of the covered employee.

"(2) The termination (other than by reason of such employee's gross misconduct), or reduction of hours, of the covered employee's employment.

"(3) The divorce or legal separation of the covered employee from the employee's spouse.

"(4) The covered employee becoming entitled to benefits under title XVIII of the Social Security Act.

"(5) A dependent child ceasing to be a dependent child under the generally applicable requirements of the plan.

"SEC. 2204. APPLICABLE PREMIUM.

"For purposes of this title—

"(1) IN GENERAL.—The term 'applicable premium' means, with respect to any period of continuation coverage of qualified beneficiaries, the cost to the plan for such period of the coverage for similarly situated beneficiaries with respect to whom a qualifying event has not occurred (without regard to whether such cost is paid by the employer or employee).

"(2) SPECIAL RULE FOR SELF-INSURED PLANS.—To the extent that a plan is a self-insured plan—

"(A) IN GENERAL.—Except as provided in subparagraph (B), the applicable premium for any period of continuation coverage of qualified beneficiaries shall be equal to a reasonable estimate of the cost of providing coverage for such period for similarly situated beneficiaries which—

"(i) is determined on an actuarial basis, and

"(ii) takes into account such factors as the Secretary may prescribe in regulations.

"(B) DETERMINATION ON BASIS OF PAST COST.—If a plan administrator elects to have this subparagraph apply, the applicable premium for any period of continuation coverage of qualified beneficiaries shall be equal to—

"(i) the cost to the plan for similarly situated beneficiaries for the same period occurring during the preceding determination period under paragraph (3), adjusted by

"(ii) the percentage increase or decrease in the implicit price deflator of the gross national product (calculated by the Department of Commerce and published in the Survey of Current Business) for the 12-month period ending on the last day of the sixth month of such preceding determination period.

"(C) SUBPARAGRAPH (B) NOT TO APPLY WHERE SIGNIFICANT CHANGE.—A plan administrator may not elect to have subparagraph (B) apply in any case in which there is any significant difference, between the determination period and the preceding determination period, in coverage under, or in employees covered by, the plan. The determination under the preceding sentence for any determination period shall be made at the same time as the determination under paragraph (3).

"(3) DETERMINATION PERIOD.—The determination of any applicable premium shall be made for a period of 12 months and shall be made before the beginning of such period.

"SEC. 2205. ELECTION.

"For purposes of this title—

"(1) ELECTION PERIOD.—The term 'election period' means the period which—

"(A) begins not later than the date on which coverage terminates under the plan by reason of a qualifying event,

"(B) is of at least 60 days' duration, and

"(C) ends not earlier than 60 days after the later of—

"(i) the date described in subparagraph (A), or

"(ii) in the case of any qualified beneficiary who receives notice under section 2206(4), the date of such notice.

"(2) EFFECT OF ELECTION ON OTHER BENEFICIARIES.—Except as otherwise specified in an election, any election by a qualified beneficiary described in subparagraph (A)(i) or (B) of section 2208(3) shall be deemed to include an election of continuation coverage on behalf of any other qualified beneficiary who would lose coverage under the plan by reason of the qualifying event.

"SEC. 2206. NOTICE REQUIREMENTS.

"In accordance with regulations prescribed by the Secretary—

"(1) the group health plan shall provide, at the time of commencement of coverage under the plan, written notice to each covered employee and spouse of the employee (if any) of the rights provided under this subsection,

"(2) the employer of an employee under a plan must notify the plan administrator of a qualifying event described in paragraph (1), (2), or (4) of section 2203 within 30 days of the date of the qualifying event,

"(3) each covered employee or qualified beneficiary is responsible for notifying the plan administrator of the occurrence of any qualifying event described in paragraph (3) or (5) of section 2203, and

"(4) the plan administrator shall notify—

"(A) in the case of a qualifying event described in paragraph (1), (2), or (4) of section 2203, any qualified beneficiary with respect to such event, and

"(B) in the case of a qualifying event described in paragraph (3) or (5) of section 2203 where the covered employee notifies the plan administrator under paragraph (3), any qualified beneficiary with respect to such event,

of such beneficiary's rights under this subsection.

For purposes of paragraph (4), any notification shall be made within 14 days of the date on which the plan administrator is notified under paragraph (2) or (3), whichever is applicable, and any such notification to an individual who is a qualified beneficiary as the spouse of the covered employee shall be treated as notification to all other qualified beneficiaries residing with such spouse at the time such notification is made.

"SEC. 2207. ENFORCEMENT.

"Any individual who is aggrieved by the failure of a State, political subdivision, or agency or instrumentality thereof, to comply with the requirements of this title may bring an action for appropriate equitable relief.

"SEC. 2208. DEFINITIONS.

"For purposes of this title—

"(1) GROUP HEALTH PLAN.—The term 'group health plan' has the meaning given such term in section 162(i)(3) of the Internal Revenue Code of 1954.

"(2) COVERED EMPLOYEE.—The term 'covered employee' means an individual who is (or was) provided coverage under a group health plan by virtue of the individual's employment or previous employment with an employer.

"(3) QUALIFIED BENEFICIARY.—

"(A) IN GENERAL.—The term 'qualified beneficiary' means, with respect to a covered employee under a group health plan, any other individual who, on the day before the qualifying event for that employee, is a beneficiary under the plan—

"(i) as the spouse of the covered employee, or

"(ii) as the dependent child of the employee.

"(B) SPECIAL RULE FOR TERMINATIONS AND REDUCED EMPLOYMENT.—In the case of a qualifying event described in section 2203(2), the term 'qualified beneficiary' includes the covered employee.

"(4) PLAN ADMINISTRATOR.—The term 'plan administrator' has the meaning given the term 'administrator' by section 3(16)(A) of the Employee Retirement Income Security Act of 1974.".

(b) EFFECTIVE DATES.—

(1) GENERAL RULE.—The amendments made by this section shall apply to plan years beginning on or after July 1, 1986.

(2) SPECIAL RULE FOR COLLECTIVE BARGAINING AGREEMENTS.—In the case of a group health plan maintained pursuant to one or more collective bargaining agreements between employee representatives and one or more employers ratified before the date of the enactment of this Act, the amendments made by this section shall not apply to plan years beginning before the later of—

(A) the date on which the last of the collective bargaining agreements relating to the plan terminates (determined without regard to any extension thereof agreed to after the date of the enactment of this Act), or

(B) January 1, 1987.

For purposes of subparagraph (A), any plan amendment made pursuant to a collective bargaining agreement relating to the plan which amends the plan solely to conform to any requirement added by this section shall not be treated as a termination of such collective bargaining agreement.

(c) NOTIFICATION TO COVERED EMPLOYEES.—At the time that the amendments made by this section apply to a group health plan (covered under section 2201 of the Public Health Service Act), the plan shall notify each covered employee, and spouse of the employee (if any), who is covered under the plan at that time of the continuation coverage required under title XXII of such Act. The notice furnished under this subsection is in lieu of notice that may otherwise be required under section 2206(1) of such Act with respect to such individuals.

TITLE XI—SINGLE-EMPLOYER PLAN TERMINATION INSURANCE SYSTEM AMENDMENTS

SEC. 11001. SHORT TITLE AND TABLE OF CONTENTS.

This title may be cited as "Single-Employer Pension Plan Amendments Act of 1986".

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SEC. 11002. FINDINGS AND DECLARATION OF POLICY.

(a) FINDINGS.—The Congress finds that—

(1) single-employer defined benefit pension plans have a substantial impact on interstate commerce and are affected with a national interest;

(2) the continued well-being and retirement income security of millions of workers, retirees, and their dependents are directly affected by such plans;

(3) the existence of a sound termination insurance system is fundamental to the retirement income security of participants and beneficiaries of such plans; and

(4) the current termination insurance system in some instances encourages employers to terminate pension plans, evade their obligations to pay benefits, and shift unfunded pension liabilities onto the termination insurance system and the other premium-payers.

(b) ADDITIONAL FINDINGS.—The Congress further finds that modification of the cur-

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rent termination insurance system and an increase in the insurance premium for single-employer defined benefit pension plans—

(1) is desirable to increase the likelihood that full benefits will be paid to participants and beneficiaries of such plans;

(2) is desirable to provide for the transfer of liabilities to the termination insurance system only in cases of severe hardship;

(3) is necessary to maintain the premium costs of such system at a reasonable level; and

(4) is necessary to finance properly current funding deficiencies and future obligations of the single-employer pension plan termination insurance system.

(c) DECLARATION OF POLICY.—It is hereby declared to be the policy of this title—

(1) to foster and facilitate interstate commerce;

(2) to encourage the maintenance and growth of single-employer defined benefit pension plans;

(3) to increase the likelihood that participants and beneficiaries under single-employer defined benefit pension plans will receive their full benefits;

(4) to provide for the transfer of unfunded pension liabilities onto the single-employer pension plan termination insurance system only in cases of severe hardship;

(5) to maintain the premium costs of such system at a reasonable level; and

(6) to assure the prudent financing of current funding deficiencies and future obligations of the single-employer pension plan termination insurance system by increasing termination insurance premiums.

SEC. 11003. AMENDMENT OF THE EMPLOYEE RETIREMENT INCOME SECURITY ACT OF 1974.

Whenever in this title an amendment or repeal is expressed in terms of an amendment to or repeal of a section or other provision, the reference is to a section or other provision of the Employee Retirement Income Security Act of 1974, unless otherwise specified.

SEC. 11004. DEFINITIONS.

(a) IN GENERAL.—Section 4001(a) (29 U.S.C. 1301(a)) is amended—

(1) by striking out paragraph (2) and inserting in lieu thereof the following new paragraph:

"(2) 'substantial employer', for any plan year of a single-employer plan, means one or more persons—

"(A) who are contributing sponsors of the plan in such plan year,

"(B) who, at any time during such plan year, are members of the same controlled group, and

"(C) whose required contributions to the plan for each plan year constituting one of—

"(i) the two immediately preceding plan years, or

"(ii) the first two of the three immediately preceding plan years,

total an amount greater than or equal to 10 percent of all contributions required to be paid to or under the plan for such plan year;";

(2) in paragraph (11), by striking out "and";

(3) in paragraph (12), by striking out "corporation." and inserting in lieu thereof "corporation;"; and

(4) by adding after paragraph (12) the following new paragraphs:

"(13) 'contributing sponsor', of a single-employer plan, means a person—

"(A) who is responsible, in connection with such plan, for meeting the funding requirements under section 302 of this Act or section 412 of the Internal Revenue Code of 1954, or

"(B) who is a member of the controlled group of a person described in subparagraph (A), has been responsible for meeting such funding requirements, and has employed a significant number (as may be defined in regulations of the corporation) of participants under such plan while such person was so responsible;

"(14) in the case of a single-employer plan—

"(A) 'controlled group' means, in connection with any person, a group consisting of such person and all other persons under common control with such person; and

"(B) the determination of whether two or more persons are under 'common control' shall be made under regulations of the corporation which are consistent and coextensive with regulations prescribed for similar purposes by the Secretary of the Treasury under subsections (b) and (c) of section 414 of the Internal Revenue Code of 1954;

"(15) 'single-employer plan' means any defined benefit plan (as defined in section 3(35)) which is not a multiemployer plan;

"(16) 'benefit commitments', to a participant or beneficiary as of any date under a single-employer plan, means all benefits provided by the plan with respect to the participant or beneficiary which—

"(A) are guaranteed under section 4022,

"(B) would be guaranteed under section 4022, but for the operation of subsection 4022(b), or

"(C) constitute—

"(i) early retirement supplements or subsidies, or

"(ii) plant closing benefits,

irrespective of whether any such supplements, subsidies, or benefits are benefits guaranteed under section 4022, if the participant or beneficiary has satisfied, as of such date, all of the conditions required of him or her under the provisions of the plan to establish entitlement to the benefits, except for the submission of a formal application, retirement, completion of a required waiting period subsequent to application for benefits, or designation of a beneficiary;

"(17) 'amount of unfunded guaranteed benefits', of a participant or beneficiary as of any date under a single-employer plan, means an amount equal to the excess of—

"(A) the actuarial present value (determined as of such date on the basis of assumptions prescribed by the corporation for purposes of section 4044) of the benefits of the participant or beneficiary under the plan which are guaranteed under section 4022, over

"(B) the current value (as of such date) of the assets of the plan which are required to be allocated to those benefits under section 4044;

"(18) 'amount of unfunded benefit commitments', of a participant or beneficiary as of any date under a single-employer plan, means an amount equal to the excess of—

"(A) the actuarial present value (determined as of such date on the basis of assumptions prescribed by the corporation for purposes of section 4044) of the benefit commitments to the participant or beneficiary under the plan, over

"(B) the current value (as of such date) of the assets of the plan which are required to be allocated to those benefit commitments under section 4044;

"(19) 'outstanding amount of benefit commitments', of a participant or beneficiary under a terminated single-employer plan, means the excess of—

"(A) the actuarial present value (determined as of the termination date on the basis of assumptions prescribed by the corporation for purposes of section 4044) of the benefit commitments to such participant or beneficiary under the plan, over

"(B) the actuarial present value (determined as of such date on the basis of assumptions prescribed by the corporation for purposes of section 4044) of the benefits of such participant or beneficiary which are guaranteed under section 4022 or to which assets of the plan are required to be allocated under section 4044;

"(20) 'person' has the meaning set forth in section 3(9);

"(21) 'affected party' means, with respect to a plan—

"(A) each participant in the plan,

"(B) each beneficiary under the plan who is a beneficiary of a deceased participant or who is an alternate payee (within the meaning of section 206(d)(3)(K)) under an applicable qualified domestic relations order (within the meaning of section 206(d)(3)(B)(i)),

"(C) each employee organization representing participants in the plan, and

"(D) the corporation,

except that, in connection with any notice required to be provided to the affected party, if an affected party has designated, in writing, a person to receive such notice on behalf of the affected party, any reference to the affected party shall be construed to refer to such person.".

(b) TECHNICAL CORRECTION OF ERROR IN MULTIEMPLOYER PENSION PLAN AMENDMENTS ACT OF 1980.—Section 4001 is further amended by striking out the amendments made by section 402(a)(1)(F) of the Multiemployer Pension Plan Amendments Act of 1980 (94 Stat. 1297) (adding new paragraphs after a subsection (c)(1)), and, in lieu thereof, in subsection (b), by inserting "(1)" after "(b)" and by adding at the end of such subsection the following new paragraph:

"(2) For purposes of subtitle E—

"(A) except as otherwise provided in subtitle E, contributions or other payments shall be considered made under a plan for a plan year if they are made within the period prescribed under section 412(c)(10) of the Internal Revenue Code of 1954 (determined, in the case of a terminated plan, as if the plan had continued beyond the termination date), and

"(B) the term 'Secretary of the Treasury' means the Secretary of the Treasury or such Secretary's delegate.".

SEC. 11005. SINGLE-EMPLOYER PLAN TERMINATION INSURANCE PREMIUMS.

(a) PREMIUM INCREASE.—

(1) GENERAL RULE.—Section 4006(a)(3)(A)(i) (29 U.S.C. 1306(a)(3)(A)(i)) is amended by striking out "for plan years beginning after December 31, 1977, an amount equal to $2.60" and inserting in lieu thereof "for plan years beginning after December 31, 1985, an amount equal to $8.50".

(2) CONFORMING AMENDMENT WITH RESPECT TO PLAN YEARS AFTER 1977.—Section 4006(c)(1) (29 U.S.C. 1306(c)(1)) is amended by striking out subparagraph (A) and inserting in lieu thereof the following new subparagraph:

"(A) in the case of each plan which was not a multiemployer plan in a plan year—

"(i) with respect to each plan year beginning before January 1, 1978, an amount equal to $1 for each individual who was a participant in such plan during the plan year, and

"(ii) with respect to each plan year beginning after December 31, 1977, an amount equal to $2.60 for each individual who was a participant in such plan during the plan year, and".

(b) INCORPORATION OF CERTAIN FORMER PROVISIONS IN LIEU OF CROSS REFERENCE THERETO.—Section 4006(a) (29 U.S.C. 1306(a)) is amended—

(1) in paragraph (1), by striking out the last sentence; and

(2) by adding at the end thereof the following new paragraph:

"(6)(A) In carrying out its authority under paragraph (1) to establish premium rates and bases for basic benefits guaranteed under section 4022 with respect to single-employer plans, the corporation shall establish such rates and bases in coverage schedules in accordance with the provisions of this paragraph.

"(B) The corporation may establish annual premiums for single-employer plans composed of the sum of—

"(i) a charge based on a rate applicable to the excess, if any, of the present value of the basic benefits of the plan which are guaranteed over the value of the assets of the plan, not in excess of 0.1 percent, and

"(ii) an additional charge based on a rate applicable to the present value of the basic benefits of the plan which are guaranteed.

The rate for the additional charge referred to in clause (ii) shall be set by the corporation for every year at a level which the corporation estimates will yield total revenue approximately equal to the total revenue to be derived by the corporation from the charges referred to in clause (i) of this subparagraph.

"(C) The corporation may establish annual premiums for single-employer plans based on—

"(i) the number of participants in a plan, but such premium rates shall not exceed the rates described in paragraph (3),

"(ii) unfunded basic benefits guaranteed under this title, but such premium rates shall not exceed the limitations applicable to charges referred to in subparagraph (B)(i), or

"(iii) total guaranteed basic benefits, but such premium rates shall not exceed the rates for additional charges referred to in subparagraph (B)(ii).

If the corporation uses two or more of the rate bases described in this subparagraph, the premium rates shall be designed to produce approximately equal amounts of aggregate premium revenue from each of the rate bases used.

"(D) For purposes of this paragraph, the corporation shall by regulation define the terms 'value of assets' and 'present value of the benefits of the plan which are guaranteed' in a manner consistent with the purposes of this title and the provisions of this section.".

(c) APPROVAL BY JOINT RESOLUTION OF RECOMMENDATIONS OF THE PENSION BENEFIT GUARANTY CORPORATION.—Title IV is amended as follows:

(1) The last sentence of subsection (a)(2) of section 4006 (29 U.S.C. 1306(a)(2)) is amended by striking out "the Congress approves such revised schedule by a concurrent resolution" and inserting in lieu thereof "a joint resolution approving such revised schedule is enacted".

(2) Subsection (a)(4) of section 4006 (29 U.S.C. 1306(a)(4)) is amended by striking out "approval by the Congress" and inserting in lieu thereof "the enactment of a joint resolution".

(3) Subsection (b)(3) of section 4006 (29 U.S.C. 1306(b)(3)) is amended by striking out "concurrent" and inserting in lieu thereof "joint", by striking out "That the Congress favors the" and inserting in lieu thereof "The", and by inserting "is hereby approved" before the period preceding the quotation marks.

(4) Subsection (f)(2)(B) of section 4022A (29 U.S.C. 1322a(f)(2)(B)) is amended by striking out "Congress by concurrent resolution" and inserting in lieu thereof "the enactment of a joint resolution".

(5) Subsection (f)(2)(C) of section 4022A (29 U.S.C. 1322a(f)(2)(C)) is amended by striking out "approved" and inserting in lieu thereof "so enacted".

(6) Subsection (f)(3)(B) of section 4022A (29 U.S.C. 1322a(f)(3)(A)) is amended by striking out "Congress by a concurrent resolution" and inserting in lieu thereof "enactment of a joint resolution".

(7) Subsection (f)(4)(A) of section 4022A (29 U.S.C. 1322a(f)(4)(A)) is amended by striking out "concurrent" and inserting in lieu thereof "joint".

(8) Subsection (f)(4)(B) of section 4022A (29 U.S.C. 1322a(f)(4)(B)) is amended by striking out "concurrent" each place it appears and inserting in lieu thereof "joint", by striking out "That the Congress favors the" and inserting in lieu thereof "The", and by inserting "is hereby approved" immediately before the period preceding the quotation marks.

(9) Subsection (f)(4)(C) of section 4022A (29 U.S.C. 1322a(f)(4)(C)) is amended by striking out "concurrent" and inserting in lieu thereof "joint".

(10) Subsection (g)(4)(A)(ii) of section 4022A (29 U.S.C. 1322a(g)(4)(A)(ii)) is amended by striking out "concurrent" and inserting in lieu thereof "joint", and by striking out "adopted" and inserting in lieu thereof "enacted".

(11) Subsection (g)(4)(B) of section 4022A (29 U.S.C. 1322a(g)(4)(B)) is amended by striking out "concurrent" each place it appears and inserting in lieu thereof "joint", by striking out "That the Congress disapproves the" and inserting in lieu thereof "The", and by inserting "is hereby disapproved" immediately before the period preceding the quotation marks.

(12) Subsection (g)(4)(D) of section 4022A (29 U.S.C. 1322a(g)(4)(D)) is amended by striking out "concurrent" and inserting in lieu thereof "joint".

(d) EFFECTIVE DATES.—

(1) GENERAL RULE.—Except as provided in paragraph (2), the amendments made by this section shall be effective for plan years commencing after December 31, 1985.

(2) SPECIAL RULE.—The amendments made by subsection (b) shall be effective as of the date of the enactment of the Multiemployer Pension Plan Amendments Act of 1980.

(e) TRANSITIONAL RULE.—

(1) NOTICE OF PREMIUM INCREASE.—Not later than 30 days after the date of the enactment of this Act, the Pension Benefit Guaranty Corporation shall send a notice to the plan administrator of each single-employer plan affected by the premium increase established by the amendment made by subsection (a)(1). Such notice shall describe such increase and the requirements of this subsection.

(2) DUE DATE FOR UNPAID PREMIUMS.—With respect to any plan year beginning during the period beginning on January 1, 1986, and ending 30 days after the date of the enactment of this Act, any unpaid amount of such premium increase shall be due and payable no later than the earlier of 60 days after the date of the enactment of this Act or 30 days after the date on which the notice required by paragraph (1) is sent, except that in no event shall the amount of the premium increase established under the amendment made by subsection (a)(1) be due and payable for a plan year earlier than the date on which premiums for the plan would have been due for such plan year had this Act not been enacted.

(3) ENFORCEMENT.—For purposes of enforcement, the requirements of paragraphs (1) and (2) shall be considered to be requirements of sections 4006 and 4007 of the Employee Retirement Income Security Act of 1974 (29 U.S.C. 1306 and 1307).

SEC. 11006. NOTICE OF SIGNIFICANT REDUCTION IN BENEFIT ACCRUALS.

(a) IN GENERAL.—Section 204 (29 U.S.C. 1054) is amended—

(1) by redesignating subsection (h) as subsection (i); and

(2) by inserting after subsection (g) the following new subsection:

"(h) A single-employer plan may not be amended so as to provide for a significant reduction in the rate of future benefit accrual, unless, after adoption of the plan amendment and not less than 15 days before the effective date of the plan amendment, the plan administrator provides a written notice, setting forth the plan amendment and its effective date, to—

"(1) each participant in the plan,

"(2) each beneficiary who is an alternate payee (within the meaning of section 206(d)(3)(K)) under an applicable qualified domestic relations order (within the meaning of section 206(d)(3)(B)(i)), and

"(3) each employee organization representing participants in the plan,

except that such notice shall instead be provided to a person designated, in writing, to receive such notice on behalf of any person referred to in paragraph (1), (2), or (3).".

(b) EFFECTIVE DATE.—The amendments made by subsection (a) shall apply with respect to plan amendments adopted on or after January 1, 1986, except that, in the case of plan amendments adopted on or after January 1, 1986, and on or before the date of the enactment of this Act, the requirements of section 204(h) of the Employee Retirement Income Security Act of 1974 (as added by this section) shall be treated as met if the written notice required under such section 204(h) is provided before 60 days after the date of the enactment of this Act..

SEC. 11007. GENERAL REQUIREMENTS RELATING TO TERMINATION OF SINGLE-EMPLOYER PLANS BY PLAN ADMINISTRATORS.

(a) IN GENERAL.—Section 4041 (29 U.S.C. 1341) is amended by striking out subsections (a) through (c) and inserting in lieu thereof the following:

"SEC. 4041. (a) GENERAL RULES GOVERNING SINGLE-EMPLOYER PLAN TERMINATIONS.—

"(1) EXCLUSIVE MEANS OF PLAN TERMINATION.—Except in the case of a termination for which proceedings are otherwise instituted by the corporation as provided in section 4042, a single-employer plan may be terminated only in a standard termination under subsection (b) or a distress termination under subsection (c).

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"(2) 60-day notice of intent to terminate.—Not less than 60 days before the proposed termination date of a standard termination under subsection (b) or a distress termination under subsection (c), the plan administrator shall provide to each affected party (other than the corporation in the case of a standard termination) a written notice of intent to terminate stating that such termination is intended and the proposed termination date. The written notice shall include any related additional information required in regulations of the corporation.

"(3) Adherence to collective bargaining agreements.—The corporation shall not proceed with a termination of a plan under this section if the termination would violate the terms and conditions of an existing collective bargaining agreement. Nothing in the preceding sentence shall be construed as limiting the authority of the corporation to institute proceedings to involuntarily terminate a plan under section 4042.".

(b) Definitions Relating to Sufficiency.—Section 4041(d) (29 U.S.C. 1341(d)) is amended to read as follows:

"(d) Sufficiency.—For purposes of this section—

"(1) Sufficiency for benefit commitments.—A single-employer plan is sufficient for benefit commitments if there is no amount of unfunded benefit commitments under the plan.

"(2) Sufficiency for guaranteed benefits.—A single-employer plan is sufficient for guaranteed benefits if there is no amount of unfunded guaranteed benefits under the plan.".

SEC. 11008. STANDARD TERMINATION OF SINGLE-EMPLOYER PLANS.

(a) In General.—Section 4041 (as amended by section 11007 of this Act) is further amended by inserting after subsection (a) the following new subsection:

"(b) Standard Termination of Single-Employer Plans.—

"(1) General requirements.—A single-employer plan may terminate under a standard termination only if—

"(A) the plan administrator provides the 60-day advance notice of intent to terminate to affected parties required under subsection (a)(2),

"(B) the requirements of subparagraphs (A) and (B) of paragraph (2) are met,

"(C) the corporation does not issue a notice of noncompliance under subparagraph (C) of paragraph (2), and

"(D) when the final distribution of assets occurs, the plan is sufficient for benefit commitments (determined as of the termination date).

"(2) Termination procedure.—

"(A) Notice to the corporation.—As soon as practicable after the date on which the notice of intent to terminate is provided pursuant to subsection (a)(2), the plan administrator shall send a notice to the corporation setting forth—

"(i) certification by an enrolled actuary—

"(I) of the projected amount of the assets of the plan (as of a proposed date of final distribution of assets),

"(II) of the actuarial present value (as of such date) of the benefit commitments (determined as of the proposed termination date) under the plan, and

"(III) that the plan is projected to be sufficient (as of such proposed date of final distribution) for such benefit commitments,

"(ii) such information as the corporation may prescribe in regulations as necessary to enable the corporation to make determinations under subparagraph (C), and

"(iii) certification by the plan administrator that the information on which the enrolled actuary based the certification under clause (i) and the information provided to the corporation under clause (ii) are accurate and complete.

"(B) Notice to participants and beneficiaries of benefit commitments.—No later than the date on which a notice is sent by the plan administrator under subparagraph (A), the plan administrator shall send a notice to each person who is a participant or beneficiary under the plan—

"(i) specifying the amount of such person's benefit commitments (if any) as of the proposed termination date and the benefit form on the basis of which such amount is determined, and

"(ii) including the following information used in determining such benefit commitments:

"(I) the length of service,

"(II) the age of the participant or beneficiary,

"(III) wages,

"(IV) the assumptions, including the interest rate, and

"(V) such other information as the corporation may require.

Such notice shall be written in such manner as is likely to be understood by the participant or beneficiary and as may be prescribed in regulations of the corporation.

"(C) Notice from the corporation of noncompliance.—

"(i) In general.—Within 60 days after receipt of the notice under subparagraph (A), the corporation shall issue a notice of noncompliance to the plan administrator if—

"(I) it has reason to believe that any requirement of subsection (a)(2) or subparagraph (A) or (B) has not been met, or

"(II) it otherwise determines, on the basis of information provided by affected parties or otherwise obtained by the corporation, that there is reason to believe that the plan is not sufficient for benefit commitments.

"(ii) Extension.—The corporation and the plan administrator may agree to extend the 60-day period referred to in clause (i) by a written agreement signed by the corporation and the plan administrator before the expiration of the 60-day period. The 60-day period shall be extended as provided in the agreement and may be further extended by subsequent written agreements signed by the corporation and the plan administrator made before the expiration of a previously agreed upon extension of the 60-day period. Any extension may be made upon such terms and conditions (including the payment of benefits) as are agreed upon by the corporation and the plan administrator.

"(D) Final distribution of assets in absence of notice of noncompliance.—The plan administrator shall commence the final distribution of assets pursuant to the standard termination of the plan as soon as practicable after the expiration of the 60-day (or extended) period referred to in subparagraph (C), but such final distribution may occur only if—

"(i) the plan administrator has not received during such period a notice of noncompliance from the corporation under subparagraph (C), and

"(ii) when such final distribution occurs, the plan is sufficient for benefit commitments (determined as of the termination date).

"(3) Methods of final distribution of assets.—

"(A) In general.—In connection with any final distribution of assets pursuant to the standard termination of the plan under this subsection, the plan administrator shall distribute the assets in accordance with section 4044. In distributing such assets, the plan administrator shall—

"(i) purchase irrevocable commitments from an insurer to provide the benefit commitments under the plan and all other benefits (if any) under the plan to which assets are required to be allocated under section 4044, or

"(ii) in accordance with the provisions of the plan and any applicable regulations of the corporation, otherwise fully provide the benefit commitments under the plan and all other benefits (if any) under the plan to which assets are required to be allocated under section 4044.

"(B) Certification to the corporation of final distribution of assets.—Within 30 days after the final distribution of assets is completed pursuant to the standard termination of the plan under this subsection, the plan administrator shall send a notice to the corporation certifying that the assets of the plan have been distributed in accordance with the provisions of subparagraph (A) so as to pay the benefit commitments under the plan and all other benefits under the plan to which assets are required to be allocated under section 4044.

"(4) Continuing authority.—Nothing in this section shall be construed to preclude the continued exercise by the corporation, after the termination date of a plan terminated in a standard termination under this subsection, of its authority under section 4003 with respect to matters relating to the termination. A certification under paragraph (3)(B) shall not affect the corporation's obligations under section 4022.".

(b) Conforming Amendment.—Section 4041(f) (29 U.S.C. 1341(f)) is amended to read as follows:

"(f) Limitation on the Conversion of a Defined Benefit Plan to a Defined Contribution Plan.—The adoption of an amendment to a plan which causes the plan to become a plan described in section 4021(b)(1) constitutes a termination of the plan. Such an amendment may take effect only after the plan satisfies the requirements for standard termination under subsection (b) or distress termination under subsection (c).".

(c) Authority for 60-Day Extension.—In the case of a standard termination of a plan under section 4041(b) of the Employee Retirement Income Security Act of 1974 (as amended by this section) with respect to which a notice of intent to terminate is filed before 120 days after the date of the enactment of this Act, the Pension Benefit Guaranty Corporation may, without the consent of the plan administrator, extend the 60-day period under section 4041(b)(2)(C)(i) of such Act (as so amended) for a period not to exceed 60 days.

(d) Special Temporary Rule.—

(1) Requirements to be met before final distribution of assets.—In the case of the termination of a single-employer plan described in paragraph (2) with respect to which the amount payable to the employer pursuant to section 4044(d) exceeds $1,000,000 (determined as of the proposed date of final distribution of assets), the final distribution of assets pursuant to such termination may not occur unless the Pension Benefit Guaranty Corporation—

(A) determines that the assets of the plan are sufficient for benefit commitments

(within the meaning of section 4041(d)(1) of the Employee Retirement Income Security Act of 1974 (as amended by section 11007)) under the plan, and

(B) issues to the plan administrator a written notice setting forth the determination described in subparagraph (A).

(2) Plans to which subsection applies.—A single-employer plan is described in this paragraph if—

(A) the plan administrator has filed a notice of intent to terminate with the Pension Benefit Guaranty Corporation, and—

(i) the filing was made before January 1, 1986, and the Corporation has not issued a notice of sufficiency for such plan before the date of the enactment of this Act, or

(ii) the filing is made on or after January 1, 1986, and before 60 days after the date of the enactment of this Act and the Corporation has not issued a notice of sufficiency for such plan before the date of the enactment of this Act, and

(B) of the persons who are (as of the termination date) participants in the plan, the lesser of 10 percent or 200 have filed complaints with the Corporation regarding such termination—

(i) in the case of plans described in subparagraph (A)(i), before 15 days after the date of the enactment of this Act, or

(ii) in any other case, before the later of 15 days after the date of the enactment of this Act or 45 days after the date of the filing of such notice.

(3) Consideration of complaints.—The Corporation shall consider and respond to such complaints not later than 90 days after the date on which the Corporation makes the determination described in paragraph (1)(A). The Corporation may hold informal hearings to expedite consideration of such complaints. Any such hearing shall be exempt from the requirements of chapter 5 of title 5, United States Code.

(4) Delay on issuance of notice.—

(A) General rule.—Except as provided in subparagraph (B), the Corporation shall not issue any notice described in paragraph (1)(B) until 90 days after the date on which the Corporation makes the determination described in paragraph (1)(A).

(B) Exception in cases of substantial business hardship.—Except in the case of an acquisition, takeover, or leveraged buyout, the preceding provisions of this subsection shall not apply if the contributing sponsor demonstrates to the satisfaction of the Corporation that the contributing sponsor is experiencing substantial business hardship. For purposes of this subparagraph, a contributing sponsor shall be considered as experiencing substantial business hardship if the contributing sponsor has been operating, and can demonstrate that the contributing sponsor will continue to operate, at an economic loss.

SEC. 11009. DISTRESS TERMINATION OF SINGLE-EMPLOYER PLANS.

(a) In General.—Section 4041 (as amended by sections 11007 and 11008 of this Act) is further amended by inserting after subsection (b) the following new subsection:

"(c) Distress Termination of Single-Employer Plans.—

"(1) In general.—A single-employer plan may terminate under a distress termination only if—

"(A) the plan administrator provides the 60-day advance notice of intent to terminate to affected parties required under subsection (a)(2),

"(B) the requirements of subparagraph (A) of paragraph (2) are met, and

"(C) the corporation determines that the requirements of subparagraph (B) of paragraph (2) are met.

"(2) Termination requirements.—

"(A) Information submitted to the corporation.—As soon as practicable after the date on which the notice of intent to terminate is provided pursuant to subsection (a)(2), the plan administrator shall provide the corporation, in such form as may be prescribed by the corporation in regulations, the following information:

"(i) such information as the corporation may prescribe by regulation as necessary to make determinations under subparagraph (B) and paragraph (3);

"(ii) certification by an enrolled actuary of—

"(I) the amount (as of the proposed termination date) of the current value of the assets of the plan,

"(II) the actuarial present value (as of such date) of the benefit commitments under the plan,

"(III) whether the plan is sufficient for benefit commitments as of such date,

"(IV) the actuarial present value (as of such date) of benefits under the plan guaranteed under section 4022, and

"(V) whether the plan is sufficient for guaranteed benefits as of such date;

"(iii) in any case in which the plan is not sufficient for benefit commitments as of such date—

"(I) the name and address of each participant and beneficiary under the plan as of such date, and

"(II) such other information as shall be prescribed by the corporation by regulation as necessary to enable the corporation (or its designee under section 4049(b)) to be able to make payments to participants and beneficiaries as required under section 4049; and

"(iv) certification by the plan administrator that the information on which the enrolled actuary based the certifications under clause (ii) and the information provided to the corporation under clauses (i) and (iii) are accurate and complete.

"(B) Determination by the corporation of necessary distress criteria.—Upon receipt of the notice of intent to terminate required under subsection (a)(2) and the information required under subparagraph (A), the corporation shall determine whether the requirements of this subparagraph are met as provided in clause (i), (ii), or (iii). The requirements of this subparagraph are met if each person who is (as of the termination date) a contributing sponsor of such plan or a substantial member of such sponsor's controlled group meets the requirements of any of the following clauses:

"(i) Liquidation in bankruptcy or insolvency proceedings.—The requirements of this clause are met by a person if—

"(I) such person has filed or has had filed against such person, as of the termination date, a petition seeking liquidation in a case under title 11, United States Code, or under any similar law of a State or political subdivision of a State, and

"(II) such case has not, as of the termination date, been dismissed.

"(ii) Reorganization in bankruptcy or insolvency proceedings.—The requirements of this clause are met by a person if—

"(I) such person has filed, or has had filed against such person, as of the termination date, a petition seeking reorganization in a case under title 11, United States Code, or under any similar law of a State or political subdivision of a State (or a case described in clause (i) filed by or against such person has been converted, as of such date, to such a case in which reorganization is sought),

"(II) such case has not, as of the termination date, been dismissed, and

"(III) the bankruptcy court (or other appropriate court in a case under such similar law of a State or political subdivision) approves the termination.

"(iii) Termination required to enable payment of debts while staying in business or to avoid unreasonably burdensome pension costs caused by declining workforce.—The requirements of this clause are met by a person if such person demonstrates to the satisfaction of the corporation that—

"(I) unless a distress termination occurs, such person will be unable to pay such person's debts when due and will be unable to continue in business, or

"(II) the costs of providing pension coverage have become unreasonably burdensome to such person, solely as a result of a decline of such person's workforce covered as participants under all single-employer plans of which such person is a contributing sponsor.

"(C) Substantial member.—For purposes of subparagraph (B), the term 'substantial member' of a controlled group means a person whose assets comprise 5 percent or more of the total assets of the controlled group as a whole.

"(D) Notification of determinations by the corporation.—The corporation shall notify the plan administrator as soon as practicable of its determinations made pursuant to subparagraph (B).

"(3) Termination procedure.—

"(A) Determinations by the corporation relating to plan sufficiency for guaranteed benefits and for benefit commitments.—If the corporation determines that the requirements for a distress termination set forth in paragraphs (1) and (2) are met, the corporation shall—

"(i) determine that the plan is sufficient for guaranteed benefits (as of the termination date) or that the corporation is unable to make such determination on the basis of information made available to the corporation,

"(ii) determine that the plan is sufficient for benefit commitments (as of the termination date) or that the corporation is unable to make such determination on the basis of information made available to the corporation, and

"(iii) notify the plan administrator of the determinations made pursuant to this subparagraph as soon as practicable.

"(B) Implementation of termination.—After the corporation notifies the plan administrator of its determinations under subparagraph (A), the termination of the plan shall be carried out as soon as practicable, as provided in clause (i), (ii), or (iii).

"(i) Cases of sufficiency for benefit commitments.—In any case in which the corporation determines that the plan is sufficient for benefit commitments, the plan administrator shall proceed to distribute the plan's assets, and make certification to the corporation with respect to such distribution, in the manner described in subsection (b)(3), and shall take such other actions as may be appropriate to carry out the termination of the plan.

"(ii) Cases of sufficiency for guaranteed benefits without a finding of sufficiency for benefit commitments.—In any case in which the corporation determines that the plan is sufficient for guaranteed benefits, but further determines that it is unable to

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determine that the plan is sufficient for benefit commitments on the basis of the information made available to it—

"(I) the plan administrator shall proceed to distribute the plan's assets in the manner described in subsection (b)(3), make certification to the corporation that the distribution has occurred, and take such actions as may be appropriate to carry out the termination of the plan, and

"(II) the corporation shall establish a separate trust in connection with the plan for purposes of section 4049.

"(iii) Cases without any finding of sufficiency.—In any case in which the corporation determines that it is unable to determine that the plan is sufficient for guaranteed benefits on the basis of the information made available to it—

"(I) the corporation shall commence proceedings in accordance with section 4042, and

"(II) the corporation shall establish a separate trust in connection with the plan for purposes of section 4049 unless the corporation determines that all benefit commitments under the plan are benefits guaranteed by the corporation under section 4022.

"(C) Finding after authorized commencement of termination that plan is unable to pay benefits.—

"(i) Finding with respect to benefit commitments which are not guaranteed benefits.—If, after the plan administrator has begun to terminate the plan as authorized under subparagraph (B)(i), the plan administrator finds that the plan is unable, or will be unable, to pay benefit commitments which are not benefits guaranteed by the corporation under section 4022, the plan administrator shall notify the corporation of such finding as soon as practicable thereafter. If the corporation concurs in the finding of the plan administrator (or the corporation itself makes such a finding) the corporation shall take the actions set forth in subparagraph (B)(ii)(II) relating to the trust established for purposes of section 4049.

"(ii) Finding with respect to guaranteed benefits.—If, after the plan administrator has begun to terminate the plan as authorized by subparagraph (B) (i) or (ii), the plan administrator finds that the plan is unable, or will be unable, to pay all benefits under the plan which are guaranteed by the corporation under section 4022, the plan administrator shall notify the corporation of such finding as soon as practicable thereafter. If the corporation concurs in the finding of the plan administrator (or the corporation itself makes such a finding), the corporation shall institute appropriate proceedings under section 4042.

"(D) Administration of the plan during interim period.—

"(i) In general.—The plan administrator shall—

"(I) meet the requirements of clause (ii) for the period commencing on the date on which the plan administrator provides a notice of distress termination to the corporation under subsection (a)(2) and ending on the date on which the plan administrator receives notification from the corporation of its determinations under subparagraph (A), and

"(II) meet the requirements of clause (ii) commencing on the date on which the plan administrator or the corporation makes a finding under subparagraph (C)(ii).

"(ii) Requirements.—The requirements of this clause are met by the plan administrator if the plan administrator—

"(I) refrains from distributing assets or taking any other actions to carry out the proposed termination of this subsection,

"(II) pays benefits attributable to employer contributions, other than death benefits, only in the form of an annuity,

"(III) does not use plan assets to purchase irrevocable commitments to provide benefits from an insurer, and

"(IV) continues to pay all benefit commitments under the plan, but, commencing on the proposed termination date, limits the payment of benefits under the plan to those benefits which are guaranteed by the corporation under section 4022 or to which assets are required to be allocated under section 4044.

In the event the plan administrator is later determined not to have met the requirements for distress termination, any benefits which are not paid solely by reason of compliance with subclause (IV) shall be due and payable immediately (together with interest, at a reasonable rate, in accordance with regulations of the corporation).".

(b) Conforming Amendments.—Section 4041 (as amended by the preceding provisions of this title) is further amended—

(1) by striking out subsection (e); and

(2) by redesignating subsection (f) as subsection (e).

SEC. 11010. TERMINATION PROCEEDINGS; DUTIES OF THE CORPORATION.

(a) Mandatory Commencement of Proceedings Upon Inability of Single-Employer Plan To Pay Benefits That Are Currently Due.—

(1) In general.—Section 4042(a) (29 U.S.C. 1342(a)) is amended—

(A) in paragraph (2), by striking out "is" and inserting in lieu thereof "will be"; and

(B) by inserting at the beginning of the matter following paragraph (4) the following new sentence: "The corporation shall as soon as practicable institute proceedings under this section to terminate a single-employer plan whenever the corporation determines that the plan does not have assets available to pay benefits which are currently due under the terms of the plan".

(2) Conforming amendments.—

(A) Section 4042(b)(1) (29 U.S.C. 1342(b)(1)) is amended, in the first sentence, by inserting "or is required under subsection (a) to institute proceedings under this section," after "to a plan".

(B) Section 4042(c) (29 U.S.C. 1342(c)) is amended in the first sentence by striking out "If the corporation" and all that follows down through "has determined" and inserting in lieu thereof the following: "If the corporation is required under subsection (a) of this section to commence proceedings under this section with respect to a plan or, after issuing a notice under this section to a plan administrator, has determined".

(b) Establishment of Section 4049 Trust.—Section 4042 is further amended by adding at the end thereof the following new subsection:

"(i) In any case in which a plan is terminated under this section in a termination proceeding initiated by the corporation pursuant to subsection (a), the corporation shall establish a separate trust in connection with the plan for purposes of section 4049, unless the corporation determines that all benefit commitments under the plan are benefits guaranteed by the corporation under section 4022 or that there is no amount of unfunded benefit commitments under the plan.".

(c) Conforming Amendment.—The heading for section 4042 is amended to read as follows:

"INSTITUTION OF TERMINATION PROCEEDINGS BY THE CORPORATION".

SEC. 11011. AMENDMENTS TO LIABILITY PROVISIONS; LIABILITIES RELATING TO BENEFIT COMMITMENTS IN EXCESS OF BENEFITS GUARANTEED BY THE CORPORATION.

(a) Liability for Distress Terminations and Terminations by the Corporation.—Section 4062 (29 U.S.C. 1362) is amended—

(1) by redesignating subsection (e) as subsection (f); and

(2) by striking out so much as precedes subsection (f) (as redesignated) and inserting in lieu thereof the following:

"LIABILITY FOR TERMINATION OF SINGLE-EMPLOYER PLANS UNDER A DISTRESS TERMINATION OR A TERMINATION BY THE CORPORATION

"Sec. 4062. (a) In General.—In any case in which a single-employer plan is terminated in a distress termination under section 4041(c) or a termination otherwise instituted by the corporation under section 4042, any person who is, on the termination date, a contributing sponsor of the plan or a member of such a contributing sponsor's controlled group shall incur liability under this section. The liability under this section of all such persons shall be joint and several. The liability under this section consists of—

"(1) liability to the corporation, to the extent provided in subsection (b),

"(2) liability to the trust established pursuant to section 4041(c)(3)(B) (ii) or (iii) or section 4042(i), to the extent provided in subsection (c), and

"(3) liability to the trustee appointed under subsection (b) or (c) of section 4042, to the extent provided in subsection (d).

"(b) Liability to the Corporation.—

"(1) Amount of liability.—

"(A) In general.—Except as provided in subparagraph (B), the liability to the corporation of a person described in subsection (a) shall consist of the sum of—

"(i) the lesser of—

"(I) the total amount of unfunded guaranteed benefits (as of the termination date) of all participants and beneficiaries under the plan, or

"(II) 30 percent of the collective net worth of all persons described in subsection (a),

and

"(ii) the excess (if any) of—

"(I) 75 percent of the amount described in clause (i)(I), over

"(II) the amount described in clause (i)(II),

together with interest (at a reasonable rate) calculated from the termination date in accordance with regulations prescribed by the corporation.

"(B) Special rule in case of subsequent insufficiency.—For purposes of subparagraph (A), in any case described in section 4041(c)(3)(C)(ii), actuarial present values shall be determined as of the date of the notice to the corporation (or the finding by the corporation) described in such section.

"(2) Payment of liability.—

"(A) In general.—Except as provided in subparagraph (B), the liability to the corporation under this subsection shall be due and payable to the corporation as of the termination date, in cash or securities acceptable to the corporation.

"(B) Special rule.—Payment of the liability under paragraph (1)(A)(ii) shall be made under commercially reasonable terms prescribed by the corporation. The parties involved shall make a reasonable effort to reach agreement on such commercially reasonable terms. Any such terms prescribed by the corporation shall provide for deferral of 50 percent of any amount of liability otherwise payable for any year under this subparagraph if a person subject to such liability demonstrates to the satisfaction of the corporation that no person subject to such liability has any individual pre-tax profits for such person's fiscal year ending during such year.

"(3) Alternative arrangements.—The corporation and any person liable under this section may agree to alternative arrangements for the satisfaction of liability to the corporation under this subsection.

"(c) Liability to Section 4049 Trust.—

"(1) Amount of liability.—

"(A) In general.—In any case in which there is an outstanding amount of benefit commitments under a plan terminated under section 4041(c) or 4042, a person described in subsection (a) shall be subject to liability under this subsection to the trust established under section 4041(c)(3)(B) (ii) or (iii) or section 4042(i) in connection with the terminated plan. Except as provided in subparagraph (B), the liability of such person under this subsection shall consist of the lesser of—

"(i) 75 percent of the total outstanding amount of benefit commitments under the plan, or

"(ii) 15 percent of the actuarial present value (determined as of the termination date on the basis of assumptions prescribed by the corporation for purposes of section 4044) of all benefit commitments under the plan.

"(B) Special rule in case of subsequent insufficiency.—For purposes of subparagraph (A)—

"(i) Plans insufficient for guaranteed benefits.—In any case described in section 4041(c)(3)(C)(ii), actuarial present values shall be determined as of the date of the notice to the corporation (or the finding by the corporation) described in such section.

"(ii) Plans sufficient for guaranteed benefits but insufficient for benefit entitlements.—In any case described in section 4041(c)(3)(C)(i) but not described in section 4041(c)(3)(C)(ii), actuarial present values shall be determined as of the date on which the final distribution of assets is completed.

"(2) Payment of Liability.—

"(A) General rule.—Except as otherwise provided in this paragraph, payment of a person's liability under this subsection shall be made for liability payment years under commercially reasonable terms prescribed by the fiduciary designated by the corporation pursuant to section 4049(b)(1)(A). Such fiduciary and the liable persons assessed liability under this subsection shall make a reasonable effort to reach agreement on such commercially reasonable terms.

"(B) Special rule for plans with low amounts of liability.—In any case in which the amount described in paragraph (1)(A) is less than $100,000, the requirements of subparagraph (A) may be satisfied by payment of such liability over 10 liability payment years in equal annual installments (with interest at the rate determined under section 6621(b) of the Internal Revenue Code of 1954). The corporation may, by regulation, increase the dollar amount referred to in this subparagraph as it determines appropriate, taking into account reasonable administrative costs of trusts established under section 4041(c)(3)(B) (ii) or (iii) or section 4042(i).

"(C) Deferral of payments.—The terms for payment provided for under subparagraph (A) or (B) shall also provide for deferral of 75 percent of any amount of liability otherwise payable for any liability payment year if a person subject to such liability demonstrates to the satisfaction of the corporation that no person subject to such liability has any individual pre-tax profits for such person's fiscal year ending during such year. The amount of liability so deferred is payable only after payment in full of any amount of liability under subsection (b) in connection with the termination of the same plan which has been deferred pursuant to terms provided for under subsection (b)(2)(B).

"(d) Liability to Section 4042 Trustee.—A person described in subsection (a) shall be subject to liability under this subsection to the trustee appointed under subsection (b) or (c) of section 4042. The liability of such person under this subsection shall consist of—

"(1) the outstanding balance of the accumulated funding deficiencies (within the meaning of section 302(a)(2) of this Act and section 412(a) of the Internal Revenue Code of 1954) of the plan (if any) (which, for purposes of this subparagraph, shall include the amount of any increase in such accumulated funding deficiencies of the plan which would result if all pending applications for waivers of the minimum funding standard under section 303 of this Act or section 412(d) of such Code and for extensions of the amortization period under section 304 of this Act or section 412(e) of such Code with respect to such plan were denied and if no additional contributions (other than those already made by the termination date) were made for the plan year in which the termination date occurs or for any previous plan year),

"(2) the outstanding balance of the amount of waived funding deficiencies of the plan waived before such date under section 303 of this Act or section 412(d) of such Code (if any), and

"(3) the outstanding balance of the amount of decreases in the minimum funding standard allowed before such date under section 304 of this Act or section 412(e) of such Code (if any),

together with interest (at a reasonable rate) calculated from the termination date in accordance with regulations prescribed by the corporation. The liability under this subsection shall be due and payable to such trustee as of the termination date, in cash or securities acceptable to such trustee.

"(e) Definitions.—

"(1) Collective net worth of persons subject to liability.—

"(A) In general.—The collective net worth of persons subject to liability in connection with a plan termination consists of the sum of the individual net worths of all persons who—

"(i) have individual net worths which are greater than zero, and

"(ii) are (as of the termination date) contributing sponsors of the terminated plan or members of their controlled groups.

"(B) Determination of net worth.—For purposes of this paragraph, the net worth of a person is—

"(i) determined on whatever basis best reflects, in the determination of the corporation, the current status of the person's operations and prospects at the time chosen for determining the net worth of the person, and

"(ii) increased by the amount of any transfers of assets made by the person which are determined by the corporation to be improper under the circumstances, including any such transfers which would be inappropriate under title 11, United States Code, if the person were a debtor in a case under chapter 7 of such title.

"(C) Timing of determination.—For purposes of this paragraph, determinations of net worth shall be made as of a day chosen by the corporation (during the 120-day period ending with the termination date) and shall be computed without regard to any liability under this section.

"(2) Pre-tax profits.—The term 'pre-tax profits' means—

"(A) except as provided in subparagraph (B), for any fiscal year of any person, such person's consolidated net income (excluding any extraordinary charges to income and including any extraordinary credits to income) for such fiscal year, as shown on audited financial statements prepared in accordance with generally accepted accounting principles, or

"(B) for any fiscal year of an organization described in section 501(c) of the Internal Revenue Code of 1954, the excess of income over expenses (as such terms are defined for such organizations under generally accepted accounting principles),

before provision for or deduction of Federal or other income tax, any contribution to any single-employer plan of which such person is a contributing sponsor at any time during the period beginning on the termination date and ending with the end of such fiscal year, and any amounts required to be paid for such fiscal year under this section. The corporation may by regulation require such information to be filed on such forms as may be necessary to determine the existence and amount of such pre-tax profits.

"(3) Liability payment years.—The liability payment years in connection with a terminated plan consist of the consecutive one-year periods following the last plan year preceding the termination date, excluding the first such year in any case in which the first such year ends less than 180 days after the termination date.".

(b) Clerical Amendment.—Subsection (f) of section 4062 (as redesignated by subsection (a)(1)) is amended by inserting "Treatment of Substantial Cessation of Operations.—" after "(f)".

(c) Amendments to the Internal Revenue Code of 1954.—

(1) Time for deduction of certain employer liability payments.—Paragraph (3) of section 404(g) of the Internal Revenue Code of 1954 (relating to certain employer liability payments considered as contributions) is amended to read as follows:

"(3) Timing of deduction of contributions.—

"(A) In general.—Except as otherwise provided in this paragraph, any payment described in paragraph (1) shall (subject to the last sentence of subsection (a)(1)(A)) be deductible under this section when paid.

"(B) Contributions under standard terminations.—Subparagraph (A) shall not apply (and subsection (a)(1)(A) shall apply) to any payments described in paragraph (1) which are paid to terminate a plan under section 4041(b) of the Employee Retirement Income Security Act of 1974 to the extent such payments result in the assets of the

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plan being in excess of the total amount of benefits under such plan which are guaranteed by the Pension Benefit Guaranty Corporation under section 4022 of such Act.

"(C) Contributions to certain trusts.—Subparagraph (A) shall not apply to any payment described in paragraph (1) which is made under section 4062(c) of such Act and such payment shall be deductible at such time as may be prescribed in regulations which are based on principles similar to the principles of subsection (a)(1)(A).".

(2) References to erisa.—Subsection (g) of section 404 of the Internal Revenue Code of 1954 is amended by adding at the end thereof the following new paragraph:

"(4) References to employee retirement income security act of 1974.—For purposes of this subsection, any reference to a section of the Employee Retirement Income Security Act of 1974 shall be treated as a reference to such section as in effect on the date of the enactment of the Single-Employer Pension Plan Amendments Act of 1986.".

(3) Effective date.—The amendments made by this subsection shall apply to payments made after January 1, 1986, in taxable years ending after such date.

SEC. 11012. DISTRIBUTION TO PARTICIPANTS AND BENEFICIARIES OF LIABILITY PAYMENTS TO SECTION 4049 TRUST.

(a) In General.—Subtitle C of title IV is amended by adding at the end thereof the following new section:

"DISTRIBUTION TO PARTICIPANTS AND BENEFICIARIES OF LIABILITY PAYMENTS TO SECTION 4049 TRUST

"Sec. 4049. (a) Trust Requirements.—The requirements of this section apply to a trust established by the corporation in connection with a terminated plan pursuant to section 4041(c)(3)(B) (ii) or (iii). The trust shall be used exclusively for—

"(1) receiving liability payments under section 4062(c) from the persons who were (as of the termination date) contributing sponsors of the terminated plan and members of their controlled groups,

"(2) making distributions as provided in this section to the persons who were (as of the termination date) participants and beneficiaries under the terminated plan, and

"(3) defraying the reasonable administrative expenses incurred in carrying out responsibilities under this section.

The trust shall be maintained for such period of time as is necessary to receive all liability payments required to be made to the trust under section 4062(c) with respect to the terminated plan and to make all distributions required to be made to participants and beneficiaries under this section with respect to the terminated plan.

"(b) Designation of Fiduciary by the Corporation.—

"(1) Purposes for designation of fiduciary.—

"(A) Collection of liability.—The corporation shall designate a fiduciary (within the meaning of section 3(21)) to serve as trustee of the trust for purposes of conducting negotiations and assessing and collecting liability pursuant to section 4062(c).

"(B) Administration of trust.—

"(i) Corporation's functions.—Except as provided in clause (ii), the corporation shall serve as trustee of the trust for purposes of administering the trust, including making distributions from the trust to participants and beneficiaries.

"(ii) Designation of fiduciary if cost-effective.—If the corporation determines that it would be cost-effective to do so, it may designate a fiduciary (within the meaning of section 3(21)), including the fiduciary designated under subparagraph (A), to perform the functions described in clause (i).

"(2) Fiduciary requirements.—A fiduciary designated under paragraph (1) shall be—

"(A) independent of each contributing sponsor of the plan and the members of such sponsor's controlled group, and

"(B) subject to the requirements of part 4 of subtitle B of title I (other than section 406(a)) as if such trust were a plan subject to such part.

"(c) Distributions From Trust.—

"(1) In general.—Not later than 30 days after the end of each liability payment year (described in section 4062(e)(3)) with respect to a terminated single-employer plan, the corporation, or its designee under subsection (b), shall distribute from the trust maintained pursuant to subsection (a) to each person who was (as of the termination date) a participant or beneficiary under the plan—

"(A) in any case not described in subparagraph (B), an amount equal to the outstanding amount of benefit commitments to such person under the plan (including interest calculated from the termination date), to the extent not previously paid under this paragraph, or

"(B) in any case in which the balance in the trust at the end of such year which is in cash or may be prudently converted to cash (after taking into account liability payments received under subsection (a)(1) and administrative expenses paid under subsection (a)(3)) is less than the total of all amounts described in subparagraph (A) in connection with all persons who were (as of the termination date) participants and beneficiaries under the terminated plan, the product derived by multiplying—

"(i) the amount described in subparagraph (A) in connection with each such person, by

"(ii) a fraction—

"(I) the numerator of which is such balance in the trust, and

"(II) the denominator of which is equal to the total of all amounts described in subparagraph (A) in connection with all persons who were (as of the termination date) participants and beneficiaries under the terminated plan.

"(2) Carry-over of minimal payment amounts.—The corporation, or its designee under subsection (b), may withhold a payment to any person under this subsection in connection with any liability payment year (other than the last liability payment year with respect to which payments under paragraph (1) are payable) if such payment does not exceed $100. In any case in which such a payment is so withheld, the payment to such person in connection with the next following liability payment year shall be increased by the amount of such withheld payment.

"(d) Regulations.—The corporation may issue such regulations as it considers necessary to carry out the purposes of this section.".

(b) Tax-Exempt Status for Trusts Described in Section 4049 of ERISA.—Subsection (c) of section 501 of the Internal Revenue Code of 1954 (relating to list of tax-exempt organizations) is amended by adding at the end thereof the following new paragraph:

"(24) A trust described in section 4049 of the Employee Retirement Income Security Act of 1974 (as in effect on the date of the enactment of the Single-Employer Pension Plan Amendments Act of 1986).".

(c) Rollovers of Payments From Trust Allowed.—Paragraph (6) of section 402(a) of such Code (relating to special rollover rules) is amended by adding at the end thereof the following new subparagraph:

"(G) Payments from certain pension plan termination trusts.—If—

"(i) any amount is paid or distributed to a recipient from a trust described in section 501(c)(24),

"(ii) the recipient transfers any portion of the property received in such distribution to an eligible retirement plan described in subclause (I) or (II) of paragraph (5)(E)(iv), and

"(iii) in the case of a distribution of property other than money, the amount so transferred consists of the property distributed,

then the portion of the distribution so transferred shall be treated as a distribution described in paragraph (5)(A).".

(d) Special Delayed Payment Rule.—In the case of a distress termination under section 4041(c) of the Employee Retirement Income Security Act of 1974 (as amended by section 11009) pursuant to a notice of intent to terminate filed before January 1, 1987, no payment of liability otherwise payable as provided in section 4062(c)(2)(B) of such Act (as amended by this section) shall be required to be made before January 1, 1989.

SEC. 11013. TREATMENT OF TRANSACTIONS TO EVADE LIABILITY; EFFECT OF CORPORATE REORGANIZATION.

(a) In General.—Subtitle D of title IV is amended by adding at the end thereof the following new section:

"TREATMENT OF TRANSACTIONS TO EVADE LIABILITY; EFFECT OF CORPORATE REORGANIZATION

"Sec. 4069. (a) Treatment of Transactions to Evade Liability.—If a principal purpose of any person in entering into any transaction is to evade liability to which such person would be subject under this subtitle and the transaction becomes effective within five years before the termination date of the termination on which such liability would be based, then such person and the members of such person's controlled group (determined as of the termination date) shall be subject to liability under this subtitle in connection with such termination as if such person were a contributing sponsor of the terminated plan as of the termination date. This subsection shall not cause any person to be liable under this subtitle in connection with such plan termination for any increases or improvements in the benefits provided under the plan which are adopted after the date on which the transaction referred to in the preceding sentence becomes effective.

"(b) Effect of Corporate Reorganization.—For purposes of this subtitle, the following rules apply in the case of certain corporate reorganizations:

"(1) Change of identity, form, etc.—If a person ceases to exist by reason of a reorganization which involves a mere change in identity, form, or place of organization, however effected, a successor corporation resulting from such reorganization shall be treated as the person to whom this subtitle applies.

"(2) Liquidation into parent corporation.—If a person ceases to exist by reason of liquidation into a parent corporation, the parent corporation shall be treated as the person to whom this subtitle applies.

"(3) Merger, consolidation, or division.—If a person ceases to exist by reason of a merger, consolidation, or division, the

successor corporation or corporations shall be treated as the person to whom this subtitle applies.".

(b) Effective Date.—Section 4069(a) of the Employee Retirement Income Security Act of 1974 (as added by subsection (a)) shall apply with respect to transactions becoming effective on or after January 1, 1986.

SEC. 11014. ENFORCEMENT AUTHORITY RELATING TO TERMINATIONS OF SINGLE-EMPLOYER PLANS.

(a) Private Rights of Action.—Subtitle D of title IV (as amended by section 11013) is further amended by adding at the end thereof the following new section:

"ENFORCEMENT AUTHORITY RELATING TO TERMINATIONS OF SINGLE-EMPLOYER PLANS

"Sec. 4070. (a) In General.—Any person who is with respect to a single-employer plan a fiduciary, contributing sponsor, member of a contributing sponsor's controlled group, participant, or beneficiary, and is adversely affected by an act or practice of any party (other than the corporation) in violation of any provision of section 4041, 4042, 4049, 4062, 4063, 4064, or 4069, or who is an employee organization representing such a participant or beneficiary so adversely affected for purposes of collective bargaining with respect to such plan, may bring an action—

"(1) to enjoin such act or practice, or

"(2) to obtain other appropriate equitable relief (A) to redress such violation or (B) to enforce such provision.

"(b) Status of Plan as Party to Action and With Respect to Legal Process.—A single-employer plan may be sued under this section as an entity. Service of summons, subpoena, or other legal process of a court upon a trustee or an administrator of a single-employer plan in such trustee's or administrator's capacity as such shall constitute service upon the plan. If a plan has not designated in the summary plan description of the plan an individual as agent for the service of legal process, service upon any contributing sponsor of the plan shall constitute such service. Any money judgment under this section against a single-employer plan shall be enforceable only against the plan as an entity and shall not be enforceable against any other person unless liability against such person is established in such person's individual capacity.

"(c) Jurisdiction and Venue.—The district courts of the United States shall have exclusive jurisdiction of civil actions under this section. Such actions may be brought in the district where the plan is administered, where the violation took place, or where a defendant resides or may be found, and process may be served in any other district where a defendant resides or may be found. The district courts of the United States shall have jurisdiction, without regard to the amount in controversy or the citizenship of the parties, to grant the relief provided for in subsection (a) in any action.

"(d) Right of Corporation to Intervene.—A copy of the complaint or notice of appeal in any action under this section shall be served upon the corporation by certified mail. The corporation shall have the right in its discretion to intervene in any action.

"(e) Awards of Costs and Expenses.—

"(1) General rule.—In any action brought under this section, the court in its discretion may award all or a portion of the costs and expenses incurred in connection with such action, including reasonable attorney's fees, to any party who prevails or substantially prevails in such action.

"(2) Exemption for plans.—Notwithstanding the preceding provisions of this subsection, no plan shall be required in any action to pay any costs and expenses (including attorney's fees).

"(f) Limitation on Actions.—

"(1) In general.—Except as provided in paragraph (3), an action under this section may not be brought after the later of—

"(A) 6 years after the date on which the cause of action arose, or

"(B) 3 years after the applicable date specified in paragraph (2).

"(2) Applicable date.—

"(A) General rule.—Except as provided in subparagraph (B), the applicable date specified in this paragraph is the earliest date on which the plaintiff acquired or should have acquired actual knowledge of the existence of such cause of action.

"(B) Special rule for plaintiffs who are fiduciaries.—In the case of a plaintiff who is a fiduciary bringing the action in the exercise of fiduciary duties, the applicable date specified in this paragraph is the date on which the plaintiff became a fiduciary with respect to the plan if such date is later than the date described in subparagraph (A).

"(3) Cases of fraud or concealment.—In the case of fraud or concealment, the period described in paragraph (1)(B) shall be extended to 6 years after the applicable date specified in paragraph (2).".

(b) Civil Actions Involving the Pension Benefit Guaranty Corporation.—

(1) Actions against the corporation.—Section 4003(f) (29 U.S.C. 1303(f)) is amended to read as follows:

"(f)(1) Except with respect to withdrawal liability disputes under part 1 of subtitle E, any person who is a fiduciary, employer, contributing sponsor, member of a contributing sponsor's controlled group, participant, or beneficiary, and is adversely affected by any action of the corporation with respect to a plan in which such person has an interest, or who is an employee organization representing such a participant or beneficiary so adversely affected for purposes of collective bargaining with respect to such plan, may bring an action against the corporation for appropriate equitable relief in the appropriate court.

"(2) For purposes of this subsection, the term 'appropriate court' means—

"(A) the United States district court before which proceedings under section 4041 or 4042 are being conducted,

"(B) if no such proceedings are being conducted, the United States district court for the judicial district in which the plan has its principal office, or

"(C) the United States District Court for the District of Columbia.

"(3) In any action brought under this subsection, the court may award all or a portion of the costs and expenses incurred in connection with such action to any party who prevails or substantially prevails in such action.

"(4) This subsection shall be the exclusive means for bringing actions against the corporation under this title, including actions against the corporation in its capacity as a trustee under section 4042 or 4049.

"(5)(A) Except as provided in subparagraph (C), an action under this subsection may not be brought after the later of—

"(i) 6 years after the date on which the cause of action arose, or

"(ii) 3 years after the applicable date specified in subparagraph (B).

"(B)(i) Except as provided in clause (ii), the applicable date specified in this subparagraph is the earliest date on which the plaintiff acquired or should have acquired actual knowledge of the existence of such cause of action.

"(ii) In the case of a plaintiff who is a fiduciary bringing the action in the exercise of fiduciary duties, the applicable date specified in this subparagraph is the date on which the plaintiff became a fiduciary with respect to the plan if such date is later than the date specified in clause (i).

"(C) In the case of fraud or concealment, the period described in subparagraph (A)(ii) shall be extended to 6 years after the applicable date specified in subparagraph (B).

"(6) The district courts of the United States have jurisdiction of actions brought under this subsection without regard to the amount in controversy.

"(7) In any suit, action, or proceeding in which the corporation is a party, or intervenes under section 4301, in any State court, the corporation may, without bond or security, remove such suit, action, or proceeding from the State court to the United States district court for the district or division in which such suit, action, or proceeding is pending by following any procedure for removal now or hereafter in effect.".

(2) Limitation on actions by the corporation.—Section 4003(e) (29 U.S.C. 1303(e)) is amended by adding at the end thereof the following new paragraph:

"(6)(A) Except as provided in subparagraph (C), an action under this subsection may not be brought after the later of—

"(i) 6 years after the date on which the cause of action arose, or

"(ii) 3 years after the applicable date specified in subparagraph (B).

"(B)(i) Except as provided in clause (ii), the applicable date specified in this subparagraph is the earliest date on which the corporation acquired or should have acquired actual knowledge of the existence of such cause of action.

"(ii) If the corporation brings the action as a trustee, the applicable date specified in this subparagraph is the date on which the corporation became a trustee with respect to the plan if such date is later than the date described in clause (i).

"(C) In the case of fraud or concealment, the period described in subparagraph (A)(ii) shall be extended to 6 years after the applicable date specified in subparagraph (B).".

(3) Effective date.—The amendments made by this subsection shall apply with respect to actions filed after the date of the enactment of this Act.

SEC. 11015. PROVISIONS RELATING TO WAIVERS OF MINIMUM FUNDING STANDARD AND EXTENSIONS OF AMORTIZATION PERIOD.

(a) Security For Waivers.—

(1) ERISA amendment.—

(A) In general.—Part 3 of subtitle B of title I is amended—

(i) by redesignating section 306 (29 U.S.C. 1086) as section 307; and

(ii) by inserting after section 305 (29 U.S.C. 1085) the following new section:

"SECURITY FOR WAIVERS OF MINIMUM FUNDING STANDARD AND EXTENSIONS OF AMORTIZATION PERIOD

"Sec. 306. (a) Security May Be Required.—

"(1) In general.—Except as provided in subsection (c), the Secretary of the Treasury may require an employer maintaining a defined benefit plan which is a single-employer plan (within the meaning of section 4001(a)(15)) to provide security to such plan

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as a condition for granting or modifying a waiver under section 303 or an extension under section 304.

"(2) Special rules.—Any security provided under paragraph (1) may be perfected and enforced only by the Pension Benefit Guaranty Corporation or, at the direction of the Corporation, by a contributing sponsor (within the meaning of section 4001(a)(13)) or a member of such sponsor's controlled group (within the meaning of section 4001(a)(14)).

"(b) Consultation With the Pension Benefit Guaranty Corporation.—Except as provided in subsection (c), the Secretary of the Treasury shall, before granting or modifying a waiver under section 303 or an extension under section 304 with respect to a plan described in subsection (a)(1)—

"(1) provide the Pension Benefit Guaranty Corporation with—

"(A) notice of the completed application for any waiver, extension, or modification, and

"(B) an opportunity to comment on such application within 30 days after receipt of such notice, and

"(2) consider—

"(A) any comments of the Corporation under paragraph (1)(B), and

"(B) any views of any employee organization representing participants in the plan which are submitted in writing to the Secretary of the Treasury in connection with such application.

Information provided to the corporation under this subsection shall be considered tax return information and subject to the safeguarding and reporting requirements of section 6103(p) of the Internal Revenue Code of 1954.

"(c) Exception for Certain Waivers and Extensions.—

"(1) In general.—The preceding provisions of this section shall not apply to any plan with respect to which the sum of—

"(A) the outstanding balance of the accumulated funding deficiencies (within the meaning of section 302(a)(2) of this Act and section 412(a) of the Internal Revenue Code of 1954) of the plan,

"(B) the outstanding balance of the amount of waived funding deficiencies of the plan waived under section 303 of this Act or section 412(d) of such Code, and

"(C) the outstanding balance of the amount of decreases in the minimum funding standard allowed under section 304 of this Act or section 412(e) of such Code,

is less than $2,000,000.

"(2) Accumulated funding deficiencies.—For purposes of paragraph (1)(A), accumulated funding deficiencies shall include any increase in such amount which would result if all applications for waivers of the minimum funding standard under section 303 of this Act or section 412(d) of the Internal Revenue Code of 1954 and for extensions of the amortization period under section 304 of this Act or section 412(e) of such Code which are pending with respect to such plan were denied.".

(B) Conforming amendment.—Section 211(c)(1) is amended by striking out "306(c)" and inserting in lieu thereof "307(c)".

(C) Clerical amendment.—The table of sections in section 1 is amended by striking out the item relating to section 306 and inserting in lieu thereof the following new items:

"Sec. 306. Security for waivers of minimum funding standard and extensions of amortization period.

"Sec. 307. Effective dates.".

(2) Amendments to the Internal Revenue Code of 1954.—

(A) In general.—Subsection (f) of section 412 of the Internal Revenue Code of 1954 (relating to requirement that benefits may not be increased during waiver or extension period) is amended by adding at the end thereof the following new paragraph:

"(3) Security for waivers and extensions; consultations.—

"(A) Security may be required.—

"(i) In general.—Except as provided in subparagraph (C), the Secretary may require an employer maintaining a defined benefit plan which is a single-employer plan (within the meaning of section 4001(a)(15) of the Employee Retirement Income Security Act of 1974) to provide security to such plan as a condition for granting or modifying a waiver under subsection (d) or an extension under subsection (e).

"(ii) Special rules.—Any security provided under clause (i) may be perfected and enforced only by the Pension Benefit Guaranty Corporation, or at the direction of the Corporation, by a contributing sponsor (within the meaning of section 4001(a)(13) of such Act), or a member of such sponsor's controlled group (within the meaning of section 4001(a)(14) of such Act).

"(B) Consultation with the Pension Benefit Guaranty Corporation.—Except as provided in subparagraph (C), the Secretary shall, before granting or modifying a waiver under subsection (d) or an extension under subsection (e) with respect to a plan described in subparagraph (A)(i)—

"(i) provide the Pension Benefit Guaranty Corporation with—

"(I) notice of the completed application for any waiver, extension, or modification, and

"(II) an opportunity to comment on such application within 30 days after receipt of such notice, and

"(ii) consider—

"(I) any comments of the Corporation under clause (i)(II), and

"(II) any views of any employee organization (within the meaning of section 3(4) of the Employee Retirement Income Security Act of 1974) representing participants in the plan which are submitted in writing to the Secretary in connection with such application.

Information provided to the corporation under this subparagraph shall be considered tax return information and subject to the safeguarding and reporting requirements of section 6103(p).

"(C) Exception for certain waivers and extensions.—

"(i) In general.—The preceding provisions of this paragraph shall not apply to any plan with respect to which the sum of—

"(I) the outstanding balance of the accumulated funding deficiencies (within the meaning of subsection (a) and section 302(a) of such Act) of the plan,

"(II) the outstanding balance of the amount of waived funding deficiencies of the plan waived under subsection (d) or section 303 of such Act, and

"(III) the outstanding balance of the amount of decreases in the minimum funding standard allowed under subsection (e) or section 304 of such Act,

is less than $2,000,000.

"(ii) Accumulated funding deficiencies.—For purposes of clause (i)(I), accumulated funding deficiencies shall include any increase in such amount which would result if all applications for waivers of the minimum funding standard under subsection (d) or section 303 of such Act and for extensions of the amortization period under subsection (e) or section 304 of such Act which are pending with respect to such plan were denied.".

(B) Conforming amendments.—Section 412(f) of the Internal Revenue Code of 1954 is amended—

(i) by striking out the heading thereof and inserting in lieu thereof:

"(f) Requirements Relating to Waivers and Extensions.—", and

(ii) by striking out the heading of paragraph (1) thereof and inserting in lieu thereof:

"(1) Benefits may not be increased during waiver or extension period.—".

(3) Effective dates.—The amendments made by this subsection shall apply with respect to applications for waivers, extensions, and modifications filed on or after the date of the enactment of this Act.

(b) Applicable Interest Rate Under Arrangements Providing for Waivers and Extensions.—

(1) Amendments to ERISA.—

(A) Variances from the minimum funding standard.—Section 303(a) (29 U.S.C. 1083(a)) is amended by adding at the end thereof the following new sentence: "The interest rate used for purposes of computing the amortization charge described in section 302(b)(2)(C) for a variance granted under this subsection shall be the rate determined under section 6621(b) of the Internal Revenue Code of 1954.".

(B) Extensions of the amortization period.—Section 304(a) (29 U.S.C. 1084(a)) is amended by adding after and below paragraph (2) the following new sentence:

"The interest rate applicable under any arrangement entered into by the Secretary in connection with an extension granted under this subsection shall be the rate determined under section 6621(b) of the Internal Revenue Code of 1954.".

(2) Amendments to Internal Revenue Code.—

(A) Variances from the minimum funding standard.—Paragraph (1) of section 412(d) of the Internal Revenue Code of 1954 (relating to waivers in case of substantial business hardship) is amended by adding at the end thereof the following new sentence: "The interest rate used for purposes of computing the amortization charge described in section 412(b)(2)(C) for a variance granted under this subsection shall be the rate determined under section 6621(b).".

(B) Extensions of the amortization period.—Subsection (e) of section 412 of such Code (relating to extension of amortization period) is amended by adding after and below paragraph (2) the following new sentence:

"The interest rate applicable under any arrangement entered into by the Secretary in connection with an extension granted under this subsection shall be the rate determined under section 6621(b).".

SEC. 11016. CONFORMING, CLARIFYING, TECHNICAL, AND MISCELLANEOUS AMENDMENTS.

(a) Conforming Amendments Relating to Plan Terminations.—

(1) Estimated benefits for certain single-employer plans.—Section 4005(b)(2) (29 U.S.C. 1305(b)(2)) is amended—

(A) by striking out "and" at the end of subparagraph (C);

(B) by striking out the period at the end of subparagraph (D) and inserting in lieu thereof ", and"; and

(C) by adding at the end thereof the following:

"(E) to pay to participants and beneficiaries the estimated amount of benefits which are guaranteed by the corporation under this title and the estimated amount of other benefits to which plan assets are allocated under section 4044, under single-employer plans which are unable to pay benefits when due or which are abandoned.".

(2) Credits to revolving fund.—Section 4005(b)(1) (29 U.S.C. 1305(b)(1)) is amended—

(A) by striking out "and" at the end of subparagraph (E);

(B) by redesignating subparagraph (F) as subparagraph (G); and

(C) by inserting after subparagraph (E) the following new subparagraph:

"(F) attorney's fees awarded to the corporation, and".

(3) Restoration of plans.—Section 4047 (29 U.S.C. 1347) is amended—

(A) in the first sentence, by inserting "under section 4041 or 4042" after "terminated" each place it appears; and

(B) in the second sentence, by striking out "section 4042" and inserting in lieu thereof "section 4041 or 4042".

(4) Termination date.—Section 4048(a) (29 U.S.C. 1348(a)) is amended—

(A) by striking out "date of termination" and inserting in lieu thereof "termination date";

(B) by redesignating paragraphs (1) through (3) as paragraphs (2) through (4), respectively;

(C) in paragraph (2) (as redesignated), by inserting "in a distress termination" after "terminated" and by striking out "section 4041" and inserting in lieu thereof "section 4041(c)";

(D) by inserting before paragraph (2) (as redesignated) the following new paragraph:

"(1) in the case of a plan terminated in a standard termination in accordance with the provisions of section 4041(b), the termination date proposed in the notice provided under section 4041(a)(2),";

and

(E) in paragraph (4) (as redesignated), by striking out "in accordance with the provisions of either section" and inserting in lieu thereof "under section 4041(c) or 4042".

(5) Conforming amendments to special liability rules relating to certain single-employer plans under multiple controlled groups.—

(A) Liability of substantial employer for withdrawal.—

(i) Section 4063(a) (29 U.S.C. 1363(a)) is amended—

(I) by striking out "plan under which more than one employer makes contributions (other than a multiemployer plan)" and inserting in lieu thereof "single-employer plan which has two or more contributing sponsors at least two of whom are not under common control";

(II) in paragraph (1), by striking out "withdrawal of a substantial employer" and inserting in lieu thereof "withdrawal during a plan year of a substantial employer for such plan year";

(III) in paragraph (2), by striking out "of such employer" and all that follows and inserting in lieu thereof "of all persons with respect to the withdrawal of the substantial employer.";

(IV) by striking out "whether such employer is liable for any amount under this subtitle with respect to the withdrawal" and inserting in lieu thereof "whether there is liability resulting from the withdrawal of the substantial employer"; and

(V) by striking out "notify such employer" and inserting in lieu thereof "notify the liable persons".

(ii) Section 4063(b) (29 U.S.C. 1363(b)) is amended—

(I) by striking out "an employer" and all that follows down through "shall be liable" and inserting in lieu thereof "any one or more contributing sponsors who withdraw, during a plan year for which they constitute a substantial employer, from a single-employer plan which has two or more contributing sponsors at least two of whom are not under common control, shall, upon notification of such contributing sponsors by the corporation as provided by subsection (a), be liable, together with the members of their controlled groups,";

(II) by striking out "such employer's";

(III) by striking out "the employer's withdrawal" and inserting in lieu thereof "the withdrawal referred to in subsection (a)(1)";

(IV) in paragraph (1), by striking out "such employer" and inserting in lieu thereof "such contributing sponsors";

(V) in paragraph (2), by striking out "all employers" and inserting in lieu thereof "all contributing sponsors"; and

(VI) by striking out "the liability of each such employer" and inserting in lieu thereof "such liability".

(iii) Section 4063(c) (29 U.S.C. 1363(c)) is amended—

(I) in paragraph (1), by striking out "In lieu of payment of his liability under this section the employer" and inserting in lieu thereof "In lieu of payment of a contributing sponsor's liability under this section, the contributing sponsor";

(II) in paragraph (2), by inserting "under section 4041(c) or 4042" after "terminated", by striking out "of such employer", and by striking out "to the employer (or his bond cancelled)" and inserting in lieu thereof "(or the bond cancelled)"; and

(III) in paragraph (3), by inserting "under section 4041(c) or 4042" after "terminates" and by striking out "employer" in subparagraph (C) and inserting in lieu thereof "contributing sponsor".

(iv) Section 4063(d) (29 U.S.C. 1363(d)) is amended—

(I) by striking out "Upon a showing by the plan administrator of a plan (other than a multiemployer plan) that the withdrawal from the plan by any employer or employers has resulted" and inserting in lieu thereof "Upon a showing by the plan administrator of the plan that the withdrawal from the plan by one or more contributing sponsors has resulted";

(II) by striking out "by employers";

(III) in paragraph (1), by striking out "their employer's" and inserting in lieu thereof "the"; and

(IV) in paragraph (2), by striking out "termination" and inserting in lieu thereof "plan terminated under section 4042".

(v) Section 4063(e) (29 U.S.C. 1363(e)) is amended—

(I) by striking out "to any employer or plan administrator"; and

(II) by striking out "all other employers" and inserting in lieu thereof "contributing sponsors".

(vi) The heading for section 4063 is amended by adding at the end thereof the following "from single-employer plans under multiple controlled groups.".

(B) Allocation of liability upon termination of certain single-employer plans.—

(i) Section 4064(a) (29 U.S.C. 1364(a)) is amended—

(I) by striking out "all employers who maintain a plan under which more than one employer makes contributions (other than a multiemployer plan)" and inserting in lieu thereof "all contributing sponsors of a single-employer plan which has two or more contributing sponsors at least two of whom are not under common control"; and

(II) by inserting "under section 4041(c) or 4042" after "terminated".

(ii) Section 4064(b) (29 U.S.C. 1364(b)) is amended to read as follows:

"(b) The corporation shall determine the liability with respect to each contributing sponsor and each member of its controlled group in a manner consistent with section 4062, except that—

"(1) the amount of the liability determined under section 4062(b)(1) with respect to the entire plan—

"(A) shall be determined without regard to clauses (i)(II) and (ii) of section 4062(b)(1)(A), and

"(B) shall be allocated to each controlled group by multiplying such amount by a fraction—

"(i) the numerator of which is the amount required to be contributed to the plan for the last 5 plan years ending prior to the termination date by persons in such controlled group as contributing sponsors, and

"(ii) the denominator of which is the total amount required to be contributed to the plan for such last 5 plan years by all persons as contributing sponsors,

and clauses (i)(II) and (ii) of section 4062(b)(1)(A) shall be applied separately with respect to each such controlled group, and

"(2) the amount of the liability determined under section 4062(c)(1) with respect to the entire plan shall be allocated to each controlled group by multiplying such amount by the fraction described in paragraph (1)(B) in connection with such controlled group.

The corporation may also determine the liability of each such contributing sponsor and member of its controlled group on any other equitable basis prescribed by the corporation in regulations.".

(iii) The heading for section 4064 is amended to read as follows:

"Liability on termination of single-employer plans under multiple controlled groups".

(C) Annual notification to substantial employers.—Section 4066 (29 U.S.C. 1366) is amended—

(i) by striking out "each plan under which contributions are made by more than one employer (other than a multiemployer plan)" and inserting in lieu thereof "each single-employer plan which has at least two contributing sponsors at least two of whom are not under common control";

(ii) by striking out "any employer making contributions under that plan" and inserting in lieu thereof "contributing sponsor of the plan"; and

(iii) by striking out "that he is a substantial employer" and inserting in lieu thereof "that such contributing sponsor (alone or together with members of such contributing sponsor's controlled group) constitutes a substantial employer".

(6) Additional amendments relating to recovery of amounts of liability.—

(A) Section 4067 (29 U.S.C. 1367) is amended—

(i) in the heading, by striking out "employer";

(ii) by striking out "employer or employers" and inserting in lieu thereof "contribut-

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ing sponsors and members of their controlled groups"; and

(iii) by inserting "of amounts of liability to the corporation accruing as of the termination date" after "deferred payment".

(B) Section 4068 (29 U.S.C. 1368) is amended—

(i) in the heading, by striking out "OF EMPLOYER";

(ii) in subsection (a), by striking out "employer or employers" the first place it appears and inserting in lieu thereof "person", by striking out "neglect or refuse" and inserting in lieu thereof "neglects or refuses", by inserting "to the extent of an amount equal to the unpaid amount described in section 4062(b)(1)(A)(i)" after "liability" and after "corporation" the second place it appears, and by striking out "employer or employers" and inserting in lieu thereof "person";

(iii) in subsection (d)(1), by striking out "employer" and inserting in lieu thereof "liable person";

(iv) in subsection (d)(2), by striking out "employer" each place it appears and inserting in lieu thereof "liable person";

(v) in subsection (e), by striking out "employer or employers" and inserting in lieu thereof "liable person"; and

(vi) by striking out subsection (c)(1) (29 U.S.C. 1368(c)(1)) and inserting in lieu thereof the following:

"(c)(1) Except as otherwise provided under this section, the priority of a lien imposed under subsection (a) shall be determined in the same manner as under section 6323 of the Internal Revenue Code of 1954 (as in effect on the date of the enactment of the Single-Employer Pension Plan Amendments Act of 1986). Such section 6323 shall be applied for purposes of this section by disregarding subsection (g)(4) and by substituting—

"(A) 'lien imposed by section 4068 of the Employee Retirement Income Security Act of 1974' for 'lien imposed by section 6321' each place it appears in subsections (a), (b), (c)(1), (c)(4)(B), (d), (e), and (h)(5);

"(B) 'the corporation' for 'the Secretary' in subsections (a) and (b)(9)(C);

"(C) 'the payment of the amount on which the section 4068(a) lien is based' for 'the collection of any tax under this title' in subsection (b)(3);

"(D) 'a person whose property is subject to the lien' for 'the taxpayer' in subsections (b)(8), (c)(2)(A)(i) (the first place it appears), (c)(2)(A)(ii), (c)(2)(B), (c)(4)(B), and (c)(4)(C) (in the matter preceding clause (i));

"(E) 'such person' for 'the taxpayer' in subsections (c)(2)(A)(i) (the second place it appears) and (c)(4)(C)(ii);

"(F) 'payment of the loan value of the amount on which the lien is based is made to the corporation' for 'satisfaction of a levy pursuant to section 6332(b)' in subsection (b)(9)(C);

"(G) 'section 4068(a) lien' for 'tax lien' each place it appears in subsections (c)(1), (c)(2)(A), (c)(2)(B), (c)(3)(B)(iii), (c)(4)(B), (d), and (h)(5); and

"(H) 'the date on which the lien is first filed' for 'the date of the assessment of the tax' in subsection (g)(3)(A).".

(b) Clarification of Description of Certain Information Required To Be Filed in Annual Report.—

(1) In general.—Section 103(d)(6) (29 U.S.C. 1023(d)(6)) is amended to read as follows:

"(6) Information required in regulations of the Pension Benefit Guaranty Corporation with respect to:

"(A) the current value of the assets of the plan,

"(B) the present value of all nonforfeitable benefits for participants and beneficiaries receiving payments under the plan,

"(C) the present value of all nonforfeitable benefits for all other participants and beneficiaries,

"(D) the present value of all accrued benefits which are not nonforfeitable (including a separate accounting of such benefits which are benefit commitments, as defined in section 4001(a)(16)), and

"(E) the actuarial assumptions and techniques used in determining the values described in subparagraphs (A) through (D).".

(2) Conforming amendment.—Section 104(a)(2)(A) (29 U.S.C. 1024(a)(2)(A)) is amended by striking out the second sentence.

(3) Transition rules.—Any regulations, modifications, or waivers which have been issued by the Secretary of Labor with respect to section 103(d)(6) of the Employee Retirement Income Security Act of 1974 (as in effect immediately before the date of the enactment of this Act) shall remain in full force and effect until modified by any regulations with respect to such section 103(d)(6) prescribed by the Pension Benefit Guaranty Corporation.

(c) Additional Amendments.—

(1) Definition for title I.—Section 3(37)(A) (29 U.S.C. 1002(37)(A)) is amended by inserting "pension" before "plan".

(2) Notice of request for waivers of minimum funding standards and right to submit relevant information.—Section 303 (29 U.S.C. 1083) is amended by inserting after subsection (d) the following new subsection:

"(e)(1) The Secretary of the Treasury shall, before granting a waiver under this section, require each applicant to provide evidence satisfactory to such Secretary that the applicant has provided notice of the filing of the application for such waiver to each employee organization representing employees covered by the affected plan.

"(2) The Secretary of the Treasury shall consider any relevant information provided by a person to whom notice was given under paragraph (1).".

(3) Notice of request for extensions of amortization period and right to submit relevant information.—Section 304 (29 U.S.C. 1084) is amended by adding at the end thereof the following new subsection:

"(c)(1) The Secretary of the Treasury shall, before granting an extension under this section, require each applicant to provide evidence satisfactory to such Secretary that the applicant has provided notice of the filing of the application for such extension to each employee organization representing employees covered by the affected plan.

"(2) The Secretary of the Treasury shall consider any relevant information provided by a person to whom notice was given under paragraph (1).".

(4) Amendment to the Internal Revenue Code of 1954.—Subsection (f) of section 412 of the Internal Revenue Code of 1954 (relating to benefits may not be increased during waiver or extension period), as amended by the preceding provisions of this title, is further amended by adding at the end thereof the following new paragraph:

"(4) Additional requirements.—

"(A) Advance notice.—The Secretary shall, before granting a waiver under subsection (d) or an extension under subsection (e), require each applicant to provide evidence satisfactory to the Secretary that the applicant has provided notice of the filing of the application for such waiver or extension to each employee organization representing employees covered by the affected plan.

"(B) Consideration of relevant information.—The Secretary shall consider any relevant information provided by a person to whom notice was given under subparagraph (A).".

(5) Audit of plans terminated in standard termination.—Section 4003(a) (29 U.S.C. 1303(a)) is amended by adding at the end thereof the following new sentence: "The corporation shall annually audit a statistically significant number of plans terminating under section 4041(b) to determine whether participants and beneficiaries have received their benefit commitments. Each audit shall include a statistically significant number of participants and beneficiaries.".

(6) Repeal of expired authority.—Section 4004 (29 U.S.C. 1304) is repealed.

(7) Voting by corporation of stock paid as liability.—Section 4005 (29 U.S.C. 1305) is amended by adding at the end thereof the following new subsection:

"(g) Any stock in a person liable to the corporation under this title which is paid to the corporation by such person or a member of such person's controlled group in satisfaction of such person's liability under this title may be voted only by the custodial trustees or outside money managers of the corporation or fiduciaries with respect to trusts to which the requirements of section 4049 apply.".

(8) Effective years.—Section 4022(b)(7) (29 U.S.C. 1322(b)(7)) is amended by striking out "following" and inserting in lieu thereof "beginning with".

(9) Treatment of qualified preretirement survivor annuities.—Section 4022 (29 U.S.C. 1322) is amended by adding at the end thereof the following new subsection:

"(d) For purposes of subsection (a), a qualified preretirement survivor annuity (as defined in section 205(e)(1)) with respect to a participant under a terminated single-employer plan shall not be treated as forfeitable solely because the participant has not died as of the termination date.".

(10) Clarification of power to collect amounts due the corporation.—Section 4042(d)(1)(B)(ii) (29 U.S.C. 1342(d)(1)(B)(ii)) is amended by inserting after "amounts due the plan" the following: ", including but not limited to the power to collect from the persons obligated to meet the requirements of section 302 or the terms of the plan".

(11) Conforming amendment.—Section 4042(d)(3) (29 U.S.C. 1342(d)(3)) is amended by striking out "same duties as a trustee appointed under section 47 of the Bankruptcy Act" and inserting in lieu thereof "same duties as those of a trustee under section 704 of title 11, United States Code".

(12) Conforming amendment.—Section 4044(a) (29 U.S.C. 1344(a)) is amended by striking out "defined benefit".

(13) Clerical corrections.—Section 4044(a)(4) (29 U.S.C. 1344(a)(4)(A)) is amended—

(A) in subparagraph (A), by striking out "section 4022(b)(5)" and inserting in lieu thereof "section 4022B(a)"; and

(B) in subparagraph (B), by striking out "section 4022(b)(6)" and inserting in lieu thereof "section 4022(b)(5)".

(14) Release of lien.—Section 4068(e) (29 U.S.C. 1368(e)) is amended by striking out ", with the consent of the board of directors,".

(d) Studies by Comptroller General.—

(1) In general.—The Comptroller General of the United States may, pursuant to the request of any Member of Congress, study employee benefit plans, including the effects of such plans on employees, participants, and their beneficiaries.

(2) Access to books, documents, etc.—For the purpose of conducting studies under this subsection, the Comptroller General, or any of his duly authorized representatives, shall have access to and the right to examine and copy any books, documents, papers, records, or other recorded information—

(A) within the possession or control of the administrator, sponsor, or employer of and persons providing services to any employee benefit plan, and

(B) which the Comptroller General or his representative finds, in his own judgment, pertinent to such study.

The Comptroller General shall not disclose the identity of any individual or employer in making any information obtained under this subsection available to the public.

(3) Definitions.—For purposes of this subsection, the terms "employee benefit plan", "participant", "administrator", "beneficiary", "plan sponsor", "employee", and "employer" are defined in section 3 of the Employee Retirement Income Security Act of 1974.

(4) Effective date.—The preceding provisions of this subsection shall be effective on the date of the enactment of this Act.

(e) Amendments to the Table of Contents of ERISA.—The table of contents in section 1 is amended—

(1) by striking out the item relating to section 4004;

(2) by striking out the item relating to section 4042 and inserting in lieu thereof the following new item:

"Sec. 4042. Institution of termination proceedings by the corporation.";

(3) by inserting after the item relating to section 4048 the following new item:

"Sec. 4049. Distribution to participants and beneficiaries of liability payments to section 4049 trust.";

and

(4) by striking out the items relating to subtitle D of title IV and inserting in lieu thereof the following new items:

"Subtitle D—Liability

"Sec. 4061. Amounts payable by the corporation.
"Sec. 4062. Liability for termination of single-employer plans under a distress termination or a termination by the corporation.
"Sec. 4063. Liability of substantial employer for withdrawal from single-employer plans under multiple controlled groups.
"Sec. 4064. Liability on termination of single-employer plans under multiple controlled groups.
"Sec. 4065. Annual report of plan administrator.
"Sec. 4066. Annual notification of substantial employers.
"Sec. 4067. Recovery of liability for plan termination.
"Sec. 4068. Lien for liability.
"Sec. 4069. Treatment of transactions to evade liability; effect of corporate reorganization.
"Sec. 4070. Enforcement authority relating to terminations of single-employer plans.".

SEC. 11017. STUDIES.

(a) Single-Employer Pension Plan Termination Insurance Premium Study.—

(1) In general.—As soon as practicable after the date of the enactment of this Act, the Pension Benefit Guaranty Corporation shall conduct a study of the premiums established under the single-employer pension plan termination insurance program under title IV of the Employee Retirement Income Security Act of 1974.

(2) Matters to be studied.—The Corporation shall specifically consider in its study the following matters:

(A) the effect of the amendments made by this title on the long-term stability of the single-employer pension plan termination insurance program under title IV of the Employee Retirement Income Security Act of 1974,

(B) alternatives to the current statutory mechanism with respect to proposals for changes in the premium levels under such program,

(C) the methods currently used by the Corporation in projecting future program costs of the single-employer pension plan termination insurance program,

(D) alternative methods of projecting such future program costs and an evaluation of each such alternative method,

(E) the methods currently used by the Corporation in determining premiums needed to allocate and adequately fund such future program costs,

(F) alternative methods of making such premium determinations and an evaluation of each such alternative method, and

(G) alternative premium bases upon which some or all of such projected future program costs would be allocated on an exposure-related or risk-related computation, which may take into account the different exposures or risks imposed on the Corporation by plan sponsors with different histories and under different circumstances.

(3) Submission of corporation's report.—Not later than one year after the date of the enactment of this Act, the Corporation shall report the results of its study, together with any recommendations for statutory changes, to an advisory council, to be appointed by the chairmen of the Committee on Education and Labor and the Committee on Ways and Means of the House of Representatives and the Committee on Labor and Human Resources and the Committee on Finance of the Senate. The advisory council shall be composed of representatives of single-employer plan sponsors, employee organizations representing single-employer plan participants, and members of the general public who are experts in the matters to be considered in the study. The members of the advisory council shall serve without compensation.

(4) Submission of council's report to congress.—Not later than 180 days after the date of the submission of the Corporation's report to the advisory council under paragraph (3), the advisory council shall submit the results of the Corporation's study and the Corporation's recommendations, together with the recommendations of the council, to the Speaker of the House of Representatives and the President pro tempore of the Senate.

(5) Cooperation by the pension benefit guaranty corporation and other federal agencies.—The Corporation shall cooperate with the advisory council in reviewing the results of the Corporation's study and recommendations. In order to avoid unnecessary expense and duplication, to the extent not otherwise prohibited by law, the Corporation and any other Federal agency shall provide to the advisory council any data, analyses, or other relevant information related to the matters under review.

(b) Overfunded Pension Plan Study.—

(1) In general.—As soon as practicable after the date of enactment of this Act, the Secretary of Labor shall conduct a study of terminations resulting in residual assets under section 4044(d) of the Employee Retirement Income Security Act of 1974.

(2) Report.—No later than May 1, 1986, the Secretary of Labor shall submit a report on the study conducted under paragraph (1), together with any recommendations for statutory changes, to the chairmen of the Committee on Education and Labor and the Committee on Ways and Means of the House of Representatives and the Committee on Labor and Human Resources and the Committee on Finance of the Senate.

SEC. 11018. LIMITATION ON REGULATIONS.

(a) Regulatory Treatment of Assets of Real Estate Entities.—

(1) In general.—Except as a defense, no rule or regulation adopted pursuant to the Secretary's proposed regulation defining "plan assets" for purposes of the Employee Retirement Income Security Act of 1974 (50 Fed. Reg. 961, January 8, 1985, as modified by 50 Fed. Reg. 6361, February 15, 1985), or any reproposal thereof prior to the adoption of the regulations required to be issued in accordance with subsection (d), shall apply to any asset of a real estate entity in which a plan, account, or arrangement subject to such Act invests if—

(A) any interest in the entity is first offered to a plan, account, or arrangement subject to such Act investing in the entity (hereinafter in this section referred to as a "plan investor") on or before the date which is 120 days after the date of publication of such rule or regulation as a final rule or regulation;

(B) no plan investor acquires an interest in the entity from an issuer or underwriter at any time on or after the date which is 270 days after the date of publication of such rule or regulation as a final rule or regulation (except pursuant to a contract or subscription binding on the plan investor and entered into, or tendered, before the expiration of such 270-day period, or pursuant to the exercise, on or before December 31, 1990, of a warrant which was the subject of an effective registration under the Securities Act of 1933 (15 U.S.C. 77q et seq.) prior to the date of the enactment of this section); and

(C) every interest in the entity acquired by a plan investor (or contracted for or subscribed to by a plan investor) before the expiration of such 270-day period is a security—

(i) which is part of an issue or class of securities which upon such acquisition or at any time during the offering period is held by 100 or more persons;

(ii) the economic rights of ownership in respect of which are freely transferable;

(iii) which is registered under the Securities Act of 1933; and

(iv) which is part of an issue or class of securities which is registered under the Securities Exchange Act of 1934 (15 U.S.C. 78a et seq.) (or is so registered within three years of the effective date of the registration statement of such securities for purposes of the Securities Act of 1933: *Provided*, That the issuer provides plan investors with such reports with respect to the offering period as are required with respect to such period by the Securities and Exchange Commission

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under such Acts and the rules and regulations promulgated thereunder).

In the case of partnerships organized prior to enactment of this section, the requirements of subparagraphs (iii) and (iv) shall not apply to initial limited partnership interests in an entity otherwise described above: *Provided*, That such entity was the subject of an effective registration under the Securities Act of 1933 prior to the date of the enactment of this section, such interests were issued solely for partnership organizational purposes in compliance with State limited partnership laws, and such interest has a value as of the date of issue of less than $20,000 and represents less than one percent of the total interests outstanding as of the completion of the offering period.

(2) Maintenance of current regulatory treatment.—No asset of any real estate entity described in paragraph (1) shall be treated as an asset of any plan investor for any purpose of the Employee Retirement Income Security Act of 1974 if the assets of such entity would not have been assets of such plan investor under the provisions of—

(A) Interpretive Bulletin 75-2 (29 CFR 2509.750-2); or

(B) the regulations proposed by the Secretary of Labor and published—

(i) on August 28, 1979, at 44 Fed. Reg. 50363;

(ii) on June 6, 1980, at 45 Fed. Reg. 38084;

(iii) on January 8, 1985, at 50 Fed. Reg. 961; or

(iv) on February 15, 1985, at 50 Fed. Reg. 6361,

without regard to any limitation of any effective date proposed therein.

(b) Definitions and Special Rules.—For purposes of this section—

(1) The term "real estate entity" means an entity which, at any time within two years after the closing of its offering period has invested or has contracted to invest at least 75 percent of the value of its net assets available for investment in direct or indirect ownership of "real estate assets" or "interests in real property".

(2) The term "real estate asset" means real property (including an interest in real property) and any share of stock or beneficial interest, partnership interest, depository receipt, or any other interest in any other real estate entity.

(3) The term "interest in real property" includes, directly or indirectly, the following:

(A) the ownership or co-ownership of land or improvements thereon;

(B) any mortgage (including an interest in or co-ownership of any mortgage, leasehold mortgage, pool of mortgages, deed of trust, or similar instrument) on land or improvements thereon;

(C) any leasehold of land or improvements thereon; and

(D) any option to acquire any of the foregoing, but does not include any mineral, oil, or gas royalty interest.

(4) Whether the economic rights of ownership with respect to a security are "freely transferable" shall be determined based upon all the facts and circumstances, but ordinarily none of the following, alone or in any combination, shall cause the economic rights of ownership to be considered not freely transferable—

(A) any requirement that not less than a minimum number of shares or units of such security be transferred or assigned by any investor: *Provided*, That such requirement does not prevent transfer of all of the then remaining shares or units held by an investor;

(B) any prohibition against transfer or assignment of such security or rights in respect thereof to an ineligible or unsuitable investor;

(C) any restriction on or prohibition against any transfer or assignment which would either result in a termination or reclassification of the entity for Federal or State tax purposes or which would violate any State or Federal statute, regulation, court order, judicial decree, or rule of law;

(D) any requirement that reasonable transfer or administrative fees be paid in connection with a transfer or assignment;

(E) any requirement that advance notice of a transfer or assignment be given to the entity and any requirement regarding execution of documentation evidencing such transfer or assignment (including documentation setting forth representations from either or both of the transferor or transferee as to compliance with any restriction or requirement described in this section or requiring compliance with the entity's governing instruments);

(F) any restriction on substitution of an assignee as a limited partner of a partnership, including a general partner consent requirement: *Provided*, That the economic benefits of ownership of the assignor may be transferred or assigned without regard to such restriction or consent (other than compliance with any other restriction described in this section);

(G) any administrative procedure which establishes an effective date, or an event such as the completion of the offering, prior to which a transfer or assignment will not be effective; and

(H) any limitation or restriction on transfer or assignment which is not created or imposed by the issuer or any person acting for or on behalf of such issuer.

(c) No Effect on Secretary's Authority Other Than As Provided.—Except as provided in subsection (a), nothing in this section shall limit the authority of the Secretary of Labor to issue regulations or otherwise interpret section 3(21) of the Employee Retirement Income Security Act of 1974.

(d) Time Limit for Final Regulations.—The Secretary of Labor shall adopt final regulations defining "plan assets" by December 31, 1986.

(e) Effective Date.—The preceding provisions of this section shall take effect on the date of the enactment of this Act.

SEC. 11019. EFFECTIVE DATE OF TITLE; TEMPORARY PROCEDURES.

(a) In General.—Except as otherwise provided in this title, the amendments made by this title shall be effective as of January 1, 1986, except that such amendments shall not apply with respect to terminations for which—

(1) notices of intent to terminate were filed with the Pension Benefit Guaranty Corporation under section 4041 of the Employee Retirement Income Security Act of 1974 before such date, or

(2) proceedings were commenced under section 4042 of such Act before such date.

(b) Transitional Rules.—

(1) In general.—In the case of a single-employer plan termination for which a notice of intent to terminate was filed with the Pension Benefit Guaranty Corporation under section 4041 of the Employee Retirement Income Security Act of 1974 (as in effect before the amendments made by this title) on or after January 1, 1986, but before the date of the enactment of this Act, the amendments made by this title shall apply with respect to such termination, as modified by paragraphs (2) and (3).

(2) Deemed compliance with notice requirements.—The requirements of subsections (a)(2), (b)(1)(A), and (c)(1)(A) of section 4041 of the Employee Retirement Income Security Act of 1974 (as amended by this title) shall be considered to have been met with respect to a termination described in paragraph (1) if—

(A) the plan administrator provided notice to the participants in the plan regarding the termination in compliance with applicable regulations of the Pension Benefit Guaranty Corporation as in effect on the date of the notice, and

(B) the notice of intent to terminate provided to the Pension Benefit Guaranty Corporation in connection with the termination was filed with the Corporation not less than 10 days before the proposed date of termination specified in the notice.

For purposes of section 4041 of such Act (as amended by this title), the proposed date of termination specified in the notice of intent to terminate referred to in subparagraph (B) shall be considered the proposed termination date.

(3) Special termination procedures.—

(A) In general.—This paragraph shall apply with respect to any termination described in paragraph (1) if, within 90 days after the date of enactment of this Act, the plan administrator notifies the Corporation in writing—

(i) that the plan administrator wishes the termination to proceed as a standard termination under section 4041(b) of the Employee Retirement Income Security Act of 1974 (as amended by this title) in accordance with subparagraph (B),

(ii) that the plan administrator wishes the termination to proceed as a distress termination under section 4041(c) of such Act (as amended by this title) in accordance with subparagraph (C), or

(iii) that the plan administrator wishes to stop the termination proceedings in accordance with subparagraph (D).

(B) Terminations proceeding as standard termination.—

(i) Terminations for which sufficiency notices have not been issued.—

(I) In general.—In the case of a plan termination described in paragraph (1) with respect to which the Corporation has been provided the notification described in subparagraph (A)(i) and with respect to which a notice of sufficiency has not been issued by the Corporation before the date of the enactment of this Act, if, during the 90-day period commencing on the date of the notice required in subclause (II), all benefit commitments under the plan have been satisfied, the termination shall be treated as a standard termination under section 4041(b) of such Act (as amended by this title).

(II) Special notice regarding sufficiency for terminations for which notices of sufficiency have not been issued as of date of enactment.—In the case of a plan termination described in paragraph (1) with respect to which the Corporation has been provided the notification described in subparagraph (A)(i) and with respect to which a notice of sufficiency has not been issued by the Corporation before the date of the enactment of this Act, the Corporation shall make the determinations described in sections 4041(c)(3)(A) (i) and (ii) (as amended by this title) and notify the plan administrator of such determinations as provided in

section 4041(c)(3)(A)(iii) (as amended by this title).

(ii) Terminations for which notices of sufficiency have been issued.—In the case of a plan termination described in paragraph (1) with respect to which the Corporation has been provided the notification described in subparagraph (A)(i) and with respect to which a notice of sufficiency has been issued by the Corporation before the date of the enactment of this Act, clause (i)(I) shall apply, except that the 90-day period referred to in clause (i)(I) shall begin on the date of the enactment of this Act.

(C) Terminations proceeding as distress termination.—In the case of a plan termination described in paragraph (1) with respect to which the Corporation has been provided the notification described in subparagraph (A)(ii), if the requirements of section 4041(c)(2)(B) of such Act (as amended by this title) are met, the termination shall be treated as a distress termination under section 4041(c) of such Act (as amended by this title).

(D) Termination of proceedings by plan administrator.—

(i) In general.—Except as provided in clause (ii), in the case of a plan termination described in paragraph (1) with respect to which the Corporation has been provided the notification described in subparagraph (A)(iii), the termination shall not take effect.

(ii) Terminations with respect to which final distribution of assets has commenced.—Clause (i) shall not apply with respect to a termination with respect to which the final distribution of assets has commenced before the date of the enactment of this Act unless, within 90 days after the date of the enactment of this Act, the plan has been restored in accordance with procedures issued by the Corporation pursuant to subsection (c).

(E) Authority of corporation to extend 90-day periods to permit standard termination.—The Corporation may, on a case-by-case basis in accordance with subsection (c), provide for extensions of the applicable 90-day period referred to in clause (i) or (ii) of subparagraph (B) if it is demonstrated to the satisfaction of the Corporation that—

(i) the plan could not otherwise, pursuant to the preceding provisions of this paragraph, terminate in a termination treated as a standard termination under section 4041(b) of the Employee Retirement Income Security Act of 1974 (as amended by this title), and

(ii) the extension would result in a greater likelihood that benefit commitments under the plan would be paid in full,

except that any such period may not be so extended beyond one year after the date of the enactment of this Act.

(c) Authority To Prescribe Temporary Procedures.—The Pension Benefit Guaranty Corporation may prescribe temporary procedures for purposes of carrying out the amendments made by this title during the 180-day period beginning on the date described in subsection (a).

TITLE XII—INCOME SECURITY AND RELATED PROGRAMS

Subtitle A—Old-Age, Survivors, and Disability Insurance Program

SEC. 12101. DEMONSTRATION PROJECTS INVOLVING THE DISABILITY INSURANCE PROGRAM.

(a) Extension of Waiver Authority.—Section 505(a)(3) of the Social Security Disability Amendments of 1980 is amended by inserting "which is initiated before June 10, 1990" after "demonstration project under paragraph (1)".

(b) Interim Reports.—Section 505(a)(4) of such Amendments is amended to read as follows:

"(4) On or before June 9 in each of the years 1986, 1987, 1988, and 1989, the Secretary shall submit to the Congress an interim report on the progress of the experiments and demonstration projects carried out under this subsection together with any related data and materials which the Secretary may consider appropriate.".

(c) Final Report.—Section 505(c) of such Amendments is amended by striking out "under this section no later than five years after the date of the enactment of this Act" and inserting in lieu thereof "under subsection (a) no later than June 9, 1990".

(d) Incorporation of Certain Reports Into Secretary's Annual Report to Congress.—Section 1110(b) of the Social Security Act is amended by adding at the end thereof the following new paragraph:

"(3) All reports of the Secretary with respect to projects carried out under this subsection shall be incorporated into the Secretary's annual report to the Congress required by section 704.".

SEC. 12102. DISABILITY ADVISORY COUNCIL.

(a) Appointment of Council.—Within ninety days after the date of the enactment of this Act, the Secretary of Health and Human Services shall appoint a special Disability Advisory Council.

(b) Membership of Council.—The Disability Advisory Council shall consist of a Chairman and not more than twelve other persons, appointed by the Secretary without regard to the provisions of title 5, United States Code, governing appointments in the competitive service. The appointed members shall, to the extent possible, represent organizations of employers and employees in equal numbers, medical and vocational experts from the public or private sector (or from both such sectors), organizations representing disabled people, and the public. The Council shall meet as often as may be necessary for the performance of its duties under this section, but not less often than quarterly.

(c) Duties of Council.—(1) The Advisory Council shall conduct studies and make recommendations with respect to the medical and vocational aspects of disability under both title II and title XVI of the Social Security Act, including studies and recommendations relating to—

(A) the effectiveness of vocational rehabilitation programs for recipients of disability insurance benefits or supplemental security income benefits;

(B) the question of using specialists for completing medical and vocational evaluations at the State agency level in the disability determination process, including the question of requiring, in cases involving impairments other than mental impairments, that the medical portion of each case review (as well as any applicable assessment of residual functional capacity) be completed by an appropriate medical specialist employed by the appropriate State agency before any determination can be made with respect to the impairment involved;

(C) alternative approaches to work evaluation in the case of applicants for benefits based on disability and recipients of such benefits undergoing reviews of their cases, including immediate referral of any such applicant or recipient to a vocational rehabilitation agency for services at the same time he or she is referred to the appropriate State agency for a disability determination;

(D) the feasibility and appropriateness of providing work evaluation stipends for applicants for and recipients of benefits based on disability in cases where extended work evaluation is needed prior to the final determination of their eligibility for such benefits or for further rehabilitation and related services;

(E) the standards, policies, and procedures which are applied or used by the Secretary of Health and Human Services with respect to work evaluations in order to determine whether such standards, policies, and procedures will provide appropriate screening criteria for work evaluation referrals in the case of applicants for and recipients of benefits based on disability; and

(F) possible criteria for assessing the probability that an applicant for or recipient of benefits based on disability will benefit from rehabilitation services, taking into consideration not only whether the individual involved will be able after rehabilitation to engage in substantial gainful activity but also whether rehabilitation services can reasonably be expected to improve the individual's functioning so that he or she will be able to live independently or work in a sheltered environment.

(2) For purposes of this subsection, "work evaluation" includes (with respect to any individual) a determination of—

(A) such individual's skills,

(B) the work activities or types of work activity for which such individual's skills are insufficient or inadequate,

(C) the work activities or types of work activity for which such individual might potentially be trained or rehabilitated,

(D) the length of time for which such individual is capable of sustaining work (including, in the case of the mentally impaired, the ability to cope with the stress of competitive work), and

(E) any modifications which may be necessary, in work activities for which such individual might be trained or rehabilitated, in order to enable him or her to perform such activities.

(d) Provision of Assistance to Council; Compensation of Members.—(1) The Disability Advisory Council is authorized to engage such technical assistance, including actuarial services, as may be required to carry out its functions, and the Secretary of Health and Human Services shall, in addition, make available to the Council such secretarial, clerical, and other assistance and such actuarial and other pertinent data prepared by the Department of Health and Human Services as the Council may require to carry out such functions.

(2) Appointed members of the Council, while serving on business of the Council (inclusive of traveltime), shall receive compensation at rates fixed by the Secretary, but not exceeding $100 per day, and, while so serving away from their homes or regular places of business, they may be allowed travel expenses, including per diem in lieu of subsistence, as authorized by section 5703 of title 5, United States Code, for persons in the Government employed intermittently.

(e) Reports.—The Disability Advisory Council shall submit a report (including any interim reports the Council may have issued) of its findings and recommendations to the Secretary of Health and Human Services not later than December 31, 1986; and such report and recommendations shall thereupon be transmitted to the Congress

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and to the Board of Trustees of the Federal Disability Insurance Trust Fund.

(f) Termination.—After the date of the transmittal to the Congress of the report required by subsection (e), the Disability Advisory Council shall cease to exist.

(g) Conforming Amendments.—(1) Section 706 of the Social Security Act is amended—

(A) by inserting "except as provided in subsection (e)," immediately before "the Secretary shall appoint" in subsection (a); and

(B) by adding at the end thereof the following new subsection:

"(e) No Advisory Council on Social Security shall be appointed under subsection (a) in 1985 (or in any subsequent year prior to 1989).".

(2) Section 12 of the Social Security Disability Benefits Reform Act of 1984 is repealed.

SEC. 12103. TAXATION OF SOCIAL SECURITY BENEFITS RECEIVED BY CERTAIN CITIZENS OF POSSESSIONS OF THE UNITED STATES.

(a) General Rule.—Section 932 of the Internal Revenue Code of 1954 (relating to citizens of possessions of the United States) is amended by redesignating subsection (c) as subsection (d) and by inserting after subsection (b) the following new subsection:

"(c) Taxation of Social Security Benefits.—If, for purposes of an income tax imposed in the possession, any social security benefit (as defined in section 86(d)) received by an individual described in subsection (a) is treated in a manner equivalent to that provided by section 86, then—

"(1) such benefit shall be exempt from the tax imposed by section 871, and

"(2) no amount shall be deducted and withheld from such benefit under section 1441.

Any income tax imposed in a possession which treats social security benefits (as defined in section 86(d)) in a manner equivalent to section 86, and which first becomes effective within 15 months after the date of the enactment of this subsection, shall, for purposes of this section, be deemed to have been in effect as of January 1, 1984.".

(b) Cross Reference.—Paragraph (3) of section 871(a) of such Code is amended by adding at the end thereof (after and below subparagraph (B)) the following new sentence:

"For treatment of certain citizens of possessions of the United States, see section 932(c)."

(c) Effective Date.—The amendments made by this section shall apply to benefits received after December 31, 1983, in taxable years ending after such date.

SEC. 12104. APPLICATION OF DEPENDENCY TEST TO ADOPTED GREAT-GRANDCHILDREN FOR PURPOSES OF CHILD'S INSURANCE BENEFITS.

(a) Treatment of Grandchildren and Great-Grandchildren Alike.—Section 202(d)(8)(D)(ii)(III) of the Social Security Act is amended by inserting "or great-grandchild" after "grandchild".

(b) Effective Date.—The amendment made by subsection (a) shall apply with respect to benefits for which application is filed after the date of the enactment of this Act.

SEC. 12105. ELIMINATION OF REQUIREMENT FOR PUBLICATION OF REVISIONS IN PRE-1979 BENEFIT TABLE.

Section 215(i)(4) of the Social Security Act is amended by striking out "the Secretary shall publish" and all that follows in the last sentence and inserting in lieu thereof the following: "the Secretary shall revise the table of benefits contained in subsection (a), as in effect in December 1978, in accordance with the requirements of paragraph (2)(D) of this subsection as then in effect, except that the requirement in such paragraph (2)(D) that the Secretary publish such revision of the table of benefits in the Federal Register shall not apply.".

SEC. 12106. FORMULA CLARIFICATION.

Section 709(b)(1) of the Social Security Act is amended to read as follows:

"(1) the balance in such Trust Fund as of the beginning of such year, including the taxes transferred under section 201(a) on the first day of such year and reduced by the outstanding amount of any loan (including interest thereon) theretofore made to such Trust Fund under section 201(l) or 1817(j), to".

SEC. 12107. EXTENSION OF 15-MONTH REENTITLEMENT PERIOD TO CHILDHOOD DISABILITY BENEFICIARIES SUBSEQUENTLY ENTITLED.

(a) In General.—Section 202(d)(6)(E) of the Social Security Act is amended by striking out "the third month following the month in which he ceases to be under such disability" and inserting in lieu thereof "the termination month (as defined in paragraph (1)(G)(i)), subject to section 223(e),".

(b) Conforming Amendment.—Section 223(e) of such Act is amended by inserting "(d)(6)(A)(ii), (d)(6)(B)," after "(d)(1)(B)(ii),".

(c) Effective Date.—The amendments made by this section are effective December 1, 1980, and shall apply with respect to any individual who is under a disability (as defined in section 223(d) of the Social Security Act) on or after that date.

SEC. 12108. CHARGING OF WORK DEDUCTIONS AGAINST AUXILIARY BENEFITS IN DISABILITY CASES.

(a) In General.—(1) Section 203(a)(4) of the Social Security Act is amended by striking out "preceding" in the first sentence.

(2) Section 203(a)(8) of such Act is amended—

(A) by striking out "and (5)" and inserting in lieu thereof "(4), and (5)"; and

(B) by striking out ", whether or not" and all that follows down through "further reduced" and inserting in lieu thereof "shall be reduced".

(b) Effective Date.—The amendments made by subsection (a) shall apply with respect to benefits payable for months after December 1985.

SEC. 12109. PERFECTING AMENDMENTS TO DISABILITY OFFSET PROVISION.

(a) In General.—(1) Section 224(a)(2) of the Social Security Act is amended to read as follows:

"(2) such individual is entitled for such month to—

"(A) periodic benefits on account of his or her total or partial disability (whether or not permanent) under a workmen's compensation law or plan of the United States or a State, or

"(B) periodic benefits on account of his or her total or partial disability (whether or not permanent) under any other law or plan of the United States, a State, a political subdivision (as that term is used in section 218(b)(2)), or an instrumentality of two or more States (as that term is used in section 218(k)), other than (i) benefits payable under title 38, United States Code, (ii) benefits payable under a program of assistance which is based on need, (iii) benefits based on service all or substantially all of which was included under an agreement entered into by a State and the Secretary under section 218, and (iv) benefits under a law or plan of the United States based on service all or part of which is employment as defined in section 210,".

(2) Section 224(a)(2)(B) of such Act (as amended by paragraph (1) of this subsection) is further amended by striking out "all or part of which" in clause (iv) and inserting in lieu thereof "all or substantially all of which".

(b) Effective Dates.—(1) The amendment made by subsection (a)(1) shall be effective as though it had been included or reflected in the amendment made by section 2208(a)(3) of the Omnibus Budget Reconciliation Act of 1981.

(2) The amendment made by subsection (a)(2) shall apply only with respect to monthly benefits payable on the basis of the wages and self-employment income of individuals who become disabled (within the meaning of section 223(d) of the Social Security Act) after the month in which this Act is enacted.

SEC. 12110. STATE COVERAGE AGREEMENTS.

(a) Maximum Period of Retroactive Coverage.—Section 218(f)(1) of the Social Security Act is amended by striking out "is agreed to by the Secretary and the State" and inserting in lieu thereof "is mailed or delivered by other means to the Secretary".

(b) Positions Compensated Solely on Fee Basis.—Section 218(u)(3) of such Act is amended by striking out "is agreed to by the Secretary and the State" and inserting in lieu thereof "is mailed or delivered by other means to the Secretary".

(c) Effective Date.—The amendments made by this section shall apply with respect to agreements and modifications of agreements which are mailed or delivered to the Secretary of Health and Human Services (under section 218 of the Social Security Act) on or after the date of the enactment of this Act.

SEC. 12111. EFFECT OF EARLY DELIVERY OF BENEFIT CHECKS.

(a) For OASDI Purposes.—Section 708 of the Social Security Act is amended by adding at the end thereof the following new subsection:

"(c) For purposes of computing the 'OASDI trust fund ratio' under section 201(l), the 'OASDI fund ratio' under section 215(i), and the 'balance ratio' under section 709(b), benefit checks delivered before the end of the month for which they are issued by reason of subsection (a) of this section shall be deemed to have been delivered on the regularly designated delivery date.".

(b) For Income Tax Purposes.—Section 86(d) of the Internal Revenue Code of 1954 (relating to taxation of social security and tier 1 railroad retirement benefits) is amended by adding at the end thereof the following new paragraph:

"(5) Effect of early delivery of benefit checks.—For purposes of subsection (a), in any case where section 708 of the Social Security Act causes social security benefit checks to be delivered before the end of the calendar month for which they are issued, the benefits involved shall be deemed to have been received in the succeeding calendar month.".

(c) Effective Date.—The amendments made by this section shall apply with respect to benefit checks issued for months ending after the date of the enactment of this Act.

SEC. 12112. EXEMPTION FROM SOCIAL SECURITY COVERAGE FOR RETIRED FEDERAL JUDGES ON ACTIVE DUTY.

(a) Amendment to Social Security Act.—Section 209 of the Social Security Act is amended in the third to the last paragraph thereof (added by section 101(c)(1) of the Social Security Amendments of 1983) by striking out "shall, subject to the provisions of subsection (a) of this section, include" and inserting in lieu thereof "shall not include".

(b) Amendment to Internal Revenue Code.—Section 3121(i)(5) of the Internal Revenue Code of 1954 is amended by striking out "shall, subject to the provisions of subsection (a)(1) of this section, include" and inserting in lieu thereof "shall not include".

(c) Effective Date.—The amendments made by this section shall be effective with respect to service performed after December 31, 1983.

SEC. 12113. RECOVERY OF OVERPAYMENTS.

(a) OASDI Payments.—Section 204(a) of the Social Security Act is amended—

(1) by inserting "(1)" after "204(a)";

(2) by redesignating paragraphs (1) and (2) as subparagraphs (A) and (B); and

(3) by adding at the end thereof the following new paragraph:

"(2) Notwithstanding any other provision of this section, when any payment of more than the correct amount is made to or on behalf of an individual who has died, and such payment—

"(A) is made by direct deposit to a financial institution;

"(B) is credited by the financial institution to a joint account of the deceased individual and another person; and

"(C) such other person was entitled to a monthly benefit on the basis of the same wages and self-employment income as the deceased individual for the month preceding the month in which the deceased individual died,

the amount of such payment in excess of the correct amount shall be treated as a payment of more than the correct amount to such other person.".

(b) SSI Payments.—Section 1631(b) of the Social Security Act is amended by redesignating paragraphs (2) through (4) as paragraphs (3) through (5), and by inserting after paragraph (1) the following new paragraph:

"(2) Notwithstanding any other provision of this section, when any payment of more than the correct amount is made to or on behalf of an individual who has died, and such payment—

"(A) is made by direct deposit to a financial institution;

"(B) is credited by the financial institution to a joint account of the deceased individual and another person; and

"(C) such other person is the surviving spouse of the deceased individual, and was eligible for a payment under this title (including any State supplementation payment paid by the Secretary) as an eligible spouse (or as either member of an eligible couple) for the month in which the deceased individual died,

the amount of such payment in excess of the correct amount shall be treated as a payment of more than the correct amount to such other person.".

(c) Effective Date.—The amendments made by this section shall apply only in the case of deaths of which the Secretary is first notified on or after the date of the enactment of this Act.

SEC. 12114. COVERAGE OF CONNECTICUT STATE POLICE.

Notwithstanding any provision of section 218 of the Social Security Act, the Secretary of Health and Human Services shall, upon the request of the Governor of Connecticut, modify the agreement under such section between the Secretary and the State of Connecticut to provide that service performed after the date of the enactment of this Act by members of the Division of the State Police within the Connecticut Department of Public Safety, who are hired on or after May 8, 1984, and who are members of the tier II plan of the Connecticut State Employees Retirement System, shall be covered under such agreement.

SEC. 12115. GENERAL EFFECTIVE DATE OF SUBTITLE.

Except as otherwise specifically provided, the preceding provisions of this subtitle, including the amendments made thereby, shall take effect on the first day of the month following the month in which this Act is enacted.

Subtitle B—Supplemental Security Income Program

SEC. 12201. AMENDMENTS RELATING TO STATE SUPPLEMENTATION UNDER SSI.

(a) Passthrough Relating to Optional State Supplementation.—Section 1618 of the Social Security Act is amended by adding at the end thereof the following new subsection:

"(f) The Secretary shall not find that a State has failed to meet the requirements imposed by subsection (a) with respect to the levels of its supplementary payments for the period January 1, 1984, through December 31, 1985, if in the period January 1, 1986, through December 31, 1986, its supplementary payment levels (other than to recipients of benefits determined under section 1611(e)(1)(B)) are not less than those in effect in December 1976, increased by a percentage equal to the percentage by which payments under section 1611(b) of this Act and section 211(a)(1)(A) of Public Law 93-66 have been increased as a result of all adjustments under sections 1617 (a) and (c) which have occurred after December 1976 and before February 1986.".

(b) Federal Administration of State Supplementation.—Section 1616(b) of such Act is amended by adding at the end thereof (after and below paragraph (2)) the following new sentence:

"At the option of the State (but subject to paragraph (2) of this subsection), the agreement between the Secretary and such State entered into under subsection (a) shall be modified to provide that the Secretary will make supplementary payments, on and after an effective date to be specified in the agreement as so modified, to individuals receiving benefits determined under section 1611(e)(1)(B).".

SEC. 12202. PRESERVATION OF BENEFIT STATUS FOR DISABLED WIDOWS AND WIDOWERS WHO LOST SSI BENEFITS BECAUSE OF 1983 CHANGES IN ACTUARIAL REDUCTION FORMULA.

(a) In General.—Section 1634 of the Social Security Act is amended—

(1) by inserting "(a)" after "Sec. 1634.", and

(2) by adding at the end the following new subsection:

"(b)(1) An eligible disabled widow or widower (described in paragraph (2)) who is entitled to a widow's or widower's insurance benefit based on a disability for any month under section 202 (e) or (f) but is not eligible for benefits under this title in that month, and who applies for the protection of this subsection under paragraph (3), shall be deemed for purposes of title XIX to be an individual with respect to whom benefits under this title are paid in that month if he or she—

"(A) has been continuously entitled to such widow's or widower's insurance benefits from the first month for which the increase described in paragraph (2)(C) was reflected in such benefits through the month involved, and

"(B) would be eligible for benefits under this title in the month involved if the amount of the increase described in paragraph (2)(C) in his or her widow's or widower's insurance benefits, and any subsequent cost-of-living adjustments in such benefits under section 215(i), were disregarded.

"(2) For purposes of paragraph (1), the term 'eligible disabled widow or widower' means an individual who—

"(A) was entitled to a monthly insurance benefit under title II for December 1983,

"(B) was entitled to a widow's or widower's insurance benefit based on a disability under section 202 (e) or (f) for January 1984 and with respect to whom a benefit under this title was paid in that month, and

"(C) because of the increase in the amount of his or her widow's or widower's insurance benefits which resulted from the amendments made by section 134 of the Social Security Amendments of 1983 (Public Law 98-21) (eliminating the additional reduction factor for disabled widows and widowers under age 60), was ineligible for benefits under this title in the first month in which such increase was paid to him or her (and in which a retroactive payment of such increase for prior months was not made).

"(3) This subsection shall only apply to an individual who files a written application for protection under this subsection, in such manner and form as the Secretary may prescribe, during the 15-month period beginning with the month in which this subsection is enacted.

"(4) For purposes of this subsection, the term 'benefits under this title' includes payments of the type described in section 1616(a) or of the type described in section 212(a) of Public Law 93-66.".

(b) Identification of Beneficiaries.—(1) As soon as possible after the date of the enactment of this Act, the Secretary of Health and Human Services shall provide each State with the names of all individuals receiving widow's or widower's insurance benefits under subsection (e) or (f) of section 202 of the Social Security Act based on a disability who might qualify for medical assistance under the plan of that State approved under title XIX of such Act by reason of the application of section 1634(b) of the Social Security Act.

(2) Each State shall—

(A) using the information so provided and any other information it may have, promptly notify all individuals who may qualify for medical assistance under its plan by reason of such section 1634(b) of their right to make application for such assistance,

(B) solicit their applications for such assistance, and

(C) make the necessary determination of such individuals' eligibility for such assistance under such section and under such title XIX.

(c) Effective Date.—The amendment made by subsection (a)(2) shall not have the effect of deeming an individual eligible for medical assistance for any month which begins less than two months after the date of the enactment of this Act.

Subtitle C—AFDC, Adoption Assistance, and Foster Care Programs

SEC. 12301. AFDC QUALITY CONTROL STUDIES AND PENALTY MORATORIUM.

(a) Studies.—(1) The Secretary of Health and Human Services (hereafter referred to in this section as the "Secretary") shall conduct a study of quality control systems for the Aid to Families with Dependent Children Program under title IV-A of the Social Security Act and for the Medicaid Program under title XIX of such Act. The study shall examine how best to operate such systems in order to obtain information which will allow program managers to improve the quality of administration, and provide reasonable data on the basis of which Federal funding may be withheld for States with excessive levels of erroneous payments.

(2) The Secretary shall also contract with the National Academy of Sciences to conduct a concurrent independent study for the purpose described in paragraph (1). For purposes of such study, the Secretary shall provide to the National Academy of Sciences any relevant data available to the Secretary at the onset of the study and on an ongoing basis.

(3) The Secretary and the National Academy of Sciences shall report the results of their respective studies to the Congress within one year after the date of the enactment of this Act.

(b) Moratorium on Penalties.—(1) During the 24-month period beginning with the first calendar quarter which begins after the date of the enactment of this Act (hereafter in this section referred to as the "moratorium period"), the Secretary shall not impose any reductions in payments to States pursuant to section 403(i) of the Social Security Act (or prior regulations), or pursuant to any comparable provision of law relating to the programs under title IV-A of such Act in Puerto Rico, Guam, the Virgin Islands, American Samoa, or the Northern Mariana Islands.

(2) During the moratorium period, the Secretary and the States shall continue to operate the quality control systems in effect under title IV-A of the Social Security Act, and to calculate the error rates under the provisions referred to in paragraph (1).

(c) Restructured Quality Control Systems.—(1) Not later than 18 months after the date of the enactment of this Act, the Secretary shall publish regulations which shall—

(A) restructure the quality control systems under titles IV-A and XIX of the Social Security Act to the extent the Secretary determines to be appropriate, taking into account the studies conducted under subsection (a); and

(B) establish, taking into account the studies conducted under subsection (a), criteria for adjusting the reductions which shall be made for quarters prior to the implementation of the restructured quality control systems so as to eliminate reductions for those quarters which would not be required if the restructured quality control systems had been in effect during those quarters.

(2) Beginning with the first calendar quarter after the moratorium period, the Secretary shall implement the revised quality control systems, and shall reduce payments to States—

(A) for quarters after the moratorium period in accordance with the restructured quality control systems; and

(B) for quarters in and before the moratorium period, as provided under the regulations described in paragraph (1)(B).

(d) Effective Date.—This section shall become effective on the date of the enactment of this Act.

SEC. 12302. AFDC AUTOMATION REQUIREMENTS.

(a) In General.—Section 402(e)(2) of the Social Security Act is amended by adding at the end thereof the following new subparagraph:

"(C) If the Secretary determines that such a system has not been implemented by the State by the date specified for implementation in the State's advance automatic data processing planning document, then the Secretary shall reduce payments to such State, in accordance with section 403(b), in an amount equal to 40 percent of the expenditures referred to in section 403(a)(3)(B) with respect to which payments were made to the State under section 403(a)(3)(B). The Secretary may extend the deadline for implementation if the State demonstrates to the satisfaction of the Secretary that the State cannot implement such system by the date specified in such planning document due to circumstances beyond the State's control.".

(b) Effective Date.—The amendment made by subsection (a) shall become effective on the date of the enactment of this Act, but shall apply only with respect to sums expended by the States for the purposes described in section 403(a)(3)(B) of the Social Security Act on or after the date of the enactment of this Act.

SEC. 12304. THIRD-PARTY LIABILITY.

(a) In General.—Section 402(a)(26) of the Social Security Act is amended—

(1) by striking out the comma at the end of subparagraph (A) and inserting in lieu thereof a semicolon;

(2) by adding "and" after the semicolon at the end of subparagraph (B); and

(3) by adding after subparagraph (B) the following new subparagraph:

"(C) to cooperate with the State in identifying, and providing information to assist the State in pursuing, any third party who may be liable to pay for care and services available under the State's plan for medical assistance under title XIX, unless such individual has good cause for refusing to cooperate as determined by the State agency in accordance with standards prescribed by the Secretary, which standards shall take into consideration the best interests of the individuals involved; but the State shall not be subject to any financial penalty in the administration or enforcement of this subparagraph as a result of any monitoring, quality control, or auditing requirements;".

(b) Effective Date.—The amendments made by subsection (a) shall apply to calendar quarters beginning on or after the date of the enactment of this Act.

SEC. 12305. PROVISIONS RELATING TO MEDICAID COVERAGE UNDER THE ADOPTION ASSISTANCE AND FOSTER CARE PROGRAMS.

(a) In General.—Section 473(b) of the Social Security Act is amended to read as follows:

"(b) For purposes of titles XIX and XX, any child—

"(1)(A) who is a child described in subsection (a)(1), and

"(B) with respect to whom an adoption assistance agreement is in effect under this section (whether or not adoption assistance payments are provided under the agreement or are being made under this section), including any such child who has been placed for adoption in accordance with applicable State and local law (whether or not an interlocutory or other judicial decree of adoption has been issued), or

"(2) with respect to whom foster care maintenance payments are being made under section 472,

shall be deemed to be a dependent child as defined in section 406 and shall be deemed to be a recipient of aid to families with dependent children under part A of this title in the State where such child resides.".

(b) Conforming Amendments.—(1) Section 473(c)(2) of such Act is amended—

(A) by striking out "without providing adoption assistance" in clause (A) and inserting in lieu thereof "without providing adoption assistance under this section or medical assistance under title XIX"; and

(B) by inserting "or medical assistance under title XIX" before the period at the end thereof.

(2) Section 475(3) of such Act is amended by striking out "the adoption assistance payments and any additional services and assistance" in clause (A) of the first sentence and inserting in lieu thereof "any adoption assistance payments and any other services and assistance".

(3) Section 1902(a)(10)(A)(i)(I) of such Act is amended by striking out "or 406(h)" and inserting in lieu thereof ", 406(h), or 473(b)".

(c) Effective Date.—The amendments made by this section shall apply to medical assistance furnished in or after the first calendar quarter beginning more than 90 days after the date of the enactment of this Act.

SEC. 12306. EXTENSION OF VOLUNTARY PLACEMENT, AND CEILING AND TRIGGER PROVISIONS, RELATING TO FOSTER CARE.

(a) Section 474(b) of the Social Security Act is amended—

(1) in paragraphs (1), (2)(B), and (4)(B), by striking out "1985" and inserting in lieu thereof "1987";

(2) in paragraph (2)(A)—

(A) by inserting "and" at the end of clause (ii), and

(B) by striking out clauses (iii), (iv), and (v) and inserting in lieu thereof the following:

"(iii) with respect to each of the fiscal years 1983 through 1987, only if the amount appropriated under section 420 for such fiscal year is equal to $266,000,000."; and

(3) in paragraph (5)(A)—

(A) by striking out "October 1, 1985" and inserting in lieu thereof "October 1, 1987", and

(B) in clause (ii), by striking out "1984 and 1985" and inserting in lieu thereof "1984 through 1987".

(b) Paragraphs (1) and (2) of section 474(c) of such Act are each amended by striking out "1985" and inserting in lieu thereof "1987".

(c)(1) Section 102(a)(1) of the Adoption Assistance and Child Welfare Act of 1980 (Public Law 96-272) is amended by striking out "1985" and inserting in lieu thereof "1987".

(2) Section 102(c) of such Act is amended by striking out "1985" each place it appears and inserting in lieu thereof "1987".

SEC. 12307. INDEPENDENT LIVING INITIATIVES.

(a) Independent Living Initiatives.—Part E of title IV of the Social Security Act is amended by adding at the end thereof the following new section:

"Independent Living Initiatives

"Sec. 477. (a) Payments shall be made in accordance with this section for the purpose of assisting States and localities in establishing and carrying out programs designed to assist children, with respect to whom foster care maintenance payments are being made by the State under this part and who have attained age 16, in making the transition from foster care to independent living. Any State which provides for the establishment and carrying out of one or more such programs in accordance with this section for a fiscal year shall be entitled to receive payments under this section for such fiscal year, in an amount determined under subsection (e). Such payments shall be made only for the fiscal years 1987 and 1988.

"(b) The State agency administering or supervising the administration of the State's programs under this part shall be responsible for administering or supervising the administration of the State's programs described in subsection (a). Payment under this section shall be made to the State, and shall be used for the purpose of conducting and providing in accordance with this section (directly or under contracts with local governmental entities or private nonprofit organizations) the activities and services required to carry out the program or programs involved.

"(c) In order for a State to receive payments under this section for any fiscal year, the State agency must submit to the Secretary, in such manner and form as the Secretary may prescribe, a description of the program together with satisfactory assurances that the program will be operated in an effective and efficient manner and will otherwise meet the requirements of this section. In the case of payments for fiscal year 1987, such description and assurances must be submitted within 90 days after the Secretary promulgates regulations as required under subsection (i), and in the case of payments for fiscal year 1988, such description and assurances must be submitted prior to January 1, 1988.

"(d) In carrying out the purpose described in subsection (a), it shall be the objective of each program established under this section to help the individuals participating in such program to prepare to live independently upon leaving foster care. Such programs may include (subject to the availability of funds) programs to—

"(1) enable participants to seek a high school diploma or its equivalent or to take part in appropriate vocational training;

"(2) provide training in daily living skills, budgeting, locating and maintaining housing, and career planning;

"(3) provide for individual and group counseling;

"(4) integrate and coordinate services otherwise available to participants;

"(5) provide for the establishment of outreach programs designed to attract individuals who are eligible to participate in the program;

"(6) provide each participant a written transitional independent living plan which shall be based on an assessment of his needs, and which shall be incorporated into his case plan, as described in section 475(1); and

"(7) provide participants with other services and assistance designed to improve their transition to independent living.

"(e)(1) The amount to which a State shall be entitled under section 474(a)(4) for each of the fiscal years 1987 and 1988 shall be an amount which bears the same ratio to $45,000,000 as such State's average number of children receiving foster care maintenance payments under this part in fiscal year 1984 bears to the total of the average number of children receiving such payments under this part for all States for fiscal year 1984.

"(2) If any State does not apply for funds under this section for any fiscal year within the time provided in subsection (c), the funds to which such State would have been entitled for such fiscal year shall be reallocated to one or more other States on the basis of their relative need for additional payments under this section (as determined by the Secretary).

"(3) Any amounts payable to States under this section shall be in addition to amounts payable to States under subsections (a)(1), (a)(2), and (a)(3) of section 474, and shall supplement and not replace any other funds which may be available for the same general purposes in the localities involved.

"(f) Payments made to a State under this section for any fiscal year—

"(1) shall be used only for the specific purposes described in this section;

"(2) may be made on an estimated basis in advance of the determination of the exact amount, with appropriate subsequent adjustments to take account of any error in the estimates; and

"(3) shall be expended by such State in such fiscal year or in the succeeding fiscal year.

"(g)(1) Not later than March 1, 1988, each State shall submit to the Secretary a report on the programs carried out with the amounts received under this section. Such report—

"(A) shall be in such form and contain such information as may be necessary to provide an accurate description of such activities, to provide a complete record of the purposes for which the funds were spent, and to indicate the extent to which the expenditure of such funds succeeded in accomplishing the purpose described in subsection (a); and

"(B) shall specifically contain such information as the Secretary may require in order to carry out the evaluation under paragraph (2).

"(2) Not later than July 1, 1988, the Secretary, on the basis of the reports submitted by States under paragraph (1) for the fiscal year 1987, and on the basis of such additional information as the Secretary may obtain or develop, shall evaluate the use by States of the payments made available under this section for such fiscal year with respect to the purpose of this section, with the objective of appraising the achievements of the programs for which such payments were made available, and developing comprehensive information and data on the basis of which decisions can be made with respect to the improvement of such programs and the necessity for providing further payments in subsequent years. The Secretary shall report such evaluation to the Congress. As a part of such evaluation, the Secretary shall include, at a minimum, a detailed overall description of the number and characteristics of the individuals served by the programs, the various kinds of activities conducted and services provided and the results achieved, and shall set forth in detail findings and comments with respect to the various State programs and a statement of plans and recommendations for the future.

"(h) Notwithstanding any other provision of this title, payments made and services provided to participants in a program under this section, as a direct consequence of their participation in such program, shall not be considered as income or resources for purposes of determining eligibility (or the eligibility of any other persons) for aid under the State's plan approved under section 402 or 471, or for purposes of determining the level of such aid.

"(i) The Secretary shall promulgate final regulations for implementing this section within 60 days after the date of the enactment of this section.".

(b) Case Plans.—Section 475(1) of such Act is amended by adding at the end thereof the following: "Where appropriate, for a child age 16 or over, the case plan must also include a written description of the programs and services which will help such child prepare for the transition from foster care to independent living.".

(c) Payments to States.—Section 474(a) of such Act is amended—

(1) by striking out the period at the end of paragraph (3) and inserting in lieu thereof "; plus"; and

(2) by adding at the end thereof the following new paragraph:

"(4) an amount for transitional independent living programs as provided in section 477.".

(d) Conforming Amendment.—Section 470 of such Act is amended by striking out "foster care and adoption assistance" and inserting in lieu thereof "foster care, adoption assistance, and transitional independent living programs".

Subtitle D—Provisions Relating to Unemployment Compensation

SEC. 12401. RECOVERY OF UNEMPLOYMENT BENEFIT OVERPAYMENTS.

(a) In General.—(1) Section 303(a)(5) of the Social Security Act is amended by inserting before "; and" at the end thereof the following: ": *Provided further*, That amounts may be deducted from unemployment benefits and used to repay overpayments as provided in subsection (g)".

(2) Section 303 of such Act is amended by adding at the end thereof the following new subsection:

"(g)(1) A State may deduct from unemployment benefits otherwise payable to an individual an amount equal to any overpayment made to such individual under an unemployment benefit program of the United States or of any other State, and not previously recovered. The amount so deducted shall be paid to the jurisdiction under whose program such overpayment was made. Any such deduction shall be made only in accordance with the same procedures relating to notice and opportunity for a hearing as apply to the recovery of overpayments of regular unemployment compensation paid by such State.

"(2) Any State may enter into an agreement with the Secretary of Labor under which—

"(A) the State agrees to recover from unemployment benefits otherwise payable to an individual by such State any overpayments made under an unemployment benefit program of the United States to such individual and not previously recovered, in accordance with paragraph (1), and to pay such amounts recovered to the United States for credit to the appropriate account, and

"(B) the United States agrees to allow the State to recover from unemployment benefits otherwise payable to an individual under an unemployment benefit program of the United States any overpayments made

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by such State to such individual under a State unemployment benefit program and not previously recovered, in accordance with the same procedures as apply under paragraph (1).

"(3) For purposes of this subsection, 'unemployment benefits' means unemployment compensation, trade adjustment allowances, and other unemployment assistance.".

(b) Conforming Amendments.—(1) Section 3304(a)(4) of the Internal Revenue Code of 1954 is amended—

(A) by striking out "and" at the end of subparagraph (B);

(B) by adding "and" at the end of subparagraph (C); and

(C) by adding at the end thereof the following new subparagraph:

"(D) amounts may be deducted from unemployment benefits and used to repay overpayments as provided in section 303(g) of the Social Security Act;".

(2) Section 3306(f) of such Code is amended—

(A) by striking out "and" at the end of paragraph (1);

(B) by striking out the period at the end of paragraph (2) and inserting in lieu thereof "; and"; and

(C) by adding at the end thereof the following new paragraph:

"(3) amounts may be deducted from unemployment benefits and used to repay overpayments as provided in section 303(g) of the Social Security Act.".

(c) Effective Date.—The amendments made by this section shall apply to recoveries made on or after the date of the enactment of this Act and shall apply with respect to overpayments made before, on, or after such date.

SEC. 12402. SUPPLEMENTAL UNEMPLOYMENT COMPENSATION FOR CERTAIN INDIVIDUALS.

(a) In General.—If—

(1) an individual was receiving Federal supplemental compensation for the week which includes March 31, 1985, or a series of consecutive weeks which began with such week, and

(2) such individual did not meet the consecutive-week eligibility requirements of the Federal Supplemental Compensation Act of 1982 during any period of 1 or more subsequent weeks by reason of performing temporary disaster services described in subsection (e),

weeks in such period shall be disregarded for purposes of the consecutive-week requirement of section 602(f)(2)(B) of such Act, and, notwithstanding the requirements of State law relating to the availability for work, the active search for work, or the refusal to accept work, such individual shall be entitled to payment of Federal supplemental compensation for each week of unemployment which is described in subsection (b) and for which a certification of unemployment is made by such individual in accordance with subsection (c).

(b) Weeks for Which Payment Shall Be Made.—A week of unemployment for which payment shall be made under subsection (a) is a week which occurred during the period which commences with the first week beginning after the close of the period described in subsection (a)(2) and ends with the beginning of the first week in which the individual was employed after the close of such period.

(c) Certification.—The certification of unemployment referred to in subsection (a) shall be a certification—

(1) that is made on a form provided by the State agency concerned and signed by the individual; and

(2) that identifies the weeks of unemployment for which the individual is making the certification.

(d) Limitation on Amount of Payment.—In no case may the total amount paid to an individual under subsection (a) exceed the amount remaining in the account established for such individual under section 602(e) of the Federal Supplemental Compensation Act of 1982 after payments were made from such account for weeks of unemployment beginning before the period described in subsection (a)(2).

(e) Definition.—For purposes of subsection (a), the term "temporary disaster services" means services performed as a member of the National Guard after being called up by the Governor of a State to perform services related to a major disaster that was declared on June 3, 1985, by the President of the United States under the Disaster Relief Act of 1974.

(f) Modification of Agreement.—(1) The Secretary of Labor shall, at the earliest possible date after the date of the enactment of this Act, propose to any State concerned a modification of the agreement that the Secretary has with such State under section 602 of the Federal Supplemental Compensation Act of 1982 in order to carry out this section.

(2) Pending modification of the agreement, the State may make payment in accordance with the provisions of this section and shall be reimbursed in accordance with the provisions of section 604(a) of the Federal Supplemental Compensation Act of 1982. For purposes of carrying out this paragraph, the term "this subtitle" in such section 604(a) shall include this section.

(g) Effective Date.—The provisions of this section shall apply to weeks beginning after March 31, 1985.

Subtitle E—Restoration of Civil Service Retirement and Disability Fund

SEC. 12501. APPROPRIATION TO CIVIL SERVICE RETIREMENT AND DISABILITY FUND OF INTEREST LOST FROM NONINVESTMENT IN SEPTEMBER 1984.

On December 31, 1985, the Secretary of the Treasury shall pay to the Civil Service Retirement and Disability Fund, from amounts in the general fund of the Treasury not otherwise appropriated, an amount determined by the Secretary to be equal to the sum of—

(1) the excess of (A) the amount of interest which would have been earned by such fund, during the period beginning with September 28, 1984, and ending with December 31, 1984, on all monies transferred to such fund on September 28, 1984, if all such monies had been invested on September 28, 1984, over (B) the amount of interest actually earned by such fund on such monies during such period;

(2) interest that would have been earned on the amount described in paragraph (1) during the period beginning with January 1, 1985, and ending with June 30, 1985;

(3) the excess of (A) the amount of interest which would have been earned by such fund, during the period beginning on January 1, 1985, and ending on June 30, 1985, on all monies transferred to such fund on September 28, 1984, if all such monies had been invested on September 28, 1984, over (B) the amount of interest actually earned by such fund on such monies during such period; and

(4) the interest that would have been earned on the amounts described in paragraphs (1), (2), and (3) during the period beginning with July 1, 1985, and ending with December 31, 1985.

TITLE XIII—REVENUES, TRADE, AND RELATED PROGRAMS

Subtitle A—Trade and Customs Provisions

PART 1—TRADE ADJUSTMENT ASSISTANCE

SEC. 13001. SHORT TITLE.

This part may be cited as the "Trade Adjustment Assistance Reform and Extension Act of 1986".

SEC. 13002. ELIGIBILITY OF WORKERS AND FIRMS FOR TRADE ADJUSTMENT ASSISTANCE.

(a) Workers.—Sections 221(a) and 222 of the Trade Act of 1974 (19 U.S.C. 2271(a); 2272) are each amended by inserting "(including workers in any agricultural firm or subdivision of an agricultural firm)" after "group of workers".

(b) Firms.—

(1) Subsections (a) and (c) of section 251 of the Trade Act of 1974 (19 U.S.C. 2341) are each amended by inserting "(including any agricultural firm)" after "a firm".

(2) Paragraph (2) of section 251(c) of the Trade Act of 1974 (19 U.S.C. 2341(c)(2)) is amended to read as follows:

"(2) that—

"(A) sales or production, or both, of the firm have decreased absolutely, or

"(B) sales or production, or both, of an article that accounted for not less than 25 percent of the total production or sales of the firm during the 12-month period preceding the most recent 12-month period for which data are available have decreased absolutely, and".

SEC. 13003. CASH ASSISTANCE FOR WORKERS.

(a) Participation in Job Search Program Required.—

(1) Subsection (a) of section 231 of the Trade Act of 1974 (19 U.S.C. 2291(a)) is amended by adding at the end thereof the following new paragraph:

"(5) Such worker, unless the Secretary has determined that no acceptable job search program is reasonably available—

"(A) is enrolled in a job search program approved by the Secretary under section 237(c), or

"(B) has, after the date on which the worker became totally separated, or partially separated, from the adversely affected employment, completed a job search program approved by the Secretary under section 237(c).".

(2) Section 231 of the Trade Act of 1974 (19 U.S.C. 2291) is amended by adding at the end thereof the following new subsection:

"(c) If the Secretary determines that—

"(1) the adversely affected worker—

"(A) has failed to begin participation in the job search program the enrollment in which meets the requirement of subsection (a)(5), or

"(B) has ceased to participate in such job search program before completing such job search program, and

"(2) there is no justifiable cause for such failure or cessation,

no trade readjustment allowance may be paid to the adversely affected worker under this part on or after the date of such determination until the adversely affected worker begins or resumes participation in a

job search program approved under section 237(c).".

(3) Subsection (a) of section 239 of the Trade Act of 1974 (19 U.S.C. 2311(a)) is amended—

(A) by striking out "training," in clause (2) and inserting in lieu thereof "training and job search programs,"; and

(B) by striking out "and (3)" and inserting in lieu thereof "(3) will make determinations and approvals regarding job search programs under sections 231(c) and 237(c), and (4)".

(b) Qualifying Weeks of Employment.—The last sentence of section 231(a)(2) of the Trade Act of 1974 (19 U.S.C. 2291(a)(2)) is amended by striking out all that follows after subparagraph (C) and inserting in lieu thereof "shall be treated as a week of employment at wages of $30 or more, but not more than 7 weeks, in case of weeks described in paragraph (A) or (C), or both, may be treated as weeks of employment under this sentence.".

(c) Weekly Amounts of Readjustment Allowances.—Section 232 of the Trade Act of 1974 (19 U.S.C. 2292) is amended—

(1) by striking out "under any Federal law," in subsection (c) and inserting in lieu thereof "under any Federal law other than this Act",

(2) by striking out "under section 236(c)" in subsection (c) and inserting in lieu thereof "under section 231(c) or 236(c)", and

(3) by striking out "If the training allowance" in subsection (c) and inserting in lieu thereof "If such training allowance".

(d) Limitations.—

(1) Paragraph (2) of section 233(a) of the Trade Act of 1974 (19 U.S.C. 2293(a)(2)) is amended by striking out "52-week period" and inserting in lieu thereof "104-week period".

(2) Section 233 of the Trade Act of 1974 (19 U.S.C. 2293) is amended by adding at the end thereof the following new subsection:

"(e) No trade readjustment allowance shall be paid to a worker under this part for any week during which the worker is receiving on-the-job training.".

SEC. 13004. JOB TRAINING FOR WORKERS.

(a) In General.—Section 236 of the Trade Act of 1974 (19 U.S.C. 2296) is amended—

(1) by striking out "for a worker" in subsection (a)(1)(A) and inserting in lieu thereof "for an adversely affected worker",

(2) by striking out "may approve" in the first sentence of subsection (a)(1) and inserting in lieu thereof "shall (to the extent appropriated funds are available) approve",

(3) by striking out "under paragraph (1)" in subsection (a)(2) and inserting in lieu thereof "under subsection (a)",

(4) by striking out "this subsection" in subsection (a)(3) and inserting in lieu thereof "this section",

(5) by redesignating paragraphs (2) and (3) of subsection (a) as subsections (e) and (f), respectively,

(6) by inserting at the end of subsection (a) the following new paragraphs:

"(2) For purposes of applying paragraph (1)(C), a reasonable expectation of employment does not require that employment opportunities for a worker be available, or offered, immediately upon the completion of training approved under this paragraph (1).

"(3)(A) If the costs of training an adversely affected worker are paid by the Secretary under paragraph (1), no other payment for such costs may be made under any other provision of Federal law.

"(B) No payment may be made under paragraph (1) of the costs of training an adversely affected worker if such costs—

"(i) have already been paid under any other provision of Federal law, or

"(ii) are reimbursable under any other provision of Federal law and a portion of such costs have already been paid under such other provision of Federal law.

"(C) The provisions of this paragraph shall not apply to, or take into account, any funds provided under any other provision of Federal law which are used for any purpose other than the direct payment of the costs incurred in training a particular adversely affected worker, even if such use has the effect of indirectly paying or reducing any portion of the costs involved in training the adversely affected worker.

"(4) The training programs that may be approved under paragraph (1) include, but are not limited to—

"(A) on-the-job training,

"(B) any training program provided by a State pursuant to section 303 of the Job Training Partnership Act,

"(C) any training program approved by a private industry council established under section 102 of such Act, and

"(D) any other training program approved by the Secretary.", and

(7) by inserting after subsection (c) the following new subsection:

"(d) Notwithstanding any provision of subsection (a)(1), the Secretary may pay the costs of on-the-job training of an adversely affected worker under subsection (a)(1) only if—

"(1) no currently employed worker is displaced by such adversely affected worker (including partial displacement such as a reduction in the hours of nonovertime work, wages, or employment benefits),

"(2) such training does not impair existing contracts for services or collective bargaining agreements,

"(3) in the case of training which would be inconsistent with the terms of a collective bargaining agreement, the written concurrence of the labor organization concerned has been obtained,

"(4) no other individual is on layoff from the same, or any substantially equivalent, job for which such adversely affected worker is being trained,

"(5) the employer has not terminated the employment of any regular employee or otherwise reduced the workforce of the employer with the intention of filling the vacancy so created by hiring such adversely affected worker,

"(6) the job for which such adversely affected worker is being trained is not being created in a promotional line that will infringe in any way upon the promotional opportunities of currently employed individuals,

"(7) such training is not for the same occupation from which the worker was separated and with respect to which such worker's group was certified pursuant to section 222,

"(8) the employer certifies to the Secretary that the employer will continue to employ such worker for at least 26 weeks after completion of such training if the worker desires to continue such employment and the employer does not have due cause to terminate such employment,

"(9) the employer has not received payment under subsection (a)(1) with respect to any other on-the-job training provided by such employer which failed to meet the requirements of paragraphs (1), (2), (3), (4), (5), and (6), and

"(10) the employer has not taken, at any time, any action which violated the terms of any certification described in paragraph (8) made by such employer with respect to any other on-the-job training provided by such employer for which the Secretary has made a payment under subsection (a)(1).".

(b) On-the-Job Training Defined.—Section 247 of the Trade Act of 1974 (19 U.S.C. 2319) is amended by adding at the end thereof the following new paragraph:

"(16) The term "on-the-job training" means training provided by an employer to an individual who is employed by the employer.".

(c) Agreements With the States.—Section 239 of the Trade Act of 1974 (19 U.S.C. 2311) is amended—

(1) by amending subsection (a)(2) by inserting "but in accordance with subsection (f)," after "where appropriate,"; and

(2) by adding at the end thereof the following new subsections:

"(e) Agreements entered into under this section may be made with one or more State or local agencies including—

"(1) the employment service agency of such State,

"(2) any State agency carrying out title III of the Job Training Partnership Act, or

"(3) any other State or local agency administering job training or related programs.

"(f) Each cooperating State agency shall, in carrying out subsection (a)(2)—

"(1) advise each adversely affected worker to apply for training under section 236(a) at the time the worker makes application for trade readjustment allowances (but failure of the worker to do so may not be treated as cause for denial of those allowances), and

"(2) within 60 days after application for training is made by the worker, interview the adversely affected worker regarding suitable training opportunities available to the worker under section 236 and review such opportunities with the worker.".

SEC. 13005. JOB SEARCH ALLOWANCES.

(a) In General.—Section 237 of the Trade Act of 1974 (19 U.S.C. 2297) is amended by adding at the end thereof the following new subsection:

"(c) The Secretary shall reimburse any adversely affected worker for necessary expenses incurred by such worker in participating in a job search program approved by the Secretary.".

(b) Definitions.—Section 247 of the Trade Act of 1974 (19 U.S.C. 2319), as amended by section 13004(b) of this Act, is further amended by adding at the end thereof the following new paragraph:

"(17)(A) The term 'job search program' means a job search workshop or job finding club.

"(B) The term 'job search workshop' means a short (1 to 3 days) seminar designed to provide participants with knowledge that will enable the participants to find jobs. Subjects are not limited to, but should include, labor market information, resume writing, interviewing techniques, and techniques for finding job openings.

"(C) The term 'job finding club' means a job search workshop which includes a period (1 to 2 weeks) of structured, supervised activity in which participants attempt to obtain jobs.".

SEC. 13006. ADJUSTMENT ASSISTANCE FOR FIRMS.

(a) Technical Assistance.—

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(1) Paragraph (1) of section 252(b) of the Trade Act of 1974 (19 U.S.C. 2342(b)(1)) is amended to read as follows:

"(1) Adjustment assistance under this chapter consists of technical assistance. The Secretary shall approve a firm's application for adjustment assistance only if the Secretary determines that the firm's adjustment proposal—

"(A) is reasonably calculated to materially contribute to the economic adjustment of the firm,

"(B) gives adequate consideration to the interests of the workers of such firm, and

"(C) demonstrates that the firm will make all reasonable efforts to use its own resources for economic development.".

(2) Section 252 of the Trade Act of 1974 (19 U.S.C. 2342) is amended by striking out subsection (c) and redesignating subsection (d) as subsection (c).

(3) Paragraph (2) of section 253(b) of the Trade Act of 1974 (19 U.S.C. 2343(b)(2)) is amended by striking out "such cost" and inserting in lieu thereof "such cost for assistance described in paragraph (2) or (3) of subsection (a)".

(b) No New Loans or Guarantees.—Section 254 of the Trade Act of 1974 (19 U.S.C. 2344) is amended by adding at the end thereof the following new subsection:

"(d) Notwithstanding any other provision of this chapter, no direct loans or guarantees of loans may be made under this chapter after the date of enactment of the Trade Adjustment Assistance Reform and Extension Act of 1986.".

SEC. 13007. EXTENSION AND TERMINATION OF TRADE ADJUSTMENT ASSISTANCE.

(a) In General.—Section 285 of the Trade Act of 1974 (19 U.S.C. 2271, preceding note) is amended—

(1) by striking out the first sentence thereof and inserting in lieu thereof "(a)",

(2) by striking out the section heading and inserting in lieu thereof "SEC. 285. TERMINATION.", and

(3) by adding at the end thereof the following new subsection:

"(b) No assistance, allowances, or other payments may be provided under chapter 2, and no technical assistance may be provided under chapter 3, after September 30, 1991.".

(b) Conforming Amendment.—The table of contents of the Trade Act of 1974 is amended by striking out the item relating to section 285 and inserting in lieu thereof the following:

"Sec. 285. Termination.

SEC. 13008. AUTHORIZATION OF APPROPRIATIONS.

(a) Workers.—Section 245 of the Trade Act of 1974 (19 U.S.C. 2317) is amended by striking out "1982 through 1985" and inserting in lieu thereof "1986, 1987, 1988, 1989, 1990, and 1991".

(b) Firms.—Subsection (b) of section 256 of the Trade Act of 1974 (19 U.S.C. 2346(b)) is amended—

(1) by inserting "for fiscal years 1986, 1987, 1988, 1989, 1990, and 1991" after "to the Secretary",

(2) by striking out "from time to time", and

(3) by striking out the last sentence thereof.

SEC. 13009. EFFECTIVE DATES; APPLICATION OF GRAMM-RUDMAN.

(a) In General.—Except as provided in subsections (b) and (c), the amendments made by this part shall take effect on the date of the enactment of this Act.

(b) Job Search Program Requirements.—The amendments made by section 13003(a) apply with respect to workers covered by petitions filed under section 221 of the Trade Act of 1974 on or after the date of the enactment of this Act.

(c) Extension and Authorization.—Chapters 2 and 3 of title II of the Trade Act of 1974 (19 U.S.C. 2271, et seq.) shall be applied as if the amendments made by sections 13007 and 13008 had taken effect on December 18, 1985.

(d) Application of Gramm-Rudman.—Trade readjustment allowances payable under part I of chapter 2 of title II of the Trade Act of 1974 for the period from March 1, 1986, and until October 1, 1986, shall be reduced by a percentage equal to the non-defense sequester percentage applied in the Sequestration Report (submitted under the Balanced Budget and Emergency Deficit Control Act of 1985 and dated January 21, 1986) of the Comptroller General of the United States for fiscal year 1986.

PART 2—AUTHORIZATION OF APPROPRIATIONS FOR TRADE AND CUSTOMS AGENCIES

SEC. 13021. UNITED STATES INTERNATIONAL TRADE COMMISSION.

The first sentence of paragraph (2) of section 330(e) of the Tariff Act of 1930 (19 U.S.C. 1330(e)(2)) is amended to read as follows: "There are authorized to be appropriated to the Commission for necessary expenses (including the rental of conference rooms in the District of Columbia and elsewhere) for fiscal year 1986 not to exceed $28,901,000; of which not to exceed $2,500 may be used, subject to approval by the Chairman of the Commission, for reception and entertainment expenses.".

SEC. 13022. UNITED STATES CUSTOMS SERVICE.

(a) Authorization of Appropriations.—Section 301 of the Customs Procedural Reform and Simplification Act of 1978 (19 U.S.C. 2075) is amended as follows:

(1) Subsection (b) is amended to read as follows:

"(b)(1) There are authorized to be appropriated to the Department of the Treasury not to exceed $772,141,000 for the salaries and expenses of the United States Customs Service for fiscal year 1986; of which—

"(A) $27,900,000 is for the addition of 500 inspectors, 150 import specialists, 100 customs patrol officers, and 50 special agents;

"(B) $53,500,000 is for the operation and maintenance of the air interdiction program of the Service; and

"(C) not to exceed $14,000,000 is for the implementation of the 'Operation EXODUS' program and any related program designed to enforce or monitor export controls under the Export Administration Act of 1979.

"(2) No part of any sum that is appropriated under the authority of paragraph (1) may be used to close any port of entry at which, during fiscal year 1985—

"(A) not less than 2,500 merchandise entries (including informal entries) were made; and

"(B) not less than $1,500,000 in customs revenues were assessed.

"(3)(A) No part of any sum that is appropriated under the authority of paragraph (1) may be used for further research and development or acquisition of F-15 avionics for the P-3 aircraft and related equipment until 60 days after the Committee on Ways and Means and the Committee on Finance have received from the Secretary of the Treasury a written comparative assessment of the suitability of the P-3, E-2, or other appropriate aircraft for use by the Customs Service in its air drug interdiction program. Such assessment, which the Secretary may not submit to the Committees until the General Accounting Office study required under paragraph (7) is completed, shall include life cycle costs.

"(B) Acquisition of additional aircraft for use by the Customs Service for its air drug interdiction program after completion of the assessment required under subparagraph (A) shall be subject to competitive bidding through the use of the normal 'request for proposal' process.

"(4) No part of any sum that is appropriated under the authority of paragraph (1) may be used to consolidate the drawback liquidation centers within the Customs Service to less than 4 such centers. If a consolidation is undertaken, the Commissioner of Customs shall select the location of the centers after taking into account the drawback volume at, and the geographic dispersion of, the respective centers being considered for consolidation.

"(5) In addition to any sum authorized to be appropriated under paragraph (1), there are authorized to be appropriated to the Department of the Treasury for fiscal year 1986 not to exceed $8,000,000 from the Customs Forfeiture Fund for the making of payments under section 613A of the Tariff Act of 1930 (19 U.S.C. 1613b), of which not to exceed $5,000,000 may be used for the modification of aircraft (whether or not aircraft described in subsection (a)(5) of that section) for drug interdiction.

"(6) In addition to any other amounts authorized to be appropriated for the Customs Service for fiscal years 1987 and 1988, there are authorized to be appropriated $27,900,000 for each of such fiscal years to fund the additional personnel referred to in paragraph (1)(A).

"(7) As soon as possible after the date of the enactment of this paragraph, but not later than 12 months after that date, the General Accounting Office shall complete, and submit to the Committee on Ways and Means and the Committee on Finance, a study that evaluates the air detection and interdiction capability of the Customs Service, including assets, geographic dispersal, costs of operation, procurement practices, and the services and equipment provided by other Federal agencies. Within 6 months after commencing the study, the General Accounting Office shall consult with the Committees on the progress of the study."; and

(2) by adding at the end thereof the following new subsections:

"(f) Use of Savings Resulting From Administrative Consolidations.—If savings in salaries and expenses result from the consolidation of administrative functions within the Customs Service, the Commissioner of Customs shall apply those savings, to the extent they are not needed to meet emergency requirements of the Service, to strengthening the commercial operations of the Service by increasing the number of inspector, import specialist, patrol officer, and other line operational positions.

"(g) Allocation of Resources.—The Commissioner of Customs shall ensure that existing levels of commercial services, including inspection and control, classification, and value, shall continue to be provided by Customs personnel assigned to the headquarters office of any Customs district designated by statute before the date of enactment of this subsection. The number of such personnel assigned to any such district headquarters shall not be reduced through attrition or otherwise, and such personnel shall be afforded the opportunity to maintain their proficiency through training and workshops to the same extent provided to Customs personnel in any other district. Automation and other modernization equipment shall be made available, as needed on a timely basis, to such headquarters to the same extent as such equipment is made available to any other district headquarters.".

(b) Elimination of Sureties on Customs Bonds.—(1) The Commissioner of Customs may not publish, nor take any other action to give force and effect to, any final rule that would revise any provision in 19 CFR part 113 or section 142.4 (as in effect on March 1, 1984) relating to the requirement for sureties on customs bonds—

(A) unless the Commissioner submits to the Committee on Ways and Means of the House of Representatives and the Committee on Finance of the Senate, on the same day, a report containing—

(i) the text of the draft final rule;

(ii) an analysis of the revenue impact of the rule;

(iii) a regulatory impact analysis;

(iv) the estimated cost benefit of the rule to the Customs Service and to the importing community, and an explanation in support of those estimates; and

(v) a justification for each revision to be effected by the rule; and

(B) until the close of the first period of 90 calendar days of continuous session of Congress occurring after the date on which the report is submitted under subparagraph (A).

SEC. 13023. UNITED STATES TRADE REPRESENTATIVE.

Section 141 of the Trade Act of 1974 (19 U.S.C. 2171) is amended—

(1) by inserting before the semicolon at the end of subsection (d)(1) the following: ", except that not more than 20 individuals may be employed without regard to any provision of law regulating the employment or compensation at rates not to exceed the rate of pay for level IV of the Executive Schedule in section 5314 of title 5, United States Code"; and

(2) by amending subsection (f)(1) by striking out "$14,179,000 for fiscal year 1985" and inserting in lieu thereof "$13,582,000 for fiscal year 1986".

SEC. 13024. NOTIFICATION OF CERTAIN ACTIONS.

Section 237 of the Trade and Tariff Act of 1984 (98 Stat. 2993) is amended—

(1) by striking out "1985" in subsection (b) and inserting in lieu thereof "1986";

(2) by striking out subsection (c);

(3) by redesignating subsection (b) as subsection (c); and

(4) by inserting after subsection (a) the following new subsection:

"(b) The notice required under subsection (a) shall include—

"(1) a statement which sets forth in detail the factors taken into account in making the decision to take the action described in subsection (a) and the reasons for such action; and

"(2) an analysis of the impact such action will have on the commerce and community served by each office affected by such action.".

PART 3—CUSTOMS FEES

SEC. 13031. FEES FOR CERTAIN CUSTOMS SERVICES.

(a) Schedule of Fees.—In addition to any other fee authorized by law, the Secretary of the Treasury shall charge and collect the following fees for the provision of customs services in connection with the following:

(1) For the arrival of a commercial vessel of 100 net tons or more, $397.

(2) Subject to the limitation in subsection (b)(2), for the arrival of a commercial truck, $5.

(3) Subject to the limitations in subsection (b)(1)(B) and (3), for the arrival of each railroad car, whether passenger or freight, $5.

(4) For all arrivals made during a calendar year by a private vessel or private aircraft, $25.

(5) For the arrival of each passenger aboard a commercial vessel or commercial aircraft from a place outside the United States (other than a place referred to in subsection (b)(1)(A)), $5.

(6) For each item of dutiable mail for which a document is prepared by a customs officer, $5.

(7) For each customs broker permit held by an individual, partnership, association, or corporate customs broker, $125 per year.

(b) Limitations on Fees.—(1) No fee may be charged under subsection (a) for customs services provided in connection with—

(A) the arrival of any passenger whose journey originated in—

(i) Canada,

(ii) Mexico,

(iii) a territory or possession of the United States, or

(iv) any adjacent island (within the meaning of section 101(b)(5) of the Immigration and Nationality Act (8 U.S.C. 1101(b)(5)); or

(B) the arrival of any railroad car that is part of a train which originates and terminates in the same country, but only if—

(i) such car is part of such train when such train departs from the United States, and

(ii) no passengers board or disembark from such train, and no cargo is loaded or unloaded from such train, while such train is within any country other than the country in which such train originates and terminates.

(2) No fee may be charged under subsection (a)(2) for the arrival of a commercial truck during any calendar year after a total of $100 in fees has been paid to the Secretary of the Treasury for the provision of customs services for all arrivals of such commercial truck during such calendar year.

(3) No fee may be charged under subsection (a)(3) for the arrival of a railroad car whether passenger or freight during any calendar year after a total of $100 in fees has been paid to the Secretary of the Treasury for the provision of customs services for all arrivals of such passenger or freight rail car during such calendar year.

(c) Definitions.—For purposes of this section—

(1) The term "vessel" does not include any ferry.

(2) The term "arrival" means arrival at a port of entry in the customs territory of the United States.

(3) The term "customs territory of the United States" has the meaning given to such term by headnote 2 of the General Headnotes and Rules of Interpretation of the Tariff Schedules of the United States.

(4) The term "customs broker permit" means a permit issued under section 641(c) of the Tariff Act of 1930 (19 U.S.C. 1641(c)).

(d) Collection.—(1) Each person that issues a document or ticket to an individual for transportation by a commercial vessel or commercial aircraft into the customs territory of the United States shall—

(A) collect from that individual the fee charged under subsection (a)(5) at the time the document or ticket is issued; and

(B) separately identify on that document or ticket the fee charged under subsection (a)(5) as a Federal inspection fee.

(2) If—

(A) a document or ticket for transportation of a passenger into the customs territory of the United States is issued in a foreign country; and

(B) the fee charged under subsection (a)(5) is not collected at the time such document or ticket is issued;

the person providing transportation to such passenger shall collect such fee at the time such passenger departs from the customs territory of the United States and shall provide such passenger a receipt for the payment of such fee.

(3) The person who collects fees under paragraph (1) or (2) shall remit those fees to the Secretary of the Treasury at any time before the date that is 31 days after the close of the calendar quarter in which the fees are collected.

(e) Provision of Customs Services.—(1) Notwithstanding section 451 of the Tariff Act of 1930 (19 U.S.C. 1451) or any other provision of law (other than paragraph (2)), the customs services required to be provided to passengers upon arrival in the United States on scheduled airline flights at customs serviced airports shall be adequately provided when needed and at no cost (other than the fees imposed under subsection (a)) to airlines and airline passengers.

(2) This subsection shall not apply with respect to any airport to which section 236 of the Trade and Tariff Act of 1984 (19 U.S.C. 58b) applies.

(f) Disposition of Fees.—(1) Notwithstanding section 524 of the Tariff Act of 1930 (19 U.S.C. 1524), all of the fees collected under subsection (a) shall be deposited in a separate account within the general fund of the Treasury of the United States. Such account shall be known as the "Customs User Fee Account".

(2)(A) The Secretary of the Treasury shall refund out of the Customs User Fee Account to any appropriation the amount paid out of such appropriation for expenses incurred by the Secretary of the Treasury in providing overtime customs inspectional services for which the recipient of such services is not required to reimburse the Secretary of the Treasury.

(B) The amounts which are required to be refunded under subparagraph (A) shall be refunded at least quarterly on the basis of estimates made by the Secretary of the Treasury of the expenses referred to in subparagraph (A). Proper adjustments shall be made in the amounts subsequently refunded under subparagraph (A) to the extent prior estimates were in excess of, or less than, the amounts required to be refunded under subparagraph (A).

(g) Regulations.—The Secretary of the Treasury may prescribe such rules and regulations as may be necessary to carry out the provisions of this section.

(h) Conforming Amendments.—(1) Subsection (i) of section 305 of the Rail Passenger Service Act (45 U.S.C. 545(i)) is amended by striking out the last sentence thereof.

(2) Subsection (e) of section 53 of the Airport and Airway Development Act of 1970 (49 U.S.C. 1741(e)) is repealed.

(i) Effect on Other Authority.—Except with respect to customs services for which fees are imposed under subsection (a), nothing in this section shall be construed as affecting the authority of the Secretary of the Treasury to charge fees under section 214(b) of the Customs Procedural Reform and Simplification Act of 1978 (19 U.S.C. 58a).

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(j) Effective Dates.—(1) Except as provided in paragraph (2), the provisions of this section, and the amendments and repeals made by this section, shall apply with respect to customs services rendered after the date that is 90 days after the date of enactment of this Act.

(2) Fees may be charged under subsection (a)(5) only with respect to customs services rendered in regard to arriving passengers using transportation for which documents or tickets were issued after the date that is 90 days after such date of enactment.

SEC. 13032. USER FEES FOR CUSTOMS SERVICES AT CERTAIN SMALL AIRPORTS.

Section 236 of the Trade and Tariff Act of 1984 (19 U.S.C. 58b) is amended—

(1) by striking out "4 airports" in subsection (c) and inserting in lieu thereof "20 airports"; and

(2) by striking out the last sentence in subsection (e) and inserting in lieu thereof the following new sentences: "The Secretary of the Treasury is authorized and directed to pay out of any funds available in such account any expenses incurred by the Federal Government in providing customs services at such airport (including expenses incurred for the salaries and expenses of individuals employed to provide such services). None of the funds deposited into such account shall be available for any purpose other than making payments authorized under the preceding sentence.".

SEC. 13033. ADVISORY COMMITTEE.

In accordance with the provisions of the Federal Advisory Committee Act, the Secretary of the Treasury shall establish an advisory committee, whose membership shall consist of representatives from the airline, shipping, and other transportation industries, the general public, and others who may be subject to any fee or charge (1) authorized by law, or (2) proposed by the United States Customs Service for the purpose of covering expenses incurred by the Customs Service. The advisory committee shall meet on a periodic basis and shall advise the Secretary on issues related to the performance of the customs services. This advice shall include, but not be limited to, such issues as the time periods during which such services should be performed, the proper number and deployment of inspection officers, the level of fees, and the appropriateness of any proposed fee. The Secretary shall give substantial consideration to the views of the advisory committee in the exercise of his duties.

Subtitle B—General Revenue Provisions

SEC. 13200. AMENDMENT OF 1954 CODE.

Except as otherwise expressly provided, whenever in this subtitle an amendment or repeal is expressed in terms of an amendment to, or repeal of, a section or other provision, the reference shall be considered to be made to a section or other provision of the Internal Revenue Code of 1954.

SEC. 13201. INCREASE IN TAX ON CIGARETTES MADE PERMANENT.

(a) Subsection (c) of section 283 of the Tax Equity and Fiscal Responsibility Act of 1982 (relating to increase in tax on cigarettes) is amended by striking out all that follows "December 31, 1982" and inserting in lieu thereof a period.

(b) For purposes of all Federal and State laws, the amendment made by subsection (a) shall be treated as having taken effect on March 14, 1986.

SEC. 13202. TAX ON SMOKELESS TOBACCO.

(a) In General.—Section 5701 (relating to rate of tax) is amended by redesignating subsection (e) as subsection (f) and by inserting after subsection (d) the following new subsection:

"(e) Smokeless Tobacco.—On smokeless tobacco, manufacturered in or imported into the United States, there shall be imposed the following taxes:

"(1) Snuff.—On snuff, 24 cents per pound and a proportionate tax at the like rate on all fractional parts of a pound.

"(2) Chewing tobacco.—On chewing tobacco, 8 cents per pound and a proportionate tax at the like rate on all fractional parts of a pound.".

(b) Conforming Amendments.—

(1) The heading of chapter 52 is amended by inserting "SMOKELESS TOBACCO," after "CIGARETTES,".

(2) Section 5702(c) (defining tobacco products) is amended by striking out "and cigarettes" and inserting in lieu thereof ", cigarettes, and smokeless tobacco".

(3) Section 5702(d) (defining manufacturers of tobacco products) is amended by striking out "cigars or cigarettes" each place it appears and inserting in lieu thereof "cigars, cigarettes, or smokeless tobacco".

(4) Section 5702 is amended by adding at the end thereof the following new subsection:

"(n) Definitions Relating to Smokeless Tobacco.—

"(1) Smokeless tobacco.—The term 'smokeless tobacco' means any snuff or chewing tobacco.

"(2) Snuff.—The term 'snuff' means any finely cut, ground, or powdered tobacco that is not intended to be smoked.

"(3) Chewing tobacco.—The term 'chewing tobacco' means any leaf tobacco that is not intended to be smoked.".

(c) Effective Date.—

(1) In general.—The amendments made by this section shall apply to smokeless tobacco removed after June 30, 1986.

(2) Transitional rule.—Any person who—

(A) on the date of the enactment of this Act, is engaged in business as a manufacturer of smokeless tobacco, and

(B) before July 1, 1986, submits an application under subchapter B of chapter 52 of the Internal Revenue Code of 1954 to engage in such business,

may, notwithstanding such subchapter B, continue to engage in such business pending final action on such application. Pending such final action, all provisions of chapter 52 of such Code shall apply to such applicant in the same manner and to the same extent as if such applicant were a holder of a permit to manufacture smokless tobacco under such chapter 52.

SEC. 13203. INCREASE IN EXCISE TAX ON COAL.

(a) Increase in Tax.—Subsections (a) and (b) of section 4121 (relating to imposition of tax on coal) are amended to read as follows:

"(a) Tax Imposed.—

"(1) In general.—There is hereby imposed on coal from mines located in the United States sold by the producer, a tax equal to the rate per ton determined under subsection (b).

"(2) Limitation on tax.—The amount of the tax imposed by paragraph (1) with respect to a ton of coal shall not exceed the applicable percentage (determined under subsection (b)) of the price at which such ton of coal is sold by the producer.

"(b) Determination of Rates and Limitation on Tax.—For purposes of subsection (a), in the case of sales during any calendar year beginning after December 31, 1985—

"(1) the rate of tax on coal from underground mines shall be $1.10,

"(2) the rate of tax on coal from surface mines shall be $.55, and

"(3) the applicable percentage shall be 4.4 percent.".

(b) 5-Year Moratorium on Interest Accruals With Respect to the Indebtedness of the Black Lung Disability Trust Fund.—No interest shall accrue for the period beginning on October 1, 1985, and ending on September 30, 1990, with respect to any repayable advance to the Black Lung Disability Trust Fund.

(c) Existing Reduction in Rates for Period After Temporary Increase Retained.—So much of subsection (e) of section 4121 (relating to temporary increase in amount of tax) as precedes paragraph (2) is amended to read as follows:

"(e) Reduction in Amount of Tax.—

"(1) In general.—Effective with respect to sales after the temporary increase termination date, subsection (b) shall be applied—

"(A) by substituting '$.50' for '$1.10',

"(B) by substituting '$.25' for '$.55', and

"(C) by substituting '2 percent' for '4.4 percent'.".

(d) Effective Date.—The amendments made by this section shall apply to sales after March 31, 1986.

SEC. 13204. ONLY RAILROAD RETIREMENT BENEFITS EQUIVALENT TO SOCIAL SECURITY BENEFITS TREATED AS TIER 1 BENEFITS.

(a) In General.—Paragraph (4) of section 86(d) (defining Social Security benefits) is amended to read as follows:

"(4) Tier 1 railroad retirement benefit.—For purposes of paragraph (1), the term 'tier 1 railroad retirement benefit' means—

"(A) the amount of the annuity under the Railroad Retirement Act of 1974 equal to the amount of the benefit to which the taxpayer would have been entitled under the Social Security Act if all of the service after December 31, 1936, of the employee (on whose employment record the annuity is being paid) had been included in the term 'employment' as defined in the Social Security Act, and

"(B) a monthly annuity amount under section 3(f)(3) of the Railroad Retirement Act of 1974.".

(b) Effective Date.—The amendment made by subsection (a) shall apply to any monthly benefit for which the generally applicable payment date is after December 31, 1985.

SEC. 13205. MEDICARE COVERAGE OF, AND APPLICATION OF HOSPITAL INSURANCE TAX TO, NEWLY HIRED STATE AND LOCAL GOVERNMENT EMPLOYEES.

(a) Application of Hospital Insurance Tax to Newly Hired Employees of State and Local Governments.—

(1) In general.—Subsection (u) of section 3121 (relating to application of hospital insurance tax to Federal employment) is amended to read as follows:

"(u) Application of Hospital Insurance Tax to Federal, State, and Local Employment.—

"(1) Federal employment.—For purposes of the taxes imposed by sections 3101(b) and 3111(b), subsection (b) shall be applied without regard to paragraph (5) thereof.

"(2) State and local employment.—For purposes of the taxes imposed by sections 3101(b) and 3111(b)—

"(A) In general.—Except as provided in subparagraphs (B) and (C), subsection (b) shall be applied without regard to paragraph (7) thereof.

"(B) Exception for certain services.—Service shall not be treated as employment by reason of subparagraph (A) if—

"(i) the service is included under an agreement under section 218 of the Social Security Act, or

"(ii) the service is performed—

"(I) by an individual who is employed by a State or political subdivision thereof to relieve him from unemployment,

"(II) in a hospital, home, or other institution by a patient or inmate thereof as an employee of a State or political subdivision thereof or of the District of Columbia,

"(III) by an individual, as an employee of a State or political subdivision thereof or of the District of Columbia, serving on a temporary basis in case of fire, storm, snow, earthquake, flood or other similar emergency, or

"(IV) by any individual as an employee included under section 5351(2) of title 5, United States Code (relating to certain interns, student nurses, and other student employees of hospitals of the District of Columbia Government), other than as a medical or dental intern or a medical or dental resident in training.

As used in this subparagraph, the terms 'State' and 'political subdivision' have the meanings given those terms in section 218(b) of the Social Security Act.

"(C) Exception for current employment which continues.—Service performed for an employer shall not be treated as employment by reason of subparagraph (A) if—

"(i) such service would be excluded from the term 'employment' for purposes of this chapter if subparagraph (A) did not apply;

"(ii) such service is performed by an individual—

"(I) who was performing substantial and regular service for remuneration for that employer before April 1, 1986,

"(II) who is a bona fide employee of that employer on March 31, 1986, and

"(III) whose employment relationship with that employer was not entered into for purposes of meeting the requirements of this subparagraph; and

"(iii) the employment relationship with that employer has not been terminated after March 31, 1986.

"(D) Treatment of agencies and instrumentalities.—For purposes of subparagraph (C), under regulations—

"(i) All agencies and instrumentalities of a State (as defined in section 218(b) of the Social Security Act) or of the District of Columbia shall be treated as a single employer.

"(ii) All agencies and instrumentalities of a political subdivision of a State (as so defined) shall be treated as a single employer and shall not be treated as described in clause (i).

"(3) Medicare qualified government employment.—For purposes of this chapter, the term 'medicare qualified government employment' means service which—

"(A) is employment (as defined in subsection (b)) with the application of paragraphs (1) and (2), but

"(B) would not be employment (as so defined) without the application of such paragraphs."

(2) Conforming amendments.—

(A)(i) Section 3125 (relating to returns in the case of governmental employees in Guam, American Samoa, and the District of Columbia) is amended by redesignating subsections (a), (b), and (c) as subsections (b), (c), and (d), respectively, and by inserting before subsection (b) (as so redesignated) the following new subsection:

"(a) States.—Except as otherwise provided in this section, in the case of the taxes imposed by sections 3101(b) and 3111(b) with respect to service performed in the employ of a State or any political subdivision thereof (or any instrumentality of any one or more of the foregoing which is wholly owned thereby), the return and payment of such taxes may be made by the head of the agency or instrumentality having the control of such service, or by such agents as such head may designate. The person making such return may, for convenience of administration, make payments of the tax imposed under section 3111 with respect to the service of such individuals without regard to the contribution and benefit base limitation in section 3121(a)(1)."

(ii) The section heading for such section 3125 is amended by inserting "STATES," before "GUAM".

(iii) The item relating to section 3125 in the table of sections for subchapter C of chaper 21 is amended by inserting "States," before "Guam".

(B) Subsection (b) of section 1402 is amended by striking out "medicare qualified Federal employment (as defined in section 3121(u)(2))" and inserting in lieu thereof "medicare qualified government employment (as defined in section 3121(u)(3))".

(C) Section 3122 (relating to Federal service) is amended by striking out "including service which is medicare qualified Federal employment (as defined in section 3121(u)(2))" and inserting in lieu thereof "including such service which is medicare qualified government employment (as defined in section 3121(u)(3))".

(D) Subsection (a) of section 6205 (relating to special rules applicable to certain employment taxes) is amended by adding at the end thereof the following new paragraph:

"(5) States and political subdivisions as employer.—For purposes of this subsection, in the case of remuneration received from a State or any political subdivision thereof (or any instrumentality of any one or more of the foregoing which is wholly owned thereby) during any calendar year, each head of an agency or instrumentality, and each agent designated by either, who makes a return pursuant to section 3125 shall be deemed a separate employer."

(E)(i) Section 6413(a) (relating to adjustment of certain employment taxes) is amended by adding at the end thereof the following new paragraph:

"(5) States and political subdivisions as employer.—For purposes of this subsection, in the case of remuneration received from a State or any political subdivision thereof (or any instrumentality of any one or more of the foregoing which is wholly owned thereby) during any calendar year, each head of an agency or instrumentality, and each agent designated by either, who makes a return pursuant to section 3125 shall be deemed a separate employer."

(ii) Section 6413(c)(2) (relating to special refunds of certain employment taxes) is amended—

(I) by striking out "3125(a)", "3125(b)", and "3125(c)" in subparagraphs (D), (E), and (F), respectively, and inserting in lieu thereof "3125(b)", "3125(c)", and "3125(d)", respectively, and

(II) by adding at the end thereof the following new subparagraph:

"(G) Employees of states and political subdivisions.—In the case of remuneration received from a State or any political subdivision thereof (or any instrumentality of any one or more of the foregoing which is wholly owned thereby) during any calendar year, each head of an agency or instrumentality, and each agent designated by either, who makes a return pursuant to section 3125(a) shall, for purposes of this subsection, be deemed a separate employer."

(b) Entitlement to Hospital Insurance Benefits.—

(1) Revision of definition of medicare qualified government employment.—Section 210(p)) of the Social Security Act (42 U.S.C. 410(p)) is amended to read as follows:

"Medicare Qualified Government Employment

"(p)(1) For purposes of sections 226 and 226A, the term 'medicare qualified government employment' means any service which would constitute 'employment' as defined in subsection (a) of this section but for the application of the provisions of—

"(A) subsection (a)(5), or

"(B) subsection (a)(7), except as provided in paragraphs (2) and (3).

"(2) Service shall not be treated as employment by reason of paragraph (1)(B) if the service is performed—

"(A) by an individual who is employed by a State or political subdivision thereof to relieve him from unemployment,

"(B) in a hospital, home, or other institution by a patient or inmate thereof as an employee of a State or political subdivision thereof or of the District of Columbia,

"(C) by an individual, as an employee of a State or political subdivision thereof or of the District of Columbia, serving on a temporary basis in case of fire, storm, snow, earthquake, flood or other similar emergency, or

"(D) by any individual as an employee included under section 5351(2) of title 5, United States Code (relating to certain interns, student nurses, and other student employees of hospitals of the District of Columbia Government), other than as a medical or dental intern or a medical or dental resident in training.

As used in this paragraph, the terms 'State' and 'political subdivision' have the meanings given those terms in section 218(b).

"(3) Service performed for an employer shall not be treated as employment by reason of paragraph (1)(B) if—

"(A) such service would be excluded from the term 'employment' for purposes of this section if paragraph (1)(B) did not apply;

"(B) such service is performed by an individual—

"(i) who was performing substantial and regular service for remuneration for that employer before April 1, 1986,

"(ii) who is a bona fide employee of that employer on March 31, 1986, and

"(iii) whose employment relationship with that employer was not entered into for purposes of meeting the requirements of this subparagraph; and

"(C) the employment relationship with that employer has not been terminated after March 31, 1986.

"(4) For purposes of paragraph (3), under regulations (consistent with regulations established under section 3121(u)(2)(D) of the Internal Revenue Code of 1954)—

"(A) all agencies and instrumentalities of a State (as defined in section 218(b)) or of the District of Columbia shall be treated as a single employer, and

"(B) all agencies and instrumentalities of a political subdivision of a State (as so defined) shall be treated as a single employer

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and shall not be treated as described in subparagraph "(A)."

(2) Entitlement to hospital insurance benefits.—

(A) For individuals age 65 or older and for disabled individuals.—Section 226 of such Act (42 U.S.C. 426) is amended by striking out "medicare qualified Federal employment" in subsections (a)(2)(C)(i) and (b)(2)(C)(ii)(I) and inserting in lieu thereof "medicare qualified government employment".

(B) For individuals with end-stage renal disease.—Section 226A(a) of such Act (42 U.S.C. 426-1(a)) is amended by striking out "medicare qualified Federal employment" in paragraphs (1)(A)(ii) and (1)(B)(iii) and inserting in lieu thereof "medicare qualified government employment".

(C) Conforming amendments.—

(i) Section 1811 of such Act (42 U.S.C. 1395c) is amended by striking out "Federal employment" in clauses (1) and (2) and inserting in lieu thereof "government employment".

(ii) Section 226(g) of such Act (42 U.S.C. 426(g)) is amended by striking out "medicare qualified Federal employment" and inserting in lieu thereof "medicare qualified government employment by virtue of service described in section 210(a)(5)".

(c) Optional Medicare Coverage of Current Employees.—Section 218 of the Social Security Act (42 U.S.C. 418) is amended by adding at the end the following new subsection:

"(v)(1) The Secretary shall, at the request of any State, enter into or modify an agreement with such State under this section for the purpose of extending the provisions of title XVIII, and sections 226 and 226A, to services performed by employees of such State or any political subdivision thereof who are described in paragraph (2).

"(2) This subsection shall apply only with respect to employees—

"(A) whose services are not treated as employment as that term applies under section 210(p) by reason of paragraph (3) of such section; and

"(B) who are not otherwise covered under the State's agreement under this section.

"(3) Payments by the State required under subsection (e) with respect to employees covered under this subsection shall be limited to amounts equivalent to the sum of the taxes which would be imposed by sections 3101(b) and 3111(b) of the Internal Revenue Code of 1954 if such services for which wages were paid to such employees constituted 'employment' as defined in section 3121 of such Code.

"(4) For purposes of sections 226 and 226A of this Act, services covered under an agreement pursuant to this subsection shall be treated as 'medicare qualified government employment'.

"(5) Except as otherwise provided in this subsection, the provisions of this section shall apply with respect to services covered under the agreement pursuant to this subsection.

"(w) Notwithstanding sections 3125(a), 6205(a)(5), 6413(a)(5), and 6413(c)(2)(G) of the Internal Revenue Code of 1954, any State shall make payments of the taxes imposed with respect to services of employees of such State and of a political subdivision thereof under sections 3101(b) and 3111(b) of such Code, and reports of such services, under the same procedures as apply to payments and reports under subsection (e) of this section, but only if any employees of such State or of such political subdivision thereof respectively are covered under an agreement pursuant to this section.".

(d) Effective Dates.—

(1) Hospital insurance taxes.—The amendments made by subsection (a) shall apply to services performed after March 31, 1986.

(2) Medicare coverage.—

(A) In general.—The amendments made by subsection (b) shall be effective after March 31, 1986, and the amendments made by paragraph (3) of that subsection shall apply to services performed (for medicare qualified government employment) after that date.

(B) Treatment of certain disabilities.—For purposes of establishing entitlement to hospital insurance benefits under part A of title XVIII of the Social Security Act pursuant to the amendments made by subsection (b), no individual may be considered to be under a disability for any period beginning before April 1, 1986.

(3) Optional coverage of current employees.—The amendment made by subsection (c) shall apply to services performed after March 31, 1986.

SEC. 13206. FULL-TIME STUDENTS NOT ELIGIBLE FOR INCOME AVERAGING.

(a) In General.—Subsection (d) of section 1303 (defining eligible individuals for income averaging) is amended to read as follows:

"(d) Eligible Individuals Not To Include Full-Time Students.—

"(1) In general.—For purposes of this part, an individual shall not be an eligible individual for the computation year if, at any time during any base period year, such individual was a student.

"(2) Exception for married students providing 25 percent or less of joint income.—Paragraph (1) shall not apply to any individual for any computation year if—

"(A) the individual makes a joint return for the computation year, and

"(B) not more than 25 percent of the aggregate adjusted gross income of such individual and the spouse of such individual for such computation year is attributable to such individual. In applying subparagraph (B), amounts which constitute earned income (within the meaning of section 911(d)(2)) and are community income under commuity property laws applicable to such income shall be taken into account as if such amounts did not constitute community income.

"(3) Student defined.—For purposes of this subsection, the term 'student' means, with respect to a taxable year, an individual who during each of 5 calendar months during such taxable year—

"(A) was a full-time student at an educational organization described in section 170(b)(1)(A)(ii); or

"(B) was pursuing a full-time course of institutional on-farm training under the supervision of an accredited agent of an educational organization described in section 170(b)(1)(A)(ii) or of a State or political subdivision of a State.".

(b) Repeal of Non-Full-Time Student Support Exception.—Paragraph (2) of section 1303(c) (relating to individuals receiving support from others) is amended—

(1) by striking out subparagraph (A),

(2) by redesignating subparagraphs (B) and (C) as subparagraphs (A) and (B), and

(3) by striking out "subparagraph (C)" in the second sentence and inserting in lieu thereof "subparagraph (B)".

(c) Effective Date.—The amendments made by this section shall apply with respect to taxable years beginning after December 31, 1985.

SEC. 13207. APPLICATION OF FRINGE BENEFIT RULES TO AIRLINES AND THEIR AFFILIATES.

(a) Parents of Airline Employees Treated as Employees in Applying Fringe Benefit Rules.—

(1) In general.—Section 132(f) (relating to certain individuals treated as employees with respect to certain fringe benefits) is amended by adding at the end thereof the following new paragraph:

"(3) Special rule for parents in the case of air transportation.—Any use of air transportation by a parent of an employee (determined without regard to paragraph (1)(B)) shall be treated as use by the employee.".

(2) Effective date.—The amendment made by this subsection shall take effect on January 1, 1985.

(b) Line of Business Test for Affiliates Providing Airline-Related Services.—

(1) In general.—Section 132(h) (relating to special rules) is amended by adding at the end thereof the following new paragraph:

"(6) Special rule for affiliates of airlines.—

"(A) In general.—If—

"(i) a qualified affiliate is a member of an affiliated group another member of which operates an airline, and

"(ii) employees of the qualified affiliate who are directly engaged in providing airline-related services are entitled to no-additional-cost service with respect to air transportation provided by such other member,

then, for purposes of applying paragraph (1) of subsection (a) to such no-additional-cost service provided to such employees, such qualified affiliate shall be treated as engaged in the same line of business as such other member.

"(B) Qualified affiliate.—For purposes of this paragraph, the term 'qualified affiliate' means any corporation which is predominantly engaged in airline-related services.

"(C) Airline-related services.—For purposes of this paragraph, the term 'airline-related services' means any of the following services provided in connection with air transportation:

"(i) Catering.

"(ii) Baggage handling.

"(iii) Ticketing and reservations.

"(iv) Flight planning and weather analysis.

"(v) Restaurants and gift shops located at an airport.

"(vi) Such other similar services provided to the airline as the Secretary may prescribe.

"(D) Affiliated group.—For purposes of this paragraph, the term 'affiliated group' has the meaning given such term by section 1504(a).".

(2) Effective date.—The amendment made by this subsection shall take effect on January 1, 1985.

(c) Transitional Rule for Determination of Line of Business in Case of Affiliated Group Operating Airline.—If, as of September 12, 1984—

(1) an individual—

(A) was an employee (within the meaning of section 132 of the Internal Revenue Code of 1954, including subsection (f) thereof) of one member of an affiliated group (as defined in section 1504 of such Code), hereinafter referred to as the "first corporation", and

(B) was eligible for no-additional-cost service in the form of air transportation provided by another member of such affiliated group, hereinafter referred to as the "second corporation",

(2) at least 50 percent of the individuals performing service for the first corporation were or had been employees of, or had previously performed services for, the second corporation, and

(3) the primary business of the affiliated group was air transportation of passengers,

then, for purposes of applying paragraphs (1) and (2) of section 132(a) of the Internal Revenue Code of 1954, with respect to no-additional-cost services and qualified employee discounts provided after December 31, 1984, for such individual by the second corporation, the first corporation shall be treated as engaged in the same air transportation line of business as the second corporation. For purposes of the preceding sentence, an employee of the second corporation who is performing services for the first corporation shall also be treated as an employee of the first corporation.

(d) Special Rule for Services Related to Providing Air Transportation.—Section 531 of the Tax Reform Act of 1984 is amended by redesignating subsections (g) and (h) as subsections (h) and (i), respectively, and by inserting after subsection (f) the following new subsection:

"(g) Special Rule for Certain Services Related to Air Transportation.—

"(1) In general.—If—

"(A) an individual performs services for a qualified air transportation organization, and

"(B) such services are performed primarily for persons engaged in providing air transportation and are of the kind which (if performed on September 12, 1984) would qualify such individual for no-additional-cost services in the form of air transportation,

then, with respect to such individual, such qualified air transportation organization shall be treated as engaged in the line of business of providing air transportation.

"(2) Qualified air transportation organization.—For purposes of paragraph (1), the term 'qualified air transportation organization' means any organization—

"(A) if such organization (or a predecessor) was in existence on September 12, 1984,

"(B) if—

"(i) such organization is described in section 501(c)(6) of the Internal Revenue Code of 1954 and the membership of such organization is limited to entities engaged in the transportation by air of individuals or property for compensation or hire, or

"(ii) such organization is a corporation all the stock of which is owned entirely by entities referred to in clause (i), and

"(C) if such organization is operated in furtherance of the activities of its members or owners.".

SEC. 13208. CERTAIN INSOLVENT TAXPAYERS ALLOWED TO REDUCE CAPITAL GAINS PREFERENCE ITEM FOR PURPOSES OF THE INDIVIDUAL MINIMUM TAX.

(a) In General.—Paragraph (9) of section 57(a) (relating to capital gains as items of tax preference) is amended by adding at the end thereof the following new subparagraph:

"(E) Special rule for certain insolvent taxpayers.—

"(i) In general.—The amount of the tax preference under subparagraph (A) shall be reduced (but not below zero) by the excess (if any) of—

"(I) the applicable percentage of gain from any farm insolvency transaction, over

"(II) the applicable percentage of any loss from any farm insolvency transaction which offsets such gain.

"(ii) Reduction limited to amount of insolvency.—The amount of the reduction determined under clause (i) shall not exceed the amount by which the taxpayer is insolvent immediately before the transaction (reduced by any portion of such amount previously taken into account under this clause).

"(iii) Farm insolvency transaction.—For purposes of this subparagraph, the term 'farm insolvency transaction' means—

"(I) the transfer by a farmer of farmland to a creditor in cancellation of indebtedness, or

"(II) the sale or exchange by the farmer of property described in subclause (I) under the threat of foreclosure,

but only if the farmer is insolvent immediately before such transaction.

"(iv) Insolvent.—For purposes of this subparagraph, the term 'insolvent' means the excess of liabilities over the fair market value of assets.

"(v) Applicable percentage.—For purposes of this subparagraph, the term 'applicable percentage' means that percentage of net capital gain with respect to which a deduction is allowed under section 1202(a).

"(vi) Farmland.—For purposes of this subparagraph, the term 'farmland' means any land used or held for use in the trade or business of farming (within the meaning of section 2032A(e)(5)).

"(vii) Farmer.—For purposes of this subparagraph, the term 'farmer' means any taxpayer if 50 percent or more of the average annual gross income of the taxpayer for the 3 preceding taxable years is attributable to the trade or business of farming (within the meaning of section 2032A(e)(5))."

(b) Effective Date.—The amendment made by this section shall apply to transfers or sales or exchanges made after December 31, 1981, in taxable years ending after such date.

SEC. 13209. TREATMENT OF CERTAIN POLLUTION CONTROL BONDS.

(a) General Rule.—For purposes of subparagraph (F) of section 103(b)(4) of the Internal Revenue Code of 1954 (relating to pollution control facilities), any obligation issued after December 31, 1985, shall be treated as described in such subparagraph if it is part of an issue substantially all of the proceeds of which are used by a qualified regional pollution control authority to acquire existing air or water pollution control facilities which the authority itself will operate in order to maintain or improve control of pollutants. The provisions of section 103(b)(17) of such Code (relating to prohibition on acquisition of existing property not permitted) shall not apply to any obligation described in the preceding sentence.

(b) $200,000,000 Limitation.—The aggregate amount of obligations to which subsection (a) applies shall not exceed $200,000,000, except that the amount of such obligations issued during calendar year 1986 to which subsection (a) applies shall not exceed $100,000,000.

(c) Restrictions.—Subsection (a) shall apply only if—

(1) the amount paid (directly or indirectly) for the facilities does not exceed their fair market value,

(2) the fees or charges imposed (directly or indirectly) on any seller for the use of any facilities after the sale are not less than the amounts charged for the use of such facilities to persons other than the seller,

(3) the original use of the facilities acquired with the proceeds of such obligations commenced before September 3, 1982, and

(4) no person other than the qualified regional pollution control authority is considered after the sale as the owner of the facilities for purposes of Federal income taxes.

(d) Qualified Regional Pollution Control Authority Defined.—For purposes of this section, the term "qualified regional pollution control authority" means an authority which—

(1) is a political subdivision created by State law to control air or water pollution,

(2) has within its jurisdictional boundaries all or part of at least 2 counties (or equivalent political subdivision),

(3) operates air or water pollution control facilities, and

(4) was created on September 1, 1969.

(e) Repeal of Section 103(b)(11).—Paragraph (11) of section 103(b) is hereby repealed.

SEC. 13210. TREATMENT OF THE NETTING OF GAINS AND LOSSES BY COOPERATIVES.

(a) In General.—Section 1388 (relating to definitions and special rules applicable to cooperatives) is amended by redesignating subsection (j) as subsection (k) and by inserting after subsection (i) the following new subsection:

"(j) Special Rules for the Netting of Gains and Losses by Cooperatives.—For purposes of this subchapter, in the case of any organization to which part I of this subchapter applies—

"(1) Optional netting of patronage gains and losses permitted.—The net earnings of such organization may, at its option, be determined by offsetting patronage losses (including any patronage loss carried to such year) which are attributable to 1 or more allocation units (whether such units are functional, divisional, departmental, geographic, or otherwise) against patronage earnings of 1 or more other such allocation units.

"(2) Certain netting permitted after section 381 transactions.—If such an organization acquires the assets of another such organization in a transaction described in section 381(a), the acquiring organization may, in computing its net earnings for taxable years ending after the date of acquisition, offset losses of 1 or more allocation units of the acquiring or acquired organization against earnings of the acquired or acquiring organization, respectively, but only to the extent—

"(A) such earnings are properly allocable to periods after the date of acquisition, and

"(B) such earnings could have been offset by such losses if such earnings and losses had been derived from allocation units of the same organization.

"(3) Notice requirements.—

"(A) In general.—In the case of any organization which exercises its option under paragraph (1) for any taxable year, such organization shall, on or before the 15th day of the 9th month following the close of such taxable year, provide to its patrons a written notice which—

"(i) states that the organization has offset earnings and losses from 1 or more of its allocation units and that such offset may have affected the amount which is being distributed to its patrons,

"(ii) states generally the identity of the offsetting allocation units, and

"(iii) states briefly what rights, if any, its patrons may have to additional financial in-

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formation of such organization under terms of its charter, articles of incorporation, or bylaws, or under any provision of law.

"(B) Certain information need not be provided.—An organization may exclude from the information required to be provided under clause (ii) of subparagraph (A) any detailed or specific data regarding earnings or losses of such units which such organization determines would disclose commercially sensitive information which—

"(i) could result in a competitive disadvantage to such organization, or

"(ii) could create a competitive advantage to the benefit of a competitor of such organization.

"(C) Failure to provide sufficient notice.—If the Secretary determines that an organization failed to provide sufficient notice under this paragraph—

"(i) the Secretary shall notify such organization, and

"(ii) such organization shall, upon receipt of such notification, provide to its patrons a revised notice meeting the requirements of this paragraph.

Any such failure shall not affect the treatment of the organization under any provision of this subchapter or section 521.

"(4) Patronage earnings or losses defined.—For purposes of this subsection, the terms 'patronage earnings' and 'patronage losses' means earnings and losses, respectively, which are derived from business done with or for patrons of the organization."

(b) Tax-Exempt Status Not Affected by Netting.—Section 521(b) (relating to applicable rules) is amended by adding at the end thereof the following new paragraph:

"(6) Netting of losses.—Exemption shall not be denied any such association because such association computes its net earnings for purposes of determining any amount available for distribution to patrons in the manner described in paragraph (1) of section 1388(j)."

(c) Effective Date.—

(1) In general.—Except as provided in paragraph (2), the amendments made by this section shall apply to taxable years beginning after December 31, 1962.

(2) Notification requirement.—The provisions of section 1388(j)(3) of the Internal Revenue Code of 1954 (as added by subsection (a)) shall apply to taxable years beginning on or after the date of the enactment of this Act.

(3) No inference.—Nothing in the amendments made by this section shall be construed to infer that a change in law is intended as to whether any patronage earnings may or not be offset by nonpatronage losses, and any determination of such issue shall be made as if such amendments had not been enacted.

SEC. 13211. ALLOCATION UNDER SECTION 861 OF RESEARCH AND EXPERIMENTAL EXPENDITURES.

Subsection (c) of section 126 of the Deficit Reduction Act of 1984 is amended—

(1) by striking out "1985" and inserting in lieu thereof "1986"; and

(2) by striking out "3rd" each place it appears and inserting in lieu thereof "4th".

SEC. 13212. LIMITATION ON ISSUANCE OF UNITED STATES BONDS.

Subsection (a) of section 3102 of title 31, United States Code, is amended by striking out "$200,000,000,000" and inserting in lieu thereof "$250,000,000,000".

SEC. 13213. AUTHORIZATION OF ADDITIONAL FUNDS TO INTERNAL REVENUE SERVICE FOR REVENUE ENFORCEMENT AND RELATED PURPOSES, ETC.

(a) Authorization.—There is authorized to be appropriated $46,500,000 for each of the fiscal years 1986, 1987, and 1988 for the use of the Internal Revenue Service to employ 1,550 additional agents and examination employees.

(b) Restoration of Proposed Cuts.—It is the sense of the Congress that—

(1) the restoration of the cuts in the budget for the Internal Revenue Service for fiscal year 1986, and

(2) the further increase in such budget total,

recommended by the Committee on Appropriations of the House of Representatives are necessary for the efficient operation of the Government and to carry out the purposes of this Act.

Subtitle C—Provisions Relating to Unemployment Taxes

SEC. 13301. RAILROAD UNEMPLOYMENT REPAYMENT TAX.

(a) Rate of Tax.—Subsection (c) of section 3321 of the Internal Revenue Code of 1954 (relating to rate of railroad unemployment repayment tax) is amended to read as follows:

"(c) Rate of Tax.—For purposes of this section—

"(1) In general.—The applicable percentage for any taxable period shall be the sum of—

"(A) the basic rate for such period, and

"(B) the surtax rate (if any) for such period.

"(2) Basic rate.—For purposes of paragraph (1)—

"(A) For periods before 1989.—The basic rate shall be—

"(i) 4.3 percent for the taxable period beginning on July 1, 1986, and ending on December 31, 1986,

"(ii) 4.7 percent for the 1987 taxable period, and

"(iii) 6 percent for the 1988 taxable period.

"(B) For periods after 1988.—For any taxable period beginning after December 31, 1988, the basic rate shall be the sum of—

"(i) 2.9 percent, plus

"(ii) 0.3 percent for each preceding taxable period after 1988.

In no event shall the basic rate under this subparagraph exceed 5 percent.

"(3) Surtax rate.—For purposes of paragraph (1), the surtax rate shall be—

"(A) 3.5 percent for any taxable period if, as of September 30 of the preceding calendar year, there was a balance of transfers (or unpaid interest thereon) made after September 30, 1985, to the railroad unemployment insurance account under section 10(d) of the Railroad Unemployment Insurance Act, and

"(B) zero for any other taxable period.

"(4) Basic rate not to apply to rail wages paid after September 30, 1990.—The basic rate under paragraph (1)(A) shall not apply to rail wages paid after September 30, 1990."

(b) Base of Tax To Be Compensation Used for Railroad Retirement Tax Purposes.—Subsection (b) of section 3323 of such Code (defining rail wages) is amended to read as follows:

"(b) Rail Wages.—

"(1) In general.—For purposes of this chapter, the term 'rail wages' means compensation (as defined in section 3231(e) for purposes of the tax imposed by section 3201(a)) with the modifications specified in paragraph (2).

"(2) Modifications.—In applying subsection (e) of section 3231 for purposes of paragraph (1)—

"(A) Only employment covered by railroad unemployment insurance act taken into account.—Such subsection (e) shall be applied—

"(i) by substituting 'rail employment' for 'services' each place it appears,

"(ii) by substituting 'rail employer' for 'employer' each place it appears, and

"(iii) by substituting 'rail employee' for 'employee' each place it appears.

"(B) $7,000 wage base.—Such subsection (e) shall be applied by substituting for 'the applicable base' in paragraph (2)(A)(i) thereof—

"(i) except as provided in clauses (ii) and (iii), '$7,000',

"(ii) '$3,500' for the taxable period beginning on July 1, 1986, and ending on December 31, 1986, and

"(iii) for purposes of applying the basic rate under section 3321(c)(1)(A), '$5,250' for the taxable period beginning on January 1, 1990.

"(C) Successor employers.—For purposes of this subsection, rules similar to the rules applicable under section 3231(e)(2)(C) shall apply."

(c) Use of Taxes.—

(1) In general.—Paragraph (2) of section 232(a) of the Railroad Retirement Revenue Act of 1983 (relating to tax used to repay loans made to railroad unemployment insurance account) is amended to read as follows:

"(2) Taxes credited against loans to railroad unemployment insurance account.—

"(A) Taxes attributable to basic rate to reduce railroad unemployment loans made before October 1, 1985.—So much of the amount transferred under paragraph (1) as is attributable to the basic rate under section 3321(c)(1)(A) of the Internal Revenue Code of 1954 shall be credited against, and operate to reduce, the outstanding balance of railroad unemployment loans made before October 1, 1985.

"(B) Taxes attributable to surtax rate to reduce railroad unemployment loans made after September 30, 1985.—So much of the amount transferred under paragraph (1) as is attributable to the surtax rate under section 3321(c)(1)(B) of such Code shall be credited against, and operate to reduce, the outstanding balance of railroad unemployment loans made after September 30, 1985."

(2) Transfers to railroad unemployment fund after loan repaid.—Subsection (c) of section 232 of such Act is amended—

(A) by striking out "the amount" in paragraph (1) and inserting in lieu thereof "the amount described in subparagraph (A) or (B) of subsection (a)(2)", and

(B) by inserting before the comma at the end of paragraph (2) "against which the amount described in such subparagraph may be credited under such subparagraph".

(d) Technical Amendments.—

(1) Subsection (a) of section 3322 of such Code (relating to taxable period) is amended—

(A) by adding "and" at the end of paragraph (1), and

(B) by striking out paragraphs (2) and (3) and inserting in lieu thereof the following:

"(2) each calendar year after 1986."

(2) Subsection (b) of section 3322 of such Code (relating to earlier termination if loans to rail unemployment fund repaid) is amended—

(A) by striking out "The tax imposed by this chapter shall not apply" and inserting in lieu thereof "The basic rate under section 3321(c)(1)(A) of the tax imposed by section 3321 shall not apply", and

(B) by inserting "made before October 1, 1985," after "no balance of transfers" in paragraph (1) thereof.

SEC. 13302. EXTENSION OF BORROWING AUTHORITY UNDER THE RAILROAD UNEMPLOYMENT INSURANCE ACT.

Section 10(d) of the Railroad Unemployment Insurance Act is amended by striking out the last sentence thereof.

SEC. 13303. CERTAIN EXEMPTIONS FROM THE FEDERAL UNEMPLOYMENT TAX ACT.

(a) Certain Agricultural Labor.—Paragraph (1)(B) of section 3306(c) of the Internal Revenue Code of 1954 (defining employment) is amended by striking out "January 1, 1986," and inserting in lieu thereof "January 1, 1988".

(b) Full-Time Students Employed by Summer Camps.—Notwithstanding paragraph (3) of section 276(b) of the Tax Equity and Fiscal Responsibility Act of 1982, the amendments made by paragraphs (1) and (2) of such section 276(b) shall also apply to remuneration paid after September 19, 1985.

(c) Services Performed on Certain Fishing Boats.—

(1) In general.—Section 822(b) of the Economic Recovery Tax Act of 1981 is amended to read as follows:

"(b) Effective Date.—The amendments made by subsection (a) shall apply to remuneration paid after December 31, 1980.".

(2) Technical amendment.—Paragraph (20) of section 312(b) of such Code (defining employment for purposes of Federal Insurance Contributions Act) is amended by inserting "(other than service described in paragraph (3)(A))" after "service".

TITLE XIV—REVENUE SHARING

SEC. 14001. TERMINATION OF GENERAL REVENUE SHARING.

(a) In General.—(1) Except as otherwise provided in this section, chapter 67 of title 31, United States Code, is hereby repealed.

(2) The Secretary of the Treasury shall continue to be the trustee of the Trust Fund, which shall remain in existence until all entitlement payments which are required to be made under the Revenue Sharing Act are made in accordance with the terms of such Act. Any funds remaining in the Trust Fund after all of such entitlement payments are completely made shall revert to the General Fund of the Treasury of the United States.

(3) The Secretary is authorized to take such necessary or appropriate actions, to carry out the requirements of this Act with respect to funds appropriated to the Trust Fund, as were authorized under the terms of the Revenue Sharing Act, including but not limited to enforcement of the regulatory provisions concerning nondiscrimination, audits, accounting procedures, public hearings, expenditures in accordance with State and local law, and cooperation with reasonable requests for information.

(4) The Secretary may increase or decrease a payment to a unit of general local government under the Revenue Sharing Act for the entitlement period ending September 30, 1986, to account for a prior underpayment or overpayment only if the increase or decrease is demanded by the Secretary of such unit of general local government before June 2, 1986.

(5) Amounts paid to units of general local government from the Trust Fund shall be used, obligated, or appropriated by the units of general local government before October 1, 1987, and shall continue to be subject to the terms of the Revenue Sharing Act.

(6) Subsection (a)(1) of this section shall not have the effect of releasing or extinguishing any fiscal sanction, finding, determination, compliance agreement, or other duly authorized action for the purpose of sustaining any proper action or prosecution for enforcement authorized under the terms of the Revenue Sharing Act.

(7) The Attorney General, and persons adversely affected by a practice of a local government, may bring a civil action in an appropriate district court of the United States against the applicable unit of general local government as authorized under the Revenue Sharing Act. The court is authorized to grant such relief as was authorized under the terms of the Revenue Sharing Act.

(8) The Secretary shall report to Congress on the operation and status of the Trust Fund and the implementation of this section not later than December 1 of each year the Trust Fund remains on the books of the Department of the Treasury.

(b) Conforming Amendments.—(1) The table of chapters for subtitle V of title 31, United States Code, is amended by striking out the item relating to chapter 67.

(2) Paragraph (2) of section 1115(b) of the Social Security Act (42 U.S.C. 1315(b)(2)) is amended—

(A) by adding "and" at the end of subparagraph (A),

(B) by striking out "; and" at the end of subparagraph (B) and inserting in lieu thereof a period, and

(C) by striking out subparagraph (C).

(3) Section 501(b)(6) of the Housing Act of 1949 (42 U.S.C. 1471(b)(6)) and section 102(a)(17) of the Housing and Community Development Act of 1974 (42 U.S.C. 5302(a)(17)) are each amended by striking out "or under chapter 67 of title 31, United States Code" and inserting in lieu thereof "or was considered an eligible recipient under chapter 67 of title 31, United States Code, prior to the repeal of such chapter".

(4) Section 302 of the Age Discrimination Act of 1975 (42 U.S.C. 6101) is amended by striking out ", including programs or activities receiving funds under the State and Local Fiscal Assistance Act of 1972 (31 U.S.C. 1221 et seq.)".

(5) Paragraph (3) of section 3 of the Coastal Barrier Resources Act (16 U.S.C. 3502(3)) is amended by striking out subparagraph (A) and redesignating subparagraphs (B), (C), (D), and (E) as subparagraphs (A), (B), (C), and (D), respectively.

(6) Subparagraph (B) of section 119(n)(2) of the Housing and Community Development Act of 1974 (42 U.S.C. 5318(n)(2)(B)) is amended by striking out "is an eligible recipient under chapter 67 of title 31, United States Code" and inserting in lieu thereof "was an eligible recipient under chapter 67 of title 31, United States Code, prior to the repeal of such chapter".

(7) Paragraph (1) of section 248(h) of the National Housing Act (12 U.S.C. 1715z-13(h)(1)) is amended by striking out "is an eligible recipient under chapter 67 of title 31, United States Code" and inserting in lieu thereof "was an eligible recipient under chapter 67 of title 31, United States Code, prior to the repeal of such chapter".

(c) Definitions.—For purposes of this section—

(1) The term "Trust Fund" means the State and Local Government Fiscal Assistance Trust Fund established under the Revenue Sharing Act.

(2) The term "Revenue Sharing Act" means the provisions of chapter 67 of title 31, United States Code, as in effect on the day before the date of enactment of this Act and subject to the terms of any appropriation Act of fiscal year 1986.

(3) The term "Secretary" means the Secretary of the Treasury.

(d) Authorization of Appropriations.—There are hereby authorized to be appropriated for fiscal year 1987 such sums as may be necessary to administer the provisions of this section.

(e) Effective Dates.—(1) Except as otherwise provided in this subsection, the repeal and amendments made by this section, and the provisions of this section, shall take effect on the earlier of—

(A) the date of the adjournment sine die of the 99th Congress, or

(B) December 31, 1986,

unless the provisions of chapter 67 of title 31, United States Code, are amended before the earlier of such dates to apply to any entitlement period beginning after September 30, 1986.

(2) The provisions of subsections (a)(4), (c), and (d) shall take effect on the date of enactment of this Act.

(3) Nothing in this section shall be construed to prevent the payment of any allocation for the entitlement period ending September 30, 1986.

TITLE XV—CIVIL SERVICE, POSTAL SERVICE, AND GOVERNMENTAL AFFAIRS GENERALLY

Subtitle A—Postal Service Programs

SEC. 15101. REVENUE FORGONE.

Notwithstanding subsection (c) of section 2401 of title 39, United States Code, the amount authorized to be appropriated pursuant to such subsection for fiscal year 1986 shall be $749,000,000.

SEC. 15102. DELAY OF STEP 16 RATES; ELIMINATION OF PHASING SCHEDULE; TERMINATION OF REDUCTION IN RATES OF POSTAGE FOR CERTAIN MAILERS.

(a) Delay of Step 16 Rates.—The increase in rates of postage for non-profit and certain other mailers announced by the Board of Governors of the United States Postal Service in Resolution No. 85-7 (adopted September 6, 1985) shall not take effect before January 1, 1986.

(b) Elimination of Phasing Schedule.—(1) Section 3626(a) of title 39, United States Code, is amended to read as follows:

"(a)(1) Except as provided in paragraph (2) of this subsection, rates of postage for a class of mail or kind of mailer under former section 4358, 4452(b), 4452(c), 4554(b), or 4554(c) of this title shall be established in accordance with applicable provisions of this chapter.

"(2) Rates of postage for a class of mail or kind of mailer referred to in paragraph (1) of this subsection shall be established in accordance with the requirement that the direct and indirect postal costs attributable to such class of mail or kind of mailer (excluding any other costs of the Postal Service) shall be borne by such class of mail or kind of mailer, as the case may be.".

(2) The amendment made by this subsection shall apply with respect to rates of postage taking effect after December 31, 1985.

(c) Termination of Reduction in Rates of Postage for Certain Mailers.—Section 3626 of title 39, United States Code, is amended by adding at the end thereof the following:

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"(f) In the administration of this chapter, the rates for mail under former section 4358(g) of this title shall be established without regard to either the provisions of such former section 4358(g) or the provisions of this section.".

SEC. 15103. STUDY AND REPORT.

(a) Period of Study.—The Postal Rate Commission shall study and, within 6 months after the date of the enactment of this Act, transmit to the Committee on Post Office and Civil Service of the House of Representatives and the Committee on Governmental Affairs of the Senate a written report on the matters described in subsection (b).

(b) Purpose of Study.—The purpose of the study under this section is—

(1) to develop recommendations for legislation which would reduce the amount of revenue forgone with respect to former sections 4355(a), 4355(b), 4358(d), 4452(b), 4452(c), 4554(b) and 4554(c) of title 39, United States Code, by changing the eligibility requirements under which the reduced rates of postage under those sections would apply to mail which advertises or promotes the sale of, recommends the purchase of, or announces the availability of any article, product, service, insurance, or travel arrangements;

(2)(A) to identify the kinds of mailers which are the most frequent users of, or which otherwise significantly benefit from, rates for mail under subsections (a), (b), and (c) of former section 4358 of title 39, United States Code; and

(B) to examine the arguments for and against making the eligibility requirements for the rates referred to in subparagraph (A) more stringent, taking into consideration—

(i) the findings under subparagraph (A);

(ii) costs and benefits to the public; and

(iii) any other factor which may be appropriate; and

(3) to develop one or more alternatives for the method currently used by the United States Postal Service in computing revenue forgone (as determined with respect to the provisions of law referred to in section 2401(c) of title 39, United States Code) and to determine the advantages and disadvantages of each such alternative.

(c) In preparing its report under this section, the Postal Rate Commission shall invite and consider the views of interested parties.

(d) The United States Postal Service shall, upon request of the Postal Rate Commission, cooperate in the conduct of the study and the preparation of the report under this section.

SEC. 15104. RESTRICTION RELATING TO ELIGIBILITY FOR IN-COUNTY SECOND-CLASS RATES OF POSTAGE.

Section 3626 of title 39, United States Code, as amended by section 15102(c) of this Act, is further amended by adding at the end thereof the following:

"(g)(1) In the administration of this section, the rates for mail under subsections (a), (b), and (c) of former section 4358 of this title shall not apply to an issue of a publication if the number of copies of such issue distributed within the county of publication is less than the number equal to the sum of 50 percent of the total paid circulation of such issue plus one.

"(2) Paragraph (1) of this subsection shall not apply to an issue of a publication if the total paid circulation of such issue is less than 10,000 copies.".

SEC. 15105. CURBING OF SUBSIDIES FOR ADVERTISING-ORIENTED "PLUS ISSUES" MAILED TO SUBSCRIBERS AT IN-COUNTY RATES.

Section 3626 of title 39, United States Code, as amended by sections 15102(c) and 15104 of this Act, is further amended by adding at the end thereof the following:

"(h) In the administration of this section, the number of copies of a subscription publication mailed to nonsubscribers during a calendar year at rates under subsections (a), (b), and (c) of former section 4358 of this title may not exceed 10 percent of the number of copies of such publication mailed at such rates to subscribers.".

Subtitle B—Civil Service Programs

SEC. 15201. PAY ADJUSTMENTS.

(a) Limitation on Pay Adjustments for Statutory Pay Systems.—(1) The rates of pay under the General Schedule and the rates of pay under the other statutory pay systems referred to in section 5301(c) of title 5, United States Code, shall not be adjusted under section 5305 of such title during fiscal year 1986.

(2)(A)(i) For fiscal years 1987 and 1988, the President shall provide for the adjustment of rates of pay under section 5305 of title 5, United States Code, as appropriate to reduce outlays, relating to pay of officers and employees of the Federal Government, by at least $746,000,000 in fiscal year 1987 and $1,264,000,000 in fiscal year 1988 (without regard to reductions in outlays which result by reason of subparagraph (B)(ii) of this paragraph, paragraph (1) of this subsection, subsection (b) of this section, and the application of section 1009 of title 37, United States Code), computed using the baseline used for the First Concurrent Resolution on the Budget for Fiscal Year 1986 (S. Con. Res. 32, 99th Congress), agreed to on August 1, 1985.

(ii) Clause (i) of this subparagraph shall not be construed to suspend the requirements of section 5305 of title 5, United States Code, with respect to fiscal years 1987 and 1988.

(B) Each adjustment in a pay rate or schedule which takes effect pursuant to subparagraph (A) of this paragraph—

(i) shall, to the maximum extent practicable, be of the same percentage; and

(ii) shall be effective with respect to pay periods beginning on or after January 1 of the fiscal year involved.

(b) Limitation on Pay Adjustments for Prevailing Rate Employees.—(1) Notwithstanding any other provision of law, and except as otherwise provided in this subsection, in the case of a prevailing rate employee described in section 5342(a)(2) of title 5, United States Code, or an employee covered by section 5348 of such title, the total adjustment to any wage schedule or rate applicable to such employee which is to become effective (determined without regard to paragraph (2)) during—

(A) fiscal year 1986, shall (except to the extent permitted by section 616(a)(2) of H.R. 5798, incorporated by reference in section 101(j) of Public Law 98-473 (98 Stat. 1963)) be equal to zero;

(B) fiscal year 1987, shall not exceed an increase equal to the overall percentage of the adjustment (under section 5305 of title 5, United States Code) in the rates of pay under the General Schedule for such fiscal year; and

(C) fiscal year 1988, shall not exceed an increase equal to the overall percentage of the adjustment (under section 5305 of title 5, United States Code) in the rates of pay under the General Schedule for such fiscal year.

(2) Notwithstanding any other provision of law, any increase permitted by paragraph (1) which is scheduled to take effect during fiscal year 1987 or 1988 (determined without regard to this paragraph) shall take effect as of the beginning of the first applicable pay period beginning at least 90 days after the date on which such increase is so scheduled to take effect.

(3) Notwithstanding the provisions of section 9(b) of Public Law 92-392 or section 704(b) of Public Law 95-454, the provisions of paragraphs (1) and (2) shall apply (in such manner as the Office of Personnel Management shall prescribe) to prevailing rate employees to whom such section 9(b) applies, except that the provisions of paragraph (1) shall not apply to any increase in a wage schedule or rate which is required by the terms of a contract entered into before October 1, 1985.

(4) Nothing in this subsection or any provision of law governing the use of appropriated funds for the payment of employees covered by this subsection during the period covered by paragraph (1) (or any part of such period) shall be construed to permit or require the payment to any such employee at a rate in excess of the rate that would be payable were this subsection, or such provision of law governing the use of appropriated funds, not in effect.

(5) The Office may make exceptions from the limitations imposed by paragraph (1) if the Office determines that such exceptions are necessary to ensure the recruitment or retention of well-qualified employees.

SEC. 15202. PROVISIONS RELATING TO FEDERAL EMPLOYEES HEALTH BENEFITS PROGRAM.

(a) Amounts To Be Refunded From Carriers' Special Reserves.—(1) The Office of Personnel Management—

(A) shall determine the minimum level of financial reserves necessary to be held by a carrier for each health benefits plan under chapter 89 of such title for the purpose of ensuring the stable and efficient operation of such plan; and

(B) shall require the carrier to refund to the Employees Health Benefits Fund (described in section 8909(a) of title 5, United States Code) any such reserves in excess of such minimum level in such amounts and at such times during fiscal years 1986 and 1987 as the Office determines appropriate.

(2) In carrying out its responsibilities under this subsection, the Office shall ensure that the aggregate amount to be refunded to the Employees Health Benefits Fund under this subsection—

(A) during fiscal year 1986 shall be not less than $800,000,000; and

(B) during fiscal year 1987 shall be not less than $300,000,000.

(3) No amount in the Employees Health Benefits Fund may be transferred to the general fund of the Treasury of the United States as a result of a refund made under this subsection.

(4)(A) Subject to subparagraphs (B) and (C), any amounts refunded to the Employees Health Benefits Fund under this subsection may be used solely for the purpose of paying the Government contribution under chapter 89 of title 5, United States Code, for health benefits for annuitants, as defined by section 8901(3) of title 5, United States Code, (including the Government contribution for former employees of the United States Postal Service) enrolled in health benefits plans under such chapter.

(B) This paragraph applies to a refund to the extent that such refund represents amounts attributable to Government contributions which were made under section 8906(b) of title 5, United States Code, (including contributions made by the United States Postal Service) as determined under regulations which the Office of Personnel Management shall prescribe.

(C) Any part of the amount in the Employees Health Benefits Fund as a result of a refund made under this subsection may be transferred—

(i) to the government of the District of Columbia, except that the amount of any such part so transferred shall not exceed the amount attributable to the contributions made by the government of the District of Columbia to subscription charges under this chapter (as determined by the Office of Personnel Management); and

(ii) to the United States Postal Service, except that the amount of any such part so transferred shall not exceed the amount attributable to the contributions made by the United States Postal Service to subscription charges under this chapter (as determined by the Office).

(5) The provisions of this subsection shall apply notwithstanding any provision of the Federal Employees Benefits Improvement Act of 1985.

(b) Government Contributions for Retired Former Employees of the United States Postal Service.—Section 8906(g) of title 5, United States Code, is amended—

(1) by striking out "(g) The" and inserting in lieu thereof "(g)(1) Except as provided in paragraph (2), the"; and

(2) by adding at the end thereof the following:

"(2) The Government contributions authorized by this section for health benefits for an individual who first becomes an annuitant by reason of retirement from employment with the United States Postal Service on or after October 1, 1986, shall be paid by the United States Postal Service.".

SEC. 15203. COMPUTATION OF HOURLY RATES OF PAY.

(a) Method of Computation.—Section 5504(b) of title 5, United States Code, is amended—

(1) by striking out the first sentence;

(2) in the second sentence, by striking out "When" and inserting in lieu thereof "When, in the case of an employee,";

(3) in paragraph (1), by striking out "2,080" and inserting in lieu thereof "2,087"; and

(4) in the last sentence, by striking out "title." and inserting in lieu thereof "title other than an employee or individual excluded by section 5541(2)(xvi) of this title.".

(b) Effective Date.—The amendments made by subsection (a) shall be effective with respect to pay periods commencing on or after March 1, 1986.

SEC. 15204. COMPUTATION OF RETIREMENT ANNUITY FOR PART-TIME EMPLOYMENT.

(a) In General.—(1) Section 8339 of title 5, United States Code, is amended by adding at the end thereof the following new subsection:

"(o)(1) In computing an annuity under this subchapter for an employee whose service includes service that was performed on a part-time basis—

"(A) the average pay of the employee, to the extent that it includes pay for service performed in any position on a part-time basis, shall be determined by using the annual rate of basic pay that would be payable for full-time service in the position; and

"(B) the benefit so computed shall then be multiplied by a fraction equal to the ratio which the employee's actual service, as determined by prorating an employee's total service to reflect the service that was performed on a part-time basis, bears to the total service that would be creditable for the employee if all of the service had been performed on a full-time basis.

"(2) For the purpose of this subsection, employment on a part-time basis shall not be considered to include employment on a temporary or intermittent basis.".

(2) Section 8341 of such title is amended—

(A) by striking out "and (n)" in subsection (b)(1) and inserting in lieu thereof ", (n), and (o)"; and

(B) by striking out "and (n)" in subsection (d) and inserting in lieu thereof "(n), and (o)".

(b) Section 4109(b) of title 38, United States Code, is repealed.

(c) The amendments made by this section shall be effective with respect to service performed on or after the date of the enactment of this Act.

SEC. 15205. EFFECT OF WAGE AREA SURVEY REGARDING CERTAIN FEDERAL EMPLOYEES IN TUCSON, ARIZONA.

(a) In General.—Notwithstanding any other provision of law limiting the amounts payable to prevailing wage rate employees during the fiscal year 1986, wage schedules or rates applicable to the Tucson, Arizona, wage area shall not be reduced as a result of a wage survey conducted during fiscal year 1985.

(b) Effective Date.—This section shall be effective as of October 1, 1985.

Subtitle C—Federal Motor Vehicle Expenditure Control

SEC. 15301. MONITORING SYSTEM.

The head of each executive agency, including the Department of Defense, shall designate one office, officer, or employee of the agency to establish and operate a central monitoring system for, and provide oversight of, the motor vehicle operations of the agency, related activities, and related reporting requirements.

SEC. 15302. DATA COLLECTION.

(a) Cost Identification and Analysis.—The head of each executive agency, including the Department of Defense, shall develop a system to identify, collect, and analyze data with respect to all costs, including obligations and outlays, incurred by the agency in the operation, maintenance, acquisition, and disposition of motor vehicles, including Government-owned vehicles, leased vehicles, and privately owned vehicles used for official purposes.

(b) Requirements for Data Systems.—The Administrator, in cooperation with the Comptroller General and the Director, shall promulgate requirements governing the establishment and operation by executive agencies of the systems required by subsection (a), including requirements with respect to data concerning the costs and uses of motor vehicles and with respect to the uniform collection and submission of such data. Requirements promulgated under this section shall be in conformance with accounting principles and standards issued by the Comptroller General. Each executive agency, including the Department of Defense, shall comply with such requirements.

SEC. 15303. AGENCY STATEMENTS WITH RESPECT TO MOTOR VEHICLE USE.

(a) Contents of Statement.—The head of each executive agency, including the Department of Defense, shall include with the appropriation request of such agency submitted under section 1108 of title 31, United States Code, for fiscal year 1988 and each succeeding fiscal year, a statement—

(1) specifying—

(A) the total motor vehicle acquisition, maintenance, leasing, operation, and disposal costs, including obligations and outlays, incurred by such agency in the most recently completed fiscal year; and

(B) an estimate of such costs for the fiscal year in which such request is submitted and for the succeeding fiscal year; and

(2) justifying why the existing and any new motor vehicle acquisition, maintenance, leasing, operation, and disposal requirements of the agency cannot be met through the Interagency Fleet Management System operated by the Administrator, a qualified private fleet management firm, or any other method which is less costly to the Government.

(b) Compliance With Requirements.—The head of each executive agency shall comply with the requirements promulgated under section 15302(b) in preparing each statement required under subsection (a).

SEC. 15304. PRESIDENTIAL REPORT.

(a) Summary and Analysis of Agency Statements.—The President shall include with the budget transmitted pursuant to section 1105 of title 31, United States Code, for fiscal year 1988 and each succeeding fiscal year, or in a separate written report to the Congress for each such fiscal year, a summary and analysis of the statements most recently submitted by the heads of executive agencies pursuant to section 15303(a). Each such summary and analysis shall include a review, for the fiscal year preceding the fiscal year in which the budget is submitted, the current fiscal year, and the fiscal year for which the budget is submitted, of the cost savings that have been achieved, that are estimated will be achieved, and that could be achieved, in the acquisition, maintenance, leasing, operation, and disposal of motor vehicles by executive agencies through—

(1) the use of a qualified private fleet management firm or another private contractor;

(2) increased reliance by executive agencies on the Interagency Fleet Management System operated by the Administrator; or

(3) other existing motor vehicle management systems.

(b) Applicability to Fiscal Year 1986.—The summary and analysis submitted under subsection (a) during fiscal year 1987 is not required to include a review, under the second sentence of such subsection, of the cost savings achieved for fiscal year 1986.

SEC. 15305. STUDY REQUIRED.

(a) Study of Costs, Benefits, and Feasibility.—(1) The head of each executive agency, including the Department of Defense, shall conduct a comprehensive and detailed study of the costs, benefits, and feasibility of—

(A) relying on the Interagency Management Fleet System operated by the Administrator;

(B) entering into a contract with a qualified fleet management firm or another private contractor; or

(C) using any other means less costly to the Government,

to meet its motor vehicle operation, maintenance, leasing, acquisition, and disposal requirements.

(2) Each study conducted under paragraph (1) shall compare the costs, benefits,

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and feasibility of the alternatives described in subparagraphs (A), (B), and (C) of such paragraph to the costs and benefits of the agency's current motor vehicle operations and, in the case of the alternatives described in subparagraphs (B) and (C) of such paragraph, to the costs, benefits, and feasibility of the use of the Interagency Fleet Management System operated by the Administrator.

(b) Submission to Director and Comptroller General.—Within 6 months after the date of enactment of this Act, the head of each executive agency shall submit a report concerning the study required under subsection (a) to the Administrator.

SEC. 15306. INTERAGENCY CONSOLIDATION.

(a) Identification of Opportunities for Consolidation.—The Administrator shall review and identify interagency opportunities for the consolidation of motor vehicles, related equipment, and facilities, and of functions relating to the administration and management of such vehicles, equipment, and facilities, in order to reduce the size and cost of the Federal Government's motor vehicle fleet.

(b) Report and Action on Findings.—Within one year after the date of enactment of this Act, the Administrator shall—

(1) submit a report to the Congress specifying the findings and recommendations of the Administrator from the review conducted under subsection (a); and

(2) take such action as the Administrator considers appropriate based on such findings and recommendations and in accordance with section 211 of the Federal Property and Administrative Services Act.

SEC. 15307. REDUCTION OF STORAGE AND DISPOSAL COSTS.

The Administrator shall take such actions as may be necessary to reduce motor vehicle storage and disposal costs and to improve the rate of return on motor vehicle sales through a program of vehicle reconditioning prior to sale.

SEC. 15308. SAVINGS.

(a) Actions by President Required.—The President shall establish, for each executive agency, including the Department of Defense, goals to reduce outlays for the operation, maintenance, leasing, acquisition, and disposal of motor vehicles in order to reduce, by fiscal year 1988, the total amount of outlays by all executive agencies for such operation, maintenance, leasing, acquisition, and disposal to an amount which is $150,000,000 less than the amount for such operation, maintenance, leasing, acquisition, and disposal requested by the President in the budget submitted under section 1105 of title 31, United States Code, for fiscal year 1986.

(b) Monitoring of Compliance and Compliance Report.—The Director shall monitor compliance by executive agencies with the goals established by the President under subsection (a) and shall include, in each summary and analysis required under section 15304, a statement specifying the reductions in expenditures by executive agencies, including the Department of Defense, achieved under such goals.

SEC. 15309. COMPLIANCE.

(a) Administrator of General Services.—The Administrator shall comply with and be subject to the provisions of this part with regard to all motor vehicles that are used within the General Services Administration for official purposes.

(b) Managers of Other Motor Pools.—The provisions of this part with respect to motor vehicles from the Interagency Fleet Management System shall be complied with by the executive agencies to which such motor vehicles are assigned.

SEC. 15310. APPLICABILITY.

(a) Priority in Reducing Headquarters Use.—The heads of executive agencies shall give first priority to meeting the goals established by the President under section 15308(a) by reducing the costs of administrative motor vehicles used at the headquarters and regional headquarters of executive agencies, rather than by reducing the costs of motor vehicles used by line agency personnel working in agency field operations or activities.

(b) Regulations, Standards, and Definitions.—The President shall require the Administrator, in cooperation with the Director, to promulgate appropriate regulations, standards, and definitions to assure that executive agencies meet the goals established under section 15308(a) in the manner prescribed by subsection (a).

SEC. 15311. COOPERATION.

The Director and the Administrator shall closely cooperate in the implementation of the provisions of this part.

SEC. 15312. REPORTS.

The Comptroller General shall evaluate the extent to which the Director, the Administrator, and executive agencies have complied with this part. By January 31, 1988, the Comptroller General shall submit a report to the Congress describing the results of such evaluation.

SEC. 15313. DEFINITIONS.

For purposes of this title—

(1) the term "executive agency" means an Executive agency (as such term is defined in section 105 of title 5, United States Code), which operates at least three hundred motor vehicles, except that such term does not include the Tennessee Valley Authority;

(2) the term "Director" means the Director of the Office of Management and Budget;

(3) the term "Administrator" means the Administrator of General Services;

(4) the term "Comptroller General" means the Comptroller General of the United States; and

(5) the term "motor vehicle" means any vehicle self-propelled or drawn by mechanical power, except that such term does not include any vehicle designed or used for military field training, combat, or tactical purposes, or any other special purpose vehicle exempted from the requirements of this part by the Administrator.

TITLE XVI—HIGHER EDUCATION PROGRAMS

SEC. 16001. SHORT TITLE; REFERENCE.

(a) Short Title.—This title may be cited as the "Student Financial Assistance Amendments of 1985".

(b) Reference.—References in this title to "the Act" are to the Higher Education Act of 1965 (20 U.S.C. 1001 et seq.).

Subtitle A—Savings in Student Loan Program Operations

SEC. 16011. RECOVERY OF OUTSTANDING ADVANCES TO GUARANTY AGENCIES.

Section 422 of the Act is amended by adding at the end thereof the following new subsection:

"(d)(1) Notwithstanding any other provision of this section, advances made by the Secretary under this section shall be repaid in accordance with this paragraph and shall be deposited in the fund established by section 431. The Secretary shall, in accordance with the requirements of paragraph (2), recover (and so deposit) an amount equal to $75,000,000 during fiscal year 1988.

"(2) In determining the amount of advances which shall be repaid by a State or nonprofit private institution or organization under paragraph (1), the Secretary—

"(A) shall consider the solvency and maturity, as determined by the Comptroller General, of the reserve and insurance funds of the State or nonprofit private institution or organization assisted by such advances;

"(B) shall not seek repayment of such advances from any State described in subsection (c)(5)(B) during any year of its eligibility under such subsection; and

"(C) shall not seek repayment of such advances from any State if such repayment encumbers the reserve fund requirement mandated by the statutes of such State.".

SEC. 16012. DISBURSEMENT OF STUDENT LOANS TO INSTITUTIONS REQUIRED.

(a) FISL Loans Requirement.—Section 427(a)(2) of the Act is amended—

(1) by striking out clause (ii) of subparagraph (B) and by redesignating clauses (iii) and (iv) of subparagraph (B) as clauses (ii) and (iii), respectively;

(2) by striking out "or the fifteen-year period" in the matter following clause (viii) of subparagraph (C); and

(3) by amending subparagraph (I) to read as follows:

"(I) the funds borrowed by a student are disbursed to the institution by check or other means that is payable to and requires the endorsement or other certification by such student, except nothing in this subparagraph shall be interpreted to allow the Secretary to require checks to be made co-payable to the institution and the borrower or to prohibit the disbursement of loan proceeds by means other than by check; and".

(b) GSL Loans Requirement.—Section 428(b)(1)(O) of the Act is amended to read as follows:

"(O) provides that funds borrowed by a student are disbursed to the institution by check or other means that is payable to and requires the endorsement or other certification by such student, except nothing in this subparagraph shall be interpreted to allow the Secretary to require checks to be made co-payable to the institution and the borrower or to prohibit the disbursement of loan proceeds by means other than by check;".

(c) Conforming Amendment.—Section 433A(a) of the Act is amended by striking out "to a borrower" in the first sentence.

SEC. 16013. MULTIPLE DISBURSEMENTS OF STUDENT LOANS REQUIRED.

(a) Repeal of Incentives to Lenders to Make Multiple Disbursements.—Section 428(a) of the Act is amended by striking out paragraph (8).

(b) Multiple Disbursement Required in FISL Program.—Section 427(a) of the Act is amended—

(1) by striking out "and" at the end of paragraph (1);

(2) by striking out the period at the end of paragraph (2) and inserting in lieu thereof "; and"; and

(3) by adding at the end thereof the following:

"(3) in the case of a loan made for any period of enrollment of more than six months, one semester, two quarters, or 600 clock hours and for an amount of $1,000 or more, the proceeds of the loan will be disbursed directly by the lender in two or more installments, none of which exceeds one-half of the loan, with the interval between the first and second installment being not less than one-third of such period.

For purposes of paragraph (3), all loans issued for the same period of enrollment shall be considered as a single loan.".

(c) Multiple Disbursements Required in GSL Program.—Section 428(b)(1) of such Act is amended—

(1) by redesignating subparagraph (P) as subparagraph (Q); and

(2) by inserting after subparagraph (O) the following new subparagraph:

"(P) provides that the proceeds of any loan made for any period of enrollment of more than six months, one semester, two quarters, or 600 clock hours and for an amount of $1,000 or more—

"(i) will be disbursed directly by the lender in two or more installments, none of which exceeds one-half of the loan, with the interval between the first and second installment being not less than one-third of such period, or

"(ii) will be disbursed in such installments pursuant to the escrow provisions of subsection (i) of this section,

but all loans issued for the same period of enrollment shall be considered as a single loan for purposes of this subparagraph; and".

(d) Origination Fee To Be Deducted Proportionately From Each Installment.—Section 438(c)(2) of the Act is amended by striking out "which may be deducted from the proceeds of the loan prior to payment to the borrower" and inserting in lieu thereof "which shall be deducted proportionately from each installment payment of the proceeds of the loan to the borrower".

(e) Conforming Amendments.—(1) Section 425(a)(1) of the Act is amended—

(A) by inserting "and" at the end of subparagraph (A), by striking out subparagraph (B), and by redesignating subparagraph (C) as subparagraph (B); and

(B) by striking out the last sentence.

(2) Section 428(a)(3)(A) of the Act is amended—

(A) by striking out "Except as provided in paragraph (8) and subject" and inserting in lieu thereof "Subject"; and

(B) by striking out "but, except as provided in paragraph (8) of this subsection, such portion" and inserting in lieu thereof "but such portion".

(3) Section 428(b)(1)(A) of such Act is amended—

(A) by inserting "and" at the end of division (i);

(B) by striking out division (ii) and by redesignating division (iii) as division (ii); and

(C) in the matter following such division, by striking out "annual limit," and all that follows and inserting in lieu thereof "annual limit;".

SEC. 16014. PRECLAIM COLLECTION ACTIVITIES.

(a) Delay Required Before Submission of Claims by Guaranty Agencies.—(1) Section 428(c)(1)(A) of the Act is amended by adding at the end thereof the following new sentence: "In no case shall a State or nonprofit private institution or organization with which the Secretary has an agreement pursuant to subsection (b) file a claim for such reimbursement with respect to such losses prior to 270 days after the loan becomes delinquent with respect to any loan installment.".

(2) Section 430(e)(2) of the Act is amended—

(A) by striking out "one hundred and twenty days" and inserting in lieu thereof "180 days"; and

(B) by striking out "one hundred and eighty days" and inserting in lieu thereof "240 days".

(b) Supplemental Preclaims Assistance.—(1) Section 428(c)(6)(A) of the Act is amended—

(A) by inserting after "assistance for default prevention," the following: "the administrative costs of supplemental preclaim assistance for default prevention,"; and

(B) by striking out "as such terms are defined in subparagraph (B)" and inserting in lieu thereof "as such terms are defined in subparagraph (B) or (C)".

(2) Section 428(c)(6) of the Act is amended by adding at the end thereof the following new subparagraph:

"(C)(i) For purposes of this paragraph, 'administrative costs of supplemental preclaim assistance for default prevention' means (subject to divisions (ii) through (iv)) any administrative costs—

"(I) incurred by a guaranty agency in connection with a loan on which the guarantor has exercised preclaims assistance required or permitted under sections 428(c)(2)(A) and 428(f)(2), and which has been in delinquent status for at least 120 days; and

"(II) which are directly related to providing collection assistance to the lender on a delinquent loan, prior to a claim being filed by the guaranty agency,

including the attributable compensation of appropriate personnel (and in the case of personnel who perform several functions, only the portion of compensation attributable to the collection assistance), fees paid to locate a missing borrower, postage, equipment, supplies, telephone, and similar charges, but does not include overhead costs.

"(ii) The administrative costs for which reimbursement is authorized under this subparagraph must be clearly supplemental to the preclaim assistance for default prevention which the guaranty agency is required to provide pursuant to section 428(c)(2)(A) and section 428(f)(2) of this Act.

"(iii) The services associated with carrying out this subparagraph may be provided by the guaranty agency directly or under contract, except that such services may not be carried out by an organization or entity (other than the guaranty agency)—

"(I) that is the holder or servicer of the loan or an organization or entity that owns or controls the holder or servicer of the loan; or

"(II) that is owned or controlled by the same corporation, partnership, association, or individual that owns or controls the holder or servicer of the loan.

"(iv) The costs associated with carrying out this subparagraph may not exceed 2 percent of the outstanding principal balance of each delinquent loan subject to the supplemental preclaim assistance authorized by this subparagraph or $100, whichever is less.".

(3) The amendments made by this subsection shall be effective in accordance with section 16041(a) of this title without regard to whether such amendments are reflected in the regulations prescribed by the Secretary of Education.

SEC. 16015. PROMPT PAYMENT OF SUPPLEMENTAL GUARANTY ADMINISTRATIVE COST AGREEMENT.

(a) Purpose.—It is the purpose of the amendments made by this section to assure the prompt payment of the amount due under the supplemental guaranty administrative cost agreement made under section 428(f)(2) in order to encourage improved collection of student loans and preclaims assistance to prevent default on student loans.

(b) Prompt Payment Required.—(1) Section 428(f)(1) of the Act is amended—

(A) by striking out "is authorized to" and inserting in lieu thereof "shall";

(B) by striking out "shall not exceed" and inserting in lieu thereof "shall be equal to"; and

(C) by striking out the third and fourth sentences of such section.

(2) Section 428(f)(2) of the Act is amended—

(A) by striking out "is authorized to" and inserting in lieu thereof "shall";

(B) by striking out "shall not exceed" and inserting in lieu thereof "shall be equal to"; and

(C) by striking out the third and fourth sentences of such section.

SEC. 16016. GUARANTY AGENCY; LENDER OF LAST RESORT.

Section 428 of the Act is amended by adding at the end thereof the following new subsection:

"(j) In each State, the guaranty agency or an eligible lender in the State described in section 435(d)(1)(D) of this Act shall make loans directly, or through an agreement with an eligible lender or lenders, to students who are eligible to have interest benefits paid on their behalf (under subsection (a) of this section) but who are otherwise unable to obtain loans under this part. Loans made under this subsection shall neither exceed the amount of the need of the borrower, as determined under subsection (a)(2)(B), nor be less than $200.".

SEC. 16017. STUDENT LOAN CONSOLIDATION.

(a) Loan Consolidation Authorized.—Part B of title IV of the Act is amended by inserting after section 428B the following new section:

"Sec. 428C. (a)(1) For the purpose of providing loans to eligible borrowers for consolidation of their obligations with respect to student loans made, insured, or guaranteed under this part or made under part E of this title, the Secretary or a guaranty agency shall enter into agreements in accordance with subsection (b) with the following eligible lenders:

"(A) the Student Loan Marketing Association;

"(B) agencies described in subparagraphs (D) and (F) of section 435(g)(1); and

"(C) eligible lenders described in subparagraphs (A), (B), (C), and (E) of such section.

"(2) Except as provided in section 429(e), no contract of insurance under this part shall apply to a consolidation loan unless such loan is made under an agreement pursuant to this section and is covered by a certificate issued in accordance with subsection (b)(2). Loans covered by such a certificate that is issued by a guaranty agency shall be considered to be insured loans for the purposes of reimbursements under section 428(c), but no payment shall be made with respect to such loans under section 428(f) to any such guaranty agency.

"(3) For the purpose of this section, the term 'eligible borrower' means a borrower who—

"(A) has an outstanding indebtedness, at the time of application for a consolidation loan, to one or more lenders or programs under this title of not less than $5,000;

"(B) has not during the previous 4 months carried at an eligible institution at least one-half the normal full-time academic workload;

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"(C) if in repayment status, is not delinquent with respect to any required payment on such indebtedness by more than 90 days; and

"(D) is not a parent borrower under section 428B(a)(1).

"(4) An individual's status as an eligible borrower under this section terminates upon receipt of a consolidation loan under this section except with respect to loans received under this title after the date of receipt of the consolidation loan. For the purpose of computing the outstanding indebtedness of such an individual, only loans received after such date shall be taken into account.

"(b)(1) Any lender described in clause (A), (B), or (C) of subsection (a)(1) who wishes to make consolidation loans under this section shall enter into an agreement with the Secretary or a guaranty agency which provides—

"(A)(i) that, in the case of lenders described in subsection (a)(1)(C), the lender will make a consolidation loan to any eligible borrower on request of that borrower, if the lender holds an outstanding loan of that borrower which is selected by the borrower for consolidation under this section, and will make such loans to other eligible borrowers only to the extent permitted by the Secretary in an agreement under subsection (d);

"(ii) that, in the case of lenders described in subsection (a)(1)(B), the lender will make, subject to the availability of funds allocated for such purpose, a consolidation loan to any eligible borrower—

"(I) who is, or was at the time of receiving a loan which is selected for consolidation, a resident of the State of such lender; or

"(II) who received loans under this title while attending an institution of higher education in the State of such lender,

except that the lender may elect to limit further the availability of its loans under this section to those borrowers for whom the lender is the holder of a loan selected for consolidation; or

"(iii) that, in the case of the Student Loan Marketing Association, the lender will make a consolidation loan to any eligible borrower on request of that borrower;

"(B) that each consolidation loan made by the lender will bear interest, and be subject to repayment, in accordance with subsection (c);

"(C) that each consolidation loan will be made, notwithstanding any other provision of this part limiting the maximum principal amount for all insured loans made to a borrower, in an amount (i) which is not less than the minimum amount required for eligibility of the borrower under subsection (a)(3)(A)(i), and (ii) which is equal to the sum of the unpaid principal, accrued unpaid interest and late charges of all loans received by the eligible borrower under this title which are selected by the borrower for consolidation;

"(D) that the proceeds of each consolidation loan will be paid by the lender to the holder or holders of the loans so selected to discharge the liability on such loans;

"(E) that, in the case of any lender, such lender will not make consolidation loans under this part from the proceeds of bonds or other obligations, the income from which is exempt from taxation under the Internal Revenue Code of 1954, issued subsequent to the enactment date of the Student Financial Assistance Amendments of 1985; and

"(F) such other terms and conditions as the Secretary or guaranty agency (whichever is party to the agreement) may specifically require of the lender to carry out this section.

"(2) The Secretary shall issue a certificate of comprehensive insurance coverage under section 429(b) to a lender which has entered into an agreement with the Secretary under paragraph (1) of this subsection. A guaranty agency may issue a certificate of comprehensive insurance coverage to a lender if the lender has entered into an agreement under paragraph (1) of this subsection. The Secretary shall not issue such a certificate under this paragraph to a lender described in clause (B) or (C) of subsection (a)(1) if the Secretary determines that such lender has reasonable access in its State, for the purpose of obtaining such a certificate, to a guaranty agency. In either case, such certificate shall, at a minimum, provide—

"(A) that all consolidation loans made by such lender in conformity with the requirements of this section will be insured against loss of principal and interest by the issuer of such certificate;

"(B) that a consolidation loan will not be insured unless the lender has determined to its satisfaction, in accordance with reasonable and prudent business practices, for each loan being consolidated (i) that the loan is a legal, valid, and binding obligation of the borrower; (ii) that each such loan was made and serviced in compliance with applicable laws and regulations; and (iii) in the case of loans under this part, that the insurance on such loan is in full force and effect;

"(C) the effective date and expiration date of the certificate;

"(D) the aggregate amount to which the certificate applies;

"(E) that, if the lender prior to the expiration of the certificate no longer proposes to make consolidation loans, the lender will so notify the issuer of such certificate in order that the certificate may be terminated (without affecting the insurance on any consolidation loan made prior to such termination); and

"(F) the terms upon which the issuer of the certificate may limit, suspend, or terminate the lender's authority to make consolidation loans under the certificate (without affecting the insurance on any consolidation loan made prior to such limitation, suspension, or termination).

"(3) A consolidation loan made pursuant to this section shall be insurable under a certificate issued pursuant to paragraph (2) only if the loan is made to an eligible borrower who has agreed to notify the holder of the loan promptly concerning any change of address and the loan is evidenced by a note or other written agreement which—.

"(A) is made without security and without endorsement, except that if the borrower is a minor and such note or other written agreement executed by him would not, under applicable law, create a binding obligation, endorsement may be required;

"(B) provides for the payment of interest and the repayment of principal in accordance with subsection (c) of this section and contains notice of the possibility of a revised repayment schedule under paragraph (2) of such subsection;

"(C) provides that periodic installments of principal need not be paid, but interest shall accrue and be paid, during any period—

"(i) during which the borrower is pursuing a full-time course of study at an eligible institution, is pursuing a course of study pursuant to a graduate fellowship program approved by the Secretary, or pursuant to a rehabilitation training program for disabled individuals approved by the Secretary;

"(ii) not in excess of 2 years during which the borrower is serving an internship, the successful completion of which is required in order to receive professional recognition;

"(iii) not in excess of 3 years during which the borrower is temporarily totally disabled, as established by sworn affidavit of a qualified physician, or during which the borrower is unable to secure employment by reason of the care required by a spouse who is so disabled; or

"(iv) which is a single period, not in excess of 12 months, at the request of the borrower, during which the borrower is seeking and unable to find full-time employment; and

that any such period shall not be included in determining the repayment period provided pursuant to subsection (c)(2) of this section;

"(D) entitles the borrower to accelerate without penalty repayment of the whole or any part of the loan; and

"(E)(i) contains a notice of the system of disclosure concerning such loan to credit bureau organizations under section 430(b)(2), and (ii) provides that the lender on request of the borrower will provide information on the repayment status of the note to such organizations.

"(c)(1) Consolidation loans made under this section shall bear interest at the rate of 10 per centum per annum on the unpaid principal balance of the loan, except that, if the consolidation loan is used for the purpose of discharging liability on a loan made pursuant to section 428B, the consolidation loan shall bear interest at a rate per annum on such unpaid balance which is equal to the highest applicable interest rate under section 427A on any loan which is selected for consolidation by the borrower. For the purposes of payment of special allowances under section 438(b)(2), the interest rate required by this subsection is the applicable interest rate with respect to a consolidation loan.

"(2) Notwithstanding any other provision of this part, to the extent authorized by its certificate of insurance under subsection (b)(2)(F) and approved by the issuer of such certificate, the lender of a consolidation loan, with the agreement of the borrower, may establish such repayment terms as will promote the objectives of this section, including the establishment of graduated and income sensitive repayment schedules. In each case a consolidation loan shall be repaid as follows:

"(A) in the case of a consolidation loan the original amount of which is less than $7,500, such loan shall be repaid in not more than 10 years;

"(B) in the case of a consolidation loan the original amount of which equals or exceeds $7,500 but is less than $11,000, such loan shall be repaid in not more than 13 years; or

"(C) in the case of a consolidation loan the original amount of which equals or exceeds $11,000, such loan shall be repaid in not more than 15 years.

"(3) Repayment of a consolidation loan shall commence within 60 days after all holders have, pursuant to subsection (b)(1)(D), discharged the liability of the borrower on the loans selected for consolidation.

"(4) No origination fee or insurance premium shall be charged to the borrower on any consolidation loan, and no insurance premium shall be payable by the lender to the issuer of the certificate of insurance with respect to any such loan.

"(d)(1) If, within 18 months after the effective date of this section, an eligible lender described in subsection (a)(1)(B) for a State has not entered into an agreement with the Secretary or a guaranty agency for purposes of making consolidation loans under this section, the Secretary may, after a hearing and upon a determination of need therefor, enter into an agreement for the purposes of making consolidation loans to eligible borrowers in such State with an eligible lender described in clause (B) or (C) of subsection (a)(1) from another State.

"(2) Notice of the hearing required by paragraph (1) of this subsection shall be sent to the Governor of the affected State and the eligible lenders described in subsection (a)(1)(B) for that State. At any such hearing representatives of such Governor and lenders may present evidence and testimony and examine witnesses, and full consideration shall be given to the views of such Governor and lenders with respect to the interests of the eligible borrowers in that State and with respect to the impact on programs of such lenders of allowing a lender described in clause (B) or (C) of subsection (a)(1) from another State to make consolidation loans pursuant to an agreement under this subsection in such State.

"(3) An agreement under this subsection may contain such terms and conditions as the Secretary may specifically require of the lender to carry out this section.

"(4) The requirements of paragraphs (1) and (2) of this subsection shall not apply if, in any State, an eligible lender described in subsection (a)(1)(B) from another State is functioning as a secondary market described in subparagraph (D) or (F) of section 435(g)(1) prior to the date of enactment of the Student Financial Assistance Amendments of 1985 and such lender agrees to make consolidation loans to eligible borrowers in such State.

"(e) The authority to make loans under this section expires at the close of September 30, 1991. Nothing in this section shall be construed to authorize the Secretary to promulgate rules or regulations governing the terms or conditions of the agreements and certificates under subsection (b). Loans made under this section shall not be considered to be new loans made to students for purposes of section 424(a).".

(b) CONFORMING AMENDMENTS.—(1) Section 427(a) of the Act is amended by striking out "A loan" and inserting in lieu thereof "Except as provided in section 428C, a loan".

(2) Section 435(g)(1) of the Act is amended—

(A) by striking out "section 439 (o) and (q)" in subparagraph (G) and inserting in lieu thereof "sections 428C and 439(q)"; and

(B) by striking out "section 428(j)" in subparagraph (H) and inserting in lieu thereof "sections 428(h) and 428C".

(3) Section 438 of the Act is amended—

(A) in subsection (b)(5)(A)(ii), by inserting ", 428C," after "428B"; and

(B) in subsection (c)(2), by striking out "section 428B and section 439(o)" and inserting in lieu thereof "sections 428B and 428C".

(4) Section 439(d)(1)(C) of the Act is amended by striking out "428(A), and except with respect to loans under section 439(o)," and inserting in lieu thereof "428A, and except with respect to loans under section 428C,".

(c) SPECIAL ALLOWANCE.—(1) Section 438(b)(2)(A) of the Act is amended by striking out "subparagraph (B)" and inserting in lieu thereof "subparagraphs (B) and (C)".

(2) The first sentence of section 438(b)(2)(B)(i) of the Act is amended—

(A) by inserting "appropriate" before "quarterly rate" the second time it appears; and

(B) by inserting "or subparagraph (C)" before the period.

(3) Section 438(b)(2) of the Act is amended by adding at the end thereof the following new subparagraph:

"(C) In the case of loans made in accordance with section 428C, the applicable per centum to be added under clause (iii) of subparagraph (A) shall be 3 per centum.".

(d) COST EVALUATION REPORT.—The Secretary of Education shall evaluate the cost, efficiency, and impact of the consolidation loan program established by the amendments made by this section and shall report to the Congress not later than June 30, 1988, on the findings and recommendations required by this subsection.

SEC. 16018. EXTENSION OF PROGRAM.

(a) EXTENSION OF AUTHORITY.—Part B of title IV of the Act is amended—

(1) in section 424(a)—

(A) by striking out "1986" and inserting in lieu thereof "1988";

(B) by striking out "1990" and inserting in lieu thereof "1992";

(2) in section 428(a)(5)—

(A) by striking out "1986" and inserting in lieu thereof "1988";

(B) by striking out "1990" and inserting in lieu thereof "1992"; and

(3) in section 439(l), by striking out "1988" and inserting in lieu thereof "1990".

(b) EXTENSION OF FAMILY CONTRIBUTION SCHEDULES.—Section 9 of the Student Financial Assistance Technical Amendments Act of 1982 is amended—

(1) in subsection (a), by striking out "and from July 1, 1986, through June 30, 1987," and inserting in lieu thereof "from July 1, 1986, through June 30, 1987, from July 1, 1987, through June 30, 1988, from July 1, 1988, through June 30, 1989, and from July 1, 1989, through June 30, 1990,"; and

(2) in subsection (c)—

(A) by striking out "and" at the end of paragraph (3);

(B) by striking out the comma at the end of paragraph (4) and inserting in lieu thereof a semicolon; and

(C) by inserting after such paragraph the following new paragraphs:

"(5) April 1, 1987, for the period of instruction from July 1, 1987, through June 30, 1988;

"(6) April 1, 1988, for the period of instruction from July 1, 1988, through June 30, 1989; and

"(7) April 1, 1989, for the period of instruction from July 1, 1989, through June 30, 1990,".

SEC. 16019. SAVINGS FROM OPERATIONS OF THE STUDENT LOAN MARKETING ASSOCIATION.

(a) GENERAL RULE.—In order to contribute to carrying out the directions in the first concurrent resolution on the budget for the fiscal year 1986 (S. Con. Res. 32, 99th Congress, agreed to August 1, 1985) designed to reduce the Federal budget deficit, the Student Loan Marketing Association shall, during the fiscal year 1986, reduce the level of obligations owed to the Federal Financing Bank by $30,000,000 which, but for this section, will be paid to the Federal Financing Bank after October 1, 1986.

(b) SPECIAL RULE.—The amount described in subsection (a) may not be credited by the Student Loan Marketing Association to reduce the obligation to repay the Federal Financing Bank amounts which the Student Loan Marketing Association owes to the Federal Financing Bank in each of the fiscal years 1987 and 1988.

(c) SAVINGS PROVISION.—Nothing in this section shall be construed to authorize or require the Student Loan Marketing Association or the Federal Financing Bank to renegotiate the contract or other agreement under which the Student Loan Marketing Association agreed to pay amounts made available by the Federal Financing Bank to carry out section 439 of the Higher Education Act of 1965.

SEC. 16020. DEFINITION.

Section 435 of the Act is amended by adding at the end thereof the following new subsection:

"(k) The term 'guaranty agency' means a State or nonprofit private institution or organization with which the Secretary has an agreement pursuant to section 428(b).".

Subtitle B—Savings From Improved Student Loan Collection

SEC. 16021. AGREEMENT FOR AUDITS.

Section 428(b)(2) of the Act is amended—

(1) by striking out "and" at the end of subparagraph (B);

(2) by striking out the period at the end of subparagraph (C) and inserting in lieu thereof "; and"; and

(3) by inserting after such subparagraph the following:

"(D) provide for—

"(i) conducting, except as provided in clause (ii), financial and compliance audits of the guaranty agency at least once every two years and covering the period since the most recent audit, conducted by a qualified, independent organization or person in accordance with standards established by the Comptroller General for the audit of governmental organizations, programs, and functions, and as prescribed in regulations of the Secretary, the results of which shall be submitted to the Secretary; or

"(ii) with regard to a guaranty program of a State which is audited under chapter 75 of title 31, United States Code, deeming such audit to satisfy the requirements of clause (i) for the period of time covered by such audit.".

SEC. 16022. RECOVERY COSTS.

Section 430(b) of the Act is amended—

(1) by striking out in paragraph (1) "(including reasonable administrative costs)" and inserting in lieu thereof the following: "(including reasonable administrative and collection costs, to the extent set forth in regulations issued by the Secretary)";

(2) by striking out paragraph (2); and

(3) by striking out "(1)".

SEC. 16023. CREDIT BUREAU REPORTS.

Part B of title IV of the Act is amended by adding immediately after section 430 the following new section:

"REPORTS TO CREDIT BUREAUS AND INSTITUTIONS OF HIGHER EDUCATION

"SEC. 430A. (a) For the purpose of promoting responsible repayment of loans covered by Federal loan insurance pursuant to this part or covered by a guaranty agreement pursuant to section 428, the Secretary, and each guaranty agency, eligible lender, and subsequent holder shall enter into agreements with credit bureau organizations to exchange information concerning student borrowers, in accordance with the requirements of this section. For the purpose of assisting such organizations in complying with the Fair Credit Reporting Act, such agreements may provide for timely response to

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the Secretary (concerning loans covered by Federal loan insurance) or by a guaranty agency, eligible lender, or subsequent holder (concerning loans covered by a guaranty agreement) to requests from such organizations for responses to objections raised by such borrowers. Subject to the requirements of subsection (c), such agreements shall require that the Secretary or guaranty agency, eligible lender, or subsequent holder to disclose to such organizations with respect to any loan dispersed to a student—

"(1) the date of disbursement and the amount of the loan;

"(2) the date of default and information concerning collection of the loan, including information concerning the repayment status of any defaulted loan on which the Secretary has made a payment pursuant to section 430(a) or the guaranty agency has made a payment to the previous holder of the loan; and

"(3) the date of cancellation of the note upon completion of repayment by the borrower of the loan or payment by the Secretary pursuant to section 437.

"(b) Such agreements may also provide for the disclosure by such organizations to the Secretary, a guaranty agency, eligible lender, or subsequent holder upon receipt of a notice under subsection (a)(2) that such a loan is in default, or information which may assist the Secretary, guaranty agency, eligible lender, or subsequent holder in collecting the loan.

"(c) Agreements entered into pursuant to this section shall contain such provisions as may be necessary to ensure that—

"(1) no information is disclosed by the Secretary, guaranty agency, eligible lender, or subsequent holder unless its accuracy and completeness have been verified and the Secretary, guaranty agency, eligible lender, or subsequent holder has determined that disclosure would carry out the purpose of this section;

"(2) as to any information so disclosed, such organizations will be promptly notified of, and will promptly record, any change submitted by the Secretary, guaranty agency, eligible lender, or subsequent holder with respect to such information, as required by section 611 of the Fair Credit Reporting Act (15 U.S.C. 1681);

"(3) no use will be made of any such information which would result in the use of collection practices with respect to such a borrower that are not fair and reasonable or that involve harassment, intimidation, false or misleading representations, or unnecessary communication concerning the existence of such loan or concerning such information; and

"(4) with regard to notices of default under subsection (a)(2) of this section, except for disclosures made to obtain the borrower's location, the Secretary, guaranty agency, eligible lender, or subsequent holder (A) shall not disclose any such information until the Secretary, guaranty agency, eligible lender, or subsequent holder has notified the borrower that such information will be disclosed to credit bureau organizations unless the borrower enters into repayment of the loan, but (B) shall, if the borrower has not entered into repayment within a reasonable period of time, but not less than thirty days, from the date such notice has been sent to the borrower, disclose the information required by this subsection.

"(d) A guaranty agency, eligible lender, subsequent holder, or credit bureau organization which discloses or receives information under this section shall not be considered a Government contractor within the meaning of section 552a of title 5 of the United States Code (the Privacy Act of 1974).

"(e) The Secretary and each guaranty agency, eligible lender, and subsequent holder is authorized to disclose information described in subsections (a) and (b) concerning student borrowers to the eligible institutions such borrowers attend or previously attended.

"(f) Notwithstanding paragraphs (4) and (6) of subsection (a) of section 605 of the Fair Credit Reporting Act (15 U.S.C. 1681c(a)(4), (a)(6)), a consumer reporting agency may make a report containing information received from the Secretary, or a guaranty agency, eligible lender, or subsequent holder regarding the status of a borrower's account on a loan insured or guaranteed under this part until the later of—

"(1) seven years from the date on which the agency paid a claim to the holder on insurance or the guaranty, or

"(2) seven years from the date the Secretary, guaranty agency, eligible lender, or subsequent holder first reported the account to a consumer reporting agency.".

SEC. 16024. CIVIL PENALTIES.

Section 432 of the Act is further amended by adding at the end thereof the following new subsection:

"(f)(1) Upon determination, after reasonable notice and opportunity for a hearing on the record, that a lender or a guaranty agency—

"(A) has violated or failed to carry out any provision of this part or any regulation prescribed under this part, or

"(B) has engaged in substantial misrepresentation of the nature of its financial charges,

the Secretary may impose a civil penalty upon such lender or agency of not to exceed $15,000 for each violation, failure, or misrepresentation.

"(2) No civil penalty may be imposed under paragraph (1) of this subsection unless it is determined that—

"(A) the violation, failure or substantial misrepresentation referred to in that paragraph resulted from—

"(i) a clear and consistent pattern or practice of violations, failures, or substantial misrepresentations in which the lender or guaranty agency did not maintain procedures reasonably adapted to avoid the violation, failure, or substantial representation;

"(ii) gross negligence; or

"(iii) willful actions on the part of the lender or guaranty agency; and

"(B) the violation, failure, or substantial misrepresentation is material.

"(3) A lender or guaranty agency has no liability under paragraph (1) of this subsection if, prior to the institution of an action under that paragraph, the lender or guaranty agency cures or corrects the violation or failure or notifies the person who received the substantial misrepresentation of the actual nature of the financial charges involved.

"(4) For the purposes of paragraph (1) of this subsection, violations, failures, or substantial misrepresentations arising from a specific practice of a lender or guaranty agency shall be deemed to be a single violation, failure, or substantial misrepresentation even if the violation, failure, or substantial misrepresentation affects more than one loan or more than one borrower, or both, and the Secretary may only impose a single civil penalty for each such violation, failure, or substantial misrepresentation.

"(5) If a loan affected by a violation, failure, or substantial misrepresentation is assigned to another holder, the lender or guaranty agency responsible for the violation, failure, or substantial misrepresentation shall remain liable for any civil money penalty provided for under paragraph (1) of this subsection, but the assignee shall not be liable for any such civil money penalty.

"(6) Until a matter is referred to the Attorney General, any civil penalty under paragraph (1) of this subsection may be compromised by the Secretary. In determining the amount of such penalty, or the amount agreed upon in compromise, the Secretary shall consider the appropriateness of the penalty to the resources of the lender or guaranty agency subject to the determination; the gravity of the violation, failure, or substantial misrepresentation; the frequency and persistence of the violation, failure, or substantial misrepresentation; and the amount of any losses resulting from the violation, failure, or substantial misrepresentation. The amount of such penalty, when finally determined, or the amount agreed upon in compromise, may be deducted from any sums owing by the United States to the lender or agency charged (unless the lender or agency has in the case of a final agency determination commenced proceedings for judicial review within 90 days of the determination, in which case the deduction may not be made during the pendency of the proceeding).".

SEC. 16025. ASSIGNMENT AND REFERRAL OF NDSL LOANS FOR COLLECTION.

Section 463(a)(5) of the Act is amended to read as follows:

"(5) provide that where a note or written agreement evidencing a loan has been in default despite due diligence on the part of the institution in attempting collection thereon—

"(A) if the institution has knowingly failed to maintain an acceptable collection record with respect to such loan, as determined by the Secretary in accordance with criteria established by regulation, the Secretary may—

"(i) require the institution to assign such note or agreement to the Secretary, without recompense; and

"(ii) apportion any sums collected on such a loan (less an amount not to exceed 30 per centum of any sums collected to cover the Secretary's collection costs) among other institutions in accordance with section 462; or

"(B) if the institution is not one described in clause (A), the Secretary may—

"(i) allow such institution to transfer its interest in such loan to the Secretary, for collection, and the Secretary may use any collections thereon (less an amount not to exceed 30 per centum of any sums collected to cover the Secretary's collection costs) to make allocations to institutions of additional capital contributions in accordance with section 462; or

"(ii) allow such institution to refer such note or agreement to the Secretary, without recompense, except that any sums collected on such a loan (less an amount not to exceed 30 per centum of any sums collected to cover the Secretary's collection costs) shall be repaid to such institution no later than 180 days after collection by the Secretary and treated as an additional capital contribution;".

SEC. 16026. REPORTING BY CONSUMER REPORTING AGENCY ON NDSL LOANS.

Section 463(c) of the Act is amended by adding at the end the following new paragraph:

"(3) Notwithstanding paragraphs (4) and (6) of subsection (a) of section 605 of the Fair Credit Reporting Act (15 U.S.C. 1681c(a)(4), (a)(6)), a consumer reporting agency may make a report containing information received from the Secretary regarding the status of a borrower's account on a loan made under this part until the later of—

"(A) seven years from the date on which the Secretary accepted an assignment or referral of a loan, or

"(B) seven years from the date the Secretary first reported the account to a consumer reporting agency, if that account had not been previously reported by any other holder of the note.".

SEC. 16027. DEFAULT PENALTY ON NDSL LOANS.

Section 463A(a)(7) of the Act is amended by inserting immediately before the semicolon at the end thereof the following: "and a description of any penalty imposed as a consequence of default, such as liability for expenses reasonably incurred in attempts by the Secretary or institutions to collect on a loan".

SEC. 16028. NDSL LOAN AGREEMENTS.

(a) CHARGES FOR LATE PAYMENTS.—Section 464(c)(1)(H) of the Act is amended to read as follows:

"(H) pursuant to regulations of the Secretary, shall provide for an assessment of a charge with respect to the loan for failure of the borrower to pay all or part of an installment when due, which shall include the expenses reasonably incurred in attempting collection of the loan, to the extent permitted by the Secretary, except that no charge imposed under this clause shall exceed 20 per centum of the amount of the monthly payment of the borrower; and".

(b) CONFORMING AMENDMENT.—Section 464(c)(4) of the Act is amended to read as follows:

"(4) The institution may elect—

"(A) to add the amount of any charge imposed under paragraph (1)(H) to the principal amount of the loan as of the first day after the day on which the installment was due and to notify the borrower of the assessment of the charge; or

"(B) to make the amount of the charge payable to the institution not later than the due date of the next installment.".

SEC. 16029. REFERRAL OF NDSL LOANS FOR COLLECTION.

Section 467 of the Act is amended to read as follows:

"COLLECTION OF DEFAULTED LOANS

"SEC. 467. (a) With respect to any loan—

"(1) which was made under this part, and

"(2) which is referred, transferred, or assigned to the Secretary by an institution with an agreement under section 463(a),

the Secretary is authorized to attempt to collect such loan by any means authorized by law for collecting claims of the United States (including referral to the Attorney General for litigation) and under such terms and conditions as the Secretary may prescribe, including reimbursement for expenses reasonably incurred in attempting such collection.

"(b) The Secretary shall continue to attempt to collect any loan referred, transferred, or assigned under paragraph (5)(A), (5)(B)(i), or (6) of section 463(a) until all appropriate collection efforts, as determined by the Secretary, have been expended.".

SUBTITLE C—SAVINGS RELATED TO GENERAL PROVISIONS

SEC. 16031. EXCLUSION OF LIQUIDATION PROCEEDS FROM FAMILY CONTRIBUTION COMPUTATIONS.

Section 462 of the Act is amended by adding at the end thereof the following new subsection:

"(f) The Secretary shall, within 30 days after the date of enactment of this subsection, promulgate special regulations to permit, in the computation of family contributions for the programs under subpart 1 of part A and part B of this title for any academic year beginning on or after July 1, 1985, the exclusion from family income of any proceeds of a sale of farm or business assets of that family if such sale results from a voluntary or involuntary foreclosure, forfeiture, or bankruptcy.".

SEC. 16032. ADDITIONAL ELIGIBILITY REQUIREMENTS FOR STUDENT LOANS.

(a) STUDENT IDENTIFICATION.—Section 484(a) of the Act is amended—

(1) by striking out the word "such" each place it appears in paragraph (4) and inserting in lieu thereof "any"; and

(2) by striking out "(which need not be notarized)" in paragraph (5) and inserting in lieu thereof "(which need not be notarized but which shall include such student's social security number or, if the student does not have a social security number, such student's student identification number)".

(b) ELIGIBILITY DETERMINATIONS.—Section 484 of the Act is amended by redesignating subsection (b) as subsection (c) and by inserting after subsection (a) the following new subsection:

"(b) In order to be eligible to receive any loan under this title (other than a loan under section 428B or 428C) for any period of enrollment, a student who is not a graduate or professional student (as defined in regulations of the Secretary), and who is enrolled in a program at an institution which has a participation agreement with the Secretary to make awards under subpart 1 of part A of this title, shall—

"(1) have received a determination of eligibility or ineligibility for a grant under such subpart 1 for such period of enrollment; or

"(2) have (A) filed an application with the Pell Grant processor for such institution for such enrollment period; and (B) received from the financial aid administrator of the institution a preliminary determination of the student's eligibility or ineligibility for a grant under such subpart 1.".

(c) CONFORMING AMENDMENT.—Section 428(a)(2)(C)(i) of the Act is amended by striking out "subparts 1 and 2 of part A," and inserting in lieu thereof "subpart 1 of part A (as determined in accordance with section 484(b)), subpart 2 of part A,".

SEC. 16033. STATUTE OF LIMITATIONS.

Part F of title IV of the Act is amended by adding immediately after section 484 the following new section:

"STATUTE OF LIMITATIONS

"SEC. 484A. (a) Notwithstanding any provision of State law that would set an earlier deadline for filing suit—

"(1) an institution which receives funds under this title may file suit for collection of a refund due from a student on a grant made or work assistance awarded under this title during a period of time extending at least until a date six years (exclusive of periods during which the State statute of limitations period otherwise applicable to the suit would be tolled under State law) after the date the refund first became due;

"(2) a guaranty agency which has an agreement with the Secretary under section 428(c) may file suit for collection of the amount due from a borrower on a loan made under part B of this title during a period of time extending at least until a date six years (exclusive of periods during which the State statute of limitations period otherwise applicable to the suit would be tolled under State law) after the date such guaranty agency reimburses the previous holder of the loan for its loss on account of the default of the borrower; and

"(3) an institution which has an agreement with the Secretary pursuant to section 463(a) may file suit for collection of the amount due from a borrower on a loan made under part E of this title during a period of time extending at least until a date six years (exclusive of periods during which the State statute of limitations period otherwise applicable to the suit would be tolled under State law) after the date of the default of the borrower with respect to that amount; and

"(4) subject to the provisions of section 2416 of title 28 of the United States Code, the Attorney General may file suit—

"(A) for payment of a refund due from a student on a grant made under this title until six years following the date on which the refund first became due;

"(B) for collection of the amount due the Secretary from a borrower pursuant to section 428(c)(2)(D) of this title until six years following the date on which the loan is assigned to the Secretary under part B of this title; and

"(C) for collection of the amount due from a borrower on a loan made under this part until six years following the date on which the loan is assigned, transferred, or referred to the Secretary under part E of this title.

"(b) Notwithstanding any provision of State law to the contrary—

"(1) a borrower who has defaulted on a loan made under this title shall be required to pay, in addition to other charges specified in this title, reasonable collection costs; and

"(2) in collecting any obligation arising from a loan made under part B of this title, a guaranty agency or the Secretary shall not be subject to a defense raised by any borrower based on a claim of infancy.".

SEC. 16034. PROGRAM PARTICIPATION AGREEMENTS.

(a) USE OF INTEREST ON FUNDS RECEIVED.—Section 487(a)(1) of the Act is amended to read as follows:

"(1) The institution will use funds received by it for any program under this title and any interest or other earnings thereon solely for the purposes specified in, and in accordance with the provision of, that program.".

(b) AUDIT AND RECOVERY OF FUNDS.—Section 487(b)(1) of the Act is amended by striking out subparagraph (A) and inserting in lieu thereof the following:

"(A)(i) except as provided in clause (ii), a financial and compliance audit of an eligible institution, with regard to any funds obtained by it under this title or obtained from a student or a parent who has a loan insured or guaranteed by the Secretary under this title, at least once every two years and covering the period since the most recent audit, conducted by a qualified, independent organization or person in accordance with standards established by the Comptroller General for the audit of gov-

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ernmental organization, programs, and functions, and as prescribed in regulations of the Secretary, the results of which shall be submitted to the Secretary; or

"(ii) with regard to an eligible institution which is audited under chapter 75 of title 31, United States Code, deeming such audit to satisfy the requirements of clause (i) for the period covered by such audit;".

Subtitle D—Effective Dates

SEC. 16041. EFFECTIVE DATES.

(a) General Rule.—Except as otherwise provided in this section, the amendments made by this subtitle shall take effect on the date of enactment of this Act.

(b) Prospective Provisions; Loans.—(1) The amendments made by sections 16012, 16027, and 16028 shall apply to loans to cover the cost of attendance for any period of enrollment beginning on or after January 1, 1986.

(2) The amendments made by section 16013 shall apply to loans made on or after July 1, 1986.

(c) Retroactive Provisions; Loans.—(1) The amendment made by section 16015 shall apply to any fiscal year beginning after September 30, 1984.

(2) The amendments made by sections 16021 through 16026, 16029, and 16032(b) shall apply to all loans, including loans made before the enactment of this Act, and shall take effect 90 days after the enactment of this Act.

(d) Prospective Provision; All Assistance.—The amendment made by section 16032(a) shall apply to grants, loans, or work assistance to cover the cost of attendance for any period of enrollment beginning on or after January 1, 1986.

(e) Retroactive Provision; Grants.—The amendment made by section 16033 shall apply to all grants, including grants awarded before the enactment of this Act, and shall take effect 90 days after the enactment of this Act.

(f) Retroactive Provisions; All Assistance.—The amendment made by section 16034 shall apply to all grants, loans, or work assistance, including such assistance awarded before the enactment of this Act, and shall take effect 90 days after the enactment of this Act.

TITLE XVII—GRADUATE MEDICAL EDUCATION COUNCIL AND TECHNICAL AMENDMENTS TO THE PUBLIC HEALTH SERVICE ACT

SEC. 17001. COUNCIL ON GRADUATE MEDICAL EDUCATION.

Title VII of the Public Health Service Act is amended by adding at the end thereof the following new part:

"Part H—Graduate Medical Education

"council on graduate medical education

"Sec. 799. (a) There is established the Council on Graduate Medical Education (hereafter in this section referred to as the 'Council'). The Council shall—

"(1) prior to July 1, 1988, and every three years thereafter, provide advice and make recommendations to the Secretary and to the Committees on Labor and Human Resources, and Finance of the Senate and the Committees on Energy and Commerce and Ways and Means of the House of Representatives, with respect to—

"(A) the supply and distribution of physicians in the United States;

"(B) current and future shortages or excesses of physicians in medical and surgical specialties and subspecialties;

"(C) issues relating to foreign medical school graduates;

"(D) appropriate Federal policies with respect to the matters specified in subparagraphs (A), (B), and (C), including policies concerning changes in the financing of undergraduate and graduate medical education programs and changes in the types of medical education training in graduate medical education programs;

"(E) appropriate efforts to be carried out by hospitals, schools of medicine, schools of osteopathy, and accrediting bodies with respect to the matters specified in subparagraphs (A), (B), and (C), including efforts for changes in undergraduate and graduate medical education programs; and

"(F) deficiencies in, and needs for improvements in, existing data bases concerning the supply and distribution of, and postgraduate training programs for, physicians in the United States and steps that should be taken to eliminate those deficiencies; and

"(2) encourage entities providing graduate medical education to conduct activities to voluntarily achieve the recommendations of the Council under paragraph (1)(E).

"(b) The Council shall be composed of—

"(1) the Assistant Secretary for Health or the designee of the Assistant Secretary;

"(2) the Administrator of the Health Care Financing Administration;

"(3) the Chief Medical Director of the Veterans' Administration;

"(4) 6 members appointed by the Secretary to include representatives of practicing primary care physicians, national and specialty physician organizations, foreign medical graduates, and medical student and house staff associations;

"(5) 4 members appointed by the Secretary to include representatives of schools of medicine and osteopathy and public and private teaching hospitals; and

"(6) 4 members appointed by the Secretary to include representatives of health insurers, business, and labor.

"(c)(1) Members of the Council appointed under paragraphs (4), (5), and (6) of subsection (b) shall be appointed for a term of 4 years, except that the term of office of the members first appointed shall expire, as designated by the Secretary at the time of appointment, 4 at the end of one year, 4 at the end of 2 years, 3 at the end of 3 years, and 3 at the end of 4 years.

"(2) The Secretary shall appoint the first members to the Council under paragraphs (4), (5), and (6) of subsection (b) within 60 days after the date of enactment of this section.

"(d) The Council shall elect one of its members as Chairman of the Council.

"(e) Nine members of the Council shall constitute a quorum, but a lesser number may hold hearings.

"(f) Any vacancy in the Council shall not affect its power to function.

"(g) Each member of the Council who is not otherwise employed by the United States Government shall receive compensation at a rate equal to the daily rate prescribed for GS-18 under the General Schedule under section 5332 of title 5, United States Code, for each day, including traveltime, such member is engaged in the actual performance of duties as a member of the Council. A member of the Council who is an officer or employee of the United States Government shall serve without additional compensation. All members of the Council shall be reimbursed for travel, subsistence, and other necessary expenses incurred by them in the performance of their duties.

"(h)(1) In order to carry out the provisions of this section, the Council is authorized to—

"(A) collect such information, hold such hearings, and sit and act at such times and places, either as a whole or by subcommittee, and request the attendance and testimony of such witnesses and the production of such books, records, correspondence, memoranda, papers, and documents as the Council or such subcommittee may consider available; and

"(B) request the cooperation and assistance of Federal departments, agencies, and instrumentalities, and such departments, agencies, and instrumentalities are authorized to provide such cooperation and assistance.

"(2) The Council shall coordinate activities carried out under this section with the activities of the National Advisory Council on Health Professions Education under section 702 and with the activities of the Secretary under section 708. The Secretary shall, in cooperation with the Council and pursuant to the recommendations of the Council, take such steps as are practicable to eliminate deficiencies in the data base established under section 708 and shall make available in its reports such comprehensive data sets as are developed pursuant to this section.

"(i) In the reports required under subsection (a), the Council shall specify its activities during the period for which the report is made.

"(j) The Council shall terminate on September 30, 1996."

SEC. 17002. SPECIAL PAY PROVISIONS.

(a) Service in the Indian Health Service.—(1) Section 208(a)(2)(B) of the Public Health Service Act (42 U.S.C. 210(a)(2)(B)) is amended by inserting "(other than an officer serving in the Indian Health Service)" after "Corps".

(2) The amendment made by paragraph (1) shall take effect as of October 7, 1985.

(b) Employees at the Gillis W. Long Hansen's Disease Center.—Section 208(e) of the Public Health Service Act (42 U.S.C. 210(e)) is amended to read as follows:

"(e) Any civilian employee of the Service who is employed at the Gillis W. Long Hansen's Disease Center on the date of the enactment of the Consolidated Omnibus Budget Reconciliation Act of 1985 shall be entitled to receive, in addition to any compensation to which the employee may otherwise be entitled and for so long as the employee remains employed at the Center, an amount equal to one-fourth of such compensation.".

SEC. 17003. USE OF FISCAL AGENTS BY PUBLIC HEALTH SERVICE.

Title XXI of the Public Health Service Act is amended by adding at the end the following new section:

"use of fiscal agents

"Sec. 2116. (a) The Secretary may enter into contracts with fiscal agents—

"(1)(A) to determine the amounts payable to persons who, on behalf of the Indian Health Service, furnish health services to eligible Indians,

"(B) to determine the amounts payable to persons who, on behalf of the Public Health Service, furnish health services to individuals pursuant to section 319 or 322,

"(2) to receive, disburse, and account for funds in making payments described in paragraph (1),

"(3) to make such audits of records as may be necessary to assure that these payments are proper, and

"(4) to perform such additional functions as may be necessary to carry out the functions described in paragraphs (1) through (3).

"(b)(1) Contracts under subsection (a) may be entered into without regard to section 3709 of the Revised Statutes (41 U.S.C. 5) or any other provision of law requiring competition.

"(2) No such contract shall be entered into with an entity unless the Secretary finds that the entity will perform its obligations under the contract efficiently and effectively and will meet such requirements as to financial responsibility, legal authority, and other matters as he finds pertinent.

"(c) A contract under subsection (a) may provide for advances of funds to enable entities to make payments under the contract.

"(d) Subsections (d) and (e) of section 1842 of the Social Security Act shall apply to contracts with entities under subsection (a) in the same manner as they apply to contracts with carriers under that section.

"(e) In this section, the term 'fiscal agent' means a carrier described in section 1842(f)(1) of the Social Security Act and includes, with respect to contracts under subsection (a)(1)(A), an Indian tribe or tribal organization acting under contract with the Secretary under the Indian Self-Determination Act (Public Law 93-638).".

SEC. 17004. TECHNICAL REVISIONS RELATING TO EMERGENCY MEDICAL SERVICES FOR CHILDREN.

Section 1910 of the Public Health Service Act (42 U.S.C. 300w-9) is amended—

(1) by striking out "grant to not more than four States in any fiscal year" in the first sentence of subsection (a) and inserting in lieu thereof "not more than four grants in any fiscal year to States or accredited schools of medicine in States";

(2) by adding at the end of subsection (a) the following new sentence: "Only one grant under this subsection may be made in a State (to a State or to a school of medicine in such State) in any fiscal year.";

(3) by striking out "other States" in subsection (b) and inserting in lieu thereof "States in which grants under such subsection have not been made";

(4) by redesignating subsection (c) as subsection (d); and

(5) by inserting after subsection (b) the following new subsection:

"(c) For purposes of this section—

"(1) the term 'school of medicine' has the same meaning as in section 701(4); and

"(2) the term 'accredited' has the same meaning as in section 701(5).".

TITLE XVIII—SMALL BUSINESS PROGRAMS

SEC. 18001. SMALL BUSINESS ADMINISTRATION PROGRAM AND AUTHORIZATION LEVELS.

Section 20 of the Small Business Act is amended by adding the following new subsections:

"(u) The following program levels are authorized for fiscal year 1986—

"(1) for the programs authorized by section 7(a) of this Act, the Administration is authorized to make $60,000,000 in direct and immediate participation loans; and of such sum, the Administration is authorized to make $15,000,000 in loans as provided in paragraph (10), $25,000,000 in loans as provided in paragraph (11), and $20,000,000 in loans to disabled veterans and Vietnam era veterans as defined in section 1841, title 38, United States Code, under the general terms and conditions of title III of Public Law 97-72;

"(2) for the programs authorized by section 7(a) of this Act and section 503 of the Small Business Investment Act of 1958, the Administration is authorized to make $2,971,000,000 in deferred participation loans and guarantees of debentures; and of such sum, the Administration is authorized to make $5,000,000 in loans as provided in paragraph (10), $60,000,000 in loans as provided in paragraph (11), $15,000,000 in loans as provided in paragraph (12), $400,000,000 in loans as provided in paragraph (13) and guarantees of debentures as provided in section 503;

"(3) for the programs authorized by title III of the Small Business Investment Act of 1958, the Administration is authorized to make $41,000,000 in direct purchases of debentures and preferred securities and to make $250,000,000 in guarantees of debentures;

"(4) for the programs authorized by part B of title IV of the Small Business Investment Act of 1958, the Administration is authorized to enter into guarantees not to exceed $1,050,000,000; and

"(5) for the programs authorized in sections 404 and 405 of the Small Business Investment Act of 1958, the Administration is authorized to enter into guarantees not to exceed $75,000,000.

"(v) There are authorized to be appropriated to the Administration for fiscal year 1986, $515,000,000. Of such sum, $295,000,000 shall be available for the purpose of carrying out the programs referred to in paragraphs (1) through (3) of subsection (u); $12,000,000 shall be available for the purposes of carrying out the provisions of section 412 of the Small Business Investment Act of 1958; and $208,000,000 shall be available for salaries and expenses of the Administration. There also are hereby authorized to be appropriated such sums as may be necessary and appropriate to carry out the provisions and purposes, including administrative expenses, of sections 7(b)(1) and 7(b)(2) of this Act; and there are authorized to be transferred from the disaster loan revolving funds such sums as may be necessary and appropriate for such administrative expenses.

"(w) The following program levels are authorized for fiscal year 1987—

"(1) for the programs authorized by section 7(a) of this Act, the Administration is authorized to make $70,000,000 in direct and immediate participation loans; and of such sum, the Administration is authorized to make $15,000,000 in loans as provided in paragraph (10), $35,000,000 in loans as provided in paragraph (11), and $20,000,000 in loans to disabled veterans and Vietnam era veterans as defined in section 1841, title 38, United States Code, under the general terms and conditions of title III of Public Law 97-72;

"(2) for the programs authorized by section 7(a) of this Act and section 503 of the Small Business Investment Act of 1958, the Administration is authorized to make $3,134,000,000 in deferred participation loans and guarantees of debentures; and of such sum, the Administration is authorized to make $5,000,000 in loans as provided in paragraph (10), $63,000,000 in loans as provided in paragraph (11), $16,000,000 in loans as provided in paragraph (12), $450,000,000 in loans as provided in paragraph (13) and guarantees of debentures as provided in section 503;

"(3) for the programs authorized by title III of the Small Business Investment Act of 1958, the Administration is authorized to make $41,000,000 in direct purchases of debentures and preferred securities and to make $261,000,000 in guarantees of debentures;

"(4) for the programs authorized by part B of title IV of the Small Business Investment Act of 1958, the Administration is authorized to enter into guarantees not to exceed $1,096,000,000; and

"(5) for the programs authorized in sections 404 and 405 of the Small Business Investment Act of 1958, the Administration is authorized to enter into guarantees not to exceed $75,000,000.

"(x) There are authorized to be appropriated to the Administration for fiscal year 1987, $605,000,000. Of such sum, $381,000,000 shall be available to carry out the programs referred to in paragraphs (1) through (3) of subsection (w); $14,000,000 shall be available to carry out the provisions of section 412 of the Small Business Investment Act of 1958; and $210,000,000 shall be available for salaries and expenses of the Administration. There also are hereby authorized to be appropriated such sums as may be necessary and appropriate to carry out the provisions and purposes, including administrative expenses, of sections 7(b)(1) and 7(b)(2) of this Act; and there are authorized to be transferred from the disaster loan revolving funds such sums as may be necessary and appropriate for such administrative expenses.

"(y) The following program levels are authorized for fiscal year 1988—

"(1) for the programs authorized by section 7(a) of this Act, the Administration is authorized to make $75,000,000 in direct and immediate participation loans; and of such sum, the Administration is authorized to make $15,000,000 in loans as provided in paragraph (10), $40,000,000 in loans as provided in paragraph (11), and $20,000,000 in loans to disabled veterans and Vietnam era veterans as defined in section 1841, title 38, United States Code, under the general terms and conditions of title III of Public Law 97-72;

"(2) for the programs authorized by section 7(a) of this Act and section 503 of the Small Business Investment Act of 1958, the Administration is authorized to make $3,245,000,000 in deferred participation loans and guarantees of debentures; and of such sum, the Administration is authorized to make $5,000,000 in loans as provided in paragraph (10), $65,000,000 in loans as provided in paragraph (11), $16,000,000 in loans as provided in paragraph (12), $450,000,000 in loans as provided in paragraph (13) and guarantees of debentures as provided in section 503;

"(3) for the programs authorized by title III of the Small Business Investment Act of 1958, the Administration is authorized to make $41,000,000 in direct purchases of debentures and preferred securities and to make $272,000,000 in guarantees of debentures;

"(4) for the programs authorized by part B of title IV of the Small Business Investment Act of 1958, the Administration is authorized to enter into guarantees not to exceed $1,142,000,000; and

"(5) for the programs authorized in sections 404 and 405 of the Small Business Investment Act of 1958, the Administration is authorized to enter into guarantees not to exceed $75,000,000.

"(z) There are authorized to be appropriated to the Administration for fiscal year 1988, $634,000,000. Of such sum, $409,000,000 shall be available to carry out the programs referred to in paragraphs (1) through (3) of subsection (y); $13,000,000

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shall be available to carry out the provisions of section 412 of the Small Business Investment Act of 1958; and $212,000,000 shall be available for salaries and expenses of the Administration. There also are hereby authorized to be appropriated such sums as may be necessary and appropriate for the carrying out of the provisions and purposes, including administrative expenses, of sections 7(b)(1) and 7(b)(2) of this Act; and there are authorized to be transferred from the disaster loan revolving funds such sums as may be necessary and appropriate for such administrative expenses.".

SEC. 18002. TECHNICAL AND CLERICAL AMENDMENTS.

Section 20 of the Small Business Act is amended—

(1) in subsection (t), as added by section 302 of Public Law 98-270—

(A) by inserting "(1)" after "(t)";

(B) by striking out "each of fiscal years 1985 and 1986," and inserting in lieu thereof "fiscal year 1985"; and

(C) by striking out "for each of such years"; and

(2) in subsection (t), as added by section 3 of Public Law 98-395—

(A) by redesignating paragraphs (1), (2), and (3) as subparagraphs (A), (B), and (C), respectively; and

(B) by redesignating such subsection (t) as paragraph (2).

SEC. 18003. DETERMINATION OF LABOR SURPLUS AREAS.

(a) In General.—Section 15 of the Small Business Act is amended by adding at the end thereof the following new subsection:

"(n) For purposes of this section, the determination of labor surplus areas shall be made on the basis of the criteria in effect at the time of the determination, except that any minimum population criteria shall not exceed twenty-five thousand. Such determination, as modified by the preceding sentence, shall be made by the Secretary of Labor.".

(b) Effective Date.—The amendment made by subsection (a) shall take effect on the ninetieth day after the date of the enactment of this Act.

SEC. 18004. FEDERAL FINANCING BANK PURCHASE OF GUARANTEED OBLIGATIONS.

(a) In General.—Title III of the Small Business Investment Act of 1958 is amended by adding at the end thereof the following new section:

"GUARANTEED OBLIGATIONS NOT ELIGIBLE FOR PURCHASE BY FEDERAL FINANCING BANK

"Sec. 320. Nothing in any provision of law shall be construed to authorize the Federal Financing Bank to acquire after September 30, 1985—

"(1) any obligation the payment of principal or interest on which has at any time been guaranteed in whole or in part under this title,

"(2) any obligation which is an interest in any obligation described in paragraph (1), or

"(3) any obligation which is secured by, or substantially all of the value of which is attributable to, any obligation described in paragraph (1) or (2).".

(b) Clerical Amendment.—The table of sections for title III is amended by adding at the end thereof the following new item:

"Sec. 320. Guaranteed obligations not eligible for purchase by Federal Financing Bank.".

SEC. 18005. ISSUANCE AND GUARANTEE OF TRUST CERTIFICATES.

(a) In General.—Title III of the Small Business Investment Act of 1958 is amended by adding at the end thereof the following new section:

"Sec. 321. (a) The Administration is authorized to issue trust certificates representing ownership of all or a fractional part of debentures issued by small business investment companies and guaranteed by the Administration under this Act: *Provided*, That such trust certificates shall be based on and backed by a trust or pool approved by the Administration and composed solely of guaranteed debentures.

"(b) The Administration is authorized, upon such terms and conditions as are deemed appropriate, to guarantee the timely payment of the principal of and interest on trust certificates issued by the Administration or its agent for purposes of this section. Such guarantee shall be limited to the extent of principal and interest on the guaranteed debentures which compose the trust or pool. In the event that a debenture in such trust or pool is prepaid, either voluntarily or in the event of default, the guarantee of timely payment of principal and interest on the trust certificates shall be reduced in proportion to the amount of principal and interest such prepaid debenture represents in the trust or pool. Interest on prepaid or defaulted debentures shall accrue and be guaranteed by the Administration only through the date of payment on the guarantee. During the term of the trust certificate, it may be called for redemption due to prepayment or default of all debentures constituting the pool.

"(c) The full faith and credit of the United States is pledged to the payment of all amounts which may be required to be paid under any guarantee of such trust certificates issued by the Administration or its agent pursuant to this section.

"(d) The Administration shall not collect any fee for any guarantee under this section: *Provided*, That nothing herein shall preclude any agent of the Administration from collecting a fee approved by the Administration for the functions described in subsection (f)(2) of this section.

"(e)(1) In the event the Administration pays a claim under a guarantee issued under this section, it shall be subrogated fully to the rights satisfied by such payment.

"(2) No State or local law, and no Federal law, shall preclude or limit the exercise by the Administration of its ownership rights in the debentures constituting the trust or pool against which the trust certificates are issued.

"(f) The Administration shall—

"(1) provide for a central registration of all trust certificates sold pursuant to this section; such central registration shall include with respect to each sale, identification of each development company; the interest rate paid by the development company; commissions, fees, or discounts paid to brokers and dealers in trust certificates; identification of each purchaser of the trust certificate; the price paid by the purchaser for the trust certificate; the interest rate paid on the trust certificate; the fees of any agent for carrying out the functions described in paragraph (2); and such other information as the Administration deems appropriate;

"(2) contract with an agent to carry out on behalf of the Administration the central registration functions of this section and the issuance of trust certificates to facilitate poolings; such agent shall provide a fidelity bond or insurance in such amounts as the Administration determines to be necessary to fully protect the interests of the Government;

"(3) prior to any sale, require the seller to disclose to a purchaser of a trust certificate issued pursuant to this section, information on the terms, conditions, and yield of such instrument; and

"(4) have the authority to regulate brokers and dealers in trust certificates sold pursuant to this section.".

(b) Rules and Regulations; Consultation.—(1) Notwithstanding any law, rule, or regulation, within 60 days after the date of the enactment of this Act, the Small Business Administration shall develop and promulgate final rules and regulations to implement the central registration provisions provided for in section 321(f)(1) of the Small Business Investment Act, and shall contract with an agent for an initial period of not to exceed two years to carry out the functions provided for in sections 321(f)(2) and 321(f)(3) of such Act.

(2) Notwithstanding any law, rule, or regulation, within 60 days after the date of the enactment of this Act, the Small Business Administration also shall consult with representatives of appropriate Federal and State agencies and officials, the securities industry, financial institutions and lenders, and small business persons, and shall develop and promulgate final rules and regulations to implement sections 504 and 505 of the Small Business Investment Act.

(c) Clerical Amendment.—The table of sections for title III of such Act is amended by adding at the end thereof the following new item:

"Sec. 321. Issuance and guarantee of trust certificates.".

SEC. 18006. TERMINATION OF AUTHORITY TO MAKE CERTAIN DISASTER ASSISTANCE LOANS.

(a) In General.—The Small Business Act is amended—

(1) in section (7)(b)—

(A) by striking out "The" after "(b)" and inserting in lieu thereof "Except as to agricultural enterprises as defined in section 18(b)(1) of this Act, the,";

(B) by striking out the semicolon at the end of paragraph (2) and inserting in lieu thereof a period; and

(C) by striking out paragraphs (3) and (4);

(2) in section 7(c)(4) by striking out the last, undesignated paragraph; and

(3) in section 18(a) by striking out all that follows "Federal Government," through "Consolidated Farm and Rural Development Act".

(b) Pipeline Loans or Previous Disasters.—Notwithstanding the amendments made by this section, sections 18002 and 18016, or any other provision of law, the Small Business Administration shall continue to accept, process, and approve loan applications under paragraphs (1) through (4) of subsection 7(b) of the Small Business Act and shall obligate and disburse loan funds on account of disasters declared before October 1, 1985, even if any such application is filed after the date of the enactment of this Act.

SEC. 18007. GUARANTEE FEE.

Section 7(a) of the Small Business Act is amended by adding at the end thereof the following new sentence:

"(16) The Administration shall collect a guarantee fee equal to two percent of the amount of the deferred participation share of any loan under this subsection other than a loan repayable in one year or less or a loan under paragraph (13). The fee shall be payable by the participating lending institution and may be charged to the borrower.".

SEC. 18008. PILOT PROGRAM INVOLVING SALE OF DEVELOPMENT COMPANY DEBENTURES.

(a) Pilot Program.—Title V of the Small Business Investment Act of 1958 is amended by adding the following new section:

"Sec. 504. (a) Notwithstanding any other law, rule, or regulation, the Administration shall conduct a pilot program involving the sale to investors, either publicly or by private placement, of debentures guaranteed pursuant to section 503 of the Small Business Investment Act of 1958 as follows—

"(1) of the program levels otherwise authorized by law for fiscal year 1986, an amount not to exceed $200,000,000; and

"(2) of the program levels otherwise authorized by law for fiscal year 1987, an amount not to exceed $295,000,000.

"(b) Nothing in any provision of law shall be construed to authorize the Federal Financing Bank to acquire—

"(1) any obligation the payment of principal or interest on which at any time has been guaranteed in whole or in part under section 503 of the Small Business Investment Act of 1958 and which is being sold pursuant to the provisions of the pilot program authorized in this section,

"(2) any obligation which is an interest in any obligation described in paragraph (1), or

"(3) any obligation which is secured by, or substantially all of the value of which is attributable to, any obligation described in paragraph (1) or (2).".

(b) Report on Pilot Programs.—The Administration shall report to the President and the Congress on the conduct of the pilot program established under subsection (a) not later than 90 days after the date on which the last sale is made pursuant to such subsection in each fiscal year, and unless a report has been made not later than October 1 of 1986 and 1987, the Administration shall make an interim report by such dates.

(c) Authority for Issuance of Trust Certificates.—Such title is further amended by adding at the end thereof the following new section:

"Sec. 505. (a) The Administration is authorized to issue trust certificates representing ownership of all of a fractional part of debentures issued by State or local development companies and guaranteed by the Administration under this Act: *Provided*, That such trust certificates shall be based on and backed by a trust or pool approved by the Administration and composed solely of guaranteed debentures.

"(b) The Administration is authorized, upon such terms and conditions as are deemed appropriate, to guarantee the timely payment of the principal of and interest on trust certificates issued by the Administration or its agent for purposes of this section. Such guarantee shall be limited to the extent of principal and interest on the guaranteed debentures which compose the trust or pool. In the event that a debenture in such trust or pool is prepaid, either voluntarily or in the event of default, the guarantee of timely payment of principal and interest on the trust certificates shall be reduced in proportion to the amount of principal and interest such prepaid debenture represents in the trust or pool. Interest on prepaid or defaulted debentures shall accrue and be guaranteed by the Administration only through the date of payment on the guarantee. During the term of the trust certificate, it may be called for redemption due to prepayment or default of all debentures constituting the pool.

"(c) The full faith and credit of the United States is pledged to the payment of all amounts which may be required to be paid under any guarantee of such trust certificates issued by the Administration or its agent pursuant to this section.

"(d) The Administration shall not collect any fee for any guarantee under this section: *Provided*, That nothing herein shall preclude any agent of the Administration from collecting a fee approved by the Administration for the functions described in subsection (f)(2) of this section.

"(e)(1) In the event the Administration pays a claim under a guarantee issued under this section, it shall be subrogated fully to the rights satisfied by such payment.

"(2) No State or local law, and no Federal law, shall preclude or limit the exercise by the Administration of its ownership rights in the debentures constituting the trust or pool against which the trust certificates are issued.

"(f) The Administration shall—

"(1) provide for a central registration of all trust certificates sold pursuant to this section; such central registration shall include with respect to each sale, identification of each development company; the interest rate paid by the development company; commissions, fees, or discounts paid to brokers and dealers in trust certificates; identification of each purchaser of the trust certificate; the price paid by the purchaser for the trust certificate; the interest rate paid on the trust certificate; the fees of any agent for carrying out the functions described in paragraph (2); and such other information as the Administration deems appropriate;

"(2) contract with an agent to carry out on behalf of the Administration the central registration functions of this section and the issuance of trust certificates to facilitate poolings; such agent shall provide a fidelity bond or insurance in such amounts as the Administration determines to be necessary to fully protect the interests of the Government;

"(3) prior to any sale, require the seller to disclose to a purchaser of a trust certificate issued pursuant to this section, information on the terms, conditions, and yield of such instrument; and

"(4) have the authority to regulate brokers and dealers in trust certificates sold pursuant to this section.".

(d) Rules and Regulations.—(1) Notwithstanding any law, rule, or regulation, within 60 days after the date of enactment of this Act, the Small Business Administration shall develop and promulgate final rules and regulations to implement the central registration provisions provided for in section 505(f)(1) of the Small Business Investment Act, and shall contract with an agent for an initial period of not to exceed two years to carry out the functions provided for in section 505(f)(2) of such Act.

(2) Notwithstanding any law, rule or regulation, within 60 days after the date of enactment of this Act, the Small Business Administration also shall consult with representatives of appropriate Federal and State agencies and officials, the securities industry, financial institutions and lenders, and small business persons, and shall develop and promulgate final rules and regulations to implement sections 504 and 505 of the Small Business Investment Act.

SEC. 18009. MISREPRESENTATION AS A SMALL BUSINESS OR MINORITY CONCERN.

Section 16 of the Small Business Act is amended by adding to the end thereof the following new subsections:

"(d) Whoever misrepresents the status of any concern or person as a 'small business concern' or 'small business concern owned and controlled by socially and economically disadvantaged individuals', in order to obtain for oneself or another any—

"(1) prime contract to be awarded pursuant to section 9 or 15;

"(2) subcontract to be awarded pursuant to section 8(a);

"(3) subcontract that is to be included as part or all of a goal contained in a subcontracting plan required pursuant to section 8(d); or

"(4) prime or subcontract to be awarded as a result, or in furtherance, of any other provision of Federal law that specifically references section 8(d) for a definition of program eligibility,

shall be punished by a fine of not more than $50,000 or by imprisonment for not more than five years, or both.

"(e) Any representation of the status of any concern or person as a 'small business concern' or 'small business concern owned and controlled by socially and economically disadvantaged individuals' in order to obtain any prime contract or subcontract enumerated in subsection (d) of this section shall be in writing.".

SEC. 18010. REPORT CONCERNING ALTERNATIVE SOURCES FOR LOAN GUARANTEES.

Not later than June 30, 1986, the Administrator of the Small Business Administration shall submit to the Committees on Small Business of the Senate and the House of Representatives an internal report concerning—

(1) the options available to provide a guarantee on loans under section 7(a) of the Small Business Act from sources outside the Federal Government, together with such recommendations as the Administrator may have with respect to such options, including an evaluation of the feasibility of establishing a corporation owned by the Federal Government to make such guarantees; and

(2) the imposition, on each participating lender in the guaranteed loan program under section 7(a) of the Small Business Act, of an annual fee of between one-quarter of one percent and one percent of the value of the unpaid balance of any loan made under such program, particularly on the revenues that could be expected and whether such revenues could be used for a loss reserve fund or to defray the cost of administration of the program.

SEC. 18011. USER FEES.

(a) Report on User Fees.—Not later than September 30, 1986, the Small Business Administration shall submit to the Committees on Small Business of the Senate and the House of Representatives a report on user fees. The report shall specify for each fee which is currently being imposed or which is under consideration—

(1) the type of service provided by the Administration for which the fee is or may be charged;

(2) the amount of fee imposed or being considered;

(3) the formula for setting the fee; and

(4) the statutory or regulatory authority for the fee.

(b) Review of Appropriateness of Fees.—The Administration shall review all other services provided by the Administration for

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which no fee is currently being imposed and include in the report its findings and recommendations as to—

(1) whether or not a fee should be imposed for each service; and

(2) whether statutory authority is needed to impose the fee.

SEC. 18012. UTILIZATION OF PROGRAM AUTHORITY.

Section 20(a) of the Small Business Act is amended—

(1) by inserting "(1)" after "Sec. 20. (a)"; and

(2) by adding at the end thereof the following:

"(2) Notwithstanding any other provision of law, the Administration shall enter into commitments for direct loans and to guarantee loans, debentures, payment of rentals, or other amounts due under qualified contracts and other types of financial assistance and enter into commitments to purchase debentures and preferred securities and to guarantee sureties against loss pursuant to programs under this Act and the Small Business Investment Act of 1958, in the full amounts provided by law subject only to (A) the availability of qualified applications, and (B) limitations contained in appropriations Acts. Nothing in this paragraph authorizes the Administration to reduce or limit its authority to enter into such commitments.".

SEC. 18013. BUSINESS LENDING REFORMS.

Section 7(a)(2) of the Small Business Act is amended—

(1) by striking out "$100,000" both places it appears and inserting in lieu thereof "$155,000";

(2) by striking out "90" in subparagraph (B) and inserting in lieu thereof "85";

(3) by striking out "90" in the proviso and inserting in lieu thereof "85"; and

(4) by inserting before the period the following: ": *Provided, further,* That the Administration may reduce its participation below the per centums stated in this paragraph if the lender requests the reduction under the preferred lenders program or any successor thereto. As used in this sentence the term 'preferred lenders program' means a program under which, pursuant to a written agreement between the lender and the Administration, the lender has been delegated (1) complete authority to make and close loans with a guarantee from the Administration without obtaining the prior specific approval of the Administration, and (2) authority to service and liquidate such loans".

SEC. 18014. SURETY GUARANTEES.

Section 411 of the Small Business Investment Act of 1958 is amended—

(1) in subsection (a) by striking out "$1,000,000" and inserting in lieu thereof "$1,250,000"; and

(2) in subsection (e)(2) by striking out "$1,000,000" and inserting in lieu thereof "$1,250,000".

SEC. 18015. ELIGIBILITY OF SMALL BUSINESSES OWNED BY INDIAN TRIBES.

(a) Consideration of Indian Tribes.—Section 2(e)(1)(C) of the Small Business Act (15 U.S.C. 631(e)(2)(C)) is amended by inserting "Indian tribes," after "Native Americans,".

(b) Clarification of Definition of "Socially and Economically Disadvantaged Small Business Concern".—Paragraph (4) of section 8(a) of such Act (15 U.S.C. 637(a)(4)) is amended to read as follows:

"(4)(A) For purposes of this section, the term 'socially and economically disadvantaged small business concern' means any small business concern which meets the requirements of subparagraph (B) and—

"(i) which is at least 51 per centum owned by—

"(I) one or more socially and economically disadvantaged individuals, or

"(II) an economically disadvantaged Indian tribe, or

"(ii) in the case of any publicly owned business, at least 51 per centum of the stock of which is owned by—

"(I) one or more socially and economically disadvantaged individuals, or

"(II) an economically disadvantaged Indian tribe.

"(B) A small business concern meets the requirements of this subparagraph if the management and daily business operations of such small business concern are controlled by one or more—

"(i) socially and economically disadvantaged individuals described in subparagraph (A)(i)(I) or subparagraph (A)(ii)(I), or

"(ii) members of an economically disadvantaged Indian tribe described in subparagraph (A)(i)(II) or subparagraph (A)(ii)(II).".

(c) Determination of Economic Disadvantage of an Indian Tribe.—Paragraph (6) of such Act (15 U.S.C. 637(a)(6)) is amended by adding at the end thereof the following new sentence: "In determining the economic disadvantage of an Indian tribe, the Administration shall consider, where available, information such as the following: the per capita income of members of the tribe excluding judgment awards, the percentage of the local Indian population below the poverty level, and the tribe's access to capital markets.".

(d) Definition of "Indian Tribe".—Section 8(a) of such Act (15 U.S.C. 637(a)) is amended by adding at the end thereof the following new paragraph:

"(13) For purposes of this subsection, the term 'Indian tribe' means any Indian tribe, band, nation, or other organized group or community of Indians, including any Alaska Native village or regional or village corporation (within the meaning of the Alaska Native Claims Settlement Act) which—

"(A) is recognized as eligible for the special programs and services provided by the United States to Indians because of their status as Indians, or

"(B) is recognized as such by the State in which such tribe, band, nation, group, or community resides.".

SEC. 18016. SIZE STANDARD FOR AGRICULTURAL ENTERPRISES.

Section 3(a) of the Small Business Act is amended by inserting the following before the period at the end of the first sentence: ": *Provided,* That notwithstanding any other provision of law, an agricultural enterprise shall be deemed to be a small business concern if it (including its affiliates) has annual receipts not in excess of $500,000".

SEC. 18017. ENCOURAGEMENT OF VETERANS BUSINESS RESOURCE COUNCILS.

(a) Findings.—The Congress finds that—

(1) Veterans Business Resource Councils have been established in the following ten States: California, Ohio, Texas, New York, Massachusetts, Indiana, Louisiana, Maryland, Minnesota, and Missouri;

(2) the concept of Veterans Business Resource Councils to establish networks of veterans with business experience assisting fellow veterans seeking to establish small businesses merits serious consideration; and

(3) the majority of our Nation's Vietnam era veterans fall within the thirty-five to forty-five-year old age range, in which most people decide to enter into small business ownership.

(b) Recommendations.—The Congress urges the Small Business Administration—

(1) to evaluate the effectiveness of the Veterans Business Resource Councils which are currently operating and to recommend improvements in their operations;

(2) to develop guidelines to assist in the establishment of Veterans Business Resource Councils; and

(3) to work with the remaining States and any interested organizations to encourage the establishment of Veterans Business Resource Councils in those States.

TITLE XIX—VETERANS' PROGRAMS

SEC. 19001. SHORT TITLE; REFERENCES TO TITLE 38, UNITED STATES CODE.

(a) Short Title.—This title may be cited as the "Veterans' Health-Care Amendments of 1986".

(b) References.—Except as otherwise expressly provided, whenever in this title an amendment or repeal is expressed in terms of an amendment to, or repeal of, a section or other provision, the reference shall be considered to be made to a section or other provision of title 38, United States Code.

Subtitle A—Health Care

SEC. 19011. ELIGIBILITY FOR HEALTH CARE OF VETERANS WITH NON-SERVICE-CONNECTED DISABILITIES.

(a) Hospital Care and Nursing Home Care.—(1) Subsection (a) of section 610 is amended to read as follows:

"(a)(1) The Administrator shall furnish hospital care, and may furnish nursing home care, which the Administrator determines is needed—

"(A) to any veteran for a service-connected disability;

"(B) to a veteran whose discharge or release from the active military, naval, or air service was for a disability incurred or aggravated in line of duty, for any disability;

"(C) to a veteran who, but for a suspension pursuant to section 351 of this title (or both such a suspension and the receipt of retired pay), would be entitled to disability compensation, but only to the extent that such veteran's continuing eligibility for such care is provided for in the judgment or settlement described in such section, for any disability;

"(D) to a veteran who has a service-connected disability rated at 50 percent or more, for any disability;

"(E) to any other veteran who has a service-connected disability, for any disability;

"(F) to a veteran who is a former prisoner of war, for any disability;

"(G) to a veteran exposed to a toxic substance or radiation, as provided in subsection (e) of this section;

"(H) to a veteran of the Spanish-American War, the Mexican border period, or World War I, for any disability; and

"(I) to a veteran for a non-service-connected disability, if the veteran is unable to defray the expenses of necessary care as determined under section 622(a)(1) of this title.

"(2)(A) To the extent that resources and facilities are available, the Administrator may furnish hospital care and nursing home care which the Administrator determines is needed to a veteran for a non-service-connected disability if the veteran has an income level described in section 622(a)(2) of this title.

"(B) In the case of a veteran who is not described in paragraph (1) of this subsection or in subparagraph (A) of this paragraph,

the Administrator may furnish hospital care and nursing home care which the Administrator determines is needed to the veteran for a non-service-connected disability—

"(i) to the extent that resources and facilities are otherwise available; and

"(ii) subject to the provisions of subsection (f) of this section.

"(3) In addition to furnishing hospital care and nursing home care described in paragraphs (1) and (2) of this subsection through Veterans' Administration facilities, the Administrator may furnish such hospital care in accordance with section 603 of this title and may furnish such nursing home care as authorized under section 620 of this title.".

(2) Such section is further amended by adding at the end the following new subsections:

"(f)(1) The Administrator may not furnish hospital care or nursing home care under this section to a veteran who is eligible for such care by reason of subsection (a)(2)(B) of this section unless the veteran agrees to pay to the United States the applicable amount determined under paragraph (2) of this subsection.

"(2) A veteran who is furnished hospital care or nursing home care under this section and who is required under paragraph (1) of this subsection to agree to pay an amount to the United States in order to be furnished such care shall be liable to the United States for an amount equal to the lesser of—

"(A) the cost of furnishing such care, as determined by the Administrator; and

"(B) the amount determined under paragraph (3) of this subsection.

"(3)(A) In the case of hospital care furnished during any 365-day period, the amount referred to in paragraph (2)(B) of this subsection is—

"(i) the amount of the inpatient Medicare deductible, plus

"(ii) one-half of such amount for each 90 days of care (or fraction thereof) after the first 90 days of such care during such 365-day period.

"(B) In the case of nursing home care furnished during any 365-day period, the amount referred to in paragraph (2)(B) of this subsection is the amount of the inpatient Medicare deductible for each 90 days of such care (or fraction thereof) during such 365-day period.

"(C)(i) Except as provided in clause (ii) of this subparagraph, in the case of a veteran who is admitted for nursing home care under this section after being furnished, during the preceding 365-day period, hospital care for which the veteran has paid the amount of the inpatient Medicare deductible under this subsection and who has not been furnished 90 days of hospital care in connection with such payment, the veteran shall not incur any liability under paragraph (2) of this subsection with respect to such nursing home care until—

"(I) the veteran has been furnished, beginning with the first day of such hospital care furnished in connection with such payment, a total of 90 days of hospital care and nursing home care; or

"(II) the end of the 365-day period applicable to the hospital care for which payment was made,

whichever occurs first.

"(ii) In the case of a veteran who is admitted for nursing home care under this section after being furnished, during any 365-day period, hospital care for which the veteran has paid an amount under subparagraph (A)(ii) of this paragraph and who has not been furnished 90 days of hospital care in connection with such payment, the amount of the liability of the veteran under paragraph (2) of this subsection with respect to the number of days of such nursing home care which, when added to the number of days of such hospital care, is 90 or less, is the difference between the inpatient Medicare deductible and the amount paid under such subparagraph until—

"(I) the veteran has been furnished, beginning with the first day of such hospital care furnished in connection with such payment, a total of 90 days of hospital care and nursing home care; or

"(II) the end of the 365-day period applicable to the hospital care for which payment was made,

whichever occurs first.

"(D) In the case of a veteran who is admitted for hospital care under this section after having been furnished, during the preceding 365-day period, nursing home care for which the veteran has paid the amount of the inpatient Medicare deductible under this subsection and who has not been furnished 90 days of nursing home care in connection with such payment, the veteran shall not incur any liability under paragraph (2) of this subsection with respect to such hospital care until—

"(i) the veteran has been furnished, beginning with the first day of such nursing home care furnished in connection with such payment, a total of 90 days of nursing home care and hospital care; or

"(ii) the end of the 365-day period applicable to the nursing home care for which payment was made,

whichever occurs first.

"(E) A veteran may not be required to make a payment under this subsection for hospital care or nursing home care furnished under this section during any 90-day period in which the veteran is furnished medical services under section 612(f) of this title to the extent that such payment would cause the total amount paid by the veteran under this subsection for hospital care and nursing home care furnished during that period and under section 612(f)(4) of this title for medical services furnished during that period to exceed the amount of the inpatient Medicare deductible in effect on the first day of such period.

"(4) Amounts collected or received on behalf of the United States under this subsection shall be deposited in the Treasury as miscellaneous receipts.

"(5) For the purposes of this subsection, the term 'inpatient Medicare deductible' means the amount of the inpatient hospital deductible in effect under section 1813(b) of the Social Security Act (42 U.S.C. 1395e(b)) on the first day of the 365-day period applicable under paragraph (3) of this subsection.

"(g) Nothing in this section requires the Administrator to furnish care to a veteran to whom another agency of Federal, State, or local government has a duty under law to provide care in an institution of such government.".

(b) Medical Services Furnished on an Outpatient or Ambulatory Basis.—(1) Subsection (a) of section 612 is amended—

(A) by striking out the first sentence and inserting in lieu thereof the following:

"(1) Except as provided in subsection (b) of this section, the Administrator may furnish such medical services as the Administrator determines are needed—

"(A) to any veteran for a service-connected disability (including a disability that was incurred or aggravated in line of duty and for which the veteran was discharged or released from the active military, naval, or air service); and

"(B) for any disability of a veteran who has a service-connected disability rated at 50 percent or more.";

(B) by designating the sentence beginning "The Administrator may also" as paragraph (2) and in such sentence striking out "The Administrator may also furnish to any such veteran" and inserting in lieu thereof "As part of medical services furnished to a veteran under paragraph (1) of this subsection, the Administrator may furnish to the veteran";

(C) by striking out the sentence beginning "In the case of"; and

(D) by adding at the end of such subsection the following:

"(3) In addition to furnishing medical services under this subsection through Veterans' Administration facilities, the Administrator may furnish such services in accordance with section 603 of this title.".

(2) Subsection (f) of such section is amended—

(A) by striking out "The Administrator, within the limits of Veterans' Administration facilities, may" and inserting in lieu thereof "(1) Except as provided in paragraph (4) of this subsection, the Administrator may";

(B) by redesignating clause (1) as clause (A), redesignating subclauses (A) and (B) of such clause as subclauses (i) and (ii), respectively, and inserting "and" at the end of such clause;

(C) by striking out clause (2);

(D) by redesignating clause (3) as clause (B);

(E) by designating the second sentence as paragraph (2) and in such sentence striking out "The Administrator may also furnish to any such veteran" and inserting in lieu thereof "As part of medical services furnished to a veteran under paragraph (1) of this subsection, the Administrator may furnish to the veteran";

(F) by striking out the third sentence; and

(G) by adding at the end the following:

"(3) In addition to furnishing medical services under this subsection through Veterans' Administration facilities, the Administrator may furnish such services in accordance with section 603 of this title.

"(4)(A) The Administrator may not furnish medical services under this subsection (including home health services under paragraph (2) of this subsection) to a veteran who is eligible for hospital care under this chapter by reason of section 610(a)(2)(B) of this title unless the veteran agrees to pay to the United States the amount determined under subparagraph (B) of this paragraph.

"(B) A veteran who is furnished medical services under this subsection and who is required under subparagraph (A) of this paragraph to agree to pay an amount to the United States in order to be furnished such services shall be liable to the United States, in the case of each visit in which such services are furnished to the veteran, for an amount equal to 20 percent of the estimated average cost (during the calendar year in which the services are furnished) of an outpatient visit in a Veterans' Administration facility. Such estimated average cost shall be determined by the Administrator.

"(C) A veteran may not be required to make a payment under this paragraph for services furnished under this subsection

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during any 90-day period to the extent that such payment would cause the total amount paid by the veteran under this paragraph for medical services furnished during that period and under section 610(f) of this title for hospital and nursing home care furnished during that period to exceed the amount of the inpatient Medicare deductible in effect on the first day of such 90-day period.

"(D) This subsection does not apply with respect to home health services under this subsection to the extent that such services are for improvements and structural alterations.

"(E) For the purposes of this paragraph, the term 'inpatient Medicare deductible' means the amount of the inpatient hospital deductible in effect under section 1813(b) of the Social Security Act (42 U.S.C. 1395e(b)).

"(F) Amounts collected or received by the Veterans' Administration under this paragraph shall be deposited in the Treasury as miscellaneous receipts.".

(3) Subsection (g) of such section is amended to read as follows:

"(g)(1) The Administrator may furnish medical services which the Administrator determines are needed to a veteran—

"(A) who is a veteran of the Mexican border period or of World War I; or

"(B) who is in receipt of increased pension or additional compensation or allowances based on the need of regular aid and attendance or by reason of being permanently housebound (or who, but for the receipt of retired pay, would be in receipt of such pension, compensation, or allowance).

"(2) As part of medical services furnished to a veteran under paragraph (1) of this subsection, the Administrator may furnish to the veteran home health services under the terms and conditions set forth in subsection (f) of this section.

"(3) In addition to furnishing medical services under this subsection through Veterans' Administration facilities, the Administrator may furnish such services in accordance with section 603 of this title.".

(4) Subsection (i) of such section is amended by adding at the end the following:

"(6) To any veteran who is in receipt of pension under section 521 of this title.".

(c) Income Thresholds for Certain Non-Service-Connected Care.—(1) Section 622 is amended to read as follows:

"§622. Determination of inability to defray necessary expenses; income thresholds

"(a)(1) For the purposes of section 610(a)(1)(I) of this title, a veteran shall be considered to be unable to defray the expenses of necessary care if—

"(A) the veteran is eligible to receive medical assistance under a State plan approved under title XIX of the Social Security Act (42 U.S.C. 1396 et seq.);

"(B) the veteran is in receipt of pension under section 521 of this title; or

"(C) the veteran's attributable income is not greater than the Category A threshold.

"(2) For the purposes of section 610(a)(2)(A) of this title, a veteran's income level is described in this paragraph if the veteran's attributable income is not greater than the Category B threshold.

"(b) For the purposes of this section:

"(1) The Category A threshold—

"(A) for the calendar year beginning on January 1, 1986, is—

"(i) $15,000 in the case of a veteran with no dependents; and

"(ii) $18,000 in the case of a veteran with one dependent, plus $1,000 for each additional dependent; and

"(B) for a calendar year beginning after December 31, 1986, is the amount in effect for purposes of this paragraph for the preceding calendar year as adjusted under subsection (c) of this subsection.

"(2) The Category B threshold—

"(A) for the calendar year beginning on January 1, 1986, is—

"(i) $20,000 in the case of a veteran with no dependents; and

"(ii) $25,000 in the case of a veteran with one dependent, plus $1,000 for each additional dependent; and

"(B) for a calendar year beginning after December 31, 1986, is the amount in effect for purposes of this paragraph for the preceding calendar year as adjusted under subsection (c) of this subsection.

"(c) Effective on January 1 of each year, the amounts in effect under paragraphs (1) and (2) of subsection (b) of this section shall be increased by the percentage by which the maximum rates of pension were increased under section 3112(a) of this title during the preceding calendar year.

"(d)(1) Notwithstanding the attributable income of a veteran, the Administrator may refuse to make a determination described in paragraph (2) of this subsection if the corpus of the estate of the veteran is such that under all the circumstances it is reasonable that some part of the corpus of the estate of the veteran be consumed for the veteran's maintenance.

"(2) A determination described in this paragraph is a determination—

"(A) that for the purposes of subsection (a)(1)(C) of this section a veteran's attributable income is not greater than the Category A threshold; or

"(B) that for the purposes of subsection (a)(2) of this section a veteran's attributable income is not greater than the Category B threshold.

"(3) For the purposes of paragraph (1) of this subsection, the corpus of the estate of a veteran shall be determined in the same manner as the manner in which determinations are made of the corpus of the estates of persons under section 522 of this title.

"(e)(1) In order to avoid a hardship to a veteran described in paragraph (2) of this subsection, the Administrator may deem the veteran to have an attributable income during the previous year not greater than the Category A threshold or the Category B threshold, as appropriate.

"(2)(A) A veteran is described in this paragraph for the purposes of subsection (a)(1) of this section if—

"(i) the veteran has an attributable income greater than the Category A threshold; and

"(ii) the current projections of such veteran's income for the current year are that the veteran's income for such year will be substantially below such threshold.

"(B) A veteran is described in this paragraph for the purposes of subsection (a)(2) of this section if—

"(i) the veteran has an attributable income greater than the Category B threshold; and

"(ii) the current projections of such veteran's income for the current year are that the veteran's income for such year will be substantially below such threshold.

"(f) For purposes of this section:

"(1) The term 'attributable income' means the income of a veteran for the previous year determined in the same manner as the manner in which a determination is made of the total amount of income by which the rate of pension for such veteran under section 521 of this title would be reduced if such veteran were eligible for pension under that section.

"(2) The term 'corpus of the estate of the veteran' includes the corpus of the estates of the veteran's spouse and dependent children, if any.

"(3) The term 'previous year' means the calendar year preceding the year in which the veteran applies for care or services under section 610(a) or 612(f) of this title.

"(g) For the purposes of sections 610(b)(2) and 624(c) of this title, the fact that a veteran is—

"(1) eligible to receive medical assistance under a State plan approved under title XIX of the Social Security Act (42 U.S.C. 1396 et seq.);

"(2) a veteran with a service-connected disability; or

"(3) in receipt of pension under any law administered by the Veterans' Administration,

shall be accepted as sufficient evidence of such veteran's inability to defray necessary expenses.".

(2) The item relating to such section in the table of sections at the beginning of chapter 17 is amended to read as follows:

"622. Determination of inability to defray necessary expenses; income thresholds.".

(3) The first increase under subsection (c) of section 622 of title 38, United States Code, as added by paragraph (1), shall take effect on January 1, 1987.

(d) Conforming Amendments.—(1) Section 525(a) is amended by striking out "section 612(i)(5) of this title" and inserting in lieu thereof "clauses (5) and (6) of section 612(i)".

(2) Section 601(6) is amended—

(A) in clause (A)(i), by striking out "section 612(f)(1)(A)" and inserting in lieu thereof "section 612(f)(1)(A)(i)", and

(B) in clause (B)(ii), by striking out "section 612(f)(1)(B)" and inserting in lieu thereof "section 612(f)(1)(A)(ii)".

(3) Section 610(e) is amended—

(A) by striking out "may be furnished hospital care or nursing home care under subsection (a)(5)" in subparagraphs (A) and (B) of paragraph (1) and inserting in lieu thereof "is eligible for hospital care and nursing home care under subsection (a)(1)(G)"; and

(B) by striking out "subsection (a)(5)" in paragraphs (2) and (3) and inserting in lieu thereof "subsection (a)(1)(G)".

(4) Section 612A is amended—

(A) by striking out "clause (1)(B)" in subsection (b)(1) and inserting in lieu thereof "paragraph (1)(A)(ii)"; and

(B) by striking out "612(f)(2)" in subsection (e)(1) and inserting in lieu thereof "612(a)(1)(B)".

(5) Section 620(f)(1)(A)(ii) is amended by striking out "612(f)(2)" and inserting in lieu thereof "612(a)(1)(B)".

(6) Section 663(a)(1) is amended by striking out "612(f)(2)" both places it appears and inserting in lieu thereof "612(a)(1)(B)".

(e) Reports on Furnishing of Health Care and Implementation of Changes in Eligibility.—(1) The Administrator of Veterans' Affairs shall submit to the Committees on Veterans' Affairs of the Senate and the House of Representatives a report for each of fiscal years 1986, 1987, and 1988 concerning the implementation of the amendments made by this section.

(2) Each report under paragraph (1) shall provide detailed information with respect to the fiscal year for which it is submitted regarding—

(A) the number of veterans who received health care from the Veterans' Administration during the fiscal year concerned (shown in total and separately for hospital care, nursing home care, outpatient care, and domiciliary care);

(B) with respect to veterans who applied for health care from the Veterans' Administration during such fiscal year but did not receive such care—

(i) the number of such veterans (shown in total and separately for hospital care, nursing home care, outpatient care, and domiciliary care); and

(ii) the primary reasons why such care was not furnished;

(C) the guidelines and processes for—

(i) implementation of the income-threshold criteria for Veterans' Administration health-care eligibility established by paragraph (1)(I) and subparagraphs (A) and (B) of paragraph (2) of section 610(a) of title 38, United States Code (as added by subsection (a)), paragraph (4) of section 612(f) of such title (as added by subsection (b)), and section 622 of such title (as amended by subsection (c)); and

(ii) the collection of payments required by section 610(f) of such title (as added by subsection (a)(2)) and by section 612(f)(4) of such title (as added by subsection (b)(2));

(D) the numbers and characteristics of, and the type and extent of health care furnished by the Veterans' Administration to, veterans eligible for such care by reason of any such authorities, including—

(i) with respect to those eligible by reason of each such authority, the numbers who applied for and were furnished such care, the type and extent of such care that they were furnished, and their incomes and family sizes; and

(ii) with respect to veterans eligible by reason of section 610(a)(2)(B) of such title, the average and total payments made by such veterans for such care (shown in total and separately for hospital care, nursing home care, and outpatient care); and

(E) the numbers of, and the type and extent of health care furnished by the Veterans' Administration to, veterans eligible for such care by reason of each clause of section 610(a)(1) of such title (shown in total and separately for veterans with service-connected disabilities for each percentile disability rating).

The report for fiscal year 1986 shall include information relating only to care furnished on or after July 1, 1986.

(3) Each report under this subsection shall be submitted not later than the February 1 following the end of the fiscal year for which it is required.

(f) Effective Date.—(1) Except as provided in paragraph (2), the amendments made by this section shall apply to hospital care, nursing home care, and medical services furnished on or after July 1, 1986.

(2)(A) The provisions of sections 610 and 622 of title 38, United States Code, as in effect on the day before the date of the enactment of this Act, shall apply with respect to hospital and nursing home care furnished on or after July 1, 1986, to veterans furnished such care or services on June 30, 1986, but only to the extent that such care is furnished with respect to the same episode of care for which it was furnished on June 30, 1986, as determined by the Administrator pursuant to regulations which the Administrator shall prescribe.

(B) During the months of July and August 1986, the Administrator may, in order to continue a course of treatment begun before July 1, 1986, furnish medical services to a veteran on an ambulatory or outpatient basis without regard to the amendments made by this section.

(C) For the purposes of this paragraph, the term "episode of care" means a period of consecutive days—

(i) beginning with the first day on which a veteran is furnished hospital or nursing home care; and

(ii) ending on the day of the veteran's discharge from the hospital or nursing home facility, as the case may be.

SEC. 19012. TECHNICAL REVISION OF AUTHORITY TO CONTRACT FOR HOSPITAL CARE AND MEDICAL SERVICES.

(a) Repeal of Contract Authority From Definition of Veterans' Administration Facilities.—Section 601 is amended—

(1) in paragraph (4)—

(A) by inserting "and" at the end of clause (A); and

(B) by striking out the semicolon at the end of clause (B) and all that follows through the end of such paragraph and inserting in lieu thereof a period; and

(2) by adding at the end the following new paragraph:

"(9) The term 'non-Veterans' Administration facilities' means facilities other than Veterans' Administration facilities.".

(b) Reenactment of Contract Authority.—(1) Chapter 17 is amended by inserting after section 602 the following new section:

"§603. Contracts for hospital care and medical services in non-Veterans' Administration facilities

"(a) When Veterans' Administration facilities are not capable of furnishing economical hospital care or medical services because of geographical inaccessibility or are not capable of furnishing the care or services required, the Administrator, as authorized in section 610 or 612 of this title, may contract with non-Veterans' Administration facilities in order to furnish—

"(1) hospital care or medical services to a veteran for the treatment of—

"(A) a service-connected disability; or

"(B) a disability for which a veteran was discharged or released from the active military, naval, or air service;

"(2) medical services for the treatment of any disability of—

"(A) a veteran described in section 612(a)(1)(B) of this title;

"(B) a veteran described in section 612(f)(1)(A)(ii) of this title; or

"(C) a veteran described in section 612(g) of this title if the Administrator has determined, based on an examination by a physician employed by the Veterans' Administration (or, in areas where no such physician is available, by a physician carrying out such function under a contract or fee arrangement), that the medical condition of such veteran precludes appropriate treatment in Veterans' Administration facilities;

"(3) hospital care or medical services for the treatment of medical emergencies which pose a serious threat to the life or health of a veteran receiving medical services in a Veterans' Administration facility until such time following the furnishing of care in the non-Veterans' Administration facility as the veteran can be safely transferred to a Veterans' Administration facility;

"(4) hospital care for women veterans;

"(5) hospital care, or medical services that will obviate the need for hospital admission, for veterans in a State not contiguous to the contiguous States, except that the annually determined hospital patient load and incidence of the furnishing of medical services to veterans hospitalized or treated at the expense of the Veterans' Administration in Government and non-Veterans' Administration facilities in each such noncontiguous State shall be consistent with the patient load or incidence of the furnishing of medical services for veterans hospitalized or treated by the Veterans' Administration within the 48 contiguous States, but the authority of the Administrator under this paragraph with respect to the Commonwealth of Puerto Rico shall expire on September 30, 1988, and until such date the Administrator may, if necessary to prevent hardship, waive the applicability to the Commonwealth of Puerto Rico of the restrictions in this paragraph with respect to hospital patient loads and the incidence of the furnishing of medical services;

"(6) diagnostic services necessary for determination of eligibility for, or of the appropriate course of treatment in connection with, furnishing medical services at independent Veterans' Administration out-patient clinics to obviate the need for hospital admission; or

"(7) outpatient dental services and treatment, and related dental appliances, for a veteran described in section 612(b)(1)(G) of this title.

"(b) In the case of any veteran for whom the Administrator contracts to furnish care or services in a non-Veterans' Administration facility pursuant to a provision of subsection (a) of this section, the Administrator shall periodically review the necessity for continuing such contractual arrangement pursuant to such provision.".

(2) The table of sections at the beginning of such chapter is amended by inserting after the item relating to section 602 the following new item:

"603. Contracts for hospital care and medical services in non-Veterans' Administration facilities.".

(c) Conforming Amendments.—(1) Section 612(b)(3) is amended by striking out "clause (i), (ii), or (v) of section 601(4)(C)" and inserting in lieu thereof "clause (1), (2), or (5) of section 603(a)".

(2) Section 612(b)(4) is amended by striking out "section 601(4)(C)" both places it appears and inserting in lieu thereof "section 603".

(3) Section 612A(e)(1) is amended by striking out "601(4)(C)(ii)" and inserting in lieu thereof "603(a)(2)".

(4) Section 903(a) is amended by inserting "hospital care in accordance with section 603 of this title or" after "was receiving".

(5) Section 102(b) of the Veterans' Administration Health-Care Amendments of 1985 (Public Law 99-166) is amended—

(A) by striking out "such section" in paragraph (1) and inserting in lieu thereof "section 603(a)(5)"; and

(B) by striking out "clause (v) of section 601(4)(C)" in paragraph (5) and inserting in lieu thereof "section 603(a)(5)".

SEC. 19012. RECOVERY OF THE COST OF CERTAIN HEALTH CARE AND SERVICES FURNISHED BY THE VETERANS' ADMINISTRATION.

(a) In General.—Section 629 is amended to read as follows:

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"§ 629. Recovery by the United States of the cost of certain care and services

"(a)(1) Subject to the provisions of this section, in any case in which a veteran is furnished care or services under this chapter for a non-service-connected disability described in paragraph (2) of this subsection, the United States has the right to recover or collect the reasonable cost of such care or services (as determined by the Administrator) from a third party to the extent that the veteran (or the provider of the care or services) would be eligible to receive payment for such care or services from such third party if the care or services had not been furnished by a department or agency of the United States.

"(2) Paragraph (1) of this subsection applies to a non-service-connected disability—

"(A) that is incurred incident to the veteran's employment and that is covered under a workers' compensation law or plan that provides for payment for the cost of health care and services provided to the veteran by reason of the disability;

"(B) that is incurred as the result of a motor vehicle accident to which applies a State law that requires the owners or operators of motor vehicles registered in that State to have in force automobile accident reparations insurance;

"(C) that is incurred as the result of a crime of personal violence that occurred in a State, or a political subdivision of a State, in which a person injured as the result of such a crime is entitled to receive health care and services at such State's or subdivision's expense for personal injuries suffered as the result of such crime; or

"(D) that is incurred by a veteran—

"(i) who does not have a service-connected disability; and

"(ii) who is entitled to care (or payment of the expenses of care) under a health-plan contract.

"(3) In the case of a health-plan contract that contains a requirement for payment of a deductible or copayment by the veteran—

"(A) the veteran's not having paid such deductible or copayment with respect to care or services furnished under this chapter shall not preclude recovery or collection under this section; and

"(B) the amount that the United States may collect or recover under this section shall be reduced by the appropriate deductible or copayment amount, or both.

"(b)(1) As to the right provided in subsection (a) of this section, the United States shall be subrogated to any right or claim that the veteran (or the veteran's personal representative, successor, dependents, or survivors) may have against a third party.

"(2)(A) In order to enforce any right or claim to which the United States is subrogated under paragraph (1) of this subsection, the United States may intervene or join in any action or proceeding brought by the veteran (or the veteran's personal representative, successor, dependents, or survivors) against a third party.

"(B) The United States may institute and prosecute legal proceedings against the third party if—

"(i) an action or proceeding described in subparagraph (A) of this paragraph is not begun within 180 days after the first day on which care or services for which recovery is sought are furnished to the veteran by the Administrator under this chapter;

"(ii) the United States has sent written notice by certified mail to the veteran at the veteran's last-known address (or to the veteran's personal representative or successor) of the intention of the United States to institute such legal proceedings; and

"(iii) a period of 60 days has passed following the mailing of such notice.

"(c)(1) The Administrator may compromise, settle, or waive any claim which the United States has under this section.

"(2)(A) The Administrator, after consultation with the Comptroller General of the United States, shall prescribe regulations for the purpose of determining the reasonable cost of care or services under subsection (a)(1) of this section. Any determination of such cost shall be made in accordance with such regulations.

"(B) Such regulations shall provide that the reasonable cost of care or services sought to be recovered or collected from a third-party liable under a health-plan contract may not exceed the amount that such third party demonstrates to the satisfaction of the Administrator it would pay for the care or services in accordance with the prevailing rates at which the third party makes payments under comparable health-plan contracts with facilities (other than facilities of departments or agencies of the United States) in the same geographic area.

"(C) Not later than 45 days after the date on which the Administrator prescribes such regulations (or any amendment to such regulations), the Comptroller General shall submit to the Committees on Veterans' Affairs of the Senate and the House of Representatives the Comptroller General's comments on and recommendations regarding such regulations (or amendment).

"(d) Any contract or agreement into which the Administrator enters with a person under section 3718 of title 31 for collection services to recover indebtedness owed the United States under this section shall provide, with respect to such services, that such person is subject to sections 3301 and 4132 of this title.

"(e) A veteran eligible for care or services under this chapter—

"(1) may not be denied such care or services by reason of this section; and

"(2) may not be required by reason of this section to make any copayment or deductible payment in order to receive such care.

"(f) No law of any State or of any political subdivision of a State, and no provision of any contract or other agreement, shall operate to prevent recovery or collection by the United States under this section or with respect to care or services furnished under section 611(b) of this title.

"(g) Amounts collected or recovered on behalf of the United States under this section shall be deposited into the Treasury as miscellaneous receipts.

"(h)(1) Subject to paragraph (3) of this subsection, the Administrator shall make available medical records of a veteran described in paragraph (2) of this subsection for inspection and review by representatives of the third party concerned for the sole purposes of permitting the third party to verify—

"(A) that the care or services for which recovery or collection is sought were furnished to the veteran; and

"(B) that the provision of such care or services to the veteran meets criteria generally applicable under the health-plan contract involved.

"(2) A veteran described in this paragraph is a veteran who is a beneficiary of a health-plan contract under which recovery or collection is sought under this section from the third party concerned for the cost of the care or services furnished to the veteran.

"(3) Records shall be made available under this subsection under such conditions to protect the confidentiality of such records as the Administrator shall prescribe in regulations.

"(i) For purposes of this section—

"(1)(A) The term 'health-plan contract' means an insurance policy or contract, medical or hospital service agreement, membership or subscription contract, or similar arrangement, under which health services for individuals are provided or the expenses of such services are paid.

"(B) Such term does not include—

"(i) an insurance program described in section 1811 of the Social Security Act (42 U.S.C. 1395c) or established by section 1831 of such Act (42 U.S.C. 1395j);

"(ii) a State plan for medical assistance approved under title XIX of such Act (42 U.S.C. 1396 et seq.);

"(iii) a workers' compensation law or plan described in subparagraph (A) of subsection (a)(2) of this section; or

"(iv) a program, plan, or policy under a law described in subparagraph (B) or (C) of such subsection.

"(2) The term 'payment' includes reimbursement and indemnification.

"(3) The term 'third party' means—

"(A) a State or political subdivision of a State;

"(B) an employer or an employer's insurance carrier;

"(C) an automobile accident reparations insurance carrier; or

"(D) a person obligated to provide, or to pay the expenses of, health services under a health-plan contract.".

(b) Effective Date.—(1) Except as provided in paragraph (2), section 629 of title 38, United States Code, as amended by subsection (a), shall apply to care and services provided on or after the date of the enactment of this Act.

(2)(A) Such section shall not apply so as to nullify any provision of a health-plan contract (as defined in subsection (i) of such section) that—

(i) was entered into before the date of the enactment of this Act; and

(ii) is not modified or renewed on or after such date.

(B) In the case of a health-plan contract (as so defined) that was entered into before such date and which is modified or renewed on or after such date, the amendment made by subsection (a) shall apply—

(i) with respect to such plan as of the day after the date that it is so modified or renewed; and

(ii) with respect to care and services provided after such date of modification or renewal.

(3) For purposes of paragraph (2), the term "modified" includes any change in premium or coverage.

(c) Reports.—(1) Not later than six months after the date of the enactment of this Act, the Administrator of Veterans' Affairs shall submit to the Committees on Veterans' Affairs of the Senate and the House of Representatives a report on the process for and results of the implementation of section 629 of title 38, United States Code, as amended by subsection (a). Such report shall show the costs of administration (and a detailed breakdown of such costs) and the amount of receipts and collections under such section.

(2) Not later than February 1, 1988, the Administrator shall submit to such Committees a report—

(A) updating the information in the report submitted under paragraph (1); and

(B) providing information on the process and results of such implementation through at least the end of fiscal year 1987.

Subtitle B—Miscellaneous Provisions

SEC. 19031. STUDY OF EFFECT OF VIETNAM EXPERIENCE ON HEALTH STATUS OF WOMEN VIETNAM VETERANS.

(a) Requirement for Epidemiological Study.—(1)(A) Except as provided in paragraph (2), the Administrator of Veterans' Affairs shall provide for the conduct of an epidemiological study of any long-term adverse health effects (particularly gender-specific health effects) which have been experienced by women who served in the Armed Forces of the United States in the Republic of Vietnam during the Vietnam era and which may have resulted from traumatic experiences during such service, from exposure during such service to phenoxy herbicides (including the herbicide known as Agent Orange), to other herbicides, chemicals, or medications that may have deleterious health effects, or to environmental hazards, or from any other experience or exposure during such service.

(B) The Administrator may include in the study conducted under this paragraph an evaluation of the means of detecting and treating long-term adverse health effects (particularly gender-specific health effects) found through the study.

(2)(A) If the Administrator, in consultation with the Director of the Office of Technology Assessment, determines that it is not feasible to conduct a scientifically valid study of an aspect of the matters described in paragraph (1)—

(i) the Administrator shall promptly submit to the appropriate committees of the Congress a notice of that determination and the reasons for the determination; and

(ii) the Director, not later than 60 days after the date on which such notice is submitted to the committees, shall submit to such committees a report evaluating and commenting on such determination.

(B) The Administrator is not required to study any aspect of the matters described in paragraph (1) with respect to which a determination is made and a notice is submitted pursuant to subparagraph (A)(i).

(C) If the Administrator submits to the Congress notice of a determination made pursuant to subparagraph (A) that it is not scientifically feasible to conduct the study described in paragraph (1)(A), this section (effective as of the date of such notice) shall cease to have effect as if repealed by law.

(3) The Administrator shall provide for the study to be conducted through contracts or other agreements with private or public agencies or persons.

(b) Approval of Protocol.—(1) The study required by subsection (a) shall be conducted in accordance with a protocol approved by the Director of the Office of Technology Assessment.

(2) Not later than July 1, 1986, the Administrator shall publish a request for proposals for the design of the protocol to be used in conducting the study under this section.

(3) In considering any proposed protocol for use or approval under this subsection, the Administrator and the Director shall take into consideration—

(A) the protocol approved under section 307(a)(2)(A)(i) of the Veterans Health Programs Extension and Improvement Act of 1979 (Public Law 96-151; 38 U.S.C. 219 note); and

(B) the experience under the study being conducted pursuant to that protocol.

(c) OTA Reports.—(1) Concurrent with the approval or disapproval of any protocol under subsection (b)(1), the Director shall submit to the appropriate committees of the Congress a report—

(A) explaining the reasons for the Director's approval or disapproval of the protocol, as the case may be; and

(B) containing the Director's conclusions regarding the scientific validity and objectivity of the protocol.

(2) If the Director has not approved a protocol under subsection (b)(1) by the last day of the 180-day period beginning on the date of the enactment of this Act, the Director—

(A) shall, on such day, submit to the appropriate committees of the Congress a report describing the reasons why the Director has not approved such a protocol; and

(B) shall, each 60 days thereafter until such a protocol is approved, submit to such committees an updated report on the report required by clause (A).

(d) OTA Monitoring of Compliance.—(1) In order to ensure compliance with the protocol approved under subsection (b)(1), the Director shall monitor the conduct of the study under subsection (a).

(2)(A) The Director shall submit to the appropriate committees of the Congress, at each of the times specified in subparagraph (B), a report on the Director's monitoring of the conduct of the study pursuant to paragraph (1).

(B) A report shall be submitted under subparagraph (A)—

(i) before the end of the 6-month period beginning on the date on which the Director approves the protocol referred to in paragraph (1);

(ii) before the end of the 12-month period beginning on such date; and

(iii) annually thereafter until the study is completed or terminated.

(e) Duration of Study.—The study conducted pursuant to subsection (a) shall be continued for as long after the date on which the first report is submitted under subsection (f)(1) as the Administrator determines that there is a reasonable possibility of developing, through such study, significant new information on the health effects described in subsection (a)(1).

(f) Reports.—(1) Not later than 24 months after the date of the approval of the protocol pursuant to subsection (b)(1) and annually thereafter, the Administrator shall submit to the appropriate committees of the Congress a report containing—

(A) a description of the results obtained, before the date of such report, under the study conducted pursuant to subsection (a); and

(B) any administrative actions or recommended legislation, or both, and any additional comments which the Administrator considers appropriate in light of such results.

(2) Not later than 90 days after the date on which each report required by paragraph (1) is submitted, the Administrator shall publish in the Federal Register, for public review and comment, a description of any action that the Administrator plans or proposes to take with respect to programs administered by the Veterans' Administration based on—

(A) the results described in such report;

(B) the comments and recommendations received on that report; and

(C) any other available pertinent information.

Each such description shall include a justification or rationale for the planned or proposed action.

(g) Definitions.—For the purposes of this section:

(1) The term "gender-specific health effects" includes—

(A) effects on female reproductive capacity and reproductive organs;

(B) effects on reproductive outcomes;

(C) effects on female-specific organs and tissues; and

(D) other effects unique to the physiology of females.

(2) The term "Vietnam era" has the meaning given such term in section 101(29) of title 38, United States Code.

SEC. 19032. ADVISORY COMMITTEE ON NATIVE-AMERICAN VETERANS.

(a) Establishment of Committee.—Not later than May 1, 1986, the Administrator of Veterans' Affairs shall establish an advisory committee to be known as the Advisory Committee on Native-American Veterans (hereinafter in this section referred to as the "Committee").

(b) Duties.—The Committee shall examine and evaluate programs and other activities of the Veterans' Administration with respect to the needs of veterans who are Native Americans, including American Indians and Alaska Natives. Such examination and evaluation shall include—

(1) an assessment of the needs of such veterans with respect to health care, rehabilitation, readjustment counseling, outreach services, and other benefits and services under programs administered by the Veterans' Administration; and

(2) a review of the manner in which and the extent to which the programs and other activities of the Veterans' Administration meet such needs.

(c) Members.—The Committee shall consist of—

(1) the Secretary of Labor (or a representative of the Secretary of Labor designated by the Secretary after consultation with the Assistant Secretary of Labor for Veterans' Employment);

(2) the Chief Medical Director and Chief Benefits Director of the Veterans' Administration or their representatives; and

(3) members appointed by the Administrator from the general public, including—

(A) representatives of veterans who are Native Americans, including American Indians and Alaska Natives and such veterans with service-connected disabilities; and

(B) individuals who are recognized authorities in fields pertinent to the needs of such veterans, including the specific health-care needs of such veterans and the furnishing of health-care services by the Veterans' Administration to such veterans.

(d) Participation by Other Agencies.—The Administrator may invite representatives of other departments and agencies of the Federal Government to participate in the meetings and other activities of the Committee.

(e) Number and Pay of Members.—The Administrator shall determine the number and pay and allowances of the members of the Committee appointed by the Administrator.

(f) Reports.—(1) Not later than February 1, 1987, and February 1, 1988, the Committee shall submit to the Administrator a report containing the findings and any recommendations of the Committee regarding the matters described in subsection (b) that

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were examined and evaluated by the Committee during the preceding fiscal year.

(2) Not later than 60 days after receiving each such report, the Administrator shall transmit to the Committees on Veterans' Affairs of the Senate and House of Representatives a copy of the report, together with any comments and recommendations concerning the report that the Administrator considers appropriate.

(g) ALASKA NATIVE DEFINED.—For the purposes of this section, the term "Alaska Native" has the meaning given the term "Native" in section 3(b) of the Alaska Native Claims Settlement Act (43 U.S.C. 1602(b)).

(h) TERMINATION.—The Committee shall terminate 90 days after the date on which the second report is transmitted by the Committee pursuant to subsection (f)(2).

SEC. 19033. WAIVER OF CONGRESSIONAL NOTICE-AND-WAIT PERIOD FOR ADMINISTRATIVE REORGANIZATION OF CERTAIN VETERANS' ADMINISTRATION AUTOMATED DATA PROCESSING ACTIVITIES.

(a) WAIVER.—The Administrator of Veterans' Affairs may undertake the administrative reorganization described in subsection (b) without regard to the requirements of section 210(b)(2) of title 38, United States Code.

(b) COVERED ADMINISTRATIVE REORGANIZATION.—The administrative reorganization referred to in subsection (a) is a reorganization that—

(1) involves the transfer of certain functions from the Office of Data Management and Telecommunications of the Veterans' Administration to the Department of Veterans' Benefits of the Veterans' Administration; and

(2) is described in letters dated November 1, 1985, that were submitted by the Administrator to the chairmen and ranking minority members of the Committees on Veterans' Affairs of the Senate and House of Representatives.

SEC. 19034. RATIFICATION OF CERTAIN TEMPORARILY EXPIRED AUTHORITIES.

(a) VETERANS' ADMINISTRATION REGIONAL OFFICE IN THE REPUBLIC OF THE PHILIPPINES.—Any action by the Administrator of Veterans' Affairs in providing, during the ratification period, for a Veterans' Administration Regional Office in the Republic of the Philippines under section 230 of title 38, United States Code, is hereby ratified with respect to that period.

(b) CONTRACT CARE AUTHORITY IN PUERTO RICO AND THE VIRGIN ISLANDS.—Any action by the Administrator in entering into a contract applicable to the ratification period for furnishing care described in subclause (v) of section 601(4)(C) of title 38, United States Code, any action by the Administrator under such contract, and any waiver described in that subclause made by the Administrator that is applicable to that period, is hereby ratified with respect to that period.

(c) ALCOHOL AND DRUG TREATMENT AND REHABILITATION CONTRACT PROGRAM.—Any action by the Administrator in entering into a contract described in section 620A(a) of title 38, United States Code, that is applicable to the ratification period, and any action by the Administrator under such contract, is hereby ratified with respect to that period.

(d) RATIFICATION PERIOD DEFINED.—For the purposes of this section, the term "ratification period" means the period beginning on November 1, 1985, and ending on December 3, 1985.

TITLE XX—MISCELLANEOUS PROVISIONS

SEC. 20001. MISCELLANEOUS PROVISIONS.

(a) When the Senate is considering a reconciliation bill or a reconciliation resolution pursuant to section 310 of the Congressional Budget Act of 1974, upon a point of order being made by any Senator against material extraneous to the instructions to a committee which is contained in any title or provision of the bill or resolution or offered as an amendment to the bill or resolution, and the point of order is sustained by the Chair, any part of said title or provision that contains material extraneous to the instructions to said Committee as defined in subsection (d) shall be deemed stricken from the bill and may not be offered as an amendment from the floor. An affirmative vote of three-fifths of the Members, duly chosen and sworn, shall be required to sustain an appeal of the ruling of the Chair on a point of order raised under this section, as well as to waive or suspend the provisions of this subsection.

(b) No motion to waive or suspend the requirement of section 305(b)(2) of the Congressional Budget Act of 1974, as it relates to germaneness with respect to a reconciliation bill or resolution, shall be agreed to unless supported by an affirmative vote of three-fifths of the Members, duly chosen and sworn, which super-majority shall be required to successfully appeal the ruling of the Chair on a point of order raised under that section, as well as to waive or suspend the provisions of this subsection.

(c) This section shall become effective on the date of enactment of this title and shall remain in effect until January 2, 1987.

(d)(1)(A) Except as provided in paragraph (2), a provision of a reconciliation bill or reconciliation resolution considered pursuant to section 310 of the Congressional Budget Act of 1974 shall be considered extraneous if such provision does not produce a change in outlays or revenues, including changes in outlays and revenues brought about by changes in the terms and conditions under which outlays are made or revenues are required to be collected; (B) any provision producing an increase in outlays or decrease in revenues shall be considered extraneous if the net effect of provisions reported by the Committee reporting the title containing the provision is that the Committee fails to achieve its reconciliation instructions; (C) a provision that is not in the jurisdiction of the Committee with jurisdiction over said title or provision shall be considered extraneous; (D) a provision shall be considered extraneous if it produces changes in outlays or revenues which are merely incidental to the non-budgetary components of the provision.

(2) A provision shall not be considered extraneous under (1)(A) above if: (A) it is designed to mitigate the direct effects clearly attributable to a provision changing outlays or revenues and both provisions together produce a net reduction in the deficit; (B) it will result in a substantial reduction in outlays or a substantial increase in revenues during fiscal years after the fiscal years covered by the reconciliation bill or reconciliation resolution; (C) a reduction of outlays or an increase in revenues is likely to occur as a result of the provision, in the event of new regulations authorized by the provision or likely to be proposed, court rulings on pending litigation, or relationships between economic indices and stipulated statutory triggers pertaining to the provision, other than the regulations, court rulings or relationships currently projected by the Congressional Budget Office for scorekeeping purposes; (D) such provision will be likely to produce a significant reduction in outlays or increase in revenues but, due to insufficient data, such reduction or increase cannot be reliably estimated.●

THE MEDICAL MALPRACTICE INSURANCE PROBLEM

● **Mr. DURENBERGER.** Mr. President, the medical malpractice problem in this country continues to grow. All 50 States have considered some form of legislation to address the problem this year alone and there are bills pending in Congress as well. Some say the problem is reaching a crisis point. However we label it, there is no question that the health care system of the United States is being adversely affected by the fallout of the malpractice problem.

Malpractice insurance premiums are skyrocketing, reaching as high as $100,000 a year for some specialty physicians, such as neurosurgeons. These higher malpractice insurance costs are forcing doctors and hospitals to raise their charges and then pass these costs on to third-party payers and individual consumers. The number of malpractice claims has tripled over the past decade and million-dollar settlements happen on a regular basis. The average settlement has grown from $5,000 to over $300,000 in just 6 years.

We all know the statistics. We all have our theories on why the malpractice system is out of control. We all have our fingers pointed at someone to blame. But this fingerpointing and theorizing miss the critical issue: The malpractice crisis is pricing some physicians out of business, particularly doctors in rural areas, and especially those who deliver babies. And this is affecting access to health care in rural America, and individuals there can ill afford to lose this service.

In my home State, the Minnesota Medical Association estimates that over 100 Minnesota doctors have stopped delivering babies, primarily because malpractice insurance costs double when the practice includes obstetrics. Last week, as I traveled in southwestern Wisconsin, I read of a physician in Viroqua, Dr. Jessica Ambelang, who has seen her malpractice premium increase 500 percent in the past 5 years. This year she expects to pay between $32,000 and $40,000. Dr. Ambelang is an obstetrician-gynecologist. She has decided that she must soon leave this rural community, where she thought she'd always live and work, if she wants to continue practicing medicine and avoid bankruptcy.

I suggest that my colleagues read the newspaper article about Dr. Ambelang, and I ask that it be printed in the RECORD following my statement. Her situation is being repeated every day across this country. A solution to the malpractice problem must be found, and fast. Rural Americans need available and accessible health care, and doctors who deliver babies are vital to that system.

[From the La Crosse Tribune, Apr. 3, 1986]

MALPRACTICE INSURANCE CHASING DOCTORS AWAY

(By Carol Kaufmann)

VIROQUA, Wis.—Jessica Ambelang still cries when she thinks about her decision to leave Viroqua.

As Jessica's 3½-year-old son George sat on her lap, making a futile attempt to keep his sleep-laden eyes open, Jessica said George and his three brothers are chief reasons she and her husband plan to leave the Vernon County community of about 3,700 people at the end of June.

Jessica, the 36-year-old wife and mother of four preschool-aged sons, cannot afford to also be Jessica, the doctor with more than 300 economically-strapped patients to see and skyrocketing malpractice rates to pay.

Jessica is an obstetrician and a gynecologist who, like doctors within her specialty across the nation, has seen her malpractice rates rise much more quickly than those other doctors pay. Neurosurgeons, she added, also have been hit hard by rising costs.

Part of the reason obstetricians are paying higher rates, Jessica said, has to do with unrealistic expectations.

Across the country, more people are expecting babies to always be born perfect. When some of those babies aren't perfect, more people are suing.

"It's socially acceptable," said Jessica, "that if you're not satisfied with an outcome, you sue."

High monetary awards by sympathetic juries and judges, she said, also have contributed to rising rates.

Wisconsin, she claimed, "is one of the worst. Malpractice is the equivalent to having a lottery in Wisconsin."

Jessica cited a $9 million award recently given in Milwaukee as an example of a judgment that was "too high."

Rep. John Medinger, D-La Crosse, said Wisconsin's legislature is trying to do something about the growing malpractice problem.

Medinger said he served on the legislative council committee that developed a bill that would cap the amount of malpractice awards, including medical costs and pain-and-suffering judgments, at $3.3 million.

Neither the doctors nor the lawyers, Medinger said, are happy with the proposed legislation—"so I figure that means it's a good compromise."

Medinger said "the doctors want to see a bill that would cap pain-and-suffering at $1 million, with unlimited awards for medical expenses."

Nothing was settled in a recent session of the Wisconsin Legislature, although it was expected a special session would be called later on the matter.

Besides setting limits on awards, Jessica said she would like to see "discounts given to people who choose to practice in underserved areas—and increasing rates for being in an overserved area. . . . People in rural areas don't sue as often as people living in a city.

"That's because," she said, "patients are also your friends. And people are less likely to sue someone who's a friend."

Jessica and Medinger agreed that they would like to see doctors policing their profession with heavier hands, weeding out physicians prone to making mistakes.

Jessica said she was hoping a law controlling malpractice claims would pass before financial burdens forced her and her physician husband, Tom to leave Viroqua. That hasn't happened.

When Jessica started her practice in 1982 from Vernon Memorial Hospital, she took out a loan to pay a $7,000 malpractice insurance policy. This year she paid $23,000 for the protection.

Next year, Jessica predicted, coverage for specialists like her will rise to between $32,000 and $40,000—about five times what it was five years earlier.

"That is more than 50 percent of everything I collect," she said adding that if she stays in the rural community, taking out loans won't be the answer—"We'll be filing for bankruptcy."

But, said Jessica, there is another reason she can't make ends met by staying in Viroqua.

Unlike obstetricians in other communities who pass on their increasing insurance rates to their patients, Jessica said that won't be her solution in Viroqua.

"This area is so poor. . . . I cannot charge $1,200 for a C-section because they don't have it," she said adding, "I could be obnoxious about making collections, but I still believe we should take care of the poor. Sure these people might have farms, but they have no liquid assets."

Jessica estimated that about 25 percent of the patients she sees do not pay their bills. Another 25 percent, she said "pay promptly."

The remaining 50 percent, said Jessica, receive medical assistance. That means their bills get paid in amounts set by the government, not subject to change just because malpractice rates rise.

By the time she pays insurance, baby sitters and office expenses, Jessica's net income from her parttime practice—which includes about 18 hours a week in the office and about 22 hours on-call and in the hospital delivering babies and making rounds—is $7,000 for the year.

"There are plenty of rich doctors around, but," Jessica said, "you're not going to find them in the inner-city and you're not going to see them in the rural areas."

Tom, 35, is a family practitioner who, before taxes, insurance and other expenses earns $38,000 from his practice at the Hirsch Clinic in Viroqua. He also moonlights in Vernon Memorial's emergency room one weekend a month and covers the office for Phillips Bland in Westby each Friday. That gives him an extra $1,200 each month.

"A family practitioner (in an urban area), fresh out of medical school, with the same number of patients, can make the same or more than a family practitioner in this area makes in his or her whole life," said Jessica.

Despite his lower-than-average income, Tom still comes out better in terms of paying malpractice rates as a family practitioner than does his obstetrician-gynecologist wife. He would do even better if he stopped delivering babies.

Tom said his malpractice rates, which this year amounted to $12,000, would be about $10,000 lower if he did not deliver babies.

"There are family practitioners in this community who don't deliver babies for just that reason," he said, adding that he knows of three such doctors. When he and Jessica leave, the Viroqua area will have lost a total of five doctors who will be able to deliver babies.

Jessica said that in Wisconsin, doctors who specialize in obstetrics-gynecology cannot drop obstetrics, as they can and have done in other states because of malpractice rates.

Jessica and Tom are angry with a legal system and insurance rates that they say are robbing them of their dreams to practice medicine in the Wisconsin countryside

The Ambelangs graduated together from Sparta High School and went to the University of Wisconsin. They began dating in high school.

Tom started preparing to become a doctor during his first year in college and Jessica took pre-med courses even though she said she had planned originally to be a teacher.

But they both applied and were accepted into the University of Wisconsin's Medical School.

Tom and Jessica married during their senior year of medical school.

While they were in medical school, Jessica said she and Tom committed to something else. Along with Jessica's brother, J.R. Menn—who is a pediatrician serving the Viroqua area—they made plans to serve the rural community.

"We like the rural lifestyle. We like the people and think they're underserved," said Jessica. "We're not here for the money. We're here to help people.

"We made up our minds a long time ago that we'd never be rich. But now it's not a matter of not getting rich. We're looking at filing for bankruptcy if we stay," she said.

As her second son George sat dozing on her lap, his battle against sleep lost, Jessica talked about wanting to make enough money to pay for her sons' educations and for her and Tom's retirements—something she said is impossible now.

"If we stay, we would have nothing to show for it," said Jessica. "If I didn't have a husband and children, I wouldn't leave."

Jessica said the only way she could afford to keep practicing medicine in Viroqua would be to set full-time hours, "and then," she added, "I'd never see my children."

Jessica and Tom's other children are Charlie, 5; Henry, 2; and John, 6 months.

She and Tom try to alternate their hours so that their children do not have baby sitters all of the time.

But being on-call and rushing out at all hours of the day or night go with the territory—especially in a rural area, said Jessica. She said their phone rings between six and 12 times a day with demands for her medical attention.

Getting a reliable baby sitter who is willing to also work on-call, said Jessica, can be expensive. Sometime, she added, it is not even possible.

Jessica recalled how one brisk fall evening, the phone rang while whe was bathing her three sons, calling her to an emergency. John hadn't been born yet.

Tom wasn't home to take care of the boys.

"I had no car because Tom had it. So," she said, "I had to load the three little boys into a stroller and dash down the street to the hospital . . . I left them with a nurse and kept running down the hall to the patient.

"That would have never happened in a city," said Jessica.

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What also would have never happened in a city happened six months ago, when her youngest son was born.

While she was having mild contractions of her own, Jessica delivered another woman's child. She also delivered one baby each day she was in the hospital after her baby was born.

Jessica was quick to add, "I didn't feel that I was imposed on at all. Mine was an easy delivery."

Jessica said "my life is centered around my patients, my kids, my husband and my house."

The Ambelangs' belief in sustaining rural life in their community extends into where they spend their money.

"We have made a policy of not buying out of town unless we can't find it here," Jessica said. "We are trying to return the money we earn here to the community. That goes for Westby, too."

They have carried that attitude into their considerations about where to relocate their medical practices.

Jessica said they want to stay in Wisconsin—or at least within a four-or-five-hour drive from their families in Sparta and Norwalk. But La Crosse is not a likely site because, Jessica said, "I think if we went to La Crosse we would have patients follow us there and it would put a drain on the local hospitals and doctors."

As she nudged George gently, needing to wake him so she could see a patient at the hospital, Jessica returned to her feelings about leaving Viroqua:

"I feel like a traitor abandoning the rural areas. The federal government has abandoned the rural people. So has the state. If I didn't have a husband and children, I wouldn't leave."

George was awake, ready to go with his mom.●

BUDGET SCOREKEEPING REPORT

● Mr. DOMENICI. Mr. President, I hereby submit to the Senate, the budget scorekeeping report for this week, prepared by the Congressional Budget Office in response to section 5 of the first budget resolution for fiscal year 1986. This report also serves as the scorekeeping report for the purposes of section 311 of the Congressional Budget Act, as amended.

I ask that the report be printed in the RECORD.

The report follows:

CONGRESSIONAL BUDGET OFFICE,
Washington, DC, April 8, 1986.

Hon. PETE V. DOMENICI,
Chairman, Committee on the Budget,
U.S. Senate, Washington, DC.

DEAR MR. CHAIRMAN: The attached report shows the effects of Congressional action on the budget for fiscal year 1986. The estimated totals of budget authority, outlays, and revenues are compared to the appropriate or recommended levels contained in the most recent budget resolution, S. Con. Res. 32. This report meets the requirements for Senate scorekeeping of Section 5 of S. Con. Res. 32 and is current through March 27, 1986. The report is submitted under Section 308(b) and in aid of Section 311 of the Congressional Budget Act, as amended.

No changes have occurred since my last report.

With best wishes,
Sincerely,
RUDOLPH G. PENNER,
Director.

FISCAL YEAR 1986 CBO WEEKLY SCOREKEEPING REPORT FOR THE U.S. SENATE AS OF MARCH 27, 1986

[In billions of dollars]

	Budget authority	Outlays	Revenues	Debt subject to limit
Current level [1]	1,057.1	980.7	778.6	2,007.9
Budget resolution, S. Con. Res. 32	1,069.7	967.6	795.7	[2] 2,078.7
Current level is:				
Over resolution by		13.1		
Under resolution by	12.6		17.1	109.7

[1] The current level represents the estimated revenue and direct spending effects (budget authority and outlays) of all legislation that Congress has enacted in this or previous sessions or sent to the President for his approval. In addition, estimates are included of the direct spending effects for all entitlement or other programs requiring annual appropriations under current law even though the appropriations have not been made. The current level excludes the revenue and direct spending effects of legislation that is in earlier stages of completion, such as reported from a Senate Committee or passed by the Senate. The current level of debt subject to limit reflects the latest U.S. Treasury information on public debt transactions.

[2] The current statutory debt limit is $2,078.7 billion.

FISCAL YEAR 1986 SUPPORTING DETAIL FOR CBO WEEKLY SCOREKEEPING REPORT, U.S. SENATE, AS OF MARCH 27, 1986

[In millions of dollars]

	Budget authority	Outlays	Revenues
I. Enacted in previous sessions:			
Revenues			777,794
Permanent appropriations and trust funds.	723,461	629,772	
Other appropriations	525,778	544,947	
Offsetting receipts	−188,561	−188,561	
Total enacted in previous sessions.	1,060,679	986,159	777,794
II. Enacted this session:			
Commodity Credit Corporation urgent supplemental appropriation, 1986 (P.L. 99-243).			
Federal Employees Benefits Improvement Act of 1986 (P.L. 99-251).		4	
VA home loan guarantee amendments (P.L. 99-255).		−51	
Omnibus Budget Reconciliation Act of 1985 (H.R. 3128).	−4,259	−6,001	765
Department of Agriculture urgent supplemental, 1986 (P.L. 99-263).			
Advance to hazardous substance response trust fund (P.L. 99-270).			
Total	−4,259	−6,048	765
III. Continuing resolution authority			
IV. Conference agreements ratified by both Houses.			
V. Entitlement authority and other mandatory items requiring further appropriation action:			
Veterans compensation	272	185	
Veterans readjustment benefits.	91	91	
Compact of free association	205	205	
Special benefits (Federal employees).	14	14	
Family social services	100	75	
Guaranteed student loans	6		
Payment to civil service retirement [1].	(37)	(37)	
Total entitlements	688	570	
Total current level as of March 27, 1986.	1,057,108	980,681	778,559
1986 budget resolution (S. Con. Res. 32).	1,069,700	967,600	795,700
Amount remaining:			
Over budget resolution		13,081	
Under budget resolution	12,592		17,141

[1] Interfund transactions do not add to budget totals.

Note.—Numbers may not add due to rounding.●

BINGHAMTON HIGH SCHOOL PATRIOTS

● Mr. MOYNIHAN. Mr. President, among the many great schools in New York, one is especially proud today. Binghamton High School, home of the Patriots basketball team, now celebrates the culmination of a tremendous 25–1 season.

Mr. President, I share in the pride Binghamton feels for its team today, and I ask that, in recognition of the accomplishments of this very special group of young people, an article from last week's Binghamton Press & Sun-Bulletin, entitled "Pats Give Binghamton a New Identity," be printed in the RECORD.

The article follows:

[From the Binghamton Press & Sun-Bulletin, Mar. 26, 1986]

PATS GIVE BINGHAMTON A NEW IDENTITY

(By John W. Fox)

"I bet now when someone says Binghamton, they'll all know who we are."

Steve Brundage, who made the proclamation after Binghamton High's ultimate basketball victory on Sunday, may never again find himself the first person quoted in the top story on the front page of a daily newspaper.

Brundage has been an integral part of the Patriots' whole for two seasons, despite what the playing-time stats may say. And his remark could be that of Everyman.

Every city, town and hamlet yearns for identity. Sports is often the only avenue.

Who had heard of Cut'n Shoot, Texas, before the brief challenge by a heavyweight fighter named Roy Harris? Or of French Lick, Ind., until Larry Bird ventured out?

Some places have race cars to thank. What few would know of a bend in the River Sarthe, except for 24 Hours of LeMans? Or recognize an interior Florida milk stop, except for its 12 Hours of Sebring?

Add now the annual 19½ Hours of Binghamton, to which Brundage referred. It takes place in late March on the Glens Falls Civic Center playing court, in one reviewer's words when The Riceman Cometh, from 9 p.m. on a Saturday night until the checkered flag shortly before 4:30 the next afternoon.

Binghamton surely was not an unknown city, just a misspelled city, before its current high school athletic dynasties. However, in the quest for identity, nearly all of us pray that it be favorable identity, not the monkey on the back that Apalachin and Three-Mile Island still live with.

Binghamton has not been fortunate in that respect. Its two most protracted national mentions of the last quarter century have been the chemical contamination of the State Office Building and the tragic deaths in Binghamton General Hospital's "salt babies" mixup.

On the positive front, what? The senate majority leader in Albany is ordinarily identified by the media as being from Binghamton. The professional hockey team's games and won-lost standing appear daily in the newspapers of at least 12 other U.S. and Canadian cities with a provincial interest in the American Hockey League. In maybe 200 to 300 papers, "Binghamton State" shares one line of small print for some 25 basketball games a year.

After that, the going gets tougher. Granted, Rod Serling came from here, and Elmar Oliveira, Singer-Link and Security Mutual live here, but the association is infrequent in national press.

But for week-in, week-out identity in big, boldface type, what has Binghamton ever had to equal Section C, Page 8 in yesterday's editions of USA Today for the last five months. First, late-developing inclusion in that paper's national "Super 25" of high-school football teams. Then, overlapping the latter for a couple of weeks, the similar basketball rankings.

There it was yesterday, in almost quarter-inch-deep letters and numerals: "13, Binghamton, NY (25–1) . . ."

The five lines of small print that follow succinctly complete the season saga of the Messrs. Rice, Coleman, Tolerson, Middlebrooks, Mack, et al, et Brundage—straitjacketing previously unbeaten Hempstead and New York City champion Brooklyn Lincoln.

No reason to cry over spilt milk, but at the time of its one late-January stumble at Vestal, Binghamton was No. 4, ahead of Camden, NJ, the current top banana. Just multiply those weekly bold letters by the USA Today's daily circulation of roughly three million copies, coast to coast, and it may put the Patriots' national "ink" in contention for the all-time high to sports recognition with a Binghamton attachment.

When baseball players such as Whitey Ford and Thurman Munson made rapid risers to stardom, writers often referred to their coming up from the Yankees farmclub in Binghamton (the one that played in Johnson City!), but such a printed association was short-lived.

Number one in sport page credits for Binghamton would surely have been former heavyweight champion Jack Sharkey, had he not deserted Clinton Street for Boston before becoming a professional boxer. As it is, No. 1 probably belongs to the stable of horses—Kentucky Derby winner Exterminator, Sun Beau, etc.—whose owner without fail as identified as Willis Sharpe Kilmer of Binghamton.

Compared to horsemen and boxers, athletes in team sports are far less commonly identified by hometown. So Bill Hallahan's World Series pitching feats were those strictly of a St. Cardinal, not a Binghamton resident, in publications outside Broome County.

When this Monday's out-of-town papers reached local newsstands, one lingering fear was dispelled. With Bridgehampton High—mighty little Suffolk County neighbor of Southampton and Westhampton—romping to the state Class D title in the first half of the Sunday double-header. I shuddered that possessive New York writers would applaud "Binghampton" for completing a sweep for Long Island.

However, just as Steve Brundage bet, the metropolitan papers knew "who we are." The Post's Steve Barenfield, for instance "(Lincoln High's) Railsplitters ran into a buzzsaw called Binghamton and were over powered."

Newsday's Mike Candel wrote: ". . . Hempstead was only a pretender to the throne. Binghamton has the real King."

The New York Times even magnified the Patriots' proportions. Its report described MVP Rice as "burly."

(John W. Fox is sports editor of the Press & Sun-Bulletin.)●

CONGRESSIONAL BUDGET OFFICE COST ESTIMATE

● Mr. McCLURE. Mr. President, with regard to S. 2031, a bill to authorize the Secretary of the Interior to release restrictions on certain property located in Calcasieu Parish, LA, I request that the Congressional Budget Office estimate of the costs of this measure be printed in the RECORD at this point. The cost estimate was not available at the time the report was filed.

The estimate follows:

CONGRESSIONAL BUDGET OFFICE,
Washington, DC, March 27, 1986.

Hon. JAMES A. MCCLURE,
Chairman, Committee on Energy and Natural Resources, U.S. Senate, Dirksen Senate Office Building, Washington, DC.

DEAR MR. CHAIRMAN: The Congressional Budget Office has reviewed S. 2031, a bill to authorize the Secretary of the Interior to release restrictions on certain property located in Calcasieu Parish, Louisiana, and for other purposes, as ordered reported by the Senate Committee on Energy and Natural Resources, March 26, 1986.

The bill would release public purpose and other restrictions on several parcels of land located in Calcasieu Parish, Louisiana. Mineral rights to the land would continue to be reserved to the federal government. Based on information from the Department of the Interior, we estimate that enactment of this bill would result in no cost to the federal government or to the state or local governments.

If you wish further details on this estimate, we will be pleased to provide them.

With best wishes,
Sincerely,
RUDOLPH G. PENNER,
Director.●

NBC PROGRAM ADDRESSES THE NEEDS OF TEENS

● Mr. SIMON. Mr. President, I want to commend NBC for their new after-school news program called "Main Street," which premiered late last year. This program, aimed at teenagers, features hard news as well as human interest and trivia. It is broadcast monthly on Tuesdays—4–5 p.m., e.s.t. "Main Street" is the first network news effort directed at the needs and desires of young people.

The host of "Main Street" is Bryant Gumbel, coanchor of "Today." His experience and personality provide the setting necessary to promote active participation by the teenage correspondents. Several youths, from different areas and different backgrounds, discuss their feelings about an issue with Mr. Gumbel after each major segment of the program.

The stories are reported as seen through young people's eyes. In addition to the hard news, the program provides features on personalities who interest young people, such as Bruce Springsteen. The object of the show is to inspire young people to watch and learn—to consider the news as important and as interesting as entertainment television.

The program has already covered a range of issues, from AIDS and its effect on schools in America to warning labels on rock and roll records that contain sexually explicit lyrics. These issues are serious and deserve attention, not only from adults, but from the young people whom they affect.

The key to the success of "Main Street" is the belief that teenagers should be aware and actively involved in the issues of today. The program provides an opportunity for different opinions to be heard. In return, the teenagers receive the respect they have earned. NBC has opened up a whole new and unique opportunity for teenagers. Hopefully, this program will also spark new interest and awareness among adults. It is up to every American to realize that the future of our Nation lies in the hands of our youth. We cannot ignore their problems and "Main Street" has begun to take an interest in helping them and society address these problems.

Again, I commend those at NBC who had the wisdom to undertake the "Main Street" project.●

S. 1625—CONGRESSIONAL OFFICE COST ESTIMATE

● Mr. McCLURE. Mr. President, with regard to S. 1625, a bill to permit the use and leasing of certain public lands in Nevada by the University of Nevada, I request that the Congressional Budget Office estimate of the costs of this measure be printed in the RECORD at this point. The cost estimate was not available at the time the report was filed.

The material follows:

CONGRESSIONAL BUDGET OFFICE,
U.S. CONGRESS,
Washington, DC, March 27, 1986.

Hon. JAMES A. MCCLURE,
Chairman, Committee on Energy and Natural Resources, U.S. Senate, Washington, DC.

DEAR MR. CHAIRMAN: The Congressional Budget Office has reviewed S. 1625, a bill to permit the use and leasing of certain public lands in Nevada by the University of Nevada, as ordered reported by the Senate Committee on Energy and Natural Resources, March 26, 1986.

The bill would override a public purpose use clause on 470 acres of former public lands now owned by the University of Nevada to allow the university to use the land for a research and development center. Based on our review, we estimate that enactment of this bill would result in no cost to the federal government or to state or local governments.

If you wish further details on this estimate, we will be pleased to provide them.

With best wishes,
Sincerely,

(For RUDOLPH G. PENNER.)●

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SOVIET JEWRY

● Mr. BOREN. Mr. President, I am pleased to take this opportunity to join with my colleagues in expressing the concern of the U.S. Congress about the fate of Soviet Jewry. Each of the past 3 years, I have participated in the congressional call to conscience vigil in order to dramatize the plight of those who have been denied the right to emigrate or have been imprisoned by the Government of the Soviet Union. I believe that this type of sustained, coordinated effort by Members of Congress is very effective in letting the Government know of our deep concern about certain Soviet policies.

I am tremendously concerned about the emigration policy of the Soviet Union. There are so many Soviet citizens who have been denied permission to leave that country to live with their families outside the Soviet Union. These practices of the Soviet Government are particularly troublesome because they are usually related to the religious practices of the citizens involved. Persecution against Jews and Christians has increased in recent months, and we in the United States must speak out about this situation. As a number of my colleagues and I pointed out in a March 11 letter to our President, anti-Semitism is part of the military indoctrination program in the Soviet Union. Viewings encouraging this line of thinking are often offerings of prime-time television, also under Communist control. The harassment, beatings, arrests and jailings of many Jews for simply attempting to leave the country continue to go on without any account having to be given. These people continue to struggle to maintain any semblance of Jewish social, religious or cultural life while they are trapped in the Soviet Union, always living under the fear of being discovered.

Most of us are aware of the alarming decrease in the number of Jews who have been allowed to emigrate from the Soviet Union during the past few years. This type of persecution and discrimination continues to increase dramatically. It is critical that in the midst of ongoing discussions between our Government and that of the Soviet Union, we must not forget our responsibility to the "refuseniks." There are approximately 2.5 million Soviet Jewish citizens that are the targets of undeserved pressure by their Government, and 400,000 persons that are struggling to reach Israel. President Reagan must especially insist that those in the Soviet Union who openly express their Jewish identity are not isolated from any ongoing contact with outside Jewish cultural and religious institutions.

The continuance of negotiations between President Reagan and Soviet Leader Gorbachev is crucial. It has proven encouraging that in the past, there has been a correlation between levels of emigration from the Soviet Union and relations between the United States and the Soviet Union. In times of positive relations between our two Governments, emigration levels have been higher than in times of poor relations. It will take all of our hopes and prayers to ensure the continuance of these peacetime discussions.

There are strong signals being sent back and forth between the White House and the Kremlin that every issue is negotiable. That does offer a glimmer of hope, but what is really needed is substantive policy changes. Even after the Geneva summit, it is difficult to see any real change in the policy of Soviet emigration. Nor is there any promise or indication that there will be a more open policy in the future. Last year, only 1,140 Jews were allowed to be free to live in the country of their choosing.

I urge the President to press for the release of these prisoners of conscience. Those citizens who desire to emigrate to a Western democratic country should be granted that freedom. We, as representatives from our Nation's 50 States, must continue to advocate this freedom which every person in every country is entitled to. In my own State of Oklahoma, there are several groups, affiliated with national and international organizations, who speak out and actively challenge Soviet policy regarding emigration.

Furthermore, the release of these prisoners would enhance the goodwill between our two countries and would inevitably facilitate the lessening of tensions including the ongoing discussion of arms control. Mr. President, we do have a stake in this battle, and I urge my colleagues' continuing concern to bring justice to those so unfairly oppressed.●

SOCIAL SECURITY COLA

● Mr. D'AMATO. Mr. President, I rise today in support of vital legislation for the senior citizens of this country. My distinguished colleague, Mr. HEINZ, has introduced Senate Resolution 375, of which I am an original cosponsor, to insure that senior citizens continue to receive Social Security benefits which take into account the rate of inflation. I wholeheartedly support this legislation, and I am pleased that Mr. HEINZ has brought this matter to the attention of the Senate.

Currently, Social Security beneficiaries receive a cost-of-living adjustment when the consumer price index rises by at least 3 percent in a single year. However, without a 3-percent increase in the CPI, Social Security benefits receive no adjustment for an increase in the cost of living. No cost of living adjustment is made for recipients until the combined CPI for one or more years is greater than 3 percent.

This type of system could create a great deal of hardship for beneficiaries. A 2.9-percent increase in the cost of living has no immediate impact on a recipient's payment. A beneficiary would be forced to stretch last year's payments to meet this year's prices.

In addition, a postponed COLA would result in a long-term loss to the Federal Government. Beneficiaries who retire the year of the postponed COLA would eventually drain the Social Security trust funds of a greater amount than they would have had there not been a postponement of the cost-of-living adjustment. When these individuals receive their first year of payments, their COLA would include compensation for inflation that occurred before their retirement.

A 1985 report by the actuary's office at the Social Security Administration states that postponing the COLA would result in a long-term net loss because the extra COLA is permanently included in the benefits received. An August 1985 report from the office of the actuary of the Social Security Administration estimates that the cost of this COLA trigger could be 0.02 percent, approximateley $364 million per year at 1986 levels.

Furthermore, no cost-of-living increase would cancel scheduled increases in the taxable wage base. No COLA would mean less taxable income and less income for the Social Security trust funds.

Triggering the COLA was a device designed to cut administrative costs. With increased computerization, these savings are not very substantial. There does not appear to be a single legitimate reason for continuing the 3.9 percent COLA trigger.

Congress realized the futility of postponing the COLA in 1984 and voted to cancel the COLA trigger. I believe we should make that decision a permanent one. I encourage my colleague to give this proposal the same support it received 2 years ago.

Thank you, Mr. President.●

DOD's GROWING "BLACK" BUDGET

● Mr. SIMON. Mr. President a recent article by David Morrison in the National Journal shows the alarming increase in the Pentagon's top secret spending accounts, commonly referred to as the "black" budget. This budget, containing items so highly classified that none but a very few legislators can review them, has grown from $5.5 billion in 1981 to an estimated $22 billion in the 1987 request—an increase of over 300 percent.

This figure represents 7 percent of the Pentgon's budget authority request that is effectively removed from congressional scrutiny and oversight. This $22 billion equals roughly 60 percent of the $38 billion deficit reduction package the Congressional Budget Office [CBO] has identified will be necessary to reach the Gramm-Rudman-Hollings target of a $144 billion deficit in fiscal year 1987. Now some of this money probably goes to projects that deserve funding; some clearly does not. My point is that we simply don't know. We could well be wasting huge sums of money that should be directed at reducing the deficit. And we don't have a clue whether this money is well spent, or whether we need to undertake this or that project.

A pattern has emerged in the Reagan defense requests. Each year, since 1981, the administration has requested more and more "black" funding. Many of the projects rumored to be under lock and key ought to be at least discussed. Should we research this kind of weapon? Do we need that kind of requirement? What are the arms control and foreign policy implications?

We're not talking about discussing blueprints. We're talking about Congress' role in shaping defense policy. The Weinberger strategy seems to be one of classifying projects and budget figures in order to stave off debate over a growing number of highly questionable programs. We all recognize the need for strict security controls for certain defense programs, but this increasing classification is not warranted. In many cases, it is likely that the Soviet KGB knows more about these supersecret efforts than the American public. Who then are we keeping secrets from? This is not a stellar example of democracy in action.

The irony is that many items of interest to the Pentagon are now receiving more attention by virtue of their secrecy than they otherwise would have received. Questions about the Stealth advanced technology bomber are now widespread, for example, in large measure because DOD refuses to comment on budget projections and technical assessments. Some of this criticism may be unjustified; some may not. Until the Pentagon becomes more forthcoming on its "black" spending, this controversy will continue. Effective congressional oversight is crucial, and in many cases this involves the public's right to know as well.

Mr. President, I ask that Mr. Morrison's article be printed in the RECORD.

The article follows:

[From the National Journal, Mar. 1, 1986]

PENTAGON'S TOP SECRET "BLACK" BUDGET HAS SKYROCKETED DURING REAGAN YEARS

(By David C. Morrison)

The United States, most observers would agree, maintains one of the most open defense establishments in the world, even if only by comparison with its major foreign counterparts.

Just one manifestation—and guarantor—of this remarkable degree of military disclosure is the small army of Pentagon officials who parade each year before the 19 congressional subcommittees with direct oversight responsibility for defense matters to explain and justify, often in nitpicking detail, their weapons programs and operating plans.

The 40-odd volumes of printed testimony these hearings produce each budget season, even though carefully sanitized to remove what the services regard as sensitive data, divulge a wealth of information about current U.S. military affairs to anyone dogged enough to plow through thousands of pages of fine print. The Defense Department itself consumes uncounted reams of paper every year churning out reports on its budgets and activities.

Members of Congress, outside analysts and a small handful of Pentagon insiders complain, however, that this generally observed tradition of military openness is being undermined by an unsettling new budgetary trend.

Since the Reagan Administration arrived in Washington five years ago, a steadily growing proportion of the Pentagon's budget has been funneled into highly classified programs—the so-called black budget. Defense policy analysts may disagree on the exact size and rate of increase of the "black" defense budget, but few dispute that it has grown significantly over the past half-decade.

A review of Defense Department budget reports by National Journal confirms the surge in secret defense spending—to more that $22 billion in the fiscal 1987 budget request—a 300 per cent increase over the $5.5 billion in 1981.

The amount of classified funds earmarked for research and development (R&D) and procurement projects that the Pentagon declines to enumerate in specific budgetary line items has jumped from $891.9 million in fiscal 1981 to $8.6 billion in the fiscal 1987 request, a tenfold increase.

That $8.6 billion—a lot of money by most yardsticks, but only 3 per cent of the Defense Department's $311.6 billion request for fiscal 1987—nevertheless constitutes only one piece of the Pentagon's classified budget puzzle.

The 1987 defense budget also contains almost $14 billion worth of another kind of black money: programs for which the department enumerates the budget request in specific line items—generally worth billions of dollars each and bearing either code-word nicknames or vague, nondescriptive titles—and for which it does not publicly reveal the purpose.

The dollar value of five such large line items in the Air Force procurement budget has jumped from $3.8 billion in fiscal 1981 to $11.5 billion in the request for 1987; that's an increase of more than 200 per cent, or double the percentage increase in the Pentagon's total procurement budget over the same period.

Additional pockets of black dollars are reportedly tucked away in the operations and maintenance and military personel budgets, although the amounts of those funds are difficult to gauge.

The Defense Department, not surprisingly, maintains an official stance of strict silence on the growth in black budgeting and the reasons for its growth. "Nobody here ever discusses that aspect of the budget," said a Pentagon spokesman. "That's an area we cannot talk about."

Other players in the Washington budget game, however, are more vocal in commenting on the black hole that is rapidly widening in the Pentagon budget.

"You are talking about 20 per cent of the [defense R&D] budget being hidden and, of that 20 per cent, I would say most of it is on the basis of national security, but a lot of it doesn't belong there." Anthony R. Battista, the staff director of the House Armed Services Research and Development Subcommittee, warned members in a briefing last March. "That is the kind of stuff you got to pay close attention to this year, because the number and scope of the black programs is growing at a phenomenal rate."

Defense reporter Richard C. Barnard has written on several occasions about the Pentagon's black budget, first for *Defense Week* and more recently as editor of a new weekly, *Defense News.*

"The problem was first pointed out to me in 1982 by a deputy assistant secretary of Defense," Barnard said. "We were discussing other matters and he said, 'By the way, if you want to see a problem we have around here, you should take a look at the black programs.' His main objection was that at least a third of this stuff was black to make it easy [to manage] or to cover somebody's ass."

One concern of critics is that through black budgeting, the Pentagon and its contractors might be attempting to end-run normal procurement procedures. Others however, maintain that the defense acquisition process is so hopelessly screwed up that shielding programs from the multilayered oversight bureaucracy that typically manages or micromanages weapons production actually yields significant cost and performance benefits.

Precisely because classified weapons programs are scrutinized by fewer agencies and individuals, however, there is worry in some quarters that black budgeting might permit misguided programs to flourish while facilitating the king of procurement abuse that has generated so much juicy fodder for headline writers and Pentagon-bashers in recent years.

"In part," said Gordon Adams', director of the Defense Budget Project, a Washington-based research organization, "this whole problem of enormous growth of black programs has to do with a larger issue, which is the extent to which [the Defense Department] does not trust Congress and the public. There's a tremendous paranoia these days about what Congress will do with your program and what the public will think about it."

These concerns become especially acute as the roster of secret projects expands beyond spy satellites and other traditionally black intelligence-gathering activities to include such big-ticket strategic nuclear weapons as the radar-evading Advanced Technology Bomber (ATB), also called stealth, and even tactical cruise missiles.

"I would prefer to see more of it [black money] moved into the public domain," Les Aspin. D-Wis., chairman of the House Armed Services Committee, said in an interview. "They have programs in there that it's time they were moved out into the open."

HIDING THE FUNDS

Black budgeting is by no means a new phenomenon. Some Pentagon projects have always been financed secretly and run strictly behind closed, triple-locked doors. The U.S. photoreconnaissance satellite program; for one, while generally known to the

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outside world, was not officially acknowledged from 1962, when a special secrecy directive was signed by Defense Secretary Robert S. McNamara, until 1978, when President Carter alluded to the two decades-old program in a speech designed to bolster support for the verifiability of the pending second Strategic Arms Limitation Treaty.

The National Reconnaissance Office, which manages satellite and aircraft reconnaissance for a variety of user agencies, has yet to be acknowledged even though its existence has been known ever since its name was inadvertently mentioned in a 1973 congressional report. The office reportedly has an annual budget of $3 billion-$4 billion.

Almost as secretive is the National Security Agency. Charged with overseeing all U.S. signals intelligence gathering activities, the agency functions as a sort of global electronic vacuum cleaner, intercepting a wide range of communications, radar and weapons test telemetry signals. Estimates of its annual budget range from $5 billion-$10 billion.

Funds for the agency and for the reconnaissance office, as well as for the CIA, are reportedly tucked away somewhere in the Defense Department's black coffers. The budgetary pockets many analysts believe are likely repositories for these intelligence-related dollars are four big Air Force procurement line items labeled special programs, special update programs, selected activities and special update program—and another line item in that service's R&D budget called special activities. All told, those five items account for $9.6 billion in the fiscal 1987 Air Force budget request.

John E. Pike, a defense analyst for the Federation of American Scientists who spends much of his time studying obscure Defense Department documents, contends that the $4.1 billion selected activities line item holds operating funds for the intelligence agencies.

"The Air Force Cost and Planning Factors Manual gives you outlay rates for the various procurement categories, and they break it down by chocolate [classified] and vanilla [unclassified]," Pike said. "The outlay rate for 'classified Air Force other procurement' is like 85 percent in the first year. An outlay rate like that screams 'agency operating budget.'"

The average outlay rate—the pace at which new defense appropriations are spent—for the first year of an actual procurement program is 13 percent. Funds for personnel and operations are spent much more quickly, lending support to Pike's thesis that the Air Force's selected activities include a lot more than miscellaneous procurement.

Most experts interviewed believe that intelligence and reconnaissance programs were quite properly conducted under the cloak of secrecy, although some felt the extreme degree of secrecy—the National Reconnaissance Office classifying its letterhead, for instance—often bordered on the absurd. Those same sources, however, were generally less tolerant of the thick veil of secrecy that has been drawn over the budgetary details of the stealth fighter, bomber and cruise missile programs.

"The way we piss away money, how do the budget numbers mean anything?" asked Paul Hoven, a research associate at the Project on Military Procurement, a Washington public-interest group. "If we buy a $7,000 coffee pot, how can anyone tell anything just by looking at the budget?"

Combing defense budget documents looking for telltale traces of stealth money has become a popular sport in Washington and on Wall Steet. The heavy betting this year on where advance procurement money for the stealthy ATB might be cached rides on a line item in the Air Force's aircraft procurement category, entitled other production charges. The $3.7 billion request for that line item is a $1.5 billion increase over this year's allocation and a $2.9 billion jump over fiscal 1981 funds—a good sign that it is a catchall for black money.

Research funds for the ATB have long been rumored to reside in a classified Air Force R&D line item called advanced concepts. But the program element number—the six-character alphanumeric code appended to all R&D programs—indicates that advanced concepts involves some sort of black missile program. A more likely candidate for ATB funds is a line item called special improvement projects.

Both of those unhelpfully titled programs are found in the Air Force's strategic R&D budget listings, which contain eight black line items worth a total of $2.6 billion for fiscal 1987. Among them are two, called Bernie and Leo, the unknown purpose of which has been driving outside analysis mad with curiosity. Cute code names are nothing new; in the mid-1970s, Air Force stealth aircraft research was called Harvey, after the invisible rabbit in the play in that title.

The procurement line item for the secret Advanced Cruise Missile is clearly labeled, although the Air Force declines to say how much it plans to spend in fiscal 1987. Since there are only two black projects in that budget category—the other, called tactical drones, is generally thought to be the Pave Tiger, a small, unpiloted attack aircraft—it is easy to subtract out the black funds, $841.6 million, most of which can be assumed to be for the stealthy new cruise missile.

Also stashed away somewhere in the defense budget is research and production money for the secret F-19 stealth fighter and the Army-Air Force Joint Tactical Cruise Missile, designed to attack Soviet targets far behind the lines in a European war. (See NJ, 1/4/86, p. 22.)

Along with $548.8 million for black intelligence and communications projects, the Navy R&D budget contains another half-billion dollars for 15 research projects with such code names as Chalk Banyan, Link Hazel and Retract Maple, all thought to involve secret submarine silencing and detection efforts.

The Army procurement budget contains $251 million for such black electronics programs as Trojan, which 1984 congressional testimony identified as a signals intelligence collection effort. Another $100 million worth of M-1 tank cannon shells and 155-millimeter howitzer nerve gas shells have, for some reason, been blacked out.

Zeroing in on black funds concealed in the $86.4 billion operations and maintenance budget for 1987 is a more difficult undertaking. But a congressional reporting document, Justification of Estimates for Operations and Maintenance, reveals at least one black item; $158.7 million this year for something elliptically termed the Special Tactical Unit Detachment.

Those millions, apparently, finance operations at "Dreamland," a restricted site on the enormous expanse of Nellis Air Force Base near Las Vegas, Nev., where the Air Force tests secret aircraft. Lt. Gen. Robert M. Bond, vice commander of the Air Force Systems Command, died two years ago in a mysterious, highly publicized crash at Dreamland.

Finding the black in the proposed $10.2 billion military construction budget is much less arduous because the Pentagon sets out the $57.5 million for secret construction in identifiable line items. Among the black projects are $2.9 million for housing at "Base Thirty," a TR-1 spy plane base at a classified overseas location, and $5.5 million for a satellite control facility at "Base Forty-Three," a secret site in the United States.

It is difficult to discern how much black money is in the Pentagon's personnel budget, $76.8 billion in the fiscal 1987 request. "The number of people who work for the [National Security Agency] is classified, and the same thing goes for the CIA," said Jeffrey T. Richelson, a professor of government at the American University and author of "The U.S. Intelligence Community" (Ballinger, 1985). "So I would suppose that there probably are black activities included in the personnel budget."

There is a great deal, obviously, that outsiders can never hope to learn about the Pentagon's black budget by deciphering open documents. "If they don't want you to find it, it's hard to find; these people are not fools," cautioned Joseph F. Campbell, an aerospace analyst for Paine Webber Group Inc. in New York.

"They screw around with those numbers," said David J. Smith, a senior analyst with Sanford C. Bernstein & Co., a New York-based broker. "Now that people are chasing it [black financing], they're putting things in there to throw them off the track."

ACCOUNTABILITY

Sources, even those with inside knowledge, disagree on the extent to which black programs are subjected to adequate oversight.

"In my experience, some of the black programs have a much more attentive level of oversight than some of the regular programs," said William J. Perry, a former Defense undersecretary for research and engineering.

"There are three reasons to have black programs," asserted Thomas S. Amlie, who works with gadfly A. Ernest Fitzgerald in the office of the Air Force assistant secretary for financial management. "One, it deserves to be black. There may be five of those, and Stealth isn't one of them. Two, you're doing something so dumb you don't want anyone to know about it. Or, three, you want to rip open the money bag at both ends and get out a big scoop shovel, because there's no accountability whatsoever."

On several recent occasions, officials have publicly aired the possibility that some black programs are established precisely to elude oversight. Such a note of caution found its way into the report issued last November by the Commission to Review Department of Defense Security Policies and Practices, chartered in the wake of the Walker family Navy spy scandal.

"The possibility exists that such programs could be established for other than security reasons," suggested the Stillwell Commission, so named after its chairman, retired Army Gen. Richard G. Stillwell; "in other words, to avoid competitive procurement processes, normal inspections and oversight or to expedite procurement actions."

Battista of the House Armed Services Committee staff lent flesh to the commission's suggestion in his briefing last spring, describing "a jamming system one year that was funded in the black world, not because of national security [because] it was developed as a white world program. It turns out they funded the losing contractor in a competition [and made the program black] so Congress wouldn't be aware of that."

A March 1983 General Accounting Office (GAO) report also uncovered cases of inappropriate program classification. The report was a review of Pentagon oversight of "carve-out" contracts written for classified programs that are supposedly of such great sensitivity that the Defense Investigative Service is relieved of its usual security inspection responsibility, which devolves instead to the Pentagon office managing the program.

The information restrictions of such programs are sweeping. According to a 1984 Pentagon memorandum, "mere knowledge of the existence of a [carve-out] contract or of its affiliation with the [black] Special Access Program is classified information." L. Brit Snider, director for information security in the office of the deputy Defense undersecretary for policy, said most black programs involve carve-out contracts.

The GAO told of a service carving out a contract only to "prelude someone from identifying the military service involved and the amount of money being spent." Several contractors and Pentagon officials, the GAO said, "told us that they thought that carve-out contracts were being used to expedite procurement and facilitate sole-source [noncompetitive contract] awards."

Hoven of the Project on Military Procurement, which acts as a conduit to the news media for Pentagon whistle blowers, maintained that "black almost tends to be synonymous with a major boner. There must be some programs that are really crest-of-the-wave kind of technology that you don't want the Russians to read about in The Washington Post. But from the [Pentagon] underground, we keep getting word that more and more problems get shifted into the black programs."

In response to concerns expressed by members of the House Appropriations Subcommittee on Defense last spring. Defense Secretary Caspar W. Weinberger assured the panel that the Air Force "has always maintained both stringent management controls and independent audits of these [black] programs."

Amlie, however, after reciting a litany of contracting abuses prevalent in "white" programs, stated that "the black programs are worse, much worse, because nobody's looking over their shoulder. The few that I know something about are abominably run."

John D. Dingell, D-Mich., chairman of the House Energy and Commerce Committee and its Oversight and Investigations Subcommittee, who is conducting a long-running investigation into defense contractor ethics, also has grave concerns about accountability for black projects.

On Jan. 16, Dingell wrote to Weinberger that "the subcommittee is aware of an increasing number of abuses by the contractors involved in these 'black' programs. We have documented evidence that abuses are occurring. Secrecy is being used by the contractors as a device to cloak mischarging, overcharging and, in some cases, engaging in outright illegal activities."

The most glaring example Dingell cited was the Brousseau case, Ronald E. Brousseau Sr., a purchasing agent for Northrop Corp.'s stealth bomber program, pled guilty to fraud and bribery in 1984 after being snared in an FBI sting operation while hustling subcontractors for kickbacks. Transcripts of conversations taped by a wired informant and quoted in the U.S. Attorney's sentencing memorandum suggest that Brousseau, at least, was not impressed by the oversight of black programs.

"We don't have any heads, we don't have any supervisory people," Brousseau bragged during a May 1984 meeting "Nobody questions dollars or anything like that as long as I can show competition, whether it's true competition or courtesy [fraudulent] competition or bullshit competition."

A Northrop spokesman, queried about Brousseau, said, "We turned him in; that was our controls that got him." But the U.S. Attorney's memorandum states that Brousseau was fingered by an executive from RH Manufacturing, one of the southern California subcontractors to whom he had offered kickbacks.

Dingell said in an interview that he has been getting "generally good cooperation from Northrop folks" in his subcommittee investigation. His biggest problem, he said, lay in judging the adequacy of the disclosure filings that Northrop and other contractors working on black projects made to the Securities and Exchange Commission. In his letter to Weinberger, therefore, Dingell requested a list of all black Air Force programs worth more than $10 million and information on the auditing procedures for such contracts.

Dingell's request triggered a heated Jan. 29 letter to Weinberger from Senate Armed Services Committee chairman Barry Goldwater, R-Ariz. "The increasing number of claims that the so-called 'black' programs are growing out of control and are subjected to too little oversight is a matter that I take strong exception to," Goldwater wrote. His committee, he asserted, "has subjected these programs to far more scrutiny and review than 'white' programs with comparable budgets."

Citing the success of black program procedures in "keeping information of unprecedented military value from the pages of our newspapers and the halls of the various rumor mills in town," Goldwater told Weinberger, "I think you ought to resist any, stretching of jurisdictional boundaries that expands access to these critically sensitive national security programs."

Peter D.H. Stockton, an investigator for Dingell's subcommittee, took exception to the Senator's argument. "Goldwater mischaracterizes the hell out of what Dingell is after," said Stockton. "No one's raised any question about our jurisdiction to look into how defense contractors do their business. When he says we're asking for broad access to these programs, you can see from our letter that it's really quite limited."

Concerning security, Stockton pointed to a recent lapse committed by Goldwater, who last June, after viewing the stealth prototype, disclosed to reporters that the ATB has a flying-wing configuration similar to Northrop's experimental YB-49 aircraft of the late 1940s. Further, a Senate Armed Services Committee press release last April let slip the fiscal 1986 Pershing II missile production run, which, for reasons best known to the Army, remains a classified number.

"We've been dealing very responsibly with the most sensitive information in the government—vulnerabilities in nuclear weapons production plants—and no information on that has leaked out of here," Stockton asserted. "So it's bullshit that we can't handle that stuff."

Gerry Smith, a Goldwater defense aide, declined to address recent committee security lapses but reasserted the Senator's position. "There's already too many people with their fingers in the pie," Smith said, "and it just doesn't do any good to increase that."

As to the adequacy of congressional oversight of black procurement, Arnold L. Punaro, staff director for Senate Armed Services Committee Democrats, agreed with Goldwater that black programs receive as much oversight as their unclassified counterparts. "Some people's definition of doing proper oversight is that if they don't agree with what was done, then there is no oversight," he complained.

Black programs largely fall outside of the many reporting requirements that Congress has imposed on the Pentagon. Every quarter, for example, Congress receives Selected Acquisition Reports detailing the cost growth of about 100 major weapon programs. The Defense Department, however, informed the House Appropriations Subcommittee on Defense two years ago that "the Secretary of Defense has determined that certain programs, because of their highly sensitive classification, are exempt from [the reporting] procedures."

In the House Armed Services Committee, according to chairman Aspin, black procurement is scrutinized by the Procurement and Military Nuclear Systems Subcommittee and black R&D by the Research and Development Subcommittee. Later in the authorization process, a panel that includes members of those subcommittees and members of the Permanent Select Committee on Intelligence looks at all of the black programs. The Pentagon, Aspin said, "is pretty forthcoming. There's always a concern about whether you're getting the full story, but that's true about any program."

One Member who has found the Pentagon less than forthcoming is Rep. Mike Synar, D-Okla. He was instrumental in attaching to the fiscal 1986 defense authorization bill an amendment requiring a Defense Department report detailing costs for the Advanced Technology Bomber.

Synar was displeased with the Air Force report that arrived on Feb. 1. "Although the report is top secret and I can't discuss its contents," he said in a press release. "I can tell you that the essence of the report is only three sentences long. This is an obvious affront to Congress." The ATB cost estimate, a Synar aide said, was expressed in unadjusted fiscal 1981 dollars and was not supported by requested reliability assessment.

Synar has asked the GAO to conduct an independent audit of the bomber's costs. "I think this is typical of the attitude of the Pentagon," he charged in an interview, "and has triggered some new [congressional] interest in looking deeper into these black programs."

The Synar case and the Dingell-Goldwater tussle highlight the jurisdictional problems that can arise when Members who lack formal defense oversight responsibility seek wider access to information about projects on the Pentagon's lengthening list of black projects.

"There isn't any general rule, and that's awkward," said Russell Murray, special counselor to the House Armed Services Committee. "All Members have to vote on appropriations, and so they have a right to know what they're voting about. But at the same time, you have very properly classified development programs that you don't want bruited about by 535 Members."

Punaro of the Senate Armed Services Committee said that any Senators who want

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information on black programs can get it, the only issue being whether or not they have the time and interest to pursue the matter. "The same situation exists on bills that come out of other committees," he said.

Aspin said it is more difficult for House Members to get fuller disclosure on black programs. "If a Member wants to know about it because he votes on it, he should be allowed to do so," Aspin said. "We're in a tug-of-war with the Pentagon over Mike Synar on that right now."

TWO-EDGED SWORD

Whatever the merits of black programming in promoting procurement efficiency or outfoxing the Soviets, the Pentagon may find, as programs hidden in its black box continue to burgeon in size and number, that secrecy, like the truth, can be a two-edged sword.

Hiding budget projections does stifle unwanted debate. But, as is happening now with the ATB program, the very fact that the numbers are hidden becomes, in itself, an unwanted controversy. In the process, the rumored costs conceivably become vastly more inflated than the actual costs. The Pentagon, its lips firmly zipped, is powerless to decisively dispel rising speculation about a stealthy flying pork barrel.

Withholding even the most general technical information can also defuse some of the contentious wrangling about military requirements that has beset such weapons as the MX missile and the B1-B bomber while allowing officials to make almost mystical claims for performance.

In his fiscal 1987 report to Congress, for instance, Weinberger dangled the tantalizing prospect of stealth aircraft enabling the United States "to reach into the Soviet Union and destroy selectively highly valued targets." While the specifics of stealth technology are "appropriately classified," he continued, "publicly available evidence should suggest that these possibilities are not fanciful."

But persistent rumors percolating in both the liberal and conservative wings of the defense analysis community hold that the ATB might well prove an under-powered and overfinanced turkey. The Pentagon is now confronted by what promises to become a heated bomber debate with little meaningful that it can say publicly in its own defense.

In a gloomy assessment last September of the Air Force's budgetary and hardware prospects for the rest of the century, Armed Forces Journal International editor Benjamin F. Schemmer took that service to task for its "self-defeating secrecy."

Noting that one out of every five procurement dollars in the Air Force budget, and two out of every five of its R&D dollars, were slated for black programs, Schemmer worried that "so much secrecy doesn't bode well for future Air Force budgets . . . It's hard to win public support—and thus congressional votes—for programs [the Air Force] can't even name, much less brag about."●

KURT WALDHEIM TO NAZI WAR CRIMES

● Mr. D'AMATO. Mr. President, I am proud to be an original cosponsor of Senate Resolution 373. I commend Senator **Wilson** for introducing this resolution urging the Department of Justice to review documents brought forward by the World Jewish Congress concerning former U.N. Secretary General Kurt Waldheim. These documents indicate that Mr. Waldheim served with the Nazi Secret Service, the Abwehr, and that he was actively involved in Nazi war crimes.

The documents released by the World Jewish Congress indicate that Kurt Waldheim was part of the command staff of a German Army unit that massacred 5,000 Yugoslavs in July 1942. Mr. Waldheim has insisted that he was only a translator in the Balkans in the army of General Alexander Loehr.

Mr. President, I ask that the letters I sent on March 24 to U.S. Attorney General Edwin Meese III and U.N. Secretary General Javier Perez de Cuellar be printed in their entirety at the conclusion of my remarks. In these letters, I urge the Department of Justice to ask for all charge files compiled by the U.N. War Crimes Commission, including those on Mr. Waldheim, and that the United Nations comply with this request.

I also ask that a letter I sent to the Department of State's Bureau of European and Canadian Affairs on April 2 be printed in its entirety at the conclusion of my remarks. In this letter, I ask that the Department contact Yugoslavian officials to request that they make available to the United States copies of documents concerning Waldheim's involvement in Nazi war crimes.

On April 2, the Israeli Government asked the World Jewish Congress for its documents on Kurt Waldheim so it could begin its own investigation. Israeli Prime Minister Shimon Peres is quite right when he says that Mr. Waldheim must answer the questions raised by these documents.

I urge my colleagues to give Senate Resolution 373 their wholehearted support to express the united will of the Congress that our Government vigorously work to identify, investigate, and enforce our laws concerning Nazi war criminals.

The letters referred to follow:

U.S. Senate,
Washington, DC, March 24, 1986.

Hon. Edwin Messe III,
Attorney General of the United States, Department of Justice, Constitution Ave. & 10th St. N.W., Washington, DC.

Dear Mr. Attorney General: It is common knowledge that there are as many as 40,000 "charge files" now being held in the United Nations archives. These files were compiled by the United Nations War Crimes Commission in the period following World War II. Although their contents have remained secret, there is considerable speculation that the evidence obtained in them will be of great help to the Office of Special Investigations, to the Immigration and Naturalization Service, and to law enforcement agencies worldwide in pursuing the perpetrators of the Holocaust.

In the past, the Justice Department has requested access to these files from the United Nations Secretariat. Although access was apparently promised in 1980 to then Attorney General Benjamin Civiletti, there has been no follow through on this. With the exception of 3 files that have been turned ove for law enforcement purposes (those of Adolf Eichmann, Klaus Barbie, and Josef Mengele), the rest of the files have been kept secret.

I ask now that you formally renew the Justice Department's request for access to these files. Such a request now is especially timely in light of the recent revelation that former U.N. Secretary General Kurt Waldheim himself has been identified as being a subject of charge file 79/724.

I am not seeking public disclosure of these files, but we do need them to be made available for legitimate law enforcement purposes. I have also written U.N. Secretary General Javier Perez de Cuellar asking that he grant this request when it is made by our office.

Sincerely,

Alfonse D'Amato,
United States Senator.

U.S. Senate,
Washington, DC, March 24, 1986.

Hon. Javier Perez de Cuellar,
Secretary General of the United Nations, 799 United Nations Plaza, New York, NY.

Dear Mr. Secretary General: As you know, up to 40,000 "charge files" compiled by the United Nations War Crimes Commission in the period following World War II have been kept closed to law enforcement agencies worldwide for these past 40 years. To the best of my knowledge, only three have been released: those of Adolf Eichmann, Klaus Barbie, and Josef Mengele. This secrecy has frustrated the work of such U.S. law enforcement agencies as the Office of Special Investigations and the Immigration and Naturalization Service, as well as similar organizations in other nations.

I call on you to reverse this policy, especially in light of the relevation that former U.N. Secretary General Kurt Waldheim is a subject of charge file 79/724. I have requested U.S. Attorney General Edwin Meese to make a formal request of you on behalf of the United States Justice Department that these files be opened for legitimate law enforcement purposes. It is my hope that you will be able to grant this request when made.

This is not a witch hunt. We seek the opening of the entire charge file archive for legitimate law enforcement purposes.

Sincerely,

Alfonse D'Amato,
United States Senator.

U.S. Senate,
Washington, DC, April 2, 1986.

Hon. Rozanne Ridgeway,
Assistant Secretary, Bureau of European and Canadian Affairs, Department of State, Washington, DC.

Dear Secretary Ridgeway: Last month, documents were made public which indicate that former United Nations Secretary General Kurt Waldheim served with the Nazi Secret Service, the Abwehr, and his involvement in war crimes. I ask that you contact Yugoslavian officials and request that they make available to the United States copies of documents concerning Waldheim's involvement in Nazi war crimes.

Various press reports indicate the existence of these documents, and that they are in Yugoslavian possession. In fact, the Yugoslavian government made these documents available for scrutiny by selected members of the press, but did not allow the documents to be copied. In view of the urgent public interest in this case, I strongly believe that these documents should be obtained and made available to responsible authorities in the United States.

As you are aware, participation in Nazi war crimes is grounds for exclusion of an individual from entry into the United States under law. Accordingly, you should be taking steps to gather evidence on this issue to make an informed determination concerning Waldheim's suitability to enter the United States. Because of the pendency of the Austrian Presidential election and Waldheim's candidacy for that office, it is all the more urgent that all available evidence be gathered and assessed in a timely manner.

I look forward to hearing from you soon concerning this urgent and very important matter.

Sincerely,

Alfonse D'Amato,
U.S. Senator.●

NAUM AND INNA MEIMAN: A TREATY WHICH CAN BE PREVENTED

● Mr. SIMON. Mr. President, I want to call to the attention of my colleagues the dire case of two Soviet Jews, Naum and Inna Meiman.

I spoke to Naum a few weeks ago and he was extremely concerned that their phone had been disconnected. Inna is suffering from cancer and is in constant pain and danger. Without a telephone, the Meimans are even more isolated in case of an emergency.

The Meimans applied to leave the Soviet Union over 10 years ago and have been refused permission to go to Israel many times. The Soviets maintain that Naum is a security risk because he did "secret" research work 25 years ago. Naum correctly asserts that any "classified" work that he may have performed is outrageously out of date.

All the Meimans wish to do is to spend their last remaining days in the land of their fathers and mothers—Israel.

I urge the Soviet Government to restore phone service and to permit the Meimans to emigrate.●

REAUTHORIZATION OF WORKSHOP ELIGIBILITY FOR GOVERNMENT CONTRACTS

● Mr. D'AMATO. Mr. President, I rise today in support of legislation which promotes sheltered workshops for the blind and handicapped. I commend my colleague, Mr. **Weicker**, for introducing this worthy legislation.

S. 2147 reestablishes the eligibility of sheltered workshops for the blind and handicapped to compete for Small Business contracts with the Federal Government. Sheltered workshops are nonprofit organizations licensed by the Department of Labor which hire at least 75 percent of their work force from the handicapped and blind. Work centers for the handicapped citizens of this country cannot compete with large companies. Work centers, if looked at realistically, are nothing more than small businesses.

Currently, sheltered workshops are allowed, under provisions of the Javits-Wagner-O'Day Act, to request that certain services or commodities be set aside permanently and placed on a "procurement" list. If the list is approved, the Government must purchase these goods exclusively from sheltered workshops.

These workshops, however, are currently excluded from bidding on Federal Government projects that are not set aside because they are nonprofit organizations. S. 2147 would restore the eligibility which existed from 1981–83, during which time workshops successfully bid on $6.7 million of contracts out of a total of $38 billion awarded under the Small Business Act.

The Javits-Wagner-O'Day Act provides approximately $250 million a year in business to workshops. Workshops, however, complain that the application process is too long and too complicated, and that they need a speedier, more efficient process in order to compete in the "spot" market for Government contracts. A recent example of how the process is not working occurred when a sheltered workshop was disqualified from a contract with Hill Air Force Base in the State of Utah, even though its bid of $26,650 was almost $5,000 lower than the next lowest bidder. As a result of the loss of contracts like this, disabled workers who were making quality goods at competitive prices are gradually being laid off.

I am pleased, that Mr. **Weicker** has recognized the importance of this problem. Allowing these nonprofit employers of the blind and handicapped to operate as normal small businesses is the only feasible way to promote sheltered workshops.●

PROPOSED ARMS SALES

● Mr. LUGAR. Mr. President, section 36(b) of the Arms Export Control Act requires that Congress receive prior notification of proposed arms sales under that act in excess of $50 million or, in the case of major defense equipment as defined in the act, those in excess of $14 million. Upon such notification, the Congress has 30 calendar days during which the sale may be reviewed. The provision stipulates that, in the Senate, the notification of proposed sales shall be sent to the chairman of the Foreign Relations Committee.

In keeping with the committee's intention to see that such information is available to the full Senate, I ask to have printed in the Record at this point the notifications which have been received. The classified annexes referred to in several of the covering letters are available to Senators in the office of the Foreign Relations Committee, room SD-423.

The material follows:

Defense Security Assistance Agency,
Washington, DC, April 8, 1986.

[In reply refer to: I-00895/86ct]

Hon. Richard C. Lugar,
Chairman, Committee on Foreign Relations, U.S. Senate, Washington, DC.

Dear Mr. Chairman: Pursuant to the reporting requirements of Section 36(b)(1) of the Arms Export Control Act, we are forwarding herewith Transmittal No. 86-27 and under separate cover the classified annex thereto. This Transmittal concerns the Department of the Air Force's proposed letter(s) of Offer to the People's Republic of China for defense articles and services estimated to cost $550 million. Shortly after this letter is delivered to your office, we plan to notify the news media of the unclassified portion of this Transmittal.

Sincerely,

Glenn A. Rudd,
Acting Director.

[Transmittal No. 86-27]

Notice of Proposed Issuance of Letter of Offer Pursuant to Section 36(b)(1) of the Arms Export Control Act

(i) Prospective Purchaser: People's Republic of China.

(ii) Total Estimated Value:

	Million
Major Defense Equipment*	$412
Other	138
Total	550

*As defined in section 47(6) of the Arms Export Control Act.

(iii) Description of Articles for Services Offered: Fifty-five integrated avionics system kits, support equipment, training and system installation.

(iv) Military Department: Air Force (SAA).

(v) Sales Commission, Fee, etc., Paid, Offered, or Agreed to be Paid: None.

(vi) Sensitivity of Technology Contained in the Defense Articles or Defense Services Proposed to be Sold: See Annex under separate cover.

(vii) Section 28 Report: Case not included in Section 28 report.

(viii) Date Report Delivered to Congress: April 8, 1986.

Policy Justification

PEOPLE'S REPUBLIC OF CHINA—INTEGRATED AVIONICS SYSTEM KITS

The Government of the People's Republic of China (PRC) has requested the purchase of 55 integrated avionics system kits, support equipment, training and system installation. The estimated cost is $550 million.

This sale will contribute to the foreign policy and national security of the United States by helping to improve the security of a friendly country which has been an important force for political stability and economic progress in Asia and the world.

These integrated avionics system kits will be used by the PRC to modernize fifty F-8

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interceptor aircraft. This sale will provide the PRC with certain defensive capabilities. The PRC will have no difficulty absorbing these avionics system kits into its armed forces.

The sale of this equipment and support will not affect the basic military balance in the region.

The prime contractor for procurement of these kits will be a U.S. aerospace manufacturer to be selected by a USAF source selection board.

This sale will require the assignment of 25 U.S. contractor personnel in the PRC for a minimum of nine months; eleven of these 25 contractor personnel will remain in the PRC for three years. Up to five USAF personnel will be in the PRC from one to six years on temporary or continuing assignments.

There will be no adverse impact on U.S. defense readiness as a result of this sale. All equipment will be from new procurement.

Defense Security Assistance Agency,
Washington, DC, April 8, 1986.

[In reply refer to: I-00586/86ct]

Hon. Richard C. Lugar,
Chairman, Committee on Foreign Relations, U.S. Senate, Washington, DC.

Dear Mr. Chairman: Pursuant to the reporting requirements of Section 36(b)(1) of the Arms Export Control Act, we are forwarding herewith Transmittal No. 86-28 and under separate cover the classificed annex thereto. This Transmittal concerns the Department of the Army's proposed Letter(s) of Offer to Pakistan for defense articles and services estimated to cost $20 million. Soon after this letter is delivered to your office, we plan to notify the news media of the unclassified portion of this Transmittal.

Sincerely,

Glenn A. Rudd,
Acting Director.

[Transmittal No. 86-28]

Notice of Proposed Issuance of Letter of Offer Pursuant to Section 36(b)(1) of the Arms Export Control Act

(i) Prospective Purchaser: Pakistan.

(ii) Total Estimated Value:

	Million
Major Defense Equipment*	$20
Other	0
Total	20

*As defined in Section 47(6) of the Arms Export Control Act.

(iii) Description of Articles or Services Offered: Two thousand thirty I-TOW missiles, including 30 to be expended during Fly-to-Buy program.

(iv) Military Department: Army (VFU).

(v) Sales Commission, Fee, etc., Paid, Offered, or Agreed to be Paid: None.

(vi) Sensitivity of Technology Contained in the Defense Articles or Defense Services Proposed to be Sold: See Annex under separate cover.

(vii) Section 28 Report: Case not included in Section 28 report.

(viii) Date Report Delivered to Congress: April 8, 1986.

Policy Justification

PAKISTAN—I-TOW MISSILES

The Government of Pakistan has requested the purchase of 2,030 I-TOW missiles, including 30 to be expended during Fly-to-Buy program. The estimated cost is $20 million.

This sale will contribute to the foreign policy and national security of the United States by helping to improve the security of a friendly country which has been and continues to be an important force for political stability and economic progress in Southwest Asia.

The Government of Pakistan will use these I-TOW missiles to upgrade its overall force mobilization plan and to enhance its basic defense capability. Since this is a follow-on sale Pakistan will have no difficulty absorbing these I-TOW missiles into its armed forces.

The sale of this equipment and support will not affect the basic military balance in the region.

The prime contractor will be the Hughes Aircraft Company of Tucson, Arizona.

Implementation of this sale will not require the assignment of any additional U.S. Government personnel or contractor representatives to Pakistan.

There will be no adverse impact on U.S. defense readiness as a result of this sale.

Defense Security Assistance Agency,
Washington, DC, April 8, 1986.

[In reply refer to: I-01201/86ct]

Hon. Richard C. Lugar,
Chairman, Committee on Foreign Relations, U.S. Senate, Washington, DC.

Dear Mr. Chairman: Pursuant to the reporting requirements of Section 36(b)(1) of the Arms Export Control Act, we are forwarding herewith Transmittal No. 86-29 and under separate cover the classified annexes thereto. This Transmittal concerns the Departments of the Army, Navy, and Air Force proposed Letters of Offer to Saudi Arabia for defense articles and services estimated to cost $354 million. Shortly after this letter is delivered to your office, we plan to notify the news media of the unclassified portions of this Transmittal.

Sincerely,

Glenn A. Rudd,
Acting Director.

[Transmittal No. 86-29A]

Notice of Proposed Issuance of Letter of Offer Pursuant to Section 36(b)(1) of the Arms Export Control Act

(i) Prospective Purchaser: Saudi Arabia.

(ii) Total Estimated Value:

	million
Major Defense Equipment*	$77
Other	21
Total	98

*As defined in Section 47(6) of the Arms Export Control Act.

(iii) Description of Articles or Services Offered: Nine hundred ninety-five AIM-9L SIDEWINDER missiles and associated spare parts, 30 SIDEWINDER training missiles, training, technical assistance and support equipment.

(iv) Military Department: Navy (AAX).

(v) Sales Commission, Fee, etc., Paid, Offered, or Agreed to be Paid: None.

(vi) Sensitivity of Technology Contained in the Defense Articles or Defense Services Proposed to be Sold: See Annex under separate cover.

(vii) Section 28 Report: Case not included in Section 28 report.

(viii) Date Report Delivered to Congress: April 8, 1986.

Policy Justification

SAUDI ARABIA—AIM-9L SIDEWINDER MISSILES

The Government of Saudi Arabia has requested the purchase of 995 AIM-9L SIDEWINDER missiles and associated spare parts, 30 SIDEWINDER training missiles, training, technical assistance and support equipment. The estimated cost is $98 million.

This sale is consistent with the stated U.S. policy of assisting friendly nations to provide for their own defense by allowing the transfer of reasonable amounts of defense articles and services. It will demonstrate the continuing willingness of the United States to support Saudi Arabian efforts to improve the security of the country through modernization of its forces. In a regional context, continuing support of defensive capabilities of Saudi Arabia will also contribute to overall Middle East security and will serve to deter further expansion of the Iran-Iraq war in the Arabian Gulf.

The sale of these additional missiles will add to the stability of the region by contributing to the ability of the Royal Saudi Air Force to sustain defense against hostile, advanced aircraft which could attack Saudi Arabia and to protect vital targets such as oil fields and Saudi shipping lanes with minimum warning.

The sale of this equipment and support will not affect the basic military balance in the region.

The Royal Saudi Air Force will be able to absorb this missile into its inventory both from the operational and maintenance perspectives, as it has already demonstrated capabilities to operate and maintain AIM-9 series missiles.

The prime contractors for this sale will be the Raytheon Corporation of Lowell, Massachusetts and Ford Aerospace Corporation of Newport Beach, California.

Implementation of this sale will not require the assignment of any additional U.S. Government personnel or contractor representatives to Saudi Arabia.

There will be no adverse impact on U.S. defense readiness as a result of this sale.

[Transmittal No. 86-29B]

Notice of Proposed Issuance of Letter of Offer Pursuant to Section 36(b)(1) of the Arms Export Control Act

(i) Prospective Purchaser: Saudi Arabia.

(ii) Total Estimated Value:

	Millions
Major Defense Equipment*	$48
Other	12
Total	60

*As defined in Section 47(6) of the Arms Export Control Act.

(iii) Description of Articles or Services Offered: Six hundred seventy-one AIM-9P4 SIDEWINDER air-to-air missiles, spares, and support equipment.

(iv) Military Department: Air Force (AJF).

(v) Sales Commission, Fee, etc., Paid, Offered, or Agreed to be Paid: None.

(vi) Sensitivity of Technology Contained in the Defense Articles or Defense Services Proposed to be Sold: See Annex under separate cover.

(vii) Section 28 Report: Case not included in Section 28 report.

(viii) Date Report Delivered to Congress: April 8, 1986.

Policy Justification

SAUDI ARABIA—AIM-9P4 SIDEWINDER MISSILES

The Government of Saudi Arabia has requested the purchase of 671 AIM-9P4 SIDEWINDER aid-to-air missiles, spares and support equipment. The estimated cost is $60 million.

This sale is consistent with the stated U.S. policy of assisting friendly nations to provide for their own defense by allowing the transfer of reasonable amounts of defense articles and services. It will demonstrate the continuing willingness of the United States to support Saudi Arabian efforts to improve the security of the country through modernization of its forces. In a regional context, continuing support of defensive capabilities of Saudi Arabia will also contribute to overall Middle East security and will serve to deter further expansion of the Iran-Iraq war in the Arabian Gulf.

The sale of these additional missiles will add to the stability of the region by contributing to the ability of the Royal Saudi Air Force to sustain defense against hostile, advanced aircraft which could attack Saudi Arabia and to protect vital targets such as oil fields and Saudi shipping lanes with minimum warning.

The sale of this equipment and support will not affect the basic military balance in the region.

The Royal Saudi Air Force will be able to absorb this missile into its inventory both from the operational and maintenance perspectives, as it has already demonstrated capabilities to operate and maintain AIM-9 series missiles.

The prime contractor will be Ford Aerospace and Communications Corporation of Newport Beach, California.

Implementation of this sale will not require the assignment of any additional U.S. Government personnel or contractor representatives to Saudi Arabia.

There will be no adverse impact on U.S. defense readiness as a result of this sale.

[Transmittal No. 86-29C]

Notice of Proposed Issuance of Letter of Offer Pursuant to Section 36(b)(1) of the Arms Export Control Act

(i) Prospective Purchaser: Saudi Arabia.

(ii) Total Estimated Value:

	Million
Major Defense Equipment *	$29
Other	60
Total	89

*As defined in Section 47(6) of the Arms Export Control Act.

(iii) Description of Articles or Services Offered: Two hundred basic STINGER air defense guided missile systems including 200 missiles, an additional 600 missiles, support and training equipment, spare parts, technical support and training.

(iv) Military Department: Army (VIG).

(v) Sales Commission, Fee, etc., Paid, Offered, or Agreed to be Paid: None

(vi) Sensitivity of Technology Contained in the Defense Articles or Defense Services Proposed to be Sold: See Annex under separate cover.

(vii) Section 28 Report: Case not included in Section 29 report.

(viii) Date Report Delivered to Congress: April 8, 1986.

Policy Justification

SAUDI ARABIA—STINGER MISSILES

The Government of Saudi Arabia has requested the purchase of 200 basic STINGER air defense guided missile systems including 200 missiles, an additional 600 missiles, support and training equipment, spare parts, technical support and training. The estimated cost is $89 million.

This sale is consistent with the stated U.S. policy of assisting friendly nations to provide for their own defense by allowing the transfer of reasonable amounts of defense articles and services. It will demonstrate the continuing willingness of the United States to support Saudi Arabian efforts to improve the security of the country through modernization of its forces. In a regional context, continuing support of defensive capabilities of Saudi Arabia will also contribute to overall Middle East security and will serve to deter further expansion of the Iran-Iraq war in the Arabian Gulf.

The sale of these additional STINGER systems and missile rounds will add to the stability of the region by contributing to the low level point air defense capability to protect vital military installations and oil fields, and oil related facilities.

The sale of this equipment and support will not affect the basic military balance in the region.

The Saudi Arabian Land Forces will be able to absorb these additional missiles, from both an operational and maintenance standpoint, based on demonstrated capabilities developed from a previous sale.

The prime contractor will be the General Dynamics Corporation of Pomona, California.

Implementation of this sale may require the assignment of additional U.S. Government personnel and contractor representatives; however, the number of persons and the length of time they will be needed in Saudi Arabia has not yet been determined.

There will be no adverse impact on U.S. defense readiness as a result of this sale.

[Transmittal No. 86-29D]

Notice of Proposed Issuance of Letter of Offer Pursuant to Section 36(b)(1) of the Arms Export Control Act

(i) Prospective Purchaser: Saudi Arabia.

(ii) Total Estimated Value:

	Millions
Major Defense Equipment*	$84
Other	23
Total	107

*As defined in Section 47(6) of the Arms Export Control Act.

(iii) Description of Articles or Services Offered: One hundred air launched HARPOON missiles with containers, spare parts, technical assistance and support equipment.

(iv) Military Department: Navy (AAY).

(v) Sales Commission, Fee, etc., Paid, Offered, or Agreed to be Paid: None.

(vi) Sensitivity of Technology Contained in the Defense Articles or Defense Services Proposed to be Sold: See Annex under separate cover.

(vii) Section 28 Report: Case not included in Section 28 report.

(viii) Date Report Delivered to Congress: April 8, 1986.

Policy Justification

SAUDI ARABIA—HARPOON MISSILES

The Government of Saudi Arabia has requested the purchase of 100 air launched HARPOON missiles with containers, spare parts, technical assistance and support equipment. The estimated cost is $107 million.

This sale is consistent with the stated U.S. policy of assisting friendly nations to provide for their own defense by allowing the transfer of reasonable amounts of defense articles and services. It will demonstrate the continuing willingness of the United States to support Saudi Arabian efforts to improve the security of the country through modernization of its forces. In a regional context, continuing support of defensive capabilities of Saudi Arabia will also contribute to overall Middle East security and will serve to deter further expansion of the Iran-Iraq war in the Arabian Gulf.

These missiles will be used on Saudi Arabian F-15 aircraft to expand the degree of protection currently afforded Saudi coastal facilities and shipping lanes by the Royal Saudi Naval Forces' shipborne surface-to-surface HARPOONS. In addition, reaction time to hostile surface vessels will be significantly reduced.

The sale of this equipment and support will not affect the basic military balance in the region.

The Royal Saudi Naval Forces have already demonstrated the ability to operate and maintain this missile in its surface-to-surface mode. The Royal Saudi Air Force is expected to demonstrate this same capability.

The prime contractor will be the McDonnell-Douglas Astronautic Corporation of St. Louis, Missouri.

Implementation of this sale may require the assignment of additional U.S. Government personnel and contractor representatives; however, the number of persons and the length of time they will be needed in Saudi Arabia has not yet been determined.

There will be no adverse impact on U.S. defense readiness as a result of this sale.●

WE HONOR ARMENIAN-AMERICANS

● Mr. SIMON. Mr. President, April 3 was Armenian Appreciation Day, a day to honor those Armenians who will continue to struggle for freedom throughout their lives. Over the centuries the Armenians have fought against Persians, Romans, Mongols, and the Ottoman Turks. Armenians independence was achieved in 1920, only to be ended abruptly by an invasion of Russian and Turkish troops. In 1921, Eastern Armenia became the Armenian Soviet Socialist Republic. The territory once known as Armenia is now divided between Iran, Turkey, and the Soviet Union.

During the 19th century there was a resurgence of nationalism and culturalism in Armenia after almost 400 years of Turkish dominance. In 1894 the Sultan of Turkey began a campaign to drive Armenians from their homeland and a wholesale massacre broke out. Emigration of Armenians to the United States increased significantly.

In 1915 Russia invaded the Moslem Ottoman Empire which was allied with Germany. The Turks ordered the deportation of all Armenians from the Anatolian highlands. Turkish authorities forced the Armenians into the Syrian deserts under conditions of plague, starvation, and extreme exhaustion. In addition, the Turkish tribes massacred the Armenians. As a result of the deportation and massacres, approximately half of the Armenian population was annihilated. The remaining Armenians were incorporated into Soviet Armenia, Europe, the Middle East, and the United States.

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Between 1915 and 1923, an estimated 600,000 to 1.5 million Armenians died at the hands of the Turks. The Turks deny any accusations of genocide of the Armenians. The facts can speak for themselves.

Despite the conditions under which the Armenians fled to the United States, we Americans are indebted to them for the valuable contributions that they have made to our society. Their contributions can be seen in the areas of art, architecture, music, and literature, as well as many other facets of our lives.

Today is a special day to remember these Armenians who constitute increasing population in our country. In my home State of Illinois, a large community of Armenians is located in Chicago. I see this population as an added asset to our city.

With ratification of the Genocide Treaty, the United States hopes to prevent any further acts such as the Armenian massacres. I hope that the Armenians will continue to prosper and enjoy the freedoms of our country by overcoming the painful memories of their past.●

Mr. SIMPSON. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. SIMPSON. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

ORDERS FOR WEDNESDAY

Mr. SIMPSON. Mr. President, after consultation with the Democratic leader, I ask unanimous consent that once the Senate completes its business today it stand in recess until 9:30 a.m., Wednesday, April 9, 1986.

I further ask unanimous consent that following the recognition of the two leaders under the standing order, there be special orders in favor of the following Senators not to exceed 5 minutes each: Hawkins—and that will be read in her absence, or presented for the Record—Proxmire, Domenici, Cranston, Metzenbaum, Riegle, and Heflin.

Following the special orders just identified, I ask unanimous consent there be a period for the transaction of routine morning business not to extend beyond 10:30 a.m., with Senators permitted to speak therein for not more than 5 minutes each.

At 10:30, I ask unanimous consent the Senate resume consideration of S. 1017, the regional airport bill.

I ask unanimous consent the Senate stand in recess between the hours of 12 noon and 2 p.m., to allow the Democrats to meet in caucus.

The PRESIDING OFFICER. Without objection, it is so ordered.

PROGRAM

Mr. SIMPSON. Mr. President, at 2 p.m., by a previous unanimous consent, there will be 10 minutes of debate and a vote will occur on final disposition of S. 8, a bill to grant a Federal charter to the Vietnam Veterans of America. Following the vote on S. 8, it will be the intention of the majority leader to resume consideration of S. 1017, the regional airport bill. Therefore, rollcall votes can be expected throughout the day on Wednesday, April 9, 1986.

RECESS UNTIL 9:30 A.M. TOMORROW

Mr. SIMPSON. Mr. President, there being no further business, I move, in accordance with the previous order, that the Senate stand in recess until 9:30 a.m., on Wednesday, April 9, 1986.

There being no objection, the Senate, at 4:41 p.m., recessed until Wedneday, April 9, 1986, at 9:30 a.m.

NOMINATIONS

Executive nominations received by the Secretary of the Senate April 7, 1986, under authority of the order of the Senate of January 3, 1985:

Department of Justice

Frank W. Donaldson, of Alabama, to be U.S. attorney for the northern district of Alabama for the term of 4 years. (Reappointment.)

Henry E. Hudson, of Virginia, to be U.S. attorney for the eastern district of Virginia for the term of 4 years vice Elsie L. Munsell, resigned.

James P. Jonker, of Iowa, to be U.S. marshal for the northern district of Iowa for the term of 4 years. (Reappointment.)

Laurence C. Beard, of Oklahoma, to be U.S. marshal for the eastern district of Oklahoma for the term of 4 years. (Reappointment.)

In the Army

The following-named officer to be placed on the retired list in grade indicated under the provisions of title 10, United States Code, section 1370:

To be general

Gen Robert W. Sennewald, 492-22-4165, (age 56), U.S. Army.

The following-named officer under the provisions of title 10, United States Code, section 601, to be assigned to a position of importance and responsibility designated by the President under title 10, United States Code, section 601:

To be general

Lt. Gen. Joseph T. Palastra, Jr., 576-28-7753, U.S. Army.

The following-named officer under the provisions of title 10, United States Code, section 601, to be assigned to a position of importance and responsibility designated by the President under title 10, United States Code, section 601:

To be lieutenant general

Maj. Gen. H. Norman Schwarzkopf, 144-28-7662, U.S. Army.

In the Army

The following-named Army National Guard of the United States officers for promotion in the Reserve of the Army of the United States, under the provisions of title 10 United States Code, section 3385:

ARMY PROMOTION LIST

To be colonel

Austin, Duane, 373-32-0448
Bailey, Paul W., 242-54-4544
Eason, Richard A., 248-58-9736
Galioto, Joseph J., 099-30-0224
Greenhaw, Robert J., 444-32-3931
Hapner, Jon C., 274-32-1666
Hirshorn, Donald P., 075-28-1058
Howard, John C., 445-40-6564
Ice, Thomas R., 401-56-4347
Jackson, Robert A., 530-24-1931
Jennette, David L., 246-50-8390
Kissam, John B., 252-48-9165
Kutz, Bruce R., 151-30-4410
Lindsay, Roscoe, Jr., 248-60-4745
Love, James F., 192-34-1110
Lujan, Lawrence S., 525-58-6665
Maher, Joseph J., 130-30-8743
McClure, Samuel J., 401-56-0040
Nixon, William R., 442-42-2678
Perugino, Joseph F., 206-28-6982
Portante, Guido J., Jr., 301-36-3354
Stark, Allen L., 488-44-9451
Whisenhunt, Bobby J., 461-62-9486
Woodson, Ronald P., 402-52-8270

CHAPLAIN

To be colonel

McLellan, Charles A., 425-56-3420

MEDICAL CORPS

To be colonel

McGee, Thomas P., Jr., 403-58-0710
Porter, Richard I., 503-32-9629

MEDICAL SERVICE CORPS

To be colonel

Franch, Gary L., 524-54-1555

ARMY PROMOTION LIST

To be lieutenant colonel

Baird, Robert T., III, 253-74-4104
Baker, Larry J., 430-76-5460
Barger, Floyd A., 240-66-6865
Bowen, Murriel D., Jr., 248-68-3419
Branton, William S., 413-52-9223
Cameron, Everett Jr., 425-92-6438
Cecil, Gerald G., 518-42-3992
Chrosniak, Kenneth D., 110-36-5485
Cook, Arthur K., 222-24-8542
Dalto, Robert E., 020-32-4696
Davis, Chester C., 240-70-2945
Denmead, Charles F., 229-62-2623
Dunlap, Wayne C., 361-34-2325
Dunn, David S., 322-40-1770
Fernandez, Jose A., 580-94-1365
Fligg, Claude M., Jr., 068-36-8666
Gajewski, Thaddeus J., 148-32-8563
Gilbreath, Ronald L., 247-66-4652
Goff, John J., Jr., 013-34-2298
Goss, Robert J., 246-68-8031
Grayson, Brett L., 265-82-3689
Grimes, Forrest M., 246-80-5203
Heatherly, Charles R., 241-62-2748
Hengeveld, Cecil B., 203-34-1850
Hennesey, Charles K., 001-32-6093
Hines, Timmy L., 449-70-3935
Hoffman, Richard L., 114-34-4486
Hurston, Morton C., Jr., 434-64-7503
Kolman, Michael R., 189-38-2538
Lachance, Philip A., Jr.
Latona, Vincent, 067-32-6962
Lattanzi, Ronald J., 235-74-0581

Linker, Sidney J., 243-60-8427
Lippert, Giles J., Jr., 241-68-9362
O'Connor, Michael P., 147-34-6247
Olen, Anthony L., 366-46-2772
Parker, William L., 237-76-1953
Prentice, Walter C., 480-56-4435
Rayl, Charles R., 514-44-1342
Roleff, Edmund F., Jr., 410-66-6302
Rosenberg, James J., 139-28-0138
Roskens, Roger C., 484-56-7282
Savidge, Keith A., 283-44-5193
Serie, William A., 472-50-4877
Stone, Henry D., 447-44-1666
Suhre, William R., 099-36-8855
Surface, Ronald J., 509-48-8007
Taylor, Clinton R., 519-46-1160
Wall, Leroy A., 443-38-9586
Wood, Gerald D., 536-40-8969

CHAPLAIN

To be lieutenant colonel

Mariotti, Dilio E. 008-26-8721
York, Billy L., 422-60-5682
Phillips, Lawrence F., 529-56-5166
Poland, William H., 407-58-3365

ARMY NURSE CORPS

To be lieutenant colonel

Thaggard, Vita H., 587-03-2709

DENTAL CORPS

To be lieutenant colonel

Duke, Thomas E., 423-44-2884

MEDICAL CORPS

To be lieutenant colonel

Acree, Maurice M., Jr., 254-34-9237

The following-named Army National Guard of the United States officers for appointment in the Reserve of the Army of the United States, under the provisions of title 10, United States Code, sections 593 and 3353:

MEDICAL CORPS

To be lieutenant colonel

Griffiths, Richard C., 229-66-4046
Shorts, Paul F., 280-18-7189

Executive nominations received by the Senate April 8, 1986:

The Judiciary

Alfred J. Lechner, Jr., of New Jersey, to be district judge for the District of New Jersey vice Frederick B. Lacey, resigned.

Harry S. Truman Scholarship Foundation

Richard J. Fitzgerald, of Illinois, to be a member of the Board of Trustees of the Harry S. Truman Scholarship Foundation for a term expiring December 10, 1991. (Reappointment.)

In the Coast Guard

Rear Adm. Donald C. Thompson, U.S. Coast Guard, to be the commander, U.S. Coast Guard Atlantic area with the grade of vice admiral while so serving.

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EXTENSIONS OF REMARKS

THE POLISH AMERICAN STRING BAND, CHAMPIONS AGAIN

HON. ROBERT A. BORSKI

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, April 8, 1986

Mr. BORSKI. Mr. Speaker, I rise to honor a great fraternal and musical group from my hometown, the Polish American String Band. The Polish American String Band recently earned its 10 prestigious first prize in Philadelphia's famous annual Mummers' Day Parade.

The Polish American String Band has a long tradition of excellence among Philadelphia's great Mummers bands. It was founded in 1933 by Mr. Joseph Jankowski and the Polish business community in Port Richmond. For the past 47 years, it has participated in the traditional New Year's Day Mummers' Parade, giving an opportunity for musical excellence and community involvement to hundreds of men and boys.

Participation in the Polish American String Band offers its members a chance to learn the values of teamwork and friendship. It offers them a chance to strive for success each New Year's Day. It gives them a chance to make great music while working with their friends and neighbors.

I salute the officers of the Polish American String Band, its president, Bob Dombroski, and its captain, Ray Danielewicz, and all the band members for their championship performance last New Year's Day. I would also like to honor all hard-working wives, mothers, daughters, and sisters who contribute to the band's successful efforts. And I would like to join in wishing good luck to the new officers of the band for 1986–87, including its new president, Stan Magenta, Sr.

The Polish American String Band has been winning friends and honors for its members and its community for over 50 years. I salute them for their most recent honors and I wish them many years of continued success.

PAUL CRAIG ROBERTS ON THE DEFENSE BUDGET DEBATE

HON. JIM COURTER

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Tuesday, April 8, 1986

Mr. COURTER. Mr. Speaker, as the following article by Paul Craig Roberts demonstrates, the current debate over the defense budget has a little something for everyone. The defense critics can lambaste the Reagan defense buildup, and the Reagan administration can point to modest progress which warrants continued robust funding.

Meanwhile, the intelligence community is reporting that Soviet defense spending is approaching 15 to 17 percent of their gross national product, dwarfing our present 6 percent GNP commitment. Even if the spending numbers are in dispute, there is no disputing the figures that show the Soviet Union outstripping United States production in every significant category of military hardware since 1974. By comparison, the defense budget debate is a mere sideshow.

The article follows:

[From Business Week, Apr. 14, 1986]

THE PENTAGON BUDGET: FACT VERSUS FICTION

(By Paul Craig Roberts)

The Reagan Administration and its critics are at odds on many issues, but on one critical matter they agree: There has been a massive buildup in the nation's defense.

Critics on the left bemoan this buildup as a resurrection of the arms race, while the Administration claims that the buildup is forcing the Soviets back to the bargaining table for arms-reduction talks. Even the conservative chairman of the Senate Budget Committee, Pete V. Domenici (R-N.M.), believes that Reagan has achieved such a large increase in defense that it is safe to cut $25 billion from the latest defense budget.

To an extraordinary degree, the facts are different from the perception. As the chart shows, the actual path of real defense spending under Reagan closely parallels that projected by the outgoing Carter Administration in 1981. Real defense spending bears no relationship at all to the buildup that Reagan proposed.

The level of real defense spending that the Reagan Administration had planned to reach by 1986 is not expected to be attained even by 1991. Real defense spending in 1986 is $19.8 billion below the amount projected in Reagan's first budget and only $2.2 billion above the projections in Carter's last budget.

Everyone exaggerates. Because the public does not accurately perceive the actual course of military spending during Reagan's Presidency, the defense budget is exposed to the peril of the Gramm-Rudman Act's deficit-reduction formula. If the latest projections of the Congressional Budget Office are based on an accurate assessment of attitudes in Congress, the increase in real defense spending is over. The CBO projects no rise in real defense spending from 1986 to 1991 and shows the defense budget declining as a share of GNP from 6.4% in 1986 to 5.7% in 1991, the same share as in 1975.

Fiction often prevails over fact because of the partisan nature of political competition. First of all, an Administration and its supporters naturally seek to exaggerate its success in accomplishing its goals and to minimize the failures. When faced with a setback, they show a strong tendency to declare victory. At the same time, an Administration's opponents, who are attacking these goals, also exaggerate the degree to which they have been achieved. In this way, both the Administration and its critics scaled down what was to be a major military buildup into little more than a modest improvement in our defense posture—without producing any change in the public's perception of what was happening to defense spending.

Absorbed, as they must be, in public relations and political maneuvering, the participants in the Washington power game often lose sight of the real issues. If this modest military buildup becomes a casualty of hyperbole and misperception and as a consequence is further cut back, the U.S. is likely to remain the world's second most powerful nation. If Ronald Reagan, with his electoral victories, cannot succeed with a military buildup, no one is likely to succeed. The Soviet Union is not blind to the implications. The prospect of being the dominant power in the international arena is scarcely an incentive for the Soviets to restrain their own ongoing military buildup.

It is dangerous for the Reagan Administration and its critics to project the image of a buildup that is greater than its substance. On the one hand, it misleads the American public and U.S. allies about our relative strength. On the other hand, it tells the Soviet government that in this country the political stake in maintaining a pretense is so great that illusion crowds out reality. The sputtering Reagan defense buildup indicates that the U.S. does not perceive the increase in Soviet defense efforts as threatening. As Defense Secretary Caspar W. Weinberger said last year, if this perception proves wrong: "History will not give us a second chance."

CONGRESSIONAL SALUTE TO THE HONORABLE PETER KALFE OF PASSAIC, NJ, IMMEDIATE PAST COMMANDER, ROSOL-DUL MEMORIAL POST NO. 359 AMERICAN LEGION

HON. ROBERT A. ROE

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Tuesday, April 8, 1986

Mr. ROE. Mr. Speaker, on Saturday, April 12 residents of the city of Passaic, my congressional district and State of New Jersey will gather together at the annual past commanders dinner of Rosol-Dul Memorial Post No. 359 of the American Legion, a gala anniversary celebration of the veterans of our community in testimony to the outstanding endeavors of their leadership in veterans affairs—always giving willingly and unselfishly of their time in seeking justice and equity for all of our people. This year's featured honored guest is the immediate past commander—the Honorable Peter Kalfe of Passaic, NJ—whose standards of excellence as the chief executive officer of Rosol-Dul Memorial Post No. 359 during 1984–85 has served to carry on the sterling traditions and purpose of this highly esteemed veterans organization with quality leadership and sincerity of purpose which has

truly enriched our community, State, and Nation.

Mr. Speaker, I know that you and our colleagues here in the Congress will want to join with me in extending our heartiest congratulations and best of wishes to Peter Kalfe and share the pride of his wife Natalie; their children: Carol, John, Mark Lynd, and Maryann Coral; and granddaughter, Michele on this milestone of achievement in their family endeavors.

Mr. Speaker, the Rosol-Dul Memorial Post No. 359, which was organized in the fall of 1945, is one of our Nation's most prestigious affiliates of the American Legion. We are all familiar with the noble goals and objectives of the 2.6 million-member organization of the American Legion. These military service veterans, working through 16,000 community level posts, dedicate themselves to God and country and traditional American values; a strong national security; adequate and compassionate care for veterans, their widows and orphans; community service; and the wholesome development of our Nation's youth. Peter Kalfe has, by his example and lifetime of dedication to these same true American ideals, personified exemplary leadership in his responsible service to our people.

Mr. Speaker, Pete was raised in Passaic, NJ and attended local schools in Passaic. He served our people and our Nation with distinction during World War II as a gunner in the Navy with the armed guard in the South Pacific from 1944 to 1946.

In his career pursuits he has served our community, State and Nation as a distinguished public safety officer. He is a detective with the Passaic Police Force and has just announced his retirement from the department where he has served for the past 35 years.

Throughout his lifetime Detective Kalfe has forged ahead with dedication, devotion, and sincerity of purpose in combating crime and protecting the life of our people. We applaud his knowledge, training, hard work, and personal commitment that has enabled him to achieve the fullest confidence and strongest support of the people of our community. He has always applied the most sophisticated and advanced techniques of his profession. During the past three and a half decades he has received many citations for his meritorious service as a law enforcement officer and we are especially proud of his most recent highly coveted award—the "Cop of the Year" which he received from the Passaic Optimists.

Mr. Speaker, Pete Kalfe has been a member of Rosol-Dul Memorial Post No. 359 for the past 18 years and has served on various committees before attaining the high office of public trust as commander of this esteemed veterans organization. At this point in our historic journal of Congress may I commend Peter Kalfe to you along with all of the past commanders of Rosol-Dul Memorial Post No. 359 who throughout the past 41 years have served their membership and the people of our community with their leadership endeavors in veterans affairs, as follows:

Rosol-Dul Memorial Post No. 359 American Legion Passaic, NJ past commanders

The Honorable:	
Benjamin Kwiatkowski	1946–47
Emil Olszowy[1]	1947–48
Stanley Blazowski	1948–49
Fabian Izsa, Jr.	1949–50
Joseph P. Lazur	1950–51
Stanley Benedict	1951–52
Edward Serafin	1952–53
Thaddeus Tecza	1953–54
Frank Duplak	1954–55
Edward Lazur	1955–56
William Gonsisko	1956–57
Andrew Tylawsky	1957–58
Bruno Czerniak[1]	1958–59
Stanley Pych	1959–60
Stanley Tomczyk[1]	1960–61
Bruno R. Stolarz[1]	1961–62
Alexander Bednarz[1]	1962–63
John Yaroslawski	1963–64
William Fitzgerald	1964–65
Stanley Madey	1965–66
John Galka[1]	1966–67
Walter Chmielowiec[1]	1967–68
Henry Lesnick[1]	1968–69
Edward F. Sadlowski[1]	1969–72
John Yaroslawski	1972–73
Edward Byra	1973–74
Edward Wieczerzak[1]	1975
Stanley Turecki	1975–76
Michael Pohrischak	1976–77
Joseph Ruda	1977–78
Anthony Nead	1978–79
Martin J. Fucio	1979–80
Martin Kobylarz	1980–81
Stanley Procko	1981–82
Joseph Szewczyk	1982–83
Fred Gnapinski	1983–84
Peter Kalfe	1984–85

[1] Deceased.

Mr. Speaker, it is indeed appropriate that we reflect on the deeds and achievements of our people who have contributed to the quality of our way of life here in America and I am pleased to call your attention to Pete's lifetime of outstanding public service. We do indeed salute a most distinguished public safety officer, good friend, and great American—the immediate past commander of Rosol-Dul Memorial Post No. 359 of the American Legion—the Honorable Peter Kalfe of Passaic, NJ.

PROPOSED TVA CHANGES WOULD IMPROVE EMPLOYEE MORALE AND EFFICIENCY

HON. RONNIE G. FLIPPO

OF ALABAMA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, April 8, 1986

Mr. FLIPPO. Mr. Speaker, previously, I have discussed some of the problems at the Tennessee Valley Authority and a proposed change in the management structure of the agnecy. The proposal also includes changes designed to improve TVA employee morale and efficiency which I want to discuss.

COMPENSATION AND EMPLOYEE POLICIES

Compensation of a job may include regular salary or wages, other monetary renumeration, such as bonuses and awards; psychic satisfaction for a job well done, peer approval and admiration; and perquisites such as office size, furnishings, dining rooms, automobiles, parking spaces, insurance, and other advantages not available to most other employees.

Traditionally, the TVA has eschewed individual employee bonuses, perquisites, and recognition in favor of recognition of team effort and the psychic rewards of completion of worthwhile projects which had a high approval factor within the community.

However, as TVA began to move technically into the nuclear age, some of the traditions began to present problems. Management policies which had worked well under a different set of circumstances began to become problems for the TVA and thus for the people of the region who pay TVA's bills.

For example, TVA's management adopted a policy that limited candidates for reactor operator or senior reactor operator to non-degreed persons. Another policy excluded nuclear onsite engineers from consideration as reactor operators or senior reactor operators.

As the program developed, the need for nuclear management people at higher levels grew. Yet the people in TVA's management tract had not necessarily had in-depth nuclear experience, especially at the operating level. Partially as a result of TVA's management policies which failed to put in place an effective management training program to develop an adequate number of nuclear managers, problems began to surface for the agency. The Nuclear Regulatory Commission criticized TVA for promoting people to middle- and upper-level management positions in the nuclear program without regard for the nuclear experience of these people. In July 1985, before the nuclear shutdown, NRC cited TVA for a total of 10 management policies, primarily relating to personnel, as possible factors in TVA's nuclear difficulties.

Earlier, in response to this developing personnel problem, TVA management attempted to alter compensation practices at the agency. These efforts were poorly developed from the standpoint of justification in face of tradition and statutory restraint. The attempts met with loud and widespread opposition from some employees and many ratepayers.

As with any organization, TVA employees are the agency's greatest asset. Without the dedication, hard work, understanding, and support of the employees, any organization can fail. In a highly technical operation with safety concerns, such as the nuclear program, the prospect for failure is magnified without full and ardent employee support.

The legislaton allows the new board to take a fresh look at the entire matter of employee relations, compensation policies, and similar issues which bear on the success of the corporation. If found appropriate after public hearings and review, the legislation also allows the new board to establish a fund each year to recognize unusually meritorious acts which benefit the corporation. This program might be patterned after other Federal employee reward programs.[1]

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[1] At least two different types of Federal award programs are in place. Under the Incentive Awards Program, an employee (or group) who proposes a suggestion, develops an invention, or makes a contribution beyond the scope of the job, may receive up to $25,000. Top managers, in the Senior Executive Service, are eligible for lump sum payments for performance up to 20 percent of basic pay. Additional awards in the SES are limited to 5 percent of executives designated as meritorious ($10,000 lump sum payment) and to 1 percent designated as distinguished ($20,000 lump sum payment).

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In addition, the board each year would have authority to authorize retention or recruitment supplements for positions where the pay was found to be higher in other Government positions, such as in the Senior Executive positions, and in certain other engineering, medical or technical positions or in cases where no similar positions are found within the Federal Government.

The payment to an employee during any fiscal year for wages, salary, supplements, bonuses, or other compensation could not exceed the rate payable for level I of the Executive Schedule (currently $86,200). The payment for basic wages or salary could not exceed level V (currently $68,700).

COST FACTORS INVOLVED IN IMPROVED POLICY AND MANAGEMENT PROPOSALS

The objective of the restructuring is to provide the TVA and its customers with a management mechanism to enable the agency to be more efficient, responsive, and accountable. An improved management system, even if the managers are better rewarded, should produce savings through more efficient operations.

The legislation recognizes that an outstanding CEO for an organization such as TVA can earn and should be paid more than current Federal salary ceilings. The legislation relies on the good judgment of board members living among the ratepayers to take into account reasonable peformance objectives, regional variations, and the public nature of TVA in establishing the compensation package for such a person.[2]

The costs of the changes in the board itself are more easily identified. The salaries of the three-person full-time board total $218,200 a year at present. Travel and staff support costs are in addition.

After the initial organizational phase, a restructured TVA board would probably average 30 or 40 meeting days per year. During years when members averaged 40 meeting days each, the compensation for the restructured board would be a total of $167,859.

If the restructured eight-person part-time board required use of all authorized meeting days, the total compensation would be $212,200 a year. If only 50 percent of the authorized days were required, the total compensation would be $146,000.

Variables such as distance from meeting places and number of days of meeting would influence the travel cost. To the extent that the board functions are policy-oriented rather than for day-to-day management, total staff support attributable to the board should be less than presently expended.

Current board staff cost attributable to day-to-day management and operations would be attributed to the CEO under the proposed arrangements.

From the standpoint of the individual board members, the annual stipend provided by the legislation ($10,000) is somewhat less than the stipend for similar business corporation. Korn/Ferry indicates the average annual fee for the 1,000 largest U.S. corporations was $11,700 per director in 1983.

Because of the public service nature of the TVA, it seems inappropriate to provide complete parity with stipends provided to those serving on boards of private business corporations.

The directors' fees for each day of actual meetings would be at the daily rate for level V of the Executive Schedule (currently about $264 per day). This compares to the average per meeting fee provided by business corporations of $717 in 1983.[3] The average total compensation for directors of business corporations in 1983 was $18,090. This average is a reflection of the relatively few days the boards of established corporations meet annually.

Travel expenses would be reimbursed as they are for other Government employees.

THE TVA INSPECTOR GENERAL BACKGROUND

Several Members from the TVA region have introduced legislation (H.R. 3464, 99th Congress) to bring the TVA under the provisions of the Inspector General Act of 1978, with a statutory IG appointed by the President and confirmed by the Senate. The bill would also vest the TVA's IG with certain electric rate review jurisdiction.

Democrat JACK BROOKS has introduced legislation (H.R. 3077, 99th Congress) to provide all Federal entities, such as TVA, with a single, consolidated internal audit unit and audit unit director with the powers and authority of the statutory IG's designated for certain departments. H.R. 3077 audit unit directors would be appointed by the agency head and would not require Senate confirmation.

The TVA board hired, in late January 1986, a person designated as inspector general of TVA. Whether all the internal audit functions will be effectively transferred to this new office remains to be seen. In any event, the TVA-designated IG is unlikely to be able to function as a statutory IG because TVA lacks the ability to confer on the office all of the authority and jurisdiction provided by the Inspector General Act of 1978 and its amendments.

H.R. 3464 for a TVA inspector general was based on the TVA management structure as it exists; that is, the board is responsible for establishing policy and then dons another hat to attempt to manage the agency. The present situation, with the board appointing the IG, has been compared to having the board investigate itself to see how well the board is carrying out its policies and the laws and regulations the board is attempting to administer. Should the board err in either of its functional roles, the appeal is to the board.

A completely different set of circumstances would prevail under the TVA board restructuring proposal. Under the proposal, the board's function is to establish policy, monitor the administration and execution of the policy, and regulate electric rates. The management, administration, and execution of the policy is the responsibility of the chief executive officer and the professionals employed to assist the CEO.

Under the proposed new structure, it seems appropriate to have the inspector general as an arm of the board because the monitoring and review responsibilities of the board would be separated from the operational responsibilities which are vested in the chief executive officer.

Thus, the new board proposal calls for the IG to be appointed by the restructured board.

IMPROVED IG FUNCTION

This section of the bill would establish an office of the inspector general in the TVA. Additionally, it would strengthen audit and investigative activities in TVA by requiring that existing audit and investigative offices be consolidated. The IG would report directly to the board and be given the same duties and authorities as statutorily established inspectors general.

Nobody likes to have their actions reviewed. The need for offices of inspector general, however, is well established, and Congress has created statutory IG's in 17 departments and agencies. Statutory offices of inspector general have proven highly successful. Over the last 2½ years, their work has resulted in about $15 billion annually in monetary benefits to the government, including recoveries from investigative activities and savings resulting from management improvements.

By providing, through this legislation, the TVA's IG with the authority granted to Presidentially appointed, statutory IG's, the role of the TVA's IG function will be enhanced and strengthened. By assuring that various audit and investigative functions are placed under the TVA's IG, coordination and efficiency in the discharge of the IG function are more likely. Should the TVA board remove the IG, such action would have to be reported to the Congress.

The earlier legislation, H.R. 3464, also provided the proposed TVA IG with certain rate review responsibilities. By restructuring the board's responsibilities, as the new legislation does, by giving the board monitoring, review and oversight duties divorced from responsibilities for day-to-day operations, the board itself should be independent enough to give more confidence to the rate review function.

STATEMENT OF HON. HELEN DELICH BENTLEY ON LAUNCHING OF THE "FORT McHENRY"

HON. MARCY KAPTUR

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Tuesday, April 8, 1986

Ms. KAPTUR. Mr. Speaker, I would like to take this opportunity to recommend to our colleagues, a statement made recently by our esteemed colleague from Maryland, HELEN BENTLEY, on the occasion of the launching of the *Fort McHenry*. Her's is an intelligent and thought-provoking piece on the state of our defense industrial base.

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[2] Although the TVA lacks some of the criteria frequently used in establishing compensation packages for CEO's in private corporations (earnings per share, return on assets, return on equity, market penetration, or such factors), TVA should have other annual and long-term management objectives which could be used as a basis for evaluating a CEO's performance and eligibility for a particular level of bonus payment.

[3] Data for director compensation such as that presented by Korn/Ferry may reflect the large number of major corporations clustered in the high-cost major metropolitan areas of the country.

STATEMENT OF HON. HELEN DELICH BENTLEY ON THE LAUNCHING OF THE "FORT MCHENRY"

The launching of a ship is a happy event for all concerned . . . a happy event as are all births, a time of excitement and hope! In ancient times, a new vessel was christened by a sacrifice to the Gods . . . human or animal . . . a blessing against the rigors and dangers of life at sea.

To all nations throughout history, the ability to travel in search of trade has been the hope for the future of their people. And, in times of threat to that future, hope lay in the ability to withstand invasion from those who would pillage and destroy. History, joined with necessity, has built the great Naval and Merchant fleets of the world.

This morning we are privileged to be invited to participate in this historic panorama celebrated by the Psalmist;

"They that go down to the sea in ships;
That do business in great waters; These see
the works of the Lord, and His wonders in the deep."

As a Marylander, I am so especially proud to be asked here to christen the USS Fort McHenry. The defeat of the British at Fort McHenry in Baltimore Harbor during September, 1814, signaled the end of the War of 1812 and forever ended any threat of future English intervention in the affairs of our young country.

It was that battle which inspired Francis Scott Key to compose the Star Spangled Banner. Many people are unaware that Key was aboard one of the British ships during the battle. He had been sent as an emissary from the government seeking the freedom of an American doctor who had been captured and taken hostage on board one of the British frigates.

Not only did Maryland give the nation its National Anthem at Fort McHenry, we gave the country a major victory. The men who fought at Fort McHenry and North Point were members of the Maryland Militia, not federal government troops. They were provisioned and supported by the citizens of Baltimore.

Are we scrappy in Maryland? You bet we are! In the 1812 War, our ships' captains were so good at capturing British ships that the London Press called Baltimore a "nest of pirates."

Isn't it fitting that the USS Fort McHenry is an LSD—Whidbey Island Class? A scrappy ship used as a durable dock? A ship which can be loaded at sea and carry virtually any type of cargo, including troops?

The LSD has a valiant history which started in World War II. And to many of my generation, the "landing barge," as it was known then, calls to mind picture after picture of helmeted, young Americans pouring onto beaches of the world. From Iwo Jima and Tarawa—to Normandy, the LSD was the symbol of the power of the United States moving onto the islands of the Pacific and the continent of Europe of bringing freedom, once again, to those beleaguered nations.

Forty years later, those countries still look to us to be the leaders of the free world. The young men who disembarked in those far off lands came home many years ago—their jobs well done. Now, it is their sons and grandsons who will be loading this ship—who may well be landed off this ship on distant shore.

The world has changed a great deal in forty years, but America still assumes the responsibility for defending freedom where it is threatened, where it needs our support.

Because I believe this so strongly, I have been a major supporter of the President's effort to restore the Defense budget after the deep cuts of the Carter years. It is critical that we always be ready in a world where the Russians view civil unrest in a foreign nation as an opportunity to extend Soviet ideology and interests far beyond the territory of continental Russia.

In truth, since the all out Defense efforts of the 1940's, we have not been able to disarm. The Second World War went from hot to cold. Our Defense appropriations ebbed and waned as did the support of the American taxpayer for an unseen war being waged for minds and hearts . . . for territory, half the world away.

But the Russian commitment to domination of the West has not waned one whit. Forty years later, Russian civilians are still suffering shortages of housing and consumer goods in order to feed the Soviet military machine. The Russians see many guns on May Day, but they rarely see butter on their tables.

We have been blessed over these years, as the leading industrialized nation of the world, to be able to have produced both. Though the price for Defense has been heavy—the expansion and diversity of the American economy since the 1940's has generated tax revenues to accommodate not only the needs of both our civilian and military sectors—but, we have also assumed the larger share of the Defense costs for the rest of the free world.

We may be fast approaching the end of the era—Pax Americana. Basic changes in the economic structure of the country over the last decade are bound to impact on our Defense posture—in several areas—in a very few years.

To illustrate the depth of this change in our nation's economic fabric, I will recall to you what manufacturing in this country meant—a few short years ago.

I grew up in the mining country of Nevada—my father was a copper miner. The American West was a place of coal and copper mines, iron and silver and gold mines. The Northwest cut timber. Texas was wild-cat oil wells and the gas industry was digging lines to the East. The South and North Central States and New England were busy manufacturing centers producing products for the American market and the world.

Everywhere the railroad went taking these raw resources to smelters and furnaces. The ports and the rivers were filed with traffic moving to and from refineries . . . always moving the energy to the source of the finishing process of the raw material.

Raw material in, finished product out. Trains and trucks, boats and barges picked up iron and steel, sheets of tin and copper and moved them on to manufacturing plants where machine tools made better machine tools and they in turn were shipped out to make nuts and bolts, rivets, ball bearings—hundreds of thousands of parts and pieces of parts—which in turn became other manufactured goods—then needing to be packaged and shipped—and, at the end, the wholesalers and retailers took over.

On every level of this production, energy was used, jobs created, value added at each step and always—always—remember—tax revenues were paid to every level of government.

To service this manufacturing base—several tiers deep—a service industry developed. Banks, insurance companies, restaurants, motels: McDonald's grew apace with the tourist industry which grew in proportion to the expanding affluence of well paid, well trained workers.

This total picture has been changed!

A great part of that manufacturing base has been lost. Because of the high levels of imports of all products, demand for raw materials and onshore energy has gone down as the plants have shut their doors. Every industry involved in the handling of raw material to finished product has been severely impacted and we are left with an increase in GNP barely above two percent—half of that accounted for by Defense expenditures.

Oil refineries are closed—cheaper to buy refined oil abroad and ship it; 8 out of 10 nuts, bolts and large screws are imported as are 60% of all N/C turning Machine Tools. 80% of all strategic ball bearings under 30 millimeters come from abroad. Steel import penetration reached 30% in one month of 1985, and every month—on average—25,000 jobs are lost in manufacturing jobs in America.

We are being asked to accept the proposition that only one sector of that widely diversed economy of the last forty years will support America into the year two thousand. Services.

I strongly disagree.

Defense is much more than capital ships of the Navy! Missiles which can be launched once . . . at great expense . . . never to be recovered! State-of-the-art High Technology weapons which freeze up when their computers are exposed to blowing sand or intense jungle humidity.

Defense demands an industrial base—on shore—to build the weapons, to repair the weapons, to ship the weapons out!

Defense demands clothing—uniforms and boots for the men and women who fight—vehicles—trucks, tanks, ambulances, weapons carriers, radios, watches, televisions, computers, typewriters, binoculars. Every article demanded by the civilian sector with a vengeance.

"Fortress America" which must go seven thousand miles away for ball bearings and fasteners, radios and watches and a myriad of other parts needed for an active war machine . . . has already been breached.

The rising demand for strategic Defense imports comes at the same time that our Merchant Marine has reached a historic low point. U.S. Navy ships . . . for the first time in the history of the country . . . outnumber merchant ships.

It is not outrageous to suggest that the Merchant Marine Act of 1936—which provided for the rebuilding of our Merchant fleet—was one of two major factors in winning the Second World War.

The other factor was our industrial base and the wealth of natural raw materials which fed it. The Great Depression had left us with idle manufacturing lines and many operations were being run on one shift, but production machinery had not been sold off abroad, mines flooded.

Machine tools are so important to a war effort that D-Day was put off for one whole year because of the shortage of machine tools in 1941. All those lives lost not for lack of weapons, but for the lack of machining centers to make the weapons.

Behind every batallion in the field stands a phalanx of machinists and tool and die makers, pattern makers and welders.

The average age of a machinist in this country—two years ago—was 59 years of age. It takes 8 years to fully train a machinist!

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We are at a grave time in the history of this nation. We are making decisions not just for this year, but for the next century. We are charged with taking a course which will effect not only Defense, not only our position as the Leader of the free world, but—we are charged to cast a mold which will determine the political and social future of the year two thousand.

I reject the notion that we will be servants to the rest of the world. I reject the theory that we will import raw materials and all the finished products that a consumer-Defense society needs. I dispute the idea that a nation dependent upon the rest of the world for what it needs can be a leader or in the end, even remain "independent" as our Constitution says we must!

We have proved over two hundred years that we are the greatest, most compassionate nation the world has ever known. Were it not so, Japan and Europe would not be competing with us today. We rebuilt them with our nation's money—not as Conquerer's, but as an enlightened country—never turning our face away from suffering.

Now—it must be our turn! It is time that we look to our own needs as a nation, to the good of our own people. I will sponsor, this year, legislation calling for a "Marshall Plan for America."

The empty factories and the men and women without jobs are no longer abroad . . . in the ruins of the Second World War . . . Today, they are here . . . in America! Too many of our steel mills stand empty. Too many machine shops are in ruin . . . their machinery long ago sold off to Singapore, to South Korea. The desolation is here. And, we are much the poorer for it.

I want to put the "Chrysler bail-out" program in place once again to re-industrialize America. Our companies have starved for long term, low interest capital and they need time to recover the awful effects of the high dollar.

Right now . . . today . . . we are producing steel more cheaply, and more competitively . . . per ton . . . than any country in the world. However, when American steel enters the world market, the high dollar clobbers it and it must compete with foreign steel whose losses, many times, are under-written through government subsidization. The steel industry . . . all of our industries . . . need time to ride out the fall of the dollar. We must also find some formula which will compensate our companies for the competitive edge which government subsidization gives foreign products.

The President's Voluntary Restraint Agreement with the European Community of steel producers started October 1, 1985 . . . and still, many countries have not signed on. The clock on the five year agreement is running, and they will not sit down with us to negotiate. All the while European exports of steel have been as high as 30% of the American market—the Restraint Agreement calls for 18.5%.

I have asked the Congressional Steel Caucus to urge that the clock be stopped. The five year period should begin to count when ALL Countries have signed aboard. The nonconforming countries should not be given a shorter overall period of time in which to control their shipments.

I think we have to get after these people. If, in Defense, America must always be ready, so must we also be ready to defend our vital industrial base! For a year now, I have been pushing DOD and AID to ship American-flag bottoms on foreign purchases . . . conforming to the law. The shock, to me, is that I have to push. That the issue would even be moot.

To be a leader means many things. Primary in the world today . . . it means to protect freedom. To do that, we must be strong in all ways. We must not forget that without domestic industry, there can be no weapons. That in previous wars this has been our major strength, our major contribution to our allies.

We must secure this promise, not only for them, but for our future independence and safety.

We stand here today in debt to the generations of brave Americans who did not come back from places like Iwo Jima, who did not survive the battle of Fort McHenry. We also owe it to their memory to fight for the return of America's strength.

As I christen this ship, please join me in committing your energies to the continuing fight for a stronger America!

OSCAR J. KUNKLE, WINNER OF THE SPIRIT OF PHILADELPHIA AWARD

HON. ROBERT A. BORSKI

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, April 8, 1986

Mr. BORSKI. Mr. Speaker, I rise to recognize Mr. Oscar J. Kunkle, recipient of the Spirit of Philadelphia Award for his 43 years of service in the Burholme First Aid Corps. Through all these years of volunteer work and leadership, Mr. Kunkle has demonstrated the highest dedication to the ideal of community service.

Mr. Kunkle joined the Burholme First Aid Corps in 1943 and has served continuously since. He has been a State-certified emergency medical technician and served as a dispatcher and ambulance attendant. For the past 12 years he has been president of the corps. Even now, at age 74, he still drives an ambulance every week and works as a dispatcher.

It is important to realize that Mr. Kunkle has contributed over 40 years of work as a volunteer. He has never received any compensation for his contributions to the ambulance corps, but has simply done it to help serve his community.

The Spirit of Philadelphia Award is given by WCAU TV, channel 10, to honor just such people. It exists to recognize the people who help keep our community going, who freely give of themselves and their time to help their neighbors. WCAU has chosen a particularly fitting recipient of its honor in Mr. Kunkle.

I join channel 10 and the members and supporters of the Burholme First Aid Corps in saluting Oscar Kunkle for his many years of dedicated work in behalf of his neighbors and his community. Both he and the first aid corps deserve our respect, admiration and support for all their work.

READER'S DIGEST ON SOVIET SPECIAL FORCES

HON. JIM COURTER

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Tuesday, April 8, 1986

Mr. COURTER. Mr. Speaker, most of my colleagues are probably unaware that the first Pershing II missile deployed in Europe was not part of NATO forces. In fact, a model of the Pershing II was deployed prior to 1983 at a Soviet special forces training base. As the following article from Reader's Digest explains, the Soviet Spetsnaz, special purpose forces have detailed plans for disrupting vital NATO military plans and destroying key military installations—including Pershing II and GLCM bases—during time of crisis. Perhaps most chilling is the revelation that senior U.S. and NATO military authorities are marked for assassination, to prevent the granting of permission for nuclear weapons release.

Soviet special forces have been instrumental in some of the most successful and brutal Soviet military operations in recent years. Czechoslovakia in 1968; Afghanistan in 1979; Sweden in 1984—all bear the unmistakable fingerprints of the shadowy Spetsnaz. And, as a recent magazine article indicates, they are busy planning the next operation, perhaps using female commandos against United States military bases in Britain. I commend the Reader's Digest article to your careful attention.

The article follows:

[From Reader's Digest, Apr. 1986]

SPETSNAZ: THE SOVIETS' SINISTER STRIKE FORCE

(For some years, Western intelligence agencies have been piecing together evidence of a clandestine Soviet military force, a large, covert army, brutally trained and poised to spearhead an invasion of Western Europe—or beyond. Here, in a comprehensive report, are the shocking facts compiled for Reader's Digest by syndicated columnist Dale Van Atta.)

A military bus pulls up to a U.S. Army training center in West Germany. Assuming it is filled with GIs coming back from town, sentries approach the bus routinely, only to be cut down by bursts of fire from weapons with silencers. The bus roars into the base as the two commando teams on board don gas masks.

Inside the facility, Americans, whose duty is to guard Pershing II nuclear-missile launchers, die within minutes beneath an invisible blanket of nerve gas, and the launchers are rendered useless.

A second Pershing base in Heilbronn falls in similar fashion. At the same time, five key NATO communications facilities—in Maastricht, the Netherlands, and in the German towns of Boerfink, Kindsbach, Massweiler and Vogelweh—are knocked out. Confusion reigns at the NATO high command in Brussels. Top officers and political leaders are missing. Some are found dead in their homes.

Meanwhile, frogmen emerge from the chilly waters near Keflavik, Iceland, a vital link in NATO's antisubmarine operations. Using equipment deposited on the sea beds months earlier, they immobilize reconnaissance and communications facilities.

No allied—or even neutral—country is immune. In Stockholm, Sweden, a machine-gun battle near the palace ends with the abduction of the royal family by frogmen, who had lain in wait until signaled by agents in the capital.

The best Soviet commandos, with the help of long-established covert agents, have suddenly brought the NATO alliance to an excruciating crisis. With its tactical nuclear capability, its communications and its leadership crippled in one stroke, what will the West do to prevent a Soviet invasion of Western Europe.

Although these events are hypothetical, planning for them is real. Gen. Pyotr Ivanovich Ivashutin, the balding, bull-necked commander of Glavnoye Razvedyvatelnoye Upravleniye (GRU), the intelligence arm of the Soviet military, has at his disposal a force of 30,000 men and women trained to carry out these tasks.

Western intelligence services have been slow to learn of the existence and makeup of these commando groups, which already credited with such operations as the 1979 assassination of the president of Afghanistan and the suppression of anti-Soviet activities in Bulgaria in the mid-1960s. But now their threat is known, as is the group's real name: Spetsnaz, from *spetsalnaya naznacheniya,* meaning special-purpose forces.

"The development of Spetsnaz is a particularly menacing aspect of the growth of Soviet military power," says U.S. Deputy Assistant Secretary of Defense Noel Koch. "Their job is to destroy a nation's infrastructure and kill people. They are an integral part of Soviet peacetime operations, and in wartime could pose a grave threat of strategic disruption in the NATO area—and in the United States itself."

SCOUTING FOR SABOTAGE

A typical Spetsnaz unit has a senior and a junior officer, a communications man, a medic, and at least two demolition and four reconnaissance specialists. Commonly used equipment includes surface-to-air missiles, "burst" communications transmitters (which send a short "squirt" of encrypted signals by satellite back to headquarters), and a list of targets, which may be attacked or merely watched. A Spetsnaz brigade, made up of 100 of these teams, includes ten career-officer units, the elite of the elite, whose primary mission is assassination of enemy leaders. Altogether, U.S. intelligence reckons that Spetsnaz's total wartime strength includes 20 brigades, each with 900 to 1200 men, plus at least four naval brigades.

Selection to a Spetsnaz unit is a high honor. "Only recruits who pass rigorous tests are accepted,"; says a GRU defector who lives in England under the pseudonym Viktor Suvorov. He maintains (and intelligence sources concur) that many of the Soviet Union's best athletes, particularly members of its Olympic team, are Spetsnaz commandos. International sporting events give them the double advantage of horning skills in marksmanship, skiing and swimming, while familiarizing themselves with the countries to which they might return someday as saboteurs.

Spetsnaz officers and men enjoy higher pay, better food, longer leaves, quicker promotion and earlier retirement than regular army personnel do. But they earn their perks. In survival exercise they are dropped over wilderness areas and then required to spend days or weeks on their own—without sleeping bags.

But on a typical mission, each Spetsnaz member carries the Kalashnikov light automatic rifle with 300 rounds of ammunition and a bayonet that doubles as a saw and wire cutter, a P6 pistol with silencer, six hand grenades or a hand-grenade launcher, and a James Bondish knife that, at the touch of a button silently propels a lethal blade a full 30 feet.

Sheer brutality marks Spetsnaz methods. One of their main training centers—at Zheltyye Vody in the Ukraine—is close to concentration camps. According to Suvorov, gulag inmates are used in hand-to-hand combat training, allowing Spetsnaz troops to punch, gouge, kick and maim at will. "It's much more realistic than sticking a knife in a sack of sand," he says.

INFILTRATE, ASSASSINATE

Intelligence reports on a secret Spetsnaz training base west of the Urals prove that they train against U.S. and NATO targets. There are fullsize mockups of civilian airliners (for hijack training), American and French jet fighters, nuclear-missile launchers, Pershing and ground-launched cruise missiles. Ironically, the first Pershing II "missile" deployed in Europe was not in West Germany in 1983, but at an earlier date in the Soviet Union as a model at the training center.

In an actual conflict, Spetsnaz teams would infiltrate Western Europe and the United States during a period of international tension— but before the U.S.S.R. declared war. Besides clandestine airdrops, frogmen and mini-sub landings, there would be a higher-than-normal number of sports and cultural delegations entering the targeted countries.

The staffs of Soviet embassies and consulates would be augmented by unusually fit young men and women acting as guards, chauffeurs and gardeners. These teams would activate networks of "sleeper" agents, who already live near bases, arsenals and communications centers. They keep watch, provide information and maintain safe houses where Spetsnaz teams could hide.

In the event of a sneak attack, the teams would target or attack nuclear-weapons facilities; destroy command-control systems and neutralize military bases; disrupt public-power and broadcasting stations; and assassinate political and military leaders.

Assassination is key to Soviet blitzkrieg planning. Since NATO's nuclear weapons can be unleashed only by political leaders, eliminating them would delay the decision to retaliate with nuclear arms. C.N. Donnelly, head of the Soviet Studies Research Centre at Britain's Royal Military Academy, says, "It is the total political collapse of key NATO governments that the U.S.S.R. must seek to accomplish in as short a time as possible."

This audacious strategy takes advantage of NATO's unwieldy structure. Alliance procedures require consultation among its 16 member countries in the event of hostilities, and it takes a few days to mobilize NATO's forward defense. Trucks have to line up at storage sites in Western Europe, for example, to load nuclear warheads, then take take them to their units along public roads, making ideal targets for Spetsnaz ambush teams. As Britain's Military Defence warned in 1984, "the main threat is not large-scale invasion but sabotage by squads of specially trained troops."

MYSTERIOUS SUBMARINES

According to U.S. intelligence, Spetsnaz troops have been at work for years. In *Special Operations in U.S. Strategy,* Defense Intelligence Agency expert John Dziak writes: "In Czechoslovakia in 1968, the Soviet seizure of the Prague airport was carried out by Spetsnaz troops under KGB orders. These units arrested party leader Aleksandr Dubcek and dispatched him to Moscow. Similar missions were carried out against other 'enemies' on KGB lists."

The Christmastime invasion of Afghanistan in 1979 was a classic Spetsnaz operation. Key Afghan army officers were lured to a reception in honor of "Afghan-Soviet friendship." As the officers celebrated, they were locked in the hall and blown up by a Spetsnaz unit.

But according to KGB defector Maj. Vladimir Kuzichkin, the primary objective of the several hundred Spetsnaz men flown into Kabul was the assassination of President Hafizullah Amin. On December 27, Spetsnaz forces wearing Afghan uniforms and under KGB command approached the Darulaman Palace from three sides, fought their way to Amin, and killed him, his family and guards.

Western intelligence, which depends heavily on radio intercepts, refugee and defector reports, indicates that the greatest Spetsnaz involvement today is in Afghanistan, where they are helping 120,000 Red Army troops fight guerrillas. "While costly, Afghanistan is considered by the Soviet military to be the first real operational laboratory for their armed forces since World War II," Dziak reports.

"Spetsnaz forces have influence well beyond the Soviet Union because their unconventional warfare tactics make them an excellent tool for exporting revolution," says U.S. Secretary of the Army John Marsh. Not only Afghan, but Cuban and other Third World troops have been to Spetsnaz training camps in the U.S.S.R.

Units of Spetsnaz are deployed regularly to probe the intelligence and military reflexes of the West. A favorite tool is a mini-submarine, able to crawl on the sea bed with tanklike tracks. Spetsnaz mini-subs spy on Swedish naval bases and look for potential landing beaches for assault swimmers. They have crept underwater to within a mile of Stockholm's Royal Palace. In March 1984 the Swedish army, using machine guns and hand grenades, repulsed Spetsnaz frogmen near a large navy base. More recently, these subs have been reported off the Strait of Gibraltar, the choke point between the Atlantic and Mediterranean, and have left tracks on the ocean bottom near Japanese naval bases.

Contemplating the Kremlin's bold use of Spetsnaz, Edward Luttwak, a top military analyst at The Center for Strategic and International Studies at Georgetown University, comments, "It's yet another sign that the Soviet Union is seriously planning its offensives."

Our Western allies have begun to cope with the ugly reality of Spetsnaz. For example, Britain is strengthening its Territorial Army and has established a Home Service Force for defense and to improve its guard systems for vital installations. And with good reason. Jane's Defence Weekly reported last January: "The Soviet Union has maintained a secret detachment of female Spetsnaz forces near Greenham Common Air Base since the deployment of U.S. Air Force land-based Tomahawk cruise missiles there in December 1983. Soviet defectors have disclosed that several trained agents infiltrated women's protest groups at

Greenham Common and were present at all times."

The Pentagon believes a multilayered response is necessary to foil Spetsnaz. Those groups, including leading public officials threatened by such a strike force, should be made aware of its capabilities. Agencies such as the FBI and Border Patrol, which would detect and respond to an attack by Spetsnaz forces, must know what to look for and be prepared to react. Finally, our intelligence-gathering on Spetsnaz—leanring how, when and where they will strike—must be beefed up.

"The development of Spetsnaz has been rapid, and we are only now recognizing the magnitude of the threat they pose," concludes the Pentagon's Koch. "We must vastly improve our rear-area security to deal with that threat."

THE ACTUAL EFFECTS OF GRAMM-RUDMAN ON FEDERAL AID TO HIGHER EDUCATION

HON. ROBERT A. ROE

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Tuesday, April 8, 1986

Mr. ROE. Mr. Speaker, I rise to share with my colleagues information about the disastrous effects that Gramm-Rudman will have on the College Work-Study Program on colleges and schools in my district and on the State of New Jersey. While we had been led to believe by the sponsors of that budget-balancing legislation that the sequestration of funds would be even-handed, a careful reading of the report (attached) reveals that such is not the case.

At congressional request, on March 27, 1986, the U.S. Department of Education produced a computerized survey showing marked differences in the College Work-Study Program for institutions in New Jersey and across the whole country. This document is entitled the "United States Department of Education Campus-Based Student Financial Assistance Programs-Comparison of Award Year 1986–1987 Tentative Awards: Actual Awards According to the Balanced Budget and Emergency Deficit Control Act of 1985 (Public Law 99–177) and Estimated Awards According to the Fiscal Year 1986 Appropriations Act (Public Law 99–178)." The data reveals that some institutions face cuts of as much as 80 percent in the face of a 4.3-percent reduction as mandated by Gramm-Rudman.

In my district, William Paterson College will lose 2 percent in student assistance funds, Passaic County Community College will lose 9.3 percent in college work-study awards, and Montclair State College will lose 11 percent in supplemental educational opportunity grants [SEOG]. The Berdan Institute in Totowa stands to lose 2.7-percent SEOG awards, the Clifton School of Business will lose 4.5-percent SEOG awards, and the Katherine Gibbs School in Montclair will lose 5-percent SEOG awards.

The inequities in these reductions in my own district can be found elsewhere in the State of New Jersey. Hudson County Community College in Jersey will lose 22.4 percent of its Federal assistance, the Wilfred Academies will suffer an 11-percent reduction in aid, and the Institute of Business and Technology in Newark will have its Federal aid cut by 23.8 percent. At the same time, there will be no reduction in college work-study allocations for both Princeton University in Princeton and Rutgers University in New Brunswick.

Mr. Speaker, it strikes me as blatantly unfair to reduce allocations for Federal support for higher education in this manner. Some students will be penalized while others will not; some colleges and universities will suffer reduced enrollments; others will not. Career opportunities for some New Jersey students will be jeapordized; others will not see their career goals threatened. These inequitable reductions in allocation for Federal aid to education violate the basic principles of American democracy, and should not be allowed to stand, for they are not in the best interests of our Nation.

U.S. DEPARTMENT OF EDUCATION CAMPUS-BASED STUDENT FINANCIAL ASSISTANCE PROGRAMS—COMPARISON OF AWARD YEAR 1986–87 TENTATIVE AWARDS: ACTUAL AWARDS ACCORDING TO THE BALANCED BUDGET AND EMERGENCY DEFICIT CONTROL ACT OF 1985 (PUBLIC LAW 99–177) AND ESTIMATED AWARDS ACCORDING TO THE FISCAL YEAR 1986 APPROPRIATIONS ACT (PUBLIC LAW 99–178)

Institution and city	SEOG awards		CW–S awards		NDSL awards	
	Actual Public Law 99–177	Estimate Public Law 99–178	Actual Public Law 99–177	Estimate Public Law 99–178	Actual Public Law 99–177	Estimate Public Law 99–178
NEW JERSEY						
Academy of Business Careers, Woodbridge	$5,152	$5,152	0	0	0	0
American Business Academy, Hackensack	51,208	51,208	0	0	0	0
Atlantic Community College, Mays Landing	30,513	37,701	$60,139	$68,578	$100,000	$100,000
Berdan Institute, Totowa	5,116	5,260	0	0	7,295	7,872
Bergen Community College, Paramus	156,740	156,740	165,843	170,691	0	0
Beth Medrash Govoha of America, Lakewood	121,923	121,923	441,066	441,066	49,046	49,046
Bilingual Institute, Newark	5,508	5,508	6,412	7,022	0	0
Bloomfield College, Bloomfield	101,605	108,183	172,717	172,717	100,000	100,000
Brick Computer Science Institute, Brick	10,300	10,978	10,000	10,000	0	0
Brookdale Community College, Lincroft	35,683	46,397	90,243	105,721	15,000	15,000
Burlington County College, Pemberton	28,220	32,084	59,480	64,923	0	0
Caldwell College, Caldwell	29,588	29,588	50.801	50,801	0	0
Camden County College, Blackwood	169,739	182,608	241,556	276,073	0	0
Capri Institute of Hair Design, Clifton	6,817	6,817	0	0	0	0
Capri Institute of Hair Design, North Haledon	5,000	5000	0	0	0	0
Capri Institute of Hair Design, Paramus	5,000	5,000	0	0	4,000	4,000
Capri Institute of Hair Design, Kenilworth	5,000	5,000	0		4,000	4,000
Capri Institute of Hair Design, Bricktown	5,000	5,000	0	0	4,500	4,500
Centenary College, Hackettstown	32,317	41,291	49,066	54,353	18,737	21,720
Citone Institute, Edison	19,199	19,688	5,000	5,000	0	0
Clifton School of Business, Clifton	29,559	30,982	0	0	0	0
College of St. Elizabeth, Convent Station	20,053	21,592	20,000	20,000	0	0
Computer Learning Center, Paramus	36,013	38,6338	22,723	26,227	52,114	53,852
Concorde School of Hair Design, Eatontown	5,000	5,000	0	0	6,764	6,764
County College of Morris, Randolph	33,103	38,376	124,115	124,115	50,000	50,000
Cumberland County College, Vineland	10,870	11,664	23,000	23,000	0	0
Devry Technical Institute, Woodbridge	224,961	275,197	0	0	450,000	450,000
Don Bosco College, Newton	0	0	9,234	9,234	0	0
Dorothy Aristone's School, Maple Shade	7,072	7,072	0	0	4,462	4,462
Dover Business College, Dover	5,654	5,792	0	0	0	0
Drake College of Business, Elizabeth	10,180	12,085	0	0	27,488	30,261
Drake Secretarial College, Jersey City	8,366	9,034	0	0	0	0
Drew University, Madison	125,638	151,061	212,862	232,710	174,981	174,981
Elec. Computer Prog. Inst.-Paterson, Paterson	45,666	45,666	0	0	0	0
Elizabeth General Med. Ctr. Sch. of Nursing, Elizabeth	18,587	18,587	29,750	29,750	0	0
Empire Technical Schools of New Jersey, Inc., East Orange	45,625	45,625	0	0	40,224	40,225
Engine City Technical Institute, Union	8,100	8,100	0	0	10,935	10,935
Essex College of Business, Newark	93,932	101,137	66,929	80,456	0	0
Essex County College, Newark	116,600	116,600	481,314	481,314	0	0
European Academy of Cosmetology, Union	8,694	8,694	0	0	0	0
Fairleigh Dickinson University, Rutherford	798,181	798,181	516,411	536,288	0	0
Felician College, Lodi	16,973	16,973	27,990	27,990	0	0
Franklin Beauty School, Jersey City	5,216	5,394	0	0	0	0
Franklin Beauty School—Elizabeth, Elizabeth	5,355	5,355	0	0	0	0
Georgian Court College, Lakewood	20,000	20,000	18,000	18,000	0	0
Glassboro State College, Glassboro	434,250	434,250	734,038	734,038	0	0
Gloucester County College, Sewell P.O.	15,881	17,583	45,069	47,374	0	0
Hudson County Community College, Jersey City	43,241	50,760	111,873	144,192	0	0

U.S. DEPARTMENT OF EDUCATION CAMPUS-BASED STUDENT FINANCIAL ASSISTANCE PROGRAMS—COMPARISON OF AWARD YEAR 1986–87 TENTATIVE AWARDS: ACTUAL AWARDS ACCORDING TO THE BALANCED BUDGET AND EMERGENCY DEFICIT CONTROL ACT OF 1985 (PUBLIC LAW 99–177) AND ESTIMATED AWARDS ACCORDING TO THE FISCAL YEAR 1986 APPROPRIATIONS ACT (PUBLIC LAW 99–178)—Continued

Institution and city	SEOG awards		CW–S awards		NDSL awards	
	Actual Public Law 99–177	Estimate Public Law 99–178	Actual Public Law 99–177	Estimate Public Law 99–178	Actual Public Law 99–177	Estimate Public Law 99–178
Immaculate Conception Seminary, South Orange	0	0	10,000	10,000	0	0
Institute of Business and Technology, Newark	45,969	57,261	70,727	92,878	0	0
Institute of Business Careers, Trenton	10,278	10,278	0	0	0	0
Jersey City State College, Jersey City	108,870	108,870	432,823	432,823	0	0
Katharine Gibbs School, Montclair	32,797	34,510	36,675	36,875	0	0
Kean College of New Jersey, Union	140,000	140,000	270,288	294,251	50,000	50,000
Kubert's School of Cartoon & Graphic Art, Inc., Dover	6,881	7,636	0	0	0	0
Lincoln Tech Business Institute, Pennsauken	17,106	17,756	0	0	36,490	40,418
Lincoln Technical Institute, Union	31,805	31,805	0	0	7,497	7,786
Lyons Institute, Hackensack	115,790	115,790	0	0	73,872	73,872
Maison de Paris Beauty College, Haddonfield	9,580	11,266	0	0	0	0
Mercer County Community College, Trenton	55,593	59,754	124,466	128,090	0	0
Middlesex County College, Edison	40,166	40,200	109,189	121,815	25,000	25,000
Monmouth College, W. Long Branch	176,558	181,965	163,797	176,430	0	0
Montclair State College, Upper Montclair	173,397	195,027	332,176	370,210	4,165	11,227
Muhlenberg Hosp. Sch. of Nursing, Plainfield	5,148	5,303	6,820	7,560	0	0
National Education Center—Bryman Campus East, East Brunswick	10,810	10,810	10,000	10,000	1,718	1,718
National Education Center—Rets. Campus Nutley, Nutley	16,780	19,695	10,000	10,000	0	0
Natural Motion Institute of Hair Design, Jersey City	27,674	27,674	0	0	0	0
New Horizons Institute of Cosmetology, Inc., Union City	5,148	5,148	0	0	15,522	15,966
New Jersey Institute of Technology, Newark	141,546	165,237	184,477	221,097	90,000	90,000
Northeastern Bible College, Essex Fells	6,013	6,467	35,000	35,000	0	0
Ocean County College, Toms River	30,634	32,000	88,087	90,000	30,000	30,000
Omega Institute, Cinnaminson	7,950	8,788	0	0	19,441	20,000
P.B. School of Beauty Culture, Gloucester City	6,292	6,843	0	0	0	0
Passaic County Community College, Paterson	50,364	58,300	149,161	164,539	0	0
Paterno College of Beauty Culture, Dover	6,753	6,753	0	0	0	0
Pennco Tech., Blackwood	11,895	11,895	0	0	22,879	25,272
Placido's School of Hair Design, Rutherford	5,000	5,000	0	0	0	0
Plaza School of Drafting, Paramus	10,756	11,770	9,288	10,901	0	0
Popkin School of Court Reporting, Inc., Cherry Hill	5,000	5,000	0	0	0	0
Princeton Theological Seminary, Princeton	0	0	55,000	55,000	65,850	65,850
Princeton University, Princeton	885,045	885,045	1,060,000	1,060,000	415,885	472,173
Rabbinical College of America, Morristown	45,146	45,146	93,517	93,517	0	0
Ramapo College of New Jersey, Mahwah	82,965	82,965	213,274	213,274	0	0
Rider College, Lawrenceville	140,538	158,390	320,338	320,338	22,133	28,104
Roberts-Walsh Business School, Union	53,781	57,418	0	0	50,750	50,750
Roman Academy of Beauty Culture, Hawthorne	5,000	5,000	0	0	0	0
Rutgers—State University—New Jersey, New Brunswick	1,555,263	1,555,263	1,959,278	1,959,278	0	0
St. Peter's College, Jersey City	196,675	209,663	414,465	414,465	0	0
Salem Community College, Carneys Point	18,495	18,495	39,983	41,798	0	0
Sawyer School—Elizabeth, Elizabeth	33,719	33,719	2,000	2,000	0	0
School of Business Machines, Jersey City	72,185	72,185	0	0	0	0
Seton Hall University, South Orange	214,020	265,529	390,158	486,110	450,000	450,000
Somerset County Technical Institute, Bridgewater	0	0	3,500	3,500	0	0
Somerset County College, Somerville	28,000	28,000	14,428	17,833	0	0
Stevens Institute of Technology, Hoboken	143,716	172,727	625,772	625,772	178,160	202,818
Stockton State College, Pomona	70,681	82,628	147,616	163,022	120,000	120,000
Talmudical Institute of Central Jersey, Adelphia	8,869	8,869	17,000	17,000	0	0
Teterboro School of Aeronautics, Inc., Teterboro	14,221	14,724	0	0	1,280	1,290
The Claire Damarzo Institute of Professional, Westwood	5,000	5,000	0	0	0	0
Trenton State College, Trenton	96,581	100,412	167,225	178,558	0	0
Union County College, Cranford	51,306	58,537	76,794	98,320	0	0
Union Technical Institute, Neptune	21,290	21,290	0	0	47,882	47,822
University of Medicine and Dentistry of New Jersey, Newark	17,940	17,940	392,794	450,000	749,909	805,513
Upsala College, East Orange	274,627	274,627	305,908	305,908	0	0
Westminster Choir College, Princeton	41,749	43,805	76,337	76,337	32,467	36,935
Wilfred Academy, Newark	93,143	93,143	117,277	131,745	81,597	81,598
William Paterson College of New Jersey, Wayne	111,168	113,443	229,583	229,583	0	0
State totals for New Jersey	8,616,080	9,003,288	12,560,852	13,115,268	3,712,001	3,881,528

BACKGROUND ON TVA PROBLEMS

HON. RONNIE G. FLIPPO

OF ALABAMA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, April 8, 1986

Mr. FLIPPO. Mr. Speaker, the Tennessee Valley Authority is an Agency of Government which has been and continues to be of great value to the Nation and to the region in which it is located.

However, problems have begun to surface in recent years. Because of my great esteem for the potential service of TVA to the Nation, I have devoted considerable time to a review of the problems and an evaluation of corrective actions. I want to share my findings with my colleagues.

WHAT IS THE PROBLEM?

An elephant, the old story goes, is a creature put together by a committee.

The Tennessee Valley Authority [TVA] is a Federal corporation running the Nation's largest electric power system—and managed by a committee. It may be the only organization of its size in the Nation operating under a board of directors that both makes policy and carries out the management of that policy—by a three-member committee.

It is time to end this inefficient system by which the Agency is under a three-headed creature, a troika system that means no one person is responsible, no one person is accountable, no one monitors management.

If management by troika were not bad enough, this Federal Agency is virtually a law unto itself, insulated from outside forces. It makes decisions in a closed manner. It is insulated from "interference" by the Congress and the President—and insulated from "interference" by the people who pay for its electric power program, the electricity ratepayers in the Tennessee Valley.

This Agency, amazingly, sets its own electricity prices—prices that have skyrocketed in the past 15 years. TVA may be the only electric service provider in the United States that sets its own prices, without a formal public hearing process, without regulation from any outside force or group of forces.

What, then, are the problems that have led to the proposal to amend the TVA Act?

First, an archaic, irrational management structure—established without extended analysis more than half a century ago. This management-governance structure has two serious flaws:

It mixes apples and oranges—putting into the hands of one body the jobs of policy and management. When the Board also manages, there is no one to monitor management.

Management by committee, with no person responsible and no one accountable.

Second, a bureaucratic organization that is virtually a law unto itself, insulated from outside forces. TVA may have more autonomy, and less accountability to outside forces, than any Federal agency of its size and scope.

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Third, no voice in policy making by the electric ratepayers of the region—who pay every dollar of TVA's electric power costs. Six million electric ratepayers, paying TVA well over $4 billion a year, but with no representation on the TVA Board, no formal process to critique the Agency on billion-dollar decisions.

What has been the result of these circumstances?

The results have been:

Ineffective management, so ineffective that the TVA Board has been forced to bring in outside private consultants to manage the nuclear power program. Employee morale has suffered.

Bad policy making, perhaps the most disastrous in this Nation's electric utility industry. Bad decisions—made without input, by a three-member committee—that may cost the Tennessee Valley ratepayers as much as $10 billion—for nuclear power facilities that will not produce 1 dollar's worth of electricity. Waste, on a huge scale.

No clear responsibility to the ratepayers for these multibillion dollar policy mistakes. The ratepayers, who pick up the tab for every dollar of TVA's power system costs, have no representation, no formal process of input and protest. No voice.

An agency that sets its own prices, without even an adversarial hearing process.

A weakened agency internally, due in part to the Board's attempt to handle both policy making and management, and doing neither well.

What does this proposal offer to deal with these problems?

The proposal would:

Put the Agency under a modern management setup, based on the model of a business-like corporation. This would include a part-time board concentrating on policy-making and on monitoring the Agency's performance, a professional manager—chief executive officer—selected by the Board, to manage the Agency on a day-to-day basis, and Board committees to deal in depth yet at an arms length from day-to-day management with such policy issues as electric rate-making.

Require, for the first time, that TVA directors be representative of the region, and of the electric ratepayers.

Provide for an Inspector General, under Federal law, to report to the new, part-time, policy-making board. The recently appointed TVA Inspector General reports to the Board, but this is the same board that manages the Agency. So, at present, the IG, in effect, reports to management. Under this proposal, the part-time Board would focus on policy. Thus, the Board would oversee and monitor management, not be a part of it.

TVA became half a century old in 1985. From TVA's early days questions have been raised about the wisdom of the dual role of policy and management thrust on the three-member Board. Rhetoric, New Deal enthusiasm, and the delivery of highly desirable services helped to mask the structural problems and to thwart those who expressed concern about the symptoms of the problems. As the TVA faces serious real problems in operation of a nuclear power system, in employee morale, in the confidence of those it serves, and in its role for the future, it is time to move beyond lamenting the symptoms of the problem. This proposal is an effort to prepare TVA for continued service to the people of the region and of the Nation by updating TVA management structure through introduction of modern corporate governance concepts for greater responsiveness and accountability. The people of the United States and the electric ratepayers of the TVA region deserve at least this much in this valuable institution.

THE SCOPE OF THE PROPOSAL

The legislation is in two parts. The first focuses on a small portion of the Tennessee Valley Authority Act, section 2, and a paragraph in section 3, dealing with the composition and duties of the board of directors. No other sections of the TVA Act are invovled. The second part amends the Inspector General Act to give the TVA's inspector general statutory structure, authority and responsibilities.

The proposal:

First, recognizes the TVA's special role as a Federal corporation.

Second, reflects the fact that TVA is a complex organization with some highly technical activities and requires sophisticated, professional management of its operations plus the public participation and support of its policy function due to its statutory political nature.

Third, is based on the reality that the TVA is a different enterprise than a publicly held business corporation and a different enterprise than the original institution itself.[1]

Fourth, establishes a new form of management which incorporates essential elements of prevailing corporate governance structure for greater control, accountability, and responsiveness.

The thrust of the proposal would fix the responsibility for day-to-day operations of TVA in a single chief executive officer, the same as is found today in most of the corporations in this country and in all the cooperatives and municipal systems which distribute TVA power. The responsibilities of the board would change from day-to-day management of the agency to monitoring and regulating the agency and making policy adjustments as necessary.

Under such a concept, the board should be viewed as trustees for the combined constituencies of the agency, rather than the current concept of the board as technocrats attempting to manage a complex public organization. The major change is the elimination of the board's present dual, and sometime conflicting responsibilities, for establishing policy and then implementing the policy without any other independent review or evaluation. The board remains the ultimate corporate authority.

THE HISTORY

Compared to other elements of the TVA Act and its predecessors, the composition and duties of the board and the functions of governance of the TVA received scant attention of the Congress of 1933. The initial TVA or Muscle Shoals legislation originated in the War Department in 1919 and called for a board of from 3 to 11 members appointed by the Secretary of War. The first Norris bill in 1922 called for three full-time board members appointed by the President for no fixed term.

In 1928, the first TVA bill approved by the Congress established a five-member, part-time board and a chief executive officer. The second TVA bill to pass both Houses—in 1931—provided three part-time board members and general control and management of the agency by a general manager. The first bills introduced in 1933 still called for a strong general manager but differed on the number of days board members could serve per year. After President Roosevelt's April 10, 1933, message on TVA, new bills were introduced calling for three full-time board members. Ultimately, the idea of a general manager was dropped from the enacted version. But for most of the period when Congress was actively considering TVA or Muscle Shoals legislation, emphasis was on a part-time board, or Muscle Shoals legislation, emphasis was on a part-time board, and chief executive officer chosen by the board to manage the agency.

From the perspective of the first board members who had a hand in drafting the final version of the TVA Act, the nature of the tasks facing the start up of the agency and the political urgency for rapid results in those desperate early New Deal days may have seemed to favor the kind of three-man full-time board which emerged from the conference committee. Yet the most noted early TVA scholars expressed grave doubts about the wisdom of this structure. Even the first board changed its views on the matter of a chief executive officer and established a general manager in 1936.[2]

One early TVA scholar, Herman Finer, writing in 1944 on "TVA: Lessons for International Application," was clear about the question:

> Whether a full-time board of directors was, or is, necessary is doubtful. It was not the deliberate result of careful congressional meditation on alternatives * * *. Experience of the first 8 years of the TVA's operation * * * certainly raises the question whether a board of three men each with equal authority could not be better replaced with a single administrator.

Another scholar, C. Herman Pritchett has written:

> My experience and information concerning the TVA are largely limited to the first 10 years of its existence. However, during that period the problems resulting from a small full-time board were only too evident.

Thus, it seems the problems attributable to the board structure and size are not limited to recent times. The difficulties have been there from the beginning.

While various constituencies may differ with positions expressed by individual TVA directors over the years, it is unproductive to attempt to second guess or berate prior decisions and actions of particular directors or boards. Under the tripartite management scheme established by the original legislation, no single director can assume the responsibility nor suffer the blame for specific management failures. While the simple approach to TVA's problems would be to fault board members with whom one disagrees, a more thorough analysis points strongly to the structure through which the board operates as the weak link in the governance of the agency.

THE 1959 CHANGES

A profound change in the nature of TVA was brought about by the self-financing legislation of 1959 when the responsibility for the electric power program was transferred from the people of the United States to the people of the TVA region. In expressions through the political process in the early 1950's, the people of the United States refused to provide further resources for development of the TVA's electric power program. The decision was intolerable to the people of the TVA region and their desire for the continued availability of electric energy culminated in the 1959 TVA self-financing legislation, again through the political process.

Thus, in 1959 the TVA became basically a regionally-financed agency in regard to electricity, an agency whose policies directly affected the pocketbook of every citizen in the region. But though this drastic change in accountability and responsibility took place a quarter of a century ago, there has been no change in TVA's formal methods of accountability to the people.

For example:

There is no independent regulation of TVA's wholesale electric rates—which make up more than 80 percent of the total retail cost of electricity for the Valley's users—by any entity other than a TVA Board composed of policy-maker/managers, who also have the responsibility for operations of the agency.

There is no formal process by which TVA's decisions, sometimes multibillion-dollar decisions, are subject to public review, through hearings or other methods.

There is no administrative device through which the people of the region are represented in the TVA decision-making process.

There is no formal procedure by which the region's people or their representatives can effectively comment on TVA actions.

In practice, numerous informal methods are used by the TVA Board to air public opinion. The agency, in fact, has in recent years stepped up its efforts to obtain the views of people in the region. But—in an era where public participation and organizational responsiveness are the trend of the times—TVA policymaking rests almost totally in the hands of three persons who not only make those policies, but manage the execution of the policy as full-time agency employees.[3]

The TVA's statutory mandate is so broad that no single outside institution can effectively control the agency. Congress cannot—and has done nothing to control the TVA for a quarter of a century, since the self-financing amendments of 1959. Congressional attention is primarily after-the-fact due to the nature of the relationship between the executive and the legislative branches. Presidents do not, even though they nominate TVA directors. Presidents appear to have more pressing national and international problems to absorb their attention. OMB does not—even though OMB and TVA engage in constant skirmishes.

As important as the TVA decisions are to the people of the region in terms of the agency's ability to make commitments which require payment by the people of the service area, the business of TVA fades to inconsequential in comparison to other pressing national problems with which the President and the Congress must deal. As the national budget approaches a trillion dollars a year, the TVA's appropriated program of a mere $100 million or so appears in only the most detailed accounts.

The essential result of the 1959 amendments was to make the people of the Tennessee Valley region totally responsible for paying for whatever costs the TVA power program incurred. The TVA Board tells the people of the region what expenditures are necessary and what the costs will be. There is no other appeal or review, even an ineffective procedure, available to the public to challenge these charges or question the appropriateness of actions.

THE PHILADELPHIA PROTESTANT HOME

HON. ROBERT A. BORSKI

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, April 8, 1986

Mr. BORSKI. Mr. Speaker, I rise to pay tribute to the Philadelphia Protestant Home, which has just completed a $13 million construction project which will greatly improve the services it offers to its residents.

The Philadelphia Protestant Home was formed in 1890 by 14 local churches. Since then it has grown into a group of 34 churches representing five different denominations. These churches provide full support for the Protestant Home, which has a staff of 160 and serves over 500 residents.

The Protestant Home makes a strong commitment to caring for its residents, even devoting $500,000 a year to supporting residents who cannot pay themselves.

To honor the completion of 3 years of work in expanding and upgrading their facilities, the Protestant Home is sponsoring a week long series of seminars on issues concerning older persons. These sessions will address the important matters of retirement planning, coping with retirement itself, and the role of religious groups in supporting older persons. They will also focus on how young people can better understand the elderly.

The Philadelphia Protestant Home has played a very positive role in its community, offering its social hall to local groups like the AARP and the Boy Scouts.

I strongly commend the Philadelphia Protestant Home for the fine services it offers its residents and for its efforts in promoting better understanding of the needs of retired persons among all of us. As a member of the House Select Committee on Aging, I share these very concerns. I am pleased that the Protestant Home will continue to make a highly positive contribution to the people of the Third Congressional District and to everyone in the Philadelphia area.

I know I am joined by all my colleagues in wishing the Philadelphia Protestant Home the best of all possible success in its new facilities, and with all its future activities.

BIELARUSIAN INDEPENDENCE DAY

HON. FRANK ANNUNZIO

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, April 8, 1986

Mr. ANNUNZIO. Mr. Speaker, March 25 marked the 68th anniversary of the Bielarusian National Republic, and I am glad to take this opportunity to commemorate this important event in the history of a free people.

The Bielarusian Coordinating Committee of Chicago, dedicated to the restoration of human liberty in Bielarus, held their annual commemorative banquet and program to mark this occasion. This year's observance was held on Sunday, March 23, at 1 p.m. at the Regency Inn, 5319 West Diversey Avenue in Chicago, and I join with the members of the Committee in their prayers, hopes, and determination that the Bielarusian people will once again have a free nation.

As noted by the committee, the Bielarusian Independence commemoration is a sad occasion, and one seldom hears about Bielarus in our press reports because Bielarus has been completely cut off from the world by the heavy presence of Soviet troops, and because Moscow continues to destroy the Bielarusian Nation by assimilation. The Russians have attempted to wipe out the Bielarusians' history, their culture, and their language, and want them to completely forget their past. The communists have written new books, manufacturing a new culture and inventing a new history for the Bielarusian people in an attempt to completely liquidate the Bielarusian people. Nevertheless, many Bielarusians have stood firm in their resolve to oppose the actions of the Communists.

To mark this 68th anniversary, I added my name to a Congressional letter sent to General Secretary Gorbachev in which I called for the immediate release of Mikhail Kukobaka, the brave Bielarusian dissident who was first arrested in 1970 for "anti-Soviet slander," and had continually been rearrested each time his prison term has been served. His only crime is that he has renounced his Soviet citizenship and desires to emigrate from Russia. This courageous individual who continues to stand up against the tyranny of his oppressors is a source of strength and inspiration for Bielarusians throughout the world, who hope and pray for the day when their beloved country may once again join the community of free nations. The text of the letter to General Secretary Gorbachev follows:

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[1] There is no evidence either early legislators or TVA boards anticipated the current situation regarding financing of the agency or the scope of the electric program.

[2] For an expanded review of the early management structure proposals, see staff discussion paper: The Tennessee Valley Authority Board: Why Three Full-Time Members?

[3] An apparent exception to this situation is the recently hired "nuclear czar". Here, the board is said to have given extraordinary authority to a recognized nuclear expert to make any necessary changes to restore the TVA's nuclear plants to operation. But the very fact that the board was forced to bring in a "nuclear czar" indicates that a three-member body is an ineffective management device. Someone has to be in charge and responsible.

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MIKHAIL GORBACHEV,
General Secretary, Central Committee of the Communist Party USSR, The Kremlin, Moscow, RSFSR, USSR.

DEAR SECRETARY GORBACHEV: We, the undersigned Members of the United States Congress, are writing to request your intercession in the case of Mikhail Kukobaka.

Since 1970, when he was first confined for anti-Soviet slander, Mr. Kukobaka has been rearrested each time that his sentence has been served. Eligible for release in October 1984, he was given a new sentence of 7 years detention in a labor camp and 5 years in internal exile. Mr. Kubobaka has renounced Soviet citizenship and has expressed the desire to emigrate to a Western country.

As evidenced by the long period of confinement, we believe that Mikhail Kukobaka has served ample time for the charges brought against him and can see no purpose for extending his sentence. He posseses no state secrets and would pose no threat to Soviet security. On behalf of many Bielarusian-Americans concerned about the plight of Mr. Kukobaka and in the interest of improving U.S.-U.S.S.R. relations, we urge you to release Mikhail Kukobaka and to allow him to emigrate.

Thank you for your consideration of this matter and we eagerly await your response.

Mr. Speaker, the United States has benefited enormously from the courage and vitality of Bielarusian-Americans, who have contributed spiritually, economically, and intellectually to the strength of our Nation. It is with pride that I join with Bielarusian-Americans in the 11th Congressional District of Illinois which I am honored to represent, and Americans of Bielarusian descent throughout the country, who are commemorating the 68th anniversary of the independence of Bielarusia, and I share their hope that one day the people of Bielarusia can once àgain enjoy the blessings of freedom and national self-determination.

A TRIBUTE TO FRANK H. MACHADO

HON. TONY COELHO

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, April 8, 1986

Mr. COELHO. Mr. Speaker, on April 11, 1986, friends and admirers of Mr. Frank H. Machado will gather to honor him on the occasion of his retirement from his position as director of the Stanislaus County Veterans Service Office after 25 years of service to the veterans of Stanislaus County, CA.

Frank first began working for Stanislaus County in 1961 when he was hired as a veterans' service officer, and in 1979 he was promoted to the position of director of the Veterans Service Office. Over the years he has been highly involved in veterans affairs throughout the State of California. He has served as president of the Modesto post of the American Legion, has served in a variety of statewide legion offices, and ,s currently a candidate for the position of California Department Commander.

Frank's efforts on behalf of veterans have not gone unrecognized. He has received an award from the U.S. Naval Sea Cadets in appreciation for his dedicated service to the military, and received both the Man of the Year and Loyalty awards from the Modesto chapter of the Veterans of Foreign Wars. Last year, his service to veterans throughout the State was recognized by the California State Assembly.

In addition to his service to our community and State, Frank has also worked hard to serve our country. Last month he retired from the U.S. Naval Reserves after 20 years of dedicated service in the Reserves.

I would like to join with Frank's other friends in saluting him for all his efforts on behalf of veterans throughout California over the last quarter century. I wish him continued health and happiness in his retirement.

BILL KUCEWICZ PINPOINTS "YELLOW RAIN" EVIDENCE

HON. JIM COURTER

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Tuesday, April 8, 1986

Mr. COURTER. Mr. Speaker, one of the most tiresome "fool's errands" in United States-Soviet relations has been the protracted search for conclusive evidence that the "yellow rain" chemical weapons samples found in Southeast Asia are not, in fact, bee feces. In their efforts to absolve the Soviet Union of any blame for chemical weapons attacks, several noted scientists have been demanding "smoking gun" evidence before they will abandon their quaint insect excrement hypothesis.

But, as the following article from the Wall Street Journal notes, the Canadian Government may be preparing to produce the most damning evidence thus far, linking Soviet client states to the conduct of despicable chemical weapons "experiments" on the people of Cambodia and Thailand. Together with numerous eyewitness accounts and independent laboratory analyses, the Canadian report may finally convince the obstinate skeptics that the Soviet Union is capable of committing atrocities at the same time that it is excoriating the Reagan administration for poisoning "the spirit of Geneva." I urge my colleagues to pay careful attention to the following article.

[From the Wall Street Journal, Mar. 31, 1986]

YELLOW RAIN CONFIRMED

(By William Kucewicz)

The Canadian government is about to release the most conclusive proof yet that yellow rain is a man-made weapon. The evidence supports the U.S. charges that the Soviet Union and its allies have used deadly toxin weapons in Southeast Asia. The Canadians have not only found positive yellow-rain samples from an attack site, but they also have what appears to be part of a weapon. The new data go a long way toward solving some of the yellow-rain riddles that have baffled scientists and military experts ever since the first attacks more than a decade ago.

The study was conducted by the Ottawa-based Defense Research Establishment, an agency of the Ministry of Defence whose work includes chemical weaponry. The analysis, titled the "Final Summary Report on the Investigation of Yellow Rain Samples from Southeast Asia," is expected to be released in mid-April. Canadian officials refused to provide any information about the report; however, sources familiar with the report provided the Journal with the essential details.

Canadian scientists found trichothecene mycotoxins—the same deadly fungi identified by the U.S. government and independent American scientists—in yellow-rain samples collected from a 1982 attack site in Thailand. The Canadians also apparently acquired part of a yellow-rain weapon—a piece of plastic bag—from the same site. The plastic was covered with high concentrations of various trichothecenes and carried no pollen grains.

PRIMITIVE EXISTENCE

On Feb. 19, 1982, at 9:30 a.m., an unmarked, single-engine plane circled the Thai village of Ban Sa Tong, located about 10 kilometers west of the Cambodian border. After five or six circuits, the aircraft dropped a yellow substance from a height of about 5,000 feet. According to previously published reports, six houses in the southeast sector of the village were "liberally covered" with a yellow powder that stuck to roofs, walls, foliage and ground.

The people of Ban Sa Tong live a primitive existence. Their houses are raised on piles and consist primarily of a single communal room, largely devoid of furniture, with one wall open to the outside. Despite these conditions, visitors reported that the houses and people were clean. The villagers' primary occupation is tending crops in surrounding fields. Immediately following the attack, the shocked inhabitants notified Thai authorities.

The incident was most striking at the time because no area of Thailand had ever been hit before by a yellow-rain attack. All of the previous evidence compiled by the U.S. government involved attacks in Laos—mainly against the primitive H'Mong people—and in Cambodia. The U.S. has said that these attacks were conducted by Vietnamese and, occasionally, Laotian forces. The U.S. has charged the Soviet Union with supplying the yellow-rain material and providing military advisers to assist in its use. This violates the Biological Weapons Convention of 1972 and the Geneva Protocol of 1925.

Thai authorities sent public-health officials and military experts to investigate the incident. They found, however, that no major epidemic had occurred as a result of the yellow rain. Absent were the severe symptoms reported by the H'Mong and Cambodians, especially the profuse internal hemorrhaging and agonizing deaths. None of the villagers, for instance, were hospitalized. Thai authorities concluded that the event was a ruse, perhaps intended to test Thai reactions.

Canada then sent in its own epidemiological team to investigate the incident at Ban Sa Tong. The medical experts, with the cooperation of Thai authorities, interviewed 33 villagers, most of whom lived in the area where the substance actually landed. Blood samples were taken and about 200 leaf samples were collected. Several metal roofs and walls were scraped clean of the yellow powder. Control samples were also collected from surrounding areas. All of the samples were sent back to the National Defense Headquarters in Ottawa for analysis.

Unlike the Thai doctors, the Canadian medical team "soon discovered minor symptoms which appeared unusual." The team found that 21 of the 33 villagers (or an unusually high 64%) were ill due to the yellow-rain attack, though none had died. Their symptoms included mouth and throat soreness, increased thirst, stiffness, trembling, cough, shortness of breath, chest pain, nausea, itching of the skin, rapid heart beat, blurred vision, weakness and dizziness. All of these symptoms are associated with yellow-rain attacks elsewhere in Asia. The epidemiological findings were published by the medical branch of Canada's National Defence Headquarters in August 1982.

The team concluded that the "uncommon level of illness" in Ban Sa Tong was the result of no other "possible causal mechanism common to all those affected except the yellow substance dropped on the village." Without laboratory analysis of the samples, however, the Canadian team stopped short of declaring that Ban Sa Tong had been hit by chemical weapons, though the report as a whole concluded that chemical-biological weapons "are being used" in Southeast Asia "against unprotected troops and civilians with inadequate medical support." Moreover, it added, "Most of the deaths associated with the use of CW/BW agents are the result of inadequate or inappropriate medical care."

The new report on the Ban Sa Tong samples concludes that there was in fact a chemical-weapon attack using the same mycotoxins that the U.S. government has found in Laos and Cambodia (and also on two Russian gas masks from Afghanistan) The Thai samples included three different types of trichothecenes—T2, HT-2 and DAS—which don't naturally form in combination. None of the control samples for neighboring areas showed any traces of the relatively rare trichothecenes, and villagers in those areas showed no signs of trichothecene-associated illnesses. The Canadian report, therefore, rules out the possibility these particular mycotoxins were naturally occurring. They could only come from man-made weapons.

The environmental samples showed relatively low levels of the toxins. This may explain why these villagers didn't suffer the types of violent deaths seen at other yellow-rain attack sites. By comparison, high levels of trichothecenes were found on the piece of plastic bag. And this has led Canadian researchers to conclude that the plastic is actually part of the cleverly simple weapon itself.

Villagers said that the aircraft had dropped something that appeared to explode in midair releasing its yellow contents, according to previously undisclosed evidence in the new report. Among the remnants of the device was the piece of plastic. Canadian experts surmise that the yellow powder was contained in a plastic container with an explosive charge that would rip the plastic apart and scatter the powder in a big yellow cloud. This would help to explain the nagging question of why no shrapnel has ever been found at attack sites. (The other most commonly used technique for disseminating yellow rain has been aerial spraying, much like cropdusting, which leaves noting but the yellow powder behind.)

TEST FINDINGS

Back in Ottawa, experts were mindful of the controversy that yellow rain might be nothing more than pollen or droppings of Asian honeybees. Harvard biochemist Matthew Meselson and some of his colleagues had challenged the U.S. data on yellow rain. They said the yellow-rain samples were not trichlothecene-laced weapons but rather merely bee feces. In an attempt to settle this dispute, the Canadian scientists used electroscanning pictures, or photomicrographs, to look closely at the samples. They found no pollen or feces on the plastic. They only discovered unusually high concentrations of the trichothecenes. The new report adds a typical scientific caveat: Because the Canadians were given the plastic, they cannot vouch for its authenticity. Nonetheless, all the other evidence points to the plastic as part of a Soviet-inspired yellow-rain device.

The plastic also helps to explain another running question. In late 1981, Joseph Rosen of Rutgers University tested a yellow-rain sample for ABC News. Besides finding three types of trichothecenes, he also discovered a man-made, industrial compound—polyethyleneglycol. It is possible that this came from the plastic containing the yellow rain.

Canada is not the only country to have tested yellow-rain samples from Ban Sa Tong. Britain and France have conducted their own tests, and Thai authorities sent samples to Japan for analysis. According to well-placed sources, all of these tests showed positive results for the mycotoxins, though not one of the governments has ever publicly confirmed the tests or results. Officials at the U.S. Army's chemical-testing lab in Aberdeen, Md., wouldn't comment on the Canadian report, and refused to say whether they had tested yellow-rain samples from the Thai site.

The Canadian yellow-rain evidence—along with the still-unpublished results from British, French and Japanese laboratories—vindicates the U.S. position. Yellow rain is indeed a Soviet developed and distributed biochemical weapon. The results from Ban Sa Tong also make ludicrous the theory that yellow rain is only bee feces.

FEDERALISM

HON. LEE H. HAMILTON

OF INDIANA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, April 8, 1986

Mr. HAMILTON. Mr. Speaker, I would like to insert my Washington Report for Wednesday, April 2, 1986 into the CONGRESSIONAL RECORD:

FEDERALISM

Over the years, Hoosiers have often expressed to me their lack of confidence in the federal government. They believe that it is badly run, that its policies are poorly implemented, that it is mired in bureaucracy, and that it intrudes too much into private activities. At least since the mid-1970's, Washington has been sympathetic to these complaints, and has tried to deal with them, with mixed success, through a wide range of proposals to reorganize, reduce and improve government. One area these complaints are being taken seriously is in the relation between the states and the federal government.

The division of responsibility for governing between the federal government and the states is fundamental to our constitutional system. The balance of responsibility between the states and the federal government is constantly evolving. It is not the type of issue that can be resolved once and for all because it depends on the political and economic trends of the period. In the last decade, after nearly fifty years growth in federal responsibility, a transformation has taken place; as the federal role diminishes, state and local governments have gradually assumed greater responsibility for many domestic policies.

The shift in responsibility from the federal government to the states has been accompanied by a drop in federal aid to the states and localities. In 1980, federal aid made up a quarter of all revenues of state and local governments. It now makes up a fifth. Assistance has dropped from 15.5 percent of the total budget and 3.4 percent of GNP in 1980 to 11.2 percent of the total budget and 2.7 percent of GNP in 1985. The heaviest cuts in federal spending in recent years have been among the state and local assistance programs. The budget proposed by the President for 1987 would continue this reordering of fedral budget priorities. Federal aid to state and local governments, which has been declining since 1978, could be cut even more over the next several years under the new federal deficit reduction plan.

President Reagan came to office promising to adjust the relationship between the federal and other levels of government. In 1982 he proposed a major reordering of responsibility. As part of that plan, the federal government was to swap all responsibility for welfare in exchange for becoming the main health care provider. The federal government, which runs Medicare for the elderly and disabled, was to take over Medicaid for the poor. In turn, state governments were to take over Aid to Families with Dependent Children (AFDC) and the Food Stamp Program. A second part of the plan would have consolidated more than forty other forms of federal aid to state and local governments and gradually reduced federal aid for them. As that happened, state governments could either levy their own taxes and continue the programs or let the programs expire. The plan failed, partly because the states were uneasy about having to assume the welfare burden, and partly because the states viewed it as a reduction in aid, not as a way to sustain programs.

Even though this swap failed, the President has had significant impact on the federal/state balance of power. The changes add up to a large increase in state influence. States now have greater discretion to spend money allotted under the new block grant setup and a larger role in job training. Less regulation and administrative oversight for many federal domestic programs and changes in Medicaid have improved states' ability to cut and control costs. More significant is the underlying shift in perception of what the federal government can do. With few exceptions, the federal government is no longer expected to create programs to correct domestic problems.

The role of state governments has been enhanced in several ways. State and local officials have become policy innovators in areas formerly dominated by the federal government. Workfare programs, in which recipients "pay back" benefits by doing public service jobs, have been introduced in 39 states with promising results. States are experimenting with new ways to provide quality, affordable health services, setting up community-based alternatives to nursing homes, encouraging preventive health care, and ensuring that the poor have access to health services. Many states have instituted reforms in their school systems, including competency tests and merit pay for teachers, tougher graduation requirements, and longer school days. States and local communities are competing aggressively for outside investors. States use tax incentives to en-

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courage corporations to invest in blighted urban areas, and state-sponsored private corporations are providing investment capital. Virtually every state is seeking new ways to help those with marginal income find homes they can afford. In these and other domestic policy areas, the states have emerged as the new engines of innovation.

Overall, I am favorably impressed by the resurgence of state and local governments. The character and the degree of this resurgence varies from state to state, but the shift seems to be both important and lasting. As the President and Congress search for ways to reduce the deficit, state and local officials will be asked to assume a greater role in U.S. domestic policy. As federal aid shrinks, state and local governments will increasingly have to rely on their own resources. I doubt that the federal government will have the fiscal flexibility either to take responsibility back from the states or to increase funds to them, at least in the near future. I do have the uneasy feeling that many local and state governments may not have the resources to fill the gaps left by federal budget cuts. That means the new federalism must be monitored closely to assure that important services are not dropped. I also expect that local governments will increasingly look to their state capitals for assistance as the federal government pulls back in domestic areas.

At every stage of our political and economic development, the question of the relation of the states to the federal government will be addressed anew. For now, state and local governments are taking on added duties and importance.

INSURANCE COMPANY ACCOUNTING QUESTIONED

HON. JAMES J. FLORIO

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Tuesday, April 8, 1986

Mr. FLORIO. Mr. Speaker, I recently inserted in the RECORD an article regarding questions raised about the manner in which insurance company reserves are reported. I am here inserting three subsequent articles from the Journal of Commerce on this subject and on insurance industry accounting in general. These articles report on the doubts of regulators and accounting experts about current industry practices.

Mr. Speaker, with the country now in the midst of a crisis in the availability of liability insurance, this somewhat technical issue takes on great significance. Responsible officials cannot begin to deal with the insurance crisis if they cannot get accurate data. For example, if we rely on incomplete data, we could be hit almost without warning by a wave of insurance company insolvencies leaving unpaid claims and widespread economic damage in its wake.

I hope these articles will help inform my colleagues about this important issue—an issue with very serious implications.

[From the Journal of Commerce, Mar. 25, 1986]

BOTH SETS OF UNDERWRITING BOOKS UNDER FIRE

(By James Nolan)

For arcane reasons dating to the 1920s, the commercial insurance industry keeps two sets of books.

But now, with the industry under pressure to reform its underwriting practices, both accounting systems are coming under heavy fire.

Public companies report to both the Securities and Exchange Commission and to state regulators. However, mutual companies, owned by their policyholders, report only to the states.

The rationale is that the reports to the SEC serve the investment interests of stockholders. Reports to the states are supposed to assure policyholders that companies can and will pay claims.

Evidence is mounting that for myriad reasons both reporting methods are falling far short of their goals.

Recent events show statutory reporting rules in the states are being applied unevenly and enforcement of the rules is sporadic.

In Iowa, the insurance commissioner says he can't trust accounting reports filed with his office, particularly by companies in questionable financial health.

In California, legislation is pending to call on independent third parties to certify the statutory accounting reports. Regulators want more intense scrutiny to protect policyholders.

Early this month, the National Association of Insurance Commissioners denounced lenient state accounting techniques established by their predecessors.

A pervasive discontent with statutory insurance industry bookkeeping has been simmering for two years. The issue came to a boil in January when Cigna Corp., the nation's second-largest property/casualty insurance company, boldly announced an enormous accounting change.

In a press release, Cigna said it was adding $1.2 billion to its reserve account for the payment of future claims.

What Cigna didn't say was that it was putting only $600 million in cash into the fund. The balance would come from interest income over the years on the cash. That is to say, the reserves would be discounted.

State insurance regulators permit discounting only for workers compensation reserves. With compensation payments, the pay-out stream for the future can be calculated with a great deal of precision.

For general commercial liability, discounting on a future that is highly uncertain isn't accepted. The reserves must be put aside dollar for dollar.

Peter W. Gillies, Connecticut insurance commissioner, uncovered Cigna's discounting when he questioned the firm by telephone. His discovery came in the last week in February, the eve of the March 1 deadline for the insurance industry to file financial statements with the state regulators.

In Connecticut and Pennsylvania, Cigna's state of domicile, regulators said Cigna did indeed file statements with the discounting entries on the books.

At the moment, both states are conferring and a decision on accepting the statements is expected momentarily.

In California, however, Bruce Bunner, insurance commissoner, flatly warned Cigna and any other company of like mind in mid-February that if they submitted financial statements containing discounted reserves, the filing would "be construed as the filing of a false or misleading financial statement with intent to deceive, which is against the law."

Cigna went ahead and filed the statements with the discounting reports included. In mid-March California sent the statements back to Cigna and ordered that the offending numbers be stricken from the reports.

Coincidently, the Securities and Exchange Commission signaled discontent with insurance industry the discounting issues also.

The American Institute of CPAs, the governing body for the profession, formed a committee this year to study the issues and make recommendations.

G. Michael Crooch, a partner at Arthur Andersen & Co., one of the nation's largest accounting firms, said that "traditionally, insurance companies have been under-reserved. If you discount, the reserves will be lower still."

The problem for the CPAs, Mr. Crooch said, is to reach common ground with actuaries, the professionals within the companies who work out the complex formulas for establishing reserves.

The gulf separating the two accounting systems can be seen specifically in the SEC reports for 1984. The Travelers Insurance Co., the nation's third largest public underwriter, told the SEC it was discounting more than $700 millon reserves, mostly for workers compensation.

Questioned later, Travelers said it dutifully reported the transaction in its state reporting. But the $700 million bookkeeping entry did not appear in summaries of the statutory accounting reports published by the A.M. Best Co., and industry rating and reporting service.

A Best spokesman said the clerks who go over the voluminous state accounting reports and type them into computers do not always pick up all of the accounting entries.

[From the Journal of Commerce, Mar. 25, 1986]

HISTORY OF ACCOUNTING IN INSURANCE ANALYZED

Double entry bookkeeping was perfected in Venice about 500 years ago.

The basic idea is that every transaction has two sides, a debit and a credit. When tens of thousands of transactions are separated this way, there is a marvelous check on the honesty of the accounting system. It's called balancing the books.

But quicker than you can say "green eye shade," skillful accountants learned to economize with the truth and make the books say other things.

Thus, the independent audit was devised. An outsider stands between buyer and seller and attests to the accuracy of the books.

In the insurance industry, the history of accounting has taken strange turns.

There has been state regulatory accounting for all insurance companies for some 60 years. But over the years the bookkeeping paths have divided for publicly held stock companies and mutual companies owned by the policyholders.

After the stock market crash of 1929, President Roosevelt got Congress to pass the Securities and Exchange Act in 1933, establishing the Securities and Exchange Commission. The basic charge to the SEC was to oversee the accounts of public stock companies, including some in insurance.

Now, public insurance companies keep books as ordered by the SEC. A third party

audit by independent certified public accountants is mandated.

But, on the so-called convention, or regulatory financial statement filed by insurance companies with the states, there is virtually no independent third party analysis of the books. The accounting reports are submitted by company officers, with the word of a notary public that they are, indeed, the officers.

State regulatory examiners go over the books, but as a New Jersey insurance commissioner once said, "we are outmanned and outgunned by the companies."

In a few states, CPAs are brought into the picture. They add separate comments to the statutory statements. But the CPAs do not feel easy about it by any means.

The American Institute of CPAs has begun a special study to determine what is good and bad about how the insurance industry actuaries set up reserves to pay claims, the largest single item on the liability side of the balance sheet.

[From the Journal of Commerce, Mar. 14, 1986]

PROPERTY/CASUALTY RESERVE DISCOUNTING HIT

(By James Nolan)

State insurance regulators "are very unhappy" with the prospects that property/casualty insurance companies "are discounting reserves all over the lot," said John E. Washburn, Illinois director of insurance.

Mr. Washburn said the discounting issue was of major concern at a number of committee meetings during the Western Zone meeting of the National Association of Insurance Commissioners in San Francisco this week.

The discounting of reserves argument was thrust to the fore last month when it was revealed that the Cigna Corp. the nation's second largest property/casualty insurer, was adding $1.2 billion to its reserve account for an array of commercial lines of insurance.

Cigna said the $1.2 billion was only half in cash. The other $600 million of reserves to pay future claims would come from interest income on the cash.

After the NAIC meeting Mr. Washburn said that the regulators from the 50 states assembled in San Francisco were "very apprehensive already about the quality of the industry reserves. We must determine how widespread the practice is. We need a full scale look at this because of the obvious effect it has on the reserves."

Because all of the state departments are swamped at the moment with financial statements from hundreds of companies, it can not be determined which, in particular, are discounting, Mr. Washburn said.

"But in our shop, we are devoting all of our attention to the problem." he said.

The volume of the paper work is huge and most state departments are grossly understaffed.

In New York, for example, one of the better-staffed departments, each examiner must read 60 financial statements, each of which in some cases can run to several hundred pages.

Cigna made its announcement one month before the March 1 deadline for companies to file their statutory accounting data with the state regulators.

As events unfolded after the Cigna news, Bruce Bunner, California insurance commissioner, sent a blistering warning to all companies licensed to do business in California.

"It appears," Mr. Bunner said, "that a growing number of property and casualty insurers are reporting unpaid losses and loss adjustment expenses (reserves) on a discounted basis in their statutory financial statements."

He said that such discounting of loss reserves "overstates statutory net worth."

Mr. Bunner concluded that the filing of financial statements that included discounted reserves for anything other than workers compensation claims "may be construed as filing a false or misleading statutory financial statement with intent to deceive, which is against the law."

In another pressing concern, the commissioners began work in San Francisco on an unforseen problem with a new claims-made form adopted by the industry.

The new Commercial General Liability form specifies conditions for a so-called "long tail" form of coverage, that protects a policyholder against claims that arise after the policy period ends.

The "tail" to be purchased by a corporation may run up to five years.

But now in court cases, the question has been raised that if the insurer that sold the long-tail coverage goes insolvent, will the responsibility fall to the state guaranty fund to pay claims? An amendment to the NAIC model law government guaranty funds is expected to be developed.

THE VOICE OF WISCONSIN'S THIRD DISTRICT

HON. STEVE GUNDERSON

OF WISCONSIN

IN THE HOUSE OF REPRESENTATIVES

Tuesday, April 8, 1986

Mr. GUNDERSON. Mr. Speaker, few sessions in recent history have been as crucial as this one in determining America's future. With the passage of the Gramm-Rudman-Hollings deficit reduction legislation, Congress is now mandated to finally put to death a legacy of financial carelessness which has left our Nation with hundreds of billions of dollars in yearly deficits. It's quite clear, though, that this crisis can be solved only with the cooperation and shared effort of all Americans.

I'm proud to say, Mr. Speaker, that the people of Wisconsin's Third District have broadcast their commitment to the discipline necessary to end $200 billion annual deficits. They have clearly demonstrated their willingness to take their eyes off their own special interests and focus instead on what's necessary for the continued prosperity of our Nation.

Earlier this year, I mailed my legislative questionnaire to all Third District residents, giving them another opportunity to express their opinions on many of the major issues of this Congress.

Those who responded spoke loud and clear on the urgency to reduce the deficit. Over 62 percent—more than four times those who selected any other issue—named deficit reduction as Congress' top priority for this session. What's more, a solid two-thirds favored deficit reduction through spending cuts, rather than tax increases.

Of those responding, a majority wanted these cuts carried out in all Government programs, with no exemptions. This concern for fairness was also reflected in their feelings on Social Security and Medicaire. Fifty-five percent of the respondents said all Government entitlement programs' cost of living adjustments should be frozen, rather than just those of Federal retirees' pensions. And almost two-thirds favored Medicare eligibility based on need as well as age.

My constitutents even expressed their concern for rising deficits in their attitudes on foreign affairs. They chose our foreign trade deficit as Congress' top foreign policy priority.

Mr. Speaker, like many of my colleagues, I view the results of this annual survey as one of the many tools that I will use to ensure accurate representation of my constituents. It's my responsibility to speak for the Third District in this Chamber. In that regard, today I submit the complete results of my 1986 general legislative questionnaire.

1986 QUESTIONNAIRE

Total participants: 2,456.

1. This year will be dominated by "deficit reductions." Such action should be achieved through:

	Number	Percent
Spending cuts	1638	66.7
Tax increases	87	3.5
Combination	731	29.7

2. If cuts are to be made, which areas should be exempted from cuts:

	Number	Percent
Low-income programs	759	30.9
Agriculture	626	25.5
Assistance to local governments	317	12.9
Veterans programs	594	24.2
Education	527	21.4
Defense	363	14.8
Senior citizen programs	761	31.0
No programs should be exempt	1,020	41.5

3. While the Farm Bill has been enacted, government will still play a major role in agriculture through implementation of the bill. The federal priority in 1986 should focus on:

	Number	Percent
Regulating imports	1,371	55.8
Changing the Tax Code	1,068	43.5
New ag technology for the family farm	430	17.5
Credit assistance for needy farmers	719	29.3

4. Recent actions have seen federal retirees lose their cost of living adjustment (COLA) for 1986. At the same time, Social Security recipients received theirs. To be fair, in the future:

	Number	Percent
All COLA's should be frozen	1,280	54.4
None should be frozen	445	18.9
Maintain present policy	629	26.7

5. With the recent increase in federal outlays for Medicare, some have suggested eligibility for Medicare should be based on financial need, not just age.

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	Number	Percent
Agree	1,583	65.8
Disagree	822	34.2

6. Economic development is of vital importance to western Wisconsin. The government can best assist in this development by:

	Number	Percent
Reducing deficits and interest rates	1,676	68.2
Providing government loans and grants	216	8.8
Providing more training and retraining	373	15.2
Promoting manufacturing industry	1,217	49.6
Promoting tourism	520	21.2

The first chart lists the number of participants who selected each item as first priority, second priority, etc. The second chart is a ranking calculated as follows: each first priority vote is worth 7 points, each second priority vote 6 points, etc.

7. What are the most important foreign policy issues facing us today? Please rank in priority, with the most important first.

	1	2	3	4	5	6	7
Terrorism	492	527	500	288	158	68	7
Foreign trade deficit	1,001	578	291	138	104	69	9
Arms control	579	516	359	197	152	141	18
Central America	140	324	438	471	311	100	6
Khadfy and Libya	63	141	267	369	497	336	33
South Africa	16	55	121	221	360	801	54

WRITE-IN SELECTIONS

	1	2	3	4	5	6	7
Cut foreign aid	43	5	7	6	3		
Prevent Comm. expansion	10	3					
Middle East	9	3		6	1		
U.S.S.R.-U.S. relations	3	6					
World hunger	6	1	3				
Illegal aliens	5		3	4			
Increase foreign aid	3		1	1	3		
Environmental concerns	3	1		3			
Support freedom fighters	3						

Foreign policy priorities for 1986

Rank and Item:	*Score*
1. Foreign trade deficit	12,941
2. Terrorism	10,875
3. Arms Control	10,488
4. Central America	8,137
5. Khadafy and Libya	6,294
6. South Africa	4,667
7. Cut foreign aid	399
8. Middle East	108
9. Prevent Comm. expansion	88
10. Illegal aliens	66
11. World hunger	63
12. U.S.S.R.-U.S. relations	57

8. The top priority of this session of Congress should be:

	Number	Percent
Deficit reduction	1,544	62.9
Tax reform	377	15.4
Improving our agricultural economy	419	17.1
Foreign trade deficit	280	11.4
Environment	66	2.7
Arms control	281	11.4

CONGRESSIONAL SALUTE TO THOMAS P. RALEY

HON. ROBERT T. MATSUI

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, April 8, 1986

Mr. MATSUI. Mr. Speaker, I would like to call my colleagues' attention to a very special businessman and community leader will be honored on April 7, 1986 for his many years of civic involvement and contributions with the Torch of Liberty Award from the Anti-Defamation League of B'nai B'rith at a testimonial dinner in my Sacramento, CA congressional district.

Mr. Thomas P. Raley, who will receive the highly prestigious award, is owner and chairman of Raley's Supermarkets/Drug Centers, one of the largest supermaket chains in the Nation. Widely known as one of Sacramento's first and foremost entrepreneurs, he built his business from its humble, single-store beginning in 1935 into a massive 47-store operation today.

Throughout his career, Mr. Raley has been widely recognized as one of the leaders in the grocery store business, especially for introducing several innovations, including self-service meat sections, drug services and development of the superstore concept. But that leadership in the industry also has extended to his hometown through involvement and support for a number of civic organizations and community groups. He has been a long-time supporter of the Crocker Art Museum and the Stanford Home as well as numerous other humanitarian and social causes.

In addition, Mr. Raley has been honored by numerous active and successful community groups and organizations for his many contributions of time, talent, and resources, including his appointment in 1985 to the Junior Achievement Greater Sacramento Chamber of Commerce's Certificate of Appreciation for his support and involvement in that organization's programs and activities. He has also received the Good Scout Award from the Golden Empire Council of the Boy Scouts of America.

On behalf of the people of Sacramento, I would like to congratulate Mr. Raley on the recognition he has received and thank him for his many efforts to making our community a better place to live and work.

BUSH WRONG ON OIL PRICES

HON. BARNEY FRANK

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, April 8, 1986

Mr. FRANK. Mr. Speaker, among the more glaring hypocrisies that flourish in our public dialog today is the one which holds that the free market was a wonderful device for setting oil prices when it sent them upward, but that Government intervention becomes essential if the free market sends prices in the opposite direction.

The recent venture by Vice President BUSH to persuade the Saudi Arabians to cooperate in keeping oil prices from dropping was one of the most flagrant examples of this glaring inconsistency. I have made a hasty search of various texts which preach the advantages of the free market. In none of them did I discover chapters—or even footnotes—which asserted that the virtues of the market do not apply when commodity prices are going down. To argue, that the free market must be allowed to set energy prices, and then to call for various forms of government intervention when that free market behaves in ways that the oil producers find inconvenient, is hypocrisy of the most basic sort.

If Vice President BUSH wants to act as a representative of the oil producing interests, he ought to find a more appropriate forum from which to do that than the Vice Presidency of the United States. And those Members of the Congress who are clamoring for oil import taxes and other forms of Government intervention to prop up oil prices ought to go back to 1981 and before and re-read some of their own rhetoric about the virtures of the free market. Or perhaps, since their own understanding of the free market appears flawed, they would profit by reading the attached editorial from the Boston Herald which makes the point against intervention to prop up oil prices quite cogently.

[From the Boston Herald, Sunday, Apr. 6, 1986]

FIRM COURSE NEEDED IN OIL-PRICE "CRISIS"

By far the worst move the White House could make to deal with the unchecked slide in oil prices would be to heed the counsel of those aides and experts who see it as a "crisis."

They'd like President Reagan to help solve the problem either by talking Saudi Arabia into cutting production, thereby starting prices on the way up again, or imposing an import fee on foreign oil to help U.S. oil firms weather the storm—or both.

Thus far, despite the dissenting voices of Vice President George Bush and Energy Secretary John Herrington, Mr. Reagan is, we are told, committed to allow supply and demand, rather than political tinkering, set the price structure.

We urge him to continue on this course, because the overwhelming weight of the evidence proves its wisdom.

Consider what the 30-cent-a-gallon cut in the cost of gasoline and heating oil in the past few months will mean if it holds for the rest of the year.

It will enable the average consumer in this state to save a minimum of $360 on fuel for his or her car and home.

It will reduce the energy expenses of private industry by hundreds of millions of dollars, generating jobs and still more prosperity in the process.

It will give cities and towns some small measure or relief from other rising costs and the shrinking supply of federal dollars.

It will hold the annual inflation rate to 1.7 percent, encourage lower interest rates and lop an estimated $30 billion from the nation's trade deficit.

And, forgive us, but all these boons are made sweeter by the fact that they are in large part coming at the expense of OPEC nations, whose oil prices from the early 1970s to late 1985 were nothing less than highway robbery committed on the rest of the world.

We waste no worry on them—but yes, we are concerned about the hardship the price cuts are causing our major oil-producing states—Texas, Oklahoma and Louisiana. They're being hurt by wholesale layoffs in the oil industry and in smaller businesses dependent on it for their livelihood. They're being pinched by the loss of a large chunk of the tax revenues that they relied on those companies to pay.

Their prospects for improvement aren't helped by the reluctance of the industry to spend money on exploring for new wells while oil prices are so low.

However, we cannot agree that government should impose an import fee—or any other type of subsidy-in-disguise—to help U.S. drillers out of the doldrums. American consumers in all 50 states, not overseas producers, will foot the bill for that in one form or another.

That's not an answer; it's a handout—of a kind the president has consistently and rightly opposed. Massachusetts and other industrial states proved that when they thought, and fought, and conserved their way out of hard times during the years of oil shortage. Texas, et al, deserve the same chance now.

TRIBUTE TO SHEILA BURKE

HON. TONY COELHO

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, April 8, 1986

Mr. COELHO. Mr. Speaker, the entire community of Merced, CA, shares in the pride stemming from the appointment of Sheila Burke as Senate Majority Leader ROBERT DOLE'S chief of staff. Sheila was raised in Merced, in the county I also call home, and attended school there prior to pursuing her college education and political career.

As this article from the Merced Sun-Star reflects, Sheila has quickly earned respect and admiration as the first woman to hold the position of the top aide to the Senate majority leader. I join in offering her my own congratulations and best wishes.

[From the Merced (CA) Sun-Star, Mar. 10, 1986]

BURKE: FORMER MERCEDIAN IN POLITICAL ARENA

Former Mercedian Sheila P. Burke, named chief of staff for Senate Majority Leader Robert J. Dole (R-Kan) in early February, has proven someone from a small town can make it big in Washington.

Described by the Washington Post as "the most powerful woman in the vast, invisible machine that supports the work of the Senate's 100 visible components," she is believed to be the first woman to hold the job—"one of the most influential, exacting and exhausting staff positions in Congress.

Burke believes it is not unusual for someone from a small town to accomplish this. "It's possible for someone from a small community to do this who works well in the field and who has the technical experience to move into this kind of job," she said.

After graduating from Merced schools, Burke worked as staff nurse for Alta Bates Hospital in Berkeley. Nine years ago, Burke became program director of the 40,000-member-National Student Nurses Association in New York, filling in as a medical-surgical nurse on weekends at Manhattan's Doctors Hospital.

Her expertise in politics brought her to the attention of staff members of the Senate Finance Committee at the time Dole was looking for someone with medical experience to be his aide for health issues.

As Dole's legislative assistant, she was responsible for preparing legislative proposals and amendments on matter regarding health, welfare, social security, and women's rights. This position also gave her first-hand experience working with constituent problems and developing issue memoranda for the Senator.

Her practical and political experience as a nurse paid off in her work on dramatic changes in the health field including hospital prospective payment systems and major changes in Medicare.

Burke is known in Washington as being remarkably open and having excellent judgment on what will work and what will not. She gives the appearance of working with unusual calm, with an assured command of the issues, and a confident can-do attitude.

She served as a staff member of the Senate Finance Committee from 1979–82, while earning a master of public administration degree from Harvard's Kennedy School of Government.

She also served as a research assistant in the school's center of health policy and management and service as a visiting lecturer, and on the adjunct faculty of Georgetown University, University of Pennsylvania, and Marymount College in Arlington, Va.

From 1982–84, as deputy staff director on the U.S. Committee on Senate Finance, she supervised staff members responsible for all the income security programs including Social Security, Aid to Families with Dependent Children, supplemental security income, and disability insurance.

She also served as the main staff contact for health issues before the Finance Committee, including Medicare, Medicaid, maternal and child health, and peer review organizations.

She had major responsibility for evaluating legislative proposals, drafting committee documents, legislation and presentation of income security issues to committee members.

From 1985–86, she served as deputy chief of staff for the office of the Senate Majority Leader.

According to Burke, "My most important job is being sure Senator Dole is prepared—and with both sides of an issue." Understanding the perspective of the different players and where they may be willing to compromise is the other crucial component in moving legislature through.

Long days are routine for Burke, married to David Chew, a high-level official and deputy to the president.

They were married in Merced three years ago, Chew was on Dole's staff previously and worked for Donald Regan when he was Secretary of the Treasury.

Burke, 35, moved from San Francisco to Merced when she was 10, and attended Our Lady of Mercy schools here. She attended college at the University of San Francisco, a Jesuit institution, where she received her nursing degree.

LIBYAN ACTION AND WAR POWERS

HON. LEE H. HAMILTON

OF INDIANA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, April 8, 1986

Mr. HAMILTON. Mr. Speaker, I would like to bring to your attention a public statement and a letter sent by the chairman of the House Committee on Foreign Affairs, DANTE FASCELL, to President Reagan concerning the recent incidents involving United States naval forces off the coast of Libya. Also, included with these observations by Chairman FASCELL is an article by J. Brian Atwood, published in the Washington Post on March 30, 1986.

As Chairman FASCELL explains, the United States had the right to conduct naval exercises in international waters. However, he has raised questions pertaining to the requirements of the War Powers Act which must be addressed in order to obtain a full understanding of the President's use of U.S. forces in the Gulf of Sidra starting on March 24, 1986.

The President argued, subsequently, that the War Powers Act did not apply in the case of the U.S. maneuvers in the Gulf of Sidra, but Mr. Atwood's article points out that there were legal reasons in this instance to raise the War Powers Act.

It is critical for the Congress to know all the circumstances surrounding the use of U.S. forces. There is understandably deep concern about the aggressive and contemptible actions taken by Libya, but Mr. FASCELL's letter and remarks, with the argument of Mr. Atwood's article, points out that there were important considerations of legal and constitutional procedure which must be considered in examining United States actions as well.

I encourage my colleagues to consider the questions Chairman FASCELL raised and the views expressed in Mr. Atwood's article.

The press release, letter, and article follows:

STATEMENT OF THE HONORABLE DANTE B. FASCELL, MARCH 24, 1986

The attack on Libyan missile sites—no matter how justified they may appear in light of Qudhafi support for terrorism and other aggressive actions—raises serious questions and concerns, especially in relation to the War Powers Resolution.

The United States has the right to conduct military exercises anywhere in international waters and it would be wrong to let an irrational dictator like Qudhafi unilaterally determine where the boundary of those waters lies. If deliberately provoked, the United States also has a right to respond to armed attacks from Libya.

A calm and rational review suggests the clear possibility that this incident could erupt into a significant conflict resulting in the loss of American lives.

My concern in this matter also relates to full compliance with our nation's laws and constitutinal procedures, most appropriately the War Powers Resolution. To my knowledge, for example, the administration has not consulted with Congress on the policy which produced this situation as required under Section 3 of the Resolution. Further, to the extent that U.S. armed forces have now clearly become involved in

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hostilities, I would expect the administration to provide a War Powers Report.

COMMITTEE ON FOREIGN AFFAIRS,
Washington, DC, March 24, 1986.

THE PRESIDENT,
The White House, Washington, DC.

DEAR MR. PRESIDENT: Your recent policy decision involving the deployment of American naval forces off the coast of Libya has been a matter of great concern to me. That concern was heightened this morning by reports that an American aircraft was fired on by a Libyan missile.

I write you in the context of my oversight responsibilities for full implementation of the War Powers Resolution. As the original House sponsor of that legislation I have an abiding determination to assure full compliance with the law.

Like you, I recognize that the actions of Libyan leader Qudhafi are contemptible in every respect. His repeated support for terrorism and his direct aggression against neighboring states merit the world's harshest condemnation.

In pursuing policies intended to offset Mr. Qudhafi actions, I am sure you would agree that we must respect and abide by our own laws and constitutional procedures. In that connection, I believe your Administration's actions in the Gulf of Sidra have failed to adequately satisfy the requirements of the War Powers Resolution.

As demonstrated by today's reported attack, these deployments constituted from the outset a situation where imminent involvement in hostilities was a distinct possibility clearly indicated by the circumstances even prior to today's development.

Under the circumstances, prior consultation with Congress was required under the War Powers Act.

In view of these circumstances, I respectfully urge you to comply fully with the provisions of the War Powers Resolution before the situation evolves further.

With best wishes, I am
Sincerely yours,
DANTE B. FASCELL,
Chairman.

[From the Washington Post, Mar. 30, 1986]

CONGRESS: BYPASSED AGAIN

(By J. Brian Atwood)

When the chairman of the House Foreign Affairs Committee, Rep. Dante Fascell (D-Fla.), complained last week that the administration should have consulted with Congress under the War Powers Act over the conflict in the Gulf of Sidra, he received little support from his congressional colleagues. The president's provocation of Libyan strongman Qudhafi was in its early stages a popular move that received strong bipartisan support. Reference to the War Powers Resolution must have seemed to many a throwback to Vietnam-era concerns.

But Fascell was correct in pressing the legal case. The resolution created a procedure to bring Congress into the fateful decisions involving war and peace. If the administration felt no need to consult Congress in the case of a popular engagement, can we expect any more when troops are committed in more controversial circumstances? Perhaps Fascell's legal position will be more appealing in the situation evolving on the Honduras-Nicaragua border.

The administration's attitude toward the War Powers Resolution was expressed explicitly by Secretary of State George Shultz during the Lebanon crisis. He angrily called it an unacceptable constraint on presidential power and subsequently called for its repeal.

It is even more revealing to consider the maneuvers of the administration lawyers who planned the last Gulf of Sidra exercise in 1981.

No one in the working group convened to plan the exercise doubted its purpose. The intention was to provoke Qudhafi while challenging Libya's bogus territorial claim to the gulf.

It was felt that a strong rationale had to be developed to get around the resolution's requirement to consult Congress "in all possible instances" when hostilities are "imminent" or clearly indicated by the circumstances." The methods chosen should be instructive to today's Congress.

The lawyers asked the Pentagon to review the military plans and determine the likelihood that U.S. forces would become engaged in combat. If the "probability of conflict" rose to 50 percent or above, then, according to the legal construct, consultations with Congress were required. Not surprisingly, the Pentagon's computers never produced a probability-of-conflict scenario reaching the threshold.

Then the Navy sought a change in the "rules of engagement." They wanted to allow Navy pilots to fire on Libyan planes when they "locked on" with their radars, indicating they were targeting U.S. aircraft.

This request was abandoned when the lawyers suggested that a change in the rules of engagement would demonstrate that the administration knew in advance that hostilities were "clearly indicated by the circumstances." The Navy apparently took the view that it was more important to avoid congressional consultation than to gain a slight edge. In any case, when the anticipated engagement took place on Aug. 19, 1981—and two Libyan aircraft were destroyed by two F-14s—Pentagon spokesman Gen. Philip Gast was able to claim that U.S. pilots were "adhering to the rules that U.S. aircraft would be adhering to anywhere in the world."

Once again in 1986, administration spokesmen were emphasizing the routine nature of the military exercise while simultaneously seeking political credit for the decision to use force against a tyrant. Early in the week high officials were quick to praise their president for being aware in advance that sending the Navy into the gulf could cause a confrontation. Later in a letter to Congress explaining why prior notice was not required, the operation took on the benign qualities of a "peaceful exercise" and part of a "global freedom of navigation program . . . on international waters."

Congress' reaction to the current Gulf of Sidra crisis is sure to be watched by administration lawyers seeking precedents to circumvent the War Powers Resolution. Perhaps Fascell's colleagues were intimidated by the initial popularity of the president's action. Whatever the cause, Congress cannot now afford to acquiesce in a clear circumvention of its legal prerogative.

LIMITING FOREIGN INVESTMENT IN AMERICAN AGRICULTURE

HON. STEVE GUNDERSON

OF WISCONSIN

IN THE HOUSE OF REPRESENTATIVES

Tuesday, April 8, 1986

Mr. GUNDERSON. Mr. Speaker, it's certainly no secret that we have an overproduction problem in virtually every sector of the agricultural economy. For several years now, we have tried to address surplus dairy production through a series of supply management programs which have been, in large part, producer financed.

The 1984-85 dairy diversion program successfully reduced dairy production by 8 billion pounds at a savings of $1 billion to the taxpayers.

The recently announced dairy termination program—whole-herd buyout program—will remove a total of 12.28 billion pounds of milk production over the next 18 months. Producers who signed up for the program have to stay out of dairying for 5 years.

In short, American dairy producers have made real efforts to deal with the domestic surplus we face in the dairy industry.

You can, then, imagine their outrage when an Irish investment company, Masstock International, announced that they would be investing $35 million in new milk production and processing facilities in and around Macon, GA, over the next 5 to 6 years.

Their plan is to establish 10 1,000-cow operation—2 this year, 3 more over the next 3 years, and 5 more over the following 3 years—all of which can be expanded to 2,000 cows at any time without new additions. Besides bottling milk, their processing facilities will produce yogurt, cottage cheese, and ice cream.

When completed, the Masstock operation will result in an 8-percent increase in the total Georgia dairy operation which presently numbers some 847 producers and 120,000 cows.

More importantly, it will singlehandedly wipe out 1.25 percent of the reduction we will accomplish through the whole-herd buyout program. Further, this sole operation will cost the taxpayers $2 million annually simply to buy up the dairy products created by the milk it supplants.

Now, what makes a bad situation worse is that—believe it or not—Masstock has received $4.5 million in financing through low interest, tax-exempt industrial development bonds [IDB's]. Not only do we have foreign investors building huge operations during a period of surplus production, but we're actually giving them Federal financial encouragement to make those investments.

In response to this situation, I am today introducing two bills to limit the use of IDB's and the benefits of Federal farm programs to foreign interests involved in American farm operations. Senator KASTEN is introducing the same legislation in the other body today as well.

The first bill would simply eliminate the Federal tax-exempt status of any IDB used to finance the purchase, construction, or improvement of farm property by foreign persons.

The second bill would prohibit foreign persons, except a foreign person who is operating a single small- or mid-sized family farm, from receiving any benefits under USDA crop insurance, FmHA loan, storage facility, disaster payment, price support or other Commodity Credit Corporation programs.

Obviously, at the Federal level we cannot stop foreign interests from engaging in farm operations in any particular State. However, we can eliminate any Federal incentive that might encourage such foreign investments.

The bills I am introducing today are intended to do just that and I urge my colleagues to give them their careful consideration.

CONGRESSIONAL SALUTE TO D.W. McKENZIE

HON. ROBERT T. MATSUI

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, April 8, 1986

Mr. MATSUI. Mr. Speaker, I would like to call to the attention of the U.S. House of Representatives a very special public servant who has performed his most important job with dedication and success over a period of nearly three decades.

On March 27, 1988, friends, family members, elected officials and his working associates will honor Mr. Dee W. McKenzie, Public Works Director for Sacramento County, for his many years of outstanding service to the people of his community.

Mr. McKenzie is retiring from his position with Sacramento County without much fanfare or notice, but those of us who know how important our roads, streets and highway systems are feel a very personal sense of gratitude to him for his tireless efforts in this important area of critical infrastructure development and maintenance. During his tenure with Sacramento County, Mr. McKenzie was largely responsible for the construction of three bridges and road systems across the American River that tie important segments and suburbs of the metropolitan community together through a coordinated transportation network.

Not surprisingly, Mr. McKenzie also is the person most responsible for bringing Sacramento County out of the dark ages of sewer disposal by leading efforts to finance and construct a regional wastewater treatment plant.

Mr. Speaker, on behalf of the people of Sacramento, I would like to take this opportunity to personally thank Mr. McKenzie for his many years of dedicated service to our community and extend my personal best wishes to him and his family for a very happy and successful retirement.

REAGAN NOT SERIOUS ABOUT ARMS CONTROL

HON. BARNEY FRANK

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, April 8, 1986

Mr. FRANK. Mr. Speaker, it has sadly become apparent in the last several months that the Reagan administration has no serious interest in arms control or arms reduction. One of the areas in which agreement to control nuclear arms is likeliest is that of a cessation of nuclear tests. A verifiable agreement to stop all nuclear testing between the United States and the Soviet Union would be an enormous step on behalf of a more peaceful and stable world. An end to testing would give some assurance to people that newer and more terrible—and potentially more destabilizing—weapons were not being developed.

In recent weeks, the Soviet Union has been far more forthcoming on this issue than it has been in a long time. The Soviets have been observing a moratorium on testing, and have been far more willing than previously to discuss the critical issue of verification. We cannot be sure that the Soviets are interested in signing a fully verifiable treaty to ban all nuclear tests, and, tragically, because of the apparent lack of interest in the Reagan administration in achieving this goal, we may never know what the Soviets are willing to agree to.

President Reagan and his national security advisors have become more and more clearly hostile to the notion of negotiating an end to nuclear tests. Large majorities in both Houses of Congress have urged the administration to get on with the issue of nuclear test bans. But this administration continues to refuse to support the work of its Republican predecessors in the area of nuclear tests. The President will not agree to ratification of treaties already agreed to, and he will make no serious effort to negotiate a comprehensive test ban.

It is official policy of this Government to oppose nuclear proliferation but a government which insists on continuing nuclear testing, and refuses to explore the seriousness of a Soviet offer of a ban all tests, has little persuasive force in trying to lead others into a nonnuclear commitment.

William V. Shannon, former American Ambassador to Ireland, is a very thoughtful and independent analyst of American foreign policy. He has by no means been uniformly critical of the President, and indeed, in his recent article published in the Boston Globe headlined "An Opportunity for Arms Control, but the President is Not Listening," he makes statements partially supportive of the star wars program with which I disagree. There are other statements in there with which I and others might take issue, but the central point of Mr. Shannon's article is a telling and undeniable one: President Reagan does not appear to be seriously interested in arms reduction.

I ask that Mr. Shannon's article be printed here.

AN OPPORTUNITY FOR ARMS CONTROL, BUT THE PRESIDENT IS NOT LISTENING

(By William V. Shannon)

The prospects are poor for a significant agreement between the United States and the Soviet Union to reduce the number of nuclear weapons. President Reagan has resumed weapons testing in Nevada and rejected the Soviet proposal for a comprehensive nuclear test ban. He believes that further testing will enhance America's relative military strength.

The new Soviet leadership headed by Mikhail Gorbachev wants to stabilize the military competition at existing levels. Since the gross national product of the Soviet Union is little more than half that of the United States and since the technological gap between the two economies is widening. Gorbachev and his associates would presumably like to cut back on military spending and shift resources to more productive uses.

The Reagan administration sees this as an opportunity not to slow down and possibly halt the arms race but to "close the gap" between ourselves and the Russians. There is no doubt that the Soviet Union by a sustained drive has achieved what can be seen as military superiority over the United States. It has more long-range missiles on land and in submarines, and more warheads. In terms of medium-range missiles and warheads aimed at Western Europe, it has more than the British and French combined, plus US cruise and Pershing missiles.

With regard to conventional forces, the Russians outnumber the North Atlantic Treaty Organization in Western Europe, deploy a sizable army along the border with China, and have several divisions fighting a nasty little war in Afghanistan.

It is equally true, however, that this military superiority is not sufficiently great to guarantee the Soviets victory in a major war. A nuclear war remains an adventure in mutual suicide.

When there is an arms race under way, military planners on both sides can always see the need for testing new weapons. The United States, for example, is now working on a new missile to be launched from submarines that will be powerful enough and accurate enough to reach every land-based missile site in the whole of the Soviet Union. If work proceeds on the Strategic Defense Initiative ("star wars") project, this country might eventually have a defensive system strong enough to blunt any Soviet counterattack.

Both the new submarine-launched missile and "star wars" are immensely attractive if one assumes, as military planners tend to do, that a major war is inevitable. A halt to testing new offensive weapons and new defensive systems makes sense only if one assumes that a nuclear war would be an unimaginable catastrophe and that it is the first duty of statesmen to try to diminish the possibility of its occurring.

Although President Reagan unquestionably and sincerely thinks of himself as a man of peace, it is not at all clear that he has thought through the implications of nuclear warfare. Unlike all of his post-World War II predecessors, he has consistently given arms control a low priority. He has opposed every arms-control agreement beginning with President Kennedy's Limited Nuclear Test Ban Treaty in 1963 and including President Nixon's Antiballistic Missile Treaty and the Strategic Arms Limitation Treaty (SALT I) in 1972 and President Carter's SALT II in 1979.

Reagan has been obsessed with notions of American military weakness and of Soviet cheating. Soviet strength, and Soviet aggression. Only the other day he was recalling in an interview American military maneuvers

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in 1941 when some soldiers were using wooden sticks for lack of sufficient rifles.

If the details of on-site inspections could be worked out, a comprehensive ban on all nuclear testing could dramatically slow the arms race and be a long step toward a more stable peace, it would be another great gain if both sides reaffirmed the ABM treaty and banned antisatellite weapons in outer space. Except for Edward Teller and the coterte of young scientists gathered around him at the Livermore Radiation Laboratory in California, physicists are overwhelming of the opinion that defensive systems in space would confer no lasting advantage that the other superpower could not overcome.

The chief value of "star wars" is that it has made the Soviet leaders more amenable to discussing arms control. If "star wars" were sacrificed now in exchange for a Soviet agreement to scale down the number of nuclear warheads on longrange missiles and bombers from about 10,000 on each side of about 1,000, the savings in money and the gain in mutual confidence and stability would be enormous. But this will not happen.

In President Reagan, this country has a leader who hears the trumpet call of the cavalry and dreams of victory.

RETURN TRIP TO CENTRAL AMERICA

HON. VIN WEBER

OF MINNESOTA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, April 8, 1986

Mr. WEBER. Mr. Speaker, one of my constituents, Mrs. Linda Westrom, recently traveled to Central America a second time to see the changes occuring in Nicaragua, El Salvador, and Costa Rica since her trip in 1984.

As we continue to prepare ourselves for another vote on aiding the Nicaraguan democratic resistance. I urge my colleagues to read Mrs. Westrom's report. Her first-hand report reiterates the importance of these countries to the future of her people and to the United States. The future lies in our support of efforts to ensure that these people retain their right to basic civil liberties.

The report follows:

REPORT ON CENTRAL AMERICAN TRIP, COSTA RICA, NICARAGUA, AND EL SALVADOR, JANUARY 18–28, 1986

(By Linda Westrom)

PREFACE

In November 1984, I visited the countries of Mexico, El Salvador and Nicaragua. This was with a group sponsored by the Augsburg College Center for Global Service and Education. It was a trip purported to show us the root causes of poverty and injustice. What it proved to be was a liberal, biased message telling us that the root causes of poverty and injustice was the "evil, capitalist United States." Another participant, Jane Otten of Big Fork, Montana, and I wrote a report on our findings of this trip, which was printed in the CONGRESSIONAL RECORD on April 16, 1985.

In January 1986, I again visited El Salvador, Nicaragua, and also Costa Rica. This time the group was CODECA, Council for Democracy in Central America, led by Gay Johnson of Denver, Colorado. It was very worthwhile as I could again verify many of the facts and feelings from the first trip.

The United States is so vast, that we often forget that the countries in Central America are sovereign nations because of their proximity to one another. To us geographically, they seem similar to our states.

COSTA RICA

Costa Rica is a small, agricultural country of 2.5 million people. They are a democracy and important ally of the United States. National security, foreign policy and economic policies are prime topics of discussion in this country.

PRESIDENTIAL ELECTIONS

At the time of our visit, the presidential election was two weeks away. The enthusiasm of the people in the campaigns was marvelous. Children were included, giving away pamphlets and flags. According to the Editor of La Nacion, Eduardo Ulibarri, there was not a major issue in this campaign as the two parties had a high degree of consensus. Corruption had become a minor issue, with charges of different kinds.

There was a consensus between the parties that an economic policy is vital. Costa Rica has a debt of four billion dollars. According to Ulibarri, the government previously thought that it was cheaper to import than produce, and to pay for the imports, credit was obtained and then Costa Rica could not pay the credit.

CHAMBER OF COMMERCE

The Chamber of Commerce in Costa Rica is now 70 years old. The Chamber President, Armando Guarida, listed their objectives, "First in our minds is the interest of our country. We defend private enterprise. There is no liberty or democracy without private enterprise." They are trying to change the tax codes to encourage private investments. Unfortunately, they cannot change their geographical location. As Leonard Ferris of the Chamber told us, "North Americans are geographically ignorant. They come down here, interested in investing, but when they realize that Nicaragua is right next door, they leave on the next plane and take their money with them."

An additional burden on their economic stability is the large number of refugees flooding in from Nicaragua. The refugees are willing to work, but there are not enough jobs available for both Costa Ricans and refugees.

NATIONAL SECURITY

Foreign policy and national security are linked together, and the major cause for alarm is Nicaragua. Costa Rica did assist the Sandinistas to come to power, and Costa Rica still carries a balance of 100 million dollars which the Sandinistas owe them.

Because Costa Rica has no standing army, they must depend on their civil guards, about 4500, and their rural guards, about 3500. Thus, the massive buildup of men, armaments and air power in Nicaragua is exceedingly ominous.

Foreign policy as linked to the United States is good, Ulibarri told us. "We have similar values, interest, and political values. Here, it is unpopular to be against the United States." In addition, he said, "We do not see pressure from the United States in foreign policy (as related to Nicaragua), although we do in economic policies." However, a note of wariness was evident as he told us that some Costa Ricans would like the United States to solve Costa Rica's problems. They would like the United States to invade Nicaragua or to prevent Nicaragua from invading Costa Rica. "We are somewhat skeptical of the degree of commitment, however. The United States' stand in international affairs is not necessarily a longlasting policy.

Foreign policy in regards to their other neighbors is good. Panama, for instance, has a national government with no desire to expand so there are good relations there. Also, there are good, strong relations with other Central America countries, especially, the three who have had elections, Guatemala, Honduras, and El Salvador.

The Catholic Church in Costa Rica is free and uncensored. Archbishop Ramon Arrietta spoke to us one evening. His comments on the coming election were that the church tells the people that we are going to elect many people and to be sure to choose the best.

NICARAGUA

Nicaragua has now become the country of the "haves" and the "have-nots". The "haves" are now the Sandinistas, who have effectively extended their system of controls to exclude the "have-nots" who comprise those who do not embrace the party line 100%. The problems are rife, the blame is easy to place—always the United States.

The Sandinista flag is displayed beside the National flag of Nicaragua. The Sandinista party army has effectively become the national army. The spy system, or the CDS block system, has systematically put everyone in reach of the Nine Comandantes.

MISKITO, SUMO AND RAMA INDIANS

The Miskito Indians know all too well the results of opposing the controls of the Sandinistas. After Somoza was ejected, the Miskito Indians were willing to work with the Sandinistas for a better Nicaragua. Too late they realized the cost. Their automony was ignored, their culture was ignored, their livelihood was ignored, they were persecuted for their religious beliefs, their claims to their land were ignored. At first, they fled their land, but then they returned to fight back, this time with bullets.

Now, even though the Sandinistas have publicly stated their government policy was a mistake, Miskito Indians question the validity of the Sandinistas' statements. In visiting with two Miskito Indians they questioned, "If they admit they were in error, why are they still committing these atrocities against us? Why are they still persecuting us for our religious beliefs? Why did they promise to accept our claims to our land, and then deny them the next day? Why do they still take our homes and or businesses?"

One of our group asked if he could get to the east side of Nicaragua, where the Miskito, Rama and Sumo Indians live. According to the Miskito Indians we spoke to, he would have to come across the sea. Later, in visiting with a journalist from La Barricada, the Sandinista's party-line newspaper, she told us of a plane which goes from Managua to the east side. But, permission must first be obtained from the Ministry of Interior, the plane holds only 30 people, goes once a week, and preference is given to people who live on the East side.

The Miskito Indians and also a man from the FDN whom we spoke to, asked for our aid. They asked for food, uniforms, and socks and boots. They asked for medicine, communication equipment, boats, motors, guns and ammunition. They specifically and repeatedly stated they do not want United States people to fight for them. They are willing to do the fighting, they said, and the dying. The Miskito Indians and the man

from FDN want their children to live in freedom and accept the fact that they themselves may have to die to accomplish this.

They also feel that this is a conflict that Nicaraguan citizens must solve. In total contrast, the journalist from La Barricada, and Martin Vega, from the Ministry of Foreign Relations deny citizenship to any who fight against the Sandinistas. The contras are regarded as mercenaries who fight for a foreign country, we were told. The Cuban, PLO, East German, Libyan and Russian presence were either ignored or not considered foreign countries. The only ones that the Sandinistas will negotiate with, they said, is the United States.

CENSORSHIP

Censorship is a major tool of the Sandinistas. Last October 15, 1985, the Sandinistas took further measures. The Catholic Church is now forbidden to be on the radio, (television access had been previously denied.) A bulletin issued from the Catholic Church was seized on the grounds it was hostile to the Sandinistas. To justify seizing this bulletin, the Sandinistas changed articles, re-printed it on church letter-head paper, and then seized it.

According to the journalist at La Barracada, they also do not like the censorship. "However", she said, "it is necessary, because we are at war and have political foes, who are always pretending to attack. Everyone should be responsible for censorship so as not to cause chaos. Those who transgress should be fined or closed. This is not the way it is now, but that is what we want. The irresponsibility of La Prensa is affecting everybody and the freedom of the press. People need accurate information, but La-Prensa is only provoking unrest and upheaval. As an example, La Prensa wrote about the price of sugar, and that it would be rationed. So, people went out and bought it, to hoard it, and the price went up. Barricada also wrote about it, but with information to get a better system. We explained that the cane fields are lacking for workers and that we need to have more workers to get more sugar. Where are the workers? They are at war, out fighting."

RATIONING

It is now illegal to speak of scarcities, which also include butter, milk, and meat. Food is rationed and each person gets 4 oz. of rice and 1 lb. of beans. Clothing is also rationed and each person gets 2 shirts, 2 pairs of pants, and 1 pair of underpants in 6 months. A ration card is received for attendance at block meetings. Water is also rationed now. The water is turned off two days a week, from 7 a.m. to 10 p.m.

Personal rights are non-existent if you are a have-not in Ncaragua. The private people that we spoke to in Nicaragua, heads of non-Sandinista unions, professional people, all mentioned the lack of habeus corpus. Most said that they, too, had been in Sandinista jails. They were all aware that at any time of the day or night, they could again be picked up by the Sandinista soldiers, their businesses confiscated, given a number instead of a name and thrown into jail.

INFLATION AND ECONOMY

The economy of Nicaragua is reflected by the inflation and is a major problem for the people. At the airport, travelers must exchange $60 into cordobas, with the rate of exchange at 28 cordobas to $1.00. At the Intercontinental Hotel, where we stayed, the exchange rate was 750 cordobas to $1.00. The black market rate now ranges anywhere from 900 to 1200 cordobas to $1.00.

A law was recently passed that everyone must put their cash in a bank, and use a checking account.

There are 5 major laws pertaining to the economic system. 1. Law of export. This empowers the government to have a military monopoly on exports. The people sell to the government and the government then sells the produce where and as they wish. 2. Law of imports. People must buy from the government and cannot import for their own business. 3. Law of internal trade. The government tells people what price to sell for, from whom to buy, to whom to sell, when to sell and where. 4. Finance system. The banks are monopolized by the state and this also includes insurance. 5. National system of salaries. People are permanently "pigeon holed" in 28 categories. To be promoted, an entepreneur must ask permission of the labor industry.

Any job application now includes questions on class extraction, political and ideological background, if the person fought against Somoza, and who with and why or why not.

The national debt of Nicaragua now stands at 6 billion dollars, which does not include the military debt. Contrary to the propaganda of the Sandinistas, the economy was deteriorating long before the contra activities began taking a toll.

Esso and Shell signs are still seen, and Nicaragua still can buy from these companies. However, one man said, "these companies are very business like"—in other words, they expect to be paid.

Several members of COSEP signed and sent a critique of the economic system under the Sandinistas to the Nine Commandantes in October of 1981. For their efforts, some were put in jail for up to seven months, and others managed to leave the country just ahead of the Sandinista soldiers.

FREEDOM OF RELIGION

Freedom of religion is almost non-existent now in Nicaragua. The Sandinistas state that they have no official religion. They insist that God does not exist. Oddly enough, they also insist that God is against the Revolution. Thus, they have a standard reply for all situations.

Although Nicaragua is predominantly Catholic, there are also Protestant denominations who have been repeatedly harrassed. Campus Crusade, Child Evangelism Fellowship, the Nicaraguan Bible Society, Assembly of God are among these. Jimmy Hassan of Campus Crusade for Christ reported in a recent article that the Sandinista authorities told him, "The problem is that you preach to young people about Jesus Christ, and because of that, they separate themselves from Marxism. And we will never permit this in Nicaragua." This was borne out by a billboard in Managua which proclaimed that God is against the Revolution.

There are Catholic priests who claim to have no problems with the Sandinistas, who have not been harrassed, or censored.

According to Msgr. Carballo, there are 320 priests in Nicaragua and 15 are for the Sandinistas. In addition, there are priests in Nicaragua who are not officially registered with the Catholic Church of Nicaragua.

One recent mass, organized by the Sandinistas, paid homage to and used the photos of guerrilla leaders who had died and were now proclaimed as heroes. The Columbian terrorists who assassinated the 12 magistrates were also hailed as heroes. We were told of baptisms in which the child was baptized in the name of Carlos Fonseca, a Sandinista who died in 1976.

The appointment to the office for Cardinal for Obando y Bravo was dismissed as a contrived and political appointment, the Sandinista people told us.

Cardinal Obando y Bravo faces many harrassments, including having his mail censored, speaking invitations delivered too late, telephone calls at odd hours, death threats and limited mobility.

CONTRAS

The Contras, or freedom fighters, came into existence under several different people. One was Eden Pastora, who had been a Sandinista leader. He had been instrumental in the taking of the National Palace in 1978. After the 1979 takeover, Pastora became disillusioned and left Nicaragua in 1981. According to the Sandinista authorities now, Eden Pastora was not a "true revolutionary and did not understand the full depth of the Revolution."

Propaganda of the Sandinistas says that the Contras consist of former National Guardsmen who are fighting to return to the old days under Somoza. In actuality, in the Contras, there are 13 National Guardsmen and these held a rank lower than captain. In addition there are 53 MDs and there are 43 former Sandinistas, according to a spokesman from the FDN.

The Sandinistas point to their "accomplishments" in the decrease in infant mortality rates, of being named a model government in health care by WHO.

The literacy campaign boasts that now people can sign their name and read up to a 6th grade level. When asked about the textbooks and their content, such as: 2 grenades plus 2 grenades equals 4 grenades, the reply was: "Education is not neutral. Look at these books for yourself." But to see them, we would have to go to the Nicaraguan Embassy in Washington, D.C.

When questioned about the huge national debt, the human rights violations, the reply of the Sandinistas was to point to other countries who had larger debts and more human rights violations.

FUTURE FOR PEOPLE

Repeatedly we were told by Nicaraguan people that they, too, fought against Somoza. They, too, gave the Sandinistas a chance to prove that as they had been good revolutionaries, they could govern well. But now they realize that the Marxist-Leninist line had been from the beginning. Now they recognize that the Sandinistas have formed a totalitarian government. "Other people in South America talk about us and we don't have the right to talk about ourselves," they told us.

No one wanted to go back to Somoza's dictatorship, or even make comparisons. But many felt that those days were not as oppressive, or devoid of human rights as now. Fear makes it difficult to live and work, we were told. Some regretfully admitted having doubts about trusting their own family members.

In capitalism, one man told us, he who does not *work* does not eat or have a place to live. But, under Communism, if you do not *obey*, you do not eat or have a place to live.

EL SALVADOR

El Salvador, also, has a history of juntas, coups and violence, and the last revolution was in 1979. Since that time, there has been

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an effort to stabilize the country by strengthening the economy, by free elections, and by respecting human rights.

Although they have made progress, they do have problems, and complex problems.

AGRARIAN REFORM

The Agrarian Reform which took the land from the large land-owners and gave it to the peasants is still in the first phase, the coop phase. The smallest acreage taken over by the government was 40 hectares although most acreages seized were 500 hectares or more. The landowners were paid with 25% cash and 75% bonds. As of yet, title to the land remains in the coop, and not with the peasants.

Even though peasants had worked the land for years, they were woefully lacking in management skills. Organization, bookkeeping, bank loans, marketing were new skills that needed to be learned, and quickly. Because these problems had not been anticipated and planned for, production dropped. This in turn, resulted in more economic problems for the whole country.

The coffee growers who before marketed their own coffee on an individual basis, no longer do so. The government buys the coffee and markets it. The coffee growers are protesting that the incentive to take the financial risks to grow the coffee is no longer there. Also, the growers feel that coffee is not being marketed by people with know-how and is only being used a political tool.

At the same time that the land was taken away, the banks were nationalized. No forewarning was given, soldiers marched in and told the employees that the banks and all furnishings now belonged to the state.

GUERRILLA MOVEMENT

Coronel Hernandez of COPREFA, the press arm of the military, gave us a view of the guerrilla movement which still exists in El Salvador. Helped by Cuba and Nicaragua from the beginning, the guerrillas originally numbered about 15 thousand men. But because the Salvadoran army has become better trained in guerrilla warfare, the guerrillas now number 4 to 6 thousand men. The guerrillas have also changed their tactics. Before, they would stop traffic and extract a "war tax" from motorists, and would also stop the agricultural products from getting to market. The Salvadoran army now has regular patrols and guards in key areas and roads. This has forced the guerrillas to resort to small groups who commit acts of sabotage, especially of electricity and communication.

HUMAN RIGHTS

Human rights violations was and is major concern. At the height of the Death Squads, murders numbered up to 800 a month. Human rights improvement thus became a contingent of aid from the United States. We visitied the Commission of Human Rights and talked to Sonja Mundoz. There are 3 offices located in different parts of El Salvador where people can come and report human rights violations. This group visits the security forces daily, and records names of captives. These prisoners can be kept in a garrison for 15 days. During this time, private interviews can take place, family can take medicine, clothing and food to them. If they are sent to another place, the Human Rights group keeps track of them. The figures given by the Human Rights Commission of atrocities are those that they have verified.

If Salvadoran soldiers are involved in atrocities, they are discharged from the army and then tried by a civilian court.

Interestingly enough, the guerrillas will not allow the Human Rights Commission to investigate atrocities committed by guerrillas.

Progress has been made in human rights. A small thing, but important, is that policemen now wear visible ID numbers.

FREEDOM OF SPEECH

Freedom of the press is alive and well in El Salvador. President Duarte had made the rate of exchange official in El Salvador—5 colones to $1.00 and the black market was 6 colones to $1.00—and also frozen the price of the Family Food Basket. Many people disagreed with this, and were on TV giving their viewpoint.

The newspaper that we visited, El Diario de Hoy, often disagrees and says no. One group took out a subscription to this newspaper in the name of President Duarte.

FREE ELECTIONS

March of 1984 was a major stepping stone for the people of El Salvador. Elections, free elections, were held, and Duarte was elected President. Then, in March of 1985, free elections were held to elect a national assembly.

Although El Salvador is a very small country with a large population, they would like to be completely self sufficient. Many people we spoke to acknowledged the assistance of the United States, and also acknowledged that they still need our help.

PRESIDENT DUARTE

President Duarte has been continually criticized in the media of the United States as being merely a puppet of the United States. El Salvador had had a history of upheavals, of military coups and juntas. Democracy does not come easy. As one lady put it, "He is the best of the worst."

The Arena party would like to see Duarte out of office. In meeting with their president, Freddy Cristiani, and their treasurer, Orlando Menendez, they told us their party's philosophy. They believe in private enterprise with as few restrictions as possible. The agrarian reform is a disaster, they said. The majority of the population is below 40, and education is badly needed. Because the economy is struggling, most children must work in agriculture and cannot finish school. Then, too, there are not enough schools to meet the need.

DISPLACED AND REFUGEE CAMPS

The uncertainty and upheaval produced by the guerrillas sabotage and fighting have resulted in approximately 500 thousand people who have left their homes. Those who have left El Salvador are termed refugees, and those who have re-located are termed displaced people.

Because these people regarded their moving as temporary, the government has no policy or regulations in regards to camps. Some families have gone to relations and resettled themselves. But approximately 5 to 8% end up in a camp. There is a constant movement from camp and camp, and some families have been in their camps up to 5 years. Now the government has instituted the Ministry of Planning to bring order out of this chaos.

People living in these camps have chosen sides, either the guerrilla side or the government side. If they are linked to the guerrilla side, they go to the private church camps. If they are linked to the government side, they go to the government run camps.

Aid comes to El Salvador for these people from about 45 different organizations, from the Red Cross and the UN, and denominational church groups. The private church groups are of the few teaching the people a trade to enable them to be self supporting.

The problems surfacing in these camps are many. Although these people receive only the most basic needs, there is a growing dependency on these handouts. Families have been disrupted, and fathers are not there to give families stability. There is delinquency, prostitution and drug and alcohol abuse. And, because the economy is down, there are fewer jobs available for all Salvadoran people, resulting in a lack of motivation for these displaced people.

PROGRESS

Even though El Salvador is often portrayed in our media as war-torn and in constant upheaval, there is progress being made. Particularly noteworthy is the people who are returning to El Salvador to work for their country's future. These people had lived and worked in the United States for many years, and have now moved back to El Salvador. One lady to whom I spoke lives in the United States, but her children live with her ex-husband in El Salvador. When I asked if she didn't miss them, she replied "Yes, but I think there are too many freedoms in the United States. It is better for them here."

El Salvador contends with the guerrillas being aided by the Sandinistas of Nicaragua, and they are very aware of the political ideologue of the Sandinistas. Coronel Hernandez stated his belief that the Sandinistas do not have the people's support in Nicaragua, and that El Salvador must help the contras, not militarily but in other ways. Both he and Rolando Monterosa of El Diario de Hoy told us that if the Sandinistas are successful, their next stop will be El Salvador.

SUMMARY

In Central America, Nicaragua has become the focal point. In the American hemisphere, Nicaragua has become the focal point.

Even though her Sandinista Marxist/Leninist history is brief—since 1979—she has gained world-wide notoriety.

The phrase "Revolution without borders" applies to the Sandinista Marxist/Leninist movement. This alone makes her neighbors exceedingly nervous. The traditional Latin American dictator is harmful for his people, but not for his neighbors, as Armando Guardia of Costa Rica told us.

Terrorism. Kidnapping. Hijacking. Murder. Each has been linked to the network of which Nicaragua has become a part.

Disinformation. Nicaragua has not only employed a public relations firm in the United States to disseminate disinformation, but has also had assistance of the expertise of the USSR KGB.

Throughout history, indecisiveness is catastrophic. We of the United States need to make a decision. Will we assist Nicaragua to become a model for the world—the first country who won against Communism. Or will we continue to vacillate, giving the Sandinistas more time to further oppress Nicaraguan citizens.

We must help the Contras, the Freedom Fighter, the Miskito Indians, the Rama and Sumo Indians. These people deserve the right to participate in governing themselves, to have freedom of religion, to have freedom of speech, and above all, to have freedom from fear. One member of our group put it in perspective, that this is really a fight for men's souls.

NATIONAL GOVERNORS' ASSOCIATION POSITION ON SUPERFUND

HON. JAMES J. FLORIO

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Tuesday, April 8, 1986

Mr. FLORIO. Mr. Speaker, the conference committee is currently considering the many important issues involved in final legislation to extend and expand the superfund toxic waste cleanup program. The States have been partners with the Federal Environmental Protection Agency (EPA) in the implementation of this program and have many valuable insights to share with us.

Recently, the National Governors' Association wrote to members of the conference committee to explain its priorities for the final legislation. The NGA letter underscores the importance of strong, specific uniform national cleanup standards in the legislation as well as the procedures that will guarantee meaningful State involvement in the cleanup process. I recommend the NGA position to my colleagues as the Congress continues to develop final legislation.

National Governors' Association,
March 13, 1986.

Hon. James J. Florio,
U.S. House of Representatives, Rayburn House Office Building, Washington, DC.

Dear Congressman Florio: The Superfund hazardous waste cleanup program is the cornerstone of the nation's effort to protect the public health and the environment by correcting past mismanagement of hazardous wastes, and the National Governors' Association strongly supports its reauthorization as a top priority of this Congressional session. As Chairman and Vice-Chairman of the NGA Energy and Environment Committee, we are writing to ask your attention to several issues which are critical to the states and to the success of the Superfund cleanup effort. In particular we urge you to:

Adopt the provisions of the House bill regarding cleanup standards. The Governors strongly support the presumption that applicable or relevant and appropriate state or federal standards will guide cleanup decisions. Under the House bill the EPA Administrator retains sufficient flexibility to waive such standards when there is a substantial evidence as to the necessity of meeting a different level of cleanup, but we believe better, more permanent cleanups will result when existing standards are used.

Maintain the opportunity provided by the House bill for "substantial and meaningful involvement" by the states in the initiation, development, and selection of the remedial action to be undertaken. This should specifically include an opportunity to review and comment on the remedial investigation and feasibility study, the planned remedial action, the engineering design, and relevant technical data and reports, as well as notice and an opportunity to participate in settlement negotiations.

Preserve permits issued under state law as provided by the Senate bill, for both on-site and off-site cleanups. During House markup the Governors also argued strongly in favor of maintaining permits under federal law, with the exception of permits under Subtitle C of the Resource Conservation and Recovery Act where remedial action is taken on the site of the release. We do not believe that state or federal permits will be a substantial cause of delay in cleanups, yet they will be instrumental in ensuring that the public is adequately protected in the event incineration, underground injection, or other remedial measures transfer waste residues off site or into other media.

Adopt the provisions of the House bill establishing a response program for the release of petroleum into the environment from an underground storage tank. Leaking underground tanks represent a serious and growing public health threat, and we believe the time has come to address this problem.

We know that the decisions you must make in reauthorizing Superfund are difficult, but the national interest requires a full five-year reauthorization of this important statute. We would like to work you in the weeks ahead to secure the reauthoriztion, and hope you will contact us if we can be of any assistance. We have enclosed a copy of the NGA position on Superfund, and will very much appreciate your consideration of our views on these matters.

Sincerely,

Governor Anthony S. Earl,
Chairman, Committee on Energy and Environment.
Governor Arch A. Moore, Jr.,
Vice-Chairman, Committee on Energy and Environment.

SUPERFUND

The Governors believe that the protection of public health and the environment requires a major and very long-term commitment from businesses, the federal government, and the states to clean up abandoned and leaking hazardous waste sites, spills, and other releases of hazardous and toxic substances. As the next step in this commitment, the Governors urge the Congress to expeditiously reauthorize and extend for five years the Comprehensive Environmental Response, Compensation, and Liability Act (CERCLA/"Superfund"). In reauthorizing this important law, the Congress should address the following issues:

Response Trust Fund. The Governors urge the Congress to reauthorize and expand the Hazardous Substance Response Trust Fund. The fund should be increased to at least $9 billion so that it will be adequate to address the sites on the national priority list and new sites, including hazardous waste facilities which may close before final RCRA permits are issued. At least one-fifth of the total trust fund amount should be made available each year. To develop additional revenues for the Superfund, the Governors recommend that the petroleum and chemical feedstock taxes, which are the mainstays of the existing fund, be increased. In developing any other revenue sources, the Governors favor taxes which create economic incentives for minimization and proper disposal of hazardous wastes as a preferred alternative to increasing the general fund share of the Superfund program beyond the current level.

State Response Funds. It is imperative that the states have adequate resources to carry out their responsibilities under Superfund and to respond to situations in the absence of EPA action. CERCLA should be amended to repeal any preemption of the development or use of state trust funds, including those based on chemical feedstock and waste-end taxes, for purposes related to environmental protection and restoration.

State Role. The Governors believe that centralized decision-making has unnecessarily slowed the Superfund program, and that public health protection demands quicker response actions. The remedial action program is particularly cumbersome and should be streamlined. The Superfund program can be made more efficient if the states and regional offices are given larger decision-making authorities than they currently have. In particular, states should have the option to take the lead role in planning and implementing Superfund response actions, with a right of first refusal to assume the lead at particular sites. State concurrence should be required before EPA or responsible parties undertake any removal or remedial action under CERCLA. The law should allow states to develop a statewide generic response for sites on the national priorities list, and the administrator of EPA should be required to approve such programs within a reasonable period of time or show cause why he has not done so. Once this program has been approved, the state should be able to assume full and complete responsibility for management of the cleanup effort at national priorities list sites where it chooses to take the lead. Such responsibility should include establishing priorities, undertaking remedial investigations/feasibility studies, selecting contractors, conducting removals or remedial cleanups, and similar actions.

Cost Recovery. The Governors urge the Congress to provide clear guidance to the EPA to clean up hazardous sites as the first priority and negotiate with responsible parties second. If negotiations have not succeeded after a reasonable period, litigation is appropriate. The current practice of the state and the federal government litigating separately to recover their respective share of cleanup costs is duplicative and wasteful. It should be made clear that states already have a cause of action to recover costs at sites where they have contributed matching funds, and the states and the EPA should be directed to agree that one or the other will have the lead in litigation for full recovery of both the state and federal shares.

Cleanup Standards. EPA, the states, and responsible parties have been hampered in site cleanup decisions by the lack of a clear definition of "how clean is clean." The EPA should be directed to work in close cooperation with the states to develop criteria or guidelines to be included in the national contingency plan on the level of remedial action which is acceptable to protect public health and the environment. These criteria should reflect considerations such as relevant and appropriate federal and state standards, the hazardous or toxic materials involved, the environmental pathways which could lead to human exposure or environmental damage, the population at risk at a particular site, and the cost effectiveness of optional cleanup strategies.

State Program Grants. The Governors believe that Superfund cleanup will be faster and more effective if the states have adequate capacity to plan and implement the program. To develop such capacity, the fund should be used to support grants to states for program development, site identification and assessment, enforcement, oversight, and administrative expenses at all sites.

State Match. The Governors believe there is no justification for requiring a larger state match for Superfund cleanup at sites which have been publicly owned or operated than at privately owned sites. CERCLA should be amended to provide that the match required against cleanup actions is 10 percent at all sites, whether or not owned or operated by the state or a political subdivi-

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sion. The 10 percent state share for sites owned or operated by states or political subdivisions should be considered a final settlement of all liability under CERCLA for the state or political subdivsion. In addition, the Governors believe that the Congress should liberalize conditions under which states may generate credits which can be used to offset the state match requirement for remedial actions. In particular, the period for which state cleanup expenditures can be credited should extend from January 1, 1978, to the date a cooperative agreement was signed or cleanup commenced at a particular site. Such credits should be useable against further cleanup at that site, or at other sites in the same state.

Operation and Maintenance Expenses. CERCLA should be amended to provide that the response trust fund should be used to support operation and maintenance activities for a specified period at sites after cleanup actions have been taken commensurate with the expected operation and maintenance life. It should be clear that these expenditures are subject to the same state match requirements as cleanup actions.

Post-Closure Liability. The Governors believe that the post-closure liability fund, established to provide monitoring and maintenance at hazardous waste sites beginning five years after closure, is not adequately funded and should be at least doubled in size. In addition, the law should be amended to extend the liability period for owners or operators from five to at least thirty years after closure. EPA should also be directed to review insurance requirements for owners and operators of hazardous waste facilities to ensure there are adequate resources available to perform monitoring and take any corrective actions necessary during the thirty years after closure. For purposes of cost recovery, the Superfund and states which have contributed matching funds should be considered priority claimants in bankruptcy proceedings against the owner or operator of any site or any other responsible party who declares bankruptcy before all closure requirements have been satisfied.

Natural Resource Damage Claims. The three-year window provided by CERCLA for states to file claims for damages for natural resources damage expired before the Department of the Interior published guidelines necessary to file such claims. The Department of the Interior should be directed to expeditiously develop such guidelines, and funds should be appropriated for that purpose. In addition, the window of opportunity for states to file such claims should be extended to at least five years after the date of enactment of the CERCLA reauthorization.

Federal Sites. Cleanup of federal sites should be expedited. EPA should have responsibility for assuring that remedial actions at federal sites are consistent with the national contingency plan. Federal site cleanups should not be financed by the trust fund.

Petroleum Exemption. Congress should affirm that, notwithstanding the "petroleum exemption," sites containing listed hazardous substances are within the scope of CERCLA coverage. This amendment is directed to the leaking underground storage tank problem. It is not the intent of the Governors that CERCLA apply to oil production and refining activities.

Voluntary Cleanups. The Governors believe that voluntary cleanup activities by responsible parties can make a significant contribution towards the nation's hazardous waste cleanup goals. To foster such voluntary cleanups, CERCLA should provide a mechanism through which responsible parties may negotiate and sign cleanup agreements with the federal government without having to admit to causing an "imminent and substantial endangerment." These agreements must be fully enforceable and should have clauses allowing cleanup negotiations to be reopened in the event additional environmental risks are discovered, which were unknown at the time the original cleanup agreement was developed or in the event a remedial action selected proves to be inadequate to protect human health and the environment. If negotiations with responsible parties do not result in acceptable cleanup agreements within a reasonable period, EPA should undertake regular cleanup, enforcement, and cost recovery actions. This recommendation is not intended to have any effect on other parties' suits against potentially responsible parties.

Land Disposal. The Governors recognize that CERCLA can play an essential role in the development, application, and siting of alternative hazardous waste disposal technologies. To that end, the Governors believe that EPA should consider alternative hazardous waste disposal technologies—for both on-site and off-site application—as the preferred means of disposal with regard to CERCLA remedial actions. Additionally, the Governors believe that CERCLA should be amended to prohibit deep-well injection and land burial of hazardous wastes removed from Superfund remedial action sites unless, consistent with P.L. 98-616, EPA determines that such disposal is acceptable under specified circumstances which protect human health and the environment.

THE FIRST REFORMED CHURCH OF POMPTON PLAINS, NJ

HON. DEAN A. GALLO

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Tuesday, April 8, 1986

Mr. GALLO. Mr. Speaker, the spirit of rededication is the driving force of our American dream. We look to our past as a source of strength and guidance. No matter how far we may stray from the path of the past, we will eventually return to the way that is clearly marked for us throughout our history.

Forty years before the birth of our Nation, a small band of Dutch farmers gathered together in a new land.

In April 1736, a church was founded in the plains of Morris County, NJ. In 1986, 250 years later, that church, the First Reformed Church of Pompton Plains, celebrates a landmark anniversary.

The original church was dedicated on April 7, 1736, under the pastorate of the Rev. Johannes Van Driessen. The church prospered in its early years, with a membership of 72 in the spring of 1738. A new building was built in 1771, on land donated by Theunis Dey. This new building was located on what is now Newark Pompton Turnpike—the site of the present church.

Throughout the years, the church grew physically and spiritually. One hundred years after it was built, the church was enlarged and repaired under the leadership of the Rev. John Van Neste Schenck. The church was dedicated on November 22, 1671, 7 months after the 100th birthday of the church. It was also on that day, however, that the church family mourned the passing of their energetic minister.

Addressing the needs of parishioners from the surrounding towns, small chapels were built for the purpose of education. These chapels were located in various towns, including Wayne, Lincoln Park, and Towaco—known as Jacksonville at the time. Throughout the years, due to the growth of the mother church, these chapels came to form independent churches, most of which remain a part of the Reformed Church in America.

The decade of the 1900's brought tremendous growth to the church. With more people joining the congregation, the financial status of the church has enabled the construction of a "church house" in 1926, and a fellowship hall in 1965. But the period also brought tragedy to the life of the church, as well as growth. On October 24, 1937, little over a year after the bicentennial celebration of the church, the sanctuary was completely destroyed by fire. While the actual cause of the inferno is not known, faulty wiring seems probable. This tragic loss, however, brought out the invigorating spirit of the congregation and its dynamic minister, the Rev. Eugene H. Keator. One and a half years later on April 7, 1939, the 203rd anniversary of the church, a new building, larger than the old, was dedicated. This grand edifice, it should be noted, was completed free of debt.

In 1953, the church acquired another piece of property—the Mandeville home, adjacent to the church proper, which dates back to 1788. This old stone house, which once served as the Pompton Plains Post Office, is now the church manse.

During this special anniversary year, the congregation looks to a future of growth. Under the leadership of Rev. Andrew R. Rienstra, and associate pastor Vincent A. Fasano, the congregation renews its commitment to spreading the good news, both at home and around the world.

Spring is a time of rededication. Our religious tradition recognizes this need for renewal through the celebration that begins with Ash Wednesday and culminates with Pentecost Sunday.

On the occasion of the 250th Pentecost to be celebrated by the congregation of the First Reformed Church of Pompton Plains, we honor and recognize a tradition that is both religious and secular. Rooted in our history, it continues to grow upward toward the stars.

CATASTROPHIC ILLNESS

HON. LEE H. HAMILTON

OF INDIANA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, April 8, 1986

Mr. HAMILTON. Mr. Speaker, I would like to insert my Washington Report for Wednesday, March 26, 1986, into the Congressional Record:

Catastrophic Illness

In one public meeting after another, Hoosiers tell me of their worry that serious injury or illness could lead them to financial ruin. They point out that few families have the resources to meet the cost of catastrophic illness.

Their concerns are well-founded. Although rare, medical bills for devastating cases can easily exceed $100,000. Catastrophic illness can strike anyone, but the problem is especially severe for the elderly. More than 200,000 older persons each year are hospitalized for more than 60 days and are personally responsible for extraordinary medical costs. The cost of long-term care in a nursing home averages $60 a day, or $23,725 a year. Even with some coverage, illnesses such as a stroke or heart attack, or long-term disabling conditions like Alzheimer's disease or cancer, can quickly exhaust retirement funds saved from a lifetime of work.

Such costs have fueled discussion on the need for catastrophic health care coverage. Medicare, a major federal health insurance plan, is designed for acute, not long-term, illness. The 30 million older persons on Medicare have all their hospital bills covered for 60 days, after a deductible is paid. Illnesses lasting longer than 60 days can be devastating. Heavy coinsurance costs begin on the 61st day. Coinsurance can last up to 90 days longer. After that, Medicare payment ends.

Medicare patients must also worry about doctor's fees and nursing home costs. Government insurance pays part of approved doctors' charges, but, with major surgery, the remainder can total thousands of dollars. For nursing home care, Medicare pays only for short-term skilled care, not custodial care of any kind. Only after a patient is impoverished will Medicaid take over.

Almost two-thirds of Medicare beneficiaries now buy widely-advertised "Medigap" policies. These policies, costing between $500 and $1,500 a year, pay certain costs Medicare does not cover. Many people mistakenly believe these policies cover the costs of catastrophic illness. Many Medigap policies pay only for skilled care in a certified home and stop after 100 days, the time Medicare funds end. Insurance policies for long-term care still are not widely available.

There is broad agreement on the need for protection against the financial risks of catastrophic illness, but there are questions over how best to do so: What are the proper roles of the federal government and the private insurance industry? How should the financial burden of health care be distributed? Who should be eligible, and how comprehensive should coverage be? What are the long-term effects of different proposals? Various proposals suggest either a larger government role, greater reliance on the private insurance industry, or a mix of both.

Because of fiscal constraints, it is likely that any government plan would initially be limited to the elderly and would take up where Medicare insurance stops. One recent proposal by doctors and health care experts would expand the federal health insurance system. Its aim is to aid Medicare patients who need prolonged hospital or nursing home care, to reduce their costs, and to improve home health care benefits. Funds could come from a variety of sources, including increased social security taxes, a new tax on high income retirees, and increased Medicare premiums. Supporters stress the comprehensive coverage and widely shared costs of such a plan, while critics worry about the new taxes and broad program expansion in an era of fiscal restraint.

The Reagan administration prefers reliance on private insurers rather than on government. The Administration's proposed voucher system would allow recipients to buy policies from private insurers and group plans, comparable to Medicare's coverage, but not for long-term care. Some private policies provide limited long-term care. Such policies typically provide benefits of between $30-$60 per day for up to four years coverage of skilled and intermediate nursing home care, with varying home-care benefits sometimes included. Cost ranges from $200 yearly for limited coverage for those 55 years old to over $4,000 for broader coverage for those 75 or older. Supporters of vouchers maintain that the marketplace will assure cost-effective delivery of medical services, while critics charge that such a system lacks comprehensive coverage and will leave vulnerable people uncovered.

Other proposals would mix public and private involvement. In his state of the Union Address, the President directed former Indiana Governor Otis Bowen, now Secretary of Health and Human Services, to find ways to provide affordable insurance for those whose life savings are at risk from catastrophic illness. I commend this initiative. Dr. Bowen, before he became Secretary, had a plan to cover unlimited hospitalization and some physician charges not now under Medicare, with a limit on patient liability. Coverage would be funded by increased premiums. It is unclear if his study, due in December, will be similar. In addition, new tax laws would encourage investment in "individual medical accounts" to insure against catastrophic illness. Congress has held hearings on catastrophic health insurance, and limited hospital catastrophic proposals are expected. Other proposals mixing public and private involvement are broader in scope than the Bowen proposal, including coverage for long-term care and dental, eye, hearing and prescription costs. Debate on these proposals centers on breadth of coverage and funding.

I am impressed by the sense of urgency with which Hoosiers discuss the problems caused by catastrophic illnesses. I am also encouraged by the new attention we are giving the problem. I have made no judgment on the various proposals, but I expect any solution to rely on both the private and public sectors. Although shrinking budgets are an important restraint, it is essential that attention be given to catastrophic insurance for both acute and long-term illness. Only then will the widespread fear of the financial impact of catastrophic illness be eased.

A TRIBUTE TO MAESTRO SANDOR SALGO

HON. TONY COELHO

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, April 8, 1986

Mr. COELHO. Mr. Speaker, on May 1, 1986, friends and admirers of Maestro Sandor Salgo, the music director and conductor of the Modesto Symphony, will gather to pay tribute to the maestro in honor of his 10th season with the symphony.

Maestro Salgo joined the Modesto Symphony in 1976. Since that time attendance has increased dramatically, and the symphony has consistently played to a sold-out house. Maestro Salgo has also worked hard to serve the Modesto community—he regularly arranges special concerts for senior citizens and children. He also has given a number of educational presentations to the community.

Maestro Salgo has received international acclaim for his excellence as a conductor and as a music director. He has served as a guest conductor with the Royal Philharmonic Orchestra of London, the Staatsoper of Berlin; and the National Symphony Orchestra of Mexico. He received the Dinkelspeil Award from Stanford University for his outstanding service to undergraduate education there, and most recently was awarded the Chevalier of the National Order of Arts and Letters by the French Government in recognition of his contribution to French music in California.

I would like to join with Maestro Sandor Salgo's other admirers in expressing my deepest appreciation for all that he has done over the last decade for the Modesto Symphony and for the people of Modesto. I wish him continued success in the years to come.

THE NEVADA TEST SITE: ITS IMPACT ON THE STATE, THE NATION, AND THE WORLD

HON. HARRY REID

OF NEVADA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, April 8, 1986

Mr. REID. Mr. Speaker, the recent underground nuclear explosion at the Nevada test site has spurred international reaction to the testing program itself. This has occurred in the shadow of a test ban treaty resolution passed by the House on February 26, 1986.

I voted against the resolution. Of course, I believe that nuclear testing should eventually be stopped, but, Nevada should be protected in the process. It is critical to the State of Nevada and its people that we are provided with just compensation for the lost use of the land and the loss of jobs for at least 7,000 people.

That's why I would like to share again with you the speech I delivered on the floor of the House just prior to the vote on the test ban resolution.

Mr. Reid. Mr. Chairman, Nevada is a unique State. Not only does it have the bright lights of Las Vegas and the Strip, the beautiful alpine glacial lake of Lake Tahoe, but our State is unique in that it contains the only nuclear test territory in the Free World. On my trips out to the test site I have seen the destruction and the contamination of what was once beautiful and potentially productive land. I think it is difficult to describe unless you have been there. Not only did we have the atmospheric tests in the early days of testing, but since then we have had the underground testing and the whole countryside is a pockmark of holes from 100 feet to hundreds of feet deep. Hundreds and hundreds of bombs have laid waste to Nevada's precious countryside making it worthless for future generations.

When we tested in Micronesia after World War II we allowed them to be compensated

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for the damage done. The testing in Micronesia represents only a fraction of the testing activity we have seen over the last few decades in Nevada. We in Nevada expect the same or better treatment. This land is not only desert, it has a multitude of uses from grazing to mining to recreational activities. These economic opportunities are no longer available to Nevada.

Before I can support a comprehensive test ban it must include compensation for Nevada's scorched lands. Today I am introducing a resolution to have Congress express its sense that the United States should pay compensation to civilians working at the Nevada test site who lose their jobs due to ratification of a Comprehensive Test Ban Treaty and to the State of Nevada for degradation of the land at the test site caused by nuclear weapons testing.

The Nevada test site presently employs about 7,000 men and women. If you include the support industries, the site generates nearly $1 billion for our economy. Many have come to depend on nuclear testing in Nevada for their livelihood.

Yes, we should stop testing eventually, but we cannot do that without provisions for the many families in Nevada who have come to depend on it in one way or another. I cannot support a bill that will not compensate Nevadans for this loss as well as the state for the loss of the countryside.

Nevadans should not be abandoned. I will be introducing, as I will talk about in a few minutes, a bill to provide for compensation for our land and for our people.

We in Nevada have accepted nuclear waste disposal on our doorstep and we have put up with decades of bombing in our backyard because we knew it was in the interests of our country. We are only asking for what we know we deserve.

PROPOSED CHANGES TO IMPROVE TVA MANAGEMENT

HON. RONNIE G. FLIPPO

OF ALABAMA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, April 8, 1986

Mr. FLIPPO. Mr. Speaker, earlier I discussed some of the background leading up to the management problems evident in the Tennessee Valley Authority today. In the near future I will be introducing legislation to improve the management structure of this agency which is so useful to the people of the Tennessee Valley and of the Nation. I want to share with my colleagues my thoughts on the proposed changes.

THE CORPORATE MODEL

In rhetoric and in fact, the TVA's corporate structure borrowed heavily from the corporate business world of the time of its creation as opposed to the general form for public institutions in a democratic society. No words in the act address the concepts of limitation of powers or of separation of powers inherent in the system of dual Federal State sovereignty or in the tripartite organization of the Federal Government. (The original board's attempt to divide administration of the TVA major programs among themselves is generally regarded as a disastrous experiment in management.) The Agency was even given broad blanket authority to conduct its business without the annual authorizations required of many programs. Only through the appropriations process did those who were paying the construction bills have a voice in operations of the TVA. When the national taxpayer said "no more" in the 1950's, the self-financing act transferred this obligation for power programs to the people who lived in the region and needed the energy if the region were to develop and prosper. The role of the electric program seemed to be growing in TVA's total program.

Franklin Roosevelt in 1933 had asked for "a corporation clothed with the power of government but possessed of the flexibility and initiative of private enterprise." The TVA Act itself states, "The board shall direct the exercise of all powers of the corporation." This is similar to the concept of the model corporation statute of the 1920's and 1930's, which stated: "The business of the corporation shall be managed by the board of directors."

The impossibility of such an arrangement has since been recognized in business literature and the model statute has been changed to reflex the more realistic concept: "The business of the corporation shall be managed under the direction of the board of directors.[1]

While private enterprise has been flexible and innovative in its approach to corporate governance, the same cannot be said of TVA. The TVA still clings to the concept that the three-member board can effectively manage the corporation (actually, any two members at any moment in time can direct the corporation). This fragments the responsibility and accountability.

The uniqueness of TVA, its roles and functions, limits the blanket adoption of the business corporate governance model for the agency. However, enough similarity to large private corporations exists—size, complexity, technical challenges, delivery of services, huge financial obligations, a large number of employees, diverse constituencies—to recommend modification of such a model of the governance structure which is found in the major business institutions in this country, such as General Motors, Ford, AT&T, and others.

The business corporation board model, with outside directors to monitor, oversee and regulate the day-to-day management by professionals, seems to offer other advantages for TVA because of the differences between the TVA and private business organizations.

TVA is not subject to the constraints of competition and the marketplace to the same extent as a business. Outside directors could provide a valuable new perspective of the feelings of consumer stockholders who must pay the bills TVA incurs.

TVA is not subject to regulatory review of its actions in its electric power operations as other utilities are. Outside directors could come closer to providing a more creditable armslength review of rate questions.

TVA does not have to respond to the pressures and probing of the financial markets before undertaking major projects. Outside directors could effectively seek justification of need before major projects are launched.

Thus, a broader based Board of concerned members, detached from the responsibilities of day-to-day operations, could provide useful policy guidance to TVA and service some of the functions listed above which are absent under the present governance arrangements.

MEMBERSHIP OF THE NEW BOARD

Generally, the same statutory requirements as apply to Board members now would apply to the members of the new Board. This involves U.S. citizenship, a belief in the feasibility and wisdom of the TVA Act, and a ban on financial interests in businesses which would be adversely affected by the success of TVA (primarily electric utilities and chemical fertilizers). Additionally, a requirement for geographic diversity would be added and the prohibition against engaging in any other business or professional activity would be removed.[2]

Citizens of the valley, in making recommendations to the President, and the President, in proposing nominations to the new TVA Board, should also consider in candidates the other attributes commonly sought in directors for large, complex organizations. These include:

First. Integrity;

Second. Wisdom;

Third. Independence;

Fourth. A valid knowledge or experience that can bear on TVA's problems and deliberations of the board;

Fifth. A record of accomplishment within organizations;

Sixth. An inquiring mind;

Seventh. A willingness to speak one's mind;

Eighth. An ability to challenge and stimulate management;

Ninth. An orientation to the future; and

Tenth. A willingness to commit time and energy.

The proposal directs the President to consider for nominations the recommendation of the Governors, individual citizens, and business, industrial, labor, environmental, electric power distribution, and civic and service organizations. The proposal also calls for the President to seek qualified board members to reflect the diversity and needs of the service area, that is, no single constituency should dominate the board.

Essentially, the same political process which has applied to the selection of TVA directors for more than 50 years would still apply under the proposal. That is, interested constituencies of the TVA would make suggestions to the President who would send nominations to the Senate for public hearings and confirmation. At all points in the political process, the people of the region would still be free to express their thoughts on the nominees through the media, through their elected officials, and through other means of expression available to citizens of this country.

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[1] The form of corporate governance which emerged for TVA could be said to reflect the public administration reform theme of the 20's which exaulted "professional" or "technocratic" management over "political" or "people-oriented" management. This reform effort's most enduring contribution to public administration has been the strong city manager movement.

[2] To assure geographic diversity the legislation requires that three of the board members be residents of Tennessee; one a resident of Alabama; one, Kentucky; one, Mississippi; one a resident of either Georgia, North Carolina or Virginia, and one a resident of any state in the Union. Terms would be for 3 years with reappointment possible for two additional terms.

What changes is the number of board members and their potential for increased contacts with the total constituency of TVA through the larger number of board members and the location of board members at diverse geographic points within the service area.

The critical difference under the proposal is in the function and purpose of the board. While the initial TVA board evolved into a three-person policy and management entity, the restructured board's function would be to establish policy and monitor its execution by full-time professional managers.

Although the new board members may come from a specific constituency, organization, group or geographic area, as they always have, the new board and its members would reflect a broader view than the view constrained by the somewhat different perspective of day-to-day management which may have more narrow obligations and responsibilities.

Except for the few guidelines of the legislation and the report and legislative history, no quotas or other restrictions would be imposed for board membership so the President would have the greatest possible flexibility to nominate a diverse board of the most excellent people available for service on the TVA board.

The 6-month delay from enactment of the legislation to its implementation would allow the President time to select and nominate the new board members. During this period the incumbent board members would continue to serve. Nothing in the legislation prevents the President from nominating incumbent members to service under the restructured board.

HOW THE NEW BOARD WOULD FUNCTION

After confirmation by the Senate, the new board would be organized under the direction of the Chairman designated by the President. The Chairman would name members to the various committees the board might find necessary: a nominations and compensation committee (to seek a chief executive officer and fix compensation); the rate review committee (to review electric rate structure and changes) the audit committee (to name auditors and review audit reports) and an executive committee (to set board agendas and other designated functions).

One of the initial priorities would have to be the drafting and adoption of a set of bylaws for the board. This would define the exact duties of the committees and the responsibilities and authority of the chief executive officer. Another would be the search for and hiring of a chief executive officer to actually operate the agency. The board has great flexibility in seeking this individual either inside or outside of the TVA. (See The Chief Executive Officer, below.)

Board members would serve on two-to-five committees depending on the number of committees in being at any one time. Service on the statutory committees should generally be considered for the duration of the term of the member appointed. (See Board Committees, below.)

If monthly meetings of the full board were established, up to 48 meeting days would be available for each member to attend committee meetings and other authorized activities.

As is the case of board members in business corporations, TVA board members would not be expected to have individual staff assistants. However, some of the board's committee functions would probably require assistance of a small permanent staff and perhaps, depending on the nature of the activity, augmentation by temporary staff from time to time.

Any attempt to completely describe board functions and operations runs the risk of either providing a potential straight jacket that fits only the current moment or being incomplete or imprecise. On the whole, the original TVA Act leans toward the latter position.[3]

Board members who are unacquainted with the role of boards in the corporate world would be well served by a review of the considerable current business literature on the subject.

In discussing the changing role of boards as observed in the business world, J. Spencer Letts observed in the July 1980 issue of Business Lawyer:

> Although it has been defined in many ways, the contemplated role for the board usually contains an element which may be characterized as that of "corporate watchdog." In the performance of this role, board members would proceed from an attitude of skepticism and would be expected to raise questions broadly probing the wisdom of proposals made by management as well as the procedures by which such proposals are formulated.
>
> The value of having the board play this role seems apparent if one presumes that management will consistently follow the profit motive and bring to the board proposals which will be in its own and the corporation's best economic interest. The role of the board would then be to raise questions to determine whether the proposals in fact would serve the corporation's economic interest and also to determine whether their implementation would contravene some larger social or moral interest, as might proposals involving the creation of pollutants or the making of "sensitive payments".
>
> The directors would also be responsible for monitoring self-dealing by the management and making sure that corporate acts are properly recorded and disclosed so that potentially objectionable practices would be sure to receive scrutiny . . . .
>
> The more independent the director, the more likely that he will be fully able to perform this function. While not expressed in precisely these terms. SEC Chairman Harold Williams seems to have followed somewhat this line of reasoning. His suggestions that boards of directors might best be composed entirely of independent directors other than the chief executive, have usually be premised on his view that forces working on directors who are not completely independent may cause them to be too supportive. . . .
>
> . . . The significant contributions of directors need not be made at routine meetings. Most corporate boards in fact are simply too large to lend themselves to collective decision making, and the most important matters of necessity have been and continue to be resolved prior to the board meeting.

THE CHIEF EXECUTIVE OFFICER

The legislation creates a new position within TVA, the chief executive officer [CEO]. This individual would have the responsibility for the day-to-day management of TVA and the carrying out of policies established by the board of directors, a pattern of operation found in almost every business corporation. This is also the pattern of operation found in the electric distribution systems within the TVA area. In naming a nuclear "czar" TVA appears to be moving in the direction of a strong chief executive officer, that is, the transferring of some of the board's authority for operating the nuclear division to a single individual for at least a limited period of time.

Although the first TVA board members eliminated the concept of a statutory executive or manager which had been provided in early versions of the TVA legislation, a position of general manager was soon found useful and was created by the board in 1936.

The proposal's statutory CEO would probably acquire some of the functions of the TVA's present office of general manager and certainly some of the management functions now exercised by the three-man board.

The CEO would appoint, with the advice and consent of the board, and without regard to the provisions of Civil Service laws applicable to officers and employees of the United States, such managers, assistant managers, officers, employees, attorneys, and agents as are necessary for the transaction of the business of the Corporation. The CEO would define the duties of these people and would establish, subject to board approval, the rate of basic pay for such managers, assistant managers, officers, employees, attorneys, and agents, not to exceed the annual rate payable for positions at level V of the Executive Schedules in effect at the end of the applicable fiscal year.

The present level V rate is set at $68,700 per year, an amount lower than some TVA executives are paid today. However, procedures to prevent reduction in pay and, under some circumstances, to provide increases in compensation over what is now allowed, are provided under section 2(h). (See Compensation and Employee Policies, below.)

The detailed definition of the CEO's responsibilities, authority and compensation would be set out initially by the board and then negotiated as to specifics into contract form by the board and the selected individual. The legislation requires the CEO have management experience in large, complex organizations. The CEO would not necessarily have to be well versed in all aspects of TVA's operations because of the exceptional quality of many of the TVA's managers and operators available to assist the CEO in management of the corporation.

The concept of compensation incentives for performance is also introduced. This is a move toward the idea reflected in some business organizations that outstanding performance should be rewarded and failure should result in penalty.

The legislation allows the board the flexibility to hire the most outstanding CEO available and provides the board with ability to reward the CEO or discharge him. Because such people are never in great supply, an outstanding CEO could exert great influence within the organiza-

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[3] In some parts where the TVA Act gets precise, such as the pay limits for employees of the agency, removal of the straight jacket has been suggested by TVA management.

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tion because of the possibility the officer would retire or take some other job.

BOARD COMMITTEES

The legislation mandates the board establish at least two committees. The audit committee, composed entirely of nonmanagement directors, would be similar to the audit committee of a business corporate board of directors. Considerable business literature offers guidance for the new board in defining the details of this committee's obligations and responsibilities.

The electric rate review committee introduces a new concept and a new step in the rate review process for TVA. The committee's responsibilities include both rates (generally reviewed annually) and rate structure (examined as the board determines necessary but generally less frequently than rates).

The concept is for the rate review committee to function as a regulatory review body in examining the rate adjustments recommended by the management and agency staff. The committee would look at the details of the requested adjustments, the assumption behind the adjustment requests, hold public hearings on the proposals to receive the views and observations of ratepayers and make some recommendations to the full board for rate changes or rate structure changes. The board would be the ultimate decision maker on rate questions.

The difference in the proposed procedure and the existing procedure is the independence and separation of those making final rate decisions from those involved in putting the request together. The present board structure, with board members having both policy and day-to-day operating involvement in the agency, does not provide the appearance of the kind of independent rate examination to which other utilities are generally subject. Under the present arrangement, the same board reviewing and passing on rates may have already made decisions and judgments about projects, purchases, or programs which influence the factors requiring rate adjustments.[4]

The board could create other committees of board members as the board deemed appropriate. A restraining factor would be the number of days individual board members are authorized work each year. A restructured TVA board would probably be more active, in terms of meeting days, than the board of a private corporation. In 1983, the average private corporation board had eight regular meetings. The largest number, 31.8 percent, had between 10 and 12 regular meetings. In private corporations the average board member spent 125 hours annually on board matters including review, preparation, meetings and travel.

Initially, during the reorganization phase, considerable time might be required of the restructured TVA board. For that reason, up to 60 meetings a year are provided in the legislation. After the reorganization phase, the new TVA board members should find an average of 30 to 40 meeting days a year adequate for regular sessions, committee meetings and hearings.

The most prevalent permanent committees of business corporations, in addition to the audit committee, include the executive committee and the compensation and nomination committee, the latter is involved in selection of the CEO and the compensation of the CEO and other executives. Other committees, temporary or permanent, might be created by the board to examine issues and hold public hearings on matters that would have a substantial effect on the economic, environmental, social or physical well-being of the people of the region.

The board would determine whether the committee functions required staff support. A small administrative staff might be appropriate to support the executive function of the board. The rate review function, because of the complex technical nature of some of the factors in rate review, probably will require permanent staff or consultants to assure the kind of independent rate review the ratepayers deserve. The only extra staff cost incurred under the new arrangement, if any, would be to the extent that current personnel levels in support of policy functions were increased.

THE GLOBAL ECONOMY: A THREAT TO AMERICAN POWER

HON. JAMES T. BROYHILL

OF NORTH CAROLINA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, April 8, 1986

Mr. BROYHILL. Mr. Speaker, I have long been an advocate of free trade and open markets around the world. Today, world markets are not open to American products for a number of reasons. At the same time, the United States is a victim of unfair and illegal imports to the tune of billions of dollars each year. These two problems have created disastrous conditions for American industry. They have also led thoughtful Americans to react strongly and advocate very restrictive actions against imports.

While I continue to support meaningful trade reform and strong action against unfair and illegal trade practices, I think it is important for my colleagues to be aware that many Americans are advocating far more drastic action. As an example, I have included for the RECORD a recent speech by William Hawkins entitled "The Global Economy: A Threat to American Power." If we do not act now to bring about reasonable reforms and better enforcement, the measures being advocated by Mr. Hawkins in the following address may be unavoidable.

THE GLOBAL ECONOMY: A THREAT TO AMERICAN POWER

(By William R. Hawkins)

Unemployment and business failures have drawn most of the attention from those who have been concerned by the growing foreign trade imbalance. This is natural given their immediate and visible impact. However, an even more dangerous long-term trend is in progress which, if not countered, will undermine not only the wealth but the power of the United States in the world arena.

The de-industrialization of the American economy which started under the pressure of imports from other developed economies and from the developing economies of East Asia will continue as other less developed nations attempt to accelerate the industrialization process by penetrating the affluent American market.

In many countries, the domestic market alone is too small to justify investment in heavy industry or high technology and exports become necessary if new industry is to be established in the near future. This means that the rapid advance of the Third World can only be accomplished by slower growth, higher unemployment and the decline of the industrial sector in the U.S. and other developed capitalist nations.

The leaders and partisans of the Third World understand this. That is why the demand for more open markets in America and Europe was part of the program for a New International Economic Order (NIEO), a program which explicitly called for the transfer of wealth and power from the developed capitalist nations (the West) to the Less Developed Countries (LDC) of the Third World (the South). The industrial sector of the West was to be relocated to the South and with it, its immense ability to generate wealth. In 1972, the LDCs accounted for only 6.9 percent of world manufacturing, by 1980 had growth to 15.5 percent. The NIEO target was 25 percent.

What was to replace this loss in the West was not addressed. Perhaps nothing was to replace it since the purpose of the NIEO was to narrow the gap between West and South, a process which can be pursued not only by the rise of the South but also by the decline of the West.

The U.S. and other Western nations have not agreed to dismantle their industrial bases by government decree in order to accommodate the LDCs. However, inaction on the part of the U.S. government in respect to the protection of its industrial base from foreign assault threatens to produce the same dismal outcome. Between 1980 and 1984, U.S. manufacturing exports fell 16 percent while imports increased 65 percent. Over two million jobs in manufacturing were lost. A manufacturing trade deficit of $50 billion developed in 1984 from what had been a $19 billion trade surplus in 1980.

The U.S. still has a manufacturing trade surplus with the LDCs, but it declined over the 1980-1984 period, just as the U.S. trade deficit with Japan, East Asia and Europe increased. As the LDCs continue to industrialize, this one regional area of U.S. surplus will erode and vanish, making the future of American industry bleak indeed.

Any change in the distribution of world wealth will also produce a change in the balance of world power. This is especially true if the economic change occurs in the industrial sector. Defense material is composed mainly of tanks, ships, vehicles, aircraft, missiles, and ordnance. All of these are made largely of metal which has been forged, shaped, coated, or fabricated. It is then combined with a broad range of other manufactured products as optics, electronics, chemicals and computers. The peacetime defense industry does not possess enough excess capacity to meet the demands of even a limited conflict.

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[4] The TVA board function in regard to rates should completely differ from the function of the board of an investor-owned public utility. The obligation of the board of an investor-owned utility is to maximize the return to stockholders (profits) within statutory guidelines. The rate proposals are reviewed by and finally determined by state-established regulatory commissions (or in some cases the Federal Energy Regulatory Commission). Under this proposal, the restructured TVA board would perform an arms-length review of the rate requests presented by TVA's management. In effect, the restructured board would function as a regulatory body.

In a crisis, the industrial sector will have to be mobilized to meet national needs. This means that the definition of strategic industry must be broadened beyond just the peacetime defense establishment.

In World War II, the U.S. was the only nation able to expand its output to meet not only its own needs but a substantial share of the needs of its allies without drastic reductions in domestic living standards. It is unlikely that the U.S. could repeat that performance as the "Arsenal of Democracy" today. And the capability is deteriorating. Secretary of Defense Caspar Weinberger stated in his 1983 Report that the "problems which remain in the defense industry are, in fact, a subset of our overall economic industrial problems."

Many strategic industries are under siege by imports which have captured an overall 17 percent share of domestic merchandise sales. Foreign producers have captured 22 percent of the U.S. market for steel, 37 percent for machine tools, 60 percent of consumer electronics, over 27 percent for automobiles, 34 percent of wide-bodied jet aircraft and over 60 percent for industrial robots.

The ferroalloy industry is near collapse. Mineral refining is moving offshore. Shipbuilding is kept afloat only by government subsidy. Threats run the spectrum from the older "smoke stack" industries to the newest "high-tech" fields. The struggle for control of world industry will be fought for the rest of this century, with the winners set to dominate the first part of the next century.

To think of international economic policy as an aspect of power politics requires a change of assumptions from those which normally govern policy-making. There are essentially three ways to think about how the world economy works. The viewpoint which currently controls trade policy is Classical Liberalism. In its system, the individual is the central actor, usually in the role of consumer.

Economic relations are harmonious and cooperative. The goal is to maximize global material benefits. Distribution of these benefits are not a major concern, nor is there any constructive role for national governments. Indeed, the hope was that economics could be separated from politics completely. The system would work best in a peaceful world without borders, an environment its advocates either mistake for the real world or enshrine as an ideal from whose worship one must not wander by invoking such lowly concerns as national advantage.

The most vocal critics of the Liberal view have been Marxists. They see the world as a struggle between classes, the minority of oppressive "have" versus the mass of noble "have-nots" which in global terms means championing the LDCs against the West. Their support for policies of redistribution and for socialist governments have had the effect of pushing conservatives into a knee-jerk support of "free trade" liberalism.

Yet, the Marxists and the Liberals have a flaw in common. Neither thinks of the world in terms of autonomous nation-states representing organic societies based on shared values and interests. Both are based on subsets of society; individuals or classes, and thus miss the essential fact of human social organization.

A simple look around the world should suffice to convince one that the world is organized into nations with conflicting goals, scrambling to acquire wealth and power so that their goals can be attained.

Thinking of economic policy as an arm of national security in a dangerous and unstable world is the third alternative system: Mercantilism. In practice, if not in theory, the Marxists have adopted much of the thinking of mercantilism with one major difference. The Marxists are working for the decline of the U.S. while an American mercantilist works to gain every advantage possible for his country. The mercantilist can be expected to be more successful than the Marxist because the mercantilist intends to harness the dynamic, progressive qualities of capitalism for the national interest.

In 1979, the staff of the OECD published a report entitled "Facing the Future", which attempted to predict the shifts in economic power that would occur under different international conditions. It predicted that in an open global economy, the U.S. share of world GNP would fall by more than one-third, from 29 percent of 1975 to 19 percent in the year 2000.

The U.S. has certain advantages which make protectionism a viable option whereas in other nations it would not be. The U.S. has the world's largest domestic market, large enough to sustain internal competition and economies of scale while still maintaining diversification.

It already has core of basic industries and a skilled labor force. It is a leader in new technology. It needs only to preserve these capabilities from being undermined by foreign rivals. Historically the U.S. reached a position of economic pre-eminence as the wealthiest, most productive industrial state with minimal involvement in world trade and a record of protecting its domestic producers.

The U.S. should reject global interdependence. The fact that needed manufactured products could be made off-shore more cheaply does not offer a viable alternative if the potential reliability of these suppliers is examined objectively. How secure would the nation be at the outbreak of a war if 50 or 60 percent of the goods, technology, production facilities or equipment needed for mobilization had to be obtained quickly from foreign sources?

Of course, the aim of a protectionist policy is not to stifle all trade. The U.S. needs to import certain raw materials and oil and to export agricultural goods. There are broad areas of consumer goods where imports pose no strategic problems. And exports should be encouraged. The aim is to eliminate the U.S. trade deficit in a manner which preserves the industrial base of the country.

Selective protectionism is thus more logical and less damaging to trade than the solution to the deficit advocated by most free traders. Free traders usually blame the rise of the dollar's value on the world currency markets for the decline of U.S. exports and the increase in imports. While this is a contributing factor now, it does not explain the industrial malaise of the 1970s when the dollar was weak.

The policy implication of the "strong dollar" argument is that the dollar should be weakened. This will either "automatically" occur as a consequence of recurring deficits or could be brought on by intervention by monetary authorities. However, such a move would raise the price of all imports, not just those in strategic industries and is thus a more radical approach than selective protection which would leave most of the economy untouched.

A strong dollar is a strategic asset. It makes necessary imports relatively less expensive and improves the nation's terms of trade. It also makes the maintenance of the extensive American military infrastrcutre and troop deployments in foreign lands less burdensome to taxpayers. Deficits will eventually weaken the dollar unless the deficits are ended by protective measures.

The U.S. is de-industrializing because it is no longer profitable to invest in the restructuring/renewing of basic industry. Competition from foreign rivals, usually made possible by cheap labor and/or government support, lowers prices and sales, thus the return on investment. Expansion in the Third World promises higher returns and attracts capital (sometimes too much capital as the world debt crisis would indicate). Transnational corporations mover all or part of their plants out of the U.S., free to ship back to the U.S. whatever they produce offshore.

American industry and investors find it more profitable to put their money into areas other than manufacturing, even when new technology is available. The U.S. has the worst record of any industrial nation in terms of investment in new plant and equipment. American industry must be made profitable again. Imports must be curtailed either by quotas or by tariffs, either by negotiation or by law.

The survival of basic industries and the expansion of new high-technology firms are interdependent. A major market for high-technology is basic industry which must apply these new tools to become more productive. The pace of American high-tech industry will be slowed if it must seek its markets primarily through exports. High technology cannot be substituted for basic industry in the economy, they must work together.

Slogans about "free trade" and "automatic" market adjustments have little relevance for American security needs. Left to itself, the economy will structure itself to meet the normal peacetime desires of consumers, which is not the same structure required to meet the needs of the nation during those infrequent but decisive periods of crisis which can be expected in the future

The United States cannot allow the actions of others to determine its destiny. The challenge confronting the U.S. is to keep its basic industry alive in the face of intense global pressures on all manufacturing sectors and to encourage new industry.

The targeting of key industries which are at the core of the American industrial base and vital to the mobilization of American strength, by foreign producers who only want to use the U.S. market for their own expansion, is of crucial concern to the future of the U.S. economy and the nation it supports. A passive non-policy which simply hopes that the problem will go away does not serve the national interest.

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ON DEFENSE PROCUREMENT

HON. JIM KOLBE

OF ARIZONA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, April 8, 1986

Mr. KOLBE. Mr. Speaker, although I'm not a member of the House Armed Services Committee, I have seen the statement presented by Earle C. Williams before the Senate Armed Services Committee on March 19, 1986, in which he makes a number of excellent points with respect to the defense acquisition process. As a member of the Small Business Committee, I believe the points made are of such significance that they should be shared with my colleagues.

Mr. Williams, president and chief executive officer of BDM International, Inc., called for "a framework of consensus" between the private and public sectors in the interest of an efficient and economical defense acquisition process.

He cited several instances where recently enacted procurement legislation and proposed legislative changes will not achieve improvements that are necessary in the process.

Mr. Speaker, because of the importance of this subject to the Nation's defense and to many of my colleagues, I am pleased to submit the following excerpts from Mr. Williams' testimony:

The media and others have made the topic of defense procurement a favored one for discussion, and I regret to say, they have created very unfavorable images of the defense contractors in the minds of the American people . . . The problems we have today won't go away, and constructive actions are needed to bring about a change in public attitudes.

These hearings, the legislation your committee is considering, and the Packard Commission Report all contribute to a favorable change by proposing actions which I hope will bring about the balanced and sound perspective to the procurement process that is sorely lacking . . . We should seek to have everyone involved in the procurement process—Congress, the Executive Branch, the military services, the press, and the public—understand what is involved for industry and business if we are to participate in the procurement process in an economically viable and positive manner.

The avalanche of enacted and proposed legislative changes, with topics ranging from travel expenses to false claims to criminal penalties, will not achieve the improvements we seek. Legislation prescribing operating details, which up until now have been handled administratively by DOD within the general policy guidance found in the procurement statutes, will not affect the procurement system in a positive way. We will find that the consequences of this "zero-defects approach" will outweigh the advantages that come with effective use of the private sector, namely the defense contractor community, to achieve real improvements in the current system.

DOD's procurement system is losing the flexibility, responsiveness, and quality people it needs to do the job . . . Fear of criticism is causing people to act unwisely. People are buying data they don't need because someone might criticize them for not doing it. Auditors are questioning costs, not because sound judgment requires it, but because if they don't they might be criticized . . . Then, there are in-house auditors and inspector general staffs plus the defense contract audit agency and the defense investigative service to assure enforcement of the rules and regulations . . . It's no wonder that program managers and contracting officers are no longer able to keep things moving and turn out systems in a timely and economic way.

The professional and technical services industry shares many of the concerns expressed by our colleagues in the hardware business. There are, however, several specific matters of particular concern to the services industry which I would like to discuss.

FEDERALLY FUNDED RESEARCH AND DEVELOPMENT CENTERS

The enactment of the Competition in Contracting Act of 1984, Public Law 98-369, was indeed landmark legislation in terms of its impact upon the acqusition process. While espousing competition, it nevertheless permits exempting from this requirement certain oreganizations which provide professional and technical services, thus organizations which provide professional and technical services, thus potentially providing them with a protected market . . . The Competition in Contracting Act, authorizes the head of an agency to use procedures other than competitive procedures to award a contract to a federally funded research and development center or to a nonprofit or educational institution to establish or maintain an essential engineering, research or developmental capability.

This exemption for nonprofit institutions and federally funded research and development centers enables them to provide, without competition, professional and technical services which are available from the private sector, and may prevent for-profit companies from competing for the contract.

I recommend that the principle of effective competition be restored by removing the present exemption from competition which nonprofit institutions and federally funded research and development centers now enjoy . . . This change would preserve the unique contributions that educational institutions make to our economy and society. At the same time, for-profit firms would be able to compete with federally funded research and development centers and nonprofit institutions in those instances where all of them possessed comparable professional and technical services expertise. This would assure the government of a broader critical mass of skills from which it could draw to establish or maintain essential engineering, research or developmental capabilities.

NON-COMPETITIVE PROCEDURES AWARDS

Another industry concern has been the deleterious effect the Competition in Contracting Act has had on the willingness of agencies to award sole source contracts in response to unsolicited proposals reflecting unique ideas . . . Companies are reluctant to advance innovative or creative concepts which are needed by DOD and the military services in order to develop systems and to solve operational problems. Unsolicited proposals submitted for those reasons, we find, are apt to emerge in the form of a competitive procurement or, in time, to be turned over to a federally funded research and development center to pursue.

TECHNICAL CAPABILITIES AND COST

A topic of major concern to the professional and technical services industry is the issue of technical capabilities or quality of services versus cost or "lowest bid" in the procurement of sophisticated services that are required by complex programs and systems. Quality of service should not be equated with the ability to simply deliver nominally satisfactory services. The technical capabilities of the professional and technical services sought by the client for his or her system is as critical as the equipment or manufactured component if the system is to function effectively. The professional and technical services firms that provide such services are frequently required to conceive, develop, evaluate, test, and modify systems or programs and, therefore, have a direct impact on the cost and effectiveness of the system or program being provided to the client. A $60,000-a-year physicist retained for system design and architecture cannot be replaced by two $30,000-a-year physicists.

It is essential that the defense acquisition process recognize that the procurement of professional and technical services is different from the procurement of equipment and other manufactured items and routine and mechanical types of services. Primary emphasis should be placed on technical capabilities.

If we are to achieve a proper balance between technical capabilities and cost when procuring professional and technical services, the Congress must include a clear, strong policy statement in appropriate legislation. The statement should underscore the legitimacy of allowing technical capability, at a reasonable cost, to be the dominant factor in procurement and selection of professional and technical services. The importance of technical capabilities in relation to cost should be reflected in the acquisition process from the procurement request stage through the source selection phase.

I wish to assure you that the best firm in the professional and technical services industry are not worried by legislative and regulatory requirements calling for competition . . . Competition, however, should be viewed as a means of improving the acquisition process, not as a religious concept.

I am concerned by a tendency, under the guise of a competitive procurement request, for agencies to include in the solicitation request requirements that are largely irrelevant to the statement of work and that serve to limit the competition . . . I point out this type of situation to the committee because I believe that it is important to assure that the procuring agencies do not intentionally or unintentionally frustrate the principles of competition when competition is truly appropriate. (These hearings) are timely and will focus attention on the need for a consensus by all involved which will establish the improved ground rules for the defense acquisition process.

TRADE RECIPROCITY NEEDED BETWEEN IMPORTS OF JAPANESE STEEL AND UNITED STATES EXPORTS OF MET COAL TO JAPAN

HON. NICK JOE RAHALL II

OF WEST VIRGINIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, April 8, 1986

Mr. RAHALL. Mr. Speaker, as the various committees in Congress involved with trade

begin to formulate a comprehensive fair trade bill, I believe we are all very much aware of 1985's record trade deficit of $148.5 billion and the fact that one single country, Japan, is responsible for approximately one-third of this trade imbalance.

One of the major causes of the United States-Japan trade deficit is the continued and aggressive exportation by Japan of steel products into this country. Despite the voluntary restraint agreement which has been negotiated with Japan on steel, it appears that country continues to circumvent both the intent and scope of the agreement with respect to certain steel products.

For that matter, the Japanese have not honored the November 1983 Joint Policy Statement on Energy Cooperation issued by President Reagan and Prime Minister Nakasone, particularly as it relates to United States exports of metallurgical coal to Japan.

This is a matter of grave concern to myself, and other representatives of coal-producing regions. Metallurgical coal is an essential ingredient in the production of steel. The joint policy statement sought to, among other items, maintain purchases of United States metallurgical coal over future years as steel production in Japan improved.

This agreement provided the United States with an element of trade reciprocity between Japanese steel imports and United States metallurgical coal exports. After all, the United States is Japan's largest market for steel products.

Since November 1983, however, we have witnessed the collapse of what was to be a two-way street on the steel and metallurgical coal trade between Japan and the United States. Despite the fact that steel production has increased in Japan, and despite the fact that Japanese steel exports into the United States continue at a level beneficial to Japan, that country has slashed the amount of United States metallurgical coal it is purchasing and has riden roughshod over what the world market views as being a reasonable price for the dwindling amount of United States metallurgical coal it is still buying

Because of this situation, today I, along with the gentleman from Kentucky, Hal Rogers, am introducing a concurrent resolution which seeks reciprocity in the steel and metallurgical coal trade between the two countries.

If the Japanese value their exports of steel to the United States, then they should place equal value on United States metallurgical coal exports to Japan.

The resolution urges the negotiation of an enforceable agreement under which Japan will import United States metallurgical coal in quantities equivalent to that used in the production of Japanese steel products exported to the United States.

Mr. Speaker, I believe we have given the Japanese a chance to play a fair game in this trade. Instead, with respect to the coal trade, they have negotiated in bad faith. It is time for strong action.

NICARAGUA: A MORE EFFECTIVE POLICY

HON. LEE H. HAMILTON

OF INDIANA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, April 8, 1986

Mr. HAMILTON. Mr. Speaker, I would like to insert my Foreign Affairs Newsletter for March 1986 into the CONGRESSIONAL RECORD:

NICARAGUA: A MORE EFFECTIVE U.S. POLICY

The U.S. needs a more effective policy toward Nicaragua. Our policy of military pressure has failed to change Sandinista behavior, and Nicaragua is less democratic, more repressive, more pro-Cuba and pro-Soviet than it was five years ago. The President himself admits as much: he now says that Nicaragua is a communist state—something he didn't say in 1981.

U.S. funding of the Contras has made democracy and a negotiated settlement in Nicaragua more remote. Within Central America, the Contras war is now more destabilizing than the Sandinistas, and our fixation with Nicaragua means that we are neglecting far more important problems in Latin American, such as the debt crisis and its impact on new, fragile democracies we support.

After five years the U.S. is still unclear about its goals in Nicaragua. Do we want the Sandinista to change their policies, or do we want to oust them? Rhetoric and actions do not mesh. The President says that "Nicaragua is a foreign policy question of supreme importance." If this is so, then why are we trying to fund an ineffective, untrained peasant army—which has little support in Nicaragua—to protect our supremely important interests?

We need to re-think the fundamental premises of our policy toward Nicaragua. First, unilateralism cannot succeed. We need the active support of Latin America and Western Europe. We cannot conduct a war on the pretext of promoting democracy if Latin democracies oppose that war. Second, the Contras are simply not capable in the next several years, whether we fund them or not, of changing Sandinista policies. Barring the use of the Marines, only a long-term policy supported by our friends will be sustainable or successful over the long-term. There are simply too many questions about the Contras relating to their political viability, adherence to democracy, military performance, respect for human rights, and support in the region for the U.S. to invest heavily in them. Third, policy must be articulated accurately. We must be clear about what behavior threatens vital U.S. interests and cannot be tolerated, but we must not exaggerate the threat posed by Nicaragua or exaggerate what interests we consider vital. Otherwise our policy will lose credibility.

A better policy toward Nicaragua would consist of three parts in equal measure: isolation and containment of the Sandinistas; a long-term strategy of carrots and sticks; and active U.S. support for Contadora and negotiations.

First, we should prevent the Soviet Union or its allies from developing an offensive capability in Central America that threatens U.S. security. We should support economic and military assistance to strengthen the democracies of Central America against threats from Nicaragua or anywhere else. We should use skillful diplomacy, encouraging the support of our friends and allies, to isolate and contain Nicaragua—diplomatically, politically, economically, and militarily.

Second, we should use carrots and sticks. If Nicaragua were to agree to a ceasefire, remove Soviet and Cuban advisers, reduce the size of its armed forces, or make progress toward national reconciliation and a pluralistic democracy, we should respond positively. We could suspend U.S. military exercises in the region, resume normal trade, and support bilateral and multilateral assistance for Nicaragua. On the other hand, if Nicaragua's behavior worsened we could press Europe and Japan—now Nicaragua's largest trading partners—to cut trade and cooperate in blocking assistance. We could impose more comprehensive economic sanctions. We could break diplomatic relations with Nicaragua. Such steps, however, would only be effective if taken together with our friends and allies.

Third, the U.S. must effectively support the Contadora negotiations. For the European Community, Japan, and 13 Latin American governments, including each in Central America, Contadora is the preferred course. No democratic government publicly supports U.S. funding of the contras, and the Contradora countries are on record that this policy is counterproductive to the goal of a negotiated settlement.

The U.S. has yet to make public comment on the third Contadora treaty draft issued six months ago. If we do not like the draft, we should work to improve it. The current draft has many positive elements which serve U.S. interests. If agreed to and implemented by Nicaragua, it would stop new military deliveries to the Sandinistas, establish a ceiling on the size of their military forces and a schedule for their reduction, prevent the establishment of Soviet or Cuban military bases, force Nicaragua to send home all foreign military advisers, and end Nicaragua's support for the export of revolution. A Contadora agreement would also substantially increase Latin American and Western European political pressure on Nicaragua to live up to treaty commitments for national reconciliation, a pluralistic democracy and free elections.

Why would Nicaragua live up to a deal made with the U.S. through the Contadora process? Because its survival would depend on it. The Sandinistas know that the heart of the bargain is that we would let them survive in exchange for a halt to foreign policies we do not like and improvement in their domestic record. If they reneged, all bets would be off, including any U.S. pledges at Contadora. With a regional agreement in place, the U.S. would have a much better legal and diplomatic basis to respond to Nicaraguan misdeeds than it does now. With strong diplomatic support from Western Europe and Latin America, the United States could make life for Nicaragua very difficult.

Nicaragua needs peace and economic development. The Soviets and Cubans cannot provide either one. Nicaragua knows that Latin America, Western Europe and the United States hold those keys—and that only a Contadora agreement can lead them to open the door.

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CARVING OUT LAMB'S SHARE OF THE MARKET

HON. TONY COELHO

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, April 8, 1986

Mr. COELHO. Mr. Speaker, recently, an article appeared in the Fresno Bee about a good friend of mine, Mr. Stanley Kooyumjian, of Fresno, CA.

For many years, Stanley was the proprietor of the well-known Fresno restaurant, "Stanley's," which specialized in Armenian cuisine. He sold the restaurant a few years ago, and since that time has served as a marketing director for the American Lamb Council. In this capacity, Stanley has been working to increase the market for lamb by demonstrating new and innovative ways to prepare and serve it.

Stanley has been working with lamb for many years, and as the article discusses, has been quite successful in convincing others about the variety of uses that lamb is well suited for. Due to the efforts of Stanley and others like him, lamb consumption in the United States has been increasing rapidly every year.

In recognition of Stanley's fine efforts on behalf of the U.S. lamb industry, I ask that the article from the Fresno Bee be reprinted here in the RECORD.

[From the Fresno Bee, Mar. 2, 1986]

CARVING OUT LAMB'S SHARE OF THE MARKET

(By Richard D. Hall)

Using a meat saw and two knives, former Fresno restaurateur Stanley Kooyumjian expertly divided a 75-pound lamb carcass into a variety of cuts, some of them new to the trade.

His small, attentive audience at the Fresno Hilton Hotel included three executive chefs from major restaurants in Chicago, San Francisco, and Portland, Ore.

Kooyumjian, 52, began working with lamb as a boy in his father's Home Market on Broadway, then he featured lamb dishes in his Armenian restaurant. "Stanley's," downtown and later on Shaw Avenue.

Tired of the long hours, he sold the restaurant. For the last 2½ years he has been one of seven marketing directors for the American Lamb Council, the industry's promotion arm. Kooyumjian's territory is California and Nevada, where his duties include demonstrating new ways to break a carcass, changes the council says will benefit packers, purveyors, retailers and food-service markets.

Talking as he worked at the session last week, Kooyumjian said, "All I'm trying to do is stimulate some ideas, using nice cuts."

Lamb consumption has been growing by leaps and bounds, especially in restaurants. The increase is 56 percent in four years, Kooyumjian said.

Within the last five years, lamb dishes have climbed from 28 percent to 48 percent of the red meat consumed at his restaurants, said David Asher-Tournant. He is executive chef for the Bankers Club, Carnelian Room and Montgomery Street Bar and Grill, all in the Bank of America headquarters building in San Francisco.

By comparison, beef consumption has dropped from 55 percent to 32 percent, Asher-Tournant said. Veal has dropped in popularity from second to third place, and fresh pork has remained last in the red meats, although it increased from 1 to 5 percent, he added.

The San Francisco restaurants are part of the Fine Dining Division of ARA Services. The three executive chefs and their general manager, Christian De Vos, came to Fresno for Kooyumjian's demonstration as part of their quarterly meeting to plan new menus.

Despite the upsurge in lamb consumption, beef and veal continue to lead on the red meat side in ARA restaurants generally, De Vos said fish and poultry are 50 percent of the business, he added.

"Lamb is a cut of meat people do not know how to cook at home," De Vos said. "That's why it's a good piece to have in restaurants."

When he came from Belgium 12 years ago as an executive chef, De Vos said, lamb was "only considered an ethnic food, or to serve at Easter. That's really turned around in the last several years.

Tim Indart of Clovis, president of the American Sheep Producers Council, expressed optimism that after some tough years the industry has begun to build back. The council includes the American Lamb Council and the American Wool Council. Financed by assessments, from the 116,000 lamb producers, the U.S. industry promotes itself on a $6 million budget, far less than the beef and pork industries spend.

Consumption outstrips domestic supply, and the visiting chefs said they preferred U.S. lamb over the imports from Australia and New Zealand. American lamb tastes better, and a larger selection of cuts are available from domestic producers, they said.

Indart said that another factor in lamb's new popularity "is people are beginning to realize lamb is a healthful item, and a change from beef or chicken. I think it's lower in cholesterol than a lot of the other meats. I think people have become more health-conscious."

However, Bonnie F. Liebman, staff nutritionist at the Center for Science in the Public Interest, said in a telephone interview from Washington, D.C., that "there is no difference between beef and lamb."

Although some cuts are less fatty than others, she said, "the problem with lamb is the same as with beef—high in fat. Saturated fat [in lamb] is in the same range as beef. Saturated fat raises cholesterol in the blood."

Low-fat foods are poultry with the skin removed and fish, she said.

The Lamb Council contends that its product "satisfies today's customer preference for light, nutritious meals," noting that lamb contains "as few as 158 calories per 3-ounce serving."

Liebman countered that most serving portions are larger than three ounces. Lamb recipes the council distributed call for serving sizes of 5 to 8 ounces.

Asked about their concern for diners' nutrition, the visiting executive chefs said they paid more attention to customer satisfaction.

Kooyumjian's demonstrations are aimed at increasing customer pleasure by encouraging food-service officials and retail stores to work with various lamb cuts.

He showed the all-male audience a revision in lamb shoulder cuts the American Lamb Council recommends: In separating the shoulders from the hotel rack, one of the four major wholesale cuts of a lamb carcass, the break should be made between the 5th and 6th ribs, instead of the traditional separation between the 4th and 5th ribs. The 5th rib, which contains a portion of the hard shoulder blade bone, is not desirable when left on the hotel rack.

Watching Kooyumjian work, Durbin W. Breckenridge of Fresno, vice president of Hestbeck's wholesale meats, told him, "On the retail and wholesale level, we need to know where we can go with that shoulder." Kooyumjian replied that he may schedule a local program just for stores.

As he picked up the lamb breast, Kooyumjian said the piece has "never been particularly successful because of a stigma by the public." Then, as he cut a "Denver rib" from the breast, Kooyumjian pronounced it, "good eating. I think the people you are getting your racks from will be happy to give you Denver rib."

Kooyumjian moved quickly to a "Saratoga roll," one of several cuts possible from the lamb shoulder, which is boned and formed into a compact roll. Pinned with skewers, the roll may be cut into individual chops and become a restaurant's "special of the day."

"It's an extension of the rack," Kooyumjian commented, referring to the roll. "An underworked piece of meat. Not a tough piece of meat." It may be cut into cutlets, medallions, or a Wellington, he added.

"Very few people want to work with the shoulder," said Asher-Tournant. "It's unpleasant."

"There are some problems there," Kooyumjian admitted, referring to packing procedures. He added, "I'll talk to your supplier."

Kooyumjian's many stops each month include packing houses, where, he says, "they're beginning to believe me" that growers should not be penalized financially for delivering carcasses weighing more than 55 pounds. The traditional thinking has been that a large animal is tough, he added.

Despite the traditional thinking that a large animal is tough, the lamb council says, improved production methods are achieving "larger, meatier and higher-quality lambs."

The larger animals permit some cuts of meat that could not be obtained from smaller lambs, Kooyumjian said.

THE MARTIN LUTHER KING ESSAY CONTEST

HON. MAJOR R. OWENS

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, April 8, 1986

Mr. OWENS. Mr. Speaker, despite the fact that the Peace Academy which Congress authorized has not come to fruition every effort must be made to promote peace. On January 20, 1986, at the first celebration of the birthday of Martin Luther King, the 12th Congressional District awarded prizes to students who participated in an essay contest on peace. More than 400 students submitted essays. The following are the winners in the elementary school essay contest.

THE TIME I MADE PEACE IN MY CLASS

(By Darlene Maxis, Public School 628, District 18)

The time I made peace in my class was when I was in the third grade. The class was walking through the halls when a boy named Kevin stepped on Michael's new pair

of Pro-players sneakers. They began to argue because Kevin didn't say he was sorry. I heard loud voices. I strolled over to see what was happening. As I got even closer to the boys they began to fight. I tried to stop the fight as quickly as I could by asking them back into their classroom. As soon as we did Michael turned to all the boys and asked them to jump Kevin after school or at lunchtime. I knew I had to do something before lunchtime or it would be too late. I stood in front of the room and started talking. I explained to the boys that it doesn't make sense to fight because Kevin stepped on Michael's Pro-Players and didn't say he was sorry. Wouldn't it be stupid getting all the boys against Kevin just for stepping on another boy's sneakers? The class grew silent and I could tell they were thinking. Then Kevin got up and walked over to Michael and said "Sorry." Michael said "Sorry" too. Everything was okay. That's how I made peace in the third grade.

I think fighting makes no sense because it makes things worse in your life. It causes a lack of communication with people. God didn't put us on this planet to fight. He put us on this Earth to live together in harmony.

I REMEMBER THE TIME I MADE PEACE IN MY CLASS

(By Candace Mounsey, Public School 135, District 18)

A long time ago in second grade, I made peace in my class. A girl in my class stole a sharpener from someone's desk. I was the only one in my class who saw her take it. I wanted to tell the teacher, but I wanted her to confess for herself. It was time to go home, but the teacher said she wasn't leaving without the sharpener taken from the student's desk. I talked to the girl but she said she was never going to confess. She asked me to tell the teacher she stole it but I told her "Honesty is the Best Policy" so use it. She didn't want to listen but I still spoke to her. I told her she would never live with herself if she didn't return that sharpener. So she confessed. The teacher was proud of her and me for encouraging her. The teacher didn't punish her because she was honest. That was the time I made peace in my class.

THE TIME I MADE PEACE IN MY CLASS

(By Ayana Lewis, Public School 335, District 16)

Before I started to write my composition I sat down and thought about what the title really means. I think this composition stands for making peace between people, just like the late Dr. Martin Luther King, Jr. did. He was a preacher and a man of peace. He believed in settling disagreements in a non-violent way.

I remember a time when I used a peaceful way to help two classmates settle an argument. A boy during lunchtime, called one of the girls in our class "black." The young lady began to cry. She said she knows she is darker skinned than he is but why is he picking on me for that?

I told her that she should be proud of her skin color, no matter how dark or light it is. Dr. King fought for the rights of all people to be equal no matter what color their skin was. I tried to get her to feel good about herself and have pride.

I then went over to speak to the young man. I asked him why he called her "black" when he is also black. Did we win equal rights so that now we should call each other names? Shouldn't we feel proud of our skin color and not pick on each other?

Dr. King made a beautiful speech in which he told of his dream. He wanted all people, especially the children to grow up in a world of peace.

I got the two children to talk over the problem. The young man apologized to the young lady. I felt good about my part in this and I felt I had carried on Dr. Martin Luther King, Jr.'s dream.

I REMEMBER THE LAST TIME I MADE PEACE IN THE CLASSROOM

(Sulaimann Abdul-Malik, Public School 9, District 13)

It was a rainy, soggy, gloomy Monday and everyone seemed to be frustrated about something. My mother was nagging and rushing me out to school. People on the train were arguing and shouting more than ever. I got to school thinking I was safe from the anger outside. In school it was the same all over again. Just like outside. The teachers weren't in their usual cheery mood. We got in the class and got to work. Things seemed to be fine until math period. The teacher walked out of the room for a moment. One of the girls said, "Girls are smarter than boys." The boys got immediately insulted and shouted back, "Girls are stupid." "They don't know anything!" Before I knew it the girls and boys were having a shouting match and some of them were about to do battle. Everything went crazy. I knew I had to do something before the teacher came back and suspended all of us. I got up on my chair and shouted, "Shut up!", instant silence arose and I had time to make peace between them. I said, "everyone is equal. Everyone has their own way of showing wisdom. One person might do better in one subject and another person in another subject. You shouldn't badmouth people because there's always something someone knows that you don't know." They saw my point and went back to their seats and their work. As I stepped down off of my chair the teacher walked in. Just in time I made peace.

THE TIME I MADE PEACE IN MY CLASS

(Penelope Webster, Public School 156, District 23)

The time I made peace in my class was when two of my closest friends were arguing over who would get picked for a computer class. One day my teacher put us in different groups and then called out the names of the people who would be in the computer class. Bernice was chosen for the class, but, Angela was not chosen.

During school, the next day, Angela wanted to fight Bernice because she was very angry that she wasn't in the computer class. Angela followed Bernice after school and began hitting her. Bernice did not defend herself because she did not like fighting. I observed the actions of my friends and felt I had to do something because I didn't want to see either one get hurt. Since I was smaller than both of them, I knew I had to be careful.

I had to think of something fast so I started to cry and this got Angela's attention. She stopped hitting Bernice and now I could talk to them. I told Angela that fighting Bernice would not help her get into the class. I also told her to try to come to school more often and work very hard. Angela seemed happy with my explanation and my two friends shook hands and became friends again.

I felt so good about my part as a peace maker that I told my teacher the next day. I know now how Dr. King Jr. must have felt when he helped to make peace, many many times. We were reading about Dr. M.L. King Jr. last week and the teacher asked me to share my experience with the class. Everyone seemed to like my story and made me feel like a real "Hero."

LEGISLATION PROTECTING THOSE WEARING UNOBTRUSIVE RELIGIOUS GARMENTS

HON. CHARLES E. SCHUMER

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, April 8, 1986

Mr. SCHUMER. Mr. Speaker, the Supreme Court recently decided that an Orthodox Jewish psychiatrist in the U.S. Air Force would have to make a choice between his loyalty to his country and his religious beliefs. By deciding that S. Simcha Goldman, an ordained rabbi, does not have the constitutional right to wear a yarmulke indoors while in uniform, the Court has forced him and others like him to make that gut-wrenching decision.

Today I introduced a bill H.R. 4525 to protect anyone who desires to wear an unobtrusive religious garment like a yarmulke, from punishment or discrimination under the authority of the U.S. Government.

This bill prohibits the exercise of U.S. Government authority to prevent any person wishing to wear a yarmulke or a similarly unobtrusive religious symbol from holding any position or from performing any function that that person would otherwise be qualified. Violations could be redressed through an implied civil action on behalf of anyone who is punished for wearing an inconspicuous religious article.

Without the clarification provided in this legislation young Jewish men who have always been patriotic defenders of the rights of all Americans would have to choose between duty to their country and duty to their religious beliefs. Putting these soldiers and potential soldiers in such a dilemma certainly would not improve the quality of our Armed Forces.

This bill if enacted would undo regulations that have no basis in necessity. A look at the very successful Israeli Army clearly demonstrates that our national security would in no way be compromised by allowing young military men to wear yarmulkes. Israeli soldiers with yarmulkes fight side by side with those who don't without any morale problems at all.

The purpose of the bill I have introduced is to balance the legitimate right and necessity of the military to regulate the dress in the Armed Forces with the constitutional rights of those employees to the full exercise of their religion. I encourage my colleagues to join me in sponsoring H.R. 4525.

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H.R. 4525

A bill to vindicate the principles of the first article of amendment to the Constitution of the United States by preventing persons acting under the authority of the United States from forbidding the wearing of inconspicuous religious symbols by individuals

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That a person acting under the authority of the United States, or under color of that authority, shall not forbid any individual from wearing any inconspicuous religious symbol, such as a yarmulke.

1986 CONGRESSIONAL CALL TO CONSCIENCE VIGIL

HON. THOMAS N. KINDNESS

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Tuesday, April 8, 1986

Mr. KINDNESS. Mr. Speaker, during the first session of the 99th Congress some 50 Members of this body participated in efforts to focus attention on the plight of prisoners of conscience and others living under oppression in the Soviet Union—individuals who seek freedom, but are neither permitted to freely practice their religion or to leave the Soviet Union.

While emigration numbers have been severely reduced over the last few years, Soviet harassment and discrimination have continued unabated.

With the assistance of the membership of this body, the Congressional Call to Conscience Vigil for Soviet Jews, sponsored by the Union of Councils for Soviet Jews, will continue these efforts in this session of the Congress.

The purpose of the vigil, which began in 1976, is to use weekly Congressional Record statements as a vehicle to expose and denounce Soviet oppression. In the past, the vigil has been particularly useful in voicing bipartisan congression-' support for individuals and families wishing to emigrate to the free world, as illustrated by numerous statements through the vigil on behalf of recently released prisoner of conscience, Anatoly Shcharansky.

Given the renewed dialog between the United States and the Soviet Union and the subsequent meeting between President Reagan and Secretary Gorbachev scheduled for later this year, it is particularly important that we continue to demonstrate our concern about human rights issues and violations in the Soviet Union. Efforts of the vigil to raise human rights issues can have a profound impact on these discussions.

As chairman of the House Call to Conscience Vigil for 1986, I invite my colleagues to join me in the continuation of vigil activities this year.

Our statements will provide hope in the struggle for freedom and expression, and will demonstrate the congressional commitment to efforts to lift the dark curtain of Soviet oppression so that the light of liberty may burn brightly for those who are persecuted in the Soviet Union.

NO ROSE WOULD BLOW SO RED AS ONE WHERE ELMER BLED

HON. CHARLES E. BENNETT

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, April 8, 1986

Mr. BENNETT. Mr. Speaker, for the purpose of the Record, I would like to submit herewith an inspiring article that was written by Brig. Gen. J.D. Hittle, USMC-Retired, that appeared in the March 3, 1986, issue of the Navy Times.

The article follows:

[From the Navy Times, Mar. 3, 1988]

NO ROSE WOULD BLOW SO RED AS ONE WHERE ELMER BLED

(By Brig. Gen. J.D. Hittle, USMC-Retired)

In late February each year my mind reaches back to a little island in the far Pacific called Iwo Jima and a man named Elmer Montgomery.

We first met on Guam in late 1944 during the final phases of that campaign. I had been ordered to take over the G-4 logistics job for the 3rd Marine Division. We needed a clerk-typist Sgt. Elmer Montgomery reported.

Elmer looked like the vindication of the whole Marine Corps personnel system. He wore the stripes of a buck sergeant, but there was nothing tough or fierce about this young man from Montana. His sensitive face, deep-set eyes, thin, almost frail figure hardly matched gung-ho Marine prototype.

As we began to work together, I became more and more convinced that Elmer was the right man in the right job. He typed well, took shorthand, understood administration, kept things moving. He was a perfect man behind the man behind the gun.

After Guam was secured, attention shifted to the invasion of Iwo Jima. Work piled high, and the hours were long in that little quonset hut office. But, when Elmer did have a moment, I noticed he would lean his chair against the wall and pull a small, white leather-covered Bible from the hip pocket of his fatigues.

Wherever the Bible fell open in his hand, he would begin to read—and find serenity.

I remember one evening when we were working late.

Elmer's glance fell on a stack of books.

"I see you have a copy of Omar Khayyam's Rubaiyat," he said. "It's one of my favorites."

I explained that it offered a mental change of pace.

"What's your favorite verse?" I asked.

"I sometimes think that never blows so red,

"The rose as where some buried Ceasar bled."

He had it perfect.

In February we sailed for Iwo Jima.

After several days of fierce fighting, division staff sections were ordered to provide replacements for badly mauled front-line units. I had to provide two.

It's not a pleasant job to pick men trained in support tasks for the "meat grinder." I selected the two I thought could best be spared from my supply operation.

I was just about to send the names to the division adjutant when my executive officer, Maj. Malcolm Beyer (later a brigadier general) popped into my dugout.

Sgt. Montgomery wanted to see me.

The sergeant saluted and informed me he had heard about the call for reinforcements.

"You're not one of them," I told him, thinking it would put his mind at ease.

"That's what I wanted to talk to you about, Colonel," he said. "I want to go forward."

"I'll never feel right if I don't go up when I'm needed," he said. "I'm needed now.

"I'm older than most of these kids. I've had a lot of experience looking after myself while hunting back home in Montana. I can look after them up forward."

"Alright, I'll grant your request, but only because you're old enough to know what you're doing and because it means so much to you."

I never saw Elmer again.

A Marine from his front line unit told me the story.

The platoon commander had been killed and Elmer was assigned, under a staff sergeant, as assistant platoon commander.

The order came to attack.

The patched-up platoon moved across a slight rise and into a small saucer-shaped area where it was pinned down by a carefully camouflaged Japanese machinegun. If the men tried to move back across the rise, the gun would get them. If they stayed, they would soon be blasted apart by mortars.

Elmer crawled and rolled within yelling distance of the staff sergeant.

"Sgt. Montgomery yelled, "When I draw the fire, roll the platoon back over the rise," he said.

"And while the platoon commander was saying "no," Sgt. Montgomery stood up, and firing his rifle from his hip, walked into the machinegun.

"We're here because he drew the fire long enough for us to slide back over that rise."

They never found Elmer. A few minutes after his platoon reached safety our artillery laid down a barrage on the machinegun emplacement. The big shells churned the ground and everything on it mercilessly.

He and his little white, leather-covered Bible became, forever, part of the hallowed ground of Iwo Jima.

I suppose memories fade and maybe Sgt. Montgomery's Navy Cross is almost forgotten. But whenever I think back to all the brave men I have been privileged to know, Elmer heads the list.

And whenever my eye falls on a copy of the Rubaiyat, I can't help but believe that if a rose were ever to bloom where Elmer fell, it would be more red than any "Where some buried Caeser bled."

(This article first appeared in the March 9, 1969 issue of the San Diego Union. It is reprinted here with permission. But Brig. Gen. Hittle adds the following postscript.)

On 21 Nov. 1970, while serving as assistant secretary of the Navy (manpower and Reserve) I had the pleasure to be the speaker at the launching ceremonies for the Knox-class frigate Elmer Montgomery (FF1082). If anyone had asked if I had used my influence to have the ship named after that heroic Marine, I could have answered the questioner honestly: "I sure did!"—JDH.

ATTORNEY GENERAL SHOULD EXAMINE EVIDENCE AGAINST KURT WALDHEIM

HON. TED WEISS

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, April 8, 1986

Mr. WEISS. Mr. Speaker, last month, the World Jewish Congress uncovered evidence that former U.N. Secretary General Kurt Waldheim gravely misled the world about his Nazi background. If the records implicating Waldheim in Nazi war crimes are verified, pursuant to section 212(a)(33) of the Immigration and Nationality Act Waldheim should be and would be barred from entering the United States.

Today I am introducing a resolution asking the Attorney General to examine all available evidence regarding Waldheim's activities during World War II, to determine whether under the Immigration and Nationality Act Waldheim must be excluded from admission into the United States.

The evidence against Waldheim is disturbingly persuasive. For years, Waldheim claimed that although he served in the German Army during World War II, he never belonged to any Nazi organization, and that he left active duty in 1942 after a leg injury. He has now retracted these accounts, admitting that he joined two Nazi organizations, including the notorious brownshirts; that he served until 1945 in a German Army command that brutally attacked Yugoslav partisans and engaged in the mass deportation of Greek Jews; and that he participated in "Operation Kozara," during which the Nazis deported some 68,000 people—including 23,000 children—from the Kozara Mountains of western Bosnia. Waldheim insists, however, that he committed no crimes personally.

Yet even Waldheim's revised account of his Nazi background does not square with the documentary evidence. According to records produced by the World Jewish Congress, Waldheim joined the Nazi brownshirts on November 18, 1938, just 8 days after the infamous Kristallnacht, when the Nazis attacked, burned, and looted Jewish communities all over Germany and Austria. In Vienna, 42 of 43 synagogues were burned to the ground. The Kristallnacht marked the beginning of the holocaust.

In September 1942, records show, Waldheim was awarded a medal for "brave conduct" in battles fought against partisan units in central Yugoslavia. And although he claims that he only served as a translator in the German Army, documents from the West German military archives and the World Jewish Congress identify Waldheim as an intelligence officer with responsibility for questioning Allied prisoners and checking the loyalty of fellow intelligence officers.

Waldheim deserves to have all of the evidence that has been uncovered carefully examined and scrutinized. If after a careful examination, he is found to have participated in Nazi war crimes, under section 212(a)(33) of the Immigration and Nationality Act he will be ineligible to receive a U.S. visa and must be excluded from admission into the United States. The resolution I am introducing asks the Attorney General to undertake the examination and to make the appropriate determination.

The text of the resolution follows:

HOUSE RESOLUTION 409

Resolution expressing the sense of the House of Representatives that the Attorney General should examine evidence regarding the activities of former United Nations Secretary General Kurt Waldheim during the Second World War and should determine whether such evidence requires that Kurt Waldheim be denied admission into the United States

Whereas the atrocities committed by the Nazis during the Second World War were an unprecedented affront to the dignity and conscience of all humanity and resulted in the death of millions of innocent people;

Whereas questions have been repeatedly raised about the wartime activities of former United Nations Secretary General Kurt Waldheim and his possible association with the Nazis;

Whereas substantial evidence has recently become available suggesting that former United Nations Secretary General Kurt Waldheim was a party to the crimes of the Nazis; and

Whereas section 212(a)(33) of the Immigration and Nationality Act (8 U.S.C. 1182(a)(33)) provides in part that any individual who, in association with the Nazi Government in Germany or with any government allied with or located in any area occupied by the Nazi Government of Germany, participated in the persecution of any person because of race, religion, national origin, or political opinion shall be ineligible to receive visas and shall be excluded from admission into the United States: Now, therefore, be it

Resolved, That it is the sense of the House of Representatives that the Attorney General of the United States should thoroughly and expeditiously examine all available evidence regarding the activities of former United Nations Secretary General Kurt Waldheim during the Second World War, including those documents obtained by the World Jewish Congress, to determine whether, as provided in section 212(a)(33) of the Immigration and Nationality Act (8 U.S.C. 1182(a)(33)), Kurt Waldheim is ineligible to receive visas and must be excluded from admission into the United States.

DON'T ABANDON THE NICARAGUAN PEOPLE

HON. NORMAN D. SHUMWAY

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, April 8, 1986

Mr. SHUMWAY. Mr. Speaker, during the recent recess, an excellent editorial appeared in the Washington Post. I would like to share with my colleagues the very eloquent words of Jaime Chamorro, editor of La Prensa, the newspaper which played an active role in ousting the Somoza dictatorship.

I hope my colleagues will give serious and thoughtful attention to the words of Jaime Chamorro in his editorial, "Don't Abandon the Nicaraguan People." He offers compelling evidence to support the warning that the battle in Nicaragua is not limited to political squabbling—it is instead the cradle of potential insurgency throughout our hemisphere. To quote Chamarro:

> . . . making concessions by restoring democracy and freedom in Nicaragua will be (the Sandinistas') political death. The negation of the system that has been established will be the end of their international and expansionist aims.

I believe we should move quickly and positively by aiding the Contras, to ensure that the end is accomplished.

The article follows:

DON'T ABANDON THE NICARAGUAN PEOPLE

MANAGUA.—As the question of sending $100 million in aid to the anti-Sandinista rebels was being discussed in Congress, the bishop of León, Nicaragua, Monsignor Julian Barni, made the following comment:

"While in the United States they are discussing the $100 million, the Soviet Union has already given $100 million and much more without any discussion at all." Bishop Barni added: "What is necessary is that both imperialist powers, not one alone, stop complicating matters in Nicaragua. The Nicaraguan people have fought to establish a true democratic regime and hope to achieve one. This is what matters most."

Nicaragua's problem, in effect, is not only a problem of the Nicaraguan people—their loss of freedom, civil and political rights. The problem is not only the total absence of democracy and political pluralism or the suppression of freedom of expression. Nor is it just the problem of discontent that prevails as a result of the same kinds of disastrous social and economic conditions that brought on the revolution. Nor is it only the persecution of the church, as if we have never seen this in the history of our country. Nor is it the 10,000 political prisoners.

In addition to these disgraces, which in one form or another we have seen appear and disappear in most Latin American countries, there emerges a particularly grave situation: the Sandinistas are transforming the Nicaraguan revolution, fought for by all Nicaraguans, into a revolution that serves the purposes of Marxism-Leninism. That is to say, they are taking a national movement and turning it into a beachhead for communist expansion. And they have sacrificed the national interest for the benefit of this cause.

Before the Sandinistas reach this goal, those Nicaraguans who are fighting for democracy have the right to ask for help from wherever they can get it. It is a cause far too important to lose. For the Nicaraguan people, the issue at hand is of such transcendental importance that they cannot vacillate at all in choosing the right position. The future of the freedom of generations of Nicaraguans hangs in the balance.

Those who argue that to give aid to the Nicaraguan rebels would be a violation of the "principle of a people's right to self-determination" are mistaken. These people seem to ignore or perhaps forget deliberately that self-determination applies to peoples, not oppressive governments that do not legitimately represent the will of the people.

They try to forget as well that the same Sandinistas received direct military aid from other countries when they were fighting to overthrow the Somoza dynasty. And despite the fact that the Sandinistas were receiving aid in the form of arms from other countries, no one accused those countries of being guilty of aggression toward Nicaragua. The reason is that the Somoza regime, like

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the Sandinistas today, did not represent the will of the people.

The free peoples of the world, and particularly those in America, both North and South, must not at this critical time abandon the Nicaraguan people because their struggle is also the struggle for the future of the Western democracies. Nicaragua has become an important point of East-West confrontation. That Nicaragua in the long term could determine the balance of forces between the East and the West and ultimately the security of the United States and the Western Hemisphere as a whole may seem an exaggeration. But everything depends on future actions and the capacity of the democracies to defend themselves.

In the United States, the debate centers on whether the Sandinistas represent a serious threat to U.S. security. President Reagan argues firmly that they do. Nicaraguan President Daniel Ortega has declared that he is prepared to discuss matters of regional security, but he refuses to speak with anyone regarding Nicaragua's internal situation.

A short time ago, two members of the U.S. Congress debated on television whether to give the $100 million to the Nicaraguan rebels. One of them, who opposed aid, asked: How is it possible that such a small country with a population of only 3 million could pose a security threat to a great military power such as the United States? Against a power like the United States it would be impossible for even a single plane or tank to reach San Antonio, Texas, without it being destroyed.

When I heard the congressman's statement I couldn't believe he was serious. The danger is not military; naturally, when we speak of the military, we think of a war between the United States and Nicaragua. The danger is that the Sandinista revolution is not a revolution of the Nicaraguan people. Managua is filled with internationalists from Latin American countries who wield influence in this revolution and whose aims are the expansion of communist influence and Soviet domination in the region.

Nicaragua with its army of 60,000 men (Somoza's army had only 7,000) cannot be a military threat, nor can Cuba, whose army and militia consist of more than a million men. This absurd idea of a direct military threat from the Sandinistas is an attempt to obscure the real danger of the Sandinistas.

Their strategy is to prop up their communist regime in Nicaragua by sacrificing the freedom of the Nicaraguan people while they inspire, aid and arm, from Managua, insurgencies throughout Latin America, "movements of national liberation" that will convert the entire continent into an immense base of insurrection.

Perhaps now the idea of Nicaragua's becoming a serious military threat to the United States seems absurd, but in the future it could take on a far more serious air. Sooner or later, in 20 or 30 years, Latin America is going to succumb to one form or another of communist domination. Mexico is not necessarily an exception. It might one day be the country most likely to fall. Moreover, Mexico is considered by the communitsts to be the country that best fits into their strategy.

If all of this comes to pass, the balance of power between East and West will be definitely in favor of the East and spending $100 million or a billion dollars will not reverse it. It could bring a world war to the doorstep of the United States. When Latin America, or much of Latin America, is under the influence of the Eastern bloc, NATO will no longer be in Europe; it will be in San Antonio, Texas.

But if the president of Nicaragua wants to have a dialogue on the subject of U.S. security, why not do it? We believe that dialogue is necessary. It should not be a dialogue solely on U.S. security, but also on our democracy and freedom—something that repels the Sandinistas, because making concessions by restoring democracy and freedom by restoring démocracy and freedom in Nicaragua will be their political death. The negation of the system that has been established will be the end of their internationalist and expansionist aims.

In addition, the Sandinistas have no reason or motivation to negotiate because the counterrevolution is in a ruinous states. This is because Reagan has not and will not be able to, as a result of congressional opposition, give effective aid so that the resistance can achieve its objective. In negotiations one concedes something in exchange for something else. The Sandinistas have a lot they can give. Reagan has nothing left to offer; Congress has already given it.

Daniel Ortega hopes to achieve the total elimination of the counterrevolution in exchange for the promise not to be a military threat to the United States to Nicaragua's neighbors; not to allow the Soviets to install military bases, and to remove all Cuban advisers. With this the Sandinistas could achieve their consolidation and a free way to continue their expansionist aims through nonmilitary, but not less dangerous or effective, means.

As Jean-Francois Revel, in his book "How Democracies Perish," writes: Democracy "awakens only when the danger becomes deadly, imminent, evident. By then, either there is too little time left for it to save itself, or the price of survival has become crushingly high."

SOUTH PACIFIC ISLANDS VEX WASHINGTON

HON. ROBERT J. LAGOMARSINO

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, April 8, 1986

Mr. LAGOMARSINO. Mr. Speaker, the attention of the United States was recently focused on the Philippines in the distant Western Pacific. A recent front page article in the Wall Street Journal discussed other issues of U.S. concern in another part of the Pacific, the vast South Pacific Ocean. A companion article dealt with the specific issue of the impact of U.S. tuna policy in the Pacific islands.

The South Pacific is a newly evolved region of independent island countries. This evolution began January 1, 1962, with the emergence of the first independent island country of Western Samoa. Since then, a total of 11 countries have become independent and that does not include the 3 prospectively freely associated states in Micronesia.

The article quotes a statement from the New Zealand Times: "This may be remembered as the year the Pacific Ocean ceased to be an American lake". While I don't believe the United States ever considered the Pacific Ocean an American lake, it is true that we have enjoyed decades of peace and goodwill among the South Pacific islands, along with our two longtime friends, Australia and New Zealand. It is also true that the Soviets have increased their activities in the region with the successful conclusion last year of a fishing agreement with the country of Kiribati. They are continuing to solicit offers throughout the region, while Cuba and Libya have made official and unofficial contacts in Vanuatu and New Caledonia respectively.

In order to maintain and expand the goodwill of the United States in the South Pacific, and thereby countering third party intrusions in the region, the issues troubling the region need to be resolved.

One of the most sensitive issues is the lack of a U.S. fishing agreement with the island countries. The State Department was actively addressing this fishing issue this past week in Canberra, with the sixth round of negotiations to formulate a regional fishing agreement. This is an extremely difficult task, as the agreement must meet the requirements and needs of our tuna industry and those of the islands, as well as being consistent with U.S. fishing policy.

A nuclear free-zone fervor is permeating the South Pacific. The catalyst for this movement was set in motion with New Zealand Prime Minister Lange's decision to ban nuclear powered and armed ships from New Zealand ports. Not long after the implementation of the New Zealand policy, a South Pacific Nuclear Free Zone treaty was signed by eight Pacific countries.

Pacific island countries are now under pressure to decide whether or not to keep their ports open to U.S. ship visits. They are being strongly influenced by one of their largest donors of aid, New Zealand.

United States aid in the South Pacific islands is approximately one-tenth of the total. Our $6 million assistance is multilateral, with little credit to the United States. The individual countries want direct bilateral aid such as the $1.5 million to Fiji—proposed in 1984 but not yet appropriated. Direct funding would be a welcomed change in the islands, and it would heighten U.S. visibility. While U.S. aid funds are tight, they remain as a concrete demonstration of our concern.

Only two U.S. embassies have been established among the Pacific island countries, in a region of several million square miles. Not only is the United States' representation in the Pacific bleak, but our accessibility by island governments is limited. Without a readily available communications channel, the United States is unable to provide assistance and feedback as problems and issues arise.

The United States must take an active role in dealing with the concerns of this newly evolved region of independent Pacific islands. The solutions to these problems are vexing, given the numerous entities and multifaceted issues. However, by resolutely concluding and implementing a fishing agreement, addressing the nuclear free zone treaty, and providing appropriate and adequate bilateral aid, establishing adequate U.S. representation, the United States can maintain our national security in a peaceful Pacific and keep it from becoming a Russian lake.

Following is the article from the March 5, 1986, Wall Street Journal:

Long Ignored as Safe, South Pacific Islands Now Vex Washington—A Troubled Area Is Resentful Over U.S. Fishing Policy, French Tests of Weapons

THE RUSSIAN BEAR IS FLIRTING

(By James P. Sterba)

AUCKLAND, NEW ZEALAND.—Think of the South Pacific. Paradise usually springs to mind. Lush, idyllic vacation spots like Tahiti and Fiji. Cute little countries like Tonga, with a king who takes up two first-class airline seats, and Tuvalu, which earns its way in the world mainly by selling colorful postage stamps to collectors.

There is Papua New Guinea, with its vast, exotic jungles. But you have to squint to find the others on an average-size globe: Kiribati, Vanuatu, Western Samoa—in all, two dozen microstates, five million people, some 1,300 islands, most of them so tiny and far away from the world's troubles that it is difficult to conceive of their causing trouble or being troubled themselves.

That has been Washington's view, too. The affection that the U.S. gained by pushing Imperial Japan out of the region four decades ago seemed boundless. Diplomacy, what little seemed required, was often put in the hands of generous campaign contributors who had to consult maps to discover exactly where they were going as ambassadors. With two staunch allies, Australia and New Zealand, looking after the region, it was an easy part of the world to ignore.

A 40-YEAR POLICY

Not anymore. With U.S. policy in its 40th year of what a Heritage Foundation study calls "benign neglect," the Reagan administration has discovered that neglect has its price. The region is troubled economically and socially. It is angry over U.S. fishing policy and French nuclear-weapons tests in the area. Anti-West Third World rhetoric is on the rise. The Soviet Union's flirtations are beginning to pay off.

On Dec. 29, the New Zealand Times summed up the trends in an article that began: "This may be remembered as the year the Pacific Ocean ceased to be an American lake."

That is overstating it, Western diplomats say. But U.S. military strategists, for one, are disturbed by what they see. While the end of the presidential crisis in the Philippines would seem to improve the odds of America's holding on to its bases there, that can't be considered certain, and when these strategies look for backup positions in the Pacific, the view is no longer so pleasant. To have to worry about—let alone contest for influence in—a huge watery patch of the globe that has been uncontested since World War II isn't appealing.

FLIRTING BACK

Most regional leaders don't savor the prospects of superpower competition, either, although they have discovered that the best way to get the Reagan administration's attention is to flirt back at Communists. They are doing so because today theirs is a region of resentment. U.S. tuna boats and U.S. support of French nuclear-weapons testing on Polynesian atoll of Muroroa have fertilized budding anti-Americanism and used up much residual good will.

Meanwhile, the Anzus alliance, a mutual-security pact between Australia, New Zealand and the U.S., is under strain, perhaps unraveling. And Australia and New Zealand, especially the latter, are under growing pressure—from anti-nuclear groups, leftist trade unions, environmentalists and peace groups—to abrogate the treaty, kick out U.S. military facilities, dismantle joint intelligence-gathering and communications sites, and even join the nonaligned movement.

These groups have helped organize islanders into anti-U.S. groups as well. Through some leftist New Zealand trade unions, Moscow dispenses money and support.

U.S.-NEW ZEALAND RIFT

Prime Minister David Lange of New Zealand carried out a popular 1984 campaign pledge of banning U.S. warships' port visits unless the U.S. certifies that the ships are nuclear-free—which it won't. Fearing that the New Zealand action might be copied elsewhere, the U.S. retaliated with strong denunciations and suspended all military cooperation with New Zealand. The U.S. also cut New Zealand out of a secret and elite intelligence-sharing network that includes the United Kingdom, Canada and Australia and involves swapping secrets that the U.S. won't share, for example, with NATO.

The U.S.-New Zealand actions strained relations and rendered largely inoperative the 35-year-old Anzus alliance, which most island leaders viewed as a regional security blanket. The U.S. retaliation made it difficult for New Zealand to carry out what had been its primary intelligence-gathering mission in the five-power network: keeping a military and political eye on the South Pacific.

The region's nuclear allergy was aggravated when French agents bombed a Greenpeace environmental protest ship, the Rainbow Warrior, in Auckland harbor, killing a photographer. The ship had been en route to Muroroa to protest French testing, which has gone on underground since 1975 and was carried out in the atmosphere before that.

Eight nations of the 13-member South Pacific Forum, including Australia and New Zealand, meanwhile agreed to a treaty creating a South Pacific Nuclear Free Zone. Australia declined to cooperate with the U.S. in MX missile testing.

Of far more immediate concern, however, was Moscow's success, for the first time, in getting an economic-cooperation agreement with one of the microstates. The Republic of Kiribati, frustrated by U.S. fishing abuses, last summer opened its 1.4 million square miles of Central Pacific waters to a Soviet fishing fleet.

And last fall, Soviet cruise liners, banned from plying the region in retaliation for the Afghanistan invasion six years ago, were invited back in to help a sagging tourist trade. (On Feb. 16, one of them struck a reef and sank in New Zealand's Cook Strait.)

At least six financially strapped nations in the region—Fiji, Kiribati, the Solomon Islands, Tuvalu, Vanuatu and Western Samoa—received fresh offers of Soviet aid and economic cooperation last year. Such offers have been spurned in the past. Now, some leaders suggest that they will wait and see how the Kiribati fishing arrangement works out before turning Moscow down. The accord nets Kiribati $1.7 million, about 10% of its national budget. Other aid-dependent islanders could use that kind of money, too.

In the meantime, Vanuatu, already best friends with Cuba, has agreed to receive Vietnamese foreign aid in the form of a medical-aid team sent by Hanoi. And in New Caledonia, pro-independence forces acknowledge that one faction in their coalition sent a team to Libya for training in the fall of 1984. They say they haven't ruled out another visit.

Even Western successes have their qualifications. While the voters of Palau, for example, have just overwhelmingly approved a new political relationship with Washington that gives military concessions to the U.S., the arrangement also bars the use, testing or storing of nuclear weapons there.

While the Soviets increase their friendly overtures in the region—for example, by passing out free airline tickets to visit Russia and offering scholarships to study there—anti-American feelings are growing and regional diplomats blame the Reagan administration.

Mr. Reagan's first-term rejection of the 1982 Law of the Sea treaty was viewed by islanders as an official endorsement for U.S. fishing vessels to steal their most valuable economic resource: tuna. Under a 1976 U.S. law, tuna are exempt from claims of a 200-mile economic-zone because they are a "highly migratory species." So U.S. tuna fishermen freely take catches in violation of the laws of the island nations involved. The Reagan administration also angers islanders by backing French colonial claims to French Polynesia and New Caledonia.

"The United States must stop stomping around the South Pacific like a heedless hippopotamus, following damaging policies dictated by North Atlantic interests," says an editorial in Pacific Islands Monthly, an Australian-based magazine that reflects regional thinking.

MILITARY CONCERNED

All this hardly makes for the next superpower flashpoint. But a succession of U.S. Pacific military commanders, including Adm. William J. Crowe, who is currently the chairman of the Joint Chiefs of Staff, have expressed concern and quietly lobbied the Reagan administration to clean up its act in the region. That process began last summer, after the Anzus crisis and the Kiribati-Soviet fishing agreement, when Secretary of State George Shultz toured the region.

A December 1984 study for the State Department's Office of Long Range Assessments and Research notes that "the bull is not yet amongst the china" but that the situation could quickly change. Good will toward the U.S. is large, the study said, but "the real question is how long can the reservoir be tapped without replenishment?" Discussing Soviet offers to trade aid for fishing rights, the study went on:

"The current U.S. fishing difficulties in the region to make the Soviet fisheries offers appear more attractive than perhaps they would otherwise. Secondly, the financial problems of the smaller atoll countries are perceived to be such that cash income even from the Soviet Union would be difficult to refuse."

Contrary to the travel brochures, most of the microstates are economically troubled. They have growing populations, rising numbers of restless unemployed youths, and spreading problems with urbanization, crime, suicide, alcoholism and drug abuse.

As a group, the microstates receive more foreign aid per capita than any other place in the world, although the amount is relatively small because total populations are tiny. But living space is tiny, too, and unhealthful.

Randy Thaman, who heads the University of the South Pacific's school of social and economic development, says the South Pacific is one of the world's most unhealthful places to live. Other parts of the world may be slowly winning battles against diseases. Not this region. Malaria, hepatitis, meningitis, intestinal diseases, tuberculosis, anemia, syphilis and gonorrhea are growing health

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problems. There are no sewers, sanitary garbage removal or clean-water sources for most islanders. Thus, diarrhea has become a major killer.

Enormous political, social and economic changes were under way in the region long before the Soviet bear began dangling his toe in these tropical waters. At World War II's end, six Western colonial powers administered island dependencies. Today, most are independent nations or moving toward sovereignty.

By the late 1970s, most had staked claim to waters and resources within 200 miles of their shores in accordance with Law of the Sea deliberations, as did the U.S. and other maritime nations. Instead of a Pacific dotted by island pinpricks, says F. Rawdon Dalrymple, the Australian ambassador to the U.S., "you suddenly had a map where huge areas of the earth's surface were marked off [with claims of] political entities most of which were virtually unknown to the outside world."

FIVE MILLION SQUARE MILES

They claim, in fact, about 5.6 million square miles of sovereign territory—an area almost twice the size of the continental U.S., and there is precious little free ocean left. Most of these tiny nations have few land resources to exploit beyond coconuts; the 200-mile economic zones gave regional leaders the hope that for the first time, economic self-sufficiency might be possible.

But fisheries development is only beginning. In the meantime, says the Heritage Foundation study:

"The World War II generation of island leaders is being succeeded by a younger generation, whose concern with economic development and anger over perceived U.S. insensitivity make them susceptible to Soviet offers of economic assistance as well as to pleas by Third World radicals to join the Third World bloc in its anti-West, anti-U.S. and anti-free-market policies."

Despite these trends, the Soviets haven't made much headway until now, largely because of painstaking diplomacy by Australia and New Zealand. "Dealing with these micro- and mini-states requires a very delicate touch—a feel for the cultures involved, close personal contacts and a fine sense of how much is enough," Owen Harries, a former Australian diplomat, wrote in the American magazine Commentary.

He added that it was "doubtful whether the U.S. could do it anything like or as well as its allies.

ISLAND LEADERS SAY U.S. TUNA POLICY IS MADE BY ASSOCIATION IN SAN DIEGO

AUCKLAND, New Zealand.—Most people think that American foreign policy is made in Washington and carried out by State Department diplomats. But they think otherwise in the island microstates of the South Pacific.

U.S. policy, island leaders charge, is made in San Diego, the home of the American Tunaboat Association, and carried out by poachers who are protected by Washington.

Tuna is the island nations' most important economic resource, and U.S. fishing policy angers them in two ways. First, Washington doesn't recognize their 200-mile economic-zone claims as far as tuna is concerned. Second, the Fisheries Protection Act of 1967 provides that if any nation seizes a U.S. fishing boat, Washington must impose an embargo on all fish products from that nation. The same law also requires Washington to reimburse the boat owner for the cost of the seizure and of recovering the boat and to pay him the amount of money he would have made fishing if the boat hadn't been stopped.

BUCCANEERING BEHAVIOR

"The buccaneering behavior of the American Tunaboat Association" infuriates island countries even more than French nuclear weapons testing in French Polynesia, says the region's news magazine, Pacific Islands Monthly.

But U.S. tuna fishermen say they couldn't compete with cheap foreign imports without Washington's protection, August Felando, the president of the American Tunaboat Association, notes that 21 of the 33 boats in the U.S. tuna fleet are currently tied up in bankruptcy proceedings.

Partly because of chicken's increased popularity, tuna prices to fishermen have dropped to about $700 a ton from $1,100 a ton four years ago, he says. Fast, modern purse-seiners, with on-board helicopters to locate tuna schools, cost $10 million five years ago; Mr. Felando says they are for sale at half that now.

Other tuna fleets, from Japan and South Korea, for example, pay island nations annual fees to fish. The U.S. fleet has had similar agreements with a few island nations in the past but has none now. After a visit to the region last summer, Secretary of State George Shultz ordered a speedup of talks on the issue.

KIRIBATI-SOVIET PACT

The president of Kiribati, Ieremia Tabai, says that anger over U.S. fishing policy is what propelled his tiny nation to sign a fishing agreement last August with the Soviet Union—Moscow's first ever in the region.

Kiribati is a nation of 62,000 people on 33 tiny islands, including Tarawa, which cost some 3,000 U.S. Marine casualties to take from Japan during World War II. It lives off a tiny copra crop, foreign aid and fishing agreements.

The one-year Soviet accord allows 16 trawlers to fish in a maritime zone of about 14 million square miles. The Soviets paid about 20% more than the going rate for the agreement. Cost: $1.7 million. In contrast, it cost U.S. taxpayers an estimated $3.5 million after a single U.S. tuna boat, the Jeanette Diana, was seized on poaching charges in June 1984 by the government of the Solomon Islands.

IN HONOR OF MAYOR GILL

HON. FORTNEY H. (PETE) STARK

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, April 8, 1986

Mr. STARK. Mr. Speaker, northern California is honoring this month Mayor Valance Gill of San Leandro, CA, for a long career of public service well done.

Mayor Gill will be retiring soon, but he leaves as a monument one of the finest cities in California—or any State. San Leandro under his direction, both as a councilman and as a mayor, has become one of the most livable and pleasant neighborhood communities in America. This fresh looking, young-in-spirit city is a product of the work of Val and his fellow activists in city government.

Mayor Gill was born in Jaraiz de la Vera, Spain in 1917. His parents and family came to the beautiful San Francisco Bay area in 1921 and settled in, helping build the East Bay. Val worked in the area shipyards and for Standard Oil Co. and then for the world-famous Lawrence Livermore National Laboratory, from which he retired in 1973.

But Val started his public service in 1956, when he was elected to the San Leandro City Council. He served for 8 years, and then took an 8-year break, before returning to the council in 1972. That spring, he was elected by his fellow council members as vice mayor, the job he held until his election as mayor in 1978. As mayor he has been a national leader in urban organization efforts to maintain and improve revenue sharing, trade opportunities, and other community development and improvement programs.

Val's record of service is an example of public leadership that we should all admire and strive to emulate. I join Bernice, his wife of 46 years, and all the people of San Leandro, in wishing Mr. Mayor a happy and healthy future.

I would like to list at this point some of the groups that Mayor Gill has worked with in improving the life of the citizens of the East Bay:

Appointed San Leandro's Representative to the Association of Bay Area Governments on 2-6-78. (Was also a member of ABAG's Executive Committee to 7/82.)

Member, United States Conference of Mayors Community Development, Housing and Economic Development Standing Committee.

Alternate Member, Bay Conservation and Development Committee.

Member, Board of Directors, American Red cross (Oakland-South Alameda County Chapter).

Vice Chairman, U.S. Conference of Mayors Task Force on Revenue sharing.

Member, Conference of Mayors Transportation Committee.

Member of Advisory Committee, Muscular Dystrophy Association.

Member, Metropolitan Transportation Commission (appointed 2/83).

Member, National League of Cities General Revenue Sharing Task Force (appointed 1/83).

Member, International Affairs Standing Committee, United States Conference of Mayors.

Member, Honorary Board of Directors, Association for Retarded Citizens—Alameda County.

Chairman of the Subcommittee on Trade of the International Affairs Committee, United States Conference of Mayors.

FIFTEENTH ANNIVERSARY OF THE BRIDGE

HON. ROBERT A. BORSKI

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, April 8, 1986

Mr. BORSKI. Mr. Speaker, I rise to pay tribute to The Bridge, on their 15th anniversary in providing help to young victims of drug and alcohol dependency. The Bridge has played a critically important role in helping young people with problems get their lives together and has become an important part of the community in Philadelphia.

The Bridge was founded in 1971 by a group of concerned Philadelphians. In its 15 years, it has received the acclaim of community groups like the Better Business Bureau and the Philadelphia County Medical Society. In that time, it has developed into an organization offering comprehensive rehabilitation services through six different programs. These programs include the Adolescent Treatment Program, the Bridge School, Family and Youth Services, Educational Services, and Community Educational Services.

The Bridge offers young victims of chemical dependencies a full range of treatment. It addresses not only the dependency itself but the whole range of problems that a person may have, including personal, social and psychological probems, and educational needs. These programs help provide an environment that is rich and stimulating for Bridge residents and patients. The Bridge also maintains strong links with community organizations and is a leader in efforts to educate everyone about the problems of drug and alcohol dependency, and the needs of people with these problems.

The Bridge has completed 15 years offering critically needed assistance to young people in Philadelphia. Its programs have set a standard for full and effective treatment of chemical dependencies. I join the many grateful Philadelphians who now commend them and express our appreciation for their years of services.

STANDARDS ARE NEEDED TO ENSURE PROPER ASBESTOS REMOVAL AND DISPOSAL

HON. JAMES J. FLORIO

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Tuesday, April 8, 1986

Mr. FLORIO. Mr. Speaker, asbestos contamination in our Nation's schools is a grave problem. More than 15 million children are exposed to deadly asbestos in 30,000 school buildings throughout the country. Presently, there are no Federal regulations dictating how to properly abate asbestos in schools and dispose of the debris. Shoddy abatement work is worse than no clean-up work at all because more hazardous fibers are released into the air than if the asbestos had not been touched. The Environmental Protection Agency [EPA] estimates that 75 percent of all abatement work has been done improperly because without Federal regulations guiding cleanup work, this difficult, dangerous work is often left to disreputable contractors, who intentionally skip safety precautions or use slipshod measures. It is imperative that only fully trained contractors do this cleanup work.

Unfortunately, the problem gets worse. Disposal of asbestos debris when not done correctly can also have potentially deadly results. Recently, several bags of asbestos debris from abatement work were discovered in an abandoned house in Camden, NJ. Luckily, the bags were not damaged, but, if children playing in the house had come across these bags and ripped them open, the results could have been disastrous. Last week, according to the Camden Courier-Post, those who dumped the bags into the house were arrested.

If EPA had promulgated regulations establishing a contractor accreditation program and regulations prescribing proper disposal of asbestos debris, it is unlikely the problem in Camden would have occurred. The perpetrators were caught in Camden, but who knows how many situations exist around the country where bags have been improperly disposed of and then ripped open by unsuspecting victims or where the dumpers were not identified.

Senator STAFFORD and I have introduced legislation that would force contractors who do school cleanup work to be fully trained and accredited and would require the proper disposal of asbestos debris. The Asbestos Hazard Emergency Response Act of 1986 (H.R. 4311) also establishes a roadmap showing school officials how to properly inspect for hazardous asbestos and how they should clean it up once it is found. Following the establishment of standards, schools will be required to inspect where they have not done so already and prepare and implement cleanup plans for any hazardous asbestos found in buildings.

Proper cleanup only alleviates part of the problem. Asbestos must also be disposed of correctly so situations like the one in Camden can be avoided. We must act now to end this national problem.

I urge my colleagues to cosponsor this legislation and commend the article from the Courier-Post detailing the arrest of the persons who dumped asbestos into the vacant house.

[From the Courier-Post, Mar. 15, 1986]

ASBESTOS DUMPING CHARGES LODGED

Camden—Police yesterday charged Bertryn Brown, 33, as the person responsible for leaving six bags of asbestos in a van in South Camden last summer.

Brown, of the 500 block of Viola Street, already in the county jail on other unrelated charges, is accused of violating the city's illegal dumping ordinance and faces imprisonment of up to a year and a fine upon conviction, according to Detective Richard Arensberg.

The detective said Brown, who had been a partner in a firm called Asbestos Removal Inc., of 319 York St., drove the potentially dangerous asbestos to a parking spot in the 400 block of Chestnut Street last summer.

Arensberg said he turned the title to the van over to a man identified as Pete Dixon, formerly of Camden, to settle a debt.

The van sat there until early August, when two Philadelphia men purchased it from Dixon and drove it away. Before leaving, however, they removed the marked bags filled with asbestos and left them in a vacant, city-owned house at 430 Chestnut.

Those two, identified as George McNeil and Cecil Fitzpatrick, were arrested on Monday for violating the illegal dumping ordinance.

Arensberg said the Brown arrest closes the investigation ordered by Mayor Melvin R. "Randy" Primas Jr. on Feb. 13 after he met with concerned South Camden residents who found the asbestos in the building. Primas also ordered the building demolished, and it was, the next day.

SALUTE TO CHURCH OF ST. MARK EPISCOPAL

HON. MAJOR R. OWENS

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, April 8, 1986

Mr. OWENS. Mr. Speaker, families and neighborhoods have recently received a considerable amount of national attention. Both social scientists and elected officials have been reaffirming the pivotal role of the family in the complex fabric which makes our Nation great. Neighborhoods and the institutions which make up local communities are of vital importance in the process of nurturing strong families. Within the black community, none of the institutions are of greater importance than the church.

For 150 years, the Church of St. Mark Episcopal has stood like a beacon providing services to thousands of individuals who reside in the Crown Heights community and other parts of the 12th Congressional District of Brooklyn.

This stately church is located in the center of the Crown Heights area of Brooklyn and is considered one of the neighborhood's exceptional landmarks. The church was founded in 1835 in the village of Williamsburgh, which was then a suburb of Brooklyn and Manhattan. In 1893 the construction of the Williamsburgh Bridge forced the church to relocate. In 1895 the land on Brooklyn Avenue and Union Street was purchased, and on January 26, 1901 the cornerstone was laid. Reportedly, this was the first stone church of gothic design in Central Brooklyn.

By the time the church celebrated its 100th anniversary in 1935 many changes were taking place—especially the composition of the congregation. The population in Crown Heights was becoming a mixture of blacks of American and West Indian origins as well as whites. Persons of the Caribbean background sought out an Anglican—Episcopal—church to attend, and so the numbers of parishioners grew slowly at first, but with increasing momentum in the last 12 years.

The statement of purpose for this old and venerable institution is: "The Church of St. Mark is a sanctuary for human experience where commitment of families and individuals is being demonstrated through worship and activity." These words convey the direction of St. Mark's ministry for the past 12 years. Since becoming rector, the Reverend Dr. Heron A. Sam has accepted the concept of a shared servanthood in his ministering to his congregation of some 2,000 parishioners. He has sought to make the congregation coresponsible for the church's growth economically, programmatically, and spiritually.

While maintaining the essence and content of worship of the American Episcopal Church, the Church of St. Mark has managed to infuse its devotional life with many features of the Caribbean Anglican church so beloved by its parishioners. There are over 20 active parish organizations carrying out the programs of this busy parish. The sunday school is attended by some 200 young people.

In addition, a number of community programs have been offered, including nutritional,

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recreational, and cultural programs for seniors; youth employment information and activities; and a school for young people from nursery to high school with an enrollment of 800 students.

The church's efforts to respond to the present needs of the community include the heightening of social and political awareness of its parishioners by making available to them information on voting, citizenship, and current issues. The Church of St. Mark Episcopal must also be commended for creating a nonpartisan coalition to bring together the many different ethnic groups of Crown Heights in order to deal with common community concerns.

Many religious, social, and cultural events have been sponsored by the church in celebration of this sesquicentennial year. It is a historical milestone in the life of the church parish and for the entire community. The church's commitment to family life, education, and community service will continue to be a major asset to the central Brooklyn area. We salute the work of the church for the past 150 years and we look forward to the continuing contribution of the Church of St. Mark Episcopal for another 150 years.

A TRIBUTE TO THE REVEREND DR. E. MITCHELL MALLETTE

HON. NORMAN F. LENT

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, April 8, 1986

Mr. LENT. Mr. Speaker, it is my distinct pleasure to rise today in recognition of a distinguished citizen from my Fourth Congressional District in Long Island, NY, the Reverend Dr. E. Mitchell Mallette. Pastor Mallette has served with distinction for over 30 years as the spiritual leader to the congregation of the Second Baptist Church and the community of Freeport, NY.

Pastor Mallette's family and friends, as well as many members of his congregation at the Second Baptist Church will be honoring him at a testimonial banquet on April 25. At this time, I'd like to take a moment to recognize Pastor Mallette's many accomplishments and contributions to his church and the Freeport community.

Pastor Mallette was called to the ministry at the young age of 12 and became pastor of his first church, the First African Baptist Church of Savannah, GA, at the age of 16. He studied for many years under the late Dr. Ralph Mark Gilbert and, in 1956, he was introduced to the small congregation of the Second Baptist Church in Freeport where he has remained ever since. In May 1971, the degree of doctor of sacred scripture was conferred upon him by the Pillar of Fire Pentecostal Seminary, York, England.

He has dedicated his career to helping people as a teacher, adviser, evangelist, and active member of the Freeport community. Pastor Mallette was appointed to the Freeport Board of Ethics and served as a commissioner of the Freeport Housing Authority for more than 15 years. During his term, a 100-unit senior citizen apartment complex was constructed and named in his honor as the "Dr. E. Mitchell Mallette Senior Citizens Apartments."

Committed to spreading the gospel's message and teachings, Dr. Mallette is heard weekly over radio station WTHE, the "Gospel Out-reach Ministry." He is also an accomplished gospel singer who has made several recordings.

Pastor Mallette is beloved by his congregation. Over the past 30 years, he has performed many marriages, blessed many children, and comforted the bereaved. He was watched over and cared for the well-being of his following as he would his own family, and under his guidance and leadership, the Second Baptist Church and congregation has grown and prospered.

I'd like to extend my deepest appreciation to the Reverend Dr. E. Mitchell Mallette for his many years of dedicated service to the Second Baptist Church and the entire Freeport community. And on behalf of his many friends and supporter, I wish him happiness and continued success in the years ahead.

THE 62D ANNUAL SCOUT'S RECOGNITION EVENING, SAN GABRIEL VALLEY COUNCIL OF THE BOY SCOUTS OF AMERICA

HON. CARLOS J. MOORHEAD

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, April 8, 1986

Mr. MOORHEAD. Mr. Speaker, I would like to take this moment to bring to the attention of my distinguished colleagues in the House of Representatives, the "62d Annual Scout's Recognition Evening" of the San Gabriel Valley Council of the Boy Scouts of America to be held Tuesday, April 15, 1986, in Pasadena, CA.

With an expected crowd of 900 people, including dignitaries from the National, State, and local governments, the Scout's Recognition Evening will honor those individuals, packs, and troops who have provided outstanding leadership within the San Gabriel Valley Council.

In keeping with the longstanding tradition of the Boy Scout Councils throughout the Nation, the Council will also be awarding nine "Silver Beaver Awards." This most prestigious of volunteer scouting honors will be presented to Mr. Walter Bacon of the Mission Amigos District; Mr. James R. Campbell and Mr. Lawrence A Harrington of the Lucky Baldwin District; Mr. Bill Hayes, Mr. Kenneth A. Lane, Jr. and Mrs. Rosanne Mueller of the Valle Del Sol District; Mr. Bruce G. McGregor of the Rose Bowl District; Mr. James A. Meskan of the Golden Eagle District and Mr. James H. Chaney of the Council.

Mr. Speaker, I am pleased to congratulate the recipients of the Silver Beaver Award and to thank them for the immeasurable contributions they have made to the community in general and scouting in particular.

THE RIGHT TO EXIST; THE RIGHT TO BE FREE

HON. MARK D. SILJANDER

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Tuesday, April 8, 1986

Mr. SILJANDER. Mr. Speaker, for 30 years the Cyprus dispute has caused animosity and mistrust between Greeks and Turks. It has affected relations with the United States and within the NATO alliance, of which both nations are an integral part.

Now, U.N. Secretary-General Peres de Cuellar has presented both sides in the dispute with a Draft Framework Agreement in an effort to bring about a peaceful settlement of the dispute. While both the Turkish Cypriots and the Greek Cypriots are currently studying the terms of the proposed agreement, there is reason for optimism.

Against this backdrop, the respected syndicated columnist Georgie Anne Geyer recently visited the northern part of the island. What she saw and heard while in northern Cyprus were recorded in her column which appeared March 27, 1986, in the Washington Times and more than 40 newspapers across the United States.

The objective of the Turkish Cypriots is really quite simple. As Rauf Denktash, leader of the Turkish Cypriots, is quoted by Ms. Geyer: "* * * the right to exist and the right to be free" is their quest.

In an effort to aid in a better understanding of both sides of this dispute, I am pleased to call my colleagues' attention to Ms. Geyer's column.

VISIT TO A CYPRIOT COUNTRY THAT DOESN'T EXIST

(By Georgie Anne Geyer)

NICOSIA, CYPRUS.—On Cyprus Airways maps, a Turkish Republic of Northern Cyprus does not exist. When you ask here at the Hilton Hotel to call the "Turkish side," the operators tell you crisply that there are "no telephone numbers there."

Yet across a meandering "border" that stretches across this gloriously beautiful island, there exists, since Nov. 15, 1983, a strange little "nation" or place of its own.

"We had to establish our state," the Turkish "President" Rauf Denktash told me in his homey office in Turkish Nicosia. "We were left with no alternative but to show to the world that a second people existed with a vested right in the island of Cyprus: the right to exist and the right to be free.

"Is it a state?" this heavyset and intelligent natural leader asked. "Well, we have a legislative, judicial, and administrative system. We are completely independent, with a multiparty democracy, with full press freedom, and with our own army. We have our own budget and we tax ourselves.

"The establishment of the state had become a necessity after 20 years because people could not live stateless forever."

The last time I had been to the Turkish side was in 1974. The Greek and Turkish bodies and souls of the legendary island of Cyprus were in a nasty war that started when certain of the less palatable Greek political forces tried to unify the island with Greece. Turkish troops swept over the island, and it was soon totally divided, as refugees poured into their own national parts of the island.

And today a dozen years later? In order to cross from the thriving Greek Cypriot side, you still walk the long, tree-shaded No Man's Land to the country that doesn't exist. Yet there are customs inspectors on both sides. They check your passport . . .

I looked around curiously. It had all changed, a lot. Turkish Nicosia is bustling now. It is not nearly so prosperous as the Greek side, but it is quite alive. I visited "The Museum of Barbarism," which shows how the Greeks massacred a family of Turks. I see a lot of pictures of the great Turkish leader Ataturk, showing the reinvigorated ties to Turkey. I sit having lunch atop the modern Saray Hotel.

Yes, Turkish Cyprus exists, but as what? That is the question nobody seems to be able to answer.

Looking into the "Cyprus question" makes something like, say, the Central American question seem easy. The history here is a twisting maze, complicated by a history of unnatural British legalism imposed upon a world of Byzantine treacheries.

Looking only at 1974—the last of many crises between the two peoples doomed to inhabit this beaufiful island—the Turks say that after all it was the Greek side that tried to upset the independent Cyprus agreement. The Greeks say fine, but now we are a different Greek government, that it is Turkey which rules in Turkish Cyprus, and that the two sides should be united again.

"There is no willingness to have confederation—or federation," President Denktash tells me, speaking of the Greek side's insistence upon re-establishing the unity of the island under a central government. "What they want is domination in a country in which Turkish Cypriots are granted certain rights. They do not really want a solution based upon partnership."

As I walk around in the glimmering Cyprus sunlight, beautiful valleys and mountains sweeping out from the divided city that is Nicosia, I try to think over this curious, and different, situation, which in fact speaks to other situations in the world today.

After World War II particularly, new countries were created all over the postcolonial world. In these countries, peoples, tribes, clans, and religions were all mixed up. The new loyalty to "state" was to overcome those old blood loyalties.

Now we seen that, whether in Lebanon, in Cyprus, in Africa, or in the Middle East, people are returning to the old loyalties.

This is not an ideal situation. The Greek Cypriots have a point in saying that the island will develop only if united. And the Turkish "state" has no international recognition whatsoever. And yet . . .

It was a nasty, if now largely forgotten, war here in 1974. And President Denktash constantly reminds people that, since the division, not one person has been killed.

I find myself thinking that, after all, there is realistically something to be said for people having their own national home and group—if they can then use that integrity to approach with respect the other national groups around them.

A TRIBUTE TO DEANE DANA

HON. DAN LUNGREN

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, April 8, 1986

Mr. LUNGREN. Mr. Speaker, for many years the United States and the State of Israel have enjoyed a unique relationship based on mutual respect, friendship, and trust. The years have also seen many citizens of both our great nations give unselfishly of themselves in the promotion of that relationship. It is an honor to recognize one of those individuals, Deane Dana, a member of the Los Angeles County Board of Supervisors.

In recognition of his efforts in the promotion of peace and safety in Israel, and for his part in strenghthening the overall relationship between our countries, Supervisor Dana was recently awarded the Torch of Freedom Award by the Government of Israel. Mr. Speaker, in appreciation of Deane Dana's dedication to this vitally important cause, I would request that the resolution granting this honor be placed in the CONGRESSIONAL RECORD.

DEANE DANA

Whereas, Los Angeles County Supervisor Deane Dana will be accorded the Torch of Freedom Award by the State of Israel at the Salute to the Business, Labor and Cultural Communities of California on Wednesday, March 27, 1986 for his lifelong dedications and concern for people everywhere; and

Whereas, the traditional mutual friendship, respect, and esteem between the United States and Israel have been reaffirmed by every President since Israel achieved independence; and

Whereas, the economic stability of Israel is fortified by the Israel Bond program, now in its 35th year of providing urgently needed finances to develop every major aspect of Israel's resources; and

Whereas, Israel Bond dollar remain in the United States to pay for American goods and services produced by American labor and transported to Israel in American transport; and

Whereas, Deane Dana has supported the efforts of the Israel Bond program, recognizing that only in an economically secure world can all citizens maintain their dignity; and

Whereas, because of his deep consideration for the less fortunate, he created the first Los Angeles County shelter program for homeless families and has taken the lead in establishing national and international business ties to generate a more sound economic environment; and now, therefore, be it

Resolved by the ——— That Deane Dana is hereby highly commended for his outstanding public record of diligent and dedicated service and concern for his community and sincere warm congratulations are extended for being the recipient of Israel's Torch of Freedom Award.

RADIO MARTI: A REMARKABLE SUCCESS

HON. DANTE B. FASCELL

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, April 8, 1986

Mr. FASCELL. Mr. Speaker, in the past 12 months, the Voice of America's Radio Marti has proven to be a remarkable success, promoting the cause of freedom by bringing unbiased news to the people of Cuba—and, I am delighted to add, confounding the island's Communist leaders while allaying fears in this country that the station would be broadcasting "propaganda" rather than facts.

These fears quickly proved groundless, and even early-on critics now concede that Radio Marti's broadcasting has been fair, accurate, and even-handed. And the facts, it seems, are proving far more damaging to Fidel Castro than any propaganda could ever be.

Castro has reacted, forbiding listening, threatening reprisals, attempting to jam broadcasts, More importantly, he has unwittingly underscored the effectiveness of the VOA broadcasts by responding to news reports that were not carried by his state-controlled media, and by revising local programming in an effort to compete with the popular broadcasts of Radio Marti.

In the arsenal of democracy, the truth remains our greatest weapon, and the one most feared by our adversaries. And, I would note in the days of Gramm-Rudman, one of the most cost-effective.

I have been a long-time advocate for, and supporter of, Radio Marti, which began broadcasting from south Florida last May 20.

Castro promptly responded by suspending an agreement to take back more than 2,700 criminals and mentally disturbed Cubans dumped on our shores during the Mariel exodus of 1980. This led the New York Times to propose in a recent editorial that Radio Marti be cut off the air in hopes of reviving the agreement.

In the resulting uproar, the paper looked into the matter further, then took the unusual step of editorially reversing its position and concluding that "the station appears to have found a responsive audience and filled a void in Cubans' information."

The Times added: "Contrary to our fears last year, it has avoided propaganda and supplemented, not duplicated, commercial Spanish-language broadcasts from Florida."

I commend the Times for investigating further, and for the courage to admit it had been mistaken. We cannot allow Fidel Castro to use the Mariel emigres to blackmail the United States into taking Radio Marti off the air; his desperation to end the broadcasts, I submit, are a strong justification to continue them.

Radio Marti has recently increased its daily broadcasts to 17½ hours, added variety to its music and entertainment programs and rearranged its schedule to add bold new programs and reach new audiences.

Interviews with recent arrivals from Cuba indicate listenership to Radio Marti is extensive and growing. When Cuban media failed to report the death of a prominent Cuban politi-

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cal prisoner but Radio Marti did, more than 500 people showed up at the funeral.

The young people of Cuba, exposed to unrelenting Communist propaganda, find Radio Marti one of the few sources of accurate and unbiased information; they are among the station's most loyal listeners.

Increased broadcasting has severely strained Radio Marti's facilities. New studios are being constructed, and shortly the Marathon site will be upgraded with a new transmitter and refurbished antenna system.

Meanwhile, VOA is closely monitoring a new superstation which Cuba has put on the air. Called Radio Taino, it purports to be a tourist-information station but it is the most powerful station operating from the island.

Radio Marti was made possible through the strong, bipartisan support of the Congress, and the experience of the past year has more than justified our enthusiasm for this program.

Our colleagues will find interesting a recent analysis of Radio Marti in the February 19 issue of the Times of Americas.

The article follows:

[From the Times of the Americas, Feb. 19, 1986]

RADIO MARTI GETS GOOD MARKS

(By Jon Basil Utley)

"Very professional" are the words one repeatedly hears from critics about Radio Marti. Now in its sixth month, it's receiving high praise from the Cuban American community, and even many of its earlier opponents now state admiration for its quality. It's already had a noticeable effect upon Cuban government radio and TV programming.

News Director Jay Mallin, formerly with *Time* and the *Washington Times* says, "the most effective weapon is a continuous stream of accurate news, something the Cuban people haven't had for 26 years. We seek balance and calmness, we try to give a well-rounded, credible news service. Our weekly roundtable discussions even include opposition viewpoints to give credibility. Havana says we're 'old fashioned' and officially ignores us, but there is some low key interference now with our AM broadcasts."

Programming includes four hours daily of news and information, music and special features. Reports concentrate on news about censored happenings inside Cuba, news about Cuban soldiers abroad, historical documentaries about past events under Castro's rule, news of happenings in other communist countries, and world news. According to travelers' reports and information from families of Miami's Cuban community, it is widely listened to inside Cuba, this despite jail sentences or fines for persons caught listening. The station has been overheard on taxicab radios and at least once from a Cuban police car. Taped Radio Marti music, complete with the voice of the announcer, was reportedly used at a party held by the Union of Communist Youth. A popular soap opera, "Esmeralda," is widely listened to as well as horoscopes, a forbidden fare in communist nations. Church services are broadcast each Sunday. They are very widely listened to. The radio also reaches other Caribbean nations. *Time* magazine's correspondent in Nicaragua told me that she can receive it on her car radio.

Audience reaction is studied from interviews with travelers and new arrivals from Cuba. (Contrary to Radio Marti, the Voice of America's Spanish language service is criticised by many as being particularly weak. Indeed, the U.S. Embassy in Nicaragua has reportedly sent a cable complaining about its news coverage on Nicaragua. The Spanish service also uses very few of the pro-supply side and anti-marxist programs put out by other VOA services.)

DOCUMENTARIES

Marti's feature programming includes such studies as a documentary series titled "Cuba without Censorship" focusing on events inside Cuba which the Cuban government has suppressed. One titled, "The Canimar Massacre," told of the Cuban navy's 1980 shooting and sinking of a pleasure boat loaded with families which has been hijacked by soldiers trying to flee. Another described and refuted official myths about Fidel Castro's first military action in 1953 attacking former dictator Batista's troops at Moncada. Another series of broadcasts analyzed the conversion of French leftists to anti-communism and reported on their new recognition (and criticism) of Cuba's marxism.

Audiences have been told about arrests in Las Villas province of workers trying to form a trade union and about the conditions of Cuban soldiers in Africa, including interviews with Angolan resistance (Unita) spokesman. Many programs deal with Angola where disease is reported to be widespread and 6,000 to 7,000 Cubans have died. The dead are buried in Africa, the wounded sent to East Germany. Other programs include interviews with Cuban defectors and debates about issues of the day. Marti also tells Cubans about what foreign correspondents living in Cuba report to their home countries about Cuba, something Cuba's official news organs often covered up.

Ernesto Betancourt, Radio Marti's director, says that Cuban government response has not been what was expected. The programs are not being jammed. Betancourt thinks that it's a matter of personal pride for Fidel Castro, who considers himself as the world's greatest communicator, that he would be admitting defeat if he ordered jamming. He says that Castro thinks he can compete, that he can still win over Cubans with this own messages. Officially the government radio, after initial denunciations, now ignores Marti's existence, but indirectly it tries to respond to Marti programming. If Marti were jammed, some short wave broadcasts would get through anyway, and the station would be authorized to buy time on local Miami stations.

But major changes have been undertaken by Cuban government broadcasts. Betancourt says that they include timing new, livelier, imported TV programs to coincide with key Marti news broadcasts, 18 new programs, greater emphasis on entertainment for youth, and a livelier format for news broadcasts. Sources are reported, something not previously often done, so as to try to show credibility like Radio Marti. For the first time, the domestic radio also gives Cubans reports direct from its own foreign correspondents. The Government has even started a call-in show to try to show responsiveness to the public and is putting on its own soap opera. Betancourt says that the Cubans dropped their main 17-year-old program, called "Political information," and replaced it with straight news. The government radio even now broadcasts entertainment programs without propaganda and even modern music for young Cubans. Betancourt added that the Cubans now take satellite news from American TV stations to show anything bad they can about life in the United States.

Ernesto Betancourt, 28 years ago, was a supporter of Fidel Castro, like most middle class Cubans at the time. Later he served in Castro's Cuba as a director of a bank and of the monetary exchange divison. After fleeing Cuba he worked for 16 years in the OAS rising to Budget Director. Like many ex-leftists, Betancourt is said to know how Cuban marxists think and therefore how to combat them. "He knows how Washington functions, he'll be able to get things done," says Frank Calzon, a supporter of Betancourt and director of the staunchly anti-communist Cuban American National Foundation. Humberto Medrano is the deputy director. He is a former columnist and radio commentator from Miami's Cuban community.

The concept of a station with news specifically about matters of local concern to Cubans follows the Radio Free Europe pattern for East Europeans. Voice of America broadcasts are designed and meant for all Latin Americans, not totally isolated peoples such as the Cubans.

Local American stations in Miami, even with Spanish broadcasts, are mostly irrelevant for island Cubans. Marti is relevant, and it has the financial resources to research stories and develop foreign news sources, with "stringers" geared to covering news of interest to Cubans, for example about troops in Africa. It has set up a network of 60 part-time foreign reporters to follow worldwide news involving Cubans.

For conservatives a key reason for establishing a new radio station was to bring in fresh, dedicated people, and to keep its administration out of the hands of foreign service officers, many of whom, as with the Voice of America, are considered to be too accommodative and bureaucratic, too loyal to their own "old boy" network, and simply unable to program effective responses to hard line marxism. Foreign Service officers are trained as diplomats, not as activists promoters of freedom, that is "propadandists" in the positive sense of the word.

Indeed, State Department officers assigned to the information services often consider it a dead end for their careers. This is a very different concept of the battle to that of the communists who put their most capable people into information and propaganda efforts. Such officers are far more likely to advance their careers than mere diplomats.

Radio Marti's establishment also had bipartisan support, even including such liberals as Senator Metzenbaum, Senator Ted Kennedy spoke on the first day's broadcasts. Often quoted Reagan critic. Wayne Smith, the Carter appointed former chief of the U.S. interests section in Havana, expressed "great respect" for director Ernesto Betancourt's "honor and competence" although he said he disagreed with Betancourt in many areas. Larry Birns, director of the leftist Washington think tank, the Council on Hemispheric Affairs, says "its professionalism and competence are making (Radio Marti) influential."

News editor Mallin thinks that perhaps Marti's detractors expected shrill or one-sided programming. Betancourt says that Marti must carry out Congress' mandate to give a balanced view and to include various American opinions. Also Marti is under the overall jurisdiction of the Voice of America so it does not have the same independence as Radio Free Europe.

The Cuban government itself spends the equivalent of hundreds of millions of dollars

on radio broadcasting to the whole world. It sends in six languages plus numerous special Indian dialects to Latin America. It relays Soviet programs to the Americas, while its programs are relayed by Russia to Europe, the Mediterranean and North Africa. Obviously the communists consider radio to be a vital element in their battle.

For many years the U.S. ignored its international radio during the detente era. Today the Voice of America still has the oldest transmitters and is still unusually the hardest to hear compared to Russian, British, and West Germany. Marti uses a 20 year old VOA transmitter. It is, however, getting a new one next year.

The importance of just getting true information to people living under communism is often underestimated by Americans, because our own experience with news is so different. Many knowledgeable anti-communists consider that expenditures and attention to the war of ideas have been woefully neglected by Washington. Some even think that communist societies would implode upon themselves if their people really knew what the rest of the world was like. Certainly communist regimes seem deathly afraid of their citizens getting any access to outside information. The Soviets spend an estimated $1 billion more just on jamming than America spends on all its Voice of America broadcasting.

Radio Marti is fulfilling an important role. Its eventual effect remains to be judged. Like Radio Free Europe it has already become a principal source for news behind the Iron Curtain. Also like Radio Free Europe it is forbidden to instigate revolt. However, it's fair to assume that the unrest, and eased dictatorships for some East Europeans, is largely because the peoples there are so knowledgeable of what life is like in the outside world.

Radio Marti represents the first time that Washington has so concerned itself with trying to influence events outside Cuba. Armando Valladares, the famous 20 year-long imprisoned Cuban poet, was asked at congressional hearings about what the U.S. could best do to promote change in Cuba. He replied, "At present, the best service would be by giving the Cuban people access to information."

REMEMBERING THE "CHALLENGER" ASTRONAUTS

HON. JOHN P. MURTHA

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, April 8, 1986

Mr. MURTHA. Mr. Speaker, I wanted to share with the Members of Congress a poem written recently by a constituent of mine concerning the tragic death of the *Challenger* Astronauts.

The poem was written by Mildred Metro of Seward shortly after the tragic accident and she read it in church the following Sunday placing seven red, white, and blue carnations on the alter.

I submit the poem for the RECORD.

FEB. 1, 1986.

A TRIBUTE TO SEVEN SOULS

The happy smiles, the joyful waves they showed, on that tragic day.
A day many will remember in many, different ways.
People cheering, flags waving, eyes closed in prayer.
Praying for their loved ones, as they waited there.
A second can be a lifetime, we don't think of it that way.
But Seven Souls saw the Face of God on that fateful day.
Their families became our families, God meant us to be one.
Their sorrows, our sorrows, losing a Mother, Father, Daughter and a Son.
We cried our tears, said our prayers, gave love to ease their pain.
Keeping our Faith in God, believing His Word, we shall see them again.
So say your prayer for the Seven, all so brave and strong.
Remember God talked to them; God walked with them, the day he called them home.
God Loves us all.

NATIONAL STUDENT LOBBY REPRESENTATIVES VOICE CONCERNS ABOUT STUDENT LOANS

HON. BARBARA BOXER

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, April 8, 1986

Mrs. BOXER. Mr. Speaker, on February 14, 1986, in a hearing before the Committee on the Budget in San Francisco, California, I had the privilage of hearing the testimony of Tom Malinowski and Edith Kaneshiro. They were representing the National Student Lobby and thousands of students across the Nation who are concerned about their chances of completing a college education because of threatened Federal cutbacks in funding of student loans.

I call the attention of my colleagues to their eloquent words. I also intend to send a copy of their testimony to President Reagan in the hope that he will be moved to reconsider his position on a matter which reaches to the heart of the future of this great nation—full access to higher education. Their statements follow:

TOM MALINOWSKI, NATIONAL STUDENT LOBBY

I have been a student at UC-Berkeley for three years now, and during that time, and especially during the time I have worked for student government, I have met many students who receive federal financial aid benefits. And I can say with complete assurance that they fit the profile presented to you by Edith Kaneshiro. the vast majority come from low income families. They work hard during the summer, they work hard during the academic year, and they work hard in school which, at Berkeley, constitutes a full-time job in itself.

They plan to repay society with interest for the investment that was made in them, and little of their great promise would be fulfilled if it were not for the chance to go to college.

Gramm-Rudman-Hollings and the President's budget seek to cut the deficit. But they administer the necessary pain selectively.

Education comprises less than two percent of the federal budget. It will account for six percent of the cuts under the Gramm-Rudman Sequester and eight percent of the cuts under the President's budget proposal. The fiscal year 1987 budget, coupled with the linear reductions in the Pell Grant Program, will result in a 28 percent cut in the student financial assistance budget. This will, in turn, result in an average loss to Berkeley students receiving financial aid of $700 per student.

It is estimated by the Department of Education that about 1.7 million students will lose all of their benefits. This means that over 2,000 students at the Berkeley Campus alone will lose their benefits.

Now, how are these savings to be achieved? In some of the silliest ways imaginable. A case in point is the proposal to combine the Supplemental Educational Opportunity Grants with a work/study program with an overall funding cut of over 60 percent. It can reasonably be said that work/study is the best financial aid program in existence. It encourages students to work for their benefits. It does not cause indebtedness, and funding is shared by the employer and government. And yet this valuable program is being cut more than just about anything else.

Supplemental grants go specifically to the neediest of all students and these, too, are facing the largest cuts. This just does not make sense, it does not make good public policy, and I simply cannot go back to campus and explain this to students. It has been argued that financial aid is taken advantage of by students who do not need it. Yet randomized cuts like these do not differentiate between honest and dishonest recipients. 1.7 million students might lose their federal aid. But has the Department of Education documents somewhere that these 1.7 million are cheaters? No. They have no idea whether those being asked to sacrifice are deserving or not; not even an idea whether the level of dishonesty is significant or insignificant. Weeding out cheaters in this way is like punishing ten innocent suspects in order to nab one guilty criminal. It is a lazy way to make public policy.

The shattering loss to the needy students at Berkeley could be justified by a commensurate loss to students who are well off. My own case I think is interesting, and I would like the Committee to compare it to that of Edith.

I do not receive aid. I come from a fairly well-to-do family that can afford to fund my education. I am a recipient of the Harry S. Truman Scholarship which alone is enough to fund my entire education. I am also employed by the Associated Students. I can afford to sacrifice. I can afford to pay a little more in taxes. But Gramm-Rudman does not touch me in any way. In order to protect me from higher taxes, even though I can afford them, people like Edith are being asked to sacrifice. That just does not make me feel very good. I am more than willing to pay a few more cents at the gas pump in order to help her out.

I am also willing to see a reasonable increase or a slow-down in defense spending. Defense is crucial. I was born in Poland, so I have a realistic view of the Soviet Union. With regard to that country, I believe that the greatest harm it is capable of doing us is to scare us into abandoning education and into ignoring egalitarianism. These are the things which make us strong. If the Soviets hurt their economy by diverting resources from things like education and domestic programs, why must we emulate their mistake?

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I bring up these broader points because I think that when we talk about the budget we talk about more than just dollars and cents. We talk about national priorities. Let us keep education as a priority.

EDITH KANESHIRO, NATIONAL STUDENT LOBBY

As of today, I believe that college is not restricted to the upper middle class. Talks of reducing student aid make me wonder whether or not a college education would be limited to this elite. If student aid is going to be drastically reduced, I believe that college will be for these select few, and I will not be a part of it.

I am a UC student who depends upon a PELL grant, a CAL grant, a GSL, and various merit scholarships, and I am not unique. There are many other students like myself.

At the Berkeley Campus, I work as an equal opportunity affirmative action peer advisor. In this role, I am continually reminded of the many students who depend on financial aid.

If financial aid is going to be reduced according to these proposed cuts, these are a few of the effects which I foresee.

First of all, reducing financial aid will change the face of the university. It is not a coincidence that many Black, Hispanic, Native-American, and Asian students depend on financial aid. Therefore, a reduction made will most likely lessen the minority student population.

Secondly, reducing financial aid will consequently force students to work a good number of hours. This can have an adverse effect on the student. Freshmen and sophomores are considered high risk students, in that they are still trying to adjust to the university system. If forced to work, they will be put in a greater risk group. They will be the ones most likely to drop out. Many students who work while in school do poorly in school.

Thirdly, many qualified and deserving high school students will have little hope of attending college. I have many friends who have stayed at the junior college level because a university education would be too expensive.

And, most importantly, I think a cutback will greatly affect the quality of education in the classroom. When students have to divide their time between work and school, students seem to be less productive in the classroom. I can say that it is physically and psychologically exhausting to be a student.

In addition, college is expensive and is getting more expensive every year. Many students come to our office worrying about interest rates on loans, worrying about the debts they will be accumulating, and worrying about the effects that working will have on their grades. I, myself, have these worries, too. If financial aid were reduced, I would not be able to attend college. My sister, my three brothers, and I will constitute the first generation in our family to go to college and to graduate from college. Federal student aid has affected us for the last five years and will affect us for the next seven or eight.

If federal aid was limited, I and my siblings would not be able to attend college, let alone attend the college of our choice. It costs me approximately $7,000 a year to attend Berkeley. Tuition is $1,300; books and supplies about $400; housing about $3,200; and figure about a thousand for utilities and laundry, et cetera, about $1,500 a year. And I receive about $4,400 in grants and scholarships and $2,500 from a GSL. From my work, I earn about $250 a month.

It is very expensive to go to school. It is expensive to buy books. It is expensive to live in a dorm. It is expensive to find cheaper housing than a dorm. And many students have to drop out because they cannot meet these expenses. And many low-income students would probably not qualify for market rate loans.

It is quite difficult for single parents to finance their children's educations, and it is quite difficult for two working parents to finance a college education. Both my parents work. My father is a gardener and my mother works in food service. It would be virtually impossible for my parents to send all five of us to college.

Realizing that I was going to college, I assumed my own responsibilities. I worked throughout high school and I still work while in college. Yet this is not enough. Without financial aid, without a college education, I could never become the teacher that I wish to be. Student aid is not a handout; it is an investment. We are not here to have a good time. We have goals that can be realized only through a higher education. Eventually, we will be productive tax paying citizens; yet without an education, these things will never happen.

A TRIBUTE TO SENATOR STROM THURMOND

HON. FLOYD SPENCE

OF SOUTH CAROLINA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, April 8, 1986

Mr. SPENCE. Mr. Speaker, on April 2, 1986, the State of South Carolina conferred upon its senior U.S. Senator, STROM THURMOND, one of its greatest honors in hanging his official portrait in the chamber of the State senate.

This tribute is reserved for our State's most distinguished leaders, and Senator THURMOND certainly belongs among them because of his lifetime of distinguished and devoted service to South Carolina and our entire Nation.

Mr. Speaker, this ceremony was a moving testimonial to the courage, integrity, devotion to duty, and vision that have characterized STROM THURMOND's life and public service career.

He is a man loved and revered by his fellow South Carolinians, regardless of party affiliation or political philosophy, and the portrait ceremony was solid proof of the respect in which people hold him. Democrats and Republicans alike, three former South Carolina Governors, members of the State senate, State and Federal judges, members of the South Carolina House of Representatives, and hundreds of everyday people jammed the small Senate chamber last week to witness the dedication of his official portrait.

It is only fitting that Senator THURMOND's portrait be displayed in the historic State senate chamber, where he began his statewide political career that would eventually encompass service as a State circuit judge, decorated war veteran, Governor, Presidential candidate, and U.S. Senator.

His service in the Senate spans almost 32 years, and the record of accomplishment he has compiled for South Carolina and, indeed, our Nation as a whole, is nothing short of amazing.

Three words, inscribed on a plaque affixed to Senator THURMOND's portrait, best describe his life and career: educator, soldier, statesman. STROM THURMOND has excelled in all of those endeavors, and the people of South Carolina and America have been the beneficiaries of his service. That, perhaps, is the highest tribute to STROM THURMOND: That he has dedicated his entire life to unselfishly serving his fellow man, his State, and his Nation.

So that my colleagues can know more about this great tribute to Senator THURMOND, the program from the portrait dedication, Senator THURMOND's address, a letter from President Reagan, and some selected newspaper articles about the ceremony follow:

REMARKS BY SENATOR STROM THURMOND (R-SC) AT THE DEDICATION OF HIS OFFICIAL PORTRAIT, STATE SENATE CHAMBER, COLUMBIA, SC, APRIL 2, 1986, 3 P.M.

Governor Riley; Lt. Governor Daniel; Senate President Pro Tempore Dennis; Chmn. Courson and other Members of the Portrait Committee; Members of Finance Committee; Members of Selection Committee; Reverend Meetze; Reverend Glenn; Distinguished Members of the South Carolina Senate; members of the Thurmond family; Mr. Del Priore; Honored Guests; Ladies and Gentlemen:

I stand before you today humbled by your tribute, and yet deeply grateful for all of your generous words of praise. As your United States Senator from South Carolina for almost 32 years, and as a former Governor and State Senator, I am no stranger to this chamber. However, today I feel as though I am visiting it for the very first time.

Indeed, I feel much as I did 54 years ago when, as a young attorney and farmer from Edgefield County, I was first elected to this distinguished body. On that day, I entered this historic Chamber, awed by its greatness and majesty, and intensely proud of my birthright as a South Carolinian.

To have my portrait displayed in this revered place, is simply a tribute beyond description for my family and for me.

Yet, it is an experience that is somewhat unsettling. Who would not feel overwhelmed to have his portrait hang near those who long ago established their place in history as individuals who built this State/and challenged its citizens to dream daringly/and accomplish great things?

Their dreams live on in this Statehouse, just as they live on in our hearts. They challenged us to renounce selfishness and cowardice and to aspire instead to serve our State and Nation with courage and conviction.

These great people—their valor, compassion, strength, and vision—are more than a legacy for South Carolina. They stand out/as historical giants for all Americans. Their names are as familiar to us/as those of old friends: Calhoun, Marion, Sumter, Hampton, Tillman, Jackson, and Byrnes/just to name a few. Their advice and wisdom, some of it more than a century old, continues to echo through these halls.

Listen carefully and you can hear it:

It was President Andrew Jackson who said: "One man with courage makes a majority." He knew a great deal about courage both as a valiant soldier and later as President of the United States.

Senator John C. Calhoun, who later became Vice President warned that "liberty is harder to preserve than to obtain," spent

his entire lifetime fighting to protect that most precious human commodities—liberty.

The place of South Carolina's leaders looms large in American History, and the role our great State played in our Nation's founding and struggle for independence will forever be a source of pride for us and for generations to come.

Many of these people were present at America's birth, when we were a bold, young Nation, alive with the spirit of freeing ourselves from the tyranny of a British king.

They were the signers of our Declaration of Independence and our Constitution, like the Rutledges and Pickneys; the merchants who pledged their fortunes, and the soldiers who fought and gave their lives for a risky experiment in self-determination.

We should never forget that South Carolinians paid a heavy price in winning our freedom. More tears were shed, more blood was spilled, and more battles and engagements fought in South Carolina than in any other State during the Revolutionary War.

It was on those smoke-filled battlefields of Fort Moultrie, Kings Mountain and Cowpens—battles which would ultimately determine the outcome of our war for independence—that our forefathers cast their lot with the future, and forged their commitment to freedom.

History surrounds us here, and it is vitally important that we take stock of what has gone before us. The past is our roadmap for the future; and if we listen, it is our constant teacher about what is yet to come.

"Those who do not study the past," it has been said, "are destined to repeat it." That is more than good advice; it is a fact of life.

For it is in our history that we can draw our strengths as a people and reject our weaknesses; we can see where man has gloried in his wisdom and failed in his excesses.

There is little that is uniquely new to historians. The strategies of war, for instance, remain virtually unchanged from ages ago. Only our weapons have become more sophisticated and fearsome. Likewise, the past can be our teacher about the downfall of democracies. We need not look far to see what toppled the mighty empires like Rome and Greece, and what gave rise to despots and dictators.

Therefore, as we move into the 21st Century, let us take the best of our past with us, and leave the worst of it behind.

Let us leave behind the failed policies which seek to strip our people of their initiative and self-reliance; and our State and local governments of their rightful powers and responsibilities, making each a servant to Washington bureaucrats, instead of a master of their own destiny.

Let us reject selfish philosophies which preach that there are no moral absolutes—no rights and no wrongs—only an inexhaustable pursuit of personal pleasure at any cost.

Let us discard the misguided belief that our people, by virtue of their birthright alone, are somehow entitled to a guaranteed way of life, without personal sacrifice, hard work, or struggle.

Let us repudiate those who would weaken our ability to defend ourselves against enemies, both foreign and domestic, which seek our demise as a democracy.

Finally, let us dismiss the mistaken concept that there are only rights, not responsibilities, as citizens of this great State and Nation, and that our people can reap the benefits of living in America without ever having to support or defend her.

These forces can do more than diminish our character and resolve as a people, left unchallenged, they threaten our very existence as the greatest Nation on Earth.

Let us, instead, recommit ourselves to those virtues and strengths which built this republic; to the standards and sacrifice of our forefathers; to the concept of individual initiative and hard work; and to a strong and abiding belief in God and Country. These principles have always sustained our people.

We must also rekindle that spirit of "trusteeship"—that belief that we are here on this earth, not merely to consume without replenishment, but to build a better, more secure future for the next generation.

Government has become too big and too intrusive, as we have repeatedly called upon it to cure each and every social and economic ill that can only be conquered through individual enterprise and community involvement.

It is important to remember that America did not achieve greatness through a dependence on its government. Our real strengths have always sprung from individuals, not from Government institutions.

By reaffirming a true commitment to our State and Nation, and to the values which propelled us forward, America will always be a shining beacon of freedom and opportunity for the world.

As South Carolinians, ours is a proud heritage of leadership and sacrifice. let us join together today—just as our ancestors did more than two centuries ago—and go bravely into the future, "prepared," as our State Seal proudly proclaims, "in Mind and Resources," and firm in knowledge that we are the true caretakers of the American Dream.

Thank you again for this tremendous honor, and may God bless each of you.

THE WHITE HOUSE,
Washington, March 10, 1986.

HON. STROM THURMOND,
President Pro Tempore, of the U.S. Senate, Washington, DC.

DEAR STROM: The South Carolina Senate, I hear, is dedicating an official portrait of the Senior United States Senator from that great State. Congratulations! Even bigger congratulations should go to the people of South Carolina for keeping you in the U.S. Senate for so many years.

You have served your state and your nation with distinction and devotion. As a decorated veteran of World War II, as Governor, as United States Senator, and as Senate President pro tempore, you have given your all to preserve the bedrock principles that make America the admiration of the world. And through it all you've displayed the sense of joy and devotion to duty that we all love in you.

Nancy joins me in sending heartfelt best wishes. God bless you.

Sincerely,

RONALD REAGAN.

[From the Florence Morning News, Apr. 3, 1986]

THURMOND PORTRAIT UNVEILED IN SENATE

COLUMBIA.—U.S. Sen. Strom Thurmond, praised as a statesman who redefined public service, was honored Wednesday with the unveiling of his portrait in the state Senate chamber where his political career began.

"There are few men or women who have committed so much of themselves to the people as Strom Thurmond," said Gov. Dick Riley, one of a host of dignitaries attending the ceremony.

Most South Carolinians feel they know Thurmond personally because constituent service has been a hallmark of his career, Riley said.

President Reagan noted the event in a brief letter to Thurmond.

"Even bigger congratulations should go to the people of South Carolina for keeping you in the U.S. Senate for so many years," Reagan wrote.

"You have served your state and your nation with distinction and devotion."

The velvet drape covering the 3-foot-by-4-foot oil painting by Michael Del Priore of Columbia was removed by Thurmond's four children as the packed Senate chamber gave the lawmaker a standing ovation. Another crowd watched on closed circuit television in the House chamber across the lobby.

"I stand before you today, humbled by your tribute and yet deeply grateful for all your generous words of praise." Thurmond said.

"I feel much as I did 54 years ago when, as a young attorney and farmer from Edgefield County, I was first elected to this distinguished body. On that day, I entered this historic chamber, awed by its greatness and majesty and intensely proud of my birthright as a South Carolinian.

"To have my portrait displayed in this revered place is simply a tribute beyond description for my family and for me."

Thurmond served six years as a state senator before moving on to become a circuit judge, governor, presidential candidate of the State Rights Party in 1984 and U.S. senator.

"In every way, Strom Thurmond's personal life personifies South Carolina—independent in thought and deed, fierce in genuine patriotism and sense of duty and devoted to the people and their rich heritage," said Lt. Gov. Mike Daniel, president of the Senate.

The portrait will hand between those of Sen. Rembert Dennis, president pro tem of the state Senate, and the late Sen. Edgar Brown of Barnwell in the southeast corner of the chamber.

"Welcome back to your South Carolina Senate home," said Dennis, D-Berkeley. "You are taking your place on the walls with some of the greatest South Carolinians who have ever served."

Senate Judiciary Chairman Marshall Williams, who double dated with Thurmond when they were young, called the senator "a flower for all seasons. He blooms year-round."

"This is where you really started," Williams said. "You are one of us."

Black Sen. John Matthews, D-Orangeburg, noted Thurmond had championed states' rights, but said the 83-year-old senator eventually forged a new attitude and has served the state with pride and dignity.

Thurmond demonstrated his commitment to all the people of the state by nominating a former political adversary, black lawyer Matthew Perry, to become a federal judge, Matthews said.

"He has redefined the definition of public service," said Sen. John Courson, R-Richland, who proposed the portrait.

Del. Priore said Thurmond, his family and the Senate's portrait committee had to approve the painting before it was unveiled.

Thurmond sat for four 90-minute sittings, and Del Priore also worked from photographs to complete the work in 30 to 40 hours, the artist said.

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[From the State Paper, Columbia, SC, Apr. 3, 1986]

RARE TRIBUTE—THURMOND PORTRAIT HUNG IN SC SENATE

(By Jerry Adams)

U.S. Sen. Strom Thurmond claimed another permanent place in South Carolina history Wednesday when his portrait was unveiled in the state Senate, where he began a political career that set new standards for public service.

Thurmond called it a "tribute beyond description" to have his portrait in the chambers where he came 53 years ago, a young lawyer-farmer from Edgefield "awed by its greatness and majesty and intensely proud of my birthright as a South Carolinian."

The portrait hangs between those of Sen. Rembert Dennis, the state Senate president pro tem, and the late Sen. Edgar Brown.

"Welcome back to your South Carolina home and congratulations on taking your place on the walls here with some of the greatest statesmen who ever lived and served," said Dennis.

Thurmond is a former senator, former circuit judge and former governor who now serves as president pro tempore of the U.S. Senate and chairman of the Senate Judicial Committee.

He has served in the Senate since 1954, and his constituent service has been a source of awe for political friends and opponents. He has enjoyed unprecedented bipartisan support as a Democrat-turned-Dixiecrat-turned-Republican in a predominantly Democratic state.

Gov. Dick Riley said Thurmond's "service to the people—no matter how prominent or obscure—has become the hallmark" of his career."

"He has touched many lives . . . but he has never lost touch with the people, has never forgotten his roots, has never put anything before his love and loyalty to this great state," said Riley, who noted he was born in the same month and year that Thurmond started serving in the state Senate.

Thurmond listened for more than an hour to the praise—and occasional ribbing—from an assortment of politicians, many half his age or younger, before joining them in a trademark joke about his longevity.

"They are a generation older than I am," he said. "They've got grandchildren, but I've just got children."

Hundreds of Thurmond's friends and admirers filled House and Senate chambers to listen to tributes and see the oil painting that was unveiled by the senator's wife and four young children.

The portrait, painted by Michael Del Priore, cost $10,000, but about $25,000 was spent on the entire project, which included a $2,300 frame, the reception, solicitations for contributions and invitations to the unveiling.

It was financed with private contributions, according to Thurmond's personal philosophy, said Sen. John Courson, the chief sponsor of the project.

"Not a dime of state money was spent on it," said Courson, R. Richland, a longtime friend of Thurmond, Republican national committeeman and chairman of Thurmond's re-election campaigns.

Courson said the fund-raising effort spanned racial, political and religious boundaries. He cited the help of the late Sen. I. DeQuincey Newman, a Thurmond foe on civil rights and social issues, as an example. Newman was raising money for the project from his deathbed last year, Courson said.

"This is emblematic of the fact that we have come a long way and people can recognize greatness regardless of political philosophies or political parties," Courson said. "God bless South Carolina and God bless Sen. Thurmond."

Courson also read greetings from President Reagan, who wrote Thurmond last month congratulating him on the upcoming honor.

"You have given your all to preserve the bedrock principles that make America the admiration of the world," Reagan wrote. "And through it all, you've displayed the sense of joy and devotion to duty that we all love in you."

Thurmond was also praised by Lt. Gov. Mike Daniel and by a succession of state senators who served on the portrait committee.

"In every way, Strom Thurmond's personal life personifies South Carolina—independent in thought and deed, fierce in genuine patriotism and sense of duty and devoted to the people and their rich heritage," Daniel said.

Sen. Marshall Williams, D-Orangeburg, called Thurmond a "flower for all seasons. You bloom all year round."

Williams said he and Thurmond used to double-date many years ago, when Thurmond was a judge and Williams was a young attorney. Williams noted that Thurmond always made him drive because "he needed both hands to gesture."

Williams, who has been in the state Senate since 1953, also said Thurmond had waved the banner of four political parties.

"He was a Democrat, a Dixiecrat, a write-in candidate and a Republican, and he was a good one every time he made a move," Wiliams said. "He was brave enough to lead the charge."

"You are one of us," he told Thurmond. "This is where you really started. We love you."

Sen. John Matthews, D-Orangeburg, a black legislator, said Thurmond has served with pride and dignity and had changed through the years.

"It was Sen. Strom Thurmond who developed a new attitude and had growth and foresight and fostered many positive changes that affected all the citizens of this state," he said.

"He has demonstrated his commitment to all the people of this state," Matthews said, citing Thurmond's nomination of Matthew Perry, a former adversary, to a federal judgeship. Thurmond, Matthews said, "has served his people well."

STATE OF SOUTH CAROLINA, THE SENATE UNVEILING OF PORTRAIT HONORING SENATOR STROM THURMOND, PRESIDENT PRO TEMPORE, U.S. SENATE, WEDNESDAY, THE SECOND OF APRIL, NINETEEN HUNDRED AND EIGHTY-SIX AT THREE O'CLOCK, STATE HOUSE

THE THURMOND PORTRAIT COMMITTEE—MEMBERS OF THE SENATE

The Honorable John Edward Courson, chairman; The Honorable Marshall Burns Williams, The Honorable James Madison Waddell, Jr., The Honorable John Drummond, The Honorable Thomas Lucius Moore, The Honorable John Wesley Matthews, Jr.

Finance Committee: The Honorable Joseph Fletcher Anderson, Jr., Paula H. Bethea, Bachman S. Smith, III, Esq., The Honorable David Horton Wilkins, The Honorable John Edward Courson.

Selection Committee: The Honorable James Madison Waddell, Jr., The Honorable John Drummond, The Honorable John Edward Courson, Paula H. Bethea, Bristow Marchant, Esq., Dr. John J. O'Neil.

Presiding: the Honorable Michael Roland Daniel, Lt. Governor of South Carolina.

Invocation: the Reverend Doctor George Elias Meetze, Chaplain of the Senate.

"National Anthem": led By Doctor Richard Conant.

Recognition of Artist, Michael Del Priore: the Honorable James Madison Waddell, Jr.

Recognition of Thurmond Portrait Committees and Introduction of Family: the Honorable John Edward Courson.

Presentation of Portrait of Senator Thurmond: the Honorable Rembert Coney Dennis.

Unveiling of Portrait: Nancy Moore Thurmond, James Strom Thurmond, II, Juliana Gertrude Thurmond, Paul Reynolds Thurmond.

Acceptance on Behalf of the State of South Carolina: the Honorable Richard Wilson Riley, Governor of South Carolina.

Remarks: The Honorable Marshall Burns Williams, The Honorable James Madison Waddell, Jr., The Honorable John Drummond, The Honorable Thomas Lucius Moore, The Honorable John Wesley Matthews, Jr., The Honorable John Edward Courson.

Response: Senator Strom Thurmond.

"God Bless America": led by Doctor Richard Conant.

Benediction: the Reverend Michael L. Glenn.

SENATOR STROM THURMOND

1902, Born December 5 at Edgefield, S.C. (Present home, Aiken, S.C.).

1923, B.S. degree from Clemson University (also holds over 20 honorary degrees).

1923–29, Teacher and Athletic Coach; McCormick, Ridge Spring and Edgefield, S.C.

1924, 2nd Lt., U.S. Army Reserve; commissioned upon becoming 21 years old.

1929–33, Superintendent of Education, Edgefield County, S.C.

1930, admitted to S.C. Bar (studied law under father, Judge J. William Thurmond).

1930–38, Attorney at Law, Edgefield, S.C. (City and County Attorney).

1933–38, State Senator, representing Edgefield County, S.C.

1938–46, Circuit Judge of South Carolina (four year leave of absence for World War II service).

1942–46, World War II; First U.S. Army—American, European and Pacific Theaters, Landed in Normandy on D-Day with 82nd Airborne Division, awarded 5 Battle Stars, Earned 18 decorations, medals and awards, including the Legion of Merit with Oak Leaf Cluster, Purple Heart, Bronze Star for Valor, Belgian Order of the Crown, and French Croix de Guerre.

1947–51, Governor of South Carolina.

1948, Candidate for President of the U.S., carried 4 States and received 39 electoral votes as States Rights Democratic candidate (third largest independent electoral vote in U.S. history).

1951–55, Attorney at Law, Aiken, S.C. (City Attorney of North Augusta, S.C.).

1955–Present, U.S. Senator; elected as write-in candidate; first person ever elected to major office in U.S. by this method; appointed Dec. 24, 1954 to complete term of Senator Charles E. Daniel, who resigned. Served until April 4, 1956, when resigned to place office in a primary, pursuant to a promise made to the people during the 1954 campaign. Re-elected U.S. Senator and resumed duties November 7, 1956; re-elected 1960, 1966, 1972, 1978 and 1984.

President Pro Tempore, U.S. Senate, 1981.

Chairman, Senate Judiciary Committee, 1981 (member since 1967).

Ranking Majority Member, Armed Services Committee, (member since 1959).

Senior Majority Member, Veterans Affairs Committee, (member since 1971).

Member, Labor and Human Resources Committee, (since 1984).

1959, Major General, U.S. Army Reserve; served 36 years in Reserve and on Active duty. (Past National President, Reserve Officers Association, 1954–55)

1964, Switched from Democratic to Republican Party (delegate to 6 Democratic and 5 Republican National Conventions)

1968, Married Nancy Moore of Aiken, S.C. Four children: Nancy Moore, J. Strom II, Juliana Gertrude and Paul Reynolds

1983, President's Commission on Organized Crime (appointed by President Reagan)

1985, Commission on the Bincentennial of The U.S. Constitution (as President Pro Tempore, U.S.S.)

Member: Baptist Church, American and South Carolina Bar Associations, Lions Club (50 years), and numerous defense, veterans, civic, fraternal and farming organizations:

FACILITIES NAMED FOR SENATOR THURMOND:

Thurmond Hall, Winthrop College, Rock Hills, S.C., 1939

Strom Thurmond High School, Edgefield County, S.C., 1961

Strom Thurmond Student Center, Baptist College, Charleston, S.C., 1972

Strom Thurmond Federal Building, Columbia, S.C., 1975

Strom Thurmond Center for Excellence in Government and Public Service, Clemson University, 1981

Strom Thurmond Auditorium at the University of South Carolina School of Law, 1982

Life-sized statute on the Town Square, Edgefield, S.C., 1984 erected by people of edgefield County

SELECTED AWARDS

Clemson University: Alumni Distinguished Service (1961), Medallion (1981), and Athletic Hall of Fame (1983)

WIS "South Carolinian of Year" (1968) –

33° Mason (1969)

National Patriot's Award by Congressional Medal of Honor Society (1974)

South Carolina Trial Lawyers Association Service Award (1980)

American Judges Distinguished Service Award (1981)

South Carolina Hall of Fame (1982)

Textile Man of Year (1984)

Napoleon Hill Gold Medal Humanitarian Achievement Award (1985)

Major awards from American Legion, VFW, DAV, AMVETS, National Guard, Army and Navy associations, farm and education groups, and foreign countries.

A TRIBUTE TO DR. VINCENT LECCESE

HON. NORMAN F. LENT

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, April 8, 1986

Mr. LENT. Mr. Speaker, it is my distinct pleasure at this time to recognize an individual who has made a significant contribution to excellence in the field of education. This individual is Dr. Vincent Leccese, superintendent of schools in Oceanside, NY. After 30 years of distinguished and dedicated service to the schools, the students and the community, Dr. Leccese will be retiring from the Oceanside School District. On May 8, Dr. Leccese's family, friends, and colleagues will hold a testimonial dinner in his honor. In recognition of this memorable occasion, I'd like to take this opportunity to recognize Dr. Leccese's many outstanding accomplishments and his valuable contributions to education and the Oceanside community.

Dr. Leccese began his professional career in 1956 as a guidance counselor with the school district. Since that time he has served in many capacities, as director of pupil personnel, principal of the Boardman Junior High School, coordinator of secondary education, and as assistant superintendent, before assuming the position as superintendent of Oceanside schools. In his various positions, he has been responsible for nearly every facet of management, including curriculum, personnel, budget development, and administration.

Dr. Leccese has been an effective leader in the field of education who is well-respected by his colleagues. This past summer, I met with Dr. Leccese and representatives of the Oceanside PTA Council and Board of Education to discuss the impact of tax reform on our local schools and education. I was presented with petitions signed by over 7,500 Oceanside residents protesting an end to the State and local tax deduction so important to New York taxpayers. This deduction is critically important to preserving the high standard of education in Long Island's public schools. Their help was essential in winning the fight in the House to retain this important deduction, and I am grateful for their support.

Admired by many for his dedication to meeting the educational needs of our young people, Dr. Leccese has worked hard so that our children could have the best possible education. His guidance and sound judgment have been a source of inspiration for many, and he will be sorely missed.

I'd like to extend my deepest appreciation to Dr. Leccese for his 30 years of dedicated service and valuable contributions to education and to the Oceanside community, .and I wish him much health and happiness in the years ahead.

HERBERT GODDARD AND DONALD PELLEGRINO 1986 ARCADIA CITIZEN OF THE YEAR AWARD

HON. CARLOS J. MOORHEAD

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, April 8, 1986

Mr. MOORHEAD. Mr. Speaker, I would like to call to the attention of my colleagues in the House of Representatives the selection of Mr. Herbert H. Goddard and Mayor Donald Pellegrino as recipients of the "1986 Arcadia Citizen of the Year Award". On March 28, Messrs. Goddard and Pellegrino were officially bestowed the award at the 72nd Annual Installation Dinner of the Arcadia Chamber of Commerce which was held on the Queen Mary in Long Beach, CA.

In Aracadia, the name of Herbert H. Goddard is synonymous with dedication and hard work, with efficiency, success and achievement. His contributions are many, including extensive involvement in the PTA, the boy scouts, youth sports, the Chamber of Commerce, business and community work.

He has been director and president of the Arcadia Chamber of Commerce, director of the West Arcadia Merchant's Association and a 10-year officer and director of the Arcadia Board of Realtors. Don is a member of the Masonic Temple, the Arcadia High Twelve Club and the Shriners. He was a prime mover in the city's drive to establish a museum for the historical society.

Don Pellegrino, who will be ending a term as mayor of Arcadia on April 15 along with an 8-year span on the city council, is recognized as an active, involved community leader. As a resident of Arcadia, Don has been a member of the Optimist Club, HOY [Help Our Youth], Arcadia Downtown Businessman's Association, March of Dimes, Kiwanis, Chamber of Commerce, and the American Red Cross.

Mayor Pellegrino was instrumental in establishing the Red Cross Chapter Building. Because of his dedication and hard work, Arcadians now receive the services of Meals-On-Wheels, the Blood Bank, disaster preparedness programs, and in association with Arcadia Methodists Hospital, a 24-hour emergency service facility. As a major facilitator of this project, Don demonstrated a talent for bringing together the people of the community so a dream could become a reality.

Mr. Speaker, I am delighted to take this moment to pay tribute to two fine citizens. Arcadia is a better place to live because of the efforts, the vigor, and the altruism of Herb Goddard and Don Pellegrino. On behalf of my constituents in the city of Arcadia, I extend my thanks for their untiring devotion to the people of the community and congratulate them on being named recipients of a grand and distinguished honor.

THE 125TH ANNIVERSARY OF ARMED SERVICES YMCA

HON. LES ASPIN

OF WISCONSIN

IN THE HOUSE OF REPRESENTATIVES

Tuesday, April 8, 1986

Mr. ASPIN. Mr. Speaker, I am honored to be a member of the Armed Services YMCA's Anniversary Committee; which is headed by General Dynamics chairman and CEO Stanley Pace as chairman and GEICO chairman and CEO William B. Snyder as vice-chairman. This year marks the 125th anniversary of service by the Armed Services YMCA to our military community. In celebration of this event and to attract attention to our military community, a dinner honoring the President, as Commander in Chief, the Joint Chiefs of Staff and other key Armed Forces leaders will be held by the ASYMCA on April 22. April was chosen for this initial celebration because National Volun-

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teer Week falls in that month and it is the anniversary of the commencement of the Civil War, when YMCA volunteers first began their service to the military.

Mr. Speaker, I would like to take a moment to inform my colleagues in the House of the history of this outstanding organization and the types of services it provides to our military community.

One week after the outbreak of the Civil War, a group of YMCA members voluntarily sought to provide helpful services to men in uniform. The volunteers aided and comforted soldiers in nearby encampments and later followed them to the battlefields.

On November 15, 1861, representatives from 15 YMCA's formed the U.S. Christian Commission. The Commission was created to coordinate overall YMCA efforts to alleviate the suffering of thousands of sick and wounded. The Commission's initial purpose of providing spiritual and physical comfort to soldiers on both sides of the war was commended and encouraged by President Lincoln.

During the Civil War, the ASYMCA established a War Prisoners Aid Program which was later undertaken on more massive scales during World Wars I and II. This prisoner-of-war work involved the distribution of books, magazine, cases of food, clothing, and medical supplies to soldiers in enemy camps throughout the Civil, First and Second World Wars. General Pershing stated that during World War I the YMCA conducted nine-tenths of the welfare work among American Forces in Europe. In the Second World War, similiar programs cost the YMCA $15,000,000 and involved POW camps in 33 countries, with supplies sent to 20 other countries which precluded personal visits by YMCA War Prisoners Aid staff. The Armed Services YMCA continued these types of programs to the military through the Korean war, the Vietnam conflict, and into the mid-1970's.

At this time the establishment of an All-Volunteer Armed Forces brought new demands to organizations serving young military people. In addition to the change in recreational patterns of young people, the number of young military families was increasing. The changing lifestyles of single personnel and the shifting patterns of military family needs in the eighties has resulted in a change of emphasis and style in the programs and activities that are provided by the Armed Services YMCA. One of the major trends of YMCA work with the military has been the increasing number of outreach programs provided for these young citizens in uniform.

The expanding network of branches and outreach units of the Armed Services YMCA will mean that an increasing number of our young service men and women will be helped in the months and years ahead. Some of those people will be married, some will be single. Most of them will be young. A few will need a great deal of help. Most will need only a friendly, home-like place where they can sort things out as they begin their new lives.

The Armed Services YMCA is committed to helping young military people by augmenting the people-oriented programs conducted by the Armed Forces themselves. Among the programs initiated by the Armed Services YMCA is the distribution of a newsletter called "Military Family Life." This newsletter currently goes out to some 45,000 military families across the Nation and overseas. Another important activity of the ASYMCA was the successful completion of a special project involved in family violence and child abuse and neglect issues as they relate to the military.

The Military Family Resource Center [MFRC], created and operated by the Armed Services YMCA for more than 4 years, develops resources and research materials, promotes interdisciplinary cooperation, and enhances an understanding of family advocacy issues as related to the military. The center was found to be so valuable that the Department of Defense formally institutionalized the center within the Office of the Secretary of Defense.

Activities and programs setup by the Armed Services YMCA serve as a bridge between local communities and military installations in areas where they are operated. They provide channels through which local citizens can offer help to the young service men and women stationed in their communities.

The Armed Services YMCA has provided invaluable service to our military community for 125 years. The main focus of this organization is enriching the quality of life for military people and their families. The Armed Services YMCA understands the importance of healthy, wholesome families and lifestyles, not only to the individuals in the Armed Forces, but also to the Defense Establishment itself.

Please join me in supporting the Armed Services YMCA, both in your own States as well as here in Washington on April 22.

LET US NOT FORGET

HON. THOMAS J. DOWNEY

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, April 8, 1986

Mr. DOWNEY of New York. Mr. Speaker, Government regulation; given the current rhetorical climate, you might think these are two of the most obscene words in the English language. But don't tell my constituent, "Triangle Fire" survivor Pauline Pepe, that; 75 years ago she saw 146 of her fellow garment workers die in a crowded ninth story sweatshop that had locked exits and crumbling fire escapes.

This is an unpleasant anniversary to contemplate. Try, if you can, to picture the scene: Hundreds of women literally trapped in a burning inferno, impossible to rescue due to ladders that only reached to the sixth floor of the nine story edifice. Many jumped to their death, unable to stand the smoke that poured from the windows. Others were asphyxiated. The lucky, like Pauline Pepe, escaped.

What is the moral of this sad story? Well, there are many. But let us consider what resulted. Due to the outrage over this tragedy, reforms in occupational-safety laws and fire codes were instituted. Future Triangle shirtwaist fires were avoided. That is one good thing that came out the human pain and suffering endured by so many who were unfortunate participants in this horror.

Quite rightly, the labor and the wounds of those who died and were injured in the Triangle shirtwaist fire were not in vain. Things have changed for the better. No longer do our garment and industrial workers labor in survival of the fittest factories.

But there are always those among us who would prefer to forget the past and move toward a completely deregulated workplace. Well, there is a word for a completed deregulated workplace. That word is "sweatshop" and it is not a proud part of our history. Let us make sure that today's deregulators do not deregulate us back to the stone age.

HARVEST OF DESPAIR FILM

HON. WILLIAM O. LIPINSKI

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, April 8, 1986

Mr. LIPINSKI. Mr. Speaker, I want to bring to the attention of my colleagues the internationally acclaimed Canadian documentary "Harvest of Despair.

For those not fully aware of the facts of the Soviet-induced Ukrainian Famine of 1932–33, the film provides rare footage and insights into the systematic starvation of upward of 7 million people. Coming at a time when the congressionally-mandated Commission on the Ukrainian Famine is about to begin its official factfinding work, Harvest of Despair will provide the necessary visual backdrop to the oral recollections and research into that dark period.

As in those all-too-frequent modern instances where historic facts have been subordinated to murky foreign policy objectives, Harvest of Despair has not enjoyed the wide opportunities for viewing so befitting a film of its stature. Foreign policy objectives aside, we can never allow past facts to be sacrificed to current political expediencies. If Harvest of Despair gives the Soviets cause to squirm, so be it. When we are dealing with historic facts, we need not extend equal time to those who have committed genocide and would now like a coverup.

Today, more than ever, we need for our broadcasters to take note of Harvest of Despair and to plan its showing as soon as possible. Americans should be able to judge for themselves the merit of this important work. We do not need to have the networks make this judgment for us.

Today, I call on my colleagues to bring this important work to the attention of their constituencies so that they can directly petition broadcasters to air the film. Until we have all seen this work and judged for ourselves, the true story of the Ukrainian Famine will be obscured.

NOTICE OF HEARINGS

HON. THOMAS J. BLILEY, JR.

OF VIRGINIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, April 8, 1986

Mr. BLILEY. Mr. Speaker, I would like to announce for the information of the House of Representatives and the public that the Congressional Coalition on Adoption is holding its first public hearing at 2 p.m. on Thursday, April 17, 1986, in room 485 of the Russell Senate Office Building. Witnesses at the hearing will address one of three issues: First, adoption benefits; second, adoption counseling; and third, health care for special needs adoptions. For further information about the hearing, or to recieve a detailed witness list as it becomes available, please call Maggie Wynne on my staff at (202) 255–2815 or Emily Cooke on Senator HUMPHREY's staff at (202) 224–2841.

TRIBUTE TO VENETIAN WOMEN'S CLUB

HON. DENNIS M. HERTEL

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Tuesday, April 8, 1986

Mr. HERTEL of Michigan. Mr. Speaker, ours is a nation built upon the hopes, aspirations, and sacrifices of men and women who have come to America in search of a more rewarding and humane existence. Their new surroundings, coupled with language and customs barriers, often many of them experienced frustrations and loneliness and a nostalgic longing for their old country.

In an effort to facilitate adjustment and assimilation into American culture, many subcultures banded together. One such group, founded 50 years ago on April 13 is the Venetian Women's Club of Mutual Benefit. It started with 30 women born in Venice, Italy, residing in Detroit, MI, dedicated to promoting a feeling of unity among its members and their families, were able to ease the transition into American society without sacrificing their cultural traditions.

Since its inception, the Venetian Women's Club has been active in civic and community projects, ethnic projects that gave visibility to their programs and their outreach activities. They have extended their activities among the poor, the elderly, and the disadvantaged and most recently have become involved in assisting battered women and children.

On April 13, 1986, the Venetian Women's Club will be celebrating its 50th anniversary at a banquet at which time they will reflect with pride on their many achievements in their humanitarian efforts in the Detroit area. In addition to assisting needy and distressed immigrants, these dedicated women have enhanced the quality of life through their generosity and constant concern for those who desperately needed counciling and guidance.

I feel this statement is a significant way to express my own congratulations to a group of community-minded individuals who deserve to be recognized nationally as a model of compassion, dedication, and concern. They set an example of the positive relationship that can be fostered by promoting a better understanding of peoples of varying backgrounds.

I salute them for their many innovative programs and achievements and congratulate them for 50 years of dedicated service.

CONGRESSIONAL SALUTE TO THE SALVATION ARMY

HON. ROBERT T. MATSUI

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, April 8, 1986

Mr. MATSUI. Mr. Speaker, I would like to call to the attention of my colleagues in the U.S. House of Representatives a very special time in the life of a tremendously valuable and important Christian service organization in Sacramento. On April 3, 1986, the Sacramento Citadel Salvation Army will celebrate its 101st anniversary of dedicated, sacrificial service to those people in our community who have unmet spiritual and social needs.

Under the able leadership of Capt. Hal Smith, his staff, a literal army of volunteers and a very active advisory board, the Salvation Army has established an excellent reputation of working to help meet important needs in our diverse, growing community. The Salvation Army does this through a wide variety of programs designed to assist those in our society who are less fortunate or who have fallen through the social safety net or through the cracks of other governmental assistance programs.

In many ways, this organization mirrors the very best attributes of our country: friendship, caring, and material assistance in times of true need. One needs only look at the people who are receiving this critical helping hand to see how successful this grassroots organization is: the elderly, the unemployed, the handicapped. Perhaps the most impressive aspect of the Salvation Army is that is always involved in helping meet basic needs like food, shelter, and clothing no matter the color or creed of a person.

As our community continues to grow and expand, the Salvation Army will play an ever more important role in developing and operating programs to help reinforce positive social and spiritual values in our young people and provide assistance to the basic family unit.

On behalf of the people of Sacramento, I would like to thank the men and women of Salvation Army who have committed their lives to helping others who are less fortunate and to commend them for their selfless devotion to this unhearalded but so meaningful task.

KILDEE INTRODUCES NATIONAL COMMUNITY EDUCATION DAY

HON. DALE E. KILDEE

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Tuesday, April 8, 1986

Mr. KILDEE. Mr. Speaker, today I am introducing a measure to designate November 18, 1986, as National Community Education Day.

Beginning in Flint, MI, in 1935, community education has become a significant force to help people find the best ways to use their resources to respond to their own needs and those of their neighborhoods. Flint has served as an example for other communities, showing how effectively community education works to promote interagency cooperation and community involvement. Success in Flint have led to the adoption of community education programs in an estimated 3,500 school districts in this country and around the world.

Within the last 4 years, 39 Govenors have proclaimed Community Education Days in their States. These State observances have served as occasions to recognize and support strong relationships between public schools and the communities they serve. They have provided community schools and community colleges opportunities to showcase collaborative programs and projects and to develop new community partnerships in support of public education. Past State Community Education Day events have included school open houses, exhibits and demonstrations at regional shopping malls, school-community-business luncheons, interagency workshops and meetings, poster and essay contests, and school-community awards programs.

I encourage my colleagues to join in this effort to recognize and commemorate community education.

WEST POINT HONORS THE MEMORY OF GENERAL EDWARD GILLETTE, JR.

HON. BILL GREEN

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, April 8, 1986

Mr. GREEN. Mr. Speaker, ' ask my colleagues to join in paying tribute to the memory of Brig. Gen. Edward C. Gillette, Jr. (retired) who died on March 14 at the age of 85. General Gillette retired from active duty in 1964 after 44 years of service. He spent the last 18 years of his Army career at the U.S. Military Academy at West Point where he was head of the physics and chemistry department.

General Gillette had a distinguished military career. Before World War II his assignments included tours at Army headquarters in Washington and at West Point where he was an instructor. He served with the Signal Corps personnel during the war.

After World War II, General Gillette was chief signal officer at the Potsdam conference, held in Soviet occupied Germany, where he helped develop a pioneering VHF radio line-of-sight system that kept the Ameri-

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cans in contact with U.S. Army headquarters in West Germany. The Soviets had refused to allow the Americans to use secure-land lines. General Gillette also participated in the 1946 atomic bomb tests.

His military decorations included the Distinguished Service Medal, two Legions of Merit, and the Bronze Star Cross.

Memorial Services for General Gillette were conducted by our own House of Representatives Chaplain, Dr. James Ford who had served with the general at West Point.

I thank my colleagues for taking time to honor the memory of this outstanding American.

SUPPORT FOR HUMAN RIGHTS

HON. BARBARA A. MIKULSKI

OF MARYLAND

IN THE HOUSE OF REPRESENTATIVES

Tuesday, April 8, 1986

Ms. MIKULSKI. Mr. Speaker, I rise to address two areas in which the United States now lags behind many other Western nations—human rights and international trade.

Last Friday in South Africa thousands of blacks rallied to honor countrymen slain at Sharpesville and Uitenhagen. In the past 19 months, nearly 1,200 people have died in protests, two-thirds of them at the hands of the government and local police. Their sacrifice stands as a monument to black resistance to the evil of apartheid.

Now, the testimony of a courageous South African doctor, and 134 sworn statements taken in a lawsuit she has brought against the government, confirm what we have suspected all along: antiapartheid activists, imprisoned and detained, are being beaten and tortured by the South African police.

Apartheid enslaves South Africans. And its consequences undermine our own economic security and prosperity. The competitive trade advantage enjoyed by authoritarian regimes is a direct result of repression. Workers are not paid a living wage. They are denied the right to organize against political and economic exploitation.

The availability of cheap apartheid labor leads American corporations to export jobs rather than invest in jobs here at home. Exports from South Africa then unfairly undercut American goods in the world market.

We can't compete against slave labor with give-backs and give-ups. We spend too much time blaming American workers and too little time blaming repressive regimes. The answer to cheap South African coal flooding world markets is not for American coal miners to give up their pensions, but for South Africa to give up apartheid.

The issue isn't coal. The issue isn't American productivity. The issue is apartheid.

American citizens are doubly penalized by this administration's human rights and trade policies. First, the decently paid jobs that once formed the backbone of our economy are being lost. Second, our trade policy, by turning a blind eye to human rights violations, leaves America too often identified with regimes whose policies contradict American values, traditions and morality.

CONTINENTAL SCIENTIFIC DRILLING AND EXPLORATION ACT OF 1986

HON. CLAUDINE SCHNEIDER

OF RHODE ISLAND

IN THE HOUSE OF REPRESENTATIVES

Tuesday, April 8, 1986

Mrs. SCHNEIDER. Mr. Speaker, I am extremely pleased today to introduce the Continental Scientific Drilling and Exploration Act of 1986. This legislation, together with S. 1026 now before the Senate, represent the first step toward formally implementing one of the most exciting programs in the Earth sciences of the last 20 years. The objective of scientific drilling on continents is simple—to study the Earth in the third dimension, to explore a domain never before sampled, and to understand processes which are at the very roots of the evolution of our planet, and ultimately, are the keys to the survival of its children.

The Earth is a living planet, breathing and pulsing with volcanic fire, shuddering with earthquakes, and nurturing its children on its water, mineral, and energy resources. Quite simply, this program is aimed at studying the fundamental way in which the Earth works and how humanity can best adapt to living on this sometimes bountiful, sometimes cantankerous, giant.

Mr. Speaker, the Continental Scientific Drilling Program joint resolution which was signed into law by President Reagan on October 12, 1984, has been of inestimable help in drawing together the interests of university scientists, industry and government agencies over the last year. The bill described here serves to set guidelines for implementing such a program. This research activity represents a unique opportunity for scientists and engineers from universities, government agencies and industry to work together to explore one of the most important frontiers of man's knowledge—the Earth's interior. This is not esoteric, invory-tower science favoring one or a handful of universities, but rather research of enormous societal benefit, from identifying new sources of energy and minerals to mitigating the effects of natural catastrophes. Unfortunately the earthquake last year in Mexico City and the volcanic eruption in Columbia underscore the importance of understanding and being able to predict these phenomena. Equally as unfortunate is that both of these phenomena are analogs of catastrophes waiting to happen within the coterminous United States. On the positive side is that problems such as these are precisely the kind of issues that the Continental Scientific Drilling Program proposes to study in order to predict and minimize the negative impacts.

Whereas natural catastrophes capture the headlines with loss of thousands, even hundreds of thousands of lives, we must recognize that literally millions of people are affected by the supply of energy resources, minerals and fresh water supplies. Paradoxically, the Earth is the receptor of our chemical, nuclear, and domestic waste at the same time that it is the provider of the resources we consume. How do all of these activities affect the natural systems we know so little about? How can we best utilize the Earth today, and yet maintain its integrity for future generations?

All of these questions lie at the heart of the multi-agency, multi-institutional research program to be implemented by the Continental Scientific Drilling and Exploration Act of 1986. I urge you to support this new legislation as one of the most innovative and most widely endorsed programs to be embarked upon in the Earth Sciences for the last two decades. The thrust of the legislation is largely explained in the text of the bill itself. I highly commend it to my colleagues' attention and ask unanimous consent that a copy of the bill be printed in the RECORD, as follows:

A TRIBUTE TO PEGGY DOSSER BENSON

HON. GEORGE (BUDDY) DARDEN

OF GEORGIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, April 8, 1986

Mr. DARDEN. Mr. Speaker, the arts community of Marietta and Cobb County, GA, has benefitted for more than 40 years from the generous and unselfish contributions of Peggy Dosser Benson. Soon she will be honored, appropriately, by the naming in her honor of a performance stage in Marietta's Glover Park.

This facility, in the restored park which is at the heart of downtown Marietta, will become a showcase for the performing arts which Peggy Benson has done so much to nurture and promote. It is a fitting monument to her tireless efforts on behalf of music, theater, and dance.

Mrs. Benson has lived in Marietta since childhood and is best known for founding the Cobb Arts Council. She was instrumental in the opening of the cultural arts theater in the Cobb Civic Center complex.

Her performance credits include singing with the Atlanta Civic Opera, Atlanta Choral Guild, the Marietta Madrigal Singers, and the Marietta First United Methodist Church choir.

A graduate of the voice and drama program at Sullins College in Bristol, VA, Mrs. Benson also earned a degree in Christian education from Asbury College in Wilmore, KY. She was a public school music teacher in Marietta and, later, director of Christian education at Marietta First United Methodist Church.

Her community service spans not only the arts and church activities, but also medicine, education, human services and civil and garden clubs. She has served on the boards of directors of Marietta-Cobb Fine Arts Center, Kaleidoscope, Cobb-Marietta Ballet, Marietta Community Symphony trustees, Marietta Music Club, Marietta Little Theater, Georgia Citizens for the Arts, Greater Atlanta Arts Council, Atlanta String Academy, and the Atlanta Symphony Guild.

Mr. Speaker, I invite my colleagues to join me in saluting Peggy Dosser Benson for the devotion of much of her life to broadening public appreciation of the arts, and for her priceless contributions to the cultural life of her community.

A FEDERAL TAX AMNESTY?

HON. WILLIS D. GRADISON, JR.

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Tuesday, April 8, 1986

Mr. GRADISON. Mr. Speaker, the desperate search for ways to reduce the budget deficit has revived the idea of a Federal tax amnesty.

Last year, the Federal Government lost $100 billion in revenues due to underrreported and unpaid taxes. A Federal tax amnesty, promising a surge of revenues without a tax increase, is obviously very appealing. A number of States have offered tax amnesties in recent years with apparent success. In Massachusetts, for example, a 1983 tax amnesty which was expected to collect $20 million actually picked up three times that amount.

Success in a few States, however, does not necessarily translate into comparable results for the Federal system. Amnesties have been most productive in States with slack tax collection programs. Federal enforcement, on the other hand, is relatively tight. The people who know most about tax collection, such as IRS Commissioner Roscoe L. Egger, Jr., question claims that forgiving tax cheaters could bring in $10 to $25 billion in a one-time coup for the Treasury.

A Federal tax amnesty would also set a bad precedent, as well as violate a sense of equity. Those who cheat, expecting future amensties, would have no incentive to change their practices. Honest taxpayers, on the other hand, would correctly perceive an amnesty as special treatment for dishonest taxpayers and an erosion of the policy of administering tax laws uniformly. A Federal tax amnesty would also contradict our system of voluntary compliance.

A better way to raise the revenues would be to provide additional resources with which to go after uncollected taxes. Though not a popular subject, the fact is that the IRS has been underfinanced for years. This austerity has reduced the number of Federal tax audits to little more than 1 percent of the returns, compared with 5 percent 20 years ago.

At the margin, the IRS collects taxes quite efficiently. For every dollar spent on matching information documents, the IRS collects $20; for every dollar spent on audits, the IRS collects $10; for every dollar spent on collections, the IRS gains $6.

Furthermore, one-time revenue pickups do not address the fundamental problem of structural deficits. Even a big revenue pickup from a Federal tax amnesty would only see the deficit return to preamnesty levels. In fact, a tax amnesty could even result in a larger deficit by encouraging taxpayers to cheat in the expectation that there would be future amnesties.

Congress should resist the temptation to try a dubious, one-shot revenue gainer and instead face up to the task of real deficit reduction.

MARTIN LUTHER KING ESSAY CONTEST

HON. MAJOR R. OWENS

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, April 8, 1986

Mr. OWENS. Mr. Speaker, despite the fact that the Peace Academy which Congress authorized has not come to fruition, every effort must be made to promote peace. On January 20, 1986, at the first celebration of the birthday of Martin Luther King the 12th Congressional District awarded prizes to students who participated in an essay contest on peace. More than 400 students submitted essays. The following are the winners in the junior high school and high school essay contests.

If I Lived in a Peaceful World—A Martin Luther King Dream

(By Gail Fraser, Summit SP Junior High School, District 13)

Dr. Martin Luther King, Jr. was a man with a very hopeful and promising dream. He dreamed of a world where hate, prejudice and social injustice hardly existed. He dreamed of a peaceful world.

I, too, like Martin Luther King, have a dream of a world filled with peace. It's a world complete with social justice, love and equality, a world surrounded with happiness and joy. I dream of a place where all people are bound together, united and free, and are not segregated for any reason. I dream of a place that surmounts the harshness and cruelty of mankind. I wish for a world that is like a dove in the sky.

To visualize this peaceful world is to have a vision of Dr. King's dreams and teachings. He told us to love each other, fight for what we thought was right without the use of violence, and, most of all, to be proud of ourselves. We have to work together, live together and strive together to achieve that one common goal! He preached love and kindness with such eloquent words that it touched the hearts of many.

The man is gone today and people everywhere were robbed of someone very special. Nevertheless, his ideas, deeds and his exceptional dream of peace will never be forgotten!

If I Lived in a Peaceful World—Dr. Martin Luther King Dream

(By Suzanne Holmes, Intermediate School 391, District 17)

If I lived in a peaceful world, I would wake up every morning and not hear that seven people were killed with handguns; that terrorists had killed little children and adults at an airport waiting to come home; that individuals had thrown a smoke bomb in a crowded disco room and then held the door causing eighteen to twenty people to be overcome by smoke. If I lived in a peaceful world, I wouldn't hear that a doctor who hadn't even performed surgery on a patient would be killed in his own office inside a hospital; that a newborn baby could be left in a plastic bag inside a hallway or that thieves had robbed a church's poor box at Christmas time.

If I lived in a peaceful world, I would expect to see evidence of the love Jesus taught us to have for one another. Neighbor helping neighbor: man helping those who are a little less fortunate than they are: families that are together eating, playing and praying and not torn apart by strife, greed, jealousy or divorce. I would expect to see children going to school and playing with each other and not be concerned if one's black or not, that all would have an equal chance to higher education regardless of one's financial status.

If I lived in a peaceful world, I would see one country reaching a helping hand to help another one that has suffered a disaster; I would not expect to hear of arms building up and talk of nuclear attack or star wars.

If I lived in a peaceful world, I would expect my troubles to be minor and that 99 44/100 percent of my days to be happy peaceful ones.

If I Lived in a Peaceful World—Dr. Martin Luther King Dream

(By Raquel Baker, Intermediate School 390, District 17)

If I lived in a peaceful world my life would be entirely different from the one I'm living now. I would have more friends of all races, and I would be able to go anywhere I want to without fear. I would not worry about getting mugged or killed. There would not be so much fighting and violence among the people. More people would be treated with more respect. There would be less crime and the world would be a better place to live in.

More kids would be eager to get an education instead of using drugs. Neighborhoods would be safer. There would be no war among countries and people would be free to move from one country to another without restrictions. Doors and windows would not have to be locked at all times. There would be less people in prison. There would be less of a need for armed forces and nuclear arms, and so the people would pay less taxes. We would be healthier because there would be less pollution and cleaner surroundings.

If I lived in a peaceful world, life would be beautiful. All people would be my brothers and sisters.

If I Lived in a World of Peace—A Dr. Martin L. King Jr. Dream

(By Ashton Cudjoe, Intermediate School 390, District 17)

If I lived in a world of peace, violence would be unknown. It would be very nice in such a world. Wars would never exist and no one would be thinking of nuclear weapons. There would be no simple accident which can cause the world to be destroyed.

Dr. Martin L. King, Jr. said "I have a dream that my four children will one day live in a nation where they will not be judged by the color of their skin but by the content of their character." If we lived in such a nation you would see black and white children playing together and holding hands. This would prove that people are created equally, and that we should all care for each other.

Many people are still prejudiced today, but we must all in some way try to overcome this. It is said "We are not born prejudiced, we are taught to be prejudiced." If people no longer taught their children to be prejudiced, we might just be able to create this world of peace.

If I lived in a world of peace, I would even try to make things better. This can never be a perfect world. If we try to change the things that are wrong, we can try to make the world as close to perfect as we can.

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Prologue

(By Kim Cherry, Bishop Loughlin Memorial H.S., District 13)

On January 15, 1929, a child was born, born into a destiny that could not be avoided, that of being black in a white society. As this child became a man, he fought for racial equality with a force never used before. He wanted someday "for the sons of former slaves and the sons of former slave owners to be able to sit together at the table of brotherhood."

If only Dr. King were alive today to see what great things he has done. None of it would have been possible without this.

In the 1950's and 1960's, the goal of a great man known throughout the world today as Dr. Martin Luther King, Jr. was to achieve a status of racial equality throughout this great nation. Dr. King went about reaching this goal in a manner rarely thought of today. He did it in a respectable manner, through non-violent retalliation and peace. His philosophy was this, "If I react to your evil with hate, you will respond with more evil. But if instead I meet your evil act with love, you will be inspired to abandon your evil ways. Brotherly love stops evil in its tracks." It was upon these words of the Indian leader, Mahatma Ghandi, that King based his pursuit for freedom.

King had a dream, a dream that "one day this nation would rise up and live out the true meaning of its creed," a dream that people of their character," a dream that is a reality today, a dream that was made a reality through the non-violent principles King so deeply believed in.

In order to build a peaceful world today, we need to follow in the peaceful footsteps made by Dr. King. I wonder how many others besides myself have this dream. But no matter the number, there is only one way for this dream to become a reality, and that is through peace and non-violence.

Epilogue

(By Iramane Desrosiers, Prospect Heights H.S., District 17)

On April 4, 1968, as Dr. King leaned from the balcony of his motel in Memphis, Tennessee, across the street James Earl Ray fired a shot that killed Dr. King. The man is dead, but the dream lives on.

Thank you Dr. King.

In 1863, President Lincoln signed the Emancipation Proclamation freeing the slaves in the states, but the Thirteenth Amendment actually ended slavery in the United States. In other parts of the world, people in slavery were still fighting for their freedom.

One hundred years later, Blacks in the United States still were not free. They were still "chained" to many endured injustices. It took a man with devotion, courage and love to show white people that freedom was given to every American. The minds of Black people should no longer be enslaved under this prejudices of whites. Everyone should have the same rights and should acquire their citizenship to the fullest. The man who believed in such ideas was Dr. Martin Luther King, a black man.

He wanted all Americans to have the same rights. He believed that if everyone had the same rights, there would not be superior and inferior classes in the United States. Prejudices and pressure between Whites and Blacks would not exist. There would be justice and every American would be satisfied and happy.

I believe that if people lived by the "laws of the lands," and saw to it that equality was not something we had to dream of, there would not be any strikes against government rules. Justice would be the center of everyones life. And if we accepted the concept of equality, the right to live, to vote and voice our opinions, people would respect each other more.

Dr. King guided his people into protest in an imaginative and unprecedented manner to stimulate powerful federal legislatation. He used non-violent actions to gain justice and respect for Blacks as Ghandi did to free his country from British colonization. Dr. King pointed out, during a meeting, that the choice was no longer between violence and more violence. It's either non-violence or non-existence. He used non-violence as a way of perfecting social change in a world of brutality and war.

I believed that we can resolve our problems without using violence and injustice by being fair and responsible for our actions. We will not survive with all of our differences, languages, customs and points of view if we think that violence is the solution. I think that people must avoid violence, murders and brutality. Nuclear bombs, weapons and pollution should also be banished because there will be no use for such things on earth if we follow his teachings. There won't be any need for violent and aggressive television shows because everyone will want to keep violence out of their minds, and live in a quiet and peaceful world.

Unity was also something Dr. King invisioned. He guided his people to be united because he knew that "unity created strength." Every Black at the meetings shared a communion of spirit. Everyone agreed to others' suggestions because each of them knew that they had the same hopes and were in the same predicament. They stayed united to fight for what they believed was right.

However, unity is a word that is losing its power in our world. People think that they can, by themselves, arrive at a solution to solve our problems. We musn't forget that "unity creates strength," and we all want that strength to put an end to governmental conflicts.

If something happens to our planet, it will affect all of us and nobody will be able to blame the other because we could have avoided the disaster if we only had given up our differences and had done what we thought was best for all human beings. The two things that Dr. King insisted upon was that everyone love their enemies and for everything to be disciplined. Justice cannot be right if there is no discipline. People cannot be united if there is no love for all mankind. Dr. King said that no matter what the whites had done to Black people, they should not be treated violently.

There will be many changes that we haven't seen before. A time when everyone will start to care for others and forgetting our problems. We will try to relieve others of their pains, fears, illnesses, fatigue, suffering and hate. Everyone will try to make life better for others. People will live in harmony. God compassionately will do the rest of the work for us as he will know that there is a change in our heart. We will conduct our struggle "on a high plane of dignity and discipline." We will never drink from the cup of hatred and bitterness.

All of our problems and conflicts won't be anymore. People will live happily and will have longer life spans. Respect, love, truth, discipline, unity and non-violence will be the new laws on earth. All of this we can have if we follow the examples that Dr. King gave to us during the protest against segregation aimed to Blacks in America.

He was right. The situation between Blacks and Whites has been improving. White and Black children are now going to the same schools. There are fewer segregated seats in churches, and also there is less injustice. His rules might be difficult to follow, but if we believe that it is the only way to reach the top of the temple of peace, then it will not be difficult. Love, justice and truth always wins.

HOUSE OF REPRESENTATIVES—*Wednesday, April 9, 1986*

The House met at 10 a.m.

The Chaplain, Rev. James David Ford, D.D., offered the following prayer:

Gracious God, by whose act of creation we have come and to whom we shall return, bless Your people as they seek to do justly, love, mercy, and walk humbly with You. Speak, O God, to those people who have any special concern and may Your Holy Spirit give strength to those who are weak and give healing to those who have need. Make real Your presence so that we will never walk alone but will ever know Your love, a love that will be with us always. In Your name, we pray. Amen.

THE JOURNAL

The SPEAKER. The Chair has examined the Journal of the last day's proceedings and announces to the House his approval thereof.

Pursuant to clause 1, rule I, the Journal stands approved.

Mr. BARTON of Texas. Mr. Speaker, pursuant to clause 1, rule I, I demand a vote on agreeing to the Speaker's approval of the Journal.

The SPEAKER. The question is on the Chair's approval of the Journal.

The question was taken; and the Speaker announced that the ayes appeared to have it.

Mr. BARTON of Texas. Mr. Speaker, I object to the vote on the ground that a quorum is not present and make the point of order that a quorum is not present.

The SPEAKER. Evidently a quorum is not present.

The Sergeant at Arms will inform absent Members.

The vote was taken by electronic device, and there were—yeas 269, nays 103, not voting 62, as follows:

[Roll No. 68]

YEAS—269

Ackerman
Akaka
Alexander
Anderson
Andrews
Annunzio
Anthony
Applegate
Archer
Aspin
Atkins
Barnard
Barnes
Bateman
Bates
Bedell
Beilenson
Bennett
Berman
Bevill
Biaggi
Boggs
Boland
Boner (TN)
Bonior (MI)
Borski
Bosco
Boulter
Boxer
Breaux
Brooks
Brown (CA)
Broyhill
Bruce
Burton (CA)
Bustamante
Carper
Carr
Chappell
Clinger
Coelho
Coleman (MO)
Coleman (TX)
Collins
Combest
Conyers
Cooper
Coyne
Craig
Crockett
Daniel
Darden
Daschle
Davis
de la Garza
Dellums
Derrick
Dicks
Donnelly
Dorgan (ND)
Dowdy
Downey
Duncan
Dwyer
Dymally
Early
Eckart (OH)
Eckert (NY)
Edgar
Edwards (CA)
English
Erdreich
Evans (IL)
Fascell
Fazio
Feighan
Fish
Flippo
Foley
Ford (MI)
Ford (TN)
Frank
Franklin
Frenzel
Frost
Fuqua
Garcia
Gaydos
Gejdenson
Gibbons
Gilman
Glickman
Gonzalez
Gordon
Gradison
Gray (IL)
Gray (PA)
Green
Hall (OH)
Hall, Ralph
Hamilton
Hammerschmidt
Hartnett
Hatcher
Hayes
Hefner
Hertel
Hillis
Holt
Hopkins
Horton
Howard
Hoyer
Hubbard
Huckaby
Hughes
Hutto
Hyde
Jeffords
Johnson
Jones (OK)
Jones (TN)
Kanjorski
Kaptur
Kasich
Kastenmeier
Kennelly
Kildee
Kleczka
Kolter
LaFalce
Lantos
Leath (TX)
Lehman (CA)
Lehman (FL)
Levin (MI)
Levine (CA)
Lipinski
Livingston
Long
Lowry (WA)
Luken
MacKay
Manton
Markey
Martin (NY)
Matsui
Mavroules
Mazzoli
McCain
McCloskey
McCollum
McCurdy
McDade
McEwen
McHugh
McKinney
McMillan
Meyers
Mica
Mikulski
Miller (CA)
Mineta
Moakley
Mollohan
Montgomery
Moody
Moore
Morrison (CT)
Morrison (WA)
Mrazek
Murphy
Natcher
Nelson
Nielson
Nowak
Oakar
Oberstar
Obey
Olin
Ortiz
Owens
Packard
Panetta
Pease
Pepper
Perkins
Petri
Pickle
Porter
Price
Pursell
Quillen
Rahall
Rangel
Ray
Regula
Reid
Richardson
Ritter
Robinson
Rodino
Roe
Rose
Rostenkowski
Rowland (CT)
Rowland (GA)
Roybal
Rudd
Russo
Sabo
Savage
Scheuer
Schneider
Schulze
Schumer
Sharp
Shumway
Sisisky
Skelton
Slattery
Smith (FL)
Smith (IA)
Smith (NE)
Smith (NJ)
Snyder
Solarz
Spratt
St Germain
Staggers
Stallings
Stark
Stenholm
Stratton
Studds
Sweeney
Swift
Synar
Tallon
Tauzin
Thomas (GA)
Torricelli
Towns
Traficant
Traxler
Udall
Valentine
Vento
Visclosky
Volkmer
Walgren
Watkins
Waxman
Weaver
Weiss
Wheat
Whitley
Whitten
Williams
Wirth
Wise
Wolpe
Wortley
Wright
Wyden
Wylie
Yates
Yatron
Young (MO)

NAYS—103

Armey
Badham
Bartlett
Barton
Bentley
Bereuter
Bilirakis
Bliley
Boehlert
Brown (CO)
Burton (IN)
Carney
Chandler
Chapple
Coats
Cobey
Coble
Coughlin
Courter
Crane
Dannemeyer
Daub
DeLay
DeWine
Dornan (CA)
Dreier
Durbin
Dyson
Emerson
Evans (IA)
Fawell
Fiedler
Fields
Gallo
Gekas
Gingrich
Goodling
Gregg
Gunderson
Hansen
Hendon
Henry
Hiler
Hunter
Ireland
Jacobs
Kindness
Kolbe
Kramer
Leach (IA)
Lent
Lightfoot
Lloyd
Loeffler
Mack
Marlenee
McCandless
McGrath
McKernan
Miller (OH)
Mitchell
Molinari
Monson
Moorhead
Oxley
Parris
Pashayan
Penny
Roberts
Roemer
Rogers
Roth
Roukema
Schaefer
Schroeder
Schuette
Sensenbrenner
Shaw
Shuster
Sikorski
Siljander
Skeen
Slaughter
Smith, Denny (OR)
Smith, Robert (NH)
Smith, Robert (OR)
Snowe
Solomon
Spence
Stangeland
Strang
Sundquist
Swindall
Tauke
Taylor
Walker
Weber
Whitehurst
Whittaker
Wolf
Young (AK)
Young (FL)
Zschau

NOT VOTING—62

Addabbo
AuCoin
Bonker
Boucher
Broomfield
Bryant
Byron
Callahan
Campbell
Chapman
Cheney
Clay
Conte
Dickinson
Dingell
DioGuardi
Dixon
Edwards (OK)
Florio
Foglietta
Fowler
Gephardt
Grotberg
Guarini
Hawkins
Heftel
Jenkins
Jones (NC)
Kemp
Kostmayer
Lagomarsino
Latta
Leland
Lewis (CA)
Lewis (FL)
Lott
Lowery (CA)
Lujan
Lundine
Lungren
Madigan
Martin (IL)
Martinez
Michel
Miller (WA)
Murtha
Myers
Neal
Nichols
O'Brien
Ridge
Rinaldo
Saxton
Seiberling
Shelby
Stokes
Stump
Thomas (CA)
Torres
Vander Jagt
Vucanovich
Wilson

☐ 1015

So the Journal was approved.

The result of the vote was announced as above recorded.

PERSONAL EXPLANATION

Mr. LEWIS of Florida. Mr. Speaker, due to official business I was not present for rollcall vote No. 68. Had I been present I would have voted "no" on rollcall 68, the Speaker's approval of the Journal.

MESSAGE FROM THE SENATE

A message from the Senate by Mr. Hallen, one of its clerks, announced that the Senate had passed bills and a joint resolution of the following titles, in which the concurrence of the House is requested:

S. 1707. An act to authorize the President to present a gold medal to the parents of Father Jerzy Popieluszko;

S. 1756. An act to authorize the President to present to Sargeant Shriver, on behalf of the Congress, a specially struck medal;

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S. 1895. An act for the relief of Marlboro County General Hospital Charity, of Bennettsville, SC;

S. 1952. An act to provide for the striking of medals to commemorate the Young Astronaut Program;

S. 2084. An act authorizing the President to present gold medals to the families of the crew members of mission 51-L of the space shuttle *Challenger*;

S. 2179. An act to amend the Communications Act of 1934 to provide for reduction in the term of office of members of the Federal Communications Commission, and for other purposes; and

S.J. Res. 222. Joint resolution concerning the cruel and inhuman killing of Leon Klinghoffer and Robert Stethem by international terrorists because they did not submit to the demands of these terrorists.

□ 1025

RED MEAT BUYOUT

(Mr. CRAIG asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. CRAIG. Mr. Speaker, last week when the Department of Agriculture announced that it was implementing the milk production termination program, a shock wave, truly a shock wave hit the red meat livestock industry of this country. It is now estimated that this program may well have taken from the cattle markets of this country as of last night over $300 million.

It is now critically important that this body urge the Secretary of Agriculture to move immediately in the buyout of the red meat that was ordered in Public Law 99-198, that ASCS, under his direction, establish an orderly slaughter program within the designated three-period approach.

If we do not do this, the cattle industry of this country, that has suffered under adverse market conditions for the last 5 years, will be ultimately broke. It is now critical as one Government program destroys a segment of our livestock industry that we now ask our Secretary to respond immediately, to send a message to our markets that we will solve this problem, we will do it in an orderly fashion, within the confines of the current law.

CREDIBILITY OF THE CIVIL RIGHTS COMMISSION

(Mr. MITCHELL asked and was given permission to address the House for 1 minute.)

Mr. MITCHELL. My colleagues, I want to talk to you for just a moment about the issue of credibility. There was the old Malthusian theory of population which is outmoded, and it is not credible anymore. There is a man who wrote a book about the life of Howard Hughes, and it turned out to be a bogus publication, and it is not credible. In the Christian faith, there was Judas who betrayed Jesus, and of course, Judas has no credibility.

Now we have a noncredibility item coming out of the U.S. Civil Rights Commission, a typical, nonsubstantiated report about set-asides for minority business. I would suggest to you that that Commission has no more credibility than the old Malthusian theory, that Mr. Pendleton has no more credibility than does Judas, and that any report that comes out of the Civil Rights Commission is a biased and nonobjective report because of the philosophical orientation.

My hope would be that we get rid of that whole pesky bunch over there, because they lack credibility, and anything that is turned out ought to be viewed with suspicion and doubt because they are a noncredible entity.

This Civil Rights Commission that once was a decent, fighting body that has turned into a toady instrument for the Reagan administration.

CUT OFF YOUR TAIL TO SAVE MY FACE

(Mr. DANNEMEYER asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. DANNEMEYER. Mr. Speaker, one of Aesop's fables tells us about a fox that lost his tail in a trap and felt ashamed of his disfigurement. He wanted to persuade the other foxes to maim themselves in the same manner; then, he thought, his own loss would not be so conspicuous. At the assembly of foxes he pleaded with his peers thus: "Your tail is a superfluous appendage, ugly to look at, and cumbersome to carry around. You should snip off the offender." But an elderly fox objected: "Wait a minute! You only give us this advice because it suits your own book."

Mr. Speaker, 2,500 years after Aesop, the word became flesh. Foreign currencies have lost much of their value and the American dollar, which has been depreciating more modestly, appeared to be stronger. The foreigners became envious and prevailed upon us to cut off our tail—in the name of helping our farmers and our workers employed in the export industry. To add insult to injury, they also insisted that we should do the cutting piecemeal—in the name of preserving orderly conditions in the foreign exchange markets. Never has a more cruel trick been played on the American farmers and workmen. They are certainly not getting the benefits promised, while they are being paid ever cheaper dollars for their effort.

Those who applaud us as we are cutting the value of the dollar do so because they stand to reap the benefits of riskless speculation against the dollar, at the expense of the American saving public. They have a free ride in selling the dollar short. Like Aesop's fox, they suit their own book. We should not be so foolish as playing right into their hands. The help to American farmers and workmen does not lie in the direction of further destabilization, but in the direction of the stabilization of the dollar: In the direction of the resumption of a gold standard.

PROTECTING AMERICANS IN GERMANY

(Mrs. SCHROEDER asked and was given permission to address the House for 1 minute and to revise and extend her remarks.)

Mrs. SCHROEDER. Mr. Speaker, in Germany I think we all know we have the highest concentration of Americans outside of America, and they are there because we have ordered them there, and they are there protecting the Western Alliance.

I think we also know from the news events of the last few weeks that they are in great jeopardy because we do not know quite what is happening in the whole terrorist area.

There is one thing I would like to have other Members join me in asking the Western Republic of Germany to do to help protect these people. For a long time, they have had license plates on their cars that stand out and are very different than everyone else's. We have made a tremendous emphasis in trying to protect property over there, but we now need to protect our people over there. One of the ways we can do it is to try and make their cars less a target and make them less a target.

Greece has now granted our troops plates that look just like other Greek plates, and I certainly hope the Western Republic of Germany, without further ado, or any other Mickey Mouse, will give us those kinds of plates for American servicemen in Germany. I think it is the least they can do to protect their well-being.

WELL WISHES TO MANUEL LUJAN AND BILL NICHOLS

(Mr. SKEEN asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. SKEEN. Mr. Speaker, I want to take this opportunity to wish our colleague from New Mexico, and my friend, Manuel Lujan, a quick and complete recovery. As almost everyone knows, Manuel underwent triple bypass surgery Sunday morning in Albuquerque and after talking with his family, I am happy to report that his recovery from surgery is progressing very well. In fact, Manuel is up and walking and beginning to catch up on his reading just yesterday.

I am pleased to say that he is in good hands and in good spirits. Manuel has been a tireless and dedicated Member of this distinguished body for some 18 years. And while he is recuperating, Manuel's leadership will be sorely missed here in Washington, and I am sure I speak for the entire House when I say we all look forward to Manuel's return.

Mr. MONTGOMERY. Mr. Speaker, will the gentleman yield?

Mr. SKEEN. Certainly I am pleased to yield to the gentleman from Mississippi.

Mr. MONTGOMERY. Mr. Speaker, I appreciate the gentleman bringing up Manuel Lujan. But I would also like to point out that Congressman Bill Nichols from Alabama has also had a heart bypass. He is making a wonderful recovery, and I thought maybe the membership would like to know about Bill Nichols.

Mr. SKEEN. I would certainly join with the gentleman in that regard and thank him.

DELAWAREANS CELEBRATE THEIR SWEDISH-AMERICAN HERITAGE

(Mr. CARPER asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. CARPER. Mr. Speaker, I am pleased to have the opportunity to bring to the attention of my colleagues House Joint Resolution 560, which I joined Representative Hughes of New Jersey in introducing last month as an original cosponsor. The resolution commemorates the 350th anniversary of the landing of the first Swedish settlers in America by making 1988 the "Year of New Sweden."

The people of Delaware are proud of the historic significance of the first Swedish settlement in America on the shores of the Christina River at what is today Wilmington, DE. That small group of pioneers, who came to this land in 1638, along with thousands of Swedes who have immigrated since, have grown with our country. Today, they number over 4 million, and reside in every State in the Union.

From the time they landed in Delaware and established the colony of New Sweden to the present, Swedish-Americans have made invaluable contributions to the cultural, political, and economic development of our country. Swedish-Americans have been involved in virtually every aspect of the American experiment, from being signers of the Declaration of Independence, to being some of the first pioneers in America's westward expansion, to their present-day prominence as captains of industry, political leaders, and eminent scholars and artists. The contributions of Swedish-Americans to our national heritage is great, and continues to grow.

In recognition of the first Swedish settlers' 350th anniversary, 14 communities throughout the United States from California to New Jersey and Minnesota to Texas are planning celebrations of their landing in Delaware. In my State, Ms. Camille Julin and the Kalmar Nyckel Commemorative Society are planning to construct a replica of one of the ships that brought the first Swedes to America as part of Delaware's celebration of this historic event.

Mr. Speaker, I urge my colleagues in the House to join me in supporting this important resolution to designate 1988 as the "Year of New Sweden."

THE CONSTITUTIONAL RIGHT TO BEAR ARMS

(Mr. WALKER asked and was given permission to address the House for 1 minute.)

Mr. WALKER. Mr. Speaker, there are people in this House who honestly believe that the crime problem can be dealt with by keeping guns away from the American people. They honestly think the problem is guns rather than criminals. I think they are wrong.

Others of us do not believe that responsible gun ownership is the problem in this country. In fact, we believe that responsible gun ownership is a fundamental constitutional right that should be protected and enhanced by our actions in this House.

Those differing philosophies will be in conflict in our debate today. We will hear a lot of rationalizations, but the basic argument is clear. We are being asked to stand with this country's sportsmen or against them. All of the fancy words and protests to the contrary will not change the basics of the debate.

If you believe that responsible gun ownership is a right, you should not be voting for gun control. If you think it is time to get tough with criminals who use guns in crimes, you should not be voting for bills that concentrate law enforcement on guns rather than on criminals. Law-abiding, gun-owning sportsmen will be watching our votes very closely today, and they will know who is for them and who is against them.

Gun ownership is a right. I intend to stand with our sportsmen with my vote for the Volkmer substitute.

GUN CONTROL

(Mr. OWENS asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. OWENS. Mr. Speaker, gun control is a life-and-death matter. The murder rate in New York City went down last year slightly. Unfortunately, the rest of the crime rate did not go down, but the murder rate certainly went down, and part of that is due to the fact that we are enforcing more stringently very strong State gun-control laws.

Unfortunately, last weekend, there was an announcement made that the National Rifle Association will open a crime prevention center in my district—in Bedford-Stuyvesant, a part of my district—and that crime prevention center, I assume, will advocate that more guns are the answer to less crime. You can have less crime if you have more guns.

The senior citizens in my district do not think that more guns mean less crime. They are frightened of guns. The teenagers who go to school and are always alarmed at the appearance of a gun—1 gun will generate 1,000 knives in defense of themselves, and they do not want more guns. More guns are not the answer.

We could have greater control of narcotics at the border, greater enforcement of the laws to stop the selling of narcotics, of marijuana, the new drug, crack, cocaine. There are a number of things that can be done to lessen the crime in my district, but we do not need the National Rifle Association opening a center to advocate more guns as the answer to crime.

The people in my district are already terrified. There is too much crime already. More guns will mean that the criminals have more of an advantage than they already have. It is a life-and-death matter, and what we do here today is very important in determining whether or not people live or die in my district.

INTRODUCTION OF CREDIT CARD INTEREST RATE BILL

(Mr. KOLBE asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. KOLBE. Mr. Speaker, in recent months, the national media has devoted a good deal of attention to the subject of credit card interest rates, particularly why these rates have not declined along with others, and what the appropriate governmental solution, if any, should be. Today, I am introducing legislation which I believe will go a long way toward helping the American consumer without undue interference by the Federal Government in the marketplace.

My bill is very simple. It would require all depository institutions that offer credit cards to report to the Federal Reserve Board, on a quarterly basis, the following information: Annual percentage rate, "grace period," annual fee, and any other fees or service charges. The Federal Reserve would compile this information

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on a State-by-State basis, based on solicitations within a State, and publish the information in the Federal Register. This information would also be available for sale to the public through the Consumer Information Center in Pueblo, CO.

This legislation is designed to accomplish two goals: It provides a mechanism for comparison shopping by the consumer, and this comparison shopping should lead to increased competition and lower rates among those institutions that offer credit cards.

I urge my colleagues to join me in cosponsoring this important consumer legislation.

□ 1040

H.R. 4332: A FAIR AND BALANCED BILL

(Mr. HUGHES asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. HUGHES. Mr. Speaker, I have never in my life experienced an issue that generates more heat and less light than firearms legislation. It is absolutely incredible. I just spent 2 weeks back in my district; a district that is extremely rural; a district that has probably as many gun clubs per capita as any district, certainly any in the Northeast. I am a hunter myself. I chair the Subcommittee on Crime, as you know. I have spent 25 years in law enforcement, one way or another, either as a prosecutor or working, trying to develop legislation that would improve the criminal justice system.

The issue is not whether or not we want to take people's guns away; that is not the issue. We are going to hear Members get up here and say that, basically, "You're either for the sportsman or you're against the sportsman." That is nonsense.

This bill came out of the Committee on the Judiciary, 35 to 0—unanimously—because it is a fair and balanced bill. Both the Volkmer bill and the Hughes substitute, so to speak, or the Hughes bill, both ease restrictions, both decontrol ammunition, and do a number of other things requested by the sportsman.

It does a number of other things, however. It strengthens law enforcement. You just received this slip of paper as you came in. It is such nonsense, that the Hughes law enforcement amendment would reduce by one-half a penalty for illegal transfer or possession of a silencer. Nonsense. The Hughes amendment does not change existing law.

This slip says that "It would require ammunition recordkeeping of all sales * * *." That is nonsense. We decontrol ammunition for everything except for large sales and armor-piercing ammunition.

The suggestion that we would require Federal licensing of millions of firearms owners is just absolute nonsense.

EUROPEAN COMMUNITY VIOLATES VOLUNTARY RESTRAINTS ON STEEL

(Mrs. BENTLEY asked and was given permission to address the House for 1 minute and to revise and extend her remarks.)

Mrs. BENTLEY. Mr. Speaker, last week, newspaper articles described the European Community's attempt to cram every ton possible of high-priced specialty steels into the United States before trade restraints were implemented March 1.

Our trading partners, the European Community, more than tripled their exports to the United States, making a mockery of the voluntary limit set by previous negotiations.

What is even more discouraging: the United States had delayed implementation of restraints several months at the insistence of our partners and after promises of continued compliance with voluntary restraints.

The dictionary defines partner as a person associated with another in some activity of common interest—implying a relationship between two people in which each has equal status and a certain independence but also implicit or formal obligations to the other.

With this definition, it is obvious we have no partners. When will we learn this lesson? Until we enforce true partnership status on our allies—enforce the concept of reciprocity—our taxpayers will pay for the lesson, and then pay with their jobs.

CONGRESS CAUGHT IN THE CROSSFIRE

(Mr. GEKAS asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. GEKAS. Mr. Speaker, Members of the House, everyone knows by now that a great duel will occur in this House today; a duel between two respected participants in our society, the sportsman and the police officer. That duel will have all the earmarks of the ancient duels; the seconds will be standing all around, hoping for the best for their protagonist. In the crossfire will be caught the Congress of the United States.

Which one shall we choose? Is it a choice between the sportsman and the law enforcement officer? I hope that we can put that kind of thing aside or else both will be mortally wounded at the outcome of this debate. I hope that we can find a basis where each will withdraw from that deadly fire, and agree that the restrictions that have been lifted by all versions of the bills that are coming before us will be the basis for a compromise that will have the participants and their seconds withdraw from the deadly duel and allow the business of the Congress to proceed, having solved a very difficult issue.

NATIONAL WOMEN VETERANS' RECOGNITION WEEK

(Mr. BILIRAKIS asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. BILIRAKIS. Mr. Speaker, today I am introducing, for the third year in a row, a joint resolution to declare the week beginning November 9, 1986, as "National Women Veterans' Recognition Week."

Legislation designating this week in honor of women veterans has been enacted into public law in both 1984 and 1985. As a result, public awareness of the needs and contributions of women veterans has increased, and the VA has taken positive steps to inform the female veteran of the benefits and services available to her.

The women who have served this country in our Armed Forces have made, and continue to make, tremendous contributions to the well-being and security of this Nation. We can honor them for their service, and express our support for a VA system that is truly responsive to their needs, by designating a National Women Veterans' Recognition Week again in 1986. I urge all my colleagues to join me in this effort by becoming cosponsors of this resolution. Timely passage of this measure will permit the kind of public awareness efforts necessary to ensure a successful celebration.

LSU'S THRILLING CONTRIBUTION TO COLLEGIATE BASKETBALL'S "FINAL FOUR"

(Mr. MOORE asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. MOORE. Mr. Speaker, during the Easter work period, one of each year's most exciting sports events took place in Dallas—the climax of the college basketball season and the NCAA tournament, the Final Four. Its spectacle and excitement are unsurpassed and certainly the biggest thrill for all of us back home was our State university, LSU, being a vibrant part of the 1986 event.

I'd like to recognize my friend, Coach Dale Brown, for the superb job he's accomplished this 1985-86 basketball season. The Tiger basketball team can today glow in the light of placing among those top four teams.

LSU, tabbed as destiny's darlings and the Cinderella of the Nation during Final Four Week, beat all the odds. The Tigers were the 11th-seeded team in their regional, meaning 44 other college teams were ranked higher by the NCAA selection committee. They made that invitation stand up, though, with four gutsy wins in a row, including victories over the top three seeds. The Tigers earned a well-deserved ticket to the Final Four, losing in Dallas to the eventual national champions, the Louisville Cardinals.

The LSU basketball team and Dale Brown overcame so many adversities during the course of the year—problems on and off the court, including illness, injuries, academic hardships—to prove the pundits wrong, to prove that determination can pay off. They're a great example of success, and my hearty congratulations for their super effort.

THE ENERGY INCENTIVES AND AGRICULTURAL FINANCIAL RESOURCES ACT OF 1986

(Mr. BOULTER asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. BOULTER. Mr. Speaker, today I will introduce the Energy Incentives and Agricultural Financial Resources Act of 1986. This legislation addresses the oil and gas industry, the agriculture industry, as well as the banking and financial industry which is involved in lending its financial resources to both energy and agricultural concerns.

As virtually all of us are aware, due to a number of factors, we are experiencing dramatic declines in both the agricultural and energy sectors of our economy, which has in turn caused widespread and far-reaching concern to many other sectors of the national economy.

The legislation I am introducing tomorrow addresses these problems in a number of ways: It expresses through a sense-of-the-Congress resolution, that H.R. 3838 or any other tax reform legislation which detrimentally affects the oil and gas industry not be included in any final form of legislation.

Second, the bill establishes certain regulatory procedures that allow the restructuring of appropriate oil and gas or agricultural loans. These measures are intended to allow Federal banking agencies the regulatory abilities to work in cooperation with well-managed financial institutions whose capital may be temporarily impaired by adverse economic conditions beyond their control.

Finally, this bill allows the natural gas industry the ability to make their product available to electric utility plants and major industrial users who may wish to choose natural gas as their energy source. It provides for the transportation of natural gas without undue discrimination, and repeals incremental pricing requirements of NGPA.

Mr. Speaker, for those of us who are concerned that our country may be losing our productive capacities in the oil and gas industry, I urge your cosponsorship and support.

NONSMOKERS RIGHTS BILL

(Mr. RITTER asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. RITTER. Mr. Speaker, we hear about, and are involved in, the political decisions made in smoke-filled rooms. Well, if the bipartisan legislation introduced today by Representatives Bereuter, Chandler, Collins, Nielson, Oberstar, Stark, Synar, Whittaker, and myself—is successful, those decisions will have to be made in designated smoke-filled rooms.

It is time we acknowledge that involuntary smoking is a public health hazard and that it is appropriate for the Federal Government, following the lead of States, municipalities, and private companies to do something about it in its own backyard.

A Gallup poll released last December by the American Lung Association found that 75 percent of all adults—that includes both nonsmokers and smokers—feel that smokers should refrain from smoking in front of nonsmokers and that 79 percent—again, of all adults—support the concept of designated smoking areas in the workplace.

I have met with several of the scientific investigators. I have a reputation in this field as a hardnose on the facts and a stickler for providing the scientific health reasons for regulation.

On a more personal level, but, perhaps, for many, the most significant one, all of us, smokers and nonsmokers alike, are familiar with the irritation—itching, burning eyes, coughing, headache, and a general feeling of discomfort—that can result from exposure to tobacco smoke.

More than three dozens States, hundreds of municipalities, and numerous private companies already have enacted policies to limit smoking both in public places and in the workplace. Undoubtedly, there are ordinances in effect in your district, and many State and local organizations are involved in developing and promoting these projects for nonsmokers.

We are not breaking new ground here today; rather, we are playing catchup.

The bill will:

Require the designation of specific smoking and nonsmoking areas in all Federal buildings, including congressional buildings and courthouses.

Encourage consultation by Federal agency heads with employee unions and health organizations in implementing nonsmoking rules.

Permit individual agencies to enact rules that are more stringent than those required by this bill.

Require the development of all regulations to be coordinated with the Surgeon General.

Require signs to designate smoking and nonsmoking areas.

A comparable bill has been introduced in the Senate and is awaiting floor action.

BILL TO PERMIT SUITS TO COMPEL FEDERAL ENFORCEMENT OF THE ANIMAL WELFARE ACT

(Mr. CHANDLER asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. CHANDLER. Mr. Speaker, I am pleased to join Congressman Rose to introduce today a bill to amend the Animal Welfare Act to permit private suits to compel its enforcement. The Animal Welfare Act is the Federal law that protects animals used in research, experimentation, and exhibition, and that outlaws animal fighting ventures. The act requires the Secretary of Agriculture to promulgate regulations for its implementation, and provides enforcement authority to several agencies, primarily the USDA. The bill we are introducing today will not alter the substance of the law. Rather, it will help to ensure that the law, as it stands, will be enforced.

This bill essentially adds a citizen suit provision to the Animal Welfare Act. This provision is modeled on a similar provision in more than a dozen Federal environmental laws. Actually, it does not go as far as the citizen suit provisions in most of those laws. The environmental laws, such as the Clean Air Act and the Clean Water Act, allow citizens both to sue the Federal Government to compel it to enforce the environmental laws, and to sue violators of those laws. The bill I am introducing today only allows suits against the Government. It does not authorize suits against universities, research facilities, or any other alleged violators of the Animal Welfare Act.

We need this bill because the USDA has not adequately been enforcing the act. In the first 10 years after the law was enacted in 1966, USDA brought a total of two enforcement actions. USDA's more recent failure to enforce the act is documented by the General Accounting Office in its May 16, 1985, report. Every major violation of the act that has been revealed in recent years has been brought to light by a

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source other than USDA. Many of these violations have resulted in the cutoff of Federal funds for the research projects in question; these include projects at Columbia University and the University of Pennsylvania. This bill will certainly remove the incentive that the more radical animal rights groups have had to conduct break-ins and sit-ins of research facilities.

The bill follows the pattern of the Federal civil rights laws and environmental laws, as they have been interpreted by the courts, with respect to awards of attorneys' fees. When the Government loses a suit it will ordinarily be liable for the plaintiff's attorneys' fees, and when it wins it will be allowed to recover its attorneys' fees provided the action or proceeding was frivolous, unreasonable, or without foundation. This will provide an incentive to the Government to enforce the Animal Welfare Act, and to settle quickly when it is meritoriously sued for failing to enforce it. It will also ensure against the Government's being burdened by frivolous lawsuits.

The Congress in its last session enacted substantive amendments to the Animal Welfare Act. We now must do something to ensure that this law is enforced. There is little point in having a law on the books that is not enforced.

LET US THROW LIBYA OUT OF THE UNITED NATIONS

(Mr. MACK asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. MACK. Mr. Speaker, later today I will be introducing a sense-of-the-Congress resolution calling for the expulsion of Libya from the United Nations.

The Charter of the United Nations clearly states that the central purpose of the organization is to maintain international peace and security and to suppress acts of aggression.

Mr. Speaker, I believe the integrity of the United Nations is being deeply tarnished by the membership of Qadhafi's Libya.

In direct contradiction of the U.N. Charter, Qadhafi repeatedly and openly has promoted international terrorism. The world we live in is infested with a Libya-sponsored climate of intimidation. The terrorists Libya arms and funds exhibit a callous disregard for the lives of innocent civilians, including children.

Mu'ammar Qadhafi is committed to sabotaging the peace process in the Middle East. He has interfered militarily and politically in the soverign affairs of Chad, Egypt, the Sudan, Tunisia, and other countries. And he has exported arms to combat democratic movements in Nicaragua and the Philippines.

Should Libya be part of an organization committed to peace? I think not. I urge my colleagues to join with me in calling for Libya's immediate expulsion from the United Nations.

CHINA'S ABOUT-FACE ON PURCHASE OF WESTERN NUCLEAR REACTORS AND EQUIPMENT

(Mr. SOLOMON asked and was given permission to address the House for 1 minute.)

Mr. SOLOMON. Mr. Speaker, once again the Communist People's Republic of China has tipped its hand—and the card sharks in the State Department who have been playing the vaunted "China card" all these years are left without any chips.

I am referring to an announcement made last Thursday by the director of the PRC's Nuclear Power Program that his country is reducing significantly its anticipated purchases of Western-built nuclear reactors and equipment. Now that the PRC's nuclear cooperation agreement with the United States has been signed, sealed, and delivered, China is making overtures to—you guessed it. The Soviet Union for nuclear purchases and cooperation.

You remember, of course, the song and dance we all heard from the State Department about how we must suppress our doubts and swallow our qualms about China's policies regarding nuclear proliferation so that American manufacturers can cash in on the Chinese market for nuclear reactors and equipment. And let's not forget about all of that leverage the State Department promised we'd have over the Chinese if only this nuclear cooperation agreement could be approved.

Mr. Speaker, our Government seems to have a compulsion to give away the store every time we sit across the conference table from the Chinese. Now that the Chinese seem to be taking lessons from Daniel Ortega on the science of good timing and when to visit Moscow once the necessary concessions have been gained from the United States, I hope that we'll all wise up.

IN FAVOR OF THE VOLKMER SUBSTITUTE

(Mr. MARLENEE asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. MARLENEE. Mr. Speaker, today the American people will be given a clear choice.

Handgun registration and the potential for arrest and harassment because of transportation of a handgun. Or, the right to legally own and transport a handgun as provided in the Constitution on the Volkmer substitute.

Make no mistake about it the committee bill provides for notifying local law jurisdictions and the FBI whenever a handgun is purchased. This, in my opinion, is back door registration.

The proponents will tell you that the records must be destroyed in 90 days, but the questions should be asked—who is going to police the Bureau of Alcohol, Tobacco and Firearms? How responsible has the Treasury Department been in the past. IRS-BTAF it seems harassment has been part of their style. And we're going to allow them to draft the regulations on accumulation and investigation of handgun purchases.

Be safe and vote against potential back door registration and for the Volkmer substitute.

COMMUNICATION FROM THE CLERK OF THE HOUSE

The **SPEAKER** pro tempore (Mr. ALEXANDER) laid before the House the following communication from the Clerk of the House of Representatives:

WASHINGTON, DC,
April 8, 1986.

Hon. THOMAS P. O'NEILL, Jr.,
The Speaker, House of Representatives,
Washington, DC.

DEAR MR. SPEAKER: Pursuant to the permission granted in Clause 5, Rule III of the Rules of the U.S. House of Representatives, I have the honor to transmit a sealed envelope received from the White House at 3:50 p.m. on Tuesday, April 8, 1986 and said to contain a message from the President wherein he transmits the Annual Report of the National Endowment for the Arts and the National Council on the Arts for the Fiscal Year 1985.

With kind regards, I am,
Sincerely,

BENJAMIN J. GUTHRIE,
Clerk, House of Representatives.

ANNUAL REPORT OF THE NATIONAL ENDOWMENT FOR THE ARTS AND THE NATIONAL COUNCIL ON THE ARTS—MESSAGE FROM THE PRESIDENT OF THE UNITED STATES

The **SPEAKER** pro tempore laid before the House the following message from the President of the United States; which was read and, together with the accompanying papers, without objection, referred to the Committee on Education and Labor:

(For message see proceedings of the Senate of yesterday, Tuesday, April 8, 1986, at page 6650.)

PROVIDING FOR CONSIDERATION OF H.R. 4332, FEDERAL FIREARMS LAW REFORM ACT OF 1986

Mr. DERRICK. Mr. Speaker, by direction of the Committee on Rules, I

call up House Resolution 403 and ask for its immediate consideration.

The Clerk read the resolution, as follows:

H. RES. 403

Resolved, That at any time after the adoption of this resolution the Speaker may, pursuant to clause 1(b) of rule XXIII, declare the House resolved into the Committee of the Whole House on the State of the Union for the consideration of the bill (H.R. 4332) to amend chapter 44 (relating to firearms) of title 18, United States Code, and for other purposes, and the first reading of the bill shall be dispensed with. After general debate, which shall be confined to the bill and shall continue not to exceed two hours, to be equally divided and controlled by the chairman and ranking minority member of the Committee on the Judiciary, the bill shall be considered for amendment under the five-minute rule. Immediately after the enacting clause is read, it shall be in order to consider the amendment in the nature of a substitute recommended by the Committee on the Judiciary now printed in the bill, and said amendment shall be considered as having been read. Before the consideration of perfecting amendments to said amendment, it shall be in order for Representative Volkmer of Missouri to offer a substitute for said amendment consisting of the text of his amendment printed in the Congressional Record of March 18, 1986, and said substitute shall be considered as having been read. Before the consideration of other perfecting amendments to the amendment or to the substitute it shall be in order, notwithstanding the prohibition against a member offering an amendment to his own amendment, to consider a perfecting amendment printed in the Congressional Record of March 19, 1986 by, and if offered by Representative Volkmer of Missouri to his substitute. No amendment to the amendment or to the substitute shall be in order except pro forma amendments for the purpose of debate and amendments printed in the Congressional Record. At the expiration of five hours of consideration of said amendment and substitute for amendment under the five-minute rule, no further amendment to the amendment, to the substitute or to the bill shall be in order, and the question shall occur on the pending amendment or amendments. At the conclusion of the consideration of the bill for amendment, the Committee shall rise and report the bill to the House with such amendments as may have been adopted, and the previous question shall be considered as ordered on the bill and amendments thereto to final passage without intervening motion except one motion to recommit. After the passage of H.R. 4332, the Committee on the Judiciary shall be discharged from the further consideration of the bill S. 49, and it shall then be in order in the House to move to strike out all after the enacting clause of the said Senate bill and to insert in lieu thereof the provisions contained in H.R. 4332 as passed by the House.

SEC. 2. The resolution (H. Res. 290) providing for the consideration of the bill (H.R. 945) to protect the rights of firearm owners is hereby laid on the table.

The **SPEAKER** pro tempore. The gentleman from South Carolina [Mr. DERRICK] is recognized for 1 hour.

Mr. DERRICK. Mr. Speaker, for purposes of debate only, I yield the customary 30 minutes to the gentleman from Tennessee [Mr. QUILLEN], pending which I yield myself such time as I may consume.

Mr. Speaker, House Resolution 403 is a modified open rule providing for consideration of H.R. 4332, the Federal Firearms Law Reform Act of 1986. The rule provides 2 hours of general debate, with the time divided and controlled by the chairman and ranking minority member of the Committee on the Judiciary.

Mr. Speaker, the purpose of this rule is not so much to provide waivers of points of order as it is to provide a very specific and orderly procedure for the consideration of H.R. 4332, as well as a comprehensive substitute to be offered by the gentleman from Missouri [Mr. VOLKMER]. I would therefore like to take a moment to outline these procedures.

House Resolution 403 provides that after general debate, the bill shall be considered for amendment under the 5-minute rule. Immediately after the enacting clause of the bill is read, the first amendment to be considered will be an amendment in the nature of a substitute recommended by the Committee on the Judiciary now printed in the bill. Mr. Speaker, this is a very common practice which we regularly incorporate in rules to simply allow the product of the committee's deliberations to be considered in place of the bill as introduced.

Before perfecting amendments may be offered to the Judiciary Committee amendment, however, this rule provides that it shall be in order for Representative VOLKMER of Missouri to offer a substitute for the Judiciary Committee's amendment. The Volkmer substitute made in order under this rule is the amendment which was printed in the CONGRESSIONAL RECORD of March 18, 1986.

Mr. Speaker, because a technical drafting error was discovered in the Volkmer substitute after it was printed, this rule further provides that the next amendment made in order will be a perfecting amendment printed in the CONGRESSIONAL RECORD of March 19, 1986, by Mr. VOLKMER, to his substitute. This perfecting amendment is made in order notwithstanding the prohibition against Members offering an amendment to his or her own amendment.

At this point in the process provided under this rule, Mr. Speaker, both the Judiciary Committee bill and the Volkmer substitute would be pending before the House for amendment under the 5-minute rule. Technically, the Judiciary Committee proposal will be pending as an amendment in the nature of a substitute to H.R. 4332, as introduced, and the Volkmer alternative will be pending as a substitute amendment to the Judiciary amendment.

Next, the rule provides for the offering of both pro forma amendments for the purpose of gaining recognition, as well as perfecting amendments which were printed in the CONGRESSIONAL RECORD. I would like to stress, Mr. Speaker, that any amendment which was previously printed and which does not violate the rules of the House could be offered as a perfecting amendment to either the Judiciary Committee amendment or the Volkmer substitute.

The only constraint on the offering of such perfecting amendments to either vehicle, other than the printing requirement, is a time constraint. This rule provides that after the expiration of 5 hours, no further amendments shall be in order, and the question will occur on the pending amendment or amendments.

The sequence of voting at the expiration of the 5 hours will be as follows: The question will be put first on any perfecting amendment pending to the Judiciary Committee amendment in the nature of a substitute; second, on any perfecting amendment pending to the substitute amendment offered by Mr. VOLKMER; third, on the substitute amendment offered by Mr. VOLKMER, as amended; and finally, on the Judiciary Committee amendment in the nature of a substitute, as amended.

The Committee of the Whole will rise and report back to the House H.R. 4332 with such amendments as may have been adopted. One motion to recommit is provided under the rule.

At the conclusion of action on the measure, Mr. Speaker, this rule provides for a hook up with the bill containing the version of this legislation which passed the other Chamber, S. 49. And finally, the rule provides that House Resolution 290, a resolution providing for the consideration of H.R. 945, an earlier version of this legislation introduced by Representative VOLKMER, will be laid on the table.

Mr. Speaker, as our colleagues are aware, a discharge petition had been filed to discharge the Committee on Rules of a resolution providing for consideration of H.R. 945, the Firearms Owners Protection Act. The discharge petition received 218 signatures last month, and would therefore allow for consideration of the rule, and thereby H.R. 945, in the near future.

However, because the Judiciary Committee has reported this measure, and because this rule provides for the full and fair consideration of both the committee bill and the Volkmer substitute, the effort to consider this issue under the procedures of a discharge petition is now moot. Therefore, this rule tables the resolution which was the focus of the discharge petition.

Mr. Speaker, the issue of firearms law reform has been with us for several years. It is an issue on which many

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of our colleagues have very strong feelings. It is time for us to deal with the issue.

Under this rule, the Members of the Chamber will have a full opportunity to consider two very distinct positions on this issue. While I intend to support the substitute to be offered by the gentleman from Missouri, I would note that this rule provides for the full consideration of both proposals. Both proposals are open to the amending process. By operation of this rule, the substitute will be voted on first, as is the normal practice in voting on amendments in the House. Our colleagues will thereby have a straight up-or-down vete on the proposition. If the substitute is defeated, the next vote would occur on the committee amendment, as amended.

Mr. Speaker, I would like to congratulate the leadership of the Committee on the Judiciary, as well as my colleague from Missouri, for getting this issue to the floor today. I have nothing but the highest respect for the persistence with which Mr. Volkmer has pursued this objective. The leadership of the Committee on the Judiciary is also to be commended for their efforts in moving this issue through committee and to the floor.

Mr. Speaker, this is a rule which treats all parties fairly and which will facilitate our consideration of an issue which a majority of our colleagues have indicated their intentions to consider either by way of the committee process, or by way of a discharge petition.

I urge adoption of the rule, and I now defer to the gentleman from Tennessee [Mr. Quillen].

□ 1105

Mr. QUILLEN. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, the rule has been ably explained by the gentleman from South Carolina [Mr. Derrick], so there is no need for me to describe it in detail. This is a good rule providing both the committee bill and the Volkmer substitute a full and fair hearing, providing for both measures to be open for amendment for a period of 5 hours, and then providing for a vote on the Volkmer substitute as an amendment for the committee bill. Finally, the rule nullifies the Volkmer discharge petition, which received 218 signatures several weeks ago.

The rule deserves Members' support, regardless of their views on the two measures, because it is a fair rule for all sides of the debate and for all the Members on this controversial issue.

What this rule brings before the House are two competing measures making changes to the Gun Control Act of 1968. As a long-time cosponsor of the bills introduced over the years by the gentleman from Missouri [Mr. Volkmer]—and I want to congratulate the gentleman for his leadership and persistance—and as a signer of the discharge petition, I am, of course, a firm supporter of the Volkmer substitute. I feel it strikes a proper balance between the legitimate interests of sportsmen, hunters, and gun collectors, and the interests of law enforcement. The committee bill fails to do this and should be rejected.

The purpose of the Volkmer substitute is to concentrate the resources of the Federal Government on criminal activities connected with firearms, and at the same time to strengthen our efforts to protect the legitimate rights of law-abiding citizens who own guns.

The Volkmer substitute achieves this dual purpose when viewed as a whole. It is similar to a bill which received the affirmative votes of 79 Members of the other body last July. At that time, it was pronounced "dead on arrival" in the House, recalling to mind Mark Twain's remark that the report of his death was greatly exaggerated.

So it is with the Volkmer substitute. It has arrived on the House floor; it is not dead; and it will, I predict, pass the House.

Because the Volkmer substitute has such strong support here in the House, its opponents appear to have devised their last-ditch effort to weaken it and to defeat it. They have apparently abandoned hope that their bill, the committee bill, can be passed, and have decided to offer a package of amendments in the hope of gutting the Volkmer substitute.

I ask the Members to remember from where these amendments arise. If the Members pressing these amendments to gut the Volkmer substitute had had their way, the Volkmer substitute would have never reached the House floor.

Reject these amendments. Support the Volkmer substitute and defend it against these efforts to destroy its balance and its content.

□ 1115

I am reminded of the fact that some of the amendments offered will require gun registration. Go back in your memory and you will find, in the countries that have carried out gun registration, that it leads to confiscation. This must never happen in America. The Constitution provides for a right to bear arms.

Mr. Speaker, I ask for a "yes" vote on the rule so that we can get down to the business of passing the Volkmer substitute without any weakening amendments.

Mr. DERRICK. Mr. Speaker, for purposes of debate only, I yield 8 minutes to the gentleman from New Jersey [Mr. Hughes].

Mr. HUGHES. First, Mr. Speaker, I want to thank my colleague from South Carolina for yielding to me.

Mr. Speaker, I rise in support of the rule for the consideration of H.R. 4332, the Federal Firearms Law Reform Act of 1986.

This bill was reported last month by the Judiciary Committee unanimously, by a recorded vote of 35 to 0. In fact, it came out of my Subcommittee on Crime 10 to 0 unanimously. It is a consensus bill that positively reforms the Nation's firearms law. It is the result of careful deliberation after the Crime Subcommittee received testimony for over 25 hours from some 75 witnesses representing all points of view.

The bill is designed to relieve the Nation's sportsmen and firearm owners from unnecessary burdens and to strengthen law enforcement. Our committee believes that those two goals are perfectly compatible if the legislation is drafted carefully and the issues are considered on their merits. That is the way the Crime Subcommittee considered this particular bill, the way the full Judiciary Committee considered the legislation and the way that the House will be able to consider this legislation under this particular rule.

The committee has reported a single amendment in the nature of a substitute. Representative Harold Volkmer of Missouri, who has been the principal advocate of this reform legislation in the House for a number of years, has prepared and noticed a substitute to the committee-reported bill. The rule permits perfecting amendments to be offered to the committee bill and the Volkmer substitute. The rule allows 2 hours of general debate and 5 hours of debate on the many amendments which have been noticed in the Record. In my judgment, it is a fair rule. It is a rule, I believe, that was sought by my colleague, the gentleman from Missouri [Mr. Volkmer].

The Judiciary Committee's bill has the following key features:

It benefits law-abiding gun owners. Make no mistake about that.

First, it permits interstate sale of rifles and shotguns if the sale is made face to face between buyer and seller and it complies with the laws of the place of sale and the laws of the residence of the buyer, and applies the usual rules of criminal law.

Second, it permits hunters, target shooters, and other sportsmen to travel with their rifles and shotguns in and between States, notwithstanding State and local law to the contrary. The possession of the firearm has to be legal under the law of the State from which the travel with the firearm begins and legal under the law of the destination State, which is only reasonable, I submit. The firearm has

to be secured, unloaded, and not readily accessible.

Third, the committee bill eliminates some unnecessary recordkeeping.

Fourth, it protects against improper forfeiture of firearms.

Fifth, it improves the ability of deserving members of the public, who may be under a legal disability, to obtain relief from that disability.

The bill also benefits law enforcement and does not weaken it. It strengthens the mandatory prison sentences for firearms used in the commission of crime—violent crime, drug trafficking crime or if a machinegun is used in the commission of a violent offense or a drug trafficking offense.

It improves the control on parts that are designed and intended to be used to convert firearms into machineguns.

It strengthens the controls on selling firearms to criminals, mental incompetents, drug addicts, and illegal aliens.

It benefits law-abiding gun dealers. It provides for gun show sales by dealers. It reduces recordkeeping requirements and reduces the penalties for minor recordkeeping offenses to a misdemeanor.

It limits compliance inspections of gun dealers to three in any 18-month period unless personally approved by the Secretary of the Treasury or the Director of the Bureau of Alcohol, Tobacco and Firearms.

These are just the highlights of the committee's bill.

The substitute offered by Mr. Volkmer has omitted some of the most egregious problems with earlier versions of his legislation, H.R. 945 and S. 49. In particular, he has omitted from his substitute now the provisions weakening the mandatory prison term for using or carrying a firearm during and in relation to a crime of violence. I congratulate him on that particular omission. It is an improvement to the substitute. He has dropped the self-defense provision in S. 49 that even supporters of the bill conceded would have the effect of allowing fleeing felons to claim self-defense. I congratulate him on dropping that particular provision because it made no sense to immunize those people. He has adopted a couple of the law-enforcement provisions, such as creating a new extra mandatory prison term for carrying a machinegun in a violent crime or a drug trafficking offense. I congratulate him on including that provision. That was developed in our subcommittee, and it is an improvement to the substitute.

His substitute indeed is a move in the right direction. But there are still very, very serious problems with his substitute. Principally, it would wipe out State and local laws concerning carrying and transporting of handguns and would allow interstate sale of handguns in a manner that is almost totally unworkable and will be extremely hard and expensive to enforce. Moreover, it will see, unfortunately, the possession of handguns in the hands of felons, mental incompetents, and drug traffickers. It is inadvertent, there is no question about that. I do not think that is the intent, but that is the net effect of what that provision would do.

His substitute still is rife with loopholes for criminals and criminal defense lawyers to exploit. His substitute would elevate gun dealers to a special level of privilege never before seen in the law. The substitute would have us paying attorneys' fees for persons charged with illegally possessing weapons who successfully defend themselves, something we do not do for others that in fact avoid conviction in criminal offenses. The substitute would prevent efficient administration of the law and waste the taxpayers' money.

The rule will allow us to consider perfecting amendments to his substitute which I, as well as other Members, will be offering.

Many Members have expressed a desire to consider Mr. Volkmer's bill, and this rule gives them this opportunity. Mr. Volkmer's bill was extensively examined by the Judiciary Committee. This is important. Throughout our markup, at both subcommittee and full committee, any member of the Judiciary Committee, any member, could have offered Mr. Volkmer's substitute or S. 49, and opted not to do it.

On my committee, I have both extremes. I have some Members of Congress who want to pass out bazookas to anybody who wants to take bazookas, to be able to carry bazookas into the gallery. I have that extreme. I have the other extreme that wants to take away all weapons from people. And I believe that both extremes are wrong. There is a rational course for us to follow, and that is what the Subcommittee on Crime in fact did, and that is why it came out of the Subcommittee on Crime on a 10-to-0 vote and out of the Judiciary Committee on a 35-to-0 vote.

The committee has, in effect, rejected the Volkmer bill on the merits and devised this reasonable compromise.

Now, I have said before and I will say again that there is nothing that generates more emotionalism than firearms legislation. I do not even recognize some of the gross distortions that have been made about what is in the legislation. They are just that: Gross distortions. I hope that the Members of Congress—and I have confidence that they will—will read the bills, read the amendments so that the decision here today will be on the merits. It is not a question of second amendment or other constitutional rights. It is a question of trying to balance the interests of the sportsmen, of which I am one, and the hunters of this country against the interests of the police and society which wants to protect you and me from those who would abuse handguns in particular.

Now, there is going to be a lot of debate, a lot of rhetoric, and I know that the Members will be able to sift through that rhetoric and, hopefully, come to the right decision. It is an important vote. The police of this country view this as a life-or-death issue for them because if the provisions of the Volkmer bill carry and we have the indiscriminate carrying of handguns in people's automobiles throughout this country in interstate commerce, they know that their lives are at direct risk.

I support the rule and I urge my colleagues to support it.

Mr. QUILLEN. Mr. Speaker, I yield 2 minutes to the gentleman from Idaho [Mr. Craig].

Mr. CRAIG. I thank the ranking minority member of the Committee on Rules, my colleague, the gentleman from Tennessee [Mr. Quillen], for yielding me the time.

Mr. Speaker, I would ask my colleagues today to support this rule that is before us, a rule that, as has been mentioned, is a modified open rule that establishes an orderly procedure for the consideration of the Judiciary bill, H.R. 4332, and of course the very comprehensive substitute that my colleague, the gentleman from Missouri [Mr. Volkmer], has put before this body.

We, in the minority, oftentimes feel that the Rules Committee seldom reacts in the right way. And by that I mean that they limit, oftentimes, the ability of me or other Members, minority or majority, to engage in debate, to have the opportunity to amend and affect legislation as it comes to the floor. Today, this rule does not do that, and I congratulate the Rules Committee for their responsiveness to this most critical issue by providing a format, a procedure of operation here on the floor, that parallels both bills and clearly gives us an opportunity and equal access to the issue, as I think all of my colleagues have asked for.

I would also like to congratulate my colleague, the gentleman from Missouri [Mr. Volkmer], for his tremendous effort in working with us in pushing the discharge petition that was successful; 218 Members of this body have spoken very clearly to date as to how they want to deal and what they want to deal with as it relates to changes in the 1968 Gun Act.

We have believed and we sincerely believe that that law did not serve the American people properly, and it is time now to modify and to adjust that, to provide people, our citizens, those who will be subjected to the laws

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passed on this floor and the law passed on this floor today, to an orderly and effective procedure in which their rights are preserved but the rights of the criminal are not preserved.

So once again, I thank the Rules Committee, and I appreciate my colleague's yielding me this time.

Mr. DERRICK. Mr. Speaker, for purposes of debate only, I yield 2 minutes to the gentleman from Missouri [Mr. VOLKMER].

Mr. VOLKMER. Mr. Speaker, I want to first give my overwhelming and grateful thanks to the gentleman from Tennessee and the gentleman from South Carolina, and other members of the Rules Committee, who have provided this rule for the House in bringing up this much-needed legislation.

I agree and support the rule, even though it does do away with the resolution provided for under the discharge petition, with the understanding from the leadership that we will complete action on the legislation today; however late it may take, we will complete it. With that, I support the rule.

The gentleman from New Jersey has made some points that he feels are in opposition to my legislation. I would like to point out that in the interstate transportation provision, we provide that that weapon, whether it is a rifle, shotgun, of handgun can only be carried by a lawful person and for lawful purposes.

We also provide that it has to be inaccessible, and we will point this out during debate on the bill. In the report in the Senate and in the Senate debate, it is strictly pointed out that that does not mean that it can be under the car seat or in the back seat or anyplace else because that is accessible. That would have to be locked up in the trunk or in the glove compartment. And so this idea that we are going to have people running around with weapons illegally is not going to happen.

I would like to point out also to the Members of the House that in the Judiciary's own bill, H.R. 4332, in section 4, subsection (D), where they are amending 922(g), the bill provides that a convicted murderer can possess a handgun.

Now, present law prohibits convicted felons from owning or possessing handguns. Our bill restricts that and prohibits convicted felons and murderers from possessing handguns, but the Judiciary Committee bill authorizes a convicted murderer to have a handgun, and yet law enforcement says they support that. I do not support that in any way. And I do not think that the Judiciary Committee—it may have been inadvertent, but you can read it, anybody can read the language, and I brought it to the attention of the Treasury Department, the BATF, and they agree that the Judiciary Committee bill would allow convicted felons to possess handguns.

Mr. QUILLEN. Mr. Speaker, I yield 2 minutes to the gentleman from Montana [Mr. MARLENEE].

Mr. MARLENEE. I thank my colleague for yielding.

Mr. Speaker, as I said earlier on the floor of the House, I believe that we have the potential for handgun registration and the potential for arrest and harassment because of transportation of a handgun, or we have the opportunity to legally own and transport a handgun as provided in the Constitution and the Volkmer substitute.

□ 1130

Now, I rise in support of the rule because it allows a parallel track to consider both pieces of legislation, but I think that we need not make any mistake or have mistaken assumptions about the committee bill, because it does in fact provide for notifying the local law jurisdictions and the FBI whenever a handgun is purchased and once that information goes into the computerized, sophisticated systems that we have, I doubt very much that they will retract that information totally and completely.

If the gentleman from Missouri, the author of the substitute, would respond, is it true that the committee bill as printed provides for the notification of the local law jurisdictions and the FBI when that handgun is purchased?

I yield to the gentleman.

Mr. VOLKMER. Yes, an after the fact background check is provided, which really does not make sense in my home State because the person who is going to get the notice is the same person who has already been given a permit. In other words, before you can buy a handgun in the State of Missouri, you have to get a permit from the local sheriff and he is going to make sure that you are not a felon or anything like that.

Mr. MARLENEE. It also provides that that information is supposed to be destroyed within 90 days, is that not correct?

Mr. VOLKMER. That is correct, that is by the bill.

Mr. MARLENEE. I have some concern about that particular provision because in the past, part of the style of the Treasury Department and the Bureau of Alcohol, Tobacco and Firearms, has in fact been harassment. It appears to me that once they get this information, we would have to police them rather heavily to see that we did not have back door registration by the committee bill.

Mr. VOLKMER. That is correct.

Mr. QUILLEN. Mr. Speaker, I have no further requests for time, and I yield back the balance of my time.

Mr. DERRICK. Mr. Speaker, I move the previous question on the resolution.

The previous question was ordered.

The SPEAKER pro tempore. The question is on the resolution.

The question was taken; and the Speaker pro tempore announced that the ayes appeared to have it.

Mr. HUGHES. Mr. Speaker, I object to the vote on the ground that a quorum is not present and make the point of order that a quorum is not present.

The SPEAKER pro tempore. Evidently a quorum is not present.

The Sergeant at Arms will notify absent Members.

The vote was taken by electronic device, and there were—yeas 410, nays 2, not voting 22, as follows:

[Roll No. 69]

YEAS—410

Ackerman
Akaka
Alexander
Anderson
Andrews
Annunzio
Anthony
Applegate
Archer
Armey
Aspin
Atkins
AuCoin
Badham
Barnard
Barnes
Bartlett
Barton
Bateman
Bates
Bedell
Beilenson
Bennett
Bentley
Bereuter
Berman
Bevill
Biaggi
Bilirakis
Bliley
Boehlert
Boggs
Boland
Boner (TN)
Bonior (MI)
Bonker
Borski
Bosco
Boucher
Boulter
Boxer
Breaux
Brooks
Broomfield
Brown (CA)
Brown (CO)
Broyhill
Bruce
Bryant
Burton (CA)
Burton (IN)
Bustamante
Callahan
Campbell
Carney
Carper
Carr
Chandler
Chapman
Chappell
Chappie
Cheney
Clinger
Coats
Cobey
Coble
Coelho
Coleman (MO)
Coleman (TX)
Collins
Combest
Conte
Conyers
Cooper
Coughlin
Courter
Coyne
Craig
Crockett
Daniel
Dannemeyer
Darden
Daschle
Daub
Davis
DeLay
Dellums
Derrick
DeWine
Dickinson
Dicks
Dingell
Dixon
Donnelly
Dorgan (ND)
Dornan (CA)
Dowdy
Downey
Dreier
Duncan
Durbin
Dwyer
Dymally
Dyson
Early
Eckart (OH)
Eckert (NY)
Edgar
Edwards (CA)
Emerson
English
Erdreich
Evans (IA)
Evans (IL)
Fascell
Fawell
Fazio
Feighan
Fiedler
Fields
Fish
Flippo
Florio
Foglietta
Foley
Ford (MI)
Ford (TN)
Fowler
Frank
Franklin
Frenzel
Frost
Fuqua
Gallo
Garcia
Gaydos
Gejdenson
Gekas
Gephardt
Gibbons
Gilman
Gingrich
Glickman
Gonzalez
Goodling
Gordon
Gradison
Gray (IL)
Gray (PA)
Green
Gregg
Guarini
Gunderson
Hall (OH)
Hall, Ralph
Hamilton
Hammerschmidt
Hansen
Hartnett
Hatcher
Hawkins
Hayes
Hefner
Hendon
Henry
Hertel
Hiler
Hillis
Holt
Hopkins
Horton
Howard
Hoyer
Hubbard
Huckaby
Hughes
Hunter
Hutto
Hyde
Ireland
Jacobs
Jeffords
Johnson
Jones (NC)
Jones (OK)
Jones (TN)
Kanjorski
Kaptur
Kasich
Kastenmeier
Kemp
Kennelly
Kildee
Kindness
Kleczka

Kolter
Kostmayer
Kramer
LaFalce
Lagomarsino
Lantos
Latta
Leach (IA)
Leath (TX)
Lehman (CA)
Lehman (FL)
Leland
Lent
Levin (MI)
Levine (CA)
Lewis (CA)
Lightfoot
Lipinski
Livingston
Lloyd
Loeffler
Long
Lott
Lowery (CA)
Lowry (WA)
Luken
Lundine
Lungren
Mack
MacKay
Madigan
Manton
Markey
Marlenee
Martin (IL)
Martin (NY)
Matsui
Mavroules
Mazzoli
McCain
McCandless
McCloskey
McCollum
McCurdy
McDade
McEwen
McGrath
McHugh
McKernan
McKinney
McMillan
Meyers
Michel
Mikulski
Miller (CA)
Miller (OH)
Miller (WA)
Mineta
Mitchell
Moakley
Molinari
Mollohan
Monson
Montgomery
Moody
Moore
Moorhead
Morrison (CT)
Morrison (WA)
Mrazek
Murphy
Murtha
Myers
Natcher
Neal
Nelson
Nielson
Nowak
Oakar
Oberstar
Obey
Ortiz
Owens
Oxley
Packard
Panetta
Parris
Pashayan
Pease
Penny
Pepper
Perkins
Petri
Pickle
Porter
Price
Pursell
Quillen
Rahall
Rangel
Ray
Regula
Reid
Richardson
Ridge
Ritter
Roberts
Robinson
Rodino
Roe
Rogers
Rose
Rostenkowski
Roth
Roukema
Rowland (CT)
Rowland (GA)
Roybal
Rudd
Russo
Sabo
Savage
Saxton
Schaefer
Scheuer
Schneider
Schroeder
Schuette
Schulze
Schumer
Seiberling
Sensenbrenner
Sharp
Shaw
Shelby
Shumway
Shuster
Sikorski
Siljander
Sisisky
Skeen
Skelton
Slattery
Slaughter
Smith (FL)
Smith (IA)
Smith (NE)
Smith (NJ)
Smith, Denny (OR)
Smith, Robert (NH)
Smith, Robert (OR)
Snowe
Snyder
Solarz
Solomon
Spence
Spratt
St Germain
Staggers
Stallings
Stangeland
Stark
Stenholm
Strang
Stratton
Studds
Stump
Sundquist
Sweeney
Swift
Swindall
Synar
Tallon
Tauke
Tauzin
Taylor
Thomas (CA)
Thomas (GA)
Torricelli
Towns
Traficant
Traxler
Udall
Valentine
Vander Jagt
Vento
Visclosky
Volkmer
Vucanovich
Walgren
Watkins
Waxman
Weaver
Weber
Weiss
Wheat
Whitehurst
Whitley
Whittaker
Whitten
Williams
Wilson
Wirth
Wise
Wolf
Wolpe
Wortley
Wright
Wyden
Wylie
Yatron
Young (AK)
Young (FL)
Young (MO)
Zschau

NAYS—2

Crane
Yates

NOT VOTING—22

Addabbo
Byron
Clay
de la Garza
DioGuardi
Edwards (OK)
Grotberg
Heftel
Jenkins
Kolbe
Lewis (FL)
Lujan
Martinez
Mica
Nichols
O'Brien
Olin
Rinaldo
Roemer
Stokes
Torres
Walker

□ 1145

Mr. CRANE change his vote from "yea" to "nay."

Mr. DICKINSON and Mr. WAXMAN changed their votes from "nay" to "yea."

PERSONAL EXPLANATION

Mr. LEWIS of Florida. Mr. Speaker, due to official business I was not present for rollcall vote No. 69. Had I been present I would have voted aye on rollcall No. 69, approval of House Resolution 403.

So the resolution was agreed to.

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

The SPEAKER pro tempore. Pursuant to House Resolution 403, House Resolution 290 is laid on the table.

□ 1155

PERSONAL EXPLANATION

Mr. WEISS. Mr. Speaker, I was unavoidably absent for rollcall votes 58, 59, and 60 on Tuesday, March 18, 1986.

On rollcall No. 58, the Walker amendment to H.R. 4151, Omnibus Anti-Terrorism Act, I would have voted "no" had I been present.

On rollcall No. 59, (final passage of the Omnibus Anti-Terrorism Act as amended), I would have voted "aye" had I been present.

On rollcall No. 60, (passage of the conference report on Older Americans Act Amendments of 1986,) I would have voted "aye" had I been present.

FEDERAL FIREARMS LAW REFORM ACT OF 1986

The SPEAKER pro tempore. Pursuant to House Resolution 403 and rule XXIII, the Chair declares the House in the Committee of the Whole House on the State of the Union for the consideration of the bill, H.R. 4332.

□ 1204

IN THE COMMITTEE OF THE WHOLE

Accordingly the House resolved itself into the Committee of the Whole House on the State of the Union for the consideration of the bill (H.R. 4332) to amend chapter 44 (relating to firearms) of title 18, United States Code, and for other purposes, with Mr. RANGEL in the chair.

The Clerk read the title of the bill.

The CHAIRMAN. Pursuant to the rule, the first reading of the bill is dispensed with.

Under the rule, the gentleman from New Jersey [Mr. HUGHES] will be recognized for 1 hour and the gentleman from Florida [Mr. MCCOLLUM] will be recognized for 1 hour.

The Chair recognizes the gentleman from New Jersey [Mr. HUGHES].

Mr. HUGHES. Mr. Chairman, I yield such time as he may consume to the gentleman from New Jersey [Mr. RODINO], the distinguished chairman of the full Judiciary Committee.

Mr. RODINO. Mr. Chairman, I thank the gentleman for yielding me this time.

Mr. Chairman, let me say that today we are going to debate and then finally, ultimately, vote on a very important measure that in effect deals with life and death. I know that many of us have pondered and pondered long over this issue. The committee bill that is before us today is a measure that is reasonable, that is sensible and that is going to accommodate the concerns of law-abiding gun owners, sportsmen, and hunters. The most important question we will answer today is whether or not we are also going to assure that we protect the lives of innocent individuals, innocent citizens, and those who are on the firing line every day protecting our lives—the police—the law-enforcement individuals.

Mr. Chairman, I think we have a very balanced bill that the Judiciary Committee is presenting, after careful and long deliberation, with a recorded vote of 35 to nothing. If I had to consider whether or not I was going to accommodate sportsmen and whether or not we had made it entirely convenient for everyone, as against the possibility of losing more lives, more individuals killed, check the records. We find that in the last decade there have been over 200,000 killings as the result of handguns. Some 700 policemen have been killed in the last decade protecting our lives, killed in the line of duty because of handguns getting into the wrong hands, into the hands of mental incompetents, criminals and addicts.

Let me say, Mr. Chairman, this bill has been debated for a long period of time, and I must say that the bill that the Judiciary Committee has reported with a recorded vote of 35 to 0—a unanimous vote—is not a bill that I am entirely pleased with. Frankly, we discouraged the offering of an amendment which would provide for what I consider to be essential—a waiting period in order to check the backgrounds of individuals who seek to get a handgun. The Attorney General's Task Force on Violent Crime of this administration recommended a waiting period.

I introduced a proposal dating way back in 1985, with bipartisan support, calling for a waiting period. As I said, I would have preferred a waiting period. But I know that the gentleman from New Jersey [Mr. HUGHES], the chairman of the Subcommittee on Crime, felt that it was necessary to have a bill that would not immediately alienate some people who might support reasonable legislation. As a result, we, in the committee, after careful deliberation—and that committee is composed of individuals who are liberal, not so liberal, conservative, not so conservative, Republican and Democrat—unanimously reported the bill that is before us today, 35 to 0. The subcom-

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mittee of the gentleman from New Jersey [Mr. Hughes] unanimously reported the bill, 10 to nothing.

The committee heard the plea and the appeal made by Sarah Brady, a conservative, a Republican, who unfortunately is able to tell us a tale that is not a happy one. It is one of her husband's having been shot when the attempted assassination of the President took place, and how Jim Brady lives a very painful life, a life that he is not able to enjoy even his children. And Sarah Brady appeared before our committee as a great crusader and said the bill passed by the other body and sent here, and the Volkmer bill now being presented, does not provide any safeguards, weakens the present law and makes it easier for criminals, for the wrong people, to get their hands on a handgun.

☐ 1205

So I am opposed to the Volkmer substitute. Sarah Brady said she wanted to see a bill that will protect people from experiencing the same tragedy that she experienced, that Jim Brady experienced, that made it possible for John Hinckley, who went into a shop in Texas, never asked a question, and picked up a gun; and then went on a spree to attempt to assassinate the President of the United States.

All of this was before the committee, a very compelling argument. The police officers came before the committee, and the police officers were the first to oppose and described—S. 49—a "cop-killing, citizen-killing" bill. Those are not my words; those are the words of law enforcement people; every major law enforcment organization and all of its officers with the exception of very few, despite the fact that the National Rifle Association said that the law enforcement people had supported its proposal. The law enforcement people instead, testifying before our committee, said they had never had a chance to be heard and were opposed to S. 49 and any measure that weakened the present law.

As a result, that was the reason why, Mr. Chairman, we, in the Committee on the Judiciary, wanting to do a responsible job, recognizing that there are accommodations to be made, recognizing the fact that there are sportsmen and there are hunters who are law-abiding people who do not want to be inconvenienced, we reported a bill that was unanimously adopted. It is a bill that I am sure when the details are presented, when its provisions are presented, will, I am sure, convince you that it does just that; it accommodates sportsmen; it protects law-abiding citizens, it protects the police officers who are on the firing line every day because it has a provision to ensure that these handguns are not transported in interstate traffic.

The bill that we have presented to this House is a reasonable, responsible measure. It is a measure that is concerned with the safety and the lives of many people. It is a bill that will protect law-abiding gun owners. It is a bill, Mr. Chairman, that this House should adopt.

The measure which is being proposed instead by the gentleman from Missouri [Mr. Volkmer], well-intentioned as it might be, creates more loopholes and, I must say to you, if you talk to any police officer—and there are many around today—they are here because they recognize that there were 700 or so killed in the last decade, and they wonder whether or not they might be next.

They are concerned, and so are the citizens of America, when we consider that over 200,000 killings have taken place in the past decade.

Mr. Chairman, we can do no less—and let me say I mention the name of Sarah Brady, and I said that Sarah Brady is a Republican, a conservative and proud of it. She firmly believes in the right of law-abiding citizens to own and carry guns, but she also favors stronger handgun laws. She favors a consensus bill, and she opposes both the proposed substitute amendment and S. 49.

Sarah Brady feels in a deeply personal way the agony we all feel from an assassination attempt and the damage it has done her life and the life of her husband. She feels the way thousands of other grieving Americans feel who have lost loved ones to a handgun, and she wants something done about it.

That is why she has been crusading, and as a lone crusader, you might say, but a voice that has been heard now over the length and breadth of this Nation against the Volkmer bill and for the committee bill.

For the sake of Sarah Brady, for the sake of countless Americans, for the sake of our Nation's law enforcement people, for the sake of our law-abiding gun owners and sportsmen, let us pass H.R. 4332, so that we may be able to accommodate the hunters, and they will hunt with fewer restrictions, but the American people can live with less fear.

Mr. McCOLLUM. Mr. Chairman, I yield such time as he may consume to the distinguished gentleman from New York [Mr. Fish], the ranking Republican on the Committee on the Judiciary.

Mr. FISH. Mr. Chairman, this obviously is a highly emotional issue, and, I expect that this will be a highly emotional debate. But, while there have been charges and countercharges from both ends of the spectrum on this issue, what may be lost is a recognition that two seemingly irreconcilable sides are now largely in agreement that major modifications in the Gun Control Act of 1968 are, in fact, warranted. While still differing in important respects, H.R. 4332 and the Volkmer substitute both make needed and overdue remedial changes in existing Federal firearms law.

Before we even reach the amendment stage, legitimate sportsmen and law-abiding, licensed firearms dealers have already prevailed. Both groups will receive considerable relief through the legislation we ultimately will pass.

Individuals who once expressed horror at the prospect of the enactment of the Volkmer-McClure bill, now support significant changes in the 1968 act. The Judiciary Committee bill—H.R. 4332—contains numerous provisions that are either similar or identical to provisions contained in the S. 49, the Senate-passed version of the Volkmer-McClure legislation. Provisions of the 1968 law that are without question onerous, unnecessary or unfair will be repealed or modified. Likewise, both the committee bill and the Volkmer substitute accommodate a number of the concerns expressed by law enforcement. Today, we will have the opportunity to consider additional concerns.

Allow me to cite some of the major areas where both sides are already in substantial agreement. First, both H.R. 4332 and the Volkmer substitute permit interstate sale of rifles and shotguns—not currently allowed under Federal law. Both versions assure the right of individuals to travel in and between States with an unloaded and not readily accessible rifle or shotgun. Both approaches would reduce recordkeeping requirements for ammunition sales—although in varying degrees. Furthermore, firearms forefeiture in minor recordkeeping violation situations would no longer be possible. In addition, both the bill reported by the Judiciary Committee and the Volkmer substitute allow licensed dealers to "do business" on a temporary basis at gun shows. Importantly, recordkeeping offenses are reduced to misdemeanors, rather than felonies. Finally, both approaches would limit compliance inspections to a specified maximum rather than the current open-ended situation.

Again, all of the above-mentioned provisions were either contained in the original Volkmer-McClure legislation in their entirety or in modified form. These changes in existing law will go a long way toward eliminating many of the unjust burdens now faced by hunters and firearms dealers throughout this Nation. The fact that these revisions in the 1968 Gun Control Act are no longer an element of this debate, confirm that the law's original scope was too broad and that its enforcement was often misdirected.

Admittedly, there are major issues of disagreement that remain to be resolved. Most notably, these include: First, interstate sale and transportation of firearms other than rifles and shotguns; second, the breadth of the "engaged in business" language currently in the 1968 law; and third, whether or not there should be a waiting period applied to the sale of handguns.

Mr. Chairman, I believe it is important that this debate not be couched solely in polarization terminology. The Judiciary Committee bill, while certainly not perfect, does implicitiy recognize that major reforms in the 1968 Gun Control Act were called for and are justified. The differences between the two sides and the remaining focus of this debate have been significantly narrowed. The Members of this House should not lose sight of that fact.

Mr. HUGHES. Mr. Chairman, I yield 20 minutes to the gentleman from Missouri [Mr. Volkmer].

Mr. VOLKMER. Mr. Chairman, it has been a long time in coming, but today this body is finally discussing what will truly return constitutional rights to the citizens of this country. We are here today to discuss and debate reform in this Nation's firearms legislation. And, again, I say it has been a long time in coming.

This legislation represents this second most important step in the history of American gun owners. The first was the second amendment to the U.S. Constitution. The Volkmer legislation is the result of more than 6 years of effort to guarantee the liberties of those who enjoy the right to own firearms for sport, recreation, and protection.

The legislation will make the provisions of the 1968 Gun Control Act reflect the values and heritage of this country by directing enforcement toward those who illegally traffic in firearms, toward those who criminally use firearms and away from regulation of the law-abiding citizen. This bill will assure that the civil rights of our 200,000 licensed firearms dealers and 80 million firearms owners and collectors will not be abused. The time is now for us to assure David Moorhead of New Hampshire, H.W. Phillips of Virginia, R.C. Lindsey of Florida, Paul Hayes of New Mexico, Patrick Mulcahey of South Carolina, and other law-abiding citizens who have suffered under current legislation, that civil rights do apply to gun owners as well as all other Americans.

The 1968 Gun Control Act was hastily drafted during a time of tumult in this country. One of its stated purposes was to provide support to Federal, State, and local law enforcement in their fight against crime and violence. Along the way, this act required persons engaging in the business of dealing in firearms to obtain a license, required those dealers to maintain records of sales, and imposed felony penalties, forefeiture of firearms and other penalties on unintentional violators. But somehow the issue of civil rights was pushed to the wayside.

Enforcement agencies, like most organizations, seek to grow. Over the dozen years following enactment of the Gun Control Act, the firearms enforcement unit grew from an IRS, subunit with 214 agents to a full Treasury bureau—alcohol, tobacco, and firearms—with more than 1,200 agents on firearm-related duties. Such explosive growth required impressive results, and the Gun Control Act provided the open door to make easy cases against unsuspecting persons. With the strict liability provided by the act, even the most trivial and unintentional misstep would do. As a result, many of these trivial cases began to be brought to my attention in which the purpose of the original act had clearly been ignored. This potential for abuses continues today. Another stated intent of the act, not to place undue or unnecessary Federal restriction or burdens on law-abiding citizens with respect to the aquisition, possession, or use of firearms was clearly violated by the technical enforcement practices being utilized. Citizens such as a disabled veteran and Boy Scout leader, a policeman in Maryland, and an elderly couple in New Mexico, were just examples of those law-abiding individuals caught up in the web of bureaucratic technical enforcement. This is why I first introduced the Firearms Owners' Protection Act in September 1979. But earlier, in fact in October 1978, I first began legislative attempts to remedy some of the unduly restrictive portions of the law. I introduced legislation in September 1979. At the time, I was a member of the Judiciary Committee and a member of the Subcommittee on Crime, having jurisdiction over firearms legislation. Despite a broad base of support for my legislation, no hearings were held, even after repeated requests of the chairman. The legislation and the 180 Members of this House, including a majority of the Crime Subcommittee, who were cosponsors of my legislation, were ignored. I reintroduced the legislation the following session and each session thereafter. And in each session, my legislation received the same response from the Judiciary Committee—it was ignored.

But at least there was some activity on the Hill concerning such legislation. During the 97th Congress, 3 days of hearings were held in the other body. During this same Congress, a series of meetings among officials of BATF, the White House, and myself resulted in a number of modifications which met Federal law enforcement concerns, and were agreed to. Ultimately, the Senate Judiciary Committee reported a modified version of the bill but, unfortunately, the Congress adjourned sine die before the full Senate could act.

In the 98th Congress, the other body held 2 additional days of hearings on the merits of the legislation and following another series of meetings with Treasury and White House officials, further refined the bill to ensure no adverse law enforcement effects. This brings us up to the current Congress.

As we all know, on July 9, the other body passed a companion version of my legislation overwhelmingly. But the day after this passage, my colleague, the chairman of the Judiciary Committee, said the legislation was dead on arrival in this House. The will of this body, supported by the 180 Members who have consistently cosponsored my legislation, was being ignored once again. We had no choice but to use the discharge petition. A majority of this body signed that petition. But the delaying tactics still have not ended. March 20, this body was scheduled to take up this legislation on this floor. Moments before the debate was to begin, the legislation was pulled, over my objections. Once again, we were blocked. Today is a new beginning; today we are discussing gun legislation reform—finally.

There is a need for this legislation. For reasons known to us all, other than the hurriedly called hearings of late, there have been no real hearings in this House on the civil liberties abuses which inspired my legislation. I stress that the need for the substitute is not based upon hypotheticals, but upon civil rights abuses perpetrated against real people. These abuses were documented in 6 years of hearings before two different committees, and deserve our attention.

Let's talk about David Moorhead, a decorated and disabled Vietnam veteran. Moorhead's gun shop, located in a small New Hampshire town, was visited by an undercover agent who asked if Moorhead would make an illegal sale. Moorhead instead noted his auto license plate and called BATF to report the man. But the informant saw in Moorhead's shop an M-14, which Moorhead had bought from a Boy Scout leader and kept as a memento of his service. Although the gun was semiautomatic, BATF's experts felt it was originally designed to work, if fitted with extra parts, as a machinegun. BATF sent a team of agents to raid the shop and take Moorhead into custody on felony charges. Following their policy of involving local officials in a search party, the agents had taken the county sheriff with them. But the sheriff immediately agreed to become a character witness for Moorhead.

At the trial, the prosecution argued that good faith was no defense. Moorhead should be subject to 10 years' imprisonment for an honest act. Judge

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Bownes, since elevated to the circuit, had the courage to dismiss the case. From the bench, he asked Moorhead to stand. The judge apologized to him on behalf of the United States, calling the case a travesty. Moorhead, who at this point was indigent, was still being sued by BATF for license revocation and forfeiture of the rifle. Under these pressures, he finally gave up his gun shop.

Another dealer, H.W. Phillips of Virginia, had a related experience. He was approached by an undercover agent who had proper personal identification and was legally entitled to purchase a firearm. The agent later claimed he had made a statement about wanting to transfer the firearm to his girlfriend who resided in another State. Phillips was charged with aiding an interstate sale. The case fell apart so completely that the judge directed a verdict of acquittal. The agency had seized some 44 firearms from Phillips' shop. It took two court orders to get them returned. The Bureau also withheld Phillips' license for more than 1 year after his acquittal. Although ultimately vindicated, the experience left Phillips out of pocket some $7,000 in legal fees.

A third witness documented a different abuse, R.C. Lindsey of Florida, like many collectors, held a dealer's license in order to purchase collectible firearms for himself and friends. BATF sought to revoke it, not upon the grounds that he had ever done wrong, but on the grounds that he was not selling enough guns to merit the license. He had sold three, at a time when the Bureau was prosecuting unlicensed persons selling three or four guns for dealing without a license. The agent inspecting his rather limited books told him to resign the license; upon his refusing, the agent said he would see to it that Lindsey had to hire a lawyer to keep it. He kept that promise. It cost Lindsey some $4,000 in legal fees. The Bureau granted Lindsey the revocation hearing required by law, and appointed J.E. McDevitt as the hearing officer.

☐ 1215

Mr. MARLENEE. Mr. Chairman, will the gentleman yield?

Mr. VOLKMER. I yield to the gentleman from Montana.

Mr. MARLENEE. I thank the gentleman for yielding. Who paid for the defense of the these people even though they were found innocent of these charges and harassments?

Mr. VOLKMER. It came out of their own pockets.

Mr. MARLENEE. It came out of their own pockets?

Mr. VOLKMER. Yes. Some of them became indigent and destitute as a result of it.

Mr. MARLENEE. It seems to me that this is exactly what we are arguing about with the substitute of the gentleman from Missouri.

Mr. VOLKMER. Yes. We have a provision in our bill which the gentleman from New Jersey now in his amendment attempts to strike which would authorize the payment of attorneys' fees to those people who had to sue to get back their own weapons and are vindicated, because of vexatious and unwarranted suits by BATF.

Mr. MARLENEE. One other question: The people who perpetrated this harassment, Are these the same people who would develop the regulation for the computation and investigation of backgrounds and backdoor registration and compilation of reports?

Mr. VOLKMER. These were BATF people back in the early years, back in the seventies.

Mr. MARLENEE. These are the same people who would develop the regulations.

Mr. VOLKMER. Yes.

Mr. MARLENEE. I thank the gentleman for yielding.

Mr. VOLKMER. If I may return to my statement, not surprisingly, McDevitt, the hearing officer, ruled against Lindsey. Lindsey's breakthrough came after he made a freedom of information request. Although the Administrative Procedure Act requires hearing officers to be unbiased and prohibits appointing one who has had anything to do with the case, Lindsey discovered a memorandum from McDevitt, dated only a few months before the hearing, in which McDevitt took a part in pressing the case against him and indicated how his superiors in the Bureau should handle it, together with his suggestion as to why the license should be revoked. Upon being confronted with the document, the Bureau promptly reversed its position and issued the license.

These three cases are only a sample of documented abuses. There are others.

Paul and Billi Hayes of New Mexico testified to a raid on their gunshop in which agents claimed they had sold firearms to an undercover agent who, while claiming to be a resident of New Mexico, had mentioned in passing that he would give the guns to a resident of Texas. Although neither New Mexico nor Texas had any gun laws that would have been violated even if the charge was true, both husband and wife were arrested on felony charges, their shop was raided, and their inventory confiscated. The firearms were largely hunting rifles, new from the manufacturer in their protective boxes. In an apparent effort to damage them, the agents unboxed the rifles, then pitched them into large boxes which were then hauled away by a pickup. The jury took 7 minutes to acquit both the Hayes. Yet the agency then moved to revoke their license. The hearing officer concluded that the Hayes' actions were honest—they proved that in the midst of one transaction they had called BATF to make sure that what they were doing was legal—and reissued their license. Yet the agency still proceeded with a forfeiture suit. The motive became clear when it offered to return all their guns if they would agree to waive the right to sue the agents for false arrest, abuse of process and civil liberties violations. The Hayes refused and eventually, some years and tens of thousands of dollars in legal fees later, the guns were returned.

And there is a gun collector, Patrick Mulcahey of South Carolina, who had been arrested on charges of dealing without a license after he sold three firearms from his personal collection over the period of 1 year. The collection, which included gifts from his late father, was also confiscated. Mulcahey also won acquittal by jury, and the Bureau also followed this with a suit to forfeit every firearm he owned. At the hearing, the BATF brought in his collection piled into 55-gallon drums. Mulcahey added that he was only one of about a dozen collectors raided at the same time.

Once again, these cases are but a sampling of those documented during the hearings. Another collector, Herbert Van Buren of Arizona, wrote that he had been convicted of engaging in the business for five sales at gun shows, to legitimate purchasers. At his trial, the prosecution's own tapes showed he had told the purchasing informant to make sure than he never had anything to do with anyone who might use a firearm illegally, that such persons, though few, brought disrepute upon honest gun owners everywhere. He also told the informant that he kept good records on every gun he owned and swapped or sold, so that if the day when police needed to trace one he could know exactly where it had gone. But the court ruled that honest intent was no defense. Van Buren became a felon.

Later that same year similar hearings were held. This time collectors were the prime focus. I won't go into detail on the dozens of cases documented by testimony or written submissions. One case alone might be mentioned. William Smith, a 62-year-old veteran from South Carolina, was set up on charges of sale to a nonresident. He had sold to a resident. But the resident, an undercover agent, mentioned that he would transfer to a nonresident. Smith was unlucky, as he wrote, "Now I have no rights, I am a felon." Apart from all else, he could never own a gun again, for under the Gun Control Act a person convicted under the act itself cannot apply for relief from disability to own a gun. No matter how good his record, no matter

how unintentional his violation, he is forever barred. Nor was Smith's case an isolated one; 31 other small businessmen had been set up in the same series of cases.

These are the abuses at which my legislation is aimed. The Hughes bill will do nothing about any of these. It will not protect David Moorhead, it will not protect Paul and Billi Hayes, it will not protect Willie Smith. It will do nothing for any of the real problems at which my legislation is directed. The Hughes bill is, to put it simply, an attempt to trample upon the civil rights of our tens of millions of legitimate gun owners. It has no definition of engaging in business. It does not restrict prosecution of inadvertent violations. It allows confiscations and revocations despite acquittal. It does not require an agency to bring judicial actions within 120 days, or any other limit, of a seizure. It makes no provision to reimbuse attorneys' fees upon proof of vindictive or vexacious proceedings.

As for my legislation. There has been a great deal of misinformation about what my bill does and doesn't do. This legislation will not undercut State handgun laws requiring registration, licenses to carry, waiting periods and criminal background checks. Purchase must still be made from a federally licensed firearms dealer. This will ensure that proper records are kept for tracing purposes. The sale must take place over the counter, face to face. This is to ensure that the current prohibition on mail order sales is continued. All interstate sales of firearms, including handguns, must comply with the laws and local ordinances of both the buyer's and seller's States and communities. The licensed dealer is legally responsible for knowing those laws which are printed in the Treasury Department manual distributed to all dealers. The dealer can be charged with a felony if he is wrong. Under these strict requirements it would be extremely difficult for a felon to purchase a firearm.

My legislation provides for one unannounced inspection for recordkeeping every year; my legislation addresses the question of multiple handgun sales; my legislation includes armor-piercing ammunition for recordkeeping purposes; my legislation includes stiff mandatory sentences for the use of firearms, including machineguns and silencers, in relation to violent or drug trafficking crimes; my legislation bars the importation of Saturday-night special barrels. My legislation is not simply progun; it is not antilaw enforcement. My legislation is procivil rights for gun owners. My legislation will assure that every gun owner in this country is guaranteed his and her rights provided by the Constitution. Mr. Speaker, I urge passage of my legislation in the hopes that constitutional rights are returned to our American citizens, including those who own guns.

☐ 1230

Mr. ROBINSON. Mr. Chairman, will the gentleman yield?

Mr. VOLKMER. I yield to the gentleman from Arkansas.

Mr. ROBINSON. Mr. Chairman, I thank the gentleman for yielding to me.

Mr. Chairman, I rise in support of the Volkmer substitute. I would like to share for a few moments with my colleagues some facts that I think ought to be addressed.

Recently the U.S. Department of Justice commissioned a survey of incarcerated felons incarcerated in penitentiaries throughout the United States, and I would like to reveal what that study found.

Sixty-nine percent did not carry firearms in the commission of a crime, but carried knives, razors, brass knuckles, et cetera. Eighty-eight percent of the criminals questioned felt the 1968 Gun Control Act only applied to law-abiding citizens. Eighty-three percent of the criminals surveyed stated that if they could not obtain a handgun, they would simply get a rifle or a shotgun.

Fifty percent of the criminals expected to unlawfully purchase a gun through unregulated channels; 25 percent would borrow a gun; 12 percent would steal a gun. In other words, criminals are thieves. They do not go down to the local sporting goods store and buy a firearm.

But furthermore, from 1952 to 1968 in this country, the rate of homicides increased by 28 percent, and the rate of robberies increased by 154 percent.

Post-Gun Control Act, after the 1968 Gun Control Act, from 1968 to 1980, the rate of homicides increased by 50 percent, and the rate of robberies increased by 85 percent.

Clearly, the Gun Control Act of 1968 did not deter crime.

In addition, I have witnessed over the past several weeks and months the flow of police officers into the District of Columbia to lobby Members of Congress against the Volkmer-McClure bill.

Just to show you how ridiculous the gun control laws are in this country, every police officer that brought his firearm to the District of Columbia violated the gun control laws of this District, because a police officer only in the performance of his official duties can carry a firearm in the District of Columbia. That is just one example of how stupid the gun control laws are.

In fact, in the District, if this District really wanted to do something to combat crime, they would give everyone a pistol when they crossed the 14th Street Bridge, because they have one of the highest crime rates of any city in the United States of America.

Mr. Chairman, in closing, I would like to remind my colleagues how we got on the floor today in this situation we are in. We are here today because after the Senate passed S. 49 on July 9, 1985, the chairman of the Judiciary Committee stated publicly that this bill was dead on arrival.

The CHAIRMAN. The Chair would like to remind Members to refrain from mentioning specific votes by the other body.

Mr. ROBINSON. I am talking about the chairman of the Judiciary Committee in this body. But I stand corrected on mentioning the votes in the other body.

The CHAIRMAN. There had been an earlier reference by another Member. The gentleman may proceed.

Mr. ROBINSON. The Chairman stated that this was a cop-killing, citizen-killing bill. If this bill is so bad, why did the Judiciary Committee incorporate 60 percent of our bill into their bill? It must not be a cop-killing or citizen-killing bill or they would not have incorporated that.

Mr. McCOLLUM. Mr. Chairman, I yield 3 minutes to the gentleman from Idaho [Mr. CRAIG].

Mr. EMERSON. Mr. Chairman, will the gentleman yield?

Mr. CRAIG. I yield to the gentleman from Missouri.

Mr. EMERSON. Mr. Chairman, I congratulate the gentleman from Idaho and my colleague from Missouri. I am a cosponsor of their bill, and I commend them for their leadership in this issue.

Mr. CRAIG. Mr. Chairman, I thank my colleague from Florida for yielding me this time.

Mr. Chairman, this is a very significant debate on a truly important national issue. It is not a question of who is killing who; it is a question of the American public's civil liberties under the Constitution. It is really a very basic and simple argument.

In 1968 this body and the other body rushed to judgment, and that judgment over the course of time has been proven irresponsible. It did not curb the crime that it was supposed to curb. We know that. We have heard testimony here today, debate by our colleagues, giving facts and figures that are now in the RECORD, that so clearly say to us here and to the American people at large that this law begs reform. Yet, it was not until 218 Members of this House responding to an outcry of unconstitutional acts by this Government from the citizens of this country forced this issue to this floor.

So today, ladies and gentlemen, we are not talking about a bill that belongs to the police of this country. We are talking about a bill that belongs to the citizens of this country. I will tell

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you that, although there are police organizations that oppose the legislation that I support, and that is the Volkmer substitute, there are a multitude of police organizations in this country that do support us.

There is the International Union of Police Associations of the AFL–CIO, my letter from them supporting this action. The international union, the U.S. Secret Service Uniformed Division of Officers Association, a broad cross-section of law enforcement officials endorse because they recognize, as the citizens of this country recognize, and as is stated here, that criminals do not acquire their guns through legal methods. Ninety percent in that Justice Department survey found that the felons who used guns in the commission of a crime had stolen them or acquired them in the black market, and the legislation before us today does not stop that process. But it clearly limits the ability of the private, the free, and the innocent citizens in pursuit of his or her civil liberties, under the second amendment to the Constitution, to have that right and to have that freedom.

Members of this body, do not forget that point today. It is fundamental in our debate, and it is fundamental in this body's pursuit of justice by changing through the Volkmer substitute the 1968 gun law to rectify those violations that have come down upon the free and the innocent of our country.

☐ 1240

Mr. HUGHES. Mr. Chairman, I yield 1 minute to the gentlewoman from Colorado [Mrs. Schroeder].

Mrs. SCHROEDER. I thank the gentleman for yielding time to me.

Mr. Chairman, I want to applaud Mr. Hughes and Mr. Rodino for their work on H.R. 4332. It's a compromise that law enforcement and constitutents in my district say they can live with.

Each day, 50 Americans—at least one a child under 14—are killed by handguns. That's nearly 20,000 citizens a year who die accidentally, by suicide, or who are murdered with handguns.

I have heard from the Police Departments in Denver and Colorado how the McClure-Volkmer bill was a "cop killer." I'm sure that many of my colleagues have heard similar comments from law enforcement officials from their districts.

Each year, 70 cops are killed with handguns, 708 in the last 10 years. In the first 9 months of 1985, 62 cops were killed by firearms, 45 of those were with handguns. Police are beginning to say "enough is enough" to this indiscriminate killing of cops and citizens by handguns.

I would also like to address another aspect of this issue: the kid killer aspect. I'm speaking of the number of suicides and accidental deaths of children resulting from handguns.

Teenage suicides in this country have reached epidemic proportions. And what is behind these escalating numbers? The availability of handguns. A recent report by Dr. Pamela Cantor of Boston revealed that almost two-thirds of the 5,200 American teens who kill themselves every year use guns that are kept at home. The teen suicide rate has almost tripled over the last 30 years.

Let's look at some of the statistics:

In 1983, 174 children 14 and younger were the victims of firearm murders—131 were victims of handguns.

In 1983, 260 children under 14 died in firearms accidents—163 died by handguns.

In 1977, gun accidents were the fifth-ranking cause of accidental death among children under 15.

From 1960 to 1974, handgun sales in this country quadrupled to more than 6 million a year. In this same period, the homicide rate for young people aged 15–24 jumped from 5.9 per 100,000 to 14.2.

There is one teenage suicide every 2 hours—more than 6,000 in 1983—and an attempt every minute. Nearly two-thirds of teens who kill themselves use guns, and four-fifths of them use handguns, according to experts.

Police officials in Houston report that childern playing with pistols are being killed or injured at an unprecedented rate. Twelve children have been shot in unrelated incidents. Of those shot, six have died. The shooting victims have ranged from teenagers to a 3-year-old, the police said. The police say they cannot offer any reason for the rash of shootings other than the easy availability and lax handling of pistols.

These are not just numbers. Behind every number is the life of a child that has been cut short. These are kids. These are real cases. These are the horror stories that we would rather not hear about when we discuss the handgun control issues.

We don't want to hear about the child in Cleveland, a 7-year-old who was killed by his 10-year-old cousin with a gun he found in a vacant lot.

We don't want to hear about the problem of guns in our schools. For example, in Boston, four teenagers were arrested for illegal possession of handguns on school property within one 2-week period. Two guns were loaded. In Miami, a student was shot twice and critically injured by another teenager who was trying to settle a quarrel in a lunchroom across from a high school. The school reports an almost 50-percent increase last year, from 62 to 91, in instances where a gun was found on or near school property.

Casey Simpson of the Denver Police Department wrote me that if the same language that passed the Senate passes the House, it would endanger the lives of the street cop. I'm glad the legislation has been improved by the Judiciary Committee, not only for the lives of the street cops, but also for the lives of our children.

I think H.R. 4332 establishes the balance that we have been seeking by providing necessary compromises between those in favor of stronger gun control and those opposed.

Mr. Chairman, with your approval I would like to drop into the Record these letters I received from police chiefs in Colorado expressing their dissatisfaction with the McClure-Volkmer legislation:

Grand Junction, CO,
April 4, 1986.

Representative Patricia Schroeder,
House of Representatives,
Washington, DC.

I am the chief of police in Grand Junction, CO, as well as the representative of all of the Colorado police chiefs on national legislative issues. I urge you to stand with law enforcement and support the Hughes law enforcement amendment. This amendment makes the McClure/Volkmer bill acceptable to the law enforcement community. I have been in touch with my counterparts in 15 Western States, and they are united in their opposition to the McClure/Volkmer bill in its present form but would accept it with the Hughes law enforcement amendment.

Sincerely,

Gary Leonard,
Chief of Police.

Denver Police Department,
Denver, CO, March 3, 1986.

Hon. Patricia Schroeder,
House of Representatives,
Washington, DC.

My Dear Mrs. Schroeder: From time to time it becomes apparent that legislation which would prove harmful to the citizenry of our country becomes a positive consideration by our elected legislators and therefore becomes a real concern to that citizenry who are most aware of the widespread negative affects the enactment of such legislation would produce.

It would appear that enactment of the McClure/Volkmer Bill or S. 49/HR, is of this particular nature and certainly the legislators who are considering passage of such a law should be made aware of the intense opposition of a great number of citizens as well as the opposition of numerous organizations the least one not being the Law Enforcement Steering Committee Against S. 49 representing each of the federal, international and national police associations with a total combined membership of some 280,000 law enforcement officers and officials.

Please consider this communication as an added expression of total and complete opposition to the passage of any such legislation which is embodied in the provisions of this measure by the members of the Denver Police Department, Denver, Colorado.

The ratification of the enactment of such legislation would be a vote against law enforcement's efforts to control crime.

How could legislators in all sense of sincerity enact legislation which would allow for the interstate sale of handguns which in

turn would make it possible for criminals of all types to bypass state and local handgun laws? A law which would weaken federal laws which now impose a five-to-ten year mandatory prison term for use or possession of a firearm in the commission of a violent felony. A law which would undermine the ability of law enforcement to trace thousands of weapons used in violent crime every year. A law which would prevent the identification and prosecution of unscrupulous gun dealers by requiring advance notice of every annual regulatory inspection.

If for no other reason, it would appear that the endangerment of the lives of the street cop as well as added limitations to their ability to function effectively as a law enforcement officer would cause our legislators to give an indepth study of the ramifications the passage of such legislation would undoubtedly pose.

We of the Denver Police Department, in conjunction with the other 280,000 officers, join in seeking your assistance in the defeat of the McClure/Volkmer bill or S. 49/HR as we attempt to continue future performance as law enforcement officers for the protection of the members of our communities whom we have pledged to serve, to protect and to support rather than to pave the way for a more lucrative way of life for the criminal element of our society.

In the name of sanity, we are soliciting your support for the defeat of this unwarranted and prejudicial legislation.

Respectfully submitted,

Casey J. Simpson,
Division Chief, Juvenile and
Community Services Division.

City of Loveland, Police
Department,
Loveland, CO, March 26, 1986.

Hon. Patricia Schroeder,
Longworth House Office Building,
Washington, DC.

Dear Mrs. Schroeder: I would like to express my opposition to the McClure/Volkmer Bill as it is currently written. This bill would weaken existing laws designed to keep guns away from criminals and would increase the danger for police officers and the citizens they are sworn to protect.

Among the serious flaws in this bill:

It would allow for the interstate face-to-face sale of handguns and, thus, make it easier for criminals to bypass state and local handgun laws.

It would weaken current federal laws which impose a five to ten year mandatory prison term for use or possession of a firearm in the commission of a violent felony.

It would undermine the ability of law enforcement to trace thousands of weapons used in violent crime every year.

It would prevent the identification and prosecution of unscrupulous gun dealers by requiring advance notice of every annual regulatory inspection.

It would preclude the prosecution of a licensed gun dealer for violations of law uncovered during the annual regulatory inspection other than willful recordkeeping violations and illegal gun sales to felons and other prohibited persons.

I urge you not to sign the discharge petition for this legislation or to remove your name if you have already signed. This bill must not be passed without careful consideration and amendment which will only occur through the normal legislative process. Please help to defeat this anti-law enforcement bill.

Sincerely,

Lawrence J. Seib,
Chief of Police.

City of Fort Collins,
Fort Collins, CO, March 5, 1986.

Representative Pat Schroeder,
Rayburn House Office Building,
Washington, DC.

Dear Representative Schroeder: As a law enforcement executive and member of the International Association of Chiefs of Police, Police Executive Research Forum, Colorado Association of Chiefs of Police and Colorado Major Cities Chiefs of Police, I would like to express my opposition to the McClure/Volkmer Bill as it is currently written. This bill would weaken existing laws designed to keep guns away from criminals and would increase the danger for police officers and the citizens they are sworn to protect.

The main problems with this bill are that in its current state it will:

1. Allow the interstate face-to-face sale of handguns, thus making it easier for criminals to bypass current state and local handgun laws and purchase these weapons.

2. Weaken current Federal laws which impose a five to ten year mandatory prison term for use or possession of a firearm in the commission of a violent Federal felony. It would require the prosecution to prove the weapon was carried "in furtherance" of the crime. It would also allow a criminal to escape the mandatory penalties if he used the gun to protect himself or another from a "perceived immediate danger."

3. Relax current recordkeeping requirements that would undermine the ability of law enforcement officers to trace thousands of weapons used in violent crimes each year.

4. Prevent the identification and prosecution of unscrupulous gun dealers by requiring advance notice of every annual regulatory inspection.

5. Preclude the prosecution of a licensed gun dealer for violations of law uncovered during the annual regulatory inspection other than willful recordkeeping violations and illegal gun sales to felons and other prohibited persons.

As I am sure you are well aware, ten major law enforcement organizations in the United States have united in opposition to the bill and to the discharge petition. All of these organizations, including those that I have mentioned above, have concerns about the effect the McClure/Volkmer bill would have on crime control and law enforcement capabilities. We also strongly feel that the use of the discharge petition is an unwarranted means of bypassing the legislative process. The legislative procedure enables Congress and the American people to sift through legislation and determine its strengths and weaknesses, permitting us to eliminate or improve upon the weak points. In the case of the McClure/Volkmer Bill, this is especially important because there are constructive provisions in the bill which could meet the needs of law abiding gun owners without endangering the lives of our law enforcement officers and, above all, our citizens.

I urge you not to sign the discharge petition for this legislation or to remove your name if you have already signed. This bill must not be passed without careful consideration and amendment which will only occur through the normal legislative process.

If I or any members of the associations to which I belong can assist you with additional information, please do not hesitate to contact my office.

Sincerely,

Bruce D. Glasscock,
Chief of Police.

Lafayette, CO, February 28, 1986.

Hon. Patricia Schroeder,
House of Representatives,
Washington, DC.

Dear Representative Schroeder: I would like to express my opposition to the McClure/Volkmer bill as it is currently written. This bill would weaken existing laws designed to keep guns away from criminals and would increase the danger for police officers and the citizens they are sworn to protect.

Among the serious flaws in this bill:

It would allow for the interstate face-to-face sale of handguns, thus, make it easier for criminals to bypass state and local handgun laws.

It would weaken current federal laws which impose a 5- to 10-year mandatory prison term for use or possession of a firearm in the commission of a violent felony.

It would undermine the ability of law enforcement to trace thousands of weapons used in violent crimes every year.

It would prevent identification and prosecution of unscrupulous gun dealers by requiring advance notice of every annual regulatory inspection.

It would preclude the prosecution of a licensed gun dealer for violations of law uncovered during the annual regulatory inspection other than willful recordkeeping violations and illegal gun sales to felons and other prohibited persons.

I urge you not to sign the discharge petition for this legislation or to remove your name if you have already signed. This bill must not be passed without careful consideration and amendment which will only occur through the normal legislative process. Please help to defeat this anti-law-enforcement bill.

Sincerely,

Chief Larry S. Stallcup,
Lafayette Police Department.

City of Sterling
Police Department
Sterling, CO, March 19, 1986.

Representative Patricia Schroeder,
Longworth House Office Building,
Washington, DC.

Dear Representative Schroeder: I would like to express my opposition to the McClure/Volkmer bill as it is currently written. This bill would weaken existing laws designed to keep guns away from criminals and would increase the danger for police officers and the citizens they are sworn to protect.

Among the serious flaws in this bill:

1. It would allow for the interstate face-to-face sale of handguns and, thus, make it easier for criminals to bypass state and local handgun laws.

2. It would weaken current federal laws which impose a 5- to 10-year mandatory prison term for use or possession of a firearm in the commission of a violent felony.

3. It would undermine the ability of law enforcement to trace thousands of weapons used in violent crimes every year.

4. It would prevent identification and prosecution of unscrupulous gun dealers by requiring advance notice of every annual regulatory inspection.

5. It would preclude the prosecution of a licensed gun dealer for violations of law uncovered during the annual regulatory inspection other than willful recordkeeping violations and illegal gun sales to felons and other prohibited persons.

I urge you not to sign the discharge petition for this legislation or to remove your name if you have already signed. This bill must not be passed without careful consideration and amendment which will only occur through the normal legislative process. Please help to defeat this anti-law-enforcement bill.

Sincerely,

BILL FINCH,
Chief of Police.

THORNTON POLICE DEPARTMENT,
Thornton, CO, March 19, 1986.

Hon. PATRICIA SCHROEDER,
House of Representatives,
Washington, DC.

DEAR MS. SCHROEDER: I would like to express my opposition to the McClure/Volkmer bill as it is currently written. This bill would weaken existing laws designed to keep guns away from criminals and would increase the danger for police officers and the citizens they are sworn to protect.

Among the serious flaws in this bill:

It would allow for the interstate face-to-face sale of handguns and, thus, make it easier for criminals to bypass state and local handgun laws.

It would weaken current federal laws which impose a 5 to 10 years mandatory prison term for use or possession of a firearm in the commission of a violent felony.

It would undermine the ability of law enforcement to trace thousands of weapons used in violent crime every year.

It would prevent the identification and prosecution of unscrupulous gun dealers by requiring advance notice of every annual regulatory inspection.

It would preclude the prosecution of a licensed gun dealer for violations of law uncovered during the annual regulatory inspection other than willful recordkeeping violations and illegal gun sales to felons and other prohibited persons.

I urge you not to sign the discharge petition for this legislation or to remove your name if you have already signed. This bill must not be passed without careful consideration and amendment which will only occur through the normal legislative process. Please help to defeat this anti-law enforcement bill.

Sincerely,

CHARLES W. LONG,
Acting Chief of Police.

RIFLE POLICE DEPARTMENT,
Rifle, CO.

Hon. Representative PATRICIA SCHROEDER,
House of Representatives,
Washington, DC.

DEAR MRS. PATRICIA SCHROEDER: I would like to express my opposition to the McClure/Volkmer bill as it is currently written. This bill would weaken existing laws designed to keep guns away from criminals and would increase the danger for police officers and the citizens they are sworn to protect.

Among the serious flaws in this bill:

It would undermine the ability of law enforcement to trace thousands of weapons used in violent crime every year.

It would prevent the identification and prosecution of unscrupulous gun dealers by requiring advance notice of every annual regulatory inspection.

It would allow for the Interstate face-to-face sale of handguns and, thus, make it easier for criminals to bypass state and local handgun laws.

It would weaken current federal laws which impose a 5- to 10-year mandatory prison term for use or possession of a firearm in the commission of a violent felony.

It would preclude the prosecution of a licensed gun dealer for violations of law uncovered during the annual regulatory inspection other than willful record keeping violations and illegal gun sales to felons and other prohibited persons.

I urge you not to sign the discharge petition for this legislation or to remove your name if you have already signed. This bill must not be passed without careful consideration and amendments which will only occur through the normal legislative process. Please help to defeat this anti-law enforcement bill.

Sincerely,

L.P. ALLEC,
Chief of Police.

SHERIDAN POLICE DEPARTMENT,
Englewood, CO, March 20, 1986.

Representative PATRICIA SCHROEDER,
Longworth House Office Building,
Washington, DC.

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J.A. STEPHENSON, Jr.,
Chief of Police.

POLICE DEPARTMENT,
Glenwood Springs, CO, March 20, 1986.

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House of Representatives,
Washington, DC.

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Sincerely,

ROBERT C. HALBERT,
Chief of Police/Director of Public Safety.

Mr. McCOLLUM. Mr. Chairman, I yield 1 minute to the gentleman from New York [Mr. SOLOMON.]

Mr. SOLOMON. I thank the gentleman for yielding.

Mr. Chairman, as a long-time member of the National Rifle Association myself and a life-long hunter and fisherman in the Adirondack Mountains in northern New York, I rise in the strongest possible support for the McClure/Volkmer position throughout this debate.

I represent a district in northern New York that consists of thousands and thousands of square miles of desolate, rural area, whose geography is such that, more often than not, there is not a police officer within 40 or 50 miles of many rural residents and the only protection that those families have, whether it be a mother or a wife or a daughter, or an aged couple, is the fact that they have a family firearm in their home. That is the only protection they have. We do not need stiffer gun laws. What we need throughout this country is a death penalty which will impose capital punishment on anyone who commits a murder with a firearm. What we need are laws that mandate minimum sentences for anyone convicted of committing a crime with a firearm. McClure-Volkmer does just that. I support it 100 percent.

Mr. HUGHES. Mr. Chairman, I yield 8 minutes to the gentleman from Florida [Mr. SMITH].

Mr. SMITH of Florida. Mr. Chairman, I rise in strong support of the Judiciary Committee's bill, on which I serve, and I want to take this opportunity to thank both the gentleman from New Jersey [Mr. HUGHES] and the gentleman from New Jersey [Mr. RODINO], the chairman of the subcommittee and the full committee, for the phenomenal work they have done on this bill, and to set the record straight right now. This bill did not reach the floor based upon the discharge petition. This bill had hearings for months all around this country, where every group, every individual citizen could come and speak their minds about this bill, and the bill that we are debating today passed the full committee 35 to 0 well before the 218 signatures came on that discharge petition. And this bill motivated by the desire to do what is right for everyone and not because some people want to circumvent the proper way to bring legislation to the floor. This bill is fair, this bill is balanced, and if it were not, I doubt that the Judiciary Committee would have voted it out 35 to 0.

For years this issue has generated more heat than light. Today we have the opportunity to eliminate that veil of ignorance and prejudice that has shrouded the issue of gun control and gun ownership. We often hear that perception is more important than reality. To my colleagues who have indicated their support of the original Volkmer bill, H.R. 945, and the substitute, I say read the committee bill, H.R. 4332. You may be pleasantly surprised at the committee's conscientious effort to correct real and, even, in some cases, only perceived inequities in the 1968 law. We never hid the fact that there were inequities, that it could be corrected in certain areas, and we have done it.

For the legitimate sportsman who may need or want to purchase a shotgun or rifle in another State for legal purposes, we have a provision. For the legitimate sportsman who wants to transport without violating State laws an unloaded rifle or shotgun from his home State, for hunting or legitimate sporting events, we have a provision. For the legitimate enthusiast, such as one of my colleagues who may want to purchase a rifle or shotgun at a gun show, we have a provision. For the licensed gun dealer who feels unwarranted intrusion by Federal officials or who objects to unnecessary paperwork, we have a provision. For the legitimate dealer and owner, we have provided administrative flexibility for license-related matters, including the right to petition for relief on the penalties of the law, which they do not have now.

In addition to these sections, H.R. 4332 also addresses the legitimate and, in my view, paramount concerns of our law-enforcement community. For the majority of Americans and the law-enforcement community, and the vast majority of the law-enforcement community in this country, 99 percent of the law-enforcement community in this country, not only the heads but the rank and file, we have provided relief for their concerns. We do not permit the interstate sale of handguns, which they oppose bitterly, which most right-thinking Americans oppose bitterly and which I oppose bitterly.

For the majority of Americans and the law-enforcement community, we do not permit the interstate transportation of handguns, which we all oppose. For all of us interested in crime and preventing it, we make it illegal for anybody to knowingly sell or transfer a firearm to a disqualified person. For all of us, we make the use of firearms in the commission of certain crimes subject to heavy extended mandatory sentences. For all of us we prohibit the transfer and possession of silencers not otherwise lawfully possessed. Silencers have absolutely no legitimate sporting purpose. We have also prohibited parts that could be used to convert firearms into automatic weapons.

As you know, the law already provides a prohibition on conversion kits.

For the majority of Americans we have a record check, to see, however belatedly, whether the purchaser of a firearm is legally entitled to that firearm. And what about this argument criminals do not go into gun shops and buy handguns? John Hinkley bought a handgun in a gun shop in this country and then attempted to assassinate the President of the United States.

Mr. Chairman, we hear a lot about keeping guns out of the hands of the criminal element. The Subcommittee on Crime heard testimony from many people complaining criminals do not purchase those handguns, but I just gave you an example of where they do.

And, by the way, the cop-killing, citizen-killing statement about the Volkmer bill and the McClure bill came from testimony from police before the full committee. That is who made that statement.

If anybody doubts that the committee bill is the anticrime bill before us, I urge that person to read the recommendations of the Attorney General's Task Force on Violent Crime. It calls for mandatory sentences for the use of the firearm in the commission of a felony. The committee bill improves existing law. It talks about the importation of parts for Saturday-night specials. The committee bill deals with this. This is a balanced bill. It meets the legitimate needs of American hunters and law-abiding gun owners. But it also addresses the concerns of the majority of American people and the law-enforcement community.

A moment on the substitute: The Volkmer substitute is allowed under the rule. It is not S. 49 nor is it the original Volkmer bill. What the proponents of the substitute bill have done is to change one or two provisions of the original bill, after hearing the hue and cry that arose from the entire law-enforcement community and from average Americans who were opposed to it. However, the changes are cosmetic. In fact, in some of the provisions, the NRA, which clearly wrote the substitute, went further in gutting the 1968 Gun Control Act. Law enforcement and right-thinking Americans still oppose the substitute. It is a large wolf in sheep's clothing.

Mr. Chairman, today is the day for political courage. Say "no" to the NRA. Say "yes" to the police and "yes" to the American citizens of this country.

The CHAIRMAN. The Chair observes that the gentleman from Florida [Mr. McCOLLUM] has 53 minutes remaining and that the gentleman from New Jersey [Mr. HUGHES] has 20 minutes remaining.

Mr. HUGHES. Mr. Chairman, does the gentleman from Florida [Mr. McCOLLUM] intend to yield to me 10 minutes?

Mr. McCOLLUM. Mr. Chairman, I do intend to do that. Under whatever the appropriate procedure is to do that, I intend to yield to the gentleman, since ne has given the full 20 minutes to the gentleman from Missouri [Mr. VOLKMER]. By a previous agreement with the gentleman from New Jersey [Mr. HUGHES], I certainly want to yield that time to him.

Mr. HUGHES. Mr. Chairman, that would give the gentleman from New Jersey 30 minutes total.

The CHAIRMAN. The gentleman from New Jersey [Mr. HUGHES] would have 30 minutes and the gentleman from Florida [Mr. McCOLLUM] would have 43 minutes remaining.

Mr. McCOLLUM. Mr. Chairman, I now yield 2 minutes of my remaining time to the gentleman from Montana [Mr. MARLENEE].

Mr. MARLENEE. I thank the gentleman from Florida for yielding.

Mr. Chairman, I think we need to ask the question: Why does a police officer wear a revolver? As a deterrent to assault and a control of crime.

And that is exactly why many, many Americans own and possess a revolver, including myself. And I defy those who would stop me from traveling across State lines with that revolver, if I have it unloaded and inaccessible. I carry one, and I intend to continue carrying one until you lock me up in some pokey in Daisy Breath, IL, or perhaps New Jersey, if I should happen to get up there, but I will try to avoid it.

Now, I think, Mr. Chairman, that we need to address two recent full-page newspaper ads that speak volumes about those who would oppose the Volkmer substitute. What do they really want?

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The first ad was run against our colleagues HAROLD VOLKMER and STAN PARRIS. I have a copy of the Parris ad run by Handgun Control, Inc. Not only is it full of misrepresentations, they could not even find a real policeman for their ad. He is an actor.

The Handgun Control, Inc., ad implies that all law enforcement officers oppose the Volkmer substitute. That isn't true. In fact, a recent survey of police chiefs and sheriffs conducted by the National Association of Chiefs of Police found that the overwhelming majority support the Volkmer-McClure approach to this legislation.

The second ad, again run by Handgun Control, Inc., shows a series of pictures, right here for those who cannot see well, of revolvers, followed by a picture of the same phony policeman. Both of these ads make it clear that their objective is to control, register, and eventually ban and eliminate, the ownership of handguns. If this were not their objective, why would they be running these kinds of ads which portray a revolver as inherently evil in itself?

Mr. Chairman, if you support the constitutional right to keep and bear arms, if you want to support the rights of your sportsmen and gun owners, then vote for the Volkmer substitute as is. If you oppose these rights, you'll support the committee bill.

I would like to key in on one of the many failures of the committee bill, and the need for the Volkmer substitute.

One provision that sportsmen are very interested in deals with the interstate transportation of firearms. I am particularly interested in this section because the substitute more closely mirrors my own bill on this subject, H.R. 2565.

The Volkmer substitute allows interstate travel with a firearm as long as it is unloaded and not readily accessible. Thirty-seven States have handgun hunting seasons, and all too often hunters and competitive shooters have been harassed as they passed through one jurisdiction to another on their way to a hunt or shooting competition.

A good example is that of a Mr. Brown from North Carolina. Mr. Brown was traveling to Maine with his dogs to go bear hunting and, in accordance with North Carolina law, he had his guns unloaded and unconcealed.

Mr. Brown was arrested in New Jersey and prosecuted for transporting his hunting weapons through the State. While he was in custody, his dogs were confined in a hot garage, and one of them died—all because this law-abiding gun owner was transporting his guns according to the laws of his home State.

The problem is even worse in New York because you are required to have a license in that State, but section 400.00 of the New York penal code prohibits issuing licenses to nonresidents.

The substitute takes care of this problem while H.R. 4332, the committee bill, limits interstate transportation to rifles and shotguns only, on the erroneous assumption that handguns need to be restricted.

Yet, in actual interviews with convicted felons, a study done by the University of Massachusetts found that fully three-quarters of these criminals obtained their guns in-state. The point is, stopping interstate travel with firearms only harasses law-abiding citizens—it isn't going to stop hardened criminals.

Mr. Chairman, I haven't tried to cover all of the bill's shortcomings, some of my colleagues have already done that. But the bottom line is that the committee bill is not good legislation for America's hunters and sportsmen. Support the Volkmer substitute.

Mr. McCOLLUM. Mr. Chairman, I yield myself such time as I may consume.

Mr. Chairman, I believe that the two bills that are before us today, the products of the work in our committee, H.R. 4332, and the substitute proposal by the gentleman from Missouri [Mr. VOLKMER], are both a delicate balance between the interests of sportsmen and the needs of the law-enforcement community in our country. I want to take a moment to especially commend the gentleman from New Jersey for all of the hard work he has put in, as the chairman of the Subcommittee on Crime, in crafting a balanced bill to put out here today. It has not been without a lot of work and personal time and sacrifice on his part, and I think he is to be commended for it.

On the other hand, I think though, there is a great deal of difference of opinion about issues between various parties here today, the gentleman who has drafted the substitute to be presented today, the gentleman from Missouri [Mr. VOLKMER], is also to be commended, because he has crafted something that is really a compromise today, and we are about to try to come up with the best bill possible, from all of the amendments that are to be offered later today.

From the annual duck/goose hunting seasons on the Chesapeake Bay to the wild, wild West, the firearm has been playing a role in American history and in the development of our country.

In 1968, the Congress reacted to the tragedies of the assassinations of both Robert F. Kennedy and Dr. Martin Luther King, Jr., by adopting the Gun Control Act of 1968. Unfortunately, the implementation of this act resulted in frustration, confusion, and unnecessary restrictions for lawful gun owners. As a member of the Subcommittee on Crime, I have heard numerous testimonies which point to sections of the Gun Control Act that place unfair burdens on sportsmen without significant contributions to law enforcement. I, therefore, support this effort to reform the Gun Control Act to favor the sportsmen and the interests that they represent to the best extent that we can, while still protecting the interests of our law-enforcement officials.

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While neither bill is perfect, the debate today enables us to achieve these changes while respecting the law enforcement interests which have been shared with us by law enforcement officials from around the Nation.

Throughout the amendment process, this body will work its will and develop a balance between the basic American right to bear arms and the freedom of sportsmen on the one hand and adequate law enforcement on the other. I sincerely hope that we can establish a firearms law that is directed at the criminal elements in society, rather than law-abiding citizens.

To this end, I plan to offer one amendment to the substitute introduced by the gentleman from Missouri [Mr. VOLKMER]. My amendment responds to six technical or otherwise noncontroversial requests from the Department of the Treasury.

This amendment is supported by the administration and has the approval of the sponsor of the substitute. I am unaware of any opposition to this proposal. I look forward to the opportunity to offer this amendment and thereby contribute to the development of good firearms legislation today and I look forward to being able to support a number of amendments being offered by other Members today that will perfect both the bill, H.R. 4332, and the substitute, so we can get to a vote on the final product.

When all the smoke is cleared today, I think we are going to find that we will be able to reaffirm the words of the great Republican sportsman, Abraham Lincoln, who said, "The ballot is stronger than the bullet." I think we will produce a good product and I commend everybody who has participated in this.

Mr. SMITH of Florida. Mr. Chairman, I yield 1½ minutes to the gentleman from New York [Mr. BIAGGI].

Mr. BIAGGI. Mr. Chairman, I thank the gentleman for yielding.

Mr. Chairman, it is not my intention to go into extensive debate on this issue at this point. I am only allowed 1 minute but I do intend to speak later under the 5-minute rule; however, there is something I would like to clear up. I think we should know exactly who the participants are. It is law enforcement against the NRA, pure, simple, and unadulterated.

There is one issue I would like to clear up and eliminate the confusion, because you will hear that the police community is divided. I have heard it before. I heard it again just a few moments ago and I'm certain we will hear it again.

The law enforcement community supports the bill as reported by the Judiciary Committee. I know about the union of the police, AFL-CIO related. I know the history of it. I know

its terrible internal difficulties. I know its financial problems and I know it is lock, stock and barrel owned by the NRA.

Let me give you the names of those national groups that support the legislation:

The Federal Law Enforcement Association.

The Fraternal Order of Police.

The International Association of Chiefs of Police.

The International Brotherhood of Police Officers.

Major Cities' Chiefs.

The National Association of Police Organizations.

The National Organization of Black Enforcement Executives.

The National Sheriffs' Association.

The National Troopers' Coalition.

The Police Executive Research Forum.

The Police Foundation.

I hope this puts this myth to rest and deals with this smokescreen once and for all. The police of this Nation support the Hughes legislation vigorously and unequivocally.

Mr. McCOLLUM. Mr. Chairman, I yield 1 minute to the gentleman from Pennsylvania [Mr. CLINGER].

Mr. CLINGER. Mr. Chairman, I represent a district in Pennsylvania which issues more hunting licenses than any other district in my State and I suspect one of the major hunting areas in the country. I have just spent 2 weeks talking to literally hundreds of my constituents who are sportsmen, who have told me that the McClure bill is a much needed reform of the 1968 Gun Control Act.

Today and over the last months we have heard differing philosophies about the right of American citizens to own, obtain, and use a firearm for lawful activity.

I would urge my colleagues to preserve this right for our law abiding citizens.

The McClure bill corrects a wide range of problems faced by law abiding hunters and sportsmen from Pennsylvania and around the country. The bill defines exactly who will need a firearms license, eliminates useless ammunition recordkeeping requirements, provides mandatory prison sentences for Federal crimes committed with a gun, which is where the focus should be, and codifies existing regulations for conducting firearms tracing to aid law enforcement.

Mr. Chairman, I would urge passage of the McClure substitute and I would like to commend the gentleman from Missouri [Mr. VOLKMER] for working so hard to bring this vitally needed bill to the floor and to effect these reforms which my constituents and hundreds of sportsmen have told me are vitally necessary.

Mr. HUGHES. Mr. Chairman, I yield 1 minute to the gentleman from Arkansas [Mr. ALEXANDER].

Mr. ALEXANDER. Mr. Chairman, I rise today in support of the amendment to be offered by my friend from Missouri, Mr. VOLKMER. I also rise today on behalf of the thousands of citizens of my State who are lawful gun owners, and dedicated sportsmen and women, who support the Volkmer amendment because it restores an appropriate balance between the right of Americans to bear arms and the needs of law enforcement officials to police the criminal elements in our society.

The Volkmer legislation would allow citizens to transport firearms across State lines—if the firearm is unloaded and inaccessible. For states like Arkansas, which are known for their hunting and competitive shooting, this measure will enhance the prospect of more visitors to our communities and greater economic gain for our citizens.

Further, this legislation would allow a citizen of another State to purchase a firearm from a licensed dealer if the laws of both the State of sale and the State of the purchaser's residence are followed and the purchaser conducts the transaction in person. This would permit hunters and gun collectors to purchase firearms when and if they needed them while visiting in another State.

The Volkmer legislation also addresses the issue of criminal intent. All too frequently, law-abiding citizens have been prosecuted for simple unintentional errors in obtaining a firearm. The Volkmer bill protects gun owners by requiring that Federal agents prove criminal intent in the prosecution of such cases.

Mr. Chairman, I support the Volkmer amendment to restore balance. The key word in this debate is "balance." The purpose of this legislation is to balance the rights of law-abiding citizens to bear arms against the very real needs of law enforcement officials to fight crime. Mr. Volkmer's bill achieves this appropriate balance, and I congratulate him on his efforts to bring this to the floor today.

Mr. McCOLLUM. Mr. Chairman, I yield 2 minutes to the gentleman from Louisiana [Mr. MOORE].

Mr. MOORE. Mr. Chairman, I rise in strong support of the Volkmer substitute.

Concerns are being expressed that interests of private gun owners and law enforcement officers are set on a collision course today, but both can be reconciled.

I was a military policeman and my only brother is a career police officer.

So, I can see the concerns of law enforcement in preventing crimes and the misuse of guns, but also of the importance for legitimate gun owners, which include our country's citizens, to have the opportunity to buy, own, and transport firearms for sporting purposes or for self-defense.

Allowing gun owners to transport an unloaded, not readily accessible, firearm does not lessen our crime-fighting efforts, and without this provision, our law-abiding citizens are punished.

The Volkmer substitute protects gun owners' rights by allowing the transport of not only long guns which the committee allows but also handguns. Many law-abiding citizens have been arrested, jailed, and fined because of innocently carrying firearms through States and communities with laws prohibiting unlicensed possession of such firearms. Gun owners whether they are sportsmen or even law enforcement officers who carry their handguns through States when they travel on vacation or to sporting events or even to move their households interstate now under current law could face criminal charges.

The transportation provisions in the Volkmer substitute are vitally needed to protect legitimate gunowners and the transportation provision in the committee bill and in the Hughes amendment does not go far enough in protecting these rights.

In addition to the transportation provision, I support the Volkmer substitute on the whole which is largely based on H.R. 945, the Firearm Owners Protection Act, which Representative VOLKMER introduced and I cosponsored. I oppose the Hughes amendment to it.

I want to commend the Judiciary Committee for finally bringing gun legislation to the floor, and I am particularly pleased that the discharge petition which I signed early was successful in providing the motivation for the committee to move legislation after 6 years to give the full House this important opportunity to debate gun legislation.

The Volkmer substitute, in my opinion, does three key things:

First, it will protect the rights of law-abiding gun owners, dealers, and sportsmen;

Second, it will help law enforcement implement Federal gun laws and fight crime which I believe all Members want to see reduced. My brother is a career police officer and I was a military policeman. I am a strong supporter of law enforcement so I know full well law enforcement concerns and the dangers they face; and

Third, it will appropriately target our efforts where they should be—at the criminal, not the weekend hunter or the concerned citizen or legitimate gun dealer who has been treated like a criminal because of unintentional, minor violations, with no criminal intent. Addressing these enforcement abuses along with criminal deterrents should be our goals in drafting consensus changes in gun laws.

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In my home State of Louisiana, my constituents feel strongly about our second amendment rights to keep and bear arms. They want us to protect those rights. Even the preamble of the Gun Control Act states that it is not intended "to place any undue or unnecessary Federal restrictions or burdens on law-abiding citizens" in their purchase, possession, or use of firearms.

We have heard numerous abuses of our citizens in the enforcement of the gun laws and in the interpretation of their vague and undefined provisions.

The Volkmer substitute is intended to be a fairer, more comprehensive measure, striking a balance between law enforcement and sportsmen concerns.

For gun owners and dealers—the Volkmer substitute:

First, it allows the interstate sale of firearms if the sale is face-to-face and complies with laws of both buyers' and sellers' States;

Second, it allows interstate transport of unloaded and not readily accessible firearms;

Third, it clarifies the term "engaged in the business" to end confusion of who needs a license for firearm sales, so unsuspecting, law-abiding gun owners and hunters do not find themselves guilty of a felony for sales without a license such as an exchange of firearms from their personal collection;

Fourth, it repeals ammunition recordkeeping requirements (except armor-piercing bullets) which BATF and Treasury says have no substantial law enforcement value; and

Fifth, it reduces minor and technical recordkeeping offenses to a misdemeanor since now violations are felonies.

On the other side of the scale, the Volkmer substitute strikes at criminals by strengthening criminal penalties as it:

First, provides a 5-year mandatory prison term for drug traffickers who use or carry a firearm in a drug trafficking crime;

Second, provides a mandatory 10-year prison term for using or carrying a machinegun or silencer in the commission of a violent crime or drug trafficking offense and a 20-year mandatory term for a subsequent offense; and

Third, provides a mandatory penalty for using armor-piercing ammunition in a drug trafficking felony.

I support these penalties as throughout my tenure in Congress, I have authored and sponsored mandatory penalties legislation as a deterrent for crimes committed with firearms as a far more effective way of deterring the use of guns in the commission of crimes.

In contrast, the Volkmer substitute is better than the Hughes amendment which does not address some of the abuses which have burdened legitimate gunowners and gun dealers. The Hughes amendment does not address the definitional problem of who is considered a dealer nor the problems arising from minor technical violations which were not intentionally committed. It does not allow the interstate sale or transportation of all firearms.

Again, I feel the Volkmer substitute is a good compromise, bringing a balance to law enforcement and sportsmen concerns. It gives law enforcement the tools with which to prosecute and punish criminals, and it protects the rights of gun owners, sportsmen, and dealers. I do not think it makes it easier for criminals to get guns.

I urge my colleagues to support the Volkmer substitute.

Mr. HUGHES. Mr. Chairman, I yield 1½ minutes to the gentleman from Ohio [Mr. TRAFICANT].

Mr. TRAFICANT. Mr. Chairman, as a former sheriff, I would like to say that it is very easy to turn the clock back. It is pretty tough to do what is responsible and there is a cloud that is hanging over the House today. It is a cloud that may divide two very great bodies, one known as the NRA and one known as the police.

The NRA basically consists of honorable, law-abiding citizens. However, I do not believe there are five people, if any in this House who want to take guns away from people.

However, Mr. Chairman, we are dealing with a complex issue. During the 7 major years of the Vietnam war, there were more Americans killed with handguns in this country than soldiers killed in Vietnam. We have let this problem go unabated for too long.

We have a tremendous problem in this country where the psychological edge rests with people who take a casual approach to a handgun or a weapon, and God forbid, the results are evident.

In 1981, we had 11,522 Americans killed with a handgun. The figure was 77 in the next leading democratic type of society in Japan, with 120 million-people, half our population, crammed into a country the size of California.

Today we can make a decision, give the psychological edge to all police officers and send a message across the country that guns are not to be handled just casually, like other pieces of apparatus purchased at any particular store.

I think the Hughes bill, the committee bill, represents a better picture for this country, even though neither of them in my opinion would serve the country as well as they should. I do commend the gentleman from Missouri [Mr. VOLKMER] who has made a valiant effort to perfect parts of this bill which have been tempered in the last several weeks.

Mr. McCOLLUM. Mr. Chairman, I yield 3 minutes to the gentleman from Pennsylvania [Mr. GEKAS], a distinguished member of the subcommittee.

Mr. GEKAS. Mr. Chairman, there is no question about it, the whole issue has resolved itself down to a tremendous legislative duel between two titans, one being the police officer and the other the sportsman of our country, both fellow citizens, both worthy of our support, both eager to gain our support in their roles in life; but I believe that the sportsman can already proclaim a victory. The sportsmen have gained beyond what they might have imagined just a few years ago, full relief on what they considered to be burdensome restrictions on their ability to transport long guns across State lines, on the ability to transact the sales that are so important to them, and no matter which version applies here today, it grants that relief.

Therefore, I believe that I, as a politician who tries to respond to the wishes of my constituents, have done to this moment yeoman service to the sportsmen and outdoorsmen and hunters and sportsmen's federation in my district.

I have not yet, however, come to the point where I am ready to accept the Volkmer bill in its entirety because of the unresolved handgun issue. To me it is still unresolved.

It remains for this debate, as the gentleman from Florida has determined and so eloquently proposed, for the full debate of this House to finally paint the picture which will evolve for the final vote; but I do believe that I can forever, no matter what the outcome is politically for me the remainder of my incumbency. I can forever feel proud that I have done my duty as I saw it to the sportsman, to the hunter, to the outdoorsman, and to those who feel that the long gun does not require the kind of restriction that has been placed upon it so long.

Mr. McCOLLUM. Mr. Chairman, I yield 2 minutes to the gentleman from Ohio [Mr. KINDNESS].

Mr. KINDNESS. Mr. Chairman, I would like to add my commendations to the gentleman from New Jersey, the gentleman from Florida, and the other members of the subcommittee, for the fine work they have done in bringing this legislation to the House floor and my particular commendations to the gentleman from Missouri [Mr. VOLKMER], who has struggled and led so valiantly the effort over a good period of years now to get this matter to this stage.

I think it is quite regrettable that there has been so much polarization of the positions that have evolved with regard to this legislation. It is too bad.

That brings me down on the side of the Volkmer substitute.

I think it is regrettable that we could not have approached this point several years ago. Perhaps this is a lesson for the Committee on the Judiciary to learn, not to simply bury things forever, because the pot will boil over. The pot has boiled. The Volkmer substitute ought to carry the day.

I believe that there is a sincere effort on the part of both sides here to have their point of view put across well and it is even possible that there might have been further compromise to bring the two views together more closely. That does not appear to be the setting in which we will operate today.

Therefore, I urge my colleagues to support the Volkmer substitute and at the same time to pay respects to the committee for the work that it has done in bringing the measure to the floor today.

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Mr. HUGHES. Mr. Chairman, I yield 2½ minutes to the gentleman from Maryland [Mr. MITCHELL].

Mr. MITCHELL. I thank the gentleman for yielding this time to me.

My colleagues, 9 months ago we became so concerned in my city about the violence that a group of citizens formed themselves together to combat the killings that are taking place in my city, and my city is not too different from other cities.

We go out regularly putting up these bumper stickers on doors, on windows, on automobiles, "Us Killing Us Equals Genocide." The police department has given us excellent cooperation. The State's attorney works with us. Therefore, I rise in support of the committee legislation rather than the Volkmer substitute because I would have to oppose any legislation that gave greater access to guns for people to kill each other.

I just talked with my Baltimore City Police Department. It is estimated that there are 100,000 illegal guns in the city of Baltimore. That is not too different from any other city. Of great concern to my police department and to me and to all well thinking people is the fact of gratuitous violence which is now taking place in connection with crime; not just a robbery, but after the robbery, kill them; not just a burglary or an attempted burglary, but after that, shoot the person. Gratuitous crimes.

In my city and in every other city, I know in Newark, NJ, there is an underground economy in handguns, where one can rent a handgun for the commission of a crime, or one can borrow a handgun for the commission of a crime. Last year in my city, in Baltimore, handguns accounted for 54 percent of all the homicides. This year, handguns account for 60 percent. And that ratio has obtained for the last 14 or 15 years. Us killing us equals genocide.

I think every one of us who is concerned about the sanctity of life, about the well being of our communities, should bitterly oppose any legislation at all that increases accessibility to weapons of death and maiming in our communities.

I will support the committee's legislation. I would urge my colleagues in this House to oppose the Volkmer legislation, because it does increase access to handguns. Remember, us killing us equals genocide.

Mr. McCOLLUM. Mr. Chairman, may I inquire how much time remains on this side?

The CHAIRMAN. The gentleman from Florida [Mr. McCOLLUM] has 31 minutes remaining and the gentleman from New Jersey [Mr. HUGHES] has 23½ minutes remaining.

Mr. McCOLLUM. Mr. Chairman, I yield such time as he may consume to the gentleman from Georgia [Mr. DARDEN].

Mr. DARDEN. I thank the gentleman for yielding time to me.

Mr. Chairman, I rise today in support of the Volkmer substitute to H.R. 4332. This substitute—the Gunowners Protection Act—balances protection of public safety with the constitutional right of Americans to keep and bear arms.

The Gun Control Act of 1968, though well-intentioned in its concern over controlling crime, has burdened weapons dealers and those who would use firearms for sport and personal protection with layers of complex and unnecessary regulation.

The Volkmer substitute would lift much of the regulatory burden from law-abiding dealers and gunowners, while preserving necessary restrictions on the importation and sale of weapons likely to be used by criminals and terrorists.

Millions of Americans use firearms responsibly for recreation. Others have a justifiable need to keep a gun for their protection, especially in rural areas. These law-abiding citizens should not be denied their constitutional right to keep and bear arms because the criminal element ignores the laws we already have.

As a former district attorney, I know that gun control only hampers those who already obey the law; hardened criminals continue to buy, carry, and use guns as they choose, regardless of the legal requirements.

I urge my colleagues to support this long-needed revision of our Federal firearms laws.

Mr. McCOLLUM. Mr. Chairman, I yield 1½ minutes to the gentlewoman from Nevada [Mrs. VUCANOVICH].

Mrs. VUCANOVICH. I thank the gentleman for yielding this time to me.

Mr. Chairman, I rise in support of the Volkmer substitute.

It is very clear that millions of law-abiding sportsmen and gunowners in this country have been adversely affected by gun control legislation. The purpose of the Volkmer substitute is not to make life easier for the criminal element in our society, but to correct the unnecessary burden placed on the law-abiding American citizens who exercise their constitutional right to own a firearm.

Naturally, there must be a balance between individual rights and the protection of our citizens. But the 1968 Gun Control Act has failed because it does not recognize the realistic difference between law-abiding citizens and criminals. Criminals do not often purchase guns from authorized dealers, and if they do, it is unrealistic to think they will provide truthful information to the dealer.

Instead of infringing upon the rights of law-abiding citizens, instead of searching for new ways to license, tax, and regulate law-abiding citizens, Congress should pass laws that toughen and enforce penalties against criminals.

My State of Nevada, has considerably less State regulation on firearms than most States, and it is clear that most Nevadans would like to see it stay that way, because I have received an overwhelming amount of constituent support for Mr. VOLKMER's legislation.

Mr. Chairman, it is time the Federal Government stops harassing sportsmen and gunowners by treating them like criminals. The Volkmer substitute treats the gun owners as law-abiding citizens, by giving them an opportunity to conduct legitimate business transactions in a reasonable manner. It also treats criminals as criminals through the use of mandatory penalties.

The Volkmer substitute returns basic American principles to firearms laws. H.R. 4332 does not adequately reform the abuses contained in the 1968 Gun Control Act. The Volkmer substitute is a realistic, rational approach to reform. I urge my colleagues to vote for the law-abiding citizens and uphold the Constitution by voting for the Volkmer substitute.

Mr. HUGHES. Mr. Chairman, I yield 1½ minutes to the gentleman from New Jersey [Mr. TORRICELLI].

Mr. TORRICELLI. I thank the gentleman for yielding this time to me.

Mr. Chairman, let me first extend my congratulations to the gentlemen from New Jersey [Mr. RODINO and Mr. HUGHES]. They have made this a proud day for my State of New Jersey.

My colleagues, we have a problem. Year after year we have stood in this well and we have talked about the problems of crime, guns in the schools, teenage suicides, mounting homicides, and people thought we were serious. They did not understand that these were just speeches. They did not know that there were not people prepared to come to this Congress and to vote for laws to protect law enforcement officers and to meet the problem.

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My friends, I am sorry if it is inconvenient that we want to keep records of those who buy guns. I am sorry if it is inconvenient that we need to check criminal records, mental records, before people buy deadly guns. It is too bad; but if you think it is inconvenient for you to check the records, ask Sarah Brady, ask police officers, ask the 10,000 Americans who are going to be murdered next year by guns in this country. Ask about their inconveniences.

There is not just a gun problem in America. There is a gun epidemic in America and it is time we stand up and be counted. It is easy to put a bumper sticker on your car to "Support Your Local Police." It is so simple to stand here and make a speech about the problems of crime. It is another thing to stand up to the gun lobby. That is what we need to do here today.

Mr. McCOLLUM. Mr. Chairman, I yield 1½ minutes to the gentleman from Alabama [Mr. Dickinson].

Mr. DICKINSON. I thank the gentleman for yielding this time to me.

Mr. Chairman, I rise today to voice my strong support for the Firearm Owners Protection Act, as a substitute to H.R. 4332.

H.R. 4332 has been billed as a compromise between the rights of law-abiding gunowners and law enforcement. Nothing could be further from the truth. The bill actually creates a whole new set of enforcement problems for the Secretary of the Treasury, the FBI and State and local police.

The substitute, on the other hand, clarifies and codifies provisions of existing law to benefit police in their fight against crime—a fight, I might add, that they are beginning to win.

Mr. Chairman, the substitute will protect the rights of law-abiding gunowners, dealers, sportsmen, and collectors, and will target violent felons and drug traffickers.

Mr. Chairman, I would like to focus on just one onerous aspect of H.R. 4332. That of denying persons under indictment the ability to possess firearms.

Under current law, and under the substitute, a person who has been indicted for a State or Federal crime may not receive or transfer any firearm. He may, however, possess any guns he might have at the time of his indictment. After all, it is our system of judicial review that deems a person innocent until proven guilty.

H.R. 4332 would prohibit the receipt and possession of firearms by persons under indictment thereby creating instant criminals. At the moment of indictment on a State or Federal charge, a gunowner would be in violation of H.R. 4332—a felony. Even if the person is acquitted of the charges or the charges are dismissed, he would be a felon for possessing a gun while under indictment.

The substitute adequately addresses this problem. It provides safeguards for law enforcement and persons under indictment but not yet convicted for a crime.

There are many other onerous provisions in H.R. 4332 that I will defer to my colleagues.

Mr. Chairman, the substitute was introduced 7 years ago to correct the abuses and problems of the 1968 Gun Control Act, While H.R. 4332 does address some of these concerns, it also creates new ones. And for that reason—and others that this body will hear today—I support the substitute.

In closing, I urge my distinguished colleagues to consider this: Should we pass a bill, H.R. 4332, that creates new problems for gunowners and law enforcement, or should we adopt the substitute, a bill that will correct old problems, protect law-abiding gunowners from future problems and help law enforcement combat existing crime problems?

Mr. HUGHES. Mr. Chairman, I yield 2 minutes to the gentleman from Texas [Mr. Frost].

Mr. FROST. I thank the gentleman for yielding this time to me.

Mr. Chairman, I rise in support of the Hughes-Rodino bill on the floor today. It is a well-thought-out and reasoned approach to the issue of firearm sales and transfer in this country. I believe its enactment today will be a victory for sportsmen and the law enforcement community alike.

This legislation most certainly involves one of the most emotional issues I have faced in my 8 years in Congress. Feelings run high on both sides and, as a result, I have given the matter a great deal of time and attention. I have listened to the views of my constituents and to the people charged with enforcing the laws in my congressional district. I decided when I came here 8 years ago that I would consider each issue on its own merits and would vote in the best interest of my district and my country, regardless of the passions of the moment.

Prior to making my decision on the legislation before us, I had my staff contact literally every one of the local police departments in my district as well as the Dallas offices of the FBI, the Drug Enforcement Administration, and the Texas Rangers. Each department chief was asked to comment on the Hughes-Rodino bill and the Volkmer substitute. Every single sheriff, police chief, commander, and inspector spoken to said that Hughes/Rodino is preferable to McClure-Volkmer and will make our streets safer for law enforcement officers and the citizens they are charged with protecting.

I would like to share with you a few short comments offered by the law enforcement officials I contacted:

The Dallas Police Chief, himself a sportsman, stated that "the Hughes-Rodino bill is a fair compromise that will help protect my officers in the street".

The Police Chief in Duncanville, Texas stated that "provisions in the bill will be of assistance in keeping handguns out of the hands of known criminals".

The Police Chief in Irving, Texas strongly endorsed Hughes-Rodino as a bill that makes sense and fairly addresses any concerns legitimate sportsmen may have.

The DeSoto Police Chief acknowledged that the retention of limited control on handguns and increased penalties for crimes committed with firearms is an effective approach to dealing with violent crimes.

A Captain at the Cedar Hill Police Department expressed the view that any effort to lessen restrictions on concealable firearms threatens the safety of officers in the street.

The Sheriff of Dallas County stated that "the resolution of violent crimes often depends solely on the availability of records that can be used to track the ownership of weapons".

The Senior Ranger Captain of the Texas Rangers expressed that enactment of legislation lessening restrictions on handguns will make law enforcement a much more dangerous and difficult job.

A spokesman from the Dallas office of the FBI stated that "making the sale and availability of handguns easier is a mistake from the law enforcement point of view".

Finally, the Dallas Regional Commander of the Drug Enforcement Agency stated that "Hughes-Rodino is fair to sportsmen but retains needed restrictions on concealable firearms."

After reviewing the comments of the officers in my district, I'm convinced that lessening restrictions on handguns would be a mistake that we would pay for with the lives of citizens and police officers.

Hughes-Rodino is a responsible measure. It allows hunters the flexibility they need to pursue and enjoy their sport. Law abiding sportsmen, gun collectors, and dealers have nothing to fear from its provisions. Criminals, however, and those who seek to make firearms easily available to criminals, will be thwarted by the provisions of this bill. It's a good bill. It's a fair bill. I urge my colleagues to join me in supporting it.

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Mr. McCOLLUM. Mr. Chairman, I yield 7 minutes to the gentleman from California [Mr. Lungren].

Mr. LUNGREN. Mr. Chairman, I am one of those who is pleased that we are here today. I understand the frustration of many who have wanted to deal with amendments to the 1968 firearms bill for some time. I understand their frustrations, and I understand their concerns. In fact, I applaud them for putting pressure so that we are here.

I am not one who is adverse to using a discharge petition. I have used a discharge petition before to gain the attention of the House to help move the immigration bill. I have used other procedures to get the omnibus crime

bill out here. Yet I have tried to work within my committees when that was possible to bring forward what I consider to be strong law-enforcement legislation.

I would say as one who did not sign the discharge petition, I do not argue with anybody who did. I think it was a healthy thing for us to move this legislation.

I will say that I think the subcommittee, when it finally got an opportunity to act on this, passed out a pretty good product. I think that is recognized by the gentleman from Missouri, Mr. Volkmer, who in some cases has taken part of that product and placed it into his substitute today. He admitted when he came and testified before us that there were problems with the bill he had introduced, with the bill that had come from the other body, and he was going to attempt to rectify them, and that is where we are now. His substitute does rectify some of the concerns he had about his own bill.

On the other hand, I think we have made some changes, in the subcommittee version, which go further in rectifying some of those problems. But the fact of the matter is that there is going to be an up-or-down vote on the Volkmer bill before we ever really vote on the entire committee bill. So we are really going to be talking about how we amend the Volkmer substitute, which is an amended form of the original bill that the gentleman from Missouri [Mr. Volkmer] had introduced some time ago.

It is in this direction that I would like to address my remarks. I happen to think that the members of the National Rifle Association have legitimate concerns about the present law. They have expressed those concerns, and I think we have a duty to meet those concerns.

At the same time, I believe that members of law enforcement agencies have a legitimate concern about some of the things that are contained in the original Volkmer bill and the Volkmer substitute, I know there has been some discussion about the fact that there is a split in the law enforcement community. The president of one of the groups that is represented in the AFL–CIO has come out in support of the McClure-Volkmer bill. I have tried to have my staff do a survey of the various groups involved. As close as I can determine, this is what it amounts to: Of the law enforcement groups that support major amendments to the McClure-Volkmer substitute, they represent 173,393 police officers in America. Of the one group that supports McClure-Volkmer without amendment, they represent 7,000 police officers in America.

So if you want to know where the overall number of police officers are in terms of the number of amendments that are to be offered, I think you know they go in the direction of amending the Volkmer substitute.

We will have several opportunities to do that. One is the Hughes law enforcement package amendment. Then subsequently, if that is not successful, there will be individual amendments.

I will support the Hughes law enforcement package which consists of nine major amendments en bloc because I think they make reasonable changes to the McClure-Volkmer substitute.

Let me just talk about one of them that I think is important. This will be dealt with in an individual amendment if the Hughes law enforcement package is not agreed to, and that bans the sale of silencers. I, frankly, for the life of me, cannot understand the arguments of anybody that it serves a legitimate sportsman interest to use a silencer. Maybe when you shoot one grouse, you do not want the other grouse to get up and walk away because they hear the noise. Maybe you have some concern about other deer running around when you fire a weapon with a silencer at a particular deer that is in front of you. But for the life of me, I cannot understand anybody suggesting that there is legitimate interest in dealing in and selling silencers. I hope when we have an opportunity for the amendment that the gentleman from Florida [Mr. Shaw], and I might offer, that someone who does believe there is a legitimate sportsman interest will come forward and explain it to me.

Perhaps the major difference that is going to be voted on here, and either will be encompassed in the Hughes law enforcement package or by a separate amendment, will be what I think this is the bottom line for law enforcement organizations, the transport across State lines of handguns. We have made a legitimate decision in both versions to allow the interstate transportation of long guns; that is, shotguns and rifles. That is what the sportsmen in my community have asked me about.

I had one come up to me in a townhall meeting just this week and said, "Please allow me to do that. I am not someone breaking the law. All I want to do is to be able to take my rifle or shotgun hunting." And I said, "What about handguns?" And he said, "I don't want handguns, I don't want to go that far." I said, "that may be the major difference in the vote that takes place."

The law enforcement community, for whatever it is worth, has decided that this change in law would interfere with their ability to enforce the law with respect to the transport of handguns in their own communities. It seems to me we ought to take cognizance of that.

I think we are finally going to come up with something that is an improvement on current law. I suspect that in some ways it will have the contributions of the gentleman from Missouri [Mr. Volkmer] and the contributions of others. But I would just ask that Members not flock to one side or the other because the NRA says this, or law enforcement says that, or because we got more phone calls at home on this, or somebody down the street said that. Please take a look at the various amendments as they are presented. Please take a look. For someone to say to vote for any amendment will gut the Volkmer substitute means that when we offer our amendment to outlaw silencers, that that somehow is going to gut the Volkmer substitute. I do not understand that. I cannot understand that.

It seems to me we owe it to ourselves to look at each and every amendment, and make a judgment on the amendments as they come forward. Then we can vote up or down the final package. As I say, I think we need to amend the current law. I stand against handgun control. I have never supported it and I never will. But I think we have a far distance from one extreme to the other. We will have an opportunity to try and make informed judgments all along that distance during the debate today.

I would just ask Members please, open up your eyes and vote on these amendments on their merits. Please do not disregard the legitimate concerns of law enforcement.

Mr. HUGHES. Mr. Chairman, I would ask, how much time remains?

The CHAIRMAN. The gentleman from New Jersey [Mr. Hughes] has 20 minutes remaining and the gentleman from Florida [Mr. McCollum] has 21 minutes remaining.

Mr. HUGHES. Mr. Chairman, I yield 1 minute to the gentleman from Connecticut [Mr. Morrison].

Mr. MORRISON of Connecticut. Mr. Chairman, I thank the gentleman for yielding this time and rise in support of the Judiciary Committee bill. I think it is good work and good legislation and I commend the gentleman from New Jersey [Mr. Hughes] and the ranking member, the gentleman from Florida [Mr. McCollum] for the cooperative process that brought it to the floor.

But we know that the real vote today is going to be the vote on the law enforcement package that the gentleman from New Jersey [Mr. Hughes] is going to offer. It provides the alternatives for all Members in this body to speak with a voice that says we want to accommodate in this gun control legislation the reasonable concerns of law enforcement to protect people. We should follow the advice of the broad spectrum of law enforcement organizations across the

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country that are saying this is the minimum that is required.

I think the gentleman from New Jersey [Mr. HUGHES] has been diligent in picking an amendment and fashioning an amendment that will make that kind of change in the Volkmer bill. I would hope that a majority of this body on both sides of the aisle will see the wisdom of that amendment and support it.

Mr. McCOLLUM. Mr. Chairman, I yield 2 minutes to the gentlewoman from New Jersey [Mrs. ROUKEMA].

Mrs. ROUKEMA. Mr. Chairman, first let me commend my good colleagues, Mr. HUGHES and Mr. McCOLLUM for this outstanding legislation.

Lives may be on the line as a result of today's vote on gun legislation. Not surprisingly, then, passions run high whenever this issue is debated. At its most basic level, the Constitution clearly guarantees the right to keep and bear arms. Yet, the need for reasonable restrictions on firearms should be beyond question. Our goal should be to maintain the greatest level of public safety while preserving personal freedom. The question, then, is for reasonable people to find that balance.

The Hughes alternative, which passed the Judiciary Committee without a single dissenting vote, would allow hunters and sportsmen greater freedom to pursue their sport. They would be able to travel between States with secured, unloaded rifles and shotguns. They could purchase these guns in person outside their home State. These are reasonable changes which will not make concealable weapons more available. As such, I support them.

The Volkmer proposal, however, would permit handguns to be brought across State lines. First, this infringes on the rights of my constituents who helped enact New Jersey State law that restricts the entry of unregistered handguns. The Volkmer proposal would specifically preempt our reasonable and necessary handgun regulations. Second, the Volkmer proposal would prevent New Jersey authorities from prosecuting violations of its own gun laws by permitting people to buy handguns in other States and bring them back to my State, without notifying New Jersey authorities.

There are many other provisions of the Hughes proposal which would address the needs of gun owners without endangering innocent lives. But since my time is short, let me address the one key fact that should control our consideration of this legislation: All major police organizations in this country support the Hughes proposal and reject the Volkmer substitute. These are the people who put their lives on the line every day to protect our citizenry, and they say that the Volkmer substitute would aid criminals and will lead to the deaths of police officers. I will not vote for legislation that may have this effect!

Now, the National Rifle Association tells us that these police organizations are out of touch with the cop on the street. By the police officers in my district—Sheriffs Fred Cooper, Edwin Englehardt, and William McDowell—in addition to the local police officers I have spoken to, all support the Hughes reforms and oppose the dangerous provisions of the Volkmer substitute. I will not support a gun bill which these people tell me will aid criminals and kill police officers.

I urge my colleagues to join me in supporting the Hughes proposal and rejecting the dangerous Volkmer substitute. Our police forces deserve better. The Hughes proposal is the better, balanced, and reasonable compromise between safety and freedom.

Mr. BREAUX. Mr. Chairman, I rise in strong support of the Volkmer substitute to H.R. 4332 and I would like to address a part of the amendment which is of particular concern to me as a hunter. That is the provision which deals with the transportation of firearms across State lines.

As most of you know, the District of Columbia has a very strict gun control law. Possession of an unlicensed firearm in the District is a crime. Yet each fall, thousands of residents of Virginia and Maryland load their hunting equipment in their cars on Friday morning, drive to work in the District of Columbia, and leave after work for hunting trips in Pennsylvania, Maryland, Delaware, Virginia, and West Virginia. These people are not criminals; they're hunters like I am and like a number of my good friends in the House. Yet, under current law, they could be arrested in the District of Columbia.

I know that the Rodino-Hughes bill attempts to deal with this problem by providing for interstate transportation of shotguns and rifles. This overlooks the fact that, according to the Interior Department's 1980 Survey of Fish and Wildlife Associated Receation, over 1.3 million Americans hunt with pistols or handguns, and many more Americans carry pistols with them when they hunt to finish off wounded game.

Mr. Chairman, I submit that people who hunt with pistols should not be treated as criminals either. The Volkmer substitute would protect hunters who use pistols and I urge my fellow Members to give it their support.

I would also like to add my voice in support of the Volkmer substitute's provision which exempts people who collect guns as a hobby from the registration and recordkeeping requirements of the Gun Control Act. It makes no sense for persons who collect guns as a hobby and trade or sell three or four guns a year to be required to register as gun dealers and maintain records on their hobby. It is hard to imagine what use these records would serve.

Mr. DREIER of California. Mr. Chairman, on behalf of an overwhelming number of my constituents who have written in favor, I rise in strong support of the Volkmer substitute. Proper reform of the 1968 Gun Control Act and its abuses are long overdue. As a cosponsor of the Firearm Owners Protection Act and a signer of its discharge petition, I look forward to the passage of the substitute which would focus the efforts of gun control on criminals who use guns. Freed from prosecution would be the honest citizen who may inadvertently violate current gun laws.

Mr. Chairman, we continue to hear that law enforcement opposes McClure-Volkmer. I have just gotten off of the telephone with Los Angeles Police Chief Daryl Gates. Chief Gates told me that no legislation will prevent wanton criminals from obtaining guns. He said that the solution is to intensify our efforts against those who commit crimes with firearms. I agree with Chief Gates.

Mr. Chairman, I think we all appreciate Congressman VOLKMER's efforts to meet the legitimate concerns of the law enforcement community, the Attorney General, and the Bureau of Alcohol, Tobacco and Firearms. I especially want to commend my colleagues' attention to the substitute's proposal for even stiffer mandatory sentences for the use of a gun in a violent crime, and a codification of current Federal gun tracing regulations. Therefore, I repeat my support and urge my colleagues to vote for this pro-gunowner, pro-law enforcement substitute.

Mr. HEFTEL of Hawaii. Mr. Chairman, I want to express my support for amendments to the Volkmer substitute offered by my distinguished colleague, House Crime Subcommittee Chairman BILL HUGHES. I would also like to associate myself with the general approach to reforming the Gun Control Act of 1968 contained in H.R. 4332, which was unanimously approved by the Crime Subcommittee and the full Judiciary Committee.

The primary objective of any initiative to reform Federal gun laws should be to refine the law in response to prevailing conditions in our society. I recognize that the 1968 act might have been implemented in a manner that places undue burdens on law-abiding sportsmen and hunters. It is also, however, necessary to note that the terrible plague of handgun-related crime that prompted the 1968 act continues unabated today. Violent crime, especially violence perpetrated with firearms, disturbingly, has become ingrained in our society. Violent crime is not inevitable. There is a definite link between crime and the ready availability of the tools of crime. Japan, a nation of roughly half the United States population crowded into an area the size of the State of California, had six handgun murders in 1983. In 1983, 10,000 U.S. citizens were murdered with handguns. It is no coincidence that Japan's handgun laws are among the strictest in the world. We can never ignore the role of Federal firearms laws in protecting the public, nor our responsibility for this function.

Although we should respond today to the reasonable needs of the sporting community, we also have an inescapable responsibility to respond to the needs of law enforcement personnel who are at the front lines in protecting the public from gun-bearing criminals. H.R. 4332, and Chairman HUGHES' amendments, meet this challenge in a balanced manner. This legislation indeed represents a meaningful compromise. Police officials from across the country and from my home State of Hawaii have contacted me to point out that

the Volkmer legislation would simply erode their ability to control crime and enforce State and local gun laws. H.R. 4332 answers the concerns of law enforcement, but this approach is tempered with provisions which provide relief to legitimate sportsmen and law-abiding gun dealers.

I also strongly support amendments to ban the sale and possession of parts to convert certain firearms to fully automatic weapons, silencers, and firearms which cannot be detected by security screening systems. These weapons have no place in the hunting field or on the target range. They are the tools of criminals, contract killers, and terrorists, not true sportsmen. I also support amendments to create a 15-day waiting period for hundgun sales. My esteemed colleague in the other body, DAN INOUYE, offered a similar amendment, which was unfortunately defeated.

I commend Chairman HUGHES and all my colleagues who helped to bring the Judiciary Committee legislation to the floor today. They have displayed considerable fortitude and leadership in calling for a measured and balanced approach to reform our Federal gun laws in the face of heated and emotional rhetoric associated with this difficult issue.

Mr. DOWNEY of New York. Mr. Chairman, we Members of Congress are faced with a simple choice today. We can either turn our backs on our law enforcement officers or we can lend them a hand. I am proud to stand with our police officers in their uphill battle against violent crime. I also stand with them in their fight for reasonable and fairminded firearms legislation.

The American people do not need a law which will aid itinerant would-be assassins like John Hinckley. The American people do not need a law which the Justice Department says would benefit "the suppliers of underworld weapons." The American people do not need a law which allows the interstate sale of handguns. And certainly, the American people do not need a bill which would make it easier for terrorists to get their hands on sophisticated weaponry like machineguns, silencers, and armor-piercing bullets.

Instead, we need a law which will allow law-abiding sportsmen and hunters to go about their activities freely. Such a law will exist if this august body has the wisdom to pass H.R. 4332, a bill which passed in the Judiciary Committee by a unanimous vote of 35 to 0.

This is a vote for tough law enforcement. Our police officials have voiced their support for this legislation. Will we honor the memory of the 700 police officers who have given their lives for us in the past decade by relaxing restrictions on the very weapons that led to their demise? Or will we restrict the flow of the deadly handgun while allowing for the legitimate rights of law-abiding gun owners and hunters. The choice is clear. I urge my colleagues to vote for H.R. 4332 and the Hughes law enforcement amendment package.

Mr. BEVILL. Mr. Chairman, I rise today on behalf of the many, many law-abiding citizens in my district who own firearms. I believe the rights of these citizens to keep and bear arms can best be protected if we pass the Volkmer substitute to revise the 1968 Gun Control Act. Current gun control laws have created mountains of bureaucratic redtape. Some of these provisions serve no legitimate purpose and sometimes law-abiding gun owners are subjected to harassment by Federal officials. I believe the Volkmer substitute goes a long way to correct these deficiencies.

At the same time, I believe this amendment also strengthens the law against criminal use of firearms. All of us cringe when we hear about the criminal use of weapons against innocent victims. None of us wants it to be easy for criminals to obtain and use firearms. But, let's face it. Criminals and hoodlums are not going to pay attention to any law restricting the sale and possession of firearms. If they want guns, they will find a way to get one. I want law enforcement officials to have the tools they need to track down criminals and to prevent crimes from happening. At the same time, I don't think law-abiding citizens should have to suffer undue hardships to own a gun.

The Volkmer bill defines those individuals who must obtain a Federal license to manufacture, import, or deal in firearms. Current law provides no such guidance for these individuals. The bill would allow hunters and sportsmen, traveling through a State with restrictive gun laws, to transport their guns. Those guns, however, must be unloaded and inaccessible.

A citizen would be allowed to purchase a firearm in another State as long as the seller is a licensed firearms dealer and the laws of both States are met. The buyer must appear in person to make the transaction. No mail order sales of firearms would be allowed.

Most importantly, the Volkmer bill would prohibit the sale of a firearm to a convicted felon by an individual. Current law makes it a crime only for a licensed dealer to make such a sale. Individuals are currently not prohibited from selling a gun to a criminal. This bill eliminates that loophole. Felons, drug addicts, and mental incompetents would not be allowed to possess, ship or receive firearms.

I believe the Volkmer substitute will shift the focus of the Federal law enforcement effort away from a regulatory mentality and toward an actual law enforcement strategy aimed at the criminal. I believe this addresses the concerns of a majority of citizens in my district.

Miss. SCHNEIDER. Mr. Chairman, as you well know, our responsibility as legislators is to cast our votes on the basis of the facts. As we consider amendments today which would make it quicker and simpler to gain access to firearms, I urge my colleagues to consider the following statistics:

In 1984, nearly 9,000 Americans were murdered with handguns. Nationwide, handguns were used in 48 percent of homicides.

In 1982, 19 States, including my home State of Rhode Island, reported that not once was a handgun used by a civilian to kill a criminal. In those same 19 States, 562 innocent citizens were killed by handguns.

Nationally, for every time a criminal was killed by a civilian with a handgun in 1982, 41 innocent lives were terminated by handgun homicides.

Two-thirds of all police officers who died in the line of duty last year were victims of handguns.

The facts speak for themselves. Handguns do not keep our streets safe but they do increase the chances that a street corner confrontation will turn into a deadly crime scene. Handguns cannot effectively protect innocent people in their homes but they do turn family squabbles into homicides. Handguns rarely deter criminals but they frequently bring a tragic end to the lives of police officers and children who have the misfortune to be playing with daddy's gun.

Clearly, no law will bring a complete stop to the shooting and the senseless accidents. We should not, however, abandon our efforts to save lives. Making handguns more readily accessible simply defies common sense. I urge my colleagues to join me in opposing the Volkmer substitute and all other amendments which would weaken gun control laws already on the books. Let's keep our society safe and stop handgun crime before it stops us.

Mr. CLAY. Mr. Chairman, America is the only Western Nation without strong handgun control laws. Everyday 38 Americans are murdered with handguns, 45 use handguns to commit suicide, and another 5 are accidentially killed with handguns. The patchwork of State handgun laws is weak and ineffective. Fortunately, today, we have the opportunity to correct this drastic situation.

In 1969, Congress enacted the first step toward a national handgun control law. The Gun Control Act of 1968 regulates who can sell guns, and prohibits criminals, minors, and the mentally incompetent from purchasing guns. It requires that dealers keep records to aid police in tracing guns used in crimes and prohibits the interstate sale of handguns to enable States to regulate handgun traffic within their borders. I supported the 1968 act and I believe its enactment has proven to be an important first step toward long needed national handgun control laws.

The basic issue before this Congress is a about law enforcement. H.R. 4332, a bill passed unanimously by the House Judiciary Committee is supported by every major law enforcement organization in America. Although I am not convinced that it goes far enough toward strengthening our Federal gun control laws, it is absolutely a step in the right direction. The Judiciary Committee bill is a well-balanced bill which has been drafted to provide real relief to the Nation's hunters and sportsmen without impairing the ability of law enforcement to respond to violent crime.

On the contrary, the substitute bill offered by Mr. VOLKMER is opposed by every major police organization in America. Similar to the legislation passed by the Senate last year (S. 49), the substitute bill loosens Federal controls over interstate sales of handguns as well as rifles and shotguns, preempts States and local laws to permit interstate travel with both handguns and long guns, and does not impose any notification requirements for handgun sales. Our Nation's law enforcement community has assured us that the Volkmer substitute poses an immediate and unwarranted threat to American citizens and the law enforcement officers sworn to protect them.

Mr. Chairman, we live in a dangerous world and there are no shortcuts to security. But, today this body has a very serious choice—we can act to improve the effectiveness of our Nation's gun laws or we can act to reduce the effectiveness of our handgun laws. I encourage my colleagues to vote against any weak-

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ening of our handgun control laws and to join me in supporting H.R 4332, a bill which will help modernize our firearms laws to prevent crime while protecting the rights of lawful firearms users.

Mr. TALLON. Mr. Chairman, I rise in support of the Firearms Owners Protection Act and in opposition to H.R. 4332. I do so in the interest of firearms ownership which is our constitutional right and a basic part of our American heritage. I believe the Firearms Owners Protection Act is necessary to restore fundamental fairness and clarity to our Nation's firearms laws.

As they exist now, firearms laws are often inconsistent and contradictory. There are currently over 17 million licensed hunters in the United States. Often they travel by automobile through a neighboring State to reach a legitimate hunting area. Yet many law-abiding sportsmen transporting their guns legally in their home States have crossed State lines and been arrested and jailed simply because the State has different requirements.

The majority of America's sportsmen support passage of the McClure-Volkmer substitute. This is indicated by the volume of mail that I have received from sportsmen encouraging me to sign the discharge petition and vote for McClure-Volkmer.

Further, three of the largest hunter magazines—Petersen's Hunting, Field & Stream, and Outdoor Life—with a joint circulation of nearly 4 million, supported the discharge petition to send the McClure-Volkmer bill for a vote on the House floor.

Under McClure-Volkmer, States would be prohibited from interfering with the lawful transport of unloaded firearms. This pass through provision would allow sportsmen to transport their firearms through all 50 States as long as guns are unloaded and not readily accessible. It would not, however, affect local and State laws governing residents.

America's sportsmen, however, can expect no such relief under H.R. 4332. It authorizes the interstate transportation of secured shotguns and rifles only. This bill does not authorize the transportation of handguns, as the McClure-Volkmer does, which may be used for hunting in 37 States.

McClure-Volkmer would repeal the existing prohibition against over-the-counter sales of firearms by licensed dealers to out-of-State residents, providing that the transaction is legal in the buyer's place of residence and the seller's place of business. This would allow a hunter who may want to purchase a new or replacement firearm to do so as long as all State laws are observed. By contrast, under H.R. 4332, purchase of firearms in another State is limited to rifles and shotguns.

Mr. Chairman, the contributions of America's sportsmen are innumerable. Last year alone, licensed sportsmen through hunting licenses, excise taxes and duck stamps contributed nearly $300 million for wildlife and habitat conservation, hunter safety programs and funding of State fish and game departments.

And, since 1923, American sportsmen have contributed nearly $5 billion to wildlife conservation projects including the purchase of nearly 4 million acres as wildlife reserves.

The sportsmen of America need and deserve relief from the overly restrictive provisions of the Gun Control Act of 1968. McClure-Volkmer will provide that relief. I urge my colleagues to pass this substitute.

Mr. GREEN. Mr. Chairman, I rise today in vehement opposition to the McClure-Volkmer substitute legislation which would relax our Nation's gun control laws, and in strong support of H.R. 4332, the Federal firearms law reform bill, sponsored by Representatives RODINO and HUGHES.

I was honored last year, Mr. Chairman, when I was asked by Congressman RODINO to be one of three original cosponsors of the legislation from which H.R. 4332 originated. H.R. 4332, unlike McClure-Volkmer, is endorsed by all major police organizations—a fact which many of my constituents have stated very forcefully in their letters and telephone calls in opposition to McClure-Volkmer and in favor of the Federal firearms law reform bill.

There is no doubt that Rodino-Hughes represents a compromise among the major firearms reform bills introduced in the House. The legislation benefits legitimate sportsmen as well as law enforcement personnel, and it cuts down on most gun dealers' paperwork. In essence, Mr. Chairman, the Hughes-Rodino bill eases current Federal restrictions on the interstate sale of rifles and shotguns, but not handguns. It preempts State laws to create a uniform standard for interstate travel with long guns. Travel with handguns would continue to be subject only to State law. It also requires dealers to notify police of each handgun sale. McClure-Volkmer, on the other hand, loosens Federal controls over the interstate sale of handguns as well as rifles and shotguns, it preempts State and local law to permit interstate travel with both handguns and long guns, and does not impose any notification requirements for handgun sales. Though I wish H.R. 4332 were stronger, it is obviously preferable to McClure-Volkmer, which effectively guts our Nation's 1968 gun laws, enacted after the assassinations of Martin Luther King and Senator Robert Kennedy.

Mr. Chairman, voting for this bill is a very personal act. In recent years, two friends of mine from school, the renowned Dr. Michael Halberstam, whom I knew in college, and Allard Lowenstein, a friend from high school, were killed by handguns. I can think of few other causes which deserve our attention and vigilance as much as strengthening our Nation's gun control laws. For these reasons, I urge my colleagues, in the strongest possible manner, to vote against McClure-Volkmer and in favor of the Hughes-Rodino gun control bill.

Mr. WIRTH. Mr. Chairman, I rise in support of the law enforcement amendments to the Volkmer substitute. I rise in favor of a balanced approach to performing the Gun Control Act of 1968—an approach that respects the needs and rights of both our sportsmen and our law enforcement officers.

As a sportsman and gun user myself, I deplore any government infringement on the American people's constitutional right to own and use firearms. At the same time, I oppose any efforts which handcuff the ability of our police and sheriffs to keep firearms out of the hands of criminals and mentally deranged individuals.

The need to balance these two very important objectives is at the heart of my approach to the legislation we consider today. It is a need reflected in the views of many Coloradans, most importantly our State's law enforcement officials.

Take, for example, the words of Sheriff Bernard Barry, from El Paso County, who wrote to me last month:

> Obviously, the right to keep and bear arms must be delicately balanced with the requirement to maintain public safety. For that reason, I am basically supportive of the Gun Control Act of 1968. However, I do feel that some of its provisions are overly bureaucratic and serve no valid purpose with respect to deterring crime.

He went on to remark that McClure-Volkmer also "seems to be a mixture of good and bad ideas" and that "in order to make this bill an effective piece of legislation, it would appear that use of the full legislative process will be required." He urged me to "continue (my) support for both gun owners and law enforcement. Despite opinions to the contrary, there is no conflict of interest between these two elements of our society!"

Mr. Chairman, I fully agree with Sheriff Barry. I believe that it is possible to craft firearms legislation that serves the needs of gun owners, law enforcement officials and the American public. That is why I support the amendments being proposed by the gentleman from New Jersey [Mr. HUGHES]. The Hughes amendments, together with provisions in the Volkmer substitute, will produce a superior piece of legislation that meets the needs of these different constituencies.

Let me briefly review the merits of a combined Vokimer-Hughes bill. For sportsmen, the legislation would permit the interstate sale of rifles and shotguns and would assure sportsmen's rights to travel in and between States with a secured, unloaded rifle or shotgun when participating in legal sporting activities or when changing residences. It would also eliminate recordkeeping for sales of ammunition in quantities of less than 1,000 rounds and limit the forfeiture of firearms to only those involved in felony violations of the law.

For law enforcement, a combination of VOLKMER's and HUGHES' initiatives would have many benefits, including the expansion of mandatory sentencing to those persons who use a machinegun in the commission of a violent crime or who carry a firearm in connection with a narcotics-related crime. Among other things, this combination would also control armor-piercing ammunition and eliminate a loophole for illegal and untraceable traffic in firearms.

Sheriff Barry and I are not the only Coloradans who see the merit in pursuing a balanced approach to fireams legislation. I have received letters in support of this position from many other law enforcement officials in Colorado, including the police chiefs from Denver, Fort Collins, Arvada, Littleton, Lafayette, Cortez, Thornton, Estes Park, Glenwood Springs, Rifle, Sheridan, and Sterling. I have also heard the same sentiments from the directors responsible for public safety in Lakewood, Broomfield, and the State of Colorado. Their opinion has been affirmed in the press, most notably a recent article in the Denver

Post, by the police chiefs of Durango, Greenley, Pueblo, Colorado Springs, and Grand Junction.

Colorado law enforcement's opposition to the Volkmer bill—as it now stands—is crystal clear. But do not misconstrue their opposition to the Volkmer bill as opposition to reforming the Gun Control Act. It is clear that there are a number of onerous provisions in the act which must be either removed or modified. That is why I strongly support provisions which allow sportsmen such as myself the opportunity to transport long guns across State lines and to purchase small quantities of ammunition without undue hindrance. It is also why I favor reducing undue burdens on law abiding gun dealers.

I realize, however, that my precious rights as a sportsman and gun user may be abridged if we are not vigilant in keeping firearms out of criminal hands. That is why any gun legislation approved by this body today must have the support of our police officers and sheriffs, who are responsible for this task. We must crack down on criminal access to firearms if we are to protect law-abiding Americans' right to bear arms.

I have made clear Colorado law enforcement's dissatisfaction with Mr. VOLKMER's bill, as presently constituted. But our sheriffs and police officers do support his bill as amended by Representative HUGHES' package of amendments. A combination of these two legislative vehicles would ease unwarranted restrictions on our sportsmen and hunters while increasing the ability of law enforcement to arrest the individuals who abuse the privilege of possessing a firearm. It is a combination that would meet Sheriff Barry's standard for gun legislation that "target(s) the criminal misuse of firearms, not legitimate gun ownership by law-abiding citizens."

Mr. Chairman, a vote against the Hughes package is a vote against the very men and women who are responsible for protecting us. According to police officers and sheriffs from across Colorado, a vote against the Hughes package would endanger their lives and ours. In the name of crime control and long-term respect for the rights of gun owners and users, I urge our colleagues to vote for the Hughes amendment to the Volkmer substitute.

Mr. GALLO. Mr. Chairman, I want to thank my constituents in the 11th District of New Jersey who took the time to contact me with their views on the gun legislation being considered in the House of Representatives today. I want to take this opportunity to let my constituents know the reasons that I intend to support the McClure-Volkmer substitute legislation.

For sportsmen, this bill permits the interstate sale of firearms if the sale is made face to face between buyer and seller and only if the sale complies with laws of both States. It assures the rights of individuals to travel in and between States with a secured, unloaded, not readily accessible firearm for the purpose of participating in legal sporting activities or for changing their residence.

For law enforcement, this bill provides an important new weapon against narcotics traffickers by mandating a 5-year mandatory prison sentence for any person who uses a firearm during commission of a drug trafficking crime; provides a mandatory prison term of 10 years for using a machinegun during commission of a crime; bans the use or sale of silencers; bans the importation of parts used to make saturday night specials; bans parts used to convert guns into machineguns; and makes it a felony to transfer a firearm to another person knowing or having reason to believe that such person is unqualified.

For gun dealers, this bill requires a knowing state of mind for felony violations; reduces technical recordkeeping offenses to a misdemeanor; permits sales at gun shows; and limits unannounced inspections to one per year with other inspections requiring a warrant.

Again, let me state that this bill will not make it easier for criminals to obtain guns. Criminals already go outside the law to obtain guns. This bill will not allow someone to escape the jurisdiction of their State laws and purchase in a State with more lenient laws since all interstate sales must comply with State laws of both the owner and the seller. As my constituents know, New Jersey has very stringent gun control laws which will remain in effect under this bill.

In sum, this bill will aid law enforcement by simplifying the administration of the law, eliminating some ambiguities and, overall, will benefit law abiding shooters, sportsmen, and other gunowners.

Mr. **HUGHES**. Mr. Chairman, I yield myself 10 minutes.

Mr. Chairman, first I want to thank my colleagues on the Judiciary Committee, particularly the ranking Republican, the gentleman from Florida [Mr. MCCOLLUM], for his yeoman work, and so many others on the Subcommittee on Crime that assisted in drafting this particular legislation. This is a difficult issue to deal with. It is one that does generate, as has often been said, more heat than light. It is a very emotional issue, and I want to tell you quite candidly I will be very happy to get this vote over with today so that our subcommittee can get back to money laundering and drug trafficking and a whole host of other matters we have before the Subcommittee on Crime. It is all consuming. It has been that kind of an issue, because it generates, unfortunately, so much interest, so much controversy.

I have been in Congress for 12 years. I am in my 12th year, and I can truthfully say I have never seen an issue so grossly distorted as the issue dealing with firearms. The letters that just come into the districts are just overwhelming, thousands and thousands of pieces of mail are being dropped upon Members of Congress. Their telephones are ringing off the hooks. They are interrupted in townhall meetings with people that are outraged over those that want to take their firearms away, and I just regret that Members have been subjected to that type of a campaign because it does not help in trying to address the major issues here.

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A lot has been said about why the bill was not reported out. It has been introduced in a number of Congresses. The other body never reported out a bill until July 1985.

My colleague from Florida knows that our subcommittee sits down each year, and we try to map out priorities. We sit down with our counterparts in the other body, and we decide what matters, what crime matters we are going to have on the table for that session of Congress. We just cannot take up the hundreds and hundreds of bills that are introduced each year; we have to prioritize.

We sit down with the White House and we try to determine what their priorities are, and I can tell the membership that firearms legislation was never placed on the table; by the White House, by the other body, by Members in this body.

We attempted to move a very modest bill in the last Congress; the so-called cop-killer bullet bill, armor-piercing ammunition. Ammunition that really has no sporting value whatsoever; its only value is that it penetrates the bulletproof vests worn by police officers. The police do not even use this ammunition because it is so powerful that it can penetrate an automobile engine block; it is that powerful.

We developed a bill last year that would actually forbid the sale and manufacture of that ammunition. What happened to it, I asked my colleauges last year? Well, the answer is, the leadership pulled the bill; they did not want to put Members of Congress on the spot in that year, in voting on that particular bill, because it generated so much controversy; and so it is with firearms legislation.

In all fairness, the reason we have not had it before is because the Senate never reported out anything before, and because the leadership was hesitant to put Members of Congress on the spot of even a modest bill like the cop-killer bullet bill.

Well, here we are, and so we should be after 18 years debating an extremely important issue to sportsmen, to hunters, to police officers, to society in general.

A lot of things have been said on this floor that I just do not believe. I spent 25 years of my life, one way or another working in law enforcement matters. I worked as a young assistant prosecutor in the trenches with police officers, making cases, so I know a little bit about the necessity of tracing handguns used in the commission of crimes. I know how important it is to try to be able to run record checks on weapons, particularly handguns, so that the police can screen out the felons, the mental incompetents, and the drug addicts.

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I have heard it said that felons do not buy handguns in gunshops. I have heard that twice today. Well, ladies and gentlemen, let me tell you, felons look for handguns that are clean. They do not want handguns that might appear in NCIC; they do not want handguns that have a history. They like to purchase their handguns in gunshops because it has a clean record. They do not want handguns that can be traced, and that is why they use fictitious identification when they walk into gunshops to purchase their guns.

My colleague, Harold Volkmer and I came to the Congress back in 1974. He is a good Member of Congress. We are good friends. He is to be commended because he helped us prove that the legislative process does work. His substitute is far better than when it first came to us, and he conceded when he came to the subcommittee and testified that it needed some improvements.

He indicated he did not support S. 49 that we have heard so much about, because that had so many major problems. So the bill has been improved through the legislative process.

Our subcommittee took that product and the product of a lot of other bills that were introduced, and through a series of hearings, some 25 hours of public hearings, 75 witnesses; we heard from all points of view—in fact, we heard some points of view ad nauseum. We heard from everybody that wanted to testify.

We sat down, as a subcommittee, from scratch and we wrote what we thought was a fair and rational bill, one that would address the concerns of the sportsmen, the hunters; one that would address the concerns of the police, and one that would address the concerns of the victims of crime, and of society generally.

I am proud of the work product. I will stack my rural district up against any other district, in having as many hunters and sportsmen—we have major deer hunting woods in my area; we have fine hunting of all kinds in my district—when my priorities were straight, I was a hunter and a sportsman, and I am proud of that fact. I think it helped me be sensitive to the needs and the concerns of sportsmen.

We are not talking about legislation that is going to harm sportsmen and hunters. We have addressed their concerns in both bills, it seems to me.

The National Rifle Association's rhetoric and their effort has been one to try to protect the interests of the dealers and the manufacturers; not the hunters. They have used the hunters in this propaganda campaign of theirs, in trying to portray it as a hunter/sportsmen's bill. It is not a hunter's or sportsmen's bill.

The police have told us what it is: It is a bill that is going to put police in jeopardy in this country. and it is going to weaken the law enforcement community's effort to identify and vigorously prosecute those that commit criminal offenses.

It is interesting, Mr. Chairman. The NRA lobbies differently than other lobby groups. I had a lobby group in yesterday that was concerned about the alcohol beverage excise tax over in the Senate side. Lobbyists come in to our office, as you well know, and they tell us of their concerns. They understand that there is a problem with the deficit and that other people have concerns, and they are willing to be flexible; they are not locked in to any one position. They just want us to know how it is going to impact them, and they ask us to take into account their concerns as we try to craft legislation that is in the public interest, that will in fact protect everyone.

Not so with the National Rifle Association. The National Rifle Association determines what they want. They determine what is in their self-centered interest, and then they tell us what they want. Then they try to bully and intimidate their way in the decision-making process by trying to get Members to not focus on the merits of the legislation but on the thousands and thousands of letters that they generate and the telephone calls that they originate, and they encourage, to try to bombard Members and take the impression that the overwhelming sentiment supports the NRA.

Today is going to be a day of courage for Members. I think that their strategy has backfired. I think that Members of Congress resent that kind of bullying and intimidation. Members of Congress resent being told what to do.

When the Washington Post portrays the vote today as one of the police versus the NRA, that is where it is. It is not a vote between the hunters and the police; or the hunters and the rest of society. The issue boils down to who we are going to support: Are we going to support the police on the one hand who have legitimate concerns, and do we express those concerns; are we going to support the NRA and their very selfish, self-centered, self-serving interests?

The CHAIRMAN. The time of the gentleman from New Jersey has expired.

Mr. HUGHES. Mr. Chairman, I yield myself 5 additional minutes.

The key differences in this legislation, in my judgment, fall into just half a dozen categories: Interstate sale and interstate transportation. To the police, interstate sale means a proliferation of handguns to tens of thousands of additional people around the country who are not qualified. Because it defies reason to believe that dealers around the country will know the tens of thousands of laws that exist at the State, county, and local level. We cannot expect a dealer in Alabama to understand what the laws are in Ohio, because you have so many different laws, even within one State, and court interpretations.

As a backup in the Volkmer bill, unless the dealer commits a willful violation; that is, knowingly violates a law that he is aware of, the dealer walks and the weapon is sold to the felon, to the mental incompetent, and to the person who is a drug trafficker.

It is as simple as that. To the police, the interstate transportation of handguns—we are not talking about long guns, rifles, and shotguns, because the subcommittee bill deals with that. We make that transportation interstate and the sale interstate of long guns permissible as long as it is a face-to-face transaction and they are qualified in both States. We are only talking about handguns.

The police view the possible carrying of handguns in automobiles as one of the more pernicious provisions in the Volkmer legislation, for this reason: The police are the first line of defense. They are the ones who are going to be stopping the automobiles on the road, and they are the ones who are going to face those handguns in those automobiles.

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We are going to have an interesting dilemma. We are going to have people claim they are in interstate commerce and therefore they can carry a handgun in their automobile for any purpose whatsoever, and if they are in New Jersey, for instance, or other States that forbid that kind of transportation except for target practice or for hunting purposes, why, the ones that claim they are in interstate commerce on highways heading for Delaware, Pennsylvania, or New York, they have Federal immunity. They can carry those handguns.

However, those that live within New Jersey who do not claim that they are in interstate commerce have to abide by New Jersey law. That does not make sense. But more importantly it means that police officers and society are going to face the prospect of tens of thousands of more people carrying their handguns in their cars. Sure they say it is going to be unloaded, inaccessible. What does inaccessible mean? In a briefcase in the back of the seat with the ammunition here in your pocket? That would be inaccessible in my judgment.

It would be a field day for defense lawyers because, I can tell you what is going to happen, that every situation is going to be challenged and everybody is going to be in interstate commerce. Make no mistake, the police of this country get concerned about taxing their pension benefits but they know that they are not going to be around to collect those pensions if in fact they face somebody who has one of those weapons. It is a life-or-death issue to them.

Mr. BEDELL. Mr. Chairman, will the gentleman yield?

Mr. HUGHES. I yield to the gentleman briefly.

Mr. BEDELL. I thank the gentleman for yielding.

First of all I was pleased to hear the gentleman say what he did.

I can probably speak more freely because of the fact that I am not running for reelection again.

I guess the challenge I would have to the Members of this body would be, as we face this issue, I hope you will look at what is right and look at what should be done. The problem I see with the vote today is that it appears to me it is coming to be a power play. It is a power play of who can tell us what we have to do. That is not what we are here for. We are here to serve our people.

Mr. Volkmer is about the best friend I have here. We are together on most other issues. I do not question for a minute his stand on what he is doing, and I am sure he is doing it because he thinks it is right.

I should tell you that as I had the votes in my district when it came up, there was near unanimity as they looked at the issues between two bills, that they were not for the Volkmer bill, they were for what is in the gentleman from New Jersey's bill.

And I am a hunter. I come from an area where we hunt all the time. I grew up with a gun in my hand. But I just so completely agree with that fact that we ought to look at what is right and not look at what is political, not look at what people are telling us we have to do. To do that is the only thing I plead with the people on this issue.

Mr. HUGHES. I thank the gentleman and I thank the gentleman for that very fine statement.

Let me just move on quickly to recordkeeping. It has been said in this Chamber and often that recordkeeping is not important, as if the ability to trace handguns is not important.

Well, if the Volkmer bill carries, I want to tell you you might as well just kiss goodbye effective handgun tracing capability.

As a prosecutor for 10 years I could name you dozens and dozens of cases that we made and that would not have been made if we had not had the ability to trace a handgun used in the commission of a crime.

The CHAIRMAN. The time of the gentleman from New Jersey [Mr. Hughes] has expired.

Mr. HUGHES. Mr. Chairman, I yield myself 4 additional minutes.

For instance, carrying a handgun under the front seat of the car, you find when you stop them, you find a hundgun that you can trace to a burglary in Pennsylvania. Already you have a prime suspect for that burglary. That is only done because you have the ability to trace that hundgun.

Let me tell you the story of an outstanding police officer and he is typical of police officers throughout this country. I am talking about trooper Phillip Lamonaco who, 4 days before Christmas, December 21, 1981, one of the most decorated troopers of the New Jersey State Police, was on patrol by himself on Interstate Highway 80 near the Delaware Water Gap. At about 4:30 p.m. he made a routine traffic stop. He was not aware that he had pulled over Richard Charles Williams and Thomas Manning, members of a leftwing terrorist group based in New England who called themselves the United Freedom Front.

Manning was, in fact, a fugitive from an armed bank robbery in Maine in 1975.

Trooper Lamonaco asked Manning, the driver, to exit the car. Manning began waving his arms which momentarily distracted Trooper Lamonaco and the passenger, Richard Charles Williams, opened fire on the trooper and killed him. After shooting him some seven times from the car, he then pumped the rest of the ammunition into Trooper Lamonaco's body. They could not get a lead on Manning for the longest time. It was not until November 1984 that they arrested this Richard Charles Williams, a member of this front organization in Cleveland, OH. While they searched the premises they found this weapon, a Derringer .38, .357 caliber. It was loaded with ammunition which on impact explodes, does not penetrate very much but fragments and leaves a hole about five times the size of a .357 magnum.

They traced this particular weapon. The serial number had been erased. They sent it to FBI headquarters. The serial number had been obliterated. They restored it at FBI and BATF. They traced it to a gunshop in Virginia. The people that bought it in Virginia gave a name and address in Virginia. The FBI put in place a stakeout and within a couple of weeks Mrs. Manning arrived at what was then a mail drop for them. She led them to another safe house in Virginia and as a result Mr. Manning, the defendant, was apprehended.

If it were not for the ability of the BATF and the FBI in restoring that serial number and tracing that weapon to a gunshop in Virginia they would never have been able to make that bust when they did. It was because of that particular trace. That is typical of the traces that are made every day of the week by the Bureau of Alcohol, Tobacco, and Firearms.

If Volkmer carries, you are going to open up Pandora's box. What he wants to do is he wants only those individuals whose primary livelihood depends upon firearms sales to keep records. What that would mean is if you were a terrorist and you were not in business for a profit, you could buy as many weapons as you want, you would not have to keep records. He also wants to permit those 200,000 or so dealers out there who do not have storefronts, who are part-time dealers who operate out of their cars or homes, to be able to transfer to their personal collection firearms and not keep records.

I want to say to my colleagues that you are going to have tens of thousands of nontraceable weapons out there in neighborhoods. When Parren Mitchell says it is 100,000 illegal weapons right now in Baltimore, you can double or triple that if the Volkmer substitute carries. It is an important bill today, it is one that deserves your serious attention. It is going to require a lot of courage, there is no question about it. But I have every confidence that this House will do what is right and if you do what is right you will support the police in their effort to bring out of this Committee of the Whole rational legislation, legislation that balances the interests of the sportsmen, the police, and of society in general.

The CHAIRMAN. All of the time of the gentleman from New Jersey [Mr. Hughes] has expired.

The gentleman from Florida [Mr. McCollum] has 19 minutes remaining.

Mr. McCOLLUM. Mr. Chairman, I yield 2½ minutes to the gentleman from Michigan [Mr. Schuette].

Mr. SCHUETTE. I thank the gentleman from Florida for yielding.

Mr. Chairman, I rise in support of the Volkmer substitute. I signed the discharge petition in the hopes of having free and honest debate and review and discussion on this fundamental right and this fundamental issue under our Constitution, and that is the right to bear arms, which is so central to our system of government.

Before I go further, I want to commend by friend and colleague, Mr. Volkmer, who has been such a leader on this issue. My basis and philosophy of support for the Firearms Owner Protection Act, as incorporated into the Volkmer substitute, is the second amendment of our Constitution, the right to bear arms. The framers were wise and recognized that this concept needs to exist and should exist under our government of laws.

Those words of expression, the right to bear arms, in today's world must be maintained and interpreted to protect the law-abiding citizen, the collector, and those who wish to bear arms for protection. And for purposes of hunting, sporting purposes, collection, and for protection, the law-abiding citizen

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should not be punished and the law-abiding citizen should not be penalized or treated unfairly in the honest exercise of our constitutional rights. Nor should the law-abiding citizen be treated or categorized or stigmatized like a common criminal, those lawbreakers who commit criminal acts and who terrorize our society.

In my closing comments I have discussed and conversed with local law-enforcement officials in the district that I am from, which I am fortunate to represent in mid-Michigan, the 10th district, in talking with men and women who deal with the law-abiding citizens and who will protect our citizenery from the lawbreakers.

One such law-enforcement official is Howard Haskin, county sheriff in Clare County. He and other law-enforcement officers in mid-Michigan recognize that we should not punish the law-abiding citizen but rather our focus should be on the lawbreaker. This is why I rise to suport the Volkmer substitute, to protect our constitutional right to bear arms under our form of government.

I thank the gentleman for yielding.

Mr. McCOLLUM. Mr. Chairman, I yield 2 minutes to the gentleman from Illinois [Mr. Crane].

Mr. CRANE. I thank the gentleman for yielding time to me.

Mr. Chairman, today, this body is considering an emotionally charged issue—handguns. There are many different views on how best to control those individuals who are abusing their right to own a handgun. Rather than using my time to explain the many reasons why people legitimately own a gun and why they should not be unnecessarily regulated, I would like to discuss one particular aspect that my colleagues will be considering today which is background and waiting periods.

Currently there is no Federal waiting period. H.R. 4332 and the Volkmer substitute do not require a waiting period, however, an attempt is expected to amend one or both of these measures to require a waiting period.

Much has been said about the supposed effectiveness of the proposed background check for purchasers of handguns. The FBI estimates that if a nationwide system is implemented, it will cost approximately $45 million per year. This does not count, however, the man-hours wasted and the massive diversion of scarce law enforcement resources that would be the result of such a plan. In addition, there is no estimate of money and labor that would be spent by State and local law enforcement agencies in the furtherance of this scheme. When all is said and done, the sky is really the limit on the costliness of this venture.

The residents of my State are already living under a background check scheme. Illinois residents are in a unique position to let the Nation know how ineffective this type of system is. A researcher at the University of illinois recently completed a study of my State's Firearms Owners Identification Card Program [FOIC]. I would like to make a few brief points to share with this House the knowledge gained through this research.

The FOIC Program in my State has employed a total of 412 staff persons and spent $5.9 million since its inception in 1968. Yet the percentage of applicants denied, prior to the 1984 study, averaged only one-half of 1 percent. We must ask, isn't there a better way for law enforcement to spend $5.9 million and employ 412 individuals.

In addition to this low rate of denial—proof once again that the criminal element simply does not subject itself to the type of background check discussed today—the Illinois researchers found that most of those denied were apparently mistakenly rejected. Under the Illinois system, an individual has the right of appeal upon denial of an ID card. The administrator of the program estimated that 95–98 percent of those appealing unfavorable rulings or petitioning for a hearing were granted relief. Obviously, that system is catching a great deal of honest folks.

So we have a system that is costly, time-consuming, and an infringement on the rights of law-abiding citizens. Some still may ask: But does it fight crime? The answer, according to this research, is an emphatic "No."

If I may quote from this study: "Illinois police do not see or at least do not use the ID charge as a device to assist directly in the prosecution of violent crime." Quoting again, the study stated: "It is simply too minor a charge to levy where there is a serious offense for the lead charge * * * the felon gets a free firearm owners identification violation." Mr. Speaker, it is clear that the background check employed in my State does nothing to fight crime. On the contrary, the diversion of resources to the wasteful investigation of law-abiding citizens can only be said to enhance the criminal's chances of evading arrest.

The Illinois study concludes by saying "Legitimate users of firearms * * * do pay in aggregate for the cost of a system that, as yet, seems to have had little or no demonstrated benefit. In that sense, the FOIC system does 'exploit' the legitimate firearms owners."

In conclusion, I am hopeful that I will not have to return to my constituents and explain why this body voted for an ineffective and costly program that also represents an infringement of their constitutional rights. I urge my colleagues to defeat all proposals for background checks or waiting period schemes.

Mr. McCOLLUM. Mr. Chairman, I yield 2 minutes to the gentleman from North Carolina [Mr. Hendon].

Mr. HENDON. I thank the gentleman for yielding.

Mr. Chairman, I rise today with the greatest respect for those who might disagree with me, to speak, if I might for just a moment, for the "good old boys" from rural America who cherish their way of life and who deserve positive reform of the Gun Control Act of 1968.

Mr. Chairman, good old boys they are; I was with them, as I always am, recently at a gun show just this past weekend in my hometown. They are good friends, they are good citizens, they are good neighbors, they are good people, they are my friends; who, with their families and their friends, enjoy hunting and other lawful recreational use of firearms.

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The present law has not done anything to the crooks, but it has placed undo hardship on these law-abiding citizens, and that is why I wholeheartedly support the Volkmer substitute, because it rolls back onerous provisions of the Gun Control Act which unnecessarily penalize these honest people, the sportsmen and gun enthusiasts of rural America.

Mr. Chairman, though some of our good friends here have worked hard and put forth some good arguments today, I believe, and I say this with the greatest respect, that they are simply wrong. The folks of Main Street America want, support and deserve the carefully crafted substitute offered by our colleague, the gentleman from Missouri [Mr. Volkmer]. I, therefore, urge my colleagues to vote "yes" for the American sportsmen by voting "yes" on the Volkmer substitute.

Mr. McCOLLUM. Mr. Chairman, I yield 2 minutes to my good friend and colleague, the gentleman from Florida [Mr. Shaw], a member of the subcommittee.

Mr. SHAW. Mr. Chairman, I thank the gentleman from Florida for yielding me this time.

Mr. Chairman, I do not think that there are many issues that have created as much emotion in this Chamber as this particular issue. I am reminded of a bumper sticker that I saw many years ago that said, "My wife; yes; my dog, maybe; my gun, never."

This body is never going to satisfy that type of mentality. But there is a situation which we have to look at, and that is that there is a second amendment to the Constitution and that this body has the responsibility of upholding that particular right, and that is the right to bear arms.

But none of the rights given to the citizens of this country under the Bill

of Rights are absolute. They both are qualified and they both require responsible legislation and responsible citizens.

Mr. Chairman, we have before us today two excellent pieces of legislation. Admittedly, both of them can be improved, and this body will have an opportunity to improve upon both of them as they see fit and they see that the law should be. But it does give us an opportunity to let the system work and let democracy work.

I think both sides have certainly had their say, law enforcement has had their say, the community has had their say, the National Rifle Association has had their say, and the sportsmen of the country have had their say. No one at this point can say that they were muzzled. No one at this point can say that they were locked out of the process.

That is not to say that this body does not sometimes lock some of us out of the process, but this is going to be our day.

Mr. Chairman, I would encourage the Members of the House to look carefully at each and every amendment and vote your own conscience. But then I would say to look at the two bills that are presented to us, make a choice, and vote yes for one of them. They are definitely an improvement over existing law. They both emphasize the right in the Constitution, and that is the right guaranteed by the second amendment.

Mr. McCOLLUM. Mr. Chairman, I yield such time as he may consume to the gentleman from California [Mr. Zschau].

Mr. ZSCHAU. Mr. Chairman, I thank the gentleman for yielding this time to me.

Mr. Chairman, I rise today in qualified support of the Volkmer substitute. I agree with a majority of the provisions contained in the substitute that would correct many of the nuisance laws that have unnecessarily harassed law abiding gunowners, gun dealers, and sportsmen. In particular, I support the following constructive provisions that:

Permit law-abiding sportsmen to travel to different States without the threat of unnecessary harassment of State and local governments through which they pass;

Eliminates the application of felony penalties for unintentional violations of the act;

Limits the forfeiture of firearms only to those involved in or intended to be involved in felony violations of the law;

Improves the ability of qualified individuals to petition the Secretary of the Treasury to obtain permission to own firearms if they have been disqualified. This is important for individuals who were convicted during the Carter administration for unintentional gun violations;

Reduces gun dealers recordkeeping offenses to a misdemeanor;

Permits sales at gun shows by licensed dealer;

Reduces the recordkeeping provisions for the sale of ammunition, which the Department of the Treasury has recognized as having no substantial law enforcement value.

The Volkmer substitute also contains provisions that would benefit law enforcement. In particular, the measure provides that:

It is a crime for any person to transfer a firearm to another person knowing or having reasonable cause to believe that the other person is unqualified under the law to own a gun;

Reinforces the prohibition against a drug addict being able to secure a gun;

Bans the import of key components of "Saturday night specials."

Makes it unlawful for any person to sell or otherwise dispose of firearms to convicted felons. This proposal closes an existing loophole whereby qualified purchasers have acquired firearms from licensees on behalf of prohibited persons.

Mr. Chairman, these changes adequately address the concerns of gunowners in my State of California and would enhance public safety as well. During a recent meeting with representatives of the National Rifle Association in my office, they indicated that these constructive provisions were the top priorities for the gunowners that they represent. The mail that I have received from my district and my conversations with gunowners confirm this.

There are, however, two provisions of the Volkmer substitute that, I believe, would be detrimental to law enforcement and public safety: The provision permitting the interstate sale of handguns, and the provision allowing part-time dealers to sell firearms without the current recordkeeping requirements.

Proponents of the first provision argue that criminals do not now buy handguns through legal channels. This is true in most cases. However, we must also ask: "Would permitting interstate sale of handguns make it the least bit easier for criminals to purchase such weapons?" I think it would. That's why I hope that we can amend the Volkmer substitute to limit interstate sales to only rifles and shotguns that are used by sportsmen.

Regarding the provision that addresses the definition of a "dealer," I share the concerns that have been raised by the Justice Department. In particular, Justice has indicated that if the current definition of a "dealer" is narrowed to allow part-time, marginal dealers to sell firearms without meeting Federal recordkeeping, it would be easier for criminals and terrorists to secure untraceable weapons. Again, I hope the House today can amend the Volkmer substitute to maintain the current licensing and recordkeeping requirements for any dealer who sells firearms so that weapons can be traced. Such an amendment would improve the Volkmer substitute.

In addition, to the two concerns raised above, I intend to offer an amendment to the committee bill which would delete the records check section. The committee bill requires that the FBI be notified of every handgun purchase and in turn search its records for the background of the purchaser. The Bureau believes that a records check based solely on name will be of little value in the effort to locate persons who are prohibited from possessing a handgun. The process can be easily circumvented by the use of readily available and cheap false ID's by criminals. Also, a records check would cost taxpayers at least $30 to $40 million annually. That's why this section should be deleted.

Mr. Chairman, I hope the Volkmer substitute will be amended in the two ways that I have just indicated and passed today by the House. As amended, the Volkmer substitute would free law-abiding gunowners from needless harrassement while providing law enforcement officials with the responsible and effective controls they need to do their jobs.

Mr. McCOLLUM. Mr. chairman, I yield 2 minutes to the gentleman from New York [Mr. Boehlert].

Mr. BOEHLERT. Mr. Chairman, I thank the gentleman for yielding this time to me.

Mr. Chairman, I support the Volkmer substitute for a variety of reasons. However, this is one very simple reason that commands special consideration. Rodino-Hughes has no provision requiring that intent be proved before a conviction results. The Volkmer legislation requires that before any gunowner or dealer can be prosecuted for violating a technical provision of the Gun Control Act of 1968, the Government must prove that his or her actions were "willful"—that the citizen violated the law with some sort of criminal intent.

We aren't talking here of serious violations that threaten the public safety; the Volkmer legislation only provides that the Government must prove that the accused violated those provisions "knowingly." Both the language and the intent of the Volkmer legislation are exceptionally clear: No honest citizen should be vulnerable to prosecution on Federal felony charges for minor mistakes made in filling out one of the multitude of forms required under present law.

The judiciary legislation, on the other hand, discards this provision in favor of a mere "knowing" standard for all violations of the Gun Control Act. While drafters offer firearms dealers some protection by making recordkeeping violations misdemeanors rather than felonies, this "knowing" standard which they advocate implies that all errors in bookkeeping are criminal—regardless of how innocent of criminal intent that gunowner may be.

Mr. Chairman, to some it may seem as if this squabble over words is unnecessary, but the fact remains that this legislation has gone through several revisions after hours of negotiations. The Treasury Department, which is, after all, the body charged with enforcing any law we pass here today, helped write these finely crafted distinctions that the Hughes-Rodino legislation would eliminate. So I ask the Members of this body: If the agency most directly affected by this legislation wants to define the distinctions between "willful" and "knowing" that

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are found in the Volkmer legislation, then why should we ignore their recommendations and pass a bill without this crucial language?

The provisions relating to "willful intent" found in the Volkmer substitute are an integral part of our efforts to reform Federal firearms laws. Without those provisions, our efforts here today are wasted. I urge my colleagues to assist our Treasury Department by supporting the Volkmer substitute. By doing so, we will be accomplishing the primary purpose of any law: To assist law enforcement in the performance of its duties while protecting law-abiding citizens from the unintended excesses of the law.

Mr. McCOLLUM. Mr. Chairman, I yield 3 minutes to the gentleman from Ohio [Mr. Feighan].

Mr. FEIGHAN. Mr. Chairman, I thank the gentleman for yielding this time to me.

Mr. Chairman, I want to begin by saying, as a member of the subcommittee and a member of the full Judiciary Committee, how proud I am of the leadership and the hard work of our committee on this issue, particularly the leadership of our full committee chairman, Mr. Rodino, and the endless hours of work that has been put into this issue by our chairman of the subcommittee, Mr. Hughes. I think that when the gentleman from Florida [Mr. Shaw] earlier mentioned that no one has been denied the opportunity to have their full hearing on this issue, that is one matter that we can all be in full agreement on. We could not have had the full and thorough and important debate that we had in the committee without the assistance and the extremely effective work of our ranking minority leader from Florida [Mr. McCollum]. I, on behalf of the committee members, would like to thank both our leadership members for that work and for that effort.

Mr. Chairman, last July, the U.S. Senate voted to repeal many of the gun laws enacted after the assassinations of Robert F. Kennedy and Martin Luther King, Jr. Today, the House of Representatives is in danger of making the same mistake.

For the past several months, the House Judiciary Committee has conducted hearings on the issue of gun control. After listening to hundreds of hours of testimony from across the country, we drafted a strong and sensible alternative to the dangerous Senate bill. Last month, the Judiciary Committee unanimously approved this comprehensive gun control legislation that would strengthen, rather than weaken, this Nation's gun laws.

Our proposal, which has overwhelming support from law enforcement officials, is the most significant anticrime legislation we will consider this year. With 20,000 Americans murdered each year by handguns, Congress must uphold and strengthen our gun laws, not dismantle them.

By supporting the committee amendments, the House can help protect the public from the terror of armed criminals and illegal guns. Volumes of statistics prove that we need a waiting period and background check for all handgun sales. We must also curb abuses in the sale of machineguns, prohibit the sale of silencers, and crack down on the use of assault and semiautomatic weapons.

Current handgun laws are ineffective and ridden with loopholes. They must be strengthened to protect the public and our police.

Studies from across the country consistently show that illegal handgun use is a major factor in crimes of violence. The Justice Department reports that handguns are used in 75 percent of all murders and assaults and 90 percent of all robberies in which guns are used.

Firearm homicides penetrate all age groups and income levels in our society. Every single day, one American child under the age of 15 is killed by a handgun. A 25-year study of child deaths in the Greater Cleveland area shows a terrifying rise in the number of children killed by guns. Since 1958, the number of Greater Cleveland children killed skyrocketed nearly 600 percent. What is the major factor behind the slaying of these children? Handgun violence. More than 70 percent of these children were killed by guns.

This is not the time for Congress to repeal Federal gunlaws. The law enforcement officials of our Nation are doing all that they can to protect the public. We must continue to support them in their efforts. Effective gun control is the key to effective law enforement.

Speaking in 1968, less than a month before his murder, Robert F. Kennedy expressed the horrors of handgun violence. "The victims of the violence," said Senator Kennedy, "are black and white, young and old, rich and poor, famous and unknown * * *. No one, no matter where he lives or what he does, knows who next will suffer from some senseless act of violence. Yet it goes on and on in this country of ours. Why?"

Almost 20 years later, I ask my colleagues to consider the same question.

Mr. McCOLLUM. Mr. Chairman, I yield myself such time as I may consume.

Mr. Chairman, I think it is important as we conclude this debate in this general debate period today and go into the amendment process that we reflect upon one very important fact about the legislation before us.

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There is no new gun control legislation out here today. Both the committee bill, H.R. 4332, and the Volkmer substitute, both of them, are receding from the restrictions in the present Gun Control Act of 1968. They are receding from restrictions that have hampered sportsmen and those who would participate in sporting matches and hunting. They are acquiescing to the learned, studied, considered experience of the past 8 years, or so, with the present law, and knowing that changes can be made that will not unduly affect the ability of law enforcement to fight criminals in this country.

The debate today and the amendments we are going to go through will be over relatively narrowed differences between those who think we ought to take more than we have in the committee bill, in the way of restrictions, off the backs of those who would be sportsmen and use weapons as private citizens, and those who are believing that some of the restrictions that would be removed and are going to be proposed will in some way hamper law enforcement efforts and that the restrictions should remain.

But I again want to reiterate, as this general debate closes, that both of these measures are fundamentally good pieces of legislation. Despite the harsh feelings and the rhetoric that is here, I think that we are going to wind up today proud of what wer produce, proud of the fact that we have made a major statement for the sportsmen of this country and for those who want reasonable laws on the books with regard to the guns of our Nation and the usage by our private citizens. I think this is extremely important. I urge my colleagues to consider each amendment that is offered with great care today, because I think that we have a chance to improve what is out here but, in any event, we are going to have a good bill.

Mr. GEKAS. Mr. Chairman, will the gentleman yield?

Mr. McCOLLUM. I yield to the gentleman from Pennsylvania.

Mr. GEKAS. Mr. Chairman, I was glad to see the gentleman from Florida reiterate the proposition that, no matter what happens here today, we do not change for the worse, in the eyes of the sportsman and the hunter, the present law as it exists with respect to handguns; that is, no one here has made that situation more restrictive in any version that has come before the floor.

Is that the gentleman's belief?

Mr. McCOLLUM. The gentleman is correct. And, as the gentleman well knows, in both versions we do remove restrictions on long guns, and no one is debating that, even, today; so the hunter with the rifle, the shotgun, is going to be exceedingly pleased with this today. And we certainly do not increase any restrictions, no matter what is adopted.

Mr. GEKAS. If the gentleman will yield further, it is fair to say, as I have tried to state before and which the gentleman has confirmed, as we leave the Hall here today, the sportsmen of our Nation can rejoice in the fact that those burdensome restrictions that have so long vexed them have been removed from the aegis of the laws of this country.

Mr. McCOLLUM. They can rest assured, if the gentleman will allow me to take my time back, that after we finish with the bill today and we get a conference and the Senate and the House pass that version and it goes to the President, you are going to be correct, that will occur; but I think it is equally important for the Members and the sportsmen to know that there are honest differences of opinion over the fine points, and the fine points will be debated today.

I believe my time has about expired. I thank the gentleman for his participation in the colloquy. I thank my colleagues on the committee and on the subcommittee for the work product. Again I thank particularly the gentleman from New Jersey [Mr. Hughes] for his hard work product in bringing this legislation out today.

Mr. Chairman, whatever time is left on my side for general debate, I yield back the balance of my time.

The CHAIRMAN. Pursuant to the rule, it shall be in order to consider immediately after the enacting clause is read the amendment in the nature of a substitute recommended by the Committee on the Judiciary now printed in the reported bill, and said amendment is considered as having been read.

Before the consideration of perfecting amendments to the committee amendment, it shall be in order to consider a substitute printed in the Congressional Record of March 18, 1986, by and if offered by, Representative Volkmer, which is considered as having been read.

It shall be in order to consider a perfecting amendment to the substitute printed in the Congressional Record of March 19, 1986, by, and if offered by, Representative Volkmer prior to the consideration of any other perfecting amendments.

No amendments to the committee amendment or to the substitute are in order except pro forma amendments for the purpose of debate and amendments printed in the Congressional Record.

At the expiration of 5 hours, no further amendments are in order to the committee amendment, the substitute, or the bill.

The Clerk will designate the amendment in the nature of a substitute recommended by the Committee on the Judiciary.

The text of the Judiciary Committee amendment in the nature of a substitute is as follows:

H.R. 4332

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the "Federal Firearms Law Reform Act of 1986".

SEC. 2. PROHIBITION ON TRANSFER AND POSSESSION OF SILENCERS.

(a) Definition.—Section 921(a) of title 18, United States Code, is amended by adding at the end the following:

"(21) The terms 'silencer' and 'muffler' mean any device for silencing, muffling, or diminishing the report of a portable firearm, including any part or combination of parts designed or redesigned and intended for such use with a firearm.".

(b) Prohibition.—Section 922 of title 18, United States Code, is amended by adding at the end the following:

"(n)(1) Except as provided in paragraph (2), it shall be unlawful for any person to transfer or possess a silencer.

"(2) This subsection does not apply with respect to—

"(A) a transfer to or by, or possession by or under the authority of, the United States or any department or agency thereof or a State, or a department, agency, or political subdivision thereof; or

"(B) any lawful transfer or lawful possession of a silencer that was lawfully possessed before the date this subsection takes effect.".

(c) Conforming Amendments.—

(1) Section 921(a)(3) of title 18, United States Code, is amended by striking out "any firearm muffler or firearm silencer" and inserting "any muffler or silencer for a firearm" in lieu thereof.

(2) Section 5845(a)(7) of the National Firearms Act (26 U.S.C. 5845(a)(7)) is amended to read as follows:

"(7) any silencer (as defined in section 921 of title 18, United States Code);".

(3) Sections 922(a)(4) and 922(b)(4) of title 18, United States Code, are each amended by striking out "(as defined in section 5845 of the Internal Revenue Code of 1954)," and inserting "silencer," in lieu thereof.

SEC. 3. LAWFUL INTERSTATE SALE OF LONG GUNS.

Subparagraph (A) of section 922(b)(3) of title 18, United States Code, is amended to read as follows: "(A) shall not apply to the sale or delivery of any rifle or shotgun to a resident of a State other than a State in which the licensee's place of business is located if the transferee meets in person with the transferor to accomplish the transfer, and the sale, delivery, and receipt fully comply with the legal conditions of sale in both such States (and any licensed manufacturer, importer or dealer shall be presumed, for purposes of this subparagraph, in the absence of evidence to the contrary, to have had actual knowledge of the State laws and published ordinances of both States),".

SEC. 4. UNLAWFUL SALE, POSSESSION, OR RECEIPT OF FIREARMS OR AMMUNITION.

(a) In General.—Section 922(g) of title 18, United States Code, is amended to read as follows:

"(g)(1) It shall be unlawful for any person—

"(A)(i) if such person is a licensee under this chapter, to sell or otherwise dispose of any firearm or ammunition to any other person, knowing or having reasonable cause to believe that such other person is unqualified; or

"(ii) if such person is not such a licensee, to sell or otherwise dispose of any firearm or ammunition to any other person, knowing that such other person is unqualified;

"(B) to ship or transport any firearm or ammunition in interstate or foreign commerce, if such person is unqualified;

"(C) to receive any firearm or ammunition which has been shipped or transported in interstate or foreign commerce, if such person is unqualified; or

"(D) to receive, possess, or transport any firearm in or affecting interstate or foreign commerce, if—

"(i) such person is unqualified (unless such person is unqualified only because such person is under indictment for, or has been convicted in any court of, a crime punishable by imprisonment for a term exceeding 1 year); or

"(ii) in the course of such person's employment by another person, such person knows that other person is unqualified (unless such other person is unqualified only because such person is under indictment for, or has been convicted in any court of, a crime punishable by imprisonment for a term exceeding 1 year).

"(3) For purposes of paragraph (1), a person is unqualified if that person—

"(A) is under indictment for, or has been convicted in any court of, a crime punishable by imprisonment for a term exceeding 1 year;

"(B) is a fugitive from justice;

"(C) is an unlawful user of or addicted to any controlled substance (as defined in section 102 of the Controlled Substances Act (21 U.S.C. 802));

"(D) has been adjudicated as a mental incompetent or committed to any mental institution;

"(E) has been discharged from the Armed Forces under dishonorable conditions;

"(F) has renounced that person's United States citizenship; or

"(G) is an alien illegally in the United States.".

(b) Conforming Repeal and Amendment.—

(1) Title VII of the Omnibus Crime Control and Safe Streets Act of 1968 (18 U.S.C. App. 1201 et seq.) is repealed.

(2) Section 923(d)(1)(B) of title 18, United States Code, is amended by striking out "and (h)".

SEC. 5. GUN SHOW SALES.

(a) In General.—Section 922(h) of title 18, United States Code, is amended to read as follows:

"(h) In any case not otherwise prohibited by this chapter, a licensed dealer may sell or otherwise dispose of a firearm to a person who does not appear in person at the licensee's business premises if such sale or disposition takes place during and at a temporary gun show or event sponsored by any national, State, or local organization, or affiliate of any such organization devoted to the collection, competitive use, or other sporting use of firearms, or an organization or association that sponsors events devoted to the collection, competitive use, or other sporting use of firearms and the location of such sale or disposition is in the State specified in the license of such licensee. Records of receipt and disposition of firearms transactions conducted at such temporary location shall include the location of the sale or disposition and shall be entered in the permanent records of the licensee and retained on the location specified on the license of such li-

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censee. Any inspection or examination of inventory or records under this chapter by the Secretary at such temporary location shall be limited to inventory consisting of, or records relating to, firearms held or disposed at such temporary location. Nothing in this subsection shall authorize such licensee to conduct business in or from any motorized or towed vehicle.".

(b) Conforming Amendment.—Section 923(a) of title 18, United States Code, is amended by inserting "(other than at a temporary location described in section 922(h) of this title)" after "each place".

SEC. 6. PROHIBITION ON IMPORTATION OF PARTS OF CERTAIN FIREARMS.

Section 922(1) of title 18, United States Code, is amended by adding at the end the following: "It shall be unlawful for any person knowingly to import into the United States the barrel of any firearm if the importation of that firearm is prohibited by this section.".

SEC. 7. ADMINISTRATIVE FLEXIBILITY FOR INVOKING LICENSE-RELATED PENALTIES AND OTHER LICENSING-RELATED MATTERS.

(a) Relevant License Information.—Section 923(a) of title 18, United States Code, is amended by striking out "such information" and inserting "only that information necessary to determine eligibility for licensing".

(b) Additional License Approval Criterion.—Section 923(d)(1)(B) of title 18, United States Code, is amended by striking out the semicolon at the end and inserting in lieu thereof "and is not prohibited by applicable State law from engaging in conduct necessarily incident to business subject to license under this chapter;".

(c) Authority To Suspend Licenses.—

(1) Section 923(e) of title 18, United States Code, is amended by inserting "suspend or" before "revoke".

(2) Section 923(f) of title 18, United States Code, is amended—

(A) in paragraph (1)—

(i) by inserting "suspended or" before "revoked" each place it appears; and

(ii) by inserting "suspension or" before "revocation";

(B) in paragraph (2)—

(i) by striking out "revokes, a license," and inserting in lieu thereof "suspends or revokes a license";

(ii) by striking out "his denial or revocation" and inserting in lieu thereof "that action"; and

(iii) in the second sentence, by inserting "suspension or" before "revocation" each place it appears; and

(C) in paragraph (3)—

(i) in the first sentence, by striking out "his decision to deny an application or revoke a license" and inserting in lieu thereof "the action reviewed";

(ii) in the second sentence, by striking out "denial or revocation" and inserting in lieu thereof "action"; and

(iii) in the last sentence, by inserting "suspend or" before "revoke".

(d) Limitation on Frequency of Compliance Inspections.—Section 923(g) of title 18, United States Code, is amended by inserting "The Secretary may inspect the inventory and records of a licensee for the purpose of ensuring compliance with the recordkeeping requirements of this chapter not more than three times during any 18-month period, unless the Secretary or the Director of the Bureau of Alcohol, Tobacco, and Firearms approves such inspection." before "The Secretary".

SEC. 8. MODIFICATION OF PENALTY PROVISIONS AND REENACTMENT OF ARMED CAREER CRIMINAL PROVISIONS.

Section 924(a) of title 18, United States Code, is amended—

(1) by inserting "(1)" after "(a)";

(2) by striking out "Whoever violates" and inserting "Except as otherwise provided in this subsection, whoever knowingly engages in conduct that is a violation of" in lieu thereof; and

(3) by adding at the end the following:

"(2) Whoever knowingly engages in conduct that is a violation of section 922(b)(5), 922(m), or 923(h) of this title and has not been previously convicted of a violation of such section shall be fined under this title or imprisoned not more than one year, or both, rather than as provided under paragraph (1) of this subsection.

"(3) Any person who knowingly engages in conduct that is a violation of section 922(g)(1)(D) of this title and has been convicted on 3 previous occasions of robbery, burglary, or both—

"(A) shall be fined under this title and imprisoned not less than 15 years;

"(B) notwithstanding any other provision of law, shall not be granted any suspended or probationary sentence with respect to such violation; and

"(C) shall not be eligible for parole from any sentence imposed with respect to such violation.

"(4) As used in paragraph (3)—

"(A) the term 'robbery' means any felony consisting of the taking of the property of another from the person or presence of another by force or violence, or by threatening or placing another person in fear that any person will imminently be subjected to bodily harm; and

"(B) the term 'burglary' means any felony consisting of entering or remaining surreptitiously within a building that is the property of another, with intent to engage in conduct constituting a Federal or State offense.

"(5) As used in paragraph (4), the term 'felony' means any offense punishable by imprisonment for a term exceeding one year, but does not include any offense (other than one involving a firearm or explosive) classified as a misdemeanor under the laws of a State and punishable by a term of imprisonment of two years or less.".

SEC. 9. RECORDKEEPING AND REPORTING AMENDMENTS.

(a) Elimination of Certain Ammunition Recordkeeping.—Section 923(g) of title 18, United States Code, is amended—

(1) by striking out "Each" and inserting "(1) Except as provided in paragraph (2), each" in lieu thereof; and

(2) by adding at the end the following new paragraph:

"(2) The Secretary shall not require the keeping of any records under this chapter with respect to the sale of ammunition (other than armor-piercing ammunition, as such term is defined in section 929 of this title) in transactions involving less than 1,000 rounds.".

(b) Codification of Existing Regulation Requiring Reports of Multiple Firearm Sales.—Section 923(g) of title 18, United States Code, is amended by inserting after the second sentence the following: "Each licensee shall submit such a report to the Secretary with respect to each sale or other disposition to an unlicensed person by that licensee, in 1 or more transactions during any period of 5 consecutive business days, of any combination of pistols and revolvers totaling 2 or more. Such report with respect to such sale or disposition shall be forwarded to the office specified by the Secretary not later than the close of business on the day such sale or other disposition is completed.".

SEC. 10. IMPOSITION OF ADDITIONAL PENALTIES FOR USING OR CARRYING A FIREARM OR ARMOR-PIERCING AMMUNITION IN CONNECTION WITH FELONY INVOLVING DRUG TRAFFICKING.

(a) Firearm.—Section 924(c) of title 18, United States Code, is amended—

(1) by inserting "(1)" before "Whoever,";

(2) by striking out "violence," each place it appears and inserting in lieu thereof "violence, or drug trafficking crime,";

(3) by inserting "or drug trafficking crime" before "in which the firearm was used or carried."; and

(4) by adding at the end the following:

"(2) As used in this subsection, the term 'drug trafficking crime' means any felony violation of Federal law involving the distribution, manufacture, or importation of any controlled substance (as defined in section 102 of the Controlled Substances Act (21 U.S.C. 802)).".

(b) Armor-Piercing Ammunition.—Section 929(a) of title 18, United States Code, is amended—

(1) by inserting "(1)" before "Whoever,";

(2) by striking out "violence" each place it appears and inserting in lieu thereof "violence or drug trafficking crime,"; and

(3) by adding at the end the following:

"(2) As used in this subsection, the term 'drug trafficking crime' means any felony violation of Federal law involving the distribution, manufacture, or importation of any controlled substance (as defined in section 102 of the Controlled Substances Act (21 U.S.C. 802)).".

SEC. 11. ENHANCED PENALTY FOR MACHINEGUN USE IN CRIME AND OTHER MACHINEGUN-RELATED MATTERS.

(a) Enhanced Penalty.—Section 924(c) of title 18, United States Code, is amended—

(1) in the first sentence, by striking out the period at the end and inserting in lieu thereof ", and if the firearm is a machinegun, to imprisonment for 10 years."; and

(2) in the second sentence, by striking out the period at the end and inserting in lieu thereof ", and if the firearm is a machinegun, to imprisonment for 20 years."

(b) Definition—

(1) Section 921(a) of title 18, United States Code, is amended by adding after the paragraph added by section 2(a) the following:

"(22) The term 'machinegun' has the meaning given such term in section 5845(b) of the National Firearms Act (26 U.S.C. 5845(b)).".

(2) Section 5845(b) of the National Firearms Act (26 U.S.C. 5845(b)) is amended by inserting "part or" before "combination of parts designed and intended".

(c) Conforming Amendment.—Section 925(d)(2) of title 18, United States Code, is amended by striking out "as defined in section 5845(b) of the Internal Revenue Code of 1954".

SEC. 12. LIMITATION ON FORFEITURE.

Section 924(d) of title 18, United States Code, is amended—

(1) by inserting "felony" before "violation" each place it appears; and

(2) by striking out "or any rule or regulation promulgated thereunder".

SEC. 13. BROADENED RELIEF FROM DISABILITIES.

Section 925(c) of title 18, United States Code, is amended—

(1) by striking out "has been convicted of a crime punishable" and all that follows through "National Firearms Act)" and inserting in lieu thereof "is prohibited by Federal law from acquiring, receiving, transferring, shipping, transporting, or possessing firearms or ammunition";

(2) by inserting "transportation," after "shipment,";

(3) by striking out "and incurred by reason of such conviction"; and

(4) by adding at the end the following: "If the Secretary determines that relief from disabilities, incurred by reason of a conviction under State law and imposed by Federal laws with respect to the acquisition, receipt, transfer, shipment, or possession of firearms, would be consistent with the purposes of this chapter when such expungement or elimination occurs under any State law regarding the expungement of criminal convictions, the Secretary may declare that all persons obtaining relief under such State law are relieved from such disabilities.".

SEC. 14. INTERSTATE TRANSPORT OF RIFLES AND SHOTGUNS.

Section 927 of title 18, United States Code, is amended—

(1) by inserting "(a)" before "No"; and

(2) by adding at the end the following:

"(b) Notwithstanding any provision of State law or of any published ordinance to the contrary, any individual may transport any secured shotgun or secured rifle from such individual's place of origin to any destination State if—

"(1) such transport is—

"(A) incident to the change of the individual's State of residence; or

"(B) for the purpose of lawful participation in, or returning from lawful participation in—

"(i) hunting;

"(ii) a shooting match or contest; or

"(iii) any other lawful sporting activity; and

"(2) the individual may lawfully transport and possess such shotgun or rifle—

"(A) in the individual's place of origin, the destination State, and the destination political subdivision of the destination State; and

"(B) under Federal law.

"(c) For purposes of subsection (b)—

"(1) a rifle or shotgun is secured if the rifle or shotgun—

"(A) is enclosed or cased;

"(B) is not readily accessible; and

"(C) is not loaded with ammunition; and

"(2) the term 'place of origin' means—

"(A) in the case of a change of residence, the State and political subdivision thereof from which residence is changed; and

"(B) in any other case, the State and political subdivision thereof in which the possession or transport of the rifle or shotgun begins.".

SEC. 15. RECORD CHECK FOR CRIMINAL CONVICTIONS AND OTHER DISQUALIFICATIONS FOR PURCHASE OF HANDGUNS.

"(a) Definition.—Section 921(a) of title 18, United States Code, is amended by adding after the paragraph added by section 11(b) the following:

"(23) The term 'handgun' means a firearm which has a short stock and is designed to be held and fired by the use of a single hand.".

"(b) Prohibition.—Section 922(d) of title 18, United States Code, is amended to read as follows:

"(d)(1) It shall be unlawful for a licensed importer, licensed manufacturer, or licensed dealer to sell, deliver, or otherwise transfer a handgun to an individual who is not licensed under section 923 unless such importer, manufacturer, or dealer promptly sends by registered or certified mail (return receipt requested), a copy of the documentation of the transaction required under this chapter, in a form prescribed by the Secretary—

"(A) to the chief law enforcement officer of the place of residence of the transferee notifying such officer of the transaction; and

"(B) to the Federal Bureau of Investigation which shall—

"(i) examine Federal official records which may reveal any circumstance making illegal the receipt or possession of a handgun by the transferee; and

"(ii) report to the chief law enforcement officer of the place of residence of the transferee if any such records show any such circumstance.

"(2) The chief law enforcement officer of the place of residence of the transferee and the Federal Bureau of Investigation shall each destroy each report received under this section from any licensee concerning any transferee, within 90 days after the date such report is received, if such report does not indicate any circumstance making illegal the receipt or possession of a handgun by the transferee.".

PARLIAMENTARY INQUIRY

Mr. GEKAS. Mr. Chairman, I have a parliamentary inquiry, a point that has been vexing me since the debate on the rule itself.

My parliamentary inquiry is: What is the exact status at this moment of the discharge petition?

As I understand it, the rule, when we approved it, made that entire matter moot.

Now, this was stated during the explanation of the rule, at the outset, but I want to know if, procedurally, legally, we did accomplish that? Have we, by the passage of the rule, determined once and for all that the discharge petition is no longer in any kind of status for consideration?

Mr. CHAIRMAN. It is the Chair's understanding that the resolution which the discharge petition would permit to be considered was laid on the table by the rule.

Mr. GEKAS. So that, Mr. Chairman, in effect it still remains, it has not been eliminated, so to speak, it is just laid on the table?

Mr. CHAIRMAN. It has been adversely disposed of by having been laid on the table by the rule.

Mr. GEKAS. I thank the Chairman.

AMENDMENT OFFERED BY MR. VOLKMER AS A SUBSTITUTE FOR THE JUDICIARY COMMITTEE AMENDMENT IN THE NATURE OF A SUBSTITUTE

Mr. VOLKMER. Mr. Chairman, I offer a substitute for the Judiciary Committee amendment in the nature of a substitute.

The CHAIRMAN. The Clerk will designate the amendment offered as a substitute for the Judiciary Committee amendment in the nature of a substitute.

The text of the amendment offered by Mr. Volkmer as a substitute for the Judiciary Committee amendment in the nature of a substitute is as follows:

Strike out all after the enacting clause and insert in lieu thereof the following:

SECTION 1. SHORT TITLE AND CONGRESSIONAL FINDINGS.

(a) Short Title.—This Act may be cited as the "Firearms Owners' Protection Act".

(b) Congressional Findings.—The Congress finds that—

(1) the rights of citizens—

(A) to keep and bear arms under the second amendment to the United States Constitution;

(B) to security against illegal and unreasonable searches and seizures under the fourth amendment;

(C) against uncompensated taking of property, double jeopardy, and assurance of due process of law under the fifth amendment; and

(D) against unconstitutional exercise of authority under the ninth and tenth amendments;

require additional legislation to correct existing firearms statutes and enforcement policies; and

(2) additional legislation is required to reaffirm the intent of the Congress, as expressed in section 101 of the Gun Control Act of 1968, that "it is not the purpose of this title to place any undue or unnecessary Federal restrictions or burdens on law-abiding citizens with respect to the acquisition, possession, or use of firearms appropriate to the purpose of hunting, trapshooting, target shooting, personal protection, or any other lawful activity, and that this title is not intended to discourage or eliminate the private ownership or use of firearms by law-abiding citizens for lawful purposes.".

SEC. 101. AMENDMENTS TO SECTION 921.

Section 921 of title 18, United States Code, is amended—

(1) in subsection (a)(10), by striking out "manufacture of" and inserting in lieu thereof "business of manufacturing";

(2) in subsection (a)(11)(A), by striking out "or ammunition";

(3) in subsection (a)(12), by striking out "or ammunition";

(4) in subsection (a)(13), by striking out "or ammunition";

(5) by amending paragraph (20) of subsection (a) to read as follows:

"(20) The term 'crime punishable by imprisonment for a term exceeding one year' does not include—

"(A) any Federal or State offenses pertaining to antitrust violations, unfair trade practices, restraints of trade, or other similar offenses relating to the regulation of business practices, or

"(B) any State offense classified by the laws of the State as a misdemeanor and punishable by a term of imprisonment of two years or less.

What constitutes a conviction of such a crime shall be determined in accordance with the law of the jurisdiction in which the proceedings were held. Any conviction which has been expunged, or set aside or for which a person has been pardoned or has had civil rights restored shall not be considered a conviction for purposes of this chapter, unless such pardon, expungement, or restoration of civil rights expressly provides that the person may not ship, transport, possess, or receive firearms."; and

(6) in subsection (a), by inserting after paragraph (20) the following new paragraphs:

"(21) The term 'engaged in the business' means—

"(A) as applied to a manufacturer of firearms, a person who devotes time, attention, and labor to manufacturing firearms as a

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regular course of trade or business with the principal objective of livelihood and profit through the sale or distribution of the firearms manufactured;

"(B) as applied to a manufacturer of ammunition, a person who devotes time, attention, and labor to manufacturing ammunition as a regular course of trade or business with the principal objective of livelihood and profit through the sale or distribution of the ammunition manufactured;

"(C) as applied to a dealer in firearms, as defined in section 921(a)(11)(A), a person who devotes time, attention, and labor to dealing in firearms as a regular course of trade or business with the principal objective of livelihood and profit through the repetitive purchase and resale of firearms, but such term shall not include a person who makes occasional sales, exchanges, or purchases of firearms for the enhancement of a personal collection or for a hobby, or who sells all or part of his personal collection of firearms;

"(D) as applied to a dealer in firearms, as defined in section 921(a)(11)(B), a person who devotes time, attention, and labor to engaging in such activity as a regular course of trade or business with the principal objective of livelihood and profit, but such term shall not include a person who makes occasional repairs of firearms, or who occasionally fits special barrels, stocks, or trigger mechanisms to firearms;

"(E) as applied to an importer of firearms, a person who devotes time, attention, and labor to importing firearms as a regular course of trade or business with the principal objective of livelihood and profit through the sale or distribution of the firearms imported; and

"(F) as applied to an importer of ammunition, a person who devotes time, attention, and labor to importing ammunition as a regular course of trade or business with the principal objective of livelihood and profit through the sale or distribution of the ammunition imported.

"(22) The term 'with the principal objective of livelihood and profit' means that the intent underlying the sale or disposition of firearms is predominantly one of obtaining livelihood and pecuniary gain, as opposed to other intents, such as improving or liquidating a personal firearms collection.

"(23) The term 'machinegun' has the meaning given such term in section 5845(b) of the National Firearms Act (26 U.S.C. 5845(b)).

"(24) The terms 'firearm silencer' and 'firearm muffler' mean any device for silencing, muffling, or diminishing the report of a portable firearm, including any part or combination of parts, designed or redesigned, intended only for such use in assembling or fabricating a firearm silencer or firearm muffler.".

SEC. 102. AMENDMENTS TO SECTION 922.

Section 922 of title 18, United States Code, is amended—

(1) so that paragraph (1) of subsection (a) reads as follows:

"(1) for any person—

"(A) except a licensed importer, licensed manufacturer, or licensed dealer, to engage in the business of importing, manufacturing, or dealing in firearms, or in the course of such business to ship, transport, or receive any firearm in interstate or foreign commerce; or

"(B) except a licensed importer or licensed manufacturer, to engage in the business of importing or manufacturing ammunition, or in the course of such business, to ship, transport, or receive any ammunition in interstate or foreign commerce;";

(2) in subsection (a)(2)—

(A) by striking out "or ammunition"; and

(B) by striking out "or licensed dealer for the sole purpose of repair or customizing;" and inserting in lieu thereof "licensed dealer, or licensed collector;";

(3) in subsection (a)(3), by striking out "(B)" and all that follows through "(b)(3) of this section," and inserting in lieu thereof the following: "(B) shall not apply to the transportation or receipt of a firearm obtained in conformity with subsection (b)(3) of this section,";

(4) in subsection (b)—

(A) in paragraph (2), by striking out "or ammunition" each place it appears;

(B) in paragraph (3), by striking out "(A)" and all that follows through "intrastate transactions other than at the licensee's business premises," and inserting in lieu thereof "(A) shall not apply to the sale or delivery of any firearm to a resident of a State other than a State in which the licensee's place of business is located if the sale, delivery and receipt fully comply with the legal conditions of sale in both such States (and any licensed manufacturer, importer or dealer shall be presumed, in the absence of evidence to the contrary to have had actual knowledge of the State laws and published ordinances of both States) and if the transferee (other than a licensed manufacturer, importer, or dealer) meets in person with the transferor to accomplish the transfer or to negotiate the transfer (and, notwithstanding any other provision of law, the transportation or shipment of such firearm to such transferee in interstate or foreign commerce shall be permitted, but this exception does not authorize mail order sales of firearms),";

(C) in paragraph (3), by inserting "and" before "(B)";

(D) in paragraph (3), by striking out ", and (C)" and all that follows through the end of such paragraph and inserting in lieu thereof a semicolon; and

(E) in paragraph (5), by striking out "or ammunition except .22 caliber rimfire ammunition" and inserting "or armor-piercing ammunition" in lieu thereof;

(5) in subsection (d)—

(A) by striking out "licensed importer, licensed manufacturer, licensed dealer, or licensed collector" the first place it appears and inserting in lieu thereof "person";

(B) by amending paragraph (3) to read as follows:

"(3) is an unlawful user of or addicted to any controlled substance (as defined in section 102 of the Controlled Substances Act (21 U.S.C. 802));";

(C) in paragraph (4), by striking out the period and inserting in lieu thereof a semicolon; and

(D) by inserting after paragraph (4) the following:

"(5) who, being an alien, is illegally or unlawfully in the United States;

"(6) who has been discharged from the Armed Forces under dishonorable conditions; or

"(7) who, having been a citizen of the United States, has renounced his citizenship." ;

(6) in subsection (g)—

(A) in paragraph (1), by striking out "is under indictment for, or who" ;

(B) by amending paragraph (3) to read as follows:

"(3) is an unlawful user of or addicted to any controlled substance (as defined in section 102 of the Controlled Substances Act (21 U.S.C. 802));" ;

(C) by inserting after paragraph (4) the following new paragraphs:

"(5) who, being an alien, is illegally or unlawfully in the United States;

"(6) who has been discharged from the Armed Forces under dishonorable conditions; or

"(7) who, having been a citizen of the United States, has renounced his citizenship;" ; and

(D) by striking out "to ship or transport any firearm or ammunition in interstate or foreign commerce." and inserting in lieu thereof "to ship or transport in interstate or foreign commerce, or possess in or affecting commerce, any firearm or ammunition; or to receive any firearm or ammunition which has been shipped or transported in interstate or foreign commerce." ;

(7) by striking out subsection (h); and

(8) by inserting after subsection (m) the following:

"(n) It shall be unlawful for any person who is under indictment for a crime punishable by imprisonment for a term exceeding one year to ship or transport in interstate or foreign commerce any firearm or ammunition or receive any firearm or ammunition which has been shipped or transported in interstate or foreign commerce." .

SEC. 103. AMENDMENTS TO SECTION 923.

Section 923 of title 18, United States Code, is amended—

(1) in subsection (a)—

(A) by striking out the first sentence and inserting in lieu thereof "No person shall engage in the business of importing, manufacturing, or dealing in firearms, or importing or manufacturing ammunition, until he has filed an application with and received a license to do so from the Secretary." ; and

(B) by striking out "and contain such information", and inserting in lieu thereof "and contain only that information necessary to determine eligibility for licensing.";

(2) in subsection (a)(3)(B), by striking out "or ammunition for firearms other than destructive devices,";

(3) in subsection (b), by striking out "and contain such information" and inserting in lieu thereof "and contain only that information necessary to determine eligibility";

(4) in subsection (c), by adding at the end "Nothing in this chapter shall be construed to prohibit a licensed manufacturer, importer, or dealer from maintaining and disposing of a personal collection of firearms, subject only to such restrictions as apply in this chapter to dispositions by a person other than a licensed manufacturer, importer, or dealer. If any firearm is so disposed of by a licensee within one year after its transfer from his business inventory into such licensee's personal collection or if such disposition or any other acquisition is made for the purpose of willfully evading the restrictions placed upon licensees by this chapter, then such firearm shall be deemed part of such licensee's business inventory.";

(5) in subsection (e), by inserting "willfully" before "violated";

(6) in subsection (f)—

(A) in paragraph (3)—

(i) by inserting "de novo" before "judicial"; and

(ii) by inserting "whether or not such evidence was considered at the hearing held under paragraph (2)." after "to the proceeding"; and

(B) by adding at the end the following new paragraph:

"(4) If criminal proceedings are instituted against a licensee alleging any violation of this chapter or of rules or regulations prescribed under this chapter, and the licensee is acquitted of such charges, or such proceedings are terminated, other than upon motion of the Government before trial upon such charges, the Secretary shall be absolutely barred from denying or revoking any license granted under this chapter where such denial or revocation is based in whole or in part on the facts which form the basis of such criminal charges. No proceedings for the revocation of a license shall be instituted by the Secretary more than one year after the filing of the indictment or information.";

(7) so that subsection (g) reads as follows:

"(g)(1)(A) Each licensed importer, licensed manufacturer, and licensed dealer shall maintain such records of importation, production, shipment, receipt, sale, or other disposition of firearms at his place of business for such period, and in such form, as the Secretary may by regulations prescribe. Such importers, manufacturers, and dealers shall not be required to submit to the Secretary reports and information with respect to such records and the contents thereof, except as expressly required by this section. The Secretary, when he has reasonable cause to believe a violation of this chapter has occurred and that evidence thereof may be found on such premises, may, upon demonstrating such cause before a Federal magistrate and securing from such magistrate a warrant authorizing entry, enter during business hours the premises (including places of storage) of any licensed firearms importer, licensed manufacturer, licensed dealer, licensed collector, or any licensed importer or manufacturer of ammunition, for the purpose of inspecting or examining—

"(i) any records or documents required to be kept by such licensed importer, licensed manufacturer, licensed dealer, or licensed collector under this chapter or rules or regulations under this chapter, and

"(ii) any firearms or ammunition kept or stored by such licensed importer, licensed manufacturer, licensed dealer, or licensed collector, at such premises.

"(B) The Secretary may inspect or examine the inventory and records of a licensed importer, licensed manufacturer, or licensed dealer without such reasonable cause or warrant—

"(i) in the course of a reasonable inquiry during the course of a criminal investigation or a person or persons other than the licensee;

"(ii) for ensuring compliance with the record keeping requirements of this chapter not more than once during any 12-month period; or

"(iii) when such inspection or examination may be required for determining the disposition of one or more particular firearms in the course of a bona fide criminal investigation.

"(C) The Secretary may inspect the inventory and records of a licensed collector without such reasonable cause or warrant—

"(i) for ensuring compliance with the record keeping requirements of this chapter not more than once during any 12-month period; or

"(ii) when such inspection or examination may be required for determining the disposition of one or more particular firearms in the course of a bona fide criminal investigation.

"(D) At the election of a licensed collector, the annual inspection of records and inventory permitted under this paragraph shall be performed at the office of the Secretary designated for such inspections which is located in closest proximity to the premises where the inventory and records of such licensed collector are maintained. The inspection and examination authorized by this paragraph shall not be construed as authorizing the Secretary to seize any records or other documents other than those records or documents constituting material evidence of a violation of law. If the Secretary seizes such records or documents, copies shall be provided the licensee within a reasonable time. The Secretary may make available to any Federal, State, or local law enforcement agency any information which he may obtain by reason of this chapter with respect to the identification of persons prohibited from purchasing or receiving firearms or ammunition who have purchased or received firearms or ammunition, together with a description of such firearms or ammunition, and he may provide information to the extent such information may be contained in the records required to be maintained by this chapter, when so requested by any Federal, State, or local law enforcement agency.

"(2) Each licensed collector shall maintain in a bound volume the nature of which the Secretary may by regulations prescribe, records of the receipt, sale, or other disposition of firearms. Such records shall include the name and address of any person to whom the collector sells or otherwise disposes of a firearm. Such collector shall not be required to submit to the Secretary reports and information with respect to such records and the contents thereof, except as expressly required by this section.

"(3) Each licensee shall prepare a report of multiple sales or other dispositions whenever the licensee sells or otherwise disposes of, at one time or during any five consecutive business days, two or more pistols, or revolvers, or any combination of pistols and revolvers totalling two or more, to an unlicensed person. The report shall be prepared on a form specified by the Secretary and forwarded to the office specified thereon not later than the close of business on the day that the multiple sale or other disposition occurs.

"(4) Where a firearms or ammunition business is discontinued and succeeded by a new licensee, the records required to be kept by this chapter shall appropriately reflect such facts and shall be delivered to the successor. Where discontinuance of the business is absolute, such records shall be delivered within 30 days after the business discontinuance to the Secretary. However, where State law or local ordinance requires the delivery of records to other responsible authority, the Secretary may arrange for the delivery of such records to such other responsible authority.

"(5)(A) Each licensee shall, when required by letter issued by the Secretary, and until notified to the contrary in writing by the Secretary, submit on a form specified by the Secretary, for periods and at the times specified in such letter, all record information required to be kept by this chapter or such lesser record information as the Secretary in such letter may specify.

"(B) The Secretary may authorize such record information to be submitted in a manner other than that prescribed in subparagraph (A) of this paragraph when it is shown by a licensee that an alternate method of reporting is reasonably necessary and will not unduly hinder the effective administration of this chapter. A licensee may use an alternate method of reporting if the licensee describes the proposed alternative method of reporting and the need therefor in a letter application submitted to the Secretary, and the Secretary approves such alternate method of reporting."; and

(8) so that subsection (j) reads as follows:

"(j) A licensed importer, licensed manufacturer, or licensed dealer may, under rules or regulations prescribed by the Secretary, conduct business temporarily at a location other than the location specified on the license if such temporary location is the location for a gun show or event sponsored by any national, State, or local organization, or any affiliate of any such organization devoted to the collection, competitive use, or other sporting use of firearms in the community, and such location is in the State which is specified on the license. Records of receipt and disposition of firearms transactions conducted at such temporary location shall include the location of the sale or other disposition and shall be entered in the permanent records of the licensee and retailed on the location specified on the license. Nothing in this subsection shall authorize any licensee to conduct business in or from any motorized or towed vehicle. Notwithstanding the provisions of subsection (a) of this section, a separate fee shall not be required of a licensee with respect to business conducted under this subsection. Any inspection or examination of inventory or records under this chapter by the Secretary at such temporary location shall be limited to inventory consisting of, or records relating to, firearms held or disposed at such temporary location. Nothing in this subsection shall be construed to authorize the Secretary to inspect or examine the inventory or records of a licensed importer, licensed manufacturer, or licensed dealer at any location other than the location specified on the license. Nothing in this subsection shall be construed to diminish in any manner any right to display, sell, or otherwise dispose of firearms or ammunition, which is in effect before the date of the enactment of the Firearms Owners' Protection Act.".

SEC. 104. AMENDMENTS TO SECTION 924.

(a) IN GENERAL.—Section 924 of title 18, United States Code, is amended—

(1) so that subsection (a) reads as follows:

"(a)(1) Except as otherwise provided in this section or in section 929, whoever—

"(A) knowingly makes any false statement or representation with respect to the information required by this chapter to be kept in the records of a person licensed under this chapter or in applying for any license or exemption or relief from disability under the provisions of this chapter;

"(B) knowingly violates subsection (a)(4), (a)(6), (f), (g), (i), (j), or (k) of section 922;

"(C) knowingly imports or brings into the United States or any possession thereof any firearm or ammunition in violation of section 922(l); or

"(D) willfully violates any other provision of this chapter,

shall be fined not more than $5,000, imprisoned not more than five years, or both, and shall become eligible for parole as the Parole Commission shall determine.

"(2) Any licensed dealer, licensed importer, licensed manufacturer, or licensed collector who knowingly—

"(A) makes any false statement or representation with respect to the information required by the provisions of this chapter to

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be kept in the records of a person licensed under this chapter, or

"(B) violates subsection (m) of section 922, shall be fined not more than $1,000, imprisoned not more than one year, or both, and shall become eligible for parole as the Parole Commission shall determine.";

(2) in subsection (c)—

(A) by inserting "(1)" before "Whoever,";

(B) by striking out "violence" each place it appears and inserting in lieu thereof "violence or drug trafficking crime,";

(C) by inserting "or drug trafficking crime" before "in which the firearm was used or carried.";

(D) in the first sentence, by striking out the period at the end and inserting in lieu thereof ", and if the firearm is a machinegun, or is equipped with a firearm silencer or firearm muffler, to imprisonment for 10 years.";

(E) in the second sentence, by striking out the period at the end and inserting in lieu thereof ", and if the firearm is a machinegun, or is equipped with a firearm silencer or firearm muffler, to imprisonment for 20 years."; and

(F) by adding at the end the following:

"(2) For purposes of this subsection, the term 'drug trafficking crime' means any felony violation of Federal law involving the distribution, manufacturer, or importation of any controlled substance (as defined in section 102 of the Controlled Substances Act (21 U.S.C. 802)).";

(3) so that subsection (d) reads as follows:

"(d)(1) Any firearm or ammunition involved in or used in any willful or knowing violation of the provisions of this chapter or any rule or regulation prescribed under this chapter, or any violation of any other criminal law of the United States, shall be subject to seizure and forfeiture. All provisions of the Internal Revenue Code of 1954 relating to the seizure, forfeiture, and disposition of firearms, as defined in section 5845(a) of that Code, shall, so far as applicable, extend to seizures and forfeitures under the provisions of this chapter, but, upon acquittal of the owner or possessor, or dismissal of the charges against him other than upon motion of the Government before trial, the seized firearms or ammunition shall be returned forthwith to the owner or possessor or to a person designated by the owner or possessor unless the return of the firearms or ammunition would place the owner or possessor or his delegate in violation of law. Any action or proceeding for the forfeiture of firearms or ammunition shall be commenced within 120 days of such seizure.

"(2)(A) In any action or proceeding for the return of firearms or ammunition seized under this chapter, the court shall allow the prevailing party, other than the United States, a reasonable attorney's fee, and the United States shall be liable therefor.

"(B) In any other action or proceeding under this chapter, if the court finds that such action was without foundation, or was initiated vexatiously, frivolously, or in bad faith, the court shall allow the prevailing party, other than the United States, a reasonable attorney's fee, and the United States shall be liable therefor.

"(C) Only those firearms or quantities of ammunition particularly named and individually identified as involved in or used in any violation of this chapter, or of any rule or regulation issued under this chapter, or any other criminal law of the United States, shall be subject to seizure, forfeiture, and disposition.

"(D) The United States shall be liable for attorneys' fees under this paragraph only to the extent provided in advance by appropriation Acts."; and

(4) by adding at the end the following new subsection:

"(e)(1) In the case of a person who violates section 922(g) of this title and has three previous convictions by any court referred to in section 922(g)(1) of this title for robbery or burglary, or both, such person shall be fined not more than $25,000 and imprisoned not more than 15 years, and, notwithstanding any other provision of law, the court shall not suspend the sentence of, or grant a probationary sentence to, such person with respect to the conviction under section 922(g), and such person shall not be eligible for parole with respect to the sentence imposed under this subsection.

"(2) As used in this subsection—

"(A) the term 'robbery" means any crime punishable by a term of imprisonment exceeding one year and consisting of the taking of the property of another from the person or presence of another by force or violence, or by threatening or placing another person in fear that any person will imminently be subjected to bodily harm; and

"(B) the term 'burglary' means any crime punishable by a term of imprisonment exceeding one year and consisting of entering or remaining surreptitiously within a building that is the property of another with intent to engage in conduct constituting a Federal or State offense.".

(b) Conforming Repeal.—Title VII of the Omnibus Crime Control and Safe Streets Act of 1968 (18 U.S.C. App. 1201 et seq.) is repealed.

SEC. 105. AMENDMENTS TO SECTION 925.

Section 925 of title 18, United States Code, is amended—

(1) in subsection (c)—

(A) by striking out "has been convicted of a crime punishable by imprisonment for a term exceeding one year (other than a crime involving the use of a firearm or other weapon or a violation of this chapter or of the National Fireamrs Act)" and inserting in lieu thereof "is prohibited from possessing, shipping transporting, or receiving firearms or ammunition";

(B) by inserting "transportation," after "shipment,";

(C) by striking out "and incurred by reason of such conviction"; and

(D) by inserting "Any person whose application for relief from disabilities is denied by the Secretary may file a petition with the United States district court for the district in which he resides for a judicial review of such denial. The court may in its discretion admit additional evidence where failure to do so would result in a miscarriage of justice." after "the public interest."; and (2) in subsection (d)—

(A) by striking out "may authorize" and inserting in lieu thereof "shall authorize";

(B) by striking out "the person importing or bringing in the firearm or ammunition establishes to the satisfaction of the Secretary that";

(C) in paragraph (3), by inserting before the semicolon ", except in any case where the Secretary has not authorized the importation of the firearm pursuant to this paragraph, it shall be unlawful to import any frame, receiver, or barrel of such firearm which would be prohibited if assembled"; and

(D) by striking out "may permit" and inserting in lieu thereof "shall permit".

SEC. 106. AMENDMENTS TO SECTION 926.

Section 926 of title 18 of the United States Code is amended—

(1) by inserting "(a)" before "The Secretary" the first place it occurs;

(2) by inserting "only" after "prescribe";

(3) by striking out "as he deems reasonably" and inserting in lieu thereof "as are";

(4) by striking out the last sentence and inserting in lieu thereof "No such rule or regulation prescribed after the date of the enactment of the Firearms Owners' Protection Act may require that records required to be maintained under this chapter or any portion of the contents of such records, be recorded at or transferred to a facility owned, managed, or controlled by the United States or any State or any political subdivision thereof, nor that any system of registration of firearms, firearms owners, or firearms transactions or dispositions be established. Nothing in this section expands or restricts the Secretary's authority to inquire into the disposition of any firearm in the course of a criminal investigation."; and

(5) by adding at the end the following:

"(b) The Secretary shall give not less than 90 days public notice, and shall afford interested parties opportunity for hearing, before prescribing such rules and regulations.

"(c) The Secretary shall not prescribe rules or regulations that require purchasers of black powder under the exemption provided in section 845(a)(5) of this title to complete affidavits or forms attesting to that exemption.".

SEC. 107. TRANSPORTATION OF FIREARMS.

(a) In General.—Chapter 44 of title 18, United States Code, is amended by inserting between section 926 and section 927 the following new section:

"§ 926A. Interstate transportation of firearms

"Any person not prohibited by this chapter from transporting, shipping, or receiving a firearm shall be entitled to transport an unloaded, not readily accessible firearm in interstate commerce notwithstanding any provision of any legislation enacted, or any rule or regulation prescribed by any State or political subdivision thereof.".

(b) Clerical Amendment.—The table of sections for chapter 44 of title 18, United States Code, is amended by inserting between the item relating to section 926 and the item relating to section 927 the following new item:

"926A. Interstate transportation of firearms.".

SEC. 108. AMENDMENTS TO SECTION 929.

Section 929(a) of title 18, United States Code, is amended—

(1) by inserting "(1)" before "Whoever,";

(2) by striking out "violence" each place it appears and inserting in lieu thereof "violence or drug trafficking crime,"; and

(3) by adding at the end the following:

"(2) For purposes of this subsection, the term 'drug trafficking crime' means any felony violation of Federal law involving the distribution, manufacture, or importation of any controlled substance (as defined in section 102 of the Controlled Substances Act (21 U.S.C. 802)).".

SEC. 109. AMENDMENT OF NATIONAL FIREARMS ACT.

Section 5845(b) of the National Firearms Act (26 U.S.C. 5845(b)) is amended by striking out "any combination of parts designed and intended for use in converting a weapon into a machinegun," and inserting in lieu thereof "any part or combination of parts designed and intended solely and exclusively for use in converting a weapon into a machinegun,".

SEC. 110. EFFECTIVE DATE.

(a) In General.—The amendments made by this Act shall become effective 180 days after the date of the enactment of this Act. Upon their becoming effective, the Secretary shall publish and provide to all licensees a compilation of the State laws and published ordinances of which licensees are presumed to have knowledge pursuant to chapter 44 of title 18, United States Code, as amended by this Act. All amendments to such State laws and published ordinances as contained in the aforementioned compilation shall be published in the Federal Register, revised annually, and furnished to each person licensed under chapter 44 of title 18, United States Code, as amended by this Act.

(b) Pending Actions, Petitions, and Appellate Proceedings.—The amendments made by sections 103(6)(B), 105, and 107 of this Act shall be applicable to any action, petition, or appellate proceeding pending on the date of the enactment of this Act.

(By unanimous consent, Mr. Volkmer was allowed to proceed for 5 additional minutes.)

The CHAIRMAN. The gentleman from Missouri [Mr. Volkmer] is recognized for 10 minutes in support of his amendment.

Mr. VOLKMER. Mr. Chairman, I would like to take this time to briefly go over the provisions of the substitute so that the Members will be cognizant of what it does contain and that it does not contain other provisions that have been stated by the Members, such as provide felons or criminals with handguns.

To begin with, the first part is the definition. The definition, basically, is in the "engaged in business" definition. This definition was not arrived at easily. It was done through hard work by myself, Senator McClure, the BATF, Justice Department, and Treasury Department. A long period of time has gone into this definition. This definition does not mean that terrorists can go out and get guns and provide guns to other people.

The definition does provide that those who are engaged in the business for a profit are those who should be licensed as dealers. It differs from the definition that is being promoted by the gentleman from New Jersey in his amendment to the substitute. In the amendment of the gentleman from New Jersey, you do not even have to sell a gun to have to be licensed. You merely have to trade a gun. And then if you go to trade a second gun, you are going to have to be licensed as a dealer. Therefore, if you, even as a hunter, sell to your neighbor or friend one of your shotguns, and the amendment says on a recurring basis—that means if I have other guns and that later on, in another 6 months or a year, I would like to trade my other shotgun or rifle or handgun to a fellow sportsman, that I would have to be licensed as a dealer.

Basically, what this means, to every sportsman here in the United States, if I want to protect myself from being prosecuted for dealing in weapons without a license, if we had the Hughes definition, that means that I would have to be registered as a dealer. And that means that every gun owner has to be registered as a dealer, that means that every gun owner is known to the BATF and we have an insidious way of registration of every gun in the United States. That is the definition of Mr. Hughes.

I have talked to BATF about the two different definitions. They clearly state that the definition which they helped write, which is in our substitute, is far more superior to the definition of the gentleman from New Jersey.

Yes, we do provide, on interstate sale of firearms, for both rifles, shotguns, and handguns, but we do provide that they have to be face to face sales.

We also provide that they have to be in compliance—a person who purchases has to be in compliance with the laws of both States and local subdivisions thereof.

That means that no local law, no State law is being changed.

If a person from New Jersey goes to the State of Missouri to buy a handgun, he or she can only purchase that handgun, if they fully comply with all the laws of both New Jersey and the State of Missouri.

If New Jersey has a waiting period, that would have to be complied with.

It does not offer to felons or people who commit crimes any opportunity to get handguns that they do not have.

Some persons have said it means that a person can use a false or fictitious identification, and it would be easy to get a handgun. Well, you can do that today. If I have a driver's license, a Social Security number, and everything else, from another State, showing that I am a resident of that State, and I can get a gun today, it would not make any difference whether you do it in an interstate purchase or a local State purchase, if that is the case. This does not change or make it easier for felons to get handguns.

We also provide, as the Judiciary bill has copied from us, additional persons who are disqualified, along with persons who are felons, illegal aliens, dishonorably discharged veterans, and former citizens of the United States.

In that regard, I would like to point out, especially to the law enforcement people who are in the Capitol, that the bill that came out of the Judiciary Committee clearly states that any convicted felon can possess and receive a handgun.

Now, present law prohibits any convicted felon from possessing a handgun. Our bill prohibits any convicted felon from possessing a handgun. But the Judiciary Committee clearly states, on page 5 of that bill, that a convicted felon, a murderer, can possess a handgun.

Mr. HUGHES. Mr. Chairman, will the gentleman yield?

Mr. VOLKMER. I yield to the gentleman from New Jersey.

Mr. HUGHES. Mr. Chairman, as the gentleman knows, when the substitute, the Volkmer substitute, came out, it was discovered there were a number of technical drafting amendments needed to correct some of the inadvertent provisions of the Volkmer bill, and it may very well be that there is some ambiguity about the language in the substitute.

Would the gentleman agree to a unanimous-consent request to make the necessary conforming changes, the technical changes, that would eliminate that?

Mr. VOLKMER. The gentleman from New Jersey admits that his bill that came out of the Judiciary Committee does provide that a convicted felon can possess a handgun?

Mr. HUGHES. I am prepared to concede that that argument could be made. Just to clarify that, to make sure that that argument cannot be made, would the gentleman agree to a unanimous-consent request, to an amendment——

Mr. VOLKMER. I have no objection as long as the gentleman will not object to any that I may have later on, which I do not know of.

Mr. HUGHES. If the gentleman will yield further, I think we are both acting in good faith. We want to develop the very best bill that we can develop, whatever it is, to come out of this Congress; and in the spirit of trying to develop the very best bill, is the gentleman willing to do that?

Mr. VOLKMER. I said I would not object if you make that unanimous-consent request at the appropriate time.

Mr. HUGHES. If the gentleman has made some additional inadvertent mistakes, I think you will find that the gentleman on this side of the aisle would be very happy to accede to the gentleman's request.

Mr. VOLKMER. Continuing on, Mr. Chairman, we also limit the licensing of ammunition dealers because ammunition and recordkeeping for ammunition, BATF and most everybody agrees, there is just a waste of time because you cannot trace ammunition. We provide that a dealer, along with a private individual, presently, as long as it is not in the case of doing business, can sell from his private collection. The reason for that is that BATF has had an ambiguity as far as the reasons for requiring dealers to keep records on those. At one time BATF said that it was not necessary because they are no different than any other private individual. A lot of dealers are hunters and sportsmen, and they have their own guns that they use. We do put a provision in there that they cannot

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sell any more than any other private individual can without being licensed. That means that under that they cannot sell whole carloads or truckloads of guns from their private collection, because that would be in violation of the law pertaining to private individuals, as they would be treated from selling from their private collection, and that means that the argument that would give people the right to sell a lot of weapons out of their private collection is wrong. People again just have not read the substitute.

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They do not understand it or they have not read it.

We provide for revocation of license for willful violations.

We provide for no civil proceedings to revoke if criminally charged and acquitted in civil proceedings based on the same evidence as criminal charges. This is because of some of the abuses that I have pointed out in prior years from BATF as necessary.

We provide for inspections. Today under the law there are no specific guidelines for inspection of records. We provide those, without a warrant, you can do it once a year for purely recordkeeping without notice.

During a criminal investigation for firearms tracing, we specifically provide that if any police officer or BATF needs to do it for firearms tracing, that they may inspect the records at any time.

We provide for requirements for inspection of license collectors records.

We provide for codifying, as the Senate bill, which is a good thing and it is good for law enforcement, multiple sales report requiring if a dealer sold two or more handguns within 5 business days and then there has to be an immediate report to BATF. That is not in the Judiciary bill at all.

We provide for out-of-business records to the Secretary to go to him so they can be used for tracing specifically in the legislation. Law enforcement can use those out-of-business records for purposes of tracing.

We provide, which the Judiciary Committee has also, for gun show sales. This language came basically from S. 49.

I would like to point out to the members of the committee that S. 49 could not have been all as bad as a lot of people put it, because some of the provisions of S. 49 are now contained in the Judiciary bill as well as my bill.

We provide for penalty provisions.

Mr. CHAIRMAN. The time of the gentleman from Missouri [Mr. Volkmer] has expired.

(By unanimous consent, Mr. Volkmer was allowed to proceed for 3 additional minutes.)

Mr. VOLKMER. We provide that violations by a dealer have to be willful when they are concerned with recordkeeping, and that all other violations for nonlicensed persons transporting constructive devices, et cetera, purchasers making false or fictitious oral or written statements or false I.D.'s to get guns or to get a license, knowingly making a false statement for records of gun purchases. Those are all knowing violations under our bill. They are not willful. But we are providing for willful violations when it comes to certain technical violations by the dealer.

Another thing I would like to point out in my limited time is that in the legislation, although we do provide for interstate transportation of firearms, you have got to remember that the firearms have to be inaccessible. I would like to point out and put it on the record at this time that inaccessible means not in the back seat or under the seat of a car. It means, as is stated in the Senate and in the Senate report when S. 49 was taken up there, that it has to be locked up and away. That means in a trunk or a glove compartment or somewhere where it cannot be readily accessible and it has to be unloaded. Therefore, it is not going to lead to a proliferation of guns being transported all over the country.

I would like to point out, too, that in States west of the Mississippi that this is more restrictive than our present State law. Our present State law is a lot less restrictive than this.

I can take today in my home State, I can take a gun and put it on the seat of my car and I can load it and I can drive all over my State and I can go all over the West with that same gun, interstate or anything else. Now, that is the present law.

What we have in our bill is more restrictive than that, but what we are trying to do is to permit other persons to be able to travel in States that they cannot presently do on lawful purposes and only for lawful citizens having guns to be able to make that interstate transportation.

I would like to point out, too, that when we were working on this, and I admit with many law enforcement groups, that I had been provided and I discussed in meetings with the Law Enforcement Steering Committee and some of my own from the State of Missouri, they said their principal objections to the bill are allowing the interstate sale of handguns.

All right, that is one that we have not corrected. We feel that it does not provide criminals access to guns.

They say that it would weaken current Federal law which imposes a 5- to 10-year mandatory prison term for use or possession of firearms in the commission of a violent felony. That was never in my bill. It is not in the substitute. It was never in H.R. 945. That is not in here. So that law enforcement concern is taken away.

And it would undermine the ability of law enforcement to trace thousands of weapons used in violent crimes every year. We have corrected that. That is taken away. It would prevent the identification and prosecution of unscrupulous gun dealers, requiring advance notice of every annual regulatory inspection. That is not true. That has been corrected in my substitute.

So really, out of those that I was given by the Law Enforcement Steering Committee, basically three out of four have been taken care of, and as many of us know on legislation, if you get that much, you should be happy, rather than trying to get everything.

The CHAIRMAN. The time of the gentleman from Missouri has again expired.

(At the request of Mr. McCollum, and by unanimous consent, Mr. Volkmer was allowed to proceed for 2 additional minutes.)

Mr. McCOLLUM. Mr. Chairman, will the gentleman yield?

Mr. VOLKMER. Yes, I yield.

Mr. McCOLLUM. I would like to enter into a colloquy with the sponsor of this amendment, Mr. Volkmer, regarding the meaning of the term "willfulness" as it appears in his amendment. My purpose is to clarify the congressional intent with regard to "willfulness." Is the gentleman agreeable?

Mr. VOLKMER. I am.

Mr. McCOLLUM. I would like to know if it is the gentleman's intent to imply the same meaning of the term "willfulness" that the other body intended. The Judiciary Committee in the other body filed a report on the predecessor of S. 49, the companion to your bill, H.R. 945 during the last Congress. In the Judiciary Report 98-583 on page 20, the Judiciary Committee of the other body stated:

> For purposes of 18 U.S.C. 924(a), the committee intends "willful" conduct to cover situations where the offender has actual cognizance of all of the facts necessary to constitute the offense, but not necessarily knowledge of the law.

Is this intent consistent with the gentleman's understanding of the meaning of the term "willful" in the gentleman's substitute?

Mr. VOLKMER. Yes, it is identical to the Senate meaning.

Mr. McCOLLUM. So by adopting the gentleman's language, the House will intend the same interpretation that the other body intends. I thank the gentleman from Missouri.

AMENDMENT OFFERED BY MR. VOLKMER TO THE AMENDMENT OFFERED BY MR. VOLKMER AS A SUBSTITUTE FOR THE JUDICIARY COMMITTEE AMENDMENT IN THE NATURE OF A SUBSTITUTE

Mr. VOLKMER. Mr. Chairman, I offer an amendment to the amendment offered as a substitute for the Judiciary Committee amendment in the nature of a substitute.

The Clerk read as follows:

Amendment offered by Mr. Volkmer to the amendment offered by Mr. Volkmer as a substitute for the Judiciary Committee amendment in the nature of a substitute: (1) In the Volkmer amendment (on page H1319 of the March 18, 1986, Congressional Record) following the amendments made to subsection 924(c) add the following new paragraph:

"(3) For purposes of this subsection the term 'crime of violence' means an offense that is a felony and—

"(A) has as an element the use, attempted use, or threatened use of physical force against the person or property of another, or

"(B) that by its nature, involves a substantial risk that physical force against the person or property of another may be used in the course of committing the offense.".

(2) (On page H1319 of the March 18, 1986, Congressional Record,) strike all amendments made to subsection 924(d) and insert in lieu thereof the following:

(3) by amending section (d) to read as follows:

"(d)(1) Any firearm or ammunition involved in or used in any knowing violation of subsection (a)(4), (a)(6), (f), (g), (h), (i), (j), or (k) of section 922, or knowing importation or bringing into the United States or any possession thereof any firearm or ammunition in violation of section 922(l), or knowing violation of section 924, or willful violation of any other provision of this chapter or any rule or regulation promulgated thereunder, or any violation of any other criminal law of the United States, or any firearm of ammunition intended to be used in any offense referred to in paragraph (3) of this subsection, where such intent is demonstrated by clear and convincing evidence, shall be subject to seizure and forfeiture, and all provisions of the Internal Revenue Code of 1954 relating to the seizure, forfeiture, and disposition of firearms, as defined in section 5845(a) of that Code, shall, so far as applicable, extend to seizures and forfeitures under the provisions of this chapter: *Provided*, That upon acquittal of the owner or possessor, or dismissal of the charges against him other than upon motion of the Government prior to trial, the seized firearms or ammunition shall be returned forthwith to the owner or possessor or to a person delegated by the owner or possessor unless the return of the firearms or ammunition would place the owner or possessor or his delegate in violation of law. Any action or proceeding for the forfeiture of firearms or ammunition shall be commenced within one hundred and twenty days of such seizure.

"(2)(A) In any action or proceeding for the return of firearms or ammunition seized under the provisions of this chapter, the court shall allow the prevailing party, other than the United States, a reasonable attorney's fee, and the United States shall be liable therefor.

"(B) In any other action or proceeding under the provisions of this chapter, the court, when it finds that such action was without foundation, or was initiated vexatiously, frivolously, or in bad faith, shall allow the prevailing party, other than the United States, a reasonable attorney's fee, and the United States shall be liable therefor.

"(C) Only those firearms or quantities of ammunition particularly named and individually identified as involved in or used in any violation of the provisions of this chapter or any rule or regulation issued thereunder, or any other criminal law of the United States, or as intended to be used in any offense referred to in paragraph (3) of this subsection, where such intent is demonstrated by clear and convincing evidence, shall be subject to seizure, forfeiture, and disposition.

"(D) The United States shall be liable for attorneys' fees under this paragraph only to the extend provided in advance by appropriation Acts.".

"(3) The offenses referred to in paragraph (1) and (2)(C) of this subsection are—

"(A) any crime of violence, as that term is defined in section 924(c)(3) of this title;

"(B) any offense punishable under the Controlled Substances Act (21 U.S.C. 801 et seq.) or the Controlled Substances Import and Export Act (21 U.S.C. 951 et seq.);

"(C) any offense described in section 922(a)(1), 922(a)(3), 922(a)(5), or 922(b)(3) of this title, where the firearm or ammunition intended to be used in any such offense is involved in a pattern of activities which includes a violation of any offense described in section 922(a)(1), 922(a)(3), 922(a)(5),or 922(b)(3) of this title;

"(D) any offense described in section 922(d) of this title where the firearm or ammunition is intended to be used in such offense by the tranferor of such firearm or ammunition;

"(E) any offense described in section 922(i), 922(j), 922(l), 922(n), or 924(b) of this title; and

"(F) any offense which may be prosecuted in a court of the United States which involves the exportation of firearms or ammunition."; and

Mr. VOLKMER (during the reading). Mr. Chairman, I ask unanimous consent that the amendment be considered as read and printed in the Record.

The CHAIRMAN. Is there objection to the request of the gentleman from Missouri?

There was no objection.

The CHAIRMAN. The Chair would inquire of the gentleman, is the gentleman's amendment the one printed in the Record?

Mr. VOLKMER. That is correct, Mr. Chairman.

The CHAIRMAN. The gentleman from Missouri [Mr. Volkmer] is recognized for 5 minutes in support of his amendment.

Mr. VOLKMER. Mr. Chairman, this is basically a technical amendment. At the time of the drafting of the substitute we were taking provisions from H.R. 945 and other provisions from S. 49. The provision in regard to use of weapons, firearms, et cetera, the definition that was taken in the substitute was inadvertently taken by the staff and by the legislative counsel from the old provisions, what we call the old provisions under H.R. 945, when they were supposed to be taken from S. 49.

The language in S. 49 had been worked out in conjunction with the Bureau of Alcohol, Tobacco and Firearms, and the Department of the Treasury and was agreeable to them, while the language in H.R. 945 was not.

The specific provision that was required by the BATF was to say that any firearm or ammunition intended to be used in any offense referred to in paragraph 3 of this section where such intent is demonstrated by clear and convincing evidence.

We have agreed to this language. It was originally intended to be in the substitute, but as I say, was inadvertently omitted in the drafting of the substitute.

If there are no questions, I move the adoption of the amendment.

Mr. HUGHES. Mr. Chairman, I move to strike the last word.

Mr. Chairman, I wonder if I could get the gentleman's attention. I really do not have any intent to oppose the technical amendment, but I just want to question the gentleman.

Mr. VOLKMER. Yes.

Mr. HUGHES. It was the gentleman's intent, I presume from his explanation, to have included these provisions in the original bill and inadvertently they were not.

Mr. VOLKMER. That is correct.

Mr. HUGHES. I see.

Mr. VOLKMER. Not in the original bill as introduced, but in the substitute as introduced for the Congressional Record.

Mr. HUGHES. The way I read the definition of the crime of violence provision, it would seem to only apply to felony crimes of violence and not to all of the crimes of violence, which are defined in the first category of the code. Is that the gentleman's intent?

A crime of violence is interpreted under the United States Code in title 18, section 16, as (A) an offense that has as an element, the attempted use or threatened use of physical force against the personal property of another, or (B) any other offense that is a felony and that by its nature involves a substantial risk of physical force against the person or property of another may be used in the course of committing an offense.

If I read that correctly, the gentleman basically is just limiting this to crimes of violence involving felonies.

Mr. VOLKMER. This is for the purpose of confiscation of firearms and ammunition when it has been used in a felony or intended to be used or in violation of certain provisions of the Gun Control Act.

Mr. HUGHES. So the gentleman would not require a forfeiture of nonfelony types of crimes of violence, in other words?

Mr. VOLKMER. Well, the definition is one that has been agreed to by the Department of the Treasury. They helped write it. They are the ones that wanted it in the legislation, rather than what we had before.

I would say if the gentleman has a disagreement, he should discuss it with them.

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Mr. HUGHES. No, no. I have no disagreement with anybody. I am just trying to clarify just what it does. It seems to me that what the gentleman is doing is watering down those areas where forfeiture can attach. It also undermines the mandatory prison term for using or carrying a firearm during and in relation to a crime of violence.

In other words, if in fact the police in investigating, prosecuting, and convicting individuals of nonviolent felony offenses, forfeiture would not lie under the gentleman's provision.

Mr. VOLKMER. If it is a nonviolent—does the gentleman mean a felony that is——

Mr. HUGHES. Let me read it. There is a whole category of crimes of violence in title 18 which the gentleman would seem to deny forfeiture, and I am talking about offenses that have as an element the use or attempted use or threatened use of physical force against the person or property of another. That whole category would be excluded from the gentleman's definition of crime or violence.

Mr. VOLKMER. I understand those types of things can also be felonies.

Mr. HUGHES. No; not in your amendment, because it is the second category in current law that is the only part limited to felonies. Any other offense, that is in category (B) that is a felony and that by its nature involves a substantial risk of physical force against the person or property of another may be used in the course of committing the offense.

The effect, I think, of the gentleman's amendment essentially is a watering down of existing law—we are going to deny to the law enforcement community the opportunity to forfeit weapons that are intended to be used in acts of violence where they do not amount to a felony violation.

Mr. VOLKMER. Well, all I have to say to the gentleman is that this is the language that has been agreed to again by the law enforcement body that enforces the Gun Control Act of 1968, the BATF.

Mr. HUGHES. Let me just ask also, if I understand it, the gentleman substitutes the S. 49 forfeiture provisions for the H.R. 945 forfeiture provisions.

Mr. VOLKMER. That is correct.

Mr. HUGHES. And both provisions, if I understand it, narrow the forfeiture for firearms that are intended to be used to commit a Federal crime.

Mr. VOLKMER. It does not narrow it. As originally used, it did not have it intended before.

Mr. HUGHES. Well, originally it did not allow for the forfeiture of such firearms.

Mr. VOLKMER. That is correct, but this does.

Mr. HUGHES. It seems to me that the gentleman would not be permitting a forfeiture of firearms if it was intended to be used in the commission of such crimes as espionage, smuggling, money laundering, labor racketeering, among others. Is my reading of that correct?

Mr. VOLKMER. Well, if it is through any of the violations listed.

Mr. HUGHES. Well, why would we not want to permit the forfeiture of weapons used——

Mr. VOLKMER. I disagree. It says or any violation of any other criminal law in the United States.

Mr. HUGHES. No, it does not with respect to this provision.

Mr. VOLKMER. Well, let me see. It says any firearm willful violation of any other provision of this chapter or any rule or regulation promulgated thereunder or any violation of any other criminal law of the United States.

The CHAIRMAN. The time of the gentleman from New Jersey has expired.

(By unanimous consent, Mr. Hughes was allowed to proceed for 2 additional minutes.)

Mr. HUGHES. It would seem to me from a reading, and it may be inadvertent, that we would be eliminating such offenses as espionage.

Mr. VOLKMER. Well, I do not believe that espionage is, because it says if used in any violation of any other criminal law in the United States and that would include even the nonfelonies. That is specifically in the amendment and it specifically says that any firearm or ammunition involved in or used in any knowing violation, et cetera, or willful violation of any other provision of this chapter or any rule or regulation promulgated thereunder or any violation of any other criminal law in the United States.

Mr. HUGHES. And it goes on to read, or any firearm or ammunition intended to be used in any offense referred to in paragraph (3). And that paragraph is very limited—it does not include most Federal crimes.

Well, I just point out that I am not going to object. It just may be that we have some language problems. It may be once again that that is not the gentleman's intent. I would have no objection to the gentleman offering clarifying language or making technical amendments, if in fact that is what is needed to change it, but the gentleman's intent is to cover all the offenses I have enumerated.

□ 1440

Mr. VOLKMER. That is correct.

Mr. HUGHES. And that includes also violent offenses that are nonfelonies?

Mr. VOLKMER. That is correct; as long as it is a criminal violation of a criminal law.

Mr. HUGHES. That would require, I would think, some technical amendment.

Mr. Chairman, I yield back the balance of my time.

The CHAIRMAN pro tempore (Mr. Biaggi). The question is on the amendment offered by the gentleman from Missouri [Mr. Volkmer] to the amendment offered by the gentleman from Missouri [Mr. Volkmer] as a substitute for the Judiciary Committee amendment in the nature of a substitute.

The amendment to the amendment offered as a substitute for the Judiciary Committee amendment in the nature of a substitute was agreed to.

AMENDMENT OFFERED BY MR. HUGHES TO THE JUDICIARY COMMITTEE AMENDMENT IN THE NATURE OF A SUBSTITUTE

Mr. HUGHES. Mr. Chairman, I ask unanimous consent to offer a technical clarifying amendment to correct a deficiency in a section of the bill dealing with qualified and unqualified persons to own weapons.

The gentleman from Missouri [Mr. Volkmer] has, I think, rightfully brought to our attention that inadvertently there might have been some language in the bill that would modify current law with regard to certain individuals in the disqualified class of individuals who can own, possess, and use weapons.

The Clerk read as follows:

Amendment offered by Mr. Hughes to the Judiciary Committee amendment in the nature of a substitute:

Page 5, beginning in line 3, strike out ", or has been convicted in any court of,".

Page 5, beginning in line 10, strike out ", or has been convicted in any court of,".

The CHAIRMAN pro tempore. Is there objection to the request of the gentleman from New Jersey [Mr. Hughes]?

There was no objection.

Mr. HUGHES. Mr. Chairman, this is very simple. I am not going to spend a lot of time on it. It is a technical clarifying amendment.

It was never intended by the committee to add the words "or has been convicted in any court" in addition to "under indictment."

I would ask my colleagues to support the amendment.

The CHAIRMAN pro tempore. The question is on the amendment offered by the gentleman from New Jersey [Mr. Hughes] to the Judiciary Committee amendment in the nature of a substitute.

The amendment to the Judiciary Committee amendment in the nature of a substitute was agreed to.

AMENDMENT OFFERED BY MR. HUGHES TO THE AMENDMENT AS AMENDED BY MR. VOLKMER AS A SUBSTITUTE FOR THE JUDICIARY COMMITTEE AMENDMENT IN THE NATURE OF A SUBSTITUTE, AS AMENDED.

Mr. HUGHES. Mr. Chairman, I offer amendments to the amendment, as amended, offered as a substitute for the Judiciary Committee amendment

in the nature of a substitute, as amended.

The CHAIRMAN pro tempore. Have the gentleman's amendments been printed in the Record?

Mr. HUGHES. The amendments have been printed in the Record, Mr. Chairman.

The Clerk read as follows:

Amendments offered by Mr. Hughes to the amendment, as amended, offered by Mr. Volkmer as a substitute for the Judiciary Committee amendment in the nature of a substitute, as amended: Page 3, strike out line 19 and all that follows through line 16 on page 5 and insert in lieu thereof the following:

"(21) The term 'engaged in the business', with respect to an activity, means devoting time, attention, and labor to that activity on a recurring basis, and for that purpose maintaining firearms on hand or being willing and able to procure firearms, but such term does not include the sale by the owner of a personal collection in connection with liquidation of such a collection.".

Page 11, after line 22, insert the following:

(5) Section 923(d)(1)(E)(i) of title 18, United States Code, is amended—

(A) by striking out "conducts" and inserting "engages in" in lieu thereof; and

(B) by striking out "conduct" and inserting "engage in" in lieu thereof.

Redesignate succeeding paragraphs accordingly.

Page 7, line 10, strike out "shall not apply" and all that follows through "firearms)" in line 2 on page 8, and insert in lieu thereof the following: "Shall not apply to the sale or delivery of any rifle or shotgun to a resident of a State other than a State in which the licensee's place of business is located if the transferee meets in person with the transferor to accomplish the transfer, and the sale, delivery, and receipt fully comply with the legal conditions of sale in both such States (and any licensed manufacturer, importer or dealer shall be presumed, for purposes of this subparagraph, in the absence of evidence to the contrary, to have had actual knowledge of the State laws and published ordinances of both States)".

Page 11, strike out line 9 and all that follows through line 22 and redesignate succeeding paragraphs accordingly.

Page 11, strike out line 23 and all that follows through line 24 and redesignate succeeding paragraphs accordingly.

Page 14, beginning in line 3, strike out "of a person" and all that follows through "licensee" in line 4.

Page 14, line 6, strike out "once" and insert "twice" in lieu thereof.

Page 14, line 7, insert ", unless the Secretary or the Director of the Bureau of Alcohol, Tobacco, and Firearms approves such application" after "period".

Page 14, line 10, strike out "in the course" and all that follows through "investigation" in line 11.

Page 13, line 25, strike out "or".

Page 14, line 1, insert ", or a licensed collector" after "dealer".

Page 14, strike out line 12 and all that follows through line 21 and redesignate succeeding subparagraphs accordingly.

Page 19, line 15, strike out "willfully" and inserting "knowingly" in lieu thereof.

Page 26, strike out line 16 and all that follows through the matter immediately following line 5 on page 27 and insert in lieu thereof the following:

SEC. 106. INTERSTATE TRANSPORT OF RIFLES AND SHOTGUNS.

Section 927 of title 18, United States Code, is amended—

(1) by inserting "(a) before "No"; and

(2) by adding at the end the following:

"(b) Notwithstanding any provision of State or local law to the contrary, any individual may transport any secured shotgun or secured rifle from such individual's place of origin to any destination State if—

"(1) such transport is—

"(A) incident to the change of the individual's State of residence; or

"(B) for the purpose of lawful participation in, or returning from lawful participation in—

"(i) hunting;

"(ii) a shooting match or contest; or

"(iii) any other lawful sporting activity; and

"(2) the individual may lawfully transport and possess such shotgun or rifle—

"(A) in the individual's place of origin, the destination State, and the destination political subdivision of the destination State; and

"(B) under Federal law.

"(c) For purposes of subsection (b)—

"(1) a rifle or shotgun is secured if the rifle or shotgun—

"(A) is enclosed or cased;

"(B) is not readily accessible; and

"(C) is not loaded with ammunition; and

"(2) the term 'place of origin' means—

"(A) in the case of a change of residence, the State and political subdivision thereof from which residence is changed; and

"(B) in any other case, the State and political subdivision thereof in which the possession or transport of the rifle or shotgun begins.".

Page 27, beginning in line 23, strike out "part" and all that follows through "exclusively" in line 1 on page 28 and insert in lieu thereof "part designed and intended solely and exclusively, or combination of parts designed and intended,".

Page 10, line 5, strike out "and".

Page 10, line 12, strike out the final period and insert "; and" in lieu thereof.

Page 10, after line 12, insert the following:

(9) by inserting after the subsection added by paragraph (8) of this section the following:

"(o)(1) Except as provided in paragraph (2), it shall be unlawful for any person to transfer or possess a firearm silencer.

"(2) This subsection does not apply with respect to—

"(A) a transfer to or by, or possession by or under the authority of, the United States or any department or agency thereof or a State, or a department, agency, or political subdivision thereof; or

"(B) any lawful transfer or lawful possession of a firearm silencer that was lawfully possessed before the date this subsection takes effect.".

Page 28, after line 20 insert the following:

(c) Prohibition on Firearm Silencers.—Section 102(9) shall take effect on the date of the enactment of this Act.

Page 2, strike out line 16 and all that follows through line 21 and redesignate succeeding paragraphs accordingly.

Page 6, strike out line 3 and all that follows through line 16 and redesignate succeeding paragraphs accordingly.

Page 6, beginning in line 17, strike out "(2)" and all that follows through line 22 and insert in lieu thereof the following: "(2), by striking out 'or licensed dealer for the sole purpose of repair or customizing;' and inserting in lieu thereof "licensed dealer, or licensed collector;';".

Page 7, strike out line 5 and all that follows through line 6 and redesignate succeeding subparagraphs accordingly.

Page 8, line 4, insert "and" after the semicolon.

Page 8, strike out line 8 and all that follows through line 12.

Page 10, line 19, strike out ", or importing or manufacturing" and insert "or" in lieu thereof.

Page 11, strike out line 2 and all that follows through line 4 and redesignate succeeding paragraphs accordingly.

Page 13, line 1, insert ", ammunition (other than armor-piercing ammunition) in transactions involving 1,000 rounds or more, and armor-piercing ammunition," after "firearms".

Mr. HUGHES (during the reading). Mr. Chairman, I ask unanimous consent that the amendments be considered as read and printed in the Record.

The CHAIRMAN pro tempore. Is there objection to the request of the gentleman from New Jersey?

There was no objection.

Mr. HUGHES. Mr. Chairman, this is an amendment that looks at the Volkmer-NRA bill and tries to address the basic, core concerns that makes the NRA bill so revolting to the law enforcement community of the United States.

The vote on this amendment may be the most important vote we cast on this particular bill. Adoption of this amendment will not make the NRA bill a balanced bill, or even a sound piece of legislation, in my judgment. It is, however, an amendment that will remove the label of "Cop Killer Legislation" that police organizations of this country have placed on the NRA bill.

It is an amendment that will allow the hundreds of police officers gathered here in the Capitol today and the thousands of other police officers who have raised their voices in outrage against the legislation to return home without a bitter message that the House of Representatives has turned its back on them. They will not have to go home in bewilderment and disbelief to report that their elected Representatives slammed the door in the face of law enforcement in order to blindly proclaim their allegiance to a ruthless and uncompromising special-interest group.

Let me describe for my colleagues briefly, if I might, the features of the amendment.

First, no interstate sale of handguns. This addresses the provision in the NRA bill that the police call the Cop Killer provision. They are convinced that this provision, more than any other, will permit felons and other disqualified persons to get guns. Proponents of permitting interstate sale of handguns argue that if the sale is legal in the purchaser's State of residence, and in the State of the sale, what is wrong with this?

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What is wrong is that it ignores reality. Dealers cannot possibly keep abreast of the tens of thousands of gun laws throughout the country, as well as the court interpretations. Here is the BATF's most recent compilation of State and local firearms purchase laws. Is that what the dealers are supposed to know? I do not think so. Two hundred and twenty-five pages of what is literally fine print is what we send out to dealers. The task of keeping abreast of these laws is very difficult, if not impossible. In fact, the administration just recently asked Congress to repeal the requirement that this annual compilation be prepared for the use of dealers. They say it is impossible for even the enforcement agencies to keep up with the ever-changing laws throughout the country.

The use of false identification by disqualified persons would be certain to increase greatly, since even the most scrupulous dealer cannot be expected to be familiar with the appearance of typical ID documents far distant from their States.

My amendment adopts a position approved by a 35 to 0 vote of the Committee on the Judiciary. Interstate sale of rifles and shotguns is permitted, but not handguns.

There is no preemption of State and local handgun laws. This, in my view, is the single most objectionable provision of the Volkmer bill. We must strike out the provisions in the Volkmer bill which effectively undermine hundreds if not thousands of State and local laws restricting the possession and carrying of handguns. These laws are wiped out, because the NRA bill says if you are legal under Federal law, and if you are traveling in interstate commerce, Federal law now says you can thumb your nose at State and local laws.

Some of my colleagues may think this is merely the hunters' exception, a special rule to allow hunters to take their guns when they hunt in another State. Unfortunately, it is not limited to hunting or sporting purposes, and it is not even limited to crossing State lines. A person can carry a handgun, for any reasons he chooses, or none at all, so long as he claims to be in interstate commerce. Any motorist stopped on an interstate highway could claim to be headed out of the State. Any person who is on a State highway indicating he is traveling to another State can claim he is in interstate commerce.

Unlike the Judiciary Committee bill, the NRA bill could preempt even the State and local laws of the home of such a person. It could also make it legal to carry a gun from a State where it is illegal into another State where it is illegal. For example, in New Jersey it is illegal under most circumstances to transport a handgun without a permit. In New York, one must have a license. Yet a person, regardless of whether they were New Yorkers or Jerseyites or Floridians or Sandinistas or whatever could travel legally through or into either State as a result of the NRA override provisions. "Not to worry," we are told, because handguns have to be unloaded and not readily accessible. However one can, in a very few seconds, pull a pistol from its position of inaccessibility, in the glove compartment, in a briefcase behind the seat, take an ammunition clip from one's coat pocket, and insert it in the pistol and be ready for a freeway fireaway fight.

I appeal to my colleagues not to approve this assault upon federalism and upon State and local laws. I appeal particularly to those of you who are NRA members and NRA supporters.

The CHAIRMAN pro tempore. The time of the gentleman from New Jersey [Mr. Hughes] has expired.

(On request of Mr. Smith of Florida and by unanimous consent, Mr. Hughes was allowed to proceed for 5 additional minutes.)

Mr. HUGHES. Mr. Chairman, the NRA has always fought against Federal licensing of gun owners. This is Federal licensing, ironically, of every handgun owner to ignore all State and local laws restricting carrying of handguns in their cars and luggage.

As they need to do in order to bask in Federal immunity, all they have to do is to carry, along with their handgun, enough money for a couple tanks of gas, a AAA map showing the route to the State line, and maybe for good measure an "I Love New York" or "Seven Flags Over Georgia" bumper stickers.

This issue here is not whether Federal law should prohibit citizens generally from carrying handguns in glove compartments and trunks of their cars as they drive on interstate highways or State highways heading for other States, or in their luggage as they travel on public conveyances. Federal law does not even address these questions, except to prohibit a few, narrow classes of persons, felons, dope addicts, mental incompetents and the like from owning guns.

When must a person be licensed to own a handgun? When, where and how may one carry a handgun when one travels about in one's car or in public? Are short-barreled handguns, which are readily concealable, to be treated the same as larger, less concealable handguns?

These are all matters which, until the Volkmer-NRA bill surfaced, were left to State and local discretion. We are going to change all that. We are now going to have a new, overriding Federal law to deal with handgun transportation and sale.

□ 1450

It is interesting in this context to note that the NRA attacks a relatively minor provision in the Judiciary Committee bill, one which provides that BATF should not grant a dealer's license to a person it knows to be disqualified under State law. The NRA claims this would involve BATF in interpreting local zoning laws, and that this is poor federalism.

Is it for the Congress to come in via the back door, I should say the back seat, not to legislate positively, but to override in the most heavy-handed way decisions we have always left to local and State jurisdictions?

My amendment limits Federal override of State and local laws in three ways: First, no override of handgun restrictions; second, preemption only of laws of States being transited, not of a person's home State and not of a destination State; and third, purposes for which one may lawfully transport long guns under Federal protection are limited to lawful sporting activities.

There is no major loophole for illegal and untraceable traffic in firearms in the so-called Hughes legislation. However, there is in the Volkmer legislation. Currently, anyone who deals in firearms must be licensed and keep records for tracing weapons used in crimes. The Volkmer-NRA bill would drop this requirement for part-time, marginal dealers. It would provide that a person who sells guns as a sideline, without it being a "principal objective of livelihood and profit," does not have to have a license or keep records. It is precisely these dealers who sell guns out of their garages and the trunks of their cars, not the legitimate storefront dealers, who commit most dealer violations.

The Justice Department listed this provision first in a group of four most objectionable features of the bill, the Volkmer bill. The Department stated and I quote: "* * * restricting the term 'engaged in the business' to one who manufactures or deals in firearms, as a 'regular course of trade or business,' even if this includes a part-time business, would in our view, either remove controls from significant suppliers of underworld weapons or at best invite unnecessary litigation."

The Justice Department has strongly objected to this provision in the past, fearing it might "remove controls from significant suppliers of underworld weapons."

In the view of the Treasury Department, which enforces the gun laws, this provision of the Volkmer bill might permit unrestricted and unrecorded sales of guns by persons sympathetic to the causes of terrorist groups around the country. The loophole is the sympathizer's claim that he was not interested in profit, but only in

supporting the terrorist causes. And he made no money on it, that it was not a part of the trafficking for pecuniary gain.

Similarly, a machinist turning out a few assassination rifles a month in his garage workshop could likely do so without complying with the requirements applicable to manufacturers of firearms under the Volkmer bill. Is that what you really want?

My amendment adopts a working definition of when one is engaged in the gun business developed and applied by several Federal courts.

The CHAIRMAN pro tempore. The time of the gentleman from New Jersey [Mr. Hughes] has expired.

(By unanimous consent, Mr. Hughes was allowed to proceed for 5 additional minutes.)

Mr. HUGHES. It has been said here often today that the definition of a dealer in the law enforcement amendment would, in fact, open up the floodgates and would require everybody to become a dealer that is buying and selling more than two weapons. That is nonsense.

We have taken basically the Fifth Circuit U.S. Court of Appeals definition of dealer. And we have endeavored to fashion that into something that is coherent and rational and that is what we have in the legislation. Unlike the Volkmer bill, which has a massive loophole in that it is based on the subjective motives of the dealer, my amendment provides an objective standard. It provides that a person must maintain guns on hand or be ready and able to obtain them for sale. It excludes one-time sales. There must be recurring sales, and the individual must commit time and energy to the trafficking of weapons to qualify, and, of course, there is an exception to allow a person to liquidate a personal collection of guns without having a license or risking being charged with a violation of law.

Fourth, we permit no backdoor sales by gun dealers. The Volkmer bill would allow a licensed dealer to transfer guns from his business inventory to a personal collection and later sell them without recordkeeping or compliance. My amendment maintains present law. That means that the quarter of a million gun dealers out there who do not have a storefront, who operate out of their home, will be able to transfer hundreds of weapons out of their personal collection. They can sell any number of guns that they want out of their personal collection and not keep any records. That means that they are selling untraceable weapons when that occurs.

The Justice Department has rightfully and strongly opposed this provision, stating that it would provide "a too-convenient source of guns for a person under a firearms disability or for a person wanting an untraceable gun for use in a crime."

Fifth, we knock out the provisions that elevate gun dealers to a privileged class status. Under the guise of correcting alleged past discriminatory treatment of gun dealers, the NRA bill, in a number of ways, places gun dealers and collectors in a special privileged status before the law.

The amendment is directed at the single most damaging of these, the requirement in the Volkmer bill that dealers can be found guilty of violating the law only if they "willfully" break the law. This is more than a mere technicality, I say to my colleagues. The NRA has made it clear that the purpose of creating this privileged class is to make it next to impossible to convict dealers, particularly those who engage in business without acquiring a license, because the prosecution would have to show that the dealer was personally aware of every detail of the law, and that he made a conscious decision to violate the law. We do not do that for any other class that I am aware of. A pharmacist who sells prescription drugs illicitly and violates the controlled substances laws of this country does not face that kind of a standard. We are going to carve out a special place in the law for gun dealers, more than those who are peddling pills to the kids, and who are convicted of diverting licit drugs, prescription drugs, into illicit markets, and we are going to treat gun dealers differently.

I have seen television interviews with NRA spokesmen in which they attempt to justify this provision by stating that "under current law, you do not have to prove intent to convict a dealer." That is totally false. The general rule in American law is that one must know that he is committing the conduct which is made a crime or that he must intend to commit the conduct, or intend to commit the act and the consequences of the act. It is not necessary that he knew that what he was doing was against the law. In this respect, the old cliche "ignorance of the law is no excuse" is accurate. The committee's bill retains the normal rules for everyone. Under the NRA bill, a dealer would practically have to sign a statement saying that, before committing the crime, he had studied the law, knew that what he had in mind was illegal, and did his damnedest to make sure he violated the law. Terrorists may make such proclamations, but most offenders, gun dealers included, do not. And we are not talking about the overwhelming majority of gun dealers, because they are honest, law-abiding citizens. We are talking about the people that are diverting weapons by the hundreds and thousands to the illicit market. The normal rules, not the NRA rules, should apply.

If such a proposal for handcuffing prosecutors came from the American Civil Liberties Union, it would be hooted down as coddling criminals. It should be firmly rejected now when advanced by the NRA.

In the area of silencers, silencers have no sporting purpose.

The CHAIRMAN pro tempore. The time of the gentleman from New Jersey [Mr. Hughes] has again expired.

(By unanimous consent, Mr. Hughes was allowed to proceed for 5 additional minutes.)

Mr. HUGHES. Mr. Chairman, will somebody, will somebody in this Chamber please come forward and tell me, if they would, what sporting value silencers have? Why do people need silencers? The silencer is a contract murder weapon. We find it increasingly in parts of our country in the hands of drug traffickers and organized crime figures. Who in the world needs a silencer? Why would the NRA oppose a ban on silencers? I do not understand it, I really do not.

What we do is we attempt to ban silencers, and one of the law enforcement provisions is directed at silencers.

Mr. VOLKMER. Mr. Chairman, will the gentleman yield?

Mr. HUGHES. I will be happy to yield to the gentleman from Missouri.

Mr. VOLKMER. I would just like to inquire if the gentleman knows it is presently against the law, a violation, a felony to have a silencer unless it is registered?

Mr. HUGHES. It is against the law if it is unregistered, but you can get a silencer if you can register it.

Mr. VOLKMER. Not everybody can register. Does the gentleman know what you have to go through to get a registration for a silencer?

Mr. HUGHES. I say to the gentleman that I am very familiar with it, and we oversee on our subcommittee the activities of the Bureau of Alcohol, Tobacco and Firearms.

Mr. VOLKMER. You have to have a full background check, and you have to have fingerprints and identification.

Mr. HUGHES. I will say to the gentleman that indeed we on this Subcommittee on Crime do oversee the operations of the Bureau of Alcohol, Tobacco and Firearms, and frankly, we know the silencer procedures as have been authorized by law, and that they have to go through fingerprinting, and there is a record check and the gentleman is correct.

But my question is: Is the gentleman opposed to banning silencers?

Mr. VOLKMER. I am just saying does the gentleman realize——

Mr. HUGHES. Let me ask you, is the gentleman saying that he is opposed to banning silencers?

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Mr. VOLKMER. I am trying to point out to the gentleman that by banning silencers, you are not going to stop one crime, you are not going to prevent one crime.

Mr. HUGHES. Is the gentleman opposed to banning silencers?

Mr. VOLKMER. I am not saying. I am just saying that you are not going to stop one crime, because not one crime that has ever been committed in the United States with a silencer has been committed with a registered one, not one. I have the statement of the BATF, and I will use it.

Mr. HUGHES. I want to say to my colleague that we have an increasing number of silencers, and we have silencer kits. We have do-it-yourself kits at home to build your silencers, and that is the next point. We are trying to ban conversion parts for machine guns, conversion kits for silencers. As the gentleman knows, you can read in publications today all kinds of silencer kits. Who in the world would be opposed to banning silencer kits? We are trying to address silencers and silencer kits and conversion parts for machineguns. The Volkmer bill creates loopholes for underworld gunsmiths converting semiautomatic weapons into machineguns. It amends the existing ban on machinegun kits to add language exempting these kits from the ban unless the kits are intended "solely and exclusively" for converting semiautomatic weapons to fully automatic weapons. We need to close that loophole.

In the area of unannounced inspections of dealers and criminal investigations, the Volkmer bill limits unannounced inspection of gun dealers to one per year, and limits other inspections of dealers' records in the course of normal criminal investigation. Police have been quick to point out that the one-per-year provision creates an opportunity for an unscrupulous dealer to ignore the law once he has had his single inspection. The amendment would permit two such inspections, the amendment we are offering would permit two such inspections per year, and would remove the language of the Volkmer bill barring even a normal criminal investigation of a gun dealer.

Like the Judiciary Committee bill, the amendment would allow additional unannounced inspections only if the Secretary of the Treasury or the Director of the Bureau of Alcohol, Tobacco and Firearms personally approves the inspection.

In the area of armor-piercing ammunition, the Volkmer bill opens up ammunition sales to anyone, no license is necessary. All that is required is that if a license sells armor-piercing ammunition, a record must be kept. This does nothing to protect against sales or armor-piercing ammunition. The amendment maintains current law requiring that ammunition be sold only by licensees and that they keep records of armor-piercing ammunition sales and transactions of more than 1,000 rounds. I think it is important for the Government to know if we have somebody buying 50,000 rounds of ammunition. I think it is important for us to know. We have decontrolled over 1,000 rounds. I think that that is a fair and a rational compromise.

I say to my colleagues that the provisions that I have described are extremely important to the bill. Recordkeeping is essential. Do not permit Pandora's box to be opened up by permitting the back-door sale of firearms or a change in definition to permit people to buy and sell and profit in firearms as long as it is not for their primary source of income or for profit. There are so many groups in this country that are purchasing weapons of all kinds where the motive is not for profit, and it is that the police amendment package is directed to.

It is a good amendment. It is a basic amendment. It is an amendment that you can support. It is an amendment directed to the Volkmer bill. It perfects many of the provisions in the Volkmer bill, and I think it is important for us to support the police on what is their bottom line in making the Volkmer bill at least acceptable to the police of this country.

The CHAIRMAN. The time of the gentleman from New Jersey [Mr. Hughes] has again expired.

(On request of Mr. Rodino and by unanimous consent, Mr. Hughes was allowed to proceed for 3 additional minutes.)

Mr. RODINO. Mr. Chairman, will the gentleman yield?

Mr. HUGHES. I am happy to yield to the gentleman from New Jersey.

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Mr. RODINO. I merely want to first of all commend the gentleman for offering this amendment, but more importantly, I think that it would be important for him, as a former prosecutor, as one who has drafted this legislation, to show the significance of the change that you have brought about in the provision whereby under the Volkmer amendment, the gun dealer would be given a privileged status in that there would have to be proof of a willful state of mind.

Mr. HUGHES. The gentleman is absolutely right. There is no other provision I am aware of. I cited the example of controlled substances offenses. As the gentleman knows, the drug laws fall within our committee's jurisdiction. We oversee both the Bureau of Alcohol, Tobacco and Firearms and the Drug Enforcement Administration.

The Drug Enforcement Administration has responsibility for overseeing the pharmacists and the doctors around the country where unfortunately we see a tremendous diversion of prescription drugs into the illicit market by a dishonest few.

We are giving gun dealers a privileged status. We do not require that kind of proof when we prosecute somebody who is diverting these pills to youngsters that are found on our schoolyards today, and we are requiring, as I indicated, a dealer to know what the law is, every detail of the law, but that he intended to violate the law. I mean, it would be a prosecutor's nightmare. And for the defense attorneys, they would have a field day—knowing how easy it is to frustrate that kind of a standard.

I shudder to think what would occur if, in fact, we elevated gun dealers to this privileged status. So I share the gentleman's concern.

Mr. RODINO. Again, I want to thank the gentleman for offering this amendment. It does not go as far as I would have liked. I would have preferred we have a waiting period so that there would be a complete check of prospective handgun purchasers. But in the interests of trying to gain a consensus and knowing how important it was to strengthen this provision rather than to weaken it, as Volkmer does, I think we have got to support the gentleman.

Mr. HUGHES. Something else I find interesting, I say to the Chairman. I heard Members get up here on the floor and make the statement that the 1968 gun control has not worked; that only the crooks have been affected; that basically they are the only ones who benefit from it. The law-abiding people have not benefited; "Look at the increase in crime," they say.

That is like saying, because we have a far more serious epidemic of drug crime today than we ever had before we ought to begin to dismantle all the drug enforcement laws and the new asset forfeiture provisions we have created to aid law enforcement, the new penalty provisions we have created, or the wiretap provisions we have provided for financial investigations to find the assets of drug traffickers and organized crime—I mean, what would the crime rate have been and the numbers of victims of drug abuse if we did not have these protections or these laws?

The fact of the matter is that the argument that there is still a serious problem of violent crime just turns logic right on its head because in the final analysis, nobody can say what would be the case today if, in fact, we did not have these minimal protections that we now have in the law.

Mr. OXLEY. Mr. Chairman, I move to strike the last word.

Mr. Chairman, it seems to me as we have worked our way through this bill, and I must give a great deal of credit to the committee for the work that

they have done. I had an opportunity not too long ago to meet with several constituents who are concerned about this issue, and I asked them what they were interested in in changing current law. They said that they were interested, as hunters, to be able to transport their shotguns and rifles across State lines; that they were from Ohio and they were hunting in Michigan; they wanted to do that and to do it lawfully.

I said to them that in my estimation, I agreed with them, and as a matter of fact felt that both the approach of the committee as well as the Volkmer approach took care of that concern.

As a matter of fact, both approaches; the Hughes approach and the Volkmer approach, it seems to me, provide a great deal of relief to some of the more onerous things that were in the 1968 act, including the deregulation of ammunition sales, eliminating other abuses of present law.

So I guess it comes down to this, at least for this Member's opinion, and that is this: I would like to ask the sponsor of the substitute, the gentleman from Missouri, if he could answer this:

Does the Volkmer substitute, as we are considering it currently, make it easier than present law to obtain handguns and to transport handguns across State lines?

Mr. VOLKMER. It provides that in certain States which now have restrictions on transportation of handguns that you could, as long as it is inaccessible and unloaded, like locked in the trunk of the car, you could—where you cannot like in New York, Connecticut, New Jersey and places without permits, you cannot.

As far as obtaining handguns, we do not change any of the present, existing local or State laws as to who must be qualified to have purchased a handgun. We do provide that instead of having to have a dealer send it from one State to another State as you presently can do, that the person, if he is qualified in both States, can purchase a handgun in the State of nonresidence, if he is qualified—only if that, in both States, yes.

Mr. OXLEY. So that it, in some ways it does indeed relax the interstate availability of handguns.

Mr. VOLKMER. Yes; for people who are law-abiding citizens, but not for disqualified people. It does not relax or change the law as far as who can purchase a handgun, or what you have to go through to get a handgun.

Mr. OXLEY. I thank the gentleman for responding.

As I have studied the issue, and this is a tough issue, very frankly, for myself; and I have worked my way through it over the last couple of weeks and it is a very difficult issue. It comes down to balancing what may be a potential inconvenience to handgun purchasers and those who own handguns with the very legitimate risk of law enforcement personnel.

If we put it in that kind of context, we are trying to be very objective in dealing with this major piece of legislation where we are making public policy, it seems to me that is a no-contest decision, at least for this Member.

I think that that is the ultimate question that each Member has to ask himself. We have really taken care of, in my estimation, the concerns that my constituents had about transporting those long guns and shotguns across State lines if they are legitimate hunters.

I think that change makes a great deal of sense. What concerns me is the availability, the easily available handgun that has committed so much mayhem in this country.

Mr. LUNGREN. Will the gentleman yield?

Mr. OXLEY. I yield to the gentleman.

Mr. LUNGREN. I know the gentleman is talking about this; he and I have discussed this for several weeks, and I know how he has studied this. I just want to know: The gentleman is a former member of the FBI, an agent; is that correct?

Mr. OXLEY. That is correct.

Mr. LUNGREN. I might just ask the gentleman, in terms of coming to his decision, does he make this judgment with respect to the question of interstate transport of handguns based partly on your experience as a law enforcement officer?

Mr. OXLEY. I guess that is right; one can never disassociate himself from one's background. Clearly that is a great concern that I have.

For example, the person who is going down the highway that is pulled over on the side of the road by the State patrol for any number of violations, that State trooper who comes up to that car has no idea whether that person behind the wheel is a law-abiding citizen who is transporting that handgun is doing so lawfully and safely or whether in fact that person is a criminal who seeks to do him harm, and the record is replete with those law enforcement officials who have been cut down in the line of duty because of that type of situation.

Mr. VOLKMER. Will the gentleman yield on that?

Mr. OXLEY. I yield to the gentleman.

Mr. VOLKMER. I want to try and resolve something here. In the first place, the criminal, the person who is out to commit a crime, is not going to just lay a handgun up on the dash or next to him where any officer can see it—he is going to try to conceal it, and he is going to do that today, if he is going to go somewhere and commit a crime.

So the laws that we presently have, such as in New Jersey or New York are not preventing those people from doing it.

(On request of Mr. Volkmer and by unanimous consent, Mr. Oxley was allowed to proceed for 2 additional minutes.)

Mr. VOLKMER. Will the gentleman yield?

Mr. OXLEY. I yield to the gentleman.

Mr. VOLKMER. So those laws are not, but what they are preventing is to attend, like in my district come May, we will have a pistol competition. There will be not only sportsmen there, but military and law enforcement officials will participate in that, it is a national competition.

If that was held in a State such as New York—well, you could not, in New York, New Jersey, or Massachusetts. You can do it in Missouri because in Missouri you can transport, and it does not even have to be unloaded; and yet the law enforcement—we do not have the crime that you have in the East; we do not have people going around sticking guns, just because they can do it in their cars, in a glove compartment or under the seats; they do not do that. Even though they can put it—I can lawfully transport in Missouri, through Iowa, to Minnesota, through South Dakota, North Dakota, Nebraska, Kansas, down through Oklahoma and Texas—I can put a loaded gun on my seat and do that, presently, today.

The provisions in this bill are more restrictive than that.

Mr. OXLEY. I appreciate the gentleman's position. Again, it is a balancing act; it is a balancing of a potential inconvenience for the purchaser of a handgun versus the potential mayhem that could result to law enforcement officials. I think it is as simple as that.

When it comes down to that kind of decision, of an inconvenience versus a potential loss of life, that decision in my estimation is very easy.

Mr. VOLKMER. If the gentleman will yield further, who is going to commit the mayhem on the officer? The law-abiding sportsman who is going hunting, who is going to a pistol meet?

Mr. OXLEY. The point is, it is very difficult for that law enforcement official to know whether in fact that person is law-abiding or not, until the action occurs. In many cases, that is far too late.

Mr. HUGHES. Will the gentleman yield?

Mr. OXLEY. I yield to the gentleman.

Mr. HUGHES. I want to tell the gentleman, I really respect the time and effort that he has put in to try to understand what is in both bills.

□ 1515

The gentleman is absolutely correct. The bottom line, and if Members would do this, just weigh the minimum inconvenience on the one hand to sportsmen who can freely transport that handgun from State to State, against the concerns of the police, the police have to win out by a big margin.

The CHAIRMAN. The time of the gentleman from Ohio [Mr. Oxley] has expired.

Mr. HUGHES. Mr. Chairman, I ask unanimous consent that the gentleman be allowed to proceed for 2 additional minutes.

The CHAIRMAN. Is there objection to the request of the gentleman from New Jersey?

Mr. SHAW. Mr. Chairman, reserving the right to object, and I shall not object, but I rise under this reservation to remind the House that we are under a 5-hour rule. We have now consumed one-fifth of the time allowed for amendments and we have yet to have a single recorded vote on a substantive amendment. I know the gentleman from New Jersey is going to offer, if this amendment does not pass, is going to offer a series of amendments. I have one to offer on silencers. We are going to be shut off from opportunity for further debate unless we do slow this thing down.

So I will serve notice that I am as one Member going to start to object to extensions at a further time, but it is not directed certainly to my friend in the well, the gentleman from New Jersey, or anyone else. It is simply directed at the clock.

Mr. Chairman, I withdraw my reservation of objection.

The CHAIRMAN. Is there objection to the request of the gentleman from New Jersey?

There was no objection.

Mr. HUGHES. Mr. Chairman, will the gentleman continue to yield?

Mr. OXLEY. I yield to the gentleman from New Jersey.

Mr. HUGHES. I thank the gentleman for yielding. I understand what the gentleman is saying but as the gentleman, a member of the subcommittee, understands, many of the amendments noticed individually are within this package. So much of the debate would be repetitious and it is important for us to explore all aspects of this amendment because I intend to object also if we get to the point where we are shortchanging Members who have other amendments noticed.

But New Jersey has been mentioned.

In New Jersey you can transport your handgun or your long gun for hunting or sporting purposes as long as you have a license to do so and you are legal in the State in which you own it, that is New Jersey or Pennsylvania where a lot of our hunters go to hunt for deer in particular.

The legislation that we have before the full House today does not restrict States like Missouri, it just sets standards basically and we do not say that Missouri cannot permit an unloaded firearm to be carried on the seat of an automobile if that is what Missouri says.

So we do not change that. But the bottom line is, and why the police are so upset, and the gentleman put his finger right on it, you never know when you stop that automobile, just like Phillip Lamonoco. He was a State trooper who back in 1981 when he stopped that car did not know he had some terrorists, he did not know what he had.

You are going to see a proliferation of handguns in automobiles. That is why the police are scared to death because they see a proliferation of handguns.

What does inaccessible mean? What is going to happen when people get upset on the highways and they decide that they want to take a shot at somebody? Are you going to have a shootout at O.K. Corral? I think the police understand that. Their lives are in jeopardy, No. 1.

But more importantly we are going to see more experiences like we too often see where motorists get upset and they resort to a handgun which is readily accessible. There are no restrictions on it. You can carry a handgun under the Volkmer bill for any reason.

Mr. OXLEY. I thank the gentleman for his comments.

Again I think it is a decision that all of us have to make in that balancing act. I appreciate the efforts on the part of the committee.

Ms. MIKULSKI. Mr. Chairman, I move to strike the requisite number of words, and I rise in support of the Hughes subsitute and the leadership of the gentleman from New Jersey [Mr. Rodino] and in support of a great police chief from Baltimore County.

Mr. Chairman, 2 months ago I brought to the attention of my colleagues an op-ed written by Baltimore County Police Chief Cornelius Behan.

In that op-ed, Chief Behan recited the horrors caused by handguns—horrors he had seen firsthand as a cop-on-the-beat for 39 years.

On behalf of police officers throughout the State of Maryland, Chief Behan has been leading a tireless effort opposing the McClure-Volkmer bill.

Why is he taking this courageous stand? He's doing it because he wants to protect the lives of police officers and the safety of our streets.

But in today's Washington Post, we see what happens to good and decent people who dare to speak out against the gun dealers of this country.

On page 4 of today's Post is a story headlined "Baltimore County Police Chief Is Under Fire."

This article tells us that Chief Behan has been targeted for attack by a gun lobby located 3,000 miles from Maryland in Washington State.

This organization has sent a mailgram to 10,000 Maryland residents calling Chief Behan a "gun-grabber." They want him fired. They say he has misled members of the Maryland congressional delegation.

Mr. Chairman, I've known and worked with Chief Behan for 8 years. I've never been misled by him on any issue. He has not misled me about gun control. He has not misled me about the problems police officers face in hostage situations.

And he has not misled me when we've worked together on the problem of missing children.

Why, then, is this gun lobby so afraid of Chief Behan? I'll tell you why. It's because he's a leader in the law enforcement community. And it's because his leadership gives the lie to the argument of the gun lobby.

Chief Behan says in his op-ed:

> McClure-Volkmer is a bad, dangerous, unconscionable anti-police bill. It will increase the number of guns on the street, as well as increase the chances of cops—and citizens—getting killed. It's mainly a gun-dealers' bill. And that's wrong.

Mr. Chairman, if I have to choose between cops-on-the-beat and the gun lobbyists in Washington, I'll go with the cops everytime!

I'm with the Chief. This bill is a gun dealer's bill. It's anticop and anticitizen. And it should be defeated.

Mr. BIAGGI. Mr. Chairman, will the gentlewoman yield?

Ms. MIKULSKI. I yield to the gentleman from New York, a former police officer himself.

Mr. BIAGGI. I thank the gentlewoman for yielding.

Mr. Chairman, I want to commend the gentlewoman for making her comments in support of Chief Cornelius Behan, formerly of the New York City Police Department, a gentleman with whom I have worked and who is held in the highest regard in the police profession throughout the world.

I am confident that the county executive, Mr. Hutchinson, will give little or no regard to those individuals who send telegrams from a most remote part of these United States, trying to influence and intimidate the county executive in dealing with Mr. Behan, who has spoken well and is leading the fight in this police officers protection legislation with which we are confronted.

His primary concern is law enforcement and people. Clearly he is on the right track.

Ms. MIKULSKI. I thank the gentleman for his comments.

You know, I thought in this country we were supposed to go after the crooks and not go after the cops.

Mr. CRAIG. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I think it is important that we pause for a moment to understand something that has been alleged here today as being false. It has been said that this is a shootout between the Nation's law enforcement people and the NRA. And if I did not know better I guess I would find that a rather humorous statement. It is a long way from the truth. I have here in my hand a letter from the National Wildlife Federation endorsing the Volkmer substitute. They only have 4.3 million citizens as their membership. They are not the NRA. I guess we do not want to recognize the better than 3 million citizens who are members of the NRA. I think we ought to be more intelligent in understanding that this is no such thing as a shootout. What we are really talking about, I guess, are our basic civil liberties.

Ladies and gentlemen, the law does not belong to the Nation's police.

I said that once and I will say it again. And we really ought to pay some attention to that.

It belongs to the Nation's people. And our Nation has said for a long time that we will be a Nation of law and that will govern us and I strongly support the law enforcement people of this country. That is not what should be debated here today.

The law enforcement people do have some concerns and we well ought to be concerned about their problems. They truly are on the front lines of law enforcement in this country.

But you know, I suspect that there an awful lot of citizens out there who wish we would pay as much attention to their civil liberties as we seem to be paying to the concerns of the law enforcement community today. And I suspect there are some awfully concerned citizens out there who wish we would pay more concern to laws that somehow the IRS tends to spread and stretch in the enforcement and pursuit of what they call justice, and what we allow them to do. And yet that does not seem to be an issue here today.

Ladies and gentleman, I guess the point I am trying to make is there is no such thing as a shootout between law enforcement and the NRA. They have historically worked together and we do have some common divisions today and those common divisions lie on the lie of what is right and what is wrong, and more importantly: Are we in fact restricting the freedoms of the law enforcement, law-abiding citizens of this country? I have here now an endorsement from the administration and from treasury for the Volkmer substitute and for some of the amendments that will be coming that my colleague from Florida [Mr. McCollum] will be offering. And they support it based on the fact that they recognize that there needed to be change in the 1968 gun law. But they do not support H.R. 4332. The so-called Hughes law enforcement in fact guts every major provision of the Volkmer substitute, of importance to American sportsmen and law-abiding gun owners, and we ought to recognize that. That is what we are talking about right now.

In doing so it fails to remedy the major problem areas law-abiding gun owners have encountered under the 1968 Gun Act, and some of those problems it even makes worse.

Let us look at some of those provisions. The Volkmer substitute has let the Treasury Department pick those offenses that they feel are most likely to inadvertently catch the honest citizen in the net. And that was a reasonable and responsible approach and my colleague from Missouri has responded to that. The Treasury Department has applied the higher willful-intent standard to these provisions likely to affect the honest citizen. The Volkmer substitute has let the Treasury Department decide the violations most likely, and I repeat, most likely to involve those citizens where there is criminal intent or lower intent in the standards. And the Rodino-Hughes amendment does away with the distinction, and once again throws honest citizens in with real criminals, and that has never been the intent of the law—the very problem of the bill that our bill intends to solve. The Treasury and Justice Departments are opposed to this provision.

Ladies and gentleman, this amendment as proposed by my colleague from New Jersey is absolutely key and we well ought to understand it. It guts McClure-Volkmer and that is important, and all Members should recognize that.

The CHAIRMAN. The time of the gentleman from Idaho has expired.

(By unanimous consent, Mr. Craig was allowed to proceed for 2 additional minutes.)

Mr. VOLKMER. Mr. Chairman, will the gentleman yield?

Mr. CRAIG. I yield to the gentleman from Missouri.

Mr. VOLKMER. I thank the gentleman for yielding.

Mr. Chairman, the memo that the gentleman is reading as to the objections to the Hughes amendment which is pending now is from the administration and specifically states that both Treasury and Justice do not support the Hughes amendment and they oppose the Hughes amendment.

Mr. CRAIG. That is correct.

□ 1530

Mr. BIAGGI. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, it seems like we have gone this round before. I will try to be incisive on the issue, but before I do that, I would like to remove the cloak of confusion and of obfuscation from the issue.

One of my colleagues rose and said that in his district the folks are comfortable when their husband leaves the house, and they want the family to have a gun at home. I do not quarrel with that. I do not quarrel with that at all.

Others have said we have the target shooters and gun clubs in our country who feel encroached upon and who are out there and have been practicing the sport for a long time, and want to have handguns available. I do not quarrel with that at all and never have.

They also say the sportsmen, the hunters, should not have their rights inhibited. They should be able to have shotguns and rifles. I agree with them on that score.

But those arguments are offered to enrage the hunter, to infuriate the target shooter, to activate the gun clubs across the country, because they are told that if you vote for the Hughes amendment or if you vote for the Hughes bill, your rights will be diminished.

Nothing could be further from the truth. Nothing could be further from the truth.

It is an old tactic of the NRA. That is who we are fighting, the National Rifle Association of America, and nobody else. It has to be said just the way it is. They engage in tactics that leave a great deal to be desired. They bully and they intimidate. They lobby in the worst possible way. In my 18 years in the Congress, I have never seen as base an approach on an issue as engaged in by the NRA.

I respect my colleagues. If they have honest differences of opinion, they will express it, and they have. We have always respected difference of opinion. And I would ask that they vote on the merits of the issue, nothing else. If that be the case, there is no doubt in my mind as what the outcome of this legislation would be, the Hughes amendment would carry overwhelmingly.

The gentleman who spoke before said let us not talk about law enforcement personnel rights. Let us talk about people rights. Why not. Who are they? They are our neighbors. They are our relatives. They are our friends. Any attempt to contrast their rights to the rights of people is indeed puzzling. I do not know how they make the demarcation. The rights of people and the rights of law enforce-

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ment in this case are similar, identical. We are talking about protecting the life and property of American society.

Mr. Chairman, I have been in the New York City Police Department some 23 years. Most of you know that. It was one of my earlier careers. I can tell you from a practical perspective the Volkmer bill makes provisions about the dealers, about accessibility that are absolutely Cinderella-like. How naive can one be, accessible? Put the gun in the trunk, they say this will make the weapon inaccessible, unbelievable! If I am a criminal and have intention to commit crime, I am certainly not going to wear a gun on my person, or even in the glove compartment. Many damn fools do use the glove compartment—to their regret. I would secret it in the trunk until I reached the point of activity, the site of my criminal act. Then I would take it out.

Accessibility. How ridiculous a comment when you are talking about the real world.

Dealers. We have rules and regulations for dealers today, and it is working out fairly well. Can you imagine eliminating or preempting all the rules under the Volkmer bill? You would have hucksters and sellers in flea markets walking around and peddling guns to all: It boggles my mind to think that this is possible. What is the rationale of this proposal?

I only ask you, ladies and gentlemen, in you deliberations to have only one concern: Is it right? Nothing else. Have the courage to vote on the merits.

The CHAIRMAN. The time of the gentleman has expired.

(By unanimous consent, Mr. Biaggi was allowed to proceed for 2 additional minutes.)

Mr. BIAGGI. The Chairman, Mr. Hughes, made some comments early on that were very comprehensive and very thorough, chapter by chapter, verse by verse, which should be sufficiently persuasive. Comments in defense of silencers, was a crime ever committed by a silencer. A report, the gentleman tells about the BATF, how would they know? Come on, let us not insult one's intelligence. This is a world in which I lived for a quarter of a century. You open the floodgates to terrorists and to the underworld. As stated once before, I am confident that is clearly not the intention of anybody here, not even the NRA.

Let me tell you about the NRA and the police and they were locked in together. They were, yes. They no longer are because the NRA is concerned about the NRA, dealers and munitions manufacturers, and not police officers. They misled them in the past. They sang that siren song to them just once too often, but no more, because the police out there know what is good for them and they are here to demonstrate and lobby for their concerns.

I know we talk about the police and the high regard we have for them. Yes, and when they die, we make a few appropriate comments and for some we shed crocodile tears. That is of little moment, because when it is over, the survivors go on to live a lesser life and we go on to do our daily business. If you are really concerned about the deceased police office, and all those who have given their lives, all those citizens who have been killed by criminals, take action today. Now is the time, the moment of truth.

I know that the NRA will not let you forget it if you vote against them. They say that police will forget.

But I ask you this: Will your consciences permit you to forget?

The CHAIRMAN. The Committee will rise informally in order that the House may receive a message.

MESSAGE FROM THE PRESIDENT

The SPEAKER pro tempore (Mr. Montgomery) assumed the chair.

The SPEAKER pro tempore. The Chair will receive a message.

MESSAGE FROM THE PRESIDENT

A message in writing from the President of the United States was communicated to the House by Mr. Saunders, one of his secretaries, who also informed the House that on the following dates, the President approved and signed bills and joint resolutions of the House of the following titles:

On March 20, 1986:

H.R. 1614. An act entitled the "Food Security Improvements Act of 1986."

On March 24, 1986:

H.J. Res. 534. Joint resolution making an urgent supplemental appropriation for the Department of Agriculture for the fiscal year ending September 30, 1986, and for other purposes.

On March 27, 1986:

H.J. Res. 563. Joint resolution to provide for the temporary extension of certain programs relating to housing and community development, and for other purposes; and

H.R. 4399. An act to designate the Federal building located in Jamaica, Queens, NY, as the "Joseph P. Addabbo Federal Building."

On April 1, 1986:

H.J. Res. 573. Joint resolution making a repayable advance to the Hazardous Substance Response Trust Fund; and

H.R. 2453. An act to amend the Older Americans Act of 1965 to increase the amounts authorized to be appropriated for fiscal years 1985, 1986, and 1987 for commodity distribution, and for other purposes.

On April 7, 1986:

H.R. 3128. An act to provide for reconciliation pursuant to section 2 of the first concurrent resolution on the budget for fiscal year 1986 (S. Con. Res. 32, 99th Congress).

The SPEAKER pro tempore. The Committee will resume its sitting.

FEDERAL FIREARMS LAW REFORM ACT OF 1986

The Committee resumed its sitting.

The CHAIRMAN. For what purpose does the gentleman from California [Mr. Lungren] rise?

Mr. LUNGREN. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, unfortunately, this debate is one which makes me and others feel rather uncomfortable. That is because we are not siding with either of the most emotional sides on this. That is, some of us have felt there was a real obligation for Congress to reform the 1968 Firearms Act, but at the same time, we did not buy all of the suggestions made by different groups. As a result, I guess we find ourselves in the position of trying to strike a compromise and, therefore, being criticized for not doing enough from either side.

I rise in support of the law enforcement amendment that the gentleman from New Jersey [Mr. Hughes] has presented before us. It does not give everybody everything that the NRA wants. That is true. It, frankly, does not give everything that all of the law enforcement groups want. It tries to give what I would say is a bottom line of what various law enforcement organizations felt they needed in the context of a reform of a law that they recognized needed to be reformed. That is where we are right now.

There are perhaps a couple of crucial changes that are affected by the amendment brought forward by the gentleman from New Jersey. One, as has been mentioned, it bans silencers. Now someone can get up and say we have never proven that any crime has been committed by someone who has used a silencer that has been registered.

I, frankly, do not care whether that is true or not. I still ask, what legitimate sports interest is served by selling silencers? I ask anyone to get up here and tell me. I do not think there is. That is part of this.

A second question is, it seems to me, one of federalism: Should we decide that States and localities have no right to make decisions with respect to handguns? I do not support handgun control. I have never supported handgun control. I do not anticipate ever supporting handgun control.

But what this bill does, unless it is amended in the way suggested by this amendment, is to say the following: If a State or locality makes a decision with respect to carrying, inaccessible but concealed handguns in your car, under most circumstances, Federal law will supersede that and the States and localities will have no judgment to make.

Now I happen to think some communities are wrong. They are wrong by

some of the restrictions they place on handguns. But federalism does mean you have a right to be wrong. Othewise, there is no federalism.

☐ 1540

We have tried to say: Is there a need, a legitimate need, presented by sportsmen for long guns, that is, rifles and shotguns? And we all agree that is true. This does not affect it whatsoever. Most of the sportsmen who come to me in my district have said, "That's what we want relief on."

Well, this amendment allows it. It just says we will not go forward, in terms of handguns.

Now, I know some feel very, very strongly that they ought to have the right to carry their handgun in every particular jurisdiction in America. And if that is true, then they should vote against the Hughes substitute. But it seems to me we ought to recognize that is what we are doing, and we ought to also recognize that the police associations, who, in my memory, have never supported overall handgun control, have said this is the most worrisome part of the bill that is before us, the Volkmer substitute.

Now, I do not agree with the police officers groups on every occasion. But it seems to me on this particular concern we ought to give them at least the benefit of the doubt. And that is all we are doing, it seems to me, by this particular amendment.

In the letter signed by the Nation's 12 principal law enforcement organizations in support of this particular amendment, they say: "We are relying on your dedication to public safety when you vote April 9. Don't fail us. Don't legalize the interstate sale and transport of handguns."

Now, I have stood on this floor supporting tough Federal legislation dealing with law enforcement. But at the same time I have always said that, as much as we can do, most of crime is taken care of on the local level, most of law enforcement is on the State and local level. And these are the State and local law-enforcement people coming to us and saying, "Don't supersede us on this point." They are willing to allow a lot of changes. In fact, they support a lot of the changes that are part and parcel of the Volkmer substitute. But they are saying to us, they are literally begging us, "Don't make this one change with respect to handguns because that puts us at risk."

It is awfully easy for us to sit here and say, "Yes, let the police officers go out there and try and defend the country, let them take the shots"—and I mean the real shots out there—"and we will put in money for armor that they can wear."

But at the same time, when they come to us and say, "This is not a labor-union question, this isn't a question of money, this isn't a question of something like that; this is an essential question of our lives on the line," we say, "Well, they are entitled to their opinion, but, really, it is not that important."

All I am saying is: recognize that with the amendment before us, we are making substantial changes in the 1968 law, and I think we ought to make substantial changes. We are reaching the concerns that most people have given us in terms of sporting, in terms of hunting, and so forth. In this one area, let us not go too far. I would just ask my colleagues to look seriously at this amendment and support this amendment in favor of law enforcement and the legitimate needs of hunters and sportsmen.

Mr. SMITH of Florida. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I want to thank my colleague, the gentleman from California [Mr. Lungren], who just spoke, who is also a member of the subcommittee, for quite honestly being right upfront about the issue, and that really is where we should be on all of these things.

There has been a lot of heated debate, there will be a lot more before we are finished. But the reality is that it is really a clearcut case.

Are there, in fact, some parts of the 1968 Gun Control Act that can be, need to be, and can effectively be changed for the better?

The answer to that question is yes.

Has the Volkmer substitute addressed some of those problems?

The answer is "Yes."

Are there parts of the 1968 Gun Control Act that should not be changed, that cannot be effectively controlled, that will open, as the gentleman from New York said, Pandora's box, the floodgate for terrorists, for criminals and for the proliferation of untraceable, unlicensed handguns?

The answer to that question is "Yes."

Now, we are faced with a dilemma. We have substitute that says more than many of us think it ought to, to address the legitimate concerns of people in this country.

What do you do about it? You, like Mr. Hughes, the chairman of the subcommittee, tried to strike those portions which do not—do not aid law enforcement, aid average Americans or really aid gun owners and, at the same time, keep the provisions which will make the changes that even the NRA wants. The NRA is not wrong on every single one of their issues. And we have tried to recognize that at the subcommittee and full committee level. This is not our fight against the NRA issue by issue. It is our fight to make the law better and more effective and to make the law more enforceable.

Now, let me go over quickly the Hughes package. It takes out from the Volkmer substitute the allowability of the interstate sale of handguns. That is all it does. It takes out of the package and returns to current law interstate sale and transmission, transportation of handguns.

It does not wipe out State and local handgun laws with reference to transportation, like the Volkmer bill does, by taking it out of the Volkmer bill.

It does not allow for major loopholes for illegal and untraceable trafficking in firearms, which would be the case if the Volkmer substitute is passed in its present form, because currently anyone who deals in firearms must be licensed and keep records so that weapons used in crimes can be traced. The single most important issue for tracing crimes where a weapon is used is the traceability, the tracking for those handguns.

Every prosecutor in this House has acknowledged that. And there are a lot of former prosecutors.

The Volkmer bill makes it a change in the law that dealers, marginal dealers, who do not operate for profit, which is the standard that they put in their bill, do not have to keep records. It is precisely these dealers who sell guns out of their garages and their trunks, not the legitimate storefront, every-day arms dealer gun shop that you and I would go to, who commit most dealer violations. These are the people we want to get out, and these are the people that the Volkmer bill would give more freedom to.

It provides no backdoor sales by gun dealers because the Volkmer bill would allow a licensed dealer to transfer guns from his business inventory to a personal collection and then later sell them without recordkeeping or compliance.

No privileged class status for gun dealers.

The NRA and the Volkmer bill puts the gun dealer in special privileged status because it makes it harder to convict them for most offenses.

The CHAIRMAN. The time of the gentleman from Florida [Mr. Smith] has expired.

(By unanimous consent, Mr. Smith of Florida was allowed to proceed for 3 additional minutes.)

Mr. SMITH of Florida. Mr. Chairman, under current law it is now a crime for a dealer to sell a gun to anyone he has good reason to believe is a convicted felon.

Under the Volkmer substitute that would be changed.

The bill would require proof that the dealer willfully broke the law.

So that not only do you have reasonable grounds to believe that the person is a convicted felon, but now you must have an additional element of proof—and every prosecutor knows

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every additional element is going to make it harder to convict—that they willfully sold that gun, and that is a very difficult burden of proof, willfulness.

Why change the law when there has been no showing that the law in its current form has brought any undue hardship to gun dealers?

Mr. Hughes talked about it, Mr. Lungren talked about silencers. And I agree with Mr. Lungren. Name me one good reason why any law-abiding American citizen must have a silencer. The Volkmer bill allows it. The Hughes amendment brings it back to current law.

Conversion parts for machineguns. Our bill would make it more difficult to legally convert semiautomatic weapons to fully automatic. The Volkmer bill creates loopholes for people who convert semiautomatic weapons into machineguns because it amends the existing controls on machinegun conversion kits to decontrol the kits unless—and they add these words—"they are intended solely and exclusively for converting semiautomatic weapons."

You do not buy a kit to sweep your garage floor with. You buy it to convert a semiautomatic to a full machinegun. And ask any Member from Florida about machineguns.

The Volkmer bill prevents unannounced inspections of dealers and criminal investigations.

There are 90 BATF agents in the employ of the U.S. Government. There are 225,000 licensed gun dealers. The law of averages is that each dealer is reached once every 25 years.

There have been no complaints made to the subcommittee, to the full committee, to the Senate committee, or to BATF, about harassment of dealers. Yet they want to change the law. It is not a good idea. The Hughes amendment makes sure that unannounced inspections still can happen, and more than one inspection is allowed per year.

And, finally, the Hughes amendment removes what is a particular sticking point for all Americans, but certainly for law enforcement.

In the Volkmer substitute, armor-piercing ammunition is decontrolled. We worked for years to get armor-piercing ammunition banned for sale. There is no legitimate sporting purpose.

The CHAIRMAN. The time of the gentleman from Florida [Mr. Smith] has again expired.

(By unanimous consent, Mr. Smith of Florida was allowed to proceed for 1 additional minute.)

Mr. SMITH of Florida. Mr. Chairman, this amendment, the Hughes amendment, would allow for maintaining current law that ammunition be sold only by licensees and that they keep records of armor-piercing ammunition sales and transaction of large amounts.

There is nothing that I have here in front of me about the Hughes amendment, which I have just gone through, that any sportsman, any hunter, any gun collector, any gun fancier or any licensed dealer, should or could object to. And yet it makes the Volkmer substitute much better when added on. It protects the police, it protects the average citizen and protects the interests of the Federal Government in making sure that we have in place the controls that are necessary to prevent crime, the responsibility of the Congress of the United States.

It is all right here, when laid on top of the Volkmer bill. This is the crux of it, ladies and gentlemen. This is the nub, the heart, the kernel, whatever word you want to use. If you vote for the Hughes bill, the Volkmer bill becomes a better bill, and you can vote for it. That is it, plain and simple.

Mr. FISH. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, we have before us a package of nine controversial amendments, matters that I would personally prefer that we deal with separately. On some of these issues I would agree with the sponsor of the amendment and on some we disagree. While I plan to oppose the amendment as presented. I am concerned that time permit us to consider these matters separately. I think the law-enforcement community deserves our consideration of these important issues. We are restricted, as we know, by a rule in our consideration of amendments, and I would hope that the gentleman from New Jersey would agree to setting a limit on further consideration of the pending amendment, the time to be equally divided between the proponents and the opponents. On our side, I understand, there are only two more Members who would like to speak, and it would seem to me that a limit of 20 minutes would certainly accommodate the wishes of the Members.

Mr. HUGHES. If the gentleman will yield, I share the gentleman's concern, but I am not prepared to accept any such limitation. It is an important amendment.

Mr. FISH. It is an important amendment.

Mr. HUGHES. It should be fully aired. I do not concede that we have any more Members on this side of the aisle either. Let us see how it goes.

Mr. FISH. May I ask how many Members on the gentleman's side?

Mr. HUGHES. I think we have maybe one or two more.

Mr. FISH. All right, but I certainly will renew my request after two or three more colleagues have spoken. I cannot see the fact that there are four Members of Congress who have not spoken is a reason for failing to set a time limit.

Mr. MARLENEE. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, we have heard a lot of rhetoric here and it seems to be getting heavier and hotter and the debate seems to be carrying on with issues that are not relevant to the legislation at hand.

There are 225,000 licensed gun dealers, for instance. This is one statement that I have heard. Has anybody ever thought that perhaps the reason that we have 225,000 licensed gun dealers is because of the harassment of the BATF and the requirements that are placed on them? You cannot polish a gun. You cannot clean a gun hardly without having a license. That is the situation we find ourselves in. That is the reason we are at the point of changing it in the U.S. Government.

Are you fighting the NRA? This has been portrayed, the Volkmer substitute has been portrayed as the NRA bill. Is that really the case? No. It has been pointed out that the National Wildlife Federation supports this.

You know, conversely, we could say is the Hughes bill or the committee bill really the Coalition to Ban Handguns bill? Is that their bill?

I do not think the portrayal of this bill as the NRA bill is a fair portrayal whatsoever.

We have not portrayed your bill as the Coalition to Ban Handguns bill and that is not a responsible organization in my opinion, but we have not castigated it totally and loudly. We could. We could say that those full-page ads that they have run in the paper were misleading. We could say that their goal and the bill's goal is to totally ban handguns altogether.

And when they portray them as six handguns and a policeman or five handguns and a policeman, there is no other objective.

Now, I would like to pose a question to the author of the substitute, the gentleman from Missouri [Mr. Volkmer].

Mr. VOLKMER. Yes.

Mr. MARLENEE. We have heard a lot about the question of this committee bill will allow the transportation of shotguns and rifles to anywhere in the United States, that the sportsman, the hunting enthusiast is going to be able to travel anywhere in the United States if we pass the committee bill.

Now, if we look on page 16, it says that notwithstanding any provision of State law or of any published ordinance to the contrary, any individual may transport any secured shotgun or secured rifle from such individual place of origin to any destination State if—and here come the qualifiers—if such transport is, first, incident to the change of the individual's State of residence, or second, for the purpose of lawful participation in or

returning from lawful participation in hunting, a shooting match or contest or any other lawful sporting activity.

Now, suppose that I am on the way to a trap shoot from the State of Montana on the way to a trap shoot in Florida and I have my shotgun. That is a lawful participation in a sporting event, but suppose I decide to take my rifle along, to carry my rifle along in case that I want to hunt. Is it legal for me to do that, I would ask under the committee bill.

I yield to the gentleman from Missouri.

Mr. VOLKMER. Well, I would say that under the committee bill that if the gentleman did not go hunting with his rifle, that he is in violation of the law. He had better not take it along unless he is going to go hunting.

Mr. MARLENEE. That is the interpretation I got, that this really does not allow such transportation.

Mr. VOLKMER. That is right.

Mr. MARLENEE. That it is not as wide open as they would like to portray it as being.

Mr. SMITH of Florida. Mr. Chairman, will the gentleman yield?

Mr. MARLENEE. I am happy to yield just briefly.

Mr. SMITH of Florida. As a member of the committee, I can tell the gentleman that it was never the intention of the committee, and I do not think that the language even brings that intention perceptibly up, to limit that interpretation that the gentleman is making to the language of the bill.

Mr. MARLENEE. Reclaiming my time, Mr. Chairman, I am not going to a sporting event. I have got my rifle along just in case that I might.

Mr. SMITH of Florida. Mr. Chairman, I ask unanimous consent that the gentleman may have 1 additional minute.

The CHAIRMAN. Is there objection to the request of the gentleman from Florida?

There was no objection.

Mr. SMITH of Florida. Mr. Chairman, will the gentleman yield further?

Mr. MARLENEE. I yield.

Mr. SMITH of Florida. We intended it to cover any situation where a person who owns those, a hunter, if he is going to a trap shoot in Florida and may want to hunt in North Carolina thereafter, is not barred from carrying that weapon. That is a lawful purpose under the law.

There is nothing in the language of this bill that would say that you have only a primary purpose in going to shoot in Florida with a shotgun, and therefore you could not carry your rifle if you intended possibly to go hunting elsewhere. That strains the credibility. It is the lawful purpose that is the most important.

Mr. DINGELL. Mr. Chairman, will the gentleman yield?

Mr. MARLENEE. I yield to the gentleman from Michigan.

Mr. DINGELL. Mr. Chairman, there has been a great deal of discussion on this and I have got to observe that not an awful lot of it relates to fact.

The hard fact of the matter is the Hughes amendment regarding the interstate transportation of firearms is not the type of improvement I expect in the 1968 Gun Control Act. The 1968 Gun Control Act says that you may transport firearms only where it is permitted by State law. That is what it says.

Now, the hard fact is what that does to a law-abiding citizen. Let us take a citizen of Maryland or Virginia who wants to go bear hunting in Maine.

The CHAIRMAN. The time of the gentleman from Montana has expired.

(At the request of Mr. Dingell, and by unanimous consent, Mr. Marlenee was allowed to proceed for 2 additional minutes.)

Mr. DINGELL. Mr. Chairman, will the gentleman yield further?

Mr. MARLENEE. I yield.

Mr. DINGELL. Under current law, a citizen of Maryland or Virginia cannot go through New Jersey, cannot drive up the New Jersey Turnpike, because it is presumably illegal for him to have a firearm or handgun in that State. As he passes through from the State where possession of firearms is lawful into the State where he is going to go hunting, or where he is going to engage in a sporting activity, he violates the law in the State of New Jersey by innocently passing through that State, probably unaware of any violation of law of which he might be guilty.

If that sportsman decides to transport a handgun, the Hughes amendment and existing law makes criminals everyday out of law-abiding sportsmen and citizens. It does not stop the Mafia or criminals from trafficking in New Jersey with enormous diligence. What we are talking about here would correct that abuse.

Mr. LUNGREN. Mr. Chairman, will the gentleman yield?

Mr. MARLENEE. I am happy to yield to the gentleman from California.

Mr. LUNGREN. Mr. Chairman, the Hughes amendment would change the law as it presently exists so that if you were carrying a long gun, a rifle or a shotgun, for the various purposes mentioned, including sporting or hunting, you would be allowed to do that. It would supersede that law in New Jersey. It would not supersede the law with respect to the handgun. That is the basic objection.

Mr. MARLENEE. Regaining my time, Mr. Chairman, there are stipulations in the law under which you can transport those firearms, long gun or shotgun. If I am going with my rifle and I am carrying a shotgun maybe just because I feel comfortable having a shotgun along, I could well be arrested in the State of New Jersey.

Mr. LUNGREN. Well, if the gentleman will yield further, those purposes are articulated in the bill, for hunting, shooting match or contest or any other lawful sporting activity. I think that covers it.

Mr. MARLENEE. Well, my shotgun is not for lawful sporting activity or a shooting event. I have it along in case that I may at some point.

Mr. LUNGREN. Well, that is a lawful sporting activity.

Mr. DINGELL. Mr. Chairman, will the gentleman yield?

Mr. MARLENEE. I am happy to yield to the gentleman form Michigan.

Mr. DINGELL. As a matter of fact, Mr. Chairman, there is a rather celebrated case where an innocent citizen of a southern State was going to Maine to hunt bear, passing innocently through that State, was arrested and convicted. His firearms were seized and stolen from him under process of law by law enforcement authorities. That situation would be continued under the Hughes amendment or the Hughes bill.

The CHAIRMAN. The time of the gentleman from Montana has again expired.

(At the request of Mr. Smith of Florida, and by unanimous consent, Mr. Marlenee was allowed to proceed for 1 additional minute.)

Mr. SMITH of Florida. Mr. Chairman, will the gentleman yield?

Mr. MARLENEE. I am happy to yield to the gentleman from Florida.

Mr. SMITH of Florida. Mr. Chairman, the gentleman from Michigan unfortunately has I think out of a matter of omission not understood what the Hughes amendment would do. That case would be no longer illegal, I say to the gentleman from Michigan [Mr. Dingell], under the provisions of the Hughes amendment when attached to the Volkmer substitute.

Then the argument of the gentleman from Montana [Mr. Marlenee] about the language, whether he could carry a rifle if your main purpose was going to Florida to shoot with a shotgun, might come into play.

The reality is that I do not believe that this committee nor any of the members had any intention of denying the transport for any lawful purpose, so long as it was in connection with the use of that weapon for which it was made or intended and that is to be used in a lawful sporting way. No one had ever intended anything but that.

Mr. SHAW. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I did not intend to rise, but I think there has been some confusion in this House as to what the language of the committee bill does.

The committee bill plainly sets forth an easing of the existing restrictions. The gentleman from Michigan [Mr. DINGELL] rightly pointed out some inequities in existing law, but both the Volkmer bill and the committee bill correct that. The difference between the committee bill, the primary difference between the committee bill and the Volkmer bill is that the Volkmer bill would include in interstate commerce and carrying of pistols. The committee bill clearly does not. That is the primary distinction and the distinction that I think that people should have in mind when they are voting; but the committee bill which has been referred to as the Hughes bill corrects that inequity and it does allow the movement of long guns, that is your rifles and your shotguns, for lawful sporting purposes. I think the Committee should keep this in mind.

Mr. ROEMER. Mr. Chairman, will the gentleman yield?

Mr. SHAW. I yield to the gentleman from Louisiana.

Mr. ROEMER. Mr. Chairman, let me make sure I understand what the gentleman just said. The gentleman is telling us that the debate, that included the gentleman from Michigan [Mr. DINGELL], was a fact in error, that the Hughes amendment does not in fact put the kind of restrictions on legitimate transport that the gentleman from Michigan [Mr. DINGELL] was complaining about.

Mr. SHAW. Well, if I might regain my time, Mr. Chairman, I am certainly not going to go as far as to say the gentleman from Michigan [Mr. DINGELL] is in error, but I think that the Committee may have misunderstood the gentleman from Michigan [Mr. DINGELL] when he made the point with regard to someone being arrested for carrying a gun between States.

The existing law does provide for that and the States can make it a felony, as I believe the District of Columbia has.

I think someone right now under existing law going from Virginia through the District of Columbia over to Maryland to go goose hunting is violating the laws of the District of Columbia by having a shotgun or a rifle or any other firearm in his car. The Hughes bill corrects that. The Volkmer bill corrects that, but the Volkmer bill goes further than the Hughes bill.

Mr. FIELDS. Mr. Chairman, will the gentleman yield?

Mr. SHAW. I yield to the gentleman from Texas.

Mr. FIELDS. Mr. Chairman, the question I was going to ask, if we would use the example of the gentleman from Michigan [Mr. DINGELL], but instead of talking about a long gun, if we talk about a pistol, carrying a pistol from Maryland to Maine to hunt bear, some of us hunt with pistols; as I understand the law, we are still talking about gun control in regard to that particular pistol.

Mr. SHAW. We are talking about the right of States to regulate your going through their State carrying pistols. Of course, being in Texas, it may be that a pistol is a long gun.

Mr. FIELDS. Mr. Chairman, if the gentleman will continue to yield, I think the answer to the question is, under the example of the gentleman from Michigan [Mr. DINGELL], if you are carrying a pistol, it is still regulated.

Mr. SHAW. Under the committee bill, that is absolutely correct.

Mr. DINGELL. Mr. Chairman, will the gentleman yield?

Mr. SHAW. I yield to the gentleman from Michigan, whose name has been used at great length.

Mr. DINGELL. Mr. Chairman, I thank my friend for yielding. Is it not true that the interstate transport of a firearm under the bill of the gentleman from New Jersey [Mr. HUGHES] must be done in consonance with the law of the State across which one travels, which means that if one then travels across New Jersey——

Mr. SHAW. No, let me reclaim my time.

Mr. DINGELL. Under the existing law or under the Hughes amendment it would appear that a sportsman transporting firearms through several States can be in violation of law.

The Volkmer amendment would correct that. It would correct it with both long guns and handguns. The Hughes amendment would not in any event correct it with regard to pistols.

Mr. SHAW. Mr. Chairman, if I may regain my time, that is not what the Hughes bill or the committee bill says. The committee bill says that you can carry it if it is for participation in hunting, a shooting match or contest, or any other lawful sporting activity; so if he is carrying it for that purpose, he is OK.

Mr. HUGHES. Mr. Chairman, will the gentleman yield to me?

Mr. SHAW. I am glad to yield to the gentleman from New Jersey.

Mr. HUGHES. Mr. Chairman, the language is extremely clear. It says that notwithstanding any provision of State law or any published ordinance to the contrary, any individual may transport any secured handgun or secured rifle, and goes on with the standards.

Now, the gentleman is correct when he says that it has to be for any sporting purpose, but the gentleman's hypothetical, which I happened to hear, would be covered by the language of the bill.

The subcommittee crafted this so that we would take care of the gentleman's concern and the gentleman would be able to transport his weapon for trap shooting and a weapon for hunting and not be in violation of the law of the particular State.

Mr. ROEMER. Mr. Chairman, will the gentleman yield?

Mr. SHAW. I yield to the gentleman from Louisiana.

Mr. ROEMER. Mr. Chairman, I thank the gentleman for yielding again.

Just to try to make it as clear as possible, because some of us need that clarity, it seems in reading the bill and listening to the debate, that the examples previously used that relate to long guns are not applicable, either under Hughes or Volkmer, and the difference relates to handguns only; and by the way, if you are hunting bears with handguns, see me after this meeting.

□ 1610

Mr. RODINO. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I shall not take the 5 minutes, but I think it is important to point out that there has been confusion. First of all, let us state unequivoccly that all of us now recognize that the Hughes amendment as well as the Volkmer amendment both would relax present restrictions which deal with sportsmen and hunters. However, the difference that exists now between the Volkmer substitute and the Hughes law enforcement package amendment is that the Volkmer substitute weakens present law and makes it easier for licensed dealers to be able to avoid some of the restrictions that are presently there so that one would have to prove willfulness if a licensed dealer turned over or transferred a gun to someone. That is absolutely important for us to consider.

When we consider, as one gentleman stated here so eloquently, and stated it in very simple language that it comes down to a question of inconvenience versus a question of lives. We are now confronted with weighing whether we come down on the side of the individuals who are concerned with protecting the life and safety of citizens and protecting police themselves or somewhat inconveniencing sportsmen.

The Hughes amendment will insure that we do not have silencers, that we are not able to convert parts for machineguns, and that the BATF may be able to make the kinds of inspections that it is required to protect the safety and the lives of people—people who may be killed, who will die, as a result of our failure to say, "Yes, we are going to come down on the side of strengthening the law a little bit," while we have taken care of and accommodated the hunters and the sportsmen.

I think that is a very, very simple decision to make. When we consider that over 200,000 people have been killed in the last decade, and 750 police officers

in line of duty—not counting the many people who have been maimed for life, not counting the Jim Bradys—I do not think that, Mr. Chairman, we ought to find if difficult. Notwithstanding what side one may have been on before, when we get it down to this basic argument, we have to come down on the side of saying, "I am going to inconvenience a little bit in order to assure that more lives will be saved."

Mr. FIELDS. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I am a member of the National Rifle Association, and I feel that I am representative of over 3 million people in this country who are legitimate hunters and gun enthusiasts.

I think the focus of our debate today is wrong; that instead of debating ways to limit my rights as a gun owner, we should be talking about mandatory death penalties for those who commit murder with firearms and mandatory sentences for those who commit other crimes with firearms, and I understand there is some language in the bill in that particular direction.

But instead, it appears that we are debating whether Congress can pass a law to inhibit, to limit, or to prohibit criminal activity using firearms; in other words, whether we can do something by passing a gun control bill. I do not believe such a law can be conceived to accomplish that particular purpose, and I think all we are doing here is hindering and limiting my rights as an average American gun owner.

I think it is important to go back and look at exactly what the Volkmer substitute does and what the Hughes amendment will do. The Volkmer substitute lets sportsmen know when they need a Federal firearms license and when they do not. The Treasury Department has written a very clear definition and it is contained in the Volkmer substitute.

The Hughes amendment provides a nightmare definition that gun owners would have to live under. The Treasury Department and Justice Department think it is clearly unworkable and would basically require anyone who sells more than two firearms a year to obtain a Federal firearms license. The end result could be 20 million Federal firearms licenses, all with the ability to do mail order sales.

The definition is not only unworkable; it is much worse than our current situation.

Also, the Volkmer substitute does something I think is very important, personal to me. It allows a pass-through provision. Each year thousands of citizens must travel on interstate trips with firearms for hunting purposes, for competitions, for matches, moving residences, and personal protection upon arrival. There should be some way for law-abiding Americans to exercise their right to interstate travel with personally owned firearms. Criminals simply ignore the laws.

The Hughes amendment does not solve the problem honest citizens have in interstate travel. It clearly eliminates any reason for traveling with a handgun, and it is important to remember that 37 States allow handgun hunting. To respond to the gentleman from Louisiana just a moment ago who questioned whether you could actually have a handgun hunt with a bear, using a handgun. I did, and I used it as my primary weapon. I have also used a handgun as a backup when hunting other dangerous game, so a handgun is a legitimate weapon to use when hunting.

But going further, the Hughes amendment prohibits interstate sale of handguns. The Volkmer substitute simply says that the matter should be a State decision and there should be no overriding Federal ban. Under the Volkmer substitute, only face-to-face sale, with records kept and all State laws upheld, would be allowed. The Volkmer substitute would prohibit mail order sales.

In summary, and I think one could sum up this way, the Hughes amendment is simply an attempt by some to gut the major provisions of the McClure-Volkmer bill intended to help clarify the law for honest American sportsmen and firearm owners. I think that is the best summary.

To me, the Hughes amendment limits law-abiding sportsmen, and the heart of the problem that we are talking about today is criminal use of firearms, which will not be solved with gun control but can only be satisfied by strong and mandatory criminal penalties, stronger than those contained in the bills that we face today. Unfortunately, that is not what we are talking about here.

Mr. MARLENEE. Mr. Chairman, will the gentleman yield?

Mr. FIELDS. If I have any time left, I would be glad to yield to the gentleman from Montana.

Mr. MARLENEE. I thank the gentleman for yielding.

Mr. Chairman, I congratulate the gentleman on his statement and want to associate myself with his remarks.

Further, I know that the gentleman has traveled great distances to hunt, and where the carrying of a handgun is essential for the safety of the hunter, in addition to the rifle. I know the gentleman has hunted in Africa. Under the committee bill, if you travel to Newark, NJ, to disembark for the continent of Africa and you have your revolver with you, would you be subject to arrest?

Mr. FIELDS. As I understand the debate that has taken place earlier, yes, I would be subject to arrest.

Mr. MARLENEE. And under the Volkmer substitute, would you be subject to arrest?

Mr. FIELDS. No, I would not.

Mr. MARLENEE. I thank the gentleman.

Mr. HUGHES. Mr. Chairman, will the gentleman yield?

Mr. FIELDS. If I have any time left, I yield to the gentleman from New Jersey.

Mr. HUGHES. I thank the gentleman for yielding.

Mr. Chairman, everybody around here seems to be discussing New Jersey law inaccurately. In the first place, if you were heading for Africa and you needed a handgun for that purpose, you could transport that handgun for that purpose under New Jersey law, provided the handgun is uncased, not readily accessible, you are traveling a direct route; in fact, on your trip to Newark you did not find yourself in Havre de Grace, MD. If you were going the direct route, you would be all right under New Jersey law.

Let me just also make a couple of other points.

The CHAIRMAN. The time of the gentleman from Texas [Mr. FIELDS] has expired.

(On request of Mr. HUGHES and by unanimous consent, Mr. FIELDS was allowed to proceed for 1 additional minute.)

□ 1620

Mr. HUGHES. The gentleman indicated, if he would yield to me, that under the Hughes amendment that we created a whole new definition of dealer that would be unworkable. I think the gentleman said the BATF said it was unworkable.

It is interesting. We oversee the BATF, and we have never heard that before. The definition we use is the definition already ruled on by the courts. It was taken from the Fifth Circuit, U.S. Court of Appeals decision. It requires in order to be a dealer that one devote time, attention and labor in dealing with guns on a recurring basis, and for that purpose maintain inventory or represent to the public that they can secure weapons for sale.

So it is not accurate to suggest that it is unworkable, because it is presently being workable.

Mr. FIELDS. If I can reclaim my time for just a moment, what I said was that the Treasury Department and the Justice Department said that it was clearly unworkable.

Mr. HUGHES. It is the law of the land today, the law of the land today. Insofar as handguns in your State, the Judiciary Committee does not change State law.

There is some misunderstanding about that. What the Volkmer bill

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would do would be to change State law. We are not changing existing law with regard to handguns. The laws that presently exist with regard to handguns remain the same. Under the Volkmer bill, that changes the law with regard to handguns, and that is where the police officers of this country are so upset about it.

The CHAIRMAN. The time of the gentleman from Texas [Mr. Fields] has again expired.

(By unanimous consent, Mr. Fields was allowed to proceed for 1 additional minute.)

Mr. FIELDS. Mr. Chairman, I would like to ask a question of the gentleman from New Jersey [Mr. Hughes] because I want to make sure I have a clear understanding. I have hunted with handguns in this country. Are there some States that would preclude my ability to transport handguns through their particular jurisdiction under your piece of legislation?

Mr. HUGHES. No, not under my piece of legislation. We do not change any existing law. We change existing law with regard to the long guns. We say notwithstanding any other laws within the United States, but that is the overriding law with regard to long guns, and we are not changing the law with regard to handguns.

Mr. FIELDS. There are certain States that would preclude me from transporting a firearm through that particular State?

Mr. HUGHES. Yes.

Mr. FIELDS. And we do not change it?

Mr. HUGHES. No. I find it interesting that folks around here talk about federalism all of the time and leave it to all of the States to regulate firearms. Now all of a sudden we are going to overrule all of those laws, and that is what I find very interesting.

Mr. MARLENEE. Mr. Chairman, will the gentleman yield?

Mr. FIELDS. I yield to the gentleman from Montana.

Mr. MARLENEE. Mr. Chairman, that gets back to the basic point. Yes, perhaps you could go through Newark in transporting that handgun to protect yourself in Africa. But if they changed the law and said that it was unlawful to have a handgun in your possession, you could not do it. You could not do it in the District of Columbia.

Mr. ROBINSON. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I have followed this debate very closely over the last several hours, and I must say that I am disappointed that some Members of this great body have, probably not intentionally, but they have misrepresented certain facts on both sides. So what I would like to do for my few minutes this afternoon is present some facts and hopefully focus that debate back on the real issue, and that is whether or not the 1968 Gun Control Act has deterred homicides in this country, and whether or not relaxing those standards will cause the crime rate to either go up or down.

Let us look at pre-1968 gun control crime statistics. I use the years 1952 to 1968. The rate of homocides increased in the United States by 28 percent. That is pre-1968 Gun Control Act.

Now let us look at post-Gun Control Act, 1968 to 1980. The homocide rate did not go down after we passed the 1968 Gun Control Act. It has increased by 50 percent. Bear in mind pre-1968, the homocide rate went up by 28 percent. After we passed this, it went up by 50 percent.

Mr. HUGHES. Mr. Chairman, will the gentleman yield to me, just briefly on that point?

Mr. ROBINSON. I yield to the gentleman from New Jersey.

Mr. HUGHES. Mr. Chairman, it is interesting that our Subcommittee on Crime passed a forfeiture bill, major new initiatives in dealing with drug traffickers, I mean, a whole host of new initiatives, new wiretap authority in some areas, and you know the crime rate went up. Does that mean that the tools are not working?

Mr. ROBINSON. Mr. Chairman, that is not germane to what I am talking about.

Furthermore, in a recent study commissioned by the U.S. Department of Justice, we found among convicted felons incarcerated in our penitentiaries around this country that 88 percent of those criminals surveyed thought that the 1968 gun control laws only applied to law-abiding citizens. They did not think that law applied to them because they were criminals. The reason they thought that was simple. They do not buy guns at the local sporting gun stores. Statistics will prove that they steal guns or buy them on the black market.

But please listen to this statistic from that survey. The criminal's fear of an armed victim was pronounced. In States with less restrictive gun control laws, criminals are less likely to attack citizens because of the possibility that they might be armed.

Furthermore, the Hughes amendment, in my opinion, like the 1968 Gun Control Act, could cause the arrest of every police officer that traveled to the District of Columbia, the U.S. Capitol, to lobby us because they are not allowed to transport their pistol across State lines unless they were going up here to hunt us, and in one sense, they were hunting us, but for different purposes. The Gun Control Act of 1968, in my opinion, has not worked. The Hughes amendment is an overreaction to the 218 signatures on the petition of discharge. That is the real issue.

This body spoke, 218 of us said enough is enough. We sent a message to the chairman of the Judiciary Committee that we were tired of that committee being a graveyard of bills that citizens want debated on this floor.

In fact, if you will look at the track record of this committee, in the 96th Congress, they only reported out 8 percent of the bills referred to that committee; in the 97th, 6 percent; in the 98th, 9 percent; and in this Congress, 4 percent.

I ask all 218 of you to think about two things. First, you can demonstrate that the Members still rule this great body. But second, and most importantly, think about the Constitution of the United States of America. Our citizens have a constitutional right to bear arms, to buy weapons, and to travel interstate with those weapons.

This is not a law enforcement bill. This is a citizen-killing bill. It is taking constitutional rights away from our citizens.

I ask you to vote against the Hughes amendment and vote for the Volkmer substitute.

Mr. MORRISON of Connecticut. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, there has been an extensive debate on this amendment. But I think it is time to focus attention down to the merits of what is to be decided on the Hughes amendment. I think a moment should be taken in defense of the work of the Crime Subcommittee in bringing this amendment and the bill that is the underlying vehicle here to the floor.

Some people have spoken of graveyards and the like. That is popular rhetoric here on the floor. But the truth is that the Crime Subcommittee, of which I am proud to be a member, and under the leadership of our chairman, the gentleman from New Jersey [Mr. Hughes] and the ranking member, the gentleman from Florida [Mr. McCollum] that subcommittee, I think, has been diligent with respect to several law enforcement issues. And I think that that committee, our committee has credibility on that subject. Whatever might be said about other judiciary issues and how people feel about them, and where they want them to go, the committee has worked these issues hard. And on this bill, and on bringing this bill to the floor, extensive hearings and hard work and a 35-to-0 vote reporting the bill out and bringing it to the floor. So let us not have this issue decided on some notion of whether the Judiciary Committee has covered all of the bases or done all of the things that need doing. This subcommittee has considered this legislation responsibly and it has been brought to the floor in a responsible bipartisan fashion, and I hope the action with respect to this amendment will get the same consideration and bipartisan decision on the merits as the subcommittee and the committee gave it during the consideration this spring.

It seems clear to me that there are specific issues that are at stake on this amendment. This is not some generalized debate about gun control or no gun control. We are all agreed that there are things that need to be modified and improved in the 1968 act. We are all agreed that there are certain impositions on dealers and on hunters that can be modified without doing any damage to the law enforcement interest that we have in the gun control area.

But it seems to me that there are specific things in the Hughes amendment that are critical and that ought to persuade a majority of Members here in this body that it is necessary to pass this amendment. They have been discussed. Interstate sale of handguns, something that we do not need to relax. The interests of hunters is accommodated with the relaxation of interstate sales of long guns, and that ought to be sufficient to accommodate the real needs that are being addressed.

We hear a lot in this body about States' rights and the need for States to determine their own local laws. This legislation, as amended by the Hughes amendment, will respect the right of States to make their determinations on local gun laws.

The Volkmer bill will override those decisions.

Some people have objections to the laws of some states about interstate transport. But that is not the point. The point is that the Hughes amendment maintains the existing rights of States to make that local determination, and it does not federalize that decision.

Silencers. Silencers have been debated and discussed, and I have not yet heard one reason why it would be that silencers need to be legalized. Silencers should be illegal. It is a very strong and an appropriate law enforcement tool that is in the amendment offered by the gentleman from New Jersey.

Machinegun parts once again, we do not need people with machineguns. Hunters are not hunting with machineguns. There is no sporting interest, and the conversion parts for machineguns, which are banned under this amendment, ought to be banned.

We also have preservation of the enforcement possibilities against dealers, both with respect to unannounced inspections and with respect to a reasonable, sensible definition of what a dealer is. The fact is that we are talking about modifying, improving, making more effective the 1968 act, taking away impositions that may exist without doing any damage to the proper law enforcement interests.

Striking that balance means a "yes" vote for the Hughes amendment. As so modified, the Volkmer bill is not perfect, but it is something that moves in a sensible and a supportable and a reasonable direction, and I hope this body will support the Hughes amendment.

Mr. HUGHES. Mr. Chairman, I rise to determine how many additional Members want to be heard on this particular amendment because we have been on this now for almost 2½ hours. There are a number of Members that have noticed amendments, and it would be unfair for us not to give them adequate time. I would propose that we cease all debate on this amendment in 15 minutes.

Mr. McCOLLUM. If the gentleman would yield, would he mind shortening that, if the Members would agree, to 10 minutes? Would the gentleman yield to that suggestion?

Mr. HUGHES. The gentleman from Missouri [Mr. Volkmer] needs at least 5 minutes. Is there objection to 10?

Mr. VOLKMER. I would object to 10 minutes, because a lot has been said here.

Mr. HUGHES. Mr. Chairman, I ask unanimous consent that all debate on this amendment cease in 15 minutes.

The CHAIRMAN. Is there objection to the request of the gentleman from New Jersey?

There was no objection.

The CHAIRMAN. Members standing at the time the unanimous-consent request was agreed to will be recognized for 2½ minutes each.

The Chair recognizes the gentleman from Ohio [Mr. Traficant].

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Mr. TRAFICANT. Mr. Chairman, I want to commend Mr. Hughes, and his leadership of the Subcommittee on Crime, and the efforts he has made; and that is not a derogatory statement toward the gentleman from Missouri who has also worked very hard and his intentions are very honorable.

However, we just heard a litany of an awful lot of statistics. One of the things that we are dealing with today, I think, is more than just the gun issue; I think we are dealing with the lobby issue today as well. We are dealing with a commonsense issue.

If anybody is endangering, limiting the rights of Americans to have guns, it will be the overzealous that continue to try to hold to laws that are not only outdated but make the use of guns the most dangerous thing in our society.

We, in here today, are making a decision on whether or not a lobby in this country sets the policy for the use of guns, or the Representatives duly elected by the people. That decision, I think, is quite clear today. If anybody here can tell me what a silencer has to do with a hunter, what a machinegun has to do with a hunter, what a cop-killer bullet has to do with a hunter, my God, we have taken that rationale and beat it like a dead horse to try to continue to maximize some argument to keep lenient laws that have literally caused havoc in this country.

It is time for us to do the responsible thing. It is time for us all now to vote for what is best for America; and the vote that is best for America will be to tighten this thing up, and it will protect the people's right to bear arms, and it will preserve that constitutional right.

Believe me, do not let the American people suffer some major tragedy and react by demanding our scalps for letting this business of guns go unattended and unabated by the responsible people elected to handle it.

That is our job today. This is a bunch of rhetoric, and we have loosened it up too much. I would appreciate it if the Members would consider that when they come to vote.

I had seen the former FBI agent from Ohio up here, and his comments were very, very relevant; and I appreciated them, Mr. Oxley, and I believe many others have.

Let us take emotion out of this, let us forget the PAC's, let us forget the lobbies, let us vote our conscience, and let us look at what is best for the country today. This is a very important vote; maybe one of the most important of this session.

The CHAIRMAN. The Chair recognizes the gentleman from New York [Mr. Scheuer].

Mr. SCHEUER. Mr. Chairman, we heard a few minutes ago the proposition that since crime rates went up after the 1968 Firearms Act was passed that the law does not do much good.

Well, Mr. Chairman, we have a crisis problem on our hands. Nobody around the world can understand why America is bathed in its own blood. An average of four to six people are killed every year by handguns in Australia. About eight people a year die in Great Britain and in Canada. Sweden averages about 18 people a year, while Israel averages about 25 people a year, and that is a country where virtually every adult citizen is armed to the teeth to protect themselves against terrorism.

Mr. Chairman, I regret to say that our figure, for our country, is 50; but it is not 50 a year, it is 50 a day. It is 20,000 deaths caused by sidearms each year—200,000 in the last decade. Our rate is 600 times higher than Great Britain's, 300 times higher than Australia's, 250 times higher than Canada's, 14 times higher than Israel.

We have talked about the bizarre, the absurd, the almost monstrous idea of this Congress sitting seriously and talking about protecting the right of sportsmen to use silencers, sportsmen

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to use machineguns, sportsmen to use plastic sidearms that go through metal detectors without being detected. The dream of the terrorist world, the dream of Mu'ammar Qadhafi is that we would pass a bill that makes it possible for terrorists and the other madmen of the world to overrun our country with guns that cannot be detected, but can kill helpless citizens.

We have an opportunity here today to pass a bill that will help to protect the lives and safety of our citizens and our law enforcement officers, while providing sportsmen with reasonable and responsible benefits.

The bill sponsored by our distinguished colleague from New Jersey [Mr. Hughes] and reported out unanimously by the Judiciary Committee continues to prohibit the interstate sale of handguns.

It also insures that those who use firearms in the commission of a crime or those who possess vicious instruments of death such as machineguns and silencers will face mandatory penalties.

Handguns are a serious and deadly problem in our country.

This House cannot let a small group of armed zealots succeed in diluting Federal firearms laws and make our local, State, and Federal police officers targets for every gun-toting thug in America.

A number of responsible and reputable organizations, including: The Fraternal Order of Police; the National Sheriffs' Association; the International Brotherhood of Police Officers; the International Association of Police Chiefs; the National Troopers' Coalition; and the National Conference of Mayors, have endorsed the Judiciary Committee bill.

In addition, New York City Mayor Koch and law enforcement representatives of the New York-New Jersey Port Authority have urged me to support the Hughes bill.

I have no gripes with hunters and gun collectors who use firearms in a responsible manner—and they should realize that the Hughes bill will not hinder their pursuit of their sport or hobby.

What the bill will do is make it a little harder for drug addicts, muggers, deranged individuals, and other criminal elements to procure handguns.

Mr. Chairman, I hope this body will go one step further and vote in favor of amendments that will ban the newly developed plastic handguns and require a waiting period for those who wish to purchase handguns.

We are a civilized society.

Let us represent that civilized society in this House and vote for the safety of our police officers, our public officials, and every other citizen who fears that someday he or she may be looking down the barrel of a handgun.

The CHAIRMAN. The Chair recognizes the gentleman from New Jersey [Mr. Torricelli].

Mr. TORRICELLI. Mr. Chairman, today debate arms control; not the kind of arms control discussed in Geneva that may or may not ever bring harm to the American people, but the real threat of arms, the spiraling growth of arms in America, 100 million guns in the streets and the homes of the United States.

The threat is real; an additional gun sold every 13 seconds in this country. Look at yourselves. One out of every five of you, in your lifetime, will be a victim of the misuse of a gun. One in eight of you have already been fired upon, held up, or had a gun pointed at you. That is the real threat.

What do we ask? Restrictions in silencers? What legitimate reason is there that an American wants to have a silencer in their home? Machineguns? What legitimate hunter wants to take a machinegun out for an afternoon?

Recordkeeping. So we know when a criminal tries to buy a gun, we can check the record, find out where they bought the gun, after the abuse has been committed.

Mr. Chairman, reasonable controls work. The laws of my State of New Jersey have been at issue here. I tell you, I am proud of those laws and they have worked. The murder rate in my State, where we have reasonable controls, is half your rate, what it is in Texas. Next year, on a per capita basis, that means that 100 citizens of my State will live while 100 citizens of your State of Texas will die.

I ask that you join in the support of the Hughes amendment. Make this a victory today for the American people. Defeat this Hughes amendment: I tell you, there will be cheering among the drug dealers of Miami; there will be cheering among organized crime in New York and Chicago.

This is a victory you can give to the American people. Give America a new freedom, a freedom to be free in our homes and the fear of guns. Free to walk our streets, knowing that this proliferation of guns will stop.

The CHAIRMAN. The Chair recognizes the gentleman from Michigan [Mr. Dingell].

Mr. DINGELL. Mr. Chairman, I have listened to this debate for a goodly while. One of the reasons that we are here today under the strictures under which we labor is that the Judiciary Committee has opposed the consideration of this type of legislation for a long period of time. The committee has demonstrated its extraordinary opposition to any relief for sportsmen and other law-abiding citizens.

The Volkmer substitute does not make it easier for criminals to obtain guns; it simply eliminates those abuses which unfortunately afflict honest citizens.

I observe that the late arrival of legislation from the Committee on the Judiciary carries with it all of the earmarks of being simply an attempt to derail something which 218 Members of the House have said is necessary.

This legislation is supported by law-abiding honest citizens, by the International Union of Police Associations, by the National Wildlife Federation, by the National Rifle Association, and by scores of other organizations of law-abiding citizens inside and outside law enforcement.

With regard to H.R. 4332, and the so-called Hughes law enforcement amendment, the Department of Justice and the administration have raised some critical points. They point out that the Hughes amendment does away with the distinction between willfulness and knowledge as a criminal intent standard for various violations of our firearms laws. Such a slurring of distinction throws honest citizens in with real criminals with regard to enforcement matters on subjects of intent.

The Hughes amendment provides a nightmare definition of "engaged in the business" which gun owners would have to live under. Such a definition could require anyone who buys or sells more than two guns a year, the duty to become a licensed firearms dealer.

The amendment also departs from the Volkmer substitute by requiring certain types of recordkeeping on ammunition. The Hughes amendment also would seriously impair the rights of law-abiding citizens and sportsmen to transport firearms from State to State in a law-abiding fashion, while permitting criminals to continue their nefarious practices.

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In summary, the Hughes amendment is simply an amendment put forward to gut the major provisions of the Volkmer substitute, which is a well reasoned bill intended to help clarify the law for honest sportsmen and firearms owners.

The CHAIRMAN. The Chair recognizes the gentleman from Missouri [Mr. Volkmer] for 2½ minutes.

Mr. HUGHES. Mr. Chairman, may I inquire how much time I have remaining?

The CHAIRMAN. The gentleman from New Jersey [Mr. Hughes] has 2½ minutes remaining.

(By unanimous consent, Mr. Hughes yielded 1½ minutes to Mr. Volkmer.)

The CHAIRMAN. The Chair recognizes the gentleman from Missouri [Mr. Volkmer].

Mr. VOLKMER. Mr. Chairman, I yield to the gentleman from Georgia [Mr. Thomas].

Mr. THOMAS of Georgia. Mr. Chairman, I rise in support of the Volkmer substitute and in opposition to the Hughes amendment.

I am an avid outdoorsman, hunter, and sporting enthusiast, as well as a firm believer in the constitutional right of all citizens to keep and bear arms. After a very careful examination of the 1968 Gun Control Act, it is my firm belief that the Volkmer substitute addresses the need to ease existing restraints against legitimate gun owners, collectors, and dealers. It does not, in my opinion, undermine the efforts of our law enforcement officers to apprehend known criminals or those persons who willfully violate existing law.

Unlike the committee bill, the Volkmer substitute would allow for the interstate sale of handguns, as well as long guns and rifles. The seller of these weapons must be a licensed dealer and both the buyer and the seller must be physically present at the time of the sale. Any sale must comply with applicable State and local laws in both the buyer's and the seller's State.

In my view, it is not valid to say that a citizen can buy a handgun in his own State, but not in a neighboring State. A criminal is not going to be more or less inclined to buy a handgun as a result of the Volkmer provision.

A criminal is going to steal his gun or buy it outside the legal retail trade. If he is inclined to use false identification or other subterfuge to buy a gun from a law-abiding dealer, he will certainly not be deterred by the committee bill. Only the legitimate purchaser will be inconvienced.

The Volkmer substitute clearly defines a licensed dealer as any person engaged in the business of gun dealing to mean persons selling guns primarily from a motive of monetary gain. Exchanges between collectors strictly for hobby purposes would be excluded from the definition.

The substitute, like the committee bill, makes it illegal for anyone to sell or transfer a firearm to any person who they know or reasonably believe is a convicted felon, a fugitive from justice, a drug addict or user, a mental incompetent, a dishonorably discharged veteran, or who has renounced U.S. citizenship.

In my judgment, these provisions relating to interstate sales will only allow law-abiding citizens who are legally entitled to purchase firearms in their own States to do so in other States. State and local laws in the buyer's and the seller's State would have to be complied with, but no State and local laws could be usurped.

The substitute proposal provides for one unannounced dealer record compliance inspection per year by the Bureau of Alcohol, Tobacco and Firearms. Most recordkeeping related to the sale of ammunition, except armor-piercing ammunition, would be eliminated. The bill specifically exempts the transfer of firearms to and from a dealer's personal collection from any recordkeeping requirements.

One of the disturbing provisions of the committee bill is the requirement that all firearms dealers must give notice to law enforcement authorities in the purchaser's residence and the FBI at the time of the sale or transfer of handguns. The records of these purchases would have to be destroyed within 90 days of receipt unless the investigation of the purchaser's record indicates any illegal activity.

Law enforcement officials in my own State have told me that they do not have the manpower or financial resources to comply with these types of record checks. In addition, no criminal is likely to give his proper name and address at the time of purchase, so for all practical purposes this burdensome notice requirement will have little impact on criminals obtaining handguns. For these reasons, I strongly support the provision in the Volkmer substitute which does not require gun dealers to notify the police of handgun sales.

There is one final provision in the Volkmer substitute which I would like to address, and that provision guarantees individuals the right to travel in interstate commerce with a secured unloaded firearm, including a handgun, for legitimate purposes or to change residence.

The committee bill, on the other hand, only authorizes the interstate transportation of secured handguns and rifles for sporting purposes or when moving. Thirty-seven States have laws which allow handguns to be used for hunting purposes, and it makes no sense to allow for the interstate transportation of shotguns and rifles, while denying that clearance for handguns which are used only for legitimate purposes. Existing protections against the transportation of firearms with the intent to commit a crime would remain in effect.

Let me summarize by stating that the Volkmer substitute is a balanced approach to meeting the concerns expressed by legitimate gun owners while still allowing our law enforcement personnel to do their job effectively.

It will not result in increased criminal activity, but simply provides some needed revision and clarification of an 18-year-old statute that in some cases has placed burdensome requirements on legitimate gun collectors and dealers. I urge a "yes" vote on the Volkmer substitute.

Mr. VOLKMER. Mr. Chairman, I yield to the gentleman from Idaho [Mr. Stallings].

Mr. STALLINGS. Mr. Chairman, I also rise in strong support of the Volkmer amendment.

Mr. Chairman, it is ironic that Mr. Volkmer's bill is the substitute when we all know which of the two bills came first and the circumstances under which the committee bill originated.

Nonetheless, I am pleased to have the chance finally to vote on legislation that will ease unnecessary Government restrictions on law-abiding gun owners.

Over the past few months, I have had the privilege to work closely with Mr. Volkmer on the discharge petition, and I would like to thank him now for his leadership on and commitment to this issue.

In addition, I would like to thank the many concerned and dedicated members in both parties who joined together to gather the signatures needed to free the Volkmer bill from committee. I am pleased to join this bipartisan group of supporters to endorse legislation which will protect our constitutional right to bear arms, and I value the relationships that I have gained.

Mr. Chairman, there has been much disinformation spread about this bill. The antigun lobby continues to claim that this legislation is opposed by every law enforcement agency. This is simply not true. I have received letters from six national law enforcement agencies who support the Firearms Owners Protection Act. Included among these was a letter from the AFL–CIO police association, which is the largest police organization in America. I have also received many letters from individual police officers who support this legislation.

Gun ownership is a basic constitutional right in America. Responsible gun ownership is a right, not a crime, and it should be treated as such. A person who commits a crime while using a firearm should be punished, not law-abiding sportsmen.

Consequently, I urge all Members to support the Volkmer substitute.

Mr. VOLKMER. Mr. Chairman, I probably have about 3 minutes left which is not nearly enough to refute all of the allegations made here with regard to the Hughes amendment against the Volkmer substitute. We do have unannounced inspections provided in our bill. The definition of "engaged in business" in our bill has been written with and approved by both the Justice Department and Treasury—BATF. The definition that is in the Hughes amendment is defective. The BATF in discussing this with them yesterday admitted that their definition would probably require even hand loaders of ammunition to be licensed as ammunition manufacturers; it would require that persons who have traded a gun in their lifetime and want to recur and trade another one later on, honest citizens and sportsmen, would have to be licensed. That definition really guts this bill. If this amendment passes with this definition, you can forget the whole legislation in my opinion.

You have got to remember that the definition in the substitute was written in conjunction with those who are enforcing the gun control act. I would like to point out that we do provide for recordkeeping, for armor-piercing bullets, that we do provide the same definition with the McCollum technical amendment to ours which we will accept, the same definition on parts, conversion parts or kits for machine guns, which is identical to what is in the Hughes bill. So there is no difference in regard to that.

I would like to also state that the Hughes amendment basically is very defective, that it would basically gut the substitute bill, that the provisions with regard to what many people have said, silencers, there will be a later amendment on that, if you want to vote on that, you can have a separate amendment. The gentleman from Florida and the gentleman from California as I understand will be offering a separate amendment on the question of silencers. And on the matter of transportation of handguns, you have got to remember that we are not doing away with any State or local law. The State or local law is still there. All we are saying is that if you are arrested and you have been doing it for a lawful purpose, if you are transporting for a lawful purpose, you can raise it as a defense. This is specifically set out in the Senate report; it is specifically the language in the bill. All it is is a defense to prosecution that you

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are transporting a handgun for a lawful purpose. It does not do away with New Jersey or New York law or any other law.

The final thing that I would like to point out with the amendment is that it does not make any big major difference as far as, as I said, the machinegun parts. We are taking care of that. We will have the same definition. There will be no difference between our bills. We agree on the definition of conversion kits, and we are going to take care of it. So basically the amendment is one with a definition that we have would really do major harm to all the firearms owners of this country. Basically it leads to registration of everybody that owns a gun in the United States, he is really going to have to end up and be registered.

The CHAIRMAN. Does the gentleman from Florida [Mr. McCOLLUM] seek recognition?

Mr. McCOLLUM. I do not, Mr. Chairman, seek recognition.

Mr. HUGHES. Mr. Chairman, will the gentleman from Florida yield his time to me?

Mr. McCOLLUM. What would the gentleman like yielded to him?

Mr. HUGHES. Two and one-half minutes.

(By unanimous consent, Mr. McCOLLUM yielded his time to Mr. HUGHES.)

The CHAIRMAN. The Chair recognizes the gentleman from New Jersey [Mr. HUGHES] to conclude debate.

Mr. HUGHES. Mr. Chairman, I yield to the gentlewoman from Illinois [Mrs. COLLINS].

Mrs. COLLINS. Mr. Chairman, I rise in vehement opposition to the Volkmer substitute to H.R. 4332. I have always worked vigorously for effective gun control legislation. This year I have introduced two such measures. One of my bills, H.R. 299, provides for mandatory registration of handguns. I have been invited to testify on this legislation before the House Judiciary Subcommittee on Crime. My second bill H.R. 306, creates an additional tax on handguns, and uses the proceeds of the tax to establish a program to compensate victims of handgun crime. In addition, I have cosponsored H.R. 2861, which bans the import, manufacture, sale, and transfer of small concealable handguns. These measures respond to the clear evidence that there is a need for strong gun control legislation.

Given the shocking statistics on handgun crime, we must continue to press for their passage, as well as for State and local efforts to control firearms. We simply cannot ignore the fact that we live in a country where over 20,000 die annually in handgun related deaths. As the FBI's 1984 report "Crime In the United States" shows, handguns were used in nearly half of all the murders in this country. Moreover, according to the 1984 Uniform Crime Report, 60 percent of the murderers in this country were not unknown criminal intruders or assailants, but were instead either family, friends, or acquaintances of their victims. This is further justification that there is a need for strong gun control legislation.

A survey by the U.S. Bureau of Alcohol, Tobacco and Firearms indicated that handguns are used in about 75 percent of all crimes in which weapons could be traced. Perhaps most shocking of all are estimates that 30 people are murdered every day with a handgun. This data convincingly shows that there is a need for strong gun control legislation.

Importantly, the 1984 Uniform Crime Report has shown that gun control regulations work. Regions of the country with strict handgun regulations have significantly lower murder rates than regions having lax or no gun control regulations. Accordingly, we can conclude that the strong regulations in my home State of Illinois, in such towns and cities as Oak Park, Morton Grove, Evanston, and Chicago, are saving lives. Clearly this demonstrates that there is a need for strong gun control legislation.

Despite all this evidence crying out for stronger gun control measures, the Volkmer substitute would foolishly water down existing gun control laws. Specifically the measure would permit the interstate sale of both rifles and handguns, make it easier to travel between States with rifle and handguns, and ease restrictions on gun dealers. This is a measure that ignores a plague of gun-related misery, of assassinations, of suffering. This is a measure that must be soundly defeated. Please join me in sending a message throughout the Nation: There is a need, a vital need, for strong gun control legislation.

Mr. JEFFORDS. Mr. Chairman, I rise today in reluctant support of the Hughes amendment package. As the Representative from Vermont, I come from one of the most rural areas in the Nation where hunting is an integral part of our tradition and way of life. Gun ownership is considered a cherished right and one that I, as a gunowner, have always supported.

In Vermont, gun control laws are few and far between and, thankfully, so, too, are serious crimes committed with firearms. In the 18 years since passage of the Gun Control Act of 1968, law-abiding gunowners in Vermont and nationwide have often borne the brunt of unworkable, unnecessary provisions in this law.

I support many of the provisions contained in the Volkmer substitute before us today that correct those longstanding problems. I also commend Mr. VOLKMER for revising his substitute to take into account some of the problems that were highlighted by the administration and the law enforcement community during the House Subcommittee on Crime's hearings on the issue last year.

However, as the former chief law enforcement officer for Vermont, I emphasize with additional concerns raised by law enforcement officers in Vermont and across the Nation. I am especially concerned about the provision in the Volkmer substitute that opens up the ability to cross State lines to purchase handguns. This overrides existing law. I agree with the provisions in both the Hughes amendment and the Volkmer substitute allowing interstate sales of shotguns and rifles. I see no overriding inconvenience, however, that necessitates altering existing law to allow the crossing of State lines to purchase handguns. Here, law enforcement considerations should prevail.

While there are some provisions within the Hughes amendment that I do not support, overall I believe the amendment—taken as a whole—improves the Volkmer substitute. It leaves intact many provisions to alleviate unnecessary complications created by the 1968 act, while taking into account the concerns of our law enforcement community.

Mr. HUGHES. You know, I sit here and get confused by some of the debate because I hear charges and countercharges. There are so many distortions it is just unfortunate. First of all make no mistake if Volkmer carries there will be a preemption, a preemption of New Jersey law, and a series of other laws that will not permit people to carry handguns in their cars.

There is no mistake about that, that will be a preemption. Now there has been a lot said about the Judiciary Committee. I want to tell you serving on the Judiciary Committee is a frustrating experience, not just for members on that side of the aisle, but for this side of the aisle.

I am proud of my 5 years of leadership of the Crime Subcommittee. I have had two great ranking Republicans. We have worked together and we got a lot of things done. "Hal" Sawyer of Michigan was a fine ranking Republican and "BILL" McCOLLUM is a fine ranking Republican and we work in a bipartisan fashion.

The Congressional Quarterly described my subcommittee as a mill. We passed out in the last two Congresses, and I will just mention a few: child pornography, career criminal, forfeiture bills, trademark counterfeiting, justice assistance, drug diversion, the drug czar, computer-crime legislation, antiterrorism legislation, credit cards, pharmacy robbery, antiterrorism, money-laundering, I could go on and on. We have turned out about 40 pieces of legislation in the last 5 years in the Subcommittee on Crime. You have given that subcommittee on many instances unanimous support. Those bills carried on this floor unanimously. It was the nucleus of that subcommittee that worked on this bill. We started from scratch and the bill that we developed in the Subcommittee on Crime on firearms legislation is a subcommittee that you have supported for the last several Congresses. It was a rational approach, thoughtful approach. We went through issue by issue, ask any member on either side of the aisle and they will tell you the same thing. That is why we ended up with a 10-to-zip vote and a 35-to-0 vote on firearms legislation.

Now on the full committee, as I said before, we have those who want to pass out bazookas at one extreme and those who want to take all handguns and everything else away, on the other extreme; and they are both wrong. We charted a rational course. What we

have in this amendment, this law enforcement package is the bottom line. It is what the police officers of this country believe they need to maintain, first of all, to secure their lives. You know, we ought to think about that for just a minute. You and I can debate about this but it is the police officer up there, out there on the streets throughout this country on the highways and byways, who are the people who stop the cars day in and day out and they are the ones who are faced with these handguns. Believe me when I tell you we are going to take a giant step backwards if we pass the Volkmer bill without this law-enforcement-amendment package in it.

Mr. Chairman, I urge my colleagues to support it.

The CHAIRMAN. All time has expired.

The question is on the amendments offered by the gentleman from New Jersey [Mr. HUGHES] to the amendment, as amended, offered by the gentleman from Missouri [Mr. VOLKMER] as a substitute for the Judiciary Committee amendment in the nature of a substitute, as amended.

The question was taken, and on a division (demanded by Mr. VOLKMER) there were—ayes 20, noes 23.

RECORDED VOTE

Mr. HUGHES. Mr. Chairman, I demand a recorded vote.

A recorded vote was ordered.

The vote was taken by electronic device, and there were—ayes 176, noes 248, not voting 10, as follows:

[Roll No. 70]

AYES—176

Ackerman
Akaka
Anderson
Annunzio
Anthony
Applegate
Aspin
Atkins
Barnes
Bateman
Bates
Bedell
Beilenson
Bennett
Berman
Biaggi
Boland
Bonior (MI)
Bonker
Borski
Boxer
Broomfield
Brown (CA)
Burton (CA)
Carper
Clay
Coelho
Coleman (MO)
Collins
Conte
Conyers
Coughlin
Courter
Coyne
Crockett
Dellums
DeWine
Dicks
Dixon
Donnelly
Downey
Durbin
Dwyer
Dymally
Early
Eckart (OH)
Edgar
Edwards (CA)
Evans (IL)
Fascell
Fawell
Fazio
Feighan
Florio
Foglietta
Ford (TN)
Frank
Frenzel
Frost
Garcia
Gejdenson
Gephardt
Gibbons
Gonzalez
Gradison
Gray (PA)
Green
Guarini
Hall (OH)
Hatcher
Hawkins
Hayes
Henry
Hertel
Hillis
Howard
Hoyer
Hughes
Hyde
Jacobs
Jeffords
Johnson
Kaptur
Kastenmeier
Kennelly
Kildee
Kleczka
Kostmayer
LaFalce
Lantos
Leach (IA)
Lehman (CA)
Lehman (FL)
Leland
Lent
Levin (MI)
Levine (CA)
Lipinski
Lowry (WA)
Lundine
Lungren
Manton
Markey
Martin (IL)
Matsui
Mavroules
Mazzoli
McGrath
McHugh
McKinney
Meyers
Mica
Mikulski
Miller (CA)
Miller (WA)
Mineta
Mitchell
Moakley
Molinari
Moody
Morrison (CT)
Mrazek
Nowak
Oakar
Owens
Oxley
Panetta
Parris
Pease
Pepper
Porter
Pursell
Rangel
Rinaldo
Rodino
Roe
Rostenkowski
Roukema
Roybal
Russo
Sabo
Savage
Saxton
Scheuer
Schneider
Schroeder
Schumer
Seiberling
Slaughter
Smith (FL)
Smith (NJ)
Solarz
St Germain
Stark
Stenholm
Stratton
Studds
Synar
Tauke
Torricelli
Towns
Traficant
Vento
Visclosky
Walgren
Waxman
Weiss
Wheat
Whitehurst
Wirth
Wolf
Wolpe
Wright
Wylie
Yates
Zschau

NOES—248

Alexander
Andrews
Archer
Armey
AuCoin
Badham
Barnard
Bartlett
Barton
Bentley
Bereuter
Bevill
Bilirakis
Bliley
Boehlert
Boggs
Boner (TN)
Bosco
Boucher
Boulter
Breaux
Brooks
Brown (CO)
Broyhill
Bruce
Bryant
Burton (IN)
Bustamante
Byron
Callahan
Campbell
Carney
Carr
Chandler
Chapman
Chappell
Chappie
Cheney
Clinger
Coats
Cobey
Coble
Coleman (TX)
Combest
Cooper
Craig
Crane
Daniel
Dannemeyer
Darden
Daschle
Daub
Davis
de la Garza
DeLay
Derrick
Dickinson
Dingell
DioGuardi
Dorgan (ND)
Dornan (CA)
Dowdy
Dreier
Duncan
Dyson
Eckert (NY)
Emerson
English
Erdreich
Evans (IA)
Fiedler
Fields
Fish
Flippo
Foley
Ford (MI)
Fowler
Franklin
Fuqua
Gallo
Gaydos
Gekas
Gilman
Gingrich
Glickman
Goodling
Gordon
Gray (IL)
Gregg
Gunderson
Hall, Ralph
Hamilton
Hammerschmidt
Hansen
Hartnett
Hefner
Hendon
Hiler
Holt
Hopkins
Horton
Hubbard
Huckaby
Hunter
Hutto
Ireland
Jenkins
Jones (NC)
Jones (OK)
Jones (TN)
Kanjorski
Kasich
Kemp
Kindness
Kolbe
Kolter
Kramer
Lagomarsino
Latta
Leath (TX)
Lewis (CA)
Lewis (FL)
Lightfoot
Livingston
Lloyd
Loeffler
Long
Lott
Lowery (CA)
Luken
Mack
MacKay
Madigan
Marlenee
Martin (NY)
McCain
McCandless
McCloskey
McCollum
McCurdy
McDade
McEwen
McKernan
McMillan
Michel
Miller (OH)
Mollohan
Monson
Montgomery
Moore
Moorhead
Morrison (WA)
Murphy
Murtha
Myers
Natcher
Neal
Nelson
Nielson
Oberstar
Obey
Olin
Ortiz
Packard
Pashayan
Penny
Perkins
Petri
Pickle
Price
Quillen
Rahall
Ray
Regula
Reid
Richardson
Ridge
Ritter
Roberts
Robinson
Roemer
Rogers
Rose
Roth
Rowland (CT)
Rowland (GA)
Rudd
Schaefer
Schuette
Schulze
Sensenbrenner
Sharp
Shaw
Shelby
Shumway
Shuster
Sikorski
Siljander
Sisisky
Skeen
Skelton
Slattery
Smith (IA)
Smith (NE)
Smith, Denny (OR)
Smith, Robert (NH)
Smith, Robert (OR)
Snowe
Snyder
Solomon
Spence
Spratt
Staggers
Stallings
Stangeland
Strang
Stump
Sundquist
Sweeney
Swift
Swindall
Tallon
Tauzin
Taylor
Thomas (CA)
Thomas (GA)
Traxler
Udall
Valentine
Vander Jagt
Volkmer
Vucanovich
Walker
Watkins
Weaver
Weber
Whitley
Whittaker
Whitten
Williams
Wilson
Wise
Wortley
Wyden
Yatron
Young (AK)
Young (FL)
Young (MO)

NOT VOTING—10

Addabbo
Edwards (OK)
Grotberg
Heftel
Lujan
Martinez
Nichols
O'Brien
Stokes
Torres

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Mr. TAUZIN and Mr. BARNARD changed their votes from "aye" to "no."

So the amendments to the amendment, as amended, offered as a substitute for the Judiciary Committee amendment in the nature of a substitute, as amended, was rejected.

The result of the vote was announced as above recorded.

AMENDMENT OFFERED BY MR. MCCOLLUM TO THE AMENDMENT, AS AMENDED, OFFERED BY MR. VOLKMER AS A SUBSTITUTE FOR THE JUDICIARY COMMITTEE AMENDMENT IN THE NATURE OF A SUBSTITUTE, AS AMENDED

Mr. McCOLLUM. Mr. Chairman, I offer an amendment to the amendment offered as a substitute for the Judiciary Committee amendment in the nature of a substitute.

The Clerk read as follows:

Amendment offered by Mr. McCOLLUM to the amendment, as amended, offered by Mr. VOLKMER as a substitute for the Judiciary Committee amendment in the nature of a substitute, as amended:

Page 7, strike out line 22 and all that follows through "firearms" on line 2 on page 8 and insert in lieu thereof "accomplish the transfer or to negotiate the transfer".

Page 19, line 2, strike out "this section" and insert "paragraph (2) of this subsection, subsection (b) or (c) of this section," in lieu thereof.

Page 27, beginning in line 23, strike out "part" and all that follows through "exclusively" in line 1 on page 28 and insert in lieu thereof "part designed and intended solely and exclusively, or combination of parts designed and intended,".

Page 5, line 22, strike out "part or".

Page 5, line 23, strike out "intended only" and insert "and intended" in lieu thereof.

Page 5, line 25, after "muffler" insert ", and any part intended only for use in such assembly or fabrication".

Page 22, line 24, strike out "not more" and insert "not less" in lieu thereof.

Page 23, line 1, strike out "suspsend" and insert "suspend" in lieu thereof.

Page 10, strike out line 5 and insert in lieu thereof the following:

(7) so that subsection (h) reads as follows:

"(h) it shall be unlawful for any individual, who to that individual's knowledge and while being employed for any person described in any paragraph of subsection (g) of this section, in the course of such employment—

"(1) to receive, possess, or transport any firearm or ammunition in or affecting interstate or foreign commerce; or

"(2) to receive any firearm or ammunition which has been shipped or transported in interstate or foreign commerce."; and

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Page 27, line 20, insert "(a)" before "Section".

Page 28, after line 2, insert the following:

"(b) Conforming Amendment.—Section 5845(a)(7) of the National Firearms Act (26 U.S.C. 5845(a)(7)) is amended to read "(7) any silencer (as defined in section 921 of title 18, United States Code);".

Mr. McCOLLUM (during the reading). Mr. Chairman, I ask unanimous consent that the amendment be considered as read and printed in the Record.

The CHAIRMAN. Is there objection to the request of the gentleman from Florida?

There was no objection.

Mr. McCOLLUM. Mr. Chairman, the amendment I am offering is in response to a six-part request from the Department of Treasury for amendments to the Volkmer substitute. I have worked carefully with Mr. Volkmer and others to address the Department of Treasury concerns in a manner that I believe is noncontroversial. Most of this amendment is technical. Other parts merely maintain existing law.

First, my amendment would delete a provision in the Volkmer substitute that would permit a dealer to mail firearms to a purchaser after an interstate sale that complies with the requirements of the substitute. Without this language, the interstate sale provision in the Volkmer bill will parallel the language in S. 49. The administration supports that provision of S. 49 which allows only shipment of firearms by a licensee to another licensee. This portion of my amendment is taken from an amendment previously published by Mr. Craig.

Second, my amendment merely clarifies the intent of Mr. Volkmer to apply a "knowing" standard of intent to sections 924(b) and 924(c) of title 18 of the United States Code. Under current law, both section 924(b), which prohibits the interstate receipt, shipment or transport of firearms with intent to commit a felony, and section 924(c), which creates a mandatory minimum sentence for the commission of a violent Federal felony, have a "knowing" standard. The word "knowing" does not appear in the language of these sections, but that clearly is the congressional intent and the manner in which these sections have been interpreted. It was Mr. Volkmer's intent that the "knowing" standard be maintained in his substitute for sections 924(b) and 924(c) and this amendment merely clarifies that intent. It is based on another amendment published earlier by Mr. Craig.

Third, my amendment, again, incorporates language put forward by Mr. Craig as well as others including Chairman Hughes. This section would clarify that the current law defining machinegun parts or combination of parts as machineguns themselves is maintained. This is accomplished by removing the language requiring that these parts or combination of parts be designed solely and exclusively for machineguns. This amendment also clarifies that the definition of machineguns includes a "part" that is intended solely and exclusively for a machinegun. This is not intended to alter current law regarding parts or the combination of machinegun parts or the intent in the Volkmer substitute.

The fourth part of my amendment incorporates language in the silencer definition to address a problem similar to the machinegun definition that I just discussed. Put simply, this portion of the amendment maintains the existing definition of silencer to include the parts or combination of silencer parts. The amendment also includes in the silencer definition any "part intended only for use in such assembly of fabrication." This amendment is not intended to alter the current law regarding parts or combination of silencer parts or the intent of the Volkmer substitute.

The fifth part of this amendment is taken from an amendment published by Mr. Craig to maintain the current mandatory minimum sentence of 15 years for career criminals. The Volkmer substitute inadvertently changed this current law and my amendment reasserts current law in a manner consistent with the committee bill and S. 49.

Finally, the sixth part of my amendment maintains current law in a section referred to as the "body guard amendment" or the "Mafia hit-man amendment." This provision is in existing law, the committee bill, and S. 49. It is inadvertently absent from the Volkmer substitute. This amendment maintains current law to prevent a convicted felon or other person prohibited from owning firearms from hiring another to carry a firearm solely for the benefit of the prohibited person.

One spelling error is corrected.

These amendments are presented at the request of the Department of the Treasury and are supported by the sponsor of the substitute, Mr. Volkmer, and by the sponsor of other amendments on which much of this amendment is based, Mr. Craig. I believe this amendment improves the bill from a technical standpoint and from a law enforcement perspective. I urge its adoption.

Mr. Chairman, I believe the gentleman from Missouri [Mr. Volkmer] would like to engage in a colloquy, and I yield to the gentleman for that purpose.

Mr. VOLKMER. Yes. Mr. Chairman, I do support the technical amendment offered by the gentleman from Florida. I would like to engage in a colloquy in regard to one part of it, and that is on the "hit-man" part of a felon. If the gentleman would be willing, I would like to discuss this part of the amendment.

Mr. McCOLLUM. Please proceed.

Mr. VOLKMER. The amendment would, in part, maintain existing law that is inadvertently missing from the Volkmer substitute. The language I am referring to, however, is included in S. 49 and in the Judiciary Committee bill, H.R. 4332. The purpose of this language is to make it a crime for the employee of a felon to ship, transport, or possess a firearm in the course of his employment. Is this correct?

Mr. McCOLLUM. That is how I read this provision and the current law. It is my intent by offering this amendment to maintain existing law.

Mr. VOLKMER. As I read this amendment, the employee would have to know that his employer is a felon. Is that correct?

Mr. McCOLLUM. Yes, that is correct.

Mr. VOLKMER. As I read this amendment, the employee would have to ship, transport, or possess the firearm in the course of his employment. Would this amendment prohibit the employee from owning firearms as a collector, a hunter, or for any other personal reason?

The CHAIRMAN. The time of the gentleman from Florida [Mr. McCollum] has expired.

(By unanimous consent, Mr. McCollum was allowed to proceed for 1 additional minute.)

Mr. McCOLLUM. Mr. Chairman. This amendment would not affect the employee's right to possess, ship, or transport firearms for any non-work-related reason. So long as the employee's attachment to the firearm is not for the benefit of the employer with a previous felony conviction, the employee is free to ship, transport, or possess firearms.

Mr. VOLKMER. Do you then believe that this amendment would not prohibit a garage mechanic, whose boss was previously convicted of a felony, from otherwise lawfully possessing his target pistol at the garage so that the mechanic could leave straight from work to attend his target shooting competition?

Mr. McCOLLUM. The garage mechanic would not be in violation of this amendment or current law under the facts you have just expressed. This amendment is supported by the Department of Treasury.

Mr. VOLKMER. I thank the gentleman for that clarification of congressional intent.

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Mr. LUNGREN. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I rise in support of this amendment. I think it is a noncontroversial amendment. I think it helps the bill. I think it is technical in nature.

I would also like to enter into a brief colloquy with the gentleman from Missouri regarding the references in his substitute to the U.S. Parole Commission. Would the gentleman discuss this issue with me briefly?

Mr. VOLKMER. Certainly. I would be more than happy to discuss the question of the gentleman from California.

Mr. LUNGREN. Section 104 of the Volkmer substitute sets forth both felony and misdemeanor penalties. On page 19 and 20 of the substitute, following these sentences is the language "and shall become eligible for parole as the Parole Commission shall determine."

In the sentencing provisions of the Comprehensive Crime Control Act of 1984, which we passed, we set forth a timetable to abolish parole for all cases occurring subsequent to the issuance of sentencing guidelines by the U.S. Sentencing Commission. The Parole Commission is scheduled to be abolished in 1991.

Is the gentleman's intent in referring to the Parole Commission in his substitute to comply with the existing treatment of parole in the Comprehensive Crime Control Act or to somehow exempt these gun crimes from our planned sentencing system?

Mr. VOLKMER. It is my intent to work within the framework set forth in the Comprehensive Crime Control Act of 1984, and I want to thank the gentleman from California for getting that legislation through. Thus, persons convicted under these sections will be subject to the sentencing guidelines like all other convicted persons. This language will become obsolete at the time that parole is no longer available to persons convicted of violating Federal criminal laws.

Mr. LUNGREN. I thank the gentleman for that clarification of congressional intent. I think it is an important point. Under that explanation, does the gentleman believe that we need an amendment to delete the reference to the Parole Commission?

Mr. VOLKMER. I do not think such an amendment is necessary since the language will not interfere with the current sentencing process. However, I have no strong objection to the gentleman's amendment since I do not believe it changes the impact of the substitute.

Mr. LUNGREN. Well, I thank the gentleman for his explanation.

I will not offer the amendment at this time because I agree with the gentleman's interpretation and his intent of the language in the substitute. We do not intend to change the life of the parole commission by reference to the parole commission in the substitute and it would only be with reference to those things that would take place prior to the scheduled expiration of the parole commission.

I thank the gentleman.

Mr. SHAW. Mr. Chairman, I move to strike the requisite number of words. I rise in support of the amendment of the gentleman from Florida.

Mr. Chairman, I rise in support of the amendment and urge its immediate passage.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Florida [Mr. McCollum] to the amendment, as amended, offered by the gentleman from Missouri [Mr. Volkmer], as a substitute for the Judiciary Committee amendment in the nature of a substitute, as amended.

The amendment to the amendment, as amended, offered as a substitute for the Judiciary Committee amendment in the nature of a substitute, as amended, was agreed to.

AMENDMENT OFFERED BY MR. HUGHES TO THE AMENDMENT, AS AMENDED, OFFERED BY MR. VOLKMER AS A SUBSTITUTE FOR THE JUDICIARY COMMITTEE AMENDMENT IN THE NATURE OF A SUBSTITUTE, AS AMENDED

Mr. HUGHES. Mr. Chairman, I offer an amendment to the amendment offered as a substitute for the Judiciary Committee amendment in the nature of a substitute.

The Clerk read as follows:

Amendment offered by Mr. Hughes to the amendment, as amended, offered by Mr. Volkmer as a substitute for the Judiciary Committee amendment in the nature of a substitute, as amended: Page 26, strike out line 16 and all that follows through the matter immediately following line 5 on page 27 and insert in lieu thereof the following:

SEC. 106. INTERSTATE TRANSPORT OF RIFLES AND SHOTGUNS.

Section 927 of title 18, United States Code, is amended—

(1) by inserting "(a)" before "No"; and

(2) by adding at the end the following:

"(b) Notwithstanding any provision of State or local law to the contrary, any individual may transport any secured shotgun or secured rifle from such individual's place of origin to any destination State if—

"(1) such transport is—

"(A) incident to the change of the individual's State of residence; or

"(B) for the purpose of lawful participation in, or returning from lawful participation in—

"(i) hunting;

"(ii) a shooting match or contest; or

"(iii) any other lawful sporting activity; and

"(2) the individual may lawfully transport and possess such shotgun or rifle—

"(A) in the individual's place of origin, the destination State, and the destination political subdivision of the destination State; and

"(B) under Federal law.

"(c) For purposes of subsection (b)—

"(1) a rifle or shotgun is secured if the rifle or shotgun—

"(A) is enclosed or cased;

"(B) is not readily accessible; and

"(C) is not loaded with ammunition; and

"(2) the term 'place of origin' means—

"(A) in the case of a change of residence, the State and political subdivision thereof from which residence is changed; and

"(B) in any other case, the State and political subdivision thereof in which the possession or transport of the rifle or shotfun begins.".

Mr. HUGHES (during the reading). Mr. Chairman, I ask unanimous consent that the amendment be considered as read and printed in the Record.

The CHAIRMAN. Is there objection to the request of the gentleman from New Jersey?

There was no objection.

The CHAIRMAN. The Chair would inquire of the gentleman, is the amendment printed in the Record?

Mr. HUGHES. It is printed in the Record, Mr. Chairman.

The CHAIRMAN. The gentleman from New Jersey [Mr. Hughes] is recognized for 5 minutes in support of his amendment.

Mr. HUGHES. Mr. Chairman, I know it has been a long day. I will say to my colleagues that if we can just settle down a little bit, I think we can get over a series of amendments.

The amendment I offer deals with the preemption of State and local handgun laws and the transportation of handguns across State lines.

In my view, this is one of the most objectionable provisions of the Volkmer bill. It certainly is a provision that concerns the policy greatly. I believe we must strike out the provisions of the Volkmer bill which undermine hundreds, if not thousands of State and local restrictions against the possession and carrying of handguns. These laws were wiped out because under the Volkmer bill it says that if you are legal under Federal law and if you are traveling in interstate commerce, Federal law now says that you can thumb your nose really at State and local laws.

Some of us may think this is merely the hunter's exception, a special rule to allow hunters to take their guns when they hunt in another State. Unfortunately, it is not limited to hunting or sporting purposes and it is not even limited to crossing State lines. A person could carry a handgun for any reason he chooses, or none at all, so long as he had a claim to be in interstate commerce. Any motorist stopped on an interstate highway could claim to be headed out of the State. Unlike the Judiciary Committee bill, the Volkmer bill would preempt even the laws of the home State and locality of such a person.

It could also make it legal to carry a gun from a State where it is illegal into another State where it is illegal.

For example, in New Jersey it is illegal under most circumstances to transport a handgun without a permit. In New York, one must have a license, yet a person regardless of whether they were New Yorkers or New Jer-

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seyites or Floridians could travel legally through or into any State.

We are told not to worry about the provision, because the handguns have to be unloaded and not readily accessible; however, one in a very few seconds can pull a pistol from its position of inaccessibility in an automobile glove compartment or other part of the car, take an ammunition clip from their coat pockets and insert it into the pistol and be ready for a fight to take it out on a police officer, or whatever.

I appeal to my colleagues, it just does not make sense to put firearms in the possession of individuals in their automobiles. We have enough incidents on highways. Police officers stop cars day in and day out on the highways and byways and they are killed by people carrying weapons in their automobiles.

If this amendment is not taken out of the Volkmer substitute, it means that police officers will see a proliferation, a tremendous proliferation of weapons and handguns in the automobiles of people carrying them around for any purpose whatsoever.

Now, I say that does not make sense. I am not going to prolong the debate. We have debated this and a number of other issues as part of the law enforcement package. This is one of the most serious concerns of the law enforcement community.

I would urge my colleagues to support the amendment. We do not need to put more handguns into automobiles, and it is as simple as that.

Mr. VOLKMER. Mr. Chairman, I rise in opposition to the amendment.

I would like to point out to the members of the committee that when the language that is in the Volkmer substitute was offered in the other body, by a Senator in the other body, there was an explanation and colloquy in regard to it.

I quite agree with the language that is presently in the substitute because it is taken verbatim from the language of the amendment to S. 49 in the Senate. There one of the sponsors of the amendment stated that the purpose of this amendment is to make clear that it is the intention of Congress that state and local statutes and regulations shall remain in effect, except that in certain narrow circumstances involving travel through one or more states other than the State of residence, a defense is available to prosecutions under State and local gun control laws.

We do not by the language in the substitute do away with or void any State or local ordinances in regard to transportation of handguns, rifles, and shotguns. We only say that if you do as a hunter and if you are arrested for going through that state without a permit, some States require permits, if you are arrested then you have a defense to a prosecution if you can prove that you have a legal right to own the gun, that you comply with Federal laws and that you are on a lawful purpose. You would have to prove it.

Therefore, it does not mean that State police, local police or anybody else, cannot stop somebody that has a gun in their car and arrest them. They can still do it even with our language. We do not change the local law.

Mr. CRAIG. Mr. Chairman, will my colleague yield?

Mr. VOLKMER. Yes.

Mr. CRAIG. Mr. Chairman, has not the problem in the past been a question of defense for being an innocent transporter through a State?

Mr. VOLKMER. Right.

Mr. CRAIG. And in no way does our substitute override State law; it simply says that in these instances where this kind of proof can be substantiated that this individual has that type of flexibility.

Mr. VOLKMER. Yes. He would have a defense to a prosecution if he can prove to the satisfaction of a judge or a jury that it was for a lawful purpose. He would have to prove that and therefore we are not letting it wide open for any criminals or crooks or anybody else to drive through states that they cannot drive through now with guns in their cars, because if they do they can be arrested. They have no legitimate purpose. They can be fined or jailed for doing it, just like they can now.

Mr. CRAIG. Mr. Chairman, I thank my colleague.

Mr. VOLKMER. Mr. Chairman, I just would like to reiterate so that we have it on record in regard to the language that is in here that it is provided in the Congressional Record during the debate last July, on July 9 in the Senate, it says:

> Many firearms owners currently travel through Massachusetts or some localities like New York City local laws may forbid possession of firearms that may be used to arrest interstate travelers in commerce.

That is not unforeign. I was just out in my district in the last Easter recess, Mr. Chairman, and I had a constituent of mine who pointed out, as was earlier talked about, going to Africa and going hunting. He had gone to Africa and he came back through Kennedy, and that is in New York. He has his rifles and handguns. He was illegal while he was in Kennedy going through. He could have been arrested if they knew about it and he could have gone to jail and been prosecuted for just traveling through and going back to Missouri.

This would not permit that. They could still arrest him, but he would have a defense that he was lawfully traveling for a lawful purpose and therefore they would probably not arrest him after they found out the circumstances, but they could still make the initial arrest under our bill.

Now, I admit perhaps the problem that has come about in interpretation is the result of the original language that was in S. 49 and in H.R. 945 that would have voided, actually voided State and local laws to the contrary.

We eliminated that language. It is no longer in the bill. We only provide that the law is still there, but that it gives a defense to the people.

Therefore I speak in strong opposition to the amendment of the gentleman from New Jersey.

The CHAIRMAN. The time of the gentleman from Missouri has expired.

(At the request of Mr. Hughes, and by unanimous consent, Mr. Volkmer was allowed to proceed for 1 additional minute.)

Mr. HUGHES. Mr. Chairman, will the gentleman yield to me?

MR. VOLKMER. Yes; I yield.

Mr. HUGHES. Mr. Chairman, let me ask the gentleman, is this language still in the Volkmer substitute:

> "Any person not prohibited by this chapter from transporting, shipping, or receiving a firearm shall be entitled to transport an unloaded, not readily accessible firearm in interstate commerce notwithstanding any provision of any legislation enacted, or any rule or regulation prescribed by any State or political subdivision thereof.".

MR. VOLKMER. That is correct.

Mr. HUGHES. Well, I ask my colleague, is that not a direct preemption of State and local law?

MR. VOLKMER. No; it is not.

□ 1740

Mr. HUGHES. What does this mean, then; notwithstanding any provision of any legislation enacted or any rule or regulation prescribed by a State or political subdivision?

Mr. VOLKMER. That means that you have a defense to a prosecution in the event that you are charged, if you can prove that the things are not for an unlawful purpose.

Mr. HUGHES. If the gentleman will yield further, that is not what it says.

Mr. VOLKMER. Yes, it does.

Mr. HUGHES. It says notwithstanding any provision of any legislation enacted. That is a preemption pure and simple.

Mr. McCOLLUM. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I rise very briefly and very reluctantly to oppose this amendment. It is the critical amendment that I unfortunately opposed that the chairman had in the previous vote that we had on his omnibus amendment.

I do not happen to personally agree with the views that he has with regard to the dangers and concerns over the provisions in the Volkmer substitute regarding the interstate transportation of handguns. I hope that this debate can be limited very briefly. I am not going to extend it to any extent, but I would very much like the opportunity to vote for some of the other amendments which the gentleman has out of his omnibus package, hopefully to offer here shortly.

Unfortunately, as I said, I must oppose the amendment.

Mr. FISH. Mr. Chairman, will the gentleman yield?

Mr. McCOLLUM. I yield to the gentleman from New York.

Mr. FISH. I thank the gentleman for yielding.

Mr. Chairman, what we are talking about here is the transport of inaccessible and unloaded handguns from State to State. It is my opinion that the Volkmer substitute adequately addresses this issue.

I think it is important for the Members to understand that the word "inaccessible" under both case law and in the report of the other body means locked in a car trunk or a glove compartment. I see no need to frustrate honest, law-abiding citizens in the pursuit of a lawful activity, which is the transport of a handgun on an interstate basis to facilitate legitimate sporting purposes.

Mr. LUNGREN. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I rise in support of this amendment. This is a crucial amendment. It really comes down to what we want to do. As I say, in my particular district, the sportsmen have said to me, "Please give us an opportunity to transport our long guns for purposes of sporting."

We have heard on the floor here that that ought to be extended to handguns. That is the argument, whether you think that is necessary for legitimate sportsmen's purposes or whether, in this case, you would resolve doubt in favor of the law enforcement organizations that have asked us, in fact have pleaded with us, not to go this far.

Maybe they are in error. Maybe I am in error. Maybe after we make this change in the 1968 firearms law with respect to long guns, we will have a reconsideration and find down the line that this does not provide the problem for law enforcement that they think it is. But it just seems to me that when we have the law enforcement organizations, literally tens of thousands if not hundreds of thousands of people who serve us every day of every year, who put their lives on the line every day of every year, we ought to owe them something more than lipservice when they come to us and say, "We understand the legitimate needs of sportsmen. At the same time, we think this goes too far."

Inaccessible, yes; inaccessible weapons, handguns we are talking about, inaccessible in most cases probably means concealed. In many jurisdictions, we have a law against concealed handguns being carried in a car, even if unloaded. You may disagree with that. You may disagree with your local school district making a law. You may disagree with your local county making a law. You may disagree with your local State legislature making a law. But if federalism means anything, it means that we should tread very, very lightly when we are superseding local and State laws.

Despite what the gentleman from Missouri might say, this supersedes, this preempts State and local law. There are no two ways about it. The language says, "notwithstanding any local ordinance or State law." If that is not superseding, superseding has no meaning in the English language. This precisely means we are going to supersede, we are going to preempt State law and local law with respect to carrying handguns, inaccessible, yes; concealed, yes, in our cars.

I happen to think when the police in my area say to me, "On this question, be very, very careful. We happen to think it goes too far. We ask you, we plead with you, to keep us in mind," then I think we might tip the scales in their favor. That is what it is.

We had the omnibus bill. There are a lot of things in there some people wanted to pick and choose. This is the one, single question on interstate transport of single type of weapons, that is, handguns. It has nothing to do with long guns. A simple question: Do you think we ought to supersede, ought to preempt local law, State law, with respect to handguns being transported in your car. Police officers are very worried about it. I would hope that we would at least give them the benefit of the doubt here, recognizing that with all of our fury and all of our thunder in passing tough law enforcement legislation, most of the tough law enforcement comes to bear on local jurisdictions, with local police officers and State police. They are asking us. Let us at least give a nod to them in terms of their experience.

Mr. SMITH of Florida. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, the gentleman from California once again has done a very capable job of following up what the chairman of the subcommittee, the gentleman from New Jersey [Mr. Hughes] has said with reference to this amendment.

Please, let me take 2 minutes of your time. There has been debate here about whether or not the heads of these police organizations really speak for the rank and file. We know that many members of police agencies also belong to the NRA. We appreciate the fact that they enjoy handguns to use in relaxing sport-type activities, hunting and the like. They use long guns, they use shotguns. Many Americans do.

But in Florida, there is also a move to take away the right of individual municipalities to make restrictions on handguns. So Florida International University did a poll only of rank and file police officers. Florida is a rather big State when it comes to the use of sporting weapons. There are a lot of handguns in Florida, as you know. There are a lot of rifles and shotguns. Florida is a place where there is a lot of sports activity. They did a poll only of rank and file police officers.

Ninety-two percent of the rank and file police officers responded to the poll by saying that they believe their lives would be placed in much greater jeopardy if there was a law which removed restrictions on the movement of handguns inside the State. We are talking about nationally. We are talking about the 50 States. We are talking about a major change in the law.

Ladies and gentlemen, my colleagues, where is the problem? Who has come to you individually and asked you for this? Has there been a hue and cry since you have been in Congress to change this law? Have you gotten thousands of letters, like you did on withholding tax on income savings, to change the interstate transportation of handguns? Has the Government come to you and said, "We have a major problem. We need to change the law?"

You have not gotten it. I have not gotten it. There has not been that problem. There is not that problem now. The Volkmer substitute will allow for the free flow of the long guns and the shotguns.

Please, I beg you, do not change what is not a problem law. There does not need to be any redress. There is no problem to redress. Allow the Hughes amendment to pass. Make the Volkmer substitute have some reasonable relation to curing real problems. That is what we ask at this stage. It would be only fair. As the gentleman from California [Mr. Lungren] said: "It would certainly be right for the safety of the police in this country."

□ 1750

The CHAIRMAN. The question is on the amendment offered by the gentleman from New Jersey [Mr. Hughes] to the amendment as amended, offered by the gentleman from Missouri [Mr. Volkmer] as a substitute for the Judiciary Committee amendment in the nature of a substitute, as amended.

The question was taken; and on a division (demanded by Mr. Volkmer), there were—ayes 20, noes 24.

RECORDED VOTE

Mr. HUGHES. Mr. Chairman, I demand a recorded vote.

A recorded vote was ordered.

The vote was taken by electronic device, and there were—ayes 177, noes 242, not voting 15, as follows:

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[Roll No. 71]

AYES—177

Ackerman
Akaka
Anderson
Annunzio
Anthony
Applegate
Aspin
Atkins
Barnes
Bateman
Bates
Bedell
Beilenson
Bennett
Bereuter
Berman
Biaggi
Boggs
Boland
Bonior (MI)
Bonker
Borski
Boxer
Broomfield
Brown (CA)
Burton (CA)
Carper
Chandler
Clay
Coleman (MO)
Collins
Conte
Conyers
Courter
Coyne
Crockett
Dellums
Dicks
DioGuardi
Dixon
Donnelly
Downey
Dwyer
Dymally
Early
Edgar
Edwards (CA)
Evans (IL)
Fascell
Fawell
Fazio
Feighan
Florio
Foglietta
Ford (MI)
Ford (TN)
Fowler
Frank
Frenzel
Frost
Garcia
Gejdenson
Gibbons
Gonzalez
Goodling
Gradison
Gray (PA)
Green
Guarini
Hall (OH)
Hatcher
Hawkins
Hayes
Hertel
Hillis
Howard
Hughes
Hutto
Jacobs
Johnson
Jones (NC)
Kaptur
Kastenmeier
Kennelly
Kildee
Kleczka
LaFalce
Lantos
Leach (IA)
Lehman (CA)
Lehman (FL)
Leland
Lent
Levin (MI)
Levine (CA)
Lipinski
Lowry (WA)
Lungren
Madigan
Manton
Markey
Matsui
Mavroules
Mazzoli
McGrath
McHugh
McKinney
Meyers
Mica
Mikulski
Miller (CA)
Miller (WA)
Mineta
Mitchell
Moakley
Molinari
Moody
Morrison (CT)
Mrazek
Nowak
Oakar
Owens
Oxley
Panetta
Pease
Pepper
Pickle
Porter
Price
Pursell
Rangel
Ridge
Rinaldo
Rodino
Roe
Rose
Rostenkowski
Roukema
Rowland (CT)
Roybal
Russo
Sabo
Savage
Saxton
Scheuer
Schneider
Schroeder
Schumer
Seiberling
Slaughter
Smith (FL)
Smith (NJ)
Solarz
Spratt
St Germain
Stark
Stratton
Studds
Torricelli
Towns
Traficant
Udall
Vento
Visclosky
Walgren
Waxman
Weiss
Wheat
Whitehurst
Wirth
Wolf
Wolpe
Wright
Wylie
Yates
Young (FL)
Zschau

NOES—242

Alexander
Andrews
Archer
Armey
AuCoin
Badham
Barnard
Bartlett
Barton
Bentley
Bevill
Bilirakis
Billey
Boehlert
Boner (TN)
Bosco
Boucher
Boulter
Breaux
Brooks
Brown (CO)
Broyhill
Bruce
Bryant
Burton (IN)
Byron
Callahan
Campbell
Carney
Carr
Chapman
Chappell
Chapple
Cheney
Clinger
Coats
Cobey
Coble
Coelho
Coleman (TX)
Combest
Cooper
Coughlin
Craig
Crane
Daniel
Dannemeyer
Darden
Daschle
Daub
Davis
de la Garza
DeLay
Derrick
DeWine
Dickinson
Dingell
Dorgan (ND)
Dornan (CA)
Dowdy
Dreier
Duncan
Durbin
Dyson
Eckart (OH)
Eckert (NY)
Emerson
English
Erdreich
Evans (IA)
Fiedler
Fields
Fish
Flippo
Foley
Franklin
Fuqua
Gallo
Gaydos
Gekas
Gilman
Gingrich
Glickman
Gordon
Gray (IL)
Gregg
Gunderson
Hall, Ralph
Hamilton
Hammerschmidt
Hansen
Hartnett
Hefner
Hendon
Henry
Hiler
Holt
Hopkins
Horton
Hubbard
Huckaby
Hunter
Hyde
Ireland
Jeffords
Jenkins
Jones (OK)
Jones (TN)
Kanjorski
Kasich
Kemp
Kindness
Kolbe
Kolter
Kostmayer
Kramer
Lagomarsino
Latta
Leath (TX)
Lewis (CA)
Lewis (FL)
Lightfoot
Livingston
Lloyd
Loeffler
Long
Lott
Lowery (CA)
Luken
Lundine
Mack
MacKay
Marlenee
McCain
McCandless
McCloskey
McCollum
McCurdy
McDade
McEwen
McKernan
McMillan
Michel
Miller (OH)
Mollohan
Monson
Montgomery
Moore
Moorhead
Morrison (WA)
Murphy
Murtha
Myers
Natcher
Neal
Nelson
Nielson
Oberstar
Obey
Olin
Ortiz
Packard
Parris
Pashayan
Penny
Perkins
Petri
Quillen
Rahall
Ray
Regula
Reid
Richardson
Ritter
Roberts
Robinson
Roemer
Rogers
Roth
Rowland (GA)
Rudd
Schaefer
Schuette
Schulze
Sensenbrenner
Sharp
Shaw
Shelby
Shumway
Shuster
Sikorski
Siljander
Sisisky
Skeen
Skelton
Slattery
Smith (IA)
Smith (NE)
Smith, Denny (OR)
Smith, Robert (NH)
Smith, Robert (OR)
Snowe
Snyder
Solomon
Spence
Staggers
Stallings
Stangeland
Stenholm
Strang
Stump
Sundquist
Sweeney
Swift
Swindall
Synar
Tallon
Tauke
Tauzin
Taylor
Thomas (CA)
Thomas (GA)
Traxler
Valentine
Vander Jagt
Volkmer
Vucanovich
Walker
Watkins
Weaver
Weber
Whitley
Whittaker
Whitten
Williams
Wilson
Wise
Wortley
Wyden
Yatron
Young (AK)
Young (MO)

NOT VOTING—15

Addabbo
Bustamante
Edwards (OK)
Gephardt
Grotberg
Heftel
Hoyer
Lujan
Martin (IL)
Martin (NY)
Martinez
Nichols
O'Brien
Stokes
Torres

□ 1805

Messrs. TAUKE, LUNDINE, SYNAR, KOSTMAYER, COUGHLIN, DURBIN, and STENHOLM changed their votes from "aye" to "no."

So the amendment to the amendment, as amended, offered as a substitute for the Judiciary Committee Amendment in the nature of a substitute, as amended, was rejected.

The result of the vote was announced as above recorded.

AMENDMENT OFFERED BY MR. HUGHES TO THE AMENDMENT, AS AMENDED, OFFERED BY MR. VOLKMER AS A SUBSTITUTE FOR THE JUDICIARY COMMITTEE AMENDMENT IN THE NATURE OF A SUBSTITUTE, AS AMENDED

Mr. HUGHES. Mr. Chairman, I offer an amendment to the amendment offered as a substitute for the committee amendment in the nature of a substitute.

The Clerk read as follows:

Amendment offered by Mr. Hughes to the amendment, as amended, offered by Mr. Volkmer as a substitute for the Judiciary Committee amendment in the nature of a substitute, as amended: Page 7, line 10, strike out "shall not apply" and all that follows through "firearms)" in line 2 on page 8, and insert in lieu thereof the following: "shall not apply to the sale or delivery of any rifle or shotgun to a resident of a State other than a State in which the licensee's place of business is located if the transferee meets in person with the transferor to accomplish the transfer, and the sale, delivery, and receipt fully comply with the legal conditions of sale in both such States (and any licensed manufacturer, importer or dealer shall be presumed, for purposes of this subparagraph, in the absence of evidence to the contrary, to have had actual knowledge of the State laws and published ordinances of both States)".

Mr. HUGHES (during the reading). Mr. Chairman, I ask unanimous consent that the amendment be considered as read and printed in the Record.

The CHAIRMAN. Is there objection to the request of the gentleman from New Jersey?

There was no objection.

Mr. HUGHES. Mr. Chairman, I understand the leadership wants the Committee to rise after this amendment. This will not take very long; so if the membership will bear with me.

Mr. VOLKMER. Mr. Chairman, if the gentleman will yield on that, I would address a question to the Chair. I just discussed it with the Parliamentarian, and I have been informed that at 7:16 we quit on all amendments, we go to a vote on my substitute, and then the Committee will rise.

Mr. HUGHES. I say to my colleague I did not yield to my colleague, and I say to my colleague that I do not set the schedule around here.

Mr. O'NEILL. Mr. Chairman, will the gentleman yield?

Mr. HUGHES. I yield to the Speaker.

Mr. O'NEILL. Mr. Chairman, a very interesting thing has happened. I have been asked by the Sergeant at Arms, "Can we close the Capitol on Saturdays and Sundays?" Why? Because we are running out of money; there is no money for protection and police and things of that nature, because of Gramm-Rudman.

The fact is that we are running every night after a certain hour, we are taking so much of the time because we have to have overtime, and there is a police officer at every one of these doors that is open in the Chamber.

In view of the fact that we have no legislative business tomorrow, there is a possibility, at 7:16 when we close, that we could have seven rollcalls. I have just taken this up with the Parliamentarian, and there is the possibility that there could be seven rollcalls.

There is no business for tomorrow. I do not see why the Committee cannot rise now and come in at 10 o'clock tomorrow, and, in an orderly way, finish the business. I think we ought to start expediting the business around here, and we have got to start watching the

pennies as we go along, because we do not even have franking money out there.

Mr. HUGHES. Mr. Chairman, I yield the balance of my time, and move that the Committee do now rise.

The CHAIRMAN. The gentleman yields back the balance of his time and moves that the Committee rise.

PARLIAMENTARY INQUIRY

Mr. VOLKMER. Mr. Chairman, during all that, do we have an amendment pending?

The CHAIRMAN. The Hughes amendment is pending.

Mr. VOLKMER. Mr. Chairman, I did not even hear it read during all of that.

I move to strike the last word.

The CHAIRMAN. The reading of the Hughes amendment was dispensed with by unanimous consent.

The gentleman, then, instead of speaking to the amendment, has yielded back the balance of his time and moved that the Committee rise.

□ 1815

The question is on the motion offered by the gentleman from New Jersey [Mr. Hughes] that the Committee do now rise.

PARLIAMENTARY INQUIRIES

Mr. ROEMER. Mr. Chairman, I have a parlimanentary inquiry.

Mr. CHAIRMAN. The gentleman will state it.

Mr. ROEMER. Is it the position of the House, Mr. Chairman, that when we rise and meet tomorrow, the Hughes amendment pending now would begin the debate?

Mr. CHAIRMAN. The gentleman from Louisiana is exactly correct.

Mr. VOLKMER. Mr. Chairman, I have a parliamentary inquiry.

Mr. CHAIRMAN. The gentleman will state it.

Mr. VOLKMER. When we come in tomorrow and the Committee begins to act on the bill, we will have only the time left under the 5 hours for amendments, is that not correct?

Mr. CHAIRMAN. The gentleman is correct.

Mr. VOLKMER. Which right now is approximately 1 hour?

Mr. CHAIRMAN. The gentleman is correct.

Mr. VOLKMER. And then the rest of the amendments, are they cut off? Or do we go ahead for those that are in the Record and vote on them after 5 minutes each?

Mr. CHAIRMAN. There will not be any amendments that would be in order after the conclusion of the 5-hour consideration.

Mr. VOLKMER. In other words, really we could finish this up tonight in 1 hour and we would be out of here. So tomorrow morning we are going to come in for 1 hour and then we are going to vote?

Mr. CHAIRMAN. The Committee of the Whole could conclude the work but there could be votes, in both the Committee and in the House which could certainly go beyond the 1 hour.

The question is on the motion offered by the gentleman from New Jersey [Mr. Hughes] that the Committee do now rise.

The motion was agreed to.

Accordingly the Committee rose; and the Speaker having resumed the chair, Mr. Rangel, Chairman of the Committee of the Whole House on the State of the Union, reported that that Committee, having had under consideration the bill (H.R. 4332) to amend chapter 44 (relating to firearms) of title 18, United States Code, and for other purposes, had come to no resolution thereon.

COMPACT OF FREE ASSOCIATION SETTING FORTH FUTURE POLITICAL RELATIONSHIP BETWEEN THE UNITED STATES AND PALAU—MESSAGE FROM THE PRESIDENT OF THE UNITED STATES (H. DOC. NO. 99-193)

The SPEAKER laid before the House the following message from the President of the United States; which was read and, together with the accompanying papers, referred to the Committee on Foreign Affairs and the Committee on Interior and Insular Affairs and ordered to be printed:

(For message, see proceedings of the Senate of today, Wednesday, April 9, 1986.)

HOUR OF MEETING ON TOMORROW, APRIL 10, 1986

Mr. SCHUMER. Mr. Speaker, I ask unanimous consent that when the House adjourns today it adjourn to meet at 10 a.m. tomorrow.

Mr. Speaker, this is by agreement with the minority.

The SPEAKER. Is there objection to the request of the gentleman from New York?

There was no objection.

COMMUNICATION FROM THE HONORABLE F. JAMES SENSENBRENNER, JR., MEMBER OF CONGRESS

The SPEAKER laid before the House the following communication from the Honorable James F. Sensenbrenner, Jr., Member of Congress.

House of Representatives,
Washington, DC, April 4, 1986.

Hon. Thomas P. O'Neill, Jr.,
Speaker, House of Representatives, Washington, DC.

Dear Mr. Speaker: On February 25, 1986, I informed you that Thomas Schreibel, Patricia Piekenbrock, and James Murphy of my district office, and Paul Zanowski, formerly of my district office and currently in my Washington office, have been served with subpoenas issued by the Circuit Court for the State of Wisconsin, Waukesha County.

After consultation with the General Counsel to the House, I have determined that compliance with the subpoenas is consistent with the precedents and privileges of the House.

Sincerely
F. James Sensenbrenner, Jr.,
Member of Congress.

COMMUNICATION FROM THE HONORABLE NORMAN D. SHUMWAY, MEMBER OF CONGRESS

The SPEAKER laid before the House the following communication from the Honorable Norman D. Shumway, Member of Congress:

House of Representatives,
Washington, DC, April 9, 1986.

Hon. Thomas P. O'Neill, Jr.,
Speaker, House of Representatives,
Washington, DC.

Dear Mr. Speaker: In accordance with House Rule 50, I am writing to advise you that I have received a subpoena to appear in person as a witness in the Municipal Court of California, County of San Joaquin, on April 14, 1986.

The case in question is the People of California vs. John Edward Morearty.

My appearance at this trial will necessitate my absence from Washington during a time when the House is scheduled to be in session.

With best regards,
Sincerely,
Norman D. Shumway,
Member of Congress.

PERSONAL EXPLANATION

Mr. NIELSON of Utah. Mr. Speaker, I was unavoidably absent on March 20 for rollcalls 66 and 67.

On rollcall 66, the budget reconciliation, had I been present I would have voted yes.

On rollcall 67, to adjourn, if I had been present I would have voted no.

SPECIAL ORDER VACATED

Mr. JONES of Oklahoma. Mr. Speaker, I ask unanimous consent that the special order speech for 5 minutes on Thursday, April 10, for the gentleman from Massachusetts [Mr. Frank] be vacated.

The SPEAKER pro tempore (Mr. Montgomery.) Is there objection to the request of the gentleman from Oklahoma?

There are no objection.

H.R. 4332 PLACES PUBLIC AND POLICE SAFETY FIRST

(Mr. VENTO asked and was given permission to address the House for 1 minute and to revise and extend his remarks and include extraneous material.)

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Mr. VENTO. Mr. Speaker, today the House will consider the Federal Firearms Law Reform Act, H.R. 4332. I want to state my support for the bill that was passed by the Committee on the Judiciary.

Mr. Speaker, I want to point out to my colleagues that very frequently we ask the law enforcement agencies across this country at local and State and national levels to carry out and execute the laws that we pass at those various jurisdictional levels. I think it is only fair, when we ask people to do a job, that we give them the tools to do that job.

I want to say that I feel that removing restrictions on the Interstate sale of handguns, concealable weapons, silencers, ammunition laws, eliminating inspections, is the wrong way to go about this, and that is, removing those tools from those individuals who are expected to enforce our laws. That is not the way to make sure that they can do their job well.

I think that we deserve more than just excuses to these local law enforcement officials that we charge with this responsibility. I think they are speaking out on this issue. They are telling us that they do not favor the removal of these restrictions, and I think we ought to heed their warning in consideration of the legislation that we have before us.

There are some problems, and the law addresses those problems. I do not think we want to remove the tools from law enforcement.

This measure comes to the floor today with the unanimous bipartisan recommendation of our 35 colleagues who serve on the Judiciary Committee, chaired by our distinguished friend and colleague, Chairman PETER RODINO. While there has been much emotion and controversy surrounding this legislation, it is important that we understand what this bill will do.

First, it will ease some of the current restrictions on the interstate transport and sale of shotguns and rifles. Second, it will modify Federal recordkeeping requirements involving the sale of ammunition and will reduce the penalties for unintentional violations of the recordkeeping requirements. Finally, this legislation sets a new limitation upon compliance inspections by the Bureau of Alcohol, Tobacco, and Firearms [BATF].

H.R. 4332 represents an honest, good-faith effort to minimize any unreasonable instrusion or infringment upon the rights of law-abiding citizens who own, sell, purchase, or transport firearms. In my view, this legislation accomplishes this important objective while placing the safety of the public and our police and law enforcement officers first.

Yesterday, (April 8), I received a letter signed by 13 Minnesota law enforcement officials, including the chiefs of police of the city of St. Paul and the city of Minneapolis. This letter asks that I stand with them and support H.R. 4332, which will protect our police and law enforcement personnel and the public which they serve and protect. I will support this legislation which has also been endorsed by the International Association of Police Chiefs, the Police Executive Research Forum, the Fraternal Order of Police, the National Troopers' Coalition, the National Sheriffs Association, the National Organization of Black Law Enforcement Executives, the International Brotherhood of Police Officers, and the National Association of Police Organizations, among others.

APRIL 7, 1986.

BRUCE F. VENTO,
2433 Rayburn House Office Building, Washington, DC.

DEAR CONGRESSMAN VENTO: On Wednesday, April 9th, you will cast an important public safety and crime control vote. As leaders of the Minnesota law enforcement community, we hope you stand with us and support legislation that will further protect our police officers and the citizens we serve.

We specifically urge you to vote for Representative William Hughes' Law Enforcement Admendment to the Volkmer substitute.

Thank you for listening to our needs and concerns.

Sincerely,

Anthony V. Bouza, Chief of Police, City of Minneapolis; Thomas G. Brownell, President, Minnesota Chiefs of Police Association; Lee A. Field, Minneapolis Police Sergeant, Board Members, Police Management Asosociation; Kenneth V. Collins, President, Ramsey County Chiefs of Police Association.

Carl W. Lindgren, President, Hennepin County Chiefs of Police Association; William W. McCutcheon, Chief of Police, City of St. Paul; Donald J. Omodt, Sheriff, Hennepin County, First Vice President, National Sheriffs Association; Raymond O. Presely, Minneapolis Police Lieutenant, Member National Organization of Black Law Enforcement Executives.

William Gillespie, President, Minnesota Police and Peace Officers Association; Bruce W. Lindberg, President, Minneapolis Police Federation; Jack Erskine, Superintendent Minnesota Bureau of Criminal Apprehension; Robert Kunz, President, St. Paul Police Federation; Charles L. Zacharias, Sheriff, Ramsey County.

THE MAJORITY LEADER ON "THE PILLARS OF NATIONAL SECURITY"

(Mr. ALEXANDER asked and was given permission to address the House for 1 minute and to revise and extend his remarks and include extraneous matter.)

Mr. ALEXANDER. Mr. Speaker, during the consideration of budget issues, it is all too easy for some to define our commitment to national security in terms of future Pentagon spending. Fortunately, there are some in Congress who understand that national security is more than simply out spending our enemies.

Yesterday, our distinguished majority leader addressed the National Press Club to outline his view that America's strength lies not only in a strong military, but a strong military working with equally strong economic, social, and industrial structures.

The majority leader correctly asserted that America's national security is at risk—when its industrial base is eroded—when its family farms are threatened—when its source of energy and strategic materials is jeopardized—when the education of its people is no longer competitive with other nations—and, finally, when its ultimate foreign policy objective is "not a Fortress America but an America surrounded by friends in a reasonably secure world."

Mr. Speaker, I submit the text of the majority leader's speech for consideration of all Members:

THE PILLARS OF NATIONAL SECURITY

(Remarks of Congressman Jim Wright, The National Press Club, April 8, 1986)

Let's talk today about national security, about what it takes to make our nation strong and self-reliant in the modern world.

There has been a tendency in recent years to mesmerize ourselves with a one dimensional view of national security, as though it consisted exclusively of military power and could be guaranteed simply by a plentitude of bristling armaments.

The truth is that our national strength and security depend upon a number of very important things in addition to armed might. Some of these pillars of our security are being dangerously neglected.

Weapons, of course, are important. But weapons alone are not enough. History is replete with examples of that truth. Supporting the most powerful army of its day, Rome fell victim to the barbarian hordes.

Weapons were not enough for King George, whose strength in arms greatly exceeded that of unruly American revolutionaries.

Unquestioned superiority in tactical and strategic firepower and a willingness to outspend the enemy by a ratio of at least ten-to-one were not enough for the United States in Vietnam.

And a preponderance of military power apparently has not been sufficient for the Soviet Union, unable in six long years to crush the spirit of the Afghan resistance.

There is no doubt that America must be—and is—militarily strong. In the last five years we have doubled military spending. This year we're investing nearly $300 billion on the Pentagon. Surely with our vast stockpiles of nuclear and conventional weapons, there is a reasonable limit to just how much more actual security we can buy with ever more sophisticated and ever more costly implements of destruction—particularly if in our preoccupation with them we forget about the other essential ingredients of national security.

OUR INDUSTRIAL BASE

Surely one pillar of our national strength is a strong and vibrant industrial base. Today America's industrial base is eroding dangerously. Every week we read of some new plant closure, spilling skilled American industrial workers out into a marketplace incapable of absorbing them and their skills.

The trade deficit, now surpassing $150 billion annually, saps our strength as it chips away our basic industries. Factory closures driven by rising imports in the past three year have thrown three million Americans out of their jobs.

America today is in the dangerous process of de-industrializing. More and more, we sell raw products to foreign countries which process them into finished goods and return those goods to sell them to us. It is a role reversal that is putting us in the classic position of an underdeveloped country.

And it isn't only the old heavy rust belt industries that are affected—steel and machine tools and automotive manufacturing, important as these are to our industrial survival. Increasingly our high technology base is crumbling. The contagion has spread to Silicon Valley and the Sun Belt, and a very few lines of manufacturing remain unaffected.

In the past three years, more than 200 domestic oil refineries have closed, and our national refining capacity has suffered a 30% decline. It isn't only crude oil that we're importing now; it is refined products.

The chief executive officer of one of our large auto companies told me two weeks ago that he sees evidence of the erosion taking on a new and dangerous dimension. In the past, we have provided the technology and design for foreign companies even as they grew competitive with us in production and marketing. Now, other countries are beginning to develop their own basic design technology which soon we may be having to lease from them.

Our nation needs a coordinated trade initiative to recapture our rightful role in world commerce. Yet the administration has given only lackadaisical lip service to this problem which increasingly threatens our position as an economic power.

The House is in the process of developing a clear and consistent trade policy. Our best draftsmen have been working on it for more than a year. It will not be a "protectionist" policy, but it will insist that the playing field be level in both directions.

We must promote the vibrant reality of free trade as a two way street by providing incentives for other countries to abandon the protectionism which some of them currently and flagrantly practice against American goods.

Even more important, we must be better. We must be as good as we can be. We must create powerful incentives for modernizing our own outmoded processes and our own aging industrial machinery so that "made in the U.S.A." once more will be the emblem of quality and value throughout the world.

AMERICAN AGRICULTURE

A second pillar upon which our national security rests is a healthy agriculture, rooted in a matrix of successful family farms. For years our agricultural production was the primary account which kept our trade balance on the positive side. One in every three of our cultivated acres produces food or fiber for world markets. But last year we exported one-third less than the year before.

In World War II and after, we were the Larder of Democracy, producing a bountiful harvest for a hungry world.

Now that has turned for most of America's farm families into a bitter harvest of soaring debts, declining land values, mounting foreclosures and numbing hopelessness. Anywhere you look, family farms that were debt-free for two generations are mortgaged to the hilt. And this isn't a problem of inefficient farmers. A typical farmer with a history of successful operation owes more today than he owns.

Farm foreclosures last year exceeded the number for any year since the Great Depression. Very nearly one-half of our farmers in the mid-western United States are on the brink of bankruptcy. Throughout rural America small business failures and small town bank failures are occurring at rates unheard of since the 1930s.

When other parts of our big American family have fallen on hard times, we have rallied around and given them a hand—not a handout but a hand up. We have thrown out a lifeline. Along with most of my colleagues I enthusiastically supported loan guarantees for the city of New York and for the Chrysler Corporation. Our faith was vindicated. The loans have been repaid and the taxpayers lost nothing.

Just a little over a year ago, the President unilaterally committed some $8 billion of our government's good faith and credit to bail out one big bank in Chicago. But when Congress enacted a substantially less costly system of loan guarantees to help save perhaps 200,000 American family farms from foreclosure, President Reagan vetoed the bill.

We spend a smaller share of our disposable income on food than any other nation, and the farmer's share of the American consumer's food dollar has fallen to only 31 cents, an all-time low. If we let the family farmer be squeezed out by a network of corporate farms, you can be certain that the consumer will pay more.

I, for one, am unwilling to accept as an inevitability that our national future lies in ever larger and ever fewer farms, ever larger and ever fewer banks, ever larger and ever fewer airlines—until each of our great industries ends up like the automotive industry did with only three competitors and one of them in financial trouble.

Because of our system of individually owned family farms, we have enjoyed abundance. Americans eat better and more cheaply than any other people on earth. That, in my opinion, is an essential element of our national security. It is worth preserving, worth more in the long run than weapons.

ENERGY AND STRATEGIC MINERALS

Most certainly our national security depends heavily upon energy independence and a reliable source of strategic minerals. Petroleum is the lifeblood of our economy. With 75 percent of the oil in the world produced by governments, not by companies, it is unavoidably an instrument of national policy.

I tell you nothing new when I remind you that America is running out of oil and gas. Each year we use more than we discover in new domestic reserves. As inevitably as the setting of the sun this evening, we face a time—in 20 or 30 or 40 years—when our voracious thirst for power shall have eaten its way inexorably through our finite underground supplies of oil and gas. Our national gas tank will be on "empty."

When that day comes, the quality of our present vision and the strength of our leadership will be determined by whether we acted boldly to provide sufficient supplies from alternate sources to take up the slack before our domestic oil and gas were exhausted.

Tragically, the present administration has never understood the need for alternative supplies—the need for solar energy, for tertiary recovery, for coal liquifaction, for ethanol and methanol from the waste products of America's farms. While it spends billions on new military weapons which will be of questionable value a generation from now, this administration seeks to save money at the expenses of our energy future. Surely that is penny-wise and pound-foolish.

Right now the world is reveling in an orgy of cheap oil. But how long will that last? How short are our memories? Have we forgotten 1973? 1979? We have begun backsliding down the slippery slope of renewed dependence on foreign sources of unrenewable energy. Oil imports provide about one-third of our needs. By 1995, at the present rate, we will be 50 percent dependent on foreign oil.

Wouldn't now be the very best time to fill the strategic petroleum reserve, while the price is low? Surely Don Regan could apply some lesson from Wall Street.

Let us not forget that we have already become 90 percent dependent on foreign sources for seven strategic minerals—including manganese, bauxite and cobalt, absolutely essential in meeting defense readiness needs.

To strengthen America and reduce our dependence on the whims of countries on the African continent and elsewhere, we created a Strategic Petroleum Reserve and a critical minerals stockpile.

Ironically, the administration now says it doesn't want to continue filling our petroleum reserve and it wants to sell off both our Elk Hills Navy reserves and our strategic minerals to private speculators. Solomon warned that "where there is no vision, the people perish." That need never be our national epitaph, but it could be if—knowing the problem—we indulgently fritter away our declining reserves, shut in our stripper wells and lose that production forever, and lazily refuse to face the future until that future is upon us.

The cardinal sin of this administration is its eagerness in so many ways—economically, ecologically, in energy, in education and the public infrastructure—to sacrifice tomorrow for today.

Our chief executive, pleasantly and winsomely, has pandered to the credit card mentality, to instant gratification, to feeling good now whatever the future cost—and this public abandonment of social discipline has resulted in adding one trillion dollars to our national debt while putting off the serious problems of our nation's future.

EDUCATION

In the final analysis, the most important pillar of our national security is education. This, more than any other thing is what has made us great.

However sophisticated our weapons and our machines of production, we cannot long expect to be first in defense, or again to be first in commerce among the nations, if we laconically settle for second best in education.

Three years ago, the President's own commission on Excellence in Education warned the nation in its alarming report, *A Nation At Risk*.

The following quotation from that shocking study is worth repeating today:

"Our Nation is in crisis. Our once unchallenged preeminence in commerce, industry, science and technological innovation is being overtaken by competitors throughout the world . . . The educational foundations of our society are presently being eroded by a rising tide of mediocrity that threatens our very future as a nation and a people."

If a foreign country had forcefully imposed this educational mediocrity upon us, the report concluded, we might well have regarded it as an "act of war."

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And yet, three years later, Mr. Reagan continues his relentless drive to reduce funds for education.

A few statistics tell the alarming results. Japan, with one-half our population, graduates half again more scientists, mathematicians, and engineers than we do. While the quality of training admittedly is different, the Soviet Union has four times as many "electrical engineers" as we have.

Or consider how we have lagged in language training. Japanese firms have about 10,000 business representatives in this country. All of them speak excellent English. We have only about 500 American business representatives in Japan, and fewer than 50 of them speak Japanese. We ignore education and wonder why we fall behind in trade.

At a more basic level, 10% of all Americans over the age of 16—about 25 million people—are functionally illiterate.

Yet the administration seems oblivious to the problem. Faced with the doubling of college tuitions in the past 10 years and lagging enrollments, the Reagan administration repeatedly proposes deep cuts in student assistance.

The President's budget request for 1987, while calling for $34 billion more in military spending, would cut student loans and work-study programs and thus would make it harder for some three million young Americans of modest economic circumstance to get a college education.

Challenged by high rates of youth unemployment, the administration has slashed job training programs and proposes a subminimum wage for teenagers.

In its mania to sell off the nation's assets to private investors, this administration even wants to "privatize" our greatest asset of all, our public school system. Turning his back on the needs of our public schools, the president offers tax advantages to parents to send their children to private elementary and secondary schools.

With a tide of children from homes where English is not spoken inundating the public schools in some of America's poorest communities—and these schools under a federal court order to admit the children of illegal aliens—the President tries to avoid allocating any of the meager $30 million appropriated by Congress to help those beleagured schools cope with the rising crisis.

Hobart Rowen in a recent column for the Washington Post, quotes Thomas P. Rohlen of the University of California that the "average Japanese high school graduate has the equivalent basic knowlege of the average American college graduate." That is a recipe for national self-destruction, not to be tolerated by enlightened leadership.

And Lester R. Brown of the Worldwatch Institute concludes that Japan, initially barred from the international arms race, has mastered the new geopolitics, that in the nuclear age military power is of limited value, and that political influence derives more from the economic strength of a highly productive, internationally competitive economy."

I speak not against an adequate level of national defense but as a lifelong supporter. I speak for a better balance between the military and non-military aspects of national security.

It is difficult to escape the conclusion that both Superpowers, in our intense preoccupation with the arms race, have tended to forget those things which have greater long term value.

It is hard to avoid the conclusion that unless both Mr. Reagan and Mr. Gorbachev can stop thinking of security solely in traditional military terms, we both may see the future slip from us in mounting debt and interest rates that suffocate the capacity of our families and our foreign friends to support the common efforts which promote security.

A STRATEGY FOR PEACE

And so a final pillar of American security must be a strategy for peace. A secure America is not a Fortress America but an America surrounded by friends in a reasonably secure world.

More than two decades ago, John F. Kennedy said, "I speak of peace because of the new face of war. . . I speak of peace as the necessary rational end of rational men."

It does little good to match the Soviets weapon for weapon in a continued leapfrogging race if political instability, oppressive poverty and the crushing burden of foreign debt make our friends in our own hemisphere easy targets for Marxist subversion.

Let us be clear about the threat in Latin America. Hopelessness—spawned by hunger, illiteracy, disease and debt—is the real malignacy. Marxist idealogy, whether in Nicaragua or elsewhere, is but a symptom of the cancer. We face a brewing crisis in Central America in large part because we lacked a policy of prevention in years past.

Like St. George drawing his sword to slay the dragon of war and then slinking home to pick his teeth with it, we raised hopes throughout Latin America with the Alliance for Progress and then lost interest and blythly abandoned them.

How much more effective—and how much cheaper in the long run—to send a literacy corps, a medical corps, an agricultural development corps—a well-equipped and well-trained Peace Corps in vastly expanded numbers, than to sit back in languid if benign neglect until a fire breaks out and then send the Marine Corps to put out the fire.

Finally, security depends upon the humility and common sense in high places to set aside the temptations to one-upmanship and collaborate in earnest for a mutual and verifiable moratorium in the arms race.

The Soviet Union, surely no less than we, has a long deferred list of positive and beneficial things on which a portion of its arms budget could be productively spent.

As President Kennedy said, we seek "not a Pax Americana enforced by the weapons of war. Not the peace of the grave or the security of the slave." Instead we seek "a genuine peace, the kind of peace that makes life on earth worth living, the kind that enables men and nations to grow and to hope and to build a better life for their children—not merely a peace for Americans but for all men and women—not merely peace in our time but peace for all time."

Surely it is in that direction that real security lies, and toward that end that enlightened leadership will lead us.

THE ECONOMIC CRISIS IN THE OIL- AND GAS-PRODUCING STATES

The **SPEAKER** pro tempore. Under a previous order of the House, the gentleman from Oklahoma [Mr. JONES], will be recognized for 5 minutes.

Mr. **JONES** of Oklahoma. Mr. Speaker, I take this special order to call the attention of my colleagues in the House to the very serious conditions which exist in those States that are heavily into oil and gas production.

The conditions in the oil- and gas-producing States, the economic conditions, are as bad as they have existed since the 1930's in the Great Depression.

Clearly the precipitous decline in the price of oil has created economic chaos in States such as mine, Oklahoma, the States of Texas and Louisiana, and other States that are heavily dependent upon oil and gas.

This has found its way throughout our society with the stories of the legislature having to cut an additional $467 million coming just a year after a large tax increase placed on the citizens of Oklahoma.

In these oil-producing States teachers are being given notices that they will not be rehired because their education budgets are having to be cut back. The budgets for human services, capital improvements, are all being cut seriously.

Unemployment is increasing. General economic conditions are declining rapidly.

That is a very deep economic issue for States like Oklahoma. It is an even more important national security issue for the United States because we are rapidly going to the same direction that we were in the 1970's when we became so heavily dependent on unstable foreign sources of oil that we found ourselves victims of an embargo which, along with the price increases of 1974 and 1979, put the United States in an economic hole that has been very difficult to dig out of. So it is a very serious national security issue.

Without plentiful and stable supplies of oil with which our military can operate, our military simply cannot operate at all.

Now the administration regrettably has taken a very cavalier hands-off attitude. Spokesmen for the administration said they do not want to interfere in a free market. Well, the fact is, and this is something that the President ought to know and his advisers ought to be telling him, the fact is there is no free market in international oil.

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The conditions that we are being victimized on in Oklahoma are a deliberate attempt to manipulate the international oil market. It is a deliberate manipulation by a handful of the OPEC cartel who have lost market share over the last 5 years and who are deliberately trying to drive down the price of oil so that it will not be economic to produce and to explore for oil in non-OPEC areas such as the United States. Once OPEC, the Saudis and their allies get us in a position of being dependent upon them again, they will

jerk the string and we will be like on a yo-yo ride with prices shooting up, American consumers hurting, American manufacturing hurting more.

So it seems to me that this administration needs to be aware that there is no free market and that they need to take action to stem this precipitous decline before we become so dependent on OPEC again.

A number of us have been meeting, those of us Members from oil and gas producing States, and several of us today have signed and sent a letter to the President asking for a meeting to discuss the serious conditions in the oil producing States. It is our opinion that the President is being given bad advice and is not fully aware of what this means not only to our economy, but to our national security. We have sent this letter and, hopefully, the President will agree to meet with us and that he will agree to meet with the Governors from oil and gas producing States so that some action can be taken.

Tomorrow I will be introducing legislation, the Secure Energy Supply Act, which is designed to stem the decline in the domestic oil industry in the short run, and to provide incentives for further exploration and further production in the long run.

The fact is we are using up more of the oil reserves than we are replacing and, if we continue to do that, we are going to become ever more dependent on unstable foreign sources of oil.

I would call my colleagues' attention to some things that we can do that will be included in this National Energy Security Act, such things as directing the Department of Energy to give preference purchases to stripper production to fill the strategic petroleum reserve. But most important, if we want to gain some control of our own destiny, we are going to have to put an oil import fee on foreign oil coming into this country so that we can stabilize the domestic industry.

We will be talking about this further tomorrow, but I wanted to bring this to the attention of my colleagues.

BILINGUAL EDUCATION ACT AMENDMENTS OF 1986

The **SPEAKER** pro tempore (Mr. DURBIN). Under a previous order of the House, the gentleman from Vermont [Mr. JEFFORDS] is recognized for 5 minutes.

Mr. JEFFORDS. Mr. Speaker, today I am pleased to be joined by several of my colleagues in introducing amendments to the Bilingual Education Act. What joins us all together is not only a concern for the improvement and quality of general education, but a particular concern for those students for whom English is not a native language.

As we all know, this segment of the student population is becoming a larger portion of this Nation's student population. In addition, not only is the size of this cohort growing, but the scope and diversity of their native language is increasing. It is clear that for the economic and political viability of this Nation these students must become both fluent in English and achieve in their academic programs. For this reason it is important that we maintain Federal support for these students through the bilingual education program while allowing for greater flexibility in meeting their special needs.

These amendments do not undermine the established purposes or goals of the act. Instead, they acknowledge that there is no one method by which limited English proficient students can be taught. Rather, that there should be flexibility at the local level to design programs which can best meet the educational needs of these students.

It is not the role of the Federal Government to dictate the method of instruction to be used at the local level, but rather to establish policy which supports the attainment of English language proficiency by the target population. The bilingual education program is the only Federal program in which one particular method of instruction is favored.

The overriding purpose of bilingual education has been to enable children of limited English proficiency to become fluent in English as quickly as possible. Research and program experience reinforces the fact that no one instructional approach is most effective in meeting this objective under all circumstances.

Since 1969, bilingual education grants have been made primarily for transition bilingual projects which make extensive use of the native language as a medium of instruction while English is learned. Although many students have achieved English proficiency under this instructional method, it is not always the superior mode of instruction. Alternative methods such as English as a second language [ESL] and structured immersion have also demonstrated their effectiveness.

The current definition of transitional bilingual education allows school districts some flexibility, but not to a sufficient extent. As part of the 1984 reauthorization, an important first step was taken. Special alternative instructional programs were included along with transitional bilingual education programs. However, the funding for the alternative programs was limited to a four percent set-aside. The demand for this funding has far exceeded its availability. The Department of Education was only able to fund one out of every three applications received for this set-aside.

This bill removes the restrictive language which limits the availability and use of funds under the bilingual education act for special alternative instructional programs. These amendments remove the statutory requirement in current law that mandates that 75 percent of the funds appropriated for local bilingual programs be used for transitional bilingual education programs. The 4 percent cap on special alternative instructional programs is also removed. The funds available can then be utilized to provide the instructional approach which the local education agency determines most appropriate for educating its limited English proficient students. Further, the bill asserts that both academic achievement and English proficiency are important goals as outcomes of participation in a bilingual education program. Finally, a series of conforming amendments is included to provide consistency within the law.

I encourage others to join us in seeing that this bill gets serious consideration. Programs have to reflect the learning needs of the children involved first and foremost. Providing flexibility to design at the local level bilingual programs that meet these needs, is one means by which this challenge can be met. The text of the bill follows:

H.R. 4538

A bill to amend the Bilingual Education Act to make Federal financial assistance available for children of limited English proficiency without mandating a specific method of instruction, to encourage innovation at the State and local level through greater administrative flexibility, to improve program operations at the Federal level, and for other purposes

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the "Bilingual Education Act Amendments of 1986".

SEC. 2. FUNDING FLEXIBILITY.

Section 702(b) of the Bilingual Education Act (20 U.S.C. 3221 et seq.; hereinafter referred to as "the Act") is amended—

(1) by striking out "paragraph (7)" each place it appears in paragraphs (1) and (2) and inserting in lieu thereof "paragraph (6)";

(2) by striking out paragraph (3);

(3) in paragraph (4), by striking out the semicolon and everything that follows through the end thereof and inserting in lieu thereof a period;

(4) in paragraph (6), by striking out "paragraphs (4) and (5)" and inserting in lieu thereof "paragraphs (3) and (4)"; and

(5) by redesignating paragraphs (4), (5), (6), and (7) as paragraphs (3), (4), (5), and (6), respectively.

SEC. 3. GOALS OF PROGRAM.

Section 702(a) of the Act is amended—

(1) by redesignating paragraphs (5) through (14) as paragraphs (6) through (15), respectively; and

(2) by inserting after paragraph (4) the following new paragraph:

"(5) that, regardless of the method of instruction, programs which serve children of limited English proficiency have the equally important goals of developing both academic achievement and English proficiency."

SEC. 4. TECHNICAL AMENDMENTS.

(a) Section 703(a)(13) of the Act is amended by striking out "areas of high concentrations of persons" and inserting in lieu thereof "individuals".

(b) Section 721(b) of the Act is amended by redesignating paragraphs (1) (A) and (B) as paragraphs (1) and (2), respectively.

(c) Section 721(f)(7)(C) of the Act is amended by striking out "and with" and inserting in lieu thereof "with".

(d) Section 733 of the Act is amended by striking out the subsection designation "(a)".

SEC. 5. EFFECTIVE DATE.

The amendments made by this Act shall take effect on July 1, 1986.

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COMMUNICATION FROM CHAIRMAN OF COMMITTEE ON THE BUDGET REGARDING CURRENT LEVEL OF SPENDING AND REVENUES FOR FISCAL YEAR 1986

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from South Carolina [Mr. DERRICK], is recognized for 5 minutes.

Mr. DERRICK. Mr. Speaker, on behalf of Chairman WILLIAM H. GRAY III, pursuant to the procedures of the Committee on the Budget and section 311 of the Congressional Budget Act of 1974, as amended, I am submitting the official letter to the Speaker advising him of the current level of spending and revenues for fiscal year 1986. The current level was last filed on February 26, 1986. Since my last report, Congress has cleared and the President has signed, the VA Home Loan Guarantee Amendments of 1986 (Public Law 99-255), the Department of Agriculture Urgent Supplemental Appropriations 3.11 (Public Law 99-263), and the Consolidate Omnibus Budget Reconciliation Act Public Law 99-272).

This report reflects congressional action on the fiscal year 1986 budget through March 27, 1986. In addition, this report incorporates the reductions in budgetary resources and outlays required by the Balanced Budget and Emergency Deficit Act of 1985 (Public Law 99-177, Gramm-Rudman) which took effect on March 1, 1986, pursuant to the Presidential sequestration order of February 1, 1986. All budget authority, outlay, and revenue estimates in this report have been revised to be consistent with CBO's February economic and technical estimates. While the Budget Committee does not normally incorporate reestimates until a revised budget resolution is adopted, a revised budget resolution for fiscal year 1986 is not contemplated. It is necessary at this time to reflect revised economic and technical reestimates to accurately reflect the effect on the Presidential reduction order under Public Law 99-177.

The current level is used to compare enacted spending after the start of a fiscal year with the aggregate ceiling on budget authority, outlays, and revenues established in a budget resolution and enforced by point of order pursuant to section 311(a) of the act. The term current level refers to the estimated amount of budget authority, outlays, entitlement authority, and revenues that are available—or will be used—for the full fiscal year in question based only on enacted law.

The procedural situation with regard to the spending ceiling is affected by section 311(b) of the Congressional Budget Act of 1974, as amended by Public Law 99-177. Enforcement against possible breaches of the spending ceiling under section 311(a) of the Budget Act will not apply where a measure would not cause a committee to exceed its "appropriate allocation" made pursuant to section 302(a) of the Budget Act. In the House, the appropriate 302(a) allocation includes "new discretionary budget authority" and "new entitlement authority" only. It should be noted that under this procedure neither the total level of outlays nor a committee's outlay allocation is considered.

The intent of the section 302(a) "discretionary budget authority" and "new entitlement authority" subceiling provided by section 311(b) of the Budget Act, as amended, is to protect a committee that has stayed within its own spending allocation—discretionary budget authority and new entitlement authority—from points of order if the total spending ceiling has been breached for reasons outside of its control. The 302(a) allocations to House committees made pursuant to the conference report on Senate Concurrent Resolution 32 were printed in the CONGRESSIONAL RECORD, September 5, 1985, H. 7290.

As chairman of the Budget Process Task Force, and on behalf of Chairman GRAY, I intend to keep the House informed regularly on the status of current level.

HOUSE OF REPRESENTATIVES,
COMMITTEE ON THE BUDGET,
Washington, DC, April 9, 1986.

Hon. THOMAS P. O'NEILL, Jr.,
Speaker, U.S. House of Representatives, Washington, DC.

DEAR MR. SPEAKER: On January 30, 1976, the Committee on the Budget outlined the procedure which it had adopted in connection with its responsibilities under Section 311 of the Congressional Budget Act of 1974 to provide estimates of the current level of revenues and spending.

Pursuant to Committee Rule 10, I am herewith transmitting the status report under S. Con. Res. 32, the First Concurrent Resolution on the Budget for Fiscal Year 1986. This report incorporates the reductions in budgetary resources and outlays required by the Balanced Budget and Emergency Deficit Control Act of 1985 (P.L. 99-177) which took effect on March 1, 1988, pursuant to the Presidential sequestration order of February 1.

In the House of Representatives, the procedural situation with regard to the spending ceiling is affected by Section 311(b) of the Congressional Budget Act of 1974, as amended by P.L. 99-177. Enforcement against possible breaches of the spending ceiling under Section 311(a) of the Budget Act will not apply where a measure would not cause a committee to exceed its "appropriate allocation" made pursuant to Section 302(a) of the Budget Act. The appropriate 302(a) allocation includes "new discretionary budget authority" and "new entitlement authority" only. It should be noted that under this procedure neither the total level of outlays nor a committee's outlay allocation is considered.

The intent of Section 302(a) "discretionary budget authority" and "new entitlement authority" subceiling provided by Section 311(b) of the Budget Act, as amended, is to protect a committee that has stayed within its spending allocation—discretionary budget authority and new entitlement authority—from points of order if the total spending ceiling has been breached for reasons outside of its control. The 302(a) allocations to House committees made pursuant to the conference report on S. Con. Res. 32 were printed in the Congressional Record, September 5, 1985, H 7290.

The enclosed tables compare enacted legislation to each committee's 302(a) allocation of discretionary budget authority and of new entitlement authority. The table showing the Current Level of Budget Authority also includes an item showing the budget authority reductions accomplished through the sequestration order of February 1, 1986 which, effective March 1, 1986, reduced outlays in fiscal 1986 by the amount required by Gramm-Rudman Act.

Sincerely,

WILLIAM H. GRAY III,
Chairman.

REPORT TO THE SPEAKER OF THE U.S. HOUSE OF REPRESENTATIVES FROM THE COMMITTEE ON THE BUDGET ON THE STATUS OF THE FISCAL YEAR 1986 CONGRESSIONAL BUDGET, ADOPTED IN SENATE CONCURRENT RESOLUTION 32

REFLECTING COMPLETED ACTION AS OF MARCH 27, 1986

[In millions of dollars]

	Budget authority	Outlays	Revenues
Appropriate level	1,069,700	967,600	795,700
Current level	1,057,108	980,681	778,559
Amount over ceilings		13,081	
Amount under ceilings	12,592		
Amount under floor			17,141

BUDGET AUTHORITY

Any measure providing budget or entitlement authority that is not included in the current level and exceeds $12,592 million, for fiscal year 1986, if adopted and enacted, would cause the appropriate level of budget authority for that year as set forth in S. Con. Res. 32 to be exceeded.

OUTLAYS

Any measure providing budget or entitlement authority that is not included in the current level and would increase outlays for fiscal year 1986, if adopted and enacted, would cause the appropriate level of outlays for that year as set forth in S. Con. Res. 32 to be exceeded.

REVENUES

Any measure that would result in a revenue loss for fiscal year 1988, if adopted and enacted, would cause revenues to be less than the appropriate level for that year as set forth in S. Con. Res. 32.

Fiscal year 1986 budget authority comparison of current level and budget resolution allocation by committee

[In millions of dollars]	*Current level Budget authority*
House committee:	
Total current level	−12,592
Appropriations Committee: Discretionary	−1,351
Authorizing Committee—Discretionary Action:	
Agriculture	(+1,608)
Armed Services	(+280)
Banking, Finance, and Urban Affairs	(+816)
District of Columbia	(. . .)
Education and Labor	(. . .)
Energy and Commerce	(+28)
Foreign Affairs	(+75)
Government Operations	(. . .)
House Administration	(. . .)
Interior and Insular Affairs	(−1,032)
Judiciary	(. . .)
Merchant Marine and Fisheries	(+78)
Post Office and Civil Service	(. . .)
Public Works and Transportation	(−71)
Science and Technology	(. . .)
Small Business	(+108)
Veterans' Affairs	(−48)
Ways and Means	(+801)
Sequester order	(−19,382)

NOTE: Committees are over (+) or under (−) their 302(a) allocation.

ALLOCATION OF NEW ENTITLEMENT AUTHORITY [NEA]—PURSUANT TO SECTION 302(a)

[In millions of dollars]

Committee	NEA target	House reported	House passed	Enacted
Agriculture:				
H.R. 2100	−1,250	−954	−819	+3,250
H.R. 3128				−5
S. 1851			−20	−20
Subtotal		−954	−839	+3,225
Armed Services: H.R. 1872	−100	+1,336	+1,336	+1,780
Education and Labor:				
H.R. 3500	−339	−375	−375	
H.R. 2811		−174		
H.R. 2812		−174		
H.R. 7		+61	+61	
H.R. 3128		−174	−174	−455
Subtotal		−836	−488	−455
Energy and Commerce: H.R. 3128	−80	+23	+23	+37
Interior and Insular Affairs: H.J. Res. 187	+307	+285	+352	+175
House Judiciary: H.R. 484		+2	+2	
Post Office and Civil Service:				
H.R. 2851	−145	+2		
H.R. 3128		−145	−145	−72
H.R. 4061			+4	+4
Subtotal		−143	−141	−68
Veterans Affairs:				
H.R. 1538	+45	+311	+311	+286
H.R. 752		+2	+2	
H.R. 3500		+311	+311	
H.R. 2343		+1	+1	
H.R. 3128				+2
Subtotal		+625	+625	+288
Ways and Means:				
H.R. 3452	−2,454	−229	−229	−229
H.R. 3721		−155	−155	−155
H.R. 3918		−20	−20	−20
H.R. 3981		−6	−6	−6
H.R. 4006		−465	−465	−465
H.R. 3128		−2,366	−2,366	−382
H.R. 3838		+40	+40	
H.R. 2817		+2	+2	
Subtotal		−3,199	−3,199	−1,257

U.S. CONGRESS,
CONGRESSIONAL BUDGET OFFICE,
Washington, DC, April 8, 1986.

Hon. WILLIAM H. GRAY III,
Chairman, Committee on the Budget, U.S. House of Representatives, Washington, DC.

DEAR MR. CHAIRMAN: Pursuant to section 308(b) and in aid of section 311 of the Congressional Budget Act, as amended, this letter and supporting detail provide an up-to-date tabulation of the current levels of new budget authority, estimated outlays and estimated revenues in comparison with the appropriate levels for those items contained in the most recently agreed to concurrent resolution on the 1986 budget (S. Con. Res. 32). This report for fiscal year 1986 is tabulated as of close of business March 27, 1986. A summary of this tabulation is as follows:

[In millions of dollars]

	Budget authority	Outlays	Revenues
Current Level	1,057,108	980,681	778,559
1985 Budget Resolution, S. Con. Res. 32	1,069,700	967,600	795,700
Current level is:			
Over resolution by		13,081	
Under resolution by	12,592		17,141

Since my last report the VA Home Loan Guarantee Amendments of 1986, P.L. 99-255, the Department of Agriculture Urgent Supplemental, P.L. 99-263, the Omnibus Budget Reconciliation Act of 1985, H.R. 3128, and Advances to the Hazardous Substance Response Trust Fund, P.L. 99-270, have been signed by the President, changing budget authority, outlay, and revenue estimates.

At your request this report incorporates the latest Congressional Budget Office economic assumptions and estimating procedures of February 1986 and reflects the effects of reductions in budgetary resources required by the Balanced Budget and Emergency Deficit Control Act of 1985, P.L. 99-177. Reductions under P.L. 99-177 were reported in a Presidential order dated February 1, 1986 and became effective on March 1, 1986.

With best wishes,

Sincerely,

RUDOLPH G. PENNER,
Director.

PARLIAMENTARIAN STATUS REPORT HOUSE SUPPORTING DETAIL, FISCAL YEAR 1986 AS OF CLOSE OF BUSINESS MARCH 27, 1986

[In millions of dollars]

	Budget authority	Outlays	Revenues
I. Enacted in previous sessions:			
Revenues			777,794
Permanent appropriations and trust funds	710,401	629,772	
Other appropriations	538,839	544,947	
Offsetting receipts	−188,561	−188,561	
Total enacted in previous sessions	1,060,679	986,159	777,794
II. Enacted this session:			
Commodity Credit Corporation Urgent Supplemental Appropriations, 1986 (P.L. 99-243)			
Federal Employees Benefits Improvement Act of 1986 (H.R. 4061)		4	
VA Home Loan Guarantee Amendments (P.L. 99-255)		−51	
Department of Agriculture Urgent Supplemental, 1986 (P.L. 99-263)			
Omnibus Budget Reconciliation Act of 1985 (H.R. 3128)	−4,259	−6,001	765
Advance to the Hazardous Substance Response Trust Fund (P.L. 99-270)			
Total	−4,259	−6,048	765
III. Continuing resolution authority			
IV. Conference agreements ratified by both Houses			
V. Entitlement authority and other mandatory items requiring further appropriation action:			
Veterans compensation	272	185	
Veterans readjustment benefits	91	91	
Compact of free association	205	205	
Special benefits (federal employees)	14	14	
Family social services	100	75	
Guaranteed student loans	8		
Payment to civil service retirement[1]	(37)	(37)	
Total entitlements	688	570	
Total current level as of March 27, 1986	1,057,108	980,681	778,559
1986 budget resolution (S. Con. Res. 32)	1,069,700	967,600	795,700
Amount remaining:			
Over budget resolution		13,081	
Under budget resolution	12,592		17,141

[1] Interfund transactions do not add to budget totals.

Note: Numbers may not add due to rounding.

THERE IS HUMOR IN POLITICS

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Georgia [Mr. GINGRICH] is recognized for 5 minutes.

Mr. GINGRICH. Mr. Speaker, I take the floor tonight to remind all of us that in a free society a sense of humor is a very useful thing.

For citizens who watched tonight, thy may have been confused as to why one of the most famous big spending liberals in America was explaining that the cost of keeping the Congress in session would lead us to have a drastic problem, and so we should rise. It was one of the most humorous, I think, and inciteful opportunities to study American politics we have had in a long time.

The fact was that the liberals were losing a series of votes. The fact was that in the middle of their disarray, the liberals asked their Speaker to rise. The fact was that the Speaker legitimately exercised the power of the Chair and decided to rise. That was perfectly reasonable.

What I loved was the chutzpah of the Speaker, not in getting up and saying, my team is losing and I am going home, but getting up and saying, because of my deep and passionate concern for spending, because of my undying commitment to bringing the deficit under control, because I am worried that the House has been in session too much, we must go home now.

I might have asked the Speaker had he recognized us. "How much did your trip to South America cost?" But that would not have been fair. I might have asked, "How many times did you play golf and was the Air Force plane waiting while you tried out various golf courses across South America?" But that would not have been fair.

I might have asked, "How many different ways do we have foolish oversecurity that we ought to look at because it does not stop bombers, and all it does is waste money, and maybe we should go to a leaner, trimmer security and make sure we keep the Capitol open on Saturdays and Sundays?"

I might have asked, "How many of the folks on your side, the liberals who were losing today, voted the wrong way last summer when four times we offered the opportunity not to spend so much money?"

For example, Mr. Speaker, I might have asked, "Do we really need automatic elevator operators? If our choice was between the U.S. House being in session and having automatic elevator operators, should we have looked more carefully? Do we really need to pay $85 per copy to put Playboy in Braille without the picture or the cartoon? Do

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we really need, Mr. Speaker, if we are in trouble, to send out $10 million in additional franking for mail which was approved last year? And were not precisely the liberals who were losing today, on whose behalf you rose, were they not the people who again and again voted for that spending?"

So I might have said, Mr. Speaker, "As a Johnny Carson Show performance, it was wonderful. As an act of chutzpah, it was wonderful." As an explanation for what was really going on, it had absolutely no connection, except that in the great tradition of American politics, the Speaker can say pretty much what he wants to, and within the spirit of good fellowship, it will be taken with a grain of salt, and that is the way politics works in America.

But the American people should understand what is happening. What was happening was the liberals were losing today. The liberal Speaker decided to rise. We in fact in the Congress face a problem of money because of mismanagement. We face a problem of money because of politics. But if in fact the way we are going to try to solve that is by not having the Congress meet, I think that one should question why then we in fact have a Congress. We are precisely paying all these salaries to meet in this Chamber and vote; not to go on foreign trips, not to play golf, not to have meetings with lobbyists, not to have meetings with PAC's, but to vote. And if the Speaker had honestly believed what he said, one would have questioned his 50 years of experience in politics.

But then we understood it would have been embarrassing to admit the truth, which was the liberals were losing, and it was time to take their marbles and go home for the night.

NATIONAL LIBRARY WEEK

The **SPEAKER** pro tempore. Under a previous order of the House, the gentleman from New York [Mr. STRATTON] is recognized for 5 minutes.

Mr. STRATTON. Mr. Speaker, I want to thank Congressman OWENS for reserving this time for us to take note of the important role libraries play in our society, particularly our education, both formal and informal. Certainly Congress would be hard put to function effectively without the Library of Congress next door. And this National Library Week serves as a worthwhile reminder that the rest of the country depends on the valuable resources of libraries, big and small, as well.

Education has always been the backbone of American democracy and at the heart of the American dream. If you could get to America and get an education, you were on your way. And libraries are inseparable from that education system. They are a vital resource for schoolchildren and an invaluable link for the people studying on their own.

I am an inveterate student and vocarious reader myself, even when I'm not enrolled officially in any class. So I rely on libraries—both their books on every subject and their employees, who are knowledgeable on an array of topics. To me, reading is not a chore, but a pleasure, and I have a great appreciation for the resources libraries provide.

Yet libraries do more than educate: They entertain, they enlighten, and they open new worlds for those who explore them. People young and old visit libraries every day—for whatever reason. Therefore, I am glad to join my colleagues today in honoring a fine institution, our Nation's libraries.

ORDER OF BUSINESS

Mr. GAYDOS. Mr. Speaker, I ask unanimous consent that I be permitted to proceed for 10 minutes, prior to the gentleman from New York [Mr. OWENS] who precedes me on the list.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

TOXIC CHEMICAL PLANTS ARE TIME BOMBS WAITING FOR A DETONATOR

The **SPEAKER** pro tempore. Under a previous order of the House, the gentleman from Pennsylvania [Mr. GAYDOS] is recognized for 10 minutes.

Mr. GAYDOS. Mr. Speaker, today there are some 5,000 to 6,000 plants in this country that manufacture toxic and hazardous materials and many thousands more that use those substances in the manufacturing process.

For as long as we have been manufacturing those toxic chemicals, using them in other workplaces and moving them from one locale to another, we have lived with the threat of a major catastrophe—a ticking time bomb—that could be caused by a major leak, spill, or runaway chemical reaction.

In this country, we have had numerous cases where leaks and spills have caused deaths and severe injuries to workers. We have had incidents, such as the one in San Francisco where a paint factory exploded causing deaths and injuries.

We have had cases where tanker trucks and railroad cars carrying these toxic and hazardous chemicals have overturned, spilling their contents onto public streets or blanketing neighborhoods with clouds of deadly or, at the very least, damaging fumes. And, in those instances, people have been hospitalized and neighborhoods, and even cities, have been evacuated.

But, more often than not, these instances have been treated as local phenomena, rating little more than a paragraph in the national newspapers or a sentence or two and a picture on the evening news.

Those of us who have been concerned about the health and safety of workers at those plants where these chemicals are made and used have warned for years that there is a danger, that we were getting too complacent with the way we have handled these substances, but few people took our concerns seriously and many involved in health and safety thought we were just speaking to hear ourselves talk.

On December 2, 1984, however, a tragedy of unprecedented dimension occurred that will change our attitude toward the manufacture, use, and storage of these toxic and hazardous materials.

On that day in December 1984, at a Union Carbide Corp. facility in Bhopal, India, a leak of methyl isocyanate, a highly toxic chemical, occurred, turned into a runaway reaction which spilled a cloud of toxic gas over the general populace and, before it ended, some 2,000 people were dead and many thousands more will suffer from long-term health problems.

According to what we have learned since then, there were safety procedures that, had they been followed, would have kept the leak under control, but they were not followed and some of the safety devices supposed to prevent such a runaway reaction were not working or were out of service.

Whatever the cause, the tragedy made headlines across the Nation. All at once, public interest focused on the chemical industry and its safety systems in general and on Union Carbide's Institute, WV, plant, a sister plant to the one in India, where methyl isocyanate, MIC, also was manufactured.

Within 10 days after the tragedy in India, Mr. Speaker, the Subcommittee on Health and Safety, which I chair, had the first of two hearings on operations at the Union Carbide plant in West Virginia.

At that hearing on December 12, 1984, and the subsequent one on February 19, 1985, witnesses from Union Carbide, the Occupational Safety and Health Administration, and Machinists' Union Local 656 told the subcommittee that all was well, that the MIC unit at Institute was secure and safe and that the likelihood of a Bhopal-like accident at Institute, WV, or at any of the other 5,000 or so chemical plants in this country fell between slim and none.

OSHA saw no reason to revise the policy of voluntary compliance for industry instituted by this administration or to replace that policy with the kind of vigorous inspection that we on the subcommittee believed was necessary.

We were proven more right than either OSHA or Union Carbide last summer when another leak occurred, this time in the aldicarb oxime unit at Institute, hospitalizing 6 workers and about 130 citizens who lived near the plant.

At our subcommittee hearing on October 2, 1985, all of our witnesses again agreed that the accident at the aldibarb unit was just a freak circumstance, resulting from some workers failing to follow proper company procedures and some equipment being used for purposes not designed.

There was a difference, though, Patrick Tyson, Acting Assistant Secretary for Labor for OSHA, announced a special emphasis program for the chemical industry which would result in a series of wall-to-wall inspections at some 80 plants where the most toxic and hazardous chemicals were either manufactured or used.

The first plant to be so inspected, Tyson said, would be the entire Union Carbide facility at Institute, WV.

Just last week, Mr. Speaker, OSHA and Union Carbide again made headlines across the country, only this time instead of a leak or spill, OSHA cited Union Carbide for 221 violations of safety and health rules and regulations at the Institute, WV, plant.

The big news, at least as far as the national media was concerned, was the fine of almost $1.4 million that OSHA proposed against Union Carbide—the largest fine ever levied by OSHA in its 16-year history.

As chairman of the Subcommittee on Health and Safety with direct jurisdiction over the health and safety of American workers, I, however, am far more concerned by the violations themselves.

I am particularly concerned with those violations that relate directly to the company's ability to detect chemical leaks, to design deficiencies and work practices which contribute to the probability of major chemical releases, to the failure to provide adequate back-up systems in the event of a chemical release or spill, and to the potential exposure of employees to highly toxic materials.

All or most of those violations are just the kinds of circumstances that could lead to a Bhopal-like tragedy here in the United States, just the kind of ticking time bomb that witnesses at three previous hearings on Union Carbide operations conducted by the Subcommittee on Health and Safety said did not exist.

And, while I commend Secretary of Labor Bill Brock and Mr. Tyson for their interest in protecting workers and the public faced with the threat of dangerous and, in some cases, fatal exposures to so many of these toxic and hazardous substances, I can only hope that this new effort on their part is not too late.

I can only hope that the violations for which Union Carbide has been cited are exceptions to current practices rather than the rule in the chemical industry and other industries where toxic materials are used.

We know that about 100,000 Americans die each year because of disease related to toxic exposures that occurred during their working lives. What we don't know is how many other Americans living in close proximity to plants that manufacture or use toxic substances have been exposed to the fumes and leaks from those plants and have also contacted a variety of diseases that have led to disability and, ultimately, death.

One of the tragedies created by this administration has been the lack of rigorous enforcement of OSHA rules and regulations through the inspection process. Under the program of voluntary compliance designed by this administration, companies that kept their injury/illness rate and lost-workday rate below the average for their industry, were often exempted from anything more than a records inspection.

Now, as we see in the allegations against Union Carbide, a large number of injuries and illnesses were never reported as required by the Occupational Safety and Health Act. The actual citation mentions 130 specific instances that were not reported during the years of 1983, 1984, and 1985.

According to some information I have been able to gather, the instances of under reporting of injuries and illnesses cited are only the most blatant. OSHA inspectors believed that another 100 instances of injuries and illnesses not reported weren't as clear and, therefore, were not mentioned.

Thus, according to OSHA personnel, Union Carbide, for the 3-year-period in question, reported some 120 injuries and illnesses, about a third of those that should have been reported.

If all of those injuries and illnesses had been reported, Union Carbide's injury/illness rate, instead of being below the national average for the chemical industry, would have been above the 3.4 percent rate for the industry.

My concern is that there may be a similar pattern in the chemical industry as well as other industries as part of an effort to avoid inspections under the administration's voluntary compliance program.

I have invited Secretary Brock and Acting Assistant Secretary Tyson to appear before the Subcommittee on Health and Safety on April 23 and have asked them to focus on the special emphasis program in the chemical industry with particular regard to the status of inspections at other companies and any similarities in violations for which those companies are likely to be cited and the ones for which Union Carbide has been cited.

If there a is pattern throughout the chemical industry, then it is incumbent on Secretary Brock and his new Assistant Secretary of Labor for OSHA to insure that the industry conforms to the rules. If it is not a pattern, then it will be up to the company to dispute the allegations.

Having been involved with OSHA and its activities since its inception, I have come to realize that the Occupational Safety and Health Act provides the right framework to insure a safe and healthy workplace for Americans, but it is the way the act is interpreted and the way the rules and regulations are enforced that will ultimately determine how safe and how healthy our workplaces are, whether a construction site, a chemical manufacturing plant, a manufacturing plant where toxic substances are used, an assembly operation, a hospital laboratory, or a farm.

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NATIONAL LIBRARY WEEK

The **SPEAKER** pro tempore. Under a previous order of the House, the gentleman from New York [Mr. OWENS] is recognized for 60 minutes.

Mr. OWENS. Mr. Speaker, each year we observe National Library Week, as we observe many other weeks and special days. However, I take this special order for National Library Week because I think it is very important that we recognize the fact that libraries are very vital institutions, and we often take them for granted, or generally the population takes libraries for granted. Libraries are a vital part of the total educational infrastructure of our Nation. They are important at the level of local public schools, elementary and secondary. They are important at the level of colleges and universities. They are important at the level of research libraries, special libraries. They are important in numerous Federal agencies, including the Department of Defense, which has one of the most extensive library and information networks in the world.

Libraries are important, and yet we take them for granted. For that reason, the special observance each year for libraries I think has a significance beyond many of the other special days and weeks and months that we observe.

This week the National Library Week theme is "Get a head start at the library," and like many other Americans the President of the United States has saluted the American Library Association on this 29th annual observance of National Library Week. The President's letter states:

> Many centuries ago, Euripides said, "Who neglects learning in his youth, loses the past and is dead for the future." Today, Euripides' words might very well be, "Get a Head Start at a Library," the theme chosen for this year's observance of National Library Week.

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I will not quote the rest of the President's letter, but I will submit the entire letter for the RECORD:

> THE WHITE HOUSE,
> *Washington.*
>
> NATIONAL LIBRARY WEEK, APRIL 6–12, 1986
>
> I am pleased to salute the American Library Association on the 29th annual observance of National Library Week.
>
> Many centuries ago, Euripides said, "Who so neglects learning in his youth, loses the past and is dead for the future." Today, Euripides; words might very well be, "Get a Head Start at a Library," the theme chosen for this year's observance of National Library Week.
>
> Many children get a head start when their parents take the time to introduce them to the wonders of the library at an early age, and they continue to get ahead as they use that precious intellectual resource to pursue their formal education, develop career plans, or seek the pleasure of literature.
>
> An acquaintance with the library is truly an introduction to life, because our libraries are the crossroads for every human interest from business to leisure, from agriculture to art.
>
> I take this opportunity to congratulate all those at every age who are taking advantage of the opportunities our libraries provide for intellectual and personal growth. And, let me especially commend the dedicated librarians and volunteers who have made libraries a vital and integral part of our society. God bless you.
>
> RONALD REAGAN.

The President's letter, like numerous citizens across the Nation, gives recognition to the fact that libraries are important. Libraries are taken for granted, often, like apple pie and motherhood. In terms of the general concept, we all like the idea, but when it comes to providing the necessary funds to maintain our libraries, we do not recognize the necessity.

This year we have had a particularly significant example of the importance of libraries brought before us as a result of the Gramm-Rudman cuts at the Library of Congress. We have had a particularly graphic example of what it means when libraries are taken for granted. Although the budgets of libraries in general are only a tiny portion of the governmental budget throughout the Nation, only a tiny portion of municipal budgets, they get only a tiny portion of the total State aid budget, and, of course, at the Federal level they get only a tiny portion of the total Federal budget, and certainly the Library of Congress, a major institution of world renown, an institution which has a very practical significance for this body, takes only a very tiny portion of our total budget and yet it had to undergo the same automatic cuts that all other agencies and departments had to undergo as a result of the Gramm-Rudman legislation.

So the Library of Congress has been cut 4.3 percent after having already received a cut from the Congress, and that cut has dramatized the ridiculous nature of the Gramm-Rudman cuts in general and, specifically, the nature of the Gramm-Rudman cuts with respect to education.

No education programs were exempted in the Gramm-Rudman process. While we are very much concerned and are at every level determined to make no significant cuts in our defense budget, we failed to recognize the fact that the long-term security of the Nation is very much affected and impacted by what we do with our libraries. In the case of our other educational institutions, they are very much a part of our long-term national security effort.

But the closing of the Library of Congress reading rooms has served to dramatize the seriousness of the situation in a way which has not been dramatized in recent history. The Library of Congress in modern history has never had to close its reading rooms or alter its schedule in any dramatic way, preventing scholars from all our the Nation and indeed from all over the world from coming to use its collections, it has never had to do that before, and now Gramm-Rudman has forced the action upon the Library of Congress.

The Librarian of Congress appeared before one of our subcommittees and made a very eloquent statement, and I think that statement speaks better than I could to the seriousness of this particular matter. I read this because of the fact that the Library of Congress is at the center, at the core, of a whole network. The entire network of libraries that operate throughout the Nation look to the Library of Congress. They all depend upon the Library of Congress. When you make cuts at the Library of Congress, you are cutting all libraries because they provide services for all libraries, they provide catalogue cards and a number of other services that every library in the Nation makes use of. So the cut there is very serious. And, symbolically, when you cut the Library of Congress, you have made a symbolic statement, I think, which is devastating to the libraries throughout the Nation.

The Librarian of Congress, appearing before a subcommittee of the Congress, made a very lengthy statement. I am just going to quote part of that statement and enter it into the RECORD. I quote from the statement of the Librarian of Congress:

> If the announced budgetary policy is pursued for the Library of Congress, the Nation's library—your main resource of knowledge and information—will quickly deteriorate. It has taken two centuries to bulid this institution. It can be disintegrated in a decade and destroyed in two decades. And so it will be unless the fiscal policy toward the Library is repaired and reversed.
>
> This greatest Library on Earth—a monument to our Founders' faith in knowledge, a byproduct of our Nation's faith in freedom of inquiry, will become a byword and a symbol of Nation's lack of faith in itself, a symptom of a nation in terror and decline. Historians will not fail to note that a people who could spend $300 billion on their defense would not spend $18 million on their knowledge—and could not even keep their libraries open in the evening. Historians will look with amazement and incredulity at a nation that could once afford to build grand structures bearing the names of Thomas Jefferson, John Adams, and James Madison—all lovers and champions of knowledge—yet decided it could no longer afford to acquire as effectively and abundantly as possible, the current sources of knowledge. They will recall the last epoch of the Roman empire when Romans were so fearful of the barbarians that they imitated the barbarians. These are not the priorities of civilization and freedom.
>
> The two large retreats mandated on us by the Congress are both antidemocratic and antiknowledge. How can we justify or explain this to our people or to the world? Dare we say, simply, that our Nation, perhaps the first nation on Earth explicitly founded on knowledge, is now ready to disintegrate and destroy its own foundations. Knowledge is not a rock that we inherit from the geologic past, it is a living growing organism constantly in need of nourishment and renewal—the special task of your Library of Congress.
>
> The disaster which I describe, the shame which will come on this Nation, if the Congress pursues a policy of disintegrating its Library, can be averted only if this committee restores in our 1987 budget the cuts made in 1986, and keeps your library thriving and growing, to keep pace with the progress of knowledge and the need for information. Of course, it is within the power of Congress to proceed as it wishes. But it is my sworn duty under the Constitution to alert the Congress to what it is doing, and use all my efforts to save the Congress and all of us from a historic disaster.
>
> The Congress has become understandably suspicious of all claims for priority on our Nation's public resources. We have been told that the "Government" should only take on what the "Government" can afford. But I would respectfully suggest that the "Government" can afford nothing, not one bomber or aircraft carrier. It is the American people who can or cannot afford. And the Congress determines the priorities in expending what they provide. The fact that some claims of priority are ill-founded or bizarre does not mean that there are no priorities. The fact that "special interests" seek improper special consideration does not mean that there are no rational or patriotic priorities. Among these, alongside our Nation's defense, we must put our Nation's knowledge. An ignorant Nation, an incompletely informed Congress, will not have the power to defend itself. Nor can a nation that undervalues knowledge hope to remain free.
>
> I beg this committee to recognize that knowledge is not simply another commodity. On the contrary, knowledge is never used up; it increases by diffusion, and grows by dispersion. Knowledge and information cannot be quantitatively assessed, as a percentage of the GNP. Any willful cut in our resources of knowledge is an act of self-destruction.
>
> I said at the outset that I am not an alarmist, but an honest person sounding the alarm. We have seen many groups march on Washington—farmers, advocates of school prayer, and many others—all witness to the constitutional freedom of all of us to petition our representatives in Congress. The strength—and the weakness—of the cause which I espouse on behalf of the Congress' Library and the world of learning is precisely that we do not speak for any special interest or any one party or opinion. The cause of knowledge is the most general of all interests for a free people. The beneficiaries of knowledge, of the information supplied to Congress and the free explorers of knowledge, are everywhere. Their largest numbers are still unborn. We will fail in our duty to our posterity if we do not hang on to them the fully-stocked, properly organized treasure of wisdom of the past which it has taken us two centuries to accumulate.
>
> As a servant of the Congress, I beg this committee to do what it can to repair the damage being done by budgetary cuts. To restore your great resource of knowledge, your Library, to its statute, its progress, and its promise. My eloquent predecessor, during the last world war, described the Library of Congress as a fortress of freedom. There can be no more accurate description of our proper role, and the priority that your committee should help restore.

□ 1855

This is a portion of the statement made by Mr. Daniel Boorstin, the Librarian of Congress, and he stated it very well in terms of the crucial role, the crucial position occupied by the Library of Congress within the total system of libraries within our Nation.

The general state of library funding is even more precarious and even more devastating than the state of the Library of Congress. For the fifth year in a row, the President of the United States, who has saluted National Library Week, has placed in his budget zero for the funding of the Library Services and Construction Act.

The losses from LSCA would be tremendous if the Congress again does not rally to the aid of libraries and replace the money which has been stricken from the budget by the President.

School libraries are also suffering great losses.

In general, the impact of Gramm-Rudman-Hollings means that all Federal libraries and related programs will be cut 4.3 percent, programs that give aid to libraries across the country. The effect is particularly severe on agencies such as the Library of Congress, as I have already stated.

They are also quite severe on grant programs, such as the Library Services and Construction Act, where 17 States already are being required to return funds that they have received. As a result of the late sequestering order, 17 States are being forced to give up money that they had already received.

Mr. GILMAN. Mr. Speaker, will the gentleman yield?

Mr. OWENS. I am happy to yield.

Mr. GILMAN. Mr. Speaker, I thank the gentleman for yielding.

It is with pleasure that I rise in recognition of the week of April 6–12 as "National Library Week." I would like to commend the gentleman from New York [Mr. OWENS] for allowing us to take this time to draw the fundamental but sometimes overlooked connection between the service which our libraries furnish us, and the continuation of a knowledgeable and enlightened public.

It may seem obvious to state that we are all in our own way, dependent on the services which our libraries provide. We have all come to rely on the library as a source of community service information, the most up-to-date scientific and research-related materials, and on the other end of the spectrum, as a storehouse of historical records which would otherwise be lost if our libraries did not take painstaking efforts to perserve and organize every document that was ever written.

Indeed, the services which our libraries provide have become such an integral part of our daily lives that we sometimes forget what goes into maintaining and improving our library collections; our libraries are not only storehouses of historical information, but are changing and evolving in the same way that the human experience is changing and evolving. Everytime that a new periodical or scientific study is created, it is the responsibility of our libraries to obtain directly or through the library network the new information. Without such a comprehensive and systematic method of information collection, it is disturbing to think that amount of information would become inaccessible to the public and in the worst scenario, completely lost.

When one considers the enormous wealth of information which flows steadily into our Nation's library system, I am genuinely pleased by the fact that we have all been given an opportunity to celebrate National Library Week. By devoting a week to the achievements of this Nation's libraries, I am hopeful that we will all enhance our appreciation of the monumental task our libraries have undertaken to record and make accessible every aspect of human knowledge. I am also hopeful that as we gain a more thorough understanding of the invaluable service provided by our libraries, we will make more knowledgeable decisions regarding crucial funding for library services.

HOUSE JOINT RESOLUTION

In the spirit of National Library Week, I would also like to bring your attention to House Joint Resolution 244, to establish a White House conference in 1989 to afford librarians, public officials, and other interested parties an opportunity to discuss library services with the goal of formulating more cost-effective methods of information storage and more effective means of disseminating this information to the public. As a cosponsor of this important measure, I would like to urge my colleagues to support this worthwhile resolution.

It is truly an exciting prospect to think that future generations will be better educated because of this generation's dedication to maintaining and improving our libraries. I would hope that this new-found enlightenment will be instrumental in combatting all forms of prejudice, racial intolerence, bigotry, and other evils that stem fundamentally from man's ignorance. Accordingly, I urge my collegues to join in celebrating National Library Week as a testimony to man's thirst for knowledge and as a means to improving his quality of life.

Mr. OWENS. Mr. Speaker, I thank the gentleman.

I would like to point out the fact that the White House Conference on Libraries is very necessary for the same reasons this special order is necessary and that is to call attention fully to a basic resource, a major resource, which we continually neglect and take for granted.

To continue the present situation with respect to the impact on libraries of Federal budget and policymaking decisions has led to the present situation where several States are having to return money. Other States are going to have to forgo their funding for the coming year in order to meet Gramm-Rudman requirements.

They are also proposing library rescissions, rescissions of funds that were appropriated.

In addition, the administration has proposed cancellations of all library program funding not already substantially allocated.

If Congress does not agree by mid-April, $34,500,000 in funds for LSCA-2 and LSCA-6 and the Higher Education Assistance Act 2-A, -B and -C, must be released; but that will be already halfway through the fiscal year when this rescission process will end.

It has already caused and will cause a hardship when applications are being prepared for this year, as it has for previous applications.

Two States have been prevented already from spending any LSCA-2 funds that they had already received.

Another threat to libraries is, of course, the postal revenue forgone.

The postal revenue forgone situation poses a particular problem to libraries which have traditionally been able to ship materials or receive materials at prices much lower than the usual mail rates.

For the second year the administration has proposed elimination of Federal funding which replaces revenue forgone by the U.S. Postal Service, so that this allows some rates to be free and others are reduced.

The U.S. Postal Service estimates that $833 million is needed for fiscal year 1987, of which $28.5 million

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would be for free mail for the blind and $22 million would be for the fourth-class library rate used for interlibrary loans and books by mail programs. These are used to serve rural and homebound patrons.

At the full commercial rates which would prevail October 1 if we get no subsidies, if we do not override the President and provide for a postal forgone subsidy, a 2-pound library rate book package would be 94 cents, which represents a 27-percent increase over previous prices. This would be on top of a 10-percent increase which was already mandated March 9 and a 24-percent increase which took place on January 1 due to insufficient appropriations in the GRH cut.

There was also a general rate increase in February 1985. Prior to that, a 2-pound package was 47 cents. Under the President's budget, the library rate would go up 100 percent in less than 2 years' time.

I am only citing these details because they add up to tremendous amounts of money when large amounts of transactions are taking place through the mail, as in the case of most library systems. Libraries could not function if they depended on their own collections alone. A small library in Saline, MI, for example, with a budget of $125,000, barely enough to pay a librarian, a clerk, and provide for the building, could not function unless it had the Michigan State resources behind it. The Michigan State libraries and all of the university and public libraries of the State are at their command and books and materials from all of these libraries are transmitted by mail in order to serve the needs of that small population in that small town.

This is not unusual. All libraries operate in this way and no small library would be worth very much to its citizens if it could not draw on the resources of library networks and library systems. The mail becomes very important.

Beyond the mail is the problem of telecommunications. Many of our libraries, certainly our college and university libraries, are special libraries and are research libraries that make use of electronic data bases, electronic data bases which must make use of telecommunications for transmission. The telecommunication rates are also rising and those data bases which are so vital to the education and training of our youth in college, vital to our scholars doing research and vital to laboratory experimentation, the costs have increased greatly merely by the increased telecommunication costs.

Mr. Chairman, I will submit the entire statement on the impact on libraries of Federal budget policy decisions and proposals in order to give a total picture of the kind of problem that libraries are facing.

I will also submit a summary of the American Library Association appropriation recommendations. This is a summary which shows what the President has proposed, what the amount would be after the 4.3-percent cut and what the new authorization recommended by the American Library Association would be.

I will also submit for the RECORD a list of the budget cuts for each State, showing what each State would lose under the Library Services and Construction Act. Part I is the Public Library Services, where New York State would lose $4,639,000 and numerous other States would lose tremendous amounts of money just for public library services.

I will also submit a list of what the States would lose in public library construction if the President's proposals for the Library Services and Construction Act are carried out.

I will submit also what the States would lose in interlibrary cooperation funds if the States are forced to take the cuts as the President has proposed.

Impact on Libraries of Federal Budget and Policy Decisions and Proposals

EFFECT OF GRAMM-RUDMAN-HOLLINGS

All federal library and related programs were cut 4.3 percent due to the presidential sequester order which took effect March 1, 1986, as mandated by the Balanced Budget and Emergency Deficit Control Act of 1985 (Gramm-Rudman-Hollings amendment or G-R-H). The effect is particularly severe on agencies such as the Library of Congress which had already received a cut in FY 1986, and on current funded grant programs such as LSCA, where 17 states are being required to return funds already received. The alternative was a double cut for states which had not yet received allocations. Should the automatic sequestering of funds be implemented October 1, 1986, for FY 1987, all programs would be cut an estimated 25 percent!

ZERO BUDGET FOR LIBRARY PROGRAMS

For the fifth year in a row, the Administration has proposed elimination of the Library Services and Construction Act title I public library service improvement and extension to targeted populations, title II public library construction, title III interlibrary cooperation among all types of libraries and across local and state boundaries, title IV library services to Indian tribes, and title VI library literacy programs; and elimination of the Higher Education Act title II-A college library resources grants (unfunded pending reauthorization with need criteria), title II-B graduate fellowships targeted to minorities, plus research and demonstrations, and title II-C grants to major research libraries to make their holdings more widely available. FY 1986 funding for these programs is $127,500,000 ($122,018,000 after March 1 G-R-H cut).

LIBRARY RESCISSIONS PROPOSED

In addition, this year the Administration has proposed rescission or cancellation of all library program funding not already substantially allocated. If Congress does not agree by mid-April, $34,500,000 in funds for LSCA II and VI and HEA II-A, B and C must be released, but that will be over half way through the fiscal year—a hardship when applications have been prepared, plans have been made, matching funds may have been promised, and some salaries may be at stake. Two states have been prevented from spending LSCA II allocations they had already received!

POSTAL REVENUE FOREGONE THREATENED

For the second year, the Administration has proposed elimination of the federal funding which replaces revenue lost or "forgone" by the U.S. Postal Service (USPS) so that some rates can be free (for the blind and visually handicapped) or reduced (preferred, 2nd, 3rd, and 4th class rates for local newspapers, charitable and nonprofit groups, and libraries, schools and colleges). USPS estimates $833,211,000 is needed for FY 1987, of which $28.5 million would be for free mail for the blind, and $22 million for the 4th class library rate used for interlibrary loan, books-by-mail programs for rural and home-bound patrons, film circuits, and orders from publishers/distributors.

At the full commercial rates which would prevail October 1 without any subsidy, a two-pound library rate book package would be $0.94, a 27 percent increase. This would be on top of a ten percent increase March 9 and a 24 percent increase January 1 due to insufficient appropriations and the G-R-H cut. There was also a general rate increase in February 1985; prior to that the two-pound package was $0.47. Under the President's budget, the library rate would go up 100 percent in less than two year's time.

LIBRARY OF CONGRESS—DOUBLE CUTS

FY '86 funding to the Library of Congress was 3.5 percent below FY '85; on March 1 the G-R-H cut was a further 4.3 percent. Thus, LC funding is reduced by $18.3 million or eight percent. Some 300 positions are being eliminated. Public service hours have been cut from 77½ to 54½ per week. All Sunday and holiday hours have been eliminated and all evening hours except Wednesday, restricting access of working researchers and scholars on limited travel to LC's unique resources. There will be 22 percent fewer purchases of new, needed, or rare items (which may not be available or in print in future years). About 25,000 fewer books will be cataloged, affecting all libraries who rely on LC's high-quality and comprehensive cataloging data. About 77,000 LC books reach a brittle state each year, but preservation microfilming will be cut 25 percent, and 75,000 books will go without binding. LC's National Library Service for the Blind and Physically Handicapped is being cut 12 percent, resulting in 80,000 fewer copies of braille and recorded magazines (the subscription waiting list is growing at 1,000 names per month), and 2,000 fewer braille bood copies.

LOSS OF SCHOOL LIBRARY PROGRAM

The Elementary and Secondary Education Act title II (funded from FY 1966-76) provided assistance for the acquisition of school library resources, textbooks and instructional materials. One of the major effects of this program was the establishment of stocked and staffed elementary school libraries in many schools which had none previously. A "small" consolidation, the ESEA IV-B program (funded in FY 1976-81) combined title II with educational equipment and guidance, counseling and testing, but still provided an estimated 20-30 percent of all funds spent on school library resources and instructional equipment. ESEA IV-B received $161 million in its last year of

funding, FY '81. A "big" consolidation, the Education Consolidation and Improvement Act of 1981, combined ESEA IV-B with 27 other programs in a block grant. Preliminary results of an Education Department evaluation show 67 percent of school districts spent $97 million on library resources and instructional equipment. Information from school librarians shows the effect to be very uneven under the block grant, with some schools receiving more funds for libraries while others get none. New York received $12.4 million in the last year of IV-B, but spent only $2.1 million of its $31.1 million Chapter 2 allocation on school libraries in the 1984-85 school year.

PROPOSED END OF REVENUE SHARING

The Administration has proposed terminating general revenue sharing when the current authorization expires at the end of 1986, and has proposed rescinding this year's fourth quarter payment to local governments. In FY '83, libraries received 1.65 percent of revenue sharing funds or $76 million. In West Virginia, 22 percent of local support of public libraries comes from revenue sharing; in Pennsylvania it is 14 percent. If revenue sharing is eliminated, many libraries will be severely and directly affected. Most public libraries will be affected indirectly as localities seek to cut some services for funds to replace federal revenue sharing used for other services, such as police and fire protection.

INCREASED TELECOMMUNICATIONS COSTS

Divestiture of the Bell system and FCC deregulatory policies have resulted in revised AT&T tariffs for the private leased lines used by thousands of libraries to transmit bibliographic data. In October 1983, AT&T proposed a 73 percent increase in a tariff that, after considerable library community and congressional involvement, was found unlawful by the FCC. New tariffs eventually took effect in April 1985 with a 20 percent increase for libraries, with state and regional library network increases ranging from 5 to 64 percent. Libraries were affected much more substantially than the average for all private line customers of four percent. Since April, three incremental increases have been approved, raising library costs by about another 23 percent. With such large and frequent increases, planning becomes impossible, and small libraries are being priced out of online systems.

OTHER FEDERAL PROGRAM CUTS

The National Endowment for the Humanities, already cut back in recent years over ten percent below its FY '81 level, would be cut again another ten percent in the Administration's FY '87 budget. NEH Humanities Projects in Libraries, kept alive only through congressional support, would be cut 52 percent. The National Historical Publications and Records Commission is once again proposed for elimination. The Government Printing Office Superintendent of Documents operation which supports distribution of government documents to almost 1,400 designated depository libraries, is down 14 percent from the previous year. Other programs which have received cuts or not kept pace with increased costs include the National Commission on Libraries and Information Science, the National Library of Medicine (including the Medical Library Assistance Act), the National Agricultural Library, and the National Archives and Records Administration.

RESTRICTIONS ON ACCESS TO GOVERNMENT INFORMATION

A series of federal policy decisions in recent years have had the effect of restricting the amount of information collected or compiled by the federal government, the amount of such information published, and the amount disseminated. Various policy directives have caused agencies to cut back or discontinue such activities, making it more difficult for libraries to meet their users' needs. These policies and examples of their effects have been documented by the ALA Washington Office in a series of chronologies entitled "Less Access to Less Information By and About the U.S. Government." A more recent example was a March 17 Joint Economic Committee hearing on the declining quality of U.S. economic data (on which many funding and other decisions depend) due to budget cuts for statistics collection and analysis. Another example is the March 14 letter to legislators from the Joint Committee on Printing announcing that because of the G-R-H cut, House and Senate Document Rooms would soon close to the public, and constituents could not expect to obtain bills, reports, etc., from their Members of Congress.

OMB CIRCULAR A-130

Issued December 24, 1985, the Office of Management and Budget Circular A-130, Management of Federal Information Resources, is a significant presidential policy directive which will likely increase restrictions on the public's access and accelerate the trend to privatization of government information. Although an improvement over the draft circular originally proposed, A-130 still allows dissemination only when required by law or necessary for proper performance of agency functions, and when it does not duplicate any current or potential private sector product or service. Agencies are to place maximum feasible reliance on the private sector for dissemination, which could easily lead to higher prices and selective rather than comprehensive coverage.

PRIVATIZATION AFFECTS LIBRARY SERVICE

The Administration's policy of contracting out to the private sector as many government activities as possible (OMB Circular A-76) is affecting the services of federal libraries. Libraries are on OMB's list of "commercial" activities and thus are especially vulnerable to being contracted out. Over 200 A-76 library actions have taken place between 1983 and October 1985 including the Departments of Transportation, Labor, Interior, Commerce, the National Oceanic and Atmospheric Administration, Census, the Office of Personnel Management, the U.S. Information Agency, the Consumer Product Safety Commission, and the Equal Employment Opportunity Commission. The libraries of the Department of Housing and Urban Development, the Department of Energy, and the Environmental Protection Agency have already been contracted out. However, libraries are not off-the-shelf products; they require personnel competencies likely to be sacrificed if contracted out, with consequent reductions in the productivity of government scientists, lawyers, administrators and others.

Costs of Materials Going Up

Since 1967, when the average book and journal each cost about $8.00, the cost of printed materials has generally risen faster than the consumer price index. This is especially true of periodicals. If a library had the same acquisitions budget in 1985 as it had in 1967, it would be able to purchase only 15 percent of the periodicals it could have in 1967, or twice the inflation rate of the CPI. The average U.S. periodical cost almost $60.00 in 1985, an 8.6 percent increase in one year, still well over twice the CPI of 3.8 percent. The price of the average U.S. hardcover book was $30.00 in 1984, and has stabilized in recent years. However, non mass-market paperbacks went up to $13.86 in 1984, a 17.5 percent increase. Libraries have tried to maintain their journal subscriptions, often at the expense of book purchases. A ten-year analysis of data from 84 research libraries indicates that while expenditures for books rose by 93 percent, and expenditures for serials rose by 155 percent, the number of volumes held by those libraries increased by only 31 percent.

COSTS HIGHER TO LIBRARIES

It is common practice for publishers to charge a higher periodical subscription rate to libraries and institutions than to individuals. About 70 percent of the periodical titles most often ordered by libraries are available to them only at prices which may be from 10 to 100 percent more than the rates charged individuals. Beginning about 1980, British publishers began charging American libraries far higher prices. A 1984 study of 17 British publishers of scholarly and scientific journals showed they charged North American libraries 67 percent more than subscribers in the UK and 34 percent more than customers elsewhere in the world. One German publisher has followed suit, and librarians fear the practice will spread.

TECHNOLOGY CHANGING NATURE OF MATERIALS

Technology can increase information access for users but also exerts cost pressures on libraries. There are now over 2,000 online databases provided through about 300 different online systems. Each database provides data and information, or citations to the literature of a certain field, or both. Unlike printed material on shelves, where the cost of acquiring and maintaining the information does not depend directly on the number of users, retrieving information from online databases costs money each time, even for the same information. Some material is now available only online. How to budget for these services, and whether to charge users are questions each library must answer.

WHITE HOUSE CONFERENCE II

These and many other issues and trends affecting libraries are likely to be a focus of public discussions and recommendations during the second White House Conference on Library and Information Services. Measures—H.J. Res. 244, introduced by Rep. William Ford (D-MI) and S.J. Res. 112, introduced by Sen. Claiborne Pell (D-RI)—are pending in Congress to authorize a second WHCLIS in 1989.

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SUMMARY OF AMERICAN LIBRARY ASSOCIATION APPROPRIATIONS RECOMMENDATIONS FISCAL YEAR 1987—LABOR-HHS-EDUCATION APPROPRIATIONS

Library programs	Fiscal year 1986—			Fiscal year 1987—		
	Appropriation	After 4.3 percent sequester [1]	Rescission proposal [2]	Authorization	Reagan request	ALA recommendation [3]
Total, Library Services and Construction Act	$120,500,000	$115,318,000	−$26,318,000	$170,000,000	0	$126,525,0000
Title I, public library services	75,000,000	71,774,000		85,000,000	0	78,750,000
Title II, public library construction	22,500,000	21,533,000	−21,533,000	50,000,000	0	23,625,000
Title III, interlibrary cooperation	18,000,000	17,226,000		30,000,000	0	18,900,000
Title IV, Indian libraries	(4)	(4)	(4)	(4)	(4)	(4)
Title V, libraries literacy	5,000,000	4.785.000	−4.785.000	5,000,000	0	5.250.000
Total, Higher Education Act	7,000,000	6,699,000	−6,699,000	[5] 30,000,000	0	12,350,000
Title II–A, College library resources	0	0		[6] 12,500,000	0	[6] 5,000,000
Title II–B, Library training and research	1,000,000	957,000	−957,000	[6] 5,000,000	0	1,050,000
Title II–C, research libraries	6,000,000	5,742,000	−5,742,000	[6]12,500,000	0	6,300,000
Education Consolidation and Improvement Act: Ch. 2 El/Secretary of Education State block grant [7]	528,909,000	506,166,000		(8)	528,909,000	555,354,000
National Commission on Libraries and Information Science	690,000	660,000		750,000	690,000	725,000
Center for Statistics, ED (including library surveys)	8,747,000	8,371,000		14,000,000	12,000,000	12,000,000
National Library of Medicine (including Medical Library Assistance Act)	57,808,000	55,322,000		(8)	56,408,000	60,698,000

[1] Balanced Budget-Emergency Deficit Control Act (Gramm-Rudman-Hollings Amendment) required 4.3 percent cut Mar. 1, 1986.
[2] ALA recommends that Congress reject the administration's rescission proposals for library programs.
[3] ALA recommends funding at amounts required to maintain the current level of services (before G-R-H sequester).
[4] Funded at 2 percent set-aside of appropriations for LSCA I, II, and III.
[5] As in House-passed H.R. 3700; Senate Subcommittee's S. 1965 has $5,000,000, $1,050,000 and $6,300,000 for II-A, B and C.
[6] Would fund about 1,000 neediest institutions under need criteria included in both H.R. 3700 and S. 1965.
[7] Forward funded consolidation of 28 programs including former ESEA IV–B school library resources and instruction equipment.
[8] Such sums.

WHAT THE STATES WOULD LOSE—PUBLIC LIBRARY SERVICES (LIBRARY SERVICES AND CONSTRUCTION ACT TITLE I)

PURPOSE

Grants to the states for the extension and improvement of public library services to geographic areas or groups of persons in the state for whom current services are inadequate. When appropriations exceed $60 million, a portion of the additional funds is earmarked for urban libraries.

Appropriation fiscal year 1986	$75,000,000
After 4.3 percent sequester fiscal year 1986	71,774,000
Budget request fiscal year 1987	0
Recommendation fiscal year 1987	78,500,000

IMPACT OF PROPOSED PROGRAM ELIMINATION

In FY '87, for the fifth year in a row, the Administration proposes zero LSCA funding. Despite these recommendations, Congress held the appropriations at the FY '85 level. This was subsequently reduced by the Balanced Budget and Emergency Deficit Control Act of 1985 (Gramm-Rudman-Hollings). Although federal funding accounts for only four percent of public library support, these funds enable libraries to serve disadvantaged citizens who otherwise would be denied access to library services enjoyed by others. Because LSCA is not yet advance funded, the impact of zero-funding would be immediate. If LSCA is zero-funded, the states would lose the following sums based on the FY '86 appropriation:

State:	*Loss* [1]
Alabama	$1,195,607
Alaska	320,901
Arizona	946,519
Arkansas	784,395
California	6,530,564
Colorado	990,755
Connecticut	988,995
Delaware	352,320
District of Columbia	356,592
Florida	2,900,029
Georgia	1,640,753
Hawaii	455,877
Idaho	488,085
Illinois	3,084,019
Indiana	1,575,401
Iowa	929,928
Kansas	809,781
Kentucky	1,133,272
Louisiana	1,316,005
Maine	487,799
Maryland	1,280,564
Massachusetts	1,648,544
Michigan	2,474,740
Minnesota	1,241,605
Mississippi	848,741
Missouri	1,447,462
Montana	404,852
Nebraska	601,159
Nevada	425,463
New Hampshire	440,796
New Jersey	2,076,095
New Mexico	551,642
New York	4,639,639
North Carolina	1,727,218
North Dakota	371,171
Ohio	2,898,520
Oklahoma	1,031,977
Oregon	868,095
Pennsylvania	3,188,330
Puerto Rico	1,019,911
Rhode Island	440,293
South Carolina	1,018,404
South Dakota	375,696
Tennessee	1,375,324
Texas	4,166,091
Utah	606,688
Vermont	331,960
Virginia	1,596,514
Washington	1,281,318
West Virginia	693,153
Wisconsin	1,392,919
Wyoming	329,698

[1] Based on $70,339,000. Of the $75,000,000 appropriated, 4.3 percent was cut Mar. 1 due to the Gramm-Rudman-Hollings sequester order, and 2 percent is setaside for LSCA IV library services for Indian tribes and Hawaiian natives.

WHAT THE STATES WOULD LOSE—PUBLIC LIBRARY CONSTRUCTION (LIBRARY SERVICES AND CONSTRUCTION ACT TITLE II)

PURPOSE

Grants to states for building new library structures, purchase of existing historic buildings for conversion to public libraries, renovation of libraries and initial equipment except books. Includes remodeling to meet handicapped accessibility requirements, to conserve energy and to accommodate new technology. Federal share of each project may not exceed one half.

Appropriation fiscal year 1986	$22,500,000
After 4.3 percent sequester fiscal year 1986	21,533,000
Rescession request fiscal year 1986	0
Budget request fiscal year 1986	0
Recommendation fiscal year 1987	23,625,000

IMPACT OF PROPOSED PROGRAM ELIMINATION

The Administration has recommended elimination of LSCA title II for the fifth year in a row. Additionally, a request to rescind, or un-appropriate, funds for FY '86 has been made. In FY '85, of the approximately 665 local project applications submitted to state library agencies, only about 290 could be funded. Many of those unfunded have been resubmitted and are competing with new projects in the FY '86 cycle. Federal funds are desperately needed to help provide adequate library facilities. If LSCA II is zero-funded, the states would lose the following amounts based on the FY '86 appropriation:

State:	*Loss* [1]
Alabama	$363,355
Alaska	131,980
Arizona	297,467
Arkansas	254,583
California	1,774,544
Colorado	309,168
Connecticut	308,703
Delaware	140,291
District of Columbia	141,421
Florida	814,204
Georgia	481,104
Hawaii	167,684
Idaho	165,623
Illinois	862,873
Indiana	463,817
Iowa	293,079
Kansas	261,298
Kentucky	346,867
Louisiana	395,203
Maine	176,128
Maryland	385,828
Massachusetts	483,165
Michigan	701,708
Minnesota	375,523
Mississippi	271,603
Missouri	429,975
Montana	154,187
Nebraska	206,113
Nevada	159,639
New Hampshire	163,695
New Jersey	596,260
New Mexico	193,015
New York	1,275,361
North Carolina	503,976
North Dakota	145,278
Ohio	813,805
Oklahoma	320,072
Oregon	276,723
Pennsylvania	890,465
Puerto Rico	316,881
Rhode Island	163,562
South Carolina	316,482
South Dakota	146,474
Tennessee	410,894
Texas	1,149,100
Utah	207,576
Vermont	134,906
Virginia	469,402
Washington	386,027
West Virginia	230,448
Wisconsin	415,548
Wyoming	134,307

[1] Based on $21,102,000. Of the $22,500,000 appropriated, 4.3 percent was cut Mar. 1 due to the Gramm-Rudman-Hollings sequester order, and 2 percent is setaside for LSCA IV library services for Indian tribes and Hawaiian natives.

WHAT THE STATES WOULD LOSE—INTERLIBRARY COOPERATION (LIBRARY SERVICES AND CONSTRUCTION ACT TITLE III)

PURPOSE

Grants to states for planning, establishing and operating cooperative networks of libraries at local, regional or interstate levels. These cooperative networks provide for "the systematic and effective coordination of the resources of school, public, academic and special libraries and information centers for improved supplementary services for the special clientele served by each type of library or center."

Appropriation fiscal year 1986	$18,000,000
After 4.3 percent sequester fiscal year 1986	17,226,000
Budget request fiscal year 1987	0
Recommendation fiscal year 1987	18,900,000

IMPACT OF PROPOSED PROGRAM ELIMINATION

Interlibrary cooperation of all kinds has been stimulated by LSCA III. Zeroing-out title III will severely limit the effectiveness of the cooperative library networks operating in all 50 states. These networks are able to serve the public efficiently because each library shares its resources with other libraries. Private telecommunications lines allow networks of libraries to communicate with each other, but AT&T is raising these rates significantly and making library networks more costly. Books and other materials are often shared by sending them through the U.S. Postal Service. These rates have been raised twice since January 1, 1986. A two-pound book package now costs $.74 to send. Zero LSCA III funding would strike an unbearable blow to many struggling library networks.

State:	*Loss* [1]
Alabama	$285,839
Alaska	69,853
Arizona	224,333
Arkansas	184,301
California	1,603,169
Colorado	235,256
Connecticut	234,822
Delaware	77,611
District of Columbia	78,666
Florida	706,702
Georgia	395,757
Hawaii	103,182
Idaho	101,258
Illinois	752,134
Indiana	379,820
Iowa	220,237
Kansas	190,570
Kentucky	270,447
Louisiana	315,569
Maine	111,064
Maryland	306,817
Massachusetts	397,681
Michigan	601,688
Minnesota	297,197
Mississippi	200,190
Missouri	348,019
Montana	90,583
Nebraska	139,056
Nevada	95,672
New Hampshire	99,458
New Jersey	503,253
New Mexico	126,829
New York	1,136,254
North Carolina	417,107
North Dakota	82,266
Ohio	706,330
Oklahoma	245,435
Oregon	204,969
Pennsylvania	777,891
Puerto Rico	242,456
Rhode Island	99,334
South Carolina	242,084
South Dakota	83,383
Tennessee	330,216
Texas	1,019,324
Utah	140,421
Vermont	72,584
Virginia	384,833
Washington	307,004
West Virginia	161,772
Wisconsin	334,560
Wyoming	72,025

[1] Based on $16,881,000. Of the $18,000,000 appropriated 4.2 percent was cut Mar. 1 due to the Gramm-Rudman-Hollings sequester order, and 2 percent is setaside for LSCA IV library services for Indian tribes and Hawaiian natives.

Mr. Speaker, I would like to go further and say that our present administration not only has neglected libraries and information system, the present administration is guilty of a hostility toward library and information systems which is dangerous. Previous Presidents may have been neglectful, previous administrations may have failed to grasp the need for funding in order to maintain modern library systems, but the present administration has shown great hostility toward libraries. The present administration is the author of a process, which for lack of a better description I will call the A-76 contracting out process, and the A-76 contracting process is a small part of the total thrust of this administration toward privatization; that is, they have chosen to place libraries on a list of 14 original functions to be part of an experiment in privatization.

□ 1910

Libraries were placed on this list of 14 functions along with janitorial services, laundry services, technical and repair services, and forced to undergo a process of contracting out. All of those executive agencies that had libraries had to submit studies which justified the continuation of their libraries in-house, and if those studies were not considered adequate by the Office of Management and Budget, then the library for that particular agency was contracted out.

Several libraries have already been contracted out at the Department of Energy, the HUD Library has been contracted out, and several other key libraries have already been contracted out to private contractors who run the libraries. Already, it has been seen among the Federal agency libraries that still remain that the staffs of the agencies which lost their libraries to private contractors have been forced to turn to the libraries which still exist within the executive branch and make use of their services, despite the fact that they are paying for contracted services.

The contracting-out process is weak and inadequate for libraries in many ways, because libraries are part of a decisionmaking apparatus. They must be geared to the needs of the people who are making decisions, and in every agency which had libraries previously, those libraries were geared to serve the particular needs of that agency. Those libraries had accumulated years of experience in the form of the knowledge of the personnel retained, they had accumulated collections and understanding of exactly how to spend the available funds to get the best possible collections, the best possible resources, the best possible materials.

All of that is lost when a private contractor moves into the situation and bids at the lowest rate and begins to use inadequate personnel in order to cut costs. The experience has been a bad one. The Office of Management and Budget has now at least agreed to restudy the situation, is in that process, but given the impetus for privatization, and the fact that this is all part of a larger philosophical commitment of this administration, we do not think they will turn back.

The results, however, will be devastating. If the private concerns do not do an adequate job, and if they have the contract for a period of 2 or 3 or 5 years, it will be almost impossible to rebuild and restore a library once it is returned to the control of the agency. The gaps that accumulate cannot be easily covered because current knowledge, serials, current knowledge on data bases, numerous kinds of materials, are not available as time goes on. They are either acquired immediately or they are not available later on, or if they have to be acquired at a later date, the cost is tremendous because they become rare materials and they can be brokered in the market as the people who possess them see fit.

In addition to A-76, this contracting-out process, there is a larger effort called A-130, the Management of Federal Resources, a memo and a regulation now which has been put out by the Office of Management and Budget, which takes a hostile attitude

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toward the whole Government publication operation. They are attempting to limit Government publications as much as possible. They are attempting to distort and to twist the publication process to suit the aims and the needs of the administration. In other words, those publications and that information and that data which is not consistent with the philosophical needs of the Reagan administration. Those publications which talk about such things as the fact that there has been a dramatic shift in the way the income distribution takes place in this country, that fewer and fewer people are making more and more money, and more and more people are making less, and that kind of monthly publication which talks about the distribution of income has been cut out as one that is not needed by the American public. The administration does not see any need for it and, therefore, they have cut it out.

The Monthly Labor Review, which gives unemployment data and interprets it, has been slated to become a Quarterly Labor Review because we do not need that kind of information, it is felt by this administration.

Numerous other documents and numerous other services which provide information and data have not been cut out completely, but they are now provided only if you can pay for them. Either the Federal Government is charging more for the publications, or they have turned that particular function over to some private publisher, and you must pay that private publisher in many cases three or four times what was paid when the publication was a part of the Federal Government process.

I want to read from an American Library Association statement which is called "Government Publications—An Endangered Species":

> Because the Federal Government is the largest single producer, consumer and disseminator of information in the Nation, it finds itself, with the dawn of the electronic information age, at a critical juncture at which policy decisions are being formulated with wide-ranging implications which will take us into the next century.
>
> The Office of Management and Budget Circular A-30, "Management of Federal Information Resources," which OMB issued on December 12, 1985, and published in the Federal Register on December 24, is one of those policy decisions. In a December 23rd editorial entitled "Privatizing the Numbers," the Washington Post said that the circular would likely reduce the number of printed government publications available to libraries, or at a low cost to citizens in general, and it would increase the already widespread practice of private outfits interfacing with government computers and providing print-outs for users at hefty fees.

Private outfits can now make enormous fees off information which is generated by the public sector, by the Federal Government.

> The American Library Association believes that the final circular establishes official government policy which will contribute to the curtailment of the Federal Government's efforts to collect and disseminate information to the general public, business, government policymakers, and the academic community, and will accelerate the current trend toward the commercialization and privatization of government information. All of us concerned about public access to government information must watch the circular's implementation carefully.
>
> Development of the Circular. Circular A-130 is a presidential policy directive to Executive agencies which provides a general policy frame work for the management of Federal information resources. The circular does not have the force of law; it is not a regulation. However, agencies ignore it at their own peril. The Director of OMB will use fiscal budget reviews and other measures to evaluate agency compliance with the circular from time to time. This umbrella circular supersedes 4 existing circulars but its scope is much broader than the incorporated directives. The circular implements provisions of the Paperwork Reduction Act of 1980, as well as other statutes, Executive Orders, and Executive branch management philosophy.
>
> OMB made substantial changes to the March draft, but refused to make the final draft available for further public review before publication despite requests from Members of Congress, from the American Library Association and others. In its rewrite of the controversial March proposal in response to the more than 350 comments it received, the Office of Management and Budget accepted some of the recommendations which had been made, but ignored others. However, other provisions heavily criticized by the library and academic community were not changed or were modified only slightly. The final circular still delineates debatable policies regarding access, dissemination, data collection, "maximum feasible reliance on the private sector," user fees, cost-benefit analysis, and other matters.

Mr. Speaker, I include the full statement by the American Library Association on Government publications on the A-130 policy for the RECORD.

The statement follows:

GOVERNMENT PUBLICATIONS: AN ENDANGERED SPECIES

Because the federal government is the largest single producer, consumer, and disseminator of information in the nation, it finds itself, with the dawn of the electronic information age, at a critical juncture at which policy decisions are being formulated with wide-ranging implications which will take us into the next century. The Office of Management and Budget Circular A-130, Management of Federal Information Resources, which OMB issued on December 12, 1985, and published in the *Federal Register* on December 24, is one of those policy decisions. In a December 23 editorial, "Privatizing the Numbers," *The Washington Post* said that the circular "would likely reduce the number of printed government publications available to libraries or at low cost and increase the already widespread practice of private outfits interfacing with government computers and providing printouts for users at hefty fees."

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DEVELOPMENT OF THE CIRCULAR

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PUBLIC ACCESS TO GOVERNMENT INFORMATION

The main body of the circular consists of definitions, basic considerations and assumptions, policies, and assignments of responsibility; the appendices consist of procedures for implementing various policies and with analysis of Key sections. It is important to read Appendix IV-Analysis of key Sections when reviewing the circular. OMB added this section to the final version in response to many requests that the explanatory materials in the March draft not be lost when the circular was published in final form.

OMB accepted the recommendation of many commentators to include language requiring that agencies establish procedures to ensure that government publications are made available to depository libraries as required by law. However, the elimination of government documents and publication programs will mean consequential losses of materials for depository libraries, which provide efficient and economical means for dissemination of government information. And since more and more, government information is likely to be available only in electronic format, the depository library program seemingly will be undermined. The implementation, of the Joint Committee on Printing proposal for pilot projects to provide electronic data bases to depository libraries would help to ensure that depositories will be able to meet the needs of the public in the future.

On February 12, at a forum sponsored by the Federal Library and Information Center Committee on federal information policies, Franklin Reeder from OMB said that agencies may hit information programs through Gramm-Rudman-Hollings budget cuts. While he thinks that public notice of proposed cuts is "good because these things may be easy targets," what he didn't mention is how difficult it is going to be for the public to keep track of proposed cuts. Although OMB's new Circular A-130 requires that agencies provide the public with "adequate notice" before disseminating "significant" new, or terminating "significant" existing information products, the determination of what constitutes a significant product and the method in which to give notice is left to the agency head. There is no requirement to give such notice in the *Federal Register*. If news releases are the method of adequate notice, not many of the general public will see them, especially outside Washington. Besides, press releases are the kind of time sensitive information which is being incorporated into electronic data bases, available to those with the equipment to access them and money for connect time.

What kind of information is disappearing? Some recent examples include:

A January 30 news release from the Federal Election Commission announced that "drastically curtailed public disclosure of federal campaign finance information will result from a series of budget cuts forced upon the FEC." Effective March 1, the computerization of itemized information filed by political committees on the '88 election will be reduced severely, although candidate and political committee reports will continue to be available on microfilm for public review and copying. Among the effects of the reduction in computerization will be a reduction in timeliness, since data entry time probably will double; accuracy of detailed information may be reduced because less expensive methods of data entry will be used; and availability of detailed information will be reduced. Stepping into the breach is Washington Online's Campaign Contribution Tracking System which includes all FEC reports filed since 1983 and costs $3,500 in annual subscriptions for unlimited usage.

The Federal Communications Commission (FCC) issued a news release on February 24 announcing that effective immediately it will publish summaries instead of the full texts of Notices of Proposed Rulemaking, rulemaking decisions and policy statements in the Federal Register. The FCC decided that "publication of detailed summaries would be a reasonable and cost-efficient way of apprising the general public of its actions." Federal Register publication of the actual texts of final rules will be continued. Budgetary constraints and the rising cost of Federal Register publication were given as the rationale for the cuts. To cut publication cost further, the FCC also amended its rules to enable it to reduce the amount of material published in FCC Reports. Hereafter, only those rulemaking decisions and policy statements summarized in the Federal Register and not published in Pike and Fischer (a private sector service which costs $1,875 to initiate and $1,375 for an annual subscription) will be published in FCC Reports.

Due to budget cutbacks, the U.S. Department of Agriculture can no longer report to the nation the total poundage of food consumed per capita in the United States. The information has been lost primarily due to the discontinuance of crop reports from USDA. The Food Institute says that the information as now published prevents food industry researchers from making any meaningful comparisons in the fruit and vegetable areas, such as comparing changes in the national diet (like the changeover from animal to crop products), and a host of other analyses.

IMPORTANCE OF THE CIRCULAR TO THE PUBLIC

Many who reviewed the March draft were concerned that OMB's reationale of sound management practice, cost-cutting, and efforts to eliminate duplication were being used to bury a fundamental principle—that democratic government is accountable to its citizens, and that this accountability requires that information must be easily accessible and readily available to its citizens so they may participate fully and effectively in the democratic government. In response to these criticisms, OMB now acknowledges the value of government information to the entire nation, and the importance of a free flow of government information to its citizens. Whether statements of principle and OMB's clarifications of its "intentions" in Appendix IV will be enough to mitigate the complex and restrictive directives in the policies section of the circular (sec. 8) remains to be seen. ALA's concerns with the circular lie primarily in these areas:

1. The circular directs agencies to disseminate information only when it is either required by law or necessary for the proper performance of agency functions and only when it will not duplicate current or potential similar products or services provided by other government or private sector organizations. These restrictive conditions can place insurmountable barriers between the public and government information.

2. Agencies are to place maximum feasible reliance on the private sector for dissemination of the products or services, a reliance that can lead to the dissemination of only that information with strong profit potential in the market place. The private sector is under no obligation to make government information available to the American public at an affordable price, nor to keep that information easily accessible and readily available. A gap based on ability to pay between information "haves" and "have-nots" can easily evolve. Such a gap unfairly limits individual opportunity in our free and democratic society.

3. The circular states that access would be provided consistent with the Freedom of Information Act. Yet for years the Administration has been trying to broaden the exemptions to FOIA, increase fees for its use, and make it more difficult for the public to use the Act.

4. The circular directs federal agencies to create or collect only that information necessary for proper performance of agency functions. Will information not mandated by agency mission no longer be available? If so, government information needed by citizens will be cut off effectively at the source.

In addition, other factors are likely to restrict federal government information: for example, the Gramm-Rudman-Hollings deficit reduction process; and OMB Circular A-3, Government Publications, which requires agency heads to annually submit to OMB for approval a list of current and proposed periodicals, with detailed justifications for proposed periodicals. It will also be necessary to pay close attention to the revision of other OMB circulars which have a close relationship to Circular A-130, such as Circular A-76, Performance of Commercial Activities, and Circular A-25, User Charges.

One of the fiscal year 1987 budget documents released in early February, Management of the United States Government, states that since 1982 one-quarter of the 16,000 government publications have been eliminated. Agencies were directed to explore more efficient printing and photocopying management: "For example, the Secretary of Defense has issued guidance to the military departments to reduce spending on periodicals from $22.5 million to $10 million in 1986—a 55% reduction."

Given these various factors, ALA is convinced that government publications are an endangered species. ALA plans to foster cooperation among other groups concerned about public access to government information by developing a Coalition on Government Information. Nancy Kranich of New York University Libraries chairs the ALA committee setting up the coalition.

The stakes are high. Are we going to weigh the cost of information access on the marketplace scales of the Office of Management and Budget or on the scales of justice and equality? What price tag can we put on an informed electorate and democracy?

In closing, I want to emphasize and undergird the statement made by the Librarian of Congress which I read earlier. Libraries are an essential part of our national infrastructure, educational infrastructure. Libraries are very important to our national security. I have often said that we are engaged in a competition or a battle or a struggle which can be compared to the struggle between ancient Athens and ancient Sparta, the battle between the Soviet Union and the United States, a peaceful struggle, because no one wins if we have a nuclear violent struggle, but that peaceful struggle will be a long-term struggle and I would compare it to the struggle between ancient Sparta and ancient Athens.

We would like to see, and it is our duty to guarantee, that the results of the struggle come out differently this time; that it is Athens and not Sparta which wins. But we cannot do that if we abandon, as the Librarian of Congress stated, our own values and if we act more like barbarians than the barbarians themselves. If you compare the Soviet Union information systems to our information systems, which is rarely done, every year we get a comparison of Soviet military power, a lengthy document which the Pentagon puts out which talks about Soviet military power, which is very interesting. I would like to see a statement on Soviet brain power, the Soviet educational infrastructure. What are they doing now which will produce 10 years from now a body, a pool, of geniuses, technicians, people at every level who are well educated and able to run a complex, modern society in ways which will dwarf the effort of a society like ours.

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We have a serious brain pool problem in this Nation. We are constantly faced with a situation where shortages

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appear in areas where high degrees of skill, intellectual capability are needed.

Our failure to understand that education at every level is necessary, that we need to adopt a value-added theory of education, and that theory is that everybody who receives any education becomes a person who is improved and has value added to their effectiveness and their ability to survive in our society, their ability to produce in our society. If we fail to understand the value-added theory and provide education at every level of all kinds, through every possible educational institution, we will not be able to survive as the leader of the free world. We will not be able to deal with the recurrent shortages at every level.

I am always comforted when I get on a plane. And I fly at least once a week. When I get on a plane, I am confident of the skills of the pilot. I know that airline pilots receive some of the most expensive training in the world. They are thoroughly trained. But what I worry about is the man who did the lubrication work for the airplane, and I worry about the man who had to read the guages and put the right kind of fuel in the plane, and I worry about some other key technicians that are unknown, unseen, who also need the best possible training.

In our complex society, unless we have that kind of training at every level, unless we are dedicated to the proposition that education is a major priority and must be carried out in every way possible, unless we are dedicated to the proposition that our environment needs to be saturated, saturated with education of all kinds, educational opportunities of all kinds, unless we understand that the libraries which under the Library Services and Construction Act provide such services as education and job information centers, unless we understand that the libraries which under the Library Service and Education Act, funded by the Federal Government provide the only opportunity for certain not only students and young people but adults who have access to certain kinds of data bases, that certain kinds of electronic information processing, it cannot be done unless you have the funding from the Federal Government.

It is only a small part of the total funding for libraries throughout the Nation. The Federal funding is only 2 percent, but it is a strategic, a critical 2 percent. That 2 percent has set in motion certain kinds of networks and certain kinds of cooperative systems, certain kinds of services that are provided to small libraries by large libraries. That 2 percent has made all of that possible, and if that 2 percent is taken away, there would be a collapse of a total system out there.

Already the Library of Congress has indicated that it will no longer be able to catalog every book published in the United States as it does at present. The failure to catalog every book published means other libraries will have to take that on themselves. About 74,000 books may not be cataloged this year, and that would be a great burden for other libraries to have to take on to catalog themselves.

More important is the fact that symbolically, it is ridiculous for the American collosus, and I say we are more than just a Nation, we are a collosus, we are the richest, the most powerful entity that has ever existed on the face of the Earth. We have influence and powers far beyond our borders, far beyond our military machine, far beyond our wealth and the control of the financial institutions in other nations. We have tremendous influence and power, and for the American collosus to conclude that it cannot afford to fund libraries, it cannot afford to maintain its educational institutions is ridiculous. Our priorities are wrong, and they should be corrected. We should heed the voice of the Librarian of Congress and understand our civilization is threatened when we make these kinds of backwards decisions.

This is National Library Week. It is a time, I hope, that we will pay attention to the fact that every possible educational effort that we can get and maintain is necessary in order to keep our democracy alive.

Mr. FRENZEL. Mr. Speaker, will the gentleman yield?

Mr. OWENS. I am happy to yield to the gentleman from Minnesota.

Mr. FRENZEL. Mr. Speaker, I came into this room about 35 minutes ago on my way to my office and I heard the distinguished gentleman from New York discoursing on the subject of libraries. A year ago at this time during National Library Week, I heard him speak previously.

I am enormously impressed with his breadth of knowledge, his depth of feeling, and for the most part, the good sense which he expresses on the floor of the House. I do not know whether the gentlemen has been a librarian in a previous incarnation or not, but it makes me feel a lot better about the Congress to think that we have somebody who is this concerned and this serious about an item that looms very small in our budget, and which many of us tend to forget.

I share the gentleman's attitudes on the White House Conference, on the need for us not to approve rescissions.

If the gentleman would continue to yield, I would suggest that I have a little different opinion about the Library of Congress and its troubles. I agree with the gentleman that it is our central and our national library, and it is one that needs our attention, and our affection, and it needs a lot of our dollars.

On the other hand, here is a $220 million institution that seems to be unable to take a 4.3-percent cut without denying some of the services which I consider to be the most elemental that it offers. I and other Members of my committee which exercise not full jurisdiction, but a very limp jurisdiction in the House Administration Committee wrote to the Librarian and said we would like to go through your budget with you. We notice you are talking about the same number of employees, most of the same functions. Why is it that keeping scholars out of the library would be the thing that you are wanting to do.

He wrote back a very sad letter about that was the only way that he thought he could manage the situation. At 4.3 percent, my judgment is that the situation could have been managed better, and I still believe that the library should be maintained, because I believe an open library on weekends and in the evenings is terribly important.

Mr. OWENS. Reclaiming my time, I appreciate the gentleman's remarks. But I would like for us to keep the facts straight.

Would the gentleman agree with me that a 4.3-percent cut initiated in March was a much higher cut, closer to 8 percent as a result of the fact that it came late in the fiscal year? Would the gentleman also, because he has a greater knowledge of this if he sits on the House Administration Committee, note the fact that Congress had already cut the Library of Congress' budget from its previous year before it had to take the 4.3-percent cut?

Mr. FRENZEL. I will agree with the gentleman that the Congressional Research Service took a bit of a kick last year. But I think that the basic appropriation to the library itself was up slightly. And I did call for the figures for the last 10 years when I got interested in reviewing this with the librarian, and I noticed both of those services which I indicate have a total value of around $220 million—maybe a little light after Gramm-Rudman—had been increased at approximately the same rate that our total budget had been increased over the past 10 years.

I think the gentleman would agree that it is vitally important that Congress meet its targets so that we do not subject the Library of Congress to further unnecessary Gramm-Rudman cuts. And I agree with the gentleman with respect to rescissions as well.

But I do think that we need to call on the library for a management that will get us over these difficult things. I personally give a lot higher priority to opening that library to scholars than I do to some of the other expenses, particularly when, as I understand it, we are talking about the same level of employees.

So I think what we all need to do is get together and try and work with the librarian.

Mr. OWENS. Reclaiming my time, if the gentleman will yield back for a moment, I would like to note the fact that you state that the library's budget has risen over the last 10 years at approximately the same rate as the other part of the legislative budget.

Mr. FRENZEL. As our total budget.

Mr. OWENS. Total budget has gone up. I hope the gentleman is aware of the fact that the increase in the price of books alone has risen at a much more rapid rate so that the cost of acquiring just books alone is much greater. All other materials, microfiche, electronic data base services, numerous other materials and services have been added which did not exist 10 years ago. So you are talking about a very prudently managed operation that has been able to bring in all of these modern and necessary new forms of information services, and yet the rate of the budget increase has not been much greater, or about as great as the budget increase for the rest of the Government.

So I think if you look closely, you will find very prudent management. Everywhere there are probably things that can be changed, or trimmed. But in the case of the Library of Congress, and in the case of most libraries across the country, you have some of the best management of any institution you will find. And you will find that they are stretching the rubber band all of the time, and Gramm-Rudman is an example of where the rubber band just breaks. They cannot go any further. We cannot stretch it any further and really provide adequate information, library information services.

Mr. FRENZEL. I thank the gentleman for that information. I think it is important, as I said before, and I place a very high value on the gentleman's experience and on his evaluation of these matters.

Nevertheless, I believe that every department of Government can stand improvement, and with many I believe that at least the libraries that I know in my locality are terribly well-managed, and I think it might be a good idea to perhaps call in a consulting group of managers to look at this situation and find out why the first service cut was the service to scholars who need to make use of that library.

Perhaps I am placing an inordinate priority on that particular library function. But to me, it is one of the most important. Like the gentleman, I have an enormous regard for our library systems, our libraries and those who use them. And like the gentleman from New York, I, think they are really the pillar of American culture. They are just an absolutely essential adjunct to our educational system. For some people, they are our educational system, and I want to preserve them.

But I notice that whenever we reduce defense spending a little bit, the Secretary comes in and says that he will have to ground the Air Force and dock the Navy, and fire the Army. I got the impression that that is what the Librarian of Congress was doing. When he was subjected to a small cut, he was picking something that may have irritated us.

Mr. OWENS. Reclaiming my time, I would object to the gentleman's comparison of the Library of Congress to the Pentagon where tremendous examples of tremendous waste have been found, where you are dealing in mega, megabucks, billions of dollars, and cuts are much easier to absorb. And I would also accept the gentleman's endorsement and expand on the gentleman's recommendation that a consultant be brought in, an objective consultant be brought in, only on condition that the recommendation of the consultant be accepted in total, that they be allowed to look at the total operation of the library, and if they recommend additional funding in order to keep pace with our modern civilization, and the responsibility that our Nation's libraries as the premier libraries of the free world, if you will, if you are willing to also accept recommendations which call for increases in its budget, then I certainly would endorse your call for a consulting firm.

Mr. FRENZEL. I thank the gentleman. Perhaps in size and scale of waste, the Defense Department was not an apt comparison. But I still have the feeling that we were being subjected to very visable cuts which may or may not have been necessary, and I maintain my belief that public use of that library is a higher priority than it is given under the March-to-September budget which the Librarian has chosen to put into effect.

But I do not want to prolong this unnecessarily. I would like to close the way I opened, and that is to express my admiration to the gentleman for the scope of his knowledge, for sharing his wisdom with the House, and for caring about a system running from the Library of Congress to the smallest local library that is of extraordinary importance to the United States of America.

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I thank him for having this special order, and I hope that together with other Members of Congress we will be able to work out these matters which concern us, knowing that there are limits on our resources, trying to see that, with respect to libraries, those limits are not unfair and that we employ them in the best way that we can manage them.

I thank the gentleman for yielding and thank him for taking the special order.

Mr. OWENS. I thank the gentleman and I appreciate his support.

Mr. DYMALLY. Mr. Speaker, I wish to commend my friend and colleague, MAJOR OWENS, for calling this special order on libraries today. Of all the public services that are provided to the citizens of this country through Federal, State, and local government and through the benevolence of private enterprise, our libraries are among the most precious services. Some might say I overstate the case. But one needs only walk into a library to see what value libraries have for the American people. Americans, from those babies barely able to crawl to the most senior of our senior citizens, make daily use of the library. To see the value of libraries to our citizens, one need only take a look at the evening news here in Washington to see normal everyday Americans, literally our next-door neighbors, being led to police vans as they are arrested for protesting the curtailing of evening and weekend hours at the Library of Congress. Imagine that. Everyday citizens who would not otherwise consider breaking the law are willing to engage in civil disobedience for the sake of libraries. In view of their actions, who can doubt the esteem our people bestow on their libraries?

Why are people willing to go so far to preserve libraries? I think it is because our libraries contain our world. In them we may look back into the past, we may peer into the future. We may gain insight about our present situation. We may, through libraries, leave the confines on Earth and explore outer space, We may go even beyond that to the world of fantasy. We need not be confined by physical space or by the events of the day when we use our libraries, for they allow us to enter the world of thought. In the library we can get in touch with Albert Einstein or Lord Byron or any of the panoply of thinkers who have shaped our environment from the beginning of recorded history. Access to the world is worth fighting for. Libraries are worth fighting for.

Mr. SPENCE. Mr. Speaker, a key element of American education at all levels is our library system. Just as books are our window to the world, libraries are the means to open the window. Therefore, I want to commend our colleague, MAJOR OWENS, for taking this special order to commemorate National Library Week.

In South Carolina we are especially proud of our extensive library system. The oldest separate college library building in the Nation—the Carolinian Library—is located in my congressional district on the historic Horseshoe of the University of South Carolina, and, going back to our colonial days, both educators and elected officials in South Carolina have recognized the importance of making libraries available to our citizens in both urban and rural areas.

Of course the greatest library in the world is our own Library of Congress. The Library of Congress provides a wonderful program of cooperative services which assists public libraries, rehabilitation agencies and State libraries to the blind and physically handicapped. It is good to report that in South Carolina alone

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over 8,000 or our blind and handicapped citizens are currently using this service which includes recorded books, Braille books, and large print books. It should and must be national policy for all nonsighted and handicapped persons to have access to library services.

In closing, I want to pay special recognition to all the men and women throughout America who work on a daily basis in our libraries. They are truly an integral part of America's educational system, and I am very pleased to join my colleagues today in giving them a well deserved pat on the back for a job well done.

Mr. ANNUNZIO. Mr. Speaker, as chairman of the Joint Congressional Committee on the Library, I would like to thank Congressman MAJOR OWENS for scheduling this special order today on libraries and library issues.

While many of my colleagues will speak about those issues which concern libraries in their respective districts, I would like to address how the Deficit Reduction Act—Gramm-Rudman-Hollings—and the subsequent sequestration of funds from the Library of Congress' annual authorization impacts all public and university libraries.

Founded in 1800, the Library of Congress was established to assist Members, of both the House and Senate, in fulfilling their official responsibility to make the laws for our country. However, Congress' Library soon took on a second task: to capture the history of the American people. In 1975, former Senator Howard W. Cannon, who also served as chairman of the Joint Committee on the Library, said "" * * One unique aspect of the Library's work, at issue in certain quarters, is the dual nature of its services, namely, as legislative library for the Congress, and as a national library for the general public, the professional library community, the executive agencies of the Federal Government, plus scholars, historians, and scientists from around the world. This combination has benefited everyone."

The Library of Congress is indeed our Nation's library. It houses the best and most extensive library collection in the world. All libraries benefit from the services and activities it provides and all suffer from the curtailment of services when the Library's budget is cut.

The following are only four of the many services provided by the Library of Congress, impacted by the cuts resulting from the Deficit Reduction Act, which deeply affect libraries in our congressional districts:

NATIONAL LIBRARY SERVICE FOR THE BLIND AND PHYSICALLY HANDICAPPED

Probably, the most spectacular of these services is the Library's program for blind and physically handicapped readers. Created in 1897 with 200 "raised letter" books, this program now reaches out to over 600,000 people. The Library Service for the Blind and Physically Handicapped supplies these readers with books and magazines in braille or disc recordings. In addition, music books and periodicals, scores, and instructional cassettes for piano, organ, guitar, and other instruments are made available in braille and recorded formats. This service also trains volunteers for braille transcription and proofreading for tape narration.

It is the nationwide network made up of over 160 regional and local public libraries that are the key to the program's entire distribution system. The Library of Congress selects the titles to be transcribed and sees that the tapes, records, and braille are made and duplicated. The various formats are then sent to central units—usually the State library or the largest public library—in each State. These serve as regional libraries for their States, or they in turn designate local public libraries as distribution centers. Materials are shuttled back and forth through the system to get maximum advantage out of the thousands of titles ready to be used.

CATALOGING DISTRIBUTION SERVICE

In order to keep up with the world's publishing output libraries must work together to manage the collection, cataloging, housing, and preservation of material. The Library of Congress provides the leadership in the development and operation of cooperative programs for standardized ways to describe collections. This standardization enables libraries, across the Nation, to exchange bibliographic records that describe the available materials. The Library's bibliographic records are accepted as authoritative and are relied upon for their consistency, thus eliminating the need for other libraries that acquire the same title to duplicate the cataloging effort. The Library of Congress' records are depended upon to provide access to local collections and to identify material available in other libraries. It is the Library's bibliographic services that are the keystone to the success of cataloging operations in all libraries.

PRESERVATION OF BOOKS

This program preserves and restores deteriorating and damaged portions of collections so that these collections will continue to be available for future use by Congress, the public, and scholars. The Library also provides assistance and guidance to other institutional holders of deteriorating or damaged materials through consultation and an active publishing program which distributes, throughout the country, preservation information developed by the Library of Congress.

The Library's National Register of Microform Masters keeps a record of those deteriorating titles which have been transferred to microfilm. Other libraries are alerted to the existence of the film and the Library of Congress loans and sells prints of film—over 25,000 reels of brittle book and manuscript films were sold in fiscal year 1985. This service assures access to the title and notifies preservation administrators in other libraries that the same title need not be treated locally, avoiding duplication of effort and expense.

PURCHASE OF BOOKS—FOREIGN PUBLICATIONS

Research libraries, across this country, rely heavily upon the Library of Congress' field offices and expertise in the area of foreign publications. People seeking to understand, appreciate, and compete economically with other nations of the world depend upon the Library's acquisitions of foreign publications. Typically, foreign publications are in-print for a very short time and any postponed acquisition by the Library of Congress may result in those materials not being available anywhere in the United States because acquisition at a later date may be impossible.

America's public and university library system will, if they have not already, feel the impact of the $18 million cut in the Library's annual budget, which includes $9.8 million in sequestered funds. The Library of Congress has begun to cease collecting needed current material, materials acquired will remain uncataloged and hence inaccessible, materials deteriorating for lack of treatment will not be preserved and many of our Nation's blind and physically handicapped people will no longer have access to the publications and special reading materials they once enjoyed.

I would like to end my statement with a most timely quotation from President James Madison which is appropriately inscribed on one of the walls of the Library's Madison Building:

> Learned institutions ought to be favorite objects with every free people. They throw the light over the public mind which is the best security against crafty and dangerous encroachments on the public liberty.

Mr. SPRATT. Mr. Speaker, I am pleased today to join in recognizing the significant contributions of public libraries. Throughout this week, which is "National Library Week," efforts are being made through various events to increase public awareness of the many services that public libraries provide.

Public libraries play an important role in our communities. However, greater assistance is needed to enable libraries to fulfill their functions properly. For example, many of our libraries are located in inadequate facilities. I am pleased that title II of the Library Service and Construction Act [LSCA] provides funding for construction, expansion, and remodeling of existing buildings, as well as for accommodation of new technologies that strengthen libraries' educational function.

As a result of the 1985 jobs bill, four public library construction projects were completed in my district. Although in most cases LSCA funds represent a very small percent of construction costs, they are often the catalyst needed to move a project from discussion to construction.

A recent survey indicates that 130 additional library construction projects are needed in South Carolina. Eighteen of these proposed projects would be located in the Fifth Congressional District. Since only a few projects can be funded each year, it is essential that funding continues to be available for library construction.

I strongly support our public libraries. I hope that the activities held during "National Library Week" will help to inform the public of the vital role these institutions play in our communities.

Mr. WORTLEY. Mr. Speaker, I rise in support of National Library Week. Libraries provide vital services to preschoolers, students, professionals, and our senior citizens. Our libraries are a hub of information ranging from math to music.

In my congressional district, we are privileged to have extensive library services. Job information, literacy programs, story-telling for children, minority outreach, senior citizen programming, as well as the new "Urban Education for Survival Program." Funding library programs is one of the best investments we can make in our communities.

Last year in New York, $7.2 million in Federal LSCA and HEA funds were awarded. We must continue our commitment on the Federal level to these programs that bring people together from all walks of life. Let us keep the wealth of information flowing from these precious resources—our libraries.

Mr. SOLARZ. Mr Speaker, I rise today to express my deep concern over the future of one of this Nation's greatest assets—our libraries.

I am deeply distressed at the present attack by the Reagan administration on our library system—the freest, finest and most extensive in the world. Americans can be proud of a system they helped build, and watched grow, over the past decades. Libraries have helped fill our Nation's insatiable quest for knowledge and have enabled us to reap the benefits and pleasure of literature and other forms of scholarship.

In every year since he has been in office, President Reagan has tried to eliminate Federal assistance to libraries. Fortunately, Congress has repeatedly rebuffed him in his attempts. In his budget proposal this year, the President again seeks an enormous cut of nearly $600 million. In addition, he wants to rescind over $30 million already appropriated for this year. Cuts of this magnitude would result in the loss of vital and effective programs such as the Literacy Volunteer Program and the Child's Place Program. Surely our commitment to educational excellence and literacy cannot be so weak that we would endanger such important projects.

In my constituency of Brooklyn, we are fortunate to have a dedicated and hard-working group of librarians, staffing a vibrant and well-stocked library system. The Brooklyn Public Library is a major urban resource center offering services to over 3 million children and adults. It would be terribly shortsighted, to say the least, to reduce by even $1 the Federal assistance to this precious resource.

Instead of cutting services to libraries, we should be reaffirming our commitment to provide all Americans the opportunity to gain access to the wealth of information we find in these institutions. By providing the forum for a free and healthy exchange of ideas, we not only strengthen the virtures and values of this Nation, but we improve our standard of living and our security.

Libraries are the pursuit of excellence. It would be a tragedy for the people of Brooklyn and this Nation if the administration is allowed to compromise our commitment to this objective. This cruel and insensitive measure must be defeated and a proper level of funding restored, so that we may continue to allow this Nation's living heritage to grow and prosper.

Mr. BROWN of California. Mr. Speaker, as Congress decides exactly where to nip and tuck expenses, it seems to me proper that we designate this week as "National Library Week." In serving our communities, libraries and library personnel perpetuate our national belief in freedom of information. The theme for this 29th annual observation of National Library Week—April 6 to 12, 1986—is "Get a Head Start at a Library." Keep in mind that no matter what the cost of this "head start," the cost of illiteracy and ignorance to America's very special brand of democracy would be much more dear. In the United States, children approach libraries as an introduction to intellectual curiosity. Students, especially in the American university setting, use libraries to address the problems of the world. For most of us, the public library system is the only educational facility accessible for free, available, and uncensored information.

The laudatory role that America assigns its libraries, however, is not reflected in the administration's attitude toward library policy. How is it possible for the children of America to get a head start when Federal assistance to library maintenance and development is refused? I am concerned that the administration's proposed zero budget for the Library Services and Construction Act for the fifth year in a row will only lead to fiscal year 1987 cuts and a darker picture for library programs. The President's fiscal year 1987 budget would refuse to allocate the funds necessary to build new libraries, train librarians and information researchers, and expand interlibrary loan programs in targeted communities. This neglect hampers the growth of knowledge that should accompany the growth of a population. We must further strengthen our Nation's future by continuing the literacy programs and student library grant programs that are jeopardized by the fiscal year 1987 budget proposal.

The most immediate impact of the zero budget to the Members of Congress is the reduction in hours and services at the Library of Congress. The $18.3 million cut in the fiscal year 1986 Library of Congress budget affects a wide range of services provided to local users as well as to libraries nationwide. As a result of the cuts, about 25,000 fewer books will be cataloged, hurting comprehensive cataloging and bibliography data. Hours have been limited, restricting researchers and scholars on tight schedules or travel to the Library of Congress' unique resources. It is becoming difficult for all libraries to meet their users' needs because various policy directives have restricted the amount of information collected or compiled by the Federal Government and disseminated for public use.

Opportunity in America has always held equality as the ideal. Yet budget cuts have been directly aimed at library service for the blind and physically handicapped, resulting in 80,000 fewer copies of braille and recorded magazines, and 2,0000 fewer braille book copies. The ability of the handicapped to receive information material is further inhibited by foregone postal revenues, which cancels special free rates, as well as the reduced 2nd-3rd- and 4th-class rates for local newspapers, charitable and nonprofit groups, and libraries, schools, and colleges. These rates would be raised to full commercial rates.

Of notable concern to me, also, is the imminent deterioration of the library system's emerging information technology. Small libraries are especially being priced out of online computer systems as a result of large and increasing tariffs for the private leased lines used to transmit bibliographic data. A coordinated, comprehensive information policy is needed to aid this Nation's information centers in their increasingly efficient growth. To address this issue, in fact, I have introduced legislation to establish a foundation that would coordinate information policy (H.R. 744).

Mr. Speaker, I reemphasize the need to support the progress of America's library system in order to maintain and improve our greatest national resource—our people. For these reasons, I encourage the meeting of the White House Conference on Library and Information Services to be held no later than 1989. This conference, requested and authorized by Senate Joint Resolution 112 and House Joint Resolution 244, is vital to the future of the U.S. library system, to insure continued and complete access to information for all Americans.

Mr. BIAGGI. Mr. Speaker, I rise today in support and recognition of one of our Nation's greatest resources—the library. Yesterday, I had the great privilege of having in my office distinguished members from the library communities of New York Public Library and Yonkers Public Library. A successful democracy demands the informed judgment of the people. For most Americans, libraries are the only education agency available for two-thirds of their lives—their life outside the school. An informed, educated citizenship relies on access to the records of government, books, and journals—a broad range of information. Libraries are necessary to the availability of this information. Therefore, it is important that we carefully examine the role of the Federal Government in supporting and preserving our public and private libraries, so necessary to our democracy.

The library is an important learning center, whether it be the college or university library, which serves as the source of information for those involved in formal education; the corporate, government, or union library, which assists continued learning in a working environment; the special library in institutions, correctional facilities, hospitals, or nursing homes, which contributes to the personal growth and future productivity of the individual; or the public library, which benefits all ages, from the child first learning the wonders of books, to the student research a term paper, to the adult preparing for a high school equivalency exam, seeking career advise and guidance, pursuing independent study, requiring assistance in literacy or bilingual programs, or using materials for the blind or physically handicapped. It is no coincidence that we are both a high technology and high learning society. The fuel for economic development is knowledge. Through continuation of already existing library programs and development of new ones we must continue to guard against a fuel shortage—a learning shortage.

The major source of Federal support for libraries is the Library Services and Construction Act [LSCA]. Since its establishment in 1956, New York State has received $70 million to provide services to groups including the disabled, disadvantaged, elderly, institutionalized, and those with limited ability in English. One sign of the effectiveness of LSCA is the Department of Education's estimate that library accessibility has increased from 56 percent of the population in 1956 to 96 percent of the current population. In my congressional district, LSCA provides funding to the New

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York Public Library, the Westchester Library System, and the New York Metropolitan Reference and Research Agency [Metro]. Projects funded through the New York Public Library include the Outreach project, the Library for the Blind and Physically Handicapped, the Learners Advisory Center, the Job Information Center, microcomputer literacy centers, and centers for reading and writing. Services rendered by these programs include literacy tutoring for adults who read and write below the 8th grade level, classes in English as a second language for non-English-speaking adults, informing the unaware and nonuser about library services, circulating special books in braille or recorded materials to the visually handicapped, and increasing access to library services for persons with disabilities, the homebound, and the institutionalized. With LSCA funding, New York Public Library also provides information clearinghouses on career opportunities, techniques for finding employment, résumé writing, educational opportunities and career change counseling. The microcomputer literacy centers provide free access to microcomputers and appropriate software in an effort to promote computer literacy. The New York Public Library uses the LSCA funds to provide knowledge and learning opportunities to those who otherwise may remain uninformed. They service the blind, the physically handicapped, those from disadvantaged neighborhoods, the various minority and ethnic groups so prevalent in the New York community, and the non-English speaking, all of whom greatly benefit from LSCA funds.

The funding for the Westchester Library system promotes programs which include: Literacy and English as a second language [ESL] project, which provides free basic reading training and ESL instruction on a one-to-one basis. This center is staffed by volunteers, with LSCA funding used to administer the program. This is an excellent example of the high yield a small investment can return. Westchester County Public Libraries conduct an information and referral service, which is a computerized data base to provide information on nationwide educational and employment opportunities; this program is a prototype for programs in other libraries across the country. Metro funds began the development of a union list of serials, which will ultimately benefit all library users in New York City and Westchester County. Despite the effectiveness of and the necessity for these important programs, the administration has requested that no funding be extended for LSCA for fiscal year 1987 and recommends a recission or cancellation of all noncommitted and nonallocated fiscal year 1986 funds. The results would be devastating to those who are currently served by these programs; it would impair their learning and consequently weaken our Nation, by both weakening our voter base and failing to fully develop our potential.

Another concern of the library community from the New York/Westchester County is the recent cuts in the Library of Congress budget. Since most libraries in the country use Library of Congress services, these cuts will be felt nationwide. The New York Public Library will be forced to reduce its services to the blind, decrease efforts for preservation of materials, and reduce availability of Library of Congress materials for New York borrowers.

Another administration proposal which would greatly hamper library services is the proposed elimination of postal revenue foregone. Libraries, in an effort to become self-sufficient through private donations, must mail fund-raising materials at the 3d-class nonprofit bulk rate. Newsletter, bibliographic materials, and other library information is mailed out using the postal subsidies. Perhaps the hardest hit will be the blind and physically handicapped, who now receive library materials without postage charges. The New York Public Library's Library for the Blind and Physically Handicapped estimates that elimination of revenue foregone will cost them $800,000 per year, which is more than the Library for the Blind's entire budget. Also, because of new developments in technology, we must investigate the ability to increase library networking. Our library systems must be statewide, regional, and community information systems. New York State has been sharing information between libraries for over 30 years. The New York interlibrary loan service uses computer and telecommunications systems to link the 730 public libraries through the 22 public library systems, 9 reference and research library systems, and 10 major research libraries. With advanced technology, lower rates for library telecommunications are needed. We need to examine the possibility of "library rates" for telecommunication costs.

Another important goal for the library community is the establishment of a 1989 White House Conference on Libraries and Information Systems to set priorities and recommendations for legislation, public policy, and action by local, State, and Federal governments. That is why I have cosponsored House Joint Resolution 244, calling for a White House conference to enable library users, librarians, library policymakers, and public officials to assess the capacity of our libraries to serve the learning public and to encourage sound, long-range, community-based planning for library services.

The administration's proposals for reductions in the budget for the National Endowment of the Arts and the National Endowment for the Humanities would negatively impact many libraries which use these funds, along with their own funding, to preserve deteriorating books, extend hours, provide special exhibits, and filming of dance and theater productions to include in the library collection. The administration's proposal to eliminate funding for libraries under title II of the Higher Education Act would eliminate funds necessary to assist libraries in maintaining and improving their library collections and increasing access to shared resources and library networks.

Libraries are one of this Nation's resources. We can all remember our first visit to the library, as a young child, awed by the number of books, magazines, and records that lined the shelves, and amazed by the wealth of knowledge contained in that building. Many of us were tempted to try the impossible—read every book on the shelf. We've used libraries throughout our schooling; and we all take advantage of the services of the great Library of Congress. Therefore, Mr. Speaker, I call upon my colleagues to closely examine the current role of the Federal Government in library services. We must guard against the weakening of one of our most precious commodities, the library. This institution guarantees and promotes one of our fundamental rights and freedoms—one freedom that continues to distinguish us from other nations—the freedom of access to information, our freedom of speech through the written word. The library is the fortress that protects that freedom. We have made great strides in the past 30 years. Where 56 percent of our population had library access, now 96 percent can take advantage of this great liberty. However, we cannot stop here—we must strive for the day when every member of this great Nation has the privilege of access to information, of access to a library.

Mr. MANTON. Mr. Speaker, I am pleased to join my good friend and colleague from New York [Mr. OWENS] in his special order on issues affecting our Nations's libraries. I would like to commend him for organizing today's special order and for his tireless leadership in protecting our Nation's libraries from unfair and unwise budget attacks.

I would first like to take a moment to share with my colleagues some facts about the Queens Borough Public Library which consists of a central library and 59 branches. Queens is the fifth largest public library system in the country, both in circulation and number of branches. In fact, Queens Library has the highest circulation among libraries in New York State. Furthermore, the Queens Pubic Library can be proud of the excellent and diversified services it offers to the borough including adult literacy programs and special services for the blind, the handicapped, and the elderly.

However, the continued excellence of the Queens Borough Public Library is severely threatened by President Reagan's fiscal year 1987 budget. For the fifth year in a row, the administration has requested zero funding for the Library Services and Construction Act. Under this proposal, many important special library services would be ended, including services for the blind or handicapped and delivery service to the elderly. Important funding for the construction, purchase, and renovation of library buildings would also be eliminated. Furthermore, the President has requested a rescission of all fiscal year 1986 funding for construction. Although there are 27 million adults in the United States who are functionally illiterate, the Reagan budget provides no funding for library literacy programs. This incomprehensible neglect is compounded by a proposal for a rescission of fiscal year 1986 funding for library literacy programs.

Mr. Speaker, clearly the Reagan library plan condemns the future of our Nation's libraries. Our Nation's libraries provide an opportunity for children and adults to grow, to learn and to enhance their knowledge. The cornerstone of a strong nation is an educated people. In the everchanging and challenging world of today, it is unwise to limit our citizens access to the treasures and knowledge available in our Nation's libraries. As the Congress seeks to shape a responsible and fair budget, I urge

my colleagues to continue our strong support for America's libraries.

Mr. MAZZOLI. Mr. Speaker, a community bereft of a solid, functioning, and complete library system is a community in danger of having its light of knowledge, cultural awareness and career improvement extinguuished.

I freely confess that my proposal experiences with the public library in my home district, the Louisville Free Public Library, color and influence my feelings about the health of our Nation's public library systems.

I recall with undiminished pleasure the splendid times I spent as a youth browsing the book shelves at the Louisville Free Public Library's Highland Branch.

I visited exotic and mysterious foreign lands. I rode balloons around the world, I survived many a shipwreck at sea—all without leaving the safe confines of my chair at the Highland Library.

And, in a slightly different context, the library system has been a positive influence on my two children.

Michael and Andrea—now talented young adults and college graduates—recall to this day with pleasure and warmth their visits to the main branch of the Lousiville Library to listen, wideeyed, to the tales read by Mrs. Barbara Miller, the Storytelling Lady.

How much of their intellectual formation, literacy and solid value system is attributable to Mrs. Miller and how much to Helen and me may be debatable. What is not debatable, though, is that Michael and Andrea were, at Mrs. Miller's knee, exposed early in their lives to the beauty, mystery, charm, and wisdom of the printed word. Future generations of Michaels and Andreas will not have these same opportunities unless America's library system remains strong and vibrant.

In another way, the library has played a pivotal role in my family's life. My late father, who came to this country and to Louisville from Italy in 1914, did not have a chance to receive much formal education. He completed about seven grades of school and then went to work as a tile and marble washer.

Dad received the rest of his education by haunting the library in Louisville and in any city where he was living and working at the time.

I reflected on Dad and the Louisville Public Library System in comments which I prepared in 1979 for the book by Whitney North Seymour, entitled "For the People, Fighting for Public Libraries":

> Many times over the years, Dad told me that, in his judgment, he was 'Americanized' by the Free Public Library system in the City of Louisville. What Dad meant by this, of course, was that the libraries enabled him to gain the knowledge and the appreciation of things around him which he was unable to acquire in the formal setting of a classroom.
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> The Public Library system enabled him—a man of few means—to grow socially and intellectually.

It also gave him the necessary business background to open and run, with Mother's help, his own tile company, to send his children to reputable schools and to become a respected, productive citizen of the community.

It becomes evident from the personal experiences I have described here that, simply stated, I love libraries and I deeply appreciate the opportunities that were opened to me—that enabled me and my children to grow intellectually and socially as they did my father.

Libraries are the intellectual, the social and the economic underpinnings of any community entitled to be called a community. And, even in these most stern of budgetary times, we must preserve our public library system.

Mr. ROE. Mr. Speaker, the Reagan administration continues its unabated assault on one of the fundamental institutions of a democratic society, the public library. In addition to recommending zero in the budget for the Library Services and Construction Act, they have gone even further this time, and recommended rescission or cancellation of all of fiscal year 1986 library grant funds that have not already been committed and allocated. For these reasons, and on the occasion of the American Library Association's annual legislative day, April 8, 1986, I am pleased to participate in this special order.

Our Nation's libraries are a vital resource for our population, shielding our citizens from ignorance, illiteracy, and isolation. Our Founding Fathers recognized the crucial importance of broad access to information for the success of American democracy. We would do well to recall the words of James Madison in this context, words that are as appropriate today as they were two centuries ago:

> Knowledge will forever govern ignorance. And, a people who mean to be their own governors must arm themselves with the power that knowledge gives. A popular government without popular information, or the means of acquiring it, is but a prologue to a farce or a tragedy, or perhaps both.

Our libraries help us to insure that we do not lose the most vital race of all, the race for knowledge to overcome ignorance.

Mr. Speaker, this administration does not seem to understand the importance of our libraries, and they ignore the caveats of James Madison. The President's fiscal year 1987 budget includes the termination of all Federal support for public libraries, the elimination of the fourth class library postage rate and free postage for the blind and the handicapped, the discontinuation of special programs for the handicapped, and calls for the accelerated trend toward the commercialization and privatization of library services within the Federal Government. These proposals do a great disservice to the American people, especially to our children and to our senior citizens who are so dependent on the public library. We simply cannot afford the cost of these proposals if we are to govern ourselves in an effective and proper way.

We are faced today with a crisis of information, of how to assure adequate access for our constituents to knowledge. The technologies that are being used in our society for communication are changing at a rapid rate. Communication services, such as libraries, are also rapidly changing. Yet the administration ignores this crisis by continually eroding our capacity to keep up with these rapid advancements in information services. Their priorities do not include the free access to information called for by James Madison.

Mr. Speaker, libraries remain the major component in the education growth of all American citizens. Libraries enhance our exposure to the repositories of knowledge, and without them, we all suffer. Clearly, there are other portions of the budget that can be reduced which would do far more for lowering the deficit and would do far less damage to our national security than would cutting the funds for one of our most precious vital resources, our libraries.

Mr. TALLON. Mr. Speaker, public library service is delivered from buildings of every size and shape; buildings designed as libraries and those adapted for library use. However, the most efficient means of delivering service in terms of books circulated per hour may not be a building at all. In South Carolina 35 books are circulated per hour on bookmobiles compared to 26 books for headquarters and 17 per branches. Bookmobiles bring library service to the rurally isolated and those in inner cities. Many times new communities are served by bookmobiles until a permanent structure can be justified. The Library Services and Construction Act has enabled libraries to purchase bookmobiles to ensure that all citizens have access to the information needed to survive in our modern society. My district is largely rural. Without bookmobiles there would be no library service for many of my constituents. I commend our public libraries for their foresight in their outreach endeavors.

Mr. GREEN. Mr. Speaker, I should like to commend my colleague from New York, Mr. OWENS, for sponsoring this special order once again. I note that it is National Library Week, which provides us a special opportunity to recognize that libraries continue to be one our Nation's greatest educational and cultural resources.

Unfortunately, there are still those who would prefer they did not exist. Once again, we have a number of issues affecting libraries on the agenda this year. Funding remains at the top of that list. In the 98th Congress, we reauthorized the Library Services and Construction Act [LSCA] through fiscal year 1989, with a clear demonstration of bipartisan support. Further, my colleagues and I on the Appropriations Committee, supported by the fulll House and the other body, have taken the responsibility, year after, for providing continued funding for library programs.

Nonetheless, the administration has proposed eliminating funding for libraries in fiscal year 1987 as it has for the past 5 years. Last year we appropriated $127.5 million for libraries. Of course that appropriation has suffered the fate of the Gramm-Rudman knife. As if that isn't enough, the administration proposed a fiscal year 1986 recission of over $30 million. Now, it proposes to eliminate even the $127.5 million, a small amount that goes a long way to support public and college library programs which serve everyone from our small children to our senior citizens. Yet this administration has no qualms about proposing $158 million in chemical weapons funding—despite the fact that most House Members oppose this because our current stockpile is sufficient. Clearly, this is another example of the administration trying to dismantle American education while it spends lavishly on tools of war.

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Perhaps opponents of library programs are unaware of the varied services they provide and the many constituencies they serve. In New York, the LSCA supports a wide range of services provided throughout the city. Our libraries meet the needs of special groups, such as the blind and other physically disabled. Numerous urban library programs are funded through these appropriations, such as job information centers, which help persons trying to find employment. The literacy centers, which always have waiting lists, enable illiterate adults to learn to read from volunteer tutors. Further, library outreach projects provide services to the disadvantaged and minorities.

In addition, our Nation's libraries will suffer from cuts in funds for the Library of Congress, the National Endowments for the Arts and Humanities, and the revenue foregone postal subsidy. Further, the administration's proposed termination of revenue sharing would have a severe affect on libraries.

Mr. Speaker, our libraries still have not recovered from the Gramm-Latta cuts of 1981. We are all cognizant of the need for fiscal restraint in order to restrain a growing Federal deficit. But the educational foundation of our country is not the place to cut. Let's continue to support our libraries.

Mr. HAMMERSCHMIDT. Mr. Speaker, greatly concerned over the proposed budget cuts for various local library services and programs nationwide, I rise along with my colleagues, librarians, students, and many other concerned readers to the occasion of the special order on libraries in speaking out against those factors which currently threaten our Nation's library network.

Knowing that library and information services are currently undergoing rapid expansion and change, I believe Federal action is necessary to strengthen and assist local statewide planning, to coordinate present services for maximum effectiveness, and to meet the needs of many sectors of our population for existing and additional services and facilities.

As information services become the focal point of our Nation's progress, libraries confront head on any obstacles to generating awareness by providing a readily available, free entrance to the world of learning. The Library Services and Construction Act [LSCA] has benefited the people of Arkansas immeasurably by, among other things, reaching the elderly, handicapped, and invalids with bookmobile services; providing book deposits in local areas so that those living in rural, mountainous terrain do not have to travel into large cities to obtain reading materials; providing assistance for serving the deaf and blind; and operating programs for functional illiterates. In fact, the opening of a new library in my hometown of Harrison, AR, was celebrated just yesterday. Its construction, like many others in the State, was made possible through LSCA funds.

However, with the fiscal year 1987 budget proposal and other rescissions ordered by the President, the LSCA would be discontinued, as would funds for public library construction; library literacy programs; and grants for library training, research, and demonstrations; all of which are valuable tools for serving the public's reading and information needs.

Another inhibiter to the dissemination of library information has proven to be a growing concern, and that is the series of private line tariffs, resulting from the AT&T divestiture. These tariffs represent increases from 50 to 100 percent in user charges for the useful but increasingly inaccessible telecommunications services which libraries have to offer.

These are but several of the issues which threaten to curtail the future success of our libraries' functions—an achievement that has always before been an object of national pride. Knowing that budget concerns are on the mind of every congressional leader, I would like, nonetheless, to emphasize the past support shown by Congress in the annual reauthorization of the LSCA and other library grants. I believe this support indicates a sage recognition that our Nation's extensive library network services are invaluable to all American citizens and call upon my colleagues to further endorse our libraries as an institution for reading and learning.

Mr. BRUCE. Mr. Speaker, during National Library Week, I am pleased to once again join my colleagues in acknowledging the great debt of thanks we owe our public libraries. Public libraries are the cornerstone and the foundation of our educational system. Their resources provide opportunities for lifelong learning, expand our cultural experience and improve the education of our young. As the repository of knowledge, libraries provide the very means by which we can better ourselves and humanity for a price that far understates its value.

I would like to commend the libraries in the 19th District of Illinois which I represent and throughout the State of Illinois, which have made enormous contributions to the communities they serve. The Lincoln Trail library system in southern Illinois for example, has begun an impressive program of activities. Local librarians are currently being trained to help reduce illiteracy in the community; new approaches are being developed to meet the public library needs in rural areas; and a program to assess the technology needs of local libraries is underway in order to greatly expand resources to smaller libraries. Finally, at the Winchester House project near Chicago, which set up a library in the Lake County Nursing Home, is being held as a model program nationwide in providing library resources for the elderly. The library programs in Illinois, like many across the Nation, have moved beyond their traditional boundries. This trend is to be applauded.

Over 150 years ago, Thomas Jefferson spoke eloquently on the essentials of knowledge and information to a democratic society when he said:

> Enlighten the people generally, and tyranny and oppressions of the body and mind will vanish like evil spirits in the dawn of a new day.

America's libraries remain committed to these fundamental ideals and to the principles so nobly represented by National Library Week. We, in Congress would do well to emulate their example and continue to support their progress for more than 1 week a year.

GENERAL LEAVE

Mr. OWENS. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks and include extraneous material on the subject of my special order this evening.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from New York?

There was no objection.

NONSMOKERS RIGHTS BILL

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Pennsylvania [Mr. RITTER] is recognized for 60 minutes.

GENERAL LEAVE

Mr. RITTER. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks and include extraneous matter on the subject of this special order.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

Mr. RITTER. Mr. Speaker, today we introduced legislation whose time has come and may even be overdue. If we care about clean air and worry about air pollution, then we must be concerned about the exposure to tobacco smoke. It is probably the most polluted air we breathe.

The Surgeon General, Dr. C. Everett Koop, has stated that there is all the medical evidence necessary to support reasonable protections for the nonsmoker from the irritation and potential harm of secondhand smoke. We have ceased wondering whether a health risk exists, and are now asking what we can do to minimize this risk. This question finds its answer in a bill which we introduced today that restricts smoking to designated areas in all U.S. Government buildings.

More than three dozen States, hundreds of municipalities, and numerous private companies already have enacted policies to limit smoking both in public places and the workplace. In my own congressional district, there are several institutions that have smoking policies. The city of Allentown has one. The Lehigh Valley Hospital Center and Allentown Hospital both initiated smoking policies just last week. Also in my district, the Good Shepherd Rehabilitation Center, Easton Hospital, Metz Mechanical, Inc., Air Products and Chemicals, Inc., and Rodale Press are among the many institutions that have smoking policies. We are not breaking new ground here today; rather, we are playing catchup. It is time we acknowledge that involuntary smoking is a public health hazard and that it is appropriate for the Federal Government, following the lead of States, municipalities, and private companies, to do something about it in its own back yard.

My scientific background and my work on the key environmental committees in the House, has led me to review the major studies on involuntary smoking before proposing this legislation. I have met with several of the scientific investigators. I have a reputation in this field as a hardnose on the facts and a stickler for providing the scientific and health reasons for regulation. As in all science, conclusions about the adverse health effects of exposure to secondhand smoke are not nailed shut, and those who have an interest in disputing these findings will probably find ways to do so. But, I am convinced that there exists a sufficient and growing body of evidence linking involuntary smoking with elevated risk for respiratory dysfunction, lung cancer, and, potentially, of heart disease. Such evidence merits the Federal Government taking steps of its own to protect nonsmokers in Federal buildings. Allow me to quickly run through what we know about secondhand smoke and what involuntary smoking can do to the nonsmoker's health.

Tobacco smoke has approximately 4,000 chemical constituents. Some 40 or so of these are known carcinogens, or tumor initiators, as these two charts show (1 and 2). In addition, as shown in this chart (3), every air polluting substance as defined and regulated by EPA is contained in tobacco smoke. Several investigators have shown that certain hazardous chemical constituents in sidestream smoke are found in much greater concentrations than in mainstream smoke.[1-4] Nonsmokers who are exposed to tobacco smoke absorb nicotine, carbon monoxide, and other constituents of tobacco smoke, as do smokers.[5-7]

[Charts and maps referred to not printed in RECORD.]

Scientific studies linking involuntary smoking and cancer are the most numerous. In the past 6 years, 17 studies have been published, all but 3 of them showing a positive relationship between tobacco smoke exposure and cancer. Studies in both Japan[8] and Greece[9] revealed that women married to smokers have higher risks of lung cancer. In the Japanese study, nonsmoking wives of heavy smokers had an 80 percent higher risk of acquiring lung cancer. The Greek study showed nonsmoking wives of heavy smokers had a risk of developing lung cancer three times higher.

In a case-control study by the American Cancer Society of 134 lung cancer cases and 402 controls, which used four different methods to measure exposure to tobacco smoke, involuntary smoking increased the risk of lung cancer from 13 to 31 percent.[10] This overall risk was comparable to that shown by an earlier American Cancer Society prospective study, although the earlier study did not show a relationship between an increased risk of lung cancer in the nonsmoking wife and the number of cigarettes smoked per day by her husband.[11] The latest American Cancer Society study did show a dose response relationship between the number of cigarettes smoked by the husband. The risk of lung cancer doubled in nonsmoking women whose husbands smoked 20 or more cigarettes a day at home.

Another area of significant study is the association of exposure to tobacco smoke with respiratory disease and impaired pulmonary function. Several studies focusing on exposure to tobacco smoke at home have shown the susceptibility of children to the adverse health effects of involuntary smoking.[12] [13] Maternal smoking has been linked to impaired pulmonary function in children,[14] and other studies have revealed an increased incidence of pneumonia and bronchitis during the first year of life as a result of parental smoking.[15] [16]

The final link in the chain of adverse health effects resulting from involuntary smoking is its effect on individuals suffering from symptomatic coronary heart disease. Although these reports are preliminary, the initial findings—that exposure to tobacco smoke increases the risk for death from coronary heart disease[17]—are particularly troubling. If these findings are confirmed, it would greatly increase the magnitude of the public health problem posed by involuntary smoking, as many more deaths would be involved in the scenario than with lung cancer alone.

On a more personal level, but perhaps, for many the most significant one, all of us, smokers and nonsmokers alike, are familiar with the irritation—itching, burning eyes, coughing, headache and a general feeling of discomfort—that can result from exposure to tobacco smoke. A scientific study of this issue revealed that nearly 70 percent of nonallergic persons exposed to environmental tobacco smoke experienced eye irritation, 30 percent indicated nasal discomfort, 30 percent got headaches, and 25 percent developed a cough.[18] It is not surprising, then, that a Gallup poll released last December by the American Lung Association found that 75 percent of all adults—that includes both nonsmokers and smokers—feel that smokers should refrain from smoking in front of nonsmokers, and that 79 percent support the concept of designated smoking areas in the workplace.[19] Here is a chart (4—picture of cigarette pack) of those Gallup poll results. In addition, this chart (5—map of U.S.) and this one (6) show the States with laws in effect restricting smoking, and some of the major companies with smoking policies.

[Charts and maps referred to not printed in RECORD.]

I would like to thank the original bipartisan group of cosponsors of my bill—Representatives BEREUTER, BOEHLERT, CHANDLER, COLLINS, NIELSON, OBERSTAR, SCHNEIDER, STARK, SYNAR, WAXMAN, and WHITTAKER—for their input and strong support. I commend Senator STEVENS for his introduction of similar legislation in the Senate, as well as the Coalition on Smoking OR Health, which includes the American Heart Association, the American Lung Association, and the American Cancer Society. Those organizations, along with others, have endorsed our bill.

I am sure that millions of Federal Government workers, as well as visitors, will be well served by this legislation. Many of us have been involved in, political decisions that have been made in smoke-filled rooms. Well, if our bill is successful, those decisions will have to be made in designated smoke-filled rooms.

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H.R. 4546

A bill to restrict smoking to designated areas in all buildings or building sections occupied by the United States Government

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the "Non-Smokers' Rights Act of 1986".

SEC. 2. FINDINGS.

The Congress finds the following:

(1) The presence of tobacco smoke in offices with typical occupancy rates and normal ventilation can expose workers to air pollution levels which violate both the national primary ambient air quality standards for particulate matter and the national secondary ambient air quality standards for particulate matter promulgated by the Administrator of the Environmental Protection Agency (40 C.F.R. 50.6 et. seq.). To the general population, tobacco smoke is the greatest source of this harmful type of pollution.

(2) Numerous studies have shown that exposure to indoor air polluted by tobacco smoke is a significant health hazard for non-smokers.

(3) Recent court decisions recognize an emerging right of employees to work in a smoke-free environment.

(4) Studies show that smoking results in increased costs to employers and the public in the form of more frequent absenteeism by employees who smoke and higher costs for health insurance, life insurance, and worker's compensation.

SEC. 3. DESIGNATION OF SMOKING AREAS.

(a) Promulgating Regulations.—The Secretary of Health and Human Services (hereinafter in this Act referred to as the "Secretary"), in consultation with the Surgeon General, shall promulgate regulations designating the exclusive areas in which smoking shall be allowed within all buildings or building sections occupied by the United States Government.

(b) Period for Promulgating Rules.—The Secretary shall promulgate regulations under subsection (a) within 180 days after the date of enactment of this Act.

(c) Signs.—Regulations promulgated under subsection (a) shall require the conspicuous display of signs as follows:

(1) Signs shall be displayed, at each entrance of each building or building section subject to such regulations, which specify that smoking is allowed within such building or building section only in posted smoking areas.

(2) Signs shall be displayed, in each area designated as a smoking area under such regulations, which specify that smoking is permitted in such area.

SEC. 4. SOLICITING COMMENTS FROM LABOR ORGANIZATIONS AND LOCAL HEALTH ORGANIZATIONS.

Before promulgating regulations for a building or building section under section 3(a), the Secretary shall solicit and consider comments regarding the designation of smoking areas within such building or building section from public health organizations serving the area in which such building is located and from any labor organization representing employees working in such building or building section. Such comments shall suggest the size, number, and location of smoking areas that would be most mutually convenient for the smokers and nonsmokers using such building or building section.

SEC. 5. ENFORCEMENT.

The Secretary shall provide for the enforcement of the regulations promulgated under section 3(a).

SEC. 6. LIMITATIONS.

(a) Effect on Existing Regulations.—No regulation promulgated under section 3(a) shall repeal or otherwise affect the application of any existing regulation which curbs smoking more stringently than the regulations promulgated under section 3(a).

(b) Power To Promulgate More Stringent Regulations.—Nothing in section 3(a) shall prevent the promulgation of regultions which curb smoking more stringently than the regulations promulgated under section 3(a).

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IS ANOTHER VOTE ON NICARAGUAN AID NECESSARY?

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Massachusetts [Mr. Frank] is recognized for 30 minutes.

Mr. FRANK. Mr. Speaker, I want to say just a few words about the debate that will be coming up on the question of Nicaragua. Now I must say that I have been and continue to be opposed to any American money being spent to finance that war in Nicaragua. I have listened a lot to the debate and I have yet to hear a coherent rationale either moral or strategic for spending scarce American dollars to help people kill each other in Nicaragua. I also have to wonder why we will be debating this again in April. One of the problems in this debate has been excessively apocalyptic rhetoric on both sides. I guess that assumes that rhetoric can be appropriately apocalyptic since it cannot be excessively apocalyptic unless it is possibly appropriately apocalyptic and maybe it can be appropriately so. But in this case it seems to me clear excess.

One example of that makes me wonder why we will even be debating this in April.

There has been a strong propensity on the part of those who favor the President's position that we should spend not just $100 but clearly several hundred million dollars a year to finance that war because we do not just send money to the Contras, we send money to Honduras to deal with the problems that are created by the Contras being there. We build bases in Honduras which this Government denies are American bases but which clearly are and clearly it is going to cost us a lot of money.

But in an effort to get votes for the President's proposal back in March the minority leader, Mr. Michel, a very distinguished gentleman, and I have told him that I intended to discuss that at some point on the floor although I did not realize it would be today, the minority leader said, and he is a man of honesty and I do not think he would consciously mislead us, I am sure he would not. So I am puzzled as to why he is going to be asking us to vote money for the Contras next week because he said on March 20, and I quote from the Congressional Record: "To those of you gazing longingly at the April 15 vote, the escape hatch offered by the Speaker, let me tell you what a national security expert told me yesterday. He said, 'Bob, if you lose that vote tomorrow, Nicaragua is gone. A month from now will be too late because the Communists are even now mobilizing for an offensive.' "

Now if the minority leader was telling the truth when he said that, if he was not just quoting idly, he was quoting with approval, the minority leader said on March 20 there will be no point doing it April 15, Nicaragua will be gone. Rand McNally will presumably be around any day now to collect back the maps.

One of two possibilities exhausts the logical spectrum here. Either the minority leader was simply wrong when he said that, an example of the excessively apocalyptic rhetoric people on that side have been indulging in, or if he was right when he said that, there is no point in voting on April 15. And I think he was probably in error when he first said it. But the fact is that we have the minority leader a very honest guy, getting up and telling us, "If you don't vote for this proposal today, forget about it a month from now," and it is now a month from now. And guess what? It is time to disregard what he said awhile ago.

You know there is this danger that if you walk around with a sign that says "The world will end next week," that the week after will come and you will have trouble with your sign. You should always say "next week," you should not say on April 15.

But I would hope the minority leader would explain to us: Was he misleading the House when he said that we had to vote for it or Nicaragua would be gone then. And if he was not misleading the House, why are we wasting the money?

I would like to just examine briefly what the rationales have been for financing a lot of people killing each other in Nicaragua with American money, taking several hundred million dollars a year by the time we pay for the Contras and pay for the money that we give to the Honduran Government and pay for the bases in Honduras; one has to do with repression.

Frankly, Mr. Speaker, I find few spectacles less persuasive than that of Ronald Reagan as the Paladin of worldwide civil liberties. The notion that Ronald Reagan is so offended by a failure of the Nicaraguan Government to live up to democratic principles that he must finance a war against them is very hard to take. Ronald Reagan is the man who had to be pried almost by force away from Ferdinand Marcos. After Ferdinand Marcos had that disastrous, disgraceful election, Ronald Reagan declared that it was a sign of the vibrancy of the two-party system in the Philippines.

Only after the Marcos regime had totally collapsed and it was obvious to almost everybody, did Ronald Reagan come aboard.

Well, we are told but no we cannot do this because the Nicaraguans after all do not have respect for religious freedom. I have to say that I have been very disappointed in the Sandinistas. I was not here in this body until 1981. They were in power when I came. I was not involved in the events which happened when they came to power.

I regret their failure to live up to democratic ideals. I do not think the fact that people are making war on you justifies repressing civil liberties in most cases and the Sandinistas have been guilty of doing that.

Unfortunately so have many other governments. What we get is a total inconsistency in our policy.

Now it is true that we have problems with religion in Nicaragua. The cardinal, Cardinal Obando, who is a very brave man, has I think been harassed. But let us compare Nicaragua with some of the countries with which President Reagan is very friendly.

For instance while we are sending people to shoot each other in Nicaragua, while we are paying for killing on a large scale in Nicaragua for no legitimate American purpose in my judgment, we are going to be sending arms to other countries. Well, if you listen to the rhetoric of this administration and our need with the new human rights administration that Ronald Reagan has announced, who are we sending arms to? Two great bastions of civil liberties, Saudi Arabia and the People's Republic of China are among our current recipients.

Now no cardinal is being harassed in China. It is true that Cardinal Obando is being harassed unfortunately in Nicaragua. No cardinal is being harassed in China because they ran all the cardinals out of China. They ran the Catholic Church out of the People's Republic of China. It is illegal for the Catholic Church as a worldwide institution to operate in the People's Republic of China, the country with which Ronald Reagan is so friendly and to which he wants to send arms has its own Catholic Church, and it is illegal in that Catholic Church to recognize the Vatican.

As a matter of fact we have a country where, and I quote now from the State Department human rights report most recently: "Despite the greater freedom of recent years, the authorities still react harshly to unsanctioned religious activity." That is the People's Republic of China. I do not think Ronald Reagan likes that. I know he is critical of that. But when you are sending arms to the People's Republic of China, where they have outlawed the Roman Catholic Church and forbidden people to be faithful to the Vatican, where they have ruled out practicing that religion at all, it is enormous hypocrisy to pretend that it is an unhappiness with the harassment of Cardinal Obando and other priests that is a part of the decision to send money for people to kill each other in Nicaragua.

Then we have had the argument that says that the Jews are being mistreated in Nicaragua. Well, there has been some distressing evidence to that effect. But we are sending arms to Saudi Arabia. I do not know how many shules there are in Managua but I know there are more than there are in Saudi Arabia. To pretend that one is so offended by a failure to recognize the full rights of Jews in Nicaragua that that is motivating you to send guns to shoot them, but then to be sending guns for people to use in Saudi Arabia, that is hypocrisy. In other words a government which wants to send weapons and counts them as among its greatest friends the People's Republic of China and Saudi Arabia simply is incredible when it suggests that part of its reason for making war in Nicaragua is that it does not like the religious practice.

I yield to the gentleman from Georgia.

Mr. GINGRICH. I thank my distinguished colleague because I think at one level he is essentially right. That is the——

Mr. FRANK. I am tempted to take back my time at this point, but I will not do it. I will continue to yield.

Mr. GINGRICH. Well, we could play games with each other, and the gentleman is certainly bright enough and witty enough that I am sure he would score more points than I would, but I would rather, because I think there is a serious underlying point here that ought to be pursued by this House. That is that there are a number of ad hoc or ad hominem, I guess, arguments made by the administration that distract from the central issue. And I will just state briefly what I think the central issue is, and use the People's Republic of China as an example because it is certainly not a paragon of any values that the gentleman and I would agree on. Almost all of my motivation in being concerned about Nicaragua is a function of the existence of the Soviet empire and of its capacity to use a Communist Cuban colonial army as essentially a transnational strategy. I happen to take that analysis fairly seriously.

The People's Republic of China, as an ally in containing the Soviet empire, makes some sense to me. I happen to agree with the gentleman in that I think that this administration would do far better if it would calm down and slow down and make one central overpowering case that there is a Soviet empire, that there is a transnational strategy to extend tyranny, and that the Communist Cuban colonial forces are a threat and just state that case.

Yes, it is unfortunate that there is religious persecution as there are in many places, as the gentleman correctly points out; yes, it is unfortunate that there are dictatorial repressions of civil liberties as the gentleman points out not just in Nicaragua. But the central issue which I think this administration has not come to grips with yet for a variety of reasons is whether or not in the long run the Soviet empire threatens the United States and whether or not in the long run containing that empire is the No. 1 priority of our foreign policy.

I think the gentleman in that sense does a service for this administration if they would read carefully what I think are intellectually legitimate points that if in fact they are going to make a series of isolated nation-by-nation arguments then it is very hard to distinguish from a lot of other places that are not very tidy and not very desirable. If on the other hand they would calm down and focus on the central intellectual debate of our foreign policy for the next decade, I think they would both win the debate and I think the gentleman would agree they would have a much more powerful case and a much more rational case.

I thank the gentleman for yielding.

Mr. FRANK. I thank the gentleman, I thank him for both the intellectual and the moral honesty of that. I think all of us on all sides ought to have more of this. I will address that argument.

As the gentleman knows, I agree with some of what he says and I disagree with other parts of what he says. We may draw different conclusions from it, but I appreciate the honesty of what he is saying. He did me an ad hoc argument. The ad hominem arguments are coming from Mr. Bu-

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chanan. We were not talking about that.

Mr. GINGRICH. No, no; I may have used the wrong word.

Mr. FRANK. Well, ad hoc is correct. I think the gentleman is correct. There is a tendency that all of us have when you get into an issue that you pick up any stick that is laying around and you try to beat the other person with it and you often hit yourself over the head. I think it is very clear as we look at a variety of things, South Africa, Saudi Arabia, the People's Republic of China, it simply is incredible that Ronald Reagan has decided to be the 911 of the Civil Liberties Union on a worldwide basis. If you have a newspaper shutdown or a religious freedom interfered with, you dial America and we will send this out. None of us want to do that. Let me say I am critical of the lack of religious freedom in a lot of places. I cannot think of any place where I have advocated that we should fund people to start shooting each other over that.

In other words I think it is entirely legitimate for America through diplomatic pressure, through economic sanctions, through censures at the United Nations, that we ought to make clear our disapproval of repression. But I cannot think of another case where we have made that part of the argument. I think the gentleman from Georgia is quite correct. The argument has to be on the strategic side. But I would point out as the gentleman knows, not just the President but people on both sides of this aisle and in other contexts have used this argument. I also would note that some of the compromises that are put forth, most of them, many of them coming from a place to which we are not allowed to allude in this Chamber.

Mr. GINGRICH. If I may point out——

Mr. FRANK. I yield to the gentleman.

Mr. GINGRICH. We may allude but we may not refer to any actions in that place.

Mr. FRANK. Well, OK. Since we are talking about the United States Senate and not referring to its actions, it is sometimes very easy to do that. But we have had compromises put forward by other officials and some of them say, "We will withhold our arms if they will agree to have free elections." It simply is not sensible to pretend it is going to be American policy. Now it ought to be American policy to press for free elections. We ought to be pressing for free elections and freedom of religion, et cetera, but not by force of arms. There are different levels at which you intervene. The gentleman and I would both agree that we ought to have a consistent policy in favor of freedom everywhere. I appreciate what the gentleman has done with regard to South Africa, for instance, and elsewhere. But we have not advocated that that is a reason for sending arms.

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And I think we also to be intellectually honest have to say this cannot be an additive process. It cannot be that 20 percent of the reason for sending money to the Contras is free speech, et cetera. I do not think that could be any percent of reason, because it is not in any other context, but of course it would have to be strategic.

I yield to the gentleman from Pennsylvania.

Mr. RITTER. I thank the gentleman for yielding.

The gentleman has on one occasion referred to the threat from Connecticut to Massachusetts as greater than the threat from Nicaragua to Massachusetts. I know this was said in the spirits of political hyperbole that he has accused the distinguished minority leader of.

Mr. FRANK. No, that is not what I said. I reclaim my time.

I said I would be afraid of Connecticut if they were hostile. I do know that in the intelligence field you have to distinguish or you are going to worry about capabilities of intentions. I did not impute hostile intentions to Connecticut. I should say I thought their capabilities would be greater than those in Nicaragua.

Mr. RITTER. I guess that still serves the point. Does the gentleman give any credence to the fact that there is a Soviet imperial presence in this strategically located country of Nicaragua connecting North and South America? Does the gentleman give any credence to the fact that Cuba runs the military, runs the intelligence, runs the war, flies the MI-25 Hinde's? Does the gentleman at all care that there is a massive Soviet military presence there that essentially threatens the other countries of the region and essentially threatens the interests of the United States?

The gentleman from Georgia pointed out that his central focus was that the Soviet empire has extended itself to Nicaragua and that we would all do well in this debate perhaps to focus on that question as opposed to doing a nation-by-nation survey as to who has got more human rights, who has got less human rights.

Can the gentleman respond to that? Does the gentleman feel there is a Soviet empire——

Mr. FRANK. Having been asked to respond, would the gentleman mind if I responded? The gentleman asked me to respond and I was trying to do that. Rhetorically, the gentleman was urging response, and I would be glad to do that. I would point out that I only have a half hour, This is not a 60-minute special order.

Mr. RITTER. If the gentleman wants, we can get some more time.

Mr. FRANK. The gentleman can do that when we are through with another half hour, but with the acting Speaker being very angry, but that is between the genteman and the acting Speaker.

I raised the question of country-by-country comparison because that is part of the justification that the administration has put forward.

I think it is rank hypocrisy—and this is part of the debate. It is not I who has framed it. The debate has come from the administration. George Shultz has said it and the President has said it. Part of the argument is we should go into the situation in Central America in part because of the Nicaraguans not being good in civil liberties and democracy, and some of the specific compromises we are getting say we will withhold the aid if they have free elections. I believe that is wholly intellectually and morally invalid and not to be part of the debate. But I have to deal with that because it has been put forward.

I want to say, and I appreciate what I think is the agreement that all of us have, that that is really not a valid argument.

So then we do get the other argument the gentleman makes, the strategic one, and I intend to get to that in a couple of minutes. I do want to deal with the strategic question. But I want to finish because not everyone is as perspicacious as myself and the two gentlemen opposite me. There are still people who have gotten bogged down on both sides, and people feel we are going to show that Nicaragua is democratic so we will not fund the Contras; or we will show that they are not democratic so they are.

What we want to say is it is a legitimate American interest to say we are going to press for democratic rights in Nicaragua and in Chile and in the People's Republic of China and Poland and a whole range of other countries on all sides. It is not, however, except in the most extreme possible circumstances which I cannot think of at this point, a cause for America going to war with that country, either by proxy as they are doing in Nicaragua, or indirectly.

I appreciate what the gentleman form Georgia has said, because that has been a large part of the administration's argument, and I think it is wholly invalid.

Now the next question the gentleman asked is do I recognize a military threat and do I care that there is Russian involvement, et cetera.

Yes, I do care. The next level point I want to make, though, is that not every situation which we regard as a threat to our interests requires us to deal with it militarily.

Let me read from an Executive order from the President of the United States, Ronald Reagan, September 9, 1985:

> I find that the policies and actions of that government constitute an unusual and extraordinary threat to the foreign policy and economy of the United States, and hereby declare a national emergency to deal with that threat.

Now here is the President telling us that the government involved has policy that threatens our national security and threatens our foreign policy and our economy—not our national security. They threaten our economy and it is a national emergency.

Now there is in this country a group of people who do not recognize the government as legitimate and who are prepared, we are told, to make war on it. Does that mean we should send them $100 million a year? No. I do not think we should send the African National Congress $100 million a year. I am reading from Ronald Reagan's proclamation prohibiting trade and certain other transactions involving South Africa. Ronald Reagan says to us South Africa is a threat to America. The apartheid regime of South Africa, he tells us, threatens America. I think it does threaten our interests. If we vote the money for the Contras, is the next logical step $100 million to the African National Congress?

The apartheid regime is a hateful and oppressive regime, and there are people prepared or are already engaging in violent resistance. And not only that, the South African Government is sending out South African troops to invade countries which we have had friendly relationships with, although not everyone here thinks we should be so friendly with Mozambique. But the Mozambique Government, which is a recipient of assistance from the United States, has been physically—I do not know what it is when you have had an incursion into you. Have you incurred the invasion? I do not understand that. But there have been South African incursions into Mozambique.

So we have a country that everybody admits is a racist, oppressive, undemocratic regime for the great majority of its people. It is a threat to us. It invades other countries. Are we going to send money in there to start a war against it? The fact is that you only in extreme circumstances do that.

Let me talk specifically about the strategic argument.

The gentleman said there is this massive military presence. Cubans are flying the planes.

But there is a more massive military presence where the Cubans are flying the planes, in Cuba. I respect very much the gentleman from Florida [Mr. PEPPER]. The gentleman said we are not going to let those Communists take a foothold in our hemisphere. Well, has Cuba been transferred when I was not looking to some other hemisphere? Cuba is, I think, closer to the United States physically than Nicaragua. I know you can drive in 2 days, the President said, to Texas. Cuba is 90 miles away.

I think the government of the Cuban people by Fidel Castro has been very negative to the Cuban people. I do not think the Cubans being there have been a physical threat to the United States. And that is the distinction you have to make.

The gentleman said that Nicaragua is a strategic country. I have to say one thing that I found out in my following of foreign policy. There are no nonstrategic countries. Every country is strategic. I never heard of a country where people said, well, it is not strategic. Almost all countries are by definition strategic apparently. That is just an adjective that you throw in, I think, as a kind of a make-weight.

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The question is: Does the presence of the Sandinista regime in Nicaragua add materially to the threat?

Yes, the Soviets are a threat to us in a lot of ways. They would like to be.

I do not believe it does. I do not believe that we are ourselves physically any more threatened by their being in Nicaragua. The President talks about choke points. Frankly, I think it is errant nonsense to suggest that even a totally hostile regime—if Nicaragua became a constituent republic of the U.S.S.R., I do not believe it would be a threat to American shipping, and I regard it as preposterous to assert that.

I do not think that Nicaragua is in any way a strategic threat to the United States. I favor a policy of saying to the Nicaraguans that "we do not and we will not tolerate your sending armed forces against any of your neighbors."

And the other point I would make—and then I will yield—is this:

We had the Communist regime in Cuba. I hope people are not suggesting—I do not mean to say that you gentlemen are here—that it was Castro who gets the credit for the Sandinistas coming to power. Somoza gets the credit for the Sandinistas coming to power.

The fact is that the Cubans being in our hemisphere, and a Communist regime, they sent troops to Angola, they sent troops to Ethiopia, they have not had any successes themselves in bringing about through their influence and force another government like their own in Central America or in South America.

Mr. RITTER. Will the gentleman yield on that?

Mr. FRANK. No. I have yielded twice. I only have 30 minutes. I want to finish the point. I will yield to the gentleman as soon as I finish these points. As the gentleman will remember, he kind of anticipated me before I got to what I want to say in this area. I do want to say it, and the point is this:

I do not like to see pro-Russian regimes come to power because I think they are unfair to their own people, and I think they do cause problems. Cuba has sent troops to Ethiopia and Angola and has been a problem elsewhere. But the problem is that it is giving the Castro regime much too much credit and being too simple to suggest that is why other regimes like this come to power. What threatens to bring another pro-Russian regime to power in this hemisphere are internal conditions in those countries. It was not the example of Cuba that led to Nicaragua moving in whatever direction it is moving; it was internal conditions in Nicaragua. So I agree that it ought to be American policy to say we would not tolerate a Nicaraguan invasion of one of its neighbors. I see no sign that it is planning any. I want to make that clear. But I would still say we will not tolerate it. But I do not think the continuation in power of the Sandinista regime in any way jeopardizes the security of the United States, and I think any potential threat it would offer to its neighbors we can deal with very easily, noting again that many of its neighbors are, of course, quite critical of our policy, and for people who feel threatened, there has been very little support at all. The notion, for instance, that the Mexicans are worried that what goes on in Nicaragua is going to be directly relevant to the composition of Mexico—maybe we would be better off if it were that simple, maybe if I really felt that if you wiped out the Sandinista government you would ensure stability in Mexico—some people might take some comfort from that. I do not think that would give us the right to do that. I think the future of Mexico depends much more on internal affairs in Mexico than it does on the Nicaraguan situation. So I do not think it offers any strategic threat to the United States. I do not see it threatening its neighbors militarily. But we can easily deal with that by an announcement if it did.

I yield again now to the gentleman from Pennsylvania.

Mr. RITTER. I thank the gentleman for yielding.

The gentleman is saying that he does not feel the Nicaraguans are threatened.

Frankly, I think the gentleman from Georgia and this gentleman from Pennsylvania would agree what is in Nicaragua is not a Nicaraguan peasant army; what is in Nicaragua are 10,000 Cubans, 3,000 directly military and 7,000 paramilitary. We all saw how the Cuban construction battalion fought

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in the invasion of Grenada. What is in Nicaragua is 800 Soviet military advisers. What is in Nicaragua is the Soviet international fighting force——

Mr. FRANK. I have to ask the gentleman a question on my time here. First of all——

Mr. RITTER. It is not a Nicaraguan situation——

Mr. FRANK. I am taking back my time. The gentleman is out of order.

The SPEAKER pro tempore. The time is allotted to the gentleman from Massachusetts.

Mr. FRANK. I will not continue to yield unless I can control my time.

Mr. RITTER. The thing is, if you yield to me and then you take the time right back——

Mr. FRANK. I no longer yield to the gentleman from Pennsylvania.

The point is this: Yes; there are Cuban troops in Nicaragua. But if they were not in Nicaragua, they would be in Cuba. I do not think they are any more threat to the United States in Nicaragua than they would be in Cuba. The fact is that if the gentleman is worried about a Cuban military presence in our hemisphere, he does not have to look to Nicaragua. He can look to the much greater Cuban military presence in Cuba. I do not think the Cuban troops either in Cuba or in Nicaragua are a threat to the United States. They could be if they threatened to invade their neighbors, but I think an American policy which said "We won't tolerate that" takes care of that, and as far as the 800 Soviet military advisers, many of them are now advising the Nicaraguans about how to deal with the Contras. However, many Soviet military advisers they had I do not believe they would offer any substantial threat to the United States, nor do I think that the American military advisers and bases we have on the borders of the Soviet Union materially threaten the Soviet Union. What in fact threatens us about the Soviet Union, and vice versa, are nuclear submarines, nuclear missiles. I think warfare has changed a great deal, and I do not think proximity means very much at all in the strategic balance.

I yield to the gentleman from Georgia.

Mr. GINGRICH. It seems to me that the Soviets have rather successfully invented a kind of transnational warfare, almost like a team inventing the forward pass to overcome the goal line stand, in that we clearly have evidence in El Salvador and in Honduras——

Mr. FRANK. I only have 1 minute. I will ask the gentleman to wind up.

Mr. GINGRICH. Yes. We have evidence that in El Salvador and in Honduras the Nicaraguans are training and supplying guerrillas. Does that not constitute an attack——

Mr. FRANK. I will take back my time, and I will say this: We are not in a good position to complain about that since we are funding the Contras. I favor a policy of saying: All of this stops. We will stop funding the Contras, and you must stop funding those guerrillas.

And I would point out to the gentleman that the initial policy that I supported in the early 1980's was to say that we would allow American money to be used to prevent the Nicaraguans from sending help, interdicting arms, et cetera. That was not a controversial policy here. That was supported. The administration had that consensus and betrayed it because they pretended that that was the policy when they instead wanted to overthrow that government.

So I would be in favor of a uniform policy of all of us getting together, Central American and Latin American powers and America, saying all of us will enforce rules against anybody training guerrillas against anybody else. But, of course, while we are training the Contras to make war against Nicaragua we are in no position to object when they are doing the same in other countries.

I am for calling a halt to all of it.

LEAVE OF ABSENCE

By unanimous consent, leave of absence was granted to:

Mr. Lujan (at the request of Mr. Michel), for today and the balance of the week, on account of illness.

Mr. Grotberg (at the request of Mr. Michel), for today and the balance of the week, on account of illness.

SPECIAL ORDERS GRANTED

By unanimous consent, permission to address the House, following the legislative program and any special orders heretofore entered, was granted to:

(The following Members (at the request of Mr. Armey) to revise and extend their remarks and include extraneous material:)

Mr. Lungren, for 60 minutes, on April 14.

Mr. Ritter, for 60 minutes, today.

Mr. Dreier of California, for 5 minutes, today.

Mr. Jeffords, for 5 minutes, today.

Mrs. Bentley, for 5 minutes, on April 10.

Mr. Burton of Indiana, for 60 minutes, on April 10.

Mr. Gingrich, for 5 minutes, today.

Mr. Gingrich, for 60 minutes, on April 10.

(The following Members (at the request of Mr. Jones of Oklahoma) to revise and extend their remarks and include extraneous material:)

Mr. Jones of Oklahoma, for 5 minutes, today.

Mr. Derrick, for 5 minutes, today.

Mr. Annunzio, for 5 minutes, today.

Mr. Stratton, for 5 minutes, today.

Mr. Frank, for 30 minutes, today.

Mr. Frank, for 30 minutes, on April 10.

Mr. Ray for 5 minutes, on April 10.

Mr. Studds, for 60 minutes, on April 10.

Mr. Gonzalez, for 60 minutes, on April 14 and 15.

EXTENSION OF REMARKS

By unanimous consent, permission to revise and extend remarks was granted to:

Mr. Jeffords, prior to the vote on the Hughes amendment to the Volkmer substitute amendment, in the Committee of the Whole today.

Mr. Lewis of Florida, following rollcall vote 68 in the House today.

Mr. Lewis of Florida, following rollcall vote 69 in the House today.

(The following Members (at the request of Mr. Armey) and to include extraneous matter:)

Mr. Bilirakis.

Mr. Oxley.

Mr. Jeffords in three instances.

Mr. Siljander.

Mr. Gradison.

Mr. Whitehurst.

Mr. Hammerschmidt in three instances.

Mr. Craig.

Mr. Hunter in two instances.

Mr. Rudd.

Mr. Courter.

Mr. Daub.

Mr. Moore.

Mr. Fawell.

Mr. Kemp in five instances.

Mr. Quillen.

Mr. Lent.

Mr. Chappie.

Ms. Snowe.

Mr. Hiler.

Mr. Gunderson.

Mr. Shumway.

Mr. Goodling.

Mr. Hyde.

Mr. Wortley.

Mr. Duncan.

Mrs. Vucanovich.

Mr. Gallo.

Mr. Lowery of California.

(The following Members (at the request of Mr. Jones of Oklahoma) and to include extraneous matter:)

Mr. Barnes in four instances.

Mr. Levine of California in three instances.

Mr. Sikorski.

Mr. Roe.

Mr. Kildee.

Mr. Clay.

Mr. Lehman of Florida.

Mr. Tallon in two instances.

Mr. Traxler.

Mr. Frank in two instances.

Mr. Boner of Tennessee.

Mr. Lipinski.

Mr. Mrazek.

Mr. Gaydos.

Mr. Yatron.

Mr. Hall of Ohio.

Mr. Schumer.

Mr. Morrison of Connecticut.

Mr. Murtha.

Mr. Downey of New York.

Mr. Annunzio.

Mr. Pepper.

Mr. Fascell.

Mr. Dymally.

Mr. Florio.

Mr. Ackerman.

Mr. Miller of California.

Mr. Matsui in two instances.

Mr. Edgar.

Mr. Gephardt.

Mr. Whitley.

Mr. Manton.

SENATE BILLS AND A JOINT RESOLUTION REFERRED

Bills and a joint resolution of the Senate of the following titles were taken from the Speaker's table and, under the rule, referred as follows:

S. 1707. An act to authorize the President to present a gold medal to the parents of Father Jerzy Popieluszko; to the Committee on Banking, Finance and Urban Affairs.

S. 1756. An act to authorize the President to present to Sargent Shriver, on behalf of the Congress, a specially struck medal; to the Committee on Banking Finance and Urban Affairs.

S. 1952. An act to provide for the striking of medals to commemorate the Young Astronaut Program; to the Committee on Banking, Finance and Urban Affairs.

S. 2084. An act authorizing the President to present gold medals to the families of the crew members of mission 51-L of the space shuttle *Challenger*, to the Committee on Banking, Finance and Urban Affairs.

S.J. Res. 222. Joint resolution concerning the cruel and inhuman killing of Leon Klinghoffer and Robert Stethem by international terrorists because they did not submit to the demands of these terrorists; to the Committee on Banking, Finance and Urban Affairs.

ADJOURNMENT

Mr. GINGRICH. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 8 o'clock and 16 minutes p.m.), under its previous order, the House adjourned until tomorrow, Thursday, April 10, 1986, at 10 a.m.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

3215. A letter from the Acting Comptroller General of the United States, transmitting notification of his intention to institute a civil action in the United States District Court to require that the budget authority of two appropriation accounts, Maritime Administration (Mar Ad) operations and training account and Urban Mass Transportation Administration (UMTA) discretionary grants, be made available for obligation, pursuant to 2 U.S.C. 687 (H. Doc. No. 99-192); to the Committee on Appropriations and ordered to be printed.

3216. A letter from the Assistant Secretary of Defense (Force Management and Personnel), transmitting a report on the adequacy of pay and allowances for members of the Armed Forces, pursuant to 37 U.S.C. 1008(a), 1009(f); to the Committee on Armed Services.

3217. A letter from the Acting Director, Defense Security Assistance Agency, transmitting information concerning the Departments of the Army, Navy, and Air Force's proposed Letters of Offer to Saudi Arabia for Defense Articles and services (Transmittal No. 86-29), pursuant to 10 U.S.C. 133b (96 Stat. 1288); to the Committee on Armed Services.

3218. A letter from the Deputy Assistant Secretary (Logistics and Communications), Department of the Air Force, transmitting notification of the decision to convert the audiovisual services function at Keesler Air Force Base, MS, to private contractor performance, pursuant to 10 U.S.C. 2304 nt.; to the Committee on Armed Services.

3219. A letter from the Deputy Secretary of Defense, transmitting certification with respect to the PEACEKEEPER program acquisition unit cost, pursuant to 10 U.S.C. 139b(e)(1); to the Committee on Armed Services.

3220. A letter from the Secretary of Defense, transmitting a report on the assessment and evaluations of NATO weapons systems standardization and results achieved, pursuant to 10 U.S.C. 2457 (96 Stat. 1295); to the Committee on Armed Services.

3221. A letter from the General Counsel, Department of Defense, transmitting a draft of proposed legislation to increase the rates of basic pay, basic allowance for quarters, and basic allowance for subsistence for members of the uniformed services; to the Committee on Armed Services.

3222. A letter from the First Vice President and Vice Chairman, Export-Import Bank of the United States, transmitting a report on loan, guarantee, and insurance transactions supported by the Eximbank during February 1986 to Communist countries, pursuant to 12 U.S.C. 635(b)(2); to the Committee on Banking, Finance and Urban Affairs.

3223. A letter from the Secretary of Housing and Urban Development, transmitting reports on the status of the evaluations of the Multifamily and Local Property Urban Homesteading Demonstrations, pursuant to 12 U.S.C. 1706e(j) (Pub. L. 93-383, sec. 810 (97 Stat. 1172)); to the Committee on Banking, Finance and Urban Affairs.

3224. A letter from the Acting General Counsel, Federal Emergency Management Agency, transmitting a draft of proposed legislation to extend for 5 years the expiration date of the Defense Production Act of 1950; to the Committee on Banking, Finance and Urban Affairs.

3225. A letter from the Chairman, Federal Deposit Insurance Corporation, transmitting a report on the Corporation's Office of Consumer Programs, pursuant to the Act of September 26, 1914, chapter 311, section 18(f)(6) (88 Stat. 2197; 93 Stat. 95; 94 Stat. 174); to the Committee on Banking, Finance and Urban Affairs.

3226. A letter from the Secretary of Education, transmitting a draft of proposed legislation to amend the Rehabilitation Act of 1973 and the Helen Keller Center Act to reauthorize activities through fiscal year 1991, to authorize the development of transition services and supported employment assistance to disabled individuals, and for other purposes; to the Committee on Education and Labor.

3227. A letter from the Secretary of Education, transmitting a draft of proposed legislation extending for 5 years and making substantive amendments to the Higher Education Act (HEA) of 1965, which expires at the end of fiscal year 1986; to the Committee on Education and Labor.

3228. A letter from the Secretary of Education, transmitting a report entitled "The Condition of Bilingual Education in the Nation, 1986"; to the Committee on Education and Labor.

3229. A letter from the Secretary of Health and Human Services, transmitting a report on the status of State compliance with the Consumer-Patient Radiation Health and Safety Act of 1981, pursuant to 42 U.S.C. 1006(d); to the Committee on Energy and Commerce.

3230. A letter from the Acting Director, Defense Security Assistance Agency, transmitting a copy of the Department of the Navy's proposed lease of defense articles to Greece (Transmittal No. 24-86), pursuant to 22 U.S.C. 2796(a); to the Committee on Foreign Affairs.

3231. A letter from the Acting Director, Defense Security Assistance Agency, transmitting a copy of the Department of the Navy's proposed lease of defense articles to North Atlantic Treaty Organization (NICSMA), (Transmittal No. 26-86), pursuant to 22 U.S.C. 2796(a); to the Committee on Foreign Affairs.

3232. A letter from the Acting Director, Defense Security Assistance Agency, transmitting a copy of the Department of the Navy's proposed lease of defense articles to Turkey (Transmittal No. 23-86), pursuant to 22 U.S.C. 2796(a); to the Committee on Foreign Affairs.

3233. A letter from the Acting Director, Defense Security Assistance Agency, transmitting a copy of the Department of the Navy's proposed lease of defense articles to Italy (Transmittal No. 19-86), pursuant to 22 U.S.C. 2796(a); to the Committee on Foreign Affairs.

3234. A letter from the Acting Director, Defense Security Assistance Agency, transmitting a copy of the Department of the Navy's proposed lease of defense articles to Uruguay (Transmittal No. 15-86), pursuant to 22 U.S.C. 2796(a); to the Committee on Foreign Affairs.

3235. A letter from the Acting Director, Defense Security Assistance Agency, transmitting a copy of the Department of the Navy's proposed lease of defense articles to Korea (Transmittal No. 20-86), pursuant to 22 U.S.C. 2796(a); to the Committee on Foreign Affairs.

3236. A letter from the Acting Director, Defense Security Assistance Agency, transmitting a copy of the Department of the Navy's proposed lease of defense articles to Turkey (Transmittal No. 21-86), pursuant to 22 U.S.C. 2796(a); to the Committee on Foreign Affairs.

3237. A letter from the Acting Director, Defense Security Assistance Agency, transmitting a copy of the Department of the Navy's proposed lease of defense articles to North Atlantic Treaty Organization (SACLANTCEN) (Transmittal No. 25-86), pursuant to 22 U.S.C. 2796(a); to the Committee on Foreign Affairs.

3238. A letter from the Acting Director, Defense Security Assistance Agency, trans-

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mitting a copy of the Department of the Navy's proposed lease of defense articles to Turkey (Transmittal No. 22-86), pursuant to 22 U.S.C. 2796(a); to the Committee on Foreign Affairs.

3239. A letter from the Acting Director, Defense Security Assistance Agency, transmitting a copy of the Department of the Navy's proposed Letter(s) of Offer to the Netherlands for defense articles (Transmittal No. 86-30), pursuant to 22 U.S.C. 2776(b); to the Committee on Foreign Affairs.

3240. A letter from the Acting Director, Defense Security Assistance Agency, transmitting notice of the Departments of the Army, Navy, and Air Force's proposed Letters of Offer to Saudi Arabia for defense articles and services (Transmittal No. 86-29), pursuant to 22 U.S.C. 2776(b); to the Committee on Foreign Affairs.

3241. A letter from the Acting Assistance Secretary, Legislative and Intergovernmental Affairs, Department of State, transmitting a report on the allocation of military assistance funds for Tunisia; to the Committee on Foreign Affairs.

3242. A letter from the Deputy Assistance Secretary of Defense, transmitting notification of a proposed new record system submitted by the Department of the Air Force, pursuant to 5 U.S.C. 522a(o); to the Committee on Government Operations.

3243. A letter from the FOIA Director, Federal Home Loan Mortgage Corporation, transmitting a report of activities under the Freedom of Information Act during calendar year 1985, pursuant to 5 U.S.C. 552(d); to the Committee on Government Operations.

3244. A letter from the Chairman, Occupational Safety and Health Review Commission, transmitting a report on the Commission's compliance with the requirements of the internal accounting and administrative control system, pursuant to 31 U.S.C. 3512(c)(3); to the Committee on Government Operations.

3245. A letter from the Secretary of Labor, transmitting notification of the Department's intention to extend the period of performance and to provide additional funding to complete the nonseverable litigation support services required in the ERISA cases concerning the Teamsters' Central States Pension and Health and Welfare Funds, pursuant to 41 U.S.C. 253(c)(7); to the Committee on Governmental Operations.

3246. A letter from the Assistant Secretary for Water and Science, Department of the Interior, transmitting notification of the deferment of a construction repayment installment due the United States from Almena Irrigation District No. 5, Pick-Sloan Missouri Basin Program, KS, pursuant to 43 U.S.C. 485b-1; to the Committee on Interior and Insular Affairs.

3247. A letter from the Assistant Secretary for Water and Science, Department of the Interior, transmitting notification of the deferment of the 1985 Small Reclamation Projects Act loan payment due the United States from the West Bench Irrigation District, Dillon, MT, pursuant to 43 U.S.C. 485b; to the Committee on Interior and Insular Affairs.

3248. A letter from the Secretary of the Interior, transmitting a report on amounts expended by Massachusetts, the city of Lowell, and by other nonprofit entities in furtherance of the Lowell National Historical Park, pursuant to 16 U.S.C. 410cc-13(d)(1); to the Committee on Interior and Insular Affairs.

3249. A letter from the Director, Administrative Office of the United States Courts, transmitting a draft of proposed legislation to renew authority to contract for the detection and treatment of drug-dependent offenders, and for other purposes; to the Committee on the Judiciary.

3250. A letter from the Acting Administrator, National Aeronautics and Space Administration, transmitting a report on NASA's plan to report to the General Services Administration, as excess real property, approximately 37.085 acres of land without structures at the NASA Johnson Space Center (JSC), Houston, TX, pursuant to Public Law 85-568, Section 207 (87 Stat. 175); to the Committee on Science and Technology.

3251. A letter from the Executive Secretary, Office of the Secretary, Department of Defense, transmitting a report on procurement from small and other business firms for the period October 1985 through January 1986, pursuant to 15 U.S.C. 639(d); to the Committee on Small Business.

3252. A letter from the Administrator, Veterans' Administration, transmitting a report covering the disposition of cases granted relief from administrative error, overpayment and forfeiture, pursuant to 38 U.S.C. 210(c)(3)(B); to the Committee on Veterans' Affairs.

3253. A letter from the General Counsel, Department of Defense, transmitting a draft of proposed legislation to repeal the Veterans' Educational Assistance Act of 1984 and for other purposes; jointly to the Committees on Armed Services and Veterans' Affairs.

3254. A letter from the Acting Assistant Secretary, Legislative and Intergovernmental Affairs, Department of State, transmitting notification that the Department has terminated the designation of Kuwait as a danger pay location, pursuant to 5 U.S.C. 5928 (97 Stat. 1028); jointly, to the Committees on Foreign Affairs and Post Office and Civil Service.

3255. A letter from the Secretary of the Interior, transmitting the annual report for fiscal year 1985 covering the Outer Continental Shelf (OCS) Oil and Gas Leasing and Production Program administered by the Department of the Interior through the Minerals Management Service; jointly, to the Committees on Interior and Insular Affairs and Merchant Marine and Fisheries.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. UDALL: Committee on Interior and Insular Affairs. H.R. 1116. A bill to implement certain recommendations made pursuant to Public Law 98-360; with an amendment (Rept. 99-525, Pt. 1). Ordered to be printed.

REPORTS OF COMMITTEES ON PRIVATE BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. BERMAN: Committee on the Judiciary. H.R. 483. A bill with amendments (Rept. 99-514). Referred to the Committee of the Whole House.

Mr. MAZZOLI: Committee on the Judiciary. H.R. 737. A bill for the relief of Ms. Chang Ai Bae; with an amendment (Rept. 99-515). Referred to the Committee of the Whole House.

Mr. FISH: Committee on the Judiciary. H.R. 1693. A bill for the relief of Enrique Montano Ugarte; with an amendment (Rept. 99-516). Referred to the Committee of the Whole House.

Mr. FRANK: Committee on the Judiciary. H.R. 1756. A bill to provide for the relief of Herbert Tichauer; a bill with an amendment (Rept. 99-517). Referred to the Committee of the Whole House.

Mr. BERMAN: Committee on the Judiciary. H.R. 1757. A bill for the relief of Leonard Leslie Gamble; with an amendment (Rept. 99-518). Referred to the Committee of the Whole House.

Mr. LUNGREN: Committee on the Judiciary. H.R. 3093. A bill for the relief of Juan Ricardo McRae (Rept. 99-519). Referred to the Committee of the Whole House.

Mr. FRANK: Committee on the Judiciary. H.R. 3154. A bill for the relief of John Patrick Brady, Ann M. Brady, and Mark P. Brady (Rept. 99-520). Referred to the Committee of the Whole House.

Mr. BRYANT: Committee on the Judiciary. H.R. 3323. A bill for the relief of Alexander Lockwood; with an amendment (Rept. 99-521). Referred to the Committee of the Whole House.

Mr. MAZZOLI: Committee on the Judiciary. H.R. 3365. A bill for the relief of Mountaha Bou-Assali Saad; with an amendment (Rept. 99-522). Referred to the Committee of the Whole House.

Mr. LUNGREN: Committee on the Judiciary. H.R. 3577. A bill for the relief of Milanie C. Escobal Norman and Angela Dawn Norman; with amendments (Rept. 99-523). Referred to the Committee of the Whole House.

Mr. BRYANT: Committee on the Judiciary. S. 381. A bill for the relief of Mishleen Earle (Rept. 99-524). Referred to the Committee of the Whole House.

SUBSEQUENT ACTION ON A REPORTED BILL SEQUENTIALLY REFERRED

Under clause 5 of rule X, the following action was taken by the Speaker:

H.R. 4079. The Committee on Appropriations discharged from further consideration of H.R. 4079; H.R. 4079 referred to the Committee of the Whole House on the State of the Union.

H.R. 4105. The Committee on Appropriatons discharged from further consideration of H.R. 4105; H.R. 4105 referred to the Committee of the Whole House on the State of the Union.

PUBLIC BILLS AND RESOLUTIONS

Under clause 5 of rule X and clause 4 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. CONYERS (for himself and Mr. Kemp):

H.R. 4528. A bill to provide for the continuation of the Martin Luther King, Jr. Federal Holiday Commission until 1989, and for other purposes; to the Committee on Post Office and Civil Service.

By Mr. ANNUNZIO (for himself and Mr. Hiler, by request):

H.R. 4529. A bill to authorize appropriations for the U.S. Mint for fiscal years 1987 and 1988; to the Committee on Banking, Finance and Urban Affairs.

By Mr. BENNETT:

H.R. 4530. A bill to amend the Department of defense authorization Act, 1985, to provide that members of the Commission on Merchant Marine and Defense shall not be considered to be Federal employees for certain purposes, to extend the deadline for reports of the Commission, and to extend the availability of funds appropriated to the Commission; to the Committee on Armed Services.

By Mr. BREAUX:

H.R. 4531. A bill to extend the Wetlands Loan Act, and for other purposes; to the Committee on Merchant Marine and Fisheries.

By Mr. DUNCAN (for himself, and Mr. Crane, Mr. Horton, and Mr. Eckert of New York):

H.R. 4532. A bill to suspend for a 4 year period the duty on certain parts of indirect process electrostatic copying machines; to the Committee on Ways and Means.

By Mr. GEPHARDT (for himself, and Mr. Campbell):

H.R. 4533. A bill relating to the tariff classification of extracorporeal shock wave lithotripters; to the Committee on Ways and Means.

By Mr. GEPHARDT (for himself, Mr. Vander Jagt, Mr. Daschle, Mr. Daub, Mr. Dorgan of North Dakota, and Mr. Madigan):

H.R. 4534. A bill to amend the Tariff Act of 1930 with respect to the definitions of industry in antidumping and countervailing duty investigations involving certain processed agricultural products; to the Committee on Ways and Means.

By Mr. ROSE (for himself, Mr. Chandler, Mr. Moakley, Mrs. Boxer, Mr. Smith of New Hampshire, Mr. Whitehurst, Mrs. Schroeder, and Mr. Lantos):

H.R. 4535. A bill to amend section 19 of the Animal Welfare Act (7 U.S.C. 2149); jointly, to the Committees on Agriculture, and the Judiciary.

By Mr. GRADISON:

H.R. 4536. A bill to change the tariff classification of certain color pigments; to the Committee on Ways and Means.

By Mr. HAMMERSCHMIDT (for himself, and Mr. Taylor):

H.R. 4537. A bill to appropriate $10,000,000 to the Dairy Indemnity Program; to the Committee on Appropriations.

By Mr. JEFFORDS (for himself, Mr. Goodling, Mr. Petri, Mr. Gunderson, Mr. Fawell, Mr. Coleman of Missouri, Mrs. Roukema, Mr. Chandler, Mr. McKernan, Mr. Penny, Mr. Boulter, Mr. Porter, Mr. Pursell, Mr. Miller of Ohio, Mr. Evans of Iowa, Mr. Solomon, Mr. Hyde, Mr. Nielson of Utah, Mr. Lowery of California, Mr. Packard, Mr. Montgomery, and Mr. Courter):

H.R. 4538. A bill to amend the Bilingual Education Act to make Federal financial assistance available for children of limited English proficiency without mandating a specific method of instruction, to encourage innovation at the State and local level through greater administrative flexibility, to improve program operations at the Federal level, and for other purposes; to the Committee on Education and Labor.

By Mr. KASTENMEIER:

H.R. 4539. A bill to amend the patent and trademark laws of the United States, and for other purposes; jointly, to the Committees on the Judiciary, and Ways and Means.

By Mr. KOLBE:

H.R. 4540. A bill to amend the Truth in Lending Act to require credit card issuers which are depository institutions to disclose the credit card costs and interest rates and to require the Board of Governors of the Federal Reserve System to publish such information for consumers; to the Committee on Banking, Finance and Urban Affairs.

By Mr. LOEFFLER:

H.R. 4541. A bill to provide for certain measures which will strengthen the energy security of the United States; jointly, to the Committees on Energy and Commerce, Ways and Means, and Armed Services.

By Mr. MARKEY:

H.R. 4542. A bill to prohibit the obligation or expenditure of funds appropriated to the Department of Defense or the Department of Energy for the development, explosive testing, or production of strategic defense systems incorporating nuclear explosive devices; to the Committee on Armed Services.

By Mr. MAVROULES:

H.R. 4543. A bill to require the Secretary of Defense to conduct a test program to streamline the efficiency of the management structure of major defense acquisition programs; to the Committee on Armed Services.

By Mr. MAVROULES (for himself, Mr. Dickinson, Mr. McCurdy, Mr. Spratt, and Mr. Kasich):

H.R. 4544. A bill to amend title 10, United States Code, to establish in the Department of Defense the position of Under Secretary of Defense for Acquisition; to the Committee on Armed Services.

By Ms. OAKAR:

H.R. 4545. A bill to authorize appropriations for the American Folklife Center for fiscal years 1987, 1988, and 1989, and for other purposes; to the Committee on House Administration

By Mr. RITTER (for himself, Mr. Bereuter, Mr. Boehlert, Mr. Chandler, Mrs. Collins, Mr. Nielson of Utah, Mr. Oberstar, Mrs. Schneider, Mr. Stark, Mr. Synar, Mr. Waxman, and Mr. Whittaker):

H.R. 4546. A bill to restrict smoking to designated areas in all buildings or building sections occupied by the U.S. Government; to the Committee on Energy and Commerce.

By Mr. SCHULZE:

H.R. 4547. A bill relating to the tariff classification of slabs of iron or steel; to the Committee on Ways and Means.

By Mr. SPRATT (for himself, and Mr. Mavroules):

H.R. 4548. A bill to amend the provisions of title 10, United States Code, known as the "Truth in Negotiations Act" in order to improve control of the cost of Department of Defense contracts; to the Committee on Armed Services.

By Mr. VANDER JAGT:

H.R. 4549. A bill to suspend for a 3-year period the duty on 3-Ethylamino-p-cresol; to the Committee on Ways and Means.

By Mr. BILIRAKIS:

H.J. Res. 584. Joint resolution designating the week beginning November 9, 1986, as "National Women Veterans Recognition Week"; to the Committee on Post Office and Civil Service.

By Mr. GOODLING:

H.J. Res. 585. Joint resolution to designate the week beginning April 13, 1986, as "National Education for Business Week"; to the Committee on Post Office and Civil Service.

By Mr. GRADISON (for himself, Mr. Panetta, Mrs. Byron, Mr. Rowland of Georgia, Mr. Horton, Mr. Skelton, Mr. Fuster, Mr. Murphy, Mr. Conyers, Mr. Mrazek, Mr. Lehman of Florida, Mr. Roe, Mr. de la Garza, Mr. Lagomarsino, Mr. Wolf, Mr. Waxman, Mr. Scheuer, Mrs. Holt, Mr. Wortley, Mr. Markey, Mr. Dymally, Mr. Dwyer of New Jersey, Mr. Conte, Mr. Martinez, Mrs. Kennelly, Mr. Boehlert, Mr. Fazio, Mr. Vento, Mr. Matsui, Mr. Shumway, Mr. Mazzoli, Mr. Howard, Mr. Lantos, Mr. Pursell, Mrs. Boxer, Mr. Crockett, Mr. Tauke, Mr. Towns, Mr. Bedell, Mr. Dowdy of Mississippi, Mr. Monson, Mr. McGrath, Mr. Stratton, Mr. Biaggi, Mr. Hughes, Mr. Ralph M. Hall, Mr. Anderson, Mr. Barnes, Mr. Stark, Mr. Guarini, Mr. Rahall, Mr. Lewis of Florida, Mr. Kemp, Mr. Traxler, Mr. Hall of Ohio, and Mrs. Burton of California):

H.J. Res. 586. Joint resolution to designate the month of November 1986 as "National Hospice Month"; to the Committee on Post Office and Civil Service.

By Mr. HUNTER:

H.J. Res. 587. Joint resolution to designate August 13, 1986, as "Berlin Freedom Day"; jointly, to the Committees on Foreign Affairs, and Post Office and Civil Service.

By Mr. KOLBE (for himself and Mr. Nelson of Florida):

H.J. Res. 588. Joint resolution commemorating January 28, 1987 as a National Day of Excellence in honor of the crew of the space shuttle Challenger; to the Committee on Post Office and Civil Service.

By Mr. LEVINE of California (for himself, Mr. Kemp, Mr. Weber, Mr. Smith of Florida, Mr. Siljander, Mr. Barnes, Mr. Smith of New Jersey, Mr. Hunter, Mr. Torricelli, Mr. Lantos, Mr. Feighan, Mr. Ackerman, Mr. Annunzio, Mr. Atkins, Mr. AuCoin, Mr. Bates, Mr. Beilenson, Mr. Berman, Mr. Biaggi, Mr. Boehlert, Mr. Boner of Tennessee, Mr. Borski, Mr. Boucher, Mr. Boulter, Mrs. Boxer, Mr. Brown of California, Mr. Bryant, Mrs. Burton of California, Mr. Bustamante, Mr. Callahan, Mr. Carr, Mr. Cobey, Mr. Coble, Mr. Coelho, Mrs. Collins, Mr. Coughlin, Mr. Coyne, Mr. Crane, Mr. Daschle, Mr. Dellums, Mr. DioGuardi, Mr. Dixon, Mr. Dorgan of North Dakota, Mr. Dornan of California, Mr. Dowdy of Mississippi, Mr. Downey of New York, Mr. Dreier of California, Mr. Durbin, Mr. Dwyer of New Jersey, Mr. Eckart of Ohio, Mr. Eckert of New York, Mr. Edwards of California, Mr. Evans of Illinois, Mr. Fazio, Ms. Fiedler, Mr. Fish, Mr. Florio, Mr. Foglietta, Mr. Ford of Michigan, Mr. Fowler, Mr. Frank, Mr. Frenzel, Mr. Frost, Mr. Gallo, Mr. Garcia, Mr. Gejdenson, Mr. Gilman, Mr. Glickman, Mr. Gordon, Mr. Gray of Illinois, Mr. Green, Mr. Hall of Ohio, Mr. Hawkins, Mr.

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Hayes, Mr. Hertel of Michigan, Mr. Horton, Mr. Howard, Mr. Hoyer, Mr. Hughes, Mrs. Johnson, Mr. Jones of Oklahoma, Mr. Kindness, Mr. Kostmayer, Mr. Kramer, Mr. Lehman of California, Mr. Lehman of Florida, Mr. Leland, Mr. Lent, Mr. Levin of Michigan, Mr. Lightfoot, Mrs. Lloyd, Mr. Lowry of Washington, Mr. Luken, Mr. Lundine, Mr. Mack, Mr. Manton, Mr. Markey, Mr. Matsui, Mr. Mavroules, Mr. McCollum, Mr. McGrath, Mr. McHugh, Mr. McKinney, Mr. Mica, Ms. Mikulski, Mr. Miller of California, Mr. Mineta, Mr. Mitchell, Mr. Moakley, Mr. Moody, Mr. Morrison of Connecticut, Mr. Mrazek, Mr. Neal, Mr. Owens, Mr. Panetta, Mr. Penny, Mr. Pepper, Mr. Pickle, Mr. Reid, Mr. Richardson, Mr. Rinaldo, Mr. Robinson, Mr. Roe, Mr. Roybal, Mr. Saxton, Mr. Scheuer, Mrs. Schneider, Mrs. Schroeder, Mr. Schumer, Mr. Sharp, Mr. Shelby, Mr. Sikorski, Mr. Sisisky, Mr. Slattery, Mr. Solarz, Mr. Stark, Mr. Swindall, Mr. Synar, Mr. Tauzin, Mr. Torres, Mr. Traficant, Mr. Udall, Mr. Vento, Mr. Volkmer, Mr. Waxman, Mr. Weaver, Mr. Weiss, Mr. Williams, Mr. Wirth, Mr. Wolpe, Mr. Wortley, Mr. Yates, and Mr. Young of Missouri):

H.J. Res. 589. Joint resolution prohibiting the proposed sales of certain missiles to Saudi Arabia; to the Committee on Foreign Affairs.

By Mr. MURPHY (for himself and Mr. Regula):

H.J. Res. 590. Joint resolution to designate June 21, 1986, as "National Save American Industry and Jobs Day"; to the Committee on Post Office and Civil Service.

By Mr. SHUMWAY (for himself, Mr. Badham, Mr. Bateman, Mr. DeWine, Mr. Dornan of California, Mr. Fazio, Mrs. Holt, Mr. Horton, Ms. Kaptur, Mr. Kolbe, Mr. McCollum, Mr. Murphy, Mr. Pashayan, Mr. Reid, and Mr. Wortley):

H.J. Res. 591. Joint resolution designating October 20, 1986, as "Leyte Landing Day"; to the Committee on Post Office and Civil Service.

By Mr. SILJANDER:

H.J. Res. 592. Joint resolution prohibiting the proposed sale of integrated avionics system kits to the People's Republic of China, unless the United States sells advanced aircraft to the Republic of China on Taiwan; to the Committee on Foreign Affairs.

H.J. Res. 593. Joint resolution prohibiting the proposed sale of integrated avionics system kits to the People's Republic of China; to the Committee on Foreign Affairs.

By Mr. BIAGGI:

H. Con. Res. 311. Concurrent resolution to permit the 1986 Special Olympics Torch Relay to be run through the Capitol grounds; to the Committee on Public Works and Transportation.

By Mr. KRAMER:

H. Con. Res. 312. Concurrent resolution calling for support for the assertion by the United States of the legitimate right of self defense against hostile attacks by Libya in international waters; to the Committee on Foreign Affairs.

By Mr. MACK (for himself, Mr. Derrick, Mr. Lagomarsino, Mr. Siljander, Mr. Sensenbrenner, Mr. McCain, Mr. Weber, Mr. Whitehurst, Mr. Smith of New Jersey, Mr. Dornan of California, Mr. Packard, Ms. Fiedler, Mr. Kolbe, Mr. Wortley, Mr. Kindness, Mr. Armey, Mr. Bliley, Mr. Lewis of Florida, Mr. Boulter, Mr. McCollum, Mr. Skeen, and Mr. Gingrich):

H. Con Res. 313. Concurrent resolution calling for the expulsion of Libya from the United Nations; to the Committee on Foreign Affairs.

By Mr. YATES (for himself, Mr. Garcia, Mr. Solarz, Mr. Green, and Mr. Lehman of Florida):

H. Con. Res. 314. Concurrent resolution authorizing the rotunda of the U.S. Capitol to be used on May 6, 1986, for a ceremony commemorating the days of remembrance of victims of the Holocaust; to the Committee on House Administration.

By Mr. BEILENSON:

H. Res. 410. Resolution amending the Rules of the House of Representatives to require that the Speaker entertain unanimous-consent requests to address the House for 1 minute only after the conclusion of legislative business; to the Committee on Rules.

By Mr. GREEN:

H. Res. 411. Resolution to express the sense of the House of Representatives that the deferral process established by the Impoundment Control Act of 1974 is unconstitutional under the U.S. Supreme Court decision in "Immigration and Naturalization Service v. Chadha et al."; to the Committee on the Judiciary.

PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of rule XXII,

Mr. LEWIS of California introduced a bill (H.R. 4550) for the relief of Young Sook Chon; to the Committee on the Judiciary.

ADDITIONAL SPONSORS

Under clause 4 of rule XXII, sponsors were added to public bills and resolutions as follows:

[Omitted from the Record of April 8, 1986]

H.J. Res. 234: Mr. McEwen, Mr. Henry, Mr. Campbell, Mr. Fish, Mr. Andrews, Mr. Bruce, Mr. Gingrich, Mr. Dicks, Mr. Cobey, Mr. Early, Mr. Whittaker, Mr. Derrick, Mr. Young of Alaska, Mr. Green, Mr. Lujan, Mr. Wise, Mrs. Boxer, Mr. Applegate, Mr. Edgar, Mr. Gray of Pennsylvania, Mr. Murtha, Mr. Quillen, Mr. McKinney, Mr. Lewis of Florida, Mr. Roberts, Mr. Tauzin, Mr. Luken, Mr. O'Brien, Mr. Visclosky, Mr. Carney, Mrs. Johnson, Mr. Aspin, Mr. Yates, Mr. Hamilton, Mr. Valentine, Mr. Spratt, Mr. Shelby, Mr. Beilenson, Mr. Pashayan, and Mr. Atkins.

[Submitted April 9, 1986]

H.R. 229: Mr. Gilman.

H.R. 230: Mr. Panetta.

H.R. 471: Mr. Whittaker, Mr. Sundquist, Mr. Smith of New Hampshire, and Mr. Boulter.

H.R. 524: Mr. Andrews, Mr. Boland, Mr. Dorgan of North Dakota, Mr. Gingrich, Mr. Henry, Mr. Hendon, Mr. Kolbe, Mrs. Martin of Illinois, Mr. McDade, Mr. Mineta, Mr. Porter, Mr. Schumer, Mr. Traficant, and Mr. Vander Jagt.

H.R. 585: Mr. Donnelly, Mr. Kolbe, Mr. Heftel of Hawaii, Mr. Lightfoot, and Mr. Waxman.

H.R. 620: Mr. Shumway.

H.R. 839: Mr. Clinger.

H.R. 864: Mr. Ritter, Mr. Mica, Mr. Hubbard, and Mr. McMillan.

H.R. 893: Mr. Gejdenson, Mr. Yatron, Mr. Frost, Mr. Wheat, Mr. Heftel of Hawaii, Mr. Walgren, Mr. Evans of Illinois, Mr. Williams, Mr. Eckart of Ohio, Mr. Boucher, Mr. Torricelli, and Mr. Seiberling.

H.R. 1398: Mr. Bates.

H.R. 1400: Mr. Moakley, Mr. Bonker, Mr. Murphy, Mr. Biaggi, Mr. Anderson, Mr. Bonior of Michigan, Mr. Manton, and Mr. Roe.

H.R. 1435: Mr. Robinson, Mr. Guarini, and Mr. Carper.

H.R. 1579: Mr. Foglietta.

H.R. 1809: Mr. Roe and Mr. Edgar.

H.R. 1946: Mr. Pepper.

H.R. 2295: Mr. Whitten and Mr. Moorhead.

H.R. 2364: Mr. Gejdenson, Mr. de Lugo, Mr. Rose, and Mr. Bonior of Michigan.

H.R. 2406: Mr. LaFalce, Mr. Carney, Mr. Mrazek, Ms. Oakar, Mr. Coelho, Mr. Manton, and Mr. Scheuer.

H.R. 2509: Mr. Kemp.

H.R. 2512: Mr. Kemp.

H.R. 2607: Mr. Traficant and Mr. McKinney.

H.R. 2867: Mr. Davis, Mr. Foglietta, Mr. Fowler, Mr. Frank, Mr. Guarini, Mr. Mineta, Mr. Rodino, Mr. Roybal, Mr. Schumer, Mr. Traficant, Mr. Waxman, and Mr. Wolpe.

H.R. 2897: Mr. Hunter, Mr. Hendon, and Mr. Burton of Indiana.

H.R. 2952: Mrs. Boxer and Mr. Stark.

H.R. 3040: Mr. McHugh.

H.R. 3041: Mr. Downey of New York, Mr. Carr, Mr. Gordon, Mr. Gray of Illinois, Mr. Fowler, and Mr. Wirth.

H.R. 3042: Mr. Bates, Mr. Weiss, Mr. Donnelly, and Mr. Coyne.

H.R. 3062: Mr. Staggers and Mr. Applegate.

H.R. 3099: Mr. Bruce, Mr. Roybal, Mr. Young of Florida, and Mr. LaFalce.

H.R. 3114: Mr. Barnes, Mr. Dellums, Mr. Hayes, and Mr. Rahall.

H.R. 3120: Mr. McGrath, Mr. Applegate, Mr. Gallo, and Mr. Neal.

H.R. 3232: Mr. Gilman.

H.R. 3263: Mr. Edwards of Oklahoma.

H.R. 3298: Mr. Ritter.

H.R. 3378: Mr. Hayes, Mr. Savage, Mr. Edwards of California, Mr. Kostmayer, Mr. Vento, Mrs. Collins, Mr. Bustamante, Mr. Towns, Mr. Thomas of California, Mr. Hawkins, Mr. Bliley, Mr. Leland, and Mr. Seiberling.

H.R. 3408: Mr. de Lugo, Mr. Davis, and Mr. Brown of California.

H.R. 3439: Mr. Stark, Mrs. Kennelly, Mr. Volkmer, Mrs. Bentley, Mr. Neal, Mrs. Boxer, Mr. Swindall, Mr. Wortley, and Mr. AuCoin.

H.R. 3505: Mr. DeLay, Mr. Packard, Mr. Shumway, and Mr. Monson.

H.R. 3554: Mr. Weaver, Mr. Denny Smith, and Mr. Wyden.

H.R. 3555: Ms. Kaptur, Mr. Waxman, Mr. Manton, Mr. Ortiz, Mr. Lujan, Mr. Obey, Mr. Bennett, Mr. Davis, Mr. Lightfoot, Mr. Roe, Mr. Morrison of Connecticut, Mr. Chappell, Mr. Valentine, Mr. Roberts, Mr. Stratton, Mr. Wheat, Mr. Bliley, Mr. Anthony, Mr. Dicks, Mr. Smith of Iowa, Mr. Broomfield, Mr. Williams, Mr. Leath of Texas, Mr. McEwen, Mr. Boucher, Mr. Jones of North Carolina, Mr. Levin of Michigan, Mr. Price, Mr. Wolf, Mr. Brown of California, Mr. Swift, Mr. Jenkins, Mr. Carr, Mr. Fascell, Mrs. Kennelly, Mr. Young of Florida, Mr. Kleczka, and Mr. Vander Jagt.

H.R. 3594: Mr. Towns, Mr. Owens, Mr. Stark, Mr. Crockett, Mr. Martinez, Mr. Kleczka, Mr. de Lugo, Mr. Biaggi, Mr. Matsui, and Ms. Oakar.

H.R. 3712: Mr. Manton.

H.R. 3761: Mr. Waxman, and Mr. Berman.

H.R. 3766: Mr. Lagomarsino, Mr. Myers of Indiana, Mr. Hansen, and Mr. Franklin.

H.R. 3799: Mr. Robinson, Mr. Ray, Mr. Owens, Mr. LaFalce, Mr. Kolter, Mr. Glickman, Mr. Gilman, Mr. Bonker, Mr. Kastenmeier, and Mr. Dymally.

H.R. 3807: Mr. Huckaby.

H.R. 3921: Mr. Lott.

H.R. 4003: Mr. Kostmayer.

H.R. 4020: Mr. Foglietta.

H.R. 4025: Mr. Berman, Mr. Solomon, Mr. Price, Mr. Frank, Mrs. Johnson, Mr. Bates, Mr. Stokes, Mr. Staggers, Mr. Kolter, Mr. Downey of New York, Mr. Henry, Mr. Yatron, and Mr. Kildee.

H.R. 4037: Mr. Kildee, Mr. Sunia, and Mr. Akaka.

H.R. 4051: Mr. Roth.

H.R. 4067: Mr. Daschle, Mr. Horton, Mr. Monson, and Mr. Wilson.

H.R. 4075: Mr. Hayes, Mr. Horton, Mr. Mica, Mr. Lagomarsino, and Mr. Stangeland.

H.R. 4080: Mr. Bruce.

H.R. 4093: Mr. Kostmayer.

H.R. 4119: Mrs. Boxer, Mr. Brown of California, Mr. Foglietta, Mr. Dixon, Mr. Fauntroy, Mr. Fazio, Mr. Kastenmeier, Mr. Morrison of Connecticut, Mr. Rangel, Mr. Rodino, Mr. Savage, Mr. Seiberling, and Mr. Vento.

H.R. 4126: Mrs. Martin of Illinois and Mr. Armey.

H.R. 4145: Mr. Porter, Mr. Monson, Mr. Young of Florida, Mr. Whitehurst, Mr. Courter, Mr. Lagomarsino, Mr. Henry, Mr. Bliley, and Mr. Lott.

H.R. 4154: Mrs. Bentley Mr. Chappie, Mr. Hunter, Mr. Lehman of Florida, Mr. McKinney, Mr. Markey, Mr. Mitchell, Mr. Mrazek, Mr. Olin, Mr. Rahall, Mr. Scheuer, Mr. Towns, Mr. Wyden, Mr. Yates, Mr. Rangel, Mr. Akaka, Mr. Cobey, Mr. Chappell, Mr. McGrath, Mr. Daub, Mr. Dymally, Mr. Annunzio, Mr. Edgar, Mr. Bonior of Michigan, Mr. Jones of North Carolina, Ms. Kaptur, Mr. Crockett, Mr. Dorgan of North Dakota, Mrs. Collins, Mr. Anderson, Mr. de Lugo, Mrs. Schroeder, Mr. Coelho, Mr. de la Garza, Mr. Fauntroy, Mr. Foglietta, Mr. Dwyer of New Jersey, Mr. Coats, Mr. Berman, Mr. Boehlert, Mr. Wirth, Mr. McCain, and Mrs. Long.

H.R. 4157: Mr. Towns, Mr. Monson, Mr. Walker, Mr. Bilirakis, Mr. de Lugo, Mr. Kolbe, and Mr. Ridge.

H.R. 4186: Mr. Stratton, Mr. Barnes, Mr. Evans of Illinois, Mr. Moakley, Mr. Atkins, Mr. Bryant, Mr. Sikorski, Mr. Bliley, Mr. Bosco, Mr. Weber, Mr. Leland, Mr. Feighan, Mr. Bateman, Mr. Owens, Mr. Foglietta, and Mr. Jeffords.

H.R. 4191. Mr. Wortley.

H.R. 4194: Mr. Dwyer of New Jersey, Mr. Mineta, Mr. Waxman, and Mr. Martinez.

H.R. 4195: Mrs. Boxer and Mr. Hefner.

H.R. 4197: Mrs. Burton of California, Mr. Mitchell, Mr. Oxley, Mr. Scheuer, Mr. McKinney, and Mr. Martinez.

H.R. 4204: Mr. Berman.

H.R. 4210: Mr. Miller of California.

H.R. 4213: Mr. Wortley, Mr. Murphy, Mr. Torricelli, Mr. Biaggi, Mr. Kleczka, Mr. Fazio, Mr. Bevill, Mr. Richardson, Mr. Fuster, Mr. de Lugo, Mr. Lagomarsino, Mr. Rinaldo, Mr. Gordon, Mr. Darden, Mr. Clinger, Mr. Erdreich, Mr. Martinez, Mr. Towns, Mr. Edwards of Oklahoma Mr. Howard, Mr. Andrews, Mr. Hawkins, Ms. Oakar, Ms. Kaptur, and Mr. Dornan of California.

H.R. 4228: Mr. Vander Jagt.

H.R. 4239: Mr. Foglietta.

H.R. 4243: Mr. Clay.

H.R. 4287: Mr. Mitchell, Mr. Boehlert, Mr. Markey, Mr. St Germain, Mr. Rodino, Mr. de Lugo, Mrs. Burton of California, Mr. Price, Mr. Rahall, Mr. Evans of Illinois, Mr. Edwards of California, Mr. Martinez, Mr. Frost, Mr. Brown of California, Mr. Hawkins, Mr. Akaka, Mr. Beilenson, Mr. Traficant, and Mr. Solarz.

H.R. 4299: Mr. Jones of North Carolina, Mr. Martin of New York, Mr. Daub, and Mr. Hendon.

H.R. 4300: Mr. Akaka, Mr. Evans of Illinois, Mr. Fuster, Mr. Hayes, Mr. Mitchell, Mr. Ackerman, Mr. Barnes, Mrs. Boxer, Mr. Applegate, Mr. Seiberling, Mr. Waxman, Mr. Weaver, Mr. Wolpe, Mr. Fazio, Mr. Frank, Mr. Fascell, Mr. Matsui, Mr. Vento, Mr. Gejdenson, Mr. Oberstar, Mr. Edwards of California, Mr. Scheuer, Mr. Torricelli, and Mr. Dellums.

H.R. 4304: Mr. Kolbe.

H.R. 4311: Mr. Lagomarsino, Mr. Kastenmeier, Mr. Matsui, Mr. Gilman, and Mr. Traficant.

H.R. 4333: Mr. Smith of Florida, Mr. Tauke, Mr. Neal, and Mr. McMillan.

H.R. 4337: Mr. Chappie, Mr. McCandless, Mr. Vander Jagt, Mr. Jeffords, Mr. Wortley, and Mr. Whitehurst.

H.R. 4338: Mr. Jacobs, Mr. Murphy, Mr. Frank, Mr. Martinez, Mr. Savage, Mr. Walgren, Mr. Volkmer, Mr. Hoyer, Mr. Matsui, Mr. Roe, Mr. Horton, Mr. Hendon, Mr. Edgar, Mr. Young of Missouri, Mr. Fazio, Mr. Biaggi, Mr. Torricelli, Mr. Scheuer, Mr. Applegate, and Mr. Shelby.

H.R. 4344: Mr. Traficant, Mr. Fields, Mr. Bevill, Mr. Clinger, Mr. Wortley, and Mr. Kindness.

H.R. 4391: Mr. Boucher, Mr. Bevill, Mr. Watkins, Mr. Gregg, Mr. Bustamante, and Mr. Rose.

H.R. 4406: Mrs. Smith of Nebraska.

H.R. 4412: Mr. Berman, Mr. Traficant, Mr. de Lugo, Mr. Edwards of California, Mr. Savage, Mr. Frank, Mr. Martinez, Mr. Brown of California, Mr. Leland, and Mr. Ford of Michigan.

H.R. 4421: Mr. Coats.

H.R. 4422: Mr. Levin of Michigan.

H.R. 4450: Mr. Henry, Ms. Kaptur, Mr. Bosco, Mr. Monson, Mr. Barton of Texas, Mr. Cheney, Ms. Snowe, Mr. Staggers, Mr. Daub, Mrs. Bentley, Mr. Chandler, and Mr. Glickman.

H.R. 4463: Mr. Obey, Mr. Anderson, Mr. Towns, Mr. Ackerman, Mr. Hall of Ohio, Mr. Matsui, Mrs. Boggs, Mr. Conyers, Mrs. Burton of California, Mr. Frank, and Mr. Wheat.

H.R. 4483: Mr. Clay, Mr. Edwards of California, Mr. Kastenmeier, Mr. Leland, Mr. Weaver, and Mr. Brown of California.

H.R. 4484: Mr. Matsui, Mr. Fazio, Mr. Martinez, Mr. Mineta, Mrs. Boxer, Mr. Oberstar, and Mr. Dornan of California.

H.R. 4494: Mr. Rahall.

H.J. Res. 7: Mr. Campbell.

H.J. Res. 131: Mr. Howard, Mr. Tauke, Mr. Nelson of Florida, Mr. Foley, Mr. Henry, Mr. Jacobs, Mr. Lent, Mr. Swindall, and Mr. Dickinson.

H.J. Res. 133: Mr. Bedell, Mr. Anderson, Mr. Tauke, Mr. Erdreich, Mr. Derrick, Mr. Waxman, Mr. Lehman of Florida, Mr. Darden, Mr. Campbell, and Mr. Broyhill.

H.J. Res. 234: Mr. Mavroules, Mr. Wolf, Mr. Hoyer, Mr. Torricelli, and Mr. Dornan of California.

H.J. Res. 244: Mr. Evans of Illinois, Mr. Smith of New Jersey, Mr. Moakley, Mr. Hefner, Mr. Lewis of Florida, Mr. Lent, Mr. Perkins, Mr. Green, Mr. Boucher, Mr. Porter, Mr. Edgar, Mr. Staggers, Mr. Shaw, Mr. Dorgan of North Dakota, Mr. Wise, and Mr. Donnelly.

H.J. Res. 266: Mr. Ford of Michigan, Mr. Lewis of Florida, Mr. Foglietta, Mr. Levin of Michigan, Mr. Dowdy of Mississippi, Mr. Walgren, Mr. Pickle, Mr. Alexander, Mr. Hunter, Mr. Waxman, Mr. Weaver, Mr. Morrison of Washington, Mr. McCollum, Mr. Jones of North Carolina, Mr. Applegate, Mr. Petri, Mr. Hoyer, Mr. Lehman of Florida, Mr. Breaux, Mr. Dickinson, Mr. Livingston, Mr. Lehman of California, Mr. Swindall, Mr. Kildee, Mr. Wortley, Mr. Spratt, Mr. Clay, Mr. Stenholm, Mr. Thomas of Georgia, Mr. Weber, Mr. Rowland of Georgia, Mr. Natcher, and Mr. Erdreich.

H.J. Res. 297: Mr. Hayes, Mr. Ackerman, Mr. Fuster, Mr. Richardson, Mr. McDade, Mr. Savage, Mr. Boner of Tennessee, Mr. Dorgan of North Dakota, Mr. Carney, Mr. Florio, Mr. Daschle, and Mr. Pashayan.

H.J. Res. 336: Mr. Boehlert, Mr. Bryant, and Mr. Solarz.

H.J. Res. 444: Mr. Fascell, Mr. Lehman of Florida, Mr. Horton, Mr. Dymally, Mr. O'Brien, Mrs. Holt, Mr. Owens, Mr. Crockett, Mr. Hammerschmidt, Mr. Stark, Mr. Yatron, Mr. Neal, Mr. Anthony, Mr. Kostmayer, Mr. Towns, Mr. Biaggi, Mr. Matsui, Mr. Martinez, Ms. Mikulski, Mr. de la Garza, Mr. Wheat, Mr. Bryant, Mr. Bedell, Mr. Wortley, Mr. Rahall, Mr. Guarini, Mr. Livingston, Mr. Rangel, Mr. Lott, Mr. Kemp, Mr. Addabbo, Mr. Wilson, Mr. Kanjorski, and Mr. Fazio.

H.J. Res. 470: Mr. Daniel, Mr. Frenzel, Mr. Neal, Mr. Rowland of Connecticut, Mrs. Kennelly, and Mr. Weber.

H.J. Res. 475: Mr. Hoyer, Mr. Traxler, Mr. Luken, Mr. Borski, Mr. Torricelli, Mr. Fish, Mr. Lantos, Mr. Conte, Mr. Dannemeyer, Mr. Anderson, Mr. Rodino, Mrs. Kennelly, Mrs. Johnson, Mr. Hatcher, Mr. Crockett, Mr. Quillen, Mr. Owens, Mr. Lujan, Mrs. Boxer, Mr. Levin of Michigan, Mr. Boner of Tennessee, Mr. Monson, Mr. Barnard, Mr. Montgomery, Mr. Smith of Iowa, Mr. Boehlert, Mr. Brown of California, Mr. Bustamante, Mr. Chappie, Mr. Darden, Mr. DeWine, Mr. Evans of Illinois, Mr. Gallo, Mr. Garcia, Mr. Hertel of Michigan, Mr. Kanjorski, Mr. Fauntroy, Mr. Hansen, Mr. Martin of New York, Mr. Michel, Mr. DioGuardi, Mr. Dowdy of Mississippi, Mr. Evans of Iowa, Mrs. Boggs, Mr. Rinaldo, Mr. Pursell, Mr. Livingston, Mr. Matsui, Mr. Stokes, Mr. Strang, Mr. Feighan, Mr. Ortiz, Mr. Richardson, Mr. Boucher, Mr. Callahan, Mr. Kolter, Mr. Brooks, Mr. Nichols, Mr. Scheuer, Mr. Gejdenson, Mr. McDade, and Mr. Carney.

H.J. Res. 479: Mr. Skelton, Mr. Smith of Florida, Mr. Smith of New Jersey, Mr. Gephardt, Mr. Pashayan, Mr. Feighan, Mr. Torricelli, Mr. Daniel, Mr. Applegate, Ms. Oakar, Mr. Jones of North Carolina, Mr. Addabbo, Mr. McHugh, Mr. Dymally, Mr. Bevill, Mrs. Byron, Mr. Roe, Mr. Wylie, Mr. Wolf, Mr. Regula, Mr. Gordon, Mr. Edgar, Mr. Kostmayer, Mr. Olin, Mr. Lipinski, Mr. Mavroules, Mr. Martin of New York, Mr. Wortley, Mr. Reid, Mr. Vento, Mr. de la Garza, Mr. Kramer, Mr. Lagomarsino, Mr. Roth, Mr. Weiss, Mr. Thomas of

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Georgia, Mr. Petri, Mr. Hall of Ohio, and Mr. Hatcher.

H.J. Res. 480: Mr. Guarini, Mrs. Lloyd, Mr. Chappie, Mr. Dymally, Mr. Hefner, and Mr. Livingston.

H.J. Res. 492: Mr. Hiler, Mr. Early, Mr. Studds, Mr. Rose, Mr. Young of Florida, Mr. Mavroules, Mr. Conte, Mr. Lundine, Mr. Murphy, Ms. Mikulski, Mr. Waxman, Mr. Gradison, Mr. Lehman of California, Mrs. Boggs, Mr. Hoyer, Mr. Mazzoli, Mr. Stark, Mr. Lewis of Florida, Mr. Pashayan, Mr. Ritter, Mr. Dymally, Mr. Bustamante, Mr. Manton, Mr. O'Brien, Mr. Neal, Mrs. Collins, Mr. Hartnett, and Mr. Miller of California.

H.J. Res. 500: Mr. Stratton, Mr. Coyne, Mr. Dreier of California, Mr. Crane, Mr. DeWine, Mr. Emerson, Mr. Burton of Indiana, Mr. Bliley, Mr. McDade, Mr. DioGuardi, Mr. Frenzel, Mr. Michel, Mr. Siljander, Mr. Daub, Mr. Gekas, Mr. Jacobs, Mr. Solomon, Mr. Barnes, Mr. Berman, Mr. Synar, Mr. Rahall, Mrs. Kennelly, Mr. Boner of Tennessee, Mr. Pepper, Mr. Frank, Mr. Ackerman, Mr. Markey, Mr. Stokes, Mr. Chandler, Mr. Borski, Mr. Thomas of California, Mr. Carr, Mr. Durbin, Mr. DeLay, Mr. Dixon, Mr. Erdreich, Mr. Fazio, Mr. Darden, Mr. Foglietta, Mr. Hefner, Mr. Murphy, Mr. Neal, Mr. Rodino, Mr. Sisisky, Mr. Kolter, Mr. Ortiz, Mr. Young of Alaska, Mr. Hammerschmidt, Mr. Moore, Mr. Tallon and Mr. St Germain.

H.J. Res. 519: Mr. Jacobs, Mr. Cobey, Mr. Bedell, Mr. Richardson, Mr. Tauke, Mr. Weiss, Mr. Kramer, Ms. Mikulski, Mr. Hoyer, Mr. Mavroules, Mr. Torricelli, Mr. Hopkins, Mr. Hubbard, Mr. Sunia, Mr. Blaz, Mr. Atkins, Mr. Leach of Iowa, Mr. Smith of Iowa, Mr. AuCoin, Mr. Biaggi, Mr. Roberts, Mr. Petri, Mr. Packard, Mr. Lewis of Florida, Mr. Barton of Texas, Mr. Olin, Mr. Gray of Pennsylvania, Mr. Stokes, Mr. Watkins, Mr. Emerson, Mr. Daniel, Mr. McCain, Mr. Skelton, Mr. Goodling, Mr. Duncan, Mr. McEwen, Mr. Fields, Mr. Fauntroy, Mr. Alexander, Mr. Ortiz, Mr. Moody, Mr. Ackerman, Mr. Kasich, Mr. Neal, Mr. Yatron, Mr. Russo, Mr. McHugh, Mr. Early, Mr. Bateman, Mr. Chappie, Mr. McDade, Mr. Lent, Mr. Yates, Mr. Spratt, Mr. Sundquist, Mr. Carper, Mr. Schumer, Mr. Lott, Mr. Coleman of Texas, Mr. Rodino, Mr. Flippo, Mr. Boner of Tennessee, Mr. Livingston, Mr. Eckert of New York, Mr. Bevill, Mr. Skeen, Mr. Mineta, Mr. Roe, Mr. Wirth, Mr. Brown of California, Mr. Nelson of Florida, Mr. Monson, Mr. Rinaldo, Mr. Kanjorski, Mr. Madigan, Mr. Weber, Mr. Frenzel, Mr. Gregg, Mr. Leland, Mr. Daschle, Mr. McKernan, Mr. Manton, Mr. Panetta, Mrs. Lloyd, Mrs. Burton of California, Ms. Snowe, Mr. Dwyer of New Jersey, Mr. Hatcher, Mr. Hartnett, Mr. Oberstar, Mr. Ford of Michigan, Mr. Dixon, Mr. Mrazek, Mr. Perkins, Mr. Rose, Mr. Vander Jagt, Mr. Carney, Mr. Weaver, Mr. Andrews, Mr. Derrick, Mr. Kildee, Mr. Berman, Mr. Hayes, Mr. Erdreich, Mr. Murtha, Mr. Heftel of Hawaii, Mr. Stangeland, Mr. Coyne, Mr. Valentine, Mr. Studds, Mr. Stump, Mr. Jeffords, Mr. Levine of California, Mrs. Boxer, Mr. Borski, Mr. Markey, Mr. Schuette, Mr. Pursell, and Mr. Lantos.

H.J. Res. 526: Mr. Broyhill, Mr. Gregg, Mr. Nielson of Utah, Mr. Shumway, Mr. Jeffords, Ms. Kaptur, Mr. Derrick, Mr. Saxton, Mr. McKinney, Mr. Frost, Mr. Young of Florida, Mr. Nowak, Mr. Huckaby, Mr. Coats, Mr. Schaefer, Mr. Monson, Mr. Gejdenson, Mr. Stokes, Mr. Stump, Mr. Frenzel, Mr. Wirth, Mrs. Boggs, Mr. Studds, Mr. Yatron, Mr. Mollohan, Mr. Ralph M. Hall, Ms. Oakar, Mr. Russo, Mr. Kasich, Mr. Spratt, Mr. Martin of New York, Mr. Badham, Mr. Lott, Mr. Murtha, Mr. Pursell, Mr. Livingston, Mr. Levin of Michigan, Mrs. Long, Mr. Volkmer, and Mr. Solomon.

H.J. Res. 529: Ms. Oakar, Mr. Burton of Indiana, Mrs. Burton of California, Mr. Hubbard, Mr. Jacobs, Mr. Anderson, and Mr. Dannemleyer.

H.J. Res 532: Mr. Owens, Mr. Valentine, Mr. Markey, Mr. Huckaby, Mr. Packard, Mr. Hutto, Mr. Hoyer, Mr. Stokes, Mr. Carney, Mr. Slaughter, Mr. Kasich, Mr. Tauke, Mr. Pursell, Mr. Boner of Tennessee, Mr. Mack, Mr. Lehman of Florida, Mr. Wyden, Mr. Dannemeyer, Mr. Badham, and Mr. Duncan.

H.J. Res. 533: Mr. Cheney, Mr. McDade, Mr. Biaggi, Mr. Horton, Mrs. Bentley, Mr. Rinaldo, Mr. Dymally, Mr. Jones of North Carolina, Mrs. Burton of California, Mr. Ralph M. Hall, Mr. Rodino, Ms. Oakar, Mr. Manton, Mr. Mrazek, Mr. Hoyer, Mr. Pursell, Mr. Scheuer, Mr. Bryant, Mr. Wortley, Ms. Snowe, Mr. Dwyer of New Jersey, Mr. Daub, Mr. Lehman of Florida, Mr. Fazio, Mr. Skelton, Mr. Dannemeyer, Mr. Rahall, Mr. Smith of Florida, Mr. Valentine, Mr. Natcher, and Mr. Dornan of California.

H.J. Res. 539: Mr. Traficant, Mr. Schuette, Mr. Kolter, Mr. Dannemeyer, and Mr. Moorhead.

H.J. Res. 541: Mr. Eckart of Ohio, Mr. Roemer, Mr. Tauke, Mr. Weaver, Mr. Lantos, Mr. Leland, Mr. Coelho, Mr. Kolter, Mr. Dyson, Mr. Atkins, and Mr. Torricelli.

H.J. Res. 542: Mr. Akaka, Mr. Annunzio, Mr. Barnard, Mr. Brown of California, Mr. Conyers, Mr. Derrick, Mr. DeWine, Mr. Erdreich, Mr. Florio, Mr. Spence, Mr. Rogers, Mr. Coleman of Texas, Mr. Kolbe, Mr. MacKay, Mr. Savage, Mr. Saxton, Mr. Shelby, Mr. Strang, Mr. Sunia, Mr. Chandler, Mr. Lowery of California, Mr. Davis, Mr. Levin of Michigan, Mr. Gekas, Mr. Gephardt, Mr. Hammerschmidt, Mr. Hansen, Mr. Hefner, Mr. Jacobs, Mr. Jenkins, Mr. Dickinson, Mr. Dowdy of Mississippi, Mr. Coughlin, Mr. Waxman, Mr. Dixon, Mr. Brooks, Mr. Molinari, Mrs. Burton of California, Mr. Campbell, Mr. Anderson, Mr. Weiss, Mr. Mack, Mrs. Kennelly, Mr. Lungren, Mr. Miller of Washington, Mr. Rinaldo, Mr. Cheney, Mr. Fuqua, Mr. Solomon, Mr. Ford of Tennessee, Mr. Hoyer, Mr. McKinney, Mr. Coyne, Mrs. Boxer, Mr. Spratt, Mr. de la Garza, Mr. Hatcher, Mr. Bliley, Mr. Tallon, Mr. Tauke, Mr. Taylor, Mr. Foglietta, Mr. Smith of New Jersey, Mr. Stump, Mr. Tauzin, Ms. Snowe, Mr. Denny Smith, Mr. Wirth, Mr. Schaefer, Ms. Oakar, Mr. Donnelly, Mr. Mollohan, Mr. Fields, Mr. Mazzoli, and Mr. Broyhill.

H.J. Res. 548: Mr. Monson, Mr. Stratton, Mr. Dornan of California, Mr. Coats, Mr. Ralph M. Hall, Mr. Lott, Mr. Akaka, Mr. Bryant, Mr. Armey, Mr. Barnes, Mr. Fauntroy, Mr. Pashayan, and Mr. Michel.

H.J. Res. 553: Mr. Daschle, Mr. Dornan of California, Mr. Levine of California, Mr. Stratton, Mr. Torres, and Mr. Torricelli.

H.J. Res. 554: Mr. Anderson, Mr. Andrews, Mr. Anthony, Mr. Applegate, Mr. Archer, Mr. Barnes, Mr. Bedell, Mr. Berman, Mr. Bevill, Mr. Blaz, Mr. Bliley, Mr. Bonior of Michigan, Mr. Borski, Mr. Boucher, Mrs. Boxer, Mr. Bryant, Mrs. Burton of California, Mr. Bustamante, Mr. Carney, Mr. Carr, Mr. Chappie, Mr. Coelho, Mr. Conyers, Mr. Crockett, Mr. Courter, Mr. Daniel, Mr. Dannemeyer, Mr. Darden, Mr. Daschle, Mr. Daub, Mr. de la Garza, Mr. de Lugo, Mr. Dingell, Mr. Dixon, Mr. Dowdy of Mississippi Mr. Dymally, Mr. Early, Mr. Erdreich, Mr. Evans of Illinois, Mr. Evans of Iowa, Mr. Fascell, Mr. Fauntroy, Mr. Fazio, Mr. Feighan, Mr. Flippo, Mr. Foglietta, Mr. Fuqua, Mr. Fuster, Mr. Gallo, Mr. Gejdenson, Mr. Gekas, Mr. Gephardt, Mr. Gordon, Mr. Gray of Pennsylvania, Mr. Green, Mr. Ralph M. Hall, Mr. Hall of Ohio, Mr. Hammerschmidt, Mr. Hansen, Mr. Hayes, Mr. Heftel of Hawaii, Mr. Henry, Mrs. Holt, Mr. Horton, Mr. Howard, Mr. Hoyer, Mr. Hughes, Mr. Hutto, Mr. Jeffords, Mr. Jones of North Carolina, Ms. Kaptur, Mr. Kasich, Mrs. Kennelly, Mr. Kolter, Mr. Lagomarsino, Mr. Lantos, Mr. Lehman of Florida, Mr. Leland, Mr. Lent, Mr. Levin of Michigan, Mrs. Lloyd, Mr. Lowry of Washington, Mr. Lujan, Mr. Luken, Mr. Lundine, Mr. McGrath, Mr. Manton, Mr. Martin of New York, Mr. Martinez, Mr. McDade, Mr. Miller of Washington, Mr. Mineta, Mr. Moakley, Mr. Montgomery, Mr. Mrazek, Mr. Neal, Mr. Nelson of Florida, Mr. Nielson of Utah, Ms. Oakar, Mr. Ortiz, Mr. Perkins, Mr. Porter, Mr. Price, Mr. Pursell, Mr. Quillen, Mr. Rahall, Mr. Rangel, Mr. Richardson, Mr. Rinaldo, Mr. Rodino, Mr. Roe, Mr. Rose, Mr. Roybal, Mr. Sabo, Mr. Savage, Mr. Scheuer, Mr. Schumer, Mr. Sharp, Mr. Shaw, Mr. Skelton, Mr. Smith of Florida, Mr. Smith of Iowa, Mr. Snyder, Mr. Solarz, Mr. Stokes, Mr. Stump, Mr. Tallon, Mr. Tauke, Mr. Towns, Mr. Valentine, Mr. Vento, Mr. Walgren, Mr. Waxman, Mr. Whittaker, Mr. Wilson, Mr. Wolf, Mr. Wolpe, Mr. Wortley, Mr. Wright, Mr. Wyden, Mr. Yates, Mr. Yatron, Mr. Young of Alaska, Mr. Young of Missouri, Mr. Dellums, and Mr. Traxler.

H.J. Res. 561: Mr. Murphy, Mrs. Lloyd, Mr. Price, Ms. Kaptur, Mr. Skelton, Mr. Carper, Mr. Traxler, Mr. Boucher, Mr. Mack, Mr. Mineta, Mr. Martinez, Mr. McKinney, Mr. Rowland of Connecticut, Mr. Pepper, Mrs. Boxer, Mr. Brown of California, Mr. Emerson, Mr. Solomon, Mr. Levin of Michigan, Mr. Manton, Mr. Luken, Mr. Biaggi, Mr. Torres, Mr. Wolpe, Mr. Reid, Mr. Denny Smith. Mr. Stallings, Mr. Dyson, Mr. Ireland, Mr. Waxman, Mr. Lehman of Florida, Mr. Frank, Mr. Siljander, Mr. Boehlert, Mr. Quillen, Mr. Rostenkowski, Mrs. Collins, Mr. Torricelli, Mr. Roth, Mr. Roemer, Mr. Hefner, Mr. Breaux, Mr. DioGuardi, Mr. Brooks, Mr. Hall of Ohio, Mr. Mavroules, Mr. Carr, Mr. Volkmer, Mr. Nowak, Mr. Shaw, Mr. Whittaker, Mr. Yatron, Mr. Fowler, Mr. Smith of Iowa, and Mr. Molinari.

H.J. Res. 567: Mr. Ackerman, Mr. Bustamante, Mr. Dornan of California, Mr. Fish, Mr. Frost, Mr. de la Garza, Mr. Levine of California, Mrs. Meyers of Kansas, Mr. Nielson of Utah, Mr. Reid, and Mr. Walgren.

H.J. Res. 574: Mr. McCain, Mr. Smith of Florida, Mr. Hefner, Mr. Morrison of Connecticut, Mr. Rose, Mr. Wortley, Mr. Boner of Tennessee, Mr. Bedell, Mr. Coleman of Missouri, Mr. Kastenmeier, Mr. Wilson, Mr. Dannemeyer, Mr. Bustamante, Mr. Coleman of Texas, Mr. Montgomery, Mr. Ireland, Mr. Gordon, Mr. Fish, Mr. Wise, Mr. Broyhill, Ms. Oakar, Mr. Fuster, Mr. Denny Smith, Mr. McCurdy, Mr. Rahall, Mr. Dorgan of North Dakota, Mr. Martinez, Mr. Matsui, Mr. Fazio, Mr. Young of Alaska, Ms. Kaptur, Mr. Smith of

New Hampshire, Mr. Reid, Mr. McDade, Mr. Wolpe, Mr. Biaggi, Mr. Torricelli, Mr. Volkmer, and Mr. de la Garza.

H. Con. Res. 26: Mr. Murphy and Mr. Smith of New Hampshire.

H. Con. Res. 126: Mr. Shaw.

H. Con. Res. 294: Mr. Rahall, Mr. Frank, Mr. Wortley, Mr. Leland, Mr. Weiss, Mr. Levin of Michigan, Mr. Whitehurst, Mr. Hayes, Ms. Kaptur, Mr. Barnes, and Mr. Fazio.

H. Con. Res. 299: Mr. Fuster, Mr. Jones of North Carolina, Mr. Burton of Indiana, Mr. Hefner, Mr. Frank, and Mr. Wortley.

H. Con. Res. 307: Mr. Bliley, Mr. Fuster, Mr. Jones of North Carolina, Mr. Hefner, Mr. Martinez, Mr. Frank, Mr. Leland, and Mr. Wortley.

H. Res. 162: Mr. Gonzalez, Mr. Murphy, Mr. Tauzin, Mr. Volkmer, Mr. Smith of Florida, Mr. Martin of New York, Mr. Jones of North Carolina, Mr. Hughes, Mr. Tallon, Mr. Skelton, Mr. Panetta, Mr. Berman, Mr. Mollohan, Mr. de la Garza, Mr. Bevill, Mr. Ortiz, Mr. Vento, Mr. English, Mr. Matsui, Mr. Roe, Mr. Dingell, Mr. Frost, Mr. Lott, Mr. Traficant, Mr. Bateman, Mr. Emerson, Mr. Lagomarsino, Mr. Traxler, Mr. Andrews, Mr. Saxton, Mr. Burton of Indiana, Mr. Fazio, Mr. Parris, Mr. Solomon, Mr. DeWine, Mr. Levine of California, Mr. Rowland of Georgia, Mr. Wilson, Mr. Young of Florida, Mr. Dymally, and Mr. Shumway.

H. Res. 219: Mr. Sikorski.

H. Res. 377: Mr. Synar, Mr. Henry, and Mr. Jacobs.

H. Res. 383: Mr. Skeen, Mr. Solomon, and Mr. Carney.

H. Res. 395: Mr. Coyne, Mr. Russo, Mr. Mineta, Mr. Fazio, Mr. Kostmayer, Mr. Wolpe, and Mr. Martinez.

H. Res. 404: Mr. Bliley, Mr. Leland, Mr. Callahan, and Mr. Morrison of Connecticut.

PETITIONS, ETC.

Under clause 1 of rule XXII,

298. The SPEAKER presented a petition of the Nevada Commission on Nuclear Projects, Carson City, Nevada, relative to high-level radioactive waste; which was referred to the Committee on Energy and Commerce.

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SENATE—*Wednesday, April 9, 1986*

(Legislative day of Tuesday, April 8, 1986)

The Senate met at 9:30 a.m., on the expiration of the recess, and was called to order by the Honorable Rudy Boschwitz, a Senator from the State of Minnesota.

PRAYER

The Chaplain, the Reverend Richard C. Halverson, D.D., offered the following prayer:

Let us pray.

"The steps of a good man are ordered by the Lord, and he delighteth in his way."

Sovereign Lord, God of perfection in all virtue and infinite in perfection, we beseech You to grant to the Senate and all who labor here the riches of Your wisdom and guidance. Infuse this Chamber, every office, and the hearts and homes of every individual in this large Senate family, with Your justice, peace, and love. Transcendant Father, touch our lives individually and corporately in ways which will make us know it is Your touch and which will demonstrate Your immanence. Awaken us to the reality that You are God of the macrocosm and microcosm—You transcend the universe and a sparrow does not fall to the ground without Your knowledge. Lead us in ways that will provide the greatest good for the greatest number. In the name of Him Whose unconditional love covers all. Amen.

APPOINTMENT OF ACTING PRESIDENT PRO TEMPORE

The PRESIDING OFFICER. The clerk will please read a communication to the Senate from the President pro tempore [Mr. Thurmond].

The legislative clerk read the following letter:

U.S. Senate,
President pro tempore,
Washington, DC., April 9, 1986.

To the Senate: Under the provisions of Rule I, Section 3, of the Standing Rules of the Senate, I hereby appoint the Honorable Rudy Boschwitz, a Senator from the State of Minnesota, to perform the duties of the Chair.

Strom Thurmond,
President pro tempore.

Mr. BOSCHWITZ thereupon assumed the chair as Acting President pro tempore.

RECOGNITION OF THE ACTING MAJORITY LEADER

The ACTING PRESIDENT pro tempore. The acting majority leader is recognized.

SCHEDULE

Mr. EVANS. Mr. President, under the standing order, the two leaders will have 10 minutes each.

There are special orders in favor of the following Senators for not to exceed 5 minutes each: Senator Hawkins—and I understand that Senator Boschwitz will deliver her statement during her special order—Senator Proxmire, Senator Domenici, Senator Cranston, Senator Metzenbaum, Senator Riegle, and Senator Heflin.

Following the special orders just identified, there will be a period for the transaction of routine morning business not to extend beyond 10:30 a.m., with Senators permitted to speak therein for not more than 5 minutes each.

At 10:30 a.m., the Senate will resume consideration of the unfinished business, S. 1017, the regional airport bill.

The Senate will stand in recess between 12 noon and 2 p.m. today, in order for the minority party to meet in caucus.

At 2 p.m., under a previous unanimous consent, there will be 10 minutes of debate on S. 8, a bill to grant a Federal charter to Vietnam Veterans of America, to be followed by a vote on final passage. Following the vote, the Senate will resume consideration of S. 1017.

Therefore, rollcall votes will occur throughout the day on Wednesday.

CAMPAIGN COMMITTEE REPORTS DUE APRIL 15, 1986

Mr. DOLE. Mr. President, the mailing and filing date for the 1986 April Quarterly Report required by the Federal Election Campaign Act, as amended, is Tuesday, April 15, 1986. Principal campaign committees supporting Senate candidates in 1986 elections file their reports with the Senate Office of Public Records, 232 Hart Building, Washington, DC 20510.

The Public Records Office will be open from 9 a.m. until 9 p.m. on the filing date for the purpose of accepting these filings. In general reports will be available to the public 24 hours after receipt. For further information, please contact the Public Records Office at (202) 224-0322.

RECOGNITION OF THE MINORITY LEADER

The PRESIDING OFFICER (Mr. Andrews). Under the previous order, the minority leader is recognized.

Mr. BYRD. I thank the Chair.

SOWING THE SEEDS OF THE NEXT ENERGY CRISIS: U.S. ENERGY POLICY AND OIL PRICES IN FREE-FALL

Mr. BYRD. Mr. President, the salubrious short-term effects of the falling price of oil on the economies of the United States and our allies has been widerly applauded—and rightly so. World oil prices have fallen more than 50 percent in the last 6 months. Clearly, falling oil prices hold forth the prospect of lower energy prices, less inflation, and economic growth. Against the experience of the 1970's when the economies of industrial nations were buffeted by OPEC oil price shocks, and the massive transfer of wealth from oil consuming nations to producing nations, this is, indeed, a cause for celebration. On the other hand, falling oil prices may also have long-term consequences in terms of the Nation's energy future, the outlines of which can only be dimly perceived at this time. Indeed, as former Energy Secretary James Schlesinger recently noted, we may be "sowing the seeds of the next oil crisis."

Mr. President, in considering the rapid decline in oil prices, one must recognize the distinction between "disinflation" and "deflation." Disinflation is a decline, over time, in the consumer price index. This is certainly desirable for the economy, for it may lead to greater economic activity and economic growth. Economic growth means more jobs for Americans. Deflation, on the other hand, involves a general decline in the level of economic activity. Slower economic growth will mean less job creation, and may even bring an increase in unemployment.

It is probably too early to be able to determine whether the U.S. economy is confronting the prospects of disinflation or deflation. In the early stages of the oil price decline, it is clear that the American economy benefited, especially with lower inflation. However, there is evidence that the current free-fall of oil prices may be having a substantial deleterious impact. For example, dramatically falling oil prices have resulted in reduced domestic oil production. A recent article in the New York Times noted that the collapse in the price of oil has already had an impact on current and future domestic oil production. A number of major oil

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● This "bullet" symbol identifies statements or insertions which are not spoken by the Member on the floor.

companies have announced cutbacks in their exploration budgets totaling more than $1 billion. Similarly, the Wall Street Journal reports that, partly as a result of the falling oil prices, U.S. oil producers are beginning to close smaller-volume wells, with the result that U.S. domestic oil output has fallen about 30,000 barrels per day to slightly less than 9 million barrels per day. The wells being closed are primarily the so-called "stripper wells"—oil wells producing 10 barrels of oil per day or less—which account for 12 to 15 percent of domestic production. According to the Interstate Oil Compact Commission, if oil prices stabilize at $15 per barrel, 22.5 percent of the 450,000 U.S. stripper wells would be abandoned in 1986. The Commission estimates that in the first year this would amount to the loss of about 280,000 barrels per day of production, or about 3 percent of current domestic production.

The prospects of declining U.S. production as a result of the shutting of wells and declining oil exploration budgets may also be accompanied by an increase in oil consumption, and a decline in the use of coal, as electric utilities and industrial facilities find the use of oil to be cheaper than using coal or natural gas. For example, the Wall Street Journal recently reported that falling oil prices have led many domestic industries to consider switching for coal or natural gas to oil. Many industries have already made the switch, and coal-fired electric utilities in the Northeast are giving serious consideration to switching from coal to oil. If there is a strong movement away from coal to oil, this will have a negative impact on the already depressed domestic coal industry, which, in turn, will have a deleterious effect on the economies of coal-producing States such as West Virginia.

In short, at a time when there are changes taking place in the structure of the domestic oil industry, resulting in reduced current and future domestic oil production, there is a likelihood that domestic oil consumption may be increasing. We may be witnessing the beginnings of another severe imbalance in oil supply and demand which could, once again, lead us into the OPEC oil trap. Indeed, there is reason for concern regarding the Nation's energy security in the future. An article in Business Week magazine on the energy situation noted that the falling price of oil "has demolished the economics of new drilling and has hastened the dismantling of an elaborate energy-finding industry * * *." This, Mr. President, should be a matter of some concern, for while the laws of supply and demand determine the shape of the oil industry at any given time, they will not override the laws of geophysics which have determined the distribution of the world's oil resources, largely in favor of the Middle East.

In the current oil price environment, prices for refined products, such as gasoline, have also been falling, more so in some places than in others. This has been welcomed by consumers. But it has also produced dwindling profit margins for domestic refiners. As a result, the Wall Street Journal recently reported, U.S. refiners are selling refining capacity, and that capacity is being purchased by foreign oil producers in an effort to establish direct links to American consumers. For example, Venezuela has agreement to buy a half interest in Southland's Citgo unit which will give that Nation's oil producers access to retail outlets and a 320,000 barrel per day refinery in Lake Charles, LA. Kuwait and Abu Dhabi have indicated that they are prepared to purchase United States refineries. The result may be that oil exporting nations establish the basis for greater influence than ever before in U.S. energy markets.

According to the Journal story, foreign oil traders and oil producers could secure control over nearly 1 million barrels per day of U.S. refining capacity—about the same as Mobil oil, or Texaco, which could provide foreign oil producers the capability of squeezing American consumers in the future when oil supplies get tight again.

Mr. President, we have the luxury of basking in the economic glow of low oil prices. Since no one is sure how long such felicitous circumstances will continue, a prudent administration would consider this an opportunity to continue long-term investments which will enhance the Nation's energy security in the future. Unfortunately, year after year this administration proposes to do just the opposite. For example, in the administration's fiscal year 1987 budget request they propose an indefinite moratorium on further development of the Nation's strategic petroleum reserve, after the reserve reaches 500 million barrels, 250 million barrels less than the level required by law. Mr. President, oil prices are at the lowest level in years, yet this administration is willing to be pennywise and pound foolish.

In a triumph of ideology over vision, the administration has proposed a budget which is a plan for disinvestment in the Nation's energy future by withdrawing support for the development of alternative energy technologies, such as synthetic fuels from coal and oil shale, and through an ill-conceived scheme for the privatization of public assets. For example, the administration proposes to sell the naval petroleum reserve [NPR] for $3.6 billion, despite the fact that the Department of Energy estimates profits from the NPR during the period 1986-91 at $5.3 billion.

Mr. President, even if the Congress were to allow the administration to conduct such a sale, the proceeds would do little to address the massive Federal budget deficits. The budget deficit is a problem, Mr. President, because it places a demand for resources on the Nation's capital markets, one result of which is higher interest rates. Selling public assets, whether it be Conrail or the naval petroleum reserve, creates the same demand. To be sure, the Nation's capital markets will supply the $3.6 billion necessary to purchase the naval petroleum reserve. The only difference is that a private borrower will be seeking to finance its acquisition of the reserve, rather than the Federal Government seeking to finance the deficit.

In more general terms, the administration's fiscal year 1987 budget request for the Department of Energy represents a major shift in emphasis away from the Nation's energy security to atomic weapons. This massive shift in priorities occurs at the expense of other DOE energy research and development programs, the effect of which will be to eliminate the development of energy alternatives for the future. For example, the administration's request for DOE's coal research and development activities is only $82.2 million, a reduction of 66 percent from fiscal year 1986. Conservation programs are slashed 82 percent. In contrast, Mr. President, 80 percent of the DOE budget in fiscal year 1987 would be devoted to defense-related atomic weapons activities. To put this in perspective, consider the fact that defense-related atomic weapons programs accounted for 58 percent of the Department of Energy's budget in fiscal year 1985. In fiscal year 1986, that figure had climbed to 73 percent of the DOE budget. Based upon this trend, one may be legitimately concerned that the Department of Energy is rapidly being annexed by the Department of Defense.

Mr. President, I am as committed to maintaining a strong national defense as is anyone in this Chamber, or at the White House, or in the Defense Department. However, I do not believe that national security depends solely and exclusively upon massive expenditures for armaments. Let us not succumb to the illusion that a nation bristling with weapons is necessarily secure. America's security depends upon investments for the future we as a nation make in natural recources, research and development, education and human capital, transportation systems, and physical infrastructure. In the area of energy policy, shortsightedness in the guise of fiscal necessity is certainly no virture. Viewed in these terms, the administration's budget request falls far short of what the future demands.

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Mr. President, I ask unanimous consent that articles on the energy situation from the Wall Street Journal, the New York Times, Business Week, and the Washington Post be printed in the RECORD.

There being no objection, the articles were ordered to be printed in the RECORD, as follows:

[From the Wall Street Journal, Apr. 4, 1986]

FOREIGN OIL PRODUCERS BUY REFINERIES IN U.S. FOR STAKE IN MARKETING—OR THEY ACT THROUGH TRADERS IN THE DISTRESS-SALE DEALS, RAISING FEAR OF NEW CARTEL

ROLE OF HOLLAND'S JOHN DEUSS

(By Steve Frazier and James Tanner)

A year ago, Charter Co.'s Houston oil refinery was a prime candidate for the refinery graveyard. But when the plant went on the block in bankruptcy court a month ago, three of the world's shrewdest oil-trading firms surprised Charter by waging a bidding war over it. "The courtroom was a sea of lawyers and 'oilies.'" a Charter official recalls.

Philipp Brothers, the giant trading arm of New York's Phibro-Salomon Inc., opened with a $30 million bid. Coastal Corp., a Houston energy company noted for savvy trading, topped that by $500,000. A lawyer for trader Marc Rich, the tax-law fugitive living in Switzerland, upped the ante further. Finally, Philipp Brothers bid $45 million, clinching its second refinery purchase in less than a year.

The remarkable competition showed how a diverse group of oil operators are clamoring for a foothold in U.S. refining, even while major oil companies and others are still trying to get out. And when the dust settles, oil exporting nations from South America to the Mideast will have obtained greater influence than ever over the U.S. energy markets.

(Oil companies' profits on refining and marketing, which had held up well in the oil glut, have suddenly begun to sag. See story on page 2.)

THE TRADERS' ROLE

Locked in a pitched battle for market share, foreign crude-oil producers are snatching up refineries all over the U.S. establishing direct links to American consumers. And for foreign exporters of crude oil too shy or too poor to buy their own U.S. refineries, the next best thing is cutting a deal with a friendly oil trader whose newly purchased refinery can process their crude. This helps explain the interest of U.S. trading firms such as Philipp Brothers and Coastal Corp, in acquiring refineries here. The traders also benefit by having captive refineries available for the imported oil that is their stock in trade.

For now, U.S. oil companies are delighted to unload their unwanted oil refineries. And consumers are too busy celebrating the drop in gasoline prices to worry about the future. But some energy experts say the involvement of foreign producers in the U.S. refinery business gives them more chances to squeeze consumers during oil shortages.

Taken together, the deals and expansion plans announced so far will give the traders and foreign oil producers control over nearly a million barrels a day of refining capacity—about the same as Mobil Oil Corp. or Texaco Inc., and not far behind Exxon.

"This crisis environment of falling crude prices may accelerate the trend," says John P. Venners, president of a Washington, D.C., firm that is offering stakes in U.S. refiners to foreign investors. As prices for oil—and for refineries—scrape bottom, "the foreign producers are going to take advantage of a window that may not be open later," he adds.

USE OF SHELL COMPANIES

Some of the shoppers have tried to hide behind shell companies. The elusive Mr. Rich, who faces arrest if he returns to the U.S., bid for the Charter refinery through a recently established company he controls (and he continues to seek a U.S. refinery). Other buyers range from Venezuela, which has agreed to buy 50% of Citgo Petroleum Corp., to Dutchman John Deuss, the secretive supplier of oil to South Africa who has a plan to become the largest refiner on the East Coast by 1990.

According to industry officials and consultants, Kuwait, Abu Dhabi and other Mideast oil exporters are ready to buy U.S. refineries. Most recent or prospective buyers want service stations, too, to extend their reach into the marketplace.

Oil exporters hope that by buying so-called downstream assets—or by helping traders set up business through favorable crude-supply contracts—they can regain through the end markets some of the control over prices that they have lost at the wellhead. "The OPEC of 1995 will certainly be different from today," says Rene Ortiz, the former secretary general of the Organization of Petroleum Exporting Countries. "Several national oil companies will become true new transnational oil companies."

THE HAZARDS INVOLVED

In doing so, they will follow the historic precedent of the major U.S. oil companies, which in the past built gas stations on every corner, mainly as a place to push refined products. "We're doing what the major oil companies did years ago," says Carlos Castillo, a Venezuelan oil executive. "In essence, we're going back to an integrated, international industry."

By happily consigning to others their refinery "cracking" towers, tank farms and other such properties, U.S. oil companies could be setting themselves up for more competition than they bargain for, some experts warn. Through closer ties to U.S. refineries, foreign oil exporters can unload their crude oil directly into the world's biggest oil market—and never even reveal the actual sales price of the crude. And despite the recent flurry of buyer interest in refineries, the complex processing plants still sell for as little as a tenth of their original cost, giving new entrants a huge competitive advantage over established refiners.

Foreign oil producers may also wish to subsidize their U.S. refining operations to enhance their ability to push more crude to the U.S.

Peter Killen, a refinery consultant in Houston, recalls the succinct explanation offered by one representative of a foreign crude-oil supplier negotiating to buy a U.S. refinery: "We aren't worried about 50 cents or $1 a barrel refinery margins either way," the foreign buyer said. "Our concern is to move X barrels of crude oil at whatever price, as opposed to not moving oil at all."

Such talk frightens some independent refiners, who measure profits and losses in pennies per barrel. "If they don't care about a dollar a barrel (refinery margins), they will murder the independents and play hell with the majors," contends George Jandacek, president of Crown Central Petroleum Corp.

Mr. Jandacek leads a coalition of independent refiners lobbying for barriers against another form of foreign competition: oil products refined in huge new Mideast plants and exported to the U.S. If crude exporters also obtain closer links to U.S. refineries, he maintains, "it's the same as having an export refinery located on our shores."

The independent refiners contend that subsidized foreign competition has helped to wipe out an estimated 20% of U.S. refining capacity in recent years, limiting the nation's ability to convert oil into gasoline, jet fuel and other critical materials during any emergency.

"Whether you close a refinery or turn it over to a foreign entity means the same." asserts Ray F. Bragg Jr., an official of a refiners' trade group. And if the upstart refinery owners suffer political instability or crude-oil production problems at home, "we could have pocket shortages in the U.S.," says Charles K. Ebinger, director of energy studies at the Georgetown University Center for Strategic and International Studies.

But others contend that such fears are exaggerated. For starters, some experts argue that it is better to find foreign owners for domestic refineries than to let them go out of business. And industry executives say existing foreign-controlled oil companies such as Shell Oil Co. (owned by Royal Dutch Shell) and Standard Oil Co. (controlled by British Petroleum) behave pretty much like any other oil company. Competition is too great, major oil companies say, for any group of refiners to get too far out of line.

And for their part, the new owners of U.S. refineries say all they really want is home for crude oiland a reasonable return on their refining investment. "I really can't conceive of any U.S. 'cartel' of foreign refiners," says Edward McMahon, a former Shell veteran now working for Mr. Deuss's growing refining company. "All somebody has to do is go out into the marketplace and see how companies fight it out," he adds.

CONTROVERSIAL DUTCHMAN

Mr. Deuss, a 43-year-old former used-car salesman described as a financial wizard by acquaintances, is one of the more intriguing new players in the U.S. refining business. After failing in an effort to buy a Gulf refinery in Louisiana, he succeeded last year in acquiring Arco's 125,000-barrel-a-day Philadelphia refinery and 600 Northeastern service stations for $192 million.

Little known in the U.S., Mr. Deuss is one of the world's largest oil traders and a controversial figure at home in the Netherlands. Anti-apartheid activitsts there sharply criticize his trading company's role in circumventing the world-wide boycott of oil sales to South Africa; last year, a group calling itself "Pyromaniacs Against Apartheid" took responsibility for firebombing his Dutch villa.

Traders and oil executives say Mr. Deuss was among the first traders to recognize the potential for buying into the refining business. The oil glut has reduced the need for traders who had obtained oil supplies and reaped huge profits on them when supplies were tight. But the glut has simultaneously increased the urgency for oil exporters to find a home for their production, giving shrewd traders a new role.

Mr. Deuss's well-established trading ties to Mideast producers, especially Oman, have stirred continuing speculation that he was representing their interests in the Arco

deal, which his representatives and Omani sources deny. Mr. Deuss could probably have afforded to buy the refinery himself, but other refiners say that his connections to favorably priced crude is more important than who paid for the real estate. One of the first visitors to the refinery after it changed hands was Mana Saeed al Otaibi, oil minister of the United Arab Emirates. He told Mr. Deuss during a brief public appearance that "the oil supply which you have from the other side of the world should improve the economics of the refinery."

PLANS FOR AN EMPIRE

Mr. Deuss's prospects are bright enough that he has laid plans to build his empire to 500,000 barrels a day of refinery capacity, more than anyone else operates on the East Coast. He was a losing bidder for the former Gulf stations in the Northeast sold by Chevron Crop. to a convenience-store chain; he and Kuwait also bid on the former Gulf refinery in Philadelphia, which Chevron still hasn't sold.

Meanwhile, his Atlantic Refining & Marketing Corp. is working to reopen a mothballed section of the former Arco refinery to allow increased gasoline production. And Atlantic is busy shopping for new service stations and trying to sign up wholesale distributors on the East Coast, says Mr. McMahon, who is Atlantic's executive vice president. "Market ownership is very important," he adds. "I don't think anybody would just buy a refinery today without knowing what's going to happen to the product."

Phibro, on the other hand, doesn't feel the need to assemble a network of service stations to back up its newly purchased 180,000 barrels of daily refining capacity. For one thing, the adroit trading firm reckons that it can deal away refined products every bit as expertly as it trades crude oil.

"I can't say that in 10 or 20 years we will still be a refining company, but we will be a trading company," says Thomas O'Malley, the head of Phibro's energy division. "We're doing this on an opportunistic basis." Refineries are cheap, he explains, and the spreading popularity of crude-oil "netback" arrangements—which tie the refiner's crude-oil cost to the price at which he eventually sells his products—eliminates much of the risk in running a refinery.

BENEFITS OF REFINERIES

But to obtain a netback deal, a trader first has to own a refinery. "Countries like to sell to refiners," says Mr. O'Malley. "The addition of these two refineries to our company has already made us a much more acceptable partner for producing countries."

Traders who don't move quickly could find themselves shut out by oil exporters who beat them to the punch. Kuwait, which already owns extensive marketing properties in Europe, bid on a former Gulf Oil refinery in Louisiana and on the Philadelphia Gulf refinery that Mr. Deuss covets. Industry sources say Abu Dhabi has assembled a $400 million war chest to enter the U.S. refining business, while Oman has been studying similar moves. Pakistani investors, said to be financed by Persian Gulf producers, are shopping for U.S. refineries on the East and Gulf coasts.

To some extent, foreign producers are simply dusting off long-range strategies they shelved during the oil-short 1970s. Before the Arab oil embargo of 1973, Saudi Arabia's oil minister, Sheik Ahmed Zaki Yamani, offered to become America's oil "partner" by supplying the U.S. with all the oil it needed in exchange for permission to buy into U.S. refinery and marketing networks. The Saudi government never put the plan into action, choosing instead to build huge export refineries and eventually to arrange netback crude sales to existing refiners.

However, individual Saudis have invested in U.S. refineries, and industry sources say Petromin, the national oil company, has explored the possible purchase of an idle Caribbean refinery.

VENEZUELA'S PUSH

The most active foreign-government investor so far is Venezuela, which could prove to be a model for other oil exporters. Venezuelan officials say that while they will continue upgrading their refineries at home, any additional capacity will be acquired in energy-consuming nations. Venezuela's agreement to buy a half interest in Southland's Citgo unit, for example, gives it access to retail outlets and a 320,000-barrel-a-day refinery in Lake Charles, La., that is well suited to handling Venezuela's heavy crude.

Venezuela also has agreed to purchase half of Steuart Petroleum Corp. in Washington, D.C., a fuel oil distributor and service-station operator. And the South American exporter has leased a large former Shell refinery in Curacao. Its negotiators also approached Ashland Oil Co. prior to the takeover attempt of Ashland by the Belzberg family of Canada, Ashland says.

Despite all the activity, the Venezuelans say the domestic industry has little to fear from their entry. They have pledged to continue oil sales to unaffiliated refiners on the same basis as they sell to their own. "We'll go first for deals that will stand on their feet in a free competitive market," says Mr. Castillo, who heads one of Venezuela's national oil operating companies.

It is understood that as intensely as Venezuela competes with Mexico on a commercial level, on a ministerial level it has encouraged its troubled Latin neighbor to establish its own presence in the U.S. refining market. The Mexicans already own a share of a Spanish refinery, but financial problems may leave Mexico with only a low price as a selling tool for crude.

"The blows to the Mexican economy would make it a little difficult," says Lee Solomon of Dallas, a consultant to refinery purchasers. "But it makes so much sense for them they really ought to think about it."

[From the Wall Street Journal, Mar. 13, 1986]

FUEL OIL USE SURGES AS FIRMS ABANDON GAS

FALLING PRICES PROMPT SWITCHOVERS BY INDUSTRIES

(By Bill Paul and Frederick Rose)

Fuel oil consumption is starting to surge as plunging oil prices cause many industrial firms, utilities and commercial concerns to switch from natural gas.

The switch to oil, which still is gathering momentum, will mean lower costs for industry and utility customers in coming months. But it also will boost oil consumption and revive U.S. dependence on petroleum imports. For gas producers, pipeline operators and distributors—already suffering from earlier gas price declines—the switch to oil is bad news.

Residential electricity users stand to benefit as utilities pass along fuel savings. But some residential gas customers could pay higher prices if utilities slash industrial gas prices to keep their big customers.

'WAVE OF SWITCHOVERS'

Nonetheless, many predict gas producers won't be able to stem the move to oil. "We're on the leading edge of a wave of switchovers," says Marc Goldsmith, president of Energy Research Group, a Waltham, Mass., consulting firm. Adds John Anderson, executive director of the Electricity Consumers Resource Council, a trade group for many of the nation's largest industrial energy users: "There's going to be a dramatic increase in oil use by industrial firms."

It's estimated that about 10% of the nation's electric generating capacity can be fired either by oil or gas, meaning that demand for vast amounts of energy can swing quickly between the two fuels.

Both Mr. Goldsmith and Michael Smolinski, director of Data Resources Inc.'s world oil service, estimate that switchovers could increase domestic oil consumption by as many as 500,000 barrels a day within the next few weeks—a 3% gain over current daily U.S. consumption of about 16 million barrels. Mr. Smolinski, however, expects that figure to fluctuate weekly as oil and gas producers jockey for market share. He expects fuel oil's net gain to be closer to 100,000 barrels a day.

BIG COMPANIES CONVERT

Whoever is right, many switchovers are occurring, with more in the offing. Bethlehem Steel Corp. now uses fuel oil to meet 10% of its energy needs, compared with only 2% a few months ago. General Motors Corp. has switched to oil from gas to run one of its assembly plant's boilers, and says it may switch as many as 40 other plants as fuel oil prices ride downward with crude oil prices.

Ronald Slinn, a vice president of the American Pulp and Paper Institute, says, "We've had reports from member companies that they are indeed looking at switching back to oil because it makes economic sense." San Diego Gas & Electric Co. "pounced" over to oil from natural gas last month because of falling oil prices, says Mike Niggli, director of fuel and power contracts for the utility. The company is burning oil at the rate of about half a million barrels a month.

Meanwhile, in Miami, Florida Power & Light Co. has significantly increased the amount of electricity it produces from oil, though the utility hasn't cut back on gas purchases. Rather, Florida Power & Light has curtailed purchases of electricity from Atlanta-based Southern Co.

In New York, Consolidated Edison Co. hasn't yet switched, but only because it has used the threat of switching to extract price concessions from its gas suppliers. A Con Ed spokesman says a switch is always possible given that, "It's nip and tuck" between oil and gas prices.

CONCESSIONS ON GAS PRICES

Indeed, how much fuel oil consumption rises in coming weeks will depend partly on how much profit gas producers and pipelines are willing to sacrifice to keep market shares. For example, Bethlehem Steel recently decided not to switch at a Chicago-area plant after it obtained price concessions from its gas supplier.

Still, Gerhard Stein, GM's energy section director, says he doesn't think gas producers will be willing to go much below $1.50 a thousand cubic feet, compared with about $1.90 currently. He said he expects fuel oil prices to drop to 45 cents a gallon or less,

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making oil a more attractive buy than $1.50 gas. (In some parts of the Midwest, fuel oil already is selling below 45 cents a gallon.)

James L. Ketelsen, chairman of Tenneco Inc., a Houston-based gas pipeline and energy producer, sees customers for about 10 percent of the gas market switching to oil, with the process "only beginning."

Some companies and utility ratepayers stand to profit handsomely. Mr. Slinn of the Pulp and Paper Institute says that if crude oil prices settle at around $17 a barrel—they're now at about $14, compared with $27 a barrel last fall—switchovers will enable several hundred pulp and paperboard firms to reap a total annual energy savings of about $750 million.

SAVINGS FOR ELECTRIC CUSTOMERS

Mr. Goldsmith, meanwhile, estimates that an average monthly residential electric bill should show a $2 to $3 drop wherever an electric utility can, after switchovers, generate 20 percent to 30 percent of its power from oil.

For consumers whose utilities are already heavily dependent on oil, the savings could be a lot more. Long Island Lighting Co., for example, expects "really dramatic reductions" in March bills as the utility passes along savings from lower fuel oil prices.

Savings should also accrue to customers of electric utilities whose plants are powered by gas where those utilities and their gas suppliers decide to meet the fuel oil price challenge. For instance, Southern California Gas Co., a unit of Pacific Lighting Corp., has cut the price it charges electric utilities by 25 percent in the last two months. Yet despite that 25 percent reduction, Southern California Gas acknowledges having lost about 10 percent of its utility and industrial customers to oil, so the company is considering an additional 20 percent rate reduction.

For smaller gas customers, however, rates could go up as gas utilities try to recoup the erosion of industrial revenues. "It's not beyond the realm of possibility," says John Sproul, executive vice president fuels and gas resources development at Pacific Gas & Electric Co.

Pacific Lighting's Southern California Gas unit, for instance, is proposing to chop the price it sells gas to utilities by 60 percent. The company says that the profit it can't recoup by lower prices from its suppliers must come from higher residential and commercial bills. It says it is studying the possibility of filing a residential rate increase request.

Meanwhile, industry experts say that increased fuel oil consumption is yet another sign that the U.S. may soon become more dependent on imported oil. Currently, for example, gasoline consumption is forecast to rise modestly during the spring and summer, while domestic crude oil production is expected to fall sharply.

While most energy experts say a switch back to gas from oil could happen quickly, Tenneco's Mr. Ketelsen says that, in his opinion, Saudi Arabia still basically controls world oil prices, and that so long as Saudi production holds at about 4.5 million barrels a day, the price of oil is likely to stabilize at $10 to $12 a barrel. Industrial users aren't likely to switch back to gas if oil prices remain below $18 a barrel, Mr. Ketelsen says.

[From the New York Times, Mar. 13, 1986]

DROP IN OIL PRICES IS RAISING FEARS OF NEW U.S. RELIANCE ON IMPORTS

(By Robert D. Hershey Jr.)

WASHINGTON, March 12.—Tumbling oil prices, which have made economists euphoric and brought glee to investors and motorists, are also raising fears that the nation may again allow itself to become dangerously dependent on foreign supplies.

Some analysts maintain that low prices will cause a sharp falloff in American production and a rise in consumption, a combination that could double reliance on imports by 1990 and risk a renewal of the disruptions of the 1970's.

"The United States is now in the process of creating a substantially increased oil dependency for the 1990's," James R. Schlesinger, a former Defense and Energy Secretary, said. "We are sowing the seeds of the next oil crisis." Mr. Schlesinger is to testify in the Senate Friday on the oil outlook.

DANGER OF 'COMPLACENCY'

His fear is shared by many, including oil industry executives, some politicians and outside analysts, such as Charles K. Ebinger of Georgetown University's Center for Strategic and International Studies.

"I'm worried about what's happening," Mr. Ebinger said. "There is a danger we will lull ourselves into complacency."

This winter's price collapse has already taken a toll on the nation's current and future oil production. Several large companies have announced cutbacks totaling more than $1 billion in their budgets for exploration, the number of drilling rigs in operation has fallen 40 percent below the 1985 level and hundreds of additional low-volume "stripper" wells have been plugged. The rig count is 75 percent below the peak in 1981.

The initial effects on consumption are not yet clear, but use of refined oil products last month was about 1 percent higher than in February 1985. Use is certain to rise further in light of price cuts that have dragged the pump price of regular gasoline below 90 cents a gallon at many stations in Los Angeles and below 80 cents in Denver.

Some utilities, moreover, are said to be considering shutting coal-fired electric generating plants and replacing this capacity with mothballed oil-fired plants. Even if disinclined to switch, specialists say, some companies could be forced to do so under state laws requiring that power be generated in the least expensive way.

So far, the Reagan Administration has stressed only the undoubted benefits of lower oil prices, particularly the spur to economic growth and the dampening of inflation. It has also noted that the nation's Strategic Petroleum Reserve will soon contain 500 million barrels of crude oil, enough to replace all imports for about four months at current consumption rates.

But a large number of analysts point to what they say is the danger that the United States will again make itself vulnerable to a supply disruption such as the Arab embargo of 1973-74, in which a shortfall of only 5 percent brought nightmarish gasoline lines and other forms of rationing.

"I'm not predicting that third world countries will be holding us up again, but the possibility exists," declared Alan R. Buckwalter, a senior vice president of Chemical Bank and head of its worldwide energy group.

Some analysts take comfort in the realization that the United States has not only cut its dependence on imports to just under 30 percent, from the 1977 peak of 46 percent, but has also shifted the source of the bulk of the imports to countries in the Western Hemisphere.

Oil obtained from Arab members of the Organization of Petroleum Exporting Countries has plummeted to about half a million barrels a day, 85 percent less than a decade ago.

Nonetheless, nations of the politically unstable Middle East still hold 75 percent of the world's total reserves. Moreover, nearly all of the non-Arab suppliers are already producing oil at close to their maximum levels, leaving the Middle East as the only important source of additional imports.

The biggest American suppliers in December, the latest month for which data are available, were Canada, Mexico, Saudi Arabia, Venezuela and Nigeria, according to Platt's Oilgram News. Saudi Arabia, once the perennial No. 1, dropped out of the top 10 for half of 1985 but has climbed back almost to second place.

"You can be sure that insulation won't be taken out, new more energy-efficient equipment won't be replaced and the mileage per gallon on all the new cars will still be greater than that of the old cars," he added.

Nonetheless, most experts expect consumption to rise somewhat, particularly if, as expected, the price declines cause the economy to expand more rapidly.

Although several proposals, all involving the Government, have been advanced to reduce the risk of renewed vulnerability in oil, most have slim chances of adoption. President Reagan, after ruling out an import fee on oil and then expressing his willingness to reconsider, now says he cannot accept such a fee.

A gasoline tax imposed at the pump, on the other hand, would be fought by Western states, where driving distances are great and, in any event, would probably have little near-term effect on consumption.

Although the Reagan Administration proposes for budgetary reasons to stop filling the Strategic Petroleum Reserve, there are indications that the Government may be persuaded to add to this stockpile. The main impetus could be desire to aid Mexico, a major casualty of the price fall and a country with nearly $100 billion of foreign debt.

A production drop in the United States—and some analysts are predicting that current prices will cut output by one million barrels a day, or 11 percent, within a year—probably means a comparable rise in demand for OPEC's oil. Increases in consumption would make the gap even larger.

"You're strengthening the position of the countries that have most of the world's reserves—and that's OPEC," asserted Leonard G. Bower, director of policy analysis for the American Petroleum Institute, a trade association.

And with the price declines, Mr. Bower added, "you have to say that as early as 1990" the United States could make itself susceptible again to OPEC's pricing pressures.

Oil prices on trading markets have begun to rise in recent days, but many analysts expect the price of oil to remain depressed for at least a year or two. As a result, United States production has already begun to fall as marginally economic wells, particularly "stripper" wells producing fewer than 10 barrels a day, are abandoned. The returns do not justify the labor costs, taxes and royalty payments incurred for such small wells.

The Interstate Oil Compact Commission estimates that oil at $15 a barrel will cause

22.5 percent of the 450,000 American strippers to be abandoned with a loss of output in the first year of 280,000 barrels a day—3 percent of the nation's production.

"Once plugged and abandoned, these wells will not be redrilled," said W. Timothy Dowd, executive director of the commission."

Earlier price declines were probably the most important factor in causing the United States to retreat from its once ambitious attempt to establish a synthetic fuels industry. The five-year-old Synthetic Fuels Corporation, chartered by the Government to spur the development of alternative fuels, is to formally disappear next month.

There is considerable debate over what effect lower prices will have on consumption. Motorists may buy more big cars, for example, but many analysts remain fairly optimistic that the "conservation ethic" of the last decade will not be lost.

"To be sure, there will be some setting of thermostats higher, some expansion in the market for larger cars and some increase in miles driven per vehicle, but this will be more than offset by the conservation in place," Bruce C. Netschert of National Economic Research Associates, a consulting firm, told Congress last week.

[From the Wall Street Journal, Mar. 5, 1986]

U.S. OIL OUTPUT DECLINE IS SEEN FOR 1986 AS COLLAPSE IN PRICES BATTERS PRODUCERS

(By James Tanner)

U.S oil production, drubbed by falling prices, is expected to decline this year for the first time since 1981, portending a greater dependence on imported oil.

The impact of U.S. production cuts is hardly noticeable at the moment and is partly obscured by seasonal and possibly statistical factors. But U.S. oil producers are beginning to close smaller-volume wells. And current total crude oil output in the U.S., at slightly under nine million barrels a day, is down some 30,000 barrels a day in the past three weeks.

The free-fall in the price of oil since January is to blame. Oil producers, industry executives and analysts agree that the U.S. production decline will accelerate in the months ahead unless oil prices rebound sharply, which isn't expected. Currently, posted prices paid to U.S. oil producers by refiners range between $14 and $21 a barrel. The average is $17 to $18 a barrel—down from $20 only two weeks ago—and is dropping at a rate of about $1 a week.

Yesterday, crude oil futures dipped below $12 a barrel on the New York Mercantile Exchange. On the spot market, prices for West Texas Intermediate, a key U.S. crude, fell 25 cents a barrel to $12.

Because of that price climate, said Lloyd Unsell, president of the Independent Petroleum Association of America, "We will see a marked decline in production by the U.S. oil industry in six months." Some estimates put the decline in a year's time at more than one million barrels a day, or 12% of current production.

LONG-RANGE IMPLICATIONS

This holds long-range implications for the U.S. Oil imports—currently about five million barrels a day and a major factor in the nation's trade deficit—will increase even if petroleum demand remains sluggish. But oil consumption, currently around 16 million barrels a day, is also expected to increase as prices come down. In some areas of the U.S., residual fuel oil already is beginning to recapture some industrial customers that had been lost to natural gas.

Oil prices could begin going up again soon, of course. But some industry observers suggest prices may fall below $10 a barrel before recovering. Even at current prices, companies are sharply cutting exploration budgets.

For example, Texaco Inc. said Monday that declining oil revenue will force it to slash this year's capital spending almost 11%, or $300 million. Texaco said it expects to make further cuts at a later date. Conoco Inc. is reducing planned 1986 spending for oil and gas exploration and production by $300 million. Cuts of 20% to 30% or more in capital and exploration spending have already been made by Atlantic Richfield Co., Phillips Petroleum Co., Amoco Corp. and Unocal Corp. These cuts will have more of an impact on future than on current production.

DRILLING CUTBACKS

Meanwhile, U.S. drilling rig activity, according to the Hughes Tool Co. weekly count, is down to 1,248 active units from 1,915 at the start of the year. The latest figure is the lowest U.S. rig activity level since September 1983.

Leonard Moore, an oil driller of Evansville, Ind., said he doesn't plan to use any drilling rigs this year. "We have everything on hold," said Mr. Moore, who drilled 25 wells last year. He is still pumping all 200 wells he operates in Illinois, Indiana and Kentucky. But at the new price of $15 a barrel posted yesterday for his crude, down from $19, Mr. Moore said he expects "to lose about 25% of the wells" in four to six months.

In Jackson, Miss., Wyatt E. Craft said he ceased pumping two of his 18 wells when the price he receives for the oil dropped to $13.45 a barrel the other day. Four more will be closed, he said, "if the price doesn't stabilize at $15." An oil man for 30 years, Mr. Craft said his income is down 75% since the start of the year and "I am looking for another business to get into."

So-called independent operators aren't the only ones reducing production because of the oil price crash. Phillips Petroleum Co. has had a policy for a month that any of its wells in the Permian Basin of West Texas producing two barrels a day or less will be closed when maintenance becomes necessary. Since the policy went into effect a month ago, Phillips has closed 35 wells.

[From Business Week, Feb. 10, 1986]

CASUALTIES START TO PILE UP IN THE OIL PATCH

James M. Nicklos heaves a sigh: "I thought someday my 11-year-old son would be in business with me. Now he talks about being a doctor." In the oil-boom years of the late 1970s, the Houston family rigs each earned as much as $12,000 a day. But by last fall only three rigs were operating—and at just $4,000 a day. Some $45 milion in debt and weary of battling the banks for the last three years, Nicklos finally pulled the plug on the company his grandfather founded 51 years ago. He filed for bankruptcy and in December sold his remaining reserves to Entex Inc., the big Houston gas utility, for about $7.5 million.

Nicklos Oil & Gas Co. is not the first casualty in the oil patch—nor will it be the last. The rest of the world may be cheering, but the recent break in oil prices is reverberating like a death rattle throughout major segments of the industry. The price drop has demolished the economics of new drilling and hastened the dismantling of an elaborate energy-finding industry hurriedly assembled in the 1970s—and leveraged to the hilt. As far as most oilmen are concerned, all this will mean a replay of the 1970s oil shock sometime in the 1990s.

Already, one of the premiere oil-field service giants has fallen. Global Marine Inc., which borrowed heavily at the peak of the market to expand its offshore drilling fleet, filed for Chapter 11 on Jan. 27. "We stayed alive 'til '85," quipped its ashen-faced chairman, C. Russell Luigs, when he made the announcement. "But now it's 1986." The company, which owns the nation's largest fleet of deep-water rigs, had a 1985 loss of $220 million and was carrying $1.1 billion in long-term debt.

MASSIVE CLOUT

For the major oil companies, the price drop will be painful but not fatal. Salomon Bros. analyst Paul D. Mlotok figures a decline from $25 to $20 per bbl. means a 30% earnings dip on average for the six largest international oil companies. The earnings drop will be much greater for such debt-heavy majors as Phillips, Texaco, and Unocal. But their still-sizable cash flows, sales of some remaining assets, and cuts in exploration spending could protect even their dividends.

On the plus side, "downstream" profits in refining and marketing should improve. Most refining analysts expect the prices of gasoline, fuel oil, and other refined products to drop much more slowly than crude costs because of massive refinery cutbacks in recent years and a general shortage of capacity for high-octane unleaded gas. That would benefit the majors most, since they are all net buyers of imported crude.

The consolidation of the U.S. oil industry that began in the 1980s will continue, as the majors use their massive financial clout to pick up bargain-price reserves from debt-strapped independents. Last year, Exxon, Shell, and Amoco each bought some $600 million worth of existing U.S. oil and gas reserves, and analyst Thomas A. Petrie of First Boston Corp. expects their buying to reach $1 billion this year. Houston investment banker William E. Strevig says that in the fourth quarter, reserve sales hit a record $4 billion—despite a steady fall in the acquisition price of oil in the ground to about $6 a bbl. from a 1982 peak of $12. As bank lenders tighten the screws on insolvent independents, more—and better—properties are coming on the market, says Strevig.

All this could well accelerate a trend that began in 1984 when the 10 largest companies increased their share of U.S. oil and gas reserves for the first time in a decade. By the end of last year these companies had 50% of domestic reserves, up from just 43% in 1983.

As the big get bigger, of course, the small will disappear. David W. Wilson, president of the Independent Petroleum Association of Mountain States, which represents 1,500 independent drillers, says the industry could undergo a washout like that of the 1960s—when half the independents were wiped out. Already, they're bracing for the worst. "Many of them won't even answer the phone," says Wilson. "They're afraid it's their bankers." Jaye F. Dyer, president of Minneapolis-based Dyco Petroleum Corp., seconds that view. "It's grim," he moans. "People are giving up." Dyco, which recently merged with Diversified Energies Inc., has cut its exploration and begun buying ex-

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isting reserves. Last year it bought the producing properties of Bracken Exploration Co., which sold off nearly everything to pay its debt. "There wasn't enough left to have a decent party," says Dyer, who picked up 10 free drilling rigs in the deal.

All this is bad news for local banks, which are already hurting from lower real estate values—partly caused by falling oil prices—and shaky agricultural loans. "For Texas banks, it will take a minimum of two to three years to work out of these problems," says James J. McDermott of bank analysts Keefe, Bruyette & Woods Inc. BancTexas Group, for one, has hired an investment banker and is looking for buyers. But, says Frank W. Anderson, as analyst at Weber, Hall, Sale & Associates in Dallas, "I don't see any evidence of bank failures."

WIPED OUT

But the decimation in the oil patch even extends to debt-free independents. Sunny South Oil & Gas Inc. in Houston, for example, is cashing out. It once had 100 employees and $120 million a year in revenues. But Sunny sold its reserves last year and is liquidating. Rather than drill marginally profitable wells, its owners are putting their money into Treasury bills. "In this business, you're a dead duck unless you keep drilling," says Executive Vice-President John O. Kiser.

For many independnets, it is too late to cash out. The latest price drop has wiped out much of the value remaining in some properties—particularly so-called stripper wells. About one-eighth of the nation's nearly 9 million bbl. of daily crude production comes from these pump-driven wells that average just 3 to 4 bbl. a day. If world prices continue to fall into the teens, the operating costs of many of these wells will exceed revenues. Steven M. Cantrell, a third-generation independent in Ada, Okla., says that even at $20 a bbl., "I will lose about a third of my production."

The lost cash flow means less money available to look for new oil. If prices drop to $15, "most independents won't survive," says Abe Phillips, president of Coors Energy Co., a subsidiary of Adolph Coors Co. "Drilling would just dry up" in the Rocky Mountains, where the climate is rugged, the geology tough, and the discoveries small.

IN LIMBO

Meanwhile, the price of natural gas—the main source of income for most independents—is dropping below the finding costs of even the most efficient U.S. explorers. In some cases, spot-market gas prices have dipped to $1.25 per Mcf as pipelines scramble to keep their delivered costs competitive with residual oil—an alternative boiler fuel that Northern industries and utilities can easily switch to when it becomes economical. As the pipelines that supply them cancel more and more high-priced contracts with producers, that gas will be feed up, adding to the already glutted spot market. If the trend continues, the already capitalized finding costs of many exploration companies will exceed the market value of their reserves, forcing companies to write off billions of dollars from their balance sheets.

Even major oil companies with ample cash flow have slammed on the brakes. Altantic Richfield Co. just announced it plans to sell off some of its oil properties and eliminate 2,000 jobs. Others are on hold. "Our budget is in limbo," says Larry W. Funkhouser, exploration vice-president with Chevron Corp. "I've told my people, 'If you don't need to do it, wait.'" Funkhouser expects the industry, which in recent years has spent some $6 billion to lease offshore drilling tracts from the federal government, to let large numbers of those leases expire undrilled over the next two years.

This new doubt about frontier exploration makes it all the more difficult for the support companies, such as Global Marine, to survive. "Service companies will be dropping like flies," declares Robert L. Parker Sr., chairman of Parker Drilling Co. in Tulsa. This hard-pressed company, which recently renegotiated $183 million in debt, now has work for just 40% of its rigs. It currently has 2,700 employes vs. a peak of 6,000 in 1981. At Baker International Corp., in Orange, Calif., President James D. Woods says that late last year, in anticipation of further oil-price declines, his company laid off 500 of its more than 20,000 employees and began planning layoffs and plant consolidation for 1986. Now, he says, "we may have to consider an acceleration of the closedowns of some plant and field locations." At Western Co. of North America, another debt-laden and loss-plagued offshore driller, Chairman H.E. Chiles says glumly: "We could last another year or two."

In an effort to hang on, many of the larger oil-field service companies, such as Oceaneering International Inc. and Weatherford International Inc., are moving operations and even corporate staff to overseas areas where drilling is still active. That way costs can be charged against foreign profits. Others are desperately seeking joint ventures—even with archrivals—to further pare overhead costs (BW—Nov. 4).

But for many companies, no amount of retrenchment will do the trick. Somehow, the industry must service the massive debt in took on to fund its breakneck buildup in the 1970s and its acquisition binge in the early 1980s. "I think the banks are in a lot more trouble than is acknowledged," says W.H. Helmerich III, president of debt-free land driller Helmerich & Payne Inc. Mere liquidation is no answer, he notes, because there is absolutely no market for drilling rigs—even at 10¢ on the dollar. "I had one operator offer me seven rigs—five of them working—for $2.75 million. He had paid $33 million for them."

PAINFUL CURE

The solution, Helmerich and others say, is inescapable: Scrap vast amounts of relatively new equipment and let companies die. Coming on top of the consolidation that has already taken place, that will be painful indeed. Employment in oil-field equipment manufacturing has shrunk by 60% from its 1981 high. The *Oil and Gas Journal's* tally of the industry's 400 largest companies now includes players with less than $300,000 in assets—one-tenth the size of the 1983 minimum. Enrollment in the petroleum engineering program at Texas A&M University has plummeted to 678, from 1,750 in 1982. By 1990, A&M will be turning out only 50 to 75 graduates, predicts Professor W. Douglas Von Gonten.

So, as consumers root for cheaper oil, the oil and gas industry slips into a tailspin. But with no end to the glut in sight, no one can say for sure when—or even if—this downward spiral will lead to another national energy squeeze.

[From the Washington Post, Feb. 12, 1986]

DOMESTIC PETROLEUM INDUSTRY UNDERGOING MAJOR RESTRUCTURING

(By Peter Behr)

The cargoes of low-priced oil streaming out of the Persian Gulf are fundamentally changing the structure of the U.S. oil industry, strengthening the largest, strongest companies at the expense of the smaller or weaker, according to industry officials and securities analysts.

"The big, strong companies are coming out fine," said Ted Eck, chief economist for Amoco Inc. The fourth-largest international oil company, Amoco is one of three companies that would prosper most during an extended period of lower oil prices, industry analysts say. The others are Exxon Corp. and the Royal Dutch/Shell Group.

"These are the preeminent companies in the industry. If anything, they should widen that lead over the next five years," said Barry Good, an oil analyst with Morgan Stanley & Co. Inc. "Nobody else is quite in that position."

"The industry is going through some restructuring in a dramatic way," said C.J. (Pete) Silas, chairman and chief executive officer of Phillips Petroleum Co.

The severity of that restructuring will depend upon where oil prices bottom out this year and how soon they head upward again. Each dollar that crude oil falls drives a wedge deeper between the haves and have-nots in the industry.

Since November, crude-oil prices have plummeted, with "spot," or cash, prices falling at times below $16 a barrel. Average U.S. prices—including long-term contracts—have declined one-third, to about $22 a barrel, and further cuts of $1 to $2 in contract prices were announced yesterday.

The decline puts a tourniquet around the cash flowing into the oil companies, and at the same time it slashes the value of their inventories of crude oil and refined petroleum products.

In greatest jeopardy are the several thousand independent oil drilling companies and small oil producers, many of them already struggling with heavy debts. The Chapter 11 bankruptcy petition filed last month by Global Marine Inc., a Houston offshore oil driller, will be repeated many times, the energy industry acknowledges.

As those assets are put up for sale, the U.S. oil business will become a bargain basement for those companies with enough cash to buy out their failing competitors, said Paul Mlotok, an analyst with Salomon Brothers Inc. The bidding for those assets will further separate the strong from the weak.

"You'll find that companies that are cash-rich can buy properties at fire-sale prices—entire independent companies, or prices of the majors that are sold off to weather the storm," Mlotok said. The cash-rich companies' "time horizon is the 1990s, and they'll move into that decade in a stronger position."

But only the oil companies with light debt loads and ample cash will be able to take full advantage of the bargains, he added.

Half of the six international oil companies—Mobil Corp., Chevron Corp. and Texaco Inc.—still are channeling vast amounts of cash into reducing the billions of dollars in debt they took on earlier in the 1980s to buy other oil companies. Texaco also is fighting an $11.1 billion judgment imposed by a Texas court in its legal battle with Pennzoil Co.

"Chevron and Mobil survive quite handily at $20 a barrel [for crude oil]." Mlotok said. "But they don't have the free cash to buy the firesale assets."

Other industry observers, such as John Lichtblau, president of Petroleum Industry Research Associates, believe the gap between the stronger and weaker of the big oil majors may not be so pronounced. "Mobil and Chevron are not exactly helpless," Lichtblau said. "If they see attractive buys, they will find a way to get them." That doesn't seem to be the prevalent view, however.

"There will be some great opportunities that open up [because] companies [that] are financially strapped will have to forsake leases or sell assets at low prices," said Frederick P. Leuffer, an analyst with C.J. Lawrence Inc. "The stronger companies will be in a position to take advantage of that and will emerge on a relative basis much stronger than before." Heading the list of haves are Exxon, Royal Dutch/Shell and moco, Leuffer agreed.

"The strong get stronger and the weak get weaker, probably," said Sanford Margoshes, and industry analyst with Shearson Lehman Brothers Inc.

The "walking wounded" are headed by Phillips Petroleum Co., Texaco and Unocal Corp., whose debt loads are heaviest, Leuffer said.

Phillips' debt, for example, is monumental. To fend off takeover attempts led my Mesa Petroleum Co. Chairman Chairman T. Boone Pickens Jr. and New York financier Carl Icahn, Phillips brought back about half its stock last year, tripling its debt from $2 billion to more than $8 billion.

Its strategy since then has been to pare operations back so that it can defend profitable niches in its strongest markets. "Where you're strong, you're going to protect your market share, and where you're not, you're going to get out," Phillips' Silas said

"We're not anxious to have [the oil price] drop like it's dropping, but we feel we can meet our commitments," Silas said.

But Phillips and most of the industry face a painful dilemma on how to finance the search for oil—a search that can't be abandoned for long even though prices are falling, Margoshes said. "In the oil business, you must run fast to stand still because it's a rapidly depleting resource," he asserted.

The fall in oil prices means that many companies will be lucky simply to stand still, Amoco's Eck predicted. The sudden plunge in oil prices since November has caused an abrupt change of view within the financial community about investing in energy, accentuating the gap between the haves and have-nots, Eck said.

Companies with heavy debt loads and strained cash flows will be hard pressed from now on to raise capital from financial markets for additional exploration and production efforts. Investors—now on edge because of the fall in prices—will regard these companies as much riskier investments than before, boosting the cost of capital if those companies try to issue new stock or debt securities, he said.

"I think the shock is so serious that those companies dependent upon external capital won't be able to get it . . .," Eck said. For marginal companies, capital may not be available on any terms.

Phillips' dilemma is an example, Leuffer said. "If we end up with oil prices in the high teens, [Phillips] either cuts their spending to continue to pay a dividend . . . or they cut their dividend," and see their stock price slammed even harder, he said. If they don't add to their oil reserves, they are robbing their future, he said.

Many smaller or weaker companies will have no choice but to do just that.

There are some 8,500 small "stripper" wells in Texas, producing less than 10 barrels a day of crude oil, noted William Fisher, director of the Bureau of Economic Geology at the University of Texas at Austin. He estimated that one-quarter of those wells will be plugged if oil prices fall below $20 a barrel and remain there. "When the value of that oil falls below the lifting cost, the well gets plugged and abandoned," Fisher said.

The result is likely to be a more concentrated industry with fewer competitors at each level—production, refining and marketing.

"You might see the majors achieve much more importance than they've had. Whether or not that's bad remains to be seen," said Joseph Egan, an analyst with Wood, Mackenzie & Co. Inc. in New Orleans. "Usually, when things turn around in the industry, you see a lot of independents spring up, as money from outside [the industry] becomes available."

While the strength of the major oil companies seems certain to grow, they will have to contend with new strategies on the part of the producing nations, who have begun investing in U.S. and European refineries to gain a guaranteed outlet for their crude oil.

The upheaval, after all, is not just in this country, Margoshes said. "You have a restructuring on a global basis."

Mr. BYRD. Mr. President, I yield the floor.

SENATOR HAWKINS' SPECIAL ORDER

The PRESIDING OFFICER. Under the previous order, Senator Boschwitz is recognized for the Senator from Florida, Mrs. Hawkins, for not to exceed 5 minutes.

Mr. BOSCHWITZ. Mr. President, I will make the following statement for Senator Hawkins, who is absent. As you know, Mr. President, Senator Hawkins had a most unfortunate accident some time ago while sitting on a stage and that has caused her considerable pain. She has undergone an operation which, hopefully, will end that. She makes statements each day on the floor with respect to narcotics and the control of narcotics and has played a leading part in fighting the entry of narcotics into this country. And so it is with great pleasure that I present this statement in her name this morning. The statement reads as follows:

CUSTOMS COMMISSIONER'S CANDOR ON MEXICO

Mrs. Hawkins. Mr. President, I would like to call the attention of my colleagues to the candid and important testimony of our distinguished Commissioner of Customs, William Von Raab, before the House Select Committee on Narcotics on March 18, 1986, concerning the alarming lack of cooperation of the Mexican authorities with our narcotics control efforts. This development is particularly alarming, in view of the growing importance of Mexico as a center for transshipment of South American cocaine and marijuana into our country, as a result of the effectiveness of the Florida Task Force. In his testimony, Commissioner Von Raab relates a number of specific examples of sinister developments, such as the following:

"We are beginning to see many of the same warning signs we saw in South Florida now turning up along our 2,000-mile border with Mexico. Late last month, a customs patrol officer was gunned down in Sells, Arizona, by what we believe were members of a Colombian drug smuggling group."

To cite another example:

"We recently had an incident at Naco, Arizona, when a Mexican Customs officer was found to be bringing 150 pounds of marijuana into the United States in the trunk of his car. He assaulted our officer and fled back into Mexico. We kept the car, the marijuana, and his uniform jacket. To date, there has been no action taken against this officer that I am aware of, in spite of our numerous official requests. At their request, we returned his jacket."

Commissioner Von Raab pointed out that Colombian drug smugglers are settling along the border in Mexico with the protection of the local authorities. These Colombians are buying the services of Mexicans as narcotics freight forwarders and security forces. He also reported that the drug smugglers have been building new landing strips in Mexico, less than 100 miles south of our border, along with warehouses to store their transshipments of illicit drugs.

Apart from the Commissioner's testimony, we are also disappointed in the slippage that has occurred in the once highly touted aerial eradication program for marijuana and heroin. While this program was acknowledged as a success story and example to the world several years ago, the Department of State reports.

I need not recount for you the U.S. Government's unhappiness with the lack of full Mexican cooperation in apprehending and bringing to justice the kidnappers and murderers of our Drug Enforcement Agency Officer, Enrique Camarena, in Guadalajara. Suffice it to say that more than 1 year after his murder, the Mexican government has still not prosecuted anyone for this crime. We hear reports that some major suspects, still running free, have been sighted in public in Guadalajara.

Mr. President, we have, over the years, provided over $100 million in narcotics assistance to the government of Mexico. Is it expecting too much to feel deep disappointment with the seeming inability of the Mexican authorities to stem corruption and clean up their act in the battle against drug trafficking on their side of the border? Should we sit idly by if we see drug smugglers provided with safe haven along the Mexican border?

I agree wholeheartedly with our Customs Commissioner, who sees no real possibility of stemming the flood of illegal narcotics coming across our border with Mexico without a significant change in attitude by the Mexican authorities. Unlike many high officials in public life, Commissioner Von Raab has not lost his admirable ability to recognize when it is necessary to cut through the fog of empty rhetoric and tell it like it is. I only wish that some of our other agencies would take a lesson or two from him once in a while.

Mr. BOSCHWITZ. Mr. President, that concludes the statement of Senator Hawkins. I hope other Members

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will read it, and address the problem of narcotics as fearlessly and persistently as she has. Certainly, if we lose control over the border with Mexico in regard to narcotics, the problem that will come to our country will certainly be accentuated.

Mr. President, I yield the floor.

RECOGNITION OF SENATOR PROXMIRE

The **PRESIDING OFFICER**. Under the previous order, the Senator from Wisconsin is recognized for not to exceed 5 minutes.

ARE THE RUSSIANS 10 FEET TALL AND GROWING?

Mr. **PROXMIRE**. Mr. President, is the Soviet Union building a stronger military force than the United States? The answer is a qualified "No." Certainly the Soviet Union continues to spend a great deal for its military forces. But overall the military strength of the Soviet Union is in the most significant military areas less—I repeat, less—than that of the United States. In some areas Soviet military strength is superior. This is true in total military manpower, the number of tanks, the number of artillery pieces, the number of combat ships, the number of planes, the total megatonnage in the Soviet's nuclear arsenal, the throw-weight of the Soviet nuclear arsenal, the accuracy of the Soviet's nuclear arsenal. Is that not a formidable list of solid military advantages? Indeed it is. How then can I say the Soviet Union does not have a stronger military force than the United States?

Here is why. First, Soviet military shortcomings are far more serious than their advantages. Consider: The Soviet's allies in the Warsaw Pact are much weaker militarily than the American allies in NATO. The United Kingdom is in the process of building a nuclear arsenal that will have a thousand strategic nuclear warheads capable of delivery on Soviet Union targets. France is technically not part of the NATO military alliance but it is firmly associated with NATO in defense against the Soviet Union.

Strictly for the purpose of deterring Soviet attack the French, like the British, are also in the process of building a thousand-warhead nuclear force. Both the United Kingdom and France will deploy their nuclear power primarily in submarines and bombers. Much of this nuclear deterrent will be virtually invulnerable to a Soviet preemptive attack. If only one-tenth of either the United Kingdom or French nuclear deterrent should strike Russian cities, the Soviet Union would be finished as an organized society.

It gets better. The Soviet Union faces on its eastern front a military force that in manpower is far larger than the Soviet forces. This is China. The Soviet Union has no ally that now has or in the foreseeable future will have nuclear capability. In fact its Warsaw Pact allies are a sullen, undependable, resentful combination of countries whose only adherence to the Soviet Union is based on the suppression and force of generally unpopular Communist governments. There are four nuclear powers in the world outside of the Soviet Union. Every one is opposed to the Soviet Union. Each of these nuclear powers has targeted its nuclear arsenal on the Soviets. In a nuclear world, the Soviet Union stands alone.

And that is not all. The Soviet Union is in a deep dilemma. Its economy is only half the size of the American economy. It already pours twice as much of this Soviet economy into its military effort as does the United States. The Soviets do this at a clear economic cost that Gorbachev and his subordinates painfully recognize. Economic and technological strength is the rock bottom basic foundation on which military strength rests. So the Soviets have an extraordinarily difficult choice.

The steel and skilled manpower that goes into building warships, tanks, and artillery pieces is not available for the machine tools, the generators and all the other massive equipment necessary to build a modern industrial capacity. The research scientists that could bring the marvelous efficiency of the latest computers, physical and chemical engineering, robotics and other industrial advantages are diverted to immediate military needs. Every year in which the Soviets persist in pouring a high proportion of their industrial resources into building their military force, they lose in their capacity to build the industrial plant on which future military power must rest.

This dilemma was highlighted in a combined report by the Central Intelligence Agency and the Defense Intelligence Agency to the Joint Economic Committee that has just been declassified and released. That report showed that for the past 8 years the Soviet Union has increased its overall military spending by only about 2 percent per year. This period included the Soviet war in Afghanistan which itself certainly caused significantly increased military spending as did our war in Vietnam some 15 years ago. During this period the two top intelligence agencies of our Government reported that the Soviets increased their procurement by a mere 1 percent.

Let us compare that with what we have done. Meanwhile, American military spending started a sharp increase beginning about 10 years ago. Consider the facts: During the last 10 years while the Soviet military force was plodding along with an annual increase of 2 percent, the United States was increasing its military spending between 1975 and 1985 almost twice as fast—by 3½ percent in real terms; that is, allowing fully for inflation. Then in the past 5 years U.S. military spending really took off. Between 1981 and 1985 the United States increased its military spending overall by a whopping 7.2 percent. In procurement—that is, buying tanks, planes, ships, and missiles—the U.S. pace has been even more dazzling. While the Soviet Union had an increase of 1 percent annual rate since 1975, our country increased its procurement spending by 7.6 percent. From 1981 through 1985, the pace of U.S. military procurement stepped up to an astonishing 13.3 percent annual rate. Keep in mind, the United States did all this while, unlike the Soviet Union, the United States was not engaged in the cost of a significant war.

Finally, Mr. President, we should keep in mind any comparison between the United States and the Soviet Union military force that this country has enormous advantages in the quality of our arms and almost certainly in the quality of training and skill of our military personnel.

The Under Secretary of Defense for Research only a few weeks ago reported to the Congress that the United States leads the Soviet Union in 14 of the 20 most significant areas of military technology. The two superpowers are about even in six. The Soviets lead in exactly none—zero, zip. This technology advantage has been translated into military advantage in the capacity of our air, sea, and land forces.

In combat in the Middle East, Israeli pilots manning United States fighter aircraft have utterly routed opposing forces flying Russian planes. Our submarines are quieter and far less vulnerable than Soviet submarines. They carry more than twice the nuclear weapons power as the Soviet submarines. United States aircraft carrier task forces soon to number 15 overwhelmingly outnumber the 2 or 3 small aircraft carriers in the Soviet fleet. Overall the United States naval firepower enormously exceeds Soviet naval firepower. Our tanks in production or in the field are outnumbered but U.S. tanks are superior in firepower, maneuverability, speed, and command and control.

President Reagan and Secretary Weinberger have frequently criticized the Congress for failing to provide even more funding for the military. The President, trots out the much larger number of Soviet tanks and artillery pieces as the justification. Where are the requests from the President or his Secretary of Defense for funds to match the Soviet in tanks? There are not any. Has the administration asked for more funds to

increase our artillery? No. And they should not. The fact is that in the relevant military force this country already has a decisive and growing advantage over the Soviet Union.

Mr. President, in later speeches, later this month and next month, I am going to go into some detail on the documentation of our superiority over the Soviet Union militarily. I think the Congress should have that in acting on appropriate military appropriations this year.

APRIL FLEECE GOES TO THE FEDERAL HIGHWAY ADMINISTRATION

Mr. **PROXMIRE**. Mr. President, I awarded my Golden Fleece for the month of April to the Federal Highway Administration [FHA] for hitting the taxpayers with a $21 million toll to pay for unused and unneeded roads and bridges. This waste occurred in only one FHA region so the potential loss in all nine could easily top a whopping $100 million. The FHA has shown that although some sections of the road to hades were paved with good intentions, other wrong turns have been paid for with a different medium—the taxpayers' money.

In one FHA region, covering Missouri, Kansas, Iowa, and Nebraska, departmental auditors found that 15 percent of the highway and bridge projects they analyzed were either unneeded and unused, or else used far below expectations. Some of the unneeded projects had been sitting, lonely and forlorn, for over two decades. The Federal share of the cost of these projects came to $21.4 million.

Here are some examples of road and bridge projects with which the taxpayers were tarred:

The FHA paid $900,000 for a four-lane bridge, which has one little problem. Two years after completion of the bridge, no road led to it or from it. The taxpayers had a dirty trick pulled on them in this bridge game.

The FHA helped pay for 6.5 miles of new roadway because traffic was supposed to nearly double within 20 years. In 1974, an average of 3,410 vehicles per day used the old road. A dozen years later traffic has gone down to a measly 1,600 vehicles per day on the new road, which is less usage than the old road received.

The FHA approved construction of two extra long overpass bridges in anticipation that the road underneath would be widened to four lanes. More than 25 years have passed, but the road underneath is still only two lanes wide. These bridges are overly long and the taxpayers are at least $26,000 short.

When the auditors asked FHA management for a response, those officials offered a litany of excuses. My favorite: "Their designs were consistent with the needs identified by the planning process." Let us all bow down and pay homage to the omnipotent process. In fact, if management's excuses were traffic, then these roads and bridges would be jammed.

This is one interchange between the FHA and the taxpayers where the taxpayers have been sideswiped. FHA deserves a ticket for reckless spending.

THE MYTH OF THE DAY

Mr. **PROXMIRE**. Mr. President, the myth of the day is that Congress will meet its self-imposed deadline of April 15 to approve a budget. This deadline, set by the Balanced Budget and Emergency Deficit Control Act of 1985, will be shattered and that bodes ill for our attempts to reduce the deficit.

It will be shattered because of politics—pure and simple. The Senate Budget Committee did its duty and reported a budget on March 24, well in advance of its April 1 due date. In fact, the full Senate was scheduled to have acted on this budget before we left for the Easter break.

What happened to that schedule? The Senate leadership decided to delay floor action on the budget, possibly at the urging of the White House. The Senate budget recommends two real "no-nos," higher revenues and reductions for defense. The White House is upset at both recommendations.

This Senate foot dragging means further delays in the House of Representatives, which has refused to start work on its budget until the Senate is finished. The House is fearful of the political consequences of recommending new taxes unless the Republican Senate takes the first step. Thus, in the first test between political reality and Gramm-Rudman, politics won.

It is not going to be any easier to meet other Gramm-Rudman targets, such as the $144 billion limit on the fiscal year 1987 deficit. This is a congressional election year and the stakes—control of the Senate—are breathtaking. Every week that passes brings the election that much closer and increases the odds for bickering and delays.

Congress would be foolish to count on a sequester order—automatic across-the-board cuts—to reduce the deficit. This part of the bill may be ruled unconstitutional. Even if it is not, Congress will debate, modify, or postpone such an order during the month of September. The election will be less than 2 months away. Any sequester order will propose cuts which would decimate the military, and that will bring forth howls from the administration and Congress. Cuts on the domestic side of the budget will be just as painful.

Under those circumstances, the administration and Congress may both blink rather than stare down the deficit. Then a lameduck Congress could deal with the problem.

RECOGNITION OF SENATOR METZENBAUM

The **PRESIDING OFFICER**. Under the previous order, the Senator from Ohio [Mr. METZENBAUM] is recognized for not to exceed 5 minutes.

THE BUDGET RESOLUTION

Mr. **METZENBAUM**. Mr. President, on March 19, the Senate Budget Committee passed a budget resolution on a 13 to 9 vote. The package had bipartisan support; seven Republicans and six Democrats.

Now, it is nearly a month later, and that budget resolution has yet to see the Senate floor.

The majority leader has made it clear that the April 15 deadline for passage of the resolution will not be met. This is not the first time the Senate has turned a blind eye to a Gramm-Rudman requirement. It will not be the last.

I understand the majority leader's position. I believe he really wants to get the job done. But the White House does not want the job done and that is the real problem.

But, Mr. President, why the delay? Why has the White House tried to put the Senate's No. 1 priority on the back burner?

Remember the $200 billion deficits? Remember the letter telling the President deficit reduction first, tax reform second? Remember the expressions of urgency from the Senate leadership?

What happened?

The Budget Committee has done its job. We have a bipartisan resolution which meets the Gramm-Rudman targets for the next 3 years without triggering the doomsday sequester.

But why can we not get this package to the Senate floor? Why has the majority party suddenly gone fishing? What are they afraid of? The White House? Is the White House the real concern? I think so.

The White House had its chance to play a constructive, facilitating role in the budget process. But it chose ideology over responsibility.

The White House gave the committee a budget which increased military spending by $93 million a day, while cutting programs for poor children and families by $16 million a day.

They gave us a budget which spent more on increased subsidies for a single water project in Arizona than it did on elderly housing. A budget which spent more on military bands than it did on legal services for the poor.

Parenthetically, I might ask, when is Congress going to wake up and recog-

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nize the wastefulness of the approximately $150 million a year we spend on military bands? Some money for military bands, yes. That much money, no.

The President's budget did not even meet the Gramm-Rudman deficit reduction targets, according to the CBO, falling $16 billion short in fiscal year 1987—$60 billion short over the 3-year period of the resolution.

The President said "Here's my budget. Take it or leave it."

The committee vote was 16 to 6 against the President's budget.

Mr. President, the committee went on to pass a resolution more in line with the priorities of the American people. It is not perfect. I do not think it is a great budget. But it does the job.

Make no bones about it. There are, of course, a number of provisions with which I do not agree. The cuts in Medicaid, low income energy assistance, subsidized housing, the elimination of the WIN Program. These, to me, do not make sense. I will do what I can to address these issues if the resolution ever comes to the floor.

But, Mr. President, I voted for the resolution in committee for one simple reason. It was the responsible thing to do.

Simply put, the price of doing nothing is too high a price to pay.

The Gramm-Rudman sequester for fiscal year 1986 was simply the hors d'oeuvre. This year we get the main course.

If a budget resolution, meeting the Gramm-Rudman targets, is not implemented, the Gramm-Rudman doomsday machine is triggered.

It will chop over $25 billion in budget authority from this Nation's social programs. The budget for national defense will not fare any better. The CBO estimates that such a sequester would require cuts of at least $50 billion in budget authority from the President's defense budget.

A national defense sequester of this size would require drastic reductions. Hundreds of thousands of active duty personnel would be discharged. Readiness would be devastated.

The sequester would wreak havoc on critical domestic programs with drastic cuts in cancer research, the FBI, air traffic control, drug enforcement, and home heating assistance for the poor and elderly.

When Gramm-Rudman cuts, it does so mindlessly, mechanistically, with no thought given to national priorities. Everyone, including the President of the United States, knows that it would be irresponsible in the extreme to allow the Gramm-Rudman "doomsday machine" to be triggered in October.

That is why it is so important to start to work on the budget. We have 50 hours in which we can discuss it, amend it, and work with it. Yet, where is the budget? It is not on the floor. Why does not the President want us to move this package forward to the Senate floor where it can be amended and finally passed? Why should we delay? Why should we flirt with disaster?

Again, I do not claim that the budget resolution passed in committee is a perfect package. But it gives the Senate a rational alternative to Gramm-Rudman as well as a road map for the committees as they get down to work on the various money bills and authorization bills in the Senate.

Mr. President, the budget resolution contains $14.5 billion in cuts in nondefense spending in fiscal year 1987, $62.3 billion over the 3 years. For defense, $295 billion in budget authority in fiscal year 1987, nearly $1 trillion over the 3 years.

While the President's budget contained $22 billion in revenues over the 3 years, the budget resolution contains $74 billion in new revenues over the same period.

There are some who claim that this resolution contains an increase in individual income taxes, but let me quote from the committee report:

> The committee assumes that revenue increases can come from such measures as improved compliance of existing tax laws, tax amnesty, excise taxes, closing of tax loopholes, and a slowing of the growth in tax expenditures, and other efforts. The committee specifically rejected any increase in individual income tax rates.

Mr. President, I strongly believe that the revenues designated in the committee budget resolution can be raised by closing corporate and individual tax loopholes.

From 1981 to 1984, 10 of America's biggest and most profitable corporations earned over $25 billion in profits, and received a total of over $1.4 billion in tax rebates. Their tax rate was a minus 5.7 percent.

What an absurd national tax policy.

During the 1981-84 period banks earned profits of $4.8 billion but collected rebates of $139 million. That means banks, who are always first in line to tell us about our obligation to balance the budget, paid an effective tax rate of negative 2.9 percent.

Citicorp, the Nation's largest bank, paid more in taxes in 1984 to foreign governments—$540 million—than it did to the U.S. Government—as a matter of fact, almost 20 times as much, having paid the United States $28 million, as compared to the $540 million paid overseas.

E.F. Hutton, in 1984 earned $20.9 million but collected $66.8 million in tax refunds. It should be noted that it did better business with the U.S. Treasury than it did with its clients.

W.R. Grace & Co., the Nation's cheerleader for self-sacrifice as long as it is somebody else whose ox is gored—headed up by that great humanitarian, Peter Grace, who is so concerned about congressional responsibility but somehow overlooks the matter of corporate responsibility and not once in all of the Grace Commission report has he addressed himself to the fact that corporations do not pay a fair share of the tax burden in this country. Mr. Peter Grace is remiss in his responsibility to the American people when he runs around the country and goes on TV shows attacking Congress and attacks those of us who are attempting to do something about balancing the budget. Never does Mr. Grace mention corporate responsibility.

That is understandable, because W.R. Grace & Co. earned $803 million between 1981 and 1984. On that $803 million, it paid only $1.6 million in Federal taxes, a tax rate of 0.2 percent—0.2 percent.

Mr. Grace, we in Congress think that you ought to do for the U.S. Treasury what you are trying to do with respect to cutting spending. You ought to be concerned about the revenue side as well, the failure of your company and so many other major American corporations in this country to carry a fair share of the tax burden.

Mr. Grace loves to travel around the country and make bombastic speeches on congressional responsibility. But when it comes to corporate welfare from the Federal Government, W.R. Grace & Co. is one of the first in line to feed at the public trough. Cut those food stamps, says Mr. Grace; just do not touch my corporate tax subsidies.

Mr. President, it is time the Senate took up the business of the budget.

We have all the time in the world to discuss the balanced budget amendment because a balanced budget amendment sounds good but it does not cut anything. It does not reduce the deficit.

We who opposed that constitutional amendment said it was time for us to stand on the floor of the U.S. Senate and bite the bullet and stand up and be counted with respect to programs and revenues as well. Now is the time to do it. Let us bring the budget resolution to the floor. We have a budget resolution containing the tough decisions which have to be made to reduce the deficit and the White House does nothing. The majority party cannot run away fast enough.

We have a bipartisan resolution which was hammered out over lengthy negotiations between the chairman, Mr. DOMENICI, and the ranking member, Mr. CHILES. I am sure the chairman is particularly eager to get to work. I share his frustration over having this critical issue put off. So let us get going. Let us end the delays. Let us understand that the Congress and the White House have an obligation.

But let us also remember, this is a congressional budget resolution. If the President does not like it, that is his problem. That is too bad.

But all he keeps saying is "make my day." Hopefully, he will soon realize that the responsible thing to do is stop daring Congress and start dealing with Congress to produce a budget—in the best interest of this Nation.

My fear is this delay brings the disastrous sequester closer and closer. Let us not play a game of budget chicken, waiting until the very last minute to see who blinks first.

Let us get the bipartisan budget resolution—passed by the Republican-controlled Senate Budget Committee—on the floor. Let us begin our work.

Mr. President, the alternative—triggering the Gramm-Rudman doomsday machine—is simply too awful to contemplate.

I yield the floor.

RECOGNITION OF SENATOR RIEGLE

The ACTING PRESIDENT pro tempore. Under the previous order, the Senator from Michigan is recognized for not to exceed 5 minutes.

Mr. RIEGLE. I thank the Chair.

THE NEED TO CONSIDER THE BUDGET RESOLUTION

Mr. RIEGLE. Mr. President, I rise to discuss the grave matter of the budget problem we face and the fact that we are failing to move on it on a timely basis here, on the Senate floor. Three weeks ago, the Senate Budget Committee, after weeks of hearings and markup sessions and very tough negotiations, reported a concurrent resolution on the budget for fiscal year 1987. I think we ought to be calling that up on the floor today because further delay in acting on the budget can only hurt the budget process and our Nation's economy.

Those who are taking a look at the budget package produced by the Senate Budget Committee should understand that a majority of the Members of both parties got together to produce that document. It was under the leadership of Senator DOMENICI and Senator CHILES on the minority side working together that I, with other active participants, worked together to create a compromise that enabled us to meet the legally mandated Gramm-Rudman deficit reduction targets—not only the $144 billion deficit reduction target for fiscal 1987 but the lower figures in the 2 years to follow that. So the budget we have produced, looking forward out through the 3-year period, meets the legal requirements of Gramm-Rudman. The problem is that another aspect of the Gramm-Rudman law mandates, that on April 15, Congress must have passed its budget resolution. Unless we bring it up now, there is no way that we are going to have time to get it done by the date that the law requires.

When we were in here debating Gramm-Rudman several months ago, one of the great issues that was raised was whether or not we were serious about meeting these deadlines we were establishing as a matter of law. So I hope that the majority leader will decide to bring this issue to the floor now.

I know the chairman of the Senate Budget Committee, Mr. DOMENICI has asked that that be done. There really is no good purpose served by delay. In the end, the Senate will have to act and decide in its wisdom what it wants to do on a budget. Certainly no budget will emerge from the Senate that does not have at least 51 votes. But we ought to get started with the debate. We ought to act on a timely basis so we meet the April 15 deadline and so we do not just start sliding over these deadlines one after the other.

Some people have been saying—and it has been reported in the press—that the deficit problem is somehow magically going away on its own. That is not the case at all. I want to share with my colleagues some information now that we are 5 months into this fiscal year.

In the first 5 months of fiscal year 1985, last year, our deficit was $99.5 billion, and that eventually reached a total of $202.8 billion—in other words, the $200 billion-plus deficits that all of us were worried about.

But this year, through the first 5 months, the problem is even worse. Our deficit is running at a total of $107.7 billion, or a figure of $7 billion plus higher than was the case in the prior year.

So there is not anything to this notion that deficits are somehow magically disappearing. As a matter of fact, they are continuing, and through the first 5 months of this fiscal year they are actually running at a higher rate than last year.

So we face the prospect of failing to meet the Gramm-Rudman legally mandated targets on deficits by several tens of billions of dollars if we stay on the present course.

I just do not think we can do that. I do not think it is responsible. I do not think it is right. Unless we act now, we are not going to have a balanced package that meets those deficit reduction targets.

Certainly, in terms of the Senate Budget Committee resolution, there were parts of it I did not like. Parts of it I would like to see changed. But I have to stand here today and say that in terms of the package as a whole, I support it, even though some programs that are damaged beyond what I would like to see. I support it because in the overall I think it is balanced. I think it is fair. It basically caps off the sharp increase in defense spending, it reserves some of the revenue from the tax reform process, loophole closing, for deficit reduction, and it makes further domestic spending cuts. The combination of those three items is sufficient in each of the next 3 years to let us sharply reduce Federal budget deficits in order to meet the legally required Gramm-Rudman targets.

So I think it is a fair package on balance, and I am prepared to defend it on the floor. If the Senate has a different view, well, then, that is the will of the Senate. Certainly the Senate ought to have a chance to act. But inaction is really the wrong course. For us to be going through the motions in trivial matters and failing to take up the budget at a time when it is ready to be acted upon, when the law mandates that we act on it is irresponsible. I do not think there is any excuse for us not to do it.

While the financial markets have been strong because of the fall of oil prices and the fall in interest rates and the kind of disinflation that we have been seeing, I do not think the financial markets are going to respond favorably if they do not think we are serious about dealing with deficit reduction. I talk with people from the financial markets all the time. They are all concerned about the deficits. If the message gets across that this is all just a big finesse, that we are not serious about dealing with the deficits, then I think we are going to see a very changed attitude in the financial markets.

One other thing is the constitutional test of Gramm-Rudman with respect to the automatic cutting mechanism. Some people are saying we do not have to worry about the automatic cuts under Gramm-Rudman because the Federal district court has already ruled that the automatic cutting mechanism is unconstitutional. Of course, that is now before the Supreme Court, and it is going to have to make its own judgment.

But I call to the attention of my colleagues that just 12 days ago the Third Circuit Court of Appeals in a case unrelated to Gramm-Rudman, unanimously ruled that it was constitutional to vest executive powers in the Comptroller General, yet these are precisely the grounds for the Federal district court's opposite finding earlier that the role of the Comptroller General in the Gramm-Rudman statute was unconstitutional and thereby the sequester process itself was not workable.

So we have here now two very high ranking courts having exactly opposite findings on this important question of the authority of the Comptroller General. So it may well be that the Su-

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preme Court will hold with this more recent decision and retain that automatic cutting mechanism, which I think would pose a great jeopardy to this country in terms of our defense capability and our domestic agenda.

So let us get the budget to the floor. It is ready for action. The chairman of the committee wants it here. We ought to be acting on it, if not today, then certainly sometime this week so we can try to meet the April 15 deadline.

I thank the Chair and I yield the floor.

Mr. MELCHER addressed the Chair.

The ACTING PRESIDENT pro tempore. Will the Senator withhold, please.

ROUTINE MORNING BUSINESS

The ACTING PRESIDENT pro tempore. Under the previous order, there will now be a period for the transaction of routine morning business, not to extend beyond 10:30, with statements limited therein to 5 minutes each.

Mr. MELCHER addressed the Chair.

The ACTING PRESIDENT pro tempore. The Senator from Montana.

A FLABBY RAMBO

Mr. MELCHER. Mr. President, even wearing the most rosy of rose-colored glasses, the best that can be said about the U.S. economy is that it is sluggish. My best judgment is that it is treacherously teetering upon the brink of a disastrous slide due to the continual sagging of commodity prices, coupled with the past 36 months of a trade imbalance averaging $10 billion per month and totaling $368 billion.

The White House line, which President Reagan dutifully recites, is that inflation is down, interest rates are dropping, and the stock market is up, which is to infer that increased U.S. economic activity is just around the corner.

Each of those three positive items needs closer examination. The first, inflation is down, is largely because commodity prices are down and the positive effect for consumers has to be weighed against the devastating effect the price decreases have extracted from farmers, ranchers, miners, steel, copper, aluminum, energy and forest products producers. Agricultural producer liquidation has been a continuous, 3-year tragic disruption blighting rural America. Mining, metals and steel producers have seen their communities turn into either ghost towns or depressed areas. Oil and gas producers have seen their slump from last year's $27 per barrel steamrolled into a slide down to $10-a-barrel oil, bringing the same results that other commodity producers have absorbed. That is, shutdown, liquidation or bankruptcy. And despite the recent housing boom, the forest products industry staggers with uncertainty but ever closer to decimation.

All of these are factors in the drop in inflation, but the toll paid by these producers has been so desperate that their demise threatens the entire U.S. economy.

The interest rate drop, long overdue, is uneven with the above industries having to pay higher rates because the price they receive for their commodity production is generally less than their costs and, therefore, they fall into high-risk categories. These producers are so much the backbone of the economy that the transportation industry is or will be damaged by the decline in commodity hauling. Without the production from the basic industries, their volume has to drop or at best there is disruption as transporters attempt to modify their hauling to wherever there is business.

The decline in both inflation and interest rates has brought on a vigorous surge in the stock market. But without the underpinning of strong, or at least stable activities by the basic industries, the confidence of Wall Street is built on a foundation of shifting sand. Pending earnings reports of a great number of the blue chip stocks over the next 6 months will be disappointing, and that's putting it mildly.

Some of the rosy soothsayers in and out of the White House will undoubtedly tell us that the U.S. trade imbalance will be helped by lower oil prices and the declining value of the dollar. There is some truth to that, but it also means that there will be significantly less domestic petroleum production and that means not only economic havoc in the oil patch, but also a return to the rut of greater dependence on imported oil. There is a further negative involved with lower oil prices that requires U.S. adjustment. Mexico and other countries heavily dependent upon oil exports will purchase less from the United States and perhaps default on their outstanding loans to United States banks. If nothing about the economic devastation that has sapped commodity producers will stir the White House into corrective action, perhaps the looming losses to the banks will awaken them from their slumbering posture.

President Reagan may want to focus the public's attention on Qadhafi and the ragtag 15,000 Nicaraguan Contras. Indeed, they deserve some public attention. But unless there is an economic policy in the United States that works, solving foreign policy matters will be only weak whimpering. Playing Rambo implies muscle, and there is no muscle in the U.S. economy. It is a flabby Rambo.

THE BUDGET RESOLUTION

Mr. STENNIS. Mr. President, over the recent recess period, I had a chance to reflect on our budget situation and to study the resolution reported by our Budget Committee for consideration of this body.

Because I deeply believe that putting our financial affairs in order is of profound importance to the future of this country, I urge our capable leaders and my colleagues that the resolution to which I have referred may mark a turning point of restoring order and discipline to the process by which the legislative body carries out its unique responsibilities vested by the Constitution. That, of course, means that the resolution would be taken up on the floor.

In my judgment, this is by far the fairest, most reasonable, and best-balanced proposal for balancing the income and outgo, meeting the absolute necessities and commitments of the Government, under our laws, that we have had. It is a great credit to the members of the Budget Committee who worked on it so hard. It is a great example of courage and leadership, also.

The distinguished chairman of this Senate committee, the Senator from New Mexico [Mr. DOMENICI], and the Democratic ranking member, the Senator from Florida [Mr. CHILES], and all of the other members of the committee, whether they voted for the resolution or not, deserve the praise of this body and of the people at large for this effort.

At this point in the RECORD I wish to note the names of all the members of the Budget Committee. They are:

Pete V. Domenici, of New Mexico, Chairman.
William L. Armstrong, of Colorado.
Nancy Landon Kassebaum, of Kansas.
Rudy Boschwitz, of Minnesota.
Orrin G. Hatch, of Utah.
Mark Andrews, of North Dakota.
Steven D. Symms, of Idaho.
Chuck Grassley, of Iowa.
Bob Kasten, of Wisconsin.
Dan Quayle, of Indiana.
Slade Gorton, of Washington.
John C. Danforth, of Missouri.
Lawton Chiles, of Florida.
Ernest F. Hollings, of South Carolina.
J. Bennett Johnston, of Louisiana.
Jim Sasser, of Tennessee.
Gary W. Hart, of Colorado.
Howard M. Metzenbaum, of Ohio.
Donald W. Riegle, Jr., of Michigan.
Daniel Patrick Moynihan, of New York.
J. James Exon, of Nebraska.
Frank R. Lautenberg, of New Jersey.

The committee vote is a testament to the committee's effort. They had a divided vote of 13 to 9, but they got the politics out of it, as a majority of each party's members have agreed to this resolution.

Mr. President, the resolution fully complies with the new requirements of the recently enacted Balanced Budget

and Emergency Deficit Control Act of 1985, the so-called Gramm-Rudman-Hollings Act. By establishing a budget plan—I repeat, a plan—for reducing the deficit by $38.8 billion to achieve a deficit target of $143.9 billion for fiscal year 1987, the tax and spending policies set forth in this plan, if unchanged, will bring the Federal budget into balance by the end of this decade, when the budget for fiscal year 1991 shall be considered.

In my opinion, the soundness of the committee's recommended resolution is its balanced approach to reducing the huge Federal deficit by which we are still encumbered and which is still dragging us down. It evenly seeks a contribution from Government spending and from new revenues.

I have strongly felt for several years that to stop this runaway deficit, we would have to take back some of the revenues which were given up in the 1981 tax bill.

We know now that the 1981 budget plan, which called for building up the defense program with revenues gained from the economic growth that was to come from the tax cut, did not work out. The failure of this plan was by no particular person's fault. I believe it was conceived with good intentions, but history and the size of the national debt, which has increased in size more in the last 5 years than in all the previous years since this Government was founded, has conclusively proven, in my opinion, that this plan would not and certainly did not work.

I voted for this plan, this 1981 tax plan. I am as much to blame as anyone, but I have recognized for 3 years now that we had to get a grip on the deficit and part of any solution should include new revenues. That is not a happy thought particularly, but it is an absolute necessary part, as I see it, of any effective cure and clearing up of our budget dilemma.

This resolution, I know, recommends that Congress fund the defense program at a level less than recommended by the President. This concerns me greatly because I firmly believe that we must be prepared militarily and that is my record here, Mr. President. I am not boasting of my record. But I have consistently year after year tried to improve my knowledge of the situation, of the threat, or whatever we may call it, the need, the necessity of our having effective military manpower and womanpower even to be called to places far around the globe.

I have said in order to have enough, we must have too much to be certain that we are on the topside. Of course, I still firmly believe that we must be prepared militarily. It is highly important that we apply the great resources that we have in this country to this end. I have always been a strong supporter of the Defense Department to see that they got the necessary money each year to build up this defense.

It was my privilege to be chairman of the Armed Services Committee of this body for more than 10 years. I never did unduly bend over backwards to keep a dollar from being voted out. But I never did consciously vote to throw away any money nor spend any money except on those programs which seemed to be necessary for the protection of our country. But under current circumstances, I think we have gone high enough in our spending for this purpose this year.

Now we have gone to the $300 billion a year mark for these military purposes alone and that huge amount is required, I think, because of the enormity of our worldwide commitments. But the time has come to stop and begin a savings program. We must work hard for a stronger defense, without spending more this year. I am convinced that such a plan must be worked out. Except in emergencies, such a a plan might link growth in defense spending to growth in our economy in the future. Such a plan would keep defense spending in line with the economy. A plan along this line must be worked out and must be adhered to by Congress.

I merely say now that as to the military, it seems clear to me that there is time now and a chance for a pause in the expenditure of the larger sums of money in order to pick up and make amends and make strong other parts of our Government, particularly the financial part, the budget part, so essential and so demanding from all those that we would attempt to lead. We think we are leaders, and we are in many and most places of the world, but we could not lose it faster than to fail to provide the necessary military strength and a leadership in the field of finance and sound financing and in what we generally call the budget area because without that, our first place, our leadership position, our position of advantage is gone—gone with the wind—gone down, and I doubt that we could retain it once we actually lose it.

In the 1940's we were economically strong enough to become the most powerful Nation on Earth militarily. We are still the strongest now and we can continue to be the strongest Nation in the world. But, this strength will depend—and I say this for emphasis—on our ability to remain economically strong as well as strong in the military.

This is the imperative case for restoring responsibility—responsibility—to the Nation's overall finances. I deeply believe that the future security of this Nation depends upon the elimination of these large and persistent annual budget deficits.

I want to take the liberty of using here an old-time expression that I have heard since my earliest memories. "If you spend more than you take in, you are courting trouble and you will find it."

So I think unless we carry along together this military power and also what I briefly call the power of financial leadership, carry them along together for a good number of years to come, then we strike out, we lose out, we become without leadership, a position of leadership, and there is only one direction we could go—down. We are worthy of something better than that. We have the ability to recognize it and we have the means to build our way now, if we do not pass up the chance, on theories, but get down to the nub of the matters.

We who are now in this body have the power given to us by the people under the Constitution and therefore have the responsibility to make the decisions that are required to eliminate these deficits. The Budget Committee has reported a framework for the Congress to work within. It was reported on time and it presents an opportunity for this body and our committees to give the proposals in this resolution, the budget resolution, due consideration.

We might not all agree on the targets, the budget targets, established in this resolution but, under the rules, these targets may be amended by this body or by the House of Representatives. Then there is also the opportunity to consider the recommendations of the committee of conference between the two Houses before this resolution is finally agreed to. Although this resolution is nonbinding, it will serve as a valuable guideline for the Congress as it considers individual authorization, appropriations, and tax bills. It is not a finally binding item in the law or a limitation on the money, one that cannot be changed or modified, but it is a plan, it is a plan for effective legislation in these fields as may be decided by a majority vote or whatever vote may happen to be required under our Constitution.

It will serve as a valuable guideline, I say with emphasis, for the Congress as it considers individual appropriations and tax bills. It can help the body focus on the critically important problem of the deficit as we consider issues on individual bills.

If we are not prepared to move ahead on the resolution before us in this field, this budget resolution, then who is going to be able to write one that we can and will move ahead on? The alternative is continued stagnation, which can be the more effective enemy of them all.

We are not going that path. Stagnation is not characteristic of this body nor of the American people. We will find our way. If things this resolution calls for do not fit the majority or the proper number, we will find other lan-

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guage that will fit that majority. But the urging here now with me is that we must move ahead. Stagnation will win if we do not move.

I strongly urge that we move to this resolution and urge that we keep within the deficit goal recommended by the committee. In my opinion, it is a well-balanced plan worthy of consideration on its merits, but its real strength is in the discipline that it imposes on us. It can be the turning point in solving our fiscal problem.

Mr. President, I have briefly covered here this whole picture in a way that I think is unmistakable. I do not expect every Member to agree with me. I want to consider even further what other Members say or do or recommend. But I feel that I know that our duty now is to proceed. Other Congresses, this body and the House of Representatives, have marked a path and laid the way in the passage of the Budget Act. Our men now have acted here. They have given us their proposal. They are ready to defend it I know. They are able men. They are forceful men.

I think we clearly understand our duty, and I believe that in the end they have no doubt about the integrity, character, and honor of the men that make up this body.

I believe that we ought to come to order now, seek this above all else, and with that purpose in our hearts and minds, we will find a way.

Mr. President, I yield the floor.

(The following proceedings occurred later and are printed at this point in the Record, by unanimous consent:)

Mr. DOMENICI. Mr. President, will the Senator from Maryland yield for a question from the Senator from New Mexico?

Mr. SARBANES. Yes.

Mr. DOMENICI. I wonder if the Senator would consider permitting the Senator from New Mexico and the Senator from Florida to have about 10 minutes as if in morning business to discuss the status of the budget without interrupting, as far as the Record, the discussion and dialog on the subject matter that is pending?

Mr. SARBANES. The Senator will be happy to accommodate the chairman of the Budget Committee.

Mr. DOMENICI. I thank the Senator from Maryland.

Mr. President, I ask unanimous consent that the Senator from New Mexico joined by the Senator from Florida have 10 minutes to discuss the budget as if in morning business.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. DOMENICI. Mr. President, I ask unanimous consent that the remarks of the Senator from New Mexico and the Senator from Florida not interrupt in the Record the discussion that is taking place with reference to the pending matter.

The PRESIDING OFFICER. Without objection, it is so ordered.

WHERE IS THE BUDGET?

Mr. DOMENICI. Mr. President, I believe that the distinguished senior Senator from Florida, Senator Chiles, is on his way so that he and I might engage in a bit of discussion here this morning with reference to the status of the budget.

Let me first say to the Senate that my inquiry this morning is a very simple one. It is, where is the budget?

I remember vividly the waning months of last year when the Senate was confronted once again with increasing the debt limit of the United States, that is the authority for our Federal Government to borrow additional funds to pay for the expenditures of Government that we have not seen fit to cover with revenues.

At that point, it was clear to everyone that we were soon going to break the $2 trillion debt mark and in order to muster enough votes to increase the debt limit, and in order to accomplish something constructive, that bill became a legislative vehicle for a 6-year emergency deficit reduction package.

I think the country remembers, since it was not too long ago, all of the debate, the brilliant speeches about the national debt, and how we had to do something because it had become such an enormous figure. The growing deficit was clearly thought by a compelling majority here and in the House of Representatives to be directly related to the future of this country.

As a result, after about 2½ months of voting, debate, and conference, we produced the Balanced Budget and Emergency Deficit Control Act of 1986, the so-called Gramm-Rudman-Hollings Act. The President, after suggesting some need for amendments, many of which were incorporated into the law, signed it. He indicated, with a great amount of joy, that finally we had come to our senses, and that we were considering the right issue. We were going to be governed by a mandatory set of deficit reduction targets and temporary new budget procedures so that we could stand before the American people and say that in each of the next 5 years we are going to vote on policy changes, program changes, restraints, cuts, and, yes, maybe even revenue increases, so that we could meet those targets.

Isn't it amazing? That was just a few short months ago. And while things may be looking somewhat better in terms of the deficit, clearly it remains a serious problem. For those who think the deficit will go away or for those who think times are so good that we ought not worry about it, I just want to remind everyone that the only way anybody can produce a budget trendline that is significantly improving, without any action on our part, is to make some assumptions that I do not believe we ought to make at this particular time in history.

First of all, those assumptions assume that there will be no significant real increase in defense spending for 5 years. Those assumptions expect the American economy to go for the next 5 years with somewhere between 3.5 and 4 percent real growth. Those assumptions expect interest rates to come down, as they are starting to come down, and continue down so that 3 or 4 years from now we would have 4.5 percent interest rates on Treasury bills, and on and on.

I want to tell the Senate that if any of those assumptions in any of the 5 years turn out to be substantially in error, then we are right back on the same path of $180 billion deficits as far out as we can see. All of that should be known by everyone.

Then the history goes on from passing that bill, to the President sending us his budget.

I think everyone in this institution knows that for the past 5 years, the Senator from New Mexico has done his very best to turn this country around, joining with the President many times in reducing expenditures of the Federal Government, so that we can begin to see the day when we pay for what we buy. But I must say that the President sent us a budget that had about a $34 billion to $35 billion programmatic increase in defense over this year's levels. It asked us, over the course of 3 or 4 years, to get rid of 90 domestic programs, some of them very small, some very significant in the minds of many Senators and Representatives. It asked for about $22 billion in tax increases over the next 3 years, starting with $6 billion for the 1987 budget cycle.

Interestingly enough, when you add all that up and draw the line, the problem with that budget, in addition to the fact that it had very little support either on the Budget Committee or, as I understand it, on the Senate floor—and we will have to find that out in ensuing weeks—it missed the target. It missed the target by $16 billion in outlays.

I have not heard the Budget Director of late denying that fact. I attribute no intentional attempt to breach the $144 billion mandatory ceiling for 1987. It was clearly $16 billion off the mark because of assumptions on how fast defense would spend out based on the programs in place and the historic estimates of the costs, of the outlays per year.

So there we stood, with a budget that did not meet the mark, with the Budget Committee made up of a cross-section of Senators from all parts of the Nation—liberals, conservatives,

moderates, centrists—and only four or five could see their way clear to vote for it. In another way, you might say that even of those four or five, only two or three would vote for it on the floor of the Senate.

So, I ask the first question: Where is the budget? Clearly, the budget submitted by the President will not work. I do not say that in any way derogatorily. It just will not work. We just cannot pass it.

Our distinguished majority leader is now confronted with having to bring a budget to the floor of the Senate; and I think his remarks of late would indicate that he believes that, very soon, the U.S. Senate will have to begin a debate of this issue. I think he believes that very soon we will have to decide if there are 51 Senators or more in support of a budget resolution to accomplish the Gramm-Rudman-Hollings mandates and aspirations of 3 or 4 months ago.

I think there are some who wonder whether we should do anything. However, I submit that an overwhelming number of U.S. Senators who voted for Gramm-Rudman-Hollings voted for it under the assumption that we would follow the mandates, substantive and procedural, laid out in the law. Next week, April 15, is the first of those mandates. That is the day we are supposed to have finished the budget resolution.

Many of those who supported that procedure rose on the floor and said: "We will do it. It is important for the United States and our people that we do it."

The Budget Committee proposed a budget resolution. It is pending at the desk for deliberation by the U.S. Senate and ultimate disposition. Most of the Senators who supported the new process also said: "We will vote in the policy decisions, the changes and reforms, requisite to get the $144 billion target." No one I know of voted for that bill under the assumption that we would wait until October and have another sequester to produce outlay reductions of $25 or $35 billion. Few, if any, expected the triggering mechanism to become the policy of this land.

It should come as no surprise that if we do not vote on a budget, go to conference with the House, and use it as the target for policy changes, come this summer and fall we will have to cut across the board again or pass some makeshift continuing resolution through the appropriations process which atttempts to get to the goal.

On that score, almost everyone in the U.S. Senate will lose significant prerogatives they have. First of all, I am not reluctant to say that we will not even know what is going on when that kind of CR comes through with references to House-passed bills, Senate bills that came out of committee, and the like.

What a way to legislate. What a legacy of Gramm-Rudman-Hollings, the reform approach that was going to get us where we should be in a timely manner, with orderly appropriations, all packaged up with a nice ribbon on it, saying, "This is what we are going to do."

I ask again: Where is the budget? It is amazing. I just described the only other one in town, the President's. I just described what I assume will happen to it if it comes to the floor of this Senate.

Instead of a year of budget ideas and budget proposals, this is a year of budget letters. We have letters from one group of Senators saying that they do not like what the Senate Budget Committee produced, and they would like our distinguished leader to negotiate an alternative. We have another group of Senators who have passed out their critique of the bipartisan budget that Senator Domenici and Senator Chiles led through the Budget Committee.

I give to the authors of these letters every bit of consideration and courtesy; and, yes, I even have great admiration for some of the ideas they have. However, it is amazing that even those letters, critical in nature, have no proposals in them. They are merely saying that somebody, somewhere, ought to negotiate something else.

Well, the Senator from New Mexico is not a newcomer to negotiation. In the past 5 years, because of the nature of this process, I think I have probably negotiated more times on more issues, produced more negotiated budgets out of the back room of the leadership or out of the committee room of the Senate Budget Committee or in a conference room of the House and the Senate, than any other Senator here, and probably more than any Member of the House.

So, negotiate? Yes. But, clearly, we cannot continue to talk about this budget process, to take great pride in the fact that we have a mechanism in place to solve this problem, and then, from day to day, put off the eventual way that this democracy decides these kinds of issues—by voting on significant issues on the floor of the Senate.

So I suggest that the way we will solve this problem is, first, if the President of the United States and his Director of OMB, Mr. Miller, are seriously interested in negotiating, then we should sit down and see what they have in mind. I have asked them not once, not twice, but even again today, in the presence of the President. At the leadership meeting at the White House, I indicated: "If you don't like what we produced, what do you suggest we put in its place, so long as it is not the budget that you just sent up, because, clearly, there is no support—perhaps 10 Senators—for that game plan and that set of policies? So is there anything else you have in mind?"

I hope that from the discussions today, there will be some serious efforts at determining what the White House position on this budget resolution, or any amendments to it, will be.

I suggest that those who believe we can complete our job by voting out a budget resolution without differences of opinion are clearly mistaken. There is no way that we can put together all of the Republican Senators to pass a budget resolution this year. I am convinced it has to be bipartisan. I need not go into detail other than to say there are some Senators who want substantially more for defense, and I do not mean $5 billion or $6 billion, some want $10 billion, $12 billion or $15 billion. There are some who want $5 billion or $6 billion more. There are some who would cut some more domestic programs to make up for that defense. There are a substantial number of Senators who have concluded that you cannot get to where you have to go without some additional revenues; that is, taxes. And clearly that is not the position of all of the Republican Senators. When you add up those three issues, there is no way we can get this done unless we do it in a bipartisan manner.

I have pledged to my colleague from Florida, the senior Senator from Florida, the ranking Democrat, that we will continue down this avenue of bipartisan effort to produce the very best budget we can.

So I conclude by saying that I know where the Senate Budget Committee's budget is. It is here waiting to be taken up. And, as I indicated before, none of my remarks here are directed at the distinguished majority leader. He obviously is trying his very best to get the White House to decide whether they want to be a player here or whether they prefer to let us go it alone. And even with that decision behind us, however it is made, there will be disagreements on the floor of the Senate between the Senators who are going to vote as to what they want.

I started this process, the Gramm-Rudman-Hollings process, as a constructive player in these temporary emergency procedures. I remain convinced that, even with its shortcomings, it had to happen because of the frustration that set in after all of the grid-lock that has occurred in the last 2 years between the President, the Speaker, and others. The only way we would truly get to this deficit-reduction path and stay on it was some extraordinary pressure imposed upon both Houses of Congress and on the President of the United States.

It is in that regard that I offered many amendments and changes to the

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now historic Gramm-Rudman-Hollings law and, frankly, I think it has a chance of working. I see less demand by special interest groups for increases than I have ever seen in my 5 years of being budget chairman and 14 years of serving as a Senator. That, in and of itself, bodes well. I see more concern among Senators for getting the job done and getting on with it and trying to put one budget in place that will solve the problem for 3, 4 or 5 years given reasonable and realistic assumptions.

So I say to those who have alternatives: Where are they? To those who have some suggestions for us as to how to make this better: Where are they? Perhaps the only way we will get to discuss them thoroughly and analyze their propriety as policy and their ability to get the support of a majority of U.S. Senators is to go ahead and let those who have better ideas bring their amendments to the floor and have them thoroughly debated and let the chips fall where they may.

Now I note that my friend, the distinguished Senator from Florida, is on the floor and I now yield to him but before I do that, might I ask, how much time do we have remaining in our 10 minutes?

The PRESIDING OFFICER. The Senator has consumed 10 minutes.

Mr. DOMENICI. I ask unanimous consent that we have an additional 5 minutes under the same conditions.

The PRESIDING OFFICER. Is there objection? Without objection, it is so ordered.

Mr. DOMENICI. I yield as much time as the Senator needs of that reserved time.

Mr. CHILES. I thank the distinguished chairman and my friend. I am delighted to see that he is on the floor today and making these remarks.

I think the time to act is now. The budget deadlines certainly have some meaning. It takes time to implement a budget resolution, to get a reconciliation bill enacted. Even last year's small reconciliation bill lost $50 million a day every day it languished because of the delays in trying to get it finally passed. Those were savings we lost. We cannot afford that kind of delay, especially with the Gramm-Rudman-Hollings guillotine waiting to fall in September.

I trust that if we stand on the floor here a few days, hopefully the budget will be up here right away. And I join with my friend in saying that this is not a criticism of the majority leader. The quicker we can get the budget before, us, the quicker we can act. But I trust if we are on the floor a couple of days, we will certainly be joined by the sponsors of Gramm-Rudman-Hollings who put in the deadline of April 15. I know they want us to comply with their law. I have heard Mr. GRAMM has been in my State over the weekend talking about the law and I know as an author he will be here to force us to comply with that law and that deadline of April 15.

Certainly what we are talking about is not a partisan problem. It was not created that way. And the solution has got to be a bipartisan solution as the chairman suggests. I think the chairman and I found there is no one simple part of the budget that you can blame on the deficit. It is caused by increases in defense spending, increases over the years in domestic spending, and by the fact that we were not willing to raise the revenue to take care of the spending. So we just borrowed the money and accumulated higher and higher deficit and we all have to take a part in trying to cure it.

The White House certainly has a role. We need them to negotiate. We have been trying to say that I think for the last 4 years. But over that period of time we have learned the only way you really get them to negotiate is to show them that Congress is going to produce a product on its own and only when we have that will we be able to get the White House to participate. If the Senate acts and passes a budget resolution, then I think we have a lot of opportunities for negotiation. We have a conference with the House, we have consideration of the actual reconciliation bill. There are all kinds of opportunities and they can participate in some of those opportunities. But as long as we sit and wait for the White House—which, of all of the public statements I have heard, has not shown any willingness to negotiate and has said they do not think we seriously can do anything. They think it is too early. They think we should wait until the fall. But we would just be losing time, all of that time that we wait.

We know that the Gramm-Rudman-Hollings Act is alive and if the White House will not bargain, then at some time the Congress might just pass the sequester resolution and dump it in the President's lap. We wee what we thought was a negative Federal court ruling that took away some of the powers of GAO. But now we see that there has been another ruling in New Jersey that suggests differently in regards to the powers of GAO and so the Supreme Court now has those considerations in front of them. In any event, even if they upheld the lower court in the provisions of the GAO, it still comes back to Congress. It is still dumped in our lap. It is still the Budget Committee's job to just package what CBO and OMB sends to us and bring that to the floor where, I understand, we have a very limited debate.

I think it is 2 hours. And then Members of this body are going to get a chance to vote yes or no as to whether they support the actions that they took a year ago.

We know a lot of people would like to spend more on defense, and raise less taxes. I would like to do that myself. I am sure the distinguished chairman would like to do that. But how? Then you would have to be willing to cut much more off the domestic programs than we did in the committee.

I think we reached a point where neither side was willing to cut much more. In fact, before we could pass it out, we know there were negotiations in which the Democrats demanded some things be added back, and the Republicans did, too. Those were agriculture, foreign aid, Eximbank, on the Republican side, and we had our list of projects on our side as well.

So there was certainly moves made in the committee reflecting its makeup as a cross-section of the Senate. We reached a point where we were not going to make additional major cuts off the domestic side.

So maybe that will happen on this floor. But I join with the chairman in saying let the Senate work its will. Let us get it out here. If there is another proposal, and I understand the Senator from Texas, Mr. GRAMM, has talked about a complete alternative, let us get that out here. He is persuasive in this body. He has been persuasive in the body at the other end of the Hall. He may convince 51 Senators here that they ought to vote for his proposal. If he does, that will start us down the track.

But I think we ought to get out the budget resolution. Then he has an opportunity to offer his substitute, and the Senate can work its will. If the Members want deeper domestic cuts to buy more defense or less taxes, then they need to bring their amendments to the floor, and they need to take them up when we have the provision before us.

I think the bill that we passed is a pretty good mix on spending and taxes. We reduce the deficit from 4.8 percent of GNP in 1986 to 1.3 percent in 1989. Of that 3.5 percent of the GNP drop by which we would be reducing it, 2.5 percent would come from reduced spending, and 1 percent would come from increased revenues. Of that 2.5 percent drop in reduce spending, 1.4 percent is domestic, 0.6 percent is defense, and 0.4 percent is interest.

So the balanced package, I think, meets the Gramm-Rudman-Hollings goals. Defense would be cut $18 billion, domestic would be cut $69 billion, and interest would be $12 billion which would give us a spending cut of $99 billion to go with revenues—an increase of about $74 billion.

Is defense adequate? That is a question we need to debate on this floor. But the BA is up under our provision,

$8 billion over last year, so it continues a slower growth. It certainly does not cut into the investment base which has doubled over the last 6 years.

So I join with the chairman in saying I think the sooner we get the resolution out here on the floor and see what alternatives people have and what amendments they have the better. I hope and trust that a majority may come to the same conclusion that we did starting from separate places. If you are going to get a majority, you have to put together a mix similar to the mix we voted out with a majority vote on the Republican side and the Democratic side of the Budget Committee.

Mr. DOMENICI. Will the Senator yield the remaining minute?

Mr. CHILES. I am glad to yield.

Mr. DOMENICI. Mr. President, I want to thank my colleague from Florida, the ranking minority member on the Budget Committee, and close by reminding one other institution, and one other group of legislators that is a part of the U.S. Congress about their responsibility, and also ask them where the budget is. The U.S. House has a responsibility. They adopted the same laws. They set the same deadlines. They engaged in the same kind of rhetoric about the deficit. They voted by a rather compelling majority to modify the Budget and Impoundment Control Act of 1974 to require the 5-year reform measure imposed upon it. Yet, it appears to me that the Senate Budget Committee has done its work. I am positive that in short order the U.S. Senate will begin its debate, and start by having its vote.

And I close by asking the U.S. House of Representatives: Where is the budget?

I hope they will understand that without it, we are asking for a very, very difficult year and taking some inordinate chances with our future. We do not really have to do that. We can just get on with what we told the American people we were going to do when we passed that law.

I yield the floor.

(Conclusion of later proceedings.)

CONCLUSION OF MORNING BUSINESS

The ACTING PRESIDENT pro tempore. Morning business is closed.

METROPOLITAN WASHINGTON AIRPORTS TRANSFER ACT

The ACTING PRESIDENT pro tempore. Under the previous order, the hour of 10:30 a.m. having arrived, the Senate will now resume consideration of S. 1017, which the clerk will report.

The assistant legislative clerk read as follows:

A bill (S. 1017), to provide for the transfer of the Metropolitan Washington Airports to an independent airport authority.

The Senate resumed consideration of the bill.

Mr. TRIBLE addressed the Chair.

The ACTING PRESIDENT pro tempore. The Senator from Virginia.

Mr. TRIBLE. Mr. President, as the clerk has reported, the business before the Senate is again the regional airport legislation.

This legislation has now been the subject of debate and discussion for many days before this body. Before the Easter recess the Senate managed to cut short the opposition of the Senator from Maryland and others against what I believe is a sound bipartisan bill to get the Federal Government out of the business of running airports.

Now the challenge will be to address a number of amendments, whose purpose is to destroy the airport transfer bill, a bill that makes so much practical and financial sense. A bill that has benefits for both Federal budget and for the National Capitol region.

I was struck this morning by an editorial that appeared in the Washington Post. It is not often that I can quote with approval from the Washington Post. So I would like to do that this morning.

I would quote in part from that editorial, and I ask unanimous consent that the entire editorial be made a part of the Record.

There being no objection, the editorial was ordered to be printed in the Record, as follows:

WHY THE AIRPORTS BILL MAKES SENSE

> Before the Easter break the Senate managed to survive and short-circuit the filibustering of Sen. Paul Sarbanes against a sound bipartisan bill to get the federal government out of the expensive business of operating two airports. Now the challenge will be to endure a series of equally short-sighted and long-winded efforts by the senator to destroy the airport transfer bill that makes so much practical and financial sense for the federal budget and for regional responsibility.
>
> The bill as it is represents the carefully considered work of a commission appointed by Transportation Secretary Elizabeth Dole, headed by former Virginia governor Linwood Holton and supported by Gov. Gerald Baliles, former governor Charles Robb, Sens. Paul Trible and John Warner and just about anybody else who has given thought to the folly of the U.S. government's continuing to run and repair National and Dulles airports.
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> In one breath (that took hours), Mr. Sarbanes argued that the bill would permit unfair competition against Baltimore-Washington International Airport and that BWI has been a stunning success, an efficient and convenient airport. There's no reason BWI's success can't continue—and indications are that this excellent Maryland airport will flourish as part of this region's air transportation system. Dulles and National, already linked as government properties, would be leased to a regional authority that could relieve the federal government of an estimated $500 million in necessary improvements.
>
> That should be fiscal incentive enough for the federal government to place responsibility for Dulles and National where it belongs, in a public authority that includes representatives of Virginia, the District and—yes—Maryland. But Mr. Sarbanes has tried to raise all sorts of other scares, contending that the transfer could lead to flights in the night over National and nonaviation use of Dulles some day. What it will lead to is the operation of two airports with improved facilities, under a 35-year lease (not a sale) that will better serve Congress, the airlines, this region and the traveling public. That's incentive enough for senators to support the bill as submitted.

Mr. TRIBLE. Mr. President, let me quote in pertinent part from that editorial:

> Before the Easter break the Senate managed to survive and short-circuit the filibustering of Sen. Paul Sarbanes against a sound bipartisan bill to get the federal government out of the expensive business of operating two airports. Now the challenge will be to endure a series of equally short-sighted and long-winded efforts by the senator to destroy the airport transfer bill that makes so much practical and financial sense for the federal budget and for regional responsibility.

The opponent argued that:

> The bill would permit unfair competition against Baltimore-Washington International Airport and that BWI has been a stunning success, an efficient and convenient airport. There's no reason BWI's success can't continue—and indications are that this excellent Maryland airport will flourish as part of this region's air transportation system. Dulles and National, already linked as government properties, would be leased to a regional authority that could relieve the federal government of an estimated $500 million in necessary improvements.
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> That should be fiscal incentive enough for the federal government to place responsibility for Dulles and National where it belongs, in a public authority that includes representatives of Virginia, the District and—yes—Maryland. But Mr. Sarbanes has tried to raise all sorts of other scares, contending that the transfer could lead to flights in the night over National and nonaviation use of Dulles some day. What it will lead to is the operation of two airports with improved facilities, under a 35-year lease (not a sale) that will better serve Congress, the airlines, this region and the traveling public. That's incentive enough for senators to support the bill as submitted.

Mr. President, I am pleased that we are now at a point where we can turn to the substantive amendments about which we heard over the last several weeks. This bill, I suggest, is important to all of our citizens. Washington National and Dulles are the two jetports that serve our Nation's Capital and all of our citizens that travel to this great city. Yet the operation of these airports has been limited by Federal control. They have not been able to show the flexibility of management essential to modern jetports in this day of deregulated airline taffic.

Moreover, the Federal Government over the last several decades has dem-

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onstrated a disinclination and an inability to provide the hundreds of millions of dollars that are essential to modernizing these airports. The only way that we can get on with the important business of modernizing, enhancing, and improving these airports and their service to all of our citizens is to turn these airports over to a regional authority. These airports then can be managed and operated in the same fashion as all other commercial airports throughout our country.

The regional authority can enter the capital markets and secure the huge funding necessary to enhance these jetports.

That is the essence of this measure. That is why it is important that we take the step of turning these airports over to a local authority that can better manage them and go about the important task of improving their operation.

There are those who suggest that in some way this will put the Baltimore-Washington International Airport at a disadvantage, that this action in some way will conspire against the best interests of Maryland. That is simply not the case. We are not engaged here in a zero sum game. Rather, these airports are part of a dynamic growing region. BWI is an excellent airport, well-managed, and it is highly successful. And it will continue to be in the days ahead. This legislation will simply make it possible for us to have three modern, highly efficient, and highly effective airports to serve the growing needs of this region and our Nation.

Much has been said, perhaps too much, to this point about the merits and demerits of this measure. The central fact now is that we can turn to the amendments put forward by the opponents of this measure. Now we will have the opportunity to discuss in detail the concerns that have been expressed in very general terms.

I look forward to that opportunity. I look forward to meeting the concerns that have been raised. I look forward to debating the amendments propounded by my colleagues who are opposed to this measure.

I see my distinguished friend and colleague from Virginia has risen. I yield to my friend and colleague, Senator WARNER.

Mr. WARNER. Mr. President, I thank my distinguished colleague.

Mr. President, the Senate is prepared to work its will on this piece of legislation. I say with the utmost respect to my distinguished colleague from Maryland that he clearly has an obligation to the citizens of that State, and indeed others who have legitimate questions concerning the bill in its present form as it is being presented to this body.

I commend him for diligently bringing to the attention of all those concerned those points which I presume will be debated very carefully and resolved by such votes or other actions that may be necessary by the U.S. Senate.

But I urge in the interest of the overall work of this body that we proceed with dispatch on this piece of legislation, allow the Senate to work its will, and bring this matter to conclusion as promptly as possible.

Mr. SARBANES addressed the Chair.

The ACTING PRESIDENT pro tempore. The Senator from Maryland.

BETTER AIR SERVICE FOR THE WASHINGTON REGION

Mr. SARBANES. Mr. President, after a considerable amount of time spent by the Senate on the question of whether to take up S. 1017, the Senate invoked cloture on the Tuesday before the Easter recess on the motion to proceed to the legislation, and subsequent to the envocation of that cloture, it was made in order for the bill to come up and be before us this morning, which is now the case.

It was my view from the discussion at the time that there were sufficient deficiencies in the legislation that we really needed to take another look at the whole problem and come at it with a different approach; that the legislation before us really did not offer an opportunity, even with an amending process, to achieve that.

I was particularly concerned because the junior Senator from Virginia, at one point in the debate, indicated to one of our colleagues in the Senate that an amendment our colleague was talking about offering really would be a very difficult amendment to consider because it would undo a carefully put together arrangement involving a number of local jurisdictions, and, therefore, that the proposal before us really could not be amended.

I expect over the next few days we will have an opportunity to consider these amendments to the legislation, some to be offered by myself and others by other Members of this body, designed to address particular problems that we see in the legislation.

I do believe that the current debate in the Senate about the future of National and Dulles, which, along with Baltimore-Washington International, are the region's three major airports, has raised a number of controversial issues.

I known my colleague from Virginia was unwilling, in a sense, to discuss those controversial issues at the time that the motion to proceed was being debated, and, in fact, with rare exception abstained from doing so. I assume that now in the course of the debate that will take place, he will come forth and address them in a substantive way.

I think it is important to underscore at the outset that I think all Members agree that major improvements at the two federally-owned airports are needed, but whether the airports should be transferred from Federal ownership, and, if so, how and on what terms, are more difficult questions. In other words, some Members have raised the question of whether the transfer from Federal ownership should take place at all, and others, while conceding that the Federal Government divesting itself of the operation of these airports may be desirable, have serious questions about the way in which and the terms upon which this transfer is to be accomplished.

In my own view, the airport transfer bill now before the Senate is not the answer. It fails to recognize the fact that all three airports serve the National Capital Area—National, Dulles, and BWI—the latter two, Dulles and BWI, being equidistant from the Nation's Capital; that all three serve the National Capital Area and that a fair airport policy will result in better air service for the region.

In 1984, Secretary of Transportation Elizabeth Dole directed an ad hoc Commission which she appointed, chaired by the distinguished former Governor of Virginia, Linwood Holton, to devise a plan for divesting the Federal Government of National-Dulles Airports. Regrettably, the final report, which was not supported by a single Maryland representative on the whole Commission, ignored, in my judgment, a viable and sensible proposal for addressing this difficult problem of the future course for the airports, ignored a viable and sensible proposal put forth by the Maryland members.

The Maryland proposal recommended the transfer of National to an interstate authority composed of three members each from the District of Columbia, Virginia, and Maryland, and representatives of the Federal Government. In other words, you would have nine members divided equally among the three jurisdictions, with additional members from the Federal Government in recognition of the national interest in the central airport serving the capital.

Under that proposal, Dulles would have been transferred to Virginia, which would then have been able to develop it in the same way that Maryland has developed BWI, thus allowing those two airports, Dulles and BWI, which compete with one another directly, to do so on an equal footing. Placing National under a regional authority and selling Dulles to Virginia would have avoided the deficiencies in the transfer bill now before the Senate. These deficiencies include, and these are matters that I expect will be addressed in the amending process which we are about to undertake:

One, unequal representation on the authority board governing the airports.

In other words, the composition of the board established in this legislation and proposed by the Holton Commission is very much skewed because Virginia has 5 of the 11 members and therefore, in effect, dominates the authority. Maryland has only two and is very much in a minority and dissenting position.

Two, the ability of the authority to use profits from one airport to subsidize the other, for example, the highly profitable National underwriting Dulles in unfair competition with BWI. Dulles and BWI compete with one another and Maryland welcomes that competition, but it does not feel that it ought to take place on the basis of Dulles being able to obtain an underwrite or a subsidy from National, which runs a highly profitable operation. In effect, you are then being forced to compete with both facilities and on unfair terms.

Three, an incredibly low price for both facilities in which hundreds of millions of dollars have been invested.

Only $47 million is being realized by the Federal Government from the sale of these two facilities. At a time of a difficult budget situation, that obviously does not make sense.

Four, the potential use of thousands of acres of land at Dulles for nonaviation business or activities.

Five, the power of the authority after the lease period to use the transferred properties for purposes other than an airport.

I hope to spend some time developing that point because I think it is a very important one that Members of this body need to be aware of and consider very carefully.

Six, a lack of adequate protections for the present employees at the two airports.

The labor protection provisions in this legislation are very limited, both as to time and as to scope. I think we need to examine them more carefully than has been done with respect to what is going to happen to a very dedicated and committed work force which has done outstanding service over the years.

Seven, the possibility of significantly increasing nighttime use and, hence, noise at National Airport.

There is a real danger, in fact, I think, in this legislation, of National becoming a 24-hour-a-day airport and that there will be very strong pressures at work to bring that about.

By focusing exclusively on National and Dulles and treating them as a single unit, the bill sets up a competitive situation unfair to Baltimore-Washington International and places in jeopardy BWI's ability to maintain a high level of service for the benefit of the entire region. At the heart of this problem is cross-subsidization between National and Dulles, allowing revenues at one to be used to underwrite costs at the other.

Mr. President, that is a very important point. In other words, this legislation would allow the revenues at one of the two airports to be used to underwrite costs at the other and therefore structure the costs at the subsidized airport in an unfair, noncompetitive fashion.

Acknowledging the unfair competitive nature of such a practice, the airport transfer bill contains some provisions seeking to limit direct cross-subsidization. Unfortunately, these provisions contain a loophole wide as an airplane hangar door, that permits any revenues at one airport to be used for capital costs, like debt service and depreciation, at the other and permits some revenues, like concessions and leases, at one airport to be used for any costs at the other. Clearly, the loophole swallows the limitation.

If the cross-subsidization provision raises the prospect of unfair competition between Dulles and BWI, the selling price for the two airports makes the situation even worse. The authority established by the bill to buy and operate National and Dulles would be required to pay only $47 million over a 35-year period, to be financed with tax-exempt bonds.

Whatever the arguments for or against selling the airports, $47 million is hardly a serious price. Estimates of the two airports' value have ranged in the hundreds of millions and a group of private investors has offered $1 billion for them. While the issue of privatizing the airports is complex, the offer only underscores the ridiculously low price established by the bill.

While the cut-rate price would be controversial in any circumstance, it is, I submit, irresponsible in the context of today's deficit pressures on the Federal budget. Furthermore, the use of tax-exmpt bonds represents additional significant revenue loss to the Treasury.

In other words, it is proposed to dispose of the airport at an extraordinarily low price, a bargain-basement price, and at the same time to finance that sale and other capital improvements at the airport through the use of tax-exempt bonds, which, of course, represent an additional revenue loss to the United States Treasury.

Curiously enough, at a time when the administration is seeking to end the use of tax-exempt bonds, it is proposing their use in this instance. All in all, the sales package adds up to the Federal equivalent of a fire sale, and at a time when National and Dulles are increasingly profitable.

From both the fiscal and competitive perspectives, therefore, the proposed transfer is indefensible. It is further unacceptable because it would open the way to repeal of the limits on nighttime noise which Washington area residents fought long and hard to obtain.

Apart from a few, well-defined exceptions, a 10 p.m. to 7 a.m. curfew is now in effect at National. To minimize the impact of noise on the densely populated areas surrounding the airport, the required approach and takeoff patterns all follow the Potomac River; but the points at which pilots leave these patterns are located in large part over Maryland. All the communities which have successfully fought for the curfew now face the stark fact that the bill gives the authority power to ease the hard-won restrictions on operating hours and noise levels.

The composition of the independent authority only adds insult to injury. Of its 11 members, 5 would be appointed by the Governor of Virginia, 3 by the Mayor of the District of Columbia, 2 by the Governor of Maryland and 1 by the President. The airport transfer bill, in effect, rides roughshod over the regional, and indeed national, interest in airport facilities serving the national capital area. BWI and Dulles are, after all, equidistant from downtown Washington, and both have important roles to play in the region's air transportation network.

BWI is proof that a State authority can turn a struggling airport into a stunning success. Fourteen years ago, Maryland purchased Friendship Airport from Baltimore, and with vision, hard work, and an investment, in current dollars, of over $250 million, created an efficient and convenient airport. Virginia can certainly do as much with Dulles and Maryland would welcome the competition Dulles would provide. Since National is a vital concern to residents of the District, Maryland, and Virginia alike, it belongs under a truly tripartite local authority with Federal membership to represent the Federal interest.

In sum, the problems facing our regional airports are real but they require fair and sensible solutions. These are not found in the airport transfer bill. It would be better for all the parties to seek a more balanced and constructive proposal, which would command a regional consensus. Then we could all get on with the job of providing quality air service for the national capital area.

Mr. President, those, in brief summary, are in my view the major deficiencies of the legislation before us which we will now have to address. In turning to that point, I want to address some questions to my colleague from Virginia [Mr. TRIBLE] because, depending on the understanding of some of this legislation, weaknesses or loopholes in the amendment can perhaps be closed out.

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In his short statement, the Senator from Virginia, quoting the Post editorial, said that "this is a 35-year lease and not a sale." I simply direct the attention of my colleague to the legislation, to the language at the end of the legislation on page 49, and ask him what will happen to this property at the end of the 35-year period.

(Mr. KASTEN assumed the chair.)

Mr. TRIBLE. It is the intention of this legislation for these properties to be administered by the regional authority for the course of 35 years, during which time Congress would have a substantial oversight authority. During that time there will be specific rules and regulations as drafted by Congress that would shape the operation of these airports.

At the end of the 35-year lease, the properties would be turned over to the authority.

Mr. SARBANES. So, in effect, you have a lease period with these limited payments but at the end of that period the property is transferred to the authority.

Mr. TRIBLE. There is no doubt there will be a transfer of these properties at the end of the 35 years but during the course of that 35-year period——

Mr. SARBANES. I am concerned about the moment after the 35-year period.

Mr. TRIBLE. At the end of the 35-year lease period it is envisioned by this legislation that the properties would be transferred to the regional airports authority.

Mr. SARBANES. What could the authority do with the properties then? As I read the legislation, there is no restriction on what the authority could do with the property after the 35-year period.

Mr. TRIBLE. It is certainly the purpose of this legislation to transfer these properties to a regional airports authority for use as airports to serve the public. The bill, as you know, is replete with references to the use of the airports for airport purposes. The failure to use the airport lands for airport purposes during the course of the 35-year lease period would cause a reversion of these properties to the Secretary of Transportation. The board is constituted for the sole purpose of governing airports.

It is my purpose, by way of this legislation, to transfer these airports from the Federal Government to a regional airports authority so that these properties can be used for airport purposes to serve the public.

Mr. SARBANES. I understand the restrictions on the 35-year period, although I think they are inadequate in terms of the restraints they place but there are some commitments to airport use. But after the 35-year period, it seems to me that under this bill the authority could if it wished, in effect, cease to use the property, let us say, at National for an airport. What in the legislation prevents that from happening?

Mr. TRIBLE. The whole purpose of this legislation is clearcut. Moreover, in the enabling legislation passed by the Commonwealth of Virginia and the District of Columbia, the authority is set up for a single purpose, that is, of operating an airport.

If the Senator has continuing concerns about how these properties will be used, I would suggest that in preparing the lease, which would be drafted pursuant to the adoption of this legislation, the lease arrangement could once again provide that these properties are to be used for airport purposes and airport purposes alone.

Mr. SARBANES. I am not concerned with the lease period. I am concerned for the period beyond the lease. Is it the Senator's intention that after the 35-year period the authority should be able to cease to use these properties for airport purposes?

Mr. TRIBLE. No, that is not the intention of this Senator. My intention is to work for the passage of legislation that will free these airports from the shackles of the Federal Government and turn them over to a regional authority composed of citizens of this metropolitan area so that these properties can be used for airport purposes.

Mr. President, we are fast approaching the noon hour at which time the Senate will recess for 2 hours. But before that bewitching time arrives, I want to complete a colloquy that I was having with Senator Sarbanes, the distinguished Senator from Maryland, about the use to which these airports can be placed. Heretofore I said it was the intention of the Senator that these properties would be used for airport purposes now and in the future.

I want to direct the attention of my colleagues to two provisions in the legislation, Senate bill 1017 now before us. Section 7 of this legislation provides the powers of the independent Airports Authority. Paragraph 1 of section 7 of the bill provides:

> (1) authorized to acquire, maintain, improve, operate, protect, and promote the Metropolitan Washington Airports for public purposes;

Then in paragraph 5, the bill goes on to say:

> (5) a corporation constituted solely to operate both Metropolitan Washington Airports as primary airports serving the Metropolitan Washington area;

It is my judgment that this language makes it very clear that these airports are to be used for airport purposes and airport purposes only.

I will tell the Senator there is no intention to do otherwise. If he believes there needs to be further qualification of that point, that can certainly be accomplished. The object of this legislation simply put is to turn these airports over to a regional authority that can operate them more effectively. These important jetways to our Nation's Capital must be expanded, modernized, and their operations enhanced so that all of our citizens, whether they live in the great metropolitan area of Washington or in South Dakota, Oregon, or Louisiana, will be better served.

Again, these properties are to be used for airport purposes, for airport purposes alone, and the bottom line of those operations is not profit. It is service.

Mr. SARBANES. Mr. President, I say to my colleague it will be my intention this afternoon, because I know we are about to recess, after those of our colleagues who indicated that they intend to offer amendments immediately after the luncheon recess, to offer an amendment which would ensure that after the end of the 35-year lease the real property would continue to be used for airport purposes. I do not think it should be able to be shifted into a different purpose unless the authority came back to the Congress. I do not think the authority ought to be able at any point, even after the 35-year period, to cease to operate one of these airports on its own judgment, and to divert that real property then to some other use.

Mr. TRIBLE. On that point there is no quarrel. Hopefully, we can resolve the other concerns the Senator has as expeditiously and as positively. If the Senator will advance those concerns in the form of amendments, and I know that is his intention, the Senate will be able to proceed and then this legislation can be adopted by this body.

Mr. SARBANES. While I have the Senator on that point, on page 58 of the bill, it says in paragraph 3, right in the middle of the page: "All of the facilities of the Metropolitan Washington Airports shall, during the term of the lease, be available to the public," including commercial and general aviation on fair and reasonable terms without unjust discrimination.

In light of the conversations we just had, I assume that the Senator would have no objection to that nondiscriminatory provision carrying over beyond the lease agreement?

Mr. TRIBLE. Mr. President, is it possible to ask unanimous consent to continue this colloquy for 1 additional minute? If so, I make that request.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. TRIBLE. I would point the Senator from Maryland to section 7, paragraph 1, which says expressly, without qualification, that this Airports Authority is "authorized to acquire, maintain, improve, operate, protect, and promote the Washington Metropolitan Airports for public purposes." There is no limitation there. It is to public purposes that this property should be placed now and in the future.

Let us continue this colloquy at 2 o'clock. Moreover, there are amendments that will be offered by our colleagues. Two Senators have expressed their intention to offer amendments this afternoon, Senator Lautenberg and Senator Kassebaum. Those amendments will be pending before us this afternoon.

Mr. SARBANES. I would say to the Senator, this Senator from Maryland is also prepared to offer amendments.

Mr. TRIBLE. Good. The more amendments that can be offered, dispatched, and resolved this afternoon the better.

RECESS UNTIL 2 P.M.

The PRESIDING OFFICER. Under the previous order, the Senate will now stand in recess until the hour of 2 p.m.

Thereupon, at 12:02 p.m., the Senate recessed until 2 p.m.; whereupon, the Senate reassembled when called to order by the Presiding Officer (Mr. Rudman).

Mr. FORD. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The bill clerk proceeded to call the roll.

Mr. SIMPSON. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

FEDERAL CHARTER TO THE VIETNAM VETERANS OF AMERICA, INC.

The PRESIDING OFFICER. Under the previous order, the hour of 2 p.m., having arrived, the Senate will now resume consideration of S. 8, which the clerk will report.

The assistant legislative clerk read as follows:

> A bill (S. 8) to grant a Federal charter to the Vietnam Veterans of America, Inc.

The Senate resumed consideration of the bill.

The PRESIDING OFFICER. The time for debate on this bill is limited to 10 minutes, to be equally divided and controlled by the chairman and ranking member of the Judiciary Committee, with no amendment except the committee reported amended to be in order, and with a vote on final passage to occur immedately following the debate.

The acting majority leader.

Mr. SIMPSON. Mr. President, I yield to the chairman of the Veterans' Affairs Committee and the ranking minority member, and ask for 1 minute for my remarks, if I may, after they conclude.

Mr. MURKOWSKI. Mr. President, I rise in support of S. 8, a bill to grant a Federal charter to the Vietnam Veterans of America.

The Vietnam war was itself a conflict of controversy. But, Mr. President, the men and women whose duty took them to Southeast Asia to fight, and all those who served during that era, do not deserve to be stigmatized by such controversy.

They did their jobs. They served America.

During those days of national frustration, while our politicians debated and our students demonstrated, our soldiers were fighting real battles * * * they were suffering real injuries * * * and they were dying.

They did because they were—and still are—dedicated to duty. Dedicated to America.

Down on the Mall is an eloquent and stark reminder of the Vietnam veterans' dedication to, and love of, this country. Nearly 60,000 names are reflected back in the faces of the millions of visitors who are visiting the Vietnam Memorial every year. Among those visitors are members of the Vietnam Veterans of America.

How ironic to be a Vietnam veteran and to stand before those black walls and wonder whether the sacrifice of your generation is considered by the Congress to be important enough to merit the approval of the same charter granted to veterans of other combat eras.

Mr. President, it took America almost 10 years to hold a homecoming parade for Vietnam veterans. It seems we are slow to accept the truth that those who served are not those who set the policy.

Mr. President, let us not be slow to accept this appropriate request for a charter: A Vietnam soldier was an American soldier. And his or her duty was an American duty.

In granting a Federal charter to the Vietnam Veterans of America, the Congress recognizes the important role to be played by this organization—to serve their fellow veterans of Vietnam and the Vietnam era. The Vietnam Veterans of America has an excellent track record in its first decade of existence. This organization has been in the forefront of legal and service representation for its members. I expect the Vietnam Veterans of America to continue on this course which will have the added prestige and responsibilities provided by a congressional charter.

I urge my colleagues to join with me in support of granting a charter to the Vietnam Veterans of America; no group of America's veterans has done more to deserve our approval.

Mr. SIMPSON. Mr. President, I believe we have a situation of 10 minutes equally divided. I do not believe there will be anyone to speak in opposition. I ask unanimous consent that if there is no one in opposition, that the time for opposition be assigned to proponents of the legislation.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. SIMPSON. Mr. President, I ask that I be recognized for 1 minute.

The PRESIDING OFFICER. The Senator from Wyoming.

Mr. SIMPSON. Mr. President, let me say very quickly, during my time as chairman of the Veterans' Affairs Committee, I worked with the remarkable Senator from California [Mr. Cranston] and now the new chairman of the committee the Senator from Alaska [Mr. Murkowski]. I have seen how they have worked on this issue and have given such great effort to it.

I just want to say that the Vietnam Veterans of America has proved to me to be a remarkable group. Whatever situations occurred years ago I should think have no place any longer in the national debate.

I have found them to be a very delightful group with which to work. They do not go into a "knee-jerking" posture on veterans' legislation. When we try to do something reasonable or responsible with the Veterans' Administration budget, they are very responsible, sensible, and reasonable.

Mr. President, they are a marvelous group to work with and I think they are very deserving of this grant of a Federal charter.

I cannot imagine a more deserving group. I commend their leader, Bobby Muller, who has brought them from their beginning. Perception of the organization has certainly changed. They are most worthy of a charter from the Federal Government.

Mr. CRANSTON addressed the Chair.

The PRESIDING OFFICER. The Senator from California.

Mr. CRANSTON. Mr. President, I yield myself 2 minutes.

Mr. CRANSTON. Mr. President, as the ranking minority member of the Veterans' Affairs Committee and the author of the pending-measure, S. 8, a bill that would grant a Federal charter to the Vietnam Veterans of America, Inc. [VVA], I am delighted to rise in its support. Introduced on January 3, 1985, and ordered reported on an 18 to 0 vote by the Judiciary Committee on March 20, 1986, this measure is cosponsored by the following 67 of my Senate colleagues: Senators Simpson, Matsunaga, Stafford, Specter, Bradley, Burdick, Chiles, Cohen, Dodd, Ford, Glenn, Hart, Hatfield, Kassebaum, Kennedy, Leahy, Levin, Mathias, Metzenbaum, Pell, Pressler, Proxmire, Pryor, Sasser, Wilson, Byrd, Kerry, Biden, DeConcini, Sarbanes, Lautenberg, Gore, Durenberger, Gorton, Mitchell, Hawkins, Hecht, Johnston, Simon, Evans, Riegle, Rockefeller, Andrews, Exon, Bumpers, Boschwitz, Packwood,

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Harkin, Chafee, Eagleton, Zorinsky, Moynihan, Hollings, Heinz, Bentsen, Murkowski, D'Amato, Nickles, Roth, Boren, Bingaman, Melcher, Nunn, Inouye, Baucus, Kasten, and Abdnor.

The VVA is a national service organization devoted to the welfare of Vietnam-era veterans. Formed in 1978, VVA has grown into an organization with over 220 active chapters stretching from New England to California and its membership is over 30,000 strong—a nearly 50-percent increase since last year.

For 8 years, the VVA has addressed the major issues that face Vietnam veterans, including needs for readjustment, employment, and economic assistance, the adequacy of GI bill benefits, VA health-care programs, agent orange, and posttraumatic stress disorder. In the past several years, as it has become a truly national organization, it has acted as a progressive catalyst on major legislative issues and has promoted the importance of recognizing Vietnam veterans as a valued and valuable national resource for America.

The members of VVA represent a wide spectrum of income levels, political beliefs, religions, professions, and ethnic groups. The VVA, through its State councils and local chapters, brings these different backgrounds and experiences together in order to seek to accomplish several purposes. One is to provide mechanisms through which Vietnam veterans can develop positive identification with their Vietnam service and with those who served with them. A second is to deal with the physical, psychological, and economic consequences of the war for individual veterans. A third is to seek to effect basic reform in the governmental and private institutions that have major impact on the lives of veterans.

The VVA is recognized by the Veteran's Administration under section 3402 of title 39, United States Code, to provide representation for veterans in connection with claims for benefits before the VA. Through VVA Legal Services—VVA's in-house law firm—the organization represents veterans with individual claims, brings lawsuits to advance Vietnam veterans issues, and has developed and distributed a comprehensive claims manual for use by VVA's service officers and others involved in assisting Vietnam veterans.

Mr. President, the VVA has also been deeply involved in efforts to gain a better understanding of the psychological and other health-related problems of Vietnam veterans and to foster their readjustment to civilian life. It has joined in the ongoing fight—in which the U.S. Senate has been deeply engaged for 10 years—to seek judicial review of VA decisions denying veterans' benefit claims. The organization has also contributed to efforts to promote employment opportunities for Vietnam veterans and to heighten recognition of the needs of women, minority groups, and incarcerated Vietnam veterans.

The VVA's 220 chapters are its local service providers. Each chapter sets its own goals to address the needs of its members and the community in which it operates. Each chapter has in common with others that they all serve as the primary contact point for information and referral services. Many have established local rap groups to help Vietnam veterans express their concerns and interests. They also operate other programs to meet the needs of Vietnam veterans, such as job fairs and substance abuse programs. Chapters also work to portray a positive image for Vietnam veterans in their commuities by sponsoring such programs as Special Olympics, Big Brothers, and other community programs.

Most importantly, Mr. President, the VVA works to enable Vietnam veterans to be proud of their time in the service in spite of the many controversies surrounding the war itself.

Mr. President, S. 8 is—with the exception of some minor technical changes—identical to legislation I introduced with Senator Simpson in the 98th Congess, S. 2266, and which was cosponsored by 51 of our Senate collagues then. Although no action was taken on S. 2266 in the 98th Congress, the companion measure, H.R. 4774—introduced by the distinguished chairman of the House Veterans' Affairs Committee [Mr. Montgomery]—was passed by the House by a vote of 295 to 96 on June 11, 1984.

I am aware, Mr. President, of the concerns that some have had about the granting of a charter to the VVA. However, the VVA has come a very long way in its struggles for recognition and is continuing to move constructively forward in the veterans' community. The overwhelming vote—16 to 2—to waive the Judiciary Committee's 10-year rule—the VVA was founded 8 years ago in 1978—and thereby facilitate the committee's consideration of this measure, the committee's 18–0 vote to order this measure reported favorably to the floor, as well as the great bipartisan support in the form of cosponsorship of the bill, are evidence of the great strides that the VVA has made and is continuing to make.

Mr. President, I believe that the granting of a Federal charter is an appropriate form of recognition for the VVA and should help promote its valuable ongoing work as the largest organization which represents exclusively those who served during the very difficult Vietnam era. A charter would constitute both an appropriate and important recognition of the valuable contributions which Vietnam veterans have made to our Nation and a bolstering of the VVA's effectiveness to move forward with the significant work that remains to be done on behalf of Vietnam veterans.

Mr. President, before closing, I want to take this opportunity to express my special thanks to a number of Senators for their extraordinary assistance in this matter and for their efforts to bring this measure to the floor today, including the distinguished majority whip and principal cosponsor of S. 8—Mr. Simpson—the Senator from Arizona [Mr. DeConcini], and Ohio [Mr. Metzenbaum], all three of whom provided such stalwart support in the Judiciary Committee, and, of course, our very able colleague and veteran of the Vietnam conflict, the Senator from Massachusetts [Mr. Kerry]. His fellow Vietnam veterans in the Senate, the Senators from Tennessee [Mr. Gore], Iowa [Mr. Harkin], and South Dakota [Mr. Pressler], were also of great assistance. Each of these Senators was instrumental in facilitating the Senate's consideration of S. 8.

Mr. President, it is important that we recognize this group. I am delighted that we are about to do so.

I urge the Senate to provide overwhelming approval of the pending measure, S. 8.

Mr. DeCONCINI. Mr. President, I rise in support of S. 8, a bill to grant a Federal charter to the Vietnam Veterans of America.

On January 24, 1985, my distinguished colleague, Senator Cranston, introduced S. 8, and I was pleased to add my name as a cosponsor. This legislation has been one of Senator Cranston's priority issues and it has been a pleasure to work with him and his outstanding staff as this bill has worked its way through the legislative process.

After months of intensive negotiations in which I was actively involved, the Senate Judiciary Committee unanimously approved S. 8, and I am pleased that the full Senate finally will have the opportunity to vote on this important legislation today. I would particularly like to compliment Senator Denton without whose cooperation this bill would never have reached the floor of the Senate. I would also like to compliment the leadership of the VVA for negotiating in good faith with Senator Denton and the other members of the Judiciary Committee who had a special interest in this legislation. When two opposing sides on an issue are entrenched, it is difficult, if not impossible, for the full Senate to work its will. S. 8 is an outstanding example of what can be accomplished in a cooperative spirit, and I commend all the active participants in the process.

The Vietnam Veterans of America is the largest national service organization devoted exclusively to Vietnam veterans. During the more than 8 years since its establishment, the VVA has worked tirelessly to provide services to Vietnam veterans and to represent their interests before Congress. As a member of the Senate Committee on Veterans' Affairs, I can personally attest that the VVA has been effective and persuasive in presenting testimony before our committee on a wide array of legislation impacting on Vietnam veterans. When the successful Vet Center Program was in jeopardy, the VVA was a crucial factor in it being saved. When the employment problems of Vietnam veterans became painfully apparent, the VVA was in large measure responsible for the enactment of the Emergency Veterans Job Training Act. When the health problems related to exposure to agent orange could no longer be ignored, the VVA was instrumental in helping to enact Public Law 97-72 which provides health care to veterans who may be suffering from diseases resulting from agent orange exposure.

The VVA is a legitimate veterans service organization with a membership of approximately 27,000 which includes many Members of Congress. It has over 200 chapters nationwide in 40 States. Enactment of this bill will enhance the VVA's ability to provide needed services to the 9 million men and women who served during the Vietnam era. This much we, the Members of the United States Senate, owe to those who answered their Nation's call.

Mr. CRANSTON. Mr. President, I am delighted to yield to the Senator from Mississippi.

The PRESIDING OFFICER. The Senator from Massachusetts.

Mr. KERRY. Mr. President, I would like to thank the distinguished Senator from California [Mr. Cranston], the distinguished Senator from Wyoming [Mr. Simpson], the distinguished Senator from Alaska [Mr. Murkowski], and also the distinguished Senator from Alabama [Mr. Denton], all of whom played a significant part in seeing that this bill would come to the floor.

I think all of us know that the Vietnam veterans fought in two struggles. The first struggle, obviously, was the 10-year, the longest war in the history of this country, in and of itself. The second struggle has in many ways, though never quite as difficult, been a difficult struggle and been a longer struggle. That has been the struggle here, at home, to find respect and to bring themselves home—ourselves home, veterans as a group.

Today, the Senate, by finally giving formal charter for the first time to any group of veterans from the Vietnam War, I think is taking a very significant step in moving one further milestone toward closing the chapter of that second struggle.

For myself, as a member of the Vietnam Veterans of America, as a friend of Bobby Muller and of many of those who have kept that struggle going for so long, this is a very, very important day and a very gratifying day. I hope my colleagues will join in an overwhelming vote in support of this effort.

I know for myself that the Vietnam Veterans of America have been dedicated as no other group to outreach programs, to dealing with the post-Vietnam stress syndrome, to dealing with drug problems and unemployment problems, and I join with my colleague from Wyoming and others and congratulate them on the reasonableness of their approach.

Mr. President, I thank all of my colleagues who have joined in this effort and I look forward to this vote as a firm expression of the Senate's welcoming Vietnam veterans.

I thank the Chair.

Mr. SIMPSON. Mr. President, I think the Senator from North Carolina has a statement. How much time remains?

The PRESIDING OFFICER. Thirty seconds.

Mr. SIMPSON. I ask unanimous consent for an additional 2 minutes for the Senator from North Carolina.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. HELMS. Mr. President, I thank the distinguished Senator from Wyoming. I thank the Chair.

Mr. President, after reviewing materials about the VVA I have decided I cannot support S. 8, a bill to grant a Federal charter to the Vietnam Veterans of America. The VVA's past activities and its rapidly declining membership rolls does not warrant, in this Senator's opinion, congressional approval of a Federal charter.

Let us look at the facts: Since its inception in 1978, the VVA's national leadership has engaged in a number of activities which unduly interfered in U.S. foreign policy initiatives. Documentation shows that in the early 1980's the VVA leadership visited the Communist regimes of Vietnam and Cambodia. During the second trip, Robert Muller, the VVA's national president, laid a wreath on Ho Chi Minh's grave with the inscription "With respect from the Vietnam Veterans of America."

The VVA leadership has also interfered with the United States Government's efforts to resolve the status of our MIA's by separately calling for normalization of relations with Vietnam before the United States had a full accounting of all United States MIA's. It has sought reconciliation with the Government of Vietnam and presented itself as the official liaison between Hanoi and Washington. It continues to welcome to membership those men and women who were dishonorably discharged or who deserted. The anti-American nature of these activities should not be rewarded in my judgment, by granting the VVA a national charter.

The VVA also fails to represent a significant number of Vietnam-era veterans. It is my understanding that over 10,000 members have left the organization since November 1985, leaving fewer than 17,000 members on its rolls. In contrast, the Veterans of Foreign Wars lists over 500,000 Vietnam-era vets. The American Legion lists approximately 700,000 Vietnam vets. Even the Veterans of the Vietnam War, a veterans organization still seeking a Federal charter, lists 30,000 members. Clearly the VVA's declining rolls demonstrate that the VVA does not reflect the philosophy of the majority of Vietnam veterans.

This Senator is well aware of the amendment adopted by the VVA this past fall to restrict the VVA's activities in the area of foreign policy. It is this Senator's opinion that the language of the amendment would not, in fact, halt the anti-American activities of the VVA's leadership.

This Senator's vote against S. 8 should not be interpreted by anyone as a vote against Vietnam veterans. I will support chartering any veterans organization that I believe warrants a Federal charter. But until there is a real "change of heart" on the part of VVA's national leadership and greater support from the Vietnam vet population, I cannot sanction the VVA's activities by supporting legislation to grant them a Federal charter.

I thank the Chair.

Mr. THURMOND. Mr. President, I rise in support of S. 8, a bill to grant a Federal charter to the Vietnam Veterans of America, Inc.

Senator Denton raised some serious reservations in the Senate Judiciary Committee concerning many of the activities of this organization. There is no Senator in this Senate that I have more respect for than the able Senator from Alabama, Senator Denton. If there was ever a true patriot, he is one. He was a prisoner of war for 7 years during the Vietnam conflict. No one know what he underwent. He expressed a desire to look into the matter further. After meetings with the president of the Vietnam Veterans of America, Robert Muller, Senator Denton now feels that "the intentions of the leadership are just and honorable and that past discretions will not be repeated." He subsequently has removed his reservations to the charter, allowing the measure to come before the full committee.

On March 20, 1986, the Senate Committee on the Judiciary, pursuant to committee rule, waived by two-thirds vote the standard to require a private organization to have been in operation

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under a charter granted by a State or the District of Columbia for a minimum of 10 years. The committee, without objection, then approved S. 8 with a technical amendment and ordered the bill favorably reported.

I think the time has come for us to acknowledge more fully the commitment of service made by these Vietnam veterans. I urge my colleagues to support this legislation.

Mr. DENTON. Mr. President, S. 8, a bill to grant a Federal charter to the Vietnam Veterans of America, Inc. [VVA], was introduced on January 3, 1985. At the time of introduction, I had serious reservations about the bill.

I had serious reservations about the VVA's past history of activities, about its original orientation, and about its direction of leadership. Since it is the national leadership that is seeking the Federal charter, its activities are pertinent to the decision on whether or not to support the request. Many of its past activities appeared to have been unwarranted interferences in the conduct of our foreign policy. Other activities had seemed to bring dishonor upon Americans who served our country in Vietnam, including those who gave their lives.

The questionable activities included:

First, welcoming to membership men and women who were discharged with dishonorable status or who deserted rather than basing the membership upon honorable service to the United States.

Second, conducting visits to the Communist regimes of Vietnam and Cambodia. During one such trip, Robert Muller, the national president, laid a wreath at the grave of Ho Chi Minh with the inscription "With respect from the Vietnam Veterans of America." That action has considerably less merit than President Reagan's visit to Bitburg Cemetery, which was condemned in the Senate.

Third, interfering with our Government's efforts to resolve the status of our MIA's by separately calling for normalization of relations with Vietnam prior to a full accounting of all American MIA's; and

Fourth, seeking reconciliation with the Government of Vietnam, and in fact presenting itself as the official liaison between Hanoi and Washington.

As a result of the perception I had of the VVA based on the past activities of its leadership, I decided to meet with Bobby Muller, the organization's president. In fact, we had a number of good meetings entailing several hours. As a result of these meetings, I must say that I understand and respect Bobby, and I commend him for his military service to this country. I must also state that these meetings developed a degree of commonality between Bobby and myself as to the special needs of the Vietnam-era veterans.

Finally, during the course of these meetings it became apparent that Bobby and the leadership of the VVA have realized the past errors of politicizing the organization by involving the VVA in nonveteran policy issues. In fact, at the national convention this past November, Bobby pushed through an amendment to the organization's constitution which specifically prohibits the national organization and the State chapters from becoming involved in political issues outside of the veteran's area. I believe that Bobby has done his organization a tremendous service by compelling it to focus on the needs of the Vietnam vet and not on extraneous highly political issues.

Mr. President, I now believe that the intentions of the VVA are just and honorable and that the past discretions will not be repeated because of the modification of the organization's constitution.

In light of the foregoing, I removed my reservation as to the bill and joined the other members of the committee in unanimously voting to report S. 8 to the floor.

Mr. RIEGLE. Mr. President, I am pleased that the Senate is today considering S. 8, a bill to grant a Federal charter to the Vietnam Veterans of America, Inc. As a cosponsor of this important legislation, I urge the Senate to vote its approval without further delay.

Several months ago, I was privileged to participate in the VVA's annual convention which was held in Detroit, MI. Although the veterans attending that convention represented a variety of backgrounds and political attitudes, they were unanimous in their desire to achieve a Federal charter.

In granting a charter to the VVA, we salute Vietnam veterans for their devotion to our country, and for their service during the Vietnam war. We confirm our belief in their organization, in its purpose, and in its future.

As a nation, we are indebted to our Vietnam veterans for many things. Above all, we owe them our appreciation and understanding for performing the tasks that were asked of them, and for carrying the physical and mental scars which came from that service.

It is not right for America to look away from its Vietnam veterans because we may wish to block the Vietnam war out of our thinking. Instead, we must make ourselves understand the Vietnam war. We must open our arms and hearts to every Vietnam veteran, and provide the support which they have never fully received.

We must be as committed to our servicemen and women during times of peace as we are during times of war. When a Vietnam veteran is without a job, or is suffering the effects of agent orange, America must be there to help. If the Pentagon can pay $9,000 for a coffee pot, surely we can find the necessary resources to cure the service-connected illnesses of our veterans.

Our duty as a nation is not just to fight the wars. It is to build the peace that follows the wars.

Because of their experiences, our Vietnam veterans have been forced to think deeply about national values and national purpose. They are one of the most important parts of the conscience of America, and their greater personal awareness is one of our great national assets. Perhaps that is one reason why the Vietnam Veterans Memorial attracts more visitors than almost any other site in Washington. America is coming to honor its Vietnam vets and to search and find meaning, to think, to share a sense of national grief, and to understand the lessons of the past for the future.

With their special insights, strength and dedication, our Vietnam veterans can play a key role in helping America decide its destiny. But before they can help us build the America of our dreams, we must first help heal their wounds. Granting official status to their organization is an important first step.

Since its birth 8 years ago, the VVA has been invaluable in helping veterans deal with their special problems. On March 20, 1986, the Senate of the State of Michigan adopted a resolution urging the U.S. Congress to enact legislation granting the Vietnam Veterans of America a Federal charter.

Their resolution read, in part:

> * * * the people of this country have been especially blessed in the dedication of the individuals who have made immeasurable sacrifices to preserve our way of life and our liberties. In addition to the obvious debt we harbor for those who have served in the Armed Forces, our country also is greatly enriched through the programs and efforts of several veterans groups. These organizations have assisted veterans and their families, as well as fostering a spirit of patriotism and service at the local, State and national levels; and
>
> * * * an organization which epitomizes this tradition of service to veterans and the community is the Vietnam Veterans of America. This group touches many lives, especially for those among us with personal knowledge of the hardships, triumphs, and losses of this war. The unique services of this organization are most essential and highly commendable.

To ensure that the special needs of millions of Vietnam veterans are given the priority attention they deserve, it is both necessary and appropriate that Congress promptly grant a Federal charter to the VVA, so that it may work effectively on behalf of those who have sacrificed so much.

Mr. DOLE. Mr. President, over the years, much has been written and spoken about the Vietnam war. As a nation, we still debate the wisdom of our involvement in the Vietnam war and our strategies and tactics for waging it. But I do think we have achieved a national consensus on at least one issue—that America's fighting men and women in that war, not less than in any other war, deserve our honor for their patriotism, respect for their courage, and admiration for their good intentions.

The granting of a Federal charter to the Vietnam Veterans of America is one very symbolic step in recognizing the tremendous contribution this organization has made to not only the veterans of the Vietnam war but to the discourse on national policy these men and women have truly given of themselves both on and off the battlefield.

DISABLED AMERICAN VETERANS

Two nights ago, I was privileged to be recipient of the Victory of the Human Spirit Award for the injuries I received in World War II. As a disabled veteran, I can appreciate the needs of our Vietnam veterans and recognize the tremendous debt we owe them. These brave Americans shall for the rest of their lives carry with them harsh reminders of the hell of war. Their disabilities range from the loss of limbs, sight, hearing and mobility to delayed stress syndrome. They have made a sacrifice that can never fully be repaid. We have honored them with ceremonies, speeches, and remembrances. While important, it is not enough. The Vietnam Veterans of America have done a great deal in helping the many disabled veterans of Vietnam become productive members of society. This must be recognized.

OUR POW-MIA'S MUST NEVER BE FORGOTTEN

However, for many, the war did not end in 1975 and, in fact, has not yet ended. These are still Americans whose fate remains unknown and whose families and loved ones still live lives of fear, pain and frustration. The attitude of the Vietnamese Government is the single most important factor in resolving the fate of our POW-MIA's. Many, many Americans—in Kansas and around the country—are waiting, as they have for more than a decade, to see if Hanoi is serious, to see if the Vietnamese Communists will live up to minimum standards of humane behavior, to see if they will do what is right.

A NOTE OF THANKS TO THOSE WHO MADE IT POSSIBLE

Mr. President, a great deal of thanks should go to Senator MURKOWSKI, chairman of the Senate Veterans Affairs Committee and Senator SIMPSON, ranking member of the committee, who took such an interest in the granting of this charter. Also, Senator CRANSTON, ranking minority member of the committee deserves a note of thanks for his work on behalf of the charter. A great deal of the credit goes to Robert Mueller, president of the Vietnam Veterans of America. Bob, a former marine who is 100-percent disabled—along with the many dedicated members of the organization—has done an admirable job in keeping this issue on the congressional front burner. I look forward to joining my colleagues and others at the White House when the President signs this bill granting a Federal charter.

Mr. President, this vote pays tribute to those who have accepted the ultimate responsibility for the well-being of our Nation. Let us demonstrate our individual consideration and respect to these men, and on a larger scale, by insuring the efficient and adequate maintenance of programs, benefits and services our veterans justly deserve—we can do this by granting a Federal charter to the Vietnam Veterans of America.

Mr. CHAFEE. Mr. President, the U.S. Senate is presented with a unique opportunity today. By adopting S. 8, legislation which will grant a Federal charter to the Vietnam Veterans of America, Inc., this body will have the chance to positively affect the lives of many veterans at no cost to the Federal Government.

I am a proud cosponsor of this measure and I urge my Senate colleagues to join me in enacting it.

As many Senators know, the Vietnam Veterans of America, Inc. [VVA], was founded in 1978. Incorporated in New York the same year, VVA aimed to foster and promote improvement of the condition of Vietnam veterans, widows and orphans of Vietnam veterans, and veterans of other wartime service.

If membership is any indication, Mr. President, VVA aimed well. In fact, it is now the largest national service organization exclusively devoted to Vietnam veterans. The organization claims about 32,000 members in over 40 States and more than 200 chapters. Its national activities benefit the more than 40,000 Rhode Islanders who served our country during the Vietnam era.

The VVA has been accredited by the Veterans' Administration for several years. It has been providing valuable service since its inception. Approval of a Federal charter will greatly enhance the VVA's credibility as a viable, topnotch veterans service organization and bolster its position in the fraternity of service organizations.

This legislation has been cosponsored by over 60 of my Senate colleagues and has the unqualified endorsement of nearly every veterans service and employment organization in Rhode Island, including the Rhode Island Veterans Action Center, the Vietnam-Era Veterans Association, the Vietnam Veterans Betterment Organization, and others.

Mr. President, the truly remarkable feature about this bill is that its adoption will come at no cost to Federal, State, or local governments, according to estimates of the Congressional Budget Office. With acrimonious budget debates looming in the immediate future, today's vote could be the last opportunity Senators will have in the 99th Congress to cast a vote for a worthy cause, without spending American taxpayer dollars.

Mr. President, I commend S. 8 to my colleagues and urge its adoption.

Mr. BIDEN. Mr. President, I rise in support of this charter and believe we should move quickly to see that the Vietnam Veterans of America can take their place alongside our other fine veterans organizations. In recognizing the contributions this organization has already made we only need to look at the increase in membership and new chapters they have achieved in the last 5 years. In 1980, the Vietnam Veterans of America had 2,000 members and 15 chapters. Today there are 32,000 members and 250 chapters. As the chairman and ranking member of the Veterans' Affairs Committee have indicated the testimony of the Vietnam Veterans of America is often sought in considering numerous veterans' issues.

I believe the wounds from the Vietnam war have left some veterans of that conflict disillusioned and reluctant to participate and seek their rightful place in the mainstream of America. This is an area where I believe the Vietnam Veterans of America have already made a valuable contribution in seeking out these men and women. I can't imagine any of us not wanting to help an organization that is working to secure the rightful benefits and the appreciation owed to the nearly 3 million Americans who served in Southeast Asia.

I think it is important that we understand the type of people who are affiliated with the Vietnam Veterans of America. Their elected leaders include a Congressional Medal of Honor winner, a wheelchair-bound marine, a former POW, and a banker. Their membership also includes doctors, teachers, active duty military personnel, blue collar, white collar, and men and women who may be unemployed. Their goal is to foster, encourage, and promote improvements of the condition of the Vietnam veterans, widows, and orphans of Vietnam veterans, veterans of other wartime service, and others. Their publications, training services, and assistance programs are widely praised throughout the Nation.

In my home State the work of this organization is well recognized. Delaware Chapter No. 83 of the Vietnam Veterans of America has been doing good work in assisting veterans in our State and I believe they have been instrumental in rekindling a sense of patriotism among some Vietnam vets who had been very disillusioned. In fact, in October 1985, when my State

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established a Veterans' Affairs Committee, the first chairman chosen from among representatives of all the major veterans organizations, was James H. Harbison who was the president of Delaware Chapter No. 83 of the Vietnam Veterans.

In summary I would like to quote from an editorial that appeared in the Stars and Stripes, which is well recognized as the veterans newspaper. This editorial succinctly explains why this charter should be passed today. I will quote from the last paragraph:

> * * * in war Vietnam Veterans of America were there when their country called. In peacetime they are there for fellow vets. Now the U.S. Senate should be there when VVA needs its well deserved congressional charter. It's time * * *.

I ask my colleagues to join with me in voting for S. 8, the Vietnam Veterans of America, Inc., Charter.

Mr. LAUTENBERG. Mr. President, I rise as a cosponsor of S. 8, the bill to grant a Federal charter to the Vietnam Veterans of America [VVA], to urge the swift passage of this bill.

Formed in 1978, the VVA has devoted itself in an outstanding way to the welfare and the problems of Vietnam-era veterans. The VVA nationally, and the New Jersey Chapter, led by the New Jersey State chairman, Bob Hopkins, have provided valuable leadership on Vietnam veterans' problems like needs for readjustment, employment and economic assistance, the adequacy of GI bill benefits, VA health-care programs, agent orange, and posttraumatic stress disorder. Now over 32,000 members strong, the VVA has ably and conscientiously advanced these causes through the legislative process as well as by increasing public awareness.

At the same time, VVA provides valuable practical assistance to veterans by representing them in connection with claims for benefits before the Veterans' Administration. The VVA claims service department has gone one step beyond this traditional veterans organization service by developing and distributing a comprehensive claims manual for use by its service officers and others involved in assisting Vietnam veterans.

As the local service providers, the VVA's 150 chapters are the backbone of the organization. Every chapter serves as the primary contact point for information and referral services, and many have established local rap groups to help Vietnam veterans express themselves and address their common problems in a supportive environment.

Perhaps as important as the practical services provided by VVA, this organization has helped to instill pride and a sense of positive identification into Vietnam veterans who served their country at a different and divisive time in our national history.

As a World War II veteran myself, it is clear that granting a Federal charter to the VVA would be a fitting way to express our recognition of the contributions which Vietnam veterans have made to our country, both during that war and in its aftermath. This charter would strengthen the ability of VVA to continue to serve its veterans in meaningful and effective ways. As important a tribute as the Vietnam Veterans Memorial erected in this city, this charter will help those who survived the war to go on living and contributing to our society in the fullest way possible.

I urge my colleagues to approve this legislation and send VVA a strong signal of support for their important work.

Mr. HEINZ. Mr. President, I am pleased to be a cosponsor of S. 8, to grant a Federal charter to the Vietnam Veterans of America. Since 1979 this organization has served the veterans of Pennsylvania and the Nation with distinction, and I am looking forward to the passage and enactment of this measure.

In the past 6 years VVA has shown themselves to be worthy of a charter by concentrating on services to veterans. In Pennsylvania this has been accomplished through local VVA chapters, and local business and volunteer groups working together to provide opportunities for veterans. Through VVA, small businesses have been developed, and have succeeded. Unemployed veterans have been located, job search assistance provided, and productive employment has been the result. Of equal importance is the counseling and representation VVA provides to its members. Veterans suffering from posttraumatic stress syndrome or other service-related difficulties have a friend and adviser in the VVA. In addition, VVA provides full representation to members seeking to ajudicate claims before the Veterans Administration.

These services which VVA makes available not only to my consitituents, but throughout the Nation, prove that VVA deserves a charter. But, moreover, VVA is of real help here in Washington as well. The Washington office has worked tirelessly to secure compensation for agent orange victims and job training for unemployed vertans, among many, many other issues.

For these reasons I have been a cosponsor of the VVA charter measure, and will glady vote in favor of it. I urge all my colleagues to join me and do likewise.

Mr. DODD. Mr. President, as one of its original sponsors I rise in strong support of the pending legislation, S.8, granting a Federal charter to the Vietnam Veterans of America, Inc. It is one of our country's noblest traditions to honor those among us who have served in our Armed Forces at the time of war or other conflicts short of actual war. For a long time, however, the veterans of the Vietnam war had not been given the recognition and gratitude by the Nation that they were entitled to. That war has divided our Nation in a way no war did since our Civil War. Amidst the political infighting about that war, the mutual recriminations from its opponents and supporters our servicemen at best were forgotten, at worst were made scapegoats for the division that was, the least of all, their fault.

I am very pleased that with time most Americans have recognized the injustice that was done to our Vietnam veterans and they have been given belated recognition for their sacrifices for our Nation. Still, there were many issues and concerns that were specific and important to Vietnam veterans and that called for a service organization dedicated to those concerns. The Vietnam Veterans of America, Inc., has filled that gap and has institutionalized a specific advocacy service to the Vietnam vet.

This organization was not formed to rival older, more established service organizations but to complement their work. Indeed, many members and leaders of Vietnam Veterans of America also belong to the American Legion and the Veterans of Foreign Wars, just to mention two of the most prestigious older groups.

Mr. President, a Federal charter is an official acknowledgment of the record and commitment of a service organization in providing assistance to those it was formed to support. It also enables the organization to take advantage of certain forms of Federal and State benefits to its work. During its existence the Vietnam Veterans of America has established and outstanding record in support of Vietnam veterans. Its membership now surpasses 30,000. I see absolutely no reason to deny them the honor of a Federal charter and I urge all my colleagues to approve this legislation.

Mr. GLENN. Mr. President, I rise to express my support for S. 8, a bill to grant a Federal charter to the Vietnam Veterans of America. My State of Ohio boasts the largest number of VVA chapters, with 28 active chapters and an additional 16 to 20 in formation. The Ohio VVA has been actively involved in veterans employment assistance activities, operating six job counseling and placement centers in the State in conjunction with the Vietnam Veterans Leadership Program. Later this year the Ohio VVA will cosponsor a Small Business Veterans Business Conference with the SBA. Ohio VVA has 10 trained veterans service representatives around the State whose advice and assistance are available to all veterans and dependents. The Ohio VVA also participates

in voter registration efforts and the antidrug abuse program called "Just Say No." They are members of the Governor's Advisory Commission on Veterans Affairs and the Veterans Association of State Commanders and Adjutants. With respect to community service, Ohio VVA chapters run an annual soapbox derby for handicapped children and participate in a Christmas "Toys for Tots" Program.

On the national level the VVA has become an active and effective advocate of Vietnam veterans concerns before Congress and executive agencies. Their voice has heard and heeded on a range of issues including Vietnam veteran unemployment, the Vet Center Program and agent orange. The VVA operates an active Legal Services Program offering claims assistance to veterans.

In 8 short years the VVA has established itself as a true veterans service organization, and as such deserves the recognition of a Federal charter.

Mr. HOLLINGS. Mr. President, I am pleased to be a cosponsor of S. 8, a bill which grants a Federal charter to the Vietnam Veterans of America, Inc. [VVA]. VVA is the largest national service organization devoted exclusively to encourage and promote the welfare of Vietnam-era veterans.

Its membership, which doubled in 1982 and again in 1983, currently stands at 21,000. Each of the 150 chapters across the country works to meet the individual needs of the Vietnam veteran by providing information and referral services, substance abuse programs and job fairs. Events and activities such as Special Olympics and Big Brothers organized by VVA chapters not only benefit the communities in which they are held, but also portray a positive image for Vietnam veterans and help to foster their readjustment to civilian life.

Vietnam Veterans of America, Inc., addresses the major issues that confront all veterans of Vietnam, inlcuding not only their readjustment needs, but also employment opportunities and economic assistance, adequacy of GI bill benefits, and VA health-care programs. In addition, this organization has been involved in efforts to seek judicial review of veterans' benefit claims.

Since its formation in 1978, Mr. President, VVA has made great strides. Its rapid growth attests to the important work it does and the respect our Vietnam-era veterans have for it. It has become a major voice in all aspects of veterans affairs, providing valuable counsel to Federal and local agencies, to the Senate Veterans Affairs Committee and individual Members of the Senate. Because of its commitment to providing this insight and assistance, and the need for it to continue to do so, the VVA should have access to the many veterans' affairs forums which are limited to organizations with Federal charters.

I am happy to lend my support to this important bipartisan legislation, and, Mr. President, I urge my colleagues to join with me and vote for its passage.

Mr. LEAHY. Mr. President, 25 years ago this country embarked on what was to become the most divisive and destructive war since the 1860's. By the time we finally extracted ourselves from the horrors of Vietnam, 59,000 Americans and many more Vietnamese had lost their lives.

The brave men and women who served in that war came home to a country that wanted to forget. For many of them the nightmare of Vietnam was far from over. Some, still suffering from the physical and psychological injuries of the war, were rejected by families and friends, and succumbed to drugs and even suicide. For the past decade, Vietnam veterans have struggled to gain the honor and the respect they deserve.

Vietnam Veterans of America was begun in 1978, when Vietnam veterans were almost forgotten. VVA now has over 200 chapters in 41 States. It is the only national organization devoted solely to providing vital services, advocacy and opportunity to the 9 million Americans who served in the armed services during the Vietnam war.

VVA has proven many times over that it deserves our strongest support, for the central role it has played in reuniting this country. It has provided legal representation to thousands of Vietnam veterans in Veterans' Administration claims and discharge review cases. Hundreds of veterans have had their discharges upgraded as a result of this advocacy.

It has lobbied hard for legislation to benefit veterans, including the Emergency Job Training Act, funding to support Veterans centers, compensation for agent orange victims, and the Vietnam War Memorial.

VVA has worked tirelessly with the Veterans' Administration and other Federal agencies, and sponsored community projects on issues that directly aid veterans, including jobs and substance abuse programs, special Olympics, veterans small business conferences, blood drives and State and local Vietnam memorials.

By these efforts and many others, VVA has helped tens of thousands of Vietnam veterans succeed in government, in education, in business and in countless other endeavors that benefit all of us.

By adopting S. 8 to grant a Federal charter to VVA, we can give it our full support to build on its past record of achievements. VVA will then have access to important Veterans' Administration support services, and to State funds and resources for Vietnam veterans services.

This legislation has the overwhelming support of Republicans and Democrats, including several who served in Vietnam. Like the Vietnam War Memorial, visited by more Americans than any other memorial, and last year's New York City parade in honor of Vietnam veterans, this Federal charter is an expression of our recognition of the veterans of an unpopular war, and of the organization that has done the most to put that war behind us all.

Mr. HART. Mr. President, I am pleased that the Senate will vote today on S. 8, which grants a Federal charter to the Vietnam Veterans of America [VVA]. As an original cosponsor of this measure, I support granting this charter to recognize and further the work of VVA.

VVA has grown to become the largest national service organization exclusively devoted to the Vietnam veteran. The organization works with veterans who need job counseling and training; it offers them legal aid, and promotes overall assistance to veterans through legislative lobbying activities.

It has been over a decade since the end of the Vietnam war, but, the wounds are only now beginning to heal. Most veterans have moved quietly back into the mainstream of American society. And many have taken up positions of leadership in our government—leaders like Senators John Kerry, Albert Gore, Tom Harkin, Larry Pressler, Jeremiah Denton, Gov. Bob Kerrey, of Nebraska, and Representatives Tom Daschle and Byron Dorgan to name but a few. Yet some veterans continue to have problems related to their wartime experiences and will continue to need our help and encouragement.

One way we have helped is last year's action by the U.S. Senate in granting the right to judicial review for veterans benefit claims. This legislation is long overdue, and a much deserved and needed boost for those who fought in wars defending our country.

But even this legislation is not enough. It has taken years for American citizens and our Government to fully realize the gripping reality of the war in Vietnam. VVA has worked diligently over the last 8 years to help the people and Government of this country understand how we must move forward to secure the future for the hundreds of thousands of Vietnam veterans in the United States today.

Bobby Muller, president and founder of VVA has been the principal behind many of these efforts. His accomplishments for veterans are many. In addition to founding VVA, he lead an American delegation of Vietnam veterans in 1981 to Vietnam to create a dialog between our countries on the effects of agent orange, the fate of American soldiers still listed as miss-

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ing in action, and the plight of outcast Amerasian children. His delegation contained the first group of combat veterans to visit Vietnam since the United States disengaged from the fighting in 1975.

Since the creation of VVA in 1978, the organization has grown to nearly 30,000 members with over 200 chapters in 41 States. There, Mr. Muller's efforts have really borne fruit. His work has been primarily to seek justice on behalf of the thousands of veterans who fought the war in Vietnam and for the survivors of the men killed.

One of the most fitting ways to honor this man and the organization he started is for the Senate to pass a Federal charter for the Vietnam Veterans of America.

A congressional charter for VVA would enable the organization to continue its invaluable efforts for the veterans of that war and to act as a catalyst for enacting legislation they need.

Enactment of S. 8 will place this latest generation of veterans on the same footing as veterans from previous wars whose representative organizations have received similar recognition.

Mr. President, VVA is an outstanding group of caring men and women who have served our country with distinction. I support S. 8, and I urge the entire Senate to join me in voting for the VVA Federal charter today.

The PRESIDING OFFICER. All time has expired.

Mr. PRESSLER addressed the Chair.

The PRESIDING OFFICER. The Senator from South Dakota is recognized.

Mr. PRESSLER. Mr. President, I ask unanimous consent that I may proceed for 1 minute on the Vietnam Veterans of America charter resolution.

The PRESIDING OFFICER. Is there objection? Without objection, it is so ordered.

Mr. PRESSLER. Mr. President, as a Vietnam veteran, and as a member of the Vietnam Veterans of America, I strongly support this legislation. I have spoken many times on the Senate floor about the need to give recognition to Vietnam veterans. It has been much easier in the last 3 or 4 years. It was much more difficult 5 or 6 years ago.

I have had a particular interest in Vietnam veterans since serving in the Army in Vietnam myself some years ago. In the past I have led efforts in this body in support of legislation to aid the Vietnam veterans cause. Today I join with many of my distinguished colleagues in cosponsoring this legislation on behalf of the Vietnam Veterans of America.

Every recognized veterans' organization today was formed with a particular interest in mind. The American Legion was formed in 1919 by veterans of World War I and was granted a Federal charter the same year. AMVETS was organized by World War II veterans in 1944 and was granted a Federal charter in 1947. The Veterans of Foreign Wars, of which I am a member, was formed in 1899 and was granted a Federal charter in 1936. There are veterans' organizations which pertain to religion. For example, the Jewish War Veterans organization was founded in 1896 and received its Federal charter in 1984. The Catholic War Veterans group was founded in 1935 and in 1985 received a Federal charter. The Disabled American Veterans organization, of which I am a member was founded in 1920 and was granted a Federal charter in 1932. The Paralyzed Veterans of America group was founded in 1947 and was granted a Federal charter in 1971. The VVA is a legitimate interest group, and should be granted this charter so that they may better care for their own.

The VVA is a national organization devoted to the welfare of the Vietnam era veterans. They are the largest service organization for Vietnam veterans with a national membership of more than 25,000 members in over 200 chapters nationwide. Their main purpose is to promote a cultural, economic, educational and emotional readjustment to civilian life. The VVA's local chapters conduct rap groups and job fairs. They are active in charitable organizations, Special Olympics, Boys' Clubs and Girls' Clubs, walkathons for the March of Dimes, and telethons for Muscular Dystrophy, soap box derby races for the handicapped, food programs, blood drives, and drug and alcohol abuse programs. They are involved in veterans' counseling and referral services, veterans' small business conferences and veterans' business resource councils.

But most important is their work which enables Vietnam veterans to be proud of their service to this Nation. The Vietnam war was a difficult period in our Nation's history. Many veterans of Vietnam suffered feelings of guilt and great psychological stress as a result of their service and the treatment they received upon returning home. They had severe difficulties adjusting to the job market, and sometimes were discriminated against in their efforts to readjust to civilian life. I recall vividly that when I first returned home from Vietnam, very few veterans wore their uniforms publicly for fear of insults. They became ashamed to admit that they had served in the Armed Forces. They were unlike veterans from other wars, who were welcomed home with ceremonies and parades.

Fortunately, Mr. President the Nation is moving toward a better understanding of its veteran population. The Vietnam Veterans of America already have made valuable contributions to this Nation. The granting of a Federal charter will recognize their accomplishments and help them toward further achievements. I urge the immediate adoption of this resolution.

The PRESIDING OFFICER. All time under the agreement with relation to S. 8 has expired.

The question is on agreeing to the committee amendments.

The committee amendments were agreed to.

The PRESIDING OFFICER. The bill is open to further amendment. If there be no further amendments to be proposed, the question is on the engrossment of the amendments the third reading of the bill.

The bill was ordered to be engrossed for a third reading and was read the third time.

The PRESIDING OFFICER. The bill having been read the third time, the question is, Shall it pass?

On this question, the yeas and nays have been ordered. The clerk will call the roll.

The assistant legislative clerk called the roll.

Mr. SIMPSON. I announce that the Senator from Florida [Mrs. HAWKINS] and the Senator from Vermont [Mr. STAFFORD] are necessarily absent.

I further announce that, if present and voting, the Senator from Florida [Mrs. HAWKINS] would vote "yea."

Mr. CRANSTON. I announce that the Sentor from Missouri [Mr. EAGLETON] is necessarily absent.

The PRESIDING OFFICER. Are there any other Senators in the Chamber who desire to vote?

The result was announced—yeas 94, nays 3, as follows:

[Rollcall Vote No. 52 Leg.]

YEAS—94

Abdnor
Andrews
Armstrong
Baucus
Bentsen
Biden
Bingaman
Boren
Boschwitz
Bradley
Bumpers
Burdick
Byrd
Chafee
Chiles
Cochran
Cohen
Cranston
D'Amato
Danforth
DeConcini
Denton
Dixon
Dodd
Dole
Domenici
Durenberger
Evans
Exon
Ford
Garn
Glenn
Goldwater
Gore
Gorton
Gramm
Grassley
Harkin
Hart
Hatch
Hatfield
Hecht
Heflin
Heinz
Hollings
Humphrey
Inouye
Johnston
Kassebaum
Kasten
Kennedy
Kerry
Lautenberg
Laxalt
Leahy
Levin
Long
Lugar
Mathias
Matsunaga
Mattingly
McClure
McConnell
Melcher
Metzenbaum
Mitchell
Moynihan
Murkowski
Nickles
Nunn
Packwood
Pell
Pressler
Proxmire
Pryor
Quayle
Riegle
Rockefeller
Roth
Rudman
Sarbanes
Sasser
Simon
Simpson
Specter
Stennis
Stevens
Symms
Thurmond
Trible
Warner
Weicker
Wilson
Zorinsky

NAYS—3

East
Helms
Wallop

NOT VOTING—3

Eagleton
Hawkins
Stafford

So the bill (S. 8, as amended) was passed, as follows:

S. 8

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

RECOGNITION AS CORPORATION AND GRANT OF FEDERAL CHARTER

SECTION 1. The Vietnam Veterans of America, Inc., a nonprofit corporation organized under the laws of the State of New York, is hereby recognized as such and is granted a charter.

CORPORATE POWERS

SEC. 2. The Vietnam Veterans of America, Inc. (hereinafter in this Act referred to as the "corporation"), shall have only those powers granted to it through its articles of incorporation filed in the State in which it is incorporated and its constitution and bylaws, and subject to the laws of such State.

OBJECTS AND PURPOSES OF CORPORATION

SEC. 3. The objects and purposes of the corporation are those stated in its articles of incorporation, constitution, and bylaws and include a commitment to—

(1) uphold and defend the Constitution of the United States;

(2) foster the improvement of the condition of Vietnam-era veterans;

(3) promote the social welfare (including educational, economic, social, physical, and cultural improvement) in the United States by encouraging the growth and development, readjustment, self-respect, self-confidence and usefulness of Vietnam-era veterans and other veterans;

(4) improve conditions for Vietnam-era veterans and develop channels of communication to assist Vietnam-era veterans;

(5) conduct and publish research, on a nonpartisan basis, pertaining to the relationship between Vietnam-era veterans and the American society, to the Vietnam war experience, to the role of the United States in securing peaceful coexistence for the world community, and to other matters which affect the educational, economic, social, physical, or cultural welfare of Vietnam-era veterans and other veterans and the families of such veterans;

(6) assist disabled Vietnam-era veterans and other veterans in need of assistance and the dependents and survivors of such veterans; and

(7) consecrate the efforts of the members of the corporation and Vietnam-era veterans generally to mutual helpfulness and service to their country.

SERVICE OF PROCESS

SEC. 4. With respect to service of process, the corporation shall comply with the laws of the State in which it is incorporated and those States in which it carries on its activities in furtherance of its corporate purposes.

MEMBERSHIP

SEC. 5. Except as provided in section 8, eligibility for membership in the corporation and the rights and privileges of members shall be as provided in the constitution and bylaws of the corporation.

BOARD OF DIRECTORS

SEC. 6. Except as provided in section 8, the board of directors of the corporation, and the responsibilities of the board, shall be as provided in the constitution and bylaws of the corporation and in conformity with the laws of the State in which it is incorporated.

OFFICERS

SEC. 7. Except as provided in section 8, the officers of the corporation, and the election of such officers, shall be as provided in the constitution and bylaws of the corporation and in conformity with the laws of the State in which it is incorporated.

NONDISCRIMINATION

SEC. 8. In establishing the conditions of membership in the corporation and in determining the requirements for serving on the board of directors or as an officer of the corporation, the corporation may not discriminate on the basis of race, color, religion, sex, national origin, handicap, or age.

RESTRICTIONS ON CORPORATE POWERS

SEC. 9. (a) No part of the income or assets of the corporation shall inure to any person who is a member, officer, or director of the corporation or be distributed to any such person during the life of this charter. Nothing in this subsection shall be construed to prevent the payment of reasonable compensation to the officers of the corporation or reimbursement for actual necessary expenses in amounts approved by the board of directors.

(b) The corporation shall not make any loan to any officer, director, or employee of the corporation.

(c) The corporation shall have no power to issue any shares of stock nor to declare or pay any dividends.

(d) The corporation shall not claim congressional approval or Federal Government authority by virtue of this Act for any of its activities.

LIABILITY FOR ACTS OF OFFICERS AND AGENTS

SEC. 10. The corporation shall be liable for the acts of its officers and agents when acting within the scope of their authority.

BOOKS AND RECORDS; INSPECTION

SEC. 11. The corporation shall keep correct and complete books and records of accounts and shall keep minutes of any proceeding of the corporation involving any of its members, the board of directors, or any committee having authority under the board of directors. The corporation shall keep at its principal office a record of the names and addresses of all members having the right to vote. All books and records of the corporation may be inspected by any member having the right to vote, or by any agent or attorney of such member, for any proper purpose, at any reasonable time. Nothing in this section shall be construed to contravene any applicable State law.

AUDIT OF FINANCIAL TRANSACTIONS

SEC. 12. The first section of the Act entitled "An Act to provide for audit of accounts of private corporations established under Federal law", approved August 30, 1964 (36 U.S.C. 1101), is amended by inserting after paragraph (71) the following new paragraph:

"(72) The Vietnam Veterans of America, Inc.".

ANNUAL REPORT

SEC. 13. The corporation shall report annually to the Congress concerning the activities of the corporation during the preceding fiscal year. Such annual report shall be submitted at the same time as is the report of the audit of the corporation required by section 2 of the Act entitled "An Act to provide for audit of accounts of private corporations established under Federal law", approved August 30, 1964 (36 U.S.C. 1102). The report shall not be printed as a public document.

RESERVATION OF RIGHT TO ALTER, AMEND, OR REPEAL CHARTER

SEC. 14. The right to alter, amend, or repeal this charter is expressly reserved to the Congress.

DEFINITION OF "STATE"

SEC. 15. For purposes of this Act, the term "State" includes the District of Columbia, the Commonwealth of Puerto Rico, and each of the territories and possessions of the United States.

TAX-EXEMPT STATUS

SEC. 16. The corporation shall maintain its status as an organization exempt from taxation as provided in the Internal Revenue Code of 1954.

EXCLUSIVE RIGHT TO NAMES

SEC. 17. The corporation shall have the sole and exclusive right to use the name "The Vietnam Veterans of America, Inc.", "Vietnam Veterans of America, Inc.", and "Vietnam Veterans of America", and such seals, emblems, and badges as the corporation may lawfully adopt. Nothing in this section shall be construed to interfere or conflict with established or vested rights.

FAILURE TO COMPLY WITH RESTRICTIONS OR PROVISIONS

SEC. 18. If the corporation shall fail to comply with any of the restrictions or provisions of this Act, the charter granted by this Act shall expire.

Mr. DOLE. Mr. President, I move to reconsider the vote by which the bill was passed.

Mr. TRIBLE. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

METROPOLITAN WASHINGTON AIRPORTS TRANSFER ACT

The PRESIDING OFFICER. The pending business is S. 1017, which the clerk will state by title.

The assistant legislative clerk read as follows:

A bill (S. 1017) to provide for the transfer of the Metropolitan Washington Airports to an independent airport authority.

The Senate resumed consideration of the bill.

The PRESIDING OFFICER. The Senator from Virginia is recognized.

Mr. BYRD. Mr. President, will the distinguished Senator yield?

Mr. TRIBLE. I am happy to yield to the minority leader.

Mr. BYRD. Mr. President, I inquire of the distinguished majority leader what the program will be for the remainder of the day and whether or not he anticipates any more rollcall votes today and possibly if he could also indicate how late the Senate might be in today.

Mr. DOLE. Mr. President, if we could have order.

The PRESIDING OFFICER. The majority leader is correct. The Senate is not in order.

The majority leader is recognized.

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Mr. DOLE. Mr. President, I think how late we are in depends on whether or not we can start offering amendments to this bill. This is a very minor piece of legislation, in many respects. It is the seventh day it has been on the Senate floor. I am advised that there are some who do not want anything done today or tomorrow. They just want to talk for a couple more days. So I am prepared to stay here late this evening so we can start offering amendments to this bill. It is a matter that ought to be disposed of.

We have had adequate debate. No one has quarreled about anybody's right to debate. We have tried to protect the rights of everyone.

I am advised there are at least 15 amendments to the bill. I am not certain all of them will be offered. But if we can start offering amendments and having votes this afternoon, it would certainly help us get out earlier this evening and tomorrow evening. But, unless there is some disposition to do that, I am prepared to stay until midnight and later tomorrow night.

Mr. BYRD. Mr. President, will the distinguished Senator yield further?

Mr. TRIBLE. I am happy to yield to the distinguished minority leader.

Mr. BYRD. Mr. President, I can associate myself with the Senator's problem of having the responsibility to move the program along.

Is the distinguished majority leader in a position to say now that definitely the Senate will be in tonight until 10 o'clock or that it will be in until midnight or that there will be no votes beyond 6 o'clock or 7 o'clock? Is he in a position to let our colleagues know about the prospects in those regards?

Mr. DOLE. If the Senator from Virginia will yield further.

Mr. TRIBLE. I am happy to yield.

Mr. DOLE. I am not yet prepared to make that statement, because I would like to complete action on this bill. There are a number of other Members pushing other pieces of legislation that we cannot dispose of until we deal with this. I am told there are at least two amendments have now been taken off the list—about 15 amendments and there may be others. I am not certain they all will be offered. But if we could start voting on the amendments, I believe we would be in a position to try to accommodate some of the concerns on both sides, to have votes start about 7 o'clock this evening. But let me try to advise my colleague by, let us say, 4:30.

Mr. BYRD. By 4:30; I thank the Senator.

I have one more question, if the Senator from Virginia will permit me and if the majority leader will be patient with me. The budget resolution is a privileged matter and regardless of the unfinished business now before the Senate, the budget resolution can be brought up. Is the distinguished majority leader today, tomorrow, or Friday, even, to call the budget resolution up? I believe there are 50 hours of debate thereon.

Mr. DOLE. Let me indicate, if the Senator from Virginia will yield.

Mr. TRIBLE. I am happy to yield.

THE BUDGET RESOLUTION

Mr. DOLE. I met with most of the committee chairmen this morning, along with the OMB Director. It is my hope to have additional meetings during the afternoon. I doubt that we will get on the budget resolution this week. Then we will probably have the Republican conference later on in the week. I think it is fair to say—it is public information—that there are rather sharp divisions on this side on the budget resolution. About 24 or 25 Senators have indicated in writing their opposition to the budget resolution. The others, I guess, without checking, may be on the other side of the issue.

Mr. BYRD. Let me encourage the distinguished majority leader, if I may presume to do so, to bring this budget resolution up as soon as possible. It came out of committee on a bipartisan vote. I would hope that, with debate on the floor and Senators having amendments which they feel will improve the measure, fix this or fix that, I believe the distinguished majority leader would probably hasten the final action on the resolution if the Senate could get to it earlier. And, I feel confident that he is going to get some good support from this side of the aisle.

I wish to take, while I have this opportunity, the time to compliment the chairman and the ranking member for hammering out what appears to be a pretty moderate and balanced approach. We will have some amendments, but I hope that we can get to the budget sooner rather than later, if the distinguished majority leader will allow me to say so without appearing too presumptuous as to what is his responsibility.

Mr. EXON. Will the Senator yield for a question?

The PRESIDING OFFICER. The Senator from Virginia has the floor.

Mr. TRIBLE. I yield to the Senator from Nebraska for a question.

Mr. EXON. Mr. President, I wish to ask a question of the minority leader and majority leader before they leave the floor. I wish to associate myself with the remarks just made by the minority leader. As a member of the Budget Committee, we hammered out a proposal that is not perfect but at least it had strong bipartisan support. I think the quicker we bring that matter to the floor of the U.S. Senate and get on with the business of enacting a budget, the better off we will be.

My question has to do with the April 15 magical date. The law clearly states that we are to have action by April 15, which is 6 days away from right now, on the budget proposal. I know that we have conveniently ignored those dates from time to time, but that should not be precedent setting, especially in the situation that we find ourselves in right now.

This Senator did not support the Gramm-Rudman-Hollings proposal, but that is standing back there, I suggest. And if you think things are tough now, those of you who voted for Gramm-Rudman-Hollings, I would be scared to death if I voted for that bill and started to see a slippage of these dates that were set to bring some fundamental changes to the budget.

Therefore, I say, good, bad, or indifferent, I support strongly the able chairman of the Budget Committee who has done an outstanding job in bringing a coalition together. Senator DOMENICI, working together with Senator CHILES, the ranking Democrat, came out with not a perfect budget, but a budget that is fully workable, fully sound, protects many of the programs that we think should be protected, and meets the Gramm-Rudman proposal for a $144 billion deficit by the end of this fiscal year.

I just encourage our leaders to bring this up. The way we work our will here is that, after the appropriate body has made their decision, in this case the Budget Committee, if the committee system means anything in this body, it should come up on the floor of the Senate where it is fully amendable. I would think the quicker we get on with that the better.

My question, and I would like to ask the majority leader and the minority leader: What happens if we let the April 15 date slip by, which apparently we are about to do? Is that not a major concern to finding the give and take and the compromising and the votes that are going to be necessary on this floor to oppose those amendments that obviously are going to be offered? What do we do if we miss the April 15 date; nothing?

Mr. DOLE. Take it up later.

Mr. EXON. Take it up later.

Mr. TRIBLE. Mr. President, let me reclaim my time and say that we are now prepared, I believe, to consider a number of amendments to the airports legislation. Senator METZENBAUM is prepared now to proceed with an amendment. I promised him he would have an opportunity to do that before 3 o'clock. After the resolution of that amendment, it would be my hope then that we could proceed to an amendment to be offered by the Senator from New Jersey, Senator LAUTENBERG.

AMENDMENT NO. 1733

(Purpose: To protect the interests of the United States in the transfer of the Metropolitan Washington Airports)

Mr. METZENBAUM. Mr. President, I send an amendment to the desk and ask for its immediate consideration.

The PRESIDING OFFICER. The clerk will report.

The assistant legislative clerk read as follows:

The Senator from Ohio [Mr. METZENBAUM] proposes an amendment numbered 1733.

Mr. METZENBAUM. Mr. President, I ask unanimous consent that further reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment reads as follows:

On page 37, line 6, beginning after the words "or for", strike through the word "Authority" on line 8, and insert in lieu thereof: "activities necessary and appropriate to serve passengers or cargo in air commerce, or for non-profit, public use facilities".

Mr. METZENBAUM. Mr. President, we are today considering legislation to transfer control of Dulles Airport and National Airport to a regional airports authority for the price of $47 million. In return this new authority is committed to make long-needed improvements at National and Dulles, and to continue to operate the airports in the public interest.

This amendment would help to ensure that the bill does what it is supposed to do by tightening a provision that relates to the future development of land at Dulles Airport.

Much of Dulles' 10,800 acres of land is currently used to provide adequate runway clear zones and airport noise buffer space. In addition, some of the land is reserved for future development of a new runway.

At the same time, however, this land would undoubtedly yield the airports authority a far greater return if it were instead developed for commercial purposes. That is the basis of my concern.

Here is one possible scenario. As drafted, the bill would permit the new airports authority to lease Dulles for a period of 35 years, during which time it may not develop the reserved or buffer land for profit. However, there is nothing in the bill that would prevent the authority from entering into a 50-year lease with a developer to build an industrial park or some other totally nonaviation related enterprise on the buffer land. Under this scenario, the airports authority could realize its profit in the form of a balloon payment after its 35-year lease with the Federal Government expires.

Again, this is the land that Dulles' planners had the foresight to acquire 30 years ago so that Dulles would have adequate runway clear zones and noise buffer space.

Members of the Holton Commission, the administration, and the Washington-Dulles Task Force have attempted to assure me that there are no plans to develop this land for commercial purposes.

But the fact is, there is nothing in this bill that would prevent it.

Section 8(a)(1) of the bill says that the airports authority shall use the real and personal property of Dulles Airport only for "airport purposes." The same provision defines airport purposes to include both aviation business and nonaviation business.

The fact is, this language would permit the airports authority to do anything it darn well pleases with the land at Dulles.

I do not question the motives or the sincerity of the Holton Commission or the local coalitions that developed this bill.

That is why I believe they should have no objection to this amendment.

This amendment simply ensures that the land at Dulles Airport is used for aviation business purposes and activities necessary to move passengers or cargo engaged in air commerce. It does not prohibit the types of commercial development needed by an airport and that already exist at Dulles, such as car rentals or parking.

I believe it is a good amendment, and I urge my colleagues to accept it.

Mr. TRIBLE addressed the Chair.

The PRESIDING OFFICER. The Senator from Virginia is recognized.

Mr. TRIBLE. Mr. President, this amendment would lay to rest the concerns of a number of my colleagues about the possibility of commercial development unrelated to the airports' proper function.

The amendment, as my colleague from Ohio has explained, eliminates the ability of the authority to lease space to nonaviation related business.

I have maintained that there is no excess land available for these purposes at Dulles. In fact, the implementation of the master plan will leave a mere 15 acres north of the terminal for business activities that are not strictly speaking directly related to aviation such as a hotel, or a filling station.

In other words, the potential for commercial development is minimal at best. However, this amendment will assure my colleagues that the authority will not engage in commercial real estate development, and that the integrity of the airports will be maintained.

For that purpose, I am pleased to accept the amendment.

The PRESIDING OFFICER. Is there further debate on the amendment? If not, the question is on agreeing to the amendment of the Senator from Ohio.

The amendment (No. 1733) was agreed to.

Mr. METZENBAUM. Mr. President, I move to reconsider the vote by which the amendment was agreed to.

Mr. TRIBLE. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

The PRESIDING OFFICER. Who seeks recognition?

Mr. LAUTENBERG addressed the Chair.

The PRESIDING OFFICER. The Senator from New Jersey.

Mr. SARBANES. Mr. President, will the Senator from Ohio yield for a question?

The PRESIDING OFFICER. The Senator from New Jersey was just recognized.

Mr. LAUTENBERG. I yield to the Senator from Maryland for a question.

Mr. SARBANES. As I understand the amendment, the activities would have to be necessary and appropriate to serve passengers or cargo in air commerce. Is that correct?

Mr. METZENBAUM. That is correct.

Mr. SARBANES. So they would have to be necessary activities?

Mr. MATZENBAUM. That is correct.

AMENDMENT NO. 1734

Mr. LAUTENBERG. Mr. President, I send an amendment to the desk and ask for its immediate consideration.

The PRESIDING OFFICER. The clerk will report.

The assistant legislative clerk read as follows:

The Senator from New Jersey [Mr. LAUTENBERG], Mr. KERRY, Mr. DODD, Mr. MOYNIHAN, Mr. SARBANES, Mr. MATHIAS, Mr. EAGLETON, Mr. LEVIN, and Mr. CRANSTON, proposes an amendment numbered 1734.

Mr. LAUTENBERG. Mr. President, I ask unanimous consent that further reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

At the appropriate place, add the following:

Safe and efficient air transportation is essential to the economy of the nation; and

The margin of safety in the skies is jeopardized by a serious experience drain in the air traffic control system; and

The total number of air traffic controllers is significantly below the level employed in 1981; and

At a time of rising air travel, the air traffic controller system is at 59 percent of full performance level as of September 30, 1985 as contrasted to 82 percent in 1981 and is subject to further experience drain due to expected retirement: Now, Therefore,

(1) it is the Sense of the Senate that the Executive Branch should employ the quickest and most cost efficient means to return the air traffic control system to past experience levels;

(2) the Executive Branch should, to the extent required, rehire, as new employees,

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those experienced air traffic controllers fired from the Federal Aviation Administration in 1981, who meet standards for employment in the Federal civil service, necessary to fulfill this objective;

(3) the Executive Branch should, in implementing the intent of this resolution, insure that no involuntary displacement of existing Federal Aviation Administration personnel results from the reentry of former controllers.

Mr. LAUTENBERG. Mr. President, the amendment I am offering is a revised version of Senate Resolution 276, a sense of the Senate Resolution which I introduced last December 18. It is cosponsored by 11 Senators. While not immediately relevant to the bill before us, I believe it raises an important issue which the Congress should address: the margin of safety in our skies and how we can widen it.

Mr. President, there is an acute need for more experienced, seasoned air traffic controllers in our Nation's air traffic control towers and facilities. This resolution urges the executive branch to return the air traffic control system to past experience levels at the earliest possible date. To accomplish this goal, to the extent required, it calls for the selective rehiring of previously terminated air traffic controllers in 1981 who have been denied employment in the Federal Aviation Administration since that time.

Mr. President, 1985 was the worst year in commercial aviation since 1977 in terms of lives lost in air crashes; 526 people lost their lives in crashes involving U.S. airlines. These tragic crashes have heightened the public's concern over air safety. That concern is shared by the Congress, which has provided funds for more air traffic controllers and safety inspectors.

Evidence of how the margin of safety in our skies has been compromised is provided by the growing number of near midair collisions. Pilot-reported near misses are up 93 percent from 1981. There were 395 such incidents in 1981 and 763 near misses reported by pilots in 1985.

A recent poll of its membership conducted by the International Airline Passengers Association, revealed that 64 percent of respondents said they are more concerned with flying than before these crashes, 52 percent said they would avoid certain airlines and 67 percent thought the Government and airline industry were not reporting the facts of accidents accurately.

Mr. President, the public is not alone in its concern for air safety. In a recent report based on an extensive survey of FAA personnel, the General Accounting Office found that the controller workforce at many major facilities is being stretched too thin and the margin of safety in the skies is becoming increasingly difficult to maintain. On-line controllers and their supervisors are clearly saying that they are overworked and understaffed.

In July 1981, Mr. President, the Nation has 15,244 air traffic controllers; 13,205 of whom were full performance level controllers. In September 1985, the FAA had only 12,532 controllers; 8,315 of whom were at the full performance level. The shortage of seasoned air traffic controllers is most acute at the busiest FAA facilities.

In the New York Air Traffic Control Center, there are less than half the full performance level controllers than were there in 1981, although air traffic has increased by 15 percent. At the Tracon radar facility, there are 87 full performance level controllers today; in 1981, there were 124. This situation is repeated in Chicago, Cleveland, and Minneapolis.

Now, Mr. President, most people agree we need more air traffic controllers. In fact, the administration has requested funding for another 500 air traffic controllers in fiscal year 1987. I support this request.

Why then do we need to get involved in rehiring controllers from the 1981 strike? Because, Mr. President, there is a vast difference between funding more controller positions and actually getting experienced controllers on the job. At the end of September 1985, for example, there were 13,998 controllers on duty if you count, as FAA does, air traffic assistants as part of that total. At the end of January 1986, despite the growth in air traffic, that number had actually decreased to 13,972.

Simply, Mr. President, it takes a long time to train controllers. Money alone cannot solve the problem. Further, the administration's plan to add more controllers could fall victim to a heavy rate of retirement expected in the controller workforce. The GAO reports that more than 80 percent of the controllers and supervisors they surveyed, who are eligible for retirement, will in fact retire.

Mr. President, the air traffic control system is being asked to handle more traffic than it can safely handle. In major traffic areas, increases in traffic over 1981 levels have been substantial. Newark Airport in New Jersey has seen traffic grow by 54.3 percent. The New York area has seen a 14.1 percent increase. Atlanta has had a 25.2 percent growth, Salt Lake City 18.5 percent and Washington, DC a 16.6 percent increase.

The combination of increased air traffic and the failure of the air traffic control system to keep pace with that traffic has seriously eroded the margin of safety in our skies. This is a problem of concern to every State.

Mr. President, the amendment I am offering expresses the sense of the Senate that the FAA should not rule out any option in returning the air traffic control system to pre-1981 experience levels. One option rejected to date is the recertification of controllers fired in 1981. This amendment calls on the executive branch to reexamine that issue.

This amendment does not suggest that all of those who struck in 1981 be granted an amnesty and be returned to work at the expense of controllers presently in the system. It merely calls on the administration to allow some of those now excluded from FAA service to apply for the positions that must be filled. The resolution provides the Office of Personnel Management with the discretion to discriminate between those who led the strike in 1981 and those who followed the leadership of their union.

Mr. President, there are those who say that rehiring will not work, because the present work force will not stand for the fired controllers return. Studies commissioned by the FAA itself do not support that position. Experience does not support that position. Hundreds of fired controllers have been returned to the work force through various appeal procedures. There has been no widespread revolt against these controllers among controllers who stayed on the job in 1981 or were subsequently hired. In fact, the management relations report commissioned by the FAA, commonly known as the Jones report, found no strong opposition and some support for rehiring among present controllers.

Because this resolution does not support a general amnesty for fired controllers, its recommendations pose no threat to the existing work force. Controllers who return to the FAA would do so as new employees. They would be starting over, going to the back of the line, in terms of seniority and benefits. If changes in statutes are required to accomplish the transition of former controllers back into the work force as new employees, the administration should so inform the Congress.

In offering this resolution, I am not suggesting that those who left their jobs in 1981 did so legally. The President was within his rights and duty to fire those who struck in 1981. The question now is: Have those who struck suffered enough as a result of their actions to serve as a deterrent to any future job action and do the costs of not rehiring them outweigh the gains? I believe the answer to both of these questions is yes. I believe the time for a selective rehiring has arrived.

Mr. President, I urge my colleagues to support this amendment. I urge that they support the amendment, not for any ideological reason, but for the very practical reason that we must not exclude any pool of talent in the effort to address a serious national aviation safety problem.

We owe it to the traveling public, to the citizens of our communities, and to our families.

Mr. President, I urge adoption of the amendment and I ask for the yeas and nays.

The PRESIDING OFFICER (Mr. NICKLES). Is there a sufficient second? There is a sufficient second.

The yeas and nays were ordered.

Mrs. KASSEBAUM addressed the Chair.

The PRESIDING OFFICER. The Senator from Kansas.

Mrs. KASSEBAUM. Mr. President, I have great respect for the Senator from New Jersey in his always thoughtful and very constructive approaches to aviation matters, and for his concern for the margin of safety in our skies, an issue that he has addressed regularly in the years he has been here in the Senate. As chairman of the Aviation Subcommittee of the Commerce Committee I share that concern. It is something that we have focused on in hearings ever since the air traffic controller strike. We have carefully studied the Jones Commission, and the second commission that Mr. Jones worked on, as far as oversight of the progress being made by the Secretary of Transportation in protecting the safety of the airways.

It is my belief that Secretary of Transportation Dole and Adm. Donald Engen, Administrator of the Federal Aviation Administration, are dedicated to the safety of our airways and, through careful planning, they are successfully addressing this issue and are laying out a course which I believe will further address the issue in the future.

I do not think there are any of us who would not be concerned by the situation we face today. As the Senator from New Jersey has pointed out, the retirement of those who have been professionals in this field causes us concern.

However, I would like to pose several questions, because I believe that some are attracted to the notion of hiring new controllers. We do now have the new FAA cross option program, which has encouraged controllers nationwide to apply for positions and transfer to those facilities where controller problems exist.

Yet I wonder whether selective rehiring, with no standards set for such rehires, would be able to draw back into the system without further retraining—it has been some 5 years now since the strike—those who would make a substantial addition to the system almost immediately?

I do not know if the Senator from New Jersey has thought this through as far as the difficult questions raised by a selective rehiring process.

It seems to me it would be very difficult to lay down criteria that could be met nationally.

Mr. LAUTENBERG. I appreciate and respect the comments of the Senator from Kansas. We have worked together very closely on matters in this field and other fields, but particularly those concerning aviation. I know we share a common view on what our goals are. I would like to respond to the concern of how we could continue to populate the air traffic control system with experienced people.

I would say that what we have seen so far, and I invite the Senator from Kansas to travel to some of the installations that I have traveled to—Newark Airport and a couple of others—is how stressful the situation is in the towers and how difficult it is to stay on top of all of the events that are occurring—takeoffs and landings, ground control, et cetera—and to point out to the Senator from Kansas that we have not had a very good success rate in terms of building up that force. We have a budget out there that calls for a far higher complement of people, or a significantly higher complement of people, than we have been able to recruit and train. The failure rate is also high once people are on the job.

We had a tragic incident in northern New Jersey recently at a general aviation airport, Teterboro Airport where a combination of circumstances including a controller miscue and a breakdown of the system occurred, where we had a midair collision with the loss of lives and a terrible loss of property and damage on the ground nearby.

We just have not been able to find a better way to do this. Believe me, Mr. President, as I said in my earlier remarks, it is not my intention at all to reward the behavior of those who illegally struck in 1981. But we are not in a position to evaluate that. What we must do is improve the system to the point that we know, when our families and our friends and our constituents get into an airplane, that their chances are better all the time of arriving safely, as opposed to taking the risks that are now imposed upon them. We have seen recent reports that, in addition to a shortage of trained people in the towers, in fact, we are beginning to run shortages of people who fix the equipment that is used in air traffic control.

I see a breakdown in the system that I think we have to repair as quickly as we can. We have searched and thought very carefully about how we do this in the best fashion possible and what we have come up with is this selective program. I think that, certainly within the management of the administration of the FAA, they can find a way to select those who would be able to be brought up to grade most quickly, those who, as I said earlier, followed the lead as opposed to those who were the leaders in the strike of 1981, and to be able, without any placing of any undue burden or obstructions on the filling of the positions necessary, to select those who would fill the bill. I hope we shall be able to give them the opportunity to do so.

Before I yield the floor, I ask unanimous consent that Senator BYRD be added as an original cosponsor.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mrs. KASSEBAUM. Mr. President, I think that the Senator from New Jersey has raised one of the main issues that seems to come up when we analyze the situation at the control centers. I have visited several myself.

For the most part it has always been a question of managing peak traffic periods. Over and over again, we hear the issues of morale and tension and pressure during the peak hours, and how to better manage time and resources and thereby address this problem. Unfortunately, I do not believe that problem is necessarily addressed by bringing back former air traffic controllers. There was a story in the Atlanta, GA, paper on April 2 which states that the supervisors there were unanimously opposed to the rehiring of controllers.

I think it is of great concern that at a time when we are trying to sort through some troubling questions regarding the air traffic control system, that such a proposal interjects further tension, further pressure, and does not really help us resolve the problem.

I realize this is just a sense-of-the-Senate resolution, but even that, I think, sends a message from the Senate that, at this time, is the wrong message.

I share with the Senator from New Jersey his concern about the safety of our skies and our airways. I think we all share that concern. I think, Mr. President, it is wrong for us at this point to send this particular message about rehiring the striking air traffic controllers, through a sense-of-the-Senate resolution.

Mr. LAUTENBERG. Mr. President, we have a limited number of choices to make. I am not convinced at all, and I draw from my own experiences as a corporate executive of a substantial corporation. We in the commercial and business world often wrestled with the problems of morale and leadership. There are times when unpopular decisions are made about promoting somebody, advancing the career of somebody who has not perhaps spent as much time as others or has come up through a different route. I believe, and I have said this to Admiral Engen, that there are times in leadership that promoting those who might have a dissenting view becomes necessary, that at times their mission is better served by bringing in these people and explaining why it is that we have to go out and resort to this pool of talent to fill our reservoir of need. I think it is a part of the executive responsibility to do so.

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I think we have now proven over a period of time that we are unable to manage it in any other way and I would argue that whether or not we like the peak hour problems, as the Senator from Kansas had discussed, the fact is that that is when most people want to travel, that is when the demand is there. We have an obligation to try to satisfy that demand as much as we can. Commerce depends on it, jobs depend on it, our ability to help our economy grow depends on our ability to move people and goods as rapidly as we can. That, very frankly, is what enabled the United States in this post World War II period to build its economy to the strength it has, the fact that they were able to travel conveniently and quickly at whatever times they needed to be able to conduct their business. I think that is no different than the number of clerks needed at Christmas time in the retail business. At some point, you have to adjust to peak hours.

That is, I think, our requirement. The fact that there is a little bit less to do at other times notwithstanding, during the heavy hours is when we need those control towers to be fully manned.

I hope that we shall have an opportunity to consider carefully what our responsibility is here. We have been talking about this problem now for some time, at least for a couple of years, since we have gotten past the period when the strikers have been duly punished, I think. Again, the mission is not to reward them.

I would like to take just a minute more to remind my colleagues about the situation we are discussing and what the numbers are here. We have now been counting clerical personnel for the first time as air traffic controllers to make the public and the Congress think that we have, in fact, 14,000 air traffic controllers at work. We have about 12,500 air traffic controllers. I remind my colleagues that the need is something over 14,000. Of the 12,500 who are at work, only 8,300—only 8,300—are at full performance level. That compares to 13,000 full-performance-level controllers that we had in 1981, when air traffic, before the days of deregulation, was substantially lower.

Mr. President, the majority leader told us that unless Congress reaches agreement with the White House on a budget, the second round of Gramm-Rudman-Hollings cuts are going to be triggered. I do not have to repeat his observations about how far we are from any such agreement. The FAA administrator, Donald Engen, has told Congress there is no way his administration can take the budget cut and assure safety. I agree with him that that situation will be compounded by the automatic budget triggering action. So we do not really have the ability to keep faith with those who have entrusted us with the maintenance of air safety. We face difficult days ahead and I think we ought to get on with asserting our view.

Again, this is not a binding amendment or a binding piece of legislation. This is a resolution of the Senate directed to the FAA to keep its complement up to full staffing as quickly as we can. I think we can do it by reaching into this pool of talent that is presently unused.

Mr. SIMON. Mr. President, I am pleased to support the amendment offered by the Senator from New Jersey.

The real question is not whether we are going to do justice to the air controllers. The question is, How do we get safer skies?

In the first 7 months of 1985, we had more near misses than we did in the entire previous year of 1984, and 1984 was a record year of near misses.

In order to get some greater feel for what we should be doing in this matter, I dropped into the Air Control Center at Aurora, IL. I see the Senator from Kansas [Mrs. KASSEBAUM] in the Chamber. She heads the subcommittee that deals with this whole question. I am sure she recognizes that as the center that deals with more air traffic, I am told, than any other center in the Nation. That may be a little provincial talk on the part of the people there, but that is what they told me.

I talked to the management people; and I talked to the air controllers. I must have talked to 30 people there. One person said that he did not believe that the older air controllers should be rehired. But every one of the others said, in one form or another, that, No. 1, we have problems; No. 2, we ought to be rehiring the former air controllers, with some screening. I hasten to add that, and I looked over the amendment very carefully; and it is a carefully crafted amendment that permits that screening.

The point that was made by some of the people there is that some of the air controllers, frankly, have had physical problems in the meantime. Some of them also, perhaps understandably, have some bitterness about what has happened, and emotionally they really are not equipped to become air controllers again.

I happen to believe that President Reagan did the right thing in firing the air controllers. You cannot strike against the Federal Government. But the question is, How do we effectively have greater air safety?

It is still true that it is safer to travel by air than it is by automobile, but that is not really the question. The question is, Is it as safe as it could be? The answer, unfortunately, is that it is not as safe as it could be.

One of the ways in which we can make it safer is to adopt this amendment and to rehire some of the people who were air controllers. The argument may be made: "Won't that encourage people to strike against the Federal Government?" These people lost their jobs 4 years ago. They have lost 4 years of advancement. They have lost 4 years of retirement benefits. I do not think anyone believes that you are giving them some kind of award.

We have a tradition of forgiveness in this country. Even if you rob a service station—and I am not equating this with that—but if you rob a service station, you may be put in prison for 90 days, or whatever it may be, and then you are brought back into society. We have that tradition of forgiveness.

The key question, I say to my colleagues here and to my colleagues who may be listening in their offices, is this: Is air traffic in this country as safe as it could be? The answer is clearly no.

The second question is, Would it become safer if we rehired some of these air controllers? The answer, unquestionably, is that it would be.

So I commend my colleague from New Jersey. I think he has a sensible amendment here.

Forgetting national interest, all 100 of us do a lot of flying, and just in terms of self-protection, we ought to adopt this amendment. I hope we do the sensible thing. I again commend my colleague.

Mr. LAUTENBERG. Mr. President, I just want to add a short comment to the remarks of the Senator from Illinois, and that is to clarify what we are doing and what we are not doing.

We are not rewarding those who took a decision to strike when it was illegal. We are not offering them compensation for the time they lost. We are not restoring their standing. We are not giving them seniority. We are not adding to their pension rights. We are not doing any of those things.

What we are doing with this vote—and I urge each colleague to consider it—is saying to the American people, "We want to protect you when you travel as much as we can."

If we vote against this amendment, we are saying that we would rather stick to procedure and make sure the punishment that was laid out continues to be administered, as opposed to saying, once and for all, to the traveling public—friends, family, children, adults, business people, those traveling for recreation or for whatever purpose—"We want to do the best we can, as quickly as we can, to assure your safety."

We have a choice, and that is between the status quo and reaching into this pool of talent. We are not saying "must"; we are not saying "immediately." We are saying: "Look at this; and, on a selective basis, take those who can be of help in getting this system functioning as it should be, with deregulated air travel." Air travel has now become the mass transit mechanism of the United States. More and more people are traveling every day. We have an obligation, each of us in this body, a constitutional obligation, to protect the health and well-being of our citizens. One way we do that is to make sure that they travel under a system that functions as efficiently as it can.

Mr. SIMON. Mr. President, will the Senator yield?

Mr. LAUTENBERG. I yield.

Mr. SIMON. Mr. President, I simply want to add another point.

The Aurora Beacon News, in Aurora, IL, where this air traffic control center is, is a newspaper that is so Republican that I do not think they have ever endorsed a Democratic candidate for anything. They are more for the Reagan program than the President is. They know what the facts are, and they had an editorial that said what we are doing just does not make sense. It is not in the national interest. I think they are right. I hope all of us listen to their good advice.

Mr. BYRD. Mr. President, I commend my distinguished colleague from New Jersey for this amendment. I ask unanimous consent that I be added as a cosponsor.

This amendment addresses a concern I know many of my colleagues share about the condition of the Nation's air traffic control system. Since the air traffic controllers' strike in 1981, a number of studies have indicated that there is considerable room for improvement in the air traffic control system. Recently, the GAO completed a study of air traffic controllers and the air traffic control system. The GAO report included the following key findings:

One, about 70 percent of the controllers in a systemwide survey reported that they are handling more traffic than they should handle. Indeed, the FAA is heavily dependent on controller overtime to make the system work. In 1985 controllers worked 908,000 hours of overtime, compared to 377,000 hours in 1980.

Two, the FAA has 4,900 fewer controllers at the highest experience level than before the air traffic controllers' strike in 1981.

Three, retirement of experienced controllers will be a greater problem than the FAA has estimated. About 84 percent of air traffic controllers, and 81 percent of supervisors eligible to retire in the next 2 years said they will do so.

Based on these findings, the GAO suggested that it would be prudent to limit the growth in air traffic before the air traffic control system loses its proper margin of safety.

What is the FAA's response to the GAO report? It appears that the FAA has simply dismissed and disregarded the study. According to a story which appeared in the New York Times on March 18, GAO representatives who conducted the study of air traffic controllers told a House subcommittee that "officials of the FAA had belittled their study * * * and later dismissed the findings of the study as just another survey."

When the GAO began its study, the Agency presented the questionnaire that was to be used to gather information to the FAA for comments and suggestions. According to GAO, FAA's response was that the FAA could derive nothing of value from the questionnaire. Incredibly, Mr. President, FAA apparently dismissed the GAO findings as just another opinion survey, and, according to the New York Times story, FAA officials said that "controllers were predictable complainers."

Mr. President, I ask unanimous consent that the article to which I referred from the New York Times be inserted in the RECORD at the end of my statement.

Mr. President, I believe that the distinguished Senator from New Jersey has hit the nail right on the head with his amendment. I urge my colleagues to support this amendment, and vote against tabling.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

[From the New York Times, Mar. 17, 1986]

AIR SAFETY CHIEF MINIMIZES SURVEY FINDINGS

(By Reginald Stuart)

WASHINGTON, March 17.—The head of the Federal Aviation Administration today minimized the importance of a survey by a Congressional agency that reflected a high level of dissatisfaction among air traffic controllers.

Donald Engen, Administrator of the F.A.A., appearing before the Subcommittee on Oversight and Investigations of the House Committee on Public Works and Transportation, also rejected a recommendation in the survey that his agency restrict air traffic until the number of fully qualified traffic controllers and overtime requirements meet the goals of the air safety agency.

Referring to the survey by the General Accounting Office, a Congressional investigative arm, Mr. Engen said it was "a good tool for me to use in gauging the perceptions of our controllers." He said the report also tended to confirm the findings of earlier ones done by the agency itself.

His comments came after a panel of air traffic controllers echoed the lawmakers in urging the F.A.A. to take the study seriously.

'SLOW THE SYSTEM DOWN'

"If the F.A.A. ignores this survey, we're just going to have more of the same," said Michael Connor, chairman of the F.A.A. conference of the Federal Managers Association. Predicting a retirement rate larger than anticipated in the future of seasoned controllers, Mr. Connor said, "The remaining supervisors are going to slow the system down and slow it down to a walk if they have to."

The comments of Mr. Engen and the controllers followed testimony by General Accounting Office representatives who told the House panel that officials of the F.A.A. had belittled their study of the air traffic control work force and later dismissed the findings of the study as just "another survey."

This report made public earlier this month, said the F.A.A. had not met its goal of replacing the thousands of fully qualified controllers who were dismissed by President Reagan after they struck in 1981, and their union was decertified.

The Congressional researchers also reported that the growth in air traffic activity, most of it stemming from deregulation of the airline industry, has brought the workload for controllers to "a point where controllers are stretched too thin." Controllers and their supervisors have expressed "serious concern about their ability to maintain the proper margin of safety," despite F.A.A. assurances to the contrary, the report said.

"NOTHING OF VALUE"

Joseph M. McGrail, evaluator in charge of the G.A.O. study, told subcommittee members that last April he presented the agency's proposed questionnaire for F.A.A. employees to the office of Walter S. Luffsey, associate administrator for air traffic, for comments and suggestions.

The response, he said, was "that the F.A.A. could derive nothing of value from the questionnaire.

"The only comments we got back were grammatical changes," he said. An official of the investigative agency said later that the grammatical errors were intentionally included to make sure the proposal was carefully reviewed.

Once the survey of some 4,000 air traffic control personnel had been completed and the results analyzed, G.A.O. officials met with aviation agency officials in December to present their findings, the research agency officials said.

The findings were "dimissed as just another opinion survey," Mr. McGrail said. He said that he thought the large percentage of negative comments on work conditions would cause the F.A.A. concern, but that its officials said controllers were predictable complainers.

"You said the F.A.A. said the controllers are by nature complainers and they discount your conclusions?" asked Representative Newt Gingrich, Republican of Georgia, ranking minority member of the subcommittee. "There is a problem," he said.

Mr. DIXON. Mr. President, I am pleased to join my distinguished colleague from New Jersey, Senator LAUTENBERG, in offering this amendment urging the administration to upgrade our air traffic control system, and to selectively rehire some former air traffic controllers as a way of helping to ensure a proper level of air safety.

There is no doubt that we need to expand our controller work force. Air traffic is up substantially above the 1981 levels. What is more, the problem is growing worse, not better. Many of

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the senior controllers are now eligible for retirement—or soon will be. If, as expected, they begin to exercise their rights, and retire, then the pressure on the remaining inadequate controller force will be even more severe.

The GAO, in a recent report, recognized these problems, but I cannot agree with its proposed solution. The GAO is recommending that air traffic in this country be curtailed until the air controller work force can safely handle it.

Frankly, I find that recommendation totally unacceptable. The ability to travel freely is an important contributor to the strength of our economy. Further, it is the Government's job to meet the demand for safe and efficient airline travel. It is not the Government's job to place artifical constraints that limit Americans' ability to travel.

I find this recommendation particularly appalling because there is a way to address this problem: selectively rehire some of the former air traffic controllers. I supported the President's decision to fire the striking controllers in 1981, but I think we have made our point. Now is the time to take advantage of the skills those former controllers have.

I do not advocate this course of action to reward those who struck. On the contrary, the strikers have been severely punished by losing their jobs and their pensions. I believe some of these controllers should be selectively rehired because the safety of our air traffic system depends on it. Traveling Americans deserve a safe air traffic system; they also deserve a system that is adequate to meet transportation needs. Selectively hiring some of the former controllers can help ensure that we continue to have that kind of system. I hope my colleagues will support this essential amendment.

Mr. TRIBLE. Mr. President, the Senator from New Jersey advises me that he knows of no other Democrats who wish to speak on this issue. I know of no other Republicans who wish to speak. Therefore, at this time I move to table the pending matter, and I ask for the yeas and nays.

The PRESIDING OFFICER. Is there a sufficient second? There is a sufficient second.

The yeas and nays were ordered.

The PRESIDING OFFICER. The question is on agreeing to the motion to table the amendment. On this question the yeas and nays have been ordered, and the clerk will call the roll.

The legislative clerk called the roll.

Mr. SIMPSON. I announce that the Senator from Arizona [Mr. GOLDWATER], the Senator from Florida [Mrs. HAWKINS] and the Senator from Vermont [Mr. STAFFORD] are necessarily absent.

Mr. CRANSTON. I announce that the Senator from Missouri [Mr. EAGLETON] is necessarily absent.

The PRESIDING OFFICER (Mr. EVANS). Are there any other Senators in the Chamber who desire to vote?

The result was announced—yeas 57, nays 39, as follows:

[Rollcall Vote No. 53 Leg.]

YEAS—57

Abdnor
Andrews
Armstrong
Boren
Boschwitz
Bumpers
Chafee
Chiles
Cochran
Cohen
Danforth
DeConcini
Denton
Dole
Domenici
Durenberger
East
Evans
Exon
Ford
Garn
Gorton
Gramm
Grassley
Hatch
Hecht
Heflin
Heinz
Helms
Humphrey
Kassebaum
Kasten
Laxalt
Long
Lugar
Mattingly
McClure
McConnell
Murkowski
Nickles
Nunn
Packwood
Pressler
Pryor
Quayle
Roth
Rudman
Simpson
Stennis
Stevens
Symms
Thurmond
Trible
Wallop
Warner
Wilson
Zorinsky

NAYS—39

Baucus
Bentsen
Biden
Bingaman
Bradley
Burdick
Byrd
Cranston
D'Amato
Dixon
Dodd
Glenn
Gore
Harkin
Hart
Hatfield
Hollings
Inouye
Johnston
Kennedy
Kerry
Lautenberg
Leahy
Levin
Mathias
Matsunaga
Melcher
Metzenbaum
Mitchell
Moynihan
Pell
Proxmire
Riegle
Rockefeller
Sarbanes
Sasser
Simon
Specter
Weicker

NOT VOTING—4

Eagleton
Goldwater
Hawkins
Stafford

So the motion to lay on the table the amendment (No. 1734) was agreed to.

Mr. TRIBLE. Mr. President, I move to reconsider the vote by which the motion was agreed to.

Mrs. KASSEBAUM. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. TRIBLE addressed the Chair.

The PRESIDING OFFICER. The Senator from Virginia.

Mr. TRIBLE. Mr. President, the Senate has now resolved two amendments, one by a voice vote and one by a recorded vote.

I understand that the Senator from South Dakota is now prepared to offer an amendment, and I yield the floor for that purpose.

Mr. SARBANES. Mr. President, have we entered into an agreement? I do not understand that any consent agreement has been entered into that would allow the manager of the bill to control recognition for an amendment. Am I correct in that regard?

The PRESIDING OFFICER. There is no such agreement.

Mr. TRIBLE. If the Senator will yield, that is precisely the case. The Senator from South Dakota indicated a willingness to proceed. I asked him to speak to the Senator from Maryland to see if that was agreeable.

Mr. SARBANES. That is fine. There is no agreement to control recognition.

Mr. TRIBLE. Every Senator has the opportunity to stand up and be recognized. On that note, I will sit down.

Mr. PRESSLER addressed the Chair.

The PRESIDING OFFICER. The Senator from South Dakota.

AMENDMENT NO. 1731

(Purpose: To change composition of membership on the board of the Airports Authority)

Mr. PRESSLER. Mr. President, I send an amendment to the desk and ask for its immediate consideration.

The PRESIDING OFFICER. The clerk will report.

The assistant legislative clerk read as follows:

The Senator from South Dakota [Mr. PRESSLER], for himself, and Mr. EXON, Mr. HOLLINGS, and Mr. SPECTER, proposes an amendment numbered 1731.

Mr. PRESSLER. Mr. President, I ask unanimous consent that further reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

On page 35, strike all from line 7 through line 13 on page 36 and insert in lieu thereof the following:

(A) Two members shall be appointed by the Governor of Virginia,

AMENDMENT NO. 1732

Mr. PRESSLER. Mr. President, I ask unanimous consent to send a second-degree amendment to the desk, and I ask for its immediate consideration.

The PRESIDING OFFICER. Without objection, it is so ordered.

The clerk will report.

The assistant legislative clerk read as follows:

The Senator from South Dakota [Mr. PRESSLER], proposes an amendment numbered 1732 to amendment numbered 1731.

At the end of the amendment, add the following: two members shall be appointed by the Mayor of the District of Columbia, two members shall be appointed by the Governor of Maryland, and five members shall be appointed by the President with the advice and consent of the Senate; the Chairman shall be appointed from among the members by majority vote of the members and shall serve until replaced by majority vote of the members.

(B) Members shall (i) not hold elective or appointive political office, (ii) serve without compensation other than for reasonable expenses incident to board functions, and (iii) reside within the Washington Standard Metropolitan Statistical Area, except that the members appointed by the President shall not be required to reside in that area.

(C) Appointments to the board shall be for a period of 6 years; however, initial appointments to the board shall be made as follows: each jurisdiction shall appoint one member for a full 6-year term and a second member for a 4-year term; and the President shall appoint one member for a full 6-year term, a second member for a 4-year term, and the final three members for a 2-year term, with such Federal appointees subject to removal for cause.

Mr. PRESSLER. Mr. President, the purpose of this amendment is to spread out a bit the composition of the board. Under the legislation now before this Chamber, the board would basically be controlled by the State of Virginia, and indeed if you are a Virginian that would be a very desirable thing. But the two airports we are talking about, Dulles and National, have a much broader connotation to Americans.

Many of my constituents come to Washington, DC to petition their Government. Some come to appear before regulatory committees. Others come to meet with their Members of Congress. We do not know what the environment will be in the next few years insofar as regulation or deregulation of airlines. We do not know who will determine whether jumbo jets can land at prime times at Dulles and National. We cannot foresee all of the legislation, rules, and conditions that might exist in the future.

This amendment would provide for two representatives to be appointed from the State of Virginia rather than five as under the current provisions of S. 1017. There would be two appointed from the State of Maryland, which is the same as is now provided for the State of Maryland. Maryland gets a rather raw deal under the present proposed legislation. It would be better for Maryland because Maryland would remain at two but the number of Presidential appointees would increase to five.

The District of Columbia under the current provisions of S. 1017 has three members. This amendment would allow it to have two. The major difference would be that the Presidential appointees would change. Under S. 1017 there is only one Presidential appointee. Under this amendment there would be five Presidential appointees.

I think that is of great interest to people from across the country. I might say this amendment is cosponsored by Senators SPECTER, EXON, and HOLLINGS. We did not make a great effort to get additional cosponsors. But there are enough here to indicate that States from all across the country have an interest on what goes on at National and Dulles.

This amendment really addresses the controversy surrounding the makeup of the airports authority board. The amendment is very simple and straightforward. It would redistribute the composition of the governing board in order that a single State would not dominate the decisions of this authority.

As the bill is now drafted and before the Senate, there would be five members from Virginia, two from Maryland, and three from the District of Columbia, and, with the advice and consent of the Senate, only one for the President to appoint.

My amendment would change the composition of this authority by allowing two members from each of Virginia, Maryland, and the District of Columbia, with five members appointed by the President with the advice and consent of the Senate.

The purpose of the amendment is to provide for a more equitable division of the authority's voting power. Rather than allowing any one State to dominate, the amendment would give a substantial voice to all three local constituencies, with the balance of the membership appointed to represent the overall national interests of these uniquely national airports.

One might ask, why should there be any national representation on the governing board? Why not just let the local people in Virginia, Maryland, and the District of Columbia decide?

First of all, even the distribution between those three is very inequitable under S. 1017. I think that Maryland would always be outvoted by Virginia and the District of Columbia.

So basically, we have one State and the District making all the decisions. That is the truth of the matter.

Even the authors of the bill recognize that there should be some national recognition by allowing for the appointment of one national representative. The problem with that approach, however, is that the one vote on an 11-member Board makes little difference when the rest of the deck is stacked in favor of a particular parochial concern.

Therefore, this amendment would provide that there be five appointed by the President, not one, and that these would have the advice and consent of the Senate.

Why would that be important to Senators and Congressmen? Let us think it through for a minute.

Let us say that some constituents from the State of California have come to Washington, DC, and have a particular legitimate grievance about the way they were treated at the airports, either in terms of flights or in terms of treatment at the airports, and they came in to see their Senator. Their Senator can say, "Well, we have one person on the Board that I can go to," and that person appointed on the advice and consent of the Senate would be responsible. But that person would have very little to say on the 11-member Board.

Under my amendment, there would be five such people, not a majority. There is a majority of six on the Board from Virginia, Maryland, and the District of Columbia. They would still have a majority of six if they all got together and outvoted the Presidential appointees.

Certainly, the five members appointed by the President would be acting in the interest of the local airports also, but they would give it some national scope.

The truth of the matter is that Congress is providing bonding authority, which is a tax break; Congress is selling this at a very low price to the State of Virginia, to the local authority, and there would be additional demands on Congress as time passes regarding these airports, regardless of what we might say here.

We already have one member appointed by the President. Certainly, it would not hurt to have five. It would probably improve the operations of the airports. It would give them a national scope.

This amendment is an attempt to restore some semblance of equity by preventing decisions affecting these two special airports, recognizing them, since their inception, as unique in purpose and governments, to be dominated by the interests of any single State.

So, Mr. President, in conclusion of my presentation on this amendment, let me say that I look forward to working very closely with my colleagues from Virginia on this matter, but I would ask for their assistance in expanding the number of Presidential appointees. It certainly will not hurt. No one has feared Presidential appointees. I am sure the President would appoint people who would act in the interest of the local airports and not act against them. But since these two airports have a national nature to them, since our constituents come from all 50 States, since many people have business before the Federal Government, Congress will be called upon from time to time to have input into the local authority. I think it is terribly important that we expand the number of Presidential appointees. This in no way will take Virginia, Maryland, or the District of Columbia out of the picture. If they should find their courses conflicting locally, if such a situation would ever occur—and I would doubt that it would because I would think that the local members would work closely with the Presidential appointees on most issues—the local members still control a majority. Let us imagine at some future time that the local interests had a division with the Presidential interests, that is, with the national appointees. The local appointees would still have a majority of 1 at 6 to 5.

Mr. President, I conclude by urging my colleagues to support this amendment. I ask for the yeas and nays.

The PRESIDING OFFICER. Is there a sufficient second? There is a sufficient second.

The yeas and nays were ordered.

Mr. WARNER. Mr. President, might I explain the statement of the manag-

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er of the bill by way of a question? The Senator raised the issue of flights from his home State directed to one or two of the airports, or perhaps both of them. I do not know how many flights he has in mind. I am sure that is a consideration of many other Senators.

First, I would like to ask the Senator, what is his understanding on the procedure by which you initiate a flight into either National or Dulles?

Mr. PRESSLER. First, I think the point that the Senator is coming to is that currently these things are decided by the airlines.

Mr. WARNER. Together with the Federal Aviation Administration.

Mr. PRESSLER. Together with the Federal Aviation Administration. But that may not always be the case.

Let me continue to answer the question. They would certainly act in consultation with the authority of the airports. That may not be the only question, but that is one example. I can imagine the issue of evening hours and all kinds of issues under some new regulation or deregulation legislation that may pass. Indeed, my colleague has served on the Commerce Committee and knows that when he and I came to this body the rules for airports were much different than they are today. The rules will probably be much different 4 or 5 years from now.

But whatever the rules or whatever the problems are, I can stand and perhaps go through 8 or 10 potential problems that might arise. Why would my colleague be fearful if members were appointed by the President of the United States with the advice and consent of the Senate? My colleague from Virginia would surely stop any member he did not feel was well qualified. Why should my friend fear appointees appointed by the President of the United States with the advice and consent of this body, in which each State has two members?

Mr. WARNER. Mr. President, it was my privilege to serve as a member of the commission presided over by the distinguished former Governor of Virginia, Governor Holton. This composition was arrived at after many sessions of consideration.

I cannot recall any of the commission members—from the State of Maryland, the District of Columbia, the State of Virginia was represented on the commission, as well as the persons who had no clear identification with any of those specific localities—this concern was never raised at all. Nor was it really addressed in the Commerce Committee at the time.

Mr. PRESSLER. It was addressed in the Commerce Committee. My friend from Nebraska [Mr. Exon] offered substantially identical amendment.

I do think also that several of the Pennsylvania airports have expressed some concern about this matter. I do not know if Senator Specter is going to speak—I cannot speak for him.

Would my colleague answer a question? Why is it that he is fearful of Presidential appointees? He was once one himself, a very distinguished one.

Mr. WARNER. Mr. President, I thank my distinguished colleague for bringing up the past. I do not know if it is relevant to the present or the future.

Indeed, I have full confidence in the ability of a President, together with the advice and consent of the Senate, to select a person to serve on this Commission as well as others who would be highly competent. Nevertheless, the Holton commission and the Commerce Committee addressed this issue in various ways and it was the consensus that this was the formula that best served the objectives that are sought by the legislation.

What troubled me is the Senator raised the point of flights coming in as if this Board of Directors would have anything to do with the fact that he wants a flight from his State or other Senators might want a flight from their States into one or more of these airports. That is a question that is outside the purview of the Board and we should not use that type of example, in my judgment, in fairness in the debate.

Mr. PRESSLER. Certainly, the Board would have something to say about it.

Mr. WARNER. I think they should say we welcome it, because they are trying to promote opportunities.

Mr. PRESSLER. It is obvious they would welcome the flight, because they are concerned with times and so forth.

Mr. WARNER. I think we would recognize the community of the Greater Metropolitan Area must be taken into consideration as to times. That question is carefully addressed in the bill elsewhere.

Mr. PRESSLER. I do not understand the point.

Mr. WARNER. The point is the Senator is using an example that he would like to have a flight from his State into one or two of these airports. I do not think that point is germane as the laws and regulations are presently written.

Mr. PRESSLER. Mr. President, I do not think I would require that a flight from my State get into the airport at a certain time. Indeed, the five Presidential appointees may rule the same in some instances and work the same in some instances as the local board. But for those parts of the country that are distant from these airports, or even Pennsylvania, which has a lot of smaller airports and smaller cities, what will happen to them with the present composition of the Board—five being from Virginia, three from the District of Columbia, and two from Maryland—Maryland will be cut out of most things almost entirely? The Presidential appointee, being one, will have very little to say. And the bottom line is that Virginia will make all the decisions.

It is true that the Federal Aviation Administration has jurisdiction, it is true that the airlines make some of the decisions. We do not know what sort of airline deregulation or re-regulation bill might be proposed. But why does my friend fear two from Virginia, two from Maryland, two from D.C., and five appointed by the President?

Mr. WARNER. Mr. President, I say to my colleagues there is no fear on my part. It is just that this bill has been carefully drawn reflecting the work of two bodies—namely, the Holton Commission and the Commerce Committee. The issue was looked at, not with the intent that the Senator raises. My point is that the examples which are being used by the Senator from South Dakota, in my judgment, are not relevant to his request.

Mr. PRESSLER. Do not the operating hours and the nighttime hours considerations affect the number of flights coming in? Would not the operating hours affect the number of flights coming in?

Mr. WARNER. Mr. President, I point out as a member of the Commerce Committee that the number of flights into National is controlled by the FAA.

Mr. PRESSLER. Would not the operating hours of this airport be largely controlled by this board? That affects the number of flights that can land in any given day.

Mr. WARNER. They would have a voice in it but again, it is a matter that is largely under the jurisdiction of the FAA.

Mr. PRESSLER. But they would certainly have a voice in it, would they not?

Mr. WARNER. They would have a voice in it?

Mr. PRESSLER. Why would the Senator object to this arrangement?

Mr. WARNER. Is the Senator from South Dakota suggesting that this airport be turned into a 24-hour airport?

Mr. PRESSLER. No: I am not suggesting that.

Mr. WARNER. The hours are in the legislation right now, based on a large history of experience.

Mr. SARBANES. Would the Senator from South Dakota yield on that point?

Mr. PRESSLER. I yield.

Mr. SARBANES. In fact, this legislation allows the Airports Authority to do just that to turn this into a 24-hour airport. That is in there right now. It is the impact of a Trible amendment which was a late starter in the committee and was added 2 months after

the committee reported out the bill. That is exactly what this legislation allows to happen.

I say to the Senator from South Dakota that the perspective that he is bringing to this bill is a perspective that was not available in the Holton Commission. I am prepared to plead guilty to that myself, as I think my distinguished colleague, the senior Senator from Virginia [Mr. Warner], would probably also agree to do.

The Holton Commission, which Mrs. Dole appointed, was composed entirely of local representatives from Virginia, Maryland, and the District of Columbia, of certain representatives of private interests—the Air Transport Association and the Business Aircraft Association. Bill Ronan was perhaps the only person who did not bring this local perspective. So there was no one in the whole commission looking at the question from the national perspective which the Senator from South Dakota is discussing.

In other words, all the members, including the Maryland members, were thinking of addressing this thing at a local level.

I differ with my Virginia colleagues, because I think this authority is dominated by Virginians unfairly. We had a proposal for a tripartite authority for National and for Dulles to go to Virginia. I am prepared to concede that even that does not reflect the national perspective which the Senator from South Dakota is now putting forward, with this contention that these airports, particularly National, have a strong Federal interest.

I certainly want to clear up that item of fact. I think therefore it ought to be appreciated that the examination by the Holton Commission was really an examination by people who were locally oriented, who essentially were tied to one of the local jurisdictions and were looking at this problem in that perspective. They were not looking at it in the perspective that the Senator from South Dakota is presenting his amendment.

Second, in fact, the Airports Authority board can have some influence over what comes in and out of the airports because they would be engaged in trying to attract carriers. It is reasonable to assume they would be seeking carriers from heavily traveled routes rather than lesser traveled routes. In their whole approach to the carriers, trying to bring them into these facilities, they might well reflect that attitude. So I think the concern that the Senator from South Dakota has suggested is not irrelevant and not beside the point. Given the part of the country where he comes from, I understand why he is advancing this proposition.

It was not the way it was looked at in the Holton Commission but that may well have been a deficiency in the Holton Commission which the Senator is now trying to correct with his amendment. I do not think we should leave on the record the notion that the Holton Commission considered this perspective. I think it did not do that and it was really structured in such a way that that was simply not going to happen.

Furthermore, I do believe that the authority can influence what happens at its facilities. It is my contention, which I will get into later in the course of considering a different amendment, that under this legislation, National could be turned into an around-the-clock operation. I am not saying it would be, but the authority, the authorization, the power is there for that to happen.

Mr. PRESSLER. Mr. President, let me emphasize that I do not want this amendment to be entirely coupled with the example of landing flights or times. That is a small example. I fully understand that these things are done basically by the airlines in conjunction with the Federal Government. It certainly takes into account what the local authority says.

It could be other things. It could be operating hours, noise levels, a lot of things that affect flights. It could be operations of the airport and various things this board is going to control.

Also, let me emphasize that I do not want to take away control from the local States. But unless you are from Virginia, you should support my amendment, because every other State needs to have the potential of some representation. Under my amendment, the President would appoint 5 members of an 11-member board, with the advice and consent of the Senate, which would give every Senator some input or a chance to have some input.

This does not mean that the members appointed by the President would work against Virginia, Maryland, and the District. Indeed, it may enrich the board in terms of the national experience they would bring to it.

These particular airports enjoy, and Virginia enjoys, the fact that visitors come from all over the United States, from all 50 States, for the purpose of petitioning their Government or doing business. Some might say that Virginia suffers from having all those people come through. But it is an asset to the economy of Virginia, Maryland, and the District to have those visitors, not only in terms of people petitioning their Government but also coming to see the Government, as tourists, to see the Capitol, to see the monuments. There is a legitimate national interest in these two airports.

This amendment does not do anything to hurt Virginia, Maryland, or the District. Indeed, they would each have two representatives on the board, and I should emphasize that. I want to emphasize in this debate that I do not want it to be hung up on whether or not direct flights could come in from Pennsylvania, South Dakota, or North Carolina. We do not know what the rules are going to be in 4 years or 2 years.

This is my 12th year in Congress, and in that time we have changed the rules several times in terms of what flights come into airports, and we might change them again. But in each case, under each system, the local authority has a lot to say about it. There are many things the local authority has a lot of control over.

I think we need to write this legislation in such a fashion that we can live with it for many years to come.

There are certain things that the board decides—for example, operating hours, nighttime hours, noise control levels, capital expenditures financed by Federal tax-exempt bonds, and so forth. But there are many other things the board will decide that will affect travelers. So I think every Senator has an interest in this.

I say to my friends from Virginia, with whom I work and for whom I have a high regard, that it has been pointed out by the Senator from Maryland that the Holton Commission did not consider the national aspect of this. They were all local people. It would be as though North Dakota and South Dakota had two national airports and everybody on the commission was from North Dakota and South Dakota. If there are national airports, there should be national representation.

Next, it is said that the Commerce Committee considered this thoroughly. The Commerce Committee considered it briefly and decided to go on to other amendments and try to resolve it on the Senate floor or through compromise.

I predict that, before this measure goes through the two Houses, whether this amendment succeeds or fails, there is going to be an insistence that the number of Presidential appointees is increased, because it is too unbalanced the way it is. If this amendment fails, there will be other amendments offered seeking to do the same thing to a lesser degree.

So I believe that this represents a good balance and a healthy balance. I still have not heard a single argument from anybody as to why Virginia fears Presidential appointees, with the advice and consent of the Senate. This would give a Senator a chance to question nominees about their beliefs. There would be five members of the board who would have gone through the Commerce Committee and the full Senate. Once appointed, they would act according to their consciences. It would give every Member of the Senate some input as to how this board is run.

The way we presently have it structured, if someone comes into our office in 5 years and says, "How did you let this happen? We are doing everything in favor of a certain section of the country. Virginia is getting too good a deal out of this"—or something of that sort—we will have to shrug our shoulders and say, "There is nothing we can do about it. It is a local board appointed by Maryland, Virginia, and the District."

Mr. WARNER. Mr. President, the two airports are located in the State of Virginia. Their relationship to the community, and the infrastructure, the roads, any number of issues that are uniquely with the Commonwealth of Virginia, bear upon the operation of these airports. It is for that reason that Virginia should take a greater interest, so that they can foster the growth, prosperity, safety, and welfare of these two airports. They are not located in no-man's land. They are in the Commonwealth of Virginia.

Mr. PRESSLER. Virginia will have two representatives on the board. Five will be appointed by the President. The Senator from Virginia would not want someone to go through on advice and consent who would act against the State of Virginia.

Mr. TRIBLE. Mr. President, I have listened with special interest to the colloquy of the Senators, and let me respond directly.

This amendment is directed at the concerns of citizens in Maryland on the one hand and, on the other, the concerns of the Senator from South Dakota that in some way his constituents will be unfairly represented or unfairly served by this new authority.

Let me speak to these concerns. First of all, in terms of Maryland's representation: During the course of this enterprise, Maryland was asked to become a full participant. It was suggested on several occasions that BWI, National, and Dulles all be made part of a system of airports serving this greater metropolitan area. Maryland said, no.

It was then necessary to focus on the two airports located in Virginia that are now the centerpiece of this legislation. How then can we draft representation that is fair for the interests to be served, Maryland, the District of Columbia, Virginia, and all the citizens of this great land?

I point out that roughly 20 percent of the passengers at National and Dulles originate their trips in Maryland, and Maryland's representation is roughly proportionate. Moreover, these two airports lie in Virginia. Virginia does have a special interest in what is at stake here. I would also suggest, as this debate shows so persuasively, it would hardly make sense to give Maryland greater representation. Maryland officials have shown only competitive hostility to the proper development of Dulles and National through the decades.

What we have here is representation that reflects the use of these airports. These airports are operated for their users, and those users will have an opportunity to influence the deliberations of the authority.

Mr. PRESSLER. Mr. President, will my colleague yield?

Mr. TRIBLE. Let me complete the point and then I will be more than happy to talk to the Senator about this issue or any other issues of concern to him.

So this board represents, as I said in the debates before Easter, a carefully drafted agreement that reflects, I believe very fairly, the culmination of years that look to us to enhance these airports and to improve dramatically the service.

Let us discuss the national interest because it is about the national interest that my colleague from South Dakota speaks here today.

During the several days that we have had an opportunity to talk about his concerns, my good friend has failed to put forward a specific concern that he believes this proposal will address. In fact, when we debated this several weeks ago, he said, "Well, I can't really think of anything today, but I am concerned about the future."

The truth is that in this day of deregulated airplane traffic, the decisions about flights and markets are made by the airlines themselves within regulatory parameters established by the FAA. These decisions are not made by the authority.

Therefore, the Senator's constituents will not be disadvantaged by their collective wisdom.

Mr. PRESSLER. Will my colleague yield on that point?

Mr. TRIBLE. Let me complete this point and then I will be happy to yield.

My colleague from South Dakota suggested, moreover, that the Holton Commission and those of us involved in shepherding this legislation through Congress have not focused on the national interest at stake. That is very, very wrong.

We recognize that these airports serve our Nation's Capital. We want to encourage all people to come and visit this dynamic metropolitan region, and we surely want them to have the opportunity to knock on the door of my distinguished colleague from South Dakota.

To that end, this bill requires that on matters of budget and major improvements, the most weightiest decisions that will be made by this authority, an extraordinary majority of seven votes is required for action. That means that Virginia standing alone will not be able to undertake these kinds of actions but Virginia, of necessity, will have to reach across the Potomac and work in concert with her neighbors in the District of Columbia and Maryland. That is an important consideration.

Moreover, we have attempted to protect the Federal interest, even further by way of a lease agreement which for 35 years gives Congress oversight responsibility. We can ensure that this airport authority lives up to its promises.

Finally, I point out that, notwithstanding the dynamics of the political process of the Washington metropolitan area, the slots are frozen and cannot be reduced at Washington National. So, flights will continue at the present rate, and that is a rate, of course, established by the FAA.

So in these ways, I think this bill, as decisively supported by Republicans and Democrats on the Commerce Committee, is fair. It is fair to Maryland, and it is surely fair to the national interests that are at stake here.

I am happy to yield for questions by my distinguished colleague.

Mr. PRESSLER. I thank my colleague.

First of all, he stated that 20 percent of the passengers originate in Maryland; therefore, 20 percent of the representation was given to Maryland. Did I understand that correctly?

Mr. TRIBLE. Roughly 20 percent of the passengers in National and Dulles originate their trips in Maryland, roughly 40 percent in Virginia, and 40 percent in the District of Columbia. Forty percent, 40 percent, and 20 represents a 100 percent mix.

Mr. PRESSLER. What percentage of the total traffic is from out of town, that is properly coming into Maryland, Virginia, and the District and stay in hotels?

Mr. TRIBLE. I do not know.

Mr. PRESSLER. I would venture to say that between 30 and 50 percent at least and maybe higher.

So if my colleague's logic is we are going to use percentages to allocate representatives, then surely the people from outside Virginia, the District, and Maryland should have higher representation on the board. Would he not apply that same percentage to people who are making trips but who do not live permanently in Maryland, the District, or Virginia?

Mr. TRIBLE. The only figure that I have seen are those that I have shared with the Senator that indicate the mix of passengers is 20, 40, 40, as I have enumerated earlier on.

I would tell the Senator that I would be more responsive to his amendment if I could see some indication of what it would achieve, but my distinguished colleague has yet to put forward a specific example of how his constituents will benefit.

Mr. PRESSLER. Let me list seven specific things that might be affected:

operating hours, nightime hours, noise control levels, capital expenditures financed by Federal tax-exempt bonds, ground transportation, general airport services, and physical facility expansion or curtailment. Those are seven things at least that are determined by the board that could affect people who do not live in Maryland, the District, or Virginia, but live elsewhere. The fact of the matter is that a lot of people in this country come to the Nation's Capital and they would be affected by all these things.

We might have complaints to Congress on any of these things or there might be problems even if there were not complaints. I have now listed seven specific areas that there could be problems with.

Mr. TRIBLE. The Senator seems to suggest that this authority action will disadvantage some passengers. That is simply not the case. This authority will obviously possess certain responsibilities and certain rights as do all the operators of all commercial airports in the country.

The point I am making is that since the Senator cannot delineate his concern more precisely, it demonstrates the fairness of this arrangement. Clearly, the only way that we are going to enhance service to the Senator's constituents is to enact this legislation and to turn these airports over to a regional authority that can get on with the important job of enhancing their operations.

Mr. PRESSLER. My colleague asked me for specific examples of where people from all over the United States might be unfairly affected. Would he give me some specific examples of how it would be bad for Virginia to have more Presidential appointees?

Mr. TRIBLE. I think we have thoroughly discussed this, and I am not sure that we are shedding any more light on the subject, although I enjoy my discussions with my colleagues both on and off the floor. Obviously, we are not going to agree.

I have attempted to establish for the record as persuasively as I can that this bill is fair for both Maryland and for our citizens, and for the life of me, I cannot see how increasing by an arbitrary number the representation of people from beyond the metropolitan area is going to improve one whit the quality of service at this airport.

It is specific concerns that I have asked for. Obviously, we can delineate a long list of responsibilities and rights that this authority has, but there is no evidence to suggest that the authority will not undertake those responsibilities constructively and positively.

That is indeed the only way that the Senator's constituents can be better served.

Mr. PRESSLER. I would say these numbers are not arbitrary. They are designed in such a fashion to give a majority vote to the local States—Virginia, Maryland, and the District of Columbia—and the Presidential appointees would be in a minority. They are not arbitrary.

Indeed, I could say that giving Virginia five members to the board would be an arbitrary move and the District of Columbia three. With Virginia and the District voting together, they would have eight votes and Maryland and the Presidential combined add up to three.

Indeed, we cite something that might appear arbitrary to someone who does not reside in one of these States but uses the airport. Indeed, I am a Member of Congress and I use that airport to get back home to my constituents. So I am in that category. That percentage is crying out for more representation.

Let me repeat again—I have given seven specific examples. It seems all the burden has been on me, and I am offering the amendment.

Mr. TRIBLE. You are the only proponent.

Mr. PRESSLER. Could my colleague from Virginia give me a specific example of how Virginia would be hurt by this amendment?

Mr. TRIBLE. Well, I would suggest to the Senator that I think the national interests have been fully protected both in terms of their voice on the board and also in terms of the freezing of slots which will prohibit a diminishing of service to your constituents or to people throughout the country and in terms of the lease agreement which will give to the Congress oversight responsibilities and the right to ensure that these airports are run properly.

I do not see anything accomplished by changing the composition of that board. It could be highly destructive to this process.

Mr. PRESSLER. But why would it be destructive to the process?

Mr. TRIBLE. Tell me what your proposal will do. What will it accomplish?

Mr. PRESSLER. It will prevent a single State from completely dominating the operation of two airports that are national in scope, two airports which I travel through frequently, two airports which probably over 50 percent of the passengers, I would say, even a much higher number, come from the other 48 States. Indeed, Maryland does not have enough votes on this board to make much difference, so we are down to one State. And it could make a great deal of difference in the following areas: Ground transportation, general airport services, physical facility expansion or curtailment, operating hours, nighttime hours, noise control level, capital expenditures financed by Federal tax-exempt bonds, and the spinoff effects of all of those specific examples.

Mr. TRIBLE. Those are all responsibilities and rights of commercial airports and commercial airports operate to provide quality service to people that use them. There is no suggestion here that those that use this airport would not be well served. Indeed, it is clear from the debate the only way to enhance service to those individuals, wherever they come from, is by adopting this legislation.

I would say that my experience is, and the experience of others that have been engaged in these kinds of things, that the politics of who serves on these boards is always of much greater moment before the fact than after the fact, because once these people are appointed, they will establish a consensus as to what must be done and that consensus will reflect the obvious need to improve these airports, to build new facilities, to improve the transportation system, and to do the kinds of things we have discussed here today.

I would point out one final point, and that is simply that Virginia is not receiving these airports. These airports are being turned over to the regional authority of which Virginia is a part and the Virginia representatives on the commission are not in the position to contemplate substantial action without achieving a consensus and agreement on the part of those that preside on the other side of the Potomac and those that represent the national interests.

Mr. PRESSLER. Mr. President, I would say that many of the things in my colleague's statement argue for this amendment in the sense there is nothing to say that people appointed by the President will not act in the interest of the airports. They will do that. They will take into consideration the interest of other States.

Let me address the arbitrariness argument. When one State has such a dominant position as having 5 members on an 11-member board representing 4 constituencies, that appears to me to be maybe not arbitrary, but a deliberate stacking of the deck so to speak.

So, Mr. President, I urge my colleagues from throughout the Nation to support this amendment.

The PRESIDING OFFICER. Is there further debate?

Mr. SARBANES addressed the Chair.

The PRESIDING OFFICER. The Senator from Maryland.

Mr. SARBANES. Mr. President, I want to address the comments made by the junior Senator from Virginia about the Maryland approach to this issue, because I think they are factually inaccurate and I think it is very important to put this on the record.

Governor Holton, in the Holton Commission, actually ruled out considering the possibility of putting all three airports in one authority. The Senator from Virginia has, in effect, sought to blame Maryland for that, but that is just not correct. In fact, at one point in the deliberations, Governor Holton stated: "And it is certainly beyond our charter as written by the Secretary of Transportation."

And I want this point to be very clear, because I do not think it is either accurate or fair or reasonable to make that argument when it runs completely contrary to the very tight constraints in which the Holton Commission was operating.

The charter establishing that commission directed the commission to develop a comprehensive proposal for the transfer of the Metropolitan Washington Airports, which embraces Dulles and National, to an appropriate State, local, or interstate governmental body. In other words, Mrs. Dole had a plan in mind and she circumscribed it very narrowly in the charter, so narrowly that Governor Holton himself stated that the notion of considering all three airports in a common authority was beyond the charter as written by the Secretary of Transportation.

Now I realize this is moving on a divergent path from the amendment of the Senator from South Dakota, but I am really responding to assertions made by my colleague from Virginia.

Not only did Mrs. Dole set out this very narrow charter language, but it was subsequently given a very strict construction by Chairman Holton at the opening session of the commission when he stated:

> I would like to emphasize as part of my remarks the very narrow charter that this commission has. This commission is charged with making a recommendation to carry out a decision that Secretary Dole has made. That decision is that the airports will be transferred from the FAA jurisdiction to the jurisdiction of a local, regional, or State government entity.

In fact, that charge was being read as so narrow that the Maryland proposal just dealing with the two airports, which is all Mrs. Dole contained in the charter, that they ought to be separate in terms of how they were transferred and operated, was initially rejected as being procedurally outside the scope of the commission.

Now, fearing later, Governor Holton's strict construction on that point gave away a bit, and he said:

> The Chair may be giving you a little bit too much leeway to start talking about splitting National and Dulles, but I think it is closely enough related to what we are talking about. It is not the principal consideration of this Commission to divide these two airports because that is not going to be done.

So I think it is completely contrary to the historical record, in effect, to assert that Maryland precluded the consideration of the option of including all three airports in one authority. That, in fact, was precluded by the chairman of the commission on the basis of the charge given in the charter from the Secretary of Transportation.

My colleague has made that point before, and we questioned it before. But I think the record of the commission from which I have just quoted is very clear on this issue.

The other point on the question of competition, as I have repeatedly asserted Maryland is perfectly happy to have competition between BWI and Dulles which are essentially directly competitive airports. We do not think it ought to be possible to cross subsidize those airports, and therefore structure an unfair competitive situation.

That in fact was even recognized by some of the Virginia members of the Holton Commission in the course of the discussion. It was a problem.

There are even some provisions in the bill included by the Commerce Committee to address that which are in my view inadequate. But clearly they reflected some concern about this issue. We are perfectly happy to have competition between BWI and Dulles. But it ought to be structured on a fair and equitable basis which this bill does not do.

Mr. WARNER addressed the Chair.

The PRESIDING OFFICER. The Senator from Virginia.

Mr. WARNER. Mr. President, as I have noted earlier in this debate, I was a member of that commission. I recall the discussion several times with respect to the incorporation of Maryland into a three-airport situation.

I just momentarily stepped from the floor to refresh my recollection with Governor Holton and other persons who actively participated in those commission hearings and staff members. It is clear to the Governor's recollection, as it is mine—and eventually we will find a place in the record of the proceedings where it is documented—that the commission as a whole was petitioned by the Government to determine if there is any basis on which, irrespective of the charter from the Secretary of Transportation, all three airports could be combined under one authority.

At that point the representatives from Maryland—bear in mind the Governor of Maryland was a representative. The distinguished Senator, the junior Senator from Maryland, present on the floor was a member of that commission. I cannot recall that he was present at that time, and a Member of the House of Representatives from Maryland was a member, Congressman HOYER.

It is the recollection of both Governor Holton and myself that those present from Maryland at that particular meeting summarily rejected any notion that all three airports could be included in this authority. And thereafter, the Commerce Committee likewise considered the impossibility, and again representatives from Maryland—so I am told those members of the committee speaking on behalf of Maryland—rejected the proposition.

Mr. SARBANES. If the Senator will yield, in the deliberations of the commission, Governor Holton's statement related to Jim Truby's discussion, which was one of the Maryland representatives.

> And he and I had a little dialog earlier about whether the effect of it should be that all three airports be considered together. And he and I agreed. And I think everybody here would agree. That is not a politically feasible option to put all three of them in. And it is certainly beyond our charter as written by the Secretary of Transportation.

That is Governor Holton talking.

So all I am saying to the Senator from Virginia is, in effect, as his colleague has sought to do—actually I do not think the senior Senator has done so in the course of the debate, but his colleague has sought to do—to hang all this around Maryland's neck is really contrary to the historical record.

Really what happened is the Holton Commission was put in extraordinarily narrow parameters by the charter given to it by Secretary Dole. In other words, it is almost as though Secretary Dole had predetermined where this thing was going to end up. In fact, the change was so narrow as I indicated earlier that not only was it seen as precluding reaching out to bring in an airport that she did not include in the charge, but it was even seen originally in the deliberation as precluding dealing with the two airports in the way that did not keep them together as a unit.

That was subsequently discussed within the commission because Governor Holton decided I think wisely to allow discussion of that sort to take place. But all I am saying is what happened is the commission was placed in very narrow constraints. The Governor originally started out to stay very closely to those narrow constraints, and somewhat bent them a little bit so we could consider that Maryland proposal with respect to separating National and Dulles.

So I want this record to be clear here, and that is why I quoted extensively from the record. I am not simply making these assertions out of the air. I am quoting from the record. I just want this discussion to be very clear on this point.

Mr. WARNER. Mr. President, I also say to my distinguished colleague that elsewhere in the record I hope to find documentation to support Governor Holton's representation that there was consideration.

I should also point out that nowhere in the record I think can be found any initiative by any of the representatives from Maryland to try to work this thing out on a three-way basis with all airports.

Mr. SARBANES. As I said, Maryland had a different option which constituted its initiative which it put forth, which is seen to us as a more reasonable response which would be for Dulles to go to Virginia just as BWI is to Maryland, directly competitive, and for National Airport to go into a tripartite authority with Federal representatives. It seems to me that Maryland in effect carried the burden of trying to offer a constructive option, which is what I think our proposal was.

The PRESIDING OFFICER. Is there further debate?

Mr. PRESSLER. Mr. President, let me conclude the argument for my amendment by again very briefly describing it for the benefit of any Senator or staff listening on the boxes.

First of all, under the current bill before the Senate, the composition of the board is as follows: There would be five members from Virginia, two from Maryland, three from the District of Columbia, and one appointed by the President of the United States with the advice and consent of the Senate. That will total 11 members.

This amendment would change the bill. There would still be 11 total members. But there would be two from Virginia, two from Maryland, two from the District of Columbia, and five appointed by the President with the advice and consent of the Senate. Thus, the local three jurisdictions would still have a majority, but the Presidential appointees would be increased.

This amendment would take away almost exclusive control of one State as it is now and would spread it out in a more equitable fashion.

The PRESIDING OFFICER. Is there further debate?

Mr. TRIBLE addressed the Chair.

The PRESIDING OFFICER. The Senator from Virginia.

Mr. TRIBLE. I at this time move to table the amendment now before us, and I ask for the yeas and nays.

The PRESIDING OFFICER. Is there a sufficient second? There is a sufficient second.

The yeas and nays were ordered.

The PRESIDING OFFICER. The question is on agreeing to the motion of the Senator from Virginia to lay on the table the amendment of the Senator from South Dakota. On this question, the yeas and nays have been ordered and the clerk will call the roll.

Mr. TRIBLE addressed the Chair.

The PRESIDING OFFICER. The Senator from Virginia.

Mr. TRIBLE. Let me ask a parliamentary question.

The PRESIDING OFFICER. The motion to table is not debatable.

The clerk will call the roll.

Mr. SIMPSON. I announce that the Senator from Florida [Mrs. HAWKINS] and the Senator from Vermont [Mr. STAFFORD] are necessarily absent.

Mr. CRANSTON. I announce that the Senator from Missouri [Mr. EAGLETON] and the Senator from Mississippi [Mr. STENNIS] are necessarily absent.

The PRESIDING OFFICER (Mr. DANFORTH). Are there any other Senators in the Chamber who desire to vote?

The result was announced—yeas 52, nays 44, as follows:

[Rollcall Vote No. 54 Leg.]

YEAS—52

Armstrong
Bentsen
Chafee
Cochran
Cohen
D'Amato
Danforth
Denton
Dodd
Dole
Domenici
Durenberger
East
Evans
Garn
Goldwater
Gore
Gorton
Gramm
Hatfield
Hecht
Helms
Humphrey
Inouye
Johnston
Kassebaum
Kasten
Kerry
Lautenberg
Laxalt
Long
Lugar
Mattingly
McClure
McConnell
Metzenbaum
Murkowski
Nickles
Nunn
Packwood
Quayle
Rockefeller
Roth
Rudman
Simpson
Stevens
Symms
Thurmond
Trible
Wallop
Warner
Wilson

NAYS—44

Abdnor
Andrews
Baucus
Biden
Bingaman
Boren
Boschwitz
Bradley
Bumpers
Burdick
Byrd
Chiles
Cranston
DeConcini
Dixon
Exon
Ford
Glenn
Grassley
Harkin
Hart
Hatch
Heflin
Heinz
Hollings
Kennedy
Leahy
Levin
Mathias
Matsunaga
Melcher
Mitchell
Moynihan
Pell
Pressler
Proxmire
Pryor
Riegle
Sarbanes
Sasser
Simon
Specter
Weicker
Zorinsky

NOT VOTING—4

Eagleton
Hawkins
Stafford
Stennis

So the motion to lay on the table Amendment No. 1732 was agreed to.

Mr. TRIBLE. Mr. President, I move to reconsider the vote by which the motion to table was agreed to.

Mr. WARNER. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. WARNER. Mr. President, on behalf of the managers, we thank our colleagues for supporting the work that has been done on this bill in the Commerce Committee and for the manner in which we are moving along in an expedited way to consider this bill. I hope that now other amendments will be brought forth and that we will be able to bring this matter to a conclusion.

AMENDMENT NO. 1735

(Purpose: To add provisions regarding the transfer of slots at certain airports)

Mrs. KASSEBAUM. Mr. President, I send an amendment to the desk, and I ask for its immediate consideration.

Mr. TRIBLE. Mr. President, will the Senator yield?

Mrs. KASSEBAUM. I yield.

Mr. TRIBLE. I am advised by the Parliamentarian that the underlying amendment of the Senator from South Dakota is still pending. In view of the expression of this body, I ask that he withdraw that, so that we can move on with the amendment of the Senator from Kansas.

The PRESIDING OFFICER. The Senate is not in order. The Senate will be in order.

Mr. TRIBLE. Mr. President, the Senate has now spoken on the Pressler amendment, but I am advised that the underlying amendment of the Senator from South Dakota is still pending. In view of the expression of the Senate, I now ask that the underlying amendment be withdrawn, and then we can turn to the amendment to be offered by the Senator from Kansas.

Mr. PRESSLER. Mr. President, it would be my intention to do so, but also to state that I am filing a second amendment, which I will offer later this week or later this evening. The amendment would increase the Presidential appointees to two, leaving three for Virginia, Maryland and the District of Columbia, respectively. If my colleague from Virginia would be interested in accepting that amendment, I would be interested in his response. However, that is not pertinent to the question my colleague asks about the present amendment at the desk.

The second-degree amendment was tabled. Therefore, I withdraw that amendment, without losing the right to offer an additional amendment. I ask that the text of the amendment I am now filing be inserted in the RECORD at this point.

The PRESIDING OFFICER. The amendment (No. 1731) is withdrawn.

The text of the proposed amendment will be printed in the RECORD.

The amendment follows:

> On page 35, strike all from line 7 through line 13 on page 36 and insert in lieu thereof the following:
>
> (A) Three members shall be appointed by the Governor of Virginia, three members shall be appointed by the Mayor of the District of Columbia, three members shall be appointed by the Governor of Maryland, and two members shall be appointed by the President with the advice and consent of the Senate; the Chairman shall be appointed from among the members by majority vote of the members and shall serve until replaced by majority vote of the members.
>
> (B) Members shall (i) not hold elective or appointive political office, (ii) serve without compensation other than for reasonable expenses incident to board functions, and (iii) reside within the Washington Standard Metropolitan Statistical Area, except that the members appointed by the President shall not be required to reside in that area.
>
> (C) Appointments to the board shall be for a period of 6 years; however, initial appointments to the board shall be made as

follows: each jurisdiction shall appoint one member for a full 6-year term and two members for 4-year terms; and the President shall appoint two members for full 6-year terms, with such Federal appointees subject to removal for cause.

Mrs. KASSEBAUM. Mr. President, I have sent an amendment to the desk.

The PRESIDING OFFICER. The amendment will be stated.

The legislative clerk read as follows:

The Senator from Kansas [Mrs. KASSEBAUM], for herself and others, proposes an amendment numbered 1735.

Mrs. KASSEBAUM. Mr. President, I ask unanimous consent that reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

On page 50, insert the following immediately after line 9:

AIRPORT SLOTS

SEC. 13. (a) The Secretary and the Administrator of the Federal Aviation Administration (hereinafter referred to as the "Administrator") shall—

(1) repeal the final rule regarding Slot Allocation and Transfer Methods at High Density Traffic Airports, issued on December 20, 1985 (50 Fed. Reg. 52180), as in effect on the date of enactment of this Act; and

(2) after the date of enactment of this Act, not promulgate any rule or regulation or issue any order (other than on an emergency basis) relating to restrictions on aircraft operations at high density traffic airports designated in Subpart K of part 93 of title 14, Code of Federal Regulations (14 CFR 93.121 et seq.), that is inconsistent with the provisions of this section.

(b) Consistent with aviation safety, the Administrator shall, not later than 120 days after the date of enactment of this Act, provide by rule or otherwise for the recall and subsequent allocation pursuant to subsection (c) of this section of any air carrier or commuter operator instrument flight rule takeoff and landing operational privilege at high density traffic airports, hereinafter in this section referred to as a "slot", that is substantially unused. The provisions of this subsection shall not apply to any slot reserved for international operations or for essential air transportation (as defined in section 419 of the Federal Aviation Act of 1958 (49 App. U.S.C. 1389)).

(c)(1) Consistent with aviation safety, the Administrator shall, not later than 120 days after the date of enactment of this Act, establish by rule or otherwise, after affording the opportunity for and considering public comment, a mechanism for the equitable allocation of slots to which Subpart K of part 93 of title 14, Code of Federal Regulations, applies, in accordance with the provisions of this subsection.

(2) The allocation of slots (other than on a basis consistent with paragraph (4) of this subsection) shall be made by a separate air carrier and commuter air carrier scheduling committee established for each of such high density traffic airports. The administrator shall establish the composition of each such scheduling committee.

(3) The scheduling committee shall allocate and reallocate slots according to a time schedule to be established by the Administrator.

(4)(A) The Administrator shall, no later than 120 days after the date of enactment of this act, and after affording the opportunity for and considering public comment, establish a special mechanism for the allocation of slots, to be utilized in the event that any scheduling committee is unable to reach agreement on the manner in which it will allocate slots within the time period established by the Administrator. Such special mechanism may include commitment of the issues involved to binding arbitration, lottery, lease by the Administrator (by auction or other market mechanism) of some or all of the slots currently in use at such airports, or any other non-market mechanism determined by the Administrator to be appropriate. The duration of any lease or other allocation of slots shall be determined by the Administrator, after giving due consideration to the need for maintaining competition between and among airlines at high density traffic airports, the capital investment of existing users of slots at such airports, and the need for adequate air service to such airports from small- and medium-sized communities, except that no such lease or other allocation of slots shall remain in effect after December 31, 1988. Notwithstanding any other provision of law, the revenues generated by any lease of slots by the Administrator under this paragraph shall be credited to the Airport and Airway Trust Fund established in section 9502 of the Internal Revenue Code of 1954 (26 U.S.C. 9502). The Administrator shall also formulate a mechanism to allocate all new slots, voluntarily returned slots, and unused slots.

(B) Any allocation mechanism established by the Administrator under this paragraph shall be adequate to ensure the opportunity for new entry, to maintain essential air transportation, and to protect the access rights of commuter operators. In addition, the Administrator shall employ a method for the withdrawal of slots currently in use that ensures that no carrier incurs the loss of an undue proportion of its slots.

(d) No mechanism formulated or utilized under section 93.123 of title 14, Code of Federal Regulations, as in effect on February 1, 1986, or under this section shall be construed to create a permanent property right in any slot. Any such slot shall be public property, and its use shall represent a nonpermanent operating privilege within the exclusive control and jurisdiction of the Administrator. Any such privilege may be withdrawn, recalled or reallocated by the Administrator for reasons of aviation safety or airspace efficiency, or to enhance competition in air transportation.

(e)(1) Other than on an emergency basis, the Administrator shall not promulgate any rule or regulation or implement any practice that restricts aircraft operation by means of slot controls at any airport or air traffic control facility other than those specified in section 93.123 of title 14, Code of Federal Regulations, as in effect on February 1, 1986, unless the Administrator first transmits to the Congress a written report justifying the need for such rule, regulation or practice not less than 90 days before the effective date of such rule, regulation or practice.

(2)(A) No later than January 1, 1987, and every two years thereafter, the Secretary shall conclude a rulemaking to reauthorize or eliminate all high density traffic airport slot controls specified in section 93.123 of title 14, Code of Federal Regulations, and any other slot control created subsequent to such date by the Administrator. Each such rulemaking shall include a report to Congress concerning the extent to which the retention of slot controls at any airport, or the creation of new slot controls, is required in the public interest. Such report shall describe possible improvements in facilities or related air traffic control facilities or procedures that would allow slot controls to be reduced or eliminated, and shall describe any action taken by the Administrator to reduce or eliminate the need for such controls.

(B) No regulation imposing slot controls to which this paragraph applies shall have the force and effect of law after two years from the date on which it becomes effective, unless such regulation is reauthorized pursuant to subparagraph (A) of this paragraph.

(f) The Secretary and the Administrator shall make timely recommendations to the Congress regarding any additional statutory authority they consider necessary or appropriate to carry out the purposes of this section. In addition, the Secretary and the Administrator shall report annually to the Congress on the extent to which the allocation mechanisms established pursuant to subsection (c) of this section and any slot control regulations reauthorized pursuant to subsection (e) of this section have minimized barriers to entry at high density traffic airports.

Mrs. KASSEBAUM. Mr. President, I am offering this amendment on behalf of myself and Senators DANFORTH, HOLLINGS, EXON, FORD, ROCKEFELLER, KASTEN, GOLDWATER, PROXMIRE, METZENBAUM, ABDNOR, NUNN, SIMON, BURDICK, LAUTENBERG, DECONCINI, MATSUNAGA, RIEGLE, BUMPERS, STENNIS, PRESSLER, GORE, COCHRAN, MATHIAS, LEVIN, and STEVENS.

I am offering as an amendment, S. 1966, legislation favorably reported by the Commerce Committee which prohibits implementation of a regulation issued by the Department of Transportation. The DOT rule permits airlines to buy, sell, and lease valuable takeoff and landing rights at the four busiest airports in this country—LaGuardia, Kennedy, O'Hare, and National.

In December 1985 the DOT issued this rule over the strenuous objection of several Senators, and serious concern of both parties and both Houses. The rule would immediately affect the Nation's four high density airports—LaGuardia, JFK, Washington National, and O'Hare. At each of these airports, either air traffic control capacity or lack of runway has constrained traffic. Historically, it has been difficult to allocate takeoff and landing rights at these high-demand airports. Scheduling committees made up of representatives of each airline using a particular airport have tried to do the allocation. However, for a variety of reasons they have failed, not the least of which was the potential issuance of the DOT buy/sell rule.

DOT has chosen to come forward with a rule that relies on market forces to allocate these slots—slots that exist in a market, however, that is not free and that is in fact artificially created by the high density rule. Under this rule, incumbent carriers will be allowed to buy and sell takeoff and landing rights for which they never paid a cent. They will reap profits from these sales estimated by some to be worth $750,000 and $1 million per slot.

The rule creates another barrier for entry to new carriers. They will be forced to pay for landing rights that the incumbents were given and can now profit from. DOT claims it solves this problem by requiring a one-time lottery of some of the existing slots at the beginning of the rule. A grand total of 5 percent of existing slots would be reserved for new entrants. This does nothing for the entry problem 6 months from now.

The DOT rule creates other, very real dangers. Air service to small- and medium-size communities will be adversely impacted as carriers try to recoup the costs of their slots by flying long-haul, larger planes. As the large carriers gain total dominance of an airport by control of these slots, there will be no incentive to increase airport capacity, for such an increase could only diminish the worth of their new-found assets.

Perhaps even more disturbing than these known flaws is the fact that no thought has been given to the long-term consequences of this rule. At a time when flow control again seems a possibility—at a time when the airline mergers and potential anticompetitive problems are only now beginning to be addressed—at this time DOT has chosen to introduce a rule with anticompetitive effects which have not been studied—a rule which, I believe, will only exacerbate the congestion at peak times at crowded airports.

My amendment addresses many of the problems which I have just described. It may not be the perfect solution, but I believe it offers a rational alternative to totally abandoning takeoff and landing rights to the airlines.

First of all, it requires DOT to repeal their buy/sell rule. Next, it imposes a use it or lose it provision, meaning that if an airline is not using a slot a certain percentage of the time, the slot would be made available to an airline which would. This eliminates the airlines' incentive to pocket a slot in anticipation of future right to sell it for a profit.

The amendment than requires the Administrator of the FAA to fashion a new deadlock-breaking mechanism to encourage scheduling committees to reach agreement. The Administrator may choose binding arbitration, a lottery, or lease, of some or all slots at the deadlocked airport. He may not, however, opt for buy/sell. The proceeds from leasing would be credited to the Aviation Trust Fund. By prohibiting buying and selling, my amendment assures that slot ownership remains with the Government, and by directing any lease revenues to the trust fund it cures the windfall profits problem.

The amendment further requires the FAA to review every 2 years the continued need, if any, for the high density rule, and to justify its retention to Congress. I believe this is essential as congestion becomes an ever increasing problem, and we are faced with the spectre of the high density rule spreading across the country. It is important to note that any high density rule could soon apply to dozens of airports. By the 1990's, it is estimated that 33 airports will require some allocation of slots.

I am convinced that this amendment is sensible, solid transportation policy. The Aviation Subcommittee held extensive hearings on this legislation in February, and positive suggestions received there were incorporated in the amendment that is being addressed today. The legislation has 24 cosponsors, and was reported out of the Commerce Committee by a 15-to-1 vote. I believe it is a rational blueprint for dealing with a complicated problem, one that avoids the excesses of abandoning our responsibilites to the airlines. I hope my colleagues will join me and the cosponsors in this effort to replace the Department of Transportation's flawed buy/sell rule with a more positive and responsible approach.

I yield the floor, Mr. President.

Mr. STEVENS. Mr. President, I support the amendment of the distinguished subcommittee chairman. I do so as a cosponsor.

I think it is most important to understand what this policy that was announced by DOT would do.

I am informed by our staff that at these four airports some 4,200 slots are currently available and it has been suggested the value of those slots would be approximately $750,000 to $1 million each. In other words, these 4,200 slots that exist today are worth some $4 billion under the concept of selling the slots or giving them value.

It is ironic that 50 percent of those slots are currently controlled by two companies, Eastern and U.S. Air. They control almost 50 percent of the slots, I am informed. At least they have 50 percent at National and I think they control about 50 percent of those that are of the 4,200 slots.

I see no reason to give value to these slots and to allocate them on a basis that the slots themselves have economic value in excess of the value of the airlines involved. I certainly agree with the chairman of our subcommittee, Senator KASSEBAUM, with regard to the future. But 32 airports coming on by 1990 will require flight slot restrictions and 61 by the year 2000.

If this policy, is pursued, we will be creating a fantastic monopolistic block to the development of any new airlines and once more we will have the ironic situation that the failing airline may have more value in the slots that are created by this governmental policy than they will in their equipment and their rights that they are operating under.

I oppose entirely the proposed DOT rule and suggest that the proposal of Senator KASSEBAUM, which we have almost unanimously supported in the Commerce Committee, is the basic policy that should be established.

In this day of trying to get away from regulation, I see no reason to adopt a national policy that in effect is more monopolistic than the regulatory policy of the past has been.

I see no reason why we should expect that an existing carrier would sell at a fair price slots that are allocated to them by this policy to some newly developed competitor that might well develop into a carrier that will provide better service to the public and at a lesser cost were it not for the fact that it would have to come up with extremely high capital payments in order to acquire the basic access to the airports that have been created at taxpayers' expense.

I urge the support of the Senator's amendment.

Mr. GRAMM. Mr. President, I rise in opposition to the amendment.

Mr. President, I passed third grade arithmetic on the second time around, so it is pretty obvious to me that the distinguished Senator from Kansas has the vote on this amendment.

In fact, I constantly grieve that in the political process there is so little support for anything that appears to be letting the market make a decision instead of letting Government make the decision.

I hear my distinguished colleague from Alaska remarking that he does not want to give value to these slots. Let me remind my colleagues that we are not giving value to these slots. The market has given value to these slots. We all want to fly out of National. Some of us would like to fly to Texas out of National but we have to stop somewhere on the way because of policy.

But, nevertheless, slots at National are very valuable, not because someone gives it to them. It is because the supply and demand for those slots is such that they are valuable.

So the question is not whether we are going to give them value. They already have value. The question is, Who is going to determine who gets the value?

In reading the material sent out in favor of this amendment, I read the question "Is it good policy to allow private air carriers to obtain a public property right at no cost?" My feeling is that it is not good policy to do that

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but that this amendment does not change the fact that they still do it. Under this amendment, people will still get a public property right that will have value.

So the question is not whether the slot should have value, whether private companies should get something that the public owns that has value. That is not the issue here. The question is, How are we going to decide who gets the slots?

Now, the Secretary of Transportation looked at the process that existed and found that it was not working, and interestingly we should not be surprised. The process of determining who gets the slots is basically a bureaucracy made up of the people who already have the slots. So, needless to say, they have a hard time deciding who should get this thing that is of great economic value.

The proposal of the Senator from Kansas is to continue to allow, granted in a modified function and probably better than what existed prior to the action of the Secretary of Transportation, the Government decide who gets the slots.

The argument is made that selling these slots, allowing them, because they do have value, to reflect it in price and allowing them to be bought and sold, is a barrier to entry, that since someone would have to come out and buy the slots either from the Government, if they issued new slots, or from the people who already own it, that that is a barrier to entry.

I would like to ask my colleagues how do you think you get a slot? How does an airline go about getting a slot at National? Do we assume it is free to get that slot?

I think the answer is no. They end up paying a tremendous price to get the slot. Only they do it by having to hire lawyers and lobbyists. They have to go through the bureaucratic process of trying to get the decision. They often get it on the basis of their ability to build a political coalition.

The slot often goes to people that do not have the best economic case or provide the most valuable service. And, in the process, we, as Members of the Senate, and I am sure it is true as Members of the House, have our constituents, who happen to be in the airline business, call up and say, "Could you help us? We are trying to get a slot at National," or, "We are trying to get a slot at one of these other airports." And we all pretend that we have this great influence and say "yes," we will write a letter and help them.

It is not free to get a slot. It is not free because slots are valuable, and the market forces that there be a process to allocate them. The process today is political favoritism. The process today is bureaucracy and the ability of companies to go out and hire lawyers and lobbyists and build a political base, and the process has broken down.

The new process proposed by the Senator from Kansas may be better, but it is still a bureaucracy. And as a bureaucracy it is going to make the decision not on the basis of efficiency, not on the basis of the ability of an airline to provide a service that people value, but on the basis of political pull and lobbying.

I hear the argument made that this is a barrier to entry because new airlines will not be able to buy the slots; they will not have the money. The point is they are already going to have to pay for it through this lobbying bureaucratic process. Now, I ask, what does a new airline have more of, money or political clout? Is it more likely that the existing carrier that is going broke would have more political clout than the new carrier that is trying to provide a new and competitive service?

The truth is, in my opinion, and I think it is borne out 1,001 times every day in the economy in which we operate, the existing inefficient provider of the service always has the political clout. The new, efficient provider rarely ever has it. The new provider does not have employees that can write their Congressmen. The new provider does not have the political connections that go with having gone through the process before, already having a retainer at those law firms that are specialists in this area. The truth is, in my humble opinion, that the barriers to entry are greater under regulation than they are in the market process; that the new provider providing the new and innovative service is benefited by the action taken by the Secretary of Transportation and will be hurt by this amendment.

What about small stops in small towns? Do we have a guarantee that under the current system the slots are going to small towns or small stops? Maybe we do, maybe we do not. But should they? Should we have slots being allocated for political reasons? Because I believe that the citizens of College Station, TX, ought to have a slot for a flight coming out of National Airport to College Station and because I might be able to go around and make political deals to try to line up support, should they get the slot because there is a Senator that lives in that little town? Or should they get the slot based on their ability to provide the service?

And how do you measure somebody's ability to provide the service? Well, you do not do it by their ability to influence bureaucrats. You do it by their ability to compete in terms of paying a price. And, in fact, in selling the slots you would not guarantee that each of our favorite cities would get a slot. You most certainly would not guarantee that. If you want to have political influence over the determination of selling the slots, you lose the influence. Nobody will write you again for help when they have got to go out and buy the slot, because they are going to have to go into the marketplace.

And where will the slots go? Are we guaranteed they will go to small stops? No. Maybe they should not. If we have a limited number of slots, maybe we ought to allocate them based on efficiency. And what other measure of efficiency is there than the ability of the service to earn money to pay for the slots?

So the truth is that while we hear the argument about small stops, small towns not getting slots if the slots we sold, but possibly getting them if they are given away, what we are really saying here is that politics will play a greater role over the use of the slots and they will not go to the highest user. Now, that is claimed as a benefit, but I see it as a cost. If we have got a limited number of slots at National, they ought to go to the highest valued user in terms of who can provide the greatest service. And the ability to buy the slot is clearly the measure of who can provide the greatest service to the American people.

The next argument is the argument about holding slots. If slots cost money—and slots do not pay interest; if you have got a gate out at National and you do not use it, you do not collect any interest on it—people are not going to hold them. They are going to either sell them or use them.

And again the argument—and it is a peculiar argument to be made here in the era of deregulation—the argument is that, by bureaucracts making decisions instead of the market, you are going to get better usage of resources. In no society in 5,000 years of history as a general consistent day-by-day principal has that ever been true. The market allocation of the slots would clearly be superior if your objective is maximum efficiency and the greatest benefit to the American people. If your objective is politics as usual and bureaucracy, then you do not want the market to do it.

Let me conclude my remarks, because I know a lot of people want to head out and we are heading toward 6 o'clock, by simply saying this: I have supported their sale of these two airports because I always rejoice when the Federal Government gets out of business and anybody else gets into that business. I figure that they may or may not do it as well as we do it, but at least we are not going to have to pay for it.

The idea of separate entities going out and raising capital rather than the taxpayers' money is an appealing one to me. But I must be honest, and that is this is a pretty marginal deal. We

are not getting very much money from this deal and, certainly, in terms of the physical assests that are being transferred, they are very valuable.

But while I have supported this effort to this point, if this amendment is adopted, I intend to vote against final passage. And I intend to argue with those in the administration who have argued that the passage of this amendment makes this bill unacceptable in the sense that we do benefit from the fact that we get out of the business of running two airports, but we lose in the sense that one of the most important innovations that we have come up with is in an area where we have deregulated the airlines but we have not deregulated in the sense of letting markets allocate who gets the slots. We are still letting politics decide the slots, but we are letting markets decide the profits and losses of the airlines.

In my opinion, the adoption of this amendment into law is far more harmful to our objective of trying to promote the public welfare, trying to promote the interests of the people of America who either use airports for travel or for the shipments of freight, that the loss of the adoption of this amendment is far greater than any gain from selling these airports could be.

In short, Mr. President, what this amendment does is it reverses the first real step toward bringing the market forces that we brought to bear on the airlines in allocating the slots. It is an indispensible part, in my opinion, of any effort to promote general efficiency.

There is a problem with allowing the people who own the slots to sell them. And the argument is they did not pay for them. Quite frankly, if I could go back and do it over again, they should have been sold to begin with, and perhaps we should have a proposal to sell them now. But that does not make valid the argument that we are giving people something of value. We are already giving them something of value. They have the slots. They are going to continue to have the slots so long as they use them. What we are doing is not allowing the market mechanism and system to work in allocating those slots. I think it is a tragic mistake.

I do not have any doubt about the fact that the amendment will be successful. But I did want to come to the floor and speak in opposition to it because I think we have seen a bold an ingenious action by the Secretary of Transportation, an action that was not politically popular because quite frankly we like politics in these things, but it was right in terms of the public interest—bringing market forces to bear in allocating a scarce resource. It is in every way in line with the platform of the President that appointed this Secretary of Transportation, and it is in every way in line with the general movement that we have undertaken in recent years in my opinion to the great benefit of the American people.

Unfortunately, we are here in the process of reversing it, and going back to a system of allocating these slots, a system that is being used in two-thirds of the world today to allocate resources but it is failing everywhere it is being used—allocation based on bureaucracy, privilege, and politics when we know in our national experience that the most efficient way to distribute resources is through a market.

I urge my colleagues to oppose the amendment, and I am certain that it will be adopted. But I wanted to go on record to explain why I intend to oppose final passage of this bill, and urge that the bill be vetoed when this amendment is adopted.

I yield the floor.

Mrs. **KASSEBAUM.** Mr. President, I would like to answer the Senator from Texas on a couple of points. I greatly respect his knowledge of the marketplace; he is an economist. When he says market allocation is superior, that may be true when one has an unrestricted marketplace. But one of the very troubling aspects of this issue, is that we are not dealing with an unrestricted marketplace, and slot allocation is not a proper subject for free market theories. The high density rule restricts the market because it limits flights in and out of airports during the day. It limits the slots that can be used because of high density of traffic at these particular airports. Where there is unrestricted use, where there is ample runway, then there is no problem. That is why we have to deal with the high density airports in a different manner, and why I think we all become frustrated at how best to handle the problem there. We simply cannot handle it in such a way that would allow the market to work its will in this limited environment.

Second, politics to my knowledge has not been an influence in slot allocation. I think all of us are concerned about allowing the status quo to continue. We are all concerned about the slots that are not being used. But it is not politics that has caused a breakdown of the scheduling committees. These committees, composed of the airlines that operate and desire to operate at the airports have been designated to solve the problems of slots that are not in use but were not given the tools to make this system work. The system has not been working largely because the industry has long believed that buy-sell would be implemented by rule. This of course gave the airlines reason to sit back, wait, and hope that they would be handed valuable landing rights to do with as they pleased.

To my knowledge it is the carriers that have been jockeying for position to own as many slots as possible which have impeded sensible, fair slot allocation. Politics has not really entered in. Of great concern is the fact that the high density rules I mentioned earlier may soon spread to other airports. If additional airports are restricted because they are not able to handle the growing volume of traffic, then all the problems we have seen with the high density rules and slot allocation could spread across the country. It thus behooves us at this point to create a sound, equitable method to handle the problem of allocation of scarce resources.

Mr. **GRAMM** and Mr. **METZENBAUM** addressed the Chair.

The **PRESIDING OFFICER.** The Senator from Texas.

Mr. **GRAMM.** Mr. President, I do not want to engage in a prolonged debate. But I would like to answer those two points because these arguments are made over and over again, and I basically am in disagreement with them.

First of all, is this notion because you have limits on something that market forces do not apply, and if you have a limited supply of something, supply and demand forces do not work? Mr. President, we see examples of markets working well in areas of limited supply. There are so many lots that are on a lake. There are so many acres on river. There is only one mountain top on each mountain. But yet, we do not go around and say, well, we will not let the market allocate those things because it is limited.

The idea that we have only so many slots at National and Dulles is an argument for using the market, not an argument against it. I would not worry about the Government doing it instead of the market if it were relatively inexpensive and relatively unvaluable. If the Government wants to regulate something that is free, nobody is hurt by it. The more scarce it is, the more limited it is, the more harmful Government is.

A second point that somehow there will not be any incentive to create new slots if you sell these, in my opinion, is exactly the opposite of the fact. If we have Government regulation allocating slots, then there is no incentive for us to create new slots. In fact, the people that have the slots and have the political power will lobby us not to do it, and since we do not get anything for doing it, we will not do it.

On the other hand, if we are selling the slots, and the airport board, the airports authority or the taxpayer benefited from creating more, then there would be an incentive to create more slots.

The point I want to make is that by selling the slots by a market value, we not only get a better use out of them, but also we create an incentive to

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build more of them because the airport board or the Government would benefit from it. That does not exist or did not exist prior to April 1, and will not exist if this amendment is adopted.

I yield the floor.

Mr. **METZENBAUM** addressed the Chair.

The PRESIDING OFFICER (Mr. Gorton). The Senator from Ohio.

Mr. **METZENBAUM**. Mr. President, I rise in support of this amendment, and in doing so, I want to direct the attention of my colleagues to an article in Barron's of February 24, 1986, which is headed "Golden Gates," and then a subheading "Landing Slots, A Windfall for the Airlines."

> In the fifth year of the Presidency of Ronald Reagan, Uncle Sam is still a sugar daddy to more than a few American corporations. On April 1st, some airlines will get the latest multimillion dollar bauble. Their gift will come in the name of economic efficiency for the Federal Aviation Administration, the watchdog of civil aeronautic safety, and home of the last few airline regulators in the age of deregulation.

Then it goes on, and in part of the article that I think is particularly relevant, you find the following statement:

> But as Eastern returns to the brink of bankruptcy for the third time in 4 years some investors are beginning to look at the company's breakup value.

Here is the important point:

> A conservative value of the carrier's landing rights represents about a third of its book value, and nearly half of its market capitalization.

Under what possible logic would the U.S. Government make it possible for certain airlines who have paid nothing for the privilege to be entitled to have in perpetuity these landing slots, and be in the position to sell them? What have they given for the right for those rights?

As we talk about it, I thought about how this Nation so many years ago, and even at the present time, gave radio stations and TV stations the right to operate in and control certain portions of the airwaves. They are now selling those rights for sums that are totally unbelievable, up into the hundreds of millions of dollars, rights that, in my opinion, rightfully belong to the people of this country.

The rights at the airports do not belong to the airlines. There is no reason why the Department of Transportation should be permitting those rights to be sold or owned by the airlines that have them.

I am pleased to support this amendment because it would stop the Department of Transportation's rule permitting the buying and selling of takeoff and landing rights for airports, the names of which have previously been mentioned. That rule took effect April 1 of this year and it is unjustified and it is illogical public policy. It is bad public policy. It is bad economics. It would likely be disastrous for small community air service.

The Department of Transportation is promoting its proposed buy/sell rule as a market-based approach to allocating landing rights that is consistent with the concept of airline deregulation.

Nothing could be further from the truth.

It is not a solution to the problem of allocating limited airspace at these four congested airports. The rule is simply a giveaway of valuable public property for the private gain of a few airlines.

Frankly, I am disturbed by DOT's penchant for anticompetitive giveaways to big air carriers.

If DOT approves, for instance, the proposed merger between Texas Air and Eastern Airlines, the merged airline would control 24 percent of takeoff and landing slots at Washington National Airport and 27 percent of these slots at La Guardia.

That is a tremendous benefit for the merged airline but a tremendously bad deal for airline competition and American consumers.

Right now, there is true competition in the airline industry. But by the time the mergers take place and the landing slots are given to certain airlines in perpetuity, the American consumer is going to wind up holding the bag and the American Government will have let down that consumer once again.

But I am not certain DOT views it the same way.

They do not seem to be worried about promoting competition in the airline industry.

Instead of aiding entry into the airline business—one of the cornerstones of deregulation—DOT's buy-sell rule will perpetuate the results of 40 years of Government regulation. It will give the select group of incumbent airline companies who received the most valuable slots as route awards under regulation prior to 1978, title to those slots in perpetuity.

To that I can only say, why, why, why?

Of course, under the DOT rule the incumbent airline would be free to sell its slots to other airlines—for a very substantial profit.

How much are the slots worth?

Who said that those airlines should be given those valuable rights? What possible logic is there to say that an airline has the right and the ownership to a slot in perpetuity?

According to the Office of Management and Budget, a prime time landing slot at La Guardia or Washington National will sell for between $500,000 and $1 million—a substantial windfall considering the incumbent airline will have received the slot from the Department of Transportation for nothing.

I would say that may be the figure that the Office of Management and Budget uses, but I stand here on the floor of the U.S. Senate and I say that if that practice is continued, those slots in the future will sell for 2, 4, 5, and 10 times that $500,000 to $1 million that the OMB talks about.

You cannot operate without having those rights. Therefore, if there are fewer and fewer airlines, the premium about updating a slot is going to be that much more valuable.

I, for one, do not believe that a small commercial carrier or a startup budget airline will be able to afford that price, whether it be $500,000, $1 million, or $5 million. No airline entreprenuer putting together his first public stock deal is going to be able to afford $1 million for the right to land one plane per day at Washington National Airport.

A more likely scenario is that incumbent carriers will decide to keep most of their slots, no matter how inefficient, rather than sell or lease them to potential competitors, particularly low-budget airline competitors.

The fact is, the DOT proposal amounts to a multimillion dollar distortion of the marketplace by the Federal Government, rather than free enterprise at work. The practical effects of buy-sell are unearned profits to large, incumbent airlines and the loss of service to small and medium size communities.

In 1982, when buy-sell was tried on a temporary basis the loser was small community air service. Slot buyers were airlines with long haul, high density, highly profitable markets. Sellers were airlines with short haul, low density markets.

For example, Rocky Mountain Airways sold five of its slots at Denver Stapleton Airport from which it had previously flown to Laramie, Cheyenne, Colorado Springs, and Pueblo. United and Continental bought the slots, and now use them to fly from Denver to New Orleans, Oakland, Albuquerque, and San Jose.

There is no question that the slot allocation problem in New York, Washington, and Chicago is a serious one that needs to be addressed. The current scheme of having committees, composed of airlines that operate at airports, allocate limited slots is not working.

That is because there is no mechanism to force the airlines to reach agreement.

The commuter airlines, on the other hand, have such a mechanism to break deadlocks. When these airlines cannot agree on slot allocations, a lottery is automatically used to reallocate up to 20 percent of the incumbents' slots.

This is not the situation for the major air carriers. There is no deadlock-breaking mechanism in their committee systems.

In attempting to deal with the problem, DOT should have sought ways to ensure more competition at airports, instead of handing a few airlines an economic windfall.

Mr. President, the amendment before us incorporates a committee system with a deadlock-breaking mechanism. It represents a major improvement over the DOT proposal.

Mr. President, the issue is clear. DOT's buy-sell rule will do more harm than good. It is anticompetitive, anticonsumer, and it would set a dangerous precedent for the allocation of slots at other airports in the future. This amendment would rescind the rule, and replace it with a system that better protects competition in the airline industry and service for consumers. I commend the author of the amendment and I urge my colleagues to support the amendment.

AMENDMENT NO. 1738

(Purpose: To add provisions regarding the transfer of slots at certain airports)

Mr. **GRAMM**. Mr. President, I send a substitute amendment to the desk and ask for its immediate consideration.

The PRESIDING OFFICER. The clerk will report.

The assistant legislative clerk read as follows:

> The Senator from Texas [Mr. Gramm] proposes an amendment numbered 1738 to amendment numbered 1735.
>
> In lieu of language, insert:
>
> AIRPORT SLOTS
>
> Sec. 13. (a) The Secretary and the Administrator of the Federal Aviation Administration shall reclaim slots that have been allocated to private airlines and sell those slots to the highest bidder.

Mr. **GRAMM**. Mr. President, I have offered a substitute to see basically who is for real and who is not for real in terms of who wants to see we get value out of those slots.

I have listened to our distinguished colleague talk about how unfair it is that private airlines have these slots.

The truth is they have them today and they have them free today. What was proposed and what has been implemented by the Secretary is to allow them to be sold so that they will be allocated on an efficiency basis.

Our distinguished colleague has raised questions about giving the slots to the people who already have been given the slots and allowing them to resell them.

In this simple substitute, I propose to redress that problem by having the slots reclaimed and having them sold to the highest bidder. We can debate the issue about whether or not you want the slots given away—which they are now in a political process—or whether you want them sold to the highest bidder on an efficiency basis.

I yield the floor, Mr. President.

Mr. **STEVENS**. Mr. President, I have great respect for my friend from Texas and what he is trying to do. That is, somehow or other, to put value on the slots. I think our committee ought to be given an opportunity to explore the whole concept to see where we go if there is to be some system of charging for slots, but putting value on slots is an entirely different item. That is giving to the private sector—in this case, those who are involved in current air transportation—a means of acquiring these on the basis of value without regard to service, without regard to schedules, without regard to distance that the aircraft is going to travel.

We have a policy, as everyone knows, in terms of radius that people can fly out of National. What are we going to do if the high bidder is somebody who wants to fly directly to California from National? This idea to test where we are in terms of whether we believe in the concept of somehow or other acquiring some value for the use of the slots, in my opinion, is the wrong way to go. With due respect to my friend, those of us who have been in this aviation subcommittee for some years now would be compelled to say that this is not the way to go about it.

I am not opposed to people having a slot paying the Government some money for the rights that they have. But to create a system whereby someone could disrupt the current regulatory scheme by simply having more money than the person who was there providing service, and service in accordance with the existing regulations, I think, is the wrong way to go.

Maybe the Senator from Texas did not hear. What would happen—there is a 1,000-mile radius out of National. Suppose someone wants to bid who operates a plan on a 2,000-mile radius?

Mr. **GRAMM**. Would the Senator yield?

Mr. **STEVENS**. Yes.

Mr. **GRAMM**. They would be bound by the same radius restrictions, though I happen to disagree with that radius restriction. Why would somebody bid? Somebody would bid only if they could provide a service that other people were willing voluntarily to pay for. If they could pay a higher price, I think it would indicate that they had a better service.

Mr. **STEVENS**. With due respect, Mr. President, I say to my friend that the question of value and the question of service are separate and distinct items. In my judgment, the question of service to the public as far as air transportation is concerned comes first. We should see if we cannot find some way to meet the objectives that many people seem to have, to acquire some compensation for the use of these rights.

I oppose this and I hope the distinguished subcommittee chairman is prepared to make a motion to table it, because I just do not think this is the way to deal with the subject. It is too complex and it is not the way to deal with it. By having a substitute, we would create an entirely new disposition in the air transportation industry this way.

Mrs. **KASSEBAUM**. Mr. President, I certainly do agree with the Senator from Alaska. I think that he has addressed very well the chaos that the Senator from Texas' amendment would add. I do not think it answers the problems that my amendment, supported by 24 cosponsors, tries to address.

Mr. President, I move to lay on the table the amendment of the Senator from Texas. I ask for the yeas and nays.

The PRESIDING OFFICER. Is there a sufficient second? There is a sufficient second.

The yeas and nays were ordered.

The PRESIDING OFFICER. The question is on agreeing to the motion of the Senator from Kansas to lay on the table the amendment of the Senator from Texas.

The yeas and nays have been ordered. The clerk will call the roll.

The assistant legislative clerk called the roll.

Mr. **SIMPSON**. I announce that the Senator from Florida [Mrs. Hawkins] and the Senator from Vermont [Mr. Stafford] are necessarily absent.

Mr. **CRANSTON**. I announce that the Senator from Missouri [Mr. Eagleton] and the Senator from Mississippi [Mr. Stennis] are necessarily absent.

The PRESIDING OFFICER (Mr. Cochran). Are there any other Senators in the Chamber desiring to vote?

The result was announced—yeas 82, nays 14—as follows:

[Rollcall Vote No. 55 Leg.]

YEAS—82

Abdnor
Andrews
Baucus
Bentsen
Biden
Bingaman
Boren
Boschwitz
Bradley
Bumpers
Burdick
Byrd
Chafee
Chiles
Cochran
Cohen
Cranston
D'Amato
Danforth
DeConcini
Denton
Dixon
Dodd
Dole
Domenici
Evans
Exon
Ford
Garn
Glenn
Goldwater
Gore
Gorton
Grassley
Harkin
Hatfield
Hecht
Heflin
Heinz
Hollings
Inouye
Johnston
Kassebaum
Kasten
Kennedy
Kerry
Lautenberg
Laxalt
Leahy
Levin
Long
Lugar
Mathias
Matsunaga
Mattingly
McConnell
Melcher
Metzenbaum
Mitchell
Moynihan
Murkowski
Nickles
Nunn
Packwood
Pell
Pressler
Proxmire
Pryor
Riegle
Rockefeller
Roth
Rudman
Sarbanes
Sasser
Simon
Simpson
Specter
Stevens
Thurmond
Trible
Warner
Weicker

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132
PT
5
MR
21
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AP
11
986
JMI

NAYS—14

Armstrong
Durenberger
East
Gramm
Hart
Hatch
Helms
Humphrey
McClure
Quayle
Symms
Wallop
Wilson
Zorinsky

NOT VOTING—4

Eagleton
Hawkins
Stafford
Stennis

So the motion to lay on the table Amendment No. 1738 was agreed to.

Mrs. KASSEBAUM. Mr. President, I move to reconsider the vote by which the motion to lay on the table was agreed to.

Mr. DOLE. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

The PRESIDING OFFICER. The Democratic leader.

Mr. BYRD. Mr. President, I would like to ask the distinguished majority leader if he can tell us at this time how many more rollcall votes he expects this evening, how late we will be voting, and what he anticipates for tonight.

Mr. DOLE. As I understand there will be a vote immediately on the Kassebaum amendment and then I would hope there would be a few other amendments tonight.

It seems to me we are making some progress on this bill finally.

There are still, if offered, 10 amendments outstanding that we know of. There may be additional amendments we have not been apprised of. So I would like to stay for a while.

Mr. BYRD. Would the distinguished majority leader indicate whether there is going to be any window for votes, and I am not asking for any, but if there is going to be one, I would like for us to know about it.

Mr. DOLE. The only request I have is from one Member. I said, "I just suggest you take your beeper." I do not know who is going to lay down the amendment following this one, but if whoever that might be could indicate how long he would take, certainly I would make that known to all Members.

Senators METZENBAUM, SARBANES, SARBANES, MATHIAS, MATHIAS, HOLLINGS, HOLLINGS, HOLLINGS, HOLLINGS—how about Senator TRIBLE's amendment—is that going to take long?

Mr. TRIBLE. That will be offered by Senator METZENBAUM. He can do this and that will be agreed to.

Mr. DOLE. Senator BENTSEN has an amendment.

Mr. BENTSEN. I am willing to proceed any time the majority leader wants me to.

Mr. DOLE. How long is that going to take, I ask the distinguished Senator.

Mr. BENTSEN. I hope it will not take very long. I do not think it is a controversial amendment. My understanding was that it would be accepted on both sides unless it is amended.

Mr. TRIBLE. If the majority leader will yield, there are a number of amendments that can be disposed of without substantial debate and we could move forward to those amendments after the Senate has expressed its will on the amendment of the Senator from Kansas.

Mr. DOLE. I might suggest then that following the vote on this amendment that we take up the Bentsen amendment and the Pressler amendment.

Mr. TRIBLE. Metzenbaum amendment.

Mr. DOLE. And the Metzenbaum amendment.

Mr. FORD. Would there be a vote on those?

Mr. DOLE. I understand those amendments will be accepted without a rollcall. That would give everyone at least 30 or 40 minutes, or maybe even longer, before the next rollcall.

Mr. BYRD. Mr. President, I do not think it is unreasonable for me to ask the distinguished majority leader to speak definitively and specifically as to whether he anticipates a rollcall vote within the next hour. If there is any—the distinguished majority leader said something about a beeper.

I would infer that to mean that there may be votes but there might be a window. It does not matter to me whether there is a window or not, if we could just be informed on our side whether there is going to be a window and how long we will be here voting. If we know that we are going to have additional rollcall votes, we would like to know it.

Mr. DOLE. Let me suggest if there are any votes ordered, the vote will not come until 7:45 p.m. and we will be here for a long time this evening.

Mr. BYRD. All right. That would indicate there is going to be a window of an hour?

Mr. DIXON. After this vote?

Mr. BYRD. After this rollcall vote?

Mr. DOLE. I hope Members who have amendments that will be accepted and those that are going to be contested will be here to offer the amendments.

Mr. BYRD. So there will be an immediate rollcall vote, an hour in which there will be no rollcall votes, and the majority leader will indicate that there will then be another rollcall vote or votes; am I correct?

Mr. DOLE. That is correct. I think there will not be a vote following this vote until at least 7:45 p.m.

Mr. BYRD. I thank the majority leader.

The PRESIDING OFFICER. The Senator from Kansas.

Mrs. KASSEBAUM. Mr. President, I ask for the yeas and nays on my amendment.

The PRESIDING OFFICER. Is there is sufficient second? There is a sufficient second.

The yeas and nays were ordered.

The PRESIDING OFFICER. The Senator from Kentucky.

Mr. FORD. Mr. President, I rise in support of the amendment of the Senator from Kansas. I am a cosponsor of Senator KASSEBAUM's bill, S. 1966, and I am pleased that she has chosen to offer the language of S. 1966 to prohibit the buying and selling of airport slots on the airport transfer bill.

I am totally opposed to the concept of buying and selling airport slots. It is inconceivable that the Federal Government would devise a windfall to be gained by private entities from the sale of public property rights. There is definitely a capacity problem in the Nation's largest airports, but the Department of Transportation's rule is not the answer.

There are many parts of the country that did not fare as well under airline deregulation as some large metropolitan areas. I happen to serve one of the areas that has paid the price for airline deregulation. Fortunately, we now have super savers to Kentucky. I used to read with envy the airline ads that offered low cost fares to Dallas, Los Angeles, and San Francisco. For many years after deregulation, I believe the travelers from my part of the country paid the price for the low-cost fares from New York to California. Now that Kentucky is experiencing the benefits of airline price wars, I now have to be concerned whether or not Kentucky will continue to have flights to high density airports.

Prior to the final rule being published, the Aviation Subcommittee held a meeting with OMB and DOT officials to discuss the rule. My staff was in attendance and asked the representative of OMB how this would affect mid-size cities and how could a city like Louisville, KY, guarantee service to Washington National, Chicago O'Hare, and New York's JFK and LaGuardia. The answer from OMB was for the city of Louisville to purchase slots in each of these airports. I really wonder what funds OMB expects the cities to use to purchase airports slots since we have done away with revenue sharing. If you want to get even more ridiculous, you could consider awarding grants from the trust fund to cities to purchase slots. An airport slot is a public property right and should not be sold. If the DOT rule stands, it will certainly reduce airline service to smaller communities.

Another of my concerns is that this rule will eventually apply to many more airports. DOT testified during the Commerce Committee hearings that only the four airports currently included would fall under this rule. Many witnesses followed DOT and suggested other airports with capacity problems—Atlanta, LAX, Boston,

Denver, and DFW. Don't be surprised if DOT is successful with this rule that many other airports will eventually be included. I must warn my colleagues that, although you might not be concerned with service to Washington, Chicago, or New York, you may be interested in service to Denver or Los Angeles. During the PATCO strike in 1982, DOT experimented with a buy/sell program. This experiment was extended to 22 airports with capacity restrictions, not just the four under consideration for the present rule. What you vote on today may eventually be extended to your airport.

I wholeheartedly support the amendment to require DOT to repeal the buy/sell rule and direct the DOT to issue an alternative rule. Once we allow DOT to start selling slots, we can never reverse the rule. This rule must be stopped now. A lot more thought needs to be given to solving our airport capacity problems.

Mr. KASTEN. Mr. President, I rise today in support of the amendment being offered by my friend, the distinguished Senator from Kansas. I commend you, Senator KASSEBAUM, for your leadership in recognizing the need to overturn the ill advised and potentially disastrous airport slot rule. I was pleased to join you as an original cosponsor of your legislation and I am proud to join you today as a cosponsor of the amendment.

Even though this rule technically affects only four airports—National, JFK, La Guardia, and O'Hare—the impact is actually much greater. Hundreds of airports around the Nation rely on small commuter carriers to get their passengers to the central airline hubs at one of these four airports. Since this rule went into effect on April 1, it is now possible that they could be faced with no service whatsoever.

Mr. President, as the law read before April, a carrier would not receive any compensation if they gave up a slot since it never paid for it in the first place. But because of this rule, airlines can make millions from selling their slots. Small commuter airlines might sell their short-haul route time slots—even if they're profitable—to airlines with intentions to fly more profitable long-haul routes. Before, no small airline that was flying a profitable route would think of giving it up. But under this present rule, the greater profits from slot sales could be incentive enough to give up slots.

In my own State of Wisconsin, eight communities rely on commuter service to O'Hare. Six of them—Green Bay, Appleton, Oshkosh, La Crosse, Wausau, and Rhinelander—rely exclusively on commuter airlines for service to Chicago. Chicago serves as their gateway to the rest of the Nation as well as the world.

Without the service to Chicago by Midstate Airlines and Air Wisconsin—both are commuter airlines—these six cities could go the way of Marshfield and Wisconsin Rapids.

These two communities suffered greatly from a trial buy/sell which occurred a few years ago. At that time, Lakeland Airlines, a small commuter line, sold its time slots which had previously been used for service from O'Hare to these two cities. Since no other airline served either city, their terminals have gone empty. This forced passengers to travel long distances by car just to get to an airport. As a direct result of the loss of air service, the cities have had additional problems in their attempts to bring in new businesses to help their struggling economies. As you can see, I have witnessed in my own State of Wisconsin the disastrous impact that this rule can have on a community, as well as the domino effect that can follow.

Mr. President, I would ask why airlines should be allowed to buy and sell slots when they never paid for them in the first place. All this rule does is to effectively put money in the pocket of every airline that now owns a slot. Even though a more prudent idea might have been for the Government to sell the slots to the airlines, our smaller communities that depend on air service to these four airports could still be hurt.

In sum, I believe this new rule is ill advised, shortsighted, and could prove disastrous to my home State of Wisconsin. The Kassebaum amendment addresses the problem of slot turnover, while protecting the smaller communities that depend on service to National, JFK, La Guardia, and O'Hare to get to the rest of the world. Thusfar, very few slots have changed hands. The Senate must act immediately before any more slots are sold. We should adopt this amendment today.

Mr. President, I am pleased to be a cosponsor and it is my hope that my colleagues will join me in supporting this necessary amendment.

Mr. GORTON. Mr. President, although I applaud the goals of the chairman of the Aviation Subcommittee, Senator KASSEBAUM, I must express my opposition to this amendment as it is presented today. I share her view that the present system of allocating slots at high density airports does not assure the maximum availability of service to the flying public. And I agree that we should not adopt a radical buy/sell solution without first examining other options. However, I believe that the imbalance that exists as a result of months and years of inaction by scheduling committees requires us to give some consideration to carriers who have been continually frozen out of desirable slots.

As the Senator from Kansas is aware, the rule issued by the Secretary of Transportation last December calls for the reassignment, by lottery, of 5 percent of existing slots to new entrants or limited incumbents, in addition to implementing the buy/sell concept. This reassignment will generate new competition and compensate in part for the lack of movement by scheduling committees. This amendment contains no similar provision for short-term relief during the time it would take for DOT to formulate its new rule. It is for this reason, and not any enthusiasm for buy/sell, that I will oppose this amendment.

The PRESIDING OFFICER. If there be no further debate, the question is on agreeing to the amendment of the Senator from Kansas.

On this question, the yeas and nays have been ordered and the clerk will call the roll.

The bill clerk called the roll.

Mr. SIMPSON. I announce that the Senator from Florida [Mrs. HAWKINS], the Senator from Nevada [Mr. LAXALT], the Senator from Pennsylvania [Mr. SPECTER], and the Senator from Vermont [Mr. STAFFORD] are necessarily absent.

Mr. CRANSTON. I announce that the Senator from Missouri [Mr. EAGLETON] and the Senator from Mississippi [Mr. STENNIS] are necessarily absent.

The PRESIDING OFFICER. Are there any other Senators in the Chamber who desire to vote?

The result was announced—yeas 82, nays 12, as follows:

[Rollcall Vote No. 56 Leg.]

YEAS—82

Abdnor
Andrews
Baucus
Bentsen
Biden
Bingaman
Boren
Boschwitz
Bradley
Bumpers
Burdick
Byrd
Chafee
Chiles
Cochran
Cohen
Cranston
D'Amato
Danforth
DeConcini
Denton
Dodd
Dole
Domenici
Durenberger
East
Evans
Exon
Ford
Glenn
Goldwater
Gore
Grassley
Harkin
Hart
Hatfield
Hecht
Heinz
Helms
Hollings
Inouye
Johnston
Kassebaum
Kasten
Kennedy
Kerry
Lautenberg
Leahy
Levin
Long
Lugar
Mathias
Matsunaga
Mattingly
McConnell
Melcher
Metzenbaum
Mitchell
Moynihan
Murkowski
Nickles
Nunn
Packwood
Pell
Pressler
Proxmire
Pryor
Riegle
Rockefeller
Roth
Rudman
Sarbanes
Sasser
Simon
Simpson
Stevens
Thurmond
Trible
Warner
Weicker
Wilson
Zorinsky

NAYS—12

Armstrong
Dixon
Garn
Gorton
Gramm
Hatch
Heflin
Humphrey
McClure
Quayle
Symms
Wallop

NOT VOTING—6

Eagleton
Hawkins
Laxalt
Specter
Stafford
Stennis

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So the amendment (No. 1735) was agreed to.

Mrs. KASSEBAUM. Mr. President, I move to reconsider the vote by which the amendment was agreed to.

Mr. BENTSEN. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

AMENDMENT NO. 1739

Mr. BENTSEN. Mr. President, I send an amendment to the desk and ask for its immediate consideration.

The PRESIDING OFFICER. The clerk will report.

The legislative clerk read as follows:

The Senator from Texas [Mr. BENTSEN] proposes an amendment numbered 1739.

Mr. BENTSEN. Mr. President, I ask unanimous consent that further reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

At the end of the bill, add the following new section:

SEC. . (a) Notwithstanding any other provision of this Act, or any other law, or any regulation issued pursuant thereto, a person shall not be prohibited from operating an air carrier aircraft nonstop between Washington National Airport and any other airport which is located within 1250 miles of Washington National Airport.

(b) Notwithstanding any other provision of this Act or any other law, the Airports Authority shall have no authority to issue any regulation imposing any such prohibition referred to in subsection (a) of this section.

Mr. BENTSON. Mr. President, today, I offer an amendment to the Metropolitan Washington Airports Transfer Act of 1985—S. 1017, which will extend the 1,000-mile Washington National Airport perimeter rule to 1,250-miles.

The perimeter rule is neither a noise rule nor a safety rule, but was put in place in 1966 to prevent a diversion of traffic from Dulles to Washington National. In the early 1960's Dulles Airport was plagued by access and convenience problems; no restrictions existed on the number of operations at Washington National. The FAA was quite properly concerned about the economic viability of Dulles over the long term. Dulles is now enjoying rapid traffic growth and no longer needs protection.

My principal reason for offering the amendment is the unfair effect that the 1,000-mile perimeter rule has on many of the Nation's airlines, which in the wake of deregulation have restructured their route systems so as to permit the combination of traffic flows over hub-and-spoke systems. The requirement of an additional stop along the way makes that service less attractive to the passenger. Additionally, the 1,000-mile perimeter rule has given rise to the wasteful and inefficient hops between Dulles and BWI.

Extension of the perimeter rule will present immediate opportunity for Dallas/Fort Worth and Houston. There is no reason to believe that such extension would result in any reduction of service between National and smaller cities within 1,000-miles.

The 1,000-mile perimeter rule is an anachronism that has been left on the book despite the fact that it no longer serves a valid purpose.

Mr. President, the amendment that I am offering is one that I have discussed with the manager for the majority, and the manager for the minority. It is my understanding that they see no objection to it. What I am dealing with is a perimeter rule of 1,000 miles from Washington National Airport. That was one we put on many years ago when you were really concerned about the economic viability of Dulles. There were problems with the facilities there, and with the access there while Washington National was exploding. That situation now is reversed. You are seeing Dulles growing, and growing at a very splendid rate. But this anachronism has remained. When we talk about moving it out to 1,250 miles, this is one that will take care of some of the very uneconomic things that are happening. You have planes flying from BWI to Dulles and from National to Dulles, and then in turn going on to airports such as Houston, Forth Worth and Dallas.

That is frankly a most inefficient way to use aircraft. Now that you have the hub and spoke system that is being used by airlines, it would be much more effective and efficient if we were to avoid that, and extend that perimeter out to 1,250 miles.

That is what I am urging. That is what my amendment provides for. I urge its adoption, Mr. President.

Mr. PRESSLER addressed the Chair.

The PRESIDING OFFICER. The Senator from South Dakota.

Mr. BENTSEN. My understanding, Mr. President, is that there has been no objection. I just discussed it with the Senator from Virginia, and earlier I had discussed it with the Senator from South Carolina.

The PRESIDING OFFICER. Is there further debate on the amendment of the Senator from Texas?

Mr. SARBANES. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. TRIBLE. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. TRIBLE. Mr. President, I have reviewed the amendment offered by the Senator from Texas [Mr. BENTSEN], and I have no objection to its adoption.

Mr. BENTSEN. Mr. President, I have had this discussion with the manager for the minority and he, in turn, discussed it with the Senator from South Carolina. They have no objection. I move adoption of the amendment.

The PRESIDING OFFICER (Mr. EAST). If there is no further debate on the amendment, the question is on agreeing to the amendment.

The amendment (No. 1739) was agreed to.

Mr. BENTSEN. Mr. President, I move to reconsider the vote by which the amendment was agreed to.

Mr. TRIBLE. Mr. President, I move to lay that motion on the table.

The motion to lay on the table was agreed to.

AMENDMENT NO. 1740

Mr. TRIBLE. Mr. President, I send an amendment to the desk on behalf of myself and the Senator from Ohio [Mr. METZENBAUM] and ask for its immediate consideration.

The PRESIDING OFFICER. The clerk will report.

The legislative clerk read as follows:

The Senator from Virginia [Mr. TRIBLE], for himself and Mr. METZENBAUM, proposes an amendment numbered 1740.

Mr. TRIBLE. Mr. President, I ask unanimous consent that further reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

On page 38, line 15 insert the following after the period:

"(4) In acquiring by contract supplies or services for an amount estimated to be in excess of $200,000, or awarding concession contracts, the Airports Authority shall obtain, to the maximum extent practicable, full and open competition through the use of published competitive procedures: *Provided*, that by a vote of seven members, the Airports Authority may grant exceptions to the requirements of this paragraph."

Renumber paragraphs (4)-(7) accordingly.

Mr. TRIBLE. Mr. President, this amendment represents both good government and good management. The amendment establishes a condition to the lease that requires the Airports Authority to employ full and open competition to the maximum extent practicable in acquiring supplies or services in excess of $200,000 or awarding concession contracts. Published competitive procedures must be used, and the Airports Authority can make exceptions only by a vote of seven members, the same number required to approve bond issues and the annual budget. The amendment will ensure that substantial purchases of goods and services are made at competitive prices. It therefore is fully consistent with the efforts to guarantee the

proper and prudent procurement of goods and services.

The PRESIDING OFFICER. Is there further debate? If not, the question is on agreeing to the amendment.

The amendment (No. 1740) was agreed to.

Mr. TRIBLE. Mr. President, I move to reconsider the vote by which the amendment was agreed to.

Mr. PRESSLER. Mr. President, I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. TRIBLE. Mr. President, I have been asked to say that there are a couple of other amendments which we hope to have offered at this time which could be disposed of without substantial debate or controversy.

Mr. President, I see my colleague from Maryland, Senator SARBANES, in the Chamber, and would inquire if he is in a position to offer one or more of his substantive amendments this evening.

Mr. SARBANES. I will inquire of the manager of the bill what procedure does he envision pursuing.

Mr. TRIBLE. The majority leader has said that there would be no recorded votes until the hour of 7:45 or 8 o'clock. The majority leader has further suggested that we would continue in session this evening and hopefully resolve further amendments. There could very possibly be votes after the 8 o'clock hour.

I would hope that we could turn to one or more substantive amendments this evening and resolve the amendments, voting on them tonight, and permit the Senate to work its will.

Mr. SARBANES. How long does the Senator expect we will be in session?

Mr. TRIBLE. It is obvious to me the majority leader hopes we can resolve this matter as quickly as possible. That would call for our continued presence on the floor. I am prepared to stay here late into the night. I am not sure, I must tell the Senator, whether that is the disposition of the majority leader. But he had indicated to our colleagues that they should expect votes after the 8 o'clock hour.

Mr. SARBANES. I take it there are to be no votes before 8 o'clock?

Mr. TRIBLE. My recollection is the majority leader actually said 7:45, but I would take it we would want to protect our colleagues for the remainder of this hour until about 8 o'clock, yes.

What is the Senator's disposition?

Mr. SARBANES. This Senator's disposition is to suggest the absence of a quorum.

Mr. TRIBLE. I was hoping that the Senator could offer one of the substantive amendments about which we have heard for several days.

Mr. SARBANES. As I understand, we will not have any rollcall vote until 8 o'clock.

Mr. TRIBLE. The Senator is correct.

Mr. SARBANES. Mr. President, I suggest the absense of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. PRESSLER. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

AMENDMENT NO. 1741

(Purpose: To change composition of membership on the board of the Airports Authority)

Mr. PRESSLER. Mr. President, I send an amendment to the desk and ask for its immediate consideration.

The PRESIDING OFFICER. The amendment will be stated.

The legislative clerk read as follows:

The Senator from South Dakota [Mr. PRESSLER] proposes an amendment numbered 1741.

Line 5, page 35, strike the word "eleven" and insert in lieu thereof "thirteen".

Line 11, page 35, strike "one member" and insert in lieu thereof "three members".

Line 22, page 35, strike "member" and insert in lieu thereof "members".

Line 11-12, page 36, strike "a 6-year term" and insert in lieu thereof "6-year terms".

Line 14, page 36, strike "Seven" and insert in lieu thereof "Eight".

Mr. PRESSLER. Mr. President, I withdraw the amendment.

The amendment (No. 1741) was withdrawn.

AMENDMENT NO. 1742

(Purpose: To change composition of membership on the board of the Airports Authority)

Mr. PRESSLER. Mr. President, I send an amendment to the desk and ask for its immediate consideration.

The PRESIDING OFFICER. The amendment will be stated.

The legislative clerk read as follows:

The Senator from South Dakota [Mr. PRESSLER] proposes an amendment numbered 1742.

Line 5, page 35, strike the word "eleven" and insert in lieu thereof "thirteen".

Line 11, page 35, strike "one member" and insert in lieu thereof "three members".

Line 22, page 35, strike "member" and insert in lieu thereof "members".

Line 11-12, page 36, strike "a 6-year term" and insert in lieu thereof "6-year terms".

Mr. PRESSLER. Mr. President, this amendment increases the number of Presidential appointees from one to three. It changes the other portions of the bill from singular to plural when referring to Presidential appointees.

The thinking behind it is that Dulles and National have national and international implications and there is a great deal of interest in these airports throughout the country. Many of the arguments for this increase have already been aired here today. I thank my colleagues for their consideration of this amendment.

Mr. WARNER. Mr. President, the managers of the bill, together with a very broad spectrum of Senators on both sides of the aisle, have looked at this issue and feel that the amendment offered by the Senator from South Dakota does strengthen the bill. It clearly indicates the national aspect of this combination of the two airports and I think it will go a long way to reassure Members of this Chamber that indeed we are, all of us, working to secure this transfer in a manner that is consistent with the interests of not only the States of Virginia and Maryland and the Nation's Capital, the District of Columbia, but other jurisdictions located beyond. I thank the Senator for his cooperation.

Mr. President, if there is no further discussion on the amendment, I move the amendment.

The PRESIDING OFFICER. The question is on agreeing to the amendment.

The amendment (No. 1742) was agreed to.

Mr. PRESSLER. Mr. President, I move to reconsider the vote by which the amendment was agreed to.

Mr. WARNER. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. WARNER. Mr. President, the managers of the bill are under the impression that the Senator from New Hampshire will be coming to the floor shortly to offer an amendment. While we are awaiting the arrival of the Senator from New Hampshire, I join with my colleague (Mr. TRIBLE) in expressing our appreciation to the majority and minority leaders and others, indeed our colleagues from Maryland, who are all joined together now in trying to expedite the consideration of this bill.

We are making considerable progress. We anticipate that the debate on the amendment to be offered by the Senator from New Hampshire will be reasonably brief, such that we can meet the schedule earlier laid down by the majority leader.

I see the Senator from Maryland on his feet. I would be happy to yield the floor if he seeks recognition.

Mr. SARBANES. As I understand it, there are not going to be any recorded votes for a while, and I would expect any amendment that I would offer to require a recorded vote. Therefore, I will defer until we get closer to the time when we are going to be able to have votes.

AMENDMENT NO. 1743

(Purpose: To provide for the sale of National and Dulles Airports for the highest cash offer, and for other purposes)

Mr. HUMPHREY. Mr. President, I ask unanimous consent that the quorum call be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

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Mr. HUMPHREY. Mr. President, I send an amendment to the desk and ask it be considered.

The PRESIDING OFFICER. The clerk will report.

The legislative clerk read as follows:

The Senator from New Hampshire [Mr. HUMPHREY] proposes an amendment numbered 1745.

Mr. HUMPHREY. Mr. President, I ask unanimous consent that further reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

On page 24, line 13, strike out all through line 16 and insert in lieu thereof:

SHORT TITLE

SECTION 1. This Act may be cited as the "Metropolitan Washington Airports Sales Act of 1986".

TITLE I—SALE OF THE METROPOLITAN WASHINGTON AIRPORTS

DEFINITIONS

SEC. 101. As used in this title, the term—

(1) "employees" means all permanent Federal Aviation Administration personnel employed on the date of sale by Washington National Airport;

(2) "Metropolitan Washington Airports" means Washington National Airport and Washington Dulles International Airport, and includes the Dulles Airport Access Highway and Right-of-way, including the extension between the Interstate Routes I-495 and I-66;

(3) "Secretary" means the Secretary of Transportation;

(4) "Washington Dulles International Airport" means the airport constructed under the Act entitled "An Act to authorize the construction, protection, operation, and maintenance of a public airport in or in the vicinity of the District of Columbia", approved September 7, 1950 (64 Stat. 770); and

(5) "Washington National Airport" means the airport described in the Act entitled "An Act to provide for the administration of the Washington National Airport, and for other purposes", approved June 29, 1940 (54 Stat. 686).

PROCEDURE FOR SALE OF THE METROPOLITAN WASHINGTON AIRPORTS

SEC. 102. (a) Within sixty days after the date of enactment of this title, the Secretary shall issue a request for proposal to purchase Washington National Airport and a request for proposal to purchase Washington Dulles International Airport.

(b) Such requests shall provide for—

(1) closed offers for the purchase of each such airport in accordance with the provisions of section 103;

(2) such information as is necessary to determine whether the offers meet such provisions; and

(3) a period of one hundred and twenty days for submission of offers.

(c) Within sixty days after the one hundred and twenty-day period submission of offers, the Secretary shall select the winning offers for the purchase of such airports, in accordance with the provisions of section 103.

(d)(1) The Secretary shall take such actions as necessary to negotiate the terms of sale and transfer of each such airport to the highest offeror in accordance with the provisions of this Act.

(2) Within sixty days after the date of selection of the purchasers of the Metropolitan Washington Airports, the Secretary shall complete the sale and transfer of such airports, unless any such sale is disapproved by the enactment of a joint resolution.

SELECTION OF PURCHASERS

SEC. 103. (a) Subject to the provisions of section 104, the Secretary shall select as the purchaser of each airport from the offers received pursuant to section 102—

(1) the offeror who offers the greatest cash amount for Washington National Airport; and

(2) the offeror who offers the greatest cash amount for Washington Dulles International Airport.

(b) Notwithstanding the provisions of subsection (a), Washington National Airport and Washington Dulles International Airport may not be sold to the same purchaser. If one person offers to pay the highest cash amount for each Metropolitan Washington Airport—

(1) such person shall be selected to purchase the airport for which he offers to pay the higher cash amount; and

(2) the other airport (which such person shall be disqualified from purchasing) shall be sold to the person who offers to pay the second highest cash amount for such airport.

TERMS OF SALE FOR THE WASHINGTON METROPOLITAN AIRPORTS

SEC. 104. The sales of Washington National Airport and Washington Dulles International Airport shall be subject to the following terms:

(1) All real and personal property sold and transferred shall be used for airport purposes, or for purposes that are complementary to use as an airport.

(2) The owner of each airport may not set landing fees higher than necessary to cover the costs of operating each airport each year.

(3) Each airport shall be subject to the environmental standards, noise standards, safety regulations, and other applicable standards and regulations in effect of the date of the sale and transfer of such airport.

(4) The purchaser of Washington National Airport shall pay a minimum of $100,000,000 in cash for the purchase of such airport and the purchaser of Washington Dulles International Airport shall pay a minimum of $50,000,000 in cash for purchase of such airport.

(5) In addition to the amount paid pursuant to paragraph (4), the purchaser for Washington National Airport shall pay $39,000,000 to the United States for settlement of retirement obligations relating to employees and former employees.

(6) A majority of the equity interest in each airport shall be owned by citizens of the United States or corporations of the United States.

(7) All rights to landing aircraft, including landing slots, shall be included in the property rights sold and transferred to purchasers pursuant to this Act.

TITLE II—TRANSFER OF THE METROPOLITAN WASHINGTON AIRPORTS

FINDINGS

SEC. 201. The Congress finds, for purposes of implementing this title, that—

On page 27, line 4, strike out "SEC. 3." and insert in lieu thereof "SEC. 202.".

On page 27, line 5, strike out "Act" and insert in lieu thereof "title".

On page 27, line 13, strike out "Act" and insert in lieu thereof "title".

On page 27, strike out line 21 and insert in lieu thereof:

"SEC. 203. In this title, the term—"

On page 27, line 26, strike out "section 7 of this Act" and and insert in lieu thereof "section 206 of this title".

On page 28, line 3, strike out "Act" and and insert in lieu thereof "title".

On page 28, line 6, strike out "section 5 of this Act" and and insert in lieu thereof "section 204 of this title".

On page 29, line 8, strike out "SEC. 5." and insert in lieu thereof "SEC. 204.".

On page 29, line 14, strike out "section 7 of this Act" and insert in lieu thereof "section 206 of this title".

On page 29, strike out line 16 and insert in lieu thereof "effective date of this title".

On page 30, line 19, strike out "section 9(e) of this Act" and insert in lieu thereof "section 208(e) of this title".

On page 30, line 23, strike out "9(e) of this Act" and insert in lieu thereof "208(e) of this title.

On page 31, line 9, strike out "section 9 of this Act" and insert in lieu thereof "section 208 of this title".

On page 31, line 14, strike out "section 8 of this Act" and insert in lieu thereof "section 207 of this title".

On page 31, line 22, strike out "Act" and insert in lieu thereof "title".

On page 32, line 2, strike out "Act" and insert in lieu thereof "title".

On page 32, line 5, strike out "SEC. 6." and insert in lieu thereof "SEC. 205.".

On page 32, line 15, strike out "section 7 of this Act" and insert in lieu thereof "section 206 of this title".

On page 32, line 18, strike out "SEC. 7." and insert in lieu thereof "SEC. 206.".

On page 34, strike out line 11, and insert in lieu thereof "effective date of this title;".

On page 35, line 1, strike cut "8 of this Act" and insert in lieu thereof "207 of this title".

On page 36, line 17, strike out "SEC. 8." and insert in lieu thereof "SEC. 207.".

On page 37, line 17, strike out "section 5 of this Act" and insert in lieu thereof "section 204 of this title".

On page 37, line 10, strike out "Act" and insert in lieu thereof "title".

On page 38, line 19, strike out "Act" and insert in lieu thereof "title".

On page 42, line 17, strike out "SEC. 9." and insert in lieu thereof "SEC. 208.".

On page 44, line 14, strike out "8 of this Act" and insert in lieu thereof "207 of this title".

On page 46, line 12, strike out "SEC. 10." and insert in lieu thereof "SEC. 209.".

On page 46, line 15, strike out "Act" and insert in lieu thereof "title".

On page 46, line 16, strike out "section 5 of this Act" and insert in lieu thereof "section 204 of this title".

On page 47, line 16, strike out "Act" and insert in lieu thereof "title".

On page 48, line 25, strike out "section 5(b) of this Act" and insert in lieu thereof "section 204(b) of this title".

On page 49, line 2, strike out "SEC. 11." and insert in lieu thereof "SEC. 210.".

On page 49, line 7, strike out "8(a)(1) of this Act" and insert in lieu thereof "207(a)(1) of this title".

On page 50, line 2, strike out "SEC. 12." and insert in lieu thereof "SEC. 211.".

On page 50, line 9, strike out "date of enactment of this Act" and insert in lieu thereof "effective date of this title".

On page 50, line 11, strike out "Sec. 13." and insert in lieu thereof "SEC. 212.".

On page 50, line 11, strike out "Act" and insert in lieu thereof "title".

On page 50, line 13, strike out "Act" and insert in lieu thereof "title".

On page 50, add after line 14 the following new section:

EFFECTIVE DATE

SEC. 213. The provisions of this title shall not take effect if both Metropolitan Washington Airports are sold pursuant to the terms of title I. The provisions of this title shall take effect and be applicable to either or both Metropolitan Washington Airports if no offer is received for either such airport—

(1) within the one hundred and twenty-day period pursuant to section 102(b)(3) of this Act; and

(2) which meets the terms of sale specified pursuant to section 104 of this Act.

Mr. HUMPHREY. Mr. President, two things bother the Senator from New Hampshire with respect to the pending legislation. The first is that the proposal does not represent an effort at privatization. If the bill is passed by the Senate and becomes law, we will simply be transferring Washington National and Dulles Airports from one government entity to another. It is simply a reshuffling of the cards. There is not the slightest element of privatization in the proposal. What a great pity that is because we are in the dawn of the age of privatization, and what better bill and what better properties to dispose of by means of true privatization that Washington National and Dulles Airports.

There are many other properties that ought to be disposed of by way of privatization—the power marketing associations for an example, but those are big challenges, those are great big entities. They are much more complicated to sell than are these two airports. So we are missing a wonderful opportunity here because of the nature of the properties and their size and their relative simplicity in terms of operation to set the pattern for the future in true privatization. So that is my first disappointment; that is, that we are not undertaking anything here that represents privatization.

The second disappointment the Senator from New Hampshire has is that nowhere in the process that has led us to this point in lawmaking has privatization ever been considered—nowhere in the process, not so far here on the floor, not in the Commerce Committee, not in the Holton Commission and apparently not at the Department of Transportation, at the source.

Reviewing the transcript of the Commerce Committee proceedings, there was one proposal and one proposal only considered by the Commerce Committee, and that is the one handed down by the Holton Commission which in turn was a recommendation largely of the Department of Transportation. There has never been consideration of any alternative than the one which now lies before us. That is unfortunate because there are alternatives, there are options, in my view better options than simply shuffling the deck. In the view of this Senator, we ought to sell these properties to the highest bidder, to a private entity, and indeed in the last few weeks several respectable private banking firms have indicated interest in financing private sales of these properties. The well-respected British bank, N.M. Rothschild & Sons of London stated that a consortium of organizers could expect to put together a bid of $500 million to $1 billion for the sale of these airports. Instead, the measure before us proposes to settle for $47 million. That is a mighty good deal for the State of Virginia but a mighty poor deal for the taxpayers of our country.

But that is not all. It is not just the question of purchase price. It is also a question of efficiency of operation. It is a question of putting these valuable resources to their highest and most efficient use and that is not going to happen. We will not under any circumstance from now until eternity make the highest and most efficient use of any resources when they are fully controlled by government, whether it is a regional commission or the high and mighty Federal Government. So we are kissing away for decades, if this bill becomes law, the opportunity to put these properties to their highest and most efficient use by selling them to a private operator.

Mr. President, I mentioned that two banking firms have expressed interest in recent weeks in financing private sales, N.M. Rothschild and Sons of London and more recently the Morgan Stanley Bank of New York..

Mr. President, a research group, the Citizens for a Sound Economy, in May 1985, put together a very cogent and in my view enlightened research report entitled "privatizing Washington's Airport."

Mr. President, the report of Citizens for a Sound Economy recommended a sale to a private party; that Dulles and National Airports be sold separately so as to compete with one another.

We are all in favor of competition, it seems, until we get down to the nitty-gritty of voting for it.

The amendment which I place before the Senate incorporates this recommendation. It would require the separate sale of each of these airports.

The CSE recommendations propose that the new owners would have full pricing freedom for landing fees, but the high density rule artificially limiting operations at National would be abolished, as well as the 1,000-mile limitation at National. It recommends that the night-time noise limitations at National would be retained, that the new owners would grant present FAA employees first right of refusal for jobs. All these recommendations have been incorporated in the amendment I have offered.

Mr. President, I started out saying that no other option has been examined. I want to retrace the history of this proposal—that is, the bill now before the Senate.

Last year when the Secretary of Transportation came before the Commerce Committee, that distinguished person testified in part on the subject of dealing with these two airports:

> I visited with many former Secretaries of Transportation, and they confirmed my view that the airports should be transferred to a local or regional authority. Therefore, in June 1984, I appointed a commission made up of local and State officials and airport users to determine not whether but how a transfer should be accomplished.

Mr. President, after deliberating for several months, the Holton Commission came up with a plan that is basically embodied in the legislation before us. The bill, S. 1017, was referred to the Commerce Committee, where hearings were held last summer before the Subcommittee on Aviation. According to the hearing record available from the committee, at no time did members consider alternatives other than a transfer to a regional authority.

The point I want to make, and which I am emphasizing, is that other options—and there are other good options, in the view of this Senator—were never even given the slightest consideration, never even discussed. The proposal has hardly been changed since it came from the Secretary of Transportation's office. That is tragic, because better options exist.

Mr. President, I want to highlight now the provisions of the amendment I have offered.

Within 60 days of enactment of the bill—if the amendment is incorporated—the Secretary of Transportation shall issue a request for proposals to purchase the two airports. Bids will be closed—that is, they will be closed bids.

There will be a period of 120 days for submission of bids.

Within 60 days after the 120 days, the Secretary shall select the winning offers for the purchase of the airports.

Within 60 days, the Secretary shall complete the sale and transfer of the airports unless such sale is disapproved by enactment of a joint resolution.

The terms of sale shall be as follows:

All real property will be transferred for the use as an airport.

The owner of the airport may not set landing fees higher than necessary to cover the cost of operating each airport each year.

Each airport shall be subject to environmental standards, safety standards, etc., that presently apply to the airports.

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A minimum bid of $100 million for National and $50 million for Dulles would be applied.

The new owners will have all rights to landing slots and may sell them to the airlines.

A majority of the stock must be owned by citizens of the United States.

There will be a payment of $39 million from the buyer to the United States for settlement of retirement funds related to the present employees of the airports.

Mr. President, should no acceptable bids be received, the provisions of this amendment would be nullified, and the present provisions of S. 1017 would take effect once again.

In other words, in essence, what I am proposing is to stop for a moment and to say, "Whoa!" We have not looked at all the options. The record shows that we have not looked at all the options. Indeed, the record shows that the only option we have looked at is the original recommendation of the Department of Transportation, which is embraced pretty much intact by the Holton Commission, which in turn was embraced by the Commerce Committee, and which the Senate is now being asked to embrace, without any consideration of the options which might or might not be superior to this, and in my view are clearly superior.

So the amendment is intended to put the brake on this process, to require that the Secretary of Transportation open up the sale of these airports to bidders. The amendment sets in train a schedule which would conclude with the privatization—the sale of these airports to a private party—if a bid meeting the standards outlined in the amendment is received.

So it would be fair to say that I am presenting the Senate with a choice. We can shuffle the deck, as the Department of Transportation wishes us to, and the Holton Commission wishes us to, and the Commerce Commission wishes us to. We can transfer the airports from one governmental entity to another. Or we can embark on something much more enlightened, and we can set an example for ourselves and those who succeed us in the decades to come, in privatizing governmental properties and services.

It is a pity that this country, the land of free enterprise, lags behind other Western nations in privatizing Government services. It is time we caught up, and this is one way in which to do it.

Mr. President, in view of the vote on the Gramm amendment earlier this evening, the Senator from New Hampshire is not overly optimistic that his amendment will be approved. It would seem, at least in the judgment of this Senator, that our colleagues could stand a little more enlightenment on the subject of privatization. So I have concluded not to seek a rollcall vote on this amendment, but chose to offer it and speak on it and to answer any questions that might be raised about it, in hopes that before the House locks itself in lockstep with the Secretary of Transportation and the Holton Commission and the Senate Commerce Committee, and evidently the U.S. Senate, it take an independent look at better options.

I hope that in some small way what I have said this evening and the materials I have put in the Record will make a contribution to the process of enlightenment such that the House of Representatives will distinguish itself in this matter as the Senate apparently will not.

So, Mr. President, I ask that my amendment, which has been printed in the Record be as model legislation, shall we say, for consideration of the House of Representatives.

If there are any questions or comments from my colleagues I will be happy to entertain them at this point and then I will withdraw the amendment after they have that opportunity.

Does the floor manager wish to address the amendment?

Mr. TRIBLE. I am sorry? I did not hear my colleague's question.

Mr. HUMPHREY. The question is does he like my amendment, is he prepared to accept it?

Mr. TRIBLE. I am sure there is some merit to the Senator's proposal, but I cannot accept it and would be prepared to oppose it at this hour.

Mr. HUMPHREY. Let me ask the Senator from Virginia why he would favor transferring these valuable properties, these valuable resources from one Government entity to another in preference to requiring the Secretary of Transportation to open the sale to bids and if bids not meeting the requirements laid out in the amendment are received, then we would revert to the transfer. Does the Senator understand the proposal? What I am proposing is that we modify the bill before the Senate to require the Secretary of Transportation to open this to bids.

If, however, no bids meeting the qualifications laid out are received, then we would revert to the process which is now before us.

Mr. TRIBLE. It seems to me the Senator's amendment represents a fundamental rethinking of the way our Nation operates its commercial airports. As you know, commercial airports throughout the country are not run by private interests for profit but rather by regional airport authorities and bodies like that for service.

Here my colleague has talked about the highest and most efficient use of these properties.

Does that mean that no private planes would be able to use these facilities?

Mr. HUMPHREY. If I may respond, the answer to that is, "No."

Mr. TRIBLE. Does this mean——

Mr. HUMPHREY. May I fully respond?

Mr. TRIBLE. I am sorry.

Mr. HUMPHREY. The answer to the question is, "No," there will be no restrictions upon general aviation, that the same provisions in the bill requiring that a proportionate number of landing slots be allocated to general aviation after sale as exist on a historical level.

Mr. TRIBLE. What about commuters to surrounding States? Will they not have to yield to the higher and most efficient use, which would be the more profitable airplane traffic to distant points?

Mr. HUMPHREY. Again, the same provisions which are incorporated in the bill on that point are encompassed by this amendment. Let me say this, that with respect to the allocation of slots the owner would have the right to sell the slots to the highest bidders. Therefore, the best use of the airport would be made. You would not have a 20-passenger commuter airliner landing at the 5 o'clock slot, or whatever is considered to be the choicest slot. You would have a 200-passenger aircraft probably using that slot because that operator would be willing to pay more for that slot.

Indeed, the Senator is quite correct. On that basis, we would have the most efficient use of the landing slots and of these resources because those who have the greatest need and the greatest ability to pay for and justify the best slots probably would be the highest bidders. But anyone could bid, of course.

Mr. TRIBLE. What does "highest and most efficient" mean in terms of the concerns of this region about noise and safety?

The Senator, for example, has said that it would mean an end to the high density rule. It seems to me these are important interests and argue against privatizing these facilities and turning them over to those that are simply bound by profit. Instead we should turn them over to a regional airport authority that can operate them more effectively and efficiently but yet show some sensitivity to concerns about noise and safety and the other concerns shared by the citizens of this metropolitan region.

Mr. HUMPHREY. The FAA would continue to enforce standards of safety under operation either by the regional authority or by private owners.

With respect to noise, surrounding communities could presumably enact whatever ameliorating regulations they chose to enact.

Mr. TRIBLE. You see what troubles me is that the highest and most efficient use may well argue for 24-hour flights. That would hardly respond to the concerns of the citizens of this region about noise and safety. That's, why I am concerned about turning these airports over to private interests that are concerned about profit and not about these other kinds of issues.

I will say to my colleague that again this amendment would require fundamental rethinking in the way we operate our airports.

I believe that by freeing these airports from the shackles of Congress and the Federal Government and by turning them over to the local authority, we can substantially enhance their operations and at the same time we can assure a sensitivity to the best interests of the traveling public and the citizens of this metropolitan region.

Let me add to that. It is suggested that we should proceed by way of bid.

First, let me point out that the terms of this legislation provide that these airports must be used for a public purpose. They cannot be operated for profit.

Mr. HUMPHREY. May I interject that the amendment the Senator from New Hampshire offered requires the same use of these properties.

Mr. TRIBLE. Under those terms, I think it is a flight of fancy to think that these properties would fetch huge sums of money that they otherwise would command if they could be put to their highest commercial use.

But for the sake of our conversation, let us assume that the Senator's amendment would permit a $1 billion payment. How then does this new owner go about investing an additional one-half to one billion dollars in improvements and if the owner can do that who pays? The traveling public, it seems to me, by raising landing fees by imposing other costs on the traveling public.

Mr. HUMPHREY. Not necessarily, if I may answer the question.

Mr. TRIBLE. Please.

Mr. HUMPHREY. It happens that privately owned airports are now qualified eligible for grants from the Airport Improvement Trust Fund. Furthermore, communities, which have an interest in assisting local businesses, as this would be, can sell tax-exempt bonds. It happens all the time in Virginia and in every State.

So the sources of funds to provide capital improvements would be the very same sources available to this regional authority.

Mr. TRIBLE. It is my understanding that a private airport would not have access to airport improvement funds.

Mr. HUMPHREY. That used to be the case but a revision in the law now makes eligible for these grants privately owned airports.

Mr. TRIBLE. I am not sure that is the case. But I will let the facts speak for themselves.

It is the Senator's intention to press his amendment? If so, not wanting to cut the Senator off or those who might want to speak in favor of this amendment, I would intend to move to table his amendment. But if it is the Senator's intention not to press the amendment, then I would sit down and listen further to the arguments of my colleague from New Hampshire.

Mr. HUMPHREY. The Senator from Virginia offers me an interesting choice. If he would just permit me to respond further to one other of his observations and contentions, then I shall be finished.

The implication seems to be that airports are somehow monopolies or utilities and, therefore, should be operated by governments.

Let me point out to colleagues that the electrical utilities in this country, as an example, are monopolies in most cases, in every case as far as I know. They are utilities. Clearly they are monopolies, but virtually all of them, except maybe the TVA, are privately owned.

So the argument that an airport cannot be privately owned because it is a utility does not hold water.

Let me point out also, with respect to the monopoly consideration, that these particular airports, if sold under the amendment of the Senator from New Hampshire, would have to be sold to separate buyers. They would be separately owned. They would compete between themselves and with Baltimore-Washington International Airport, just as O'Hare Airport competes with Midway and Kennedy competes with LaGuardia and Newark, as is the case in so many regions of our country.

So I do not think the Senator's point about a monopoly or a utility aspect of this dictates that it should be in Government hands. Indeed, it does not, as the examples I have cited, I think, demonstrate.

Mr. President, I do not really expect to win over the Senator from Virginia. After all, his State is getting a monumental handout here—property worth at least $1½ billion for 47 million bucks. That is a good deal. I would not want it otherwise, if I were from Virginia, I suppose.

Mr. TRIBLE. I say to my colleague that I would be happy to have the full Senate pass judgment on the Senator's amendment.

Mr. HUMPHREY. Well, the problem is that somehow or other this measure sort of sneaked up on us. The Department of Transportation said, "Here is what we ought to have: the regional authority." And the Holton commission, chaired by a former Governor of Virginia, said, "Yeah, that is a great idea. It ought to go to a regional commission for $47 million." And the Commerce Committee never considered any other alternative, just sort of apparently rubber stamped this thing. And now the Senate is going to do likewise, apparently. On what basis, I suppose I should not say, but I do not think it is on the most enlightened basis. I hope the House, as a result of this debate, will take a more enlightened approach to this; indeed, to embrace some new thinking, the kind of thinking which is so utterly essential to the whole idea of privatizing without which, in the view of this Senator, there is little hope ever of getting Government spending under control or bringing efficiency to the delivery of the essential services.

Mr. President, as I stated earlier, my purpose in rising is not to seek a vote on this amendment because, in view of the vote on the Gramm amendment, it does not look too optimistic but, rather, to expand the record with a different point of view in hopes that our colleagues in the House will deal with this more responsibly, I must say, than apparently the Senate is willing to do.

So, Mr. President, I have said my piece and I put into the Record what I wanted to put it and, therefore, I withdraw the amendment.

The PRESIDING OFFICER. The amendment is withdrawn.

Mr. HUMPHREY. Mr. President, I ask unanimous consent that a number of communications from the N.M. Rothschild & Sons, Ltd. banking interests be printed in the Record.

There being no objection, the material was ordered to be printed in the Record, as follows:

Statement by N.M. Rothschild & Sons, Ltd.

PRIVATISING WASHINGTON'S AIRPORTS

N.M. Rothschild & Sons, Ltd. (NMR) is encouraged by the recent interest shown in privatising National and Dulles Airports, but wishes to clarify several points:

1. The airports would be kept as airports. NMR would not be interested in developing the airports for residential purposes nor in seeking major changes in currently permitted land uses. The purposes of a privatisation designed by NMR would be to upgrade both airports, especially National, and improve their financial viability and their contribution to regional economic development. Several opportunities for improvement can already be identified:

Improvement of car parking facilities at both airports;

Improvement of the connection to the Metro station at National;

Expansion of the North Terminal at National; and

Development of mid-field terminals at Dulles.

If any changes in land use were sought, they would be for purposes complementary to airport operation.

2. NMR will not try to organise or participate in a consortium to purchase the airports until the legislative or executive branch of the U.S. Government indicates that it would welcome offers from private investors. N.M. Rothschild & Sons would be happy to advise the Federal Government on

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regulation and organization of the sale, if that was preferred, rather than acting for prospective buyers.

As clearly stated previously, NMR would work on assembling a group of investors only after receiving an indication that the Administration would be willing to consider airport privatisation. The amount of the bid would depend on investor response and on the conditions set down by the U.S. authorities for the use of the airports.

3. NMR's interest in Washington's airports is an outgrowth of its successful participation in other privatisation ventures, both inside and outside the United Kingdom.

The experience of N.M. Rothschild & Sons in privatisation is described in the accompanying materials. NMR has worked on privatisation in Europe and the Far East, and is currently retained by the British Government to sell the British Gas Corporation, the largest privatisation ever attempted anywhere in the world.

4. Privatisation of the airports could bring early benefits to the U.S. taxpayer.

N.M. Rothschild & Sons understands that, as part of the plan to transfer the airports to the State of Virginia, the airlines using them would be allowed to sell their landing rights ("slots") to other airlines. Thus, these landing rights would in effect be given to the airlines without charge. Under an NMR privatisation plan, on the other hand, these valuable assets could be bought by the private sector from the Federal Government, and the amounts paid to the Government would accrue to the taxpayers through reduction of the budget deficit. Furthermore, under private ownership, property and other taxes would be payable by the private sector to the State of Virginia and relevant government authorities.

To Gabriel Roth, the Service Group, Virginia, Telex No. 292072.

If the Federal authorities wish to sell the airports they would need to set out the rights and obligations of the new managers including:

1. The extent of the property interest to be transferred and the rights and obligations covering future development of the properties.
2. The way in which landing slots would be allocated, airlines charged for landing facilities and whether there would be controls to prevent excess pricing.
3. The operating conditions governing ownership and use of airport-related facilities, including shops, duty free concessions, car parking, taxi and other transport facilities.
4. The regulations covering safety and the relationship between the airport owner/manager and air traffic control services.

N.M. Rothschild believes that a successful privatisation could be carried out whilst permitting the U.S. Federal authorities or a delegated body to retain regulatory control over safety and over the most sensitive charges.

The value of the airports will be increased if the owners are given considerable leeway to develop the properties and to add an additional range of airport-related facilities. This would be good for the traveling passenger, for the U.S. tax-payer and for the airlines themselves.

Regards,

John Redwood.

To Mr. Gabriel Roth, the Services Group, Virginia, USA, Telex 292072.

Following our conversation today, I just wish to stress that Rothschilds are not making an offer for the Washington airports as we are not yet in any position to do so.

What we are doing is saying that we would like to have the opportunity to find investors to try to raise a better price as an option for the Government.

Regards,

John Redwood.

Mr. SARBANES. Mr. President, I indicated earlier to the manager of the bill that I would be prepared to offer a substantive amendment. Actually, the amendment I will offer—and the Senator is well acquainted with the subject—deals with the noise question. But it seems to me, under the circumstances, that maybe the best thing to do—and I suggest this to the manager for his consideration—would be for me to send the amendment to the desk. I would be happy to debate it for a while this evening, if the manager chooses to do so, and agree to a time shortly after we come in tomorrow, a time of half an hour after we come in, the time equally divided, or something of that sort, to vote on that amendment. That would assure us an early vote tomorrow and we would be back on the bill and on the amendment and then we could proceed from there with other amendments. That would, I believe, save a lot of our colleagues a problem. I think it is fitting that the noise amendment ought to come up tonight, but I am not sure. It may be helpful to me, actually, if they were all here to vote on it, the way it dovetailed. But I am prepared to send it up and we can discuss it a bit and set a time agreeable on a vote tomorrow.

Mr. TRIBLE. I say to my colleague from Maryland, I think that is a reasonable and proper suggestion at this hour. I would be inclined to agree that that is precisely what we should do. I would like to consult with the majority leader, however.

Mr. SARBANES. Certainly.

Mr. TRIBLE. What hour would my colleague suggest we might be able to vote on this measure tomorrow and how much time would he require to debate the matter tomorrow morning?

Mr. SARBANES. On the noise amendment?

Mr. TRIBLE. Yes.

Mr. SARBANES. Well, no more than a half an hour, equally divided.

Mr. TRIBLE. I think that is eminently fair and we can start in at an early hour tomorrow, as well. Better an early hour tomorrow morning than a late hour tomorrow night.

Mr. SARBANES. I am not quite sure what the Senator means. We have been coming in at 9:30 or 10 o'clock.

Mr. TRIBLE. It is a very relative term when one speaks about the practice of the U.S. Senate. But I would like to argue for as early an hour as possible, given the traditions of this body.

Mr. HUMPHREY. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. DOLE. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

Mr. DOLE. Mr. President, apparently there is no way to do any more on this measure tonight. There are still a number of amendments. Senator Hollings does not want to offer his amendment until tomorrow. Senator Mathias also has an amendment. Senator Sarbanes is willing to lay down an amendment and complete action on it tomorrow morning. We appreciate that.

I would say to my colleagues that it appears we cannot force people to offer their amendments, but I would again indicate this is the seventh day on this proposal. Again, I know it is a very important piece of legislation to the people involved, but in the scheme of things we could have finished the budget resolution in 7 days. There are about four or five bills of this same magnitude that are on the calendar. If everybody takes 7, 8 or 9 days, and they are rather important bills to a lot of people, I would hope we would keep this in mind before we decide whether or not we are going to have television on a permanent basis in the Senate. This should be a reason to change the rules, so that we can proceed to legislation, offer amendments, have the votes, and let the Senate work its will. Some you win and some you lose.

I do not have any quarrel with the Senator from Maryland, who certainly has every right to use the rules, but I would suggest that maybe they ought to be changed. If we cannot move any more quickly than this in the U.S. Senate on a bill, I do not know what we will do when we get into issues that are hundreds of millions of dollars. At least the budget resolution has a 50-hour time agreement.

We are at the mercy of those who have the amendments and will not offer the amendments after 7 days. I have no recourse except to indicate that there will be no more votes this evening.

I apologize to Members who left here with the impression that there would be votes. There would have been votes but the distinguished Senator from New Hampshire [Mr. Humphrey] withdrew his amendment. I think he did intend to ask for a rollcall later on. I think we were on firm ground in making that announcement.

I think we can finish the bill tomorrow night. I know that, tomorrow night, there is an event that a number of Members on each side may be involved in as guests. That will start about 7:30 or 8 o'clock. But I am not certain we will finish tomorrow night; I am not certain we will finish on Friday. I would like at least to conclude debate on this matter sometime in the next couple of weeks.

So I am going to send two cloture motions to the desk, one on the substitute, one on the bill itself. If we can finish tomorrow night, OK. If not, there will be votes on Friday.

CLOTURE MOTION

The ACTING PRESIDENT pro tempore. The first cloture motion having been presented under rule XXII, the Chair directs the clerk to read it.

The assistant legislative clerk read as follows:

CLOTURE MOTION

We, the undersigned Senators, in accordance with the provisions of rule XXII of the Standing Rules of the Senate, hereby move to bring to a close debate on the reported committee substitute to S. 1017, a bill to provide for the transfer of the Metropolitan Washington Airports to an independent airport authority.

Bob Dole, Paul Trible, Bob Kasten, Thad Cochran, Jake Garn, Mitch McConnell, Pete Wilson, Warren B. Rudman, Ted Stevens, Chic Hecht, John Danforth, John Warner, Paul Laxalt, Slade Gorton, Nancy L. Kassebaum, Dan Quayle, Pete V. Domenici, Al Simpson, and Jesse Helms.

CLOTURE MOTION

The ACTING PRESIDENT pro trempore. The second cloture motion having been presented under rule XXII, the Chair directs the clerk to read it.

The assistant legislative clerk read as follows:

CLOTURE MOTION

We, the undersigned Senators, in accordance with the provisions of rule XXII of the Standing Rules of the Senate, hereby move to bring to a close debate on S. 1017, a bill to provide for the transfer of the Metropolitan Washington Airports to an independent airport authority.

Bob Dole, Paul Trible, Bob Kasten, Thad Cochran, Jake Garn, Mitch McConnell, Pete Wilson, Warren B. Rudman, Ted Stevens, Robert T. Stafford, John Danforth, John Warner, Paul Laxalt, Slade Gorton, Nancy L. Kassebaum, Dan Quayle, Pete V. Domenici, Al Simpson, Jesse Helms and Chic Hecht.

Mr. DOLE. Mr. President, again, let me indicate that we shall be on this bill at 10 o'clock in the morning and there will be votes throughout the day, because I assume amendments will be offered. We are really down to amendments that will be involving the principals in this matter—Senators Sarbanes, Mathias, and Hollings—who have been opposed to the bill. They have substantial amendments and they will be debated. Hopefully, we shall be permitted to vote on them.

I want to indicate again to my colleagues that we intend to be here tomorrow night and intend to finish the bill. Having said that, obviously, I cannot make it happen. If somebody decides they do not want to finish the bill, there is no time agreement and the debate can go on and on. In any event, we hope the debate would go on and on and there will be votes of one kind or another tomorrow night if we stay here. We will be sending out the Sergeant at Arms or we will be doing something to make certain that we at least try to come to a conclusion on this legislation.

Again, I indicate to my colleagues that if we do not dispose of the legislation on tomorrow, we will be on it on Friday and if we should dispose of the legislation tomorrow, there will be a Friday session; there will be votes on Friday. Everyone should be on notice that there will be votes on Friday. We have, I think, at least two measures that we can get agreement on to bring up on Friday, one with a couple of amendments and one, a crime bill, that I understand is not controversial but will require a vote.

So, I hope we can conclude at a fairly reasonable hour Friday afternoon.

Mr. TRIBLE addressed the Chair.

The ACTING PRESIDENT pro tempore. The Senator from Virginia.

Mr. TRIBLE. Mr. President, the Senator from Maryland [Mr. Sarbanes] and I talked about this measure and we have agreed, at least between ourselves, that he would now offer one of his substantive amendments and we would discuss that this evening and then carry on over until tomorrow.

At that time, then, we shall move very quickly to a vote.

We have talked in terms of 30 to 40 minutes equally divided. I think that would certainly accommodate the manager of the bill and would give the proponent of the amendment and his allies ample opportunity to make their case tomorrow morning as well.

I simply say in response to the comments of the majority leader that we can and will start early tomorrow morning. We shall resolve the first amendment within 30 or 40 minutes after turning to this measure. Then I am hopeful we will be in a position to entertain and resolve other amendments as well.

Three Senators have indicated an intention to offer additional amendments, Senators Mathias and Sarbanes from Maryland and Senator Hollings from South Carolina. These issues involve several central questions, and very likely the resolution of one amendment may lead to the prompt resolution of others. It would be my hope, and I believe it is a reasonable expectation, that we can resolve this matter tomorrow. As manager of the bill, I want to tell the majority leader that I am prepared to be here from early in the morning until late at night.

I am prepared to be here for as many hours as necessary to resolve this matter, I know to the relief and applause of our colleagues who are fully prepared to move on to other things. Senator Warner will be standing at my side tomorrow and we will be prepared to move forward as our colleagues permit.

AMENDMENT NO. 1744

(Purpose: To provide that nighttime noise limitations shall remain unchanged or shall be made more restrictive)

Mr. SARBANES. Mr. President, I send an amendment to the desk.

The ACTING PRESIDENT pro tempore. The clerk will report.

The assistant legislative clerk read as follows:

The Senator from Maryland [Mr. Sarbanes] for himself and Mr. Mathias, proposes an amendment numbered 1744:

On page 39, line 9, insert before the period ", and that the nighttime noise limitation standards currently set out at 14 CFR 159.40 may not be amended, unless such standards are made more restrictive of nighttime noise".

Mr. SARBANES. Mr. President, I earlier suggested to the manager of the bill that perhaps the best way to proceed this evening would be to lay down this amendment, to discuss it, not at great length, and then to agree in the morning that we would go to a vote on it a reasonable period of time after we turn to the bill, perhaps 40 minutes equally divided since my colleague, Senator Mathias, is a cosponsor of it and may wish to be here to speak to it.

As I understood the conversation that was held earlier, we would probably be back on the bill, I guess, somewhere around 10 o'clock, is that correct? And then we would be able to resume the consideration of this amendment and then go to a vote on it. Does the Senator want to seek the yeas and nays now on the amendment?

Mr. TRIBLE. That will be fine. Anything that we can do to expedite the proceedings.

Mr. BYRD. Is the amendment down yet? Has it been laid down?

The PRESIDING OFFICER (Mr. Rudman). The amendment has been laid down.

Mr. SARBANES. I ask for the yeas and nays.

The PRESIDING OFFICER. Is there a sufficient second? There is a sufficient second.

The yeas and nays were ordered.

Mr. SARBANES. Mr. President, this amendment is the noise amendment. I will not take long now because my colleague from Virginia has joined with me I guess in extended discussion of

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this particular amendment over the last few days. In some ways, I think it is appropriate that it come up this evening, although I think for the sake of our colleagues, it is just as well they were not drawn back. But the noise amendment addresses the question that under this legislation the authority that is being created will have the power to change the nighttime noise limitations at National and to change them in a direction that is more lenient. In other words, it would allow an increase in the amount of nighttime noise.

Now, the local communities in this area worked very hard with others, including their Representatives, over the years to get some limitations and restraints on nighttime noise in the use at National. Obviously, it is a pressing problem for anyone who lives in the flight pattern into National. Unfortunately, that pattern tends to place a disproportionate burden on the Maryland side, although it clearly also affects Virginia and the District of Columbia.

Now, when the legislation was introduced at the recommendation of the Holton Commission, it contained a provision in it which froze into law the current nighttime noise limitation standards, said they could not be amended.

Subsequently, after the markup some couple of months, the Senator from Virginia offered an amendment that was accepted which changed that. It took out the freezing of that standard. Now, it was argued that this would allow the authority to set a tougher standard. In other words, to be more restrictive on the noise question. However, the statutory authorization in fact puts discretion in the authority to move the standard in a more lenient or a less lenient direction. In other words, the authority can really go both ways. Now, it has been asserted, "Well, the authority would not do that." But who is to know? Particularly, all of those people who have been concerned for years about the noise problem, including, very strangely, Members of this body, now face the prospect that the curfew hours could be changed. It is even possible that this could become an around-the-clock facility.

I was interested in the minority views of the distinguished Senator from South Carolina [Mr. HOLLINGS] and the distinguished Senator from Nebraska [Mr. EXON] on an amendment on nighttime noise restrictions at National Airport. Let me quote from the minority views:

> The provision giving the new airport commission power to revise the nighttime noise restrictions at National was added by the Committee as an amendment to S. 1017 a full 2 months after the bill was originally ordered reported. It will most certainly result in the eventual easing of those restrictions and an increase in late night flights into Washington's principal airport.
>
> Why is this amendment needed in the first place? Current FAA regulations specify that all flights in and out of National after 10 pm and before 7 am are restricted by noise levels. The original approach endorsed by supporters of S. 1017 was to freeze these rules in place for the 35-year duration of the lease. Then the same people who claimed that the Holton Commission had worked out every detail of the bill, turned around and wanted to amend it. Since no one has proposed an earlier curfew at National, we can only conclude that the reason for giving the local authority this power is to pave the way for more late night flights.

Let me repeat that sentence:

> Since no one has proposed an earlier curfew at National, we can only conclude that the reason for giving the local authority this power is to pave the way for more late night flights.
>
> Originally, the Committee agreed to try to resolve this issue on the Senate floor. However, supporters of the bill panicked at the thought of 100 Senators, many of whom live in National's flight path, having the opportunity to debate this issue and discovering the truth about it. That's why the decision was made to schedule a second markup and add the amendment at the Committee level, thereby hoping to bury it from view.
>
> This amendment is simply another reason why this bill should be defeated. And it should alert others in the Senate who are suspicious about the effect this legislation will have on air service in Washington.

I might simply observe that the committee meeting in which the amendment was added lasted all of 4 minutes, and it took place on November 14, after the bill had been reported by the committee on September 11, 1985.

So the problem I am seeking to address, Mr. President, I think is a very real one; and that is that after all the effort over the years to achieve nighttime noise restrictions at National, efforts in which countless numbers of people were involved, responding really to the very legitimate, heartfelt complaints of residents in the flight path whose lives were made absolutely miserable, who could not lead a normal existence, this legislation now puts into this authority the power, in effect, to ease these restrictions.

In effect, the amendment would set the current standards, provide that they could not be amended, unless the standards were made more restrictive of nighttime noise. In other words, you could not get a movement into the curfew hours in order to accommodate more flights. As the minority views said, "We can only conclude that the reason for giving the local authority this power is to pave the way for more late night flights."

This amendment is designed to guard against that possibility. It leaves open the possibility of being more restrictive, conceivably lengthening, expanding the curfew hours, but it would not allow a contraction of curfew hours.

I think it is a very badly needed amendment on this legislation, if people are to be assured that the noise problem is not to resurface. They have contended too long and too hard to try to bring it under some control, to simply allow it now to be lost.

This amendment, which I and my colleague from Maryland have offered, is designed to preclude that possibility and to provide a continuing assurance for the people living in the flight paths that they will not have to worry about the possibility of increased nighttime noise.

Mr. TRIBLE. Mr. President, it would not be my intention to respond to the arguments of my colleague from Maryland tonight, but, rather, to address his amendment in the morning hours, during the time allotted by the unanimous-consent agreement that I will soon put to the Senate, representing the understanding of the manager of the bill and the chief opponents of the bill, as expressed in our earlier discussion. I await that unanimous-consent proposal. Once it is received, I will place it before the body, and I hope that will permit us all to return to our homes for the evening and return tomorrow at an early hour and resolve this amendment with dispatch.

Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. SIMPSON. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER (Mr. TRIBLE). Without objection, it is so ordered.

BRAZIL'S ECONOMIC PROGRAM

Mr. KENNEDY. Mr. President, earlier this year I had the opportunity to travel to South America and to visit with the executive and legislative leadership of several of our hemispheric neighbors. Throughout the region the spirit of democracy is in accendency. That spirit is matched by a deep commitment to economic growth and increased economic opportunity.

The economic problems of our neighbors have been widely commented upon. What has received less attention are the extraordinary measures that our friends have taken to solve these problems.

Nowhere, Mr. President have those measures been more dramatic than in Brazil. President Sarney and Finance Minister Funaro have undertaken a far-reaching program of monetary reforms designed to assure continued real growth and a halt to inflation.

These reforms have reduced inflation to negligible levels, maintained

the purchasing power of wages, and allowed Brazil to balance its budget.

Minister Funaro put it well in a recent letter to me:

> Since you were here we have managed to introduce a far-reaching monetary reform. We have eliminated the so-called "inertial" component of our inflation by de-indexing practically the entire economy. This had to be accompanied by a price freeze, while wages will be adjusted only by a percentage (60%) of future rates of inflation. There is now complete, integrated control of public spending, including that by the state-owned enterprises and by state and local administrations.
>
> The implications for everyday life in this country are many, but perhaps the most important one has been to restore people's confidence in the country's ability to act responsibly. In other words, renewed confidence in democrary.
>
> As I see other democracies in Latin America struggling like us to solve their financial problems, I can only hope that these efforts will be supported by concerted action by the large creditor countries to reestablish equilibrium in world finance. One efficient way of doing it would be through further reductions in their interest rates. The ensuring acceleration of growth in the highly industrialized economies could do more to raise standards of living in debtor countries than the relief in their debt burden itself.

Today Minister Funaro developed these thoughts in a speech to the combined meeting of the World Bank and the International Monetary Fund.

As this Congress considers measures to address the continuing Third World debt crisis, we would do well to pay careful attention to Minister Funaro's views.

Democracy and economic opportunity are intimately linked. Brazil's bold measures combine hard-headed economic realism with a fundamental understanding of that linkage. Their efforts deserve our support.

I ask unanimous consent that the full text of Minister Fumaro's speech be printed in the RECORD.

There being no objection, the speech was ordered to be printed in the RECORD, as follows:

SPEECH OF FINANCE MINISTER FUMARO

Mr. Chairman, it is now four years that the current payments and financing crisis started, in the wake of an abrupt and unprecedented rise in interest rates.

For debtor developing countries it has been a period of hardship. The sharp reduction in financial flows from abroad and the harsh programs to correct the imbalances in their internal and external accounts have brought about recession, lower standards of living and generalized social and political insecurity.

Coupled with the imbalance in the internal accounts of some of the more heavily industrialized countries, particularly of the United States of America, the crisis has introduced a deep disequilibrium in the international financial system.

It has given rise to uncertainty, increased risks and a consequent loss of confidence in the recovery capacity of both debtor countries and the system as a whole. The prevalence of high levels of interest rates has compounded the extended effects of the crisis by inhibiting investment and precluding the return to growth of the world economy.

The mechanisms designed to manage the crisis, though helpful in ensuring the immediate survival of the system and of its main financial agents, have contributed little to solve the basic problems at hand. It seems evident that such mechanisms have been exhausted. Instead of just managing the crisis what is needed today is concerted action to get us out of it. The insistence on inappropriate remedies is making it more difficult for debtor countries to pursue their adjustment efforts. A case in point is the ritualistic requirement that, in order to negotiate their debts in the Paris Club, debtor countries should enter into an agreement with the IMF, whether they need it or not.

The developing countries have been seeking dialogue and joint action. The Group of 24 has evolved throughout these years a set of proposals which are no doubt couched in an innovative spirit and foresight, but also fraught with realism and reason. There has been simply no reaction to these proposals. The developed countries do seem prepared to wait until the situation becomes much worse, only then to give some attention to the repeated warnings about the fragility of the system.

I think these countries are taking an increasingly greater risk. By passively watching the deterioration of the system and by condoning the application of worn-out models, we are doing nothing but perpetuate the crisis and foster insecurity.

We must do away once and for all with the notion that developing countries are remiss. At the exorbitant rates of interest charged since 1980, my country is paying every seven years an amount equivalent to the totality of the principal of our debt. It is also necessary to stop misinforming about the debtors' joint effort by labeling it debtors' cartel, when in fact what goes on is the conspicuous operation of a creditor's cartel.

Public conscience in the debtor countries now hold the clear view that we are paying excessively for the disarray of world finances and for the policies of creditor countries.

It is about time we muster resources, creativeness and the statesmanship of our leaders to bring world finances back to normality.

We all have a part to play, debtors and creditors alike. But, as far as adjustment efforts by debtor nations are concerned, it must be understood that reforms cannot be imposed from abroad. Much less if these intended reforms ignore the fundamental requirement that debtor countries must be able to generate additional income in order to regain their payment capacity. Nor should one except any program to stand a chance of success if it cannot count on the consent and support of the people.

Leaders of debtor countries bear a heavy responsibility, but so do those of the largest creditor countries. Just as the unparalleled increase in their interest rates triggered the crisis, it is now in their hands to bring it to an end. Let them do it promptly.

It must not be forgotten that it was not the debtor countries that caused the crisis. They were simply caught in the pincer movement of high interest rates and the sudden shut-down of the market where they refinanced their debts. The market which formerly offered them abundant funds at historically normal cost suddenly vanished through a unilateral decision of the creditors.

It is therefore the creditors that now owe it to the world to responsibly return to the financial system its normal function, that of financing the development of deficit countries with the funds of surplus countries, at remunerative but not prohibitive rates.

Mr. Chairman, at this juncture, developed countries enjoy a unique opportunity to act in a concerted way to spur non-inflationary growth in the world economy. By bringing their interest rates down and thus stimulating their own economic growth they could contribute as much to the recovery of debtor countries as the relief the latter would experiment in their debt-servicing burden itself.

The situation in which the developing countries now find themselves, of suddenly becoming exporters rather than importers of real resources, is clearly untenable. My country alone transferred abroad in 1985, on a net basis, real assets of the order of 11.2 billion US dollars, roughly equivalent to 5.1% of its GNP and 23% of its gross savings. Latin American debtor nations altogether transferred abroad over the past four years more than 100 billion US dollars, also net. This does not augur well for the health of world finances and investment.

To make matters even worse, developed countries with a trade deficit seem to think they are entitled to adopt openly protectionist measures. Here again they are taking the very opposite way to a solution for the crisis.

Mr. Chairman, the figures could hardly be more telling. The present juncture could hardly be more propitious. Let us not pass this opportunity to put the current crisis behind us.

As a first step in this direction I urge the financial authorities of the world's leading economies to bring their interest rates down to levels compatible with the historical trend and thus create conditions to redeem world growth. In spite of the recent reduction, nominal rates remain excessively high and, given the likelihood of lower inflation, real rates remain 3 to 5 times higher than the historical level.

As a second step, I urge them to accept the challenge of facing the debt problem frankly and courageously and sit with their counterparts from the main debtor nations with the specific purpose of seeking lasting solutions, through open, creative dialogue. The International Monetary Fund and the World Bank would assist the financial authorities of the main creditor and debtor countries in their task of providing innovative responses that would reverse the current debt strategy, rethink conditionalities and adapt multilateral financial institutions to the realities of our time. This would be the way to demonstrate our determination to meet the responsibility of coping with the current situation.

A RHODE ISLANDER REMEMBERS OLOF PALME

Mr. PELL. Mr. President, following the tragic death last month of Sweden's remarkable Prime Minister, Olof Palme, a brief but poignant reminiscense was written by Dr. John O. Pastore for the Providence Journal. As secretary of International Physicians for the Prevention of Nuclear War, Dr. Pastore had met Olof Palme and had recognized in him one of the 20th century's great statesmen. I ask unani-

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mous consent that Dr. Pastore's moving tribute to Olof Palme be printed in full in the RECORD so that it may be appreciated more widely.

There being no objection, the tribute was ordered to be printed in the RECORD, as follows:

OLOF PALME: AN APPRECIATION

(By John Pastore)

Within minutes of first reading that Olof Palme had been slain at night on a Stockholm street as he walked home from a movie with his wife, I recalled vividly two images from my experience with the Swedish prime minister.

The first of these encounters took place in Athens on a cold January morning 14 months ago. The Five Continent Peace Initiative, comprising six heads of state (including Palme), had summoned to Greece the representatives of many citizen peace movements from around the world. The occasion was the announcement that the six world leaders, in their Delhi declaration, were embracing a ban on all nuclear weapons testing and would personally bring their case for complete nuclear disarmament to the leaders of the two nuclear superpowers. I was there representing the International Physicians for the Prevention of Nuclear War, a federation now comprising 140,000 doctors from 41 countries, both East and West.

Palme, pressed for time, had to leave the meeting before its conclusion. I remember clearly the concern on the part of the heads of state of Argentina, Greece, and Tanzania that he handle the diplomatic language of our communique to the press and public.

Raul Alfonsin, Andreas Papandreou and Julius Nyerere, each had spoken eloquently and forcefully on the Delhi declaration and their own commitment to ridding the world of nuclear weapons. But they clearly and unabashedly deferred to Olof Palme when it came time to frame the document that would represent the work of our meeting. It was clear that even within this illustrious group, Olof Palme of Sweden was felt to be a diplomat's diplomat. Although Palme had addressed eloquently our IPPNW Congress in Helsinki the previous June, this incident in Athens impressed me that he was a man apart, a statesman of the very first rank.

Later that year and shortly after the 1985 Nobel Peace Prize was awarded to IPPNW, Mr. Palme invited our executive committee to travel to Stockholm after the Dec. 10 Nobel ceremony in Oslo. Of all world leaders, he had been our strongest supporter, even in difficult times. We accepted his invitation with alacrity and pleasure. Along with our two co-presidents, Drs. Bernard Lown from the United States and Eugueni Chazov from the Soviet Union, I attended a dinner at the prime minister's official country residence one evening. Mrs. Lown and my wife also enjoyed the two-hour ride through the Swedish countryside to the famous estate where Eisenhower and Khrushchev had been entertained by former Swedish prime ministers. Mrs. Palme and my wife commiserated on the anxieties of raising three boys committed to highly physical sports.

As usual, Mr. Palme was a charming but stimulating host, probing each of us for our views on a variety of topics in the arts and world politics. The splendor of the man, however, became evident during the toasts preceding dinner—often a stiff and forced formality, in my experience. The prime minister saluted our physicians' movement and had several nice things to say about Dr. Lown. He reserved his surprise for Chazov, whom he toasted by reciting a long and lyrical poem by Pushkin in flawless Russian. I had known that Palme was fluent in many Europeans languages, but this was an astonishing development, taking all of us by surprise. Clearly, we were in the presence of a man unique among world leaders, unsurpassed in grace and erudition.

What Olof Palme lived and died for is a world view—the belief that diplomacy and the cause of peace are best served by internationalism. While fiercely loyal to the interests of Sweden, this great intellect—educated in part at Kenyon College in Ohio, fluent in seven languages—considered the world his proper constituency. He believed with John Donne that, "No man is an island, entire of itself; every man is a piece of the continent, a part of the main."

In a real sense, when the bell tolled in Stockholm last Saturday, it tolled for all of us. The peace movement worldwide will bury its grief over the violent death of this great man and will flourish again, as it must. But for now, we have lost our prince.

Of course, this is the greatest irony. Palme, though born an aristocrat, despised elitism. His nobility was earned, a pearl of great price. He refused to separate himself from the people, even with bodyguards in this age of terrorism.

It is reported that as bystanders gathered on the sidewalk in Stockholm to help Mr. Palme after the shooting, his wife, rather than referring to him as the prime minister said simply, "I am Lisbeth Palme, and this is my husband, Olof Palme."

He was the prime minister of peace, but he was also an egalitarian model for us all.

LOS ANGELES TIMES INVESTIGATION INTO AIRLINE SAFETY: NO PLACE FOR BUDGET-CUTTING

Mr. CRANSTON. Mr. President, last Sunday the Los Agneles Times in an editorial declared that "Congress and the administration must recognize that air safety enforcement is one area in which budget-cutting simply is unacceptable. The FAA must hire more air-traffic controllers, safety inspectors and navigation-facility maintenance personnel."

To back up this important editorial, the Los Angeles Times published the results of a 6-month investigation into air safety which the Times conducted.

One chart, from the five full pages of newprint reporting the study, sums up the critical situation we face. That chart simply states that in 1979 there were 2,012 Federal aviation safety inspectors, and in 1984, there were 1,332, and in 1979 there were 237 airline carriers operating in the United States and in 1984, there were 407. In that time the fleet size has nearly doubled. Maintenance workers employed dropped.

These facts are alarming, Mr. President.

Last year was one of the worst on record for air disasters. We are sitting on top of a deteriorating situation in which more can go wrong. To make matters worse, our nation is threatened by terrorism and the possibility of repetitions of the TWA bombing here at home.

The LA Times is right, Mr. President, air safety is one area where budget-cutting simply is unacceptable.

I urge my colleagues to read the Times articles and I ask unanimous consent that the articles, which I send to the desk, be printed in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

WARNING SIGNALS

Before deregulation of the airlines in 1978, the federal government allocated routes and had a veto power over ticket prices. Deregulation has been a windfall for consumers in economic terms, because competition has produced sharply lower special fares between major cities. But cheaper fares cannot be allowed to compromise safety.

Airlines officials say that flying is by far the safest means of long-distance travel, and so far the record supports that view. But there is growing concern that the airlines are cutting corners on maintenance while federal safety enforcement is deteriorating because of budget cuts.

Times staff writers Richard E. Meyer and Ralph Vartabedian, aided by professional air-safety analysts retained by The Times, spent months investigating whether the concerns are justified. The verdict, published today; They are.

Commercial air's safety record actually improved from 1980 through 1984. But 561 people died in U.S. airline accidents last year, the second-highest one-year toll on record. And many industry observers fear that the potential for disaster is rising sharply because of the combined effects of deregulation and the budget squeeze.

Thanks in large part to deregulation, the number of air carriers has grown from 237 to 526 since 1979. This means that more planes are flying for more airlines. Because planes are kept in service longer, the average age of planes is going up. There is nothing inherently unsafe about older airplanes if they are scrupulously maintained. It is especially important to watch for cracks that appear after a plane has made a few thousand flights.

At a time when more emphasis on maintenance is needed, however, the airlines are in fact spending less money on maintenance per flying hour than they were before. They are making do with substantially fewer mechanics. Because of competitive pressures to meet schedules and minimize maintenance time, they tend to let seemingly non-crucial defects go longer without repairs. Airlines are lobbying the Federal Aviation Administration to allow even more time between major component inspections or replacements.

During the same period, budgetary pressures have cut the ranks of federal safety inspectors. The force of specialists who maintain and repair the FAA's radar and other air-traffic-control facilities has declined. In short, the FAA's enforcement capacity has fallen at the very time it should have been rising.

The airlines deny that competition is eroding safety, and they point out that they are doing more preventive maintenance and taking other steps to get more mileage from maintenance dollars.

The argument is not convincing. An intensive federal inspection of more than 300 airlines found a "high rate" of non-compliance with the FAA's standards. Of 43 airlines that were looked at more closely, 16 were penalized for infractions. The FAA has levied heavy fines against one major airline, and is proposing similar penalties against two more.

Several congressional subcommittees are looking into the air-safety situation, but already the case is clear for action on several fronts.

The federal government can't really get into the business of telling airlines how many mechanics to hire and how to use them. But it can get strict safety standards and hold airline managers strictly accountable for meeting them.

Congress and the Administration must recognize that air-safety enforcement is one area in which budget-cutting is simply unacceptable. The FAA must hire more air-traffic controllers, safety inspectors and navigation-facility maintenance personnel than now planned. The agency must also tighten its reporting requirements on structural defects and other maintenance problems. The minimum standards for qualifying as an airline pilot should be raised; cost-cutting has caused a drop in the average experience level in the cockpit. There should be stricter financial and technical standards for new airlines.

Finally, there is no denying the fact that the strains on the nation's air-safety system are mostly the product of airline deregulation. It may be premature to call for an end to that national policy, but the issue should by no means be considered closed.

AIRCRAFT SAFETY: CRACKS BEGIN TO SHOW IN THE SYSTEM

(By Richard E. Meyer and Ralph Vartabedian)

Air travelers, unaware and unsuspecting, face a hidden, potentially catastrophic peril.

Airline passengers are less safe today than they were five years ago. And, if current trends continue, they will be at even greater risk a year from now.

With every passing year, the average age of the planes that carry them is increasing. Advancing age makes these planes more likely to crack. And the nation's airlines are spending less to find and fix those cracks.

At the same time, the airlines are filing fewer legally required reports on structural defects, providing additional strong evidence that they are not finding the cracks. Since the government relies on such reports to evaluate the health of commercial aircraft, the decline has crippled the nation's already deficient early warning system against air crashes caused by structural failure.

In the face of these developments, the Reagan Administration has let the task of holding the airlines to minimum safety standards outgrow the number of inspectors assigned to do the work—a job of policing that has burgeoned with each new airline expansion since deregulation.

"Altogether, it's a formula for disaster," said Jerry J. Presba, one of three aircraft engineering and maintenance experts hired by The Times to analyze reporting and spending on structural maintenance performed by the airlines over five years. Their analysis was part of a six-month investigation by the Times into the structural airworthiness of the U.S. commercial air fleet.

The investigation focused on the six types of aircraft that make up the preponderance of the fleet. They are the Boeing 727, 737 and 747; the McDonnell Douglas CD-9 and DC-10; and the Lockheed L-1011.

The Times found that:

The average age of each of the six types of aircraft has climbed every year from 1980 through 1984. By the beginning of 1985, all six were approaching or had passed the midpoint of what the Boeing Co. considers their economic lives.

Cracking caused by metal fatigue in the frame and skin of heavy jetliners increases sharply as the planes get older. Data obtained from Boeing shows that this cracking begins to grow at the midpoint of each airplane's economic life.

Despite the increasing likelihood of cracking caused by advancing age and metal fatigue, the amount of money the airlines are spending to find and fix cracks has *dropped* over the five years from 1980 through 1984 for all six types of aircraft. This drop is documented in records filed by the airlines with the federal government.

Fatigue-crack reports filed with the government also have *dropped*. Information in these reports, called Service Difficulty Reports (SDRs), serves as the FAA's early warning system against aircraft crashes caused by structural failures.

The drop in SDRs correlates with an overall decline in the number of orders from the FAA to inspect for specific cracks and repair them.

Arrayed against these downtrends is an FAA inspector force that has been shrinking in relation to the size of the air fleet. In 1979, the inspectors numbered 2,012. By 1984, because of budget cuts by the Reagan Administration, the number had dwindled to 1,332. During the period, the number of commercial airlines grew from 237 to 407.

Such trends erode the airworthiness of the fleet and cause a corresponding decline in air safety.

The aircraft and airline industries reacted sharply to The Times' findings.

Thomas Tripp, spokesman for the Air Transport Assn., which represents 33 major air carriers, said the question "is whether the industry has less of a commitment now to maintenance and to safety than it did years ago. . . . Certainly, it's not true for ATA carriers."

However, many aviation experts around the nation and the findings confirmed their own views.

"We (also) say a trend towards trying to get by with less quality maintenance," FAA Administrator Donald D. Engen acknowledged in an interview. "We've nipped that in the bud . . . and we should see that trend reverses itself."

C.O. Miller, one of the nation's leading air safety consultants and former chief accident investigator for the National Transporation Safety Board, said he is concerned that the worst consequences are yet to come. "You have had wholesale dilution of the safety effort," Miller said.

"I see an erosion of safety margins everywhere," Miller declared. "Your (new airlines) don't have anything to erode from. They are only meeting the minimum standards anyway. The new guys are so strapped financially that they are not going to go above the minimums."

FAA Administrator Engen agreed.

"I would be less than candid," he told The Times, "if I didn't acknowledge that your SDR figures lend some credence to that."

DEREGULATION

The drop in maintenance spending appears to be a consequence of the U.S. government's decision to deregulate the airline industry.

In 1978, the federal government suspended regulations that set ticket prices and allocated routes. Soon, new non-union airlines with lower wages and overhead forced ticket prices down and saddled several major airlines with multimillion-dollar losses. Some of the older airlines went bankrupt.

The industry as a whole tumbled into economic chaos. Before, it had the stability it needed to plan maintenance investments years into the future. Now, its carriers are engaged in day-to-day survival. Government regulation had permitted the biggest carriers to build large maintenance organizations with huge engineering staffs and enormous capital investments in both plant and equipment. Now that has become impossible.

Before deregulation, for instance, United Airlines built a central maintenance base that employs 7,000, including an engineering staff of 982. The airline repairs its own electronic equipment, and it sews its own seat covers. When United pilots have problems during flight, they can call the maintenance base and discuss these problems with engineers who are experts in every area. New, start-up airlines don't have these capabilities. In many cases, they do not employ a single engineer. They contract out their maintenance to older, larger airlines, or to aircraft service stations.

"The capital investments to build up those (older larger) facilities will never exist again," said Roger Knight, flight standards division manager at the FAA's regional office in Fort Worth, Tex. "Carriers coming along aren't going to build those kinds of facilities. They'll never have the resources to do it. They are going to have to rely on the existing plant created before."

Deregulation, said James M. Dimin, another of the maintenance experts retained by The Times, "has been a disaster both in terms of its effect on maintenance practices and, ultimately, in its effect on safety."

In addition to concern over facilities, some experts worry about a lack of experience that new operators bring to the industry.

"You have a lot of non-aviation people owning these airlines and making decisions for their companies," said Robert W. Baker, senior vice president for operations at American Airlines. "The United Airlines, TWAs and Pan Ams have been around for 50 or 60 years, and the people at those companies have been around for years and years. Under deregulation, anybody who hasn't committed a felony could get into the airline business."

In defense of deregulation, some in the airline industry and the government note that fatality rates in air travel were higher before 1970 than they have been since. Safety experts, however, say that can be misleading.

"The FAA and industry reaction sometimes seems to be that you need an accident to know there is a problem," said Miller, the safety consultant and former NTSB accident investigator. "If you need an accident to know you have a problem, then you are part of the problem."

Sen. Nancy Landon Kassebaum (R-Kan.), chairwoman of the Senate aviation subcommittee, noted that last year's rash of accidents in the United States and around world made 1985 the worst year in world aviation history and one of the worst in the United States since deregulation.

"The deaths have been so enormously high," she said, "I think we have become

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very conscious today of things that have caught up with us since deregulation."

THE DROP IN REPORTING

Aircraft manufacturers know that eventually their planes will crack.

Thus, for the last 30 years, the FAA has certified the structural airworthiness of commercial jetliners under a "fail-safe" design philosophy. It requires an airframe to be strong enough to carry at least normal flight and ground loads even when one of its members is ruptured.

But long before major structural parts of an aircraft fail, periodic inspections are supposed to find the inevitable cracks in them.

Hence, the key to the fail-safe system is inspection. This is especially true since, as an aircraft ages, metal fatigue accumulates, and parts begin to crack at an accelerating rate. "Cracks get more serious as time goes on," Isaac H. Hoover, the third of The Times' maintenance experts, said.

The trend of this cracking over an airplane's life follows what is known as the "bathtub" curve, so-called because its shape resembles that of a bathtub.

The line of the curve charts the rise and fall in the number of cracks a typical fleet of aircraft experiences over its lifetime. There is an initial surge in cracks during the first six months to a year that an aircraft enters service. This is a period of "infant mortality," in which manufacturing glitches are worked out of the product, Hoover said.

After 10 years of typical service, most aircraft fleets experience fatigue damage at an accelerating rate. At 20 years, according to the bathtub curve represented in Boeing technical reports, the rate of damage has turned significantly upward.

"For all fleets, the general shape of the curve is the same," Ulf Goranson, manager of structural damage technology at Boeing, said in an interview. "It has a fair amount of validity."

J.A. McGrew, chief technology engineer for airframes at McDonnell Douglas, agreed in principle: "You fly the same aircraft more and more, you would expect to find more problems. Nobody will argue with that."

"I would expect any aircraft to have increased cracking as it gets older," concurred Elliott Green, a Lockheed vice president who was chief engineer on the L-1011 program. "There is no question about the fact that as an airplane ages, you will get more corrosion and more fatigue cracks."

And, indeed, airplanes in the United States' commercial fleet are aging.

Middle age is approaching or has passed for all six aircraft types. For example, the average age of 727s went from 9.05 years in 1980 to 12.16 years in 1984; and the 747 went from 7.68 to 11.4 For all six planes:

AVERAGE FLEET AGE

Aircraft	1980	1981	1982	1983	1984
727	9.05	9.59	10.50	11.81	12.16
737	8.21	8.88	8.76	8.84	8.44
747	7.68	8.73	9.70	10.64	11.40
DC-9	10.68	10.82	11.66	11.19	11.75
DC-10	6.29	7.08	8.10	8.95	9.84
L-1011	5.62	6.10	6.67	7.56	8.33

Since these are average ages, many aircraft of each type are well past the 10-year midpoint of their economic service life as defined by Boeing. In the 727 category, for example, more than 80 aircraft now flying in the United States are over 20 years old.

Thus, each of the fleets has at least some aircraft that should be on the upward slope of the bathtub curve. They should be experiencing increased fatigue cracking, triggering an increase in Service Difficulty Reports to the FAA.

However, when The Times studies SDRs for the years 1980 through 1984—the last year for which complete data is available—it found that the number of reports did not increase as it should have.

In fact, for five of the six aircraft, the trends dropped. For the DC-9, for instance, SDRs per aircraft declined from 1.82 in 1980 to 0.65 in 1984. Only the 747 showed an increase. For all six planes:

STRUCTURAL PROBLEMS

[Structural Service Difficulty Reports per aircraft]

Aircraft	1980	1981	1982	1983	1984
727	.760	0.61	0.38	0.36	0.46
737	1.82	2.18	1.56	2.46	1.21
747	1.27	1.24	0.97	1.28	1.43
DC-9	1.82	1.76	1:64	0.99	0.65
DC-10	0.74	0.51	0.32	0.29	0.29
L-1011	1.02	1.24	0.73	0.62	0.58

Because Service Difficulty Reports sometimes prompt the FAA to issue Airworthiness Directives ordering repairs, the drop in SDRs might mean a similar drop in ADs. This would mean that, as planes grow older and more likely to crack, the FAA might be issuing fewer orders to find the cracks and fix them.

The Times reviewed ADs issued in each of the five years for each of the six aircraft types and selected those that called for inspection and repairs on structural components. These were tabulated.

The results correlated with the SDR findings. As the six aircraft advanced in age, only one showed an increase in ADs—the 747.

THE LOOPHOLES

In an order issued Feb. 22, 1978, the FAA made it clear to all of its regional and district offices, which deal firsthand with the airlines and aircraft maintenance stations in their areas, that every malfunction, failure or defect in 16 categories specified in federal law must be reported in SDRs every time they occur.

But McGrew and Kenneth Peterson, the chief systems technology engineer at McDonnell Douglas, said some of the FAA regional and district offices enforce the order—and other do not.

"With SDRs," Peterson said, "you don't have any homogeneous coverage."

Worse, says an analyst at the FAA's Safety Data Branch who asked to remain anonymous, SDR regulations themselves leave the airlines a loophole.

Apart from the 16 categories and "major repairs," federal regulations on SDRs leave it up to each airline to report other mechanical failures only if *"in its opinion"* they are dangerous. "Because of this loophole," the analyst said, "any airline can say of whatever isn't specified, *'In our opinion*, this particular thing isn't dangerous.' And then it doesn't have to report it."

Thus, aircraft manufacturers have developed their own systems for acquiring information about structural defects and failures. They encourage customer airlines to report problems directly to them. "The number of reports that Boeing gets from the airlines is greater by orders of magnitude than the number the FAA gets," noted Ulf Goranson, the structural damage technology manager at Boeing.

Nonetheless, the aircraft maintenance experts retained by The Times say the SDR system is an acceptable data base for a study of trends.

The system has not changed significantly over five years, Isaac Hoover noted. "And I do not think anyone can claim," he said, "that there has been any major change in the practice of reporting SDRs." Since problems with the system and with the way it is used have remained constant, Hoover said, a decrease in SDRs over five years most likely reflects a decline in actual reporting—not any deficiency in the system.

Moreover, the Air Line Pilots Assn., a union representing 34,000 pilots who fly for 47 airlines, thinks that maintenance reporting is in fact even more deficient than The Times' findings indicate.

Because SDRs tend to encourage underreporting, said John O'Brien, ALPA's engineering and safety director, "if we had all the data, the case would actually be worse than what you are showing."

THE DROP IN MAINTENANCE

To determine whether decreases in SDRs and ADs reflect merely a decline in reporting or, more significantly, a down-trend in inspections—and, consequently, inattention to structural repairs—The Times also investigated airline spending on structural maintenance over the same five years covered by the SDRs and ADs.

Despite the increasing likelihood of structural cracking because of advancing age, The Times found that spending by airlines for structural inspection and repairs has dropped over the five years for each of the six aircraft types. For example, cash spending on the 747 fell from $175.64 per flight hour to $152.55. On the L-1011, expenditures declined from $165.33 per flight hour to $139.03. For all six planes:

MAINTENANCE SPENDING

[Annual structural maintenance spending per flight hour]

Aircraft	1980	1981	1982	1983	1984
727	$42.34	$43.20	$37.16	$39.88	$42.87
737	80.79	67.97	59.32	67.42	65.99
747	175.64	171.59	137.30	140.37	152.55
DC-9	76.66	80.82	72.58	71.33	69.18
DC-10	153.06	153.48	118.16	123.66	111.06
L-1011	165.33	153.62	139.81	129.78	139.03

These decreases in spending for structural maintenance have come at a time when airline revenue has been increasing. Air Transport Assn. figures show that total operating revenues for U.S. scheduled airlines climbed from $33.7 billion in 1980 to $43.8 billion in 1984. Airline profits fell from $17.4 million in 1980 to net losses of $915.8 million in 1982—but then climbed back up to net profits of $842.7 million in 1984.

As a percentage of total operating expenses, maintenance overall has decreased from 8.85% of airline budgets in 1980 to 7.6% in 1984. These Department of Transportation figures include all spending on inspection and repairs of engines, hydraulic systems and avionics as well as structures.

To some, these figures suggest a disturbing conclusion about the maintenance practice of many airlines.

"They *are* shaving corners," declared Frank Celona, assistant airline coordinator at the International Assn. of Machinists, which represents airline mechanics. "They are trying to get by with what they can. There's no question about it. The air carriers are looking for means to cut costs, and

one of the most expensive areas is maintenance. That's where they want to cut. And the FAA has gone along with them."

In 1984 Labor Department survey shows that the airlines cut more than 4,300 mechanics at line stations along their routes between September 1980, and June 1984. Although the airlines added mechanics at their maintenance depots, the additions were too few to make up the difference. Overall, the survey shows, the number of mechanics employed by airlines decreased by at least 3,000.

The Air Transport Assn. acknowledges a drop of 2,000 mechanics between 1974 and 1984 at scheduled airlines. During the same period, ATA figures show, the number of planes flown by all scheduled, supplemental, commuter, air taxi and cargo carriers climbed by more than 1,700 aircraft.

Rep. Norman Y. Mineta (D-San Jose), chairman of the House aviation subcommittee, expressed surprise at the downtrends in maintenance spending. If the SDR system were being used properly and if structural maintenance were up to par, he said, "it just doesn't seem logical that those numbers would seem to be going down."

Maintenance spending and SDRs for the L-1011 and the DC-10, at least, because of their age, should be going up, said John Enders, president of the Flight Safety Foundation, which is funded in part by the airlines. "It raises a lot of question in my mind."

John O'Brien, the engineering and air safety director at the Air Line Pilots Assn., said the decreases in SDRs and in spending on structural maintenance show that air lines "are not reporting cracks they find, and they are not finding cracks that must exist." He cited analogous cutbacks in maintenance on flight equipment.

"It's because of the competitive environment," O'Brien said. "It's more so now than five years ago. We get calls about it from pilots several times a week."

It is possible, he said, to operate an aircraft safety only if it is properly maintained.

"You cannot say this is just an aging aircraft problem," O'Brien said. "The problem is the capability or the willingness to inspect and maintain. You may not be capable of doing what is necessary because of the competitive environment. Or you may not be willing. You may think profitability is much more important.

"I'm not saying every airline is in this situation. Delta, Northwest—they're not having maintenance problems. But for every Delta and Northwest that is doing well, you can find five or six that are not doing well. And we are raising the overall exposure to accidents and to incidents if this kind of trend continues.

"Obviously, there already is some erosion of the airworthiness of the fleet."

THE INDUSTRY

When presented with The Times' findings, McDonnell Douglas and Delta charted trends in ADs and maintenance spending for more than five years. J.A. McGrew at the manufacturer described the longer-term trends shown on these charts as "pretty stable." But in more recent years, the industry charts, like those of The Times, showed decreases in maintenance spending.

Spokesmen for airlines and manufacturers offered these explanations for the downtrends in maintenance.

1. Better preventive maintenance and aircraft design.

"If the airlines fix a problem before it becomes more costly, the costs of maintenance go down," said Ulf Goranson at Boeing. In addition to early fixes, said D.P. Hettermann, senior vice president for technical operations at Delta, airlines and manufacturers improve aircraft both during and after production to reduce maintenance. Elliott Green at Lockheed and Robert Wallace, maintenance and ground operations systems manager at Boeing, cited improvements in corrosion prevention.

"We're building airplanes better," said Kenneth Peterson at McDonnell Douglas.

But nobody suggested that either preventive maintenance or design improvements immunize aircraft from the course of aging represented by the bathtub curve, which makes every plane more likely to develop cracks as it grows older.

2. Increased maintenance efficiency and productivity.

"Cost-cutting is part of our corporate life," said Richard Tabery, senior vice president for maintenance operations at United. "But at United, we achieve cost reductions through improved technology or a smarter approach to doing our tasks." Airlines, said Robert Wallace at Boeing, "are able to do maintenance with fewer maintenance hours, because cost-saving measures have made aircraft upkeep more efficient."

However, airlines and aircraft manufacturers agree that the ways to find structural cracks are limited. They cite visual inspection, X-rays and the use of electrical current, sound waves or penetrating dye. Asked to name recent developments in technology or methodology that improve on these ways, Anthony Broderick, FAA associate administrator for aviation standards, was unable to do so.

So were Hettermann at Delta and Goranson at Boeing.

"Safety depends on detection," Goranson acknowledged. "yes, it's labor intensive."

Every method of inspection, said Frank Celona of the International Assn. of Machinists," still requires some kind of visual look-see." He said improvements in efficiency and productivity cannot account for the downward trends in maintenance spending.

"If that were the case," he said, "I don't know why, at every round of bargaining, the airlines come in and want all of these work-rule changes."

3. Extensions in heavy maintenance intervals.

"Experience allows you to extend some of the times between maintenance checks," said Robert Baker at American. More time means fewer inspections, Baker said, and fewer inspections mean less spending for maintenance.

"We do a sample, an L-1011 landing gear, for instance," Hettermann said. "We started with a 6,000-hour maintenance interval, say. So we pull the gear. And, predicated on what we find on the gear, we move the interval out to 8,000 hours. And we will sample again. And, perhaps, with proper maintenance, we move it on out to 13,000 hours. And costs go down."

Goranson, the structural damage technology manager at Boeing, defends such extensions.

"Strictly maintenance to have maintenance is not good," he said. If a man goes over a wing from one end to the other every day and finds no cracks, Goranson said, "he is going to start thinking about his girlfriend or about whether it's going to snow. He won't keep his mind on what he's doing, and he'll start missing cracks that do exist."

But Goranson and Robert Wallace at Boeing caution that there also is potential for abuse. Extensions must be approved by the FAA's Principal Maintenance Inspector (PMI) assigned to each airline. "A lot of it," Wallace said, "depends upon the relationship between the PMI and the airline. If the PMI wants to be real loose, then . . ."

"I am sure," Goranson said, "there is some looseness among some PMIs."

Safety consultants point out that extensions can be an indirect way of cutting corners.

"There is a hell of a lot of negotiation that goes on between the FAA and the airlines over what is an allowable maintenance program," said C.O. Miller, the former chief accident investigator at the National Transportation Safety Board. "Within your five years, I'm willing to bet that airlines have gone to the FAA and told them, 'We've got good experience with this or that part, and let us defer maintenance.'

"What they are doing when they do that is coming in and selling maintenance reductions."

To Sen. Kassebaum, none of these three explanations is persuasive. "I am not convinced," she said, "that there isn't corner-cutting."

Donald Engen, the FAA administrator, said of The Times' study: "It bothers me. It bothers me. . . . I will look at our own figures. It is of concern to me." He acknowledged that some airlines have been cutting corners.

"I hate to make it that black and white," Engen said, "but look at the actions that we have taken with respect to operationally constraining airlines. Fifty-two of them in the last 20 months. In past years, you know, the FAA did two or three a year.

"You can see the actions we are taking, and there must be a reason."

THE CONSEQUENCES

Three recent developments show consequences of an aging fleet and declining expenditures for maintenance:

An intensive "white glove" inspection of more than 300 of the nation's airlines revealed what a government task force called a "high rate" of non-compliance with FAA standards.

A subsequent series of special evaluations, or "audits," at several of the major airlines resulted in procedural changes and fines, including a record $9.5-million proposed assessment against Eastern Airlines and a $1.5-million fine against American Airlines.

Most recently, cracks that could have caused catastrophic failure were discovered on Boeing 747s. The cracks triggered an emergency order by the FAA for mandatory inspections, which turned up even more cracks.

The first of these developments, the "white glove" inspection, began March 4, 1984, and lasted 90 days. It was called the National Air Transportation Inspection, or NATI.

In Phase I, more than 776,000 items and systems were inspected at 327 airlines and 28 air transportation support firms. Despite advance word that the inspection was coming, 43 airlines were singled out because inspectors found that their compliance with FAA safety regulations warranted more intensive Phase II investigations.

To analyze the results, the FAA assembled a task force of retired federal inspectors who computerized 13,634 inspection reports on 303 of the airlines. Here is how various airlines fared:

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THE FAA'S REVIEW [1]

	1	2	3
The major airlines:			
American	450	21	4.7
Continental	271	59	21.8
Delta	433	57	13.2
Eastern	384	82	21.4
Flying Tiger	114	30	26.3
Northwest	238	20	8.4
Pan American	184	80	43.5
Piedmont	170	11	6.5
Republic	315	20	6.3
TWA	283	13	4.6
United	384	52	13.5
US Air	336	42	12.5
Western	113	11	9.7
A sampling of others:			
Air California	43	9	20.9
Alaska	66	12	18.2
America West	51	4	7.8
Braniff	184	14	7.6
Frontier	113	15	13.3
Jet America	35	9	25.7
Muse	41	4	9.8
New York Air	88	3	3.4
Ozark	158	2	1.3
People Express	129	46	35.7
PSA	50	7	14.0
Southwest	113	13	11.5
World	34	8	23.5

[1] Each airline is listed alphabetically along with 1—the number of inspections it received (generally determined by how many types of aircraft it flew and how many FAA regions it operated in); 2—the number of severely adverse comments it got; and 3—its rate of severely adverse comments per inspection expressed as a percentage.

The task force concluded that the "white glove" inspection showed "a less-than-desirable overall industry compliance posture."

It blamed "poor quality carrier management." In its final report, the task force added that "air carrier management is ultimately responsible for assuring compliance with the safety standards provided by the Federal Aviation Regulations and other established good/safe operating practices—and therefore should be held accountable."

Of the 43 airlines that were given in-depth Phase II inspections, 16 were penalized. Some had their operating certificates revoked or suspended. Others surrendered certificates, grounded aircraft voluntarily or withdrew pilots from service. Still other airlines had restrictions placed on their expansion.

More recently, in the second significant development, the FAA has begun special evaluations that have gone beyond the "white glove" inspections.

These special "audits" have been conducted at a number of the larger carriers, including Continental, United, Western, Eastern, Northwest and American. Results have included changes in maintenance procedures, repair manuals and record keeping. In some cases, the government assessed penalities.

The largest proposed fine was a record $9.5-million against Eastern, and the largest fine actually levied was $1.5 million against American. Eastern is contesting the size of its penalty.

FAA inspectors investigated Eastern between Dec. 3, 1985 and Feb. 20, 1986, and said they found 78,000 violations, including improper deferral of maintenance, failure to conduct inspections or make repairs, failure to maintain proper records, flights without the minimum required equipment and failure to follow maintenance manuals.

Among its infractions, Eastern was reported as have used landing gear on several Boeing 727 flights that should have been removed from the fleet. The gear on one plane reportedly collapsed during a landing, but no one was hurt. Eastern officials were said to have responded that 60% of the charges were inaccurate.

Since the investigation, FAA officials have said the problems at Eastern, which sold out last month to Texas Air, have been corrected. Inspectors said they are now satisfied with the safety of its operations.

American's fine followed a series of incidents that included:

An engine that fell off an American 727 after it was hit by a chunk of "blue ice" from disinfectant which had leaked from a faulty toilet and frozen in high-altitude flight. The investigators found that American had not repaired the toilet despite reports for five months that it had been leaking.

A wing slat that fell from an American DC-10 as it landed at Dallas-Fort Worth. The investigators blamed the problem on the use of plastic pulleys. They discovered that American had installed plastic pulleys instead of aluminum pulleys on three of its DC-10s.

The investigators discerned a larger problem behind these incidents. "I don't think American Airlines consciously decided to cut back on maintenance," said Roger Knight, the flight standards division manager at the FAA's regional office in Fort Worth, which has jurisdiction over American's maintenance operation. Instead, he cited American's growth—estimated at nearly 20% annually. Like other airlines, Knight noted, it adopted hub-and-spoke scheduling between outlying airports and its central operations.

"If you go to a hub operation," Knight said, "You have to have on-time departures. And the system was not able to provide for the maintenance on a day-to-day level at those hubs. The outlying airports, where some of the aircraft were spending the night, did not have the capability to provide the necessary maintenance. The capability was at the hubs, where the aircraft may spend only an hour in a turnaround. And there is only so much maintenance you can do in an hour."

American has acknowledged that during its 20% growth it increased its maintenance workers by only 7%.

"The instant that I gave American Airlines their fine," said Donald Engen, the FAA administrator, "I saw reverberate throughout the entire industry a desire for greater compliance. And I saw mirrored in other airlines out there there determination that they were going to be caught like that."

To this day, however, American is reluctant to say that it did anything wrong.

"Many of the things they found and objected to were items of interpretation and items of record keeping," said Robert Baker, the senior vice president for operations. "They did not find anything that jeopardized the airworthiness of this airline's fleet."

Finally, in the third and most recent development, Boeing engineers who were modifying a 747 for a customer airline early this year discovered three cracks in adjacent fuselage frames. One was below the cockpit window, the second right above it and the third at the top of the airplane's characterstic hump. Boeing contacted operators of similarly aging 747s and found three more planes with cracks.

On Jan. 31, the FAA issued an emergency Airworthiness Directive to all 747 operators. It said the three adjacent fuselage frames in the first plane had been "found essentially severed" and added that "failure of adjacent frames could lead to rapid decompression of the fuselage and possible loss of the airplane." The AD said the cracks in the other three aircraft were found between the windows and the floor of the first-class section just below the cockpit and about 25 feet behind the nose.

The four cracked planes were being flown by Pan American, TWA and British Airways.

Discovery of the cracks indicated, the FAA said, "that current inspection intervals are inadequate to assure continued airworthiness." Cracks, the agency said, "could exist on other 747s." As a consequence, the AD ordered a special inspection of all 747s that had flown 10,000 flights or more. The order applied to all U.S. airlines with 747s and all overseas carriers that use 747s to serve U.S. cities.

Up to 160 aircraft were affected, the FAA said.

The AD said all 747s which had logged 10,000 to 14,000 flights had to be inspected within the next 50 flights, and all 747s that had logged 14,000 flights or more were to be inspected within the next 25 flights. The AD required close visual inspection of the aircraft skin—and further inspection under the skin if it showed signs of trouble with the frame.

British Airways began a detailed examination of its entire 28-plane 747 fleet. The airline stripped the interior of all first-class sections to look at the frames close-up. Other airlines followed suit. And by Feb. 17, the internal inspections showed cracks in 19 parts of the structures on 12 aircraft.

Now the FAA has made such internal inspections mandatory.

By the end of February, Japan Air Lines, which had been conducting a separate inspection of five of its 747s after a crash last August that killed 520 people, reported it had found scores of cracks in all of them. Each of the planes had logged more than 15,000 flights. There were between 73 and 188 cracks in each.

Most of these, too, were in the front of the fuselage between the wing and cockpit.

THE INSPECTORS

Against these downtrends in maintenance spending, the FAA is pitting an inspector force that has been shrinking in relation to the size of the air fleet.

Figures compiled by the Air Line Pilots Association show that in 1979 the FAA had 2,012 inspectors assigned to 237 large airlines, commuter airlines and air taxi operators. By the end of 1982, the ALPA figures show, the Reagan Administration had cut the number of inspectors by 14% to 1,735—while the number of airlines, commuters and air taxis had increased by 64% to 389.

By March of 1984, the number of inspectors had been reduced even further—to only 6% of the 1979 force, or 1,332. At the same time, the number of airlines, commuters and air taxis had increased again—to 72% more than the number in 1979, or 407. Although there was a slight climb in the number of inspectors last year, they continued to lag 27% behind the total six years earlier, while the number of air carriers was 122% greater.

"In addition," pointed out Louis McNair, ALPA's executive central air safety chairman, "consider that, for each new operator, two FAA inspectors must devote full time, for a period of approximately 45 days, to certifying each new entrant's maintenance, training and flight operations." Between 1980 and 1985, McNair said, the FAA certified 76 new large carriers and 233 new commuter airlines. This meant, he said, that FAA inspectors devoted about 27,000 man-days just to certifying new operators.

While inspectors are certifying new airlines, McNair said, "their normal duties cannot be performed."

To take up some of this slack, he said, the FAA has shifted some of the private aircraft inspectors, called "general aviation inspectors," back and forth between commuter operators and air carrier operators. But their new jobs, McNair declared, "put them far beyond their level of experience."

Pilots, he said, "have been reporting to us for a number of years that they see more and more maintenance discrepancies being deferred for longer periods of time."

Last summer, the General Accounting Office, an investigatory arm of Congress, found that FAA inspections were erratic at best. Between September, 1983, and October, 1984, the GAO noted, the FAA inspected electronics maintenance records 71 times at Ransome Airlines, which flies along the East Coast, and did not conduct a single similar inspection at Flying Tiger, a cargo line based in Los Angeles, even once—although Flying Tiger has five times as many aircraft.

The GAO cited a number of similar instances.

"Some carriers are falling through the cracks," said Rep. Mineta and Rep. William Lehman (D-Fla.), chairman of the House transportation subcommittee, in a letter to the FAA. Mineta proposed adding 200 inspectors and 100 support staff. "When we deregulated domestic route entry and fares," Mineta said, "the Congress did not deregulate the safety standards."

Shortly afterward, the Administration proposed a similar increase in inspectors. The proposal won airline industry support.

Members of Congress and the Administration have talked about making even more increases later, but McNair at ALPA doubts that the increases will be enough.

"In order to provide the same capability that existed in 1979," he declared, "we need an additional 2,453 inspectors."

That total exceeds anything the Administration has mentioned by nearly 2,000.

Worse, the FAA, like other government agencies, is facing cuts mandated by the Gramm-Rudman deficit-reduction law.

Administration officials have said some domestic programs will have to be cut by 20 percent.

"I can visualize no reasonable way in which the FAA could absorb that kind of reduction overall," Engen, the FAA administrator, told Sen. Kassebaum's subcommittee last month. There would be "serious deterioration of the current levels of safety services we provide," the administrator said.

"I don't think a 20 percent cut in aviation safety," Engen said, "is a viable option."

(Times researcher Nina Green and senior computer programmer Paul Orwig contributed to this story.)

RECIPIENTS OF 1985 PRESIDENTIAL MANAGEMENT IMPROVEMENT AWARDS

Mr. STEVENS. Mr. President, on March 24, 1986, the Office of Personnel Management hosted a ceremony for 11 individuals and 8 groups who have saved the American taxpayers more than $270 million. Vice President Bush, on behalf of the President, made the presentations of the 1985 Presidential Management Improvement Awards. Present, in addition to the recipients, were senior officials of the agencies involved.

Examples of the savings ranged from $28 million for the redesign of propellers on certain naval vessels to $6 million for an adapter which allows the M-16 rifle to fire .22 caliber ammunition rather than the expensive standard ammunition during marksmanship training. The President praised 42 other employees not present at the ceremony by letters of commendation for ideas and achievements that go "beyond job requirement and result in significant cost savings to the taxpayers."

Mr. President, I want to take this opportunity, as chairman of both the Civil Service, Post Office, and General Services Subcommittee and the Defense Appropriations Subcommittee, to salute these outstanding Federal employees and commend them on their efforts. Their actions are excellent examples of the fine work our Federal employees perform. I ask unanimous consent to insert in the RECORD at the end of my comments the names and accomplishments of the recipients.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

RECIPIENTS OF 1985 PRESIDENTIAL MANAGEMENT IMPROVEMENT AWARDS

Morgan Birge II, a Senior Technical Advisor with the Imagery Analysis Division of the Defense Intelligence Agency in Washington, D.C., led a design and development effort which contributes immeasurably to the maximum effective exploitation of our national imagery collection assets and realizes significant savings to the United States Government. First-year savings from his efforts were $5.5 million.

Robert J. Boswell, Ernest J. Czyryca, Robert D. Rockwell, Angelos Zaloumis, of the David Taylor Naval Ship Research and Development Center in Washington, D.C., identified and solved a major fleet problem relating to controllable pitch propeller blade attachments, involving 110 ships and nearly 200 propellers. This group of employees developed redesigns and backfits within the constraints of the existing propellers. First-year savings to the Government were in excess of $28 million.

Christopher G. Conrad, a Quality Assurance Specialist at the Naval Air Rework Facility, Norfolk, Virginia, proposed a means whereby brake components, which had been previously rejected because of chips or cracks, could be reused. His contribution significantly reduced costs and saved the Government over $4 million.

Virgil L. Conrad, Deputy Administrator of the Family Nutrition Programs, Food and Nutrition Service, Department of Agriculture, Alexandria, Virginia, led efforts to reduce fraud, waste and abuse in the Food Stamp Program. His work resulted in savings to the Government of nearly $19 million.

James R. Dinkins, Kenneth N. Cole, Charles L. Crowder, Jr., Joseph Getsug, Robert R. Moore, Jr. and Jimmy H. Wilson, of the Langley Research Center, National Aeronautics and Space Administration, Hampton, Virginia, are recognized for their initiative and innovativeness in negotiating a contract with the local power company which led not only to a reduction in electrical power costs, but also to increased flexibility in the operation of major research facilities, thus saving the Government $5,700,000.

James L. Durham, Robert A. Gaddy, Norman W. Lager, Daniel K. McCrady, and John A. Smith, Internal Revenue Service, Washington, distinguished themselves through efforts which resulted in presorted mass mailings to be at the Internal Revenue Service a full year ahead of schedule. First-year savings resulting from their contribution was nearly $2.5 million.

Allen Easterday, a Supervisory Auditor at Martin Marietta Aero Resident Office, Atlanta Region, and Robert T. Higgins, Orlando Branch Office, Atlanta Region, Defense Contract Audit agency, distinguished themselves by their outstanding contributions to the development and presentation of sound evidence leading to a conviction of Government contractors for a fraud of more than $50 million.

Herman L. Engle, Logistics Assistance Coordinator and Charles E. Anderson, Logistics Assistance Representative, U.S. Army Armanent, Munitions, and Chemical Command, Rock Island, Illinois (duty station overseas), suggested the use of a filtering system to flush and reuse hydraulic oil rather than draining and replacing oil in the system on the M110A2 8" Howitzer cannon every six months, which resulted in savings of nearly $1.3 million.

Alfonso D. Esposito and Michael A. Hupfer, Health Care Financing Administration, Department of Health and Human Services, Baltimore, Maryland, distinguished themselves by suggesting a change in Medicare hospital payments which corrected an erroneous subsidy for the use of private rooms, resulting in an estimated savings to the Government of $30,000,000 to $50,000,000 annually.

Phyllis A. Gardner, Executive Officer, Civil Division, Department of Justice, distinguished herself through her initiative in contracting with the private sector to provide many support services, including an integrated office productivity through automation program and an automated litigation support program. First-year savings to the Government were over $500,000. These new projects promise additional savings of at least $30.5 million by the end of fiscal year 1986.

Donald H. Holloman, Chief Master Sergeant, USAF, Retired, suggested that the Air Force convert to a different light water concentrate for fighting fires. His suggestion saved the Government over $1 million during the first year.

Julius V. Jurek, Chief Master Sergeant, USAF, Retired, designed and manufactured a rimfire adapter to permit the firing of .22 Caliber rifle rimfire ammunition in the M-16 rifle during small arms marksmanship training. First year savings to the Government were nearly $6 million.

Jack L. Justice, a Division Bridge Engineer with the Federal Highway Administration, West Virginia Division, distinguished himself in administering the bridge program in West Virginia, which resulted in savings to the Government in excess of $16 million on bridge construction and rehabilitation projects.

Reis R. Kash, former Chief of the Prisoner Transportation Division, U.S. Marshals Service, improved the trip scheduling of prisoners using centralized ticketing for commercial air flights and scheduling prisoner trips on large charter aircraft, result-

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ing in savings to the Government of $10 million.

Arthur E. Luedtke, a former employee of the Federal Communications Commission, distinguished himself over a career of more than 40 years, by inventing more than 39 separately identifiable communications equipment items which saved millions of dollars for the Government.

James D. Murphy, Chief, Field Support and Review Branch, Agency for International Development developed a program for Defense Base Act workers compensation insurance which has resulted in substantial savings of $40 million.

Donald E. Parker, a General Engineer with the Ballistic Missile Defense Advanced Technology Center, Huntsville, Alabama, suggested a modification of the design of a sensor synthesizer to test signal processing performance in the Forward Acquisition System Program. First-year savings to the Government were nearly $1.3 million.

Wayne A. Railsback, Victor L. Reddle, and Jean Janzegers, of the Central Intelligency Agency distinguished themselves by their exceptional performance in the concept, design, and production of a High Intensity Tracking Light Source, resulting in savings to the Government of nearly $1 million.

Michael J. Smith and Howard V. Grubb, Bureau of Engraving and Printing, Washington, D.C. suggested a mechanized currency processing system, designed to cull out the perfect sheets and accumulate the defective sheets for destruction. First-year savings to the Government was $2.2 million.

MESSAGES FROM THE PRESIDENT

Messages from the President of the United States were communicated to the Senate by Mr. Saunders, one of his secretaries.

EXECUTIVE MESSAGES REFERRED

As in executive session, the Presiding Officer laid before the Senate messages from the President of the United States submitting sundry nominations which were referred to the appropriate committees.

(The nominations received today are printed at the end of the Senate proceedings.)

PROPOSED LEGISLATION TO APPROVE THE "COMPACT OF FREE ASSOCIATION"—MESSAGE FROM THE PRESIDENT—PM 129

The PRESIDING OFFICER laid before the Senate the following message from the President of the United States, together with accompanying papers, which was referred to the Committee on Energy and Natural Resources:

To the Congress of the United States:

There is enclosed a draft of a Joint Resolution to approve the "Compact of Free Association," the negotiated instrument setting forth the future political relationship between the United States and Palau, a political jurisdiction of the Trust Territory of the Pacific Islands.

This Compact of Free Association is the result of more than sixteen years of continuous and comprehensive negotiations, spanning the administrations of four Presidents. The transmission of the proposed Joint Resolution today, and congressional enactment of it, marks the last step in the process for approval of the Compact.

The full text of the Compact is part of the draft Joint Resolution, which I request be introduced, referred to the appropriate committees, and enacted. I also request that the Congress note the agreements subsidiary to the Compact. Also enclosed is a section-by-section analysis to facilitate your consideration of the Compact.

On March 30, 1984, and again on February 20, 1985, I submitted to Congress a Compact of Free Association relating to the Marshall Islands and the Federated States of Micronesia, two other jurisdictions of the Trust Territory. That Compact was approved as House Joint Resolution 187 by Congress on December 13, 1985, and with my signature on January 14, 1986, became Public Law 99-239. The people of the fourth jurisdiction of the Trust Territory—the Northern Mariana Islands—have voted to become a United States territory when the Trusteeship is terminated. The Congress approved their political status instrument as Public Law 94-241.

The defense and land use provisions of the Compact with Palau, and the right of the United States to foreclose access to the area for military purposes of third countries, are of great importance to our strategic position in the Pacific and enable us to continue preserving regional security and peace. Under the Palau Compact, the minimum term of United States defense authority and responsibility will be fifty years; otherwise, the Palau Compact is very similar to the Compact that the Congress approved for the Marshall Islands and the Federated States of Micronesia.

For almost four decades, the Trust Territory has been administered under a Trusteeship Agreement with the United Nations Security Council, which the United States entered into pursuant to the Joint Resolution of July 18, 1947. This Compact of Free Association with the government of Palau fulfills our commitment under that Agreement to bring about self-government in accordance with the freely expressed wishes of the Palauan people. Termination of the Trusteeship Agreement and the formal assumption of freely chosen political status arrangements by all parts of the present Trust Territory are important foreign policy objectives of the United States.

The Compact with Palau was signed for the United States by Ambassador Fred M. Zeder II and the President of the Republic of Palau on January 10, 1986. It was approved on January 24, 1986, by both houses of the Palau National Congress. On February 21, 1986, the Compact was approved by the Palauan people in a United Nations observed plebiscite. The President of Palau has certified that the approval process has been completed in full compliance with Palau's constitutional requirements.

Enactment of this draft Joint Resolution approving the Compact of Free Association for Palau will complete the enterprise of self-government we began with the peoples of the Trust Territory many years ago. It is the final step preceding full termination of the Trusteeship Agreement. Therefore, I urge the Congress to approve the Compact of Free Association for Palau.

RONALD REAGAN.

THE WHITE HOUSE, *April 9, 1986*.

PRESIDENTIAL APPROVALS

A message from the President of the United States announced that he had approved and signed the following enrolled bill and joint resolutions:

March 21, 1986:

S.J. Res. 205. Joint Resolution to designate March 21, 1986, as "National Energy Education Day".

S.J. Res. 272. Joint Resolution to authorize and request the President to issue a proclamation designating March 21, 1986, as "Afghanistan Day", a day to commemorate the struggle of the people of Afghanistan against the occupation of their country by Soviet forces.

March 24, 1986:

S. 1396. An act to settle unresolved claims relating to certain allotted Indian lands on the White Earth Indian Reservation, to remove clouds from the titles to certain lands, and for other purposes.

March 25, 1986:

S.J. Res. 254. Joint Resolution to designate the year of 1987 as the "National Year of Thanksgiving".

March 27, 1986:

S.J. Res. 226. Joint Resolution to designate the week of April 6, 1986, through April 12, 1986, as "World Health Week", and to designate April 7, 1986, as "World Health Day".

April 1, 1986:

S.J. Res. 262. Joint Resolution to authorize and request the President to issue a proclamation designating June 2 through June 8, 1986, as "National Fishing Week".

MESSAGES FROM THE HOUSE

At 2:02 p.m., a message from the House of Representatives, delivered by Ms. Goetz, one of its reading clerks, announced that the House has passed the following bills and joint resolution, in which it requests the concurrence of the Senate:

H.R. 917. An act to amend title 5, United States Code, to extend to certain employees

in the excepted service the same procedural and appeal rights as are afforded to employees in the competitive service with respect to certain adverse personnel actions;

H.R. 3002. An act to provide for the establishment of an experimental program relating to the acceptance of voluntary services from participants in an executive exchange program of the Government;

H.R. 4143. An act to name the National Talented Teacher Fellowship Program after Christa McAuliffe

H.R. 4350. An act to amend the Wild and Scenic Rivers Act, and for other purposes; and

H.J. Res. 17. Joint resolution to consent to an amendment enacted by the legislature of the State of Hawaii to the Hawaiian Homes Commission Act, 1920.

MEASURES REFERRED

The following bills and joint resolution were read the first and second times by unanimous consent, and referred as indicated:

H.R. 917. An act to amend title 5, United States Code, to extend to certain employees in the excepted service the same procedural and appeal rights as are afforded to employees in the competitive service with respect to certain adverse personnel actions; to the Committee on Governmental Affairs.

H.R. 3002. An act to provide for the establishment of an experimental program relating to the acceptance of voluntary services from participants in an executive exchange program of the Government; to the Committee on Governmental Affairs.

H.R. 4143. An act to name the National Talented Teacher Fellowship Program after Christa McAuliffe; to the Committee on Labor and Human Resources.

H.R. 4350. An act to amend the Wild and Scenic Rivers Act, and for other purposes; to the Committee on Energy and Natural Resources.

H.J. Res. 17. Joint resolution to consent to an amendment enacted by the legislature of the State of Hawaii to the Hawaiian Homes Commission Act, 1920; to the Committee on Energy and Natural Resources.

EXECUTIVE AND OTHER COMMUNICATIONS

The following communications were laid before the Senate, together with accompanying papers, reports, and documents, which were referred as indicated:

EC-2841. A communication from the Assistant Secretary of Defense (Force Management and Personnel), transmitting, pursuant to law, a report on the adequacy of pay and allowances of the Armed Forces; to the Committee on Armed Services.

EC-2842. A communication from the Assistant Secretary of the Navy (Shipbuilding and Logistics), transmitting, pursuant to law, a report on the conversion of various functions at certain naval installations to performance by contract; to the Committee on Armed Services.

EC-2843. A communication from the Secretary of Defense, transmitting, pursuant to law, a report on standardization of equipment within NATO; to the Committee on Armed Services.

EC-2844. A communication from the Chairman of the National Credit Union Administration, transmitting, pursuant to law, the annual report of the National Credit Union Administration for 1985; to the Committee on Banking, Housing, and Urban Affairs.

EC-2845. A communication from the First Vice President and Vice Chairman of the Export-Import Bank of the United States, transmitting, pursuant to law, a report on loan, guarantee, and insurance transactions supported by Eximbank during February 1986 to Communist countries; to the Committee on Banking, Housing, and Urban Affairs.

EC-2846. A communication from the Chairman of the Federal Maritime Commission, transmitting, pursuant to law, the annual report of the Commission for fiscal year 1985; to the Committee on Commerce, Science, and Transportation.

EC-2847. A communication from the Secretary of Commerce, transmitting, pursuant to law, the report on Federal Coastal Programs review, dated December 1985; to the Committee on Commerce, Science, and Transportation.

EC-2848. A communication from the Secretary of Transportation, transmitting, pursuant to law, the fourth annual report of accomplishments under the Airport Improvement Program for fiscal year 1985; to the Committee on Commerce, Science, and Transportation.

EC-2849. A communication from the Secretary of the Interior, transmitting, pursuant to law, the annual report on the Outer Continental Shelf Oil and Gas Leasing and Production Program for fiscal year 1985; to the Committee on Energy and Natural Resources.

EC-2850. A communication from the Administrator of the Energy Information Administration, Department of Energy, transmitting, pursuant to law, a report entitled "Outlook for U.S. Coal Imports"; to the Committee on Energy and Natural Resources.

EC-2851. A communication from the Administrator of the Energy Information Administration, Department of Energy, transmitting, pursuant to law, the quarterly report on coal imports for October-December 1985; to the Committee on Energy and Natural Resources.

EC-2852. A communication from the Acting Assistant Secretary of the Interior (Water and Science), transmitting, pursuant to law, a report on the deferment of the construction repayment installment due from Almena Irrigation District No. 5, Pick-Sloan Missouri Basin Program, Kansas; to the Committee on Energy and Natural Resources.

EC-2853. A communication from the Secretary of the Interior, transmitting, pursuant to law, a report by the Massachusetts Department of Environmental Management, and four reports by the Middlesex Area Commission on certification of expenditures; to the Committee on Energy and Natural Resources.

EC-2854. A communication from the Acting Assistant Secretary of the Interior, transmitting a draft of proposed legislation authorizing expenditures by the Secretary of the Interior for services necessary to the nonperforming arts functions of the John F. Kennedy Center for the Performing Arts, and for other purposes; to the Committee on Environment and Public Works.

EC-2855. A communication from the Chairwoman of the United States International Trade Commission, transmitting, pursuant to law, the quarterly report on trade between the United States and the nonmarket economy countries, dated March 1986; to the Committee on Finance.

EC-2856. A communication from the Board of Trustees of the Federal Old-Age and Survivors Insurance and Disability Insurance Trust Funds, transmitting, pursuant to law, the annual report on these funds for 1986; to the Committee on Finance.

EC-2857. A communication from the Secretary of State, transmitting, pursuant to law, the semiannual report for the period April-September 1985 listing voluntary contributions made by the U.S. Government to international organizations; to the Committee on Foreign Relations.

EC-2858. A communication from the Acting Administrator of the Small Business Administration, transmitting a draft of proposed legislation to establish within the Department of Commerce a Small Business Administration, to terminate certain functions of the present Small Business Administration, to transfer certain functions of the present Small Business Administration to the Secretaries of Commerce and the Treasury, and for other purposes; to the Committee on Governmental Affairs.

EC-2859. A communication from the Director of the Accounting and Financial Management Division, General Accounting Office, transmitting, pursuant to law, a report entitled "Civil Service Retirement System's Financial Statements for 1984"; to the Committee on Governmental Affairs.

EC-2860. A communication from the Secretary of Agriculture, transmitting, pursuant to law, a report on two altered Privacy Act systems of records; to the Committee on Governmental Affairs.

EC-2861. A communication from the Deputy Assistant Secretary of Defense (Administration), transmitting, pursuant to law, a report on a new Privacy Act system of records; to the Committee on Governmental Affairs.

EC-2862. A communication from the Executive Secretary, Office of the Secretary of Defense, transmitting, pursuant to law, the report on Department of Defense procurement from small and other business firms for October 1985 through January 1986; to the Committee on Small Business.

EC-2863. A communication from the Under Secretary of Agriculture, transmitting, pursuant to law, a report on commodity allocations and current programming plans for food assistance by country under Public Law 480; to the Committee on Agriculture, Nutrition, and Forestry.

EC-2864. A communication from the Deputy Assistant Secretary of the Air Force, transmitting, pursuant to law, a report on a decision to convert the audiovisual services function at Keesler AFB, MS, to performance under contract; to the Committee on Armed Services.

EC-2865. A communication from the Deputy Secretary of Defense, transmitting, pursuant to law, certain certifications with respect to a certain weapons system; to the Committee on Armed Services.

EC-2866. A communication from the general counsel of the Department of Defense, transmitting a draft of proposed legislation to increase the number of members of the Selected Reserve who may be ordered to active duty without their consent; to the Committee on Armed Services.

EC-2867. A communication from the Deputy Assistant Secretary of Defense, transmitting, pursuant to law, a report on the condition and operating results of the Working Capital Funds of DOD for fiscal

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year 1985; to the Committee on Armed Services.

EC-2368. A communication from the general counsel of the Department of Defense, transmitting a draft of proposed legislation to increase basic pay, allowance for quarters, and allowance for subsistence for members of the uniformed services; to the Committee on Armed Services.

EC-2869. A communication from the acting general counsel of the Federal Emergency Management Agency, transmitting a draft of proposed legislation to extend for 5 years the Defense Production Act of 1950; to the Committee on Banking, Housing, and Urban Affairs.

EC-2870. A communication from the Secretary of Housing and Urban Development, transmitting, pursuant to law, reports on the status of evaluations of the Multifamily and Local Property Urban Homesteading Demonstrations; to the Committee on Banking, Housing, and Urban Affairs.

EC-2871. A communication from the Chairman of the Federal Deposit Insurance Corporation, transmitting, pursuant to law, the annual report of FDIC's Office of Consumer Programs; to the Committee on Banking, Housing, and Urban Affairs.

EC-2872. A communication from the Chairman of the Federal Financial Institutions Examination Council, transmitting, pursuant to law, the Council's 1985 annual report; to the Committee on Banking, Housing, and Urban Affairs.

EC-2873. A communication from the Secretary of Transportation, transmitting a draft of proposed legislation to authorize appropriations for certain maritime programs of the Department of Transportation; to the Committee on Commerce, Science, and Transportation.

EC-2874. A communication from the Deputy Associate Director of the Minerals Management Service, transmitting, pursuant to law, a report on 27 refunds of excess oil and gas lease royalty payments; to the Committee on Energy and Natural Resources.

EC-2875. A communication from the Deputy Associate Director of the Minerals Management Service, transmitting, pursuant to law, a report on 28 refunds of excess oil and gas lease royalty payments; to the Committee on Energy and Natural Resources.

EC-2876. A communication from the Acting Assistant Secretary of the Interior, transmitting, pursuant to law, a report on approval of the deferment of construction repayment installments from Webster Irrigation District No. 4, Pick-Sloan Missouri Basin Program, Kansas; to the Committee on Energy and Natural Resources.

EC-2877. A communication from the Secretary of Energy, transmitting, pursuant to law, energy information requirements; to the Committee on Energy and Natural Resources.

EC-2878. A communication from the Commissioner of the Bureau of Reclamation, transmitting, pursuant to law, a report on the Teton Dam Claims Program for 1984; to the Committee on Energy and Natural Resources.

EC-2879. A communication from the Acting Assistant Secretary of the Interior, transmitting, pursuant to law, a report on approval of a deferment of payments due the United States from the West Bench Irrigation District, Dillon, MT; to the Committee on Energy and Natural Resources.

EC-2880. A communication from the Administrator of GSA, transmitting, pursuant to law, a prospectus for design of a new Federal building in Oakland, CA; to the Committee on Environment and Public Works.

EC-2881. A communication from the Deputy Associate Director of the Minerals Management Service, transmitting, pursuant to law, a report on two refunds of excess oil and gas lease royalty payments; to the Committee on Energy and Natural Resources.

EC-2882. A communication from the Acting Assistant Secretary of the Interior, transmitting, pursuant to law, a report on approval of a deferment of the 1985 construction repayment to the United States from Kirwin Irrigation District No. 1, Pick-Sloan Missouri Basin Program, Kansas; to the Committee on Energy and Natural Resources.

EC-2883. A communication from the Deputy Associate Director of the Minerals Management Service, transmitting, pursuant to law, a report on 28 refunds of excess oil and gas lease royalty payments; to the Committee on Energy and Natural Resources.

EC-2884. A communication from the Deputy Associate Director of the Minerals Management Service, transmitting, pursuant to law, a report on six refunds of excess oil and gas lease royalty payments; to the Committee on Energy and Natural Resources.

EC-2885. A communication from the Chairman and the Director of the Tennessee Valley Authority, transmitting, pursuant to law, TVA's 52d annual report; to the Committee on Environment and Public Works.

EC-2886. A communication from the Administrator of the Environmental Protection Agency, transmitting a draft of proposed legislation to authorize appropriations for the Environmental Research, Development, and Demonstration Program; to the Committee on Environment and Public Works.

EC-2887. A communication from the Administrator of the Environmental Protection Agency, transmitting a draft of proposed legislation to extend the Federal Water Pollution Control Act, as amended, for 2 years; to the Committee on Environment and Public Works.

EC-2888. A communication from the Administrator of the Environmental Protection Agency, transmitting a draft of proposed legislation to extend the Safe Drinking Water Act, as amended, for 2 years; to the Committee on Environment and Public Works.

EC-2889. A communication from the Administrator of the Environmental Protection Agency, transmitting a draft of proposed legislation to extend the Clean Air Act, as amended, for 2 years; to the Committee on Environment and Public Works.

EC-2890. A communication from the general counsel of the Department of the Treasury, transmitting a draft of proposed legislation to authorize appropriations for the Customs Service for 1987 and 1988; to the Committee on Finance.

EC-2891. A communication from the general counsel of the Department of Defense, transmitting a draft of proposed legislation to grant comparable tax treatment of allowances permitted to certain DOD personnel; to the Committee on Finance.

EC-2892. A communication from the Secretary of Health and Human Services, transmitting, pursuant to law, a report on a study of registered dietitians' services in home care; to the Committee on Finance.

EC-2893. A communication from the Secretary of Health and Human Services, transmitting a draft of proposed legislation to make administrative changes in the programs of aid to families with dependent children and child support enforcement; to the Committee on Finance.

EC-2894. A communication from the Assistant Legal Adviser for Treaty Affairs, Department of State, transmitting, pursuant to law, copies of international agreements, other than treaties, entered into by the United States within the 60 days previous to April 3, 1986; to the Committee on Foreign Relations.

PETITIONS AND MEMORIALS

The following petitions and memorials were laid before the Senate and were referred or ordered to lie on the table as indicated:

POM—612. A resolution adopted by the Senate of the Legislature of the State of Arizona; to the Committee on Armed Services.

"SENATE MEMORIAL 1002

"To the Congress of the United States of America:

"Your memorialist respectfully represents:

"Whereas, it is the constitutional duty of the United States Government to 'provide for the common defense'; and

"Whereas, the United States Government does not now possess any defensive means of protecting the American people against incoming enemy missiles launched from any country in the world; and

"Whereas, the shift in the strategic balance in favor of the Soviet Union has undermined the credibility of our deterrent, which is based on the doctrine of mutual assured destruction and the use of offensive nuclear weapons; and

"Whereas, President Ronald Reagan asked a crucial question on March 23, 1983: 'Isn't it better to save lives than to avenge them?', and the United States needs a new strategy of mutual assured survival which can make nuclear weapons obsolete; and

"Whereas, arms control treaties alone cannot protect us, since even a perfect agreement with the Soviet Union would leave the United States undefended against the threat of nuclear missiles launched accidentally, launched by a terrorist or launched by an irrational decision of a Third World regime; and

"Whereas, the Soviet Union is moving to defend its people from nuclear attack, and we cannot afford to let the Soviet Union seize the high frontier of space and develop a defensive system before we do; and

"Whereas, on June 10, 1984, the United States Department of Defense successfully conducted a test over the South Pacific which proved that we have current technology to intercept and destroy incoming missiles before they destroy us; and

"Whereas, a system, commonly known as High Frontier, involving the use of nonnuclear satellites to intercept and destroy nuclear missiles targeted at the United States or the territories of our allies is currently available; and

"Whereas, The Strategic (High Frontier) Defense Initiative offers the United States a way out of the continuing spiral of building more and more costly offensive weapons because it cannot kill people (it can "kill" only missiles) and it would function to keep war out of space because it is solely defensive.

"Wherefore, your memorialist, the Senate of the State of Arizona, prays:

"1. That the Congress of the United States give prompt attention to the development, construction and placement of a space-based, nonnuclear defensive system.

"2. That the Secretary of State of the State of Arizona transmit copies of this Memorial to the President of the United States Senate, the Speaker of the House of Representatives of the United States and to each Member of the Arizona Congressional Delegation."

POM-613. A resolution adopted by the House of Representatives of the Legislature of the State of Indiana; to the Committee on Banking, Housing, and Urban Affairs:

"HOUSE RESOLUTION NO. 23

"Whereas, Article 1, Section 8, of the Constitution of the United States provides that only the Congress of the United States shall have the power "to borrow money on the credit of the United States"; and

"Whereas, The Federal Reserve Act of December 23, 1913 (Act of December 23, 1913; 38 Stat. 251; 12 U.S.C. 221 et seq.) transferred the power to borrow money on the credit of the United States to a consortium of private bankers in violation of the prohibitions of Article 1, Section 8, of the Constitution of the United States; and

"Whereas, The Congress of the United States is without authority to delegate any powers which it has received under the Constitution of the United States established by the people of the United States; and

"Whereas, Article 1, Section 1, of the Constitution of the United States, provides that "all legislative powers herein granted shall be vested in a Congress of the United States, which shall consist of a Senate and House of Representatives"; and

"Whereas, The Federal Reserve Act of December 23, 1913 was imposed upon the people of the State of Indiana in violation of the provisions of Article 1, Section 1, of the Constitution of the United States; and

"Whereas, Members of the Federal Reserve System, a consortium of private bankers, have threatened the very integrity of our national government through their arbitrary and capricious control management of the nation's money supply; and

"Whereas, The United States is facing, in the current decade, an economic debacle of massive proportions due in large measure to a continued erosion of our national currency and the resultant high interest rates caused by the policies of the Federal Reserve Board; and

"Whereas, A consortium of private bankers which is not subject to any official periodic review or oversight by Congress has unconstitutionally controlled the economy of the United States through the Federal Reserve Act since 1913; and

"Whereas, The Federal Reserve System has never had an external audit; and

"Whereas, The Federal Reserve System does not pay federal income tax like other private banks; and

"Whereas, The national debt is approaching two trillion dollars ($2,000,000,000,000) and the interest on the national debt the past fiscal year was 178 billion, 945 million dollars which is approximately $.19 of each tax dollar; and

"Whereas, The Gramm-Rudman Bill does not permit the third largest line item in the national budget, payment of interest on the national debt, to be reduced along with other items in the national budget: Therefore,

Be it resolved by the House of Representatives of the General Assembly of the State of Indiana:

"Section 1. That the Indiana House of Representatives urges the Congress of the United States to enact immediately such legislation as is necessary to repeal the Federal Reserve Act and restore the gold standard.

"Section 2. That the President of the United States immediately sign the necessary enabling legislation once it reaches his desk.

"Section 3. That the Principal Clerk of the House of Representatives transmit copies of this Resolution to the President of the United States, the President of the United States Senate, the Speaker of the House of Representatives of the United States and to each member of the United States Senate, and to each member of the House of Representatives."

POM-614. A joint resolution adopted by the Legislature of the State of Wyoming; to the Committee on Banking, Housing, and Urban Affairs:

"ENROLLED JOINT RESOLUTION NO. 2, SENATE

"Whereas, the Federal Reserve Banks are private corporations and not government institutions; and

"Whereas, the special stocks of Federal Reserve Banks are nominally owned by private commercial banks; and

"Whereas, the Federal Reserve Banks are largely responsible for determining the money supply in the United States; and

"Whereas, the money supply is in large part responsible for interest rates which determine the business and economic climate of our nation.

"Now, therefore, be it resolved by the members of the Legislature of the State of Wyoming:

"Section 1. That the Congress of the United States cause to be made a complete audit by the General Accounting Office of the income and expenses of the Board of Governors and the twelve Federal Reserve Banks which comprise and regulate the Federal Reserve System, and a detailed report published and made available to the public no later than October 1, 1987.

"Section 2. That the Secretary of State of Wyoming transmit copies of this Resolution to the President of the United States Senate, the Speaker of the House of Representatives of the United States, each member of the Wyoming Congressional Delegation and to the Chairman of the banking committees of each House of Congress."

POM-615. A concurrent resolution adopted by the Legislature of the State of New Hampshire; to the Committee on Commerce, Science, and Transportation:

"RESOLUTION

"Whereas, many household products contain materials which are, when improperly discarded, potential threats to the environment by release to the air or by filtering through landfills and entering into waters and groundwaters; and

"Whereas, proper disposal of these household hazardous wastes can significantly decrease the potential threat these products pose to the environment and to the health and welfare of our citizens; and

"Whereas, educating the public as to the proper procedures for disposing of household hazardous wastes is an essential first step in understanding, identifying, and controlling the threat posed by these products; and

"Whereas, identification of household hazardous wastes for the consumer may be best accomplished by labelling such products with an internationally recognized symbol designating the product as a household hazardous waste; now, therefore, be it

"Resolved by the House of Representatives, the Senate concurring: "That the Congress of the United States enact legislation implementing an identification and coding system for household hazardous substances that may be discarded as waste that uses the internationally recognized prohibition symbol, a sample of which is attached hereto; and

"That the members of the New Hampshire congressional delegation sponsor and support such legislation; and

"That copies of this resolution be sent to the President of the United States, the President of the United States Senate, the Speaker of the United States House of Representatives, and the members of the New Hampshire congressional delegation."

POM-616. A joint resolution adopted by the Legislature of the Senate of Wyoming; to the Committee on Energy and Natural Resources:

"ENROLLED JOINT RESOLUTION NO. 3, HOUSE OF REPRESENTATIVES

"Whereas, Yellowstone National Park and Grand Teton National Park are essential to the tourism sector of the economy of the State of Wyoming; and

"Whereas, use of Yellowstone National Park and Grand Teton National Park has steadily declined over a period of several years.

"Now, therefore, be it resolved by the members of the Legislature of the State of Wyoming:

"Section 1. That the members of the Wyoming legislature urge the United States Congress and the United States Department of the Interior to cooperate with the State of Wyoming in planning future management and use of Yellowstone National Park and Grand Teton National Park;

It is further resolved, that the Governor of Wyoming initiate discussions with the United States Secretary of the Department of the Interior on cooperative efforts between the State of Wyoming and the federal government relative to the future management and use of Yellowstone National Park and Grand Teton National Park, and explore methods implementing and administering proposed cooperative efforts.

"Section 2. That the Secretary of State of Wyoming send copies of this resolution to the President of the United States, the President of the Senate and the Speaker of the House of Representatives of the United States Congress, each member of the Wyoming congressional delegation and the United States Secretary of the Department of the Interior."

POM-617. A resolution adopted by the Senate of the Commonwealth of Massachusetts; to the Committee on Energy and Natural Resources:

"RESOLUTIONS MEMORIALIZING CONGRESS, THE PRESIDENT AND THE VETERANS ADMINISTRATION OF THE UNITED STATES TO RECORD THE SUPPORT OF THE MASSACHUSETTS SENATE TO THE CONSTRUCTION OF A KOREAN WAR VETERANS MEMORIAL

"Whereas, on June twenty-fifth, nineteen hundred and fifty, Communist forces of the Korean people's army launched an offensive against the Republic of Korea; and

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"Whereas, in response to this atrocious act of aggression against freedom, the President of the United States, Harry S. Truman, on Tuesday, June twenty-seventh, nineteen hundred and fifty, ordered United States air and sea forces to give the Korean Government troops, cover and support, thus beginning involvement of the United States in the Korean conflict which ended on July twenty-seventh, nineteen hundred and fifty-three; and

"Whereas, of the six million Korean era veterans, fifty-four thousand, two hundred and thirty-five Americans were killed in action and eight thousand, one hundred and seventy-seven are unaccounted for, including three hundred eighty-nine who were prisoners of war; and

"Whereas, these Americans served their country with dignity, displaying the ideals of America, fighting for freedom on foreign territory, far from home and loved ones; and

"Whereas, those Americans who had made the supreme sacrifice, and those Americans who were willing to make the supreme sacrifice of life, remain the only veterans not recognized with a memorial in our country's capital; Now therefore be it

"*Resolved*, That the Massachusetts Senate hereby urges Congress, the President and the Veterans Administration of the United States to memorialize the Korean era veteran with an appropriate memorial in Washington, DC; and be it further

"*Resolved*, That a copy of these resolutions be transmitted by the clerk of the Senate to the President of the United States, the Speaker of the House of Representatives, the President of the Senate, members of the Massachusetts Congressional Delegation, and the Director of the Veterans Administration."

POM-618. A resolution adopted by the Common Council of Kenosha, Wisconsin opposing the provisions of H.R. 3838 relating to tax-exempt financing for local government; to the Committee on Finance.

POM-619. A resolution adopted by the Common Council of Boscobel, Wisconsin opposing the provisions of H.R. 3838 pertaining to tax-exempt financing for local government; to the Committee on Finance.

POM-620. A resolution adopted by the Board of Redevelopment Commissioners of the City of Gary, Indiana opposing the provisions of H.R. 3838 relating to tax-exempt financing for local government; to the Committee on Finance.

POM-621. A resolution adopted by the President and Board of Trustees of the Village of Oak Lawn, Illinois opposing the provisions of H.R. 3838 relating to tax-exempt financing for local government; to the Committee on Finance.

POM-622. A resolution adopted by the Senate of the Commonwealth of Pennsylvania; to the Committee on Foreign Relations:

"RESOLUTION

"Whereas, newspapers have published reports conducted by nationally recognized investigative reports confirming the presence of American prisoners of war in Southeast Asia; and

"Whereas, these reports draw on information obtained from ranking military officials, top secret military intelligence reports, satellite photos, communications intercepts and agents operating in Southeast Asia; and

"Whereas, it is estimated that there are approximately 200 living Americans being held by hostile governments, as prisoners of war in a war that ended over ten years ago, for the purpose of torture, technical assistance and psychological experiments; therefore be it

"Resolved, Tthat the Senate of the Commonwealth of Pennsylvania memorialize the Congress of the United States to conduct a meaningful investigation into these reports and others concerning Americans being held as prisoners of war in Southeast Asia; and be it further

"Resolved, That the Senate of the Commonwealth of Pennsylvania memorialize the Congress of the United States to redouble its efforts to locate and rescue these valiant men of the Vietnam Conflict who remain in enemy territory and return these servicemen to their families here in the United States; and be it further

"Resolved, That copies of this resolution be transmitted to the presiding officers of each house of Congress and to each member of Congress from Pennsylvania."

POM-623. A resolution adopted by the Senate of the State of Michigan; ordered to lie on the table:

"RESOLUTION

"Whereas, the people of this country have been especially blessed in the dedication of the individuals who have made immeasurable sacrifices to preserve our way of life and our liberties. In addition to the obvious debt we harbor for those who have served in the Armed Forces, our country also is greatly enriched through the programs and efforts of several veteran groups. These organizations have assisted veterans and their families, as well as fostering a spirit of patriotism and service at the local, state, and national levels; and

"Whereas, an organization which epitomizes this tradition of service to veterans and the community is the Vietnam Veterans of America. This group touches many lives, especially for those among us with personal knowledge of the hardships, triumphs, and losses of this war. The unique services of this organization are most essential and highly commendable; and

"Whereas, presently there is pending before the Congress of the United States legislation, S. 8, which would extend to the Vietnam Veterans of America a federal charter. This formal recognition is most appropriate and will undoubtedly further its excellent work; Now, therefore, be it

"Resolved by the Senate, That we hereby memorialize the Congress of the United States to enact legislation, such as S. 8, to grant the Vietnam Veterans of America a federal charter; and be it further

"Resolved, That copies of this resolution be transmitted to the President of the United States Senate, the Speaker of the United States House of Representatives, and the members of the Michigan congressional delegation."

EXECUTIVE REPORTS OF COMMITTEES

The following executive reports of committees were submitted:

By Mr. GOLDWATER, from the Committee on Armed Services:

Mr. GOLDWATER. Mr. President, from the Committee on Armed Services, I report favorably the attached listing of nominations.

Those identified with a single asterisk (*) are to be placed on the Executive Calendar. Those identified with a double asterisk (**) are to lie on the Secretary's desk for the information of any Senator since these names have already appeared in the CONGRESSIONAL RECORD and to save the expense of printing again.

The PRESIDING OFFICER. Without objection, it is so ordered.

(The nominations ordered to lie on the Secretary's desk were printed in the RECORD of March 14, March 20, March 24, March 26, and March 27, 1986, at the end of the Senate proceedings.)

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*1. Lt. Gen. David K. Doyle, U.S. Army, to be placed on the retired list; and Maj. Gen. Thurman D. Rodgers to be lieutenant general. (Ref. No. 954)

*2. Lt. Gen. Nathaniel R. Thompson, Jr., U.S. Army, to be placed on the retired list; and Maj. Gen. Henry Doctor, Jr., to be lieutenant general. (Ref. No. 955)

*3. Gen. John K. Davis, U.S. Marine Corps, to be placed on the retired list. (Ref. No. 956)

**4. In the Army there are 44 appointments to the grade of major and below (list begins with Melvin Abercrombie). (Ref. No. 958)

**5. In the Marine Corps there are 5 permanent appointments to the grade of second lieutenant (list begins with Michael T. Barry). (Ref. No. 959)

*6. Lt. Gen. Robert L. Moore, U.S. Army, to be placed on the retired list; Lt. Gen. Lawrence F. Skibbie to be reassigned; and Maj. Gen. Peter G. Burbules to be lieutenant general. (Ref. No. 965)

**7. In the Air Force there are 2 permanent promotions to the grade of lieutenant colonel and below (list begins with Nina K. Rhoton). (Ref. No. 967)

**8. In the Air Force there are 2 appointments to the grade of major and below (list begins with Janet C. Flournoy). (Ref. No. 968)

**9. In the Air Force there are 1,529 appointments to a grade not higher than captain (list begins with Warren O. Abraham). (Ref. No. 969)

**10. In the Navy Reserve there are 27 appointments to the grade of permanent lieutenant in the Navy (list begins with Michael S. Anisowicz). (Ref. No. 970)

*11. Lt. Gen. Thomas R. Morgan, U.S. Marine Corps, to be general. (Ref. No. 973)

**12. In the Air Force there are 52 appointments of students of the Uniformed Services University of the Health Sciences Class of 1986 to a grade to be determined by the Secretary of the Air Force (list begins with Thomas E. Applegate). (Ref. No. 974)

**13. In the Navy there are 5 promotions to the grade of commander and below (list begins with Timothy Higgins). (Ref. No. 975)

**14. In the Navy there are 18 appointments to the grade of lieutenant commander and below (list begins with Jeffery J. Iovine). (Ref. No. 976)

**15. In the Navy and Navy Reserve there are 28 appointments to the grade of captain and below (list begins with Kathryn K. Murray). (Ref. No. 983)

**16 In the Army there are 13 permanent promotions to the grade of colonel and below (list begins with Charles B. Savely). (Ref. No. 987)

Total 1,734.

By Mr. PACKWOOD, from the Committee on Finance:

J. Roger Mentz, of New Jersey, to be an Assistant Secretary of the Treasury.

(The above nomination was reported with the recommendation that it be confirmed, subject to the nominee's commitment to appear and testify before any duly constituted committee of the Senate.)

INTRODUCTION OF BILLS AND JOINT RESOLUTIONS

The following bills and joint resolutions were introduced, read the first and second time by unanimous consent, and referred as indicated:

By Mr. KASTEN (for himself and Mr. Proxmire):

S. 2273. A bill to amend the Internal Revenue Code of 1954 to deny the tax exemption for interest on industrial development bonds used to finance acquisition of farm property by foreign persons; to the Committee on Finance.

S. 2274. A bill to provide that certain individuals who are not citizens of the United States and certain persons who are not individuals shall be ineligible to receive financial assistance under the price support and related programs administered by the Secretary of Agriculture; to the Committee on Agriculture, Nutrition, and Foresty.

By Mr. LAUTENBERG:

S. 2275. A bill for the relief of Dynamic Technology International, Inc., Lew Malnak Associates, Star Design Inc., Riverside Precision Machines, and certain other individuals; to the Committee on the Judiciary.-:- Ewan, Elmer H. -:- %118 -:- April 9, 1986 -:- Jacket No. 071-060 -:- Folio(s) 40/wls -:- Extension A09AP6.382

By Mr. MOYNIHAN:

S. 2276. A bill to amend part C of the Balanced Budget and Emergency Control Act of 1985 to exempt certain programs, projects, and activities of the Library of Congress, the National Endowment for the Humanities, and the Department of Education from sequestration or reduction under an order issued by the President under section 252 of such Act; to the Committee on Governmental Affairs.

By Mr. QUAYLE:

S. 2277. A bill to amend the Fair Labor Standards Act of 1938 to exclude from sections 6, 7, and 12 of that act individuals of league baseball teams who serve as bat boys and bat girls; to the Committee on Labor and Human Resources.

By Mr. DODD (for himself, Mr. Specter, Mr. Hart, and Mr. Moynihan):

S. 2278. A bill to grant employees parental and temporary medical leave under certain circumstances, and for other purposes; to the Committee on Labor and Human Resources.

By Mr. HEINZ:

S. 2279. A bill to improve the administration of the temporary emergency food assistance program and to reestablish food bank special nutrition projects, and for other purposes; to the Committee on Agriculture, Nutrition, and Forestry.

By Mr. GRASSLEY (for Mrs. Hawkins (for herself, Mr. Andrews, Mr. Bentsen, Mr. Bradley, Mr. Burdick, Mr. Chiles, Mr. Cohen, Mr. Cranston, Mr. Dole, Mr. Durenberger, Mr. Glenn, Mr. Goldwater, Mr. Grassley, Mr. Hatch, Mr. Heinz, Mr. Hollings, Mr. Inouye, Mr. Johnston, Mr. Matsunaga, Mr. Nickles, Mr. Nunn, Mr. Pryor, Mr. Riegle, Mr. Roth, Mr. Sarbanes, Mr. Stennis, Mr. Warner, Mr. Zorinsky, Mr. Humphrey, and Mr. D'Amato)):

S.J. Res. 315. Joint resolution designating May 1986 as "Older Americans Month"; to the Committee on the Judiciary.

By Mr. CRANSTON (for himself, Mr. Packwood, Mr. Dixon, Mr. D'Amato, Mr. Lautenberg, Mr. Metzenbaum, Mr. Heinz, Mr. Kennedy, Mr. Nickles, Mr. Kerry, Mr. Hecht, Mr. Sarbanes, Mr. Danforth, Mr. Burdick, Mr. Mattingly, Mr. Simon, Mr. Trible, Mr. Pell, Mr. Andrews, Mr. Exon, Mr. Sasser, Mr. Specter, Mr. Leahy, Mr. Ford, Mr. DeConcini, Mr. Hart, Mr. Boschwitz, Mr. Johnston, Mr. Wilson, Mrs. Hawkins, Mr. Levin, Mr. Biden, Mr. Dodd, Mr. Bingaman, Mr. Bradley, Mr. Bumpers, Mr. Gore, Mr. Harkin, Mr. Heflin, Mr. Melcher, Mr. Pryor, Mr. Inouye, Mr. Matsunaga, Mr. Mitchell, Mr. Proxmire, Mr. Riegle, Mr. Rockefeller, Mr. Moynihan, Mr. Glenn, Mr. Baucus, Mr. Weicker, Mr. Kasten, Mr. Boren, Mr. Hollings, Mr. Murkowski, Mr. Gorton, Mr. Grassley, Mr. Roth, Mr. Byrd, Mr. Durenberger, and Mr. Pressler):

S.J. Res. 316. Joint resolution prohibiting the sale to Saudi Arabia of certain defense articles and related defense services; to the Committee on Foreign Relations.

By Mr. HEINZ (for himself, Mr. Glenn, Mr. Wilson, Mr. Hollings, Mr. Symms, Mr. Kerry, Mr. Cohen, Mr. Zorinsky, Mr. Rockefeller, Mr. Baucus, Mr. Dole, Mr. Lugar, Mr. Gore, Mr. Nunn, Mr. Roth, Mr. Bradley, Mr. Lautenberg, Mr. Warner, Mr. Durenberger, Mr. Matsunaga, Mr. Kasten, Mr. Sarbanes; Mr. Andrews, Mr. Riegle, Mr. Cochran, Mr. Kennedy, Mr. Pryor, Mr. Chafee, Mr. Stafford, Mr. Johnston, Mr. Levin, Mr. Bentsen, Mr. Cranston, Mr. Thurmond, Mr. Hatch, Mr. Dixon, and Mr. McClure):

S.J. Res. 317. Joint resolution to designate the month of November 1986 as "National Hospice Month"; to the Committee on the Judiciary.

By Mr. ABDNOR (for himself, Mr. Durenberger, Mr. Weicker, Mr. Stennis, Mr. Moynihan, Mr. Pressler, Mr. Boschwitz, Mr. Rockefeller, Mrs. Hawkins, Mr. Dole, Mr. Bradley, Mr. Dodd, Mr. Hollings, Mr. McClure, Mr. Stevens, Mr. Nunn, Mr. Symms, Mr. Burdick, Mr. Garn, Mr. Heinz, Mr. Gore, Mr. Kerry, Mr. Warner, Mr. Nickles, Mr. Chiles, Mr. Andrews, Mr. Mathias, Mr. Trible, and Mr. Inouye):

S.J. Res. 318. Joint resolution designating November 1986 as "National Diabetes Month"; to the Committee on the Judiciary.

SUBMISSION OF CONCURRENT AND SENATE RESOLUTIONS

The following concurrent resolutions and Senate resolutions were read, and referred (or acted upon), as indicated:

By Mr. LAUTENBERG:

S. Res. 376. Resolution to refer S. 2275 entitled, "A bill for the relief of Dynamic Technology International, Inc., Lew Malnak Associates, Star Design, Inc., Riverside Precision Machines, and certain other individuals" to the chief judge of the U.S. Claims Court for a report thereon; to the Committee on the Judiciary.

By Mr. BAUCUS (for himself, Mr. Symms, Mr. McClure, Mr. Exon, Mr. Gore, Mr. Pryor, Mr. Bentsen, Mr. Melcher, Mr. Simpson, Mr. Andrews, Mr. Zorinsky, and Mr. Armstrong):

S. Con. Res. 124. Concurrent resolution expressing the sense of the Congress with respect to the milk production termination program; to the Committee on Agriculture, Nutrition, and Forestry.

By Mr. HEINZ (for himself, Mr. Laxalt, Mr. Kennedy, Mr. Moynihan, Mr. Dodd, Mr. Specter, Mr. Hart, Mr. Matsunaga, and Mr. Weicker):

S. Con. Res. 125. Concurrent resolution recognizing the achievements of the Ireland Fund and its founder, Dr. Anthony J.F. O'Reilly; to the Committee on the Judiciary.

STATEMENTS ON INTRODUCED BILLS AND JOINT RESOLUTIONS

By Mr. KASTEN (for himself and Mr. Proxmire):

S. 2273. A bill to amend the Internal Revenue Code of 1954 to deny the tax exemption for interest on industrial development bonds used to finance the acquisition of farm property by foreign persons; to the Committee on Finance.

S. 2274. A bill to provide that certain individuals who are not citizens or nationals of the United States and certain persons who are not individuals shall be ineligible to receive financial assistance under price support and related programs administered by the Secretary of Agriculture; to the Committee on Agriculture, Nutrition, and Forestry.

DISCOURAGING FOREIGN CORPORATE INVESTMENT IN U.S. AGRICULTURE

Mr. KASTEN. Mr. President, today I am introducing two pieces of legislation aimed at discouraging foreign corporate investment in agriculture.

As some of my colleagues may be aware, an Irish firm called Masstock International recently announced plans to invest up to $35 million in the construction of 10, 2,000-cow dairy farms in Georgia, along with a processing plant. Ostensibly, this enormous investment is motivated by the fact that Georgia and the Southeast are milk-deficient areas where large population growth is expected in the near future.

This may be true—but it is surely not the whole story. Masstock new milk factories will benefit from the reduced price uncertainty created by the price support and other farm programs we have set up to help our own farmers. And, Masstock is being assisted with tax-exempt financing through

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a $4.5 million industrial development bond issued by one Georgia county.

Mr. President, the dairy farmers of Wisconsin are outraged at this development, and they have a right to be. For several years now, the dairy industry in Wisconsin has been plagued by declining prices and high interest rates. Repeatedly they have been told of the need to reduce the dairy surplus.

Yet now, at the very same time when we have instituted a progam to pay family farmers to quit dairying to reduce milk production, we are subsidizing a giant corporate investment in increasing milk production. This kind of inconsistent Federal policy defies common sense.

One simple statistic makes this clear; 1,681 Wisconsin farmers with an average herd size of 37 cows will leave dairy farmers through the buy-out program. The completion of Masstock's project will mean 20,000 more cows producing milk. In other words, the Masstock project will add enough milk production to make up for the loss of 540 of those 1,681 Wisconsin dairymen who are participating in the whole-herd buyout.

I am introducing two bills today. The first would deny foreign individuals or corporations controlled by foreign interests access to tax-exempt financing through industrial development bonds. The second would make foreign individuals or interests ineligible for Federal price support and other farm program benefits.

Mr. President, I believe industrial development bonds are useful tools to generate economic growth and create jobs. But tools can be abused, and granting an IDB to Masstock was clearly as abuse. There are two reasons for this.

First, we don't need more investment in agriculture. Especially in the dairy industry, we already have more productive capacity than we can use. Second, IDB's are intended to help create jobs for people. Not that many people will be needed to manage Masstock's milk factories. What the IDB issued on Masstock's behalf will really do is create jobs for cows.

Federal farm programs—including the Dairy Price Support Program—are also tools. They are tools to help our family farmers adjust to changes in the economic environment and weather hard times. They are not intended to encourage massive foreign investment in agriculture at a time when our own farmers are struggling.

The legislation I am introducing today is not intended as an antiimmigrant bill in any sense. The bill making foreign-controlled interests ineligible for farm program benefits specifically exempts foreign interests who are operating single, small to mid-sized family farms. Immigrants have made an important contribution to family farming in virtually every State including Wisconsin.

Foreign-owned corporate investors, however, have not. If organizations like Masstock want to try their hand in American agriculture, without the benefit of Federal subsidies, they are welcome to.

But for heaven's sake, let us not encourage foreign investors to take away markets from our family farmers through farm program and tax subsidies. I urge my colleagues to support my legislation to withdraw access to those subsidies to foreign interests investing in agriculture.

Mr. President, I ask unanimous consent to have the text of both bills printed in the Record at this point.

There being no objection, the bills were ordered to be printed in the Record, as follows:

S. 2273

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. TREATMENT OF INDUSTRIAL DEVELOPMENT BONDS USED TO FINANCE THE ACQUISITION OF FARM PROPERTY BY FOREIGN PERSONS.

(a) In General.—Subsection (b) of section 103 of the Internal Revenue Code of 1954 (defining industrial development bonds) is amended by adding at the end thereof the following new paragraph:

"(19) Limitation on farm property acquired by foreign persons.—

"(A) In General.—Paragraphs (4), (5), and (6) shall not apply to any obligation issued as part of an issue if any portion of the proceeds of such issue is to be used (directly or indirectly) for the acquisition, construction, reconstruction, or improvement of farm property (or an interest therein) by any foreign person.

"(B) Farm property.—For purposes of this paragraph, the term 'farm property' means any real or personal property to be used for farming purposes.

"(C) Foreign person.—For purposes of this paragraph, the term 'foreign person' means—

"(i) any individual who is not a citizen or national of the United States.

"(ii) any foreign corporation, foreign partnership, foreign trust, or foreign estate,

"(iii) any domestic corporation more than 10 percent of the value of the stock of which is held (directly or indirectly) by 1 or more foreign persons (as defined in clause (i) or (ii)),

"(iv) any domestic partnership more than 10 percent of the capital or profits interests in which is held (directly or indirectly) by 1 or more foreign persons (as defined in clause (i) or (ii)), and

"(v) any domestic trust more than 10 percent of the beneficial interests in which is held (directly or indirectly) by 1 or more foreign persons (as defined in clause (i) or (ii)).

"(D) Attribution of ownership.—For purposes of subparagraph (C), stock (or other interest) owned, directly or indirectly, by or for a corporation, partnership, estate, or trust shall be considered as being owned proportionately by its shareholders partners, or beneficiaries. Any stock (or interest) treated as owned by a person by reason of the preceding sentence shall, for purposes of applying such sentence, be treated as actually owned by such person."

"(b) Effective Date.—The amendment made by this section shall apply to obligations issued after the date of the enactment of this Act.

S. 2274

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. INELIGIBILITY TO RECEIVE AGRICULTURAL ASSISTANCE.

(a) Disqualification of Certain Producers.—Notwithstanding any other provision of law, no producer disqualified by subsection (b) is eligible to receive—

(1) any type of price support or payment made available under the Agricultural Act of 1949 (7 U.S.C. 1421 et seq.), the Commodity Credit Corporation Charter Act (15 U.S.C. 714 et seq.), or any other Act that is administered by the Secretary of Agriculture and is applicable to a commodity,

(2) a farm storage facility loan made under section 4(h) of the Commodity Credit Corporation Charter Act (15 U.S.C. 714b(h)),

(3) any payment under crop insurance issued in accordance with the Federal Crop Insurance Act (7 U.S.C. 1501 et seq.),

(4) a disaster payment made under the Agricultural Act of 1949 (7 U.S.C. 1421 et seq.),

(5) a loan made, insured, or guaranteed under the Consolidated Farm and Rural Development Act (7 U.S.C. 1921 et seq.) or any other provision of law administered by the Farmers Home Administration, or

(6) a payment made under section 4 or 5 of the Commodity Credit Corporation Charter Act (15 U.S.C. 714b or 714c) for the storage of an agricultural commodity acquired by the Commodity Credit Corporation.

(b) Ineligible Producers.—

(1) General Disqualification.—Except as provided in paragraph (2), subsection (a) shall apply with respect to any producer—

(A) who is an individual who is not a citizen or national of the United States, or

(B)(i) which is a person who is not an individual, and

(ii) more than 10 percent of which is owned by individuals who are not citizens or nationals of the United States,

or any combination of such individuals and such persons.

(2) Exception.—Paragraph (1) shall not apply with respect to producers, other than individuals, who operate a single small- or medium-sized family farm.

SEC. 2. EFFECTIVE DATE; APPLICATION OF ACT.

(a) Effective Date.—Except as provided in subsection (b), this Act shall take effect on the date of the enactment of this Act.

(b) Exclusion.—This Act shall not apply with respect to any loan, payment, or financial assistance specified in section 1(a) made available—

(1) before the date of the enactment of this Act, or

(2) under any agreement entered into before the date of the enactment of this Act.

By Mr. LAUTENBERG:

S. 2275. A bill for the relief of Dynamic Technology International, Inc., Lew Malnak Associates, Star Design, Inc., Riverside Precision Machines, and certain other individuals; to the Committee on the Judiciary.

RELIEF OF CERTAIN FORMER NAVY CONTRACTORS

● Mr. LAUTENBERG. Mr. President, I introduce today a congressional reference resolution and accompanying private relief bill concerning the claims of Dynamic Technology International [DTI], Lew Malnak Associates [LMA], and their affected employees and subcontractors. This resolution provides for a referral of DTI and LMA's claims to the Court of Claims to determine whether they are justified.

DTI was an electronics contractor for the Navy in the 1970's. DTI had a contract to develop a computer-controlled automatic guard receiver terminal, designed to receive emergency signals from nuclear submarines in distress. The submarines were to be equipped with automatically activated submarine emergency communications transmitters [SECT], being developed by another contractor. The SECT system was designed to enable a submarine in distress to release a buoy which rose to the surface to signal the submarine's position.

DTI alleges that it discovered flaws on the SECT system. According to DTI, the SECT system released transmitting buoys accidentally, thereby betraying a submarine's location when it was not in distress. DTI argues that its "whistle-blowing" on the SECT program's flaws led to retaliation by Navy contract officers. It alleges that contract obligations to it were breached, and that DTI and the various individuals involved in the firm were blackballed, and their reputations harmed.

DTI has pursued its legal remedies in the Court of Claims. However, its claims in the nature of libel and slander have been dismissed as not remediable under the law. The congressional reference procedure set in motion once this resolution is passed calls on the Court of Claims to determine whether or not DTI and the involved individuals and firms were in fact wronged by the Government, and the measure of their damages. Once the Court of Claims reports back to the Senate, the Senate would then consider whether or not to pass the underlying private bill, granting appropriate and equitable relief. Introduction of this resolution reflects a desire to determine if DTI's claims have merit, not a conclusion that that they do.

It appears that those involved with DTI and Lew Malnak Associates have suffered greatly from the claimed blackballing. I urge my colleagues to act swiftly in approving this legislation to enable us to determine whether the claims are substantiated, and if so, to grant proper relief.

I ask unanimous consent that a copy of this private relief bill be printed in the Record.

There being no objection, the bill was ordered to be printed in the Record, as follows:

S. 2275

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the Secretary of the Treasury is authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to Dynamic Technology International, Inc., a New Jersey corporation, the sum of $———. The payment of such sum shall be in full satisfaction of all claims of Dynamic Technology International, Inc. against the United States for damages allegedly sustained as a result of certain actions of agents, officers, and employees of the United States committed prior to, during and after various investigations of contracts number N00030-76-C-1534 (dated March 13, 1970) and number N00039-69-C-1567 (dated January 15, 1969) between, Lew Malnak Associates and the United States.

Sec. 2. (a) The Secretary of the Treasury is authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to Lewis D. Malnak, doing business as Lew Malnak Associates, the latter being a sole proprietorship organized in the State of New Jersey, the sum of $———. The payment of such sum shall be paid in full satisfaction of all claims of Lewis D. Malnak, doing business as Lew Malnak Associates against the United States for damages allegedly sustained as result of certain actions of agents, officers, and employees of the United States committed prior to, during and after various investigations of contracts numbers N00039-70-C-1534, (dated March 13, 1970), N00039-69-C-1567 (dated January 15, 1969), N00039-68-C-1530 (dated January 4, 1968) and DAAD07-70-C-0150 (dated May 12, 1970) between Lew Malnak Associates and the United States.

(b) The payment of money under subsection (a) of this section shall not bar recovery of damages by Lew Malnak Associates for alleged breach by United States of contracts number N00039-70-C-1534 (dated March 13, 1970) and number N00039-69-C-1567 (dated January 15, 1969) with Lew Malnak Associates currently being litigated in the United States Claims Court (Case Number 429-79C), so long as payment under subsection (a) is for damages other than those arising from said action for breach of contract.

Sec. 3. The Secretary of Treasury shall pay, out of any money in the Treasury not otherwise appropriated, to each of the following persons or their heirs, the amounts listed below. Said persons being former employees of Lew Malnak Associates, Dynamic Technology International, Inc., or both. The payment of such sum shall be in full satisfaction of all claims of said persons against the United States for damages allegedly sustained as the result of certain actions of agents, officers, and employees of the United States committed during various investigations in 1971 by the United States Navy of Lew Malnak Associates, Dynamic Technology International, Inc., and certain individuals:

Name of Claimant, Address:	Amount of Claim
Stanley E. Gualtieri: Philadelphia, Pennsylvania	$..........
Harold Ritchey: Chester, Pennsylvania	$..........
Vincent F. Ryan, Jr. Haddonfield, New Jersey	$..........
Alden Dupont: Perkasie, Pennsylvania	$..........
Harvey Gilman: Mount Laurel, New Jersey	$..........
Robert J. Gawlinski: Mount Laurel, New Jersey	$..........
Gerald Grygo: Somerdale, New Jersey	$..........
Leona Rose: Wichita, Kansas	$..........
Delores Litsch: Delran, New Jersey	$..........
Charles Dempsey: Mount Laurel, New Jersey	$..........
Bernard Cory: Philadelphia, Pennsylvania	$..........
James Yates; Sewell, New Jersey	$..........
Alonzo Mercier: New Bedford, Massachusetts	$..........
Edward Gresick: Middletown, Delaware	$..........

Sec. 4. The Secretary of the Treasury shall pay, out of any money in the Treasury not otherwise appropriated, to each of the following companies the amounts listed below. The payment of such sum shall be in full satisfaction of all claims of said persons against the United States for damages allegedly sustained as the result of certain actions of officers and employees of the United States committed before, during and after various investigations in 1971 by the United States Navy of Lew Malnak Associates, Dynamic Technology International, Inc. and certain individuals.

Name of Claimant, Address:	Amount of Claim
Star Design, Inc.: Morristown, New Jersey	$..........
Riverside Precision Machines: Riverside, New Jersey	$..........

Sec. 5. No part of the amount appropriated by sections 1, 2, 3, and 4 of this Act in excess of 10 per centum thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, any contract to the contrary notwithstanding. Violation of the provisions of this section is a misdemeaner punishable by a fine not to exceed $1,000.

Sec. 6. Nothing in this Act shall be construed as an inference of liability on the part of the United States.●

By Mr. MOYNIHAN:

S. 2276. A bill to amend part C of the Balanced Budget and Emergency Control Act of 1985 to exempt certain programs, projects, and activities of the Library of Congress, the National Endowment for the Humanities, and the Department of Education from sequestration or reduction under an order issued by the President under section 252 of such act; to the Committee on Governmental Affairs.

EXEMPTING CERTAIN PROGRAMS FROM SEQUESTRATION

● Mr. MOYNIHAN. Mr. President, today I rise to introduce a bill to exempt from sequestration under the Balanced Budget and Emergency Control Act of 1985 certain Federal programs and assistance that support the Library of Congress and our Nation's other major research libraries.

In "Meditationes Sacrae" (1597), Francis Bacon wrote, "Nam et ipsa scientia potestas est"—knowledge is power.

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I have always tried to make my students understand the significance of Bacon's insight, for while I have spent much of my life in government, I am a teacher by profession and have always returned to it. I firmly believe that Bacon's words have never been of more importance to the Nation than they are today, as we move into the postindustrial information age.

Learning, pursuing knowledge for its own sake as well as for its practical applications, continues to be one of the best means of improving the quality of our lives and those of generations to come. But progress is dependent on understanding what has come before, and it is our research libraries that hold many of the fruits of our precious intellectual and cultural endeavors. Such fruits as Johannes de Ketham's "Fasciculus Medicinae" (1495), Sir Isaac Newton's "Philosophiae Naturalis Principia Mathematica" (1687); the "Declaration of Independence"; Robert Fulton's drawings of submarines and submarine bombs (1804); Oscar Hammerstein's three albums of clippings and memorabilia related to "Oklahoma!"; and Gian Carlo Menotti's original scores to his operas. Thus, it is our research libraries that play an undisputed role in assisting those who seek to expand and enhance our knowledge.

Mr. President, by far the largest collection of stored knowledge in the world—by last count, 81,905,916 items—is here in our Nation's Capital, at our own Library of Congress.

The Library has accumulated more books from England and America than any other Library—but barely one quarter of its collection is in English.

It has more maps, globes, charts, and atlases than any other repository on Earth.

It has almost every phonograph record ever made in the United States, the largest collection of motion pictures in America, more Civil War photographs, more personal letters in Sigmund Freud's handwriting, more flutes, and more handwritten copies of the Gettysburg Address in Lincoln's own hand than any other institution in the world.

But it is not solely the Library's collections that are worthy of praise.

Credentials are not required to use the resources of the Library of Congress. Its use is not restricted to advanced scholars, like the Lenin State Library, or to U.S. citizens, or to those who are "politically reliable." Its doors are open to all, and last year the Library welcomed 2.8 million library users and visitors.

And service the public it does. In 1984, the Library prepared 807 bibliographies containing a total of 124,823 entries; it aided scholars and researchers by circulating 3,196,537 volumes within the Library; it answered 931,980 inquiries in person, 138,175 by mail, and 562,421 by telephone through reference specialists. In 1984, the Educational Liaison Office arranged tours and programs for ore than 5,000 distinguished visitors—Prince Charles among them.

For those who are not able to visit the Library, a number of special services are available. Through its interlibrary loan program, the Library extends the use of its books and other research materials to scholars working at academic, public, or other libraries across the country. This service is intended to make available unusual materials not readily accessible elsewhere.

Among those who have used the Library of Congress' research materials for their works are several recent Pulitzer Prize winners: Leonard Baker (1979), Leo Beck (1979), Edmund Morris (1980), William McFeely (1982), susan Sheehan (1983), and Louis Harlan (1984). Other notable authors, historians: Arthur Schlesinger ("Age of Roosevelt"), Dumas Malone ("Jefferson"), Irving Brandt ("Madison") and C. Van Woodward ("Origins of the New South") have used the Library's extensive historical collections. Even Ellery Queen, author of mystery stories, did research at the Library of Congress.

The Library also offers assistance in locating source materials in libraries across the United States and throughout the world, and publishes bibliographies, guides, and selected lists of materials on many subjects. It compiles the National Union Catalog of books published since 1454, which identifies the holdings of more than 1,200 North American libraries, as well as other union catalogues which record the locations of books in Slavic, Hebraic, Japanese, and Chinese languages.

The Library's Copyright Office administers the operation of the U.S. copyright law. This office maintains records of more than 16 million copyright registrations and copyright transfers. Nearly half a million registrations are added every year.

It has served the Congress and the public quite well over the years. But we have not always been so blessed.

In 1772, when the Continental Congress convened in Carpenter Hall, Philadelphia, our Founding Fathers—learned and professional men who were accustomed to having a library at their disposal—utilized the Library Company of Philadelphia, just down the hall from where the Continental Congress was meeting. This same collection was used again by our Founding Fathers in 1787, during the Constitutional Convention, and in 1791 by the Second Congress. When the first Congress of the United States convened in New York City's City Hall, our elected representatives utilized the New York Society's library of 4,000 volumes, which was located upstairs from where they were meeting.

It was not until the year 1800 that Congress first spent the public's money to acquire a much-needed library. In that year, as Congress was preparing to move from New York to Washington, DC, a bill appropriating $5,000 for the purchase of books and for the fitting up of a suitable apartment for containing them was passed.

In June 1800, the Secretary of the Senate and the Clerk of the House sent to London for 740 volumes on law, political science, and history.

Unfortunately, this collection was housed in the Capitol building, which the British burned on August 24, 1814, during the War of 1812.

The Library's current collection was born in that year, when President Thomas Jefferson offered to sell his personal library to Congress. Two years later, President Madison approved the legislation which acquired Jefferson's library for the Nation.

Being a man of letters, Jefferson's collection contained volumes of a myriad of topics—6,487 volumes in all, which were appraised at $23,950. Cicero's "Orations," Gibbon's "History of the Decline and Fall of the Roman Empire," Aristotle's "Politics," Knox's "History of the Reformation in Scotland," and Burke's "History of Virginia" were among his collection.

From this meager beginning, the Library grew such that by the 19th century, the Library had 50,000 volumes and was second only to Harvard University in size.

It was under the stewardship of Ainsworth Rand Spofford, whose tenure as Librarian extended from 1864 to 1897, that the Library truly began to expand. In 1870, Congress passed a copyright law that Spofford had supported, stipulating that "all records and other things relating to copyrights and required by law to be preserved, shall be under the control of the Librarian of Congress." As a result, anyone claiming a copyright on any book, map, chart, dramatic or musical composition, engraving, cut, print, or photograph was required to send two copies to the Librarian within 10 days of its publication.

As a result, in the next 25 years, the Library received: 371,636 books; 257,153 magazines; 289,617 pieces of music; 73,817 photographs; 95,249 prints; and 48,048 maps.

Needless to say, the collection soon outgrew its rooms in the Capitol. Wooden shelves were built in the corridors of the Capitol to store library materials; the Capitol attics were utilized; the crypt under the Capitol dome was appropriated.

In 1886, President Cleveland approved legislation to authorize the construction of a new building to house the Library of Congress. Construction began in 1889 by the Army Corps of Engineers—and, I might add, they met all deadlines and brought the project in well under contract.

The Jefferson Building opened in 1897, but by 1935, was filled, and another annex—the Adams Building—was built. This too, became filled by 1965. The Madison Building, larger than the first two buildings combined, was constructed and opened in June 1980.

If Spofford's legacy was the acquisition of materials Herbert Putnam, a successor, transformed the Library into what we know today. During his 56-year tenure from 1899 to 1955, he founded a national program for the blind, invented a special classification system to fit what had become the largest library collection in the world, and began to print and sell the resulting catalog cards so that every library in the West could acquire them. He published bibliographies so that scholarly institutions could know what the Library had, and then built the largest interlibrary loan system in the country so that everyone could borrow the books; he designed a legislative reference service, the precursor to the Congressional Research Service that we know today; and he built the largest collection of oriental literature outside the Far East. He even convinced a donor to give five Stradivari violins and another donor to build an auditorium in which to play them, so that the sheet music in the Library's collection could be used.

By the time of Herbert Putman's resignation in 1955, the Library possessed almost 6 million volumes.

Mr. President, the Library of Congress is truly the cross patee in the crown of our Nation's research libraries. But there are numerous other gems as well, such as the New York Public Library, the Newberry Library in Chicago, the Huntington Library in San Marino, CA; the Massachusetts Historical Society in Boston, and the Virginia Historical Society in Richmond, as well as those research libraries affiliated with major universities such as Harvard.

Permit me to take just a few moments to discuss one of these institutions—the New York Public Library's research libraries—now composed of the Central Research Library on Fifth Avenue, the Performing Arts Research Center in Lincoln Center, the Schomburg Center for Research in Black Culture in Harlem; and the Annex. Founded in 1895, the research collection was formed out of the extensive libraries of John Jacob Astor and James Lenox, and the financial resources of the Samuel J. Tilden Trust. The City of New York then agreed to erect and maintain a building to house this unified reference library, which was completed in 1911.

Today, the Research Libraries of the New York Public Library contain more than 27 million noncirculating items in over 3,000 languages and dialects, covering almost every field of recorded knowledge.

The New York Public Library is the only public library in the United States to offer a research facility of such size, depth, and quality, and the only comprehensive research facility in the United States other than the Library of Congress that is freely accessible to the public. Since the turn of the century, the caliber of the New York Public Library has been compared to several of the great national libraries of the world—France's Bibliotheque Nationale, England's British Library, the Soviet Union's Lenin State Library, and of course, the Library of Congress—and rightly so.

Every year, some 1.5 million people use the New York Public Library, and more than 20 percent of these people are from outside New York City.

Such noted authors as Barbara Tuchman, E.L. Doctorow, and Norman Mailer have used the Research Libraries' collections. Steven Sondheim, a noted composer, often utilizes the Music Collection, which ranks second in this country only to that of the Library of Congress.

Unlike most university libraries, the Research Libraries usually acquire only a single copy of each item. I use the word "item" because of the 27 million pieces in the Research Libraries, only 6 million are actually books! The remainder includes newspapers, periodicals, pamphlets, manuscripts, archives, prints, maps, recordings, sheet music, photographs, videotapes, films, and miroforms—the raw materials of scholarly research.

In 1974, the New York Public Library became a founding member of the Research Libraries Group [RLG], a national consortium to undertake a coordinated program of collection development. The RLG has allowed the New York Public Library to make the best use of its resources by collecting comprehensively in the subject areas where it is already strong. The preeminence of the New York Public Library's collections is suggested by the fact that of the 315 subjects, languages, and geographic areas that have been designated by the RLG, the New York Public Library has accepted primary collecting responsibility for 65, most of which are in the Humanities.

The Research Libraries maintain a number of unique collections. For example, the Dance Collection is the world's largest and most varied archive devoted solely to collecting and preserving the literature and images of dance. Over 97 percent of the collection consists of nonbook material, such as drawings, programs, videotapes, and oral tap interviews. It is interesting to note that of all books published on dance in the last 15 years, 98 percent contain extensive credits to the Dance Collection.

The Research Libraries also contain extensive holdings of American newspapers—5,000 titles in over 24,000 bound volumes and nearly 90,000 reels of microfilm. This comprehensive collection contains many early American newspapers from the colonial and Revolutionary periods; the most complete file of Zenger's Weekly Journal, virtually complete files of most general newspapers published in New York City from 1801 to the present—many of which are in foreign languages—titles from all 50 States, and black-owned and edited papers of the 19th and 20th centures, includng the first, Freedom's Journal (1827-29).

The ship passenger lists maintained by the Research Libraries is the most important resources available to genealogists and historians seeking a record of immigrants who sailed from Europe to North America.

The Research Libraries' Schomburg Center is one of the world's premier collections of materials on black cultures and experience. This Center subscribes to 900 current periodicals from all over the world, and has over 5,000 hours of oral history recordings, over 150,000 photographs—some dating from the 1840's—and a collection of African and Afro-American art and artifacts which date back to the eighth century.

The Rare Books and Manuscripts Division contains over 20,000 linear feet of material, and is a major source of study of American history and culture. The "Petition of the American Congress to George III, 1775," Thomas Jefferson's handwritten draft of the "Declaration of Independence," one of seven known copies of the original Bill of Rights, and a draft of Washington's "Farewell Address"—written in his own hand—are among the treasures contained in this Division.

Mr. President, we should not let Gramm-Rudman-Hollings destroy these institutions.

On February 1, Congress and the public received official notification of the Gramm-Rudman-Hollings across-the-board cuts for fiscal year 1986. Daniel Boorstin, Librarian of Congress, learned that the 3.5-percent budget cuts for fiscal year 1986 were to be augmented by an additional 4.3-percent reduction under Gramm-Rudman-Hollings. As a result, in the current fiscal year, the Library of Congress will lose $18.3 million in funding. And more cuts can be expected in the future.

How will these losses affect our Library of Congress?

Drastically.

Access, as of March 9, has been greatly reduced. All Library buildings are now closed on Sundays and holidays, and closed to the public at 5:30 each evening except Wednesday—shutting out those employed in the daytime and those from out of town who are unable to visit it during the work week. Many of you, I am sure, have read of those who have risked arrest to protect the earlier closing times.

The Library's work force is being reduced by almost 300 staff members—70 workers in the research services department alone.

Funds for the automation of Library services are being reduced by 6.8 percent—affecting the purchase of computer terminals, microprocessors, and software.

Preservation of the Library's current collection of microfilm, books, motion pictures, and documents is being curtailed.

Cataloging is being reduced by 25,000 books per year, or about 14 percent.

The budget for the purchase of books and Library materials is being cut by $626,000, affecting the purchase of new books of research value, serials, periodicals, microfilm, maps, and recordings. Gaps in the Library's present collection will not be filled, and the purchase of rare and unique materials will be minimal.

The National Library Service for the Blind and Physically Handicapped is being cut 12 percent, resulting in 80,000 fewer copies of braille and recorded magazines and 2,000 fewer braille book copies.

Funds for the Congressional Research Service are being cut by $1.7 million—a loss to every Member of this Congress.

The effects of Gramm-Rudman-Hollings on the Library of Congress—the library created by this body 186 years ago—are indeed severe because the Library is funded solely by the Federal Government. But our Nation's other research libraries are also suffering under Gramm-Rudman-Hollings.

Federal assistance to our research libraries—only a relatively modest $10 to $15 million annually to begin with—comes from three programs: First, the Research Libraries Program at the Department of Education; second, the Office of Preservation at the National Endowment for the Humanities; and third, National Endowment for the Humanities challenge grants provided to research libraries.

Although many of these libraries receive most of their support from private sources, Federal assistance is vital to their ability to fulfill important functions—such as the preservation of unique collections of benefit to the Nation as a whole. For example, the New York Public Library has used Federal funding to preserve and film its World War I collection—the outstanding such collection in the country.

Thus, for a relatively small expenditure, we are often able to preserve priceless collections and maintain excellence in research, collecting, and cataloging.

Congress should not let Gramm-Rudman-Hollings destroy the legacies of the Library of Congress and our Nation's other research libraries.

Augustine Birrell once said, "Libraries are not made, they grow." It took our ancestors almost two centuries to build the Library of Congress into what it is today, but it will not take long to destroy it. We must continue to nurture our Nation's research libraries, in spite of Gramm-Rudman-Hollings.

Let us then, heed the advice of John Adams: "Let us * * * cherish, therefore, the means of knowledge. Let us dare to read, think, speak, and write * * * Let every sluice of knowledge be opened and set a-flowing."

I urge my colleagues to support this legislation, and I ask unanimous consent that the text of the bill be printed in the Record.

There being no objection, the bill was ordered to be printed in the Record, as follows:

S. 2276

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. EXEMPT PROGRAMS AND ACTIVITIES.

(a) Exempt Accounts.—Section 255(g)(1) of the Balanced Budget and Emergency Deficit Control Act of 1985 (2 U.S.C. 905(g)(1)) is amended by inserting after the item relating to Intragovernmenal funds the following new items:

"Library of Congress, books for the blind and physically handicapped, salaries and expenses (03-0141-0-1-503);

"Library of Congress, collection and distribution of library materials (03-0144-0-1-503);

"Library of Congress, copyright office, salaries and expenses (03-0102-0-1-376);

"Library of Congress, salaries and expenses (03-0101-0-1-503);".

"Library of Congress, Congressional Research Service, salaries and expenses (03-0127-0-1-801);".

(b) Exempt Programs, Projects, and Activities Within Accounts.—

(1) Section 255(g) of such Act is further amended by adding at the end thereof the following new paragraph:

"(3) The following programs, projects, and activities within the specified budget accounts shall be exempt from reduction under any order issued under this part:

"Challenge funds, PPA No. 13, National Endowment for the Humanities, Grants and Administration (59-0200-0-1-503) provided to research libraries;

"Office of Preservation, PPA No. 10, National Endowment for the Humanities, Grants and Administration (59-0200-0-1-503); and

"Research Libraries, PPA No. 9, Department of Education, Libraries (91-0104-0-1-503).".

(2) Section 255(i) of such Act is amended by adding at the end the following new sentence: "For purposes of paragraph (3) of subsection (g), an exempt program, project, or activity within a budget account that is not exempt is identified by the program, project, activity (PPA) number given to it in Sequestration Order for Fiscal Year 1986, Message of the President, and Related Communications, February 4, 1986 (S. Doc. 99-24).".

(c) Application.—The amendments made by this section shall apply to fiscal years beginning after September 30, 1986.●

By Mr. QUAYLE:

S. 2277. A bill to amend the Fair Labor Standards Act of 1938 to exclude from sections 6, 7, and 12 of that act individuals of league baseball teams who serve as bat boys and bat girls; to the Committee on Labor and Human Resources.

EXCLUSION OF LEAGUE BAT BOYS AND BAT GIRLS FROM CERTAIN SECTION OF THE FAIR LABOR STANDARDS ACT

● Mr. QUAYLE. Mr. President, in the words of the immortal poem "* * * there is no joy in Mudville, mighty Casey has struck out." Or more prosaically, Secretary of Labor Brock has ruled that bat boys and girls are "employees" of the baseball teams, that they are "working," and that the teams that "hire" bat boys and girls are violating Federal child labor statutes if the bat boys and girls are under age 16, because Federal child labor laws prohibit "working" past 9 p.m. on summer evenings, and past 7 p.m. while school is in session. All Americans know ball games do not fit into those times.

In a letter to baseball commissioner Peter Ueberroth, Secretary of Labor William E. Brock recently admitted "* * * being a bat boy is a dream opportunity for many youngsters."

He's right. Baseball is the All-American sport but the dream of being a baseball star, of hitting that clutch home run, is now closed to those bat boys and girls who want to associate with the players of their home town teams.

That dream has been extinguished for children across the Nation. Kids are not going to get a chance to meet the players, nor play with the players, nor be a bat boy, because the Labor Department has struck out.

Now I am the first to say that young children should not hold jobs in dangerous professions, nor should they displace older workers, nor should they work long hours whether while school is in session, or when it is out. However, a bat boy is none of the above—it is an opportunity to have fun and share in reflected glory.

Mr. President, I remind you that Casey got another turn at bat—and so should my good friend the Secretary of Labor. I invite him, as well as all my colleagues to support S. 2277, a bill to amend the Fair Labor Standards Act to specifically permit boys and girls between 14 and 16 to volunteer to be bat or ball "boys" for a league team so

long as, while school is in session, they do not attend more than 2 games per week which last past 11 p.m. In the summertime, if a 14 or 15 year old wants to serve a league team as a bat or ball "boy", for home games, I think we should permit it.

Mr. President, baseball is first and foremost, a game. To adults it may be a serious game, but to youngsters, it is just a game—even when played by adults. Let's keep this dream alive. Let's permit young boys and girls to be bat boys and girls for their baseball teams.

I offer this bill for the baseball fans of this Nation. I offer this bill for the little leaguers of this Nation and for their parents who vicariously enjoy the experiences of their children. But most of all, I offer this bill for the dreamers, those kids for whom "being a bat boy is a dream opportunity".

Mr. President, I ask unanimous consent that the text of S. 2277 be printed in the Record.

There being no objection, the bill was ordered to be printed in the Record, as follows:

S. 2277

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That section 13(d) of the Fair Labor Standards Act of 1938 is amended—

(1) by inserting "(1)" after the subsection designation; and

(2) by adding at the end thereof the following new paragraph:

"(2) The provisions of sections 6, 7, and 12 shall not apply with respect to any individual who serves a league baseball team as a bat boy or bat girl for the team if the individual—

"(A) has attained 14 years of age but not 16 years of age;

"(B) serves as a bat boy or bat girl not more than two nights per week; and

"(C) while school is in session, works not later than 11 post meridian.".●

By Mr. DODD (for himself, Mr. Specter, Mr. Hart, and Mr. Moynihan):

S. 2278. A bill to grant employees parental and temporary medical leave under certain circumstances, and for other purposes; to the Committee on Labor and Human Resources.

PARENTAL AND MEDICAL LEAVE ACT

Mr. DODD. Mr. President, today I am introducing a bill to establish something we have gone without in this country for far too long: Namely, a national policy on parental leave. The Parental and Medical Leave Act of 1986 would promote the economic security of families by providing for parental leave upon the birth, adoption, or serious illness of a child, and temporary medical leave when a serious health condition prevents a parent from working. I am pleased to have Senators Specter, Hart, and Moynihan join me as cosponsors of this important legislation.

Because such leave would be unpaid, it will not add to the deficit nor to the economic burdens carried by employers. Yet it will provide parents with continuing health benefits and a most important assurance: that of a job when they are ready to return to work. Similar legislation has been introduced on the House side by Representatives Schroeder and Clay.

The critical need for a national policy on parental leave has been underscored by the Yale Bush Center in child development and social policy, in a project focusing on infant care leave policies here and abroad. As director Ed Zigler of the Yale Bush Center in my State of Connecticut has pointed out so well, the time has come when we can no longer ignore the changing demographics of our work force.

Today, close to half of all mothers with infants under 1 year of age work outside of the home. That figure has doubled since 1970 and shows no signs of abating. In fact, 85 percent of all women working outside of the home are likely to become pregnant at some point during their child-bearing years. As a result, child care for infants is the fastest growing, most expensive form of supplemental care in this country.

These percentages translate into a total today of 24 million children under age 13 with mothers working outside of the home. In a report entitled the Subtle Revolution," The Urban Institute predicts that over the next 5 years, an additional 5 million children will have mothers joining the labor force.

The reasons behind this demographic resolution are quite simple: Mothers are entering the work force out of economic necessity. Two out of every three women working outside of the home today are either the sole providers for their children or have husbands who earn less than $15,000 a year. In 1983, 25 percent of the married women in the work force had husbands earning less than $10,000; 50 percent under $20,000, and nearly 80 percent less than $30,000. In short, these women's wages are critical to the support of their families.

As founder and cochairman of the Senate Children's Caucus, I have heard and seen first-hand the adverse consequences of forcing parents to choose between their children and their jobs. One new parent took an unpaid leave from her job in a retail store, only to find when she returned after her 6 weeks checkup at the doctor's that she has been replaced by a new employee. Another parent had arranged to adopt a child under the condition that she stay at home with the child for 6 months. When her employer refused to grant her more than 2 weeks' leave, the agency turned down her request to become an adoptive parent. Unfortunately, the list of such cases appears endless in contrast to the comparatively small group of employees who are able to obtain leave to stay at home for a short time with a new child.

The United States is the only industrialized nation without a policy to guarantee parents who want to stay home temporarily with a new child that their jobs will be waiting for them when they are able to return to work. This is a most dubious distinction, given the importance of the economic security of families to the defense and over security of any nation. Our economic summit partners, Canada, France, Britain, Japan, West Germany, and Italy, have already recognized this connection between the economic security of families and national security. In having established national parental leave policies, they have more in common with the Soviet Union than they do with us. Likewise, a whole host of developing nations, including Haiti and the Philippines, have national policies on maternity leave firmly in place.

We know that children do not fare well when their parents undergo economic stress: children of the unemployed are three times more likely to suffer abuse than other children. Neither do children thrive when their parents are suffering from physical and emotional exhaustion in their efforts to work full-time and incorporate a new infant into the family.

In a survey of women in the New Haven area in my State of Connecticut, Yale researchers found that the vast majority of working mothers said they had to return to work sooner than they felt was suitable. They returned out of fear of losing their jobs, jobs their families depend upon.

Even though many physicians assert it takes a women 6 to 8 weeks to recover from a normal, safe delivery, the typical working mother returns to her job after 3 to 4 weeks. She returns before recovering fully from childbirth, let alone coping with the dramatic changes in finances, scheduling, and family relationships that go along with caring for a new infant.

The Pregnancy Discrimination Act of 1978 mandates that all serious health conditions related to pregnancy be treated like all other short-term serious health conditions. However, only five States have temporary disability insurance policies. Likewise, only half of all private employers offer short-term disability coverage to assist mothers recovering from a complicated delivery or fathers recuperating from surgery.

The Parental and Medical Leave Act of 1986 provides for up to 6 months of temporary medical leave for both mothers and fathers. Just as importantly, it provides for up to 4 months parental leave to give a mother or

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father time to integrate a new child into the family or to care for a child who is seriously ill. Although such leave is unpaid, health benefits will be assured as will a job when the parent is ready to return to work.

In endeavoring to assist parents, we must not forget the plight of employers, especially small businessmen and women to whom a stable work force can mean the difference between failure and success. For this reason, my bill exempts small businesses with fewer than 15 employees. The legislation introduced in the House of Representatives exempts small businesses with fewer than five employees. The small business exemption is an issue which should be addressed in both Senate and House hearings.

Likewise, the provision allowing parents to take unpaid leave to care for a seriously ill child should be reviewed in hearings. The Senate bill would grant such leave in the case of serious illness until a child turns 18 years of age. The House bill would continue such leave for the parents of disabled, dependent daughters and sons over the age of 18. The need for economic, physical, and emotional security for families with adult sons and daughters with disabilities is a pressing problem and one which should be explored further.

In closing, Mr. President, the need for a national policy on parental leave is clear. I urge my colleagues to join me in sponsoring the Parental and Medical Leave Act of 1986. For if we are to assure a strong, healthy future for coming generations of Americans, caring for your child can no longer mean losing your job.

Mr. President, I ask unanimous consent that the text of the bill be printed in the Record.

There being no objection, the bill was ordered to be printed in the Record, as follows:

S. 2278

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE; TABLE OF CONTENTS.

(a) Short Title.—This Act may be cited as the "Parental and Medical Leave Act of 1986".

(b) Table of Contents.—

TITLE I—GENERAL REQUIREMENTS FOR PARENTAL AND TEMPORARY MEDICAL LEAVE

Sec. 101. Findings and purposes.
Sec. 102. Definitions.
Sec. 103. Parental leave requirement.
Sec. 104. Temporary medical leave requirement.
Sec. 105. Certification.
Sec. 106. Employment and benefits protection.
Sec. 107. Prohibited acts.
Sec. 108. Administrative enforcement.
Sec. 109. Enforcement by civil action.
Sec. 110. Investigative authority.
Sec. 111. Relief.
Sec. 112. Notice.

TITLE II—PARENTAL LEAVE AND TEMPORARY MEDICAL LEAVE FOR CIVIL SERVICE EMPLOYEES

Sec. 201. Parental and temporary medical leave.

TITLE III—ADVISORY PANEL ON PAID PARENTAL AND MEDICAL LEAVE

Sec. 301. Establishment.
Sec. 302. Duties.
Sec. 303. Membership.
Sec. 304. Compensation.
Sec. 305. Powers.
Sec. 306. Termination.

TITLE IV—MISCELLANEOUS PROVISIONS

Sec. 401. Effect on other laws.
Sec. 402. Effect on existing employment benefits.
Sec. 403. Regulations.
Sec. 404. Effective dates.

TITLE I—GENERAL REQUIREMENTS FOR PARENTAL AND MEDICAL LEAVE

SEC. 101. FINDINGS AND PURPOSES.

(a) Findings.—Congress finds that—

(1) the number of two-parent households in which both parents work and the number of single-parent households in which the single parent works are increasing significantly;

(2) it is important for the development of children and the family unit that fathers and mothers be able to participate in early childrearing and the care of children who have serious health conditions;

(3) the lack of employment policies to accommodate working parents forces many individuals to choose between job security and parenting; and

(4) there is inadequate job security for employees who have serious health conditions that prevent the employees from working for temporary periods.

(b) Purposes.—It is the purpose of this Act—

(1) to balance the demands of the workplace with the needs of families;

(2) to promote the economic security and stability of families; and

(3) to entitle employees to take reasonable leave for medical reasons, for the birth or adoption of a child, and for the care of a child who has a serious health condition, without the risk of termination or retaliation by employers.

SEC. 102. DEFINITIONS.

As used in this title:

(1) Commerce.—The terms "commerce" and "industry or activity affecting commerce" mean any activity, business, or industry in commerce or in which a labor dispute would hinder or obstruct commerce or the free flow of commerce, including "commerce" and any activity or industry "affecting commerce" within the meaning of the Labor Management Relations Act, 1947 (29 U.S.C 141 et seq.).

(2) Employ.—The term "employ" has the same meaning given the term in section 3(g) of the Fair Labor Standards Act of 1938 (29 U.S.C. 203(g)).

(3) Employee.—The term "employee" has the meaning given the term in section 3(e) of the Fair Labor Standards Act of 1938, except that—

(A) the term does not include any Federal officer or employee covered under subchapter III of chapter 63 of title 5, United States Code; and

(B) the term includes permanent part-time employees.

(4) Employer.—The term "employer"—

(A) means any person who employs 15 or more employees and is engaged in commerce or in any industry or activity affecting commerce;

(B) includes—

(i) any person who acts directly or indirectly in the interest of an employer to one or more employees; and

(ii) any successor in interest of such an employer; and

(C) includes any public agency, as defined in section 3(x) of the Fair Labor Standards Act of 1938 (29 U.S.C. 203(x)), except that employees of any such agency shall be considered employees engaged in "health condition" means an illness, injury, impairment, or physical or mental condition that involves—

(A) inpatient care in a hospital, hospice, or residential medicare care facility; or commerce.

(5) Employment Benefits.—The term "employment benefits" means all benefits provided or made available to employees by an employer, including group life insurance, health insurance, disability insurance, sick leave, annual leave, educational benefits, and pensions, regardless of whether the benefits are provided by a policy or practice of an employer or by an employee benefit plan as defined in section 3(3) of the Employee Retirement Income Security Act of 1974 (29 U.S.C. 1002(1)).

(6) Person.—The term "person" has the same meaning given the term in section 3(a) of the Fair Labor Standards Act of 1938 (29 U.S.C. 203(a)).

(7) Reduced Leave Schedule.—The term "reduced leave schedule" means leave scheduled for fewer than the usual number of hours of an employee per workweek or hours per workday.

(8) Secretary.—The term "Secretary" means the Secretary of Labor.

(9) Serious Health Condition.—The term "serious health condition" means an illness, injury, impairment, or physical or mental condition that involves—

(A) inpatient care in a hospital, hospice, or residential medical care facility; or

(B) continuing treatment or continuing supervision by a health care provider.

(10) Son or Daughter.—The term "son or daughter" means a biological, adopted, or foster child, stepchild, legal ward, or child of a de facto parent, who is under 18 years of age.

(11) State.—The term "State" has the same meaning given the term in section 3(c) of the Fair Labor Standards Act of 1938 (29 U.S.C. 203(c)).

SEC. 103. PARENTAL LEAVE REQUIREMENT.

(a) In General.—(1) An employee shall be entitled to 18 workweeks of parental leave during any 24-month period—

(A) as the result of the birth of a son or daughter of the employee;

(B) as the result of the placement, for adoption or foster care, of a son or daughter with the employee; or

(C) in order to care for the employee's son or daughter who has a serious health condition.

(2) The leave may be taken on a reduced leave schedule. Under the schedule—

(A) the total period during which the 18 workweeks may be taken may not exceed 36 consecutive workweeks; and

(B) the leave shall be scheduled so as not to disrupt unduly the operations of the employer.

(3) In the case of a child who has a serious health condition, the leave may be taken intermittently when medically necessary.

(b) Unpaid Leave Permitted.—Except as provided in subsection (c), leave granted under subsection (a) may consist of unpaid leave.

(c) Relationship to Paid Leave.—(1) If an employer provides paid parental leave for fewer than 18 weeks, the additional weeks of leave added to attain the 18-week total may be unpaid.

(2) An employee may elect to substitute any accrued paid vacation leave, personal leave, or other appropriate paid leave for any part of the 18-week period.

SEC. 104. TEMPORARY MEDICAL LEAVE REQUIREMENT.

(a) In General.—(1) Any employee who, as the result of a serious health condition, becomes unable to perform the functions of the position of the employee, shall be entitled to temporary medical leave. The entitlement shall continue for as long as the employee is unable to perform the functions, except that the leave shall not exceed 26 workweeks during any 12-month period.

(2) The leave may be taken intermittently when medically necessary.

(b) Unpaid Leave Permitted.—Except as provided in subsection (c), leave granted under subsection (a) may consist of unpaid leave.

(c) Relationship to Paid Leave.—(1) If an employer provides paid temporary medical leave or paid sick leave for fewer than 26 weeks, the additional weeks of leave added to attain the 26-week total may be unpaid.

(2) An employee may elect to substitute accrued paid vacation leave, sick leave, or other appropriate paid leave for any part of the 26-week period.

SEC. 105. CERTIFICATION.

(a) In General.—An employer may require that a claim for parental leave under section 103(a)(1)(C), or temporary medical leave under section 104, be supported by certification issued by—

(1) the duly licensed health care provider of the son, daughter, or employee, whichever is appropriate; or

(2) any other health care provider determined by the Secretary to be capable of providing adequate certification.

(b) Sufficient Certification.—The certification shall be considered sufficient if it states—

(1) the date on which the serious health condition commenced;

(2) the probable duration of the condition; and

(3) the medical facts within the knowledge of the provider regarding the condition.

SEC. 106. EMPLOYMENT AND BENEFITS PROTECTION.

(a) Restoration to Position.—(1) Any employee who exercises any right provided under section 103 or 104 shall be entitled, on return from the leave—

(A) to be restored by the employer to the position held by the employee when the leave commenced; or

(B) to be restored to a position with equivalent status, benefits, pay, and other terms and conditions of employment.

(2) The taking of leave under this title shall not result in the loss of any benefit accrued before the date on which the leave commenced.

(3) Except as provided in subsection (b), nothing in this section shall be considered to entitle any restored employee to—

(A) the accrual of any seniority or benefits during any period of leave; or

(B) any right or benefit other than any right or benefit to which the employee would have been entitled had the employee not taken the leave.

(b) Maintenance of Health Benefits.—During any period of leave taken under section 103 or 104, health benefits of an employee shall be maintained for the duration of the leave at the level at which the benefits would have been maintained if the employee had continued in employment continuously from the date the employee commenced the leave until the date the employee is restored under subsection (a).

SEC. 107. PROHIBITED ACTS.

(a) Interference With Rights.—(1) It shall be unlawful for any employer to interfere with, restrain, or deny the exercise of or the attempt to exercise, any right provided under this title.

(2) It shall be unlawful for any employer to discharge or in any other manner discriminate against any individual for opposing any practice made unlawful by this title.

(b) Interference With Proceedings or Inquiries.—It shall be unlawful for any person to discharge or in any other manner discriminate against any individual because the individual—

(1) has filed any charge, or has instituted or caused to be instituted any proceeding, under or related to this title;

(2) has given or is about to give any information in connection with any inquiry or proceeding relating to any right provided under this title; or

(3) has testified or is about to testify in any inquiry or proceeding relating to any right provided under this title.

SEC. 108. ADMINISTRATIVE ENFORCEMENT.

(a) In General.—The Secretary shall issue such rules and regulations as are necessary to carry out this section, including rules and regulations concerning service of complaints, notice of hearings, answers and amendments to complaints, and copies of orders and records of proceedings.

(b) Charges.—(1) Any person (or person, including a class or organization, on behalf of any person) alleging an act that violates this title may file a charge respecting the violation with the Secretary. Charges shall be in such form and contain such information as the Secretary shall require by regulation.

(2) The Secretary shall serve a notice of the charge on the person charged with the violation not more than 10 days after the Secretary receives the charge.

(3) A charge may not be filed more than 1 year after the last event constituting the alleged violation.

(c) Investigation; Complaint.—(1) Within the 60-day period after the Secretary receives any charge, the Secretary shall investigate the charge and issue a complaint based on the charge or dismiss the charge.

(2) If the Secretary determines that there is a reasonable basis for the charge, the Secretary shall issue a complaint based on the charge and promptly notify the charging party and the respondent as to the issuance.

(3) If the Secretary determines that there is no reasonable basis for the charge, the Secretary shall dismiss the charge and promptly notify the charging party and the respondent as to the dismissal.

(4) The charging party and the respondent may enter into a settlement agreement concerning the violation alleged in the charge. To be effective such an agreement must be determined by the Secretary to be consistent with this title.

(5) On the issuance of a complaint, the Secretary and the respondent may enter into a settlement agreement concerning a violation alleged in the complaint, except that any such settlement may not be entered into over the objection of the charging party.

(6) If, within the 60-day period referred to in paragraph (1), the Secretary—

(A) has not issued a complaint under paragraph (2);

(B) has dismissed the charge under paragraph (3); or

(C) has not approved or entered into a settlement agreement under paragraph (4) or (5),

the charging party may bring a civil action under section 109.

(7) The Secretary may issue and serve a complaint alleging a violation of this title on the basis of information and evidence gathered as a result of an investigation initiated by the Secretary pursuant to section 110.

(8) On issuance of a complaint, the Secretary shall have the power to petition the United States district court for the district in which the violation is alleged to have occurred, or in which the respondent resides or transacts business, for appropriate temporary relief or a restraining order. On the filing of any such petition, the court shall cause notice of the petition to be served on the respondent. The court shall have jurisdiction to grant to the Secretary such temporary relief or restraining order as the court considers just and proper.

(d) Rights of Parties.—(1) In any case in which a complaint is issued under subsection (b), the Secretary shall, not less than 5 days and not more than 30 days after the complaint is issued, cause to be served on the respondent a copy of the complaint.

(2) Any person filing a charge alleging a violation of this title may elect to be a full party to any complaint filed by the Secretary alleging the violation. The election must be made before the commencement of a hearing.

(e) Conduct of Hearing.—(1) The Secretary shall prosecute any complaint issued under subsection (b).

(2) An administrative law judge shall conduct a hearing on the record with respect to a complaint issued under this title. The hearing shall be conducted in accordance with sections 554, 555, and 556 of title 5, United States Code, and shall be commenced within 60 days after the issuance of the complaint.

(f) Findings and Conclusions.—(1) After a hearing is conducted under this section, the administrative law judge shall promptly make findings of fact and conclusions of law, and, if appropriate, issue an order for relief as provided in section 111.

(2) The administrative law judge shall inform the parties, in writing, of the reason for any delay in making the findings and conclusions if the findings and conclusions are not made within 60 days after the conclusion of the hearing.

(g) Finality of Decision; Review.—(1) The decision and order of the administrative law judge shall become the final decision and order of the Secretary unless, on appeal by an aggrieved party taken not more than 30 days after the action, the Secretary modifies or vacates the decision, in which case the decision of the Secretary shall be the final decision.

(2) Not later than 60 days after the entry of the final order, any person aggrieved by the final order may obtain a review of the order in the United States court of appeals for the circuit in which the violation is al-

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leged to have occurred or in which the employer resides or transacts business.

(3) On the filing of the record with the court, the jurisdiction of the court shall be exclusive and its judgment shall be final, except that the same shall be subject to review by the Supreme Court of the United States on writ of certiorari or certification as provided in section 1254 of title 28, United States Code.

(h) Court Enforcement of Administrative Orders.—(1) If a respondent does not appeal an order of an administrative law judge under subsection (g)(2), the Secretary may petition the United States district court for the district in which the violation is alleged to have occurred, or in which the respondent resides or transacts business, for the enforcement of the order of the administrative law judge, by filing in the court a written petition praying that the order be enforced.

(2) On the filing of the petition, the court shall have jurisdiction to make and enter a decree enforcing the order of the administrative law judge. In the proceeding, the order of the administrative law judge shall not be subject to review.

(3) If, on appeal of an order under subsection (g)(2), the United States court of appeals does not reverse or modify the order, the court shall have the jurisdiction to make and enter a decree enforcing the order of the administrative law judge.

SEC. 109. ENFORCEMENT BY CIVIL ACTION.

(a) Right To Bring Civil Action.—(1) Subject to the limitations in this section, an employee or the Secretary may bring a civil action against any employer to enforce this title in any appropriate court of the United States or in any State court of competent jurisdiction.

(2) A civil action may be commenced under this subsection without regard to whether a charge has been filed under section 108(b).

(3) No civil action may be commenced under paragraph (1) if the Secretary—

(A) has approved a settlement agreement under section 108(c)(4), in which case no civil action may be filed under this subsection if the action is based on a violation alleged in the charge and resolved by the agreement; or

(B) has issued a complaint under section 108(c)(2) or 108(c)(7), in which case no civil action may be filed under this subsection if the action is based on a violation alleged in the complaint.

(4) Notwithstanding paragraph (3)(A), a civil action may be commenced to enforce the terms of any such settlement agreement.

(5)(A) Except as provided in subparagraph (B), no civil action may be commenced more than 1 year after the date on which the alleged violation occurred.

(B) In any case in which—

(i) a timely charge is filed under section 108(b); and

(ii) the failure of the Secretary to issue a complaint or enter into a settlement agreement based on the charge (as provided under section 108(c)(6)) occurs more than 11 months after the date on which any alleged violation occurred,

the employee may commence a civil action not more than 30 days after the date on which the employee is notified of the failure.

(6) The Secretary may not bring a civil action against any agency of the United States.

(b) Venue.—An action brought under subsection (a) in a district court of the United States may be brought—

(1) in any appropriate judicial district under section 1391 of title 28, United States Code; or

(2) in the judicial district in the State in which—

(A) the employment records relevant to the violation are maintained and administered; or

(B) the aggrieved person worked or would have worked but for the alleged violation.

(c) Notification of the Secretary; Right To Intervene.—A copy of the complaint in any action brought by an employee under subsection (a) shall be served on the Secretary by certified mail. The Secretary shall have the right to intervene in a civil action brought by an employee under subsection (a).

(d) Attorneys for the Secretary.—In any civil action brought under subsection (a), attorneys appointed by the Secretary may appear for and represent the Secretary, except that the Attorney General and the Solicitor General shall conduct any litigation in the Supreme Court.

SEC. 110. INVESTIGATIVE AUTHORITY.

(a) In General.—To ensure compliance with this title, or any regulation or order issued under this title, subject to subsection (c), the Secretary shall have the investigative authority provided under section 11(a) of the Fair Labor Standards Act of 1938 (29 U.S.C. 211(a)).

(b) Obligation To Keep and Preserve Records.—An employer shall keep and preserve records in accordance with section 11(c) of such Act.

(c) Required Submissions Generally Limited to an Annual Basis.—The Secretary may not under this section require any employer or any plan, fund, or program to submit to the Secretary any books or records more than once in any 12-month period, unless the Secretary has reasonable cause to believe there may exist a violation of this title or any regulation or order issued pursuant to this title, or is investigating a charge brought pursuant to section 108.

(d) Subpoena Powers, Etc.—For purposes of any investigation conducted under this section, the Secretary shall have the subpoena authority provided under section 9 of the Fair Labor Standards Act of 1938 (29 U.S.C. 209).

(e) Dissemination of Information.—The Secretary may make available to any person substantially affected by any matter that is the subject of an investigation under this section, and to any department or agency of the United States, information concerning any matter that may be the subject of the investigation.

SEC. 111. RELIEF.

(a) Injunctive Relief.—(1) On finding a violation under section 108 by a person, an administrative law judge shall issue an order requiring the person to cease and desist from any act or practice that violates this title.

(2) In any civil action brought under section 109, a court may grant as relief any permanent or temporary injunction, temporary restraining order, or other equitable relief as the court considers appropriate.

(b) Monetary Damages.—Any employer that violates this title shall be liable to the injured party in an amount equal to—

(1) any wages, salary, employment benefits, or other compensation denied or lost to the employee by reason of the violation, plus interest on the total monetary damages calculated at the prevailing rate; and

(2) an additional amount equal to the greater of—

(A) the amount determined under paragraph (1), as liquidated damages; or

(B) general or consequential damages.

(c) Attorneys' Fees.—A prevailing party (other than the United States) may be awarded a reasonable attorneys' fee as part of the costs, in addition to any relief awarded. The United States shall be liable for costs in the same manner as a private person.

(d) Limitation.—Damages awarded under subsection (b) may not accrue from a date more than 2 years before the date on which a charge is filed under section 108(b) or a civil action is brought under section 109.

SEC. 112. NOTICE.

(a) In General.—Each employer shall post and keep posted, in conspicuous places on the premises of the employer where notices to employees and applicants for employment are customarily posted, a notice, approved by the Secretary, setting forth excerpts from, or summaries of, the pertinent provisions of this title and information pertaining to the filing of a charge.

(b) Penalty.—Any employer who willfully violates this section shall be fined not more than $100 for each separate offense.

TITLE II—PARENTAL LEAVE AND TEMPORARY MEDICAL LEAVE FOR CIVIL SERVICE EMPLOYEES

SEC. 201. PARENTAL AND TEMPORARY MEDICAL LEAVE.

(a) In General.—(1) Chapter 63 of title 5, United States Code, is amended by adding at the end thereof the following new subchapter:

"SUBCHAPTER III—PARENTAL AND TEMPORARY MEDICAL LEAVE

"§ 6331. Definitions

"For purposes of this subchapter:

"(1) 'employee' means—

"(A) an employee as defined by section 6301(2) of this title (excluding an individual employed by the government of the District of Columbia); and

"(B) an individual under clause (v) or (ix) of such section;

whose employment is other than on a temporary or intermittent basis;

"(2) 'serious health condition' means an illness, injury, impairment, or physical or mental condition that involves—

"(A) inpatient care in a hospital, hospice, or residential medical care facility; or

"(B) continuing treatment, or continuing supervision, by a health care provider; and

"(3) 'child' means a biological, adopted, or foster child, stepchild, legal ward, or child of a de facto parent, who is under 18 years of age.

"§ 6332. Parental leave

"(a) Leave under this section shall be granted on the request of an employee if the leave is requested—

"(1) as the result of the birth of a child of the employee;

"(2) as the result of the placement for adoption or foster care of a child with the employee; or

"(3) in order to care for employee's child who has a serious health condition.

"(b) Leave under this section—

"(1) shall be leave without pay;

"(2) may not, in the aggregate, exceed the equivalent of 18 administrative workweeks

of the employee during any 24-month period; and

"(3) shall be in addition to any annual leave, sick leave, temporary medical leave, or other leave or compensatory time off otherwise available to the employee.

"(c) An employee may elect to use leave under this section—

"(1) immediately before or after (or otherwise in coordination with) any period of annual leave, or compensatory time off, otherwise available to the employee;

"(2) under a method involving a reduced workday, a reduced workweek, or other alternative work schedule;

"(3) on either a continuing or intermittent basis; or

"(4) any combination thereof.

"§ 6333. Temporary medical leave

"(a) An employee who, because of a serious health condition, becomes unable to perform the functions of the position of the employee shall, on request of the employee, be entitled to leave under this section.

"(b) Leave under this section—

"(1) shall be leave without pay;

"(2) shall be available for the duration of the serious health condition of the employee involved, but may not, in the aggregate, exceed the equivalent of 26 administrative workweeks of the employee during any 12-month period; and

"(3) shall be in addition to any annual leave, sick leave, parental leave, or other leave or compensatory time off otherwise available to the employee.

"(c) An employee may elect to use leave under this section—

"(1) immediately before or after (or otherwise in coordination with) any period of annual leave, sick leave, or compensatory time off otherwise available to the employee;

"(2) under a method involving a reduced workday, a reduced workweek, or other alternative work schedule;

"(3) on either a continuing or intermittent basis; or

"(4) any combination thereof.

"§ 6334. Job protection

"An employee who uses leave under section 6332 or 6333 of this title shall be entitled to be restored to the position held by the employee immediately before the commencement of the leave.

"§ 6335. Prohibition of coercion

"(a) An employee may not directly or indirectly intimidate, threaten, or coerce, or attempt to intimidate, threaten, or coerce, any other employee for the purpose of interfering with the exercise of the rights of the employee under this subchapter.

"(b) For the purpose of this section, 'intimidate, threaten, or coerce' includes promising to confer or conferring any benefit (such as appointment, promotion, or compensation), or taking or threatening to take any reprisal (such as deprivation of appointment, promotion, or compensation).

"§ 6336. Health insurance

"An employee enrolled in a health benefits plan under chapter 89 of this title who is placed in a leave status under section 6332 or 6333 of this title may elect to continue the health benefits enrollment of the employee while in leave status and arrange to pay into the Employees Health Benefits Fund (described in section 8909 of this title), through the employing agency of the employee, the appropriate employee contributions.

"§ 6337. Regulations

"The Office of Personnel Management shall prescribe regulations necessary for the administration of this subchapter. The regulations prescribed under this subchapter shall be consistent with the regulations prescribed by the Secretary of Labor under title I of the Parental and Medical Leave Act of 1986.".

(2) The table of contents for chapter 63 of title 5, United States Code, is amended by adding at the end thereof the following:

"SUBCHAPTER III—PARENTAL AND TEMPORARY MEDICAL LEAVE

"6331. Definitions.
"6332. Parental leave.
"6333. Temporary medical leave.
"6334. Job protection.
"6335. Prohibition of coercion.
"6336. Health insurance.
"6337. Regulations.".

(b) Employees Paid From Nonappropriated Funds.—Section 2105(c)(1) of title 5, United States Code, is amended by striking out "53" and inserting in lieu thereof "53, subchapter III of chapter 63,".

TITLE III—ADVISORY PANEL ON PAID PARENTAL AND MEDICAL LEAVE

SEC. 301. ESTABLISHMENT.

(a) Establishment.—There is established an Advisory Panel to be known as the Advisory Panel on Paid Parental and Medical Leave (hereinafter in this title referred to as the "Panel").

SEC. 302. DUTIES.

The Panel shall—

(1) compile and review, to the extent practicable, all studies of existing and proposed methods designed to provide workers with full or partial salary replacement or other income protection during periods of temporary medical leave, parental leave, and leave for care of dependents;

(2) conduct, where it deems appropriate, research activities;

(3) within 2 years after the date on which the Panel first meets, submit a report to Congress, including legislative recommendations concerning implementation of a system of salary replacement for temporary medical leave and parental leave.

SEC. 303. MEMBERSHIP.

(a) Composition.—The Panel shall be composed of 15 members appointed not more than 60 days after the date of the enactment of this Act as follows:

(1) Three Senators shall be appointed by the majority leader of the Senate, in consultation with the minority leader of the Senate.

(2) Three members of the House of Representatives shall be appointed by the Speaker of the House of Representatives, in consultation with the minority leader of the House of Representatives.

(3) The Secretary of Health and Human Services.

(4) The Secretary of Labor.

(5) Seven members shall be appointed jointly by the majority leader of the Senate and the Speaker of the House of Representatives. The members shall be appointed by virtue of demonstrated expertise in relevant family and temporary disability issues.

(b) Vacancies.—Any vacancy on the Panel shall be filled in the same manner in which the original appointment was made.

(c) Chairperson and Vice Chairperson.—The Panel shall elect a chairperson and a vice-chairperson from among the members of the Panel.

(d) Quorum.—Eight members of the Panel shall constitute a quorum for all purposes, except that a lesser number may constitute a quorum for the purpose of holding hearings.

SEC. 304. COMPENSATION.

(a) Pay.—Members of the Panel shall serve without compensation.

(b) Travel Expenses.—Members of the Panel shall be allowed reasonable travel expenses, including a per diem allowance, in accordance with section 5703 of title 5, United States Code, while performing duties of the Panel.

SEC. 305. POWERS.

(a) Meetings.—The Panel shall first meet not more than 30 days after the date by which all members are appointed. The Panel shall meet thereafter on the call of the chairperson or a majority of the members.

(b) Hearings and Sessions.—The Panel may hold such hearings, sit and act at such times and places, take such testimony, and receive such evidence as the Panel considers appropriate. The Panel may administer oaths or affirmations to witnesses appearing before the Panel.

(c) Access to Information.—The Panel may secure directly from any Federal agency information necessary to enable the Panel to carry out this Act. On the request of the chairperson or vice chairperson of the Panel, the head of the agency shall furnish the information to the Panel.

(d) Director.—The Panel may appoint an Executive Director from the personnel of any Federal agency to assist the Panel in carrying out the duties of the Panel.

(e) Use of Services and Facilities.—On the request of the Panel, the head of any Federal agency may make available to the Panel any of the facilities and services of the agency.

(f) Personnel From Other Agencies.—On the request of the Panel, the head of any Federal agency may detail any of the personnel of the agency to assist the Panel in carrying out the duties of the Panel.

SEC. 306. TERMINATION.

The Panel shall terminate 30 days after the date of the submission of the final report of the Panel to Congress.

TITLE IV—MISCELLANEOUS PROVISIONS

SEC. 401. EFFECT ON OTHER LAWS.

(a) Federal Laws.—Nothing in this Act shall be construed to modify or affect any Federal law prohibiting discrimination on the basis of race, religion, color, national origin, sex, age, or handicapped status.

(b) State and Local Laws.—Nothing in this Act shall be construed to supersede any provision of any State and local law that provides greater employee parental or medical leave rights than the rights established under this Act.

SEC. 402. EFFECT ON EXISTING EMPLOYMENT BENEFITS.

(a) More Protective.—Nothing in this Act shall be construed to diminish the obligation of an employer to comply with any collective-bargaining agreement or any employment benefit program or plan that provides greater parental and medical leave rights to employees than the rights provided under this Act.

(b) Less Protective.—The rights provided to employees under this Act may not be diminished by any collective bargaining agreement or any employment benefit program or plan.

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SEC. 403. REGULATIONS.

The Secretary shall prescribe such regulations as are necessary to carry out title I.

SEC. 404. EFFECTIVE DATES.

(a) In General.—Titles I, II, and IV, and the amendments made by title II, shall become effective 6 months after the date of enactment of this Act.

(b) Advisory Panel.—Title III shall become effective on the date of enactment of this Act:

● Mr. HART. Mr. President, I am pleased to join Senator Dodd in introducing a bill that is truly profamily—the Parental and Medical Leave Act of 1986.

This legislation recognizes the economic and social realities of today. Economic changes have brought many parents of young children into the work force out of financial necessity. Shifts in social attitudes, too, have encouraged large numbers of women to enter into employment outside the home.

These phenomena have caused ripples throughout our society, but no institution has been more strongly affected than our families. Mothers holding jobs outside the home now outnumber mothers working in the home. Most children no longer can expect to receive full-time care from a parent; many young children are lucky to receive full-time care from any adult.

The purpose of the Parental and Medical Leave Act is to promote the stability and economic security of families by allowing up to 26 weeks of unpaid leave to employees with a serious health condition or upon the birth, adoption, or serious illness of a child. These Federal guidelines will clarify parental child care policy which, up to now, has been the subject of a confusing hodgepodge of State laws.

It is high time that our country establish a national parental child care policy. Every industrialized country except the United States provides some period of leave for new parents. Indeed, most provide benefits equal to 100 percent of wages during such periods. The emergence of the modern American family calls for a Federal policy that encourages workplaces to adapt to the needs of families.

The needs of young children have changed little over the last several decades: day after day, their most basic need is for care and nurturing. The needs of many parents, on the other hand, have changed drastically. The number of single-parent households and two-parent households in which the single parent or both parents are working has increased sharply.

Now, half the mothers of children under 3 are in the work force, compared with a third a decade ago. For mothers of children aged 3 to 5, that proportion increased from 45 to 60 percent over the last 10 years. And most working mothers are employed full time: from 67 percent of those with children under 3 to 77 percent of those with children aged 14 to 17.

Not only have large numbers of women entered the full-time work force but, as well, they are increasingly responsible for providing or contributing to family income. More and more two wage-earner families rely on contributions from both spouses: 27 percent of married working women have husbands who earn less than $10,000; 41 percent have husbands who earn less than $15,000.

Changes in workplace practices are needed to accommodate a work force that is increasingly composed of working parents. Too often, workers have had to choose between job security and their parental responsibilities. Mothers and fathers should be given the opportunity to participate in early childrearing and to care for their children when they are seriously ill.

The Parental and Medical Leave Act would balance the demands of the workplace with the needs of families. Under the act, an employee is entitled to 18 weeks of unpaid leave per year upon the birth, adoption, or serious illness of a child. As well, an employee who is unable to perform a job because of a serious health condition, including pregnancy, is provided 26 weeks of unpaid leave.

On return from leave, a worker is entitled to be restored to his or her previous position, or a comparable position, without loss of seniority or other benefits. The act applies to employees in all sectors of government and to most workers in the private sector.

The Parental and Medical Leave Act of 1986 establishes necessary and innovative Federal policy. It's necessary because our children are our future—they must grow up with the care and security that only parents can provide. And it's innovative because, for the first time, both fathers and mothers can take temporary leave, with job security, during the critical times in their children's lives which require a parent's at-home care. Most important, it promotes family stability—the core of a stable society—during a time of economic, technological, and social change.

The comapanion measure has been developed and introduced by Representative Pat Schroeder and several other Members of the House. My colleague from Colorado and Senator Dodd deserve our forward-looking legislation.●

● Mr. MOYNIHAN. Mr. President, I rise today to join my distinguished colleagues Senators Dodd, Hart, and Specter in introducing the Parental and Medical Leave Act of 1986. A similar version of this important legislation was recently offered in the House of Representatives, where it is cosponsored by 40 Members.

The purpose of this bill could not be more straightforward: to promote the security of the American family by providing job protection for parents who must temporarily leave their jobs due to the birth, adoption, or serious illness of a child, or who are temporarily unable to work because of a disabling health condition.

Under the Parental and Medical Leave Act, all employers would be required to provide a minimum of 18 weeks leave for any parent—mother or father—who chooses to stay home to care for a newborn, newly adopted, or seriously ill child, with reinstatement to the same or equivalent job upon his or her return. An employer would not be required to pay the absent employee, but would have to maintain preleave benefits, including health insurance coverage, during the employee's absence. In addition, employees would be entitled to a minimum of 26 weeks leave for an inability to work due to non-job-related, short-term disability; employees could return to the same or equivalent job thereafter. All employers—except those with fewer than 15 employees—would be bound to the provisions of this bill.

Legislation like that being proposed today is vital, and the need for these parental protections continues to grow. For as the composition of the work force has become increasingly populated by women and parents of younger and younger children, the American workplace has not adequately met their changing needs. Since the late 1940's, the number of women entering the American work force has increased by over 170 percent. By 1984, according to data published by the Bureau of Labor Statistics, nearly 4½ million mothers with children under 3 were employed, or actively seeking employment. Of these, fully half had infants under 1 year of age. Professors Sheila Kamerman and Alfred Kahn of Columbia University, offer some interesting data on this point. They report that 80 percent of women in the work force today are of childbearing age, and that 93 percent of these women will become pregnant during their working lives. Thus, three out of four working women will become pregnant at some point in their working lives.

In the face of such facts, there is no longer any excuse for our failure to establish a Federal policy on child care leave for working parents. Currently, only five States in the Nation mandate job leave for employees with temporary disabilities, including those related to childbirth. Many employers voluntarily offer paid and unpaid leave to their pregnant employees. Yet such leave is usually granted for only 1 or 2 months—generally insufficient time for a new mother to adapt to the arrival of an infant, or to care for a seriously ill child.

I, for one, believe that it is now time to acknowledge the needs of working parents. By failing to recognize the competing demands on them, we have neglected millions of mothers and fathers who face both employment and family responsibilities. The Parental and Medical Leave Act of 1986 is the first step in addressing the needs of many workers who have had to choose between job security and family obligations. I trust our colleagues in the Senate will agree, and will join us to assure the passage of this important piece of legislation in the 99th Congress.●

By Mr. HEINZ:

S. 2279. A bill to improve the administration of the Temporary Emergency Food Assistance Program and to reestablish food bank special nutrition projects, and for other purposes; to the Committee on Agriculture, Nutrition, and Forestry.

FOOD ASSISTANCE IMPROVEMENT ACT

● Mr. HEINZ. Mr. President, the farm bill which the President recently signed into law reauthorized the Temporary Emergency Food Assistance Program [TEFAP] for another 2 years. TEFAP is now over 4 years old, and we have yet to create sufficient guidelines and reporting requirements for effectively administering it. The result, Mr. President, has been wasted food and frequent mishandling of the program.

Throughout 1984 and 1985 the General Accounting Office [GAO] examined State administration of the TEFAP Program. It found many problems, some of which denied needy families access to commodities and others which resulted in wasted or spoiled foodstuffs. My purpose in bringing legislation before the Senate today is not to blame the Department of Agriculture [USDA] or any of the States. My purpose is to bring the States and USDA closer together in jointly administering and monitoring a program which is extremely important to low-income Americans.

GAO found that the temporary nature of TEFAP resulted in improper inventory management—the warehousing and handling of surplus commodities—at the State and local level. GAO also found that USDA's Food and Nutrition Service needed to improve its oversight of State programs. The legislation I am introducing today will accomplish these goals and open up a highly efficient, supplemental system of distribution through the Nation's network of regional food banks.

Section 1 of my legislation would require additional reporting procedures and the creation of an annual plan by the States demonstrating their ability to account for and move commodities through emergency feeding organizations. Section 2 would create a special nutrition program to supplement TEFAP distribution by reopening the Food Bank Demonstration Program. The USDA ran this program as a demonstration project 2 years ago. Although authority for the program never expired, USDA stopped running it after only 1 year, despite a successful progress report. My bill would reactivate the program and allow food banks to again distribute commodities through their network of emergency feeding organizations.

The difficulties raised by the GAO study clearly call for efficient and carefully monitored distribution of surplus USDA commodities. My legislation would accomplish this goal without adding further costs to the program, indeed it may help stretch existing dollars still further.

Mr. President, I ask unanimous consent that a section-by-section analysis of this legislation and the bill itself appear at the conclusion of my remarks. I urge all my colleagues will join me as cosponsor of this sensible, cost-effective solution to a problem which is denying citizens access to desperately needed foodstuffs.

There being no objection, the material was ordered to be printed in the Record, as follows:

S. 2279

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. TEMPORARY EMERGENCY FOOD ASSISTANCE PROGRAM.

(a) Annual Plans.—Section 203B of the Temporary Emergency Food Assistance Act of 1983 (7 U.S.C. 612c note) is amended by adding at the end thereof the following new subsection:

"(d) Each State shall submit to the Secretary an annual plan for the distribution of commodities made available to the agency under this Act, including plans for the provision of technical assistance and training to eligible recipient agencies (in accordance with regulations issued by the Secretary).".

"(b) Quarterly Reports.—Section 203B of such Act (as amended by subsection (a)) is amended by adding at the end thereof the following new subsection:

"(e) Each State shall submit to the Secretary a quarterly report that includes—

"(1) an inventory of commodities made available to the agency under this Act;

"(2) a description of the allocation of the commodities to, and acceptance of the commodities by, the agency;

"(3) a comparison of the amount of the commodities distributed to the State agency and the amount of the commodities distributed by the State agency to eligible recipient agencies and needy persons; and

"(4) such other matters as the Secretary considers appropriate.".

(c) Storage, Distribution, and Losses of Commodities.—Subsection (a) of section 210 of such Act is amended to read as follows:

"(a) The Secretary shall issue such regulations as are necessary to carry out this Act, including regulations that establish standards for—

"(1) the warehousing and storage of commodities made available under this Act in facilities owned by States or private companies;

"(2) the monitoring by State agencies of the distribution of the commodities by eligible recipient agencies; and

"(3) the liability of eligible recipient agencies for the loss of the commodities, taking into consideration—

"(A) the special needs and circumstances of emergency feeding organizations, including the use of volunteers and limited financial resources;

"(B) the effect liability could have on the ability of the organizations to meet the needs of low-income populations; and

"(C) situations in which there is no evidence of negligence, fraud, or continuing problems.".

SEC. 2. FOOD BANK SPECIAL NUTRITION PROJECTS.

The first sentence of section 211(d) of the Agricultural Act of 1980 (7 U.S.C. 2004(d)) is amended by striking out "a progress report on July 1, 1983, and a final report on January 1, 1984," and inserting in lieu thereof "an annual report".

SECTION-BY-SECTION ANALYSIS FOOD ASSISTANCE IMPROVEMENT ACT OF 1986

SECTION ONE

This section provides for new procedures to improve the management and handling of surplus commodities distributed by the Temporary Emergency Food Assistance Program (TEFAP). In addition, it requires an annual plan for state-level distribution of commodities made available to volunteer and emergency feeding organizations and requires states to describe their proposed efforts to train and assist local agencies in distributing commodities. Quarterly reports on commodity inventories, allocations, and distribution to needy persons will also be required.

The Secretary of Agriculture will be required to issue regulations for proper warehousing and storage of surplus commodities in order to prevent loss or waste. Monitoring of agency performance and commodity distribution is also required. Liability of volunteers and emergency feeding organizations for commodity loss is modified in order to protect feeding programs.

SECTION TWO

This section creates a special Food Bank Nutrition project in order to utilize the existing distribution and feeding services available through the Nation's regional food banks. By reopening existing statutory authority for these programs, Food Banks will be eligible for USDA surplus commodities, which they in turn may distribute through their network of emergency feeding organizations.●

By Mr. GRASSLEY (for Mrs. Hawkins, for herself, Mr. Andrews, Mr. Bentsen, Mr. Bradley, Mr. Burdick, Mr. Chiles, Mr. Cohen, Mr. Cranston, Mr. Dole, Mr. Durenberger, Mr. Glenn, Mr. Goldwater, Mr. Grassley, Mr. Hatch, Mr. Heinz, Mr. Hollings, Mr. Inouye, Mr. Johnston, Mr. Matsunaga, Mr. Nickles, Mr. Nunn, Mr. Pryor, Mr. Riegle, Mr. Roth, Mr. Sarbanes, Mr. Stennis, Mr. Warner, Mr. Zorinsky, Mr. Humphrey, and Mr. D'Amato):

S.J. Res. 315. Joint resolution designating May 1986 as "Older Americans'

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Month"; to the Committee on the Judiciary.

OLDER AMERICANS' MONTH

● Mr. GRASSLEY. Mr. President, on behalf of my colleague from Florida, Senator Hawkins, I am introducing today a joint resolution which would designate May 1986 as "Older Americans' Month." Senator Hawkins is joined in this myself, Senator Matsunaga, chairman and ranking minority member of the Subcommittee on Aging, Senators Heinz and Glenn, chairman and ranking minority member of the Special Committee on Aging and 24 other Members.

The Congress has been so honoring older Americans since 1963, and I am pleased to join in this now traditional recognition of the contributions made by older Americans to our national life.

The designation of May as "Older Americans' Month" by the Congress will kick off activities in the States and in local communities which will also honor older Americans.

I am pleased to join with my colleagues in this effort.

Mr. President, I ask unanimous consent that the text of the joint resolution be printed in the Record.

There being no objection, the joint resolution was ordered to be printed in the Record, as follows:

S.J. Res. 315

Whereas older Americans have contributed many years of service to their families, their communities, and the Nation;

Whereas the population of the United States is comprised of a large percentage of older Americans representing a wealth of knowledge and experience;

Whereas older Americans should be acknowledged for the contributions they continue to make to their communities and the Nation; and

Whereas many States and communities acknowledge older Americans during the month of May: Now, therefore, be it

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled, That in recognition of the traditional designation of the month of May as "Older Americans Month" and the repeated expression by the Congress of its appreciation and respect for the achievements of older Americans and its desire that these Americans continue to play an active role in the life of the Nation, the President is directed to issue a proclamation designating the month of May 1986 as "Older Americans Month" and calling on the people of the United States to observe this month with appropriate programs, ceremonies, and activities.●

By Mr. CRANSTON (for himself, Mr. Packwood, Mr. Dixon, Mr. D'Amato, Mr. Lautenberg, Mr. Metzenbaum, Mr. Heinz, Mr. Kennedy, Mr. Nickles, Mr. Kerry, Mr. Hecht, Mr. Sarbanes, Mr. Danforth, Mr. Burdick, Mr. Mattingly, Mr. Simon, Mr. Trible, Mr. Pell, Mr. Andrews, Mr. Exon, Mr. Sasser, Mr. Specter, Mr. Leahy, Mr. Ford, Mr. DeConcini, Mr. Hart, Mr. Boschwitz, Mr. Johnston, Mr. Wilson, Ms. Hawkins, Mr. Levin, Mr. Biden, Mr. Dodd, Mr. Bingaman, Mr. Bradley, Mr. Bumpers, Mr. Gore, Mr. Harkin, Mr. Heflin, Mr. Melcher, Mr. Pryor, Mr. Inouye, Mr. Matsunaga, Mr. Mitchell, Mr. Proxmire, Mr. Riegle, Mr. Rockefeller, Mr. Moynihan, Mr. Glenn, Mr. Baucus, Mr. Weicker, Mr. Kasten, Mr. Boren, Mr. Hollings, Mr. Murkowski, Mr. Gorton, Mr. Grassley, Mr. Roth, Mr. Byrd, Mr. Durenberger, and Mr. Pressler):

S.J. Res. 316. Joint resolution prohibiting the sale to Saudi Arabia of certain defense articles and related defense services; to the Committee on Foreign Relations.

PROHIBITING ARMS SALES TO SAUDI ARABIA

Mr. CRANSTON. Mr. President, late yesterday, the Reagan administration formally notified Congress of its intent to sell another $354 million worth of advanced missiles to Saudi Arabia. This sale would include about 995 AIM-9L Sidewinder missiles, 671 AIM-9P4 Sidewinders, 200-man portable Stinger ground-to-air missiles with another 600 Stinger reloads, and 100 Harpoon air-to-sea missiles.

Today, Senators Packwood, Dixon, D'Amato, and Lautenberg, join me and another 56 of our Senate colleagues—for a total of 61—in introducing a print resolution disapproving the proposed sale.

We oppose this sale of more than 2,500 missiles to Saudi Arabia because of the hostility Saudi Arabia has shown for fundamental United States national security interests in the Middle East. These vital interests include: Combatting terrorism and denying terrorists support; broadening the peace process by building on the Camp David treaties; and securing the military and economic health of our key allies, Israel and Egypt.

In each of these crucial efforts, Saudi Arabia has not only failed to support American efforts, but has also worked actively to oppose us.

Specifically, the Saudi monarchs have continued to fund PLO terrorists, and Syria—the protectors of terrorists who have murdered hundreds of Americans.

The Saudis have undermined the fitful efforts of King Hussein to move forward in the peace process, working against him in pan-Arab conferences and attempting to isolate Jordan and Egypt because of their willingness to pursue peace with Israel.

Finally, under Saudi leadership, pan-Arab conferences have stepped up efforts to punish American businesses and workers who cooperate with Israel—and have backed Colonel Qadhafi, pledging to make good on any losses incurred from the American boycott of Libyan goods.

Mr. President, I do not believe it is consistent with United States national security interests to reward the Saudi kingdom for its hostility toward key United States foreign policy objectives.

PRELUDE TO MORE ARMS SALES

The current sale is "just the camel's nose under the tent" and there is every liklihood that Congress will be asked to approve additional arms sales to the Saudis after our elections this fall or early next year.

The administration has indicated to the Saudis that the State Department is prepared to respond favorably to subsequent Saudi requests for such items as Blackhawk helicopters, F-15 retrofit equipment—speed enhancement—and ECM—electronic countermeasure—kits for the F-15's. The Saudis have also requested more F-15 aircraft, M-1 tanks, bomb racks for their F-15's and more fuel tanks to extend the F-15's range.

ADMINISTRATION JUSTIFICATION FOR THE SALE

The administration attempts to support its request with three basic arguments. The Saudis are said to need this equipment desperately to maintain their existing capabilities. The Saudis are said to need the missiles to defend against a possible Iranian advance through Iraq. And the United States needs to proceed with the sale—which is said to be a "test of our friendship"—so that we can get back to "business as usual" in our arms relationship with the Saudis.

I reject each of these arguments.

These missiles are needed only to further fill bulging Saudi supply warehouses. That should be clear. Consummation of this sale would give the Saudis an astonishing total of 37 advanced missiles per capable aircraft, versus a ratio of 9:1 of the NATO forces, and 6:1 in Israel.

The antiaircraft missiles have no relevance to the ground war between Iran and Iraq. Iran has only 60 aircraft left capable of flying and the Saudis can already overwhelm these.

The Congress seeks to bar the pending sale to avert a return to "business as usual"—we do not wish to continue unchanged a relationship that has seen the United States supply the Saudis since 1971 with more than $44 billion in our most sophisticated weaponry—half in the past 5 years alone—while the Saudis have consistently scorned our basic interests.

Mr. President, I would like to submit for the Record at this point the joint resolution disapproving the sale of arms to Saudi Arabia. I would also like to submit an article I wrote for the San Jose Mercury-News discussing the proposed sale. Finally, I would like to include the text of remarks I made

earlier today at a press conference on this subject, and I ask unanimous consent that the material be printed in the Record.

There being no objection, the material was ordered to be printed in the Record, as follows:

S.J. Res. 316

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled, That the issuance of a letter with respect to any of the following proposed sales to Saudi Arabia (described in the certifications transmitted to the Speaker of the House of Representatives and the chairman of the Committee on Foreign Relations of the Senate pursuant to section 36(b) of the Arms Export Control Act on April 8, 1986) is hereby prohibited:

(1) The proposed sale of AIM-9L Sidewinder missiles, and related defense articles and defense services (Transmittal Numbered 86-29A).

(2) The proposed sale of AIM-9P4 Sidewinder air-to-air missiles, and related defense articles (Transmittal Numbered 86-29B).

(3) The proposed sale of basic Stinger air defense guided missile systems, and related defense articles and defense services (Transmittal Numbered 86-29C).

(4) The proposed sale of air-launched Harpoon missiles, and related defense articles and defense services (Transmittal Numbered 86-29D).

Remarks of Senator Cranston

I will introduce today a resolution sponsored by 58 Senators and supported by still others to block the proposed Saudi arms sale.

In moments of candor, the administration admits that they want this sale so as to send a signal to the Saudis "That we're ready to get back to business as usual".

This is precisely the kind of business-as-usual that a majority of the Senate rejects.

We are fed up with Third World dictators and potentates who thwart vital American national interests—and then expect unhampered delivery of our most advanced military weapons.

We are also fed up with Saudi arguments that they deserve these weapons because they are doing us a favor by checking the advance of communism and maintaining a free flow of oil.

They are pumping oil not as a favor to us but to make money.

And stopping communism is in their own interest, no less than ours.

There's another aspect of the proposed Saudi arms sale that is particularly disturbing to me and which is not getting the attention it should.

That is: Terrorism.

200 years ago, France suffered through a reign of terror.

Today, the world is suffering from a reign of terrorism.

With Americans a primary target.

Khadaffi and other Arab extremists threaten more and more attacks.

Think for a moment:

Is this the time to supply 2,600 more missiles to Khadaffi's friends: The Saudis?

Saudi Arabia: Which has repeatedly supported Khadaffi at pan-Arab conferences,

Which has sided with Khadaffi against the U.S. in every confrontation,

Which has offered to make good Khadaffi's economic losses because of the American boycott,

Which bankrolls PLO terrorists and Syria,

Which has thwarted every effort by Jordan to join in the peace process and which still doesn't have diplomatic relations with Egypt because of Camp David.

Two years ago, President Reagan used his emergency powers to send 400 Stingers to Saudi Arabia when Congress refused to go along.

Is this the time to supply the Saudis with 800 more Stinger missiles and reloads?

I say no.

Imagine if even one of these weapons should fall into the hands—or be placed in the hands—of one of the multitude of terrorist-fanatics who abound in the Middle East!

The Stinger is a highly portable, shoulder-launched missile.

It is extremely effective.

With one of these advanced heat-seeking weapons, you could fire at an on-coming aircraft from more than five miles away.

That gives you plenty of time to escape and avoid detection if you are a terrorist and your target is an American airliner.

Stingers have been called the "ideal terrorist weapon", "the terrorist's weapon of choice", "the terrorist's delight".

Fifty years ago, Robert Sherwood won the Pulitzer Prize for his play forecasting World War II.

It was called "idiot's delight".

Congress should refuse to play a role in the latest version of "idiot's delight"—sending 800 more Stinger missiles, "the terrorist's delight", into the Arab world.

[From the San Jose Mercury News, Mar. 19, 1986]

Arming Saudis Offers No Benefit to U.S. Security

(By Alan Cranston)

The recent defense by the Mercury News of the latest Saudi arms sale request and the attack on the Senate majority opposing this sale fail to address crucial American interests.

In its peculiar focus on what Israel might like; on what some Washington lobbyists seek, and on what might make the Saudis feel better, the Mercury News editorial completely misses the main point.

This is not really a debate between Washington and Jerusalem or between Congress and the "American Israeli lobby." The central issues are between the United States and Saudi Arabia. And the real question is: How do we advance American security interests?

The Reagan administration defends its proposal to sell another 2,600 advanced antiaircraft missiles to the Saudis on three grounds, asserting that the sale is a crucial "test of our friendship"; that the missiles are needed urgently to defend against the threat Iran is posing by ground advances into Iraq; and that the Saudis require these missiles "to maintain" minimum defense capabilities.

The Mercury News editorial accepts these assertions as indisputable facts, deploring what it calls "knee-jerk reaction against a legitimate weapons request by a legitimate U.S. friend with a legitimate security need against a menacing adversary."

Why is it that a majority of the Senate rejects these arguments?

First, we have sold the Saudis more than $44 billion in military equipment and services since 1971—$22 billion worth in the past five years alone. Virtually every transaction has been pressed as a "test of our friendship." When do we make the grade? When does the U.S. earn the right to request in return some greater sympathy for our security needs?

Second, these missiles wouldn't even be delivered to the Saudis until 1989. The line about the urgency of their delivery to counter Iran and the "legitimacy" of the Saudis' need for this type of weapon is a canard.

Iran has less than 100 air-capable planes left, and its war with Iraq has been reduced to World War I-style ground combat where anti-aircraft missiles are of virtually no use.

Finally, the notion that this is a "maintenance package" is equally misleading. The warehouses of the Saudi arsenal are already teeming. Delivery of these missiles would give them 37 advanced AIM 9L missiles per F-15 aircraft; the comparable ratio for NATO is nine to one.

The United States shares Saudi Arabia's desire to keep OPEC's oil flowing and to reduce targets of opportunity for Soviet adventurism. But the Saudis don't pursue these policies as any favor to us, and we do have other vital interests in the region.

These interests include combating terrorism while denying terrorists any base of support; broadening the Camp David peace process; and helping our allies Egypt and Israel to maintain their military and economic security.

The Saudi kingdom has not only failed to support the U.S. government in each of three crucial areas—they've actively opposed us. Specifically, the Saudis have continued to bankroll the Palestine Liberation Organization, and Syria—the protector of terrorists implicated in the murder of hundreds of Americans.

The Saudis have undermined King Hussein's efforts to involve Jordan in the peace process, working against him in pan-Arab conferences and continuing to isolate Egypt simply because it signed the Camp David treaty.

Under Saudi leadership, pan-Arab organizations have stepped up efforts to punish American businesses trading with Israel. Finally, the Saudis sided with Moammar Khadafy in our recent showdown with the Libyan dictator, and reportedly pledged to make good on any losses incurred from the American boycott of Libya.

Past readiness to meet Saudi desires for our most advanced armaments has not yielded Saudi support for key U.S. initiatives.

This, therefore, is the reason a majority of the Senate is opposed to the latest Saudi arms request. We believe that the pending missile sale—which meets no legitimate, urgent Saudi need—is an appropriate place to draw the line. It is time for American policymakers to get serious with the Saudis.

● Mr. DIXON. Mr. President, I regret that the joint resolution we are introducing today is necessary. At the same time I would like to point out that 61 Members of the U.S. Senate see the President's request for selling arms to Saudi Arabia as inadvisable.

There has been a great deal of publicity about this sale, and whether or not it is in Israel's best interests. Well, Mr. President, it is not in the best interests of the United States or the entire Middle East region.

Although Saudi Arabia is perceived by the Reagan administration to be a moderate Arab nation, there are very disturbing facts which lead me to be-

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lieve that this sale is very ill-advised and that such a perception is inaccurate.

First, the administration maintains that this sale is necessary because of the escalation of the Iran-Iraq war. According to the administration, however, the sale is not scheduled for delivery until 1989 and would stretch to 1991. Given the nature of the region, it would seem unwise to make such a long-term commitment to a nation which has repeatedly scorned both American and Israeli Interests.

Second, a major part of the package consists of 200 portable Stinger ground-to-air missiles. This weapon would not enhance the Saudis, defenses against Iran, whose real threat to Saudi Arabia is terrorism and subversion. Futher, in the hands of terrorists, this weapon could have disastrous consequences. It can be carried by one person and has enough destructive capability to obliterate civilian aircraft—and action which is all too possible in these times of international turmoil and tragedy.

Third, the Saudis have repeatedly acted against the interests of the United States in their support of Libya by condemning American efforts to constrain the outlaw agenda of Qadhafi and his cohorts in brutality. Saudi Arabia has publicly stated its allegiance to these international criminals, in direct opposition to American policy and interests.

Fourth, the Saudis continue to serve as a major contributor to the Palestine Liberation Organization. Last year alone, they provided Yassar Arafat and his followers with $28.5 million so that they could continue carrying out their agenda of terror and destruction long after other Arab States have abandoned financial support of these extremists.

Fifth, Saudi Arabia doesn't live up to its agreements and the administration apparently ignores this. The 1981 agreement to sell AWACS to them was based upon several conditions, one being that a peaceful resolution of disputes in the region was to have been successfully completed or significant progress toward that goal was to have been accomplished with substantial assistance from Saudi Arabia. This commitment was made by the Saudis to President Reagan nearly 5 years ago, and I daresay, that none of it has come to pass.

The situation in the region is, if possible, more unstable than ever, and there has been no positive action by the Saudis to bring peace to the area. In fact, the Saudis continue to lead the Arab boycott against Israel. They are seeking to gain additional allies in Africa to confront Israel. They continue to reinforce the isolation of Israel at every opportunity.

For these and many other reasons, this sale is not in the best interests of any nation which advocates peace in the Middle East and deplores terrorism against innocent civilians. Saudi Arabia is in a declared state of war with Israel. This sale would give her additional weapons which could be used against our closest ally in the Middle East.

America has already sold more military equipment and services to Saudi Arabia than any other single country in the world. Our sales to the Saudis exceed $50 billion, including $20 billion remaining to be delivered. Total sales to all of our European allies amounted to just $50 billion.

What should we be getting from Saudi Arabia in return? If the administration's decision to go ahead with this sale, after postponing it for over a year, is based on a real military and strategic threat to our interests, then now is the time to exact more cooperation from Saudi Arabia.

The Saudi defenses are strong, and the immediate need, other than "sending a message to Iran" does not seem to this Senator to be sufficient. Instead, we should send another message, which is that the United States should not provide additional arms to Saudi Arabia, a declared enemy of our closest ally in the Middle East, Israel, and a declared supporter of Qadhafi and Arafat, both of whom have perpetrated atrocious acts of violence against the United States and many innocent civilians traveling abroad.

Before we consider sending additional implements of war to Saudi Arabia, we need to elicit from them a comment to work for peace with Israel, as well as their concurrence with policies which are in the best interests of responsible people everywhere.●

● Mr. PACKWOOD. Mr. President, I rise today to join 60 of my colleagues in introducing the joint resolution opposing the sale of additional arms to Saudi Arabia.

Yesterday, the administration sent formal notification to Congress of its plans to sell a package of $354 million in advanced missiles to Saudi Arabia. Specifically, the package includes approximately 1,700 advanced Sidewinder air-to-air missiles, 100 Harpoon antiship missiles, and 800 Stinger handheld antiaircraft missiles.

I am opposed to this sale of more than 2,500 missiles to Saudi Arabia because I do not believe the sale is in the best interest of the United States, nor in the interest of our allies and friends in the Middle East. I believe our interests in the Middle East are best served by encouraging peace through negotiations rather than contributing further to instability in the region through yet another arms sale.

Mr. President, proponents of the sale argue that this sale is necessary to demonstrate our commitment to the security of Saudi Arabia. They argue that the Saudis need the additional missiles contained in the proposed package to offset a growing threat from Iran and to upgrade and maintain their existing defense capabilities. Finally, supporters of the sale argue that the sale would help provide American jobs and help offset our growing trade deficit, and that this sale poses no threat to Israel because Saudi Arabia already possesses weapons of the type the administration proposes to sell. Sadly, Mr. President, they make no claim that this sale will help encourage Saudi Arabia to assist in efforts to promote peace in the region through direct negotiations between Israel and her Arab neighbors.

Mr. President, we should not sell additional arms to Saudi Arabia until they join the peace process and make peace with Israel. To date, Saudi Arabia has not only failed to support American efforts to promote peace in the region, but they have worked actively against us.

Saudi Arabia continues to fund PLO terrorists and Syria—which provides safe haven and training for terrorists who have killed scores of innocent Americans. The Saudis have actively resisted the efforts of Jordan and Egypt to make peace with Israel. Finally, they have expressed support, openly and through Saudi leadership in pan-Arab conferences, for Libya in the wake of the United States' antiterrorist efforts.

Mr. President, since 1971, we have provided Saudi Arabia with over $44 billion of our most advanced military weaponry. I find it astonishing that we should be asked to further reward Saudi Arabia for working against us and our allies in each of these critical areas with yet another arms sale.

Let me also remind my colleagues that the proposed arms package before us is only part of a much larger arms package proposed last year—a package which was to contain Blackhawk helicopters, fuel tanks, bomb racks, and other enhancements for the Saudi F-15 fighters, Bradley armored fighting vehicles, and possibly M-1 tanks and additional F-15 fighters. Clearly, the current package is only the tip of the iceberg. There is every indication that Congress will be asked to approve the rest of last year's huge arms package sometime in the near future.

In conclusion, Mr. President, providing weapons contained in the current package, such as Stinger missiles—the ideal terrorist weapon—and sophisticated Harpoon antiship missiles without asking anything in return is extremely dangerous, unwise, and counterproductive. As I've said many times in the past, we should sell no arms to countries in the Middle East that are not willing to make peace with Israel and participate in the peace process. I urge the administration to reconsider

this unwise sale, and withdraw the package from consideration. I urge my colleagues to support this joint resolution and oppose the proposed arms sale to Saudi Arabia.●

● Mr. LAUTENBERG. Mr. President, today I join with Senators CRANSTON, PACKWOOD, DIXON, and D'AMATO in introducing a joint resolution to disapprove the administration's request to sell $354 million in advanced arms to Saudi Arabia. Fifty-three of our colleagues have joined as original cosponsors of this resolution.

I oppose the sale of arms to Saudi Arabia because such a sale could harm United States national security interests and jeopardize Israeli security, without fulfilling any justifiable Saudi need for these weapons.

Mr. President, the administration proposes to sell 1,700 Sidewinder air-to-air missiles, 100 Harpoon air-to-sea missiles, and 800 Stinger ground-to-air missiles to Saudi Arabia to help it defend itself against Iranian advances.

Mr. President, the rationale supporting this sale is unconvincing at best. Though the administration says Iran poses an immediate military threat to Saudi Arabia, deliveries of these weapons won't begin till 1989, and won't be completed till 1991. And Saudi Arabia's arsenals are already full to bursting with the very weapons we propose to sell them. This sale would give them at least 36 missiles per aircraft, a ratio far higher than that enjoyed by either the United States or Israel. Even that ratio underestimates the Saudis' firepower from other air-to-air missiles in their arsenals, like the American Sparrow and the French Magic.

If we look at the targets against which these missiles could be used, it is equally apparent that Saudi Arabia already has more than enough missiles to meet her defense needs. Iran has less than 100 aircraft capable of flying, and Saudi Arabia already has an arsenal of 3,000 Sidewinders to overcome these craft. Further, these antiaircraft missiles are useless against the true threat Iran poses, ground attack.

Mr. President, the administration has argued that we need to sell these weapons to Saudi Arabia to signal our determination to back the Saudis in their own defense. But the logic of this argument escapes me. How can selling the Saudis weapons they have no military need for and will not receive for several years deter Iran today? We are already signaling our determination to support Saudi Arabia in more meaningful ways—by stationing four U.S. Air Force AWAC's in Saudi Arabia to assist the Saudi Air Force in the Persian Gulf. And our past record speaks for itself. We have sent combat units to Saudi Arabia, including F-15 fighters when needed. And we have already sold Saudi Arabia far more military goods and services than any other country, over $50 billion, including future deliveries.

The administration argues that Saudi Arabia needs these missiles to defend itself against a possible threat on its southern border from South Yemen. But the South Yemen military, weakened by the recent internal fighting, is in no position to undertake military operations against the Saudis now. Future conventional military attacks from South Yemen are unlikely since the Saudi-South Yemen border traverses the "Empty Quarter," an uninhabited wasteland without roads. Even if South Yemen did threaten Saudi Arabia, its current forces are enough to defeat such a threat.

Mr. President, this administration argues that if we don't make this sale, our relationships and credibility with the Gulf Arab states and with Saudi Arabia itself will be undermined. But, Mr. President, Saudi Arabia is already our biggest customer for military goods and services. We have sold Saudi Arabia 50 million dollars' worth of military goods and services, as much as our total sales to all our European allies, and more than our sales to any other single country. How often, and for how long must we sell arms to Saudi Arabia until we are no longer told that each proposed sale is a test of our credibility in the Arab world?

Mr. President, while the rationale for this sale is weak, there are many reasons not to sell these arms to Saudi Arabia. One reason is the strong possibility that the Stingers might be obtained by the PLO through the Saudis. The Saudis provide financial support to the PLO and allow the Palestinians to work with their military. Since the Saudis already have enough Stingers for their own needs, and have a history of cooperation with the PLO, the Stingers we sell might be provided or fall into the hands of the PLO. Since Stingers are probably the ideal terrorist weapon, their use by the PLO would pose a real threat to Israel's security.

Further, in a more general sense, supplying Israel's enemies with more weapons forces Israel to spend scarce defense dollars to counter that threat. In a time of economic austerity in Israel, this sale can only add to the Israeli defense burden.

Finally, the Saudis have a long history of working against American and Israeli interests in the Middle East. I would like to bring to my colleague's attention a letter I wrote to the President, expressing my opposition to selling arms to Saudi Arabia for this reason. The letter points out Saudi Arabia's recent support for United Nations' resolutions that castigate Israel, and lay the groundwork for expelling her from the United Nations. It also points out Saudi support for the Islamic Conference resolution that expresses solidarity with Libya in the aftermath of the imposition of United States sanctions against that country. Mr. President, I ask that a copy of the letter be printed in the RECORD, along with copies of the United Nations resolution.

Mr. President, not only has Saudi Arabia's voting record in the U.N. and the Islamic Conference pointed up her hostility to United States and Israeli interests, her past behavior is equally telling. Saudi Arabia has taken the lead in trying to impose sanctions on American companies doing business with Israel, and is a strong financial backer of the PLO.

When her record is added to the lack of military justification for this sale, and Saudi Arabia's hostility to American and Israeli interests, a strong case in made for Congress to tell Saudi Arabia: No sale.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

U.S. SENATE,
Washington, DC, March 6, 1986.

The PRESIDENT,
The White House,
Washington, DC.

DEAR MR. PRESIDENT: I am writing to express my concern over Saudi Arabia's recent voting record on United Nations resolutions that condemn Israel and on her support for the Islamic Conference Resolution expressing solidarity with Libya and opposition to U.S. sanctions. In light of these recent actions, and the fact that Saudi Arabia is still in a state of war with Israel, I urge you not to propose the sale of arms to Saudi Arabia at this time.

On December 16, 1985, Saudi Arabia voted in support of a group of United Nations resolutions, collectively known as Agenda Item 38, which condemn Israel, her actions, and her policies. These resolutions lay the groundwork for expelling Israel from the United Nations and making her into an international pariah.

Saudi Arabia voted in favor of the "isolation resolution" which declares that Israel's record, policies, and actions establish conclusively that she is not a peace-loving Member State, and that she has persistently violated the principles of and failed to carry out her obligations under the Charter. It calls on all Member States to refrain from supplying Israel with weapons or military assistance, to suspend economic, financial and technological assistance to and co-operation with Israel, and to sever diplomatic, trade and cultural relations with Israel. The resolution further calls on all Member States to cease all dealings with Israel in order to totally isolate her in all fields.

Saudi Arabia also supported a resolution which condemns Israel's continued occupation of the Palestinian and other Arab territories, including Jerusalem, demands the immediate, unconditional and total withdrawal of Israel from all the territories occupied since 1967, and labels Israel's establishment of settlements as a terrorist, aggressive measure which violates the U.N. Charter and international law. That resolution also states that the U.S.-Israeli agreements on strategic co-operation and free trade, and the United States' continued supply of modern arms and substantial economic aid have encouraged Israel to pursue

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her aggressive and expansionist policies and practices.

Saudi Arabia voted favorably on a resolution which condemns the Israeli control of Jerusalem, and determines that Israel's decision to impose her laws, jurisdiction, and administration on Jerusalem is illegal, null and void.

Furthermore, the 16th Islamic foreign ministers conference, of which Saudi Arabia is a member, adopted a statement in closed session in January 9, 1986 that condemns American sanctions against Libya, expresses its categorical solidarity with Libya, demands that the U.S. government cancel its unjust measures, and calls on Islamic countries to adopt the arrangements they consider suitable to confront these unjust U.S. measures. Saudi support of this resolution is consistent with the telephone call by King Fahd to Qaddafi on January 6, 1986 expressing support for Qaddafi. The Saudi position is a direct slap at American foreign policy and your recent actions with regard to Libya. It undercuts our efforts to eradicate terrorism.

Supporters of the sale of arms to Saudi Arabia have argued that these sophisticated weapons will induce Saudi Arabia to be more cooperative with our efforts to make peace in the Middle East. But Saudi Arabia's recent votes in the U.N. and her opposition to U.S. policy on Libya give no hint of that. Instead, Saudi Arabia voted to endorse U.N. resolutions which not only violently condemn everything which Israel stands for but deny her the right to live in peace. And Saudi Arabia voted to support the actions of Muammar Qaddafi, a sworn enemy not only of Israel but of the United States. Saudi Arabia continues to be in a state of war with Israel, refuses to recognize her right to exist, and continues to support the Arab boycott of Israel.

Saudi Arabia must begin to act as if she wants peace if we are to seriously consider selling her lethal weapons which could be used against Israel.

I urge you, in light of this record, not to propose the sale of arms to Saudi Arabia.

Sincerely,

FRANK R. LAUTENBERG.

THE SITUATION IN THE MIDDLE EAST

Bahrain, Bangladesh, Djibouti, India, Indonesia, Iraq, Kuwait, Malaysia, Mauritania, Morocco, Oman, Pakistan, Qatar, Saudi Arabia, Somalia, Sudan, Tunisia, United Arab Emirates, Yemen and Yugoslavia: draft resolution

The General Assembly:

Having discussed the item entitled "The situation in the Middle East",

Reaffirming its resolutions 36/226 A and B of 17 December 1981, ES-9/1 of 5 February 1982, 37/123 F of 20 December 1982, 38/58 A to E of 13 December 1983, 38/180 A to D of 19 December 1983 and 39/146 A to C of 14 December 1984,

Recalling Security Council resolutions 425 (1978) of 19 March 1978, 497 (1981) of 17 December 1981, 508 (1982) of 5 June 1982, 509 (1982) of 6 June 1982, 511 (1982) of 18 June 1982, 512 (1982) of 19 June 1982, 513 (1982) of 4 July 1982, 515 (1982) of 29 July 1982, 516 (1982) of 1 August 1982, 517 (1982) of 4 August 1982, 518 (1982) of 12 August 1982, 519 (1982) of 17 August 1982, 520 (1982) of 17 September 1982, 521 (1982) of 19 September 1982 and 555 (1984) of 12 October 1984,

Taking note of the reports of the Secretary-General,[1]

Reaffirming the need for continued collective support for the resolutions adopted by the Twelfth Arab Summit Conference, held at Fez, Morocco, on 25 November 1981 and from 6 to 9 September 1982,[2] reiterating its previous resolutions regarding the Palestinian question, and its support for the Palestine Liberation Organization as the sole, legitmate representative of the Palestinian people, and considering that the convening of an International Conference for Peace in the Middle East, under the auspices of the United Nations, in accordance with the General Assembly resolution 38/58 C and other relevant resolutions related to the question of Palestine, would contribute to the promotion of peace in the region,

Welcoming all efforts contributing towards the realization of the inalienable rights of the Palestinian people through the achievement of a comprehensive, just and lasting peace in the Middle East, in accordance with the United Nations resolutions relating to the question of Palestine and to the situation in the Middle East,

Welcoming the world-wide support extended to the just cause of the Palestinian people and the other Arab countries in their struggle against Israeli aggression and occupation in order to achieve a comprehensive, just and lasting peace in the Middle East and the full exercise by the Palestinian people of its inalienable national rights, as affirmed by previous resolutions of the General Assembly relating to the question of Palestine and to the situation in the Middle East,

Gravely concerned that the Palestinian and other Arab territories occupied since 1967, including Jerusalem, still remain under Israeli occupation, that the relevant resolutions of the United Nations have not been implemented and that the Palestinian people is still denied the restoration of its land and the exercise of its inalienable national rights in conformity with international law, as reaffirmed by resolutions of the United Nations,

Reaffirming the applicability of the Geneva Convention relative to the Protection of Civilian Persons in time of War, of 12 August 1949,[3] to all the occupied Palestinian and other Arab territories, including Jerusalem,

Reaffirming further all relevant United Nations resolutions which stipulate that the acquisition of territory by force is inadmissible under the Charter of the United Nations and the principles of international law and that Israel must withdraw unconditionally from all the Palestinian and other Arab territories occupied by Israel since 1967, including Jerusalem,

Reaffirming also the imperative necessity of establishing a comprehensive, just and lasting peace in the region, based on full respect for the Charter and the principles of international law,

Gravely concerned also at the continuing Israeli policies involving the escalation and expansion of the conflict in the region, which further violate the principles of international law and endanger international peace and security,

Stressing once again the great importance of the time factor in the endeavours to achieve an early comprehensive, just and lasting peace in the Middle East,

1. Reaffirms its conviction that the question of Palestine is the core of the conflict in the Middle East and that no comprehensive, just and lasting peace in the region will be achieved without the full exercise by the Palestinian people of its inalienable national rights and the immediate, unconditional and total withdrawal of Israel from all the Palestinian and other occupied Arab territories;

2. Reaffirms further that a just and comprehensive settlement of the situation in the Middle East cannot be achieved without the participation on an equal footing of all the parties to the conflict, including the Palestine Liberation Organization, the representative of the Palestinian people;

3. Declares once more that peace in the Middle East is indivisible and must be based on a comprehensive, just and lasting solution of the Middle East problem, under the auspices of the United Nations and on the basis of relevant resolutions of the United Nations, which ensures the complete and unconditional withdrawal of Israel from the Palestinian and other Arab territories occupied since 1967, including Jerusalem, and which enables the Palestinian people, under the leadership of the Palestine Liberation Organization, to exercise its inalienable rights, including the right to return and the right to self-determination, national independence and the establishment of its independent sovereign State in Palestine, in accordance with the resolutions of the United Nations relevant to the question of Palestine, in particular General Assembly resolutions ES-7/2 of 29 July 1980, 36/120 A to F of 10 December 1981, 37/86 A to D of 10 December 1982, 37/86 E of 20 December 1982, 38/58 A to E of 13 December 1983 and 39/146 A to C of 14 December 1984;

4. Considers the Arab Peace Plan adopted unanimously at the Twelfth Arab Summit Conference, held at Fez, Morocco, on 25 November 1981 and from 6 to 9 September 1982,[2] reiterated by the Extraordinary Summit Conference of the Arab States held at Casablanca 1985, as well as relevant efforts and action to implement the Fez Plan, as an important contribution toward the realization of the inalienable rights of the Palestinian people through the achievement of a comprehensive, just and lasting peace in the Middle East;

5. Condemns Israel's continued occupation of the Palestinian and other Arab territories, including Jerusalem, in violation of the Charter of the United Nations, the principles of international law and the relevant resolutions of the United Nations, and demands the immediate, unconditional and total withdrawal of Israel from all the territories occupied since 1967;

6. Rejects all agreements and arrangements which violate the inalienable rights of the Palestinian people and contradict the principles of a just and comprehensive solution to the Middle East problem which ensures the establishment of a just peace in the area;

7. Deplores Israel's failure to comply with Security Council resolutions 476 (1980) of 30 June 1980 and 478 (1980) of 20 August 1980 and General Assembly resolutions 35/207 of 16 December 1980 and 36/226 A and B of 17 December 1981; determines that Israel's decision to annex Jerusalem and to declare it as its "capital" as well as the measures to alter its physical character, demographic composition, institutional structure and status are null and void and demands that they be rescinded immediately; and calls upon all Member States, the specialized agencies and all other international organizations to abide by the present resolution and all other relevant resolutions and decisions;

8. Condemns Israel's aggression, policies and practices against the Palestinian people in the occupied Palestinian territories and outside these territories, including expropriation, establishment of settlements, annexation and other terrorist, aggressive and repressive measures, which are in violation of the Charter and the principles of international law and the relevant international conventions;

9. Strongly condemns the imposition by Israel of its laws, jurisdiction and administration on the occupied Syrian Golan Heights, its annexationist policies and practices, the establishment of settlements, the confiscation of lands, the diversion of water resources and the imposition of Israeli citizenship on Syrian nationals, and declares that all these measures are null and void and constitute a violation of the rules and principles of international law relative to belligerent occupation, in particular the Geneva Convention relative to the Protection of Civilian Persons in Time of War, of 12 August 1949;

10. Considers that the agreements on strategic co-operation between the United States of America and Israel, signed on 30 November 1981, and the continued supply of modern arms and materiel to Israel, augmented by substantial economic aid, including the recently concluded Agreement on the Establishment of a Free Trade Area between the two Governments, have encouraged Israel to pursue its aggressive and expansionist policies and practices in the Palestinian and other Arab territories occupied since 1967, including Jerusalem, and have had adverse effects on efforts for the establishment of a comprehensive, just and lasting peace in the Middle East and would threaten the security of the region;

11. Calls once more upon all States to put an end to the flow to Israel of any military, economic, financial and technological aid, as well as of human resources, aimed at encouraging it to pursue its aggressive policies against the Arab countries and the Palestinian people;

12. Strongly condemns the continuing and increasing collaboration between Israel and the racist régime of South Africa, especially in the economic, military and nuclear fields, which constitutes a hostile act against the African and Arab States and enables Israel to enhance its nuclear capabilities, thus subjecting the States of the region to nuclear blackmail;

13. Reaffirms its call for the convening of an International Peace Conference on the Middle East under the auspices of the United Nations and on the basis of relevant resolutions of the United Nations—as specified in paragraph 5 of the Geneva Declaration on Palestine[4] and endorsed by General Assembly resolution 38/58 C of 13 December 1983;

MEETING No. 118—VOTE No. 26—ITEM No. 38

Recorded vote—64 Yes; 33 No; 41 Abstain:

Y—Afghanistan; Y—Albania; Y—Algeria; Angola; A—Antigua-Barbuda; A—Argentina; N—Australia; N—Austria.

A—Bahamas; Y—Bahrain; Y—Bangladesh; A—Barbados; N—Belgium; Belize; Benin; Y—Bhutan; N—Bolivia; Botswana; A—Brazil; Y—Brunei Darussalam; Y—Bulgaria; Y—Burkina Faso; A—Burma; Y—Burundi; Y—Byelorussian S.S.R.

A—Cameroon; N—Canada; Cape Verde; A—Central African Republic; A—Chad; N—Chile; Y—China; N—Colombia; Comoros; Y—Congo; N—Costa Rica; Y—Cuba; Y—Cyprus; Y—Czechoslovakia.

Democratic Kampuchea; Y—Democratic Yemen; N—Denmark; Y—Djibouti; A—Dominica; N—Dominican Republic.

N—Ecuador; A—Egypt; N—El Salvador; A—Equatorial Guinea; Y—Ethiopia.

N—Fiji; N—Finland; N—France.

A—Gabon; A—Gambia; Y—German Democratic Rep.; Germany, Federal Rep. of; Ghana; N—Greece; A—Grenada; N—Guatemala; Guinea; Guinea-Bissau; Y—Guyana.

A—Haiti; N—Honduras; Y—Hungary.

N—Iceland; Y—India; Y—Indonesia; Y—Iran (Islamic Rep. of); Y—Iraq; N—Ireland; N—Israel; N—Italy; A—Ivory Coast.

A—Jamaica; N—Japan; Y—Jordan; Y—Kenya; Y—Kuwait.

Y—Lao P.D.R.; Y—Lebanon; Lesotho; A—Liberia; Y—Libyan Arab Jamahiriya; N—Luxembourg.

Y—Madagascar; A—Malawi; Y—Malaysia; Y—Maldives; Y—Mali; A—Malta; Y—Mauritania; N—Mauritius; A—Mexico; Y—Mongolia; Y—Morocco; Y—Mozambique.

A—Nepal; N—Netherlands; N—New Zealand; Y—Nicaragua; A—Niger; Y—Nigeria; N—Norway; Y—Norway; Y—Oman.

Y—Pakistan; A—Panama; Papua New Guinea; A—Paraguay; A—Peru; A—Philippines; Y—Poland; N—Portugal; Y—Oatar.

Romania; A—Rwanda; St. Christopher and Nevis; A—Saint Lucia; A—Saint Vincent—Grenada; A—Samoa; Sao Tome and Principe; Y—Saudi Arabia; Y—Senegal; Seychelles; A—Sierra Leone; A—Singapore; Solomon Islands; Y—Somalia; South Africa; N—Spain; Y—Sri Lanka; Y—Sudan; Suriname; A—Swaziland; N—Sweden; Y—Syrian Arab Republic.

A—Thailand; A—Togo; A—Trinidad and Tobago; Y—Tunisia; Y—Turkey.

Y—Uganda; Y—Ukrainian S.S.R.; Y—Union of Soviet Socialist Republics; Y—United Arab Emirates; N—United Kingdom; Y—United Republic of Tanzania; N—United States; A—Uruguay.

Vanuatu; A—Venezuela; Y—Viet Nam; Y—Yemen; Y—Yugoslavia; A—Zaire; Y—Zambia; Y—Zimbabwe.

THE SITUATION IN THE MIDDLE EAST

Algeria, Bahrain, Bangladesh, Democratic Yemen, Djibouti, India, Indonesia, Iraq, Jordan, Kuwait, Lebanon, Libyan Arab Jamahiriya, Malaysia, Mauritania, Morocco, Oman, Pakistan, Qatar, Saudi Arabia, Somalia, Sudan, Syrian Arab Republic, Tunisia, United Arab Emirates, Yemen and Yugoslavia: draft resolution

The General Assembly:

Having discussed the item entitled "The situation in the Middle East",

Taking note of the report of the Secretary-General of 22 October 1985,[1]

Recalling Security Council resolution 497 (1981) of 17 December 1981,

Reaffirming its resolutions 36/226 B of 17 December 1981, ES-9/1 of 5 February 1982, 37/123 A of 16 December 1982, 38/180 A of 19 December 1983 and 39/146 B of 14 December 1984,

Recalling its resolution 3314 (XXIX) of 14 December 1974, in which it defined an act of aggression, inter alia, as "the invasion or attack by the armed forces of a State of the territory of another State, or any military occupation, however temporary, resulting from such invasion or attack, or any annexation by the use of force of the territory of another State or part thereof" and provided that "no consideration of whatever nature, whether political, economic, military or otherwise, may serve as a justification for aggression",

Reaffirming the fundamental principle of the inadmissibility of the acquisition of territory by force,

Reaffirming once more the applicability of the Geneva Convention relative to the Protection of Civilian Persons in Time of War, of 12 August 1949,[2] to the occupied Palestinian and other Arab territories, including Jerusalem,

Noting that Israel's record, policies and actions establish conclusively that it is not a peace-loving Member State and that it has not carried out its obligations under the Charter of the United Nations,

Noting further that Israel has refused, in violation of Article 25 of the Charter, to accept and carry out the numerous relevant decisions of the Security Council, in particular 497 (1981), thus failing to carry out its obligations under the Charter,

1. Strongly condemns Israel for its failure to comply with Security Council resolution 497 (1981) and General Assembly resolutions 36/226 B, ES-9/1, 37/123 A, 38/180 A and 39/146 B;

2. Declares one more that Israel's continued occupation of the Golan Heights, and its decision of 14 December 1981 to impose its laws, jurisdiction and administration on the occupied Syrian Golan Heights constitute an act of aggression under the provisions of Article 39 of the Charter of the United Nations and General Assembly resolution 3314 (XXIX);

3. Declares once more that Israel's decision to impose its laws, jurisdiction and administration on the occupied Syrian Golan Heights is illegal and therefore null and void and has no validity whatsoever;

4. Declares all Israeli policies and practices of, or aimed at, annexation of the occupied Palestinain and other Arab territories, including Jerusalem, to be illegal and in violation of international law and of the relevant United Nations resolutions;

5. Determines once more that all actions taken by Israel to give effect to its decision relating to the occupied Syrian Golan Heights are illegal and invalid and shall not be recognized;

6. Reaffirms its determination that all relevant provisions of the Regulations annexed to the Hague Convention IV of 1907,[3] and the Geneva Convention relative to the Protection of Civilian Persons in Time of War, of 12 August 1949, continue to apply to the Syrian territory occupied by Israel since 1967, and calls upon the parties thereto to respect and ensure respect of their obligations under these instruments in all circumstances;

7. Determines once more that the continued occupation of the Syrian Golan Heights since 1967 and their annexation by Israel on

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[1] A/40/168-S/17014, A/40/668 and Add. 1 and A/40/779-S/17581 and Corr.1.

[2] See A/37/696-S/15510, annex.

[3] United Nations, *Treaty Series*, vol. 75, No. 973, P. 287.

[4] *Report of the International Conference on the Question of Palestine, 29 August-7 September 1983* (United Nations publication, Sales No. E.83.I.21), chap. I, sect. A.

[1] A/40/779-S/17581 and Corr. 1.

[2] United Nations, *Treaty Series*, vol. 75, No. 973, p. 287.

[3] Carnegie Endowment for International Peace, *The Hague Conventions and Declarations of 1899 and 1907* (New York, Oxford University Press, 1915), p.100.

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14 December 1981, following Israel's decision to impose its laws, jurisdiction and administration on that territory, constitute a continuing threat to international peace and security;

8. Strongly deplores the negative vote by a permanent member of the Security Council which prevented the Council from adopting against Israel, under Chapter VII of the Charter, the "appropriate measures" referred to in resolution 497 (1981) unanimously adopted by the Council;

9. Further deplores any political, economic, financial, military and technological support to Israel that encourages Israel to commit acts of aggression and to consolidate and perpetuate its occupation and annexation of occupied Arab territories;

10. Firmly emphasizes once more its demand that Israel, the occupying Power, rescind forthwith its illegal decision of 14 December 1981 to impose its laws, jurisdiction and administration on the Syrian Golan Heights, which resulted in the effective annexation of that territory;

11. Reaffirms once more the overriding necessity of the total and unconditional withdrawal by Israel from all the Palestinian and other Arab territories occupied since 1967, including Jerusalem, which is an essential prerequisite for the establishment of a comprehensive and just peace in the Middle East;

12. Determines once more that Israel's record, policies and actions confirm that it is not a peace-loving Member State, that it has persistently violated the principles contained in the Charter and that it has carried out neither its obligations under the Charter nor its commitment under General Assembly resolution 273 (III) of 11 May 1949;

13. Calls once more upon all Member States to apply the following measures:

(a) To refrain from supplying Israel with any weapons and related equipment and to suspend any military assistance that Israel receives from them;

(b) To refrain from acquiring any weapons or military equipment from Israel;

(c) To suspend economic, financial and technological assistance to and co-operation with Israel;

(d) To sever diplomatic, trade and cultural relations with Israel;

14. Reiterates its call to all Member States to cease forthwith, individually and collectively, all dealings with Israel in order totally to isolate it in all fields;

15. Urges non-member States to act in accordance with the provisions of the present resolution;

16. Calls upon the specialized agencies and other international organizations to conform their relations with Israel to the terms of the present resolution;

17. Requests the Secretary-General to report to the General Assembly at its forty-first session on the implementation of the present resolution.

MEETING No. 118—VOTE No. 27—ITEM No. 38

Recorded vote—98 Yes; 19 No; 31 Abstain:

Y—Afghanistan; Y—Albania; Y—Algeria; Angola; A—Antigua-Barbuda; Y—Argentina; N—Australia; A—Austria.

A—Bahamas; Y—Bahrain; Y—Bangladesh; A—Barbados; N—Belgium; Belize; Y—Benin; Y—Bhutan; Y—Bolivia; Y—Botswana; Y—Brazil; Y—Brunei Darussalam; Y—Bulgaria; Y—Burkina Faso; A—Burma; Y—Burundi; Y—Byelorussian S.S.R.

A—Cameroon; N—Canada; Y—Cape Verde; Y—Central African Republic; Y—Chad; A—Chile; Y—China; A—Colombia; Comoros; Y—Congo; N—Costa Rica; Y—Cuba; Y—Cyprus; Y—Czechoslovakia.

Y—Democratic Kampuchea; Y—Democratic Yemen; N—Denmark; Y—Djibouti; A—Dominica; A—Dominican Republic.

Y—Equador; Y—Egypt; N—El Salvador; Y—Equatorial Guinea; Y—Ethiopia; A—Fiji; A—Finland; N—France.

Y—Gabon; Y—Gambia; Y—German Democratic Rep.; N—Germany, Federal Rep. of; Y—Ghana; Y—Greece; A—Grenada; A—Guatemala; Y—Guinea; Y—Guinea-Bissau; Y—Guyana.

A—Haiti; A—Honduras; Y—Hungary; N—Iceland; Y—India; Y—Indonesia; Y—Iran (Islamic Rep. of); Y—Iraq; N—Ireland; N—Israel; N—Italy; A—Ivory Coast.

A—Jamaica; A—Japan; Y—Jordan; Y—Kenya; Y—Kuwait.

Y—Lao P.D.R.; Y—Lebanon; Y—Lesotho; A—Liberia; Y—Libyan Arab Jamahiriya; N—Luxembourg.

Y—Madagascar; A—Malawi; Y—Malaysia; Y—Maldives; Y—Mali; Y—Malta; Y—Mauritania; Mauritius; Y—Mexico; Y—Mongolia; Y—Morocco; Y—Mozambique.

Y—Nepal; N—Netherlands; N—New Zealand; Y—Nicaragua; Y—Niger; Y—Nigeria; N—Norway; Y—Oman.

Y—Pakistan; A—Panama; Papua New Guinea; A—Paraguay; Y—Peru; Y—Philippines; Y—Poland; N—Portugal; Y—Qatar.

Y—Romania; Y—Rwanda; St. Christopher and Nevis; A—Saint Lucia; A—Saint Vincent—Grenada; A—Samda; Y—Sao Tome and Principe; Y—Saudi Arabia; Y—Senegal; Seychelles; Sierra Leone; Y—Singapore; Solomon Islands; Y—Somalia; South Africa; A—Spain; Y—Sri Lanka; Y—Sudan; Suriname; A—Swaziland; A—Sweden; Y—Syrian Arab Republic.

Y—Thailand; Y—Togo; Y—Trinidad and Tobago; Y—Tunisia; Y—Turkey.

Y—Uganda; Y—Ukrainian S.S.R.; Y—Union of Soviet Soc. Rep.; Y—United Arab Emirates; N—United Kingdom; Y—United Republic of Tanzania; N--United States; A—Uruguay.

Y—Vanuatu; Y—Venezuela; Y—Viet Nam; Y—Yemen; Y—Yugoslavia; A—Zaire; Y—Zambia; Y—Zimbabwe.

MEETING No. 118—VOTE No. 28—ITEM No. 38

Recorded vote—86 Yes; 23 No; 37 Abstain:

Y—Afghanistan; Y—Albania; Y—Algeria; Y—Angola; A—Antigua-Barbuda; Y—Argentina; N—Australia; A—Austria; A—Bahamas; Y—Bahrain; Y—Bangladesh; Y—Barbados; N—Belgium; Belize; Y—Benin; Y—Bhutan; A—Bolivia; Y—Botswana; A—Brazil; Y—Brunei Darussalam; Y—Bulgaria; Y—Burkina Faso; A—Burma; Y—Burundi; Y—Byelorussian S.S.R.

A—Cameroon; N--Canada; Y—Cape Verde; Central African Republic; Y—Chad; Chile; Y—China; A—Colombia; Y—Comoros; Y—Congo; N—Costa Rica; Y—Cuba; Y—Cyprus; Y—Czechoslovakia.

Y—Democratic Kampuchea; Y—Democratic Yemen; N—Denmark; Y—Djibouti; A—Dominica; A—Dominican Republic.

A—Ecuador; A—Egypt; N—El Salvador; A—Equatorial Guinea; Y—Ethiopia; A—Fiji; N—Finland; N—France.

Y—Gabon; Y—Gambia; Y—German Democratic Rep. of; N—Germany, Federal Rep.; Y—Ghana; Y—Greece; A—Grenada; A—Guatemala; Y—Guinea; Y—Guinea-Bissau; Y—Guyana.

N—Haiti; A—Honduras; Y—Hungary; N—Iceland; Y—India; Y—Indonesia; Y—Iran (Islamic Rep. of); Y—Iraq; N—Ireland; N—Israel; N—Italy; A—Ivory Coast.

A—Jamaica; N—Japan; Y—Jordan; Y—Kenya; Y—Kuwait.

Y—Lao P.D.R. Y—Lebanon; Y—Lesotho; A—Liberia; Y—Libyan Arab Jamahiriya; N—Luxembourg; Y—Madagascar; A—Malawi; Y—Malaysia; Y—Maldives; Y—Mali; Y—Malta; Y—Mauritania; Mauritius; Y—Mexico; Y—Mongolia; Y—Morocco; Y—Mozambique.

A—Nepal; N—Netherlands; N—New Zealand; Y—Nicaragua; Y—Niger; Y—Nigeria; N—Norway; Y—Oman.

Y—Pakistan; A—Panama; Papua New Guinea; A—Paraguay; A—Peru; A—Philippines; Y—Poland; N—Portugal; Y—Qatar; Romania.

Y—Rwanda; St. Christopher and Nevis; A—Saint Lucia; A—Saint Vincent-Grenadines; A—Samoa; Y—Sao Tome and Principe; Y—Saudi Arabia; Y—Sengal; Seychelles; A—Sierra Leone; A—Singapore; Solomon Islands; Y—Somalia; South Africa; A—Spain; Y—Sri Lanka; Y—Sudan; Suriname; A—Swaziland; N—Sweden; Y—Syrian Arab Republic. A—Thailand; Y—Togo; Y—Trinidad and Tobago; Y—Tunisia; Y—Turkey.

Y—Uganda; Y—Ukrainian S.S.R.; Y—Union of Soviet Soc. Rep.; Y—United Arab Emirates; N—United Kingdom; Y—United Republic of Tanzania; N—United States; A—Uruguay.

A—Vanuatu; A—Venezuela; Y—Viet Nam; Y—Yemen; Y—Yugoslavia; A—Zaire; Y—Zambia; Y—Zimbabwe.

THE SITUATION IN THE MIDDLE EAST

Algeria, Bahran, Bangladesh, Democratic Yemen, Djibouti, Egypt, India, Indonesia, Iraq, Jordan, Kuwait, Lebanon, Libyan Arab Jamahiriya, Malaysia, Mauritania, Morocco, Oman, Pakistan, Qatar, Saudi Arabia, Somalia, Sri Lanka, Sudan, Syrian Arab Republic, Tunisia, United Arab Emirates, Yemen and Yugoslavia: draft resolution

The General Assembly:

Recalling its resolutions 36/120 E of 10 December 1981, 37/123 C of 18 December 1982, 38/180 C of 19 December 1983 and 39/146 C of 14 December 1984, in which it determined that all legislative and administrative measures and actions taken by Israel, the occupying Power, which had altered or purported to alter the character and status of the Holy City of Jerusalem, in particular the so-called "Basic Law" on Jerusalem and the proclamation of Jerusalem as the capital of Israel, were null and void and must be rescinded forthwith,

Recalling Security Council resolution 478 (1980) of 20 August 1980, in which the Council, *inter alia*, decided not to recognize the "Basic Law" and called upon those States that had established diplomatic missions at Jerusalem to withdraw such missions from the Holy City,

Having considered the report of the Secretary-General of 22 October 1985, [1]

1. Determines that Israel's decision to impose its laws, jurisdiction and administration on the Holy City of Jerusalem is illegal and therefore null and void and has no validity whatsoever;

2. Deplores the transfer by some States of their diplomatic missions to Jerusalem in violation of Security Council resolution 478 (1980) and their refusal to comply with the provisions of that resolution;

3. Calls once upon those to abide by the provisions of the relevant United Nations resolutions, in conformity with the Charter of the United Nations;

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[1] A/40/779-S/17581 and Corr.1.

4. Requests the Secretary-General to report to the General Assembly at its forty-first session on the implementation of the present resolution.

MEETING No. 118—VOTE No. 29—ITEM No. 38

Subject: The situation in the Middle East.
Recorded vote: 137 yes, 2 no, 10 abstain.

Y—Afghanistan; Y—Albania; Y—Algeria; Angola; A—Antigua-Barbuda; Y—Argentina; Y—Australia; Y—Austria.

Y—Bahamas; Y—Bahrain; Y—Bangladesh; Y—Barbados; Y—Belgium; Belize; Y—Benin; Y—Bhutan; Y—Bolivia; Y—Botswana; Y—Brazil; Y—Brunei Darussalam; Y—Bulgaria; Y—Burkina Faso; Y—Burma; Y—Burundi; Y—Byelorussian S.S.R.

Y—Cameroon; Y—Canada; Y—Cape Verde; Y—Central African Republic; Y—Chad; Y—Chile; Y—China; Y—Colombia; Y—Comoros; Y—Congo; N—Costa Rica; Y—Cuba; Y—Cyprus; Y—Czechoslovakia.

Y—Democratic Kampuchea; Y—Democratic Yemen; Y—Denmark; Y—Djibouti; A—Dominica; Y—Dominican Republic.

Y—Ecuador; Y—Egypt; Y—El Salvador; Y—Equatorial Guinea; Y—Ethiopia.

Y—Fiji; Y—Finland; Y—France; Y—Gabon; Y—Gambia; Y—German Democratic Rep.; Y—Germany, Federal Rep. of; Y—Ghana; Y—Greece; Y—Grenada; A—Guatemala; Y—Guinea; Y—Guinea-Bissau; Y—Guyana.

Haiti; Y—Honduras; Y—Hungary; Y—Iceland; Y—India; Y—Indonesia; Y—Iran (Islamic Rep. of); Y—Iraq; Y—Ireland; Y—Israel; Y—Italy; Y—Ivory Coast.

Y—Jamaica; Y—Japan; Y—Jordan.

Y—Kenya; Y—Kuwait.

Y—Lao P.D.R; Y—Lebanon; Y—Lesotho; A—Liberia; Y—Libyan Arab Jamahiriya; Y—Luxembourg.

Y—Madagascar; A—Malawi; Y—Malaysia; Y—Maldives; Y—Mali; Y—Malta; Y—Mauritania; Y—Mauritius; Y—Mexico; Y—Mongolia; Y—Morocco; Y—Mozambique.

Y—Nepal; Y—Netherlands; Y—New Zealand; Y—Nicaragua; Y—Niger; Y—Nigeria; Y—Norway; Y—Oman.

Y—Pakistan; Y—Panama; Papua New Guinea; A—Paraguay; Y—Peru; Y—Philippines; Y—Poland; Y—Portugal; Y—Qatar.

Y—Romania; Y—Rwanda.

St. Christopher and nevis; Y—Saint Lucia; Y—Saint Vincent-Grenada Y—Samoa; Y—Sao Tome and Principe; Y—Saudi Arabia; Y—Senegal; Seychelles; Sierra Leone; Y—Singapore; Solomon Islands; Y—Somalia; South Africa; Y—Spain; Y—Sri Lanka; Y—Sudan; Y—Suriname; A—Swaziland; Y—Sweden; Y—Syrian Arab Republic.

Y—Thailand; Y—Togo; Y—Trinidad and Tobago; Y—Tunisia; Y—Turkey.

Y—Uganda; Y—Ukrainian S.S.R.; Y—Union of Soviet Soc. Rep.; Y—United Arab Emirates; Y—United Kingdom; Y—United Republic of Tanzania; A—United States; Y—Uruguay.

Y—Vanuatu; Y—Venezuela; Y—Viet Nam.

Y—Yemen; Y—Yugoslavia.

A—Zaire; Y—Zambia; Y—Zimbabwe.●

● Mr. KENNEDY. Mr. President, yesterday the administration formally notified Congress of its intention to sell sophisticated missiles to Saudi Arabia. Today I am joining Senators CRANSTON, PACKWOOD, DIXON, D'AMATO, LAUTENBERG, and 55 other Senators in introducing a resolution of disapproval of the administration's request for advance weapons to Saudi Arabia.

This administration has yet to learn a fundamental truth about the Middle East—that the way to bring peace and stability to the Middle East is through a peace policy, not an arms policy. The United States must not sell advanced weapons to the enemies of Israel unless and until that nation accepts the existence of Israel and begins direct negotiations for peace.

Opponents of this sale do not seek another confrontation with the administration. But neither can we remain silent while the administration pursues a reckless course that could endanger Israel and her people in a future confrontation in the Middle East.

Saudi Arabia has received $44 billion in arms and other military aid from the United States since 1971. Saudi Arabia already has adequate stockpiles of weapons for its own defense. This latest request for Sidewinders, Stingers, and Harpoons can only escalate the already dangerous arms race in the Middle East.

The addition of these Sidewinder missiles will bring the total to nearly 5,500—providing a far greater number of missiles per plane than that of any of our allies. These heat-seeking missiles are extremely effective—most of the 85 Syrian MIG's downed in Lebanon were destroyed by Sidewinders—with an accuracy rate of 80 percent. These missiles also enabled the British to destroy 19 Argentine aircraft in the Falklands war—using only 23 Sidewinders.

The Stinger missiles are portable weapons which can be carried and fired by individual soldiers, and which have a range of 5,000 meters and can hit planes at altitudes of up to 3,000 meters; a single missile could destroy a civilian aircraft. We need only remind ourselves of the tragic death of the Klug family in the skies over Greece last week to realize the havoc terrorists could cause should these weapons fall into their hands.

The air-launched harpoon is an anti-ship missile with a range of up to 85 nautical miles; it is not yet in the Saudi inventory. These new weapons would be used on Saudi Arabian F-15 aircraft and possibly the newly acquired British Tornados and would enhance the Saudi capacity to control the sea lanes around it.

Finally, Saudi Arabia has not lived up to the specific condition set down in writing by President Reagan in 1981 that no future advanced arms sales to Saudi Arabia would take place until significant progress toward peace in the region is not only accomplished—but accomplished with the substantial assistance of Saudi Arabia.

Yet the Saudis have consistently opposed American peace initiatives since the AWAC's sale including the Reagan plan in 1982, the May 17, 1983 Lebanon-Israel accord and the Camp David peace process. And they continue to bankroll the PLO and Syria. Clearly, there has been no progress toward peace and no Saudi assistance—and the obvious question is whether the administration meant what it said in 1981.

It is time for this administration to direct its efforts to move the peace process forward between Israel and her neighbors, not to continue trying to move one arms deal after another through Congress. No further sophisticated weapons should be sold to the Saudis until that nation accepts the existence of Israel and begins direct negotiations for peace. Unless this fundamental condition is met, this latest arms deal should be rejected by Congress.●

● Mr. D'AMATO. Mr. President, I rise today to strongly support the resolution introduced by my good friend, the senior Senator from California, which will disallow the proposed $354 million arms sale to Saudi Arabia.

The administration has formally notified Congress that it intends to sell $354 million worth of advanced missiles to Saudi Arabia. The administration cites Saudi Arabia's moderating influence in the Middle East, its close friendship with the United States, and the dangers it faces from the Iran-Iraq war.

I find fault with these arguments. Saudi Arabia has consistently worked to undermine the Arab-Israeli peace process. Saudi Arabia supports two of America's main terrorist threats, Libya and Syria. Saudi Arabia has provided not only over $4 billion of monetary assistance to the P.L.O. but also sanctuary, training, and logistics for P.L.O. militants.

I am unconvinced that we can trust the Saudis with such advanced missiles. The Saudis have not lived up to the AWAC's agreements. Congress was assured that future deliveries to Saudi Arabia of AWAC's and other advanced arms would take place only if peace efforts in the region have the substantial assistance of Saudi Arabia. This has not happened.

We do not have to prove our friendship with Saudi Arabia. We have supplied the Saudi's with over $44 billion in arms since 1971, $22 billion just during this administration. The simple fact of the matter is that Saudi Arabia does not truly need the missiles. This is just a preliminary sale. I expect the administration to come back in the future if we do not stop it now and ask to sell even more sophisticated weaponry. I also question the urgency of this sale if the missiles are not going to be sent to Saudi Arabia for quite some time.

Part of the proposed sale includes advanced hand-held Stinger missiles. The Iranian Air Force has a limited number planes capable of flying. Saudi Arabia, which already has Stinger mis-

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siles, has more than enough missiles to defend against this threat.

Our total arms sales to Saudi Arabia are larger than those to any other nation. No other nation has exceeded $12 billion in total arms purchases. Total arms sales to all of our European allies combined amounts to just $50 billion, barely more than Saudi Arabia's purchases alone. Last year Saudi Arabia, by purchasing $3.5 billion of American arms, purchased 25 percent of all United States arms exports.

It is not in the best interest of the United States and our allies in the Middle East, particularly Israel, that this sale go through. Saudi Arabia has to prove that it is truly for peace in the Middle East before the United States provides billions more in military sales.

Mr. President, the fact that so many of my colleagues have joined with me on this resolution shows the true concern of this body over this proposed sale. I urge other colleagues to cosponsor this important resolution and I ask for its quick passage.●

By Mr. HEINZ (for Mr. Glenn, Mr. Wilson, Mr. Hollings, Mr. Symms, Mr. Kerry, Mr. Cohen, Mr. Zorinsky, Mr. Rockefeller, Mr. Baucus, Mr. Dole, Mr. Lugar, Mr. Gore, Mr. Nunn, Mr. Roth, Mr. Bradley, Mr. Lautenberg, Mr. Warner, Mr. Durenberger, Mr. Matsunaga, Mr. Kasten, Mr. Sarbanes, Mr. Andrews, Mr. Riegle, Mr. Cochran, Mr. Kennedy, Mr. Pryor, Mr. Chafee, Mr. Stafford, Mr. Johnston, Mr. Levin, Mr. Bentsen, Mr. Cranston, Mr. Thurmond, Mr. Hatch, Mr. Dixon, and Mr. McClure):

S.J. Res. 317. Joint resolution to designate the month November 1986 as "National Hospice Month"; to the Committee on the Judiciary.

NATIONAL HOSPICE MONTH

● Mr. HEINZ. Mr. President, I am pleased to be joined today by Senator Glenn and 35 additional distinguished colleagues in introducing a resolution designating November 1986 as "National Hospice Month." A companion resolution is being introduced today in the House of Representatives by Congressman Gradison.

This resolution will mark the third annual National Hospice Month recognizing hospice care as a humane response to the needs of those who are terminally ill.

Hospice provides support and care for persons in the last phase of life. It enables terminally ill persons to live out the end of their lives in dignity, as fully and comfortably as possible. Hospice offers hope to family members as well by providing them with emotional support and understanding at this most difficult time.

The first hospice was established in New Haven, CT, in 1974. Hospice was a health-care innovation that was sorely needed and has been wholeheartedly embraced. In the 12 years that have passed, the hospice movement has grown dramatically, and public awareness and support for the program has grown as well. According to the Joint Commission on Accreditation of Hospitals, there are an estimated 1,400 hospice programs in the United States. Almost 100,000 patients a year receive hospice care. And thousands of volunteers each year contribute many hours of service to the care of hospice patients.

Mr. President, hospice care is very different from traditional hospital care. Most hospice patients are faced with months of severe pain and suffering while their families are faced with feelings of helplessness and frustration. While traditional hospital care is committed to treating and curing diseases, for most hospice patients there is no cure. Pain control and family support are often the only antidotes for these patients.

Hospice is an alternative for these patients—an alternative to institutionalization, to separation from families, and to purely clinical treatments. Hospice focuses not just on how long life lasts, but on the quality of that life.

Mr. President, this resolution also recognizes the many people who work as teams to make hospice care a valuable service. Hospice services are provided through the use of home health aides, social workers, registered nurses, clergy, and volunteers—all united to help those most in need.

This resolution celebrates the hope and caring that hospice brings to terminally ill patients and their families. I urge my colleagues to support this resolution, so that we may again reaffirm Congress' support for hospice. I ask that the text of the resolution be printed in the Record.

There being no objection, the joint resolution was ordered to be printed in the Record, as follows:

S.J. Res. 317

Whereas hospice care has been demonstrated to be a humanitarian way for terminally ill patients to approach the end of their lives in comfort with appropriate, competent, and compassionate care in an environment of personal individuality and dignity;

Whereas hospice advocates care of the patient and family by attending to their physical, emotional, and spiritual needs and specifically, the pain and grief they experience;

Whereas hospice care is provided by an interdisciplinary team of physicians, nurses, social workers, pharmacists, psychological and spiritual counselors, and other community volunteers trained in the hospice concept of care;

Whereas hospice is rapidly becoming a full partner in the Nation's health care system;

Whereas the recent enactment of the medicare hospice benefit makes it possible for many more elderly Americans to have the opportunity to elect to receive hospice care;

Whereas private insurance carriers and employers have recognized the value of hospice care by the inclusion of hospice benefits in health care coverage packages; and

Whereas there remains a great need to increase public awareness of the benefits of hospice care: Now, therefore, be it

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled, That the month of November 1986 is designated "National Hospice Month". The President is requested to issue a proclamation calling upon all Government agencies, the health care community, appropriate private organizations, and people of the United States to observe that month with appropriate forums, programs, and activities designed to encourage national recognition of and support for hospice care as a humane response to the needs of the terminally ill and a viable component of the health care system in this country.●

● Mr. GLENN. Mr. President, I am proud to join many of my colleagues today in introducing a resolution designating November 1986, as "National Hospice Month." Most American families have, at one time or another, faced the painful ordeal of providing care and support for a relative or friend with a terminal illness. While death is something we all must face, the death of a loved one—especially one suffering through illness—is particularly traumatic.

Hospice care provides support and care for persons in the last phase of life, enabling the terminally ill patient to live his or her remaining days surrounded by the love and support of family and friends. Hospice is an alternative to traditional hospital care; instead of focusing on treating and curing diseases, hospice care concentrates on pain control, and comfort, and family support. For most hospice patients there is no cure, so the focus of care is on the quality rather than the quantity of life.

The "National Hospice Month" resolution recognizes the efforts of the people—the nurses, social workers, physicians, and volunteers to name but a few—who work to make hospice care a reality. Their compassion and dedication to what is often a difficult job is commendable. These people provide the kind of care upon which the hospice program is based: "to cure sometimes, to relieve often and comfort always."

It is fitting that the "National Hospice Month" resolution is being introduced today. Earlier this week, on Monday, April 17, the reconciliation bill was signed into law. It puts into place two very important changes in the Medicare Hospice Program. First, the hospice benefit becomes permanent rather than expiring, as previously scheduled, on October 1, 1986. Second, it raises the daily reimbursement rate by $10 per day—to a more realistic level—which should lead to

more hospice participation in Medicare.

Mr. President, as a long-time supporter of hospice it is my hope that by drawing attention to those who work within the hospice movement, we will create more opportunities to bring their special type of care to many who are dying. We in Congress must remain firm in our support of their purpose and efforts in the care of the terminally ill. We can show our support by again enacting this resolution. I urge my colleagues in the Senate to join me in supporting the resolution designating November 1986, as "National Hospice Month."●

By Mr. ABDNOR (for himself, Mr. Durenberger, Mr. Weicker, Mr. Stennis, Mr. Moynihan, Mr. Pressler, Mr. Boschwitz, Mr. Rockefeller, Mrs. Hawkins, Mr. Dole, Mr. Bradley, Mr. Dodd, Mr. Hollings, Mr. McClure, Mr. Stevens, Mr. Nunn, Mr. Symms, Mr. Burdick, Mr. Garn, Mr. Heinz, Mr. Gore, Mr. Kerry, Mr. Warner, Mr. Nickles, Mr. Chiles, Mr. Andrews, Mr. Mathias, Mr. Trible, and Mr. Inouye):

S.J. Res. 318. Joint resolution designating November 1986 as "National Diabetes Month"; to the Committee on the Judiciary.

NATIONAL DIABETES MONTH

Mr. ABDNOR. Mr. President, I am today introducing a joint resolution to designate the month of November, 1986, as "National Diabetes Month." Although the ongoing war against diabetes has yielded significant advances in basic and clinical research aimed at prevention, diagnosis, and treatment of persons who are afflicted with this disease, much more remains to be done.

I am convinced of the need for this effect to call to the attention of the public the toll diabetes takes on the 11 million Americans afflicted with the disease and their families. Some 5 million of those afflicted are not even aware of their illness. Tens of millions of Americans—the friends and families of those with the disease—are personally affected by the grave impact which diabetes has on their loved ones. Over $14 billion are spent each year for health care, disability payments, and premature mortality costs resulting from diabetes.

Health complications resulting from diabetes affect a variety of bodily functions and organs. The lasting effects of these complications are extremely severe. For example, the National Diabetes Data Group has reported that:

Diabetes causes almost 50 percent of foot and leg amputations among adults;

Twenty percent of all cases of kindney failure, and 15 percent of all blindness is due to diabetes;

Diabetes is a major cause of birth defects and infant mortality;

The United States ranks among the highest five nations in the world in mortality due to diabetes;

Diabetes is a major risk factor for cardiovascular disease;

A disproportionately large number of black Americans, Hispanic Americans, Native Americans and women suffer from diabetes and its numerous complications;

One in every 600 children suffer from insulin dependent diabetes;

Those afflicted with diabetes spend twice as many days in hospitals as persons without the disease; and

Diabetes, which is the fourth leading cause of visits to general and family practice physicians, places a significant drain on our Nation's health resources.

Mr. President, I would like to take this opportunity to commend the American Diabetes Association, which works so diligently on behalf of the 11 million Americans who suffer from diabetes, and the South Dakota Affiliate of the American Diabetes Association for its efforts on behalf of more than 30,000 South Dakotans afflicted with diabetes and their loved ones.

Mr. President, the designation of November of this year as National Diabetes Month will serve to call to the wider attention of the American people the human and economic costs of diabetes. It is my sincere hope and belief that this increased understanding of the disease—both by those afflicted and by others—will lead to more intensive research, improved methods of preventing serious complications, new types of treatment, and general awareness of the challenge we face in seeking to lessen the impact of diabetes. I urge the speedy adoption of this joint resolution.

Mr. President, I ask unanimous consent that the text of the resolution be printed.

There being no objection, the joint resolution was ordered to be printed in the Record, as follows:

S.J. Res. 318

Whereas diabetes with its complications kills more than any other disease except cancer and cardiovascular diseases;

Whereas diabetes afflicts eleven million Americans and five million of these Americans are not aware of their illness;

Whereas more than $14,000,000,000 annually is used for health care costs, disability payments, and premature mortality costs due to diabetes;

Whereas up to 85 per centum of all cases of non-insulin dependent diabetes may be preventable through greater public understanding, awareness and education;

Whereas diabetes is particularly prevalent among black Americans, Hispanic Americans, Native Americans, and women; and

Whereas diabetes is a leading cause of blindness, kidney disease, heart disease, stroke, birth defects, and lower life expectancy, which complications may be reduced through greater patient and public understanding, awareness, and education: Now, therefore, be it

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled, That the month of November 1986 is designated as "National Diabetes Month" and the President is authorized and requested to issue a proclamation calling upon the people of the United States to observe that month with appropriate programs, ceremonies, and activities.

Mr. DURENBERGER. Mr. President, I am pleased to join my distinguished colleague from South Dakota [Mr. Abdnor] in sponsoring this important resolution designating November 1986, as National Diabetes Month. Through my past support of this initiative, including being its chief sponsor last year, I have had the opportunity to meet some impressive individuals who have diabetes or who have devoted their professional lives to researching the causes, treatments, or cures for this disease.

Diabetes is a potentially devastating disease, and yet so many diabetics have taken the bull by the horns and have mastered the management of their diabetes. They are making full use of the newest methods of home glucose monitoring, receiving laser treatments to stop hemorrhages of the eye that often lead to blindness, or are using insulin pumps to achieve the tightest control possible of their blood sugars.

Tight blood sugar control seem to be the way to go, so the latest research indicates, to prevent or arrest the development of long-term complications of diabetes—blindness, kidney disease, heart disease, stroke, and amputation. But the jury is not 100 percent in on this, and more research is needed to answer critical questions about diabetes. How important is tight blood glucose control to the long-term effects of diabetes? Through what methods of diabetes management is this best achieved? How can pancreas or islet cell—the cells in the pancreas that manufacture insulin—transplantation be perfected and made more widely available to diabetics who could most benefit from these methods of treatment?

As chairman of the Health Subcommittee of the Senate Finance Committee, I have pursued many initiatives to reform our Nation's health care system, such as championing legislation to encourage more health promotion and disease prevention in our health care delivery system. A proposal of mine to set up five Medicare demonstration programs designed to reduce the risk of disability and death or through the provision of preventative health services to Medicare beneficiaries was just signed into law by the President as part of the fiscal year 1986 budget reconciliation package. In this way, individuals will be encouraged to take more responsibility for how they manage their own health and where they spend their health care dollars.

This approach to health care is important for successful health outcomes for diabetics. Diabetes accounts for over $10 billion annually in health care expenditures in the United States, and the 2 million-plus elderly diabetics cost the Medicare Program alone about $3 billion a year. And most of these costs are from curative measures for the long-term complications of the disease—the kidney disease, the heart attacks, the amputations.

A diabetic, at the same time, is the premier example of someone whose life story plays out best when the diabetic, along with his or her physician and others in the health team, takes responsibility up front and controls the disease rather than letting the disease be in control. This management can reduce the cost of health care for the diabetic and can allow that individual to be as healthy as possible for as long as possible. With this kind of health promotion and disease prevention teamwork, costs can be less and responsibility is appropriately placed in the hands of the individual.

This approach to health care management can be a model for us all as we continue to examine ways to reform our health care system. National Diabetes Month will serve to focus the Nation on understanding the disease, intensify the scientific and educational efforts that are currently underway, and help us move another step forward in shaping a healthy future for everyone involved.

ADDITIONAL COSPONSORS

S. 471

At the request of Mr. Dodd, the name of the Senator from Montana [Mr. Baucus] was added as a cosponsor of S. 471, a bill to amend the Federal Election Campaign Act of 1971 and the Internal Revenue Code of 1954 to provide a 100 percent tax credit for small contributions to candidates for the Senate of the United States who agree to abide in the general election by an overall spending limit and a limit on the use of personal funds; to create a new overall limit on contributions by nonparty multicandidate political committees to Senate election campaigns; to provide Senate candidates with the ability to respond free or at reduced costs to independent expenditures made against a candidate or in favor of the candidate's opponent; and for other purposes.

S. 670

At the request of Mr. Pell, the name of the Senator from Tennessee [Mr. Sasser] was added as a cosponsor of S. 670, a bill to amend the National Labor Relations Act to give employers and performers in the performing arts rights given by section 8(e) of such act to employers and employees in similarly situated industries, and to give to employers and performers in the performing arts the same rights given by section 8(f) of such act to employers and employees in the construction industry, and for other purposes.

S. 856

At the request of Mr. Nickles, his name was added as a cosponsor of S. 856, a bill to amend the Internal Revenue Code of 1954 to allow the deduction for certain expenses paid or incurred by an individual in connection with the adoption of a child.

S. 896

At the request of Mr. Nickles, his name was added as a cosponsor of S. 896, a bill to amend the Internal Revenue Code of 1954 to apply rural electric cooperative plans to the provisions relating to cash or deferred arrangements.

S. 974

At the request of Mr. Weicker, the name of the Senator from West Virginia [Mr. Rockefeller] was added as a cosponsor of S. 974, a bill to provide for protection and advocacy for mentally ill persons.

S. 1154

At the request of Mr. Matsunaga, the name of the Senator from South Carolina [Mr. Hollings] was added as a cosponsor of S. 1154, a bill to amend title XVIII of the Social Security Act to provide direct medicare reimbursement for services performed by registered nurse anesthetists.

S. 1220

At the request of Mr. Hatfield, the names of the Senator from Georgia [Mr. Mattingly], and the Senator from Nebraska [Mr. Zorinsky] were added as cosponsors of S. 1220, a bill entitled the "Renewable Energy and Conservation Transition Act of 1985".

S. 1654

At the request of Mr. Stevens, the names of the Senator from Nevada [Mr. Laxalt], and the Senator from Kentucky [Mr. McConnell] were added as cosponsors of S. 1654, a bill to amend title 18, United States Code, to provide for criminal forfeiture of proceeds derived from espionage activities and rewards for informants providing information leading to arrests in espionage cases.

S. 1662

At the request of Mr. Pell, the name of the Senator from New Mexico [Mr. Bingaman] was added as a cosponsor of S. 1662, a bill to encourage the transfer of training technology developed by the Federal Government to commercial users and public industrial users.

S. 1747

At the request of Mr. Roth, the names of the Senator from Arizona [Mr. DeConcini], and the Senator from Connecticut [Mr. Dodd] were added as cosponsors of S. 1747, a bill to amend the Foreign Assistance Act of 1961 to protect tropical forests in developing countries.

S. 1748

At the request of Mr. Roth, the names of the Senator from Arizona [Mr. DeConcini] and the Senator from Connecticut [Mr. Dodd] were added as cosponsors of S. 1748, a bill to amend the Foreign Assistance Act of 1961 to protect biological diversity in developing countries.

S. 1810

At the request of Mr. Symms, the name of the Senator from South Dakota [Mr. Abdnor] was added as a cosponsor of S. 1810, a bill to require United States representatives to international financial institutions to oppose assistance by such institutions for the production of agricultural commodities in competition with United States produced agricultural commodities, and for other purposes.

S. 1835

At the request of Mr. Metzenbaum, the name of the Senator from Alabama [Mr. Heflin] was added as a cosponsor of S. 1835, a bill to provide assistance in alleviating the suffering of victims of Alzheimer's disease and their families.

S. 1855

At the request of Mr. Quayle, the name of the Senator from New York [Mr. Moynihan] was added as a cosponsor of S. 1855, a bill to revise the provisions of the Public Health Service Act relating to health planning.

S. 1888

At the request of Mr. Bumpers, the name of the Senator from New Mexico [Mr. Domenici] was added as a cosponsor of S. 1888, a bill to provide for a program of cleanup and maintenance on Federal public lands, national parks, recreation areas, and for other purposes.

S. 1917

At the request of Mr. Bradley, the names of the Senator from Alaska [Mr. Stevens], the Senator from North Dakota [Mr. Andrews], and the Senator from Florida [Mr. Chiles] were added as cosponsors of S. 1917, a bill to amend the Foreign Assistance Act of 1961 to provide assistance to promote immunization and oral rehydration, and for other purposes.

S. 1941

At the request of Mr. Denton, the names of the Senator from North Carolina [Mr. East] and the Senator from Nevada [Mr. Laxalt] were added as cosponsors of S. 1941, a bill to

protect the security of the United States by providing for sanctions against any country that provides support for perpetrators of acts of international terrorism.

S. 1942

At the request of Mr. Denton, the names of the Senator from North Carolina [Mr. East] and the Senator from Nevada [Mr. Laxalt] were added as cosponsors of S. 1942, a bill to amend title 10, United States Code, to improve the security of United States military installations.

S. 1966

At the request of Mrs. Kassebaum, the names of the Senator from Alaska [Mr. Stevens], and the Senator from Iowa [Mr. Harkin] were added as cosponsors of S. 1966, a bill to provide for efficient and equitable use of operating rights at congested airports, and for other purposes.

S. 1979

At the request of Mrs. Kassebaum, the name of the Senator from Hawaii [Mr. Matsunaga] was added as a cosponsor of S. 1979, a bill to fulfill the purposes of the Airport and Airway Improvement Act of 1982, promote air passenger safety, and provide equity to airway users.

S. 2040

At the request of Mr. Mathias, the names of the Senator from Michigan [Mr. Riegle] and the Senator from Illinois [Mr. Dixon] were added as cosponsors of S. 2040, a bill to amend title VIII of the Act commonly called the Civil Rights Act of 1968, to revise the procedures for the enforcement of fair housing, and for other purposes.

S. 2059

At the request of Mr. Nickles, his name was added as a cosponsor of S. 2059, a bill to control franking costs.

S. 2176

At the request of Mr. Boren, the names of the Senator from Nebraska [Mr. Zorinsky] and the Senator from North Dakota [Mr. Andrews] were added as cosponsors of S. 2176, a bill to amend chapter 11 of title 18, United States Code, to prohibit any former high-level Federal civilian officer or employee or high-ranking officer of a uniformed service from representing or advising a foreign principal for a period of at least 5 years after leaving Government service.

S. 2187

At the request of Mr. DeConcini, the names of the Senator from Maryland [Mr. Sarbanes], the Senator from Illinois [Mr. Simon], and the Senator from North Dakota [Mr. Andrews] were added as cosponsors of S. 2187, a bill to amend title 38, United States Code, to exempt from sequestration certain benefits for veterans and dependents and survivors of certain veterans which are paid based on the service-connected disability or death of veterans.

S. 2190

At the request of Mr. Sarbanes, the name of the Senator from Maryland [Mr. Mathias] was added as a cosponsor of S. 2190, a bill to provide that the full cost-of-living adjustment in benefits payable under certain Federal programs shall be made for 1987.

S. 2220

At the request of Mr. Cranston, the name of the Senator from Vermont [Mr. Leahy] was added as a cosponsor of S. 2220, a bill to provide for a mutual, verifiable moratorium on the testing of nuclear warheads, and for other purposes.

S. 2221

At the request of Mrs. Kassebaum, the name of the Senator from South Carolina [Mr. Thurmond] was added as a cosponsor of S. 2221, a bill to amend section 108 of the Internal Revenue Code of 1954 to provide that the discharge of certain farm indebtedness shall not be included in gross income.

S. 2229

At the request of Mr. Dodd, the names of the Senator from Massachusetts [Mr. Kerry] and the Senator from Kentucky [Mr. Ford] were added as cosponsors of S. 2229, a bill to amend the Impoundment Control Act of 1974 to provide that deferrals of budget authority by the President shall not take effect unless within 45 legislative days Congress completes action on a deferral bill, and for other purposes.

S. 2261

At the request of Mr. Humphrey, the name of the Senator from North Carolina [Mr. Helms] was added as a cosponsor of S. 2261, a bill to amend the Service Contract Act of 1965 to reform the administration of such act, and for other purposes.

SENATE JOINT RESOLUTION 2

At the request of Mr. Hatch, the name of the Senator from Kansas [Mrs. Kassebaum] was added as a cosponsor of Senate Joint Resolution 2, a joint resolution proposing an amendment to the Constitution of the United States relating to voluntary silent prayer or reflection.

SENATE JOINT RESOLUTION 112

At the request of Mr. Pell, the name of the Senator from New York [Mr. Moynihan] was added as a cosponsor of Senate Joint Resolution 112, a joint resolution to authorize and request the President to call a White House Conference on Library and Information Services to be held not later than 1989, and for other purposes.

SENATE JOINT RESOLUTION 237

At the request of Mr. Nickles, his name was added as a cosponsor of Senate Joint Resolution 237, a joint resolution to designate the month of January 1986 as "United States Savings Bonds Month".

SENATE JOINT RESOLUTION 241

At the request of Mr. Dole, the names of the Senator from Mississippi [Mr. Stennis] and the Senator from Oklahoma [Mr. Nickles] were added as cosponsors of Senate Joint Resolution 241, a joint resolution designating the week beginning on May 11, 1986, as "National Asthma and Allergy Awareness Week".

SENATE JOINT RESOLUTION 282

At the request of Mr. Moynihan, the name of the Senator from Alaska [Mr. Murkowski] was added as a cosponsor of Senate Joint Resolution 282, a joint resolution to express the disapproval of the Congress with respect to the proposed rescission of budget authority for the general revenue sharing program.

SENATE JOINT RESOLUTION 284

At the request of Mr. Metzenbaum, the names of the Senator from Ohio [Mr. Glenn] and the Senator from Rhode Island [Mr. Pell] were added as cosponsors of Senate Joint Resolution 284, a joint resolution to designate the month of May 1986 as "Better Hearing and Speech Month."

SENATE JOINT RESOLUTION 287

At the request of Mr. Boren, the name of the Senator from Ohio [Mr. Glenn] was added as a cosponsor of Senate Joint Resolution 287, a joint resolution designating September 29, 1986, as "National Teachers Day."

SENATE JOINT RESOLUTION 289

At the request of Mr. Roth, the names of the Senator from California [Mr. Wilson], the Senator from Alaska [Mr. Murkowski], the Senator from Pennsylvania [Mr. Specter], and the Senator from North Dakota [Mr. Andrews] were added as cosponsors of Senate Joint Resolution 289, a joint resolution to designate 1988 as the "Year of New Sweden" and to recognize the New Sweden '88 American Committee.

SENATE JOINT RESOLUTION 290

At the request of Mr. DeConcini, the names of the Senator from Minnesota [Mr. Boschwitz] and the Senator from Alabama [Mr. Heflin] were added as cosponsors of S.J. Res. 290, a joint resolution to designate July 4, 1986, as "National Immigrants Day."

SENATE JOINT RESOLUTION 293

At the request of Mrs. Hawkins, the names of the Senator from Hawaii [Mr. Matsunaga], the Senator from Arkansas [Mr. Bumpers], the Senator from Utah [Mr. Hatch], the Senator from Ohio [Mr. Metzenbaum], the Senator from Vermont [Mr. Stafford], and the Senator from Georgia [Mr. Mattingly] were added as cosponsors of Senate Joint Resolution 293, a joint resolution to designate the month of May 1986 as "National Child Safety Month."

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SENATE JOINT RESOLUTION 298

At the request of Mr. QUAYLE, the names of the Senator from Maine [Mr. MITCHELL], the Senator from North Carolina [Mr. EAST], the Senator from New Jersey [Mr. BRADLEY], and the Senator from Kansas [Mrs. KASSEBAUM] were added as cosponsors of Senate Joint Resolution 298, a joint resolution to designate the week of October 5, 1986, through October 11, 1986, as "Mental Illness Awareness Week."

SENATE JOINT RESOLUTION 303

At the request of Mr. MATHIAS, the names of the Senator from Minnesota [Mr. BOSCHWITZ], the Senator from Iowa [Mr. GRASSLEY], and the Senator from Massachusetts [Mr. KENNEDY] were added as cosponsors of Senate Joint Resolution 303, a joint resolution to designate April 1986, as "Fair Housing Month".

SENATE JOINT RESOLUTION 307

At the request of Mr. MATTINGLY, the names of the Senator from North Carolina [Mr. EAST], the Senator from Oklahoma [Mr. NICKLES], the Senator from New York [Mr. D'AMATO], the the Senator from Mississippi [Mr. COCHRAN], the Senator from Kansas [Mr. DOLE], the Senator from Pennsylvania [Mr. SPECTER], the Senator from Rhode Island [Mr. CHAFEE], the Senator from Florida [Mrs. HAWKINS], the Senator from Mississippi [Mr. STENNIS], the Senator from Arkansas [Mr. BUMPERS], the Senator from Arkansas [Mr. PRYOR], the Senator from Louisiana [Mr. JOHNSTON], the Senator from Tennessee [Mr. GORE], and the Senator from Missouri [Mr. EAGLETON] were added as cosponsors of Senate Joint Resolution 307, a joint resolution to designate the week of April 18, through April 27, 1986, as "National Carpet and Floorcovering Week."

SENATE JOINT RESOLUTION 312

At the request of Mr. D'AMATO, the names of the Senator from Illinois [Mr. DIXON], the Senator from Alaska [Mr. MURKOWSKI], the Senator from Tennessee [Mr. GORE], the Senator from Oklahoma [Mr. BOREN], the Senator from Pennsylvania [Mr. SPECTER], and the Senator from Georgia [Mr. MATTINGLY] were added as cosponsors of Senate Joint Resolution 312, a joint resolution designating the week beginning April 13, 1986, as "National Medical Laboratory Week."

SENATE JOINT RESOLUTION 314

At the request of Mr. QUAYLE, the name of the Senator from Minnesota [Mr. DURENBERGER] was added as a cosponsor of Senate Joint Resolution 314, a joint resolution to designate the week beginning July 27, 1986, as "National Nuclear Medicine Week."

SENATE CONCURRENT RESOLUTION 119

At the request of Mrs. KASSEBAUM, the name of the Senator from South Carolina [Mr. THURMOND] was added as a cosponsor of Senate Concurrent Resolution 119, expressing the sense of the Congress relating to an amendment to the Internal Revenue Code of 1954 excluding the discharge of qualified agricultural indebtedness from cancellation of indebtedness income.

SENATE RESOLUTION 279

At the request of Mr. NICKLES, his name was added as a cosponsor of Senate Resolution 279, a resolution expressing the sense of the Senate with respect to any transfer of U.S. territory, including certain islands in the Arctic Ocean.

SENATE RESOLUTION 332

At the request of Mr. ARMSTRONG, the names of the Senator from Alabama [Mr. DENTON], the Senator from Louisiana [Mr. LONG], the Senator from Georgia [Mr. NUNN], the Senator from Idaho [Mr. SYMMS], the Senator from Alaska [Mr. MURKOWSKI], and the Senator from Louisiana [Mr. JOHNSTON] were added as cosponsors of Senate Resolution 332, a resolution to honor the *Challenger* Space Shuttle astronauts.

SENATE RESOLUTION 335

At the request of Mr. PELL, the name of the Senator from Minnesota [Mr. BOSCHWITZ] was added as a cosponsor of Senate Resolution 335, a resolution expressing the Senate's opposition to the imposition of a fee on imported oil and refined petroleum products.

SENATE RESOLUTION 374

At the request of Mr. FORD, the names of the Senator from Utah [Mr. GARN] and the Senator from California [Mr. CRANSTON] were added as cosponsors of Senate Resolution 374, a resolution limiting the amount that may be expended by Senators for mass mailings during the remainder of fiscal year 1986.

SENATE CONCURRENT RESOLUTION 124—RELATING TO THE MILK PRODUCTION TERMINATION PROGRAM

Mr. BAUCUS (for himself, Mr. SYMMS, Mr. MCCLURE, Mr. EXON, Mr. GORE, Mr. PRYOR, Mr. BENTSEN, Mr. MELCHER, Mr. SIMPSON, Mr. ANDREWS, Mr. ZORINSKY, and Mr. ARMSTRONG) submitted the following concurrent resolution; which was referred to the Committee on Agriculture, Nutrition, and Forestry:

S. CON. RES. 124

Whereas the Food Security Act of 1985 established a milk production termination program intended to reduce the current oversupply of milk products, and

Whereas the Food Security Act of 1985 also provided that the Secretary of Agriculture should make purchases of specified amounts of red meat in order to offset the effects of the milk production termination program on the red meat market, and

Whereas the implementation of the milk production termination program has resulted in substantial declines in both current prices of red meat and futures prices for red meat, and

Whereas both cattle and dairy farmers would benefit from more stable red meat prices, and

Whereas immediate action is necessary to counteract the adverse effects of the dairy diversion program,

Resolved by the Senate (the House of Representatives concurring), That it is the sense of Congress that the Secretary of Agriculture shall immediately take the following steps to address the current instability in the red meat market.

(1) The Department shall increase the present purchase of red meat and defense distributions during the first bid period, which has been announced by the Department to be from April 1, 1986 to August 31, 1986. The purchases should proportionately reflect the presently scheduled 633,176 cows; 216,970 heifers; and 165,900 calves, which are to be slaughtered during each disposal period in the program. The red meat purchases should reflect the number of cattle that are slaughtered during each disposal period in the program.

Specifically, the Department should immediately begin purchasing more of the 200 million pounds of red meat that are to be purchased during the milk production termination program during the first disposal period. This purchase amount is in contrast to the 130 million pounds that the Department is presently scheduled to purchase during the first disposal period. Further, the Senate expresses it concern that the Department has not scheduled the present purchase of 130 million pounds until April 14, 1986 for canned meat and April 21 for frozen ground beef. These purchases do not correspond to the April 1 starting date of the first disposal period.

The Department should accomplish this purchase goal by expediting school lunch purchases and domestic feeding program purchases to begin in April rather than the traditional month of July. Toward the same end, the Department should act immediately on the provision of the law that requires that the meat be channeled through the Department of Defense.

(2) The Department should move approximately 200,000 dairy cows and corresponding heifers and calves, which are presently scheduled during the first disposal period, to later periods by moving those producers who submitted multiple bids at the same price. The move should be conducted on a voluntary basis. Any changes in the disposal period should be consistent with the existing contracts with dairy producers who are participating in the program.

(3) The Department immediately should take additional steps as necessary to alleviate the concerns in the red meat industry regarding the adverse impact on total red meat supplies due to the additional dairy cattle that are being slaughtered. The Department should implement a plan to encourage proportional spacing of dairy cattle slaughter within each disposal period for producers in the program. This could include monthly and weekly targets for dairy cattle slaughter during the disposal periods to minimize jamming of slaughter house facilities occurring in some parts of the country. The Department should also include the actual count of all dairy cattle which are marketed as a result of this program in the published weekly slaughter reports.

(4) The Department also should take further steps that would offset any further damage to the red meat industry. Producers must be assured that the Federal Government will purchase a pound of red meat to

offset every pound of red meat which enters the market as a result of the milk production termination program, and that the Department is taking other steps to provide for the orderly marketing of dairy cattle slaughtered under the program.

MILK PRODUCTION TERMINATION PROGRAM

Mr. BAUCUS. Mr. President, all of us in the Cattle Belt know that the USDA Milk Production Termination Program has devastated the cattle and beef market. As a consequence, I, working with Representative COELHO of the House, have written a Dear Colleague letter to the Members of the Senate.

In addition, I am now submitting a concurrent resolution cosponsored by Senator SYMMS, Senator MCCLURE, Senator EXON, and others, expressing the sense of the Senate and the House that the USDA should increase the present purchase of red meat and defense distribution programs; second, that the USDA should move approximately 200,000 dairy cows and a corresponding number of heifers and calves in the periods; third, that the Department immediately should take additional steps as necessary to alleviate the concerns in the red meat industry regarding the adverse impact on total red meat supplies due to the additional dairy cattle that are being slaughtered; and, fourth, that the Department should take further steps that will offset any further damage to the red meat industry.

Mr. President, this concurrent resolution is essential, I think, and I shall urge, at the appropriate time, consent to take it up and pass it.

Mr. EXON. I thank the Senator from Montana for submitting the concurrent resolution I am a cosponsor of. Both sides recognize that we have a major problem in the cattle industry right now. I hope the Secretary of Agriculture will read this concurrent resolution and act appropriately, as he has authority to do.

SENATE CONCURRENT RESOLUTION 125—RECOGNIZING THE ACHIEVEMENTS OF THE IRELAND FUND

Mr. HEINZ (for himself, Mr. LAXALT, Mr. KENNEDY, Mr. MOYNIHAN, Mr. DODD, Mr. SPECTER, Mr. HART, Mr. MATSUNAGA, and Mr. WEICKER) submitted the following concurrent resolution; which was referred to the Committee on the Judiciary:

S. CON. RES. 125

Whereas the Ireland Fund characterizes the friendship between the United States and Ireland and the goodwill which the American and Irish people have for each other;

Whereas the Ireland Fund is a nonpolitical, nonsectarian organization which raises funds in the United States to promote peace, culture and charity in Ireland;

Whereas the goal of the Ireland Fund is to realize the highest in human potential, regardless of creed or economic background;

Whereas donations to the Ireland Fund reflect the warm feelings of Americans for the people of Ireland and for the unique heritage which has contributed so much to America's growth and diversity;

Whereas the Ireland Fund has provided an opportunity for concerned Americans to support projects aimed at establishing peace and harmony in Ireland, preserving Irish culture, and fostering charitable giving to the less fortunate;

Whereas over the centuries the Irish have created one of the world's great bodies of literature, poetry, drama, art, and music and the Ireland Fund has fostered Irish culture by supporting libraries, visual arts, drama, dance, opera, classical and choral music programs as well as historic, cultural, and wildlife preservation;

Whereas the Ireland Fund supports economic and social programs in the Catholic and Protestant areas of Northern and Southern Ireland in an effort to develop the economy of both communities through programs for employment, job training, youth sports, and educational opportunities for children;

Whereas the Ireland Fund has supported many hospitals, health care facilities, and programs for the sick, the handicapped, the deaf, the blind, the abused, the homeless, the rural poor, and the elderly; and

Whereas Dr. Anthony J.F. O'Reilly, the founder and chairman of the Ireland Fund, will celebrate his fiftieth birthday on May 7, 1986: Now, therefore, be it

Resolved by the Senate (The House of Representatives concurring), That the Congress recognizes the laudable charitable achievements of the Ireland Fund and further recognizes its Founder, Dr. Anthony J.F. O'Reilly, for the humane work he has inspired on behalf of the people of Ireland.

● Mr. HEINZ. Mr. President, it is my pleasure to introduce legislation to honor the Ireland Fund and its founder, Dr. Anthony O'Reilly. The Ireland Fund is a nonsectarian society which promotes peace, culture, and charity in Ireland. Its programs are geared toward the less fortunate in Irish society, both in the North and South.

Let me emphasize to my colleagues that the Ireland Fund is completely nonpolitical. Its limited resources are entirely used for community development, employment and training, youth programs, cultural preservation, health care, the improvement and development of social services, agricultural training, and care for the elderly.

One of the most important aspects of the fund's work is its commitment to joining Catholics and Protestants in common activities of work, education, religion, and play. Their hope and their goal is to bring peace through the joint efforts of all the Irish people, North and South, Protestant and Catholic, and thus forge a better society.

The concurrent resolution which Senators LAXALT, KENNEDY, MOYNIHAN, DODD, SPECTER, HART, and I are submitting today recognizes the achievements of the Ireland Fund and its founder, Dr. Anthony O'Reilly, on the occasion of Dr. O'Reilly's 50th birthday, May 7. An identical resolution passed the House of Representatives on March 14, and I hope we in the Senate can move as quickly to honor an outstanding organization.

Mr. President, I ask unanimous consent that a list of the charities and aid societies which are supported by the Ireland Fund be printed in the RECORD at the conclusion of my remarks. I urge all my colleagues to join me in sponsoring this tribute to one of the best hopes for peace in Ireland.

There being no objection, the list was ordered to be printed in the RECORD, as follows:

ORGANIZATIONS SUPPORTED BY THE IRELAND FUND, NORTHERN AND SOUTHERN IRELAND

COMMUNITY DEVELOPMENT ORGANIZATIONS

Ballymacarrett Youth & Community Project, Belfast.
Belfast Housing Aid Society, Belfast.
Belfast Simon Community, Belfast.
Center for Neighborhood Development, Belfast.
Crossmaglen Community Association, Armagh.
Derry Youth Project, Derry.
Divis Drop-in Club, Belfast.
Falls Community Council Resource Centre, Belfast.
Gingerbread, Northern Ireland, Belfast.
Irish Council for Civil Liberties, Dublin.
Irvinestown Fairs & Market Trusteest, Fermanagh.
Mullaghmore Tenants Association, Omagh.
Royal Town Planning Institute—Irish Branch, Belfast.
Ulster People's College Association, Derry.
Waveney Community Centre, Antrim.

EMPLOYMENT ORGANIZATIONS

Crescent Youth Service, Limerick.
Education Centre, Derry.
Flax Trust, Belfast.
Glenand Youth & Community Workshop, Ltd., Belfast.
Marleville/Moor Youth Club, Derry.
Newry & Mourne Co-Operative Society, Ltd., Down.
North West Center for Learning and Development, Derry.
Northern Ireland Cooperative Enterprises, Belfast.
Omagh and District Unemployed Advice Center, Tyrone.
Shankill Photographic Workshop, Belfast.
St. Mary's Parish, Tyrone.
Worker's Educational Association, Belfast.

YOUTH AND SOCIAL PROGRAMS

Armagh Citizen's Advice Bureau, Armagh.
Ashton Street Youth Club, Belfast.
Ballymurphy Community House, Belfast.
Bangor Boys Club, Down.
Belfast Community Action, Belfast.
Buncranna Youth Club, Donegal.
Candel, Down.
Channel '78, Derry.
Dismas House, Belfast.
Divis Community Centre, Belfast.
Drumquin Youth Centre, Tyrone.
Edward Street Hostel, Armagh
Foyle Day Care Association, Derry
Holiday Projects West, Derry
Holywood School, Down
Frank McConellougue House, Derry
National Council of YMCA's of Ireland, Down

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National Federation of Youth Clubs, Dublin
Northern Ireland Association of Youth Clubs, Belfast
Northern Ireland Children's Holiday Scheme, Donegal
Northwest Council for Social Services, Derry
Rathenraw Tenants Association, Antrim
Samaritans, Belfast
Shelagh Youth Club, Down
St. Eugene's Cathedral Parish Council
St. Savior's Youth and Community Centre, Dublin
Springmartin Youth Club, Belfast

PEACE AND RECONCILIATION PROGRAM

Ballyarneet/Shantallow Resource Centre, Derry
Ballyfermot Peace Corps, Dublin
Belfast Women's Aid, Belfast
Coleraine Education Centre, Derry
Columbia House, Derry
Comchairdes-Irish Workcamp Movement, Dublin
Coolure House, Westmeath
Cornerstone Community, Belfast
Corrymeela Community, Antrim
Dalkey School Project, Dublin
Extern, Belfast
Folkschool Trust, Belfast
Free Legal Advice Centres, Dublin
Glencree Centre for Reconciliation, Wicklow
Harmony Community Trust, Belfast
Hope, Dublin
Irish School of Ecumenics, Dublin
Lagan College, Belfast
Models of Political Cooperation in Divided Societies, Queens
University, Belfast
Omagh Community Research Group, Omagh
Peace Week
Souther Movement for Peace, Limerick
Tallaght Welfare Society, Dublin
Voluntary Services, Lisburn

CULTURAL PRESERVATION

Archbishops Marsh's Library, Dublin
Belfast Library & Society for Promoting Knowledge, Belfast
Guild of Agricultural Journalists of Ireland, Dublin
Public Broadcasting System Program on James Joyce's Life, U.S.A.
Rooney Prize in Irish Literature, Ireland
Slane Community Council, Meath
Stonehill College Irish Studies Program, Massachusetts
United Arts Club, Dublin
Yeats Society, Inc., Sligo

IRISH HERITAGE

American Committee for Irish Studies
An Cumann Gaelach, Co. Monaghan
An Taisce, Dublin
An T-Oireachtas, Dublin
Arts Council, Dublin
Church of John the Evangelist, Dublin
Cinegael, Co. Galway
Crane Bag, Dublin
Gaelic Athletic Association, Dublin
Glenstal Abbey Building Fund, Co. Limerick
Graphic Studio, Dublin
Holy Cross Abbey, Co. Tipperary
Irish American Cultural Institute, St. Paul, Minnesota
Irish Wildlife Federation, Dublin
Kilkenny Archeological Committee, Kilkenny
Kilkenny Design Workshops, Kilkenny
National Film Institute of Ireland, Dublin
Out of the Shadows Photography Exhibit, Columbus, Ohio
R.O.S.C., Dublin
Royal Horticultural Society, Dublin
Royal National Lifeboat Institute, Dublin
Fraunces Tavern Museum, New York City
West Kerry Development Cooperative, Kerry

MUSIC AND THE PERFORMING ARTS

Armagh Pipers Club, Armagh
Association of Irish Composers, Dublin
Bantry Brass and Reed Band, Co. Cork
Cois na hAbhana, Co. Clare
Colaiste Muire Development Fund, Co. Clare
Colmcille Choir of Derry, Derry
Comhaltas Ceoltoiri Eireann, Co. Dublin
Cork International Choral & Dance Festival, Cork
Cumann Piobairi Uilleann and Ceoltoiri
Traidisiunta, Belfast
Field Day Theater, Co. Donegal
Irish Ballet Company, Cork
Limerick Music Association, Limerick
Moving Theater, Dublin
Music Association of Ireland, Dublin
Na Piobaire Uilleann, Dublin
National Theatre Society, Limerick
Playzone Theatre Company, Belfast
St. Mary's Concert Band, St. Mary's Youth Association, Derry
Scoil Samhraidh, Galway
Team Educational Theatre Company, Dublin
Ulster Folk News, Belfast
Ulster Singers, Belfast
Wexford Opera Festival, Wexford

HEALTH CARE AND COUNSELING

Aim Group, Dublin
Arch, Dublin
Armagh Multiple Sclerosis Support and Discussion Group, Armagh
Bantry District Mentally Handicapped Association, Co. Cork
Blind Centre for Northern Ireland, Belfast
Central Remedial Clinic, Dublin
Cherish, Dublin
Connemara Association of Mentally Retarded, Galway
Contact, Dublin
Coolemine Lodge, Co. Dublin
Friends of the Rotunda Hospital, Dublin
Hanley Centre, Dublin
Irish Heart Foundation, Dublin
Irish Stone Foundation, Dublin
Mid-Western Association for Spina Bifida & Hydrocephalus, Limerick
National Association for Cerebral Palsy, Dublin
National Association for the Deaf, Dublin
National Children's Hospital, Dublin
National Medical Rehabiliation Centre, Co. Dublin
Northern Ireland Rape Crisis Association, Belfast
Our Lady's Hospital for Sick Children, Dublin
Rutland Centre Ltd., Dublin
S.H.A.R.E., Belfast
St. Joseph's Invalids' Hostel, Co. Mayo
St. Laurence Cheshire Home, Co. Cork
St. Michael's House, Dublin
Spod, Dublin
Stanhope Alcoholism Counselling Service, Dublin
Western Care Association, Co. Mayo

CHILDREN AND YOUTH

Association of Parents and Friends df Scoil
Chiarian, Dublin
Ballymun Holiday House, Dublin
Camphill Village Community of Ireland, Kilkenny
Clare Special School Project, Co. Clare
Day Centre for Children at Risk, Cork
Dublin Samaritans, Dublin
Dublin Simon Community, Dublin
Francis Xavier Community Center Project, Dublin
Friends of St. Vincent's, Dublin
Galway Sunshine Holiday Committee, Galway
Glinsk Community Council, Co. Galway
Irish Society for Austic Children, Dublin
Irish Society for the Prevention of Cruelty to Children, Dublin
Laois Association for Mentally Handicapped Children, Co. Laois
Limerick Adapt, Co. Limerick
Limerick Youth Service, Limerick
Midleton Community & Recreation Center, Cork
National Federation of Youth Clubs, Dublin
Parents and Friends of Mary Immaculate School for Deaf Children, Co. Dublin
S.H.A.R.E., Cork
St. Benedict's Athletic Club, Co. Wicklow
St. Kieran's Enterprise Centre, Dublin
St. Vincent's Day Center, Dublin

THE RURAL POOR

An Oige Treathneach, Co. Dublin
Ballinamore Community Centre, Co. Leitrim
Bantry Bay Development Group, Co. Cork
Between, Co. Cork
Connemara West, Galway
Fairgreen Training Centre for Travellers, Galway
Kilkenny Social Services, Kilkenny
Newpark Sports Training Centre, Dublin
Northern Ireland Council for Travelling People, Belfast
Quigley's Point Community Centre, Co. Donegal
Sacred Heart College of Agriculture, Co. Mayo
St. Joseph's Social & Cultural Club, Co. Clare
St. Kieran's Training Centre for Travelling
People, Co. Wicklow
St. Martin's Centre, Co. Limerick
Women's Aid, Coleraine

EDUCATION

Clongowes Wood College, Dublin
Dublin Institute of Adult Education, Dublin
Royal College of Surgeons in Ireland, Dublin
St. Patrick's College, Maynooth
University College, Cork

THE ELDERLY

Age Concern Northern Ireland, Belfast
Ballinasloe Social Services Council, Co. Galway
Ballygall Youth & Cultural Society, Dublin
Bantry Homes for the Aged, Cork
Charles Sheils Charity, Co. Tyrone
Invalid Residential Care Group, Co. Mayo
Lourdes Day Care Centre, Dublin
Our Lady of Knock Shrine, Knock
Secular Franciscan Sisters, Dublin
Upper Springfield Family Project, Belfast●

SENATE RESOLUTION 378—TO REFER THE BILL S. 2275 TO THE COURT OF CLAIMS

Mr. LAUTENBERG submitted the following resolution; which was referred to the Committee on the Judiciary:

S. Res. 378

Resolved, That the bill (S. 2275) entitled "a bill for the relief of Dynamic Technology International, Inc., Lew Malnak Associates, Star Design, Inc., Riverside Precision Machines, and certain other individuals" now pending in the Senate, together with all the accompanying papers, is referred to the Chief Judge of the United States Claims Court. the Chief Judge shall proceed with the same in accordance with the provisions of sections 1492 and 2509 of title 28, United States Code, and report thereon to the Senate, at the earliest practicable date, giving such findings of fact and conclusions thereon as shall be sufficient to inform the Congress of the nature and character of the demand as a claim, legal or equitable, against the United States or a gratuity and the amount, if any, legally or equitably due to the claimants from the United States.

AMENDMENTS SUBMITTED

METROPOLITAN WASHINGTON AIRPORT TRANSFER

PRESSLER (AND OTHERS) AMENDMENT NOS. 1730 AND 1731

(Ordered to lie on the table.)

Mr. PRESSLER (for himself, Mr. Exon, Mr. Hollings. and Mr. Specter) submitted two amendments intended to be proposed by them to the bill (S. 1017) to provide for the transfer of the Metropolitan Washington Airports to an independent airport authority; as follows:

Amendment No. 1730

On page 35, line 7, strike "Five" and insert in lieu thereof "Two".

On page 35, line 8, strike "three" and insert in lieu thereof "two".

On page 35, line 11, strike "one member" and insert in lieu thereof "five members".

On page 35, line 22, strike "member" and insert in lieu thereof "members".

On page 36, line 5, strike "term," and insert in lieu thereof "term and".

On page 36, line 5, strike all from "and," through "term," on line 12 and insert in lieu thereof the following: "; and the President shall appoint one member for a full 6-year term, a second member for a 4-year term, and the final three members for 2-year terms,".

Amendment No. 1731

On page 35, strike all from line 7 through line 13 on page 36 and insert in lieu thereof the following:

(A) Two members shall be appointed by the Governor of Virginia,

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PRESSLER AMENDMENT NO. 1732

(Ordered to lie on the table.)

Mr. PRESSLER submitted an amendment intended to be proposed by him to amendment No. 1731 proposed by himself (and others) to the bill S. 1017, supra; as follows:

At the end of the amendment, add the following: two members shall be appointed by the Mayor of the District of Columbia, two members shall be appointed by the Governor of Maryland, and five members shall be appointed by the President with the advice and consent of the Senate; the Chairman shall be appointed from among the members by majority vote of the members and shall serve until replaced by majority vote of the members.

(B) Members shall (i) not hold elective or appointive political office, (ii) serve without compensation other than for reasonable expenses incident to board functions, and (iii) reside within the Washington Standard Metropolitan Statistical Area, except that the members appointed by the President shall not be required to reside in that area.

(C) Appointments to the board shall be for a period of 6 years; however, initial appointments to the board shall be made as follows: each jurisdiction shall appoint one member for a full 6-year term and a second member for a 4-year term; and the President shall appoint one member for a full 6-year term, a second member for a 4-year term, and the final three members for 2-year terms, with such Federal appointees subject to removal for cause.

METZENBAUM AMENDMENT NO. 1733

Mr. METZENBAUM proposed an amendment to the bill S. 1017, supra; as follows:

On page 37, line 6, beginning after the words "or for", strike through the word "Authority" on line 8, and insert in lieu thereof: "activities necessary and appropriate to serve passengers or cargo in air commerce, or for non-profit, public use facilities".

LAUTENBERG (AND OTHERS) AMENDMENT NO. 1734

Mr. LAUTENBERG (for himself, Mr. Dixon, Mr. Simon, Mr. Bradley, Mr. Kerry, Mr. Dodd, Mr. Moynihan, Mr. Sarbanes, Mr. Mathias, Mr. Eagleton, Mr. Levin, Mr. Cranston, and Mr. Byrd) proposed an amendment to the bill S. 1017, supra; as follows:

At the appropriate place, add the following:

Safe and efficient air transportation is essential to the economy of the nation; and

The margin safety in the skies is jeopardized by a serious experience drain in the air traffic control system; and

The total number of air traffic controllers is significantly below the level employed in 1981; and

At a time of rising air travel, the air traffic controller system is at 59 percent of full performance level as of September 30, 1985 as contrasted to 82 percent in 1981 and is subject to further experience drain due to expected retirement: Now, therefore,

(1) it is the Sense of the Senate that the Executive Branch should employ the quickest and most cost efficient means to return the air traffic control system to past experience levels;

(2) the Executive Branch should, to the extent required, rehire, as new employees, those experienced air traffic controllers fired from the Federal Aviation Administration in 1981, who meet standards for employment in the Federal civil service, necessary to fulfill this objective;

(3) the Executive Branch should, in implementing the intent of this resolution, insure that no involuntary displacement of existing Federal Aviation Administration personnel results from the reentry of former controllers.

KASSEBAUM (AND OTHERS) AMENDMENT NO. 1735

Mrs. KASSEBAUM (for herself, Mr. Danforth, Mr. Hollings, Mr. Exon, Mr. Ford, Mr. Rockefeller, Mr. Kasten, Mr. Goldwater, Mr. Proxmire, Mr. Metzenbaum, Mr. Abdnor, Mr. Nunn, Mr. Simon, Mr. Burdick, Mr. Lautenberg, Mr. DeConcini, Mr. Matsunaga, Mr. Riegle, Mr. Bumpers, Mr. Stennis, Mr. Pressler, Mr. Gore, Mr. Cochran, Mr. Mathias, Mr. Levin, and Mr. Stevens) proposed an amendment to the bill S. 1017, supra; as follows:

On page 50, insert the following immediately after line 9:

AIRPORT SLOTS

Sec. 13. (a) The Secretary and the Administrator of the Federal Aviation Administration (hereinafter referred to as the "Administrator") shall—

(1) repeal the final rule regarding Slot Allocation and Transfer Methods at High Density Traffic Airports, issued on December 20, 1985 (50 Fed. Reg. 52180), as in effect on the date of enactment of this Act; and

(2) after the date of enactment of this Act, not promulgate any rule or regulation or issue any order (other than on an emergency basis) relating to restrictions on aircraft operations at high density traffic airports designated in Subpart K of part 93 of title 14, Code of Federal Regulations (14 CFR 93.121 et seq.), that is inconsistent with the provisions of this section.

(b) Consistent with aviation safety, the Administrator shall, not later than 120 days after the date of enactment of this Act, provide by rule or otherwise for the recall and subsequent allocation pursuant to subsection (c) of this section of any air carrier or commuter operator instrument flight rule takeoff and landing operational privilege at high density traffic airports, hereinafter in this section referred to as a "slot", that is substantially unused. The provisions of this subsection shall not apply to any slot reserved for international operations or for essential air transportation (as defined in section 419 of the Federal Aviation Act of 1958 (49 App. U.S.C. 1389)).

(c)(1) Consistent with aviation safety, the Administrator shall, not later than 120 days after the date of enactment of this Act, establish by rule or otherwise, after affording the opportunity for and considering public comment, a mechanism for the equitable allocation of slots to which Subpart K of part 93 of title 114, Code of Federal Regulations, applies, in accordance with the provisions of this subsection.

(2) The allocation of slots (other than on a basis consistent with paragraph (4) of this subsection) shall be made by a separate air carrier and commuter air carrier scheduling committee established for each of such high density traffic airports. The Administrator shall establish the composition of each such scheduling committee.

(3) The scheduling committee shall allocate and reallocate slots according to a time schedule to be established by the Administrator.

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(4)(A) The Administrator shall, no later than 120 days after the date of enactment of this Act, and after affording the opportunity for and considering public comment, establish a special mechanism for the allocation of slots, to be utilized in the event that any scheduling committee is unable to reach agreement on the manner in which it will allocate slots within the time period established by the Administrator. Such special mechanism may include commitment of the issues involved to binding arbitration, lottery, lease by the Administrator (by auction or other market mechanism) of some or all of the slots currently in use at such airports, or any other non-market mechanism determined by the Administrator to be appropriate. The duration of any such lease or other allocation of slots shall be determined by the Administrator, after giving due consideration to the need for maintaining competition between and among airlines at high density traffic airports, the capital investment of existing users of slots at such airports, and the need for adequate air service to such airports from small- and medium-sized communities, except that no such lease or other allocation of slots shall remain in effect after December 31, 1988. Notwithstanding any other provision of law, the revenues generated by any lease of slots by the Administrator under this paragraph shall be credited to the Airport and Airway Trust Fund established in section 9502 of the Internal Revenue Code of 1954 (26 U.S.C. 9502). The Administrator shall also formulate a mechanism to allocate all new slots, voluntarily returned slots, and unused slots.

(B) Any allocation mechanism established by the Administrator under this paragraph shall be adequate to ensure the opportunity for new entry, to maintain essential air transportation, and to protect the access rights of commuter operators. In addition, the Administrator shall employ a method for the withdrawal of slots currently in use that ensures that no carrier incurs the loss of an undue proportion of its slots.

(d) No mechanism formulated or utilized under section 93.123 of title 14, Code of Federal Regulations, as in effect on February 1, 1986, or under this section shall be construed to create a permanent property right in any slot. Any such slot shall be public property, and its use shall represent a nonpermanent operating privilege within the exclusive control and jurisdiction of the Administrator. Any such privilege may be withdrawn, recalled or reallocated by the Administrator for reasons of aviation safety or airspace efficiency, or to enhance competition in air transportation.

(e)(1) Other than on an emergency basis, the Administrator shall not promulgate any rule or regulation or implement any practice that restricts aircraft operation by means of slot controls at any airport or air traffic control facility other than those specified in section 93.123 of title 14, Code of Federal Regulations, as in effect on February 1, 1986, unless the Administrator first transmits to the Congress a written report justifying the need for such rule, regulation or practice not less than 90 days before the effective date of such rule, regulation or practice.

(2)(A) No later than January 1, 1987, and every two years thereafter, the Secretary shall conclude a rulemaking to reauthorize or eliminate all high density traffic airport slot controls specified in section 93.123 of title 14, Code of Federal Regulations, and any other slot control created subsequent to such date by the Administrator. Each such rulemaking shall include a report to Congress concerning the extent to which the retention of slot controls at any airport, or the creation of new slot controls, is required in the public interest. Such report shall describe possible improvements in facilities or related air traffic control facilities or procedures that would allow slot controls to be reduced or eliminated, and shall describe any action taken by the Administrator to reduce or eliminate the need for such controls.

(B) No regulation imposing slot controls to which this paragraph applies shall have the force and effect of law after two years from the date on which it becomes effective, unless such regulation is reauthorized pursuant to subparagraph (A) of this paragraph.

(f) The Secretary and the Administrator shall make timely recommendations to the Congress regarding any additional statutory authority they consider necessary or appropriate to carry out the purposes of this section. In addition, the Secretary and the Administrator shall report annually to the Congress on the extent to which the allocation mechanisms established pursuant to subsection (c) of this section and any slot control regulations reauthorized pursuant to subsection (e) of this section have minimized barriers to entry at high density traffic airports.

PRESSLER AMENDMENT NO. 1736

(Ordered to lie on the table.)

Mr. PRESSLER submitted an amendment intended to be proposed by him to the bill S. 1017, supra; as follows:

On page 35, strike all from line 7 through line 13 on page 36 and insert in lieu thereof the following:

(A) Three members shall be appointed by the Governor of Virginia,

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PRESSLER AMENDMENT NO. 1737

(Ordered to lie on the table.)

Mr. PRESSLER submitted an amendment intended to be proposed by him to amendment No. 1736 proposed by him to the bill S. 1017, supra; as follows:

At the end of the amendment, add the following: three members shall be appointed by the Mayor of the District of Columbia, three members shall be appointed by the Governor of Maryland, and two members shall be appointed by the President with the advice and consent of the Senate; the Chairman shall be appointed from among the members by majority vote of the members and shall serve until replaced by majority vote of the members.

(B) Members shall (i) not hold elective or appointive political office, (ii) serve without compensation other than for reasonable expenses incident to board functions, and (iii) reside within the Washington Standard Metropolitan Statistical Area, except that the members appointed by the President shall not be required to reside in that area.

(C) Appointments to the board shall be for a period of 6 years; however, initial appointments to the board shall be made as follows: each jurisdiction shall appoint one member for a full 6-year term and two members for 4-year terms; and the President shall appoint two members for full 6-year terms, with such Federal appointees subject to removal for cause.

GRAMM AMENDMENT NO. 1738

Mr. GRAMM proposed an amendment to amendment No. 1738 proposed by Mrs. Kassebaum (and others) to the bill S. 1017, supra; as follows:

In lieu of language, insert:

AIRPORT SLOTS

Sec. 13. (a) The Secretary and the Administrator of the Federal Aviation Administration shall reclaim slots that have been allocated to private airlines and sell those slots to the highest bidder.

BENTSEN (AND GRAMM) AMENDMENT NO. 1739

Mr. BENTSEN (for himself and Mr. Gramm) proposed an amendment to the bill S. 1017, supra; as follows:

At the end of the bill, add the following new section:

Sec. . (a) Notwithstanding any other provision of this Act, or any other law, or any regulation issued pursuant thereto, a person shall not be prohibited from operating an air carrier aircraft nonstop between Washington National Airport and any other airport which is located within 1250 miles of Washington National Airport.

(b) Notwithstanding any other provision of this Act or any other law, the Airports Authority shall have no authority to issue any regulation imposing any such prohibition referred to in subsection (a) of this section.

TRIBLE (AND METZENBAUM) AMENDMENT NO. 1740

Mr. TRIBLE (for himself and Mr. Metzenbaum) proposed an amendment to the bill S. 1017, supra; as follows:

On page 38, line 15 insert the following after the period:

"(4) In acquiring by contract supplies or services for an amount estimated to be in excess of $200,000, or awarding concession contracts, the Airports Authority shall obtain, to the maximum extent practicable, full and open competition through the use of published competitive procedures: *Provided*, that by a vote of seven members, the Airports Authority may grant exceptions to the requirements of this paragraph."

Renumber paragraphs (4)-(7) accordingly.

PRESSLER AMENDMENT NOS. 1741 AND 1742

Mr. PRESSLER proposed two amendments to the bill S. 1017, supra; as follows:

Amendment No. 1741

Line 5, page 35, strike the word "eleven" and insert in lieu thereof "thirteen".

Line 11, page 35, strike "one member" and insert in lieu thereof "three members".

Line 22, page 35, strike "member" and insert in lieu thereof "members".

Lines 11-12, page 36, strike "a 6-year term" and insert in lieu thereof "6-year terms".

Line 14, page 36, strike "Seven" and insert in lieu thereof "Eight".

Amendment No. 1742

Line 5, page 35, strike the word "eleven" and insert in lieu thereof "thirteen".

Line 11, page 35, strike "one member" and insert in lieu thereof "three members".

Line 22, page 35, strike "member" and insert in lieu thereof "members".

Lines 11-12, page 36, strike "a 6-year term" and insert in lieu thereof "6-year terms".

HUMPHREY AMENDMENT NO. 1743

Mr. HUMPHREY proposed an amendment to the bill, S. 1017, supra; as follows:

On page 24, line 13, strike out all through line 16 and insert in lieu thereof:

SHORT TITLE

Section 1. This Act may be cited as the "Metropolitan Washington Airports Sales Act of 1986".

TITLE I—SALE OF THE METROPOLITAN WASHINGTON AIRPORTS

DEFINITIONS

Sec. 101. As used in this title, the term—

(1) "employees" means all permanent Federal Aviation Administration personnel employed on the date of sale by Washington National Airport;

(2) "Metropolitan Washington Airports" means Washington-National Airport and Washington Dulles International Airport, and includes the Dulles Airport Access Highway and Right-of-Way, including the extension between the Interstate Routes I-495 and I-66;

(3) "Secretary" means the Secretary of Transportation:

(4) "Washington Dulles International Airport" means the airport constructed under the Act entitled "An Act to authorize the construction, protection, operation, and maintenance of a public airport in or in the vicinity of the District of Columbia", approved September 7, 1950 (64 Stat. 770); and

(5) "Washington National Airport" means the airport described in the Act entitled "An Act to provide for the administration of the Washington National Airport, and for other purposes", approved June 29, 1940 (54 Stat. 686).

PROCEDURE FOR SALE OF THE METROPOLITAN WASHINGTON AIRPORTS

Sec. 102. (a) Within sixty days after the date of enactment of this title, the Secretary shall issue a request for proposal to purchase Washington National Airport and a request for proposal to purchase Washington Dulles International Airport.

(b) Such requests shall provide for—

(1) closed offers for the purchase of each such airport in accordance with the provisions of section 103;

(2) such information as is necessary to determine whether the offers meet such provisions; and

(3) a period of one hundred and twenty days for submission of offers.

(c) Within sixty days after the one hundred and twenty-day period for submission of offers, the Secretary shall select the winning offers for the purchase of such airports, in accordance with the provisions of section 103.

(d)(1) The Secretary shall take such actions as necessary to negotiate the terms of sale and transfer of each such airport to the highest offeror in accordance with the provisions of this Act.

(2) Within sixty days after the date of selection of the purchasers of the Metropolitan Washington Airports, the Secretary shall complete the sale and transfer of such airports, unless any such sale is disapproved by the enactment of a joint resolution.

SELECTION OF PURCHASERS

Sec. 103. (a) Subject to the provisions of section 104, the Secretary shall select as the purchaser of each airport from the offers received pursuant to section 102—

(1) the offeror who offers the greatest cash amount for Washington National Airport; and

(2) the offeror who offers the greatest cash amount for Washington Dulles International Airport.

(b) Notwithstanding the provisions of subsection (a), Washington National Airport and Washington Dulles International Airport may not be sold to the same purchaser. If one person offers to pay the highest cash amount for each Metropolitan Washington Airport—

(1) such person shall be selected to purchase the airport for which he offers to pay the higher cash amount; and

(2) the other airport (which such person shall be disqualified from purchasing) shall be sold to the person who offers to pay the second highest cash amount for such airport.

TERMS OF SALE FOR THE WASHINGTON METROPOLITAN AIRPORTS

Sec. 104. The sales of Washington National Airport and Washington Dulles International Airport shall be subject to the following terms:

(1) All real and personal property sold and transferred shall be used for airport purposes, or for purposes that are complementary to use as an airport.

(2) The owner of each airport may not set landing fees higher than necessary to cover the costs of operating each airport each year.

(3) Each airport shall be subject to the environmental standards, noise standards, safety regulations, and other applicable standards and regulations in effect on the date of the sale and transfer of such airport.

(4) The purchaser of Washington National Airport shall pay a minimum of $100,000,000 in cash for the purchase of such airport and the purchaser of Washington Dulles International Airport shall pay a minimum of $50,000,000 in cash for purchase of such airport.

(5) In addition to the amount paid pursuant to paragraph (4), the purchaser for Washington National Airport shall pay $39,000,000 to the United States for settlement of retirement obligations relating to employees and former employees.

(6) A majority of the equity interest in each airport shall be owned by citizens of the United States or corporations of the United States.

(7) All rights to landing aircraft, including landing slots, shall be included in the property rights sold and transferred to purchasers pursuant to this Act.

TITLE II—TRANSFER OF THE METROPOLITAN WASHINGTON AIRPORTS

FINDINGS

Sec. 201. The Congress finds, for purposes of implementing this title, that—

On page 27, line 4, strike out "Sec. 3." and insert in lieu thereof "Sec. 202.".

On page 27, line 5, strike out "Act" and insert in lieu thereof "title".

On page 27, line 13, strike out "Act" and insert in lieu thereof "title".

On page 27, strike out line 21 and insert in lieu thereof:

Sec. 203. In this title, the term—

On page 27, line 26, strike out "section 7 of this Act" and insert in lieu thereof "section 206 of this title".

On page 28, line 3, strike out "Act" and insert in lieu thereof "title".

On page 28, line 6, strike out "section 5 of this Act" and insert in lieu thereof "section 204 of this title".

On page 29, line 8, strike out "Sec. 5." and insert in lieu thereof "Sec. 204.".

On page 29, line 14, strike out "section 7 of this Act" and insert in lieu thereof "section 206 of this title".

On page 29, strike out line 16 and insert in lieu thereof "effective date of this title".

On page 30, line 19, strike out "section 9(e) of this Act" and insert in lieu thereof "section 208(e) of this title".

On page 30, line 23, strike out "9(e) of this Act" and insert in lieu thereof "208(e) of this title".

On page 31, line 9, strike out "section 9 of this Act" and insert in lieu thereof "section 208 of this title".

On page 31, line 14, strike out "section 8 of this Act" and insert in lieu thereof "section 207 of this title".

On page 31, line 22, strike out "Act" and insert in lieu thereof "title".

On page 32, line 2, strike out "Act" and insert in lieu thereof "title".

On page 32, line 5, strike out "Sec. 6." and insert in lieu thereof "Sec. 205.".

On page 32, line 15, strike out "section 7 of this Act" and insert in lieu thereof "section 206 of this title".

On page 32, line 18, strike out "Sec. 7." and insert in lieu thereof "Sec. 206.".

On page 34, strike out line 11, and insert in lieu thereof "effective date of this title;".

On page 35, line 1, strike out "8 of this Act" and insert in lieu thereof "207 of this title".

On page 36, line 17, strike out "Sec. 8." and insert in lieu thereof "Sec. 207.".

On page 36, line 17, strike out "section 5 of this Act" and insert in lieu thereof "section 204 of this title".

On page 37, line 10, strike out "Act" and insert in lieu thereof "title".

On page 38, line 19, strike out "Act" and insert in lieu thereof "title".

On page 42, line 17, strike out "Sec. 9." and insert in lieu thereof "Sec. 208.".

On page 44, line 14, strike out "8 of this Act" and insert in lieu thereof "207 of this title".

On page 46, line 12, strike out "Sec. 10." and insert in lieu thereof "Sec. 209.".

On page 46, line 15, strike out "Act" and insert in lieu thereof "title".

On page 46, line 16, strike out "section 5 of this Act" and insert in lieu thereof "section 204 of this title".

On page 47, line 16, strike out "Act" and insert in lieu thereof "title".

On page 48, line 25, strike out "section 5(b) of this Act" and insert in lieu thereof "section 204(b) of this title".

On page 49, line 2, strike out "Sec. 11." and insert in lieu thereof "Sec. 210.".

On page 49, line 7, strike out "8(a)(1) of this Act" and insert in lieu thereof "207(a)(1) of this title".

On page 50, line 2, strike out "Sec. 12." and insert in lieu thereof "Sec. 211.".

On page 50, line 9, strike out "date of enactment of this Act" and insert in lieu thereof "effective date of this title".

On page 50, line 11, strike out "Sec. 13." and insert in lieu thereof "Sec. 212.".

On page 50, line 11, strike out "Act" and insert in lieu thereof "title".

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On page 50, line 13, strike out "Act" and insert in lieu thereof "title".

On page 50, add after line 14, the following new section:

EFFECTIVE DATE

SEC. 313. The provisions of this title shall not take effect if both Metropolitan Washington Airports are sold pursuant to the terms of title I. The provisions of this title shall take effect and be applicable to either or both Metropolitan Washington Airports if no offer is received for either such airport—

(1) within the one hundred and twenty-day period pursuant to section 102(b)(3) of this Act; and

(2) which meets the terms of sale specified pursuant to section 104 of this Act.

SARBANES (AND MATHIAS) AMENDMENT NO. 1744

Mr. SARBANES (for himself and Mr. MATHIAS) proposed an amendment to the bill S. 1017, supra; as follows:

On page 39, line 9, insert before the period ", and that the nighttime noise limitation standards currently set out at 14 CFR 159.40 may not be amended, unless such standards are made more restrictive of nighttime noise".

NOTICES OF HEARINGS

SUBCOMMITTEE ON NATURAL RESOURCES DEVELOPMENT AND PRODUCTION

Mr. WARNER. Mr. President, I would like to announce for the information of the Senate and the public, the scheduling of a public hearing before the Natural Resources Development and Production Subcommittee of the Senate Energy and Natural Resources Committee.

The hearing will take place on Thursday, May 1, 1986, beginning at 10 a.m. in room SD-366 of the Dirksen Senate Office Building in Washington, DC. Testimony is invited regarding the impacts of coal and electricity imports on the domestic coal industry.

For further information regarding this hearing, you may wish to contact Ms. Ellen Rowan on the subcommittee staff at (202) 224-5205. Those wishing to testify or who wish to submit a written statement for the hearing record should write to the Natural Resources Development and Production Subcommittee, Committee on Energy and Natural Resources, Dirksen Senate Office Building, Washington, DC. 20510.

Mr. President, I would like to announce for the information of the Senate and the public, the scheduling of a public hearing before the Natural Resource Development and Production Subcommittee of the Senate Energy and Natural Resources Committee.

The hearing will take place on Thursday, May 15, 1986, beginning at 10 a.m. in room SD-366 of the Dirksen Senate Office Building in Washington, DC. Testimony is invited regarding the prospects for exporting American coal.

For further information regarding this hearing, you may wish to contact Ms. Ellen Rowan on the subcommittee staff at (292) 224-5205. Those wishing to testify or who wish to submit a written statement for the hearing record should write to the Natural Resources Development and Production Subcommittee, Committee on Energy and Natural Resources, Dirksen Senate Office Building, Washington, DC 20510.

COMMITTEE ON SMALL BUSINESS

Mr. WEICKER. Mr. President, I would like to announce that the Senate Small Business Committee will hold a field hearing on the cost and availability of liability insurance for small business in Eau Claire, WI, on April 14, 1986. The hearing will be held at the city hall council chambers in Eau Claire, and will commence at 9 a.m. For further information, please call Erline Patrick of the committee staff at 224-5175, or Steve Loucks of Senator KASTEN's office at 224-4632.

COMMITTEE ON RULES AND ADMINISTRATION

Mr. MATHIAS. Mr. President, I wish to announce that the Committee on Rules and Administration will meet at 4:15 p.m., in SR-301, Russell Senate Office Building, on Wednesday, April 9, 1986, to receive testimony on S. 2059, to control franking costs; S. 2255, to prohibit the expenditure of Federal funding for congressional newsletters; and Senate Resolution 374, to limit the amount that may be expended by Senators for mass mailings during the remainder of fiscal year 1986.

Senators wishing to testify or to submit a statement for the hearing record are requested to contact John Childers, staff director of the Rules Committee, at 224-0299.

For further information regarding this hearing, please call Mr. Childers.

AUTHORITY FOR COMMITTEES TO MEET

SELECT COMMITTEE ON INTELLIGENCE

Mr. TRIBLE. Mr. President, I ask unanimous consent that the Select Committee on Intelligence be authorized to meet during the session of the Senate on Wednesday, April 9, in closed session, to hold a hearing on the fiscal year 1987 intelligence authorization.

The PRESIDING OFFICER. Without objection, it is so ordered.

COMMITTEE ON ARMED SERVICES

Mr. TRIBLE. Mr. President, I ask unanimous consent that the Committee on Armed Services be authorized to meet during the session of the Senate on Wednesday, April 9, 1986, in closed executive session, in order to conduct a hearing on the defense of NATO, in review of S. 2199.

The PRESIDING OFFICER. Without objection, it is so ordered.

COMMITTEE ON COMMERCE, SCIENCE, AND TRANSPORTATION

Mr. TRIBLE. Mr. President, I ask unanimous consent that the Committee on Commerce, Science, and Transportation be authorized to meet during the session of the Senate on Wednesday, April 9, to conduct a hearing on the nomination of Patricia Diaz Dennis, to be a member of the Federal Communications Commission.

The PRESIDING OFFICER. Without objection, it is so ordered.

COMMITTEE ON ARMED SERVICES

Mr. TRIBLE. Mr. President, I ask unanimous consent that the Committee on Armed Services be authorized to meet during the session of the Senate on Wednesday, April 9, in closed session, to mark up an original bill to reform the military retirement system, and consider pending military nominations.

The PRESIDING OFFICER. Without objection, it is so ordered.

COMMITTEE ON THE JUDICIARY

Mr. TRIBLE. Mr. President, I ask unanimous consent that the Committee on the Judiciary be authorized to meet during the session of the Senate on Wednesday, April 9, 1986; in order to receive testimony concerning the following nominaton:

U.S. DISTRICT JUDGE

Kenneth L. Ryskamp, of Florida, to be U.S. district judge for the southern district of Florida.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. TRIBLE. Mr. President, I ask unanimous consent that the Committee on the Judiciary be authorized to meet during the session of the Senate on Wednesday, April 9, 1986, in order to receive testimony concerning S. 2160, the "Merger Modernization Act of 1986".

The PRESIDING OFFICER. Without objection, it is so ordered.

COMMITTEE ON RULES AND ADMINISTRATION

Mr. TRIBLE. Mr. President, I ask unanimous consent that the Committee on Rules and Administration be authorized to meet during the session of the Senate on Wednesday, April 9, 1986, in order to receive testimony on S. 2059, to control franking costs, S. 2255, to prohibit the expenditure of Federal funding for congressional newsletters; and Senate Resolution 374, to limit the amount that may be expended by Senators for mass mailings during the remainder of fiscal year 1986.

The PRESIDING OFFICER. Without objection, it is so ordered.

ADDITIONAL STATEMENTS

TIMBER COMES FIRST IN CANADIAN NEGOTIATIONS

● Mr. BUMPERS. Mr. President, on Friday, the Finance Committee will hold an important hearing on the question of the proposed negotiations about a United States-Canada free

trade zone. These negotiations potentially have a significant impact on the State of Arkansas so I have submitted a written statement to the Finance Committee making a series of points.

Let me be clear about my position: The United States should not begin negotiations about a free trade zone with Canada until Canada ceases providing an unfair subsidy for its timber producers. The only way in which the United States can make progress on the timber subsidy issue is hold off negotiations on the free trade zone until the subsidies are eliminated.

If the Finance Committee gives the President the green light to begin negotiations with Canada, Canada will have every incentive to postpone resolution of the subsidy issue until the very end of these negotiations, when the really hard bargaining will begin and when the Canadian subsidy practice will be valuable to Canada as a bargaining chip.

I have heard estimates that these negotiations may take 3 to 5 years to complete. If Canada can continue to avoid the timber subsidy issue throughout these negotiations, Canada may even drag out these negotiations longer than that. While there is talk, there will be no action.

The committee also should reject the President's request until he and his deputies show some understanding of the timber subsidy issue. Only then will I have some confidence that the interests of U.S. timber producers will be protected in these negotiations.

The current attitude of this administration on timber imports could not be less encouraging. Commerce Secretary Baldrige appeared before the Appropriations Committee a few weeks ago and I asked him whether the Department has reconsidered its position in the Softwood Lumber case in light of the decision of the U.S. Court of International Trade in the Carbon Black case, which held that the Department's legal rationale in both cases was nonsensical. He said the Department had not changed its position.

I then asked Secretary Baldrige how U.S. negotiators could have any credibility in arguing that the Canadian stumpage system constitutes a subsidy when the U.S. Government has explicitly rejected that finding and continues to reject this finding. He had no answer to this question.

As if this were not bad enough, the President has explicitly stated that he will veto any meaningful trade bill adopted by Congress, particularly any bill which contains any provision on the natural resource subsidy issue. In 1984 the President made this threat and, as a direct result, the natural resource subsidy provision in the trade remedies reform legislation was deleted.

If our Government agrees with Canada on the subsidy issue and if the President will prevent the Congress from taking any action against Canadian subsidies, why does Canada have any incentive to negotiate? Then, if the United States permits Canada to fold the natural resource subsidy issue into the larger free trade negotiations, Canada can ignore any protests it hears from United States timber producers at least until the final bargaining sessions 3 or 4 years from now. By then, U.S. timber producers will be so weak, they may not be able to mount an effective protest.

I am aware that there have been some meetings between United States and Canadian representatives on the timber subsidy issues, but it should come as no surprise that Canada would be willing to talk, especially now when Congress still could reject the negotiations on the free trade zone. A little talk now by Canada can prevent actions for years to come. The administration can huff and puff about the timber subsidy issue, but when it comes right down to it, Canada knows that this administration agrees with Canada on this issue.

Failing to reject the President's request for negotiating authority effectively endorses his and Canada's do-nothing approach to the timber subsidy issue. Until we get the President's attention on this issue and until he and his advisers come to see the Canadian stumpage system as a subsidy, I am hesitant about the President negotiating with Canada and, in any event, Canada will not listen if he does raise the issue. As it stands now our President does not represent the interests of U.S. timber producers. Until we get his attention he will continue to agree with Canada and protect its interests from any action by Congress.

I urge the Finance Committee to reject the President's request and put both our President and the Canadian Government on notice that this timber subsidy issue must be resolved now and it must be resolved first.●

PRIDE OF NEW JERSEY

● Mr. BRADLEY. Mr. President, I rise today to acknowledge the exceptional accomplishments of eight New Jersey citizens who serve as outstanding examples of determination and commitment to critical problems that face not only New Jersey, but the entire Nation. I am proud to join New Jersey Monthly magazine in saluting the recipients of the second annual New Jersey Pride Awards. These dedicated individuals exemplify the pride that New Jerseyites feel about our home State.

I would like to commend the following New Jerseyites for their diligence and hard work in their respective fields:

In the arts, Morris Pesin of Jersey City, known to many as the father of Liberty State Park, who has given over 25 years of service to the development of Liberty State Park, the preservation of the Statute of Liberty, and the cultural arts in Jersey City;

In community development, Lois M. Teer of Camden, who initiated a 3-year campaign to revitalize the residential communities of Camden and lure middle-income citizens to buy, rehabilitate, and move into abandoned homes;

In economic development, Leslie E. Smith, Jr., of Flanders, NJ, executive director of the International Trade Center, who conceived of the idea of a foreign trade zone in Morris County, an area that has since experienced substantial economic growth and financial stability;

In education, Saul Cooperman of Rocky Hill, New Jersey commissioner of education, under whose guidance the New Jersey Department of Education has launched programs to improve education in urban districts, raise standards for students in basic skills and in bilingual education programs, and improve the quality of teachers in the State;

In energy and environment, Jean Clark of Upper Montclair, founder of the Montclair Organization for Conservation and the current president of the New Jersey State Recycling Forum. Ms. Clark has responded to New Jersey's serious environmental and energy problems by organizing her community and others throughout the State to begin recycling;

In health, Eva Gottscho of Short Hills, founder of the Ruth Gottscho Kidney Foundation, which has been instrumental in sustaining the lives of hundreds of people by providing them with artificial kidney machines for home use;

In science and technology, Dr. David N. Goldenberg of Short Hills, founder of the Center for Molecular Medicine and Dentistry, and recent recipient of a $9.7 million grant from the National Cancer Institute, for his pioneering cancer research work;

In social services, Henry I. DeGeneste of Maplewood, superintendent of police for the Port Authority of New York and New Jersey, who has served over 17 years in law enforcement and had been involved in numerous community service projects.

All of these individuals deserve the recognition and gratitude of the people of New Jersey. Their contributions to solving problems should serve as an example for citizens and communities around the Nation.

Mr. President, New Jersey is indeed fortunate to have such outstanding and dedicated citizens as these eight individuals. I am proud to serve them as their Senator and ask that my colleagues join in my appreciation of their efforts. On behalf of the people

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of New Jersey, I offer my sincere thanks and heartfelt congratulations to the 1986 New Jersey Pride Award winners.●

NO NEED TO SELL ARMS TO COMMUNIST CHINA

● Mr. GOLDWATER. Mr. President, I was pleased that the Washington Post reported in a recent article that opposition exits in Congress to the concept of strengthening Communist China's military forces. The thrust of the news item left the false impression, however, that opponents of arms help to Red China are concerned only with the threat these sales may pose to the defense of the Republic of China on Taiwan.

It is true that Taiwan's security is important to the United States, not only because we have given our word in the Taiwan Relations Act to support her self-defense capabilities, but because the availability of facilities on a friendly Taiwan is essential to a credible United States deterrence strategy in Northeast Asia.

The substantial modernization of the so-called Peoples' Liberation Army Air Force and Navy may create a situation in which the ROC Air Command is unable to maintain general air superiority over the Taiwan Strait. In this eventuality, Peking would be able to impose a blockade of Taiwan at its discretion.

Should the United States allow the Republic of China on Taiwan to be neutralized or to fall under the control of Peking, it would foreclose the use of facilities on Taiwan to the United States and to the non-Communist coalition of free nations in the region. The neutralization or loss of Taiwan to Communist China would considerably strengthen the Soviet strategic position in Northeast Asia and it could also render Japan hostage to Peking.

But Taiwan's independence and security are not the only grounds for not helping Peking's military buildup. Other reasons include:

First, Red China is an uncertain and unproven military partner whose Government leaders and policies can change erratically.

Second, Red China is fast warming its relations with the Soviet Union and cannot be depended on to support United States strategic interests.

Third, many non-Communist nations in East Asia fear Red China as the greater or nearer threat than the Soviet Union, even if Russia is our greatest adversary at the moment. It is not only Taiwan who is threatened.

Fourth, Red China is involved in the arms race up to its ears and has sold well over $4 billion of military arms to poor countries in Africa and South America since 1973. Why should we help Red China fuel the arms race by modernizing forces and releasing her current inventory for foreign sales often harmful to United States interests?

Fifth, Red China may lack sufficient foreign exchange to pay for United States arms help. With the drop in oil prices Communist China is in even worse shape since much of her foreign revenue comes from oil exports.

Mr. President, the reason why the United States should not pursue a policy of strengthening mainland China are clearly and succinctly discussed in a recent article by Dr. Ray S. Cline of the Georgetown University Center for Strategic and International Studies in a special commentary he wrote for the magazine, the World & I. Dr. Cline asks the disturbing question:

> Can we possibly risk building up Communist China in the same way we built up Communist Russia at the end of World War II, only later to regret our folly?

I know my colleagues will find the article informative and to the point, and I submit it for the RECORD.

The article follows:

[From the World & I, January 1986]

CHINA'S CONVERSION CAUSE FOR CAUTION

(By Ray S. Cline)

President Ronald Reagan is right about the Soviet Union. It is, in its political structure, an empire tightly controlling a large number of non-Russian peoples. Its dictatorial rulers are hostile and, when circumstances permit, aggressive toward the outside world. The Soviet Communist Party's centralized totalitarian system is a cruel anachronism in modern society. Oppressing its own people, the Soviet Union sets itself up as the main strategic adversary of the United States.

Soviet leaders clamor for the empty detente of the early 1970s, which enabled Moscow to build up intimidating military power and extend its influence into Afghanistan, Syria, Yemen, Ethiopia, Angola, Nicaragua, and Vietnam. Soviet rulers react to the facts of power, not rhetoric, and this is why Mikhail Gorbachev, present chief executive of the Soviet Communist Party and State, met with Reagan in Geneva in November 1985.

The Strategic Defense Initiative (SDI), and the technological threat it represents, brought Gorbachev to the negotiating table to try to get the United States to relax tensions, as it did in the 1970s under the detente illusion.

TRAGIC ERRORS

Unfortunately, in another strategically important part of the international forest, the president appears to be allowing himself to slip into tragic errors, contrary to his own personal beliefs in his relations with the second giant communist state on the face of the globe, the People's Republic of China (PRC). The Reagan administration treats the government of a billion Chinese people, with immense potential for good or harm and how under the fist of a communist dictatorship, on the basis of sentimentality rather than realism. Bureaucrats in the U.S. State and Defense departments, who persuaded President Jimmy Carter to abandon American long-time alliance with the energetic 19 million freedom minded Chinese people of Taiwan and to pursue Peking as a strategic partner against the Soviet Union, have gone right on with this policy under Reagan. The president has gradually let the wishful thinkers about China commit the United States to continuing the humiliating restrictions on relations with the Republic of China (ROC), while offering high technology and military equipment, as well as economic assistance, to the impoverished totalitarian mainland.

This help to the PRC will never be used for American benefit. It is likely to be used against American interests in Asia, first and foremost against the U.S. strategic outpost island of Taiwan and subsequently against other friends of the United States in East Asia.

It appears that President Reagan has been hijacked by the pro-Peking clique in the U.S. Foreign Service. This group has never considered Chinese communists to be unfriendly even when Mao Zedong was murdering his own people by the millions and assisting in the murder of American soldiers in two regional Asian wars, one in Korea and the other in Vietnam.

This China policy may be good domestic politics with people who are always charitable and trusting toward communist regimes and harsh on free societies.

The question is, is wooing the PRC right for Asia and for the United States during the rest of the century? The answer is already clear in the recent Peking moves closer to Moscow, and the answer is no.

NONFRIENDLY NATION

Our appeasement of communist China in hopes of buying a friend to play off against the communist Soviet Union will not pay. It did not pay Americans to appease and enrich Hitler or Stalin. The PRC is not a friendly nation despite its wish to get our money, markets, and technology. It is an adversary, weaker than the Soviet Union but basically hostile to our form of government, our society, and our people.

It is critical to distinguish between peoples and governments. The Chinese people are products of an ancient and civilized culture, and they are friendly when they are treated well. On the mainland, the Chinese people have absolutely no influence on what the 20 million communist cadre bureaucrats or the 40 million communist party members do. This vast ruling structure follows orders from a handful of Politburo members (25) now dominated by one man 82-year-old Deng Xiaoping, just as it was dominated by one man, Mao Zedong, for 30 years. Deng is more reasonable than Mao, but he is committed to the communist system of totalitarian rule. He is not in any way friendly to democratic processes or democratic societies.

The PRC leaders are moderating their central economic controls, just as Lenin did in Russia in the 1920s, in order to milk the Americans of economic favors and use every benefit for leverage to gain strength for the future. Already, American help is building new Chinese communist bridges to the political system on which the Chinese state is modeled, the communist centralized dictatorship of the Soviet Union. If our China policy brings the two rival communist behemoths back close enough together to undermine the American position in Asia—or even to go so far as to join forces to fight Americans without declaring war, as they did in Korea and Vietnam—it will in the long run negate what President Reagan and all Americans stand for—freedom.

The headlong U.S. pursuit of the friendship of the PRC's feisty, crafty leader, Deng Xiaoping, is positively undignified. He knows how to use language soothing to American capitalist ears, but he has made no concessions whatsoever to freedom in China and has not relinquished state ownership or control of the instruments of economic production. The PRC has opposed almost every American foreign policy position adopted since he came to power. Deng recently sent Vice-premier Li Peng, educated in Moscow, to see Mikahil Gorbachev to urge improvement in Sino-Soviet relations, as he said, between "the two great neighbors and socialist countries."

Li assured Gorbachev that, contacts with the United States notwithstanding, Peking "is not aligned with, nor does it establish stategic relations with other countries." In other words, the Pentagon myth of strategic benefits from improving relations with Peking is just a fantasy.

SINO-SOVIET TIE

In the meantime a high ranking Soviet official visited Peking at the end of last year, signed a trade agreement, and arranged for pacts coordinating both countries' next five-year economic plans (1986–1990). The two countries agreed on establishing a joint commission on economic, scientific, and technological cooperation.

It is obviously easier for two centrally planned economies to mesh than for the United States to get major benefits from exchange with the state-owned enterprises of the PRC. So far, as the offshore oil industry amply demonstrates, the money has gone one way—from the market economies to the PRC—and all the United States has received is a flood of cheap textiles displacing other friendlier supply sources, including the American textile industry.

In pursuit of the presumed conclusion that the PRC will be helpful in opposing the Soviet Union, rather than using the American connection as a bargaining chip to draw closer to Moscow, a parade of U.S. notables to Peking has taken place in recent years. The list is all the more remarkable because the State Department, in response to Peking's demands, will not permit any senior United States official to visit Taipei.

June 1981: U.S. Secretary of State, Alexander Haig, visited China, concluding "U.S. will supply arms on a case by case basis."

September 1981: Former President Jimmy Carter.

January 12, 1982: Assistant Secretary of State for East Asian and Pacific Affairs, John H. Holdridge.

June 12, 1982: Senate Majority Leader Howard Baker, Jr., (R-Tenn.).

February 1983: Secretary of State George P. Shultz.

September 1983: Defense Secretary Caspar Weinberger.

April 1984: President Ronald Reagan.

August 1984: Navy Secretary John F. Lehman, Jr.

January 1985: Chairman of the Joint Chiefs of Staff John W. Vessey, Jr., and Commander-in-Chief, Pacific Forces, Admiral William Crowe.

March 1985: Undersecretary of State for political affairs, Michael Armacost.

October 13, 1985: Vice President Bush.

What has happened as a result of all these visits? All the PRC has done is scold Washington about selling arms for "sufficient self-defense" of Taiwan, as mandated in law by the Taiwan Relations Act of 1979, while demanding high technology for the mainland. What Washington has done is restrict advanced weapons for Taipei and release them for Peking. Mainframe computer sales to the PRC are ballooning. Trade in all U.S. high-technology items doubled in 1984, and the backlog of requests is swamping the control system.

The U.S. Navy wants to provide turbine engines and anti-submarine weapons for the PRC destroyers, while the Chief of Staff of the U.S. Armed Forces and the Commander-in-Chief, Pacific, spoke enthusiastically of close "military ties." Nuclear energy reactors and components have been promised for sale, although the PRC has been unwilling to make formal nonproliferation pledges.

TAIWAN TAKEOVER

Chinese communist officials furthermore have resolutely refused to renounce the use of military force to recover Taiwan. Recently Deng Xiaoping himself spoke of possible need to use "military power" to impose a "blockade" of the island to bring it into the communist fold. Presumably the destroyers enforcing a blockade, something expressly forbidden in the congressional language introduced in the Taiwan Relations Act, will have superior American missiles to face the ROC destroyers restricted to older United States equipment.

To look at China these days is confusing to most Americans because of the attempts of Deng Xiaoping's ruling clique to have their communist political cake and eat it too in the form of private incentive reforms. The ensuing semantic obfuscation is extraordinary. Close study of the facts reveals only a Chinese gamble on benefiting from American gullibility about a benign new kind of "socialism with Chinese characteristics."

Many Americans believe "reforms" will cause the PRC to emulate capitalism instead of Soviet totalitarianism. Ronald Reagan himself was persuaded to describe China as "so-called communist."

What a close examination of policies on the mainland reveals is that the Stalinist-Leninist-Maoist style of socialism has indeed proved to be an economic failure and is thoroughly discredited from the point of view of most of the Chinese populace. Peking authorities, nonetheless, have no intentions of giving up the communist party dictatorship. Deng is simply scrambling for a new economic formula that preserves tight totalitarian political control but raises standards of living so his group can stay in power.

The odds against success in the maneuver are high. In more than three decades of rule, the communist leaders have made one adjustment after another to overcome political instability, economic crises, and ideological disillusionment. All this time they have been initiating successive reforms, mostly thereby creating new problems, and never yet attaining their objectives.

Deng's post-1977 goals of modernizing agriculture, industry, national defense, and science and technology by the year 2000 seem almost as far away today as ever.

Increases in agricultural output have been achieved by giving peasants the chance to farm the land as family units—a kind of sharecropping arrangement—and to keep some surplus crops if they work hard and exceed state norms. These incentives have produced higher yields, but they do not change land ownership from what is basically a landless tenant system. The state still owns the farms and can adjust policies whenever Peking bureaucrats decide to curtail the privileges peasants have always wanted. China's rural families have always known how to raise crops if given the opportunity.

All these measures, Premier Zhao Ziyang asserted, are designed to boost the nation's gross output and to lessen the nation's financial difficulties in carrying the heavy burdens of large-scale construction for "socialist," modernization.

Peking's Communist Party Central Committee formally and with fanfare announced a drastic decision on October 20, 1984. It committed the nation to alter the economic structure of light industry and consumer services by adopting controversial quasi-capitalist market mechanisms.

This great lunge forward is designed to create a new kind of "socialism with Chinese characteristics," something different from the Soviet model, more like the Hungarian state.

UNCERTAIN OUTCOME

The task is formidable, and the ultimate results are far from certain. Freedom of small urban industry from direct and complete state control is much more complex and susceptible to individual abuse or failure than the 1978 experiment in letting peasants farm their land and keep excess profits. Already there have been massive scandals of misuse of public funds, notably in Hainan Island where the whole bureacracy was found guilty of profit-taking and non-Marxist thinking.

The hope in the minds of the communist party leaders is to avoid competition under the capitalist system, "where the law of the jungle prevails." they say, but to derive a rational set of prices that will not create inflation and will expand the availability of foreign exchange.

Deng is staking everything on the concept that a little economic freedom plus outside money and technology will finally begin to modernize communist China's long-stagnant economy. He is betting on American financing and technology to get the process started. When he does, he or his successors are very likely to bargain for a better relationship with Moscow.

Meanwhile, Peking's leaders for 35 years have been unwilling to renounce the use of force as a way of bringing Taiwan under the flag of communist China, and their present attempt to merge the "two systems" in "one nation"—the communist nation—is a veiled threat to Taiwan.

During this period from 1949 to 1984, while the mainland struggled from one disaster to another, the government in Taipei developed a much more open society. It has marched wholeheartedly down the freedom road and brought its per capita income for its people up to ten times that of the mainland.

The Chinese people of Taiwan know their accomplishments and do not intend to retrogress in terms of standard of living or representative government.

UNIVERSAL TRUTH?

When Deng set China on its present policy course, he made it clear he was promoting his own updated version of Mao's ideology, integrating the "universal truth of Marxism with the concrete realities of China." He claimed he could blaze a new path to bring prosperity to the party and the socialist cause. "We do not want capitalism," he said. "We want a socialist society with a prosperous economy." History does not give much encouragement for success in this combination.

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In fact, the odds are strongly against economic success in the PRC so long as the leadership demands, as it does, loyalty to the "Four Basic Principles" of communist propriety. These principles are the socialist road, dictatorship of the proletariat, leadership of the communist party, and Marxist-Leninist Mao Zedon Thought.

Deng has no intention of abandoning these principles, and his successors are even less likely to do so in the foreseeable future. Under this rigid political system, economic incentives, and even so-called market socialism cannot really flourish.

In these circumstances, the United States and other democracies should hold out encouragement and help toward greater freedom to the long-suffering Chinese people rather than strengthening the present communist regime. The fate of future China is at stake, with the people admiring the Taiwan economic miracle and the regime on the contrary strengthening ties to Moscow.

It would be tragic if the pro-Peking romantics in Washington undermine the stability of Taiwan by the present Carteresque restrictions on full implementation of the Taiwan Relations Act, just as Taiwan is serving as a magnet to pull mainland China toward interchanges with capitalist economies and away from cooperation with the Soviet Union.

The place in history of President Reagan may depend on the steadfastness of his own views on dealing with Taipei and Peking, concerning which the United States stands to win or lose a great deal, geopolitically. The protracted struggle with Moscow seems destined to continue inevitably, for a still longer time, but there is no need to strengthen China as a second powerful totalitarian adversary.

Undercutting the defense capability of the government in Taiwan and building up a strong military communist state on the mainland is the wrong move at this time in history. It would change the world balance of power in one of the few regions where in non-communist nations market economies and imitation of the American model of society are creating a favorable strategic trend.

Can we possibly risk building up communist China in the same way we built up communist Russia at the end of World War II, only later to regret our folly? Not if the values of a free society prevail over a naive trust in cooperation with communist dictatorships—against all the evidence of the past 65 years.●

S. 2269—TO OVERTURN SUPREME COURT DECISION IN GOLDMAN VERSUS WEINBERGER

● Mr. LAUTENBERG. Mr. President, I join with Senator D'Amato in introducing legislation to overturn the Supreme Court's 5 to 4 decision in Goldman versus Weinberger.

In Goldman, the Supreme Court held that the military's perceived need for uniformity of dress and discipline overrode the first amendment right of a male Orthodox Jewish serviceman, on duty inside a military hospital, to fulfill his traditional Jewish obligation by wearing a yarmulke.

Capt. S. Simcha Goldman is an Orthodox Jew and an ordained rabbi. He joined the Air Force as a commissioned officer, and worked as a clinical psychologist at the mental health clinic on the March Air Force Base in Riverside, CA. Until 1981, he was permitted to wear his yarmulke on the base. But in 1981, after testifying for the defense at a court-martial, the opposing attorney registered a complaint arguing that Dr. Goldman's practice of wearing a yarmulke violated Air Force regulations.

Our citizens in uniform should not be deprived of their basic constitutional rights, such as the free exercise of religion, simply because they have joined the military. There must be a compelling and supportable argument justifying such a prohibition. As the dissenting justices in Goldman versus Weinberger point out, there was no evidence in the record that the discipline of the Armed Forces would be subverted if Orthodox Jews are allowed to wear yarmulkes with their uniforms, nor did the Air Force offer any basis for such a contention as a general proposition.

This legislation is not confined to the wearing of yarmulkes, but addresses the wearing of any item of apparel that is part of the member's religious observance. The legislation states:

> In order to preserve constitutional rights to the free exercise of religion, a member of the Army, Navy, Air Force or Marine Corps may wear any neat, conservative, and unobstrusive item of apparel if the wearing of such apparel is part of the religious observance of the member, unless the wearing of such apparel interferes with the performance of the member's military duties.

I urge my colleagues to pass this legislation swiftly so that the ability of members of the armed services to freely exercise their religious beliefs by wearing apparel that is part of their religious observance will be preserved.●

ADHERENCE TO SALT NUCLEAR ARMS LIMITS

● Mr. CHAFEE. Mr. President, the Reagan administration is approaching a decision on an issue which is vital to our national security: adherence to the SALT nuclear arms limits.

The sea trials of the eighth Trident submarine, the U.S.S. *Nevada*, this May will push the United States over the MIRV'ed missile sublimit of the SALT II Treaty. To remain within the SALT II limits, a similar number of older MIRV'ed missile systems must be dismantled.

Senator John Heinz recently wrote an op-ed piece for the Philadelphia Inquirer on SALT II restraint which I think is worth the careful attention of my colleagues. I ask that the editorial by Senator Heinz be printed in the Record.

The editorial follows:

[From the Philadelphia Inquirer, Apr. 7, 1986]

UNITED STATES SHOULD KEEP SALT II LIMITS

(By Senator John Heinz)

Attention is focused on the next summit between President Reagan and Soviet party Secretary Mikhail S. Gorbachev. Yet the future of any nuclear arms reduction agreement will be decided by a critical decision the President must make before any summit takes place.

At issue is the superpowers' common interest in restraining the nuclear arms race by adhering to ceilings in the second Strategic Arms Limitation Treaty that limit the quantity and type of nuclear missile launchers on each side. Before May, President Reagan must decide whether to continue to abide by these limits. Some favoring a more confrontational approach, argue that Reagan should ignore the limits.

A presidential decision is necessary because the May sea trials of the eighth Trident submarine, the USS Nevada, will push the United States over the MIRVed (multiple independently targeted re-entry vehicles) ballistic missile (ICBM) sublimits of SALT II. He must decide if the United States is to dismantle a number of older MIRVed systems in order to stay within these limits. His alternative is to abrogate the ceilings now observed by both sides.

If the limits are broken and a new arms race develops, it is virtually inconceivable that the military on either side would be willing to discard weapons bought today in order to implement tomorrow's substantial reductions in nuclear arsenals, reductions that both Reagan and Gorbachev set as a goal at last year's summit.

For the last seven years, SALT II has been the sole framework for restraining the nuclear arms race because it has effectively limited the number of strategic launchers and, indirectly, warheads that each side can deploy.

Independent assessments have concluded that without the SALT II constraints, both superpowers could increase the size of their nuclear arsenals to about 27,000 strategic weapons by 1994—up dramatically from today's levels of around 10,000. More importantly, the Soviet Union could increase its strategic weapons levels by almost 7,000 during the next four years, whereas the United States could only increase its strategic weapons by about 3,700. Reagan has stated the Soviet Union has "a capacity to increase weaponry much faster than the treaty permitted" and that the United States does not.

Both Reagan and the Joint Chiefs of Staff have concluded that the United States is more secure with the SALT II limits than without them. Nothing in the strategic situation has changed from last June when the President endorsed interim restraint. Now is clearly not the time to move in the opposite direction, toward an unconstrained arms race, by discarding the SALT II limits.

Critics of this policy argue, with some justification, that the Soviets have violated other provisons of the unratified treaty. There is no dispute, however, that the Soviets are complying with the key provisions of the SALT agreement limiting both sides' offensive arsenals: the numerical ceiling of 1,320 MIRVed ICBMs, SLBMs (submarine-launched ballistic missiles) and ALCM-carrying (air-launched cruise missiles) bombers. Until now, both sides have dismantled older

systems as newer systems are deployed in order to comply with these SALT II ceilings.

The President has indicated, correctly in my view, that the resolution of compliance issues must be incorporated into any new arms control treaty.

A strong and meaningful response to Soviet violations, however, does not require abandoning the numerical limits imposed by SALT II, as long as the Soviets continue to comply with them. Other avenues of proportionate response are available.

The adminsitration, however, is reportedly considering a decision that would abandon proportionate response and bring bout only partial compliance with the MIRVed-launcher limits by temporarily dry-docking two Poseidon subs instead of dismantling them as SALT II requires. Such a decision would be a violation of the mutually accepted dismantling procedures if the dismantling is not carried out within six months.

The question we must ask, therefore, is will such a MIRV-related violation by the United States bring the Soviets into compliance with the non-MIRV provisions of SALT II? Few think it will, and I fear that it may lead both sides down a slippery, dangerous slope of noncompliance with the important MIRVed-launched subceilings.

Continued observance of the MIRV limits does not prevent a forceful response to other Soviet violations. An example of an appropriate, proportionate response would be accelerating the deployment of the Midgetman missile in response to the Soviet flight testing and deployment of the single warhead SS-25 missile, which is in violation of the SALT II provisions prohibiting the deployment of a second type of new ICBM.

In my view, a policy of proportionate response is preferable to scrapping adherence to SALT II. Mutual adherence at today's limits is essential to negotiating mutual reductions tomorrow.

Last June, President Reagan said, "Despite the Soviet record over the last years, it remains in our interest to establish an interim framework of truly mutual restraint on strategic offensive arms as we pursue . . . the ongoing negotiations in Geneva."

Reagan was correct in announcing that the United States was more secure with SALT II than without it. Nine months later, that is still the case. Until a comprehensive arms-reduction package is reached, it would be unwise to discard SALT II's pragmatic restraints on the nuclear arms race.●

AMERICAN SALUTE TO CABANATUAN PRISONER OF WAR MEMORIAL DAY

● Mr. WILSON. Mr. President, through a joint resolution of the Congress and a Presidential proclamation, April 12, 1982, was designated "American Salute to Cabanatuan Prisoner of War Memorial Day." The Cabanatuan Memorial is located in the central valley of Luzon, Philippine Islands, at the site of the infamous Cabanatuan Prisoner of War Camp. Here, nearly 3,000 American servicemen—veterans of Bataan, Corregidor, and other fiercely contested areas throughout the Philippine archipelago—died of disease, starvation, execution, and other brutality and neglect at the hands of their captors.

The 10,300 battle-weary, starved, disheartened survivors of the rigors of combat in Bataan's jungles, all "Battling Bastards of Bataan," died on the 85-mile march enroute to their first POW camp, Camp O'Donnell. In June 1942, following the surrender of the Corregidor garrison, most of the American servicemen who had survived the hell of the Bataan Death March and the horror of the O'Donnell POW Camp were joined with those captured on Corregidor and elsewhere throughout the Philippines at the Cabanatuan POW Camp. This camp was the principal camp in which the Americans were held during the war.

In the fall of 1944, the Japanese transferred more than 1,600 Cabanatuan prisoners to "hell ships" destined for Japan, where they were to be used as slave laborers working the mines, dock areas, and factories. Because these ships were unmarked, they were attacked by U.S. aircraft and submarines. The casualties resulting from those attacks which destroyed two of the three ships on which the POW's were being transported, together with the deaths which resulted from starvation, disease, and exposure during the 49-day trip between Manila and Japan, accounted for 90 percent of those prisoners having perished during that indescribably gruesome voyage.

The 500 American prisoners who had not been moved from the camp because of illnesses were liberated in January 1945 by a team of American Rangers, Alamo Scouts, and Filipino guerrillas. These units overcame a Japanese force of 1,000 to lead the American prisoners on foot and in water buffalo drawn carts to freedom.

Of the 25,000 American servicemen who were in the Philippines at the outbreak of World War II, only some 5,000 are living today. Battle deaths and the depredations and cruelty they suffered while prisoners account for the major loss among those most unfortunate men.

I ask that we remember today the bravery of these men who fought and suffered for the freedom we enjoy. It is especially important that we regard the Cabanatuan Memorial as a combined Filipino and American effort which pays tribute to the dedication of both our people to the cause of freedom. It is an important and enduring testimonial to the historic friendship and cooperation of the two nations and to the gallantry and sacrifice of the individuals who participated in a joint quest for honor, freedom, and peace.

STATE AND LOCAL TAX DEDUCTIONS

● Mr. HUMPHREY. Mr. President, I would like to bring to the attention of my colleagues an editorial which recently appeared in the largest daily newspaper in my home State of New Hampshire. The editorial, which was in the March 28 issue of the Manchester Union Leader, focuses on the issue of tax reform.

As this editorial points out, Mr. President, "any worthwhile tax reform proposal would of necessity require elimination of the deduction for State and local taxes." There is just no good reason to retain this deduction. It benefits the rich at the expense of the poor. In addition, as the editorial states, "The Federal levy, then, is being used to subsidize irresponsible State and local spending." Such spending is being paid for not by the residents of those States, but by all taxpayers through higher rates. This situation, Mr. President, is neither fair nor equitable. It is for this reason that the Union Leader's comment about worthwhile tax reform could not be more true.

Mr. President, I would urge my colleagues to consider the issues of tax reform and deductibility with this editorial in mind.

Mr. President, I ask that the editorial mentioned above appear in the Record at this time.

The editorial follows:

TAX REFORM FORGOTTEN?

President Reagan's drive for a meaningful reform of the federal tax code must not be forgotten in the press of other news. Tax reform is long overdue. It is critically needed.

The present tax system is virtually incomprehensible, weighed heavily toward the special interests, and encourages excessive state and local taxation.

Congress, highly susceptible to the pressures of special interest lobbies, obviously would prefer not to be forced to deal with tax reform, and most especially would prefer not to be forced to deal with a meaningful tax reform that might shift the balance in favor of the beleaguered wage-earning taxpayer.

To enact real tax reform would require increasing the burden on the special interests, and any worthwhile tax reform proposal would of necessity require elimination of the current deduction for state and local taxes.

That component of the present system discourages taxpayers from exercising any control over excessive spending by state or local governments, since that excessiveness can be written off in full against the federal income tax. The federal levy, then, is being used to subsidize irresponsible state and local spending—and taxpayers in low tax states, such as New Hampshire, shoulder a higher burden as a result.

Tax reform deserves a higher priority than it has received in Congress, but without greater public pressure, without a public outcry, there is little indication it will receive more attention than it already has been given. After all it is the special interests who provide the bulk of the money senators and representatives need to finance expensive reelection campaigns, and they treasure those funds far more than they do equity for beleaguered wage-earning taxpayers.

Don't let the drive toward meaningful reform of the U.S. Tax Code falter and die.

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Demand positive congressional action, particularly now with all members of the U.S. House facing reelection and a third of the members of the Senate also on the campaign trail. Demand that they cast a vote for equity now, this year, before the election in November.●

THE MEDICAL MALPRACTICE PROBLEM

● Mr. DURENBERGER. Mr. President, I have stood before this esteemed body before in an effort to alert my colleagues to the growing medical malpractice problem in this country and the need to define whether there is an appropriate Federal role in this as all 50 States desparately look for solutions to the escalating crisis.

As legislators at both the State and Federal levels examine possible changes in laws, the legal and medical professions are also turning within and searching for solutions among their colleagues. A recent article in the New York Times, written by Morris Abram, a lawyer who was the chairman of the President's Commission for the Study of Ethical Problems in Medicine and Biomedical and Behavioral Research, describes one solution to the problem that I believe has even more far-reaching potential than any changes in any laws anywhere.

If we want to see a downturn in the number of malpractice lawsuits and a decrease in the cost of malpractice insurance premiums, Mr. Abram suggests a doctor-patient relationship in which information is shared and decisions jointly made. I can't help but point out that he also calls this a new kind of relationship. What does that suggest? It suggests that a healthy give and take of information and respect for each others needs is now lacking in many doctor-patient relationships and that this is one thing at the root of the malpractice problem.

In the high technology, highly specialized world of modern medicine, this kind of shared relationship has more than likely suffered, resulting in patients feeling uninvolved and not taking responsibility for their own care, and physicians giving the orders as technical experts. Not only that, but modern medicine has an aura about it that has led to a doctor-can-cure-all syndrome. A shared partnership has the advantages of creating a sense of respect, trust, and mutual participation in decisionmaking. When patients feel they are part of this team, they may be more willing to accept their responsibility in the shared enterprise and realize that medicine has limitations and cannot cure all ills. The payoff of this relationship would be that it could help decrease lawsuits while encouraging better medical outcomes as well.

Mr. President, I suggest to my colleagues that they read the article by Morris Abram, and I ask that it be printed in the Record. He offers us an important statement on a fundamental issue that is at the heart of the medical malpractice situation in our country.

The article follows:

[From the New York Times, Mar. 31, 1986]

To Curb Medical Suits

(By Morris B. Abram)

In all the talk about how to deal with the medical malpractice crisis, a simple yet potent idea is being ignored: creation of a new kind of doctor-patient relationship in which information is fully shared and decisions jointly reached.

This approach to treatment, known as the "shared relationship," and recommended by the President's Commission for the Study of Ethical Problems in Medicine, is beneficial both for doctors and patients. It would help curb escalating insurance premiums and malpractice verdicts, which inescapably are reflected in higher fees and hospital charges. It would stanch the exodus from certain high-risk specialties. It would stanch the unwarranted diagnostic and treatment procedures known as "defensive medicine."

As envisioned, the shared relationship does more than diminish conditions that breed litigation and reduce a patient's disposition to sue. It enhances the prospect of better medical outcomes. It assuages anxiety about complications and diminishes the number of patient days in the hospital and the amount of pain-killing medicines required. It is thus a part of good care. Moreover, it includes the legal requirement of informed consent—the patient's permission for a medical procedure—but treats it as an ethical imperative as well. This implies hospitably inviting the patient to ask questions.

Unfortunately, this preferred relationship is not commonly found. Surveys by Louis Harris Associates tell us that 79 percent of patients interviewed believe that the informed consent document primarily protects the doctor; astonishingly, 55 percent of doctors agree. Moreover, only 14 percent of physicians surveyed thought informed consent included the mentioning of alternative treatment. The Presidential commission's studies found that in hospitals often little or nothing is discussed with patients about either the recommended treatment or alternatives.

As medicine is able to do more and more, treatment is divided into increasing numbers of specialties and subspecialties, administered in larger, more complex facilities, using more advanced equipment and delivered by an ever-changing cast of characters. The patient's body and its ailments are parsed into components and assigned to teams of personnel who do not know the patient and whom the patient does not know. This system offers too many opportunities for slippage in carrying out doctors' orders and observing side-effects.

Today's patient, surrounded by science, feels bereft of care; entangled in technology, he is bewildered; enveloped by a team of physicians, he feels he is without a doctor. Little wonder that when the outcome is adverse many strike out in anger through the courts. To prevent such suits and to increase the chances of positive results from all the scientific expertise provided to patients, every hospital patient should have one physician through whom health-care teams relate. This physician should coordinate orders for tests, feedings and nursing, and should convey in understandable words information the patient needs to know about his condition and treatment.

This is not to say various specialists should not also work to establish shared relationship with the patient. But there must be one responsible for making sure the patient understand what is happening, and why.

This cooperative relationship would diminish the patient's resistence to needed diagnostic and therapeutic procedures. In a spirit of mutuality, he would be better able to monitor his treatment, to be sure that prescribed orders are carried out and the many opportunities for slippage are avoided. The patient would have a practiced ability to detect and report side-effects. Having participated in the choice of treatment, he would have a deeper appreciation of what he has undergone, the reasons for having done so and the risks involved. Finally, the patient—less surprised in the outcome is unfavorable—would be more inclined to accept his responsibility in the shared enterprise.

The worth of this approach may appear obvious; it is. It may seem easy to introduce; it is not. There are very few American medical institutions including the best, where medicine is practiced so as to create this partnership. But is is the best prescription for improving medical care and quickly reducing medical malpractice claims and expensive verdicts.●

OLDER AMERICANS MONTH

● Mr. D'AMATO. Mr. President, the month of May traditionally has been designated as "Older Americans Month." As I have in the past, I rise again this year to lend this effort my full support. I urge my colleagues to do the same by lending their support to legislation, Senate Joint Resolution 315, to designate May 1986 as "Older Americans Month," introduced today by Senators Grassley, Hawkins, Glenn, Heinz, and Matsunaga.

This has become an important tradition for the month of May, as we take time to reflect upon the innumerable contributions made to society by older Americans. These commendable Americans have been through it all, from the Great Depression and times of war, to a point in life, which we hopefully will all reach, when days are consumed with the richness of reflection and the education of others.

"Older Americans Month" is established to pay tribute to those who sustain our past by passing memories and experiences on to our youth, enabling future generations to maintain the spirit of patriotism and devotion to a nation that has remained strong for more than 200 years. The purpose of "Older Americans Month" is to honor the many contributions older Americans have made to the greatness of this country.

Unfortunately, many people harbor a negative attitude toward old age, and they expect it to be worse than it turns out to be. Such a view is nonsense—most older people are alert, active, and open-minded. In many countries, especially in nonindustrial

societies, the longevity and experience of the elderly gives them a respected position in society. Older Americans certainly have my respect, as well as my support for programs which serve to meet their needs.

As the older population in the United States grows, we must meet the demand for adequate health care, decent housing, and other services for them to actualize the American dream. Nationwide, the percentage of individuals who are 65 or older has increased from 4 percent in 1900 to 11 percent today. In other words, there were 3 million such individuals in 1900; in 1980, there were 25.5 million. By the year 2000, this figure will jump to 30 million. The demand for services for the elderly has increased. So, too, has the amount of money needed to fund them.

In the State of New York alone, there are 2,799,000 eligible recipients of Social Security benefits. The dollar amount withdrawn each year from the Social Security Trust Fund for these benefits is $15,120,000,000. The number of Medicare recipients in New York is roughly 2,420,000. The total amount of Medicare dollars spent on these recipients is $6 billion per year.

Mr. President, we, as a nation, will continue to benefit from our older Americans. In particular, we will continue to enjoy the richness of life given to us by the elderly among us, and we will continue to protect programs which meet their needs. During "Older Americans Month," let us all reflect upon all that older adults contribute to our lives, as well as to the life of this great Nation.●

NATIONAL CARPET AND FLOORCOVERING WEEK

● Mr. D'AMATO. Mr. President, I rise today to join my distinguished colleague from Georgia in cosponsoring a joint resolution designating the week of April 16, 1986, through April 27, 1986, as "National Carpet and Floorcovering Week."

Carpet and floorcovering manufacturers have been an important part of the American business community since the first carpet mill was established in 1791. Today, carpet manufacturers are located in 23 States including my State of New York.

Mr. President, during a time when the textile industry is experiencing keen competition from increased imports, the carpet and floorcovering industry is keeping pace. Investing in technologically advanced equipment and maintaining its competitive spirit are the primary reasons for this industry's success. Incredibly, the price of domestic carpet has increased by only 52 percent during the past 30 years.

Mr. President, I commend the carpet and floorcovering manufacturers for their diligence and hard work, and I urge my colleagues to pass this important legislation expeditiously.●

NAUM AND INNA MEIMAN: TWO PERSONAL FRIENDS

● Mr. SIMON. Mr. President, for almost 1 month, I have spoken out on the critical situation facing my friends, Naum and Inna Meiman. I will continue to remind my colleagues and the public of the Meimans' plight every day until they are given permission to emigrate to Israel.

Much has been said about the merits and drawbacks of both quiet diplomacy and public outcry when dealing with human rights and the Soviet Union. I happen to believe in both methods. The Soviet Union is acutely aware of public opinion. They have no appetite for condemnation on such obvious issues as human rights. The release of the famous cases, like Shcharansky and Essas, is a welcome and heartwarming development. In addition, prominent releases offer the Soviets good public relations.

The fact remains, however, that thousands of Jews in the Soviet Union continue to be harassed for expressing their desire to emigrate. The Meimans are such a couple. They are not terribly well-known. They simply want to go to Israel to live out their remaining days.

Speaking out against the injustice which the Soviets perpetrate is a must when the injustice is directed at a couple like the Meimans who are elderly, sick and retired.

I strongly urge the Soviet Government to allow the Meimans to emigrate to Israel.●

ORDERS FOR THURSDAY

Mr. SIMPSON. Mr. President, after cenferring with the Democratic leader, I ask unanimous consent that once the Senate completes its business today it stand in recess until the hour of 9 a.m. on Thursday, April 10, 1986.

I further ask unanimous consent that following the recognition of the two leaders under the standing order there be special orders in favor of the following Senators for not to exceed 5 minutes each: Senators Hawkins, Proxmire, Domenici, Chiles, Quayle, Cranston, Wilson, Melcher, and Lautenberg.

Following the special orders just identified, I ask unanimous consent that there be a period for the consideration of routine morning business not to extend beyond the hour of 10 a.m. with Senators permitted to speak therein for not more than 5 minutes each.

Mr. BYRD. Mr. President, reserving the right to object, would the distinguished assistant Republican leader provide that morning business extend until the hour of 10 a.m.?

Mr. SIMPSON. I ask, Mr. President, that the request be so modified and without objection.

Mr. BYRD. I thank the distinguished majority whip.

The PRESIDING OFFICER. Is there objection to the unanimous-consent request? If not, without objection, it is so ordered.

THE AIRPORTS AUTHORITY BILL

Mr. SIMPSON. At the conclusion of routine morning business, the Senate will resume the unfinished business, S. 1017, the regional airport bill. Votes can be expected throughout the day on Thursday, and it is the intention of the majority leader to complete action on the regional airport bill by the close of business tomorrow. Therefore, the Senate could be in session late into the evening on Thursday. I so inform my colleagues.

Pending is amendment No. 1744 offered by the Senator from Maryland, Senator Sarbanes.

I ask unanimous consent that there be 40 minutes of debate on Senator Sarbanes' amendment to be equally divided and no amendments be in order to the Sarbanes amendment.

Mr. SARBANES. Would we have a vote on the amendment?

Mr. SIMPSON. And, therefore, a vote will be expected prior to 11 a.m. tomorrow.

Mr. BYRD. Mr. President, would the distinguished assistant Republican leader provide that the vote on the amendment by Mr. Sarbanes occur at 10:40 a.m., following the 40 minutes. I am concerned that some of the time might be yielded back and certain Senators are going to be away and will need to be assured that the vote will not occur earlier than when it would occur if time were all used and not yielded back.

Mr. SIMPSON. Mr. President, may I amend my unanimous-consent request that the vote would be no earlier than 10:40 a.m. tomorrow and the vote be on or in relation to the amendment.

The PRESIDING OFFICER. Is there objection?

Mr. BYRD. No objection.

The PRESIDING OFFICER. Without objection, it is so ordered.

RECESS UNTIL 9 A.M. TOMORROW

Mr. SIMPSON. Therefore, in accordance with the previous order, I move that the Senate stand in recess until the hour of 9 a.m. on Thursday, April 10, 1986.

The motion was agreed to; and at 9:04 p.m., the Senate recessed until Thursday, April 10, 1986, at 9 a.m.

NOMINATIONS

Executive nominations received by the Senate April 9, 1986:

Department of State

Paul H. Nitze, of the District of Columbia, to be Ambassador at Large.

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The Judiciary

Patricia C. Fawsett, of Florida, to be U.S. district judge for the Middle District of Florida vice John A. Reed, Jr., resigned.

Federal Labor Relations Authority

Jean McKee, of the District of Columiba, to be a member of the Federal Labor Relations Authority for the remainder of the term expiring July 1, 1989, vice William J. McGinnis, Jr.

In the Army

The following-named officers for permanent promotion in the U.S. Army in accordance with the appropriate provisions of title 10, United States Code, sections 624 and 628:

JUDGE ADVOCATE GENERAL'S CORPS

To be lieutenant colonel

Geroge C. Baxley, 449-64-4265
Charles W. Beardall, 429-04-2301
Robert J. Boonstoppel, 547-66-6717
John T. Burton, 241-80-1246
Brian X. Bush, 528-72-0072
Richard W. Cairns, 453-74-2375
Robert W. Curtis, 547-72-5265
Thomas J. Duffy, III, 002-36-2771
Sanford W. Faulkner, 238-76-9552
William G. Fischer, 498-44-2847
Warren D. Hall III, 223-66-0965
James W. Hewitt, Jr., 412-70-3670
Jacob J. Holeman, 544-50-1251
Gene G. Hood, 250-70-7849
William S. Key III, 455-68-4447
Glen D. Lause, 295-44-8581
Steven B. Lundberg, 529-58-2949
Michael J. Marchand, 471-56-8282
Joel D. Miller, 147-38-1214
Timothy E. Naccarato, 566-64-8063
Joseph A. Neurauter, 213-50-2818
Stephen V. Saynisch, 158-40-5828
Paul G. Thomson, 106-38-0690
James B. Thwing, 542-54-9369
Everett M. Urech, 454-82-6693

In the Army

The following-named officers for promotion in the Reserve of the Army of the United States, under the provisions of title 10, United States Code, section 3383:

ARMY PROMOTION LIST

To be colonel

Blechl, Henry E., 450-56-5279
Chase, Jack S., 009-28-2725
Haworth, David S., III, 246-52-8189
Hillard, George O., 433-60-4458
Kilfoil, John J., 569-46-1397
Koshan, John L., 189-30-8758
Mahoney, James M., 475-36-3990
Mayo, Michael R., 213-46-3841
Seiber, Elvert H., 455-58-2431
Sellers, William D., 241-54-8821
Suemori, Peter T., 575-36-9660
Tabaka, Leonard J., 370-42-1077
Vanderhoff, Gary L., 392-30-7673
Yost, David R., 473-46-0958

MEDICAL CORPS

To be colonel

Kennard, John W., 460-40-5073
May, Duane L., 514-40-3910
Umhey, Charles E. Jr., 131-30-0547

MEDICAL SERVICE CORPS

To be colonel

Woodyard, Timothy C., 279-34-7879

ARMY PROMOTION LIST

To be lieutenant colonel

Barber, Melvin D., 416-62-9368
Bishop, Ronald E., 429-84-8079
Black, James C., 467-84-1089
Budacz, Ronald M., 214-44-9111
Bushart, Robert D., 401-56-9985
Caffey, Eldred Y., Jr., 528-58-7241
Chun, Charles, Jr., 575-44-7853
Ciccolini, Thomas A., 273-40-9409
Colley, Rob D., 450-66-5767
Connolly, Stephen J., 361-36-3792
Cork, Tommy D., 422-54-1321
Courville, Thomas, 435-60-8963
Driver, Russell W., 255-64-1759
Dull, Daniel F., 314-50-1539
Fielding, Michael R., 558-68-5014
Fitzgerald, Stephen, 078-40-3438
Geizentanner, Jan A., 449-68-7794
Hartman, William V., 457-70-5283
Henricks, Robert A., 566-60-8742
Holley, James D., 421-56-8110
Iverson, Gregory K., 501-46-2627
Jacoby, Theodore C., 538-46-6984
Kino, Jensen Y., 576-52-2439
Livingston, Dannis, 248-80-2409
Lolley, John L., 435-74-5774
MacGregor, Bruce P., 318-46-5685
McCool, Lynn E., 314-50-9974
McMinn, Robert K., 454-60-0796
Morrell, Lance A., 142-36-2604
Morris, Thomas A., Jr., 066-38-7287
Morrison, Jerry W., 422-58-5890
Morrow, James W., 081-36-0337
Reneau, Marvin B., 461-54-7795
Roth, Robert W., 398-44-4960
Runyon, Damon L., 351-34-0514
Salvatore, Ronald A., 119-32-6292
Siemens, John L., 509-52-5797
Steffen, Howard W., 411-72-3362
Steger, William J., 163-36-5625
Worsely, Peter T., 433-72-2538
Yuskiewicz, Vincent., 170-34-5649

CHAPLAIN

To be lieutenant colonel

Allen, Delmar, 442-36-2490

MEDICAL CORPS

To be lieutenant colonel

Amster, Steven M., 151-36-6425

VETERINARY CORPS

To be lieutenant colonel

Trask, David R., 480-56-8126

The following-named officers for promotion in the Reserve of the Army of the United States, under the provisions of title 10, United States Code, section 3370:

ARMY PROMOTION LIST

To be colonel

Ackerman, Thomas A., 251-52-6129
Allen, Gerald S., 432-68-1340
Alvarez, Abraham P., 130-28-4261
Ambrose, William P., 022-26-6351
Anduss, Lynn E., 509-28-5026
Armistead, Bobby H., 429-60-0508
Armstrong, Alan L., 307-42-8108
Armstrong, Henry A., 453-52-0107
Armstrong, Robert C., 444-34-9719
Baker, Darrel P., 462-64-3645
Ballard, Terry O., 261-44-9313
Bambrough, Craig, 529-64-1885
Barker, Larry C., 404-46-9291
Barton, Kenneth P., 466-48-9469
Beatty, Norman G., 505-46-9038
Bell, Harvey L., 571-54-9355
Bellis, Edward A., II, 429-74-3527
Bennette, Jerry C., 541-40-2558
Benson, Sumner, 549-52-5621
Bergquist, William, 022-30-7204
Blank, Gerald L., 324-30-3680
Boatright, Spessard, 265-58-1634
Bohannon, Robert L., 229-38-1703
Boleware, Garland, 427-76-0923
Borcher, Dale H., 505-36-5439
Bowden, Jackson R., 410-62-4728
Bowman, Charles L., 487-40-8069
Brandt, Robert J., 562-48-6792
Brantley, Shelby K., 426-76-1940
Brewster, Olin F., Jr., 465-74-3167
Broadway, Buddy S., 426-66-0462
Brown, Guy C., 554-62-4647
Brown, John L., 225-54-9394
Brown, Raymond A., 411-52-8196
Bryan, Alan J., 459-48-5142
Buch, Floyd H., Jr., 172-32-2119
Bunker, Edward A., 561-52-3550
Butterworth, Billy, 424-42-4036
Byrdsong, Vallie D., 578-44-5127
Byrne, Michael E., 561-50-7236
Byrne, Robert J., 091-34-0479
Cacciola, Philip P., 048-32-7554
Cahill, Bernard J., 469-48-7147
Caldwell, James E., 448-40-1384
Camp, Joseph W., 431-72-2740
Campbell, Franklin, 543-42-0178
Capps, Richard G., 261-52-1242
Carlan, Carl R., 567-40-6172
Carragher, John P., 046-28-2900
Casellasjovet, Rafa, 580-68-2175
Catlett, Thomas T., 483-60-2462
Chandler, James H., 420-40-2367
Charles, Craig E., 573-44-7876
Cheesman, George A., 040-34-3094
Childress, Russell, 213-42-5484
Chladek, Richard M., 395-38-4336
Clark, William B., 463-60-0163
Clifton, Charles E., 554-56-7030
Cluck, Gary D., 443-38-3943
Cobb, Stephen H., 520-46-5944
Coleman, Bestor W., 420-42-1353
Collins, William J., 119-32-9836
Colvin, Kenneth H., 515-48-3323
Cooper, Carl B., 425-78-0443
Cox, John G., 544-46-6862
Cross, Ronald W., 586-56-7070
Cunha, Herbert J., 014-30-0497
Curl, Robert L., 422-42-8358
Daddona, Richard A., 186-32-9929
Dampier, William E., 263-62-1599
Dancer, Charles R., 146-26-4607
Davis, Eddie J., 462-80-1054
Davis, John C., 505-42-5411
Decker, Dale H., 541-38-8783
Degroat, Arthur B., 157-26-5874
Deloatch, Voneree, 245-56-3340
Dennis, Larry J., 502-30-5729
Derham, Richard A., 534-38-7542
Diazsantiago, Ramon, 581-24-7394
Dickerson, Wallace, 419-56-1554
Dinardo, John R., 145-32-5368
Distefano, Joseph A., 508-50-4423
Dolan, Robert, 020-24-2086
Donald, Carroll D., 425-78-0771
Drew, Garland A., 002-30-5525
Drolla, John C.D., 457-60-8598
Duffie, John B., 251-50-3862
Dunn, David A., 411-50-8186
Dupree, Charles C., 039-26-0469
Eagerton, John D., 250-54-0907
Eagon, Herbert B., Jr., 274-36-3676
Eckstrom, Ivan P., 468-40-7355
Edwards, Richard A., 421-52-4050
Elmore, James L., 428-74-5446
Encarnacao, John B., 010-28-2131
Engelage, Marcia E., 356-34-4811
Erdley, Larry L., 181-32-8879
Estes, Stokes R., 251-46-5765
Falcon, Glenn D., 364-34-8194
Fallin, Norman, Jr., 460-58-5340
Farrar, Andrew W., 562-50-3233
Feedham, Donald F., 112-30-5715
Ferreira, John J., 120-32-7690
Fetch, Vernon F., 502-30-1336
Fidurski, Richard S., 064-28-2657
Fields, Jerry W., 421-44-4880
Finlayson, John D., 505-46-2412
Fish, Ernest B., 525-92-2482
Flahavan, Richard S., 555-60-8531
Flemate, Henry, Jr., 548-62-9263
Ford, Howard F., 411-56-5882
Forster, Lawrence P., 359-30-9926
Fortney, Kenneth R., 514-36-8296
Frank, Francis W., 224-58-5169
Franke, Loren W., 542-42-0202

Franklin, Donald E., 416-60-6196
Frederick, Carrol J., 436-56-4936
Freeman, Warren L., 577-58-9469
Frego, James P., 374-40-9990
Gambill, Bradley D., 441-38-7642
Garciacorrea, Jose, 580-64-5880
Garrett, George T., 564-60-4718
Gaudiano, Anthony F., 456-62-3364
Gault, Billy F., 431-62-2014
Gee, Carol L., 545-46-5604
Ghormley, James C., 552-56-5511
Giovanini, Thomas J., 265-60-6472
Gonzales, Rodolfo J., 456-52-9367
Gonzaleztorres, Edg, 580-62-6226
Gormley, William J., 011-30-1259
Grant, Hulin W., 410-58-3283
Grantham, Luther D., 247-66-7888
Gravett, Peter J., 549-52-1602
Griffith, Joe E., 430-78-3096
Groleau, Ronald L., 364-36-4100
Groves, Delmar W., 410-60-9393
Gunn, David W., 428-64-6440
Guthrie, Ronnie M., 229-50-0898
Hackett, Donald W., 442-44-5069
Haddox, Hayes P., 236-64-5712
Haley, Larry E., 384-36-8019
Hall, Rickey A., 065-36-1080
Halliday, James P., 021-26-0002
Halm, David G., 463-62-9719
Hamilton, William, 571-44-5119
Hammock, Millard E., 260-52-5862
Haney, James O., Jr., 447-44-3974
Harman, James H., 269-40-3599
Harrington, James C., 528-42-3334
Harris, Michael H., 456-56-3147
Harryman, John F., 354-40-1813
Harvie, James C., 453-50-1119
Hasenei, Gordon J., 219-26-4388
Havekost, John W., 094-36-8061
Haven, Gregory G., 130-28-1064
Hawkins, Proctor B., 247-60-5993
Hein, Ronald L., 477-36-8428
Hencshel, David A., 279-34-2718
Heroux, Richard D., 046-26-2431
Hersey, Don B., 175-34-3046
Hertner, Herbert H., 184-30-3709
Hess, Harlan L., 512-42-5309
Hill, Charles M., 231-42-7031
Holen, Harold R., 306-44-1376
Holland, William A., 260-56-6810
Holsinger, Gretchen, 242-72-2303
Holtzclaw, Daniel H., 403-56-2217
Hood, Laurin R., 462-58-1473
Hopkins, Billy D., 307-34-6891
Horak, Jack E., 397-30-2589
Horn, Boyd F., Jr., 416-46-8401
Horn, Jesse L., Jr., 432-52-7989
Houston, Charles D., 440-36-6357
Howell, Richard H., 047-30-4872
Humphries, Jack N., 433-52-0193
Hunteman, Donald M., 441-28-4615
Ice, Thomas R., 401-56-4347
Injasoulian, Peter, 362-46-3049
Jackson, Gary W., 444-40-1450
Jackson, Philip G., 212-32-7261
Jendras, Jerome J., 339-36-0449
Jenkins, John A., 211-28-2821
Jennette, David L., 246-50-8390
Jennings, Oscar J., 406-52-1284
Jermann, David A., 271-36-5541
Johnson, Axel A., 383-36-3152
Johnson, Melvin H., 463-64-9595
Johnson, Robert G., 425-82-4523
Jones, David L., 224-54-4080
Jones, James L., 425-58-9690
Jones, James W., 449-58-3593
Jones, John W., Jr., 421-42-4712
Jones, Ordie R., 454-62-5589
Jones, Sonny D., 428-78-4378
Jordan, James R., 417-48-5291
Kane, John P., 020-26-1562
Kearney, Frederick, 430-76-5272
Keener, Allan W., 003-30-6626
Kelly, Donald P., Jr., 416-50-3177
Keltner, James C., 565-58-4345
Kendall, Charles L., 506-44-2890
Kennedy, Eugene L., 503-32-1608
Kessler, James S., 396-34-3881
Keylon, James R., 410-48-9766
Kieffer, Allen J., 468-40-4680
Kirby, James M., 561-48-8100
Kough, Harold R., 557-48-3182
Krebs, Joseph G., 498-44-1381
Krick, Harold D., 551-48-0230
Kropp, Anthony R., 132-36-2954
Kubicek, Charles K., 388-42-3265
Kulhavi, John G., 377-42-8888
Lally, John E., Jr., 016-26-8752
Lampe, Larry E., 479-44-7620
Lane, Roger L., 328-28-4803
Langenus, Peter C., 135-34-9880
Laprise, William A., 284-40-9960
Larosa, Joseph E., 236-56-4857
Lataille, Ralph H., 036-26-3981
Lemp, James F., 215-36-3778
Leon, Philip W., 240-72-0601
Lindquist, James A., 469-36-3644
Lindsay, Rodney C., 007-36-2441
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Lindsley, Lawrence, 084-34-7767
Link, Gerald F., 466-66-3780
Lobel, Leonard J., 201-30-7592
Locke, William L., 405-42-9919
Lopreste, Gene, 096-26-1145
Lord, Gerald D., 426-88-8674
Lord, Samuel D., 139-30-0677
Lorenzo, Leo A., 263-42-3867
Lovett, Carlton C., 137-28-7486
Lowsley, James P., 554-52-6417
Lujan, Lawrence S., 525-58-6665
Mackey, Robert D., 565-46-8118
MacVay, James W., 181-30-8979
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Maher, Joseph J., 130-30-8743
Mangone, Albert A., 015-32-6466
Maraman, Samuel J., 423-48-8191
Martin, Charles R., 417-52-3163
Martin, Jack, Jr., 420-42-7393
Martin, Kenneth B., 454-50-0907
Martin, Paul D., 446-36-4649
Martinez, Urban B., 438-62-3264
Mashek, Stephen T., 485-48-2235
Massion, Barry W., 445-40-8640
Mauras, Ramon 580-88-6758
Mayhue, Don W., Jr., 360-28-9755
McAlister, William, 447-34-3750
McCafferty, William, 128-28-9589
McClure, Samuel T., 401-56-0040
McConnell, Richard, 536-30-4058
McCracken, Donald, 307-46-8810
McDaniel, Lloyd D., 226-50-3068
McFarlin, Larry R., 260-56-4354
McGilbra, Allen F., 442-38-0858
McIntosh, Larry P., 557-38-4390
McKenna, Gerard M., 104-30-2846
McKiernan, Gerald V., 035-24-7078
McLaughlin, Gerald 410-70-0436
McLaurin, Hugh M., 249-52-7338
McLoughlin, Charles, 301-28-6715
McMahon, Kevin W., 105-30-7137
Mead, Stuart A., 262-60-7686
Meadows, Glenn C., 450-56-4162
Meadows, William H., 422-48-1752
Meredith, Benjamin, 417-68-8727
Metcalf, Richard W., 572-50-8461
Meyer, Frederick A., 474-34-8154
Miehle, Paul E., 202-34-0878
Migita, Roy T., 575-40-0078
Miller, Eskel N., III, 248-58-4907
Mitkus, Robert J., 159-34-3279
Mohar, David A., 525-66-6058
Mohr, Wallace, 561-44-5965
Monroe, Paul D., 559-44-0156
Monroe, Wayne A., 308-48-9254
Moore, Howard R., 510-30-9956
Moore, Thomas J., 453-58-5430
Moran, John P., 022-26-6999
Morgan, Audy C., 464-56-9316
Morris, Rodney W., 575-38-9076
Morrison, Edgar, 558-48-8033
Morrison, James L., 263-52-6437
Morrow, Paul C., 417-50-2807
Mosley, Joe E., 432-58-5177
Moss, Bruce E., 236-54-3290
Motokawa, Stephen H., 575-40-9925
Mullinix, Bobby R., 412-56-2506
Murdock, Benton D., 470-42-1277
Murphee, Carl E., 427-60-5531
Murphy, Bernard M., 517-36-9356
Murray, Thomas J., 050-30-8900
Murtha, Glen E., 432-68-1786
Myers, Elgin L., 231-38-1214
Myers, Roger A., 513-30-0339
Myron, Paul E., 474-46-1773
Nagle, Kenneth R., 290-36-3704
Neely, Richard C., 204-28-0230
Neighbors, Joseph B., 259-64-1759
Newell, Dale E., 326-32-1988
Norris, Robert W., 531-32-1306
Oakley, William E., 266-60-1176
Ocasiobelen, Felix, 581-62-0469
O'Connell, James L., 238-52-9754
Ohta, Shirley M., 575-46-2050
O'Keefe, James W., 403-44-6239
Okimoto, Kenneth K., 576-46-4367
Orndorff, David A., 445-34-2050
Orvis, Charles C., 008-26-0162
Overgard, Richard N., 531-30-2259
Page, John H., 253-54-1885
Paris, George T., 237-60-5717
Parkhouse, Ralph E., 502-40-2902
Patrick, David M., 307-38-6460
Patrick, Stephen B., 151-32-2937
Paul, Dave O., 526-48-1458
Pav, Peter A., 352-30-0549
Pazlar, John M., 540-38-5860
Peabody, Albert R., 072-30-0014
Pena, Gilberto S., 467-46-6848
Pennington, James R., 430-76-7914
Peppard, Jon F., 532-42-1579
Peres, Sherwood H., 136-28-4269
Perry, Robert M., 457-56-1508
Perugino, Joseph F., 206-28-6962
Petersen, Richard G., 525-94-6578
Peterson, John W., 469-36-4589
Petrik, Stanley W., 504-30-8015
Pezely, Martin J., 529-54-8535
Pezzullo, Joseph A., 036-26-7770
Pierce, Allan W., 308-36-5686
Pierce, Vernon D., 425-58-7965
Pieretti, Hector G., 149-30-7557
Piker, Roderick G., 429-62-7217
Pilcher, David H., 526-42-6209
Poole, Richard S., 425-78-0216
Portante, Guido J., 301-36-3354
Powers, Eugene P., 211-30-8515
Predmore, Leland C., 299-30-8163
Preston, Robert A., 146-30-1939
Provost, Rene C., 048-28-5018
Pruter, Roger A., 509-48-1807
Pugh, Joel N., 422-52-1637
Quagliata, Francis 074-32-1412
Quinones, Justo M., 580-80-3950
Quirk, Thomas J., 040-30-5751
Radice, Anthony D., 149-26-0682
Ramey, John B., 502-42-2367
Ramirez, Jose L., 582-46-8299
Ratliff, Louis M., 461-54-7399
Raysa, William G., 348-36-9320
Reeves, Jack R., 289-30-1175
Regrut, Andrew J., 277-32-8572
Rehard, Dale F., 268-28-9506
Rentschler, George, 269-34-5630
Rice, Robert F., 275-36-4679
Richar, William C., 209-30-0682
Rigby, Carlos K., 518-40-7365
Robertson, Ronald H., 458-62-7070
Robinson, Jackie D., 492-40-7879
Rodriguez, John R., 573-44-9223
Rotty, John J., 476-40-0943
Rountree, Jack W., Jr., 256-50-3708
Runyon, Ronald L., 305-42-5276

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Russell, James W., 029-28-5385
Ryan, Michael W., 510-38-5180
Salcito, Donald P., 049-26-8143
Sanchezmiranda, Lui, 581-48-8857
Santiago, Jose R., 582-48-6539
Sargis, Robert S., 044-28-4428
Sauve, John M., 348-30-2272
Scavo, Sam A., 160-32-8274
Schissell, Robert J., 214-42-5394
Schlegel, Robert F., 075-36-2367
Schmidt, Herman A., 313-32-9384
Schwer, Frederick O., 175-24-0377
Scully, John J., 569-42-0680
Seymour, Joel W., 252-52-3698
Shank, David M., 558-44-7628
Sharp, Robert L., 429-76-6187
Shaw, Donald L., 245-52-1966
Shields, Paul R., 022-28-8557
Shirley, William A., 250-56-7214
Shoemaker, John H., 286-36-0973
Sievers, Donald R., 488-42-1949
Sigler, David P., 433-50-1678
Simmons, Jerry D., 441-38-7978
Smith, Gregory A., 499-46-8200
Smith, Jack B., 450-52-1956
Smith, John L., 052-36-2033
Smith, Kenneth R., 425-68-7536
Smith, Kenneth W., 428-72-1127
Smith, Robert R., 142-30-4257
Smith, Stanley B., 251-66-6855
Smith, Vernal J., 516-38-9692
Soisson, William H., 200-28-5221
Solmo, Joseph A., 084-30-4611
Sowers, Edward F., 556-52-4624
Spears, Stanhope S., 246-50-2413
Staub, William M., 446-46-3070
Steele, Philip M., 394-34-3927
Sterling, Warren L., 542-42-2078
Stetson, Lawrence L., 534-40-9686
Stiglets, Jimmy W., 428-70-9976
Stilley, Kenneth J., 565-60-3462
Stockwell, Robert M. 306-40-7672
Stone, Gary R., 535-34-8916
Strothman, Frederick, 515-30-1135
Stultz, Stuart G., 398-34-1346
Sturdivant, Bobby L., 414-56-7139
Suedekum, Clarence, 499-38-7961
Sulzen, Robert H., 571-46-6077
Summers, Charles R., 405-48-6392
Surgent, Joseph, 147-32-3252
Taddy, Peter A., 387-38-5967
Tatum, Earl R., 420-42-6615
Teague, Kenneth P., 429-58-4823
Tellan, Marsh J., 004-42-4094
Thomas, William III, 438-62-8288
Thompson, Hoyte E., 248-48-8582
Tietenberg, Enn, 531-32-8837
Tincher, Ronald D., 515-32-4559
Tuley, Dixon W., 560-62-4251
Undem, Robert J., 517-46-9160
Vachon, Reginald I., 229-44-1891
Valden, Herbert W., 411-54-3302
Vanderlinden, Leon, 504-36-3722
Vansickle, James A., 532-38-2000
Vigelis, Eugene R., 138-26-4189
Vinyard, Sherman L., 466-58-4452
Waddle, Harry I., 420-56-7285
Waldner, Donald J., 406-42-0365
Waldrop, Woodrow W., 419-54-3725
Walgreen, John A., 015-30-4175
Wallen, Francis M., 010-32-1518
Walsh, Mark C., 103-28-7706
Weaver, Thomas C., 220-40-7565
Weir, John M., 046-28-2289
Wellen, Donald L., 526-68-3326
Westmeier, John T., 059-32-3608
Wharton, Loren L., 532-36-4182
Wheeler, Mason W., 504-40-1527
Wheeler, Peter E., 447-36-0314
Whilden, Kenneth W., 155-32-8455
Wilhelm, David P., 498-36-0589
Wilkens, William W., 248-68-6757
Williams, Richard J., 417-42-7249
Wilmoth, Guy E., 414-50-4294
Wilson, Roye S., 406-58-0233
Winterle, David D., 375-36-5860
Winzinger, Robert J., 134-34-0609
Witt, Ellwood H., 263-58-7365
Wood, John F., Jr., 419-46-8342
Woodson, Ronald F., 402-52-8270
Woody, Robert B., 187-30-1454
Wright, Allen D., 492-38-4458
Wyatt, Jerry R., 408-60-1686
Young, Carl L., 457-52-1953
Zang, Joseph H., 213-32-2323
Zolnoski, Vincent J., 140-24-5965
Zyok, Edmund C., 490-38-6065

CHAPLAIN

To be colonel

Barkley, Thomas B., 422-44-9515
Carlson, Bryn A., 392-34-8655
Forrester, Jester S., 263-42-4407
Green, Jesse C., 231-44-4126
Hall, Robert B., 403-34-9099
Halpern, Harold D., 081-22-4895
Keenen, Marvin D., 513-30-1275
Lantz, Donald L., 508-28-2039
Metcalf, Max P., 335-26-7871
Meyer, Galen H., 362-46-2074
Novikoff, John M., 555-32-4054
Reed, George L., 377-40-6340
Stiscia, Alfred R., 190-36-4188
Turley, Donald L., 212-38-5102
Vedeler, Donald G., 002-24-3122
Watson, William B., 430-76-3868

The following-named officers for promotion in the Reserve of the Army of the United States, under the provisions of title 10, United States Code, section 3366:

CHAPLAIN

To be lieutenant colonel

Anderson, Craig B., 567-54-3894
Anderson, Ronald C., 463-66-2056
Beck, William H., 166-32-4176
Boyd, William J., III, 431-52-5611
Diegel, Ronald L., 065-30-9463
Fleming, Michael G., 510-42-0018
Fox, Leroy 152-28-9437
Goldsmith, Sheldon 088-40-3034
Goudreau, Joseph L., 006-32-5025
Graham, William C., 415-72-2824
Hamm, Dennis G., Jr., 408-58-5642
Henke, James T., 455-78-3160
Hollis, Anthony W., 044-40-1343
Jackson, John E., 467-88-4399
Johnson, John A., 251-60-0775
Key, James B., 359-26-5780
Koch, John G., 479-44-1933
Luedeman, Craig D., 541-48-3307
Mack, Arthur R., 070-34-7633
Madus, Peter P., 205-32-4772
McDonald, James L., 540-42-9249
Mullen, Owen J., 122-30-3177
Needham, James P., 471-36-5648
Pierce, David W., 210-30-8235
Rasmussen, John A., 560-56-2975
Rennell, James E., 363-36-2103
Renner, Homer W., 500-36-9385
Rhyne, David M., 411-70-7846
Ruddle, Raymond D., 548-48-8380
Setzler, John L., 247-70-9257
Singleton, James E., 261-70-1488
Switz, Robert W., 160-28-6959
Thomas, David I., 047-24-8000
Welton, Arthur T., 066-36-7192

The following-named officers for appointment in the Reserve of the Army of the United States, under the provisions of title 10, United States Code, section 3359:

MEDICAL CORPS

To be colonel

Morgan, Andrew M. 568-52-3465

MEDICAL CORPS

To be lieutenant colonel

Brinkman, Larry K., 320-34-1646
Marshall, William, 552-68-0769
Mootz, John R., 051-34-9630
Nase, Harold W., 225-56-5230

IN THE NAVY

The following-named Naval Reserve Officer's Training Corps candidates to be appointed permanent ensign in the Line or Staff Corps of the U.S. Navy, pursuant to title 10, United States Code, section 531:

Lori P. Anderson
Matthew E. Bannon
Mark A. Barnao
Michael S. Briddell
Timothy T. Burr
Josh Canchola
Tami H. Chandler
Carrington L. Chatham
Michael W. Degraw
Alan J. Dudziak
Dennis P. Durocher
Victor M. Engel
Sidney Foster III
Robert D. Ghim
Glennon T. Gingo
Philip B. Green
Harold H. Gunji
Stephen C. Hamilton,
Walter S. Harders
Thomas E. Hatke
Larry W. Hellemn
Andrew W. Hietala
Frank L. Husted
James M. Ingalls
Owen D. Keck
Raymond F. Keledie
John D. Klas
John T. McClelland
Benjamin C. McMillan
Jefferson C. McNair
Robert L. McPhail, Jr.
Robert A. McSwain
Edward A. Molchany
Steven E. Muir
Per E. Provencher
Peter M. Ryan
Jeff S. Salsieder
Craig M. Schilling
Corey S. Shearn
Mark A. Smith
Gregory L. Steinberger
Michael R. Stewart
Michael A. Tormenti
Bart A. Vinskey
Tony L. Yoder

The following-named Navy Enlisted Commissioning Program candidate to be appointed permanent ensign in the Line or Staff Corps of the U.S. Navy, pursuant to title 10, United States Code, section 531:Q02
Richard P. White

EXTENSIONS OF REMARKS

NO MATTER WHO WINS CONTRA VOTE, HONDURAS LOSES

HON. LANE EVANS

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, April 9, 1986

Mr. EVANS of Illinois. Mr. Speaker, although we have won a battle on the issue of military aid to the Contras, the war in a very real sense continues in Congress and, more importantly, in Central America.

During my visit to Honduras last May, it was clear that United States policy toward Nicaragua is having an enormous impact on Honduras. The site of United States troop maneuvers and home base to the Contras, Honduras is the linchpin for United States policy in the region. Therefore, I would recommend the following article on the impact of this vote on Honduras to the attention of my colleagues.

The article follows:

[From the Christian Science Monitor, Mar. 14, 1986]

NO MATTER WHO WINS CONTRA VOTE, HONDURAS LOSES

(By Peter Ford)

TEGUCIGALPA, HONDURAS.—No matter who wins the battle in Congress over President Reagan's request for aid to the Nicaraguan "contras," there will be one sure loser: Honduras.

This view is shared by diplomats and observers here as well as Honduran officials in private conversations.

If Congress gives the go-ahead for the $100 million in aid requested, attention would focus on Honduras, where many of the contras are widely acknowledged to be based. Such a major influx of aid would be tough to hide, making it difficult for Honduras to maintain credibly its official line that there are no contras in Honduras and that it has no knowledge of supplies going to the contras.

If the aid is rejected, Honduran officials say privately, the contra army may begin to break up, posing a threat to law and order in Honduras. The main contra force, the Honduras-based Nicaraguan Democratic Force (FDN), is estimated to have between 12,000 to 18,000 fighters.

"This year will be the final straight," says FDN spokesman Frank Arana. Although confident that Congress will approve the military aid to his fighters, he also says "this will be the last money. We have to win or lose this year."

Recent statements by U.S. officials, including Secretary of State George Shultz and Defense Secretary Caspar Weinberger, have drawn embarrassing attention to Honduras's relations with the FDN. Mr. Weinberger, speaking before a congressional committee March 5, said Honduras actively supports the contra war effort and "from time to time" serves as a resupply point.

A day earlier, Mr. Shultz said that because Honduras stopped (in October) all transfer of supplies to the contras through Honduran territory, the US had had problems in delivering the "nonlethal" aid (referring to $27 million Congress approved last August). But many of the supply difficulties have been resolved.

Foreign Minister Carlos López Contreras's response that "officially" Honduras "is not, nor will be, a sanctuary nor will it be used to channel aid to insurgent groups," met weary skepticism among observers here.

"By adding the world 'officially,' " a senior European diplomat says, "[López] seems to be saying almost as clearly as can be said that unofficially [Honduras] has agreed" to facilitate contra aid.

Honduras's readiness to help US policymakers in their campaign against Nicaragua's ruling Sandinistas "has damaged Honduras's image in Latin America," a Honduran Foreign Ministry official says. Continued US aid to the contras, he adds, "would put us in a very difficult position internationally," because everyone believes Shultz's word over that of López.

"The weight of US policy is heavy in all small countries, particularly in the [US's] backyard. Honduran policy will continue unchanged," he says. Honduras is the US's closest regional ally. In 1985, the US sent more than $261 million in economic and military aid.

This official's fears were shared by Carlos Roberto Reina, a leading dissident in the ruling Liberal Party. "Honduran foreign policy over the past four years has suffered from a lot of inexactitudes," Mr. Reina says. "If we maintain this duality of words and deeds, it will give Honduras the worst possible image."

Should the $100 million not be forthcoming ($70 million in military assistance and $30 million humanitarian), President José Axcona Hoyo may have more than an image problem on his hands: the presence of several thousand armed Nicaraguans in his country.

Armed forces spokesman Napoléon Santos says the Army "is aware of the problem, and a little fearful of it." He insists, officially, that there are no contras in Honduras. He says that if the contras were in disarray, "they could not stay here armed. They would have to accept being disarmed, or they would be acting against our security."

"This is a preoccupation here that the contras might be left without food, without clothes, or medicine," adds Roberto Suazo Tomé, the Foreign Ministry official responsible for Central American affairs.

Whether Honduras would seek a military or diplomatic solution to the contra presence or whether this would be feasible is unclear. Honduran officials speak hopefully of dispersing rebels around other Central American countries or of persuading the U.S. to take them.

Foreign observers doubt this would be acceptable to the potential host governments. "In the long term that might be one of the things the Hondurans hope the U.S. would do," comments a Western diplomat. "But I can't see the U.S. administration seeing that as a popular thing to do in the States, quite apart from it being a confession of the failure of its contra policy."

The U.S. ambassador to Honduras, John Ferch, says that "the Honduran government has never asked the U.S. government what it would do with the contras if they were running around the country. The only way I know the Hondurans are concerned about this is be reading the international press."

"There is no real solution to this problem," argues one local political analyst, "We can't send them [contras] elsewhere, we can't accept them as refugees, and we can't give them jobs. The government would have no option but to push them into Nicaragua militarily. It would be a difficult situation."

"Sending the contras off and hoping they will never come back is every Honduran's dream," suggests one European diplomat. But as long as Honduras depends so heavily on U.S. economic and military assistance, he adds, "no one believes it will happen."

C-SPAN: A CREDIT TO TV

HON. JACK F. KEMP

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, April 9, 1986

Mr. KEMP. Mr. Speaker, we are all aware of the power of television to educate and inform, as well as to entertain. Certainly, the leader in realizing television's potential to serve the public is the Cable Satellite Public Affairs Network, best known as C-SPAN. Since its founding in 1977, C-SPAN has provided a lesson to the American people in the workings of our Government and about the issues—both great and small—that demand our attention. For this, we owe a great deal of thanks to Brian Lamb, C-SPAN's founder and chairman.

While C-SPAN is probably best known for its live coverage of House proceedings, it also carries congressional committee hearings, call-in programs that allow viewers to talk one-on-one with today's news makers, and important meetings of State and local officials. In addition, C-SPAN has been the only television news organization that has provided gavel-to-gavel coverage of recent presidential nominating conventions.

In recognition of C-SPAN's unique niche in the medium of television, I commend to my colleagues' attention an article written by Robert Walters which appeared in the February 25, 1986, edition of the Washington Times.

[From the Washington Times, Feb. 25, 1986]

C-SPAN: A CREDIT TO TV

(By Robert Walters)

"The instrument can teach, it can illuminate," pioneer television journalist Edward R. Murrow once said in explaining the awesome potential of his medium.

"It can even inspire," Mr. Murrow added. "But it can do so only to the extent that

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humans are determined to use it to those ends. Otherwise, it is merely lights and wires in a box."

Unfortunately, Mr. Murrow's employer and the other commercial television networks have severely restricted their role as providers of inspiration and illumination, opting instead to dispense least-common-denominator entertainment.

The Public Broadcasting Service has been somewhat more rewarding, but it too has been disappointing as a vehicle that might have advanced the viewers' understanding of their world.

There is, however, one television news organization that comes close to fulfilling Mr. Murrow's vision and achieving the medium's potential for serving the public through offerings that are enlightening yet compelling.

It is the Washington-based Cable Satellite Public Affairs Network, aptly characterized by one industry expert as "cable's most unique and, in some ways, greatest contribution to television."

Distributed to approximately 23 million homes by 2,000 cable systems throughout the country, C-SPAN is an oasis in the television desert, providing informative and intriguing around-the-clock programming interrupted by neither disruptive commercials nor intrusive commentary.

Best known as the cable operation that broadcasts the live, complete, unedited proceedings of the House of Representatives, C-SPAN also covers:

Hearings of both House and Senate committees on such diverse topics as obscene record lyrics, ambient air quality standards, organized crime, airline deregulation, health care, and offshore fishing rights.

National Press Club speeches made by news-makers ranging from politician Geraldine Ferraro and evangelist Jerry Falwell to New York Philharmonic Musical Director Zubin Mehta, and actress Jessica Lange.

Call-in programs that encourage viewers to question politicians, diplomats, lobbyists, and journalists. Guests have included Vice President George Bush, feminist leader Gloria Steinem, and consumer advocate Ralph Nader.

Although C-SPAN's programming is Washington-oriented, its crews regularly travel to other cities. Last year, it broadcast the annual meetings of the National Governors Association in Boise, Idaho; the Republican Governors Association in Wilmington, Del.; the Council of State Governments in Lake Tahoe, Nev.; and the U.S. Conference of Mayors in Anchorage, Alaska.

In recent presidential election years, it has been the only television news organization to offer uninterrupted gavel-to-gavel coverage of the nominating conventions of both major political parties.

C-SPAN's history dates back to 1977, when Brian Lamb, its founder and chairman, persuaded a number of television industry executives to invest $400,000 to launch the non-profit cooperative venture. Live coverage of House proceedings began in 1979, and the Senate could soon authorize similar coverage of its sessions.

Today, C-SPAN operates on an annual budget of about $6.5 million, slightly more than the three major commercial networks spend on the combined yearly salaries of Dan Rather, Tom Brokaw, and Peter Jennings.

Most members of the C-SPAN's staff of slightly more than 100 are young men and women in their 20s and 30s, but their work is thoroughly professional—and it is appreciated by viewers seeking innovative programming.

"C-SPAN brings us as close to pure democracy as anything we have known," says an Illinois follower. "It is a university . . . for all of us to attend, learn, and form our own opinions to keep alive the free exchange of ideas," a Massachusetts C-SPAN enthusiast adds.

ROBERT COHEN

HON. MICHAEL D. BARNES

OF MARYLAND

IN THE HOUSE OF REPRESENTATIVES

Wednesday, April 9, 1986

Mr. BARNES. Mr. Speaker, I would like to direct my colleagues' attention to a profile of one of my constituents, Mr. Robert Cohen, which appeared recently in Washington Jewish Week.

As the article makes clear, Bob Cohen is a man of extraordinary fortitude and accomplishment. One of his greatest contributions to the community is his work in providing for the establishment of group homes for the handicapped—a program which has been so successful in this area that he has extended his reach to other communities across the country—helping them to plan similar housing.

Bob Cohen has served as an inspiration to me and to many others, through his persistence, his dedication, and his enthusiasm.

The article follows:

[From the Washington Jewish Week, Mar. 20, 1986]

BOB COHEN: PASSIONATE VISIONARY AND FAMILY MAN

(By Lisa Schneider)

Thursday is Bob Cohen's favorite day of the week.

That's the day he takes time from his busy day in the oil business to give tours of the group homes for the disabled, proudly showing off a project that has become his main preoccupation in life.

Parents of handicapped children, and therefore sensitive to the need for an alternative to placing the disabled in an institution, it was Bob and his wife Joy who embarked on a passionate mission to provide adequate housing for the handicapped.

"Ours is the house that Bob built," says Leslie Milk, who succeeded Cohen as president of the Jewish Foundation for Group Homes (JFGH). Constructed with the mortar and stone of Cohen's vision and persistence, the JFGH now has four homes in operation—the Estelle and Melvin Gelman Home, Sondra and Howard Bender Home, Ina and Jack Kay Home and Ryna and Melvin Cohen Home. And commitments have been pledged for 12 more homes.

This week, 1,200 people are expected to attend a luncheon at the Washington Hilton Hotel where the Women's Auxiliary of the Hebrew Home will honor Cohen with the Aunt Minnie Goldsmith Award, for his outstanding community leadership.

Cohen, whose given name is Stephen Robert, shortens it to S. Robert. With his signature deep chuckle, Cohen explains, "Everyone calls me 'Bobby.' You're younger if you're a Bobby," says the soon to be 59-year-old.

GENTLE PERSUASION

How has one man almost singlehandedly persuaded members of the community to donate some $100,000 to purchase a home?

"It's unthinkable to say 'no' to Bob Cohen," says Melvin Cohen, whose friendship with Bob dates back some 40 years to their college days at the University of Pennsylvania. "He is that rare combination of a person who by his own example can inspire others to follow him."

Cohen typically refuses to take credit, praising instead the enthusiasm of others who have become involved with the group home and apartment project. "Most donated homes not because I asked them," says Cohen, "but because they all wanted to be a part of the program. Really, that's the *emmes*."

But what Cohen doesn't say is that so many have become involved because of *his* enthusiasm. Cohen has a guileless talent, say his friends, for drawing others into his excitement—making them a part of what's happening.

Last year, when entertainer Marvin Hamlisch came to town for the JFGH's annual scholarship fund dinner, Cohen insisted on showing him the Gelman Home, a spacious, professionally decorated home in Rockville. The residents were ecstatic, but they were not the only ones marked by the experience. Hamlisch was so impressed with the project that he later told Cohen to buy sport equipment for the homes and send him the bill.

DEVOTED FAMILY MAN

Surrounded by Israeli wood carvings and family photographs in the airy den of his Bethesda home, Cohen's sparkling blue eyes light up suddenly. "Would you like to see my son's new house?" he asks, explaining that his son Brian, 23, is a participant in the group home's special needs apartment program.

In a flash, the interviewer is seated in Cohen's Volvo (wife Joy has the car with the license plate "Simcha"), listening to a tape of Israeli music and exchanging notes on new Hebrew slang.

Once at the Grosvenor townhouse complex, Cohen notes happily that Brian's Camaro is freshly washed and then bounds into the house with a cheerful, "Hi pal, how's your new home?"

The affable Brian, an avid Redskin fan like the rest of the family, introduces himself saying, "Hi, I'm Brian and I'm a new homeowner." "Isn't that great?" bubbles his father, his chest swelling with pride.

Bob and Joy, married for 31 years, are the parents of five boys (including a set of twins), ranging in age from 20 to 28. All five are out of the house (two participate in the group home program) and are employed.

Devoted parents, the Cohens insist on calling the handicapped the "handi-capable," and it is this positive attitude that has contributed to their children's independence. "Bob has never let life's vicissitudes detract or upset him," says Melvin Cohen, who adds that Cohen takes special pride in all of his children's accomplishments.

But Cohen admits to a little normal parental worry once in awhile. When a child moves into a group home, the rules are that a parent is not allowed to visit for three weeks, says Cohen. "You shouldn't print this, but . . . when my son Alan moved into the Gelman Home I snuck around the house . . . driving a modest distance behind them when they went on their first walk. I was that anxious," he admits.

OTHER PASSIONS

Cohen's other passions are Israel—the people, the country, the music—and the tennis court, where he keeps score by counting in Hebrew. Says Mel Cohen, "He loves Israelis. We kid him that he collects Israeli friends."

That love for Israel has translated into support for Israel Bonds, which he served as co-chairman of the Washington Committee, Bonds Ambassador Trustee Society.

"He's a real mensch," says Israel Bonds retiring executive director Stanley Segal. "Warm, generous, he has a tremendous love of Israel. And when he takes on a task, he does it wholeheartedly."

"He has done a wonderful thing," continues Segal. "In order to assist both Israel Bonds and the Group Homes, he and I worked out a deal where sponsors who wish to buy a group home can purchase a special, high-interest yielding bond, called the Variable Rate Issue, which is bought in the name of the group home. This way both organizations benefit."

OIL BUSINESS

A native Washingtonian, Cohen graduated from Wilson High School and after receiving a degree in economics from UPenn in 1949, came home to work in the family business, called Central Fuel, which eventually merged with the Hess Oil Company. Cohen left Hess in 1979 to work for Steuart Petroleum Company, where he now serves as senior commercial fuel sales representative.

A member of Adas Israel Congregation, Cohen has served on the boards of almost every Jewish organization in town. Honored last month by the Housing Opportunities Commission of Montgomery County, Cohen is also a member of the Rotary Club, where he has 17 years of perfect attendance.

He and Joy are the recipients of Adas Israel's Lion of Judah award, and the UJAF campaign award for outstanding participation in the 1984 Combined Jewish Appeal. And in 1984, Joy Cohen received the Aunt Minnie Award.

For now, Cohen's labor of love is flying around the country, helping fledgling communities plan group homes similar to the Washington program. "Many parents of handicapped kids worry . . . what's going to happen to my child when I die?" he says. "I can't tell them there's no hope. I'm not made that way."

ST. LOUIS CHURCH HONORS CELEBRITIES

HON. WILLIAM (BILL) CLAY

OF MISSOURI

IN THE HOUSE OF REPRESENTATIVES

Wednesday, April 9, 1986

Mr. CLAY. Mr. Speaker, it is my pleasure to take this opportunity to commend two outstanding members of the St. Louis community, Mrs. Wynnetta Lindsey Smith and Mr. Charles Williams Tabor. Both Mrs. Smith and Mr. Tabor are members of the Christ's Southern Mission Baptist Church and Adult Choir.

The Christ's Southern Mission Celebrity Committee has informed me that these two church celebrities will be honored at a special dinner at the Salad Bowl Restaurant on April 25, 1986.

Mrs. Wynnetta Lindsey Smith, the pianist and choir director is being given a special tribute on the occasion of her retirement after 50 years of devoted service to her church.

Deacon Charles William Tabor, the president of Christ's Southern Mission Baptist Church is being given a special honor for contributing 40 years of untiring service to his church.

I extend my warmest congratulations to Mrs Smith and Deacon Tabor on their very special achievements. Our community has benefited from the dedicated service these individuals have given to Christ's Southern Mission Baptist Church.

KILDEE HONORS DISTINGUISHED MEMBERS OF UAW 599

HON. DALE E. KILDEE

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Wednesday, April 9, 1986

Mr. KILDEE. Mr. Speaker, I would like to bring to the attention of my colleagues and the Nation a recognition ceremony that will be held Sunday, April 13. Several members of the United Auto Workers [UAW] Local 599 will be honored for their many years of dedication and extraordinary service to the UAW.

Mr. Fred Myers and Mr. Terry J. Burgess will receive the highly coveted Walter P. Reuther Distinguished Service Award. This award reflects over 20 years of devotion and unselfish leadership on the part of both Mr. Myers and Mr. Burgess. Fred Myers began his illustrious career in local 599 as a committeeman in 1965 and rose to this current position of president in 1984. Terry Burgess has also served in an outstanding manner in local 599 as a committeeman and in various leadership positions including his current position as plantwide committeeman. These men have gone above and beyond the call of duty and serve as constant reminders of what can be achieved through hard work and dedication.

Also being honored on this auspicious occasion are Mrs. Estelle Hodges, Mrs. Louise DuPilka, Mrs. Katie Wood, Mrs. Etta Woodard, and Mrs. Edith French. These extraordinary women have distinguished themselves in various capacities through their exceptional service and sincere loyalty to local 599 and the UAW. In addition, Mr. Edward Moreau and his son, Mr. Earl Moreau, are being honored for their combined service to Buick of over 89 years. Edward Moreau, 97, is the oldest living member of local 599.

Mr. Speaker, as a result of the great efforts of these men and women and others like them, the UAW has been a stabilizing force in our national economy and a bulwark of our democratic society. The gains that the UAW has been able to achieve have brought benefits, direct and indirect, to the public as a whole. Over the past 50 years, the UAW has played an important role in the elevation of the American standard of living. The benefits which the UAW negotiated for workers are now widespread in the economy and enjoyed by millions of their fellow citizens. It is often not remembered that many benefits we now take for granted never existed on any meaningful scale until the UAW, fellow unions, and labor's supporters in legislative halls won them for working people.

These men and women we will honor on Sunday are the embodiment of the UAW heritage. I am honored to have had an opportunity to know each of these union brothers and sisters who have distinguished their lives through helping others.

CONGRESSIONAL SALUTE TO THE HONORABLE FRED GNAPINSKI OF NEW JERSEY PAST COMMANDER, ROSOL-DUL MEMORIAL POST NO. 359 AMERICAN LEGION

HON. ROBERT A. ROE

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Wednesday, April 9, 1986

Mr. ROE. Mr. Speaker, on Saturday, April 12, residents of the city of Passaic, my congressional district and State of New Jersey will gather together at the annual past commanders dinner of Rosol-Dul Memorial Post No. 359 of the American Legion, a gala anniversary celebration of the veterans of our community in testimony to the outstanding endeavors of their leadership in veterans affairs—always giving willingly and unselfishly of their time in seeking justice and equity for all of our people. Among the honored guests is past commander—the Honorable Fred Gnapinski of New Jersey—whose standards of excellence as the chief executive officer of Rosol-Dul Memorial Post No. 359 during 1983–84 has served to carry on the sterling traditions and purpose of this highly esteemed veterans organization with quality leadership and sincerity of purpose which has truly enriched our community, State, and Nation.

Mr. Speaker, I know that you and our colleagues here in the Congress will want to join with me in extending our heartiest congratulations and best of wishes to Fred Gnapinski and share the pride of his children: Debra Ann Maraslitz, Barbara Semancik, Alice, and Christopher; and granddaughters: Rachael Maraslitz and Jenifer Semancik on this milestone of achievement in their family endeavors.

Mr. Speaker, the Rosol-Dul Memorial Post No. 359, which was organized in the fall of 1945, is one of our Nation's most prestigious affiliates of the American Legion. We are all familiar with the noble goals and objectives of the 2.6 million-member organization of the American Legion. These military service veterans, working through 16,000 community level posts, dedicate themselves to God and country and traditional American values; a strong national security; adequate and compassionate care for veterans, their widows and orphans; community service; and the wholesome development of our Nation's youth. Fred Gnapinski has, by his example and lifetime of dedication to these same true American ideals, personified exemplary leadership in his responsible service to our people.

Mr. Speaker, Fred was raised on the eastside of Passaic, NJ, and received his elementary and secondary education at Holy Rosary Grammar School and Pope Pius XII High School. He graduated with high honors from

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Rutgers the State University with a bachelor of science degree.

He served our people and our Nation with distinction as a fire control technician in the U.S. Navy. He enlisted in 1952 and received his honorable discharge in 1956 with the rank of petty officer second class.

His professional expertise in the science and technology of electronic phenomena and the commercial industry of electronic devices and systems is applauded by all of us. In his career pursuits he achieved success in electronic component sales to industry and quality control and is presently an electronic quality assurance specialist with the U.S. Department of Defense.

Mr. Speaker, Fred Gnapinski has been a member of Rosol-Dul Memorial Post No. 359 for the past 18 years and has served on various committees before attaining the high office of public trust as commander of this esteemed veterans organization. At this point in our historic journal of Congress may I commend Fred Gnapinski to you along with all of the past commanders of Rosol-Dul Memorial Post No. 359 who throughout the past 41 years have served their membership and the people of our community with their leadership endeavors in veterans affairs, as follows:

Rosol-Dul Memorial Post No. 359 American Legion, Passaic, NJ—past commanders

Benjamin Kwiatkowski	1946–47
Emil Olszowy [1]	1947–48
Stanley Blazowki	1948–49
Fabian Izsa, Jr.	1949–50
Joseph P. Lazur	1950–51
Stanley Benedict	1951–52
Edward Serafin	1952–53
Thaddeus Tecza	1953–54
Frank Duplak	1954–55
Edward Lazur	1955–56
William Gonsisko	1956–57
Andrew Tylawsky	1957–58
Bruno Czerniak [1]	1958–59
Stanley Pych	1959–60
Stanley Tomczak [1]	1960–61
Burno R. Stolarz [1]	1961–62
Alexander Bednarz [1]	1962–63
John Yaroslawski	1963–64
William Fitzgerald	1964–65
Stanley Madey	1965–66
John Galka [1]	1966–67
Walter Chmielowiec [1]	1967–68
Henry Lesnick [1]	1968–69
Edward F. Sadlowski [1]	1969–72
John Yaroslawski	1972–73
Edward Byra	1973–74
Edward Wieczerzak [1]	1975
Stanley Turecki	1975–76
Michael Pohrischak	1976–77
Joseph Ruda	1977–78
Anthony Nead	1978–79
Martin J. Fucio	1979–80
Martin Kobylarz	1980–81
Stanley Procko	1981–82
Joseph Szewczyk	1982–83
Fred Gnapinski	1983–84
Peter Kalfe	1984–85

[1] Deceased.

Mr. Speaker, it is indeed appropriate that we reflect on the deeds and achievements of our people who have contributed to the quality of our way of life here in America and I am pleased to call your attention to Fred's lifetime of outstanding public services. We do indeed salute an outstanding citizen, good friend and great American—past commander of Rosol-Dul Memorial Post No. 359 of the American Legion—the Honorable Fred Gnapinski of New Jersey.

ROBERT S. HOROWITZ

HON. MICHAEL D. BARNES

OF MARYLAND

IN THE HOUSE OF REPRESENTATIVES

Wednesday, April 9, 1986

Mr. BARNES. Mr. Speaker, I would like to extend a special tribute to Robert S. Horowitz, the editor of the Montgomery Journal, who is retiring after 34 years with the Times Journal Co.

Mr. Horowitz has, indeed, made a valuable contribution to the readers of one of Montgomery County's most influential newspapers. I wish to commend him for his excellence in journalism and for his attention to the issues of concern to Montgomery County residents.

The following is Mr. Horowitz's farewell editorial in the Montgomery Journal dated Tuesday, April 1, 1986:

EDITOR SAYS FAREWELL TO JOURNAL READERS

I'm retiring today, and this is my first, and last, personal note to Journal readers. As the founding editor, I have watched The Journal grow from a circulation of zero on June 7, 1973, to a daily paid circulation of 40,000-plus households today. After 13 years, two things stand out above the daily alarms and crises of our public life, most of which don't seem to amount to much months or even weeks later:

1. The people who live in Montgomery County are blessed with one of the best governments anywhere. The integrity of our officials is of a very high order. Their dedication to the public good is beyond what most people believe it to be.

The quality of the people who serve on boards, commissions, civic associations, PTAs and special interest groups is the highest, and mostly they do it for free. It is difficult in Montgomery County to fix tickets, rig contracts, shop for judges, buy favorable zoning and bribe the police. Undoubtedly there are a few rotten apples in our society, but Montgomery County appears to have as few of them as human nature will allow.

2. The people in Montgomery County are not aware, for the most part, of how fortunate they are to be served by quality, independent daily newspapers.

When The Journal was founded 13 years ago, this editor's instructions from the owners were to put out the best newspaper possible and to make editorial decisions as seemed appropriate. Period.

From day one, this newspaper's editorial columns have never been concerned about offending Democrats or Republicans, conservatives or liberals, right-to-lifers or freedom-of-choicers. We have not been concerned about offending or supporting advertisers, chambers of commerce and labor unions.

The editor has had the luxury of agreeing and disagreeing with both political parties (as well as the local Libertarians), the League of Women Voters, the government establishment, School Board and leaders of many of the 300-plus civic associations in our county.

Never has anyone in The Journal's chain of command told the editors of this newspaper which candidates to endorse and which to oppose in any election. Never have there been orders to favor one school over another, to support or oppose any ballot question, to favor one side in Nicaragua or Takoma Park, Washington or Laytonsville. The Journal editors in Montgomery and Prince George's counties and at our three Northern Virginia newspapers don't even have to agree with one another, and we often don't.

Looking back, I can see that some of the 1,600 editorials I have written for this space were unfair to causes and to individuals. I wish I could take some of them back. Most of us do get wiser as we get older.

But by and large, I believe that most of our readers and officials, and the passage of time, have supported most of the positions we have advocated over the years.

The Journal now goes under the control of a new editor, Ed Miller, a Hoosier who came to us three years ago by way of The Jacksonville (Fla.) Journal, and assistant editors Susan Hedling and Les Brindley. It is a good team of bright, experienced, serious and responsible journalists. Our community is fortunate to have them.

So, I say goodbye with thanks to the officials of The Times Journal Co., who have put up the money and the courage to allow the editorial department to produce the best newspaper we know how to produce. I say farewell to a staff of 35 capable and caring writers and photographers who take their journalistic responsibilities very seriously.

And I say goodbye to a group of readers who are inquiring, demanding of quality and willing to sock it to us when we're wrong and to support us when we're right. They have made the last 13 years marvelously exciting. But our readers' energy has just about worn me down—after 34 years with The Times Journal Co., I'm ready for retirement.

J. RICK RICCIARDELLI

HON. WILLIAM LEHMAN

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, April 9, 1986

Mr. LEHMAN of Florida. Mr. Speaker, Rick and Debbie Ricciardelli are what the American Dream is all about. Their commitment to family, community, and the free enterprise system exemplifies the best in good citizenship.

The following story appeared in the Miami Herald's Business Monday magazine. However, more than business it is about people who are sensitive, caring, and concerned. For those who don't usually read business news, and especially for those who like me have the privilege of being a friend of the Ricciardellis, I am inserting this story in the CONGRESSIONAL RECORD.

LONG HOURS PAY BIG PREMIUMS FOR INSURER

(By Cornelius F. Foote Jr.)

J. "Rick" Ricciardelli, 64, is a self-described workaholic.

He and his wife, Debbie, still spend 70 hours a week and some weekends running their two insurance companies, which together serve more than 700 agents in the state. They never take vacations. They have telephones in their cars.

"I get my joy out of the business," he said, seated in his West Dade office headquarters office, filled with plaques, pictures and proclamations. "I don't like when things go bad, but I get bored when things go too smoothly

for too long. I like to tackle problems and solve them."

Throughout the area, Ricciardelli is known as a generous man who not only gives money, but also time, to a variety of groups from the Boys Town of Italy to the Greek Orthodox Church of North Miami and political candidates. Other insurance company owners say he is a tough, fair and knowledgeable competitor.

Florida Secretary of State George Firestone, a friend of Ricciardelli's for 25 years, call him "one of the modern pioneers who has paid his dues and developed his business." Last year, the Italian government knighted him for his donations to the area's Italian community.

But Ricciardelli's hard work has also paid off personally. His companies, Underwriters Financial of Florida and Specialty Insurance Underwriters, were ranked No. 480 and No. 485 respectively on the Inc. Magazine list of the fastest-growing private companies. It is is the first time a husband and wife team has had two companies ranked on the list.

Last year, Specialty Insurance, which insures high-risk motorists at rates 20 percent higher than normal policies, wrote premiums worth $35.3 million, up from $7.95 million in 1972. Underwriters Financial, which lends money to pay for his company's policies, loaned $18.6 million, up from $2.5 million in 1968.

Ricciardelli, who moved to Miami from Pittsburgh in 1947, has come a long way from opening Specialty Insurance Underwriters in a nine-foot wide, 17-foot-long office in a downtown Miami building in 1963. He and Debbie Wilkerson, then his secretary, used a door placed on two wooden carpenters work-horses as a desk.

"He's very well-organized and has a high level of motivation," said A. Roger Infante, the company's accountant. "He has been doing this for 35 years and has no problems working 12 to 14 hours a day. He's a prfectionist and isn't satisfied until it's done right.

In the early days, his secretary solely handled the paperwork and the telephones, while he drove around the state in his 1960 white Plymouth Fury trying to convince insurance agents to sell his policies.

In 22 years, a great deal has changed.

Debbie, 58, is now his wife and is in charge of the company's 60 workers; he travels rarely and if he does, it's by airplane. Instead of a cramped office, the company is located in a 22,000-square-foot building just west of Miami International Airport and is equipped with a computer that is linked to agents throughout the state.

Ricciardelli is even living more comfortably. He and his wife live in a four-bedroom, four-bath North Miami home with a swimming pool valued at nearly $500,000, according to Dade property records. He owns a 68-foot yacht, docked at the Jockey Club, which he uses as his "district office." It has a telephone and a computer terminal that hooks directly to the company's West Dale headquarters.

A short, heavy-set man, Ricciardelli loves to talk. His wife is quiet and usually sits back to listen.

"In 1964, I must have put 113,000 miles on my car," he recalled. "I drove from Chipley, Fla., to Miami, and back then, the state was still a bit of a Wild West state. Go ahead, Debbie, you finish the rest of this story."

Before she can say a sentence, he has picked up where he left off.

"With a 12-letter last name and being Italian, I had a lot of shots against me. But while I was on the road, Debbie was back answering the phones. I was able to convince the agents because we were willing to take on risks."

"He's the talker in the family," she adds. They both laugh.

Ricciardelli and his partners, Charles Dahdah and Ed Sirkin, own various pieces of property in Dade County. By mid-year, they plan to break ground on a $6 million shopping center on West Flagler Street.

"Anything he does, he doesn't do it for a reason," said Father Phylemon Payiatis, pastor at the Greek Orthodox Church of North Miami. "He's willing to give of himself as long as someone is honest and truthful with him."

Dahadh, Ricciardelli's business partner and friend for the past 20 years, said he doesn't know where he gets the energy and drive to be so involved.

"I've been telling him that he's got to slow down," he said. "But he just laughs at me."

Ricciardelli, the son of a ditch-digger and plumber's helper who was too poor to send him to college, has been an insurance salesman, a North Miami city councilman, a jazz guitarist and is a World War II veteran.

While he always makes time for his five children, eight grandchildren and one great-great grandchild, Ricciardelli has also been very involved in the community. In 1950, he won a seat on the North Miami city council, but lost his bid for re-election when he accused his opponent, Edmund Vichy, of being a Communist. Vichy's campaign manager sued Ricciardelli for $100,000 in libel damages; Ricciardelli countersued. Both cases were dropped, but Ricciardelli lost the election. He said he has no regrets about the incident or the loss.

"It really changed my life," said Ricciardelli. "If I had been re-elected I probably would have stayed in public service and devoted less time to my business."

In addition, Ricciardelli has been commander of the North Miami Amvets. For two years, he was vice chairman of the Dade County Urban Renewal Agency and since 1975 has held several positions with the Florida Insurance Council, including the presidency.

As chairman of the Florida Insurance Fraud Committee in 1977, he led a statewide campaign against insurance fraud. He was so active in his fight, his life was threatened several times. One time, a bomb was found under his car.

Despite his civic duties, Ricciardelli continued to run his insurance firms, which had grown steadily since the late 1960s when the companies began to market itself to the area's changing population.

"During this period, there were a lot of Negroes and Cubans who were new to the area or country who had a hard time getting insurance," he said. "Most insurance companies wouldn't insure them, but we would."

None of Ricciardelli's companies sell insurance directly to the public, but they provide agents with different kinds of policies.

Underwriters Financial is one of the largest premium finance companies for auto insurance in the state, according to the Florida Department of Insurance. It issued loans worth $16.2 million last year, up from $14.1 million in 1984.

The companies had their roughest years in 1969, 1975 and 1979, suffering heavy losses when several larger insurance companies reduced the number of policies they were issuing to Ricciardelli's and other firms.

"It's frightening," he said. "We've been broke almost three times. In 1975, we couldn't sell any business."

Each time, the companies have bounced back. To attract new agents, Ricciardelli began sending out "special bulletins," which were single-page fliers with cartoons that spelled out the latest policy he was offering.

During the past three years, Ricciardelli hired a computer expert to write programs to better communicate with agents around the state, prepare policies and process claims much quicker.

He still hasn't abandoned some of his old habits. On a huge, desk top calendar, he writes down daily, weekly and monthly premium totals of each of his businesses. He has calendars dating back to 1963. He also uses the same printing company he started with 22 years ago. His mother, Margaret, 82, helps out the company by addressing nearly 4,000 envelopes a month.

"We're still a little Mom and Pop company," Ricciardelli said. "I serve as the orchestra leader and try to pull everything together. It's hard for me to let go. I'm here in the office more hours of the day than I'm home. I see things around here that bring back memories and heartaches. I know I'll never quit."

THE 25TH ANNIVERSARY OF PICO RIVERA SOROPTIMIST CLUB

HON. ESTEBAN EDWARD TORRES

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, April 9, 1986

Mr. TORRES. Mr. Speaker, I ask my fellow colleagues to join me in honoring the Soroptimist Club of Pico Rivera. On Thursday, April 17 the club will celebrate its 25th anniversary as a service organization in Pico Rivera.

The Soroptimist Club spans the globe with 4 federations in 71 countries, close to over 2,300 clubs and over 73,600 members. The Soroptimist goal is to foster the ideal of service as a basis of all worthy enterprises and to encourage its members to broaden their interests in the social, business, and civic affairs of the community.

As a service organization the Pico Rivera club has contributed to the following community events: Huck Finn Day, Miss Pico Rivera, Christmas Baskets, Girl Scouts, Campfire Girls, Bobby Sox League, and the Youth City Award Program.

During the celebration on April 17 the 1986 "TAP" Training Award will be presented to this year's winner, Mary Alice Artes. This award was established to promote upward mobility for mature women, assisting them in their efforts to enter the labor market. Candidates are preferably heads of households completing undergraduate programs or entering vocational or technical training.

Also receiving an award will be Ceasar Moreno. The Youth Citizenship Award is presented in recognition of outstanding contributions by young people to home, school, community, country, and the world.

Mr. Speaker, I commend the members of the Pico Rivera Soroptimist Club for their work and commitment.

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PRIVATE PHILANTHROPHY AND SCHOLARSHIP—THE TAUBE-BARON COLLECTION GIVEN TO STANFORD UNIVERSITY

HON. TOM LANTOS

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, April 9, 1986

Mr. LANTOS. Mr. Speaker, universities and research institutions are facing intense pressures to maintain the quality of education and the caliber of scholarly research, but at the same time traditional sources of funding for these vital activities are increasingly difficult to maintain. Federal appropriations for research and education have been significantly cut back in recent years. State and local governments have been unable to increase their support for these important activities because they have been forced to raise taxes or cut back services in many other areas in order to cope with the decline in Federal funds.

In some important cases, however, private philanthropists have stepped forward to provide important and much-needed assistance to maintain the quality of scholarship and education at our Nation's colleges and universities.

Mr. Speaker, I would like to call to the attention of the Congress an outstanding example of public-spirited concern for scholarship. The largest known private collection of books on Jewish history, culture, and religion has been donated to Stanford University through the leadership of my dear friend Tad Taube and his family, and the Jewish Community Endowment Fund of the Jewish Community Federation of San Francisco, the Peninsula, Marin, and Sonoma Counties.

This collection of 20,000 scholarly books, pamphlets, manuscripts, and journals—valued at over $1 million—was acquired from Salo Wittmayer Baron, professor emeritus of Jewish studies at Columbia University and author of the monumental multivolume work, "A Social and Religious History of the Jews." The collection will be known as the Taube-Baron collection in honor of Tad Taube's deceased father, Zyg Taube, who like Professor Baron was born in Poland.

The contribution of this outstanding collection to Stanford University is only the latest example of Tad Taube's philanthropic leadership in the bay area, and indeed in the country. Tad is a Stanford graduate, a prominent real estate developer, chairman of the Oakland Invaders football team, and president of the Koret Foundation.

The generous gift to Stanford will be a great impetus to Jewish studies. It will make the university a major center for the study of Jewish culture, religion, and tradition. The Taube-Baron collection is an extraordinary group of extremely rare and valuable materials covering centuries of European and Middle Eastern Jewish history and tradition. This collection will bring world-rank scholars of the Jewish experience to the bay area and make an important contribution to our understanding of mankind.

In the Talmud it is written, "When a man does charity and philanthrophy, it is as if he has filled the whole world with kindness." Mr. Speaker, the generosity of Tad Taube and the others who have given the Taube-Baron collection of Stanford University is a great kindness and a great service to scholars and students. I sincerely hope their example will inspire others to similar acts that will benefit education and scholarship.

BEWARE OF OIL TAX SOOTHSAYERS

HON. JACK F. KEMP

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, April 9, 1986

Mr. KEMP. Mr. Speaker, I would like to call my colleagues' attention to an incisive article by Warren Brookes on why an oil import tax would be bad news for our economy and a disaster for our allies and neighbors. It's a message that bears repeating in light of the attempt by some of our colleagues to impose new taxes on the American people.

The current drop in world oil prices means higher economic growth, lower inflation, more jobs, and a welcome break for both consumers and our hard-pressed manufacturers. Every $5 drop in the price of a barrel of oil helps boost our GNP by one-half of a percentage point in the first year and almost an entire percentage point in later years.

Imposition of a new oil tax would strip away these benefits to our own economy, as well as push our trade deficit even higher by making our exports less competitive in world markets. An oil levy also would fall most heavily on some of our closest allies, including the United Kingdom, Canada, and especially Mexico. An oil tax could very well push heavily debt-laden Mexico over the brink into an economic collapse.

As Mr. Brookes succinctly states, we would only be shooting ourselves in the foot by imposing an oil import tax. His article, which appeared in the January 30, 1986, edition of the Washington Times follows:

BEWARE OF OIL TAX SOOTHSAYERS

Earlier this month President Reagan implicitly promised Mexico's President Miguel de la Madrid to keep the U.S. credit pipeline open to prevent Mexico's economy from totally unraveling.

The most important thing President Reagan could do for both Mexico and the United States is to veto any oil-import tax Congress might pass. Any such tax could push Mexico into bankruptcy—and force the United States to construct a 1,400-mile wall on our border from Brownsville, Texas, to San Diego, Calif., to stem the potential refugee tide.

Since Dec. 16, when the OPEC nations effectively signaled the end of their worldwide oil-pricing cartel and announced "every man for himself" in the pursuit of their dwindling share of the world market, Capitol Hill has been abuzz with talk about its being "time for an oil-import tax."

Now when the U.S. economy and consumer are in line for the added stimulus of as much as $20-30 billion in lower crude oil prices from a deregulated oil market, Congress wants to take it away.

Many of the same politicians who helped give OPEC its cartel power, by holding down the price of domestic oil and gas, are now eager to "hit OPEC while it's down" with a $5, $10, or $15 levy per barrel, whatever would push the domestic price back up to $27.

And, with Gramm-Rudman-Hollings in the offing, politicians are justifying this tax increase with lots of "economic" reasons.

The theory behind this "revenue enhancer" is that a $5-plus drop in crude oil prices would be "bad for the economy" because it would cut into already weak domestic oil exploration and development, and encourage consumers to stop conserving.

By imposing a tax on imported oil to keep it at a market price of about $27, not only would U.S. producers be insulated from falling world prices, but consumers would never miss what they never got and would continue to conserve.

There are many flaws in this logic. But the most obvious is that this tax would fall most heavily not on OPEC (from whom we get less than 9 percent of our oil) but on our friendly neighbors, debtors, and allies—and on American industry, which would be further priced out of world markets, which would enjoy an even greater relative price cut.

Today the United States gets less than 2 percent of its oil from Persian Gulf nations. It gets more than 56 percent of its imports from Mexico, Venezuela, Canada, and the United Kingdom. The first two are heavy debtors and friends—the latter two are among our most valued trading partners and allies.

More important, virtually all of our imported oil comes from countries that are in the weakest position to deal with a real price collapse. Our chief suppliers have little excess production capacity. Almost none of our oil comes from those "swing producers" in OPEC, Saudi Arabia, Kuwait, Libya, Qatar, and the United Arab Emirates, who can easily offset falling prices with rising production out of excess capacity.

This essentially is the message of an insider report by its economist Steve Hanke to the clients of Friedberg Commodity Management. Mr. Hanke says the effort to hold the line on prices by cutting back production means "the swing producers (the ones who have cut production deeply to keep prices up) . . . will increase output as prices decline," contrary to normal market response. This is because it is the only way they can maintain or increase their revenues.

Mr. Hanke told us that an oil-import tax would actually accelerate this process, forcing prices down further and faster, and "when OPEC collapses, world crude production will reach about 65 million barrels a day . . . and prices will range from $5.38 to 16.39 a barrel.

"Producers without excess capacity will be hit hardest by an OPEC collapse." Such producers, including Mexico, would experience not only a drop in prices but a matching drop in total income.

Mr. Hanke says Mexico will begin to "hurt" when oil falls below $25.77, Venezuela at $20.72—but Saudi Arabia can get the same level of revenue as now with oil as low as $14.30.

"This means that a U.S. oil-import tax is likely to push the swing producers much faster to their break-even point, with even greater damage to our debtor-nations, especially Mexico.

"More important, this would give our major trading competitors, Japan, Germany, France, a huge oil-cost windfall even as

American manufacturers continued to pay high prices—and this would make our trade deficit much worse."

In other words, an oil-import tax would be a bonanza for Japan and Europe, but a trading catastrophe for U.S. industry, and would mean certain collapse for our big debtor-neighbor, Mexico. Yet, exempting Mexico would cut our oil-import tax revenues by nearly 40 percent, and force an even more punishing tax rate.

It's called shooting yourself (and your neighbor) in the foot.

ANN MILLER

HON. MICHAEL D. BARNES

OF MARYLAND

IN THE HOUSE OF REPRESENTATIVES

Wednesday, April 9, 1986

Mr. BARNES. Mr. Speaker, I would like to call my colleagues' attention to an article that appeared in the Baltimore Sun recently about the inspiring career of Ann Miller, a founder of the Maryland Food Committee and retiring director of the Maryland Food Bank, a nonprofit warehouse that provides food to soup kitchens and emergency grocery programs throughout the State.

Ms. Miller had already served in the Army Nurse Corps and in the Baltimore Health Department before becoming involved in food issues in 1969. Since then she has accomplished more than anyone believed possible in making sure that surplus food is distributed to hungry people in Maryland. I believe that we owe a debt of gratitude to Ms. Miller for doing a job that, as she says, really belongs to the Government. The tremendous effort which she put forth serves to remind us of our own responsibility to find long-term solutions to the problem of hunger in America.

The article follows:

[From the Baltimore Sun, Apr. 7, 1986]

ANN MILLER RETIRES FROM FOOD BANK—BUT NOT ACTIVISM

(By Eileen Canzian)

She has spent 17 years fighting the everyday battles of a war against hunger in Maryland, and now Ann Miller has decided it's time for a change.

Ms. Miller, who is 70, retired last week as director of the Maryland Food Bank, the non-profit warehouse that provides food to soup kitchens and emergency grocery programs throughout the state.

Yesterday, her years of service on behalf of the state's poor were marked at a ceremony in Annapolis, where Gov. Harry Hughes awarded Ms. Miller a Certificate of Distinguished Citizenship. The House of Delegates later passed a resolution in her honor.

"She's made unique contributions—far above what most of us do," said Baltimore Delegate James Campbell, one of its sponsors.

A registered nurse, Ms. Miller already had had a notable career—she was a lieutenant in the Army Nurse Corps during World War II and later helped to establish the Baltimore Health Department's day-care division—when she turned her attention to food issues in 1969.

That year, alarmed at data showing that thousands of schoolchildren in Baltimore had anemia, she became part of a small group of volunteers who started the Maryland Food Committee. "Our purpose was to see that there would be no more hunger in Maryland—and in 1969, that really seemed possible," Ms. Miller recalled recently.

The group's early efforts centered on pressing state and local officials to make use of the federal school lunch program, which at that time wasn't available in many inner-city schools.

Soon, the group was a self-appointed watchdog of the food-stamp program, forcing changes in the state's distribution system to make it easier for applicants to receive the stamps. The group raised money for outreach workers to make low-income Marylanders aware of federal aid for which they were eligible. And it financed an experimental feeding project in Cherry Hill which drew national recognition and led to the development of the federal Women, Infants and Children (WIC) nutrition assistance program.

Describing her efforts at the Food Committee, Ms. Miller says she played what might be regarded as a supporting role, working as a volunteer behind Susan Tippett, the organization's first director. It is the Maryland Food Bank, created in 1979 as offspring of Food Committee, which has come to be known as Ms. Miller's project. She is credited with founding the Food Bank—the first on the East Coast—and leading it through its dramatic expansion over the past seven years.

Starting with just 38 member agencies—and volunteers who wondered how the new group would come up with enough food to serve them—Ms. Miller began a campaign to make wholesalers, supermarkets and other food distributors aware they could donate surplus goods to the Food Bank, which in turn would see that the food reached soup kitchens and other emergency feeding programs.

"I remember looking around the first time I came here and thinking "This is crazy; they'll never be able to fill this warehouse with food," said Bill Ewing, an early volunteer with the organization who is succeeding Ms. Miller as director.

Seven years later, the bank now distributes 450,000 pounds of food each month to 600 programs throughout the state, and the organization is raising money to move to a larger warehouse.

If she is proud of the bank's success, Ms. Miller also regards it as an institution that shouldn't be necessary—at least not at its current scale. She once felt the bank would be a way of helping churches and other groups to help people who were facing true emergencies, the sudden loss of a job or other family crisis.

Instead, she said, the Food Bank is serving agencies that have been forced to take over a role that she believes belongs to government.

In that light, Ms. Miller said she has always regarded her work at the Food Bank as a complement to—and not a replacement for—ongoing efforts by groups like the Food Committee that advocate expansion of government programs to help the poor.

"There are a lot of people who say to me, 'What are you doing, just preventing the revolution?" Ms. Miller said. "I tell them, 'While you all are talking . . . there are poeple who are going to starve. So we'll feed them until you come up with a permanent solution.'"

Of her future, Ms. Miller makes clear that she is retiring as head of the Food Bank—not as an activist. She said she decided she had had enough of handling "day-to-day emergencies."

But first, she said, she is going to take a vacation in Europe—where she plans to tour food banks in France.

TRIBUTE TO RABBI AND MRS. SAMUEL DAVID RAICHIK

HON. HENRY A. WAXMAN

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, April 9, 1986

Mr. WAXMAN. Mr. Speaker, on June 8, 1986, the Los Angeles Jewish community will gather at the Century Plaza Hotel in Los Angeles to pay tribute to Rabbi and Mrs. Samuel David Raichik. As I have the signal honor of counting the Raichicks among my close friends and as well as among my constitutents, I wish also to share with the Members of this House an account of the enormous contributions Rabbi and Mrs. Raichik have made to our community.

Both Rabbi and Mrs. S.D. Raichik were among the fortunate remnants of Polish Jewry to survive the Holocaust. Both saw the virtual destruction of their distinguished families of origin. Both were determined to pursue with all their energy the values reflected in the lives of their learned and pious families over the generations.

Rabbi Raichik from his youth on has been a devoted follower of the Chabad-Lubavitch School of Chassidism. He studied at the Lubavitcher Academy for Advanced Talmudic Studies near Warshaw, Poland. Rabbi Raichik was personally involved in the escape of the late Lubavitcher Rebbe, Joseph Isaac Schneerson, from German occupied Poland in 1940. Rabbi Raichik's life was saved from the Nazis by the sage advice of Rabbi Schneerson. Rabbi Schneerson guided the entire academy eastward across the Soviet Union into China and finally to their city of refuge—Japanese occupied Shanghai.

Mrs. Leah Raichik—nee Rapaport—comes from one of the most illustrious families in all of Jewish history. Her father, the late Abraham Abba Rapaport, was a renowned Talmudic scholar, a key figure in the Court of the Gerer Chassidim, a major manufacturer and wholesaler of textiles, and economic adviser to the prewar Polish Government. Mr. Rapaport died shortly after the German invasion of Poland. His wife, Sabina, and four Rapaport daughters spent the entirety of the war hiding underground in a barn of friendly gentile farmers. The constant search by German troops for Jews placed them in perpetual danger until the liberation of Poland.

After the war both Rabbi and Mrs. Raichik settled in Brooklyn, NY, and sought to rebuild their lives. With the blessing and approval of the late Rabbi Joseph I. Schneerson the Raichiks were wed in 1948. Rabbi Schneerson dispatched the young couple to represent him and the Lubavitcher movement on the west coast. He designated Rabbi Raichik as his personal emissary and entrusted him with the wide range of both spiritual and material responsibilities.

Within a very short time the Chabad-Lubavitch movement, hitherto unknown in the Far West, became familiar to most Orthodox Jews

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and to many Jews of other orientations. The non-Jewish community came to respect the Chabad movement for its integrity, compassion, and special emphasis on the needs of young people.

The Raichiks first settled in the Boyle Heights area of Los Angeles. They subsequently moved to the Beverly-Fairfax section where they have lived for the past 32 years.

It is impossible to describe in the available space the range of activities undertaken first by Rabbi and Mrs. Raichik and subsequently by their children. The rabbi has been involved in every area of Jewish communal life bringing his own insights and the wisdom of his leaders to the problems of both institutions and individuals. He is renowned as one who "loves peace and pursues it." Even those who do not share his views deeply respect his gentle, compassionate, and accepting approach.

With the passing of Rabbi Joseph I. Schneerson the mantle of leadership fell upon his son-in-law the present Lubavitcher Rebbe, Rabbi Menachem Mendel Schneerson. The present Rebbe renewed Rabbi Raichik's appointment as personal emissary to the west coast and expressed his prayer and blessing that the work of Chabad Lubavitch would grow and flourish.

In the ensuing years the Chabad Lubavitch movement has indeed grown. And over the past decade there has been an even greater expansion of Chabad's work. The expansion program has been guided by Rabbi Boruch Shlomo Cunin and has included the development and growth of the Yeshiva Ohr Elchonon Chabad under the direction of its dean, Rabbi Ezra Schochet. Chabad now has branches in such far-flung placed in California as San Diego, Westminster, Torrance, Santa Monica, San Fernando Valley, and the bay area.

Each and every Chabad rabbi turns to Rabbi Samuel David Raichik for guidance in his personal life and in his communal work. Each recognizes Rabbi Raichik's unique ability to put every issue in the context of Torah thought and the teachings of the Lubavitcher Rebbe.

In all his years as an emissary, Rabbi Raichik has never recognized a distinction between his public and private lives. He has no office, he keeps no appointment book. His home is a gathering place for visiting dignitaries, for troubled youth, for divided families, and for spiritual seekers. His days are filled with service to his Creator and loving service to the community. From his wedding day on, not only his life, but the lives of his wife and children have belonged to the community. In order to fulfill their mission Rabbi and Mrs. Raichik and their family have sacrificed privacy, luxury, convenience, and comfort.

Those who seek out Rabbi Raichik's well-known Edinburgh Avenue address are always accepted and nourished both physically and spiritually. And those who do not seek out the Raichik's home are nevertheless touched by them. Rabbi Raichik brings the teachings of the Torah, the wisdom of Chabad philosophy, and the instructions of the Lubavitcher Rebbe into homes, offices, and synagogues across the city. And when he visits prisoners in California jails he takes not only his messages but also his wife's personally prepared foods and baked goods.

Rabbi and Mrs. Raichik are the proud parents of 10 children—all of whom are devout Lubavitcher Chassidim and devoted followers of the Lubavitcher Rebbe. They are also the grandparents of seven grandchildren some of whom have already taken the first steps along the path that their grandparents trod with so much commitment and self-sacrifice.

I ask that my esteemed colleagues in the House of Representatives join me in saluting Rabbi and Mrs. Samuel David Raichik for their 38 years of service to the city of Los Angeles. I ask also that my peers join me in wishing the Yeshiva Ohr Elchonon Chabad continued success in its commitment to educate and guide its students in the ways of Torah as exemplified by the lives of Rabbi and Mrs. Samuel David Raichik and their family. Please also join me in wishing the Rabbi and his wife long life, good health, continued success in their communal roles, and spiritual satisfaction from the achievements of their children and grandchildren.

INSEARCH

HON. EDWARD R. ROYBAL

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, April 9, 1986

Mr. ROYBAL. Mr. Speaker, I would like to take this time to recognize and commend INSEARCH, an organization created to assist society in its quest for timely solutions to some of the significant problems facing our world. INSEARCH is an independent nonprofit "think tank" not aligned with any particular funding source, philosophy, constituency, or issue. In one of its first actions, INSEARCH conducted a forum on aging which I attended along with nine experts in the field of aging. Those experts are: Dr. Vern L. Bengtson, Andrus Gerontology Center at USC; Dr. Joyce M. Gattas, San Diego State University; Mrs. Janet Goeske, Janet Goeske Center for Senior/Handicapped Citizens; Dr. Iseli K. Krauss, Syracuse University; Dr. Huey B. Long, University of Georgia; Dr. Harry R. Moody, Brookdale Center on Aging at Hunter College; Mr. Jules Power, Power/Rector Productions, Inc.; Mr. Robert S. Rubenstein, the Aerospace Corp.; and Dr. Edward L. Schneider, National Institute on Aging.

SUCCESSFUL AGING: A LIFELONG PROJECT

The primary object of this forum was to decide, in the fact of the growing difficulties posed by the demographic statistics, how best to improve the capacity of Americans during aging, how to enhance their mature development. For every aspect of the problem, the forum urged the need for research, notably:

First, greatly increased support for research into the diseases which cause most dependence in the aged, the greatest difficulty for their families, and the highest expense. By far the most important of these is Alzheimer's disease.

Second, research into how best the elderly can maintain their independence and free choice of how to spend their leisure time; and research into the best means of caring for the old who need it, including care by families or other support groups.

Third, research into methods of education at all ages, with emphasis on how to bring attitudes about the older generations up to date and how to change education from a youthful experience at school to a continuous, lifelong process.

Fourth, reseach in the workplace into productivity of employees in all age groups.

Fifth, research into the development of products adapted to the rapidly growing market offered by people over 50 years of age.

A second set of recommendations dealing with advocacy for senior citizens was made to the board:

First, create a professional legislative advocacy group for senior citizens, based on a coalition of the leading national organizations for retired or elderly citizens. Ensure that this is on a permanent basis so that it is effective. Simultaneously, form a nationwide system of ombudsmen, both paid and volunteer, as advocates for senior citizens.

Second, urge the media to present mature and elderly people as they are in fact today; most are alert, mobile, and spending a discretionary income much larger than that in the hands of the young. Because of this, advise the media in the interests of their advertisers to promote products suited to the older generation. Replace outmoded stereotypes in television and the print media by present-day images of aging, and show the changing societal attitudes in a positive way.

Third, take strong action in industry for employees 40 years old and over, giving them options for the time they retire, opportunities to retrain for new work, and later to continue working part time.

Fourth, change out-of-date attitudes about aging in education, starting at ground level with elementary textbooks and continuing throughout school curricula. Regard education as lifelong, promote opportunities for adult education such as the elderhostels, and encourage partnerships between public education authorities and private industries to coordinate programs for adult education.

I feel it is important to share the results of this forum with my colleagues in the congress because these recommendations go to the heart of the aspirations of older Americans. As chairman of the Aging Committee, I have heard testimony from senior citizens throughout our land who want to maintain their independence; receive better health and long-term care; remain productive in the work force beyond the so-called age of retirement and erase the stereotype of the elderly being feeble and useless. We have a responsibility as legislators to take the wishes and needs of our senior citizens into consideration when we make decisions on programs and funds that are important to them.

Vern L. Bengston has written in A Generation Gap that:

> Old age reflects survivorship and a lifetime of experience and coping. Too many of us look at the dependency of old age and ignore the autonomy.

I want to thank INSEARCH for its contributions in the field of aging. I am sure that we will continue to hear good things about this new and forward-looking organization.

HELPING CHILDREN ABSORB THE SHOCK

HON. TOM LANTOS

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, April 9, 1986

Mr. LANTOS. Mr. Speaker, none of us will ever forget the tragedy of the explosion of the space shuttle *Challenger*. A nation watched in stunned silence as the horror of the event unfolded. The pain was intensified by the fact that tens of thousands of schoolchildren were watching in eager anticipation of witnessing this historic occasion of the first teacher in space.

In a recent article, Dr. Edna Mitchell, the distinguished head of the department of education at Mills College in Oakland and a member of a NASA research advisory team, discusses the problems due to the fact that the children, while carefully prepared for the events of the mission, had not been prepared for the possibility of a failure of the mission. Without warning, and still trying to cope with their own pain, parents and teachers were faced with questions from shocked and confused children.

Dr. Mitchell's excellent article assists parents and teachers in their task of helping the children come to terms with the accident. In particular, Dr. Mitchell stresses the importance of not ignoring the tragedy, but helping children accept it. She writes:

> Teachers and parents must help children absorb the shock. We may question how much time should be spent dwelling on tragedy. But to turn away from it encourages us to think of the event as another television drama, rather than as real life. Daily routine will resume quickly enough. All adults would like to protect children from unnecessary fears, but we don't want to do this by deadening feelings.

Dr. Mitchell's article is helping not only in dealing with the explosion of the space shuttle *Challenger*, but also with other tragedies that might arise in the lives of children. I commend Dr. Mitchell on her outstanding work and highly recommend the article to all my colleagues.

Helping Children Absorb the Shock

> A nation of school children and their teachers spent weeks preparing to watch the lift-off of the space shuttle with the first average citizen, a teacher, aboard. They planned to be her students as she taught her lessons from the Challenger.
>
> Thousands of students had been carefully prepared for this experience, which focused the space mission on education and particularly on science education. Lessons planned by Christa McAuliffe had been nationally distributed by NASA. Many children had written letters to her.
>
> While the personal involvement of children and their teachers had been carefully cultivated as a national effort, no preparation had been made for the possibility of failure or for the horrible tragedy that occurred as these children watched and listened.
>
> So now adults, coping with their own confusion, must act as sources of comfort and strength for the youth who became so directly involved with Christa McAuliffe and this mission.
>
> For many children, this event shakes the foundation of confidence in their lives. Each crew member was attractive as a role model, as well as superbly talented. This flight was not only racially integrated but included two women—one a scientist and one a teacher and mother, comparable to those women who figure securely in the daily lives of children.
>
> Teachers and parents must help children absorb the shock. We may question how much time should be spent dwelling on tragedy. But to turn away from it encourages us to think of the event as another television drama, rather than as real life. Daily routine will resume quickly enough. All adults would like to protect children from unnecessary fears, but we don't want to do this by deadening feelings.
>
> Age makes a difference. Children of different ages have quite different understanding of the accident and will think of it in different ways. For children of all ages, however, a basic fear is the underlying sense of impending loss to themselves . . . the death of their own parents, their teachers, even the possible total destruction of the world.
>
> Younger children may show signs of their deeper fears in their play, in their unwillingness to be separated from their parents, in fears of going to bed, and in nightmares. Talking with them now, for a few days following the tragedy, can be reassuring.
>
> Death is real, but life is also real and continuing. Accidents do happen, sometimes many lives are lost, but people are strong. We help each other in times of trouble.
>
> For adolescents, the fears are both immediate and far ranging. Adolescents will express personal concerns about the security of their own lives but will also raise questions about the use of power in society. They will ask not so much why the crew had to die as why such a risk was taken with the life of a citizen teacher. What political purpose was this designed to accomplish? The cynicism, pessimism, and the idealism of youth will be close to the surface.
>
> Thoughtful adults must be available to all youth at this time. Values are going to be brought into focus that need adult experience and perspective. Peer persuasion about life and death values by teenagers, who themselves have a life experience of less than two decades, is an inadequate source of information.
>
> We must take time to talk about this tragedy with our children, and to let them talk about it. In a few days television will turn to the next news event, but classrooms will still have posters of the Challenger on the walls and stacks of teaching materials now never to be used with the teacher from space.

TRIBUTE TO PHIL BEUTH

HON. JACK F. KEMP

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, April 9, 1986

Mr. KEMP. Mr. Speaker, for the past 10 years, Phil Beuth has served as one of America's top broadcasters as the general manager of WKBW Television—channel 7 in Buffalo, NY.

Under his leadership, WKBW was the acknowledged leader among all television stations in western New York. In part, this reputation was earned on the basis of Phil Beuth's commitment to public service for our community and our country.

While Phil Beuth was an activist in many civic organizations, none was more precious to him than the Variety Club, Tent No. 7 and its work on behalf of the Children's Hospital of Buffalo.

For the past 24 years, Variety Club has sponsored a telethon whose proceeds benefit Children's Hospital. Under Phil Beuth's leadership, this telethon has become the most successful telethon in the United States. No other telethon raises more money per capita at less cost than does Phil Beuth's Variety Club Tent No. 7.

On March 1 and 2, 1986, the Variety Club Telethon raised a record $1,476,612. It was also Phil Beuth's last telethon as general manager of WKBW since he has recently assumed new executive responsibilities with Capital Cities Communications, Inc. During his 10-year tenure at WKBW, Phil Beuth and Variety Club Telethons have raised millions.

On April 16, 1986, the people of Buffalo and Western New York will hold a testimonial dinner in Phil Beuth's honor to express their appreciation for all he has done to improve the quality of life in our community. On behalf of my constituents, I hereby submit for the RECORD on March 2, 1986, a Buffalo News article which captures how Phil Beuth used his remarkable talent for the children of western New York and our whole community.

We in western New York will miss Phil and his dear family but wish him well at Capital Cities/ABC in New York City.

Phil Beuth Reaches for the Stars—and They Reach for the Telethon

(By James E. Brennan)

> When Phil Beuth first came to Buffalo on Labor Day ten years ago, one of his first accomplishments as the new general manager at WKBW-TV was to plug a Jerry Lewis Muscular Dystrophy telethon on another station.
>
> "I was watching a football game on Channel 7 and Stewart Dan was working the telethon on Channel 2," Beuth recalls. "I called the chief engineer at KB, identified myself as the new boss and told him to put a crawl across the bottom of the screen during the game asking viewers to donate the price of a football ticket to Jerry's kids."
>
> That was the beginning of Phil Beuth's success story on behalf of a number of Buffalo charities. One of the closest to his heart is the Variety Club Telethon for Children's Hospital, which is airing this weekend on Channel 7.
>
> His philosophy in associating both himself and his top-rated station with the Variety Club fund-raising effort is summed up in the simple statement: "When you do well in business, you ought to do good for the community."
>
> "I consider myself a very fortunate person, and I like to put something back into the community," he adds.
>
> On a personal level, Beuth has been doing a great deal of good by putting in long hours brainstorming new approaches to raise money for Children's Hospital. He has opened the door for corporate support from Burger King, Liberty Bank, Hills department stores, K-Mart, Tops, Bells and Super Duper, plus a host of bowling proprietors, car dealers and restaurateurs.

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Beuth also worked with The Buffalo News on Kids Day and has personally spoken to almost all 40 satellite groups that collect money for the telethon.

In his first year with the Variety Club telethon, Beuth and his fellow members promised $250,000, then $500,000 and then $1 million.

The goal this year is to top the $1.4 million raised last year. The phone number to call in a pledge is 633-4357 or donations may be brought directly to the Courtyard at the Executive Hotel in Cheektowaga, where the telethon is being held.

To reach that goal, the telethon is employing the talents of "Growing Pains" star Alan Thicke, actresses Judy and Audrey Landers, "Partridge Family" drummer Barry Williams, "Young and Restless" player Patti Weaver, singer Clint Holmes, commedian Rip Taylor, former "Lassie" star June Lockhart, 1984 Miss America Suzette Charles, jazz singer Michael Danso and nightclub singer Kay Christ.

Two other stars who will be contributing their wonderful smiles to the telethon are Erin and Eileen Couglin, this year's Celebrity Children.

The parents of the 11-year-old twins from West Seneca are Mr. and Mrs. William Coughlin. The girls also have a sister, Kelly, 16 and a 15-year-old brother, Bill.

Erin and Eileen both receive ongoing medical care through the Cerebral Palsy Clinic at Children's Hospital's Robert Warner Rehabilitation Center.

Beuth and show producers Bill and Ruth Halle helped recruit all these stars for the telethon. Under union rules, the entertainers are paid an honorarium, but in years past many of the big names have turned around and written a check right back to Variety Club.

"That's been true of Jack Klugman, Ted Knight and Hal Linden," Beuth recalls. "After seeing the work Variety Club does at Children's, they were overwhelmed. You'd have to have ice water in your veins not to be touched."

"When Burt Reynolds was here filming 'Best Friends' with Goldie Hawn, we tried to get him for the telethon," Beuth says. "I tried everything—phone calls, letters, champagne—but I couldn't get him."

Finally Beuth was able to take Reynolds and Hawn on a teary-eyed tour of Children's Hospital. "After the tour, nurses and patients were asking Burt for his autograph," Beuth continued. "In the limo ride back to the hotel, I asked him for an autograph, too—on a check.

"Burt did better than that, he came onto the telethon and began matching callers' pledges dollar-for-dollar to the tune of about $20,000. Not bad for a guy who volunteered to roll down a flight of stairs for a $5 pledge during a telethon here in 1974. That's when he was doing stunts on his 'Dan August' TV series."

Another star who appeared here a few years ago when she was an aspiring singer was Pia Zadora. At that time, Beuth asked for and got a contribution from her wealthy husband, Meshulam Riklis.

Every year Beuth makes out a list of local and national celebrities and business executives, and then proceeds to call them for gifts to the telethon. Last year he raised more than $35,000 through his personal solicitation of pledges. For his efforts, Beuth was honored both by a prestigious citation from President Reagan and with an International Citizenship Award from Variety Club. He also was named Citizen of the Year by The Buffalo News for his work on the $7.5 million capital drive of Children's Hospital.

Ed Pantano, an officer of local Variety Club Tent No. 7, describes Beuth's community service this way: "Without question, Phil Beuth is the mainspring that makes the heart of Variety tick. We are fortunate and gratified that he chose to be involved in Variety Club. He has put in far more time and effort than we ever hoped he could or would for our club. Phil has great compassion for people and he has earned the respect of the community for his efforts on behalf of those in need."

Beuth is leaving Channel 7 for an executive position with Capital Cities/ABC, but he says, "My membership will always stay with the Buffalo Variety Club tent. Even though I'll be working in another city, I'll still figure out a way to contribute."

ARKANSAS' VOICE OF DEMOCRACY WINNER

HON. JOHN P. HAMMERSCHMIDT

OF ARKANSAS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, April 9, 1986

Mr. HAMMERSCHMIDT. Mr. Speaker, each year the Veterans of Foreign Wars sponsors a Voice of Democracy contest. Competition takes place in all 50 States among high school students. Finalists in these contests are brought to Washington to compete during the winter meeting of the VFW. Members of Congress witness the final winner as he or she presents their operation during the annual banquet. It is always a most inspiring event.

The Arkansas winner this year is Alan Keith Lacewell, son of Bill and Becky Lacewell of Fort Smith. Keith is a senior at Northside High School, and is interested in broadcasting and the Arkansas Razorbacks.

It is my pleasure to enter into the CONGRESSIONAL RECORD, Keith's award-winning oration.

Thank you, Mr. Speaker.

NEW HORIZONS FOR AMERICA'S YOUTH

(By Keith Lacewell)

This year in America billions of dollars will be spent on the education process, in a mighty effort to teach our young people and to prepare this generation to become the most successful and productive individuals in the world. They'll be taught everything, English, Science, Mathematics and History, even the practicalities of getting a job. But in spite of all this, educators will very likely fail to teach the most vital concept for human progress—the awesome power of dreaming.

How many times has a teacher said to a student "stop that daydreaming and pay attention right now". How different would life have been for all these students if they had been encouraged to continue to dream and then taught how to make their dream into visions of reality.

It is an indisputable fact that every person who has achieved major success or greatness in life, started off with a dream. For example, the Wright brothers dreamed of flying, and they did. Albert Einstein, although he had never seen or proven there was such a thing as an Atom, had a dream. That dream grew into the Nuclear Age. Many people said that man could not survive moving faster than the speed of sound. Well, Chuck Yeagar had no problem fixing that, because he had a dream.

How can we ever forget the immortal words of Martin Luther King Jr.: "I have a dream". Scientists said it was almost impossible to go to the moon, but John F. Kennedy had a vision that America could put a man on the moon, and we did many times. We believed President Kennedy because he was a visionary and he made us believe in that vision. Therefore I believe that youth need a vision. A vision is very broad; it is devised of dreams and aspirations. Or, a vision could be a simple goal in life.

America's success had depended on dreamers who had a dream or vision that began as a youth and was fulfilled later on in life. Man stands above the animal kingdom because of his ability to dream and even greater, man can carry out that dream.

To give up our dream would be to give up the greatest quality of mankind. As a nation we can never let that happen. As youth we must appreciate the opportunity to serve and to lead, for America's future is in our hands. So why don't you pick yourself a dream, form it into a vision, and mold several goals you want to accomplish—goals to help you climb the ladder of life.

WATER PROJECT REFORM

HON. G. WILLIAM WHITEHURST

OF VIRGINIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, April 9, 1986

Mr. WHITEHURST. Mr. Speaker, I would like to bring to the attention of my colleagues an editorial that appeared in the April 1 edition of the Virginia-Pilot newspaper in Norfolk, VA.

As the article correctly states, the water project legislation passed by the House and Senate contains many funding reforms that reflect the realization that these programs should be partnerships between the Federal Government and the localities.

I want to commend the U.S. Army Corps of Engineers and the members of the respective committees for their tireless efforts to forge legislation that addresses the needs of the country, while recognizing the financial limits of the Federal Government.

ENDING THE DROUGHT

Without public-works projects, the nation's colonial economy might have foundered. Canals were built and harbors improved to promote commerce and communication, both domestic and foreign, because, among other reasons, overland travel was impractical through the wilderness. Thus was begun a tradition of federal support for water-related projects.

But no major federally funded water projects have been undertaken for the past decade and a half. The reason is Eastern-state congressional delegations' loss of appetite from watching Western-state representatives' hoggishness during the drafting of such "pork-barrel" bills. In 1970, Congress passed its last major water-projects legislation.

Now, the water-projects drought is breaking. Last week the U.S. Senate passed on a voice vote without debate a bill to authorize $11.5 billion for 181 water projects, including deepening of the Hampton Roads harbor. A similar but more expensive ($20

billion) version passed the House of Representatives earlier.

The two bodies will confer to iron out their differences, but the conference almost certainly will produce a water-projects bill that can be called "major" not for the cost so much as for the principle of cost-sharing that it incorporates.

The application of this principle would remove the old pork-barrel stain of 100 percent federal funding for such projects and would apply instead a requirement that local governments share the burden of harbor improvements. Under the Senate provisions, the local share would be 60 percent, the federal share, 40 percent. The House version calls for a 50-50 split.

Either way, the principle is sensible. Both contributors—the federal government and the state or locality—derive benefit from the improvements: The federal government supplies allies with U.S. coal through Hampton Roads, for example, and in the process helps to reduce the U.S. trade imbalance; local government collects revenue generated by the commerce flowing through the harbor. It makes sense that both should contribute to paying for the improvements.

Another sensible aspect of the cost-sharing principle is its tendency to weed out the wasteful. Too often in the past, localities begged for water projects that they wanted Uncle Sam to finance—but which they weren't willing to help finance themselves. Localities are less likely to lobby for major water projects when they must help pay for them.

The water-projects reform has wide support: the Reagan administration, members of both parties on Capitol Hill and state officials, including Virginia Gov. Gerald Baliles and the General Assembly, which this year pledged half the $52 million cost of Hampton Roads harbor dredging. That pledge may have to increase a little if the Senate's legislative version prevails in conference. But it would be a small price to pay for ending the drought in harbor improvements.

THE HIDDEN STING OF THE TRADE DEFICIT

HON. LANE EVANS

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, April 9, 1986

Mr. EVANS of Illinois. Mr. Speaker, this article by Economist Lester Thurow confirms what my constituents already know: the middle class is being eaten away by the trade deficit. In areas that depend on manufacturing, like western and central Illinois, minor improvements in the employment picture since 1982 have not brought about a commensurate rise in income. Overall prosperity has declined.

And now, according to the latest statistics, joblessness in Illinois is on the rise again. Mr. Speaker, we must have a coherent trade policy which combines trade law reform with investments in the long term competitiveness of American workers and industries. If we fail to do this, the vision of middle class opportunity, so important to the fabric of American society, will fade forever. Its replacement will be the hardened class lines and expanded, volatile underclass, which our Founding Fathers sought most to avoid in planning the American experiment. I recommend this article to our colleagues who share our concern about the trade deficit.

THE HIDDEN STING OF THE TRADE DEFICIT

(By Lester C. Thurow)

American history is marked by periodic surges in economic inequality that have to be contained by government action. The Interstate Commerce Commission and the antitrust laws were designed to stop the surge in inequality created by the robber barons of the mid- and late-19th century. Social Security and unemployment insurance were our answer to the surge in inequality produced by the Great Depression.

Today, the United States is again in the midst of a surge in economic inequality, the origins of which are poorly understood. Demographics have virtually nothing to do with it, and the "feminization of poverty," while important, works mostly at lower income levels. In fact, what is contributing most to the growing inequality is the trade deficit, which is destroying America's best-paying jobs, driving many workers out of the middle class.

Wherever one looks, one now finds rising inequality. The percentage of the population living below the poverty line reached a low of 11.1 percent in 1973, hovered between 11 and 12 percent until 1979, and then began a steep ascent—rising to 15.2 percent in 1983 before falling back to 14.4 percent in 1984.

From 1976 to 1984 the number of middle-income male jobs (jobs paying between 75 percent and 125 percent of median male earnings—$12,769 to $21,282 in 1984) declined from 23.4 percent to 19.7 percent of the male work force. The trend continues during the current recovery in a boom year, 1983, the total number of males with earnings rose by 500,000, one-half million, but the number of males with middle-income earnings fell by 500,000. In 1984, the total number of male earners rose by 216,000 but the number of middle-income earners fell by 197,000.

If one corrects for inflation and looks at median personal income between 1976 and 1984, one finds that real earnings have fallen 9.3 percent for males and risen 5.3 percent for women. Yet, over the same period, the real per capita gross national product rose 16.3 percent.

The income share going to labor is falling, with total labor compensation down to 54.6 percent of G.N.P. in 1984 from 56.2 percent in 1976. And among laborers' income a larger share is going to those at the top.

Among families, the share of total income going to the top 10 percent of all families has risen from 29 percent in 1969 to 33 percent in 1982, using Federal Reserve Board definitions of income (definitions that include much of the capital income included from census income data). According to the data of the Census Bureau, the income share going to the bottom 60 percent of the population (32.7 percent in 1984) is the lowest in recorded history. The Federal Reserve Board also reports the percent of American households owning at least one share of stock has fallen from 25 percent of the population in 1977 to 19 percent of the population in 1983.

If there were just one number pointing toward more inequality, it could be ignored as a statistical fluke. Given the wide variety of data, all of which point in the same direction, there can be little doubt that what is happening is a real event. Moreover, with the percentage of middle-income households declining within every age group, the trend cannot be attributed to demographics and the baby-boom generation (and thus dismissed as a temporary condition that will melt away as younger workers gain experience and, presumably, higher wages).

A number of factors explain what is going on, but two stand out. At the bottom of the income distribution, poverty is rapidly being feminized. Eighty percent of people in poverty now are women and children. Those men who are in poverty are mostly elderly. Given rising pensions, one can foresee the day when there will be virtually no men in poverty.

But a less familiar force is operating at higher income levels. Here, a lack of international competitiveness—manifested in a $150 billion annual trade deficit—is eliminating some of America's best-paying jobs. The industries that pay the highest wages, and thus help narrow inequalities in income, are suffering the most from our lack of competitiveness.

If one examines tne distribution of earnings for both export industries and import-competing industries, one finds that they employ many fewer low-income workers and many more upper-income workers than does the general economy. In 1983, 41 percent of the entire work force earned less than $12,500 a year, but only 31.3 percent of the work force in the exporting industries and only 30.4 percent of the work force in the import-competing industries earned less than this amount.

Conversely, while only 56.3 percent of the entire work force earned between $12,500 and $50,000 a year. 66.1 percent of those in the exporting industries and 66.9 percent of those in the import-competing industries earned this amount. While median earnings for the entire economy were $16,168 in 1983, export industries were generating median earnings of $18,637 and import-competing industries median earnings of $19,583.

As a result, when imports rise and exports fall, as they have in the last five years, a large hunk is taken out of the middle of the earnings distribution. Between 1980 and the middle of 1985, for example, the rise in imports drove the wages of 300,000 American workers below $12,500 a year.

Whatever one thinks about the role of transfer payments (which remain today's answer to yesterday's surge in inequality), they clearly are not the appropriate means of counteracting what is going on now. New problems require new answers.

Part of the answer is clearly to be found in regaining international competitiveness, not just in a sense of a balance between exports and imports, but in the sense of import-competing industries that can really compete. This is going to require improvements in social organizations so that the United States deploys an economy where investments in plant and equipment, the skills and education of the work force, the amount spent on civilian research and development and the ability of its managers are equal to those found among its most aggressive competitors.

Part of the answer is to be found in another form of social organization. Mother Nature makes mothers but societies have to make fathers. Perhaps it is beyond society's ability to stop the proliferation of female-headed families, but it is not beyond society's abilities to make fathers pay for the support of their children. One easy solution: If a court orders child support payments, the Federal Government automatically sends a mother a monthly check for that

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amount and collects the money from the fathers through the Internal Revenue Service.

Surges provoke counter-surges. At the moment there are no political counter-surges on the horizon to counter the economic surge toward inequality that is now under way. If history is any guide, however, there soon will be.

NATIONAL WOMEN VETERANS RECOGNITION WEEK

HON. MICHAEL BILIRAKIS

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, April 9, 1986

Mr. BILIRAKIS. Mr. Speaker, today, I am introducing, for the third year in a row, a joint resolution to declare the week beginning November 9, 1986, as National Women Veterans Recognition Week. I am pleased that an identical resolution, Senate Joint Resolution 311, has been offered in the Senate by Senator Alan Cranston.

Legislation designating this week in honor of women veterans has been enacted into Public Law in both 1984 and 1985. As a result, public awareness of the needs and contributions of women veterans has increased, as has the VA's responsiveness to those needs. Therefore, I think it is fitting to continue this positive momentum by celebrating National Women Veterans Recognition Week again in 1986.

Women represent approximately 4.2 percent of the total veteran population in this country. Yet, a 1982 GAO report and a 1984 study by the Veterans' Administration found that many women veterans were not aware of the benefits and services available to them by virtue of their service to this country. Coupled with this lack of awareness and, indeed, a factor in it, was the inadequacy of the VA's efforts to reach out to and properly serve its female constituency.

I am pleased to report that much progress has been made in the last several years to address these problems. A permanent VA Advisory Committee on Women Veterans now reviews the needs and concerns of women veterans and recommends to the VA positive actions it can take to better inform the female veteran of the services available to her and to make those benefits more responsive to her special needs. One of the most significant steps taken to date is the establishment of the position of Women Veteran Coordinator in each VA medical center to help make each facility more accessible and sensitive to the needs of women veterans.

This progress is encouraging. Yet, much remains to be done. The women who have served this country in our Armed Forces have made and continue to make tremendous contributions to the well-being and security of this Nation. We can honor them for their service, and express our support for a VA system that is truly responsive to their needs, by designating a National Women Veterans Recognition Week in 1986. I urge all my colleagues to join me in this effort by becoming cosponsors of this resolution. Timely passage of this measure will permit the kind of public awareness efforts necessary to ensure a successful celebration.

Thank you, Mr. Speaker.

BILINGUAL REFORMS GIVE SCHOOL DISTRICTS GREATER CHOICE

HON. HARRIS W. FAWELL

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, April 9, 1986

Mr. FAWELL. Mr. Speaker, today I am joining several of my colleagues on the Education and Labor Committee in introducing legislation which will provide local school districts greater flexibility in operating bilingual education programs. This legislation is long overdue and should be enacted into law.

Since Federal support for bilingual education began in 1969, $1.7 billion has been distributed to school districts under title VII of the Elementary and Secondary Education Act. The assistance has been primarily in the form of grants to school districts to assist them in establishing projects for limited English proficient children (LEP's). These projects are intended to prepare each LEP student as quickly as possible to eventually enter classes in which English is the language of instruction.

Prior to the passage of the Education Amendments of 1984, title VII basically required that all school district projects use the non-English language for classroom instruction until the child was ready to enter an all-English classroom. This approach to the education of LEP's is known as "transitional bilingual education." Under the 1984 amended law, other approaches such as English as a second language (ESL) and immersion are now permitted. Funding for such projects, however, is limited to 4 percent of the total appropriations for bilingual education ($139 million for fiscal 1986).

Although the 1984 law, which allows for alternative instructional programs, is a step in the right direction, it still falls way short of meeting the desires of many local school districts. Of the approximately 400 applications for bilingual education funds for fiscal 1985, one-fourth requested funding for special alternative instructional programs. Thus, 25 percent of the applications were for 4 percent of the total funds available.

What does this all mean? It means that many local school districts feel that they are better able to determine the needs of their LEP students. It also means that transitional bilingual instruction is not necessarily the preferred method of instruction among all school districts.

What is the solution? The solution is found in the legislation my colleagues and I are introducing today. This legislation lifts the 4 percent cap mandated under the 1984 Education Amendments. Lifting the cap ensures that no one method of bilingual instruction is preferred over another. Instead, it allows each school district to determine which method of instruction best meets the educational needs of its LEP students, and subsequently moves these students into mainstream instruction as quickly as possible.

Why shouldn't any one method of instruction be preferred over another? There is no consensus among the education community that one method of instruction is better than another. Diane Ravitch, one of the Nation's leading education historians, recently concluded in her book, "The Schools We Deserve:"

> The bilingual method may or may not be the best way to learn English. . . . Immersion programs may not be appropriate for all children, but then neither is any single pedagogical method. The method to be used should be determined by the school authorities and the professional staff, based on their resources and competence.

If there exists no conclusive evidence that one approach is better than another, Congress should not mandate that a majority of the Federal bilingual funds be used for transitional instruction. The legislation we are introducing does just that.

The time has come to give school districts the flexibility they need for providing English instruction to LEP students. In the words of the New York Times: The Federal Government should not limit funds to only one pedagogical method. It should be concerned with the ultimate goal, helping children become proficient in English as quickly as possible.

THE MYTH OF THE VIETNAM VET

HON. JOHN P. HAMMERSCHMIDT

OF ARKANSAS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, April 9, 1986

Mr. HAMMERSCHMIDT. Mr. Speaker, I would like to submit for the attention of my colleagues, an article entitled, "Viet Vets Didn't Kill Babies and They Aren't Suicidal," which appeared in the Sunday's Washington Post.

The writer, Mr. Speaker, is currently the Assistant Secretary of Defense for Reserve Affairs and a Vietnam veteran himself, James Webb. In this writing, he challenges the assumptions of a study which supposedly "demonstrates the long-term excessive mortality of men who served in the military during the Vietnam war." In a war where the problems of returning soldiers, rather than the successes have become the dominant theme, Jim Webb questions the studies and statistics that have categorized Vietnam veterans as a group unable to lead normal lives because of the serious emotional effects suffered from their Vietnam experience.

During his service, Jim served with the 5th Marine Regiment in Vietnam as a rifle platoon and company commander. He earned the Navy Cross, the Silver Star, two Bronze Star medals for valor and two Purple Hearts. He has since authored several books based on his military experience, "Fields of Fire," a novel about ground combat in Vietnam, "A Sense of Honor," a novel about the Naval Academy set in 1968, and most recently, "A Country Such as This."

I have had the pleasure of working with Mr. Webb as he has served both as assistant minority counsel and minority counsel for the House Veterans' Affairs Committee. His work

included direct liaison with the Department of Defense, Veterans' Administration, and Health and Human Services. His military service coupled with his knowledge of the budget, oversight and legislative activities within each of these agencies, made Jim one of the most sensitive and effective spokesman for veterans.

Mr. Speaker, for the Record I submit the following:

Viet Vets Didn't Kill Babies and They Aren't Suicidal

(By James Webb)

Give yourself the Great Rorschach Test of Vietnam. What comes to mind when you hear the words "Vietnam veteran"? Quite frankly, whether your reaction is anger, arrogance, sympathy or respect, chances are it is also filled with negative connotations. When we think Vietnam veterans, we think problems.

The problems of the Vietnam veteran have reached metaphorical heights. They receive broad media play. One's perspective on them often defines one's attitude about the war itself. Interpretations of them often goes beyond facts, causing those who served to become the symbol of what one would like to believe about the war itself. Not unlike Moby Dick, this has become more than a story about a whale.

On March 6, the prestigious New England Journal of Medicine published a "special article" entitled "Delayed Effects of the Military Draft on Mortality," replete with an accompanying editorial proclaiming that this "ingenious epidemiologic analysis . . . demonstrates the long-term excessive mortality of men who served in the military during the Vietnam war."

On that same day, an article in The Washington Post outlined this study under the headline "Viet-Era Draftee's Suicide Rate High." The article maintained that "military draftees who served during the Vietnam war era are as much as 86 percent more likely to die by suicide than their peers who did not serve and as much as 53 percent more likely to die in motor vehicle accidents." Dr. Norman Hearst, the chief among three co-authors of the study, was quoted as saying that "we are looking at an expression, a final, tragic expression, of the very serious long-term effects that this experience of being in Vietnam had."

The network evening news shows gave the study major play. CBS proclaimed that "the study documents for the first time that there is a cause and effect relationship between having served in the military during Vietnam and problems later, including suicide." NBC tied the story in with a recent double suicide in which a veteran who had never been to Vietnam and his girlfriend killed themselves and her three children "in protest over government treatment of Vietnam veterans," and mentioned the study as finding that "Vietnam veterans are 86 percent more likely" to commit suicide.

These reports matched the study's major conclusion, which stated that "before sending young men to war, especially one in which they may have experiences similar to those of Vietnam veterans, those who make the decision should weigh all the costs. The casualties of forced military service may not be limited to those that are counted on the battlefield."

Rather strange that a limited epidemiological study should result in a major conclusion of sweeping political dimension. But well and fair, except the study established nothing of the sort, even if one accepts its methodology, which is questionable and very likely flawed.

Among other limitations, the study dealt only with men born in three years, 1950 to 1952, who died in California and Pennsylvania between 1974 and 1983. It failed to identify any of those who had died specifically as a veteran or nonveteran. Its aggregate numbers did not count as veterans men born in those years who began serving in the military before they would have been screened by the draft lottery. It wrongly presumed that the socioeconomic bias against men who served was screened out of the study. It ignored the fact that very few of these men would have served in Vietnam.

And yet this examination of blind data has already been extrapolated and accepted by many who reported it. The study is "ingenious." In the news accounts it quickly is "found" to apply to all Vietnam veterans. It "demonstrates long-term excessive mortality of men who served in the military during the Vietnam war."

What it does demonstrate is that those who served in Vietnam indeed continue to have problems, but perhaps not the one envisioned by the study.

The real problem began in the 1960's with the debates about the war itself and continues because of our inability as a nation to assimilate that divisive experience. The affirmative public image of a nation's soldiers as basically good men involved in a just cause, and of the enemy's as somewhat less than good representing a cause to be defeated, has been a vital underpinning of virtually every war experience in history. One of the lingering and incredible ironies of the Vietnam war is that these two assumptions were reversed by many Americans, with the communist soldiers taking on the aura of "goodness" in a "just cause" while our own fighting men were sometimes subjected to the sort of propagandist ridicule normally reserved for enemy soldiers in other wars.

This defamation, which continues today in more subtle form, has been carried on with such viciousness and lack of regard for the truth that the typical veteran searches vainly to understand its depths. A starting point, however, is remembering that the United States went through an intellectual civil war during the Vietnam era, a war of values and ideas, and the men who fought the war were the most tangible reminders of the values, and ideas the antiwar movement wished to defeat.

Thus, the allegations of an "immoral, genocidal war" often translated into "our soldiers are rapists and baby killers." Similarly, exhortations by antiwar leaders that the avoidance of the draft was just the honorable translated syllogistically into "military service is either dishonorable or stupid." That this logic permeated the more advantaged members of the age group and eventually polarized it along class lines is demonstrable in many ways. Harvard College graduated 12,595 men from 1962 to 1972, and lost 12 in the entire war. Princeton graduated 8,108 during that same period, and lost six. MIT graduated 8,998, losing two. By contrast, South Boston, Mass., which had perhaps 2,000 draft eligible males, suffered 25 men dead on the battlefields of Vietnam, and West Point lost 34 dead from the 579 men of the class of 1966 alone.

From about 1968, when the the war effort began to be discredited after the misperceived U.S. and South Vietnamese "loss" of the Tet offensive, until about 1978, when hundreds of thousands of Vietnamese began jumping into the sea in order to flee their "liberators," those who had not served could and often did perpetrate a moral and intellectual arrogance over those who had. As James Fallows, one of the very few of those who did not serve to have spoken honestly of the long-term implications of such a split in the age group, pointed out several years ago in the Atlantic Monthly, "to those who opposed the war, the ones who served were, first, animals and killers; then "suckers" who were trapped by the system, deserving pity but no respect; and finally invisible men . . . A returned veteran might win limited redemption if he publicly recanted, like a lapsed communist fingering his former associates before the HUAC. Otherwise, he was expected to keep his experiences to himself."

One would think that the brutal aftermath of the communist takeover in 1975, with its continuing expansionism, bloodletting and Gulag mentality, would have mellowed some of the earlier antagonism. What-ever one's opposition to the Vietnam war or to its actual conduct (which deserves no prizes), it is clear that the stakes for which we fought were real. The loss of a country the size of Poland to a Stalinist regime tied strongly to the Soviet Union was a dreadful blow to the ideals our nation cherishes.

Unfortunately, however, the antagonism persists. A major reason relates to the ongoing debate over what Harrison Salisbury a few years ago termed "the mythology of the Vietnam war."

History's judgment is not yet firm as to why we failed in Vietnam. Was it because of the misplaced idealism, indeed the frequent naivete of those who opposed the war, which gave sustenance to our enemy? Was it because of failed political policy? Was it because of the impact of the media on our national morale? Was it because our soldiers simply could not defeat their soldiers? Or all of the above or maybe none? The lines seem still to be drawn, although the arguments are more carefully muted than fifteen years ago. And in many ways the symbolic center of mass in this debate is the pursuance of the war by, and its impact on, the veteran who fought it.

One reaction, perhaps intentional and perhaps subliminal, has been to continue to degrade the veterans' experience and its later impact on those who served so that the experience itself loses its credibility in the debate, except on negative terms. This is the 1980s version of what James Fallows described as the veteran's alternative in the 1970s: Recant or shut up.

And so we see a tendency to ignore the good news accompanied by a compulsion to broadcast loudly the bad. Examples are voluminous. A few:

The man who fought in Vietnam is typically depicted as a draftee, unwilling and probably black. In fact, two-thirds of those who served during the era were volunteers, 73 percent of those who died were volunteers and 12.5 percent of those who died were black (out of an age group that comprised 13.5 percent of the male population).

While readjustment problems were great for many, (as was true in World War II, where the National Academy of Sciences estimated 25 percent of returning soldiers had emotional difficulties upon return), this is the first war where the problems rather than the successes have become the dominant theme in the media. No responsible Vietnam veteran would wish to diminish the difficulties encountered by many of his com-

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rades, and it is a lasting credit to those who served that the impetus for the treatment of the approximately 20 percent who experienced readjustment difficulties came from within the veterans' community. What upsets Vietnam veterans is not the attention given to those who have been less fortunate, but that their plight is the unwarranted symbol of the entire peer group. for instance:

In the most comprehensive survey of Vietnam veteran attitudes ever done (1980, Harris Survey), 91 percent of those who served indicated they were "glad they served their country," 74 percent stated they "enjoyed their time in the service," 80 percent disagreed with the statement "the United States took unfair advantage of me," and 72 percent agreed strongly with the statement "The trouble in Vietnam was that our troops were asked to fight in a war which our political leaders in Washington would not let them win." The media response to this survey was almost total silence.

Similarly, during March, 1985, a Washington Post/ABC news poll conducted a random sample of Vietnam veterans, "precise to within a 4 percentage point margin," which indicated that Vietnam veterans were more likely to have gone to college, more likely to own a home and more likely to earn $30,000 a year or more than others in their age group. A majority of the veterans interviewed felt they had benefited from being in Vietnam, supported the bombing of the North and the use of napalm and did not seem bothered by the fact that others avoided military service. The Post, it must be said, reported this survey fairly. No one else seems to have picked it up. One needn't wonder what would have happened if the story had indicated otherwise.

Dozens of features, both in print and visual media, have focused on Vietnam veterans in prisons, the implication being that service in the war zone turned untold legions on to crime. To the contrary, the Bureau of Justice Statistics figures indicate that Vietnam veterans are less likely to be in prison than their nonveteran peers.

And now the New England Journal of Medicine study. The issue of veteran suicides has surfaced before. In 1978, the Carter administration issued a presidential memorandum which was widely circulated claiming that Vietnam veterans were 23 percent more likely than their nonveteran peers to commit suicide. A few months later, VA officials discovered that the statistic was erroneous, arrived at by projecting the suicide rate among hospitalized psychotic veterans onto the entire Vietnam veteran population. Nonetheless, the damage done was almost impossible to revise.

The New England Journal study analyzed 14,145 men who were born in the years 1950 to 1952 and died in California and Pennsylvania between 1974 and 1983. These were the principal years of birth involved in the draft lottery system which came into effect in 1970, basing eligibility for conscription on a man's birthday. Birthdays were selected randomly under the lottery system, making some men eligible for the draft and some exempt.

The researchers broke the deceased down according to their birthdays and thus classified them as "draft eligible" or "draft exempt." The "draft eligible" pool showed a 4 percent higher death rate overall and a 13 percent higher suicide rate. The study did not determine the veteran status of any of the deceased. Rather, it presumed that 25.6 percent of the "draft eligibles" were conscripted and that 9.3 percent of the "draft exempts" volunteered. Quite obviously, it did not address whether a man had been in Vietnam.

The researchers claimed that the randomness of the lottery made it possible for them to eliminate other considerations regarding the cause of higher death and suicide rates, such as socioeconomic status or medical problems. They then concluded that the one distinction between the "draft eligible" and "draft exempt" groups was the effect of military service. Consequently, they attributed all of the excess mortality on the "draft eligible" side of the equation to the effects of military service on the 25.6 percent in the lotteries who were, in fact, drafted.

Thus, the 13 percent higher suicide rate for a whole group of unidentified draft eligibles translated into an 86 percent higher suicide rate among draftees who would have begun military service between 1971 to 1973. In the media (with a little help from Dr. Hearst) this conjecture suddenly covered all draftees in the Vietnam era, and then in a flash all Vietnam veterans—all without a single veteran having been identified!

Curiously, the cause of death which showed the greatest difference between the two groups was cirrhosis of the liver—the draft-eligibles were only 75 percent as likely to die from this ailment as the draft-exempts. If we had pushed this inconsistency through the same bottleneck as the suicides, the headlines might have read, "Viet Vets Much Less Likely to Die from Cirrhosis." The researchers dismissed this anomaly to "chance."

Despite the predictable media attention, there are numerous questions which must be addressed before one could take this study seriously. A few:

The lottery process was not purely a function of birthdates. In 1970, it included not only those born in 1950, but others born from 1945 to 1949 who previously had been exempt. In all three years, it excluded those who were already in the military, and others who were deferred or exempt for reasons other than date of birth.

The study presumed that only 9.3 percent of those who were not drafted ever served, which is the estimate for voluntary enlistments after the lottery. To the contrary, two thirds of the people who served in the military during the Vietnam era were volunteers. As an example of how this affects the study, Department of Defense historical data indicates that, by the time those born in 1952 became eligible for the lottery in 1972, 273,110 were already in the military. In contrast, only 43,706 from this year's group were drafted—including 1,678 from the noneligible pool! The rather cavalier usage of rough aggregates, when subject to this sort of statistical bias, not only could affect the premises and analysis of the study, but also its rather macrocosmic conclusions.

The study recognizes that mortality tends to be higher among men of lower socioeconomic status, but claims that the randomness of the lottery eliminated this bias. Hardly. The lottery may have brought more of the advantaged elements in for physicals, but did nothing to eliminate what James Fallows termed "the loopholes in the physical qualification standards that, for college students armed with a doctor's letter and advice from the campus draft counseling center, could so easily be parlayed into the 'unfit for service' designation known as a 1-Y."

The socioeconomic bias not only is important when considering mortality rates, but quite often impacts on such things as the "coding" of deaths such as suicides. Those of higher socioeconomic status are frequently able, through legal and other means, to negotiate the suicides of family members into such categories as accidental deaths. The reasons, in addition to questions of family stigma, also include important financial considerations such as insurance benefits. When it comes to coding, the poor commit suicide, while the rich merely die lonely, accidental deaths.

Very few of this group of conscriptees could have served in Vietnam, and particularly in combat. Hearst's assertion that the study measures the "serious long term effects that this experience of being in Vietnam had" is highly improbable. By late 1971, when these inductees would have first been eligible to serve in Vietnam, few would have been sent, and by the time the men of the other year groups were inducted it would have been almost impossible. Our combat role has almost ended by late 1971 (387 soldiers died in the last six months of 1971, 172 in all of 1972), and was completely ended by January, 1973.

The "case control" study which allegedly validates the major study may actually invalidate it.

Since 1979, Pennsylvania has required a notation of veteran status to be included in death certificates. For 2,003 of the men in the major study, this status was known. Those who conducted the study examined these numbers and claimed that the breakdown among these men verified the major study. Twenty percent of the veteran deaths, and 14.7 percent of the nonveteran deaths, were suicides.

But only 26 percent of the total Pennsylvania deaths were veterans, while 33 percent of the population in the age group are veterans. This means that the overall Pennsylvania death rate among veterans was lower than nonveterans, and inflates one particular cause of death—suicides—that appears constant between veterans and nonveterans. One-third (32.8 percent) of the total suicide deaths were veterans, 30.7 percent of motor vehicle accident deaths were veterans, and 31 percent of deaths from cirrhosis were veterans. The major distinction was in the largest category, deaths by "other causes" (such as long-term disease), where only 22.9 percent were veterans. This fits with the historic notion that veterans are less "unhealthy" than their nonveteran peers, since those with serious medical problems are screened from service.

What drives such macrocosmic political conclusions from such a tenuous examination of data? One is tempted to take a hint from the study itself. In the opening paragraphs, the three doctors mentioned that "men of low socioeconomic status . . . may be less adept at avoiding military service." Perhaps in the wake of the Vietnam war, men of high socioeconomic status should talk less about avoidance as a goal and more about the dignity and importance of military service.

The failure to ratify this principle for Vietnam veterans has been the biggest problem, from whence all others have derived.

NATIONAL JEWISH COALITION SUPPORTS THE PRESIDENT ON NICARAGUA

HON. MARK D. SILJANDER

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Wednesday, April 9, 1986

Mr. SILJANDER. Mr. Speaker, I recently received a letter from leading Jewish Americans regarding the Nicaragua debate. As many of my colleagues know, I have long been an advocate of the Reagan doctrine in Central America. Also, in the pages of the CONGRESSIONAL RECORD, I have pointed out the involvement of the PLO and other terrorists with the Communist dictatorship in Nicaragua.

The letter speaks most eloquently for itself and I urge my colleagues to consider it before the likely vote on Nicaragua in the days ahead.

The letter follows:

415 SECOND STREET NE.,
Washington, DC, March 18, 1986.

DEAR CONGRESSMAN SILJANDER: We write to you as Americans concerned about the growing threat to U.S. strategic interests in Central America. Our concern is heightened by the increasing Soviet-supplied arsenal being accumulated by the Sandinista government of Nicaragua, and by the Sandinistas' willingness to export this weaponry to anti-democratic forces throughout Latin America.

We watched as the Sandinistas joined enemies of the West to provide a beachhead for the Soviet Union in Central America. We have also witnessed the Sandinistas' support for revolutionaries in Latin America and beyond.

We watched with dismay as Nicaragua's Jewish community suffered under Sandinista rule. In 1978, Sandinista gunmen firebombed Managua's synagogue. Individual Jews were hounded until, by 1981 they had fled the country, fearing for their lives. The anti-Semitism continued even after the Jews had left. Jewish-owned property was seized, and in July, 1982, the government-approved press referred to "synagogues of Satan" and resurrected the calumny that "the world's money, banking and finance are in the hands of descendants of Jews."

Prominent among the Sandinistas' allies are the PLO's Yasir Arafat and Libya's Muammar Quaddaffi. In a 1980 speech, Interior Minister Tomas Borge praised the relationship between Nicaragua and the PLO, pledging that "the PLO cause is the cause of the Sandinistas." In addition, over the past four years, Libya has provided the Sandinistas with $400 million in aid, and now helps to train the Sandinistas' political police.

The anti-Semitism in Nicaragua is a reflection of the repression inherent in the Marxist-Leninist society the Sandinistas seek to establish. Furthermore, the Sandinistas' ties to Libya and the PLO exemplify the support that the Managua regime gives to the world's terrorist groups.

We cannot remain silent as Nicaragua denies human rights at home while attempting to undermine democracy abroad. Many victims of this government have taken up arms in the hope of wresting power from the Sandinistas and of establishing freedom and democracy where dictatorship now rules.

We support a negotiated settlement to this conflict. But we recognize that, at this time, unless the United States aids the democratic forces, the Sandinistas will continue to resist the establishment in Nicaragua of a pluralistic, democratic society. We therefore urge that, in the interests of freedom, democracy and our own security, you support the administration's request for aid to the anti-Sandinista resistance.

Sincerely,

Max M. Fisher, Former Chairman, United Jewish Appeal; Morris Abram, Attorney, New York, NY; David Bar Illan, New York, NY; Abel E. Berland, Chicago, IL: Julius Berman, Former Chairman, Conference of Presidents of Major Jewish Organizations; Samuel H. Dresner, Rabbi, Riverdale, NY; Samuel Eisenstat, New York, NY; Richard J. Fox, Philadelphia, PA; Mendy Ganchrow, M.D., Monsey, NY.

Joshua O. Haberman, Rabbi, Washington Hebrew Congregation, Washington, DC; Hart Hasten, President, Herut Zionists of America; George Klein, New York, NY; William J. Lowenberg, San Francisco, CA; Ivan Novick, Chairman of the Board, Zionist Organization of America; Stanley Rabinowitz, Rabbi, Adas Israel Congregation, Washington, DC; Fritz A. Rothschild, Rabbi, New York, NY; Morris Sherer, Rabbi, Agudath Israel of America, New York, NY; Jack Stein, Former Chairman, Conference of Presidents of Major Jewish Organizations; Gordon Zacks, Columbus, OH.

A CONGRESSIONAL SALUTE TO THOMAS A. TIDEMANSON, DIRECTOR OF PUBLIC WORKS FOR THE COUNTY OF LOS ANGELES

HON. GLENN M. ANDERSON

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, April 9, 1986

Mr. ANDERSON. Mr. Speaker, I am honored today to inform my colleagues that Thomas A. Tidemanson, director of public works for the county of Los Angeles, has been selected by the prestigious American Public Works Association as one of the Top Ten Public Works Leaders of the Year for 1986.

Tom, who is a native of Colorado, has been in his current position as leader of the county's important public works division since 1984. As some may already know, the county of Los Angeles is larger than most States. Geographically, it is an area of 4,083 square miles and its population is over 8 million.

Specifically, Tom is responsible for a department of 3,600 employees which performs the construction, installation, operation, maintenance, and repair of the county's roads, bridges, airports, sewers, and water and flood control facilities.

Prior to his current duties, Tom was the county's road commissioner whose job included the planning, programming, design, construction, inspection, maintenance, and repair of roads, highways, bridges, and traffic and lighting systems.

Professionally, Tom is a member of the following organizations: National Association of County Engineers, American Society of Civil Engineers, National Association of Counties Transportation Steering Committee, American Road and Transportation Builders Association, City-County-State Cooperation Committee, Southern California Association of Governments, Public/Private Task Force on Bidding Procedures and Contract Administration, State Topics Advisory Committee, Metropolitan Transportation Engineers Board, City-County Street and Road Technical Advisory Committee, Commuter Computer Board of Directors, American Public Works Association, County Supervisors Association of California, County Engineers Association of California and the Southern California Regional Association of County Engineers.

He has also somehow found the time to be actively involved with the Los Angeles Civic Center Authority, Los Angeles Olympic Organizing Committee, Town Hall, and the Los Angeles Coliseum Commission.

As the ranking majority member of the Public Works and Transportation Committee, I am profoundly aware of the importance of a sound infrastructure. Unfortunately, many of us take for granted the massive planning and strategy associated with making the system work. For, without dedicated individuals, such as Tom Tidemanson, our great country would grind to a halt.

My wife, Lee, joins me in congratulating Tom Tidemanson on this special occasion. We know that he has done a tremendous job over the years and we wish him continued success and happiness in all his future endeavors.

TEST-BAN BLINDNESS

HON. BARNEY FRANK

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, April 9, 1986

Mr. FRANK. Mr. Speaker, the opposition of the Reagan administration to any progress in ending nuclear testing is a national embarrassment. This administration refuses to take any serious steps toward the banning of all nuclear tests, and evem refuses to move ahead in ratification of treaties signed by his two Republican predecessors, the Ford and Nixon administrations.

Both the House and the Senate by large majorities have passed resolutions urging the administration to be forthcoming in this area. But the administration will not listen. Six nations, led by the late Olof Palmer of Sweden, urge the United States and the Soviet Union to move seriously toward the cessation of nuclear testing. Sadly, to the chagrin of many of us in the United States, the Soviet Union appears to date to have been far more responsive to that request than the United States. The President's adament refusal to make any progress in this vital area shows that he is in fact bent on a continued arms race, despite cosmetic gestures to the contrary. The recent resignation of John Tower as an American arms negotiator obviously is related to the fact that this administration does not seek any serious arms reduction at this time. And this is nowhere more clear than any vital area of nuclear testing.

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I ask that the attached article from The Boston Globe stressing the failures of the Reagan administration policy in this regard be printed here.

TEST-BAN BLINDNESS

For five years the Reagan administration's stony resistance to a ban on nuclear test explosions has not only made security problems more intractable, but also has put the United States at a disadvantage in competing with the Soviet Union for world opinion.

Last weekend, Soviet leader Mikhail Gorbachev again called for the administration to join in the voluntary moratorium that he imposed last August. The administration instantly refused. As Spurgeon Keeny, former deputy director of the Arms Control and Disarmament Agency, noted, that refusal leaves the United States "totally isolated in the world on this issue."

All American presidents since Dwight Eisenhower—until Ronald Reagan—considered a test ban to be in America's interest. A ban would complement arms-control treaties that bring cuts in nuclear arsenals. It would slow the development of weapons, such as the "star wars" laser gadgetry, that would be especially wasteful and destabilizing. Another effect would be the creation of a "good example," a moral barrier against nuclear proliferation among nonnuclear powers.

In earlier days, a total test ban seemed impractical because of doubt that an agreement could be monitored. Advances in seismology have ended doubt about the United States' ability to detect an illegal Soviet text. Moreover, the Soviets are increasingly open to follow-up, on-site inspections.

Administration officials have used another argument: that periodic tests are needed to test the reliability of the US arsenal. In fact, bomb triggers can be tested for reliability without setting off the nuclear material.

The administration's real reason for rejecting the Soviet offer is that, unlike other administrations, it is not satisfied with the US-Soviet strategic balance, which leaves the superpowers about equal. It seeks a margin of military superiority with which to coerce the Soviet Union in future crises. That objective is dangerous and almost certainly illusory. One lesson of the arms race is that the Soviet Union eventually copies US inventions; as a result, the mutual threat remains roughly balanced, but higher.

Secretary of State Shultz objected to Gorbachev's televised call for a special summit meeting to agree on a test ban. Shultz complained that when diplomacy is waged in the public domain it is less likely that initiatives will get serious consideration. Shultz would have a point, except that under this administration, no arms-control proposal seems to get serious consideration.

Since the administration appears bent on continuing test explosions, most observers assumed Gorbachev will be impelled to follow suit, if only to mollify Kremlin hawks, who presumably argue, as do US hawks, that restraint constitutes "unilateral disarmament."

If Gorbachev resists this pressure, he will retain the high ground and make his case to Europe and the Third World that the United States deserves most of the blame for the pointless continuation of the arms race.

WALL STREET JOURNAL ON SOUTH KOREA'S POLITICAL STRENGTHS

HON. JIM COURTER

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Wednesday, April 9, 1986

Mr. COURTER. Mr. Speaker, I rise today to draw the Members' attention to an analogy which, though remarkable for its failings of logic, has begun to gain fashionability. It has arisen since the fall of the Marcos government, and holds that as went Marcos, so goes President Chun Doo Hwan.

My colleague from New York [Mr. SOLOMON] has prepared for the Republican Study Committee a very effective rebuttal to this argument. His paper makes it clear that Marcos' imposition of martial law in 1972 nearly ended a century-long, American-assisted democratic tradition in the Philippines. The South Koreans, by contrast, have had much less exposure to democracy, but have moved toward it with few interruptions. Mr. Marcos resolutely clung to power, while President Chun has often reiterated his intention to step down after overseeing the 1988 elections. The barriers to such elections are demonstrably lower than they were in the Philippines. The Marcos policies were suffocating the economy of the Philippines and so encouraging subversion and costing the Government the confidence of the Filipino people, while the Koreans are roaring ahead with economic growth.

The editors of the Wall Street Journal have made their own examination of this new Philippines-Korea parallel, and have made their own critique of its inaccuracies. I think my colleagues will find its argument accurate and spirited; the article follows my remarks below.

The real parallel between these two very different Asian friends of America is this: The victory of President Aquino points toward the full democratization of the Philippines; the commitment of President Chun to upcoming national elections points toward the full democratization of South Korea.

[From the Wall Street Journal, Mar. 27, 1986]

THE KOREAN CAMPAIGN

At the moment, the itinerant political reformers of the U.S. left are preoccupied trying to figure out where they stand on the invasion of Honduras and the maltreatment of Muammar Qadhafi by the U.S. Navy. But we know, just as sure as anything, that when all that dies down they will get back to a special project, South Korea.

Some of them, who seem to have formed their ideas of modern Korea by watching ancient reruns of "M*A*S*H*," already have lavished attention on President Chun Doo Hwan. Robert White, the Carter/era scourge of El Salvador, and Rep. Thomas Foglietta (D., Pa.) showed up in South Korea not long ago to declare solidarity with the political opposition. In Washington, Rep. David Obey (D., Wis.) attacked an administration request for more military loans to South Korea because, he said, it doesn't meet his standards of political tolerance.

The press is playing easy analogy, meanwhile, hinting that South Korea is going the way of "the Philippines," which has now supplanted "the shah" as Washington's favorite word-association.

Forgive us if we offer a few caveats. For starters, South Korea is not the Philippines. It is not Iran. The Seoul government has been steadily liberalizing since 1981. It held a National Assembly election last year in which the opposition won 40% of the seats; the "contras" of South Korea hold elected office. Mr. Chun also promises to step down in 1988, in what would be Korea's first peaceful transition in decades.

The economy, unlike that of Mr. Marcos' Philippines, is robust and increasingly modern. It grew by some 5% last year. As for human rights, the State Department's annual report, issued in February, says this: "Koreans enjoy considerable personal freedom, including economic and religious freedom and broad rights to pursue private interests." Tell that to the Miskito Indians.

We don't want to apologize for Mr. Chun's excesses, nor do we entirely buy the line so often expressed by South Korean leaders over the years, that having a hard-line North Korean enemy a few miles from Seoul forces a certain degree of authoritarianism. Indeed, we're sure South Korea's well-educated and mostly conservative citizens could handle far more political debate than they're allowed. The problem for the U.S., however, is how best to encourage more freedom. We doubt it's by cutting military aid or raising fists with the opposition.

Mr. Chun, after all, knows what's at stake. His country is hosting the Olympics in 1988 and the Asian Games this year. The last thing he wants is riots or stories about repression. When political tension was running especially high last month, Mr. Chun met with opposition leaders and promised to consider amending the constitution to allow direct presidential elections in 1989. The opposition wants direct elections before 1988, however, so it can have a greater say in choosing Mr. Chun's successor. The two sides are going to have to work out some compromise, but this doesn't look to us like something Americans, and especially the American left, should settle.

Old "M*A*S*H" reruns to the contrary, South Korea is a dynamic society with a cautious government struggling to accommodate growing demands for political freedom. American reformers would win a great deal more sympathy from us if they focused more on regimes that rank at the bottom of the human-rights scale. But of course those just happen to be regimes of the left.

BRYAN ORTIS, WINNER 1986 FREE ENTERPRISE WEEK ESSAY

HON. W. HENSON MOORE

OF LOUISIANA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, April 9, 1986

Mr. MOORE. Mr. Speaker, I would like to call to the attention of my colleagues the winning essay of the 1986 Free Enterprise Week, an event I have sponsored in my district for the last 8 years. I am extremely proud of Mr. Bryan Ortis of Plaquemine, LA, for his interesting and relevant observations on the correlation an adequate education has on the earning power of the labor force. I appreciate his intellect and participation in the competition and hope my colleagues will find his message of interest.

EDUCATION AND LOUISIANA'S ECONOMY

"Louisiana is one of the wealthiest states in terms of its natural resources. The value of its mineral production, per square mile, is highest among all states . . . However, Louisiana has far too large a population who lack an adequate education to earn a decent living and, hence, it is one of the poorest states in terms of human resources."[1] In order to increase personal wealth, the state must first improve these human resources through a better educational system.

Because education is a predominant factor in the determination of a person's income level, the poorly educated tend to be poor. Likewise, those with an adequate education tend to be financially stable. Jobs that require little or no education or training are low paying and are quickly disappearing. With increasingly technological job markets, the poorly educated are often unemployed and dependent on those who possess the knowledge necessary for steady employment. As the Public Affairs Research Council of Louisiana (PAR) has revealed, there is a mismatch between the education of the unemployed in Louisiana and the education required for available jobs. Additionally, the lack of education and job training is a major disadvantage to expanding or locating new industry in Louisiana. These industries want highly educated workers who are productive and efficient. Due to the state's poor education ratings, the industries are not coming to Louisiana. They feel that the workers here do not have the adequate education to work profitably. Those workers who have been educated in other states do not want to bring their families to Louisiana because they realize that their children will be educated in inferior schools.

In a culture of high and increasing technology, machines are steadily replacing human labor. As a result, man must secure a superior level of training and intelligence to invent and design the machines that substitute for muscular and manual effort. Automation lowers the physical and raises the intellectual demands on the working force. Therefore, the predicament of the person without preparation is increasingly evident. Those who are unemployable due to a lack of education have become one of the problems of a highly technical society. Unable to produce, they require support from others. They seek work but are eventually added to the unemployment and welfare rolls. "To reduce to the absolute minimum the unemployable in a highly technical culture is a matter of elementary importance. We do this through education because the absence of education is the cause of unemployment."[2]

Several problems arise from the employment of workers in Louisiana today. As an economic principle, earning power should expand over one's lifetime. However, studies show that those who have low levels of education reach the pinnacle of their earning power at a younger age than those who are better educated. Those with inadequate training remain stationary in their jobs and have little chance of promotion to higher paying ones. Also, people who earn more money pay more in taxes. Since those with low levels of education tend to have low income, the tax base for all levels of government is decreased. If Louisianians were to earn more money through further progress in education, state and local tax revenue would increase. This additional money would alleviate some of the financial problems of the government. Furthermore, formerly low income families receiving higher earnings would reduce government spending on programs created for their support.

Contrary to some citizens' beliefs, low graduation requirements will not help students by assuring that very few students will not receive a diploma. Such diplomas would be invitations to remedial classes for college-bound students and meaningless pieces of paper for most other graduates searching for employment. The development of character and intelligence is the idea behind a diploma, not the receipt of a page that requires twelve years of meaningless effort to achieve. According to a survey from Louisiana Tech University, most of the educated residents in Louisiana believe the quality of public education has declined in the last decade and that schools should set more stringent graduation requirements. Many of those surveyed said that state and local government spending on education should be increased. However, the government is not receiving enough revenue to do so.

In view of the fact that the Southern Regional Education Board has concluded that teachers are not learning their subjects, students do not feel capable of learning lessons under the instruction of teachers who have not yet learned the material. To remedy this problem, many are suggesting additional tests to measure teachers' competency and higher salaries to attract intelligent students to the teaching profession. Teachers are instrumental in the development of students who will be Louisiana's future entrepreneurs.

"Educators can help interest and motivate students, seek alternative ways to keep children in school, make reading proficiency a top priority, design more effective programs for slow learners, and concentrate on meeting individual needs of students, particularly in the basic skills, rather than gearing teaching to the 'average child.'"[3]

Not only must the educators prepare the students, but the students must also be willing to learn. Regardless of the improvements made in education, the receptiveness of the students is the key. They must take advantage of the educational opportunities that are available to them. The cooperation of the students and the public could possibly effect a considerable improvement in Louisiana's schools. Students need not face their requirements alone, however. Parents should motivate their children to study and remain in school. Volunteers can assist those who are unable to read, and citizens can become more involved in the decisions of their schools and school boards.

One of the most effective means to increase educational accomplishments in Louisiana may be to inform the students themselves of the serious problems that their government faces and the unfavorable effects of an uneducated citizenry on the state's economy. By encouraging them through patriotic and self-interest methods, educators may see an improvement in those students who realize that failing to achieve academically damages not only their future, but also the future of the state as a whole.

In brief, education and Louisiana's economy are interrelated because they determine each other's success. If Louisiana continues to strive in the establishment of a better education system, more qualified workers will enter the labor force. Because of the additional competent workers, the economy will gradually but undoubtedly improve. "While citizens in Louisiana are increasingly demanding and receiving improvements in their government, the key to an even better government is a better educated and more informed citizenry."[4]

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A TEACHER'S GIFT TO US

HON. LARRY E. CRAIG

OF IDAHO

IN THE HOUSE OF REPRESENTATIVES

Wednesday, April 9, 1986

Mr. CRAIG. Mr. Speaker, several months after the shuttle tragedy, our Nation still mourns the loss of the *Challenger* crew. I recently received a poem written by Sean Smith, a 14-year-old from Meridian, ID. Although it expresses the grief and sense of loss experienced by our Nation, its conclusion focuses on more positive future. I commend Sean for his eloquence and foresight which have prompted me to submit his poem for the CONGRESSIONAL RECORD:

A TEACHER'S GIFT TO US

(By Sean Smith)

It was a beautiful Winter day,
the day seven dreams went up in flame.
They had no warning,
now the world is mourning, about what happened that Winter day.

The countdown was heard all through the land,
a historical event was now at hand.
As a teacher would be flown into space,
in a machine that flies with such grace.

Her students watched as the rockets flared,
they all wondered if she was scared.
Then in a wink of an eye,
the shuttle disappeared out of the sky,
without giving the crew a chance to say Good-Bye.

The flags are now flown at half mast,
and the students cry that were in her class.

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[1] "THE IMPACT OF ILLITERACY IN LOUISIANA." (Baton Rouge: Public Affairs Research Council of Louisiana, Inc., February 1978), p. 18.

[2] Alan H. Jones, ed., "The Education Digest," (Prakken Publications, Inc., November 1985), p. 110.

[3] The Impact of Illiteracy in Louisiana, op. cit., p. 19.

[4] *Ibid.*, p. 18.

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But they all know that she would want them to go on with life,
and make her proud of what they do.

Now she didn't know me or you,
but I'm sure that's what she would want us to do.

So keep your chin up, and always remember
that a new school year starts next September,

and always keep in the back of your mind,
that the crew of the space shuttle Challenger was one of a kind.

A TRIBUTE TO FLOYD JONES

HON. ED JONES

OF TENNESSEE

IN THE HOUSE OF REPRESENTATIVES

Wednesday, April 9, 1986

Mr. JONES of Tennessee. Mr. Speaker, last year, the Rural Electrification Administration celebrated its 50th anniversary. REA was an agency created by President Franklin Roosevelt's New Deal. It has meant for many rural communities and millions of rural people that they could have all the benefits of electricity at prices they could afford. Without this agency and the credit it extends to rural electric and telephone cooperatives, I am convinced that there would be rural areas of this country today without affordable electric power or telephone service.

Because REA is a relatively young agency, there remain people around this country who remember what it was like to live without electricity. I happen to be one of them. We can remember how much our lives were improved with the advent of electricity and most of us can remember exactly what it was like to turn on the bare electric light bulb that hung in our homes for the first time.

That was a significant achievement for those days, and they came about because of the foresight of President Roosevelt and because of the hard work and vision of people in the rural communities throughout this country who stepped forward to provide the leadership, experience, and technical expertise necessary to organize and operate rural cooperatives everywhere. One of those people was Mr. Floyd Jones, a resident of my home county, and a pioneer in bringing electricity to that county.

Mr. Jones, though we bear the same name, is not related to me but his pioneering efforts and leadership in the establishment of the Gibson County Electric Membership Corp., may have had as much effect on me as if he was related to me.

That can be said of thousands of people whose standards of living and whose opportunities for employment over the past 50 years were improved because of the early work Floyd Jones did. He headed up the Gibson County Electric Membership Corp., from its founding in 1936 to 1958 when he took a position with the National Rural Electric Cooperative Association where he used his talent and expertise to help other areas of the country develop similar organizations.

Floyd Jones dedicated much of his life to making electricity available to northwest Tennessee and to many other areas of this country. The small organization he helped to establish in 1936 now serves all or part of seven counties. While Mr. Jones gives credit to others, it is obvious that he deserves to be honored at this time when the Gibson County Electric Membership Corp. is celebrating its 50th anniversary.

Most of us, as we go through life, hope that we can contribute something to the generations that follow after us. Floyd Jones has made that kind of contribution. His dedication and his willingness to use his talent throughout his life have made many parts of this country, including his own native west Tennessee, a better place to live. He has made the difference for many people to live a better, more comfortable life and deserves a moment of tribute from all of us.

ARKANSAN NAMED HANDICAPPED AMERICAN OF THE YEAR

HON. JOHN P. HAMMERSCHMIDT

OF ARKANSAS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, April 9, 1986

Mr. HAMMERSCHMIDT. Mr. Speaker, a distinguished constituent of mine from Fort Smith, AR, has been named as the Handicapped American of the Year by the President's Committee on Employment of the Handicapped.

Ralph "Chad" Colley has long been an inspiration to all who know him. He is a prime example of the great American spirit of "never say die." He has overcome tremendous personal adversity to become a leader of people, and a positive force for good in every task he has ever undertaken.

Mr. Speaker, I am pleased to place in the CONGRESSIONAL RECORD the announcement of Chad Colley's selection as the Handicapped American of the Year.

VET WHO LOST BOTH LEGS AND ONE ARM IN VIETNAM NAMED HANDICAPPED AMERICAN OF THE YEAR

Ralph "Chad" Colley, who lost both legs and one arm in Vietnam combat, has been chosen as this year's Handicapped American of the Year by the President's Committee on Employment of the Handicapped (PCEH).

The 42-year-old businessman will receive the President's Trophy on April 30 at PCEH's annual meeting to be held at the Washington Hilton Hotel in Washington, DC, April 30 to May 2. Making the presentation to Colley will be PCEH Chairman Harold Russell and a representative of the White House.

More than 4,000 people—including disabled people from across America and around the world—will attend the PCEH annual meeting. PCEH's mission is to build an acceptance for disabled people in the nation's workforce through a year-round program of education and information.

Colley has been active in issues affecting handicapped people for many years, but the highlight of that involvement came in 1984-85 when he served a one-year term as National Commander of the Disabled American Veterans (DAV). The DAV is a nonprofit association of more than one million veterans disabled during time of war or under conditions similar to war.

Colley was an officer with the Army's 101st Airborne Division in July 1968 when he was leading a company of men on a combat mission 45 miles northwest of Saigon and a land mine explosion threw him into the air. Both of his legs and one arm were amputated in a military hospital in Vietnam as a result of his wounds.

The inner resources, which enabled Colley's rapid rehabilitation, spurred his business success, and led to his recognition as Handicapped American of the Year, were there right from the start, according to his wife, Betty Ann. She cited a letter he wrote to her just a few days after he was wounded.

"Even though I'm banged up pretty bad," he wrote, "I'm still me. I can put my loss of limbs into an asset. I have a big challenge to undertake now." That pretty much sums up Colley's life since he became disabled. Today he's an active, physically powerful man, who enjoys such athletic activities as sit-skiing, and he's won several medals on the ski slopes.

Colley, who holds a degree in mathematics from North Georgia College, moved right into his career after he finally got out of the hospital. He dug right in on courses that led to licensing in real estate, a field in which he achieved tremendous success despite the doubts of others who felt a triple amputee in a wheelchair wouldn't be able to cut it in a profession that required physical mobility.

But, to the young Vietnam vet, such worries were for other people. "I've always been determined to prove myself the equal, in any way, of any other member of our society," he said. "And I simply will not allow anything associated with my disability to get in the way."

After working in real estate and banking for a few years, Colley decided to strike out on his own. And, today, he's president of Colley Home Center, Inc., in Barling, Ark., where he lives with Betty Ann and their two children.

Colley also wasted no time in getting involved in the DAV following his release from the hospital. The pinnacle of the involvement came when he was elected to lead the organization in the summer of 1984. He took over an organization of 879,058 disabled vets. But, by the following spring, the DAV's membership had climbed well past the one-million mark.

"Chad worked relentlessly to push our membership strength into an entirely new realm," remarked DAV National Adjutant Denvel D. Adams. "And the organizational strength he built has already proven essential in battling major threats to benefits and programs for disabled veterans, as well as all handicapped people."

Another great achievement was Colley's leadership in the DAV's decision to donate $1 million to the Statue of Liberty-Ellis Island foundation to be used in making this national treasure entirely accessible to all handicapped people. And he served as spokesman in a DAV public service announcement addressing the issue of architectural barriers that confront disabled people.

The combat-disabled veteran's activity in the DAV didn't begin in the organization's highest leadership levels. He's been active in DAV Chapter 1 in Fort Smith, Ark., and the DAV Department of Arkansas for many years. Those activities were noticed by the DAV's national leadership from the start, and he was chosen by the DAV as the national Outstanding Disabled Veteran of the Year in 1970.

The glare of his achievements on the national scene, however, could lead some to

forget what Colley has meant to any number of disabled people as individuals. It's not widely known that rehabilitation professionals in his community frequently ask the triple amputee to participate in counseling newly disabled people. And it's here that Colley says he gains his greatest personal satisfaction.

"Talking mostly with amputees and paraplegics," explained Colley, "I try to turn around the negative attitudes and despair that so frequently follow catastrophic physical injuries.

"Many of these folks see their futures as extremely limited," he emphasized. "I guess I'm a pretty good example that this just isn't the case. I've done pretty well in business. I'm happy with my life. I'm dealing with the inconveniences of my disabilities. What I try to do is refocus people's attention on the positives."

RESOLUTION TO DISAPPROVE PRC ARMS SALE

HON. MARK D. SILJANDER

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Wednesday, April 9, 1986

Mr. SILJANDER. Mr. Speaker, yesterday, the administration proposed an avionics modernization package for China's high altitude interceptor, the F–8.

The administration has made several arms sales to the People's Republic of China, but this is by far the most controversial arms sale yet. The F–8 is a twin-engined, delta wing, high altitude interceptor. The avionics package would give 50 F–8's an all-weather, day-night capability. The $500 million package includes avionic components integrated by a U.S. prime defense contractor under U.S. Air Force supervision.

The integration would take 6 years to complete and would include an airborne radar; navigation equipment; a heads-up display; mission computer; an air data computer; and a data base. The F–8's receiving the avionics package would have to be modified; but this modified version, dubbed the F–8–2 or F–8B, may already exist.

There are several reasons why this arms sale should be opposed:

First, the PRC seems to be distancing itself from the United States strategically while improving relations with the Soviet Union.

Second, all of our Asian friends (Japan, South Korea and ASEAN) oppose the sale. Of course, Taiwan opposes it. The reason is simple. The sale of advanced avionics to the PRC adversely affects the regional balance of power. While the United States is looking at the sale in terms of how to best help the PRC deter the U.S.S.R., our friends in Asia are worried about how the sale adds to the Chinese threat to the region.

Third, the avionics sale would upset the delicate military balance in the Taiwan Strait, which the United States is committed to preserve under the 1979 Taiwan Relations Act. Taiwan's defense depends solely on maintaining qualitative air superiority over the strait. This would clearly be threatened if the PRC's F–8 fighters gain, as they would under the proposed sale, all-weather capability.

Fourth, the sale could also threaten Taiwan's security in the long term. For one thing, it would give Beijing greater confidence that it could use military force to resolve the Taiwan issue. For another, it would weaken domestic investor confidence in Taiwan's future.

Fifth, although the avionics package is an end-item sale and does not involve coassembly or coproduction or the transfer of design or production technologies, end items may not be the intention of the PRC purchase. What is important is not the 50 avionics packages, but rather the technology the packages contain and the possibility of reproducing and integrating that technology with other systems. Examples include the rader system can be integrated with radar-guided missiles and heat-seeking short-range missiles.

I have introduced two resolutions of disapproval. The first would simply disapprove the sale. The second would disapprove the sale unless the administration concurrently sells Taiwan advanced fighter aircraft.

Before the administration proceeds with any further arms sales to the PRC it should take steps to enhance the defensive capability of non-Communist Asia. In particular in the case of Taiwan this would mean a strengthened United States defense commitment, the sale of advanced fighter aircraft such as the F–20 with appropriate avionics and armament, or a very significant upgrading of the military technology sold to Taiwan to enable it to build its own air defense capabilities. To do any less would be to send a signal that the United States was abandoning Taiwan and its commitment to the TRA.

Next, the Reagan administration should set guidelines for arms and technology transfers to the PRC. At the core of these guidelines must be the principle embodied in the Taiwan Relations Act: That the United States ensures that the Republic of China on Taiwan has the weapons to protect itself from military attack.

This principle simply means that if the United States upgrades Beijings' offensive capabilities in a way posing a potential threat to Taiwan, than Taipei's capabilities must be upgraded as well. If the United States feels that because of the PRC's confrontation with the U.S.S.R. it is necessary to make the pending avionics deal, then Washington should also agree to sell, Taipei a modern jet fighter such as the F–20 or F–16. Taiwan has been trying to purchase such planes since 1978. Roughly half of Taiwan's fighter inventory are aging F-104's and early model F–5's slated for retirement.

It is my hope that we can work with the administration to avoid a conflict on this issue. But if they should go ahead with this sale in its present form, then I'm sure the Congress will once again express its commitments to our friends in Aisa.

I urge you to cosponsor one or both of the resolutions.

DISTINGUISHED RADIO MAN CELEBRATES 20 YEARS

HON. BARNEY FRANK

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, April 9, 1986

Mr. FRANK. Mr. Speaker, a very important anniversary was recently observed in the city of Attleboro, MA. Twenty years ago, Frank Titus began a very distinguished career on radio station WARA. I have had the privilege of being interviewed by Frank on a number of occasions over the past few years, and I have found him to be consistently well informed, incisive, and well prepared. He is a man with a deep sense of public service, who understands the responsibilities of the broadcasting industry to helping our democracy to function.

Frank Titus shows that you can be a gentleman and simultaneously be an aggressive and fair reporter. I want to congratulate him on this anniversary and I would like at this point to insert a few paragraphs which talk some about the career of Frank Titus.

"Good morning, beautiful. My, you look lovely this morning. Your hair so shiny, your eyes sparkling. And what a gorgeous outfit".

For many listeners this was a first introduction to popular Frank Titus and his "Good Morning" show.

Countless numbers of young and older mothers in the area loved Frank for his compliments and were so eager to see just what he looked like.

Frank's first radio broadcast was January 1, 1949 with WLIV-FM in Providence. Following his start he served in the army but returned to radio WWON in Woonsocket, serving as disc jockey and newsman. In 1956 he was named Program Director.

Chronologically, Frank Titus next moved to WEAN in late 1957, then to WPRO-TV (now WPRI-TV) in 1962 where many of us saw him performing on game shows during the late movies, brought us the TV weather, and also served as "the voice", another term for the Booth Man.

In April of 1966 Frank launched his talents on WARA listeners. "Done just about everything" is the way Frank explains his activities here, but for the past two years he has served as a full time newsman.

His home is in East Providence with wife, Mary, and two great children.

A CONGRESSIONAL SALUTE TO UCLA FOOTBALL COACH TERRY DONAHUE

HON. GLENN M. ANDERSON

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, April 9, 1986

Mr. ANDERSON. Mr. Speaker, it is my distinct honor today to rise and pay tribute to UCLA's head football coach, Terry Donahue, for his many outstanding achievements and his contributions to UCLA and the State of California. Coach Donahue will be honored by the Long Beach Bruin Club at a special program abroad the Queen Mary on April 17, 1986, which has been designated "Terry Donahue Day" by the city council of Long Beach.

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Only the third former Bruin player to become head coach at his alma mater, Terry Donahue took over direction of the UCLA football program in February 1976 and is presently entering his 11th season at the helm. In his 10 success filled seasons, Coach Donahue has amassed an amazing 79–31–6 career record and has become the winningest head football coach in UCLA history, breaking Bill Spaulding's school record of 72 victories. In the decade of the 1980's, Coach Donahue has led UCLA to a record of 50–16–4, a winning percentage of over 0.740, and five postseason bowl games.

A native of Los Angeles who has enjoyed great success at UCLA as a player, an assistant coach, and now as head coach, Terry Donahue is the only coach in the Nation to win a New Year's Day Bowl game each of the last 4 years, including three Rose Bowl victories. Along with three consecutive victories over crosstown rival USC and four in 6 years, Coach Donahue has led his teams to a "Top 20" ranking in each of the last four seasons. Coach Donahue's teams have appeared in seven bowl games since 1976, and during this 10-year span, Terry Donahue has developed 13 first team All-American selections. Presently, 41 of his former players are with National Football League teams, while 15 are on United States Football League rosters.

Mr. Speaker, it is with great pride that my wife, Lee, joins me in honoring one of the finest coaches in all of college football, Terry Donahue, for his many outstanding achievements at UCLA and for his contributions to our community and the State of California. We congratulate him on the great honor of having April 17, 1986 designated "Terry Donahue Day," and we wish Terry, his wife Andrea, and their children—Nicole Denise, Michele Lynn, and Jennifer Erin—all the best in the years ahead.

THE 35TH ANNIVERSARY OF HOME BUILDERS ASSOCIATION OF NEW HAVEN COUNTY

HON. BRUCE A. MORRISON

OF CONNECTICUT

IN THE HOUSE OF REPRESENTATIVES

Wednesday, April 9, 1986

Mr. MORRISON of Connecticut. Mr. Speaker, this year marks the 35th anniversary of the Home Builders Association of New Haven County [HBANH], the New Haven affiliate of the National Association of Home Builders [NAHB]. I am pleased to extend my congratulations to Mr. Jack Muller, president of the New Haven chapter, and to all of the association's 180 members throughout the Greater New Haven area.

In recognition of this special occasion, a formal awards banquet will be held in New Haven on April 10. Ms. Shirley McVay Wiseman, vice president of the National Association of Home Builders, will present awards to the HBANH's past presidents and to members who have belonged to the group for 20 or more years.

As an affiliate of the NAHB, a nationwide, nonprofit trade organization, the New Haven chapter carries out the goals of the parent organization on a local level. This includes following housing legislation as well as monitoring the housing industry to ensure that those engaging in the business are well-qualified and comply with standards for building materials. In addition, the HBANH assists government officials on a State and local level in the formulation of building codes and zoning of business and residential areas.

More than just a trade association, the HBANH has made a lasting mark on the community it serves. New Haven Mayor DiLieto's Christmas Fund, the New Haven Jimmy Fund and many other local charities have benefitted from the generosity of this civic-minded group.

Mr. Speaker, I know my colleagues join me in extending congratulations to the Home Builder's Association of New Haven on the special occasion of their 35th anniversary. I thank the many dedicated members of this special organization for all they have contributed to the citizens of Connecticut's Third District, and I wish them continued success in their future endeavors.

A TRIBUTE TO RALPH NISSEN

HON. GENE CHAPPIE

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, April 9, 1986

Mr. CHAPPIE. Mr. Speaker, I'd like to take this opportunity to recognize Ralph Nissen for his many years of dedicated service to his community, his State, an his country. Ralph Nissen has been an integral part of northern California affairs for over half a century. As a farmer, water leader, down-to-earth politician, and community activist, it is obvious that Ralph lives by his motto of, "* * * working hard and doing what you can for your community.

As a community leader, Ralph spent the past 16 years as president of the Glenn-Colusa Irrigation District. His other leadership roles have included; serving as vice president of the California State Farm Bureau, head of the Natural Resource Committee, and director of the Rice Growers Association. At the statewide level, Ralph has been a member of the Association of California Water Agencies board of directors since the late 1960's, serving as president from 1969 to 1971. Furthermore, Ralph has been involved in national politics, lobbying Congress in order to gain passage of water and agriculture legislation of importance to northern California, such as the Reclamation Reform Act of 1982.

Uncle Ralph, as he is known to his friends, has also been active on the school board, in his local lodge, and in his church. He is a man respected by all and appreciated for his devotion and dedication to the betterment of his community.

Thus, in light of his numerous contributions to the State and community, it is an honor for me to recognize Ralph with the highest of praise and admiration.

SENATE COMMITTEE MEETINGS

Title IV of Senate Resolution 4, agreed to by the Senate on February 4, 1977, calls for establishment of a system for a computerized schedule of all meetings and hearings of Senate committees, subcommittees, joint committees, and committees of conference. This title requires all such committees to notify the Office of the Senate Daily Digest—designated by the Rules Committee—of the time, place, and purpose of the meetings, when scheduled, and any cancellations or changes in the meetings as they occur.

As an additional procedure along with the computerization of this information, the Office of the Senate Daily Digest will prepare this information for printing in the Extensions of Remarks section of the CONGRESSIONAL RECORD on Monday and Wednesday of each week.

Any changes in committee scheduling will be indicated by placement of an asterisk to the left of the name of the unit conducting such meetings.

Meetings scheduled for Thursday, April 10, 1986, may be found in the Daily Digest of today's RECORD.

MEETINGS SCHEDULED

APRIL 11

9:00 a.m.
Appropriations
Labor, Health and Human Services, Education, and Related Agencies Subcommittee
To hold hearings to review the impact of the President's proposed budget on health research programs.
SD-138

Armed Services
Strategic and Theater Nuclear Forces Subcommittee
To continue closed hearings on S. 2199, authorizing funds for fiscal year 1987 for the Department of Defense, focusing on strategic command, control and communications and warning assessment.
SR-222

9:30 a.m.
*Energy and Natural Resources
Public Lands, Reserved Water and Resource Conservation Subcommittee
To hold hearings on S. 977, to establish the Hennepin Canal National Heritage Corridor in Illinois, S. 1374, to establish the Blackstone River Valley National Heritage Corridor in Massachusetts and Rhode Island, S. 1413 and H.R. 2067, bills to validate conveyances of certain lands in California that form part of the right-of-way granted by the United States to the Central Pacific Railway Co., S. 1542, to designate the Nez Perce Trail in Oregon and Montana, as a component of the National Trails System, S. 1946, to designate the west branch of the Farmington River as a study area for inclusion in the National Wild and Scenic Rivers System, S. 2265, to authorize the establishment of the Burr Trail National Rural Scenic Road in Utah, and H.R. 3556, to provide for the exchange of land for the Cape Henry Memorial site in Fort Story, VA.
SD-366

Finance
To hold hearings on proposed negotiation of United States-Canada free trade agreement.
SD-215

10:00 a.m.
Armed Services
Military Construction Subcommittee
To hold hearings on the strategic homeporting initiative.
SR-232A

Armed Services
Strategic and Theater Nuclear Forces Subcommittee
To hold hearings to review the proposed budget request for fiscal year 1987 for the Federal Emergency Management Agency.
SR-222

11:00 a.m.
Armed Services
Preparedness Subcommittee
To resume open and closed hearings on S. 2199, authorizing funds for fiscal year 1987 for the Department of Defense focusing on ammunition readiness, sustainability, and procurement.
SR-325

2:00 p.m.
Armed Services
Military Construction Subcommittee
To continue hearings on the strategic homeporting initiative.
SR-232A

APRIL 14

9:30 a.m.
Finance
Business meeting, to resume markup of proposed legislation providing for revisions in Federal tax laws.
SD-215

10:00 a.m.
Appropriations
Energy and Water Development Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1987 for energy and water development programs.
SD-192

2:00 p.m.
Appropriations
Energy and Water Development Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1987 for energy and water development programs.
SD-192

Energy and Natural Resources
To hold hearings on the nominations of William F. Martin, of the District of Columbia, to be Deputy Secretary of Energy, and David B. Waller, of the District of Columbia, to be an Assistant Secretary of Energy for International Affairs and Energy Emergencies.
SD-366

Finance
Business meeting, to resume markup of proposed legislation providing for revisions in Federal tax laws.
SD-215

APRIL 15

9:30 a.m.
Appropriations
Agriculture, Rural Development and Related Agencies Subcommittee
To resume hearings on proposed budget estimates for fiscal year 1987 for the Department of Agriculture, focusing on the Animal and Plant Health Inspection Service, Agricultural Marketing Service, and the Food Safety and Inspection Service.
SD-138

Appropriations
Labor, Health and Human Services, Education, and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1987 for the Department of Education, including education for the handicapped, rehabilitation services and handicapped research, and special institutions (including Howard University).
SD-116

Banking, Housing, and Urban Affairs
Housing and Urban Affairs Subcommittee
To hold oversight hearings on mass transit.
SD-538

Commerce, Science, and Transportation
Aviation Subcommittee
To hold hearings to review safety issue relating to an aging commercial airline fleet.
SD-628

Commerce, Science, and Transportation
Science, Technology, and Space Subcommittee
To hold hearings on proposed legislation authorizing funds for National Oceanic and Atmospheric Administration, focusing on funds for satellite and atmospheric programs.
SR-253

Finance
Business meeting, to continue markup of proposed legislation providing for revisions in Federal tax laws.
SD-215

Judiciary
Patents, Copyrights and Trademarks Subcommittee
To resume hearings to examine whether the United States should participate in the Berne Convention, an international union for the protection of literary and artistic works.
SR-485

10:00 a.m.
Appropriations
Energy and Water Development Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1987 for energy and water development programs.
SD-192

Energy and Natural Resources
Energy Regulation and Conservation Subcommittee
To hold hearings on S. 1302, proposed Natural Gas Regulatory Reform Act of 1985, S. 1251, proposed Natural Gas Utilization Act of 1985, and S. 2205, to eliminate certain restrictions on the use of natural gas and petroleum.
SD-366

Foreign Relations
To hold hearings on nuclear testing.
SD-419

Governmental Affairs
Civil Service, Post Office, and General Services Subcommittee
To hold hearings on S. 1327, to establish higher minimum rates of basic pay in geographic areas where the Federal Government is experiencing significant recruitment and retention problems, S. 1727, to establish alternative personnel management systems for scientific and technical employees, and provisions of S. 2082, to improve the management of major defense acquisition programs, to establish a Defense Acquisition Service, and to limit employment contacts between senior officials of the Department of Defense and defense contractors.
SD-342

Select on Indian Affairs
To hold hearings on S. 1988, to establish a program for the prevention and control of diabetes among Native Americans.
SR-385

10:30 a.m.
Judiciary
To resume hearings on S. 2162, to promote and improve efficient and effective enforcement of the antitrust laws.
SD-226

1:00 p.m.
Judiciary
Security and Terrorism Subcommittee
To hold closed oversight hearings on activities of the Federal Bureau of Investigation, Department of Justice.
S-407, Capitol

2:00 p.m.
Appropriations
Foreign Operations Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1987 for the Agency for International Development.
S-126, Capitol

Appropriations
Interior and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1987 for the National Endowment for the Arts and the Institute of Museum Services.
SD-138

Appropriations
Energy and Water Development Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1987 for energy and water development programs.
SD-192

Armed Services
Strategic and Theater Nuclear Forces Subcommittee
To resume closed hearings on S. 2199, authorizing funds for fiscal year 1987 for the Department of Defense, focusing on Air Force classified programs.
SR-232A

Finance
Business meeting, to continue markup of proposed legislation providing for revisions in Federal tax laws.
SD-215

APRIL 16

9:00 a.m.
Veterans' Affairs
To hold joint hearings with the House Committee on Veterans' Affairs to review the legislative priorities of AMVETS, Vietnam Veterans of America, World War I Veterans, Jewish War Veterans of the U.S.A., and Atomic Veterans.
SD-106

9:30 a.m.
Appropriations
District of Columbia Subcommittee
To resume hearings on the overcrowding issue of the District of Columbia prison system.
SD-562

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Appropriations
Labor, Health and Human Services, Education, and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1987 for the Department of Education, including student financial assistance, guaranteed student loans, higher education, higher education facilities loans and insurance, and college housing loans.
SD-116

Appropriations
Commerce, Justice, State, the Judiciary, and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1987 for the National Oceanic and Atmospheric Administration, Department of Commerce, and the Marine Mammal Commission.
S-146, Capitol

Banking, Housing, and Urban Affairs
Housing and Urban Affairs Subcommittee
To continue oversight hearings on mass transit.
SD-538

Energy and Natural Resources
Business meeting, to resume consideration of S. 1225, to compensate the public for injuries or damages suffered in the event of an accident involving nuclear activities undertaken by the Nuclear Regulatory Commission licensees or Department of Energy contractors, S. 570, S. 372, S. 913, and S. 946, measures to improve the administration of the Federal coal leasing program, and other pending calendar business.
SD-366

Finance
Business meeting, to continue markup of proposed legislation providing for revisions in Federal tax laws.
SD-215

Judiciary
To hold oversight hearings on computer crime.
SD-628

Labor and Human Resources
To hold hearings on Acquired Immune Deficiency Syndrome.
SD-430

Select on Intelligence
To resume closed hearings on proposed legislation authorizing funds for fiscal year 1987 for the intelligence community.
SH-219

10:00 a.m.
Appropriations
Energy and Water Development Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1987 for energy and water development programs.
SD-192

Appropriations
Transportation and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1987 for the U.S. Coast Guard, Department of Transportation.
SD-138

Foreign Relations
Business meeting, to consider pending calendar business.
SD-419

Judiciary
Security and Terrorism Subcommittee
To hold oversight hearings on activities of the Drug Enforcement Administration, Department of Justice.
SD-226

Judiciary
Patents, Copyrights and Trademarks Subcommittee
To hold joint hearings with the House Committee on the Judiciary's Subcommittee on Courts, Civil Liberties, and the Administration of Justice to review intellectual property law and technological change.
SR-301

2:00 p.m.
Appropriations
Energy and Water Development Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1987 for energy and water development programs.
SD-192

Appropriations
Treasury, Postal Service, and General Government Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1987 for the Department of the Treasury, Postal Service, and general government programs.
SD-124

Commerce, Science, and Transportation
Science, Technology, and Space Subcommittee
To hold hearings on the National Aeronautics and Space Administration and the Department of Defense assured access to space.
SR-253

Judiciary
To hold hearings on pending nominations.
SD-226

4:00 p.m.
Select on Ethics
Closed business meeting.
S-146, Capitol

APRIL 17

9:30 a.m.
Appropriations
Labor, Health and Human Services, Education, and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1987 for the Department of Education, including bilingual education, vocational and adult education, education research and improvement, and libraries.
SD-116

Finance
Business meeting, to continue markup of proposed legislation providing for revisions in Federal tax laws.
SD-215

10:00 a.m.
Banking, Housing, and Urban Affairs
To hold hearings on S. 571, proposed Drug Money Seizure Act.
SD-538

Commerce, Science, and Transportation
To hold hearings with the National Ocean Policy Study on S. 2138 and H.R. 2935, bills to establish a National Marketing Council to enable the United States fishing industry to establish a coordinated program of research, education, and promotion to expand markets for fisheries products.
SR-253

Energy and Natural Resources
Water and Power Subcommittee
To hold hearings on S. 1319, to relieve the Washoe County Water Conservation District, Nevada, of certain Federal repayment obligations, and S. 1772, to convey certain real property to the Pershing County Water Conservation District.
SD-366

Foreign Relations
To hold hearings on arms sales to Saudi Arabia.
SD-419

Select on Indian Affairs
To hold hearings on S. 2118, to provide for the distribution of funds appropriated to pay a judgment awarded to the Sisseton and Wahpeton Tribes of Sioux Indians in Indian Claims Commission dockets numbered 142 and 359.
SD-485

2:00 p.m.
Appropriations
Foreign Operations Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1987 for foreign assistance programs.
S-126, Capitol

Appropriations
Interior and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1987 for the U.S. Fish and Wildlife Service, Department of the Interior.
SD-192

Commerce, Science, and Transportation
Science, Technology, and Space Subcommittee
To hold hearings on information provided by NASA's 51-L Data and Design Analysis Task Force to the Presidential Commission on the Space Shuttle Challenger Accident.
SR-253

4:00 p.m.
Select on Intelligence
To resume closed hearings on proposed legislation authorizing funds for fiscal year 1987 for the intelligence community.
SH-219

APRIL 18

9:00 a.m.
Armed Services
Strategic and Theater Nuclear Forces Subcommittee
To resume open and closed hearings on S. 2199, authorizing funds for fiscal year 1987 for the Department of Defense, focusing on Navy nuclear and reactor programs.
SR-232A

9:30 a.m.
Commerce, Science, and Transportation
Business, Trade, and Tourism Subcommittee
To hold hearings on proposed legislation authorizing funds for the U.S. Travel and Tourism Administration.
SR-253

Finance
Business meeting, to continue markup of proposed legislation providing for revisions in Federal tax laws.
SD-215

APRIL 21

9:30 a.m.
Finance
To hold hearings on the federal excise tax provisions of H.R. 3838, proposed Tax Reform Act of 1985.
SD-215

Foreign Relations
To hold oversight hearings on activities of the Agency for International Development.
SD-419

APRIL 22

9:30 a.m.
Appropriations
Agriculture, Rural Development and Related Agencies Subcommittee
To resume hearings on proposed budget estimates for fiscal year 1987 for the Department of Agriculture, focusing on the Soil Conservation Service, Agricultural Stabilization and Conservation Service, Office of the General Sales Manager, Foreign Agricultural Service, Office of International Cooperation and Development, and the Food for Peace program (P.L. 480).
SD-138

Appropriations
Labor, Health and Human Services, Education, and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1987 for the Soldier's and Airmen's Home, Prospective Payment Commission, Railroad Retirement Board, National Labor Relations Board, National Mediation Board, Occupational Safety and Health Review Commission, Federal Mediation and Conciliation Service, and the United States Institute of Peace.
SD-116

Appropriations
Commerce, Justice, State, the Judiciary, and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1987 for the Federal Bureau of Investigation and Drug Enforcement Administration, Department of Justice, and the Equal Employment Opportunity Commission.
S-146, Capitol

Foreign Relations
To continue oversight hearings on activities of the Agency for International Development.
SD-419

10:00 a.m.
Select on Indian Affairs
To hold hearings on S. 1991, to authorize funds for fiscal years 1987-1990 for Native American programs.
SR-385

2:00 p.m.
Appropriations
Foreign Operations Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1987 for the Department of State, focusing on international narcotics control, migration and refugee assistance, and anti-terrorism programs.
S-126, Capitol

Appropriations
Interior and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1987 for the Navajo-Hopi Indian Relocation Commission, and the Office of Surface Mining, Reclamation and Enforcement, Department of the Interior.
SD-192

Environment and Public Works
Water Resources Subcommittee
To hold hearings on S. 1696, to establish a federally declared floodway for the Colorado River.
SD-406

APRIL 23

9:30 a.m.
Appropriations
Labor, Health and Human Services, Education, and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1987 for ACTION (domestic programs), Corporation for Public Broadcasting, National Council on the Handicapped, Mine Safety and Health Review Commission, and the National Commission on Libraries and Information Science.
SD-116

Commerce, Science, and Transportation
Science, Technology, and Space Subcommittee
To resume hearings on proposed legislation authorizing funds for fiscal year 1987 for the National Aeronautics and Space Administration, focusing on the space station program.
SR-253

Labor and Human Resources
To hold hearings on S. 1815, to prohibit any employer from using any lie detector test or examination in the work place, either for pre-employment testing or testing in the course of employment.
SD-430

Select on Intelligence
To resume closed hearings on proposed legislation authorizing funds for fiscal year 1987 for the intelligence community.
SH-219

10:00 a.m.
Appropriations
Defense Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1987 for Navy aircraft procurement programs.
SD-192

Appropriations
Transportation and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1987 for the United States Railway Association and Conrail.
SD-138

Energy and Natural Resources
Business meeting, to consider pending calendar business.
SD-366

Foreign Relations
Business meeting, to consider pending calendar business.
SD-419

1:30 p.m.
Foreign Relations
To continue oversight hearings on activities of the Agency for International Development.
SD-419

2:00 p.m.
Appropriations
Energy and Water Development Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1987 for energy and water development programs, focusing on atomic energy defense activities.
SD-116

APRIL 24

9:30 a.m.
Agriculture, Nutrition, and Forestry
Rural Development, Oversight, and Investigations Subcommittee
To hold hearings on S. 1121, to encourage foreign agricultural trade by improving the quality of grain shipped from U.S. export elevator facilities.
SR-332

Appropriations
Agriculture, Rural Development and Related Agencies Subcommittee
To resume hearings on proposed budget estimates for fiscal year 1987 for the Department of Agriculture, focusing on Farmers Home Administration, and the Farm Credit Administration.
SD-192

Appropriations
Labor, Health and Human Services, Education, and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1987 for the Departments of Labor, Health and Human Services, and Education, and certain related agencies.
SD-116

Foreign Relations
To continue oversight hearings on activities of the Agency for International Development.
SD-419

Labor and Human Resources
Labor Subcommittee
To hold hearings on S. 1018, to clarify the meaning of the term "guard" for the purpose of permitting certain labor organizations to be certified by the National Labor Relations Board as representatives of employees other than plant guards.
SD-430

10:00 a.m.
Appropriations
Defense Subcommittee
To hold closed hearings on proposed budget estimates for fiscal year 1987 for intelligence programs.
S-407, Capitol

Appropriations
Foreign Operations Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1987 for the Department of State, focusing on voluntary contributions to international organizations programs, and for the Office of the U.S. Representative to the United Nations.
SD-138

Energy and Natural Resources
Natural Resources Development and Production Subcommittee
To hold hearings on S. 1322, proposed Geothermal Steam Act Amendments of 1985.
SD-366

Labor and Human Resources
Education, Arts, and Humanities Subcommittee
To hold hearings on S. 1662, proposed Training Technology Transfer Act of 1985.
SD-628

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2:00 p.m.
Appropriations
Interior and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1987 for the Energy Information Administration and the Economic Regulatory Administration, Department of Energy.
SD-192

4:00 p.m.
Select on Intelligence
To hold closed hearings on intelligence matters.
SH-219

APRIL 25

10:00 a.m.
Governmental Affairs
Civil Service, Post Office, and General Services Subcommittee
To resume hearings on S. 1327, to establish higher minimum rates of basic pay in geographic areas where the Federal Government is experiencing significant recruitment and retention problems, S. 1727, to establish alternative personnel management systems for scientific and technical employees, and provisions of S. 2082, to improve the management of major defense acquisition programs, to establish a Defense Acquisition Service, and to limit employment contacts between senior officials of the Department of Defense and defense contractors.
SD-342

APRIL 29

9:30 a.m.
Appropriations
Labor, Health and Human Services, Education, and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1987 for the Departments of Labor, Health and Human Services, and Education, and certain related agencies.
SD-116

10:00 a.m.
Appropriations
Defense Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1987 for certain defense programs.
SD-192

Appropriations
HUD-Independent Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1987 for the Department of Housing and Urban Development and certain independent agencies.
SD-124

Commerce, Science, and Transportation
Science, Technology, and Space Subcommittee
To hold hearings on the findings of the Presidential Commission on the Space Shuttle Challenger Accident.
SR-253

Select on Indian Affairs
To hold hearings on S. 2105, S. 2106, and S. 2107, bills to provide for the settlement of certain claims of the Papago Tribe of Arizona.
SR-385

2:00 p.m.
Appropriations
Interior and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1987 for the Bureau of Indian Affairs, Department of the Interior.
SD-192

APRIL 30

9:30 a.m.
Appropriations
Commerce, Justice, State, the Judiciary, and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1987 for the Office of U.S. Trade Representative, and the Federal Communications Commission.
S-146, Capitol

Labor and Human Resources
To hold oversight hearings on the human resources impact of reentry of women into the labor force.
SD-430

Select on Intelligence
To hold closed hearings on intelligence matters.
SH-219

10:00 a.m.
Appropriations
HUD-Independent Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1987 for the Department of Housing and Urban Development and certain independent agencies.
SD-124

Energy and Natural Resources
Business meeting, to consider pending calendar business.
SD-366

Foreign Relations
To hold hearings on embassy security enhancement.
SD-419

Governmental Affairs
Civil Service, Post Office, and General Services Subcommittee
To resume hearings on S. 1327, to establish higher minimum rates of basic pay in geographic areas where the Federal Government is experiencing significant recruitment and retention problems, S. 1727, to establish alternative personnel management systems for scientific and technical employees, and provisions of S. 2082, to improve the management of major defense acquisition programs, to establish a Defense Acquisition Service, and to limit employment contacts between senior officials of the Department of Defense and defense contractors.
SD-342

2:00 p.m.
Appropriations
Agriculture, Rural Development and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1987 for the Food and Drug Administration of the Department of Health and Human Services, and the Commodity Futures Trading Commission.
SD-138

MAY 1

9:30 a.m.
Appropriations
Labor, Health and Human Services, Education, and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1987 for the Departments of Labor, Health and Human Services, and Education, and certain related agencies.
SD-116

Labor and Human Resources
Labor Subcommittee
To hold oversight hearings on employee benefit and pension policy implications contained in proposed tax reform legislation.
SD-430

10:00 a.m.
Appropriations
Defense Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1987 for certain defense programs.
SD-192

2:00 p.m.
Appropriations
Interior and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1987 for territorial affairs, Department of the Interior
SD-192

MAY 2

10:00 a.m.
Commerce, Science, and Transportation
Science, Technology, and Space Subcommittee
To resume hearings on proposed legislation authorizing funds for fiscal year 1987 for the National Aeronautics and Space Administration, focusing on the space transportation system.
SR-253

MAY 6

9:30 a.m.
Appropriations
Labor, Health and Human Services, Education, and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1987 for the Departments of Labor, Health and Human Services, and Education, and certain related agencies.
SD-116

10:00 a.m.
Appropriations
Defense Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1987 for Air Force aircraft procurement programs.
SD-192

MAY 7

9:30 a.m.
Appropriations
Commerce, Justice, State, the Judiciary, and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1987 for the Supreme Court of the United States, U.S. District Courts/Courts of Appeals, and the Commission on the Bicentennial of the U.S. Constitution.
S-146, Capitol

Labor and Human Resources
To hold oversight hearings on medical malpractice.
SD-430

10:00 a.m.
Appropriations
Transportation and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1987 for the Urban Mass Transportation Administration, Department of Transportation, and the Washington Metropolitan Area Transit Authority.
SD-138

Energy and Natural Resources
Business meeting, to consider pending calendar business.
SD-366

MAY 8

9:30 a.m.
Appropriations
Labor, Health and Human Services, Education, and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1987 for the Departments of Labor, Health and Human Services, and Education, and certain related agencies.
SD-116

10:00 a.m.
Appropriations
Defense Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1987 for strategic systems.
SD-192

Appropriations
Transportation and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1987 for the Federal Aviation Administration, Department of Transportation.
SD-138

2:00 p.m.
Appropriations
Interior and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1987 for the Holocaust Memorial Council and the Smithsonian Institution.
SD-192

MAY 9

9:30 a.m.
Finance
Health Subcommittee
To hold hearings to examine the condition of rural hospitals under the Medicare Program.
SD-215

MAY 13

9:30 a.m.
Appropriations
Labor, Health and Human Services, Education, and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1987 for the Departments of Labor, Health and Human Services, and Education, and certain related agencies.
SD-116

MAY 14

9:30 a.m.
Appropriations
Labor, Health and Human Services, Education, and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1987 for the Health Resources and Services Administration, Department of Health and Human Services.
SD-116

Appropriations
Commerce, Justice, State, the Judiciary, and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1987 for the Legal Services Corporation, and the Securities and Exchange Commission.
S-146, Capitol

Labor and Human Resources
Business meeting, to consider pending calendar business.
SD-430

10:00 a.m.
Appropriations
Transportation and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1987 for the Department of Transportation and certain related agencies.
SD-138

Governmental Affairs
Energy, Nuclear Proliferation and Government Processes Subcommittee
To hold hearings on S. 525, to provide for the transfer to the Secretary of Health and Human Services the authority of the Secretary of Energy to conduct epidemiological studies of radiation effects.
SD-342

MAY 15

9:30 a.m.
Appropriations
Labor, Health and Human Services, Education, and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1987 for the Department of Labor, Health and Human Services, and Education, and certain related agencies.
SD-116

Labor and Human Resources
Labor Subcommittee
To hold hearings on S. 2050, to notify workers who are at risk of occupational disease in order to establish a system for identifying and preventing illness and death of such workers.
SD-430

2:30 p.m.
Appropriations
Interior and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1987 for fossil energy and clean coal technology.
SD-192

MAY 20

2:00 p.m.
Appropriations
Interior and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1987 for the Indian Health Service, Department of Health and Human Services.
SD-192

MAY 21

9:30 a.m.
Appropriations
Commerce, Justice, State, the Judiciary, and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1987 for the U.S. Information Agency, and the National Endowment for Democracy.
S-146, Capitol

Labor and Human Resources
To hold oversight hearings on strategies to reduce hunger in America.
SD-430

MAY 29

2:00 p.m.
Appropriations
Interior and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1987 for the Office of the Secretary and Office of the Solicitor, Department of the Interior.
SD-192

JUNE 3

10:00 a.m.
Governmental Affairs
Energy, Nuclear Proliferation and Government Processes Subcommittee
To hold hearings on statistical policy for an aging America.
SD-342

JUNE 4

9:30 a.m.
Appropriations
Commerce, Justice, State, the Judiciary, and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1987 for the Departments of Commerce, Justice, and State, the Judiciary, and certain related agencies.
S-146, Capitol

Labor and Human Resources
To hold oversight hearings to review the imposition of user fees in FDA approval procedures for new drugs.
SD-430

JUNE 11

9:30 a.m.
Labor and Human Resources
To hold hearings on pending nominations to the National Advisory Council on Women's Educational Programs.
SD-430

JUNE 17

9:30 a.m.
Labor and Human Resources
To resume oversight hearings on medical malpractice.
SD-430

JUNE 18

9:30 a.m.
Labor and Human Resources
Business meeting, to consider pending calendar business.
SD-430

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JUNE 25

9:30 a.m.
Labor and Human Resources
To hold hearings on the administration of the Mine Safety and Health Review Commission.
SD-430

JULY 16

9:30 a.m.
Labor and Human Resources
To hold hearings on measures to improve the health of children.
SD-430

JULY 30

9:30 a.m.
Labor and Human Resources
Business meeting, to consider pending calendar business.
SD-430

AUGUST 13

9:30 a.m.
Labor and Human Resources
To hold hearings to review the private sector initiatives in human services.
SD-430

SEPTEMBER 10

9:30 a.m.
Labor and Human Resources
To hold hearings to review the human resources impact on drug research and space technology.
SD-430

SEPTEMBER 16

9:30 a.m.
Labor and Human Resources
To hold hearings on pending nominations.
SD-430

SEPTEMBER 24

9:30 a.m.
Labor and Human Resources
Business meeting, to consider pending calendar business.
SD-430

CANCELLATIONS

APRIL 11

10:00 a.m.
Appropriations
Defense Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1987 for the strategic defense initiative.
SD-192

APRIL 15

1:00 p.m.
Select on Intelligence
Closed business meeting, to mark up proposed legislation authorizing funds for fiscal year 1987 for the intelligence community.
SH-219

APRIL 16

10:00 a.m.
Appropriations
HUD-Independent Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1987 for the National Aeronautics and Space Administration.
SD-124

APRIL 23

10:00 a.m.
Governmental Affairs
Energy, Nuclear Proliferation and Government Processes Subcommittee
To hold hearings on S. 2009, to require that Federal employees be paid by electronic funds transfer or any other economical or effective method.
SD-342

APRIL 25

9:30 a.m.
Appropriations
Labor, Health and Human Services, Education, and Related Agencies Subcommittee
To hold hearings on the impact of proposed budget estimates on health research programs.
SD-138

HOUSE OF REPRESENTATIVES—*Thursday, April 10, 1986*

The House met at 10 a.m.

The Chaplain, Rev. James David Ford, D.D., offered the following prayer:

Gracious God, as we seek to learn how to walk the way of righteousness, help us to discern the transient from the eternal. May our actions be tempered by the things that bring lasting benefit and good will among people and may we resist the temptation to gain personal advantage. Fill our spirits with thoughts and feelings of gracefulness that we will be the people You would have us be. Amen.

THE JOURNAL

The SPEAKER. The Chair has examined the Journal of the last day's proceedings and announces to the House his approval thereof.

Pursuant to clause 1, rule I, the Journal stands approved.

MESSAGE FROM THE SENATE

A message from the Senate by Mr. Hallen, one of its clerks, announced that the Senate has passed a bill of the following title, in which the concurrence of the House is requested:

S. 1660. An act to grant a Federal charter to the Confederate Memorial Association.

The message also announced that pursuant to section 4355(a), title 10, of the United States Code, the Vice President appoints Mr. WEICKER from the Committee on Appropriations and Mr. GRAMM at large, to the Board of Visitors of the Military Academy.

PERMISSION FOR COMMITTEE ON EDUCATION AND LABOR TO MEET TODAY DURING 5-MINUTE RULE

Mr. KILDEE. Mr. Speaker, I ask unanimous consent that the Committee on Education and Labor be permitted to meet during the 5-minute rule today.

The SPEAKER. Is there objection to the request of the gentleman from Michigan?

Mr. JEFFORDS. I reserve the right to object, Mr. Speaker, just to say that I have checked with all the Members on the minority on the committee and we have no objection to meeting during this period and would recommend that we do.

Mr. Speaker, I withdraw my reservation of objection.

The SPEAKER. Is there objection to the request of the gentleman from Michigan?

There was no objection.

REMEMBERING OUR HOSTAGES

(Mr. COBLE asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. COBLE. Mr. Speaker, last night, President Reagan told the American public that not a single day goes by that he does not think about the plight of the American hostages still being held captive in Lebanon. I applaud the President for his concern about the well-being of our fellow citizens.

I have delivered speeches here in the House to continue to let those hostages, their families and the Nation realize that we have not forgotten, and that we are continuing to work to win their freedom.

Since the last time I spoke, some new developments have occurred. Two British teachers have been kidnaped in Lebanon. Both men were professors at the American University in Beirut. That is the same school where several of the American hostages worked. The Government of France also announced that it was removing its military observers from Lebanon because of the escalation of attacks on French citizens there.

These developments dramatize the fact that terrorists are going to continue to plague us in the Middle East. We have to be constantly vigilant in fighting terrorism.

I will continue to keep you apprised of any new developments regarding the Americans being held hostage in Lebanon. Please join me in this effort to aid their return home.

FEDERAL FIREARMS LAW REFORM ACT OF 1986

The SPEAKER. Pursuant to House Resolution 403 and rule XXIII, the Chair declares the House in the Committee of the Whole House on the State of the Union for the further consideration of the bill, H.R. 4332.

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IN THE COMMITTEE OF THE WHOLE

Accordingly the House resolved itself into the Committee of the Whole House on the State of the Union for the further consideration of the bill (H.R. 4332) to amend chapter 44—relating to firearms—of title 18, United States Code, and for other purposes, with Mr. RANGEL in the chair.

The Clerk read the title of the bill.

The CHAIRMAN. When the Committee of the Whole rose on Wednesday, April 9, 1986, pending was the Judiciary Committee amendment in the nature of a substitute, the substitute by the gentleman from Missouri [Mr. VOLKMER] and an amendment to the substitute by the gentleman from New Jersey [Mr. HUGHES].

One hour of consideration for amendments under the 5-minute rule remains.

The question is on the amendment offered by the gentleman from New Jersey [Mr. HUGHES].

For what purpose does the gentleman from Missouri [Mr. VOLKMER] rise?

Mr. VOLKMER. Mr. Chairman, I rise in opposition to the amendment.

The CHAIRMAN. The gentleman from Missouri is recognized for 5 minutes.

Mr. VOLKMER. Mr. Chairman, the allegations from the opponents of the substitute in regard to the interstate sale of handguns is that it would allow massive interstate sales of guns.

First, I would like to address that point because it is erroneous. It is a misrepresentation.

Under the substitute, an interstate sale must comply with all the laws of both States and with Federal laws.

Second, only a licensed gun dealer is allowed to make an interstate sale of a gun. Thus, all interstate sales are carried on dealers' books showing the serial number, the buyer's identity and residence and the buyer's drivers license or other ID number.

Third, as far as the claim that truckloads of guns could be bought goes, section 103 continues the existing requirement that a dealer selling more than one handgun to a person in any one week also must report the transaction to the BATF.

Thus, anyone buying a truckload of pistols or even two of them from a dealer has the name, address, and serial number promptly reported to the BATF. The objection is thus specious.

I know that back in 1982 when the then current bill would have allowed transfers by nondealers, Handgun Control, Inc., suggested that a limitation to dealers would make the interstate sales provision enforceable.

I want to point that out again, that back in 1982 when our language in our bill would have permitted transfers by nondealers, the strong opponents to anyone owning handguns, Handgun Control, Inc., suggested a limitation to

☐ This symbol represents the time of day during the House proceedings, e.g., ☐ 1407 is 2:07 p.m.

Matter set in this typeface indicates words inserted or appended, rather than spoken, by a Member of the House on the floor.

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dealers would make the interstate sales provision enforceable, and that is what we have.

So even the Handgun Control, Inc., said in 1982 that this language in our bill was very enforceable. They even testified before the Senate Judiciary Committee that since dealers must undergo a Federal eligibility check before they are licensed, they are subject to continuing Federal oversight and are more familiar with actual laws and procedures, a system that relies on dealers for interstate transfers also helps to reduce the ultimate number of illegal sales.

Well, the substitute relies on dealers for interstate sales, so now they have had to manufacture contradictory nonsense to oppose it, and that is the reason for the amendment. It is specious. It really does not stop criminals from getting handguns. Criminals do not worry about whether it is an interstate purchase or a local purchase. They buy their guns from individuals and we try to prevent that with language in our bill by making it a felony for an individual to sell to a felon or a convicted felon or even an individual. Right now they can do that.

We make that a crime, a Federal crime.

I would also like to point out that in the other body when this amendment was brought up, it was overwhelmingly defeated.

The amendment, such as the present Hughes amendment, was defeated by more than three to one in the Senate and, therefore, it is clear that the amendment does not really stop criminals from getting handguns. It only makes it harder for private individuals, honest citizens, to acquire handguns as well as rifles and shotguns.

The idea that has been put forward that the dealers will not know all State laws and stuff like that again is a specious argument, because even the Judiciary bill and even the amendment that we have before us would allow interstate sales of rifles and shotguns.

Now, in that the dealer is going to have to know what the laws of the other States are for rifles and shotguns. They have to admit that they know those and if they know those, they can know what the handgun laws are in other States, just as easily as you can rifles and shotguns; so that argument that the Judiciary Committee makes is also specious.

Mr. Chairman, I would just like to again voice my overwhelming opposition to this amendment, because it really does not prevent criminals from getting handguns. All it does is try to prevent law-abiding honest citizens from getting handguns.

Mr. MORRISON of Connecticut. Mr. Chairman, I rise to speak in favor of the amendment.

Mr. Chairman, there has been agreement in the House and there was agreement between the committee and the gentleman from Missouri [Mr. Volkmer] that there should be a relaxation of interstate sales with respect to long guns, but we are not talking here about long guns. We are talking about handguns and it is in this context that this amendment is offered to remove from the Volkmer substitute the relaxation of interstate sales with respect to handguns.

Now, why is this important? First, gun dealers would have to find, know, and understand thousands of State and local laws. We know that is virtually impossible.

What that means is that under this provision if it becomes law, the sale of handguns interstate to those with bad intentions will become more likely. There is no reason that we need to take this risk.

Second, the provision as it is is unenforceable and will remove from the States their ability to prosecute gun dealers who sell guns to citizens illegal as a practical matter. The burden would then be upon the Federal Government to pick up the investigation and prosecution in these cases.

This is a responsibility which the Federal Government just does not have the resources for. These are matters that can and should be enforced as local law, yet the passage of the Volkmer substitute, unamended, will make that an impossibility.

The requirement that fails willfully violates State and local laws makes it next to impossible that there be a conviction.

Finally, the Volkmer substitute, unamended, would open the door for the itinerant would-be assassins, like John Hinckley and Arthur Bremmer and other felons, to pick up guns as they travel around stalking their victims. Interstate sales will make it easier to buy guns with false ID's because dealers are not going to be familiar with the various forms of identification in other States.

The police have called this the "cop killer" provision. It should be stricken, and the amendment offered by the gentleman from New Jersey [Mr. Hughes] should be adopted.

☐ 1015

Mr. McCOLLUM. Mr. Chairman, I move to strike the requisite number of words, and I rise in support of the amendment offered by the gentleman from New Jersey [Mr. Hughes].

Mr. Chairman, I think this is a critical amendment, and perhaps it is the most critical amendment. Lots of people characterized some we voted on yesterday that way, but I think, personally, this one is.

We are talking about, in this legislation, removing restrictions and impediments on sportsmen, to be able to go out into the field, and carry their weapons through States without impediment, to be able to do things that we found in the course of the last few years, since the 1968 Gun Control Act was adopted, are not necessary to law enforcement and would be helpful if we changed the laws in order to allow sportsmen a better opportunity.

That is what the thrust of the committee bill and really the thrust of the Volkmer substitute is all about. This amendment that the gentleman from New Jersey is offering now to maintain the present law with regard to the interstate sale of handguns is an amendment which is important for law enforcement, and is an amendment to a provision in the Volkmer substitute, which provision is not at all necessary for sportsmen to be able to go about their business in ways which they want to do.

I think it is essential that we come down on this amendment, on the ballot, in favor of law enforcement. Let us talk about that for a minute.

We talk about the question of the handgun sale and we talk about the question of the right to bear arms, and we talk about the question of the criminal's ability to get arms. We have to balance all of those considerations in the discussion.

When we talk about the criminal, most people, including this Member, will gladly accede to the face in the argument that most criminals will be able to obtain a handgun regardless of restrictions or prohibitions, the laws, the penalties, or anything else, especially the hardened criminal and the organized criminal. Consequently, I have always opposed the ban proposals on sales of handguns. I have opposed the waiting periods, the cooling-off periods, because I think that impairs too much on the right to bear arms.

But the question I asked my police chief, several police chiefs in my district, "What do you say in response to those who would charge that criminals can get handguns anyway, so why restrict the interstate sale of handguns, as the law now does?"

They say, "Bill, you are right. The criminal, especially the hardened criminals, or at least most of them, will be able to. But it is a question of making it easier for them to be able to. If you change the present law, you are going to make access that much easier for a criminal."

It is going to be next to impossible for every gun dealer in State X, Y, or Z, Minnesota, North Dakota, to keep up with, despite the regulations promulgated and sent to them, the laws of Florida, New Jersey, and so on. It is going to be easier for someone to come in with a driver's license that is forged that they do not recognize, to show identity, and so on, or whatever it may be. It is going to be easier to get that handgun in a State where the dealer just is not that personally familiar with what it looks like, what the documents look like, just through who you are or where you are from.

Consequently, the safeguards that I know that the gentleman from Missouri [Mr. Volkmer] has put into his substitute in hopes that he can protect this sale provision just simply, in my judgment, will not work. When I balance the interest involved and the concerns of our law enforcement community, I have to come down on the side of the Hughes amendment in this case. I happen to believe that it is absolutely essential for the future protection of society against the criminal that we have on the books the present laws that exist, and it is in no way an impediment to those who want to go hunting, or certainly a very minor inconvenience to have the laws the way they are with regard to the interstate sale of handguns.

I remind my colleagues that we have already changed the law in both of the proposals before us today with regard to long guns, shotguns, and rifles, so that that interstate purchase will be available, and so forth. I think it is essential, as I said, that we not change the law with regard to handguns, and I strongly urge my colleagues to vote "yes," in favor of the amendment before us at the present time.

Mr. HUGHES. Mr. Chairman, we only have about 50 minutes left to debate, and I wonder if we can agree to limit debate on this amendment to not more than 5 more minutes, on this particular amendment, and to limit debate on each of the additional amendments to no more than 10 minutes.

Mr. McCOLLUM. Mr. Chairman, if the gentleman would yield, I would be glad to do that. I think that would be a fair thing to do.

The CHAIRMAN. Does the gentleman from New Jersey have a unanimous-consent request?

Mr. HUGHES. Mr. Chairman, I ask unanimous consent to limit debate on this amendment to 10 minutes, and on any additional amendments offered to 10 minutes, so that we can at least get to a number of the amendments that have been noticed by other Members.

The CHAIRMAN. Is there objection to the request of the gentleman from New Jersey?

Mr. McCOLLUM. Mr. Chairman, reserving the right to object, I would like to ask the chairman, it is the chairman's concern, as it is mine, I believe, in his request, that we only have a few minutes left, maybe 50 minutes or so altogether. There are any number of amendments that Members would like to offer besides the one now pending.

In all sense of fairness, some kind of time accord needs to be worked out.

Is that not the gentleman's objective in this proposal?

Mr. HUGHES. If the gentleman will yield, that is the purpose of it.

Mr. McCOLLUM. I think it is fair.

Mr. HUGHES. I would hope that Members would not object.

Mr. ROEMER. I am constrained to object, Mr. Chairman.

Mr. HUGHES. Mr. Chairman, I withdraw my request.

The CHAIRMAN. The gentleman withdraws his request.

Mr. SHAW. Mr. Chairman, I move to strike the requisite number of words, and I rise to speak in favor of the amendment offered by the gentleman from New Jersey [Mr. Hughes].

Mr. Chairman, yesterday I voted pretty consistently against the amendments that were offered by the gentleman from New Jersey [Mr. Hughes]. In doing so, I recognized that I did not feel that they were that important as far as law and order were concerned, but I think we have come to a point now in the debate where the amendment that is before us is a very important amendment to law enforcement.

I would urge my colleagues, my colleague who voted along with the Volkmer substitute and tried to keep it pure yesterday, that they take another close look. This has got to be the key vote with regard to whether we want any controls whatsoever over the out-of-State sales of arms.

I do not believe and did not believe and still do not believe that the question of transporting handguns is really that important an amendment, and I thought it was really going to be more of an impairment to honest people than it was going to be a tool for law enforcement, but this is most important.

It is most important that we allow the States to keep their own laws for its own citizens, and those of us who do believe in States rights cooperate. I would urge all of my colleagues who went along with the NRA position yesterday, as I did, that this is the time to part company; that on this amendment, and at least one other regarding silencers, we have got to go back to some reasonable controls.

Mr. ROEMER. Mr. Chairman, will the gentleman yield?

Mr. SHAW. I yield to the gentleman from Louisiana.

Mr. ROEMER. I thank the gentleman both for his statement and for yielding to me.

Mr. Chairman, I agree with the gentleman's statement. There were many in this body yesterday who, torn between two broad-brush approaches to a difficult subject, came down on the side of Volkmer. But there were reservations within many of us who did that about this specific point in the law.

I agree with the gentleman from Florida that in terms of law enforcement, this is a key vote on this bill. What the Hughes amendment would do would be to keep the law as is in regard to interstate sales of handguns. Since 1968, we have had that prohibition in the law, and the basis of the prohibition, Mr. Chairman, was that handguns are difficult to find, easy to conceal, and are often dangerous. While they have legitimate uses in the world, they are different from long guns.

One of the things that we did in the law was require a local thread for the purchase of a handgun. That was the basis of the 1968 law. It is in force today, and we ought to stick with the gentleman from New Jersey [Mr. Hughes] to make sure that when this body does its work today we keep the 1968 law the same with regard to interstate sales of handguns.

Point No. 2, if I could. I have heard no reason, no solid, substantive reason, as to why this law should be changed. Until I hear that, I stand with the gentleman from Florida and ask my colleagues who yesterday voted with the Volkmer broad brush to come back and clean it up on this targeted issue. Let us give law enforcement officers a chance. Let us hold the 1968 law on the interstate sale of handguns just like it is today.

Mr. SHAW. I thank the gentleman for a very fine statement.

Mr. Chairman, I would urge all of my colleagues to recognize that this is the key vote for law enforcement. This is the most important vote that we are going to have all day, and I would urge a "yes" vote on the Hughes amendment.

Mr. SMITH of Florida. Mr. Chairman, I move to strike the requisite number of words, and I rise to speak in favor of the amendment offered by the gentleman from New Jersey [Mr. Hughes].

Mr. Chairman, there is near unanimity on that side and on this side on this amendment. Please, I urge my colleagues, it is an important amendment. Everything that has been said is all that is going to be said.

There are other amendments. They have importance. Let us not beat a dead horse. We know the vote on this. We know where it is going. We know what the issue is. Let us stop. There are other amendments people have on important issues.

I would urge my colleagues to take a vote on this issue now.

☐ 1025

Mr. FISH. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I support this amendment to prohibit the interstate purchase of handguns for several reasons. The law enforcement community sees this particular provision of the Volkmer substitute as a serious threat to

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its safety and its effectiveness in solving crime.

Although I support the provisions in the Volkmer substitute that would, for the first time, permit the purchase of rifles and shotguns outside of a buyer's State if the purchase is legal in the State of the purchase and the purchaser's resident State, I cannot agree to the application of these provisions for handguns. First, the local laws are so varied with regard to handguns that compliance is doubtful even where dealers do their utmost to comply with the law. Second, handguns are more often used in crime, and the ability to trace these weapons to the criminal is jeopardized if the handguns are purchased anywhere in the United States.

I urge the adoption of this amendment.

Mr. GEKAS. Mr. Chairman, will the gentleman yield?

Mr. FISH. I yield to the gentleman from Pennsylvania.

Mr. GEKAS. Mr. Chairman, I thank the gentleman for yielding.

I too want to urge support for this particular amendment. Let us face it, we gamble whatever we do on any of these amendments. It is a gamble, but here we are gambling on the side of at least protection that the 1968 law has thus far given. Maybe it is not perfect, but why change it? Why loosen it?

I am in favor of the amendment and I thank the gentleman for yielding.

Mr. CRAIG. Mr. Chairman, I move to strike the requisite number of words and I rise in opposition to the amendment.

Mr. Chairman, a lot of people have said this is key to law enforcement. Others have said give us justification as to why we ought to change the 1968 law.

I guess the only justification I can give you is that State lines ought not serve as a barrier for the sale of firearms unless the laws of the State prohibit such sales. That is, I guess, a States right argument. But it is something that we have lived with, that does work, and the dealers can understand.

That is a chance, I think, and that is what we have changed in the Volkmer substitute. If the State or a community has enacted a restrictive firearm acquisition law, it would be respected and protected under the Volkmer substitute which could become Federal law. If a State has chosen not to enact such a law, then the Federal law no longer would impose. To limit interstate sales to long guns only is nothing but an unjustified Federal interference, in my opinion, in State affairs.

The fact that it has been in place for 18 years does not necessarily make it acceptable. When you examine the facts of the law as they have been administered over those 18 years, I think it is very hard to argue that this is a panacea in law enforcement, because it simply is not the case.

Because of an overwhelming majority of interstate firearm sales, like all other interstate sales occur primarily in contiguous States, and we know of situations, border relationships within communities, across the river from another community, and it just so happens that one may be rural and the other may be metropolitan. That river may be the boundary, and that is where those rural people go to buy firearms if they so choose.

I think this is an interference at the Federal level, and we do not object, nor in any way do we object to State law, to local community law, to a city ordinance. And under present law, long guns may be purchased in contiguous States. For some reason, we have to believe that there is a firearm that is more dangerous than another firearm. Depending on who holds it and who uses it is the determiner of danger to the citizen out there, and we all know that.

I would simply believe that the Volkmer substitute offers a reasonable compromise and does not take Federal law and cram it down on the top of State law when it should not be necessary.

Mr. VOLKMER. Mr. Chairman, will the gentleman yield?

Mr. CRAIG. I yield to the gentleman from Missouri.

Mr. VOLKMER. The gentleman has pointed out something that I think is very important, and that is that the substitute bill, the language in that permits interstate sales of handguns and does not in any way change any local law or State law or ordinance. If any one State, if every State wished to ban interstate sale of handguns within their borders, all they have to do is pass a law that says no one but a resident of X State can buy a handgun in X State. That stops it, and this provision in our bill does not abrogate that in any way.

I would also like to point out that back in 1982 Ferris Lucas, who was speaking in behalf of the National Sheriffs Association before the Senate Judiciary Committee, said the entire existing Federal gun law makes it a felony for a private citizen, and they still do, to give or sell a firearm to a resident of a different State, even though this would violate the laws of neither State. And the present law does that, even though you may not violate the laws of either State. You still violate the Federal law.

If my brother, who lives in the State of Washington, was to come to visit me, and he would like to acquire a handgun and is qualified in both States—by the way, he just retired from the Federal Bureau of Corrections, so I do not think he is a crook in any way. He is a law-abiding citizen in every respect—he could not purchase that handgun in the State of Missouri, even though he qualified both in the State of Washington and in the State of Missouri. And you would make it difficult.

All you are trying to do is make it more difficult for that private citizen to acquire that handgun. You are not making it any more difficult for crooks to acquire handguns. You are not making it any more difficult because the crook is not going to go into that dealer and buy the handgun. He is going to go to the private individual, to the black market and get his handgun. That is where he gets all of them.

Mr. ROBINSON. Mr. Chairman, I move to strike the requisite number of words.

Mr. ROBINSON. Mr. Chairman, I will be very brief this morning. I rise in opposition to the Hughes amendment, and in favor of the Volkmer substitute.

I have in my hand a book published by the U.S. Department of Justice, entitled "Crime in the United States." I think all of my colleagues need to read this because clearly the U.S. Department of Justice does not consider firearm laws to be a crime factor. Nowhere in this book can one find where firearm laws are considered to be a crime-causing factor.

Furthermore, as I mentioned yesterday, in a recent survey commissioned by the U.S. Department of Justice, 69 percent of criminals surveyed did not carry firearms, but knives, razors, brass knuckles, et cetera. The truth of the matter is over 40 percent of the homicides committed in this country are committed with other objects and instruments other than firearms. For example, we know that in 40 percent of the homicides, the murder weapon was a knife, club, hammer, some object, poison, explosive, fire, narcotics, drowning, strangulation, and other factors.

The bottom line is simply this: Most criminals in this country do not abide by the Gun Control Act of 1968.

In closing, I want to remind my colleagues that since the passage of the 1968 Gun Control Act, we have seen homicides go up over a period of time by 50 percent.

I yield back the balance of my time.

Mr. HUGHES. Mr. Chairman, I move to strike the requisite number of words.

The CHAIRMAN. Without objection, the gentleman is recognized for 5 minutes.

There was no objection.

Mr. HUGHES. Mr. Chairman, just briefly, I rise in strong support of the amendment. It is a key law enforcement amendment.

We have 200-some-odd-thousand dealers around this country. They cannot possibly know the laws of each State. We are just going to proliferate

the sale of handguns to disqualified individuals.

I urge my colleagues to support the amendment.

The CHAIRMAN. The question is on the amendment offered by the gentleman from New Jersey [Mr. HUGHES] to the amendment, as amended, offered by the gentleman from Missouri [Mr. VOLKMER] as a substitute for the Judiciary Committee amendment in the nature of a substitute, as amended.

The question was taken; and on a division (demanded by Mr. VOLKMER), there were—ayes 17, noes 15.

RECORDED VOTE

Mr. VOLKMER. Mr. Chairman, I demand a recorded vote.

A recorded vote was ordered.

The vote was taken by electronic device, and there were—ayes 233, noes 184, not voting 17, as follows:

[Roll No. 72]

AYES—233

Ackerman
Akaka
Anderson
Annunzio
Anthony
Applegate
Aspin
Atkins
Barnard
Barnes
Bateman
Bates
Bedell
Beilenson
Bennett
Bentley
Bereuter
Biaggi
Boggs
Boland
Bonior (MI)
Bonker
Borski
Bosco
Boxer
Broomfield
Brown (CA)
Burton (CA)
Carper
Carr
Chandler
Clay
Coats
Coelho
Coleman (MO)
Collins
Conte
Conyers
Coughlin
Courter
Coyne
Crockett
de la Garza
Dellums
DeWine
Dicks
DioGuardi
Dixon
Donnelly
Dorgan (ND)
Downey
Durbin
Dwyer
Dymally
Early
Eckart (OH)
Edgar
Edwards (CA)
Edwards (OK)
Evans (IA)
Evans (IL)
Fascell
Fawell
Fazio
Feighan
Fish
Florio
Foglietta
Ford (MI)
Fowler
Frank
Frenzel
Frost
Fuqua
Gallo
Garcia
Gejdenson
Gekas
Gibbons
Gilman
Glickman
Gonzalez
Goodling
Gradison
Green
Guarini
Hall (OH)
Hatcher
Hawkins
Hayes
Henry
Hertel
Hiler
Hillis
Howard
Hoyer
Hughes
Hutto
Hyde
Jacobs
Jeffords
Johnson
Jones (NC)
Kaptur
Kasich
Kastenmeier
Kennelly
Kildee
Kindness
Kleczka
Kostmayer
LaFalce
Lantos
Leach (IA)
Lehman (CA)
Lehman (FL)
Leland
Lent
Levin (MI)
Levine (CA)
Lewis (FL)
Lipinski
Long
Lowery (CA)
Lowry (WA)
Lundine
Lungren
MacKay
Madigan
Manton
Markey
Martin (IL)
Martinez
Matsui
Mavroules
Mazzoli
McCandless
McCollum
McGrath
McHugh
McKinney
Meyers
Mica
Michel
Mikulski
Miller (CA)
Miller (WA)
Mineta
Mitchell
Moakley
Molinari
Moody
Morrison (CT)
Morrison (WA)
Mrazek
Myers
Neal
Nelson
Nielson
Nowak
Oakar
Owens
Oxley
Panetta
Parris
Pease
Pepper
Petri
Porter
Price
Pursell
Rangel
Ray
Regula
Ridge
Rinaldo
Ritter
Rodino
Roe
Roemer
Rose
Rostenkowski
Roukema
Rowland (CT)
Rowland (GA)
Roybal
Russo
Sabo
Savage
Saxton
Scheuer
Schneider
Schroeder
Schumer
Seiberling
Sensenbrenner
Shaw
Slattery
Slaughter
Smith (FL)
Smith (NJ)
Solarz
St Germain
Stark
Stenholm
Stratton
Studds
Swift
Synar
Tauke
Torres
Torricelli
Towns
Traficant
Udall
Vento
Visclosky
Walgren
Waxman
Weiss
Wheat
Whitehurst
Whittaker
Wirth
Wolf
Wolpe
Wright
Wylie
Yates
Yatron
Young (FL)
Young (MO)
Zschau

NOES—184

Alexander
Andrews
Archer
Armey
AuCoin
Badham
Bartlett
Barton
Bevill
Bilirakis
Bliley
Boehlert
Boner (TN)
Boucher
Breaux
Brooks
Brown (CO)
Broyhill
Bruce
Bryant
Burton (IN)
Bustamante
Byron
Callahan
Campbell
Carney
Chapman
Chappell
Chapple
Cheney
Clinger
Cobey
Coble
Coleman (TX)
Combest
Cooper
Craig
Crane
Daniel
Dannemeyer
Darden
Daschle
Daub
Davis
DeLay
Derrick
Dickinson
Dingell
Dornan (CA)
Dowdy
Dreier
Duncan
Dyson
Eckert (NY)
Emerson
English
Erdreich
Fiedler
Fields
Flippo
Foley
Franklin
Gaydos
Gingrich
Gordon
Gregg
Gunderson
Hall, Ralph
Hamilton
Hammerschmidt
Hansen
Hartnett
Hefner
Hendon
Holt
Hopkins
Horton
Hubbard
Huckaby
Hunter
Jenkins
Jones (OK)
Jones (TN)
Kanjorski
Kemp
Kolbe
Kolter
Lagomarsino
Latta
Leath (TX)
Lewis (CA)
Lightfoot
Livingston
Lloyd
Loeffler
Lott
Luken
Mack
Marlenee
Martin (NY)
McCain
McCloskey
McCurdy
McDade
McEwen
McKernan
McMillan
Miller (OH)
Mollohan
Monson
Montgomery
Moore
Moorhead
Murphy
Murtha
Natcher
Oberstar
Obey
Olin
Ortiz
Packard
Pashayan
Penny
Perkins
Pickle
Quillen
Rahall
Reid
Richardson
Roberts
Robinson
Rogers
Roth
Rudd
Schaefer
Schuette
Sharp
Shelby
Shumway
Shuster
Sikorski
Siljander
Sisisky
Skeen
Skelton
Smith (IA)
Smith (NE)
Smith, Denny (OR)
Smith, Robert (NH)
Smith, Robert (OR)
Snowe
Snyder
Solomon
Spence
Spratt
Staggers
Stallings
Stangeland
Strang
Stump
Sundquist
Sweeney
Swindall
Tallon
Tauzin
Taylor
Thomas (CA)
Thomas (GA)
Traxler
Valentine
Vander Jagt
Volkmer
Vucanovich
Walker
Watkins
Weaver
Weber
Whitley
Whitten
Williams
Wise
Wortley
Wyden
Young (AK)

NOT VOTING—17

Addabbo
Berman
Boulter
Ford (TN)
Gephardt
Gray (IL)
Gray (PA)
Grotberg
Heftel
Ireland
Kramer
Lujan
Nichols
O'Brien
Schulze
Stokes
Wilson

□ 1050

The Clerk announced the following pairs:

On this vote:

Mr. Heftel, for, with Mr. Nichols against.

Mr. Gephardt, for, with Mr. Schulze against.

Mr. Stokes, for, with Mr. Gray of Illinios against.

Messrs. DANNEMEYER, NEAL, SCHAEFER, and GINGRICH, Mrs. BYRON, and Mrs. SMITH of Nebraska changed their votes from "aye" to "no."

Messrs. CARR, ROSE, COELHO, and NEAL changed their votes from "no" to "aye."

So the amendment to the amendment, as amended, offered as a substitute for the Judiciary Committee amendment in the nature of a substitute, as amended, was agreed to.

PARLIAMENTARY INQUIRY

Mr. ROEMER. Mr. Chairman, I have a parliamentary inquiry.

The CHAIRMAN. The gentleman will state it.

Mr. ROEMER. Mr. Chairman, how much time do we have left in the debate and what happens to amendments not debated?

The CHAIRMAN. There are 4 minutes remaining for consideration of all amendments to the bill and all amendments that have not been offered to the Volkmer substitute could not be offered.

Mr. ROEMER. Mr. Chairman, explain to me under the rules of the House and under this debate for amendments not able to be discussed within the next 240 seconds, what happens to those amendments? Do we have a chance to vote yes or no?

The CHAIRMAN. Under the special order under which the Committee is operating, the time expires for purposes of considering amendments to the bill in 4 minutes. So any amendments that have not been offered within the time allocated by the rule which has been voted on by the House will not be offered.

The CHAIRMAN. For what purpose does the gentleman from New Jersey rise, the chairman of the subcommittee?

Mr. HUGHES. Mr. Chairman, I would inquire of my colleague from Missouri if my colleague would agree to an additional hour of debate beyond the time permitted so that Members who have noticed amendments will have an opportunity to offer those amendments.

The CHAIRMAN. It is impossible for the Chair to recognize any Member for purposes of changing the rule adopted by the House. The Committee is restricted by the rule which has been voted on by the House.

The Committee is not authorized to change the rule in that way.

Mr. HUGHES. Mr. Chairman, I move to strike the last word.

Mr. Chairman, I yield to my colleague from Maryland [Mr. BARNES]

Mr. BARNES. Mr. Chairman, I rise in strong opposition to weakening gun

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controls. We ought to be strengthening gun control laws in this country.

The CHAIRMAN. The Chair recognizes the gentlewoman from Illinois [Mrs. COLLINS].

Mrs. COLLINS. Mr. Chairman, I rise to express my regret that, under the rule, I will not be allowed to offer my amendment to the Volkmer substitute. Had I had the opportunity, my amendment, which was printed in the CONGRESSIONAL RECORD prior to debate, would have strengthened gun control in a number of significant ways.

First, the measure would require each State to establish a State handgun registration system. Second, each State would be responsible for imposing suitable penalties for noncompliance, including: First, mandatory imprisonment for a period of not less than 15 years imposed on persons who violate the registration provision; and second, fines of not more than $250,000. Moreover, under my amendment, no suspended sentences or probation would be allowed. In the event the States fail to adopt this gun registration program, the U.S. Attorney General shall be authorized to establish a Federal handgun registration program.

Thus, my amendment would have strengthened gun control in three important ways. First, the greatest value of the system of handgun registration is that it will enable law enforcement officers to trace weapons used in crimes. This is one major reason why police groups support handgun registration. Second, registration can be used as an additional weapon against suspects arrested with an unregistered handgun. Even while there is not enough evidence to support a conviction for a substantive crime, violation of the registration law will be enough for conviction. Third, registration also induces accountability on the part of handgun owners. Knowing there is an official record of ownership, they will act more responsibly in the care of their guns, promptly reporting any loss, theft, or sale.

I regret that I was prevented by the rule from introducing this important measure today. But I will continue to pursue handgun registration at every opportunity, including fighting for adoption of my handgun registration bill (H.R. 299). By mandating handgun registration, we will forge a double-edged sword for fighting violent crime. First, we will give State law enforcement officials—the people on the front lines in war on crime—an important weapon they need to solve crimes. Second, we will put in place a strong deterrent to violent crimes committed with handguns. Clearly, if we are serious about reducing handgun crime, we can do no less.

Mr. LEVINE of California. Mr. Chairman, I am strongly opposed to all efforts to weaken handgun controls because access to handguns significantly increases violent crime. Every year, handguns are used in the murders of over 10,000 Americans and last year in the murder of 58 police officers. We should respond to this carnage with laws aimed at saving lives and reducing crime. Instead, we are considering legislation which significantly erodes current laws under the guise of protecting the rights of hunters and sportsmen.

Provisions in this amendment will enable criminals to travel to other States to purchase handguns, buy untraceable handguns from unregistered dealers, and transport their new weapons back to their home States.

Law enforcement abhors this legislation because of the mayhem it will create on our streets and in our homes. If this language is passed, we will see more violent crimes, more crimes of passion, and more accidental shootings.

This legislation goes far beyond the concerns of hunters and sportsmen by actually increasing the availability of handguns. These weapons have little sporting use, but can be easily concealed by criminals.

Under the Volkmer proposals individuals who cannot obtain handguns in their own locales can travel to other States for weapons. Although this legislation provides that the State and local laws of the buyer and seller are to be followed in handgun transactions, it then negates this provision by allowing dealers who break State and local laws to use ignorance of the law as a defense for their actions. Dealers will essentially be able to sell to anyone who walks in the door.

Further, this language overrides State and local laws regarding the transportation of handguns by allowing handguns to be carried for "interstate commerce" or for hunting or sporting purposes. This provision will drastically increase the number of handguns on the street, and further handicap law enforcement efforts to control handgun crime.

This legislation additionally weakens law enforcement efforts by relaxing dealer registration provisions and allowing unlicensed individuals to sell handguns without keeping records. Additionally, licensed dealers may transfer stock to their "personal collections" and then sell from these collections without the records. Essentially, this means that there will be more untraceable weapons on the streets for criminal use.

This is not a prosportsman bill. This is a procrime bill.

We have a moral responsibility to protect the safety of the citizens of this country. Every year, 10,000 deaths result from handguns. These deaths often occur in the commission of senseless crimes. Some deaths occur in the passion of the moment, and additional tragic deaths occur accidently. But all have in common the easy access to handguns. We have a moral responsibility to fight this violence. To decrease the rate of violent crimes, halt the crime of passion, protect the innocent. The Volkmer legislation will not achieve any of these goals, and will impede what progress we have achieved.

I have heard from people from all walks of life who are deeply concerned about handgun violence and the impact of this legislation. Physicians, judges, clergy members, and citizens are calling for stronger and tougher laws. We should hear those voices and not further erode these laws.

Mr. WOLPE. Mr. Chairman, much has already been said about the gun control legislation that we are considering today. However, I feel compelled to share with my colleagues a letter that was recently presented to me by a group of local police chiefs in my congressional district who are strongly opposed to the Volkmer substitute.

Like literally thousands of other law enforcement personnel across the country, the police in my district are concerned that the Volkmer substitute would add considerably more peril to their job than already exists, and that it would effectively undermine their already difficult fight against violent crime. A line from their letter perhaps best sums up their views on this issue: "We can only be as effective as the law permits."

Mr. Chairman, I am pleased to insert the letter from the police in my district into the CONGRESSIONAL RECORD. I hope my colleagues will take their appeal to heart. In my mind, this is not only just a vote for the law enforcement community, but for the entire pulbic interest.

KALAMAZOO COUNTY
SHERIFF'S DEPARTMENT,
Kalamazoo, MI, April 2, 1986.

Hon. HOWARD WOLPE,
U.S. House of Representatives, Longworth House Office Building, Washington, DC.

DEAR REPRESENTATIVE WOLPE: We respectfully request your support on a current issue coming up for a House vote in early April; the Hughes Law Enforcement Amendment (H.R. 4332) to the McClure-Volkmer Gun Decontrol Act (S. 49 & H.R. 945).

We believe House approval of the Hughes Amendment will be a major contribution to continued reasonable and rational federal control on the sale, use and interstate commerce of firearms. This Amendment seeks to retain essential elements of law to help keep guns and the transport of guns out of the hands of the criminals as well as persons disposed to seek ready access to a gun for a single violent act.

As you know, crime continues to be a primary fear and concern of all law abiding Americans. We, like you, maintain a close communication with our constituents. We cannot believe the average American would agree with McClure-Volkmer bill or its amendment (H.R. 945) after having it explained in detail. In fact, what we hear in the community is "why can't you get these people and their guns off the street before they commit more violence?" As you know, we can only be as effective as the law permits. The citizens need your help.

Our second concern comes from the "street" police officers across the nation who must face guns either responding to crime scenes, or by happen-stance during a routine traffic stop. Police officers also need your help. The current Gun Control Act of 1968 provides for legitimate gun ownership and without unreasonable restraint. We believe S. 49 weakens the present law without amendment and we have unified to show our opposition. The bill's sponsors have recognized major points raised as being valid by introducing a substitute amendment (H.R. 945), however, it doesn't go far enough.

We need the Hughes Amendment and the American people need it. Please support the Hughes Amendment (H.R. 4332) and encourage your colleagues to support it.

Thank you for your consideration in this matter. If we can provide any further assistance, please let us know.

Respectfully,

John E. Ross, Chief of Public Safety, City of Kalamazoo; Richard Butler, Chief of Police, Kalamazoo Township; Thomas N. Edmonds, Sheriff, County of Kalamazoo; George VonBehren,

Chief of Police, City of Portage; Lanny Wilde, Chief of Public Safety, Western Michigan University.

Mr. FRENZEL. Mr. Chairman, a clear majority of this House, including myself, believes that the current law needs revision. The Volkmer proposal was a good start. The committee bill was also a useful proposal.

It had been my intention to support the Volkmer version until I listened to law enforcement officials in my district. The chiefs in my area, the sheriffs, the police and peace officers' groups, even the State bureau of criminal apprehension, have requested my support of the Hughes amendment to the Volkmer proposal.

The strong feelings expressed by these frontline troops in the war against crime, and the unanimity of all the law enforcement groups, was persuasive, and so I voted for the Hughes amendment yesterday. That nine-part amendment did not, in my judgment, do great violence to the general intent of the Volkmer proposal, but it failed to pass.

When the Hughes amendment to preserve current law with respect to interstate sales of handguns was passed, I supported it since it was the most important feature of the original nine-part Hughes amendment, and because of the support of the law enforcement groups. It did not disturb the Volkmer reform relaxing such sales of rifles and shotguns.

I then supported the Volkmer proposal, as amended by the interstate handgun and machinegun amendment against the original committee bill, and on final passage.

I am disappointed that our local police officers did not get the changes they sought, but I am glad that needed changes were made in our nearly 20-year-old gun laws.

The procedures, however, deserve strong criticism. First, the Judiciary Committee apparently tried to bury the Volkmer bill despite its strong support from a majority of Members. When a discharge petition was initiated, I told the subcommittee chairman that I would sign the petition if he could not bring a bill to the floor by May 1.

The committee and the petition finished in a dead heat. It is always better to handle important legislation under regular procedures, so one must give the committee bad marks for delay.

The committee looks good, however, compared to the Rules Committee and the House leadership. The Rule was a ridiculous restraint on debate and amendments on an issue on which interest was obviously keen. The Speaker personally disrupted his own schedule at the last minute in a way that personally inconvenienced many Members. The confusion that accompanied the expiration of time in the Committee of the Whole was a disgrace, and the refusal of the Acting Speaker to recognize minority Members seeking to move amendments was a breach of the House's regular customs.

The result was satisfactory, but the procedures by which we achieved it were not. That procedure is one more bit of evidence that the leadership of this House is tired and needs change.

Mr. GALLO. Mr. Chairman, I want to thank my constituents in the 11th District of New Jersey who took time to contact me with their views on the gun legislation considered in the House of Representatives today. I am pleased that the House of Representatives reached a compromise that addresses the concerns of both law enforcement and law-abiding sportsmen and hunters.

I want to take this opportunity to let my constituents know, of the reasons why I supported the Volkmer substitute legislation, which passed in the House of Representatives today by a vote of 292 to 130.

For sportsmen, this bill permits the interstate sale of certain, but not all, firearms if the sale is made face to face between buyer and seller and only if the sale complies with laws of both States. It assures the rights of individuals to travel in and between States with a secured, unloaded, not readily accessible firearm for the purpose of participating in legal sporting activities or for changing their residence. While the bill permits the interstate sale of long guns and shotguns, this bill in no way permits the interstate sale of handguns. I specifically voted in favor of the amendment to prohibit the interstate sale of handguns.

For law enforcement, this bill provides an important new weapon against narcotics traffickers by mandating a 5-year mandatory prison sentence for any person who uses a firearm during commission of a drug trafficking crime; provides a mandatory prison term of 10 years for using a machinegun during commission of a crime; bans the use or sale of silencers; bans the importation of parts used to make Saturday night specials; bans parts used to convert guns into machineguns; and makes it a felony to transfer a firearm to another person knowing or having reason to believe that such person is unqualified.

For gun dealers, this bill requires a knowing state of mind for felony violations; reduces technical recordkeeping offenses to a misdemeanor; permits sales at gun shows; and limits unannounced inspections to one per year with other inspections requiring a warrant.

Again, let me state that this bill will not make it easier for criminals to obtain guns. Criminals already go outside the law to obtain guns. Purchasing a handgun in any State other than the person's residence is strictly prohibited. For shotguns and long guns, this bill will not allow someone to escape the jurisdiction of their State laws and purchase in a State with more lenient laws since all interstate sales must comply with State laws of both the owner and the seller. As my constituents know, New Jersey has very stringent gun control laws which will remain in effect under this bill.

In sum, this bill will aid law enforcement by simplifying the administration of the law, eliminating some ambiguities and, overall, will benefit law-abiding shooters, sportsmen, and other gun owners.

Mr. MILLER of Washington. Mr. Chairman, I rise in opposition to the McClure-Volkmer substitute, and in support of H.R. 4332, a bill by Representative HUGHES to improve the regulation of firearms in this country.

Both bills make it easier for hunters and sportsmen to transport legally acquired rifles safely and securely across State lines. And rightly so. But McClure-Volkmer does and does not do some things that alarm me. McClure-Volkmer allows the interstate sale of handguns and of Saturday night specials, weapons that have contributed to thousands of homicides in our country.

Some refinements in current law may indeed be necessary to protect individual rights and to correct inequities. But, for heavens sake, while making these adjustments, let us not remove or weaken those very few requirements which provide the public and the police a minimum of protection.

The McClure-Volkmer substitute allows the interstate sale of silencers and plastic guns, and of automatic weapon assemblies—all weapons or weapon parts that are not used for any good. What sportsman would want to use a plastic gun? What hunter would want to use a silencer?

In this debate Mr. Chairman, we should be very clear about one thing: The Hughes bill, not the McClure-Volkmer amendment, is the law and order bill. This may not be the opinion of the National Rifle Association, but it is the opinion of just about every major law enforcement and police organization in this country. Police officers around the Nation are pleading for our help to stem the flood of lethal handguns now engulfing our towns and cities. These officers support this bill. And I hope, I pray that we here today, heed their pleas, because they are pleading for our—and their—lives.

Let me say again, the Hughes bill is a law and order bill. It is not antihunter; this Hughes bill is not antitarget shooter. In fact, this bill contains key provisions which will protect the rights of hunters and target shooters who travel across State lines to shoot or who wish to buy rifles and shotguns in other than their home States. These are the same protections that are in the McClure-Volkmer substitute. This bill also contains added protections for gun dealers. It permits the sale of rifles and shotguns at gun shows and the bill clarifies several other provisions of the 1968 law which have proven cumbersome to dealers and unnecessary for effective law enforcement.

But, more importantly, the Hughes legislation gives our police the legal tools they need to protect themselves and us from machineguns and the justly infamous Saturday night special cheap handguns that so often find their way into the hand of the criminally sane and insane. This bill says if you deal drugs and use a gun, you go to jail for at least 5 years. If you use a machinegun in your criminal activities, you get 10 years in jail. And if you repeat the offense, you get another 20 years. At the President's request, this bill places tighter controls on the sale of parts used to convert semiautomatic weapons into machineguns. This bill bans the sale of silencers or silencer kits, a tool used almost exclusively in contract killings. And finally, this bill bans the importation of cheap handguns, the justly infamous Saturday night special.

I read a newspaper interview recently of Mrs. Sarah Brady. Mrs. Brady as we all know is the wife of Presidential Press Secretary James Brady, the same James Brady who was almost killed by a would-be Presidential assassin's bullet. The bullet came from a handgun, purchased from a pawn shop by a man with a history of mental illness. Now in

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this interview, Mrs. Brady said she had to be careful and not become too emotional in her opposition to the effort to weaken controls on handgun sales. Mrs. Brady rightly feels that too much emotion about this issue, particularly on her part, would obscure the simple fact that thoughtful, careful controls on the sale of handguns will save lives. It will save the lives of policemen, preschoolers, and yes, Presidents.

Mr. WOLPE. Mr. Chairman, I rise in opposition to final passage of the Volkmer substitute. I cannot in good conscience support a proposal that will significantly undermine our Nation's law enforcement community in their fight against violent crime.

Let's be clear about one thing in today's debate: This is not a discussion about the right to own firearms. Nor is it about preventing the legitimate use of firearms by hunters, sportsmen, and collectors. I have always supported the rights of hunters and sportsmen and will continue to do so. This is why I supported the Hughes amendment which, in my view, was both a responsible and balanced approach in reforming our Federal gun laws; it provided our Nation's police personnel with the necessary tools they need to effectively fight violent crime, while protecting the interests of hunters and sportsmen by allowing the interstate sale and transportation of rifles and shotguns for hunting purposes.

Mr. Chairman, it is no great secret that the Volkmer substitute is vehemently opposed by the 12 principal police organizations throughout the country. In fact, I have just returned from my congressional district where I personally met with a number of local police officials who expressed grave concerns about this proposal. The police officials whom I met with don't understand why we should add more danger to their jobs than already exists, and why we would seek to undermine their fight against violent crime. Specifically, they don't understand why we should provide loopholes for the interstate sale of handguns; for the sale of silencers and machineguns; and for cop-killer teflon-coated bullets that can penetrate bullet-proof vests. Furthermore, they don't understand why we would—of all things—support a plastic gun which terrorists can smuggle undetected through Federal aviation approved airport security systems, and why we would oppose a simple background check and waiting period for those persons who purchase handguns. And, quite frankly, they wonder why the national leadership of the NRA—who have traditionally been strong supporters of the law enforcement community—are now trying to make their jobs so much more difficult.

Mr. Chairman, let me take a moment to address a few of their concerns. I strongly believe there is a major difference between the extremist views of the national leadership of the NRA and the much more reasonable and responsible views of their rank and file members. The sportsmen in my district support vigorous and effective law enforcement. They resent the bum rap they are tagged with when reckless measures—like the Volkmer substitute—that would destroy effective law enforcement are advanced in their name. They know that machineguns and silencers are not used by sportsmen or responsible citizens. They know that handguns must be kept out of the hands of racketeers and professional killers. They understand that a background check and a reasonable waiting period for those persons who purchase handguns are necessary if we are serious about reducing violent crime. They know that roughly 10,000 Americans—more than 70 of them police officers—are killed by handgun wielding criminals every year.

National polls are telling us that one of the most serious concerns of the American people is the problem of violent crime. This is not the time to retreat in our fight against violent crime. Rather, it is time to listen to the voices of reason on this issue. Listen to Sarah Brady—whose husband, Jim Brady, and Presidential Press Secretary, was seriously wounded in the assassination attempt on President Reagan—who declared her support for "finding ways to keep handguns out of the wrong hands * * *. The case of John Hinckley is a vivid reminder of how easy it is for a handgun to fall in the wrong hands." Listen to the 12 principal police organizations and to the police officials in my district who have warned the Volkmer substitute contains "gravely dangerous provisions that pose an immediate threat to American citizens and the law enforcement officers sworn to protect them." Listen to sportsmen and hunters who are saying that they do not believe that the Volkmer substitute is in their best interests. And, finally, listen to Attorney General Ed Meese, who now expresses misgivings about the Volkmer substitute and calls Rodino-Hughes "the kind of bill that I would feel comfortable with."

Mr. Chairman, we have an opportunity today to help our Nation's law enforcement community in their efforts to combat violent crime. I hope my colleagues will recognize this critical opportunity by rejecting the McClure-Volkmer substitute.

Mr. GUNDERSON. Mr. Chairman, in the minds of millions of Americans the Gun Control Act of 1968 was an unintentional overreaction to the increasing number of firearm related crimes in the United States. Since then there have been several attempts to modify the law. After 18 years, the House now has before it the legislation to accomplish this goal.

Both the Volkmer substitute and H.R. 4332 offer several provisions that would facilitate the purchase of sport and collectors' firearms by law-abiding citizens. They also bar the importation of Saturday night special barrels. They prohibit the transferring of firearms by nonlicensees to unqualified persons as well. Finally, they both expand mandatory penalties for using a firearm during a crime.

Despite these similarities, it is my intent to support the Volkmer substitute because it provides greater freedom to gunowners that abide by the law, while at the same time, providing penalties for persons who violate that law.

The Volkmer substitute makes it lawful to transport all rifles, shotguns, or handguns as long as they are not readily accessible. It also allows the sale of any firearm to an out-of-State purchaser if that sale is in person and complies with the applicable laws of both the State of purchase and the buyer's residence. Representing the Third District of Wisconsin, which lies along the Minnesota, Iowa, and Illinois borders. This is an important point because H.R. 4332 would prohibit my constituents from crossing a State line to purchase certain guns for their gun collection.

The Volkmer substitute also protects gunowners from having their entire collection or inventory of firearms confiscated or their dealer license revoked if they are found not guilty of criminal charges.

By including a definition of "engaged in the business," the Volkmer substitute also removes an ambiguity in H.R. 4332. Specifically, this definition makes a distinction between persons who sell guns primarily for monetary gain and those who collect and trade guns as a hobby. It provides greater protection for those that trade and transfer guns as a hobby against the seizure of their collections.

Granted the Volkmer substitute is not a perfect bill. Yet, I believe its intent is to allow access to the purchase and transfer firearms that are used for sport and collection purposes.

While I recognize that many of my colleagues have serious and legitimate concerns in reference to the use of handguns in crimes, it seems to me that efforts to control handgun-related crimes by a complete prohibition on the sale and possession of handguns is akin to controlling drunk driving by prohibiting the sale and possession of automobiles. I don't believe this is the best way to deter violent crimes involving handguns.

It has made more sense to me to address handgun control crimes through sentencing procedures. Specifically, if a crime is committed while in the possession of a handgun, an additional period of time is tacked onto the sentence. Further, such additional jail time would be mandatory and not subject to commutation or parole. Finally, repeat offenders using handguns would be sentenced to life imprisonment without parole. I have cosponsored such legislation in the past and will do so in the future.

As I noted the Volkmer substitute is not perfect. It could more positively address waiting periods prior to the purchase of a handgun and the recordkeeping of firearm transfers.

Although waiting periods may be somewhat burdensome for purchasers, they provide a means to keep firearms out of the hands of people who intend to use them for violent crimes. That's why about 18 States have their own waiting period for handgun purchases.

Accurate recordkeeping of transfers is also important as it is often the only means that law enforcement officials have to trace a firearm that been used in a violent crime.

Yet, on balance, the Volkmer substitute has much more good than bad in it. Afterall, no law ought to be immune from oversight and change. For too long, that's exactly what happened with the Gun Control Act of 1968.

I believe that the Volkmer substitute goes a long way in revising some of the problems in the current law.

Mr. MOLLOHAN. Mr. Chairman, I rise today in support of the substitute being offered by the gentleman from Missouri, and I want to commend him for his leadership on this legislation. The substitute being offered by my colleague truly protects the rights of law-abiding citizens who wish to own a firearm for legitimate purposes.

My colleague's substitute also addresses the concerns of law enforcement by providing them with clear language that effectively addresses the problem of criminal misuse of firearms.

A recent study commissioned by the Department of Justice uncovered statistics that will be useful to this body when considering the value of Mr. VOLKMER's substitute.

The study found that among convicted felons 69 percent did not carry firearms. The fear of stiffer sentences caused 79 percent of those respondents not to carry guns. Of the criminals questioned, 88 percent stated that gun laws only affect law-abiding citizens.

The Justice study also determined that criminals fear the armed citizen. In States with less restrictive gun control laws, criminals were less likely to victimize citizens because of the possibility they might be armed.

These statistics bear out the need for stiff penalties for criminal misuse of guns. These penalties, along with the fair treatment for honest gun owners, are all found in my colleague's substitute.

Although the Gun Control Act of 1968 was touted as a measure to curb crime, it has not done so. This substitute, on the other hand, is a boon to law enforcement. It provides tough mandatory penalties for criminals who use a firearm in the commission of a crime. That's jail time on top of any other sentence the judge delivers. Probation, parole, and work furloughs are not an option. This substitute extends these same stiff penalties to drug traffickers as well. I'm sure my colleagues will agree that including drug traffickers under this sentencing provision adds real strength to the law and aids our Nation's law enforcement officers.

This substitute makes it a crime for any person to transfer a firearm to a criminal or other prohibited person. It further creates specific, uniform classes of prohibited persons, so law enforcement has a precise definition under the law of seven classes of persons who would be banned from all receipt, purchase, or possession of firearms.

The substitute also provides reasonable and efficient provisions for law enforcement officials in regard to tracing and criminal investigations.

Clearly, the gentleman from Missouri has offered a substitute that will benefit all of our Nation's citizens. By refocusing current law away from peaceful, honest citizens and toward violent criminals the valuable resources of our law enforcement community will be better served. As we all know, the vast majority of citizens in this country do not misuse firearms. Federal legislation should not deprive them of their ability to acquire and possess firearms for legitimate purposes. The safeguards in this substitute will certainly make it tough for the criminal element without restricting or abusing honest citizens.

Mr. MILLER of Washington. Mr. Chairman, I rise in support of the amendment to ban the manufacture and importation of plastic guns—an amendment on which the majority refuses to allow a vote.

I want to give my colleagues something to think about as we think about this amendment. You've got 5 minutes to catch a plane. The line at the airport metal detector is a block long, stalled by a fellow who is oh so slowly taking everything out of his pockets before he goes through the metal detector for a third try. As the seconds tick by your blood pressure is about to go through the roof—until you remember why those metal detectors are there. You think about the hijackings, the killings, the terrorists and suddenly you're awfully glad for those metal detectors. But what if the metal detector were "blind?" What if there were weapons the metal detector could not detect?

Well, forget the "what ifs" because plastic explosives have already killed four people just this past week on board a commercial airliner. And, Mr. Chairman, plastic weapons are real and they are invisible to the x-ray machines and metal detectors at most airports.

The Libyan Government has ordered 100 of these undetectable handguns from a manufacturer in Austria. The same Libyan Government that trained and harbored the terrorists responsible for murders around the world. They are among the first customers for these invisible weapons.

We must do everything we can now to stop the spread of this weapon. I urge you, in the strongest terms possible, to vote to prevent the importation and domestic manufacture of these weapons before it is too late.

Mr. LIGHTFOOT. Mr. Chairman, I rise today to support the Volkmer substitute to the Rodino-Hughes bill, H.R. 4332. The Volkmer substitute is a good compromise which makes much needed reforms in the Gun Control Act of 1968 while also addressing some of the concerns of the law-enforcement community and the Justice Department. It is a bill which also satisfies the concerns of sportsmen who have been subjected during the past several years to burdensome and confusing regulations.

The Volkmer substitute is a prosportsmen bill; the Rodino-Hughes bill is not. The Volkmer substitute contains provisions which benefit sportsmen that the Rodino-Hughes bill does not contain. For example, hunters, particularly active hunters, often have several firearms and frequently "trade up" their guns. When they buy a new, more modern, or just a different firearm, these sportsmen frequently trade or sell an older gun. Under the Gun Control Act of 1968, with its nondefinition of "engaged in the business," an activity like this risked prosecution. Under the proposed Hughes definition, such activities would probably either require most active hunters to acquire Federal firearms licenses—if they could—or become felons, or use licensed dealers for transfers, at a substantial loss of money each time they traded a firearm.

The Volkmer substitute, on the other hand, defines engaged in the business so that these occasional sales or trades would be allowed without turning our Nation's hunters into felons. We are not talking about risky sales of guns which may be used in crime or bought by criminals; we are talking about sportsmen and sportswomen selling or trading rifles and shotguns, and an occasional handgun, with their friends and hunting buddies. The sportsmen of this country should not be hindered or deemed suspect because of this activity. The Volkmer substitute clarifies and improves the law; the Hughes-Rodino measure considers hunters likely to be felons.

Another provision important to our Nation's sportsmen deals with the interstate transportation, or passthrough, provision. When sportsmen go hunting, they take what guns they need with them, and frequently must pass through a number of States, and countless cities and counties, to get where they want to go. Those guns may include rifles or shotguns, and may frequently include a handgun. Handguns are used by hunters and outdoorsmen for protection in the wilderness, as a means of signaling in an emergency, as a snake gun on trails, or for killing a wounded animal. There is no reason these persons should have to risk prosecution if they pass through some antihandgun jurisdiction with an unloaded handgun locked in the trunk.

For that matter, there is no reason that the only competitive shooters who will be allowed to pass through without risk are trap, skeet, and riflemen. I would remind my colleagues that pistol shooting is an Olympic event, accounting for 30 percent of the medals offered in Olympic shooting competition. In addition to international-rule pistol shooting competitions, practical or action pistol competition and silhouette hunter's pistol competition are becoming increasingly popular. And, of course, there is police pistol combat competition. Unlike the Volkmer substitute, the Hughes-Rodino bill would not even guarantee the ability of law-enforcement officers to pass through restrictive States, cities, and counties, to reach places like Des Moines to compete with their service arms.

And finally, our Nation's sportsmen, as exemplified by the National Wildlife Federation, are interested in allowing law-abiding citizens to buy firearms of all kinds in whatever State they happen to be in so long as the purchase is in compliance with the laws of both the dealer's and the purchaser's States. Current law only allows for replacement of lost, stolen, or damaged rifles and shotguns while on hunting trips, and with considerable inconvenience. The Rodino-Hughes bill would improve the situation somewhat by allowing the purchase of rifles and shotguns in other States so long as the laws of both States allow the sale.

Again, however, I want to remind my colleagues that sportsmen, hunters, and target shooters, use handguns as well as rifles and shotguns in their legitimate sport. And there is no reason they should not be allowed—in full compliance with the laws of their home State and in full compliance with the laws where they are making the purchase, and only through a federally licensed dealer—to purchase handguns either because their gun was damaged or because they found one that they wanted to add to their collection.

A myth that needs to be dispelled among nongun owners is that hunters, target shooters, and outsdoorsmen and outdoorswomen do not own or use handguns. That misconception is not held by those who use guns in their sport, such as the over 4 million members of the National Wildlife Federation, the over 3 million members of the National Rifle Association, and the over 16 million licensed

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hunters in this Nation. These law-abiding citizens use handguns for legitimate sporting purposes and prefer the Volkmer language dealing with the interstate sale and interstate transport of firearms.

In conclusion, I urge my colleagues to support our Nation's sportsmen and sportswomen and conservationists by adopting the language on interstate sales and transportation, and "engaged in the business" of the Volkmer substitute to the Rodino-Hughes gun bill.

Mr. BORSKI. Mr. Chairman, I rise in strong opposition to the Volkmer substitute and urge my colleagues to join me in defeating this antilaw enforcement legislation.

I support the efforts of Congressman WILLIAM HUGHES and the Judiciary Committee to develop a compromise bill, H.R. 4332, which represents a bipartisan, balanced, and reasonable effort to strengthen the 1968 Gun Control Act and relieve sportsmen and dealers of excessive burdens without compromising the safety of law enforcement officers.

Despite what the NRA claims, the Judiciary bill has nothing to do with the right of hunters or law-abiding citizens to "bear arms." What we're talking about is criminals and convicted murderers getting a hold of concealable weapons that kill innocent citizens and police officers. Unfortunately, the strongarm tactics of the NRA have undermined the efforts of Congress to aid law enforcement in a responsible manner.

Every law enforcement group in the country opposes McClure-Volkmer. The job of police officers is difficult enough without approving a bill that they clearly view as life threatening. There is little Congress can do to help law enforcement; but it can vote against weakening necessary and effective gun control laws.

The changes offered by McClure-Volkmer pose an immediate and unwarranted threat to the law enforcement community. Police officers are particularly concerned about easing recordkeeping and licensing requirements because the changes mandated by McClure-Volkmer would make it harder to trace weapons and would undercut State and local laws. McClure-Volkmer will make it easier for criminals to do their work and harder for police to do theirs.

Just 10 days ago, the Philadelphia Police Department and the people of Philadelphia were hit with a glaring reminder of why tough gun control laws are needed. Sgt. Ralph Galdi, a 20-year veteran of the Philadelphia Police Force, was fatally struck down by a convicted felon with a .357 magnum handgun.

Galdi and his partner had been driving back to headquarters when they came upon a car whose driver had caused a series of automobile accidents in a crowded Philadelphia commercial neighborhood. When the driver attempted to flee, Galdi jumped out of his car and apprehended the man. As Galdi was about to frisk the suspect, the man turned and shot him twice in the chest and abdomen. Sergeant Galdi died on a hospital operating table after surgeons battled for more than 2 hours to save his life.

The man charged with firing the shots that killed Sergeant Galdi, Pedro Vega, was a fugitive with a pending bench warrant for his arrest issued in June 1985, after he failed to appear in court on drug charges. Previously, Vega had been prosecuted in New Jersey on two separate charges of receiving stolen cars and was sentenced to 1 year in jail and 3 year's probation.

If there had been a background check when Vega bought his gun, Sergeant Galdi would be alive today. Instead, a dedicated 20-year veteran of the Philadelphia Police Force is dead today because our laws did not protect him.

The violent handgun death of Sergeant Galdi illustrates the urgent need for stronger laws to protect our police and citizens. In fact, Philadelphia Police Commissioner Kevin Tucker called for stiffer standards for gun permits to reduce the danger of citizens being hurt when large numbers of weapons are easily available. In Pennsyvlania, once a permit is issued, the license holder has the right to carry any type and number of weapons. Commissioner Tucker is concerned that rather than being used to stop crime, the weapons would end up being used improperly or lead to shootings injuring or killing innocent people.

This is not the time to weaken handgun sales restrictions. Passage of the McClure-Volkmer bill permitting interstate sales of handguns poses a serious threat to law-abiding citizens and to law enforcement officers by making it easier for criminals to obtain handguns, by loosening gun dealer recordkeeping requirements and by making it almost impossible to verify the legality of sales involving out-of-State residents.

The McClure-Volkmer bill completely guts the only handgun law we have, and allows the interstate sale of handguns without any restrictions, regulations, or background checks. That means that convicted murderers back out on our streets will have even easier access to guns than they have now.

Today's vote is really very simple: you're either for police officers and law-abiding citizens or you are against them.

Mr. STANGELAND. Mr. Chairman, I rise today in support of the Volkmer substitute because, for me, the right of law abiding citizens to keep and bear arms is not an issue of compromise.

Today, approximately 60 million hand guns and rifles are in the possession of lawful Americans. These firearms are used for hunting, collection, protection, and other legitimate purposes.

Many people in my congressional district use firearms for hunting. In fact, I am an avid, lifelong sportsman. Because of this, let me give examples of why the substitute offered by my friend Mr. VOLKMER is superior to the Rodino-Hughes Judiciary Committee bill (H.R. 4332).

Let us suppose one of my fellow Minnesotans decides to do some hunting in Alaska, however, when he arrives his guns have been damaged or lost. Under current law, he can replace his long guns, albeit with considerable difficulty, but any lost or damaged handguns cannot be replaced until he returns home, even though hunting with such firearms is perfectly legal in Alaska and 36 other States. Unlike the Rodino-Hughes bill, the Volkmer substitute ensures that hunters, marksmen or other responsible Americans will, on the spot, be able to replace their guns even if they are not in their home State.

Currently, hunters cannot transport their firearms without fear of violating a hodgepodge of restrictive gun laws at the state and local level. Unfortunately, the lives of many honest citizens have been ruined or disrupted simply because they did not understand that the transport of a firearm, by a law abiding citizen, in certain states or localities is not legal. This should never happen again. The Volkmer substitute remedies this situation, Rodino-Hughes does not.

Several months ago the other body overwhelmingly passed S. 49. The Volkmer substitute largely incorporates the provisions of H.R. 945—companion legislation to S. 49—modified slightly to meet concerns raised by the attorney general and law-enforcement organizations. Because the House leadership initially declined to take action on this measure, I and 217 Members signed the discharge petition to bring the matter before the House. Today, we have the first real opportunity to reform the Gun Control Act of 1968. I believe we should use it to do justice and reverse 18 years of unfair regulation and harassment. Perhaps then Congress and the courts will begin focusing their attention on the criminals who misuse guns, and not abiding, responsible citizens.

If you believe in the Constitutional right of Americans to keep and bear arms then you will vote yes on the Volkmer-Stangeland substitute.

□ 1105

AMENDMENT OFFERED BY MR. HUGHES TO THE AMENDMENT, AS AMENDED, OFFERED BY MR. VOLKMER AS A SUBSTITUTE FOR THE JUDICIARY COMMITTEE AMENDMENT IN THE NATURE OF A SUBSTITUTE, AS AMENDED

Mr. HUGHES. Mr. Chairman, I offer an amendment to the amendment offered as a substitute for the committee amendment in the nature of a substitute.

PARLIAMENTARY INQUIRY

Mr. VOLKMER. Mr. Chairman, I have a parliamentary inquiry.

The CHAIRMAN. The gentleman will state it.

Mr. VOLKMER. Mr. Chairman, before the amendment is read, I would like to know if the amendment was one of those printed in the RECORD prior to today.

The CHAIRMAN. The Chair will so inquire of the gentleman from New Jersey whether his amendment has been printed in the RECORD?

Mr. HUGHES. It has been printed in the RECORD, Mr. Chairman.

The CHAIRMAN. The Clerk will read.

Mr. VOLKMER. Mr. Chairman, has it been printed in the RECORD by Mr. HUGHES?

The CHAIRMAN. Under the rule, it is not required that the sponsor of the amendment have it printed in the RECORD.

The Clerk will report the amendment.

The Clerk read as follows:

Amendment offered by Mr. HUGHES to the amendment as amended, offered by Mr. VOLKMER as a substitute for the Judiciary Committee amendment in the nature of a substitute, as amended:

Section 102 of the matter proposed to be inserted is amended—

(1) in paragraph (7), by striking out "and";

(2) in paragraph (8), by striking out the period at the end and inserting in lieu thereof "; and"; and

(3) by adding at the end the following:

(9) by inserting after the subsection added by paragraph (8) of this section the following:

"(o)(1) Except as provided in paragraph (2), it shall be unlawful for any person to transfer or possess a machinegun.

"(2) This subsection does not apply with respect to—

"(A) a transfer to or by, or possession by or under the authority of, the United States or any department or agency thereof or a State, or a department, agency, or political subdivision thereof; or

"(B) any lawful transfer or lawful possession of a machinegun that was lawfully possessed before the date this subsection takes effect.".

Section 110 of the matter proposed to be inserted is amended by adding at the end the following:

(c) MACHINEGUN PROHIBITION.—Section 102(9) shall take effect on the date of the enactment of this Act.

Mr. HUGHES (during the reading). Mr. Chairman, I ask unanimous consent that the amendment be considered as read and printed in the RECORD.

The CHAIRMAN. Is there objection to the request of the gentleman from New Jersey?

Mr. WALKER. Mr. Chairman, I object.

The CHAIRMAN. Objection is heard.

The Clerk continued the reading of the amendment.

Mr. HUGHES (during the reading). Mr. Chairman, I renew my request that the amendment be considered as read and printed in the RECORD. I ask my colleagues, in all fairness and rationality—we only have 3 minutes left—to give me an opportunity to explain why machineguns should be banned.

Mr. WALKER. Mr. Chairman, regular order and reserving the right to object——

The CHAIRMAN. The Clerk will read.

The Clerk continued the reading of the amendment.

Mr. HUGHES (during the reading). Mr. Chairman, I renew my request for a waiver of the reading of the amendment.

The CHAIRMAN. Is there objection to the request of the gentleman from New Jersey?

Mr. SENSENBRENNER. Mr. Chairman, I object.

The CHAIRMAN. The Clerk will read.

The Clerk continued the reading of the amendment.

Mr. HUGHES (during the reading). Mr. Chairman, I renew my request for a waiver of the reading of the amendment. I do not know why anyone would object to the banning of machineguns.

The CHAIRMAN. Is there objection to the request of the gentleman from New Jersey?

Mr. SENSENBRENNER. Mr. Chairman, I object.

The CHAIRMAN. Objection is heard.

The Clerk concluded the reading of the amendment.

Mr. HUGHES. Mr. Chairman, I move that the Committee do now rise.

Mr. SENSENBRENNER. Mr. Chairman, I demand a recorded vote.

The CHAIRMAN. Is it the Chair's understanding that the gentleman from New Jersey moves that the Committee do now rise?

Mr. HUGHES. That is my motion, Mr. Chairman. I move that the Committee do now rise.

The CHAIRMAN. The question is on the motion offered by the gentleman from New Jersey [Mr. HUGHES].

The question was taken; and the Chairman announced that the ayes appeared to have it.

RECORDED VOTE

Mr. SENSENBRENNER. Mr. Chairman, I demand a recorded vote.

A recorded vote was ordered.

The vote was taken by electronic device, and there were—ayes 124, noes 298, not voting 12, as follows:

[Roll No. 73]

AYES—124

Ackerman
Akaka
Anderson
Annunzio
Anthony
Aspin
Atkins
Barnes
Bates
Beilenson
Bennett
Berman
Biaggi
Boland
Bonior (MI)
Borski
Boxer
Broomfield
Burton (CA)
Carper
Clay
Collins
Conyers
Cooper
Coyne
Crockett
Dellums
Dixon
Donnelly
Downey
Durbin
Dwyer
Dymally
Early
Edgar
Edwards (CA)
Evans (IL)
Fascell
Fawell
Fazio
Feighan
Foglietta
Ford (TN)
Frank
Garcia
Gejdenson
Gibbons
Gonzalez
Gordon
Gray (PA)
Green
Guarini
Hawkins
Hayes
Henry
Hertel
Howard
Hoyer
Hughes
Jacobs
Kaptur
Kastenmeier
Kennelly
Kildee
Kleczka
LaFalce
Lehman (CA)
Lehman (FL)
Leland
Levin (MI)
Levine (CA)
Lipinski
Lowry (WA)
Manton
Markey
Martinez
Matsui
Mavroules
McKinney
Mikulski
Miller (CA)
Miller (WA)
Mineta
Moakley
Moody
Morrison (CT)
Mrazek
Oakar
Owens
Porter
Price
Rangel
Rodino
Roe
Rostenkowski
Roybal
Russo
Sabo
Savage
Scheuer
Schroeder
Schumer
Seiberling
Smith (FL)
Solarz
Spratt
St Germain
Stark
Stratton
Studds
Torres
Torricelli
Towns
Traficant
Udall
Vento
Visclosky
Walgren
Waxman
Weiss
Wheat
Whitehurst
Wolpe
Yates

NOES—298

Alexander
Andrews
Applegate
Archer
Armey
AuCoin
Badham
Barnard
Bartlett
Barton
Bateman
Bedell
Bentley
Bereuter
Bevill
Bilirakis
Bliley
Boehlert
Boggs
Boner (TN)
Bonker
Bosco
Boucher
Breaux
Brooks
Brown (CA)
Brown (CO)
Broyhill
Bruce
Bryant
Burton (IN)
Bustamante
Byron
Callahan
Campbell
Carney
Carr
Chandler
Chapman
Chappell
Chapple
Cheney
Clinger
Coats
Cobey
Coble
Coelho
Coleman (MO)
Coleman (TX)
Combest
Conte
Coughlin
Courter
Craig
Crane
Daniel
Dannemeyer
Darden
Daschle
Daub
Davis
de la Garza
DeLay
Derrick
DeWine
Dickinson
Dicks
Dingell
DioGuardi
Dorgan (ND)
Dornan (CA)
Dowdy
Dreier
Duncan
Dyson
Eckart (OH)
Eckert (NY)
Edwards (OK)
Emerson
English
Erdreich
Evans (IA)
Fiedler
Fields
Fish
Flippo
Florio
Foley
Ford (MI)
Fowler
Franklin
Frenzel
Frost
Fuqua
Gallo
Gaydos
Gekas
Gilman
Gingrich
Glickman
Goodling
Gradison
Gray (IL)
Gregg
Gunderson
Hall (OH)
Hall, Ralph
Hamilton
Hammerschmidt
Hansen
Hartnett
Hatcher
Hefner
Hendon
Hiler
Hillis
Holt
Hopkins
Horton
Hubbard
Huckaby
Hunter
Hutto
Hyde
Jeffords
Jenkins
Johnson
Jones (NC)
Jones (OK)
Jones (TN)
Kanjorski
Kasich
Kemp
Kindness
Kolbe
Kolter
Kostmayer
Kramer
Lagomarsino
Lantos
Latta
Leach (IA)
Leath (TX)
Lent
Lewis (CA)
Lewis (FL)
Lightfoot
Livingston
Lloyd
Loeffler
Long
Lott
Lowery (CA)
Luken
Lundine
Lungren
Mack
MacKay
Madigan
Marlenee
Martin (IL)
Martin (NY)
Mazzoli
McCain
McCandless
McCloskey
McCollum
McCurdy
McDade
McEwen
McGrath
McHugh
McKernan
McMillan
Meyers
Mica
Michel
Miller (OH)
Mitchell
Molinari
Mollohan
Monson
Montgomery
Moore
Moorhead
Morrison (WA)
Murphy
Murtha
Myers
Natcher
Neal
Nelson
Nielson
Nowak
Oberstar
Obey
Olin
Ortiz
Oxley
Packard
Panetta
Parris
Pashayan
Pease
Penny
Pepper
Perkins
Petri
Pickle
Pursell
Quillen
Rahall
Ray
Regula
Reid
Richardson
Ridge
Rinaldo
Ritter
Roberts
Robinson
Roemer
Rogers
Rose
Roth
Roukema
Rowland (CT)
Rowland (GA)
Rudd
Saxton
Schaefer
Schneider
Schuette
Sensenbrenner
Sharp
Shaw
Shelby
Shumway
Shuster
Sikorski
Siljander
Sisisky
Skeen
Skelton
Slattery
Slaughter
Smith (IA)
Smith (NE)
Smith (NJ)
Smith, Denny (OR)
Smith, Robert (NH)
Smith, Robert (OR)
Snowe
Snyder
Solomon
Spence
Staggers
Stallings
Stangeland
Stenholm
Strang
Stump
Sundquist
Sweeney
Swift
Swindall
Synar
Tallon
Tauke
Tauzin
Taylor
Thomas (CA)
Thomas (GA)
Traxler
Valentine
Vander Jagt
Volkmer
Vucanovich
Walker

Watkins
Weaver
Weber
Whitley
Whittaker
Whitten
Williams
Wilson
Wirth
Wise
Wolf
Wortley
Wyden
Wylie
Yatron
Young (AK)
Young (FL)
Young (MO)
Zschau

NOT VOTING—12

Addabbo
Boulter
Gephardt
Grotberg
Heftel
Ireland
Lujan
Nichols
O'Brien
Schulze
Stokes
Wright

☐ 1115

Mr. RITTER and Mr. RINALDO changed their votes from "aye" to "no."

Mr. LELAND and Mr. HOYER changed their votes from "no" to "aye."

So the motion was rejected.

The result of the vote was announced as above recorded.

Mr. WEISS. Mr. Chairman, on April 4, 1968, Martin Luther King was assassinated in Memphis, TN. I find it bitterly ironic that 18 years later almost to the day, this body is gutting the 1968 Gun Control Act, the law that was put in place to stop exactly this kind of senseless violence. In fact, it seems that most Members have completely forgotten the reason why we have gun control laws in the first place.

Eighteen years ago, our country was shocked by the brutal assassinations of two of its most brilliant young leaders—Reverend King, the man who revolutionized civil rights laws in this country and became the youngest person ever to win the Nobel Peace Prize, and Robert Kennedy, our great New York Senator, former Attorney General, and brother of the President who himself was slain.

In the wake of these tragic events, this Nation came to its senses and realized that laws were needed to keep dangerous weapons out of the hands of dangerous individuals. And Americans realized that any small inconvenience to gun dealers and hunters that resulted from minimal gun control laws would be vastly outweighed by the benefits of keeping the wrong guns out of the wrong hands.

If anything, the events of the last few years show the need to strengthen, not dilute our gun control laws. Despite the controls enacted earlier, we have again been witness to a series of shocking handgun crimes, including the assassination of one of our dear friends and distinguished colleague, Allard Lowenstein, and of course, the assassination attempt on President Reagan. It is revealing that John Hinckley, the man who shot President Reagan and Jim Brady, was found by the courts to be insane, and hence, not guilty. But nothing in the law kept him from getting a handgun. Even the Attorney General's Task Force on Violent Crime called for tightening gun control laws, and instituting a waiting period before the purchase of handguns, to allow time for background record checks.

Congress, at the behest of the NRA, has committeed a national disgrace by eviscerating our Nation's gun control laws. The memories of Dr. King, of Senator Robert Kennedy, and of President Kennedy deserve much, much better.

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The CHAIRMAN. All time has expired for consideration of the Hughes amendment to the Volkmer substitute.

For what purpose does the gentleman from New Jersey [Mr. HUGHES] rise?

Mr. HUGHES. Mr. Chairman, I have a unanimous-consent request.

Mr. Chairman, I made the motion to rise so that I could get additional time for the Rules Committee to finish debate on a number of amendments that were noticed, have not been reached and will not be heard, and that is unfortunate. It is an important matter.

My unanimous-consent request is that I have 5 minutes to explain this vote.

Mr. SENSENBRENNER. A point of order. Mr. Chairman, that is not a proper inquiry.

Mr. DINGELL. Mr. Chairman, a point of order. Regular order.

The CHAIRMAN. The gentleman will state his unanimous-consent request.

Mr. HUGHES. Mr. Chairman, my unanimous request is that I have 5 minutes to explain this vote on machinegun bans.

The CHAIRMAN. Is there objection to the request of the gentleman from New Jersey?

Mr. McCOLLUM. Reserving the right to object, Mr. Chairman, would the gentleman explain why he wants that 5 minutes?

Mr. HUGHES. So we can explain what is pending before the House.

Mr. McCOLLUM. Mr. Chairman, I withdraw my reservation of objection.

The CHAIRMAN. Is there objection to the request of the gentleman from New Jersey [Mr. HUGHES]?

Mr. SENSENBRENNER. Mr. Chairman, I object.

The CHAIRMAN. Objection is heard.

The question is on the amendment offered by the gentleman from New Jersey [Mr. HUGHES] to the amendment, as amended, offered by the gentleman from Missouri [Mr. VOLKMER] as a substitute for the Judiciary Committee amendment in the nature of a substitute, as amended.

The amendment to the amendment, as amended, offered as a substitute for the Judiciary Committee amendment in the nature of a substitute, as amended, was agreed to.

The CHAIRMAN. The question is on the amendment, as amended, offered by the gentleman from Missouri [Mr. VOLKMER], as a substitute for the Judiciary Committee amendment in the nature of a substitute, as amended.

The question was taken; and the Chairman announced that the noes appeared to have it.

RECORDED VOTE

Mr. VOLKMER. Mr. Chairman, I demand a recorded vote.

A recorded vote was ordered.

The vote was taken by electronic device, and there were—ayes 286, noes 136, not voting 12, as follows:

[Roll No. 74]

AYES—286

Alexander
Anderson
Andrews
Anthony
Applegate
Archer
Armey
Aspin
AuCoin
Badham
Barnard
Bartlett
Barton
Bateman
Bentley
Bereuter
Bevill
Bilirakis
Bliley
Boehlert
Boner (TN)
Bonker
Bosco
Boucher
Breaux
Brooks
Brown (CO)
Broyhill
Bruce
Bryant
Burton (IN)
Bustamante
Byron
Callahan
Campbell
Carney
Carr
Chandler
Chapman
Chappell
Chapple
Cheney
Clinger
Coats
Cobey
Coble
Coelho
Coleman (MO)
Coleman (TX)
Combest
Cooper
Courter
Craig
Crane
Daniel
Dannemeyer
Darden
Daschle
Daub
Davis
de la Garza
DeLay
Derrick
DeWine
Dickinson
Dicks
Dingell
Dorgan (ND)
Dornan (CA)
Dowdy
Dreier
Duncan
Dyson
Eckart (OH)
Eckert (NY)
Edwards (OK)
Emerson
English
Erdreich
Evans (IA)
Fiedler
Fields
Fish
Flippo
Foley
Ford (MI)
Ford (TN)
Fowler
Franklin
Frenzel
Fuqua
Gallo
Gaydos
Gekas
Gilman
Gingrich
Glickman
Goodling
Gordon
Gray (IL)
Gregg
Gunderson
Hall, Ralph
Hamilton
Hammerschmidt
Hansen
Hartnett
Hatcher
Hefner
Hendon
Hiler
Holt
Hopkins
Horton
Hubbard
Huckaby
Hunter
Hutto
Hyde
Jeffords
Jenkins
Johnson
Jones (NC)
Jones (OK)
Jones (TN)
Kanjorski
Kasich
Kemp
Kindness
Kleczka
Kolbe
Kolter
Kostmayer
Kramer
Lagomarsino
Latta
Leach (IA)
Leath (TX)
Lehman (CA)
Lent
Lewis (CA)
Lewis (FL)
Lightfoot
Livingston
Lloyd
Loeffler
Long
Lott
Lowery (CA)
Luken
Lundine
Lungren
Mack
MacKay
Madigan
Marlenee
Martin (IL)
Martin (NY)
McCain
McCandless
McCloskey
McCollum
McCurdy
McDade
McEwen
McGrath
McKernan
McMillan
Meyers
Michel
Miller (OH)
Molinari
Mollohan
Monson
Montgomery
Moody
Moore
Moorhead
Morrison (WA)
Murphy
Murtha
Myers
Natcher
Neal
Nelson
Nielson
Oberstar
Obey
Olin
Ortiz
Oxley
Packard
Parris
Pashayan
Pease
Penny
Perkins
Petri
Pickle
Price
Quillen
Rahall
Ray
Regula
Reid
Richardson
Ridge
Ritter
Roberts
Robinson
Roemer
Rogers
Rose
Roth
Rowland (CT)
Rowland (GA)
Rudd
Saxton
Schaefer
Schuette
Sensenbrenner
Sharp
Shaw
Shelby
Shumway
Shuster
Sikorski
Siljander
Sisisky
Skeen
Skelton
Slattery
Slaughter
Smith (IA)
Smith (NE)
Smith (NJ)
Smith, Denny (OR)
Smith, Robert (NH)
Smith, Robert (OR)
Snowe
Snyder
Solomon
Spence
Spratt
Staggers
Stallings

Stangeland
Stenholm
Strang
Stump
Sundquist
Sweeney
Swift
Swindall
Synar
Tallon
Tauke
Tauzin
Taylor
Thomas (CA)
Thomas (GA)
Traxler
Udall
Valentine
Vander Jagt
Volkmer
Vucanovich
Walker
Watkins
Weaver
Weber
Whitley
Whittaker
Whitten
Williams
Wilson
Wirth
Wise
Wolf
Wortley
Wyden
Yatron
Young (AK)
Young (FL)
Young (MO)
Zschau

NOES—136

Ackerman
Akaka
Annunzio
Atkins
Barnes
Bates
Bedell
Beilenson
Bennett
Berman
Biaggi
Boland
Bonior (MI)
Borski
Boxer
Broomfield
Brown (CA)
Burton (CA)
Carper
Clay
Collins
Conte
Conyers
Coughlin
Coyne
Crockett
Dellums
DioGuardi
Dixon
Donnelly
Downey
Durbin
Dwyer
Dymally
Early
Edgar
Edwards (CA)
Evans (IL)
Fascell
Fawell
Fazio
Feighan
Florio
Foglietta
Frank
Frost
Garcia
Gejdenson
Gibbons
Gonzalez
Gradison
Gray (PA)
Green
Guarini
Hall (OH)
Hawkins
Hayes
Henry
Hertel
Hillis
Howard
Hoyer
Hughes
Jacobs
Kaptur
Kastenmeier
Kennelly
Kildee
LaFalce
Lantos
Lehman (FL)
Leland
Levin (MI)
Levine (CA)
Lipinski
Lowry (WA)
Manton
Markey
Martinez
Matsui
Mavroules
Mazzoli
McHugh
McKinney
Mica
Mikulski
Miller (CA)
Miller (WA)
Mineta
Mitchell
Moakley
Morrison (CT)
Mrazek
Nowak
Oakar
Owens
Panetta
Pepper
Porter
Pursell
Rangel
Rinaldo
Rodino
Roe
Rostenkowski
Roukema
Roybal
Russo
Sabo
Savage
Scheuer
Schneider
Schroeder
Schumer
Seiberling
Smith (FL)
Solarz
St Germain
Stark
Stratton
Studds
Torres
Torricelli
Towns
Traficant
Vento
Visclosky
Walgren
Waxman
Weiss
Wheat
Whitehurst
Wolpe
Wright
Wylie
Yates

NOT VOTING—12

Addabbo
Boggs
Boulter
Gephardt
Grotberg
Heftel
Ireland
Lujan
Nichols
O'Brien
Schulze
Stokes

☐ 1145

The Clerk announced the following pairs:

On this vote:

Mr. Nichols for, with Mr. Heftel of Hawaii against.

Mr. Schulze for, with Mr. Gephardt against.

Mr. Ireland for, with Mr. Stokes against.

Mr. MAZZOLI and Mr. ANNUNZIO changed their votes from "aye" to "no."

Messrs. TAUZIN, KLECZKA, and WIRTH changed their votes from "no" to "aye."

So the amendment, as amended, offered as a substitute for the Judiciary Committee amendment in the nature of a substitute, as amended, was agreed to.

The result of the vote was announced as above recorded.

PERSONAL EXPLANATION

Mr. FORD of Tennessee. Mr. Chairman, on rollcall No. 74 on the adoption of the Volkmer substitute to the Federal Firearms Law Reform Act, I inadvertently voted "aye." I am strongly opposed to the provisions of the Volkmer substitute and meant to vote "no."

The CHAIRMAN. The question is on the Judiciary Committee amendment in the nature of a substitute, as amended.

The Judiciary Committee amendment in the nature of a substitute, as amended, was agreed to.

The CHAIRMAN. Under the rule, the Committee rises.

Accordingly the Committee rose; and the Speaker having resumed the chair, Mr. RANGEL, Chairman of the Committee of the Whole House on the State of the Union, reported that that Committee, having had under consideration the bill (H.R. 4332) to amend chapter 44 (relating to firearms) of title 18, United States Code, and for other purposes, pursuant to House Resolution 403, he reported the bill back to the House with an amendment adopted by the Committee of the Whole.

The SPEAKER. Under the rule, the previous question is ordered.

The question is on the amendment.

The amendment was agreed to.

The SPEAKER. The question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed and read a third time, and was read the third time.

MOTION TO RECOMMIT OFFERED BY MR. GREEN

Mr. GREEN. Mr. Speaker, I offer a motion to recommit.

The SPEAKER. Is the gentleman opposed to the bill?

Mr. GREEN. I am, Mr. Speaker.

The SPEAKER. The Clerk will report the motion to recommit.

The Clerk read as follows:

Mr. GREEN moves to recommit the bill, H.R. 4332, to the Committee on the Judiciary.

The SPEAKER. Without objection, the previous question is ordered on the motion to recommit.

There was no objection.

The SPEAKER. The question is on the motion to recommit.

The motion to recommit was rejected.

The SPEAKER. The question is on the passage of the bill.

The question was taken; and the Speaker announced that the ayes appeared to have it.

Mr. McCOLLUM. Mr. Speaker, on that I demand the yeas and nays.

The yeas and nays were ordered.

The vote was taken by electronic device, and there were—yeas 292, nays 130, not voting 12, as follows:

[Roll No. 75]

YEAS—292

Alexander
Anderson
Andrews
Anthony
Applegate
Archer
Armey
Aspin
AuCoin
Badham
Barnard
Bartlett
Barton
Bateman
Bentley
Bereuter
Bevill
Bilirakis
Bliley
Boehlert
Boggs
Boner (TN)
Bonker
Bosco
Boucher
Breaux
Brooks
Brown (CO)
Broyhill
Bruce
Bryant
Burton (IN)
Bustamante
Byron
Callahan
Campbell
Carney
Carr
Chandler
Chapman
Chappell
Chapple
Cheney
Clinger
Coats
Cobey
Coble
Coelho
Coleman (MO)
Coleman (TX)
Combest
Conte
Cooper
Courter
Craig
Crane
Daniel
Dannemeyer
Darden
Daschle
Daub
Davis
de la Garza
DeLay
Derrick
DeWine
Dickinson
Dicks
Dingell
Dorgan (ND)
Dornan (CA)
Dowdy
Dreier
Duncan
Dyson
Eckart (OH)
Eckert (NY)
Edwards (OK)
Emerson
English
Erdreich
Evans (IA)
Fiedler
Fields
Fish
Flippo
Florio
Foley
Ford (MI)
Fowler
Franklin
Frenzel
Fuqua
Gallo
Gaydos
Gekas
Gilman
Gingrich
Glickman
Goodling
Gordon
Gray (IL)
Gregg
Gunderson
Hall, Ralph
Hamilton
Hammerschmidt
Hansen
Hartnett
Hatcher
Hefner
Hendon
Hiler
Hillis
Holt
Hopkins
Horton
Hubbard
Huckaby
Hunter
Hutto
Hyde
Jeffords
Jenkins
Johnson
Jones (NC)
Jones (OK)
Jones (TN)
Kanjorski
Kasich
Kemp
Kindness
Kleczka
Kolbe
Kolter
Kostmayer
Kramer
Lagomarsino
Lantos
Latta
Leach (IA)
Leath (TX)
Lehman (CA)
Lent
Lewis (CA)
Lewis (FL)
Lightfoot
Livingston
Lloyd
Loeffler
Long
Lott
Lowery (CA)
Luken
Lundine
Lungren
Mack
MacKay
Madigan
Marlenee
Martin (IL)
Martin (NY)
Mazzoli
McCain
McCandless
McCloskey
McCollum
McCurdy
McDade
McEwen
McGrath
McKernan
McMillan
Meyers
Michel
Miller (OH)
Molinari
Mollohan
Monson
Montgomery
Moody
Moore
Moorhead
Morrison (WA)
Murphy
Murtha
Myers
Natcher
Neal
Nelson
Nielson
Oberstar
Obey
Olin
Ortiz
Oxley
Packard
Parris
Pashayan
Pease
Penny
Perkins
Petri
Pickle
Price
Quillen
Rahall
Ray
Regula
Reid
Richardson
Ridge
Rinaldo
Ritter
Roberts
Robinson
Roemer
Rogers
Rose
Roth
Rowland (CT)
Rowland (GA)
Rudd
Saxton
Schaefer
Schuette
Sensenbrenner
Sharp
Shaw
Shelby
Shumway
Shuster
Sikorski
Siljander
Sisisky
Skeen
Skelton
Slattery
Slaughter
Smith (IA)
Smith (NE)
Smith (NJ)
Smith, Denny (OR)
Smith, Robert (NH)
Smith, Robert (OR)
Snowe
Snyder
Solomon
Spence
Spratt
Staggers
Stallings
Stangeland
Stenholm
Strang
Stump
Sundquist
Sweeney
Swift
Swindall
Synar

VOL
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5
MR
21
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AP
11
1986
UMI

Tallon
Tauke
Tauzin
Taylor
Thomas (CA)
Thomas (GA)
Traxler
Udall
Valentine
Vander Jagt
Volkmer
Vucanovich
Walker
Watkins
Weaver
Weber
Whitley
Whittaker
Whitten
Williams
Wilson
Wirth
Wise
Wolf
Wortley
Wyden
Yatron
Young (AK)
Young (FL)
Young (MO)
Zschau

NAYS—130

Ackerman
Akaka
Annunzio
Atkins
Barnes
Bates
Bedell
Beilenson
Bennett
Berman
Biaggi
Boland
Bonior (MI)
Borski
Boxer
Broomfield
Brown (CA)
Burton (CA)
Carper
Clay
Collins
Conyers
Coughlin
Coyne
Crockett
Dellums
DioGuardi
Dixon
Donnelly
Downey
Durbin
Dwyer
Dymally
Early
Edgar
Edwards (CA)
Evans (IL)
Fascell
Fawell
Fazio
Feighan
Foglietta
Ford (TN)
Frank
Frost
Garcia
Gejdenson
Gibbons
Gonzalez
Gradison
Gray (PA)
Green
Guarini
Hall (OH)
Hawkins
Hayes
Henry
Hertel
Howard
Hoyer
Hughes
Jacobs
Kaptur
Kastenmeier
Kennelly
Kildee
LaFalce
Lehman (FL)
Leland
Levin (MI)
Levine (CA)
Lipinski
Lowry (WA)
Manton
Markey
Martinez
Matsui
Mavroules
McHugh
McKinney
Mica
Mikulski
Miller (CA)
Miller (WA)
Mineta
Mitchell
Moakley
Morrison (CT)
Mrazek
Nowak
Oakar
Owens
Panetta
Pepper
Porter
Pursell
Rangel
Rodino
Roe
Rostenkowski
Roukema
Roybal
Russo
Sabo
Savage
Scheuer
Schneider
Schroeder
Schumer
Seiberling
Smith (FL)
Solarz
St Germain
Stark
Stratton
Studds
Torres
Torricelli
Towns
Traficant
Vento
Visclosky
Walgren
Waxman
Weiss
Wheat
Whitehurst
Wright
Wylie
Yates

NOT VOTING—12

Addabbo
Boulter
Gephardt
Grotberg
Heftel
Ireland
Lujan
Nichols
O'Brien
Schulze
Stokes
Wolpe

□ 1205

The Clerk announced the following pairs:

On this vote:

Mr. Nichols for, with Mr. Heftel of Hawaii against.

Mr. Schulze for, with Mr. Gephardt against.

Mr. Ireland for, with Mr. Stokes against.

So the bill was passed.

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

The SPEAKER pro tempore (Mr. Boland). Pursuant to the provisions of House Resolution 403, the Committee on the Judiciary is discharged from the further consideration of the Senate bill (S. 49) to protect firearms owners' constitutional rights, civil liberties, and rights to privacy.

The Clerk read the title of the Senate bill.

MOTION OFFERED BY MR. HUGHES

Mr. HUGHES. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. Hughes moves to strike out all after the enacting clause of the Senate bill, S. 49, and to insert in lieu thereof the provisions of H.R. 4332, as passed by the House, as follows:

SECTION 1. SHORT TITLE AND CONGRESSIONAL FINDINGS.

(a) Short Title.—This Act may be cited as the "Firearms Owners' Protection Act".

(b) Congressional Findings.—The Congress finds that—

(1) the rights of citizens—

(A) to keep and bear arms under the second amendment to the United States Constitution;

(B) to security against illegal and unreasonable searches and seizures under the fourth amendment;

(C) against uncompensated taking of property, double jeopardy, and assurance of due process of law under the fifth amendment; and

(D) against unconstitutional exercise of authority under the ninth and tenth amendments;

require additional legislation to correct existing firearms statutes and enforcement policies; and

(2) additional legislation is required to reaffirm the intent of the Congress, as expressed in section 101 of the Gun Control Act of 1968, that "it is not the purpose of this title to place any undue or unnecessary Federal restrictions or burdens on law-abiding citizens with respect to the acquisition, possession, or use of firearms appropriate to the purpose of hunting, trapshooting, target shooting, personal protection, or any other lawful activity, and that this title is not intended to discourage or eliminate the private ownership or use of firearms by law-abiding citizens for lawful purposes.".

SEC. 101. AMENDMENTS TO SECTION 921.

Section 921 of title 18, United States Code, is amended—

(1) in subsection (a)(10), by striking out "manufacture of" and inserting in lieu thereof "business of manufacturing";

(2) in subsection (a)(11)(A), by striking out "or ammunition";

(3) in subsection (a)(12), by striking out "or ammunition";

(4) in subsection (a)(13), by striking out "or ammunition";

(5) by amending paragraph (20) of subsection (a) to read as follows:

"(20) The term 'crime punishable by imprisonment for a term exceeding one year' does not include—

"(A) any Federal or State offenses pertaining to antitrust violations, unfair trade practices, restraints of trade, or other similar offenses relating to the regulation of business practices, or

"(B) any State offense classified by the laws of the State as a misdemeanor and punishable by a term of imprisonment of two years or less.

What constitutes a conviction of such a crime shall be determined in accordance with the law of the jurisdiction in which the proceedings were held. Any conviction which has been expunged, or set aside or for which a person has been pardoned or has had civil rights restored shall not be considered a conviction for purposes of this chapter, unless such pardon, expungement, or restoration of civil rights expressly provides that the person may not ship, transport, possess, or receive firearms."; and

(6) in subsection (a), by inserting after paragraph (20) the following new paragraphs:

"(21) The term 'engaged in the business' means—

"(A) as applied to a manufacturer of firearms, a person who devotes time, attention, and labor to manufacturing firearms as a regular course of trade or business with the principal objective of livelihood and profit through the sale or distribution of the firearms manufactured;

"(B) as applied to a manufacturer of ammunition, a person who devotes time, attention, and labor to manufacturing ammunition as a regular course of trade or business with the principal objective of livelihood and profit through the sale or distribution of the ammunition manufactured;

"(C) as applied to a dealer in firearms, as defined in section 921(a)(11)(A), a person who devotes time, attention, and labor to dealing in firearms as a regular course of trade or business with the principal objective of livelihood and profit through the repetitive purchase and resale of firearms, but such term shall not include a person who makes occasional sales, exchanges, or purchases of firearms for the enhancement of a personal collection or for a hobby, or who sells all or part of his personal collection of firearms;

"(D) as applied to a dealer in firearms, as defined in section 921(a)(11)(B), a person who devotes time, attention, and labor to engaging in such activity as a regular course of trade or business with the principal objective of livelihood and profit, but such term shall not include a person who makes occasional repairs of firearms or who occasionally fits special barrels, stocks, or trigger mechanisms to firearms;

"(E) as applied to an importer of firearms, a person who devotes time, attention, and labor to importing firearms as a regular course of trade or business with the principal objective of livelihood and profit through the sale or distribution of the firearms imported; and

"(F) as applied to an importer of ammunition, a person who devotes time, attention, and labor to importing ammunition as a regular course of trade or business with the principal objective of livelihood and profit through the sale or distribution of the ammunition imported.

"(22) The term 'with the principal objective of livelihood and profit' means that the intent underlying the sale or disposition of firearms is predominantly one of obtaining livelihood and pecuniary gain, as opposed to other intents, such as improving or liquidating a personal firearms collection.

"(23) The term 'machinegun' has the meaning given such term in section 5845(b) of the National Firearms Act (26 U.S.C. 5845(b)).

"(24) The terms 'firearm silencer' and 'firearm muffler' means any device for silencing, muffling, or diminishing the report of a portable firearm, including any combination of parts, designed or redesigned, and intended for use in assembling or fabricating a firearm silencer or firearm muffler, and any part intended only for use in such assembly or fabrication.".

SEC. 102. AMENDMENTS TO SECTION 922.

Section 922 of title 18, United States Code, is amended—

(1) so that paragraph (1) of subsection (a) reads as follows:

"(1) for any person—

"(A) except a licensed importer, licensed manufacturer, or licensed dealer, to engage in the business of importing, manufacturing, or dealing in firearms, or in the course of such business to ship, transport, or receive any firearm in interstate or foreign commerce; or

"(B) except a licensed importer or licensed manufacturer, to engage in the business of importing or manufacturing ammunition, or in the course of such business, to ship, transport, or receive any ammunition in interstate or foreign commerce;";

(2) in subsection (a)(2)—

"(A) by striking out "or ammunition"; and

"(B) by striking out "or licensed dealer for the sole purpose of repair or customizing;" and inserting in lieu thereof "licensed dealer, or licensed collector;";

(3) in subsection (a)(3), by striking out "(B)" and all that follows through "(b)(3) of this section," and inserting in lieu thereof the following: "(B) shall not apply to the transportation or receipt of a firearm obtained in conformity with subsection (b)(3) of this section,";

(4) in subsection (b)—

(A) in paragraph (2), by striking out "or ammunition" each place it appears;

(B) in paragraph (3), by striking out "(A)" and all that follows through "intrastate transactions other than at the licensee's business premises," and inserting in lieu thereof "(A) shall not apply to the sale or delivery of any rifle or shotgun to a resident of a State other than a State in which the licensee's place of business is located if the transferee meets in person with the transferor to accomplish the transfer, and the sale, delivery, and receipt fully comply with the legal conditions of sale in both such States (and any licensed manufacturer, importer or dealer shall be presumed, for purposes of this subparagraph, in the absence of evidence to the contrary, to have had actual knowledge of the State laws and published ordinances of both States),";

(C) in paragraph (3), by inserting "and" before "(B)";

(D) in paragraph (3), by striking out ", and (C)" and all that follows through the end of such paragraph and inserting in lieu thereof a semicolon; and

(E) in paragraph (5), by striking out "or ammunition except .22 caliber rimfire ammunition" and inserting "or armor-piercing ammunition" in lieu thereof;

(5) in subsection (d)—

(A) by striking out "licensed importer, licensed manufacturer, licensed dealer, or licensed collector" the first place it appears and inserting in lieu thereof "person";

(B) by amending paragraph (3) to read as follows:

"(3) is an unlawful user of or addicted to any controlled substance (as defined in section 102 of the Controlled Substances Act (21 U.S.C. 802));";

(C) in paragraph (4), by striking out the period and inserting in lieu thereof a semicolon; and

(D) by inserting after paragraph (4) the following:

"(5) who, being an alien, is illegally or unlawfully in the United States;

"(6) who has been discharged from the Armed Forces under dishonorable conditions; or

"(7) who, having been a citizen of the United States, has renounced his citizenship.";

(6) in subsection (g)—

(A) in paragraph (1), by striking out "is under indictment for, or who";

(B) by amending paragraph (3) to read as follows:

"(3) is an unlawful user of or addicted to any controlled substance (as defined in section 102 of the Controlled Substances Act (21 U.S.C. 802));";

(C) by inserting after paragraph (4) the following new paragraphs:

"(5) who, being an alien, is illegally or unlawfully in the United States;

"(6) who has been discharged from the Armed Forces under dishonorable conditions; or

"(7) who, having been a citizen of the United States, has renounced his citizenship;"; and

(D) by striking out "to ship or transport any firearm or ammunition in interstate or foreign commerce." and inserting in lieu thereof "to ship or transport in interstate or foreign commerce, or possess in or affecting commerce, any firearm or ammunition; or to receive any firearm or ammunition which has been shipped or transported in interstate or foreign commerce.";

(7) so that subsection (h) reads as follows:

"(h) It shall be unlawful for any individual, who to that individual's knowledge and while being employed for any person described in any paragraph of subsection (g) of this section, in the course of such employment—

"(1) to receive, possess, or transport any firearm or ammunition in or affecting interstate or foreign commerce; or

"(2) to receive any firearm or ammunition which has been shipped or transported in interstate or foreign commerce.";

(8) by inserting after subsection (m) the following:

"(n) It shall be unlawful for any person who is under indictment for a crime punishable by imprisonment for a term exceeding one year to ship or transport in interstate or foreign commerce any firearm or ammunition or receive any firearm or ammunition which has been shipped or transported in interstate or foreign commerce."; and

(9) by inserting after the subsection added by paragraph (8) of this section the following:

"(o)(1) Except as provided in paragraph (2), it shall be unlawful for any person to transfer or possess a machinegun.

"(2) This subsection does not apply with respect to—

"(A) a transfer to or by, or possession by or under the authority of, the United States or any department or agency thereof or a State, or a department, agency, or political subdivision thereof; or

"(B) any lawful transfer or lawful possession of a machinegun that was lawfully possessed before the date this subsection takes effect.".

SEC. 103. AMENDMENTS TO SECTION 923.

Section 923 of title 18, United States Code, is amended—

(1) in subsection (a)—

(A) by striking out the first sentence and inserting in lieu thereof "No person shall engage in the business of importing, manufacturing, or dealing in firearms, or importing or manufacturing ammunition, until he has filed an application with and received a license to do so from the Secretary."; and

(B) by striking out "and contain such information", and inserting in lieu thereof "and contain only that information necessary to determine eligibility for licensing.";

(2) in subsection (a)(3)(B), by striking out "or ammunition for firearms other than destructive devices,";

(3) in subsection (b), by striking out "and contain such information" and inserting in lieu thereof "and contain only that information necessary to determine eligibility";

(4) in subsection (c), by adding at the end "Nothing in this chapter shall be construed to prohibit a licensed manufacturer, importer, or dealer from maintaining and disposing of a personal collection of firearms, subject only to such restrictions as apply in this chapter to dispositions by a person other than a licensed manufacturer, importer, or dealer. If any firearm is so disposed of by a licensee within one year after its transfer from his business inventory into such licensee's personal collection or if such disposition or any other acquisition is made for the purpose of willfully evading the restrictions placed upon licensees by this chapter, then such fiream shall be deemed part of such licensee's business inventory.";

(5) in subsection (e), by inserting "willfully" before "violated";

(6) in subsection (f)—

(A) in paragraph (3)—

(i) by inserting "de novo" before "judicial"; and

(ii) by inserting "whether or not such evidence was considered at the hearing held under paragraph (2)." after "to the proceeding"; and

(B) by adding at the end the following new paragraph:

"(4) If criminal proceedings are instituted against a licensee alleging any violation of this chapter or of rules or regulations prescribed under this chapter, and the licensee is acquitted of such charges, or such proceedings are terminated, other than upon motion of the Government before trial upon such charges, the Secretary shall be absolutely barred from denying or revoking any license granted under this chapter where such denial or revocation is based in whole or in part on the facts which form the basis of such criminal charges. No proceedings for the revocation of a license shall be instituted by the Secretary more than one year after the filing of the indictment or information.";

(7) so that subsection (g) reads as follows:

"(g)(1)(A) Each licensed importer, licensed manufacturer, and licensed dealer shall maintain such records of importation, production, shipment, receipt, sale, or other disposition of firearms at his place of business for such period, and in such form, as the Secretary may by regulations prescribe. Such importers, manufacturers, and dealers shall not be required to submit to the Secretary reports and information with respect to such records and the contents thereof, except as expressly required by this section. The Secretary, when he has reasonable cause to believe a violation of this chapter has occurred and that evidence thereof may be found on such premises, may, upon demonstrating such cause before a Federal magistrate and securing from such magistrate a warrant authorizing entry, enter during business hours the premises (including places of storage) of any licensed firearms importer, licensed manufacturer, licensed dealer, licensed collector, or any licensed importer or manufacturer of ammunition, for the purpose of inspecting or examining—

"(i) any records or documents required to be kept by such licensed importer, licensed manufacturer, licensed dealer, or licensed collector under this chapter or rules or regulations under this chapter, and

"(ii) any firearms or ammunition kept or stored by such licensed importer, licensed

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manufacturer, licensed dealer, or licensed collector, at such premises.

"(B) The Secretary may inspect or examine the inventory and records of a licensed importer, licensed manufacturer, or licensed dealer without such reasonable cause or warrant—

"(i) in the course of a reasonable inquiry during the course of a criminal investigation of a person or persons other than the licensee;

"(ii) for ensuring compliance with the record keeping requirements of this chapter not more than once during any 12-month period; or

"(iii) when such inspection or examination may be required for determining the disposition of one or more particular firearms in the course of a bona fide criminal investigation.

"(C) The Secretary may inspect the inventory and records of a licensed collector without such reasonable cause or warrant—

"(i) for ensuring compliance with the record keeping requirements of this chapter not more than once during any 12-month period; or

"(ii) when such inspection or examination may be required for determining the disposition of one or more particular firearms in the course of a bona fide criminal investigation.

"(D) At the election of a licensed collector, the annual inspection of records and inventory permitted under this paragraph shall be performed at the office of the Secretary designated for such inspections which is located in closest proximity to the premises where the inventory and records of such licensed collector are maintained. The inspection and examination authorized by this paragraph shall not be construed as authorizing the Secretary to seize any records or other documents other than those records or documents constituting material evidence of a violation of law. If the Secretary seizes such records or documents, copies shall be provided the licensee within a reasonable time. The Secretary may make available to any Federal, State, or local law enforcement agency any information which he may obtain by reason of this chapter with respect to the identification of persons prohibited from purchasing or receiving firearms or ammunition who have purchased or received firearms or ammunition, together with a description of such firearms or ammunition, and he may provide information to the extent such information may be contained in the records required to be maintained by this chapter, when so requested by any Federal, State, or local law enforcement agency.

"(2) Each licensed collector shall maintain in a bound volume the nature of which the Secretary may by regulations prescribe, records of the receipt, sale, or other disposition of firearms. Such records shall include the name and address of any person to whom the collector sells or otherwise disposes of a firearm. Such collector shall not be required to submit to the Secretary reports and information with respect to such records and the contents thereof, except as expressly required by this section.

"(3) Each licensee shall prepare a report of multiple sales or other dispositions whenever the licensee sells or otherwise disposes of, at one time or during any five consecutive business days, two or more pistols, or revolvers, or any combination of pistols and revolvers totalling two or more, to an unlicensed person. The report shall be prepared on a form specified by the Secretary and forwarded to the office specified thereon not later than the close of business on the day that the multiple sale or other disposition occurs.

"(4) Where a firearms or ammunition business is discontinued and succeeded by a new licensee, the records required to be kept by this chapter shall appropriately reflect such facts and shall be delivered to the successor. Where discontinuance of the business is absolute, such records shall be delivered within 30 days after the business discontinuance to the Secretary. However, where State law or local ordinance requires the delivery of records to other responsible authority, the Secretary may arrange for the delivery of such records to such other responsible authority.

"(5)(A) Each licensee shall, when required by letter issued by the Secretary, and until notified to the contrary in writing by the Secretary, submit on a form specified by the Secretary, for periods and at the times specified in such letter, all record information required to be kept by this chapter or such lesser record information as the Secretary in such letter may specify.

"(B) The Secretary may authorize such record information to be submitted in a manner other than that prescribed in subparagraph (A) of this paragraph when it is shown by a licensee that an alternate method of reporting is reasonably necessary and will not unduly hinder the effective administration of this chapter. A licensee may use an alternate method of reporting if the licensee describes the proposed alternate method of reporting and the need therefor in a letter application submitted to the Secretary, and the Secretary approves such alternate method of reporting."; and

(8) So that subsection (j) reads as follows:

"(j) A licensed importer, licensed manufacturer, or licensed dealer may, under rules or regulations prescribed by the Secretary, conduct business temporarily at a location other than the location specified on the license if such temporary location is the location for a gun show or event sponsored by any national, State, or local organization, or any affiliate of any such organization devoted to the collection, competitive use, or other sporting use of firearms in the community, and such location is in the State which is specified on the license. Records of receipt and disposition of firearms transactions conducted at such temporary location shall include the location of the sale or other disposition and shall be entered in the permanent records of the licensee and retained on the location specified on the license. Nothing in this subsection shall authorize any licensee to conduct business in or from any motorized or towed vehicle. Notwithstanding the provisions of subsection (a) of this section, a separate fee shall not be required of a licensee with respect to business conducted under this subsection. Any inspection or examination of inventory or records under this chapter by the Secretary at such temporary location shall be limited to inventory consisting of, or records relating to, firearms held or disposed at such temporary location. Nothing in this subsection shall be construed to authorize the Secretary to inspect or examine the inventory or records of a licensed importer, licensed manufacturer, or licensed dealer at any location other than the location specified on the license. Nothing in this subsection shall be construed to diminish in any manner any right to display, sell, or otherwise dispose of firearms or ammunition, which is in effect before the date of the enactment of the Firearms Owners' Protection Act.".

SEC. 104. AMENDMENTS TO SECTION 924.

(a) In General.—Section 924 of title 18, United States Code, is amended—

(1) so that subsection (a) reads as follows:

"(a)(1) Except as otherwise provided in paragraph (2) of this subsection, subsection (b) or (c) of this section, or in section 929, whoever—

"(A) knowingly makes any false statement or representation with respect to the information required by this chapter to be kept in the records of a person licensed under this chapter or in applying for any license or exemption or relief from disability under the provisions of this chapter;

"(B) knowingly violates subsection (a)(4), (a)(6), (f), (g), (i), (j), or (k) of section 922;

"(C) knowingly imports or brings into the United States or any possession thereof any firearm or ammunition in violation of section 922(l); or

"(D) willfully violates any other provision of this chapter,

shall be fined not more than $5,000, imprisoned not more than five years, or both, and shall become eligible for parole as the Parole Commission shall determine.

"(2) Any licensed dealer, licensed importer, licensed manufacturer, or licensed collector who knowingly—

"(A) makes any false statement or representation with respect to the information required by the provisions of this chapter to be kept in the records of a person licensed under this chapter; or

"(B) violates subsection (m) of section 922, shall be fined not more than $1,000, imprisoned not more than one year, or both, and shall become eligible for parole as the Parole Commission shall determine.";

(2) in subsection (c)—

(A) by inserting "(1)" before "Whoever,";

(B) by striking out "violence" each place it appears and inserting in lieu thereof "violence or drug trafficking crime,";

(C) by inserting "or drug trafficking crime" before "in which the firearm was used or carried.";

(D) in the first sentence, by striking out the period at the end and inserting in lieu thereof ", and if the firearm is a machinegun, or is equipped with a firearm silencer or firearm muffler, to imprisonment for 10 years.";

(E) in the second sentence, by striking out the period at the end and inserting in lieu thereof ", and if the firearm is a machinegun, or is equipped with a firearm silencer or firearm muffler, to imprisonment for 20 years."; and

(F) by adding at the end the following:

"(2) For purposes of this subsection, the term 'drug trafficking crime' means any felony violation of Federal law involving the distribution, manufacture, or importation of any controlled substance (as defined in section 102 of the Controlled Substances Act (21 U.S.C. 802)).

"(3) For purposes of this subsection the term 'crime of violence' means an offense that is a felony and—

"(A) has as an element the use, attempted use, or threatened use of physical force against the person or property of another, or

"(B) that by its nature, involves a substantial risk that physical force against the person or property of another may be used in the course of committing the offense.";

(3) by amending subsection (d) to read as follows:

"(d)(1) Any firearm or ammunition involved in or used in any knowing violation of subsection (a)(4), (a)(6), (f), (g), (h), (i), (j), or (k) of section 922, or knowing importation or bringing into the United States or any possession thereof any firearm or ammunition in violation of section 922(l), or knowing violation of section 924, or willful violation of any other provision of this chapter or any rule or regulation promulgated thereunder, or any violation of any other criminal law of the United States, or any firearm or ammunition intended to be used in any offense referred to in paragraph (3) of this subsection, where such intent is demonstrated by clear and convincing evidence, shall be subject to seizure and forfeiture, and all provisions of the Internal Revenue Code of 1954 relating to the seizure, forfeiture, and disposition of firearms, as defined in section 5845(a) of that Code, shall, so far as applicable, extend to seizures and forfeitures under the provisions of this chapter: *Provided*, That upon acquittal of the owner or possessor, or dismissal of the charges against him other than upon motion of the Government prior to trial, the seized firearms or ammunition shall be returned forthwith to the owner or possessor or to a person delegated by the owner or possessor unless the return of the firearms or ammunition would place the owner or possessor or his delegate in violation of law. Any action or proceeding for the forfeiture of firearms or ammunition shall be commenced within one hundred and twenty days of such seizure.

"(2)(A) In any action or proceeding for the return of firearms or ammunition seized under the provisions of this chapter, the court shall allow the prevailing party, other than the United States, a reasonable attorney's fee, and the United States shall be liable therefor.

"(B) In any other action or proceeding under the provisions of this chapter, the court, when it finds that such action was without foundation, or was initiated vexatiously, frivolously, or in bad faith, shall allow the prevailing party, other than the United States, a reasonable attorney's fee, and the United States shall be liable therefor.

"(C) Only these firearms or quantities of ammunition particularly named and individually identified as involved in or used in any violation of the provisions of this chapter or any rule or regulation issued, thereunder, or any other criminal law of the United States or as intended to be used in any offense referred to in paragraph (3) of this subsection, where such intent is demonstrated by clear and convincing evidence, shall be subject to seizure, forfeiture, and disposition.

"(D) The United States shall be liable for attorneys' fees under this paragraph only to the extent provided in advance by appropriations Acts.

"(3) The offenses referred to in paragraphs (1) and (2)(C) of this subsection are—

"(A) any crime of violence, as that term is defined in section 924(c)(3) of this title;

"(B) any offense punishable under the Controlled Substances Act (21 U.S.C. 801 et seq.) or the Controlled Substances Import and Export Act (21 U.S.C. 951 et seq.);

"(C) any offense described in section 922(a)(1), 922(a)(3), 922(a)(5), or 922(b)(3) of this title, where the firearm or ammunition intended to be used in any such offense is involved in a pattern of activities which includes a violation of any offense described in section 922(a)(1), 922(a)(3), 922(a)(5), or 922(b)(3) of this title;

"(D) any offense described in section 922(d) of this title where the firearm or ammunition is intended to be used in such offense by the transferor of such firearm or ammunition;

"(E) any offense described in section 922(i), 922(j), 922(l), 922(n), or 924(b) of this title; and

"(F) any offense which may be prosecuted in a court of the United States which involves the exportation of firearms or ammunition"; and

(4) by adding at the end the following new subsection:

"(e)(1) In the case of a person who violates section 922(g) of this title and has three previous convictions by any court referred to in section 922(g)(1) of this title for robbery or burglary, or both, such person shall be fined not more than $25,000 and imprisoned not less than 15 years, and, notwithstanding any other provision of law, the court shall not suspend the sentence of, or grant a probationary sentence to, such person with respect to the conviction under section 922(g), and such person shall not be eligible for parole with respect to the sentence imposed under this subsection.

"(2) As used in this subsection—

"(A) the term 'robbery' means any crime punishable by a term of imprisonment exceeding one year and consisting of the taking of the property of another from the person or presence of another by force or violence, or by threatening or placing another person in fear that any person will imminently be subjected to bodily harm; and

"(B) the term 'burglary' means any crime punishable by a term of imprisonment exceeding one year and consisting of entering or remaining surreptitiously within a building that is the property of another with intent to engage in conduct constituting a Federal or State offense.".

(b) Conforming Repeal.—Title VII of the Omnibus Crime Control and Safe Streets Act of 1968 (18 U.S.C. App. 1201 et seq.) is repealed.

SEC. 105. AMENDMENTS TO SECTION 925.

Section 925 of title 18, United States Code, is amended—

(1) in subsection (c)—

(A) by striking out "has been convicted of a crime punishable by imprisonment for a term exceeding one year (other than a crime involving the use of a firearm or other weapon or a violation of this chapter or of the National Firearms Act)" and inserting in lieu thereof "is prohibited from possessing, shipping transporting, or receiving firearms or ammunition";

(B) by inserting "transportation," after "shipment,";

(C) by striking out "and incurred by reason of such conviction"; and

(D) by inserting "Any person whose application for relief from disabilities is denied by the Secretary may file a petition with the United States district court for the district in which he resides for a judicial review of such denial. The court may in its discretion admit additional evidence where failure to do so would result in a miscarriage of justice." after "the public interest."; and (2) in subsection (d)—

(A) by striking out "may authorize" and inserting in lieu thereof "shall authorize";

(B) by striking out "the person importing or bringing in the firearm or ammunition establishes to the satisfaction of the Secretary that";

(C) in paragraph (3), by inserting before the semicolon ", except in any case where the Secretary has not authorized the importation of the firearm pursuant to this paragraph, it shall be unlawful to import any frame, receiver, or barrel of such firearm which would be prohibited if assembled"; and

(D) by striking out "may permit" and inserting in lieu thereof "shall permit".

SEC. 106. AMENDMENTS TO SECTION 926.

Section 926 of title 18 of the United States Code is amended—

(1) by inserting "(a)" before "The Secretary" the first place it occurs;

(2) by inserting "only" after "prescribe";

(3) by striking out "as he deems reasonably" and inserting in lieu thereof "as are";

(4) by striking out the last sentence and inserting in lieu thereof "No such rule or regulation prescribed after the date of the enactment of the Firearms Owners' Protection Act may require that records required to be maintained under this chapter or any portion of the contents of such records, be recorded at or transferred to a facility owned, managed, or controlled by the United States or any State or any political subdivision thereof, nor that any system of registration of firearms, firearms owners, or firearms transactions or dispositions be established. Nothing in this section expands or restricts the Secretary's authority to inquire into the disposition of any firearm in the course of a criminal investigation."; and

(5) by adding at the end the following:

"(b) The Secretary shall give not less than 90 days public notice, and shall afford interested parties opportunity for hearing, before prescribing such rules and regulations.

"(c) The Secretary shall not prescribe rules or regulations that require purchasers of black powder under the exemption provided in section 845(a)(5) of this title to complete affidavits or forms attesting to that exemption.".

SEC. 107. TRANSPORTATION OF FIREARMS.

(a) In General.—Chapter 44 of title 18, United States Code, is amended by inserting between section 926 and section 927 the following new section:

"§ 926A. Interstate transportation of firearms

"Any person not prohibited by this chapter from transporting, shipping, or receiving a firearm shall be entitled to transport an unloaded, not readily accessible firearm in interstate commerce notwithstanding any provision of any legislation enacted, or any rule or regulation prescribed by any State or political subdivision thereof.".

(b) Clerical Amendment.—The table of sections for chapter 44 of title 18, United States Code, is amended by inserting between the item relating to section 926 and the item relating to section 927 the following new item:

"926A. Interstate transportation of firearms.".

SEC. 108. AMENDMENTS TO SECTION 929.

Section 929(a) of title 18, United States Code, is amended—

(1) by inserting "(1)" before "Whoever,";

(2) by striking out "violence" each place it appears and inserting in lieu thereof "violence or drug trafficking crime,"; and

(3) by adding at the end the following:

"(2) For purposes of this subsection, the term 'drug trafficking crime' means any felony violation of Federal law involving the distribution, manufacture, or importation of any controlled substance (as defined in section 102 of the Controlled Substances Act (21 U.S.C. 802)).".

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SEC. 109. AMENDMENT OF NATIONAL FIREARMS ACT.

(a) Section 5845(b) of the National Firearms Act (26 U.S.C. 5845(b)) is amended by striking out "any combination of parts designed and intended for use in converting a weapon into a machinegun," and inserting in lieu thereof "any part designed and intended solely and exclusively, or combination of parts designed and intended, for use in converting a weapon into a machinegun,".

(b) CONFORMING AMENDMENT.—Section 5845(a)(7) of the National Firearms Act (26 U.S.C. 5845(a)(7)) is amended to read "(7) any silencer (as defined in section 921 of title 18, United States Code);".

SEC. 110. EFFECTIVE DATE.

(a) IN GENERAL.—The amendments made by this Act shall become effective 180 days after the date of the enactment of this Act. Upon their becoming effective, the Secretary shall publish and provide to all licensees a compilation of the State laws and published ordinances of which licensees are presumed to have knowledge pursuant to chapter 44 of title 18, United States Code, as amended by this Act. All amendments to such State laws and published ordinances as contained in the aforementioned compilation shall be published in the Federal Register, revised annually, and furnished to each person licensed under chapter 44 of title 18, United States Code, as amended by this Act.

(b) PENDING ACTIONS, PETITIONS, AND APPELLATE PROCEEDINGS.—The amendments made by sections 103(6)(B), 105, and 107 of this Act shall be applicable to any action, petition, or appellate proceeding pending on the date of the enactment of this Act.

(c) MACHINEGUN PROHIBITION.—Section 102(9) shall take effect on the date of the enactment of this Act.

The motion was agreed to.

The Senate bill was ordered to be read a third time, was read the third time, and passed.

The title of the Senate bill was amended so as to read: "An Act to amend chapter 44 (relating to firearms) of title 18, United States Code, and for other purposes."

A motion to reconsider was laid on the table.

A similar House bill (H.R. 4332) was laid on the table.

THE SILENCER DEFINITION

(Mr. VOLKMER asked and was given permission to address the House for 1 minute.)

Mr. VOLKMER. Mr. Speaker, I ask for this time in order to engage in a colloquy with the gentleman from Idaho [Mr. CRAIG].

I yield to the gentleman from Idaho.

Mr. CRAIG. I appreciate the gentleman from Missouri yielding to enter into a colloquy regarding the silencer definition in the Volkmer substitute as modified by the McCollum amendment. I have just a few questions.

Mr. VOLKMER. Go ahead with the questions.

Mr. CRAIG. The language of the silencer definition in the substitute, which begins on page 5, line 20, states that a silencer is "any device or silencing * * *." I would like to know if this term is designed to change the current interpretation. For example, according to BATF, the current law does not include conventional chokes, muzzle breaks, flash hiders, and compensators that are not designed or altered to be silencers, even though these devices may quash sound in addition to their other lawful purposes.

Mr. VOLKMER. My substitute, as modified by the McCollum amendment, does not change existing law. No conventional choke, muzzle breaks, flash hiders, or compensators will fit within the definition of silencer in the substitute because they are not "devices for silencing * * *." Each of these devices has a common sporting purpose totally apart from muffling sound. If someone modified these legitimate devices however for the purpose of silencing, then the modified device would be a silencer.

Mr. CRAIG. I thank my colleague for that explanation.

FOREIGN POLICY SHOULD NOT BE HELD HOSTAGE TO PARLIAMENTARY PROCEDURES

(Mr. MICHEL asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. MICHEL. Mr. Speaker, the speaker has decided to place the question of aid to the freedom fighters in Nicaragua on the supplemental appropriation bill to be voted on next Tuesday.

We all know that placing this vitally important question on such a bill makes a foreign policy issue hostage to legislative manuevering. We all know there are so many things wrong with the supplemental that it faces an almost inevitable veto by the President.

Given these facts, forcing us to vote on the Contra aid issue on a bill that is otherwise deeply flawed, dooms any realistic chance for the House to express its will on this issue.

We will go through the motions. We will not help the Contras even if the President's policy is overwhelmingly voted for in the supplemental.

It is as if a used-car salesman sells us a shiny car that is perfect in every way—except that it lacks an engine. It may look great, but its not going anywhere.

That's where the supplemental is going—nowhere.

When the Sandinistas made their incursion into Honduras, my good friend, the majority leader, joined with me in a colloquy on the floor. He showed his deep concern that we get a fair and relevant vote on this issue.

At approximately the same time, the Speaker and the administration talked about the possibility of a clear and freestanding vote on these questions.

I understand that there has been a dispute over exactly what was agreed to during the conversations between the Speaker and the administration.

I don't know the specifics of the case. But whatever sins the Speaker may think the administration is guilty of, there is no use making American foreign policy pay the price.

There is an irony in all this: The majority wishes to micromanage American foreign policy through legislative maneuvering and is able to do so by putting its hands on the most detailed and specific parts of our process; but at the same time, the majority claims it cannot operate legislative machinery well enough to come out with a budget that meets the needs of our country—and the requirements of the law.

I strongly urge the majority to stop this manipulation of legislative machinery in order to doom needed foreign policy legislation. This may be a slick maneuver—but is it really just and fair?

□ 1215

LEGISLATIVE PROGRAM

(Mr. LOTT asked and was given permission to address the House for 1 minute.)

Mr. LOTT. Mr. Speaker, I am pleased to yield to the distinguished majority whip so that he may provide us with the schedule for today, the balance of the week, and for the week of April 14 to 15.

Mr. FOLEY. Mr. Speaker, I thank the distinguished Republican whip for yielding.

The gentleman from New York [Mr. GARCIA] has a commemorative resolution to present to the House following this announcement, which will conclude the business for today and for the week. The House will meet at noon on Monday next and consider five bills under suspension of the rules:

H.R. 2721, require collection of statistics on domestic apparel and textile industries;

H.R. 3559, amend act establishing a Commission on the Bicentennial of the Constitution of the United States;

H.R. 3826, sexual molestation of minors on Indian reservations;

H.R. 2998, victims of Crime Act amendments;

H.R. 44, Electric Consumers Protection Act; and

H.R. ——, extension of Net Worth Certificate Program and Emergency Acquisition Program for financial institutions.

Mr. LOTT. There had been one other bill listed earlier on the tentative schedule, H.R. 44, Electric Consumers Protection Act. That bill has been removed from suspension list for next week?

Mr. FOLEY. It is my understanding the committee would prefer for that bill to be brought up the following week, I think it is.

Mr. LOTT. I thank the gentleman.

Mr. FOLEY. Tuesday and Wednesday, April 15 and 16, we will consider votes that have been ordered on the suspensions debated on Monday, and then H.R. 4515, the Urgent Supplemental Appropriations Act for fiscal year 1986, subject to a rule being granted. We will of course consider the rule and begin the consideration of the supplemental on that day.

On Thursday and the balance of the week, April 17 and 18, the House will meet at 11 and consider H.R. 4420, the United States Code, title 10 amendments: To revise military retirement system for new members of the armed services, subject to a rule being granted, and H.R. 281, the Construction Industry Labor Law Amendments of 1985, open rule, 1 hour of debate.

The House will adjourn by 7 p.m. on every day of next week, and conference reports, of course, may be brought up at any time and further program could be announced later.

I think Members should be advised that there is a possibility of votes on Friday next week.

Mr. LOTT. Let me propound some questions to the gentleman. First of all, I note this new policy apparently that the House will adjourn by 7 p.m. next week, is this a policy that started last night and is it going to go forward just for next week or for the rest of this year? We heard the Speaker come into the well last night and talk about Gramm-Rudman and not wanting the policemen to work overtime. Frankly I think it is an excellent idea that we not stay in past 7 o'clock because we usually mess things up when we do that at night. But is this a policy that has been decided upon?

Mr. FOLEY. I believe I can say without fear of more than an extraordinary exception that I can say categorically that it will be the general policy of the leadership not to continue debate or consideration on legislation beyond 7 p.m. in the evening.

Frankly this is the result in part of the problem we face with late sessions requiring the attendance of security forces in the Capitol, police, and that requires payment of overtime for the police. And under those circumstances we are faced with some very real restraints which the gentleman knows have been imposed on the House to a greater degree.

Mr. LOTT. By the House itself.

Mr. FOLEY. By the House itself.

Mr. LOTT. OK.

Mr. FOLEY. By almost twice the figure that is imposed either on the civilian agencies of the United States or on the Defense Department of the United States. We are bearing reductions in our expenditures across the board that are at a level of about twice and in some cases more than twice the level of reductions of the civilian and military branches of the executive. And under those circumstances decisions have to be made and I think for Members' information, they should be guided by that. It is not for any other purpose, although if I may give you my personal impression, that in general the business of this House can be conducted effectively without going beyond 7 o'clock in the evening and it probably provides a degree of welcome predictability in the affairs of the House that I think suits the interests of the Members and orderly legislation as well.

Mr. LOTT. Well, we could talk further about that, I guess, at a later time. But let me ask you a couple of questions about the schedule.

With regard to the additional spending bill, sometimes referred to as the supplemental appropriations, would the gentleman give us any indication of when he would expect a vote on the Nicaraguan freedom fighters aid, when do we expect that to be brought up? I have heard Tuesday and then I have heard Wednesday. I think the Members would want to know as well in advance as they could, as far in advance, whether it will be Tuesday or Wednesday. Does the gentleman know?

Mr. FOLEY. My own advice to the House would be that subject to the rule which, as the gentleman knows, has not yet been granted, or reported for that matter, subject to the rule it is my belief that we will take up the issue of the so-called Contra aid early in the proceedings on Tuesday, on Tuesday; and that the remainder of the supplemental appropriation consideration would be probably extending into Wednesday. But Members who are particularly concerned about the schedule of the Contra vote should assume that that will be on Tuesday rather than on Wednesday.

Mr. LOTT. Assuming the rule does pass, and the way things are going, it may have difficulty passing, then you are saying probably it will come up on Tuesday.

I know the gentleman has to work with what the Rules Committee does, he has to work with the majority leader, he has to work with the Speaker and all of that. But I think the Members get very frustrated on both sides of the aisle when we are told for instance we are going to complete a piece of legislation, like yesterday, that day and then the last minute we come in and, no, we are going to quit at 7 o'clock. If we are not going to have the vote on Contra aid on Tuesday, I would urge the leadership to please give their membership as well as ours as much advance notice as possible.

Mr. FOLEY. I will tell the gentleman that if it appears that my prediction of a vote on this matter on Tuesday turns out not to be likely, that I will take it upon myself to advise the membership so far as I am able to do at the earliest possible moment. But at the moment I think the safest assumption for Members would be, subject to the rule, of course, that it will be on Tuesday.

I would also like to say to the gentleman that I have already made the statement about 7 o'clock; but it often is difficult as the gentleman knows to predict the course of the debate, particularly on very important legislation and one that is controversial. It was assumed yesterday that we could complete the action on the bill by 7 o'clock in the evening. That turned out to be overly optimistic in terms of the schedule. So it probably is now clear from my announcement that except in extraordinary cases which we will announce earlier, Members can assume that 7 o'clock will be the deadline.

Mr. LOTT. One final question, and then I would like to yield to our leader, who may be seeking recognition. I notice that next week is the week of April 15.

Mr. FOLEY. Yes.

Mr. LOTT. Which under Gramm-Rudman legislation we are supposed to have acted certainly here in the House, as a matter of fact, the House and the Senate, to have acted on the budget resolution. I notice that the budget resolution is not scheduled. I know personally that the Budget Committee is not having hearings other than the road show it had earlier this year. They do not have a chairman's mark, they do not have any agreements with regard to assumptions.

Do we have any idea of when maybe the House would consider acting on the budget resolution? I mean other than just waiting to see what the Senate will do, do we have any agenda of our own around here anymore?

Mr. FOLEY. Well, I think that the gentleman knows that Members of his own party have been meeting and considering budget alternatives and positions and there have been Members on our side who have been talking about this issue. I cannot assure the gentleman, obviously it is not on the schedule for next week, that it will be considered next week. The gentleman knows that the committee has not yet reported the budget.

It would not be the first time that we have technically missled the schedule that is our target.

Mr. LOTT. It is not the first time?

Mr. FOLEY. It is not the first time, as the gentleman knows. A more important consideration——

Mr. LOTT. It is the first time we have missed it under Gramm-Rudman, though, right?

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Mr. FOLEY. Well, we have not missed it yet. But if we miss it, it will be the first time we missed it under Gramm-Rudman. But of course every day is the first day that something has happened under Gramm-Rudman.

I would say this, that I think the more important question, and I am sure the gentleman will agree, is whether we conclude a budget that meets the terms of Gramm-Rudman and satisfies the Congress, House and Senate, and I would hope a bipartisan majority of both sides on the substance of Gramm-Rudman rather than on the technical timetable. It is important if we can to meet the technical timetable, certainly.

Mr. LOTT. Well, if the gentleman would let me comment on that, that is our goal, we certainly want that. We should not necessarily be controlled totally by the time schedule. But we only have about 98 days left in this session of Congress and we are not doing anything on the budget resolution. We are not going to go beyond 7 o'clock, I mean we do not want to rush too much into things. Maybe a Tuesday-to-Thursday schedule is all we would want to rush headlong into here this early in the year. I am being sarcastic, but honestly we need to be meeting. We are ready on this side of the aisle to begin markup on the budget resolution today. We are ready to go.

Now I realize the gentleman is not chairman of the Committee on the Budget, but I am trying to emphasize for our colleagues that the deadline of April 15 is going by and nothing is happening in the Budget Committee whatsoever.

I would like for the House and the Senate to simultaneously move forward on the budget resolution in a bipartisan way. But we are never going to get it until we get started.

Mr. FOLEY. If the gentleman will yield further, I believe he overstates the circumstance. We have not yet had a report from the Committee on the Budget. But much is happening in fact on both sides of the aisle to move us toward that direction. I remain, personally, very confident that we will have a budget and that we will successfully meet the requirements of Gramm-Rudman on the substance of a budget resolution, whether the precision of a particular date that is after all the target is met is less important in my view than the substance.

Mr. LOTT. I yield to the distinguished minority leader.

Mr. MICHEL. I would like to inquire: On Tuesday, would those votes, any votes that would be demanded on the suspensions from the day before, be done initially on Tuesday or toward the end of business?

Mr. FOLEY. I think we would probably do them at the end of the day. If the gentleman thinks that that would be a convenience, we would be glad to schedule it that way.

Mr. MICHEL. Quite frankly, there are Members who have been inquiring of me whether or not there would be rollcalls.

Mr. FOLEY. Personally, I would assure the gentleman, I would have to assure the gentleman that it is probably better to take them first because we are going into a fairly long procedure with respect to the supplemental appropriation bill and I think to give Members fair notice I will take the burden of saying that we will consider any votes ordered on suspensions as the first order of business on Tuesday prior to the adoption of the bill.

Mr. LOTT. I thank the gentleman.

Mr. MICHEL. I thank the gentleman.

Mr. FOLEY. Without going into the subsequent week, I think the gentleman may know that the subsequent week after next week will be the beginning of the Passover season and that Members should be advised that because that week will, of course, require the observance of Passover probably beginning on Wednesday afternoon before sundown, that Members should assume business on Monday, Tuesday, and Wednesday of that week.

☐ 1230

Mr. LOTT. But not on Thursday or Friday?

Mr. FOLEY. Correct.

Mr. LOTT. Mr. Speaker, I thank the gentleman for that information.

ADJOURNMENT TO MONDAY, APRIL 14, 1986

Mr. FOLEY. Mr. Speaker, I ask unanimous consent that when the House adjourns today, it adjourn to meet at noon on Monday next.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Washington?

There was no objection.

HOUR OF MEETING ON WEDNESDAY, APRIL 16, 1986

Mr. FOLEY. Mr. Speaker, I ask unanimous consent that when the House adjourns on Tuesday next, it adjourn to meet at 12 o'clock noon on Wednesday next.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Washington?

There was no objection.

DISPENSING WITH CALENDAR WEDNESDAY BUSINESS ON WEDNESDAY NEXT

Mr. FOLEY. Mr. Speaker, I ask unanimous consent that business under the Calendar Wednesday rule be dispensed with on Wednesday next.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Washington?

There was no objection.

REMOVAL OF NAME OF MEMBER AS COSPONSOR OF H.R. 3921

Mr. EDWARDS of California. Mr. Speaker, I ask unanimous consent to remove my name as a cosponsor of H.R. 3921.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from California?

There was no objection.

AGRICULTURAL EXTENSION SERVICE

(Mr. COBEY asked and was given permission to address the House for 1 minute.)

Mr. COBEY. Mr. Speaker, one of the greatest assets to American farmers is the Agricultural Extension Service.

However, the administration has proposed reducing Federal support of the Extension Service by $188 million in fiscal year 1987—a cut of roughly 59 percent.

This program should be given a higher priority in the Federal budget.

Without this 72-year-old service, American farmers couldn't benefit like they have from the agricultural research done at land-grant colleges and universities.

I introduced today a resolution expressing the House's desire to provide enough funds to maintain the current operations of the Extension Service.

I urge my colleagues to cosponsor this legislation.

Let's help American farmers and consumers alike by continuing the vital efforts of the Agricultural Extension Service.

NATIONAL MATHEMATICS AWARENESS WEEK

Mr. GARCIA. Mr. Speaker, I ask unanimous consent that the Committee on Post Office and Civil Service be discharged from further consideration of the Senate joint resolution (S.J. Res. 261) to designate the week of April 14, 1986, through April 20, 1986, as "National Mathematics Awareness Week," and ask for its immediate consideration.

The Clerk read the title of the Senate joint resolution.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from New York?

Mr. HANSEN. Mr. Speaker, reserving the right to object, I do not object, but I simply would like to inform the House that the minority has no objection to the legislation now being considered.

Mr. Speaker, I withdraw my reservation of objection.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from New York?

There was no objection.

The Clerk read the Senate joint resolution, as follows:

S.J. Res. 261

Whereas mathematics is vital to the economic security and defense of the United States;

Whereas enrollment in mathematics programs at all levels is declining;

Whereas in 1984, only 55 percent of doctoral graduates in mathematics from institutions in the United States were United States citizens;

Whereas medical science, space science, computer science, business, defense, and government have increasing need of the technological innovations brought about in recent years by the application of mathematics to such areas; and

Whereas the National Research Council in a report on the current state of mathematics expresses the need for citizens to be aware of the vital role that mathematics plays in daily lives: Now, therefore, be it

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled, That the week of April 14, 1986 through April 20, 1986 is designated as "National Mathematics Awareness Week" and the President is authorized and requested to issue a proclamation calling upon the people of the United States and all Federal, State, and local government agencies to observe such week with appropriate programs and activities.

The Senate joint resolution was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

GENERAL LEAVE

Mr. GARCIA. Mr. Speaker, I ask unanimous consent that all Members have 5 legislative days within which to revise and extend their remarks on the Senate joint resolution just passed.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from New York?

There was no objection.

CORNELIUS BEHAN

(Mrs. BENTLEY asked and was given permission to address the House for 1 minute.)

Mrs. BENTLEY. Mr. Speaker, this House just concluded a very difficult and heated issue on gun legislation. We have all seen that there are more than one view on many of the issues that were involved. It is to be expected that some will say things in the heat of the moment which they will regret on mature reflection.

But I must speak out here about an intemperate, unfair and untrue attack upon a great police officer. My district and Baltimore County are fortunate to have a police chief who is experienced, professional, and of unquestioned integrity, Chief Cornelius Behan.

I sought his counsel on matters of the pending legislation and have found him straightforward and honorable in pressing his views. The people of Baltimore County and I will not tolerate slurs upon his reputation. His concerns have always been for the people of the county committed to his care and for his men and all policemen. We in Baltimore County prize his competence and his concern and reject efforts from those who would deprive us of him for expressing his views forcefully. Chief Behan has pressed his views without making personal attacks on those who disagree with him. Let us follow his example.

GENERAL LEAVE

Mr. BATEMAN. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks and to include extraneous material on the subject of the special order today by the gentleman from North Carolina [Mr. BROYHILL].

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Virginia?

There was no objection.

REAGAN WANTS TO USE, NOT ENDORSE CONTRAS

(Mr. DANIEL asked and was given permission to address the House for 1 minute and to revise and extend his remarks and include extraneous matter.)

Mr. DANIEL. Mr. Speaker, there is an ancient saying in the Middle East: "The friend of my enemy is my enemy; the enemy is my friend."

While I would personally be less harsh in my assessment of those Nicaraguans who are fighting to remove the Communist government in that country, certainly these people qualify as the "enemy of my enemy."

Enclosed is an editorial which appeared in the April 7 edition of the Lynchburg, VA, News. This editorial addresses the issue in understandable language. I commend it to your attention.

[From the Lynchburg (VA) News and Daily Advance, Apr. 7, 1986]

REAGAN WANTS TO USE, NOT ENDORSE CONTRAS

The American public is still being greviously misinformed about the issues in the Reagan administration's dispute with Nicaragua's Sandinista government.

Despite his political statements for public consumption, the president is not seeking $100 million to aid the Contra rebels opposing the Soviet-Cuban Sandinistas because he really considers the rebels democratic-inspired patriots. He wants to aid them because they are making life miserable for the Sandinistas—and the Soviet-Cuban attempt to build a base in Central America.

It's a matter of supporting the thugs who oppose the thugs who oppose you.

Reagan is taking the long view here, and the long view is inescapable. If we don't hamper Soviet-Cuban-Sandinista efforts to establish a base in Nicaragua by providing money and equipment now, we eventually will have to provide our blood.

To hear the president's Democratic opponents tell it, he's supporting thugs who aren't any better than the Sandinistas. In an interview in this paper last Sunday, the chairman of the politics department at Randolph-Macon Woman's College went along with that. The Contra rebel record of violence, he said, is "five times worse than the Sandinistas."

While that may be, it is a moot point, since Reagan is not endorsing the Contras but is using them in the best interests of the United States. And that interest is to hinder in any way he can the establishment of a Soviet-Cuban stronghold in Central America.

The president's opponents seem not to fear such a stronghold, or to oppose it. Their alternative seems to be to "negotiate" with the people who are establishing the base. How they can expect to negotiate with totalitarians, or bring them around to our way of thinking, flies in the face of historical experience and logic.

Ernest A. Duff at R-MWC has impressive credentials in the foreign service field, with special emphasis upon Central and South America. He considers a military solution in Nicaragua to be insane.

What we have there now, however, is a military solution. Military regimes are seldom, if ever, toppled or removed by negotiation or peaceful means. That is counter to their nature.

In turning down Reagan's $100 million aid request, the House Democrats signaled to the Sandinistas that they were willing to go along to get along.

The Sandinistas read it right: Within hours after that vote they send some 1,500 to 2,000 troops into neighboring Honduras to attack the Contra rebel camp there. Quick Reagan response in the form of helicopters to ferry Honduran troops, and fierce resistance by the Contras apparently repulsed the Nicaraguans.

The press, ironically, wondered why such fuss was made of the invasion when the Nicaraguans have violated the Honduran borders dozens of times in recent years, and as late as last May, sent some 1,000 troops into the same remote area. Whose fault is it if the invasions were not reported in the press? The press obviously knew about them.

It is inimical to our safety to have a Soviet-Cuban base in Nicaragua. It is to our interests to block the establishment of such a base, and if possible to eliminate the government responsible for it.

If we can do that without shedding our blood we should do so. Aiding the Contras does not mean we endorse them; it merely means that we are helping them to oppose our enemy.

APRIL IS CHILD ABUSE PREVENTION MONTH

(Mr. AKAKA asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. AKAKA. Mr. Speaker, I rise to draw your attention to the profound physical, emotional, and psychological

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trauma associated with child abuse. Thousands of victims are overwhelmingly subjected to such abuse not once, not even a dozen times, but consistently and regularly over years, perhaps throughout a lifetime. Almost always, retribution is out of the question in the minds of the victims because they suffer at the hands of their caretakers, their loved ones, their parents. My friends, I speak for the nearly 2 million infants, children, and adolescents who are the victims of child abuse and neglect.

According to the American Association of Protecting Children, between 1976—the first year national statistics on child abuse were collected and reported—and 1983, reports of child abuse and neglect have increased 142 percent. In 1984, 1,024,000 reports were documented, involving 1.7 million children. These figures reflect a 16-percent increase over reported cases in 1983. In Hawaii, the number of reports has increased by an average of 20 percent a year since 1980. Whether this trend reflects an increase in the actual number of child abuse cases or is solely due to an increase in reporting cannot be determined.

The steadily increasing numbers mean two things; on the positive side, we can be encouraged that the increase in reporting is a manifestation of greater awareness of the problem of child abuse and neglect, and that more cases reported mean more children getting the attention and help they so desperately need. On the darker side, the alarming and ever-growing numbers are indicative of a very serious and widespread problem. Even more disturbing, the directors of three leading clinics that treat young victims, in Denver, Boston, and Washington, DC, concur that the severity of cases and the number of fatalities have increased significantly.

Mr. Speaker, April has been designated Child Abuse Prevention Month. I want to urge all of you to contact your local schools, hospitals, police stations, and child abuse prevention centers and voice your concern over this heartbreaking problem. Experts have suggested that reported cases represent only one-third to one-fifth of all cases. We must make an effort to reach out to the millions of children who suffer in silence. All too often, cases go unreported due to the stigma associated with involving oneself with another family's affairs. Raising public awareness and consciousness will help remove the stigma.

May I take this opportunity, Mr. Speaker, to enlist the support of my colleagues for H.R. 2999, known as the Children's Justice Act, introduced by the distinguished gentleman from New York [Mr. DioGuardi]. This bill will amend the Child Abuse Prevention and Treatment Act to establish a program to encourage States to enact child protection reforms which are designed to improve legal and administrative proceedings regarding the investigation and prosecution of child abuse cases, especially sexual abuse cases. Among other things, in order to qualify for a grant under this bill, a State must provide for the handling of child abuse cases in a manner which reduces the trauma to the child victim. A State must also establish administrative reforms for the purpose of improving procedures to protect children from abuse.

The Senate companion bill, S. 140, passed the Senate on August 1, 1985. The House Subcommittee on Select Education, in cooperation with the offices of Mr. DioGuardi and Mr. Sikorski and the other committees with jurisdiction over this bill, have worked out an amendment in the nature of a substitute to S. 140. The amended bill will be forwarded to the House floor in the near future. In the meantime, additional cosponsorship of Mr. DioGuardi's bill can help expedite action on this important legislation.

Child abuse is a complex problem surrounded by many unanswered questions, which is why it is so crucial that we do the most we can where we can, such as raising public awareness and improving legal proceedings for child abuse investigation and prosecution. The sheer number of children involved constitutes it as a national tragedy. Mr Speaker, this month, Child Abuse Prevention Month, our children, who are our future, deserve our special attention.

VIETNAM VETERANS AGAINST CONTRA AID

(Mr. ALEXANDER asked and was given permission to address the House for 1 minute to revise and extend his remarks, and to include extraneous material.)

Mr. ALEXANDER. Mr. Speaker, I learned yesterday of the organization of a new group. The name of this new group is Vietnam Veterans Against Contra Aid. They submitted to me a foreign policy statement which addresses the question of fighting communism.

The thesis of the Vietnam Veterans Against Contra Aid says that the current policy of the administration actually encourages communism in Central America.

I include a copy of their document for the review of all Members:

Vietnam Veterans
Foreign Policy Watch,
Washington, DC.

Why the Kremlin Loves the Contras

Ever since he took office in 1981, one of President Reagan's primary goals has been to overthrow the Sandinista-led government of Nicaragua. Rather than do it directly with American troops, he hired the job out to an outfit called the Nicaraguan Democratic Force (FDN), more commonly known as the Contras. Well, after five years (half a decade!) and over $100 million in aid from the U.S. government and other sources, how are they doing?

They certainly have grown. The Contras are now nearly 20,000 strong and are very well armed with all sorts of small arms, including mortars, anti-tank rockets and ground-to-air missiles. They enjoy safe base areas and air transport logistical support in Honduras, and they receive all the intelligence they need from extensive and sophisticated American sources in the area. Finally, they have relied on the direct help of CIA-paid mercenaries (who are not part of the FDN) to carry out the big high-risk operations like the commando boat raids on the port cities of Potosi and Corinto in 1984. Yet, even with all these advantages the FDN has managed no more than a few small-unit ambushes of army patrols and truckloads of civilian coffee-pickers on their way to the harvest. The CIA has even had to chide them for their lackadaisical performance.

This does not mean that the Contras are not a threat. Had the Nicaraguan government not been able to find outside sources for military aid, or if they did not have at least the passive support of most of the population, even a smaller Contra force could have taken over the country.

Nicaragua has naturally taken the Contra growth seriously and has responded as any nation rightfully should by increasing the size and firepower of its own forces. After provoking this build-up by boosting the Contras, Reagan now says that the Nicaraguan military is "stronger than necessary for self defense." But how much is enough when under threat of invasion by an army backed by the most powerful nation on earth? More seriously, the threat-induced build-up has now become the rationale for support of the Contras, and may yet become the excuse for the direct use of American troops.

Ironically, from the Administration's standpoint, the threat posed by the unpopular FDN has enabled the Sandinistas to retain a certain amount of popular support and tolerance which might otherwise have been lacking, depending on their ability to govern and manage the economy. In other words, if the Sandinista regime is inept, corrupt and oppressive, the Contra threat and American economic sanctions shield them from being harshly judged so by the people. One is reminded of how the cloak of nationalism obscured the faults of the North Vietnamese and spotlighted Ngo Dinh Diem's dependency on foreign support.

Despite the threat, however, it is clear that the FDN has become a welfare army, neither capable of feeding or clothing itself through the support of the people, nor of arming itself by raids on enemy armories—hallmarks of a true revolutionary army. And every additional dollar we send down there makes them even more welfare-dependent.

Obviously, unless the military balance is significantly altered, or unless the bulk of the population turns actively against the Sandinistas for economic reasons, the Contras will not be able to overthrow the present government of Nicaragua. The Soviet Union will simply not permit Nicaragua to become that vulnerable militarily or economically. At least so far, every step that the Reagan Administration has taken up the escalation ladder has been countered by the Soviets.

There are two dangerous aspects to this escalation tango. First, the next potential steps involve much more powerful weapons than those employed until now; these could influence events to get out of control and drag in more direct participation by other nations. Second, at what stage will Soviet involvement turn into Soviet commitment? It will be remembered that sometime during the Kennedy Administration, a reversible U.S. involvement in Vietnam became a national commitment, the credibility of which was the determining factor in the decisions which led us in ever more deeply. The consequences of the Kremlin following the same path are appalling to contemplate.

U.S. policy has led to a precarious and lethal stalemate, the continuation of which will result in more money going down the Contra drain and more people being killed. It is not unreasonable to think that Soviet leaders are probably quite pleased with the situation and would like to see it go on and on. Since they have no vital strategic stakes in Central America there is nothing they absolutely need to win there. They "win" by merely continuing to aid Nicaragua, thereby appearing to the rest of the world like helpmates of Third World victims of lawless American aggression. In this way the Reagan policy serves Soviet interests more than America's

U.S. policy should not, cannot, continue this way much longer. The interventionists are in favor of ending this bloody stalemate with a direct American invasion. Most analysts agree that such an invasion would succeed in short order; all that is needed is a triggering excuse. After defeating the regular Nicaraguan army and several militia units the American troops could then turn the country over to the Contras and withdraw after five or six months.

Once in power, would the Contras establish a pluralistic democracy for Nicargua? Because of scattered post-invasion resistance and popular resentment, the Contras would begin ruling by martial law, thereby getting a taste of the fruits of dictatorial power and all its opportunities for self-enrichment. It is naive to think that they would give up such power, given their political experience and values learned from service to Somoza. And finally, the former ruling families now insconced in Florida resorts would surely return to impose oligopolistic control over the economy.

But wouldn't we be able to influence them to eliminate corruption and govern by democratic principles? Unfortunately, we would be committed to them just as we were committed to Ngo Dinh Diem in South Vietnam during the early 1960's. We have only to remember how ineffectual were our efforts to influence his regime. Just as in the case of Diem, there would simply be no credible threat we could use to make the FDN comply without at the same time admitting failure and imposing imperialistic control. Democratic ideals cannot be imposed from without.

Now, as the Administration seeks higher levels of aid for the Contras "in order to pressure the Sandinistas to negotiate seriously" we are reminded of the "graduated response" which was to have driven Ho Chi Minh to the negotiating table. The folly of gradual escalation is one of the most elemental "lessons of Vietnam," yet is a folly now repeated with similar consequences in Nicaragua's adjustments and in the mobilization of adverse world opinion. What a windfall for the Kremlin propagandists! They don't have to think up any lies about our actions in Central America; the actions do their work for them.

By now it should be obvious that continued or increased support of the Contras is a "no-win" policy. But direct U.S. invasion, a violation of basic American values as well as of international and domestic law, would validate Soviet accusations of U.S. aggression, saddle us with the blame of creating an unpopular dictatorship and polarize American society.

The only alternative that can truly serve American interests is a negotiated settlement with the existing Nicaraguan government. Once the Administration stops insisting on conditions which no sovereign nation would accept, mutually agreeable terms would likely emerge. The legitimate security concerns of the neighboring countries would be ensured by the collective security arrangements in the charter of the Organization of American States, while the matter of the basing of long-range offensive weapons would continue to be covered by the existing tacit understandings on the subject in this hemisphere.

If the Sandinistas prove to be politically and economically inept in peacetime, or if their regime becomes intolerable, the responsibility for dealing with them lies with the Nicaraguans, not us. There are generally acceptable ways the U.S. can express its disapproval if they are harming themselves. If they are helping themselves we have the opportuntiy of joining them and sharing the credit, so long as we are not at war with them.

The current policy serves Soviet interests and damages our own; a disaster looking for a catastrophe for us and the people of Nicaragua. For them the deprivation and death caused by the warfare is real, not the abstract game of "hardball" borne in some strategist's mind. They know, indeed the whole world knows, that their present pain and suffering is caused by American sponsorship of the FDN. That is why the Kremlin loves the Contras.

Our Czechoslovakia

As a Vietnam veteran and a careful student of the history of that war I have learned how to smell certain kinds of foreign policy blunders a mile away. In fact, I can smell one right now, 2,000 miles away, along the border between Nicaragua and Honduras. Yes, I'm talking about the contras.

Now first of all, I'm not about to say that there's going to be another "Vietnam" down there. Nor am I going to talk about who's right and who's wrong; that argument has long since degenerated to the level of an adolescent squabble:

"Your side did this terrible thing."

"Oh, yeah? Well, your side did that terrible thing!"

"No, they didn't!"

"Yes, they did!"

My question is whether support for the contras is going to work or not, and whether it's in America's interest.

Do you really think that ten and twelve or twenty thousand guerillas are going to be able to defeat a 60,000-man Nicaraguan army equipped with tanks and helicopter gunships, and backed by an armed civilian militia of 80,000?

And isn't it obvious that any increase in contra strength will be offset by a corresponding increase in Soviet and Cuban aid?

If the prospect for a contra victory is so remote, it is naive to think they can force the Sandinistas to the negotiating table on the terms laid out by the Reagan Administration.

Perhaps you are expecting the Nicaraguan people to rally to the contra side? After five years of declining economic conditions and rising discontent they haven't yet done so in any great number. Nor are they likely to do so, chiefly because they are not a homegrown revolution. The contras are entirely a creation of the CIA and the old Somoza crowd, and consequently will never have legitimacy in the eyes of the Nicaraguan people.

Just look at them! The contras is an army of welfare cheats, unable to even feed or clothe itself through support from the people as any genuinely democratic revolutionary force should do.

So, where is this policy of supporting the contras leading? Intimations of the future can be found in echoes from the past.

Back then the dominoes were Thailand, Malasia, Burma, Pakistan and India. Now they are Central America, Panama, Mexico.

Back then it was, "Fight them over there or else on the beaches of Hawaii and California." Now, it's at the gates of El Paso.

Back then the real clincher was, "We've got to maintain the credibility of our commitments." We hear the same thing today.

And remember when President Johnson promised to never send American boys to fight an Asian war?

South Vietnam was illegitimate, an artificial creation of the Geneva Accords of 1954, and they were never able to do the job. The contras are an illegitimate, artificial creation, too, not able to do the job.

Can't you just smell what's coming? All that's needed to set the Marines in motion is an excuse like the Gulf of Tonkin Incident. (In case you haven't heard, that was a sham, according to Admiral Stockdale, who was flying overhead at the time.)

But it won't be another "Vietnam." We'll win this one. The Sandinista army is no match for three or four American divisions and a couple wings of fighter-bombers. After victory we'll turn the country over to the contras, who will have to rule with harsh police powers due to their unpopularity and illegitimacy.

No, it won't be another "Vietnam." The whole world, and tens of millions of loyal Americans, will call it our "Czechoslovakia."

Is the only alternative to abandon the Western Hemisphere to the Nicaraguan "red tide?" Of course not. Even with the Contadora process faltering, there is a wide range of universally recognized legitimate ways to deal with Nicaragua, including the use of military force, if they attack the sovereignty of their neighbors.

Concerning their internal politics, let's let the Nicaraguan people themselves handle it. When the Somoza dictatorship became unbearable, they were able to pick him out without our help, now weren't they?

Contra Aid; a Perspective of Linkages; From Peace Corps Experience

A recent press photo shows President Reagan holding up a T-shirt given him by a group of stockbrokers. The shirt's lettering proclaims: "Stop Communism in Central America." Festive, laughing faces of the people huddled around—and of the president—reveal the distance from which Central America is viewed.

Having worked and studied for four years in Latin America, I do not view it from such distance. My view is from real experience

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there, not just high level diplomatic or business contacts.

Notice who is saying what on the contra issue. Of those of us with reasonably long experience at a "people-level" in the region, the far predominant view is that all Contra aid should be stopped.

I am happy to hear Administration spokesmen mention Vietnam parallels, even if their conclusions are twisted. Reminded of Vietnam, the public may see the similarity of economic underpinnings of the conflict there and the conflict in which the Nicaraguan revolution was born. Primary in both cases was maltreatment of the peasantry for many decades, with land ownership concentrated in few hands.

Indeed, we should observe parallels in the direction of farmland ownership in the U.S. A world market oriented price policy has eroded farmer (and public) influence over our farm economy for about thirty years. In Central America, world market factors have predominated over any public price policy for much longer.

People in Midwestern farm communities like mine have much reason lately to be sympathetic of landless Third World peasants. Also, the Midwest lost many youth to our SE Asian venture. Two who did not come back were high school friends of mine.

If the president persists in his approach to Central America, he may wind up sending more American youth to join battle. I advise that he not expect so many from the Midwest this time. Let him try Wall Street.

Sincerely,

Don Deichman,
Rural Route 1,
Laddonia, MO 63352.

(Peace Corps Volunteer in Colombia, 1971-74; Land Travel through Central America and Mexico, 1974; On Study Grant for Agriculture Economic Research in Peru, 1977-78.)

NATIONAL ANDREI SAKHAROV DAY

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Maryland [Mr. Hoyer] is recognized for 5 minutes.

Mr. HOYER. Mr. Speaker, today I, along with my colleagues and good friends, Representatives Jack Kemp, Barney Frank, and Ben Gilman, am introducing a resolution authorizing and requesting the President to proclaim May 21, 1986, "National Andrei Sakharov Day" to honor Dr. Andrei Sakharov and the principles of liberty he so nobly personifies.

In bringing the plight of Dr. Andrei Sakharov and Dr. Elena Bonner to light, we hope to impress upon the Soviet Union's leaders, indeed the world community, that the Congress of the United States and the American people are concerned and will not cease in their efforts to secure the freedom of Sakharov and Bonner.

Clearly Dr. Sakharov has been deprived of his human rights. Denied freedom of expression, of travel and association, and isolated because of his political beliefs, Sakharov remains a political prisoner of the Soviet Government. Committed to the human rights cause throughout his life, in his book, "Progress, Coexistence and Intellectual Freedom," Dr. Sakharov explains that:

> * * * Intellectual freedom is essential to human society—freedom to obtain and distribute information, freedom for open-minded and unfearing debate and freedom from pressure by officialdom and prejudices. Such a trinity of freedom of thought is the only guarantee against the infection of people by mass myths, which, in the hands of treacherous hypocrites and demagogues, can be transformed into bloody dictatorship.

The freedoms Dr. Sakharov extols are those which are guaranteed by the Helsinki Final Act signed by the representatives of 35 states including the Soviet Union.

At this moment, Mr. Speaker, representatives of all 35 participating states are meeting in Bern, Switzerland, at a human contacts experts meeting to discuss implementation of those provisions calling for the greater flow of information and increased contacts between people. Those representatives will be dealing with questions related to the reunification of families, marriage between citizens of different states, contacts and regular meetings on the basis of family ties, travel for personal or professional reasons and promotion and expansion of contacts between people and between organizations.

This is a critically important meeting for it brings forward for review and thorough discussion, implementation by the participating states of certain provisions of the Helsinki Final Act, which at a very human level describe how a state treats its citizens. And it is that treatment which so poignantly and clearly distinguishes the United States—and its allies—from the Soviet Union and the Eastern bloc.

Although the meeting in Bern is scheduled to end May 26, the efforts of the Helsinki Commission and of my colleagues to bring to the attention of the world the persecution of dissidents, the denial of religious freedom, and the repression of national minorities by the Soviet Government shall continue. The plight of Dr. Sakharov is not an isolated example. It epitomizes the Soviet Union's disregard for the human freedoms and moral standards which guide relations among the states as set forth at Helsinki in 1975.

In conclusion, Mr. Speaker, we are all aware that Dr. Elena Bonner is scheduled to return to the Soviet Union next month. This is not an easy time for Dr. Bonner, for her family remains divided. By returning to her husband, she leaves behind her mother, children and grandchildren, perhaps with the expectation that she may never see them again. So as the time draws near for her return, the pain and anxiety must increase. I want Dr. Bonner to know that she carries with her the dedication of the U.S. Congress to continue in its efforts to secure for both her and Dr. Sakharov the freedoms which they both so nobly personify.

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Mr. GILMAN. Mr. Speaker, will the gentleman yield?

Mr. HOYER. At this time, Mr. Speaker, I yield to the distinguished gentleman from New York [Mr. Gilman], long a fighter for human rights in this Nation.

Mr. GILMAN. I thank the gentleman for yielding.

Mr. Speaker, I am pleased to rise in support of this joint resolution, and I want to thank the gentleman from Maryland, the cochairman of the distinguished Helsinki Commission, Mr. Hoyer, for introducing this legislation designating May 21, 1986, as "Andrei Sakharov Day." I am pleased to be able to join with our distinguished colleagues, the gentleman from Massachusetts [Mr. Frank] and the gentleman from New York [Mr. Kemp], in cosponsoring this important resolution. It is our hope that this continued focus on the plight of the Sakharov family will soon help to bring about his release from the closed city of Gorky.

Many of us are aware of the prolonged harassment and physical punishment to which Soviet officials subjected this illustrious Nobel Peace Prize winner. Force fed during hunger strikes in which he advocated the release of his wife, Dr. Yelena Bonner, for much needed medical treatment in the West, Dr. Sakharov finally achieved his goal of convincing Soviet authorities to grant Dr. Bonner a temporary exit visa.

In between surgeries, she took time to visit Washington recently. We were all taken by her courage and by her firm commitment and her concern for human rights and for her husband's health as he lingers alone in exile in Gorky.

It has been almost 1 year since Alexei Semyonov, Dr. Sakharov's stepson, conferred with Congressman Barney Frank and myself in an attempt to discern the authenticity of postcards received from his parents in the Soviet Union. Andrei Sakharov and Yelena Bonner have, for years advocated the principles of the Helsinki Final Act and the Universal Declaration of Human Rights. Being in the forefront of the human rights cause in the Soviet Union, unfortunately, means that one is subjected to gross violations of international law to which the Soviet Union is signatory. Arbitrary confinement, confiscation of property, and eternal harassment by KGB agents becomes the order of the day. Yet, both Dr. Sakharov and Dr. Bonner have maintained their courage and their dignity in the face of this continued oppression.

However, it is not without hope that we continue to be advocates on their behalf. Some of the leaders of the human rights movement in the Soviet Union have recently been freed, including most recently Anatoly Shcharansky. Their struggle is our struggle. Recognition of that unity of purpose is why the proclamation of Andrei Sakharov's 65th birthday as "National Andrei Sakharov Day" is so vitally important. I urge our colleagues to join us in this effort by their cosponsorship of this measure, and I thank the gentleman for his outstanding continuing leadership in this most important matter.

Mr. FRANK. Mr. Speaker, will the gentleman yield?

Mr. HOYER. I yield to the gentleman from Massachusetts.

Mr. FRANK. I thank the gentleman for yielding.

Mr. Speaker, I want to congratulate the gentleman from Maryland, and I associate myself fully with his remarks. I admire his initiative on this subject.

Mr. HOYER. I thank the gentleman.

Mr. KEMP. Mr. Speaker, I would like to thank the gentleman from Maryland, the cochairman of the Helsinki Commission and my cosponsor on this resolution for his leadership and unflagging efforts, and the gentlemen from New York and Massachusetts for their contribution in making this a truly bipartisan effort. I recently had the honor of meeting Dr. Yelena Bonner, wife of Dr. Andrei Sakharov and a leader in the fight for freedom in her own right. Dr. Bonner was in the United States to obtain the medical treatment she so desperately needed, which she could not get in the Soviet Union. She took advanatage of the opportunity to visit with her children, who reside in Boston, and with Members of Congress who are concerned with her fate, and that of her husband. The fact that Dr. Bonner was allowed to leave at all, even temporarily and without her husband, was most likely the result of the intensive campaign launched by governments and individuals the world over who are concerned with the issue of human rights, and appalled by the treatment the Soviets accord those citizens who dare to voice their dissent from the established party line.

But Dr. Bonner must return to the internal exile she shares with her noted husband, Nobel Prize laureate Andrei Sakharov. It is a crime of international proportion that these two individuals should be so poorly treated by their country of birth. Separated from their families, sentenced to internal exile for more than 6 years in a closed city, cut off from nearly all communication, denied necessary medical treatment, these two individuals still maintain their courageous stance.

It is important that we declare a national commemorative day on Dr. Sakharov's birthday to honor Dr. Sakharov and his wife, Dr. Bonner, and all others who suffer under the oppressive Soviet regime. This signals the Soviets that no matter how tightly the Government may try to contain internal dissent, the courage of the dissidents, the refuseniks, will shine like a beacon for all the world to see.

ORDER OF BUSINESS

Mr. FRANK. Mr. Speaker, I ask unanimous consent that the gentleman from Massachusetts [Mr. Studds] and myself be allowd to switch our positions in the order of today's special orders.

The SPEAKER pro tempore (Mr. Skelton). Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

PERSONAL EXPLANATION

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Texas [Mr. Boulter] is recognized for 5 minutes.

Mr. BOULTER. Mr. Speaker, due to a death in my family, I was unavoidably absent today, April 10, 1986. Had I been present, I would have voted in the following manner:

Rollcall No. 72, the Hughes amendment to the Volkmer substitute, to prohibit the interstate sale of handguns; "no."

Rollcall No. 73, motion for the Committee to rise; "no".

Rollcall No. 74, Volkmer substitute amendment to H.R. 4332; "yes."

Rollcall No. 75, final passage of H.R. 4332, as amended by the Volkmer substitute; "yes."

THE 3-YEAR BASIS RECOVERY RULE RESOLUTION

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Virginia [Mr. Bateman] is recognized for 5 minutes.

Mr. BATEMAN. Mr. Speaker, as we continue to study the effects of the House version of tax reform H.R. 3838, I urge my colleagues to join with me to insure that the 3-year basis recovery rule for the taxation of civil service employee benefits not be eliminated as section 1122(c)(1) of H.R. 3836 will require. I am introducing a resolution which will express the sense of the House of Representatives that the current 3-year basis recovery rule for the taxation of employee benefits be continued.

As you probably know, Mr. Speaker, the House version of tax reform, H.R. 3838, included a provision that would eliminate the tax-free period upon retirement that individuals currently receive while they recoup the portion they contributed to their pension. Instead, retirees will pay taxes on their pensions immediately following retirement. Although this cannot be considered a double tax, it will result in higher taxes being paid over the life of the retiree.

Civil service employees have contributed to their pension funds in good faith and this change in current law would be an unnecessary compromise of the integrity of the system. In addition, there are approximately 210,000 active Government workers currently eligible to retire. A change in the 3-year recovery rule could result in the retirement of many of these eligible workers, including some of the most qualified public servants with management and technical expertise whose experience would be difficult and expensive to replace. High wage earners will be especially hard hit by this change, which could leave the Federal as well as State and local governments with a shortage of qualified, experienced top-level professionals.

In addition, Mr. Speaker, it is quite possible that the tax revenues gained by this change in taxation of employee benefits could be significantly offset by increased Government expenditures for pension benefits in addition to continued salaries for personnel replacing retired workers. This disruption to Government services is unnecessary and would place a needless burden on the Government as well as the citizens of the United States who deserve continued efficient government service.

The resolution that I am introducing today expresses the sense of the House that the benefits that had been guaranteed to our 19 million public employees will not be arbitrarily reduced by tax reform legislation. In our effort to reduce the Federal deficit, one group of citizens should not be singled out to bear a disproportinate share of the burden. I urge my distinguished colleagues to join with me in a bipartisan effort to support this resolution and provide our civil service workers the security they deserve.

IT'S TIME TO CONSIDER A MARSHALL PLAN FOR AMERICA

The SPEAKER pro tempore. Under a previous order of the House, the gentlewoman from Maryland [Mrs. Bentley] is recognized for 30 minutes.

Mrs. BENTLEY. Mr. Speaker, after World War II, America moved into war ravaged Europe and Asia taking not only American tax dollars, but American technology and manufacturing expertise. It was a gigantic effort. Labor union representatives worked side by side with business managers. Democrats and Republicans mounted a bipartisan effort to put back together a world torn apart by years of war.

It was a noble undertaking. No other nation in history ever treated its enemies in such a humanitarian manner. And politically, we probably saved half of Germany and the rest of Europe from falling to communism.

We recognized that unemployed people and destroyed or desolate factories are fertile ground for revolutionary actions. That if an economy cannot generate wealth in jobs required to pay for the needs of a society, there is always a dictator waiting in the wings to promise a government that will take care of all needs. Slavery as a condition of "full-care coverage" is never mentioned.

We taught not only economic freedom, we spread political freedom and guaranteed it with American troops and armaments. Our commitment is marked by the graves of our sons and daughters from one end of the world to the other.

Today the countries which we saved for Democracy and capitalism have surpassed the teacher in their skills. Of the 10 major manufacturing nations in the world, America ranks 9th in manufacturing growth. Only little Norway is behind us.

This foreign government support of many heavy industries, such as steel, creates unfair competition with our

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American industries. The European Economic Community underwrote the European steel industry to the tune of $2 billion last year.

This makes a mockery of free trade in steel. It also makes the provisions of GATT and any idea of an equal trading partnership in steel with the European countries totally empty.

As these conditions accelerate in other product lines both with the EC and Southeast Asia, the offshore flow of United States manufacturing seeking cheaper manufacturing climates in order to become more competitive erodes not only our industrial base, it is destroying the taxing base. This creates a need to borrow more money abroad to pay the increasing deficits of our Government.

There are other major losses. Since 1980, 190,000 jobs have been lost in the steel industry. Since 1979, 300,000 jobs have been lost in the textile industry. Eight out of ten of the nuts, bolts, and screws used in this country come from abroad and 90 percent of all strategic ball bearings under 30 millimeters are imported.

Loss of jobs in these industries and in the shoe and furniture industry, in the radio and television manufacturing industry, in chemicals and agriculture related industries has yet to be totally counted. The list can be endless—watches, machine tools, electrical equipment, microchips, and on and on.

It must stop. No nation can exist in a leadership position in the world without being industrialized. No nation can afford a modern defense without a growing industrial base which can supply—on shore—the basic needs of manufacturing military weaponry.

I want us to examine all laws—taxes, trade, defense, labor—with the idea in mind of reindustrializing America. It should be made more attractive to manufacture in America, to hire workers in America. We can begin anew with legislation already in place. A few tucks and changes with the idea in mind that America must be rebuilt as the leading industrial nation of the world.

It's our turn now for a Marshall Plan for us. We've earned it, we've paid for it a thousand times over for other countries. Let's do it here. Let's begin now in this session of the Congress.

I yield back the balance of my time.

NICARAGUA

The **SPEAKER** pro tempore. Under a previous order of the House the gentleman from Massachusetts [Mr. FRANK] is recognized for 30 minutes.

Mr. **FRANK**. Mr. Speaker, yesterday I addressed some aspects of the situation regarding Nicaragua. My view is that it is a grave error for this Government to commit $100 million in assistance primarily for military purposes to the Contras and simultaneously, if we do that, understand that several hundred million dollars additionally will be required in money to Honduras as compensaton for the willingness of that government to serve, perhaps reluctantly, as a base for the Contras and the base building that has gone on that the gentleman from Arkansas [Mr. ALEXANDER] has documented that has been done, in violation, I believe, of the law.

So we are talking about a multi-$100 million commitment, the use of American funds to help people kill each other.

We live in an imperfect, sometimes unpleasant, world. I am not a pacifist. It is sometimes necessary for us as an instrument of Government policy to kill or to pay other people to kill. But we ought not try to pretend that is not what we are doing. We ought to be explicit. If we are going to make an American policy to spend our taxpayers' scarce dollars so that more people can kill each other, we ought to have very good reason. We do not have good reason in Nicaragua.

One of the reasons advanced by this administration has been the commitment to human rights. I was pleased yesterday when the gentleman from Georgia [Mr. GINGRICH] agreed with me that that was not a valid reason for the administration's policy. He disagreed with me on other grounds. He believes that there is a strategic threat to our country, represented by the events in Nicaragua, but he agreed that it is simply not valid for this administration to invoke the human rights aspect as a defense of their policy.

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As I said, it seems to me we ought to have very good reason to use our scarce funds to promote a policy of people killing each other.

The human rights argument simply does not wash. Just to recap, we have been told, for instance, that the Nicaraguans mistreat religious groups, and I am critical of the Nicaraguan Government's record in the area of freedom and democracy in many respects, but the Roman Catholic Church in Nicaragua is treated far better than the Roman Catholic Church in the People's Republic of China.

Jews, we are told, have some problems in Nicaragua, but Nicaragua is for Jewish people a paradise compared to Saudi Arabia.

I cite those two countries because Saudi Arabia and the People's Republic of China have been selected by the Reagan administration to be the recipients of American arms.

Now, allegedly, because Nicaragua does not do a good job respecting the rights of Catholics and Jews, we are sending people to shoot them, but with regard to the People's Republic of China and Saudi Arabia, whose record with regard to those two significant religious groups is far worse, we send them guns to shoot other people. I just do not think there is any basis whatever for the pose by the President that he is concerned with human rights, not when it is considered a great move for us to sponsor a resolution critical of Chile in the United Nations, surely which has a far more grievous record of oppression than any country now in our hemisphere in the Latin American continent, when the Chileans do that and we finally under this administration are mildly critical, it is simply hypocritical to suggest that this justifies our sending troops in elsewhere.

Well, we have been told by some others that they might agree that the human rights aspect is not a legitimate one, but what about the strategy? I want to stress, the human rights aspect continues to be used and if we are going to be given compromise proposals next week, and I believe we ought not to be voting any money to the Contras.

I remember the minority leader, as I said last night, the minority leader said on this floor several weeks ago, "If you don't vote for the money for Nicaragua now, it is going to be gone and it will be too late."

Well, apparently the minority leader was either wrong then or he is going to be asking us to waste money next week and I hope that people will not feel free to come on the floor and say things which are apparently patently untrue, because there is no way you can reconcile the minority leader's statement, the quotation he gave approvingly last month, with what he is going to be asking us to do next week.

But now, let us talk about the strategic argument. People have said, "Well, we have Cuban troops and military advisers in Nicaragua." We do. But we have a lot more Cuban troops and military advisers in Cuba. It really does not make any sense at all to argue that the Cuban military, which is present in Nicaragua in relatively small numbers, is any greater threat to our security that might be presented from the Cuban military in Cuba.

I believe there is a threat to us from the Soviet Union. If I did not, I would not be voting for hundreds of millions of dollars in military expenditures. I do not vote for quite as many hundreds of millions as Mr. Weinberger would like me to, but I am prepared and have voted for a significant chunk.

Obviously, there is an aggressive and hostile Soviet Union and in cases elsewhere in the world I am in favor of us supporting resistance, in Afghanistan and in Cambodia, in both cases, since I voted for money to support resistance; but there is a critical difference. In

those two countries, it is very clear that absent external military support, the governments would fall. If it were not for Vietnamese troops in Cambodia or Kampuchea and Russian troops in Afghanistan, those governments would not survive.

In Nicaragua, no one is arguing that it is Cuban or Russian or any other troops that keep that government in power. There are people who do not like the government. There are people who like it. There are those of us who find some very unfortunate aspects along with some positive aspects in the economic field, but no one has argued that it is kept in power by armed forces from without.

I think there is a critical moral difference between us and the Soviet Union that I want to maintain. It is one thing to go to the aid of people like Afghanistan and Cambodia, who are resisting armed external aggression, as they are, whether it be Vietnamese in the Cambodian situation or Russian in the Afghanistan situation.

It is different for us to announce, as some of my colleagues would announce, that we have got a veto over the kind of government you are allowed to have in the Western Hemisphere. There are people who say that we will not allow a Communist government in this hemisphere. I do not think we have the right to say we are going to veto what kind of government you have here. We have a right to be critical of those governments. We have a right to impose economic sanctions to put pressure on with various international bodies to oppose efforts to give them money through international lending agencies. I wish we were more consistent under this administration in doing that on a human rights basis; but we are not the Soviet Union. We do not arrogate to ourselves, as the Soviet Union has done in Eastern Europe, the right to decide how people will govern themselves internally.

No, the people in Czechoslovakia and Poland do not have freedom, because Soviet troops will not let them. Well, I do not want to see anybody argue that we should take a parallel position here and that we will decide what kind of internal conditions obtained in countries in this hemisphere.

But the argument is, "Well, but they are a threat to our security." They are not. It is simply implausible. Among the sillier things that have been said this year was Pat Buchanan's assertion, and there were people who found Pat Buchanan's remarks offensive, and I understand that. Mr. Buchanan takes pride in being offensive.

What bothered me was not so much how offensive the words were, but how silly they were.

We had the reference to the Communists about to enter San Diego if we do not send money to the Contras, the President's announcement that it is only a 2-hour drive from Managua to Harlingen, TX. It is preposterous to assert that this small, poor, disorganized country, could threaten the security of the United States.

Warfare has changed. What threatens us regarding the Soviet Union and vice versa are intercontinental ballistic missiles, cruise missiles fired from planes standing thousands of miles off your shores, nuclear missiles armed and prowling the seas. If there were to be any kind of confrontation between America and the Soviet Union, if there were to be any such military confrontation, Nicaragua would be about as useful as a 2-month-old baby would be on your side in a heavyweight championship fight. That is simply preposterous.

The President then said, "Well, but control there would choke off our shipping lanes." No one believes that. Maybe he does. I doubt it, but no one else does. No one believes that control of Nicaragua by the Communists if it became a constituent republic of the U.S.S.R. which I hasten to point out I see no evidence of happening, they would be choking off our shipping.

In fact, Cuba which is closer to the United States than is Nicaragua, 90 miles away, Cuba has been controlled for 25 years by a regime that is Communist and a full ally of the Soviet Union, and I regret that from the standpoint of the Cuban people and I deplore what the Cubans do in Angola and Ethiopia, but they have not affected this hemisphere in military terms. They have not been a threat to our security.

There was a missile crisis 25 years ago and that has become less relevant because the capability of missiles and the destructive power of missiles has greatly changed.

Yes, there is a Soviet threat to us. Whether or not Nicaragua allies itself with that Soviet threat, and I do not know what the ultimate answer to that would be, by the way, but you certainly cannot judge now, you certainly cannot judge Nicaragua's behavior today when we are paying people to make war on them and say that is how they would be absent that. I do not know. I do not think anybody outside really knows how they would behave in the absence of that. They might choose to ally themselves with the Soviet Union, which I would greatly regret and resent, or they might not; but to point to their activities now when they are under seige literally when they are being attacked, and say, "See, they are nasty," makes no sense, because they are simply responding to a government, ours, which says they want to overthrow that government, make them cry "uncle," get rid of them, so you cannot make any inferences as to their future behavior from that; but even if they were to ally themselves, they would add nothing in that strategic sense, and we have again, as I said, the example of Cuba. The fact that the Cubans have allied themselves with the Soviet Union does not today substantially affect our security one way or the other.

We talk about choke points. I am sure there are a lot of those choke points around the island of Cuba and Cuba has not interfered with American shipping. It could not.

Nicaragua, think what you will about the people who run Nicaragua. No one has suggested to me that they are stupid enough to interfere with American shipping. If they did, as Qadhafi did, and there are people in this world who do very dumb things, we have countries run by people like Qadhafi who in a rational world would not even be allowed to have a driver's license, but his efforts to interfere with American rights in the Gulf of Sidra was brushed aside. No one that I know of says that if there was any threat from anybody to our shipping in the Caribbean, we should back off; but it is simply not plausible that this Nation of 3 million, poor and disorganized, adds anything to that strategic threat.

Well, if it is not a threat to the United States, is it a threat to other countries? The first thing that has to be said is that many of the other countries do not think so. Mexico is one of the ones that is invoked. It is said that Mexico would have to fall under the Buchanan silly scenario for them to be into San Diego. The Mexicans do not think much of our policy there.

As a matter of fact, by acting as some people think we acted in the past as an imperialist power in Latin America, and particularly in Central America, I believe we make it easier for those who have our worst interests at heart to prosper politically.

Remember, the Sandinistas did not come to power in Nicaragua because of the Cubans. Radical movement, revolutionary movements, pro-Soviet movements, such as are out there, if they were to come to power in other countries in Central America, it would not be because of Nicaraguan power and force. It would be primarily because of internal conditions. It was Somoza who gave us the Sandinistas, not Fidel Castro. No one denies that.

It simply is not sensible.

Are there threats to the stability and security of Central America and Latin American countries? Of course, there are, but they are an external force.

If there were, by the way, I think there is virtual unanimity in this Chamber that we would repel that force. If there were to be any suggestion of an invasion by Nicaragua or Cuba of any other Central American or Latin American country, of course we would be for financing that coun-

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try so it could resist and doing whatever was necessary for that country to resist, but that is not what we have.

Now, let me reiterate what I said last night. The assertion that the Nicaraguan move into Honduras shows hostile intent against the Honduran Government, again is simply nonsense. To pay people to try to overthrow the Nicaraguan Government, to station them in Honduras on the Nicaraguan border from which they then go into Nicaragua and make raids and shoot people and then to express surprise or indignation when the Nicaraguans come back and shoot at them, is not credible.

The fact that the Nicaraguans have responded against the Contras in Honduras tells us absolutely nothing about what Nicaragua would do absent America financing the Contras.

So I do not think they are a strategic threat to the United States by any stretch of the imagination. If they were a Soviet threat, yes, but given that the Soviets are already here and the Cubans are already here, adding Nicaragua, even if it became a full ally, would count for nothing.

The gentleman from Florida [Mr. PEPPER], whom I greatly respect and admire, said, "We will not allow the Communists in this hemisphere," but I was puzzled. Has Cuba left this hemisphere? Has Cuba suddenly become part of Africa or Asia?

The Cubans have been in control of the government that considers itself a Soviet ally for 25 years. It has been bad for the Cuban people. It has not threatened our security. It has led to troubles in other parts of the world, Cuban troops in Ethiopia where they should not be, but Castro has not succeeded in undermining other governments. Where are his successors?

We have the Sandinista regime as the perhaps friendliest of all those in Latin America to Castro, but he does not get credit for that. You do not get these kinds of revolutions and overthrows by infection from outside.

Finally, people have said, "Well, what about the use of Nicaragua as a base for subversion elsewhere?"

Let me remind people that that was noncontroversial in this Chamber, that our policy ought to be giving American funds to any group in Central America that was willing to help combat the spread of weapons from Nicaragua elsewhere. The use of American funds in the Central America area to interdict weapons shipments from Nicaragua to the front in El Salvador was not terribly controversial. In fact, the administration destroyed that consensus.

We had broad support here for a policy which said, "Let's limit what we do to preventing Nicaragua from sending arms elsewhere."

I do not know what the Nicaraguan Government's intentions are. Apparently there are people in that Government who have a revolutionary ideology and who sympathize and want to help revolutions elsewhere. They ought not to do that. We ought to help prevent them physically from doing that, but the Reagan administration was never serious about that. They said, "We are going to try to control the borders." They just misled people. They lied about it.

Originally the policy was, "Let's use these people to patrol the borders." But the Contras were not the border patrol. They did not care about San Salvador. They wanted Managua back.

The administration caused a lot of this problem and destroyed a consensus it could have had.

Yes, I think there could be a consensus on foreign policy. Let us tell every nation in Central America that we will vehemently oppose their financing or directly participating in armed violence against any of their neighbors and we will use American funds and American advisers and help with regional troop movements to prevent that from happening; but as long as we are financing a revolution aimed at overthrowing the Nicaraguan Government on the part of the Contras, it is hypocritical to say, "You bad Nicaraguans, you are sending money to other people."

Yes, people will do things in self-defense when the largest superpower in the history of the world says, "We are going to send money to attack you," when the President uses rhetoric to suggest that he cannot tolerate their continued existence, they are going to behave differently.

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Perhaps if we stop funding the Contras, there would continue to be, on the part of some people in Nicaragua, a desire to finance armed attack elsewhere. We should be willing to rebut that, and not just rebut it verbally—a poor choice of words there—we should be willing to oppose it. I think we could get, with the Contadora powers and others, a commission that would say, "Let us form some border patrols. Let us get some neutrals to patrol every border in Central America. Let us enforce a policy of strict economic sanctions and armed force if necessary that says no country will be sending weapons to undercut another country."

That is the only way in which Nicaragua could be a threat. People who think that the Nicaraguan economy is going to be in a shambles because of the rigid Marxism of the Nicaraguan Government should not be worried about it serving as a negative example for other countries. Those who have confidence in a more democratic and a more flexible economy ought to welcome a challenge on that ground.

So that one argument that can be made is that we have a right to stop the Nicaraguans from subsidizing violence elsewhere, but everybody agrees to that. I stipulate again that it is not clear how much violence they would be willing to finance elsewhere. They were involved in some cases in the past. There are elements in that Government that would want to be more involved in the future. We have every right morally, and I think the capacity, to try to stop that. But by concentrating on financing the Contras, people, many of whom are controversial themselves, some of whom are associated with the former hated regimes, some of whom are not, by financing them we divert the political argument and we make the Sandinistas look like the victims of American imperialist aggression.

Let us judge the Sandinistas on the merits. I want to be able to be critical, as I am, of their harassment of the church, of their knocking the church radio station off the air. Those are not justifiable by any stretch of the imagination. I want to hold every country in Central America and Latin America, including Nicaragua, to a high standard of internal democracy and to be critical, as I am, of the Sandinista government and other governments in that region when they fail to live up to it.

But we have diverted the political argument in Central America. We make ourselves the villain by financing these people who are making war on them.

Just to summarize, Mr. Speaker, I hope that we will vote not to continue to finance people killing each other in Nicaragua. The human rights argument that the President makes, I will congratulate the Secretary of State, a serious and thoughtful man, on being able to repeat it with a straight face. The notion that Ronald Reagan has become the head of the International 911 for the Civil Liberties Union and that he is so offended by a lack of free speech or a lack of free access to the media or full religious freedom that he has to send in troops is nonsense.

Just to draw the greatest contrast of all, we have in the Republic of South Africa a regime which is as repressive toward its citizen majority, the black people of South Africa, as any in the world. It denies their humanity. It is not only repressive; it is a threat in its policies to America's interests. Ronald Reagan said that in his proclamation last September. He declared a national emergency because South Africa is such a threat to our interests. It is in the CONGRESSIONAL RECORD. It has been reprinted.

Not only that. We not only have a government that is terribly repressive and a threat to our interests; they attack their neighbors. They attack

their neighbors with whom we have friendly relations. They send South African Army troops in to kill people in Mozambique, to whom we are giving money.

I find all that deplorable and I want to oppose it, but I am not suggesting that we send $100 million a year or more to the African National Congress to subsidize a war there. I do not think that would be good policy. But Ronald Reagan, who was until very recently South Africa's very best foreign friend in the world, and who only moved against South Africa when it was clear that Congress was going to act more strenuously and he imposed sanctions as mild as he thought he could get away with to keep Congress from imposing greater sanctions, for him to pretend to be the human rights advocate is nonsense.

For the man who greeted Ferdinand Marcos' election fraud of a massive sort with the announcement that that showed that a two-party system was alive and well in the Philippines, declaring that he is upset about what goes on in Nicaragua, is nonsense.

So there is no human rights argument. That does not mean there are no human rights violations in Nicaragua. I think there are, and I regret them and criticize them. I believe it is implausible to argue that the American response is where there are human rights violations of that sort internally that we send in people to shoot them and start a war. We do other things to express our displeasure. Nowhere else have we funded a war because of that.

Then the national security argument. They are no threat to our security. Nicaragua's adhesion as a full ally to the Soviet bloc would not add anything substantial to their ability to cause us problems in any serious way.

A threat to their neighbors? Their neighbors, of course, think that we are causing them more problems, many of them, by our belligerence with the Contras than not. The Contadora powers are not European or African or Asian; they are Latin Americans, and we have disregarded and refused to work with them.

To the extent that there are people within Nicaragua who have hostile intents against their neighbors, and I am afraid there are some, to the extent that there are revolutionaries inside Nicaragua prepared to export revolution with guns and with money to other revolutionaries, there is virtual unanimity in this Chamber that we should oppose that policy. But that is not what we are doing now. That is not what we are doing now and, in fact, we are making it easier for them to sell their revolution in many ways because we put them in the guise of resisters against American imperialism. We, I think, enhance their ability to do that.

I hope we will vote next week to save the American taxpayers several hundred million dollars and to diminish somewhat the killing of people in Nicaragua.

Let me just close by talking about atrocities. People who are on the side of the President's policy talk about atrocities committed by the Sandinistas and people who are on the other side or my side talk about atrocities by the Contras. Let us be honest. There are atrocities committed by both sides. When you send people to kill each other, when you give them money and say, "Shoot them. Kill them. Blow up their homes. Blow up their factories," people do not behave in a civilized fashion. You do not go to war either directly or by proxy without incurring all the moral responsibilities for all the terrible things human beings do to each other under those circumstances.

I do not think there is in Nicaragua today any threat to our security or the security of other countries that justifies our spending scarce dollars to engage in that kind of killing and all the attendant immoralities that will go with it. A policy which makes it clear that we will not tolerate, anywhere in Latin America, armed attack on a neighbor or efforts to finance armed subversion, and that we will work in a multinational capacity with others to prevent that by economic sanctions, by financing and building up local defense forces, and other ways, those all make sense.

Let me close with this. The President was offended because people said that his intention might be to go to war. I do not know what the President's intentions are. I am not good at guessing them. I do know that if you listen to his rhetoric and believe what he says, then a war in Nicaragua is a likely outcome.

If you, contrary to what I think, believe that Nicaragua is a threat to American interests, if you listen to people on this floor who said we cannot tolerate them in that guise there, then if you do not think the Contras can win, and I do not mean anybody who can, we are being asked to pay for a tie, not for a win, then the inevitable and logical result is that you send American troops down there. What many of us fear is that they do not have a rationale sufficient, in my judgment, to justify the $100 million being spent in Nicaragua. They have a policy, and they are trying to create a rationale to justify the policy. In the process of hyping up that rationale, they are increasing and inflating the Nicaraguan threat to the point where they are going to put themselves in a box and might find themselves pressured into sending troops down there. In other words, in order to justify spending scarce American dollars to have people kill each other in Nicaragua, they are magnifying enormously the extent to which there is any threat at all to our interests from the Nicaraguans, and they have succeeded in doing that. If you really believe, as Pat Buchanan does, that if we vote down the money for the Contras they are going to be in San Diego, and if you believe, as the President implicitly believes, that they are about to have a road race to Harlingen, TX, if you really believe that they are about to engage in this kind of physical attack on us and they have these ships ready to choke off our choke points, then the probable logical argument is that you send troops.

Many of us do not believe that. Many of us believe that there is no threat to us, and that to the extent that there is any kind of threat to finance subversion of their neighbor, and we will not know that, we will not know the extent of that until we stop financing the Contras, we deal with that in ways that would be virtually unanimously accepted in this Chamber.

What we have, I believe, is an ideologically inflexible administration, acting sadly, because I think the moral superiority of this country over the Soviet Union is very important to us. It is important to us who live here and it is an important message that we maintain for the rest of the world. I do not want to see us become a geographical mirror image. I do not want us to be announcing that we have got a right, by armed force, to determine the way in which Nicaragua is governed, just as the way in which the Soviets have so tragically asserted their right by armed force to determine the way in which Czechoslovakia, Hungary, East Germany, and Poland are governed. It will be a grave policy mistake and a grave moral mistake to take our money and continue encouraging and subsidizing people to kill each other in that small, poor country.

FARM CREDIT SYSTEM

(Mr. TALLON asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. TALLON. Mr. Speaker, I rise today in support of House Concurrent Resolution 310 which expresses the sense of Congress that the Farm Credit System should restructure troubled farm debt, rather than foreclose, when such action will result in a smaller loss to the System and its borrowers.

Last year, in the process of losing an unprecedented $2.7 billion, the Nation's largest agricultural lender, the Farm Credit System, foreclosed on thousands of ranchers and farmers, forcing them and their families off the land, which was in turn dumped on an already depressed market.

The commonsense approach contained in this resolution would put the outstanding loans of the System on a more solid foundation and ultimately reduce the prospect of losses to the System and all its borrowers.

This concurrent resolution expresses the sense of Congress that the Farm Credit System should undertake measures that will result in: One, debt restructuring for many Farm Credit System [FCS] borrowers who would otherwise be forced off their land due to circumstances beyond their control; two, stemming the rising tide of farm foreclosures initiated by the FCS; three, easing downward pressure on already depressed land values; and four, minimize System losses which will benefit all FCS borrowers, bondholders, and the Federal Government.

I urge my colleagues to cosponsor House Concurrent Resolution 310.

□ 1320

DECLARATION OF WAR AGAINST NICARAGUA

The SPEAKER pro tempore (Mr. GAYDOS). Under a previous order of the House, the gentleman from Massachusetts [Mr. STUDDS] is recognized for 60 minutes.

Mr. STUDDS. Mr. Speaker, I oppose the policy of the Reagan administration toward Nicaragua. I do not believe the United States should declare war against that country. But, if we are to debate the President's plan to train and arm the Nicaraguan rebels, we must logically debate, as well, the question of war.

For this reason, I am today introducing a joint resolution that would, if enacted, declare a state of war between the United States of America and Nicaragua.

I am taking this extraordinary step because the Reagan administration has asked Congress and the American people to support the commission of acts of war against that country. I believe that before we commit acts of war, we have an obligation to declare war; for if we are unwilling to declare war, we should be seeking our objectives through other means.

This resolution is a proper focus for debating the foreign policy of this administration. The questions raised by a potential declaration of war are precisely the questions that must be answered before we commit ourselves further to violence against a government with whom we claim to be at peace.

Last month, the President's Director of Communications wrote that a failure to provide military aid to the Contras in Nicaragua "would lead, as night follows day, to the loss of Central America. A Congress that will not send missiles to save Nicaragua," he continued "will not send American boys to save Guatemala."

The President, himself, last year declared that "the policies and actions of the Government of Nicaragua constitute an unusual and extraordinary threat to the national security and foreign policy of the United States * * * I hereby declare a national emergency to deal with that threat."

It is the administration that has established the stakes in the debate over Nicaragua. Its policies and its rhetoric demand from Congress a firm and determined response. Compromise and half measures will not produce good policy. The central issue raised by the administration must be clearly and unflinchingly addressed. That central question is whether violent action—tantamount to a declaration of war—is consistent with American ideals and interests, and whether it will, in the long run, help the people of Nicaragua. I believe the answer is no, but only the full Congress, by considering this resolution, can provide a decisive answer to this question.

Three decades ago, a Senate committee declared that the most important lesson to be derived from the Korean conflict was that the lives of American servicemen should never again be put at risk without the explicit consent of the Congress.

Yet in Vietnam, America lost 50,000 lives without ever considering a declaration of war. According to the Pentagon papers, White House strategy during the early years of that conflict was:

> To deepen the American involvement in Vietnam piecemeal, with each step minimizing pulic recognition that the American role was growing.

In 1966, Secretary of Defense Robert McNamara said that:

> The greatest contribution Vietnam is making—right or wrong is beside the point—is that it is developing an ability in the United States to fight a limited war, to go to war without the necessity for arousing the public ire.

Today, the best and brightest of another administration have the same fascination with what they call "low-level war." They believe it necessary, moral, and wise for America:

To sponsor military ventures overseas.

To judge others solely by their attitude toward communism.

To invest in proxy forces the dollars, weapons, and prestige of the United States.

To dismiss as propaganda any evidence that such forces may be corrupt, or ineffective, or unpopular, or undemocratic.

To equate support for these military ventures with patriotism, and persistence in their execution with national strength.

The goals of these desk-bound, self-styled fighters for freedom are ambitious, for at stake, they argue, is nothing less than the future of liberty, itself.

But the means they have chosen, although violent and extreme, will not get the job done. Those controlling the Contras of Nicaragua do not have the unity, the military skills, the political credibility, the domestic popular support, or the international respect that will bring them close to victory or even significant progress in the battle they now wage.

Thus, the administration's policy is certain to lead in one of two directions: First, the Contras will continue to fail, but U.S. Armed Forces do not intervene, in which case the cost in lives and money on all sides will have been in vain. Second, the Contras fail, and U.S. forces do intervene; in which case, we will have war.

The administration has argued that military pressure will produce a negotiated settlement in Nicaragua. But history lends little support to the notion that "low-level war" is a prelude to peace; or that violence is a friend to diplomacy; or that killing is a spur to reconciliation.

There is not a shred of evidence in the events of the past 5 years to support the fundamental premise of the administration's approach: That arming the Contras will bring democracy to Nicaragua. The bulk of the evidence is to the contrary, that U.S. policy has made it more and more difficult for voices of moderation whether inside or outside of that country's government to be heard.

The fact is that the administration has given up on the possibility of peaceful coexistence; for that is what it means to believe that only by shipping weapons can you bring peace; that only by expanding a civil war can you unite the Nicaraguan people.

Because this administration clearly intends to persist in its failed policy, Congress must draw the line, clearly and decisively, and soon. If Congress truly agrees with the President about the issues that are at stake in Nicaragua, then it makes abundant military, political, and legal sense for it to act boldly on those convictions, and to declare war. But if Congress is less fearful and more optimistic than the President, let us reject war, and pursue our goals with equal boldness but by other means.

The President has asked Congress to approve $100 million in direct military and economic aid to the Nicaraguan rebels, or $10,000 per Contra. It has been reported widely that included in this package will be advanced surface-to-air Stinger missiles, at a cost of $60,000 apiece. Also included will be direct U.S. military training, provided by Green Berets. In addition, restrictions will be lifted on the provision of reconnaissance, logistics, communications, training, and material aid

provided secretly and at an undisclosed cost by the CIA.

In addition to arming and training the Contras, the United States will continue to expand its military presence throughout Central America; continue to schedule military exercises in Honduras; continue to stockpile military equipment; and continue to improve airfields and build roads to facilitate combat operations by United States personnel should those be ordered.

But the administration, seeking to isolate undemocratic Nicaragua, has—in a hemisphere of democracies—isolated only itself:

The request for military aid for the Contras has not been supported publicly by a single Latin American head of state.

The foreign ministers of eight Latin American democracies traveled to Washington last February for the specific purpose of asking the White House to delay this request.

The aid proposal has been denounced by the newly elected civilian Presidents of Guatemala and Costa Rica.

The request is inconsistent with the statement recently endorsed by 13 Latin American governments that "Foreign support to the irregular forces and insurrectional movements operating in the region must be stopped."

The request violates the chapter of the Organization of the American States, which provides that:

> No state * * * has the right to intervene, directly or indirectly, for any reason whatever, in the internal or external affairs of any other State.

The International Court of Justice ruled last year that U.S. aid to the Contras violates the U.N. Charter, the International Convention on the Rights and Duties of States, and customary international law.

United States military training for the Contras could very well be illegal if carried out during peacetime in the United States, because of the Neutrality Act. but the burden of responsibility for hosting this training will fall primarily on Honduras, a country of desperate poverty, fragile democracy, and damaged pride. United States policy has turned Honduras into a no man's land, a regional free fire zone, with an international legal identity that has been blurred, and without real sovereignty over a portion of its own territory.

Let us remember that the President is not asking Congress simply to agree that the Government of Nicaragua is extreme; he is not asking us to oppose violations of human rights; he is not asking military support to defend against armed aggression or to interdict the shipment of weapons; the President is asking Congress to make an open-ended military and political commitment to the violent overthrow of a government with whom we are at peace, and against whom we can fully protect ourselves and our friends without resorting to armed invasion or support for violent counterrevolution.

War is a simple solution. It means that you kill those with whom you disagree. It means you kill until the other side cries "uncle." But are the challenges we face in Central America that simple? Is that what the so-called struggle for freedom is all about? Are our options truly this limited?

There is an alternative to war, an alternative to our ever-deepening military commitment to the Contras. The foes of freedom within Nicaragua's Government can and should be isolated; their policies can and should be effectively opposed. But this will not occur until we loosen our embrace of the Contras, and join instead with the internal democratic opposition, and with Argentina, Uruguay, Brazil, Peru, Colombia, Venezuela, Panama, Mexico, Costa Rica, Guatemala, and the rest of Latin America's democrats in an effort to encourage Nicaragua to become not necessarily what we want it to be, and certainly not what Fidel Castro would like it to be, but instead what the people of Nicaragua themselves determine that it should be.

Recent events in Haiti and the Philippines have demonstrated how much the United States can accomplish when our Government fights for policies that Members of both parties in this Congress—and the American people as a whole—strongly support.

But United States support for military action is not the lever that will make regional pressure for change in Nicaragua possible; it is, instead, the wedge dividing United States methods and goals from those of our democratic neighbors. The Contra operation has been, from the beginning, a violation of international law, and Latin governments care about that; their concern is heightened by past American intervention in the region, especially in Nicaragua. Latins know, too, that despite the bravery of the foot soldiers, military control of the Contras is still held by officers who are more killers than freedom fighters, ex-national guard who may share with us an opposition to communism, but who also possess, in the tradition of their own past President Somoza, a vicious and self-righteous intolerance for those with whom they disagree.

For these reasons, our support for the Contras is a distraction, shifting the world's spotlight away from Nicaragua's misdeeds to our own, strengthening—by our own extremism—the extremist leaders of Nicaragua.

This is not a sensible policy for encouraging change in Nicaragua. It is a policy, rather, or reaction. It is as if our country had lost faith in the sanctity of law, in the skill of our diplomats, in the good will of our neighbors, in our ability to learn from history, and in our commitment—enforced by the will of the American people—not to unleash the forces of war without fully exploring other options and never without due cause.

By introducing today this proposed declaration of war, I do not suggest that covert or otherwise irregular U.S. military actions are never necessary; or that each direct or indirect commitment of American military power must be preceded by a debate over whether to declare war. We must defend our country and our citizens from actual or threatened armed attack; we must defend ourselves against terrorism; and we may with justification support the struggle of others against whom brutality and aggression have been visited, including the freedom fighters in Afghanistan.

But with respect to Nicaragua, Congress cannot merely be a spectator; we must judge whether the course the administration has chosen will achieve the objectives in that wretchedly poor country that we all share; or whether it will lead, instead, to an open-ended commitment; pointless bloodshed, disunity at home and abroad, the loss of American prestige, the blurring of American purpose, and, ultimately, the loss of American lives.

We have a choice, and choose we must. Although the administration does not call it war; its policy will lead inevitably to war or to failure, or to both.

In 1964, when Senator Wayne Morse of Oregon defied conventional political wisdom, stood up to the President, and voted against the Gulf of Tonkin resolution, he argued on the Senate floor that:

> In this resolution, we are planting not seeds of peace, but of war; those who will follow us in the years to come will cry out in anguish and despair over the mistake that was made in 1964.

Next week, in a vote that will doubtless be repeated in one form or another many times in the months ahead, Congress will choose once again whether to plant the seeds of peace or the seeds of war, this time in Central America, instead of Southeast Asia.

Unlike the request for military aid for the Contras that has been submitted by the President; unlike the Gulf of Tonkin resolution two decades ago, the resolution I am introducing today states the real issue clearly and fairly; it provides an opportunity for the President to obtain the bipartisan political backing that he does not yet have, but that he must achieve, if his policy toward Nicaragua is to have any chance of success; while it imposes upon Congress the duty to stand up and be counted, to fulfill its responsibility under the Constitution, and to choose which direction—toward war or

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toward peace—our country should now move.

This is a choice that must be made:

If we are to true to our traditions.

If we are to pay heed to the lessons of history.

If we are to comply with international law.

If we are to respect our allies.

If we are to be honest with those who serve in our armed forces; and

If we are to candid with the rebels in Nicaragua, whose cause—without the full backing of the United States Government—the administration has prematurely embraced.

It is a choice that must be made if we are, without further cost in lives, to rise above the brutal and ineffective policy upon which we are now embarked; to tie up the gunboats and muzzle the dogs of war; and move forward, in company with our friends and allies throughout the hemisphere, in peaceful and effective pursuit of social justice and democratic change.

☐ 1335

RUNNING FROM REALITY—LEFT-WING IDEOLOGY AND THE SOVIET COMMUNIST THREAT TO AMERICA

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Georgia [Mr. GINGRICH] is recognized for 60 minutes.

Mr. GINGRICH. Mr. Speaker, I rise today for a special order entitled "Running from Reality—Left Wing Ideology and the Soviet Communist Threat to America," as illustrated by the House of Representatives' March 1986 debate on Nicaragua.

The two gentlemen from Massachusetts who spoke, in my judgment, have raised legitimate questions. I think for too long we have had a failure to have a clear debate, a debate which is firm, aggressive, a debate which is aimed at trying to think through where we are at, and to explain reality.

I was struck recently by Patrick Henry's great speech, in which he said, and I quote:

> * * * no man thinks more highly than I do of the patriotism, as well as abilities, of the very worthy gentlemen who have just addressed the house. But different men often see the same subject in different lights; and, therefore, I hope it will not be thought disrespectful to those gentlemen, if entertaining, as I do, opinions of a character very opposite to theirs, I shall speak forth *my* sentiments freely, and without reserve.

He went on to say—

> This is no time for ceremony. The question before the house is one of awful moment to this country. For my own part, I consider it as nothing less than a question of freedom or slavery.

Now, Patrick Henry, speaking—and of course it goes on for some length—was talking at a time of direct, immediate concern for America. Patrick Henry was talking at a time when we were in fact weak, the British empire was strong. He was talking at a time when no one had thought it possible to have a revolution of free men and women and when no one would have bet that George Washington could go to Valley Forge, could create an army, and could win America's freedom; and in fact at a time when if France and Spain had not helped us, we would not have succeeded.

That is why in this very Chamber, against the wall, is the Frenchman Lafayette who was here to help America. Because without his help, it is I think totally appropriate that Washington and Lafayette are the two people who are in this Chamber in their portraits because it was the combination of America and France, of Dutch money, French troops, Spanish support and American courage that made possible our revolution.

The striking thing, if one reads the debate in the House in March, is that we are really having two very different debates. I think my good friends from Massachusetts, both Mr. FRANK last night and again tonight, and Mr. STUDDS, indicated clearly one viewpoint. It is a powerful viewpoint, and I want to talk about it as a frame of reference.

I think frankly those of us who have a different viewpoint have done this debate a disservice by not being clear enough, not being, if I may, sharp enough and consistent enough; and I think in particular last night's special order by Mr. FRANK was entirely appropriate.

The series of ad hoc and ad hominem arguments on the part of those who favor the freedom fighters, the series of general dialog I think have done a disservice to the debate.

The Nicaraguan issue can be understood only within the context of the Soviet empire, its use of Communist Cuban colonial troops, and the historic patterns by which Leninist factions seize power, ally themselves with the Soviet union, and become a threat to the United States.

The McGovern left ignores the Soviet empire, disputes the role of Castro's Cuba, creates its own version of modern history, denies the seriousness of Leninism as a doctrine for tyranny, and rejects the predictability of Communist behavior.

Consequently, the McGovern left sees no threat to the United States. The McGovernites are true believers and committed ideologues. Their commitment is psychological, not intellectual. Their rejection of data is a sign of cognitive dissonance, a psychological problem; not factual disagreement, an intellectual problem.

We cannot convert the McGovernites. Taking them seriously and debating them about detail is a mistake. It elevates their legitimacy by accepting that they have a position that is defensible in the real world.

Let me make this very clear: These are very competent, very patriotic, very sincere people. These are people who believe just as passionately, just as deeply in America as anyone else. The challenge I am raising today, and which I hope in future weeks our friends on the left will take up, and we will be able to discuss together, is a fundamental challenge about the nature of reality.

I would argue that for those who truly believe in their version of reality, that they are not going to be converted, and that our job is the isolation not the conversion of the McGovern left.

Let me make it quite clear: To isolate people who believe deeply but are wrong is not unamerican and not inappropriate. In 1946, Harry Truman was faced with that problem. In 1939, Franklin Roosevelt was faced with that problem. The isolationists of 1939 saw no danger in Japan, saw no danger in Hitler's Germany, were willing to say "America first, don't worry about the world, we won't be threatened."

The isolationists of 1946 saw no danger in Stalin's Russia, did not believe in Leninism, and were opposed, for example, to aid to Greece and Turkey. They were isolated. They were probably never converted. They simply faded away from politics; they did not become part of the debate because people came to realize they frankly were not very relevant.

The audience of those who believe in the Soviet empire's reality, those of us who believe that the Soviet use of Communist Cuban colonial forces is a real threat, those of us who are convinced that there is truly a transnational strategy to extend tyranny.

Our audience is the younger American, untraumatized by Vietnam and willing to look reality in the face.

Our strategy must be to highlight the McGovern left's fantasy world and contrast it with the grim reality of the evening news.

Let me quote again for a second, because it is so appropriate, from Patrick Henry who said, and I quote:

> * * * it is natural for a man to indulge in the illusions of hope. We are apt to shut our eyes against a painful truth—and listen to the song of that siren till she transforms us into beasts. Is this the part of wise men, engaged in a great and arduous struggle for liberty?

Let me go on, and from a different place cite what he suggested, Patrick Henry, in his great speech, was the key test. He said, and I quote:

> I have but one lamp by which my feet are guided; and that is the lamp of experience. I know of no way of judging the future but by the past. And judging by the past, I wish to know what there has been in the conduct of the British ministry for the last ten years to justify those hopes with which gentlemen have been pleased to solace themselves and the house?

☐ 1345

If you simply replace the word British with "Nicaraguan Communist" "Cuban Communist" "Soviet Communist," you get the same message, and let me read it:

> I know of no way of judging the future but by the past and judging by the past I wish to know what there has been in the conduct of the Soviet Communist, Cuban Communist, or Nicaraguan Communist Ministry for the last 10 years to justify those hopes with which gentlemen have been pleased to solace themselves and the House.

I would suggest that in fact the average American, the everyday American watching television news, watching Afghanistan with the Soviet Army there, watching Angola with the Cuban colonial army there, watching South Yemen with the pro-Soviet side winning a war in which there are 3,000 Soviets in the country on the border of the Red Sea, watching Ethiopia where there are thousands of Cubans and Soviets, looking at Nicaragua where there are 3,000 Cuban troops and some 800 Soviet troops. The average American watching television would say yes, there is a grim, frightening dangerous reality called the Soviet empire.

Our goal must be to convince the American people that survival depends on honest realism. We have not gained over the last 16 years by hiding from reality. Freedom has not gained, human beings have not gained, America has not gained. Everytime this country hides from reality, freedom has lost a little bit, America becomes a little weaker, and our future becomes a little more dangerous. Success in this debate over time will be having the McGovern left become discredited just as the forces of isolation became discredited between 1946 and 1952.

Victory will be a bipartisan consensus that the Soviet empire is dangerous and that we must build a successful strategy for the transnational effort to develop freedom. The March 1986 House of Representatives debate on President Reagan's proposal to help Nicaraguan freedom fighters is a case study in the political, intellectual divisions which have undermined America's effectiveness in stopping communism for the past 20 years.

Any observer who studies carefully the 136 pages of the March 19 and 20, 1986 CONGRESSIONAL RECORD, 10 hours of debate, will discover a leftwing world view and analysis which simply blocks intellectual debate. It is clear from this debate that the American left has built a pleasant fantasy world in which only fantasy solutions make sense. Apparently the American left is so paralyzed by the threat from the Soviet empire it has simply withdrawn from reality. Again and again House Members in this debate have made emotional statements, presented nonrational arguments, distorted history, and used false facts to make points. The March debate makes clear the passionate conviction with which the American left articulates its fantasy world.

These are sincere patriots who are at best misinformed and at worst suffer from delusions so great they would be considered psychological problems if encountered as private citizens.

Since the American left passionately advocates a fantasy world view it is very difficult to explain to the casual observer of the debate what is rally happening. Many leftwing politicians went to excellent colleges and use English brilliantly. They cloak their delusions and fantasies in pseudolearning. To the unsophisticated they sound plausible, even if there are occasional phrases and concepts that jar listeners who are more in touch with common sense and reality. When the common themes are brought together, the pseudofacts analyzed, and the stranger debating gimmicks carefully examined, the extent of psychological and intellectual blindness among the American left becomes obvious.

Consider the following patterns in the 2-day House debate in March: 19 Representatives found some way to blame America for communism in Nicaragua; 10 Congressmen blamed the United States for forcing the Nicaraguan Communists to be repressors; four opposed aid to the freedom fighters but said to President Reagan, if he is really worried about communism in our hemisphere, he should go after Cuba and the Soviet Union; 12 suggested that violence never works, ignoring the fact that it was violence that brought Castro and Ortega to power in the first place and violence or the threat of violence which keeps them there; seven suggested we should never aid freedom fighters against the Government we recognize although, by the way, that is precisely our current generally applauded policy in Afghanistan; 15 scoffed at Nicaragua as a threat, while ignoring the Soviets in Cuba; six applied standards to United States behavior which would cut off all aid to the Afghan freedom fighters; 33 asserted confidently that the freedom fighters could not win, including some who 16 years ago predicted peace and freedom in Cambodia and Vietnam if only the United States would withdraw.

I might point out by the way that if you applied the standards that are applied to the freedom fighters to George Washington at Valley Forge, it is almost certain that Lafayette would have written home, "Please don't send these guys any money." Anyone who has read about Washington's troops at Valley Forge, who have read about men who had no shoes, whose feet left blood tracks as they walked across the snow, who were virtually without weapons at times, who were virtually without ammunition, who had many desertions, could read the precisely same language about the freedom fighters and be amazed at the parallels.

Twenty-six analyzed the Nicaraguan Communists in terms that ignore the Leninist Communist Soviet system; 16 suggested that America could not afford $100 million in Nicaragua, while consistenly voting for more spending in everything else.

Let me suggest again, for example: We had a vote last summer on hiring five additional automatic elevator operators.

Now many people may not realize, but in the House there are elevators that acutally have a person who is paid to stand there and they push the button. It is not a very complicated system. Many of you have probably seen this back home. We have buttons that say like "1" for first floor, "2" for second floor, but we have people whose job it is to stand there and when a Member gets on they say code words like "1" or "2" and then the operator punches "1" or "2."

Of the 16 McGovern-left Members who said that America could not afford $100 million in Nicaragua, 15 of the 16 voted to hire more automatic elevator operators.

Now if you consider how proud America once was under Jefferson to say, "Millions for defense, but not 1 cent for tribute," is it not rather ironic that we now have 15 out of 16 Members of the McGovern left who spoke on this issue saying, "Hire automatic elevator operators if you need, but not one penny for freedom fighters." Is there not something almost impossible to debate, about a person who can cheerfully vote to hire more automatic elevator operators because of course we have the money but then when you start talking about helping freedom fighters—and again I am not saying that they could not have very good reasons for voting no, but to use as the reason to vote no that you do not have money while hiring automatic elevator operators tells us something about the gimmickry of the debate.

Two, who had consistently voted against Reagan's Central Amercian policy and helped defeat many of his requests, asserted Reagan has gotten everything he asked for in Central America over the last 5 years, something which is just explicitly not correct.

Two who opposed aid suggested that the President should declare war on Nicaragua. Seventeen who opposed aid said we should use American troops if Nicaraguan communism became a threat.

Again, imagine, you have people on the McGovern left whose basic posi-

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tion is we should not use troops. Yet 17 of them said, "Let's not help the freedom fighters but if in fact Nicaragua becomes dangerous, let's send in the Marines."

So not a dime for the Nicaraguans to fight for their own freedom, but we will send our children if it gets tough; an interesting policy position.

Five predicted that a "yes" would lead to escalation and even Nicaraguan Communist attacks into Honduras. None predicted that defeating the aid would lead to the actual event, over 1,000 Nicaraguan Communists attacking into Honduras. In fact it is fascinating: Several bitterly resented any suggestion that a "no" vote had lowered Contra morale and encouraged Communist aggression. In other words, when we were debating on Thursday whether or not to vote the additional aid, a number of Members got up and said that if we vote "yes," we may well have a Nicaraguan Communist attack into Honduras. None of the Members on the left suggested that defeating the aid would lead to that attack. The aid was defeated. Two days later the attack began. And when the attack did begin, the very people who felt calm and confident saying vote "yes" and you will get more violence, when it was pointed out that a "no" vote brought more violence were very angry.

Eighteen who opposed the vote suggested that there was a severe threat of McCarthyism, defend themselves against self-defined smears while mistaking attacks on their record for attacks on their patriotism. I think this is a very important point to understand about this whole debate. The ultimate example of the left's isolation and fear may have been represented by a Member who, after Representative WALKER spoke on Tuesday of that week, protested, and I quote, "Mr. Speaker, I request the gentleman's words be taken down. He is questioning the judgment of other Members of this House."

The Member continued, "He questions the judgment of the Members of the House who oppose the Reagan proposition."

When asked if he insisted on his request, he continued;

> Yes, Mr. Speaker, I do, because it followed a statement that I just made when I indicated that I opposed the President's position and certainly by inference he was questioning my judgment and I resent it.

In a Freudian slip this particular left-wing critic of the Reagan administration used the word "judgment" three times when either "motive" or "patriotism" would have been more appropriate to his complaint.

Clearly in a free society questioning judgment is precisely what freedom of speech, political parties, and the U.S. Congress are all about. This incident illustrates the degree to which the left now confuses its belief with righteousness and its judgment with patriotism.

To question the left's record is perceived by the left as an assault on its motives. To question the results of its policies is seen by the left as a smear on its intent. Yet the fact is that meaning well, the American left has performed badly. Now it suffers from cognitive dissonance, a psychological disorder in which new information is rejected if it threatens deeply held beliefs. Furthermore I would suggest that the psychological problem of cognitive dissonance is compounded by a 20-year burden of potential guilt. If the American left has been wrong about communism, then its actions have made it easier for the Communist dictatorship to thrive in Vietnam, the Communist massacres in Cambodia, and Communist colonies imposed in Angola and Mozambique, the Communist savagery imposed on Ethiopia, and the current Communist threat in Nicaragua.

Notice carefully what I am saying: not that the American left willingly helped, not that the American left failed us, not that the American left wants communism to spread. A person can spread a disease without meaning to because they did not know the disease was being spread. A person can permit someone who is drunk to get in their car and drive away without stopping them because they did not realize they were drunk. The question is: Was communism a danger? Did the American left understand it? And did the American left take effective steps to stop it?

Faced with that, one has to look at the historic record. Faced with the refugees from Southeast Asia, the Vietnamese and Cuban boat refugees, the demands of freedom fighters, the assertions of Solzhenitsyn, Shcharansky, and Sakharov and the cries of the refuseniks, the American left finds it easier to hide in a pleasant fantasy world of blaming America first and seeking negotiated solutions by which America could live comfortably with the Soviet empire and its bases in our backyard.

In my judgment it is impossible to debate people who are traumatized by the Vietnam debate as high school and college students. The young Democrats who nominated McGovern in 1972 now serve in the Congress. They are psychologically fixated ideologues acting out their beliefs, and these are honest, sincere, legitimate beliefs, I think in what is a desperate rejection of the frightening reality of the Soviet empire.

In that context they seem to deliberately ignore the Soviet use of Communist Cuban colonial forces to extend tyranny in the Middle East, Africa, and Latin America. To sustain their self-delusion they simply minimize or totally avoid the Soviet Communist threat to American security. I think the record of that debate proves that it is impossible to have a rational debate with ideologues. This 2-day record of 10 hours of talking past each other proves that a new approach is necessary.

There are three keys to a successful future dialog about American survival and the survival of freedom. First, since we cannot debate an unshakeable and willfully ignorant left in the Congress, we must reach beyond them to have a dialog with the American news media and the American people so they can learn and they can choose.

Second, since our opponents live in a fantasy world and describe fantasy solutions, true debate is by definition impossible. The best we can do is educate the news media and the public about the nature of the American left. For example, watching a debate about medicine between two doctors is one experience; watching a debate between a doctor and an alcoholic masquerading as a doctor so he can prescribe whiskey is a totally different proposition. Citizens sitting at home watching the second debate, not knowing which is the alcoholic and which is the doctor, might well not know who to believe because both could be glib, both could be well-educated, both could use words brilliantly.

☐ 1400

I would suggest that it is very important to clarify which is which.

The American left replaces fact with fantasy, reality with rhetoric and security with sentiment. The American left can be defined and exposed, but it cannot be debated.

Third, we are at the end of a 20-year foreign policy debate dominated by left-wing language in assumptions. For 20 years, congressional subcommittees, in which leftists hold very powerful and destructive positions, have supervised and molded foreign policy. Consequently, our policies have been implemented by bureaucracies, weakened and made ineffective by two decades of American military and diplomatic decay and withdrawal from the world.

In this context it is very difficult to win tactical victories with lasting effects. Debating Nicaragua in isolation, which removes it from the broader framework of the Soviet empire, means very little. On the other hand, placing Nicaragua in context, looking at the broad issue of what is Nicaragua's relationship to Cuban colonial troops, what is Nicaragua's relationship to Leninism as a doctrine for tyranny, what is Nicaragua's relationship to the Soviet empire, how do those together relate to America, that means a great deal. Getting a few old weapons to Afghan freedom fighters helps a little bit. Getting a system established to develop high technology, easy to

use and cheap antihelicopter weapons for freedom fighters everywhere means a great deal more.

We must define and win the debate on the vision level. The specific tactical victories will follow.

It is important to remember that Harry Truman convinced America that there was a Soviet empire and that it threatened America. Only after he won that debate at the vision level could he win votes on aid to Greece and Turkey, on aid to the Philippines, on NATO, on the Marshall plan for Europe. Truman could never have won the specific votes first and then win the larger argument.

First we have to win the central issue, because vision defines and determines tactics. We must first create the new consensus in American foreign policy at that vision level. To do that, we must look at the real dangers to American survival and how we got where we are now, where we are and how we got here.

First of all, as a basic premise, there is a Soviet Communist empire. The Soviet empire is based on the writings of Lenin. Its doctrines use a triad consisting of a Communist Party, secret police, and the military to control a country. The current Soviet empire reaches from East Germany to the Pacific, from the Arctic to Afghanistan. With its enormous nuclear and conventional military power, the Soviet empire has been working systematically to expand its power beyond Eurasia. Today, the Soviet empire, often through the use of Communist Cuban colonial troops, has extended its power into South Yemen and Ethiopia, thus potentially dominating the mouth of the Red Sea; into Libya and Syria, thus having a major presence in the Mediterranean; Angola and Mozambique, providing bases on both the Indian and Atlantic coast of southern Africa; Vietnam, providing bases in the western Pacific; and in Cuba and Nicaragua, providing bases in the Caribbean and the Pacific coast of North America.

Notice that if you went back prior to 1960, none of the countries I just mentioned would have fit the description I just gave it. There were no Soviet forces in South Yemen; no Soviet-Cuban forces in Ethiopia; no Soviet Forces in Libya; no Soviet-Cuban forces in Syria; no Soviet forces in Angola or Mozambique; South Vietnam was still free and there were no military bases for the Soviets in Vietnam; Cuba, prior to 1960, was not yet Communist; and Nicaragua was not Communist.

So if you have a very long view of history and you look at the gradual extension of Soviet power, you look at it as an empire, a 19th century empire, an extension of power by using secret police and military, you have to say to yourself that this Soviet empire and its Communist Cuban colonial allies are a real threat to the United States and to the free world.

America's concerns about Nicaragua and Central America can be understood only within that context.

Let me make it very clear here. I do not think anybody except those who are the most distant from reality would deny that there is a Soviet Communist empire. I do not think most of our friends on the left would even deny that the Cuban Communists are often used as colonial troops.

Yet, once we start talking about Nicaragua, again and again and again on the left there is a tendency to forget all about the Soviet empire, to forget all about the Communist Cuban troops, and to say, "Now, let's eliminate all of that from the debate; now let's talk about Nicaragua." It is a little bit like trying to discuss cancer without discussing cancer. Let us focus on your little finger and forget that cancer that is in the middle of your body, and why are you threatened by your little finger. In fact, if your little finger does not have cancer, you are not threatened by it. It is the cancer, not the finger, which threatens you. If there were no Soviet empire and if the Cubans were not being used as Communist colonial forces, we would not be worried about Nicaragua. That is where, frankly, I believe this administration has failed to be clear, because it has failed to put Nicaragua in the global context of the Soviet empire and walk through how to survive.

There is a Nicaraguan Communist faction which promised the United States in the Organization of American States it would hold free elections. As a result, it gained their support to overthrow Samoza. Since taking power, the Nicaraguan Communists have systematically squeezed out true Nicaraguan democrats while imposing a Cuban-style Communist dictatorship. The Nicaraguan Communists know what they are doing, and are in alliance with the Soviets and Cubans against freedom and against the United States.

Let me make this point very clear. Again and again, we will hear our friends on the left say, "Gosh, Ortega's dumb," or "Gosh, Ortega does silly things," or "Gosh, Ortega has a bad sense of timing." They do not seem to understand that the Communist dictatorship of Nicaragua is a serious government engaged in serious things, that in fact they are winning.

My question would be: If Ortega is so dumb, how come his side is winning? If Ortega is such a fool, how come his side controls the country right now? If Ortega does not know what he is doing, how come there are Soviet helicopters, Cuban pilots, Bulgarian and East German secret police advisers in Nicaragua? For a guy who is foolish, he is doing pretty well. And how come all of our condescending friends on the left cannot figure that out?

The lesson of 26 years of communism in Cuba is clear. It has consolidated power and trained terrorists and guerrillas against free countries. It systematically votes against Israel and the United States in the United Nations. It provides colonial troops for the Soviets to use against Israel in the Third World. It provides a base for Soviet spying against the United States. It threatens its neighbors. The Nicaraguan Communists give every indication they will be as anti-American and pro-Soviet, as antifreedom and protyranny as their Cuan advisers.

Let me go back again for just a moment and requote Patrick Henry, because it is the very essence of my appeal to the American people in looking at this between the McGovern left and those of us who are worried about the Soviet empire.

Patrick Henry said:

> I have but one lamp by which my feet are guided; and that is the lamp of experience. I know of no way of judging the future but by the past. And judging by the past, I wish to know what there has been in the conduct of the British ministry for the last ten years to justify those hopes with which gentlemen have been pleased to solace themselves and the house?

As I said earlier, replace only the word "British" with the word "Communist," and I would repeat exactly the same question.

Everything we have learned about Castro and Communist Cuba is dangerous to America's future. We know that there are 35,000 Communist Cuban colonial troops in Angola today holding down Soviet bases and a Soviet colony. We know that there are Communist Cuban troops today in Ethiopia. We know that there are Communist Cuban troops today in Nicaragua.

What reason do we have to believe that a Communist Nicaragua will be any different? We know that again and again, Communist Cuba and Communist Nicaragua vote with the Soviet empire and against the United States and against freedom in the United Nations. What possible belief do our McGovernite friends on the left have to suggest, what evidence at all do they have to suggest, that the current Communist government of Nicaragua will somehow be different, that it will not be anti-Israel, anti-America, antifreedom?

I would suggest they have no evidence. They have only what Patrick Henry earlier had described;

> It is natural for man to indulge in the illusions of hope. We are apt to shut our eyes against a painful truth and listen to the song of that siren until she transforms us into beasts.

He went on to say, and I quote, "Is this the part of wise men engaged in a

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great and arduous struggle for liberty?"

□ 1410

And I would say: Can our friends on the left offer one single piece of evidence that Communist Cuba is not what I have described—a colonial force for the Soviet empire? Can they offer one piece of evidence that the Nicaraguan Communists are not what I described—precisely allies of the Soviet empire? I believe not.

In that context, a Soviet-Cuban foothold on the North American Continent is a threat to the United States because it gives the Soviets additional bases in our own backyard, because it imposes communism on people who want to be free and because it increases the resources of the Soviet empire.

The rebellion of free Nicaraguans against Communist dictatorship is part of a worldwide rebirth of freedom in defiance of the Soviet empire.

In Afghanistan, Cambodia, Ethiopia, Angola, and Nicaragua, Communist dictatorships and their Soviet and Cuban colonial enforcers are being challenged by nationalist groups determined to free their nations. Both our own security as Americans and our moral heritage, beginning with the Declaration of Independence, compel us to recognize the challenge of the Soviet empire and the opportunity freedom movements create.

The rise of freedom movements is the third round in the struggle between the Soviet empire and freedom. In round 1 Presidents Truman and Eisenhower recognized the threat of communism, aroused and educated the American people and created a new system of institutions and ideas to contain the Soviets.

The revolution of ideas, policies, systems and politics led by President Truman dwarfs anything we have seen since.

A large peacetime military, the Central Intelligence Agency, the North Atlantic Treaty Organization, the Marshall Plan, Greek-Turkish aid, point 4, the unified Department of Defense, the concept of containment, the Berlin airlift, the Rio Treaty and fighting a war to stop Communist aggression in Korea were only highlights of 6 years of strenuous effort and intense debate by Truman and others against isolationists of the left and right.

By 1958 the free world had won round 1 decisively. The Soviet empire was contained, and Japan and Western Europe were protected from conventional attack. Round 2 began with the Communist development of transnational conflict and a transnational strategy to extend the Soviet empire. The Communists found a gap in the free world model of containment.

Think, if you will, of a football team that has perfected the goal-line defense, all 11 are up close to the line. That was the free world in NATO, in Korea, that was containment.

And then the Soviets figured out the equivalent in that setting of the forward pass. They leaped past our containment to a new strategy. Using Lenin's strategy for seizing power in Third World countries, the Soviets discovered that the Western legal, political, diplomatic, and military systems had no effective response to transnational conflict. Western thought was based on clear-cut distinctions between war and peace, legality and illegality, civil war and foreign aggression.

By using Western words to disguise Communist transnational strategies, the Soviets confused and divided the West.

Ho Chi Minh used the language of the Declaration of Independence to deceive Western liberals about his intent. Castro posed as a reformer while consolidating power as a Communist. In fact, Castro's charade is still believed by leftists 26 years later and was cited in the March 1986 House debate on Nicaragua.

There is a famous study of Castro by historians who said that it is incredible that every major historian now understands that Castro was a Communist but they cannot get people on the left to read the histories.

Dwight Eisenhower and then John F. Kennedy moved to develop an American response to Communist transnational strategies. The Army's special forces were dramatically enlarged by President Kennedy. J.F.K.'s Alliance for Progress included both the Peace Corps and Green Beret advisors training the Bolivian troops to track down Che Guevara and wipe out Communist guerrillas.

Under Kennedy's leadership communism was challenged from the Berlin Wall to the jungles of Laos and Vietnam. U.S. political, economic, and military power were used aggressively and risks were run to, in his words, "Let every nation know, whether it wishes us well or ill, that we shall pay any price, bear any burden, meet any hardship, support any friend, oppose any foe to assure the survival and the success of liberty."

That was not a right winger. That was John F. Kennedy in his inaugural address in 1961.

President Kennedy felt so strongly about stopping communism that he risked nuclear war in the Cuban missile crisis, mobilized the National Guard during the Berlin Wall crisis and launched a major buildup of the United States military, including troops in Vietnam.

By November 1963, communism was losing round 2, and the free world was beginning to develop an effective transnational strategy for freedom.

Then Kennedy was killed. Lyndon Johnson proved unable to fill the intellectual-moral-political leadership vacuum created by J.F.K.'s death. The anti-Communist liberal internationalist party of Truman, Kennedy, and Humphrey began to disintegrate. By 1972, the ideological leftwing isolationist Democrats seized control of their party and nominated George McGovern, a 1948 Henry Wallace progressive, who had opposed Truman, opposed aid to Greece in 1947 and opposed active anticommunism.

In 1974, Watergate completed the collapse of the American centrist bipartisan anti-Communist consensus. In the 1974 election, McGovern's antiwar activists won spectacular and improbable victories. While economic pain (the oil price increase) and Watergate corruption decided the 1974 results, the winners were largely leftwing ideologues who were deeply opposed to an actively anti-Communist foreign policy.

The McGovernites moved quickly to impose their views on their party in the House and Senate. Then they voted to cut off aid to South Vietnam. The North Vietnamese Communists promptly launched an offensive, and a nation was captured for the Soviet empire. Next they cut off aid to Cambodia. The Communists won and killed over 1 million people in that holocaust dramatized in the movie "The Killing Fields."

Fresh from crippling freedom in Southeast Asia, the American left turned to Africa and cut off American help to anti-Communist forces in Angola and Mozambique. The Soviets responded to the left's timidity by flying 35,000 Cuban troops into Angola to impose a Communist colonial dictatorship. Surely, to anyone open to reason, the historical record should be clear. On a Thursday we voted in this House not to help the freedom fighters. By Sunday there was a Nicaraguan Communist attack into Honduras against the freedom fighters' camp. Does that sound familiar?

Is that not the same pattern: Cut off South Vietnam, the Communists attack; cut off Cambodia, the Communists attack; cut off Southern Africa, the Communists fly in troops. Again and again and again the McGovern left says, "If only the United States won't be provocative, the Communists will be reasonable." Again and again and again the Communists say, "As long as the United States is weak and timid, we will be daring."

The left turned, after southern Africa, to gutting the Central Intelligence Agency. And I might comment that many of those on the left who today complain about terrorism, many of those on the left who complain about the fact that we do not know enough, were among those who voted to weaken the very Central Intelligence Agency which is the key to knowing about terrorism.

Next, under Jimmy Carter, Soviet Mig-23's went to Cuba and were explained away. A Soviet training brigade in Cuba, in explicit violation of the 1962 missile crisis agreement, was explained away. A Communist threat to Nicaragua was explained away. Again and again new excuses were found to avoid the reality of communism, the threat of the Soviet empire and the dangers to American survival.

By 1979, the free world had lost round 2.

Round 3 in the struggle between the Soviet empire and freedom began in late 1979. The American people were shocked by the Iranian hostage crisis, the boldness of Khomeini and Qadhafi as anti-American revolutionaries, the growing Soviet presence in Cuba, the continued Soviet military buildup despite the weak defense budgets of the Carter administration and, finally, the Soviet invasion of Afghanistan.

By early 1980, the American Nation was moving toward an active, assertive anti-Communist, antiterrorist foreign policy. The first frantic reactions were symptomatic of how weak and ineffective the McGovernite leftwing had made America's defense, intelligence and diplomatic efforts. The desert 1 commando raid failed. Our intelligence services were weak in Iran, Libya, Nicaragua, Grenada, and elsewhere. The Carter grain embargo hurt Iowa farmers while doing nothing to stop Soviet forces invade Afghanistan.

While the McGovern left dominated key Senate and House committees and had debilitated our bureaucracies, President Carter finally began to respond to the obvious threats to our survival. His Defense Secretary announced the Stealth bomber program. The Carter defense budget increased. Carter increased aid to El Salvador and began cutting aid to the increasingly Communist government of Nicaragua.

Round 3, therefore, began before Reagan entered office. Indeed, the American people's rediscovery of the Communist threat and renewed belief that the world was dangerous helped elect Ronald Reagan. That same rejuvenated patriotism led to the defeat of a generation of leftwing Senators in the 1980 election.

For 6 years President Reagan has worked at developing an active anti-Communist foreign policy. Despite a large military buildup, the liberation of Grenada and limited success in Central America, the Reagan administration has failed to create a new consensus and new understanding in American politics, the Congress and the bureaucracy. Indeed, Harry Truman accomplished vastly more in foreign policy in 5 years than President Reagan has in the same length of time.

There are essentially seven reasons the Reagan administration has failed to achieve its foreign policy goals:

First, it has not focused on vision, on clarity of language and on defining and describing reality. The change from the passive McGovernite approach from 1970 to 1979 to an active profreedom strategy requires a vision-level debate.

Second, the Reagan administration has not developed a systematic debate ensuring continuity of public awareness and learning. If the Soviet empire's transnational challenge is as great as President Reagan's occasional speeches imply, then educating the American people and creating a new consensus is a full-time job. The very absence of focus and continuity reassures many Americans that the debate does not require their attention.

Third, a vision-level shift from McGovernite passivism to Reaganite activism must occur first by educating and convincing the Nation's news media and educated leadership at the grassroots, second by having them help educate the country at large, and third by changing the Congress.

You will notice that from 1945 to 1950, President Truman did not start by compromising with the isolationist left or compromising with the isolationist right. President Truman started by going to the country and having the country reelect those who favored stopping communism and defeat those who favored isolationism.

The Reagan administration has followed precisely the opposite formula for 5 years in its efforts to appease the center-left Senators and Congressmen, all of whom are under pressure from the militant McGovernite left.

Remember, there are many people who mean well, who understand reality, who would like to work with the President. But if you serve in a House Democratic caucus in which the majority represents the McGovern left, it is impossible to consistently be with the President without losing opportunities for committee assignments, without being under pressure. This has blurred the debate. Trying to win tactically in a House dominated by leftwing ideologues is a formula for frustration.

Fourth, the Reagan administration has failed and still fails to recognize how many changes are necessary in the executive branch's ability to develop and implement a profreedom transnational strategy powerful enough to meet the Soviet empire's threat. The current diplomatic, intelligence and military systems are simply incapable of achieving President Reagan's goals or implementing his vision. Sixteen years of leftwing McGovernite assault on American Government has led to a bureaucratic timidity and defeatism which is systematically misunderstood and underestimated by the Reagan White House.

While the President wants to defeat communism in Central America, 80 percent of his State Department wants to cut a deal and find an accommodation with the Nicaraguan Communist government. While Reagan wants a military capable of arming and training freedom fighers, the Defense Department has learned the lessons of Vietnam and wants to avoid transnational conflicts.

While Reagan believes in free enterprise, the Agency for International Development continues to export bureaucratic red tape and Government-dominated liberal welfare state economics. Again and again the gap between the Reagan rhetoric and the Reagan administration reality is massive and self-destructive.

The Reagan team can only achieve their goals when they realize that they face a Truman-scale job of fine tuning an already successful system.

Fifth, the Reagan administration can begin to succeed only by requiring and managing dramatic change in the bureaucracy. Getting effective modern antihelicopter weapons now, developing an effective Latin American public education program about the Soviet empire now, launching a United Nations fight against Soviet and Cuban colonialism now and setting up Radio Marti-type branches in Africa and Honduras now is the style and speed necessary.

□ 1425

"Action this day" was Churchill's theme for World War II. If Reagan is to leave behind a revitalized, actively anti-Communist bureaucracy, he must impose his will now.

Sixth, the Reagan administration must accept the fact that its vision of a Soviet empire, Communist Cuban colonial troops, and transnational threat to freedom in general and America in particular, is simply unacceptable to the McGovernite left. We are engaged in a struggle between two visions of America and two visions of the world. These visions are incompatible and beyond compromise. The McGovernite left rejects Reagan's version of reality and therefore are appalled by his proposed response to that reality.

A debate between two visions, or two world views, is dramatically different from a debate over strategy, operations and tactics.

The gap between Reagan and the McGovernite left is the same as that between Truman and the Henry Wallace progressives. Between such differences there can be no compromise. One side will win. The other side will lose.

The Reagan administration should actively court those Democrats who have committed heresy against their

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party and encouraged active anti-Communist transnational policies. The 13 Democrats who spoke in the House in favor of helping freedom in Central America are the leadership basis for a future bipartisan consensus on active anti-Communism. The 46 Democrats who voted yes on aid to the freedom fighters represent nearly one-fifth of the House Democrats and if banded together can survive as a pro-freedom activist anti-Communist faction. The Reagan administration goal must be to define, clarify and isolate the McGovernite left. The "soft-no's" must be encouraged to join the active anti-Communists, because they cannot afford to be McGovernites. The strategy must be to divide by defining and polarizing, and to build a stable, self-identified, bipartisan, and active anti-Communist majority.

Seven. President Reagan wants to lead enormous shifts in public opinion, elected officials' behavior, and bureaucratic effectiveness; yet he keeps trying to achieve these things, these changes, incrementally and by courting the very groups who have developed the McGovernite policies he opposes.

The fact is McGovernite House Members sought positions on the Foreign Affairs Committee, on Armed Services, and on the key appropriations committees precisely to fight for their isolationist, ideological world view. They believe in their world view and they will do everything possible to fight for their beliefs. That is their right in a free society and we should honor them for the courage of their commitment.

By nature, the wheelers and dealers and the political technicians who surround any White House keep trying to design conflict-avoidance strategies in foreign policy. They fail to understand the dynamics of change in American politics and government. They seek change through compromise, when in fact in a free society one more often gets change through disagreement and conflict.

If President Reagan truly wants to use his last 3 years in office to reshape the public, political and governmental systems of American foreign policy, he is going to have to fight more often and more tenaciously.

Theodore Roosevelt, Franklin Delano Roosevelt, and Harry Truman would have understood the challenge facing President Reagan. They relished a good spirited fight because they knew fights attract attention, attention is the first step to education, education is the first step to public support, public support is the key to organized political power, and organized political power is the key to building a sustainable activist anti-Communist coalition. If no coalition is built, then no success for President Reagan's beliefs will emerge.

The choice is simple. The change is difficult.

These seven steps are necessary if the Reagan administration is to achieve its foreign policy goals.

Ultimately, President Reagan's achievement may be measured by the survivability of the left wing isolationist fantasy world view.

Harry Truman's greatest accomplishment may have been the 20-year decline of the Henry Wallace progressives. By 1952 isolationism had become an obsolescent anachronism, a relic of a well-meaning but misguided fringe group.

Reading the 10-hour debate in March on Nicaragua, it is proof that Reagan has utterly failed to define and isolate the well-meaning, but self-deceiving left. Indeed, the consistent language, examples and analyses of the left in this debate are positive proof that the isolationist pacifist McGovernist left is still a serious competitor for power in America.

In the next few days it is my hope to take the debate, which itself ran 138 pages in the RECORD, and walk through case by case the basic themes of the McGovern left, the basic issues they developed, their view of the world, and simply leave it up to my colleagues; but let me bring this back for a moment to the challenge facing all of us as citizens, the news media, the President and the Congress.

I think that the gentleman from Florida [Mr. FASCELL], the very able Democratic chairman of the Foreign Affairs Committee, said it sadly and eloquently the last day of the debate in March, when he said, "You know, this debate is not going to go away. This issue is not going to have one more vote and then die. This is going to be with us for a long, long time."

I think I would say to our friends who worry about communism and who worry about the Soviet empire, to our friends who understand that the refugees we now have living in our towns and our neighborhoods, the people who fled from Poland, from Germany and from Hungary, from Czechoslovakia, from Laos, Cambodia, Vietnam, Nicaragua and Cuba, those of us who personally know refugees, I think what I would try to say most is in a way what the gentleman from Florida [Mr. FASCELL] said. We have been faced since 1917 on this planet with a brilliant formula for tyranny, the writings of Lenin. He and his immediate gang seized power in Russia at the end of World War I and built the largest empire in history, created a secret police system that works, developed a Communist Party technique that is transnational, and in many ways stole words. The 1936 constitution of Joseph Stalin is wonderful reading, but of course was never put into effect because it is a police state.

Ho Chi Minh's promises using the Declaration of Independence in 1945 were wonderful reading, but he established a Communist police state.

The left is real. The Leninist left is very different. If there were no Leninists on the planet, I would not have any arguments with my friends in this House on the left who are against aid to the freedom fighters. If Lenin's writings did not exist, if the Communist Party did not control the Soviet empire, if there was no secret police in Cuba and Russia, if terrorists were not being trained this afternoon to kill Americans, to threaten freedom and to disrupt our world, if guerrillas were not this very day being trained by Communists to be used in places in Central and South America, if the Soviet Union itself was not an active threat to our survival, then I would say to my friends on the left, "You were exactly right. We should never vote for a dime because it is not our business to be in Nicaragua."

But my challenge to my friends on the left is equally simple. Read the writings of Lenin. Study the history of the rise of the Soviet empire. Look at the way in which Cuban Communist forces are used in Angola, Ethiopia, Mozambique, South Yemen, Syria, and now Nicaragua.

Read the Grenada documents, where we actually captured an entire Communist government which wrote English and we know it is available from the State Department and you can read the thousand pages of their own speeches, their own minutes, their own dispatches.

Read what the people of Nicaragua have said, the Communist leadership.

In closing, George Will in a brilliant column recently quoted Adolf Hitler, speaking on January 30, 1942 at the Berlin Sports Palace, and Hitler said, "We will exterminate the Jews."

As George Will pointed out, educated, sophisticated, brilliant people, said to themselves, "When Hitler says we will exterminate the Jews, what does he mean? Since obviously reasonable people know he cannot mean that sentence, what would the sentence be a code for?"

Of course, we now know all too tragically from Auschwitz, from Dachau, and from Buchenwald, that he meant, "We shall exterminate the Jews."

I would say to my friends, read the speeches of Castro to the Communist Party of Cuba.

Read the speeches of Ortega. Read the speeches of Borge when he visits with his friend, Qadhafi.

Read the statements in Moscow by the Nicaraguan Communists as they say, "We are solid with the Soviet Union. We are against America."

Read what they say themselves and ask yourselves, what if like Adolf Hitler they just mean what they are

saying? What if like Adolf Hitler they are really just bad people? Not the Nicaraguan people, but the Communists.

What if like Nazi Germany, Communist Russia is a threat to freedom?

What if the reality of the evening news is real? And then what should America do?

This is going to be a long debate, not ending next week or the week after or the month after. This is going to be a debate which lasts for as long as there is a Soviet empire. It is going to be a discussion for as long as there as still free people somewhere on this planet trying to learn how to protect freedom from that empire.

We have only begun round three. We have only begun I think the recovery of the West, the rethinking of our transnational strategies, the development of opportunities to help freedom fighters wherever they have the courage to fight for themselves.

So, Mr. Speaker, I hope we enter next week having a fair chance to have an honorable vote, straight up or down, to send down to the President a bill for the side that wants to help the freedom fighters win, to do that which is right.

All of us are patriots in this House. All of us love America. The question is, how many of us can see clearly and carefully and historically the fundamental threat to America of Communism, the Soviet empire, Communist Cuban colonial troops and a brilliant transnational strategy for extending tyranny and threatening freedom.

MY ADVICE TO THE PRIVILEGED ORDERS

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Texas [Mr. GONZALEZ] is recognized for 60 minutes.

Mr. GONZALEZ. Mr. Speaker, in anticipation of next week's activities, I wish to round out some of the thoughts that I have expressed here in prior weeks with respect to the continuing issue and now at present agitated by the question of the President's request for direct aid to the rebels or the Contras hiding out in Honduras, but also and firstly, I think more importantly, I want to remind my colleagues of the lengthening shadow of the threat that hovers over the heads of some 2,000 of our military who are on active duty, most members of the 101st Airborne, who are in the Sinai Desert.

Now, I have gotten up over the course of the last 6 or 7 months and addressed this issue on three distinct occasions. I had hoped that I could arouse a little bit of interest on the part of those members and chairmen of the committees that have direct jurisdiction.

In this case, there is unfortunately only one committee, and that is the Foreign Affairs Committee, even though it involves a military decision that was mandated by the Congress. For the first time in the history of the Congress, we ordered a military detachment for duty as an active duty military contingent. This was in 1981 when the Congress approved a resolution requested by President Reagan that would authorize the formation of a so-called multinational peacekeeping group and that even though at the time we discussed it on the House floor, which was December 12, 1981, no mention was made other than the limitation on the number of troops that would be allowed under that resolution from the United States as to exactly who or what nation would constitute the peacekeeping mission.

We were told that the reason for the request was that President Reagan wished to honor a request that President Carter had made following the Camp David understandings between Egypt and Israel, since the United States is not a party to the Camp David understandings, as a followup commitment that President Carter in a letter addressed to both the head of state of Egypt, then Mr. Sadat, and the then head of state of Israel, Mr. Begin, in which he said that in order to insure the continuing United States support and shoring up of the agreements that were arrived at in the Camp David meetings, he would initiate, he, President Carter, would initiate the action necessary toward the formation of a peacekeeping unit.

☐ 1440

When it was presented on the House floor in December 1981, I was surprised that it was coming from the Committee on Foreign Affairs without a joinder of the Committee on Armed Services of the House. No explanation was given to me when I asked the question of the three ranking members of the committee at the time.

When my second question was also not answered, and as a matter of fact, at that time the overall chairman of the Committee on Foreign Affairs, a very close friend of mine who I highly esteemed, became irritated with me and would not even offer any time for me to be recognized to address the issue. So I then had to quickly formulate an amendment which, in effect, was formulated only so that I would have a forum in which I could raise the questions at least during the 5 minutes that I would be recognized for on the amendment.

The amendment was very simple. It just said that none of the moneys and none of the clauses in that resolution should be ever interpreted to mean that any draftee or conscript would be included in that contingent that the United States was committed.

Second, the other question that I raised was what was the precedent for congressional action in which the Congress was ordering a troop movement of members of the Armed Services of the United States. As far as I knew, I could not recall any instance in the history of the Congress.

Finally, the answer was forthcoming and it was admitted that it was unprecedented. So I then asked the fourth question, and that is, why do you not have the Committee on Armed Services coming in here and explaining to us, from the Armed Services point of view, what the limitations are? Define the mission. What is the mission of these men? Peacekeeping between whom? Between 2 allies, Egypt and Israel. How can the United States come out anything but a loser?

But in the meanwhile, the political environment has deteriorated insofar as a severe anti-American spirit is concerned in that part of the world, in the Middle East. So I consider our troops and the 500 Fiji Islanders that we finally got, and about 500 Colombian soldiers from the country of Colombia, and just a handful, I would say about 15, British, maybe about the same number of French, no West Germans, and that is it. These men do not have armor. They do not have aircraft. They are sitting ducks in a very, very delicate situation in which it would be ideal, I would think, for a so-called terrorist organization or group, or enemy head of state, to really attack and severely hurt this military contingent.

These are battle equipped, other than the fact that they do not have armor, they do not have aircraft. They could not possibly fend off any kind of an organized, in-force, military attack, with just a minimum of artillery or aircraft. I say that we have a serious responsibility not to forget these men. They were brought to the attention of the Nation, even though this happened about 3 or 4 months after I began to get the interest in this forgotten group of Americans, like I had during the time the Marines were in Beirut, and I kept asking the President, "What is their military mission?" The President kept answering indirectly, through the press, that they were peacekeepers and that they were there to shore up the Gemayel regime. That is hardly in keeping with a peacekeeping purpose, because the Gemayel regime was one of four factions in an ongoing civil war in Lebanon, so if we take sides with one, no matter what good purposes we might have, we certainly are not peacekeepers. We are intervening, and in a militarily untenable situation.

I think the precise situation is happening again in the case of these near 2,000 soldiers that we have in the Sinai Desert, even as I am talking. I think that we should not sit around

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here and act as if nobody is reminding us that those men are there. I think the least we can do is request of the President, through the proper committees, the President is not going to listen to an isolated voice like mine. He does not even answer letters of a Congressman. So I really feel sincerely that this better be done. It should have been done months ago. The Congress ought to review the whole purpose and mission of these men.

What is their mission? Suppose they are attacked? Suppose there are casualties, whether they are American soldiers or Fiji Island soldiers or Colombian soldiers? We have a responsibility. What do we do to back up? Do we follow through? Do we invade Egypt in order to back up and defend these contingents in the Sinai there in this buffer state, or in case the attack happens to come from a direction of Israeli territory, what do we do, invade Israel?

These are questions that I do not think we should sit here and wait until we have a catastrophe on our hands. So I want to remind my fellow Congressmen, now that everybody is going off and looking forward to no more legislative work and no worries over the weekend, and the main preoccupation has been dominated with this obsession by the President over Nicaragua, and where there the issue is not whether the President wants or really needs $100 million, $70 million of it supposedly outright military. The issue is the fine print that nobody is discussing, and that is the approval on the part of the Congress, when and if it does approve that package, of the use and the permission to use our full service complement in direct aid of the rebel group known as the Contra forces for the first time. The Congress ought to realize that it is not just appropriating and sanctioning and approving the use of an appropriation of $100 million; it is also giving for the first time its direct consent to the President to divert troops. The President said last week that he intended, as soon as possible and feasible, to use Green Berets, Special Forces, in order to act as advisers to this motley group known as the Contras, or the rebels.

In today's New York Times, on page A31, the editorial section, we have a column written by Anthony Lewis, the prestigous columnist for the New York Times, entitled "Freedom Fighters," the story of Maurice Demierre. Maurice Demierre was a civilian Swiss of French descent who went to Nicaragua, was helping in a civilian way the peasants, and a group of Contras came in, wiped him and a group of peasant women and children out completely. These were Contras. He ends his article by saying:

> The death of Maurice Demierre cuts through all the words, all the debate about the Reagan policy in Nicaragua. It tells us that when the President speaks of "Freedom Fighters" he means terrorist killers of unarmed civilians. And the world sees it plain.

□ 1450

I have been telling my colleagues several years now that indeed, and in fact, the world sees it plain that the President has been conducting war, that the Congress has not declared war so that he stands in violation of the Constitution. And he stands in direct violation of the legislation approved by the Congress in 1974 known as the War Powers Limitation Act.

Now I listened to one of my colleagues earlier this afternoon say that he had introduced a resolution declaring war. Now I think that his main idea is sound; that is, that it will reduce to the irreducible the absolute basic issue involved. I do not agree with my colleague. I think it is not the way to either realistically or responsibly pursue the matter.

I think all we have to do is live up to our responsibilities as the first branch of the Government, coequal, independent and separate, and call the President and say Mr. President, rather than you demanding and trying to put us on the defensive, we are calling you before the bar of the Congress to account for the war that you have conducted now for 5 years, to account for the fact that the United States, before the International Tribunal of Justice known as the World Court has found you and us, the United States, guilty of violating international law, basic human rights, and have been told to stop and desist the Exo war you have been perpetrating in the name of our country against the Nicaraguan regime.

The issue is not whether or not we are going to lose Central America. There is no such thing. In the first place, we have never owned Central America. We are talking about independent, sovereign nations.

Now we have not considered them that way historically. We have invaded Nicaragua 14 times in less than 100 years. We have invaded them as late as 1929 when Calvin Coolidge sent the Marines and they were kept for 13 years, and where they imposed the Somozo regime, where they formed, they selected, trained, armed and equipped the national guard which today is still a word of anathema among Nicaraguans still in Nicaragua. Eighty percent of the so-called rebel group hiding out in Honduras are ex-Somocistas.

There, like in the case of Cuba, the issue is not whether or not we shall demand ideological purity. If that is the case, then we ought to invade France, because France has two Marxist-Leninists or Communist members of the French Cabinet. Why not invade France so that we can demand ideological purity there?

I have always said that if Latin America were known as a white, Caucasian, English-speaking area, we would never be pursuing the policies that we have pursued. There is one difference this time. This time we do not have the margin of error that we have had in the past. This time, at this most critical juncture, if the President does not, and he has not up to now, and he does not show any intention to do so, rise to the occasion, only the Congress can do so. I do not know what the result will be. The pressures have been tremendous, the accusations have been around that if the President is not supported, mind you, not his request analyzed and evaluated, but loyalty to the President. I recall, as if it were today, when we had the same issue, different form, different scenario, but essentially the basic issue insofar as our Constitution is concerned, and insofar as the independence and the separation of powers is concerned, and that was when the Gulf of Tonkin Resolution, as it was known later, was presented here. I was here. I was the last one to record my vote because of extreme doubts.

I went to the then chairman of the Foreign Affairs Committee, Dr. Morgan of Pennsylvania, and I asked him what is this all about. And he said what do you mean. I said, well, I did not know until I got here that this resolution, that I have a copy now for the first time, had not been printed, and the wording of it is very, very clear, it is to me sort of like a backdoor declaration of war. And the chairman, who was also a very good friend of mine on a personal basis, said, well, what do you want. Do you want to deny your fellow Texan, President Johnson, the same resolution we gave Eisenhower in the case of Lebanon, referring to the time that President Eisenhower sent 20,000 troops to Lebanon, and the one we gave President Kennedy in the case of Berlin. And I said, you mean this is the identical resolution. And he said it is the same thing.

So I came back and pondered, because the headlines were that some of our ships, warships had been attacked in that gulf and that the President was asking for the moral backing and support of the Congress. The resolution, and its plain wording, indicated to me that it was more than moral support. So I hesitated, did not know, and for the first and only time in my career as a legislator, I let fear, fear of being the only one to vote no, and particularly because the incumbent was not only a friend, he was a neighbor, and I did not want to stick out like a sore thumb. And it was not that I feared anything. I had gone through all of that in Texas. I fought every single establishment force anybody can create in any community, so that was not a fear. It was just a fear of appearances, and I swore after that that I would never let fear ever motivate my vote again, either fear of the loss of office, which frankly speaking never has frightened me. If I had been afraid of that, my whole trajectory in holding public office for 33 years would have been different. I would have never gotten up on the floor of the State senate and filibustered the race bills for 26 hours, not after Martin Luther King, but before Martin Luther King. I would have never gotten up on the City Council of San Antonio and offered a resolution to do away with all discrimination based on race, color or creed in all tax-supported municipal activities. Why, the black population in my whole county has never even reached 8 percent. What kind of a politician would I be to think I could get political mileage out of that? But that was not the issue to me.

The issue then, as the issue now, was the basic responsibility to uphold the oath of office and uphold at that time the Constitution of the State of Texas and the Constitution of the United States, and here to hold and uphold the Constitution of the United States. I think this is the real issue, because the President, instead of being brought before us, and I would suggest to the gentleman from Massachusetts who today announced that he was introducing a declaration of war, not because he wanted war, but because at least it would reduce the irreducible minimum the basic issue confronting us, and that is that the Congress confront the President and say, all right, Mr. President, you want war, you have been conducting war, and well, OK, we will go along with you. Or no, we will not.

But we do not have to do that. All we have to do is have the guts to consider the resolutions that some of us have introduced for 3 years in which we allege that the President is in direct violation of the War Powers Limitation Act. We also specify exactly and in what way, manner, shape and form the President continuously and unceasingly has violated the War Powers Limitation Act.

When we had a session of the House that was supposed to be considering, about 3 years ago, the so-called violation of that act, the debate turned out to be not on whether or not there was a violation of the War Powers Limitation Act, but whether one, we were going to be loyal to President Reagan, or disloyal to President Reagan, or as one of his side traps said, you are either for Reagan or you are for the Communists. I think that when we allow ourselves to be intimidated in that manner, shape and form that we have in effect traduced and have abdicated our duties under our oath of office.

I have thought long in formulating those resolutions. I have introduced a total of two resolutions, one in the case of Beirut where the President was obviously under the obligation, under the law we passed in 1974, to come before the Congress and get Congress' consent. But he never did and the Congress never cared. And what happened? We had 241 young and loyal and brave marines murdered.

The President can never escape the judgment of history, and more important, the infinite for the main and simple reason, as I tried to bring out for 14 months, that the President, as Commander in Chief, was in heedless disregard to the unanimous advice of the Joint Chiefs of Staff.

Ever since then, I have not trusted, have no confidence in either the judgment or the wisdom of President Ronald Reagan. The death of those marines are directly attributable to his obdurate and callous indifference to the recommendation of the top military experts we have in this country.

The same thing is about to happen in Central America. Why? For the main and simple reason that I have heard nobody, either in the Congress or in the executive branch, and I go back to President Kennedy's era, I had a close and an intimate and a personal friendship with John F. Kennedy since 1951, never dreaming at the time that I would be in politics. And after I came to the Congress, and again, not planned, not intended, that friendship was anchored down, and I know through the benefit of that friendship exactly what the thinking was. But even before that, when I was a State senator, and after the election in 1960 where I had to go into 11 States in behalf of the Kennedy-Johnson ticket, I was approached by a very successful and wealthy businessman on our Texas-Mexico border who had married into one of the most prominant Cuban families. He had traveled extensively in Cuba in the late 1920's and 1930's organizing baseball teams. That was his business. He met and married a member of one of the most prominant Cuban families.

After the election and on December 10, 1960, he called me and he advised me that he had to see me because he understood that I knew President-elect Kennedy very well, and that there were some things happening that were going to affect the Presidency even before he had a chance to get sworn in, and that he wanted to arrange a meeting through me with an individual then in Miami who had been a former distinguished Cuban jurist, that has been a member of the World Court representing Cuba and later in the diplomatic corps of Cuba, and he was an exile in Miami and had grave and serious matters. I met with him because I insisted that he give me details, since I did not know anything about Cuba. I had never made myself an expert on anything Latin American, just because my last name is Hispanic, and I keep trying to tell my friends, including President-elect Kennedy, who had called me on Sunday, before January 20 when he was going to be inaugurated, and called me from West Palm Beach to tell me that he wanted to appoint me as an Ambassador to some Latin American country, was the way he put it.

□ 1505

I demurred. I said, I am not ambassadorial material. He explained that he had long considered this vast reservoir of talent in the United States, of culture and tradition and heritage—Hispanic, as a source that would be fruitful in the selection of competent men that could be sent down as envoys for the United States.

I said, "That may be fine, and I'm sure you will find them." This group, like any other, has good, bad and indifferent; and yes, they have been victims of discrimination and all of that in the Southwest, but nevertheless, in our atmosphere of freedom, they will rise, those who have talent, but I am not one of those that has any kind of ambassadorial ability or ambition and I know it, and there is no use wasting your time; I am not interested.

Then he wanted me to come up and I did not. This was the background at the time this man called me from the border town. When he met with me before, I would consent to bothering the President-elect and meeting with him, which I considered a big responsibility. He came and explained to me that he had the most disturbing information; that a decision had been made in 1959 during the Eisenhower administration to invade Cuba, to try to knock out the newly installed Castroite regime.

Just in 1 year the CIA had spent, in the Miami area, $2.5 million training again another disparate group of exiles for the invasion. He told me that it would occur in February; he gave me the exact day, he told me the time that it was scheduled to depart from Florida; he told me the coincidentally departure of a group trained in Nicaragua, in the Somoza regime, anti-Castro, where the CIA also had training camps; and in one other Central American country.

The theory being, and as I later found out, that a group had been formed in the State Department, the Special Operations Group, but it was not supposed to have military purposes in mind.

Somehow or other, as the mysterious submerged groups that have power and no accountability will do, they will soon arrogate power that never has been given to them.

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This happened, because by 1959, late in 1959 or April 1959, this group had decided on an incursion into Cuba based on a company-size invasion in each one of the six Cuban provinces.

At the time this man called me, I did not know any of that; who would know? I did not know anything about Cuba, and I told him so. He said, "Well, you're a good friend of John Kennedy, and we are warning you: He doesn't know, and he won't know, and what we're trying to tell you is that even if these men that form this invading group were to succeed in physically occupying Cuba, they would never be able to govern it because they cannot even get together among themselves first.

"Second, unless the United States is prepared to go in and sit and govern, this group won't do it." He said "Furthermore, we know that Castro knows exactly what we know, because we know that these groups and these CIA-sponsored activities have been infiltrated by friends and allies of Castro in the Miami area."

I said, "Fine. I think that's very important." I picked up the phone and I called Mr. Kenny O'Donnell, later the personal secretary of President Kennedy. I called him to Hyannisport and I arranged, because the President-elect had announced that he was coming to visit Lyndon Johnson at the ranch that Friday, which if I remember correctly was around the 11th or 12th of December 1960.

Mr. O'Donnell said, "Just a minute, I'll call you back." He called me back and said, "We're taking your good judgment, Henry, and we can allow you 15 minutes to visit with these friends, with Jack Kennedy, at Bergstrom Air Force Base, on Friday, if you will be there by 12 noon, report to the commander; he will see you at 12:30 for 15 minutes and then proceed by helicopter to Lyndon Johnson's place."

I then called the gentleman who had returned to his home town of Del Rio, and I said, "Fine. When is your man able to come over?" To make a long story short, on the appointed hour which was going to be that Friday, in the morning, and we were going to meet in San Antonio and then I was going to drive them to Bergstrom Air Force Base, this fellow from Cuba did not show up. It turned out something had happened to him. What, I never really knew for sure, but I am sure that the CIA probably intercepted the purposes of his projected trip.

So I then refused to go and bother the President-elect at Bergstrom Air Force Base. I then suggested to my friend that when and if he ever had that man, to let me know and I would contact then-U.S. Senator Ralph Yarborough, and let him set up, if he was willing to do so, whatever meeting they thought was necessary.

The reason I am going into this is that I was still in the State senate. I had announced my candidacy for the U.S. Senate. So naturally, I was preoccupied; I did not even come to the inauguration of the President. First because I did not have the money with which to do it and second because I was giving my all to running to the U.S. Senate seat which had been vacated by President Johnson.

On February 17, lo and behold, the date this friend had given me as the invasion date, the hour—all of that was exactly the way it had been explained to me. Ever since then, I made up my mind I would never overlook reliable and absolute foolproof sources of information.

This is what has been happening since 1979 in September in the case of El Salvador, and Nicaragua and Guatemala. That, my colleagues, is the only reason I have ever based myself in coming before the Members of this House, for the record—not for television; for the record—in order to appeal on the basis of the judgments I have formulated, in turn based on absolute reliable sources of information.

I have been pointing out that whatever it is, and I notice that Mr. Lewis in his column says, he refers to President Reagan's "policy." The trouble is, there is no policy. The President has never exerted any leadership in presenting either short-range or long-range, other than spasmodic, ad hoc requests, a policy approach. Our country has yet to develop a policy that will distinguish between an indigenous, native revolution, civil war and one that has been imposed by external forces, be they Communist or any other.

We have paid an extremely heavy price in blood and treasure for this lack of knowledge and perception, compounded by our own willingness to learn the history and the culture of these nations with whom destiny decrees we must share the future, of our children, grandchildren, great grandchildren.

Some of my colleagues have said, in advocating that we vote for this aid, that the reason they are doing it is because they do not want to see their children fighting. Their support of this approach and the actions that President Reagan has been taking, irreversibly, President Reagan is worshipping at the altar of the false bitch goddess of war.

I will say this, whether or not my resolution is considered, whether or not an impeachment resolution is ever considered by the Congress—which it ought to be—I will say this, President Reagan: You have already been impeached. You have been impeached by the infinite and the Almighty. Disgracefully, it will be others, and the children and the young who will face a future of anger and hatred and divisiveness, and the establishment of a history of out-and-out hatred in the New World, with the people that our children will have to deal with.

We have learned nothing. We have learned nothing from the first time we attempted to intervene in the way we have. That we have sold our birthright for—not even a mess of pottage, but for an ideological fear that obsesses the minds of even some otherwise highly intelligent Americans.

☐ 1515

This I think should have been revealing to us as a policy of catastrophe, disaster, and further bloodshed.

Let me conclude, Mr. President, by saying you have already been impeached. We have walked out of the tribunals of international law. We are the ones that are trying to evoke the name of law and order in denouncing acts of terrorism among others. We have been found guilty of those actions as a nation by the only tribunal set up by the world's civilized countries. I say that that is indictment enough and that the wise, and I have the utmost confidence that given a chance to evaluate calmly and not under an aura and atmosphere of extreme pressure in a political election year, that the right thing will be done. The only thing is that up to now it has not, and up to now it has meant that we have a price to pay that I think, if the American people, en masse, understood, would say why should we?

Is there any need for it? I never have thought so. I always felt—I antagonized friends, President Johnson, mostly his advisers, when I pointed out that I felt there was an act of unconstitutionality in drafting an unwilling American conscript, and then compelling him, against his will, to go outside the continental United States in an undeclared war. Why did I say that? Because that was the express provision that had to be incorporated into the first Universal Training Act of 1941 that passed only by one vote and not until that clause was in it. Everybody forgot about it because naturally in those intervening years you have World War II and a formal declaration of war. I remind my colleagues, like I am reminding the President, that maybe he will never be called to the bar of the Congress or any other, not earthly, but he has already been impeached by the infinite and so has the Congress that has gone along supinely without rising to the independence, the coequality, and the separation that our Constitution says is our duty to uphold. This is the issue; nothing else is the issue.

Nobody that I know, in or out of the Congress, back home or in my district, has ever had any brief for what we call communism or Castro-ism or anything like that.

That is not the issue. That is a false issue. And if it is, then I will repeat what I have said innumerable times: We will never defeat communism with bombs. The only way will be social justice, which means instead of having traded our birthright we should have lived up to the heritage, our revolutionary heritage, and instead of letting other false hypothetical forces such as Communist and Socialist forces take the credit, we ought to be leading the revolutions in those unhappy lands where, at last, the millions of oppressed, downtrodden peoples who have been oppressed for 300 years, that would not even know what it would mean to have 6 minutes of democratic rule but who now know because the world has contracted, that they do not have to take it any longer and they are not going to take it.

So either we go in and we lead the revolution like we did on our own, or we abdicate and then see ourselves swept into the backwater of history because history is irrevocable and inexorable, and we will never escape that judgment. We can vote and we can satisfy our constituents and we can yield to those that say, "Who are you for? If you don't like it here, why don't you go back from wherever you came from," overlooking the fact that I was born in San Antonio in the United States. But I have had to face that ever since I can first remember, when I first went to school. So I say to my colleagues, next week the issue is not the money. That was proven 2 weeks ago when the President quickly found $20 million that he sent down to Honduras. The President said just 5 days ago that they did not request it, they did not want it. This is a country we are occupying, we are invading. They do not want us. The representatives of Honduras have never said they want us. In fact, they go out of their way, the Speaker or the President of their Assembly as they call it, has come out and said, "We wish you would leave."

We have gone in, we have had the shameful experience of $27 million approved for so-called humanitarian aid last year not even being delivered because the Honduran Government will still officially deny to the world, because they are trying to be law-abiding, international-law-abiding citizens and they will deny to the world that they have Contra bases in Honduras. The only reason they are there is because we have forced them there.

I will say this, my colleagues, and I know I am right, that the best thing we could do right now, and if I had the power, not that I am ambitious for that power, but if I did have it, I would do what I told President Johnson in 1966, I would pull out all our military south of the border, I would pull them all out, pull out the helicopters, and I would send back—and protect them—the priests, the nuns, the Protestant missionaries, the teachers, the doctors, I would recruit nurses, I would take water tanks instead of Sherman tanks. That is what I would do. And let me tell you the United States would have a leadership that would never be in any way eroded and we would find ourselves with a self-contained New World economy that some of us have been advocating for years in which, instead of idle plants in the rust belt we would have the smokestacks producing goods and a market, a ready market. We would be buying the needed goods and prime materials that we need and the other luxury goods like sugar and coffee and would have to be paying like we do now, through the nose and through a lobby who are the ones forging the policies of this administration.

I yield back the balance of my time.

FAIR SHARE LOW-INCOME ENERGY ASSISTANCE ACT OF 1986

The **SPEAKER** pro tempore. Under a previous order of the House, the gentleman from North Carolina [Mr. BROYHILL] is recognized for 60 minutes.

Mr. BROYHILL. Mr. Speaker, I am introducing today the Fair Share Low-Income Energy Assistance Act of 1986.

This is a simple bill to remedy a clear injustice. The Department of Health and Human Services allots funds to the States under the Low-Income Home Energy Assistance Program [LIHEAP]. These funds are used by the States to help low-income families pay their energy bills.

Prior to fiscal year 1985, the formula for determining each State's share of low-income energy funds did not take into account the most direct measure of need—the amount of money spent by low-income households on energy. An amendment enacted in 1984 under the leadership of my friend and colleague, Mr. MOORHEAD, made low-income household energy expenditures the basis for determining State allotments. There was, however, an important caveat to this new formula. This caveat essentially provided that no State could get less money under the new formula than it would have received under the old one. The purpose of this clause was to prevent any State from suffering a cut in its LIHEAP allotment, due to the change in the formula.

Now HHS is applying this caveat clause in a manner that slashes low-income energy aid for many States while insulating other States from any reduction in funding due to Gramm-Rudman. Rather than cutting each State's fiscal year 1986 LIHEAP share by a uniform 4.3 percent, HHS intends to reduce 20 States' allotments by up to 11.69 percent, while some States' allotments will not be cut at all! Appended to this statement is a chart showing how each State is affected.

Implementation of spending cuts in this manner is tantamount to back-door repeal of the Moorhead amendment. Congress intended, and expected, the Gramm-Rudman sequestration to reduce spending across-the-board except for those programs explicitly exempted. The overriding premise of sequestration is that recipients of Federal moneys should share equally the pain of spending reductions. It makes no sense to undercut this premise because of a clause predating Gramm-Rudman.

Passage of this bill would remove any doubt as to what Congress intends in implementing the Gramm-Rudman sequestration order for LIHEAP. The Fair Share Low-Income Energy Assistance Act would make clear that any sequestration order must operate to reduce each State's share by the same percentage amount. This uniform reduction of funding would ensure that the policies and decisions made by the Congress, and reflected in the allotment formula, are preserved and that each State receives its fair share of LIHEAP moneys.

States	86 allotments $2.1 billion (ADM—$2.235 million; before G/R/H)	86 allotments reduction formula	Percent reduction formula	86 allotments reduction pro rata	Percent reduction pro rata
Col. A	Col. B	Col. D	Col. E	Col. F	Col. G
Alabama	$20,055,000	$17,710,215	−11.69	$19,192,720	−4.30
Alaska	10,815,202	10,815,202	0	10,350,148	−4.30
Arizona	9,698,881	8,564,871	−11.69	9,281,829	−4.30
Arkansas	16,302,982	13,513,731	−11.69	14,844,953	−4.30
California	107,589,718	95,010,144	−11.69	102,963,356	−4.30
Colorado	31,692,305	31,692,305	0	30,329,534	−4.30
Connecticut	41,343,730	41,343,730	0	39,565,948	−4.30
Delaware	5,988,760	5,731,249	−4.30	5,731,249	−4.30
District of Columbia	6,725,747	6,436,540	−4.30	6,436,540	−4.30
Florida	31,733,142	28,022,848	−11.69	30,368,615	−4.30
Georgia	25,089,914	22,156,358	−11.69	24,011,047	−4.30
Hawaii	2,134,629	2,134,629	0	2,042,840	−4.30
Idaho	12,362,111	12,362,111	0	11,830,540	−4.30
Illinois	121,420,693	116,199,587	−4.30	116,199,587	−4.30
Indiana	54,545,812	52,200,340	−4.30	52,200,340	−4.30
Iowa	36,719,870	36,719,870	0	35,140,722	−4.30
Kansas	18,060,013	17,283,432	−4.30	17,283,432	−4.30

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States	86 allotments $2.1 billion (ADM = $2.235 million; before G/R/H)	86 allotments reduction formula	Percent reduction formula	86 allotments reduction pro rata	Percent reduction pro rata
Col. A	Col. B	Col. D	Col . E	Col. F	Col. G
Kentucky	30,886,082	28,183,302	−8.75	29,557,979	−4.30
Louisiana	20,503,252	18,105,976	−11.69	19,621,611	−4.30
Maine	26,784,147	26,784,147	0	25,632,427	−4.30
Maryland	37,470,649	33,089,516	−11.69	35,859,409	−4.30
Massachusetts	82,701,153	82,701,153	0	79,145,000	−4.30
Michigan	114,998,162	110,053,236	−4.30	110,053,236	−4.30
Minnesota	78,271,456	78,271,456	0	74,905,780	−4.30
Mississippi	17,194,125	15,183,758	−11.69	16,454,777	−4.30
Missouri	50,087,155	47,778,052	−4.61	47,933,405	−4.30
Montana	14,499,970	14,499,970	0	13,876,471	−4.30
Nebraska	18,159,286	18,159,286	0	17,378,436	−4.30
Nevada	4,555,275	4,022,665	−11.69	4,359,398	−4.30
New Hampshire	15,653,641	15,653,641	0	14,980,534	−4.30
New Jersey	86,626,243	80,250,915	−7.36	82,901,310	−4.30
New Mexico	11,920,234	10,722,624	−10.05	11,407,663	−4.30
New York	250,682,526	250,682,526	0	239,903,166	−4.30
North Carolina	44,221,026	39,050,627	−11.69	42,319,520	−4.30
North Dakota	15,751,355	15,751,355	0	15,074,046	−4.30
Ohio	113,925,355	105,815,466	−7.12	109,026,559	−4.30
Oklahoma	18,434,747	16,279,324	−11.69	17,642,052	−4.30
Oregon	24,562,876	24,562,876	0	23,506,671	−4.30
Pennsylvania	134,653,488	134,653,488	0	128,863,382	−4.30
Rhode Island	13,613,082	13,613,082	0.	13,027,719	−4.30
South Carolina	15,927,829	14,065,519	−11.69	15,242,932	−4.30
South Dakota	12,792,859	12,792,859	0	12,242,765	−4.30
Tennessee	32,329,050	28,549,081	−11.69	30,938,899	−4.30
Texas	52,793,359	46,620,669	−11.69	50,523,242	−4.30
Utah	14,727,489	14,727,489	0	14,094,206	−4.30
Vermont	11,732,961	11,732,961	0	11,228,443	−4.30
Virginia	41,694,856	39,901,975	−4.30	39,901,975	−4.30
Washington	40,402,548	40,402,548	0	38,665,237	−4.30
West Virginia	18,737,280	17,931,576	−4.30	17,931,576	−4.30
Wisconsin	70,455,549	70,455,549	0	67,425,957	−4.30
Wyoming	5,896,563	5,896,563	0	5,643,011	−4.30
Total	2,094,924,034	2,004,842,202		2,004,842,202	

Mr. MOORHEAD. Mr. Speaker, I rise today in support of the Fair Share Low-Income Energy Assistance Act of 1986. This bill will assist, to the extent possible under Gramm-Rudman, the equitable allotment of Low-Income Home Energy Assistance Program funds to the States. The Low-Income Home Energy Assistance Program provides block grants to the States to help pay the fuel bills of eligible low-income families. In 1984, under my leadership, an amendment was enacted which required State allotments of Low-Income Home Energy Assistance Program funds to be based on the actual energy expenditures of low-income households. That amendment included a proviso that no State could be allotted less money under the new formula than it would have been allotted under the old formula. The purpose of this proviso was to prevent any State from suffering a cut in its LIHEAP allotment due to a change in the formula.

The Department of Health and Human Services, however, has proposed to allot funds to the States so that certain States suffer no cuts in their allotments from either the new formula or Gramm-Rudman. Thus, HHS is proposing to reduce some State allotments, including the allotment of my own State of California, by up to 11.6 percent rather than cut each State's allotment by a uniform 4.3 percent.

This is obviously unfair and could never have been intended by Congress, either at the time my amendment to LIHEAP was enacted or at that time that Gramm-Rudman was enacted. Moreover, it has the effect of nullifying the formula change adopted in 1984. This injustice should be corrected. Enactment of the Fair Share Low-Income Energy Assistance Act will require any sequestration order under Gramm-Rudman to reduce each State's allotment by the same percentage amount. This uniform, even-handed reduction of allotments will ensure that each State receives its fair share of LIHEAP moneys.

I urge my colleagues to support the Fair Share Low-Income Energy Assistance Act of 1986.

INTELLECTUAL PROPERTY AND TRADE

The **SPEAKER** pro tempore. Under a previous order of the House, the gentleman from Wisconsin [Mr. KASTENMEIER] is recognized for 15 minutes.

Mr. KASTENMEIER. Mr. Speaker, it is now commonplace that the United States must take dramatic steps to address our serious trade problems. Increasingly the private sector, Government officials and politicians have fixated on enhanced protection of American intellectual property as one of the keystones to addressing the trade problem. Without question, the American creative genius has been nurtured by strong legal tradition of protecting the property rights of intellectual property owners. As we think about adjusting our lives and laws to meet the trade problem I hope that we can proceed in a balanced and objective way. As important as this task is we should not take shortsighted and precipitous action as a palliative for short term problems.

Before outlining what are, in my view, the elements of a coherent and comprehensive approach to intellectual property and trade let me set the context.

Our key intellectual property laws—copyright and patent—are derived from the constitutional mandate to "Promote the progress of science and useful arts, by securing for limited times to authors and inventors the exclusive rights to their writings and discoveries." (U.S. Constitution Art. 1, section 8, clause 8.) The Constitution envisions a bargain. Creators and inventors receive a benefit—a form of a limited monopoly right. In exchange, the right. In exchange, the public arguably benefits twice—first when it obtains access to the creation or invention, and second when the term of protection expires and the creation or invention is added to the public domain. This bargain furthers the public interest and does not represent in any way recognition of the natural right of creators and inventors to proprietary protection. Thus, our intellectual property laws—including laws relating to trademark and mask works—represent carefully fashioned compromises which limit the nature and extent of the rights of intellectual property owners. These limits include concepts such as fair use and first sale in copyright and the right to engage in reverse engineering with respect to mask works.

From a political perspective it is safe to say that our intellectual property laws are neither unlimited nor primarily designed to provide a special benefit. "Rather, the limited grant is a means by which an important public purpose may be achieved." *Sony* v. *Universal City Studios*, 464 U.S. 417, 429 (1984).

This perspective is important to keep in mind when addressing trade legislation affecting intellectual property. In my view, it would be a serious mistake to use legislation relating to international trade as a vehicle for changing the positive law relating to intellectual property.[1] I am also hopeful that we will not ignore the public interest in a rush to protect what are currently perceived by some to be embattled industries. Ultimately, I think that we would strike a bad bargain on behalf of the public if we ignored the need for balance.

SUMMARY OF PROPOSALS

As chairman of the Subcommittee on Courts, Civil Liberties and the Administration of Justice, Committee on the Judiciary, I have responsibility for overseeing the functioning of both the intellectual property system and the Federal courts. The proposals I offer hopefully will preserve the appropriate role of the courts in adjudicating and enforcing intellectual property rights while simultaneously recalibrating the nature of the rights and remedies available to creators and inventors. In my view, a comprehensive trade-oriented intellectual property bill should include administrative law reform affecting the operation of the International Trade Commission [ITC].[2]

The ITC is an independent Federal agency, whose members are appointed by the President, authorized to adjudicate trade cases. The ITC is not and should not become an intellectual property court. In recent years section 337 of the Tariff Act of 1930 has been used to bring a number of patent, copyright, and trademark cases before the ITC. There is no doubt that the ITC is an important—if not essential—supplement to the remedies available in the Federal judicial branch. Because the ITC has in rem jurisdiction to exclude goods which would injure a domestic industry through unfair trade practices it differs both structurally and procedurally from a Federal court. The ITC remedy does not pose an insurmountable jurisdictional barrier to unauthorized exploitatiion of American intellectual property, because its powers are limited to the exclusion of goods either at the border or before they meld into the stream of commerce. Although the decisions of the ITC are ultimately reviewable by the Court of Appeals for the Federal Circuit, the same circuit that hears all appeals from district courts in patent cases, its procedures are not inherently judicial. For example, the ITC cannot assess damages, exercise any police power, nor can it hear counterclaims. Notwithstanding these limitations, however, the ITC currently is a potent weapon for the enforcement of intellectual property rights. The ITC presents the following advantages: First, availability of an exclusion order preventing entry into the U.S. of all offending goods regardless of source; second, extremely expedited procedures, cases must generally be concluded within a year; and third, the ITC need only follow the Administrative Procedure Act [APA] rather than more cumbersome judicial rules.

Despite the relative advantages of an ITC remedy, there has been a growing consensus to make relief obtained in the ITC more effective and expeditious. While that sentiment is understandable, before acting we should be keenly aware of the nature and extent of the alleged problem.[3] As you know, if it isn't broken don't fix it is a common refrain in Congress. We must also keep in mind the bargain—made on behalf of the public—referred to above.

I cannot tell you exactly what is the problem. I do challenge you to carefully identify the ends served by any legislative solution to see if the ends justify the means.

Some have suggested eliminating the so-called injury test altogether. Such a change is ill-advised. First, it would transform the ITC into a court whose only job would be assessing patent validity and infringement. Such a role would be especially inappropriate for an agency which is five-sixth nonlawyers. Second, retention of the injury requirement is the quid pro quo we offer to importers in exchange for an expedited nonjudicial proceedings in the ITC. Finally, elimination of the injury requirement could very likely produce serious challenges that future ITC orders violate the General Agreement on Tariff and Trade [GATT]. GATT violations, if found, can trigger retaliatory discrimination against innocent American exporters, hardly a desirable result.

The other major suggestion that has received some level of support in the context of intellectual property and trade is the removal of the domestic industry requirement. If enacted, this proposal would allow—if not encourage—foreign patent holders, currently 40 percent of the total to use the ITC to seek to exclude either their foreign or American competition from obtaining access to the U.S. market. Without the domestic industry requirement, this access would not be predicated on any investment in the United States. This change cannot be said to be an attempt to protect American jobs, quite the contrary is true. I should note parenthetically that it is argued that by giving equal access to the ITC by foreign industries will encourage better treatment of American intellectual property abroad. This argument sounds like the hope of a negligent driver who pays part of the victim's hospital bill that he/she won't be sued. Stated differently, if we gratuitously grant access to the ITC to foreign concerns, it is claimed that they will not sue us in GATT.

This is not to say that no changes are required. A careful review of the ITC and its current problems would support the following five modifications:

First, create a rebuttable presumption that once a complainant establishes the existence of a Federal, statutory, intellectual property right and an act of infringement that alone suffices to make a prima facie showing of injury. This change would permit a respondent to show lack of injury; for example, that the acts complained of produced no lost sale or profits.

Second, modify the domestic industry requirement by allowing complaints to be filed by persons who have made a substantial investment in facilities or activities relating to the exploitation of a patent, copyright, trademark, or mask work, including research and development, licensing, sales, and marketing. This adjustment will assure continued access to the ITC by entities, including universities, who have a substantial stake in the United States. This change would also avoid the unfortunate results which have occurred in some recent cases, such as Gremlins, where—because of pertinent legislative history explaining the current law—the ITC has denied relief notwithstanding the existence of a larger service industry exploiting the intellectual property right within the United States. Finally, such a change will enable universities and small businesses who do not have the capital to actually make the good in the United States to still have access to the ITC forum for the protection of their rights.

Third, transfer the economically and efficiently operated criteria from being an element of the complainant's case to a public interest factor to be evaluated by the ITC only in determining whether to approve a remedy. This change alone should limit the real and potential discovery abuse which can occur under current law.

Fourth, grant the ITC authority to penalize or sanction abusive discovery efforts.

Fifth, clarify the ITC's authority to: issue cease and desist orders in addition to exclusion orders; keep certain information confidential; enter limited exclusion orders in default cases without a full hearing; grant preliminary relief; require the posting of bonds by both parties; and provide that certain forfeited bonds can be assigned to the prevailing party.

In sum, there are five nondraconian modifications to the Tariff Act which meet the legitimate concerns expressed by advocates of change. After carefully reviewing these issues, it is my hope that the Congress will agree upon a balanced approach affecting the rights of both consumers and producers while serving the public interest and meeting constitutional criteria.

GENERAL LEAVE

Mr. GONZALEZ. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks and to include extraneous material on the subject of the special order today by the gentleman from Maryland [Mr. HOYER].

The **SPEAKER** pro tempore. Is there objection to the request of the gentleman from Texas?

There was no objection.

OSHA

The **SPEAKER** pro tempore (Mr. GONZALEZ). Under a previous order of the House, the gentleman from Pennsylvania [Mr. GAYDOS] is recognized for 60 minutes.

Mr. GAYDOS. I want to thank the Speaker and I want to, before I get into my formal remarks, refer back to a dissertation I had, through special orders, on the floor here 2 days ago. I did not have time to finish at that time. I think

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[1] For example, we should avoid taking sides in the grey market or parallel import issue in trademark law or on first sale in copyright law, or on reverse engineering in mask work law.

[2] Additional measures to further classify the rights of intellectual property owners have already been considered. Congress—through legislation processed by the Committee on Ways and Means—has given the United States Trade Representatives and the Department of State powerful weapons to use in bilateral negotiations in the context of the General System of Preferences [GSP] and the Caribbean Basin Initiative [CBI]. By permitting GSP and CBI benefits to be affected by the adequacy of our trading partners' intellectual property laws we have already wielded a big stick to induce greater intellectual property protection abroad.

Currently pending before my Subcommittee are two important measures affecting patent rights; process patent protection and legislation to implement the Patent Cooperation Treaty. Enactment of these measures would further align American law with internationally accepted norms of patent protection.

Finally, there have been proposals to make an intellectual property code part of the GATT and to adhere to the Berne Convention. While I remain skeptical about the wisdom of both of these initatives, I know that the Administration will not proceed on these fronts without full consultation with both the House and the Senate, including all the relevant Committees.

[3] *See* Testimony of ITC Chairwoman Paula Stern before my Subcommittee on Feb. 19, 1986.

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in order to effect continuity of the remarks then I should make reference to some items. I was talking about OSHA, 2 days ago, the Occupational Safety and Health Act. And a lot of persons and individuals in this country still do not understand OSHA, what it means, what its purpose is, or was, and how it was designed to protect every working man and woman in this country.

My good friend, Mr. Gonzalez, from Texas, talked about a very critical subject, and he does it on a regular basis, in order to promulgate some subject matters of grave importance to the country. It has a flavor of internationalism. When I talk about OSHA, it is distinguished from that type of analysis because OSHA goes right home, it goes directly to the core of what makes this country a great Nation.

OSHA protects people who work. Now if you cannot work or if you are on some type of a program in this country which does not allow you to work, you are disabled or some other type of a program, then of course you might not be too interested in OSHA. But by far the large majority of the American population is touched directly or indirectly by OSHA.

We have had OSHA in existence in this country for approximately 15 years. I consider it a personal privilege to have been one of the few remaining Members of the House who served on that committee, when we put the concept of OSHA together to protect the working man and woman in this country, both blue- and white-collar workers. That was a short 15 years ago. Other countries have had a like type of legislative enactment in effect for years, 20, 30, 40 years.

In this country after 200 years of existence, being the country that is so powerful, so intellectually advanced, so rich, we have an act in effect approximately 15 years. That is the act I want to speak on very hurriedly, the one I talked about previously.

As the chairman of the Occupational Safety and Health Act, on the general committee, Education and Labor, we are called upon to go throughout the country to take a look at how OSHA is working and when things like, for instance, a fireworks factory explodes or maybe some graineries explode, men and women are killed, blown up, parts of their bodies blown into smithereens, or they find burned corpses or, for instance, like the cooling towers in West Virginia, down at St. Mary's, where we had something in the neighborhood of 29, 30 workers, working in a cooling tower and all at once all of the scaffolding collapsed and they were thrown to their deaths, immediately. I just came back, the committee just came back from Oklahoma not too long ago where they had a fireworks factory located outside of the city back in a very, very rural area and they had people working there that were uneducated, very poor people, scratching out a living on the farm and this fireworks factory, which was never inspected by OSHA, never even listed on their rolls, and yes, a lot of young people working there too, 12, 13 years of age, a secret operation outside of your capital in Oklahoma.

□ 1530

And then when the big explosion came and leveled the whole thing, then they picked up the dead bodies, in the neighborhood of some 21 or 22 of them.

You know, the ironical part about that is that 2 days ago on the floor—I had gone out there and had taken the committee, I would say roughly 6 months or so ago down there to Oklahoma—2 days ago on the floor, the Representative from there, Congressman Synar, came up to me and the gentleman said, "Joe, do you remember that hearing we had?"

I said, "Yes, I remember."

Congressman Synar said, "Do you remember all the tragedy?"

I said, "Yes, I do remember all the tragedy."

Congressman Synar said:

> Do you know that they just discovered them again rebuilding that factory in the same spot? Nobody knows it was being done, in violation of zoning ordinances. It is not registered. OSHA is not over there, and they have rebuilt it, and I guess it is about to go back into operation again.

Do you know why they could do that and why they get away with it? No. 1, it is big country. We have something like 11,000 or 12,000 inspectors looking at something like 6 or 7 million work places, covering something like roughly 70 million workers, men and women in this country.

But do you know why it operates down there? It is difficult, yes, to find out, but usually somebody tells. Somebody is going to talk about it. There are rumors that are going to drift back to our OSHA people. But the reason why it works and it is kept alive is because of basic fundamental desperation. The people who work there need the money that desperately and they keep it quite. They will not talk to anybody about it. You ought to see the stinky wages that are being paid, less than minimum wage.

There is an article in today's Washington Post about a factory that blew up, a fireworks factory that blew up in California. I would grant you that it will probably be somewhat along the same situation as the one over in Oklahoma. How it existed and why it existed, again, operating and existing on the fundamental misery of people, a person who cannot make a living because of where he is located, where he is stuck, in some rural area where there are no factories. Particularly in Oklahoma, the oil business is down and the farmers are in trouble. So where does that man or woman or young person work, especially if they come from a poor family? With no opportunity to go to college, what does he do? If he is industrious to any degree whatsoever, he ends up in one of these factories such as that.

I can tell you as a chairman having traveled the width and breadth of this country, talking about all kinds of things—mercury, the mercury problem in New York. They make thermometers there. Again, they are paying less than minimum wage. They were never inspected. Finally, through the grapevine, they sent some inspectors up there and they had some terrible working conditions. There was mercury from these thermometers on the floor. You know, mercury is poisonous and, if it gets into your system, you lose your eyesight, your nervous system is attacked, and you lead a miserable life if you live. It is a poisonous substance fundamentally, and proven without any doubt.

There it was in New York City. Where? Among the poor people over there, the Hispanics that came up and the Puerto Ricans with difficulty in acclimating themselves to this country, and the new language in a lot of situations, thrust into living in those squalored apartments up there in New York, something like 20 and 30 people to a room, sleeping in shifts. As soon as one person gets out of bed, another one jumps in. They cannot afford anything else. They were below minimum wage. And there they were, eating in a room with mercury all over the floor. It was never inspected by OSHA.

I could go on and on and give you so many examples, so many examples.

The St. James River today in adjoining Maryland with the keystone situation that occurred there some 8 or 9 years ago, where they found this poison that got into the river, into the people, into the workers. I remember them testifying before the committee and their eyes were not coordinated and they had the shakes because of that keypone, that poison which is used as a fire ant killer. When it gets into the human anatomy and in the circulation, it attacks the nervous system. That got into the river and all the fish were polluted. They still do not eat fish from that river because it is polluted.

What am I saying? I am saying that we passed this act 15 years ago—this is what I wanted to say the other day, but we did not have time—and we passed it with all good intentions. It is not a perfect act. But here it is 15 years. I think 15 years is a reasonable time, as a reasonable man, I have to conclude it is a reasonable time, for this great country with all of its accomplishments to at least put into effect a half effective act to protect those men and women who are paying taxes in this country, who support this very building in which I speak, those

workers, so that when they go to work, at least the immediate family have a reasonable expectation that the primary breadwinner will find his way back from a half decent workplace; half decent, not mercury all over the walls and all over the floor, and not fall from a scaffold like down there in St. Mary's, and not be exposed to keypone.

We were down in New Orleans where the graineries exploded. If you ever saw a grainery, probably you have in your travels, it is a big structure, 20 or 30 stories high. They get accumulated with dust in there and one little spark sets it off and it blows like a torpedo. It kills everybody and anybody around. We went down to Oswego and down to New Orleans and we saw that. We investigated those series of explosions with a lot of deaths. There were something like 52 people killed. I took the committee down to examine it to try to find out, to get evidence on record why these disasters were occurring.

I think maybe the act is not working as half reasonably as it could or should, because we have not had an OSHA Director of any meaningful duration. We do not have one right now. There is a man there, a professional, a good man, but he is in a temporary position. He is serving as the OSHA Director. We have not appointed one. I think it has been like that for 6 to 9 months. The man before him—I am not going to get into names—the Director before him only lasted some 6 or 9 months and resigned. We had a Director prior to that who resigned and he said his job was finished.

I am telling you that I have in my capacity as a chairman, and also as an individual, a concerned individual, to feel that OSHA is far from working in a reasonable manner. To protect again, whom? The taxpayers of this country, the working man and woman, those that have done it so long.

I do not know if it is unreasonable to conclude that a man or a woman has no right to expect that his work place should be free from maybe a cancer-causing hazardous material. I do not know. All I know is that human decency and a series of precedents throughout the whole world, as evidenced in their enactment and their laws, indicate that governments, if they are doing their job, have a duty, yes, even a holy duty, a duty to their citizens to enact a meaningful act to protect that man and woman who work, a meaningful act to enforce that act.

Secretary Brock is a good man. He served in Cabinet posts under this administration. I know him personally. He was a former Member of this House. In fact, he is going to testify before the committee because I am bringing him in. I have a lot of questions I have to ask him about a lot of things.

□ 1540

Even Secretary Brock, here some 6 months ago, said:

> We don't have a standard in the agricultural business. We don't have a standard which would provide fundamental, simple toilet facilities for those who work out on our farms, those migrant laborers who do all of the stoop labor, pick the lettuce, pick the asparagus, do this, do that, there are no facilities out there.

There is no ability to wash their hands after they do work with pesticides in the fields, to wash their hands, for sanitary purposes, after they have handled all of the fruit and all of the pesticides and the crop that they are picking. And, yes, even after they might have used some toilet facilities, had they had them.

Talk about the opposition to such a fundamental and simple need affecting thousands of people, you talk about opposition, why, we have attached on the floor of this House to the appropriation bill that OSHA, the act generally which I am criticizing, does not pertain to any farm with 10 or less employees. They could not do that on the floor because I have had it bottled up and would not let the committee come out to amend that act whereby they may do it, so they do it indirectly, those who do not believe in OSHA, and they attach it to an appropriation bill where we provide money on the floor of this House for the different operations of the government, and they attach it to that and they make law on that bill.

They exclude from OSHA regulations farmers who employ less than 10 individuals.

You ought to go out sometime, if I could take you, and take a look at working conditions and who works out in the agricultural fields, take a look at their living conditions, take a look at families who are born into the trade or the business, born into it and no way to escape. It is very difficult.

Those are the things I wanted to mention that I did not mention the last time when I spoke. I have concluded that we are going to have to take a look at OSHA, try to get more standards in effect. We only have some 20-odd standards, and a standard has to be put into effect before you can enforce something. I am right now putting together and having hearings—and I will conclude with this on this part of the subject matter—involving hazardous communications of the workers, meaning that if you work anyplace where there is some hazardous material, the only decent thing and the only practical thing that you have a right to expect as a worker is to be notified that you are handling some material that potentially might be hazardous, deleterious substances. That is all the bill has in mind. Yet we have terrible opposition along the theory that if you do that it is going to cost so much money, so many records to be kept and that life in the ultimate which you are after, that is, the protection of a person, so that they would be alert to what they are handling, that is not important. The fact remains that it is another problem with the employer and that employee rights should be subjugated along those lines.

I just wanted to put those into the record and, hopefully, our hearing coming up in the near future with Director Brock will shed more light on the subject matter, and we might be able to hopefully influence him as the Labor Secretary to get after that OSHA act, to try to make it a meaningful act and to do what we had in mind when we first passed it.

JAPAN'S BUSINESS SAMURAIS TAKE AN ADVERSARIAL APPROACH TO TRADE

Mr. Speaker, during the course of the past several years, but primarily during the past 2 years, we have been told time and again that Japan is making every effort to increase its imports from the United States as a means of reducing the ever-growing trade deficit between our two countries.

And, as we have heard these pronouncements and watched as Japan's leaders made every effort to win support for their programs, we have seen failure after failure.

Last year, as part of a new national initiative, Japanese Prime Minister Nakasone urged every Japanese citizen to buy $100 worth of imports and, at the same time, 60 major Japanese companies pledged to increase imports by $5 billion.

Those efforts, too, appear to have fallen far short of the expected mark.

While there are no figures available on the push by the Prime Minister to have each citizen buy $100 in imported goods, we do have the results of a survey of Japan's 134 biggest companies and their import purchasing for the fiscal year ending on March 31. The survey shows that imports in the just ended fiscal year for those 134 companies rose by only 3.1 percent to $100.4 billion.

That total is a far cry from the 104.7 billion dollars' worth of imports projected by the Ministry of International Trade and Industry and, even more, it is a clear picture of Japan's practice of adversarial trade. Samuri economics—if you please.

Adversarial trade is a system whereby a seller displaces the goods produced by the "manufacturers" of the buying country without any compensating purchases from that country.

The concept is further outlined in an article in the April 1 issue of the Wall Street Journal. In the article, Peter Drucker, Clarke professor of social sciences at the Claremont Graduate School, notes that there is an ob-

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vious difference between the Europeans and the Japanese trade with the United States.

One example cited by Mr. Drucker concerns the Swiss. They, Drucker says, on a per capita basis, are the world's largest exporters of machine tools and textile machinery, but, at the same time, are also the world's largest importers of both.

The West Germans export more motor vehicles, including trucks and buses, than Japan, but, unlike Japan, for every five West German vehicles sold abroad, West Germany imports three.

The adversarial trade pattern developed by the Japanese and now being copied by other Asian nations relies on a massive export program with few purchases of any kind from the buying country and almost no purchases of equalizing value.

The result, all too often, is the eventual destruction of the buying country's domestic competitive industry. We have seen it happen. We have seen it happen in the consumer electronics industry where, today, there are no American manufacturers of video-cassette recorders and only a couple of American radio and television manufacturers—and even they use parts made in foreign nations.

Mr. Drucker, unfortunately, uses an example that is in error. He says that in the mid-1970's, there were at least a dozen American plants manufacturing forklift trucks, whereas today there are none. That is an error. There are several companies still making forklift trucks in the United States, but each of those companies has off-shore operations and each buys components for its American operations from off-shore sources.

We see it happening in the steel industry, too. While it may be true that some American steel operations would have had to shut down because of outmoded equipment and excess capacity, too much of the cause is the heavy flow of imported steel from around the world. Our speciality steel industry is a good example in that it is the must modern and up to date industry in the world but still must be protected from such predatory practices in order to survive.

The one good sign of late is the downward trend of the American dollar. But its movement isn't as fast as many of us would like it and, there are indications that some nations may take steps to artificially shore up the value of their own currency.

The Japanese, concerned about the impact of the dollar's fall on their exports—they are already raising the prices of their cars and other products—have indicated they are considering steps to protect the yen against the dollar before the impact severely impairs Japan's export activities.

Any action of that nature could hasten the kind of negative reaction toward Japan and other adversarial exporting nations that Mr. Drucker says could occur.

And, as Mr. Drucker states, that backlash by Americans toward Japanese goods could open the door for an economic tragedy in Japan, including double-digit unemployment.

There is little doubt in my mind that Mr. Drucker is right when he suggests that Americans could very easily manage without Japanese-manufactured imports. The same, Mr. Drucker says, could apply to Western Europe.

Mr. Drucker offers what appears to be a moderate solution to the problem. He suggests that rather than limiting all sorts of imports, we might consider putting in place trade restrictions aimed at goods from countries that do not buy manufactured goods of a similar kind that at least equal in dollar value a minimum level of 50 percent of their exports.

This type of limiting provision, when coupled with a dollar that is decreasing in value against foreign currencies would enable America to adhere to the principles embodied in international trade laws, including our own, and, at the same time, focus on the truly serious aspect of the trade problem.

There is one other point in Mr. Drucker's article that I would like to single out for comment, Mr. Speaker, and that deals with the efforts by Japanese companies to build and operate manufacturing facilities in the United States.

According to Mr. Drucker, this practice will backfire in the long run because Americans will still consider it a predatory practice of first severely damaging or destroying the domestic manufacturer and then taking over the home turf.

Mr. Drucker suggests two alternatives. First, he says, the Japanese might want to consider the production consortia approach, in which manufactures in the buying country act as suppliers to the sellers. And, second, the Japanese might pay their share by taking over from American Banks some of the problems loans to the developing nations.

Because I believe Mr. Drucker's comments should be read and reviewed by every Member of the House, I will include the full text of his article as it appeared in the April 1 issue of the Wall Street Journal at the conclusion of my remarks.

There are two other items of special interest with respect to America's trade picture and the steel industry upon which I want to touch: The steel import figures for February 1986 and the impact of the merchandise trade deficit on the domestic steel industry.

On March 13 of this year, Commerce Secretary Malcolm Baldrige appeared before the congressional steel caucus to tell us that the President's program to control steel imports through a series of voluntary restraint agreements [VRA] was moving along on target.

During his appearance, Secretary Baldrige pointed to the sharp downturn of steel imports for the month of January as compared to December in an attempt to show the successful movement.

Last week, Mr. Speaker, the steel import figures for February 1986 were released and I certainly hope Secretary Baldrige will look them over carefully before he makes any more predictions as to the success of the President's program.

Just to refresh everyone of what is happening, in January 1986, steel imports totaled 1.748 million tons, a 34.3-percent decrease from January 1985—2.661 million tons—and an 18.6-percent decrease from December 1985—2.146 million tons.

In addition to the actual tonnage, in January 1986, imported steel accounted only for 21.6 percent of the steel supply as compared to a 30.9 percent share in January 1985 and a 27.2-percent share in December 1985.

With those figures in hand, Secretary Baldrige suggested that it was likely the President's program for steel would achieve the expected goal of limiting imports to about a 20.5 percent yearly share of the American steel market.

The Secretary may want to revise his projections and his comments on the President's program based on the February figures. Although imported steel tonnage for February 1986 was down by three-tenths of a percent as compared to February 1985—2.042 million tons in 1986 and 2.047 million tons in 1985, tonnage for February 1986 jumped by 16.8 percent as compared to January 1986—2.042 million tons as compared to 1.748 million tons. Further, the share of the American steel market taken by imports reached 26.6 percent for February and 24 percent for both January and February, substantially higher than the 21.6 percent share that imports had of the market in January 1986 alone.

So, Secretary Baldrige, as I said last month, we'll just have to keep on watching the numbers to see if the President's plan works and keep on praying that the American steel industry can hang on until either the plan works or someone wakes up and tries something different.

Too often, we in the congressional steel caucus forget that it isn't only steel imports that are bad for the steel industry. Some of the principal findings presented in a recent study, "Trade Ripples Across U.S. Industries," prepared by the Office of Business Analysis in the Department of Commerce, show that the merchandise trade deficit itself has a substantial impact on the steel industry.

Among the findings in that report are:

The loss of shipments by U.S. Steel producers, due to steel mill products imports, amounted to $4.8 billion or 17 percent of the value of domestic steel mill shipments in 1984.

In 1984, indirect steel imports—those products containing steel—displaced an additional $8.5 billion or 30 percent of steel shipments, almost twice as much as the direct trade effect.

In 1984, the steel industry had 51 percent of total output displaced by imports, in terms of value, including both direct and indirect effects.

Net trade, both direct and indirect, caused a loss of 148,000 jobs in steel in 1984.

Assuming overall balance in U.S. trade in all goods and services—even though a U.S. merchandise trade deficit of about $80 billion annually would continue in the 1985-90 period—this would generate nearly 2 million jobs in the U.S. economy.

If overall balance in U.S. trade in goods and services were achieved, the steel industry would have one of the largest gains in output in any industry, amounting to about 7 percent—in terms of value—and also creating an increase in jobs of between 6 and 7 percent.

What all this means, very simply, is that the steel industry, as well as other manufacturing industries, is suffering most from the adverse effects of the Nation's trade imbalance and would benefit from a downturn in the overall trade picture.

It will be interesting to see where we stand for 1985. I, for one, want to know how effective the President's steel program has been and what the projections are for the next few years.

So far, I can't say that the results have been overwhelming, but I am willing to wait to see what develops in the next several months.

In the meantime, Mr. Speaker, I strongly suggest that the House take Mr. Drucker's proposal under consideration as we think about ways to bring America's trade imbalance under some kind of control.

We cannot afford, as a nation, to continue on our present path. For our self-defense and for our economic future, we must act and act now to eliminate our trade imbalance.

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Mr. Speaker, in conclusion, I strongly recommend to my colleagues to read and study and remember the article in the Wall Street Journal of Tuesday, April 1, 1986. It is captioned "Japan and Adversarial Trade."

With the inclusion of the article, I will conclude my remarks:

[From The Wall Street Journal, April 1, 1986]

JAPAN AND ADVERSARIAL TRADE

(By Peter F. Drucker)

"Why is the West obsessed with our exports?" every Japanese visitor asks. "The West Germans export even more and their trade surpluses are also growing rapidly." But there is a difference—though the Japanese are oblivious to it. The West Germans do indeed top the Japanese as exporters of manufactured goods—only the U.S. exports more. But the West Germans are also the world's second-largest importers of such goods—again topped only by the U.S. The Japanese, however, only sell; they do not buy. They practice adversarial trade.

The original 18th-century model of international trade—the one Adam Smith formulated—assumes complementary trade. Portugal sells wine in exchange for English wool. Each side buys what it cannot produce and sells what it is ideally equipped to make. There are no losers.

But since the middle of the 19th century the growth sector in the international economy has been competitive trade between developed countries. Both parties buy from each other similar goods, which both are capable of producing. Per capita the Swiss are the world's largest exporters of machine tools and textile machinery, but also the world's largest importers of both. West Germany exports more motor vehicles (including trucks and buses) than does Japan; but for every five West German motor vehicles sold abroad, the West Germans import three. In competitive trade there are losers: the U.S.—or West German, or British, or Swiss—manufacturer of weaving looms, for instance, whose technically inferior or more expensive product is being edged out of the market by the more advanced or cheaper make of its foreign competitor. But overall, everybody gains—not only the consumer but also the competing producers that are being forced to concentrate on what they do best, thus optimizing both resources and returns. In fact, in competitive trade the foreign competitor of an industry is commonly also its best customer. The best example is in chemicals, where each major company does more business with other chemical companies than with anyone else.

WEAKENS AND DESTROYS

But in adversarial trade both sides lose—the buyer, right away; the seller, within a decade or so.

In adversarial trade the seller's goods displace the goods produced by the manufacturers of the buying country without any compensating purchases from that country. No alternative markets for the foreign buyer's manufacturers are thus being created, and no purchasing power either. These manufacturers cannot earn the resources needed to modernize these plants and processes or to acquire the production volume needed to bring these costs down. If the seller in adversarial trade is truly successful, it eventually destroys the buyer's industry.

Twelve years ago, for example, there were more than a dozen American plants manufacturing forklift trucks. Today there are none—not even an assembly operation. The same thing has largely happened in consumer electronics, e.g. in videocassette recorders, and in many categories of machine tools and semiconductors. This then also means that in the end even the consumer in the buying country loses, his loss of income as a producer eventually more than offsetting his gains through lower prices as a buyer. Indeed, the effects of adversarial competition—no matter how unintended—are strikingly similar to what economist and lawyer both condemn as "predatory pricing," that is pricing so low as to destroy competitors and establish a monopoly.

Yet the seller in adversarial trade may lose in the end even more than the buyer and be totally unable to prevent it.

The seller has no defense against retaliatory action on the part of the buyer. The seller cannot counteract by stopping its purchases—it does not make any. To be sure, the Japanese are among the U.S.'s best customers for agricultural and forest products. But though the American farmers' political power is still formidable, U.S. primary-product exports have become far too small a part of the total to be a decisive factor—and they are steadily declining. Moreover, there is little doubt that the U.S. could manage without Japanese manufactured-goods imports—and at fairly low cost. And so could Western Europe. But Japan without industrial exports to the U.S. would face a major depression with double-digit unemployment.

Buyers can pay only if they have an income—that is, if they themselves get paid as sellers. The seller in adversarial trade, the seller who does not buy, will therefore find out in the end that it has given away its wares—though it cannot expect the recipient to appreciate the gift.

Japan now has the world's largest-ever surplus of liquid funds—as large as anything OPEC ever had, and soon to be even larger. Japan's banks hold $640 billion in external assets, practically all in cash, or in short-term securities such as U.S. Treasury bills. This is many times what Japan needs to finance its trade, is indeed so large that Japan could for six years pay for all its imports without having to earn a single yen through its exports. The only parallel in economic history is the U.S.'s surplus in the years immediately after World War II when the U.S. had the only functioning major economy in the world. Such a surplus can either be used to buy goods—something the Japanese are not willing to do—or it can be given away, as the U.S. did in the years of the Marshall Plan. Otherwise it will be taken away. How? Through bad debts that aren't repaid. Eventually they'll have to be written off.

Till now Japan has been the only modern practitioner of adversarial trade. It did not plan it, to be sure, though it is a logical outcome of the traditional Japanese approach to international trade—an approach that made ample sense as long as Japan was still catching up, until perhaps 1965 or so. Now, however, Japan's neighbor South Korea is deliberately embarking on adversarial trade. And if China ever develops industrially, it too—at least in its present frame of mine—will surely try to be only a seller and not a buyer.

Some small steps to correct the imbalance created by adversarial trade are being taken. The Japanese, especially the Japanese auto makers, are rapidily moving some production to the U.S. and to Western Europe to counteract anti-Japanese measures. But the Japanese don't realize this is still seen as predatory in the buying country, since it replaces the domestic manufacturer that Japanese adversarial trading has first damaged or destroyed.

More effective would be a "production consortium" in which manufacturers in the buying country supply the seller as subcontractors or partners—the way, for instance, in which Boeing Co. has placed 30% or 40%

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of the development and manufacturing work on a new commercial aircraft with Japanese companies, or in which Rolls-Royce Ltd. in Britain is brought in as the engine supplier for American-made planes sold to European airlines. So far, however, consortium deals have been resisted by the Japanese. The Japanese might also pay their share by taking over from the American banks the "problem loans" to developing countries—something that is beginning to be discussed in New York and Washington, though so far only behind closed doors.

But the only true solution would be for the Japanese to become buyers of foreign goods, which is what the Reagan administration has now decided to press them for. Whether this can succeed in a country in which trade is as much social and political as it is commercial is very doubtful. Japanese, after all, find it almost indecent to buy from people who are not part of their own group. But unless Japan changes what is essentially a pattern of culture rather than economics, political measures will surely be taken to abort adversarial trade and pretty soon. Western Europe has already gone quite far in protecting itself against it, especially in respect to Japanese-made automobiles.

MEASURE IS NEEDED

There is a need to stop—or at least to confine—adversarial trade. But there is also a great danger that the measures taken to do so will do far more harm than good, especially to the U.S. economy and manufacturing. None of the proposals now being discussed—for instance, the one before a House subcommittee that bans foreign manufactured goods unless they had 30% or 40% "domestic content"—distinguish between competitive and adversarial trade. They are all uniformly protectionist and penalize all manufactured imports. But this would seriously harm and perhaps destroy our exports to our competitive-trading partners—especially to the industrial European countries. They could and would immediately retaliate. And all our healthy industries—perhaps three-quarters of our industrial base—are dependent for their growth, if not for their very survival, on exports to Europe: from aircraft and analytical instruments, through biomedicine, pharmaceuticals and computers, to chemicals, robots, electrical machinery and software.

We need a measure that arrests the degenerative disease of adversial trade without killing off the healthy tissue of competitive trade—perhaps by limiting whatever trade restrictions we might enact to import from countries and industries that do not buy from other developed countries (including the U.S.) manufactured goods of a similar kind at least equal in value to 50% or 60% of their exports.

The Japanese assert that it is not their fault that we find their goods more attractive than what we produce ourselves, and say that their export strength is simply the result of their working harder and doing a better job, whether in design, in quality, in price or in service. This is right on the whole—Japan Inc. is largely a figment of the Western imagination. But it is also irrelevant. Adversarial trade will not be tolerated very long. It was not planned as such, but it turned out to be a policy to beggar one's neighbor. And that is always self-defeating.

LEAVE OF ABSENCE

By unanimous consent, leave of absence was granted to:

Mr. Boulter (at the request of Mr. Michel), for today, on account of a death in the family.

Mr. Ireland (at the request of Mr. Michel), for today, on account of illness in the family.

SPECIAL ORDERS GRANTED

By unanimous consent, permission to address the House, following the legislative program and any special orders heretofore entered, was granted to:

(The following Members (at the request of Mr. Bateman) to revise and extend their remarks and include extraneous material:)

Mr. Boulter, for 5 minutes, today.

Mr. Bateman, for 5 minutes, today.

Mrs. Bentley, for 30 minutes, on April 30.

Mr. Kemp, for 5 minutes today.

Mr. Broyhill, for 60 minutes, today.

(The following Members (at the request of Mr. Gonzalez) to revise and extend their remarks and include extraneous material:)

Mr. Weiss, for 5 minutes, today.

Mr. Annunzio, for 5 minutes, today.

Mr. Gonzalez, for 60 minutes, today.

Mr. Kastenmeier, for 15 minutes, today.

Mr. Wright, for 60 minutes, on April 21.

(The following Member (at the request of Mr. Frank) to revise and extend his remarks and include extraneous material:)

Mr. Gaydos, for 60 minutes, today.

(The following Member (at the request of Mr. Gingrich) to revise and extend his remarks and to include therein extraneous matter:)

Mr. O'Brien, for 5 minutes, today.

EXTENSION OF REMARKS

By unanimous consent, permission to revise and extend remarks was granted to:

Mr. Ford of Tennessee, following the vote on rollcall No. 74, the Volkmer substitute amendment.

Mr. Weiss, prior to vote on Volkmer substitute to H.R. 4332, in the Committee of the Whole today.

Mr. Garcia, prior to vote on Volkmer substitute to H.R. 4332, in the Committee of the Whole today.

(The following Members (at the request of Mr. Bateman) and to include extraneous matter:)

Mr. Bilirakis.

Mr. DioGuardi.

Mr. Green in two instances.

Mr. Sundquist.

Mr. Miller of Washington.

Mr. McKinney.

Mr. Gallo.

Mr. Smith of New Hampshire.

Mr. Young of Florida.

Mr. Ireland.

Mr. Vander Jagt.

Mr. Marlenee.

(The following Members (at the request of Mr. Gonzalez) and to include extraneous matter:)

Mr. Frank.

Mr. Hoyer.

Mr. Fazio.

Mr. Rangel.

Mr. Kanjorski, in five instances.

Mr. Borski.

Mr. Stark, in three instances.

SENATE BILL REFERRED

A bill of the Senate of the following title was taken from the Speaker's table and, under the rule, referred as follows:

S. 1660. An act to grant a Federal charter to the Confederate Memorial Association; to the Committee on the Judiciary.

ADJOURMENT

Mr. GAYDOS. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 4 o'clock and 3 minutes p.m.), under its previous order, the House adjourned until Monday, April 14, 1986, at 12 o'clock noon.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

3256. A letter from the Comptroller General of the United States, transmitting a review of the rescissions and deferrals transmitted in the message from the President dated February 5, 1986 (H. Doc. 99-161), pursuant to 2 U.S.C. 685 (H. Doc. No. 99-194); to the Committee on Appropriations and ordered to be printed.

3257. A letter from the Comptroller General of the United States, transmitting a report on the status of budget authority made available to the Maritime Administration and deferred by the President in his message date February 4, 1986 (H. Doc. 99-161), pursuant to 2 U.S.C. 685 (H. Doc. No. 99-195); to the Committee on Appropriations and ordered to be printed.

3258. A letter from the Deputy Assistant Secretary of Defense (Administration), transmitting a report on the financial condition and operating results of the working capital funds of the Department, pursuant to 10 U.S.C. 2208(l); to the Committee on Armed Services.

3259. A letter from the Secretary of Education, transmitting final regulations in connection with the College Housing Program—loan discount, pursuant to 20 U.S.C. 132(d)(1); to the Committee on Banking, Finance and Urban Affairs.

3260. A letter from the Acting Director, Defense Security Assistance Agency, transmitting notification of the Department of Army's proposed lease of defense articles to Italy (Transmittal No. 31-86), pursuant to 22 U.S.C. 2796(a); to the Committee on Foreign Affairs.

3261. A letter from the Acting Director, Defense Security Assistance Agency, transmitting notification of the Department of the Navy's proposed lease of defense articles

to Canada (Transmittal No. 30-86), pursuant to 22 U.S.C. 2796(a); to the Committee on Foreign Affairs.

3262. A letter from the Acting Assistant Secretary of State for Legislative and Intergovernmental Affairs, transmitting a report on the political contributions of Paul H. Nitze, of the District of Columbia, to be Ambassador at Large, pursuant to 22 U.S.C. 3944(b)(2); to the Committee on Foreign Affairs.

3263. A letter from the Program Inspector General, Department of State, transmitting results of the confidential audit of the Department's emergency expenditures, pursuant to 22 U.S.C. 2671(c) (the act of August 1, 1956, Chapter 841, section 4(c) (97 Stat. 1024)); to the Committee on Foreign Affairs.

3264. A letter from the Director, Office of Legislative Affairs, Agency for International Development, transmitting a report on activities under the Freedom of Information Act, pursuant to 5 U.S.C. 552(d); to the Committee on Government Operations.

3265. A letter from the Chairman, National Labor Relations Board, transmitting a report on activities under the Freedom of Information Act, pursuant to 5 U.S.C. 552(d); to the Committee on Government Operations.

3266. A letter from the Commissioner, Bureau of Reclamation, Department of the Interior, transmitting claims submitted resulting from the Teton Dam failure for the period ending December 31, 1984, pursuant to Public Law 94-400, section 8 (90 Stat. 1213); to the Committee on the Judiciary.

3267. A letter from the Director, Administrative Office of the U.S. Courts, transmitting the 1985 annual report of the Administrative Office of the U.S. Courts and the reports of the proceedings of the Judicial Conference of the United States, pursuant to 28 U.S.C. 604 (a)(4) and (h)(2); 28 U.S.C. 2412(d)(5); to the Committee on the Judiciary.

3268. A letter from the Assistant Attorney General, Office of Justice Programs, U.S. Department of Justice, transmitting the first annual report for justice programs, fiscal year 1985, pursuant to 42 U.S.C. 3712(b); to the Committee on the Judiciary.

3269. A letter from the Under Secretary for International Affairs and Commodity Programs, Department of Agriculture, transmitting the third quarterly commodity and country allocation table showing current programing plans for food assistance under titles I/III of Public Law 480 for fiscal year 1986, pursuant to 7 U.S.C. 1736b(a); jointly, to the Committees on Agriculture and Foreign Affairs.

3270. A letter from the Secretary of State, transmitting a report on the situation in El Salvador, pursuant to Public Law 99-83, sections 702(c) (99 Stat. 238); jointly, to the Committees on Foreign Affairs and Appropriations.

3271. A letter from the Comptroller General of the United States, transmitting an audit of the Panama Canal Commission's financial statements, fiscal year 1984 and 1983 (GAO/AFMD-86-15), pursuant to 22 U.S.C. 3723(b); jointly, to the Committees on Government Operations and Merchant Marine and Fisheries.

3272. A letter from the Comptroller General of the United States, transmitting a copy of the financial audit of the minority printing clerk, House of Representatives, as of September 30, 1984 and 1983 (GAO/AFMD-86-26), pursuant to 40 U.S.C. 193m-1; jointly, to the Committees on House Administration and Government Operations.

3273. A letter from the Comptroller General of the United States, transmitting a copy of the financial audit of the majority printing clerk, House of Representatives, as of August 31, 1984 and 1983 (GAO/AFMD-86-25), pursuant to 40 U.S.C. 193m-1; jointly, to the Committees on House Administration and Government Operations.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. ROSTENKOWSKI: Committee on Ways and Means. H.R. 2110. A bill to make technical corrections related to the Retirement Equity Act of 1984; with an amendment (Rept. 99-526, Pt. 1). Ordered to be printed.

Mr. CONYERS: Committee on the Judiciary. H.R. 2998. A bill to make technical amendments to title 18, United States Code, relating to victims of crime and to the Victims of Crime Act of 1984; with an amendment (Rept. 99-527). Referred to the Committee of the Whole House on the State of the Union.

Mr. CONYERS: Committee on the Judiciary. H.R. 3826. A bill to amend section 1153 of title 18, United States Code, to make felonious sexual molestation of a minor an offense within Indian country; with an amendment (Rept. 99-528). Referred to the Committee of the Whole House on the State of the Union.

PUBLIC BILLS AND RESOLUTIONS

Under clause 5 of rule X and clause 4 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. ST GERMAIN (for himself, Mr. Annunzio, Mr. Fauntroy, Mr. Hubbard, Mr. LaFalce, Mr. Lundine, Ms. Oakar, Mr. Vento, Mr. Barnard, Mr. Garcia, Mr. Schumer, Mr. Frank,, Mr. Roemer, Mr. Lehman of California, Mr. Morrison of Connecticut, Mr. Cooper, Ms. Kaptur, Mr. Erdreich, Mr. Levin of Michigan, Mr. Torres, Mr. Nelson of Florida, Mr. Kanjorski, Mr. Gordon, Mr. Manton, Mr. Fuster, Mr. Wylie, Mr. Shumway, Mr. McCollum, Mr. Wortley, Mrs. Roukema, Mr. Bereuter, Mr. Roth, Mr. Kolbe, and Mr. McMillan):

H.R. 4551. A bill to extend for 3 months the emergency acquisition and net worth guarantee provisions of the Garn-St Germain Depository Institutions Act of 1982; to the Committee on Banking, Finance and Urban Affairs.

By Mr. APPLEGATE (by request):

H.R. 4552. A bill to amend title 38, United States Code, to increase the rates of compensation and of dependency and indemnity compensation (DIC) paid by the Veterans' Administration, and for other purposes; to the Committee on Veterans' Affairs.

By Mr. BOULTER (for himself, Mr. DeLay, Mr. Fields, Mr. Armey, Mr. Barton of Texas, Mr. Gingrich, and Mr. Weber):

H.R. 4553. A bill to provide fair incentives for the domestic production of oil and gas, and give flexibility to financial institutions with regard to energy and agricultural loans, and for other purposes; jointly, to the Committees on Banking, Finance and Urban Affairs, Energy and Commerce, and Ways and Means.

By Mr. BREAUX:

H.R. 4554. A bill to provide for the energy security of the United States; to the Committee on Ways and Means.

By Mr. WYLIE (for himself, Mr. McEwen, Mr. Kasich, Mr. Latta, Mr. Miller of Ohio, Mr. Kindness, Mr. Gradison, Mr. Regula, Mr. DeWine, Mr. Oxley, Mr. Hall of Ohio, Ms. Oakar, Mr. Applegate, Mr. Feighan, Mr. Seiberling, Mr. Luken, Mr. Traficant, Mr. Eckart of Ohio, Ms. Kaptur, Mr. Stokes, and Mr. Pease):

H.R. 4555. A bill to designate the Federal Building at Spring and High Streets in Columbus, Ohio, as the "John W. Bricker Building"; to the Committee on Public Works and Transportation.

By Mr. BROYHILL (for himself, Mr. Moorhead, Mr. Rinaldo, Mr. Fields, Mr. Oxley, and Mr. Barton of Texas):

H.R. 4556. A bill to establish the manner in which an order issued by the President under any law providing for sequestration of budget authority generally throughout the Federal Government shall be applied to the allotment of funds under the Low-Income Home Energy Assistance Act of 1981; jointly, to the Committees on Energy and Commerce, and Education and Labor.

By Mr. CARPER:

H.R. 4557. A bill to amend title 10, United States Code, to authorize former prisoners of war to use Department of Defense commissary stores and post exchanges; to the Committee on Armed Services.

By Mr. DioGUARDI:

H.R. 4558. A bill to amend the Federal Aviation Act of 1958 to prohibit domestic air carriers from providing alcoholic beverages on domestic and international flights to persons under 21 years of age; to the Committee on Public Works and Transportation.

By Mr. FLIPPO (for himself, Mr. Shelby, Mr. Erdreich, Mr. Callahan, Mr. Darden, Mr. Jenkins, and Mr. Gordon):

H.R. 4559. A bill to amend the Tennessee Valley Authority Act of 1933 and the Inspector General Act of 1978; jointly, to the Committees on Public Works and Transportation, and Government Operations.

By Mr. GLICKMAN (for himself, Mr. Frank, Mr. Berman, Mr. Boucher, Mr. Staggers, Mr. Bryant, Mr. Stark, Mr. Bedell, and Mr. Ireland):

H.R. 4560. A bill to amend title 31, United States Code, with respect to the fraudulent use of public property or money; to the Committee on the Judiciary.

By Mr. HANSEN:

H.R. 4561. A bill to direct the Secretary of the Interior to designate certain public lands in Utah as the Utah Lake National Wildlife Refuge; jointly, to the Committees on Interior and Insular Affairs, and Merchant Marine and Fisheries.

By Mr. HUGHES (for himself, Mr. McCollum, and Mr. Nelson of Florida):

H.R. 4562. A bill to amend title 18, United States Code, to provide additional penalties for fraud and related activities in connection with access devices and computers, and

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for other purposes; to the Committee on the Judiciary.

By Mr. JENKINS:

H.R. 4563. A bill relating to the application of the drawback provisions of the Tariff Act of 1930 to certain importations of raw cane sugar; to the Committee on Ways and Means.

By Mr. JONES of Oklahoma (for himself, Mr. English, Mr. Watkins, Mr. McCurdy, Mr. Brooks, Mr. Pickle, Mr. Stenholm, Mr. Andrews, Mr. Bustamante, and Mr. Chapman):

H.R. 4564. A bill to amend the Internal Revenue Code of 1954 to provide a deduction and special net operating loss rules with respect to certain losses on domestic crude oil, to increase tariffs on petroleum and petroleum products, to require the Strategic Petroleum Reserve to be filled with stripper well oil, and to eliminate certain restrictions on the sale of natural gas and on the use of natural gas and oil; jointly, to the Committees on Ways and Means, Energy and Commerce, and Banking, Finance and Urban Affairs.

By Mr. RUSSO:

H.R. 4565. A bill to correct the tariff rate inversion on certain iron and steel pipe and tube products; to the Committee on Ways and Means.

By Mr. SCHUMER (for himself, Mr. Bryant, Mr. Reid, and Mr. Pease):

H.R. 4566. A bill to amend the Federal Deposit Insurance Act and other laws to prohibit the establishment or acquisition of depository institutions by certain foreign nationals and the issuance of Federal deposit insurance to depository institutions controlled by such foreign nationals, and for other purposes; to the Committee on Banking, Finance and Urban Affairs.

By Mr. SIKORSKI (for himself, Mr. Conte, Mr. Richardson, Mr. Boehlert, Mr. Wirth, Mr. Eckert of New York, Mr. Udall, Mr. Gingrich, Mr. Waxman, Mr. Bilirakis, Mr. Markey, Mr. Lent, Ms. Mikulski, Mr. Rinaldo, Mr. Synar, Mr. Weber, Mr. Leland, Mr. Tauke, Mrs. Collins, Mr. Jeffords, Mr. Scheuer, Mrs. Schneider, Mr. Bates, Mr. Green, Mr. Florio, Mr. Walgren, Mr. Bryant, Mr. Wyden, Mr. Ritter, Mr. Ackerman, Mr. Akaka, Mr. Aspin, Mr. Atkins, Mr. Barnes, Mr. Bedell, Mr. Beilenson, Mr. Berman, Mr. Biaggi, Mr. Boland, Mr. Borski, Mr. Bosco, Mrs. Boxer, Mr. Brown of California, Mrs. Burton of California, Mr. Bustamante, Mr. Chandler, Mr. Conyers, Mr. Coughlin, Mr. Courter, Mr. Daschle, Mr. Dellums, Mr. DioGuardi, Mr. Dixon, Mr. Donnelly, Mr. Downey of New York, Mr. Dwyer of New Jersey, Mr. Dymally, Mr. Early, Mr. Edwards of California, Mr. Fazio, Mr. Fish, Mr. Foglietta, Mr. Frank, Mr. Gallo, Mr. Garcia, Mr. Gejdenson, Mr. Gilman, Mr. Glickman, Mr. Gonzalez, Mr. Goodling, Mr. Gregg, Mr. Guarini, Mr. Gunderson, Mr. Hawkins, Mr. Hayes, Mr. Heftel of Hawaii, Mr. Horton, Mr. Howard, Mr. Hoyer, Mrs. Johnson, Mr. Kastenmeier, Mrs. Kennelly, Mr. Kleczka, Mr. Kostmayer, Mr. LaFalce, Mr. Lantos, Mr. Leach of Iowa, Mr. Lehman of California, Mr. Levine of California, Mr. Lewis of California, Mrs. Long, Mr. Lowry of Washington, Mr. Lundine, Mr. MacKay, Mr. Manton, Mr. Martin of New York, Mr. Martinez, Mr. Matsui, Mr. Mavroules, Mr. McDade, Mr. McGrath, Mr. McHugh, Mr. McKinney, Mr. McKernan, Mr. Miller of California, Mr. Mineta, Mr. Mitchell, Mr. Moakley, Mr. Molinari, Mr. Moody, Mr. Morrison of Connecticut, Mr. Mrazek, Mr. Nelson of Florida, Mr. Nowak, Mr. Oberstar, Mr. Obey, Mr. Owens, Mr. Panetta, Mr. Penny, Mr. Petri, Mr. Pursell, Mr. Rangel, Mr. Reid, Mr. Ridge, Mr. Rodino, Mr. Roe, Mrs. Roukema, Mr. Rowland of Connecticut, Mr. Roybal, Mr. Sabo, Mr. Saxton, Mrs. Schroeder, Mr. Schumer, Mr. Seiberling, Mr. Smith of New Jersey, Mr. Smith of Florida, Mr. Smith of New Hampshire, Mr. Solarz, Mr. Solomon, Mr. St Germain, Mr. Stangeland, Mr. Stark, Mr. Studds, Mr. Torres, Mr. Torricelli, Mr. Towns, Mr. Vento, Mr. Weiss, Mr. Wortley, Mr. Yates, and Mr. Hughes):

H.R. 4567. A bill to amend the Clean Air Act to reduce acid deposition, and for other purposes; to the Committee on Energy and Commerce.

By Mr. SEIBERLING (for himself, Mr. Udall, Mr. Young of Alaska, Mr. Lagomarsino, Mr. Weaver, Mr. Miller of California, Mr. Markey, Mr. Vento, Mr. McCain, Mr. Blaz, Mr. Kildee, Mr. Gejdenson, Mr. Kostmayer, Mr. Moody, Mr. Lehman of California, Mr. Richardson, Mr. Sunia, Mr. Levine of California, Mr. Scheuer, Mrs. Schneider, Mr. Bonker, and Mr. Leland):

H.R. 4568. A bill to clarify certain authorities of the Secretary of the Interior and of the Advisory Council on Historic Preservation, and for other purposes; to the Committee on Interior and Insular Affairs.

By Mr. SYNAR (for himself, Mr. Leland, Mr. Bustamante, Mr. Richardson, and Mr. Bryant):

H.R. 4569. A bill to amend the Federal Deposit Insurance Act to provide emergency procedures for dealing with the financial difficulties in the agricultural and energy sectors of the economy, and for other purposes; to the Committee on Banking, Finance and Urban Affairs.

By Mr. FAZIO (for himself, Mr. Traxler, and Mr. Pursell):

H.J. Res. 594. A joint resolution to designate the week beginning May 4, 1986, as "National Correctional Officers Week"; to the Committee on Post Office and Civil Service.

By Mr. GILMAN (for himself, Mr. Leland, Mrs. Roukema, and Mr. Hall of Ohio):

H.J. Res. 595. A joint resolution to designate October 16, 1986, as "World Food Day"; to the Committee on Post Office and Civil Service.

By Mr. HOYER (for himself, Mr. Kemp, Mr. Frank, and Mr. Gilman):

H.J. Res. 596. A joint resolution to designate May 21, 1986, as "National Andrei Sakharov Day"; jointly, to the Committees on Post Office and Civil Service, and Foreign Affairs.

By Mr. JENKINS:

H.J. Res. 597. A joint resolution to authorize and request the President to designate the week of April 18, 1986, through April 27, 1986, as "National Carpet and Floorcovering Week"; to the Committee on Post Office and Civil Service.

By Mr. STUDDS:

H.J. Res. 598. A joint resolution declaring war on Nicaragua; to the Committee on Foreign Affairs.

By Mr. McCLOSKEY:

H. Con. Res. 315. A concurrent resolution to express the sense of Congress that the Secretary of Defense should defer the final award of a contract with respect to Defense Construction Supply Center Solicitation numbered DLA700-85-B-4-4607 (for the purchase of 178 crawler tractors) until Congress completes consideration of the Department of Defense Authorization Act, 1987; to the Committee on Armed Services.

By Mr. NEAL (for himself, Mr. Wylie, and Mr. Leach of Iowa):

H. Con. Res. 316. A concurrent resolution relating to predatory tied aid credits; to the Committee on Banking, Finance and Urban Affairs.

By Mr. BATEMAN (for himself, Mr. Parris, Mr. Wolf, Mr. Whitehurst, Mr. Ackerman, Mr. Howard, Mr. Dicks, Mr. Barnes, Mr. Akaka, Mr. Fazio, Mrs. Boxer, and Mr. Frank):

H. Res. 412. A resolution to express the sense of the House of Representatives that the present 3-year basis recovery rule on taxation of retirement annuities be maintained; to the Committee on Ways and Means.

By Mr. COBEY (for himself, Mr. Hendon, Mr. Coble, Mr. Fuster, Mr. Robinson, Mr. Pashayan, Mr. Oberstar, Mr. Perkins, Mr. Lundine, Mr. Roe, Mr. Lipinski, Mr. Evans of Illinois, Mr. Hayes, Mr. Watkins, Mr. Leland, Mr. Tauke, Mr. Roberts, Mr. Frank, Mr. Coelho, Mr. Rahall, Mr. Bedell, Mr. Boucher, Mr. AuCoin, Mr. Brooks, Mrs. Byron, Mr. Weber, Mr. Wortley, Mr. Schuette, Mr. Campbell, Mr. Mitchell, Mr. Broyhill, Mr. English, Mr. Lagomarsino, Mr. Coleman of Texas, Mr. McMillan, Mr. LaFalce, Mr. Fish, and Mr. Owens):

H. Res. 413. A resolution expressing the sense of the House of Representatives with respect to Federal funds for the Cooperative Extension Service of the Department of Agriculture; to the Committee on Agriculture.

By Mr. MARLENEE:

H. Res. 414. A resolution expressing the sense of the House of Representatives that the President and the Secretary of Agriculture should take certain actions to minimize the adverse economic effect on beef, pork, and lamb producers resulting from the slaughter of dairy cattle under the milk production termination program, and for other purposes; to the Committee on Agriculture.

MEMORIALS

Under clause 4 of rule XXII, memorials were presented and referred as follows:

334. By the SPEAKER: Memorial of the Legislature of the State of Idaho, relative to the Kern River pipeline project; to the Committee on Energy and Commerce.

335. Also, memorial of the Legislature of the State and Idaho, relative to Nicaragua; to the Committee on Foreign Affairs.

336. Also, memorial of the Legislature of the State of Idaho, relative to public schools; to the Committee on Interior and Insular Affairs.

337. Also, memorial of the Legislature of the State and Idaho, relative to the Corps of

Engineers; to the Committee on Public Works and Transportation.

338. Also, memorial of the Legislature of the State and Idaho, relative to the Federal Aid Highway Program; to the Committee on Public Works and Transportation.

ADDITIONAL SPONSORS

Under clause 4 of rule XXII, sponsors were added to public bills and resolutions as follows:

H.R. 524: Mr. AuCoin.

H.R. 864: Mr. Swift.

H.R. 1257: Mr. Shaw.

H.R. 1400: Mr. Pepper, Mr. Pease, and Mr. Pashayan.

H.R. 1626: Mr. Dwyer of New Jersey.

H.R. 1780: Mr. Towns, Mr. de Lugo, Mr. Leland, Mr. Biaggi, Mr. Hughes, Mr. Hendon, Mr. Henry, Mr. Reid, Mr. Chandler, Mr. Davis, Mr. Valentine, Mrs. Martin of Illinois, Mr. Mineta, Mr. Mrazek, Ms. Mikulski, Mr. Gilman, and Mr. Kostmayer.

H.R. 1894: Mr. Gilman.

H.R. 2440: Mr. Bryant.

H.R. 3061: Mr. Hawkins, Mr. de la Garza, Mr. Towns, Mr. Stenholm, Mr. Wortley, Mr. Owens, Mr. Smith of Florida, Mr. Kindness, Mr. Mitchell, Mr. Fazio, Mr. Berman, Mr. Oberstar, Mr. Gejdenson, Mr. Rudd, Mr. Traxler, Mr. Barnes, Mr. Frank, Mr. Clinger, Mr. Robinson, Mr. Fuqua, Mr. Glickman, Mr. Olin, Mr. Wirth, and Mr. Petri.

H.R. 3118: Mr. Hawkins, Mr. Petri, Mr. de la Garza, Mr. Towns, Mr. Stenholm, Mr. Lagomarsino, Mr. Owens, Mr. Kindness, Mr. Mitchell, Mr. Fazio, Mr. Berman, Mr. Oberstar, Mr. Gejdenson, Mr. Rudd, Mr. Traxler, Mr. Barnes, Mr. Frank, Mr. Clinger, Mr. Fuqua, Mr. Glickman, and Mr. Wirth.

H.R. 3119: Mr. Hawkins, Mr. Petri, Mr. de la Garza, Mr. Towns, Mr. Lagomarsino, Mr. Owens, Mr. Kindness, Mr. Mitchell, Mr. Fazio, Mr. Berman, Mr. Oberstar, Mr. Gijdenson Mr. Rudd, Mr. Traxler, Mr. Barnes, Mr. Frank, Mr. Clinger, Mr. Fuqua, Mr. Glickman, and Mr. Wirth.

H.R. 3655: Mr. Carney, Mr. Ortiz, Mr. Kanjorski, Mr. Dixon, Mr. Davis, Mr. Hefner, Mrs. Bentley, and Mr. Mrazek.

H.R. 3690: Mr. Frank.

H.R. 3817: Mr. Gallo, Mr. Campbell, Mr. Chappie, Mr. Dellums, Mr. McCloskey, Mr. Rowland of Connecticut, Mr. Bosco, Mr. Gilman, Mr. Coleman of Missouri, and Mr. Smith of Florida.

H.R. 3984: Mr. Dymally.

H.R. 3989: Mr. Chappie, Mr. Cheney, Mr. Cooper, Mr. Davis, Mr. Dorgan of North Dakota, Mr. Dornan of California, Mr. Durbin, Mr. Gunderson, Mr. Hutto, Mr. Jones of Tennessee, Mr. Jones of North Carolina, Mr. Kildee, Mr. Leach of Iowa, Mr. McCloskey, Mr. McCollum, Mr. Murphy, Mr. Nichols, Mr. Pease, Mr. Petri, Mr. Ridge, Mr. Skeen, Mr. Spratt, Mrs. Vucanovich, Mr. Weber, Mr. Williams, Mr. Carper, Mr. Lagomarsino, Mr. Rowland of Georgia, Mr. Skelton, and Mr. Young of Missouri.

H.R. 3995: Mr. Skeen, Mr. Porter, Mr. Zschau, Mr. Kolbe, and Mr. Roe.

H.R. 4046: Mr. Thomas of Georgia, Mr. Lipinski, Mr. Hutto, Mr. Bosco, Ms. Mikulski, Mr. McKernan, Mr. Horton, Mrs. Bentley, Mr. Carper, Mr. Akaka, Mr. Dyson, Mr. Edgar, Mr. Lagomarsino, Mr. Hubbard, Mr. Carney, Mr. Bonker, Mr. Manton, Mr. Jeffords, Mr. Tallon, Mr. Kemp, Mr. Mitchell, Mr. Olin, Mr. Hayes, Mr. Jenkins, Mr. Vander Jagt, Mr. Torres, Mr. Matsui, Mr. Ortiz, Ms. Kaptur, Mr. Foglietta, Mr. Roybal, Mrs. Schneider, Mr. Anderson, Mr. Heftel of Hawaii, Mr. Coats, and Mr. Breaux.

H.R. 4052: Mr. Frank, Mr. Bonior of Michigan, Mr. Mavroules, Mr. Evans of Illinois, Mr. Udall, Mr. Boucher, Mr. Hayes, Mr. Perkins, Mr. Seiberling, Mr. Neal, Mr. Rangel, Mr. Morrison of Connecticut, and Mr. Kolter.

H.R. 4125: Mr. Bustamante, Mr. Bliley, Mr. Lipinski, Mr. Heftel of Hawaii, Mr. Fields, Mr. Reid, Mr. Valentine, Mr. Mrazek, Mr. Lowery of California, and Mr. Dornan of California.

H.R. 4142: Mr. Natcher, Mr. Lujan, Mr. Nelson of Florida, Mr. McCain, Mr. Loeffler, Mr. Fish, Mr. Kindness, Mr. Wilson, Mr. Packard, Mr. Parris, Mr. Brown of California, Mr. Callahan, Mr. Bates, Mr. Shaw, Mr. Horton, Mr. Coughlin, Mr. McEwen, Mr. Ireland, Mr. Matsui, Mr. Torricelli, Mr. Tauke, Mr. Badham, Mr. Stump, Mr. Crane, Mr. Carney, and Mr. Kolbe.

H.R. 4148: Mr. Penny, Mr. Oberstar, Mr. Towns, Mr. Rangel, Mr. Wolpe, and Mr. Volkmer.

H.R. 4154: Mr. Whitehurst.

H.R. 4186: Mr. Brown of Colorado, Mr. Tauke, Mr. Solomon, Mr. Molinari, Mr. Mack, Mr. Dreier of California, Mr. Chandler, Mr. Conte, and Mr. Bates.

H.R. 4231: Mr. Andrews, Mr. Gordon, Mr. Volkmer, Mr. Mineta, Mr. Ralph M. Hall, Mr. Barton of Texas, Mr. Monson, Mr. Synar, Mr. McKinney, Mr. Stenholm, Mr. Fazio, Mr. Swindall, and Mrs. Meyers of Kansas.

H.R. 4276: Mr. Weiss and Mr. Garcia.

H.R. 4280: Mr. Kleczka, Mr. Annunzio, Ms. Kaptur, Mr. Roybal, Mr. Roe, Mr. Mrazek, Mr. Mitchell, Mr. Vento, Mr. Mineta, and Mr. Matsui.

H.R. 4287: Mr. Lehman of Florida, and Mr. LaFalce.

H.R. 4333: Mr. Swift.

H.R. 4343: Mr. Smith of Florida, Mr. Dornan of California, Mr. Wolf, Mr. Bliley, Mr. Crane, Mr. Shaw, Mrs. Bentley, Mr. Armey, Mrs. Holt, and Mr. Reid.

H.R. 4388: Mr. Shaw and Mr. Martinez.

H.R. 4391: Mr. Quillen.

H.R. 4397: Mr. Wilson, Mr. Chapman, Mr. Matsui, and Mr. Torricelli.

H.R. 4456: Mr. Weber.

H.J. Res. 10: Mr. de la Garza, Mrs. Johnson, and Ms. Oakar.

H.J. Res. 266: Mr. Saxton, Mr. AuCoin, Mr. Aspin, Mr. Carr, Mr. Price, Mr. Boehlert, and Mr. Hutto.

H.J. Res. 379: Mr. Sabo, Mr. Dornan of California, Ms. Oakar, Mr. Hatcher, Mr. Coleman of Missouri, Mr. Kolter, Mr. Wolpe, Mr. Wyden, and Mr. Sikorski.

H.J. Res. 381: Mr. Torricelli and Mr. Regula.

H.J. Res. 444: Mr. Lowry of Washington.

H.J. Res. 470: Mr. Nelson of Florida, Mr. Spratt, Mr. Dorgan of North Dakota, Mr. Jones of North Carolina, Mr. Wolpe, Mr. Madigan, Mr. Coyne, Mr. Miller of California, Mrs. Lloyd, and Mr. Henry.

H.J. Res. 502: Mr. Boucher, Mr. Brown of California, Mr. Heftel of Hawaii, Mr. Livingston, and Mr. McEwen.

H.J. Res. 504: Mr. Darden, Mr. Gordon, Mr. Lewis of Florida, Mr. McCain, Mr. McDade, Mr. Smith of Florida, Mr. Swindall, and Mr. Whittaker.

H.J. Res. 521: Mr. Udall.

H.J. Res. 527: Mr. Kasich, Mr. Bevill, Mr. Dannemeyer, Mr. Kemp, Mr. Bryant, Mr. Yatron, Mr. McDade, Mr. Hoyer, and Mr. Fascell.

H.J. Res. 531: Mr. Kostmayer, Mr. Frank, Mr. Moakley, Mr. Dornan of California, Ms. Mikulski, and Mr. Hubbard.

H.J. Res. 533: Mr. Evans of Illinois and Mr. LaFalce.

H.J. Res. 554: Mr. Rowland of Georgia and Mr. Markey.

H.J. Res. 561: Mr. Lehman of California, Mr. de la Garza, Mr. Tallon, Mr. Hartnett, Mr. Sisisky, Mr. Stokes, Mr. Courter, Mr. Robert F. Smith, Mr. Morrison of Washington, Ms. Mikulski, Mr. Mitchell, and Mr. Ritter.

H. Con. Res. 200: Mr. Porter.

H. Con. Res. 299: Mr. Kindness, Mr. Reid, Mr. Mavroules, and Ms. Mikulski.

H. Con. Res. 307: Mr. Reid and Mr. Mavroules.

H. Res. 12: Mr. Evans of Illinois, Mr. Dellums, and Mr. Visclosky.

H. Res. 408: Mr. Kemp.

DELETIONS OF SPONSORS FROM PUBLIC BILLS AND RESOLUTIONS

Under clause 4 of rule XXII, sponsors were deleted from public bills and resolutions as follows:

H.R. 3921: Mr. Edwards of California.

PETITIONS, ETC.

Under clause 1 of rule XXII, petitions and papers were laid on the Clerk's desk and referred as follows:

299. By the SPEAKER: Petition of the Navy League of the United States, Arlington, VA, relative to Western Hemisphere defense; to the Committee on Foreign Affairs.

300. Also, petition of the Board of Chosen Freeholders, Mercer County, NJ, relative to H.R. 3128; to the Committee on Ways and Means.

301. Also, petition of the city of Boscobel, WI, relative to H.R. 3838; to the Committee on Ways and Means.

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SENATE—*Thursday, April 10, 1986*

(Legislative day of Tuesday, April 8, 1986)

The Senate met at 9 a.m., on the expiration of the recess, and was called to order by the President pro tempore [Mr. THURMOND].

The PRESIDENT pro tempore. Our prayer this morning will be offered by Navy Chaplain Milford Oxendine, Jr., of the Treasure Island Naval Station, San Francisco, CA. He is sponsored by Senator JESSE HELMS of North Carolina.

PRAYER

The Navy Chaplain Milford Oxendine, Jr., Naval Station, Treasure Island, San Francisco, CA, offered the following prayer:

Let us pray.

O God of the universe, Alpha and Omega, defender of our great Nation. We have been blessed by You who has given us this good land for our heritage. May we always prove ourselves a people mindful of Your favor and glad to do Your will.

O Great One, we thank You that You dwell among us this day. We pray in behalf of all who are in positions of authority who make the laws we are to obey: Our Commander in Chief, the Joint Chiefs of Staff, Members of Congress, Governors, and all other elected and appointed officials.

We remember in gratitude the labor and lives of those who have gone before us. Our land is indeed hallowed by their names and their dedication they had to You and our country.

Bless our land with rich soil, honorable industry, sound learning, and pure manners. In the time of prosperity fill our hearts with thankfulness, and in the day of trouble suffer not our trust in You to fail. Save us from violence, discord, and confusion; from pride and arrogancy, and from every evil way.

Also, we pray for the Members of our Senate, the members of their families, and all who support their service to us.

On this day we call upon You to guide our Senate Members with Your truth, Your compassion, and Your love. May they come to the end of the day strengthened by the service they have given in honor.

We commit ourselves in Your keeping this day in the name of our Lord. Amen.

RECOGNITION OF THE ACTING MAJORITY LEADER

The PRESIDENT pro tempore. The distinguished acting majority leader is recognized.

Mr. RUDMAN. I thank the Chair.

Mr. President, let me first yield 2 minutes of the leadership time to the distinguished senior Senator from North Carolina.

The PRESIDENT pro tempore. The distinguished Senator from North Carolina.

CHAPLAIN OXENDINE'S PRAYER

Mr. HELMS. Mr. President, I thank the Chair, and I thank my good friend from New Hampshire.

Of course, it is a moment of pride for this North Carolinian to have sponsored the distinguished guest Chaplain today.

Milford Oxendine, Jr., is an ordained clergyman of the United Methodist Church. We Baptists will forgive him for that. [Laughter.] He belongs to North Carolina Conference, and as the distinguished President pro tempore has just indicated, he is chaplain in the U.S. Navy.

He was born in Pembroke, NC. His parents are Milford Oxendine, Sr., and Adief B. Oxendine.

I might add for the edification of our distinguished acting majority leader that he is the first native American to serve in the U.S. Navy as a chaplain.

He received his B.S. degree in math from Pembroke State University. He received his masters of divinity degree from Duke Divinity School.

He was commissioned in May 1977 and went into the USNR in September 1980.

He has a delightful wife, the former Jeannie Hunt. They have four children: Shane, Scarlett, Aaron, and Christopher.

As I have indicated, he is an American Indian of the Lumbee Tribe in North Carolina.

He is presently assigned to the Naval Station in San Francisco, CA, with primary duty at the Transient Personnel Unit.

As I conclude, I want to pay my respect to the gentleman who called to my attention Commander Oxendine, a man whom I have admired for many, many years but have never met: Dr. A Purnell Bailey, who lives in McLean, VA.

He is distinguished in many ways as a clergyman. But I first became acquainted with him through his broadcast ministry, and a newspaper column.

He is a distinguished clergyman, and I thank him for calling my attention to Commander Oxendine.

I thank the distinguished acting majority leader for yielding.

RECOGNITION OF THE ACTING MAJORITY LEADER

The PRESIDENT pro tempore. The distinguished acting majority leader is recognized.

SCHEDULE

Mr. RUDMAN. Mr. President, the two leaders under the standing order will have 10 minutes each.

I ask unanimous consent to reserve the remainder of the leadership time, both for the Democratic leader, and for the Republican leader.

The PRESIDING OFFICER (Mr. HELMS). Without objection, it is so ordered.

Mr. RUDMAN. There are special orders in favor of the following Senators for not to exceed 5 minutes each: Senator HAWKINS, and her statement will be read by Senator MURKOWSKI; Senator PROXMIRE; Senator DOMENICI; Senator CHILES; Senator QUAYLE; Senator CRANSTON; Senator WILSON; Senator MELCHER; and Senator LAUTENBERG.

There will be routine morning business for not to extend beyond the hour of 10 a.m. with Senators permitted to speak therein for not more than 5 minutes each.

At 10 o'clock this morning, the Senate will resume consideration of S. 1017, the regional airport bill. Pending is amendment No. 1744, offered by Senator SARBANES of Maryland.

By unanimous consent there will be 40 minutes of debate to be equally divided on amendment No. 1744.

A rollcall vote will occur on or in relation to this amendment but not prior to the hour of 10:40 a.m.

Rollcall votes can be expected throughout the day, and into the evening in order to complete action on S. 1017, the regional airport bill.

Mr. President, I reserve the balance of the leadership time.

Mr. MURKOWSKI addressed the Chair.

The PRESIDING OFFICER. The Senator from Alaska is recognized.

SENATOR HAWKINS' SPECIAL ORDER

The PRESIDING OFFICER. Under the previous order, Senator MURKOWSKI is recognized for the Senator from Florida, Mrs. HAWKINS, for not to exceed 5 minutes.

● This "bullet" symbol identifies statements or insertions which are not spoken by the Member on the floor.

Mr. MURKOWSKI. Mr. President, I thank my colleague from New Hampshire, the acting majority leader.

It gives me a great deal of pleasure on behalf of Senator PAULA HAWKINS, who is recuperating in the hospital, to present a statement by her. The subject of her statement this morning is "Foot-Dragging Is Not a Good Posture for a Good Neighbor."

Mr. President, on behalf of Senator HAWKINS, I present the following statement:

FOOT-DRAGGING IS NOT A GOOD POSTURE FOR A GOOD NEIGHBOR

Mrs. HAWKINS. Mr. President, it is a matter of great disappointment to me that a country that ought to be a model of a "good neighbor" is considerably less than that. We have many economic and cultural ties with Mexico. We both are firmly committed to democracy and to capitalism. Mexicans have the same disdain for communism that Americans do. The governments of our nations are friendly. There is a cordiality between us and a spirit of cooperation in many international endeavors. There is a notable exception, however, and that is the effort to curb narcotics trafficking and bring violators to the bar of justice. Here the relationship falls short of what it could be.

Miguel Angel Felix Gallardo, the drug kingpin who is said to have ordered the assassination of American DEA agent Enrique Camarena Salazar, is still at large. Gallardo, supposedly being sought by Mexican authorities, has been seen publicly several times in Mexico in the past year. He is reported to be enjoying shelter and hospitality from high-ranking officials of two state governments. Does that sound like a maximum effort to locate one of the prime suspects in the Camarena kidnap-torture-murder plot?

Ambassador John Gavin says "there are at least 50" people involved in Camarena's slaying who are still at large. Gavin charges that these 50 are not being hunted seriously by Mexican law enforcement authorities. Thirty-seven people, including several policemen, have been arrested in connection with the Camarena case. The charges vary from crimes against health, conspiracy, illegal import of arms and concealment. But when will they be tried and what is the holdup? What of the case against Rafael Caro Quintero? He was indicted in the Federal district of Mexico City on April 8, 1985, one year ago. The weight of the evidence against him would appear to be damning, but when does he go to trial?

The partnership between drug traffickers and police, and others in authority in Mexico, is well-known; what is worse, it is accepted. Corruption in high places has reached a new plateau.

American officials have granted temporary asylum to 29 Mexicans who have been threatened by drug traffickers linked to the Camarena case. The temporary visas were given to 6 Mexicans and their families; four of the men were members of the Mexican federal police force. The group is said to have abducted a suspected drug trafficker, Rene Martin Verdugo, who is believed to have been present during the torture of Camarena, and handed him over to American authorities at the U.S.-Mexican border. Mexican drug smugglers were unhappy about the incident and threatened to retaliate against those involved. I am proud that our officials granted asylum to these Mexicans, and I hope that they and their families are given all the protection possible. But I decry the fact that these six men, who have respect for justice, do not feel secure in their own country, and that drug smugglers have gained so much power and influence they can commit irrational acts with impunity, even crimes so beastlv as the fatal bludgeoning of Enrique Camarena Salazar.

Mexico is the number one supplier of illicit amphetamines to the United States. Marijuana shipments to the U.S. are also increasing to the point where statistics are almost meaningless. Every six-month reporting period exceeds the previous six months. One-third of the cocaine coming into the U.S. is smuggled through Mexico. And more than one-third of the heroin entering the U.S. illegally comes from Mexico—the largest single source country for the American market. What is particularly frightening to our drug fighters is Mexico's expanding output of a darker, stronger heroin known on the street as "black tar" or "tootsie roll." This sticky, cocoa-colored powder is 60 to 70 percent pure—twice the strength of the traditional "Mexican brown" heroin.

Small wonder that we worry about Mexico's dedication to fighting the drug traffic and challenge her sincerity to bring it under control. Until we see more solid evidence, we must question her commitment and urge her to take the necessary steps to become a "good neighbor." A "good neighbor" does not do things which threaten your institutions, corrupt your officials, destabilize your economy, wreck the health of your children, and weaken the fabric of your society. Mexico could take definite steps in the direction of becoming a "good neighbor" by bringing to justice the criminals who snuffed out the life of Enrique Camarena Salazar.

Mr. MURKOWSKI. Mr. President, I am pleased to have read that statement into the RECORD. We all wish Senator HAWKINS a speedy recovery as she recuperates.

Mr. President, I, too, have had the opportunity to work with Senator HAWKINS in regard to her tremendous efforts to bring the drug issue to the forefront. I commend her as a member of the special Presidential committee with a number of other colleagues who have pursued this matter.

CREDENTIALS OF VETERANS' ADMINISTRATION PHYSICIANS

Mr. MURKOWSKI. Mr. President, as chairman of the Veterans' Affairs Committee I am deeply concerned about the case of Comdr. Donal M. Billig and the questions it raises for medical care practice in the United States in general, and in the Veterans' Administration in particular.

Commander Billig, chief of heart surgery at Bethesda Naval Hospital, was recently sentenced to 4 years imprisonment for the deaths of three patients. Dr. Billig was convicted on 2 counts of involuntary manslaughter, 1 count of negligent homicide, and 18 counts of dereliction of duty.

It is difficult to imagine how these events were allowed to transpire. Although Dr. Billig was held accountable finally by the military medical care system, this case is a perfect illustration of the critical need for a systematic means of verifying the licenses and clinical competence of health-care professionals.

Patients and their families seek relief from alleged poor medical care practice by turning to the courts to file malpractice claims. The emphasis in this country on litigation as a means to remedy a negative medical outcome has resulted in unprecedented increases in medical malpractice insurance. Patients and their families should have access to the courts. Physicians and other health-care professionals should be held accountable to their patients, their colleagues, and the public for the quality of their work. However, by its very nature, any malpractice claim is filed after the fact, when the damage is done. That is too late. A patient will never be brought back to life or permanent physical damage cannot be reversed.

That is why it is imperative to develop a preventive mechanism to ensure that such incidents do not occur. I believe that accurate, truthful, and complete information is the foundation of any health care credentialing program. The appropriate and timely use of the information, including its exchange with relevant agencies and licensing bodies, is the most critical component of this important process. This exchange is basic to verifying and maintaining the integrity of any health-care system.

Last summer I expressed my concerns to the VA about the need for a comprehensive credentials monitoring process. It is, therefore, timely to note that the Veterans' Administration just submitted its first report to Congress, required by Public Law 99-166, on its current efforts and procedures and future plans for determining and monitoring the credentials of VA health-care professionals. The report covered several major areas of concern. First, for physicians applying for employment, the VA now requires license verification, a check with the applicant's current or most recent employer, questions to the applicant concerning past clinical privilege problems, and a revised physician employment application. Second, the VA is currently negotiating with the Federation of State Medical Boards for a regular screening every 2 years for licensing irregularities of all currently employed physicians. And third, the VA is also negotiating with the federation to arrange for the notification of former VA physicians whose professional clinical practice failed to conform to generally accepted standards of clinical practice.

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The VA's efforts to improve the credentials monitoring process are well underway. Although VA health-care professionals are noted for their dedication to providing high quality acute and long-term care services to our Nation's veterans, I continue to be concerned that the credentials monitoring program is not yet fully implemented. I believe that once the VA has the credentials monitoring program firmly in place, the agency will have the capability to be a leader and an example, as it has been in other areas, to other health-care providers of responsible and high quality medical care practice. I intend to continue to monitor closely the VA's efforts in this regard and I encourage the VA to expedite the full implementation of this most comprehensive monitoring program.

RECOGNITION OF SENATOR PROXMIRE

The PRESIDING OFFICER. Under the previous order, the distinguished Senator from Wisconsin [Mr. PROXMIRE] is recognized for not to exceed 5 minutes.

BUDGETARY NECESSITY, NOT ARMS CONTROL, STOPPING THE ARMS RACE

Mr. PROXMIRE. Mr. President, what is the outlook for slowing if not stopping the superpower arms race? Can arms control work? The answer is surprising. Arms control is not working. The outlook for arms control is dismal. But the arms race may slow to a halt for an entirely different reason. What, besides arms control, could begin to halt the arms race? Answer: Gramm-Rudman, not Geneva, will hold down star wars. Gramm-Rudman, not arms control, will cut the prospect of any new major initiative in U.S. strategic arms. Gramm-Rudman, not arms control, will force some serious reductions in plans for expanding the far more costly conventional arms. How about the Soviet Union? Will they not race ahead? No, they will not. Why not? Because Gorbachev recognizes that the long-term strength of the Soviet economy depends on limiting the burden of Soviet military spending in the 1980's and 1990's.

If this is so, why does it not pave the way for an arms control agreement that would serve the interests of both sides? Well there is a different answer for each of the superpowers. President Reagan bounces along under the illusion that he can persuade the Congress to comply with Gramm-Rudman his way. He would hold down nonmilitary Federal spending. He would count on exuberant economic growth, so that even with lower tax rates, revenues would rise and provide the wherewithall to fund an increasingly vigorous military buildup. So he does not want any long term arms control agreement to limit that opportunity for the United States to move well ahead of the Soviet Union militarily on land, sea, air and outer space and in conventional as well as strategic forces.

That is the Reagan dream. Arms control will not spoil it. Gramm-Rudman will. No one can predict what will happen to the economy in the long run. But in the short run every informed Member of the Congress now knows that Gramm-Rudman could force the Congress and the President to stop increased military spending dead in its tracks in fiscal year 1987 that begins next October 1, less than 6 months from now. That will certainly happen if the Congress fails to make the spending cuts the President has proposed in nonmilitary programs. Will the Congress make those cuts? No. The Congress will not make those cuts. That slowdown in military spending will certainly happen if the Congress does not on its own initiative raise taxes and pass that raise over a Presidential veto. Will the Congress do that? No, the Congress will not. So what does that leave? That leaves a simple choice between two options. Here is option No. 1: The Congress lets the Gramm-Rudman sequestering take effect. What does that do to military spending? It results in a 15- to 20-percent reduction in military spending below the base line.

How will that affect our military forces? The top officials in the Army, the Navy, the Marine Corps, and the Navy have all told the Senate Appropriations Subcommittee on Defense within the past few weeks that such reductions would be absolutely devastating for this country's national security. No arms control agreement could begin to make reductions this decisive even over a period of years. Most Members of the Congress believe this cannot happen. Will it? Well, maybe, but maybe not.

But what other option does the President have? He can sit down and negotiate with the Congress. What will come out of those negotiations? Will the Congress agree to make the reductions in domestic programs the President has called for? Mr. President, there is absolutely no way that will happen. The Congress knows that if the deadlock is not broken, Gramm-Rudman sequestering must follow. The Congress knows that the sequestering will be far better for domestic programs than the budget cuts the President has proposed. But how about the effect of Gramm-Rudman sequestering on military spending? The Congress knows that poll after poll has shown a large majority of the American people believe we are spending too much on the military now. The Congress faces an election in a few months. All this means that the President will have to negotiate with the Congress over the budget. He will negotiate from a position of considerable weakness. He will in all likelihood have to make concessions in two areas. First, he will probably have to give up any increase in real terms in military spending. He may even have to surrender part of the inflation increase necessary to prevent any cut in real spending for the military. He will also have to make a concession, probably a substantial concession, in his determination to prevent any tax increase. Even with a tax increase of tens of billions, the President will almost certainly not be able to win an increase in military spending above inflation for 1987. So arms control will not hold down American military spending in 1987. Gramm-Rudman will.

The Soviet Union obviously has no Gramm-Rudman to worry about. It has no election to worry about. But in the long run their military faces an even tougher problem. The Soviet economy is only about half the size of the American economy. Its Warsaw Pact allies have far smaller and weaker economies than our NATO allies. The longrun progress of the Soviet military under Gorbachev depends heavily on economic growth and Gorbachev knows it. He also knows that economic growth cannot progress if the already very heavy Russian military spending burden continues. So in the Soviet Union as well as in the United States the economy and the budget, not arms control, is driving the Government toward slowing the arms race very close to a halt.

THE MYTH OF THE DAY

Mr. PROXMIRE. Mr. President, the myth of the day is that the economy is on the threshold of a recordbreaking boom. This myth is made up of 90 percent hope and 10 percent fact.

Despite the lack of evidence to support this myth, it has been swallowed hook, line, and sinker by official Washington. The administration is talking confidently about gross national product, adjusted for inflation, growing by over 4 percent a year. And Congress is basing its budget on projections of real GNP growth exceeding 3 percent.

Where is the evidence to support these hopes? The most recent economic statistics have been disappointing, at best. During the last quarter of 1985, real GNP grew by only 0.7 percent at an annual rate. Unemployment remains at record levels this long into an expansion. Consumption spending is leveling off, savings are at historic lows, and the farm economy is in shambles.

Most of the euphoria comes from two factors: A fall in the price of oil and lower interest rates. Both are definite pluses for the economy. Yet even these good signs have downside risks, especially in the near-term. A decline in the price of oil poses serious problems for a financial system, which is already wobbly. Certain sections of the country, which assumed that high oil prices meant good times forever, are now suffering. And drops in interest rates could lead many foreign investors, who helped finance our staggering deficits, to pull their money out of this country. The Federal Reserve might have to respond by drawing tight the credit strings, driving up interest rates, and aborting the recovery.

We may be on the verge of a boom as the optimists contend. This Senator certainly hopes so. Prudence dictates that while we hope for good news we should base fiscal policy on facts, not euphoric myths.

Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER (Mr. MURKOWSKI). The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. MELCHER. Mr. President, I ask unanimous consent that the order of the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

RECOGNITION OF SENATOR MELCHER

The PRESIDING OFFICER. Under the previous order, the Senator from Montana [Mr. MELCHER] is recognized for not to exceed 5 minutes.

THE DAIRY HERD BUYOUT PLAN

Mr. MELCHER. Mr. President, part of our job here is to help Presidents. I have been here, in the House and in the Senate, about 17 years; and while my desire has been to help whoever happens to be the President, I have always found it quite difficult because the Presidents, no matter who, during those 17 years have thought they had the right idea on what you tried to advise them about. Particularly, their Cabinet members always seem to have their minds set and are not prone to ask or accept too much advice. Particularly is that true as in my case, being a member of the opposite party. But I must hasten to add that during those 17 years, the White House was occupied for only 4 years by a Democratic President, Jimmy Carter, who was not very easy to advise, either.

The case in point right now is the dairy herd buyout plan. I vigorously, in a fighting mood, opposed that proposal. Indeed, in the Senate Agriculture Committee, when it came up for a vote, it was voted down by a substantial number of the membership of that committee and was thrown in the ashcan, where it belonged. However, the dairy buyout plan was accepted in the House and passed in the House, and it became one of the items in the conference between the House and the Senate that had to be ironed out.

While the administration might want to deny now any parentage, any responsibility, for this dairy herd buyout scheme, the fact is that then Secretary of Agriculture John Block was very active, telling conferees that the plan was workable and desirable.

I sat in on several of the many meetings, small meetings of conferees who were interested in the dairy program. The principal point was what to do about the dairy herd buyout, and Jack Block was present at every one of the meetings I attended of those smaller groups.

I attended those meetings with the hope—beyond hope, to get the scheme dropped completely—but with the hope of modifying it, minimizing it, or somehow getting the bad effects of the dairy herd buyout changed in the final bill that would be adopted by the conferees and submitted to the whole Senate and House for acceptance. I was not very successful. The fact is that the only thing we were able to do—or I was able to do—was to get increased the amount of red meat that would be purchased to offset the deleterious effects that the herd buyout plan would obviously have on the beef and pork markets.

What is wrong with the dairy herd buyout plan is that, first of all, it moves in the wrong direction and absolutely pits one part of the agricultural sector against another part of the agricultural sector. It pits the dairyman against the livestock producer. That is a bad way to run the show.

What was feared by the livestock producers was that when the process began to buy out the dairy herds, the livestock markets would take a beating. That is exactly what has happened. In the livestock market, if there is on any given day 5 percent too much offered or even 3 percent too much offered for the market to absorb, the price is likely to decline at least 10 percent. If the perception is that there will be too much livestock available on the market for a period of time, even for 2 or 3 weeks, the market is likely to drop greater than 10 percent.

What has happened with the dairy herd buyout announcement and the implementation of it is that the beef market has dropped about 20 percent. That is all beef. For cows themselves—that is one category, just for slaughter cows—it is down about 30 percent. It is a fiasco. Something has to be done.

This deleterious effect on the livestock market is bad enough, to the extent that the repercussions of that are going to be heard not just by a few of us in the Senate, but by a great number of Senators, as to how bad it is. The same in the House. And it is going to reach the White House. Something has to be done about this, and done quickly.

The new Secretary of Agriculture, Richard Lyng, inherits this bad scheme. So far, it has been handled in the wrong way. Perhaps that is his fault. The announcement and the implementing of it were made in such a way that it had the most staggering, deleterious effect on the livestock markets. How it is handled from now on is going to determine whether or not the White House feels the repercussions of this in a very strong way. So I suspect that Secretary Lyng will attempt to respond very quickly.

What he did yesterday was to announce that there would be some dairy cows sold at a very attractive price south of the border, to the Mexican Government. I hope that can happen. Secretary Lyng also announced yesterday that they tried to make some arrangements for selling some of these dairy cows to Indonesia. I hope that can happen.

The Secretary also announced that they would implement the offsetting purchase of red meat on the market to go to the military exchanges, the commissaries, in Europe; or would be purchased by the U.S. Government to be used in different programs where the meat would end up abroad.

Obviously, that must happen; because if it is just going to be on the market, the Government would purchase meat for the school lunch program that it would ordinarily purchase anyway, or if the Defense Department would purchase some meat that they would ordinarily use for the kitchens of our Armed Forces or the galleys of the Navy, that would be meat they were going to purchase anyway. So it would have no beneficial effect on the market.

What we are involved in here, Mr. President, is seeking to find a solution that will minimize the harmful effects of the dairy herd buyout plan. It could come in two ways. First, a suspension of the program temporarily or a stretchout, a stall, a delay, in accepting for sale these dairy herds; or, having already made the contract with an individual dairyman, making some arrangement for that dairyman not to unload those cows on the market for slaughter for some time, in the meantime purchasing equal amounts or more of red meat, particularly beef, off the market, to offset the staggering effect that shoving these cows on the market would have in dragging the market lower.

I must point out that the reason why there are repercussions felt in the Senate and by Members of the House, and will be felt in the White House, is simply this: The beef market for cattle producers was a disaster in 1985, and

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likewise so far in 1986. In 1984, it was not a profitable market for cattle producers. In 1983, it was the same situation.. It was an unprofitable situation during most of the year.

So we are speaking about how we are going to minimize the effects of bad judgment on what is the largest single industry of the United States, and that is livestock. That involves a lot of people. They were hurt before. They were not in good economic shape before. Now they are clobbered again.

We cannot act fast enough. Most of the prompt action will be coming through the actions of Secretary Lyng in the Department of Agriculture. I hope he will suspend the actual marketing of these dairy cows. Those that are under contract are, after all, owned by the United States. It will cause some additional expense by the Department of Agriculture to get agreement from dairy herd owners who had contracted to sell these cows to the United States and market it themselves. To get them to hold that market is going to cost something for the Department of Agriculture, but it is the best thing to do under the circumstances; because a further deterioration of the livestock market, or even letting it stay as low as it is, is going to be very damaging for big industry and therefore very damaging to the country as a whole.

The second thing is to do as he announced yesterday: To find a home abroad for those that are marketed. The two countries I mentioned earlier are Mexico and Indonesia, and possibly there are others.

The third thing to do is to purchase more beef out of the market by Government entities at this time, so long as the beef is in addition to what normally would be purchased and so long as the beef will go out of the United States.

ROUTINE MORNING BUSINESS

The PRESIDING OFFICER (Mr. HELMS). Under the previous order, there will now be a period for the transaction of routine morning business, not to extend beyond 10 a.m., with statements therein limited to 5 minutes each.

UNITED STATES-MONACO RELATIONS

Mr. PRESSLER. Mr. President, I would like to share with my colleagues here in the United States Senate some interesting correspondence I have received from Prince Rainier of Monaco. Indeed, I recently had the pleasure of meeting him and his son, Prince Albert.

In an earlier Senate speech, I discussed the importance of examining the significance of smaller states, such as Monaco, to the United States. It is, therefore, very rewarding to see Prince Rainier's strong reaffirmation of the traditionally very close and friendly relationship between our two countries. Both Prince Rainier and his son, Prince Albert, and the people of Monaco are valuable friends of the American people. This is an important indication of the need for appropriate, reciprocal recognition by Americans. Good friends make good allies, and they remain friends and allies when their bonds of friendship are demonstrated—both in private and in public.

Mr. President, I ask unanimous consent that Prince Rainier's correspondence to me be printed in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

PALAIS DE MONACO,
April 3, 1986.

Senator LARRY PRESSLER,
Chairman, Subcommittee on European Affairs.

DEAR SENATOR PRESSLER: Thank you most kindly for your letter of February 20, 1986 concerning the project of your Subcommittee to examine the role of small European states and their relationships with the United States of America. I was also greatly interested in reading your recent Senate speech on this subject.

I regret the slight delay in submitting my comments to you on this subject of great importance. The reason is due to the fact that I wished to give this subject my undivided attention and to prepare the fullest reply possible. You will find my thoughts on this matter outlined on the enclosed document.

I would like to emphasize the importance I attach to the historic—and longstanding—ties of family, friendship and commerce which have linked our two nations. If you examine the diplomatic record of these relations in detail, I think that you will conclude that there has been much gained by both nations. In spite of the size of the Principality, its reputation as a true friend of the United States can never be questioned. The overwhelming majority of my people are indeed pro-American and, as is universally known, my admiration for the American people and nation could never be questioned either.

My only regret, at this moment of our relationship, is the fact that the White House has apparently seen fit to remove its diplomatic mission in Nice/Monaco and transfer the seat to Marseille. I have attempted to outline my feelings on this subject in the attached document. I would like you to be aware, however, that I consider such a move to be false fiscal economy. Such an action will, in my opinion, save no money for the U.S. Government, but may indeed increase expenditures as the staff in Marseille would, of necessity, have to be augmented while travel time and money would have to increase in order to get from one end of the Riviera to the other. Such a diplomatic relationship, conducted from long distance, will never equal the actual situation of having a professional United States diplomat on the spot.

Should you have any questions regarding the attached document or if I could provide your Subcommittee with any additional information, please do not hesitate to ask. I would be pleased to receive any member of your Subcommittee in the Principality, should the need arise.

With best wishes,
Sincerely,

——— ———.

RELATIONS BETWEEN THE PRINCIPALITY OF MONACO AND THE UNITED STATES OF AMERICA

QUALITY OF MONACO'S RELATIONS WITH THE UNITED STATES

For several generations, diplomatic relations between the Principality and the United States of America have been most cordial and fruitful. According to our records, a United States Consular Agency, under the jurisdiction of the American Consulate in Nice, was maintained in the Principality of Monaco for a total of 32 years—from 1874 to 1906. One officer, Emile de Loth, a French citizen, was the sole agent in charge of the Agency from its opening to its closing. In 1927, the Department of State proposed that American Consular Officers accredited to the Alpes Maritimes also be accredited to the Principality of Monaco—with the Consulate being located in the City of Nice, France. As your committee on Foreign Relations is no doubt aware, the Consulate in Nice was closed under the Carter Administration and reopened again under President Reagan. I have recently been informed that the Consulate in Nice will once again be closed in the near future and the consular jurisdiction will be returned to the Consulate General in Marseille. This news of the closing of the Nice Consulate is very distressing for me personally because I fully realize the inconvenience it will cause for those American citizens residing permanently in the Principality, as well as the thousands who annually visit my Country. In my opinion, the Consulate General based in Marseille, France, is too far away to handle those matters which are presently the responsibility of the American Consul in Nice. For your information, Marseille is a 300-kilometer trip from the Principality.

For the past several generations, close and intimate ties have existed between our nations. Several Americans have taken up permanent residence in the Principality—some 500, that is—while thousands of American tourists spend a week or more each year in my Country. According to last estimates, over 150,000 American citizen tourists annually visit the Côte d'Azur. In view of the high volume of consular services provided by the Consulate at Nice, I fail to understand how such emergencies can be taken care of by a Consulate so distant as Marseille. The hardship would incovenience not only American citizens but also those Monégasques and French citizens who require visa services. It is obvious the Consular General in Marseille would experience great difficulty in providing the necessary services in Nice and Monaco—especially during the very active tourist months of June, July and August. I would like to call to the attention of the European Affairs Subcommittee of the United States Committee on Foreign Relations that the Principality of Monaco is a member of 12 international bodies, among which are Intelsat, the International Hydrographic Union and UNESCO. My Ministry of State has, on a number of occasions, cooperated intimately with the Government of the United States—especially when crucial votes are involved in an International Meeting. Although I have been more than pleased to fully cooperate whenever a request for assistance is received from the Government of the United States, I am

presently most concerned and disappointed to learn the United States of America will no longer be represented in the Principality from Nice.

COMMERCIAL INTERESTS

As your Subcommittee may be aware, I have expended great efforts in recent years to attract American commercial interests to the Principality. This has proven to be a most successful venture and, at present, we now have many American financial investments in Monaco. This expansion of American commercial interests has also increased the number of American citizens residing here on a permanent basis. The local business community has, of course, come to rely heavily on the American Consulate in Nice for support.

THE U.S. NAVAL PRESENCE

Monaco has remained, for several decades, a favorite port of call for the United States 6th Fleet in the Mediterranean. The port of Monaco, as well as several official entities in the Principality, have always worked very hard to assure full support is provided to the Fleet in the form of liaison with the Monégasque Government as well as civil authorities, to assure successful fleet visits. I welcome the visits of the 6th Fleet ships to Monaco and I sincerely hope they continue. This is one additonal evidence of the very strong ties which bind our two nations.

TREATIES WITH THE UNITED STATES

At present, I am unaware of any specific treaties between the Princiaplity and the United States of America, which need updating or possible changes.

RECOMMENDATIONS ON THE ENHANCEMENT OF MONACO'S RELATIONS WITH THE UNITED STATES

I cannot emphasize strongly enough my personal doubt that a Consulate General based in Marseille could ever maintain the permanent contacts with members of my Government and all of the participants of several international conferences who meet in the Principality throughout the year. The closing of the Nice Consulate would, in my opinion, seriously damage the image of the United States of America in this part of the world. From my personal acquaintance with many principal officers at your Consulate General in Nice, I know for a fact that important political, economic and commercial contacts—which have been greatly beneficial to the United States Government—have been in the Principality of Monaco. I am of the personal opinion much would be lost if the United States continued with its plan to close its diplomatic representation in the Principality. As a chief of State, I fully realize the difficulties a Government faces today in managing its resources more effectively and the need to centralize work in diplomatic missions abroad. Even in an area of fiscal constraints, I wish to emphasize that I consider such a decison to be a case of false economy. I have never been convinced that an adequate level of diplomatic services could be provided to the Principality from the American Consulate General in Marseille and, indeed, it appears to me that by eliminating the Consulate General in Nice, the United States is sending a signal of lessening of interests in this area of the world. I sincerely hope my impression is untrue.

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A CLEAN ENVIRONMENT AND A PROSPEROUS ECONOMY: CAN WE HAVE BOTH?

Mr. SIMON. Mr. President, a former Member of this body, Senator Gaylord Nelson of Wisconsin, now serves as counselor of the Wilderness Society of this country.

Recently, he gave a speech at Michigan State University in which he urges us to pay attention to our environment and safeguard it for the future.

Gaylord Nelson was never known for mincing words and letting anyone be uncertain as to what his position was.

This speech is no exception.

I urge my colleagues in the Senate and the House to read his remarks, and I ask unanimous consent that they be printed in the RECORD.

There being no objection, the remarks were ordered to be printed in the RECORD, as follows:

A CLEAN ENVIRONMENT AND A PROSPEROUS ECONOMY: CAN WE HAVE BOTH?

(By Gaylord Nelson)

I once introduced the late Adlai Stevenson at a dinner in Milwaukee. He opened his remarks saying, "I am the speaker—you are the audience. It is my responsibility to speak, and it is your responsibility to listen. However, if you finish listening before I finish speaking, you are, of course, free to get up and leave."

I shall endeavor to finish speaking before you finish listening. If I fail, I am sure you won't hesitate to exercise your constitutional options.

Out of some thirty-two years in public office, I did finally learn that in public speaking, there is at least one rule that is worthwhile to keep in mind. It is this—never speak to a group of experts about their own field of expertise. Don't talk to dairy farmers about dairying, doctors about medicine, foresters about forestry, or snake charmers about charming snakes.

That is precisely the advice Prime Minister Disraeli gave to a member of Parliament more than 100 years ago who asked whether Disraeli thought it advisable for him to participate in the debate.

Disraeli charmingly replied saying, "I don't think you had better enter this debate. It would be better if the House of Commons were to wonder why you did not speak than why you did." Having said that, I am now about to break that rule and speak on environment, resource and conservation issues to an audience that includes a whole host of authorities with considerable expertise in ecology life systems, resource and environmental issues. Nonetheless, I am willing to risk expression of a viewpoint on these complicated matters knowing, as do you, that our understanding of the environment and the tens of millions of living things that are a part of it is miniscule compared to what we do not know. So we are all in a situation of what might be described as shared ignorance. It's just a question of degree.

Over a period of some four decades, I have particularly concerned myself with environmental and resource issues. Early on I realized the more I learned, the less I knew. This is so because the subject matter is all-encompassing. It is the air, the water, the soil, the forests, the oceans, the rivers, all living things in the seas, on the land, the relationship and influence of each on the others, plus economics, politics, philosophy and more. So, obviously, we will never know or understand more than a small bit about the endless intricacies of nature's works and how the world habitat is affected by it all. Nevertheless, we can learn and understand the general principles that should guide our conduct as a society if we are to preserve a liveable habitat. The overall general guiding principle can be stated in many ways. The proposition is, quite simply, that we must conduct our activities in such a way as to protect the integrity of the ecosystem and its resources which sustain life and determine its physical quality.

Obviously it is easier to state that proposition than it is to practice what we preach in this highly industrialized society which produces waste products capable of destroying the ecosystem that sustains us. Indeed, in the process of producing those goods our society seems to desire, we are degrading and endangering the fabric of our life systems in manifold and increasingly dangerous ways.

There are, of course, powerful forces in the country who do not believe the problem is serious, and therefore the environmental laws and standards are unnecessary and should not be enforced. There are others who think we cannot afford a clean environment, and, there are those who oppose any governmental interference in the market place at any time, under any circumstances. They believe the free market place, good intentions and competition will somehow resolve this problem along with all others in due time. This is the Supply Side School. They believe their formula is applicable to all problems and they are a force to be reckoned with in this Administration.

They proclaim, for instance, that their supply-side, self-help, free market, do-it-yourself environmentalism will work if we will all just calm down and give it a chance for a decade or two. If, for example, you go into the free marketplace to buy some fresh air and none is available, just hold your breath, and as the demand increases, the price will rise and the classic forces of supply and demand will take over; then there will be an abundant supply, the price will fall and even the poor people will be able to buy some. It all sounds pretty good if you don't think about it too hard.

Well, the fact is we are going to have to think about it much harder in the future than we have in the past. As we all know, our resource problems are global as well as national and thus require international cooperation on an unprecedented scale. If we are to live in harmony as passengers on the "spacecraft earth," as Adlai Stevenson once described our planet, then we must understand and cooperate with each other. We have a long way to go. At the Congress of Vienna in 1814-15, when Prince Metternich was informed that the Russian Ambassador had just dropped dead, he paused for a moment or two and then asked: "What can have been his motive?"

We ask the same question today of the Soviets that Metternich did, and they ask the same of us. Some day, and it cannot be too soon, the two superpowers must succeed in de-escalating the arms race and begin cooperation on a global basis with all other countries on the vital enterprise of better husbanding those resources which determine whether we will survive on this planet and in what condition.

If you were asked the question, "What, in the long run, is the most important issue

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facing mankind on the planet?", how would you answer?

Is it:

The economy? Jobs? Free speech? Freedom of religion? Freedom in general?

Is it:

World peace? World hunger? Discrimination? Civil rights?

Is it:

The threat of nuclear war? The viability of democratic institutions?

Just what is the most important issue of all?

Well, we could probably argue all day and all night without agreeing on the list or the priorities. . . .

But if you think carefully about it, there is one issue that stands alone, above all others. Right now, at this moment in history and in the longhaul into the next century and the centuries thereafter, no other issue is more relevant to the physical quality of life for the human species than the status of our resources and the quality of our environment, air, water, soil, minerals, scenic beauty, wildlife habitat, forests, rivers, lakes, and oceans.

These resources determine quite precisely the physical condition of our lives on the planet and influence quite dramatically the human condition, spiritually, intellectually, and philosophically. There is quite simply no other issue with a more compelling entitlement to our attention and our time.

And yet, strangely, this issue which is of primary consequence for this and all future generations plays a secondary role to a multitude of other issues such as the economy, jobs, the nuclear arms race, star wars, the never ending Middle East crisis, Soviet expansionism, foreign imports and many more. These are the issues that occupy the front page, the Congress, the President, the public. These kinds of issues, of course, will always make a strong claim on our attention. The puzzling question is why an issue far more important than any of these commands far less attention?

While in the past two decades we have come some appreciable distance in our understanding and sensitivity to resource-environmental issues, we still have advanced only a few steps toward the goal we must achieve if indeed we are to forestall a disastrous degradation of the planet's resource base.

If we, as rational individuals, understand, as I think we do:

That the viability of our economic system depends upon our resource base;

That issues of war, peace, hunger and revolution are mightily influenced by the availability of resources;

That nuclear war is not inevitable but environmental disaster is inevitable unless we act in a timely fashion;

That in many corners of the earth population numbers already exceed the supply of resources necessary to sustain an acceptable quality of life;

That, indeed, our physical well-being, our standard of living, the quality of our lives is directly, specifically and tightly tied to our resources.

If all of this is so, and clearly it is, then why do we not have the foresight and the will to act collectively to meet the challenge before the damage is beyond repair?

The central core of the problem is, I think, that the various political, religious, economic and social power structures which set our goals and guide our direction have their own institutional agendas which take priority over everything else:

The political system is headed by politicians who have a short franchise. The next election is the first order of business, not the next generation or the one after.

Business and industry are primarily concerned about profits this year and next year.

Labor unions must worry about jobs today and tomorrow.

Farmers and their organizations worry about the current price of corn, soy beans, wheat, milk and the mortgage payment.

Religious institutions worry about today and the hereafter.

Educational institutions are heavily preoccupied with training their students for jobs in today's marketplace albeit they do have a broader intellectual mission which affords some hope that they will give us a new generation with a better grasp of this issue and a stronger commitment than past generations.

While the mission of these institutions as I have just described them is overly simplified, the important truth is that long-range resource issues are not a significant institutional priority for any of them.

And, unfortunately, individuals, the public, so to speak, tend to conduct themselves much like institutions in the sense that they are pre-occupied with minding the store, responding to the pressures of daily events and postponing hard decisions on pervasive long-term problems under the illusion that delay won't cost very much, that we can address the problem at some other time. So it goes from one generation to the next.

Until we understand that the problem is urgent, right today as it was yesterday and the day before; that every delay exacts a price, levies a hidden tax, imposes a cost which ultimately will impoverish us; until we understand, and believe, and are willing to act on the proposition that the highest and first priority of our society must be to preserve the integrity and viability of those ecosystems that sustain us and all other creatures; until then, we will continue to delude ourselves with the seductive notion that we are addressing the heart of the matter, when, in fact, we are merely tinkering at the periphery of the problem.

Just a little more control of air and water pollution; just a little more protection of ocean estuaries and salt marshes; saving a few hundred thousand acres of wetlands from mindless destruction; preseving a few million acres of wilderness and wildlife habitat; modest reductions in the use of herbicides and pesticides; reducing the pace of soil erosion; deploring the depletion of aquifers; cleaning up a few hazardous waste dumps while proliferating the production of new toxics; lamenting the siltation of spawning grounds while cutting the forests that protect them; and then, topping it all off by celebrating Arbor Day, is not a prescription for meeting the challenge we face. It may make us feel good, but the effort is inadequate and doomed to failure.

As we look to the decades ahead we must very soon recognize that our present-day focus on the resource issue is far too narrow and superficial. It touches only the visible tip of the iceberg. It is going to be necessary to make many jarring course corrections that will lead us in a different direction from which we have been going since the founding of the Republic. For two hundred years it has been the prevailing philosophy of this society that our resources were boundless, that we could dissipate and exploit them with lavish extravagance without end. We have uncritically assumed that the vast quantities of toxic chemicals, hazardous wastes and all other pollutants that society produces could be safely vented into the air, dumped in the oceans, lakes, marshes, rivers and on the land because nature would somehow contain or neutralize them. This, of course, was not so. Nature's capacity is limited and that capacity was exceeded in many places and in many ways quite some time ago. After many years of debate, Congress initiated some important steps to address the issue of environmental contamination by adoption of a series of historical legislative proposals. The objectives sought in these enactments have overwhelming public support in every opinion poll. We were beginning to make some progress in reducing air and water pollution under the Johnson, Nixon, Ford and Carter Administrations. So, too, in land protection under the Surface Mining Act, wilderness preservation, the Endangered Species Act, pesticide control and a beginning on hazardous wastes and toxic chemicals.

Until the Reagan Administration, we had a decade and a half of encouraging, bi-partisan support in controlling environemental contaminants. While the progress was slow, at least we were moving in the right direction.

Unfortunately, at the very time that circumstances demand a continuous and far more vigorous expansion of our address to the whole spectrum of resource issues, we have an Administration that is turning the clock back because it is either blind to the problem and ignorant of the consequences, or recklessly prepared to dissipate the resources of future generations for short-term political gain and illusory economic benefits.

The loss of time and momentum is only one of the serious damaging consequences of the President's environmental policies. Even more importantly he has trivalized a vital issue at a critical time instead of using the power and prestige of his office to galvanize the necessary public support to move our society more rapidly in the right direction. What a difference in the course of history the President could have made had he invested as much time and energy in advancing the cause of the environment as he has in pushing a tax bill that, at best, will be but a minor footnote in the long perspective of history.

Increasingly in the past half dozen years the argument is advanced that some kind of benefit cost assessment should be made before implementing any environmental enforcement procedures. Many of the proponents of such an assessment are opposed to the laws passed by Congress on the grounds that the controls are unnecessary, or too stringent or too costly. They support such an assessment because they believe it would provide ammunition in support of proposals to weaken or compromise legislative mandates. Others support such assessment because they believe that the overwhelming weight of the evidence will demonstrate that most environmental mandates need to be strengthened not weakened.

The reason the two parties reach opposite conclusions while appearing to support the same proposition is that they, in fact, are not supporting the same kind of benefit cost assessment.

Those who want to use the BCA to weaken support for environmental mandates do not include in their assessment all societal costs and benefits, only those that are easily quantifiable in current dollar costs to the polluter and measurable on the

consumer price index. In their computations they do not include the societal cost of a polluted river, a lake or forest destroyed by acid rain, an aquifer poisoned by toxic chemicals, a wildlife refuge destroyed by selenium or any one of dozens of other societal costs.

In other words, they want society as a whole to continue to shoulder the cost of environmental damage directly caused by the polluter's own activity. To permit that practice to continue is both bad environmental policy and bad economic policy.

If all costs and benefits are included, the case is clear beyond question that preserving a clean environment is a profitable investment. This argument is all part of a major proposition being advanced by environmental critics who insist that at some point soon we must make a choice between a prosperous economy and a dirty environment, or clean environment and a poor economy. A year or two ago I participated in a conference organized around the theme, "The Economy and the Environment: Need We Choose?"

Those who would dramatically weaken environmental protection claim we must, indeed, make a choice between the two. They assume the two are separable and must be addressed as discrete entities standing alone, antagonistic one to the other. They are wrong by every rational standard of measurement. I assume we are using the world's "environment" in its broadest context to include all physical resources—air, water, soil, scenic beauty, minerals, and forests. They are all part of the environment and inseparable from it. The appropriate generalization to be made, I think, is that the economy and the environment are inextricably intertwined; a degraded environment and a poor economy travel hand-in-hand. It is vital to understand that while you can have a country rich in its resources with a poor economy, you cannot have a rich economy in a country poor in its resources or its access to them. That, I assume, is axiomatic. Jeremy Rifkin recently stated the proposition simply and clearly as follows: "The ultimate balancing of budgets is not within society, but between society and nature."

Each incremental degradation of nature's resources—the air, the water, the soil, forests, scenic beauty, habitats—is quite simply a dissipation of capital assets which ultimately will be paid for by a lower standard of living and a lower quality environment.

Dozens of examples easily come to mind which demonstrate the universality of the principle involved in Mr. Rifkin's statement. One or two briefly argued make the case.

Soil, top soil, productive farm land which provides the food and fiber which sustain us. No country on earth matches our great land base of fertile soil. Our agricultural productivity is the wonder of the world.

Nonetheless, we are dissipating that land base at an alarming pace.

In the past 200 years almost one-third of our top soil has been lost by erosion.

Since 1935, millions of acres have become unproductive through soil loss.

Each year one million acres of prime farm land is taken out of production for real estate development and other purposes.

In the past half-century we have paved over an area 20,000 square miles larger than Wisconsin.

Let me quote from the Global 2000 Report:

"In the United States, for example, the Soil Conservation Service . . . has concluded that to sustain crop production indefinitely at even present levels, soil losses must be cut in half. The outlook for making such gains in the United States and elsewhere is not good."

One does not have to pause and think more than a moment or so to recognize that the implication of this situation dwarfs by comparison the importance of any other issue currently confronting us, including the economy, inflation, jobs, unbalanced budget, energy shortages, poverty, or political and military confrontations around the globe. While each of these problems, standing alone, can reasonably be managed by intelligent action, they will all be seriously exacerbated by a reduction in agricultural productivity.

Almost every week another example of the enormous cost to society of a dirty environment surfaces on the front pages of the national press. Just a few days ago The Wall Street Journal carried a front page story with the headline:

Nuclear Mess Uranium-Mill Wastes, Piled
High in West, Pose Cleanup Issues

Debate is Raging Over Who Should Pay
Burial Costs And When They Should

"Ecological Bombshells" Seen

The story reports, in part, as follows:

"AMBROSIA LAKE, N.M.—The visitor drives past a sign its lettering faded now, welcoming him to the heart of uranium country. But traversing an eerily silent basin guarded by honey-colored buttes, he sees only the industry's bones; abandoned mines, a shuttered mill and, overshadowing all, strange gray mesas—man-made, poisoned hills.

They are mill tailings, wastes left from uranium-ore processing, and 222 million tons of them are heaped up in 10 Western states. Mildly radioactive, they exhale gamma rays and radon gas. The wind blows dust particles off them, spreading contamination. Plumes of pollutants, including selenium and arsenic, feather out beneath them toward ground-water supplies.

A few have seriously fouled nearby areas already, and others threaten to. Randy Sabo, a former executive staffer at a now-moribund uranium producer, calls them 'ecological bombshells waiting to blow up on somebody's desk.' They now confront the West with one of the most gargantuan cleanup jobs in history.

Burial of 25 million tons of this stuff at 24 sites has begun, with the federal government paying 90% of the cost and the states 10%. But these are all so-called inactive sites, which in the industry's early years produced almost entirely for the government anyway. They had shut down and surrendered their operating licenses before 1978, when Congress ordered a tailings cleanup and told the Environmental Protection Agency to set standards for it.

But who will pay to bury the other 197 million tons, and when will they be forced to do it? A huge flap has arisen over this.

These tailings are at so-called active mill sites, those still licensed when the 1978 law was passed. Currently, companies owning them are liable for the whole cost of cleanup when their operations are clearly over. The bills could conceivably total billions of dollars. Alarmed producers, their business almost destroyed, are screaming for relief."

". . . Some idea of the extent of the whole problem can be gleaned from work on the inactive piles scattered from Tuba City, Ariz., to Spook, Wyo. They are small, but several are in or near towns or threaten to slump into rivers. Colorado alone has seven sites, with piles in or near Durango, Gunnison, Grand Junction and Rifle ranked as high health hazards."

". . . At Grand Junction, workers are jacking up houses and scraping mill tailings from beneath them. The tailings have been widely used there as construction fill and have contaminated 4,500 properties. Another 1,000 sites elsewhere in the nation will have to be cleaned up, too.

At Salt Lake, a pile in a populated area has polluted an aquifer and homes and businesses around it. So every day, a 100-car train takes 10,000 tons of it to a remote spot near Clive, Utah for burial."

". . . Also, no one knows how much it would cost to stabilize the active piles; estimates range up to a maximum $4.4 billion projected by the Energy Department, based on its work with the old sites."

". . . In the most serious incident, in 1979, a United Nuclear Corp. pile near Church Rock, N.M., partially collapsed, dumping toxic and radioactive wastes into the Puerco River and degrading it all the way into Arizona. Radioactivity was detected in animals watered by the river, and wells near the pile showed alarming concentrations of thorium 230, a dangerous isotope."

The Journal story further states that the producers of the uranium waste now raise the fairness issue:

"They note that the cleanup standards that they now must meet, finally issued by EPA in 1983, were unanticipated years ago; so, they say the price they charged for uranium never reflected the financial burden that government has suddenly dropped on them."

That's hardly a convincing argument. They were certainly aware that the wastes were radioactive and contained other toxics such as selenium and arsenic. If not they, who did they think should be responsible for protecting the aquifers, rivers, soil and the public health from the pollutants they produce in their own commercial activities?

Any benefit-cost assessment that leaves this factor out of the equation so distorts the result as to make such an assessment meaningless.

There continues to be a national controversy over the Clean Air Act and appropriations for waste management treatment facilities. The Administration would like to weaken these statutes and cut appropriations.

Just what do we mean by clean air and clean water? What general principles should guide us in setting air and water quality standards? It would seem obvious that standards must be set at a level that will assure that air or water pollution will not impair health or result in any significant adverse ecological damage. We are a long way from achieving that standard.

"Will it cost too much to achieve that standard?" That is the way the question is usually formed. The proper way to test the question is to ask, "How much will it cost society not to meet that standard?" The answer is that we can pay the cost of meeting the standard, but there is no way for future generations to pay for our failure.

All across the nation, fresh water lakes are being sterilized, made lifeless, by acid rain caused by sulphur oxides from burning fossil fuel and nitrogen oxides from auto emissions. Some three hundred lakes have been rendered sterile in New York, and thousands of others are being degraded in Canada, the Rocky Mountains, Wisconsin, Minnesota, Michigan and elsewhere.

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Can anyone tell us what the monumental economic and recreation loss to the nation will be unless we move now to save our lakes from acid rain?

What is the economic value of the protein sources in the oceans and the water in our rivers? If we continue to destroy the salt water marshes and pollute the estuaries and the shallow waters of the continental shelf which provide the breeding habitat of most marine creatures, we ultimately will destroy the productivity of the oceans. Has that been factored into the economic equation in the debate over clean water standards? The answer is, no, it has not.

Is it not cheaper to clean up the Mississippi River and keep it clean than to leave it dirty so that every city, every municipality and every industry from Minneapolis to the Gulf of Mexico takes out dirty water, launders it and returns it polluted again?

These and one hundred other questions can be asked and every time the answer will be that it is far better for the economy and cheaper to maintain a clean environment than a dirty one.

In the short run, some very modest temporary benefit to the economy might result from relaxed air and water quality standards, but it would be dangerous and enormously expensive. If we do that, it simply means we are borrowing capital from future generations and counting it on the profit side of the ledger.

Quite apart from the ethical questions involved, there is simply no way that a future generation could replace the capital we borrow from them because we cannot restore a polluted ocean or a polluted lake.

The ultimate test of man's conscience is his willingness to sacrifice something today for a future generation whose words of thanks will never be heard.

LEADING CONSERVATIONISTS HONORED IN PENNSYLVANIA

Mr. SPECTER. Mr. President, later this month, on April 25, 1986, the Pennsylvania Wildlife Federation will gather in Hershey, PA, to honor the outstanding conservationists in Pennsylvania. It gives me great pleasure to inform my colleagues of the recipients of these distinguished awards.

The Wildlife Federation, the educational arm of the Pennsylvania Federation of Sportsmens' Clubs, will present these honors at their second annual awards banquet. In all, nine individuals or organizations will be honored for their exemplary work in the past year, including: The leading Pennsylvania Conservationist, Mr. Larry J. Schweiger; the year's Conservation Professional, Mr. Gary L. Alt; the finest Conservation Organization, the Pennsylvania Forestry Association; the Conservation Classroom Educator of the Year, Mr. William R. Einsig; the finest General Conservation Educator, Mr. Louis Ritrovato; the year's Conservation Communicator, Ms. Susan Q. Stranahan; the Conservation Legislator of the Year, State Senator Roy W. Wilt; the finest Youth Conservation Group, Butler County Explorer Post No. 100; and the Special Industry and Business Conservation Award to P.H. Glatfelter Paper & Pulp Wood Co.

I am pleased to be able to share my enthusiasm for the accomplishments of all the federation's honorees. As we approach the 21st century, it is essential that on the Federal, State and local levels we continue to focus on the environmental integrity of our Nation. The efforts of those honored by the Pennsylvania Wildlife Federation will encourage expanded emphasis on the vital need for conservation, and I look forward to working with them to achieve this goal.

DEATH OF HON. H. CARL MOULTRIE I

Mr. MATHIAS. Mr. President, it was with sorrow that I learned yesterday morning of the death of the Honorable H. Carl Moultrie I, chief judge of the Superior Court of the District of Columbia. Appointed to the superior court by President Nixon in 1972, Judge Moultrie was an untiring jurist, not only carrying a full trial calendar, but effectively and efficiently administering the court on a day to day basis. His service to the people of the District of Columbia on the trial court and in his civic involvements will long be remembered.

Mr. President, I ask unanimous consent that an article from today's Washingtion Post detailing Judge Moultrie's life be included in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

SUPERIOR COURT'S JUDGE MOULTRIE DIES OF CANCER

(By Elsa Walsh)

H. Carl Moultrie I, 71, the chief judge of D.C. Superior Court, a jurist who put more faith in stiff sentences than in rehabilitation and a widely respected civil rights and community leader who was president of the D.C. branch of the NAACP during the 1968 riots, died of cancer yesterday at the Washington Hospital Center.

Judge Moultrie announced to his colleagues in February that he had inoperable cancer, but that he had no intention of giving up his work. His last day in his chambers was March 25.

Judge George H. Goodrich, the court's senior acting judge, was named acting chief judge until a permanent replacement can be selected.

A former newspaperman, social worker and housing official in Wilmington, N.C., Moultrie came to Washington in 1948 as the national executive secretary of Omega Psi Phi, a noted black fraternity. He studied law at Georgetown University at night and in 1956, at age of 41, received his degree. While continuing his work with the fraternity—he remained executive secretary until 1972—he joined the law firm of Cobb, Hayes, & Windsor.

As a lawyer he distinguished himself by filing the first police brutality suit against the D.C. police department. As was the case with most black lawyers at that time, much of his courtroom work was for little or no pay.

He also immersed himself in civic activities and over the years held positions of increasing responsibility in areas ranging from health and welfare to the provision of legal services. He became a mentor to a generation of younger black leaders, including Marion Barry, Walter E. Fauntroy and Jesse Jackson, who stayed at Moultrie's house on the eve of the 1963 March on Washington that was led by the Rev. Martin Luther King Jr.

In 1964, Moultrie became president of the local NAACP and he held that post in 1968 when rioters torched and looted parts of the city in the aftermath of King's assassination. With then-Mayor Walter E. Washington he rode through the riot areas trying to calm the situation. Later that year, he played an important behind-the-scenes role, helping to feed the participants in the Poor Peoples March who camped on the Mall.

In 1972, President Nixon appointed him a judge at D.C. Superior Court. The court had come into being only in the previous year, replacing the D.C. Court of General Sessions. Its purpose was to serve the citizens of the District of Columbia as a state court, taking over from the U.S. District Court such functions as the trail of felonies and major civil cases, the probation of wills and other functions.

Judge Moultrie was part of this process. In 1978, he succeeded Harold H. Greene as chief judge when Greene was made a judge of the U.S. District Court.

A pressing priority was the court's backlog of cases. As a way to alleviate it, Moultrie initiated several mediation programs that serve as alternatives to full trials. He expanded the number of hearing commissioners from one to 10. These officials handle preliminary hearings, arraignments and other matters that used to fall to judges.

Moreover, Moultrie is credited with furthering opportunities in the court system for minorities, women and younger lawyers and judges. His tall, lean figure with a puff of white hair and wire-rimmed glasses often could be seen in the hallways and on the escalators, talking to attorneys and court officials.

In the process, the judge became for many the embodiment of Superior Court. Most judges began their work yesterday by asking for a moment of silence, and the courthouse closed early out of respect for him.

Apart from his administrative duties, Moultrie had a full trial calendar. He presided over some of the city's most celebrated cases, including that of Bernard Welch, the murderer of Washington cardiologist Michael Halberstam.

It was as a trial judge that he gave heavy sentences. In an interview in February, he said the young defendants appearing before him seemed to be hardened criminals with scant prospect of rehabilitation. He almost always gave them maximum sentences.

"He's just a criminal," he said of young offenders. "He's just damn mean. They don't give a damn. Your life to them is nothing. I would like to see the death penalty. I would use it."

For defendants over 30, however, Judge Moultrie had greater hopes of rehabilitation and was less severe. "Theirs is a one-time act," he said.

In a controversial decision in 1985, he sentenced Edward Strothers, 54, to 365 days of weekends in prison after Strothers pleaded guilty to murdering his girlfriend while her grandmother looked on. He also ordered Strothers to make payments to the victim's

6-year-old daughter and to take out a life insurance policy in her behalf.

"I had only one thing in mind: to see what could be done for the decedent's daughter," Moultrie said in an interview. "I have no qualms about putting people in jail. In fact, it's the easiest, least controversial thing to do. I could have put this man in prison and let the citizens take care of him for the rest of his life. But what good would that do the child?"

Mayor Barry yesterday ordered flags on city buildings flown at half staff in honor of Moultrie. He released a statement that said: "His legal acumen, his judicial temper and his long and successful efforts as the leader of our Superior Court will forever remain a monument to this great lawyer, jurist and public servant."

U.S. Attorney Joseph diGenova said Moultrie reminded him of Socrates' idea of a good judge: "To hear courteously, to answer wisely, to consider soberly, and to decide impartially."

Moultrie was born in Charleston, S.C., April 3, 1915. His parents were the Rev. William Edward and Annie Moultrie. For reasons lost in time, his childhood nickname was "Dick Tracy." He graduated from Lincoln University in 1936 and also studied theology there. He received a master's degree at New York University in 1952.

After Lincoln, he moved to Wilmington, N.C., where he was a newspaper reporter and worked at a boy's club. From 1941 to 1949, he headed the Hillcrest Housing Project in Wilmington. He then moved to Washington to work for Omega Psi Phi.

A resident of Washington, he is survived by his wife, Sara; a son, Dr. H. Carl Moultrie II of Valparaiso, Ind., and two grandchildren.

In the interview he gave in February, Moultrie said: "There are so many things that still need to be done. And you think, you think in terms that it could be a space of months that you are no longer involved. That's very frightening, very frightening. But you learn to live with it."

COUNCIL ON HEMISPHERIC AFFAIRS SITUATION 1985 CHILE ANNUAL HUMAN RIGHTS RECORD

Mr. KENNEDY. Mr. President, last summer the Government of Chile finally lifted its 7-month state of seige, and the United States promptly resumed its support for international loans to Chile. This action was taken despite protests from human rights groups in the United States, in Chile, and from Members of this body.

The lifting of the state of seige last year did not end the Pinochet regime's brutal oppression of its population. That Government still retains the de jure right to continue systematically repressing and terrorizing the Chilean population.

And in fact, the human rights record is just as bad today as it was during the state of emergency. U.S. law clearly states that the U.S. representative to multilateral institutions should not support loans to governments which engage in a pattern of gross human rights abuse. Yet the U.S. World Bank Executive Director has voted in favor of millions of dollars in loans to the Pinochet dictatorship since the lifting of the state of seige, and a record $909 million during 1985.

Last January I visited Chile and met with opposition leaders committed to a restoration of democracy in that country. I also met with victims of human rights abuses who told me of the brutal methods of intimidation, torture, and murder perpetuated by Pinochet and his military supporters.

I direct my colleagues to a recent report on the human rights situation in Chile compiled by the Council on Hemispheric Affairs, one of our Nation's most respected bodies of scholars and policymakers. Contrary to claims by members of the Reagan administration that the Pinochet government is making progress on human rights, the report's findings indicate that there was no improvement in Chile over the last year.

As the report states, "Abuses in the country occurred on such a broad scale throughout the year that Pinochet's human rights record ranks Chile as the worst violator in South America and one of the poorest in the hemisphere."

I have asked Treasury Secretary Baker to reconsider our Government's decision last summer to resume support for international loans to Chile. It is my hope that he and my colleagues in the Senate will take the time to read the Council's report.

Mr. President, I ask that the report may be printed in the RECORD.

There being no objection, the report was ordered to be printed in the RECORD, as follows:

CHILE: WORST VIOLATOR IN SOUTH AMERICA

Human rights conditions in Chile, which had gravely deteriorated in 1984, remained at least as poor if not worse in 1985 despite the lifting June 16 of the seven-month old state of siege. Abuses in the country occurred on such a broad scale throughout the year that Pinochet's rights record ranks Chile as the worst violator in South America and one of the poorest in the hemisphere. A December 10 report by the Chilean Human Rights Commission counted 169 banishments, 7,518 political detentions, and 61 deaths at the hands of security forces. Further figures compile an indicting litany of torture, harassment, threats, and censorship. In addition, Chilean dictator Gen. Augusto Pinochet's rejection of the National Accord, a loose but comprehensive coalition of leftist, rightist and centrist political groups brought together by the country's Cardinal Primate and committed to a peaceful transition to civilian rule, make clear his intention not to follow the lead of many of his South American neighbors in moving towards democratization.

Though the lifting of the state of siege at mid-year was, in itself, taken by the Reagan administration as sufficient proof of improvement in human rights to justify the United States voting in favor of international loans to Chile in June, repression in the second half of the year continued to be widespread. Even without the state of siege, other states of legal exception, particularly the state of emergency, guarantee the authorities broad discretion to violate civil rights, though mere suspension of civil rights pales in view of the torture, intimidation, and murder attributed to security forces and anti-communist paramilitary groups.

One disturbing developoment has been the emergence in the last year of the clandestine right-wing group the Chilean Anti-Communist Action (ACHA), which has intimidated and threatened church and human rights activists and students, and is responsible for some bombings and kidnappings as well. But most abductions, some of which involve rape, beatings, slashings, or inflicting burns, are invariably carried out by unidentified armed civilians, who are generally believed to be connected to the security forces because of the similarity of methods, the impunity with which they operate, and use of "safehouses" to interrogate or torture victims. A direct connection was established between the ACHA and military personnel in at least one case in Oct. 1984 in which ACHA pamphlets were found at the scene when an army lieutenant was killed while placing a bomb in a church.

Students, teachers, human rights activists and labor leaders have been particularly victimized. Demonstrations were routinely broken up with water cannons, tear gas, and demonstrators arrested, beaten, and in some cases killed by National Information Center (CNI) or Carabinero personnel. Killing prisoners by staging "shootouts" with police has been a frequent technique since the onset of Pinochet's rule, and human rights groups in Chile include "supposed shootouts" as a subcategory in their statistics.

Repression of students and campus groups has been a hall mark of the regime since it seized power in 1973. Early this year, members of the Student Association of the University of Chile (FECH), who were working on community projects in several poor neighborhoods were arrested by police. On the second such occasion February 8, 240 students were held for two days during which time they were beaten and forced to do strenuous exercises which led to the death of one student, Patricio Manzano, due to cardiac failure. At the student's funeral, the vice-president of FECH, Gonzalo Rovira, was arrested and banished to a remote concentration camp. In March, five leaders of the national teachers' union were kidnapped, tortured and interrogated by armed civilians. Numerous other arrests and killings of students occurred throughout the year, particularly in the fall when the incidence of student protests and antigovernment demonstration was greater.

Church leaders, who are often considered subversive by the nature of the office that they hold, also were frequently threatened. In one case a priest, Manuel Heiva, was actually beaten, in many others priests or their parishioners were threatened or abducted, and in some cases crosses were cut or burned into victims. Maria Vilicic Wallberg, a worker with the Pastoral Youth Vicarate, was the victim of such an attack in August in which two men attacked her and carved three crosses on her breasts and chest as a warning to Pedro Montiel, an official of the vicarate.

A number of incidents occurred of death threats against prosecutors and judges involved in politically sensitive cases, and included the intimidaton of family members. In a case similar to the attack on Vilicic, Mirta Navarrote, the wife of a court secretary working with Judge Jose Martinez in the investigation of a suicide of a prisoner thought to have actually been staged by

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police to cover up the true circumstances of his death, was assaulted June 21 and had a cross slashed into her breast as a warning against pursuing the case. She was attacked again in July and had another cross cut into her forehead.

Numerous other persons directly or indirectly related to human rights work were subject to intimidating attacks, on several occasions against the offices of rights organizations themselves.

1985 was also a bad year for press freedoms, though it should be mentioned that the lifting of the state of siege did allow six publications which had been banned to reopen. In February, a dozen plainclothes policemen, carrying a search warrant issued by the Interior Ministry, raided the offices of the Chilean Journalist Association and seized the latest edition of the journalists' newsletter. Raids on two publishing houses (one by the CNI), and various detentions of journalists, also contributed to a poor press situation. On Dec. 4, Rev. Renato Hevia, a Jesuit priest and editor of the magazine Mensaje, was arrested for violating the State Security Law by criticizing the Pinochet regime and publishing allegations of human rights abuses. Though freed Dec. 19, other individuals accused of similar infractions faced possible 10-year sentences if found quilty.

Labor unions were also a favorite target of the regime. On some occasions, union offices were raided and their leaders detained in the raids, picked up in connection with their fomenting public demonstration, or banished to internal exile. In addition to its normal strike activities, labor has paid dearly, along with students, for its role in protests against specific murders and abductions, "Day for Life" protests against the regime, and demonstrations in commemoration of May Day, former socialist president Salvador Allende's birthday and election, and other occasions.

A rising tide of demonstrations climaxed with huge National Day of Protest held Sept. 4, in which ten demonstrators and bystanders were killed and over 1,000 arrested in connection with the street manifestations. Pinochet's brutal response to the day of protests provoked a rash of other actions creating widespread disturbances in October and November as well. Dozens of opposition and union leaders were arrested for instigating the unrest, although most have since been released.

The reinstatement Dec. 9 of nine of the fourteen Carabineros accused of the March killings of a sociologist, a teacher, and an illustrator who were members of the Communist party, was a major setback for hopes that there would be successful prosecution in the case. The three victims had been arrested by the Carabineros and were found two days later near the road to the airport with their throats slashed and bearing signs of torture. The brutality and openness of the incident sparked outrage in the country and led to a rash of resignation in the security forces. But much of the early success of Judge Jose Canovas Robles' investigation into the case seems due to a rivalry between the Carabineros and the CNI which prompted the latter to cooperate in the prosecution of the case, and hopes for further action in this and other cases against police which arose in its wake, has dimmed with the acquittal of the nine accused Carabineros.

When eleven opposition parties, with the coordination of Santiago Cardinal Juan Francisco Fresno, signed the "National Accord for the Transition to Democracy" August 25, it was considered a watershed in Chilean politics. The accord disavows violence as a means of transition, does not include the participation of the Communist party, and does not call for broad-ranging human rights trials such as occurred in Argentina.

But the same broad representation which makes the agreement unique also limits its cohesion, and Pinochet has ridiculed the accord and dismissed any possibility of ending his own presidency before the 1989 deadline for elections originally stipulated in the 1980 constitution, nor of ending military rule even beyond that year. The all too familiar pattern experienced in Chile this year was that of limited freedoms generating greater opposition, that in turn provokes greater repression rather than the further development of a political opening in the country.

SALT STRENGTHENS AMERICAN SECURITY

Mr. BUMPERS. Mr. President, the President, and the country, are facing a critically important decision in the next few weeks. We have two choices. One is to continue to stay within the limits of the unratified SALT II Treaty II, and thereby force the Soviets to continue to dismantle hundreds of nuclear-tipped missiles over the next few years. The other choice is to violate those limits, and thereby condemn the world to an accelerated nuclear arms race where there are absolutely no limits at all on the deployment of offensive strategic nuclear weapons. To me the choice is clear: SALT strengthens American security, so we should stay with it until we get something better. I am pleased that a total of 52 Senators have agreed and so stated their views in a letter to the President yesterday, and I hope that more Senators will do the same.

This issue is timely because in May, our eighth Trident submarine, with 192 warheads on 24 missiles, will go to sea. This will put us 22 over the SALT II limit of 1,200 multiple warhead missiles unless we dismantle two older submarines, each with 16 missiles. Not surprisingly, some administration officials with a record of unrelenting hostility toward arms control are pushing for the United States to junk SALT and not dismantle the two subs. This would end all limits on offensive nuclear arms and trigger an acceleration of the arms race in several directions. In return, we would increase our missile forces by just 2 percent and get an extra 4 to 5 years of service from the subs, after which they would be scrapped anyway because they would hit their 30-year life limit.

This administration has so far wisely chosen to stay within the limits of SALT. It even went so far last June as to decide to dismantle a Poseidon submarine when our seventh Trident went to sea. However, reports are that the President is less likley to repeat that very statesmanlike decision this time around. I hope those reports prove wrong.

It is important to focus on what we get out of SALT. One of the great untold stories of SALT is that it has forced the Soviets to dismantle over 500 operational missiles and bombers, yet has forced us to dismantle only 16. Through the end of 1987, it will force the Soviets to dismantle 5 times as many missiles as us, 300 to about 60.

If we drop our policy of abiding by SALT, the Soviets will not have to make any of these reductions. Furthermore, they would be free to add up to 20 more warheads on each of their 308 SS-18 ICBM's, adding over 6,000 warheads to their totals. Without SALT, they could build even more SS-18's. They could easily exceed the SALT II limit of 820 MIRVed ICBM launchers—since they now have 818—and are getting ready to deploy their new MIRVed SS-24 this year.

The major increase in Soviet nuclear forces brought on by a breakdown of SALT would weaken U.S. security. It would pose an important and growing threat to the survivability of U.S. ICBM's, submarines, and bombers. It would increase the difficulty of the President's strategic defense initiative by increasing the number of missiles and warheads that SDI would need to defend against. And in this Gramm-Rudman environment, violating SALT would cause us to take money away from conventional forces and shovel still more into nuclear weapons. It's not surprising that the Joint Chiefs are reported to favor staying with SALT II.

Some say that because the Soviets have violated some of SALT's provisions we should junk the treaty.

We should ask three questions: First, are the Soviets in violation? The answer is yes. Second, are the violations sufficient to alter the strategic balance? The answer is clearly no. Third, if not, is our interest well served by continuing our no undercut policy? The answer is clearly yes.

The Senate has spoken out clearly and convincingly on several occasions for maintaining our current SALT policy. In 1984 the Senate accepted our amendment supporting SALT by a vote of 82 to 17. Last year the Senate again approved our SALT amendment by a vote of 90 to 5. And again last year, the Senate rejected by a vote of 79 to 17 an attempt by SALT opponents to overturn the President's wise decision to dismantle a Poseidon submarine.

Our allies strongly support our current SALT policy. Every one of our NATO allies endorsed SALT II back in 1979, and they continue to do so today. In the words of Hans-Dietrich Genscher, West Germany's foreign minister:

> We supported the United States sentiment of commitment to the SALT II treaty, although it was never ratified. Because it is very difficult to make new agreements in arms control, it is all the more important to most carefully preserve existing treaties and adhere to them.

Rejecting SALT now, before we have a new strategic arms agreement in place, would be a body blow to the NATO Alliance, and would give the Soviets a propaganda field day in Europe.

Some in the administration are proposing that we drydock the two submarines; that is, inactivate them for a year to put pressure on the Soviets. While some see this as a compromise position, the record was set straight when a senior State Department official, when asked if this would be a violation, said "Drydocking? Yes, it would." There is no doubt we would label such behavior by the Soviets as a violation. We would just be inviting the Soviets to drydock the submarines and ICBM silos they would otherwise dismantle. And while it would take about 3 years before we could return our subs to service, the Soviets could reactivate their ICBM silos in a matter of days. The drydocking ploy thus favors the Soviets numerically—300 versus 60—and qualitatively as well.

As President Reagan so wisely said last June:

> Despite the Soviet record over the last years, it remains in our interest to establish an interim framework of truly mutual restraint on strategic offensive arms as we pursue . . . the ongoing negotiations in Geneva.

I am pleased that so many of our Senate colleagues have joined us in reinforcing the message the Senate sent last year: For the sake of vital United States and NATO security interests, and to force the Soviets to continue dismantling hundreds more missiles, Mr. President, please stay within the SALT limits and dismantle the 2 submarines, or 22 Minuteman III's next month.

Mr. LEAHY. Mr. President, yesterday a bipartisan majority of the U.S. Senate—52 Senators in all—wrote to President Reagan to urge him to continue his "no undercut" policy of interim restraint with regard to existing offensive strategic arms agreements.

As many of my colleagues know, the sea trials of the eighth Trident submarine, the U.S.S. *Nevada*, scheduled to occur on May 20, 1986, will require the President to decide whether or not to dismantle existing strategic launchers in our nuclear arsenal in order for the United States to remain within the MIRV'd launcher ceilings imposed by the unratified SALT II Treaty.

Specifically, unless the President orders the dismantling of the launchers of two Poseidon submarines or an appropriate number of Minuteman ICBM launchers, the United States will violate the SALT II Treaty by exceeding the 1,200 subceiling on launchers of MIRV'd ICBM's and SLBM's.

Our letter to the President is a reflection of the strong feeling in the Senate that scrapping the no undercut policy would not serve U.S. national security interests, would damage relations with our NATO allies, and probably destroy any chances for arms control for the rest of his administration.

Mr. President, the no undercut policy has been overwhelmingly endorsed by the U.S. Senate on two previous occasions when Senators BUMPERS, CHAFEE, HEINZ and I offered amendments to the fiscal year 1985 and fiscal year 1986 Department of Defense authorization bills. After the Senate voted 90-5 for our amendment last year, President Reagan stated on June 10, 1985: "It remains in our national interest to establish an interim framework of truly mutual restraint on strategic offensive arms as we pursue * * * the ongoing negotiation in Geneva."

Surely, the President realized—as we do—that, without the SALT limits, the Soviets are capable of producing strategic weapons faster than the United States, at least in the short term. Anyone who takes the trouble to learn the facts knows the no undercut policy constrains the growth of Soviet strategic forces, and at least through 1987 requires the Soviets to dismantle more strategic systems than the United States.

A fierce debate over the no undercut policy is raging in the administration. Evidently, some in the administration are leaning toward drydocking or mothballing the two Poseidon submarines instead of removing their launchers. If that is what the President finally decides, it will, in my judgment, endanger the hopes for a summit, undermine the Geneva arms talks, and probably lead to a collapse of the mutual observance of the key SALT numerical limits.

My colleagues and I are very concerned about the administration's charges of Soviet arms control violations. Yet, none of the alleged violations either alone or collectively significantly alter the strategic balance. The way to address our legitimate concerns about Soviet compliance is through confidential, nonpolemical discussions in the SALT Standing Consultative Commission in Geneva. It is clear to me that the administration has not made serious use of the SCC to resolve compliance issues because the alleged violations help excuse the lack of any progress in arms control for over 6 years.

The President's new decision on the no undercut policy, which we believe is imminent, could be the turning point for the hopes of arms control during his tenure in office. If he decides to stay with it, we can still hope for a breakthrough at a summit or in Geneva. If he turns away from it, I predict a quick poisoning of United States-Soviet relations, the end of any chance for an arms agreement before the President leaves office, and an acceleration of the arms race.

Finally, Mr. President, I would like to thank Senator BUMPERS, Senator HEINZ, and Senator CHAFEE and their staffs for their hard work in preparing our letter to President Reagan. In addition, I would like to express my appreciation to all of our colleagues who joined us in this important effort.

I ask unanimous consent that the text of the letter to the President be printed in its entirety.

The letter follows:

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

U.S. SENATE,
Washington, DC, April 9, 1986.

The PRESIDENT,
The White House,
Washington, DC.

DEAR MR. PRESIDENT: Your November meeting with Secretary Gorbachev in Geneva established a solid basis to improve U.S.-Soviet relations. One of its more important accomplishments was the agreement, that a follow-up meeting would be held this year in the United States. Despite our profound differences with the Soviet Union, both countries share many common interests, the most important of which is avoiding nuclear war. In this regard, we believe it is important that some restraints continue in place on the Soviet Union and United States on an interim basis while negotiations continue in Geneva to reach a new arms agreement.

We applaud your declaration on June 10 that "despite the Soviet record over the last years, it remains in our interest to establish an interim framework of truly mutual restraint on strategic offensive arms as we pursue . . . the ongoing negotiations in Geneva." We firmly believe that your policy of not undercutting existing strategic arms agreements, while reserving the right to take proportionate responses that enhance U.S. security, is very important in limiting the Soviet nuclear threat to the United States and our allies. Your June decision to dismantle a Poseidon submarine when the USS Alaska went to sea trials has forced the Soviet Union to continue dismantling older weapons as it deploys new ones, a practice they would be unlikely to continue in the absence of SALT restraints. We also note that your June decision received strong support from our NATO allies.

We strongly support your June statements concerning U.S. policy toward existing strategic arms agreements and believe U.S. and NATO security interests would be best served by continuing your "no undercut/proportionate response" policy through 1986. As you know, the Senate strongly endorsed that policy in June by a vote of 90-5 and endorsed your decision to dismantle a Poseidon submarine to stay within SALT limits by a vote of 79-17. As our June votes indicate, we encourage you to continue this wise policy.

As you know, our eighth Trident submarine is scheduled to begin sea trials about May 20. When this important event occurs, we believe that you should ensure that the United States not exceed the ceiling on

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launchers of MIRVed ballistic missiles. We believe that discarding the SALT limits will endanger U.S. and NATO security by allowing the Soviets to add thousands of new warheads to their arsenal. They now have a far greater capability than the U.S. to exceed the SALT limits, particularly in MIRVed ICBMs and missile-launching submarines, but have refrained from doing so under the existing "no-undercut" framework.

Without the "no-undercut" policy, we will in all likelihood see a new accelerated arms race, with negative consequences for U.S. and NATO security. Among other harmful effects, a major expansion of Soviet ICBM warheads could pose important survivability problems for the entire triad and would multiply the challenge to your Strategic Defense Initiative.

The U.S. has legitimate concerns about Soviet compliance with some provisions of existing strategic arms agreements, and these concerns should be vigorously pursued. In order to maintain the integrity of those agreements and facilitate reaching a new agreement, the Soviets should be pressed to take positive steps to resolve our concerns.

We look forward to working with you in the coming months to ensure that the United States continues to implement military and diplomatic policies that are in our national interest.

Sincerely,

Senators signing the letter to the President:

REPUBLICANS

John Heinz, John Chafee, Arlen Specter, Bill Cohen, Robert Stafford, John Danforth, Charles McC. Mathias, Mark Andrews, Daniel Evans, Mark Hatfield, Lowell Weicker, Slade Gorton, Nancy Landon Kassebaum, and Bob Packwood.

DEMOCRATS

Pat Leahy, Dale Bumpers, Claiborne Pell, Joseph Biden, Albert Gore, Jr., Donald Riegle, Bill Bradley, Jeff Bingaman, Tom Harkin, Bill Proxmire, Paul Simon, Howard Metzenbaum, Spark Matsunaga, Max Baucus, James Exon, Lawton Chiles, Alan J. Dixon, Patrick Moynihan, Christopher Dodd, Edward Kennedy, George Mitchell, Gary Hart, Carl Levin, Paul Sarbanes, Alan Cranston, Wendell Ford, Tom Eagleton, David Pryor, Daniel Inouye, John Glenn, John Kerry, Quentin Burdick, Frank Lautenberg, Jim Sasser, Jay Rockefeller, Lloyd Bentsen, John Melcher, and Dennis DeConcini.

Mr. CHAFEE. Mr. President, yesterday President Reagan received a letter signed by 52 Senators, expressing our support for a continuation of the no undercut policy with regard to the unratified SALT treaty. I was pleased to join with Senators Bumpers, Heinz, and Leahy in writing this letter, which is based on the belief that mutual Soviet and United States adherence to the SALT limitations has served the national interests of this Nation, and will continue to do so.

Today we find ourselves approaching a crucial juncture in arms control and United States-Soviet relations, as the administration considers whether to maintain its commitment to existing SALT arms limits. The immediate question is: Should the President order the dismantling of two Poseidon submarines carrying multiple-warhead missile launchers, in order to offset the launchers on the new *Trident*—the U.S.S. *Nevada*—which begins sea trials next month? The larger question, however, is whether the so-called no undercut policy we have followed since 1979 has been worth it, and will continue to be worth it, as we work for new arms control agreements and better United States-Soviet relations.

I believe that mutual adherence to SALT arms limits has worked in favor of U.S. security. It has prevented the arms race from escalating out of control, and forced the Soviets to dismantle more than 500 operational missile launchers. In comparison, the United States has had to dismantle only 16 launchers, which—as you know—we did last June. More importantly, the SALT limitations have kept the two superpowers on course in their pursuit of new, formal arms control agreements. In the past 6 years, United States-Soviet relations have crossed some rough terrain, but I am convinced that the road would have been a good deal rougher without the restraints imposed by the SALT framework.

We are not here today to claim that the no-undercut policy has been perfect. Significant questions of compliance have arisen over Soviet encryption of missile test data and the U.S.S.R.'s possible deployment of two new types of ICBM's—the SS-24 and SS-25. But these concerns, which we should attempt to resolve through diplomatic channels and the Standing Consultative Commission, do not justify scrapping the entire arrangement. If we abandon SALT because of these violations, we will move away from prudent arms control policy and almost definitely unleash an arms race of unprecedented proportions.

All the evidence indicates that without the SALT limits the Soviets will be able to build up their arsenal at a much greater rate than the United States. One recent study indicates that Soviet strategic weapons could increase by 65 percent by the end of 1989, compared with only 45 percent for the United States. Soviet missiles, especially the SS-18, are capable of carrying a greater payload than they currently have. Thus, without SALT they could add more warheads to missiles already deployed. In fact, by 1990 the Soviets could deploy twice as many warheads as the United States.

We believe that it is in the best interests of this Nation to maintain the no-undercut approach. In view of yesterday's good news that a Reagan-Gorbachev summit is likely to take place in the United States some time this year, let us continue with the policy that has brought restraint to nuclear arms buildup, and that holds out the promise for future fruitful arms control reductions.

I wish to thank Senators Bumpers, Heinz, and Leahy for working with me on the letter, and on Senate Concurrent Resolution 112, the resolution we introduced last month expressing our support for the SALT limits, as long as the Soviets also continue to abide by them. I urge my colleagues to take a close look at this vital issue, and hope they will join us in working for continued effective arms control.

Mr. HEINZ. Mr. President, President Reagan faces a crucial choice between standing by his policy of preserving the SALT limit on MIRV'd missiles or abandoning it. If the President changes course and scraps SALT restraints, I see three possible consequences: First, a new arms race in warheads which the United States cannot win, second, a setback in achieving a future agreement to reduce nuclear weapons, and third, an enormous increase in military spending without a corresponding increase in American security.

Soviet violations of SALT require an American response. The President, however, has many better options for proportionate response than scrapping key limits that both sides have never broken, limits that serve our security interests.

If we do not dismantle enough missile launchers to stay within the SALT limits when the next Trident submarine goes to sea in May, we give the Soviets the green light to race ahead in an expansion of their nuclear arsenal. Even if the Soviets do not respond with an all-out effort to build their forces, they can raise the stakes at the arms negotiating table. With the unraveling of the most important limit we have on offensive weapons, the United States arms control objective of reductions in nuclear weapons would be more distant than ever.

All of these consequences could follow a decision to keep two of our Poseidon submarines instead of dismantling their missile launchers. Ironically, these two submarines and their 32 missiles will be out of service for major overhaul for 3 years in any case. It is pointless to start an arms race and torpedo arms control in order to add 300 obsolete warheads back to our huge arsenal some 3 years from now. A decision to take the submarines out of service without dismantling the launchers in 6 months would be a violation of SALT as both sides have been observing it.

Today the United States and the Soviet Union each have roughly 10,000 strategic nuclear warheads, but the Soviets are in a much better position to add quickly to their forces. In the first 4 years of a mutual buildup, the Soviets could add at least 7,000 warheads to their arsenal, and the United States only 3,700. The United States could eventually catch up, but only at great cost. By the mid-1990's both sides could have amassed some 27,000 warheads apiece. The result would be an enormous outlay of taxpayer dollars, a huge addition to both sides' nuclear overkill, and no improvement in our security.

The Soviets have two ICBM production lines in action, two missile-launching submarine lines, two strategic bomber lines, and vigorous missile development programs. They could expand their production of delivery vehicles faster than the United States. Even without increasing production of missiles, the Soviets could use their 3-to-1 advantage in missile throw weight to add thousands of warheads to existing systems. They could use the lifting capacity of their giant SS-18 missiles to add 6,000 warheads to their forces, and add another 4,000 more simply by replacing older single warhead missiles with their new SS-X-24.

The two Poseidon submarines which some have proposed not dismantling to comply with the SALT ceiling will have to undergo 3 years of overhaul in any event. So we could give the Soviets the go-ahead to add thousands of weapons to their inventory by doing something that will only add about 300 warheads to our forces, and that 3 years down the road.

The Soviets might not race ahead at maximum speed without SALT limits. They might simply stop retiring older missiles as new ones are deployed. They might just keep their submarines in service longer. By doing this, they would raise the ante for the next round of arms talks. When the United States tries to strike a deal on weapon reductions, which is the President's goal in arms negotiations, the Soviets would be starting from a much higher baseline. We could have to pay dearly at the negotiating table to get back just to where our balance of forces is today.

Last spring President Reagan made the right decision to stay within the SALT limits on multiple warhead missiles. At the time he acknowledged that the Soviets are much better positioned to break out of the limits on offensive weapons. That United States disadvantage has not changed. We cannot give the Soviets a chance to exploit it.

Abandoning the MIRV limit that both sides have observed would discard the most important offensive weapon limit we have and would greatly complicate the already difficult task of negotiating reductions in United States and Soviet nuclear forces. Whether the Soviets responded by building up a little, or a lot, an end to the MIRV ceiling would be a giant step backward for United States arms control objectives. Leverage at the negotiating table is crucial. And the Soviets are best positioned to increase their leverage in the short run if we junk the limit on the most destabilizing weapons, multiple warhead missiles.

Soviet violations are a serious issue that threaten to undermine any potential for arms control progress. The problems posed by the SS-25 missile and the Krasnoyarsk radar should be raised by the United States, in the Standing Consultative Commission or directly in summit discussions. But we must recognize that the military balance is not affected by these two Soviet programs. These Soviet activities undermine political support for arms control, but abandoning the MIRV limits would destroy the single most important bilateral restraint on offensive nuclear weapons. And discarding our interim restraint policy would not bring the Soviets into compliance either with the SS-25 or the radar in Siberia.

The President has a variety of proportionate responses he could take to Soviet violations without undermining the SALT limits both sides observe. The Midgetman missile will be a violation of the SALT limits when it is flight tested in 1988 or 1989, but that would be a direct response to the SS-25. Scrapping the MIRV limits does not enhance U.S. security, but other options that would not undermine useful arms restraints could contribute to our military strength.

SENATOR CHILES HONORED FOR HELPING ELDERLY

Mr. GLENN. Mr. President, I would like to call to the attention of my colleagues an event occurring this week which deserves our recognition—the 14th Annual Spring Conference of the American Association of Homes for the Aging [AAHA].

AAHA is the national representative of over 2,700 nonprofit facilities which provide health care, housing, and community services to more than a half million older persons throughout our Nation. Administrators, other key staff, and trustees of AAHA member facilities have come to the Nation's Capital to participate in a comprehensive educational program, to visit with many of their elected officials, and to gain a Washington perspective on significant Federal initiatives affecting the delivery of supportive services to older Americans.

On Thursday, April 10, Senator Lawton Chiles—my distinguished colleague on the Aging Committee—is being honored as the recipient of AAHA's Distinguished Services Award in recognition of his leadership and efforts on behalf of America's elderly. As ranking minority member of the Senate Budget Committee and member of the Appropriations and Special Aging Committees, Senator Chiles has been a leader in the battle to preserve the Federal Government's commitment to programs which provide vitally needed services to America's older citizens.

The Senator's leadership was readily apparent last month when he worked with Budget Committee Chairman Pete Domenici in shaping an unprecedented bipartisan 1987 budget proposal that achieves the deficit targets required under Gramm-Rudman, distributes spending reductions throughout the budget, and rejects major cuts in health care and housing programs. Senator Chiles also initiated the effort last year which protected the Medicare and Medicaid programs for the elderly and poor from the automatic, potentially devastating, spending cuts in Gramm-Rudman.

Additionally, last year, Senator Chiles joined with Senator Heinz, myself, and other Members of this body to promote legislation which protects elderly residents of continuing care retirement communities from unreasonable personal income tax liability.

In recognition of his numerous endeavors to promote the well-being of elderly Americans, AAHA conferred upon Lawton Chiles its Distinguished Services Award. I join the association in commending our dedicated colleague.

THE MURDER RATE IS HIGHER IN STATES WITH CAPITAL PUNISHMENT

Mr. LEVIN. Mr. President, legislation to reinstitute capital punishment at the Federal level, S. 239, has been approved by the Senate Judiciary Committee. In anticipation of floor action of the bill, I asked the Library of Congress to check the latest statistics on the correlation between capital punishment and murder rates. The deterrent value of the death penalty is raised by proponents of S. 239 as a principal reason why the Congress should support reinstituting a Federal death penalty. However, a comparison of murder rates in those States with the death penalty and those without the death penalty reveals that the death penalty does not deter murder.

According to the Library of Congress, in 1984, death penalty States had an average murder rate of 8.31 per 100,000 population, while the average murder rate in nondeath penalty States was only 6.41 per 100,000 population.

Mr. President, I join the proponents of S. 239 in their expression of disgust with those who commit violent crimes against innocent victims. I agree that the Senate should consider further measures designed to ensure that those who do commit such crimes

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remain in prison for a period of time which is commensurate with their crime. However, in the absence of clear evidence to support the view that the death penalty will protect us from violent crime, the negative aspects of capital punishment outweigh its benefits to society.

The death penalty is irreversible and our mistakes cannot be corrected. Additionally, the death penalty continues to be unfairly applied on the basis of the victim's race against those who are poor and uneducated, and against those who are without the most experienced attorneys. Implementation of a sentence of death also requires the expenditure of enormous resources which could be devoted to better uses.

On balance, reinstituting the death penalty is more harmful than beneficial to our citizenry. I hope the Senate will reject it in favor of more effective law enforcement measures.

Mr. President, I want to confess at this point in my remarks that I had some help in their preparation. Since the very beginning of my service in the Senate over 7 years ago, I have had the great pleasure of working with Ms. Judy Parker Jenkins of my staff. She began as a legislative correspondent, one of those scarcely seen staff members for a Senator, scarcely seen because they are usually buried under mountains of letters from people back home. But Judy couldn't be buried for long. She dug her way through those letters and so impressed me with her intelligence and hard work that within a year I had promoted her to be one of my legislative assistants. That was a decision I have never regretted. The subject of my remarks today—the death penalty—is one of many crucially important areas of public policy which Judy and I have labored on together for many, many hours. I'll never forget Judy stacking up the 20-foot high pile of books I used during extended debate of the last death penalty statute this body was about to consider. The next stack of books for the next extended debate will be compiled by someone else. But we shall not forget Judy's extraordinary commitment. And I'll also never forget her constant professionalism, dedication and loyalty. Tomorrow she leaves my staff, and enters the private practice of law, using the credential she labored many nights after leaving our office to obtain. She leaves with my deepest appreciation and respect.

Mr. MELCHER. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. WILSON. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

S. 2280—TO SUSPEND APPLICATION OF MILK PRODUCTION TERMINATION PROGRAM

Mr. WILSON. Mr. President, I send a bill to the desk for introduction.

The PRESIDING OFFICER. The bill will be received and appropriately referred.

BILL TO SUSPEND DAIRY BUYOUT PROGRAM

Mr. WILSON. Mr. President, today I am introducing legislation to suspend temporarily the milk production termination program—known as the whole-herd buyout—in order to minimize the adverse effect which the program is having on our Nation's beef, pork, and lamb producers. I am joined in this effort by Senators HAWKINS, McCLURE, and HEFLIN who have cosponsored the legislation.

The bill would suspend the whole-herd buyout program effective today and would require the Secretary of Agriculture to reestablish the program in order to achieve—to the maximum extent possible—orderly marketing of the 1.5 million dairy cows, heifers, and calves which are scheduled for slaughter over the next 18 months under the terms of the program.

Once the Agriculture Secretary has reestablished an orderly marketing plan, this legislation would direct him to submit it to the Senate and House Committees on Agriculture for review and comment. Under the bill, this "reconstituted" dairy termination program would become effective 30 days after its submission to the Agriculture Committees.

Mr. President, it is regrettable—but very, very clear—that such legislation is necessary. During just the first 10 days of the 18-month dairy buyout program, our Nation's cattle industry has seen their prices decline more sharply than any time in the past 10 years.

According to the National Cattlemen's Association, fed cattle prices dropped by nearly $30 per head during the first week of the whole-herd buyout. Cow prices fell by $35 per head, while the value of feeder cattle dropped $15 per head. The cumulative effect of these lower prices on cattle actually sold last week resulted in an estimated loss of more than $25 million.

In addition to these immediate losses, the industry has experienced a staggering reduction in the value of its inventory. Last week, the commodity futures prices on fed cattle for April were down 550 points which represents a decline of $5.50 per hunderweight, or $60 per head. According to industry estimations, the resulting loss of inventory value exceeds $2 billion. In my State, alone, California cattlemen have told me their losses last week totaled more than $250 million.

Mr. President, I do not believe that I overstate the case by saying that last week's developments are of tragic proportions. While some may attempt to minimize the seriousness of the situation by suggesting that much of the loss to the cattle industry is a paper loss, let me remind them that that paper represents collateral which is essential in order for our Nation's cattlemen to receive credit to finance their operations. And this body has considered more than once in recent months—and will debate again in the near future—measures designed to assist our farmers seeking adequate credit.

The whole-herd buyout provision contained in the 1985 farm bill was intended to provide a gracious out for dairymen willing to leave the business. It was the intent of Congress that the cost of this program—estimated to be $1.8 billion—would be borne by the dairy industry and the Government. I do not believe that any one of us intended that the cost of the dairy program should be extracted from the sales and inventory value of our Nation's cattle, pork, and lamb industries.

The red meat market has tumbled because more than 1 million dairy cows, heifers and calves—representing nearly 70 percent of the program's total participation—will go to market between now and August. As a result of this front loading of this 18-month program, the dairymen who have signed up have been injured, too, because the value of their animals has plummeted.

Indeed, in my view, the only one benefiting from the current situation is not the American consumer. There may be a very short-term gain there, but certainly nothing in the long term. No. The only beneficiary is the Office of Management and Budget which prefers a large, early buyout, in order to reduce long-term support payments to purchase surplus dairy commodities. I fully understand their desire to minimize what they put out in order to purchase these dairy commodities. Certainly I applaud the goal if not the means that has been chosen in the whole dairy buyout program. And I have often appreciated and cooperated with OMB in their effort to control Federal expenditures. I have frequently applauded their efforts. But I cannot condone this method by which they have chosen to distort the marketplace in a way that will not have any long-term benefit to the American consumer, and in a way that threatens dire consequences for beef, pork, and lamb producers.

Indeed, the 1985 farm bill attempted to mitigate the damage that our Nation's red meat industry is presently experiencing and explicitly instructed the Secretary of Agriculture to "take into account any adverse effect"—that is the exact language of the bill—

which this dairy program may have on these producers and to "take all feasible steps to minimize such effect."

While the Secretary has implemented an extremely difficult and complex program in a commendably short period of time, I believe that the events over the past 2 weeks clearly reveal that we can do a better job of designing this program. Indeed, we must do a better job. It is for that reason, Mr. President, that I am introducing this legislation today. By temporarily suspending the buyout program, we can immediately restore some stability to red meat prices, while allowing the Department of Agriculture time to develop an orderly marketing scheme—one that would more evenly distribute over 18 months the number of cows going to market and one that would effectively target the Secretary's authority to acquire and distribute 400 million pounds of red meat.

I urge its prompt and favorable consideration.

I thank the Chair.

I ask unanimous consent to have the bill printed in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 2280

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SUSPENSION OF MILK PRODUCTION TERMINATION PROGRAM.

(a) IN GENERAL.—Section 201(d)(3)(A) of the Agricultural Act of 1949 (7 U.S.C. 1946(d)(3)(A)) is amended by adding at the end thereof the following new clause:

"(viii)(I) The Secretary shall reestablish the milk production termination program required by this subparagraph in a manner that minimizes, to the maximum extent practicable, the adverse effect of the program on beef, pork, and lamb producers in the United States.

"(II) The Secretary shall submit a report describing the program required under subclause (I) to the Committee on Agriculture of the House of Representatives and the Committee on Agriculture, Nutrition, and Forestry of the Senate..

"(III) Notwithstanding any other provision of law, the milk production termination program established under this subparagraph shall not be effective during the period beginning on December 23, 1985, and ending 30 days after the Secretary submits the report required under subclause (II).".

(b) APPLICATION.—The amendment made by this section shall not apply to contracts entered into by producers before April 10, 1986, to participate in the milk production termination program established under section 201(d)(3) of the Agricultural Act of 1949 (as in effect before the date of enactment of this Act) with respect to cattle slaughtered or exported under the program before April 10, 1986.

Mr. McCLURE. Mr. President, I rise in support of Senators WILSON, HAWKINS, and HEFLIN in introduction of this bill which will put a stop to the destruction of the beef, pork, and lamb markets which has been caused by the implementation of the Dairy Termination Program. This problem needs immediate attention and swift action.

The implementation of the Dairy Termination Program included in the Food Security Act of 1985 is causing disastrous distortions in U.S. cattle markets. The problem facing America's beef cattle industry has been made worse by a governmental program designed to benefit a relatively small number of already subsidized farmers—dairy farmers. The Federal Government plans to pay 14,000 dairy farmers to go out of business by buying up their herds and sending the cows to slaughter. Congress enacted this program to reduce the purchases of mountains of federally subsidized cheese, butter, and nonfat dried milk in Federal warehouses.

During the debate on the 1985 farm bill, the national cattle industry expressed their concern about sending an expected 930,000 additional cows, dairy cows, to market on an already depressed beef market. Their concerns were recognized, and language was inserted into the farm bill which would have the Federal Government purchase 400 million pounds of red meat to mitigate the damages done to the red meat markets. The cattle industry was also given assurances that USDA would schedule Federal purchases with slaughter dates and spread the slaughter of dairy animals over the full 18 months of the termination program.

But on March 18, Agriculture Secretary Lyng put the number of dairy cows to be diverted under the program at 1.5 million. The USDA stacked the majority of these purchases in the first period, severely distorting the markets. He also said that the Government had immediate plans to buy only about 100 million pounds without a firm schedule. From the view of the cattle industry, this program is a disaster and must be changed.

The USDA announcement has sent the beef futures markets into a tailspin, with contracts dropping down to the limit of $1.50 per 100 pounds for 3 out of 5 days and nearly to the limit on the fourth day last week. Prices paid by the packinghouses follow the futures market down, dropping $5 to about $55 per hundredweight. A 1,000-pound steer, a typical weight, going to slaughter this week was suddenly worth about $50 less than in the last week in March, before the announcement of the dairy buyout.

In addition to the drops in price, the Dairy Termination Program has caused a jamming of the slaughter markets. The untimely and disorderly flow of dairy cattle to slaughter resulting from the Dairy Termination Program has resulted in both lower prices and lost markets for beef cattle sold for slaughter. As slaughterhouses across the Nation buy up relatively cheap dairy cows, cattlemen who traditionally bring cull cows to market at this time are faced with unreasonably low prices or worse—no market at all.

In sum, the beef cattle producers are suffering both price declines and long-term market damages from the Federal Government's attempt to fix a problem created by Government. The market distortions may be lasting; resulting in personal losses which may be enormous. Congress must address this problem. It must address it immediately and forcefully.

We propose an immediate suspension of the Dairy Termination Program and implementation of procedures to ensure an orderly and timely flow of cattle to reduce the adverse effects of this program on U.S. red meat markets. The Secretary of Agriculture has the authority under the Food Security Act to "take into account any adverse effect of such program * * * on beef, pork, or poultry producers in the United States and * * * take all feasible steps to minimize such effect." I encourage the Secretary to take such steps immediately.

After immediate suspension of the program, the Secretary of Agriculture should take two steps to ensure an orderly and timely flow of dairy cattle into the markets. Before resumption of the DTP, the USDA should move more than 200,000 dairy cows which are presently scheduled for the first disposal period to the second and third disposal period. The allocation of bids of the same value to new disposal periods could perhaps be best implemented by distributing 376,500 dairy cows during the first disposal period, 200,000 dairy cows during the second disposal period, and 375,000 cows during the third disposal period. These same proportionate numbers should be placed on the other classifications of dairy cattle under this program. Such a reallocation would reflect the provisions of the law that require the DTP to reflect historical marketing patterns.

In addition, the USDA should establish a schedule for dairy cow slaughter and implement regulations that provide for proportionate spacing of dairy cattle within each disposal period. Bimonthly targets should be established by specifying targets for each dairy producer during each of the disposal periods. Such a schedule would offset the adverse effects suffered by the beef cattle industry due to the large numbers of dairy cattle now being sold for slaughter.

I recognize the difficulty in setting up and running a program such as the Dairy Termination Program. It is a complex program and has many far reaching side effects. The USDA must be more sensitive to the side effects of programs that are set up to help one

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section of agriculture. The USDA must be aware that the actions taken in pursuit of one program must be carefully weighed against other areas of agriculture. The beef cattle industry is one area of agriculture which has never had a full fledged Government program to help them survive. However it will not be long before they do if the Government, in its efforts to help one section damages another.

I urge swift and decisive action on this bill and ask my colleagues to lend their support to pass this quickly.

Mr. SYMMS. Mr. President, I am an original cosponsor of the legislation introduced by my respected colleague, Senator Wilson and I rise to support it. I'm extremely sorry that this action is necessary, but it is imperative that we take action to repair, to some extent, the damage that has been done inadvertently to the cattle industry.

The farm bill would not have been allowed to become law if many of us had not believed that it was written to protect the cattle industry from adverse impacts resulting from the Dairy Termination Program. However, the disaster we've witnessed in the past 10 days makes it clear that the bill failed in that part of its mission. The law has specific requirements designed to avoid the effects of a massive increase in cattle on the market. Basically, the law requires orderly marketing. This hasn't happened.

Since the Dairy Termination Program began on April 1 cattle slaughter rates have increased by more than 10 percent over last year's rates and markets have plummeted. In the process some good, longtime cattle operators have been wiped out, as have some feed producers and other intermediate businessmen.

In the last day or two there has been some indication that the crash might be bottoming out. However, I don't think we can depend solely on that. This intolerable situation is directly traceable to the failure of the Department of Agriculture to plan and execute an orderly marketing strategy. Apparently they didn't anticipate the surge of cattle that hit the slaughterhouses nor did they have an active purchasing plan in place.

In order to partially rectify this situation Senator Wilson's bill will impose a moratorium on the Dairy Termination Program until the Department has a program in place that will work. The DPT Program won't resume until the Agricultural Committees of both Houses are convinced that it will work right.

Normally, I'm inclined to avoid legislative fixes. However, in this case, I think we have no choice. I urge you to support this bill.

CONCLUSION OF MORNING BUSINESS

The PRESIDING OFFICER. Under the previous order, morning business is closed.

METROPOLITAN WASHINGTON AIRPORTS TRANSFER ACT

The PRESIDING OFFICER. The Senate will now resume consideration of S. 1017, which the clerk will report.

The bill clerk read as follows:

> A bill (S. 1017), to provide for the transfer of the Metropolitan Washington Airports to an independent airport authority.

The Senate resumed consideration of the bill.

> Pending:
>
> Sarbanes-Mathias Amendment No. 1744, to provide that nighttime noise limitations shall remain unchanged or shall be made more restrictive.

The PRESIDING OFFICER. The pending amendment, offered by the distinguished Senator from Maryland [Mr. Sarbanes], is limited to 40 minutes equally divided between the Senator from Maryland and the Senator from Virginia [Mr. Trible], with the vote on or in relation thereto to occur no earlier than 10:40 a.m. and with no amendments thereto in order.

Who yields time?

Mr. SARBANES addressed the Chair.

The PRESIDING OFFICER (Mr. Wilson). The Senator from Maryland, Mr. Sarbanes.

Mr. SARBANES. I yield myself 4 minutes.

The PRESIDING OFFICER. The Senator may proceed.

Mr. SARBANES. Mr. President, this amendment which was laid down yesterday evening deals with the nighttime noise issue at National Airport, and is designed to assure the local communities and the area residents that the current limitations and restrictions which have been placed on nighttime noise, limitations, and restrictions that were very hard to come by—by which I mean there was a very long, hard fight in order to obtain them—would be maintained, and that in fact if changed would be changed in a more restrictive direction in order to give the residents a greater freedom from this imposition upon them.

Area residents have been very sharply impacted by the activities at National and the limitations that were placed were a response to that concern. I think, as Members know, planes flying into National are required to use generally flight patterns over the Potomac River to try to diminish the noise problem, but as they approach and leave they obviously move over the surrounding territory. The way the patterns work a disproportionate amount of that noise falls on the Maryland side but Virginia and the District of Columbia are also heavily impacted under certain circumstances.

Area residents and their respresentatives over the years have fought long and hard to try to have some restraint placed on this. The original bill, as introduced, on page 14 of the legislation, in fact provides: "Froze the nighttime limitation standards that currently exists." Unfortunately, an amendment offered by my colleague, the junior Senator from Virginia, removed this restriction in the committee and gave the authority the power to change the limitations that are currently in the law.

It has been argued they could make them tighter. That is true. But they could also make them looser. It is my own view that the pressure on the authority will in fact be to make them looser, and that is the genesis behind the amendment, and that is what I am fearful will happen to the amendment that was made in the committee.

So the amendment that I have offered with my colleague puts the current limitation standards in, and says they cannot be amended unless such standards are made more restrictive of nighttime noise. So they could be amended to become more restrictive, but not amended to be less restrictive as the current provision in the legislation, as a consequence of the amendment introduced by my colleague from Virginia, does.

The minority report in the committee by Senators Hollings and Exon on this nighttime noise restriction amendment at National Airport notes:

> The provision giving the new airport commission power to revise the nighttime noise restrictions at National was added by the committee as an amendment to S. 1017, a full 2 months after the bill was originally ordered reported.

The PRESIDING OFFICER. The Senator's 4 minutes have expired.

Mr. SARBANES. I yield myself an additional 2 minutes.

> It will most certainly result in the eventual easing of those restrictions and an increase in late-night flights into Washington's principal airport.
>
> Why is this amendment needed in the first place? Current FAA regulations specify that all flights in and out of National after 10 pm and before 7 am are restricted by noise levels. The original approach endorsed by supporters of S. 1017 was to freeze these rules in place for the 35-year duration of the lease. Then the same people who claimed that the Holton Commission had worked out every detail of the bill, turned around and wanted to amend it. Since no one has proposed an earlier curfew at National, we can only conclude that the reason for giving the local authority this power is to pave the way for more late night flights.
>
> Originally, the Committee agreed to try to resolve this issue on the Senate floor. However, supporters of the bill panicked at the thought of 100 Senators, many of whom live in National's flight path, having the opportunity to debate this issue and discovering the truth about it. That's why the decision

> was made to schedule a second markup and add the amendment at the Committee level, thereby hoping to bury it from view.
>
> This amendment is simply another reason why this bill should be defeated. And it should alert others in the Senate, who are suspicious about the effect this legislation will have on air service in Washington.

Mr. President, I could not agree more with the views which have been expressed by Senators Hollings and Exon with respect to this amendment. Clearly, no one is proposing an earlier curfew. I would conclude, as they did, that the reason for giving the local authority this power is to pave the way for more late night flights.

The PRESIDING OFFICER. The Senator's additional 2 minutes have expired.

Mr. SARBANES. Mr. President, I reserve the remainder of my time.

The PRESIDING OFFICER. Who yields time?

Mr. TRIBLE addressed the Chair.

The PRESIDING OFFICER. The Senator from Virginia.

Mr. TRIBLE. Mr. President, I yield myself such time as I may require. I rise in opposition to the amendment.

This subject matter was added by committee amendment. It was fully discussed by the Commerce Committee on 2 separate days. The committee amendment sought to eliminate a provision in the original draft of this legislation which froze existing FAA nighttime noise rules at National Airport.

The administration had tried to address the issue by maintaining the status quo at Washington National. Unfortunately, the status quo is not acceptable to either side. Both community groups and airlines objected. Community groups desired the standard to be changed to prohibit all nighttime jet air carrier operations. The airlines, on the other hand, urged that the rule should be changed to allow certain new quiet aircraft to operate after 10 p.m. Both community groups and the airlines argued to us that the new authority should have the power to change the nighttime rule as it could change all other airport proprietary rules.

This, then, is the genesis of the language in the bill that is now subject to this amendment.

The purpose of the committee was to give a measure of flexibility to this new airport authority, to give it the same kinds of latitude of management that other airports enjoy, but mindful of the concerns that we all have about noise in this greater metropolitan region.

The language was very clear and the committee's intent was very clear. Let me read from the committee report.

> The Committee notes that noise at National, and particularly noise between 10 p.m. and 7 a.m., has been a controversial and divisive issue. In transferring responsibility for the nighttime noise standards at National to the Authority, the Committee expects that the Authority would waive the existing standard to allow aircraft operations above the standard only in limited circumstances and only when proposed operations exceed the existing standard by a minimal amount. In such cases, the Committee expects the Authority to seek compensating reductions in noise created by other operations of the carrier seeking a waiver, so that the overall impact of noise is not increased.

What we are doing here is providing a measure of flexibility to the airport authority, but we are also making it very clear there is an overriding concern about noise in this community.

I would go on to point out that an authority commission composed essentially of men and women who reside in this metropolitan region, who live under these flight paths, who share our concerns about noise, are going to be responsive to those concerns. Indeed, that is why community groups have argued for this right, because they know they will be able to maximize their arguments. Indeed, they feel confident that if changes are made they will benefit the community in terms of reduced noise.

The existing standards in this bill transfers to the new authority the same kinds of responsibility regarding nighttime noise as all other airports in the Nation presently exercise. To tie the hands of this new airport authority to prevent it from adjusting the noise rule suggests, as Senator Inouye pointed out in our committee markup, that we do not trust this new authority.

I would suggest to my colleagues that this language, crafted carefully by the Commerce Committee after 2 days of discussions, after a thorough give and take between Members, after much discussion about all of our concerns about noise, gives this airport the kind of operational flexibility that is essential. Moreover, it provides the kind of protection in the community in terms of noise that we all require.

The PRESIDING OFFICER (Mr. Hatfield). Who yields time?

Mr. SARBANES. Mr. President, I yield myself 2 minutes.

Mr. President, I want to address very directly the argument just put forward by my colleague from Virginia.

The amendment which is now pending which Senator Mathias and I have offered leaves with the authority the discretion to make the nighttime noise limitations more restrictive. It says either the current standard or a more restrictive standard will apply.

The only thing it precludes in terms of the discretion to which my colleague has made reference is the discretion to make these restrictions looser.

That must be very clearly understood. If this thing ever comes into play and the airport authority puts in limitations less restrictive than we have now—in other words, imposes more noise on the community and the area residents—the responsibility for that is directly attributable to the Trible amendment. There is no doubt about that.

The bill, as submitted, would have frozen the current standard.

One can make the argument, "Well, the authority may want to tighten it up." That is what our amendment permits.

The Trible amendment permits the authority not only to tighten it up but to loosen it.

As the minority have stated in their dissent, clearly the pressure is going to be to pave the way for more late night flights. So the consequence of the amendment of the Senator from Virginia is to open up the possibility that, in fact, the authority will amend the current regulations to have a looser standard, thereby subjecting area residents to greater noise, more of a nighttime problem, breach of the curfew.

I do not accept the proposition that this is to give the authority discretion to tighten it. Our amendment does that. Our amendment, in effect, takes the current standard and says, "That shall be the standard unless the authority amends it in a more restrictive direction with respect to nighttime noise." So there is the discretion to become more restrictive.

The Trible amendment adopted in the committee 2 months after the bill was reported out permits the authority——

The PRESIDING OFFICER. The Senator's 1 minute has expired.

Mr. SARBANES. I yield myself another minute—permits the authority to in effect have a looser standard, so that the area residents will be impacted by greater noise. That would not have been possible under the bill as originally submitted. It would not be possible under the amendment which Senator Mathias and I have sent to the desk, and it is only possible, only possible, because of the amendment of the Senator from Virginia in the committee, which gives to the authority the discretion, total discretion, in terms of which way to move the nighttime noise limitation standards.

Those who are acquainted with this problem know that the most likely result of providing this discretion will be an easing of the restrictions and an increase in late night flights into Washington's principal airport.

The PRESIDING OFFICER. The Senator's 1 minute has expired.

Mr. SARBANES. The pressure will be to pave the way for more late night flights. I reserve the balance of my time.

The PRESIDING OFFICER. Who yields time?

Mr. SARBANES. Mr. President, what is the time situation?

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The PRESIDING OFFICER. The Senator from Maryland has 9 minutes and 50 seconds remaining. The Senator from Virginia has 15 minutes and 27 seconds remaining. The time will be equally charged.

Is someone suggesting the absence of a quorum?

Mr. SARBANES. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. To be equally divided, to be charged to both sides. The absence of a quorum has been suggested. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. TRIBLE. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. TRIBLE. Mr. President, how much time remains?

The PRESIDING OFFICER. The Senator from Virginia has 5 minutes remaining and all the time has expired on behalf of the Senator from Maryland.

Mr. TRIBLE. I say to the Senator from Maryland if he would like me to yield to him at this point some additional time I would be happy to do so. It would be my intention to speak for another minute or two and then move to table his amendment.

Mr. SARBANES. Mr. President, I made the arguments earlier and used most of my time. I was hoping that the Senator from Virginia would respond because I think a heavy burden on this amendment which, as I have argued, is going to allow for an increase in nighttime noise at National, much to the disadvantage of people that both he and I represent.

Mr. TRIBLE. I thank the Senator for his contribution.

I will reclaim my time and will complete this debate.

The PRESIDING OFFICER. The Senator from Virginia.

Mr. TRIBLE. I yielded such time as my colleague and friend from Maryland required for an additional statement.

The PRESIDING OFFICER. If the Senator from Maryland wishes to request time from the Senator from Virginia he may do so.

Mr. TRIBLE. Mr. President, Senator WARNER and I are concerned about airport noise just like the Senators from Maryland. Our constituents, no less than theirs, line the flight path from National Airport and we hear from them with the same regularity.

Neither they, Senator WARNER, nor I want to act in a way that would increase the noise in the region. At the same time, it is important that we do not place this new airport authority in a straitjacket, but rather give this airport authority essentially the same kind of operational freedom that all other commercial airports have.

That is done by the language of this bill. It is done within certain very real parameters, as set forth very clearly in the committee report, which says that changes can be made only in limited circumstances and if changes are made they cannot be made in such a way that the overall impact of noise is increased on the citizens of this metropolitan area.

The amendment adopted by the Commerce Committee is realy a rare political phenomenon. Both the community groups concerned about airport noise and the airlines favored the amendment giving regulatory power over noise to the authority.

The airlines believe the authority will be reasonable in its assessment of new technology and will be willing to make appropriate adjustments. The community groups know, and apparently the Senators from Maryland have difficulty fully appreciating this reality, that the local authority will be responsive to local concerns and local demands to prevent the possibility of too much nighttime traffic.

Both sides and the full Commerce Committee agree that the reliance on the authority to balance these competing interests is preferable to a freeze.

That is the genesis, the rationale, and the purpose of this language.

I would suggest that it balances the interests of all in a proper fashion.

I would suggest that the amendment of the Senator from Maryland ought to be rejected.

Mr. President, I move to table the amendment offered by the Senator from Maryland [Mr. SARBANES].

The PRESIDING OFFICER. The question is on agreeing to the motion of the Senator from Virginia to lay on the table the amendment of the Senator from Maryland.

Mr. TRIBLE. Mr. President, I ask for the yeas and nays on that motion.

The PRESIDING OFFICER. Is there a sufficient second? There is a sufficient second.

The yeas and nays were ordered.

The PRESIDING OFFICER. The question is on agreeing to the motion of the Senator from Virginia to lay on the table the amendment of the Senator from Maryland. On this question the yeas and nays have been ordered, and the clerk will call the roll.

The assistant legislative clerk called the roll.

Mr. SIMPSON. I announce that the Senator from Florida [Mrs. HAWKINS] and the Senator from Vermont [Mr. STAFFORD] are necessarily absent.

Mr. CRANSTON. I announce that the Senator from Mississippi [Mr. STENNIS] is necessarily absent.

The PRESIDING OFFICER (Mr. PRESSLER.) Are there any other Senators in the Chamber who desire to vote?

The result was announced—yeas 60, nays 37, as follows:

[Rollcall Vote No. 57 Leg.]

YEAS—60

Abdnor
Andrews
Armstrong
Bentsen
Boschwitz
Bradley
Chafee
Chiles
Cochran
D'Amato
Danforth
Denton
Dodd
Dole
Domenici
Durenberger
East
Evans
Exon
Garn
Gore
Gorton
Gramm
Grassley
Hatch
Hatfield
Hecht
Heflin
Helms
Humphrey
Inouye
Kassebaum
Kasten
Laxalt
Lugar
Mattingly
McClure
McConnell
Murkowski
Nickles
Packwood
Pressler
Pryor
Quayle
Riegle
Rockefeller
Roth
Rudman
Simon
Simpson
Specter
Stevens
Symms
Thurmond
Trible
Wallop
Warner
Weicker
Wilson
Zorinsky

NAYS—37

Baucus
Biden
Bingaman
Boren
Bumpers
Burdick
Byrd
Cohen
Cranston
DeConcini
Dixon
Eagleton
Ford
Glenn
Goldwater
Harkin
Hart
Heinz
Hollings
Johnston
Kennedy
Kerry
Lautenberg
Leahy
Levin
Long
Mathias
Matsunaga
Melcher
Metzenbaum
Mitchell
Moynihan
Nunn
Pell
Proxmire
Sarbanes
Sasser

NOT VOTING—3

Hawkins
Stafford
Stennis

So the motion to lay on the table amendment No. 1744 was agreed to.

Mr. TRIBLE. Mr. President, I move to reconsider the vote by which the amendment was laid on the table.

Mr. BYRD. Mr. President, I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. SARBANES addressed the Chair.

The PRESIDING OFFICER. The Senator from Maryland.

AMENDMENT NO. 1754

(Purpose: To preserve the collective bargaining rights of certain airport employees)

Mr. SARBANES. Mr. President, I send an amendment to the desk and ask for its immediate consideration.

The PRESIDING OFFICER. The clerk will report.

The legislative clerk read as follows:

The Senator from Maryland [Mr. SARBANES], for himself and Mr. MATHIAS, proposes an amendment numbered 1754.

On page 40, insert after line 25, the following new subparagraph:

(D) Before the date of transfer, the Secretary shall assure that the Airports Authority has agreed to a continuation of all collective bargaining rights enjoyed before the date of transfer by employees of the Metropolitan Washington Airports.

On page 43, line 24, insert "(1)" after "(b)".

On page 44, insert betwen lines 9 and 10 the following new paragraph:

(2) The arrangements made pursuant to this section shall assure, during the 35-year lease term, the continuation of all collective bargaining rights enjoyed by transferred employees retained by the Airports Authority.

Mr. SARBANES. Mr. President, earlier in the debate, I spoke about the so-called labor protection provisions that are in this legislation, and made the point then that it was my very deep concern that these provisions, which are on pages 42 and following of the bill, did not provide adequate protection for the Federal employees currently working at National and Dulles Airports.

This problem is further complicated by the fact that this authority is being set up under the laws of the State of Virginia, which we do not have before us. There is very serious questions whether, under those laws, public employees would be able to engage in collective bargaining. In fact, the Supreme Court of Virginia has ruled fairly recently that the clear public policy of the Virginia Legislature is against the concept of public employee collective bargaining. The court then reviewed legislative action taken by the Virginia Legislature over the years designed to lay out that public policy.

In fact, the court stated that it was contrary to the public policy of Virginia for any State, county, or municipal officer or agent to be vested with or possess any authority to recognize any labor union as a representative of any public officers or employees or to negotiate with any such union or its agents with respect to any matter relating to them or their employment or service.

In light of that, this transfer of Federal workers to the new airport authority may have dire and unpredictable consequences for a labor work force which, for years, has enjoyed the benefits of collective bargaining under Federal law.

It is very important to understand these workers now have certain collective bargaining rights. This amendment does not seek to expand those rights. It only seeks to assure them. In other words, it is saying to the Federal employees at National and Dulles that this transfer to an authority, and their transfer to its employ, will not diminish the collective bargaining rights which they enjoyed before the date of transfer, and that those rights should continue through the period of their employment by the airport authority. Clearly, it seems to me an assurance of this sort is essential if the employees are not to find themselves in a totally unacceptable employment situation. In other words, you have longstanding Federal employees who have done, as I have said on previous occasions, an outstanding job at both of these airports. They are now going to be dramatically shifted into a new working environment.

The bill in fact creates a new public body, the airport authority, having the powers and jurisdiction as are conferred upon it jointly by the legislative authority of the Commonwealth of Virginia and the District of Columbia. That is in section 7 of this bill.

Most of the labor protection provisions in this bill in fact are limited to only 2 years, so my first contention is they are not protected on the collective bargaining rights. And if in fact it is asserted that they are through some language or other, it is clear that it is limited only to a 2-year period.

I do not think that we can take employees who have in effect developed a favorable labor environment, who have given of themselves over the years, and then shift them into an entirely different context.

Now, this issue does not relate to the Maryland-Virginia-District of Columbia-Federal issue. It does not relate to the sale price, the bargain basement sale price that is being put forward here. What this issue relates to is the employees and their protection. This amendment seeks to assure them that there will be a continuation of the collective bargaining rights they have enjoyed before the date of transfer.

I am frank to say that I see no basis on which the amendment could be opposed unless one takes the position that the employees ought not to have the collective-bargaining rights they have enjoyed before the date of transfer.

This amendment is designed to make crystal clear that they will continue to enjoy those rights and that they will have them over this 35-year term so that the transferred employees will not find themselves in a totally unexpected labor context and discover that the collective-bargaining rights which were won at a much earlier time and on which they have depended over the years are now being denied to them.

I would think, frankly, that the manager of the bill would want to accept the amendment in order to put this particular issue to rest and provide a tight assurance to these Federal employees that in fact they will have collective-bargaining rights of the nature that they currently have after being transferred to the Airport Authority. It seems to me an amendment of elemental fairness as far as the work force at National and Dulles is concerned, and I look forward to the comments of the manager with respect to this proposal.

Mr. TRIBLE. Mr. President, let me speak to the amendment before the Senate.

It is the intention of this bill to extend to Federal employees the same protections they now enjoy under the Federal Government. The status quo seems to be the only reasonable course of action, recognizing that the District of Columbia enthusiastically endorses collective bargaining and Virginia is a staunch right-to-work State.

I have reviewed the amendment of the Senator from Maryland. It appears that his amendment intends to extend to Federal employees the same collective-bargaining protections they now enjoy. It is fully consistent with the bill before us, the intention of the Commerce Committee, and therefore I have no opposition to the amendment.

The PRESIDING OFFICER. Is there further debate on the amendment? If there is no further debate, the question is on agreeing to the amendment.

The amendment (No. 1754) was agreed to.

AMENDMENT NO. 1755

(Purpose: To provide protection for Federal employees at National and Dulles Airports for a 5-year period)

Mr. SARBANES. Mr. President, I send an amendment to the desk.

The PRESIDING OFFICER. The amendment will be stated.

The legislative clerk read as follows:

The Senator from Maryland [Mr. SARBANES] proposes an amendment numbered 1755.

Mr. SARBANES. Mr. President, I ask unanimous consent that reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

On page 42, line 20, strike out "2-year" and insert in lieu thereof "5 year".

On page 43, line 1, strike out "2-year" and insert in lieu thereof "5 year".

On page 43, line 7, strike out "2-years" and insert in lieu thereof "5 year".

On page 43, line 10, strike out "2-year" and insert in lieu thereof "5 year".

On page 43, line 19, strike out "2-year" and insert in lieu thereof "5 year".

On page 44, line 1, strike out "2-year" and insert in lieu thereof "5 year".

On page 44, line 4, strike out "2-year" and insert in lieu thereof "5 year".

On page 44, line 5, strike out "2-year" and insert in lieu thereof "5 year".

On page 44, line 11, strike out "2-year" and insert in lieu thereof "5 year".

On page 44, line 24, strike out "2-year" and insert in lieu thereof "5 year".

Mr. SARBANES. Mr. President, this amendment is also directed at the question of labor protection for the employees. The bill as drafted limits the protections to a 2-year period commencing on the date of transfer. I am very frank to say that my own view is that a number, if not all, of the protections ought to extend throughout the period covered by the bill; but I am sensitive to the argument that someone will say, "You are trying to freeze a 35-year period."

So what this amendment does is to change the 2-year period contained in section 9, with respect to protection for Federal employees, to a 5-year period.

Mr. President, I ask unanimous consent that it be in order to move to reconsider the vote on the previous

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amendment (No. 1754) that was adopted.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. SARBANES. I move to reconsider the vote.

Mr. TRIBLE. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. SARBANES. Mr. President, the legislation before the Senate talks about protection the employment interests of employees during the 2-year period commencing on the date of transfer. It also makes similar provisions with respect to pay rates, annual and sick leave, seniority rights, life insurance and health insurance, termination of an employee, the rights and benefits that the employee would enjoy if terminated, lump-sum payments as they relate to transfer and annual and sick leave. But in each instance, these protections are limited to 2 years. I do not think that is adequate.

It seems to me that in those areas, when you are talking about employees who have really given a lifetime of service to the Federal Government, many of whom are approaching retirement age and now are being shifted into a different environment, a 5-year period of protection is reasonable.

The protections talked about in the legislation speak of protecting the employment interests of an employee during the 2-year period commencing on the date of transfer. It then provides, for example, transfer and retention of employees in their same positions for the 2-year period commencing on the date of transfer; for payment of basic and premium pay, except in cases of separation for cause, resignation or retirement, for 2 years commencing on the date of transfer; for credit for accrued and annual and sick leave, and seniority rights.

What is going to happen is that if this authority comes about—and, of course, many of us think it should not come about—the employees are going to be shifted into a different work context. I do not think that all the problems of the transfer are going to be worked out within a 2-year period, and yet we have the real possibility that at the end of that 2-year period, the employees could be thrown into a total state of changed circumstances, because all these provisions then could be changed on them. I do not think they should be asked to simultaneously accomplish the adjustment of the transfer to the authority, with all the turmoil that in and of itself will bring, and also, within a very short time, adjust to the fact that the protections no longer exist, since they were provided only for a 2-year period.

This amendment would extend those protections for at least 5 years. I must say that I considered making the period even longer. I think they ought to enjoy these protections. Their entire work career has been in the Federal service and has been related to Federal law and Federal benefits, and they are going to lose that, once they go into this authority. Clearly, they will lose it after the 2-year period.

Not only does this cover the items I mentioned with respect to labor agreements, basic and premium pay, accrued annual and sick leave, seniority rights, life insurance and health insurance programs, and termination provisions, but also, once the 2-year period is over, as I read this legislation, these employees are fair game, so far as the employing authority is concerned.

They no longer have the protections provided in the legislation because they terminate after the 2-year period commencing on the date of transfer.

I do not think this is dealing adequately with men and women who have devoted a lot of their career and effort to the Federal service.

Therefore, I put forward this amendment.

Mr. TRIBLE. Mr. President, I must oppose this amendment. I believe that this legislation provides substantial protection to the good men and women who have served at these airports.

I shall read from the report of the committee that discusses the various provisions of this measure. I quote from section 9, page 15, of the committee report:

> This section assures that the permanent Federal employees at the airports who would transfer to the new Authority will retain for 2 years the important existing aspects of their employment relationship with the Federal Government. The Committee adopted the same approach in legislation in 1983 transferring the Alaska Railroad to an entity of the State of Alaska, and believes that this arrangement proved satisfactory.
>
> Employees would be guaranteed retention in their current positions, at current salaries, for 2 years following transfer. Premium as well as basic pay rates would be protected. Annual and sick leave balances would transfer, and leave accrual in these accounts would be guaranteed for 2 years at the same rates as apply to Federal employees. Life and health insurance comparable to Federal programs would be available to the employees for the 2-year period as well. Labor agreements would be honored for up to 2 years while renegotiation occurs. An employee with retirement rights under Federal civil service law would be assured continuation of those rights (not just for the 2-year transition period, but upon retirement, including early retirement). Non-transferring employees would be entitled to the rights and benefits available under Federal law for separated employees, other than severance pay, as all employees are guaranteed a job with the new Authority.

This language, I think, makes clear that the legislation goes the extra mile in providing a host of protections to those Federal employees who work at National and Dulles Airports.

It seems to me that 2 years is a reasonable period of time. To go beyond that simply ties the hands of the new authority.

The whole purpose of this legislation is to free these airports from the shackles of the Federal Government, to turn them over to a regional airport authority that can more efficiently and effectively operate these airports, that can go about the important job of expanding, modernizing and enhancing their operations.

I understand the Senator from Maryland opposes this legislation but again the thrust of this legislation is to turn these airports over to the regional authority that can better manage them and can improve service for all of our citizens.

It seems to me that by extending this period of time, we may very well compromise that ability.

Let me at this point, Mr. President, suggest the absence of a quorum.

Mr. SARBANES. Mr. President, will the Senator defer? I will be happy to speak for a minute.

Mr. TRIBLE. I will defer that request so my colleague can speak.

Mr. SARBANES. Mr. President, I think the Senator's comments have only underscored the concern that I expressed. The employees ought to realize that after 2 years it is fair game as far as they are concerned. Even my amendment only protects them for 5 years' time, but the retention in their current positions, the pay rates, annual and sick leave balances, leave accrual, life and health insurance, comparable to what they now have, labor agreements, termination rights, after 2 years all bets off. And they would be open then, as my friend from Virginia said, to the authority's exercise of "flexibility" which it was seeking.

I do not think that is adequate protection for people who devoted their career to the Federal service who I think have done a good job of it. The difficulty at the airports has been on the question of capital improvements. I do not think it is on the question of the work performance of the employees as that has invariably drawn high praise and commendation and been perceived as being extremely effective.

Mr. President, I ask for the yeas and nays on the amendment.

The PRESIDING OFFICER. Is there a sufficient second?

There is not a sufficient second.

Mr. SARBANES. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. TRIBLE. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection it is so ordered.

Mr. TRIBLE. Mr. President, I have listened to the statements of my colleague from Maryland. I have shared with my colleagues the substantial protections that are a part of this measure. I believe the protections are adequate. But I also recognize the hard work and substantial contribution of these Federal employees through the years. Perhaps we should go an extra mile in affording them the fullest possible protection.

Erring on the side of the employees and recognizing their hard work and contribution through the years, I will not oppose the Senator's amendment and would support its adoption at this time.

The PRESIDING OFFICER. Is there further debate on the amendment? The Chair hears none.

The question is on agreeing to the amendment.

The amendment (No. 1755) was agreed to.

Mr. SARBANES. Mr. President, I move to reconsider the vote by which the amendment was agreed to.

Mr. TRIBLE. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. TRIBLE. Mr. President, I wonder if I might now take the opportunity to engage my colleague from Maryland in a colloquy in order to find out precisely what his thoughts are about where we go from here. Senator SARBANES tells me he has a number of amendments and that there are amendments that will be offered by Senator HOLLINGS and Senator MATHIAS. I am anxious that the Senate has an opportunity to work its will on these amendments. I would anticipate a recorded vote in the near term, but I am anxious for us to proceed apace. I would, therefore, ask my colleague what his intentions are at this noonday hour.

Mr. SARBANES. As the manager of the bill knows, I am not the only one interested in offering amendments to this legislation, although I do have a number of amendments to offer. One of my colleagues, as I understand it, is on his way now to the floor in order to offer a major amendment, which he has earlier talked about and filed. It would be my anticipation, upon his arrival, that he would then have the opportunity to present his amendment. As I understand it, he is on his way here, and that would work with his schedule and, I assume, the schedule of the manager of the bill.

Mr. TRIBLE. Well, the manager of the bill expects to remain on the floor prepared to respond to amendments. I would encourage the handful of opponents of this legislation to come forward with their substantive amendments.

Moreover, I would once again ask my colleague from Maryland to share with me, if he could, the amendments that he proposes to offer before they are offered. That will expedite the proceedings. So far, two of his amendments have been accepted, others opposed and defeated. But if our intention is to stengthen this measure, then it seems to me that there will be opportunities for us to agree and work together. So to the extent that it is possible, recognizing the dynamic nature of this legislative process, for my colleague to share his amendments before they are introduced. In that way we can move along expeditiously and hopefully resolve this matter today and permit the Senate to move on to other affairs.

Mr. SARBANES. I would say to the distinguished Senator from Virginia that the areas that I think will need to be covered to one degree or another in the course of the day are the areas of deficiencies that I talked about yesterday. Some of those have already been addressed here this morning. The noise question was dealt with. Whether another amendment on noise might be offered later remains to be seen. We have now discussed airport employees for a considerable amount of time. There is the continuing problem of the representation on the authority board and the very pressing cross-subsidization problem which can be addressed, of course, in a number of ways. And I would say to the Senator that that is a very fluid and dynamic situation because what one does or how you follow on depends on what happens previously. So it is a highly interrelated area but one that is very important.

There is the price question, which others have had, as it were, lead amendments. Then there is the use of property and then I have a few miscellaneous amendments. I touched on them in the debate, I would say to the Senator, one about charging the Federal Government for use of these facilities which seems almost shameful, I guess, in light of the giveaway price at which these airports are being transferred. It is really adding insult to injury. And I have a few other amendments of that sort. But that is generally the lay of the land as I see it with respect to amendments. We would expect to be offering them as we move through the afternoon and debating them for a reasonable period of time and going to a vote on them.

Mr. TRIBLE. Bring them on, I would tell my colleague from Maryland. We are ready to go. We are ready to address your concerns and resolve your amendments.

Mr. President, I see the Senator from South Carolina. I understand it is his intention to offer one or more amendments, and I hope that he could proceed at this time.

AMENDMENT NO. 1745

(Purpose: Add provision relating to transfer price)

Mr. HOLLINGS. Mr. President, I call up my amendment to S. 1017 relative to the price of transferring the Metropolitan Washington Airports to the independent authority, on behalf of myself and the distinguished Senator from Maryland, Senator MATHIAS, and ask for its immediate consideration.

The PRESIDING OFFICER. The clerk will report.

The assistant legislative clerk read as follows:

> The Senator from South Carolina [Mr. HOLLINGS], for himself and Mr. MATHIAS, proposes an amendment numbered 1745.

Mr. HOLLINGS. Mr. President, I ask unanimous consent that further reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

> On page 29, strike all from line 21 through line 6 on page 30, and insert in lieu thereof the following:
>
> (2)(A) Basic lease payments shall be sufficient to repay to the United States an amount equal to the fair market value of Washington Dulles International Airport and Washington National Airport, at an imputed interest rate for such repayment, within thirty-five years after the date of transfer.
>
> (B) In order to assist in determining such fair market value, the Secretary shall solicit three independent appraisals of the value of the Metropolitan Washington Airports, and any such appraisal shall be conducted within six months after the date of enactment of this Act. The Secretary shall determine the fair market value of the Metropolitan Washington Airports by calculating the average of the values specified in such appraisals, except that in no event shall such amount be fixed at less than $111,400,000.

Mr. HOLLINGS. Mr. President, in presenting this amendment, perhaps it would be good for the author himself, by way of emphasis, to read the amendment, that the basic lease payments—this is under section 2—"shall be sufficient to repay the United States an amount equal to the fair market value of Washington Dulles International Airport and the Washington National Airport at an imputed interest rate for such repayment within 35 years after the date of transfer."

The effect of this amendment which I offer for myself and Senator MATHIAS would be to change the transfer price of the two airports from the estimated Department of Transportation price of $47 million to the fair market value of those particular facilities. Section B. In order to assist in determining such fair market value, the Secretary shall solicit three independent appraisals of the value of Metropolitan Washington airports, and such appraisal shall be conducted within 6

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months after the date of the enactment of the act. The Secretary shall determine the fair market value of the Metropolitan Washington airports by calculating the average of the value specified in such appraisals except in no event shall such amounts be fixed at less than $111,400,000.

The reason for the $111,400,000 Mr. President, is the book value. We know from the GAO and the Department of Transportation exactly what the value of the airports are, less depreciation. Mind you me, on that book value, it is not necessarily market value by any manner or means. The thousands of acres for example at Dulles, in my opinion, this particular Senator having dealt a little in real estate, would double that amount. Just the plain acreage would be worth several hundred million dollars.

I want to go, before emphasizing these particular features of the bill, to the bottom line argument with respect to this approach. The argument against it is the fact that, look, if you go in, and acquire the fair market value price for the U.S. Government, then all of the users, Senators, and Congressmen are going to have to pay through the nose because when the only way the airport authority can pay for that higher cost is to increase the different fees, the ticket prices, and everything else.

Of course, we like what we have there now. So why vote, and on the one hand make it very difficult for the new authority to manage the airport at a high cost, or otherwise run the price up for you and me, and you, you, you, and everybody else around here. Proponents of this bill will not argue that publicly but that will be the sub rosa mentality in the approach here.

My counter to that as the practical fact of life is that the Metropolitan Washington airports under this particular bill, if and when enacted, shall be designated for the first time as a public airport. One of the big points of resentment to me, this Senator, is that having paid in my 8 percent ticket tax—mind you me, I travel a good many weekends, for example, to my home State or to other commitments. And I can tell you coming in during a Presidential race in 1982, 1983, and 1984 that I have flown in and out of those airports, I would take it, as much as almost anyone.

So I am pretty well familiar with all three airports. I use Baltimore Washington International and National. I use the National Airport here in Washington and Dulles regularly. So you will understand the genuineness of that statement. On a Friday afternoon, for example, if I can get out just about 40 minutes ahead of the 3:20 flight, if I can get away around 2:30 rather than try to go to the National to catch an air flight that connects me through Charlotte to go down to Charleston, it is smarter for me if I can get that break from the floor of the U.S. Senate to go over to BWI. I can get over there in the 40 minutes, catch a 4 o'clock flight that goes directly to Charleston, SC, and not have to stop over in Charlotte. It is a better service.

So we play that game of trying to get back and forth. As we play it, we put 8 percent of that ticket amount—incidentally, the ticket amount makes me, along with the service, a born-again regulator. Having been on the Commerce Committee when we deregulated, and having been told how moderate-size airports were going to receive the benefits and the protection, we were going to get lower costs and increased services, certainly it was not going to diminish—the point in fact of life is that the rights to three regularly scheduled flights from Charleston, SC, to Washington National have been sold off intermittently through National Airlines to Pan Am, to Air Florida, to whoever. I do not know. They got the millions of dollars.

That is why I am so strong in support of and sponsored the Kassebaum-Hollings amendment, so they could not sell off airport slots. Those particular landing rights were given there for the public convenience and necessity of the traveling public from Charleston, SC, to Washington, DC, not to an airline to make money and sell off the service to some other particular community. They were established after appropriate hearings.

Having seen those slots sold off, I now have diminished service. No longer are there three flights into Washington, or three flights out of Washington National back home, but instead I must go through Charlotte or through Atlanta, GA. It costs you $180. You do not get any combined round-trip cut on that. It costs you $360-some round trip this minute to go there.

I happened to have occasion to run across a friend who flew from Washington to San Francisco, to San Diego, and back to Washington DC this last week, and it cost him $278. He went all the way across the continent, all the way down to San Francisco, to San Diego, and came all the way back. I know that this happens regularly all too well, because next to the counter where I usually board the plane is a flight to Miami. You can fly directly down to Miami, some 500 miles further, for $90-some, or one-half the cost, and get there an hour earlier.

So you can understand my experiences. You learn through hard experience about this so-called deregulation, how wonderful it is, about the cheaper price, and the increase of service that you are to receive. The truth is, and it will be a matter of national concern in this Congress in the next year or two, perhaps not this year, where we will understand and appreciate that 85 percent of the travelers of this country are subsidizing some 15 percent of the people—those that travel between the centers of Washington and New York, Los Angeles, San Francisco, Seattle, or to Las Vegas, and what have you.

So we have been subsidizing those, and we are getting diminished service. Yet, we must now come back to the point of Washington National and Dulles under the interpretations, of what is a "public" airport. Really the "public's airport," the one that belonged to the Federal Government of all the citizens of the United States, not under an authority, but belonging under the Constitution, for all the people, we the people of the United States, is an airport that has been designated by the FAA as not public.

Isn't that wonderful?

What they did, under their interpretation, was to say that they could not give any money out of the Airport and Airway Trust Fund to either National or Dulles. They can collect the 8-percent ticket tax there which is deposited into that trust fund, but they could not give any of those moneys to either airport.

Well, that is unconstitutional. If we do not succeed here, we will succeed otherwise. We can bring a case under due process where I am paying my taxes for a stated purpose under the act with the congressional finding and not being able to appreciate and enjoy those things. I just have not had time to practice law as well as being a Senator, but the fact is that that is now being clarified in the substantive bill that has reached the floor, S. 1017.

On page 46, line 18 of the bill it says, "The Metropolitan Washington airports shall qualify as a "public airport" under the terms of the Airport and Airway Improvement Act of 1982."

It is very interesting that the Secretary of Transportation supports that for the authority but not for herself. I asked if she would support that if I put in just a separate bill. Oh, no, she did not want the airports to be declared public airports, Washington National and Dulles, for her own responsibility. She does not want this responsibility. She is trying to get rid of it. There is no doubt about it, that the majority leader is helping her because he has to go home at night.

So we have the full court press to get this thing up, up and away.

The point is to those users, Senators and Congressmen, who are wisely thinking their costs are going up, it is not so. For the Government to get the fair market value, now Washington National and Dulles Airport both should get the $250 million or $500 million, making whatever estimation

you want. As public airports they deserve it. The users have been paying in and not receiving any of the moneys for the past 16 years. Having paid in and participated, now comes the time for Washington National and Dulles to get their moneys without the issuance of bonds.

We have been running around talking about how they could issue the bonds. This Senator has taken the position that in order to get the $250 million they have to spend some $712 million in order to receive the bonds.

The truth of the matter is that under this particular provision they will qualify. I have a list of airports here, just the top 10 recipients, which qualified in the past, fiscal year, for money from the trust fund.

Under the authorization act passed by the Congress in, 1982, a certain amount is authorized to come from the Airports and Airways Trust Fund. One billion dollars was given to that trust fund last year. There is more than $7 billion in the fund today.

Kahilui, HI, got $24.3 million; Miami, $28.8 million; Houston, $23.3 million; Atlanta, $18.5 million; Los Angeles, $16.5 million; JFK, $18.3 million; Newark, $12.8 million; Fort Lauderdale, $11.7 million; St. Louis, $11.1 million; Phoenix, AZ, $11.1 million.

Just that quick listing total $171 million that was given out at the discretion of the Airports and Airways Trust Fund managers. In all, some $939.6 million was given out.

So these two airports will qualify. We are not running up a price for the members and we are not running up a burden for the authorities. In fact, if they ever appointed me on that authority I would wait a long time before I issued all of those bonds and go to all of those extra expenses. Rather, I would wait until I got equal treatment out of that trust fund for both Dulles and Washington National.

That being the case, we know now that $47 million, which the Department of Transportation calls now the transfer price, does not reflect the Federal investment in these two very valuable properties. More importantly, at a time of mounting Federal deficits, the national interest is served really by maximizing the return on our investment at those airports.

Gosh knows, here the Congress sits around day in and day out and tells Secretary Weinberger how to run the Defense Department. They really come up here to a point of exhaustion trying to answer every little picky-picky question that every Member, Senator or Congressman, can think of. One of the big ones is alternative bidding. "Why don't you lower the price? It costs too much. That is too high." Do this and that and everything else, that is in order to get the market value. They would not think of giving away as trustees, as we are, Federal public properties, giving it away to an authority or to anyone, really. But it is pell-mell now because the Secretary of Transportation has never asked the administration for the moneys. She has never asked to qualify the public airport as being a public airport. She has never moved to try to make the improvements. She just says:

> This is one of the responsibilities that I can offload with a sweetheart deal to the former Governor of Virginia and giving him a controlling membership on the new authority and he will come around and smile convincingly what a wonderful businesslike situation this is.

I will have to find that editorial they put out a few days ago. It dovetails right in with the Washington Post. They write what they want the Members to read. They argue more effectively and certainly more extensively in the Washington Post than a Senator is allowed for time and attention on the floor of the Senate itself.

Let us read it.

It says: "Why the Airports Bill Makes Sense.

"Before the Easter break, the Senate managed to survive and short-circuit the filibustering of Senator Paul Sarbanes against a sound bipartisan bill to get the Federal Government out of the expensive business of operating two airports."

That is all fallacious. Start with sentence one. Anybody who writes that is an ignoramus.

The Senator from Maryland is doing his business here to bring to the attention of his colleagues, hopefully, past and direct pressures brought on by the Secretary of Transportation and the majority leader for the giveaway. I have joined him. We have extended debate on this particular measure with very sound amendments, very sound proposals and very sound arguments. Please stop, look, and listen.

So it is not a filibuster by any manner or means.

To get the Federal Government out of the expensive business? Those ignoramuses ought to understand what is making money and what is not making money.

Right to the point, this is a money-making proposition. They made $17 million in 1984. They are making money out there now. They are charging fees. They are getting parking facility charges and all these other things. So that is not an expense to the Federal Government. We are making money out of the two airports. So let us correct sentence No. 1. I never read these things carefully but you do not have to study them because they are really nonsense when they write these editorials. They are authors who obscure the truth and highlight, as they will. Any kind of fanciful nonsense that they can put together and hope you will read and run in Pavlovian fashion, pell-mell, and "Whoppee, I voted for something that made sense," as the Washington Post headline makes sense. We live in the age of headlines rather than headway.

Then they say:

> Now the challenge will be to endure a series of equally shortsighted and long-winded efforts by the Senator to destroy the airport transfer bill that makes so much practical and financial sense for the Federal budget and for regional responsibility.

Where do they get regional responsibility for the National Zoo? Where do they get regional responsibility for the Capitol Building that we are in? Where do they get regional responsibility for the Botanic Gardens? Where do they get regional responsibility for the Library of Congress? These are national facilities and national Federal endeavors built both these airports. They belong to all the people—the people not just of Virginia, but of South Carolina and everyplace else.

Regional responsibility. Those are the people that built up everything around us. The truth is we had the airports and then Crystal City developed thereafter. Then they want to close the airport. They said do not land or take off after a certain time of day because we have built up all the buildings around you.

Regional responsibility. This is regional irresponsibility. Who is the ignoramus that wrote this editorial? I never heard of such nonsense.

The responsibility belonged to the people of the United States to provide facilities. We spent a lot of money building National, a lot of money building Dulles Airport, and we are spending money trying to get transportation out there and highways—millions and millions of dollars' worth in extra highways for access and everything else.

What we have, in essense, done is given a veritable industrial park to the State of Virginia going out to Dulles. It is just booming, going, and growing. I wish I had it in South Carolina. It is better than any kind of thing on the west coast of high technology or any other kind of development of that kind up in Boston, MA, and Lowell and New Hampshire, any kind of high technology park or whatever it is. They will be getting the best of brains, the best of talent, the best of research facilities, the best of corporate headquarters—all because we put, at the expense of all the people of the United States, the facilities out there at Dulles and we have turned farm land into the nicest developmental land that you can find in the United States today.

Last year, Dulles experienced a 47-percent growth in airline traffic. No one else can compare to that. We have the facts to show the Transportation

Secretary, because she furnished them to us on that particular score.

The Senator is not trying to destroy anything. He is trying to bring sobriety and sense to the Congress itself—finanical sense for the Federal budget.

Where is the burden on the Federal budget? I can tell you where the burden is going to come. What we have now that is making money is going to cost 366 million extra dollars in tax expenditures. I say that categorically as a former chairman of the Budget Committee and a present senior member on that particular committee. When I go look at the budget, I look not only at expenses, I look not only at taxes or revenues; I look at the fastest growing item, even faster than interest costs, even faster than national defense. That is the matter of tax expenditures.

The "loophole committee" is what I call the Finance Committee. Senator Long, and I have said this before most respectfully, did a way better job than Senator Stennis on defense. The loophole committee expanded the loopholes way, way beyond any expenses, way better than President Reagan right now.

Senator Packwood on the loophole committee, Senator Dole preceding him, did way better with the loophole committee than Secretary Weinberger and President Reagan did on national defense.

Look at the loopholes, the tax expenditures, and find out where we are losing the money and the sea of red ink is rising.

That is what we are trying to stop. They said we are going to grow out of it. They tell us in this bill to dive in it. We are not going to grow out of a sea of red ink.

"Practical and financial sense." This demeans a supposedly literate and intelligent medium, the Washington Post, to talk about financial sense when they have to know otherwise because they have a good budget section. They have written some splendid articles that are relevant to the Federal budget. Although they really do not understand Gramm-Rudman-Hollings. In any event, they do the nicety of calling it Gramm-Rudman-Hollings. Whether that is a blessing or not is another question.

Reading now from the editorial: "The bill as it represents the carefully considered work of a commission."

If you want to see a ragtag commission, look at that crowd. They did not study anything. I have a copy of the report.

The commission report is on a sheet of paper. Anybody who knows about a commission has sense enough to get the thing bound and published. This is just a letter.

Do not give me that part of it. Where is any kind of commission report?

What they did was put together a conspiracy. It was not a commission. They said, "Politically fix this. Take care of Maryland if you can, take care of Mayor Barry downtown if you can, but do your best to keep control. You know what the idea is. We are trying to give you a billion dollar facility. You are going to get it and you are going to get that money from the airport trust fund. You will all get rich."

So the carefully considered report has five pages to it. It says, "The valuation of the airport property is a difficult business." Ha. So that is all we get out of them. Where is their valuation? Do we have valuation? No.

That carefully considered report. They would not dare put a valuation on it. They were not going to find out what the thing was worth. That would expose the conspiracy, I say to the Senator from Virginia. It would be a terrible thing for this giveaway for "Ferdinand" Holton.

Every fellow wants to get money, whether it is Baby Doc Duvalier from Haiti or the Shah of Iran who wants to get his nose in the Federal till, or Somoza down there with his dictatorship that we got in Nicaragua, or Ferdinand Marcos. Now comes Linwood Holton to get his nose in the Federal till.

What a wonderful sweet deal this is. Millions of bucks for nothing. Pure profit; you pay $47 million. You get that much from the airport and airways trust fund or you ought to resign your job, or at least get $70 million. Jimmy Carter took $100 million back to Atlanta, Lyndon Johnson took $150 million down to Dallas-Fort Worth. Some of these folks that want a suntan in the wintertime and get into St. Thomas, they felt we ought to have $90 million. That was the figure under the airports and airways trust fund, so we could build the runway out in the ocean. That cost $90 million there. They could pick up all these moneys there.

So in essence, they are getting the thing just about free of charge. Yet, they talk about the "careful" commission report.

I had not yet read this editorial. I would have been on the floor a lot earlier and been more helpful to the distinguished Senator from Maryland on this score had I done so. But as it says, it represents "the carefully considered work."

They did not work at all. They conspired and wheeled and dealed, "a commission appointed by Transportation Secretary Elizabeth Dole, headed by former Virginia Gov. Linwood Holton and supported by Gov. Gerald Baliles, former Gov. Charles Robb, Senators Paul Trible and John Warner." You do not need your name in the Virginia conspiracy. You ought to have better commonsense than to put your name in a conspiracy. I would have better sense than that, at least as I say, writing this stuff in black and white. Just say they have distinguished Americans. Linwood and Gerry Baliles and Paul Trible and John Warner are distinguished, and the Secretary herself. Just say distinguished Americans, If you want to find out anything further, you would have to research.

They have children down there writing editorials now. They just list the conspiracy "and just about anybody else who has given thought to the folly of the U.S. Government's continuing to run and repair National and Dulles Airports."

The folly. That is one of the sensible things they have done. What has been folly about it? No one has been really complaining too much about the whole system. We do need improvements, but you cannot have everything. We have been kind of constrictive. Very few of the Members realize there is a trust fund that the taxpayers, airport users, are paying in those taxes, paid in to embellish and enlarge the fund to the point where it has a $7.7 billion balance.

I was asked just the other day, "With all the problems of the Gulf of Sidra, with all the problems of Libyan terrorism, and Nicaragua, and Contra aid, and the budget and tax reform, why are you folks on the floor of the U.S. Senate taking up all this time?" I said, "Because the majority leader has got to go home at night." That is why. I understand that. Everybody should understand that. He is the leader. You have to be a leader and if he cannot get this bill out of the way, then he is in deep trouble. And so I understand that and I agree with him. But Heavens above, let us not write editorials about giving thought to it, because we have given thought to it. It just did not hit us cold. We have asked everyone around and no one can give a logical argument why we ought to spinoff $1 billion of property for $47 million. In fact, if they did that over in the Pentagon they would just about disband. They would have spasms on the floor around here for months.

Now talking about spasms, here it says "In one breath, that took hours, Mr. Sarbanes"—well, they want to demean the Senate, the child who wrote this—"In one breath, that took hours, Mr. Sarbanes argued that the bill would permit unfair competition against Baltimore-Washington International Airport and that BWI has been a stunning success, an efficient and convenient airport." Well, we agree with that. "There is no reason BWI's success can't continue—and indications are that this excellent Maryland airport will flourish as part of this region's air transportation system."

Well, you can take the profits. Whoever wrote this ought to understand you take these profits plus the extra moneys and not only put in the facilities, but subsidize the operation out there at Dulles. You could also start putting in extra transportation service to get you from the District of Columbia. They might have a little congressional bus down there. I have got influence with Senator Trible. I am convinced if this bill passes I could go to Senator Trible and he would have a little airport bus, and they could easily afford 25 cents for a ride to Dulles. That would be a pretty good deal for me and a pretty good deal for him because then I would feel a little obligated to him, a little bit more supportive of this. But I am sure we will get the Trible transport that will take you out to Dulles for 25 cents if we pass this thing. And if I can get that, Baltimore-Washington International, which has been paid for by the taxpayers of Maryland, could not possibly afford it. In fact, they would run the Governor and the operation out of Maryland if they tried to do that. But we can do that and take care of each other.

I hope the Senator from Virginia would remember that idea. Please help me get out there and subsidize anything else that he can find for me, because we like each other and we want to show that this thing can really be a success. We would be using the public's money all around, with the taxpayers giving even further subsidization not only from the Airport and Airways Trust Fund but through tax expenditures. We are going to sue the taxpayers of Maryland, South Carolina, including Virginia and California and the several States under tax expenditures to take care of this thing further, which is absolutely fiscally stupid. There is no question about that.

(Mr. GORTON assumed the Chair.)

Mr. SARBANES. Will the Senator yield?

Mr. HOLLINGS. Yes. You are going to give me a little ride out to Maryland?

Mr. SARBANES. The Secretary is transferring as part of this sweetheart deal the Dulles access road over to this authority which cost $60 million to build.

Mr. HOLLINGS. They are giving them a highway, too?

Mr. SARBANES. Yes, they are giving them a highway, too.

Mr. HOLLINGS. Good gosh. We have the Trible bus. This must be the Warner Highway. Golly, this thing gets worse, it really gets worse when you stop and listen to what those who have given a $60 million highway are going to give away here. This is a wonderful deal. Reading further from the Post editorial, "Dulles and National, already linked as Government properties, would be leased to a regional authority that could relieve the Federal Government"—relieve the Federal Government—"of an estimated $500 million in necessary improvements."

Well, the Government was relieved of $1 billion, without this bill, of necessary improvements. That is the policy of this National Government, to take the moneys from the users, put them into a fund and relieve the Government by issuing the moneys from the fund. So we do not need this bill to relieve the Government of $500 million. We have the money down there. We are in a deserved position. We deserve it.

We, who use National and Dulles have been paying for 16 years into the fund and, yet those airports have been barred from getting 1 red cent. So it is now our turn to come to the till and relieve the Government of any kind of expenditures because they cannot expend it save on airports and not necessarily the regional and State airports of the particular States. But, rather, we do have two national facilities that belong to the Federal Government and we are the people of the United States, so we are ready to relieve the Government of that $500 million in necessary improvements without this bill.

The next paragraph: "That should be fiscal incentive enough for the Federal Government to place responsibility for Dulles and National where it belongs, in a public authority"—as if it is in a private authority now. We have a public authority now—"that includes the representatives of Virginia, the District, and—yes—Maryland."

Well, we already have a public authority that includes Virginia, the District, Maryland, and all the other 48 States. We have that now. If the individual who wrote this is trying to look for breadth of authority, we have the breadth of authority, and now we are giving it up, confusing particular regional concerns with national concerns.

Next sentence: "But Mr. Sarbanes has tried to raise all sorts of scares"—they are not scares; they are facts. We live in the real world—"contending that the transfer could lead to flights in the night over National"—they could. They could lead to flights in the night over National—"and nonaviation use of Dulles some day." They could do it. You get momentary pressures. You get States in deficit positions.

I am glad this is not down in Texas or Louisiana. Down there by Baton Rouge, where there is a shortfall, they are looking for millions. They are looking for $260 million or more down in one little State of Louisiana. Suppose that happened in Richmond, VA, and you were the Governor and you saw all of these people up here on the public till, making all of this money, coming back and forth, flying in and out, with all of these big high-priced lobbyists and everything else like that coming in and out of this place. They would say, well, we could put on a little fee, charge some more for the parking, take that $60 million highway and put a little toll booth on it and say we have not paid for the highway yet and let us get some more moneys. I can tell you, as the Governor, you can get reelected on that. You can get reelected on relieving your State of a fiscal burden. We are putting ourselves in the lion's den here in order to understand and appreciate it and know what is going on.

Next: "What it will lead to is the operation of two airports with improved facilities"—which can easily be had now—"under a 35-year lease, not a sale"—we will have an amendment to make sure it is a lease. We are not guaranteed that. The measure does not say that. I do not see why they do not put that in the particular bill. It would require an amendment. But this thing has gotten up and obscures the facts just as they write a scare editorial, if you want to talk about scare—"that will better serve the Congress, the airlines, this region and the traveling public. That is incentive enough for Senators to support the bill as submitted."

So you have the message from the Washington Post that dovetails in. That says: "Let's, by gosh, make sense. Act like business people and fix authority there with respect to Virginia and the District and Maryland and everything else of that kind." They will understand, as Alice in Wonderland. Before we decide where we are headed, we had better decide where we are. We are into a fine situation.

There has been no problem. The problem has been political. The problem has been indecision. The problem has been inaction. The problem has been inattention. We in Congress have been guilty of inattention, and those in the Department of Transportation have been guilty of inattention. They have no request of the Office of Management and Budget in the past 5 years to make these particular improvements. The money has been sitting there. They know how to get the money.

They know how to put in a bill to get rid of the responsibility, but they have not been answering to their own responsibility.

If you think that is a fair price, let me refer to the National Taxpayers Union, a letter dated March 18:

> Dear Senator: Soon you may be asked to vote on S. 1017, the Metropolitan Washington Airports Transfer Act. This bill would transfer ownership of Dulles and National Airports to an independent authority dominated by the Commonwealth of Virginia. We urge you to vote "No" on this sale.
>
> Although, we agree that the federal government should get out of the business of owning and managing airports, we are ap-

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> palled at the ridiculously low sale price placed on these valuable properties. The combined market value of the properties is conservatively estimated at $1.5 to $2 billion. Yet, the two airports are to be sold for only $47 million—about 1/35 their actual worth.
>
> In addition, the transfer and future improvements are to be financed with tax-exempt bonds over a 30-year period. This adds up to a double soaking of the taxpayer.
>
> Given the nation's tremendous budget deficits and $2 trillion national debt, it is fiscally irresponsible for the federal government to do anything but seek fair market value for the airports. Sound policy demands that the price tag on Dulles and National be raised to reflect their true worth. Otherwise, the sale should be rejected.

It is signed by Jill Lancelot, Director of Congressional Affairs.

Mr. President, there are two things on which I stand corrected. I was using a price of $1 billion because I knew of the offer made for that amount. But the National Taxpayers Union, which has made an equally in-depth study as the commission did—let us put it that way—has come up with $1.5 to $2 billion. So I stand corrected on that. But I can correct them in the next paragraph, when they talk about a double soaking of the taxpayer. The double soaking of the taxpayer is really a triple soaking of the taxpayer.

The taxpayer comes soaked. All of them, as airport users, have been paying that 8 percent. That is the first soaking. The giveaway price is the second soaking, and the tax-exempt bonds is the third soaking. So we have a triple soaking of the taxpayer.

That is why our amendment would require the Secretary of Transportation to have three independent appraisals made of the airports' fair market value, with the transfer price thereafter to be determined by an average of the three appraisers. The appraisals are to be made as airports and not commercial real estate.

To ensure the realization of the Federal investment, this amendment would require that the airport authority pay at least the book value of the two airports should the fair market value fall below that amount.

The Holton Commission claims to have made such a thorough study and could not find any price, they are coming up in the Department of Transportation with the giveaway price of $47 million, and you get very fearful. So that is why we put a caveat in there that at least the airport authority pay an amount equal to the book value.

As of May 31, 1985, the FAA accounting records indicated that the book value of the two airports was $111.4 million—$29.4 million for National, $81.8 million for Dulles, with the difference being shared accounting and personnel activities.

I strongly believe that asking the proposed authority to pay a mere $47 million over 35 years is simply bad public policy. If this body must agree to this legislation, the Senate must not send a signal to the people throughout this Nation that in spite of trillion dollar deficits, we are willing to give away valuable Federal assets for nothing.

I believe that, at a minimum, the Senate must approve this amendment. It would be irresponsible to do otherwise. No Senator could come back hereafter with face and talk about waste, fraud,, and abuse. No one from the other studies—whether the Grace Commission, or the General Accounting Office—could come with any face and say: "Here is the Golden Fleece Award for you this week, because you have wasted $10 million, you have wasted $20 million, you have wasted $30 million."

On the contrary, you are wasting $1 billion. That is the round figure. You are wasting 1 billion bucks, $1 billion worth of $600 toilet seats.

We could buy how many toilet seats for that? We ought to find out how many coffeepots, because they get on the 7 o'clock news and they preempt the whole news hour, going along with what a terrible thing it is to have a coffeepot and a toilet seat. We last estimated that the cost of issuing bonds for improving these airports, some $712 million would buy 60,000 toilet seats, I think. I do not know how many coffeepots or how many pairs of shoes. They are very good on Madam Marcos' shoes now—size 8½—and how many dresses and whatever else.

We can fix in very dramatic way a coffeepot or a toilet seat and get reelected on waste, fraud, and abuse because "I'm getting the Golden Fleece Award, and I'm for fiscal responsibility, and I'm for a balance budget, and I'm for a dollar's worth of work and a dollar's worth of pay, and every dollar spent comes from the pocket of a taxpayer in America."

We know all that. But do not come around here because you want to do a favor for the Department of Transportation and your colleagues in Virginia and say: "Well, you know how it is. The people back home in South Carolina or the people back in California or New York do not even know this is going on. It is just a little Washington argument and fight, and I can help out my Senator friends interested in this thing and just give the property away. But when it comes to Cap Weinberger and national defense, let's organize a lynching party and talk about nothing but toilet seats and coffeepots, thousands and thousands of them."

Do not vote for this and ever raise your voice, keep it sealed and at least maintain your dignity about waste, fraud, and abuse, if you cannot support this particular amendment, because this amendment goes with the support of the National Taxpayers Union and the common sense of the Senate itself.

I would like at this particular point to perhaps get ready to yield the floor to my colleague from Maryland, Senator MATHIAS, if he wishes to join in on this presentation, because the distinguished senior Senator has been assiduous and very helpful in this particular presentation we have tried to make. It is not a Maryland presentation but one fairer for the people of Maryland, Virginia, the District of Columbia, and all other States combined as well as the leadership, of course, of the distinguished junior Senator, Senator SARBANES, who has been leading the fight for common sense on this score.

So I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. TRIBLE. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. TRIBLE. Mr. President, as my colleagues may have determined by this time, Senator HOLLINGS opposes this measure. He has spoken now on several occasions at some length. His opposition, I am sure, is multifaceted.

But I want to respond to the provisions of his amendment that are now before us and will reserve further comment on his other thoughts and concerns as amendments are advanced by our colleagues.

Let me, then, speak to the central argument of this amendment and of an amendment that will be offered by Senator MATHIAS following the disposition of this matter. That involves the price.

It is alleged by some that this transfer is, in the words of my colleague from South Carolina, a giveaway, that the Government should obtain much more, indeed huge sums of money, for these properties.

First of all, I point out that under the terms of this legislation the regional airport authority will be required to pay $117 million, not an insubstantial sum, by any means. But why not more?

It is true the properties at Washington National and Dulles would be priceless if, and I repeat, if they could be put to the highest commercial use, but they cannot.

These lands must be used as airports. They must be operated on a nonprofit basis. The purpose of these airports will be not profit but service to the people. Let me repeat, these properties must be used as airports. They cannot be operated for profit.

Indeed, this is the way all carrier airports in our country operate.

How then do we go about evaluating their value? It is a difficult task, I will tell you. There are no easy answers, but I am convinced, after having studied this for some time, I am convinced, after having talked to a whole host of financial experts, that the value as embodied in this legislation is fair and reasonable. It is fair to the Federal Government and to the taxpayers; it is fair to the people who will use these airports, the people who will have to pay the surcharge.

How do you go about establishing value, or, as the Hollings amendment proposes, fair market value? It is difficult. Again, these properties cannot be put to their highest commercial use. Therefore, they will not fetch these astronomical sums of money about which some have talked. You cannot build highrises; you cannot develop them. You have to use them for airports and those airports, by definition, must be operated for the public purpose and not for profit.

Market value is often based on analysis of income. Here income-stream analysis would give the airports the value of zero—zero—because there can be no income derived from these activities. That is not realistic.

Senator HOLLINGS would suggest book value, and it is the book value computation that is employed in his amendment of $111 million. That incudes a number of considerations, but it includes, in part, properties the airlines bought and paid for and gave to the airports, terminals built by Northwestern, TWA, American, all at National Airport.

It is certainly not reasonable to ask that the Federal Government be compensated for these airports, airport facilities that were not paid for by the taxpayers. They were paid for by the airlines. They were given as a gift to the Federal Government.

There are many ways, I guess, one could go about trying to establish the value of these properties. But after everything is said and done, really the only fair way, the only realistic way is to go about making the taxpayers whole.

It is important to determine here how much moneys have been invested in these properties through the years. And then we should go about reimbursing the taxpayers for those expenditures, making them whole. And that is precisely what this legislation would do.

This legislation would require the authority to reimburse the Government for its hypothetical debt of $44 million. It means the Federal Government has invested in these airports through the years moneys that have not been repaid to date, plus interest at market levels. That is fair. That is reasonable. We are making the taxpayers whole.

To require more would require not Virginia, not Maryland, not the District of Columbia, not some creation of law, namely, an airport authority, but rather the users of this airport to pay not once but more than once for these facilities. That is simply not fair.

Moreover, this bill requires the authority to assume a $37 million shortfall in the Federal pension fund for the airport employees and it requires the authority to pay $36 million to Maryland.

You add all this up and you get over $100 million, $117 million to be exact. That exceeds the bottom figure presented in the Hollings amendment which is $111 million.

Be mindful, moveover, this transfer relieves us, the United States, the Federal taxpayers, of a potential $1 billion liability. Everyone agrees it is essential for us to expand, modernize, and enhance these airports. It is my judgment that we will not do that as a Congress, given the fiscal restraints of the time; therefore, this legislation is essential.

But that has to be done by someone because these airports are falling down around us. Those are Senator HOLLINGS' words, not mine. Indeed, they relate rather graphically the reality of these airports. They have to be upgraded. They have to be expanded. They have to be modernized so the citizens of this region and the citizens of our country, be they from South Carolina or South Dakota or California, can be well served.

After all, these are the gateways to our Nation's Capital.

Finally, in regard to price, a higher sales price might bring more to the Treasury but it would make it difficult, indeed impossible, for the authority to make the kinds of dramatic improvements that are central and it would simply amount to a tax on the Washington travelers who will pay the airport cost through fares and through users fees.

We are not socking it to Virginia by requiring a larger price. We are not laying that burden on some kind of airport authority. We are imposing that heavy burden on the people who will use these airports.

And as much satisfaction as it might give us to impose some huge sum of responsibility, it may well make it difficult, indeed impossible, for these airports to be improved, for services to be improved, and that ought not to be our purpose.

Again, the purchase price is not going to be extracted from Virginia or the airlines. It is going to come out of the pockets of our constituents, yours and mine, the travelers who use these airports.

I would say that this amendment is a clear attempt to destroy this measure. It does not speak with any degree of precision to what the value of this property would be or the cost that would be imposed on the traveling public.

By its terms, it suggests that this property should fetch some market value, the highest commercial value to which it could be placed, which is clearly not appropriate to this situation. Because, again by the terms of this legislation, these properties, priceless as they would be if put to their highest commercial use, must be used for airport purposes, must be used to serve the public. And the bottom line of those operations is not profit, but service.

So for these and for other good reasons, I oppose the Hollings amendment and it would be my intention to move to table that amendment, but not at this point if my colleagues would wish to debate the matter further.

I see Senator HOLLINGS rising.

Mr. HOLLINGS. Mr. President, I thought the distinguished Senator from Virginia would accept it. He accepted an amendment with respect to the employees. This is another one making good sense that says use your Secretary of Transportation, let her get three impartial evaluations and take the mean average and say that is the transfer price. In essence, by moving to table, you are afraid to have it appraised. I noticed that in the Holton Commission. You cannot get there from here. You just do not know how to find it out or whatever it is.

I can tell you, if you go to issue bonds—and that is what you are talking about is an authority and they are going to issue bonds—when you go to the bond market, you are going to have an appraised value. You can dance around the fire and you cannot get there from here and there is no way to really find it out, and just to get the money back, let us not do anything about finding out the fair market value.

I would think the Senator from Virginia would show his good spirit in this particular measure, if he would come forward and say, "That is a pretty good amendment. Why do we object to that? What is sanctified about $47 million? Why not?"

I know about these other things with respect to the $36 million in there for Maryland and the unfunded civil service retirement liability. But the $47 million is in there arbitarily in the light of all the other estimates made by the Taxapayers Union. The Republican administration of President Nixon, they had a higher price of over a hundred million dollars back 15 years ago; the Grace Commission report, far more responsible than the Holton Commission that says we cannot get there from here.

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It seems like the Senator from Virginia would want to accept this amendment rather than announce now that he wants to table it. What is wrong with three impartial, responsible bodies making evaluations and then taking that and setting the price? That is the way to go, it seems to me, in light of all the other, the commonsensical part of the thousands of acres. 10,000 acres of commercial property that we see. Like I said, there is a silicon valley out there developing around Dulles. And this Senator knows, as I land in my own airport down at home, that our particular authority has every Porsche automobile flown from Europe into the Charleston International Airport. They have constructed a facility, the authority there, that is a commercial venture connected with the airport. Under your bill, this particular new authority could do the same thing. So they have constructed a building and a parking lot and all of the Porsches, ritzy automobiles, that come into the United States of America, come in through my home authority, the Charleston International Airport.

Now you have got literally thousands of acres out there for that kind of development. That is worth more than any $47 million. I say it is a giveaway price, it is a disgraceful price. So we say, "Well, you know."

"No, I'm not an authority."

"No, you are."

No, you are not an authority, but we can find the best persons around not just on the sale but it will have to be determined by way of return for the market, reliability, land worth, building worth, and otherwise, than if you just closed it down for the issuance of the bonds. That will have to be represented in the bond instrument that we sell these bonds for.

So you cannot evade and avoid much longer. Your authority is going to have to do it. What is the matter with the Secretary of Transportation doing it now? Let her pick whoever she wants and then pick the mean average and she will not have to listen to the argument any more about the giveaway price or whatever else you want to call it, because we all know it is absolutely minimum. The Governor of Maryland walked into our hearings last year and he said, "I will double the price." I just happened to talk to the distinguished senior Senator, the conservative from Arizona, the distinguished Senator Goldwater. He said, "I would like to get it for that price."

Everybody here knows that this is a matter of embarrassment to come in here at a $47 million price on these properties with all their accoutrements and say that that is sound, good business sense or whatever it is, as the Washington Post says. In addition to waste, fraud, and abuse, that is what we have this day and time, those running for public office say what we need is more business in Government, need business leadership and business practices. And here we come to get a business practice, a market value, and then, as politicians, we want to stand up and say, "No, you can't get there from here. We just won't find out what it is and I am going to have to move to table."

Let me yield the floor at this particular time.

Mr. SARBANES. Will the Senator yield for a question?

Mr. HOLLINGS. Yes.

Mr. SARBANES. The Senator from Virginia made the point, in response to the Senator's amendment, that these properties had to be used for airports. Now, there is some language in here that some of this property can be used for, in a sense, other purposes if they related back, but the other point is what happens after the 35-year period. This Washington Post editorial says, "Under a 35-year lease, not a sale." They talked about this being a 35-year lease, not a sale. But if you read the bill, at the end of the 35 years, the title to the real property passes to the airport authority and the requirement that they use these properties for an airport ceases.

First of all, would you say that if you paid $47 million over 35 years, with tax-free revenue bonds, for properties worth hundreds of millions and then at the end of the 35 years you got the title to the property, would you call that a sale eventually?

Mr. HOLLINGS. You used the harsh word "steal," but that is what you and I could call it in common business parlance. If I had a client and I was practicing law, my reaction would be: "You got a steal there. Get that thing and get it quick. Get them to sign it up. Let them put their names on that thing and don't ask them any further questions. That is wonderful. Go out and celebrate."

That is a steal of the Government's property. That is why I characterized it with all of these others, charlatans, potentates, Baby Doc's, and whatever. Everybody else is stealing the public's money. This is nothing more than a dignified steal. We are going to pass a bill to authorize a steal. That is what it is.

You have to look at it in the cold light of day and understand that we have a steal on our hands. That is what has been going on. It is a sweetheart deal and you have the press—the only ones covering this, the Charleston newspapers; nobody else would have a story about this thing. They would not even know it, would not even understand it.

So it just goes merrily through unless we pique the conscience and common sense of our colleagues here in the Senate.

Now, let me ask for the yeas and nays to my amendment, at least.

Mr. President, I ask for the yeas and nays.

The PRESIDING OFFICER (Mr. McConnell). Is there a sufficient second? There is a sufficient second.

The yeas and nays were ordered.

Mr. HOLLINGS. I thank the distinguished Chair.

I hope the distinguished Senator from Virginia will not move to table the amendment. I hate to have that motion in the record because the Senator is a most responsible Senator, and one of our leaders on the Commerce Committee. I am privileged to serve with him there. He would not want to table an amendment that says, look, Secretary of Transportation, they have brought in the issue on this matter of the value, and they brought it in in several ways, not only embellishing with the commercial properties the $60 million for the Dulles access road and after the 35-year lease the continued uses thereof, willy-nilly for whatever. But people have come around, the Grace Commission, President Nixon's administration, National Taxpayers Union, Governor of Maryland, a British entity that came and made offers—you have had all kind of offers made, all of them just showing whether or not the value is $100 or $500 million or a billion dollars. We all know it is far in excess of the $47 million.

So why table the Secretary of Transportation coming in and getting three estimates, taking the mean and saying that is the price of the authority? What is wrong with that? I would be glad to amend the amendment if the Senator from Virginia wished me to amend it. I take it he is not responding. So he would rather kill it. He nods in the affirmative.

Well, let me yield the floor at this particular time.

Mr. SARBANES. Mr. President, I want to address a couple of points that have been made in this debate. First of all, at the end of the 35-year period, the authority will acquire these properties free and clear. They will be able to do whatever they want with them. You can have another Crystal City at National Airport if they chose to do that at the end of the 35-year period. So there is no guarantee that these facilities will go on being used as an airport.

Second, no one is arguing that they should necessarily pay a price that is going to burden their ability to function as an airport. But that is not what is happening here. With $47 million paid over 35 years, and financed by tax-exempt bonds, this thing is going to have an enormous cost to the Federal Treasury. It has the cost of the interest on the bonds which would be avoided if they used directly the money in the Airport Trust Fund. So you have that cost, the interest on the bonds.

Second, you have the cost from the loss of revenues to the Treasury because the bonds are tax exempt. So you have to add that in as well.

Third, you have the cost because you are giving these facilities over at $47 million. The Dulles access road alone—leave out the two airports, just the highway, as the Senator from South Carolina said earlier, there is a highway in here as well as these two airports, the highway alone—is $60 million. That is just being turned over to this authority.

So this is not a bargain basement sale. This is a sub- sub- sub- subbargain basement sale. This is the original fire sale if there ever was one. Of course, it enables the authority to acquire these capital assets at a ridiculously low cost, and then structure its fees in an unfair competitive way. So that is another complication that comes from the fact that this sale is being made on such a ridiculously low price.

There is no wonder that the National Taxpayer Union has taken strong exception to this bill, and this provision for a sale. There is an opportunity here to realize a contribution. The Senator from South Carolina deals with these budget questions in the Budget Committee all the time. He is very much aware of the fiscal constraints in which we find ourselves. Here we are now in effect giving away these facilities when there is an opportunity to recoup at least part of the very significant investment in the range of hundreds of millions of dollars which have been made in these facilities over the years.

As I understand the Senator's amendment, it would provide for obtaining independent appraisals which seems to me to be a very sensible thing. I can tell you, I was on the Holton Commission. There was no independent appraisal of what ought to be paid here. All they did was try to figure some way to find the lowest figure they possibly could. So they took this figure, that supposedly represented what had not been recouped at the airports over the years. They give it an imputed interests rate at 4.9 percent. Then they say that ought to be the sale price.

The question of the sales price was never carefully examined in an objective way. It was only considered in terms of, well, in a sense what is the minimum we can do and legitimatize this transfer. That is exactly what happened. The Senator from South Carolina has put his finger on it.

I strongly support his amendment.

Mr. TRIBLE addressed the Chair.

The PRESIDING OFFICER. The Senator from Virginia.

Mr. TRIBLE. Let me bring this debate on the Hollings amendment to a close. Let me point out simply that the suggestion that these airport propertils can be put to some other use is simply mistaken. That is what is known as a red-herring argument. I would point my colleagues to the bill now before us on page 34. It says that this corporation is constituted solely to operate both Metropolitan Washington airports as primary airports serving the Washington metropolitan area. That is their sole purpose for being.

This is in the document that creates them.

Mr. President, I would now move to table the Hollings amendment, and I ask for the yeas and nays.

The PRESIDING OFFICER. Is there a sufficient second? There is a sufficient second.

The PRESIDING OFFICER. The question is on agreeing to the motion of the Senator from Virginia to lay on the table the amendment of the Senator from South Carolina. On this question, the yeas and nays have been ordered, and the clerk will call the roll.

The legislative clerk called the roll.

Mr. SIMPSON. I announce that the Senator from New Mexico [Mr. Domenici], the Senator from Florida [Mrs. Hawkins], and the Senator from Vermont [Mr. Stafford], are necessarily absent.

Mr. CRANSTON. I announce that the Senator from Colorado [Mr. Hart], is necessarily absent.

The PRESIDING OFFICER. Are there any other Senators in the Chamber who desire to vote?

The result was announced—yeas 49, nays 47, as follows:

[Rollcall Vote No. 58 Leg.]

YEAS—49

Abdnor
Armstrong
Boschwitz
Chafee
Cochran
Cohen
D'Amato
Danforth
Denton
Dodd
Dole
Durenberger
East
Evans
Garn
Gore
Gorton
Grassley
Hatch
Hatfield
Hecht
Helms
Inouye
Johnston
Kassebaum
Kasten
Laxalt
Long
Lugar
McClure
McConnell
Murkowski
Nickles
Packwood
Pressler
Quayle
Rockefeller
Roth
Rudman
Simpson
Specter
Stevens
Symms
Thurmond
Trible
Wallop
Warner
Weicker
Wilson

NAYS—47

Andrews
Baucus
Bentsen
Biden
Bingaman
Boren
Bradley
Bumpers
Burdick
Byrd
Chiles
Cranston
DeConcini
Dixon
Eagleton
Exon
Ford
Glenn
Goldwater
Gramm
Harkin
Heflin
Heinz
Hollings
Humphrey
Kennedy
Kerry
Lautenberg
Leahy
Levin
Mathias
Matsunaga
Mattingly
Melcher
Metzenbaum
Mitchell
Moynihan
Nunn
Pell
Proxmire
Pryor
Riegle
Sarbanes
Sasser
Simon
Stennis
Zorinsky

NOT VOTING—4

Domenici
Hart
Hawkins
Stafford

So the motion was agreed to.

Mr. TRIBLE. I move to reconsider the vote by which the motion was agreed to.

Mr. DOLE. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Several Senators addressed the Chair.

The PRESIDING OFFICER. The Senator from Idaho.

AMENDMENT NO. 1764

(Purpose: Expressing the sense of the Senate that actions to control the deficit should take precedence over tax reform legislation during the Second Session of the Ninety-Ninth Congress.

Mr. SYMMS. Mr. President, I have an amendment I send to the desk on behalf of myself, Senators Boschwitz, Helms, Weicker, Nickles, and Mattingly, in the form of a sense-of-the-Senate resolution.

The PRESIDING OFFICER. The clerk will report.

The legislataive clerk read as follows:

The Senator from Idaho [Mr. Symms], for himself and others, proposes an amendment numbered 1764:

At the appropriate place, add the following:

As recently as February 4, the Office of Management and Budget projected that deficits for Fiscal Years 1986 through 1990 would increase the federal debt by $697,289,000,000;

Congress sought to remedy this problem of escalating debt by enacting the Gramm-Rudman-Hollings deficit reduction program, which was passed by both Houses of Congress and signed into law by the President on December 12, 1985;

Even under Gramm-Rudman-Hollings, the federal debt is projected to grow to $2,323,100,000,000 in fiscal year 1987, $2,523,000,000,000 in fiscal year, 1988, and $2,697,700,000,000 in fiscal year 1989;

As a result, even Gramm-Rudman-Hollings will produce a federal debt which, by fiscal year 1989, will represent well over $10,000 for every man, woman, and child in the United States;

The financial markets of the United States and the other industrialized nations of the world look to the government of the United States for leadership in the resolution of its deficit crisis; and

The consideration of tax reform by the Senate of the United States without first making serious efforts to control the deficit will only succeed in enhancing the uncertainty in financial markets which those deficits create: Now, therefore,

It is the sense of the Senate that tax reform should not be considered or debated by the United States Senate until a firm, definite budget agreement has been reached between the President and the Congress of the United States.

Mr. SYMMS. Mr. President, I think the text of the sense of the Senate resolution is self-explanatory. From my experience in this and the other body there simply is not time to address the

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major issue of tax reform while we still have the budget question in the air. In my view the Senate should send a message of predictability to the Americans who are risking capital daily and those who are working to make our economy productive. I think this is the best signal we could send them at this point in time—to set aside this issue of tax reform until we have resolved the question of the budget.

Mr. President, I ask unanimous consent that Senator MATTINGLY be added as an original cosponsor.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. BOSCHWITZ addressed the Chair.

The PRESIDING OFFICER. The Senator from Minnesota.

Mr. BOSCHWITZ. Mr. President, this sense of the Senate resolution is not unlike a letter that was signed by 50 Senators and sent some time ago to the President saying that we should not consider tax reform prior to moving in a manner that would prevent the sequester under the Gramm-Rudman bill later this year.

This sense-of-the-Senate resolution says that the budget is the first order of business before the Congress of the United States and that the tax bill should be laid aside until the budget deficit and the Gramm-Rudman sequester is resolved. That letter was signed by 50 Senators. However, there were at least two dozen or more who said they would like to vote for a resolution similar to this but that they did not want to sign the letter at that time. We believe this sense-of-the-Senate resolution states the overwhelming desire of the Senate with respect to national priority. There is no question in my mind, Mr. President, that the foremost national priority is the budget and that in the event we go forward with the tax bill we will probably preempt the ability to use additional revenues should they be necessary to balance the budget. I hope that additional revenues are not necessary. I hope that by skillfully cutting or preventing programs from growing too rapidly we will be able to balance the budget in that way and not have to resort to revenues.

Certainly, my friend and colleague from Idaho, Senator SYMMS, feels very strongly that way—that no additional revenues should be sought for the purpose of balancing the budget. But there is no question that the idea of moving forward with the budget is the necessary priority.

In the event we do that, in the event we scale down the deficit each year, in the event it goes from $182 billion, as it is now predicted, to $144 billion, that is a cut of $38 billion. Clearly, if the Government spends that much less money, there will be less economic activity.

It is hoped that by moving toward a balanced budget, you also lower interest rates. That, in turn, stimulates economic activity to replace economic activity that is lost through deficit spending. But we must balance the budget, or there are some other aspects of deficit spending a little more difficult to cope with, and those are inflation and high interest rates.

If at the same time we scale down the spending of the Federal Government we also undertake major tax legislation that changes the taxation and savings; that changes, as the House of Representatives would, the rates of capital gains; that changes the rules applying to depreciation of investment tax credit, all those things can have a very negative impact on the economy as well. To do that simultaneously with slowing the growth in Government spending is indeed risky to the economy.

So I join my friend and colleague. Senator SYMMS and I offer this together with the other Senators whom Senator SYMMS has noted. We hope we get a favorable and overwhelming vote that the budget must go first, that the budget and the balancing of that budget is a matter that has been on our agenda for some time, and that now must be taken care of; because, if not now, it will just go on from year to year and continue to exacerbate the problem.

Mr. President, I ask for the yeas and nays.

The PRESIDING OFFICER. Is there a sufficient second? There is a sufficient second.

The yeas and nays were ordered.

Mr. RIEGLE. Mr. President, I want to comment on this amendment. I am in opposition to it. I want to ask a question about it as we go along.

I am reluctant to see the Senate vote on this particular amendment, for several reasons.

First of all, we have already acted on the budget in the Senate Budget Committee, and that package is waiting to come to the Senate floor. For reasons that are unclear, we cannot seem to get it on the Senate floor to act on it. It could be brought up this afternoon. It should be brought up this afternoon. So the notion that anything else—tax reform or any other issue—is holding up consideration of the budget is nonsense. We have an affirmative package put together, on a bipartisan basis, in the Budget Committee. That should be on the floor and is not. So, to say that anything is blocking it is not the case at all.

Second, the Finance Committee is acting on the President's tax reform proposals this very day. I do not know what they will eventually do in the committee in terms of what they will propose. But when they finally reach a judgment, if they do, and if they report out of the Finance Committee a tax reform proposal, it will come to the Senate floor in due course, and we will have a chance to act on it. If it is not sound, it can be defeated by the Senate, or it can be changed in whatever ways we might think are necessary. That is properly the course of action open to us. But I do not think we should try to judge now what we may be seeing in the way of a tax reform package out of the Finance Committee.

Mr. BOSCHWITZ. Mr. President, will the Senator yield?

Mr. RIEGLE. Not at this point. I will yield when I complete my remarks, I say to the Senator from Minnesota.

Third, the President of the United States has indicated that he feels very strongly that the tax reform issue needs to be addressed this year. If that is going to be done in an orderly fashion, we cannot stop work on it now. We have to continue to work on it. The House acted last year, and the President has said that in his view it is very important that these issues be raised. There are some things in his proposal I agree with and some I disagree with, and that is probably true of every Senator. But there are some very constructive elements in the President's proposal.

For one thing, he proposes closing some loopholes in the tax laws which prevent people from contributing what is thought of as a fair share of income to support the overall costs of Government, in behalf of all the people of the country. He has proposals in there for a minimum tax on corporation and individuals who otherwise may end up not paying anything at all. So there are some constructive elements.

I think reducing the number of tax brackets is a direction of simplication that makes some sense. Whether it should go from 14 to 3 or 14 to 4, whatever the number, we can debate that on the floor.

There are a number of things that I think have been properly raised in terms of fairness. I think the President is proper in raising those issues, and we ought properly to deal with them. It does not mean we have to agree with him. It does not mean we cannot change the proposal in whatever ways a majority of the Senate should desire. But, in the end, we are free to act.

The fourth point is that in the budget document reported from the Budget Committee, with a majority of votes on both sides of the aisle, there is a revenue component. The revenue component contains one part that the President has asked for of roughly $5.9 billion new revenues in 1987, in his own budget proposals, and we have augmented that with this bipartisan package out of the Budget Committee. I believe the added figure is roughly $12.5 billion, bringing it up to about $18.7 billion for 1987. We do not have the power to indicate how those revenues should be raised. The Finance Committee would have to take a look at how that is to be done.

The point is that in the whole tax reform process—in the closing of loopholes and the establishment of a minimum tax—there is the generation of new revenue that will be brought into the Government, and the Budget Committee thought is that part of that, a small part, should be retained and used for deficit reduction.

So these two issues connect to one another. To try to pretend that they do not, to say that we have to do one and cannot do work on the other until we finish the first, does not face the reality that is upon us. We have to be dealing with these problems simultaneously, which is what we are attempting to do.

There is no reason why we cannot bring the budget to the floor this afternoon and get started on it. We have a package. It is all ready to go. The only reason it has not been brought up is that apparently there is some reluctance on the other side to do it because, I guess, of differences of opinion with the White House or among Members on the other side, or whatever it is. I do not want to get into the reasons for blocking it. There is no good reason for not bringing it up.

We are up against the Gramm-Rudman deadline of April 15 to adopt a budget, so we should bring it up now. So I think this sense-of-the Senate resolution is misleading. I do not think this is a helpful step to take. I believe that, in a sense, it is a sort of gratuitous embarrassment to the President and to his people who are working to try to produce a tax reform proposal. In a sense, it becomes an odd instruction to the Finance Committee to stop work, when we are in the midst of trying to deal with the proposals the President has sent up here, which have come from the House, and which Senator PACKWOOD, on behalf of the Finance Committee and on his own behalf, has developed in the Senate.

I think that work has to continue. In a sense to say all that needs to be set down or to be shunted aside until we deal with the budget, when, in fact, we are not even dealing with the budget, I think that adds almost a comic element to it.

Having said all that, I have great regard for the Senator from Minnesota. He and I talked privately about this matter. I recall the weeks that he spent circulating his letter and obviously with very serious intent to want to make an important point, and it is a point that I think can properly be made and someone who has that view should make it. But to take and ask the Senate today to go on record with a yes-or-no vote on this kind of a sense-of-the-Senate document, as I said before, I think ends up unintentionally having sort of a comic element to it but, more than that, I think it almost is an embarrassing step to take.

I think it needlessly embarrasses the President, who said it is a very high national priority, in his view, to move ahead with tax reform. I think it needlessly embarrasses our colleagues on the Finance Committee who are today under that instruction trying to work and come to some kind of a proposal that they can send to the Senate, and also it is almost a bad joke when you think about holding off on any kind of tax considerations until we get the budget done when we have a budget document that has already been produced by the Budget Committee waiting to come to the floor and we cannot again get it called up to act upon it.

We are here fooling around with giving away two national airports because somehow or other that is thought to be more important than dealing with the budget.

For those reasons and with due respect to my colleagues who hold this view, I think this is the wrong action to take at this time. I hope that this could be tabled without prejudice one way or the other but that we not end up embarrassing outselves here in this fashion.

Mr. PACKWOOD and Mr. METZENBAUM addressed the Chair.

The PRESIDING OFFICER (Mr. PRESSLER). The Senator from Oregon is recognized.

Mr. PACKWOOD. Mr. President, I tried to move along in a timely fashion with the Finance Committee since we have received the tax bill from the House of Representatives.

We are moving along in a timely manner. We are meeting this morning. We met every morning. We met most afternoons. We will get a tax bill done, which I think will be a credible bill.

There is nothing, however, stopping this Senate from going ahead and producing a budget, at least voting on a budget—I do not know we can produce one—but at least we can vote on it.

There may or may not be tax increases in it. I do not know what the will of Congress will be by the time it goes through the House of Representatives and Senate.

It is my intention at this time to produce a tax reform bill. But as we are all aware, a sense-of-the-Senate resolution is not binding on the President, or not binding on the Senate.

If the President wants to bring a tax bill, he can.

It is a nullity. There are some who do not want a tax bill at all, not a House bill, not the President's bill, not Treasury I, not any bill coming of the Finance Committee.

They are willing to use every dilatory tactic they can find to avoid considering a tax bill, although I regard this resolution as the most insane and arcane approach. It is not binding, and it is saying to the Senate "Take up a major item of the President. It is something of great concern to the country—tax reform—until we do a budget," which we can do today, if we want, which we are supposed to do by next Tuesday, and we will not.

To hold the tax reform bill hostage to some specious sense-of-the-Senate resolution, which is not binding, because the Senate and Congress have not taken up the budget, I think I find demeaning to the committee.

I yield the floor.

The PRESIDING OFFICER. The Senator from Ohio.

Mr. METZENBAUM. Mr. President, I believe this resolution is misdirected.

My colleague from Michigan had indicated that there is a comic element in the resolution. The only problem is that the joke will be on the American people and it will not be a very good joke.

If there is an issue in the country that calls for action, it has to do with tax reform, and it just does not make sense to let the American people continue bearing the tax burden while day in and day out special interests in this country pay no taxes and in too many instances even receive a tax refund.

I was upset to learn that the Finance Committee has already concluded that they are not going to make the necessary changes so that the timber industry pays its fair share of the tax burden. Why on Earth should the timber industry be able to treat their profits as capital gains? Everybody else who grows products in this country has to pay their taxes on the same basis as the rest of the Nation. It is a profit. You pay tax on it. That is their business.

But some years ago the timber industry came forward and they were able to get Congress to say that timber was to be treated as a capital gain, meaning they would pay only on half of the profits, and how it appears that that is going to remain in the law if the Finance Committee has its way.

Yesterday, the Finance Committee dealt with the issue of oil company profits. What a sad day it is that only three members of that committee were able to stand up to the oil industry. What is there about the oil industry that makes them so all powerful around here—their political action committees? It was 18 to 3 in the committee not to eliminate some of the special breaks that the oil industry gets.

I know the oil industry is hurting this week or this month. But the oil industry was not paying a fair share of

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their taxes when they were not hurting and there is no question in any one's mind that oil prices are going to go back up.

But, no, we are not going to do anything about oil industry tax breaks and we do not even want to touch the issue until we get done with the budget? Why? What logic says that we cannot touch tax reform until such time as we deal with the budget? We are having enough trouble getting the budget to the floor.

I am one of those who has spoken about the need to bring it to the floor promptly. We brought it out of committee. It is not a perfect budget, but it is better than no budget at all and it conforms to the Gramm-Rudman Act. Even though I did not vote for Gramm-Rudman, it is the law.

The banks would not want tax reform. They would like to postpone that as long as they possibly can. If you look at the kinds of taxes that the banks pay, not the taxes they do pay, the kinds of taxes they do not pay, you will understand why they do not want tax reform. It is the only industry in the country that has the right to set up an artificial debt reserve that has no relationship to the facts. It just sits out there and it is an artificial debt reserve, and the banks are permitted to invest in municipal and tax frees, while they go out and borrow money or pay money to their depositors.

So, as a consequence, they pay almost no taxes and in some instances get tax refunds.

There are tax shelters in this country that make it possible if you want to make an investment this year and receive more in tax reduction this year and next year than the total amount that you put into the investment, and in some instances you can work it out so that you get more of a reduction this year than the actual amount that you invest.

So what logical reason is there for 50 Members of the Senate to say, "We don't want to deal with tax reform until we deal with the budgets"? It is a non sequitur. It does not follow. It is illogical. It is ducking the issue.

It is again saying to the American people you are second on the list. We will get on to something that we are more interested in getting on to, although it is only fair to point out that we are not getting on to that issue either.

We may not be able to have a budget resolution here if the matters keep up as they are and the President continues to stonewall.

I heard him last night on the television tube blaming Congress. "Mr. President, I will say to you the buck stops at the White House. You have a responsibility to be a part of this budget process."

And so he is telling us we are not doing our job; we are saying he is not doing his job and now we are having a proposal before us to say, yes, but let us do not get into tax reform until such time as we deal with the budget matter.

The President is saying to us when you have budget reform, whatever you do, see to it that it is tax revenue neutral.

Why should it be revenue neutral? For what reason should it be revenue neutral? Is there some reason that the corporations of this country are not called upon to pay a minimum tax? Some corporations are making billions and billions of dollars and receiving billions of dollars in tax refunds. Is there any reason why we cannot start to tax them and see to it that those dollars are used in order to help us balance the budget?

What is so sacred about those special tax breaks and special refunds that some of the corporations of this country are receiving?

What is holding us up in coming out for a minimum tax both for corporations as well as for individuals who are making substantial profits?

We are ducking the issue. This is a resolution making it possible for us to take a big duck, to not deal with the real issue of tax reform, not see to it that the American people get a fair break.

Tax reform need not and should not be revenue neutral. The moneys that we can pick up fairly, rightly should and could be used to help us balance the budget. And I say to my friend from Minnesota, for whom I have tremendous respect and who I consider a good friend, that you are right about a lot of things but in this instance you are dead wrong. This matter does not make good, logical sense. And I do hope that the chairman of the Finance Committee or someone on that side of the aisle will see fit at an appropriate time to move to lay this ill-founded and ill-thought-out proposal on the table.

Mr. **BOSCHWITZ**. Mr. President, I have listened to the remarks of my friend from Ohio. I find it unusual that he and the Senator from Michigan are defending the President's priorities in this matter. But, nevertheless, so be it.

It is not a joke on the American people that we are seeking to propagate here. We have no interest in preserving tax breaks for the timber industry, which, as the Senator from Ohio points out, apparently are going to be preserved—I am not a member of that committee so I have not had a vote on that—or oil or banks or the loopholes for special breaks that he speaks about.

There is no more skillful legislator, there is no more skillful negotiator here in the Senate than the Senator from Ohio. And he knows that indeed sometimes one has to be balanced against the other in order to get an important goal achieved. I think that the most important goal that we can achieve—and, as he points out, we can do it rapidly—is indeed the budget. There is indeed an April 15 deadline. We can meet that deadline. Then we should go on and reform the tax bill in many of the ways that the Senator from Ohio is suggesting it be done.

But, those who say, "well, let both go forward at one time," as the Senator from Ohio has said, it is only fair to point out, that the budget is not moving forward. And it is not moving forward and it will not move forward, and it is not a non sequitur to say that there should be some priorities around here and that the priorities can often be established and often be enforced by taking some action that lays something aside. Nobody has done that more often in this body than the Senator from Ohio. Nobody understands legislative tactics, maneuvers, or how to get things done than the Senator from Ohio.

And, indeed, that is our objective, that we can move quickly and that we can move expeditiously and effectively with respect to the budget.

I heard the Senator from Ohio and indeed the Senator from Michigan speak yesterday morning of the necessity of moving and moving rapdily. So I say to him he should support this because if he really does want to move rapidly on the budget, then this sense-of-the-Senate resolution, not binding but a sense-of-the-Senate resolution, should move forward, should move to conclusion. The expression of the Senate should be made clear, otherwise we are going to see that there are revenues used in the tax bill that will be preempted from use in the business of balancing the budget and we will not be able to achieve that end.

I yield the floor.

Several Senators addressed the Chair.

The **PRESIDING OFFICER**. The Senator from Montana.

AMENDMENT NO. 1765

(Purpose: To express the sense of the Congress with respect to the milk production termination program)

Mr. **BAUCUS**. Mr. President, I send an amendment to the desk and ask for its immediate consideration.

The **PRESIDING OFFICER**. The clerk will report.

The assistant legislative clerk read as follows:

The Senator from Montana [Mr. BAUCUS] proposes an amendment numbered 1765 To amendment No. 1764.

Mr. **BAUCUS**. Mr. President, I ask unanimous consent that further reading of the amendment be dispensed with.

The **PRESIDING OFFICER**. Without objection, it is so ordered.

The amendment reads as follows:

At the end of the amendment add the following:

The Food Security Act of 1985 established a milk production termination program intended to reduce the current oversupply of milk products, and

The Food Security Act of 1985 also provided that the Secretary of Agriculture should make purchases of specified amounts of red meat in order to offset the effects of the milk production termination program on the red meat market, and

The implementation of the milk production termination program has resulted in substantial declines in both current prices of red meat and future prices for red meat, and

Both cattle and dairy farmers would benefit from more stable red meat prices, and

Immediate action is necessary to counteract the adverse effects of the dairy diversion program; Now, therefore, it is the sense of the Senate that the Secretary of Agriculture shall immediately take the following steps to address the current instability in the red meat market.

(1) The Department shall increase the present purchase of red meat and defense distributions during the first bid period, which has been announced by the Department to be from April 1, 1986 to August 31, 1986. The purchases should proportionately reflect the presently scheduled 633,176 cows; 216,970 heifers; and 165,900 calves, which are to be slaughtered during each disposal period in the program. The red meat purchases should reflect the number of cattle that are slaughtered during each disposal period in the program.

Specifically, the Department should immediately begin purchasing more of the 200 million pounds of red meat that are to be purchased during the milk production termination program during the first disposal period. This purchase amount is in contrast to the 130 million pounds that the Department is presently scheduled to purchase during the first disposal period. Further, the Senate expresses it concern that the Department has not scheduled the present purchase of 130 million pounds until April 14, 1986 for canned meat and April 21 for frozen ground beef. These purchases do not correspond to the April 1 starting date of the first disposal period.

The Department should accomplish this purchase goal by expediting school lunch purchases and domestic feeding program purchases to begin in April rather than the traditional month of July. Toward the same end, the Department should act immediately on the provision of the law that requires that the meat be channeled through the Department of Defense.

(2) The Department should move approximately 200,000 dairy cows and corresponding heifers and calves, which are presently scheduled during the first disposal period, to later periods by moving those producers who submitted multiple bids at the same price. The move should be conducted on a voluntary basis. Any changes in the disposal period should be consistent with the existing contracts with dairy producers who are participating in the program.

(3) The Department immediately should take additional steps as necessary to alleviate the concerns in the red meat industry regarding the adverse impact on total red meat supplies due to the additional dairy cattle that are being slaughtered. The Department should implement a plan to encourage proportional spacing of dairy cattle slaugther within each disposal period for producers in the program. This could include monthly and weekly targets for dairy cattle slaughter during the disposal periods to minimize jamming of slaughter house facilities occurring in some parts of the country. The Department should also include the actual count of all dairy cattle which are marketed as a result of this program in the published weekly slaughter reports.

(4) The Department also should take further steps that would offset any further damage to the red meat industry. Producers must be assured that the Federal Government will purchase a pound of red meat to offset every pound of red meat which enters the market as a result of the milk production termination program, and that the Department is taking other steps to provide for the orderly marketing of dairy cattle slaughtered under the program.

SEC. (a) the Senate also finds and declares that:

(1) the Food Security Act of 1985 established the Dairy Termination Program intended to reduce the current oversupply of dairy products, and

(2) the Food Security Act of 1985 directs the Secretary of Agriculture to minimize the adverse price effect of the Dairy Termination Program on red meat producers through the use of timely and judicious administrative actions, and

(3) the implementation of the Dairy Termination Program has resulted in substantial declines in both the current and future prices for meat, and

(4) immediate corrective action by the Secretary of Agriculture, utilizing the broad discretionary authority available to the Secretary under the Food Security Act of 1985, is necessary to abate the precipitous decline in meat prices:

(b) it is therefore the sense of the Senate that the Secretary of Agriculture should immediately significantly modify the Department of Agriculture's policies relating to the Dairy Termination Program, report to the Congress not later than April 15, 1986, what corrective actions have been taken, and what legislative changes, if any, are necessary to further modify this program to abate the decline in meat prices in a reasonable and judicious manner.

Mr. **BAUCUS**. Mr. President, this amendment is being offered at this time because it addresses a very imminent problem that our cattle country in America presently faces, and that is the dramatic drop in cattle prices due to the Department of Agriculture's administration of the dairy buyout program.

I do not need to restate the facts as to what happened, except to say that the cattle market is plunging. The equity of cattle producers in our country has fallen at least $5 per 100 in just a matter of a few days because the Department of Agriculture has not followed the provisions in the farm bill with respect to the dairy buyout program. The Department has not followed the orderly market provisions in that bill. As a consequence, because of the Department's buying the cattle early, dairy cows early, putting that red meat on the market, the beef cattle industry is finding that its cattle prices have plummeted.

The buyout program under the farm bill is to be about $1.8 billion. The fact is the equity of cattle producers of the livestock industry has fallen $5 billion, more than the $1.8 billion buyout allocated in this bill.

The point of this resolution is to direct the USDA to follow the law, to have a very orderly market procedure in the buyout program so that more stability and more confidence is restored to the cattle industry.

If I might, Mr. President, let me just briefly outline the provisions of the amendment. Essentially, the amendment will require the Department to increase the present purchase of red meat in DOD distributions during the first bid period, which has been announced by the Department to be from April 1 of this year to August 31 of this year. The purchases should proportionately reflect the presently scheduled approximately 600,000 cows, 200,000 heifers, and 165,000 calves, which are to be slaughtered during each disposal period in the program. The red meat purchases should reflect the number of cattle that are slaughtered during each disposal period in the program.

Specifically, the Department should immediately begin purchasing more of the 200-million pounds of red meat that are to be purchased during the milk production termination program during the first disposal period. This purchase amount is in contrast to the 130-million pounds that the Department is presently scheduled to purchase during the first disposal period.

That is a key point, Mr. President. The purchase program, where the Department is purchasing red meat, has to be moved up in the earlier period in order to provide for stability for the market. That is what the law provides.

Further, the Senate expresses its concern that the Department has not scheduled the present purchase of 130 million pounds until April 14 for canned meat and April 21 for frozen ground beef. These purchases do not correspond to the April 1 starting date of the first disposal period.

Moreover, the Department should move approximately 200,000 dairy cows and corresponding heifers and calves to later periods by moving those producers who submitted multiple bids at the same price.

In addition to that, the Department should take additional steps, as necessary, to alleviate the concerns in the red meat industry concerning the adverse impact on total red meat supplies due to the additional dairy cattle that are being slaughtered.

Mr. President, one final point. We also believe that the Department should take further steps that would offset any further damage to the red

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meat industry, and the resolution makes appropriate recommendations.

I would like to at this point, Mr. President, add the cosponsors of this amendment. They are Senator Exon, Senator Heflin, Senator Andrews, Senator Zorinsky, Senator Gore, Senator Melcher, Senator Boschwitz, Senator Harkin, and Senator Symms.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. BAUCUS. Mr. President, the long and the short of this is the Department has not followed the law. The Department has not purchased red meat in earlier periods as it should. That is in the law.

Second, the Department has not, as it said it would, persuaded DOD and required DOD, when it purchases beef, to purchase American beef instead of beef from foreign countries. Presently the Department of Defense, in its commissaries around the world, is buying about 48 million pounds of beef overseas in order to supply American defense personnel. DOD must buy American beef to help solve this problem to alleviate the dairy surplus, as well as to prevent the kind of bottoming out of the cattle market, the beef cattle market. DOD is not doing that.

In addition, the Department of Agriculture should be placing more of its sales overseas not in the American market. The Department has to do a much better job of doing that. The bottom line is that the Department of Agriculture has to take actions that are necessary to restore confidence and restore more security in the beef cattle market.

Most of the damage has already been done. With the passage of this resolution, Mr. President, more confidence will begin to be restored, and the Department would then be treating the cattle industry, the livestock industry, and the dairy industry as well as the pork industry on a more even footing.

I might add, Mr. President, that this resolution has the support of the various groups of the dairymen, of the pork industry, as well as the cattle industry. It has been worked out, and bases have been touched.

I strongly encourage the Senate to support this resolution. I am very happy, too, to have with me helping draft this resolution the able Senator from Nebraska, Senator Exon. We have worked closely on this with other Senators.

Mr. President, at this time I yield the floor.

Mr. EXON addressed the Chair.

The PRESIDING OFFICER. The Senator from Nebraska.

Mr. EXON. Mr. President, I thank the Chair.

I thank my friend and colleague from Montana. The measure before us is extremely self-explanatory. I would simply say in further explanation that we have a sizable number of cosponsors to the amendment. We have discussed this amendment with the majority leader, and it would appear to me that he is also concerned about the situation that this sense-of-the-Senate resolution addresses.

It may well be that we can move forward in a fairly expeditious fashion to accept this amendment, or if necessary, get it voted on because I believe it will carry.

The Senator from Montana has very well pointed out the new crisis situation that we have in agriculture today. Unfortunately, it seems we move from crisis to crisis to crisis to crisis, almost every other day, not even every other week or month as has been customary.

It is very clear that the situation that confronts us today is a dramatic drop in the cattle market. Last week it went down by the highest amount in the history of markets. Certainly, I would agree that some of that may have been over concern on the part of some of the traders, or speculators as they are commonly termed.

I simply say, Mr. President, the way the program was handled by the Department of Agriculture, they did everything but guarantee that we were going to have a dramatic drop in the cattle market. Certainly, the way the account was enacted, and certainly it was clear what the intention of the Congress was, to give the Department of Agriculture the authority to purchase these herds on an orderly fashion. The problem was that the Department of Agriculture did not proceed with rules, regulations, and other means at their disposal to go about this task in an orderly fashion.

We had chaos in the markets. At the present time, I guess it should be well known, a major portion of the cattle industry is in court today suing the director of agriculture trying to get him to undertake the steps that we are spelling out in this sense-of-the-Senate resolution.

All that we are saying with this is let us use commonsense. Let us use the great ingenuity of the American entrepreneur. Let us use the bureaucracy of the Federal Government, in this case the Department of Agriculture, in a fair and prompt manner to correct the injustice that has been done to still another sector of agriculture.

Mr. President, I suspect that we have little opposition to this matter. We have a substantial number of cosponsors. I hope that we can dispose of this in a reasonable fashion. But I do know there are several Senators who are extremely concerned about this matter, and wish to at least make some brief remarks before we go to a vote, voice or otherwise.

Mr. ANDREWS addressed the Chair.

The PRESIDING OFFICER. The Senator from North Dakota.

Mr. ANDREWS. Mr. President, I am happy to join with my colleague, the distinguished Senator from Nebraska, and a number of other Senators, in supporting the sense-of-the-Senate resolution.

Let me point out that in this dairy cattle buyout there was an awareness when it was first brought before the conference committee—not too many of us on the floor of the Senate at this time were a part of that—it could have an adverse impact on the beef industry. Because of that, an amendment to purchase 400 million pounds of beef and dispose of it through additions to the school lunch programs, overseas sales, and the rest was arranged.

There was a relatively market-neutral impact for the 3 or 4 months after that bill was passed and signed by the President.

Suddenly, when the bids came in to retire some 12,300,000,000 pounds of milk, the markets hit the skids and beef producers who were here, Mr. President, selling their cattle below the cost of production found $4.50 to $5 a pound per hundredweight taken off the price that was already depressed.

I do not know whether it was some emaciation in the Board of Trade, or whether it was some supersensitivity, or whatever. But, Mr. President, the reason I am joining with my colleague from Nebraska today, and the other individuals who are cosponsoring this sense-of-the-Senate resolution, just as nervousness and concern, and perhaps wrongheaded concepts have produced this sudden drop, is perhaps the sense-of-the-Senate resolution pointing out to the trade in general, and to the Nation as a whole that we are determined that this was not the intent of that bill, and we are determined to do what we can to make sure that a relatively stable price is returned to the beef industry which might send a strong message to the trading pits, to the auction sales, and the rest that we have to turn this around.

I have had the assurance, Mr. President, of the Secretary of Agriculture just this week when I returned from 10 days out in my State talking to concerned livestock producers that they would find ways as quickly as possible to make sure this impact was not indeed and in fact the impact we have seen registered, and hopefully that prices will begin to move back. It already has, but hopefully it can be back to where it ought to be, and perhaps even a little bit higher to get closer to the cost of production.

But I am happy to join my colleague, Mr. President, and my other colleagues in what we are doing today to give a strong push to the proper direction in livestock pricing. I want to salute the Senator from Nebraska for

his leadership in bringing this to the floor.

Mr. BOSCHWITZ and Mr. BRADLEY addressed the Chair.

The PRESIDING OFFICER. The Senator from New Jersey.

Mr. BRADLEY. Thank you very much, Mr. President.

I rise to speak in opposition to the resolution offered by Senators Symms, Boschwitz, Helms, Nickles, and Mattingly.

Mr. President, I know there are many Members of the U.S. Senate that do not support tax reform. I know there are many Members of the U.S. Senate who like the tax system the way it is.

Mr. President, I do not intend to get into a long explanation of the way the tax system is today except to point out that the tax expenditures in 1967 were worth $37 billion. Today they are worth over $400 billion.

We lose as much money through tax expenditures as we collect through the corporate and individual income tax combined.

What tax reform is attempting to do is to reduce the tax rates on middle- and low-income people, indeed for everyone, and to make the tax system fairer so that families that are out there can provide greater security for their families, so that as a result of the lower tax rates they will be able to keep more of the money they earn.

Mr. President, I know that there are Members of this body who do not agree with that direction for tax policy. As I said, I know there are Members of this body who like the present tax system. But the resolution offered by the Senator from Minnesota I do not think would be successful. It is another one of the attempts to delay and ultimately to kill tax reform efforts.

Mr. President, I know that there is a strong argument from my perspective for moving with tax reform first, before we do budget deficit reduction. If the Republican Budget Committee's deficit reduction package is adopted, that means we will have to raise revenues.

Mr. President, if we raise revenues under the current income tax system, who will be paying those taxes? It will be those same middle-income taxpayers who are paying rates that are too high today. It will be those same individual American taxpayers who cannot utilize the loopholes to avoid paying taxes.

So, Mr. President, a strong argument can be made to do tax reform first. Eliminate the loopholes, drop the rates, and then decide, if you have to raise revenue, to do it in a fair manner in which everyone would be affected, not just middle-income people being forced to pay higher taxes to close the budget deficit.

Mr. President, that is not the argument today, though. The argument is not, "Let us do tax reform first and then get to the budget."

In fact, we are doing what we do always, and that is to do several things simultaneously: to do tax reform, and indeed at this very minute the Senate Finance Committee is marking up the tax reform bill, and we are also working on the budget bill. It has been passed out of the Budget Committee.

The Senator's resolution says that it is the sense of the Senate that tax reform should not be considered or even debated by the U.S. Senate until a definite budget agreement has been reached between the President of the United States and the Congress.

Mr. President, I understand what this is. This is a part of the negotiations now going on between the Republican majority in the Senate, that wants a tax increase, and the White House, which does not want a tax increase. That is what this resolution is all about. This resolution is an attempt by the Senators who have offered it to say, "Mr. President, you have to agree to a tax increase."

Let me say to Senators I appreciate their support. It is similar to the one that the distinguished Senator from Minnesota made not so long ago when he got almost 50 Senators in the U.S. Senate to say, "Let us do the budget first and tax reform second."

But, Mr. President, make no mistake. This is a vote in which those who vote for this resolution will be saying, "Look, we would like to kill tax reform. This resolution will not do it because it is a nonbinding resolution. But this resolution is a declaration of intention that we would like to kill tax reform."

So, Mr. President, I strongly oppose the resolution. I recognize it is part of the negotiations with the White House, but I hope the Senate will pause.

When you think of it, Mr. President, there is a Republican President of the United States who is way out on the limb for tax reform, who wants to give middle-income people in this country lower tax rates.

There is a Democratic House that has passed a tax reform bill that cuts rates dramatically. It takes 6 million taxpayers off the rolls at the low-income level, and it does many other important tax reforms.

So we have a Republican President and a Democratic House saying, "We want to cut tax rates for the American people, for the middle income, for the low income, and we are prepared to bite the bullet and eliminate some loopholes in order to do that."

It is surprising to me that a Republican Senate will be saying to its own President, "Mr. President, we want to kill tax reform. We do not want to do it. Let us delay it. Let us delay it, knowing the further it is delayed, the less likely it will be to be accomplished this year. We want to delay it."

The Republican Senate is saying that.

Mr. President, it is surprising to me that that would be the case. It is surprising to me that with this vote many Members will be essentially saying to the President, "Forget tax reform. We are going to try every effort to try to kill it."

My only hope and my only consolation is that this resolution is totally nonbinding.

I yield the floor.

The PRESIDING OFFICER. The Senator from Minnesota.

Mr. BOSCHWITZ. Mr. President, it is surprising for me to hear my friend from New Jersey say that Senator Symms, who offered this resolution, is indeed for higher taxes, that he is indeed wanting to increase taxes. Certainly, there is no Senator who has spoken out more often exactly in opposition to that view.

This is not an effort to scuttle tax reform.

I do support the idea of lower tax rates. I always have. I have spoken on the floor about it. I have written about it. I think it has many, many beneficial aspects for economy.

We do not like the present tax system.

Perhaps the Senator from New Jersey was not here when I responded to the Senator from Ohio that it is not that at all. It is not a matter of seeking to prevent tax expenditures, it is not for disallowing continuance. That is not the purpose. I might say to my friend that if indeed tax expenditures were $37 billion in 1967, and now it is $400 billion, 10 times as large, that the budget is now about 10 times higher now than in 1967, as I recall the first time we reached $100 billion being shortly before that.

So this is not an effort to kill tax reform. This is an effort to put our priorities in order. This is an effort to meet the April 15 deadline, the first deadline of the Gramm-Rudman bill; that we push the budget resolution and push all those involved to do so.

Let me say a word about the amendment of the Senator from Montana to the amendment that Senator Symms and I have offered.

I support it. I have asked the Senator if I may be added as a cosponsor to the amendment.

It came, I might say, as a surprise to me that the Agriculture Department would act in such manner as to bring about lower feed prices, lower meat prices. It was not the intention of the Senate to pass legislation to help one element of agriculture at the expense of another. As a matter of fact, we just passed the dairy portion of the farm bill to prevent this kind of an occur-

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rence. Now it is with great disappointment that we see the action of the Department of Agriculture take place that would effectively negate some of our best efforts.

I say to my friend from New Jersey that indeed I have a plan for tax reform that brings about lower rates, that reduces some of the tax expenditures or tax preferences, as they are often called. I do not want to delay until tax reform. I want to speed up the business of balancing the budget, which I think is the first order of business for this body.

Mr. SYMMS. Mr. President, I want to join with some of the things that my colleague from Minnesota just said and then make a comment or two about some of the things my friend from New Jersey said.

Mr. BOSCHWITZ. Mr. President, I ask unanimous consent that my name be added as a cosponsor of Senator Baucus' amendment.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. SYMMS. I ask unanimous consent that my name be added also, Mr. President.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. SYMMS. Mr. President, I want to correct the misunderstanding—in my view—that the Senator from New Jersey has about the intentions of this Senator with respect to this amendment which Senator Boschwitz and I have tendered here for our colleagues' consideration.

First, as one Member of the Republican part of the Senate, I am not in favor of any tax increases. That is not the intent of this amendment.

Second, true tax reform I would favor. However, I would say that when the President gave his first address on tax reform, he did capture the imagination of the American people with respect to fairness, reducing the rates, equity, and simplicity in the Tax Code. However, the tax reform process, as it has worked inside the beltway in Washington, has been preempted by the bureaucrats in the bowels of the Treasury, I would say, Mr. President. What we are dealing with in the Senate Finance Committee, what passed the House, could hardly be called tax reform. And certainly, it is no progrowth, procompetition, profree enterprise, procapitalist type reform that is going to create jobs, enhance the standard of living and make for a more productive society. My idea of tax reform is to have all income taxed closest to the source, give 100 percent expensing for capital investment and do away with all deductions in the Tax Code and get the rates down to 20 percent.

We have gotten so far away from that, I say to any of my colleagues who are in the Chamber or listening on the speaker boxes, I invite them to come and examine the material we are discussing in the Finance Committee. It is going to make our Tax Code, if this kind of bill passes or the one that passed in the House, much more complicated. It would be pure fraudulence to call it simplicity, Mr. President. Congress does not have to go by truth-in-labeling laws that we pass for the rest of the country. Anytime you get a bill on taxes you can call it tax reform, you can call it simplicity or anything you want.

The fact is it is a transfer within the internal house of the Tax Code to transfer taxes from one group of taxpayers to another group of taxpayers and cause all kinds of unmitigated chaos in the private sector that is going on right today because of business decisions that are not being made, decisions to invest in work and so forth that are not being made.

I think we should get our priorities in order here, in the Nation's Capital, and straighten out the Federal budget as every household in America has to do, as every business has to do. Leave things alone, get some predictability, then straighten out the Tax Code in an area where we do not have a big deficit staring us in the face.

If tax reform moves under the budget deficit we are facing, that is what I am against.

I compliment my colleague from Montana for his amendment. I share what he said. This situation has caused absolutely unnecessary pain and suffering to the cattle industry in this country. There has never been anything in farm programs for the cowboys of America. They are the one group that never asked for any Government help or any Government support and they always end up on the short end of the stick. The people who get the subsidies either get higher prices of grain forced on the cattlemen, or the dairy people get higher dairy prices, then they get their cattle pushed off on America.

I think the Senator from Montana is right on target. We in Congress have to do everything to expedite turning around the bad economy in the cattle market today because much of this is a perception that there is a big oversupply. It is probably not as bad as it appears, but if you are the person out there selling the cattle, it is an unmitigated disaster. I hope both of these amendments will be accepted readily by our colleagues.

I yield the floor.

Mr. BRADLEY. Mr. President, I should like to respond briefly to the distinguished Senator from Idaho and the Senator from Minnesota.

The distinguished Senator from Idaho said that he wanted to set the record straight that he is not for a tax increase; he is an opponent of a tax increase. I take that.

The Senator is also a self-avowed opponent of tax reform, tax reform in particular as we have defined it through the deliberations in the House and now in the Senate Finance Committee. He has confirmed that by his comments on the floor today.

Senator Boschwitz has, indeed, written a letter saying, let us do the budget first, then get to tax reform. We all know that, as we delay longer in the year, it becomes less and less probable that we shall be able to give middle-income people lower tax rates because by the time the tax reform bill comes to the floor of the Senate, it can be delayed almost indefinitely.

So I think it would be wrong to ignore the fact that this vote is a declaration of intention by those who vote for the Boschwitz-Symms resolution. They are saying, "We will try at every opportunity to kill tax reform." This is one of the small tactics in a much larger battle.

Mr. SYMMS. Would the Senator yield on that?

Mr. BRADLEY. I yield the floor, Mr. President. I have made my statement.

Mr. SYMMS. I thank the Senator.

Mr. President, let me just respond to my colleague from New Jersey by saying that any time the Members of the Senate are ready to move forward with tax reform that would get the tax rates below 20 percent or at least to 20 percent—in that range—for working middle-income people and give up all the tax preferences in the Code, this Senator has already cosponsored the legislation with the distinguished Senator from Arizona [Mr. DeConcini] that would do that.

We have tax reform, the true, simple, flat tax, pending before the Senate. However, when we start talking of tax reform, it always gets clouded and we end up just wanting to shift the burden of taxation from one group of taxpayers to another and call it revenue-neutral.

I say if you are the taxpayer who gets his or her taxes raised, it is not very revenue-neutral. That is the problem we have with this process where we are trying very valiantly to get the budget balanced.

I compliment my colleagues on both sides of the aisle who have worked so hard to bring about a budget process that will bring about a balanced budget. We should accomplish that first. Once we have accomplished that, then we shall be in an arena where tax reform could take place. But to have true tax reform, we must have spending control and reform, I think, first in order to be able to go into a tax reform proposition without killing the patient in order to fix the hospital room, so to speak.

I think that is the problem this Senator sees with the whole process and I

hope we can move to a vote right away.

Mr. BAUCUS. Mr. President, I ask unanimous consent that the Senator from South Dakota [Mr. Pressler] be added as a cosponsor to the amendment.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. BAUCUS. Mr President, I also ask unanimous consent that the bill be left at the desk so further Senators may be added as cosponsors.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. BAUCUS. Mr. President, I also ask unanimous consent that the amendment be modified according to the modification at the desk.

The PRESIDING OFFICER. The Senator will send the modification to the desk.

The amendment (No. 1765) was so modified.

The amendment, as modified, is as follows:

At the end of the amendment, add the following:

The Food Security Act of 1985 established a milk production termination program intended to reduce the current oversupply of milk products, and

The Food Security Act of 1985 also provided that the Secretary of Agriculture should make purchases of specified amounts of red meat in order to offset the effects of the milk production termination program on the red meat market, and

The implementation of the milk production termination program has resulted in substantial declines in both current prices of red meat and futures prices for red meat, and

Both cattle and dairy farmers would benefit from more stable red meat prices, and

Immediate action is necessary to counteract the adverse effects of the dairy diversion program; Now, therefore,

It is the sense of the Senate that the Secretary of Agriculture should immediately take the following steps to address the current instability in the red meat market:

(1) The Department should increase the present purchase of red meat and defense distributions during the first bid period, which has been announced by the Department to be from April 1, 1986 to August 31, 1986. The purchases should proportionately reflect the presently scheduled 633,178 cows; 216,970 heifers; and 165,900 calves, which are to be slaughtered during each disposal period in the program. The red meat purchases should reflect the number of cattle that are slaughtered during each disposal period in the program.

Specifically, the Department should immediately begin purchasing more of the 200 million pounds of red meat that are to be purchased during the milk production termination program during the first disposal period. This purchase amount is in contrast to the 130 million pounds that the Department is presently scheduled to purchase during the first disposal period. Further, the Senate expresses it concern that the Department has not scheduled the present purchase of 130 million pounds until April 14, 1986 for canned meat and April 21 for frozen ground beef. These purchases do not correspond to the April 1 starting date of the first disposal period.

The Department should accomplish this purchase goal by expediting school lunch purchases and domestic feeding program purchases to begin in April rather than the traditional month of July. Toward the same end, the Department should act immediately on the provision of the law that requires that the meat be channeled through the Department of Defense.

(2) The Department should move approximately 200,000 dairy cows and corresponding heifers and calves, which are presently scheduled during the first disposal period, to later periods by moving those producers who submitted multiple bids at the same price. The move should be conducted on a voluntary basis. Any changes in the disposal period should be consistent with the existing contracts with dairy producers who are participating in the program.

(3) The Department immediately should take additional steps as necessary to alleviate the concerns in the red meat industry regarding the adverse impact on total red meat supplies due to the additional dairy cattle that are being slaughtered. The Department should implement a plan to encourage proportional spacing of dairy cattle slaughter within each disposal period for producers in the program. This could include monthly and weekly targets for dairy cattle slaughter during the disposal periods to minimize jamming of slaughter house facilities occurring in some parts of the country.

(4) The Department also should take further steps that would offset any further damage to the red meat industry. Producers should be assured that the Federal Government will purchase a pound of red meat to offset every pound of red meat which enters the market as a result of the milk production termination program, and that the Department is taking other steps to provide for the orderly marketing of dairy cattle slaughtered under the program.

Sec.— (a) the Senate also finds and declares that:

(1) the Food Security Act of 1985 established the Dairy Termination Program intended to reduce the current oversupply of dairy products, and

(2) the Food Security Act of 1985 directs the Secretary of Agriculture to minimize the adverse price effect of the Dairy Termination Program on red meat producers through the use of timely and judicious administrative actions, and

(3) the implementation of the Dairy Termination Program has resulted in substantial declines in both the current and future prices for meat, and

(4) immediate corrective action by the Secretary of Agriculture, utilizing the broad discretionary authority available to the Secretary under the Food Security Act of 1985, is necessary to abate the precipitous decline in meat prices:

(b) it is therefore the sense of the Senate that the Secretary of Agriculture should immediately significantly modify the Department of Agriculture's policies relating to the Dairy Termination Program, report to the Congress not later than April 15, 1986, what corrective actions have been taken, and what legislative changes, if any, are necessary to further modify this program to abate the decline in meat prices in a reasonable and judicious manner.

Mr. BAUCUS. Mr. President, I ask for the yeas and nays on the Baucus resolution.

The PRESIDING OFFICER. Is there a sufficient second? There is a sufficient second.

The yeas and nays were ordered.

Mr. BAUCUS. Mr. President, just one final point. The Senator from Idaho made a good point. If there is any industry in America that has nobly not asked for a handout, it is the beef cattle industry. Lots of organizations, lots of industries come to the U.S. Congress and ask for some privilege, some favor, some accommodation, some qualification—whether it is in the tax law or other laws—to help themselves out. The beef cattle industry is the one industry that does not ask for a handout. They are to be very, very much congratulated for that. In fact, they are a model. It is too bad that more Americans do not follow the model of the beef cattle industry and not ask so much for Government help.

The beef cattle industry, ironically, Mr. President, is the one industry that listened to Jack Kennedy's admonition to ask not what your country can do for you, but ask what you can do for your country.

It is the one industry that generally does not ask the Government to do something for it. They take care of themselves. They do not bother people. They do not want to be bothered by people. It is a very noble way of life. It is a very noble way to conduct one's self.

Mr. President, one final point. It is clear, no one denies that the USDA did not follow the law with respect to the dairy buy-out program. They did not follow the orderly marketing procedures as prescribed in the farm bill. For whatever reason I do not know, but the fact is they did not do that. This resolution directs them to do that. It outlines various procedures that were in the farm bill to force the USDA to have a more orderly marketing procedure so we can restore more confidence in the beef cattle industry. I ask Senators to roundly and soundly support the resolution so that USDA is forced to straighten itself out.

Mr. President, I yield the floor.

Mr. HARKIN addressed the Chair.

The PRESIDING OFFICER. The Senator from Iowa.

Mr. HARKIN. Mr. President, I rise in support of the amendment to the underlying amendment offered by the Senator from Montana (Mr. Baucus). I compliment the distinguished Senator from Montana and also the distinguished Senator from Nebraska for their work on this and for bringing this to the attention of the Senate at this time.

Mr. President, I thought I had seen, up until this time, the grossest mismanagement of agriculture in the history of our country under the previous Secretary of Agriculture. Well, he is

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now gone and we have a new Secretary of Agriculture, and evidently there must be a contest going on downtown, down at the Department of Agriculture, to see which Secretary of Agriculture can mess up the farm program the worst. If the present Secretary, Secretary Lyng, for whom I have a great deal of personal respect—I have known him for a long period of time—continues in the same vein with the buyout of the dairy herds, he is going to put the previous Secretary to shame in terms of mismanagement.

To date the implementation by the Department of Agriculture of this whole herd buyout program has been a textbook example of how not to manage or how not to implement a program and how not to follow the law, how not to take into account what the clear intent of the Congress was in passing the law.

Mr. President, I want to make it clear at the outset that this Senator was not a supporter of the whole herd buyout program. That scheme originated in the other body. But it was left in conference and eventually was signed into law by the President. I still think it is a cockamamy scheme and not one that is going to be conducive either to keeping our dairy farmers in business in the upper Midwest or is it going to be conducive to keeping our beef producers in business.

Now, it is odd, Mr. President, that we had a working dairy program which was started in 1983 called the Dairy Diversion Program, on which the distinguished Senator from Minnesota [Mr. BOSCHWITZ] and I worked when I was a Member of the other body. It was a 15-month program. At the end of the 15-month period of time it was obvious that the Dairy Diversion Program was working. We cut down the amount of milk being purchased by the Government. We saved the taxpayers $1 billion. We were reducing over a longer period of time the number of dairy cows that were producing milk. Everything was working. It did not cause a tremendous disruption in the red meat market. It kept our dairy farmers in business in the upper Midwest. So here was a program that by every yardstick of measurement was working and succeeding, the Dairy Diversion Program. And yet when the 15-month period was up, rather than getting it renewed for another 15-month period of time—I think had we had the Dairy Diversion Program for about 30 months we would have been out of this problem regarding dairy surpluses—the administration let it die on the vine and so we do not have the Dairy Diversion Program. Now what we have is the so-called whole herd buyout, which is causing massive disruption in the red meat market.

Mr. President, the administration took a program that was working and rather than extending it, let it die and now we have this whole herd buyout scheme.

The Congress did put into the bill some measures to protect our cattle producers from being inundated by all these cows coming on the market. There were definite guidelines put into the bill for the Secretary to follow to minimize the impact on our cattlemen, our cow-calf producers, and also our cattle feeders. But this Secretary and this Department have not followed the guidelines of the law.

Mr. President, on March 28 the USDA announced that three-fourths of the 1.6 million head of dairy cattle targeted for slaughter could be slaughtered in 1986, completely ignoring the farm bill intent to have an orderly marketing plan so as to minimize the market impact.

Now, the farm bill mandated that the Secretary of Agriculture limit the number of dairy cattle coming to market to no more than 7 percent of the national dairy herd. Well, the Secretary followed the requirement but then he rigged the game in such a way as to allow most of them to come to the market before the end of the year, and the reaction has been what we have heard from the Senator from Montana and the Senator from Nebraska and I think other Senators who have spoken. The reaction of the cattle market was immediate and dramatic with cattle dropping on the cash and futures market anywhere from $2 to $6 per hundredweight.

So again let me repeat what happened. The bill mandates that no more than 7 percent can come on the market during this period of time. Well, what the Secretary did was he frontloaded it. He put the 7 percent up to now, during this first buyout period, when it should have been spread out over a longer period of time.

Now, I wonder why the Secretary would permit this kind of thing to happen. Well, it is clear to this Senator that the budget considerations outweighed the congressional mandate to have an orderly marketing program. Someone at USDA or at OMB realized that by frontloading the slaughter of these dairy cows, that is, the sooner these cows were sent to market, the quicker milk production would drop, it would save the Government a few bucks. No one at USDA or at OMB seemed to care that this kind of action would cause market chaos and result in the bankruptcy of thousands of cattle feeders. And so what we have to do is get the Secretary to develop a fair marketing plan which will bring these cows to market in an orderly fashion. That, I understand, is what the amendment offered by the distinguished Senator from Montana, as modified by the Senator from Nebraska, does. What it does is it expedites the purchase of 400 million pounds of red meat that are mandated under the program.

Again, Mr. President, I point out that the Secretary is, as he says, moving ahead to purchase this 400 million pounds of red meat but the fact remains the farm bill was signed in December. They could have anticipated the slaughter of these dairy cows and they could have gone into the market at that time, January, February, and March, and begun buying up the red meat that they needed for this 400 million pounds, but they did not do it. But now he says they are going to do it. Well, I am glad they are going to do it because the law specifies they have to do it. But they could have started doing it in January. That is what I mean by mismanagement. They could have started buying this meat in January, February, and March, and we would not have this problem now, but they did not. Again, I have to ask why.

Two hundred million pounds of this red meat was to be used for export. I would anticipate that USDA would probably say that if they bought all this meat and put it on the world market, it would disrupt the world market, countries like New Zealand and Australia. It seems to me that USDA has shown more concern for producers in other countries than for our own. I hope they would move ahead expeditiously to purchase this 400 million pounds of red meat. They could have done that in January, February, and March, and did not do it.

The second thing the resolution says is that the Secretary can move these animals scheduled for the first 6-month period to later periods by voluntarily moving those producers who submitted the same bid for all three bidding periods. In other words, if you had a person who bid in his dairy herd at the same price for all three periods, rather than taking that herd now, they could take it in the second or third 6 months. That would lessen the impact on the red meat market right now. They could develop a plan to proportionately space the slaughter of cattle within each 6-month period, rather than all in the first or second month.

Mr. President, there is no doubt that this is having an effect on the red-meat market. Let me read a UPI wire story that has just come across the wires, at 12:53 today, April 10.

It says:

> Beef producers told Agriculture Secretary Richard Lyng Thursday that his steps to counteract a plunge in cattle prices accompanying mass slaughter of surplus dairy cows fall far short of what is needed.
>
> "It's about 25 percent of what we were requesting in the orderly marketing," Don Butler, president of the National Cattlemens Association, told Lyng, who met with a large group of cattle producers.

Mr. President, listen to what Secretary Lyng said:

> Lyng replied that he was pleased to hear his limited actions has satisfied 25 percent of beef producers concerns.

Satisfied that he took care of 25 percent of their concerns.

> "It's not intended to be the total answer to what you requested," Lyng said. "Weve got a lot of things were working on."

Again, that is really thumbing your nose at a very big problem confronting our cattle producers, who, as others have said, have never been in the forefront of those asking for Federal assistance. Yet, all they are asking is for the Secretary to abide by the law—both the letter of the law and the spirit of the law. I suppose that the Secretary, with his attorneys down there, could say they are abiding by the letter of the law, but certainly not by the spirit.

I will quote from the Food Security Act of 1985, the pertinent paragraph, which says:

> In setting the terms and conditions of any milk diversion or milk production termination under this paragraph and of each contract made under this subsection—

That is for the whole herd buyout—

> the Secretary shall—

It does not say "should"—

> take into account any adverse effect of such program or contracts on beef, pork, and poultry producers in the United States, and shall take all feasible steps to minimize such effect.

The law is clear. It says that he shall take into account adverse effects on the red meat market. It says he shall take all feasible steps to minimize such effect. It does not say he shall take 25 percent of the steps or 50 percent. It says he shall take all feasible steps to minimize such effect on the cattle markets.

So I submit that not only is the Secretary not following the spirit of the law, he also is not following the letter of the law in this case.

Mr. President, I know that many Senators who may be listening on their squawk boxes may say, "What is this all about?" What it is really about more than anything else is the mismanagement by the Department of Agriculture which is unnecessarily costing cattle producers millions of dollars in lost profits. It is a mismanagement that is causing thousands of cattlemen to literally go out of business. It is happening in my State of Iowa, and I am sure it is happening in other States, too.

Cattlemen have not been making a lot of money. They have been on the brink. They are ready to go to market with their cattle and are suddenly having the market pulled out from beneath them.

I do not want to suggest that there is any malevolent mind-set on the part of the Secretary. But I do believe there is an attitude at the Department of Agriculture that says the fewer farmers we have, the better off we are going to be. I think that was evident in the farm bill we passed. I think it is evident in the dairy program that was signed into law, and I think it is evident here.

I really believe that there are those at the Department of Agriculture and OMB who believe that by taking these actions, you are going to drive some cattlemen out of business, and the fewer of them, the better off we will be.

So it is mismanagement, but I do not think it is mismanagement with a blind eye. I think it is mismanagement knowing full well what the end result of this mismanagement is going to be. What it is going to be is a lot of hardship on our cattle producers and a lot of cattle producers probably being forced out of business and fewer cattleman in business in this country.

So I hope we will have a resounding vote in favor of the amendment by the distinguished Senator from Montana to the underlying amendment on this airport bill.

This is probably not a wise place to bring it up, on an airport bill. The fact is that there is more need right now to address this problem than the airport problem—right now. We have to address this problem that is confronting our cattle people. So, lacking any other vehicle, we had to go this route, which the distinguished Senator from Montana has done.

I hope the Secretary of Agriculture would reexamine what he is doing in this program, would follow the letter of the law, and would not be content to say that he is satisfied that his limited actions will take care of 25 percent of the concerns. I hope the Secretary would not be satisfied until he implemented the program in such a way as to minimize the effect on the cattle market in this country, according to the letter of the law.

I yield the floor.

Mr. GORE. Mr. President, as a cosponsor of the pending amendment, I rise to urge my colleagues on both sides of the aisle to support it in overwhelming numbers.

I communicated with the Secretary of Agriculture at the beginning of this week. I joined with others on joint letters that went to the Secretary of Agriculture on Wednesday. I cosponsored legislative remedies proposed by some of my colleagues, and I have cosponsored this amendment.

During the last several days at open meetings in the State of Tennessee I heard from a great many cattle farmers who are justifiably outraged over the lack of action on the part of the Secretary of Agriculture.

The past week saw the largest drop in red meat prices of any week in modern history. Why? Simply because the number of cattle to be slaughtered as a result of the dairy program was in the news and the actions that were supposed to be taken by the Secretary of Agriculture to mitigate the impact of that slaughter on red meat prices were not in the news, because the Secretary of Agriculture has apparently failed to formulate the plan that he was required by law to put into effect when the whole dairy herd buyout program was implemented.

This problem was clearly anticipated by Congress when the whole herd buyout program was put into law. It was for that reason that the Secretary of Agriculture was instructed, not allowed, but instructed, in the law to implement these mitigating purchases.

The Secretary of Agriculture has failed to do so and as a result cattle farmers are being hurt very badly. It is interesting to note that dairy farmers are also being hurt badly because the prices they expected to receive when they made the decision to participate in the whole herd buyout program they are not in fact receiving.

The decisions which they made at that time were made in good faith, based upon an understanding of the law that passed this Senate and passed in the other body and was signed by the President. But due to a failure on the part of the Secretary of Agriculture the prices have fallen dramatically.

Mr. President, my colleagues have elaborated on the reasons why this amendment should pass. I wish to congratulate its principal sponsor, the Senator from Montana.

I urge my colleagues to support it overwhelmingly because it is a sad fact that the Department of Agriculture has failed in its duty to implement the law. As a result, we have no recourse but to take this action and if this action proves to be insufficient when we will have to take other action immediately afterwards.

I hope that this amendment passes. I support it strongly and I urge my colleagues to do so once more.

I yield the floor.

Mr. McCLURE. Mr. President, I ask unanimous consent that I may be listed as an original cosponsor of the pending amendment.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. SIMPSON. Mr. President, I wish to join others of my colleagues to express my fullest and strongest concern over the effect that USDA's Dairy Termination Program announcement has had on cash beef cattle prices. This ill-advised termination program has been divided into three disposal periods—and yet nearly two-thirds of the total number of cattle to be slaughtered under the program will be disposed of prior to August 31, 1986. It is absurd. That hardly seems to me to fulfill the "orderly marketing" re-

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quirement in the 1985 Food Security Act.

In visiting with some of my fine Wyoming constituents over the past few days, I am simply appalled by the havoc this program announcement is having on Western cattle ranchers. Introducing 1,015,046 head of dairy cattle into an already weak market has cut the value of the beef cattle inventory in the Nation by $5 billion. Beef cattle inventories are at their lowest level since 1962. You see, these cattle ranchers—so very different from many in agriculture—do not have their hands out pawing at the Federal till seeking agriculture price supports. Instead, the beef cattle industry exercises market discipline. After years of drought and low prices, however, this release of more than 1½ million additional cattle on the market could very well be the final death knell for many of those fine, independent Western ranchers—and ironically at the hands of a heavily subsidized industry no less.

The dairy program may have worked fairly well since the CCC Purchase Program came into being in 1949. Consumers have received a steady supply of fresh milk and dairy products at stable prices. Dairy farmers have obtained a fair price for their product. Taxpayers have paid relatively little in program costs.

However, in recent years, the program has not worked well. It is sick. Dairy farmers, consumers, and taxpayers have all suffered. Congress has tried to fix the program on eight different occasions in the past 5 years, and the program is still all out of whack. Some of our cures have been worse than the disease. For example, from January 1984 through March 1985 we tried a diversion program that paid farmers not to produce milk. This program was destined to fail because it addressed the symptom—overproduction—not the root problem—price supports set too high. This nonsolution taxed all dairymen 50 cents per 100 pounds of production in order to pay a small percentage of dairy farmers not to produce as much. It failed to make any permanent reduction in production levels; it caused regional milk shortages and it gave dairy farmers and the whole dairy program a "bad name" and an awful lot of bad publicity. And now we've ignored recent history and implemented another nonsolution, but this time we're hurting more than just the dairy industry. We're hurting this Nation's No. 1, nonsubsidized agricultural commodity—beef.

We should also keep in mind that the dairy sector is healthier than most other major sectors of agriculture. The severe economic distress in the farm economy is largely concentrated in the grains, cotton, and livestock sectors. The plain and simple fact is that most dairy farmers are doing much better than other farmers.

Congress has a sad, sad history of providing agriculture with short-term benefits that turn into long-term liabilities. For example, in 1977 we increased the minimum dairy support level from 75 to 80 percent of parity and provided for semiannual adjustments. Up until then, milk production had been in relative balance with demand, and program costs were running only a few hundred million a year. Increasing the support level seemed to many to be a reasonable way of boosting income for the small- and medium-scale dairy farmers who we felt we were trying to help.

However, the generous support levels, which increased 46 percent from 1977 to 1981, combined with lucrative tax benefits, attracted a lot of new investment into the business. Much of this new investment came from those outside of agriculture. Huge, state-of-the-art dairy operations came into existence, providing unwanted competition for traditional dairymen. Much of our surplus problem today can be traced right to the legislated increases in the price support formula in the late 1970's.

Having just completed a congressional debate on the "nonprogram crops" provision of the Food Security Act, I am ever more increasingly concerned that Federal agriculture policies which create negative effects on free market. Commodities may force our nonsubsidized agriculture friends—and that is two-thirds of American agriculture—to say, "We, too, want some of that action—we've been quiet long enough." And that surely would "bust" the Federal Treasury, for you see, my friends, 90 percent of the $20 billion we'll spend on agriculture this year only reaches some 31 percent of the total agriculture production in this Nation. Goofy isn't it?

The most effective thing this Congress and the administration can do to help hard-pressed farmers and ranchers is to get Federal spending under control. The deficit is the immediate cause of high interest rates and the strong dollar, and those two factors—high interest rates and the overvalued dollar—have done more to depress the farm economy than anything else possible. This is because agriculture's unique production and marketing cycle makes it more dependent on credit than any other sector of the economy. Moreover, agriculture is an export-dependent industry, and the strong dollar has depressed export sales.

Farmers and ranchers have as big a stake in fiscal sanity and responsibility as any other group in our society. They want to get interest rates down and the dollar down. Farmers and ranchers really don't want runaway deficits or a budget-busting farm bill. They only want a bill that will help to restore profitability to farms and ranches by expanding markets, phasing down huge Government surpluses, and bringing supply into balance with demand. Maybe we'll get there yet.

The PRESIDING OFFICER. If there be no further debate, the question is on agreeing to the amendment of the Senator from Montana as modified. On this question, the yeas and nays have been ordered, and the clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. SIMPSON. I announce that the Senator from Florida [Mrs. HAWKINS] and the Senator from Vermont [Mr. STAFFORD] are necessarily absent.

I further announce that, if present and voting, the Senator from Florida [Mrs. HAWKINS] would vote "yea."

The PRESIDING OFFICER. Are there any other Senators in the Chamber who desire to vote?

The result was announced—yeas 86, nays 12, as follows:

[Rollcall Vote No. 59 Leg.]

YEAS—86

Abdnor
Andrews
Armstrong
Baucus
Bentsen
Biden
Bingaman
Boren
Boschwitz
Bumpers
Burdick
Byrd
Chafee
Chiles
Cochran
Cohen
Cranston
Danforth
DeConcini
Denton
Dixon
Dole
Domenici
Durenberger
Eagleton
East
Evans
Exon
Ford
Garn
Glenn
Gore
Gorton
Gramm
Grassley
Harkin
Hart
Hatch
Hatfield
Hecht
Heflin
Heinz
Helms
Hollings
Inouye
Johnston
Kassebaum
Kasten
Kennedy
Kerry
Laxalt
Leahy
Levin
Long
Lugar
Mathias
Mattingly
McClure
McConnell
Melcher
Metzenbaum
Mitchell
Murkowski
Nickles
Nunn
Packwood
Pressler
Pryor
Quayle
Riegle
Rockefeller
Roth
Sarbanes
Sasser
Simon
Simpson
Specter
Stennis
Stevens
Symms
Thurmond
Trible
Wallop
Warner
Wilson
Zorinsky

NAYS—12

Bradley
D'Amato
Dodd
Goldwater
Humphrey
Lautenberg
Matsunaga
Moynihan
Pell
Proxmire
Rudman
Weicker

NOT VOTING—2

Hawkins
Stafford

So the amendment (No. 1765), as modified, was agreed to.

Mr. DOLE. Mr. President, I move to reconsider the vote by which the amendment was agreed to.

Mr. SYMMS. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. BYRD addressed the Chair.

The PRESIDING OFFICER. The Democratic leader.

Mr. BYRD. Mr. President, may we have order in the Senate?

The PRESIDING OFFICER. The Senate will be in order. All conversations will please go to the Cloakroom. The Senate will be in order. Will all conversations please move into the Cloakroom, by staff and others?

The Democratic leader.

Mr. BYRD. Mr. President, I thank the Chair.

I ask the distinguished majority leader about the program for the rest of the day, what we might anticipate by way of rollcalls for the remainder of the day, how late the Senate may be in session today, and then looking forward to tomorrow. What does the distinguished majority leader see by way of rollcall votes and other business as far into and through Friday as he can see at this point?

Mr. DOLE. Mr. President, it is the intention of the leadership to complete action on this bill this evening or late this evening depending on how long it may take. I am not certain how many amendments are remaining. I know both Senators from Maryland have additional amendments. I am not certain about the Senator from South Carolina. I know there will be another amendment to the pending amendment which is not related at all to the subject matter. But that will take some time.

So I guess we will try to complete action on this bill this evening. If we do that, then it would be my hope we could move to the hydro relicensing bill, and also there is a crime bill that I understand is not controversial. But there has been a rollcall vote requested.

I would propose we start early tomorrow morning on those two matters and try to complete action on both matters by early afternoon.

Mr. BYRD. Mr. President, this is Thursday. How late does the distinguished leader plan to keep the Senate in this evening?

Mr. DOLE. I would be happy to complete action by 6 o'clock or so. But I must say that this is sort of the late night, Thursday night. So it could be that we would be in for some time. I am not certain how many amendments are out there. I am willing to reach an agreement with anyone on a time certain to vote on the pending matter. But so far we have not been able to do that.

Mr. BYRD. May we anticipate hearing from the distinguished majority leader by 5 o'clock or 5:30 as to what he then sees as the prospect for getting out today?

Mr. DOLE. It is pretty hard to do otherwise if Members who have amendments do not indicate to the leadership what they intend to do. I am not able to advise the distinguished minority leader. But if I can get some idea of how many amendments there are and how long it will take, I certainly want to cooperate with all Members. I know there is some kind of a function tonight that many of our colleagues on both sides had hoped to attend. I think it is a radio-TV dinner of some kind.

Mr. BYRD. I did not know that. Mr. President, would the distinguished majority leader now, if he is in a position to do so, indicate when the Senate will begin work on the budget resolution? It was reported, I believe, 2 weeks ago from the committee.

Mr. DOLE. I think it has actually been available for consideration for probably 3 or 4 days. I am not yet ready to make that judgment. We had two meetings yesterday. We will likely have more. It may be that the judgment will be made to go ahead and call it up and continue to negotiate while doing that. I must say, as far as I know there will be an amendment to be offered by my friend from Ohio [Mr. METZENBAUM] to build a little fire under the leader, but that is OK. He will bring it up in due time.

Mr. BYRD. Mr. President, I am very desirous that, with the 50-hour time limit on the budget, the Senate begin action on it as soon as possible. We are already going to pass the April 15 deadline, which, under the Gramm-Rudman legislation, would require that the Senate has acted, the House has acted and the conference has acted. We are going to miss that deadline, but the deadline down the road on October 1 is the one I am really concerned about. I suppose we will be up against that one by August or September, and the longer we wait now the longer we will be in finalizing action on the budget.

In the event the distinguished Senator would decide to bring this budget up by Monday, that would give ample time to debate the budget and open it up to the sunlight of public scrutiny. If there are areas in it that need fixing, I would like to help fix them.

I know the position the distinguished majority leader is in; having to walk a very tight rope, he probably is not getting much help from the White House, although I have no factual information on which to base that. I would hope that we would not continue to wait to see whether or not the White House is going to play a role or what the White House wants to do about it. I would like for the Senate to get started on it.

I am sure I speak for Senators on this side of the aisle.

If there are White House negotiations, of course, they can continue. I would implore the majority leader to go to the budget resolution by Monday, or the first part of next week, if not tomorrow.

Mr. DOLE. Mr. President, I thank the distinguished minority leader.

I sent a letter to the Speaker today suggesting that we might do this in tandem. Nobody ever talks about the House budget, which has not even been reported out of committee. It is still languishing in the committee on the House side. So I suggested in a letter I sent with the Republican leader of the House, Congressman MICHEL, to Speaker O'NEILL that we ought to move ahead, that we ought to bring the budget resolutions up on a schedule where we are both considering the budget, the House and the Senate at the same time, so there is no sort of gamesmanship. I have a sort of inner feeling that the House is waiting for us to go first and they have an inner feeling that they want us to go first. I would like to go together. If I walk off this plank, I would like to have some company.

Mr. BYRD. The distinguished majority leader might have someone to walk with him. If the House is going to wait, that is all the more reason for the Senate to act early.

I thank the distinguished majority leader for his patience.

Mr. DOLE. Mr. President, I ask unanimous consent to have printed in the RECORD this letter delivered to the Speaker this morning, where we indicated we are ready to move ahead. In fact, we share the view of the minority leader, that the sooner we get on to the budget, the better. I guess it is a question of which budget we get on to.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

U.S. SENATE
Washington, DC, April 10, 1986.

Hon. THOMAS P. O'NEILL,
Speaker of the House,
Washington, DC.

DEAR MR. SPEAKER: The deadline for final action on a Congressional Budget Resolution for Fiscal Year 1987 is fast approaching. It is obvious that the Congress will not comply with the Balanced Budget and Emergency Deficit Control Act of 1985, less than a year after its enactment.

While the President, the CBO, OMB, and GAO have all met their obligations under the Act, the Congress has been woefully negligent in our compliance, having only conformed by submitting views and estimates and reporting a budget resolution out of Committee in the Senate.

We now seem to be locked in a political standoff, one body waiting for the other to act, one majority party waiting for the other to blink.

We must not allow the budget and appropriation process to collapse because of a preoccupation by one House with achieving a political advantage over the other. We must move the process forward. We must act sooner rather than later.

We propose the adoption of a mutually agreeable timetable providing for the concurrent consideration of budget resolutions in the House and Senate. We further propose that a timetable be established for complete consideration of a budget through the conference process.

We are ready to meet and discuss such a process at your earliest convenience and given the binding legal deadlines we face, we hope that discussions can begin immediate-

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ly. Your immediate response would be greatly appreciated.

Sincerely,

ROBERT H. MICHEL,
Republican Leader, U.S. House of Representatives.
ROBERT DOLE,
Majority Leader, U.S. Senate.

SEVERAL SENATORS. Vote, vote!

Mr. METZENBAUM addressed the Chair.

The PRESIDING OFFICER. The Senate will be in order.

The Senator from Ohio.

Mr. METZENBAUM. Mr. President, the resolution that we have before us, the sense of the Senate resolution, provides that it is the sense of the Senate that tax reform should not be considered or debated by the U.S. Senate until a firm budget agreement has been reached between the President and the Congress of the United States.

It is pretty obvious that we are having difficulty in moving forward with the budget which was reported out of committee on March 24, 1986. Under the law, we have a deadline of April 15, 1986.

It is my feeling that an overwhelming majority of the Members of this body would very much like to act on the budget. We may have our differing points of view. It came out of the committee with a majority on both sides voting for it. It is not a perfect budget. There are some portions of it that I do not like.

But that is an issue we can take up on the floor of the Senate and the matter would certainly be open for debate.

Mr. President, may we have order in the Senate?

The PRESIDING OFFICER. The Senator is correct. The Senate will be in order. Please take conversations to the Cloakrooms.

The Senator from Ohio.

Mr. METZENBAUM. I think that all of us in this body would like to move and to act. The distinguished majority leader, for whom I have the greatest respect, says that I am trying to build a fire under him in order to move it forward.

That is one way of putting it. Another way is that I am just trying to let him know that many of us in this body would like to act on the budget.

As a matter of fact, I think all of us understand his problem. That is that the man at the White House is indicating his differences with respect to the budget resolution that came out of the committee.

But notwithstanding the position of the President of the United States, that still does not provide any reason why we should not get on about our business. Under the law, we have 50 hours to debate it. We have the same amount of time in which we can offer amendments. Hopefully, the President and Congress can come to some understanding or agreement. Even more hopefully, the House and the Senate can come to some understanding with respect to the budget compromise or budget resolution.

I just feel very strongly that for us to be standing out here talking about an airports bill and then getting into a bill having to do with the number of dairy cows that are slaughtered, and then having hung on to it a sense-of-the-Senate resolution indicating that we should take up the budget resolution before we get to tax reform—I think all of that only makes a more convincing case that it is appropriate that we move forward with a sense-of-the-Senate resolution indicating that Members of this body would like to take up the budget, deal with it now, vote it up, vote it down, amend it, debate it, whatever.

I see my distinguished colleague from Louisiana is seeking the floor. I yield the floor in order that he may gain it in his own right.

The PRESIDING OFFICER. The Senator from Louisiana.

Mr. JOHNSTON. Mr. President, I thank my distinguished colleague from Ohio for bringing to the attention of the Senate what I consider to be a vital issue with respect to Gramm-Rudman. That is the clock—the calendar. If you look at the calendar, and I know the majority leader has and I know the distinguished Senator from New Mexico has, there are precious few days left in this year. The Gramm-Rudman grim reaper is going to be upon us before we know it. There is going to have to be a negotiation at some point with the White House. At some point, it has to occur.

As I read in the newspaper, the White House does not want to talk right now. Maybe they do, maybe they do not. But we cannot afford to wait around, week after week, while the White House decides whether they want to talk or not.

I know the distinguished Senator from New Mexico [Mr. DOMENICI] wants to get on with this. These sentiments, Mr. President, are not said in a partisan way at all. To the contrary, they are said in a spirit of bipartisanship with respect to this budget. The same bipartisan spirit that allowed us to get a resolution out of the Budget Committee with a majority of Republicans and a majority of Democrats is the same kind of bipartisanship we are going to have to have on the floor of the Senate. And I hope we can. But it is going to take a certain period of time for the Senate to work its will whether the White House is on board or not.

I think we ought to get that process started and started soon. If we do not, we may end up on October 8 with the sequestration order coming down and everybody wringing their hands, saying, "How did this happen; why didn't we avoid it while there was still time to avoid it?"

Mr. DOMENICI. Mr. President, may I inquire of the Senator from Ohio if he intends to offer an amendment here shortly?

Mr. METZENBAUM. I shall be happy to respond to my colleague in just a few minutes. We are having some discussion of the matter at the moment.

Mr. DOMENICI. I thank my colleague.

Mr. President, I obviously am going to vote for the Symms sense-of-the-Senate resolution. I think that is exactly what we ought to discuss here. We ought to be talking about whether it is important enough to the United States and its people that we bring up a budget resolution and vote on it before we take up tax reform.

I would like also to say that if there are Senators around who support getting on with the budget resolution, if they think the Senator from New Mexico—because obviously, I am ready; I think we ought to get on with it. If they think I am going to support anything on the floor that directly or indirectly tells the leader what he ought to do and when he ought to do it, I guarantee I shall join with the leader in moving to table it. I do not think it does anything to solve the problem we find ourselves in.

The leader made a good point. We do not have just one House of the U.S. Congress that is supposed to be bound by law. The House of Representatives voted overwhelmingly for Gramm-Rudman-Hollings and they have an April 15 deadline, too. They do not have quite the impediments that flow from it that we do. But that law is quite clear. It does not say the U.S. Senate shall have passed a budget resolution, it says both Houses shall have passed a budget resolution by April 15 or there are some consequences and they are very severe. We cannot pass a budget from that day on without it being adopted.

The House has some impediments, too. They are not even supposed to adjourn in July until they have passed all appropriations bills. How are they going to do that? It seems to me we have to have some agreement if we are going to pass a budget.

This is a two-way street. I do not think it is right for me to stand on the floor, when the leader is trying his best, to leave the impression that I would support anyone from either side of the aisle who is introducing sense-of-the-Senate resolutions, resolutions freestanding or otherwise, that directly or indirectly tell the leader precisely how he ought to run the U.S. Senate. I do not think those of us who want the budget resolution to come up at any

time—and I am one of them. I am ready to do it tomorrow, Monday, Tuesday, whenever it comes up. But I do not think they enhance the chances of that resolution coming to the floor one bit by trying to tell the leader of the Senate how to run the Senate when it comes to matters such as this.

Having said that, the distinguished Senator from Kansas says that I am one of those who think we ought to get it up and get it up quickly. I am also one of those who does not think the issue is going to go away. I am also one of those Senators who does not think we can get 50 Republicans to support any budget resolution; I do not think we can get 40. I do not think we can get 40 Democrats to support one; I do not think we can get 30.

It is a very atypical budget year. I wish we could get something around here that would make it easier, make it easier for some of my colleagues to vote no because they do not want to be part of anything positive. It may be easier for the leader to take this up.

I frankly do not think we ought to do anything more today than vote up or down on the Symms sense-to-the-Senate resolution as modified to cover a matter that is rather urgent to the U.S. Senate on an agricultural issue.

I hope those who are contemplating the thought that we might vote up or down here today on telling our leader, the distinguished Senator from Kansas, how to conduct the business of the Senate, would not pursue that. I hope we do not do that.

I yield the floor.

Mr. DOLE. Mr. President, I thank the distinguished Senator from New Mexico for his remarks.

Again, I do not have any quarrel with the Senator from Ohio because I think there are some politics involved in this. I know the budget is very important. I think we have demonstrated that in the past and intend to demonstrate it again. But I do believe that since the budget was only available a day before the recess, the leader—whether he be the majority or minority leader—certainly has the right to try to work out a better proposal and try to get more people on board, whether it is the White House or the Senators themselves.

I have indicated that I certainly understand the urgency of the budget. I served on the Budget Committee. I believe the Budget Resolution is much more important than many other things we are doing around here.

Having said that, I am not so certain that it is absolutely necessary that it be passed by April 15.

I hope the Senator from Ohio, having made his point, would not press the amendment. I does not really make any difference to this Senator, but I think if there is anything I have done since I have been leader, it is that I have kept my word, whether it be on the Genocide Convention or TV in the Senate, whatever it may be. Whether it has made Republicans happy or made Democrats happy, I did what I felt compelled to do. I hope we would not engage in a daily exercise of, in effect, directing the leader as to what he should do next.

Mr. JOHNSTON. Mr. President, would the Senator yield for a question?

Mr. DOLE. I yield, Mr. President.

Mr. JOHNSTON. Would the Senator have any idea at what point he will bring this up? If he cannot put together any coalition, is there any final point out there at which we can say, if all else fails, this will come up?

Mr. DOLE. I intend to try to visit with representatives of the President, if not today, tomorrow.

It may be that there is nothing to work out. It may be that it is better to bring it up and try to work it out while it is pending. We have 50 hours. That is 5 or 6 days. It may be that nothing will pass. It may be that it will be recommitted. It may be that we could offer a substitute that would have bipartisan support—lower the revenues a bit or do some other things. I really do not know.

It just takes so long to have meaningful sessions with those who are directly involved. But it is certainly a matter of priority to the leadership.

Mr. JOHNSTON. I hope the leader will, in that same spirit of bipartisanship that has been very strongly shown under the leadership of the Senator from New Mexico, keep us advised of how the negotiation is going so we might have some idea of when it is.

Mr. DOLE. We have had two meetings just yesterday with the Republican chairman and with the Republican leadership, with Mr. Miller sitting in on the chairman's meeting. There was a good exchange, I think, with a number of Senators on our side.

My view was that the White House indicated a willingness to discuss it. I know they are not involved in the budget process and the budget resolution, but they would be if we implemented the budget resolution. So it would seem to me if there is any way to work out any differences in advance, we generally try to do that around here.

But I do not care whether the amendment is offered or not. I am prepared to table it. I think we will table it. It may be on a straight party line. I would hope I would have every Republican vote. So if they want to offer it, it is fine with me.

Mr. METZENBAUM and Mr. EXON addressed the Chair.

The PRESIDING OFFICER. The Senator from Nebraska.

Mr. EXON. Mr. President, I have been listening with great interest. I am a member of the Budget Committee and I wish we could get the budget out, but I am not sure that I want to partake in trying to tell the majority leader what to do. That is his job. I appreciate the prerogative that he has to have in that area. As one of those who was part of that bipartisan group which was put together under the able leadership of the chairman of the Budget Committee and the ranking Democrat of that committee, I wish we could get it up. I happen to feel that the majority leader may be in somewhat of a tough position, but maybe not as tough as he indicated when he made a speech in Omaha, NE, this last weekend when he said, among other things about that budget, that the budget that came out of a bipartisan group was "as welcome in the U.S. Senate as a skunk at a lawn party." I would say to the leader that I am not sure it is quite that bad. I would really hope that what we could do, for a little free advice because I think I will be supporting this, if we could get that budget over here, which is here now, and bring it up, I wonder if that would not, as the majority leader just outlined, maybe develop the heat that is necessary for whatever compromise we need to have to get some 50 votes for the budget.

Mr. DOMENICI. Will the Senator yield?

Mr. EXON. I will be happy to yield.

Mr. DOMENICI. I think I could describe the skunk at the lawn party. It was described yesterday a little differently. He said yesterday, if it means the same thing, 25 Republicans are for it, 25 are against it, and the President is undecided. That is apparently what he meant when he was talking about it in Nebraska.

Mr. EXON. None of those skunks, of course, are Republicans.

Mr. DOMENICI. That meant everybody.

Mr. EXON. I thank the Senator.

Mr. DOMENICI. Let me say from my standpoint, as one who chaired that committee and took seriously the deadlines and all those things that we had so much rhetoric about in Gramm-Rudman-Hollings, that is why we worked hard and got the budget out here. But I appreciate the Senator's remarks that he does not intend to join with anyone here on the Senate floor in trying to dictate the schedule to the majority leader. I hope the Senate will join us on that. I think we will get the budget quicker if we do not try to do those things around here than if we try that.

Mr. EXON. I intend to vote that way but I simply say I am not voting that way for some of the reasons that have been enunciated here on the floor. I think it makes little difference to the U.S. Senate in this particular event what the House of Representatives has done.

The House of Representatives should have acted sooner, but they have not. I would simply say that it was not the House of Representatives where Gramm-Rudman-Hollings was born and thrust upon the public. It was done here in this body. So I simply say that I think we have enough problems right here; we move ahead in an expeditious manner without trying to blame the House of Representatives for the failure to act here.

Mr. METZENBAUM and Mr. BYRD addressed the Chair.

The PRESIDING OFFICER (Mr. Evans). The Democratic leader.

Mr. BYRD. I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

Mr. METZENBAUM. Mr. President, will the minority leader be good enough to withhold that?

Mr. BYRD. I withdraw the suggestion.

Mr. METZENBAUM addressed the Chair.

The PRESIDING OFFICER. The Senator from Ohio.

Mr. METZENBAUM. Mr. President, let me clarify the situation a bit because there seems to be some confusion. The Senator from Ohio has indicated that he intended to offer an amendment on behalf of himself, Senators Johnston and Bentsen, which would read as follows:

> It is the sense of the Senate that the Senate Concurrent Resolution 120, the concurrent budget resolution, should be brought to the Senate floor for consideration at the conclusion of the pending measure in order to comply with the Gramm-Rudman-Hollings law.

That is all there is to the amendment. I did not send it up. I did not send it up purposely in order that the ranking member of the Budget Committee might get here before we did send it up. Nobody is attempting to take away the prerogatives of the majority leader. I discussed it with the majority leader before ever opening my mouth on the issue. I have discussed it with the majority leader since then. The majority leader has indicated that he intends to get the budget resolution up, as I understand it, just as soon as he possibly can and wants to bring it up as do so many of us in this body. He has made the point and I think he is correct, that if there were a vote absent the distinguished Senator from Nebraska I would guess that it would be pretty much along a party-line vote. That would be my opinion.

But regardless of whether or not that would be the vote, I do not think there is much question about it that the majority leader has sufficient following on his side to be able to defeat the proposed amendment.

Passage or failure of passage of the amendment is not the issue. The issue we are making is that many of us in this body want to get on with budget resolution.

We would like to comply with the Gramm-Rudman deadline. We would like to deal with the issue of balancing the budget. We think that the budget resolution which came out of the committee moved in the right direction, not a perfect document but better than no budget resolution at all. We are trying to say in offering this amendment, Mr. Leader, we are anxious to get on with the business of the Senate, and we believe the proper business of the Senate at the moment is to deal with the budget resolution. That is not to deprive him of his prerogatives as the leader. This is a wish, this is a hope, this is an indication of concern and desire on the part of many of us on the floor of the Senate.

Having said that and having been urged by the majority leader not to offer it, and having also had him make the point that when he had given his word with respect to the Genocide Treaty as well as with respect to a number of other matters that he and I have discussed in the past, he has always lived up to his word, I have no doubt in my mind that he is intending to do just that in connection with the budget resolution, and therefore I will not offer the amendment.

Mr. CHILES addressed the Chair.

The PRESIDING OFFICER. The Senator from Florida.

Mr. CHILES. Mr. President, I wanted to address myself 1 minute to the majority leader and say I well understand his desire to keep his prerogative for setting the schedule. I think many of us on this side are sensitive to that. But the majority leader should understand there is a little sensitivity on our side. As the majority leader has said, he is trying to work out something with the White House and see if we could come to some agreement. But there is a little sensitivity on our side when we hear the President in his press conference lead off by saying, first, "The deadline for Americans paying their taxes, April 15, will be upon us in less than a week. April 15 is also the date that Congress is required to complete work on a budget resolution. Tens of millions of Americans will meet their deadline. They'll pay their taxes even if they have to spend the entire weekend figuring out how much they owe, but will the Congress meet its deadline for the budget resolution?"

Now, Mr. President, that is like the old situation where you rub manure in my hair and then you kick me out for smelling. It is one thing, I think, for us to say the President needs some time. But it's something else again for him to castigate the Congress when his people are over here saying do not move on the budget resolution, hold it up, keep it from passing; we do not want to see anything happen on that. To then have the President jump on the Congress, it is a little bit hard to stomach. So I want the majority leader to appreciate the sensitivity on our side when we get those kinds of remarks.

Mr. DOLE. I do not quarrel with the Senator from Florida. I think it applies to all of us. It may be in response to something I said earlier in the week, that I might be going it alone. But in any event, it is a budget resolution. The President does not sign it. It is something with which we have to deal. I would say that they are not trying to hold it up. There are just a couple people I need to touch base with before we start to move. I am fairly realistic. I would like to have a truly bipartisan final package and not one where you have maybe more Democrats voting for it than Republicans. That is bipartisan, but I am not certain how that would wash. So we are looking at some options as anyone would look at options, and I think I properly described it yesterday when I said you got about a 50-50 split and the White House sitting on the fence, except for those statements.

Mr. DOMENICI. Mr. President, I wish to add to what the distinguished Senator from Florida has said—and call to the majority leader's attention—that it is most interesting that the President is saying we should get on with our work.

I do not know whether very many Senators know that if you took the President's budget just as he sent it to us and you substitute that for our proposal and try to offer it on the floor of the Senate, it would be out of order, because it is $14 billion in outlays over the requirements of Gramm-Rudman—$14 billion in outlays. That is almost as much money as the President's budget saves in domestic savings. Slightly over 20 is my recollection. His, when he sent it over, was $14 billion over. Then he sent us another one. Maybe we should start to negotiate with him and ask him, "What would you change in yours to find $14 billion that was not accounted for in the sense of meeting the deadlines?"

To put that in perspective, I do not believe that makes some of the revenues we are talking about so outlandish. I do not think that the White House and all the people helping there could find $14 billion more in domestic cuts. Probably they could put it on a piece of paper, but I do not think they could send that over and expect anybody to vote for it. I do not think they would want to take $14 billion in outlays out of their defense number. That probably put it close to where we are, and they do not like that, and that is way too low.

Maybe if you took all $14 billion out of defense, you might have a number about like ours. That seems to be unacceptable. That is failing to put defense where it should be, and maybe it should be higher than the budget resolution prescribed. I am telling the Senate what I told the majority leader. We are not going to get through this year on budget matters without a lot of tough votes, and people will have to make up their minds so that they really want to vote for something that gets to Gramm-Rudman-Hollings, or whether they want to vote "no" on everything.

I said yesterday, and I want to tell Senators on the floor, that this is a strange year on budgets. I say to the Senator from Louisiana that we used to have an abundance of proposals. When I would get to the floor, I would have 20 proposals people sent me. All I am getting this year is letters, and the letters are saying, "We don't like it," and they are all asking somebody to do something else. There is one with 25 asking the leader to produce one or help produce one—help negotiate an alternative. We have a number saying what is wrong with it. We do not have one saying what they would do.

That puts the debate we will have here—I hope in the not too distant future—into perspective. Everybody thinks there is an easy way out; and when they get down to looking at the numbers, there is not an easy way out. Yes, somebody can propose a lot more cuts, but I do not know who will vote for it after you have done the job of providing more domestic cuts. More defense, a lot more—maybe I would vote for more. Where would they get the money?

Mr. CHILES. I think the Senator knows that the bipartisan budget we voted out of the committee is $4 billion less in spending outlays than the President's budget.

Mr. DOMENICI. Overall.

Mr. CHILES. Yes.

Mr. DOMENICI. It could be.

Mr. BRADLEY. Mr. President, does the Senator think that the resolution that has been offered by the distinguished Senator from Minnesota helps to get Senators to make the tough choices?

Mr. DOMENICI. I certainly do not think it hurts.

I did not cosponsor it because, frankly, I do not think we should make tax reform contingent upon getting a budget resolution negotiated with the President of the United States. I think that is the closing statement. I am going to vote for it. I think we should amend it and take that out and say we should not get on with it until we have a budget resolution passed by Congress and then take up the tax bill. We have never had a budget resolution coming out of conference that has been the President's budget resolution in 14 years. Otherwise, I think the content would be helpful.

Mr. BRADLEY. Mr. President, it seems to me that there is no reason why the Senate Finance Committee should not go ahead and work and see what it can produce in the way of a tax reform bill, as the Senate Budget Committee worked to see what it could produce as a budget bill.

The idea that there should be some kind of precedence given to one thing over the other in timing is contrary to the way the Senate has always functioned, and it is illogical. At a time when we are going to look at the budget to cut, when we are going to look at programs to cut, we also ought to be able to look at the biggest spending program, which is the whole tax expenditure section.

It seems to me, further, that if we are going to ultimately adopt a proposal similar to the one that came out of the Senate Budget Committee, which includes revenues, we almost should deal with tax reform first. I am not making that case or going to make an amendment today.

If you are going to raise revenues and you raise revenues, under the present system the people who will be paying it are the people who are now paying—by and large, middle-income people.

If you were able to do tax reform first, you would get people with equal incomes paying their fair share, paying about equal taxes. Then you could get some increased revenues.

I make the argument—and in the future I will make it longer—that you should do tax reform first, before you get to the budget. But certainly you should not change the way the Senate has always functioned and say, "No, no, you can't even consider tax reform on the floor," if the Finance Committee had managed to move through and managed to mark up a tax reform bill by the time you got a budget resolution, which seems unlikely.

Why should the Senate say, even if the Finance Committee was not able to do that, "You may not bring it to the floor until you have agreement on a budget resolution"?

The modifications that have been offered, as I have heard discussed here by the Senator from Minnesota, do not appreciably change this. They change it in the sense that you can mark it up in the committee, but they do not change it in the sense that if the committee goes ahead and does it, you cannot bring it to the floor.

I view it as a delaying tactic. For someone who is interested in tax reform, there is no reason, if we get through the Finance Committee, why we should not bring it to the floor. I think it is a delaying tactic by the opponents of tax reform. Why we want to mix that up in this whole budget debate, I do not know.

Why you want to tell your President, "No, we're not going to do tax reform," and try to hold him hostage for some kind of agreement on a nonbinding budget resolution is beyond me.

Mr. DOMENICI. The Senator means a nonbinding resolution?

Mr. BRADLEY. A nonbinding resolution.

Mr. DOMENICI. The Senator does not mean the budget resolution?

Mr. BRADLEY. No, a nonbinding resolution, offered by the Senator from Minnesota, on the budget.

Mr. DOMENICI. I say to the Senator from New Jersey that as I read the operative words as presently pending, it says: "It is the sense of the Senate that tax reform should not be considered or debated by the U.S. Senate"—they do not talk about "committee"—"until a firm, definite budget," and so forth.

Frankly, I do not know why the Senator from New Jersey, who is obviously extremely interested in tax reform, is all that concerned. I think we should adopt this because it is the overwhelming sentiment of the U.S. Senate, from what I can tell—that this is what they want to do. They want to have a budget resolution wrapped up and operative before they consider tax reform, and that is what this says.

There are all other kinds of reasons you might bring up, who is for tax reform and who is not. We will get that vote someday, I suspect.

Mr. BRADLEY. Let me just say to the Senator from New Mexico and the Senator from Minnesota that there is no reason to prejudge that now. We should go ahead and do what we can to mark up a tax reform bill and go ahead and do what we can to mark up a budget bill, and whichever one is finished first should come to the floor.

You should not attempt to delay tax reform if we can get it done in the committee. I do not know you would want to delay tax reform if a part of the agenda was not to try to kill tax reform.

Therefore, the changes that I have seen made do not appreciably change from my perspective, and I see this, as I said earlier, as a declaration of intention that the supporters of this resolution want to take every opportunity to delay the consideration of tax reform and ultimately to kill it. That is the agenda.

I ask for the yeas and nays on the resolution.

Mr. BOSCHWITZ. The yeas and nays have been ordered.

The PRESIDING OFFICER. The yeas and nays have been ordered.

Is there further debate?

Mr. BOREN. Mr. President, I will just take one brief moment because I know the Members are anxious to vote on this matter. I compliment the Sen-

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ator from Minnesota and the others who have joined with him.

The people of this country have been wanting to know when we are going to put first things first. There is no more pressing need in this country than to take action to get these budget deficits under control and then to develop a strategy for maintaining our competitive position in the world market.

Those are the two priorities that we must face dealing with the budget deficit and the trade deficit.

That is not to say there are not some elements of unfairness in the present Tax Code that should be corrected. There should be and there is room to accomplish some reform of that present Tax Code.

But let us do first things first. We all know that if you spend an hour of your time doing one thing you have made a choice. You cannot spend that same hour doing something else. It is time that we meet the real problems of this country first and spend the precious time we have on the Senate floor and in committee dealing with those issues that are most serious to the American people.

I saw the results of a poll in my State recently. An open-ended question was asked, "What is the most important problem facing the country with which we should be dealing?" It was an open-ended question. Forty-seven percent said doing something about the budget deficit was the most important problem. Then you have an agricultural issue, job issues, the trade deficits, all the rest; then, at three-tenths of 1 percent, action on changing the Tax Code was mentioned. Three-tenths of 1 percent, a threshold of more than 350 to 1 in terms of priorities as the people see them, and the people are absolutely right. It is another case of their being ahead of the politicians.

It is time that we listened to that popular wisdom and did the job that the people sent us up here to do.

I commend the Senator from Minnesota, the Senator from Idaho, and others who are taking this position. It does not mean that we will forever set aside tax reform. It does not mean we will never deal with unfairness in the Tax Code. It simply says let us do first things first for a change. Let us take care of the real problems of this country before we fritter away the precious time available to us on things that ought to follow on after we deal with the underlying economic problems of this country.

I would also point out it will not delay tax reform because I am informed that under the Budget Act itself in terms of the parliamentary rules of this body, it will not be in order for us to take up a bill which alters revenues on the floor of the Senate until we have acted on a budget resolution anyway. Even if the bill is revenue neutral, there are individual portions of the bill which will lose revenue and, therefore, it will not be in order to take it up until we have dealt with the budget resolution.

So, we are in no way delaying progress on tax reform. We are simply saying we agree with the American people. We understand our priorities should be to deal with the budget deficits before we go into other matters, and I think that is exactly what the Senator from Minnesota is saying.

I enthusiastically support his proposal.

The PRESIDING OFFICER. Is there further debate?

Mr. BRADLEY. Mr. President, I will not debate the substance of whether the people of the country want the budget deficit reduced or whether they want fair income taxes more. I think I see where most of the votes on this resolution will come from.

I will simply remind the Senate this is a nonbinding resolution and has no effect whatsoever on the ultimate decision whether we move a tax reform bill through to the floor.

AMENDMENT NO. 1764

Mr. LEVIN. Mr. President, I support reforming the Tax Code. I support a stronger minimum tax on profitable corporations and wealthy individuals. They should pay their fair share.

But I also believe that we should reduce the deficit in a way that does not destroy vital programs. That is why I believe that the revenues from tax reform should be used to reduce the deficit, and not to provide tax cuts. When a nationwide poll was conducted in which people were asked whether the revenues generated through tax reform should be used for deficit reduction or tax cuts, people supported deficit reduction by a margin of 68 to 22 percent.

I believe that if tax reform goes first and the revenues from the minimum tax, for example, are used to provide lower taxes rates, then those revenues will not be available to be used to meet the Gramm-Rudman targets. Thereby, all the burden to meet those targets will be shifted to the spending side and will mean severe cuts in vital programs.

From what I hear, the Finance Committee is turning over every stone to find revenues to keep its tax reform bill revenue neutral. If the Finance Committee continues to do that, and if the final product of tax reform is considered before the Congress considers the budget, then what chance is there for revenue to be available in order to comply with the requirements of a budget resolution that we may subsequently pass—whether it is the $6 billion in revenues that the President's budget calls for or the $18 billion that the Domenici-Chiles budget calls for? You can't sell the Brooklyn Bridge twice, and you can't double-count the revenues generated by tax reform.

Like my colleague from New Jersey, I don't like the Tax Code exactly like it is now. I want to see reform. And that reform, from a strengthened minimum tax for example, should not increase the tax burden on low- and middle-income taxpayers. But that can be accomplished through a nonrevenue neutral tax reform bill. And the revenue raised through nonrevenue neutral tax reform could be used to reduce the deficit, thereby taking some of the pressure off of the vital programs which my colleague from New Jersey and I both support.

Let me clear, however, that if I had my preferences, I would not word this resolution precisely as it is. I think we should consider the budget right away without waiting for an agreement with the President. If he wants to join in, fine. But the deficit reduction train should not wait endlessly at the station for him to decide whether he wants to get on.

The PRESIDING OFFICER. There being no further debate, the question is on agreeing to the amendment of the Senator from Idaho. On this question, the yeas and nays have been ordered, and the clerk will call the roll.

The bill clerk called the roll.

Mr. SIMPSON. I announce that the Senator from Arizona [Mr. Goldwater], the Senator from Florida [Mrs. Hawkins], and the Senator from Vermont [Mr. Stafford] are necessarily absent.

Mr. CRANSTON. I announce that the Senator from New York [Mr. Moynihan] is necessarily absent.

The PRESIDING OFFICER. Are there any other Senators in the Chamber who desire to vote?

The result was announced—yeas 72, nays 24, as follows:

[Rollcall Vote No. 60 Leg.]

YEAS—72

Abdnor
Andrews
Armstrong
Baucus
Bentsen
Boren
Boschwitz
Burdick
Chiles
Cochran
Cohen
D'Amato
Danforth
DeConcini
Denton
Dixon
Dodd
Dole
Domenici
Durenberger
Eagleton
East
Evans
Exon
Ford
Garn
Glenn
Gorton
Gramm
Harkin
Hatch
Hecht
Heflin
Heinz
Helms
Hollings
Johnston
Kassebaum
Kerry
Laxalt
Leahy
Levin
Long
Lugar
Mathias
Matsunaga
Mattingly
McClure
McConnell
Melcher
Murkowski
Nickles
Nunn
Pressler
Proxmire
Pryor
Quayle
Rockefeller
Rudman
Simon
Simpson
Specter
Stennis
Stevens
Symms
Thurmond
Trible
Wallop
Warner
Weicker
Wilson
Zorinsky

NAYS—24

Biden
Bingaman
Bradley
Bumpers
Byrd
Chafee
Cranston
Gore
Grassley
Hart
Hatfield
Humphrey

Inouye
Kasten
Kennedy
Lautenberg
Metzenbaum
Mitchell
Packwood
Pell
Riegle
Roth
Sarbanes
Sasser

NOT VOTING—4

Goldwater
Hawkins
Moynihan
Stafford

So the amendment (No. 1764), as amended, was agreed to.

Mr. DOLE. Mr. President, I move to reconsider the vote by which the amendment was agreed to.

Mr. FORD. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. DOLE addressed the Chair.

The PRESIDING OFFICER. The majority leader.

The Senate will please be in order, and Senators will clear the well. Will Senators please clear the well and the aisles?

Mr. DOLE. Mr. President, if I could have the attention of my colleagues, I have been discussing the pending business with the distinguished minority leader and the distinguished Senator from Maryland, Senator Sarbanes.

It has been suggested perhaps if we could reach some agreement on final disposition fairly early tomorrow, that we might be able to continue to take a couple of amendments or whatever tonight and still leave here at a reasonable hour. I have no objection to that, if we can work on some agreement.

I am going to ask staff to see what we can put together, how many amendments there may be, and see if we can reach some time agreement on when we could have final passage which probably will come, hopefully, before 12 o'clock tomorrow.

There might be another bill called up after that which would require a rollcall or two, but still get us out here hopefully by 2 o'clock or 2:30 tomorrow afternoon.

I will make some definitive announcement after we have had a chance to explore it further with the Senator from Maryland.

Mr. SARBANES. Will the majority leader yield?

Mr. DOLE. I am happy to yield.

Mr. SARBANES. Mr. President, we have the afternoon pretty well chewed up on amendments. I know Senator Mathias has one amendment and possibily two of consequence. I need to talk with him. Senator Hollings has an outstanding amendment. I have a number of amendments at the desk, but I think they can be boiled down into just a few. So we might be able to dispose of some of those tonight and have only a couple tomorrow, with a very limited time period, agreeing to a vote at a certain hour, vitiate the cloture and address final passage of this bill sometime at a reasonable hour in the morning.

That was my thought. That would enable Members to make their plans accordingly.

Mr. DOLE. I certainly have no objection to that, if we can determine the amendments and how long it might take. In the meantime, I will be in contact with Senator Mathias.

Mr. President, I suggest the absence of a quorum.

The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. MATHIAS. Mr. President, I ask unanimous consent that proceedings under the call of the quorum be suspended.

The PRESIDING OFFICER (Mr. Humphrey). without objection, it is so ordered.

AMENDMENT NO. 1766

(Purpose: To provide that certain revenues at one Metropolitan Washington Airport may not be used at the other airport, and for other purposes)

Mr. MATHIAS. Mr. President, I send an amendment to the desk on behalf of myself and on behalf of the distinguished Senator from Maryland [Mr. Sarbanes].

The PRESIDING OFFICER. The clerk will report.

The legislative clerk read as follows:

The Senator from Maryland [Mr. Mathias], for himself and Mr. Sarbanes, proposes an amendment numbered 1766:

On page 41, strike out lines 17 and 18 and insert in lieu thereof "and in conformance with section 511 of the Airport and Airway Improvement Act of 1982 (49 U.S.C. 2210), no landing fee, automobile parking concession, terminal area or other building rental, land lease, or any other concession, rent of user charge providing operating revenue to the authority."

On page 41, line 19, insert "generated" after "(A)."

On page 41, line 20, insert after "operating" the following: "or capital."

On page 41, line 21, strike out "excluding" and insert in lieu thereof "including."

On page 41, line 23, insert "generated" after "(B)."

On page 41, line 24, insert after "operating" the following "or capital."

On page 41, line 24 continuing on page 42, line 1, strike out "excluding" and insert in lieu thereof "including."

On page 42, insert between lines 2 and 3 the following new paragraph:

(9) To further the intent of paragraph (8), the Airports Authority shall—

(A) maintain separate financial records for Washington National Airport and Washington Dulles International Airport;

(B) prepare an annual report on the operation of the Metropolitan Washington Airports in accordance with the audit procedures set forth in paragraph (6) of this subsection; and

(C) submit such report to the Congress.

On page 42, line 3, strike out "(9)" and insert in lieu thereof "(10)."

Mr. MATHIAS. Mr. President, I am grateful to the clerk for having read the amendment because this amendment, which I submitted on behalf of the Senator from Maryland [Mr. Sarbanes] and myself, is slightly different from the amendment on this general subject which I had earlier introduced. Therefore, for all of those fans of this fascinating unfolding drama, I submit that in following their programs they will notice that there is a slight deviation from the schedule. So the clerk has made it clear exactly what is changed.

This amendment in very few words prevents cross-subsidization between National Airport and Dulles Airport, both in terms of operating revenues and in terms of capital improvement funding. It means that the revenue generated at National from the concessions, from the landing fees, from the automobile parking, from other activities—in other words, the revenues that people who went to National have paid—cannot be used to subsidize the fee structure at Dulles for the people who may go to Dulles. It is the principle of keeping your money at home. Revenue from National cannot be used to support debt service associated with capital improvements that may be made at Dulles. It requires that the airports in the new authority operate like all other airports in the country. They have to maintain separate books, separate cash registers. Each barrel has to stand on its own bottom.

Now, a common cash register approach to operating National and Dulles, if that were to be permitted, would in fact be anticompetitive. For example, it would give to Dulles an unfair competitive advantage over the third airport serving the Washington metropolitan area, the Baltimore-Washington International Airport. By treating National and Dulles as a single revenue cost center, landing fees at the more popular National would continue to underwrite the fee structure at Dulles, making Dulles appear to be a lower cost facility than it otherwise would be for both incumbent carriers and for potential new entrants. Additionally, the amendment that my colleague from Maryland and I have offered ensures that the size of any capital improvement program at Dulles would be related directly to the capability of Dulles to support its own bonded indebtedness. You simply would not have what is literally a free ride at Dulles. This would not be a free ride at the expense of National Airport. That is one of the misnomers or misapprehensions or misconceptions that have gotten into this debate. It is not going to be at the expense of National Airport. It is going to be at the expense of people who use National Airport. If you are thinking about consumers and if you are thinking about what is fair, I think this amendment is essential.

Further, operational cross-subsidization is inconsistent with the Airport and Airway Improvement Act of 1982

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which requires airport proprietors to operate on the basis of their own revenues and their own resources. It requires that each airport be independently financially stable.

Now, thanks to an amendment that was offered by the Senator from Kentucky [Mr. FORD] during the Commerce Committee consideration of Senate bill 1017, the bill already restricts the authority from using the revenues available from landing fees and from parking at National Airport to subsidize the fee structure at Dulles. It is interesting to note that these revenue centers account for an estimated 50 percent of the two airports' combined revenue.

What the language that we offer here adds is the inclusion of terminal building rentals, land lease revenues, and other concessions to the list of revenues that are declared as being inappropriate and ineligible for cross-subsidization. So this amendment would serve to eliminate the practice of using National Airport as a "cash cow" to underwrite the user fee structure at Dulles.

As I have already stated, our amendment serves to preclude the authority from pooling together revenues to issue consolidated revenue bonds to support the capital needs of those airports. There is no sound financial reason to use National Airport's revenue.

Again I have slipped into the error so common in this debate: There is no reason to use the moneys that are paid into the National Airport coffers by the customers at National Airport—it is not the airport's money; it is the consumers who put it up, in the long run—or to use the revenue to support the capital bonded indebtedness of Dulles.

While improvements are needed at Dulles, the capital development program should be phased to meet passenger demand and the financial capacity of Dulles and of the carriers at Dulles to absorb the cost. Using National Airport simply as a cash cow will serve to promote over-construction at Dulles, while development projects at National will be deferred or canceled because the bonding capacity has been already limited at National.

Mr. President, for these reasons, I respectfully submit to the Senate that this is a simple amendment. It is not hard to understand. It makes common sense. It is consistent with existing law. It just applies to these two airports the rules that are applied in Denver, San Francisco, Fort Worth, Houston, St. Louis, Chicago, Boston—all around the country. We are simply applying the rule which the 1982 act makes otherwise universal throughout the United States. I submit that the Senate should adopt this amendment.

Mr. SARBANES. Mr. President, I rise in very strong support of this amendment. I am pleased to join my able and distinguished colleague from Maryland in bringing it forth.

The amendment addresses a very serious deficiency in this legislation. It is very important for our colleagues to understand what the problem is and why it is of such concern.

The cross-subsidization between National and Dulles, permitted by this bill to the authority, whereby the revenues from one airport could be used to subsidize the other, present a very serious, unfair competitive situation for BWI, which is in direct competition with Dulles.

Second, it presents a difficult situation as between the two airports and their users, because instead of each airport standing on its own, as is the pattern throughout the country, the ability to cross-subsidize would enable one airport to underwrite the other and therefore not reflect what was really occurring in terms of the usage and efficiency at that particular airport.

This bill focused on National and Dulles as a single unit, and this problem is a reflection of that. By structuring an unfair competitive situation for BWI, it places in jeopardy BWI's ability to provide high-level service to the entire region. It is very important to keep in mind that the Washington metropolitan area is served by three major airports and that a fair competitive airport policy as among the three will result in better air services.

The bill recognizes this program, in effect. In other words, there are provisions in the legislation as reported by the Commerce Committee that pay some attention to the cross-subsidization issue.

Unfortunately, it contains a loophole as wide as a hangar door which would allow any revenues at one airport to be used for debt service and depreciation at the other, and would allow some revenues, such as concessions and leases, to be used for any costs at the other.

In other words, on page 41, the bill limits the use of the landing fees and parking revenues at one airport from being used for maintenance or operating expenses at the other. First of all, landing fees and parking revenues are only part of the revenues at a particular airport. I am told that at National they amount to about 50 percent of the revenues. So there is a very significant dimension of revenues not covered in the bill.

Second, the preclusion and the use of those revenues, even the ones that are covered at the other airport, apply only for maintenance or operating expenses and exclude debt service, depreciation, and amortization.

If you can use any revenues from one airport to underwrite capital costs at the other, the limitation that the parking revenues and the landing fees cannot be used for operation and maintenance becomes meaningless, because, in effect, the objective is accomplished indirectly, through the use of parking revenues and landing fees to underwrite capital costs—namely, debt service, depreciation, and amortization.

What this amendment would do would be to expand the revenues covered and bring capital costs within the purview of the costs for which they could not be used.

I think that is a very sensible proposal. It goes to the very heart of the unfair competitive issue which has been raised. It provides, in effect, that each airport is going to have to make its own case, stand on its own, which is what is required of airports all across the country.

Second, what it means is that the development at one of these airports is not going to be shortchanged in order to achieve development at the other airport, in other words, that the authority will not be able to shortchange one of the two airports in order to benefit the other one through the shifting of revenues to underwrite costs.

In effect, what we are seeking is that the two airports, in a financial sense, be handled on a separate basis, and this amendment would accomplish that. It, therefore, would set up a fair competitive situation between Dulles and BWI. In other words, Dulles and BWI are equidistant from Washington. They compete directly from one another. Maryland welcomes that competition. But we do not think we ought to be thrown into a context in which Dulles can be underwritten by the profits from National, just like I would not advocate that BWI be underwritten in the competition with Dulles by the profits from National.

National is a highly profitable airport and if there is the capacity in the authority to use those profits to underwrite the activities at Dulles, they will be able, in effect, to subsidize Dulles and enable it to compete unfairly.

We seek competition. We welcome it. We are prepared to deal with it. We anticipate a revitalized Dulles will be a strong competitor. But we think it should be based on its own situation and not draw sustenance, as my colleague from Maryland said, not draw from a cash cow, which is National Airport.

If that is permitted to happen, you are not going to have a fair competitive situation. It is going to have an impact on the air service that the region receives because to receive the best air service the region needs three first-rate airports and to achieve that I think you do the best by establishing a fair competitive policy.

That is a major weakness in this legislation. The provisions that were put in which recognized the problem—obviously just putting in the provisions was recognition of a problem—do not in fact cover the problem, and the amendment which has not been proposed is designed to do exactly that, by in effect saying that the revenues at one airport cannot be used for maintenance, operating, or capital expenses at the other. In other words, there cannot be a cross-subsidy and therefore—you significantly limit the possibility of an unfair competitive situation.

I think this is a very important and very worthwhile amendment, and I am pleased to join with my colleague in urging its adoption by the Senate.

Mr. TRIBLE. Mr. President, I rise in opposition to this amendment. The purpose of this amendment is to increase costs and slow down the airport improvements. This amendment benefits no one. Indeed, it is a back door way of dividing and thereby attempting to conquer. This is an effort to separate Washington Dulles from Washington National, to drive up costs to the traveling public, and to destroy the symmetry of operation that all airports around this country enjoy.

Let me talk about this amendment. There are no benefits to anyone. It will only drive up costs. It is really only a punitive effort and that I regret at this later hour. The fact is no one does it, and I want the RECORD to be perfectly clear that my distinguished colleague from Maryland was in error when he suggested that the law supports this amendment. The AIP act says only that you must use all revenues for airport purposes. It does not; I repeat does not, prohibit two or more airports from pooling revenues and dividing them between the airports as they see fit. I would read into the RECORD section 511 of the Airport and Airway Improvement Act, 1985. It makes that very clear. It is and I quote:

> All revenues generated by the airport, if it is a public airport, will be expended for the capital or operating costs of the airport, the local airport system, or other local facilities which are owned or operated by the owner or operator of the airport and directly related to the actual transportation of passengers or property.

The law could not be clearer, and, indeed, experience would be more evident that this is common practice throughout the country.

Cities with multiple airports have single management; they have similar financial arrangements among airports, in New York City, Chicago, Los Angeles, Kansas City, and Houston.

Let us go beyond that, beyond the legal base for what is proposed by this bill. Let us go beyond common practice which suggests that this is not only appropriate but also an appropriate method of maximizing resources and providing better services to people.

What is the rationale for this amendment? What is the rationale for this punitive kind of initiative?

The reason seems to be the notion that Dulles competes in some way unfairly with BWI or will at some time in the future. The reality is that BWI does better than Dulles with higher rates now and under this legislation the rates at Dulles will go up and they will go up sharply. Indeed, that will be necessary to support the substantial enhancement of these airports.

Moreover, in the past 5 years, there has been dramatic growth at BWI of 77 percent, with 7 million passengers. This is a good airport. It should not fear competition. Indeed, these airports serve discrete geographic and population areas. The Council of Governments survey recently showed that only 6 percent of the people using BWI would prefer Dulles. Only 5 percent using Dulles would prefer BWI.

These airports are not involved in a zero sum game. With a slot limitation at National, with the dynamic growth of this metropolitan region, all of our airports will continue to grow at a rapid rate, and our challenge is to ensure that we can meet those requirements, and that is why this legislation is so important.

This amendment would split all concession revenues between the two airports, require the airports to keep separate books. Absolutely no benefits are provided by such an arrangement. It would create an added administrative nightmare trying to determine how to pay for equipment and personnel to serve both airports.

The committee has addressed these concerns, and the committee when marking up this measure adopted an amendment proffered by the Senator from Kentucky [Mr. FORD] that meets these concerns head on and it does it in a responsible fashion.

The two largest components of this whole cross-subsidy question are landing fees and parking, and this amendment specifically says you cannot take one from the other at either airport.

The committee addresses the real evil of artificially low rates by ending uniform landing fees. This bill provides that landing fees must be based on the cost of the individual airports.

Moreover, landing fees represent a tiny fraction of the total cost of airlines and, therefore, are not a major consideration, the evidence is BWI's dramatic growth in spite of the fact that landing fees are substantially higher today at BWI than they are at Dulles today.

To do more than this would simply destroy the operating efficiencies, increase costs of improvement, and place a real burden on the traveling public. Nothing is to be gained by that.

And let me say in response further to the observations of my colleagues from Maryland, BWI benefits from a cross-subsidy in its operation today. It is subsidized from the Maryland Consolidated Transportation Fund. Those moneys, in large measure, are generated by motorists who pay motor fee taxes and vehicle registration fees. So cross-subsidization is a reality. This amendment would do violence to this bill by destroying the symmetry of operation, the efficiencies, the ability to establish a more coordinated transportation policy for this metropolitan region.

For all those reasons, this amendment ought to be defeated and it would be my intention to move to table this amendment when my colleagues have had an ample opportunity to make their case.

Mr. WARNER. Mr. President, I also address the issue that capitalization is required for the improvements here and in effect this amendment would curtail the ability of such revenues to be used in connection with the capitalization and the pledging for the proposed bond contentions. So I concur in the observations by my distinguished colleague that that is the real purpose of this amendment to get at the ability to do the proper capitalization for improvements.

Mr. MATHIAS. Mr. President, it is interesting that some difference of opinion has arisen on the question of the current state of the law, but that is not unhealthy.

Mr. TRIBLE. Or unprecedented, I guess.

Mr. MATHIAS. That is one of the reasons this body exists and the courts exist in order to resolve differences of opinion and try to come out with some mutually satisfactory solution. I think it is useful to look at the Airport and Airway Improvement Act of 1982, which is rather precise in section 511(9) which provides:

> The airport operator or owner will maintain a fee and rental structure for the facilities and services being provided the airport users which will make the airport as self-sustaining as possible under the circumstances existing at that particular airport, taking into account such factors as the volume of traffic and economy of collection, except that no part of the Federal share of an airport development or airport planning project for which a grant is made under this title or under the Federal Airport Act or the Airport and Airway Development Act of 1970 shall be included in the rate base in establishing fees, rates, and charges for users of that airport.

Now it is perfectly clear that the intent of Congress was that each airport shall operate independently. That is what this amendment mandates. This, of course, refers to operating revenues. The amendment necessarily looks at other aspects, but the law on operating revenues is clear and certainly the intent is clear that the air-

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ports shall be as self-sustaining as possible.

Now, I want to say that I appreciate the candor of the distinguished junior Senator from Virginia, because he has been very honest. He has put the Senate on notice. He has put the whole Congress on notice. He has put the future users at National Airport on notice that the money that they paid in at National is going to be put in a C-5A transport plane and shipped to Dulles in large quantities. And that necessarily is going to distort the rate structure at National.

For the moment let us leave BWI out of this. Let us look at what is going to happen to National and to Dulles. This is an internal question within the new authority, if it ever comes into being. And the junior Senator from Virginia has said perfectly frankly we are going to raid the till at National in order to do some things out at Dulles. I think it is commendable that we have got it all out on the table now. I believe it is a mistake. I do not think it is right for the consumer, for the traveling public. I do not think it makes good sense because it does lead to distortions of the process. For that reason I think that the prohibition against cross-subsidization is sound. In the long run it will be in the interest of the new authority, if, as, and when the new authority goes into operation. Those who have to operate that authority will be grateful to us at some time in the future for this element of discipline and restraint that the Congress now has an opportunity to impose.

Mr. WARNER. Mr. President, will the Senator yield for a question?

Mr. MATHIAS. Surely.

Mr. WARNER. I draw the Senator's attention to page 46 of the bill, section 10, which I shall now read:

> In order to assure that the Airports Authority has the same proprietary powers and is subject to the same restrictions with respect to Federal law as any other airport, except as otherwise provided in this Act, during the period that the lease authorized by section 5 of this Act is in effect—
>
> (1) the Metropolitan Washington Airports shall qualify as a "public airport" under the terms of the Airport and Airway Improvement Act of 1982 (49 App. U.S.C. 2201 et seq.), shall be eligible for Federal assistance on the same basis as any comparable public airport operated by a regional authority, and shall be considered to have accepted a grant on the date of transfer.

I read this to say it is the intention here of the Senate, in the event it accepts this bill as now drawn, to comply with the very law that the Senator has pointed out.

Mr. SARBANES. If the Senator will yield on that point, that is clearly not the case, because the bill has a very specific provision on the question of cross-subsidy. But, unfortnately, it is a provision that is so limited in its scope that it does not, in fact, address the cross-subsidy issue, and that is on pages 41 and 42, where it says, "notwithstanding any other provision of the law," and then limits the use of landing fees or revenues from parking automobiles only and limits them only to certain purposes.

Actually, my colleague from Maryland has made a very important point here, and that is that this issue involves not only a fair competitive situation for BWI vis-a-vis Dulles, but also involves the very important question of the relationship between National and Dulles within this authority and the users of those airports ought to think long and hard about a provision whereby the revenues at one can underwrite the cost structure at the other.

Mr. WARNER. Will the Senator yield for a question?

Mr. SARBANES. Surely.

Mr. WARNER. My recollection of the legislative history is that the very provisions the junior Senator from Maryland has just read, that is section (8), "notwithstanding any other provision of law," was added as an amendment during the committee process by Senator Ford at the request of—I see the distinguished senior Senator from Maryland rising.

Mr. MATHIAS. The Senator from Virginia is exactly right. That is fine, as far as it goes. Our only point is that it should go further, it should cover other sources of revenue.

Mr. WARNER. But the point is the provision I read was put in at your request by Senator Ford.

Mr. MATHIAS. And it improved the bill. We just want to make it a little better.

Mr. WARNER. Mr. President, I say to my distinguished colleagues both from Maryland——

Mr. MATHIAS. I would say to my friend from Virginia that the language which the Commerce Committee, in its wisdom and judgment, adopted, was not the language that I personally had proposed. I had something a little more comprehensive in mind.

Mr. WARNER. Very well, then, the wisdom of the committee prevailed here. But, nevertheless, it was done at your request.

Mr. SARBANES. But the consequence of the wisdom of the committee was to create a loophole that swallows the limitation. That is the problem. In other words, this thing is as wide as a hangar door because if you can take your parking revenues, your landing fees, and pay your capital costs, it does not matter that you cannot take them to pay the operating costs. You are simply accomplishing it in a different direction. That is all.

Mr. MATHIAS addressed the Chair.

The PRESIDING OFFICER. The Senator from Maryland.

Mr. MATHIAS. Members of Congress use National Airport. They should be aware that they are going to pay more in costs at National Airport. We are on notice now. Revenues will be siphoned off from National for other purposes than that of operating and developing that airport. The carriers who land and take off at National Airport are now on notice that their fees, and their costs are going to be greater because revenues at National will be siphoned off.

So this is really an important issue. It does not deal with the parochial dispute between the good neighbors of Maryland and Virginia. It deals with the traveling public that is going to use National. That includes every Member of Congress. It includes millions of our constituents throughout the country. It is a basic question of fairness to them.

Mr. TRIBLE addressed the Chair.

The PRESIDING OFFICER. The Senator from Virginia.

Mr. TRIBLE. This amendment demonstrates that our friends from Maryland are never satisfied. They expressed some preliminary concerns about the competition. The amendment offered in committee embodies those concerns. It met those concerns fully.

Mr. MATHIAS. If the Senator will yield, the Senator knows this language that was adopted is not language that we suggested.

Mr. TRIBLE. All I can say is that this was offered by Senator Ford who was advancing the Maryland position and expressing the thoughts and concerns of the opponents of this measure. He agreed to it, and found it eminently fair, as did a decisive margin of Republicans and Democrats in the Commerce Committee.

Now the opponents are not satisfied. They are endeavoring by way of this amendment to separate these airports, to ensure that they stand alone. That simply will defeat the whole purpose of this legislation which is to establish a regional approach to the dynamic transportation needs of this region.

Mr. President, I move to table this amendment and I ask for the yeas and nays.

The PRESIDING OFFICER. Is there a sufficient second? There is a sufficient second.

The yeas and nays were ordered.

The PRESIDING OFFICER. The question is on the motion of the Senator from Virginia to lay on the table the amendment of the Senator from Maryland. On this question, the yeas and nays have been ordered, and the clerk will call the roll.

The legislative clerk called the roll.

Mr. SIMPSON. I announce that the Senator from North Dakota [Mr. Andrews], the Senator from Florida [Mrs. Hawkins], and the Senator from Vermont [Mr. Stafford] are necessarily absent.

The PRESIDING OFFICER (Mr. Gorton). Are there any other Senators in the Chamber who desire to vote?

The result was announced—yeas 54, nays 43, as follows:

[Rollcall Vote No. 61 Leg.]

YEAS—54

Abdnor
Armstrong
Boschwitz
Chafee
Cochran
D'Amato
Danforth
Denton
Dixon
Dole
Domenici
Durenberger
East
Evans
Garn
Glenn
Gorton
Gramm
Grassley
Hart
Hatch
Hatfield
Hecht
Heflin
Helms
Inouye
Johnston
Kassebaum
Kasten
Laxalt
Long
Lugar
Mattingly
McClure
McConnell
Murkowski
Nickles
Nunn
Packwood
Pressler
Quayle
Rockefeller
Roth
Rudman
Simpson
Specter
Stennis
Stevens
Symms
Thurmond
Trible
Wallop
Warner
Wilson

NAYS—43

Baucus
Bentsen
Biden
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Mathias
Matsunaga
Melcher
Metzenbaum
Mitchell
Moynihan
Pell
Proxmire
Pryor
Riegle
Sarbanes
Sasser
Simon
Weicker
Zorinsky

NOT VOTING—3

Andrews
Hawkins
Stafford

So the motion to lay on the table the amendment (No. 1766) was agreed to.

Mr. FORD. Mr. President, I do not know whether there is any time limit on what we are doing here, but my name was used considerably during the consideration of the last amendment.

It is true that I helped work out a compromise, but the original amendment I offered was the best amendment. Senator Mathias offered the original amendment, and had I been here and had the opportunity, I would have supported Senator Mathias with respect to that amendment. Even though I did participate in the compromise, the Mathias amendment was correct, and I would like to have that as part of the Record.

Mr. GOLDWATER. Mr. President, while we have a little time, I want to take this opportunity to explain why I intend to vote against this legislation.

I know a little bit about airports. I have been connected with them in different parts of the country, helped to build several in my home State. They are very desirable things to own. If run properly, they are great moneymakers.

However, Mr. President, never in my life have I seen such a ridiculous situation as we are getting to here, where we are selling land which, if it is not worth $1 billion, it is not worth a penny. And we are selling it for $47 million!

I think it is time this body has the courage to tell somebody downtown that as much as we want to sell this land to Virginia—and I would love to sell it to Virginia—it does not make common sense to me to give something away.

If the people who want to buy this land want to offer what it is worth and if we have no idea of what it is worth, I can assure you that we can find people all over this country who can come here and appraise the value of Washington National.

Can you imagine what would happen to Washington National if Virginia decided to take up the runways and build condominiums or office buildings down there? Talk about $47 million. It would cost that much to build a parking lot.

How about Dulles, the finest airport that has ever been built in the entire world?

At $47 million?

Mr. President, I think it is absolutely stupid and I think this body is going to go down as one of the most stupid Senates that we have had in our history allowing something like this to happen.

If you want to sell land like this, I have millions of acres in Arizona. I would take $47 an acre just to get it.

Now if we are going to give $47 million for a handful of acres that has two beautiful airports on them, I just want to get in the action. I wish I had that much money. I would come in here and make a bid for it.

I just want to register my very strong complaint, Mr. President. It is not the way to do business. It is not a precedent that we are going to be proud of nor that this Senate can look back on and say with any great deal of pride "Look what we did."

I yield the floor.

Mr. HOLLINGS. Mr. President, I thank the distinguished Senator from Arizona. We have chatted informally.

The distinguished Senator from Arizona has made my feeling, my speech, and my vote for me all in about 5 minutes.

It just shocked my conscience that we sell not only that finest airport out at Dulles but the 10,000 acres as well.

The Senator from Arizona and I worked on the FAA budget, the authorization. They are going to start sending us bills. We are going to have to pay bills to the so-called authority, and everything else.

We have other activities out there and other departments of Government and we are going to start getting the bills for those things.

And the irony of it is that the Senator from Arizona and I have been paying 8 percent tax on flights from Phoenix to Washington, DC, back and forth, under the Airport and Airways Trust Fund. We paid our moneys over the past 16 years.

As the distinguished Senator from Arizona knows, under the authorization $11 million was allocated from the trust fund to the Phoenix Airport. We put in another $11 million at St. Louis. In total, we allocated over $1 billion to airports out of the trust fund last year. That was not by passage of any kind of particular bill for National or Dulles or Phoenix. It was just under the general FAA authorization. The FAA is authorized to dispense those moneys according to the need to modernize and improve those airport facilities.

One hundred million dollars has been sent down to Atlanta, $100 million to Dallas-Fort Worth. We had to lengthen the runway 2 years ago down at St. Thomas. The people get cold around this town and are now able to land out there and get a suntan quick. That was just to lengthen it out and build a runway out in the ocean.

But when it comes to the "we the people" facilities here at the National Capital, we want to have what has been called a steal. I hate to use the harsh language. That is what we use in the parlance or real estate. If you can pick up 10,000 acres in the Silicon Valley of Virginia for $47 million, you have a steal, without even an airport. They have it all phrased around and everything else. The phraseology is used with respect to airport use. I am doing it at the airport of Charleston. Every Porche and expensive French car that is sold in this country lands in Charleston. We built a building out there and a big parking place, and we are making money out of it. That is an industry with airport use. You would not have thought of it. I did not think of it.

But you have been in the international airport here and you can put all kinds of industries there. They can pay things off in a couple years and not even have to issue the bonds. With the proviso to take moneys now from the Airport Trust Fund, they would be on easy street, and it will be the darndest deal you have ever seen.

Our problem is, having been a Governor, when the financial pressures hit in Richmond, the ultimate title and everything else is ultimate politics. The political decisions to be made are going to have to be made with a majority of the controlling membership of that particular authority. That is common sense.

So what, in essence, we have done is taken the people's property, not just at a giveaway, but actually put it beyond the control of the people who have a special interest. You cannot fault the State of Virginia. If I were the Governor of Virginia I would be running around these Halls too. I

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mean this is the grandest opportunity since John Smith landed at Jamestown. I can tell you that right now. This is a wonderful situation here, and it just should not be allowed. We have not been able to get the attention.

So I hope as to the statement by the distinguished Senator from Arizona because he is listened to and so respected in this particular body, and everyone knows he has no interest one way or the other, other than the best interest of the people of this Nation, that they listen to what the Senator from Arizona has stated. Please, if Senators are disposed to vote from the friendships they make, and you have to help your friends, and I understand that, but if Senators are going to help their friends, remember, in addition to the help you are giving your friends, do not ever come back to us who are interested in the military and talk about toilet seats and coffeepots. With this money, we can buy 60,000 toilet seats, umpteen coffeepots and everything else we are jumping over Cap Weinberger for.

This is waste, fraud, and abuse, starting right here on the floor of the Senate. Everybody should remember that. Do not come around saying, "Look how they wasted this or did not have an alternative bid." Tell them to go to the Trible-Warner rule where you cannot find a bid. We can just put that in all the defense bills, that somehow you cannot find the value under the Trible-Warner rule, and let us put that in for the Pentagon and let them go their merry way and quit fussing at them.

Mr. GOLDWATER. Mr. President, will the Senator yield?

Mr. HOLLINGS. I yield.

Mr. GOLDWATER. I do not know if the Senator will remember it or not, but I had a small piece of legislation passed here last year, not that it included any money, but eventually it is going to cost money, and it was for the purpose of obtaining some excess hangars at the north end of Dulles so that we could move the wonderful reconstruction process out here from Suitland Parkway, maintain it, enable it to continue work. They said, "Well, how much are you talking about? I said, "Well, I think it is worth maybe $20 million. I will go out and raise the money myself or do my best."

Now I look at the whole doggone thing—$47 million. I did not even get a runway out of it. I just wanted some old empty hangars.

We have the Marriott Hotel out there. How much do you think that Marriott Hotel costs?

Mr. HOLLINGS. I do not know.

Mr. GOLDWATER. If it did not cost at least $30 million, they have a way of doing things I do not know about. We are just being plain—I hate to say this—we are being stupid, and I hope we can get an amendment in here that would put the price where it should be and then we can vote for it and let Virginia enjoy the luxury of having two airports. They can spend some money on it.

Mr. HOLLINGS. I agree with the Senator.

I yield the floor and I thank the Senator.

The PRESIDING OFFICER. The distinguished Senator from Virginia is recognized.

Mr. TRIBLE. Thank you, Mr. President.

AMENDMENT NO. 1767

Mr. TRIBLE. Mr. President, I send an amendment to the desk and ask for its immediate consideration.

The PRESIDING OFFICER. The amendment will be stated.

The assistant legislative clerk read as follows:

> The Senator from Virginia [Mr. TRIBLE] proposes an amendment numbered 1767. On page 49, strike lines 2-3, and insert in lieu thereof the following:
>
> SEC. 11. (a) The Airports Authority may extend the lease entered into under section 5(a) of this Act for an additional term of 15 years for the sole purpose of continuing to operate the airports under the terms and restrictions established in this Act.
>
> (b) During the period of the lease the Secretary and the Airports Authority may negotiate a contract of sale for the transfer of the properties constituting the Metropolitan Washington Airports. Such properties shall not be sold until the Congress approves legislation implementing the terms of such contract.
>
> (c) Upon approval by the Congress of legislation implementing the terms of such contract—

Mr. TRIBLE. Mr. President, I thank the clerk for reading the amendment.

The amendment is short and very direct in its approach.

We have heard a number of Senators take the floor and talk about a giveaway. We have heard a number of Senators talk about how wrong it was to turn over to Virginia or to an Airports Authority these very valuable properties. It is true that under the terms of this agreement after 35 years of operation of an airport under a lease these properties would go over to the Airports Authority. Under the terms and conditions of this legislation there would be a continuing requirement that these airports be used for airport purposes.

The purpose of this legislation is not to turn these properties over to anyone for any purpose but the operation of airports. And it does not concern me if the Federal Government continues to own these properties, as long as we create the opportunity for these airports to be managed effectively, as long as we create the opportunity for these airports to be expanded, modernized, and enhanced.

Therefore, to meet the concerns expressed by some of my colleagues this amendment protects the Federal interest and ensures the Federal Government will continue to own these properties.

What this amendment says is that these properties will be leased to the Airports Authority for a total period of 50 years, one lease of 35 years and a reward of 15 years during which time they have to be operated as airports pursuant to the terms and conditions and restrictions of this legislation.

During that period of time, the Secretary of Transportation and the Airports Authority may negotiate a contract of sale for the transfer of these properties but such properties will not be sold until Congress approves legislation implementing the terms of such contract. I offer this amendment to meet the concerns of those Senators that are concerned that at some point in 35 years, under the present legislation, these properties will then be turned over lock, stock and barrel to an Airports Authority. It is not my purpose. All I want are quality airports. And I am here to tell you the only way we are going to get first-class jet ports for this region, for this Nation, is to implement this legislation.

So to meet those concerns, this amendment quite simply will reside the title to these important pieces of property in the Federal Government and in the hands of the taxpayers now and forever, unless some future Congress decides that there ought to be an actual transfer of these properties.

This amendment is very straightforward. It satisfies very directly the concerns of my distinguished colleague from South Carolina and it will ensure, as far as I am most importantly concerned, that we can have a first-class airport.

So I offer this amendment to my colleagues and I hope that it would be promptly adopted.

Mr. EXON. Mr. President, as a member of the Commerce, Science, and Transportation Committee, of which the Presiding Officer is a member, of which our distinguished colleague from Arizona is a member, of which our distinguished colleague from South Carolina is a member, and others that have been on an off the floor, I listened with great, great interest to the recent exchange. I want to compliment my good friend and great Senator from the State of Arizona. He stated it well. The Senator from South Carolina has spoken on this previously. We discussed it at great length in the Commerce, Science, and Transportation Committee. I was opposed to bringing that bill out of the committee. I did that somewhat reluctantly because of the high respect that I have for the two Senators from Virginia. So I echo the words of the Senator from South Carolina when he said were he the Senators from Virginia he

would be doing about the same thing with the deal that they are getting.

I simply come back to a very fundamental cause that I think has at least been enhanced by the discussion that we have had here this afternoon.

I am delighted to see the amendment that is about to be offered, as I understand it, by the Senator from Virginia, the manager of this bill. I want to take a look at that. It might be a significant step in the right direction. It still does not address a very "minor" concern that I and others have with regard to the management of the airport, the so-called Airports Authority.

There are all kinds of pros and cons on this issue, but from the very beginning, this Senator from Nebraska asked what I thought was a very legitimate question. If this is such a good deal for everyone, if we are going to develop these airports and have this grand three-airport facility, Baltimore and Washington National, and Dulles, and if this is such a good thing for the Nation's Capital, why do we not have more people on that commission representing the people of the Nation as a whole?

The point has been made over and over again that we have to have a good airport facility in the Nation's Capital. I agree, because most of the people that come in and out of this city do not come by automobile, they do not come by train, they do not come by stagecoach, they come by air.

I think one of the major failures of the piece of legislation is the fact that we are giving control, lock, stock, and barrel to the people that live in Virginia, the people that live in Washington, DC and, to a lesser extent, the people that live in neighboring Baltimore, MD.

Mr. TRIBLE. Will the Senator yield?

Mr. EXON. If I could finish my statement, I would be glad to yield, because you and I have talked about this on many occasions.

It seems to me, Mr. President, that at least at a minimum, if we are starting to make compromises now that the Senator from Virginia has outlined, at least we should raise the number of appointees to that commission by the President of the United States from outside the area here of Washington, DC and Baltimore, MD and Virginia and have three or four, rather than one person appointed by the President.

Mr. TRIBLE. Will the Senator please yield on that point?

Mr. EXON. I yield without losing my right to the floor.

Mr. TRIBLE. We have done that. We have done that. We did that last night, I would tell my colleague. I wish that he had been here to be a part of that process.

Mr. EXON. What did you do last night? I am sorry I was not here also. Is it a secret?

Mr. TRIBLE. No, it was in the RECORD. I do not want to quarrel with my friend, but I want to simply point out that what the Senator now seeks has been accomplished. The Senator has won today without being a part of the process. The Senator from South Dakota offered an amendment, which was accepted, which increased the Federal representation on the board to three individuals. And the Senator just said we should have two or three. You have got three and that was to meet the very legitimate concerns expressed by you and by other Senators from distant points in the country that said, "Look, we have got an interest at stake here and we want a stronger voice." We have given you that stronger voice. We believe that point was well-taken.

And, I must say, I accepted that amendment in large measure because of the persuasion of the Senator from Nebraska. The Senator from Nebraska and I have talked about this matter on several occasions, both in committee and on the floor, and I knew of his strong support for expanding the representation of the board.

The amendment was indeed offered by the Senator from South Dakota and it was accepted by the manager of the bill. So there is broader representation and there is a much stronger voice for those citizens that live outside the beltway, as you and I both have discussed and as you have long felt was most appropriate.

Mr. EXON. I thank my friend very much for enlightening me on what I think is a very important matter. If I understand it right, then, we have come back to having three people appointed by the President. We did not expand the representation or decrease the representation from the District or Virginia or Maryland?

Mr. TRIBLE. That is correct. As you will recall, the Senate voted to table an amendment of Senator PRESSLER of South Dakota that would have changed the composition of the board across the board. But what we have agreed to do, indeed, what we have voted to do, was increase the representation from beyond the Washington metropolitan area and there are now three representatives on the board.

So the composition of the board is as follows: We would have five Virginians, we would have three folks from the District of Columbia, two from Maryland, and three from beyond the beltway. We would have, in effect, a 13—

Mr. EXON. Fourteen, total.

Mr. TRIBLE. I think it is 13, but my math never was very good.

Mr. EXON. Five from Virginia, is that right?

Mr TRIBLE. Five, three, three, and two.

Mr. EXON. Two from where?

Mr. TRIBLE. Two from Maryland.

Mr. EXON. Two from Maryland.

Mr. TRIBLE. I believe that adds up to 13. I will yield to my colleague, whose math, I am sure, is much more precise than mine.

Mr. EXON. Evidently, if I could clarify this a little further, this is essentially the amendment the Senator from Nebraska offered in the Commerce Committee, is that right?

Mr. TRIBLE. There is no question about it. The Senator from Nebraska was the person who advanced this position, and argued it most persuasively very early on.

Mr. EXON. I am very delighted that they finally came to the Exon position without me even knowing about it.

Mr. TRIBLE. The reason and persuasion of the good Senator from Nebraska carried the day even in his absence.

Mr. EXON. I think the Senator from Virginia is being a little bit facetious in that regard. I think probably it would be more accurate to state that they finally came around to the original position of the Senator from Nebraska because they wanted to quell some of the rising tide of opposition to many other things that are wrong with this bill. May I ask this question?

Why at this late date was this agreed to? I think it is very interesting. I think the Senator knows that the first time I ever heard about this was when I was called into a meeting with the former Governor of the Senator's State, whom I had the privilege of serving with. I brought it up then. I brought it up time and time again. I asked for a vote on that in the Commerce Committee. I think we got three or four votes. I have been talking with the good Senator from Virginia and others for a long, long time. I got absolutely nowhere.

I cosponsored the amendment offered by the Senator from South Dakota, which I believe, if I remember my arithmetic correctly, have five representatives to be appointed by the President of the United States, which was different from what I proposed in committee.

I am delighted to know that they finally came around to making this concession but I suggest it was not because of the perseverance or the great influence or the insight of the Senator from Nebraska. I suggest the facts of the matter are that it come to that position merely because it was felt that otherwise the bill might not pass in the final analysis. But that is just my suspicious nature. There is probably no basis whatsoever for my thoughts.

But I thank my friend from Virginia for explaining it to me. I am delighted

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to know that the Exon amendment has become part of the bill.

Mr. HOLLINGS addressed the Chair.

The PRESIDING OFFICER. The Senator from South Carolina.

Mr. HOLLINGS. Mr. President, with respect to the distinguished Senator's amendment, it replaces a proposed amendment by the Senator from South Carolina. I am not a cosponsor of the amendment because I wanted to make clear I am under the duress of commonsense. I cannot carry any amendment. I guess I had my high point with respect to the cost of the transfer of these airports. I had all the authorities, I say to the Senator from Arizona. I had Peter Grace, Richard Nixon, the Taxpayers Union, the British investment bankers—I had more people offering high prices when they were saying they could not get an offer or market value. I was prepared to terminate as really it should be done at the end of the 35 years. Of course the Congress is here. The people are here. We can still negotiate further with the authority, or with the State of Virginia, or whatever.

I wanted to vitiate my kind of fee simple title ownership to the State of Virginia. I have been persuaded, though, that the best result I am going to get is the amendment of the Senator from Virginia, Senator Trible. So we have compromised on 15 years, which in essence gives him a 50-year, rather than a 35-year, lease but it does say at the end of that time the title does remain with the Federal Government. It does not protect anything for the Federal Government because if practically is out of any dealings with the airport during that 50-year period. Of course, any time they get a friendly Secretary of Transportation, as might well occur under this particular Secretary, they can renegotiate the contract of sale. But it would have to come back to the Congress.

That is about the best I can do. I accede to it because my bottomline is that I really resist the bill in its entirety. I think it is not in the public interest. I think what would be in the public interest would be to designate the people's airports at National and Dulles as just that, people's and public airports to comply under the law.

The Senator knows there is a provision under the law that the people's airports are not the people's airports. Airports eligible for moneys from the airport and airways trust fund are defined as public airports, which are State entities and authorities, which has been interpreted to disallow any trust fund moneys for National and Dulles.

What you have in reality is taxation without representation. We have all of these Latin sayings around this hallowed Hall, and how we fought to do away with taxation without representation. But that is what we have with respect to Dulles and National. That is the fundamental involved here, and the difficulty.

We have a law interpreted. I am confident that with the good respect of an attorney I could take it up under the equal protection clause of the 14th amendment, and say I am not getting for my money the protection as other citizens of the United States in a similar situation. I would knock that section out, and then the Federal Aviation Administration under the law would be able to go ahead, give the $250 million, that the FAA says is needed. We could just move on, and would not have all the lawyers and all the delays, all the authorities and political appointments and anything else.

No one has ever complained about Admiral Engen, the Administrator of FAA, about his operation, and his efficiency thereof. We are all talking about public improvements—the midfield terminal at Dulles, the parking facilities, and the modernization of the terminal at National. We could move right ahead with those particular things at this moment, if we did away with that fanciful quirk in the law that defines these airports as not being public airports. The people's airports of National and Dulles are not people's airports, and they are not public.

Whoever heard of that? But that is why we are suffering here. That is why I have to accept this amendment to try to hold a little bit of interest in the people of the United States in these facilities.

Mr. TRIBLE. Mr. President, I move adoption of the amendment.

The PRESIDING OFFICER (Mr. Denton). Is there further debate on the amendment? If not, the question is on agreeing to the amendment of the Senator from Virginia.

The amendment (No. 1767) was agreed to.

Mr. TRIBLE. Mr. President, I move to reconsider the vote by which the amendment was agreed to.

Mr. HEINZ. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. TRIBLE. Mr. President, it is the intention of the leadership to offer soon a unanimous-consent agreement. Awaiting the arrival of our distinguished leader, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. TRIBLE. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

MODIFICATIONS TO AMENDMENT NO. 1740 AND AMENDMENT NO. 1742

Mr. TRIBLE. Mr. President, I ask unanimous consent that amendment No. 1740, previously adopted by the Senate, be modified by striking "seven" and inserting in lieu thereof "nine".

That amendment No. 1742, previously adopted by the Senate, be modified by striking the amendment made to lines 11–12 on page 36 and inserting in lieu thereof the following:

Lines 10–12, page 36, strike:

> "The President shall make initial and subsequent appointments for a six-year term, with such" and insert in lieu thereof the following: "The President shall make initial appointments as follows: One member for six-year term, one member for a four-year term, and one member for a two-year term; subsequent appointments by the President shall be for a period of six years, with all such".

The PRESIDING OFFICER. Is there objection? Without objection, it is so ordered.

AMENDMENT NO. 1768

Mr. TRIBLE. Mr. President, I send an amendment to the desk and ask for its immediate consideration.

The PRESIDING OFFICER. The clerk will report.

The legislative clerk read as follows:

> The Senator from Virginia [Mr. Trible] proposes an amendment numbered 1768.
>
> On page 36, line 14, strike "seven" and insert in lieu thereof "nine".

Mr. TRIBLE. Mr. President, very simply, this is a technical change to make the language heretofore adopted to conform with the remainder of the bill. It has been reviewed by my distinguished colleague from Maryland. I move its adoption.

The PRESIDING OFFICER. Is there further debate? If not, the question is on agreeing to the amendment.

The amendment (No. 1768) was agreed to.

Mr. TRIBLE. Mr. President, I move to reconsider the vote by which the amendment was agreed to.

Mr. SARBANES. Mr. President, I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. SIMPSON. Mr. President, I want to commend the activities here on the floor of the Senator from Virginia [Mr. Trible] and the Senator from Maryland [Mr. Sarbanes]. Theirs has been remarkable work. I see Senator Mathias and if I had not seen his presence I would have added his name also. Also, Senator Warner of Virginia. These four Senators have a deep interest in this measure as they have expressed over these last days—9 of them, to be specific. They have grappled with a very tough issue. We get closer and closer to resolving it. It is a tough one for all of us. It is not just a provincial issue but a national issue. It is a tough issue and I marvel as they work toward the resolution of it. I thank them sincerely as I have seen their activities as floor managers on these days.

With that, after consulting with the Democratic leader, I believe we are ready to propose a unanimous-consent request.

UNANIMOUS-CONSENT REQUEST

Mr. President, I ask unanimous consent that during the remainder of the Senate's consideration of S. 1017, the regional airports bill, the following amendments be the only first-degree amendments in order, with the exception of the committee-reported substitute, and they be limited to 30 minutes to be equally divided in the usual form: Senator Mathias' amendment on price; Senator Sarbanes' amendment to limit cross-subsidization of National and Dulles; Senator Sarbanes' amendment dealing with restriction on Dulles land development; Senator Sarbanes' amendment on membership of the authority.

Further, I ask unanimous consent that there be 10 minutes on any debatable motions, appeals, or points of order if so submitted to the Senate, and no motions to recommit with instructions be in order, and the agreement be in the usual form.

Finally, I ask unanimous consent that final passage occur no later than 12 noon on Friday, April 11, and that paragraph 4 of rule 12 be waived.

Mr. BYRD. Mr. President, reserving the right to object.

Mr. GOLDWATER. Mr. President, reserving the right to object, I want to ask a question. Does the unanimous-consent request of the Senator preclude the introduction of any other amendments than the amendments he has mentioned?

Mr. SIMPSON. Mr. President, that is correct.

Mr. GOLDWATER. I will have to oppose that, Mr. President.

Mr. SIMPSON. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. SIMPSON. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. SIMPSON. Mr. President, I intend to repropose and propound the time agreement on S. 1017. Even though it was not accepted, it was discussed.

For the information of Senators, I indicate preliminarily that we will come in at 9 a.m. tomorrow and get back on the bill by 9:30.

UNANIMOUS-CONSENT REQUEST

Mr. President, I ask unanimous consent that during the remainder of the Senate's consideration of S. 1017, the regional airports bill, the following first-degree amendments be the only amendments in order, with the exception of the committee-reported substitute and that they be limited to 20 minutes, to be equally divided in the usual form: A Mathias amendment on price; a Sarbanes amendment to limit cross-subsidization of National and Dulles Airports; a Sarbanes amendment dealing with restriction on Dulles land development; a Sarbanes amendment on membership of the authority; a Goldwater amendment requiring bidding; an Exon amendment on Airport Authority composition.

I further ask unanimous consent that there be 10 minutes on any debatable motions, appeals, or points of order if such be submitted to the Senate; that no motion to recommit with instructions be in order; and that the agreement be in the usual form.

I ask unanimous consent that passage occur no later than 12 noon on Friday, April 11, and that paragraph 4 of rule XII be waived.

Mr. BYRD. Mr. President, reserving the right to object. Mr. President, is the Senate presently working on the committee reported substitute?

The PRESIDING OFFICER. It is.

Mr. BYRD. Mr. President, is it the intention of the distinguished assistant Republican leader to also vitiate the cloture votes, if the agreement is gotten?

Mr. SIMPSON. Mr. President, it is the intention of the majority leader to then ask, if this agreement is accepted, unanimous consent that the two cloture votes to occur tomorrow be vitiated.

Mr. BYRD. Mr. President, as I have listened to the distinguished Senator, it appears that there are six or seven amendments?

Mr. SARBANES. Six.

Mr. BYRD. Six. Is it believed that some of these amendments will not require rollcall votes? The reason I am asking is because I am afraid that the Senate is going to run out of time, and while the amendments would still be in order we would probably have no time left if there are many rollcalls required on the adoption of the amendments.

Mr. SIMPSON. Mr. President, I would respond to the Democratic leader with the indication that the floor managers seem to indicate that there might be time yielded back on certain of the amendments. They may not all require a rollcall vote. I think that is quite possible. We return to the bill at 9:30 a.m. With some rather crisp voting pattern we might make it. That augurs the "Friday syndrome" may take place.

Mr. SARBANES. I might observe that perhaps all of the amendments might not be offered, and of course we have cut the time down to 20 minutes and even that time might not be used. The assistant majority leader might want to consider coming in somewhat earlier and going on the bill somewhat earlier. I do not know how that works with the schedule. We are scheduled to get on the bill at 9:30. You might want to get on it a little earlier.

Mr. TRIBLE. Will the assistant majority leader yield?

Mr. SIMPSON. I certainly will be happy to yield.

Mr. TRIBLE. I would suggest the possibility that perhaps we come in at 8:30 and begin the bill at 9. I think that would give us ample opportunity to dispose of all these amendments and all of our colleagues would have ample opportunity to debate these issues.

Mr. SIMPSON. Mr. President, I think there will be yielding back of time. There could also be the opportunity to shorten the time on the rollcall voting procedure or even to stack votes on those amendments with a short procedure before noon in accordance with the agreement. I see flexibility there that could be had, and we would come in at 8:30 and be back on the bill at 9 o'clock.

Mr. BYRD. Mr. President, I am afraid that when tomorrow comes and the Senate reaches the hour of 12 noon, it would be quite possible there would be amendments remaining on which there would be no time for debate. I think there would be an objection to stacking the votes also.

TIME LIMITATION AGREEMENT—S. 1017

Mr. SIMPSON. Mr. President, after conferring with the principals, the floor managers, Senator Sarbanes, Senator Trible, and their helpful counsel; the Democratic leader and the majority leader; Senator Mathias; Senator Cranston; and others, I believe that we have resolved this matter and hope that that is the case. We will then begin our proceedings tomorrow at 9 a.m., going to this measure at 9:30 a.m.

I will then repropound the unanimous-consent request and ask unanimous consent that during the remainder of the Senate's consideration of S. 1017, the regional airport bill, the following first-degree amendments be the only amendments in order, with the exception of the committee-reported substitute, and that they be limited to 15 minutes to be equally divided in the usual form.

The Mathias amendment on price; Sarbanes amendment to limit cross-subsidization of National and Dulles; Sarbanes amendment dealing with restriction on Dulles land development; Sarbanes amendment on membership of the authority; Goldwater amendment requiring bidding; and Exon amendment on Airport Authority composition.

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Further, I ask unanimous consent that there be 10 minutes on any debatable motions, appeals, or points of order, if so submitted to the Senate, and no motions to recommit with instructions be in order and the agreement be in the usual form.

Finally, I ask unanimous consent that final passage occur no later than 12 noon on Friday, April 11, and paragraph 4 of rule XII be waived.

The PRESIDING OFFICER. Is there objection to the request of the Senator from Wyoming?

Mr. BYRD. Mr. President, reserving the right to object, and I do not think I will have to object.

Mr. President, would the distinguished assistant Republican leader be willing to add to the request a little time for debate on the bill overall?

Mr. SIMPSON. Mr. President, I think that is a very appropriate request, and I submit that the propounded unanimous consent agreement reflect 20 minutes of debate on the bill to be equally divided under the control of Senator TRIBLE and Senator SARBANES.

Mr. BYRD. Mr. President, I remove my reservation. I thank the distinguished Senator.

The PRESIDING OFFICER. Without ojection, it is so ordered.

The text of the agreement follows:

Ordered, That during the remainder of the Senate's consideration of S. 1017, the Regional Airport Bill, the following first degree amendments be the only amendments in order, with the exception of the committee reported substitute, and that they be limited to 15 minutes each, to be equally divided in the usual form:

Mathias amendemnt on price;

Sarbanes amendment to limit cross-subsidization of National and Dulles;

Sarbanes amendement dealing with restriction on Dulles land development;

Sarbanes amendment on membership of the Authority;

Exon amendment on composition of the Authority;

Goldwater amendment on competitive bidding.

Ordered further, That there be 10 minutes debate on any debatable motions, appeals, or points of order if so submitted to the Senate, and that no motions to recommit with instructions be in order, and that the agreement be in the usual form.

Ordered further, That time for debate on the bill be limited to 20 minutes, to be equally divided and controlled by the Senator from Virginia [Mr. TRIBLE] and the Senator from Maryland [Mr. SARBANES].

Ordered further, That final passage occur no later than 12:00 noon on Friday, April 11, 1986.

ORDER VITIATING CLOTURE VOTES ON TOMORROW

Mr. SIMPSON. Mr. President, I then ask unanimous consent that the two cloture votes to occur tomorrow be vitiated.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. BYRD. Mr. President, just so there will not be any misunderstanding, the vote on final passage is still intended to occur at 12 noon, even though the additional 20 minutes were added for debate on the bill, am I correct?

Mr. SIMPSON. Mr. President, the Democratic leader is correct.

Mr. BYRD. I thank the distinguished Senator.

Mr. SIMPSON. Mr. President, I would then announce that there will be no further rollcall votes tonight and also wish to inform Senators that rollcall votes will occur as early as 9:45 tomorrow morning. I thank all Senators, especially those who have managed the bill. It is most appreciated by the leadership.

MESSAGES FROM THE PRESIDENT

Messages from the President of the United States were communicated to the Senate by Mr. Saunders, one of his secretaries.

EXECUTIVE MESSAGES REFERRED

As in executive session, the Presiding Officer laid before the Senate messages from the President of the United States submitting sundry nominations which were referred to the appropriate committees.

(The nominations received today are printed at the end of the Senate proceedings.)

MESSAGES FROM THE HOUSE

At 3:23 p.m., a message from the House of Representatives, delivered by Ms. Goetz, one if its reading clerks, announced that the House has passed the following joint resolution, without amendment:

S.J. Res. 261. Joint resolution to designate the week of April 14, 1986 through April 20, 1986, as "National Mathematics Awareness Week."

EXECUTIVE AND OTHER COMMUNICATIONS

The following communications were laid before the Senate, together with accompanying papers, reports, and documents, which were referred as indicated:

EC-2895. A communication from the Assistant Attorney General of the United States transmitting, pursuant to law, a report on a new Privacy Act system of records; to the Committee on Governmental Affairs.

EC-2896. A communication from the Solicitor of the Commission on Civil Rights transmitting, pursuant to law, the Commission's Government in the Sunshine Report for 1985; to the Committee on Governmental Affairs.

EC-2897. A communication from the Chairman of the Federal Maritime Commission transmitting, pursuant to law, a report on the Commission's system of internal accounting and administrative control for 1985; to the Committee on Governmental Affairs.

EC-2898. A communication from the Director of Administration for the NLRB transmitting, pursuant to law, the Board's report on two new Privacy Act systems of records; to the Committee on Governmental Affairs.

EC-2899. A communication from the Acting Chairman of the U.S. Merit Systems Protection Board transmitting, pursuant to law, the Board's 1985 Annual Report; to the Committee on Governmental Affairs.

EC-2900. A communication from the Director of the Office of Personnel Management transmitting a draft of proposed legislation to amend the Civil Service Retirement System to reduce its costs to the Government; to the Committee on Governmental Affairs.

EC-2901. A communication from the Executive Assistant to the Personnel Appeals Board transmitting, pursuant to law, the Board's annual report for fiscal year 1985; to the Committee on Governmental Affairs.

EC-2902. A communication from the General Counsel of the Department of Justice transmitting, pursuant to law, a report on a new Privacy Act system of records; to the Committee on Governmental Affairs.

EC-2903. A communication from the Deputy Administrator of Veterans Affairs transmitting, pursuant to law, a report on a new computer matching program of Privacy Act records systems; to the Committee on Governmental Affairs.

EC-2904. A communication from the Assistant Secretary of the Interior transmitting, pursuant to law, the Department's first annual report on competition in contracting; to the Committee on Governmental Affairs.

EC-2905. A communication from the Administrator of the Small Business Administration transmitting, pursuant to law, the annual report on competition in contracting; to the Committee on Governmental Affairs.

EC-2906. A communication from the Acting Chairman of the Federal Trade Commission transmitting, pursuant to law, the Commission's 1985 Government in the Sunshine Report; to the Committee on Governmental Affairs.

EC-2907. A communication from the Chairman of the Board of Governors of the Federal Reserve System transmitting, pursuant to law, the Board's Government in the Sunshine Report for 1985; to the Committee on Governmental Affairs.

EC-2908. A communication from the Secretary of Energy, transmitting a draft of proposed legislation to promote competition in the natural gas market, to ensure open access to transportation service, to encourage production of natural gas, to provide natural gas consumers with adequate supplies at reasonable prices, to eliminate demand restraints, and for other purposes; to the Committee on Energy and Natural Resources.

REPORTS OF COMMITTEES

The following reports of committees were submitted:

By Mr. ANDREWS, from the Select Committee on Indian Affairs, with amendments:

S. 1724. A bill to authorize the Cherokee Nation of Oklahoma to design and construct

hydroelectric power facilities at W.D. Mayo Lock and Dam (Rept. No. 99-279).

By Mr. THURMOND, from the Committee on the Judiciary, without amendment and with a preamble:

S. Res. 352. A resolution relating to the commemoration of the bicentennial of the Senate of the United States.

By Mr. THURMOND, from the Committee on the Judiciary, with amendments and with a preamble:

S.J. Res. 188. Joint resolution to designate July 6, 1986, as "National Air Traffic Control Day."

By Mr. THURMOND, from the Committee on the Judiciary, with an amendment and an amendment to the title and an amended preamble:

S.J. Res. 199. Joint resolution to designate the month of November 1985 as "National Elks Veterans Remembrance Month."

By Mr. THURMOND, from the Committee on the Judiciary, without amendment and with a preamble:

S.J. Res. 281. Joint resolution to designate the week of May 11, 1986, through May 17, 1986, as "Senior Center Week."

S.J. Res. 284. Joint resolution to designate the month of May 1986 as "Better Hearing and Speech Month."

S.J. Res. 300. Joint resolution to recognize and honor 350 years of service of the National Guard.

S.J. Res. 303. Joint resolution to designate April 1986, as "Fair Housing Month."

S.J. Res. 306. Joint resolution to designate the week beginning November 23, 1986, as "National Adoption Week."

S.J. Res. 307. Joint resolution to designate the week of April 18 through April 27, 1986 as "National Carpet and Floorcovering Week."

S.J. Res. 309. Joint resolution to designate the week of June 1, 1986 through June 7, 1986, as "National Intelligence Community Week."

S.J. Res. 315. Joint resolution designating May 1986 as "Older Americans Month."

EXECUTIVE REPORTS OF COMMITTEES

The following executive reports of committees were submitted:

By Mr. THURMOND, from the Committee on the Judiciary:

Eric G. Bruggink, of Virginia, to be a judge of the U.S. Claims Court for a term of 15 years;

Marian Blank Horn, of Maryland, to be a judge of the U.S. Claims Court for a term of 15 years;

Ralph D. Morgan, of Indiana, to the U.S. marshall, for the southern district of Indiana for the term of 4 years;

John R. Kendall, of Michigan, to be U.S. marshall for the western district of Michigan for the term of 4 years;

Emery R. Jordan, of Maine, to be U.S. marshall for the district of Maine for the term of 4 years;

K. William O'Connor, of Virginia, to the U.S. attorney for the district of Guam and concurrently U.S. attorney for the district of the Northern Mariana Islands for the term of 4 years;

Donald W. Peterson, of Missouri, to be Deputy Commissioner of Patents and Trademarks.

By Mr. LUGAR, from the Committee on Foreign Relations:

H. Allen Holmes, of the District of Columbia, a career member of the Senior Foreign Service, class of Career Minister, to be an Assistant Secretary of State.

Otto J. Reich, of Virginia, to be Ambassador Extraordinary and Plenipotentiary of the United States to the Republic of Venezuela.

Contributions are to be reported for the period beginning on the first day of the fourth calendar year preceding the calendar year of the nomination and ending on the date of the nomination.

Nominee: Otto J. Reich.

Post: Ambassador to Venezuela.

Contributions, amount, date, donee:

1. Self, none.

2. Spouse, none.

3. Children and spouses, names, Adrienne Reich, none; Natalie Reich, none.

4. Parents, names: Walter Reich, none; Grace Reich, none.

5. Grandparents, names, Juan Fletites/Margarita Fleites, deceased/deceased; Otto Reich/ Elsa Reich, deceased/deceased.

6. Brothers and spouses, names, Ronald Reich/Donnalyn Reich, none/none.

7. Sisters and spouses, names: none.

Ronald S. Lauder, of New York, to be Ambassador Extraordinary and Plenipotentiary of the United States to the Republic of Austria:

Contributions are to be reported for the period beginning on the first day of the fourth calendar year preceding the calendar year of the nomination and ending on the date of the nomination.

Nominee: Ronald S. Lauder.

Post: Ambassador to Austria.

Nominated: Feburay 24, 1986.

Contributions, amount, date, and donee:

1. Self: See schedule 1, attached.

2. Spouse: See schedule 2, attached.

3. Children and spouses, names: Jane and Aerin Lauder; see schedule 3, attached.

4. Parents, Mr. and Mrs. Joseph H. (Mrs. Estee) Lauder; see schedule, attached.

5. Grandparents, names: Deceased (Max and Rose Mentzer), (William and Rose Lauder).

6. Brothers and spouses, names: Mr. and Mrs. Leonard A. (Mrs. Evelyn) Lauder; see schedule 5, attached.

7. Sisters and spouses, names: none.

Henry F. Schickling, of Pennsylvania, to be a member of the Board of Directors of the Overseas Private Investment Corporation for a term expiring December 17, 1988.

Carlos Salman, of Florida, to be a member of the Board of Directors of the Overseas Private Investment Corporation for a term expiring December 17, 1988.

(The above nominations were reported from the Committee on Foreign Relations with the recommendation that they be confirmed, subject to the nominees' commitment to respond to requests to appear and testify before any duly constituted committee of the Senate.)

SCHEDULE 1—RONALD S. LAUDER

Date, campaign, amount, for:

January 1, 1981, Republican National Committee, $600.

January 1, 1981, Republican National Committee, $3,000.80

February 25, 1981, Republican National Committee, $600.

March 3, 1981, Republican National Committee, $399.20.

June 11, 1981, National Republican Senatorial Committee, $10,000.

July 29, 1981, Wallop Senate Drive, Inc., $500 primary.

August 7, 1981, Committee to Send Schaus to the House, $100.

March 3, 1982, Prescott Bush for U.S. Senate, $250.

June 19, 1982, 1982 Victory Fund, $2,500, general.

June 22, 1982, Committee for Congressman Bill Green, $500, general.

June 23, 1982, Van B. Poole for U.S. Senate, $500, primary.

June 30, 1982, Evans 1982 Committee, $1,000, primary.

July 30, 1982, Friends of Fossel for Congress, $1,000, primary.

August 5, 1982 Cissy Baker Committee, $1,000 primary.

August 23, 1982 Bush for U.S. Senate Committee, $250.

September 2, 1982 Costello to Congress, $1,000, primary.

September 8, 1982, Seymour/Senate Campaign Committee, $1,000, primary.

September 23, 1982, National Conservative Political Action Committee, $500, primary.

September 30, 1982, Costello to Congress, $1,000, general.

October 4, 1982, Cissy Baker Committee, $1,000, general.

October 12, 1982, Pete Wilson for U.S. Senate, $1,000, general.

October 22, 1982, Friends of Fossel for Congress, $100, general.

October 25, 1982, Campaign America, $1,000, primary.

October 27, 1982, Michel Congress Committee, $500, general.

February 25, 1983, Friends of Senator D'Amato, $1,000, primary.

March 16, 1983, Friends of Senator D'Amato, $1,000, general.

April 6, 1983, Republican Senate-House Dinner Committee, $1,800, primary.

May 10, 1983, Vander Jagt Campaign Committee, $200.

June 6, 1983, National Republican Congressional Committee, $900, primary.

June 9, 1983, Fund to Keep America No. 1, $2,500, primary.

June 29, 1983, National Republican Senatorial Committee, $5,000, primary.

August 10, 1983, National Republican Senatorial Committee, $5,000, primary.

September 8, 1983, Republican Majority Fund, $5,000, primary.

October 21, 1983, Jepsen '84 Committee Amendment, $500, primary.

November 8, 1983, Citizens for Percy—1984, $500, primary.

January 6, 1984, Elise duPont '84 Committee, $500, primary.

January 24, 1984, Republican National Finance Committee, $10,000, primary.

March 23, 1984, Elise DuPont 1984 Committee, $150.

March 23, 1984, Citizens for Dave Smick, $1,000.

April 17, 1984, Vander Jagt Campaign, $100.

April 27, 1984, Committee to Reelect Congressman Carney, $1,000, primary.

June 29, 1984, National Republican Senatorial Committee, $10,000,* primary.

July 31, 1984, Republican National Finance Committee, $1,000, primary.

September 10, 1984, Republican Majority Fund, $2,000, primary.

November 7, 1984, Congressman Bill Green Committee, $250.

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*Mr. Lauder has requested a refund of $2,000 of the contribution.

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November 20, 1984, Westchester Republican Chairman's Club, $1,000, primary.

January 2, 1985, Republican National Finance Committee, $1,850.

January 4, 1985, National Republican Senatorial Committee, $800.

January 14, 1985, Republican National Finance Committee, $1,000.

March 11, 1985, Republican National Finance Committee, $10,000.

April 4, 1985, Republican Congressional Leadership, $2,500.

August 8, 1985, Holtzman for Congress, $100.

August 12, 1985, Republican Senatorial Inner Circle, $1,000.

October 15, 1985, Republican Congressional Boosters, $2,000.

October 15, 1985, Kemp Salute Dinner, $1,000.

October 15, 1985, Paul Arneson (Symms for Senate), $750.

Undated, John LeBoutillier for Congress Debt Retirement, $250.

Schedule 2—Mrs. Ronald S. (JoCarole) Lauder

Date, campaign, amount, for:

June 19, 1982, 1982 Victory Fund, $2,500, primary.

September 30, 1982, Costello to Congress, $1,000, general.

October 4, 1982, Cissy Baker Committee, $1,000, general.

October 25, 1982, Campaign America, $1,000, primary.

December 31, 1982, Seymour/Senate Campaign Committee, $709, primary.

September 8, 1983, Republican Majority Fund, $5,000, primary.

November 1, 1984, 500 Club, $500, primary.

October 15, 1985, Kemp Salute Dinner, $1,000.

Schedule 3—Jane and Aerin Lauder

Date, campaign, amount, for:

December 31, 1982, Seymour/Senate Campaign (JL) Committee, $709, primary.

December 31, 1982, Seymour/Senate Campaign (AL) Committee, $709, primary.

Schedule 4—Mr. and Mrs. Joseph H. (Mrs. Estee) Lauder

All contributions not otherwise designated were jointly made.

Date, campaign, amount, for:

January 6, 1981, Republican National Committee, $1,200.

January 6, 1981, Republican National Committee, $1,600.

January 20, 1981, Citizens for Buckley, Inc., $500, general.

February 7, 1981, Republican National Committee, $399.

March 1981, Norman Lent, $125.

March 21, 1981, 1981 Republican Senate House Dinner, $1,000, primary.

March 27, 1981, 1981 Republican Senate House Dinner, $10,000, primary.

March 27, 1981, National Republican Congressional Boosters Club (JHL), $1,500, primary.

March 27, 1981, National Republican Congressional Boosters Club (EL), $1,500, primary.

March 27, 1981, National Republican Senatorial Committee, $5,000, primary.

March 27, 1981, National Republican Congressional Committee (EL), $2,500, primary.

March 27, 1981, National Republican Congressional Committee (JHL), $2,500, primary.

May 5, 1981, Citizens for Buckley, $300.

May 21, 1981, Citizens for Madigan, $250.

June 22, 1981, People for Jackson, $500.

November 12, 1981, Friends of Senator D'Amato, $1,000, primary.

December 29, 1981, Moynihan Committee Inc. (EL), $1,000, primary.

December 29, 1981, Moynihan Committee Inc. (EL), $1,000, general.

December 29, 1981, Moynihan Committee Inc. (JHL), $1,000, primary.

December 29, 1981, Moynihan Committee Inc. (JHL), $1,000, general.

March 19, 1982, Republican Congressional Boosters Club, $1,000, primary.

October 4, 1982, Cissy Baker Committee (EL), $1,000, general.

October 4, 1982, Republican Congressional Boosters Club, $1,000.

October 4, 1982, Cissy Baker Committee (JHL), $1,000, general.

April 15, 1983, Republican Congressional Boosters Club (EL), $1,000, primary.

November 2, 1983, Friends of John Rockefeller (EL), $1,000.

February 27, 1984, Citizens for Percy 1984 (EL), $100.

February 27, 1984, Citizens for Percy 1984 (EL), $100.

March 2, 1984, Republican Congressional Boosters Club (EL), $1,000, primary.

March 4, 1984, Goldwater for Senate Committee (EL), $500, primary.

March 6, 1984, Salute to Victory II Dinner Committee (EL), $5,000, primary.

May 2, 1984, National Republican Congressional Committee (EL), $7,500, primary.

May 14, 1984, National Republican Congressional Committee (EL), $700, primary.

June 18, 1984, Inner Circle/New York Reception (EL), $1,000, primary.

August 13, 1984, Reelect Senator Pell Committee (EL), $250.

August 24, 1984, Victory 1984 Committee (EL), $1,000, primary.

September 20, 1984, Larry Pressler for U.S. Senate (EL), $500, general.

October 15, 1984, Republicans Abroad (EL), $150.

October 22, 1984, Friends of Jay Rockefeller (EL), $200.

October 22, 1984, Committee for Congressman Bill Green (EL), $250.

October 29, 1984, Elise du Pont 1984 Campaign (EL), $1,000.

February 18, 1985, Friends of Senator D'Amato (EL), $500.

February 28, 1985, The Republican Congressional Boosters (EL), $1,000.

March 9, 1985, Young Republican Club (EL), $1,000.

March 10, 1985, The President's Dinner (EL), $15,000.

May 1, 1985, The President's Dinner (EL), $1,500.

May 16, 1985, Committee for Responsive Government (EL), $5,000.

August 9, 1985, Republican Congressional Booster Club (EL), $1,000.

Schedule 5—Mr. and Mrs. Leonard A. (Mrs. Evelyn) Lauder

All contributions not otherwise designated were jointly made.

Date, campaign, amount, for:

March 23, 1981, Lent for Congress, $125.

May 6, 1981, Friends of Dick Lugar, $1,000, primary.

July 16, 1981, People for Jackson, $500, primary.

July 28, 1981, John Breaux Re-election Committee, $250.

October 14, 1981, Moynihan Committee Inc. (LAL), $1,000, primary.

December 29, 1981, Moynihan Committee Inc. (EL), $1,000, primary.

December 29, 1981, Moynihan Committee Inc. (EL), $1,000, general.

December 29, 1981, Moynihan Committee Inc. (LAL), $1,000, general.

January 13, 1982, Lent for Congress Committee, $150.

April 1982, Congressman Norman Lent, $200.

April 2, 1982, Re-elect Congressman Chuck Schumer, $1,000, primary.

May 14, 1982, Cissy Baker Committee, $500, primary.

June 9, 1982, Fenwick for Senate Committee, $250.

September 21, 1982, Yates for Congress Committee, $200.

September 28, 1982, Friends of Carol Greitzer, $150.

September 30, 1982, Costello to Congress, $1,000, general.

October 4, 1982, Cissy Baker Committee, $1,000, general.

October 12, 1982, Fenwick for Senate Committee, $500, general.

October 25, 1982, Campaign America (EL), $1,000, primary.

October 25, 1982, Campaign America (LAL), $1,000, primary.

May 19, 1983, Lent for Congress, $200.

November 8, 1983, Citizens for Percy—1984, $1,000, primary.

November 23, 1983, People for Boschwitz—1984, $1,000.

December 14, 1983, Friends of Senator D'Amato, $1,000, primary.

March 1984, Congressman Norman Lent, $200.

March 12, 1984, Bill Bradley for U.S. Senate 1984, $1,000, primary.

June 1984, Chris Dodd for Senate, $2,000.

June 5, 1984, Committee for Congressman Bill Green, $1,000, primary.

June 18, 1984, Inner Circle/New York Reception, $1,000, primary.

August 1984, Benbow for Congress, $250.

August 24, 1984, Victory 1984 Committee, $1,000, primary.

September 27, 1984, Bill Bradley for U.S. Senate 1984, $1,000, general.

October 15, 1984, Friends of Senator Carl Levin, $500, general.

October 22, 1984, Teicher for Congress, $75.

October 30, 1984, Re-elect Thurmond Committee, $1,000, general.

December 26, 1984, Friends of D'Amato, $1,000, primary.

January 10, 1985, Re-elect Packwood Committee, $250.

February 1985, Congressman Norman Lent, $200.

April 1985, Congressman Les Aspin Committee, $250.

June 19, 1985, John J. Duncan Campaign 1984, $500.

June 20, 1985, The Chicago Campaign Committee (D. Rostenkowski), $500.

July 30, 1985, Friends of Carol Greitzer, $100.

By Mr. DURENBERGER, from the Select Committee on Intelligence:

Robert M. Gates, of Virginia, to be Deputy Director of Central Intelligence.

INTRODUCTION OF BILLS AND JOINT RESOLUTIONS

The following bills and joint resolutions were introduced, read the first and second time by unanimous consent, and referred as indicated:

By Mr. WILSON (for himself, Mrs. Hawkins, Mr. McClure, Mr. Heflin, Mr. Symms, Mr. Abdnor, Mr. Grassley, Mr. Wallop, Mr. DeConcini, and Mr. Simpson):

S. 2280. A bill to amend the Agricultural Act of 1949 to suspend the application of the milk production termination program in order to minimize the adverse effect of the program on beef, pork, and lamb producers; to the Committee on Agriculture, Nutrition, and Forestry.

By Mr. TRIBLE (for himself, Mr. Laxalt, Mr. Denton, Mr. Armstrong, and Mr. Dixon):

S. 2281. A bill to amend title 18, United States Code, to provide additional penalties for fraud and related activities in connection with access devices and computers, and for other purposes; to the Committee on the Judiciary.

By Mr. DOLE (for Mrs. Hawkins):

S. 2282. A bill to establish a national advanced technician training program utilizing the Nation's eligible colleges to expand and improve the supply of technicians required by industry and national security in strategic, advanced, and emerging technology in order to increase the productivity of the Nation's industries, to contribute to the self-sufficiency of the United States in emerging technology, and to improve the competitiveness of the United States in international trade, and for other purposes; to the Committee on Labor and Human Resources.

By Mr. INOUYE:

S. 2283. A bill for the relief of Marivic Neri and Miyoshi Neri; to the Committee on the Judiciary.

By Mr. NICKLES (for himself, Mr. Abdnor, Mr. Boren, Mrs. Hawkins, Mr. Hecht, Mr. Symms, Mr. Heflin, Mr. McClure, Mr. Andrews, Mr. Gore, Mr. Durenberger, Mr. Armstrong, Mr. Denton, Mr. Boschwitz, Mrs. Kassebaum, Mr. Grassley, Mr. Dole, Mr. Simpson, Mr. Laxalt, Mr. Domenici, Mr. Baucus, Mr. Quayle, and Mr. Bumpers):

S. 2284. A bill to amend the Food Security Act of 1985 to require the Secretary of Agriculture to take certain actions to minimize the adverse effect of the milk production termination program on beef, pork, and lamb producers, and for other purposes; to the Committee on Agriculture, Nutrition, and Forestry.

By Mr. McCLURE (by request):

S. 2285. A bill to promote competition in the natural gas market, to ensure open access to transportation service, to encourage production of natural gas, to provide natural gas consumers with adequate supplies at reasonable prices, to eliminate demand restraints, and for other purposes; to the Committee on Energy and Natural Resources.

By Mr. DeCONCINI:

S. 2286. A bill to prohibit the sale, donation, or other transfer of STINGER antiaircraft missiles to democratic resistence forces in Afghanistan and Angola unless certain conditions are met; to the Committee on Foreign Relations.

By Mr. BRADLEY (for himself and Mr. Lautenberg):

S. 2287. A bill to amend the Wild and Scenic Rivers Act to designate a certain portion of the Great Egg Harbor River in the State of New Jersey for potential addition to the wild and scenic rivers system; to the Committee on Energy and Natural Resources.

SUBMISSION OF CONCURRENT AND SENATE RESOLUTIONS

The following concurrent resolutions and Senate resolutions were read, and referred (or acted upon), as indicated:

By Mr. ABDNOR (for himself, Mr. Nickles, Mr. Symms, Mr. McClure, Mr. Andrews, Mr. Boren, Mr. Hecht, Mr. Gore, Mr. Durenberger, Mr. Boschwitz, Mr. Heflin, Mr. Denton, Mr. Armstrong, Mrs. Hawkins, and Mrs. Kassebaum):

S. Res. 379. A resolution to express the sense of the Senate that the Secretary of Agriculture should take certain actions to minimize the adverse effect of the milk production termination program on beef, pork, and lamb producers, and for other purposes; to the Committee on Agriculture, Nutrition, and Forestry.

By Mr. LAUTENBERG (for himself and Mr. Weicker):

S. Res. 380. A resolution expressing the sense of the Senate of the United States of America that the United States Government should not undertake any efforts to interfere with the free market by encouraging OPEC or its members to adopt production controls to artificially raise oil prices; to the Committee on Foreign Relations.

By Mr. DECONCINI:

S. Res. 381. A resolution expressing the sense of the Senate with respect to United States corporations doing business in Angola; to the Committee on Banking, Housing, and Urban Affairs.

STATEMENTS ON INTRODUCED BILLS AND JOINT RESOLUTIONS

By Mr. WILSON (for himself, Mrs. Hawkins, Mr. McClure, Mr. Heflin, Mr. Symms, Mr. Abdnor, Mr. Grassley, Mr. Wallop, Mr. DeConcini, and Mr. Simpson):

S. 2280. A bill to amend the Agricultural Act of 1949 to suspend the application of the milk production termination program in order to minimize the adverse effect of the program on beef, pork, and lamb producers; to the Committee on Agriculture, Nutrition, and Forestry.

(The remarks of Mr. Wilson and the text of the legislation appear earlier in today's Record.)

By Mr. TRIBLE (for himself, Mr. Laxalt, Mr. Denton, Mr. Armstrong, and Mr. Dixon):

S. 2281. A bill to amend title 18, United States Code, to provide additional penalties for fraud and related activities in connection with access devices and computers, and for other purposes; to the Committee on the Judiciary.

COMPUTER FRAUD AND ABUSE ACT

Mr. TRIBLE. Mr. President, I am introducing today a revised version of legislation I sponsored last year to combat computer crime. I am especially pleased that the chairman of the Criminal Law Subcommittee, Senator Laxalt, has joined me in sponsoring this bill, along with Senators Denton, Armstrong, and Dixon. Congressman Hughes is introducing identical legislation today in the House of Representatives.

This new bill will supersede S. 440, the computer crime legislation I introduced in February of 1985. That measure was the subject of a hearing before the Criminal Law Subcommittee on October 30, 1985. In the months since, I have worked closely with Senator Laxalt to meet the concerns raised at that hearing, and I believe that this new bill will adequately address the computer crime problems facing the Federal Government, federally insured financial institutions, and the private sector.

In general, this measure will expand the protections against computer crime currently enjoyed by the Federal Government. Likewise, new offenses will be created for theft or intentional destruction of computer data when the offense is committed on an interstate basis, or when the crime is committed against computers belonging to federally insured financial institutions. Trafficking in computer passwords by those who intend to defraud the owner of the subject computer will also be proscribed.

The advent of widespread computer use has brought a great many benefits to the Nation. This Congress must act to ensure that those benefits are protected against computer criminals. I believe this legislation will do so, and I urge my colleagues to join Senator Laxalt and me in cosponsoring this bill.

I also ask unanimous consent that detailed analysis of the legislation and a copy of the bill itself appear in the Record at this point.

There being no objection, the material was ordered to be printed in the Record, as follows:

S. 2281

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the "Computer Fraud and Abuse Act of 1986".

SEC. 2. SECTION 1030 AMENDMENTS.

(a) Modification of Definition of Financial Institution.—Section 1030(a)(2) of title 18, United States Code, amended—

(1) by striking out "knowingly" and inserting "intentionally" in lieu thereof; and

(3) by striking out "as such terms are defined in the Right to Financial Privacy Act of 1978 (12 U.S.C. 3401 et seq.),".

(b) Modification of Existing Government Computers Offense.—Section 1030(a)(3) of title 18, United States Code, is amended—

(1) by striking out "knowingly" and inserting "intentionally" in lieu thereof;

(2) by striking out ", or having accessed" and all that follows through "prevents authorized use of, such computer";

(3) by striking out "It is not an offense" and all that follows through "use of the computer." and

(4) by striking out "if such computer is operated for or on behalf of the Government

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of the United States and such conduct affects such operation" and inserting in lieu thereof "if such computer is exclusively for the use of the Government of the United States or, in the case of a computer not exclusively for such use, if such computer is used by or for the Government of the United States and such conduct affects such use".

(c) Modification of Authorized Access Aspect of Offenses.—Paragraphs (1) and (2) of section 1030(a) of title 18, United States Code, are each amended by striking out ", or having accessed" and all that follows through "does not extend" and inserting "or exceeds authorized access" in lieu thereof.

(d) New Offenses.—Section 1030(a) of title 18, United States Code, is amended by inserting after paragraph (3) the following:

"(4) knowingly and with intent to defraud, accesses a Federal interest computer without authorization, or exceeds authorized access, and by means of such conduct furthers the intended fraud and obtains anything of value, unless the object of the fraud and the thing obtained consists only of the use of the computer;

"(5) intentionally accesses a Federal interest computer without authorization, and by means of one or more instances of such conduct alters information in that computer, or prevents authorized use of that computer, and thereby causes loss to another of a value aggregating $1,000 or more during any one year period; or

"(6) knowingly and with intent to defraud traffics (as defined in section 1029) in any password or similar information through which a computer may be accessed without authorization, if—

"(A) such trafficking affects interstate or foreign commerce; or

"(B) such computer is used by or for the Government of the United States;".

(e) Elimination of Section Specific Conspiracy Offense.—Section 1030(b) of title 18, United States Code, is amended—

(1) by striking out "(1)"; and

(2) by striking out paragraph (2).

(f) Penalty Amendments.—Section 1030 of title 18, United States Code, is amended—

(1) by striking out "of not more than the greater of $10,000" and all that follows through "obtained by the offense" in subsection (c)(1)(A) and inserting "under this title" in lieu thereof;

(2) by striking out "of not more than the greater of $100,000" and all that follows through "obtained by the offense" in subsection (c)(1)(B) and inserting "under this title" in lieu thereof;

(3) by striking out "or (a)(3)" each place it appears in subsection (c)(2) and inserting ", (a)(3) or (a)(6)" in lieu thereof;

(4) by striking out "of not more than the greater of $5,000" and all that follows through "created by the offense" in subsection (c)(2)(A) and inserting "under this title" in lieu thereof;

(5) by striking out "of not more than the greater of $10,000" and all that follows through "created by the offense" in subsection (c)(2)(B) and inserting "under this title" in lieu thereof;

(6) by striking out "not than" in subsection (c)(2)(B) and inserting "not more than" in lieu thereof;

(7) by striking out the period at the end of subsection (c)(2)(B) and inserting "; and" in lieu thereof; and

(8) by adding at the end of subsection (c) the following:

"(3)(A) a fine under this title or imprisonment for not more than five years, or both, in the case of an offense under subsection (a)(4) or (a)(5) of this section which does not occur after a conviction for another offense under such subsection, or an attempt to commit an offense punishable under this subparagraph; and

"(B) a fine under this title or imprisonment for not more than ten years, or both, in the case of an offense under subsection (a)(4) or (a)(5) of this section which occurs after a conviction for another offense under such subsection, or an attempt to commit an offense punishable under this subparagraph.".

(g) Conforming Amendments to Definitions Provision.—Section 1030(e) of title 18, United States Code, is amended—

(1) by striking out the comma after "As used in this section" and inserting a one-em dash in lieu thereof;

(2) by aligning the remaining portion of the subsection so that it is cut in two ems and begins as an indented paragraph, and inserting "(1)" before "the term";

(3) by striking out the period at the end and inserting a semicolon in lieu thereof; and

(4) by adding at the end thereof the following:

"(2) the term 'Federal interest computer' means a computer—

(A) exclusively for the use of a financial institution or the United States Government, or, in the case of a computer not exclusively for such use, used by or for a financial institution or the United States Government and the conduct constituting the offense affects such use; or

"(B) which is one of two or more computers used in committing the offense, not all of which are located in the same State;

"(3) the term 'State' includes the District of Columbia, the Commonwealth of Puerto Rico, and any other possession or territory of the United States;

"(4) the term 'financial institution' means—

"(A) a bank with deposits insured by the Federal Deposit Insurance Corporation;

"(B) the Federal Reserve or a member of the Federal Reserve including any Federal Reserve Bank;

"(C) an institution with accounts insured by the Federal Savings and Loan Insurance Corporation;

"(D) a credit union with accounts insured by the National Credit Union Administration;

"(E) a member of the Federal home loan bank system and any income loan bank; and

"(F) any institution of the Farm Credit System under the Farm Credit Act of 1971;

"(5) the term 'financial record' means information derived from any record held by a financial institution pertaining to a customer's relationship with the financial institution; and

"(6) the term 'exceeds authorized access' means to access a computer with authorization and to use such access to obtain or alter information in the computer that the accesser is not entitled so to obtain or alter.".

(h) Law Enforcement and Intelligence Activity Exception.—Section 1030 of title 18, United States Code, is amended by adding at the end the following new subsection:

"(f) This section does not prohibit any lawfully authorized investigative, protective, or intelligence activity of a law enforcement agency of the United States, a State, or a political subdivision of a State, or of an intelligence agency of the United States.".

ANALYSIS—COMPUTER FRAUD AND ABUSE ACT OF 1986

This legislation will expand somewhat the types of criminal miconduct involving computers that will be subject to federal jurisdiction. However, I intend, together with the cosponsor of this bill, that the federal role be expanded only to those areas where there is a compelling federal interest in the prevention and punishment of computer crimes. To that end, this bill provides additional protections against computer crimes affecting the Federal Government itself and federally insured financial institutions; it also proscribes some types of computer crimes that are interstate in nature.

AMENDMENTS TO PRESENT LAW

At present, 18 USC 1030(a)(1) provides for punishement of thefts by computer of national security-related information. This is a felony offense and will remain so. This bill will alter that provision of law only to the extent necessary to simplify the language pertaining to those who "exceed authorized access" to a particular computer system.

The same change will be made to present 18 USC 1030(a)(2). In addition, 18 USC 1030(a)(2) will be altered by changing the scienter requirement from "knowingly" to "intentionally". I am concerned that a "knowingly" standard, when applied to computer use and computer technology, might not be sufficient to preclude liability on the part of those who inadventently "stumble into" someone else's computer file. This is particularly true with respect to those who are authorized to use a particular computer, but subsequently exceed their authorized access by entering another's computer file. It is not difficult to envision a situation in which an authorized computer user will mistakenly enter someone else's computer file. Because the user had "knowingly" signed onto the computer in the first place, the danger exists that he might incur liability for his mistaken access to another file. The substitution of an "intentional" standard is meant to focus federal criminal prosecutions under this paragraph on those who evince a clear intent to enter, without authorization, computer files belonging to another.

The premise of 18 USC 1030(a)(2) remains the protection, for privacy purposes, of computerized information relating to customers' relationships with financial institutions. I believe strongly that the protection offered consumer reporting agency's in the 1984 computer crime legislation must be preserved. This was a valuable addition to the federal criminal statutes, and it ought not be reduced or eliminated. But this bill will also extend those privacy protections to the financial records of all customers—individual and corporate—of financial institutions, as defined in this new bill. As under present law, a first offense under this subsection will be punishable as a misdemeanor. Felony penalties will be available for second and subsequent offenses.

This legislation will also clarify the present 18 USC 1030(a)(3), making clear that it applies to acts of simple computer trespass against computers belonging to, or being used by or for, the Federal government. The Department of Justice and others have expressed concerns about whether present law covers mere trespass offenses, or whether it requires a further showing that the information perused was "used, modified, destroyed, or disclosed." To alleviate those concerns, this legislation will make clear that 18 USC 1030(a)(3) is a trespass offense, applicable to those outside the Federal government. Those government employees who lack the requisite authorization to use a particular computer, or who merely exceed their authorized access can be dealt with in an administrative manner, rather than by criminal punishment. This should alleviate concerns that first arose in 1984 about access and use by whistle-blowers of government-related information that was stored in a computer. So too was deletion of the "disclosure" portion of 18 USC 1030(a)(3). The intentional modification or destruction of computerized information belonging to the government will be covered by a different provision of this proposal. As with 18 USC 1030(a)(2), the scienter requirement in this paragraph will be changed from "knowingly" to "intentionally". A first offense under this subsection will be a misdemeanor; second and subsequent offenses will be felonies.

While the provision of present law relating to attempted offenses will remain unchanged, the provision relating to conspiracies (18 USC 1030(b)(2)) will be deleted entirely. Conspiracies to commit computer crimes wil be treatable under the general federal conspiracy statute, 18 USC 371.

NEW OFFENSES

The new paragraph (a)(4) to be created by this bill is aimed at penalizing thefts of property via computer that occur as part of a scheme to defraud. It will require a showing that the use of the computer or computers in question was integral to the intended fraud, and was not merely incidental. To trigger this provision, the property obtained by the offender in wrongfully accessing a particular computer must further the intended fraud, and not be superfluous to it. The mere use of a computer for recordkeeping purposes, for example, is not meant to constitute an offense under this provision. The use of a computer by one who has devised a scheme to defraud should constitute an offense only when the computer was used to obtain property of another which furthers the fraud, or when the use can be shown to constitute an attempted crime under this chapter.

This paragraph is designed, in part, to help distinguish between acts of theft via computer and acts of computer trespass. In intentionally trespassing into someone else's computer files, the offender obtains at the very least information as to how to break into that computer system. If that is all he obtains, the offense should properly be treated as a simple trespass. But because the offender has obtained the small bit of information needed to get into the computer system, the danger exists that his and every other computer trespass could be treated as a theft, punishable as a felony. I do not believe this is a proper approach to this problem. There must be a clear distinction between computer theft, punishable as a felony, and computer trespass, punishable as a misdemeanor. The element in the new paragraph (a)(4), requiring a showing of an intent to defraud, is meant to preserve that distinction, as is the requirement that the property wrongfully obtained via computer furthers the intended fraud. Offenses under this subsection will be treatable as felonies.

The new paragraph (a)(5) is a malicious mischief statute, and is designed to provide penalties for those who intentionally damage or destroy computerized data belonging to another. Such damage may include an act intended to alter another's computer password, thereby denying him access to his own computerized information. It will be necessary, in proving this offense, that the government demonstrate that a loss has been incurred by the victim totaling at least $1,000 in a single year. This is necessary to prevent the bringing of felony-level malicious mischief charges against every individual who modifies another's computer data. Some modifications, while constituting "damage" in a sense, do not warrant felony-level punishment, particularly when they require almost no effort or expense to repair. The $1,000 evaluation is reasonably calculated to preclude felony punishment in those cases, while preserving the option of felony punishment in cases involving more serious damage or destruction. In instances where the requisite dollar amount cannot be shown, misdemeanor-level penalties will remain available against the offender under the trespass statute created by this bill. Thus, the valuation will not exist for determining the presence or absence of federal jurisdiction; it will serve instead to help determine whether the act constituting the offense is punishable as a felony or a misdemeanor.

In addition, the concept of "loss" embodied in this paragraph will not be limited solely to the cost of actual repairs. The Justice Department has suggested that other costs, including the cost of lost computer time necessitated while repairs are being made, be permitted to count toward the $1,000 valuation. I and the other sponsors of this bill agree.

Finally, in new paragraph (a)(6), this bill provides penalties for those who, knowingly and with an intent to defraud, traffic in computer passwords belonging to others. If those elements are present—and if the password in question would enable unauthorized access to a government computer, or if the trafficking affects intrastate or foreign commerce—this provision could be invoked. A first offense under this subsection will constitute a misdemeanor; second and subsequent offenses will constitute felonies.

● Mr. LAXALT. Mr. President, the legislation being introduced today by Senator Trible and Congressman Hughes represents a cooperative effort to tighten up the existing statute, 18 U.S.C. 1030, and to propose several new criminal offenses that appear to be necessary at this time. The Committee on the Judiciary has already scheduled a hearing on this bill, and I would hope that the committee will report the measure to the full Senate in the near future.

Rather than repeat Senator Trible's excellent analysis of the bill, I would like simply to focus on the new fraud and malicious mischief offenses and indicate what we are trying to achieve in those two sections. (Proposed 18 U.S.C. 1030(a)(4) and (a)(5).)

The acts of "fraud" that we are addressing in proposed section 1030(a)(4) are essentially thefts in which someone uses a Federal interest computer to wrongly obtain something of value from another. We intend that the use of the computer be an integral—not merely an incidental—part of the commission of the theft.

By including the element of "intent to defraud" in the offense, we wish to distinguish between true theft offenses, where obtaining something of value is the intended object of the act, from the acquisition of knowledge or information that is often incidental to a simple act of unauthorized access.

Computer crime brings into sharp focus the fact that information is a valuable commodity and must be considered property that can be stolen. It is also true that persons who commit acts of unauthorized access often complete those transactions in possession of more knowledge, and hence more information or property, than they had before the act, even though the taking of the information was not the intended object of their offense.

Proposed section 1030(a)(4) is intended to reflect the distinction between theft of information, a felony, and mere unauthorized access, a misdemeanor.

The malicious mischief offense, proposed section 1030(a)(5), contains a jurisdictional amount of at least $1,000 in losses in a 1-year period. In light of the disdain of the Department of Justice for jurisdictional amounts— a disdain that I generally share—I want to make clear that the purposes of the $1,000 loss element are: First, to distinguish between alterations that should fairly be treated as misdemeanors and those that should be felonies; and second, to limit Federal jurisdiction to the felonious alterations. Setting a specific loss value is one way to achieve this end, though it may not be the best one.

The issues raised by computer crime and computer crime legislation are often subtle and exceedingly difficult to solve. Senator Trible and Congressman Hughes have struggled mightily—and, I believe, successfully—to solve many of those problems in this bill. I know that they welcome the good counsel and advice of all interested parties on these issues as the Congress considers this important legislation.●

By Mr. DOLE for Mrs. Hawkins:

S. 2282. A bill to establish a national advanced technician training program utilizing the Nation's eligible colleges to expand and improve the supply of technicians required by industry and national security in strategic, advanced, and emerging technology in order to increase the productivity of the Nation's industries, to contribute to the self-sufficiency of competitiveness of the United States in international trade, and for other purposes; to the Committee on Labor and Human Resources.

NATIONAL ADVANCED TECHNICIAN TRAINING ACT

● Mrs. HAWKINS. Mr. President, the American economy and the American work force today face global challenges of unprecedented scale. The key to meeting these challenges lies in large measure in skill training, in expanding the pool of technicians employed at the cutting edge of new and

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changing industrial technology. The legislation I introduce today, the National Advanced Technician Training Act, addresses this need.

The essence of this bill, Mr. President, is partnerships. Community and technical colleges already have gone further than any other segment of higher education in building programs tailored to the needs of employers and the private sector.

Yet the employer community is just one of many populations knocking at the community college doors. The community colleges serve larger minority populations than any other segment of higher education. Almost 45 percent of the total black community in higher education is attending community colleges; 70 percent of the Hispanic community is tackling its college dreams through community colleges. The community colleges also are serving a more recent phenoomenon in higher education—the so-called reverse transfers. In the State of Washington, among others, the students moving from senior institutions back to community colleges, in order to satisfy the demands of the workplace, are greater in number than the enrollments transferring from the community colleges into the universities and senior colleges.

Growing numbers of adults who already hold higher college degrees—BA's through Ph.D.'s—are using the community colleges to meet the changing skill needs of their careers. For reasons of convenience and economy, the community colleges are the colleges of choice of the innumerable single parents and displaced homemakers who are striving to gain new or better employment. Such diverse demands from the community are putting a severe strain on the budgets of most community colleges. They simply lack the budgetary resources to increase their outreach to employers, and to instigate the courses that will more fully serve the accelerating changes of the workplace. With the seed support that my bill proposes, Mr. President, the partnerships between industry and community colleges that address the emerging priorities of high technology can be encouraged and expanded far beyond their present scope.

In the emerging workplace, Mr. President, virtually all occupations—from auto mechanic, draft and design technician, and machinist to nurse and secretary—require the worker to be prepared in the competencies of high technology. For the nurse and medical technician, it means working with electronically controlled life support systems and exotic lifesaving pharmaceuticals. For the draftsman it means working with computer-aided design, and for the secretary and accountant it means working with word processers and automated ledgers. For the auto mechanic it means working with sophisticated electronic diagnostic equipment, and for the machinist, working with numerical control equipment. Advanced technology is invading almost every worksite, work station and occupation imaginable.

High technology is becoming equally pervasive to the home—sweetening domestic life with everything from food processors and word processors to solar heat.

Some of my colleagues have raised the question, as to why the bill puts the program in the National Science Foundation. There are several reasons, Mr. President.

Perhaps paramount is the simple fact that the National Science Foundation virtually ignores the largest segment of higher education, which is the community colleges. I regard this as a serious breach of the national interest. I see no justification whatsoever for the NSF's thinking that the only stream of talent it needs to keep our country at the forefront of global competition in science and technology comes from the engineering schools and graduate schools of the 90 or so largest research universities.

The NSF has grown topheavy in its preoccupation with graduate and postgraduate work, at the expense of undergraduate science and mathematics. It should be giving much stronger leadership to the needs of undergraduate education, and especially to the community colleges, where more than half the Americans now starting college enroll.

As another reason, the technician training that goes on between industry and the community colleges offers a promising but untapped environment for enhancing American leadership in applied science and applied technology. With seed support from NSF, these partnerships can be used to much greater advantage in strengthening postsecondary instruction in both math and science. Tens of thousands of very bright students are gaining hands-on opportunities to test their inventiveness and their higher aptitudes for math and science, through the community college courses they are taking with industrial laboratories and high-technological employers. Given the proper encouragement and opportunity, many such students will be strong candidates for upper-level courses and eventual graduate work serving the national interest in science and engineering.

As you will note, my bill calls for the establishment of an Office of Applied Technology at NSF, to administer the grant program the bill would establish.

Beyond the grant program, there are at least two important national purposes that could be served by such an office. The NSF should be staffed to work with the Labor Department on long-term projections of the skill base the Nation must have to remain in the forefront of global economic, scientific and technological competition, and this office could serve this function.

It could also provide the leadership on technology transfer that is so badly needed within the Government. Vast amounts of innovation that potentially could enhance American leadership in industry, science and technology are simply dying on the shelves of Federal laboratories, in such diverse Departments as Defense, Education, Energy, and Agriculture, because there is no cohesive Federal strategy for moving the unclassified innovations off the shelves and into the hands of potential users in both the private and public sectors. NSF could be designing and leading such a strategy through this office.

In short, Mr. President, enactment of NATTA would be a major step toward reskilling the American work force to keep our industry and our economy at the forefront of both global competition and applied technology, a step as well toward more employment and greater national productivity.

Mr. President, I ask unanimous consent that the text of the bill and a bill analysis be printed in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "National Advanced Technician Training Act".

STATEMENT OF FINDINGS

SEC. 2. The Congress finds that—

(1) both industry and national security are hampered by shortages of highly skilled technicians to produce, operate, and service highly technical equipment, systems, and processes;

(2) growing numbers of dislocated workers and unemployed youth and adults lack the training to meet the emerging skill needs of industry and the information age;

(3) the United States has become increasingly dependent upon foreign producers for the advanced-technology systems that feed reindustrialization and economic growth; and

(4) a national advanced technician training program will give men and women from all backgrounds more opportunities to pursue training and education programs leading to an associate degree or technical certificate or otherwise to upgrade their competence consistent with the emerging needs of business, industry, and national security.

PURPOSE

SEC. 3. It is the purpose of this Act to increase the productivity of the industries of the Nation, improve the competitiveness of the United States in international trade, and prepare technicians and skilled craftsmen by establishing a national advanced technician training program in the Nation's community and associate-degree granting institutions, with matching non-Federal funds.

NATIONAL ADVANCED TECHNICIAN TRAINING PROGRAM

SEC. 4. (a)(1) The Director of the National Science Foundation shall, in accordance with the provisions of this Act, carry out a three-year advanced technician training program under which eligible colleges will provide training to meet skill needs in strategic, advanced, and emerging technology.

(2) Such program shall include, where feasible, on-the-job training with technical occupational training and shall place special recruiting emphasis on attracting men and women whose skills require retraining or upgrading in order to retain their jobs, or who are unemployed, especially workers dislocated by plant closings and technological change, and individuals who have recently completed high school or who left high school prior to graduation.

(b)(1) In carryng out this Act, the Director shall—

(A) establish within the Directorate of Science, Technology, and International Education in the Foundation an Office of Applied Technology with responsibility both for monitoring the skill needs in emerging and strategic technical fields, and for conducting the grant program authorized by this Act;

(B) award grants on a competitive basis to eligible colleges which possess the demonstrated ability to provide competency-based occupational training to pay the Federal share of advanced technology training programs; and

(C) work with the eligible colleges and other institutions of higher education to establish and maintain, at the National Science Foundation a readily accessible inventory of advanced technician training programs which are serving public and private employers and addressing the changing workforce demands of emerging technology.

(2)(A) For the purpose of clause (B) of paragraph (1), the Federal share shall be 50 percent in each fiscal year.

(B) In carrying out clause (C) of paragraph (1), the Director may enter into contracts with such public and private agencies and organizations as may be necessary.

(C) No grant awarded to a college under this section in any fiscal year shall exceed $50,000.

(c) Each eligible college awarded a grant under this section shall provide an associate-degree training program in designated advanced-technology occupational fields.

(d) The Director, in awarding grants under this section, shall give special considerations to training programs described in subsection (c) which—

(1) include flexibility in scheduling in order to accommodate working people and parents; and

(2) take steps to meet the adaptive and training needs of handicapped young people and adults.

(e) the Director shall prepare and submit to the Congress an annual report on the national advanced technician training program authorized by this Act, together with—

(1) an evaluation of the program;

(2) a catalog of the college programs identified by the required inventory;

(3) a recommendation on the feasibility of expanding the program; and

(4) such other recommendations, including recommendations for legislation, as the Director deems necessary.

(f)(1) In carrying out the duties under this section, the Director shall consult, cooperate, and coordinate with the programs and policies of the Department of Commerce and other relevant Federal agencies including the Department of Labor, the Department of Education, and the Department of Defense.

(2) In carrying out its functions under this Act, the Foundation shall have the same power and authority it has under the National Science Foundation Act of 1950 to carry out its functions under that Act.

USE OF FUNDS

SEC. 5. Funds appropriated to carry out this Act shall be used to establish, strengthen, and expand the advanced technician training capabilities of eligible colleges, including—

(1) the development of associate degree and short-cycle training programs in advanced-technology occupations by two-year and four-year colleges, and by consortia of two-year and four-year colleges, with particular emphasis on model instructional programs to prepare and upgrade technicians and to retrain dislocated workers in state-of-the-art competencies in advanced-technology occupations;

(2) the development of special courses of instruction in advanced-technology fields for faculty and instructors, both full-time and part-time faculty and instructors;

(3) the development of instructional materials in support of advanced technical training programs in eligible colleges and the dissemination of such materials among such colleges;

(4) the development of cooperative advanced technician training programs with business, industry, labor, and government; and

(5) the purchase or lease of state-of-the-art instrumentation essential to training and education programs designed to prepare and upgrade technicians in new and emerging advanced-technology fields.

DEFINITIONS

SEC. 6. For the purpose of this Act—

(1) the term "advanced-technology" includes advanced technical activities such as the modernization, miniaturization, integration, and computerization of electronic, hydraulic, pneumatic, laser, nuclear, chemical, telecommunication, and other technological applications to enhance productivity improvements in manufacturing, communication, transportation, commercial, and similar economic and defense activities;

(2) the term "Director" means the Director of the National Science Foundation;

(3) the term "eligible college" means a junior or community college or other institution of higher education awarding an associate degree accredited under section 1201 of the Higher Education Act of 1965;

(4) the term "junior community college" has the same meaning given that term by section 322(4) of the Higher Education Act of 1965; and

(5) the term "institution of higher education" has the same meaning given that term by section 1201(a) of the Higher Education Act of 1965.

AUTHORIZATION OF APPROPRIATIONS

SEC. 7. There are authorized to be appropriated $20,000,000 for the fiscal year 1986 and $30,000,000 for each of the fiscal years 1987 and 1988, to carry out the provisions of this Act.

THE NATIONAL ADVANCED TECHNICIAN TRAINING ACT

BACKGROUND AND NEED

The current and future condition of the Nation's scientific and technical manpower supply has a significant influence on the country's scientific and technological capacity to innovate as well as compete with other major industrial nations. To be assured of national success in various technologically related ventures, there must be an adequate supply of qualified skilled technicians to support and assist the professional scientists and engineers.

Within the last decade, high technology development has continued to increase along with the rate in which it has been absorbed by the U.S. economy. Hearings testimony has indicated that the demand for technicians to install, operate, perfect, and service such technologies has apparently exceeded the supply.[1] In order for the Nation to continue to develop new products and processes and to thus maintain its international competitiveness, and adequate supply of qualified technicians will be critical and will necessitate educational and training institutions to produce technicians with the needed capabilities.

In the near future, many jobs nationwide will become obsolete because of the emergence of new technologies. In addition, more than 50 percent of future occupations will require the use of some type of technical equipment.[2] Consequently, millions of workers will require training or retraining in order to remain employable. Many persons will become unemployed because of plant closings and technological change. Recent interested high school graduates who did not take vocational education courses and those who left high school prior to graduation will need training if they are to be employed in the technical workforce.

There is already general interest in the two-year community colleges and technical colleges to provide assistance for the worker in these situations because of their all ready existing structure which allows for low-cost training programs and flexible class schedules. Through cooperative partnership efforts with local industries in areas of the Nation where a need existed, many such educational institutions have been infrequently involved within the last 10 years in job training and/or retraining to meet the needs of displaced workers. It may be possible for these schools to focus more assistance on expanding the Nation's skilled technologically astute workforce. An increase in such programs could provide business and industry access to more individuals who are part of a technically trained workforce that is needed for the United States to compete with other major industrial nations.

HOUSE OF REPRESENTATIVES ACTIVITIES

Legislation

The National Advanced Technician Training Act was introduced in the House of Representatives on May 2, 1985 as H.R. 2353 by Representative Doug Walgren, and jointly referred to the Committees on Education and Labor, and Science and Technology.

The bill, which is similar in basic purpose but not identical to the proposed Senate leg-

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[1] U.S. Congress. House. Committee on Science and Technology. Subcommittee on Science, Research and Technology. The National Advanced Technician Training Act. Hearings on H.R. 2353. 99th Cong., 1st Sess., Sept. 30, 1985. Unpublished testimony of Joseph L. Hines, Vice President of the Board of Trustees, Community College of Allegheny College, Pittsburgh, Pa.

[2] Community Colleges: A Training Ground for Technology. In extension of Remarks of Doug Walgren quoting Pat Choate of TRW. Congressional Record, Daily Edition. v. 131, No. 60—Part 2, May 9, 1985. E2101.

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islation, would create a National Technician Training program in community and technical colleges to train young people and adults in strategic advanced technology areas; to help improve skills of employed and unemployed workers; and to provide industry with a technically skilled workforce capable of using advanced technology to modernize the Nation's industries.

A matching grant program would be established in the National Science Foundation (NSF) to assist accredited community and technical colleges in the development of technical training in advanced technology disciplines. All grants, which would not exceed $500,000, would be awarded competitively and matched with non-Federal funds from State and local governments, industry, and other private sources. Such funding might be used to develop associate degree and short-cycle training programs and courses; train faculty; organize cooperative programs with industry and government for personnel exchange programs; develop cooperative training programs with industry, labor and government; buy or lease needed equipment; and develop and distribute instructional materials.

The following groups of individuals would be the focus of this legislation: persons who need retraining or an upgrading of skills in order to retain their jobs; workers unemployed because of plant closings and technological change; recent high school graduates and those who left before completing high school; workers who require flexible work schedules; and handicapped individuals who require special needs.

The NSF would be mandated to establish a clearinghouse to maintain an inventory of advanced technician training programs. Also, the NSF Director is instructed to create a 15-member National Advisory Council on Advanced Technician Training to counsel him concerning the goals and implementing the program. The Council would be chaired by the head of a community or technical college and would include representatives of industry, labor, community and technical colleges, the military, and economic development groups.

NSF is instructed to coordinate its activities with other Federal agencies including the Departments of Commerce, Labor, Education, and Defense.

Recommended funding for the program includes $20 million for fiscal year 1986; and $30 million for fiscal years 1987 and 1988.

Hearings

The House Committee on Science and Technology Subcommittee on Science, Research and Technology held two hearings on H.R. 2353 during the 99th Congress, 1st session—a field hearing at the Parkway West Area Technical School in Pittsburgh, Pa. on September 30, 1985 and one in Washington, D.C. on November 19, 1985.

The following individuals testified at the field hearings:

Dr. John Kraft, President, Community College of Allegheny County; Ms. Cheryl Wilson, an employee of the Mellon Bank and former displaced worker; Edward Slack, President, PPG Industries; Harold Hall, President, Hall Industries, Inc.; John T. Smith, Assistant to the International President, United Steelworkers of America; Jean Noble, President, Noble Robots; and Warren Anderson, Vice President for Issues Management, Pittsburgh National Bank.

At the November 19, 1985 hearing, the witness list included:

Dr. John Moore, Deputy Director, National Science Foundation; Dr. Dwight E. Davis, Vice President, Wausau Insurance Company; Mr. Pat Choate, TRW, Inc.; Mrs. Sheila Korhammer, former President of the Association of Community College Trustees and member of the Board of Trustees of Northampton County Area Community College, Easton, Pa.; Dr. Richard Anderson, District Director, Waukesha County Technical Institute, Pewaukee, Wisconsin; Dr. Andrew Korim, Community College of Allegheny County, Pittsburgh, Pa.; Dr. H. James Owen, President, Tri-Cities State Technical Institute; and Dr. Michael Schafer, President, Mohawk Valley Community College, Utica, New York.

SUMMARY AND COMPARISON OF PROPOSED SENATE LEGISLATION WITH HOUSE BILL

Purpose

The purpose of both legislative proposals is to increase the productivity of the Nation's industries, improve U.S. competitiveness in international trade, and prepare technicans and skilled craftsmen by creating a national advanced technician training program in the Nation's community and associate-degree granting institutions with matching non-Federal funding. The bills, however, vary in regard to the mechanisms for achieving these goals. The discussion below will primarily focus on the Senate proposal except in places where differences in the House legislation are mentioned.

Program

In the proposed Senate legislation, the Director of the National Science Foundation is instructed to implement a three-year advanced technician training program that will provide training in technical skills that will meet U.S. needs in strategic, advanced, and emerging technology.

The program will include, as appropriate, on-the-job training along with technical occupational training particularly emphasizing persons who need retraining or an upgrading of skills in order to keep their jobs, who are unemployed as a result of plant closings and technological change, and persons who recently completed high school or left high school prior to graduation.

The NSF Director is instructed to implement the Act by creating an Office of Applied Technology within the Directorate of [Scientific, Technological, and International Affairs]. This differs from the House bill which does not mandate the establishment of such an office. The proposed bill indicates that this office would monitor the need for required skills in emerging and strategic technical fields and conduct the grant program authorized by the Act. The Federal share of the advanced technology training programs would be awarded through competitive grants to eligible colleges that have demonstrated the ability to provide competent occupational training. The Act indicates that the Federal share shall be 50 percent of each fiscal year's funding. This specification also differs from the House proposal. No grant under this section in the Senate proposal can exceed $500,000 in any fiscal year.

The director is authorized to work with the eligible colleges and other higher educational institutions to create and maintain at NSF a readily accessible inventory of advanced technician training programs which are serving public and private employers and addressing the changing workforce demand of emerging technology. In carrying out this section, the Director may make contracts with such public and private employers as necessary.

Each community and technical college awarded a grant shall provide an associate-degree training program in designated advanced technology occupational areas. In awarding such grants for training programs, special consideration for participants shall include flexibility in scheduling in order to accommodate working people and parents, and make arrangements to meet the adaptive and training needs of handicapped individuals.

In a departure from the House legislation, this proposal does not include establishing a National Advisory Council on Advanced Technician Training.

The Director is required to prepare and submit an annual report to the Congress on the national advanced technician training program along with an evaluation of the program; a catalog of the college programs identified by the required inventory; a suggestion regarding the feasibility of expanding the programs; and other suggestions which may include recommendations for legislation as the Director considers necessary.

Coordination with other Federal departments

In implementing these instructions, the Director is required to consult, cooperate, and coordinate with the programs and policies of the Departments of Commerce, Labor, Education, Defense, and any other relevant Federal agencies.

Use of funding

Appropriated funding shall be used to establish, strengthen, and enlarge the advanced technician training capabilities of eligible colleges, including:

Developing associate degree and short-cycle training programs in advanced technology occupations;

Developing special instructional courses for faculty and instructors in advanced technology fields;

Developing and disseminating instructional materials;

Developing cooperative advanced technician training programs with business, industry, labor, and government; and

Purchasing or leasing state-of-the-art instrumentation necessary for training and educational programs designed to prepare and upgrade technicians in new and emerging technology fields.

Authorized appropriations

For fiscal year 1986, $20 million has been suggested to fund this program. For fiscal years 1987 and 1988, $30 million has been recommended to carry out the provisions of this Act.

Definition of advanced technology

Advanced technology includes "advanced technical activities such as modernization, miniaturization, integration, and computerization of electronic, hydraulic, pneumatic, laser, nuclear, chemical, telecommunication, and other technological applications to enhance productivity improvements in manufacturing, communication, transportation, commercial, and similar economic defense activities."●

By Mr. NICKLES (for himself, Mr. Abdnor, Mr. Boren, Mrs. Hawkins, Mr. Hecht, Mr. Symms, Mr. Heflin, Mr. McClure, Mr. Andrews, Mr. Gore, Mr. Durenberger, Mr. Armstrong, Mr. Denton, Mr. Boschwitz, Mrs. Kassebaum,

Mr. Grassley, Mr. Dole, Mr. Simpson, Mr. Laxalt, Mr. Domenici, Mr. Baucus, Mr. Quayle, and Mr. Bumpers):

S. 2284. A bill to amend the Food Security Act of 1985 to require the Secretary of Agriculture to take certain actions to minimize the adverse effects of the milk production termination program on beef, pork, and lamb producers, and for other purposes; to the Committee on Agriculture, Nutrition, and Forestry.

MEAT MARKETING IMPROVEMENTS ACT

● Mr. NICKLES. Mr. President, the U.S. Department of Agriculture's mishandling of a program designed to reduce milk production has resulted in severe price declines for the beef cattle and other red meat industries. Today, along with 21 of my colleagues, I am introducing legislation, the Meat Marketing Improvements Act, which would reduce the adverse impact of the Dairy Termination Program on red meat producers. This measure is also being submitted in resolution form by Senator Abdnor as Senate Resolution 379.

The week following the March 28 announcement, the beef cattle futures market was down the limit, $1.50 per hundredweight, 4 out of 5 market days. During this 1-week period, cattlemen selling livestock lost an estimated $25 million due to the artificially induced price declines. The value of the Nation's beef cattle inventory dropped an estimated $2 billion during the same period.

The cost of the Dairy Termination program will total $1.8 billion over 5 years. Approximately $650 to $700 million, or 38 percent, of the program costs will be paid by the dairy industry through producer assessments.

The bids accepted will result in a reduction in milk production by 12.3 billion pounds during the 18-month program. In the March 28 announcement, USDA noted that 1,550,403 head of dairy cows, heifers, and calves are included in the termination program. USDA set up three disposal periods when the cattle would be marketed. The three periods are April 1, 1986 to August 31, 1986; September 1, 1986 to February 28, 1987; and March 1, 1987 to August 31, 1987.

Nearly two-thirds of the total number of dairy cattle under the termination program, 1,015,046 head or 65.5 percent, are scheduled to be marketed during the first disposal period. 176,620 head, 11.4 percent of the total, are to marketed during the second disposal period. 358,737 head, 23.1 percent of the total are to be marketed during the third disposal period.

Since USDA's implementation of this program, cash beef markets have declined an estimated $3 to $8 per hundredweight, depending on the type and size of livestock.

The effect on my State of Oklahoma is staggering. Oklahoma is fifth in total cattle numbers with an annual beef cattle inventory of approximately 5.3 million head worth an estimated $1.72 billion. There are 66,000 beef operations in Oklahoma with an average of 80 head per operation worth an estimated $325 per head. This results in a per operation inventory value of $26,000. A $6 per hundredweight drop in cash beef cattle prices, approximately a 10-percent decline, has cost Oklahoma cattlemen a reduction in inventory value an average of $2,600 since USDA's March 28 announcement.

In introducing this legislation, it is my pleasure to be joined by my colleagues Senators Abdnor, Boren, Hawkins, Hecht, Symms, Heflin, McClure, Andrews, Gore, Durenburger, Armstrong, Denton, Kassebaum, Boschwitz, Grassley, Dole, Simpson, Laxalt, Domenici, and Baucus.

Following is a summary and explanation of the legislation we are introducing:

First, the Secretary of Agriculture is required to purchase a percentage of the 400 million pounds specified in the 1985 farm bill during each disposal period in equal proportion to the percent of the total number of dairy cattle under the Dairy Termination Program that are to be marketed during the same disposal period.

If two-thirds of the dairy cattle are going to market in the first disposal period, two-thirds of the 400 million pounds in required meat purchases should be made during the same timeframe.

Second, if the Secretary determines the amount of purchases during each period is inadequate to offset the amount of meat being marketed as a result of the Dairy Termination Program, the Secretary is required to:

Utilize export promotion programs, such as the Export Enhancement Program, to facilitate the export sales of live animals, red meat, or red meat products; or

Decrease imports of meat and meat products.

Third, the Secretary is required to ensure the marketing of dairy cattle during each disposal period occurs in an orderly manner consistent with the historical relationship of dairy cattle marketed to beef cattle marketed. In carrying out this provision, the Secretary shall give consideration to the marketing patterns within various regions.

Steps should be taken to ensure that within each disposal period, dairy cattle are marketed in an orderly manner and not dumped on the market all at once. Additionally, when determining when the cattle should be marketed, consideration should be given to regional marketing patterns. For example, in Oklahoma a large number of cattle are sold during the late spring months as they are pulled off wheat pasture and sent to the feedlots.

Fourth, the Secretary is required, to the extent feasible, to make adjustments in the scheduled marketing of dairy cattle under the termination program to provide for a more even distribution over all periods.

By shifting dairy cattle under the termination program from the overloaded first period to the second or third period, the impact on cattlemen and others could be lessened. One way to achieve such an adjustment would be to accept bids for the second or third period rather than the first from producers who submitted multiple bids. I might point out that 39,534 producers submitted over 100,000 bids.

Mr. President, I hope this legislation isn't necessary. On Apirl 1, I wrote the Secretary of Agriculture, Richard Lyng, asking that he take administrative action to alleviate the beef cattle price declines caused by the implementation of the Dairy Termination Program. Specifically, I called on him to immediately announce that USDA would pull an amount of meat off the market which would offset the market effect caused by the March 28 announcement.

The Secretary knows that a solid game plan must be formulated in short order or we will force his hand with legislation. Mr. President, I ask my colleagues to stand ready to support us in this effort.

Mr. President, I ask unanimous consent that a copy of the bill be printed in the Record.

There being no objection, the bill was ordered to be printed in the Record, as follows:

S. 2284

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. ADVERSE EFFECT OF MILK PRODUCTION TERMINATION PROGRAM ON BEEF, PORK, AND LAMB PRODUCERS.

(a) In General.—Section 104 of the Food Security Act of 1985 (7 U.S.C. 1446 note) is amended—

(1) by inserting "(a)" after the section designation; and

(2) by adding at the end thereof the following new subsection:

"(b)(1) As used in this subsection:

"(A) The term 'milk production termination period' means—

"(i) the period beginning April 1, 1986, and ending August 31, 1986;

"(ii) the period beginning September 1, 1986, and ending February 28, 1987; or

"(iii) the period beginning March 1, 1987, and ending August 31, 1987.

"(B) The term 'milk production termination program' means the milk production termination program established under section 201(d) of the Agricultural Act of 1949.

"(C) The term 'Secretary' means the Secretary of Agriculture.

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"(2) During each milk production termination period, the Secretary shall use to carry out clauses (1) and (2) of subsection (a) a percentage of the aggregate amount of funds required to be used to purchase and distribute red meat under such clauses that is equal to the percentage of the total number of dairy cattle the Secretary estimates will be marketed for slaughter as a result of the milk production termination program.

"(3) During each milk production termination period, if the Secretary estimates that the quantity of meat purchased under subsection (a) will be less than the amount of red meat marketed as a result of the milk production termination program, to ensure that the quantity of red meat marketed does not increase during the milk production termination period as the result of the milk production termination program, the Secretary shall—

"(A) increase the quantity of red meat purchased under clause (1) or (2), or both, of subsection (a), with the use of funds referred to in such clause;

"(B) utilize programs operated by the Secretary for the purpose of encouraging or enhancing commercial sales in foreign export markets of United States agricultural commodities or the products thereof (including the payment of a bonus or incentive (in cash, commodities, or other benefits) provided to a purchaser) to encourage and enhance the export sales of live animals, red meat, or red meat food products;

"(C) decrease the aggregate quantity of meat articles otherwise estimated by the Secretary under section 2(e)(1) of the Meat Import Act of 1979 (19 U.S.C. 2253 note); or

"(D) implement any combination of clauses (A) through (C).

"(4) During each milk production termination period, the Secretary shall ensure that dairy cattle marketed for slaughter as a result of the milk production termination program be marketed in an orderly manner consistent with the historical relationship of marketed dairy cattle to marketed beef cattle. In carrying out this paragraph, the Secretary shall consider regional patterns for marketing beef cattle.

"(5) To the extent feasible, the Secretary shall adjust the number of dairy cattle marketed for slaughter as a result of the milk production termination program during each milk production termination period to provide for a more even distribution of such marketings over all such periods.".

(b) TECHNICAL CORRECTION.—Paragraph (3) of section 2(g) of the Meat Import Act of 1979 (19 U.S.C. 2253 note) is amended by striking out "the policy set forth in subsections (c) and (d) will be carried out" and inserting in lieu thereof "the aggregate quantity of meat products entered will not exceed the aggregate quantity estimated under subsection (e)(1)".

● Mr. DURENBERGER. Mr. President, I am pleased to join my colleagues in cosponsoring this legislation to correct the Department of Agriculture's implementation of the Dairy Termination Program.

In implementing the Food Security Act of 1985 the Department of Agriculture has shown that it is unaware of the needs of farmers. Hundreds of my Minnesota constituents have called me to say that participation in the 1986 Farm Program as it is being implemented by the Department means confusion, delay, and added financial problems.

It is unfortunate that Congress must take action at every turn to correct the Department's erroneous interpretation of a bill we passed only 4 months ago in which the Department was directed to implement an orderly and timely flow of cattle to market to reduce the effect of the Dairy Termination Program on red-meat markets.

The fact is that when the Department announced last week that over 1 million head of dairy cattle will be slaughtered in the immediate future, the livestock markets dropped the limit 4 days in a row last week and continue to be unsteady.

This sharp drop has affected not only beef and pork producers, but those dairymen participating in the program. Let me provide an example of how prices have dropped. For large cows the price dropped from 37 to 40 cents per pound to 27 to 30 cents; for those weighing 900 pounds the price dropped from 48 cents per pound to 32 cents; for those weighing between 450 to 900 pounds the price dropped from 45 cents per pound to 24 cents; and for those weighing between 250 to 450 pounds the price dropped from 40 to 50 cents per pound to 20 cents. To say that this represents a significant loss of income to farmers who are already in precarious financial condition is to understate a serious reality.

My office has been handling a steady stream of calls from affected farmers. Serious damage has already been done. But the legislation and resolution being introduced today is clearly needed to prevent a repetition of this situation.

This legislation requires the Secretary of Agriculture to purchase a percentage of the 400 million pounds of red meat in proportion to the percentage of dairy cattle to be marketed during each disposal period. If the Secretary determines that this is inadequate he is directed to take additional steps to provide such an offset. Finally, he is required to develop regulations which will assure an orderly, timely, and even flow of cattle to slaughter to prevent further flooding of the livestock markets.

Mr. President, the agricultural economy is in dire straits. The Federal Government must be sensitive to this situation when implemting the 1986 Farm Program and making decisions which will have far-reaching impacts on not only the individual farmer, but the agricultural economy.●

● Mr. BOREN. Mr. President, today I am joining several of my colleagues in introducing legislation which would require the Secretary of Agriculture to ensure that the Dairy Termination Program, the so-called whole-herd buy-out, will not disrupt the beef market.

The Food Security Act of 1985 authorized a program whereby milk producers could completely discontinue their dairy operations. The program provides for the termination of milk production by producers who agree to: First, sell for slaughter or export all dairy cattle in which the producer has an interest; and second, not to acquire any interest in dairy cattle or the production of milk during a period of 3 to 5 years after completion of such sale.

When we were considering this proposal, there was a great deal of concern about the possible impact this program could have on livestock markets, particularly the cattle market. During Senate consideration of the dairy provisions, Senator ABDNOR and I gained adoption of an amendment which required the Secretary to take all feasible steps to prevent an adverse effect on beef and pork products.

In order to avoid any impact on beef and pork producers, the Food Security Act requires the Secretary to provide for the orderly and timely flow of cattle that are marketed due to the Dairy Program. Further, the act requires the Secretary to purchase 400 million pounds of red meat in addition to those quantities normally purchased and distributed by the Department. The report language of the conference report directs the Secretary, in making these purchases, to recognize the effect of the Dairy Program on the beef, pork, and lamb industries.

One would think all this language would have effectively protected cattle prices from negative effects of the Dairy Program. Last week, however, the bottom virtually fell out from under cattle prices. The cash price for beef cattle fell $6 per hundredweight. If the price remains low for the remainder of the year, this $6 drop could cost Oklahoma cattlemen $163 million in income. That amounts to about 16 percent of total income for cattle marketings in my State.

How could this happen with all the protective language we included in the farm bill one might ask. First of all, when the Secretary announced the number of dairy cattle to be slaughtered under the whole-herd buy-out, he also announced his intention to purchase 400 million pounds of red meat to offset the slaughterings. Unfortunately, the press release announcing his intention to purchase was buried in a stack of press releases issued that day and received little attention by the news media. Second, though the Secretary announced his intention to purchase the additional meat, there was no indication of exactly when he was going to purchase it or the quantity during given periods of time. Finally, under the whole-herd buy-out, roughly two-thirds of the total number of dairy cattle to be slaughtered were going to hit the

market during the first disposal period of the program. That means that 1,015,046 head of dairy cattle will go to the slaughterhouses between now and August 31, putting an additional 250 to 275 million pounds of beef on the market.

If the Secretary were going to purchase two-thirds of the 400 million pounds during the same period, it could prevent a drop in cattle prices. The Secretary never mentioned when he was going to buy the meat; rather, he only stated that the Department would begin purchasing the meat. The Department could purchase 5 pounds this year and then at the end of the whole-herd buy-out program, 18 months from now, purchase the rest. Overall, the amount of meat going on the market would remain the same. Yet, during the 18 month period, the cattle industry in this country could be wiped out!

Mr. President, the cattle industry cannot afford further reductions in price. For 6 consecutive years, the price farmers and ranchers have received for cattle has declined. The 1985 prices were 20 percent lower than the 1980 price. Just prior to the announcement of the Dairy Program, cattle prices were 10 percent lower than they were a year ago. Now is the worst time in the world to lower prices an additional $6 per hundredweight. On average, this cost cattlemen $58.80 per head. In Oklahoma, a $6 drop in prices translates into an average loss per cattleman of almost $5,000. Cattlemen simply cannot afford to lose any money as prices before the announcement of the program barely allowed them to break even on their cattle operations.

The timing of the announcement hit my home State of Oklahoma particularly hard. April happens to be the month when Oklahoma farmers and ranchers take cattle off wheat pasture for immediate sale. Many of Oklahoma's cattlemen planned for the past year to sell their cattle the first couple of weeks in April. Some were able to delay their marketings; others were not so fortunate. I've heard from several cattlemen who had shipped their cattle to auctions before the price had fallen. Regretfully, though shipped prior to the drop, they were sold after the drop. Many Oklahoma farmers and ranchers have already lost thousands of dollars as a result of the Secretary's announcement. Many more are likely to lose thousands if we do not act quickly to ensure that the Dairy Program will not have any more of an adverse effect on cattle prices.

The legislation we are introducing today attempts to reduce the adverse effect of the Dairy Program on livestock producers. Our legislation will require the Secretary to purchase a percentage of the 400 million pounds of red meat in proportion to the percentage of dairy cattle to be marketed during each disposal period. In other words, if two-thirds of the dairy cattle are being slaughtered in one period, two-thirds of the required meat purchases must be made during the same period. Additionally, the legislation requires the Secretary to take additional steps if he determines that the purchases are not adequate to prevent an adverse impact on the meat market. The Secretary would have several options at that point. He could decrease imports, increase exports, or increase purchases.

When we passed the 1985 farm bill, we believed we had effectively protected the cattle market from adverse effects created by our Government programs. Clearly, this program has been grossly mismanaged, and congressional action has become necessary.

It is critical that we act now to reverse the decline in cattle prices. I urge my colleagues to join in support of this legislation.●

By Mr. McCLURE (by request):

S. 2285. A bill to promote competition in the natural gas market, to ensure open access to transportation service, to encourage production of natural gas, to provide natural gas consumers with adequate supplies at reasonable prices, to eliminate demand restraints, and for other purposes; to the Committee on Energy and Natural Resources.

NATURAL GAS POLICY ACT AMENDMENTS

● Mr. McCLURE. Mr. President, pursuant to an Executive communication referred to the Committee on Energy and Natural Resources, at the request of the Department of Energy I send to the desk a bill to promote competition in the natural gas market, to ensure open access to transportation service, to encourage production of natural gas, to provide natural gas consumers with adequate supplies at reasonable prices, to eliminate demand restraints, and for other purposes.

Mr. President, this draft legislation was submitted and recommended by the Department of Energy, and I ask unanimous consent that the bill, the Executive communication which accompanied the proposal from the Secretary, a section-by-section analysis, and a factsheet on the bill be printed in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

S. 2285

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "Natural Gas Policy Act Amendments of 1986."

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TITLE I—OPEN ACCESS TO TRANSPORTATION NON-DISCRIMINATORY AUTHORIZATIONS

SEC. 101. Section 311(a) of the Natural Gas Policy Act of 1978 (15 U.S.C. §3371(a)) is amended by—

(a) revising paragraph (1) to read as follows:

"(1) IN GENERAL.—The Commission, by rule or order, may authorize any pipeline to transport natural gas on behalf of any person."

(b) redesignating subparagraph (1)(B) as paragraph (2);

(c) deleting subparagraph (2)(A);

(d) redesignating subparagraphs (2)(B)(i), (2)(B)(ii), (2)(B)(ii)(I), and (2)(B)(ii)(II) as subparagraphs (3)(A), (3)(B), (3)(B)(i), and (3)(B)(ii), respectively.

(e) adding a new paragraph (4) to read as follows:

"(4) NON-DISCRIMINATION.—

(A) A pipeline transporting gas pursuant to this subsection shall do so without discrimination.

(B) A pipeline receiving gas pursuant to this subsection shall provide transportation service pursuant to this subsection without discrimination."

OPEN ACCESS CARRIAGE

SEC. 102. (a) Title III of the Natural Gas Policy Act of 1978 (15 U.S.C. §§ 3361-3375) is amended by adding the following new section:

"SEC. 316. OPEN ACCESS CARRIAGE.—Upon request by any person, the Commission shall direct an interstate pipeline to provide transportation service, unless the pipeline demonstrates to the Commission it is incapable of rendering the service. The pipeline shall provide this transportation service without discrimination. The rates and charges for this transportation service shall be just and reasonable within the meaning of the Natural Gas Act. The Commission may implement this section by rule or order, and may attach appropriate terms and conditions consistent with the fullest practicable use of capacity."

(b) The table of contents of the Natural Gas Policy Act of 1978 (15 U.S.C. § 3301 note) is amended by adding after the item relating to section 315 the following:

"Sec. 316. Open Access Carriage."

TITLE II—REMOVAL OF WELLHEAD PRICE CONTROLS AND REPEAL OF JURISDICTION OVER FIRST SALES REMOVAL OF WELLHEAD PRICE CONTROLS

SEC. 201. Section 121 of the Natural Gas Policy Act of 1978 (15 U.S.C. § 3331) is

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amended by adding at its end the following new subsections:

"(f) SPECIAL RULE FOR CERTAIN GAS.—The provisions of subtitle A shall not apply to—

"(1) gas subject to any contract for the first sale of natural gas executed after March 1, 1986, or

"(2) gas subject to any contract for the first sale of natural gas renegotiated after March 1, 1986, if the renegotiated contract expressly provides the provisions of subtitle A shall not apply.

"(g) REMOVAL OF WELLHEAD PRICE CONTROLS ON NATURAL GAS.—Beginning April 1, 1987, the provisions of subtitle A respecting maximum lawful price shall cease to apply to the first sale of any natural gas."

REPEAL OF COMMISSION JURISDICTION OVER FIRST SALES OF NATURAL GAS

SEC. 202. (a) Section 601(a)(1)(B) of the Natural Gas Policy Act of 1978 (15 U.S.C. § 3431(a)(1)(B)) is revised to read as follows:

"(B) COMMITTED OR DEDICATED NATURAL GAS.—For purposes of section 1(b) of the Natural Gas Act, the provisions of the Natural Gas Act and the jurisdiction of the Commission under such Act shall not apply to natural gas which was committed or dedicated to interstate commerce as of the day before the date of enactment of this Act solely by reason of any first sale of such natural gas."

(b) Section 315 of the Natural Gas Policy Act of 1978 (15 U.S.C. § 3375) is repealed, and the item relating to section 315 is stricken from the table of contents of that Act.

(1) sections 103(a)(16), (a)(18), (a)(19), and (a)(29) (42 U.S.C. § 8302(a)(16), (a)(18), (a)(19), and (a)(29));

(2) sections 201 and 202 (42 U.S.C. §§ 8311 and 8312);

(3) section 302 (42 U.S.C. § 8342);

(4) section 401 (42 U.S.C. § 8371);

(5) section 402 (42 U.S.C. § 8372); and

(6) section 405 (42 U.S.C. § 8375).

(b) The table of contents in section 101(b) of the Powerplant and Industrial Fuel Use Act of 1978 (42 U.S.C. § 8301(b)) is amended by striking the items relating to the sections repealed by subsection (a) of this section.

CONFORMING AMENDMENTS

SEC. 302. (a) Section 102 of the Powerplant and Industrial Fuel Use Act of 1978 (42 U.S.C. § 8301) is amended by striking "and major fuel-burning installations" and "and new" wherever these phrases appear.

(b) Section 103 of the Powerplant and Industrial Fuel Use Act of 1978 (42 U.S.C. § 8302) is amended—

(1) in subsection (a)(13)(B), by—

(A) striking clause (ii)(III);

(B) striking "; or " at the end of clause (ii)(II), and inserting a period in its place; and

(C) inserting "and" at the end of clause (ii)(I);

(2) in subsection (a)(15), by striking "or major fuelburning installation" and "or new" wherever these phrases appear;

(3) in subsection (a)(20), by striking "or major fuelburning installation";

(4) by redesignating subsections (a)(17), (a)(20), (a)(21), (a)(22), (a)(23), (a)(24), (a)(25), (a)(26), (a)(27), and (a)(28) as subsections (a)(16), (a)(17), (a)(18), (a)(19), (a)(20), (a)(21), (a)(22), (a)(23), (a)(24), and (a)(25);

(5) in subsection (b), by striking or "major fuel-burning installation" wherever this phrase appears;

(6) in subsection (b)(1)(D), by striking everything after "synthetic gas involved" and inserting in its place a period; and

(7) by striking subsection (b)(3), and redesignating subsection (b)(4) as subsection (b)(3).

(c) Section 104 of the Powerplant and Industrial Fuel Use Act of 1978 (42 U.S.C. § 8303) is amended to read as follows:

"The provisions of this Act shall apply in all the States, Puerto Rico, and the territories and possessions of the United States."

(d) Section 303 of the Powerplant and Industrial Fuel Use Act of 1978 (42 U.S.C. § 8343) is amended—

(1) by striking "or installation" and "or installations" wherever the phrases appear;

(2) by striking "or 302" wherever the phrase appears;

(3) by striking subsection (a)(3);

(4) by amending subsection (b)(1) to read as follows:

"(1) The secretary may prohibit, by rule, the use of natural gas or petroleum under section 301(b) in existing electric powerplants.";

(5) in subsection (b)(3), by striking "or major fuel-burning installation"; and

(6) by amending the last sentence of subsection (b)(3) to read as follows: "Any such rules shall not apply in the case of any existing electric powerplant with respect to which a comparable prohibition was issued by order."

(e) Section 403 of the Powerplant and Industrial Fuel Use Act of 1978 (42 U.S.C. § 8373) is amended by striking—

(1) in subsection (a)(1), "major fuel-burning installation, or other unit" and the comma immediately preceding this phrase and "installation, or unit" and the comma immediately preceding this phrase;

(2) in subsection (a)(2), "installation, or other unit" and the comma immediately preceding that phrase, and "installation, or unit" and the comma immediately preceding that phrase;

(3) in subsection (a)(2), the last sentence; and

(4) subsection (a)(3).

(f) Section 404 of the Powerplant and Industrial Fuel Use Act of 1978 (42 U.S.C. § 8374) is amended by striking—

(1) in subsection (c), "new or" in the phrase "applicable to any new or existing electric powerplant"; and

(2) subsection (g).

(g) Section 701 of the Powerplant and Industrial Fuel Use Act of 1978 (42 U.S.C. § 8411) is amended by striking—

(1) in the last sentence of subsection (b), "or installation";

(2) subsection (c);

(3) in the title of subsection (d), "AND EXEMPTIONS";

(4) in the first sentence of subsection (d)(1), "or any petition for any order granting an exemption (or permit)";

(5) in subsection (d)(1)(B), "or in the consideration of such petition";

(6) in subsection (f), "or a petition for an exemption (or permit) under this Act (other than under section 402 or 404), "; and

(7) subsection (g).

(h) Section 702 of the Powerplant and Industrial Fuel Use Act of 1978 (42 U.S.C. § 8412) is amended by striking—

(1) in the title of subsection (a), "OR EXEMPTION";

(2) in subsection (a), "or granting an exemption (or permit)";

(3) subsection (b), and redesignating subsection (c) as subsection (b);

(4) in the first sentence of subsection (b)(1) (as redesignated) ", or by the denial of a petition for an order granting an exemption (or permit) referred to in subsection (b),";

(5) in the first sentence of subsection (b)(1) (as redesignated), "such rule, order, or denial is published under subsection (a) or (b)" and inserting in its place "such rule or order is published under subsection (a)";

(6) in the first sentence of subsection (b)(2) (as redesignated), "the rule, order, or denial" and inserting in its place "the rule or order";

(7) in the second sentence of subsection (b)(2) (as redesignated), "(or denial thereof)"; and

(8) in subsection (b)(3) (as redesignated), "any such rule, order, or denial" and inserting in its place "any such rule or order".

(i) Section 711 of the Powerplant and Industrial Fuel Use Act of 1978 (42 U.S.C. § 8421) is amended by striking in the first sentence of subsection (a), "or major fuel-burning installation".

(j) Section 721 of the Powerplant and Industrial Fuel Use Act of 1978 (42 U.S.C. § 8431) is amended by striking subsection (c) and redesignating subsection (d) as subsection (c).

(k) Section 723 of the Powerplant and Industrial Fuel Use Act of 1978 (42 U.S.C. § 8433) is amended by striking subsection (b) and redesignating subsections (c) and (d) as subsections (b) and (c).

(l) Section 731 of the Powerplant and Industrial Fuel Use Act of 1978 (42 U.S.C. § 8441) is amended by striking—

(1) "or major fuel-burning installation" wherever the phrase appears; and

(2) "title II or" in subsections (a)(1) and (g)(3).

(m) Section 745 of the Powerplant and Industrial Fuel Use Act of 1978 (42 U.S.C. § 8455) is amended by striking in the first sentence of subsection (a), "from new and existing electric powerplants and major fuel-burning installations" and inserting in its place "from existing electric powerplants".

(n) Section 761 of the Powerplant and Industrial Fuel Use Act of 1978 (42 U.S.C. § 8471) is amended by striking—

(1) in subsection (a), "any existing or new electric powerplant or major fuel-burning installation" and inserting in its place "any existing electric powerplant"; and

(2) in subsection (b)—

(1) "new or" in the phrase "In the case of any new or existing facility"; and

(2) "except to the extent provided under section 212(b) or section 312(b)" and the comma immediately preceding that phrase.

REPEAL OF INCREMENTAL PRICING REQUIREMENTS

SEC. 303. (a) Subject to subsections (b) and (c) of this section, title II of the Natural Gas Policy Act of 1978 (15 U.S.C. §§ 3341-3348) is repealed, and the items relating to title II are stricken from the table of contents of that Act.

(b) A rule promulgated by the Commission under title II of the Natural Gas Policy Act of 1978 shall continue in effect only with respect to the flow-through of costs incurred before the enactment of the Natural Gas Policy Act Amendments of 1986, including any surcharges based on such costs.

(c) The Commission may take appropriate action to implement this section.

THE SECRETARY OF ENERGY,
Washington, DC, April 10, 1986.

Hon. GEORGE BUSH,
President of the Senate,
Washington, DC.

DEAR MR. PRESIDENT: We have made great progress in restoring our Nation's energy health in the last five years, but the job of

providing Americans with an adequate supply of energy at a reasonable price is far from over.

Today, natural gas, one of our most important and valuable resources, is caught in a regulatory headlock that is keeping prices artificially high and preventing America from harnessing the enormous benefits and advantages of this important fuel. Comprehensive regulatory relief and decontrol of the natural gas market will remove one of the last remaining hurdles to energy prosperity for the United States, and we should not rest until we reach this goal.

Accordingly, I am pleased to send to the Congress, on behalf of the President, the "Natural Gas Policy Act Amendments of 1986." This proposal will provide a system that ensures open access to nautral gas transportation and will remove controls that discourage production of our lowest cost gas resources.

The result will be lower prices for American consumers, more plentiful supplies of natural gas, increased productivity, more jobs and less imported oil.

In the past, such predictions and efforts for regulatory decontrol and regulatory relief in our energy markets have been met by critics who claimed that removal of controls would lead to higher prices.

The record of the last five years shows quite convincingly, however, that these critics have been wrong and that the best price for commodities is the lowest price that is obtained in a competitive free market.

Five years ago, for example, when regulatory controls were removed from the U.S. oil market, many said it would very quickly lead to gasoline that cost $2.00 at the pumps and oil that cost up to $90 a barrel. The same kind of charges were levied a year ago when price controls were removed from about half of the Nation's gas supplies.

As today's headlines show, energy consumers are enjoying dramatically lower prices and more abundant supplies of oil, gasoline and natural gas than they have seen in years. Removal of price controls from oil and partial decontrol of natural gas were significant strides forward, but now we need to finish the job.

This legislative proposal will realize the benefits and goals of a free natural gas market in a manner that is fair to the consumer, the transporter, and the producer alike. It includes three essential features:

Immediate decontrol of all new and renegotiated contracts, with a total lifting of remaining price controls by April 1, 1987;

A system that ensures open access to transportation, from the gas field to the consumer; and

Elimination of current laws that restrict the use of natural gas.

A section-by-section analysis also is enclosed to provide a detailed description of this proposal.

Today's energy abundance, the success of free energy markets and the example of partial decontrol of natural gas clearly attest to the fact that full deregulation of the natural gas market is long overdue. I strongly urge you to join me this year in taking the final steps toward the removal of the impediments to natural gas transportation and the lifting of counterproductive controls on the natural gas market. These actions can only work to the benefit of the American consumer, our economy, the natural gas industry and our future energy health and stability.

Yours truly,

JOHN S. HERRINGTON.

FACTSHEET—NATURAL GAS POLICY ACT AMENDMENTS OF 1986

SUMMARY

The Administration bill will promote competition in the natural gas market and will ensure that consumers receive adequate supplies of natural gas at reasonable prices.

The Administration bill will result in lower average gas prices, increased domestic gas production and consumption, reduced payments for imported oil and gas supplies, and an improved balance-of-trade.

Reduced prices for high cost supplies and increased production of low-cost old gas supplies will lower gas prices by an average of about $0.10 to $0.20 per thousand cubic feet per year between 1987 and 1995.

Market prices for old gas will result in increased production from existing old gas reserves of about 30 to 34 tcf over the next 40 years, including about 12 to 14 tcf from delayed abandonment, 15.5 tcf from infill drilling, and 2.5 to 4.5 tcf from production enhancement.

The Administration bill will result in net economic benefits of about $16 billion to $24 billion (1984 dollars) over the next ten years relative to current regulations.

PROVISIONS OF THE ADMINISTRATION BILL

The Administration bill includes "open access" provisions that require interstate pipelines to provide transportation on a nondiscriminatory basis and to the fullest extent practicable.

Upon enactment, the Administration bill decontrols all natural gas wellhead prices subject to new or renegotiated contracts. All remaining Federal wellhead price controls are to be removed on April 1, 1987.

The Administration bill will prevent contracts containing an area rate clause, with no other indefinite price escalator clause, from reverting to extremely low fixed prices.

Provisions in current law that arbitrarily restrain the demand for natural gas, including certain provisions of the Fuel Use Act and the incremental pricing provision of the NGPA, are repealed.

BENEFITS OF THE ADMINISTRATION BILL

The Administration bill will open access to available interstate pipeline transportation capacity.

Open access will increase the competition between pipelines and producers and thereby ensure least-cost gas supplies to consumers.

Open access will ensure that the benefits of increased competition in the natural gas market extend to all consumers.

The Administration bill will result in lower average natural gas prices and increased gas market flexibility.

After partial decontrol, average wellhead prices declined by about 5 percent in real terms during 1985. Under full decontrol, average prices are projected to fall by about 14 to 17 percent in the first year after enactment, or by about $0.25 to $0.45 per mcf.

Decontrol of all gas prices will result in the production of 30 to 34 tcf of old gas reserves that would not be produced under current regulations. This additional production will occur at the rate of about 750 to 850 bcf per year for the next 40 years.

Increased production of old gas reserves will lower gas prices and encourage renegotiation of contracts that hold high-cost gas prices above market-clearing levels.

Lower gas prices, increased consumption and production of old gas reserves, and renegotiation of high-cost contracts will rapidly dissipate the inefficient surplus of deliverable gas supplies.

Lower domestic gas prices will also force prices for imported gas to decline, reducing payments for imported gas by about $3 billion to $5 billion between 1987 and 1995.

Lower prices for natural gas will also reduce oil imports by about 300 to 350 thousand barrels per day on an average from 1987 to 1995, resulting in an annual reduction of $1.6 billion to $3.2 billion in the U.S. balance-of-payments deficit.

Repeal of demand restraints will allow all consumers to choose the least-costly fuel available.

SECTION-BY-SECTION ANALYSIS—NATURAL GAS POLICY ACT AMENDMENTS OF 1986

TITLE I—OPEN ACCESS TO TRANSPORATION

Section 101 would revise Natural Gas Policy Act (NGPA) section 311(a) to expand voluntary transactions for gas transportation. This, and the following section on "Open Access Carriage," are intended to open the transportation system to competition. As a result, all gas supplies, including low-cost gas now shut-in, would become available at prices that reflect the highly competitive nature of the wellhead and burner-tip markets for natural gas.

NGPA section 311(a) currently permits the Federal Energy Regulatory Commission to authorize transportation by interstate pipelines on behalf of any intrastate pipeline or local distribution company, and by an intrastate pipeline on behalf of any interstate pipeline or local distribution company served by an interstate pipeline. Section 101 would expand NGPA section 311(a) to permit the Commission to authorize any pipeline to transport gas on behalf of any person. The use of the phrase "any person" is not intended to reflect any view concerning the persons on whose behalf gas currently can be transported under section 311(a), but rather to indicate the broadest application of section 311(a).

Section 101 also would add a new paragraph (4) to NGPA section 311(a) to make clear transportation under that section must be non-discriminatory. There is no legitimate reason to discrimination in an open, market-oriented system. Discrimination hinders competition, and thus is at cross purposes with the Congressional determination in the NGPA that the wellhead market is competitive and that consumers are best served by letting competitive forces work.

In addition, new paragraph (4) would require any natural gas company which received gas pursuant to section 311(a) to offer section 311(a) transportation service. It is intended that those who benefit from section 311(a) transportation services must offer the same service to others.

These changes would not affect the basic thrust of the Commission's recent action in Order No. 436. Rather, these changes are intended to codify the spirit of that action and to reinforce the Commission's generic authority to promote and provide for voluntary transportation arrangements, and thereby to increase the competitive flow of gas in commerce at market-sensitive prices.

Section 102 would add a new section 316 to the NGPA providing for "Open Access Carriage." Section 316 would provide that, upon application by any person, the Commission shall direct an interstate pipeline to transport gas unless the pipeline demonstrates to the Commission it is incapable of rendering the service. This section is intend-

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ed to open the natural gas market to the operation of the laws of supply and demand to the fullest extent. It would remove barriers to open transportation that now exist, and would allow willing buyers and sellers to deal directly to bring low cost, currently shut-in gas to market. This section responds to the failure of most interstate pipelines to participate in Order No. 436, and to the conditions that precipitated Order No. 436 in the first place: the inability of consumers to obtain transportation for gas purchased directly from producers.

In determining whether a pipeline is "incapable" of rendering service for the Commission, it is intended, would avoid interpretations that prevent carriage. The Commission should consider such factors as full pipeline utilization, full use of pipeline interconnections and compression, and displacement or other ways of facilitating transportation. The primary concern of the Commission, in making this determination, must be to ensure competition in the marketplace through the utilization of pipeline capacity to the fullest extent practicable.

The Commission is given the option to implement this section either by rule or order. This is intended to give the Commission the flexibility to act on applications as circumstances vary while preventing abuse of its processes that would delay open carriage. This section makes clear it shall operate without discrimination. Finally, the charge for transportation under this section must be just and reasonable, as that term has been defined under the Natural Gas Act.

TITLE II—REMOVAL OF WELLHEAD PRICE CONTROLS AND REPEAL OF JURISDICTION OVER CERTAIN FIRST SALES

Section 210 would amend NGPA section 121 to provide for the ultimate elimination of all price controls on first sales of natural gas. New subsection (f) would provide that natural gas sold under contracts executed or renegotiated after March 1, 1986, would be free from any NGPA price controls. This provision would permit natural gas prices to be established immediately in accordance with market forces and not the existing artificial price ceilings. With regard to renegotiated contracts, decontrol would occur only if the renegotiated contract expressly so provides. New subsection (g) would remove price controls on April 1, 1987, from all first sales of natural gas not previously decontrolled and thus end the Federal Government's involvement in establishing the wellhead price for natural gas.

Section 202(a) would eliminate the Commission's jurisdiction under the Natural Gas Act (NGA) to regulate non-price aspects (such as certification and abandonment) of first sales of natural gas. NGPA section 601(a)(1)(A) currently exempts from such jurisdiction first sales of natural gas that was not committed or dedicated to interstate commerce prior to the enactment of the NGPA, while NGPA section 601(a)(1)(B) exempts certain committed or dedicated natural gas (such as high-cost gas in section 107). Section 202(a) would amend NGPA section 601(a)(1)(B) to eliminate the Commission's NGA jurisdiction over any first sale of natural gas after enactment of the Natural Gas Policy Act Amendments of 1986. This provision would allow the fullest operation of the market by permitting gas to be sold to any purchaser and not just the purchaser under a contract no longer in effect.

Section 202(b) would repeal NGPA section 315. Currently, section 315(a) provides that the Commission can specify the minimum duration of certain contracts. Section 315(b) provides purchasers with a right of first refusal in certain circumstances. Section 315(c) permits the Commission to require the filing of contracts for the first sale of natural gas. The repeal of the existing NGPA section 315, along with the elimination of the Commission's NGA jurisdiction over first sales (see section 202(a)), would remove all non-price regulation of first sales of natural gas.

Section 203 would add a new section 315 to the NGPA providing for "the effect of area rate clause" following decontrol. For a certain, limited number of contracts, the section would treat the last price paid for NGPA section 104 or 106(a) gas before decontrol on April 1, 1987, as a federally-established rate or charge for purposes of area rate clauses. The contracts involved are those containing an area rate clause and no other indefinite price escalator clause, and only if the contract was entered into when the Federal Government prohibited an indefinite escalator provision other than an area rate clause. The intent of this section is to deal with situations where the Federal Government in effect dictated the price terms to the commercial parties. It would prevent a roll-back to extremely low fixed prices in contracts where the parties were unable to deal with this eventuality because of Federal interference with contract terms. This section would thus continue the status-quo, and would prevent both uncertainty over the applicable pricing terms and litigation that might result from that uncertainty.

TITLE III—REPEAL OF CERTAIN RESTRICTIONS ON NATURAL GAS AND PETROLEUM USE AND PRICING

Sections 301 and 302 would repeal several sections of the Powerplant and Industrial Fuel Use Act of 1978 (FUA).

The bill would repeal (1) the prohibitions on the use of natural gas and petroleum as a primary energy source in new electric powerplants (FUA § 201) and new major fuel-burning installations (FUA § 202), (2) the prohibition on the construction of new powerplants without alternate fuel capability (FUA § 201), and (3) the discretionary authority of the Secretary of Energy to prohibit nonboiler installations from using natural gas and petroleum as a primary energy source (FUA § 202).

The bill would repeal section 302 of FUA which authorizes the Secretary of Energy to prohibit the use of natural gas or petroleum as a primary energy source where coal or alternate fuel capability exists in existing major fuel-burning installations.

The Secretary of Energy's authority under section 401 of FUA to prohibit the use of natural gas as a primary energy source in certain boilers would be repealed.

The bill would repeal section 402 of FUA which prohibits certain installations of new outdoors lighting fixtures that use natural gas and certain uses of natural gas therein.

The bill would repeal section 405 of FUA which authorizes the Secretary of Energy to restrict, by rule, increases in the use of petroleum as a primary energy source in existing powerplants that used coal or another alternate fuel in 1977.

The bill would repeal subsections 103(a)(16), (a)(18), (a)(19) and (a)(29) of the Powerplant and Industrial Fuel Use Act of 1978, which provide certain definitions for general reference that are no longer necessary due to the proposed repeal of many statutory provisions.

Section 303 would repeal title II of the NGPA, which provides for an incremental pricing system whereby low priority users of natural gas pay a larger share of the first sale acquisition costs for natural gas, and thus would end this regulatory system. Acquisition costs incurred prior to the enactment of this bill would be passed through to users on the basis of the existing Commission regulations for incremental pricing. Any acquisition costs incurred after the enactment of this bill would be dealt with without regard to incremental pricing requirements.●

By Mr. BRADLEY (for himself and Mr. Lautenberg):

S. 2287. A bill to amend the Wild and Scenic Rivers Act to designate a certain portion of the Great Egg River in the State of New Jersey for potential addition to the wild and scenic rivers system; to the Committee on Energy and Natural Resources.

GREAT EGG HARBOR RIVER

● Mr. BRADLEY. Mr. President, it is my pleasure to send the following bill to the desk on behalf of myself and my distinguished colleague from New Jersey, Senator Lautenberg. The purpose of this legislation is to direct the Department of the Interior to study the potential addition of the Great Egg Harbor River in southern New Jersey to the National Wild and Scenic River System. Companion legislation, introduced by Congressman William Hughes, was recently adopted by the House of Representatives as part of the omnibus river bill.

Mr. President, the National Wild and Scenic River Act, passed in 1968, offered the first Federal protection for the Nation's rapidly disappearing network of free-flowing rivers and streams. This landmark law preserves selected rivers and river corridor landscapes which possess outstanding scenic, recreational, historic, and cultural values.

The Great Egg Harbor River is located in a largely undeveloped area of southern New Jersey. A large portion of the river is within the Pinelands National Reserve. The mainstem of the river is 60 miles in length. It rises in urbanized Camden County and flows through Gloucester and Atlantic Counties before it empties into the Atlantic Ocean behind the barrier island of Ocean City.

The slow moving water of the Great Egg Harbor River represents a typical Pine Barrens ecosystem where water is the most important resource. Freshwater is stored in the extensive Cohansey aquifer below the Pine Barrens surface. It is estimated that the Cohansey aquifer is the largest underground reservoir of freshwater in the world.

The unique plant and animal species found in the Great Egg Harbor watershed are peculiarly adapted to the limitations of this naturally highly acidic water. The wetlands support a large number of threatened and endangered

species which are extremely sensitive to changes in water level and quality.

Most of the 39 species of mammals, 299 bird species, 59 reptile and amphibian species and 91 fish species common to the Pine Barrens exist in the Great Egg Harbor watershed. Beaver, otter, and muskrat are found in the wetlands along with 44 species of game birds, ospreys, and nesting bald eagles. The endangered Pine Barrens treefrog, gray treefrog, and timber rattlesnake are also found in the area.

The Great Egg Harbor River has provided opportunities for hunting, trapping, and fishing since the 1700's. Remains of 17th and 18th century sawmills, papermills, and gristmills, early factories, and intact 18th and 19th century villages are common throughout the watershed. Nineteenth and twentieth century ethnic settlements are found in agricultural communities near the river. Two important local agricultural crops are cranberries and blueberries, both of which represent a significant share of New Jersey's agricultural economy.

Mr. President, the Great Egg Harbor River is remarkably diverse. It represents an ecosystem so unique that the United Nations has proclaimed it and the rest of the New Jersey Pinelands National Reserve as an international biosphere. It is a truly remarkable combination of natural features that has been the focus of study by scientists of international reputation.

The Great Egg Harbor River is one of New Jersey's greatest and most beautiful natural resources. Those who live in southern New Jersey would like to assure that the river's water quality and recreational opportunities are maintained through sound planning and management. The Wild and Scenic Rivers Act provides this protection through the development of a management plan. The proposed study has the support of 14 local municipalities and none has opposed the study. Subsequent hearings and the study itself will give local supporters and opponents the opportunity to present their views to determine the future of the river.

Mr. President, the Wild and Scenic Rivers Act has been successful in preserving a number of our Nation's free-flowing rivers. The Great Egg Harbor River is an ideal candidate for inclusion with these natural wonders. I ask unanimous consent that the text of the bill be printed in the Record.

There being no objection, the bill was ordered to be printed in the Record, as follows:

S. 2287

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. GREAT EGG HARBOR RIVER.

(a) Study.—Section 5(a) of the Wild and Scenic Rivers Act (16 U.S.C. 1271-1287) is amended by adding at the end thereof the following new paragraph:

"(92) Great Egg Harbor River, New Jersey: The entire river.".

(b) Completion Date.—Section 5(b)(3) of such Act is amended by adding at the end thereof the following: "The study of the river named in paragraph (92) of subsection (a) shall be completed not later than three years after the date of the enactment of this sentence.".

(c) Authorization of Appropriations.—Paragraph (4) of section 5(b) of such Act is amended by adding at the end thereof the following: "Effective October 1, 1986, there are authorized to be appropriated for the purpose of conducting the study of the river named in paragraph (92) such sums as may be necessary.".●

● Mr. LAUTENBERG. Mr. President, I am pleased to join my distinguished colleague from New Jersey, Senator Bradley, in introducing legislation directing the National Park Service to study the Great Egg Harbor River for potential addition to the National Wild and Scenic Rivers System. A similar measure, introduced in the House by our distinguished colleague, Representative Bill Hughes, was adopted yesterday by that body.

The Wild and Scenic Rivers Act, enacted in 1968, expressed the national policy of balancing the need for dams and other construction at appropriate sections of rivers with the need to preserve other selected rivers and sections of rivers in their free-flowing condition. It was the intent of Congress to protect such rivers and their immediate environments, which possess outstanding scenic, recreational, historic, cultural, or other similar conservation values.

In 1981, the U.S. Department of the Interior recognized the value of the Great Egg Harbor River by placing it on the nationwide rivers inventory. The river was determined to have nationally significant qualities making it eligible, subject to further study, for inclusion in the National Wild and Scenic Rivers System.

The river, located in southern New Jersey, begins in Berlin Township in Camden County and flows in a general southerly direction through Gloucester and Atlantic Counties before it empties into Great Egg Harbor. A large portion of the river is located in the Pinelands National Reserve, one of our greatest natural resources. It is the longest canoeable river in the Pinelands, running through wetlands abundant with wildlife, including many threatened or endangered species. Aquatic life in the watershed is selectively suited to the unique environment of the Great Egg Harbor River. Herring and striped bass return from the Atlantic Ocean to spawn in the gravel of the river's tidal reach.

Historic settlements, residential homes, campgrounds and several State and local parks are located along the river bank. Its unique environment affords a wilderness experience seldom found within proximity to populated centers.

Mr. President, the National Park Service strongly supports this legislation. The municipalities along the River support this effort to protect this great natural resource, as does the State of New Jersey.

The act provides flexibility in the levels of protection and conservation management for a river included in the Wild and Scenic Rivers System. The process for development of a management plan under the Act must involve considerable participation by local citizens and municipalities, along with the State and Federal governments.

The Great Egg Harbor River is an ecosystem which is so unique that the United Nations has proclaimed it and the rest of the Pinelands National Reserve as an "international biosphere", a "truly remarkable combination of natural features that merits preservation and study by scientists of international repute."

Mr. President, the Great Egg Harbor River is a resource enjoyed by nature enthusiasts throughout New Jersey and the United States. I look forward to working with the National Park Service, the State, municipalities, and local citizens to assure that this priceless and beautiful resource is preserved for us and our future generations, and urge my colleagues to support this bill.●

ADDITIONAL COSPONSORS

S. 524

At the request of Mr. Armstrong, the name of the Senator from Connecticut [Mr. Dodd] was added as a cosponsor of S. 524, a bill to recognize the organization known as The Retired Enlisted Association, Inc.

S. 2087

At the request of Mr. Proxmire, the name of the Senator from Nebraska [Mr. Zorinsky] was added as a cosponsor of S. 2087, a bill to amend part B of title XIX of the Public Health Service Act to specify the method of determining State allotments.

S. 2190

At the request of Mr. Sarbanes, the name of the Senator from New Jersey [Mr. Lautenberg] was added as a cosponsor of S. 2190, a bill to provide that the full cost-of-living adjustment in benefits payable under certain Federal programs shall be made for 1987.

S. 2191

At the request of Mr. Roth, the name of the Senator from Iowa [Mr. Grassley] was added as a cosponsor of S. 2191, a bill to amend the Federal Aviation Act of 1958 so as to prohibit reprisals against certain officers, employees, or contractors of air carriers.

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S. 2197

At the request of Mr. Roth, the name of the Senator from Hawaii [Mr. Inouye] was added as a cosponsor of S. 2197, a bill to amend title 5, United States Code, to establish an optional early retirement program for Federal Government employees, and for other purposes.

S. 2198

At the request of Mr. Trible, the name of the Senator from Maryland [Mr. Mathias] was added as a cosponsor of S. 2198, a bill to provide that the full cost-of-living adjustment in benefits payable under certain Federal programs shall be made for 1987.

S. 2224

At the request of Mr. Humphrey, the name of the Senator from Florida [Mrs. Hawkins] was added as a cosponsor of S. 2224, a bill to limit the uses of funds under the Legal Services Corporation Act to provide legal assistance with respect to any proceeding or litigation which relates to abortion.

S. 2255

At the request of Mr. Wilson, the name of the Senator from South Carolina [Mr. Thurmond] was added as a cosponsor of S. 2255, a bill to prohibit the expenditure of Federal funding for Congressional Newsletters.

S. 2269

At the request of Mr. D'Amato, the names of the Senator from Pennsylvania [Mr. Specter], and the Senator from California [Mr. Wilson] were added as cosponsors of S. 2269, a bill to amend title 10, United States Code, to permit members of the Armed Forces to wear, under certain circumstances, items of apparel not part of the official uniform.

S. 2273

At the request of Mr. Kasten, the name of the Senator from North Dakota [Mr. Andrews] was added as a cosponsor of S. 2273, a bill to amend the Internal Revenue Code of 1954 to deny the tax exemption for interest on industrial development bonds used to finance acquisition of farm property by foreign persons.

SENATE JOINT RESOLUTION 241

At the request of Mr. Dole, the name of the Senator from South Dakota [Mr. Abdnor] was added as a cosponsor of Senate Joint Resolution 241, a joint resolution designating the week beginning on May 11, 1986, as "National Asthma and Allergy Awareness Week."

SENATE JOINT RESOLUTION 287

At the request of Mr. Boren, the name of the Senator from Arizona [Mr. Goldwater] was added as a cosponsor of Senate Joint Resolution 287, a joint resolution designating September 29, 1986, as "National Teachers Day."

SENATE JOINT RESOLUTION 289

At the request of Mr. Roth, the name of the Senator from Pennsylvania [Mr. Heinz] was added as a cosponsor of Senate Joint Resolution 289, a joint resolution to designate 1988 as the "Year of New Sweden" and to recognize the New Sweden '88 American Committee.

SENATE JOINT RESOLUTION 299

At the request of Mr. Cochran, the names of the Senator from South Carolina [Mr. Thurmond] and the Senator from Georgia [Mr. Mattingly] were added as cosponsors of Senate Joint Resolution 299, a joint resolution to designate the week of December 7, 1986, through December 13, 1986, as "National Alopecia Areata Awareness Week."

SENATE JOINT RESOLUTION 312

At the request of Mr. D'Amato, the name of the Senator from Georgia [Mr. Nunn] was added as a cosponsor of Senate Joint Resolution 312, a joint resolution designating the week beginning April 13, 1986, as "National Medical Laboratory Week."

SENATE RESOLUTION 379—RELATING TO ADVERSE AFFECTS OF THE MILK PRODUCTION TERMINATION PROGRAM

Mr. ABDNOR (for himself, Mr. Nickles, Mr. Symms, Mr. McClure, Mr. Andrews, Mr. Boren, Mr. Hecht, Mr. Gore, Mr. Durenberger, Mr. Boschwitz, Mr. Heflin, Mr. Denton, Mr. Armstrong, Mrs. Hawkins, and Mrs. Kassebaum) submitted the following resolution; which was referred to the Committee on Agriculture, Nutrition, and Forestry:

S. Res. 379

Resolved,

(a) Definitions.—As used in this section:

(1) The term "milk production termination period" means—

(A) the period beginning April 1, 1986, and ending August 31, 1986;

(B) the period beginning September 1, 1986, and ending February 28, 1987; or

(C) the period beginning March 1, 1987, and ending August 31, 1987.

(2) The term "milk production termination program" means the milk production termination program established under section 201(d) of the Agricultural Act of 1949 (7 U.S.C. 1446(d)).

(3) The term "Secretary" means the Secretary of Agriculture.

(b) Balanced Purchases.—During each milk production termination period, the Secretary should use to carry out clauses (1) and (2) of section 214 of the Food Security Act of 1985 (7 U.S.C. 1446 note) a percentage of the aggregate amount of funds required to be used to purchase and distribute red meat under such clauses that is equal to the percentage of the total number of dairy cattle the Secretary estimates will be marketed for slaughter as a result of the milk production termination program.

(c) Additional Actions.—During each milk production termination period, if the Secretary estimates that the quantity of meat purchased under section 214 of such Act will be less than the amount of red meat marketed as a result of the milk production termination program, to ensure that the quantity of red meat marketed does not increase during the milk production termination period as the result of the milk production termination program, the Secretary should—

(a) increase the quantity of red meat purchased under clause (1) or (2), or both, of section 214 of such act, with the use of funds referred to in such clause;

(2) utilize programs operated by the Secretary for the purpose of encouraging or enhancing commercial sales in foreign export markets of United States agricultural commodities or the products thereof (including the payment of a bonus or incentive (in cash, commodities, or other benefits) provided to a purchaser) to encourage and enhance the export sales of live animals, red meat, or red meat food products;

(3) decrease the aggregate quantity of meat articles otherwise estimated by the Secretary under section 2(e)(1) of the Meat Import Act of 1979 (19 U.S.C. 2253 note); or

(4) implement any combination of clauses (1) through (3).

(d) Historical Marketings.—During each milk production termination period, the Secretary should ensure that dairy cattle be marketed for slaughter as a result of the milk production termination program in an orderly manner consistent with the historical relationship of marketed dairy cattle to marketed beef cattle. In carrying out this paragraph, the Secretary should consider regional patterns for marketing beef cattle.

(e) Balanced Marketings.—To the extent feasible, the Secretary should adjust the number of dairy cattle marketed for slaughter as a result of the milk production termination program during each milk production termination period to provide for a more even distribution of such marketings over all such periods.

● Mr. ABDNOR. Mr. President, today I am introducing, along with my colleague Senator Nickles of Oklahoma and several other Senators, legislation designed to reduce the adverse effects the Dairy Termination Program has had on livestock producers.

The implementation of the Dairy Termination Program has resulted in severe market disruptions for the livestock industry—particularly the beef cattle industry. After the U.S. Department of Agriculture [USDA] announced the acceptance of bids under the dairy herd buy-out program, cattle markets reacted by plummeting the limit for close to a week, thus costing cattlemen hundreds of thousands of dollars.

I ask my colleagues in the Senate to consider for a minute the financial pain the Dairy Termination Program has inflicted upon beef producers. Take for instance the case of a Mission, SD, rancher who has 200 head of steers ready to go to market. Immediately after USDA announced the acceptance of bids under the whole herd buy-out program, the market price for cattle dived. The market has continued to decline since that time and today those 200 head of steers are worth $190,000 less than they were 2

weeks ago! And this is but one example of the financial ruin which has occurred among our cattlemen in recent weeks.

Is anyone in this Chamber willing to tell me that this is fair? Can anyone argue that a $190,000 loss in less than 2 short weeks would not ruin a rancher, farmer, or small businessman?

Why did the markets drop so abruptly? What caused the $190,000 loss to the cattleman from Mission or the hundreds of millions in losses to other ranchers in South Dakota and across the Nation?

Clearly the answer is higher than expected signup in the Dairy Termination Program, USDA's failure to implement an orderly marketing plan for the whole-herd buyout program, and the volatility of the cattle futures market.

The 1985 farm bill included a provision requiring USDA to pull 400 million pounds of red meat off the market in order to neutralize the impact of the termination program upon livestock markets. This obviously has not provided the markets the assurances needed to prevent a drop in red meat prices. I am concerned that the purchase of 400 million pounds over an 18-month period may fall short of providing the beef industry the protection Congress intended.

The legislation we are offering today, in both bill S. 2284, and resolution forms, directs the Secretary of Agriculture to take steps to entirely offset the meat marketed under the dairy program. If the 400 million pound removal as required in current law is inadequate, then the Secretary would be required to take any one or a combination of the following steps:

First, increase the quantity of red meat purchased.

Second, increase the quantity of meat or live animals exported.

Third, decrease meat imports.

Additionally, our legislation contains several provisions dealing with the orderly marketing of dairy cattle as well as the removal of beef. First, it directs the Secretary to purchase a percentage of the 400 million pounds of red meat in proportion to the percentage of dairy cattle to be marketed during each disposal period. Additionally, it requires the Secretary, to the extent feasible, to make adjustments in the marketing of dairy cattle under the Dairy Termination Program to provide for orderly marketing. The goal is not to disrupt the historic and regional marketing trends of beef and dairy cattle.

Mr. President, this legislation has the support of cattlemen from my home State of South Dakota as well as from across the Nation. It is desperately needed to remedy an unfair situation created by the Government—the Dairy Termination Program—and an ill-conceived marketing plan announced by USDA. I urge my colleagues to give this legislation their full consideration and invite their support and cosponsorship.●

SENATE RESOLUTION 380—PROTECTION OF THE FREE MARKET WITH RESPECT TO OIL PRICES

Mr. LAUTENBERG (for himself and Mr. Weicker) submitted the following resolution; which was referred to the Committee on Foreign Relations.

S. Res. 380

Whereas the OPEC oil cartel has conspired to interfere with the free market to raise the price of crude oil;

Whereas the increase in crude oil prices resulted in lower economic growth, higher consumer prices and interest rates, and economic dislocation in the United States and in other nations;

Whereas the OPEC oil cartel can no longer control oil prices and the worldwide price of oil has dropped by nearly two-thirds since the summer of 1985;

Whereas the drop in oil prices has reduced inflation and produced large savings for consumers of gasoline and heating oil;

Whereas the drop in oil prices has lowered interest rates, stimulated investment in the United States, reduced costs for those segments of the economy which are major energy users such as the airline and petrochemical industries and stimulated the domestic travel and tourism industries;

Whereas the drop in oil prices has significantly reduced the value of oil imports which helps to reduce the overvaluation of the dollar in foreign exchange markets and thereby makes United States industrial goods more competitive in the world market;

Whereas the drop in oil prices has benefited less developed nations by lowering their bills for imported fuel and lowering interest charges on foreign debt, both of which stimulate economic growth in these countries;

Resolved, That it is the sense of the Senate of the United States of America that the United States Government should not undertake any efforts to interfere with the free market by encouraging OPEC or its members to adopt production controls to artificially raise oil prices.

● Mr. LAUTENBERG. Mr. President, I am today submitting a Senate resolution with my distinguished colleague from Connecticut, Senator Weicker, which expresses the sense of the Senate that the U.S. Government should not undertake any efforts to interfere with the free market by encouraging OPEC to adopt production controls to artificially raise oil prices.

Over the last 15 years, OPEC [Organization of Petroleum Exporting Countries] has conspired to establish production controls for oil to raise the price of oil far above what it would be in a free market. These price increases had a severe impact, both in this country and other oil-importing nations. Billions upon billions of dollars were transferred from consuming to producing countries. Growth slowed, and inflation and unemployment increased. In consuming nations, the rise in oil prices led to economic dislocations. Certain areas of the United States and certain petroleum dependent industries suffered greatly.

The world oil market has changed radically since the oil shock caused by the Arab oil embargo in 1973. Non-OPEC oil production has increased, providing alternatives to OPEC oil. These alternatives, combined by a significant decline in energy consumption as a result of conservation efforts, have had a dramatic effect. OPEC's crude oil production fell during 1985 to half its 1977 peak. This was the lowest level of OPEC crude oil production since 1967.

Today, the OPEC oil cartel can no longer control oil prices and the worldwide price of oil has dropped significantly. This decline has had significant benefits for the United States and the world economy. It has:

Reduced inflation and produced large savings for consumers of gasoline and heating oil;

Lowered interest rates, stimulating investment in the United States, reduced costs for those segments of the economy which are major energy users and stimulated the domestic travel and tourism industries;

Reduced the value of oil imports significantly, which is helping to reduce the overvaluation of the dollar in foreign exchange markets, thereby making U.S. industrial goods more competitive in the world market; and

Benefited less developed oil importing nations by lowering their bills for imported fuel and lowering interest charges on foreign debt, both of which stimulate economic growth in these countries.

Mr. President, these effects are dramatic. The price decline will act like a huge tax cut. American consumers would save $69 billion in 1986 if the average price of crude oil stabilizes at $15 per barrel, according to a Department of Energy study. Some economists see the U.S. economy growing at 4 to 5 percent by the end of the year. Increased growth also will reduce our Nation's budget deficits.

The 0.4-percent fall in February's Consumer Price Index, which was largely the result of dropping oil prices, was the biggest decrease since 1953. The inflation rate of 1986 is expected to drop to levels not seen since the midsixties.

The U.S. trade deficit may decline by $30 billion this year because of less costly oil imports, according to some economists.

Finally, just yesterday, Treasury Secretary James Baker said that lower oil prices, together with lower interest rates and a cheaper dollar, are resulting in the best economic outlook for Third World nations in over a decade.

Mr. President, the oil price decline will also help our farm economy. The

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Department of Agriculture has estimated that U.S. farmers will save over $1 billion on gasoline and diesel fuel this year. Additional savings will be realized for price decreases for petroleum based fertilizers and pesticides.

Some may argue that a free market price of oil leaves the United States vulnerable if OPEC is able to regain control of the market. This argument ignores the changes in the United States over the last 15 years. First, conservation efforts have led to more efficient use of energy. The U.S. economy needs far less energy in 1986, less than 21,000 Btu's to produce $1 of gross national product, than it did in 1973 when over 26,000 Btu's were required to produce $1 of gross national product. These conservation efforts, such as more energy efficient cars, houses and appliances, are now institutionalized in the United States and will help prevent a significant increase in energy usage.

The United States also now has a 500-million-barrel strategic petroleum reserve. This reserve will help protect the United States against any attempts by the OPEC cartel to cut off our energy supplies. We must continue filling the strategic petroleum reserve.

In addition, there no longer are any price controls on oil. During the 1970's, controls discouraged production because prices were kept critically low. The absence of oil price controls today has removed artificial barriers to the marketplace setting prices adequate to elicit necessary production.

Finally, non-OPEC oil production has increased, providing alternatives to OPEC oil. Non-OPEC oil production weakens OPEC's ability to control the market. And, Mr. President, I must say that our Government should not support measures that will enrich the coffers of Mu'ammar Qadhafi, a major OPEC oil producer.

Mr. President, it is true that some sectors of our economy will suffer because of the oil price decline. But dislocations sometimes occur when the free market is working. Some sectors suffered when the price of oil escalated. But over time, a free market will lead to a readjustment in the economy. More importantly, the Nation as a whole will achieve significant gains from oil price declines.

Mr. President, the worst thing we could do would be to encourage OPEC to raise the price of oil again.

This sense of the Senate resolution makes clear that the United States should not work to strengthen OPEC and weaken America.

Mr. President, I ask unanimous consent that an editorial on this topic from Business Week be inserted in the Record.

There being no objection, the article was ordered to be printed in the Record, as follows:

[From Business Week, Apr. 14, 1986]

WHY UPSET THE OIL CART?

What's going on with the Reagan Administration's energy policy? First, Energy Secretary John S. Herrington sounds the alarm over the "political ramifications" of rapidly falling oil prices. Then Vice-President Bush, reveals that he intends to discuss oil prices with the Saudis and point out to them the importance of "stability in the market" (page 45). Despite his denial, most people interpret that to mean he intends to ask the Saudis to scale back production. (The fact is, the Saudis are producing at only 40% of capacity, while Britain, Mexico, and other non-OPEC producers are running at full speed.) Asked about Bush's comments, the White House says the free market should set oil prices. Still, it looks as if the Administration wants to rescue the oil patch by propping up OPEC. If that's the case, it makes no sense whatever. Even the political benefits the Administration may derive from bailing out the oil-producting states will probably be offset by outrage in other parts of the country.

Yes, attention should be paid to the distress the oil-price decline is causing. But there are far better ways to do this then encouraging Middle Eastern Oil producers to push up prices. Some people favor an import duty on foreign oil. True, that would allow domestic producers to raise prices, and it would transfer revenue to the U.S. Treasury rather than foreign producers. But it would also amount to a subsidy for the U.S. oil industry at the expense of the rest of the economy. What the Administration should do, if it becomes necessary, is provide direct adjustment aid to domestic oil-producing areas. That, too, would be a subsidy—but a more benign one that everybody could see for what it is.

Lower oil prices confer benefits on the economy that far outweigh regional or sectoral dislocations. The Reagan Administration and business must remember that above all else.●

SENATE RESOLUTION 381—RELATING TO UNITED STATES CORPORATE BUSINESS IN ANGOLA

Mr. DeCONCINI submitted the following resolution; which was referred to the Committee on Foreign Relations:

S. Res. 381

Whereas the Marxist Popular Movement for the Liberation of Angola (hereafter in this resolution referred to as the "MPLA") has failed to hold fair and free elections since assuming power in Angola in 1975;

Whereas Angola currently harbors more than 35,000 Soviet and Cuban troops and advisers;

Whereas the Cubans and Soviets have channeled more than $4 billion in assistance and military aid in furtherance of this intervention in Africa;

Whereas the MPLA government of Angola obtains more than 90 percent of its foreign exchange from the extraction and production of oil;

Whereas most of Angola's oil is extracted in Cabinda Province, where 75 percent of it is extracted by the Chevron-Gulf Oil Company;

Whereas the MPLA has refused to take meaningful steps to end its dependency on Soviet and Cuban forces, engage in rational reconciliation efforts within Angola, or encourage the independence of Namibia;

Whereas United States business interests are in direct conflict with United States foreign policy objectives in aiding the MPLA government of Angola, which directly opposes Jonas Savimbi and UNITA, recipients of United States support; and

Whereas imposition of severe economic sanctions will encourage the MPLA to promote a fair political solution and negotiate with the United States toward a peaceful settlement: Now, therefore, be it

Resolved, That it is the sense of the Senate that the interests of the United States are best served when United States business transactions conducted in Angola do not directly or indirectly support Cuban troops and Soviet advisers.

Sec. 2. The Senate hereby requests that the President use his special authorities under the International Emergency Economic Powers Act to block United States business transactions which conflict with United States security interests in Angola.

Sec. 3. The Secretary of the Senate shall transmit a copy of this resolution to the President.

AMENDMENTS SUBMITTED

METROPOLITAN WASHINGTON AIRPORT TRANSFER

HOLLINGS (AND MATHIAS) AMENDMENT NO. 1745

Mr. HOLLINGS (for himself and Mr. Mathias) proposed an amendment to the bill (S. 1017) to provide for the transfer of the Metropolitan Washington Airports to an independent airport authority; as follows:

Amendment No. 1745

On page 29, strike all from line 21 through line 6 on page 30, and insert in lieu thereof the following:

(2)(A) Basic lease payments shall be sufficient to repay to the United States an amount equal to the fair market value of Washington Dulles International Airport and Washington National Airport, at an imputed interest rate for such repayment, within thirty-five years after the date of transfer.

(B) In order to assist in determining such fair market value, the Secretary shall solicit three independent appraisals of the value of the Metropolitan Washington Airports, and any such appraisal shall be conducted within six months after the date of enactment of this Act. The Secretary shall determine the fair market value of the Metropolitan Washington Airports by calculating the average of the values specified in such appraisals, except that in no event shall such amount be fixed at less than $111,400,000.

HOLLINGS AMENDMENT NO. 1746

(Ordered to lie on the table.)

Mr. HOLLINGS submitted an amendment intended to be proposed by him to the bill S. 1017, supra; as follows:

On page 49, strike lines 4 through 14 and insert in lieu thereof the following:

(1)(A) title to all real property leased to the Airports Authority pursuant to this Act shall be retained by the United States, and (B) the Airports Authority shall manage and operate all such property in accordance with the provisions of this Act, except that real property that is not then in use for airport purposes as defined in section 8(a)(1) of this Act shall instead be reported to the General Services Administration for disposition under the Federal Property and Administrative Services Act of 1949 (40 U.S.C. 471 et seq.);

SARBANES AMENDMENTS NOS. 1747 THROUGH 1753

(Ordered to lie on the table.)

Mr. SARBANES submitted seven amendments intended to be proposed by him to the bill S. 1017, supra; as follows:

Amendment No. 1747

On page 39, line 9, insert before the period "and that the nighttime noise limitation standards currently set out at 14 CFR 159.40 may not be amended".

Amendment No. 1748

On page 37, strike out lines 1 through "such" on line 3.

Amendment No. 1749

On page 38, line 4, strike out all after "charge" through line 8 and insert in lieu thereof a period.

Amendment No. 1750

On page 37, line 25, strike out "at Federal expense".

Amendment No. 1751

On page 49, line 10, after (40 U.S.C. 471 et seq.): add: "provided further that real property in use for airport purposes shall continue to be used for such purposes."

Amendment No. 1752

On page 38, line 9, strike out "All" and insert in lieu thereof "Notwithstanding the lease authorized pursuant to section 5 of this Act, all".

On page 38, line 10 strike out ", during the term of the lease,".

Amendment No. 1753

On page 35, line 7, strike out "Five" and insert in lieu thereof "Three".

On page 35, line 10, strike out "two" and insert in lieu thereof "three".

On page 35, line 11, strike out "one member" and insert in lieu thereof "two members".

On page 36, lines 5 through 7, strike out ", in the case of the Commonwealth of Virginia and the District of Columbia,".

On page 36, line 8, beginning with "The" strike out all through "appointees" on line 12, and insert in lieu thereof "The President shall make an initial appointment of one member for a 6-year term, and a second member for a 3-year term. All subsequent appointments by the President shall be for a 6-year term. Such Federal appointees shall be".

SARBANES (AND MATHIAS) AMENDMENT NO. 1754

Mr. SARBANES (for himself and Mr. Mathias) proposed an amendment to the bill S. 1017, supra; as follows:

On page 40, inset after line 25, the following new subparagraph:

(D) Before the date of transfer, the Secretary shall assure that the Airports Authority has agreed to a continuation of all collective bargaining rights enjoyed before the date of transfer by employees of the Metropolitan Washington Airports.

On page 43, line 24, insert "(1)" after "(b)".

On page 44, insert between lines 9 and 10 the following new paragraph:

(2) The arrangements made pursuant to this section shall assure, during the 35-year lease term, the continuation of all collective bargaining rights enjoyed by transferred employees retained by the Airports Authority.

SARBANES AMENDMENT NO. 1755

Mr. SARBANES proposed an amendment to the bill S. 1017, supra; as follows:

On page 42, line 20, strike out "2-year" and insert in lieu thereof "5-year".

On page 43, line 1, strike out "2-year" and insert in lieu thereof "5-year".

On page 43, line 7, strike out "2-year" and insert in lieu thereof "5-year".

On page 43, line 10, strike out "2-year" and insert in lieu thereof "5-year".

On page 43, line 19, strike out "2-year" and insert in lieu thereof "5-year".

On page 44, line 1, strike out "2-year" and insert in lieu thereof "5-year".

On page 44, line 4, strike out "2-year" and insert in lieu thereof "5-year".

On page 44, line 5, strike out "2-year" and insert in lieu thereof "5-year".

On page 44, line 11, strike out "2-year" and insert in lieu thereof "5-year".

On page 44, line 24, strike out "2-year" and insert in lieu thereof "5-year".

SARBANES AMENDMENT NCS. 1756 THROUGH 1762

(Ordered to lie on the table.)

Mr. SARBANES submitted seven amendments intended to be proposed by him to the bill S. 1017, supra; as follows:

Amendment No. 1756

On page 35, line 5, strike out "eleven" and insert in lieu thereof "fourteen".

On page 35, line 10, strike out "two" and insert in lieu thereof "three".

On page 35, line 11, strike out "one member" and insert in lieu thereof "three members".

On page 35, line 22, strike out "member" and insert in lieu thereof "members".

On page 36, lines 5 through 7, strike out ", in the case of the Commonwealth of Virginia and the District of Columbia,".

On page 36, line 10, strike all after the period through "appointees" on line 12, and insert in lieu thereof "The President shall make an initial appointment of one member for a 6-year term, a second member for a 4-year term, and a third member for a 2-year term. All subsequent appointments by the President shall be for a 6-year term. Such Federal appointees shall be ".

On page 36, line 14, strike out "Seven" and insert in lieu thereof "Nine".

Amendment No. 1757

On page 35, line 5, strike out "eleven" and insert in lieu thereof "fifteen".

On page 35, line 10, strike out "two" and insert in lieu thereof "three".

On page 35, line 11, strike out "one member" and insert in lieu thereof "four members".

On page 35, line 22, strike out "member" and insert in lieu thereof "members".

On page 36, lines 5 through 7, strike out ", in the case of the Commonwealth of Virginia and the District of Columbia,".

On page 36, line 10 strike all after the period through "appointees" on line 12, and insert in lieu thereof "The President shall make an initial appointment of one member for a 6-year term, a second member for a 5-year term, and a third member for a 4-year term, and a fourth member for a 3-year term. All subsequent appointments by the President shall be for a 6-year term. Such Federal appointees shall be ".

On page 36, line 14, strike out "Seven" and insert in lieu thereof "Nine".

Amendment No. 1758

On page 41, strike out lines 17 and 18 and insert in lieu thereof the following: "no revenues, regardless of how derived—".

On page 41, line 20, beginning with "maintenance" strike out all through the parenthesis on line 22 and insert in lieu thereof "any expenses".

On page 41, line 24, beginning with "maintenance" strike out all through the parenthesis on line 2 on page 42 and insert in lieu thereof "any expenses".

Amendment No. 1759

On page 41, strike out lines 17 and 18 and insert in lieu thereof the following: "no revenues, regardless of how derived—".

On page 41, line 20, insert after "operating" the following: "or capital".

On page 41, line 21, strike out "excluding" and insert in lieu thereof "including".

On page 41, line 24, strike out all after "operating" through "debt" on line 1 on page 42 and insert in lieu thereof "on capital expenses (including debt".

Amendment No. 1760

On page 41, strike out lines 17 and 18 and insert in lieu thereof the following: "no revenues, regardless of how derived—".

On page 41, line 21, strike out "excluding" and insert in lieu thereof "including".

On page 41, line 24, strike out all after the parenthesis through "debt" on line 1 on page 42 and insert in lieu thereof "including debt".

Amendment No. 1761

On page 41, line 17, strike out "or" and insert in lieu thereof a comma.

On page 41, line 18, insert after "automobiles" the following: ", or leasing any property".

On page 41, line 20, insert after "operating" the following: "or capital".

On page 41, line 21, strike out "excluding" and insert in lieu thereof "including".

On page 41, line 24, strike out all after "operating" through "debt" on line 1 on page 42 and insert in lieu thereof "or capital expenses (including debt".

Amendment No. 1762

On page 41, line 20, insert after "operating" the following: "or capital".

On page 41, line 21, strike out "excluding" and insert in lieu thereof "including".

On page 41, line 24, strike out all after "operating" through "debt" on line 1 on page 42 and insert in lieu thereof "or capital expenses (including debt".

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BAUCUS AMENDMENT NO. 1763

(Ordered to lie on the table.)

Mr. BAUCUS submitted an amendment intended to be proposed by him to the bill S. 1017, supra; as follows:

At the appropriate place, add the following:

The Food Security Act of 1985 established a milk production termination program intended to reduce the current oversupply of milk products, and

The Food Security Act of 1985 also provided that the Secretary of Agriculture should make purchases of specified amounts of red meat in order to offset the effects of the milk production termination program on the red meat market, and

The implementation of the milk production termination program has resulted in substantial declines in both current prices of red meat and futures prices for red meat, and

Both cattle and dairy farmers would benefit from more stable red meat prices, and

Immediate action is necessary to counteract the adverse effects of the dairy diversion program;

Now, therefore,

It is the sense of the Congress that the Secretary of Agriculture shall immediately take the following steps to address the current instability in the red meat market.

(1) The Department shall increase the present purchase of red meat and defense distributions during the first bid period, which has been announced by the Department to be from April 1, 1986 to August 31, 1986. The purchases should proportionately reflect the presently scheduled 633,176 cows; 216,970 heifers; and 165,900 calves, which are to be slaughtered during each disposal period in the program. The red meat purchases should reflect the number of cattle that are slaughtered during each disposal period in the program.

Specifically, the Department should immediately begin purchasing more of the 200 million pounds of red meat that are to be purchased during the milk production termination program during the first disposal period. This purchase amount is in contrast to the 130 million pounds that the Department is presently scheduled to purchase during the first disposal period. Further, the Senate expresses its concern that the Department has not scheduled the present purchase of 130 million pounds until April 14, 1986 for canned meat and April 21 for frozen ground beef. These purchases do not correspond to the April 1 starting date of the first disposal period.

The Department should accomplish this purchase goal by expediting school lunch purchases and domestic feeding program purchases to begin in April rather than the traditional month of July. Toward the same end, the Department should act immediately on the provision of the law that requires that the meat be channeled through the Department of Defense.

(2) The Department should move approximately 200,000 dairy cows and corresponding heifers and calves, which are presently scheduled during the first disposal period, to later periods by moving those producers who submitted multiple bids at the same price. The move should be conducted on a voluntary basis. And changes in the disposal period should be consistent with the existing contracts with dairy producers who are participating in the program.

(3) The Department immediately should take additional steps as necessary to alleviate the concerns in the red meat industry regarding the adverse impact on total red meat supplies due to the additional dairy cattle that are being slaughtered. The Department should implement a plan to encourage proportional spacing of dairy cattle slaughter within each disposal period for producers in the program. This could include monthly and weekly targets for dairy cattle slaughter during the disposal periods to minimize jamming of slaughter house facilities occurring in some parts of the country. The Department should also include the actual count of all dairy cattle which are marketed as a result of this program in the published weekly slaughter reports.

(4) The Department also should take further steps that would offset any further damage to the red meat industry. Producers must be assured that the Federal Government will purchase a pound of red meat to offset every pound of red meat which enters the market as a result of the milk production termination program, and that the Department is taking other steps to provide for the orderly marketing of dairy cattle slaughtered under the program.

SYMMS (AND OTHERS) AMENDMENT NO. 1764

Mr. SYMMS (for himself, Mr. Boschwitz, Mr. Helms, Mr. Weicker, Mr. Nickles, and Mr. Mattingly) proposed an amendment to the bill S. 1017, supra; as follows:

At the appropriate place, add the following:

As recently as February 4, 1985, the Office of Management and Budget projected that deficits for Fiscal Years 1986 through 1990 would increase the federal debt by $697,289,000,000;

Congress sought to remedy this problem of escalating debt by enacting the Gramm-Rudman-Hollings deficit reduction program, which was passed by both Houses of Congress and signed into law by the President on December 12, 1985;

Even under Gramm-Rudman-Hollings, the federal debt is projected to grow to $2,323,100,000,000 in fiscal year 1987, $2,523,000,000,000 in fiscal year 1988, and $2,697,700,000,000 in fiscal year 1989;

As a result, even Gramm-Rudman-Hollings will produce a federal debt which, by fiscal year 1989, will represent well over $10,000 for every man, woman, and child in the United States;

The financial markets of the United States and the other industrialized nations of the world look to the government of the United States for leadership in the resolution of its deficit crisis; and

The consideration of tax reform by the Senate of the United States without first making serious efforts to control the deficit will only succeed in enhancing the uncertainty in financial markets which those deficits create: Now, therefore, it is the sense of the Senate that tax reform should not be considered or debated by the United States Senate until a firm, definite budget agreement has been reached between the President and the Congress of the United States.

BAUCUS (AND OTHERS) AMENDMENT NO. 1765

Mr. BAUCUS (for himself, Mr. Exon, Mr. Heflin, Mr. Andrews, Mr. Zorinsky, Mr. Gore, Mr. Melcher, Mr. Boschwitz, Mr. Harkin, Mr. Symms, Mr. Helms, Mr. Nickles, Mr. Mattingly, Mr. Pressler, Mr. Wilson, Mr. Bentsen, Mr. Boren, Mr. Dole, Mr. Grassley, Mr. Abdnor, Mr. Burdick, Mr. Denton, Mr. Bingaman, Mr. McClure, and Mr. Hatch) proposed an amendment, which was subsequently modified, to amendment No. 1764 proposed by Mr. Symms (and others) to the bill S. 1017, supra; as follows:

At the end of the amendment, add the following:

The Food Security Act of 1985 established a milk production termination program intended to reduce the current oversupply of milk products, and

The Food Security Act of 1985 also provided that the Secretary of Agriculture should make purchases of specified amounts of red meat in order to offset the effects of the milk production termination program on the red meat market, and

The implementation of the milk production termination program has resulted in substantial declines in both current prices of red meat and futures prices for red meat, and

Both cattle and dairy farmers would benefit from more stable red meat prices, and

Immediate action is necessary to counteract the adverse effects of the dairy diversion program; Now, therefore,

It is the sense of the Senate that the Secretary of Agriculture should immediately take the following steps to address the current instability in the red meat market.

(1) The Department should increase the present purchase of red meat and defense distributions during the first bid period, which has been announced by the Department to be from April 1, 1986 to August 31, 1986. The purchases should proportionately reflect the presently scheduled 633,176 cows; 216,970 heifers; and 165,900 calves, which are to be slaughtered during each disposal period in the program. The red meat purchases should reflect the number of cattle that are slaughtered during each disposal period in the program.

Specifically, the Department should immediately begin purchasing more of the 200 million pounds of red meat that are to be purchased during the milk production termination program during the first disposal period. This purchase amount is in contrast to the 130 million pounds that the Department is presently scheduled to purchase during the first disposal period. Further, the Senate expresses its concern that the Department has not scheduled the present purchase of 130 million pounds until April 14, 1986 for canned meat and April 21 for frozen ground beef. These purchases do not correspond to the April 1 starting date of the first disposal period.

The Department should accomplish this purchase goal by expediting school lunch purchases and domestic feeding program purchases to begin in April rather than the traditional month of July. Toward the same end, the Department should act immediately on the provision of the law that requires that the meat be channeled through the Department of Defense.

(2) The Department should move approximately 200,000 dairy cows and corresponding heifers and calves, which are presently scheduled during the first disposal period, to later periods by moving those producers who submitted multiple bids at the same price. The move should be conducted on a

voluntary basis. Any changes in the disposal period should be consistent with the existing contracts with dairy producers who are participating in the program.

(3) The Department immediately should take additional steps as necessary to alleviate the concerns in the red meat industry regarding the adverse impact on total red meat supplies due to the additional dairy cattle that are being slaughtered. The Department should implement a plan to encourage proportional spacing of dairy cattle slaughter within each disposal period for producers in the program. This could include monthly and weekly targets for dairy cattle slaughter during the disposal periods to minimize jamming of slaughter house facilities occurring in some parts of the country.

(4) The Department also should take further steps that would offset any further damage to the red meat industry. Producers should be assured that the Federal Government will purchase a pound of red meat to offset every pound of red meat which enters the market as a result of the milk production termination program, and that the Department is taking other steps to provide for the orderly marketing of dairy cattle slaughtered under the program.

Sec. . (a) the Senate also finds and declares that:

(1) the Food Security Act of 1985 established the Dairy Termination Program intended to reduce the current oversupply of dairy products, and

(2) the Food Security Act of 1985 directs the Secretary of Agriculture to minimize the adverse price effect of the Dairy Termination Program on red meat producers through the use of timely and judicious administrative actions, and

(3) the implementation of the Dairy Termination Program has resulted in substantial declines in both the current and future prices for meat, and

(4) immediate corrective action by the Secretary of Agriculture, utilizing the broad discretionary authority available to the Secretary under the Food Security Act of 1985, is necessary to abate the precipitous decline in meat prices:

(b) it is therefore the sense of the Senate that the Secretary of Agriculture should immediately significantly modify the Department of Agriculture's policies relating to the Dairy Termination Program, report to the Congress not later than April 15, 1986, what corrective actions, have been taken, and what legislative changes, if any, are necessary to further modify this program to abate the decline in meat prices in a reasonable and judicious manner.

MATHIAS (AND SARBANES) AMENDMENT NO. 1766

Mr. MATHIAS (for himself and Mr. Sarbanes) proposed an amendment to the bill S. 1017, supra; as follows:

On page 41, strike out lines 17 and 18 and insert in lieu thereof "and in conformance with section 511 of the Airport and Airway Improvement Act of 1982 (49 U.S.C. 2210), no landing fee, automobile parking concession, terminal area or other building rental, land lease, or any other concession, rent of user charge providing operating revenue to the authority—".

On page 41, line 19, insert "generated" after "(A)".

On page 41, line 20, insert after "operating the following: "or capital.

On page 41, line 21, strike out "excluding" and insert in lieu thereof "including".

On page 41, line 23, insert "generated" after "(B)".

On page 41, line 24, insert after "operating" the following "or capital"

On page 41, line 24 continuing on page 42, line 1, strike out "excluding" and insert in lieu thereof "including".

On page 42, insert between lines 2 and 3 the following new paragraph:

(9) To further the intent of paragraph (8), the Airports Authority shall—

(A) maintain separate financial records for Washington National Airport and Washington Dulles International Airport;

(B) prepare an annual report on the operation of the Metropolitan Washington Airports in accordance with the audit procedures set forth in paragraph (6) of this subsection; and

(C) submit such report to the Congress.

On page 42, line 3, strike out "(9)" and insert in lieu thereof "(10)".

TRIBLE AMENDMENT NO. 1767

Mr. TRIBLE proposed an amendment to the bill S. 1017, supra; as follows:

On page 49, strike lines 2-3, and insert in lieu thereof the following:

Sec. 11. (a) The Airports Authority may extend the lease entered into under section 5(a) of this Act for an additional term of 15 years for the sole purpose of continuing to operate the airports under the terms and restrictions established in this Act.

(b) During the period of the lease the Secretary and the Airports Authority may negotiate a contract of sale for the transfer of the properties constituting the Metropolitan Washington Airports. Such properties shall not be sold until the Congress approves legislation implementing the terms of such contract.

(c) Upon approval by the Congress of legislation implementing the terms of such contract—

TRIBLE AMENDMENT NO. 1768

Mr. TRIBLE proposed an amendment to the bill S. 1017, supra; as follows:

On page 36, line 14, strike "Seven" and insert in lieu thereof "Nine".

NOTICES OF HEARINGS

SUBCOMMITTEE ON ENERGY REGULATION AND CONSERVATION

Mr. NICKLES. Mr. President, I would like to announce for the information of the Senate and the public, that the Subcommittee on Energy Regulation and Conservation of the Committee on Energy and Natural Resources has added an additional measure on which the subcommittee will receive testimony at its hearing scheduled for Tuesday, April 15, 1986, beginning at 10 a.m. in room SD-366 of the Senate Dirksen Office Building, Washington, DC.

The additional measure is S. 2285, to promote competition in the natural gas market, to ensure open access to transportation service, to encourage production of natural gas, to provide natural gas consumers with adequate supplies at reasonable prices, to eliminate demand restraints, and for other purposes. As previously announced, the subcommittee also will receive testimony on S. 1302, S. 1251, and S. 2205.

For further information regarding this hearing, please contact Ms. Debbi Rice or Mr. Howard Useem at 202-224-2366.

AUTHORITY FOR COMMITTEES TO MEET

SELECT COMMITTEE ON INTELLIGENCE

Mr. TRIBLE. Mr. President, I ask unanimous consent that the Select Committee on Intelligence be authorized to meet during the session of the Senate on Thursday, April 10, to hold a hearing on the nomination of Robert Gates, to be Deputy Director of Central Intelligence.

The PRESIDING OFFICER. Without objection, it is so ordered.

SUBCOMMITTEE ON ENERGY RESEARCH AND DEVELOPMENT

Mr. TRIBLE. Mr. President, I ask unanimous consent that the Subcommittee on Energy Research and Development of the Committee on Energy and Natural Resources be authorized to meet during the session of the Senate on Thursday, April 10, to consider the Department of Energy's proposed Uranium Enrichment Service Criteria; 10 CFR Part 762, contained in the Federal Register volume 51, No. 19; the amendments to S. 1004, Uranium Mill Tailings Reclamation Act of 1985; the viability of the uranium industry; and any other legislation relating to this subject which is pending before the subcommittee at the time of the hearing.

The PRESIDING OFFICER. Without objection, it is so ordered.

SUBCOMMITTEE ON STRATEGIC AND THEATER NUCLEAR FORCES

Mr. TRIBLE. Mr. President, I ask unanimous consent that the Subcommittee on Strategic and Theater Nuclear Forces of the Committee on Armed Services be authorized to meet during the session of the Senate on Thursday, April 10, in closed session, to hold a hearing on theater nuclear forces.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. TRIBLE. Mr. President, I ask unanimous consent that the Subcommittee on Strategic and Theater Nuclear Forces of the Committee on Armed Services be authorized to meet during the session of the Senate on Thursday, April 10, 1986, in open session followed by a closed session, on chemical modernization.

The PRESIDING OFFICER. Without objection, it is so ordered.

SUBCOMMITTEE ON SEA POWER AND FORCE PROJECTION

Mr. TRIBLE. Mr. President, I ask unanimous consent that the Subcom-

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mittee on Sea Power and Force Projection and the Subcommittee on Military Construction of the Committee on Armed Services be authorized to hold a joint meeting to conduct an open hearing followed by a closed session, on U.S. security interest in the Philippines, during the session of the Senate on Thursday, April 10, 1986.

The PRESIDING OFFICER. Without objection, it is so ordered.

SUBCOMMITTEE ON PREPAREDNESS

Mr. TRIBLE. Mr. President, I ask unanimous consent that the Preparedness Subcommittee of the Committee on Armed Services be authorized to meet during the session of the Senate on Thursday, April 10, in open session, followed by a closed session, to conduct a hearing on Air Force readiness status, and ONM.

The PRESIDING OFFICER. Without objection, it is so ordered.

SUBCOMMITTEE ON SCIENCE, TECHNOLOGY, AND SPACE

Mr. TRIBLE. Mr. President, I ask unanimous consent that the Subcommittee on Science, Technology, and Space of the Committee on Commerce, Science, and Transportation be authorized to meet during the session of the Senate on Thursday, April 10, to conduct a hearing on the reauthorization of the National Bureau of Standards.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. TRIBLE. Mr. President, I ask unanimous consent that the Subcommittee on Science, Technology, and Space of the Committee on Commerce, Science, and Transportation, be authorized to meet during the session of the Senate on Thursday, April 10, to conduct a hearing on legislation to authorize the National Aeronautics and Space Administration.

The PRESIDING OFFICER. Without objection, it is so ordered.

SUBCOMMITTEE ON ENERGY AND NUCLEAR PROLIFERATION

Mr. TRIBLE. Mr. President, I ask unanimous consent that the Subcommittee on Energy and Nuclear Proliferation of the Committee on Governmental Affairs be authorized to meet during the session of the Senate on Thursday, April 10, to hold a hearing on the review of the 1985 Government nonproliferation activities.

The PRESIDING OFFICER. Without objection, it is so ordered.

COMMITTEE ON FINANCE

Mr. TRIBLE. Mr. President, I ask unanimous consent that the Committee on Finance be authorized to meet during the session of the Senate on Thursday, April 10, in order to continue markup on H.R. 3838, the tax reform bill.

The PRESIDING OFFICER. Without objection, it is so ordered.

ADDITIONAL STATEMENTS

CALL TO CONSCIENCE: THE CASE OF VLADIMIR FELTSMAN

● Mr. MITCHELL. Mr. President, I rise today to share with you and the world the tragic story of Vladimir Feltsman. Mr. Feltsman is a virtuoso concert pianist whose artistry is now censored and controlled by the Soviet Government.

Until 1979, when Vladimir Feltsman and his wife Anna applied for emigrant visas Mr. Feltsman played with the finest Soviet orchestras and appeared in many concert tours around world. He recorded extensively on the Melodia label. His interpretations of Chopin are particularly well noted. All this, however, has come to an end.

His records and tapes can no longer be found in the Soviet Union and his concerts have been limited to small Soviet cities. The Feltsman family presently lives on a monthly pension of 120 rubles from the Musician's Union. But the frustration and humiliation does not end there. In February, a concert Mr. Feltsman was to give at the American Embassy residence was disrupted when it was discovered that several of the piano's strings had been severed by vandals. In addition, Soviet guests at the Embassy were subjected to an unusual level of harassment. No Soviet officials were in attendance. In a final show of official hooliganism, Mr. Feltsman also found that the tires of his car had been slashed.

Perhaps most frustrating of all, however, is the fact that Soviet officials of the Department of Emigration have three times refused the Feltsmans the visas they need to join their family in Israel. Although Mrs. Feltsman's brother and aunt both reside in Israel, the visas have been denied under the sentence: "No close relatives in Israel."

This story is not unique. Thousands of Jews in the Soviet Union have expressed their desire to emigrate to Israel—as is their right under the Helsinki accords. Instead of getting visas they lose their jobs, their friends, and put tremendous strains on families as they commit their lives to their decision. This is not right and I call on the leaders of the Soviet Union to search their consciences for ways to change this situation.●

SHAPING TOMORROW TODAY—ADDRESS BY CHARLES M. WEST

● Mr. SIMON. Mr. President, earlier this year the remarks given by Charles M. West, the executive vice president of the National Association of Retail Druggists, to the Illinois Pharmacists Association brought into keen focus our need to look to the future. The remarks clearly set forth the role of pharmacists in that future. I think many of my colleagues would find Mr. West's remarks helpful and I ask that his speech be printed in the RECORD.

The speech follows:

SHAPING TOMORROW TODAY

(By Charles M. West)

Have you ever noticed how difficult it is to make it through a single working day without being confronted—in a newsletter, magazine, or periodical of some sort—with yet another forecast of the future? Predicting the future has become a veritable growth industry. We predict everthing: what's going to become of our domestic auto industry, how big the federal deficit is likely to get, how long mechanical heart transplant patients will survive, who's going to win the World Series, the Super Bowl, the Stanley Cup, what's going to become of the pharmacy profession . . .

That last one got your attention, didn't it? It always does, because all of a sudden the predictions aren't arcane or abstract, they're about you, about your livelihood. Forecasts like these never fail to sell magazines; that's why we keep getting confronted with them. But of what enduring value are they to you really as a pharmacist?

If you pick up a magazine tomorrow and read an article by a seemingly well-informed pharmacy thinker who tells you that in-house HMO pharmacies are going to dominate the pharmacy landscape by 1990, what are you going to do? Fold up shop? What if the nation's independents had taken as gospel FDA Commissioner James Goddard's prediction in the 1960s that the independent corner drugstore would disappear from the American scene within 20 years? Well, if they had taken it as gospel, I wouldn't be here talking to you today. Just for the record, A.C. Neilsen has reported that the number of independent drugstores has in fact held steady at more than 33,000 in each of the last three years.

No, it's best not to take these predictions too seriously. The future is not determined by prognosticators. It is shaped by you and me. The trends the soothsayers divine are of value to us only insofar as they help us see where our next challenges may be coming from and where our next opportunities are likely to arise.

For example, if we were to look, we would see that there are now several very encouraging trends pointing to a bright future for the independent. These trends include:

The aging of the Americn population. This will likely mean an increasing demand for pharmaceuticals from readily accessible, convenient sources like the neighborhood drugstore.

The deinstitutionalization of health care services. More and more patients are going to be cared for at home in the decades ahead. This should result in a greater reliance than ever on community-based health care services such as those provided by independent retail pharmacists.

The self-care movement. A better educated, more health conscious public is increasingly taking their health into their own hands. They are no longer content to shop for price alone. They will ask for and expect quality and service from their health care providers—standards that have always distinguished the independent.

A renewed faith in the marketplace. The conservative revolution has rekindled the entrepreneurial spirit and contributed to a surge in the small business community.

I could continue. There are many promising signs for the future of the independent.

But just as the nation's independents turned the other cheek to the predictions of former Commissioner Goddard, I would suggest that we not let our heads be turned by these more positive prognostications. The elderly will not come running to our stores just because we're there. The growing numbers of patients being cared for at home are under no obligation to turn to us for their health care needs. As always, the competition for those patients and for a prosperous future will be keen. The future will be what we make of it.

The battle for pharmacy's future will be waged on two fronts: in the marketplace and in the political arena. The nation's independents demonstrate every day that they are indeed tough competitors in the marketplace. But traditionally pharmacists have been less than willing to take to the political trenches. This is understandable enough, but seriously short-sighted. As long as pharmacy is a health profession, it will be regulated, and as long as it is regulated, politics and pharmacy will be inseparable.

Bold, decisive action must be taken in the political arena as well as the marketplace if we are to be masters of our profession's future. I can think of no better example of the need for such action than our recent victory in the earned discounts battle with HCFA.

For one full year—from the day our House of Delegates passed a resolution on the matter at our 1984 annual convention in Miami Beach—NARD, assisted by several state and national pharmacy groups, waged an all-out war to prevent the implementation of HCFA's proposed policy change that would have confiscated pharmacists' earned discounts from the Medicaid drug program. If we had chosen to stand on the political sidelines, the recommendations of the HHS Inspector General to take as much as 15 percent off AWP would have gone into effect as early as January, 1985 in Region VI. The cost to the nation's pharmacists, by the government's own conservative estimates, would have been $128 million annually. Please note, I said annually. That figure would have been multiplied the next year and the next year, and the next year, without end. The cost of standing clear of the political arena would have been catastrophically high for the nation's pharmacists.

Battles like this one illustrate clearly that pharmacists do indeed control their own destinies. That cannot be said enough. Too many pharmacists have succumbed to the numbing forces of negativism in the profession. They've let themselves be fooled into believing that they are not the masters of their own fate. Well, I can assure you the folks at HCFA know better than that.

It is critically important that the can-do attitude so evident in the earned discounts battle be brought to bear on all the issues confronting the profession. The challenges we face are indeed formidable. The ongoing drug diversion hearings in the House of Representatives, for example, are calling into question no less than the integrity of the entire drug distribution system. CBS News carried a piece on the topic just this week, and more revelations are still to come. Already a wide range of criminal and civil violations of the price discrimination provisions of the Robinson-Patman Act and other illegal drug diversion activities have been revealed.

This Congressional investigation is both a challenge and an opportunity for pharmacy. The burden will be on us to do the right thing, to live up to the high standards for the profession we have set for ourselves, and the public expects of us.

Throughout my career—as a practicing independent retail pharmacist, as a state exec, and as NARD's executive vice president—I have heard no complaint voiced more persistently by independents than that of discriminatory pricing. But, as often as not, that's all we did: complain. Then we threw up our hands, convinced there was nothing we could possibly do to change those seemingly immutable, inequitable laws governing drug prices.

Well, this Congressional investigation is exposing rampant abuses of the Robinson-Patman Act exemption by so-called "commercial nonprofits," including nonprofit hospitals, clinics and HMOs. These institutions—in competition with for-profit independents—have used the exemption to purchase drugs at prices many times below that available to the average retailer.

Here, a quote from the House subcommittee's July report: "An entire industry has sprung up whose sole purpose appears to be to solicit nonprofit hospitals to purchase excess pharmaceuticals using their special discount, which products are then immediately resold to the broker for ultimate resale to a retailer. The current head of the California Board of Pharmacy told the subcommittee staff that it was his guess that hospital diversion was the leading source of products for the diversion market in his state."

You heard it right: "the leading source." We could not have asked for a more clear confirmation of our decision last fall to make discriminatory pricing our top legislative priority for 1985 and for 1986 as well.

We are no longer sitting on our hands convinced that nothing can be done about this longstanding problem. We have resorted to political action. We have petitioned Congress to sponsor legislation that restates the original intent of Congress when it passed the 1938 Nonprofit Institutions Act. Congress did not intend with that legislation to destroy retailers and reward nonprofits actively competing in the marketplace. And it certainly did not intend to provide the catalyst for an illegal, life-threatening marketplace for diverted drugs. As one House subcommittee member put it during the hearing, we are talking here about "the most criminal activity possible."

So, to repeat, an extraordinary opportunity is now before us. Will we be ready to seize it? Political action will again be vital to our success. We can shape our tomorrow with bold, decisive action today.

Another formidable challenge we face is the proliferation of mail order drug programs. These programs are a threat to public health. NARD's Mail Order Task Force and its Mail Order Clearinghouse have already collected disturbing examples of dangerous deficiencies inherent in mail order drug delivery programs. There is simply no way for a mail order drug program, which lacks face-to-face communication between the pharmacist and the patient, to provide comprehensive drug services to their patients.

Independent retail pharmacists know and observe their patients. They are there to determine patient compliance with prescriptions and maintain complete patient profiles—they have a comprehensive view of the patient. This process is reinforced by the personal interaction inherent in pharmacy practice. Proper health care involves more than the delivery of drugs.

Mail order firms, by contrast, can only address one aspect of the patient's drug regimen—maintenance drugs. They cannot examine the patient's entire drug therapy and never see the individuals enrolled in their programs. In addition, we have to question the integrity of a distribution system that relies exclusively on the mails, and cannot help but wonder about the quality of drugs exposed to extreme temperatures, mishandled, delayed, or otherwise compromised.

We consider these problems sufficient threats to the public health that earlier this year we initiated a campaign to further document these abuses through NARD's Mail Order Clearinghouse. We plan to collect more data during the coming year and will use this information to educate consumers and to guide appropriate legislative and regulatory reforms.

Our education efforts on the potential health hazards of mail order drugs cannot stop with consumers, however. They must extend to the group purchasers of mail order drug services—to unions and to employers large and small. The danger mail order drug programs pose is insidious. Decisions affecting the health and well-being of consumers are being made in the quiet of corporate boardrooms without full appreciation of the risks of such programs. The public health is being jeopardized in the guise of cost containment.

We must gain *entrè* to those boardrooms and educate the purchasers of prescription drug services about the vital importance of face-to-face interaction between pharmacist and patient and the sizable risk of mail order drug delivery.

All of us have spent several years in pharmacy school learning to be drug experts. Once we graduate and begin our careers, we are asked to abide by the laws and regulations governing pharmacy practice in our state. Those laws and regulations exist because it is a health profession we have chosen to practice, and no less than the safety of our patients depends upon our adherence to those standards. Is it too much to ask then that those who work in mail order pharmacies abide by the same standards if they wish to dispense drugs in state? After all, we are talking about the health and welfare of the public here, not mail-order widgets.

These are just a few of the challenges we face. None are insurmountable. Let us resolve not to forfeit control of our fate to those outside the profession. Let us resolve not to stand on the sidelines. It is we who will shape our tomorrow, no one else. Our destiny is in our hands.

You know, we do have a great deal to protect. No other secular profession is held in as high public esteem as pharmacy. We provide life-saving, life-extending, and health-restoring products and a wide range of professional services to a grateful public. All of which gives us the satisfaction of being able to enjoy not only the basics of life, but many of the luxuries as well. Pharmacy is rightfully a profession that fills us with pride, without which no man or woman is truly successful.

We have every right to love pharmacy, so let's take it upon ourselves to fight in the marketplace and in the political trenches to preserve, protect, and enhance our profession—to, in short, leave this fine profession better than we have found it.

Thank you.●

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MARGARET E. MUIR—A VERY SPECIAL EDUCATOR

● Mr. LEVIN. Mr. President, Miss Margaret E. Muir will be honored in a very special way on May 22, 1986. On that day, just 2 months shy of her 90th birthday, she will be a featured speaker at a Michigan Education Day event.

Miss Muir was a public school teacher for 52 years. Her career began in a one-room schoolhouse, but she is no stranger to the big, modern schools we see today. Over the years nearly 2,000 students passed through her classrooms—that's a lot of names to remember.

Miss Muir retired in 1966. On May 22 of that year, the Huron Valley school system named a new junior high school in the Village of Milford in her honor. It is in the Margaret E. Muir Junior High School that a rededication ceremony will take place on May 22. Over 1,000 people—many her former students—are expected to attend.

During Miss Muir's teaching days, she also helped run a 100 milk cow family farm. In her retirement years, she stays busy with gardening, baking, social clubs, and church activities. She keeps in constant touch with friends and relatives.

Margaret Muir has led a remarkable and busy life. It is fitting that Education Day in Michigan will be celebrated in Milford by honoring once more such an outstanding educator.

I am pleased to join so many others in paying tribute to a remarkable person.●

NOTICE OF DETERMINATIONS BY THE SELECT COMMITTEE ON ETHICS

● Mr. RUDMAN. Mr. President, it is required by paragraph 4 of rule 35 that I place in the Congressional Record notices of Senate employees who participate in programs, the principal objective of which is educational, sponsored by a foreign government or a foreign educational or charitable organization involving travel to a foreign country paid for by that foreign government or organization.

The select committee has received a request for a determination under rule 35, for Mr. Edwin S. Jayne, Jr., a member of the staff of Senator Jeff Bingaman, to participate in a program in Taipei, Taiwan, sponsored by Tamkang University, from March 28–April 6, 1986.

The committee has determined that participation by Mr. Jayne in the program in Taipei, Taiwan, at the expense of Tamkang University, was in the interest of the Senate and the United States.

The select committee has received a request for a determination under rule 35, for Mr. Roy Neel, a member of the staff of Senator Albert Gore, Jr., to participate in a program in Taipei, Taiwan, sponsored by Tamkang University, from March 28–April 6, 1986.

The committee has determined that participation by Mr. Neel in the program in Taiwan, at the expense of Tamkang University, is in the interest of the Senate and the United States.

The select committee has received a request for a determination under rule 35, for Mr. Kirk Robertson, a member of the staff of Senator Thomas Eagleton, to participate in a program in Taipei, Taiwan, sponsored by Tamkang University, from March 28–April 6, 1986.

The committee has determined that participation by Mr. Robertson in the program in Taiwan, at the expense of Tamkang University, is in the interest of the Senate and the United States.

The select committee has received a request for a determination under rule 35, for Ms. Sandra E. Taylor, a member of the staff of Senator John H. Chafee, to participate in a program in Seoul, South Korea, sponsored by the Seoul National University, from March 28–April 7, 1986.

The committee has determined that participation by Ms. Taylor in the program in Seoul, South Korea, at the expense of the Seoul National University, is in the interest of the Senate and the United States.

The select committee has received a request for a determination under rule 35, for Ms. Judith Freedman, a member of the staff of Senator Barry Goldwater, to participate in a program in Taipei, Taiwan, sponsored by the Chinese Culture University, from March 28–April 5, 1986.

The committee has determined that participation by Ms. Freedman in the program in Taiwan, at the expense of the Chinese Culture University, is in the interest of the Senate and the United States.

The select committee has received a request for a determination under rule 35, for Ms. Susan Schwab, a member of the staff of Senator John C. Danforth, to participate in a program in Seoul, South Korea, jointly sponsored by Korea's Ilhae Institute and the Brookings Institution, from March 29–April 2, 1986.

The committee has determined that participation by Ms. Schwab in the program in South Korea, at the expense of Korea's Ilhae Institute and the Brookings Institution, is in the interest of the Senate and the United States.

The select committee has received a request for a determination under rule 35, for Mr. John E. Hall, a member of the staff of Senator John C. Danforth, and Mr. John Starrels, a member of the staff of the Joint Economic Committee, to participate in a program in Seoul, South Korea, sponsored by Seoul National University, from March 28–April 7, 1986.

The committee has determined that participation by Messrs. Hall and Starrels in the program in Seoul, South Korea, at the expense of Seoul National University, is in the interest of the Senate and the United States.

The select committee has received a request for a determination under rule 35, for Mr. David M. Strauss, a member of the staff of Senator Quentin N. Burdick, to participate in a program in Taipei, Taiwan, sponsored by Tamkang University, from March 28–April 6, 1986.

The committee has determined that participation by Mr. Strauss in the program in Taiwan, at the expense of Tamkang University, is in the interest of the Senate and the United States.●

ROYKO'S NICARAGUAN PROPOSAL

● Mr. SINON. Mr. President, one of the most effective columnists on the American scene today is Mike Royko.

He deals with serious subjects but in a way that can cause us all to chuckle or become infuriated.

Recently, he wrote a column on the Nicaraguan situation which I think my colleagues in the House and Senate would enjoy reading.

And it is not only the fact that they would enjoy it, I think we can profit by reading it.

I ask that Mike Royko's column be inserted in the Record.

The column follows:

Buchanan Trip Not in the Script

(By Mike Royko)

My recent proposal to send Patrick Buchanan to Nicaragua to help the right-wing contras overthrow the left-wing Sandinistas has struck a responsive chord in the White House.

According to a Washington source whom I can identify only as Deep Ear, President Reagan called Buchanan into the Oval Office and the following conversation may or may not have taken place:

"Patrick, I think this is a good idea. Since you're the moving force behind our efforts to overthrow the Sandinistas, you should be there leading the way."

"Uh, Mr. President, as much as I would like to get out there in the front lines, I have to remind you that I have this bad knee. It's the reason I couldn't go to Vietnam, as deeply as I yearned to clang the Cong."

"The knee should be no problem, Patrick. Here, read this secret military document, which I have been studying for the last few hours."

"Mr. President, this document looks like an old movie script. On the cover page, it says the title is 'Nipping the Nips.' "

"Let me see. Ah, you're right, it is an old movie script. Same difference, though. The important thing is that in this scene here, the platoon leader's entire leg is blown off. But that doesn't stop him. He just wraps a tourniquet on it and leads an attack hopping on one foot and firing a bazooka with one hand and tossing grenades with the other, all the while singing the Marine Corps Hymn. I auditioned for that role. Would have had it, too, if I hadn't developed a painful case of tennis toe while rehearsing the one-legged hop. But it shows what can be done to overcome physical adversity."

"Mr. President, sir, I have to point out that that was a movie."

"Same difference. We can arrange for you to be dropped in by parachute at night. That's the way to go. Blacken your face and always remember to bury the chute so the Nazis don't find it. Look, that's how it's done in this military manual."

"Mr. President, that manual is another old script called "Gung-Ho Way to Go."

"But I've never made a parachute jump. And with this chronic knee . . ."

"Nothing to it. Look at this page. All you do is say to the guy behind you: 'See you in Berlin, Mack.' Then you give a thumbs up, yell 'Geronimo' and jump. Gravity takes care of the rest. But try to avoid landing in a tree. I saw that happen to Red Buttons once. He was a sitting duck for the S.S., poor devil."

"Mr. President, I haven't had any combat experience, much as I yearned for it during Vietnam, when this knee frustrated my desire to fight the Red Menace."

"No problem, Patrick. I can arrange with the contras for you to get a battlefield commission. Maybe the rank of El Supremo. I think that's higher than El Commandante. Or maybe it's the other way around. Either way, you get to ride in a jeep with your own driver."

"Mr. President, I'm proud that you have such confidence in me, but I'm not sure that I'm fully qualified for a command position."

"Don't be silly. The Duke was a bird colonel. Hank Fonda was at least an admiral. Bob Mitchum was a one-star general. And George Scott had four stars when his tanks romped across Germany. Say, maybe you could wear a pair of pearl-handled pistols like Scott did."

"Mr. President, as eager as I am to take to the jungle and overthrow those tools of the Kremlin, those spreaders of the Marxist plague, those liberal-loving lackeys of Lenin, I really feel that I can be of greater use in this struggle with the Sandinistas if I remain here and fight in the White House."

"Fight here? You mean the Sandinistas have advanced this far? Are they in Virginia? Why wasn't I told? I left orders that in an emergency I should be awakened, regardless what time of the day it is. Or at least Nancy should be told."

"No, Mr. President, I meant in the fight against the liberals, the Democrats, the New York Times. I'll fight it with every weapon at my disposal—the White House leak, the op-ed page thunder, the speech writing. I'll fight it in the cloakroom of Congress, the studios of "Night Line," the National Press Club, wherever the forces of the enemy are gathered."

"Maybe you're right, Patrick. I suppose there is some truth in the saying: 'They also serve, who stay behind at the Georgetown cocktail parties.' "

"Not that I don't want to go. But this pesky knee . . ."

"I understand, Patrick. And on your way out, please turn on my VCR and put in the cassette of "Green Berets." Some good military strategy there."

"Yes, Mr. President."

"And Patrick?"

"Yes, sir?"

"You're . . . not . . . limmmpinggg."●

DOMESTIC AND FOREIGN BARRIERS TO U.S. TRADE

● Mr. MURKOWSKI. Mr. President, we are all aware of the impact on U.S. industry and labor of extreme foreign competition. The most recent graphic illustration comes in the April 28 issue of Fortune magazine, which reports on the leading 500 industrial concerns. Not only are there more changes in rankings than one would expect, but there are indications of slowing in productivity. Sales this last year advanced less than the inflation rate, and profits are at their lowest levels since the 1982 recession.

I would like to direct the attention of my colleagues in the Senate to the relationship between competition in the international marketplace and the reversals many U.S. firms and employees are suffering. To develop an understanding of what American firms and labor unions are undergoing, the Task Force on International Trade Policy of the Republican Conference, which I chair, conducted a survey. We asked chief executive officers—of Fortune and Service 500 firms—and labor union leaders what they thought accounted for the trade deficit—and what role domestic barriers to productivity as well as foreign barriers to trade played.

I submit for the Record the preliminary report of survey results. I think that my distinguished colleagues will find pause for thought in what business and labor leaders have to say.

The report follows:

Domestic and Foreign Barriers to U.S. Trade: Preliminary Report

U.S. SENATE REPUBLICAN CONFERENCE TASK FORCE ON INTERNATIONAL TRADE POLICY

Senator Frank H. Murkowski, Chairman, Senators John C. Danforth, Nancy Landon Kassebaum, Mack Mattingly, James A. McClure, Don Nickles, William V. Roth, Jr., Steve Symms, Paul S. Trible, Jr., and John H. Chafee, ex-officio.

OVERVIEW

American business and labor leaders are sending a clear message to Congress regarding the United States' growing international trade deficit. The majority is not opposed to certain types of changes in international trade law. But private sector leaders want Congress to consider their views carefully and avoid drastic action.

This message was determined from the responses to a survey conducted by the U.S. Senate Republican Conference Task Force on International Trade Policy, chaired by U.S. Senator Frank Murkowski of Alaska. Other Senators on the Task Force are John C. Danforth of Missouri, Nancy Landon Kassebaum of Kansas, Mack Mattingly of Georgia, James A. McClure of Idaho, Don Nickles of Oklahoma, William V. Roth, Jr. of Delaware, Steve Symms of Idaho, Paul Trible of Virginia, and John H. Chafee of Rhode Island.

The Task Force soon will make recommendations on trade policy to the Republican Conference, the organization of all the Senate Republicans.

Senator Murkowski, a former banking executive, believes Congress must know what those on the "front lines" of the trade action think about the trade deficit, and conducted this survey in order to fully understand what barriers existed to equitable access in foreign markets.

Senator Murkowski contacted the Chief Executive Officers (CEOs) of America's largest firms and labor unions in December 1985, and asked their views on barriers to export trade in the United States and abroad. To date, nearly one-fourth of the private sector leaders have responded—a high response rate for this type of survey.

In summary, the business leaders said three things:

Stop reacting to protectionist sentiment and develop aggressive, positive policies that will spur U.S. global competitiveness,

Look at domestic as well as foreign barriers to U.S. export trade, and

Listen to the problems exporters have with foreign governments and with the way U.S. policy is implemented.

CONCLUSIONS

Business and trade union leaders shared their views on international trade policy because the trade deficit affects them directly—it cuts into their profits and reduces jobs for Americans. Each brought the perspective of his firm or organization, and discussed national policy in terms of its individual effects. Nonetheless, by grouping the comments together as we have done, it is possible to see a pattern and, in some areas, a degree of consensus.

Business leaders attribute much of the export problems to fiscal and monetary policies. They expect that by reducing the federal budget deficit and adjusting the dollar's value relative to other currencies, sales of U.S. products abroad (and domestic manufacturers at home) will rebound. Most leaders could point to laws, regulations, and policies that inhibited their exports, but no single law or regulation was mentioned by the majority of CEOs. Nevertheless, there appeared to be consensus that some domestic laws and regulations were having adverse impacts on international trade. These "domestic barriers", said CEOs, should be evaluated with a view toward reducing if not, eliminating their negative effects.

Comments about foreign barriers to U.S. exports were often vitriolic: CEOs felt tariffs and duties were unreasonably high and that non-tariff restrictions delayed or denied market access to U.S. exporters. This was only part of the frustration, however. If firms approached foreign government departments, they might not reduce the offending barrier; and U.S. government officials, in the view of most CEOs, were powerless in gaining access to markets abroad. What to do? Suprisingly, most executives rejected protectionism. Legislatively, there appeared to be consensus on rationalizing, modernizing, streamlining trade laws. There was even stronger support for taking a hard-nosed approach to bilateral and multilateral trade negotiations. Throughout CEO comments ran the sentiment that trade policy must take center stage: the government had an obligation to insure that U.S. goods and services competed on an equal footing. But, CEOs implied that for the U.S. government to attempt to referee trade conflicts, when the marketplace had become global, was not enough. Government needed a comprehensive policy to make the U.S. more competitive globally.

DOMESTIC BARRIERS TO U.S. EXPORT TRADE

Less than one of ten organization leaders saw no domestic obstacles that got in the

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way of U.S. export trade, and this decidedly was the minority point of view. The single largest block of respondents—about one-third—pointed to fiscal and monetary policy as the chief cause of U.S. trade deficits. Specifically, they mentioned the federal budget deficit, high interest rates, the overvalued dollar, and G-5 monetary policies—saying these priced American products out of the global market.

Most business leaders (61 percent) pointed to American laws or regulations that restricted export of U.S. goods (or stimulated imports). Laws mentioned most often were: Export Administration Act; Trade Act remedy provisions; Anti-Boycott Act; Foreign Corrupt Practices Act; Antitrust, Patent, and Embargo laws.

Only one regulation or policy was mentioned by more than three respondents, and that was the controlled item list (a list of items that it is illegal to export), which 17 percent found fault with. Other objectionable regulations or policies included: Overseas Private Investment Corporation (OPIC) and related procedures; short supply validated license procedures; DOD munitions control regulations; Ex-Im Bank policies; domestic content requirements; EEO, OSHA, and EPA procedures; farm and labor policies; and tax policy.

Several executives reflected general dissatisfaction with the domestic scene as it relates to trade. One such concern was "free trade" policy that, in the opinion of some CEOs, created export trade barriers and invited dumping of foreign subsidized goods into U.S. markets. Some objected to high U.S. labor costs; others complained that multinationals were exporting U.S. jobs abroad; still others said U.S. firms weren't competitive enough.

What to do about domestic barriers? Opinions varied, but a majority favored amending or repealing the offending laws and regulations. Recommendations made by at least 5 percent of the executives were:

	Percent
Improve Ex-Im Bank financing	20
Reduce items on controlled items list/lift export controls	10
Amend Foreign Corrupt Practices Act	9
Strengthen U.S. trade laws (secs. 201/301)	7
Extend investment tax credits	7
Cut technology transfer taxes	6
Amend antiboycott laws	6
Cut regulatory powers	6
Create a wage floor for U.S. labor	6
Enact textile and apparel legislation	5

NOTE.—Other suggestions were to amend antitrust laws, repeal embargoes, terminate OPIC, and the like.

Although a slight majority of respondents wanted changes in law or regulation, a plurality—nearly 45 percent—thought this was not needed. Instead, they proposed changes in U.S. policy and practice. The largest single group urged Congress to cut the federal budget deficit and seek monetary reforms to lower the value of the dollar. Other suggestions were to strenghten domestic production, aid structural changes in U.S. industry, and vigorously promote exports.

In sum, business and labor leaders attribute much of the trade deficit to domestic causes. Fiscal and monetary policies are significant contributing factors. So too are laws, regulations, and policies that, in the opinion of CEOs, shackle U.S. productive forces.

FOREIGN BARRIERS TO U.S. EXPORT TRADE

Almost all respondents believed U.S. products faced significant barriers to trade abroad: tariffs and quotas imposed by trading partners, non-tariff barriers to trade, foreign government promotion, and cultural obstacles to commerce.

A long list of countries imposes tariffs on U.S. products. Business and labor leaders complained of tariff rates ranging from 30 percent to well over 100 percent, the clear effect of which was to sharply reduce product competitiveness. Nearly all executives mentioned increased use of non-tariff barriers. The most universal were:

Standards, specifications, and licensing procedures, tailored to foreign countries' products, that delayed or restricted market access,

"Buy Domestic" requirements,

Restrictive import licensing requirements,

Quotas or embargoes on imports,

Local content laws,

Foreign exchange controls,

Violations of U.S. intellectual property rights, and

Demands for offsets and countertrade.

Foreign government policy also reduced market access of U.S. firms. Several executives complained of domestic subsidies that made U.S. products more expensive, and government-assisted dumping in third countries. Also, respondents objected to competition with state-owned firms that did not have to make a profit.

Cultural obstacles and restraints were mentioned less frequently, except in U.S.-Asian trade. Finally, only 4 percent of the respondents believed there were no restraints to trade at all.

Foreign barriers did not evoke a uniform response from U.S. business and labor leaders. A handful thought there was no problem. Nearly half saw serious difficulties but had not addressed the foreign government—either because they feared an even greater impact on their business or because they suspected this would not solve the problem. (Several executives said they had established foreign subsidiaries to lessen the impact of duties.) A few executives used trade associations, which represented their concerns to foreign governments.

A large number of CEOs—about 40 percent—had taken their concerns over high tariffs/duties or non-tariff barriers to the relevant foreign government department. But only one in ten of these executives was satisfied with the results.

What about U.S. action on trade complaints? Some business leaders—about one in five—had not asked for help from the government, for a variety of reasons: they wanted to establish their firm as "native" so that it might compete better; they feared more problems would result if they complained; they thought U.S. officials were unwilling to deal with the issues; or they believed the problem was caused by U.S. action.

The majority, however, had sought government help. Agencies approached most often were the U.S. Trade Representative (USTR), Commerce, International Trade Commission (ITC), State, DOD, and USDA. A small number of business and labor leaders sought out their Senators or Representatives.

Executives were not happy about their government representation. Less than 10 percent expressed satisfaction with the result. About one-third were ambivalent—believing that the result could go either way. But most were dissatisfied with actions taken by the U.S. government. Some of the disgruntled private sector leaders thought U.S. officials were not aggressive enough, or lacked local knowledge. Others believed the situation might not permit favorable U.S. action. Whatever the reason, the tenor of remarks was critical of U.S. official action.

Although one in five businesses and labor leaders said no new legislation was needed to address foreign trade problems, the majority recommended changes to U.S. law, bilateral, and multilateral agreements. Suggestions with approximate percentages include:

	Percent
GATT-related (new GATT round, broader coverage of services trade, strengthened dispute settlement mechanisms)	23
1974 Trade Act amendments (strengthen protection against deficits with trading partners—mandatory retaliation or reciprocal tariffs)	26
Amend Export Administration Act	10
Amend Foreign Corrupt Practices Act	6
Strengthen anti-dumping laws	5
Countervail natural resource subsidies	5
Modernize/clarify trade laws	7
Amend labor laws	4
Execute bilaterial, United States-Canada trade agreement	3
Other (R&D tax credits, cut antiboycott laws, reduce regulatory burden, etc.)	11

Although several executives demanded explicitly protectionist legislation, most sought a rationalization and modernization of existing U.S. law and multi-lateral agreements. Comments on the imperative need for "fair trade," "a level international playing field," an environment in which U.S. firms would compete on an equal basis—peppered the letters, memos, and conversations of business and labor leaders.

And there was very strong interest in non-legislative options. Nearly three-fourths of the CEOs recommended stronger enforcement of existing trade laws. They said:

USTR must negotiate hard to improve fairness,

201/301 determinations must be tougher/more aggressive,

ITC enforcement should be tightened,

GATT should be used more effectively to reduce foreign tariffs,

U.S. officials must do a better trade policing job, and

U.S. should threaten to impose import surcharges if barriers don't fall.

Other recommendations were to develop the Foreign Commercial Service into a more effective promoter of U.S. trade interests, and to use diplomatic pressure to reduce or eliminate barriers. Too, mention was made of the need for aggressive use of available trade finance, such as through the Export-Import Bank.

Several CEOs mentioned regulatory and policy changes that would enhance the U.S. trade position. These recommendations were to permit energy exports, particularly of Alaska oil; to revise government procurement policies so they would promote exports (through reciprocal provisions); and to adjust monetary, tax, and labor policies. Finally, labor leaders were unanimous in calling for protection of U.S. jobs, and pointed to the unemployment already caused by the surge in imports.

A specific question asked business leaders was whether U.S. regulatory actions affected their firms' abilities to compete internationally. About half saw no problem, and those citing difficulties mentioned the obvious and direct impediments to exporting, such as U.S. export control regulations. A significant minority, however, objected to social and environmental regulations such as those of OSHA and EPA.

ABOUT THE TRADE SURVEY

The Task Force survey went to 575 chief executive officers in December, with a follow up mailing in late January, 1986. The list of executives included all 1985 FORTUNE 500 companies plus the larger SERVICES 500 firms (except utilities) and leaders of labor unions with more than 20,000 members. Follow-ups were done by phone with many non-respondents, producing a response rate of 124 or 21 percent of the universe to date.

Most CEOs completed a brief, open-ended questionniare, or wrote letters based on questions in the survey. Some sent statements of company policy, trade association positions, testimony given in Congress, even speeches and media articles. A number of business and labor leaders or their deputies called to relay their views, and several made personal visits. Because of the different forms in which comments were expressed, some transformation of data was necessary.

This report is a preliminary statement of findings. With additional responses from CEOs, the percentages may change. A final survey report will be issued by late June, 1986. For further information, contact Dr. Gerald A. McBeath, in the office of Senator Murkowski, (202) 224-6665.●

THE AIR FORCE VERSUS THE YARMULKE

● Mr. LAUTENBERG. Mr. President, I would like to bring to my colleagues' attention an op-ed that appeared in today's New York Times concerning the Supreme Court's recent decision in Goldman versus Weinberger.

The editorial, entitled, "The Air Force vs. the Yarmulke," expresses the view that the Air Force's decision to prohibit the wearing of a yarmulke by Rabbi Goldman, an Air Force captain who was also an Orthodox Jew, and the Supreme Court's deference to that decision, came from a misplaced faith in the value of uniformity. I agree, and have introduced legislation to permit the wearing of any item of apparel that is part of the armed service member's religious observance, provided it is neat, conservative, unobtrusive, and does not significantly interfere with the performance of the member's military duty. I ask that a copy of the editorial be printed in the Record.

The editorial follows:

[From the New York Times, Apr. 10, 1986]

THE AIR FORCE VS THE YARMULKE

(By Zick Rubin)

WALTHAM MASS.—The yarmulke lost its latest legal battle March 25, when a black-robed but bareheaded Justice William H. Rehnquist announced the Supreme Court's 5–4 decision that the Air Force need not bend its dress code to allow a Jewish officer to wear his yarmulke while on duty.

No one doubted the sincerity of Capt. S. Simcha Goldman's beliefs, no that he had worn his small, dark skullcap with his uniform for years without objection, nor even that the inflexible application of Air Force Regulation 35-10, Section 1-6(h)(2)(f) ("headgear will not be worn . . . while indoors") would limit the religious freedom of Jewish servicemen who follow the traditional practice of keeping their head covered at all times, as a constant reminder of God's presence.

But despite Captain Goldman's strong First Amendment claim, the Court deferred to the "considered professional judgment" of the Air Force that yarmulke wearing threatened discipline and esprit de corps. "If men strictly obey the regulations about wearing the uniform," Gen. George Patton once said, "they can be held truly disciplined men." From the Air Force's point of view, wearing a yarmulke was like flying out of formation.

This was not the first time that the yarmulke has been toppled in Federal court. In a 1982 decision, a panel of the Seventh Circuit Court of Appeals gave its judicial blessing to the no-headgear rule of the Illinois state high school basketball authorities, even though the rule had the effect of preventing Sholom Menora and his Hebrew Theological Yeshivah teammates from playing interscholastic basketball.

In the Menora case, the issue was not uniformity but safety—the possibility that a hard-driving player would slip on a fallen yarmulke. Since no one could cite a single instance of a yarmulke-caused fall, some court-watchers may have felt that Judge Richard A. Posner, who delivered the ruling, was taking safety too far.

Falling yarmulkes were not an issue in Captain Goldman's case. In the lower court proceedings the Air Force did in fact advance the theory that an unauthorized piece of head-gear might fly into a jet engine and cause it to malfunction or explode. Because the captain's duties were confined to the base hospital, the courts were unpersuaded by this line of attack. But the Supreme Court's majority nevertheless concluded that the Air Force had the right to make its uniforms uniform.

In a concurring opinion, Justice John Paul Stevens expressed the fear that if yarmulkes were permitted, it would be hard for the Air Force to hold the line against more obtrusive exceptions to the dress code without seeming to favor one religion over another. If a Jew could wear a yarmulke while on duty, Justice Stevens asked, could a Sikh wear a turban or a Rastafarian wear dreadlocks? Images of a wildly coutured flying force floated to mind, with airmen of varying faiths taking to the skies in yarmulkes, saffron robes, face and body paint, amulets, jodhpurs and symbolic daggers. The idea that the Air Force might be able to make reasonable accommodations to religious expression seemed to be relegated to the wide blue yonder.

The ideals of freedom for which thousands of airmen have fought and died deserve more protection from the Supreme Court than that. "If . . . Goldman wanted to wear a hat to . . . cover a bald spot, I would join the majority," Justice William J. Brennan wrote in a stinging dissent. But Captain Goldman's yarmulke was an expression not of personal vanity but of humility before God. The freedom to express such religious convictions should be zealously guarded, in military as well as in civilian life.

The Air Force shot down the yarmulke—and the Supreme Court went along—not out of religious favoritism, but out of a misplaced faith in the value of uniformity. The Court's majority tacitly accepted the Air Force's contention that its standardized uniforms are necessary to "encourage the subordination of personal preferences and identities in favor of the overall group mission." A psychologically more plausible view, however, is that morale will be highest in a humane military force that respects individual identity and that accommodates religious conviction.●

REMARKS OF SENATOR HEINZ ON QUALITY HEALTH CARE

● Mr. GRASSLEY. Mr. President, the Senate Special Committee on Aging has devoted a great deal of time and energy in the past 12 months to investigating the quality of care provided to 29 million older Americans on Medicare under the new Prospective Payment System. The committee has found widespread problems that need our immediate attention if we are to continue this Nation's commitment to the highest quality of health care.

As a member of the Senate Special Committee on Aging, I wish to direct my colleagues' attention to a speech delivered by the committee's chairman, Senator John Heinz, before the American Hospital Association on February 3 of this year. The chairman eloquently describes the major problems uncovered by the committee and outlines a number of important solutions.

I ask that the complete text of Senator Heinz' speech be printed in the Record.

The speech follows:

"PRESERVING QUALITY IN HEALTH CARE: AMERICA'S CHALLENGE FOR THE '80s"

(Senator John Heinz)

I felt a little like Daniel walking into the lion's den when I stepped up to the podium just now. The American Hospital Association and the Aging Committee have not always seen eye-to-eye on how DRGs affect quality. But if I remember my Sunday school lessons, Daniel reached an understanding with the lions and they ended up with sort of a mutual admiration society.

And so today, and in the days ahead, we need to talk to each other—to find a realistic way of maintaining high quality health care while facing severe budget constraints.

For the past 25 years, we have committed an ever growing portion of our GNP to health care. This commitment was fueled by America's resolve that all her citizens deserve the highest quality care available. In our country, so rich in financial, technical and human resources, only our ingenuity and dedication limit access, we've said, to the best medical care in the world.

Since 1960, the Federal Government's commitment to health care has risen from $5.5 billion to $100 billion and represents more than 12 percent of the Federal budget. Last year, we invested nearly $70 billion in the Medicare program alone. Our commitment paid off with longer lives and better quality life in old age.

But our financial naivete during the earlier years of growth almost brought down the whole house of cards. Like trusting parents, sending a young child to the candy store with a blank check, we structured the Medicare program with a blank check for hospitals and put the onus on them to be prudent providers of quality care.

We further strained the financial soundness of Medicare by trying to make Medicare more than intended. We helped to pay for extended hospital stays in the absence of appropriate long-term care facilities and funneled dollars to capital expansion and graduate medical education.

We got quality—at a price we couldn't afford. By 1980, we faced Medicare's demise, eroded by runaway costs. Just three years later, Congress acted to save the program with a 180-degree legislative turn—the Prospective Payment System.

The American Hospital Association, along with this Senator, argued early on that PPS encourages a prudent buyer approach to health care services and is sound policy for cost containment. Bottom line reports for 1985 justify this confidence. We may not have broken in costs, but we've herded them into the corral and have them saddled and bridled.

Much of the credit goes to you. Congress can legislate, the Administration can regulate . . . but when it comes to doing, we've got to delegate. The hospital industry has remained steady under fire in an extremely confusing new regulatory environment.

For more than two years now you've ferreted out waste and abuse and made an effort to keep it out. That diligence paid off for the taxpayer. Hospital costs in 1985 increased only 6 percent—the lowest rate of increase in the past 20 years.

As the health care providers for America's 27 million seniors, your challenge is to streamline your operations, to be more efficient—with one caveat. Americans must receive the high quality care they deserve.

Which brings me to my point: In cutting our spurs on costs, I fear we are trampling down our commitment to quality.

In January 1985, the Senate Aging Committee launched a major investigation into reports that quality care suffered under PPS. Our Committee accumulated a thousand pages of testimony from patients and their families, doctors, hospital administrators, discharge planners, community health care providers at three hearings this Fall. We requested two General Accounting Office reports, a report from the Office of Technology Assessment, reports from the Inspector General of Health and Human Services, and conducted on-site interviews with the Peer Review Organizations in five states. Here are the Committee's findings.

First, some doctors and hospital administrators out there are discharging patients saying their Medicare benefits have run out. This is wrong. Patient stays are based on need, not days. We need to end this confusion.

Second, Medicare beneficiaries are discharged prematurely or transferred inappropriately. More than a year ago the Inspector General alerted the Administration of evidence of such abuses. Most recently, the IG cited the PROs' failure to take corrective action on the thousands of cases already on record.

A third Committee finding is that Congress's watchdog Peer Review Organization feel "hamstrung" when it comes to quality review, with only a partial "snapshot" of the whole health care continuum and too few resources available for monitoring.

Fourth, DRGs drive patients out of hospitals quicker and sicker. This truth is not dangerous in and of itself, since days-of-stay often exceeded what was medically necessary under the old system. But "quicker and sicker" can be hazardous whem combined with the fifth major Committee finding: post-hospital services are strained by the burden of more patients needing greater care. Some patients may not be getting adequate care.

Finally, DRGs do a poor job of accounting for the cost of caring for severely ill patients whose "principal diagnosis" may be complicated by other chronic conditions.

The Committee's findings polarized Administration, providers, beneficiaries. Our conclusions have been labeled as insightful or inciting, farsighted or farfetched. But we are beginning to see some agreement.

To go back to Daniel's story, we're ahead of Daniel despite our differences. We've agreed on a philsophy of health care that says quality must not bow to economy. In working together towards this end, there are some steps the Administration must take, some tasks for the Congress, and some for you in the hospital industry.

We can't predict what the new HHS leadership will do, but I personally am encouraged by Secretary Otis Bowen's open commitment to quality as a top priority for his administration. He is a real health care professional. Unfortunately, Secretary Bowen's appointment comes long after the Administration dropped the ball on quality. The failure to act has undermined public confidence in America's health care system.

In two weeks I will join with Congressman Pete Stark, Chairman of the House Ways and Means Subcommittee on Health, to try to legislate what the Administration could have done on its own.

Our bill, the Medicare Quality Assurance Act, has six major components. First, it acknowledges that DRGs are often rigid when it comes to compensating hospitals for treating patients with more complex illnesses. As difficult as it may be, we need to adjust the DRGs through some form severity of illness index.

Second, we are for the Administration's expansion of the PRO scope of work, but it is not enough. Our bill has these watchdogs look at readmissions occurring over a longer period and checking quality beyond the hospital door—in home health, nursing home, board and care homes, and outpatient settings.

Third, bad discharge planning, with patients hastily and inappropriately placed for follow up care, can be fatal for the sicker patients. We need standards for discharge planning and we need to require compliance for participation in the Medicare program. The Medicare Quality Assurance Act does that, but it can't work without you.

Here you must act. We need your commitment to improve discharge planning procedures. I'm proud of the efforts of my own State of Pennsylvania's Hospital Association for the leadership they are showing in this area.

Good discharge planning depends on having the right place to send patients. Unfortunately, our post-acute services fall woefully short of demand. Strengthening the continuum of care is the fourth component of our legislation. We increase incentives for skilled nursing facilities and home health agencies to take the heavier care patients once kept in hospitals. Hospitals should develop their own comprehensive plans for post-acute care. And the Administration must halt its cuts in home health and nursing home reimbursements.

Fifth, consumer involvement in quality assurances is limited by that old adage, "ignorance is bliss." Far from bliss, some patients and their families feel panic and rage when discharged without explanation of their appeal rights. Our bill will expand protections to patients and ensure that they know what appeals are available.

Here again, you can do more to improve patient information and ensure that patients' voices are heard. The Hospital Association and the Aging Committee, along with the American Association of Retired Persons and other groups, took a big step for patients' rights in the Beneficiary Appeals notice we sent to the Administration last week. Let's build on the momentum we've achieved and get these notices out to hospitals nationwide.

Last, we need better data to shed light on the problem created by the radical transformation of our health system. HCFA is responding to the criticisms . . . yet I admit to serious impatience with those bureaucrats who continue to say there's no data showing problems.

This reminds me of the man down on his hands and knees on the sidewalk at night under a lamp post. A passerby asks what he is doing and he replies, "I'm looking for my wallet." "Where did you lose your wallet?" the passerby asks. "Down the street," the man replies, "but this is where the light is."

The Medicare Quality Assurance Act would illuminate those areas where quality is most threatened by extending the Administration's reporting requirements in both hospital and post-hospital settings.

We've got one priority: to restore public confidence in the system and assure quality health care. Look closely at proposals for modifying Prospective Payment with this priority. The Medicare Quality Assurance Act is an important step forward and I ask that you support it.

You must take the lead on maintaining quality. Be prepared for a tough struggle with compulsive budgeteers. We're talking about the lives of present and future older Americans.●

NATIONAL ADOPTION WEEK

● Mr. D'AMATO. Mr. President, I rise today to join many of my colleagues who recognize the importance of supporting legislation, Senate Joint Resolution 306, introduced by the distinguished Senator from Utah [Mr. Hatch] designating November 23-29, 1986, as "National Adoption Week." It is most appropriate that this observance take place during the week of Thanksgiving. Thanksgiving is a time for family members, sometimes traveling great distances, to join together to share their experiences and to feel again the personal joys of the sanctuary of their family.

But what happens to the child who has no family? And to adult couples who, for whatever reason, are unable to bear children? It is indeed a sad circumstance that these people needlessly suffer the absence of family life, the absence of growing up under the guidance of loving parents, and the absence of the emotional involvement and responsibility of rearing a child. The remedy to this unfortunate situation available to all who would like, but do not have, a family is clear: Adoption.

Since the 1960's, the number of couples who wish to adopt has risen substantially. So, too, has the number of single men and women who wish—and, in some cases, are permitted—to adopt. However, these figures are small in comparison to those who are capable of adopting, but are not aware that adoptable children are available. In America today, there are roughly 55,000 adoptable children legally free for adoption, but who remain in foster care or institutions because of various public or private barriers. We must elevate the level of awareness of prospective parents to the availability of these children.

Mr. President, it is necessary that we encourage family life in America. The family unit is the most basic and most important element of our Nation's strength. The stability of the American family has a synergistic effect upon the overall stability of our Nation. I urge those of my colleagues who have not already given their support to "National Adoption Week" to do so.

Thank you, Mr. President.●

NAUM AND INNA MEIMAN: DOGGED DETERMINATION

● Mr. SIMON. Mr. President, imagine living in a place where your only desire is to leave, but you cannot because someone in authority will not grant you permission. No, this is not a prison, where an inmate has criminal tendencies or has broken the law. This is not a mental institution where a patient remains because they do not meet specific requirements of mental health. The place which I am thinking of is a country, the Soviet Union.

Although unaccused, untried, and unconvicted, Soviet Jews who wish to leave their country are prisoners. The determination of these people is remarkable. Naum and Inna Meiman has been waiting for 10 years to leave. Their tenaciousness has led to increased harassment by the Soviets. Most recently, their telephone was disconnected. Despite the years of anguish and fear, Naum and Inna have never wavered in their commitment to living in the land of their ancestors.

The Bible offers many words of faith and wisdom which are truly appropriate for the Meimans and for people everywhere who are not free. "This rather is the fasting that I wish; releasing those bound unjustly, untying the thongs of the yoke, setting free the oppressed, breaking every yoke."—Isaiah 58, 6.

I strongly urge the Soviet Government to allow Naum and Inna Meiman permission to emigrate to Israel.●

ORDERS FOR FRIDAY, APRIL 11, 1986

Mr. SIMPSON. Mr. President, after conferring with the Democratic leader, I ask unanimous consent that once the Senate completes its business today it stand in recess until the hour of 9 a.m. on Friday, April 11, 1986.

Further, I ask unanimous consent that, following the recognition of the two leaders under the standing order, there be special orders in favor of the following Senators for not to exceed 5 minutes each: Senator Hawkins, Senator Proxmire, Senator Quayle, Senator Cranston, and Senator Melcher.

I also ask unanimous consent that there be a period for the transaction of routine morning business not to extend beyond the hour of 9:30 a.m., with Senators permitted to speak therein for not more than 5 minutes each.

The PRESIDING OFFICER (Mr. Boschwitz). Is there objection?

Mr. BYRD. Reserving the right to object.

Mr. President, I have no objection.

The PRESIDING OFFICER. Without objection, it is so ordered.

PROGRAM

Mr. SIMPSON. Mr. President, at 9:30 a.m., the Senate will resume S. 1017, the regional airport bill, and by the previous unanimous-consent agreement a final passage vote will occur no later than 12 noon tomorrow.

It will also be the intention of the majority leader to turn to Calendar item No. 355, S. 426, the hydrorelicensing bill, hopefully under a time agreement. The Senate may also be asked to turn to Calendar item No. 596, S. 1236, the crime bill, or Calendar item No. 353, S. 1774, the Hobbs Act.

Again, I emphasize that it is possible that rollcall votes could take place as early as 9:45 tomorrow morning. So our colleagues should be aware of that.

I again thank Senator Sarbanes and Senator Trible for their fine cooperation and, of course, the cooperation of the Democratic leader and the majority leader in resolving this matter.

RECESS UNTIL 9 A.M. TOMORROW

Mr. SIMPSON. Therefore, under the previous order, I move that the Senate stand in recess until the hour of 9 a.m. on Friday, April 11, 1986.

The motion was agreed to; and, at 6:08 p.m., the Senate recessed until Friday, April 11, 1986, at 9 a.m.

NOMINATIONS

Executive nominations received by the Senate April 10, 1986:

DEPARTMENT OF DEFENSE

Robert Clifton Duncan, of Massachusetts, to be an Assistant Secretary of Defense, vice Robert S. Cooper, resigned.

INTERNATIONAL MONETARY FUND

Mary Kate Bush, of the District of Columbia, to be U.S. Alternate Executive Director of the International Monetary Fund for a term of 2 years, reappointment.

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EXTENSIONS OF REMARKS

CONGRESSIONAL SALUTE TO THE PHILIPPINE MEDICAL ASSOCIATION OF SACRAMENTO

HON. ROBERT T. MATSUI

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, April 9, 1986

Mr. MATSUI. Mr. Speaker, on April 5, 1986, the Philippine Medical Association of Sacramento will hold its first induction ball. The initiation of this organization stands as testimony of the professional and societal progress that Filipinos have made in our country.

I would like to take this opportunity to make special mention of the association's main goals, which are the continued educational, scientific and cultural growth of its members and the advancement of service to the community at large. In these times of skyrocketing medical costs and insufficient medical attention to the elderly, the association's aim to provide special care to the Filipino elderly is particularly noteworthy. I commend these altruistic goals and extend my every confidence that the association will excel in these endeavors.

I congratulate the Philippine Medical Association of Sacramento on their formation. On behalf of the people of Sacramento, I welcome them to our community and extend my best wishes to them for what promises to be a long and successful future.

IDA NUDEL

HON. NORMAN F. LENT

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, April 9, 1986

Mr. LENT. Mr. Speaker, in protest of the Soviet Union's deplorable treatment of Jews, Ida Nudel has begun her hunger strike. Ida Nudel, herself a Soviet Jew, is almost 60 and in failing health, but this has not dampened her indomitable spirit. For 15 years Ida has suffered the Kremlin's relentless persecution and brutality. Like so many other Soviet Jews, her only wish is to emigrate to Israel to be reunited with her family. Despite the pain and anguish of this separation, Ida continues to work, not just for her own freedom, but for the release of all Soviet Jews. Her selflessness and dedication to this cause has won her acclaim in the free world and has made her a heroine among her peers.

Although I have written weekly to Ida, I have rarely received a reply because of the censorship of mail in the Soviet Union. However, I have recently received a letter from Ida which eloquently describes her plight in the Soviet Union. I would like to share an excerpt from her letter with you:

> The stand I have taken in defending my rights and those of other Jews wishing to emigrate to Israel has aroused the hatred of the KGB and induced them to carry out all kinds of vengeful acts. Who needs all this and why? Why does Russia need all these cries and calls for help? What benefit does Russia have from my suffering? After I leave, the world will forget my name and my story, for new tragedies and dramas develop every day all over the world.

These universal questions must be asked for all those whose voices cannot be heard above the din of repression. We, in Congress, must be the voices for those who have none. We must never give up the struggle to win freedom for those, like Ida, who are oppressed and devoid of human rights. We must never forget.

JOHN D. CALLAWAY RECEIVES THE 1986 DANTE AWARD

HON. FRANK ANNUNZIO

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, April 9, 1986

Mr. ANNUNZIO. Mr. Speaker, I rise to call to the attention of my colleagues the achievements of the nationally known senior correspondent for the Public Broadcast Station WTTW–TV channel 11, John D. Callaway, who will receive the 15th Annual Dante Award of the Joint Civic Committee of Italian Americans on May 9, at a luncheon given in his honor at the Como Inn in Chicago.

John Callaway joined WTTW–TV in 1974 after 17 years as a broadcaster and news executive with CBS radio and television in Chicago and New York, and currently he is host of the Emmy-award winning program, "Chicago Tonight with John Callaway," which appears every week night on WTTW–TV.

Well-known and highly respected for his insightful and responsible interviews, and for maintaining the highest standards of integrity in his 29-year career as a broadcast journalist, John Callaway has received more than 50 awards and honors in recognition of his work, including five Emmys and the prestigious Peabody Award. He is a most deserving recipient of the Dante Award for his achievements and contributions to broadcasting have been representative of Dante Alighieri's statement in his Divine Comedy that "man should never be timid about the truth."

The Dante Award was established by the Joint Civic Committee of Italian Americans, an umbrella organization comprised of more than 40 civic organizations in the Chicago area, to extend recognition annually to an individual in the mass media communications field who has made positive contributions to the profession of journalism.

During his career, John Callaway has covered six national political conventions, and was the moderator of the Illinois Statewide Network broadcasts of the four gubernatorial election debates which took place in 1978. In addition, he has compiled an outstanding record of achievement by moderating since 1974 all the WTTW–TV special programs on the congressional, senatorial, and mayoral campaigns in Illinois.

John Callaway has distinguished himself as a most competent and thorough journalist in his coverage of the aftermath of the 1967 Arab-Israeli war, and the career and death of Mayor Richard J. Daley, as well as his coverage of the tragic 1958 fire at Our Lady of the Angels School, where 92 students and 3 nuns died.

Beginning his career in journalism in 1956 as a copy boy and police reporter for the City News Bureau of Chicago, 1 year later John Callaway became a general assignment reporter and documentary producer for WBBM–Radio and WBBM–TV, the CBS-owned station in Chicago. From 1960 to 1968, he served in several major executive positions at the radio station, including editorial director, public affairs director, and news and program director, and he also was host of the award-winning CBS radio documentary discussion and call-in program, "Nightline."

In 1964, John Callaway won seven national awards for his production and narration of a 13-part commentary series which examined the American civil rights movement. Writing, producing, and broadcasting several documentary programs about prison problems in Illinois, he became the first Chicago journalist to gain membership in the Illinois Academy of Criminology.

John Callaway was instrumental in helping to initiate WBBM–Radio's all-news format in 1968, and from 1968 until 1970, he served as vice president of program services for CBS-Radio in New York City, where he developed the expansion of CBS all-news stations throughout the country. In 1970, he began hosting the nationally broadcast interview program, "Crosstalk," and in 1973, he returned to Chicago as a reporter for WBBM–TV.

Joining WTTW–TV channel 11 in Chicago in 1974, John Callaway has hosted numerous nationally syndicated Public Broadcasting System series, including the most highly respected "John Callaway Interviews," "Campaigning on Cue," and the "Paper Chase Addendum." He has also authored two books, and has contributed articles to several newspapers and magazines.

The 15th Annual Dante Award luncheon will be held at the Como Inn, and many political dignitaries, civil leaders, and leaders of the communications industry will be in attendance. Joe Weisman, senior editor and host of WTTW's "Chicago Week in Review," will serve as master of ceremonies of the luncheon, sharing this position on the dais with Emil Venuti, a member of the antidefamation committee of the Joint Civic Committee of Italian Americans. The invocation will be offered by the Reverend Lawrence Cozzi, C.S., administrator of Villa Scalabrini, the Italian Old Peoples Home in Melrose Park. Charles C. Porcelli, president of the JCCIA, will present the Dante Award to John Callaway.

For the 11th straight year, the John Fischetti Scholarship will also be awarded at the luncheon. The scholarship, which this year is a $1,500 award, was established by the Joint Civic Committee of Italian Americans to further the study of Italian American students in communications and is named after the Pulitzer prize-winning political cartoonist.

Mr. Speaker, I extend my warmest congratulations to John Callaway on meriting this recognition, and for the strong and constructive impact he has made on the broadcast industry. His career, his character, and his splendid record of achievement prove that he is, indeed, a "friend of truth."

● This "bullet" symbol identifies statements or insertions which are not spoken by a Member of the Senate on the floor.

Matter set in this typeface indicates words inserted or appended, rather than spoken, by a Member of the House on the floor.

HONORING THE CREW OF OUR "SHIP OF STATE"

HON. JOSEPH M. GAYDOS

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, April 9, 1986

Mr. GAYDOS. Mr. Speaker, this year, 1986, marks the 65th anniversary of the founding of NARFE—the National Association of Retired Federal Employees—and across the Nation local chapters of that organization are scheduling special events to mark the occasion.

Started on February 19, 1921, by just 14 people, NARFE today numbers more than a half million members in 1,500 chapters. It serves as the watchdog and voice for all Federal retirees, monitoring legislation that affects their interests and making their opinions known to the Congress.

In western Pennsylvania, two chapters—the Allegheny-Kiski Chapter No. 1556 and the Armstrong County Area Chapter No. 1997—are co-hosting an anniversary banquet on April 18. The Alle-Kiski Chapter is of particular significance to me since many of its members are residents of the 20th Congressional District, which I am privileged to represent in the House.

The Alle-Kiski Chapter was chartered on December 28, 1977, with 52 members. Its founder and first president was James G. Clark, who remains active in the organization today.

Other officers during its first year of operation included Mustafa J. Mohamed, vice president; Clement J. Roethele, secretary-treasurer, and Frank A. Chesaro, legislative chairman.

Today, the Alle-Kiski Chapter numbers 175 members and its leaders include Thomas Richardson, president; Dorothy S. Ditchko, secretary; Michael Zarichnak, treasurer; Ted Krukowski, first vice president; Walter Skohut, second vice president; Audrey K. Wilson, assistant treasurer; Bruno Salvaterra, legislative chairman; Cora P. Clark, Dom Canterna, and Lloyd E. Wilson, trustees; James G. Clark, assistant secretary and editor, and Alfred P. Rich, service officer.

Mr. Speaker, just as no ocean vessel could safely navigate the waters of the globe without skilled personnel aboard, so no administration could sail the seas of government without trained and dedicated employees. If the President is, indeed, the captain of our "Ship of State," then those who make it go—the men and women in civil service—are its crew.

The members of NARFE, the members of Allegheny-Kiski Chapter No. 1556 and Armstrong County Chapter No. 1997 have served our country well. I deem it appropriate, therefore, to take this opportunity on behalf of my colleagues in the Congress of the United States to thank them for their loyalty, recognize their service, and congratulate them on the 65th anniversary of their organization.

UNITED STATES TELECOMMUNICATIONS TRAINING INSTITUTE

HON. DANTE B. FASCELL

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, April 9, 1986

Mr. FASCELL. Mr. Speaker, perhaps nowhere in the world is the pace of technological change more appreciated than here in the Halls of Congress. Throughout this century Congress has been called on repeatedly to lend financial support to crucial research; to define the paths along which technologies can be allowed to develop; and to deal with the ethical, legal, social, and economic impact of changes rooted in technological innovation.

Today, we find all around us evidence of a series of such changes which many have labeled the information age. This refers to all the technologies growing out of the electronics revolution which has given us everything from computers to communications satellites. All of these devices have vastly increased our ability to gather, formulate, and communicate information and to do so almost instantaneously. We are only now beginning to appreciate how this revolution has already changed our society and to understand the opportunities and problems it presents not only to the United States but to all the countries of the world.

I want to bring to the attention of the House some very positive developments which have taken place in the last year with respect to one small but important aspect of the revolution in communications technology: The international aspect. The full benefits of the communications revolution cannot be realized unless there is cooperation among nations to make it possible for information, in whatever electronic form, to flow easily and economically across national boundaries. Moreover, such benefits can only be attained if there are people trained in the use and management of these often complex systems, where the information originates or is needed. In the last year, important progress has been made in each of these areas.

Within the U.S. Government, the Department of State has taken a very important step in creating a new Bureau of International Communications and Information Policy which will give the United States a more effective voice in the shaping of global policies in the many international fora which influence the development of these technologies. At the international level, the International Telecommunications Union [ITU] has served as a catalyst for the establishment of a new Centre for Telecommunications Development which would function as an autonomous body under the umbrella of the ITU. The centre will serve as a clearinghouse for the benefit of developing countries on information about such important matters as communications policies, equipment, and training opportunities.

Finally, I would like to focus attention upon the U.S. Telecommunications Training Institute [USTTI], which was established in September 1982 as a joint venture between major American telecommunications firms and the U.S. Government to share advances in telecommunications technology with developing countries.

The USTTI annually offers 30 training courses for management and technical staff of developing nation telecommunication organizations and Government agencies using telecommunications systems. For the fourth consecutive year, tuition-free courses will be provided by leading U.S. telecommunications corporations and Government agencies at various sites throughout the United States. Under the very effective leadership and inspiration of board chairman Michael R. Gardiner, the USTTI provides the key elements in fostering the benefits of any technological advance: The training of people to make it work. Thus far, the USTTI has graduated almost 600 men and women from 82 developing countries.

It should be emphasized that the Centre for Telecommunications Development and the USTTI serve very different, distinct, but complimentary purposes. There is no duplication involved, and both Government and the private sector will provide both institutions with the level of support they require.

Mr. Speaker, President Reagan has observed, and I quote:

> Our century of experience has proven that telecommunications is a flexible resource—a resource whose abundance increases in step with the development it makes possible for all mankind. We have enthusiastically shared our experience with the world for a century, and we look forward to continuing that mutually rewarding cooperation.

Both the Centre for Telecommunications Development and the USTTI constitute the means for promoting that very laudable foreign policy objective.

CONGRESSIONAL SALUTE TO MR. CARROLL E. BROCK

HON. ROBERT T. MATSUI

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, April 9, 1986

Mr. MATSUI. Mr. Speaker, I rise to call to the attention of the Congress a man who has served the business community in Sacramento with firm commitment and great distinction. Mr. Carroll E. Brock has recently ended an outstanding 40-year career with his retirement from the family firm, M.J. Brock & Sons.

His exceptional leadership capabilities and devotion to his field are evident in his numer-

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ous accomplishments. Under his careful and consistent management, the firm has grown to be ranked among the top 70 homebuilders in the Nation. M.J. Brock & Sons has successfully constructed more than 14,000 attractive, high quality homes in the Sacramento area since 1952.

Far surpassing the duties of his position, Mr. Brock has worked conscientiously in the realm of his industry and in the community. This is exemplified by his impressive list of accomplishments, including president of the Building Industry Association of Superior California and the Sacramento Area Commerce and Trade Organization. He also has served as vice president of the Sacramento Metropolitan Chamber of Commerce and chairman of the National Council of the Housing Industry. In addition, former California Gov. Edmund G. Brown, Jr., appointed Mr. Brock to the California Building Standards Commission in 1982. Only recently, he was named 1985 Builder of the Year by the BIA for his commitment to the building business and community activities.

Mr. Speaker, it is with great pleasure that I thank Mr. Brock for his many years of generous, sacrificial service to the people of Sacramento and wish him the best of luck in his future endeavors.

ACCOUNTABILITY FOR MILITARY WASTE SITE CLEANUP

HON. JAMES J. FLORIO

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Wednesday, April 9, 1986

Mr. FLORIO. Mr. Speaker, as my colleagues know, the Superfund conference is proceeding and Members of both bodies are carefully considering the basic reforms that are needed to revitalize this troubled program.

One of the most important such provisions is identical language in both bills that is designed to put the Federal Government's lead agency on environmental matters—the Environmental Protection Agency [EPA]—firmly in the driver's seat regarding the nature and scope of cleanup at such facilities. This reform is needed because, during the first 5 years of the program, other Federal agencies and departments were left to their own devices regarding cleanup, accountable to no one. The result has been virtually no progress on the identification and assessment—much less cleanup action—at the thousands of Federal hazardous waste sites across the country.

Last week, the Administrator of EPA protested the language in both the House and Senate bills that seeks to give EPA this authority. EPA is apparently concerned that with such authority will come responsibility to make sure cleanup is adequately performed.

Two of our colleagues—VIC FAZIO and JIM MOODY—were the original authors of the Federal facilities provisions in the Superfund bill. They have responded to EPA with a cogent and well-reasoned analysis of the intent of these provisions. I commend their views to my colleagues' attention.

CONGRESS OF THE UNITED STATES,
HOUSE OF REPRESENTATIVES,
Washington, DC, March 19, 1986.

DEAR SUPERFUND CONFEREE: We urge you to oppose any effort to change the provision in the House and Senate adopted versions of the Superfund reauthorization bill that would in anyway diminish the responsibility of the Administrator of the Environmental Protection Agency to select the final remedial action at all federal sites on the National Priorities List (NPL).

As you are aware, EPA is charged with selecting the appropriate cleanup action at all privately owned sites which qualify for the NPL. EPA should have no less authority over the final remedial action selected at federal sites.

Our concern is that moving from "concurrence" to "selection" would threaten the ladder of responsibility which has been carefully constructed throughout the entire section on federal facilities. Our fear is that it would gut EPA's oversight authority. Permitting simple concurrence, as described by Lee Thomas during Tuesday's conference, would seem to allow EPA to choose a remedial action from one of several options without being held accountable for the adequacy of the cleanup. That's unacceptable. EPA and the applicable federal agency should both be held accountable for the adequacy of the remedial action selected. Using "selection" rather than "concurrence" won't require EPA's daily involvement in agency cleanup efforts. It will, however, require EPA to establish firm guidelines governing the conduct of RIFs and the selection of remedial action options as well as ensure that such guidelines are complied with fully and completely. The bottom-line is that EPA is the federal government's lead agency with respect to the cleanup of hazardous waste sites. Requiring that EPA act as such at our federal facilities is therefore not only necessary but appropriate.

Thank you in advance for your consideration of this request.

Sincerely,

VIC FAZIO,
Member of Congress.
JIM MOODY,
Member of Congress.

TRADE OPPORTUNITY

HON. JOHN P. MURTHA

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, April 9, 1986

Mr. MURTHA. Mr. Speaker, for the information of the members, I want to share my thoughts on the present trade situation and the opportunity present to make progress against the flood of imports affecting our economy.

I want to insert a copy of my recent "Weekly Column" on this subject.

TRADE OPPORTUNITY

With President Reagan meeting with Japanese Prime Minister Nakasone on April 12 and the Western Economic Summit meetings taking place in Japan in May, it is time for the President to confront our allies on the trade problems that persist.

These meetings represent a key and virtually last chance to bring our trade situation within reason.

The trade predicament continues to slow our economy, increase our unemployment, and hurt key American industries. In all of these sessions, the President will be meeting with our trading and defense partners. Yet, while we continue to carry the burden in our budget for defense, these partners refuse to make vital concessions to insure stability and jobs in the U.S. economy.

The most recent trade figures show how far we still have to go:

The March Congressional Monthly Trade Alert showed 13 or 17 key trade indicators worsened.

Export related employment declined by 1.1 million jobs between 1981 and 1983 with little improvement since and has been a key in continuing high unemployment rates.

Slow export growth and rapid import growth during 1980–1984 pushed the unemployment rates about 1.1 percent higher than they otherwise would have been.

Our trade and military partners must be made to realize that they cannot target and destroy sectors of the American economy. In steel, textiles, footwear, semiconductors, and computer chips these nations have targeted our economy, subsidized their imports, and used our markets to keep their workers on the job while our own workers have suffered.

The House of Representatives will soon be considering major trade reform and restrictions legislation. In the absence of meaningful progress in these talks on trade improvement, I believe Congress should move forcefully to guard our borders against these imports which have damaged our industrial base and robbed our Nation's workers of jobs.

One way or another, we must get this trade situation under control. America's economy will never be fully healthy until we do. The President needs to make this point forcefully and insure results at these meetings, or in the continuing absence of cooperation by our trading/military partners, to join with us in shaping legislation that will force import controls to protect our economy.

Even action at this point will have come later than I would have preferred, but we can still turn things around. The administration favors voluntary agreements—rather than strict quotas—as shown in their steel program. Even that approach in these other areas would be a plus. The key is to see action and cooperation—something that will begin moving us away from disastrous trade deficits.

Some speculation holds that the Western leaders at their summit will agree to a new round of multilateral talks. But those will stretch through the rest of the 1980's and produce no results for years. We have already waited too long. The need for results is now.

LIABILITY INSURANCE

HON. LEE H. HAMILTON

OF INDIANA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, April 9, 1986

Mr. HAMILTON. Mr. Speaker, I would like to insert my Washington Report for Wednesday, April 9, 1986 into the CONGRESSIONAL RECORD:

LIABILITY INSURANCE

The insurance liability crisis has emerged as a major issue in Congress this year. Soaring costs and a shortage of liability insurance are taking their toll on businesses, professionals and local governments nationwide. Every day brings word of new repercussions: doctors raising fees, playgrounds closing, swimming meets being cancelled. The liability insurance crunch touches almost every aspect of American life.

Faced with unprecedented liability, insurers have raised premiums sharply and drastically cut coverage, sometimes pulling out altogether. While 1985 property-casualty premiums cost an average 21% more overall, some industries have been hit harder. Bus owners, for example, were charged 1985 premiums 700% larger than in 1984. Many insurers have stopped some lines of coverage. Bars, chemical companies, and nurse midwives, among others, are being refused insurance. Insurers are particularly wary of businesses with delayed liability. Insurers pulled out of day care, for instance, after publicity aroused fear that teenagers would win large awards for pain and suffering for abuse inflicted years before.

Businesses have responded by curtailing or eliminating products and services that cost too much to insure. They often operate without insurance or hike prices to cover premiums. A major corporation can draw on its resources if it is sued, but small businesses and professionals usually do not have that cushion. As a result, services once taken for granted are becoming scarce. Liability coverage for governments is so expensive that taxpayers may pay more for insurance than for police and fire protection. Many states and cities have lost all or part of their liability insurance coverage recently, resulting in cutbacks in important services.

The insurance industry blames the legal system for most of its problems. It claims that expanded legal definitions of "liability" have made it easier for injured parties to win large damage awards. In addition to compensatory damages, which repay economic losses, courts and juries have more willingly awarded damages for intangible "pain and suffering," and to "punish" defendants. Underlying these changes is a change in society's notion of risk. The growing tendency is to insist that someone—particularly someone with "deep pockets" like an insurance company or a city—must pay whenever a person suffers a loss.

Expanded liability and the growth of punitive damages have made it hard to predict a business' insurance needs. But the legal system is only partly at fault. Some of the blame belongs with the insurance industry itself. In the late 1970s, companies slashed prices and sold risky policies so they could invest the premiums at interest rates as high as 20%. These companies no longer get high interest returns, but they must still pay claims on policies sold at deep discounts.

States have primary responsibility for reforming insurance and liability laws, and most states are acting to limit damage awards and strengthen regulation of insurance practices. The most popular approach is "tort reform," which generally seeks to limit damages without restricting the right to sue. Popular ideas include limiting damages to economic loss and cap awards for pain and suffering; limiting punitive damages, or making them payable to courts instead of to plaintiffs; tightening the standard of proof for assigning blame; requiring juries to split shares of fault among several defendants; limiting attorneys' fees to reduce the incentive to seek large damages; forcing the losers in weak cases to pay the winner's legal fees; and fining attorneys who pursue frivolous cases.

Proponents insist that tort reform will allow insurers to manage risks and make policy-writing predictable. But opponents worry that such changes will deprive innocent victims of the right to seek relief in court. As an alternative, they propose overhauling insurance practices, requiring insurers to provide coverage and limiting huge premium increases. Some states have passed laws combining these approaches, limiting insurers' liability but requiring them to provide coverage to communities and small businesses.

While most reforms have been in the states, many want more federal regulation. They claim that under state regulation, insurance prices and supply have fluctuated sharply, and that the variety of state laws makes it hard to predict losses for products sold nationally. One proposal now before Congress would set national product liability standards. Other proposals would provide last-resort federal insurance for industries unable to buy insurance; supervise insurers more closely; make it easier for groups to band together to insure themselves; repeal the anti-trust exemption which, some allege, lets insurers share information and engage in collusive premium-setting. Another evolving idea is to set up alternate ways, such as binding arbitration, to compensate victims without the expense and delay of lawsuits. The President is expected to submit legislation that includes limiting attorneys' fees, capping damages for pain and suffering, and restricting liability to those found at fault. Insurance regulation is a new issue for Congress, and it is unclear what Congress will do to ease the problems of insurers and their customers.

While government discusses these questions, the private sector is trying other remedies. Some business groups have started their own "captive" insurance companies. Many states, counties and municipalities have decided to "go bare"—to operate without insurance—to escape steep premiums and to respond to cuts in coverage. But self-insurance has had only mixed success, and going bare is an act of desperation: one large judgment could financially wipe out a community.

My view is that the liability crisis must be taken very seriously. We all bear the cost of high premiums and excessive awards through taxes and prices and the disappearance of products and services lost to insurance costs. My sense is that, just as the crisis has no single cause, it cannot have a single solution. A combination of public and private measures is needed, and fast.

RESOLUTION TO OPPOSE ARMS SALES TO SAUDI ARABIA

HON. MEL LEVINE

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, April 9, 1986

Mr. LEVINE of California. Mr. Speaker, yesterday the President sent to the Hill a proposal to sell to Saudi Arabia 800 Stinger handheld antiaircraft missiles and 200 launchers, nearly 1,700 Sidewinder missiles, and 100 Harpoon antiship missiles, for a total of $354 million.

Today I am introducing a resolution to prohibit this sale. Its 153 cosponsors are a bipartisan group of Members from across the political spectrum who share a deep concern over U.S. arms sales policy in the Middle East, and for our own national interests. Simply stated, we oppose this sale of more than 2,500 missiles to Saudi Arabia because of the antipathy Saudi Arabia has shown for fundamental United States national security interests in the Middle East. We do not believe this sale would further our own interests in the region.

The United States has several vital national security interests in the Middle East, in addition to just keeping the oil flowing. These interests include broadening the Camp David peace process, combating terrorism while denying terrorists any base of support, and helping our allies Egypt and Israel to maintain their military and economic security.

Saudi Arabia has not only failed to support the United States in each of these three crucial areas, but has actively opposed us.

Examples of this abound. For instance, the Saudis have undermined King Hussein's efforts to involve Jordan in the peace process, working against him in pan-Arab conferences. The Saudis continue to isolate Egypt for its willingness to pursue peace with Israel. They have bankrolled the Palestine Liberation Organization and Syria—the protectors of terrorists implicated in the murder of hundreds of Americans, including the bombing of the Marine barracks in Beirut. Monday morning's Washington Post reported that CIA Director William Casey said in a speech this past Sunday that Saudi Arabia has paid lip service to United States concerns about its funding of the PLO, and that Saudi leaders support the PLO and other terrorist-linked groups. According to State Department representatives, the Saudis give some $90 million a year to the PLO.

Under Saudi leadership, pan-Arab organizations have stepped up efforts to punish American businesses trading with Israel—imposing increasing requirements for United States aid to Israel because of boycott efforts to strangle Israel economically. Finally, the Saudis sided with Mu'ammar Qadhafi in our recent showdown with the Libyan dictator and reportedly pledged to make good on any losses incurred from the American boycott of Libya.

The arguments the administration makes to defend its proposal to sell these missiles to Saudi Arabia are (1) the sale would be a reaffirmation of United States support for and friendship with Saudi Arabia, (2) the missiles are needed to defend against the threat Iran is posing by ground advances into Iraq, and (3) the Saudis need the missiles to maintain their defense capabilities.

None of these arguments are particularly compelling.

First, nearly every transaction between Saudi Arabia and this country has been touted as a "test of friendship." What have we received in return? At what point can we expect that in return for our responsiveness to Saudi security interests, that they respond to ours?

Second, these missiles, which are not scheduled for initial delivery until 1989, will not help Saudi Arabia counter the Iranian threat. The war between Iran and Iraq is being waged on the ground between ground troops, and antiaircraft missiles would be of no use in countering that particular threat.

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Lastly, the Saudis already have a full arsenal of missiles, raising significant questions about the credibility of the administration's argument that the Saudis need the missiles to maintain their defense capabilities. Their capabilities are already great.

For nearly two decades the United States has been almost reflexively granting Saudi arms requests. But our policy has neither yielded Saudi support for key United States initiatives, nor resulting in Saudi cooperation in advancing United States security interests in the Middle East. In fact, selling arms seems to be our only policy with respect to Saudi Arabia—irrespective of its sensitivity to our own interests in the region. There are no compelling reasons to continue this policy. If the Saudis want our cooperation, then let them give us theirs. This pending missile, sale, which meets no legitimate Saudi need, is an appropriate place to halt our unproductive policy.

Mr. Speaker, I would like at this point to address my special concern about the inclusion of Stinger missiles in this package. Yesterday morning the Washington Post ran a story about administration concern over the possible diversion to a terrorist group of Stingers sent to Afghanistan.

Two years ago the administration was considering sending hundreds of Stingers to Jordan and Saudi Arabia. The administration was forced to drop these plans because of congressional concern over whether they might fall into the hands of terrorist organizations or might be used against Israel. Eventually 400 Stingers were sent to Saudi Arabia, but only after a firm assurance from the Saudis that strict security would be maintained and that United States military personnel would accompany the missiles to train the Saudis and to provide an additional layer of security.

Mr. Speaker, the Stinger is sophisticated, effective and portable. It has been called the "ideal terrorist weapon," and "the terrorist's delight," and it is. While I oppose the sale of the administration's missile package to Saudi Arabia, I especially object to the inclusion of the Stingers. Terrorism is on the increase, and desperate terrorists will stop at nothing to obtain every possible means to help carry out their brutality and barbaric undertakings. We should keep these weapons under U.S. lock and key, and not send them to a part of the world where terrorism is the game of the day.

I urge my colleagues to support this resolution of disapproval.

LADY OF LIBERTY

HON. HAL DAUB

OF NEBRASKA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, April 9, 1986

Mr. DAUB. Mr. Speaker, as the renovation of the Statue of Liberty draws near its completion, I would like to take this opportunity to share with my colleagues a beautiful poem by one of my young constituents, Paul Erickson, who is an eighth-grade student at Morton Junior High School in Omaha, NE.

Paul has captured the essence of the American spirit—hope, love, and peace—in "Lady of Liberty" and I am pleased to submit it for preservation in the CONGRESSIONAL RECORD at this time.

LADY OF LIBERTY

(By Paul Erickson)

Crafted of love,
  A gift from our friends.
A symbol of hope
  Her life she lends

In the nation where souls
  And cultures are blended
Though the copper of old
  Needs to be mended.

Our symbol grows weary
  Against wind and rain,
Her eyes are bleary,
  Torch starting to wane.

Our dame needn't worry
  Our hearts hold here near.
She needn't be sorry
  Our love turns her fear.

Our hearts will be shelter
  Against wind and cold,
Our love will shine for her
  A light strong and bold

Till our beloved symbol
  The lady so fair,
Has regained strength to lead us
  To peace . . . from despair.

HIGHER EDUCATION FUNDING CHALLENGED

HON. JAMES J. FLORIO

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Wednesday, April 9, 1986

Mr. FLORIO. Mr. Speaker, I wanted to express my concern about the challenges being posed to Federal funding for higher education by proposed funding reductions and qualification changes. Under restrictions imposed by the Gramm-Rudman budget measure and the administration's budget proposal, the financial aid available to needy students in the form of guaranteed student loans, Pell grants and work-study funds will be severely limited and the ability to advance and realize the dream of achieving an education will become a privilege limited to very few and an attainable dream to the majority.

I opposed the Gramm-Rudman measure and voted against the administration's budget, which was rejected by both the House and the Senate. I am concerned about the increasing threat to education programs and I would like to urge my colleagues to ensure that any budget resolution the Congress approves provide for continued funding of these education programs that have been so essential to our Nation's successful development.

The first round of cuts under the Gramm-Rudman measure has already had an impact on higher education institutions in my district and across the Nation. I recently received a document produced by the U.S. Department of Education that indicated that Gramm-Rudman has not had an equal effect on all colleges. Specifically, under the work-study funding, I was concerned to learn that several institutions in New Jersey are being asked to forfeit a higher percentage of work-study funds than the 4.3 percent originally envisoned. Work-study funds for Camden County College students in Blackwood, NJ, were cut by 12.5 percent from an estimate of $276,073 to $241,556. Funds for Gloucester County College were cut by 4.8 percent from $47,374 to $45,069. Hudson County Community College of Jersey City has suffered a 22.41 percent damage from $144,192 to $111,873; the Wilfred Academies of New Jersey a 10.98 percent reduction from $131,745 to $117,277; and the Institute of Business and Technology of Newark a 23.85 percent reduction from $92,878 to $70,727. Larger institutions in New Jersey will suffer the standard 4.3 percent cut. These varying percentages do not indicate an equal sharing of the burden of the Gramm-Rudman cuts.

These figures are taken from the "United States Department of Education Campus-Based Student Financial Assistance Programs—Comparison of Award Year 1986–1987 Tentative Awards: Actual Awards According to the Balanced Budget and Emergency Deficit Control Act of 1985." They indicate in some instances 80 percent cuts in the face of a mandated Gramm-Rudman-Hollings reduction of 4.3 percent in domestic programs.

Higher education funding has been further threatened by the administration's budget proposals which I was pleased to oppose. Under proposed modifications in the Guaranteed Student Loan Program that would have eliminated the interest subsidy, the partial elimination of the special allowance during the repayment period, the elimination of the administrative cost allowance [ACA], and the proposed cost sharing of defaulted loans, the New Jersey allowance would be decreased from $246 million to $173.8 million impacting 49,000 students. Changes in the Pell Grant Program would have eliminated or reduced the awards of 12,600 New Jersey students with a $10 million decrease. Work-study and TRIO programs were again challenged under this proposal.

Currently, the Congress is considering proposals for next year's budget. In addition, the Higher Education Reauthorization bill, H.R. 3700, which I was pleased to support when it was approved by the House last session, is progressing further in the Senate. The Senate version bars Pell grants to students with more than $30,000 in annual family income while the House bill has no income cap. A need test is implemented for the Guaranteed Student Loan Program.

Education programs in our Nation have a long history of success and can only help to enhance our growth and development. I would like to underscore my concern about the future of these vital programs in the face of challenges posed by Draconian budget cuts. Mr. Speaker, I urge my colleagues to join me in continuing to demonstrate support for these programs and in ensuring that their funding is not unjustly and inequitably jeopardized.

REFUGEES FROM NICARAGUA IN THE UNITED STATES: THEY DON'T NEED BOATS

HON. RON PACKARD

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, April 9, 1986

Mr. PACKARD. Mr. Speaker, debate on aid to the Nicaraguan Contras has focused attention on why we are involved in the affairs of a tiny Central American nation. Those of us who support aiding the anti-Communist Contras want our fellow countrymen to understand the historical parallel between this budding Marxist-Leninist regime and other such governments around the world. Examples abound for our side of the debate: the Soviet Union, Hungary, Czechoslovakia, Poland, China, North Korea, Cuba, Afghanistan, Vietnam, Cambodia, Laos, and now Nicaragua. Our opponents wish to equate intervention in Central America during the 1980's with our previous experience in Southeast Asia.

"No more Vietnams," goes the peace cry. We have a moral obligation to prevent more killing, they tell us. My response to those voices is direct and it considers the tragic consequences of extending the misery in Central America:

No policymaker with whom I have spoken wants to see more blood spilled in Nicaragua. Let us seek answers from historical example, though. Did the killing end in Southeast Asia when Americans left? Just ask Dith Pran or Dr. Haing S. Ngor. Did the killing end in the Soviet Union after Stalin strengthened his grasp there? How are Afghan citizens faring today? Has the incarceration and torture of human rights activists in the Eastern bloc ended?

Of course I ask these questions rhetorically. Turn to one of many nonpartisan publications available in the West to learn of the means by which Soviet doctors fed Dr. Andrei Sakharov—means which Sakharov equated with the dreadful torture Orwell described in his last novel, 1984. Dr. Ngor, whose real life was remarkably similar to the character he portrayed in "The Killing Fields," recently told an audience in San Diego that his movie was not bloody enough. Dan Rather's reports from inside Afghanistan have shown us the extent of Soviet atrocities committed against the men, women and children who have resisted Communist oppression there.

Many common citizens simply would rather not stay and face the uncertain future lived perilously by the people I have just mentioned. Thousands of frightened civilians leave their war-torn homes and seek refuge in the safest host country they can find. Even after the war is over and Communist reeducation begins, many more thousands flee totalitarian oppression. The following table underscores my point as it applies to the situation in Southeast Asia.

IMMIGRATION STATISTICS FOR 1973–85 FOR INDIVIDUALS ENTERING UNITED STATES FROM SOUTH EAST ASIA

	1973	1974	1975	1976	July to September 1976 [1]	1977	1978	1979	1980	1981	1982	1983	1984	1985
Country of origin:														
Kampuchea	66	40	98	103	23	126	3,677	1,432	2,801	12,749	13,438	18,120	11,856	13,563
Laos	46	61	96	137	26	237	4,369	3,565	13,970	15,805	36,528	23,662	12,279	9,133
Thailand	4,941	4,956	4,217	6,923	1,173	3,945	2,574	3,194	4,115	4,799	5,568	5,875	4,885	5,239
Vietnam	4,569	3,192	3,039	3,048	1,182	4,629	88,543	22,546	43,483	55,631	72,553	37,560	37,236	31,895
Total	9,622	8,249	7,450	10,211	2,404	8,937	100,163	30,737	64,369	88,984	128,087	85,217	66,256	59,830

[1] July to September 1976 represents the transition quarter when the federal government's fiscal year calendar was changed to its current schedule.

Note—Total immigration from S.E. Asia from 1973–85: 670,516.

Source: The numbers for each year's immigration were supplied by the U.S. Immigration and Naturalization Service, Office of Statistics.

One significant difference distinguishes Nicaragua and its neighbors from Vietnam and the countries in that region. Central America has been a long-time interest for the United States. We have diplomatic, economic and cultural links with Latin America that extend back to the earliest days of our independence. Among the first settlers in the American West were missionaries of Spanish origin and descent. They left in their trail a northward-bound path of social and commercial activity. Spanish military presence in the Caribbean and in Central America prompted President James Monroe in 1823 to warn all potentially hostile world powers that the United States sphere of influence extended into the region.

Monroe's diplomatic edict has echoed ever since that time. The 1848 Treaty of Vera Cruz gave Mexico's vast holdings north of the Rio Grande River to the United States. Cuba's importance to the United States led to the 1896 Spanish-American War. Our 1903 treaty with Colombia was a first step toward the secession of Panama and construction of the Panama Canal. Mexican revolutionaries secured American support in their 1913 war of independence.

In the early 1960's, the clearest 20th century indications of U.S. interests in Central America were set forth. Cuba presented the greatest foreign policy challenge to President Kennedy during his tenure from 1961 to 1963. Lyndon Johnson sent 14,000 troops to intervene in the Dominican Republic's civil war.

I have tried to present the legitimate historical context and lessons we must appreciate as we decide what our response should be to Nicaraguan communism. We also must see two faces on what is happening in Managua today: the interests we have in encouraging free governments and economies in the region, and the point we must make about Soviet adventurism in our hemisphere.

Efforts to promote free governments and free, healthy economies must persist among our neighbors to the South. The most disturbing side-effect of instability in Mexico today is the flood of illegal aliens who enter the United States. Border patrol officials report that 200,000 illegal immigrants per month cross the border in San Diego alone. Lucrative jobs paid for in United States dollars draw poverty-stricken immigrants from Mexico, whose oil-based economy will only get worse before it gets better. Continued political corruption and insensitivity only increase the stakes.

In this context we deal with Soviet-backed Communists in Nicaragua. Political refugees are now heading North. Best estimates gauge the Nicaraguan exile community in Miami alone at over 60,000. Of the 200,000 refugees who have left Nicaragua, up to 95,000 reside in Costa Rica—only 15,000 are officially documented; 16,000 live in U.N. camps in Honduras, 16,000 live in camps run by Friends of the Americas and an additional 50,000 are undocumented aliens in Honduras. Today more than half of the refugees head north.

Between Costa Rica and the United States border, approximately 103.25 million people live in nations threatened by various stripes of Communist insurgents, one Communist government and a region-wide condition of political instability. If Southeast Asia is a fair measure, and I believe it is if we continue to deny the need for active resistance against the Sandinista's plans for revolution beyond their borders, we can count on a massive exodus of frightened common citizens to our apparently stable land.

In the final analysis, Nicaragua is a latent threat of enormous proportions. This is especially true if we allow their foothold to consolidate and then to move on the American continent. Maybe not tomorrow, but in the very near future the economic burden of so many thousand war and political refugees will undermine our own stability.

Furthermore, a major logistical problem that prevented more Cambodians, Laotians, Thais, and Vietnamese from coming to our shores will not impede Nicaraguans, Salvadorans, Hondurans, Guatamalans, and the rest. We must never forget this about Central Americans: They don't need boats.

AMERICAN BAR ASSOCIATION CONFERENCE REPORT ON TAX REFORM

HON. JOHN J. DUNCAN

OF TENNESSEE

IN THE HOUSE OF REPRESENTATIVES

Wednesday, April 9, 1986

Mr. DUNCAN. Mr. Speaker, the American Bar Association Section of Corporation, Bank-

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ing, and Business Law held a conference on tax reform in November 1985. The conference has prepared the following statement on several aspects of tax reform, including corporate income tax, capital gains, and capital investment incentives. The following is a portion of the conference report.

American Bar Association Section of Corporation, Banking, and Business Law Conference

INTRODUCTION

President Reagan established as a goal for his second term a fundamental reform of the Internal Revenue Code (the Code). Criticizing the present Code as being overly complex and inequitable, the President called for simplicity, a lowering of rates and winnowing out of deductions, exemptions, credits and allowances.

The President's proposal (of May 29, 1985) has come to be known as Treasury II, since it was based on a prior Treasury Department Report of November, 1984, now referred to as Treasury I.

In view of the importance of fundamental tax reform to the members of the American Bar Association's Section of Corporation, Banking and Business Law, the Section Chairman, John Subak, appointed an ad hoc committee on tax reform.

That committee prepared a statement of the Case for Reform and Goals for Reform. It then conducted a conference on tax reform from the business perspective and submits this report of that conference.

TAX REFORM CONFERENCE, WINTERGREEN, VA, NOVEMBER 7–9, 1985

Under the sponsorship of the section, fifty-six men and women participated. There were twenty-one lawyers in private practice, seven lawyers with corporations, six academicians, eight governmental representatives, eleven persons from business and finance and three practicing certified public accountants.

The participants divided in small groups debated for one full day six specific issues relevant to business taxation. On the second day similar small groups drafted specific proposals for presentation in the final one-half day to the plenary session for final debate, revision and vote.

POSITIONS TAKEN BY THE CONFERENCE

The views expressed by the Conference are to be ascribed to the Conference as a whole and not to the American Bar Association, or any Section or Committee thereof, nor to any individual participant nor to any of the organizations with which the participants are affiliated.

SUMMARY OF CONFERENCE POSITIONS

1. Corporate Income Tax—While the Conference did not call for the outright repeal of the corporate income tax, it did endorse partial integration of the corporate income tax with the individual income tax by permitting corporate taxpayers a dividend paid deduction.

2. Capital Gains—The Conference found that the existing preferential treatment of capital gains is a significant factor in inducing investment and business growth and should be maintained at current levels. Further, there should be no distinction between the capital gains treatment permitted under the Code for corporations and individuals. Additionally there should be no distinction in the capital gains treatment of different categories of assets now eligible for taxation at capital gains rates. Finally, replacing the capital gains differential with indexing for inflation would be unduly complex and should not be adopted.

3. Capital Investment Incentives—While the Conference recognized the need for maintaining certain capital investment incentives for "over-riding social and economic considerations", it also concluded that such incentives have been afforded too readily. The Conference did agree—

(i) Generally business tax incentives should not be permitted which are likely to result in a pretax loss and an after tax gain;

(ii) Depletion deductions in excess of basis should be eliminated;

(iii) Industrial Development Bonds for non-public purposes should be eliminated;

(iv) ITC should be eliminated so long as the depreciable lives now in the law are retained; and

(v) Recapture of depreciation, including straight line depreciation, upon disposition of an asset is recommended for all property including real property.

4. Time Value of Money—The Conference recognized that there is a need for tax rules dealing with time value of money issues. Noting the complexity of such rules, the Conference called for high thresholds for any such rules to become operable and recommended the simplification of the existing provisions and consolidation of those provisions in one section of the Code.

5. Inflation Indexing—The Conference agreed that taxpayers should not be required to apply indexing formulae and procedures for purposes of calculating any income tax liability.

6. Enactment and Administration of Tax Laws—

A. The need for certainty and stability in our tax laws was emphasized by the Conference and the rapidity of change was decried.

B. Targeted tax provisions based on narrow social and economic goals (as distinguished from revenue raising) were recognized as the "heart of the complexity of the system".

C. The Conference called for better administration and enforcement of our tax laws and recognized the need for greater cooperation between tax practitioners and the Internal Revenue Service (IRS). The Conference applauded the efforts of the Treasury and the IRS to promote the general goal of voluntary compliance and recommended appropriate sections and committees within the ABA maintain ongoing contact with the Treasury, the IRS and other agencies of the Government concerned with the tax system to serve as a basis for more support of taxpayer compliance.

7. Alternative Tax Sources—

A. The Conference expressed profound concern with the way Congress determines spending and tax levels. Without improvements in procedures to control spending, the Conference was most reluctant to entrust the Congress with a Value Added Tax (VAT), or even a simplified income tax.

B. Subject to the concerns expressed in the preceding paragraph, the Conference concluded that no new tax other than a VAT is feasible. A VAT should be at a single rate with regard to all goods and services and with no exclusions and no rate differentials. Concerns with regressivity should be addressed with credits and refunds administered by existing agencies.

C. The Conference did not consider a minimum corporate income tax at a high rate an acceptable source of revenue. Such a double-track system, by its nature, is complex. A minimum tax at a high rate also destroys the incentives which Congress determined were necessary in the basic system. If changes are to be made, they should be made in the basic system.

D. The Conference urged Congress to resist pressure to make any snap decisions, particularly in selecting any alternative source of revenue such as VAT. The effective date of any structural change in the tax law, such as a VAT, should be at least one year after date of enactment.

8. Single Track Litigation System—The Conference rejected a proposal for a single track litigation system for all tax disputes.

The Planning Group's statement of the Case for Reform and Goals of Reform, the six issues prepared for the Conference's deliberations, the full report of the results of the Plenary Session and a list of Conference participants follows.

THE CASE FOR REFORM

The case for tax reform has developed from a broad consensus that the present income tax, as it is written and administered, is unsatisfactory. This consensus has spawned various proposals for change, including the administration proposal of May 28, 1985 described by the President on national television with the catchwords, fairness, simplicity and growth. No one could catalogue all the circumstances that have produced dissatisfaction with the federal income tax, but major problem areas are identified with some regularity.

Complexity, compounded by frequency of change, is a well known major problem with the federal income tax. The results are perceived to include unnecessary costs of compliance, unfair benefits to persons with access to sophisticated advisors, the creation of disrespect for the law, major difficulties in making legitimate business and investment decisions and substantial uncertainties that unnecessarily interfere with economic activity. Complexity, compounded by the accelerating rate of change, has produced advocates for revision in the tax law to make it simple, easily understood and its application known before long-term decisions are made.

The present income tax system also has received widespread criticism for its effect on the allocation of resources within our society. The charge is that the income tax system results in investments that would not otherwise be undertaken at the expense of possibly better alternatives and in unnecessary impediments to an efficient economy. The use of the tax system to influence economic activity also contributes to complexity and reduces revenue with the result that rates must be higher for other taxpayers. Recent changes in the depreciation system, together with the investment tax credit, produced large disparities in marginal tax rates across industries. Although there is agreement that there are too many economic incentives and support for the theory that the income tax should be "neutral" with respect to such matters, various groups will disagree with respect to which incentives should be retained. Incentives packaged as preserving or encouraging economic growth are currently in vogue. Growth promoted by the Code in one area or sector inevitably skews the allocation of capital away from a free market determination.

The view is widespread that the income tax system is unfair for an enormous variety of reasons, including the belief that tax breaks or shelters are the province of the powerful or wealthy. The perception is that persons in comparable circumstances should be treated alike and that special exceptions

and "loopholes" make the income tax unfair.

The public's view of the income tax, the determination of many to avoid taxes and some to evade taxes and the income tax's incredible intricacies have resulted in compliance problems for both the taxpayer and the Government. Taxpayer attitudes have contributed to the growth of tax shelter investments and are generally thought to result in an underground economy. In turn, the current Government efforts against what the IRS views as abusive tax shelters and the underground economy have consumed substantial public and private resources which could better be devoted to other purposes.

The marketing of "aggressive" tax advice by professionals has created problems not only for the Government and taxpayers, but also for professionals in their relationships with the Government, their clients and investors in various enterprises. Despite Governmental standards embodied in Circular 230, increased penalties imposed by the Code, law suits against tax advisors and professional ethics opinions, these problems have continued and are, in part, attributed to the complexities and ambiguities of the current income tax.

The problems associated with the federal income tax have led to suggestions for alternative means of raising revenues, such as a value added tax or a national sales tax. The prospect of serious consideration of such proposals is heightened currently by large deficits which limit suggestions for reform.

HONORING THE UNION CONGREGATIONAL CHURCH ON ITS 100TH ANNIVERSARY

HON. GARY L. ACKERMAN

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, April 9, 1986

Mr. ACKERMAN. Mr. Speaker, I rise today in honor of a truly momentous occasion—the 100th anniversary of the Union Congregational Church of Richmond Hill, NY.

Located at 115th Street and 86th Avenue in Queens County, the Union Congregational Church had its beginnings when Richmond Hill was still a peaceful country village. In 1884, a group of men and women met at the association hall—a loft over a store on the northwestern corner of Myrtle and Hillside Avenues—and established the Richmond Hill Christian Association, which was later to become the Union Congregational Church and Society of Richmond Hill.

By 1946, the church had an active membership of 1,640 that included among its local luminaries the American journalist, author, and social reformer Jacob Riis and his wife, and Elizabeth and Clarissa Van Ingen—whose family members still attend the church. Today the congregation has a membership of over 300, and is an active member of the United Church of Christ and the Queens Federation of Churches. The Union Congregational Church is a well-established landmark of Richmond Hill and Queens County, a spiritual center with a distinguished legacy and a proud future.

Mr. Speaker, a communal feeling of religious devotion is especially demonstrated by the congregants of this church through their charitable works. The Men's Club and the Women's Fellowship are two church organizations whose main concerns focus on the welfare of the membership and the community. Their faith and good works are a source of inspiration to people of all faiths.

In celebration of its centennial, the church has organized a year-long series of events which will culminate with a special anniversary service on April 13. The service will be a reunion of all former members of the church and will feature several speakers and former ministers of the church.

Mr. Speaker, throughout its distinguished history, the Union Congregational Church has been a source of comfort for its congregation and strength for the entire Queens community. I would particularly like to commend the Reverend Nevin M. Kirk, the dedicated pastor; Robert K. Stower, chairman of the board of trustees; and Herman Thiene, chairman of the board of directors. Their contributions, as well as the commitment of the other fine officers and members, have made the Union Congregational Church such an outstanding institution.

Mr. Speaker, I call on all of my colleagues in the U.S. House of Representatives to join with me now in congratulating the Union Congregational Church of Richmond Hill on the auspicious occasion of its 100th anniversary.

ARIZONA STATE APPROVES MEMORIAL URGING CONGRESS TO PURSUE STRATEGIC DEFENSE INITIATIVE

HON. ELDON RUDD

OF ARIZONA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, April 9, 1986

Mr. RUDD. Mr. Speaker, the Arizona State Senate recently approved Senate Memorial 1002, urging the Congress of the United States to pursue a strategic defense initiative and to develop and construct a space-based, nonnuclear defensive system. At the same time, I would like to reaffirm my support for the strategic defense initiative, and I am taking this opportunity to submit the text of Senate Memorial 1002 for consideration.

SENATE MEMORIAL 1002

A MEMORIAL URGING THE CONGRESS OF THE UNITED STATES TO PURSUE A STRATEGIC DEFENSE INITIATIVE AND TO DEVELOP AND CONSTRUCT A SPACE-BASED, NONNUCLEAR DEFENSIVE SYSTEM

To the Congress of the United States of America:

Your memorialist respectfully represents:

Whereas, it is the constitutional duty of the United States Government to "provide for the common defense"; and

Whereas, the United States Government does not now possess any defensive means of protecting the American people against incoming enemy missiles launched from any country in the world; and

Whereas, the shift in the strategic balance in favor of the Soviet Union has undermined the credibility of our deterrent, which is based on the doctrine of mutual assured destruction and the use of offensive nuclear weapons; and

Whereas, President Ronald Reagan asked a crucial question on March 23, 1983: "Isn't it better to save lives than to avenge them?", and the United States needs a new strategy of mutual assured survival which can make nuclear weapons obsolete; and

Whereas, arms control treaties alone cannot protect us, since even a perfect agreement with the Soviet Union would leave the United States undefended against the threat of nuclear missiles launched accidentally, launched by a terrorist or launched by an irrational decision of a Third World regime; and

Whereas, the Soviet Union is moving to defend its people from nuclear attack, and we cannot afford to let the Soviet Union seize the high frontier of space and develop a defensive system before we do; and

Whereas, on June 10, 1984, the United States Department of Defense successfully conducted a test over the South Pacific which proved that we have current technology to intercept and destroy incoming missiles before they destroy us; and

Whereas, a system, commonly known as High Frontier, involving the use of nonnuclear satellites to intercept and destroy nuclear missiles targeted at the United States or the territories of our allies is currently available; and

Whereas, the Strategic (High Frontier) Defense Initiative offers the United States a way out of the continuing spiral of building more and more costly offensive weapons because it cannot kill people (it can "kill" only missiles) and it would function to keep war out of space because it is solely defensive.

Wherefore, your memorialist, the Senate of the State of Arizona, prays:

1. That the Congress of the United States give prompt attention to the development, construction and placement of a space-based, nonnuclear defensive system.

2. That the Secretary of State of the State of Arizona transmit copies of this Memorial to the President of the United States Senate, the Speaker of the House of Representatives of the United States and to each Member of the Arizona Congressional Delegation.

TRIBUTE TO ROSE E. WATSON

HON. BOB TRAXLER

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Wednesday, April 9, 1986

Mr. TRAXLER. Mr. Speaker, I rise to pay tribute to a most distinguished individual, Mrs. Rose E. Watson, who has dedicated the past 30 of her 97 years to providing personal and financial support to hundreds of high school students. I am honored to recognize Mrs. Watson's outstanding contributions to her community of Saginaw, MI as businesswoman, volunteer, and generous benefactor. A devout Catholic, Mrs. Watson demonstrates her religious commitment through her lifestyle of selfless giving. As director of the Watson Foundation, established by her late husband, John Watson, to provide college scholarships to high school students, Mrs. Watson has provided over 500 students with financial assistance, amounting to over $3 million.

Even more than the monetary support, Mrs. Watson, has generously given of her personal time and friendship to each student individual-

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ly, taking a special interest in his or her goals and ambitions. In return, Rose Watson receives the satisfaction of having helped needy young people to achieve their dreams. She is also rewarded through constant letters and phone calls from grateful students.

Prior to her work with the Watson Foundation, Mrs. Watson's career began at age 16 as a factory worker in her hometown of Faribault, MN. She then supported herself through work in a department store until she married John Watson, and became bookkeeper in his J.C. Penney store in Saginaw, MI. In 1953 the couple started the Watson Foundation, and Rose took on the responsibility of distributing scholarships, with the help of a board of directors she assembled. Although she had only an eighth grade education, Mrs. Watson took correspondence courses in English, math, and finance to develop skills needed for running the foundation. In 1976, she received an honorary doctor of humane letters from Aquinas College for her contributions to youth.

Mrs. Watson has spent her life in commitment to her community, through her extraordinary service and generosity to young people, and I ask my colleagues to join me in honoring her and wishing her continued success and much happiness.

EMILY EDWARDS' ESSAY

HON. JAMES H. (JIMMY) QUILLEN

OF TENNESSEE

IN THE HOUSE OF REPRESENTATIVES

Wednesday, April 9, 1986

Mr. QUILLEN. Mr. Speaker, I am pleased today to bring to the attention of my colleagues the first place essay in Johnson City, TN, radio station WETB's recent American History Month Essay Contest. Miss Emily Edwards, a seventh-grader at Sulphur Springs School in Jonesborough, TN, won the contest with an outstanding essay concerning our cherished liberty which we often take for granted. I want to congratulate Emily Edwards and WETB. Miss Edwards' essay follows:

What America Means to Me

My name is Dinah. I am in a prison camp because I am Jewish. I was ordered here by a very mean man, Hitler. They took all of my clothes, and I have been standing for seven days. I haven't seen my mother for at least two months. But I was one of the lucky ones; two hundred of us were sentenced to death and twenty were shot on sight. Now I am waiting to be taken to a gas chamber or to be hung, if I don't starve to death first.

My name is Tonel. I have been taking care of my mother for a long time because she is very sick. She doesn't have enough food and water, but neither does anyone else in our village. She needs food to get better, but we can't grow any. Our soil is too poor. It is also very hot here. It is hard to work in the hot sun to try irrigation. We can't do much, but we can pray for a miracle. My baby brother died yesterday; he starved. My older brother died of a fungus infection. He had sores on his head and his body. Right now, more than anything, I would like food and water and good health for my family.

My name is Nadia. I love to write poetry, but the government will not let me write what I want or what I feel. They do not like poetry about other countries and how I wonder what they are like. I get in trouble for asking questions and stating my opinions in school. The government doesn't approve of my curiosity of other nations and their people. I can't practice my own choice of religion; it is chosen for me.

My name is Emily. I am looking forward to a dance my school is having. I realize kids in other countries do not have opportunities to go to dances, ballgames, or even movies; but I enjoy these things. I enjoy being with my friends and making new friends. I also enjoy being able to exercise my own choice of religion. I can also give my opinions to high authorities or my teachers and I won't get in trouble.

Being an American, I am free and have the right to my opinions and opportunities to learn, study, and develop. I have plenty of food and resources and will help those in need. When I get older and have a bigger voice on decisions, I will do my best in making my community, state, and nation better places in which to live.

Dinah, Tonel, Nadia, and Emily are all teenagers of the past and present. Emily is lucky because she lives in America and she is free. I am glad that I am Emily.

LEYTE LANDING DAY

HON. NORMAN D. SHUMWAY

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, April 9, 1986

Mr. SHUMWAY. Mr. Speaker, October 20, 1986, will mark the 42d anniversary of the allied forces' return to Leyte in the Philippine Islands, in fulfillment of a solemn national promise to liberate the Philippine people from the Japanese empire. Led by Gen. Douglas MacArthur, the 420 transports carrying 165,000 men of the U.S. 6th Army and 157 warships manned by 50,000 sailors fought at Red Beach and represented the largest operation yet conducted in the Pacific war. It was the combined efforts of Philippine scouts and the allies which resulted in the eventual defeat of the Japanese forces and changed the direction of World War II in the Pacific.

While much recognition is accorded the events which occurred at Normandy on D-Day, the events which transpired at Leyte over a 4-month period in 1944–45 have not received recognition commensurate with their significance. Last October I attended a ceremony in my congressional district to pay tribute to the brave men who turned the tide of the war in the Pacific theater. The ceremony was highlighted by the reading of a letter from General MacArthur's widow; however, I believe this ceremony and others like it would have been greatly enhanced by a resolution from the U.S. Congress expressing appreciation for the sacrifices of these men and the freedoms for which they fought.

Thus, I am introducing today legislation which would designate October 20, 1986, as "Leyte Landing Day," a day for national remembrance of the return to Leyte. I encourage the support of the Members of the House for this resolution.

MARIA CHAMBERLIN, INDIANA VOICE OF DEMOCRACY WINNER

HON. JOHN HILER

OF INDIANA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, April 9, 1986

Mr. HILER. Mr. Speaker, I would like to share with this body an essay written by an outstanding young Hoosier from my congressional district.

Maria Chamberlin, a senior at Mishawaka High School in Mishawaka, IN, was the winner of the 1985–86 VFW Voice of Democracy Scholarship Program in my State and she went on to place fourth in the national competition in Washington.

In her essay, Maria has some words of advice for her young peers about how to meet the challenges of today's world, which as she puts it, sometimes runs about as smoothly as "a car with square wheels." Some of the deliberations that face us in the House of Representatives are about that smooth too, so I think that while we may not have been Maria's intended audience, we can still be inspired by her message.

New Horizons for America's Youth

(By Maria Chamberlin)

I doubt if there is any American youth of my generation who hasn't experienced the excitement of following Dorothy and her delightful friends down the yellow brick road—down that yellow brick road until we saw, gleaming on the distant horizon, the Emerald City. The Emerald City—the horizon of hope and dreams. The horizon of knowledge for the scarecrow without a brain, the horizon of love for the Tin Man who longed for a heart, and the horizon of courage for the cowardly Lion.

We remember, of course, that their dreams were temporarily shattered by the well-meaning, but fraudulent wizard. The happy ending, did come, but only after the wizard was forced to admit that the dreams on the horizon were not somewhere "over the rainbow" but lie within.

Isn't it the same America's youth seeking the good things in life, out there on the horizon, rather than realizing that life's greatest gifts really are within each us? And aren't these the same gifts the scarecrow, tin man and lion were seeking—knowledge, love, and courage—the same gifts that millions of young Americans before us have reached for?

But knowledge, love, and courage don't come easily. Oh, we don't have to deal with the wicked witch of the west: However, we must cope with the ever-present obstacles of apathy and ignorance. Isn't knowledge the first step in overcoming these obstacles? . . . a knowledge of the past, of where we've been of who we are: a knowledge of the great contributions to freedom by men like Franklin, Lincoln, Kennedy, and King. It's knowledge that gives young people of this land a sense of home and optimism.

Most of us have only to look around at where we are, at pain, at waste, at confusion, and ask if this has to be. When we allow ourselves to be puzzled, to ask, "Why"? We can start to make things happen in America, rather than let them happen to us. This knowledge, this awareness leads to caring—and to care is to

"love". Love such as the Tin Man experienced when he finally found his heart.

During a recent visit to this country, Mother Theresa told American students, "Each of us has a mission to fulfill, a mission of love!" She's right. Our part in life may be a humble one, but whether we play the instrument, or sweep up after the performance—we have a role to play. Being young and alive means that we have been written into the script of this magnificent drama of America. We are needed . . . to care, to serve, to love.

For many of us, though, to "Reach out and touch someone" is difficult. Psychologists suggest that we hestitate to get involved because of the risk, the fear of the unknown, the kind of fear that frustrated the cowardly Lion on his way to Oz. Fear suggests the presence of danger, but the real danger for America's youth is in refusing to take any risks at all.

I like the advice that Alan Alda gave at his daughter's commencement: "Don't be scared", he said, "You're being flung into a world that's running about as smoothly as a car with square wheels. Be bold! Have the nerve, have the courge to go into unexplored territory". Can we as young Americans find such courage? The courage the cowardly Lion found on his horizon?

We can and we will, if we draw upon our knowledge potential and the inner strength of love. Knowledge, love courage! Without these, despair and hopelessness loom on the horizon. We could find ourselves as despondent as the college student whose world had crumbled about him. With financial hardships, poor grades, family problems and virtually no hope in sight, he yearned for outside help. He finally went to a psychiatrist who claimed he could help and suggested they begin with a visit to the town circus to see Grimaldi. Grimaldi the clown would surely cheer him up. With a disappointed look in his eyes, the young man responded: "But Doctor, I am Grimaldi!". At that moment, the college student, like Dorothy and her lovable companions, made the ultimate human discovery, the same discovery made by millions of young Americans in the past, the discovery that the "New horizons for America's youth", the horizons of knowledge, love, and courage are not out there somehwere over the rainbow, but really do lie within.

A CONGRESSIONAL TRIBUTE TO JAMES EARLE CHRISTO, OUTGOING MAYOR OF BELLFLOWER, CA

HON. MERVYN M. DYMALLY

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, April 9, 1986

Mr. DYMALLY. Mr. Speaker, I rise and extend my hat to honor James Earle Christo. He will be concluding his term as mayor of Bellflower on April 15, 1986. Those of us who have worked closely with Mayor Christo will deeply miss the hand of this dedicated citizen in public life. Through hard work, he has earned the respect of his peers and helped make Bellflower a better place to live and work.

Earle has held many distinguished positions in his 74 years, contributing countless hours of service and dedication to his community.

A 50-year fraternal brother of Al Malakiah Shrine and a charter member of the Bellflower Elks, Mayor Christo and his wife Ruth have been loyal and active citizens of Bellflower for many, many years. Mayor Christo's election to the Bellflower City Council in 1982 was concrete demonstration of the esteem in which he is held by fellow citizens of Bellflower.

Prior to his political career, Earle was a Pacific coast basketball referee and a football, basketball, and baseball coach. He remains highly active in these sports even today.

A respected Republican leader, Mayor Christo has served his constituency with fervor and zeal. He shows no partisanship when it comes to the welfare of his community.

The many achievements of James Earle Christo would fill a book. A noteworthy milestone was his participation and influence in the passage of Proposition 13 in California. This legislation made it possible for homeowners to retain their homes through redress from excessive taxation.

It is with great honor and pleasure that I join with the many organizations and elected officials in our area to honor my good friend James Earle Christo with a certificate of achievement for his outstanding work.

SALUTE TO ELLIS COPELAND

HON. GUS YATRON

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, April 9, 1986

Mr. YATRON. Mr. Speaker, it gives me great pleasure today to recognize and honor Deacon Ellis Copeland of Reading, PA. On April 25, 1986, Deacon Copeland will be honored with a special service at St. John's Baptist Church in Reading.

This special event will recognize Deacon Copeland for his 41 years of tireless, dedicated service to St. John's Baptist Church, the city of Reading and the surrounding area. He served as chairman of the deacon board at St. John's for 40 years and presently serves as deacon meritorious. He has also served on numerous community boards, the Central Baptist Association and the Layman League of Pennsylvania.

I want to commend Deacon Copeland for his hard work and service to St. John's and the surrounding community. Through his efforts and leadership, the St. John's congregation has grown and flourished. The work of citizens like Ellis Copeland helps form the foundation of America's heritage as "One Nation Under God." I know that all of my colleagues will join me in congratulating Deacon Copeland for his 41 years of dedicated service and in wishing him continued success and good fortune in the future.

ADMINISTRATION VIEWS ON INDIAN GAMBLING

HON. BARBARA F. VUCANOVICH

OF NEVADA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, April 9, 1986

Mrs. VUCANOVICH. Mr. Speaker, H.R. 1920, the Indian Gaming Control Act, has been on the schedule for a number of weeks. I would like to take this opportunity to let the Congress know what the administration's views are on this bill and provide this body with a summary of the administration's proposal to regulate Indian gambling.

The attached letter to Congressman UDALL is from John R. Bolton, Assistant Attorney General, U.S. Department of Justice. It outlines the administration's position on this issue. The administration's proposal does not intend to interfere with so-called ceremonial gaming that is conducted along with tribal rituals. The administration's proposal does establish a Federal commission to regulate bingo, but requires that all other forms of gambling be regulated by the 50 States according to State laws and regulations.

I thought my colleagues should know that this is the administration's position on this bill and that Senator DOMENICI plans to introduce the administration's proposal.

Office of Legislative and
Intergovernmental Affairs,
Washington, DC, March 20, 1986.

Hon. Morris K. Udall,
Chairman, Committee on Interior and Insular Affairs, U.S. House of Representatives, Washington, DC.

Dear Mr. Chairman: We understand that the Committee on Interior and Insular Affairs has reported H.R. 1920, a bill to establish federal standards and regulations for the conduct of gaming activities on Indian reservations and lands, and that the bill may soon reach the floor of the House of Representatives for a vote. This Department has previously expressed its concerns with H.R. 1920 and we would like to reiterate our opposition to its passage as presently drafted.

As you know, the Department of Justice is responsible for criminal law enforcement as well as representation of the Secretary of the Interior in matters involving Indian tribes. Thus, we are in a unique position to perceive all of the possible ramifications of H.R. 1920, recognizing both the very real and serious potential for criminal infiltration in such a lucrative enterprise as well as the economic benefit such an enterprise can afford the Indian tribes. The Department testified in November 1985 on proposals to address the issue and outlined the major concepts of the administration's policy on Indian gambling that is very close to being finalized.

A major objection to H.R. 1920 is that it fails to recognize that widespread, high-stakes gambling on Indian reservations, involving large sums of cash and lucrative peripheral service industries, would draw organized crime like a magnet, and in its trail would follow fraud and corruption. Indians are no more susceptible to infiltration by organized crime than any other segment of society. It is, however, the inherent nature of the enterprise itself that we have seen time and time again draw criminal elements

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solely because there is so much profit to be made. H.R. 1920 fails to provide the high degree of regulation and control, including intensive background checks, licensing procedures, management contract review and approval by the Secretary, auditing and oversight that is necessary to ensure the integrity of the games this legislation intends to legitimate.

Of significant concern to this administration is H.R. 1920's fragmented approach to enforcement. First, the bill requires that the National Indian Gaming Commission adopt comprehensive regulations for class III gaming which are "identical to that provided for the same or similar gaming activity by the state within which such Indian gaming activity is to be conducted." While the Committee states that its intent is not to require that all state laws relating to gaming activity be incorporated into a federal Commission's regulatory scheme, this provision could result in 50 different sets of regulations, which would be impossible to monitor or enforce. Second, criminal enforcement of gambling laws would be severely hampered because certain states (those that have criminal jurisdiction under Public Law 280) would be empowered to enforce, while others would not. Federal enforcement authorities do not have the resources or expertise to investigate gambling violations based on state laws. States, on the other hand, already have in place the necessary enforcement mechanisms to regulate and enforce their gambling laws. Prosecution of criminal cases arising out of state gambling laws must remain primarily the responsibility of the states, with the federal government playing a back-up role where states are reluctant to act. This comports with applicable constitutional principles.

The administration's proposal to regulate Indian gambling is nearing completion in a matter of weeks. A summary of that proposal is attached. We feel that it represents a balanced approach to the regulation of this highly lucrative, easily corrupted enterprise while allowing the tribes to improve their economic position by promoting these games. We request that the Committee postpone any further activity on H.R. 1920 until it can consider the administration proposal.

The Office of Management and Budget has advised this Department that there is no objection to the submission of this report from the standpoint of the Administration's program.

Sincerely,

JOHN R. BOLTON,
Assistant Attorney General.

SUMMARY OF ADMINISTRATION PROPOSAL TO REGULATE INDIAN GAMBLING

Gambling is divided into three categories: ceremonial, bingo and "all other" forms. Ceremonial would be uncontrolled; bingo would be controlled by a federal commission; and "all other" gambling would be controlled by the law of the state where the tribe is located.

Tribally operated bingo would not be permitted in any state which does not permit any form of legal bingo. Five states currently prohibit all types of bingo.

The Native American Bingo Commission would be created to license and police tribal bingo operations. The Secretary of the Interior will appoint the majority of the Commission who will serve at his pleasure. The Secretary will also appoint the Chairman. The Attorney General will appoint one member of the Commission, a career Department of Justice employee who will serve at the pleasure of the Attorney General. All expenses of the Commission, except the salaries of the Commissioners, will be borne by the tribes operating bingo through licensing fees.

Subject to approval by the Secretary, the Commission is authorized to draft rules and regulations regarding management contracts and other specified subjects relating to the conduct of gambling.

The Secretary's involvement in the Commission's day-to-day decisions concerning license applications and inspections of bingo operations is to be minimal. The Commission is to operate independently in these areas, although its decisions are subject to judicial review. The Secretary and Attorney General will maintain overall policy control through their authority to dismiss the Commissioners they appointed.

Any federally recognized tribe (except a tribe in one of the five states that prohibits bingo) may apply for a license to operate bingo, or authorize a separate entity, such as a tribal corporation, to do so. The Commission will then conduct a background investigation to determine the prospective licensee's fitness and ability (and that of any management contractor) to run a bingo operation in compliance with the law and for the general economic benefit of the tribe. The Commission may contract with tribal, federal, state, or private agencies for such investigations. If the Commission denies or fails to issue a license within the specified time—90 days if the prospective licensee is not going to use a management contractor and 270 days if the prospective licensee is going to use such a contractor—the applicant is entitled to a hearing before the Commission. An adverse decision would be subject to judicial review.

The Commission must approve management contracts, and the legislation contains a number of provisions relating to such contracts. Management contractors can receive no more than forty percent of the net income from the bingo operation, but the Commission can decide that in a particular case that a certain figure is too much and only approve a contract that provided for a lesser amount. Existing contracts would be allowed to remain in effect until October 1, 1987, unless terminated earlier by the Secretary pursuant to his general supervisory powers over such contracts.

The Commission is authorized to issue regulations concerning which, if any, individual employees of bingo establishments and of management contractors must obtain a license from the Commission and to establish the criteria for a license. The Commission is also authorized to conduct background investigations on persons required to be licensed and may conduct these investigations by contracting with outside agencies. The license must be issued in 90 days or the applicant is entitled to a hearing before the Commission. The Commission's decision is subject to judicial review.

The Commission is authorized to inspect and examine licensed bingo operations and to institute disciplinary action for violations of its rules. When the Commission has reason to believe that a tribal licensee, an individual licensee, or a management contractor has violated a statutory provision or rule of the Commission in such a manner that the license or approval of the management contract should be suspended, modified or revoked, or that a monetary penalty should be imposed, it must give the suspected violator notice and a hearing. Disciplinary action is also subject to judicial review.

LAWS IMPACTED BY SALE OF POWER MARKETING ADMINISTRATIONS

HON. GEORGE MILLER

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, April 9, 1986

Mr. MILLER of California. Mr. Speaker, the Reagan administration has proposed "defederalizing" the Federal power marketing administrations. At a hearing held by the Interior Subcommittee on Water and Power Resources, which I chair, Assistant Secretary Donna Fitzpatrick stated that the Department of Energy plans to initiate sale negotiations for the power marketing administrations in early 1987 and complete all the sales by 1991.

The Committee on Interior and Insular Affairs has grave reservations about this proposal. In its report to the Budget Committee, the committee recommended that the Energy Department not proceed with the sale plans without specific legislative authority. In addition, the committee noted that, "The question of whether to sell all or even a portion of the power marketing administrations is a sensitive issue. It involves difficult choices about the future of public resources."

Mr. Speaker, the administration says it is serious about this proposal. If that is true, we ought to realize the ramification of such a proposal. There are at least 17 laws and amendments thereto, as well as 124 projects, which would be affected by the sale.

At my request, the Library of Congress prepared an analysis of the laws impacted by any proposal to sell the power marketing administrations. A copy of the Library's analysis is attached for the consideration of my colleagues.

The material follows:

CONGRESSIONAL RESEARCH SERVICE,
THE LIBRARY OF CONGRESS,
Washington, DC, March 24, 1986.

To: Honorable George Miller. Attn: Lori Sonken.

From: American Law Division.

Subject: Laws Implicated By the President's Proposal to Sell the Federal Power Marketing Agencies, Including a List of Power Projects Which Supply Them.

Listed below are laws which may be directly implicated by the President's proposal to sell the federal power marketing administrations (PMA's), namely, the Bonneville Power Administration (BPA), the Southeastern Power Administration (SEPA), the Southwestern Power Administration, the Western Area Power Administration (WAPA), and the Alaska Power Administration. The responsibilities of BPA, SEPA, the Southwestern Power Administration and the Alaska Power Administration were transferred from the Department of the Interior to the Department of Energy (DOE) pursuant to § 302 of the Department of Energy Organization Act, P.L. 95-91, 91 Stat. 578 (1977); 42 U.S.C. § 7152. WAPA was not organized until after the transfer of authority to the DOE.

Our basic criterion for selecting laws to be included in this survey was to identify references in energy-related legislation to the PMAs expressly, or to descriptive terms, e.g., "Government agency now or hereafter authorized by law to engage in the production, marketing, or distribution of electric

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energy." See § 273 to the Atomic Energy Act of 1954, P.L. 83-703, 68 Stat. 960; 42 U.S.C. § 2020.

At your request, we are also including reference to the various projects which supply power to the PMAs based upon information provided by them.

While our survey of relevant legislation is intended to be comprehensive, it does admit of the possibility of exclusions of some enactments which may be on point.

GENERAL POWER LEGISLATION INVOLVING FEDERAL PMA'S

The Federal Power Act, June 10, 1920, c.285, § 320, as added Aug. 26, 1935, 49 Stat. 863; 16 U.S.C. § 791a *et seq.* (see 16 U.S.C. §§ 796, 824i, 824j, 825s, 825s-1, 825s-2, and 825s-3).

Public Utility Regulatory Policies Act, P.L. 95-617, § 2, 92 Stat. 3119 (1978); 16 U.S.C. § 2601, *eq seq.*

Department of Energy Organization Act, P.L. 95-91, § 302, 91 Stat. 578 (1977); 42 U.S.C.§ 7152.

Wind Energy Systems Act of 1980, P.L. 96-345, § 6, 94 Stat. 1142; 42 U.S.C. § 92505(g).

GENERAL LEGISLATION MANDATING SALES OF SURPLUS POWER FROM FEDERAL PROJECTS

(Originally vested in the Secretary of Interior)[*]

Act of April 16, 1906, as amended, § 5, 34 Stat. 117; 43 U.S.C. § 522.

P.L. 68-292, 43 Stat. 703 (1924); 43 U.S.C. § 501.

P.L. 75-497, 52 Stat. 322 (1938); 43 U.S.C. § 392a.

Reclamation Project Act of 1939, as amended, P.L. 76-260, § 9(c), 53 Stat. 1194; 43 U.S.C. § 485h(c).

Flood Control Act of 1944, P.L. 78-534, § 5, 58 Stat. 890, amending the Federal Power Act at 16 U.S.C. § 825s.

BONNEVILLE POWER ADMINISTRATION

Bonneville Project Act of 1937, P.L. 75-329, 50 Stat. 731; 16 U.S.C. § 832 *et seq.*

Pacific Northwest Consumer Power Preference, P.L. 88-552, 78 Stat. 756 (1964); 16 U.S.C. § 837 *et seq.*

Columbia River Transmission Act, P.L. 93-454, 88 State. 1376 (1974); 16 U.S.C. § 838 *et seq.*

Pacific Northwest Electric Power Planning and Conservation Act, P.L. 96-501, 94 Stat. 2697 (1980); 16 U.S.C. § 839 *et seq.*

MISCELLANEOUS

Atomic Energy Act of 1954, P.L. 83-703, § 273, 68 Stat. 960; 42 U.S.C. § 2020.

Alaska Federal—Civilian Energy Efficiency Swap of 1980, P.L. 96-571, 94 Stat. 3341; 40 U.S.C. § 795 *et seq.*

Energy Conservation Program of WAPA, P.L. 98-381, Title II §§ 201, 202, 98 Stat. 1340 (1984); 42 U.S.C. §§ 7275, 7276.

Agricultural Credit, 7 U.S.C. § 1926 (a)(15)(A) (Permits the Secretary of Agriculture to make loans to finance construction, acquisition, and operation of transmission facilities for electric systems owned by public bodies in rural areas which receive bulk power from the PMAs).

PROJECTS WHICH SUPPLY THE PMA's

Alaska Power Administration

Eklunta Project (Bureau of Reclamation).

Snettisham Project (Army Corp. of Engineers).

Southwestern Power Administration

(23 Army Corp. of Engineer projects)

Beaver (Ark.), Blakley Mt. (Ark.), Broken Bow (Ok.), Bull Shoals (Ark.), Clarence Cannon (Mo.), Dardanelle (Ark.) DeGray (Ark.), Dennison (Ok./Tex.), Eufaula (Ok.), Fort Gibson (Ok.), Greer's Ferry (Ark.), H.S. Truman (Mo.), Keystone (Ok.), Narrows (Ark.), Norfolk (Ark.), Ozark (Ark.), Robert S. Kerr (Ok.), Sam Rayburn (Tex.), Stockton (Mo.), Table Rock (Mo.), Tenkiller Terry (Ok.), Webbers Falls (Ok.), and Whitney (Tex.).

Total installed capacity 2,150,350 kilowatts.

Bonneville Power Administration: Appendix A.

Southeastern Power Administration: Appendix B.

Western Area Power Administration: Appendix C.

ROBIN JEWLER,
Legislative Attorney.

APPENDIX A

From Bonneville Power Administration, Annual Report 1984:

Bureau projects: Boise, Columbia Basin, Hungry Horse, Minidoka—Palsades, Yakima.

Corps projects: Albeni Falls, Bonneville, Chief Joseph, Cougar, Detroit—Big Cliff, Dworshak, Green Peter—Foster, Hills Creek, Ice Harbor, John Day, Libby (d), Little Goose, Lookout Point—Dexter, Lost Creek (a), Lower Granite, Lower Monumental, McNary, The Dalles.

APPENDIX B

Information provided by the Office of the Administrator, Southeastern Power Administration:

KERR-PHILPOTT PROJECTS

John H. Kerr, Roanoke, Va-N.C.
Philpott, Roanoke, Va.

GEORGIA-ALABAMA PROJECTS

Allatoona, Alabama, Ga.
Buford, Chattahoochee, Ga.
Clarks Hill, Savannah, Ga.-S.C.
Hartwell, Savannah, Ga.-S.C.
Walter F. George, Chattahoochee, Ga.-Ala.
Millers Ferry, Alabama, Ala.
West Point, Chattahoochee, Ga.-Ala.
R.F. Henry, Alabama, Ala.
Carters, Alabama, Ga.
Richard B. Russell, Savannah, Ga.-S.C.
Center Hill, Cumberland, Tenn.
Dale Hollow, Cumberland, Tenn.
Wolf Creek, Cumberland, Ky.
Old Hickory, Cumberland, Tenn.
Cheatham, Cumberland, Tenn.
Barkley, Cumberland, Ky.
J. Percy Priest, Cumberland, Tenn.
Cordell Hull, Cumberland, Tenn.
Laurel, Cumberland, Ky.
Jim Woodruff, Apalachicola, Ga.-Fla.

APPENDIX C

From Western Area Power Administration, Annual Report 1984:

Billings: Fort Peck, Fort Peck; P-SMBP, Big Bend; P-SMBP, Fort Randall; P-SMBP, Garrison; P-SMBP, Gavins Point; P-SMBP, Oahe; P-SMBP, Canyon Ferry; P-SMBP, Yellowfall; Boulder Canyon, Hoover; Parker-Davis, Davis; Parker-Davis, Parker; Navajo, Navajo.

Loveland-Fort Collins: Colorado-Big Thompson, Big Thompson; Colorado-Big Thompson, Estes; Colorado-Big Thompson, Flatiron; Colorado-Big Thompson, Green Mountain; Colorado-Big Thompson, Marys Lake; Colorado-Big Thompson, Pole Hill; Fryingpan-Arkansas, Mt. Elbert; Kendrick, Alcova; Kendrick, Seminoe; North Platte, Guernsey; P-SMBP, Boysen; P-SMBP, Fremont Canyon; P-SMBP, Glendo; P-SMBP, Kortes; P-SMBP, Medicine Bow; P-SMBP, Yellowtail; P-SMBP, Pilot Butte; Shoshone, Heart Mountain.

Sacramento: Central Valley, Judge F. Carr; Central Valley, Folsom; Central Valley, Keswick; Central Valley, Nimbus; Central Valley, O'Neill; Central Valley, San Luis; Central Valley, Shasta; Central Valley, Spring Creek; Central Valley, Trinity; Central Valley, New Melones.

Salt Lake City: Collbran, Lower Molina; Collbran, Upper Molina; Colorado River Storage, Blue Mesa; Colorado River Storage, Flaming Gorge; Colorado River Storage, Glen Canyon; Colorado River Storage, Morrow Point; Colorado River Storage, Crystal; Provo River, Deer Creek; Seedskadee, Fontenelle; Rio Grande, Elephant Butte; Falcon, Falcon; Armistad, Amistad.

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[*] From *Federal Reclamation and Related Laws Annotated* (R. Pelz ed.

SAVINGS AND LOAN ACCOUNTING ISSUES

HON. GERRY SIKORSKI

OF MINNESOTA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, April 9, 1986

Mr. SIKORSKI. Mr. Speaker, I wish to call my colleagues' attention to a letter and enclosures I recently received from Mr. Harold W. Greenwood, Jr., president of Midwest Federal Savings and Loan Association in Minneapolis, MN, concerning savings and loan accounting issues.

The House Energy and Commerce Committee has held several hearings on these issues. I found the points made by Mr. Greenwood in his letter and by the accompanying enclosures quite interesting. Accordingly, I have placed Mr. Greenwood's letter and enclosures in the RECORD.

I trust that my colleagues will find this information helpful:

MIDWEST FEDERAL,
Minneapolis, MN, March 14, 1986.

Congressman GERRY SIKORSKI,
414 Cannon Building,
Washington, DC.

DEAR CONGRESSMAN SIKORSKI: In response to our recent meeting in your office in Washington, D.C., I am enclosing an article which appeared in the Financial Managers Society magazine, written by a Craig A. Dabroski. Craig has a very prestigious background and the article is very self-explanatory. One point I think that should be straightened out, as it may be helpful to you in your Committee, is that it must be clearly defined that losses for bad loans are not part of RAP accounting. If a bad loan occurs and a loss takes place, that loss is charged against the net worth in earnings of the thrift institution.

When RAP accounting was introduced, I think it was a brilliant move to allow interest rate risk of lending long and borrowing short which was created by the Congress itself in the 1930's. Also, I mentioned to you when I was in your office that the Federal Reserve, Comptroller of the Currency and FDIC are also planning different accounting regulations for certain agricultural loans

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and other problem loans. I am enclosing those articles.

The reality of the net worth is really dependent upon the audience and I think that regulators, depositors, investors and other groups as well have their own needs and own formulas for arriving at a preferred version of net worth. And I refer to the insurance companies who use what is referred to statutory accounting principles which took place in the early 1930's and are still in existence with most of the large insurance companies in the United States.

Irregardless of the method used to determine net worth, it only tells you how well you have done in the past but not how well you will do in the future. We must look upon the current net income and earnings of a company, or let's say a thrift, to determine its future ability.

In the banking community the primary capital ratio allows for inclusion of loan loss reserves—thrifts are not allowed to do this. They are not allowed to put their loan loss reserves in the net worth calculation.

In closing I want to commend the Pratt Federal Home Loan Bank Board and also the current Federal Home Loan Bank Board for their wisdom in adopting RAP accounting and also their wisdom for making sure that it was used properly. And I refer to this, the regulation that Chairman Gray introduced, putting a moratorium on using this beyond October 31, 1984.

Please find enclosed an analysis of one of the largest Wall Street firms which stresses using RAP net worth to gauge a financial institution's ability to perform in the market place.

I hope this can be helpful to you and your members of the Committee. Thank you.

Very truly yours,
Harold W. Greenwood, Jr.,
Chairman and President.

Can Net Worth Be Real?

(By Craig A. Dabroski)

The financial press appears very concerned that the REAL net worth of thrift institutions has decreased so markedly in the last 48 months. Speakers on virtually every accounting and securities industry platform warn thrift institution management teams that they must look not at some inflated net worth figure, but rather should concentrate on REAL net worth.

While the casual observer will read the articles, listen to the speeches, and feel a sense of mission to maintain this REAL networth, the enlightened management teams will also read and listen but will feel only confusion. The enlightened management team realizes that the term REAL worth" has no definition. The term "REAL net net worth" is *real* only in the minds of the writers and the speakers.

Several versions of reality in net worth should be looked at. In order, the versions are (1) RAP (Regulatory Accounting Principles), (2) GAAP (Generally Accepted Accounting Principles) and SuperGAAP, (3) Tangible, (4) Liquidation and (5) Assumed Real.

RAP NET WORTH

Many people scorn RAP net worth as being too liberal in its computation. In fact, it can contain whatever the regulators say it should contain. As the major regulator for federally-insured institutions, the Federal Home Loan Bank Board (FHLBB) has allowed various items to be included in RAP net worth, usually in addition to items allowed under GAAP.

Appraised Equity Capital (AEC) is an excellent example. The FHLBB recognized that many thrift institutions have land and buildings (used for their offices) that have appreciated to far more than their book value. In an attempt to prevent the sometimes "desperation sale" of these facilities, the FHLBB allowed the institutions to include this appreciation on RAP net worth for a three-year period ending in 1985. GAAP allows no such thing. In order to recognize the gain or GAAP, the institution must sell the property and move, or sell the property and lease it back under a very short-term lease.

Deferred losses on the sale of loans and other long-term securities is another example of a RAP accounting technique that is not allowed under GAAP. Under this regulatory accounting procedure, an institution may sell its low- interest-rate loans and securities, defer and amortize the loss over the remaining term of the assets sold, and invest the proceeds in current-rate and shorter-term assets—a potentially smart move in periods of rising rates. However, under GAAP, the loss on the assets sold must be recognized in full at the time of the sale.

Loan fee accounting has been a potential source of GAAP RAP differences for several years. The FHLBB allows fees to be taken into current income, and hence net worth, based on a formula expressed as a dollar amount and a flat percentage of the total loan. The GAAP method, on the other hand, allows the fees as current income based on overall direct underwriting costs of the institution. The two methods can produce markedly different results.

Regulatory certificates can be another source of RAP GAAP differences. They go by various names depending on their time of issuance. There are Income Capital Certificates and Net Worth Certificates. While the FHLBB has, through their power, deemed them includable in RAP net worth (a very handy power), the forces of GAAP and SuperGAAP have, at best, mixed emotions concerning their inclusion in net worth.

As a catchall, the FHLBB has the power to authorize virtually everything and anything as includable RAP net worth. Through FHLBB resolution or through FHLBB regulation, items may become includable on an institution-by-institution basis or for the industry as a whole, respectively.

Do the above differences add to or detract from the reality of the RAP net worth amount? Actually, no. RAP net worth is the REAL measure of net worth to the Federal Home Loan Bank Board when they are considering the viability of an institution. It should also be the REAL measure of net worth to depositors and management when they consider the viability of the institution. However, its reality is lessened when viewed by the GAAP accountants.

GAAP AND SUPERGAAP NET WORTH

By eliminating the effects of those items noted above, the net worth amount can be brought from RAP to GAAP. Net worth under GAAP is viewed with great favor by the public accounting profession, as well as most of the securities industry. The Securities and Exchange Commission (SEC) usually accepts GAAP. The rules for GAAP are extensive, well known, and slow to change. An entire organization, the Financial Accounting Standards Board (FASB), has been established to oversee the body of knowledge and authority known as GAAP.

With this superstructure of rules, rulemakers and rulekeepers, is GAAP net worth the REAL net worth? Not really. As with RAP net worth, the reality of GAAP net worth depends on the audience. To an underwriter of a stock offering, GAAP net worth is the REAL one. To a CPA preparing to opine on financial statements included in a 10-K, GAAP net worth is the REAL one. And typically to the SEC, GAAP net worth is the REAL one.

However, the SEC has the same type of accounting rulemaking power as the FHLBB. If the SEC believes that GAAP, as interpreted or as applied, is not adequate, they can create SuperGAAP. For example, in 1981 and 1982 when thrift mergers became popular, so did the use of purchase accounting under GAAP. By using purchase accounting, an amount of goodwill was sometimes created. The goodwill could be amortized, according to GAAP, over a period not to exceed 40 years. When many such mergers resulted in the maximum (40 year) life for goodwill, the SEC got involved in those cases where the related financial statements appeared in documents filed with the SEC. The SEC said "no" to 40 years and thereby created a form of SuperGAPP. In this case, GAAP was adjusted by the FASB in early 1983 to bring GAAP and SuperGAAP together again.

By being more strict than GAAP, does SuperGAAP therefore create REAL net worth? Once again, not really. It is REAL to the SEC, and, therefore, has very marked effects on the public accountants and the securities industry. A depositor, on the other hand, may still be better served by RAP net worth. A CPA, likewise, may prefer GAAP to SuperGAAP. Management must understand each net worth measurement and plan various actions according to the levels of each.

TANGIBLE NET WORTH

The word "tangible" implies a higher degree of reality. But what does tangible really mean? Usually it means that anything not separately saleable should be excluded. Therefore, "goodwill" and anything similar would not be allowed under this category of net worth. However, this category does not do anything with the underlying value of assets and liabilities which appear on the balance sheet. So while it excludes intangibles such as goodwill, it keeps the historic cost basis for the remaining tangible assets.

LIQUIDATION NET WORTH

Yet another measure of net worth relates to the liquidation value of an institution. This net worth is measured by determining today's sales price of all the assets of an institution and subtracting the amounts it would take today to pay to liquidate all of the institution's liabilities (deposits, borrowings and payables). The difference is a liquidation value of the institution's net worth. Because virtually all institutions have loan and securities portfolios which are worth far less than book value due to the low coupon interest rates of the portfolios, most institutions would have a negative liquidation value net worth.

Is this then the REAL net worth of an institution? You guessed it—probably not. Only if the desire were to determine a loss upon liquidation would this number have meaning and thereby be REAL.

A SIMPLIFIED EXAMPLE

Assume an institution with the following balance sheet:

Loans	$100,000,000
Deferred loan loss	3,000,000
Goodwill	1,000,000
Office land & buildings	2,000,000
Other assets	4,000,000
Total	110,000,000
Savings	84,000,000
Borrowings	10,000,000
Other liabilities	1,000,000
Net worth:	
Retained earnings	4,400,000
Appraised equity capital	600,000
Total	110,000,000

The various net worth measures would be calculated as follows:

RAP Net Worth	$5,000,000
Less:	
Appraised equity capital	−600,000
Deferred loan loss	−3,000,000
Regulatory certificates	None
Loan fee accounting differences	None
GAAP net worth	2,400,000
Less:	
Goodwill	−1,000,000
Other intangibles	None
Tangible net worth	1,400,000
Less:	
Depreciation in loan portfolio	[1] −14,000,000
Plus:	
Appreciation in land and buildings	600,000
Liquidation net worth	−12,000,000

[1] Assumed depreciation in portfolio.

ASSUMED REAL NET WORTH

This term describes the amount an investor believes an institution is worth. It can be calculated by determining the dollar amount of stock sold in a mutual-to-stock conversion and perhaps adding to it some amount of GAAP, RAP, or other measure of net worth before the stock sale. Obviously, it cannot be calculated very often. It is not a perfect measure. Rather, it is the marketplace's best guess, liberally tempered by generous douses of marketing, economic expectations, and various other almost-unrelated happenings. But it is a definite number.

Is the number the REAL net worth? Only to the investing public and only at a point in time.

A proper definition of REAL net worth is, therefore, impossible outside of the context of the user of the information. The regulators, the depositors, the investors, and other groups as well, have their own needs and, therefore, their own formulas for arriving at their own preferred version of net worth. The REALITY of net worth amount is dependent on the audience.

Subject: Methodology for Analyzing Creditworthiness of Thrift Institutions

The purpose of this memorandum is to provide an overview of how the creditworthiness of thrift institutions can be assessed. The analytical methodology described below should enable one to distinguish a weaker thrift from a stronger one as well as to evaluate the likelihood of a thrift being able to remain financially solvent.

Historically, thrifts' operations were fairly homogeneous. Federal regulations strictly limited the type and cost of liabilities that were issued and how assets were invested. The differentiation that did exist among thrifts' financial positions was largely attributable to the economic viability of their market area. The deregulaton of the industry which has occurred over the last few years, however, has given institutions much wider latitude in running their operations. Management expertise has therefore taken on increasing importance, which suggests that the gulf between high performing and weak associations will likely widen.

When judging the financial condition of a thrift, five key areas need to be addressed:

(1) What is the future earnings capability of the thrift? Will the thrift be able to generate sufficient earnings to remain financially viable?

(2) How sensitive are the thrift's earnings to market interest rate movements? Will the thrift be able to weather an adverse interest rate environment? How effective will its asset/liability management plans be in reducing interest rate risk over time?

(3) What is the quality of the thrift's assets? Do current or expected lending/investment practices pose any serious credit risk concerns?

(4) Will the thrift have sufficient cash to meet its obligations? How liquid are its assets and how successful will it be in retaining and attracting funds?

(5) Is the thrift adequately capitalized? Does it have sufficient net worth and off-balance sheet resources to survive a prolonged period of high interest rates? In other words, how much staying power does it have?

By addressing these questions, the financial strength of the institution relative to other thrifts can be determined. More importantly, an evaluation can be made as to whether the institution will be a survivor.

MAJOR REAL ESTATE DEVELOPMENT ACTIVITIES

Like construction lending, this is an area that has high risks. The status of major projects under development should be reviewed.

USE OF TEASER RATES ON ARMS

By qualifying mortgagors at initial rates which are well below market, thrifts may be faced with major credit problems if the mortgagors' future incomes are not sufficient to handle the sharp rise in future loan payments. If the mortgagors cannot meet these higher payments, the thrift is faced with either losses on foreclosures or renegotiated loans at below market rates.

V. ADEQUACY OF CAPITAL

The amount of capital that a thrift has is a major factor in the evaluation of its creditworthiness. Capital provides the ability to withstand losses and thus gives a thrift the time to restructure its balance sheet to reduce interest rate risk. The extent to which a thrift is capitalized is therefore a key indicator of its ability to survive high interest rates during this restructuring period.

When evaluating adequacy of capital, the FHLBB definition of capital (i.e., regulatory net worth) should be used. Regulatory net worth, as opposed to net worth computed under generally accepted accounting principles (GAAP net worth) is a much better indicator of a thrift's staying power. Regulatory net worth, unless GAAP net worth, includes qualifying subordinated debentures and appraised equity capital (i.e., the unrealized value of fixed assets). Moreover, it excludes the effect of any deferred losses on asset sales.

The minimum net worth required by the FHLBB equals the sum of (1) three percent (3%) of average liabilities over the last five years, (2) 20% of scheduled items, and (3) two percent (2%) of any recourse liabilities resulting from the sale of any loans.[1] In addition, this requirement has been recently modified to call for a minimum net worth equal to three percent (3%) of any increase in liabilities after 12/31/83. This modification will gradually eliminate the authority to calculate net worth on a five year average basis.

So long as a thrift has sufficient net worth, barring any serious liquidity or asset quality problems, it should be able to continue operating even if it is recording massive losses. Once net worth falls below the regulatory minimum, however, it may be closed by the regulators unless it can demonstrate the ability to turn its operations around.

[From the Wall Street Journal, Mar. 12, 1986]

Regulators to Ease Accounting Rules for Certain Loans

(By Monica Langley and Charles F. McCoy)

Federal bank regulators, in a major policy change, moved to ease the financial strains on the nation's banks and troubled borrowers by adopting a controversial plan to encourage banks to restructure problem loans.

The plan, originally designed to help agriculture banks, also will benefit banks with many problem loans, particularly in energy and real estate.

Officials from the Federal Reserve Board, Comptroller of the Currency and Federal Deposit Insurance Corp. told the Senate Banking Committee yesterday that they will carry out a three-pronged policy on problem loans "that will assist basically sound, well-managed banks to weather this transitional period."

The changes allow banks to use a more liberal accounting method for renegotiated problem loans, and they modify reporting and disclosure requirements for restructured debt so that banks aren't penalized for restructuring loans. These two steps apply to all types of problem loans from energy loans to international finance, regulatory officials said.

The regulators also said they would permit bank capital to slip temporarily below prescribed levels. The concession will apply only to agricultural banks, but the regulators indicated that they were considering expanding this "capital forbearance" policy to include banks with significant loans to energy concerns.

Currently, regulators require that banks keep on hand capital equal to 6% of total assets. Yesterday, regulators didn't specify how low they will allow capital requirements to fall, and one official said later there wouldn't be a uniform floor. "It will be determined on a case-by-case basis," the official said.

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[1] Up to three percent (3%) of "qualifying balances" may be used to reduce the amount of net worth required by up to ten percent (10%) of the amount of net worth otherwise required. Qualifying balances are defined as (1) interest bearing liquid assets maturing within one year, (2) 50% of all mortgages on which the interest rate may fluctuate, and (3) fixed rate borrowings other than certificate accounts permitting withdrawal before maturity having a remaining maturity of more than five years.

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The moves represent a major departure from past bank regulatory practices and were immediately criticized by several banking experts. They suggested that the changes could open up a Pandora's box for banking policy.

"This kind of approach just doesn't make any sense, from the standpoint of a sound banking system," said Paul Horvitz, a finance professor at the University of Houston and a former FDIC research director. "It is a very dangerous precedent," he asked.

Banking experts fear that permitting banks to operate with below-normal capital not only eliminates an institution's margin for error but promotes reckless practices as well. "When an institution is operating without any capital of its own, it has every reason to take wild risks" in hopes of striking it big and earning its way out of trouble. Mr. Horvitz said: "There's nothing to lose."

That happened to some savings and loan institutions when federal thrift regulators relaxed capital and accountang standards in the early 1980's in an att%-p4 4/ h%,0 t(2)&ts through a period of skyrocketing interest rates. Some of those thrifts used the relaxed rules to engage in high-risk lending and questionable management practices that have since contributed to a string of costly failures.

PRESSURE FOR RELIEF

The three banking agencies agreed to the changes in response to congressional pressure for some relief on farm banks, which have been hurt by a growing number of defaults by farmers. But some energy and real estate lenders also are having difficulties that reflect the decline in oil and real estate prices, and some lawmakers yesterday asked whether these banks, too, would benefit from the new policy of capital forbearance.

"There should be one policy applicable to loans made in depressed areas of the country," said Sen. Phil Gramm (R., Texas). "(Capital) reserves are to be used on a rainy day, and it's raining like hell out there for agricultural and energy lenders."

Comptroller of the Currency Robert Clarke responded: "The regulators should sit down to see if the capital forbearance guidelines should be broader." Congressional and regulatory sources said regulators already are considering whether to ease capital requirements for banks with loans in other troubled sectors of the economy. And bankers will be encouraging the regulators to do so in the next couple weeks, a spokesman for the American Bankers Association said.

The permission for farm banks to operate below minimum capital requirements is conditioned on each bank's capacity to restore capital within five years, the banking agencies said in a joint statement.

But banks with low capital by definition have an abnormally high ratio of liabilities to earning assets and thus typically have serious trouble generating sufficient earnings to replenish capital.

There are about 4,000 farm banks—banks at which farm loans constitute at least 25% of total loans. A source at the office of the Comptroller of the Currency said that about 1,300 of the banks require some form of special supervision because of above-normal problem credits.

Hundreds of farm banks have more problem loans than capital, a condition considered by banking regulators to be a leading indicator of failure. In Iowa, alone, 80 banks have more troubled loans than capital, according to state regulators.

The other two points in the plan announced yesterday will help the financial picture that the banks present to the public. Specifically, the agencies created a classification for restructured loans, which until now have been classified as "nonperforming." They also will accept an accounting practice of giving borrowers easier terms on troubled loans without having to take large write-offs.

TIMING IS ASSAILED

Sen. Alfonse D'Amato (R., N.Y.) criticized the regulators for adopting a policy to help farm banks "after all this pain has already occurred . . . You've done a poor job to wait until now."

In addition, the bank regulators in their joint statement asked Congress to allow troubled banks and small failed banks to be acquired by out-of-state institutions "so as to maintain the banking services in farm communities."

Federal law prohibits acquisitions across state lines of troubled banks before they have failed and of failed banks with assets under $500 million.

Although regulators asserted that they would extend the capital leniency only temporarily and only to "well-managed" institutions that could restore their capital within five years, critics questioned whether they could pull that off.

For one thing, the agriculture and energy sectors face long-term problems that could persist. "Temporarily looking the other way while their capital is chewed up doesn't solve the problem, it only enlarges the ultimate cost," said one New York banking attorney.

SUPPORT OMNIBUS RIVERS LEGISLATION

HON. RICHARD STALLINGS

OF IDAHO

IN THE HOUSE OF REPRESENTATIVES

Wednesday, April 9, 1986

Mr. STALLINGS. Mr. Speaker, I want to commend action taken by the House yesterday, April 8, in passing an omnibus rivers bill that will protect five rivers and authorize study of three others including the Henry's Fork, in my State of Idaho, under the Federal Wild and Scenic River System.

This legislation, H.R. 4350, was introduced on March 6 by the subcommittee chairman, Representative Bruce Vento, Democrat of Minnesota. I was the original sponsor of an earlier bill, H.R. 2569, to study the Henry's Fork River in eastern Idaho, which has now been incorporated into the omnibus bill approved by the House.

H.R. 4350 will mandate a study of a 42-mile stretch of the Henry's Fork consisting of the upstream segment of approximately 11 miles from Big Springs downstream to Island Park Reservoir and the lower segment of approximately 31 miles from Island Park Dam downstream to the confluence with Warm River. This study is needed to inventory the spectacular and varied resource values on the river and to recommend future management strategies that will provide adequate protection for these resources. The study process should also recognize existing water rights and uses and ensure that these uses are protected.

In addition to mandating a study of the Henry's Fork, this bill also contains a number of generic amendments to the Wild and Scenic Rivers Act that will allow greater flexibility for the Federal agency in its management of a particular wild and scenic river and its streamside lands.

I believe it is extremely important to note that this is the first omnibus rivers bill in 8 years to enjoy strong bipartisan support in the House. We need to call on our colleagues in the Senate to lend their support to this important piece of legislation.

UPON THE RETIREMENT OF BUN BRAY

HON. CHARLES WHITLEY

OF NORTH CAROLINA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, April 9, 1986

Mr. WHITLEY. Mr. Speaker, I would like to pay tribute to my good friend and fellow North Carolinian, Mr. Benton Bun Bray, who is also a native of Siler City, NC, and who has had a long and lustrous career in both the executive and legislative branches of Government. He was also executive director of the Federal Managers Association here in Washington.

Bun Bray was feted at a retirement banquet in his honor by the Federal Managers Association, and I would like to insert the tribute to Bun by my good friend and colleague, Hon. MORRIS K. UDALL of Arizona, for the benefit of my colleagues here in the House of Representatives.

TRIBUTE TO BUN BRAY—REMARKS OF REPRESENTATIVE MORRIS K. UDALL, MARCH 6, 1986

Before you all get settled down for my glowing tribute of a man who is a legend in his own mind, let me make an announcement:

Waiters will soon be distributing small plastic cups so that your mandatory urinalysis contribution can be picked up after the dinner at the coat check room. As a consequence of the Gramm-Rudman bill, there will be a slight charge for the cup.

We are gathered here tonight to pay homage to a man who served his government long and hard before the mandatory lie detector tests and drug tests and all the other kind of tests were foisted upon us.

I don't have to go into Bun's life story—anyone who has met him has had to listen to it—but I do want to make a few comments about Bun's contributions to his country, to his organization, and, especially, to all those great Americans who work so hard and so diligently to make this incredibly complex animal called the Federal Government of the United States work.

I first met Bun Bray as a rather raw young freshman Congressman who had won a special election and received an appointment to the House Post Office and Civil Service Committee. An appointment which, I might add, was not my first choice.

But an old timer told me in the cloak room that I shouldn't be disappointed, that I would find the work rewarding and, besides, I could build a new post office in every town in my district.

Well, I have found the work to be interesting and even controversial, and Arizona has

more new post offices per capita than any other state.

Bun Bray was already a power on the Post Office Committee in his capacity as the staff director of the Manpower Subcommittee. His reputation had already been established as a champion of federal worker rights.

Bun's efforts earned the honorary title of "ombudsman of government employees" and "Mr. Manpower". He was instrumental, along with his Chairman, my good friend David Henderson, in focusing attention on misuses of military personnel in civilian positions, excessive contracting out, the revolving door hiring of military officers in blue chip civilian jobs, and a fair wage scale.

Due in no little part to Bun Bray's efforts, the abuses and unfairness of federal employment of the past few decades gave way to making federal service dignified, fair-paying, and with a set of attractive benefits that drew talented first rate people into service of their government.

Yes, the 60's and 70's saw great progress in reducing the old abuses. And Bun was there when you and I needed him.

When Bun left the House Committee in 1972 to begin his stint with the Federal Managers Association, we lost a diligent and tireless worker. Our loss was the Association's gain. And what a gain.

His seemingly inexhaustible energies were turned onto the fledgling organization.

When initially organized, the Federal Managers Association had 41 chapters nationwide with 5,000 members. Today, when Bun takes his leave, there are 160 chapters with more than 20,000 members.

That in itself is quite a tribute.

His knowledge of federal employee matters and his reputation as a fearless advocate of worker rights led several national organizations to urge him to be their president.

I remember that Jules Sugarman, a former key official of the Office of Personnel Management once said, to our honoree, "Bun, you not only know where the skeletons are; you attended most of the funerals."

Bun resisted those tempting offers. His loyalty to the Federal Managers and his dedication to your cause kept him at the helm of the Managers Association from 1972 until the present.

He has been there during the fight for a fair and equitable civil service reform, and during the past five years, during a time when budget cuts and an administration with a harsh view of government employees have been axing away at hard won benefits and working conditions. This concerted effort has led to a drain of talented and dedicated workers away from federal employment to the private sector where the benefits and the opportunities are brighter and safer.

I opened these remarks with some light discussion of drug testing and lie detector tests. But there is a very, very serious side to this matter. I feel it shows a bias by this administration against federal employees. It shows a degree of mistrust and suspicion. And, clearly, it shows a shameful insensitivity to basic civil liberties.

But this assault on public employees doesn't stop with drug testing and lie detectors. As you all know, the effects of the administration's budget policies mean real hardship to current federal employees who are watching helpless as the wage differential grows wider and are worried about a renewed attack on present and future retirement benefits, a change in the high three concept and a tax on annuities.

But that's not all.

While we don't know the full implications of Gramm-Rudman-Hollings until the Supreme Court rules on the lower court decision finding a key element unconstitutional, we all know that the administration is wasting no time in singling our federal workers for an unfair amount of its budget cuts.

And we are hearing more and more about "privatization." If the Reagan administration had its way it would contract out to General Dynamics for a blue water Navy, to Lockheed for an Air Force, and to the Contras for an Army.

It is clear to me, ladies and gentlemen, perhaps more than at any time in the 25 years I have served in the Congress, that the federal employee is undergoing the most serious and sustained attack on basic rights, earnings, and benefits since the Depression.

For the past 30 years or so, Bun Bray has been in a position—either with the Congress or with the Federal Managers Association—to help advance the cause of the federal worker. His methods have been a blend of Southern charm and Yankee toughness.

We will miss him in that he will not be representing you as your Executive Director, but I know, and you know, that as long as Bun Bray can draw a breath, he'll be in the thick of the fight.

And Bun, we wouldn't have it any other way.

So, for all of us on Capitol Hill, and for all your colleagues and many friends, congratulations for a job well done, and as for me, thank you, old friend.

GEM CITY CHAPTER OF SWEET ADELINES

HON. TONY P. HALL

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Wednesday, April 9, 1986

Mr. HALL of Ohio. Mr. Speaker, I rise to call attention to one of the great choruses of the world, the Gem City Chapter of Sweet Adelines, Inc. The Gem City chapter is based in the Dayton area, which includes the Third Congressional District.

The Gem City chapter has the distinction of being the only chorus to win more than once the title of International Chorus Champion. In November, the chorus captured the title for the fourth time.

Such an achievement is an outstanding tribute to the singing and dancing talent of the members of the group, as well as to their exceptional dedication.

In addition to singing in competition, the 115-member chorus performs throughout the year for hospitals and charitable organizations in Ohio.

The Gem City chapter was formed in 1970 under the direction of Jean Barford. Since that time, it has scaled the highest heights of acclaim with its dynamic and exciting performances.

The Dayton area is proud of the Gem City chapter and the honor it has reflected on our community.

SOVIET HUMAN RIGHTS ABUSES

HON. BOBBI FIEDLER

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, April 9, 1986

Ms. FIEDLER. Mr. Speaker, one of the most important events of a Jewish young adult's life is the joyous event of bar or bat mitzvah. This is the day when he or she is accepted into the adult congregation of the Jewish community.

In late December, Jonathan Steven Rudnick of Palm Springs, CA, went to the Torah for his bar mitzvah. There was another participant in this ceremony, but he was 10,000 miles away. Jonathan also went to the Torah on behalf of 13-year-old Bagrat Prober, who lives in Odessa, U.S.S.R.

Bagrat has no chance of celebrating his own bar mitzvah. The Soviet Union in furtherance of its policy of cultural genocide, prohibits such traditional religious and ethnic observances. Our brothers and sisters there must hide their religious celebrations behind a cloak of secrecy, and live in the fear of punishment for the crime of teaching their religious beliefs to their children.

But through a new program called "twinning" the Soviet Jewish community can have their religious and cultural traditions perpetuated. Twinning is the pairing of a free youngster who is able to celebrate his or her bar or bat mitzvah with a Soviet Jewish adolescent who is unable to do so. The program that Jonathan and Bagrat participated in is coordinated by the Bay Area Council for Soviet Jewry in San Francisco.

I wish to congratulate both Jonathan and Bagrat on this momentous occasion in their lives. My hope is that continued congressional attention to the widespread pattern of Soviet human rights abuses, especially their reprehensible persecution of ethnic and religious minorities, will motivate them to curb these abuses.

SENATOR LAWTON CHILES TO RECEIVE AAHA'S DISTINGUISHED SERVICE AWARD

HON. CLAUDE PEPPER

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, April 9, 1986

Mr. PEPPER. Mr. Speaker, I would like to call to the attention of my colleagues an event occurring this week which deserves our support—the 14th Annual Spring Conference of the American Association of Homes for the Aging [AAHA].

AAHA is the national representative of over 2,700 nonprofit homes and facilities which provide health care, housing, and community services to more than half a million older persons throughout our Nation. Administrators, other key staff, and trustees of AAHA member facilities have come to the Nation's Capital to participate in a comprehensive educational program, to visit with many of their elected officials, and to gain a Washington perspective on significant Federal initiatives affecting the

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delivery of supportive services to older Americans.

On Thursday, April 10, LAWTON CHILES, my distinguished colleague from the State of Florida, is being honored as the recipient of AAHA's Distinguished Service Award in recognition of his leadership and efforts on behalf of America's elderly. Senator CHILES has been a leader in the battle to perserve the Federal Government's commitment to programs which provide vitally needed services to America's older citizens.

The Senator has represented the State of Florida well in over 25 years of public service. He was first elected in 1959 to Florida's Legislature and served in both its chambers.. A unique 1,000-mile campaign walk covering the State helped him win election to the U.S. Senate in 1970.

His constituency includes the largest percentage of older Americans in the Nation and he has represented them on the Senate Special Committee on Aging throughout his 15 years in that body. In fact, Senator CHILES has the distinction of being the only Senator to serve both as chairman and ranking minority member of the Aging Committee.

Few, if any, of his Senate colleagues can claim the knowledge and involvement with Government spending as Senator CHILES. He is the ranking Democrat on the Senate Budget Committee, a member of the Appropriations Committee, and a member of the Committee on Government Affairs. He has used this expertise to protect the interests of older Americans in our State and throughout the Nation. During these times of near-hysteric preoccupation with deficit reduction, Senator CHILES remains a rational voice and a major advocate for America's elderly and for the poor.

In recognition of his numerous endeavors to protect the well-being of elderly Americans, AAHA has conferred upon LAWTON CHILES its Distinguished Services Award. I join the association in commending this dedicated public servant.

A TRIBUTE TO JOHN B. PATUZZI

HON. ROBERT J. MRAZEK

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, April 9, 1986

Mr. MRAZEK. Mr. Speaker, on the evening of May 21 the education community of Carle Place, Long Island, will gather to honor one of its own at the retirement ceremony in honor of John B. Patuzzi.

Mr. Patuzzi, a resident of Jackson Heights, Queens, has served the students and the community of Carle Place for 30 years. However, even his retirement from teaching will not mean the end of his service. As Henry Brooks Adams once wrote, "A teacher affects eternity; he can never tell where his influence stops."

For three decades, Mr. Patuzzi has touched the lives of the Carle Place community with acts of generosity, consideration, and humanity. In 30 years of caring and sharing, he has brought a respect for learning to his young charges. More than this, however, he and his wife Ginette have been friends to those whose lives they have touched.

Mr. Speaker, I am sure that all of my colleagues will join with me in wishing Mr. Patuzzi a long and pleasurable retirement. I congratulate him on an outstanding career in service to the education community in Carle Place and, most importantly, to the hundreds of students who will carry his influence forward.

TRIBUTE TO RAY J. MADDEN

HON. MARIO BIAGGI

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, April 9, 1986

Mr. BIAGGI. Mr. Speaker, just over a month ago, a number of my colleagues paid a very special tribute to one of this august body's most distinguished former Members, Ray Madden. The tribute was in honor of Ray's 94th birthday. Unfortunately, I was unable to participate in that salute, but I would like to take this opportunity to associate myself with the tribute to Ray and I would like to add some special thoughts of my own.

From 1943 to 1977 Ray Madden served as an able and admired Member of the House. During 4 of those 34 years, Ray distinguished himself as chairman of the Rules Committee, a post as consuming as it is important. Yet, it is a true testimony to Ray's ability that he performed exemplary work as chairman of the Rules Committee while never allowing his attention to those important matters to diminish his concern for the needs of his constituents. That, my colleagues, is the mark of a Congressman's Congressman.

Ray began his career of public service as a 23-year-old municipal judge, but soon resigned the post to serve in the Army during World War I. Before his election to Congress in 1943, Ray also served as city comptroller of Gary, IN., and treasurer of Lake County, IN.

During his tenure, Ray distinguished himself as a friend of the working man, a fighter for the rights of veterans and a statesman of compassion. He was especially responsive to the problems of the poor, elderly and ill—those who need our help the most.

It pleases me to know that the "Man That Gets Things Done," as Ray once accurately billed himself, is still getting things done. Only now, he is busy enjoying the blessings he earned through many years of public service.

Happy birthday, Ray Madden, and many more to come.

PATRIARCH ATHENAGORAS—MAN OF PEACE

HON. OLYMPIA J. SNOWE

OF MAINE

IN THE HOUSE OF REPRESENTATIVES

Wednesday, April 9, 1986

Ms. SNOWE. Mr. Speaker, I would like to join with others throughout the Western Hemisphere in honoring the 100th anniversary of the birth of the late Ecumenical Patriarch Athenagoras I of the Greek Orthodox Church. Archbishop Iakovos, primate of the Greek Orthodox Church in the Americas, has declared 1986 as the Athenagorian Year and a year of peace in memory of the accomplishments of this great man of God.

Prior to his enthronement as 262d ecumenical patriarch of Constantinople in 1949, Athenagoras served nobly for 17 years as archbishop of North and South America. In his capacity as archbishop of the Americas, Patriarch Athenagoras oversaw the organization and dramatic growth of Greek Orthodox communities in the Western Hemisphere.

In the years following 1949, Patriarch Athenagoras and Archbishop Iakovos worked together in bringing about a historic reconciliation between the Greek Orthodox and Roman Catholic Churches, the two Sees of Christendom. In 1959, Archbishop Iakovos served as Patriarch Athenagoras' personal emissary to Pope John XXIII. This was the first meeting between the Pope and a Greek Orthodox bishop in 350 years.

Three years later, Archbishop Athenagoras invited Pope Paul VI to meet with him on the Mount of Olives in the Holy Land. During this historic meeting, which took place on January 5 and 6, 1964, the two leaders agreed to end 933 years of mutual excommunication between the Greek Orthodox and Roman Catholic Churches.

Because of his lifelong devotion to God, peace and reconciliation, it is appropriate that we commemorate the 100th anniversary of the birth of Archbishop Athenagoras, and remember his contributions to all Christendom.

INTRODUCTION OF THE BILINGUAL EDUCATION ACT AMENDMENTS

HON. WILLIAM F. GOODLING

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, April 9, 1986

Mr. GOODLING. Mr. Speaker, I am pleased to be an original sponsor of the Bilingual Education Act Amendments of 1986. This legislation would allow funds available under this act to be used for programs designed to best meet the needs of limited English proficient students. The traditional bilingual education approach would continue to be eligible for funding along with the alternative instructional methods currently being utilized around the country. It is my hope that this legislation will stimulate educators to develop new approaches to educating students for whom English is not their native language.

My primary concern when addressing any piece of education legislation is whether it will lead to increased student performance for a population of students who might otherwise fail to achieve. It is in this spirit that I support these amendments. That is, regardless of the instructional method funded under this legislation, the goals of the Bilingual Education Act are to help students become fluent in English while providing for their continued academic growth. It is not sufficient for one to occur without the other.

During the reauthorization of the Bilingual Education Act in 1984, Congress strengthened the evaluation and research provisions of the act. These features of the program remain critically important as we move toward

a period of greater program diversity. What is being tried? With what populations? How effective are they? As ranking Republican member on the Education and Labor Committee, I will expect the Department of Education to provide guidance and enforcement so that we have the answers to these questions in a timely fashion.

The demographics of our Nation's classrooms are changing rapidly. Increased numbers of students with language difficulties is only one of the challenges facing the schools of this country. Programs such as the Bilingual Education Act symbolize the resolve of Congress to assist schools in providing every student in America with a high quality education.

YOUTH POLICY INSTITUTE 50 MILES CHALLENGE WALK: SORE FEET FOR A GOOD CAUSE

HON. BOB EDGAR

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, April 9, 1986

Mr. EDGAR. Mr. Speaker, this Saturday, April 12, the Youth Policy Institute is sponsoring a challenge issued from two of our greatest Presidents—Theodore Roosevelt and John F. Kennedy. It is the Fifth Annual Fifty Mile Challenge Walk to help the Youth Policy Institute achieve self-sufficiency as a public service resource for youth and youth-serving organizations around the country.

The Youth Policy Institute is a nonprofit, nonpartisan organization dedicated to providing a unique experience for young people from around the world. The institute combines the dual benefits of hands-on publishing experience, including research, writing and production, with first hand exposure to public policy in Washington.

Established in 1978 under the auspices of the Robert F. Kennedy Memorial, the institute—now independent—has become a stepping stone for many of the brightest, most dedicated young people in the field of public service. Under the direction of David Hackett, over 500 young people have worked at YPI learning the diverse pieces of our national youth policy. The institute publishes three objective and comprehensive journals designed to disseminate information to youth and family serving organizations around the country.

The challenge walk originated in 1908 when President Theodore Roosevelt issued an Executive order proclaiming that marines should be able to march 50 miles in 20 hours. Fifty-five years later, President John F. Kennedy suggested that marines in his army should be put to the same test.

President Kennedy promised that members of his administration would accompany the marines to demonstrate that his men were as much action as they were talk when it came to physical fitness. Although many of President Kennedy's administration started the walk, only his brother, Attorney General Robert Kennedy, finished the trek.

Five years ago, young people at the Youth Policy Institute decided to take the challenge. Every year since then, a band of enthusiastic challenge walkers has gathered on an early spring morning at Fletcher's Boathouse in Georgetown. From there they set out on the C&O Canal towpath along the scenic Potomac River for Seneca, MD. Around noon, it's about face for the long trek back to Georgetown.

It is an endeavor from which we all could learn, for it illustrates a kind of youthful idealism and spirited voluntarism that some say are missing from today's young people. The challenge walk is a tribute to the spirit of public service, and deserves our endorsement and participation.

Anyone interested in taking the challenge this Saturday, April 12 should call the Youth Policy Institute at 202/635-6087.

STUDY TAX CHANGES CAREFULLY

HON. CARROLL HUBBARD, JR.

OF KENTUCKY

IN THE HOUSE OF REPRESENTATIVES

Wednesday, April 9, 1986

Mr. HUBBARD. Mr. Speaker, on March 20 I received an excellent letter from my friend and constituent Jimmie J. Ellington, president of Graves County Bank at Wingo, KY, which I would like to share with my colleagues at this time.

Although the House passed its tax reform legislation just before the end of the 1sr session of the 99th Congress, I urge my colleagues to carefully consider Jimmie Ellington's comments that tax changes, while appearing to be harmless, will indeed adversely affect financial institutions and the communities and citizens which they serve.

GRAVES COUNTY BANK,
Wingo, KY, March 20, 1986.

Hon. CARROLL HUBBARD, Jr.,
Rayburn House Office Building, Washington, DC.

DEAR REPRESENTATIVE HUBBARD: Regarding the tax reform bill, please be aware of the following points if the interest expense deduction to carry tax-exempt investments is lost to the banks:

1. Interest rates on municipal bonds will go up.
2. Cost of building schools and other municipal improvements will go up.
3. This will create pressure to raise costs of all municipal services.
4. There is no savings in this Treasury proposal. Savings to the Federal Government will simply be offset by the additional cost inevitably borne by the local taxpayer.

Please consider these points carefully.

Sincerely,

JIMMIE J. ELLINGTON,
President.

CLASHING RELIGIOUS PERSPECTIVES ON CENTRAL AMERICA

HON. HENRY J. HYDE

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, April 9, 1986

Mr. HYDE. Mr. Speaker, over the last several weeks, Members of Congress have been contacted by opponents of the Reagan administration's Central American policy. Many are dedicated religious and lay leaders affiliated with North American Catholic and Protestant churches. The sincerity of these individuals is unquestionable, but their understanding of what is happening in Central America flies in the face of the harsh reality experienced by some of their religious counterparts in places like El Salvador and Nicaragua.

With that as background, Mr. Speaker, I invite my colleagues' attention to a recent article that appeared in the Hartford Courant. It was written by Lawrence Tracy, a Jesuit educated, U.S. Army colonel now serving in the State Department.

The article follows:

TODAY'S PILGRIMS TO CENTRAL AMERICA FALL PREY TO A DOUBLE STANDARD

(By Lawrence L. Tracy)

There are probably no more sincere and vocal opponents of U.S. policy in Central America than religious and lay leaders of North American Catholic and Protestant churches. Motivated by a belief that their government is following a misguided policy, they oppose military aid to El Salvador and all aid to the anti-Sandinista resistance movement in Nicaragua.

These leaders manifest an almost zealous faith that the Sandinistas and their guerrilla brethren in El Salvador are on the side of Christian virtue.

Today's Christian leaders who criticize government's policy as immoral are following a path trod frequently in history. Some church leaders in the 1930s saw Josef Stalin as a new kind of Christian leader, and Fidel Castro was admired in the 1960s for his "humane revolution."

Idealism and the desire for a more perfect world clouded the judgment of Christian leaders of those times, just as it does today's pilgrims to Central America.

But what do Central American church leaders themselves say about their countries, and about their North American counterparts? A hint of the exasperation, the Catholic Church in El Salvador feels about interference by North American visitors was revealed in a Dec. 8, 1985, editorial in Orientación, the official paper of the Diocese of San Salvador:

"It no longer is so easy to condemn the shipment of arms by the United States, since disarming the Salvardoran army logically furthers a guerrilla triumph. We conclude that this would not be just, given how many times the people have demonstrated their will. This is the truth and we do not understand why other people, entities or persons pretend to decide our future."

Salvadoran church leaders, whose flocks have indeed suffered at the hands of various governments over the years, now see change and improvement and a far different El Salvador than do American religious visitors, who seem to have a romantic sympathy for the guerrilla cause.

In August 1985 the Salvadoran bishops issued a pastoral letter on the political situation. They described the guerrillas as having little popular support in the country, and commented that the guerrillas "resort to violence and sabotage as vital weapons in their struggle, placing themselves in a situation we cannot approve."

The bishops have also gone on record that the arms to carry out this "violence and sabotage" come from Nicaragua. So have the Carter and Reagan administrations, the bipartisan Kissinger Commission and the U.S. Congress.

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But we hear not a word from American church leaders who support the Sandinstas about this international outlawry, or of Sandinista abuse of the Nicaraguan people. Guillibly accepting what the *comandantes* tell them, these Christian leaders turn a deaf ear to what moral heroes of the revolution of 1979 say about the betrayal of the Sandinistas.

One of these is Ismael Reyes, formerly director of the Nicaraguan Red Cross, who was eventually driven to exile by the same Sandinistas he helped come to power with his courageous denunication of the Samoza regime. After being forced to flee his country, he wrote: "In the American continent, there is no regime more barbaric and sanguinary, no regime that violates human rights in a manner more persistent and permanent than the Sandinista regime."

Yet the double moral standard of many American church leaders permits them to remain silent when Reyes and others like him speak, but applaud when the Sandinistas proclaim their dedication to Christian virtues. When asked why North American Catholics seem supportive of the Sandinistas, Cardinal Miguel Obando y Bravo, then archbishop, said:

"The first thing that the North American church needs is good information. They receive a lot of information from the (Popular Church) and the Sandinistas—which is the same thing. The government here manipulates all the groups that come . . ."

It is not only the Catholic majority that has been persecuted by the Sandinistas. Evangelicals, Moravians and the tiny Jewish community have felt the sting of the Sandinistas. The chief architect of the manipulation of American religious visitors is Minister of Interior Tomás Borge, a professed Communist. He receives church leaders from the United States in an office adorned with Bibles and crucifixes.

The office where he discharges his day-today duties has no such religious artifacts, but pictures of Marx and Lenin. Borge furthers his deception by having his special police arrange "casual encounters" of American visitors with "ordinary" Nicaraguans full of praise for the Sandinistas. A former top aide who left Nicaragua in July, Alvaro Baldizon, says Borge refers to American religious leaders as his "army of useful fools."

That American Christians have frequently contributed to human misery in the recent past in Latin America has been affirmed by Armando Valladares, a Cuban poet imprisoned by Castro in 1960 for writing poetry critical of the revolution. Finally released in 1982, Valladares said Castro used statements of American religious leaders to demoralize his prisoners, and "that was worse for the Christian political prisoners than the beatings or the hunger. Incomprehensibly to us, while we waited for the embrace of solidarity from our brothers in Christ, those who were embraced were our tormentors."

The Sandinistas are manipulating visitors to Nicaragua in the 1980s with the same techniques Castro used in the 1960s. Christians in the United States must ask themselves if they are willing to accept responsibility for "embracing the tormentors" of the Nicaraguan people, and for strengthening the Salvadoran guerrillas by weakening a Salvadoran government that Salvadoran bishops describe as representing the will of the Salvadoran people.

If the experience of Cuba is repeated in Central America, these American pilgrims will bear on their consciences a large share of the blame for the fate that may await fellow Christians in these countries.

WEBSTER GROVES LIONS CLUB: OVER 60 YEARS OF DEDICATION TO THE COMMUNITY

HON. RICHARD A. GEPHARDT

OF MISSOURI

IN THE HOUSE OF REPRESENTATIVES

Wednesday, April 9, 1986

Mr. GEPHARDT. Mr. Speaker, it is appropriate at this time to recognize an organization that has given a lot to the St. Louis community. The tireless efforts of the members of the Webster Groves Lions Club will leave a mark on the history of the area.

For over 60 years, the club has donated money for projects locally, statewide, and nationally. The Webster Groves club is one of 37,033 Lions Clubs from around the world. Internationally, the clubs fund a disaster relief and emergency fund program and concentrate on fostering fellowship among people and service to those in need.

Locally, the club has been the driving force behind local scholarship funds and needed additions to Memorial Field, such as a sprinkler system and lights. The club has contributed more than $400,000 to community projects, civic improvements and charitable needs throughout the organization's history.

In this day of fast-paced, highly technological communication, it is refreshing to see commitment and conviction from an organization like the Webster Groves Lions Club. Our community, our State, our Nation, and our world can only benefit from organizations who care enough to do something about the problems we face in the future.

TRIBUTE TO LINCOLN HIGH SCHOOL BASKETBALL TEAM

HON. JOE KOLTER

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, April 9, 1986

Mr. KOLTER. Mr. Speaker, today I rise to honor the Lincoln High School basketball team for the achievements it and its individual players have made this season. The team, coached by Al Campman with assistance from varsity coaches Anthony Pietrcollo and Jeffery Meehan, had a record of 25 wins and 5 losses. This was the best record of any basketball team in the history of the school. The team also advanced the farthest it ever has in the Western Regionals, led by brothers Dan and Frank Aloi. Dan, a junior with 1,166 points scored, broke the all-time career scoring record for the school and his own single season scoring record previously held by Darrin Morella with 1,076.

Dan also was named most valuable player in section 11 selected for the first string of the all-section teams, while Frank, a senior, made the second string of the all-conference teams. Senior Paul Fec made first string all-conference, while Nick Carusone received an honorable mention. Although these awards and accomplishment are noteworthy, there is more to the story.

Both the Aloi brothers made the Beaver County All-Academic Team with a 4.0 out of a possible 4.0 grade point average.

As a former high school teacher, I realize more than most, the great tragedy of athletes who go through school totally on their athletic ability. So I want to take this opportunity here before my colleagues in the U.S. House of Representatives to commend the Lincoln High School basketball team for its accomplishments and want to recognize Dan and Frank Aloi for their achievements both on and off the court.

REPRESSION IN ROMANIA

HON. WILLIAM O. LIPINSKI

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, April 9, 1986

Mr. LIPINSKI. Mr. Speaker, I rise to inform my colleagues that there is no religious freedom in Romania today. Romanian citizens can worship only at the great risk of physical harassment and abuse by the Communist authorities. Churches have been torn down for alleged violations of building code laws, pastors have been subject to intimidation—some have disappeared without a trace—and worshippers have been arbitrarily arrested. What is remarkable about the situation in Romania is that the churches are growing. In the face of one the most repressive regimes in Eastern Europe, especially in terms of religious freedoms, more and more Romanians are attending church services. It is testimony to the courage and spiritual yearning of the Romanian people that they are willing to pay such a heavy price.

Mr. Speaker, it is hard for us to understand what it means to be afraid to worship freely. Yet, this is the situation Romanians face. I believe that the United States should use its economic leverage against the systematic repression going on in Romania. A country that so flagrantly violates the religious liberties of its people should not receive most-favored-nation status from our country. The granting of that status implies that the United States looks with favor upon the actions of the Romanian Government. If any signal is given by our country, it should be one that clearly condemns religious repression in Romania.

I would like to include in my statement an excerpt from the February/March 1986 News-Wire of the Slavic Gospel Association that documents specific cases of abuse directed at Christians:

ROMANIAN JUSTICE

On April 19, 1985, Constantin Sfatcu was stopped while driving his pastor's car. A police search revealed a cache of Christian literature and the 33-year-old Baptist was arrested. Although his arrest was obviously prompted by the books found in the car, this literature never figured into Sfactu's trial. In typical fashion, the government ignored the religious angle in order to bring a trumped-up criminal charge against him: attempted murder of a policeman!

The case had to be tried twice because the prosecutor bungled his first presentation so

badly. By the evidence, Sfactu did not even resist arrest, let alone try to kill anyone. The policeman in question had only a small scratch on one hand as "proof" of the alleged assault.

Nonetheless, Sfactu was convicted and sentenced to seven and a half years' imprisonment. His appeal last September was partly successful: the charge was reduced to "violence," for which he received a sentence of four and half years (the maximum is five). He has already been forcibly drugged and beaten by his jailers to the point of physical collapse. How he will fare during the rest of his term is uncertain.

At least Constantin Sfactu's family knows where he is. The families of other Romanian Christian leaders are not always so fortunate—Petru Popescu's family, for instance. This pastor and critic of the government's religious policies survived many interrogations by the secret police. Then, on April 26, 1985, he disappeared from a train station. Is he being held without trial, or was he murdered in secret and thrown in an unmarked grave, no one knows.

Holding believers without charge is a common tactic in Romania. Ilie Neamtu, 49, a construction foreman from a small town near Bucharest, has been detained since July 1, 1985. His wife and seven children have no idea what crime, if any, he might be accused of. They do know that, as an elder in the local Brethren assembly, Neamtu has been conducting unofficial evangelistic meetings for his fellow workers. This is undoubtedly his real "crime" in the eyes of the authorities.

And there are many others whose stories deserve to be told here: Rev. Petru Dugulescu, who was warned by the Securitate that he might have an "accident," and then suffered multiple fractures when an unmarked bus rammed his car; members of the Blaj Baptist Church, whose building was bulldozed into rubble despite official promises to the contrary; and Brethren leader Elisei Rusu, who was arrested, beaten and convicted of handling Christian literature.

NEW GI BILL

HON. G.V. (SONNY) MONTGOMERY

OF MISSISSIPPI

IN THE HOUSE OF REPRESENTATIVES

Wednesday, April 9, 1986

Mr. MONTGOMERY. Mr. Speaker, a Vietnam era veteran contacted me recently expressing his strong support for the new GI bill. Dr. J. Clay Smith, Jr., agrees that a meaningful educational assistance program is necessary to attract high quality recruits. Additionally, he stresses the importance of the GI bill to the individual and thus to the Nation.

Dr. Smith's letter is particularly powerful because he speaks from personal experience. He served in the U.S. Army, went to school under the Vietnam era GI bill, and is now a professor of law at Howard University. His is truly a success story and one that will be repeated time and again if the new GI bill is not prematurely terminated, as recommended by the President.

I have alway maintained that the new GI bill will benefit the individuals who go to school under this program as well as the military service. This education benefit was not designed solely as a recruitment and retention tool. The new GI bill is also designed to provide young people with the means to pursue educational opportunities that might otherwise not have been available to them. Congress must not take the administration's proposal to repeal this program seriously. It means too much to our young men and women who elect to serve their country.

I commend Dr. Smith's very articulate letter to my colleagues.

HOWARD UNIVERSITY,
SCHOOL OF LAW,
Washington, DC, March 21, 1986.

Hon. G.V. MONTGOMERY,
Chairman, House Veterans' Affairs Committee, Cannon House Office Building, Washington, DC.

DEAR CONGRESSMAN MONTGOMERY: Please know that I support your stand to preserve G.I. Benefits against the know-nothing budget-cutters in the Office of Management and Budget. See Wilson, Lawmakers Goes To War To Preserve GI Benefits, Wash. Post, March 21, 1986 at A21, col. 1. I find it difficult to reconcile how the Administration can argue for a strong national defense in an era of voluntary services with few incentives to join the military.

I am a Black American, a Republican and Vietnam era United States Army Veteran who benefitted from the G.I. Bill both from an educational point of view and as a property owner. The G.I. Bill has helped many Black Soldiers in the past. Indeed, it has helped many Americans to become educated and productive citizens. It should not be touched by persons who have probably never donned the uniform, or who believe that with high levels of unemployment in the nation that there is no need to offer soldiers G.I. benefits to encourage them to join the service.

Black Americans stand behind their armed forces because our women and men are often disproportionately called to service in the times of national crisis. Therefore, we believe that it is in the national interest that the current G.I. Bill be maintained, and be made a permanent value for all Americans who chose to serve in the various armed forces.

Sincerely,

J. CLAY SMITH, Jr.,
Professor of Law.

BOB GRIESE WINS ANNUAL "JOE THOMAS" AWARD

HON. JACK F. KEMP

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, April 9, 1986

Mr. KEMP. Mr. Speaker, I rise today to recognize the accomplishments of a good friend and former adversary in the pro-football world, Bob Griese. As quarterback of the Miami Dolphins, Bob led his team to three straight Super Bowls before his retirement from football 5 years ago. Bob continues to be active in pro-football through his work as a commentator with NBC-TV. This year, he was named as the recipient of Football News' annual "Joe Thomas" award in recognition of his many outstanding contributions to his sport, his community, and his country. I congratulate Bob on this honor, and commend the following article to the attention of my colleagues as an example of the tremendous example Bob sets as a former pro-football player who serves his community and country.

GRIESE WINS JOE THOMAS AWARD

Former Miami Dolphin star quarterback Bob Griese, now a football color man for NBC-TV, has been named the winner of Football News' annual Joe Thomas Award.

The award is named in memory of the man who is credited with building three NFL teams into Super Bowl contenders, while being recognized as one of the best judges of talent in NFL history. Thomas died in 1983.

Griese, ironically, was one of Thomas' most sigificant acquisitions. Thomas selected him in the Dolphins' 1967 draft over popular Heisman winner Steve Spurrier.

Bob went on to lead the Dolphins to an unprecedented three straight Super Bowls and became one of the greatest quarterbacks in NFL history. He retired five years ago and should soon be named to the Pro Football Hall of Fame.

The Joe Thomas Award goes to Griese for his outstanding performance as an NBC color announcer. Griese, always the thinking man's quarterback, has brought to NBC that same type of class performance. He doesn't overwhelm the viewer with cliches but instead makes pertinent comments that fully explain what's going on. His approach is the direct opposite to those color men with bombastic styles who yell and scream their comments in an irritating fashion.

Joe Thomas over the years was an unsung hero. He never received the publicity he deserved for his accomplishments. Griese is a true disciple.

Bob and his wife, Judy, live in a Miami, Fla., suburb. They have three handsome sons.

Griese is a successful businessman who contributes much of his time to many civic endeavors in the South Florida area.

We salute him as FN's 1985 Joe Thomas Award winner.—Roger Stanton.

IN TRIBUTE TO RUTH AND KARL BECKH

HON. MEL LEVINE

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, April 9, 1986

Mr. LEVINE of California. Mr. Speaker, I rise today to pay tribute to two remarkable people, Ruth and Karl Beckh, on the occasion of their 60th wedding anniversary.

Mr. and Mrs. Beckh have long been two of Richmond, VA leading citizens. They have raised three children, and have been blessed with nine grandchildren and five great grandchildren.

Anyone familiar with the Beckhs knows that they deserve the respect and admiration which their friends and families have for them. Few people have done as much for their family and their community.

A short visit with the Beckhs and their family reveals the love and commitment which forms the nucleus of a strong marriage and devoted family.

Known affectionately as "Big Mama" and "Big Daddy" by their grandchildren and great grandchildren, the Beckhs' home is filled with reminders of what makes them such remarkable people. Karl Beck spends hours fashioning

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models, doll houses, and toys for his grandchildren and great grandchildren. The time and care he devotes to these creations makes every visit to their home a treat.

At a time when more than half of the marriages in this country end in divorce, the Beckhs serve as an example to young and old alike that love, patience, and commitment can overcome many of the difficulties which destroy too many marriages.

Mr. Speaker, the Beckhs are an example of many of the things which make our country great. I ask my colleagues to join with me in paying tribute to these two extraordinary people.

NATIONAL HOSPICE MONTH

HON. WILLIS D. GRADISON, JR.

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Wednesday, April 9, 1986

Mr. GRADISON. Mr. Speaker, today I am introducing a joint resolution to designate the month of November 1986 as National Hospice Month. I am very pleased that my distinguished colleague from California, LEON PANETTA, and over 50 of our colleagues have joined me in sponsoring this resolution.

I have selected the month of November to commemorate hospice—the innovative, comprehensive, compassionate approach to caring for the terminally ill—because November 1, 1986, marks the third anniversary of the hospice Medicare option. The implementation of hospice Medicare benefits has made it possible for hospice care to become a viable alternative to traditional acute care for many Americans. Similar resolutions, which I introduced in 1984 and 1985, received overwhelming bipartisan support and were enacted as Public Law 98–423 and Public Law 99–125 respectively.

This year is particularly important for hospice programs. Earlier this week, the President signed the fiscal year 1986 reconciliation bill, H.R. 3128, which contained a proposal my colleague from California and I had sponsored to remove the hospice Medicare benefit's sunset date of October 1, 1986, and make the benefit permanent.

The new reconciliation law also contains provisions we sponsored that would increase the hospice Medicaid benefit per diem payment levels and make hospice an option under the Medicare Program.

The hospice concept is centered around the belief that the dying are usually better served in the familiar surroundings of their own homes or, if necessary, in a comfortable inpatient facility which allows them to spend their final days in peace and dignity. The critical component of hospice care is the delivery of services by an interdisciplinary team of physicians, nurses, social workers, therapists, clergy, and specially trained volunteers. Over 1,400 programs, utilizing thousands of professionals and trained volunteers, are dedicated to promoting the hospice concept.

This humanitarian method of care has proven to be an excellent way for patients and their families to cope with the immeasurable stress and emotion of terminal illness. While understanding of and support for the hospice concept has grown dramatically in the last few years, there is still a need for public education regarding the benefits of hospice care. It is also appropriate that we recognize the significant contributions made by those involved in the provision of hospice services and in the advancement of the hospice movement.

The public education and recognition programs conducted during National Hospice Month will continue to expand the knowledge of and support for hospice care.

THE 75TH ANNIVERSARY OF IMPERIAL IRRIGATION DISTRICT

HON. DUNCAN HUNTER

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, April 9, 1986

Mr. HUNTER. Mr. Speaker, I rise today to call attention to an important anniversary for the 45th District of California. This year marks the 75th anniversary of the Imperial Irrigation District [IID] in Imperial County. This body has quite literally transformed the desert into a rich, productive agricultural resource.

Blessed with ample sunshine and the relative proximity of the Colorado River, the Imperial Valley was a natural location for farming. But until adequate, dependable supplies of water could be made available, there was little chance of developing this potential resource.

Several pioneers, like Dr. Oliver M. Wozencraft and William P. Blake, recognized the potential for irrigation, but they lacked the resources and technology to bring it to fruition. It was not until 1896, when the California Development Co. was formed by Charles Rockwood, Anthony Heber, and others, when the irrigation of the valley became a possibility. George Chaffey built the first Alamo Canal from the Colorado to Imperial Valley in 1901. In the space of a few months, 1,500 acres were served by the system.

Setbacks plagued these early pioneers and the California Development Co. declared bankruptcy. On July 14, 1911, the people of the Imperial Valley voted to allow the Imperial Irrigation District to acquire the assets of the failed firm. In the space of a few years, the IID had consolidated all the mutual water companies in the area.

In the thirties, construction began on the All American Canal and the Imperial Dam. By 1942, Imperial Valley was receiving water from the Colorado River through these vital waterworks. In the forties, the IID became an electrical utility, thanks to its hydropower capabilities. Major improvements to the power system have come on line in 1953, 1957, 1982, and 1984.

Since then, the IID has moved in to new areas, including nuclear energy and experimental technology such as geothermal power. Thoughout its 75 years of service, the IID has concentrated on conservation and effective management of the area's resources.

I know my colleagues join me in saluting the Imperial Irrigation District and its dedicated, talented employees on this important anniversary. It is indeed fitting that they have chosen the motto "Facing the Future . . . Proud of our Past." It exemplifies what the IID does and what it means to the people of the Imperial Valley.

Mr. Speaker, 1986 is an important year for the Imperial Valley. Its citizens are fortunate to be served by the IID and I am sure that my colleagues share my congratulations to the Imperial Irrigation District for 75 years of service and best wishes for continued success.

1986 SPECIAL OLYMPICS TORCH RELAY

HON. MARIO BIAGGI

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, April 9, 1986

Mr. BIAGGI. Mr. Speaker, I am very pleased and proud to introduce a resolution today to authorize the 1986 Special Olympics Torch Relay to be run through the Capitol Grounds.

The Torch Relay, which will be run this spring and again in 1987, is designed to raise funds for the Special Olympics, which was founded in 1968 by Eunice Kennedy Shriver. The Special Olympics provides year-round training and competition in 14 sporting events to any individual age 8 or older who is mentally retarded. The Special Olympics provide a very rewarding experience for more than 1 million athletes in over 20,000 communities in the United States and 50 foreign countries.

The Torch Relay is supported by the International Association of Chiefs of Police and is sponsored by the Armour Food Cos. Logistical support will be provided by the "Good Sam Club," a national network of recreational vehicle owners. As a former police officer, I am particularly proud to note that law enforcement officers from around the country are organizing the intrastate relays.

The District of Columbia run will culminate at opening ceremonies for the District of Columbia Special Olympics Spring Games to be conducted at Gallaudet College on May 30–31. The District Columbia Special Olympics Games will have some 750 athletes competing in five athletic areas: aquatics, track and field, gymnastics, volleyball, and softball.

Mr. Speaker, I am a longtime supporter of the Special Olympics and view the Torch Relay as a very positive way of promoting interest in this very worthwhile endeavor, while also raising much needed funds to ensure that the Special Olympics experience can continue to grow.

At this time, Mr. Speaker, I wish to insert the full text of my resolution:

H. CON. RES. 311

Concurrent resolution to permit the 1986 Special Olympics Torch Relay to be run through the Capitol Grounds

Resolved by the House of Representatives (the Senate concurring),

SECTION 1. RUNNING OF SPECIAL OLYMPICS TORCH RELAY THROUGH CAPITOL GROUNDS.

On May 30, 1986, or on such other date as the Speaker of the House of Representatives and the President pro tempore of the Senate may authorize jointly, the 1986 Special Olympics Torch Relay may be run through the Capitol Grounds as part of the journey of the Special Olympic torch to the

District of Columbia Special Olympics Spring Games to be conducted at Gallaudet College, in the District of Columbia.

SEC. 2. AUTHORITY OF CAPITOL POLICE BOARD.

The Capitol Police Board shall take such action as may be necessary to carry out the first section of this resolution.

BILL TO CLARIFY INTERNATIONAL ASSISTANCE AUTHORITIES OF INTERIOR DEPARTMENT AND ADVISORY COUNCIL ON HISTORIC PRESERVATION

HON. JOHN F. SEIBERLING

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Wednesday, April 9, 1986

Mr. SEIBERLING. Mr. Speaker, I am today introducing, along with 21 cosponsors, legislation to clarify and strengthen the authorities of the Secretary of the Interior and the Advisory Council on Historic Preservation to provide technical assistance aimed at promoting the wise use and conservation of natural and cultural resources throughout the world.

The legislation would establish a rational framework in which the international activities of the Interior Department and the Advisory Council on Historic Preservation can be administered. At present, one finds varying degrees of authority among the Department's constituent agencies. For example, the Fish and Wildlife Service as well as the National Park Service derive their mandate to contribute to the conservation of plant and animal species and their habitats abroad from the Endangered Species Act. Both the Fish and Wildlife Service and National Park Service provide technical assistance to the governments of Central America under the Western Hemisphere Convention. The Park Service assists in implementing the World Heritage Convention under the provisions of title IV of the National Historic Preservation Act Amendments of 1980. The Bureau of Land Management responds to requests channeled through the Agency for International Development, but it has no separate authority of its own to provide technical assistance to other countries.

Both the Secretary of the Interior and the Advisory Council on Historic. Preservation have expertise within their respective agencies to provide needed technical assistance to other countries, and both already have done so on a limited basis. However, their authority, where it exists at all, is vague, inconsistent and inadequate. As a result, their international assistance is usually provided on an ad hoc, unpredictable basis without established criteria or priorities.

Our legislation would establish a uniform set of guidelines for the Department and the Council. Recent hearings by the Public Lands Subcommittee, of which I am chairman, have convinced me that such uniformity is needed. It will promote better, more integrated policies and programs, consistent with existing United States statutory and treaty obligations and Executive agreements.

ASSISTANCE BENEFITS UNITED STATES

International technical assistance activities aimed at conserving the natural and cultural resources of other countries benefit the United States in many ways. Indeed, we have learned over the past few years that the issues confronting the United States in conservation and resource protection are not limited to our borders. For example, desertification, acid rain, deforestation, groundwater contamination and other environmental problems transcend national boundaries. Many of our so-called "native" songbirds are in danger of extinction because their winter habitats in Central and South America are rapidly being destroyed.

The United States also benefits from international programs that provide us with access to foreign technology and resource management practices that may improve our own. These programs are also a mechanism for the implementation of U.S. foreign policy.

Because science and technology are integral to the development and conservation of natural resources, the technical agencies of the Interior Department have been involved for about 50 years in cooperative efforts with other nations. These cover a wide range of activities, including the identification and assessment of secure sources of critical and strategic minerals and of nonrenewable and renewable energy; preservation of endangered species and their habitats; preservation of natural areas and places of cultural significance; and provision of technical services to foreign countries for water, energy, fish and wildlife and other natural resource conservation and development.

Similarly, although on a very modest scale, the Advisory Council on Historic Preservation has provided professional expertise and coordination among the agencies and private sector groups that are concerned with international preservation. The Advisory Council provides advice to the State Department, coordinates the U.S. participation in the International Center in Rome [ICCROM] and contributes to the preservation of cultural resources through other groups such as US/ICOMOS.

These domestic agencies also perform essential functions in providing the technical and professional services needed for the United States to fulfill its commitments under various statutory and treaty obligations and executive agreements. Included among these are the Convention on International Trade in Threatened and Endangered Species of Wild Flora and Fauna, Convention on Nature Protection and Wildlife Preservation in the Western Hemisphere, migratory bird treaties with Canada, Mexico, Japan, and the U.S.S.R. and the Convention Concerning the Protection of World Cultural and Natural Heritage.

OVERVIEW OF THE BILL

The bill we are introducing today sets out congressional findings that it is in the interest of the United States to encourage and promote programs within domestic Federal agencies such as those administered by the Secretary of the Interior or by the Advisory Council on Historic Preservation, which assist in the wise use and conservation of natural and cultural resources throughout the world. The stated purpose of the bill is to clarify and strengthen the authorities of the Secretary and the Council to provide such assistance.

In consultation with the Secretary of State, and consistent with implementation of statutory and treaty obligations and executive agreements, the Secretary and the Council would be authorized and directed to take six general actions. They would expand their operational coordination with domestic and international organizations and agencies through joint or coordinated technical assistance, research, financial assistance, provision of equipment or facilities, exchange of information, cooperative agreements and other appropriate activities. They would work with other nations to stimulate and promote the wise use and conservation of natural and cultural resources, including the provision of technical assistance and stationing of appropriate personnel. They would continue to assist the Agency for International Development, and other appropriate organizations and institutions, with advice and programs directed at developing countries.

Additionally, they would maintain and develop within their own agencies highly qualified and experienced professionals, scientists and technicians; disseminate information on their international programs; and provide such technical assistance and advice on a reimbursable or nonreimbursable basis as is necessary.

In carrying out these authorities, the Secretary and the Council would insure that they comply with all relevant laws and regulations of the United States. They would be directed to give priority to actions which have long-term environmental benefits and which enhance protection and avoid damage to natural and cultural resources. To be assisted, projects must be environmentally sustainable and contain provisions for continued implementation by the foreign country in which they are carried out.

The bill would also clarify the Secretary's and Council's authorities for implementing the World Heritage Convention, and would direct the preparation and submission of annual reports to the President and the Congress on the activities they have carried out pursuant to the act during the previous fiscal year.

The Comptroller General of the United States would be directed to prepare and transmit to the Congress a report no later then 60 days after the third annual reports of the Secretary and the Council. The Comptroller's report would describe the progress which had been made in coordinating the activities of the Secretary and the Council and an assessment of the effectiveness of their activities.

The terms defined in the bill would be those for "technical assistance," "public and private institutions," "international organization," "Secretary" and "Council."

HELPING TO SOLVE GLOBAL PROBLEMS

In conclusion, Mr. Speaker, this legislation attempts to bring the Interior Department and the Advisory Council on Historic Preservation into the 1980's with regard to global environmental concerns. We have witnessed in recent years a growing commitment by the U.S. Government to enter into agreements aimed at the solution of such serious problems as desertification, destruction of fauna and flora, and air and water pollution. Yet the Interior Department, which employs the largest number of specialists in these and many other subject areas, is constrained from making its most efficient contribution because

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of a crazy-quilt—and inadequate—set of authorities.

The increased authority for the Secretary and Council will not require additional funding authority; assistance to other governments or international entities can continue under existing operational authorities on a reimbursable as well as a nonreimbursable basis.

An Environmental and Energy Study Institute Task Force, of which I was a member, issued a report in October 1985 titled "A Congressional Agenda For Improved Resource Management in the Third World: Helping Developing Countries Help Themselves". It called on us to enact new initiatives to strengthen resource management and promote long-term sustainable development in Third World nations.

The legislation we are introducing today does this. It will both contribute to the solution of serious global problems and demonstrate to the world our commitment as a world leader in resource conservation and the provision of international technical assistance.

I urge all Members to support the legislation.

RECOGNITION OF NATIONAL AUCTIONEERS WEEK

HON. JOE KOLTER

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, April 9, 1986

Mr. KOLTER. Mr. Speaker, today I rise to mark the observance of National Auctioneers Week, which is April 6 through 11. Auctioneering is one of the fastest and most effective methods of selling personal property and real estate, in addition to being one of the oldest methods of selling. Auctions date back to the time of the ancient Babylonians in the 500 B.C. period, which was followed by the Romans' use of auctions.

In American history, auctions first came into prominence after the Civil War as a method for Army colonels to dispose of war booty. Since that time, auctioneers and the auction profession in general have developed progressive education institutions and an organization to unite auctioneers concerned with the professionalism of auctioneering. In 1949, the National Auctioneers Association was formed through the leadership of a small group of auctioneers. The group's membership has grown steadily, now including more than 6,200 members across the United States, Canada and other foreign nations. NAA members abide by a Code of Ethics that was established to maintain the highest standards of the auction profession and bestow a common responsibility for integrity and honor among auctioneers.

The purpose of National Auctioneers Week is to inform the public of the efforts of NAA to better the auction profession in general by improving the skills of its members. Such is the case with Sherman Hostetter, Jr., one of my constituents in the Fourth District of Pennsylvania. He and his brother Lee will be at Indiana University at Bloomington for the Certified Auctioneers Institute during the week to further their education and skills of auctioneering.

It is an honor to applaud the efforts of NAA and members Sherman Hostetter, Jr. and Lee Hostetter to better the auctioneering profession as I stand here before the U.S. House of Representatives today.

OUR NATION'S LIBRARIES

HON. WILLIAM HILL BONER

OF TENNESSEE

IN THE HOUSE OF REPRESENTATIVES

Wednesday, April 9, 1986

Mr. BONER of Tennessee. Mr. Speaker, since this is National Library Week, I would like to take this opportunity to express my views on the importance of libraries.

I am very concerned about the President's fiscal year 1987 budget proposals which greatly affect our libraries. Despite the fact that funding for our libraries is such a minute part of the overall budget, the administration is recommending zero funding for the Library Services and Construction Act, and has further recommended a rescission of all fiscal year 1986 library grant funds not already committed or allocated.

Mr. Speaker, libraries have always been a vital component of our educational structure. Not only are they a source of information, but they provide so many services to the disadvantaged—who will be most affected by the President's proposals.

In my hometown of Nashville, the library system provides a daily 18-hour "talking library" broadcast for the blind and physically handicapped through a subcarrier of our public radio station WPLN. Over 300 volunteers read the newspaper—from current events to shopper specials—and books to these people. Our bookmobile provides large print books to homes for our elderly. Also, for the first time this year, our library is charged with the job of preserving the historic documents relating to the founding of our city and will archive all official documents of the city government.

Our libraries provide a worthwhile pastime for youth and the elderly. Nashville has approximately 1,500 homeless people, and each day in the winter, when the library doors open, 30 or 40 of them will be standing in line to enter. They make the libraries their daytime home.

I urge my colleagues to support continued funding for the Library Services and Construction Act and oppose the administration's rescission recommendation.

IN HONOR OF KIT COWDREY

HON. MEL LEVINE

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, April 9, 1986

Mr. LEVINE of California. Mr. Speaker, I rise today in honor of Kit Cowdrey, a well-known writer and community activist, who will be the recipient of the Pacific Palisades Lions Club Community Recognition Award on April 17. This prestigious award is the greatest honor the Lions can bestow upon a non-Lion who deserves to be recognized for his or her outstanding contributions to society and humanitarian pursuits.

Kit is a third generation newspaper person. She began her career in elementary school writing a weekly bulletin and continued writing for school papers, including junior and senior high schools and her 4 years at Case-Western Reserve University, Cleveland, OH, which she attended on a scholarship.

Kit claims to have majored in her "future husband," Frank Cowdrey, and they were married in 1935. Following World War II, Frank was the west coast executive mechanical and sales engineer with Parker-Hannifin Corp. from 1948 to 1976. The company transferred Kit and Frank to Los Angeles in 1948.

The family moved with three children—Barbara, Andrea, and Frank Jr.—to Pacific Palisades in 1953. Kit immediately taught Sunday school and wrote the weekly newsletter of Pacific Palisades Community Methodist Church.

She worked on publicity for the March of Dimes, Brownies, Cub Scouts, Girl Scouts and "for anyone who asked me." In 1954, Kit joined the staff of the Palisadian, the Pacific Palisades first newspaper, as society editor and remained until 1961, when she became a staff writer covering Pacific Palisades, Malibu, and Topanga at the Evening Outlook of Santa Monica.

After only 2 weeks with the Outlook, Kit had the privilege of writing a feature article on the last interview Mrs. Eleanor Roosevelt gave the press, who in 1961 was considered "the most important woman in the world." Other famous people she has featured in articles included Robert Kennedy, Bob Hope, Buckminster Fuller, designer of the geodesic dome, Pulitzer Prize winners Will and Ariel Durant, Debbie Reynolds, Crown Prince Akihfito and Princess Michiko of Japan, Mrs. Nat King Cole, Vivian Vance of "I Love Lucy," President Ford, Bobby Vinton, Larry Hagman, Robert and Betts Rockwell, when he was the star of "Our Miss Brooks," and many more.

Kit feels one of her greatest accomplishments was the inclusion for the first time of her "Owl" newspaper article in the 1964 Christmas Book of the Braille Institute of America given to every blind child requesting it around the world.

Kit has donated her time and talents to public relations work for the American Heart Association, American Cancer Society, Crippled Children's Society, Religion in Media, Santa Monica Bay Auxiliary of the Children's Hospital, CROP Walk, and a founder of AWARE—American Women's Active Return to Education—1984 Summer Olympics, World Games for the Deaf, and others.

After the death of her husband in 1984 Kit was invited to be the staff writer at the Malibu Times. In addition, she continues her reporting and writes a weekly column for the Evening Outlook.

It is an honor to bring Kit's accomplishments to the attention of my colleagues in the U.S. House of Representatives. I ask that the Members of this body join me in saluting this very special American as she receives this prestigious award.

SUPPORT GROWS FOR CREDIT CARD INTEREST RATE CAP

HON. MARIO BIAGGI

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, April 9, 1986

Mr. BIAGGI. Mr. Speaker, there is a growing public outcry throughout the country about exorbitant credit card interest rates. There is good reason for this concern. While the rate banks pay to borrow their money from the Federal Reserve has dropped from 14 percent in August 1981 to just 7 percent today, the rate banks charge their credit card customers to use that same money when up during that same period from 17.78 percent to approximately 18.6 percent.

There appears to be only one possible explanation for the rise in credit card interest rates—greed on the part of credit card issuers. A New York Times article awhile back reporting on the discrepancy between the cost of money to banks versus consumers was appropriately headlined, "Big Banks Basking in Profits." My own recent survey showed that of the 10 largest bank card issuers—as reported by the Nilson report—nine reported substantial earnings increases for 1985 over 1984. This certainly should not come as any great surprise, especially since consumers are paying some $6 billion a year in credit card interest rate charges. That is about $2 billion a year more than they would be paying if a bill—H.R. 1197—I have authored to cap credit card rates at lower levels were enacted.

Mr. Speaker, I am very pleased to note that my good friend and distinguished colleague from Illinois, Mr. Annunzio, has scheduled a markup on legislation to cap credit card interest rates for April 15. I want to commend him and his Subcommittee on Consumer Affairs and Coinage, for giving this issue the high priority attention it deserves. Such action clearly demonstrates his longstanding and unwavering concern for the welfare of our Nation's consumers.

Further, Mr. Speaker, I want to point out that due to the serious attention this issue is receiving here in the Congress, more and more States and localities are becoming concerned as well. Consider, for example, that in my own congressional district, the Yonkers (NY) City Council unanimously passed a resolution on March 11, 1986, endorsing my legislation to cap credit card interest rates. I welcome this support and wish to insert in the Record for my colleagues' review:

Resolution No. 75-1986

Whereas, millions of American consumers are paying an average of 18.6 percent in interest each year for the use of credit cards, and

Whereas, the interest charged for the use of credit cards is significantly higher than interest charged for any other type of consumer loan including home mortgages, and

Whereas, Congressman Mario Biaggi has introduced legislation in the House of Representatives (H.R. 1197) which would place a national cap on credit card interest rates as has been done in the State of Arkansas, and

Whereas, the legislation introduced by Congressman Mario Biaggi would place the maximum rate for credit card interest at five percentage points above the bank borrowing rate, which under current conditions would mean a rate of 12.5 percent, now

Therefore be it resolved, the Yonkers City Council hereby supports the concept of placing a cap on credit card interest rates as stated in Congressman Biaggi's bill, and

Be it further resolved, the Yonkers City Council requests the New York State Legislature to develop legislation modeled on the Arkansas law for New York, and

Be it further resolved, the Yonkers City Council directs the City Clerk to forward certified copies of this resolution to Congressman Mario Biaggi, Governor Mario Cuomo and the State legislators who represent the City of Yonkers.

U.S. MUST AID DEMOCRATIC FORCES IN NICARAGUA

HON. MICHAEL G. OXLEY

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Wednesday, April 9, 1986

Mr. OXLEY. Mr. Speaker, today we face a challenge. Are we willing to condone another Communist dictatorship in our hemisphere or are we willing to support the freedom loving, democratic people who are fighting against the Communists in Central America? I believe the choice is clear.

A negotiated solution will not occur in Nicaragua without United States assistance. The Sandinistas are self-proclaimed Marxist-Leninists. I quote Humberto Ortega, the Nicaraguan Minister of Defense: "Marxism-Leninism is the scientific doctrine that guides our revolution, the instrument of analysis of our vanguard to understand the historical process and to create the revolution. Our doctrine is that of Marxism-Leninism." The Sandinistas have exiled Somoza's democratic opponents, such as Adolfo Calero, Arturo Cruz, and Alfonso Robelo, and are entrenching themselves with the full apparatus of a totalitarian state—secret police, a military machine, and block committees. They are armed by the Soviet Union, trained by Cubans and East Germans, and aided by the Libyans. Such a government has never negotiated itself out of power, nor will it—unless the U.S. convinces it to do so.

The political philosophy of the United States is based upon freedom, which allows every man to decide for himself where he wants to live, what he wants to do for a living, where he may travel, and, most importantly, what he thinks. Marxism-Leninism is a totalitarian philosophy where the state decides everything for the individual. The state snuffs out the individual. We cannot turn our backs on a democratic resistance force and condemn that country to tyranny. We must aid the democratic forces and encourage them to fight against communism.

By aiding the Nicaraguan freedom fighters, Congress may well save another country from the clutches of communism. We were unable to help the Hungarians, Czechs, or Poles when they rebelled against tyranny. We can do little for the boat people in Southeast Asia. We could do nothing at all for the Cambodians beset by the Khmer Rouge. In Afghanistan, we can only raise the cost of Communist conquest. We can, however, help Nicaragua become a democratic, pluralistic society. Under the circumstances, the $100 million investment requested by the President is a price we must be willing to pay now to avoid paying a potentially greater cost later—that is, the lives of American servicemen. We can finally do something, and we must not fail in this mission.

Thank you.

BANKING ON ENTERPRISE ZONES

HON. JACK F. KEMP

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, April 9, 1986

Mr. KEMP. Mr. Speaker, the March, 1986 issue of Ozark magazine included a very interesting and timely article about the activities of many States in designating urban and rural enterprise zones. It is long past the time when Congress should have enacted enterprise zones at the Federal level; I commend the following article to the attention of my colleagues and urge swift action on the Kemp-Garcia Enterprise Zone proposal.

[From the March 1986 Ozark Magazine]

Banking on Enterprise Zones

(By Julian Weiss)

Chicago Heights has one, and so does Elkhart, Indiana. St. Louis, Missouri, Duluth, Minnesota, Dayton, Ohio, and scores of other Midwestern cities are also getting on board the enterprise zone train. The question now is whether it is an express to economic growth or a caboose following business along uncertain tracks. The train is out of the station and enterprise zones are crisscrossing both big cities and small town across the region.

"Looking at Midwestern states, there is room for cautious optimism on the zones," says Miles Friedman, director of the National Association of State Development Agencies. "Many of these states have gone past the experimental stage—and done so very quickly. The zones are now an integral part of economic development for much of the Midwest."

Enterprise zones (EZs) are a relatively new idea, and supporters are hopeful that early momentum can feed on itself. "We call them 'competitive zones' in our state," says Patrick Connoy at the Minnesota Department of Energy and Economic Development. "They provide certain areas with competitive features and tax incentives that help create an infrastructure for business."

The zone concept is simple: Target a section of town, a rural county or part of a major city. Grant concessions, tax abatements and other lures, in the expectation that economic growth in this relatively small area will achieve lift-off. Exempt firms located in the area, and others considering moving there, from taxes and labor regulations and *voila!*—these targeted areas can flourish. In April 1982, Missouri became one of the first states in the country to authorize establishment of EZs. "Enterprise zones represent the broadest sets of powers used to start new businesses," says Robert C. Simonds, manager of Missouri's state-sponsored drive. Bob DeHart in Kansas City, Missouri, where an EZ is barely cele-

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brating its first birthday, speaks for many: "A zone's direct benefits can be small, but they may tip the scale" by adding a few vital percentage points to a company's profits ledger.

Tracts or enumeration districts must meet certain criteria to qualify as an EZ. But the benefits of having been designated an EZ in most states go beyond tax incentives to include employee training credits and the waiver of burdensome regulations.

Missouri's enterprise zone program, for example, offers more than a tax incentive package. Under its program, the infusion of new business development is accompanied by improved community planning and citizen involvement to build the broad-based community support that business needs to prosper.

Stringent guidelines are used to determine which areas would receive enterprise status. Different states and cities use zones for different objectives. Gene McNary, county executive in St. Louis, explains his area's particular goals. "Our mission is to attract business, and the [enterprise zone] incentives are doing just that," McNary says. In other parts of the country, primarily small and struggling companies in depressed areas are the intended beneficiaries. "It's largely economic development, but the community revitalization aspects aren't overlooked either," says Lawrence Bianchi, executive director of the Streator, Illinois, zone.

The incentives idea—whether an "on-paper" theory or a bottom-line reality—does have its enthusiasts. Entire states are slated to become zones, with Louisiana moving toward the lofty direction. (China watchers learned early in 1985 that China's quasi enterprise zones, the fabled "Special Economic Zones," may one day take in a third of that country's land area!) Kansas allows its cities to proclaim specially mandated sites unless the state itself takes action within sixty days of the declaration. Illinois and other Midwestern states are taking a more modest route, but legislatures are approving an ever-increasing number of sites—and the Midwest topped the 120 mark last year. Only Michigan is taking a wait-and-see attitude.

Many types of businesses are setting up shop in the zones. Venture capital start-ups, heavy industry, light manufacturing and services are relocating or sprouting up at the sites. "When we get calls like the one from the May Company," says Simonds, "and others in retail and distribution, we know the idea's working." May Company recently announced plans for a move to Joplin's zone.

Enterprise zones are a British innovation transplanted to the United States largely through the work of Dr. Stewart Butler at The Heritage Foundation, a conservative think-tank based in Washington, D.C. While Britain originated the concept in 1978, it has taken a few years for action to begin in this country. Legislation sponsoring creation of federally approved zones has floundered in Congress, but nearly half the states are taking their own initiative.

There are zones, and then there are zones. On the international trade side, a proliferation of foreign-trade zones has taken place since the late seventies. These specially designated sites are used to promote American exports by giving tax breaks on customs and levies when goods are reassembled in U.S. territory.

EZs have a domestic mission that is no less dramatic. For years, federal money poured into urban areas in an effort to promote renaissance, and results are mixed. If the enterprise zones idea takes off, it comes at a good time, for those same federal programs are being slashed (and in some cases abandoned).

Leaders such as Simonds speak of an "evolution" in the zone movement. "We started from ground zero three years ago," he says, and today nearly 4,000 direct jobs have been created in ten existing zones. Another 14 are on stream and will greatly increase the almost $140 million for investment in plant and equipment seen in the original ten. Of the 620 new jobs that emerged in Hannibal during 1985, two-thirds were in enterprise zones. St. Louis alone saw 600-plus jobs, and Kansas City, where a new enterprise zone is slated, hopes to repeat that performance. "We have some real turnaround stories, too," assures Simonds. He insists that the process is happening "uniformly" around the state.

"This is the beginning, and people sense things are picking up," he says.

A comprehensive plan adopted by the state's lawmakers provides for property tax abatements over periods ranging from ten to twenty-five years. Halving the corporate income tax and offering employment credits are another device. There are variations in place throughout the Midwestern region. For example, Indiana provides businesses located in zones with easy credit terms in a revolving fund. According to Diane Lupke, director of the state program, access to tax increment financing funds are available for firms settling on Hoosier sites.

Illinois tries to lure prospective firms with packages extending twenty years. Patrick O'Grady directs the zone program. "our industrial development agency can give up to $100 million in loans," he tells *Ozark*. Here, as elsewhere, what he describes as "modifications" in local zoning and in an assortment of regulations are dangled before companies. "Local support is the key to success," he adds.

Criteria for zones are established by states and cover local poverty levels, unemployment rates and other issues. To determine which cities or counties receive the state-mandated incentive packages, for example, Indiana requires that 25 percent of area residents fall below poverty levels in the last census (1980). "We ask for things like a local crime prevention plan, and a plan for improvements in infrastructure," explains Lupke, director of the state program. Ohio EZs can exist in areas where, among other things, population has declined and unemployment is 50 percent above the national average. Howard Wise in Columbus is the manager of the Buckeye State's Industrial Development program. "They [EZs] are tools that can lower welfare burdens, but they are not treated as a panacea, so our standards are geared in a practical direction," says Wise.

One city manager, who wishes to remain anonymous, is not completely pleased with the standards. "In our state, too many people went out for zone status at the same time," says the city manager. "I think that the standards are probably a little too rigid, or too tight, for some deserving areas to get a zone implemented."

Some observers wonder if competition between rural and urban communities sparks an incentives "war," finding companies packing up to literally move next door. Tony Perry, an administrator of the Kankakee River Valley EZ in Illinois, disagrees. "Community support has been total, even though we represent three towns with three different levels of incentives," Perry says. One car dealership was about to leave one member of the trio for another, but a potentially explosive situation was defused when all three agreed that this kind of movement was inevitable, and that an expanding pie in the River Valley region helped everyone. "That type of cooperation says a lot, really, because that type of business can mean $100,000 or so in local taxes."

There are varieties of EZs, with enough models proliferating over the past few months that custom-tailored sites are being launched. Lawrence Bianchi's zone is unusual because it is not a project sponsored by local or state development agencies. It's supported by some $65,000 in private contributions. In-kind support allows for free space, while the state provides minimal direct support for promotional aspects of the campaign. Bianchi earns the lofty sum of $1 per year from the city. He and a single part-timer guide the effort to transform three-and-a-third square miles of industrial Streator (population fifteen thousand) and its immediate outlying area (population twenty-four thousand). Widespread support from officials at several levels of government will enable the site to expand to eleven-and-a-half square miles.

Established in July 1984, the Streator Area Enterprise Zone, or SAEZ, is "past the point where we're feeling our way, says Bianchi. Not all leads have produced results, but it takes time to gain visibility, asserts Bianchi. He reckons that the SAEZ's locale some ninety miles southwest of Chicago will please prospective firms thinking of new manufacturing sites: the Burlington-Northern passes through town, and Streator is the only spot where Conrail and Santa Fe intersect each other. A new Chrysler-Mitsubishi plant is less than an hour's drive away, and nearby interstates crisscross the region.

With plenty of spots for companies relocating or getting off the ground to choose from, depressed areas are taking another look at previously untapped—or underutilized—local resources, trying to plug them into manufacturing or commercial needs. Bianchi points to one way in which local resources could be tapped. Oglesby Community College is small but has "unique" capabilities in robotics, and it proved itself when General Motors awarded it a $24-million contract in computer-assisted design.

Fort Wayne, Indiana, combined mostly private funds with some government money in order to foster its EZ, which is in fact a 600,000-square foot "incubator." Termed an Enterprise Center, this zone, although less than a year old, established its own venture capital fund.

In Evansville, Hoosiers thought they could sweeten the pie for Zayre Corporation by annexing a large tract of land formally outside city limits and bestowing an EZ title on it. At stake was a $55-million investment, as well as 1,500 new jobs, and Indiana legislators approved a $1.2-million training program for new workers on top of $600,000 in road and drainage improvements. For their part, city leaders pumped nearly $200,000 into infrastructure around the Zayre-dominated EZ.

The company pledges to pay $38,000 a year for ten years as a means of supporting youth employment training, a useful gesture because many targeted young people reside within the enterprise zone. Cooperation came from the building trades council, too, as plans for the new facility were finalized.

When Thief River Falls, Minnesota, lost its largest single employer (a snowmobile firm) five years ago, 1,800 lost their jobs. In a town of 8,500, this was a catastrophe. One of the rescue plans emerging called for an EZ in a 350-acre site that included the old plant that once produced snowmobiles. Lured by a host of incentives, a new firm rose Phoenix-like on the ashes of the old, smaller in scale but with more than 300 on the payrolls. The rest of the deserted manufacturing facility was converted into an industrial mall.

With the EZ movement past the starting gate, most agree that the tangible gains thus far are worthy of future commitments. Tony Perry has strong feelings about incentives. He saw joblessness soar in his highly industrialized area, but more than one thousand jobs were created in twelve months at his zone. Most of what was 3.5 million square feet of vacant industrial space has been absorbed in the River Valley area. "We need some incentives tied to paychecks," Perry says, "incentives that go directly to companies hiring the jobless. Another layer of goodies—federal tax breaks complementing what state and local governments grant business—is needed."

The perception of EZs remains fuzzy, but states like Missouri may join the parade that is leapfrogging Congress, taking bold initiatives on their own. These "Made in the Midwest" solutions can serve the region well.

[Julian Weiss is a freelance writer whose work appears regularly in U.S. and Asian business publications. He has observed operations at enterprise zones, and has written about EZ counterparts in South America, Asia and elsewhere. Weiss received an award in 1985 for a series comparing zones and other incentives.]

TRIBUTE TO VOLUNTEERS OF SWEETWATER UNION HIGH SCHOOL DISTRICT

HON. DUNCAN HUNTER

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, April 9, 1986

Mr. HUNTER. Mr. Speaker, I rise today to honor the volunteers of the Sweetwater Union High School District of Chula Vista, CA. Through their organization and service, they embody the dedication we all seek to the education of our youth.

The Sweetwater Union High School District's Board of Trustees and the Sweetwater Education Association will come together to sponsor the 10th Anniversary Appreciation Tea on April 24, 1986, to honor their volunteers. This event coincides appropriately with National Volunteer Week.

These particular volunteers serve 36,000 students through a program called Project LEAP [Learning-Experience-Achievement-Price]. They are from all walks of life—senior citizens, parents, business, and professional persons, each sharing their own individual talents to better the school system and the students' opportunities and education. The program has even been extended to include adoption of districts by local businesses and organizations.

Mr. Speaker, I know my colleagues join me in congratulating the volunteers, teachers, and administrators involved in Project LEAP. This festive day pays tribute to their concerted and continuous team-effort in helping youth. Because of their contribution, our students are developing their personal and academic potential so that they may act constructively as contributing citizens in our society.

JOSEPH H. KANTER JOGGING AND EXERCISE CENTER

HON. WILLIS D. GRADISON, JR.

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Wednesday, April 9, 1986

Mr. GRADISON. Mr. Speaker, springtime is here, and those of us who jog down Capitol Hill along the Mall may have noticed a new exercise facility under construction at 4th Street and Independence Avenue SW., adjacent to the National Air and Space Museum at the Smithsonian Institution.

Joseph H. Kanter, a businessman, philanthropist, and fitness enthusiast, has donated a new facility commonly known as a "Parcourse" to the National Park Service, Department of the Interior. It will be officially dedicated on April 23, but already dozens of Members and staff are using the equipment.

Joe Kanter has been jogging for over 40 years, and is about to complete a cumulative total mileage equaling the circumference of the Earth. A long believer that sound minds and bodies go together, he wanted to make this fitness facility available to all Government workers and all Americans. It is being paved for special access to the handicapped, among others.

I urge my colleagues to join in extending our thanks to Joe Kanter for his generous donation to the people of America.

FEDERAL ASSISTED HOUSING PROGRAMS

HON. BILL SCHUETTE

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Wednesday, April 9, 1986

Mr. SCHUETTE. Mr. Speaker, I take this opportunity to address the subject of Federal assisted housing programs.

In the 10th Congressional District of Michigan, I know how important the Federal commitment to elderly housing has been over recent years. Many low-income and handicapped elderly in mid-Michigan benefit from the section 202 and section 8 housing assistance offered by HUD. In addition, HUD provides low-income and subsidized housing; a majority of the beneficiaries are elderly.

It has been noted that the number of our Nation's frail elderly, those over age 85, will triple over the next 30 years. It is crucial that we provide adequate housing for these seniors, outside institutions. Many seniors do not require institutionalization, but merely need affordable housing and services. However, because of the lack of independent housing settings, families, spouses and guardians are often left with no other alternative but placing the frail elderly into institutions. I cannot stress how devastating this can be to an individual who may only be functionally limited or lonely, and does not need intensive health care or supervision of an institution.

Through our commitment to housing for the elderly, we will encourage independence, self-esteem and stability for millions of Americans.

THE BETTER COMMUNICATIONS FOUNDATION: SERVING THOSE WITH LIMITED VISION, HEARING, AND READING SKILLS

HON. MICHAEL D. BARNES

OF MARYLAND

IN THE HOUSE OF REPRESENTATIVES

Wednesday, April 9, 1986

Mr. BARNES. Mr. Speaker, I would like to bring to my colleagues' attention an organization called the Better Communications Foundation of Silver Spring, MD, which is designed to meet the special needs of persons with limited vision, hearing, and reading skills.

In a recent hearing held by the House Select Committee on Aging, Mr. Ralph testified that, according to estimates of the American Optometric Association, approximately 20 million people wear glasses and contact lenses with prescriptions no longer suited to their vision needs. Another 20 million need some type of visual correction but either do not know it or cannot afford it. The Medicare Program and most hospitalization policies do not pay for corrective lenses unless they follow cataract surgery.

Mr. Ralph also stated that the safety of these individuals is jeopardized daily because of the possibility that they might not understand the instructions on consumer product labels and that vision and comprehension often worsen as individuals grow older. With the increase in the median age of our society, it is clear that this group of citizens needs special attention.

The Better Communications Foundation is currently developing and promoting guidelines to make printed and video information easier to read and comprehend for the elderly and other persons with similar needs.

The foundation offers technical assistance in the form of published guidelines and training seminars, free to the general public, particularly those who currently have difficulty seeing, hearing, or understanding information in its present form.

The very successful work of the Better Communications Foundation and of others should be encouraged so that everyone has the opportunity to enjoy the benefits of mainstream society.

A CONGRESSIONAL SALUTE TO CALIFORNIA STATE UNIVERSITY, DOMINGUEZ HILLS

HON. GLENN M. ANDERSON

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, April 9, 1986

Mr. ANDERSON. Mr. Speaker, on April 19, California State University, Dominquez Hills

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will be celebrating a truly momentous occasion—its 25th anniversary. It is my distinct honor today to rise and pay tribute to this quality institution and to those who have been affiliated with the university over the years.

The California State College, Dominguez Hills was authorized in 1960 by the State College Board of Trustees, of which I was a proud member at the time. The college served the needs of the South Bay area for 17 years, but in 1977, its name was changed to California State University, Dominguez Hills. Today, as a member of the 19-campus California State University sytsem, California State University, Dominguez Hills offers a quality educational experience to its 7,650 students.

Located just minutes away from downtown Los Angeles and nearby South Bay beaches in one of the Nation's most diverse socioeconomic and cultural communities, California State University, Dominguez Hills offers many of the advantages of a smaller private college while maintaining the low student fees of the California State University system. With an emphasis on quality teaching, this fine institution offers strong programs in professional areas and the liberal arts in a truly caring and supportive atmosphere.

Mr. Speaker, it is with great pride that my wife, Lee, joins me in commending California State University, Dominguez Hills on its Silver anniversary, and I am especially proud to have lent a hand in the creation of this great university. The school has honorably served its students and our community for the past 25 years, and it is our distinct pleasure to recognize California State University, Dominguez Hills for a job well done and to wish the university and all those affiliated with it all the best in the years ahead.

BILINGUAL EDUCATION PROGRAM

HON. BILL LOWERY

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, April 9, 1986

Mr. LOWERY of California. Mr. Speaker, I am taking this opportunity to commend Mr. JEFFORDS for introducing legislation today which would improve the bilingual education program in America. I am also pleased to be sponsoring this important measure.

Mr. Speaker, the Bilingual Education Act of 1968 represents the legislative vehicle through which the Federal Government attempts to meet the unique needs of students with limited proficiency in English. Unfortunately, as amended in 1984, the act requires that 96 percent of Federal funds be allocated to programs which emphasize the transitional approach to bilingual education. Many believe that this approach places too much emphasis on the foreign language and may not be as successful as other innovative programs being experimented at the local level.

The legislation being introduced today would simply remove the 4-percent cap on funding for alternative educational approaches. Mr. Speaker, I support this bill because I believe the local schools are in a far better position than the Federal Government to choose the method of education for their students with limited proficiency in the English language. My district encompasses San Diego which has a substantial Spanish-speaking population. It is vital that the San Diego Unified School District, as well as the other districts across the country, be given the flexibility to select the most suitable bilingual education program for their students.

With funding for this and all other Federal programs limited due to Gramm-Rudman, it is crucial that every taxpayer dollar be spent in the most effective and resourceful manner. I am convinced that passage of this legislation would further the cost-effectiveness of the entire bilingual education program by encouraging new and innovative teaching methods.

Again, I commend Mr. JEFFORDS for this fine bill, and I urge my colleagues to join in this important endeavor.

IN HONOR OF ERNEST LEFF

HON. MEL LEVINE

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, April 9, 1986

Mr. LEVINE of California. Mr. Speaker, I rise today on behalf of Ernest Leff, who on April 19 will receive the prestigious Quality of Life Laurel Award from the United Stroke Foundation.

Ernest Leff is a man who was recognized by President Johnson for his work on behalf of the savings and loan industry and who argued successfully before the U.S. Supreme Court to win a landmark decision benefiting the entire industry.

He is also a man who moved into the forefront of a concerted national effort to create better understanding and awareness of stroke and stroke prevention.

He was instrumental in the development and distribution of a new, concise layman's booklet on stroke and its prevention, titled "Are You the Target for a Killer?" It is being hailed as one of the finest publications of its type.

In addition to his activities on behalf of the United Stroke Foundation, Mr. Leff has always maintained a significant posture in a variety of worthy philanthropic causes.

In the business world, he heads Leff & Jensen, a major law firm specializing in financial matters, with offices in Beverly Hills and Costa Mesa, CA, and Washington, DC.

Ernest and Ada, his wife of 31 years, live in Beverly Hills. They have two children, a son Andy, a recent law school graduate and a daughter, Laurel, a journalist specializing in business affairs who lives in Florida with her husband, Jeremy Paul, a professor at the University of Miami Law School.

I trust my colleagues will join me and the United Stroke Foundation in honoring this man of compassion—Ernest Leff.

PLAINS LIONS CLUB CELEBRATES 40TH CHARTER NIGHT

HON. PAUL E. KANJORSKI

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, April 10, 1986

Mr. KANJORSKI. Mr. Speaker, it is a great pleasure for me to take this opportunity to congratulate the members of the Plains area Lions Club on the 40th anniversary of their charter.

The International Lions Club has established a strong reputation for its good works throughout the years. After 40 years of service, the Plains Lions Club has become an institution, organizing special projects which enrich the Plains community. Under President Joseph Florio, the club helped to establish the Volunteer Ambulance Association and purchased the first ambulance in 1965. Current projects include providing fruit baskets to the elderly and shut-ins of Plains, holding an annual Easter egg hunt, and "Old Home Week," an annual carnival.

The Plains Lions Club was chartered on March 3, 1947. Frank Falchek and William Pierce are two charter members and life members who are still contributing to the club and will be joining in the celebration of the club's 40th Charter Night. These two original members have witnessed the Plains Lions Club grow from a good idea into an active civic organization in the finest spirit of voluntarism.

Mr. Speaker, the 40-year history of the Plains Lions Club attests to the American spirit of community activism. Civic organizations such as the Lions Clubs make the communities of America better places to live.

CONGRESSIONAL TRIBUTE TO JOSEPH C. "JOE" GILL

HON. BILL CHAPPELL, JR.

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Thursday, April 10, 1986

Mr. CHAPPELL. Mr. Speaker, it is with great pride that I call attention today to an individual from my Fourth Congressional District of Florida. A leader who has distinguished himself through a lifetime of upright and contributory involvement in the business and civic mainstream of his community.

Rarely in the history of my service in the Congress, have I had the opportunity to note such a splendid and enviable record of achievement as in the case of the life's work of my constituent and friend Joseph C. "Joe" Gill of Ponte Vedra Beach, FL.

Joe Gill has been a sustaining influence in so many business and philanthropic undertakings during his decades of service that it is almost impossible to cite all his accomplishments.

This tribute will be suitably displayed in the business wing of the Jacksonville Beaches Public Library. This is being done with the knowledge that the record of Joe Gill will serve to inspire future generations to do good work both in business and civic affairs.

Joe Gill, during his long and successful career, accepted only the best in performance from himself, while continually seeking to uplift his fellow man. I would like at this time to enumerate some of the highlights of the works of Joseph C. "Joe" Gill so that all assembled here may share in my pride in these grand accomplishments:

Founder, President and Director, Ocean State Bank;

Senior Vice President and Director, American National Bank;

Founder and Director of the American Federal Savings and Loan Association of Duval County;

Founder and Director, Amelia Island Bank;

Founder and Director, Baymeadows Bank;

Director and Vice-Chairman, Jacksonville Port Authority;

Past President and Director, Jacksonville Beaches Area Chamber of Commerce;

Director of the Gator Bowl Association;

Director, University of Florida Gator Boosters;

Founder and Director, Duval County Taxpayers Association;

Disaster Chairman, American Red Cross during the 1964 Hurricane Dora emergency;

Director and Treasurer of the San José Country Club;

Director, Save-A-Stop, Incorporated;

Treasurer, Director and Member of the Executive Committee, of the Jacksonville Baseball Club which brought Double-A baseball to Jacksonville;

Director and Member of the Executive Committee of the Jacksonville Beaches Area Committee of One Hundred;

Founder, Beaches Area Ladies Golf Association.

Joe Gill was also a moving force in charity drives such as the annual Cancer, Heart Association, Multiple Sclerosis, and other eleemosynary undertakings. He was one of the point men responsible for the completion of the splendid Fletcher High School football stadium, working with the Jaycees in seeing that project through to completion.

Some men in life are takers. Joe Gill is a giver, and we are richer by far by the fact that he walks among us. His record speaks out to all who will view it in the future. It is one that will long stand as a beacon to those who seek the higher path of service to man. For it can be said that Joe Gill is a true pioneer; a man who carved out of a young and new area, monuments to business and public service which have created a history of commerce, and a record of community service, truly enviable as we view it today.

AMERICAN SECURITY THREATENED BY DROP IN OIL PRICES

HON. JAMES R. JONES

OF OKLAHOMA

IN THE HOUSE OF REPRESENTATIVES

Thursday, April 10, 1986

Mr. JONES of Oklahoma. Mr. Speaker, America is facing today a crisis, the dimensions of which will not be felt immediately outside of a few States, but which will be felt soon enough by all Americans.

American security is threatened by the precipitous drop in the price of oil. As one oilman said recently, an energy war is being waged and we are losing by default. We are stacking oil rigs faster than any peacetime army has ever stacked its rifles, faster than any navy has drydocked its ships, or an air force has cosigned its war planes to the boneyard.

Many of my colleagues will ask, "What is wrong with cheap oil?"

Mr. Speaker, there is nothing wrong with cheap oil when the price is a function of natural market forces, but when it is a function of manipulation of the market by an international cartel, there is a lot wrong with it.

In December, oil was selling for $31 per barrel. This was not a great situation for many oil producers or the economies of oil producing States, but it was one we could live with. We are used to the cyclical nature of the oil industry. Beginning in December, though, the Saudi Arabians began to increase their daily production by 2 million barrels per day, and the price of oil on the world market has plummeted to about $12 per barrel.

The intention of this action by the Saudis was to depress the price of oil, which can be produced a lot cheaper in Saudi Arabia than it can in the United States, thereby increasing the market share which they have lost in recent years.

Mr. Speaker, American oil producers, the majority of whom are small businessmen, are encumbered by a number of disadvantages when competing against the Saudis: their profits are taxed at a rate higher than any other domestic industry; oil in America is more difficult, and therefore more expensive, to obtain; and they do not belong to a cartel, such as OPEC, which can control prices.

It is not profitable for our domestic producers to operate when oil is $12 or $14 per barrel, and if the price remains at this level, many will go out of business, and the United States will lose a large portion of our domestic oil production.

Some people say, "So what? that's free enterprise." Well, for the reasons I mentioned earlier, it is not free enterprise. It's manipulation by cartel. But more important, we are losing an important resource, and becoming more dependent on imported oil. We are going to be forced to rely on foreign sources of oil. We will be forced to rely more heavily on volatile world markets, which have proven themselves to be extemely unstable.

Manipulation of the world market by the Saudis was a leading cause of the so-called energy crisis of the 1970's, and the skyrocketing cost of oil was one of the major causes of the runaway inflation we saw back then.

We cannot afford to increase our dependence on foreign oil, but if we do not take some action to stabilize our domestic petroleum industry, we will inevitably find ourselves at the mercy of the international oil cartel.

In addition to providing security to our country, the oil industry provides jobs to hundreds of thousands of Americans in oil patch States, and the livelihoods of millions of others in oil and gas States depend on oil and gas indirectly. We must remember the human cost of the cartel's manipulation of the oil market.

The administration has shirked its responsibility in providing leadership on this issue. The only thing more unpredictable today than the price of crude oil is the Vice President's position on the price of crude oil. Or, the question of whether the President has a position on the price of crude oil.

I am introducing today a bill which will provide a measure of stability to the domestic oil and gas industry. My bill, the Secure Energy Supply Act of 1986, has seven points aimed at providing incentives for development of domestic energy sources and increasing our ability to compete in the world market while also providing a measure of stability to the domestic energy industry.

The Secure Energy Supply Act will strengthen our security, save hundreds of thousands of jobs, and restore stability to the economies of States which have suffered from the free fall in oil prices over the past 3 months.

SUMMARY OF THE SECURE ENERGY SUPPLY ACT OF 1986 BY CONGRESSMAN JAMES R. JONES

1. *Oil Import Fee.* A fee will be imposed on imports of crude oil and refined petroleum products. The fee will be set at a variable rate, depending on the differential between the worldwide market price and the designated base price. Decline in the world price will automatically increase the amount of the fee. An increase in world price will reduce the amount of the fee, with increases beyond the base price eliminating the fee altogether. The fee will sunset.

2. *Energy Operating Losses.* For every dollar that the removal price of oil is below the windfall profit tax adjusted base price, producers will be allowed to treat such differential as a current operating loss, refundable against previous tax liability. NOLs, given in recognition of current energy losses, will not exceed total windfall taxes previously paid. The carryback period will extend to the date of enactment of the windfall profits tax.

3. *Strategic Petroleum Reserve.* Renewed purchases, reflective of national security goals originally stated for the program, will be undertaken. Purchases will be from domestic stripper well oil. The oil will be purchased at the adjusted base price level established under the Windfall Profits Tax Act. The program will operate only for a short-term, emergency time period. Priority will be given to stripper well oil that will otherwise be shut-in due to declining oil prices.

4. *Repeal Windfall Profit Tax.* Very little windfall profits tax is being collected due to the fact most operators' removal prices are less than established adjusted base price amounts set under the Act. Since virtually no revenue is being collected from producers, the tax will be repealed, thereby avoiding unnecessary filing requirements established under the Act.

5. *Deregulate Natural Gas.* Recent proposed rule changes handed down by the Federal Energy Regulatory Commission wreak havoc on natural gas producers. This is a vivid illustration of the need for total deregulation of natural gas. Market distortions caused by partial regulation cannot be tolerated. Natural gas will be deregulated.

6. *Repeal the Fuel Use Act.* This Act effectively shuts off several efficient uses for natural gas creating inflated utility rates. Both producers and consumers suffer because of this legislation. The Act will be repealed, including sections which forbid the construction of gas-burning electric power plants.

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7. *Financial Institution Regulation Reform.* The Act will permit financial institutions to reschedule, stretch out, or mark down energy loans. It will also allow banks to amortize losses from loan restructuring over a number of years rather than forcing the financial institutions to take the loss in the year of restructure.

PINELLAS COUNTY IDENTIFIED AS NATIONAL LEADER IN INNOVATIVE CORRECTIONAL FACILITY CONSTRUCTION

HON. C.W. BILL YOUNG

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Thursday, April 10, 1986

Mr. YOUNG of Florida. Mr. Speaker, the Pinellas County, FL, Board of Commissioners and Sheriff's Department have been recognized by the National Institute of Justice for being a national leader in the development of innovative construction techniques for correctional facilities.

Under the leadership and direction of the Commissioners and Sheriff Gerry Coleman, the county was able to complete construction of a new 192-inmate jail in just 10 months. The county used a prefabricated concrete module technique that proved to be not only the most efficient, but cost-effective method. According to the National Institute of Justice March 1986 Construction Bulletin, "The county commissioners have demonstrated an impressive commitment to improved conditions in Pinellas County jails. * * * The Florida story shows that critical deadlines can be achieved through the use of modern construction methods."

I recommend the National Institute of Justice report to law enforcement and correction officials throughout our Nation. The innovation and efficiency of the Pinellas County Board of Commissioners and Sheriff Coleman in this, and other law enforcement matters, might provide a useful source of information in the effort to solve many of our Nation's criminal justice needs and concerns.

RICHARD CLARKE'S 30 YEARS OF ACHIEVEMENT

HON. CHARLES B. RANGEL

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, April 10, 1986

Mr. RANGEL. Mr. Speaker, 1986 will mark Richard Clarke's 30th year in the business of minority recruiting. During this period, he has been instrumental in finding jobs for thousands of young men and women in engineering, computer science, finance, accounting, law, and human resources. His clients include two-thirds of Fortune's 500 companies, quasi-public agencies, as well as Federal, State, and city governments.

It is a milestone for a small business to have been successful over a period of 30 years. It is indeed a milestone for a minority business founded in Harlem in 1957, now at Seventh Avenue in New York City, to survive and prosper. Not only has Richard Clarke been responsible for the placement of many young people, he has also provided training and employment for dozens of people on his staff, some of whom have moved on to careers in the field of human resources.

Richard Clarke is also an active civic worker. Not only is he chairman of the board of the Studio Museum in Harlem, he is also a valuable member of the New York State Council on the Arts. He has served as a member of the board of directors of the Freedom National Bank at a critical time in that bank's development. Clarke was, for over a decade, a member of the board of directors for 100 Black Men, an organization made up of New York's most influential black men. Clarke currently serves on the board of directors of Queens City Broadcasting.

Mr. Speaker, Richard Clarke is indeed an outstanding citizen. I congratulate him on his 30 years of outstanding service to his community and his country.

BECAUSE WE CARE

HON. PAUL E. KANJORSKI

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, April 10, 1986

Mr. KANJORSKI. Mr. Speaker, I am proud to take this opportunity to inform my colleagues in the House of Representatives of a very special day.

Wednesday, April 2, 1986 has been designated Because We Care Day to remember American veterans who are hospitalized in medical facilities throughout the United States. Sponsored by the American Veterans of World War II, Korea, and Vietnam, Because We Care Day honors those men and women who yet bear the emotional and physical scars of serving their country in war. More than a million American veterans enter VA facilities for medical attention each year. Having risked their lives to protect our Nation's freedom, these men and women now face personal struggles of illness, pain, and loneliness.

In my own congressional district in northeastern Pennsylvania, the Wilkes-Barre chapter of AMVETS is encouraging civic, religious and youth groups in the Wilkes-Barre area to plan special activities in honor of the veterans at the Wilkes-Barre VA Medical Center. These volunteers, with the medical facility's regular staff, will work to reach every veteran on a personal basis and let him know that he is remembered and appreciated.

Too often we Americans allow ourselves to forget the enormous contribution our devoted veterans have given to preserving the freedoms and ideals of the United States. Many continue to suffer from physical and emotional injuries sustained during their wartime efforts. By designating the first Wednesday of each April Because We Care Day, AMVETS has provided us all with the opportunity to remember American veterans who have given so much for all of us.

Mr. Speaker, I am proud to be a part of the AMVETS commemoration of our veterans, and I am sure that my colleagues join me in showing our appreciation for those veterans in VA medical centers across the Nation.

ACID RAIN

HON. GERRY SIKORSKI

OF MINNESOTA

IN THE HOUSE OF REPRESENTATIVES

Thursday, April 10, 1986

Mr. SIKORSKI. Mr. Speaker, every day more than 176,000 tons of sulfur dioxide and nitrogen oxide—the equivalent of 4,144 fully loaded freight cars—are shot into the skies of North America—every 24 hours. And, the law of gravity still applies: what goes up comes down. And it comes down in the form of acidic rain, snow, sleet, precipitation or dry deposition. It's called acid rain. And it destroys lakes and lungs, forests and farmlands, hunting and fishing, our environment, and our economy.

For too long, those who pollute and those who side with them have said we don't know enough, we need more studies. We know that over 3,000 lakes and 23,000 miles of streams have been acidified. We know that thousands of trees and millions of acres of cropland are at risk. Finally, after over 5,000 studies and reports from the White House Office of Technology and United States and Canadian envoys, it's time to act.

Although some have tried, it's hard to argue with a dead fish.

Today, I'm pleased to introduce the House consensus Acid Deposition Control Act of 1986, H.R. 4567, with my colleagues Congressmen WAXMAN, CONTE, TAUKE, UDALL, BOEHLERT, GREEN, RICHARDSON, JEFFORDS, and others. I stress consensus because this bill, like no other bill in the history of acid rain legislation, has a solid and aggressive, bipartisan, geographically broad base of support. It's the first bill ever to bring together the interests of the West and the Midwest, the South and the East under one legislative umbrella. It's the first bill ever to mesh solid environmental policy with job protection, cost-efficiency, and flexibility.

This bill has five major components:

First, reduces sulfur dioxide and nitrogen oxide annual emissions by 14 million tons by 1997.

Ten million tons are sulfur dioxide emission reductions achieved in a two-stage process: 5 million tons by 1993 with States meeting an averaged emissions rate of 2 lbs/mbtu for utility emissions, and 5 million tons by 1997 with States meeting an averaged emissions rate of 1.2 lbs/mbtu for utility emissions.

Four million tons are nitrogen oxide emission reductions achieved by 1997 by tight controls on autos and trucks, tighter NSPS for new utilities and a 0.6 statewide nitrogen oxide emission average in effect by 1997.

Second, the Governors of affected States have full discretion in achieving the sulfur dioxide and nitrogen oxide emission reductions, with States using any mix of emission reduction strategies available.

Third, an interest subsidy would be available to ensure that residential ratepayers do not have more than a 10-percent increase in utility rates as a result of utilizing acid rain control technology. That fund will be administered by the EPA and financed by an electricity user fee, not to exceed one-half mil, not more than

25–50 cents for an average residential customer.

Fourth, emissions from industrial processes will be inventoried and, if technologically and economically feasible, reductions will be mandated by 1997. Smelters must comply with the Clean Air Act by 1988 and further extensions for noncompliance will not be granted. The Mexican smelter, Nacozari, will likewise be addressed.

Fifth, there will be a 1993 midterm report on acid deposition. Phase II will follow unless congressional action arrests it.

The introduction of our bill and the coalition embracing it are testimony that we no longer have to choose between the high life and a good life. We do not have to choose between heating our homes, lighting our streets, driving our cars, and breathing clean air. We do not have to sacrifice our needs and our comforts so that our children and our grandchildren will have clean lakes, green forests, and fresh air.

Without a doubt, this acid rain train is leaving the station. All of us on board can be proud of the success we've had in building our coalition, stoking the fire, and creating the momentum. You can be sure that this train will reach its final destination.

BAN THE BOND

HON. BRIAN J. DONNELLY

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Thursday, April 10, 1986

Mr. DONNELLY. Mr. Speaker, those of us involved in drafting the tax reform bill will recognize the phenomenon described in the article from the New Republic I am today submitting to the RECORD.

The explosive growth in the volume of municipal bonds, from $14 billion in 1971 to $198 billion in 1985, costs the Treasury $27 billion annually. Only $12 billion goes to traditional public purpose bonds. H.R. 3838 does not affect such traditional public purpose bonds, and places only very limited restrictions on other bonds. Yet Congress is besieged by organized groups making dire predictions of disaster for every city, town, and taxpayer if tax reform goes forward.

I urge my colleagues to closely scrutinize those claims, and who is making them. According to this article, most municipal bondholders have incomes over $280,000 a year. It is clearly not the average taxpayer who would be affected by changes in tax treatment of municipal bonds. It is the wealthiest taxpayer in America, and those who make money from the sale of municipal bonds, bond lawyers and investment bankers, who are mounting this campaign against tax reform. True tax reform must curb the growth of the municipal bond market. I hope we can recognize the self-serving cries of alarm from those who have a financial stake in the municipal bond market, and resist them. The vast majority of taxpayers deserve no less.

BAN THE BOND

The municipal bond market took one look at Senator Bob Packwood's version of tax reform, gasped, reeled, and collapsed. Two sentences in the 250-page document proposed to make all municipal bond interest subject to the so-called "alternative minimum tax." The Senate Finance Committee took the reaction to mean that their chairman had erred, and hastily voted, 19 to zero (Packwood included), that he didn't really mean it. I took the market's tizzy last month as dramatic evidence of who really benefits from municipal bonds. After all, the alternative minimum tax affects only high-income people with lots of loopholes. Most municipal bondholders (that's right, most) have incomes over $280,000 a year and average holdings of half a million dollars—in municipal bonds alone.

Some scandals are protected by secrecy, but some are protected far better by a thick wall of complexity and tedium. Just about the only people who trouble to penetrate the mysteries of municipal bonds are those who profit from them. The trade association of municipal bond investment banks is spending more than a million dollars a year fighting against tax reform. It has hired a four-star list of Democratic and Republican infuence-peddlers. This is extraordinarily selfless if, as the industry's propaganda suggests, the sole beneficiaries of current arrangements are poor people and struggling local governments.

The point of municipal bonds is to save money for local governments because tax-exempt bonds can be sold at a lower interest rate. Of course, the federal government loses tax revenues, and common sense says that people will buy the bonds only if they save more in taxes than they give up in lower interest rates. And in fact, studies confirm the obvious. According to President Reagan's tax-reform plan of last May, "The revenue loss to the Federal government is approximately 33–50 percent higher than the benefits received by the borrower."

This would be idiotic enough. But a couple of decades ago clever lawyers and bankers started inventing ways for local governments to act essentially as "fronts" for private borrowing. First came "industrial revenue bonds," used to supply tax-exempt financing for factory and commercial construction. Cities and states use IRBs in attempts to steal business from one another—a perfectly futile zero-sum game financed by the feds. There soon followed tax-free bonds to finance rental apartments, single-family homes, student loans, and a variety of other amiable endeavors.

As a result of these creative new techniques, the issuance of new municipal bonds has exploded from $14 billion in 1971 to $198 billion last year. The congressional Joint Tax Committee figures that tax-free bonds are costing the federal treasury over $27 billion a year. Only $12 billion of that is for traditional "public purpose" bonds to finance such things as roads and sewers. The rest is for "private purpose" bonds of the sort invented in recent years.

A typical absurdity is the so-called "mortgage revenue bond," invented in the late 1970s. The city or state floats a tax-free bond and uses the money to supply low-interest mortgages for home buyers. A 1983 General Accounting Office study concluded that the average beneficiary got a subsidy worth $3,400, at a cost to the federal government of $13,300. In total, during the previous two years, the federal government had lost $2.6 billion in revenue while supplying only $600 million in credit subsidies to home buyers. And over half these home buyers had above-average incomes. In the case of rental-housing bonds, the main beneficiaries are rich real estate developers.

Floating municipal bonds is a lucrative business: about three percent of the take, or six billion dollars last year. It would be illegal, of course, to simply bribe city officials for this business. But it is not illegal to hire them. (Remember TRB's law of scandal: the scandal isn't what's illegal, it's what's legal.) Former New York City Council president Carol Bellamy is now a vice president at Morgan Stanley. A lifelong pol, what could she possibly know about investment banking? The question, though, isn't what she knows but who she knows in city and state governments. Likewise Ivanhoe Donaldson, former deputy mayor of D.C. He recently pleaded guilty of outright graft. But if he'd been slightly less greedy, he would still be leading a lucrative life as a vice president of E.F. Hutton. Walter Mondale's former campaign manager, Jim Johnson, is now a vice president of Shearson Lehman Brothers—valued, it's said, for his political contacts among Democratic governors.

Campaign contributions are also not illegal. The *Los Angeles Herald Examiner* reported in February that Mayor Tom Bradley had raised $100,000 for his governor's race from the "New York Bradley Roundtable," composed largely of firms that had handled $2.5 million in Los Angeles municipal bonds.

When a racket gets completely out of hand like this, reform efforts usually take the form of curbing "abuses." In recent years Congress has tried capping the amount of nongovernment bonds any jurisdiction can offer; forbidding the use of tax-free bonds for specific businesses such as suntan parlors; and writing formulas to direct the benefit of housing bonds toward low-income people. Each of these reforms has made the law more complex, further enriching the lawyers who maneuver around them (often taking the precaution of lobbying loopholes into the reforms before they're enacted). No reform has slowed the hemorrhaging of federal tax revenues, and none has addressed the reality that the whole system is an abuse.

Reagan's tax-reform proposal would have cut through all the talk of "abuses" by simply forbidding future tax-free bonds for nongovernment purposes. The House tax bill returns us to the world of "caps" and complex formulas. Reagan's proposal would save the government an estimated $17 billion over five years, the House bill barely three billion dollars.

Municipal bonds are a paradigm of the central flaw in pluralist democracy. On one side of the debate is a rich variety of narrow interests that have bought into current arrangements. On the other side, protecting the general interest, is a wan brigade of green-eyeshade types, we unhappy few, ineffectually waving our pocket calculators and whining about revenue loss. Not surprisingly, the prospect is for further "compromise" in the Senate.

POLICE SUPPORT REASONABLE GUN CONTROL LAWS

HON. ROBERT A. BORSKI

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, April 10, 1986

Mr. BORSKI. Mr. Speaker, I rise in strong opposition to the McClure-Volkmer bill and urge my colleagues to join me in defeating this anti-law enforcement legislation.

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I support the efforts of Congressman WILLIAM HUGHES and the Judiciary Committee to develop a compromise bill, H.R. 4332, which represents a bipartisan, balanced, and reasonable effort to strengthen the 1968 Gun Control Act and relieve sportsmen and dealers of excessive burdens without compromising the safety of law enforcement officers.

Despite what the NRA claims, the Judiciary bill has nothing to do with the right of hunters or law-abiding citizens to bear arms. What we're talking about is criminals and convicted murderers getting a hold of concealable weapons that kill innocent citizens and police officers. Unfortunately, the strong-arm tactics of the NRA have undermined the efforts of Congress to aid law enforcement in a responsible manner.

Every law enforcement group in the country opposes McClure-Volkmer. The job of police officers is difficult enough without approving a bill that they clearly view as life threatening. There is little Congress can do to help law enforcement; but it can vote against weakening necessary and effective gun control laws.

The changes offered by McClure-Volkmer pose an immediate and unwarranted threat to the law enforcement community. Police officers are particularly concerned about easing recordkeeping and licensing requirements because the changes mandated by McClure-Volkmer would make it harder to trace weapons and would undercut State and local laws. McClure-Volkmer will make it easier for criminals to do their work and harder for police to do theirs.

Just 10 days ago, the Philadelphia Police Department and the people of Philadelphia were hit with a glaring reminder of why tough gun control laws are needed. Sgt. Ralph Galdi, a 20-year veteran of the Philadelphia police force, was fatally struck down by a convicted felon with a .357 magnum handgun.

Galdi and his partner had been driving back to headquarters when they came upon a car whose driver had caused a series of automobile accidents in a crowded Philadelphia commerical neighborhood. When the driver attempted to flee, Galdi jumped out of his car and apprehended the man. As Galdi was about to frisk the suspect, the man turned and shot him twice in the chest and abdomen. Sergeant Galdi died on a hospital operating table after surgeons battled for more than 2 hours to save his life.

The man charged with firing the shots that killed Sergeant Galdi, Pedro Vega, was a fugitive with a pending bench warrant for his arrest issued in June 1985 after he failed to appear in court on drug charges. Previously, Vega had been prosecuted in New Jersey on two separate charges of receiving stolen cars and was sentenced to 1 year in jail and 3 year's probation.

If there had been a background check when Vega bought his gun, Sergeant Galdi would be alive today. Instead, a dedicated 20-year veteran of the Philadelphia police force is dead today because our laws did not protect him.

The violent handgun death of Sergeant Galdi illustrates the urgent need for stronger laws to protect our police and citizens. In fact, Philadelphia Police Commissioner Kevin Tucker called for stiffer standards for gun permits to reduce the danger of citizens being hurt when large numbers of weapons are easily available. In Pennsylvania, once a permit is issued, the license holder has the right to carry any type and number of weapons. Commissioner Tucker is concerned that rather than being used to stop crime, the weapons would end up being used improperly or lead to shootings injuring or killing innocent people.

This is not the time to weaken handgun sales restrictions. Passage of the McClure-Volkmer bill permitting interstate sales of handguns poses a serious threat to law-abiding citizens and to law enforcement officers by making it easier for criminals to obtain handguns, by loosening gun dealer record-keeping requirements and by making it almost impossible to verify the legality of sales involving out-of-State residents.

The McClure-Volkmer bill completely guts the only handgun law we have, and allows the interstate sale of handguns without any restrictions, regulations, or background checks. That means that convicted murderers back out on our streets will have even easier access to guns than they have now.

Today's vote is really very simple: you're either for police officers and law-abiding citizens or you are against them.

NATIONAL LIBRARY WEEK

HON. PETER H. KOSTMAYER

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, April 9, 1986

Mr. KOSTMAYER. Mr. Speaker, this week many of us met with librarians and concerned citizens from our districts who came to Washington for the 20th annual observance of National Library Week. Our visitors had many success stories to tell us, and I join them in celebrating the tremendous contributions libraries have made in our communities.

The message which my constituents brought to Washington, however, was not an altogether happy one. Our libraries, the main source of information and self-education for the majority of Americans, are facing a very serious threat to their futures.

The administration's budget for fiscal year 1987 represents a broad assault on our Nation's libraries. Virtually every major Federal library program faces elimination, and others are threatened with deep cuts.

The administration has once again proposed eliminating all funding for the Library Services and Construction Act [LSCA], as well as rescission of all fiscal year 1986 library grant funds. LSCA is the main source of Federal funding for libraries.

The Federal Government can be proud of its past role in improving our public libraries. Through LSCA library services have been extended to countless citizens who would otherwise be deprived of these rich resources because of physical handicap, literacy level, age, limited proficiency in speaking English, or residence in an outlying area. The Department of Education has estimated that 94 percent of all public libraries have received at least benefits from title I of LSCA.

In my own district, the Eighth District of Pennsylvania, LSCA grants have played an integral role in the development of our libraries. In the past 5 years the Bucks County free library system has received 11 LSCA grants totaling $238,548. These funds were used for many important projects to improve services and purchase new materials. A title I grant enabled the Pennswood Branch Library to buy books, periodicals, and audiovisual materials for and about handicapped and exceptional individuals. Another title I grant was used by the Free Library of New Hope and Solebury to install microcomputers for local small business owners to use. Title III funds enabled the county library system to share bibliographic and computer informational system.

The Bucks County Free Library has applied for a number of LSCA grants for 1986–87, including an application for construction funds. The library headquarters and the main library for the central county are housed in a building about the size of my office in the Cannon Building. I am sure that I do not need to explain to my colleagues or their staffs how important it is to move the library from these cramped quarters. Federal assistance is desperately needed for this construction project, not only as a funding base; but also to generate State matching funds and private contributions.

The elimination of LSCA grants, or drastic cuts in the program, would have a devastating effect on libraries across the Nation. In addition, the administration has proposed recission of funds for library training and research, and elimination of the postal "revenue foregone" subsidy for free mail for the blind and reduced rates for local newspapers, libraries and schools, and for charitable and nonprofit groups. Severe cuts in the budget for the Library of Congress will also affect local libraries, which depend upon the Library of Congress comprehensive catologing data.

These cuts are particularly damaging because the cost of maintaining a library has increased dramatically. Since 1967 the cost of printed materials has risen faster than the Consumer Price Index. The cost of the average U.S. periodical rose by 8.6 percent in 1985, well over twice the CPI of 3.8 percent. New computer technology which has increased information access for library users has also increased library expenses tremendously.

Mr. Speaker, in times of budget constraints, many people look upon libraries as a luxury. At a time when 1 out of 5 people, or 60 million Americans, are unable to read well enough to function in society, I firmly believe that libraries are a necessity. It would be criminally negligent to end Federal support for library construction and literacy programs. I look forward to working with my colleagues to preserve these vital programs.

A DEDICATED PUBLIC EMPLOYEE: RUTH A LOBIEN HONORED

HON. PAUL E. KANJORSKI

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, April 10, 1986

Mr. KANJORSKI. Mr. Speaker, it is my pleasure to draw your attention to the faithful service Ms. Ruth A. Lobien has given to Carbon County, PA, for the past 40 years.

A lifelong resident of Jim Thorpe, PA, Ms. Lobien graduated from Mauch Chunk High School and the Allentown School of Business. She was originally hired on January 10, 1946, by the recorder of deeds office, where she worked for 2 years. She then transferred to the commissioner's office and served the Carbon County Commissioners for the next 12 years. She has been working in the controller's office since 1960 and currently holds the position of chief accountant.

According to Carbon County Controller John R. Williams, Sr.,

> Ms. Lobien can be counted on to put in the hours when the work needs to be done. She has been a faithful and dedicated employee of the county for the past 40 years.

As the longest-serving employee of Carbon County, Ms. Lobien was honored with a testimonial luncheon on the 40th anniversary of her employment.

Mr. Speaker, the success of every level of our American government depends upon the hard work of dedicated employees like Ruth Lobien. We are indeed fortunate to have individuals committed to public service, and it is my great pleasure to take this opportunity to recognize Ms. Lobien's lifetime of service.

IN SUPPORT OF THE ACID DEPOSITION CONTROL ACT OF 1986

HON. JAMES J. FLORIO

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Thursday, April 10, 1986

Mr. FLORIO. Mr. Speaker, I am pleased to join my colleagues in cosponsoring the Acid Deposition Control Act of 1986 in an effort to combat the damage that acid rain is wreaking on our Nation's streams, lakes, rivers, and forests. I would like to especially commend the initiative taken by my colleague. Congressman HENRY WAXMAN, in introducing this legislation and in moving forward to address this key environmental concern.

As chairman of the House Subcommittee on Commerce, Transportation and Tourism and as a member of the Subcommittee on Health and the Environment, I have followed closely the debate on implementing and financing a national acid rain control program. One of the most important environmental issues that has caused tremendous debate is acid rain. Acid rain, however, is a national problem that must be resolved by reaching a national consensus.

Ten years ago, acid rain was a problem for scientists and theorists. There is now no doubt that acid rain has damaged our environment. Estimates indicate that over 18 percent of the lakes and 21 percent of the stream miles in the Eastern United States have been irrevocably altered and that another 37 percent of the lakes and 21 percent of the streams are at risk of permanent change. Our Nation's 9,000 lakes and 50,000 miles of streams are at stake because of higher sulfur-dioxide and nitrogen-oxide emissions. The threat of acid rain is also quickly spreading to the Western States.

For a number of years, the Environmental Protection Agency [EPA] has been content to simply research the problem without putting forth any solutions. The more we delay by leaving acid rain indefinitely under EPA's microscopes, the worse consequences will become.

I was pleased to see some movement in this area on the part of the administration through the $5 million clean coal demonstration program that has been proposed. However, this demonstration program will not be directly used to reduce emissions but rather to research methods of reduction. Emission reduction will simply be a byproduct of this lengthy process.

We have the evidence and sufficient research to prove that high SO_2 and NO emissions have already caused irreparable damage to our Nation's environmental resources. We must now take the step and move forward and implement plans to reduce these emissions and save our environment from further destruction.

I am pleased to join today in cosponsoring this bipartisan proposal that will help our Nation take that step and reduce the threat of acid rain. As a cosponsor of the Udall-Cheney acid rain control proposal in the past, I am supportive of several key principles that have been incorporated in this legislation. In particular, this bill provides for an aggressive emission reduction of 10 million tons of sulfur dioxide and 1.2 million tons of nitrogen oxide by 1997 and allows for a midcourse correction 5 years into the program should this be necessary.

Significantly, this bill incorporates freedom of choice for the method of reduction and does not mandate that any particular technology be used. The installation of expensive scrubbers may not always be the answer to the problem and other techniques such as coal washing or switching to a lower sulfur content coal may be more effective. With this flexibility, which is subject to a determination by each State, utilities and other industries would attain emission control without transferring an undue economic burden to the consumer.

In addition, the bill provides for reductions on the part of industry and tougher performance standards on the part of new powerplants. In order to ensure that all possible sources of high emissions are encompassed, the bill provides for emission reduction by new cars and trucks and directs EPA to issue regulations lowering the amount of sulfur in diesel fuel.

When undertaking a national cleanup and control effort, it is vital that the method of financing be carefully considered and incorporate the principle of equity and fairness. I have and will continue to oppose a national tax paid for by victims of this acid rain problem in order to finance the cleanup costs incurred by polluters.

The bill introduced today has taken an innovative approach toward funding this national emission program by mandating a fee that would be used to fund the interest on money borrowed by the polluters to finance the cost of reduction. The money would be available, at the discretion of the EPA Administrator, in order to keep any rise in utility rates below 10 percent.

Although I am cosponsoring this legislation, I remain concerned about this particular provision. As a representative of a State that has already made strong achievements in reducing emissions but is increasingly the victim of high emissions from the Midwestern States, I am opposed to any financing program that would impose a double burden on the victims of acid rain. I have discussed my concern with my colleagues and I will be working with them during the hearing process to ensure that any financing program adopted retain the essential goal of shifting the principal cleanup burden to the polluter and not to the innocent ratepaying public.

It is true that the Northeast has been hurt heavily by acid rain. But that is no reason why the citizens of these States should be forced to pay to stop the irresponsible policies of the polluting States. It would amount to forcing a mugging victim to pay for the rehabilitation of his assailant.

New Jersey ranks third lowest in SO_2 emissions, having heavily invested in air pollution controls. Unlike the Midwestern polluter States, New Jersey has steered a responsible course in SO_2 emission controls and I hope that we will continue to do so. A national tax or fee could penalize New Jersey and the Northeast while giving polluter States a free ride. I will be working with my colleagues on this proposal in the coming weeks to ensure that a degree of equity is adopted and that the burden rightfully fall on the polluters and not the consumers.

There will always be a price to pay for sweetening our Nation's acid rain. However, like the shopper at the store, we must continue shopping for bargains. I support the commendable goals of this legislation and commend Mr. WAXMAN for his initiative. I look forward to working with him in a constructive way to ensure that our Nation's acid rain policy moves forward in the right direction.

CALDWELL COLLEGE SALUTES DISTINGUISHED ALUMNA EILEEN JONES

HON. PETER W. RODINO, JR.

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Thursday, April 10, 1986

Mr. RODINO. Mr. Speaker, on March 21, I was pleased and honored to join Caldwell College in its salute to a most distinguished alumna, Ms. Eileen Jones, Esq., of East Orange, NJ.

Ms. Jones' many career and academic achievements make her a truly deserving recipient of the Caldwell College Veritas Award, and I was proud to present it to her.

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Ms. Jones was Caldwell's first black graduate, earning a B.A. in social studies in 1957. She went on to earn a law degree from St. John's University School of Law in New York.

Ms. Jones began her distinguished career in the Social Security Administration. In 1968 she became an adjudicator with the Newark Regional Office of the Veterans' Administration. In 1974 Ms. Jones went to work with the VA in Washington. In 1977 she was appointed chief of the administrative review staff for compensation and pensions. Ms. Jones was the first woman named to this post. In 1981, Ms. Jones returned to Newark as assistant director of the Veterans' Administration, the highest ranking Federal female employee in the State of New Jersey.

Ms. Jones has earned three superior performance awards from the Veterans' Administration, the Chief Benefits Director's Service Award, and the Disabled American Veterans National Commander's Award. She has extensive community activity including: the Arts Council of Orange, on which she sat as president; the Newark Museum, and the Civic Action League.

Ms. Jones served a term as vice-chairperson of the Community Advisory Board, Economic Opportunity Fund Program at Caldwell College.

Mr. Speaker, I am truly proud to have Ms. Jones as my constituent and I commend to you the following article in the Caldwell College ceremonies, published in the Newark Star-Ledger on March 26.

Caldwell College Salutes 3 Esteemed Alumnae

(By Michele A. Schulze)

Three women who have distinguished themselves in the diverse careers of science, government and acting received the first Veritas Awards presented by their alma mater, Caldwell College, at the Essex Fells Country Club.

Accepting a brass replica of the "Dominican Flame of Truth" were Dorothy J. Cunningham, class of '49, of New York, for achievement in research science and education; Eileen Jones, class of '57, of East Orange, for accomplishments in government, and Beth Fowler Witham, of Bogota, class of '62, for achievement in the performing arts.

Cunningham, who also holds a doctorate from Yale University, is a professor of physiology at Hunter College, New York, and is a research affiliate in environmental health in the Department of Epidemiology at Yale University School of Medicine and the John B. Pierce Foundation Laboratory, and an adjunct professor at the Institute of Environmental Medicine, New York University Medical Center. She was the first laywoman to serve on the college's board of trustees.

"We are fortunate that there is recognition of women today," she said. "Caldwell College gave me my early encouragement."

Jones, as assistant director of the Veteran's Administration Regional Office in Newark, is one of the highest ranking female federal employees in the state. She also holds a law degree from St. John's University, New York. Jones was vice chairwoman of the college's Community Advisory Board and Economic Opportunity Fund, and was the first black graduate of the college.

"Everybody has something to achieve at every level," she said, "and if you have capabilities, find your niche and set your goals."

Witham has appeared in many Braodway productions, as well as summer stock, cabarets and commercials, and can be seen in an upcoming television movie, "A Deadly Force." She was a music teacher at the elementary level before going into acting full time.

"I was really thrilled and pleased to receive this award," she said. "The Dominicans at Caldwell College are wonderful role models, and not just in religious life. I am very proud of Caldwell."

Founded in 1939 and run by the Dominican Sisters, the college has graduated about 4,000 women. In September, it will become coeducational.

"I am so proud of them and the values they hold," Sister Vivien Jennings, college president, said of the honorees.

Serving on the committee were Mr. and Mrs. Gregory Castano of West Caldwell, Mr. and Mrs. James Fitzsimmons of Livingston, Mr. and Mrs. Norman Menz of Chester, Madeline Peyko of Kearny, and Peggy Harris, Marietta Reilly, Sister Patrice Werner and Jennings, all of Caldwell.

HONORING THE NEW YORK SOCIETY FOR THE DEAF

HON. BILL GREEN

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, April 10, 1986

Mr. GREEN. Mr. Speaker, I rise today to honor an outstanding community organization, the New York Society for the Deaf. The 75th anniversary of the society is being celebrated on April 15 of this year.

The New York Society for the Deaf was founded in 1911 by a group of deaf individuals and concerned friends to provide comprehensive social services to deaf persons in the New York metropolitan area. There programs have expanded to serve 2,200 deaf or deaf-blind individuals in the social service programs and have provided 41,000 hours of interpreter services to assist the deaf.

Various services include providing housing for the elderly deaf and deaf-blind, job placement services, a substance abuse program, sign language classes, counseling and an interpreter referral service. The society also works in conjunction with New York hospitals and social service agencies in an attempt to reach out to the deaf and deaf-blind and to inform them of the society's programs.

It is not often that I have an opportunity to pay tribute to such an excellent organization. In an era when governmental funds for social service programs are hard to come by, it is increasingly necessary for privately run groups like the New York Society for the Deaf to provide essential services to needy people. I applaud the New York Society for the Deaf for its work with the deaf, and I fervently hope that the society will continue that work for another 75 years.

D.C. ACT 6-136, AMENDMENTS TO THE DISTRICT OF COLUMBIA INTERSTATE BANKING ACT OF 1985

HON. STEWART B. McKINNEY

OF CONNECTICUT

IN THE HOUSE OF REPRESENTATIVES

Thursday, April 10, 1986

Mr. McKINNEY. Mr. Speaker, as my colleagues are well aware, virtually all legislation proposed by the District of Columbia must undergo a 30-day congressional review period before becoming law. During that period, should the Congress find fault with the proposed legislation, a resolution of disapproval can be introduced which, if passed, prevents enactment. This is a procedure which has not been frequently used in the formative years of home rule. Only twice has Congress rejected local legislation.

In order to effectively deal with these matters, the Committee on the District of Columbia has developed guidelines which permit a totally objective consideration. We have developed three questions which address the legitimate reasons for disapproval. If the answer to any of the questions is in the affirmative, support for disapproval is warranted. These questions are:

First, does the action of the city violate the U.S. Constitution?

Second, does the action of the city exceed the authority granted in the Home Rule Act and other laws?

Third, does the action of the city infringe on a legitimate and valid Federal interest?

With that preface, Mr. Speaker, I would note that today marks the final day of the congressional review period for D.C. Act 6–136, the District of Columbia Interstate Banking Act of 1985 Amendments Act of 1985. This is a piece of local legislation which has generated some concern in Congress. An analysis of the provisions of this legislation conducted by the American Law Division of the Congressional Research Service raises questions on a series of provisions which may violate provisions of the Home Rule Act and other Public Law. This concern was sufficient to result in serious contemplation of a resolution of disapproval. The very simple reason that such a resolution was not pursued was timing. Quite frankly, it was realized that in this week immediately following the recess period there would not be sufficient time to have both the House and Senate hold hearings and consider the matter on the floor. But I would quickly add that the only reason such action was not taken was the unfortunate timing.

I think this situation points to a serious problem that the District Government and the Congress will be forced to face in the immediate future. Currently, there is only one option available to Congress should it find a piece of local legislation faulty, and that option is outright rejection through the existing disapproval mechanism. But what happens when 95 percent of a local law is valid and worthwhile, but the remaining 5 percent is inappropriate or ill-advised? There should be some way for Congress to express its concern to the local government short of being placed in the position of being challenged to exercise its disapproval powers. Up to now, we have on occasion been able to accomplish this on an ad hoc basis, working with the local executive or legislative branch. I regret to say that with regard to D.C. Act 6-136 we have not even been able to begin discussions to achieve some form of accord.

Earlier I mentioned the three criteria that our committee uses in analyzing the merits of efforts to disapprove local legislation. The one very ambiguous criteria is an infringement of a legitimate Federal interest. With respect to D.C. Act 6–136, I believe there is a valid and legitimate Federal interest that is being violated. Based on the analysis by the Congressional Research Service, I believe there are several questions as to whether the District has exceeded powers granted to it, on several counts. Confronted with these problems, I sought a remedy, or at least an open and frank discussion with appropriate local officials.

Regrettably, the expressions of concern made by this Member and others were received by certain elected District officials as unwarranted meddling by the Congress. In a cavalier fashion, a challenge was issued. Congress was dared to attempt an overturning of the act. Efforts to achieve an understanding and a clarification were met with a decidedly confrontational attitude.

Where are we now? Who has won on this issue? Well, I would predict that tomorrow, when D.C. Act 6–136 becomes effective, there will be certain members of the Council of the District of Columbia who will pat themselves on the back claiming a victory over congressional interference in local matters. I hope they enjoy whatever glory they are able to muster, because their victory will be short lived. The actions taken by the city in this legislation are on very shaky legal ground, and I am confident that the matter will shortly be in the courts. The caution and thoroughness which should have been exercised by the elected officials of the District will now have to be exercised by those parties interested in participating in certain banking activities in the city.

I can predict that in the future, this matter will be brought before the courts as establishing a precedent. It will be said that by failing to disapprove D.C. Act 6–136, Congress gave its approval to each and every provision of the legislation. I cannot let such statements be made without a challenge. I wish to have the record show that Congress did raise questions about this matter, and that the questions went unanswered. The courts will now decide if the Council has violated the Home Rule Act by permitting itself to compel an executive action by resolution, rather than by an act. The courts will now decide if the Council has improperly assumed authority over a Federal agency. When such a decision is made, it should not be under the false impression that Congress was either unaware of the potential shortcomings, or silent on the matter.

Finally, Mr. Speaker, I bemoan the impact this will have on the relationship between the Congress and the District of Columbia. The level of home rule that has been achieved to date can best be described as a very delicate balance which permits a unique local government to peacefully coexist with a preeminent Federal government. This balance is disrupted when either the Congress oversteps, as it certainly has on occasion to dictate in purely local matters, or when the District commits the same fault by actions which infringe on legitimate Federal matters. Maintaining this balance during the first 10 years of home rule has focused on efforts to discourage Congress from legislating on local matters, which is a stated purpose of granting home rule. Recent developments lead me to believe that the next decade of home rule will be characterized by efforts to prevent the city from overstepping its authority by taking actions which infringe on a legitimate Federal interest. D.C. Act 6–136, in this Member's mind, is an example of the failure of the city to deal with the Congress in a manner which preserves the balance of home rule. There should be no joy in Mudville, Mr. Speaker. While certain elected officials in the city may claim a victory, perhaps Casey has struck out.

MAYOR ANDREW MAURIELLO HONORED

HON. PAUL E. KANJORSKI

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, April 10, 1986

Mr. KANJORSKI. Mr. Speaker, it is my pleasure to draw your attention to Andrew Mauriello, who has recently been honored with a testimonial dinner commemorating his 20 years of service as mayor of the Borough of Exeter.

A lifelong resident of Exeter, PA, Andrew Mauriello graduated from Exeter High School. He belongs to the St. Anthony's Holy Name Society and Emanon Country Club. A charter member of the Exeter Lions Club, he served as president of the Lions' Little League for 15 years. He is a life member of Exeter Hose Company Number 1, where he serves as a volunteer fireman.

Mayor Mauriello's devotion to serving his community was recognized in 1954 when the Borough of Exeter chose him as "Man of the Year." He began his first term as mayor in 1965 and is currently serving his sixth term. Lou Reigle, a resident of Exeter and a personal friend, says of Mayor Mauriello, "You cannot find any person more honest than Andy." Mayor Mauriello's wife, Helen, of 38 years adds, "He is indeed a humble man who is very civic minded."

Mr. Speaker, the success of every level of our American government depends upon the dedication of public servants like Mayor Andrew Mauriello. It is a great pleasure for me to take this opportunity to honor Mayor Mauriello for his 20 years of faithful service as mayor of the Borough of Exeter.

IT'S TIME TO CONSIDER A MARSHALL PLAN FOR AMERICA

HON. HELEN DELICH BENTLEY

OF MARYLAND

IN THE HOUSE OF REPRESENTATIVES

Thursday, April 10, 1986

Mrs. BENTLEY. Mr. Speaker, after World War II, America moved into war ravaged Europe and Asia taking not only American tax dollars, but American technology and manufacturing expertise. It was a gigantic effort. Labor union representatives worked side by side with business managers. Democrats and Republicans mounted a bipartisan effort to put back together a world torn apart by years of war.

It was a noble undertaking. No other nation in history ever treated its enemies in such a humanitarian manner. And politically, we probably saved half of Germany and the rest of Europe from falling to communism.

We recognized that unemployed people and destroyed or desolate factories are fertile ground for revolutionary actions. That if an economy cannot generate wealth in jobs required to pay for the needs of a society, there is always a dictator waiting in the wings to promise a government that will take care of all needs. Slavery as a condition of "full care coverage" is never mentioned.

We taught not only economic freedom, we spread political freedom and guaranteed it with American troops and armaments. Our commitment is marked by the graves of our sons and daughters from one end of the world to the other.

Today the countries which we saved for democracy and capitalism have surpassed the teacher in their skills. Of the 10 major manufacturing nations in the world, America ranks ninth in manufacturing growth. Only little Norway lags behind us.

Japan leads the industrial world in export sales and wealth creation. Last year their economy produced $5 to $8 billion above what was needed for investment inside Japan, for their own capital needs. Much of that excess money came into this country in investments both in U.S. Government bonds and in corporate securities.

The tide of history has turned. We no longer send money abroad to help bankrupt, wartorn nations, those nations have recovered and we are now depending upon them for money needed inside our economy to service the debt and fill our consumer credit needs. Not money which they are giving to us, but money which must be paid back—which draws high interest rates and contributes to the growing balance-of-payments deficit which siphons our wealth offshore.

We are also adding to that deficit monthly with the money flowing out for manufactured items produced abroad. This flow is creating a vortex, spinning money out, which enriches the foreign economic bases, allowing those nations to underwrite the costs of manufacturing, so that their companies can sell into this country at prices not representative of the true cost of manufacturing.

This foreign government support of many heavy industries, such as steel, creates unfair

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competition with our American industries. The European Economic Community underwrote the European steel industry to the tune of $2 billion last year.

This makes a mockery of free trade in steel. It also makes the provisions of GATT and any idea of an equal trading partnership in steel with the European countries totally empty.

As these conditions accelerate in other product lines both with the EC and Southeast Asia, the offshore flow of U.S. manufacturing seeking cheaper manufacturing climates in order to become more competitive erodes not only our industrial base, it is destroying the taxing base. This creates a need to borrow more money abroad to pay the increasing deficits of our Government.

There are other major losses. Since 1980, 190,000 jobs have been lost in the steel industry. Since 1979, 300,000 jobs have been lost in the textile industry. Eight out of ten of the nuts, bolts, and screws used in this country come from abroad and 90 percent of all strategic ball bearings under 30 millimeters are imported.

Loss of jobs in these industries and in the shoe and furniture industry, in the radio and television manufacturing industry, in chemicals and agriculture related industries has yet to be totally counted. The list can be endless—watches, machine tools, electrical equipment, microchips, and on and on.

It must stop. No nation can exist in a leadership position in the world without being industrialized. No nation can afford a modern defense without a growing industrial base which can supply—on shore—the basic needs of manufacturing military weaponry.

I want us to examine all laws—taxes, trade, defense, labor—with the idea in mind of reindustrializing America. It should be made more attractive to manufacture in America, to hire workers in America. We can begin anew with legislation already in place. A few trucks and changes with the idea in mind that America must be rebuilt as the leading industrial nation of the world.

It's our turn now for a Marshall Plan for us. We've earned it, we've paid for it a thousand times over for other countries. Let's do it here. Let's begin now, in this session of the Congress.

HIGH MEAT SURPLUSES DEVASTATING AMERICAN'S CATTLEMEN

HON. RON MARLENEE

OF MONTANA

IN THE HOUSE OF REPRESENTATIVES

Thursday, April 10, 1986

Mr. MARLENEE. Mr. Speaker, at a time of high stress within the agricultural economy, it is always depressing when an extra financial burden is placed upon a particular sector of the agricultural community.

High meat surpluses resulting from the dairy whole herd buy-out program are devastating America's cattlemen.

The buy-out has totally disrupted normal cattle marketing. Many beef cattle producers who sold animals during the past week experienced price drops averaging $2 to $3 per hundred pounds.

I will be introducing a resolution today to force the U.S. Department of Agriculture to help beef producers and improve cattle markets in the wake of the dairy whole herd buy-out program.

This legislation is needed because of the unexpectedly large participation in the USDA's dairy buy-out program. The big sign-up caused drops in the cattle futures market.

The resolution would tell USDA to make its meat purchases in coordination with the slaughter of dairy cattle in the program. For example, under this legislation, if two-thirds of the dairy cattle enrolled in the program are terminated during a certain time period, then two-thirds of the required meat purchases must be made during the same period. This will guarantee at least a minimum of market stability to out cattle producers.

Second, under current law, USDA must buy 400 million pounds of meat to help absorb the impact of the dairy herds being sold for slaughter. Under this legislation, USDA would be forced to increase the amount of beef purchased, increase beef exports or decrease beef imports. USDA could choose one of the options or use any combination.

AMERICAN LEGION NEW YORK STATE 49TH ANNUAL ORATORICAL CONTEST WINNERS

HON. JOSEPH J. DioGUARDI

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, April 10, 1986

Mr. DioGUARDI. Mr. Speaker, I rise to bring to the attention of my colleagues the winning speeches from the American Legion New York State 49th Annual Oratorical Contest held on March 1, 1986. The first-place winner was Kedra Small of Buffalo, NY. Kedra attends City Honors High School in Buffalo. I am honored to announce that the second-place winner is from the 20th Congressional District, Megan Ouchterloney of Bronxville. The people of Westchester are proud of Megan.

Both speeches shed light on the U.S. Constitution and its importance in securing the rights of its citizens. Each voices its concern about citizens taking these rights for granted, thereby allowing them to be lost. The importance of citizens remaining involved with their governmental ties will ensure the preservation of America's freedom.

Through reading these speeches from the American Legion's oratorical contest, one can gain insight into the ideas held about our Government by America's youth. Congratulations to Megan for her fine work which follows:

American Legion Speech—1986

(By Megan Ouchterloney)

Have you ever wondered what it would be like to live in a Communist country? If you were to say anything against the government, you would risk your liberty, or even your life. You would not be able to leave the country, or to choose your own career. You would not even own your own house—you would lease it from the State for 99 years.

But we Americans take these rights of life, liberty and property for granted because they are provided for by the Constitution in the Fifth and the Fourteenth Amendments. The Fifth Amendment states that "no person shall be denied the rights of life, liberty or property without the due process of law." This is the due process clause of the Fifth Amendment and protects our rights from the Federal Government. In the same fashion, the Fourteenth Amendment declares that "no state shall deprive any person of life, liberty or property without the due process of law." Thus, an individual's rights are protected from interference by the State and the Federal Government.

But what are our rights?

The rights of life, liberty and property are difficult to define. Governor Jerry Brown tried to define the right of life in the following statement: "Life just is. You have to give yourself to the moment. Flow with it. Let it happen."

Chief Justice Charles Even Hughes tried to define the right to liberty. He said: "Liberty is much more than an individual's right to freedom, liberty is the cornerstone for all in American society."

Abraham Lincoln gave the following meaning to the right of property: "Property is the fruit of all labor. Property is desirable. Property is a positive good."

These descriptions of our inherent rights seem inadequate. However, if such astute men cannot define these terms, I am not even going to try. The writers of the Constitution did not attempt to define life, liberty, or property; thus they provided us with flexibility in our interpretation of the due process clauses.

Due process has served the United States in two ways, procedural and substantive.

Procedural due process is concerned with the method in which our court system arrives at a decision. Its three traditional elements are notice, hearing, and impartial jury. Due process deals with the rights of the accused. These rights can only be taken away after a series of procedures in which the guilt of the accused has been proven beyond a reasonable doubt. Depending upon the severity of the crime being tried, an individual's rights of liberty and life are at stake. A guilty verdict could result in years of imprisonment, or even death. In such cases, there can be no mistakes. Therefore, proper procedure must be upheld to insure that these rights are not taken away without justification.

Due process, however, not only establishes the rights of the accused, but it establishes the rights of you and of me through substantive due process.

To understand the relationship between substantive and procedural due process . . . picture a house. This house represents your substantive rights of life, liberty and property. Surrounding the house is a fence used for protection. This fence represents your procedural due process rights. If you remove the fence, you still have your house with its basic rights, though they are unprotected. However, if you remove the house, you have no rights at all.

Substantive due process extends the rights of life, liberty and property to all American citizens. And it is substantive due process which is our basic constitutional rights.

Yet it is these basic constitutional rights, which are too often forgotten. We have become accustomed to thinking of our constitutional rights as the procedural rights of the accused. However, a good way to understand what our substantive rights are is to look at the victim of a crime. The robber's victim has been denied his right to property. The residents of our city who are afraid to walk on the streets because they fear their safety exemplify an infringement upon their right to liberty. The murder victim has been denied the most basic right of all, the right to life.

Substantive due process clearly states that it is the duty of our government to protect those rights guaranteed to every American citizen, yet our Government seems to be caught up in following proper procedures while it overlooks the substantive rights of all Americans. An obvious example of this neglect occurred recently in New York. After a series of criminal, violent disturbances by a woman found not only to be a threat to herself but to others, the Court placed this woman in a State institution for rehabilitation. This woman was then released against her doctor's wishes. The judge who signed her release was forced to do so because her institutionalization was an infringement upon her procedural right to liberty. A few days after her release, this woman pushed a young secretary to her death on the subway tracks of New York City. It was the Government's duty to keep such a disturbed woman under the proper care and to prevent her from taking away the substantive rights of another American citizen.

But how can we protect our substantive rights?

Allow me to present two steps, which I feel if taken would begin to secure our substantive rights.

First, methods must be established to control the parole of criminals, either from jail or mental institutions. In the same way that these individuals were convicted, they must not be released if there exists a reasonable doubt suggesting that they will commit another crime.

Another method to secure these rights is through education. If more people are aware of what their substantive rights are, they might be more inclined to protect and respect these rights. They would be supportive of the government, taking positive steps towards the maintenance and protection of our substantive rights.

It is 1986, and the United States has come so far in promoting the rights of all American citizens. We have made great progress, especially in the area of the rights of the accused. But now it is time that we look back to the Constitution and to re-emphasize those substantive rights guaranteed to every American citizen. Franklin Delano Roosevelt once said: "The function of Government must be to favor no small group at the expense of its duty to protect the personal freedoms and private property of all its citizens". It is this fundamental American belief in which the protection of the rights of life, liberty, and property surpasses all other functions of government. And it is these rights which you, as American veterans have fought for; which we, as American citizens, cherish; and which the Fifth and the Fourteenth Amendments to the Constitution guarantee.

WILLIAM NORBERT, THE VOICE OF DEMOCRACY CONTEST WINNER FROM MAINE

HON. JOHN R. McKERNAN, JR.

OF MAINE

IN THE HOUSE OF REPRESENTATIVES

Thursday, April 10, 1986

Mr. McKERNAN. Mr. Speaker, as you know, the Veterans of Foreign Wars and its ladies auxiliary conduct an annual Voice of Democracy Contest. The theme for this year's contest was "New Horizons for America's Youth."

I am pleased to say that the winning entrant from the State of Maine, William S. Norbert, resides in my district. William, son of Stanley and Joanne Norbert of Portland, is a senior at Portland High School, where he is active in many school activities. He has an avid interest in government, and has won several literary awards.

It is a pleasure to submit William's essay for insertion in the Congressional Record.

New Horizons for America's Youth

Children are the World's most valuable resource, and its best hope for the future. John F. Kennedy.

In America, today, exciting possibilities exist for our youth. We can expect to live longer, have a higher standard of living, receive a better education, and pursue virtually any job we choose. Many of these avenues were non-existent for our parent's and grandparent's generations. Numerous opportunities are increasingly available to children of all social classes, as well. It is no longer an impossible dream for a young girl in Harlem to aspire to be a great concert pianist, or for a farmer's son in Iowa to one day become an astronaut on the Space Shuttle. Now a black from the Deep South can dream realistically of becoming Governor of his State, or even President of the United States. These kinds of dreams have come true for many already, and as the years progress, America's technological and societal advancements only make these hopes even more realistic. Indeed, it is an exciting age for the youth of today nothing seems impossible to the willing heart.

I remember sitting in my fifth grade history class, listening to my teacher speak of the conditions for children in early America. He spoke in facts and figures about the children of the pioneers, whose daily routines consisted of the morning chores, building sod houses, lugging buckets of water from the creek, little time for schooling, and even less time for play. And I recall learning about the children of the early 1900's, who in this same country were working in factories and sweat shops before their twelfth birthday! Children were putting in over sixty hour weeks, receiving wages unfit for living, and working in unbearable surroundings, so that their families might simply live. Even closer to our times, I was told of the hardships for the blacks in the sixties, who had to fight for their right to be educated, and for a water fountain that they might share with white lips.

All of this struck a sensitive chord within me, as I realized that while these were historical facts about my country's past they were also about real lives of everyday children like myself; children who, like me at that age, should have had as their greatest worry whether or not they were picked last for the sandlot baseball team, and not whether they would be able to last another week without collapsing from exhaustion. I also realized that, had I been a child at this time, I too, may have been in these same situations, and this frightened me. "What kind of life was this for a child?" I asked, "What did they live for—what could they look forward to?" Perhaps, I thought, a better life for their children.

However, as I sit in history class at high school, today, I have a good understanding of America's past—where it has been, but I have an even better concept of its future—where it is going, and I am excited by this. Certainly, I feel fortunate that my generation need not worry about child labor and diseases such as cholera and polio, and that, with America's great steps forward, we can look forward, with hope, to an even better future for our children. There do exist, though, great problems and issues that our ancestors did not worry about—that our generation can be nothing less than preoccupied with. The ominous cloud of nuclear war hangs over our heads daily, and there are social concerns such as apartheid, famine and military involvement that will undoubtedly, need to be addressed by us. We must, then, take what we have learned from history's past, sensibly and conscientiously apply it to our knowledge of today, and hopefully secure a safer for our descendants.

Amidst these concerns and great responsibilities, there does remain a strong light of optimism on the horizon. So many of the constraining barriers of the past have been knocked down, and so many previously undeveloped chances for personal success now exist, that the outlook for the average child's future is bright, indeed! As a youth who is excited by the future, I believe William Allen White conveyed my personal feelings when he said, "I am not afraid of tomorrow, for I have seen yesterday and I love today." Tomorrow will come for we youths—it will be our new today, and there will be new tomorrows to aim for. These horizons will be met with new outlooks and different approaches from a New Youth. These vistas, like those we face today, must be met with careful consideration and buoyant enthusiasm, for our world can be as great as we make it. It is an awesome responsibility facing our generation, but let us begin.

LEAKING UNDERGROUND STORAGE TANKS ARE MAJOR ENVIRONMENTAL PROBLEM

HON. JAMES J. FLORIO

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Thursday, April 10, 1986

Mr. FLORIO. Mr. Speaker, it has become increasingly clear that leaking underground gasoline storage tanks pose major environmental problems that pose an immediate threat to our Nation's precious and vulnerable ground water supplies. Last December, the House passed a Superfund bill that establishes a new program to clean up such tanks. The program is an essential adjunct to legislation signed into law last year—the Hazardous and Solid Waste Amendments of 1984—that establishes a regulatory program designed to prevent such leaks in the future. Unfortunately, the Senate Superfund bill does not contain a comparable provision.

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A recent article in the Bergen Record describes the serious implications of such leaks and I commend it to my colleagues' attention.

DEP: GAS LEAKS THREATEN WATER

(By Karl Stark)

Gasoline and other petroleum products leaking from underground storage tanks are threatening well-water supplies, state and federal officials say.

Underground tanks "are of the major sources of ground-water contamination in New Jersey," said Rob Nugent, who heads the state's fledgling program to regulate the tanks. Yet "we don't really know what's out there."

The U.S. Environmental Protection Agency reports that many of the tanks were built in the 1950's and are beginning to deteriorate at an alarming rate. A preliminary EPA report issued last year estimated that 35 percent of all underground storage tanks may be leaking.

The petroleum industry called the EPA estimate an exaggeration, asserting that closer to 2 percent of underground tanks are leaking.

Nevertheless, most experts agree the problem is growing. Local inspectors already spend at least half their time investigating leaks from underground tanks, said Tony Cavalier, a local enforcement chief for the state Department of Environmental Protection.

If the problem is not addressed, officials fear the underground tanks will continue to pollute ground water and ultimately threaten the drinking supplies of towns that depend on well water. Nearly half the state's 7 million residents rely on ground water for their drinking supply.

A proposal before the state legislature would create a low-interest loan fund for service-station owners ordered to install new tanks, said Assemblyman Byron M. Baer, D-Englewood, one of the bill's co-sponsors. The measure calls for double liners and leak-detection systems on all new tanks and the upgrading of existing facilities over the next five years.

Nearly every town in North Jersey has had some contamination from underground tanks. The problem occurs at abandoned gasoline stations whose tanks were never emptied and at operating stations with faulty or corroded tanks:

In West Milford last year, gasoline from an underground tank was found to have contaminated a 115-acre area, forcing scores of residents to begin drinking bottled water. Though residents were subsidized by a $2.3-million state grant, they still must spend $3,000 apiece to connect into another water supply.

In Fair Lawn, gasoline additives were found last year in two wells that supply 13 percent of the borough's dairy water needs.

Eight businesses were evacuated for two days this week after several inches of gasoline were found in the basement of a Ridgefield Park firm. The suspected source has been narrowed to two nearby underground gasoline tanks.

In Edgewater, gasoline seeped into the sewer line two years ago, causing vapors to rise to flammable levels in the apartment of a 74-year-old woman. A pilot light eventually ignited the vapors, causing heavy damage to the woman's apartment and forcing the evacuation of 16 residents.

Gasoline also has leaked from underground tanks in Englewood, Fort Lee, Paramus, Totowa, Wayne, Hackensack, Little Ferry, Lyndhurst, Tenafly, Upper Saddle River, and Leonia.

DEP officials have begun a program to register large underground tanks without waiting for the state legislature to agree on a final bill.

The DEP is seeking to register an estimated 3,000 to 5,000 tanks containing hazardous substances, and 18,000 to 21,000 tanks holding motor fuels. The state also will oversee an estimated 50,000 heating-oil tanks larger than 2,000 gallons.

Nugent stressed that residential heating-oil tanks will not have to comply with the expensive, new regulations. Furthermore, apartment houses, hotels, and large residences will only have to register their tanks and complete basic paper work.

HAPPY BIRTHDAY TO MRS. EMMA MATTHEWS

HON. PETER W. RODINO, JR.

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Thursday, April 10, 1986

Mr. RODINO. Mr. Speaker, on April 4, I was privileged to attend a special birthday tribute for a very special lady, Mrs. Emma Matthews of Newark.

Mrs. Matthews was born on April 4, 1886 in Marion County, VA. She has 10 grandchildren, 15 great-grandchildren and 1 great-great-grandchild.

For those of us who aspire to match Mrs. Matthews' record of longevity, she offers her secret to living a long, happy life: "Live to help others."

Mr. Speaker, I commend Mrs. Emma Matthews for her compassion, and I join her fine family in wishing her many more years of happiness and good health.

RABBI MOSHE FEINSTEIN, 1895–1986

HON. BILL GREEN

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, April 10, 1986

Mr. GREEN. Mr. Speaker, the 15th Congressional District of New York suffered an irreparable loss in the passing of Rabbi Moshe Feinstein, one of its most illustrious residents ever since his arrival on these shores some 50 years ago when he fled religious persecution in the U.S.S.R. Here in the United States he established himself as the unchallenged authority on Jewish law to whom queries were addressed from all over the world. His immense learning was matched only by his modesty and kindness. He remained most accessible to the learned and the ordinary men and women alike, giving instruction, guidance, and comfort. His fame traveled the world, but he remained in the area which had given him shelter. There he established the Talmudical Academy, Mesifta Tifereth Jerusalem, and there he wrote the tomes which spread his fame.

America and world Jewry grieve at the departure of a sage to whom the adage that "From Moses to Moses there was none like Moses" can fittingly be applied.

THE 60TH ANNIVERSARY OF WORLD TRADE WEEK

HON. GLENN M. ANDERSON

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, April 10, 1986

Mr. ANDERSON. Mr. Speaker, I rise today in recognition of the 60th anniversary of World Trade Week, which falls this year during the week of May 19–24, 1986. As you may know, the celebration of World Trade Week began as a local observance of the Los Angeles Chamber of Commerce in 1926.

Six years ago, the leaders of the Los Angeles Chamber of Commerce established World Trade Week in order to focus on the existing international trade evnironment and to call attention to the need to promote our exports. World Trade Week was a tremendous success in Los Angeles, and 8 years after it was first celebrated, the Chamber of Commerce of the United States assumed official sponsorship of World Trade Week. At that time, the week was set aside by Presidential proclamation to be commemorated annually during the same week that includes National Maritime Day.

Today, on a local level, World Trade Week is celebrated by calling attention to the role that international trade plays in advancing the well-being and economy of the United States. In fact, the activities surrounding World Trade Week have flourished, such that it has really become World Trade Month, with seminars, meetings, luncheons, headline speakers, harbor tours, and other activities throughout the month of May. In my area of southern California, the World Trade Week activities are sponsored by the Ports of Los Angeles and Long Beach, Los Angeles International Airport, the three area railroads—Union Pacific, Sante Fe, and Southern Pacific, along with the Los Angeles Chamber of Commerce.

Additionally, the Department of Commerce through its International Trade Administration enthusiastically demonstrates its support for the goals of World Trade Week. Year after year, through its district offices, the ITA sponsors numerous activities to publicize its programs and initiatives to promote our export trade.

My wife, Lee, joins me in congratulating the Los Angeles Chamber of Commerce on the 60th anniversary of World Trade Week—a tradition that they started in 1926, and in recognizing the contribution that World Trade Week makes toward improving the international trade environment.

PERSONAL EXPLANATION

HON. ESTEBAN EDWARD TORRES

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, April 10, 1986

Mr. TORRES. Mr. Speaker, I was not present for rollcall votes 68 through 71 on Wednesday, April 9. Had I been present on the House floor, I would have cast my votes in the following manner:

Rollcall No. 68, approval of the Journal "yea."

Rollcall No. 69, House Resolution 403, rule for consideration of H.R. 4332, "yea."

Rollcall No. 70, Hughes amendment to Volkmer substitute to H.R. 4332, "aye."

Rollcall No. 71, Hughes amendment, "aye."

IN MEMORY OF JOE HUDGENS

HON. DON SUNDQUIST

OF TENNESSEE

IN THE HOUSE OF REPRESENTATIVES

Thursday, April 10, 1986

Mr. SUNDQUIST. Mr. Speaker, last month we lost a great patriot. My friend, Joe Hudgens of Brentwood, TN, was fatally injured in an automobile accident.

Joe's entire adult life was dedicated to service to the veterans of our country. Following his World War II service with the 16th armored Division, he returned to Tennessee and began his work for veterans.

He began this career as a field representative and later as a claims specialist with the Tennessee Department of Veterans' Affairs. He rose through the ranks to become the director of that department in 1961.

He was actively involved with the American Legion on a local, State and national level. Following his retirement, he was elected and served as a National Executive Committeeman for the Legion. He was dedicated to his work and in his frequent visits to our Nation's Capital, he worked the Halls of Congress, always with the goals and objectives of veterans' programs. He made a point of talking with Members and staff of the Veterans' Affairs Committee, letting us know how he and his organization stood on issues affecting veterans.

Joe was on Capitol Hill on Legion business the week of the tragedy. He left Washington for Indianapolis to participate in a meeting of the American Legion Oratorical contest representatives and the tradegy occurred enroute to that meeting. It is somehow fitting that Joe left us as he lived, working proudly for veterans. He was a great American and we will miss him.

THE 3-YEAR BASIS RECOVERY RULE RESOLUTION

HON. HERBERT H. BATEMAN

OF VIRGINIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, April 10, 1986

Mr. BATEMAN. Mr. Speaker, as we continue to study the effects of the House version of tax reform H.R. 3838, I urge my colleagues to join with me to insure that the 3-year basis recovery rule for the taxation of civil service employee benefits not be eliminated as section 1122(c)(1) of H.R. 3838 will require. I am introducing a resolution which will express the sense of the House of Representatives that the current 3-year basis recovery rule for the taxation of employee benefits be continued.

As you probably know, Mr. Speaker, the House version of tax reform, H.R. 3838, included a provision that would eliminate the tax-free period upon retirement that individuals currently receive while they recoup the portion they contributed to their pension. Instead, retirees will pay taxes on their pensions immediately following retirement. Although this cannot be considered a "double tax," it will result in higher taxes being paid over the life of the retiree.

Civil service employees have contributed to their pension funds in good faith and this change in current law would be an unnecessary compromise of the integrity of the system. In addition, there are approximately 210,000 active Government workers currently eligible to retire. A change in the 3-year recovery rule could result in the retirement of many of these eligible workers, including some of the most qualified public servants with management and technical expertise whose experience would be difficult and expensive to replace. High wage-earners will be especially hard hit by this change, which could leave the Federal as well as State and local governments with a shortage of qualified, experienced top-level professionals.

In addition, Mr. Speaker, it is quite possible that the tax revenues gained by this change in taxation of employee benefits could be significantly offset by increased Government expenditures for pension benefits in addition to continued salaries for personnel replacing retired workers. This disruption to Government services is unnecessary and would place a needless burden on the Government as well as the citizens of the United States who deserve continued efficient Government service.

The resolution that I am introducing today expresses the sense of the House that the benefits that had been guaranteed to our 19 million public employees will not be arbitrarily reduced by tax reform legislation. In our effort to reduce the Federal deficit, one group of citizens should not be singled out to bear a disproportionate share of the burden. I urge my distinguished colleagues to join with me in a bipartisan effort to support this resolution and provide our civil service workers the security they deserve.

PERSONAL LEAVE EXPLANATION

HON. ANDY IRELAND

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Thursday, April 10, 1986

Mr. IRELAND. Mr. Speaker, I would like to take this opportunity to explain my personal leave of absence on April 10 and at the same time express my support for the Volkmer substitute to H.R. 4332, the Federal Firearms Reform Act. Unfortunately, I was unable to be in Washington today to cast my vote in support of the Volkmer substitute, as my wife was undergoing surgery in Worcester, MA, and I felt my place was with her.

I strongly believe in the right of law-abiding citizens to keep and bear arms and was an original cosponsor of Mr. VOLKMER's bill, H.R. 945. I feel very strongly about the need to guarantee and protect a firearm owners' constitutional rights, civil liberties, and rights to privacy. During my tenure in Congress the vast majority of my constituents have made it clear that they support these reforms to the Gun Control Act of 1968, and I was one of the first Members to add my name to the discharge petition forcing the measure to the floor for long overdue consideration. I cannot, in good conscience, support or condone legislation and amendments that attempt to infringe on our basic right to possess firearms as guaranteed by the U.S. Constitution.

The Volkmer bill represents a fine balance between protecting the rights of law-abiding citizens and upholding valid law enforcement techniques. I am pleased that the House of Representatives voted to approve the Volkmer substitute to H.R. 4332.

AN APPEAL FOR PEACE

HON. FORTNEY H. (PETE) STARK

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, April 10, 1986

Mr. STARK. Mr. Speaker, I would like to include in the RECORD at this point an extremely thoughtful statement from the 1986 Report of the Inter-American Dialog.

I would hope that the reasoned thoughtfulness of this position paper would prevail in next week's second vote on $100 million in funds for violence in Central America.

[From the Los Angeles Times, Apr. 9, 1986]

AN APPEAL FOR PEACE

(The following is excerpted from "Rebuilding Cooperation in the Americas," the 1986 report of the Inter-American Dialogue, which was released today in Washington. The Dialogue is a group of several dozen opinion leaders from throughout the Western Hemisphere with experience in government, business, labor and education.)

More than 160,000 Central Americans have been killed in the last decade. Two million have been displaced from their homes. The combination of armed conflict and economic stagnation frustrates efforts to build democratic politics and to remedy the deep inequities underlying the region's struggles.

The solutions to Central America's problems lie in economic and social development and political dialogue, not in more weapons and military advisers.

We are greatly concerned about the internal situation in Nicaragua under the Sandinistas. Few of us believe that the restrictions of civil liberties are justified as a response to the contra threat.

The international behavior of the regime is also troubling. With Cuban and Soviet support, Nicaragua has aided revolutionary movements beyond its borders. Neighboring countries fear and resent this. Nicaragua's military buildup is also menacing, and has accelerated a local arms race. We deplore the Sandinistas' growing ties to the Soviet Union, which further entangle Central America in the East-West struggle.

We are disturbed as well by the response of the United States to Nicaragua's challenge. Thus far it has been ineffective and, most of us believe, counterproductive.

There is no realistic basis for believing that the contras can or will drive the Sandinistas from power. On the contrary, the Sandinistas have stepped up their acquisition of weapons, tightened their bonds with the Soviet Bloc and imposed greater restraints on their internal opposition.

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We oppose all military and paramilitary support for the contras' campaign against the Sandinista government. We also oppose so-called humanitarian assistance, which is used to help the contras wage war.

Under the current circumstances, essential steps toward peace are unlikely to be taken as unilateral initiatives by either the United States or Nicaragua. They can, however, be accomplished within the framework offered by the Contadora process. [This effort was begun in 1983 by the governments of Mexico, Venezuela, Colombia and Panama, and recently acquired the active support of Argentina, Peru, Brazil and Uruguay. Last weekend's meeting of the 13 Latin American governments involved was adjourned for lack of an agreement.]

Although the United States does not formally participate in the Contadora process, no agreement can be implemented without Washington's concurrence. For some time now, U.S. actions have been inconsistent with the spirit of the negotiating process and at odds with specific requests made by the Contadora nations. The Contadora peace effort cannot succeed as long as the United States insists on fundamental changes in the Sandinista regime as a prior condition for any agreement on security matters.

We call on the U.S. government to modify its position. It should work closely with the Contadora countries, and also revive direct discussions with the Nicaraguan government.

And we call on Nicaragua to end its state of emergency, lift restrictions on freedom of the press and association, respect the rights of national miniorities and begin an active dialogue with the full range of opposition.

It is important that the United States and other countries of the hemisphere press Nicaragua to move in these directions. But we believe that efforts to achieve workable regional security arrangements should not be held hostage to the accomplishments of internal political reform in Nicaragua.

Progress toward peace in Central America depends on the willingness of both Nicaragua and the United States to compromise. As specified in the proposed Contadora treaty, Nicaragua must make verifiable commitments to live peaceably with its neighbors. It must reduce the military ties with Cuba and the Soviet Bloc nations by agreeing to the withdrawal of military personnel, and to restrict arms acquisitions from those nations. At the same time, the United States must agree to accept a verifiable security agreement achieved through negotiations, rather than trying to overthrow the Nicaraguan government.

We welcome the initiative of the current U.S. Administration to discuss issues of regional security with leaders of the Soviet Union. Such discussions could help to prevent superpower competition from intensifying. In the same vein, we believe that it is worth exploring whether discussions between the United States and Cuba might advance the cause of peace.

Unless peace can be negotiated (the wars in Nicaragua and El Salvador) will continue to take 5,000 to 10,000 lives annually, and to displace hundreds of thousands more people from their homes. They will continue to lay waste to Central America's economies. Hopes for recovery and democratic development will dwindle.

The prime requisite for making peace in Central America is not more aid, more weapons or more advisers, but political will. Some basic choices have to be made. The Sandinistas must decide whether they will respect the sovereignty of their neighbors, and remove their nation from the East-West struggle, as part of a settlement that assures Nicaragua's own sovereignty. The United States, in turn, must decide whether to prolong a war to undo the Nicaraguan regime. We believe that the United States should concentrate first on guaranteeing its legitimate strategic interests and the security interests of its allies, and then promote democracy and pluralism inside Nicaragua through nonviolent means.

We are convinced that neither democracy nor security in the hemisphere would be jeopardized by a carefully framed and verifiable peace treaty with the government of Nicaragua.

The alternative to a negotiated peace is protracted warfare, which does, indeed, threaten the security of the Americas.

Among the Inter-American Dialogue participants were:

Co-chairman Sol M. Linowitz, former U.S. ambassador to the OAS, and Galo Plaza, former secretary general of the OAS; Terence C. Canavan, executive vice president, Chemical Bank; Robert S. McNamara, former president of the World Bank; William G. Milliken, former chairman of the National Conference of Governors; Ralph A. Pfeiffer Jr., chairman, IBM World Trade Americas/Far East Corp.; Elliot L. Richardson, former secretary of defense; Franklin A. Thomas, president, Ford Foundation.

Former Presidents Nicolas Ardito Barletta of Panama, Osvaldo Hurtado of Ecuador and Daniel Oduber of Costa Rica; Oscar Camilion, former foreign minister of Argentina; Jorge Fontaine, president, Federation of Production and Commerce, Chile; Pedro-Pablo Kuczynski, co-chairman, First Boston International; Leopoldo Solis, chairman, Council of Economic Advisors, Mexico.

LEGISLATION CLARIFYING TRADE REMEDY LAWS PERTAINING TO CERTAIN PROCESSED AGRICULTURAL PRODUCTS

HON. GUY VANDER JAGT

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Thursday, April 10, 1986

Mr. VANDER JAGT. Mr. Speaker, it is a distinct pleasure to cosponsor with Congressman RICHARD GEPHARDT the introduction of legislation to amend the Tariff Act of 1930 to clarify the intent of Congress regarding the application of the antidumping and countervailing statutes involving certain processed agricultural products.

This legislation is designed to address the very serious problem of subsidized imports which have been severely harming our domestic agricultural producers. Congress clearly intended to resolve this problem in the 1979 Trade Agreements Act, but has been thwarted by recent determinations made in trade cases involving agricultural commodities by the International Trade Commission. The legislation that we are introducing, therefore, merely attempts to clarify the treatment of agricultural products under these trade laws in a manner consistent with the intent of Congress.

A good example of the problem which has arisen is a recent case involving pork from Canada. A high tariff exists on live hogs from Canada which are subsidized. To escape this tariff processed pork was sent to the United States. When United States pork producers brought a trade remedies case citing injury to our pork industry due to the influx of subsidized fresh, chilled, and frozen pork from Canada, however, the International Trade Commission ruled that processed pork products were not part of the same industry as live hogs, and therefore, countervailing duties should not be imposed on the pork, which they determined was not directly subsidized. In light of the intent of Congress, we believe that this was a very questionable decision, underlining the importance of clarifying Congress' original legislative intent. This is even clearer when we realize that the result of this unfortunate decision has been that while the import number of live hogs from Canada was reduced by 7 percent last year, fresh and chilled imported pork from Canada has increased 22 percent, thereby overwhelming all benefits of the countervailing duty placed on live hogs. Michigan, being a next door neighbor to the Canadians, has taken in more than its share of this Canadian pork.

Industry officials have worked closely with the administration to address many of their concerns, raised last year in response to the introduction of similar legislation, H.R. 3328. Our new bill would clarify the original intent of Congress by requiring that producers of raw and processed agricultural products linked through a single continuous line of production be treated as representative of the same industry, provided that there is a coincidence of economic interest between such producers.

In addition, this measure would also require the ITC to consider the impact that duties imposed on either the raw or the processed product—but not both—would have upon imports of the other product, in determining whether imports constituted a threat of material injury to the industry.

In total, this legislation is merely an effort to make our trade laws work more efficiently so that we can ensure an even playing field, and to keep subsidized agricultural products from impacting harshly and unfairly on our domestic producers.

OHIO VOICE OF DEMOCRACY WINNER

HON. BOB McEWEN

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Thursday, April 10, 1986

Mr. MCEWEN. Mr. Speaker, each year the Veterans of Foreign Wars of the United States and its Ladies Auxiliary conduct the Voice of Democracy essay contest. "New Horizons for America's Youth" was the theme for the 1986 competition. More than 250,000 high school students competed for the six national college scholarships awards. Thomas Bown, a senior at West Carrollton Senior High School, in West Carrollton, Ohio, was the winning contestant from our State.

Mr. Speaker, I am pleased to share with my colleagues the composition written by Mr. Bown. It is encouraging to see such enthusiasm and promise in America's youth. They understand the plethora of opportunities which are provided to every citizen by our republic. It is my strong hope that he and other young Americans will continue to share their vision of a hopeful future and work to ensure its fulfillment.

NEW HORIZONS FOR AMERICA'S YOUTH

During the 16th and 17th centuries, lookouts in coastal cities would stand in watch towers, scanning the horizon for approaching ships. They wouldn't expect to see the whole ship at first, but just the masts as the ship come over the horizon. The lookout would try to make out the flag the ship was flying at the top of that mast, and from this tell what the ship was to bring.

I am now scanning the horizon, the new horizon for America's youth, and there, three flags are flying.

The first bears a skull and crossbones, and belongs to a man of war. What does this ship have in store for us? It tells the story of two great nations, one based on capitalism, the other on socialism. Both of these nations think their system should be the system of the world. One nation rules with freedom, the other with oppression. The youth of the free nation know they may have to fight to protect their freedom, and are ready to do so as gallantly and righteously as those who fought before them, but they also see alternatives to the slaughter, and possibilities of avoiding it altogether. They see peace in strength, while the youth of some other nations think weakness will solve their problems. War may be on the horizon for America's youth, and they will try to avoid it, but they will be ready for whatever happens.

The second flag holds a computer, and what great things this ship as in store for us! Science is advancing on all fronts, promising to make life longer and more comfortable for all of us. America's youth are going to space, and will accomplish many things for the first time. Such things as space manufacturing, asteroid mining, and even interplanetary travel are within their grasp. On earth they will be able to conquer the great diseases, and make food production so cheap none will go hungary. They will make our society richer, the arts will flourish; all this is on the horizon for America's youth. But that is not all that this ship brings; technology often creates as many problems as it solves. One problem that will have to be faced is that as manufacturing becomes more efficient, we will need fewer workers; mostly mostly because they will be replaced by robots. Many other jobs will also become obsolete, forcing America's youth to have the flexibility to retrain for several jobs in their life times. This is a great challenge, one that must be overcome, but also one that once conquered would reap spoils beyond belief. America's youth are up to the challenge, and will take a good shot at making this ship a great one for mankind.

The third ship bears a dove, a symbol of a nation becoming more conscious of it's neighbors, realizing their needs, and balancing them with ours. Through such organizations as the United Nations, our youth will work to solve world problems by democratic means. They have already shown their charity through such events as Live-Aid. They are getting better educations. In 1940, one out of every 17 people age 25–29 held a college degree; today, one out of every five such people hold a degree. Today's youth realize the value and necessity of an education.

Armed with this, they will see the world through understanding eyes. Not only will they see the problems of the world, they will see the possible solutions, and take the action to implement them. America's youth are the future diplomats and leaders; they have the capability of making our world better for everyone, of making our nation a member of a world community where everyone works together selflessly, diligently, and for the good of all.

Obviously, not all of these ships will land at the same time. Some may not land at all, sinking at sea, the result of a violent storm, or perhaps a broadside from one of it's neighbors. The horizon holds great possibilities for America's youth. Possibilities of great successes, and great failures. What will happen is up to them, and me. Let's hope, America's youth, that tomorrow will be a success, and do the work to make it one.

INVERTED TARIFFS

HON. MARTY RUSSO

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Thursday, April 10, 1986

Mr. RUSSO. Mr. Speaker, today I am introducing legislation to correct an inequity in the tariff schedules caused by the inverted tariff between carbon steel pipe and tube products and carbon steel sheet and plate. An inverted tariff exists when the tariff applied to a particular product's raw materials or inputs is greater than the tariff for the higher valued, downstream product. In the case of carbon steel pipes and tubes, tariffs on their inputs, sheet and plate, are significantly higher than tariffs on pipe and tube products. My legislation would remedy this inequity.

Inverted tariffs are not common or desirable within the Tariff Schedules of the United States [TSUS]. For most steel products as well as other basic industries, as value is added to a product, the tariff rate increases. For example, the duty on cold-rolled steel sheet is higher than the duty on hot-rolled sheet. Galvanized sheet is higher than cold-rolled and stainless sheet is higher than galvanized. In copper, the duties on copper wire are much higher than the duties on copper rod, and the duties increase when copper wire is insulated. The reasoning behind this policy is simply to encourage the importation of raw materials so that the value added for finished goods takes place in the United States.

The U.S. policy to apply higher duties for higher value-added products is also adhered to by our major trading partners. The European Community charges a 6 to 7 percent duty on sheet and a 9 to 10 percent duty on pipe and tube. Japan's duty on sheet is 5 to 5.7 percent compared to a pipe and tube duty of 5.7 to 8.8 percent. The South Korean's impose 20 percent tariffs on sheet and 25 percent tariffs for pipe and tube. In fact, every major steel exporter charges a duty for pipe and tube imports that is greater than or equal to the duty for sheet imports.

The inverted tariff on pipe and tube products occurred as an oversight and an accident of inflation after the United States converted to the TSUS. In 1952, the duty on carbon steel sheet and plate was lower than the duty on pipe—0.175¢/lb. compared to 0.375¢/lb. for pipe. In 1960, the tariff for carbon steel sheet and plate was changed to an ad valorem rate of 10 percent while the duty for pipe remained at the 1958 specific rate of 0.30¢/lb. With steel selling for approximately $50 a ton in 1958, this means that at the time of the tariff change, the duty on sheet and plate was approximately $5 a ton compared to a $6 a ton duty on pipe.

During the inflationary era of the 1970's, the specific rate duty for pipe products could not keep up with the tariffs on sheet and plate which were based on the increasing value of the steel. By 1975, steel prices had more than quadrupled and the duties on steel sheet and plate were over $20 a ton compared to the constant $6 a ton on pipe. In 1982, pipe and tube duties were changed to an ad valorem rate ranging from 0.5 to 4.8 percent. In the same year, plate and sheet duties ranged from 7.1 to 8.4 percent.

Over the last decade, imports of pipe and tube products into the United States have surged and only the most efficient domestic producers have been able to survive against the foreign competition. About 80 percent of the companies that produce pipes and tubes in the United States are independent fabricators who purchase their raw materials, plate and sheet steel, in the open market. These companies can compete with pipe and tube products made anywhere in the world given a level playing field. My legislation will help to equalize one unfair advantage foreign producers enjoy due to the tariff inversion.

There are approximately 120 companies producing steel pipes and tubes in the United States today. Pipe facilities are located throughout the United States with Illinois, Pennsylvania, Ohio, California, and Texas accounting for the bulk of production. The industry employs around 15,000 workers, down from 25,000 workers 5 years ago.

While imports of all steel products have captured approximately 25 percent of the U.S. market, imports in recent years have taken more than half of the U.S. pipe and tube market. In 1979, import penetration for all pipe and tube products amounted to 26.1 percent. By 1984, imports had increased dramatically capturing a record 56.2 percent of the market. The steel VRA Program reduced import penetration in the pipe and tube market to 52.5 percent in 1985.

The inverted tariff is a major factor behind these intolerably high import levels. The inverted tariff encourages foreign producers to convert steel sheet into pipe for export to the United States in order to reap the benefits for adding value in the foreign country and to take advantage of the lower duties for pipe exports to the United States.

In addition, every steel voluntary restraint agreement entered into by the United States contains certain flexibility provisions allowing a degree of shifting among the various steel product categories covered. Our foreign trading partners who are participating in the VRA Program have used their flexibilities to shift their exports from sheet into pipe and tube.

I propose to correct this inverted tariff by equalizing the duties on pipe and pipe and tube products with the duties on sheet steel.

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My proposal would result in a column 1 duty for pipe products of 5.3 percent compared to the current levels ranging from 0.5 to 4.8 percent. In addition, the duty on galvanized tubing would equal the duty on galvanized sheet which is 6.9 percent.

This legislation, if adopted, would prove of benefit to the entire steel industry. I urge my colleagues to support this proposal.

SPORTSMEN FINALLY GRANTED RELIEF

HON. ROBERT C. SMITH

OF NEW HAMPSHIRE

IN THE HOUSE OF REPRESENTATIVES

Thursday, April 10, 1986

Mr. SMITH of New Hampshire. Mr. Speaker, today the House of Representatives, in one of the most important votes of the 99th Congress, adopted the Volkmer substitute. This landmark legislation will free law-abiding gun owners, dealers, and collectors from regulations that have been burdening them for years, and I was proud to support it.

The debate today and yesterday essentially gave us a choice between two competing philosophies. On the one side, there was the philosophy that we ought to continue to burden the law-abiding citizen with needless paperwork requirements and bureaucratic redtape. On the other side, there was the philosophy that our law enforcement resources ought to be directed toward capturing and convicting criminals.

Unfortunately, the bill reported from the House Judiciary Committee, H.R. 4332, sided with the philosophy of regulation. It did little to change the status quo and to lessen the burden upon law-abiding gun owners. Although the bill contained a number of provisions intended to satisfy supporters of gun owners' rights, it simply did not go far enough. The substitute offered by Mr. VOLKMER, however, represents a significant step forward in protecting law-abiding gun owners, while redirecting our precious law enforcement resources toward criminals.

The substitute includes a specific definition of "engaged in the business" that will not force private gun collectors and owners to obtain a license to sell a firearm, thus protecting them from being unfairly prosecuted for selling a weapon. H.R. 4332 did not. The substitute will make technical violations punishable only if committed "willfully," thereby protecting dealers from being prosecuted for unknowingly violating gun laws. H.R. 4332 did not. The substitute permits the interstate transportation of any firearm that is legally owned. H.R. 4332 did not. The substitute will protect gun owners from the unjust seizure of their firearms. H.R. 4332 did not.

Mr. Speaker, in short, the Volkmer substitute will mean that taxpayers' dollars will no longer be spent harassing law-abiding citizens. At the same time, it will impose tough sentences upon those who use guns during the commission of a crime. It will also prohibit individuals, not just dealers, from selling guns to felons.

Finally, I, personally, have received over 1,500 letters, phone calls, and postcards from constituents in support of the approach embodied in the Volkmer substitute. The law-abiding citizens of New Hampshire have spoken on this issue, and I am glad that they will finally get the relief they rightfully deserve.

LONG-AWAITED ACID RAIN LEGISLATION

HON. NICHOLAS MAVROULES

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Thursday, April 10, 1986

Mr. MAVROULES. Mr. Speaker, finally, a breath of fresh air. The bill introduced today by Congressman WAXMAN and Congressman CONTE, the Acid Deposition Control Act of 1986, can potentially clear our skies of the dreaded phenomenon of acid rain. I am proud to be an original cosponsor of this landmark legislation which is of particular importance to the environmental health of my region, and ultimately to the Nation as a whole.

We of the Massachusetts delegation have been working for years to pass legislation dealing with the problem of acid rain and sulfur dioxide emissions. Massachusetts has already taken a step ahead by legislating its own reduction requirements for sulfur dioxide and other acid rain producing chemicals.

Although the bill in front of us today may not be as stringent as past acid rain bills, I understand it has an excellent chance of being passed intact by the Energy and Commerce Committee and then the full House. Bipartisan sponsorship in Congress and the endorsement of many environmental groups demonstrate that this bill has a broad base of support.

We have known, without a doubt for many years now, that acid rain is caused by sulfur dioxide and nitrogen oxides from coal-fueled powerplants, cars, and other manmade sources. We have known for even longer of the irreversible, toxic effects of acid rain, which range from the acidification of lakes and the death of all fish and aquatic life in them, to decomposition of forests, to pockmarks on city buildings. Even our Capitol needs a facelift to repair the damages caused by acid rain.

All the conclusive evidence points to the necessity to reduce emissions of the toxic sulfur dioxide and nitrogen oxides. The technology is there—we know of smoke stack scrubbers and clean coal processing methods that have been proven effective. All we need now is action.

The legislation being introduced by Congressmen WAXMAN and CONTE is the vehicle for that action. It calls for the reduction of over 10 million tons of sulfur dioxide and 4 million tons of nitrogen oxides emissions. It also tightens emission standards for cars and trucks. I am very excited about this bill and I wholeheartedly support it.

ACID RAIN LEGISLATION

HON. DEAN A. GALLO

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Thursday, April 10, 1986

Mr. GALLO. Mr. Speaker, today I join with 150 of my colleagues to sponsor comprehensive acid rain legislation.

This bill has strong bipartisan support in this body and will create a 10-year program to attack acid rain.

Acid rain is one of the most critical environmental concerns we face in today's world. This strong bipartisan support for this comprehensive approach is proof that we not only recognize the problem, but we are prepared to do something about it.

Now that we have reached a consensus on the problem, we require timely legislative review of the measure.

As assembly minority leader in New Jersey, I voted in support of efforts by Assemblywoman Maureen Ogden to push Congress to act. Now, as a Member of Congress, I am pleased to translate that concern into action with this legislation.

I said then, and I still believe, that we need a regional approach to this problem. This bill sets a Federal standard, but gives our States a lot of power to develop cooperative programs to meet those standards.

This bill sets Federal standards to reduce the levels of sulfur dioxide and nitrogen oxide emissions and creates a program to protect ratepayers from excessive increases in their utility bills to cover the cost of the program.

Acid rain is destroying our forests and our lakes. It poses a long-term threat to our environment and to the well-being of our children and grandchildren.

After a careful review of the evidence, we are now ready to take action on this critical problem.

Our bill would require reductions of 14 to 16 million tons of emissions believed to cause acid rain, would tighten standards for auto and truck emissions and would create an acid rain trust fund to cover a portion of the cost of the cleanup program.

Our bill creates a 10-year program to require a national commitment to the cause of protecting our natural resources and ensuring the continued health of the planet.

Mr. Speaker, I urge you and my colleagues on the committees reviewing this legislation to give your utmost attention in the weeks and months ahead. Time is running out. The time to act is now.

ENERGY SECURITY ACT OF 1986

HON. JOHN B. BREAUX

OF LOUISIANA

IN THE HOUSE OF REPRESENTATIVES

Thursday, April 10, 1986

Mr. BREAUX. Mr. Speaker, recent events have proved once and for all that the Reagan administration's blind adherence to Republican ideology is, if not totally bankrupt, shortsighted and intent on bankrupting a vital segment of this Nation's economy and an industry critical to our national security—namely, the oil and gas industry. By its short-sightedness, this administration is playing right into the hands of OPEC. We all remember OPEC—that group of countries that supposedly taught all of the free world a costly lesson about a sanguine dependence on imported oil some 13 years ago. OPEC, we all recall, first tried to destroy western economies by raising the price of crude oil, causing a global recession that we have only recently begun to recover from.

Now that we have lessened our dependence on their oil, they have begun to employ a new tactic, flooding the world marketplace with oil. This tactic is driving the price down to levels that are literally destroying our domestic industry, shutting in crucial production—much of which will never be replaced—making it impossible to spend the exploration dollars necessary to make new discoveries, and making it attractive, if not inevitable, for us to once again purchase enormous amounts of their oil to fuel our economy.

It is apparent to me that our beleaguered energy industry will not receive any help from this Republican administration. After several false starts, this administration has made it clear that it cannot agree on policies that would allow the United States to chart its own energy future. The comments made by various members of the administration surrounding Vice President BUSH'S recent trip to Saudi Arabia are truly astounding and illustrative of the Catch-22 this administration finds itself in when it attempts to deal with a real problem ideologically.

First, it appeared that the Vice President was intending to seek a stabilization of OPEC oil production, as a means of stabilizing prices. To quote the Vice President" My plea will be for stability of the marketplace." Their remedy would, of course, benefit no one but OPEC. Why anyone in this Administration would even talk about taking steps that would benefit the oil exporting nations of OPEC is beyond belief.

Second, and compounding this misstep, other administration officials fell all over each other in an attempt to clarify the Vice President's remarks. Treasury Secretary James Baker, while denying that the United States is "in the business of sitting down with OPEC and talking about price levels for oil," also stated that the administration believes "in letting the free market operate." White House Chief of Staff, Donald Regan, says that the administration doesn't have any intention of interfering with oil market prices. And the President's press secretary says that he believes "that real price stability will be obtained by allowing the free market forces to work."

Now, who around here believes that OPEC in general, or Saudi Arabia specifically, operates under free market principles? In the United States, we have laws that protect one or more U.S. companies against the concentrated efforts of another company or companies who are engaged in a practice called predatory pricing. Thus, it is illegal to dump products on the market, lowering the price of that commodity with the express design of forcing competitors out of the marketplace. And that, Mr. Speaker, is exactly the course that is being pursued by the Saudi's and OPEC. It has been estimated that the world supply of oil this month will exceed demand by 4.2 million barrels a day, two or three times the imbalance recorded in January and February. Again, does this sound like the work of free market forces? The Saudi goal, as stated by Sheik Yamani, is to maintain the current glut situation as a means of securing for OPEC a wider world market share, presumably a share in line with that which allowed them to set world prices throughout the 1970's.

But wait, Mr. Speaker, the administration thinks it might have a solution to this critical problem. It is reported that the administration is considering a repeal of the Windfall Profits Tax Act! Now that's a great solution. As misguided as I believe that tax is, and I would support its repeal, the fact of the matter is that almost no revenue is currently being paid under that tax, because the price of oil is being driven to extreme lows. The removal of this tax, while providing a small measure of relief, is simply too little, too late.

Mr. Speaker, today I am introducing legislation that says to OPEC: "We in the United States will not allow you to destroy our energy industry and compromise our national security. We in the United States will determine the rational price for crude oil. And, we in the United States will receive the benefits of a rational pricing policy."

My legislation would establish a sliding tariff on imported crude oil and certain refined petroleum products. The amount of the tariff would, generally, be the difference between the average world price for these commodities and a base price of $25 per barrel for crude oil and the equivalent of $30 per barrel for the covered refined petroleum products. The benefits of such an approach have been debated at great length recently, but I would note that this approach will:

First, place a safety net under the price of domestic oil that will reverse the disastrous events that have recently occurred in our domestic industry and which continue to unfold every day;

Second, promote continued energy conservation while protecting consumers against unreasonable prices; and

Third, raise substantial sums of money at a time when we in Congress continue to search for ways of addressing the enormous Federal deficit without gutting essential Government services and programs.

Mr. Speaker, various commentators have noted that an import fee makes so much sense that Congress probably will not pass one. I hope that these commentators are wrong, that we in Congress do have the foresight to legislate in this rational manner.

DR. SPENCER SMITH

HON. THOMAS P. O'NEILL, JR.

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Thursday, April 10, 1986

Mr. O'NEILL. Mr. Speaker, during our just concluded recess, the House lost one of its most valuable staff members, and I lost an old and good friend. Dr. Spencer Smith, economist on the Democratic Steering and Policy Committee, died March 29.

Many of us knew that Spencer was ill but it was a mark of his character and strength that he continued with his duties, despite a recurrence of cancer that the doctors said was inoperable and terminal.

Spencer was my strong right arm in pursuit of a solution to the complicated and stormy budget and tax reform issues. He labored long and diligently to advise me on these issues and his counsel will be sorely missed.

Spencer joined the staff of the Steering Committee in 1975 and served our distinguished former Speaker, Carl Albert, as well as he did me. A major project that Spencer and Dr. Joseph McMurray took on for Speaker Albert in 1976 was the drafting of a proposed Democratic party platform which was presented to the Democratic National Committee. Key proposals in the document, centering on the environment, economy, and joblessness, were adopted by the national convention in that year.

He was awarded his doctorate degree in economics by the University of Iowa. He taught economics at the universities of Iowa, Maryland, Minnesota, and Kansas and in 1952 he went to work for the Office of Price Stabilization. He was in charge of the Food and Restaurant Division and supervised a force of 1,500 employees.

Spencer's expertise was in the field of economics, but his heart was in preserving and protecting the environment. He served full time as secretary of the Citizens Committee on Natural Resources. In subsequent years he was chairman of the board of trustees and executive committee of the National Park and Conservation Association; chairman of the C&O Canal and River Rights Council; and chairman of the Citizens Permanent Conference on the Potomac River Basin. Just last year, he was named an honorary member of the Accokeek Foundation for his effort in protecting Piscataway Park.

Spencer was also active in his community and church. He was a former president of the Virginia State Parent-Teachers Congress of PTA's. He was also a member of the Mount Olivet United Methodist Church in Arlington and he taught a men's Bible study class.

I was notified while out of the country of Spencer's passing and I felt deep regret that I could not be present for the funeral services. One of our colleagues who was there, the distinguished majority whip, TOM FOLEY, noted during his memorial speech that "Had there not been a congressional recess at this time, this church would be filled with Members of Congress, such was the respect and affection that so many Members had for Spencer."

Millie and I offer our sympathy to Spencer's wife, Elaine, and his two daughters, Victoria Barrett of Painesville, OH and Kristi Caplan of Arlington.

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TO CONTROL THE THREAT OF ACID RAIN

HON. TIMOTHY E. WIRTH

OF COLORADO

IN THE HOUSE OF REPRESENTATIVES

Thursday, April 10, 1986

Mr. WIRTH. Mr. Speaker, scientists from this and other countries have been warning us of the growing threat of acid rain. Countless scientific reports have been issued—one only last month by the National Academy of Sciences—documenting a real and present danger to the survival of lakes, streams, and forests across this country. Other studies show that this problem is spreading to the Rocky Mountain West. And these reports leave little doubt about the urgent need for action.

Today more than 150 of my colleagues and I are introducing legislation to bring the acid rain threat under control. This legislation represents an historic step forward in the Nation's commitment to protecting our lakes and forests from the silent danger of acid rain.

The bill that we are introducing today is a broad-based response to the rapidly accumulating evidence that acid rain is a threat that respects no boundaries and that can not be corrected unless the Federal Government, States, and industry work together. In that spirit, this bill combines the best features of a number of bills that I and other Members have supported in the past. As a result, Members from both parties and from all parts of the country have joined in introducing this legislation.

Mr. Speaker, we have a special concern in the West, where recent scientific research on acid rain in the Intermountain West has produced alarming results. The high country of the Rocky Mountains cradles more than 7,000 lakes. Many of these lakes lie on granite bedrock, surrounded by the sheer walls of glacial cirques. We have learned that high altitude lakes in the Rockies, and the Sierras and Cascades as well, have very little "buffering capacity," or the ability to neutralize acids. This means that these lakes could be acidified by air pollution that is only one-tenth as severe as acid deposition levels that have resulted in acidification of lakes in the Northeast.

It is imperative that we act before our mountain lakes and streams begin to show the effects of acid rain. It would be a tragedy if we discovered one day that cutthroat trout no longer can survive in Rocky Mountain National Park's lakes, and that we are left with still and lifeless expanses of water. If these lakes could be restored at all, it would be only at costs that stagger the mind. We simply can not afford to gamble on the survival of these high mountain ecosystems.

Let me briefly review the elements of this innovative piece of legislation. First and most important, it assures that emissions of sulfur dioxide or SO_2, which form sulfuric acid in the atmosphere, will be reduced by more than 10 million tons annually. This is an enormously important step forward in preventing the acidification of thousands of lakes in the Northeast and in Canada. However, since Colorado utilities already have installed state-of-the-art pollution control technology at most facilities, Colorado already is in or very near compliance with this legislation.

At the same time, this bill leaves to the Governors of the individual States complete discretion in deciding how each State's emissions reductions will be achieved. For example, a Governor could decide to switch from high-sulfur coal to low-sulfur coal. Or he could choose to install scrubbers that remove SO_2 from the gases emitted through smokestacks. Or he could choose a combination of these and other emission control strategies.

This flexibility especially important to Colorado and other Western States, since fuel switching may be a much less expensive way to reduce SO_2 emissions than are scrubbers. And as a westerner, I do not believe we can afford to shortchange low-sulfur coal as a viable and practical option for reducing SO_2 emissions.

Another point, of equal importance to Colorado, is that this bill does not establish a fee to subsidize pollution control in other States. Although this bill does include a provision to protect electrical energy customers from rate shock, the EPA Administrator must first determine that the costs of pollution control will lead directly to rate hikes of more than 10 percent for residential customers of a specific utility. Then, and only then, the Administrator could decide to impose a fee on generation of electrical energy to cover only the interest component of capital improvements needed for pollution control.

Of special importance to the West, I have insisted that this bill include strong provisions that are vital to preventing acid rain damage in Colorado and throughout the Rocky Mountains.

First, this bill reiterates that copper smelters in this country must comply with air pollution laws. In the Intermountain West, copper smelters contribute nearly 70 percent of the total SO_2 emissions from all sources combined. These emissions lead directly to acid rain in the high elevation areas of Colorado, Utah, and Wyoming. All but two of the smelters are in full compliance with Federal antipollution laws for reducing SO_2 emissions into the regional airshed. This bill makes clear that all smelters must reduce their SO_2 emissions to the level Congress set as long ago as 1977. Just bringing these two smelters into full compliance with the Clean Air Act will result in a 400,000 ton reduction in SO_2 emissions.

Second, we can not ignore the enormous copper smelter that is being constructed in Mexico, a few miles from our border. The uncontrolled emissions from this smelter, at Nacozari, would wipe out all of the clean air improvements that will be gained by this bill, and more. This simply is not acceptable. For that reason, this bill includes a provision that instructs the Secretary of State to negotiate an agreement with the Mexican Government to insure that emissions from Nacozari are fully controlled, just as they would be if the smelter were being built in this country. That is only fair, since the air pollution from Nacozari will end up in this country.

Finally, this bill takes a first step toward addressing the brown cloud problem that confronts the city of Denver in my State, and other cities as well. This bill includes provisions to tighten up on car and truck tailpipe emission standards for both particulates and nitrous oxides—two of the principal contributors to the photochemical smog that Colorado is trying so hard to eliminate along the front range. These new requirements codify what EPA already is planning to do in controlling mobile source emissions. As a result, this bill ensures that we don't slip backward—so we continue to make progress in cleaning up the air in our urban areas.

Mr. Speaker, I rise in support of this legislation, and I urge all of our colleagues who have not yet joined as sponsors to do so. This is a fair, balanced, and bipartisan measure to address a serious national problem. It truly is an historic step, and it deserves our support.

WORLD FOOD DAY

HON. BENJAMIN A. GILMAN

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, April 10, 1986

Mr. GILMAN. Mr. Speaker, today I am introducing House Joint Resolution 595 which would designate October 16, 1986, as "World Food Day." World Food Day celebrates the founding of the Food and Agriculture Organization of the United Nations in 1945. For the past 5 years Congress has supported this commemorative day which has been an effective tool in increasing the public's awareness of the global problems of hunger and malnutrition.

As public concern about world hunger grows, the importance of special days like World Food Day increases. Hundreds of colleges, universities, and other organizations participated in various activities to help educate their communities on the problem of hunger last year. These individual activities add up to the huge worldwide movement that will give the hungry the support they need to succeed. Public concern has already created enormous resources for Africa and is stimulating the political commitment needed to achieve long-term success.

By designating October 16, World Hunger Day, Congress will join these communities and initiatives in a committed national effort to alleviate hunger in the world.

Mr. Speaker, at this point, I am inserting the full text of the House Joint Resolution 595 to designate October 16, 1986, as "World Food day."

SUPER SIXTIES

HON. MICHAEL BILIRAKIS

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Thursday, April 10, 1986

Mr. BILIRAKIS. Mr. Speaker, this weekend a "super" idea is being celebrated for the ninth consecutive year in Clearwater. It's called "Super Sixties" and began as a special ministry for senior adults by the Trinity Baptist Church.

Under the leadership of Pastor William Kline, "Super Sixties" provides a nondenominational ministry that is upbeat and positive

and highlights special services and opportunities for our senior adults. Those who participate enjoy programs ranging from financial advice to old-fashioned sing-alongs. Each weekly program lasts from 9:30 a.m. until noon with those attending receiving a free lunch at the end of the program.

I am proud to say that this very successful program receives no Federal, State, or local funding and, instead, operates through donations received at the door as well as special fundraising drives. Their newspaper recycling program alone brings in more than $1,000 each time the three tractor-trailers are unloaded.

This innovative and exciting program for senior adults began 9 years ago with 125 charter members. It is now believed to be the world's largest church-related senior adult ministry with an average of 1,000 people participating each week. In addition, Pastor Kline and his "Super Sixties" coordinators have established seminars on how to develop a senior adult ministry, having already shared that information with fellow Americans as well as individuals from Australia, Korea, Europe, and Canada.

Mr. Speaker, I want to commend Pastor Kline and members of Trinity Baptist Church for establishing this very successful program for our senior adults. As they commemorate that success at their annual banquet on April 12, they should know that all America applauds their efforts and appreciates their leadership. "Super Sixties" is, indeed, a "super success."

TRIBUTE TO ANTHONY M. TARABOCCHIA

HON. ROBERT G. TORRICELLI

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Thursday, April 10, 1986

Mr. TORRICELLI. Mr. Speaker, I rise today to honor Mr. Anthony M. Tarabocchia. On April 13, 1986, Mr. Tarabocchia will be honored with a testimonial dinner by UNICO National and the Italian-American Forum of Lodi.

Mr. Tarabocchia is truly deserving of the title humanitarian. He has undertaken numerous efforts on behalf of senior citizen, youth and sports progams at the community and county levels. Tony has been directly responsible for raising thousands of dollars to benefit such worthy causes as the UNICO High Hopes College for the musically talented, mentally disabled and the Boys Towns of Italy. Tony truly exemplifies the spirit of UNICO's motto of "Service Above Self."

In recent years, Tony's interests and accomplishments have been recognized with many awards. He has had the honor of receiving the highest award which UNICO National can bestow, the Antonio R. Rizzuto Award. Tony has been presented with the Star of Gold of the Republic of Italy and named "Man of the Year" by the Italian-American Forum. The town of Lodi has even given Tony the keys to the city and proclaimed a "Tony Tarabocchia Day."

The many achievements of Tony Tarabocchia would fill several volumes. He has combined a successful business career with a lifetime of caring for others. His spirit and dedication deserve to be recorded in history as part of the CONGRESSIONAL RECORD.

It is with great honor and pleasure that I join with so many of Tony's friends in honoring him with this testimonial dinner.

AID FOR THE AGED

HON. DAN MICA

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Thursday, April 10, 1986

Mr. MICA. Mr. Speaker, 6 years ago, Abe Meltzer, an industrialist and a resident of Boca Raton was watching television news. The commentator reported it as just another human interest story—the camera was showing poverty stricken people in their seventies and eighties, in the twilight of their lives, groveling through garbage cans behind supermarkets for some scraps of food. This news story showing the agony of poverty in the midst of the wealthiest country in the world, deeply touched Mr. Meltzer. He founded a public charity entitled Aid For The Aged, Inc. to meet the needs of these elderly poor.

For the last 6 years, this charity, based in Boca Raton, has been distributing help to social service agencies servicing the elderly from Miami to West Palm Beach. The gold coast of Florida is not golden if you are old, poor and in need of basic services. Aid For The Aged has been an important part of our community alleviating these needs.

Aid For The Aged has been concerned with the broad spectrum of aging problems—the basic needs of food and transportation, the loneliness of the aged when spouses die and family is not there, the real fear of dying and the pain of terminal illness, the struggle to avoid institutionalization and to maintain dignity and usefulness to the end, and most important the challenge to remain young in spirit and continue to be a useful part of this society.

After Abe Meltzer's death, his widow Florence assumed the presidency of Aid For The Aged this past year. She has carried on the good work of this charity and has expanded its support within the community. This year Aid For The Aged has provided grants for 15 programs ranging from a meals program provided by the Ascension Lutheran Church to an emerging Alzheimer's Disease Association, to Crisis Line, to Hospice to the Jewish Family and Children's Service. Their grants reflect the broad range of services to the elderly within our community in the 14th Congressional District.

I am proud to salute Aid For The Aged and its president, Florence Meltzer and its officers, Albert Gortz, Benjamin Ossman, Emanuel Siedeman, and Rabbi Bruce Warshal. I commend this fine public charity for community support.

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SENATE—*Friday, April 11, 1986*

(Legislative day of Tuesday, April 8, 1986)

The Senate met at 9 a.m., on the expiration of the recess, and was called to order by the President pro tempore [Mr. Thurmond].

PRAYER

The Chaplain, the Reverend Richard C. Halverson, D.D., offered the following prayer:

Let us pray.

Father in Heaven, we thank You for mental, emotional, and physical health—incomparable assets in fulfilling our destiny as individuals. When any of these resources break down or burn out, our ability to function effectively is greatly diminished. Help us to take seriously our responsibility to ourselves—to nurture mental, emotional, and physical strength so that we may fulfill private and public missions to the ultimate of our potential.

We thank You for the security and stability strong family relationships provide. Help us not to take these for granted and allow them to deteriorate to the detriment of public service. Save us Lord from destructive indifference to these fundamentals. In Jesus' name we pray. Amen.

RECOGNITION OF THE MAJORITY LEADER

The PRESIDENT pro tempore. The able majority leader, Senator Dole, is recognized.

SCHEDULE

Mr. DOLE. Mr. President, under the standing order, the leaders will have 10 minutes each. I do not think we intend to use that time as we have a rather tight schedule. That will be followed by special orders for Senator Hawkins, Senator Proxmire, Senator Quayle, Senator Cranston, and Senator Melcher. The remarks of Senator Hawkins will be delivered by Senator Hatch.

Routine morning business will follow the execution of the special orders, not to extend beyond the hour of 9:30 a.m.

Right at 9:30, we hope to resume S. 1017, the regional airports bill under a unanimous-consent agreement, providing for final passage no later than 12 noon.

Mr. President, there could be as many as four votes between now and then, so I would advise my colleagues to be alert. Because of the time constraints—this is a rather tight agreement—we are going to limit the rollcall votes to as close to 15 minutes as possible. I would urge staff who may be tuned in this morning to advise their Senators that rollcall votes will be 15 minutes. There could be some exceptions, but that is our present intention.

Mr. President, a number of Members have other official duties later this afternoon. We would like to be able to finish our business no later than 2:30.

Following the regional airports bill, we will take up the hydro-relicensing bill. Hopefully, we can work that out, maybe, without a vote. I am not certain about that.

That will hopefully be followed by the crime bill, S. 1236, which will be followed by S. 1774, the Hobbs Act. I doubt that we will finish the Hobbs Act today. We may not even get on the Hobbs Act today. However, that is on the list.

Mr. President, we will be in session and there will be votes. Again, I am certain there will be votes. I do not want to mislead anyone suggesting that perhaps there will not be votes. There will be votes, and they will probably start as early as 9:45 this morning. We could have votes up to around 2 or 2:30 this afternoon.

RECOGNITION OF THE ACTING MINORITY LEADER

The PRESIDING OFFICER (Mr. Grassley). The acting minority leader is recognized.

Mr. CRANSTON. Mr. President, I reserve the time of the minority leader.

SENATOR HAWKINS' SPECIAL ORDER

The PRESIDING OFFICER. Under the previous order, the Chair recognizes the Senator from Utah [Mr. Hatch] to speak on behalf of the Senator from Florida [Mrs. Hawkins] for a period not to exceed 5 minutes.

Mr. HATCH. I thank the Chair.

Mr. President, I rise this morning to pay tribute to Senator Hawkins and wish her the very best. I know that all of our hearts and prayers are with her as she recuperates from a very serious operation which was necessitated because of an accident. I am very proud to deliver this message this morning on her behalf.

Bolivia: A Crisis of Will

Mrs. Hawkins. Mr. President, this morning I wish to make a few comments about Bolivia's failure to take the minimal steps called for in the Hawkins-Gilman provision of the 1984 foreign aid bill to prevent a cutoff of American foreign aid.

The Hawkins-Gilman provision simply requires drug producing countries to eradicate 10 percent of their drug cultivation in order to continue to be eligible for foreign aid. The Bolivians have not complied so now we hear them shouting to the heavens about their sovereignty, and how the United States is trying to impose itself on an independent country. Well, I say fine. Be independent. Be sovereign. But do it without the hard earned tax dollars of America's taxpayers.

Maybe the Bolivians do not know it, but foreign aid is not a God-given right. It is not manna from heaven. It comes from the sweat of our farmers, from the creativity of our entrepreneurs, from the energy of our factory workers, and it is made possible because of the sacrifices of our veterans and military retirees. Without these things we would not have a prosperous America that can, out of its generous spirit and sense of mutual interests, provide foreign aid for nations less prosperous than ourselves.

Another lesson the Bolivians might learn is that it does not make sense to throw good money after bad. No American is going to stand idly by and watch his money be thrown down a deep, dark, black hole. It is a shame, too, because the people of Bolivia are hardworking and diligent. But all that hard work and diligence is wasted because of a drug network whose tentacles reach into every aspect of the nation draining it of its vitality.

I have looked into the eyes of the children of Bolivia and it breaks my heart to see a government unwilling to take even the minimal actions necessary to save these poor children from a future of despair. According to a study released several weeks ago in Bolivia, and prepared by Bolivians, 80 percent of the coca cultivated in Bolivia goes for foreign consumption. But with a country literally awash in cocaine, how can they hope to escape or even survive the violence and corruption that inevitably follow the narco-traffickers. Well, the answer to that is that they cannot and they have not.

According to the Report on Drug Abuse and Drug Trafficking by the President's Commission on Organized Crime:

"Official corruption has seriously hindered anti-drug efforts throughout South America, especially in Bolivia and Peru. Throughout Bolivia during the 1980's regime of Gen. Garcia Meza, corruption among high-level officials charged with drug enforcement was so rampant that 'the Government itself became an international drug trafficker.' Despite the subsequent efforts of the current Bolivian Government to more effectively enforce drug control laws, corruption at all levels of the Bolivian Government remains a major problem. In 1984, for example, Bolivian authorities arrested two suspected traffickers with a small amount of cocaine and confiscated a 14,000 acre ranch and two airplanes belonging to them. Two weeks later, the men were transferred to the authority [of] a local prosecutor who subsequently released them and returned their possessions. According [to] the reports, at least $250,000 in bribes were paid to Bolivian police and Government officials for the release of the two traffickers."

● This "bullet" symbol identifies statements or insertions which are not spoken by the Member on the floor.

The Bolivians say the aid cutoff is unfair. I say why has every other country that is effected by the Hawkins-Gilman provision met the required eradicaton targets.

The Bolivians say we do not understand their situation. I say we understand their situation all too well. They have a well-entrenched drug network and they are not willing to stand up to it for the sake of their country and their children. They have an economy in desperate need of rejuvenation, but it will never provide the prosperity desired so long as the narco-traffickers continue to suck the life-blood from the economy. They talk about the benefits of the high price for the farmers of coca as compared to other crops when they should be talking about the costs of violence, corruption, and inefficiency on all Bolivians. I say we understand all too well.

The Bolivians complain that we do not give them enough money to really go after the traffickers. I say, "prove that you can spend the money that we give you effectively, and then we will give you more."

We in this body have a trust. We have a trust with the American people. It is our job to make sure that their tax money is well-spent, and that it is spent on necessary programs.

Given the record of inactivity in Bolivia, I would rather spend their foreign aid money on our children, our farmers, our poor, or our elderly. We have plenty of programs in this country that can use the money. Until Bolivia gets its act together, I say we give it to them instead.

The Bolivians want to be independent; they want to be sovereign; they want to do their own thing? OK, be independent, but do it without our money. But I also say that, "if you change your mind and want to begin behaving like a civilized, rational, compassionate country, then we stand prepared to turn the spigot back on and restore our cooperation and our foreign aid to appropriate levels." If Bolivia is willing to enter the war on drugs, then they deserve to be treated as an ally.

RECOGNITION OF SENATOR PROXMIRE

The PRESIDING OFFICER. Under the previous order, the Senator from Wisconsin is recognized for not to exceed 5 minutes.

Mr. PROXMIRE. I thank the Chair.

THE APPALLING COST OF LIFTING STAR WARS INTO SPACE

Mr. PROXMIRE. Mr. President, there are far more mountains to climb to put an antimissile defense into space than the lengthy hearings and articles on star wars have begun to consider. This morning I shall discuss just one of these. For star wars to work, we have to lift much of its immense hardware into space. I have yet to hear a Member of Congress even discuss this on the floor of either body. It would be a mammoth task. Consider just a few figures.

At the present time, our equipment to lift material into space consists of three shuttles. We lost one, the *Challenger*, a few weeks ago. It will cost us a couple of billion dollars to replace that one shuttle. So far in our experience with lifting materials into space, we have succeeded in our biggest year in pushing less than a million pounds into space.

How does the problem of lifting star wars into orbit compare with this past experience? The weight for star wars, taking the SDI baseline, would be about 57 million pounds. It could go as high as 200 million pounds. Is 200 million pounds the maximum? No, indeed. The weight could increase beyond that if we succeed in developing star wars weapons that we can harden or equip to shoot back at attackers, or make more maneuverable to evade hostile fire.

What does it cost today to lift a pound of material into space? Answer: from $1,500 to $3,000 per pound. So the cost to put the baseline star wars system into space will go between $85 and $170 billion at present prices. Keep in mind, Mr. President, this includes nothing for the cost of producing this complicated and expensive equipment such as battle stations and satellites. These tens of billions of dollars are strictly for simply lifting the equipment. That is all. Also, I have not included the cost of maintaining the equipment once we deploy it. And I have said nothing about the cost of modernizing the equipment as the offensive technology moves along. Just plain old simple lifting of the full top-of-the-line star wars model will cost hundreds of billions of dollars.

Some will say, ah, but if we lift tens of millions of pounds into space, we can develop economies of scale. They will say the cost per pound will diminish. Will it? When has military equipment of any kind or description or its transportation dropped on a per-copy or per-pound basis as the volume increased? Some have said this will require a revolution in space transportation like Henry Ford's revolutionary assembly line. It will take just that to do the job at any price. But it is doubtful if any revolution will cut the per-pound cost. This Senator would argue that the cost will increase—and by leaps and bounds.

No matter how the cost increases, it will take a very long time to deploy 57 million pounds in the right orbit. First, deployment cannot begin until we have finished research and development of the hardware. Some cockeyed optimists argue we can do that early in the 1990's. It will very probably be later. Then we have to test the equipment for a couple of years. After that, we have to produce it. How long will that take? Five years? Ten years?

Once we have the hardware produced we can transport it. Now consider: If we simply triple our present lift capacity, it will take 19 years to lift our deluxe star wars system into space. If we increase the lifting capacity by a massive factor of 10, it will still take 7 years for deployment.

Can anyone believe that 25 years from now, when we get that star wars system nicely deployed in space, our adversary, the Soviet Union, will not have developed a new offensive technology that can overwhelm it, spoof it, penetrate it, destroy it. After all, the design of the star wars system will have to be established and set 15 or 20 years before it is fully deployed. What does that mean? That means the lift of 200 million pounds will not be a one-time cost. It will go on indefinitely, with constant complicating improvements.

Will these improvements increase the cost of deployment? Generally, of course they will. They will also increase the cost of production. Will the huge increase in the volume of transportation in space sharply reduce the per-pound cost? Maybe, but probably not. Why not? Because the same factors that have driven fighter plane costs from the $150,000 per-copy level in World War II to $50 million per copy today will continue to be at work. In peace or war, military procurement has never been efficient. It has never been truly competitive. It has consistently had one sure and predictable element: The cost rises. It soars. Why should this vast effort to lift the most complex equipment the world has ever seen be any different?

Mr. President, what this Senator has talked about in this speech is only a part of the cost, a small part. In the next few days, I intend to detail some of the additional cost of star wars. I have barely started.

THE MYTH OF THE DAY

Mr. PROXMIRE. Mr. President, the myth of the day is that the administration wants to reduce large deficits. The Office of Management and Budget has said, "We must now bring the deficits under control or risk losing the major economic achievements of the past 5 years."

That statement reflects the administration's public position. But its actions are at odds with its words. News reports indicate that the White House is not interested in negotiating a budget. It fears a compromise would mean a tax increase, more domestic spending, and little or no increase in military spending.

How real are these fears? The Senate Budget Committee has reported a budget resolution which recommends raising $75 billion in additional revenues over the next 3 years. That sounds like a lot until it is put in perspective. It is a revenue increase of less

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than 3 percent. The administration has argued that its domestic cuts are reasonable because they amount to about 5 percent of such spending. If a 5-percent cut is reasonable, why not a 3-percent increase in revenues based on requiring those who now avoid paying their fair share of taxes to pay them.

As for defense, spending has jumped from $157.5 billion in 1981 to a recommended $280 billion in 1987, an increase of over 60 percent after adjusting for inflation. Congress has pumped money into the Pentagon so fast that even the mammoth bureaucracy is unable to spend it. They now have about $300 billion in unspent money. Only a wastrel could argue that the Pentagon needs still more money, given the size of the deficit.

Finally, we come to domestic spending. Here, the administration has a strong case. Many domestic programs have either outlived their usefulness or are little more than welfare for the well-to-do. But even the Republican-controlled Senate will not cut these programs to pay for more military spending and more tax loopholes. The administration would stand a much better chance of getting its domestic cuts if it went after military spending and tax expenditures with the same fervor. This, they will not do.

Where does this leave us? It raises the very real possibility that deficits will not be controlled and the economic expansion will be endangered. That eventuality, unfortunately, is no myth.

Mr. President, I yield the floor.

The PRESIDING OFFICER (Mr. McCLURE). Under the previous order, the Senator from California [Mr. CRANSTON] is recognized for not to exceed 5 minutes.

Mr. CRANSTON. I thank the Chair.

NO STINGER MISSILES FOR SAUDI ARABIA

Mr. CRANSTON. Mr. President, 200 years ago, during its revolution, France suffered through what historians call a reign of terror.

Today, the world is suffering from a reign of terrorism—with Americans a primary target.

Muammar Qadhafi, the leader of Libya, is strongly suspected of being behind much of this terrorism.

And he threatens more.

Is this the time for the United States to be supplying 2,600 more missiles to Qadhafi's friends—the Saudis—as the administration proposes?

Saudi Arabia, which has repeatedly supported Qadhafi at pan-Arab conferences:

Which had sided with Qadhafi against the United States in every confrontation.

Which has offered to make good Qadhafi's economic losses because of the American boycott.

Which bankrolls PLO terrorists and Syria.

Which has thwarted every effort by Jordan to join in the peace process and which still doesn't have diplomatic relations with Egypt because of Camp David.

Two years ago, President Reagan used his emergency powers to send 400 Stingers to Saudi Arabia when Congress refused to go along.

Is this the time to supply the Saudis with 800 more Stinger missiles and reloads?

I say no.

Imagine if even one of these weapons should fall into the hands—or be placed in the hands—of one of the multitude of terrorist-fanatics who abound in the Middle East!

The Stinger is a highly portable, shoulder-launched missile.

It is extremely effective.

With one of these advanced heat-seeking weapons, you could fire at an oncoming aircraft from more than 5 miles away.

That gives you plenty of time to escape and avoid detection if you are a terrorist and your target is an American airliner.

Stingers have been called the "ideal terrorist weapon," "the terrorist's weapon of choice," "the terrorist's delight."

Fifty years ago, Robert Sherwood won the Pulitzer Prize for his play forecasting World War II.

It was called idiot's delight.

Congress should refuse to play a role in the latest version of "idiot's delight"—sending 800 more Stinger missiles, "the terrorist's delight," into the Arab world.

Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER (Mr. TRIBLE). The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. MELCHER. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

RECOGNITION OF SENATOR MELCHER

The PRESIDING OFFICER. Under the previous order, the Senator from Montana [Mr. MELCHER] is now recognized for not to exceed 5 minutes.

CAUTION BUT NOT DISTRACTION

Mr. MELCHER. Mr. President, I urge caution in the Mediterranean in the use of our naval vessels and aircraft in retaliation against Libya. It appears to be conclusive to U.S. intelligence that there is definite linkage between Libya and the bomb killing of one American Armed Forces sergeant, injuring more than twoscore of U.S. servicemen, two of them still on the very critical list, and causing the death of a woman. President Reagan has made it clear that he intends retaliation against Libya. I repeat, caution in his orders are essential because retaliation easily leads to escalation. So any retaliation orders by President Reagan must be premised first on convincing evidence of Libya bombing the Berlin disco and then it must be carefully weighed as to appropriate action for U.S. interests.

President Reagan and Congress cannot be distracted from the work here at home.

Low commodity prices for agriculture, energy, mining, metals producers, and others threaten the U.S. economy into more liquidations and bankruptcies. Both U.S. trade and Federal deficits worsen and still there is no action here in Congress on the budget. The Senate Budget Committee has reported out a bipartisan budget that appears to cut Federal spending to curb some of the waste in Pentagon and foreign aid spending but comes close to preserving the integrity and vitality of education, health, Medicare, research, agriculture, and economic programs across the country.

That budget should be considered immediately in the Senate. Waiting on the President is like waiting for rain in Montana, my own State. It is unpredictable.

We should wait no longer for President Reagan to correct the U.S. trade imbalance. If he is not going to act, Congress must act. The United States—that is us—imports too much. The United States—that is us—does not export enough. The deficit is running at $12 billion to $14 billion per month. The President and his Cabinet sit idle while the imports pour in from abroad. The President and his Cabinet sit idle—in fact, they block U.S. exports—and all this time U.S. commodity prices are plunging lower and lower. We are going broke—that is us. Congress and the President indeed have a lot of work to do here at home helping our own U.S. economy.

Mr. President, I yield the floor.

ROUTINE MORNING BUSINESS

The PRESIDING OFFICER. Under the previous order, there will now be a period for the transaction of routine morning business not to extend beyond 9:30 a.m., with statements therein limited to 5 minutes each.

S. 2286—STINGERS AND SECURITY CONTROLS

Mr. DeCONCINI. Mr. President, as politics is the art of the possible, foreign policy often is a vehicle to define and solve difficult problems. The administration and the Congress are currently seeking to produce sound politics and practical answers to combating communism and arming democratic resistance forces. Benjamin Franklin estimated the cost-effectiveness ratio of prevention to treatment at 16 to 1: An ounce of prevention is worth a pound of cure. The purpose of this bill is to ensure ahead of time that we implement the same security controls on Stinger sales to friendly nations as when we transfer them to democratic resistance movements.

These surface-to-air missiles, referred to as Stingers, would presumably be used against Soviet-made helicopters. These missiles are fired from the shoulder and cost $60,000 each. They have a range of 3 miles and can reach a height of 4,500 feet. In addition to these dangerously lethal capabilities, the Stinger missile is separated from the launcher and transported in separate vehicles with armed guards. Meticulous arrangements are made to protect these missiles from falling into the hands of terrorists.

What is my concern, you might ask, if we are fighting wars against repressive and authoritarian regimes? These Stinger missiles are also part of the proposed package arms sale to Saudi Arabia. While I oppose this sale, these missiles have been sold before to the Saudis. These missiles are so lethal and valuable that they are separated into components and stored in two distinct facilities to protect against falling into terrorist hands. There are pages of safeguards that a country purchasing these missiles must sign in order to finally acquire the Stinger.

Now, we propose to give these to resistance movements whom we have no control over and who have loyalties to Arab nations closely aligned with terrorist activities. These weapons cannot, Mr. President, fall into the hands of terrorists who might eventually use them against the United States. While I will not get into all the complexities of the Stinger and Redeye capabilities, or my reservations, I would urge the administration to ensure that the Stinger missile is safeguarded with the same controls we sign in government-to-government contracts with friendly recipient nations.

The Stinger is the ultimate terrorist weapon. When the Senate contemplated the sale under strict security controls to the Saudis, my colleague, Senator PACKWOOD, said "* * * not a single airplane or airport in the civilized world will be safe if these weapons fall into the wrong hands."

Mr. President, Ben Franklin's adage of prevention should be adhered to for the safety of every American citizen.

I ask unanimous consent that the bill be printed in the RECORD.

There being no objection, the text of the bill was ordered to be printed in the RECORD, as follows:

S. 2286

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That notwithstanding any other provision of law, no Stinger antiaircraft missiles may be sold, donated, or otherwise provided, directly or indirectly, to democratic resistance forces in Angola and Afghanistan unless the President certifies to the Congress that the proposed recipient has agreed to the following conditions:

(1) Physical security of such missiles shall consist of the following:

(A) Magazines of reinforced concrete, arch-type, and earth-covered whose construction is at least equivalent in strength to the requirements of the Chief of Engineers (Department of the Army) drawings, 652-686, through 652-693, 27 Dec. 1941 as revised 14 Mar. 42, shall be provided.

(B) Lighting shall be provided for exterior doors and along perimeter barriers.

(C) Exterior doors shall be class 5 steel vault doors secured by two-key operated high security padlock and hasp (mil spec P-43607), and keys shall be secured separately to insure effective two-man control of access.

(D) Fencing shall be 6-foot (minimum) steel chain link on steel or reinforced concrete posts over firm base, and clear zones shall be established inside and outside fencing.

(E) A full-time guard force or combination guard force and intrusion detection system shall be provided.

(2) Such missiles shall be accounted for as follows:

(A) A 100 percent physical count shall be taken monthly with two-verifications, and records shall be available for United States inspection.

(B) A United States Military Training Mission shall conduct the United States inspector and inventory annually, and weapons expended outside of hostilities shall be accounted for.

(3) Movements shall meet United States standards for safeguarding classified material in transit.

(4) Access to such missiles and to classified information relating thereto shall be as follows:

(A) Access to hardware and related classified information shall be limited to military and civilian personnel who have the proper security clearance and who have an established need-to-know. Information released shall be limited to that necessary for assigned functions or operational responsibility and, where possible, shall be oral or visual only.

(B) No maintenance shall be authorized which required access to the interior of the operational system. Such maintenance shall be performed under United States control.

(5) The recipient shall report to the United States by the most expeditious means any instance of compromise, loss, or theft of any material or related information. This report shall be followed by prompt investigation and the results provided to the United States.

(6) The recipient shall agree that no information on Basic Stinger shall be released to a third government or any other party without United States approval.

(7) The security standards applied by the recipient to protection of Basic Stinger information and material shall be at least equivalent to those of the United States at the identified security classification.

(8) The recipient shall use the information on Basic Stinger only for the purpose for which it was given.

(9) United States officers shall be allowed to inspect and assess physical security measures and procedures established for implementation of these security controls on an announced random access basis.

(10) Damaged launchers shall be returned to United States Armed Forces for repair or demilitarization prior to disposal by United States authorities.

(11) Two principal components of the Stinger system, the gripstock and the missile in its disposable launch tube, shall be stored in separate locations. Each location shall meet all physical security requirements applicable to the Stinger system as a whole. The two locations shall be physically separated sufficiently so that a penetration of the security at one site shall not place the second at risk.

(12) The principle components of the Stinger system, the gripstock, missile, and launch tube, may be brought together and assembled only under the following circumstances:

(A) In the event of hostilities or imminent hostilities.

(B) For firing as part of regularly scheduled training (only those rounds intended to be fired shall be withdrawn from storage and assembled).

(C) For lot testing (only proof round(s) shall be withdrawn and assembled).

(D) When Stinger systems are deployed as part of the point of defenses of high priority installations or activities.

(13) Field exercises or deployments wherein the use of Stinger system is simulated shall not create conditions for the assembly of the system.

TRIBUTE TO MINORU YAMASAKI, PRIZE-WINNING AMERICAN ARCHITECT

Mr. MATSUNAGA. Mr. President, I rise to pay tribute to the memory of the late Minoru Yamasaki, one of America's foremost architects. Mr. Yamasaki, perhaps best noted for his 110-story, twin tower, World Trade Center in New York, was a second generation American of Japanese ancestry whose genius, hard work and perseverance propelled him to the front ranks of his profession.

Mr. Yamasaki, the son of immigrant parents from Japan, was born and raised in Seattle, WA, where poverty and racism scarred his youth. He managed to put himself through the College of Architecture at the University of Washington by packaging salmon at Alaskan canneries for wages averaging $50 a month.

Partially to escape rising anti-Japanese sentiment on the west coast, young Yamasaki moved to Manhattan, NY, in 1934 with $40 in his pocket and

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a dream to design. In the city where his most famous building would someday reshape the skyline, Yamasaki earned his livelihood by wrapping China dishes for an importing company.

In 1935, Mr. Yamasaki landed his first architectural job while pursuing graduate studies and teaching watercolor courses at New York University. In 1949, he joined the firm which later became his own.

In 1951, Mr. Yamasaki won the American Institute of Architects First Honor Award for his design of the St. Louis Airport, a commission which began a trend to have leading architects design airports. In 1963, after he was chosen to design the World Trade Center—known by its admirers as "Democracy at Work"—Mr. Yamasaki became one of the new architects to be featured on the cover of Time magazine.

Mr. Yamasaki's most notable design accomplishments, other than the St. Louis Airport and the World Trade Center in New York City, include the Century Plaza Complex in Los Angeles, CA, the U.S. Consulate in Kobe, Japan, the Federal Reserve Bank in Richmond, VA, and the King Fahd Airport in Dhahran, Saudi Arabia.

Mr. Minoru Yamasaki, often described as "deceptively serene as a sunning panther" once said: "Man needs a serene architectural background to save his sanity in today's world; you want to build hope and aspirations that will make people delighted and happy." As a personal friend and one of the millions of beneficiaries of the beauty Minoru Yamasaki created, I extend my heartfelt condolences and deepest sympathy to his surviving family members. They can be proud that Minoru made his mark in American history by helping to make this great Nation of ours greater and proving once more that here in America even those of the humblest origin can dream great dreams and make them come true.

THE 10TH ANNIVERSARY OF THE MAGNUSON ACT

Mr. MURKOWSKI. Mr. President, 10 years ago, the United States adopted one of the most significant pieces of legislation in Alaskan history—the Fishery Conservation and Management Act.

Signed into law on April 13, 1976, this act has since added hundreds of millions of dollars into the economy of Alaska and the United States.

Two men played vital roles in the passage of the act—Senator Ted Stevens of Alaska and former Senator Warren Magnuson of Washington. Without their efforts it is doubtful this important legislation would have become reality.

Senator Stevens originally introduced the legislation and later worked closely with Senator Magnuson to ensure its passage in Congress.

In 1980, Senator Stevens sponsored an amendment to rename the act to the Magnuson Fishery Conservation and Management Act to commemorate the Washington Senator's dedicated work toward developing a national policy on fishery development.

Prior to the Magnuson Act, foreign fishermen from Japan, the U.S.S.R., and South Korea were fishing as close as 12 miles off the Alaska coast, catching billions of pounds of our bottomfish—cod, pollock, perch, and sole. In 1972, foreign catches off Alaska accounted for 2.4 million metric tons worth more than $210 million.

However, because of the Magnuson Act, foreigners now can fish within our 200-mile zone only by permit and take only fish that American fishermen cannot utilize. The decline of foreign bottomfish catches and the increase in American catches has been staggering. Foreign catches have decreased steadily from an annual rate of $212 million in 1972 to $106 million last year. U.S. fishermen have increased their take from zero to over $92 last year alone.

The United States has now become the fourth largest fish producing nation in the world.

Before the 1976 act, the North Pacific's fishery stocks were decreasing at an alarming rate, to the detriment of U.S. fishing interests. The Magnuson Act reversed that trend and accomplished several important objectives:

It extended the United States fishery management jurisdiction to 200 miles and immediately halted unregulated foreign fishing by Japan, the U.S.S.R., and South Korea. The act also gave the United States control over an additional 2 million square miles of the Pacific Ocean and 15 to 20 percent of the world's fishery resources.

It established fishery management councils to regulate and manage the domestic and foreign fishing to prevent overfishing.

It established management guidelines to encourage and give preference to domestic fishermen and processors in the development of our newly acquired fishery resources.

In addition, U.S. observers must be onboard most foreign fishing vessels and the U.S. Coast Guard has increased surveillance of our waters and increased penalties for all violations.

The Northwest and Alaska bottomfish processing industry is coming on line and slowly but surely displacing the foreign processing of our fish. Bottomfish processing is expected to triple this year over last year's production. Alaska's shoreside processing reached $38 million in 1985 and is expected to increase this year. Our second surimi processing plant has just opened in Dutch Harbor and a third plant is scheduled to open later this year. A surimi factory trawler is also being planned. And with rising prices for cod and surimi, lower fuel prices and low interest rates, we can expect to see a surge of American processing activity and development in Alaska in the next couple of years.

But much still needs to be accomplished. Along with Senator Stevens, I have been working to increase the marketing opportunities for Alaska seafood as our shoreside plants process previously unutilized bottomfish. This includes the creation of the National Seafood Marketing Council, which would establish a coordinated national program to expand markets for fisheries products. It is important that we continue to develop new approaches to stimulating our Nation's fishery development.

I have also sponsored a surimi tariff bill which would begin to equalize the marketing positions of United States and Japanese surimi processors.

In legislation currently before the Senate Commerce Committee, I have cosponsored amendment to the Magnuson Act which would:

Implement a 50-percent cut in bottomfish allocations to nations found guilty of high seas salmon fishing violations;

Phase out all foreign fishing in our 200-mile zone by 1990;

Extend U.S. management jurisdiction beyond the 200-mile zone for fish stocks that straddle the 200-mile line, allowing for more comprehensive management of these fish;

Increase foreign fishing fees to reflect the true value of our fishery resources and put the U.S. fishery industry on a more equal operating cost basis.

Encourage the use of U.S. support services by foreign nations.

There is an explosion in U.S. seafood consumption taking place across America, with more and more Americans eating seafood for health and nutritional reasons. Americans are demanding high quality, inexpensive seafood, and providing a golden opportunity for U.S. fishermen and processors to benefit. The Magnuson Act has given us control of the fishery resource, now let's take advantage of it and totally "Americanize" the fisheries within our 200-mile limit.

UNITED STATES-SAN MARINO RELATIONS

Mr. PRESSLER. Mr. President, recently it was my honor and privilege to attend a ceremony observing the change of the two Captains Regent of the Republic of San Marino. In one of the oldest, continuous democratic traditions in the world, the people of San

Marino have elected these two highest officials of their republic every 6 months since 1244.

San Marino is a small country, but for more than seven centuries they have succeeded in protecting their independence and democratic institutions. The new distinguished Captains Regent, Marino Venturini and Ariosto Maiani, are the latest in the long line of people who have been elected to head the Government of the proud citizens of San Marino.

I also was honored to meet with San Marino's Secretary of State for Foreign and Political Affairs, the Honorable Giordano Bruno Reffi. Mr. Reffi is well known throughout Europe, and he played a valuable role in the lengthy negotiations leading to the adoption of the Helsinki human rights accords.

Mr. President, I ask unanimous consent that correspondence from Secretary Reffi to me be printed in the Record.

There being no objection, the material was ordered to be printed in the Record, as follows:

San Marino, *March 27, 1986.*

Dear Senator: I am in receipt of your letter dated 20th February, and it is my great pleasure to learn of your attentive and timely interest in the smaller European states and in the useful, firmer relations that such countries could well have with the United States.

First and foremost, I am in total sympathy with your basic approach which both recognizes and seeks to implement the fundamental premise underlying correctly conducted international relations, namely, that all states are equal regardless of territorial size; the Helsinki accord makes this quite plain. This much said, allow me to express my feelings on the individual points raised in your letter.

1. Relations have existed between San Marino and the United States now for many years, and could not be described as being other than friendly. This is especially true in the case of the several thousand San Marino citizens who live and work in America, most notably in the states of Michigan and New York, playing their part in her continuing progress and development. There can be no better relations than those springing from contact at the human level, and it is certain that the idea of cementing "entente" between the United States and San Marino constitutes the most suitable spur to consolidating such relations and further enhancing their friendly nature.

2. An improvement in relations can come about—and should, in my own view—precisely within the context of the philosophy with which you have seen fit to examine the attendant problems. The smaller Western European States (San Marino especially) are in a position to offer a solid moral and idealistic contribution in the biggest of battles undertaken by the United States on the international scene. A nation, and a neutral nation, which has based its very existence and vocation on the ideal of peace, cannot be anything less than dedicated to the ideal; in the same way, a nation whose very roots are sunk in the notion of respect for the rights of the individual, and whose democracy is founded on that principle, cannot be other than a sincere upholder of human rights and liberty. With this in mind, it seems clear that the larger nations might do well to call for the cooperation of the smaller at the international level, in pursuing those longed-for aims of establishing and maintaining peace, and creating internal regimes that fully respect the liberty and the rights of the individual—aims still widely unachieved, sad to say.

To conclude on this point, I believe that the long, useful and fruitful activity of smaller nations belonging to the Neutral and Non-aligned states which participate at the Conference on Security and Cooperation in Europe, more than expresses the effectiveness of the minor Western European States in playing mediative and conciliatory roles between opposing factions, both encouraging and creating the opportunity for dialogue.

3. In the matter of bilateral relations between San Marino and the United States where specific agreements or understandings are concerned, there are talks in progress even now (extremely slowly) on a social security program. Should you wish to know more about this particular undertaking, I will gladly arrange for details to be forwarded.

4. As regards the improvement of relations between San Marino and the United States, it is my belief that, beyond those specific matters which could be pin-pointed and agreed upon mutually, there exists the firm possibility—and the desirable objective—of cooperating on a wider international level within the scope of the organizations and conferences which San Marino attends, on the questions of world peace and disarmament, and to the end of promoting human progress such as will guarantee full rights and liberty of the individual. San Marino is in fact currently evaluating the possibility of joining UNO, trusting in the full support of the United States. The feeling in San Marino is that such cooperation could be made possible were there to be permanent relations between us at the highest political level.

I look forward very much to our meeting in San Marino shortly and discussing the important questions raised, so auspiciously and seasonably, by your interest in the republic.

Allow me to extend my very best regards.

Giordano Bruno Reffi,
The Secretary of State.

Mr. MELCHER. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll to ascertain the presence of a quorum.

The bill clerk proceeded to call the roll.

Mr. EXON. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER (Mr. Simpson). Without objection, it is so ordered.

CONCLUSION OF MORNING BUSINESS

The PRESIDING OFFICER. Morning business is closed.

METROPOLITAN WASHINGTON AIRPORTS TRANSFER ACT

The PRESIDING OFFICER. The Senate will now resume consideration of S.1017, which will be stated by title.

The legislative clerk read as follows:

A bill (S. 1017) to provide for the transfer of the Metropolitan Washington Airports to an independent airport authority.

The Senate resumed consideration of the bill.

The PRESIDING OFFICER. The Senator from Nebraska is recognized.

AMENDMENT NO. 1769

(Purpose: To modify the membership of the Airports Authority)

Mr. EXON. Mr. President, I send an amendment to the desk, and I ask for its immediate consideration. I understand that there is a time limitation on the amendment of 15 minutes, equally divided.

The PRESIDING OFFICER. The amendment will be stated.

The legislative clerk read as follows:

The Senator from Nebraska [Mr. Exon] proposes an amendment numbered 1769.

Mr. EXON. Mr. President, I ask unanimous consent that reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

On page 35, line 5, strike out all through line 15, on page 36 and insert in lieu thereof the following:

(9) governed by a board of thirteen members, as follows:

(A) Three members shall be appointed by the Governor of Virginia, three members shall be appointed by the Mayor of the District of Columbia, three members shall be appointed by the Governor of Maryland, and four members shall be appointed by the President with the advice and consent of the Senate; the Chairman shall be appointed from among the members by majority vote of the members and shall serve until replaced by majority vote of the members.

(B) Members shall (i) not hold elective or appointive political office, (ii) serve without compensation other than for reasonable expenses incident to board functions, and (iii) reside within the Washington Standard Metropolitan Statistical Area, except that the members appointed by the President shall not be required to reside in that area.

(C) Appointments to the board shall be for a period of 6 years; however, initial appointments to the board shall be made as follows: each jurisdiction shall appoint one member for a full 6-year term, a second member for a 4-year term and a third member for a 2-year term. The President shall make an initial appointment of one member for a 6-year term, a second member for a 5-year term, a third member for a 4-year term, and a fourth member for a 3-year term. All subsequent appointments by the President shall be for a 6-year term. Such Federal appointees shall be subject to removal for cause.

(D) Seven votes shall be required to approve bond issues and the annual budget.

Mr. EXON. Mr. President, this amendment seeks to change the makeup of the Airports Authority

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board ratio, thereby creating a truly balanced membership. The amendment provides for three representatives from Virginia, three from the District of Columbia, three from Maryland, and four appointed by the President.

Mr. President, from the very beginning of the consideration of this bill by the Commerce Committee, I have been deeply concerned with the Airports Authority ratio as is currently provided for in the bill.

Even with the good faith efforts of Senator PRESSLER whose amendment increased the members appointed by the President by two, I remain convinced that the board is too heavily weighted in favor of Virginia.

Last evening, I had a brief discussion on the floor of the Senate with the junior Senator from Virginia at which time he assured me that my concerns regarding the membership of the airport board had been resolved by adoption of the Pressler amendment and that the Pressler amendment was indeed the same as the one I had offered in committee during markup of S. 1017. The facts of the matter are that this is simply not accurate. The Pressler amendment, which was accepted by the majority managers of this bill, without rollcall vote, is not the same by far as that which I offered in committee and most certainly does not adequately address the concerns I continue to have with the Airports Authority membership.

I would hope that all Members of the Senate, if they are not here listening to this, would be listening on their boxes back in their offices.

Let us, for a moment, examine the makeup of the Airports Authority under the terms of S. 1017 as amended.

Is it not interesting that Virginia, and if there is any doubt about the advantages to that State from this proposal, I have reference to the interesting front page story this morning in the Washington Post, but in addition to the beneficiaries of the real property in this bill, are also the beneficiaries in sheer numbers of the newly-created board. Five, I repeat, Mr. President, five of the members of that board are from the State of Virginia and there are only 13 members in total. My math tells me that five is just two short of the number needed to approve bond issues and the annual budget. With this advantage, there can be little doubt that the Virginia board members will have little difficulty finding those two additional votes from the District of Columbia's three members, or someone else.

As I previously indicated, during the Commerce Committee's markup of this bill, I offered an amendment to restructure the makeup of this Airports Authority in an attempt simply to balance these things out. This Senator thought this amendment was extremely fair. In fact, fair to a fault.

I must say, that I had somewhat miscalculated. Representatives of the Holton Commission informed the committee that if my amendment were adopted, Virginia would withdraw its support for the bill, insuring its demise. It seemed that the Senator from Nebraska, in his efforts to find common ground, had uncovered a hornet's nest as he began to look for common turf for common understanding. It became crystal clear, after the defeat of my amendment, that Virginia wanted it all!

Thus we once again find ourselves faced with this unresolved problem. Even with the good faith effort of my colleague from South Dakota, this Senator continues to firmly believe that the airport board membership is unbalanced and patently unfair.

Mr. President, many have already questioned why this Senator from Nebraska, whose State has no evident direct interest in this sale, would be so concerned with this matter.

Every Member of the Senate outside of Maryland, Virginia, and the residents of the District of Columbia, who have no Senators, should be as concerned as is this Senator. Our State has no direct interest in the sale.

I can tell my colleagues that I believe I have a responsibility and they all have a responsibility to this Nation to insure that their assets in the form of National and Dulles Airports are protected in whatever action this body takes, and I think that is a must. Clearly, under the terms of S. 1017 in its present form, the people's assets are not protected and that is why this Senator from the Midwest believes so strongly in and supports this amendment.

Mr. President, the airport board is vitally important in the overall plan as to whether or not all people of this Nation are going to have fair access to their Nation's Capital by air.

The authority will be making vitally important decisons which will impact on these national airports and I believe that no one jurisdiction deserves more representation than another. I also believe that since National and Dulles Airports have and are public property, the people of this Nation should have the edge on board numbers. Mr. President, this is exactly what the amendment I have introduced will provide. All three local jurisdictions will have three representatives and the people of the Nation, the owners of these two airports now, will have four representatives appointed by the President with the advice and consent of the Senate.

Mr. President, this is fair, this is equitable and this is sound policy. I ask my colleagues for their support.

Mr. President, I reserve the remainder of my time.

How much time do I have remaining?

The PRESIDING OFFICER. The Senator has remaining 1 minute and 39 seconds.

Mr. EXON. I reserve that time.

I yield the floor.

Mr. WARNER. Mr. President, the issue of the composition of the board was addressed by the Senate previously. If you will recall, the Senator from South Dakota [Mr. PRESSLER] raised the issue and as an outgrowth of that debate the managers of the bill acceded to the addition of two Presidential appointees to the board.

At that time, Members of the Senate who are interested in this issue worked on it, and I felt that this was a fair and equitable compromise.

I regret that we are being asked again to revisit this issue at this time. I feel that we have made such adjustments as reflect the view of the Senate on this issue.

I strongly recommend that the amendment be rejected.

Mr. EXON. Mr. President, my good friend from Virginia has once again adequately stated the interest of Virginia. I have no particular quarrel with him. I suspect if I were the Senator from Virginia, I would be doing the same thing he is doing.

The so-called compromise that he said was made really did not do anything significant at all to change the votes that are necessary to make major policy decisions on the Commission.

Under the amendment that is before us, as I have said before, there would be three representatives from Virginia, three representatives from the District of Columbia, three from Maryland, and four appointed by the President of the United States. That would mean that seven members of that Board are going to have to agree before the important decisions that that Board or Commission will make goes into effect. Certainly 3-3-3-4 is much fairer for the Nation as a whole without doing any real harm to the legitimate interests of Virginia. I cannot understand why they object to this measure.

Mr. President, I say that if there is no need for further debate I am prepared to yield back the remainder of my time, if the opposing side is ready to do likewise, and we can proceed with a vote.

Mr. President, I reserve the remainder of my time.

The PRESIDING OFFICER. If neither side yields time, time runs equally against both sides.

Mr. EXON. Mr. President, I ask for the yeas and nays on the amendment.

The PRESIDING OFFICER. Is there a sufficient second? There is a sufficient second.

The yeas and nays were ordered.

Mr. EXON. Mr. President, I renew my request. If we want to expedite matters, I am prepared to yield back the remainder of my time.

Mr. MATHIAS. Mr. President, will the Senator yield me one minute?

Mr. EXON. How much time do I have remaining?

The PRESIDING OFFICER. The Senator has 3 seconds remaining.

Mr. EXON. I yield whatever remainder of the time I have to my friend from Maryland.

Mr. MATHIAS. Mr. President, I support the amendment of the Senator and urge other Senators to do likewise.

Mr. SARBANES. Mr. President, this is a balanced approach to the composition of the regional authority. It recognizes an important Federal interest and, it seems to me, offers a greater opportunity for some comity and consensus in the region as we address the airport problem.

I support the Senator's amendment.

The PRESIDING OFFICER. The remaining time is under the control of the Senator from Virginia.

Mr. TRIBLE. Mr. President, this amendment does not require substantial debate. Indeed, this question has been fully addressed by the Senate and dealt with decisively. Senator PRESSLER of South Dakota offered an amendment that was essentially the same as this initiative and it was rejected. It was tabled by a vote of 52 to 44. So the Senate has spoken once on this issue. And I apologize to my colleagues that we are called on to address it once again.

The composition of the board is very carefully crafted to represent the interests of a diverse constituency. The composition was based on the use of these airports by travelers from Virginia, Maryland, and the District of Columbia. Twenty percent of the passengers at Dulles and National originate their flights from Maryland and Maryland receives essentially 20 percent of the representation on the board, 40 percent from Virginia, and 40 percent from the District of Columbia. Those numbers are reflected in the composition of the board, with the additional recognition given to the fact that these airports lie in Virginia. Thus we have a composition of five for Virginia, three from the District of Columbia, and two from Maryland.

Originally this legislation provided for one representative, one board member, to be appointed by the President. Many Senators expressed their concern that this did not give adequate weight to the national interests here and suggested that there should be additional representation. Therefore, we have readily agreed to increase that representation. Indeed, yesterday, on the floor, Senator EXON said that he thought the board should have one or two Federal representatives more, and that has been accomplished by agreement. The result is a board that is balanced and that fairly represents the diverse interests of the region.

Moreover, we have endeavored to protect fully the national interest by means of a lease agreement, during which time this Congress will have oversight jurisdiction and the Airports Authority will have to abide by the rules and regulations and limitations set forth in this legislation.

Finally, in requiring a nine-vote majority for substantial actions, such as the adoption of a budget and capital expenditures, we have ensured that no one jurisdiction can act alone. Indeed, Virginia would have to reach across the Potomac and seek support from Maryland, the District of Columbia and the national representatives in order to undertake substantial actions.

The Senate has spoken decisively on this question. We should quickly resolve this amendment now before us so we can move ahead and dispose of this bill once and for all.

I would at this point yield back the balance of my time.

The PRESIDING OFFICER. The question is on the amendment.

Mr. TRIBLE. I would at this time also move to table the Exon amendment and ask for the yeas and nays.

The PRESIDING OFFICER. Is there a sufficient second? There is a sufficient second..

The yeas and nays were ordered.

The PRESIDING OFFICER. The question is on agreeing to the motion of the Senator from Virginia [Mr. TRIBLE] to table the amendment of the Senator from Nebraska [Mr. EXON]. The yeas and nays have been ordered and the clerk will call the roll.

The bill clerk proceeded to call the roll.

Mr. JOHNSTON (after having voted in the affirmative). Mr. President, on this vote, I have a live pair with the distinguished Senator from Vermont [Mr. LEAHY]. If he were present and voting, he would vote "nay". I have already voted "yea." Therefore, I withdraw my vote.

Mr. SIMPSON. I announce that the Senator from North Dakota [Mr. ANDREWS], the Senator from Colorado [Mr. ARMSTRONG], the Senator from Florida [Mrs. HAWKINS], the Senator from Delaware [Mr. ROTH], and the Senator from Vermont [Mr. STAFFORD] are necessarily absent.

Mr. CRANSTON. I announce that the Senator from New Jersey [Mr. BRADLEY], the Senator from Iowa [Mr. HARKIN], the Senator from Colorado [Mr. HART], the Senator from Massachusetts [Mr. KENNEDY], the Senator from New Jersey [Mr. LAUTENBERG], the Senator from Vermont [Mr. LEAHY], the Senator from Hawaii [Mr. MATSUNAGA], the Senator from New York [Mr. MOYNIHAN], and the Senator from Arkansas [Mr. PRYOR] are necessarily absent. ,

The PRESIDING OFFICER. Are there any other Senators in the Chamber who desire to vote?

The result was announced—yeas 52, nays 33, as follows:

[Rollcall Vote No. 62 Leg.]

YEAS—52

Abdnor
Boren
Boschwitz
Chafee
Cochran
Cohen
D'Amato
Danforth
Denton
Dole
Domenici
Durenberger
East
Evans
Garn
Gore
Gorton
Gramm
Grassley
Hatch
Hatfield
Hecht
Heinz
Helms
Inouye
Kassebaum
Kasten
Laxalt
Long
Lugar
Mattingly
McClure
McConnell
Metzenbaum
Murkowski
Nickles
Nunn
Packwood
Pressler
Quayle
Rockefeller
Rudman
Simpson
Stennis
Stevens
Symms
Thurmond
Trible
Wallop
Warner
Weicker
Wilson

NAYS—33

Baucus
Bentsen
Biden
Bingaman
Bumpers
Burdick
Byrd
Chiles
Cranston
DeConcini
Dixon
Dodd
Eagleton
Exon
Ford
Glenn
Goldwater
Heflin
Hollings
Humphrey
Kerry
Levin
Mathias
Melcher
Mitchell
Pell
Proxmire
Riegle
Sarbanes
Sasser
Simon
Specter
Zorinsky

PRESENT AND GIVING A LIVE PAIR, AS PREVIOUSLY RECORDED—1

Johnston, for.

NOT VOTING—14

Andrews
Armstrong
Bradley
Harkin
Hart
Hawkins
Kennedy
Lautenberg
Leahy
Matsunaga
Moynihan
Pryor
Roth
Stafford

So the motion to lay on the table amendment No. 1769 was agreed to.

Mr. TRIBLE. Mr. President, I move to reconsider the vote by which the motion was agreed to.

Mr. SIMPSON. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

The PRESIDING OFFICER. Who yields time?

AMENDMENT NO. 1770

(Purpose: To provide that the determination of hypothetical indebtedness shall be at least the amount of the audit finding of the Comptroller General or $106,600,000)

Mr. MATHIAS. Mr. President, I send an amendment to the desk.

The PRESIDING OFFICER. The clerk will report.

The assistant legislative clerk read as follows:

The Senator from Maryland [Mr. MATHIAS], proposes an amendment numbered 1770:

On page 30, line 6, strike out the period and insert in lieu thereof "within six months after the date of enactment of this Act. In no event shall the determination of hypothetical indebtedness by the Federal Aviation Administration pursuant to this

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paragraph be an amount which is less than $108,600,000 or the audit finding of the Comptroller General of the United States if it is different.

Mr. MATHIAS. Mr. President, this amendment simply puts a floor under the price to be paid for the lease by the new Airport Authority. We would fix it at $108.6 million, which is the minimum—and I would underscore the word minimum—figure that the Comptroller General of the United States arrived at in computing the hypothetical indebtedness. Under the amendment in its original form the lease payment could have been no less than this figure even if the final figure computed by the Comptroller General was less. I think this new amendment is a little bit fairer. I have consulted with the distinguished Senator from Virginia in making this modification. It specifies that the lease payment will be the Comptroller General's preliminary minimum figure, $108.6 million, unless the Comptroller General arrives at a different final figure, in that case, the lease payments will be based on a final figure computed by the Comptroller General regardless of whether the final figure is greater or less than the minimum figure.

Now, I think this is totally fair. This is simply trying to give to the taxpayers of the United States a total element of fairness. We submit all issues to the Comptroller General. We submit all disputed matters of accounting and evaluation to the Comptroller General. This is simply one more. We are saying to the Comptroller General, "Figure out what we ought to receive and that will be the amount." Now, to Members of the Senate, I simply say that in this particular regard we are trustees. We are in a fiduciary capacity. The Government of the United States holds the title to this property as trustees for the people of the United States and we have some fiduciary responsibility to be fair. This is not foreign aid. This is not charity. This is a business transaction and we have to be fair about it.

This is a fair amendment. It simply says just call the shots as you see them. We ask the Comptroller General, whose job it is to make those very decisions, to make this determination. So I think this is an amendment the Senate can well adopt.

Mr. WARNER. Mr. President, I did indeed discuss this amendment with my distinguished colleague in an effort to try to reach an accommodation, but we were unable to do so. I pose a question to him, which question is directed at whether or not the amendment is necessary because we have now changed the bill to provide for a lease and at such time in that lease period as the Secretary of Transportation desires, he or she can enter into a negotiated settlement with the authority and then come before the Congress.

Mr. MATHIAS. The Senator from Virginia is exactly right.

Mr. WARNER. And at that time the price that they negotiate would be reviewed by the Congress.

Mr. MATHIAS. Yes. Well, now, I will tell the Senator I would not want to buy a horse from the Senator from Virginia if he is going to try to make a deal like that because what has been done under the Trible amendment is to extend the lease from 35 years to 50 years.

Now, that is pretty nice. That is like telling the fellow who buys a car, you do not have to buy it back in 3½ years. You can use that car for 5 years before you pay. Now, which is the sweeter deal? The sweeter deal is the one that you put off the evil hour of payment. Under the amendment previously adopted that gives you 50 years, you are in an even better position. So I think to say simply that we are going to let the Comptroller General determine the price if it is different from the $108 million figure set in this amendment. That, to me, is fair. The Comptroller General may say it is much less. He could say it is more. Whatever it is, let the chips fall where they may. But in the meantime you have already got the 15 extra years. You put off the evil hour. That is really horse trading.

Mr. WARNER. Mr. President, I have long since given up horse trading. I may have to go back to it someday. But I feel that what we have done now is to enter into a lease arrangement and I tell my distinguished colleague and friend at such time as the Secretary of Transportation is ready to sit down and negotiate a price, who knows what it may be 35 years from now or 5 years from now and then it comes before the Congress and the wisdom of Congress is brought to bear on that price. Now, that to me is a fair and equitable situation given the uncertainty of the economics of this airport system as it is operated today and given the uncertainty of the national economy.

Mr. MATHIAS. I would think, if the Senator from Virginia will yield, that he would really embrace this amendment from the point of view of the bankers who are going to have to deal with the bond issue here. A much higher degree of certainty would be placed on this whole transaction by vesting the authority and the responsibility in the Comptroller General, who has a reputation, whose institution is expert in these matters. That, to me is more responsible than dealing with this kind of speculative figure. This is fair. This is right. This ought to be adopted.

Mr. WARNER. Mr. President, what is the time remaining?

The PRESIDING OFFICER. The Senator from Virginia has 5 minutes and 8 seconds. The Senator from Maryland has 5 minutes and 49 seconds.

Mr. WARNER. Mr. President, I yield the floor.

Mr. MATHIAS. Mr. President, I yield to my colleague from Maryland.

Mr. SARBANES. Mr. President, I rise in support of the amendment which my colleague has offered and point out that it addresses itself to the question which this body has considered more than once in consideration of this bill. In fact, by a very close vote on yesterday, a margin of only two votes, this body decided not to take an approach that had the prospect of a much higher price than what is talked about here for the lease period. Now, this effort to arrive at a fairer price, it seems to me, is an elemental one of fairness to the Federal taxpayer. The Senator from Maryland has made a provision for the Comptroller General audit in an effort to be scrupulously fair in this matter.

I am, to some extent, surprised that the managers of the bill are not prepared to accept the amendment, given the fairness embraced within it. But for those Members who have repeatedly voiced concern about the value being placed on the transfer that is taking place here, this is an important amendment. My own view is that the value is even much greater that this, but we tested that yesterday and, by a very narrow margin, that view was not adopted.

I hope my colleagues will consider this issue very carefully. It is one of the central issues involved in this legislation, and this seeks to correct one of the main deficiencies contained in the legislation.

I strongly support the amendment.

Mr. TRIBLE. Mr. President, I rise in opposition to this amendment. I suggest that it is an attempt to get an additional pound of flesh—as the case might be, several thousand pounds of flesh. Let me explain.

This Airports Authority will be required, under the terms of this legislation, to pay $117 million for the right to use these properties—not an insubstantial sum of money—plus, under the terms of this legislation, the Airports Authority will be required to incur obligations approaching $1 billion to improve and modernize these airports.

In days past, the opponents of the bill could come here and argue, with some force, that the figure was inadequate because at the end of the lease term, these properties were to be turned over, lock, stock, and barrel, to the Airports Authority. That however, was not central to our purpose, which was to move these airports from Federal control and operate them more effectively. In order to allay those concerns, we have provided these leases for 50 years.

Surely, if the Senate rejected an amendment to increase the cost before, when these properties would have been turned over to the Airports Authority, we will overwhelmingly reject this initiative, because it makes much less sense today. The sum of money provided for in this bill is substantial; and when one considers that we are talking now about a lease term and not a sale, it is more than adequate compensation.

This amendment suggests that the Comptroller General render an opinion. But the amendment, by its terms, is unwilling to adhere to that opinion. Perhaps the reason is that the Comptroller General has already passed judgment on the $47 million figure of hypothetical debt embodied in this legislation and found it to be fair. In hearings before the committee chaired by Senator Mathias, the Comptroller General's Office indicated that the amount in this bill of FAA estimates of the Federal cost was fair.

The $108 million figure embodied in the Mathias amendment includes the estimated $47 million hypothetical debt already in our bill, but it drives up the figure by including costs for the development of a prototype of the mobile lounges used at Dulles and the construction of the Dulles access road. That is unfair.

The FAA correctly determined long ago that the cost of these items should not be passed on to the airport users because they benefit a much larger universe. The mobile lounges are used at many other airports, and all other users should share in the cost. That ought not be charged strictly to the users at National and Dulles.

Moreover, the access road does not serve only this airport, anymore than the Baltimore-Washington Expressway, paid for by the taxpayers, serves only BWI. These airports serve a large body of people in the Washington metropolitan region.

It is unfair and unnecessary to do this. We are placing a huge burden already on this Airports Authority, and to do this will only complicate the task of the authority to get on with the mandate of this legislation: to incur a debt approaching $1 billion and expand, modernize, and enhance these airports and improve service to all our citizens.

The PRESIDING OFFICER. Who yields time?

Mr. MATHIAS. I yield such time as I may consume.

Mr. President, the General Accounting Office has not endorsed the figure of $47 million. The General Accounting Office, using the administration's hypothetical indebtedness method, suggested, after a preliminary investigation—and for the third time, I underscore "preliminary"—that the airports may be worth $108 million.

The Grace Commission, I say parenthetically, thought it was $341 million; and Rothschild, the merchant bankers of London, think it is worth $1 billion. So there is a wide range of opinion as to what it is worth. At any rate, everybody thinks it is worth more than $47 million. Nobody thinks it is worth $47 million. Everybody thinks it is more.

The problem with the FAA figures—and this was pointed out in testimony before the Senate Government Affairs Subcommittee on Government Efficiency and the District of Columbia—is that the calculation of hypothetical indebtedness, as the Senator from Virginia has suggested, did not include all the costs that went into the construction of these airports.

It may be a matter of opinion whether or not the Dulles access road should be included, but clearly that is a facility which was vitally necessary to the operation of Dulles. Without an access road, there would not be any planes landing there or any traffic going there. The development of mobile passenger lounges, which was a substitute for the construction of satellite facilities, and, therefore, just as much part of the airport as the satellite areas have been, was deemed to be a nonrecoverable cost. The Federal expenditure on these two items was $61 million.

So it seems to me that it is fair to say to the Comptroller General: "You are an expert. You have all the facts and figures. You figure the amount."

The Senator from Virginia throws out the sum of $117 million as the cost figure. That is subject, I think, to a little analysis.

What he is talking about, for example, is not the real estate price of $47 million. He wants to include there the payments to employees, the vested sums that are due to employees. How can you throw that sum into the real estate cost? You are talking about a going business now; and when you are talking about a going business, there is a real estate element; there is a certain amount of fixtures; there is a certain amount for other elements of the business.

And to say that you are going to throw in the cost of doing the right thing, the fair thing, and just thing, by including funds reserved for employees as part of the real estate price, simply begs the question.

I think the right thing to do is to leave this to the Comptroller General.

That is all this amendment proposes. I urge the Senate to adopt this fair and just practice.

Mr. TRIBLE. Mr. President, let me conclude by simply saying that we are not buying a business here. Rather, we are talking simply about leasing property to be used as an airport on a nonprofit basis. This is not a sale. This is not a transfer. These airports will remain in the hands of the Federal Government.

The $117 million is a fair price for a lease. Indeed, this body determined it was a fair price for a transfer at some future time. But it is surely fair for a lease. It is the $36 million to Maryland, $37 million for pensions, and $44 million for the hypothetical debt which fairly represents those moneys that must be repaid to the taxpayers to make them whole.

To require more to increase the price would simply be punitive. It would impose an unrealistic burden on the users of this airport, not on Virginia, not on Maryland, not on the District of Columbia, not on the Airports Authority, but rather on the people who will use this airport.

The PRESIDING OFFICER. The Senator's time has expired.

Mr. MATHIAS. Do I have any time, Mr. President?

The PRESIDING OFFICER. The Senator has 8 seconds remaining.

Mr. MATHIAS. I yield back the remainder of my time.

Mr. TRIBLE. Mr. President, I move to table the amendment now pending and ask for the yeas and nays.

The PRESIDING OFFICER. Is there a sufficient second?

There is a sufficient second.

The yeas and nays were ordered.

The PRESIDING OFFICER. The question is on agreeing to the motion of the Senator from Virginia to lay on the table the amendment of the Senator from Maryland.

On this question, the yeas and nays have been ordered and the clerk will call the roll.

The assistant legislative clerk called the roll.

Mr. INOUYE. Mr. President, on this vote I have a live pair with the distinguished Senator from Vermont [Mr. Leahy]. If I were permitted to vote, I would vote "yea." If Mr. Leahy were present and voting, he would vote "nay." Therefore, I withhold my vote.

Mr. SIMPSON. I announce that the Senator from North Dakota [Mr. Andrews], the Senator from Colorado [Mr. Armstrong], the Senator from Arizona [Mr. Goldwater], the Senator from Florida [Mrs. Hawkins], the Senator from Delaware [Mr. Roth], and the Senator from Vermont [Mr. Stafford], are necessarily absent.

Mr. CRANSTON. I announce that the Senator from New Jersey [Mr. Bradley], the Senator from Iowa [Mr. Harkin], the Senator from Massachusetts [Mr. Kennedy], the Senator from New Jersey [Mr. Lautenberg], the Senator from Vermont [Mr. Leahy], the Senator from Louisiana [Mr. Long], the Senator from New York [Mr. Moynihan], and the Senator from Mississippi [Mr. Stennis] are necessarily absent.

The PRESIDING OFFICER. Are there any other Senators in the Chamber who desire to vote?

The result was announced—yeas 46, nays 39, as follows:

[Rollcall Vote No. 63 Leg.]

YEAS—46

Abdnor
Boren
Boschwitz
Chafee
Cochran
Cohen
D'Amato
Danforth
Denton
Dixon
Dodd
Dole
Domenici
Durenberger
East
Garn
Gore
Gorton
Grassley
Hatch
Hatfield
Hecht
Heinz
Helms
Johnston
Kassebaum
Kasten
Laxalt
Lugar
Matsunaga
McClure
McConnell
Murkowski
Nickles
Packwood
Pressler
Quayle
Rockefeller
Rudman
Simpson
Stevens
Symms
Thurmond
Trible
Wallop
Warner

NAYS—39

Baucus
Bentsen
Biden
Bingaman
Bumpers
Burdick
Byrd
Chiles
Cranston
DeConcini
Eagleton
Evans
Exon
Ford
Glenn
Gramm
Hart
Heflin
Hollings
Humphrey
Kerry
Levin
Mathias
Mattingly
Melcher
Metzenbaum
Mitchell
Nunn
Pell
Proxmire
Pryor
Riegle
Sarbanes
Sasser
Simon
Specter
Weicker
Wilson
Zorinsky

PRESENT AND GIVING A LIVE PAIR, AS PREVIOUSLY RECORDED—1

Inouye, for.

NOT VOTING—14

Andrews
Armstrong
Bradley
Goldwater
Harkin
Hawkins
Kennedy
Lautenberg
Leahy
Long
Moynihan
Roth
Stafford
Stennis

So the motion to lay on the table the amendment (No. 1770) was agreed to.

Mr. DOLE. Mr. President, I move to reconsider the vote by which the amendment was laid on the table.

Mr. TRIBLE. Mr. President, I move to lay that motion on the table.

The motion to lay on the table is agreed to.

Mr. BYRD. Mr. President, I would like to ask the distinguished majority leader as to whether or not he foresees any rollcall votes following the vote on final passage, and, if so, how many and on what.

The PRESIDING OFFICER. The Senate will be in order.

Mr. DOLE. Mr. President, as I understand, there will be votes on S. 426, the so-called hydro-relicensing bill. There is a time agreement. We do not believe it will take 4 hours, but there are 4 hours equally divided, 1 hour on all first-degree amendments with the exception of an amendment to be offered by Senator Metzenbaum and Mr. McClure dealing with antitrust issues limited to 30 minutes, with 1 hour on a Hart substitute.

It is my understanding that the principals involved have been working with a lot of Members. I do not anticipate many votes, but maybe one or two after this is disposed of.

The other bill we had scheduled was the crime bill, but we can do that any time. It does not have to be done today.

Mr. BYRD. For the information of the distinguished majority leader, I know of no objection on this side to going to the relicensing bill, but I do anticipate a rollcall vote on final passage on that measure.

Mr. DOLE. Perhaps we can do that by voice vote. The distinguished chairman of the committee is here. I know he has been working with a number of Members on both sides.

Mr. McCLURE. Will the Senator yield?

Mr. BYRD. I yield.

Mr. McCLURE. To the best of our knowledge, there are two and possibly three amendments with the possibility of a substitute, which has not been verified, and the amendment between Mr. Metzenbaum and myself has been worked out. I do not know that a vote will be required on that.

From my standpoint, I do not have any request for a vote on final passage. I would anticipate that perhaps it would not be necessary.

Mr. BYRD. Mr. President, it will be necessary to have a rollcall vote on final passage.

Does that cause the distinguished majority leader to revise his earlier prediction?

Mr. DOLE. Well, the prediction then would be that there will be a vote.

Mr. BYRD. Yes, but what I am asking is, Will that rollcall vote occur today?

The reason I am asking that is that I am not sure that that rollcall vote can occur today. I hope it will be helpful to the distinguished majority leader to understand that.

Mr. DOLE. If we can go as far as third reading, we could agree on a vote for next Monday.

Mr. President, let me indicate to the distinguished minority leader if there is a demand for a vote, and certainly everybody has a right to request a vote, we could go down to third reading and agree to have a vote at a time certain on Monday or Tuesday. That would be satisfactory with the majority leader and I believe all the principals involved.

Mr. McCLURE. Mr. President, if the Senator will yield.

Mr. BYRD. Yes.

Mr. McCLURE. If we could move through the amendments and all that is left is final passage, I would certainly have no objection to putting off until some time certain, if that accommodates the needs of other Senators.

Mr. BYRD. One other question: I assume the distinguished Senator from Idaho will be managing the bill.

Mr. McCLURE. That is correct.

Mr. BYRD. Does he anticipate rollcall votes on amendments?

Mr. McCLURE. I only know of one amendment that might require a rollcall vote. I do not know that it will be required. It is an amendment to be offered by Senator Evans. It may or may not require a rollcall vote.

On the others, I do not know of any rollcall vote that would be required. I think we will know very shortly, after we start on the bill, as to whether or not that will be required.

Mr. BYRD. I thank the majority leader and I thank the Senator.

Mr. METZENBAUM addressed the Chair.

The PRESIDING OFFICER. Who yields time?

Mr. BYRD. Is time controlled?

Mr. DOLE. Yes.

Mr. BYRD. I ask for 1 minute.

Mr. TRIBLE. I yield 1 minute.

Mr. METZENBAUM. Mr. President, I rise for 1 minute to commend the Senator from Virginia [Mr. Trible] and the Senator from Maryland [Mr. Sarbanes]. We have been engaged in debate on this legislation now for several weeks. Both the Senator from Virginia and the Senator from Maryland have brought to the issue a sense of commitment and determination that we have witnessed on occasion in the past. But quite often in the past when we have seen that kind of confrontation, nerves get frazzled and the parties get irritable with each other. But in this instance, without any question, both Senator Trible and Senator Sarbanes have certainly conducted themselves in such a manner as to bring a special respect from all of us who have been participants.

I just wanted to say a word of commendation to both the Senator from Maryland and the Senator from Virginia. I think they have elevated the level of debate and conduct of this body by the manner in which this legislation has been handled.

I might say I must include Senator Warner, also, because he has certainly handled the matter in an equally commendable way. It sort of makes me rather proud to be a Member of this body and see how this rather difficult issue has been handled by three of the main participants.

Mr. SARBANES. If the Senator will yield, I would like to say to the Senator I am most appreciative of his remarks.

Mr. TRIBLE. If the Senator will yield, I must say I am deeply gratified by his remarks. I have learned a lot during the process.

Mr. WARNER. Mr. President, I join my colleague in expressing our appreciation, not only to the Senator from Ohio but really to all Members of the body who have been very patient as we deliberated these issues.

I would certainly like to include the distinguished senior Senator from Maryland [Mr. Mathias] also who has been an active participant throughout.

Mr. METZENBAUM. I did not mean to overlook Senator Mathias. I totally agree with the Senator.

Mr. WARNER. Mr. President, I would like to acknowledge the participation of the Governor of Virginia, Governor Baliles, and the Mayor of the District of Columbia, Mayor Barry.

They have been active in this matter and I think have helped to provide a constructive analysis.

Mr. TRIBLE. Mr. President, there is a long list of people who ought to be commended at some point. I hope that we can turn to that after successfully resolving this matter.

I understand that my friend from Maryland [Mr. Sarbanes] has one remaining amendment. I hope we can turn to that amendment now and resolve it promptly. Then I can tell my colleagues that we can move forward very quickly to passage of this measure.

Mr. SARBANES. Mr. President, I yield 2 minutes to the distinguished Senator from Arkansas.

Mr. BUMPERS. Mr. President, I thank the Senator from Maryland for yielding to me. I do not choose to speak on the amendment which the Senator from Maryland [Mr. Sarbanes] will offer, but rather to echo what the Senator from Ohio has said about the level of debate on this issue. It has been excellent on both sides, particularly, by both Senators from Virginia and both Senators from Maryland. It has been edifying.

What I want to state is my position on this bill. There are very persuasive arguments on both sides of this issue and sometimes I wish I could vote half yes and half no.

But I am convinced, and I have been lobbied by Secretary Dole—who is very persuasive on this matter. She makes a very good case. But on balance, I think this is bad policy.

I cannot imagine why, after roughly 40 or 50 years of the operation of National Airport and all the money we poured into Dulles Airport, suddenly, somehow, it has been bad. I know that Secretary Dole spends a lot of time on operating these two airports, but this could be easily cured. Maybe we should have a division within the Department of Transportation to handle these airports. But to give up properties—and I come down on the side of Senator Hollings on this—which in my opinion are easily worth $1 billion, for $45 million or $46 million or $49 million, is irresponsible and not in the taxpayers' best interest.

The only thing that I can say is if we wanted to set up an authority, say, and allow Virginia to operate Dulles, that would make some sense. But to literally give both of these airports away at fire-sale prices will haunt us later. I promise you if you stay in this body long enough, you are going to live to regret the passage of this bill.

I simply want to say I think this is bad public policy and it is bad economic policy.

AMENDMENT NO. 1771

(Purpose: To provide that revenues may exceed costs directly related to certain developments)

Mr. SARBANES. Mr. President, I send an amendment to the desk and ask for its immediate consideration.

The PRESIDING OFFICER. The amendment will be stated.

The legislative clerk read as follows:

The Senator from Maryland [Mr. Sarbanes] proposes an amendment numbered 1771.

On page 37, strike out lines 1 through "such" on line 3.

Mr. SARBANES. Mr. President, I yield myself 3 minutes.

Does the Senator have 5½ minutes remaining?

The PRESIDING OFFICER. The Senator has 5 minutes remaining.

Mr. SARBANES. I yield myself 2½ minutes.

Mr. President, this amendment is very simple. What it does is preclude commercial building development on the property that is necessary for additional runway development and property that serves as a perimeter buffer area at Dulles Airport. That is all it does. It is very simple.

If you do not accept this amendment, in effect, what you are arguing is that it ought to be possible to do commercial building development on property that is necessary for additional runway development and property that serves as a perimeter buffer area.

Anyone who knows about airports knows that you have to protect potential runway development in buffer area zones; otherwise, if you allow development to creep into those areas, what you are really doing is crippling its capacity to serve as an airport.

The very fact that this bill allows such commercial development to take place in areas necessary for runway development and perimeter buffer is some indication, I think, of much of the thinking behind this legislation in terms of what is going to take place at Dulles Airport.

I am for economic development in the vicinity of Dulles Airport. It takes place in the vicinity of every airport in the country. One of the strong arguments made for airport development is its related economic development. But to go as far as this bill goes and in effect to permit it to take place in areas necessary for runway development or needed perimeter buffer area is going too far.

The PRESIDING OFFICER. The Senator's 2½ minutes have expired.

Mr. SARBANES. I reserve the remainder of my time.

The PRESIDING OFFICER. Who yields time? Without any time yielded, therefore, the time will be yielded back.

Mr. SARBANES. Mr. president, what is the time situation?

The PRESIDING OFFICER. The Senator from Virginia has 7½ minutes. The Senator from Maryland has 3 minutes and 21 seconds.

Mr. SARBANES. Mr. President, is it the intention of the Senator from Virginia that we should use up all our time before he addresses the amendment?

Mr. TRIBLE. No, that is not the Senator's intention. In fact, in a minute, I shall speak to this amendment. I shall do so briefly and we can move to the vote very quickly.

I just looked a copy of the amendment. The Senator did share that with me. I want to review it one last time before I speak to it. I see the distinguished senior Senator from Maryland wishes to speak. Let us let him speak and then I shall speak to the amendment.

Mr. SARBANES. I yield to my colleague from Maryland.

Mr. MATHIAS. Mr. President, I think this is a very straightforward amendment and it makes a lot of sense. It says there shall be no commercial development in those areas that are necessary for the safety of the public; you will not encroach in those areas that are necessary for the safe operation of aircraft by commercial development; that you will not build the kind of structures that make it less safe for travelers to take off from Dulles Airport. That is all my colleague from Maryland is proposing.

It is not a complicated issue. It is simply that that is the way it is: We are trying to take care of the traveling public. If there were extraordinary technological developments in the future, if short takeoff and landing planes become available and commercially useful, if there are other technological developments of that kind, Congress will be in session and can address them. But for the moment, I think the danger is that this property will be commercially developed in order to raise money. That danger is at its highest point in the early days of development and this protection which the Senator from Maryland proposes is going to be most useful in the early days of development.

It is a safety amendment, an air safety amendment, it is in the interest of every traveler at Dulles, every citizen of the United States who comes to the Nation's Capital through the Dulles gateway. Every Member of the Senate has an interest in it. I would think the managers of the bill would be more than happy to accept the

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amendment. Opposition to the amendment is simply an advertisement that you are going to encroach on safety areas for the purpose of commercial development. I hope the Senate will accept the amendment.

Mrs. KASSEBAUM. Mr. President, I wish to address a question to the senior Senator from Maryland.

Is this not an issue, however, that every regional airport authority has to answer? They have to make these decisions and we hope they will do it in the best interest of the long run of that airport. Why should they not be allowed to make that same decision that we feel confident they would regarding Dulles or National?

Mr. MATHIAS. I think there is some indication at Dulles that there may be encroachments. I think we are on notice. I think that we have a particular responsibility. This is land which belongs to the people of the United States. It is in our custody; we are the trustees of it.

The PRESIDING OFFICER. The Senator's 2 minutes have expired.

Mrs. KASSEBAUM. I thank the Senator.

The PRESIDING OFFICER. Who yields time?

Mr. TRIBLE. Mr. President, how much time do I have remaining?

The PRESIDING OFFICER. Six minutes 58 seconds.

Mr. TRIBLE. Let me say my reason for my additional delay in responding to the Senators from Maryland is that yesterday, the Senate approved a Metzenbaum amendment that already precludes all nonaviation use of these properties. The terms of the amendment provide specifically that the properties can only be used for "activities necessary and appropriate to serve passengers or air cargo and air commerce or for nonprofit and public use of facilities."

I accepted that amendment because I agree with the proposition that the perimeter should not be used for commercial purposes. But I do believe the airport should have the right to use these properties for activities that bear on the operation of the airport—such as general aviation maintenance facilities, fuel farms, these kinds of things.

I wonder, quite frankly, whether, first, this amendment is necessary in view of the Metzenbaum amendment or, second, whether it does go beyond that, because I would have to insist that the airport have the right to use the perimeter for purposes that are important to airport services. But as I say, we by our action yesterday have already foreclosed the possibility that these properties could be used for nonaviation use.

Mr. SARBANES. Will the Senator yield?

Mr. TRIBLE. Yes, I will be happy to yield.

Mr. SARBANES. It is not altogether clear in my judgment that that has been achieved. In other words, this amendment may in fact not be necessary, but I do not think that is certain by any means because the language in the bill on page 36 states:

> The real and personal property constituting the airports shall be used only for airport purposes.

It then says:

> In addition, property that is necessary may not be devoted to commercial building development.

But it then has an exception under which such property can be devoted to commercial building development, and that is to be found at the top of page 37, lines 1 through 3. It is that exception I am seeking to knock out of the bill. So it would be very clear. I would simply read:

> In addition, property that is necessary for additional runway development and property that serves as a perimeter buffer area at Washington Dulles International Airport may not be devoted to commercial building development.

It would not then go on to have a qualifier which would allow certain kinds of commercial building development. It seems to me that language ought to come out and make it very clear there is not going to be any commerical building development on property that is necessary for additional runway development, property that serves as a perimeter buffer area.

Mr. TRIBLE. I say to the Senator that if his purpose is to insure that the perimeter properties will not be used for commerical purposes, that has been accomplished by the Metzenbaum amendment. What troubles me is that this amendment would go beyond that and preclude those kinds of legitimate activities that are necessary for the proper operation of this airport. It is for that reason I am reluctant to accept the Senator's amendment.

Mr. SARBANES. I simply say to the Senator, unless we do this, I think there is a loophole left in this legislation that is going to allow commercial building development, under the qualifying circumstances at the top of page 37, to take place in the runway area and the perimeter buffer area.

Mr. TRIBLE. How much time remains?

The PRESIDING OFFICER (Mr. ABDNOR). The Senator from Virginia has 3 minutes, the Senator from Maryland has 30 seconds.

Mr. TRIBLE. I suggest the absence of a quorum.

The PRESIDING OFFICER. On whose time? The time of the Senator from Virginia?

Mr. TRIBLE. Yes.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. TRIBLE. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. TRIBLE. Mr. President, having run out of time on this amendment, I ask unanimous consent that I may speak to this amendment for such time as I require, from the time reserved to the manager of the bill at the end.

The PRESIDING OFFICER. Is there objection?

Mr. SARBANES. Mr. President, could the Senator just ask for 2 minutes, and then a minute for me to respond? There will not be any time left after a rollcall vote.

Mr. TRIBLE. I willingly and happily agree to 2 minutes on my side and 1 minute on my friend's side.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. TRIBLE. Mr. President, I had hoped that we could resolve this without a vote, but it appears that we cannot.

The concern is that in some way these perimeter properties will be used for commercial purposes. That is not our intention.

By accepting the Metzenbaum amendment yesterday, we made it very clear that these properties would not be used for commercial purposes. Rather they could be used only for activities necessary to serve passengers or cargo in air commerce for nonprofit public use facilities.

I am concerned that to go beyond that, by way of this amendment, will prohibit the airport from using these perimeter properties, not for commercial use—that is not intended and that is not permitted by this bill—but, rather, for legitimate operations that support these airports, such as hangars, general aviation maintenance facilities, fuel farms, and that kind of thing. We cannot exclude these activities. We cannot deny total use of these properties.

Therefore, I oppose the amendment, and at an appropriate time I will move to table the amendment.

Mr. SARBANES. Mr. President, as my colleague has stated, the amendment is very simple. It says that there shall not be commercial building development in property necessary for runway development or sources of perimeter buffer area.

For the life of me, I cannot understand why you would want to have commercial building development take place on that property. It flies in the face of every safety requirement. It flies in the face of every requirement for future development of the airport.

We are told there is no intention to do commercial building development and then we are told that an amendment that makes it clear that it may

not be devoted to commercial building development is not acceptable. What is at work here? What is going to be done with these properties that is going to constitute commercial building development? The way the language is now written, such development would be allowed.

Mr. TRIBLE. Mr. President, the Metzenbaum amendment adopted yesterday forecloses for all time the possibility that these properties could be used for commercial purposes. But, very likely, Senator METZENBAUM recognized that we should not restrict the use of these properties for those activities necessary and appropriate to serve passengers, air cargo, air commerce. We should not go beyond that. We should reject this measure.

I move to table the Sarbanes amendment, and I ask for the yeas and nays.

The PRESIDING OFFICER. Is there a sufficient second?

There is a sufficient second.

The yeas and nays were ordered.

The PRESIDING OFFICER. The question is on agreeing to the motion to table the amendment. On this question the yeas and nays have been ordered, and the clerk will call the roll.

The legislative clerk called the roll.

Mr. BOREN. Mr. President, the Senator from Vermont [Mr. LEAHY] is necessarily absent today. Were he present, he would have voted "no." I have been recorded in the affirmative and, therefore, I withhold my vote.

Mr. SIMPSON. I announce that the Senator from North Dakota [Mr. ANDREWS], the Senator from Colorado [Mr. ARMSTRONG], the Senator from Florida [Mrs. HAWKINS], the Senator from Pennsylvania [Mr. HEINZ], the Senator from Delaware [Mr. ROTH], the Senator from Pennsylvania [Mr. SPECTER], and the Senator from Vermont [Mr. STAFFORD] are necessarily absent.

Mr. CRANSTON. I announce that the Senator from New Jersey [Mr. BRADLEY], the Senator from Iowa [Mr. HARKIN], and the Senator from Vermont [Mr. LEAHY] are necessarily absent.

The PRESIDING OFFICER (Mr. CHAFEE). Are there any other Senators in the Chamber who desire to vote?

The result was announced—ayes 57, nays 32, as follows:

[Rollcall Vote No. 64 Leg.]

YEAS—57

Abdnor
Bentsen
Boschwitz
Chafee
Cochran
Cohen
D'Amato
Danforth
Denton
Dodd
Dole
Domenici
Durenberger
East
Evans
Garn
Glenn
Gore
Gorton
Gramm
Grassley
Hatch
Hatfield
Hecht
Heflin
Helms
Humphrey
Inouye
Kassebaum
Kasten
Lautenberg
Laxalt
Long
Lugar
Mattingly
McClure
McConnell
Metzenbaum
Moynihan
Murkowski
Nickles
Packwood
Pressler
Quayle
Rockefeller
Rudman
Simpson
Stennis
Stevens
Symms
Thurmond
Trible
Wallop
Warner
Weicker
Wilson
Zorinsky

NAYS—32

Baucus
Biden
Bingaman
Bumpers
Burdick
Byrd
Chiles
Cranston
DeConcini
Dixon
Eagleton
Exon
Ford
Goldwater
Hart
Hollings
Johnston
Kennedy
Kerry
Levin
Mathias
Matsunaga
Melcher
Mitchell
Nunn
Pell
Proxmire
Pryor
Riegle
Sarbanes
Sasser
Simon

PRESENT AND GIVING A LIVE PAIR, AS PREVIOUSLY RECORDED—1

Boren, for.

NOT VOTING—10

Andrews
Armstrong
Bradley
Harkin
Hawkins
Heinz
Leahy
Roth
Specter
Stafford

So the motion to lay on the table the amendment (No. 1771) was agreed to.

Mr. DOLE. Mr. President, I move to reconsider the vote by which the motion was agreed to.

Mr. TRIBLE. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. DANFORTH. Mr. President, I take this opportunity to commend my colleague on the Commerce Committee, the Senator from Virginia [Mr. TRIBLE] for his outstanding performance as the committee leader and floor manager of S. 1017, the Metropolitan Washington Airports Transfer Act.

This bill was introduced 1 year ago this month. As an original cosponsor, Senator TRIBLE did a masterful job guiding the bill through several committee hearings and two complicated executive sessions. The committee vote on this measure, 12 to 4, is a tribute to Senator TRIBLE's negotiating talents.

Mr. President, it's not often that a first term Senator has the opportunity—and the challenge—of managing such a complex piece of legislation on the Senate floor. We have spent 9 days debating this measure. Senator TRIBLE's tenacity and endurance have been remarkable. He has patiently worked through a variety of procedural obstacles, including two cloture petitions on the motion to proceed. His skillful and knowledgeable approach to opponents' arguments and amendments is truly commendable.

I would be remiss if I failed to mention the efforts of Senator WARNER, whose expertise on this issue, dating back to the Holton Commission, has been invaluable to this endeavor. My sincere congratulations to my two colleagues from Virginia for a job well done.

Mrs. KASSEBAUM. Mr. President, the National-Dulles Airports transfer legislation is an important effort which has been successfully concluded in the Senate. I believe that Mr. TRIBLE and Mr. SARBANES have contributed in the very best tradition to a most constructive debate, which has informed the Members of the Senate on all aspects of the issue. Whether one would agree or disagree with the final outcome, it has been a successful and productive debate.

For me, the matter of transferring authority over National and Dulles Airports from the Federal Government to a regional authority is one of practicality and common sense. While there are many concerns in this matter, I believe the legislation shaped by our debate here is sound policy and in the best interests of the Nation and the capital area.

Mr. TRIBLE. Mr. President, in 10 days of debate, everything that needs to be said has been said time and time again. Now is the time for the Senate to work its will.

I yield back my time.

Mr. HEINZ. Mr. President, I rise today to express concern about S. 1017, a bill to transfer control and ownership of the Metropolitan Washington Airports to an independent airport authority.

My concern is not that I oppose the transfer of the airports in principle, not that I oppose the underlying purpose of the bill—to facilitate needed capital construction projects at National and Dulles Airports. Rather, Mr. President, I rise today because I believe that this bill represents the second attempt in as many months to engage in a fire sale of Federal assets on the floor of the Senate. This bill would transfer ownership to an independent airport authority, for the price of $47 million, airports that have been valued at $300 million by the Grace Commission. It would also allow the independent airport authority to issue tax-exempt bonds for capital construction that the Congressional Budget Office estimates would represent $366 million in foregone revenues to the taxpayers of this Nation. These foregoing revenues are particularly disturbing when one considers that with a simple authorization bill these same capital construction projects could be funded out of the airport and airway trust fund, which currently has a $7 billion budget surplus.

Obviously, there are many ways that one can add the figures in question here. But taking the simplest method of computation, we can fairly estimate that the transfer of these airports will result in a net loss to the taxpayers of $319 million—$366 million in foregone tax revenues less the $47 million purchase price.

I find this scenario all too reminiscent of another piece of legislation considered recently on the Senate

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floor at the behest of the Department of Transportation.

The bill to which I refer authorized the sale of Conrail to a private bidder. As some of my colleagues will remember, there was a real controversy raised here on the Senate floor regarding whether or not the Federal Government and the American taxpayers were receiving the best deal, financial and otherwise, for Conrail. The controversy arose because at the time the bill to sell Conrail to Norfolk-Southern was being considered, there were two outstanding alternative offers to this proposal—the Morgan Stanley proposal, which was $200 million higher than Norfolk-Southern and would have entailed none of the tax losses or foregone revenues that would result from Norfolk-Southern offer and that we appear to be ready to accept in this airport bill, and the Allen & Co. bid, which would have provided $450 million more than the Norfolk-Southern offer. I might add that the Congressional Budget Office [CBO], in its analysis of the President's proposed budget for fiscal year 1987, has estimated that the Government would lose approximately $1.5 billion over the next 5 years under a sale of Conrail—$500 million in lost tax revenues and $1 billion in interest and dividend payments from Conrail. By subtracting from this figure the $1.25 billion that CBO estimates the Government will receive from Norfolk-Southern Corp. for Conrail, one can calculate that the net financial effect of this transaction on the Federal Government would be a $250 million loss.

The Conrail bill was the first bill considered by the Senate in the 2d session of the 99th Congress. The reason for this haste, according to the bill's proponents, was that we needed to get the Government out of the railroad business, which is of course all part of an overall effort to shrink the size of the Government and reduce our deficits and the burdens on our taxpayers. It did not seem to matter then, as it does not appear to now, that there was significant dissent from such bodies as, in the case of Conrail, the U.S. Department of Justice and the Interstate Commerce Commission, and in the case of the regional airport bill, the General Accounting Office and the highly esteemed Grace Commission. In fact we are being faced with a similar plea for urgency from the Department of Transportation—that this bill needs to be enacted in order to get the Federal Government out of the airport business.

What especially disturbs me is that both of these bills are being taken up ostensibly because we are pursuing lofty and important goals in the interest of the American public and the American taxpayer—to shrink the size of the Federal Government as a means to reduce our Federal budget deficit—goals so lofty that we can afford to rush to judgment in the face of well-documented facts and judgments of Federal agencies. Yet at the same time very few of us seem to be asking a far more fundamental and basic question. And that question is, At what cost are these properties being sold by the Federal Government? The answer in both cases, of course, is that both Conrail, and now the Washington airports, are being sold off by the Federal Government not at a profit, but at a significant cost—roughly $300 million in each case.

Mr. President, I believe that the Department of Transportation is making a mockery of the Senate's legislative process here. It has urged a deliberative body to move with haste, it has patently disregarded the reasoned and well-researched advice of several Federal and independent agencies, and in doing so, is acting in direct contradiction to its stated goals—to reduce the size and budget of our Federal Government. This type of legislation is entirely inconsistent with the imperative need to reduce Federal budget deficits.

When I first learned that the airport bill was scheduled to come before this body early in the session, so soon after the Conrail bill, I seriously considered offering an amendment to require the loss that the Federal Government will sustain through the sale of the airports be made up through an increase in the sale price for Conrail. Although I've decided not to offer this amendment, I think that it is important for all of us to stop and think for a minute about exactly what we are doing when we consider such legislation without considering the real costs involved.

I am concerned that the airport bill and the Conrail bill send the wrong signal to the administration and to the American taxpayer. To the administration, these bills suggest that when it comes to the privatization of Federal assets, we are a rubber-stamp Senate. I fear that sending this signal will only result in more sales of public assets at bargain basement prices.

To the American taxpayers, these bills say that we are not really serious about deficit reduction. It is as if the Government is saying, "we know that you agree with the principle of reducing the size of our Federal Government, so you won't mind if we take $300 million of your money each time we sell a railroad or a couple of airports." Mr. President, that is not the signal we should be sending.

I hope that on this bill, and on other such proposals that come before the Senate, that my colleagues will take a moment to think about whether the U.S. Senate should be engaged in conducting bargain basement fire sales of valuable public property.

Mr. HOLLINGS. Mr. President, as we prepare for final disposition on S. 1017, the Washington metropolitan airports transfer, I would like my colleagues to carefully consider exactly what they will be voting to do.

In recent months we've heard a great deal of talk in this Chamber about fiscal responsibility in Government. We talk about bringing the deficits down. We talk about balancing the budget. We vote for Gramm-Rudman-Hollings and nearly two-thirds of us vote for a balanced budget amendment. And then we all go home and tell the folks how fiscally responsible we are. Worse, we rail about waste, fraud, and abuse—then start $462 million of waste, fraud, and abuse right here on the floor of the Senate.

Today we have a chance to find out if we really do as we say, or whether all that talk was just a bunch of baloney.

In this era when the Federal Government is going deeper and deeper into debt—when we now spend $500 million a day just to pay the carrying charges on the national debt—I simply cannot believe what we are being asked to do today.

We are being asked to sell off Federal assets worth hundreds of millions of dollars for a mere $47 million.

We are being asked to endorse a plan for making $250 million in improvements at National and Dulles Airports at a total cost of $712 million.

And, most incredibly, we are being asked to do these things when we now have over $7 billion sitting in a trust fund that was created for the purpose of improving airports.

This proposal is more than just a giveaway of valuable Federal assets and a waste of the taxpayers' money. It is also a divestiture of Federal responsibility in an important area—the maintenance of first class air service in the Nation's capital.

What we really should be asking ourselves is this—"What would be the quickest and most cost-effective way to make the needed improvements at National and Dulles Airports?" "What would best benefit the taxpayers and the travelling public?"

The legislation before us today is not the answer. With congressional resolve and a commitment from the administration, we could do what needs to be done. We could take the needed $250 million from the airport and airways trust fund and perform the necessary renovation and expansion at the two airports. Why are we not considering this alternative?

The answer, sadly enough, is that no one wants to take the responsibility—not the Congress, not the President, not the Secretary of Transportation. Instead of taking the bull by the horns and making the needed airport improvements in the best way possible, we won't even ask for the money. Rather, we consider legislation to

transfer the responsibility to Richmond.

Mr. President, after months of rhetoric about fiscal responsibility here in this Chamber, it is time for the Senate to act accordingly. The issue is how to make millions of dollars' worth of improvements to the Washington area airports. Will we choose the one that will end up costing the taxpayers $712 million? Or will we look for a better way?

If we should pass S. 1017, then I really see no hope for us. We'll just continue to sell everyone who's still listening what a great bunch of fiscal conservatives we are, and then in the meantime turn around and perpetrate the kind of waste, fraud, and abuse that is characteristic of the legislation we are about to vote on.

I urge my colleagues to think carefully about what they are about to do. And I implore them to vote against S. 1017.

Mr. ROCKEFELLER. Mr. President, the extended debate over this measure in the Senate has raised many arguments—ranging from economic competition between Maryland and Virginia, philosophies toward privatization and the sale of public assets, whether or not the terms of the transfer reflect the taxpayers' interest, and considerations of airport noise and other matters of concern to residents of the metropolitan area. But none of this has shaken my basic belief that the transfer of authority for the airports is the best means available of upgrading facilities at these airports and facilitating air travel to and from the Nation's Capital.

To me, the main issue is the urgent need to make substantial capital improvements at both National and Dulles. I don't fault the FAA's daily management of these airports, but I really don't think there's any chance—in the current budget environment—that the Federal Government will commit the resources needed to expand facilities at National and Dulles.

It's not just a matter of the Reagan administration refusing to ask for such resources. How likely, in the midst of tense debates over budget priorities, is it that the Congress will appropriate over half a billion dollars needed for terminals, parking, roads, and other improvements at National and Dulles Airports? I'm confident that the proposed regional authority will obtain the financing needed for these improvements and turn these airports into first-class facilities.

I recognize that the transfer proposal has been opposed as favoring one part of the metroplitan area—northern Virginia, at the expense of another—Maryland. It's true that airports tend to be magnets of growth: that commercial development of the areas surrounding airports can bring great economic benefits to a local area. But the evidence doesn't support the fears of Maryland that its airport is destined to lose passengers to Dulles: on the basis of recent experience, at least, there is enough growth to keep all three airports busy and economically strong.

In principle, I have considerable reservations about proposals for privatizing functions of Government. I certainly don't support any large-scale turning over of public assets to private interests—or the general notion that most public services can necessarily be provided more efficiently by the private sector.

But I don't see the proposed airport transfer as setting a precedent for adopting the rest of the administration's privatization proposals. What this legislation represents is an effort to operate National and Dulles in the same way that virtually every other major airport in this country is operated. Airports, in fact, are typically operated by local or regional authorities—not units of Government. Aside from National and Dulles, the only other exceptions are the Baltimore and Honolulu Airports.

There is a legitimate issue, I think, as to whether the terms of the transfer are fair—and reflect the interest of the taxpayers who built and invested in these airports over the years. Since airports rarely change hands, there isn't much market experience on which to determine a suitable price. Under the legislation, the price to be received by the Federal Government would be $117 million: $44 million for the costs to the Federal Government that haven't already been recovered from airport users; $37 million as the cost of Federal retirement obligations and $36 million to Maryland. Alternative figures have been mentioned, but the methods of deriving them aren't necessarily based on the premise that the airports will continue to be operated as airports, on a nonprofit basis.

For example, I consider the proposal floated by a group of British investors last month to buy National and Dulles Airports for a price approaching $1 billion as wholly irrelevant to our debate. The intentions of these British investors would be to run the airports as private, profit-making businesses, which should be unacceptable to us. By the same token, I don't think it matters how much the land at National or Dulles is worth if put to some other use—if our purpose is to see them maintained as airports.

Finally, I'm troubled that the opponents of the pending transfer bill have not put forward alternative proposals which meet this area's needs for improved airport facilities. If there were a practical, alternative means of obtaining the required financing without relinquishing the Government's authority over the airports, I would be happy to consider it. But I don't think the traveling public is well served by perpetuating substandard conditions at National Airport or constraining the development of Dulles. The proposed regional authority, in my view, offers the best hope of meeting these needs, and I will support the transfer legislation.

AIR SAFETY SHOULD BE TOP CONCERN

Mr. BIDEN. Mr. President, I supported the amendment offered by the distinguished Senator from New Jersey, Senator LAUTENBERG, during debate on this bill. That amendment was not about whether the Congress should urge the President to rehire workers he rightly fired 4 years ago. Rather, the amendment correctly recognized that American travelers now face a dangerous situation in the skies, and the administration should not remain locked to a rigid policy while the air travel industry has gone through dramatic change.

Let me make one point clear—the air traffic controllers were wrong to strike and put public safety at risk. But now we are in a situation in which the public is again at risk. Demands on air traffic controllers have increased, the level of experience of controllers in the tower has not reached hoped-for levels, control tower equipment has not been able to meet demand, and as many as one-third of air traffic controllers—the ones with the most experience—are up for retirement in the next several years.

Mr. President, after the crash of Delta flight 191 near the Dallas-Fort Worth Airport last year, the Dallas Times Herald printed an in-depth series of articles on air safety issues. Those articles asked a very basic question: "'How safe are the skies?" Unfortunately, the answer was "not as safe as they could be." The Times Herald series showed that the shortfall in air travel safety is not caused by a single problem, but is the combination of a number of factors, including maintenance, relaxed or inconsistent regulations, human factors, the effects of deregulation and increasing strain on air traffic controllers—the problem we are addressing today.

With so many other problems in need of attention, improving conditions in airport control towers is not the only answer to improving the safety record of air travel and rehiring the fired controllers will not, by itself, answer all the problems that are based in the towers. But it is an important first step.

It has been argued, with some reason, that rehiring the fired controllers will cause turmoil in the ranks, will possibly create a morale problem. But the Lautenberg amendment was flexible: it allowed the Department of Transportation to adjust for this potential conflict. It was not a blanket

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amnesty. Only those who could fit in well and could be expected to contribute to increased safety conditions would be allowed back.

Two important measures of air traffic controller effectiveness, incident, and near-miss reports, increased dramatically last year. These are danger signals we cannot continue to ignore. Public safety demands that we review the ban on rehire, and weigh it against the lives that can be saved. This resolution would have sent a message to the administration that it should consider all reasonable options in working to correct the growing concern over air safety.

Mr. DOLE. Mr. President, I would like to take just one moment to reaffirm my support for passage of the regional airport bill.

There are a few things the Federal Government—and only the Government can do well. Running local airports is not one of them.

Transferring control of National and Dulles Airports makes good sense from every aspect. Economically both the Federal Government and the consumer should benefit. And it should help to provide the best transportation system for the Washington metropolitan area—one of the fastest growing and most mobile in the Nation.

I understand the concerns of Senators SARBANES, MATHIAS, HOLLINGS, and others. But I believe everyone would agree, that this issue has been fully debated. I appreciate their hard work. And I want to especially acknowledge Senators DANFORTH, TRIBLE, WARNER, and their diligence on the bill.

Mr. President, final passage on this measure has been a long time coming. But now that we are here, I would like to urge my colleagues to vote for S. 1017.

BETTER AIR SERVICE FOR THE WASHINGTON REGION

Mr. SARBANES. Mr. President, the current debate in the Senate about the future of National and Dulles, which along with Baltimore-Washington International, are the region's three major airports, has raised a number of controversial issues. All agree that major improvements at the two federally owned airports are needed, but whether the airports should be transferred from Federal ownership and, if so, how and on what terms are more difficult questions. Unfortunately, the airport transfer bill now before the Senate is not the answer. It fails to recognize the fact that all three airports serve the National Capital area and that a fair competitive airport policy will result in better air services.

In 1984, Transportation Secretary Dole directed a Commission, chaired by former Virginia Governor Linwood Holton, to devise a plan for divesting the Federal Government of National and Dulles. Regrettably, the final report, not supported by a single Maryland representative on the Holton Commission, ignored a viable and sensible proposal put forth by the Maryland members.

The Maryland proposal recommended transfer of National to an interstate authority composed of three members each from the District of Columbia, Virginia, and Maryland, and representatives of the Federal Government in recognition of the national interest in the central airport serving the capital. Dulles would be transferred to Virginia, which could develop it in the same way Maryland has developed BWI, thus allowing those two airports, which compete with one another directly, to do so on an equal footing.

Placing National under a regional authority and selling Dulles to Virginia would avoid the deficiencies in the transfer bill now before the Senate. These deficiencies include:

First, unequal representation on the authority board governing the airports.

Second, cross-subsidization, permitting the authority to use profits from one airport to subsidize the other—for example, the highly profitable National underwriting Dulles—in unfair competition with BWI.

Third, an incredibly low price for both facilities in which hundreds of millions of dollars have been invested.

Fourth, the potential use of thousands of acres of land at Dulles for nonaviation business or activities.

Fifth, the power of the authority after the lease period to use the transferred properties for purposes other than an airport.

Sixth, A lack of adequate protections for the present employees at the two airports.

Seventh, the prospect of significantly increasing nighttime use and hence noise at National.

By focusing exclusively on National and Dulles and treating them as a single unit, the bill sets up a competitive situation unfair to BWI and places in jeopardy BWI's ability to provide high level service for the benefit of the entire region. At the heart of this problem is cross-subsidization between National and Dulles allowing revenues at one to be used to underwrite costs at the other.

Acknowledging the unfair competitive nature of such a practice, the airport transfer bill contains some provisions seeking to limit direct cross-subsidization. Unfortunately, these provisions contain a loophole, wide as a hangar door, that permits any revenues at one airport to be used for capital costs, like debt service and depreciation, at the other and permits some revenues, like concessions and leases, at one airport to be used for any costs at the other. Clearly, the loophole swallows the limitation.

If the cross-subsidization provision raises the prospect of unfair competition between Dulles and BWI, the selling price for the two airports makes the situation even worse. The authority established by the bill to buy and operate National and Dulles would be required to pay only $47 million over a 35-year period, to be financed with tax-exempt bonds.

Whatever the arguments for or against selling the airports, $47 million is hardly a serious price. Estimates of the two airports' value have ranged in the hundreds of millions and a group of private investors has offered $1 billion for them. While the issue of privatizing the airports is complex, the offer only underscores the ridiculously low price established by the bill.

While the cutrate price would be controversial in any circumstance, it is downright irresponsible in the context of today's deficit pressures on the Federal budget. Furthermore, the use of tax-exempt bonds represents additional significant revenue loss to the Treasury. Curiously enough at a time when the administration is seeking to end the use of tax-exempt bonds, it is proposing their use in this instance. All in all the sales package adds up to the Federal equivalent of a fire sale, and at a time when National and Dulles are increasingly profitable.

From both the fiscal and competitive perspectives, therefore, the proposed transfer is indefensible. It is further unacceptable because it would open the way to repeal of the limits on nighttime noise which Washington area residents fought long and hard to obtain.

Apart from a few, well-defined exceptions a 10 p.m.-7 a.m. curfew is now in effect at National. To minimize the impact of noise on the densely populated areas surrounding the airport, the required approach and takeoff patterns all follow the Potomac River; but the points at which pilots leave these patterns are located in large part over Maryland. All the communities which have successfully fought for the curfew now face the stark fact that the bill gives the authority power to ease the hard-won restrictions on operating hours and noise levels. They may, in time, Face round-the-clock airport operations.

The composition of the independent authority only adds insult to injury. Of its 13 members, 5 would be appointed by the Governor of Virginia, three by the Mayor of the District of Columbia, two by the Governor of Maryland, and three by the President. The airport transfer bill rides roughshod over the regional, and indeed national, interest in airport facilities serving the National Capital area. BWI and Dulles are, after all, equidistant from downtown Washington, and both have important roles to play in the region's air transportation network.

BWI is proof that a State authority can turn a struggling airport into a stunning success. Fourteen years ago, Maryland purchased Friendship Airport from Baltimore, and with vision, hard work, and an investment in current dollars, of over $250 million, created an efficient and convenient airport. Virginia can certainly do as much with Dulles, and Maryland would welcome the competition Dulles would provide. Since National is a vital concern to residents of the District, Maryland, and Virginia alike, it belongs under a truly triparte local authority.

In sum, the problems facing our regional airports are real but they require fair and sensible solutions. These are not found in the airport transfer bill. It would be better for all the parties to seek a more balanced and constructive proposal, which would command a regional consensus. Then we could all get on with the job of providing quality air service for the National Capital area.

Mr. President, I yield to my colleague from Maryland.

Mr. MATHIAS. Mr. President, S. 1017, the bill to transfer Washington National and Dulles International Airports to a regional authority, clearly does not serve the public interest. The public in question is the local, national, and international constituency of the three airports serving the Washington metropolitan area.

While certain refinements were made as the bill progressed through the legislative process, we still have not eliminated the basic flaw in the bill—that is, the isolation of one of the three airports serving the Washington metropolitan area, the Baltimore-Washington International Airport.

The bill does not provide a balanced approach to all three airports serving the Washington metropolitan area. Instead of promoting harmony among the three airports, as it should, the bill threatens to promote a disquieting discord.

By serving to codify the isolation of BWI, the bill still gives Dulles a competitive advantage over BWI. National would be used as a "cash cow" to underwrite the user fee structure at Dulles. Our hopes of addressing that problem unfortunately were dashed yesterday when the Senate rejected the amendment to prevent cross-subsidization between the two airports.

The board, composed of representatives of Maryland, Virginia, the District of Columbia, and the Federal Government, will have difficulty functioning with BWI isolated from the scheduling of flights and other operational decisions at National and Dulles. Voting blocs are almost certain to develop in ways that will reduce effectiveness.

Beyond the equity problem, the bill is defective from the standpoint of the local community. It unravels the carefully crafted Washington Metropolitan Area National Airports Policy by lifting the 1,000-mile perimeter rule, eliminating the passenger cap and freezing the number of airline slots, and leaving open the possibility that the nighttime noise restriction may fall by the wayside.

The public needs a safe and convenient air travel system. Flight schedules at the three airports should be complementary. Competition should prevail between air carriers, but not between airports. The large demand today will grow steadily as we near the year 2000, and must be anticipated. We need to plan for the coordinated operation we need. The bill falls short of accomplishing that goal. I urge my colleagues to vote against S. 1017 when it is considered by the Senate today.

Mr. SARBANES. Mr. President, I yield to the Senator from South Carolina.

Mr. HOLLINGS. Mr. President, we know that National and Dulles are well run and that is why the Congress has not paid any attention. We do have needs for expansion. The money is there in the airport and airway trust fund.

I put in a bill over a year ago, but you learn how to act as a minority. We cannot get it out. Otherwise, what we are doing now is waste, fraud, and abuse. In order to get the $250 million by way of bonds, it costs $712 million. So it is a $462 million waste, fraud, and abuse measure.

So do not come around voting for a balanced budget amendment and then waste the public's money right here on the floor. As John Mitchell said, "do not watch what we say, watch what we do."

Mr. WARNER addressed the Chair.

The PRESIDING OFFICER. The Senator from Virginia.

Mr. WARNER. Mr. President, I wish to thank all colleagues for their patience and understanding on this issue. We had a fair, clear deliberation.

I urge adoption of the measure.

The PRESIDING OFFICER. All time on the measure has expired.

The bill is open to further amendment. If there be no further amendment to be proposed, the question is on agreeing to the committee amendment in the nature of a substitute, as amended.

The committee amendment in the nature of a substitute, as amended, was agreed to.

The PRESIDING OFFICER. The question is on the engrossment and the third reading of the bill.

The bill was ordered to be engrossed for a third reading, and was read the third time.

Mr. TRIBLE addressed the Chair.

The PRESIDING OFFICER. The Senator from Virginia.

Mr. TRIBLE. I ask for the yeas and nays.

The PRESIDING OFFICER. Is there a sufficient second? There is a sufficient second.

The yeas and nays were ordered.

The PRESIDING OFFICER. The bill having been read the third time, the question is, Shall it pass? On this question, the yeas and nays have been ordered, and the clerk will call the roll.

The assistant legislative clerk called the roll.

Mr. SIMPSON. I announce that the Senator from North Dakota [Mr. ANDREWS], the Senator from Colorado [Mr. ARMSTRONG], the Senator from Florida [Mrs. HAWKINS], the Senator from Pennsylvania [Mr. HEINZ], the Senator from Delaware [Mr. ROTH], the Senator from Pennsylvania [Mr. SPECTER], and the Senator from Vermont [Mr. STAFFORD] are necessarily absent.

I further announce that, if present and voting, the Senator from Pennsylvania [Mr. HEINZ] would vote "no."

Mr. CRANSTON. I announce that the Senator from New Jersey [Mr. BRADLEY], the Senator from Iowa [Mr. HARKIN], and the Senator from Vermont [Mr. LEAHY] are necessarily absent.

I further announce that, if present and voting, the Senator from Vermont [Mr. LEAHY] would vote "nay."

The PRESIDING OFFICER. Are there any other Senators in the Chamber who desire to vote?

The result was announced—yeas 62, nays 28, as follows:

[Rollcall Vote No. 65 Leg.]

YEAS—62

Abdnor
Bentsen
Biden
Boren
Boschwitz
Chafee
Cochran
Cohen
Cranston
D'Amato
Danforth
Denton
Dixon
Dodd
Dole
Domenici
Durenberger
East
Evans
Garn
Gore
Gorton
Grassley
Hart
Hatch
Hatfield
Hecht
Helms
Inouye
Johnston
Kassebaum
Kasten
Kerry
Lautenberg
Laxalt
Long
Lugar
Matsunaga
McClure
McConnell
Metzenbaum
Moynihan
Murkowski
Nickles
Nunn
Packwood
Pell
Pressler
Quayle
Rockefeller
Rudman
Sasser
Simpson
Stevens
Symms
Thurmond
Trible
Wallop
Warner
Weicker
Wilson
Zorinsky

NAYS—28

Baucus
Bingaman
Bumpers
Burdick
Byrd
Chiles
DeConcini
Eagleton
Exon
Ford
Glenn
Goldwater
Gramm
Heflin
Hollings
Humphrey
Kennedy
Levin
Mathias
Mattingly
Melcher
Mitchell
Proxmire
Pryor
Riegle
Sarbanes
Simon
Stennis

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5
MR
21
—
AP
11
986
MI

NOT VOTING—10

Andrews
Armstrong
Bradley
Harkin
Hawkins
Heinz
Leahy
Roth
Specter
Stafford

So the bill (S. 1017), as amended, was passed, as follows:

S. 1017

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "Metropolitan Washington Airports Transfer Act of 1986".

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FINDINGS

SEC. 2. The Congress finds that—

(1) the two federally owned airports in the metroplitan area of Washington, District of Columbia, constitute an important and growing part of the commerce, transportation, and economic patterns of the Commonwealth of Virginia, the District of Columbia, and the surrounding region;

(2) Baltimore/Washington International Airport, owned and operated by the State of Maryland, is an air transportation facility that provides service to the greater Metropolitan Washington region together with the two federally owned airports;

(3) the Federal Government has a continuing but limited interest in the operation of the two federally owned airports, which serve the travel and cargo needs of the entire Metropolitan Washington region as well as the District of Columbia as the national seat of government;

(4) operation of the Metropolitan Washington Airports by an independent local agency will facilitate timely improvements at both airports to meet the growing demand of interstate air transportation occasioned by the Airline Deregulation Act of 1978 (Public Law 95-504; 92 Stat. 1705);

(5) all other major air carrier airports in the United States are operated by public entities at the State, regional, or local level;

(6) any change in status of the two airports must take into account the interests of nearby communities, the traveling public, air carriers, general aviation, airport employees, and other interested groups, as well as the interests of the Federal Government and State governments involved;

(7) in recognition of the limited need for a Federal role in the management of these airports and the growing local interest, the Secretary has recommended a transfer of authority from the Federal to the local/State level that is consistent with the management of major airports elsewhere in the Nation;

(8) an operating authority with representation from local jurisdictions, similar to authorities at all major airports in the United States, will improve communications with local officials and concerned residents regarding noise at the Metropolitan Washington Airports;

(9) a commission of congressional, State, and local officials and aviation representatives has recommended to the Secretary that transfer of the federally owned airports be as a unit to an independent authority to be created by the Commonwealth of Virginia and the District of Columbia; and

(10) adequate congressional oversight of airport operation and development in the Federal interest can be provided through a lease-transfer mechanism which also provides for increased local control and operation.

PURPOSE

SEC. 3. (a) It is therefore declared to be the purpose of the Congress in this Act to authorize the transfer under long-term lease of the two Metropolitan Washington Airport properties as a unit, including access highways and other related facilities, to a properly constituted independent airport authority to be created by the Commonwealth of Virginia and the District of Columbia, in order to achieve local control over the management, operation, and development of these important transportation assets.

(b) Nothing in this Act shall be construed to prohibit the Airports Authority and the State of Maryland from entering into an agreement whereby Baltimore/Washington International Airport may be made part of a regional airports authority, subject to terms and conditions agreed to by the Airports Authority, the Secretary, the Commonwealth of Virginia, the District of Columbia, and the State of Maryland.

DEFINITIONS

SEC. 4. DEFINITIONS.—In this Act, the term—

(1) "Airports Authority" means the Metropolitan Washington Airports Authority, an agency to be created by the Commonwealth of Virginia and the District of Columbia consistent with the requirements of section 7 of this Act, for the purpose of operating the Metropolitan Washington Airports under the terms of the lease and transfer agreed to in accordance with this Act;

(2) "date of transfer" means the date established for transfer by the Secretary and memorialized in the lease authorized by section 5 of this Act;

(3) "employees" means all permanent Federal Aviation Administration personnel employed on the date of transfer by the Metropolitan Washington Airports, an organization within the Federal Aviation Administration;

(4) "Metropolitan Washington Airports" means Washington National Airport and Washington Dulles International Airport, and includes the Dulles Airport Access Highway and Right-of-way, including the extension between the Interstate Routes I-495 and I-66;

(5) "Secretary" means the Secretary of Transportation;

(6) "Washington Dulles International Airport" means the airport constructed under the Act entitled "An Act to authorize the construction, protection, operation, and maintenance of a public airport in or in the vicinity of the District of Columbia", approved September 7, 1950 (64 Stat. 770); and

(7) "Washington National Airport" means the airport described in the Act entitled "An Act to provide for the administration of the Washington National Airport, and for other purposes", approved June 29, 1940 (54 Stat. 686).

TRANSFER OF METROPOLITAN WASHINGTON AIRPORTS AND PERSONNEL

SEC. 5. (a) The Secretary is hereby authorized and directed to undertake all necessary actions to negotiate a long-term lease and related agreement for the transfer of authority over the Metropolitan Washington Airports and transfer of employees to a single, independent airport authority that conforms to the requirements for an "Airports Authority" set forth in section 7 of this Act. Authority to enter into a lease and agreement under this Act shall lapse two years after the date of enactment of this Act.

(b)(1) In consideration for the transfer of the Metropolitan Washington Airports, the Airports Authority shall make payments to or for the account of the United States, as specified in this subsection.

(2) Basic lease payments sufficient to repay to the United States the amount of hypothetical indebtedness of the Metropolitan Washington Airports shall be made to the Treasury of the United States, as determined by the Federal Aviation Administration as of the date of transfer in accordance with appropriate Federal financial directives, and at the imputed interest rate for such indebtedness on that date, within 35 years. The Comptroller General of the United States shall conduct an audit of the Federal Aviation Administration's determination of hypothetical indebtedness, and shall also report on any costs incurred for the Metropolitan Washington Airports not included in such determination.

(3) In addition to the consideration required for lease and acquisition of the Metropolitan Washington Airports under paragraph (2) of this subsection, the Airports Authority shall, not later than one year after the date of transfer, pay to the Treasury of the United States, to be deposited to the credit of the Civil Service Retirement and Disability Fund, an amount determined appropriate by the Office of Personnel Management to represent the actual added costs incurred by the Fund due to discontinued service retirement under section 8336(d)(1) of title 5, United States Code, and an amount to represent the present value of the difference between (A) the future cost of benefits payable from the Fund and due the employees covered under section 9(e) of this Act that are attributable to the period of employment following the date of transfer, and (B) the future contributions that will be made by the employees and the Airports Authority under section 9(e) of this Act. In determining the amount due, the Office of Personnel Management shall take into consideration the actual interest such amount can be expected to earn when invested in the Treasury of the United States.

(4) In addition to the consideration specified in paragraphs (2) and (3) of this subsection, the Airports Authority shall, not later than 1 year after the date of transfer, pay $36,000,000 to the State of Maryland, to be deposited to the credit of the Transportation Trust Fund.

(c) Transfer of employees shall conform to the requirements of section 9 of this Act.

(d) The lease of the real property that constitutes Washington Dulles International Airport and Washington National Airport, including access highways and any other facilities related to the airports, shall include provisions that conform to the requirements of section 8 of this Act and shall further meet the following conditions:

(1) Operation, maintenance, protection, promotion, and development of the Metropolitan Washington Airports as a unit and as primary airports serving the Metropolitan Washington area; and

(2) Such terms and conditions applicable to the parties to the lease as are consistent with and carry out the provisions of this Act.

(e) The transfer of all Federal property held by the Metropolitan Washington Airports not described in subsection (d) of this section shall be consistent with the provisions of this Act.

CAPITAL IMPROVEMENTS, CONSTRUCTION, AND REHABILITATION

SEC. 6. It is the sense of the Congress that the Airports Authority should—

(1) pursue the improvement, construction, and rehabilitation of the facilities at Washington Dulles International Airport and Washington National Airport simultaneously; and

(2) to the extent practicable, cause such improvement, construction, and rehabilitation to be completed at both of such Airports within 5 years after the earliest date on which the Airports Authority issues bonds under the authority required by section 7 of this Act for any of the purposes identified in this section.

INDEPENDENT AIRPORTS AUTHORITY

SEC. 7. The Airports Authority shall be a public body corporate and politic, having the powers and jurisdiction as are conferred upon it jointly by the legislative authority of the Commonwealth of Virginia and the District of Columbia or by either of the jurisdictions and concurred in by the legislative authority of the other jurisdiction, but at a minimum shall be—

(1) authorized to acquire, maintain, improve, operate, protect, and promote the Metropolitan Washington Airports for public purposes;

(2) independent of the State and local governments of the two jurisdictions;

(3) authorized to issue bonds from time to time in its discretion for public purposes, including the purpose of paying all or any part of the cost of airport improvements, construction, rehabilitation, and the acquisition of real and personal property, including operating equipment for the airports, which bonds—

(A) shall not constitute a debt of either jurisdiction or a political subdivision thereof; and

(B) may be secured by the Airports Authority's revenues generally, or exclusively from the income and revenues of certain designated projects whether or not they are financed in whole or part from the proceeds fo such bonds;

(4) authorized to acquire real and personal property by purchase, lease, transfer, or exchange, and to exercise such powers of eminent domain within the Commonwealth of Virginia as are conferred upon it by the Commonwealth of Virginia;

(5) a corporation constituted solely to operate both Metropolitan Washington Airports as primary airports serving the Metropolitan Washington area;

(6) authorized to levy fees or other charges: Provided, That all revenues generated by the airports will be expended for the capital or operating costs of the airports;

(7) authorized to make and maintain agreements with employee organizations to the extent that the Federal Aviation Administration is so authorized on the date of enactment of this Act;

(8) subject to a conflict-of-interest provision providing that members of the board and their immediate families may not be employed by or otherwise hold a substantial financial interest in any enterprise that has or is seeking a contract or agreement with the Airports Authority or is an aeronautical, aviation services, or airport services enterprise that otherwise has interests that can be directly affected by the Airports Authority; exceptions to this requirement may be made by the official appointing a member at the time the member is appointed: Provided, That any such interest is fully disclosed and the member does not participate in board decisions that directly affect such interest; the Airports Authority shall include in its code developed under section 8 of this Act the standards by which members will determine what constitutes a substantial financial interest and the circumstances under which an exception may be granted; and

(9) governed by a board of thirteen members, as follows:

(A) Five members shall be appointed by the Governor of Virginia, three members shall be appointed by the Mayor of the District of Columbia, two members shall be appointed by the Governor of Maryland, and three members shall be appointed by the President with the advice and consent of the Senate; the Chairman shall be appointed from among the members by majority vote of the members and shall serve until replaced by majority vote of the members.

(B) Members shall (i) not hold elective or appointive political office, (ii) serve without compensation other than for reasonable expenses incident to board functions, and (iii) reside within the Washington Standard Metropolitan Statistical Area, except that the members appointed by the President shall not be required to reside in that areas.

(C) Appointments to the board shall be for a period of 6 years; however, initial appointments to the board shall be made as follows: each jurisdiction shall appoint one member for a full 6-year term, a second member for a 4-year term and, in the case of Commonwealth of Virginia and the District of Columbia, a third member for a 2-year term. The Governor of Virginia shall make the final two Virginia initial appointments for one 2-year and one 4-year term. The President shall make initial appointments as follows: one member for a 6-year term, one member for a 4-year term, and one member for a 2-year term; subsequent appointments by the President shall be for a period of 6 years with all such Federal appointees subject to removal for cause.

(D) Nine votes shall be required to approve bond issues and the annual budget.

MINIMUM TERMS AND CONDITIONS OF LEASE

SEC. 8. (a) The lease authorized by section 5 of this Act shall be for a term of 35 years and shall, at a minimum, conform to and be consistent with the following requirements:

(1) The real and personal property constituting the Metropolitan Washington Airports shall, during the period of the lease, be used only for airport purposes. In addition, property that is necessary for additional runaway development and property that serves as a perimeter buffer area at Washington Dulles International Airport may not be devoted to commercial building development which would return to the Airports Authority revenue in excess of the Airports Authority's costs directly related to such development. For the purposes of this paragraph, the term "airport purposes" includes a use of property interests (other than a sale) for aviation business or activities, or for activities necessary and appropriate to serve passengers or cargo in air commerce, or for nonprofit, public use facilities. If the Secretary determines that any portion of the land leased to the Airports Authority pursuant to this Act is used for other than airport purposes, the Secretary shall (A) direct that appropriate measures be taken by the Airports Authority to bring the use of such land in conformity with airport purposes, and (B) retake possession of such land should the Airports Authority fail to bring the use of such land into a conforming use within a reasonable period of time, as determined by the Secretary.

(2) The Airports Authority shall furnish without cost to the Federal Government for use in connection with any air traffic control and navigation facilities or weather-reporting and communication activities related to air traffic control at these airports, such areas of land or water, or rights in buildings, at the airports as the Secretary considers necessary or desirable for these purposes, including construction at Federal expense of additional space or facilities. In addition, all airport facilities shall be available to the United States for use by Government aircraft in common with other aircraft at all times without charge, except, if the use by Government aircraft is substantial, a charge may be made for a reasonable share, proportional to such use, of the cost of providing, operating, and maintaining the facilities used.

(3) All of the facilities of the Metropolitan Washington Airports shall, during the term of the lease, be available to the public, including commercial and general aviation, on fair and reasonable terms and without unjust discrimination, as these terms are used in section 511(a)(1) of the Airport and Airway Improvement Act of 1982 (49 App. U.S.C. 2210(a)(1)).

(4) In acquiring by contract supplies or services for an amount estimated to be in excess of $200,000, or awarding concession contracts, the Airports Authority shall obtain, to the maximum extent practicable, full and open competition through the use of published competitive procedures: *Provided*, That by a vote of nine members, the Airports Authority may grant exceptions to the requirements of this paragraph.

(5) All regulations of the Metropolitan Washington Airports (14 CFR 159) shall become regulations of the Airports Authority upon transfer of the Metropolitan Washington Airports in accordance with this Act, and shall remain in effect until modified or revoked by the Airports Authority under its own procedures: *Provided*, That regulations concerning new-technology aircraft (14 CFR 159.59(a)), violations of Federal Aviation Administration regulations as Federal misdemeanors (14 CFR 159.191), and the Federal Aviation Administration air traffic regulations designated 14 CFR 93.124 (Modification of Allocation: Washington National Airport) shall cease to be in effect on the date of transfer and no limitation may be imposed on passenger levels: *Provided further*, however, during the term of the lease, that the number of operations authorized by the High Density Rule (14 CFR 93.121, et seq.) for air carriers at Washington National Airport may be changed only for considerations of safety.

(6)(A) Except as specified in subparagraph (B) of this paragraph, the Airports Authority shall assume all rights, liabilities, and

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obligations (tangible and incorporeal, present and executory) of the Metropolitan Washington Airports at the time of transfer of authority and jurisdiction over the airports under the lease and transfer agreement, including leases, permits, licenses, contracts, agreements, claims, tariffs, accounts receivable, accounts payable, and litigation relating to such rights and obligations, regardless whether judgment has been entered, damages awarded, or appeal taken. Before the date of transfer, the Secretary shall also assure that the Airports Authority has agreed to cooperate in allowing representatives of the Attorney General and the Secretary adequate access to employees and records when needed for the performance of functions related to the period before the effectiveness of the lease. The Airports Authority shall assume responsibility for the Federal Aviation Administration's Master Plans for the Metropolitan Washington Airports.

(B) The procedure for disputes resolution contained in any contract entered into on behalf of the United States prior to the date of transfer shall continue to govern the performance of the contract unless otherwise agreed to by the parties to the contract. Claims for monetary damages founded in tort, by or against the United States as the owner and operator of the Metropolitan Washington Airports, arising prior to the date of the transfer, shall be adjudicated as if the transfer of authority did not occur.

(C) The Federal Aviation Administration shall remain responsible for reimbursing the Employees' Compensation Fund, pursuant to the provisions of section 8147 of title 5, United States Code, for compensation paid or payable after the date of transfer in accordance with chapter 81 of title 5, United States Code, with regard to any injury, disability, or death due to events arising prior to the date of transfer, whether or not a claim has been filed or is final on the date of transfer.

(D) Before the date of transfer, the Secretary shall assure that the Airports Authority has agreed to a continuation of all collective bargaining rights enjoyed before the date of transfer by employees of the Metropolitan Washington Airports.

(7) The Comptroller General of the United States may conduct periodic audits of the activities and transactions of the Airports Authority in accordance with generally accepted management principles, and under such rules and regulations as may be prescribed by the Comptroller General. Any such audit shall be conducted at such place or places as the Comptroller General may deem appropriate. All books, accounts, records, reports, files, papers, and property of the Airports Authority shall remain in possession and custody of the Airports Authority.

(8) The Airports Authority shall develop a code of ethics and financial disclosure in order to assure the integrity of all decisions made by the board and its employees.

(9) Notwithstanding any other provision of law, no landing fee imposed for operating an aircraft or revenues derived from parking automobiles—

(A) at Washington Dulles International Airport may be used for maintenance or operating expenses (excluding debt service, depreciation, and amortization) at Washington National Airport; or

(B) at Washington National Airport may be used for maintenance or operating expenses (excluding debt service, depreciation, and amortization) at Washington Dulles International Airport.

(10) The Airports Authority shall compute the fees and charges for landing general aviation aircraft at the Metropolitan Washington Airports on the same basis as the landing fees for air carrier aircraft, except that the Airports Authority may require a minimum landing fee not in excess of the landing fee for aircraft weighing 12,500 pounds.

(b) The district courts of the United States shall have jurisdiction to compel the Airports Authority, its officers, and employees to comply with the terms of the lease. An action may be brought on behalf of the United States by the Attorney General, or by any aggrieved party.

FEDERAL EMPLOYEES AT NATIONAL AND DULLES AIRPORTS

SEC. 9. (a) Not later than the date of transfer, the Secretary shall ensure that the Airports Authority has established arrangements to protect the employment interests of employees during the 5-year period commencing on the date of transfer. These arrangements shall include provisions—

(1) which ensure that the Airports Authority will adopt labor agreements in accordance with the provisions of subsection (b) of this section;

(2) for the transfer and retention of all employees who agree to transfer to the Airports Authority in their same positions for the 5-year period commencing on the date of transfer, except in cases of reassignment, separation for cause, resignation, or retirement;

(3) for the payment by the Airports Authority of basic and premium pay to transferred employees, except in cases of separation for cause, resignation, or retirement, for 5 years commencing on the date of transfer at or above the rates of pay in effect for such employees on the date of transfer;

(4) for credit during the 5-year period commencing on the date of transfer for accrued annual and sick leave and seniority rights which have been accrued during the period of Federal employment by transferred employees retained by the Airports Authority; and

(5) for an offering of not less than one life insurance and three health insurance programs for transferred employees retained by the Airports Authority during the 5-year period commencing on the date of transfer which are reasonably comparable with respect to employee premium cost and coverage to the Federal health and life insurance programs available to employees on the day before the date of transfer.

(b)(1) The Airports Authority shall adopt all labor agreements which are in effect on the date of transfer. Such agreements shall continue in effect for the 5-year period commencing on the date of transfer, unless the provisions of the agreement provide for a shorter duration or the parties agree to the contrary before the expiration of that 5-year period. Such agreements shall be renegotiated during the 5-year period, unless the parties agree otherwise. Any labor-management negotiation impasse declared before the date of transfer shall be settled in accordance with chapter 71 of title 5, United States Code.

(2) The arrangements made pursuant to this section shall assure, during the 35-year lease term, the continuation of all collective bargaining rights enjoyed by transferred employees retained by the Airports Authority.

(c) Any transferred employee whose employment with the Airports Authority is terminated during the 5-year period commencing on the date of transfer shall be entitled, as a condition of any lease entered into in accordance with section 8 of this Act, to rights and benefits to be provided by the Airports Authority that are similar to those such employee would have had under Federal law if termination had occurred immediately before the date of transfer.

(d) Any employee who transfers to the Airports Authority under this section shall not be entitled to lumpsum payment for unused annual leave under section 5551 of title 5, United States Code, but shall be credited by the Airports Authority with the unused annual leave balance at the time of transfer, along with any unused sick leave balance at the time of transfer. During the 5-year period commencing on the date of transfer, annual and sick leave shall be earned at the same rates permitted on the day before the date of transfer, and observed official holidays shall be the same as those specified in section 6103 of title 5, United States Code.

(e) Any Federal employee hired before January 1, 1984, who transfers to the Airports Authority and who on the day before the date of transfer is subject to civil service retirement law (subchapter III of chapter 83 of title 5, United States Code) shall, so long as continually employed by the Airports Authority without a break in service, continue to be subject to such law. Employment by the Airports Authority without a break in continuity of service shall be considered to be employment by the United States Government for purposes of subchapter III of chapter 83 of title 5, United States Code. The Airports Authority shall be the employing agency for purposes of section 8334(a) of title 5, United States Code, and shall contribute to the Civil Service Retirement and Disability Fund such sum as is required by such section.

(f) An employee who does not transfer to the Airports Authority and who does not otherwise remain a Federal employee shall be entitled to all of the rights and benefits available under Federal law for separated employees, except that severance pay shall not be payable to an employee who does not accept an offer of employment from the Airports Authority of work substantially similar to that performed for the Federal Government.

(g) The Airports Authority shall allow representatives of the Secretary adequate access to employees and new employee records of the Airports Authority when needed for the performance of functions related to the period prior to the effectiveness of the lease. The Secretary shall provide the Airports Authority access to employee records of transferring employees for appropriate purposes.

RELATIONSHIP TO AND EFFECT OF OTHER LAWS; APPROPRIATIONS

SEC. 10. (a) In order to assure that the Airports Authority has the same proprietary powers and is subject to the same restrictions with respect to Federal law as any other airport, except as otherwise provided in this Act, during the period that the lease authorized by section 5 of this Act is in effect—

(1) the Metropolitan Washington Airports shall qualify as a "public airport" under the terms of the Airport and Airway Improvement Act of 1982 (49 App. U.S.C. 2201 et seq.), shall be eligible for Federal assistance on the same basis as any comparable public airport operated by a regional authority, and shall be considered to have accepted a grant on the date of transfer;

(2) the Acts entitled "An Act to provide for the administration of the Washington National Airport, and for other purposes", approved June 29, 1940 (54 Stat. 686), "An Act to authorize the construction, protection, operation, and maintenance of a public airport in or in the vicinity of the District of Columbia", approved September 7, 1950 (64 Stat. 770), and "An act making supplemental appropriations for the support of the Government for the fiscal year ending June 30, 1941, and for other purposes", approved October 9, 1940 (54 Stat. 1030), shall not apply to the operation of the Metropolitan Washington Airports, and the Secretary shall be relieved of all responsibility under those Acts;

(3) notwithstanding any other provision of law other than the provisions of this Act, the retention by the United States of fee simple title to the Metropolitan Washington Airports shall not subject these airports and the Airports Authority to any requirement of law that would not apply to an airport or airports not owned by the United States;

(4) the Commonwealth of Virginia shall have concurrent police power authority over the Metropolitan Washington Airports, and the courts of the Commonwealth of Virginia may exercise jurisdiction over the land described in "An Act to provide for the administration of the Washington National Airport, and for other purposes", approved June 29, 1940 (54 Stat. 686); and

(5) the authority of the National Capital Planning Commission, as provided in section 71d of title 40, United States Code, shall not apply to the Airports Authority: *Provided*, That the Airports Authority shall consult with the National Capital Planning Commission and the Advisory Council on Historic Preservation before undertaking any major alterations to the exterior of the main terminal at Washington Dulles International Airport, and with the National Capital Planning Commission before undertaking development that would alter the skyline of Washington National Airport when viewed from the opposing shoreline of the Potomac River or from the George Washington Parkway.

(b) Unobligated balances and obligated but unexpended balances of appropriations on behalf of the Metropolitan Washington Airports remaining in the fiscal year that includes the date of transfer shall transfer to the Airports Authority, but only to the extent that the Airport Authority agree to add an identical amount to the hypothetical indebtedness it assumes in accordance with section 5(b) of this Act.

CONCLUSION OF THE FULL TERM OF THE LEASE

SEC. 11. (a) the Airports Authority may extend the lease entered into under section 5(a) of this Act for an additional term of 15 years for the sole purpose of continuing to operate the airports under the terms and restrictions established in this Act.

(b) During the period of the lease the Secretary and the Airports Authority may negotiate a contract of sale for the transfer of the properties constituting the Metroplitan Washington Airports. Such properties shall not be sold until the Congress approves legislation implementing the terms of such contract.

(c) Upon approval by the Congress of legislation implementing the terms of such contract—

(1) title to all real property shall pass to the Airports Authority: *Provided*, That real property that is not then in use for airport purposes as defined in section 8 (a)(1) of this Act shall instead be reported to the General Services Administration for disposition under the Federal Property and Administrative Services Act of 1949 (40 U.S.C. 471 et seq.);

(2) the United States shall relinquish all jurisdiction (concurrent and exclusive) over the Metropolitan Washington Airports to the Commonwealth of Virginia; and

(3) the Acts entitled "An Act to provide for the administration of the Washington National Airport, and for other purposes", approved June 29, 1940 (54 Stat. 686), "An Act to authorize the construction, protection, operation, and maintenance of a public airport in or in the vicinity of the District of Columbia", approved September 7, 1950 (64 Stat. 770), and "An Act making supplemental appropriations for the support of the Government for the fiscal year ending June 30, 1941, and for other purposes", approved October 9, 1940 (54 Stat. 1030), shall be repealed.

STUDY RELATING TO CERTAIN TAXES

SEC. 12. (a) the Airports Authority shall conduct a study to determine whether and the extent to which the government of Arlington County, Virginia, should impose personal property and leasehold taxes at Washington National Airport.

(b) The Airports Authority shall submit to the Congress the results of the study required by this section within 12 months after the date of enactment of this Act.

AIRPORT SLOTS

SEC. 13. (a) The Secretary and the Administrator of the Federal Aviation Administration (hereinafter referred to as the "Administrator") shall—

(1) repeal the final rule regarding Slot Allocation and Transfer Methods at High Density Traffic airports, issued on December 20, 1985 (50 Fed. Reg. 52180), as in effect on the date of enactment of this Act; and

(2) after the date of enactment of this Act, not promulgate any rule or regulation or issue any order (other than on an emergency basis) relating to restrictions on aircraft operations at high density traffic airports designated in Subpart K of part 93 of title 14, Code of Federal Regulations (14 CFR 93.121 et seq.), that is inconsistent with the provisions of this section.

(b) Consistent with aviation safety, the Administrator shall, not later than 120 days after the date of enactment of this Act, provide by rule or otherwise for the recall and subsequent allocation pursuant to subsection (c) of this section of any air carrier or commuter operator instrument flight rule takeoff and landing operational privilege at high density traffic airports, hereinafter in this section referred to as a "slot", that is substantially unused. The provisions of this subsection shall not apply to any slot reserved for international operations or for essential air transportation (as defined in section 419 of the Federal Aviation Act of 1958 (49 App. U.S.C. 1389)).

(c)(1) Consistent with aviation safety, the Administrator shall, not later than 120 days after the date of anactment of this Act, establish by rule or otherwise, after affording the opportunity for and considering public comment, a mechanism for the equitable allocation of slots to which Subpart K of part 93 of title 14, Code of Federal Regulations, applies, in accordance with the provisions of this subsection.

(2) The allocation of slots (other than on a basis consistent with paragraph (4) of this subsection) shall be made by a separate air carrier and commuter air carrier scheduling committee established for each of such high density traffic airports. The Administrator shall establish the composition of each such scheduling committee.

(3) The scheduling committee shall allocate and reallocate slots according to a time schedule to be established by the Administrator.

(4)(A) The Administrator shall, no later than 120 days after the date of enactment of this Act, and after affording the opportunity for and considering public comment, establish a special mechanism for the allocation of slots, to be utilized in the event that any scheduling committee is unable to reach agreement on the manner in which it will allocate slots within the time period established by the Administrator. Such special mechanism may include commitment of the issues involved to binding arbitration, lottery, lease by the Administrator (by auction or other market mechanism) of some or all of the slots currently in use at such airports, or any other non-market mechanism determined by the Administrator to be appropriate. The duration of any such lease or other allocation of slots shall be determined by the Administrator, after giving due consideration to the need for maintaining competition between and among airlines at high density traffic airports, the capital investment of existing users of slots at such airports, and the need for adequate air service to such airports from small- and medium-sized communities, except that no such lease or other allocation of slots shall remain in effect after December 31, 1988. Notwithstanding any other provision of law, the revenues generated by any lease of slots by the Administrator under this paragraph shall be credited to the Airport and Airway Trust Fund established in section 9502 of the Internal Revenue Code of 1954 (26 U.S.C. 9502). The Administrator shall also formulate a mechanism to allocate all new slots, voluntarily returned slots, and unused slots.

(B) Any allocation mechanism established by the Administrator under this paragraph shall be adequate to ensure the opportunity for new entry, to maintain essential air transportation, and to protect the access rights of commuter operators. In addition, the Administrator shall employ a method for the withdrawal of slots currently in use that ensures that no carrier incurs the loss of an undue proportion of its slots.

(d) No mechanism formulated or utilized under section 93.123 of title 14, Code of Federal Regulations, as in effect on February 1, 1986, or under this section shall be construed to create a permanent property right in any slot. Any such slot shall be public property, and its use shall represent a nonpermanent operating privilege within the exclusive control and jurisdiction of the Administrator. Any such privilege may be withdrawn, recalled or reallocated by the Administrator for reasons of aviation safety or airspace efficiency, or to enhance competition in air transportation.

(e)(1) Other than on an emergency basis, the Administrator shall not promulgate any rule or regulation or implement any practice that restricts aircraft operation by means of slot controls at any airport or air traffic control facility other than those specified in section 93.123 of title 14, Code of Federal Regulations, as in effect on February 1, 1986, unless the Administrator first transmits to the Congress a written report justifying the need for such rule, regulation

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or practice not less than 90 days before the effective date of such rule, regulation or practice.

(2)(A) No later than January 1, 1987, and every two years thereafter, the Secretary shall conclude a rulemaking to reauthorize or eliminate all high density traffic airport slot controls specified in section 93.123 of title 14, Code of Federal Regulations, and any other slot control created subsequent to such date by the Administrator. Each such rulemaking shall include a report to Congress concerning the extent to which the retention of slot controls at any airport, or the creation of new slot controls, is required in the public interest. Such report shall describe possible improvements in facilities or related air traffic control facilities or procedures that would allow slot controls to be reduced or eliminated, and shall describe any action taken by the Administrator to reduce or eliminate the need for such controls.

(B) No regulation imposing slot controls to which this paragraph applies shall have the force and effect of law after two years from the date on which it becomes effective, unless such regulation is reauthorized pursuant to subparagraph (A) of this paragraph.

(f) The Secretary and the Administrator shall make timely recommendations to the Congress regarding any additional statutory authority they consider necessary or appropriate to carry out the purposes of this section. In addition, the Secretary and the Administrator shall report annually to the Congress on the extent to which the allocation mechanisms established pursuant to subsection (c) of this section and any slot control regulations reauthorized pursuant to subsection (e) of this section have minimized barriers to entry at high density traffic airports.

SEPARABILITY

SEC. 14. If any provision of this Act or the application thereof to any person or circumstances is held invalid, the remainder of this Act and the application of such provision to other persons or circumstances shall not be affected thereby.

SEC. 15. (a) Notwithstanding any other provision of this Act, or any other law, or any regulation issued pursuant thereto, a person shall not be prohibited from operating an air carrier aircraft nonstop between Washington National Airport and any other airport which is located within 1,250 miles of Washington National Airport.

(b) Notwithstanding any other provision of this Act or any other law, the Airports Authority shall have no authority to issue any regulation imposing any such prohibition referred to in subsection (a) of this section.

SEC. 16. (a)(1) As recently as February 4, 1985, the Office of Management and Budget projected that deficits for Fiscal Years 1986 through 1990 would increase the federal debt by $697,289,000,000.

(2) Congress sought to remedy this problem of escalating debt by enacting the Gramm-Rudman-Hollings deficit reduction program, which was passed by both Houses of Congress and signed into law by the President on December 12, 1985;

(3) Even under Gramm-Rudman-Hollings, the federal debt is projected to grow to $2,323,100,000,000 in fiscal year 1987, $2,523,000,000,000 in fiscal year 1988, and $2,697,700,000,000 in fiscal year 1989;

(4) As a result, even Gramm-Rudman-Hollings will produce a federal debt which, by fiscal year 1989, will represent well over $10,000 for every man, woman, and child in the United States;

(5) The financial markets of the United States and the other industrialized nations of the world look to the government of the United States for leadership in the resolution of its deficit crisis; and

(6) The consideration of tax reform by the Senate of the United States without first making serious efforts to control the deficit will only succeed in enhancing the uncertainty in financial markets which those deficits create; Now, therefore,

(b) It is the sense of the Senate that tax reform should not be considered or debated by the United States Senate until a firm, definite budget agreement has been reached between the President and the Congress of the United States.

SEC. 17. The Food Security Act of 1985 established a milk production termination program intended to reduce the current oversupply of milk products, and

The Food Security Act of 1985 also provided that the Secretary of Agriculture should make purchases of specified amounts of red meat in order to offset the effects of the milk production termination program on the red meat market, and

The implementation of the milk production termination program has resulted in substantial declines in both current prices of red meat and future prices for red meat, and

Both cattle and dairy farmers would benefit from more stable red meat prices, and

Immediate action is necessary to counteract the adverse effects of the dairy diversion program: Now, therefore,

It is the sense of the Senate that the Secretary of Agriculture should immediately take the following steps to address the current instability in the red meat market—

(1) The Department should increase the present purchase of red meat and defense distributions during the first bid period, which has been announced by the Department to be from April 1, 1986 to August 31, 1986. The purchase should proportionately reflect the presently scheduled 633,176 cows; 216,970 heifers; and 165,900 calves, which are to be slaughtered during each disposal period in the program. The red meat purchases should reflect the number of cattle that are slaughtered each disposal period in the program:

Specifically, the Department should immediately begin purchasing more of the 200 million pounds of red meat that are to be purchased during the milk production termination program during the first disposal period. This purchase amount is in contrast to the 130 million pounds that the Department is presently scheduled to purchase during the first disposal period. Further, the Senate expresses its concern that the Department has not scheduled the present purchase of 130 million pounds until April 14, 1986 for canned meat and April 21 for frozen ground beef. These purchases do not correspond to the April 1 starting date of the first disposal period.

The Department should accomplish this purchase goal by expediting school lunch purchases and domestic feeding program purchases to begin in April rather than the traditional month of July. Toward the same end, the Department should act immediately on the provision of the law that requires that the meat be channeled through the Department of Defense.

(2) The Department should move approximately two hundred thousand dairy cows and corresponding heifers and calves, which are presently scheduled during the first disposal period, to later periods by moving those producers who submitted multiple bids at the same price. The move should be conducted on a voluntary basis. Any changes in the disposal period should be consistent with the existing contracts with dairy producers who are participating in the program.

(3) The Department immediately should take additional steps as necessary to alleviate the concerns in the red meat industry regarding the adverse impact on total red meat supplies due to the additional dairy cattle that are being slaughtered. The Department should implement a plan to encourage proportional spacing of dairy cattle slaughter within each disposal period for producers in the program. This could include monthly and weekly targets for dairy cattle slaughter during the disposal periods to minimize jamming of slaughter house facilities occurring in some parts of the country.

(4) The Department also should take further steps that would offset any further damage to the red meat industry. Producers should be assured that the Federal Government will purchase a pound of red meat to offset every pound of red meat which enters the market as a result of the milk production termination program, and that the Department is taking other steps to provide for the orderly marketing of dairy cattle slaughtered under the program.

SEC. 18. (a) the Senate also finds and declares that—

(1) the Food Security Act of 1985 established the Dairy Termination Program intended to reduce the current oversupply of dairy products, and

(2) the Food Security Act of 1985 directs the Secretary of Agriculture to minimize the adverse price effect of the Dairy Termination Program on red meat producers through the use of timely and judicious administrative actions, and

(3) the implementation of the Dairy Termination Program has resulted in substantial declines in both the current and future prices for meat, and

(4) immediate corrective action by the Secretary of Agriculture, utilizing the broad discretionary authority available to the Secretary under the Food Security Act of 1985, is necessary to abate the precipitous decline in meat prices:

(b) it is therefore the sense of the Senate that the Secretary of Agriculture should immediately significantly modify the Department of Agriculture's policies relating to the Dairy Termination Program, report to the Congress not later than April 15, 1986, what corrective actions have been taken, and what legislative changes, if any, are necessary to further modify this program to abate the decline in meat prices in a reasonable and judicious manner.

Mr. TRIBLE. Mr. President, I move to reconsider the vote by which the bill was passed.

Mr. WARNER. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. TRIBLE. Mr. President, people have talked about this action for years and they said it could not be done. I thank my colleagues for their patience, for their attention, and for their resounding vote in favor of the airports legislation. By a majority of

over 2 to 1, by a vote of 62 to 28, our colleagues have decisively approved this legislation. That result reflects the fact that this bill is fair, is balanced, and it serves the best interests of all our citizens.

I note, Mr. President, that the Senate has dedicated 9 days to this enterprise; that we have spent 44 hours and 22 minutes on this initiative; that there have been 15 rollcall votes and 23 amendments and motions considered. I want to say a word of thanks to a number of people.

First, to the majority leader for sticking with us and for giving us the time to make our case;

To Senators DANFORTH and KASSEBAUM, the leaders on the Commerce Committee, for permitting me to shape this bill and guide its passage through the often treacherous waters of the Senate;

To my partner and friend JOHN WARNER of Virginia, for his active support and good counsel;

To Senator SARBANES and to Senator MATHIAS both able adversaries, whom I have learned to respect for their intellect, their persuasive powers, and their grace;

To Senators INOUYE and ROCKEFELLER, my thanks for making a bipartisan bill possible;

To Gov. Linwood Holton for his able leadership in crafting the consensus that makes this day possible.

Then to a bright and very able group of folks that I would characterize as "The Team." They include:

From the Department of Transportation, Rebecca Range, Shirley Ybarra, Greg Wolfe, Dean Sparkman, Tad Hearlihy;

From the Commerce Committee, Pamela Garvie, Steve Johnson, Mary Pat Bierley, Kevin Curtin, and Allen Moore;

From my own staff, my able administrative assistant and right arm, Mark Greenberg;

And, of course, from Senator WARNER's staff, Lee Califf.

To all of these individuals, my special thanks. They are bright, they are precise, they are hard charging, and they are always there when needed with wise counsel.

To the Metropolitan Washington Airports leaders, Jim Wilding, the Director, and Dave Lawhead, my thanks for their advice and counsel as well.

It is a good result. It reflects the hard work and contribution of a lot of good folks. For that, I am most grateful.

Mr. WARNER. Mr. President, I join my distinguished colleague [Mr. TRIBLE] in praising Governor Holton, Greg Wolfe, Lee Califf, and the many others who worked on this bill.

I was privileged to be a member of the Holton Commission. I also extend my appreciation to the members of that Commission who crafted the foundation documents that led to the successful passage of this legislation.

Those of us who have fought hard for this bill also owe a great debt of gratitude to former Governor Robb of Virginia and Governor Baliles and the Mayor of the District of Columbia, Marion Barry.

As to my distinguished colleagues, the senior Senator from Maryland [Mr. MATHIAS] and the junior Senator [Mr. SARBANES], I thank them for their fairness and their cooperation, and we admire them for having represented their constituency with distinction.

Last, Mr. President, to my colleague, Mr. TRIBLE, whom I have been privileged to work with these many years, he has always admired a certain set of buttons that I have that I got from the U.S. Navy.

Mr. TRIBLE, I say to you, well done. As we say in the Navy, 4 to 0. You have won your buttons.

Mr. TRIBLE. I thank the Senator.

I happily yield the floor to whoever wants it.

ORDER OF BUSINESS

The PRESIDING OFFICER. The Senator from Idaho.

Mr. McCLURE. Mr. President, it is my intention to call up the hydrorelicensing bill which I have been directed by the majority leader to bring up at this time. Before doing that, I want to indicate that we are trying to work out all of the amendments that we are aware of in such a fashion that rollcall votes will not be required and, in the expectation that we shall be able to do that, to go as close to third reading and passage of the bill as it is possible to do in a very short period of time this afternoon.

Then if we accomplish that, I hope to set over the rollcall on passage of the bill to a time certain early next week. If we are capable of doing that, and I believe we can be, then we shall avoid any rollcall votes this afternoon. But I am in no position to announce that and I am certainly not announcing that there will not be rollcall votes this afternoon.

ELECTRIC CONSUMERS PROTECTION ACT

Mr. McCLURE. Mr. President, I ask unanimous consent that the Senate now turn to the consideration of Calendar No. 355, S. 426, the hydrorelicensing bill.

The PRESIDING OFFICER. Is there objection? Hearing none, it is so ordered.

The clerk will state the bill by title.

The assistant legislative clerk read as follows:

A bill (S. 426) to amend the Federal Power Act to provide for more protection to electric consumers.

The Senate proceeded to consider the bill, which had been reported from the Committee on Energy and Natural Resources, with an amendment to strike out all after the enacting clause, and insert the following:

That this Act may be referred to as the "Electric Consumers Protection Act of 1985".

SEC. 2. Section 7(a) of the Federal Power Act (16 U.S.C. 800(a)), as amended, is further amended—

(a) by inserting "original" after "hereunder or"; and

(b) by striking "and in issuing licenses to new licensees under section 15 hereof".

SEC. 3. Section 10 of the Federal Power Act (16 U.S.C. 803), as amended, is further amended—

(a) in existing subsection (a) after "water power development,", by inserting "for the adequate protection, mitigation, and enhancement of fish and wildlife,";

(b) in existing subsection (a) after "including", by inserting "irrigation, flood control, water supply and"; and

(c) by redesignating existing subsection (a) as paragraph (a)(1) and by inserting the following new paragraphs:

"(2) In order to ensure that the project adopted will be best adapted to the comprehensive plan described in paragraph (a)(1), the Commission shall consider:

"(A) the extent to which the project is consistent with a comprehensive plan (where one exists) for improving, developing, or conserving a waterway or waterways affected by the project that is prepared by—

"(i) an agency established pursuant to Federal law that has the authority to prepare such a plan; and

"(ii) the State in which the facility is or will be located; and

"(B) the recommendations of Federal and State agencies exercising administration over fish and wildlife, flood control, navigation, irrigation, recreation, and cultural resources of the State in which the project is located, and the recommendations of Indian tribes affected by the project.

"(3)(A) Upon receipt of an application for a license, the Commission shall solicit recommendations for proposed terms and conditions to be included in the license from the agencies and Indian tribes identified in paragraph (a)(2) of this section.

"(B) If any recommendation for a proposed term or condition is received by the Commission at least thirty days prior to issuing any license under this section, the Commission shall explain in writing its reason for rejecting or modifying any such proposed term or condition.".

SEC. 4. Section 15 of the Federal Power Act (16 U.S.C. 808), as amended, is further amended—

(a) by striking subsection (a) through "terms and conditions to a new licensee," and inserting in lieu thereof:

"SEC. 15(a). If the United States does not, at the expiration of the existing license, exercise its right to take over, maintain and operate any project or projects of the licensee, as provided in section 14 of this Act, the Commission may issue a new license to the existing licensee upon such terms and conditions, taking into account existing structures and facilities, as may be authorized or required under the then existing laws and regulations, or to another applicant under said terms and conditions. If the existing licensee applies for a new license, the Commission shall issue a new license to such ex-

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isting licensee unless the Commission determines that the plans of another applicant are better adapted to serve the public interest. If the existing licensee does not apply for a new license, the Commission shall issue a new license to the applicant the plans of which are best adapted to serve the public interest. In either case, the Commission shall not issue a license unless it is satisfied that (1) the applicant is able to carry out such plans and (2) the plans represent a cost effective approach to achieving the benefits to be derived therefrom.

"(b) The Commission shall make its determination of which plans are best adapted to serve the public interest on the basis of—

"(1) how each plan would develop, conserve, and utilize the water resources of the region in accordance with the provisions of section 10(a) of this Act;

"(2) the relative economic impact upon customers served by each applicant upon the failure of such applicant to receive the license, including an assessment of the economic impact upon the customers of an applicant that is the existing licensee that would result from the difference between the compensation to be paid under subsection (c) of this section and the cost of replacement power;

"(3) the economic impact, in the case of a nonutility license holder, upon the operation and efficiency of the dependent industrial facility or related activity, its existing employees, and the surrounding community, if the existing licensee fails to receive the new license;

"(4) the ability of each applicant to operate and maintain the project in a manner most likely to provide efficient, reliable electric service; and

"(5) the need of each applicant for the electricity generated by the project or projects to serve its existing customers including customers served by any electric utility which receives power from the existing licensee.";

(b) by redesignating the remainder of subsection (a) as subsection (c);

(c) by striking "which license" and inserting in lieu thereof "A license issued under this section";

(d) by redesignating existing subsection (b) as subsection (d);

(e) by adding a new subsection:

"(e) A new license may only be issued for a period not to exceed thirty years unless the Commission determines that a longer period is necessary due to substantial new construction or significant redevelopment of the project in question. In no case shall a new license be issued for a period of more than fifty years."; and

(f) by adding a new subsection:

"(f) Notwithstanding any other provision of this section, for projects using tribal lands embraced within Indian reservations, the original license for which was issued prior to October 1, 1985 and for which a new license has not yet become effective by such date, the Commission shall not consider the factors set forth in sections 15(b)(2) and 15(b)(5) in evaluating the plans of Indian tribes to which such lands belong that apply for a new license.".

Sec. 5. The amendments made by this Act shall not apply to any relicensing proceeding in which the Federal Energy Regulatory Commission has issued an order awarding a new license on or before July 31, 1985, regardless of whether such order is subject to judicial review, nor shall they operate to diminish the amount of the annual charge to be paid pursuant to section 10(e) of the Federal Power Act to Indian tribes for the use of their lands within Indian reservations.

Sec. 6. Section 30 of the Federal Power Act (16 U.S.C. 824), as amended, is further amended by striking subsection (b) and inserting in lieu thereof the following new subsection:

"(b) Exemptions granted under subsection (a) of this section shall be granted for a period not to exceed thirty years unless the Commission determines that a longer period is necessary due to substantial new construction or significant redevelopment of the project in questions. In no case shall an exemption be granted for a period of more than fifty years. The Commission may not grant any such exemption to any facility the installed capacity of which exceeds 15 megawatts.".

Sec. 7. Section 405 of the Public Utility Regulatory Policies Act of 1978 (16 U.S.C. 2705), as amended, is further amended in subsection (d) by inserting at the end thereof: "Exemptions shall be granted for a period not to exceed thirty years unless the Commission determines that a longer period is necessary due to substantial new construction or significant redevelopment of the project in question. In no case shall an exemption be issued for a period of more than fifty years."

Sec. 8. Section 6 of the Federal Power Act (16 U.S.C. 799), as amended, is further amended after "fifty years" by inserting "unless the Commission determines a shorter period is desirable".

Sec. 9. The amendments made by sections 6 and 7 of this Act shall apply only to exemptions granted after the date of enactment of this Act.

Sec. 10. Section 3(17) of the Federal Power Act (16 U.S.C. 796(17)), as amended, is further amended—

(a) by adding a new paragraph (B) as follows:

"(B) Notwithstanding paragraph (A), no hydroelectric project shall be considered a small power production facility (other than for purposes of section 210(e) of the Public Utility Regulatory Policies Act of 1978) if such project impounds or diverts the water of a natural watercourse other than by means of an existing dam or diversion, unless:

"(i) such project is located at a Government dam; or

"(ii) such project meets terms and conditions set by fish and wildlife agencies under the same procedure as provided for under section 30(c) of the Federal Power Act;

"(iii) for the purposes of this paragraph, the term 'existing dam or diversion' means any dam or diversion that is part of a project for which a license has been issued on or before the enactment of this paragraph, or which the Commission determines does not require any construction or enlargement of impoundment structures (other than repairs or reconstruction) except for the addition of flashboards (or similar adjustable devices);"; and

(b) by redesignating the existing paragraphs.

Sec. 11. Section 26 of the Federal Power Act (16 U.S.C. 820), as amended, is further amended—

(a) by redesignating existing section 26 as "section 26(a)"; and

(b) by adding the following new subsections:

"(b) The Commission may—

"(1) after opportunity for a hearing on the record revoke for significant violation of its terms any permit, license, or exemption issued pursuant to this part; and

"(2) issue such other orders as it deems necessary to ensure compliance with the provisions of this part, or of any lawful regulation or order promulgated thereunder, or of any permit, license, or exemption issued pursuant to this part.

"(c) The Commission may institute proceedings in the district court of the United States in the district in which the project or part thereof is situated for the purpose of enforcing an order of the Commission under subsection (b) of this section. The court shall have the same powers as provided for under subsection (a) of this section.".

Sec. 12. Nothing in this Act shall be construed as authorizing the appropriation of water by any Federal, State, or local agency, Indian tribe, or any other entity or individual. Nor shall any provision of this Act—

(a) affect the rights or jurisdictions of the United States, the States, Indian tribes, or other entities over waters of any river or stream or over any groundwater resource,

(b) alter, amend, repeal, interpret, modify or be in conflict with any interstate compact made by the States, or

(c) otherwise be construed to alter or establish the respective rights of States, the United States, Indian tribes, or any person with respect to any water or water-related right.

Mr. McCLURE. Mr. President, I am pleased that the Senate has turned to consideration of S. 426, the Electric Consumers Protection Act of 1985. This is important legislation, because it resolves a number of issues affecting the Federal Government's issuance of new licenses for certain hydroelectric power projects upon expiration of each initial license. The relicensing process, and particularly the selection of one licensee from competing applicants, has extremely important economic consequences for the electric utility ratepayers who presently benefit, or seek to benefit, from this Nation's hydroelectric resources.

Hydroelectric power is a major renewable energy resource available to millions of Americans, and it has the advantage of being immune from the whims and vagaries of world energy prices. During the decade of the 1970's, when a series of energy shocks swept our Nation, our awareness of the value of hydroelectric power was considerably heightened.

The true value of the hydroelectric resource can be measured in terms of its relatively lower cost of production, and its stabilizing influence on the cost of electricity to the consumer. We recognize the exceptional value of this energy source, and we must ensure the fair and equitable distribution of the benefits of that resource to consumers. Nothing could be gained by encouraging an arbitrary selection system that would award the benefits of hydroelectric power solely on the basis of the nature of the entities seeking those benefits.

Unfortunately, the relicensing issue addressed by S. 426 has become clouded by the misconception that this is a private power versus public power controversy. That is not the case at all. This is a resource issue, and in that context S. 426 favors neither public nor private power interests. As reported by the Committee on Energy and Natural Resources, S. 426 is neutral as to public versus private power concerns, but the legislation does take a strong stand in favor of the customers of existing licensees. It is a simple fact that loss of a license by either a privately owned or publicly owned utility would not only increase electricity rates to its customers, it might also adversely affect the utility's overall system reliability. Thus, the committee concluded that the public interest would be best served by legislation which tends to favor existing licensees, whether privately or publicly owned, rather than another entity.

Mr. President, at this point I shall describe in greater detail the so-called preference issue, which is the major issue resolved by the bill. Pursuant to the Federal Power Act, licenses are issued by the Federal Energy Regulatory Commission [FERC] to non-Federal public and private entities for the construction and operation of hydroelectric power projects. Such licenses may be issued for a term of up to 50 years. At the end of the term of the initial license, a new license may be issued for the project, or the United States may take over maintenance and operation of the project. If a new license is issued, it may go to the original licensee or to a new licensee.

Section 7(a) of the Federal Power Act recognizes that the issuance of a license may be the subject of competition between applicants, and it directs the Commission to choose that application which it finds best adapted to develop, conserve, and utilize in the public interest the water resources of the region. In the event that the Commission finds competing applications equally well adapted, the act directs the Commission to give preference to the applications of States and municipalities.

In 1980, the FERC concluded that the municipal preference applied to relicensing proceedings. Three years later, it reversed its position. The issue is now pending before the U.S. Court of Appeals for the District of Columbia Circuit. The crux of the issue is who will receive the extremely valuable rights to the power production from a facility up for relicensing.

It is evident that the loss of a hydroelectric license would result in higher electric prices for the customers of the licensee. For a utility gaining a new license to an existing facility previously operated by another licensee, a windfall would be received.

Interest in this issue has been heightened because of the large number of licenses which are due to expire in the next few years. Between now and the year 2000, 294 licenses will expire which involve 502 dams with a production capacity of 3,629 megawatts. These licenses are held by both investor-owned utilities and municipalities. Approximately 40 percent of the total installed licensed capacity in the United States is held by public power corporations; 55 percent is held by investor-owned utilities; and the remainder is held by direct industrial end-users, other private developers, and rural electric cooperatives.

These facts readily demonstrate the importance of the preference issue. A large number of utilities and other entities hold hydroelectric project licenses that either have expired or will expire within the next few years. Each of these licensees must continue to plan its future operations, and the question of the license renewal is an important—if not critical—element of that process. Certainly, each licensee is entitled to be able to assess, with a reasonable degree of accuracy, the prospects for renewal of its license. S. 426 would enable licensees to conduct that assessment, by clarifying the preference issue as it relates to the relicensing process.

Mr. President, through the concerted efforts of the senior Senator from Wyoming [Mr. WALLOP], and the ranking minority member of the committee [Mr. JOHNSTON], the Senate is able to consider this important measure at this time. As chairman of the Committee on Energy and Natural Resources, I extend my sincerest appreciation for their efforts and express my admiration for their spirit of cooperation in dealing with and resolving this important and potentially divisive legislative issue.

Mr. President, I thank the members of the Energy and Natural Resources Committee for the assistance that they have given in resolving the issues both within the committee and in the markup and since with respect to agreed-upon amendments which will be offered and accepted this afternoon. I particularly commend the distinguished ranking minority member, the junior Senator from Louisiana [Mr. JOHNSTON] for his usual consistent assistance in getting matters of this kind brought to the floor in an expeditious way.

Mr. JOHNSTON. Mr. President, it has been a real pleasure to work on this bill with the distinguished chairman of the Energy Committee as well as the Senator from Wyoming [Mr. WALLOP]. Mr. WALLOP and I initially started out on this issue from different directions and met on a compromise which we think serves the interests of the Nation and the particular economic and electricity concerns that are inherent in the bill. We think we have a very good bill.

Mr. President, the problem of hydro relicensing has to do with those hydroelectric dams built 30, 40, maybe even 50 years ago that now are supplying electricity, by and large, to a group of investor-owned utilities. Those licenses are now expiring and the question is who should get the license upon the expiration. Of course, the utilities which now have those licenses think they ought to get it and get it automatically because they built it; they have it; they are operating it; their customers have an interest, they think a vested interest, in a continuation of that.

The city group, the municipal group, thinks there ought to be a municipal preference so that at the expiration it should transfer over to the cities and transfer over to them with the payment of little or no compensation—well, really, under the law very little compensation.

Either one of those alternatives, Mr. President, seemed unjust, unworkable and improper to us. We thought that the test ought to be the public interest, and consequently we fashioned a bill which involves a test of the public interest, which we think is about as precise as the mind of man, at least the minds of men of reasonably limited ability, that is, Senator WALLOP and I, could devise after a lot of work. I think it is a pretty good test. What it says is that the Commission shall decide this matter based on a number of factor such as, first, how each plan, that is, the plan for taking over the dam, would develop, conserve and utilize the water resources of the region. Second, the relative economic impact upon customers served by each applicant upon the failure of such applicant to receive the license, including an assessment of the economic impact upon the customers of an applicant, that is, the existing licensee that would result from the difference between the compensation to be paid under section C and the cost of the replacement power. In other words, you look at the economic impact upon the customers if you get the license or if you do not get the license. Third, the economic impact in the case of a nonutility license holder upon the operation and efficiency of the dependent industrial facility or related activity, its employees and the surrounding communities. Fourth, the ability of each applicant to operate and maintain the project in a manner most likely to provide efficient, reliable electric service, and finally the need of each applicant for the electricity generated by the project or projects to serve its existing customers including customers served by any electric utility which receives power from the existing licensee.

So what we do is we look at the customers, we look at the reliability of the electricity, we look at the economic impact upon everyone. It is not an exact mathematical test because indeed a mathematical test is impossible to confect in this kind of situation. But it is a situation that in effect measures the greatest good for the greatest number according to what you might call sandlot justice.

We think it is in that respect a good and fair and workable bill.

Mr. President, hydroelectric generation—the use of falling water to produce electricity—is one of our most desirable energy resources. It's clean and inexpensive compared to other alternatives. For these reasons everybody wants it. Today we move to consider legislation which will determine how a significant portion of the Nation's hydropower is going to be shared in the future. S. 426, The Electric Consumers Protection Act of 1985, would specify the rules under which existing hydroelectric projects not owned by the Federal Government are to be relicensed. The stakes for electric consumers in this matter are high. The gain or loss of a project by a utility as a result of relicensing will generally have a corresponding effect on its electric rates.

Those of the Nation's utilities that control or could potentially control existing non-Federal hydroelectric projects have focused intense concern on Congress' deliberations. On one side of the relicensing debate, electric utilities owned by municipal and State governments claim that as public bodies they have a special right to obtain existing projects for their own customers, regardless of the rate increases that would befall electric consumers already served by those projects. On the other side, investor-owned utilities argue that projects should remain with those who presently control them, whether publicly or privately-owned, unless the award of a license to another entity would better serve the public interest. In order to understand the merits of these positions, some explanation of Federal hydroelectric regulation is helpful.

The Federal Power Act requires nearly all hydroelectric projects now owned by the Federal Government to be licensed by the Federal Energy Regulatory Commission [FERC]. Hydroelectric licenses are issued for a maximum of 50 years, convey the exclusive right to operate a project, and may be the subject of competition between different license applicants. At the end of a license term, a project may be relicensed to the existing licensee or transferred to another applicant upon payment of minimal compensation.

In the initial competitive licensing of a project, FERC is required to issue a license to the applicant whose plans for a proposed project are best adapted to serve the public interest. However, if two license applicants submit plans which are equally meritorious—that is there is a tie, and if one of the applicants is a municipal or State entity, FERC is required to issue the license to the municipal or State applicant.

Mr. President, the principal question now before Congress is whether the tie-breaker preference that favors public power entities in initial licensing should apply in relicensing as well. That question is also before the D.C. Circuit Court of Appeals in the Merwin case. A decision by the court in favor of a public power preference is likely to result in a flood of relicensing applications by publicly-owned utilities and ultimately the transfer of significant numbers of existing hydroelectric projects away from investor-owned utilities and the customers they serve. Unless Congress acts, the court will probably decide the matter based on evidence of Congress' intent in 1920 when the predecessor to the Federal Power Act was enacted. Given the dramatic and unexpected changes that have taken place in the world since 1920, the question of preference in relicensing should not be left to a determination of past legislative intent.

Mr. President, the Committee on Energy and Natural Resources has concluded that a public power preference should not apply in relicensing and that the public interest would best be served by providing a tie-breaker preference for existing licensees, regardless of whether they are publicly or privately-owned. Accordingly, the committee voted 16 to 1 to report S. 426 favorably.

I strongly support enactment of S. 426 because I believe that simple fairness demands a tie-breaker in favor of existing licensees. Unless a competing license applicant can show superior stewardship under a broad public interest standard, there is simply no good reason for the customers of an existing licensee to suffer a rate increase as a result of project transfer, merely so that the rates of a competing applicant can go down. The arguments advanced by public power interests to support a contrary position are wholly unpersuasive.

It has been claimed that a tie-breaker in favor of municipal and State applicants is necessary in order to ensure that State and municipal utilities—which tend to be smaller than investor-owned utilities—have the incentive to compete for existing projects. Such competition is good, it is argued, because it ensures that relicensing results in project improvements.

Mr. President, hydropower is a public resource, and project improvements are a worthy goal. However, the practical opportunities for project improvements in relicensing are limited by the fact that the projects are already built and are thus difficult to alter in any fundamental way. The opportunities that do exist, while potentially significant, are likely to be apparent to all parties, including FERC. FERC has the existing legal duty to require improvements in the public interest regardless of competition. Thus, the value of competition is diminished in the context of relicensing.

Furthermore, as established in testimony before the Committee on Energy and Natural Resources, the fact that the opportunities for project improvements in relicensing are generally apparent means that ties among competing applications are likely. In short, Mr. President, the provision of a tiebreaker preference for publicly-owned utilities would make possible what one newspaper has called the public power "power grab."

Public power supporters have additionally argued that municipal and State utilities should be favored because they are operated for public benefit, whereas investor-owed utilities and other private corporations are operated for private gain. This consideration may have some validity in the context of intial licensing—although municipal and State utilities must themselves generally obtain private sources of capital and provide a return. However, in the context of relicensing the distinction is immaterial. Investor-owned utilities earn negligible profits on their projects currently coming up from relicensing due to the age of the projects and the manner in which the profits of investor-owned utilities are regulated. For all practical purposes, investor-owned utilities pass on the full cost benefits of hydroelectric projects to their ratepayers.

Ultimately, therefore, relicensing presents a conflict between different groups of consumers rather than the different kinds of utilities that serve them. The equities of that conflict hardly favor consumers served by public power.

One might think, Mr. President, that municipal and State utilities are somehow have nots with respect to licensed hydropower. To the contrary, however, public power entities and investor-owned utilities presently control comparable amounts of existing non-Federal hydroelectric capacity—39 percent and 50 percent respectively. Yet public power serves only a small minority of the Nation's electric consumers, and thus, on a per customer basis, publicly owned utilities control approximately four times more licensed capacity than their investor-owned competitors. As a result of this and other substantial advantages, notably tax-exempt financing and preferential access to all federally generated hydropower, the customers of publicly owned utilities enjoy average retail rates that are nearly 30-percent less than those of investor-owned utilities.

Given all these facts, the provision of a tie-breaker preference in relicensing for publicly owned utilities is indefensible. It would amount to nothing less than a taking from the many for the benefit of the already privileged few.

Having said all this, Mr. President, I hasten to emphasize that S. 426 is not directed against public power. To the contrary, the bill would ensure that the customers of publicly owned utilities, as well as those of investor-owned utilities, are protected against the economic disruption of project transfers unless the award of a license to a new licensee would better serve the public interest. I believe that publicly owned utilities are a valuable and essential part of the system we have in this country for generating and delivering electricity. Let no one make the mistake, therefore, of thinking that S. 426 is the first step toward privatizing the Federal power marketing administrations, for example, or doing away with the power marketing preference enjoyed by public power. I certainly would oppose any such efforts.

Mr. President, I have focused on the relicensing preference issue and its relationship to investor-owned and publicly owned utilities because I believe it is the most important matter resolved by S. 426. I would be remiss, however, if I did not mention some of the other significant provisions of S. 426. The bill would specify a set of specific criteria to be used by the FERC in evaluating competitive relicensing applications in the public interest. In addition, S. 426 would make a number of improvements with respect to the treatment of environmental considerations in hydroelectric development. For example, the bill limits the availability of PURPA benefits for projects at new dams, requires more comprehensive consideration of State resource agency license recommendations, and gives FERC greater enforcement powers over licenses.

In closing, Mr. President, I would like to thank the sponsor of S. 426, my good friend from Wyoming, Senator WALLOP, for his dedication to achieving a just resolution of the relicensing issue. I also want to thank the distinguished chairman of the Energy and Natural Resources Committee, Mr. McCLURE, for his leadership in helping to bring S. 426 to the Senate floor. The bill has been crafted in a spirit of bipartisan cooperation. I am gratified to have been part of that undertaking.

The PRESIDING OFFICER. The Senator from Ohio.

Mr. METZENBAUM. Mr. President, first I would like to ask for the yeas and nays in connection with the bill.

The PRESIDING OFFICER. Is there a sufficient second? There is a sufficient second.

The yeas and nays were ordered.

Mr. METZENBAUM. Mr. President, one of the good things about this body is that two people can look at the same piece of legislation, in this case three people, and come up with a totally different perspective as to its value. This Senator believes that this bill should be called the "Private Utility Protection Act." Its purpose is simple and direct, to give private utilities a perpetual stranglehold on a valuable public resource and to crush public power competitors.

Now, we are told this is proper consumer legislation. That matter probably belongs before the Federal Trade Commission because it is false advertising.

In the short term, rates of some existing customers may be maintained; in the long run, though, this legislation limits competition. It reduces the likelihood of new entrants challenging existing private power monopolies; as a result, the downward pressure on rates that robust competition would exert will never materialize. We all know what that means: Fatter profits for utilities and higher rates for consumers.

We will hear a lot of rhetoric about how the present law will result in a massive transfer of licenses to municipals and huge rate hikes.

Indeed, that has been the basis of the lobbying campaign on this bill.

But now the truth is coming out; those claims were sophisticated, trumpted-up deceptions designed to cloak this bill in a pro-consumer mantle.

Utility executives have publicly admitted that the threat of wholesale transfer and subsequent rate increases never existed; now that they have mislead and scared the Senate into acting, they are cleansing their consciences by telling the real truth. But going to confession on Sunday is not sufficient to cleanse the record with respect to their acts the other 6 days of the week.

In a recent Wall Street transcript, the chairman of Pacific Gas & Electric, the most indiscriminate purveyor of the transfer/rate hike claim, stated:

> If the law does not go through the Congress, and the law remains as presently interpreted by the courts that there is such a preference, that doesn't mean ipso facto that municipals get to take over the project, because it still is clear in the law that the FERC applies the preference only if the two applicants are in equally good standing in what they propose to do with the project.
>
> If one applicant would develop the river resource in a more comprehensive, beneficial, economic way than the other, that party gets the project.
>
> And we would expect to prevail on that basis by showing that our plans for the future development of these projects are superior to those of our competitors. We expect to win on that basis.

Well, let us take a look at that.

"We expect to win on that basis." What happened to this question of massive transfers that he and the utility industry have been talking about? What happened to the claims that current law was biased to municipalities? With the law as is, this gentleman indicates that we expect to win on that basis.

The original claims have apparently disappeared on the eve of passage.

Besides destroying competition in the industry, this bill will result in less efficient use of public resources.

It does so by creating standards that are so skewed to incumbents that no prudent municipal will invest the millions necessary to seek a license.

Once again, the public loses and private power wins.

The record is clear that vigorous compentition for hydro licenses has resulted again and again in a wiser, more efficient use of the public's water resources.

The GAO has documented that competition over existing sites has resulted in improvements in power production potential, new fish and wildlife mitigation measures and new or improved recreational facilities.

Private license holders have been forced by challengers to amend and improve their original applications; with this bill, the impetus for such amendments will disappear.

The requirement to establish financial and technical feasibility could be used against challengers to incumbent licensees. For example, the technical capability standard works against a newly formed public power company with no prior experience in operating a hydroelectric facility.

In its Merwin decision, FERC made it clear that it will always favor a company with a proven track record against the promises of a challenger:

> Although we find it difficult to balance PP&L's (the private applicant) good operating record against JOA's (the municipal) lack of such record, we have concluded that PP&L's demonstrated performance is more convincing that JOA's promises.

Further, the phrase "cost effective approach" is ambiguous. Suppose one applicant's plans are more cost effective with respect to power production and another applicant's plans are more cost effective with respect to environmental and recreational factors?

The economic test contemplated in the bill is vague and unworkable. It will be reduced to a numbers game where the winner will always be the applicant serving the most customers. In almost every case, that favors the IOU's.

The language "relative economic impact upon customers served by each applicant upon the failure to receive the license" (section 15(B)(2)) is confusing. Suppose the rates of one applicant's customers would come down 5 cents while the rates of the competing applicant's customers would come down $1? Who does that favor? Also, customers are not defined. Are we talking about customers directly

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served by the utility or also wholesale customers?

The second part of the economic impact test—"an assessment of the economic impact upon customers of an applicant * * * that would result from the difference between the compensation to be paid and the cost of replacement power"—is biased toward incumbents.

A current holder who has benefited from cheap hydro for 50 years will always be able to show some negative impact upon loss of the license. For a competitor, failure to receive the license simply means maintenance of the status quo, which is not, by definition, a negative impact.

Also, competing applicants have had to develop alternatives to not having the power in question for 50 years, including long term wholesale contracts and energy conservation programs. On the other hand, current licensees will claim tremendous negative impacts which may never occur because there is no requirement that their ability to implement conservation programs and to continue receiving power at cost from the site be taken into account.

Continuing, the term "replacement power" is vague. How do you determine the cost of replacement power? Would it not make more sense to refer to the least expensive alternative sources of energy and to explicitly state that savings from conservation should be taken into account?

Over what period do you calculate relative economic impact? Can it be calculated 50 years in advance? Even FERC confessed in its Merwin opinion that—

> The record does not permit a determination of precise costs and rate impacts on PP&L and JOA of relicensing the Merwin project upon which the Commission could reasonably rely with confidence.

In fact, even PP&L conceded in its filing that:

> The circumstances of the case preclude a neat arithmetical calculation determining the exact economic impact in each of the next fifty years.

The "ability to operate and maintain" standard will, like the technical capability test, always favor incumbent license holders against newly formed municipals.

The need standard is also overwhelmingly favorable to incumbents, because it includes wholesale customers as part of a utility's needs. Bulk sales occur when there is excess capacity. Why should that be considered part of a utility's needs? Excess capacity should weigh against a licensee, not in favor of them. Further, there is no requirement that FERC consider the extent to which the challenger will meet the needs of the wholesale customers—as well as the direct customers.

What if a wholesale customer is the competing applicant? Why should a private utility be allowed to count their needs as part of its own.

There is much more to criticize. Suffice it to say that, in the final analysis, it is the special interests who are served by this bill, not the public interest.

With regard to new environmental and comprehensive planning requirements in section 3 of the bill, I was pleased at the inclusion of new language by the committee. I was most dismayed, however, that the committee report accompanying the bill sought to minimize the importance of this language by saying "section 3 does not impose any new duties or obligations beyond those which the FERC is already subject to under existing law now would it modify current FERC practice" (p. 8).

While strong argument can be made that FERC should be developing plans and coordinating closely with the plans of other agencies of all levels of government with regard to how hydropower licensing is handled in a river basin wide context, it is totally false to suggest that FERC is doing this in practice.

The committee heard much testimony to the effect that FERC has long operated as something of a "lone wolf," much to the frustration of many who have had to experience working with it.

The committee report, by implication, appears to endorse current FERC "practice," even though the agency over the past 2 years, has had an abominable record defending its practices below the courts.

The 1984 Escondido Supreme Court decision repudiated FERC's contention that it could override Federal land management agencies' conditions.

The subsequent Tulalip Tribes decision by the ninth circuit voided FERC's overbroad interpretation of its exemption authority, and the Confederated Tribes and Bands of the Yakima—Rock Island Dam—decision soundly criticized FERC's NEPA practices and its manner of handling fishery issues in relicensing. Other more recent cases have underscored concerns that the hydroelectric programs at FERC have major problems in their implementation.

This, I simply cannot agree that the committee report accurately describes the circumstances regarding the Commission's "practices" as affected by testimony we heard which underscored the committees' adoption of the new language.

Mr. President, is the manager of the bill prepared at this point to move with respect to the amendment I am prepared to offer, or are there other opening statements?

Mr. McCLURE. Mr. President, the Senator from Washington indicated that he desires to make an opening statement before the amendments are offered.

Mr. METZENBAUM. I will withhold until he has concluded his statement.

The PRESIDING OFFICER. The Senator from Washington.

Mr. EVANS. Mr. President, my opening remarks will be short.

The three Senators who have spoken before me have spoken wisely, I think, and all have a view of the bill with which I agree in part. So I find myself, perhaps, with a fourth opinion on the relative importance of the elements of this bill.

One thing I do know is that this bill will be of more importance to Washington State than any other State in the Nation. There are a larger number of hydroelectric projects in my State which would be covered by relicensing. Such projects create more electricity and there is a balance currently between publicly and privately owned utilities with licenses that would cause us to be more affected than any other part of the country. While Washington State is involved directly to a larger extent than other States, the Northwest region, with its integrated power distribution system through Bonneville, is certainly affected. And, of course, the whole Nation will be affected by this bill.

This is a much more important bill than the title might indicate. Hydro relicensing is a subject which would send most people outside the Chamber with rapidity. But it is important for the industrial future of the Pacific Northwest, terribly important for the economic well-being and stability of our State. And it is important to try to moderate, if we cannot end, the fights between public and private power utilities which have gone on for years, decades, generations, in this Nation.

In fact, I cut my political eye teeth more than 25 years ago, as a member of the Washington State legislature, on just such a bitter, difficult fight between publicly owned and privately owned utilities over who should have rights to a certain valuable public resource.

The question of who should get a license, however, is less important than the issues surrounding the increasingly competitive uses of our water resources. We think of water as a common resource, except in the arid parts of this country, as relatively abundant. But it has unquestionably become increasingly valuable, and today there are increasingly numerous and competitive uses for the same water.

In the great river systems of the Pacific Northwest, we have created the largest generating capacity and distribution system for hydroelectricity this Nation, and perhaps the world, has ever seen. But those same rivers and that same water harbors one of the

largest fish runs, or used to harbor one of the largest fish runs, of any in the world—that of the Columbia River system. Those runs have been seriously damaged by the construction of hydropower dams.

In the Pacific Northwest, we are attempting to bring those resources back by the wise use of water and making the passage of fish and the generation of electicity more compatible. But that is not all this water is used for. It is a major transportation system to bring agricultural products from Idaho, eastern Oregon, and eastern Washington down the Snake and Columbia River system to the deep-water ports at the mouth of the Columbia. Those dams have created very large and successful flood control benefits for the downstream population. Water from these streams has created enormously productive agricultural areas in the great Inland Empire of eastern Washington, some of the most productive anywhere in the country. Of course, people from all over the country use the waters of this system for recreation.

So the question really ought not be a fight between publicly and privately owned utilities, for certainly that is only a minor portion of what should be the major issue before us. The broader concern is over the wise use of this increasingly valuable resource—water. We cannot and should not descend into bitter squabbles between publicly and privately owned utilities. By doing so, we miss the important and main concerns of this legislation.

I am pleased that in the Energy and Natural Resources Committee we took actions, through adoption of various amendments, to move us toward this larger concern. We added proposals that, in my view, will bring the fish and wildlife responsibility to the fore and treat it as an important factor in any relicensing proceeding before the FERC.

We have narrowed the term of licensing from 50 to 30 years under most circumstances. I offered that amendment for the reason, that each generation, or every 30 years, we ought to have the opportunity to take another look, to see if the current use fo that water resource for hydroelectric energy is still the highest priority and the best use of that water.

In these and many other ways, I believe we have crafted a bill that does address these broader interests. I do not believe, however, that we have, at least as yet, gone far enough. Therefore, I hope that during the course of the debate on this bill there will be further amendments agreed to by the managers on both sides. If not, I will pursue at least a couple of amendments which will further this important goal—the important goal of recognizing water as a resource—and not just confine ourselves to this narrower and contentious problem of who, a privately or publicly owned utility, should receive a new license.

Mr. McCLURE. Mr. President, I take this time only to add one footnote to the conversations that have taken place here.

I think the Senator from Washington, whose State is as much affected by this legislation and these policies as any State in the Union, would also recognize instantly the truth of what I am about to say, and that is that this bill does not affect the licenses only of investor-owned utilities. It regulates the competition between competing utilities, be they investor-owned or public bodies. Am I not correct?

Mr. EVANS. The Senator is correct. In fact, we may well find that in future relicensing applications the competition may well be not just between a public owned and privately owned utility. It may be among several privately owned utilities or between two publicly owned utilities.

Mr. McCLURE. And some of the more severe impacts in the Senator's State or in my State might be competing applications in which the existing license is held by a public body and another public body is the competing applicant?

Mr. EVANS. The Senator is correct. I think that is perhaps the most likely case in many of the projects in our State.

Mr. McCLURE. I take the time to say that only because I do not want it to be cast solely in the terms of the old public versus private debate. It is a different kind of a problem and this bill addresses it and produces a different kind of a result.

Mr. EVANS. I think the Senator is correct in pointing that out. I would add those intraparty squabbles, if you will, between competing publicly owned utilities are just as deleterious to our region as the kind of squabbles that might break out between a privately owned and a publicly owned utility or, for that matter, two privately owned utilities.

The issue and the concern is much broader and much deeper and we ought not to let our focus drift away from that.

Mr. BURDICK. Mr. President, may I ask the Senator from Louisiana what is the intent of this legislation?

Mr. JOHNSTON. I thank the Senator from North Dakota. This bill is intended to reaffirm the preference for States and municipalities in original licensing of hydroelectric projects, while making that policy inapplicable in the relicensing of these projects.

Mr. BURDICK. Does this bill affect the development, pricing, or marketing of power from Federal dams?

Mr. JOHNSTON. No, it does not. I fully support the continuation of the marketing preference afforded States, municipalities, rural electric cooperatives, and public agencies as well as the Federal role in developing these projects, and current Federal power marketing practices.

Mr. BURDICK. I thank the Senator from Louisiana.

Mr. JOHNSTON. Mr. President, I thank the Senator from Maryland.

Mr. THURMOND. Mr. President, the legislation before us today, S. 426, is needed to clarify existing law regarding relicensing applications for hydroelectric projects. Over the past few years, the courts and the Federal Energy Regulatory Commission have seesawed back and forth in decisions as to whether municipally owned or investor-owned utilities should be granted a preference in relicensing procedures. This measure would amend the Federal Power Act to specify that preference in a relicensing application be granted to the existing license holder if the two competing applicants are equal. Such preference for existing license holders is equitable and should be made law.

Mr. President, this measure has strong bipartisan support as evidenced by the 16 to 1 vote it was approved by in the Energy and Natural Resources Committee. S. 426 has the backing of consumers across our Nation as it protects them from electric rate increases which could result from the transfer of hydroelectric projects. I urge my colleagues to support the swift adoption of this legislation.

Mr. D'AMATO. Mr. President, I rise today to reiterate my support for S. 426, the Electric Consumers Protection Act. I commend my colleague, Senator Wallop, for his leadership on this issue. This bill responds to an issue of basic fairness and equity for millions of consumers. At stake are billions of kilowatt-hours of low-cost hydroelectricity. That inexpensive power could be taken away from the vast majority and made available to only a small segment of this country's consumers who, by geographic happenstance, are served by government-run State or municipal utilities if this legislation is not enacted

This is a matter of extreme importance to New Yorkers, since our State is rich in hydroelectric power. This important consumer issue is arising with increasing frequency in the relicensing of existing projects throughout the country. Congress must ensure that no Americans are forced to pay higher electric bills due to a preferential policy that would allow government-run utilities to take away this low-cost energy from millions.

A little background will help to make clear the inequities inherent in such a preferential policy. Hydroelectric projects are licensed by the Federal Energy Regulatory Commission for periods of up to 50 years. When the initial license expires, the existing licensee must file an application with

FERC for a new license if it wishes to continue to operate these valuable projects. At the time of relicensing, other applicants may file applications for the new license in competition with the existing licensee. If a competing application is judged on the merits by FERC to be better adapted to develop the resource, the competitor should, and would, receive the new license for the project.

Because of a lack of clarity in the Federal Water Power Act of 1920, now the Federal Power Act, and several conflicting interpretations by the Federal Energy Regulatory Commission in recent years, the law is now unclear whether competing State and municipal utilities are to be given a preference against existing private licensees at the time of relicensing these projects. If State and municipal licensees have a preference, they will be able to take away hydroelectric projects from existing licensees and their customers simply by filing plans to develop the water resource that are only as good as the existing licensees, not better. Thus, by reason only of the government status of such potential competitors, the low-cost hydroelectric power would be transferred from millions of consumers of existing licensees to the relatively small segment of consumers who happen to live in an area served by a State or municipally operated electric utility. This arbitrary transfer of benefits does not make sense.

If the existing licensee has had a good track record of operating these projects in the public interest and FERC determines the licensee would continue to do so in the future, it should receive the new license. Why cause the economic hardship and disruption associated with transferring ownership of these valuable assets when the public interest in utilizing the resource would not be served as well by the new owner?

The unfairness is readily apparent. In March 1985, for example, municipal competitors were trying to take away 11 hydroelectric projects from private utilities that had developed, operated, and maintained them for the benefit of their customers for periods of up to 50 years or more. Over 8.5 million customers benefited from these 11 projects operated by the existing licensees. The competing municipal utilities had only 955,000 electric customers. This is a 9-to-1 ratio. Using 1983 prices and data, those 8.5 million customers realized, in that year alone, fuel-cost savings based on equivalent fossil fuel generation of approximately $308 million, and such equivalent fuel-cost savings occur year after year. With approximately 177 investor-owned utility hydro projects coming up for relicensing by December 31, 1993, and more after that, these same comparisons will be arising across the country.

In New York State, Niagara Mohawk Power Corp., New York State Electric and Gas Corp., and Rochester Gas and Electric Corp. hold licenses for 33 projects. The licenses for 15 of those projects, representing 39 individual plants and approximately 380 megawatts of capacity, are up for relicensing between now and 1994. Fuel cost savings from these projects for the consumers of New York State amount to tens of millions of dollars each and every year.

Why should Congress allow a policy that could have the effect of making the vast majority of electric consumers in New York worse off for the sake of a handful who will benefit? Already, customers of State and municipal utilities, which represent approximately 13 percent of the electric customers in the country, have preferential access to 68.3 percent of the hydroelectric project capacity in the country. This is because Federal law already give them: First, a preference to obtain initial licenses to develop new hydroelectric sites and, second, a preference to purchase low-cost power generated at federally owned and operated hydroelectric projects. Because the customers of private utilities, which represent 76.5 percent of the country's electric consumers, have none of these preferences, they have only 31.6 percent of the country's hydrolectric capacity. Given these facts, I do not believe it is good public policy for the small segment of electric consumers served by municipal utilities to receive through a relicensing preference even more of such inexpensive electricity simply because of the government ownership status of the electric utility that provides them service.

In New York, hydroelectricity helps to moderate the cost of electricity for millions of consumers served by the New York investor-owned utilities having a generating mix that includes more expensive fossil or nuclear generation or both. If these utilities lose their hydroelectric projects, their cost of electricity will increase. Consumers should not be forced to bear the burden of increased electric rates, no matter what the amount, in order to benefit a relatively small segment of preferred consumers whose only claim on the resource is that they happen to be served by State or municipal utilities.

During the course of congressional hearings on this subject, Mr. William T. Bagley rendered a statement on behalf of the National Association of Regulatory Utility Commissioners with regard to the public policy question of whether a preference should exist. In expressing his support for the House version of the Electric Consumers Protection Act, Mr. Bagley observed that never have so few tried to take so much from so many for so little.

Congress must act now to protect the vast majority of electric consumers by ensuring fair competition for this valuable, low-cost form of electricity in order that it be spread equitably among as many consumers as possible. S. 426, the Electric Consumers Protection Act, would do just that. I am pleased to join in supporting this important legislation.

AMENDMENT NO. 1772

(Purpose: To amend section 10(h) of the Federal Power Act regarding anti-trust laws and policy)

Mr. METZENBAUM. Mr. President, I send an amendment to the desk and ask for its immediate consideration.

The PRESIDING OFFICER. The amendment will be stated.

The assistant legislative clerk read as follows:

The Senator from Ohio [Mr. Metzenbaum] for himself and Mr. McClure proposes an amendment numbered 1772.

Mr. METZENBAUM. Mr. President, I ask unanimous consent that the reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered. The amendment is as follows:

At the end of the Committee Amendment insert the following:

"Sec. 13. Section 10(h) of the Federal Power Act (16 U.S.C. 803(h)) is amended by redesignating section 10(h) as 10(h)(1) and adding a new section 10(h)(2) as follows:

(2) That conduct under the license that: A) results in the contravention of the policies expressed in the antitrust laws; and B) is not otherwise justified by the public interest considering regulatory policies expressed in other applicable law (including but not limited to those contained in Part II of this Act) shall be prevented or adequately minimized by means of conditions included in the license prior to its issuance. In the event it is impossible to prevent or adequately minimize the contravention, the Commission shall refuse to issue the license to the applicant."

Mr. METZENBAUM. Mr. President, this amendment is the product of painstaking negotiations between Senator Johnston, Senator McClure, and myself. It is a compromise in the truest sense of the word.

I think it is extremely significant that it mitigates some of the anticompetitive aspects of this bill.

Finally, I wish to single out and commend the work of Bill Conway, of the Energy Committee minority staff, and Gary Ellsworth and Jim Beirne of the majority staff, for work done on this amendment.

I know at times the negotiation resembled the torture chamber and I appreciate everyone sticking with the process.

The amendment which I have offered is intended to clarify the application of antitrust laws and policies expressed therein to hydroelectric licensing and relicensing proceedings.

Mr. McCLURE. I commend the Senator from Ohio for his amendment which does provide clarification. However, I do have one question. Does this amendment require a nexus between conduct under the license and a contravention of the policies expressed in the antitrust laws?

Mr. METZENBAUM. yes, it does. FERC shall consider all relevant administrative and judicial precedents in making this analysis.

Mr. McCLURE. I thank the Senator and appreciate his response.

I would also like to make clear that this amendment is not a criterion to be applied in selecting an applicant in a relicensing proceeding. It merely required conditions to be imposed on a selected applicant in appropriate circumstances. The amendment does indicate that FERC shall refuse to issue a license in the event it is impossible to prevent or adequately minimize a contravention of the policies expressed in the antitrust laws which is not otherwise in the public interest. However, frankly I cannot conceive of a situation in which appropriate conditions could not be set.

I would like to make clear that this amendment does not alter in any way the public interest standard which is applied in selecting an applicant in an initial licensing proceeding.

Mr. METZENBAUM. Mr. President, I urge the adoption of the amendment. I think that the managers are prepared to accept it.

Mr. McCLURE. Mr. President, the Senator is correct.

I think anybody looking at this amendment would be amazed that it is the product of 4 months of intense negotiations because on the face of it it does not look that way, but it seriously is that, and I think it is a good product.

I thank the Senator from Ohio, the Senator from Louisiana, and their respective staffs and the committee staff for having made it possible to reach this agreement. I appreciate the cooperation of all those who have been involved in it.

I support the amendment as offered and indeed I am a cosponsor of the amendment.

Mr. JOHNSTON. Mr. President, I am delighted that this very contentious and difficult matter could be worked out amicably. It did indeed require 4 months because it is a difficult matter and it has been settled.

In that spirit, I wish the Senator from Ohio could say some nice things about the bill as a whole now that it will contain his handiwork. It makes a great bill even greater.

Mr. METZENBAUM. The Senator from Louisiana makes a reasonable request, but I am not quite in a position to indicate that kind of enthusiasm for the bill.

But as some way of accommodating his wanting me to offer greater praise, I do want to say that it was not I who sat through those torturous negotiations, but Doug Lowenstein, of my staff, who was a party to it, and deserves much of the credit with the others I have previously mentioned for having brought about that result.

Having said that, I will say this amendment makes a bad bill a little better but does not really make it very good.

Mr. JOHNSTON. Mr. President, I am informed by my staff who did negotiate with the Senator's staff and with Doug Lowenstein on this matter that he indeed did do an excellent job, does deserve a lot of the credit, and I might suggest that he stand in for the Senator on the floor. This matter might be handled with greater expedition if he does.

Mr. METZENBAUM. I have no problem with his doing that. If I could get unanimous consent to that effect, I am sure he will handle it well.

The PRESIDING OFFICER. Is there further discussion on the amendment,

Mr. GORE. Mr. President, I wish to speak on the bill itself.

The PRESIDING OFFICER. Will the Senator withhold? We are now on the amendment which we are just proceeding to adopt.

Mr. GORE. I withhold.

The PRESIDING OFFICER. Is there further discussion on the amendment?

Without objection, the amendment (No. 1772) is agreed to.

Mr. McCLURE. Mr. President, I move to reconsider the vote by which the amendment was agreed to.

Mr. METZENBAUM. Mr. President, I move to lay that motion on the table.

The motion to lay on the table was agreed to.

The PRESIDING OFFICER. The Senator from Tennessee is recognized.

Mr. GORE. Thank you, Mr, President.

I rise to speak against this legislation. I commend those who have worked long and hard to bring it to the floor of the Senate, and I commend those who have worked hard to improve it.

But in spite of the negotiations that have taken place and in spite of the amendments that have been agreed to, this is still fundamentally a bad bill, in my opinion, and should not be enacted into law.

I realize that it will be enacted into law and I realize that my views are in the minority within this body but I would, nevertheless, like to state my views: It is a poor proposal essentially for four reasons:

First, it undercuts the basic premise that the Nation's rivers belong to all its citizens and cannot be ceded in perpetuity to private parties.

Second, it rejects the principle that competition for licenses is an effective means for insuring comprehensive water development in the public interest.

Third, it ignores the real-world implications of monopoly tendencies in the electric utility industry.

Fourth, it discards the historical reasoning that resulted in passage of the Federal Water Power Act of 1920 to protect the public interest.

Today, we take for granted that the Nation's waterways belong to the people. But that was not a universally accepted idea at the turn of the century. On the contrary, private power companies maintained that ownership of the land adjacent to the rivers gave rise to rights to use the rivers which were subserviant only to Federal interests in navigation. Congress refused to accept this theory, and eventually the idea of public ownership of the resource was reflected in the Federal Water Power Act of 1920, which established public preference in licensing and relicensing and the Federal recapture provisions of the law.

That law codified the concept that the water resources of our country are owned by the people and should be developed in so far as possible for their benefit.

A second major theme in the long history of the act—the end result of nearly two decades of congressional struggle—was the refusal to allow perpetual control. This thought was stated in 1908 in the veto of the Rainy River bill by President Theodore Roosevelt. President Roosevelt spoke at that time about the award by Congress of special permissions to use certain river reaches. He said this in his veto message:

> The present policy pursued in making these grants is unwise in giving the property of the people and the flowing waters to individuals or organizations practically unkonwn, and granting in perpetuity these valuable privileges in advance of the formulation of definite plans as to their use.

Existing law reflects President Roosevelt's point of view by limiting the term of the permit awarded for use in a particular site and insuring opportunity of new users to benefit from use of the location.

Another central element in the development of water power legislation was the fear of monopoly control over water and over the generation and distribution of electric energy.

The report of the Inland Waterways Commission to President Roosevelt in 1908 expressed the concern in the following was:

> In the light of recent progress in electrical application it is clear that over wide areas the appropriation of water power offers an unequalled opportunity for monopolistic control of industries.

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President Roosevelt and Congress reacted to that concern by not only limiting license terms but also by setting up antimonopoly preference provisions for public bodies to prevent potential abuse of monopoly power by private parties.

The comprehensive development test was a fourth feature of the 1920 law which retains its validity today.

Public policy makers recognized that the rivers were clearly suitable for a multiplicity of uses from power production to navigation to irrigation to recreation. But only power production produces revenue. There was a fear that private companies would seek only to exploit power production to the detriment of other useful purposes to which the river might be put, and that profit maximizing might block full use of the potential of the waterway.

For that reason, the 1920 statute directed the Government to issue licenses to those applicants whose plans are "best adapted to a comprehensive plan for improving or developing a waterway or waterways for the use or benefit of interstate or foreign commerce, for the improvement and utilization of water power developments, and for other beneficial public purposes. * * *" Because many believed that public agencies would be better trustees of this public resource than private corporations, they were accorded a licensing preference.

Thus, history shows us four major themes embodied in the existing law which governs licensing of hydroelectric plants—public ownership of the resource, control of monopoly power, prohibition against perpetual rights, and a commitment to comprehensive development.

S. 426 does damage to all four ideas.

It takes away the preference granted to smaller, nonprofit, consumer-owned electric utilities in the licensing of hydroelectric projects and substitutes an assurance that existing licensees will keep a public resource forever. By effectively eliminating competition by public bodies, the bill abandons the comprehensive development test and enhances the monopolistic position of the Nation's largest private power companies.

A quarter of a century ago, a man I never met but whose words I admire—Gus Norwood, former executive director of the Northwest Public Power Association—said this:

> Within the common law a large body of laws, principles and precedents has become established on the subject of perpetuities.
>
> The gist is that perpetuities are contrary to the public interest.
>
> A similarly large body of law and tradition has grown in the United States on the subject of monopoly.
>
> The gist is that monopolies are against public interest.
>
> It follows that a monopoly in perpetuity is doubly against the public interest.
>
> If the United States intends to relicense automatically all outstanding licenses issued by the Federal Power Commission, then there is no point in discussing the terms of the license. Practically, the term is perpetual. Some people think 50 years is already too close to perpetuity.
>
> The legislative history of the Federal Power Act not only does not support the idea of licenses in perpetuity, but indeed is focused sharply on preventing and abolishing the idea of licenses in perpetuity. That's what this is all about.
>
> It is well also to understand just what a license amounts to. There is much confusion on the meaning of an FPC license. Firstly, it is not a sale of the dam site or a sale of the water. Secondly, it is not a contract, lease or rental arrangement. Thirdly, it is a privilege to occupy a site and produce power. Ownership in the dam site and rights to its use remains in the people of the United States. It is part of the public domain.

These are simple, straightforward words which explain some very large, important concepts which are violated by S. 426.

There is no need for this legislation. Private power company interests who have pushed it admit this themselves. Listen to the chairman of Pacific Gas & Electric Co., as quoted on preference in relicensing in the Wall Street Transcript:

> If the law does not go through the Congress, the law remains as presently interpreted by the courts that there is such a preference, that doesn't mean ipso facto that municipals get to take over the project, because it still is clear in the law that the FERC applies the preference only if the two applicants are in equally good standing in what they propose to do with the project. If an applicant would develop the river resource in a more comprehensive, beneficial, economic way than the other, that party gets the project. And we would expect to prevail on that basis by showing that our plans for the future development of these projects are superior to those of our competitors. We expect to win on that basis.

Only a handful of license applications are contested. But where they are, the competition has pushed private utilities to amend their applications with improved plans, including expanded power production, new fish and wildlife protection measures, and better recreation facilities for the public.

S. 426 uses an economic impact test to stack the deck in favor of the companies winning licenses. One "might-makes-right" element even suggests that the utility with the largest number of customers is the automatic victor, a principle which would assure that General Motors got every Government car contract and that Exxon fueled each such vehicle.

In short, Mr. President, S. 426 is giveaway legislation. It gives away public protections that have guarded our water resources for nearly three-quarters of a century. It is unnecessary and undesirable. And, in spite of the fact that I realize it has strong support here in this body, for reasons that I believe I understand, I will vigorously oppose this bill while, nevertheless, working with my colleagues to try to improve its eventual impact.

I yield the floor.

(Mrs. KASSEBAUM assumed the chair.)

Mr. BURDICK. Madam President, will the Senators from Idaho and Ohio affirm my understanding of the Metzenbaum amendment that nothing in this subsection shall be construed to vest the Commission with primary, exclusive jurisdiction over any allegation, claim, or other matter which could arise under antitrust laws? I address the question to the Senator from Ohio and the Senator from Idaho.

Mr. McCLURE. Madam President, will the Senator yield?

Mr. BURDICK. Yes.

Mr. McCLURE. The answer to the question is, the Senator is correct. I think, from my discussion with the Senator from Ohio, he agrees that that is correct.

Mr. BURDICK. I thank the Chair.

Mr. MELCHER. Madam President, I, too, want to make a comment on the amendment worked out on antitrust by the Senator from Ohio, Senator METZENBAUM, and the Senator from Idaho, Senator McCLURE. I commend them on addressing what I believe to have been a rather serious flaw in the bill itself. Having made that correction, there is a reason to be confident that some of the serious antitrust problems that might arise can be either eliminated or taken care of properly.

There is one other point in the bill that is lacking as of now that I believe is essential, and that is to address wheeling services. I shall offer an amendment at some point which would balance the bill by addressing some of the problems smaller utilities have had in obtaining transmission or "wheeling" services from larger utilities.

This hydrorelicensing bill provides an opportunity to solve many of the transmission problems of smaller public and private utilities and rural electric cooperatives. This opportunity should not be wasted. Broader wheeling provides for efficient and fair distribution of electricity at reasonable rates to all consumers.

The amendment that I shall offer does not create a new wheeling requirement; instead, it amends the existing wheeling provisions of the Public Utilities Regulatory Policy Act of 1978 to remove the unduly restrictive aspects of these provisions which, to date, have prohibited the Federal Energy Regulatory Commission from issuing any wheeling orders under PURPA.

We had the act in 1978, and since then the Federal Energy Regulatory Commission has not issued any wheel-

ing orders, not one. So somehow we failed.

The PURPA provisions have been interpreted by the courts very narrowly to bar a wheeling order if the utility seeking the order is presently a customer of the utility that would be ordered to wheel.

In light of this restricted interpretation it seems to me to be very necessary to strike the provisions of section 211 of PURPA which requires that a wheeling order "reasonably preserves existing competitive relationships."

Those five words read very well to me. But yet, without an amendment to PURPA competition in the market for wholesale power will continue to be seriously deterred. In addition, the amendment which I shall offer makes several technical changes to facilitate wheeling while protecting the ratepayers of existing licensees.

I believe we need to strike the provision which bars a wheeling order to a utility which currently provides to an applicant power subject to a rate schedule on file with FERC. My amendment will not alter the restriction which bars a wheeling order to a utility required to provide power to an applicant pursuant to an existing contract. I do not believe that we should authorize FERC to issue a wheeling order that interferes with an existing power contract.

So the sum and substance of the amendment which I shall propose is a rather narrow wheeling amendment. The utilities should not be allowed, as seems to be the case now, to refuse to wheel power to an applicant in perpetuity simply because it filed a rate schedule at FERC with respect to a licensed applicant.

Finally, the amendment that I shall offer provides that a wheeling order not unduly affect the cost of service provided by the licensee.

That, obviously, is to protect consumers by requiring that a wheeling order not unduly affect the cost of service. This kind of amendment does not change the important provisions of PURPA which protect the customers of large utilities which are required to wheel power. Any utility applying for a wheeling order would still be required to demonstrate that wheeling is in the public interest, and would: First, conserve a significant amount of money: Second, significantly promote the efficient use of facilities and resources; or third, improve the reliability of any electric utility system to which the order applies.

In addition, the wheeling order could not be issued if it impaired an existing transmission contract which is inconsistent with State law, or providing for transmission of energy directly to an alternate consumer.

Finally, an order would not be issued if it places undue burden on or unreasonably impairs the reliability of any electric utility affected by the order, or would impair the ability of any electric utility affected by the order to render adequate service to the customers. That, obviously, is to make sure the continued reliable and efficient electrical service would continue for all ratepayers.

I strongly believe that the wheeling issue should and must be addressed by Congress if hydrolicensing legislation is to be fair. I urge my colleagues to support this amendment, and correct the problems which have developed in the application of the PURPA wheeling provision, and in assuring that Congress does not pass legislation whose sole impact would be to reduce competition and enhance the privileged position at the expense of other utilities and their ratepayers.

Madam President, there is nothing very mysterious about all of this. It is in the public interest. We have somehow gotton into sort of a crevice that says, well, PURPA passed in 1978 took care of anything to do with wheeling. Who wants it? What advantage would there be to amend it again?

First, of all, the act passed in 1978 had not provided for any wheeling. Not one single order for wheeling since 1978 has been given out of FERC.

Where is the wheeling? What did PURPA do to help wheeling? And wheeling is not difficult to understand. It is this simple: If there is some room on a transmission line to transport, say, a rural electric's power, then that transmission line will carry that power. There has to be room. And it has to be paid for.

We have on the question of oil pipelines and gas pipelines a requirement for what we call the common carrier provision—the same provision.

If there is room on a pipeline, then you have to carry that additional oil or gas. It is paid for. You might say, why do we need the law on that. We need the law on that simply because sometimes it was competitively better for the owner of the pipeline not to transport anybody's oil or gas. We found it in the public interest to make certain that could happen.

I want to reopen wheeling. I want to reopen it on a very narrow basis. I think this amendment that I shall offer does that. But there may be others here in the Chamber now, or who will read the RECORD, or hear the debate, and hear of my proposal who may take umbrage with it and may disagree. If that is the case, I would like to understand what the disagreements are, and why this would not be in the public interest. That is what I would like to understand.

If I can be convinced that it is not in the public interest, then I would not offer the amendment. Or perhaps there is something I have overlooked in the amendment, or am not familiar with, or do not understand correctly. If that is the case, I would correct the amendment on the oversight or the misunderstanding.

But surely what I have described here in these past few months is clearly in the public interest. Therefore, I hope when we do get to a vote on the amendment that we have it in the proper form because I do believe this bill has come a long way, and can be termed a bill that is well balanced and necessary providing we can take care of this wheeling situation.

Madam President, I yield the floor.

Mr. McCLURE addressed the Chair.

The PRESIDING OFFICER. The Senator from Idaho.

Mr. McCLURE. Madam President, I know the Senator has not yet submitted an amendment. I will respond not to the detail of the amendment, which I have not seen.

To respond in general terms to the thrust of the statement of the distinguished Senator from Montana, the Senator from Washington has already indicated that he is grateful, as the Senator from Idaho is grateful, that we have not gotten into the public versus private power fight, that we have skirted that issue and avoided that issue in this legislation. I am grateful for that because it makes the legislation possible and makes resolution of a very difficult issue possible.

It may be possible to construct some kind of a limited wheeling arrangement that would not, in my judgment, destroy our opportunity to legislate.

As I listened to the Senator from Montana, I believe that what the Senator has suggested would thrust us back into the same kind of a long embedded fight that has been going on for so long that the results of that fight are predictable. To try to resolve the broad questions of wheeling in this legislation would be fatal to the legislative effort.

I am going to make a statement at this point and I do not know that it will be of any help to the Senator from Montana.

I believe that transmission arrangements between utilities that deal with both their competitive positions and their opportunities to serve consumers, and the flip side of that, the opportunity for consumers to have access to blocks of electric power, is where a lot of the economic business and legislative activity may be focused over the next decade.

In the last 10 years we have seen just exactly that kind of a discussion going on in the gas pipeline industry, where there are questions of common carriage, which are within the jurisdiction of the Commerce Committee and which have been debated there at length, and they have been debated in the context of contract carriage within the context of an omnibus natural gas

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bill which we tried to fashion in this committee.

Just as we have before the Federal Energy Regulatory Commission today those questions of contract carriage, common carriage, freeing up the market to more competition and more access to supply having been the recent debate in the natural gas industry, I think it will likely be the future debate of the electric utility industry.

Having said that, the parallels are not exact. The electric utility industry is not the natural gas industry. It is structured differently, its relationships are different, the regulatory processes have evolved in different lines and, therefore, the similarities, while obvious, are limited. The differences are also obvious.

I anticipate that what the Senator from Montana is doing is not only a continuation of the old debates that have been very evident over the last several decades but also a precursor of the debates that will sharpen the policy choices that will be discussed over the next decade, or within the next decade.

I do sincerely hope that the Senator from Montana will decide that, although it is a serious issue, this is not the time or the place to resolve it, and that indeed it will probably be impossible to resolve it in the context of this legislation. I hope he will not offer the amendment.

Mr. JOHNSTON address the Chair.

The PRESIDING OFFICER. The Senator from Louisiana.

Mr. JOHNSTON. Madam President, this little simple-sounding amendment is what we call in the trade a killer amendment because cloaked in these few words is a great deal of mischief and a fundamental change in policy in the way public utilities operate.

It would build unfairness upon inequity upon great expense to utilities and all clothed in very simple, mild, fair-sounding language.

Ultimately at issue here, Madam President, is the question of what we call wheeling. Wheeling is, of course, what might be the obligation of a utility to use its lines or wires, if you will, to carry electricity from someone else to someone within their territory.

If we may use the example of the U.S. Capitol here in Washington, DC., in a territorial area served by Pepco, let us suppose that the Capitol decides they do not want to be served by Pepco, that they have a deal where they can get power from the city of Warrenton, VA, let us say. So the Capitol goes to Pepco and says, "Will you wheel that power to me from Warrenton? I have a better deal from Warrenton."

Under the Senator's amendment that would be permitted or in some cases required to be done.

One of the fundamental problems with his amendment, Madam President, is that under State law, and maybe my example is not too good because this is the Dictrict of Columbia, though I think the District of Columbia is similar to State law, State law will usually require that all customers within a geographic area, in this case the Capitol, would be entitled to power from Pepco at any time. That means that even though the Capitol made a deal with the city of Warrenton to get power wheeled in at some cutrate price for some period of time, Pepco would still be required under State law to furnish the power, what you might call backup power, standby power, or ready-to-serve power to the Capitol.

What is the significance of that?

The significance of that, Madam President, is that Pepco has all the cost without getting compensated, because the cost is in being ready to serve.

It is like the fire department. The fire department has its costs going on whether it has to fight a fire or not. In this case, Pepco, or your utility whoever it is around the country, would have its costs in standby obligation to serve. This amendment makes not one whit or one jot or tittle of a suggestion as to how that compensation would be taken care of. The fact of the matter is it would not be.

It would be an enormous inequity and a great expense to utilities in the kind of situation I referred to.

The fact of the matter is, Madam President, that electricity and wheeling is an enormously complicted subject. We did deal with that in earlier legislation. We had agonizing, difficult, and protracted hearings dealing with this very esoteric subject. It is not at all like a pipeline. In a pipeline, oil is shipped from point A in a straight line through the pipeline to point B. Electricity does not act like that. Electricity goes through a grid and goes through the point of least resistance, the point that is carrying at that point in time the least voltage or the least power. So to get from point A to point B the electricity may take a couple of loops around the alphabet before it gets from A to B because that is the way the electricity is flowing on that day.

In the process of doing that, it displaces power throughout the alphabet that I have just described; it displaces the ability of others to transport that electricity.

All of these intricate relationships, Madam President, are entitled to be taken care of and they ought to be considered, where necessary compensated, with provisions made for that.

A wheeling obligation would affect not only the fairness and the economics of the situation but would also affect the reliability of power transmissions.

Mr. WALLOP. Will the Senator yield at that point?

Mr. JOHNSTON. Yes.

Mr. WALLOP. The point the Senator is making is very important, with one tiny expansion, and that is who is getting compensated. The "who" is the consumer of the power which is being wheeled and taken.

It is not the company, it is the consumers who are, under these programs, obligated to continue to pay for the retirement of the debt that exists on the hydroelectric installation. So it is not a question here of leaving Pepco, for example, uncompensated, but the very consumers of Pepco uncompensated. It means a rise in their rates in order to compensate for mandatory dispersal of the power they are entitled to because of the fact that they are the ones who are building it.

Mr. JOHNSTON. Madam President, I thank the Senator for making what is a very fundamental point. Sometimes when we deal with a bill, we forget the forest for the trees.

The Senator's point is exactly the point. That is, it is the Pepco customers who would have to pay for that obligation to have the standby power uncompensated. I really do appreciate his making that point. It is fundamental to this bill.

Madam President, we knew what we were doing in the Senate when we passed PURPA because those amendments to section 16 U.S.C. 824(k) were Senate amendments which were passed as part of PURPA. As I say, it was passed after long hearings. This provision with respect to wheeling goes way beyond and indeed has little to do with the question of hydrorelicensing. It is like putting an abortion amendment on a simple appropriation bill. It is designed to sink—well, it may not be designed to, may not even be the purpose or motive to sink the legislation, but that would be the effect.

I hope, Madam President, that my dear friend, the Senator from Montana [Mr. Melcher], would offer this matter up in a discrete piece of legislation to give us time to hold hearings on it to determine the intricate relationships between the customers of the various utilities, to treat them fairly and equitably and without upsetting these relationships.

It has no place on this legislation. It has no place being considered on the Senate floor until the difficulties which it poses are considered in hearings.

Mr. WALLOP. Madam President, I ask unanimous consent that Senator Hollings be added as a cosponsor.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. WALLOP. Madam President, I rise in complete support of S. 426 which I introduced on February 7, 1985 with 12 original cosponsors. As

we consider the bill today, and with the addition of Senator Hollings, the bipartisan support of this legislation has almost tripled to 33.

Before we immerse ourselves in the heart of any debate on this bill, I want to especially thank both Senators Johnston and McClure for the hard work they have personally put into the Wallop-Johnston compromise we passed out of the Energy Committee on October 2, 1985, and which is the version we are presently considering today.

This compromise came about as the result of extended debate between Senators McClure, Johnston, and myself as well as with other members of the committee. The compromise was offered in recognition of the fact that form, not substance, separated Senator Johnston's bill, S. 403, and my original bill. As a matter of policy, both bills were identical in my mind. By fine tuning the new relicensing evaluation criteria offered in the S. 403 approach to relicensing, existing licensees should have a reasonable opportunity to retain the projects they built and paid for in a relicensing proceeding against competitors for the license. In our view in a relicensing proceeding free-for-all competition is simply not in the public interest. What is important is protecting electric consumers from potential power disruptions based on greed, and not need. In relicensing the project represents power in use.

This compromise version also clarifies that the municipal preference clause does not apply in relicensing. Also, new public interest criteria are added which the Federal Energy Regulatory Commission [FERC] must utilize in determining which applicant has the best adapted plan in a relicensing proceeding.

A new feature added by the compromise bill requires applicants to be economically and technically capable of carrying out the plans it proposes in a relicensing proceeding. The plans must also be cost-effective in their approach to achieving the benefits to be derived therefrom. In other words, artificial bidding up of the proposed plans by a competitor who is seeking to take over the project in order to get the windfall gains represented by the actual value of the hydro projects over their takeover price under the net investment test in existing law will be disallowed.

This provision, along with new evaluation criteria requiring that FERC consider in its economic impact criteria that if a license transfers new replacement power will have to be acquired at a much higher cost, allowed me to drop the provision in the original version of S. 426 which would have required that "just compensation" be paid to an existing licensee if a license transferred. Together, these elements in the substitute stop the "raids" on hydro licenses based on windfall profits which I was seeking to avert with my "just compensation" provision.

This compromise also moves us into the 20th century in a relicensing situation by establishing solid relicensing criteria which the Commission must exclusively use in a relicensing proceeding. These standards have been carefully thought out, and they are much broader in dimension than the standards presently used by FERC in initial license proceedings.

Last, but not least, a proviso has been added which would allow litigants currently trying relicensing cases to proceed under existing law. This has been done at the express request to both parties to the Merwin Dam proceeding.

On behalf of the millions of electric consumers served by the 180 investor-owned utility hydroelectric projects which will come up for relicensing before 1994, I urge the Senate to pass this important legislation.

Madam President, I compliment the Senator from Louisiana on the argument he made. There is one other problem with all this. That is the uncertainty that would be created by the adoption of the amendment of the Senator from Montana. First, if utilities are required not to serve major consumers and are left with only the poorest of consumers, then there is real question as to whether or not local regulatory agencies, whatever they may be called in a given State, would pass on this uncompensated use of power to the consumer, the lower-income consumer. All then is a matter of rates between the industrial consumers and otherwise.

It is likely that you would have some diminution of use of that power which evolves then down to uncompensated taking from stockholders or, worse still, uncompensated taking requiring diminution of efficiency.

As the Senator correctly pointed out, it is really a very complex issue where power goes and who gets to use it and how those relationships are maintained. We have in this country, I think it is fair to say, perhaps the cheapest unsubsidized electric power in the world. To distort this with what are perhaps good ideas but that are not fully developed in concept is to begin to make disruptions in the system which I think we would all regret, but particularly the most regrettable instance in all of that would be the electric consumer. That I think we ought not to lose sight of in this process.

Madam President, I thank the Senator from Louisiana.

Mr. JOHNSTON. Madam President, I do not know whether the Senator was here earlier when I praised him and complimented him for being so effective in putting this legislation together and in working together on fashioning a compromise. I really think it was legislation at its best which the Senator from Wyoming has exemplified, along with the chairman of our committee [Mr. McClure].

Having put together this one compromise and seeing that there is no amendment now pending, I hope that maybe the Senator from Montana is ready for passage.

Mr. MELCHER. Madam President, I think we are going to get closer to an understanding of the issue and this discussion has been so far instructive, though not too helpful.

First, both the managers of the bill have had the amendment before their staffs. I do not know how much attention was given to it, but at least their staffs have had this amendment. My purpose in discussing it this afternoon is to get some specifics. If this amendment does not do just what I described a few moments ago, I would appreciate learning where it fails.

Mr. JOHNSTON. Would the Senator yield at that point?

Mr. MELCHER. Not at this point. I hope the distinguished Senator from Louisiana will not get discouraged, because I shall yield in just a few moments.

It seems we are not even discussing the same thing so far. PURPA was passed in 1978. It has a section 211 which, among other things, requires that a wheeling order would reasonably preserve the existing competitive relationships.

1978 was 8 years ago and so far, because the courts have interpreted it rather narrowly, there has not been a wheeling order issued. So somehow, we bobbled, in section 211 of PURPA, any possibility, any likelihood, any chance for a wheeling order.

Mr. JOHNSTON. Madam President, will the Senator yield on that point?

Mr. MELCHER. I am sure the Senator from Louisiana would not want me to yield to lose my train of thought or anything. I know it is important, so I am going to yield.

Mr. JOHNSTON. Just on this question of how many orders have been issued, Madam President, the staff advises me that the Senator is correct that there have been no orders issued, or perhaps one order issued. I am also advised, however, that there have been many, many voluntary wheeling arrangements entered into and those have been voluntarily entered into for two reasons.

First of all, because of the existence of this provision which makes wheeling possible under the circumstances as set forth in the act, and where they would be liable to get it ordered anyway, they tend to do it voluntarily.

Second, and perhaps most important, under the antitrust laws, the wheelers, prospective wheelers, sense

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in some cases an anticompetitive obligation to wheel, which I think impels them to voluntarily do so. So the voluntary use of the wheeling device has been very wisely entered into, and it has been done without a resort to these provisions.

Those are the two main points. One additional point. There is just not a huge amount of transmission capacity available for wheeling. The indication we have is that it is rather narrow in scope and to the extent that it is available it is voluntarily used to a large extent.

If I may add one more point, our chairman has just indicated to me that if the Senator would put this in as freestanding legislation, he could guarantee hearings on it because it is a very serious question. The Senator says if he is not right, he would like to know the answers. Well, correspondingly, if we are not right, we would yield to evidence to the contrary, which the hearing process would establish. I hope the Senator would take a promise of prompt hearings on this legislation as being the best way to solve a very difficult, complex, and challenging issue.

Mr. MELCHER. I thank my friend from Louisiana. I want to take that last point first in my discussion. First of all, it is a serious enough issue to be addressed. Second, there has been plenty of time to hear from everybody on this. We had this bill before us I think sometime in November or October. We are not raising anything new here. Third, there are people who would like to see this in this bill. Now, they are not very strong in terms of dollar value. They really do not have a lot of clout. Some rural electrics—I do not know how many of them, perhaps all of them in the United States—would like to see this provision put in the bill. Some small utility companies would like to see this provision put in the bill. Some municipalities would like to see this provision put in the bill.

On this matter, if there had even been one order issued by FERC since the 1978 passage of PURPA for wheeling, I would like to know about it—even one.

The Senator from Louisiana certainly is positively correct that there have been some wheeling agreements, voluntary wheeling agreements, and should there not be. They get paid for it. They get paid for doing it. It is profitable. It is not something shoveled on them. It is profitable.

So the question naturally comes up: Why would they not do it? Why would they not do it voluntarily?

The answer to that I suspect can be put in one word. There may be other reasons, but I suspect that the main reason is they want to prevent some competition.

Now, we had some discussion about who is going to pay for this. Well, of course the consumer pays for it. But what are they paying for? The consumer pays when rates are raised. As I described the amendment that I shall offer, we have that protected. It could not possibly be ordered in to raise somebody's rate. And so really the question evolves, if we do not put it in, who pays? Does somebody have to pay more? Well, the answer to that is if somebody is not wheeling just because they do not want the extra competition somebody pays. So the amendment is not causing consumers to pay more.

That is why I want the amendment. It is in the public interest, I believe. It is in the public interest. It is not so confusing. It is rather elementary. When was greed confusing? That is what anticompetitiveness is—greed. We would not have common carrier provisons in Federal law if it was not to strike down some anticompetitive obstacle.

They are in the public interest. We are not repealing those common carrier provisions. This is not a very broad provision that I an offering. It is a very narrow one. If these comments are not correct—I made them earlier—if they are not correct, I would like to know why they are not correct.

Specifically, the amendment which I will offer does not alter the restrictions which bar a wheeling order to a utility required to provide power for an applicant pursuant to an existing contract. It is obvious why we want that. They could not possibly ask for that. I do not believe that we should authorize FERC to issue a wheeling order that interferes with an existing power contract. That would go against my grain. I would not offer such an amendment, so I do not believe the amendment does that.

But I do not believe we should allow utilities to refuse to wheel power to an applicant in perpetuity simply because it filed a rate schedule at FERC with respect to a licensed applicant. I think all my colleagues would share that view. And then the amendment specifically provides that a wheeling order not "unduly affect the cost of service provided by the licensee."

So it is an amendment to protect consumers. It is an amendment to help those consumers of the small utility, rural electric, that would need wheeling.

Finally, I should repeat that in those instances where wheeling would be directed by FERC to conserve a significant amount of energy, that is in the public interest, and a wheeling order issued by FERC would have to significantly promote the efficient use of facilities and resources.

Mr. JOHNSTON. Will the Senator yield at that point?

Mr. MELCHER. Let me give the final response.

Also, it has to improve the reliability of any electric utility system to which the order applies. That is in FERC.

I yield to the Senator from Louisiana.

Mr. JOHNSTON. Madam President, the Senator asks what is wrong with the language that says that in the case of any electric utility affected by the order it is not unlikely to unduly affect the cost of service provided to its customers.

As I say, that on its face seem to answer the question. It seems to be fair. It seems to be good. Of course, initially, it was a question of what "unduly" means, and that is a very wide question. But the principal problem with that is that it is not FERC's right or obligation to set the power rates. Rather, it is the duty and obligation of the State to set those power rates.

I think the State, in effect, will make that determination after FERC has already ruled, and FERC cannot have any idea what the State is going to do, and the State would not be bound by this phrase here, "likely to unduly affect the cost of service." That does not bind the State at all. As a matter of fact, the thought is that the State will set those rates as they always have, and that is, set the rates without respect to wheeling.

Mr. MELCHER. The Senator from Louisiana is absolutely correct. The States are going to set the rates.

The point is that FERC is going to hear the evidence. The point is that it could be reopened. Even after giving the wheeling order, it could be reopened. FERC does not set rates—we understand that—and they are not going to set rates under this bill, under any amendment I should offer, or anything else. But the argument that it would increase rates would nullify any chance of a wheeling order.

If the argument were fictitious and could be proved to be fictitious to FERC's satisfaction, it might issue the wheeling order.

What the Senator from Louisiana is leading up to is that, after a while, some public service commission, even in my State, would say, "Look, you made a mistake."

By the way, Montana Power is a privately owned utility and sees no harm in having the wheeling provision in this act.

If FERC granted one and the Montana Public Service Commission said, "You can't raise the rates because you have the wheeling provision there," if the rates had to be raised, that would certainly trigger the opportunity of FERC to deny the wheeling order that they might have already granted.

My friend from Louisiana and I agree on the fundamentals. But what

we have to find out is, having agreed on the fundamentals, why we cannot devise something whereby we agree on the principles of wheeling. Perhaps there is some reason why wheeling is bad in Louisiana or all the South, or it might be bad east of the Mississippi or it might be bad somewhere. But it is not bad in my country. It is good in my country.

Mr. JOHNSTON. I say to the Senator from Montana that wheeling is not necessarily bad. Indeed, since the passage of PURPA, wheeling has increased by 75 percent. Most or virtually all of that is voluntary wheeling. Wheeling can be done in some circumstances fairly, and in all these circumstances it has been done voluntarily.

The problem is that when you order wheeling and you change the competitive position of the different parties, but everybody is trying to anticipate what a public utility commission may or may not do, it is an impossible job for FERC to do. The Senator says that FERC could wait until after the State rules or fails to rule and then come in and stop the wheeling order. I say to my friend that that is a terribly inexpedient, improper, and inefficient way to do it. It would be a very uneconomical way to do it, to order the wheeling, to allow the contractual relationships to go forward, and then to have to come in and undo them.

If that is what the Senator would have in mind, then why not simply preempt State law in this respect and say that in ordering the wheeling, FERC could set the compensation to be ordered, along with the wheeling which they would order? There may be objections to doing that, but it is the kind of issue that ought to be looked at in hearings and not decided here on the floor.

I believe I was chairman of the Senate conferees on that PURPA at the time we enacted it, and I can say that it is a very subtle, very difficult, very farreaching, and very controversial provision; and if it appeared that it was going to pass, you would hear reverberations all around this country because the States are so great on the issue of wheeling.

Mr. McCLURE. Madam President, will the Senator yield?

Mr. JOHNSTON. I yield.

Mr. MELCHER. Madam President, I do not want it to be confusing. I did yield to the Senator from Louisiana. Do I still have the floor?

The PRESIDING OFFICER. Yes, the Senator from Montana has the floor.

Mr. MELCHER. I yield to the distinguished Senator from Idaho.

Mr. McCLURE. Madam President, I want to take this time now, for a couple of reasons. One is to suggest that rather than debating the wheeling arrangements endlessly, and since no amendment is now pending on that subject, we perhaps attempt to move to some other amendments and resolve as many issues as we can, and in the meantime discuss with the Senator from Montana a way to resolve this issue.

Pending that, I want to comment that the Senator from Louisiana rightfully pointed out that FERC, in making an order for wheeling, might well be asked to calculate the cost or the rate for wheeling. But there are other aspects as well. One is the transmission line capacity and the other decisions that might be made by the utility, as to whether it would require them to build another transmission facility and increase their expenses. Even though that would be outside FERC's jurisdiction or responsibility, the State regulatory commission might have to do that, too.

They might also have to look at not just the cost to consumers as a direct result of the wheeling arrangement. That affects the need for power calculation which is not within the responsibility of FERC, either under this amendment or otherwise, but is under the responsibility of the State regulatory commission.

Mr. MELCHER. First of all, I would not offer the amendment if it in any way preempted the State's authority over rates. That is No. 1.

Second, the provision would not even be considered—the wheeling application would not even be considered—if it were no capacity; also, if it appeared that the capacity that was now vacant was only temporarily vacant.

Mr. McCLURE. Madam President, will the Senator yield on that point?

Mr. MELCHER. I yield.

Mr. McCLURE. FERC has one responsibility, and that is to make one calculation. The State regulatory agency has the responsibility to make decisions based on precisely the same facts, and they might come to different conclusions.

So you might have FERC making one finding and the State regulatory commission making exactly the opposite finding on the same set of facts with the possible result of requiring construction of additional transmission facilities and perhaps also affecting the State regulatory commission decision with respect to another unrelated application for the construction of new power-generating facilities which has rate impacts which would be out of the purview of FERC's review.

Mr. MELCHER. That is correct. That would be out of FERC's purview.

Mr. McCLURE. But it could have an impact upon the ratepayers that flow from the action taken by FERC even though FERC could not properly review that?

Mr. MELCHER. What the learned chairman has presented is a situation where the applicant for the wheeling and the utilities that had the transmission capability of wheeling would not present accurate arguments to FERC.

Mr. McCLURE. If the Senator will yield further, not just where they presented inaccurate arguments but where FERC came to a different conclusion based upon the same arguments from that which the State regulatory commission would conclude.

Mr. MELCHER. I cannot conceive of it happening but if the learned chairman and the ranking member on the Democratic side of the committee could conceive of it happening, as part of the purpose of the discussion this afternoon, we could easily say that FERC's order would have to be approved by the State commission that was involved. That would be agreeable to me. But this is a very narrow amendment and if you want to make it narrower that is all right with me, too.

I believe the major objective of my efforts is to correct this bottleneck in PURPA after the courts have made some decisions interpreting it very narrowly, to correct that problem and to allow section 211 to be effective as it was intended in FERC.

I repeat, I do believe there is some real merit to addressing this issue, and I agree with the chairman there may be other amendments or other provisions that can be considered now because this one certainly has not been resolved. I would hope that before we complete action on this bill, we will have resolved, satisfactory to all of us, this point, and we do hope a narrow wheeling amendment can be adopted in this particular bill.

I thank my friends, the Senator from Idaho, Senator McCLURE, and the Senator from Louisiana for this colloquy and discussion we have had this afternoon. I will be happy to work with him in the next few hours and the next few days to draft something that is satisfactory to all of us.

AMENDMENT NO. 1773

Mr. McCLURE. Madam President, I send an amendment to the desk and ask for its immediate consideration.

The PRESIDING OFFICER. The clerk will report.

The bill clerk read as follows:

The Senator from Idaho [Mr. McCLURE] proposes amendment No. 1773.

Mr. McCLURE. I ask unanimous consent that the reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

Section 11 of the Committee amendment is amended by:

(1) deleting "pursuant to this part" in subsections (b) (1) and (2) and inserting in lieu thereof "pursuant to this Act, whether granted under this Act or another provision of law"; and

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(2) by adding the following new subsection at the end thereof:

(c) Section 13 of the Federal Power Act, as amended, is further amended by striking the final sentence thereof.

(d) Section 26(a) of the Federal Power Act, as amended, is further amended—

(1) by striking the first sentence and inserting in lieu thereof the following sentence: "The Commission, or the Attorney General on request of the Commission or of the Secretary of the Army, may institute proceedings in equity in the district court of the United States in the district in which any project or part thereof is situated for the purpose of revoking for significant violation of its terms any permit or license issued hereunder or any exemption from any requirement of this Act, whether granted under this Act or another provision of law, or for the purpose of remedying or correcting by injunction, mandamus, or other process any act of commission or omission in violation of the provisions of this Act or of any lawful regulation or order promulgated hereunder." and

(2) by adding at the end thereof the following new sentence: "In the case of revocation of an exemption from any requirement of this Act, whether granted under this Act or another provision of law, the courts may exercise the same powers as they have under this section with respect to revocation of a license.".

(e) Section 402(a)(2)(A) of the Department of Energy Organization Act, as amended, is further amended by inserting between "4," and "301" the following: "5, 13, 26, 30,".

(f) The amendments made by this section shall apply to licenses, permits, exemptions, rules, regulations, and orders issued before, on, or after the date of enactment of this Act.

Mr. McCLURE. Madam President, this amendment is a technical and clarifying amendment to section 11 of S. 426. The amendment responds to a number of concerns raised by the staff of the Federal Energy Regulatory Commission following its review of S. 426, as reported by the committee. The Commission staff pointed out that section 11, as reported, contains language that could be read to diminish the Commission's enforcement authority, particularly its authority under part III of the Federal Power Act. That certainly was not the intent of the committee, and this amendment would remove that ambiguity.

Section 11 is intended to enhance the Commission's enforcement efforts by expanding the Commission's authority to revoke liceneses administratively. Section 11 would empower the Commission to revoke a license administratively for any significant violation of its terms. This change would substantially aid the Commission in its efforts to ensure compliance with the provisions of the Federal Power Act relating to hydroelectric projects.

Currently, under section 13 of the Federal Power Act, the Commission can revoke a license administratively only if the licensee does not commence construction of the project on time. Otherwise, the Commission must request that the Attorney General institute an action in Federal district court for revocation of the license.

The first provision of the amendment would modify the language in new subsection (b) of section 26 of the Federal Power Act to make clear that the Commission's revocation authority is not limited to permits, licenses or exemptions issued or granted pursuant to only part I of the Federal Power Act. Rather, the revocation authority would apply to permits, licenses or exemptions issued pursuant to any provision in the Federal Power Act or granted under another provision of law. This subsection, as amended, would make explicit the Commission's implicit exisiting authority to revoke , for violation of its terms, any exemption from the requirements of the FPA, whether issued under the FPA or another provision of law, such as PURPA.

The amendment would add four additional subsections to section 11, starting with new subsection (c). Subsection (c) would modify section 13 of the Federal Power Act by striking the final sentence, which specifies that if a licensee begins construction, but does not complete it within the time specified in the license, the Attorney General, upon request of the Commission, shall institute judicial proceedings for the revocation of the license. The deletion of this provision makes section 13 consistent with section 26 of the FPA, as amended by section 11(d) of this amendment.

Subsection (d) would amend section 26 of the Federal Power Act, which provides for judicial revocation of licenses for violations of terms. Under section 314 of the FPA, the Commission currently has authority to bring enforcement actions in the Federal district courts, with the exception of actions to revoke licenses. Section 26 currently provides that actions to revoke licenses must be brought by the Attorney General. Section 11(d) authorizes the Commission to institute on its own behalf judicial actions to revoke licenses under section 26 of the FPA. The amendments to section 26 are not intended to limit the Commission's existing authority under section 314.

Under the existing provisions of the FPA and PURPA, the courts lack explicit authority to revoke exemptions from the requirements of the FPA issued under those acts. Section 11(d) also amends section 26 by (1) authorizing the Commission to institute court actions to revoke exemptions from the FPA, whether issued under the FPA or another provision of law, such as PURPA, and (2) giving the Federal district courts express authority to revoke exemptions. In this connection, the courts are authorized to exercise the same powers with respect to judicial revocation of exemptions as they have with respect to judicial revocation of licenses.

Subsection (e) would amend section 402(a)(2)(A) of the Department of Energy Organization Act, which lists the sections of the FPA under which the Commission has express authority to exercise powers. In order to implement section 11(d) of this amendment, section 26 of the FPA is added to the sections listed. In addition, sections 5, 13, 30 of the FPA are added to those listed in order to make explicit the Commission's existing authority to cancel preliminary permits pursuant to section 5, to revoke licenses pursuant to section 13 in cases in which construction of project works has not begun on time, and to issue exemptions pursuant to section 30. Subsection (e) is not intended to affect the Commission's authority under other sections of the FPA.

Subsection (f) provides that the amendments made by section 11 shall apply to licenses, permits, exemptions, rules, regulations, and orders issued before, on, or after the date of enactment of this amendment.

Mr. JOHNSTON. Madam President, the Senator from Idaho correctly described this amendment. We endorse it.

The PRESIDING OFFICER. The question is on agreeing to the amendment.

The amendment (No. 1773) was agreed to.

Mr. McCLURE. Madam President, I move to reconsider the vote by which the amendment was agreed to.

Mr. JOHNSTON. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

AMENDMENT NO. 1774

(Purpose: To clarify the intent of Section 3(c) of S. 426)

Mr. McCLURE. Madam President, I send an amendment to the desk and ask for its immediate consideration.

The PRESIDING OFFICER. The clerk will report.

The assistant legislative clerk read as follows:

The Senator from Idaho [Mr. McCLURE] proposes amendment numbered 1774.

Mr. McCLURE. Mr. President, I ask unanimous consent that the reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

Beginning on page 4, line 19, strike all through page 5, line 3, and insert:

"(3)(A) Upon receipt of an application for a license, the Commission shall solicit recommendations from the agencies and Indian tribes identified in paragraph (a)(2) of this section for proposed terms and conditions for the Commission's consideration for inclusion in the license;

"(B) If any recommendation for a proposed term or condition is received by the Commission within 120 days of the public notice of any license application under this section, the Commission shall explain in writing its reasons for adopting, rejecting or modifying any such proposed term or condition."

Mr. McCLURE. Madam President, the amendments to proposed new section 10(a)(3)(A) of the Federal Power Act are designed to clarify the intent that the Commission must exercise its independent judgment, as guided by the principles set out in the act, in fashioning the appropriate terms and conditions for inclusion in a license issued under the act. While proposed new section 10(a)(3)(B) will require the Commission to pass upon recommended terms and conditions received from interested agencies and Indian tribes based upon a record developed in a licensing proceeding and to explain its decision in writing, the Commission's authority and responsibility to fashion a license's terms and conditions balancing the competing concerns of the broad public interest should not be ambiguous. In this regard, the "to be included" language of the original version may create some ambiguity, whereas the "for the Commission's consideration for inclusion" allows of no such ambiguity. The reordering of the prepositional clauses is designed solely for grammatical clarity.

The amendments to proposed new section 10(a)(3)(B) are designed to cure unintended procedural difficulties that would be raised by the original version. The substitution of the clause "within 120 days of the public notice of any license application" for the clause "at least 30 days prior to issuing any license" allows the licensing process to proceed in a more efficient and orderly manner.

In order for the Commission to make a reasoned decision in judging any and all recommended terms and conditions, those terms and conditions must be proposed at the front end of the licensing process to permit creation of a record on those recommended conditions. This timeframe is reasonable since under the Commission's recently revised consultation requirements in its license application regulations, interested agencies will have been contacted regarding their concerns about the project at least 12 to 15 months before the "120 days from public notice" period proposed by this amendment. Moreover, the agencies will have had at least 8 months to review a complete draft application, which application must include the results of any studies or analyses requested by those agencies and a complete environmental report.

Requiring the Commission to address in writing any recommended term and condition received up to 30 days prior to license issuance—under current Commission procedure staff work on licensing decisions must be finalized and presented to the Commission at least 30 days before the proceeding can be considered on the agenda—would be disruptive to an efficient administrative process, inequitable to both project proponents and opponents seeking to address all concerns raised in the proceeding, susceptible to abuse, and inconsistent with the intent of requiring the Commission to undertake an on-the-record measured and reasoned analysis of license proposals.

The addition of the word "adopting" to the final clause of this subsection is designed to clarify that the purpose of this subsection is to require a reasoned decision in writing from the Commission regarding its actions on any recommended terms and conditions. Subsection (3)(B) is not intended to create any presumption for or against any recommended term and condition. This addition will clarify the neutrality of the subsection.

Mr. JOHNSTON. Madam President, we also endorse this amendment and it was correctly described.

The PRESIDING OFFICER. The question is on agreeing to the amendment.

The amendment (No. 1774) was agreed to.

Mr. McCLURE. Madam President, I move to reconsider the vote by which the amendment was agreed to.

Mr. JOHNSTON. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

AMENDMENT NO. 1775

(Purpose: To provide a transition rule for the application of Section 10 of S. 426.)

Mr. McCLURE. Madam President, I send an amendment to the desk and ask for its immediate consideration.

The PRESIDING OFFICER. The clerk will report.

The assistant legislative clerk read as follows:

The Senator from Idaho [Mr. McCLURE] proposes an amendment numbered 1775.

Mr. McCLURE. Madam President, I ask unanimous consent that the reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

On page 10, following line 16 add the following new Section 11 and renumber subsequent sections accordingly:

"SEC. 11. The amendments made by section 10 of this Act shall not apply to any hydroelectric project for which an application for a license or preliminary permit was filed with the Federal Energy Regulatory Commission on or before April 11, 1986."

Mr. McCLURE. Madam President, this amendment is intended to remove some ambiguity and set some standards with respect to the grandfathering provision on licenses that are pending or applications that are pending and setting a standard that will remove an ambiguity.

Excuse me. The application of the PURPA provision. I misstated that. The staff corrects me. And they, of course, are correct. It is the application of the PURPA provision.

I urge the adoption of the amendment.

Mr. JOHNSTON. Madam President, as restated, the Senator is correct and we endorse the amendment.

The PRESIDING OFFICER. The question is on the amendment.

Mr. EVANS. Madam President, will the Chairman yield? I am sorry. That was a brief explanation and I would like a little more clarification of just what this amendment would do.

Mr. McCLURE. Madam President, does the Senator have a copy of the amendment?

Mr. EVANS. No, I do not.

Mr. McCLURE. I perhaps could have saved time by permitting that the amendment be read rather than asking that the amendment not be read. It is a very short one. It says:

The amendments made by section 10 of this Act shall not apply to any hydroelectric project for which an application for a license or preliminary permit was filed with the Federal Energy Regulatory Commission on or before April 11, 1986."

It is designed to indicate at which time the provisions of section 10 would apply. So it would remove that ambiguity.

The question is, When would the pending applications be under the provisions of this bill? If they are pending prior to today, they would be under the old law; if they are after today, they would be under the provision of the new statute.

Mr. EVANS. Could the Chairman enlighten me as to what would be the effect if this amendment were not to be adopted?

Mr. McCLURE. There would be some question as to the date at which it would be effective and there might be a rush between now and the effective date of the statute to move applications or to assert before FERC that applications were active or that they were in the process of application. This is simply a way of defining which ones fall under the ambit of the new law and which ones would be under the old law.

Mr. JOHNSTON. Will the Senator yield?

Mr. McCLURE. I am happy to yield.

Mr. JOHNSTON. I am advised that some applications are pending to which as much as a half million dollars have been expended fashioning that application under the old law. And if those pending applications were required to come under the new law, there would be some question as to whether they would have to be pulled down and restructured all over again

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and resubmitted, causing, as I say, perhaps a huge expense. So we just simply picked the date of April 11 as the date, which, in effect, is the effective date of the act with respect to applications.

Mr. EVANS. Could the Senator from Louisiana tell me how many are likely to be affected by this act and how extensive it might be? In essence, am I correct in saying this is really a grandfathering clause and it will separate out those who will apply under the existing rules as compared to those who will apply under the new rules that are set forth in this act?

Mr. JOHNSTON. Madam President, I am advised through staff that there may be somewhere in the neighborhood of 150 to 300 applications at new dams pending. So we are talking about a sizable investment in applications under the existing law.

Mr. EVANS. Well, that may be true with some. But are we grandfathering in under the old law a large number of applications which are nothing more than a filing which may not require any money or any expenditure? All the amendment says is "for which an application for a license or preliminary permit was filed with the Federal Energy Regulatory Commission." It does not take a whole lot of money to file at the beginning, it is my understanding. Do we have some danger that that will be the case?

Mr. McCLURE. If the Senator would yield, the question is whether or not you have retroactive or prospective application of new standards.

Mr. EVANS. I think that is correct.

Mr. McCLURE. What we attempted to do in this instance is to say that if they are pending and they have been active prior to this date, then they apply under the old law. We will not attempt to make this particular set of provisions in this bill apply retroactively.

Mr. EVANS. I would be much more comfortable if I knew, however, what share of the some 150 applications are large ones or small ones, and what share of those are nothing more than just a paper application where no particular work has been done. In such a case, there certainly would be no penalty to the applicant to come under the new rules and there would be substantial benefits to the people of the region or the country if they were to come under the new rules. I presume that all of us believe the provisions in S. 426 will make a better law than the current one.

Mr. McCLURE. Will the Senator yield?

Mr. EVANS. Yes.

Mr. McCLURE. Before an application for a license or a preliminary permit may be filed, the applicant has expended some substantial amount of money to get to that point. The question is one of equity, as to whether or not those who have already, prior to this date, moved in accordance with the statute which is currently on the books should find their position substantially changed as the result of a new action by the Congress. It seems to me that there is a question of equity that we are trying to solve by saying, in effect, let us give some guidance as to when we believe the new criteria should apply. We chose the standard of application for license or preliminary permit as this date, even though this is prior to the effective date of the statute.

Mr. EVANS. I understand.

Mr. McCLURE. But at least those persons who are out there looking at this are put on notice that if, from this day forward, even before this act can become effective, they then wish to move forward, that they will be under the provisions of the statute as revised by this pending legislation.

Mr. EVANS. Madam President, I suggest the absence of a quorum.

The **PRESIDING OFFICER.** The clerk will call the roll.

The bill clerk proceeded to call the roll.

Mr. McCLURE. Madam President, I ask unanimous consent that the order for the quorum call be rescinded.

The **PRESIDING OFFICER.** Without objection, it is so ordered.

Mr. McCLURE. Madam President, during the quorum call we have had the opportunity to discuss with the Senator from Washington some of the potential questions with trying to establish any discreet or absolute threshold in the licensing process. Very honestly, we do not know that this amendment is the only possible formulation but there is certainly no apparent better solution.

I suggested to the Senator from Washington that we go ahead and adopt the amendment as offered here, and those provisions being in the House rules be a matter before the conference, and indeed if we could work up a better definition of a threshold than is contained in this amendment, we would work through that conference process to write that better definition.

I think, if I understand the distinguished Senator from Washington, that is a suitable arrangement.

Mr. EVANS. Madam President, if I may respond to the chairman, I do have a continuing concern that we not inadvertently exclude from this bill's provisions many hydro sites that have been filed upon but for which no extensive work has yet been done. We are trying to craft a better bill, one that will provide much more explicit conditions as we go through this licensing process.

And I am certainly willing to accept the chairman's assurance that we continue to seek a better, more explicit dividing line that does not penalize those who have made substantial investments in applications and yet attempts to perhaps bring in some of the additional applicants who have made no substantial investment and who probably ought to be covered by provisions of this bill.

Mr. McCLURE. I agree with the statement the Senator from Washington has made. I hope on that basis we can adopt the amendment.

The **PRESIDING OFFICER.** Is there further debate on the amendment? If not, the question is on agreeing to the amendment of the Senator from Idaho.

The amendment (No. 1775) was agreed to.

Mr. McCLURE. Madam President, I move to reconsider the vote by which the amendment was agreed to.

Mr. JOHNSTON. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. MATSUNAGA addressed the Chair.

The **PRESIDING OFFICER** (Mr. McCLURE). The Senator from Hawaii.

Mr. MATSUNAGA. Mr. President, what is the parliamentary situation?

The **PRESIDING OFFICER.** The bill is open to amendment.

Mr. HUMPHREY addressed the Chair.

The **PRESIDING OFFICER.** The Senator from New Hampshire.

Mr. HUMPHREY. Mr. President, I intend to offer an amendment at this point. The Senator from Hawaii is seeking recognition. Is he prepared to offer an amendment?

Mr. MATSUNAGA. Mr. President, I just want to proceed as if in morning business for a unanimous-consent request.

Mr. HUMPHREY. My amendment will not take very long. On the other hand, if the Senator from Hawaii requires a moment or two, I would be happy to wait.

Mr. MATSUNAGA. I will await the Senator's amendment.

AMENDMENT NO. 1776

(Purpose: To provide timely notice to land owners of the filing of a license application)

Mr. HUMPHREY. Mr. President, I send an amendment to the desk and ask for its immediate consideration.

The **PRESIDING OFFICER.** The clerk will report.

The assistant legislative clerk read as follows:

The Senator from New Hampshire [Mr. HUMPHREY], proposes an amendment numbered 1776.

Mr. HUMPHREY. Madam President, I ask unanimous consent that further reading of the amendment be dispensed with.

The **PRESIDING OFFICER.** Without objection, it is so ordered.

The amendment is as follows:

On page 12, following line 2 add the following new Section 13:

"SEC. 13. Section 4(e) of the Federal Power Act (16 U.S.C. 797(e)) is amended—

(a) by striking *"And provided further"* and inserting in lieu thereof *"Provided further"*; and

(b) by striking the final period "." and inserting in lieu thereof the following:

': *And provided further,* That upon the filing of any application for a license the Commission shall seek to notify by certified mail the owner or owners of the property within the bounds of the project, and any State, municipality or other local governmental entity likely to be interested in or affected by such application.' "

Mr. HUMPHREY. Madam President, I say at the outset that this amendment has been cleared on both sides.

The amendment simply and directly resolves the problem associated with the licensing procedures for hydroprojects. The amendment would require that upon the filing of an application with Federal Energy Regulatory Commission [FERC] for a hydroelectric project, the Commission shall seek to notify by certified mail the owner or owners of the property within the bounds of the project, as well as any State, municipality, or other local governmental entity likely to be interested in or affected by an application.

Under present law, notification of proposed hydroelectric projects is required through public notices in newspapers published in the regions surrounding the proposed project.

However, it has become clear to me, through my personal involvement with several hydroelectric-related projects in the State of New Hampshire, that the present public notification procedures are not enough. One particular case comes to mind. In the village of Davisville, NH, a couple, Melville and Joan Ruggles, bought a retirement home on 15 acres of property bordering both sides of the Warner River. In March 1981, several months after they had purchased the property, developers who the Ruggleses did not know, submitted an application for a preliminary permit to redevelop a dormant hydrofacility on the Warner River. The effect of the proposed project, it was later learned, would have reduced the Ruggles retirement property to the size of a small city lot.

However, though notice was published in the local newspaper, the Ruggleses did not see the notice, and it was not until 3 months later that the Ruggleses, by chance, learned that a preliminary permit had been filed.

Similarly, when the developers applied for an actual license to develop the site, the owners of property most directly affected by the project were kept in the dark, as there is no requirement for property owners to be formally notified. As Mr. Ruggles wrote to me more than 4 years after the application for license was filed, "Under present FERC procedures, it is quite possible for a landowner to remain ignorant of any intent to build a hydroelectric installation on his property until served notice that his land will be seized under eminent domain * * * we have never, to this day, been personally notified by FERC or any other Federal or New Hampshire authority that either a preliminary permit or an application for a license had been field with FERC for building a hydroelectric installation on our property—the latter to be subject to seizure by eminent domain."

This is the essence of the problem which my amendment seeks to resolve. Clearly, if property owners are to be directly affected by a proposed hydroelectric project, they should have the right to be notified directly and in writing about the project. Under this amendment, FERC would develop procedures to ensure that such property owners would be notified.

Mr. President, I understand that the amendment has been approved by managers on both sides.

Mr. President, I ask unanimous consent that materials relating to this amendment be placed in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

APRIL 11, 1986.

RE: Amendment to S. 426, hydro relicensing bill.
To: Senator Humphrey.
From: Gordon MacDonald.

Attached is our proposed amendment to S. 426, the hydro relicensing bill.

Our amendment would require that the Federal Energy Regulatory Commission notify affected landowners by mail of a hydroelectric project near their property.

The amendment has been cleared on both sides of the Energy and Natural Resources Committee.

MELVILLE J. AND JOAN TRON RUGGLES, DAVISVILLE DAM, NEW HAMPSHIRE (f.e.r.c. #4456), APRIL 10, 1985

NOTIFICATION: CHRONOLOGY, SPRING 1981 TO SPRING 1985

1. March 27, 1981: Developers submitted application for a preliminary permit for Davisville Hydroelectric Project.

2. May 6, 1981: FERC issued a notice which was published in the *Monitor* on May 19, May 26, June 2, and June 9, indicating that this application had been filed. (We know that the New Hampshire Water Resources Board received a copy of this notice on May 15th. No landowners affected by the proposal received this notice.)

3. June, 1981: We learned, by chance, that this notice had appeared in the *Concord Monitor.* (We occasionally saw New Hampshire newspapers at this time—we had only recently moved to New Hampshire—but it never occurred to us to read the public notices, since we knew of no reason to read them.) We also learned at this time that a "comment" was being prepared by some upstream neighbors (due July 9 according to the notice) and we joined those who signed this "comment."

4. September or October 1981: The developers appeared at our door telling us that they "had just learned" that the entire project was to be developed on land owned by us. They gave us assurances (verbal) that we would be little, if at all, affected (these assurances proved to be untrue).

5. March 16, 1983 Developers filed an Application for Short Form License (despite our requests in our comment of July, 1981; we were never informed that the preliminary Permit had been granted, nor were we notified at this time that the application for a permanent license had been filed).

6. May 1983: We learned, by chance, that the primary signer of the "comment" had recently received a copy of the application for a license, which we saw on loan.

7. June 6, 1983: We received a copy of this document from Senator Rudman's office.

8. October 24 and 11: Notice of this application appeared in the *Monitor* (this we saw since we then knew that we should look).

9. December 6, 1983: We filed as Intervenors.

10. December 6, 1983: Developers met with us and agreed to submit written proposal on disposal of our property after the holidays, and confirmed that agreement in a letter, December 9, 1983.

11. Spring 1984: Developers phoned us to say they had not submitted written proposals because the fate of the PSNH was uncertain at that time, but that "within two weeks" they would respond, as promised.

12. May 1, 1984: FERC's Environmental Assessment Statement was issued. (Despite the fact that we were intervenors, it was not sent to us.)

13. August 29, 1984: Senator Humphrey's office sent us a copy of this document. Reading the Environmental Assessment (plus an accompanying document from the Department of the Interior Fish and Wildlife Service). It was clear to us that some drastic changes had been made between the initial application document (March, 1983).

14. Fall 1984 (probably October): We received a copy of a letter from Humphrey's office written by developers to FERC in September 1983. It related to Tom Pond (of which we had never heard). As a result of our efforts, Tom Pond landowners filed as intervenor in Jaunary 1985.

15. October-November 1984: Developers called to say that intervenors plus New Hampshire State agencies demand for survey based on data from Environmental Assessment meant that they would not offer us payment for our property until they learned what these latest developments would cost them.

16. January 25, 1985: Supervisor of the New England Office of U.S. Fish and Wildlife Service sent letter to FERC requesting that, in light of 9th U.S. Circuit Court of Appeal decision for Rock Island, his office "anticipates that the studies for his project should be conducted *before* a decision is made on the license application (FERC has not sent us a copy of this letter, although we are intervenors).

17. January 26 to April 10, 1985: No word from FERC or developers, either to us or our neighbor/intervenors.

COMMENTS

General

Under present FERC procedures, it is quite possible for a landowner to remain ignorant of any intent to build a hydroelectric installation on his property until served notice that his land will be seized under eminent domain.

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We acquired our property in Warner/Webster early in January 1981, though we did not move from Washington, DC until late in March 1981. In the autumn of 1981 Dimos and Katsekas knocked at our door, unannounced, told us that they had just learned that we owned the property on which they intended to build a hydroelectric installation, and wanted to discuss the terms under which they would acquire the portion of our property they needed. This was the first and only personal notice we ever received from a legally involved person or organization that our property was vulnerable to expropriation. We have never, to this day, been personally notified by FERC or any other Federal or New Hampshire authority that either a Preliminary Permit or an Application for a License had been filed with FERC for building a hydroelectric installation on our property—the latter to be subject to seizure by eminent domain.

1. We think that developers should be required to send, simultaneously, a copy of each application to FERC and to the Board of Selectmen of the town involved and that the latter be required to notify landowners likely to be affected.

2. We have not been able to find out when FERC approved this application. We should have been notified, particularly since FERC's approval automatically granted Dimos and Katsekas the right to roam on our property for two years, inspecting, measuring, testing whatever they wished. "No Trespassing" signs (we had many posted) were invalidated by FERC Fiat, but we were not so informed. This was a violation of our privacy. Incidentally, FERC's policy of non-notification could place developers at some risk. Many landowners are sensitive about intrusion of their land by strangers, especially if they are using transits, cameras and other measuring or detecting devices. Some landowner might have nervous trigger fingers.

3. Each month the Registry of Deeds in Concord reports to New Hampshire towns any change in ownership of land within the town's jurisdiction. If the developers had been interested in the identity of the owner of the property they wished to acquire, they could have obtained the information from the Board of Selectmen's office in Warner any time beginning with February 1981.

4. We 'phoned FERC in an attempt to obtain a copy of the Application'. The engineer assigned to this project refused; though knowing that we were 'phoning from New Hampshire' he told us that if we wanted to see this document we could come to FERC's office in Washington and read it there.

5. The Application does not mention that the land involved is owned by anyone. In the unpaginated section E.1 "Project Description" a map (Figure 3) shows the proposed dam, penstock, access road, generating units, etc. and shows several nearby houses, including a single-room shack (labelled "small camp") about 200 feet upstream from our house. It does not show that our house, a substantial structure, exists. The same map was made part of FERC's public notice. This notice stated that we "owned the dam," not mentioning, however, that we own all the land, including water rights, upon which the proposed installation would be placed.

6. We attach letters from our attorney, Joseph Ransmeier, to Dimos and Katsekas, and two letters from the latter two addressed to us. These should demonstrate how much "good faith" the developers were exerting in "trying" to reach an agreement with us as to the disposition of our property. Nearly a year has passed since the developers last promised to "finalize our proposal with the alternates and hopefully will be meeting with you some time next week."

7. Two or three weeks later FERC granted us status as intervenors. Our neighbors immediately upstream were granted the same status soon after. The Dimond Lake (Tom Pond) landowners were accepted by FERC shortly after they applied in early January, 1985. None of us received anything of substance from FERC.

Holding Their Ground—Couple Fights Hydro Plan That Would Take Their Land

(By Diane Loiselle)

Since Melville and Joan Ruggles retired in 1981 and moved from Washington, D.C., to the woods of New Hampshire, they have fought a hydroelectric project that could force them to sell their land.

The Ruggleses learned how serious the proposal was in May 1983, when they saw a map of the proposed Davisville Dam Hydroelectric Facility. The Londonderry-based developers, Zoes Dimos and James Katsekas, are awaiting a license from the Federal Energy Regulatory Commission.

"It includes three-quarters of our land, all of our waterfront, on both sides of the (Warner) river," Joan Ruggles said.

According to the developers' application for a license, a law called the New Hampshire Mill Dam Act "gives any person the right to private eminent domain by permitting one party to make use of another's land for his own benefit." A court would rule on the price of the sale of the two parties could not agree.

The Ruggleses, who both worked as editors in Washington, own about 15 acres near Route 127, on either side of the Warner River. They live in a rustic brown house with bright yellow shutters.

"When we decided we were going to retire, we made a list of various things that we thought we'd like," Joan Ruggles said. "We wanted to live in the country. We wanted to live on water." They also had grandchildren in Henniker.

"We were only about a week looking," she said. "And as soon as we got here and heard this water, we got excited."

They especially like the porch, an attached gazebo. The eight-sided room is perched above the river, with windows on seven sides looking over the water as it rushes past rocks and trees.

They moved to the house in March 1981. This week the gazebo was cluttered with documents, notes, letters and maps they have collected in their three-year battle to stay informed and to have a say in what happens to their property.

The proposed project would place the penstock, or pipe, about 100 yards upstream from the home, the turbines about 100 yards downstream. The land the developers want does not include their home but would make it difficult to sell, Melville Ruggles said. It would reduce the property to the size of a conventional city lot.

Melville Ruggles said he feels powerless in the face of the eminent domain law. "What I think is the most distressing, un-American and devastating aspect of the whole system is that by federal law and New Hampshire law they can seize our property for the purpose of profit," he said.

The Ruggleses found out about the project just there months after they arrived, when the developers placed a legal notice in the newspaper announcing their application for a preliminary permit.

At the time they believed the plan would affect only residents upstream, and a group of concerned homeowners rallied to protest. The Ruggleses joined the group as complainants. They became intervenors in December 1983 when it became obvious that the project would affect their property.

The status of intervenor entitles them to information on the proposal and the right to comment, but the Ruggleses say the federal commission has not kept them informed. Sen. Gordon Humphrey complained to the commission that the Ruggleses and other intervenors did not get a commission study of environmental impact, completed in May, until September.

Melville Ruggles said his own contact with the commission was often fruitless. When he asked an engineer for a copy of the license application, the engineer refused.

"Do you know what he said? Knowing that I was calling from New Hampshire, he said, 'You can consult this document by coming down here and reading it in our office.' "

The Ruggleses also have never seen a written offer for their land. The developers promised to put some proposals in writing early this year and then failed to contact the couple until May, when they announced that there would be further delay, Joan Ruggles said. This fall they told the couple they would not put anything in writing until they knew what restrictions the commission would impose.

"I can't see where what they pay us should be related to what FERC is going to cost them, since our land is worth what it's worth," Joan Ruggles said.

Melville Ruggles noted the list of agencies the developers must deal with in the licensing process. "You'll see listed agencies having to do with wildlife protection, but not a single agency that has to do with human beings," he said.

Mr. JOHNSTON. Mr. President, this is a good amendment. It does require notice to those who may be affected by flooding from a dam. We support the amendment and urge adoption.

The PRESIDING OFFICER. The question is on agreeing to the amendment.

The amendment (No. 1776) was agreed to.

Mr. JOHNSTON. Mr. President, I move to reconsider the vote by which the amendment was agreed to.

Mr. HUMPHREY. Mr. President, I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. McCLURE. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER (Mr. MATHIAS). The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. McCLURE. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. DURENBERGER. Mr. President, as a cosponsor of S. 426, the Electric Consumers Protection Act, I am pleased that this legislation has

been brought to the floor and commend the distinguished chairman of the Energy Committee for his leadership.

I would also like to congratulate members of the Energy Committee for their fine work in clarifying the Federal Energy Regulatory Commission's licensing responsibilities under section 10 of the Federal Power Act.

I am particularly pleased with these changes as they relate to State river management programs. At the present time 28 States have initiated statewide river conservation programs, protecting 317 river segments and over 12,000 river miles. This represents a considerable investment on the part of the States in both time and money to keep some of their rivers flowing free.

While all State scenic river programs provide some degree of State-level protection against construction of dams, they have encountered numerous problems when trying to get the Federal Energy Regulatory Commission to consider their views when proposing to license a project located on river included in their river protection program. From the State's standpoint, FERC operates with the apparent authority to override State and local resource management if it deems the hydropower project to be in the national interest.

Mr. President, in amending section 10(a) of the Federal Power Act, to require FERC to consider "the extent to which the project is consistent with a comprehensive plan for improving, developing or conserving a waterway or waterways affected by the project or projects that is prepared * * * by the State in which the facility is or will be located," is it the committee's intent to assure States that when they raise a question as to whether a Federal hydro activity will be consistent with a comprehensive State plan, FERC must specifically consider and address that concern and respond in writing in order to give a State the assurance that its desires to limit hydro development on State protected rivers are seriously and adequately considered?

Mr. McCLURE. I appreciate the Senator from Minnesota's support. I am aware of the Senator's strong interest in, and desire to promote State river programs. The Senator is correct. This provision will create a statutory procedure under which the FERC is required to consider the extent to which a proposed project is consistent with a State's comprehensive river protection program and plan, as established by an act of the State legislature and developed, implemented and managed by an appropriate State agency. The FERC is directed to solicit and consider recommendations from the State in which the project is located.

Mr. DURENBERGER. I thank the distinguished chairman for this clarification.

Mr. MURKOWSKI. Would the distinguished chairman take a moment to respond to a question I have as to the possible impact that enactment of S. 426 would have on the Metlakatla Indian Community in southeastern Alaska?

Mr. McCLURE. I would be pleased to respond to the junior Senator from Alaska.

Mr. MURKOWSKI. Mr. President, as chairman of the Subcommittee on Water and Power of the Senate Committee on Energy and Natural Resources, it was my privilege to preside over the hearings on S. 426, the Electric Consumers Protection Act of 1985. I am personally pleased, both as subcommittee chairman, and as a cosponsor of S. 426, that the legislative process has worked to bring this legislation before the full Senate. I compliment the efforts of the distinguished chairman and the senior Senator from Wyoming and the junior Senator from Louisiana.

It is my view that the provisions of S. 426 as reported by the committee and as amended today will not affect or alter in any way the decision of the Federal Energy Regulatory Commission that it is without authority to require the Metlakatla Indian Community to obtain a license for hydroelectric power development within the Annette Island Indian Reservation in Alaska.

Mr. McCLURE. The opinion of the gentleman from Alaska is correct. This legislation does not have any impact on the decision by the Federal Energy Regulatory Commission regarding the Metlakatla Indian Community and the Annette Island Indian Reservation.

AMENDMENT NO. 1777

Mr. EVANS. Mr. President, I send an amendment to the desk and ask for its immediate consideration.

The PRESIDING OFFICER. The clerk will report.

The assistant legislative clerk read as follows:

The Senator from Washington [Mr. EVANS] proposes an amendment numbered 1777.

Mr. EVANS. Mr. President, I ask unanimous consent that further reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

On pages 9-10, strike section 10 and insert in lieu thereof the following new section:

"SEC. 10. Section 3(17) of the Federal Power Act (16 U.S.C. 796(17)), as amended, is further amended—

(a) by adding the following new subsection (B):

"(B)(i) Notwithstanding subsection (A) of this section, no hydroelectric project shall be considered a small power production facility (other than for purposes of section 210(e) of the Public Utility Regulatory Policies Act) if such project impounds or diverts the water of a natural watercourse other than by means of an existing dam or diversion, unless such project is located at a Government dam.

(ii) For the purposes of this paragraph, the term "existing dam or diversion" means any dam or diversion that is part of a project for which a license has been issued on or before the date of enactment of this subsection, or which the Commission determines does not require any construction or enlargement of impoundment structures (other than repairs or reconstruction) except for the addition of flashboards (or similar adjustable devices).".

Mr. EVANS. Mr. President, I do not intend to pursue this amendment to its conclusion, but I did intend to offer it so it would be made part of the record.

The PURPA Act of 1976 has had some impacts which I do not believe were intended at that time. Those impacts in many cases have required many utilities to purchase power at unwarrantedly high rates. The act has spawned a number of new, small hydroelectric projects which have not, in every case, been to the benefit of either the locality in which they were located, to fish and wildlife resources on that particular river, nor the utility which was forced to purchase power at rates they found not terribly economic.

Mr. President, as I said, I do not intend to pursue this amendment now, but I would like to engage in a colloquy with the chairman of the committee, the Senator from Idaho.

I would ask if the 1978 PURPA Act was really intended at that time by Congress to spawn an explosion of new hydrodevelopment requiring the impoundment and diversions of natural watercourses. It was really intended at the time, as I understand it, primarily to provide incentives for hydrodevelopment at existing dams, although not necessarily exclusively.

Mr. McCLURE. If the Senator will yield, that is my understanding. I believe that is true, although certainly as the Senator has indicated, there was nothing in the legislation nor in the legislative history, nor is there anything in my memory, that would indicate we intended to limit it strictly to those existing dams or impoundments.

I could also perhaps constructively enlarge that to indicate also that there are some places in which there is no impoundment but the water may have been diverted into a pipe which, for a variety of reasons, would have some head of pressure on that water. That was also envisioned, I believe, at the time the original act was passed.

Mr. EVANS. Mr. President, does the Senator from Idaho also agree that in a number of instances, the result of this has been to require utilities to purchase power at rates which were

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probably not in their best interests or not economic at the time?

Mr. McCLURE. The Senator again is correct. I think one of the problems that became obvious was that State regulatory commissions, looking at avoided cost, oftentimes put avoided cost at very high figures and at times did not attempt to limit the application at all. I think that particular aspect of the problem has diminished recently as State regulatory commissions have accepted and used authority which they were reluctant to accept and use, but they are applying it now.

Mr. EVANS. With that explanation, Mr. President, it seems to me that perhaps, after 7 years of this act, it does deserve a review to see how well it has worked, to see what aberrations, as addressed by this amendment, may have crept into the act. I ask the Senator from Idaho if it would be appropriate at some time in the near future to embark on a series of hearings on the PURPA Act and any possible changes to it.

Mr. McCLURE. If the Senator will yield, I do agree with the distinguished Senator that not only an oversight of the operations of the act but of its effects, with a view to possible legislative action if, indeed, those hearings should indicate the necessity for corrective action, is in order.

Mr. EVANS. I thank the chairman.

Mr. President, with that, I withdraw the amendment.

The amendment (No. 1777) was withdrawn.

Mr. EVANS. Mr. President, if I may address a question to the chairman.

Mr. McCLURE. Yes, Mr. President.

Mr. EVANS. I have a concern that the provisions regarding the economic impact tests in subsection 15(b)(2) are too vague and subject to a variety of conflicting interpretations. In particular, I am concerned about the inherent difficulties in the concept of developing a consensus view on what is "replacement power."

For example, applicants outside the area of the Pacific Northwest could assert that they face unrealistically high replacement costs while certain utilities in the Pacific Northwest face very low replacement costs due to the power provided by the Bonneville Power Administration. This could skew the balances artificially to the disadvantage of existing licensees in the Pacific Northwest.

Is it the chairman's understanding that the provisions of section 15(b) are not intended to encourage utilities located outside of the Pacific Northwest to bid for projects located in the region served by the Bonneville Power Administration?

Mr. McCLURE. Will the Senator yield?

Mr. EVANS. Yes, Mr. President.

Mr. McCLURE. The Senator is correct. If I may also take this opportunity to correct the statement that was made earlier, if I understood correctly. The distinguished Senator from Tennessee [Mr. Gore] in his comments—again if I heard correctly—had made some comment about this bill tending toward the possibility of favoring a utility service area that had a great number of consumers in contest with a utility that has a very low number of consumers within its service area, in the contest over an application for a license.

If I heard the distinguished Senator from Tennessee correctly, that statement was incorrect, because there is nothing in the bill—as a matter of fact, we went in the other direction to make certain in the language in the bill that we would not inadvertently have that kind of result. We took great care and pains to make certain that there was not an automatic preference for a utility that has a very high number of consumers as against a utility that might have a very low number of consumers.

I think that also addresses the question which the distinguished Senator from Washington has raised in this particular exchange. I agree with the Senator completely.

Mr. EVANS. I thank the Senator from Idaho. I do understand and would agree with him wholeheartedly in his interpretation of the proposed bill to the effect that it would not result in the conclusions that the Senator from Tennessee had perhaps feared.

Mr. President, I then ask in addition, I understand the difficulty in some cases of defining precisely what constitutes a region. But in the case of the Pacific Northwest, there is a well-defined region described in the Bonneville Project Act of 1937 and subsequent Federal legislation. I also understand that the purpose of such laws is to develop the water resources of the region in which the project is located as referenced in subsection 15(b)(1). of S. 426 as passed by the committee.

Mr. McCLURE. The Senator is correct. That is my understanding as well.

Mr. EVANS. I thank the Senator.

The PRESIDING OFFICER. What is the will of the Senate?

Mr. MURKOWSKI. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

AMENDMENT NO. 1778

Mr. EVANS. Mr. President, I ask unanimous consent that further provisions under the quorum call be dispensed with.

The PRESIDING OFFICER. Is there objection? Without objection, it is so ordered.

Mr. EVANS. Mr. President, I send an amendment to the desk and ask for its immediate consideration.

The PRESIDING OFFICER. The clerk will report.

The legislative clerk read as follows:

The Senator from Washington [Mr. Evans], proposes an amendment numbered 1778:

On page 4, line 18 before the period insert the following: "; and (c) if the applicant is an electric utility, its plans for energy conservation through energy efficiency programs".

Mr. EVANS. Mr. President, in my opening remarks today I said that this act is far more than an act to sort out the licensees, whether they be public or private, in terms of original or relicensing. It is in far greater respect a question of the wisest use of our water resources, an opportunity at each licensing and relicensing to make decisions and to modify previous decisions as they relate to wise use of our water resources. This amendment would add to the other considerations the committee in my view wisely has already included in the proposed act the consideration for energy efficiency or, in other words, conservation. This would apply only when the applicant is a utility, recognizing that it is exceedingly difficult, if not impossible, for a non-utility applicant to have energy efficiency or conservation programs in many cases.

I believe this is a very important addition to the act. It gives FERC a chance to consult with applicants, the utility applicants, to ensure that the most effective use of this increasingly rare water resource is being made. By making the most efficient use of that water resource, we can better accommodate the competing needs and requirements for water.

Mr. President, I urge the adoption of this amendment. I understand that it has been cleared on both sides.

Mr. McCLURE. Mr. President, it is my understanding that the placement of this language is now with relation to the comprehensive plan. It is my further understanding that it is not, therefore, an independent selection criterion, nor is it a term or condition of the license, but it is merged into an evaluation of the comprehensive plan.

With that understanding, I have no objection to the adoption of the amendment.

Mr. EVANS. The Senator from Idaho is correct. It is to include the consideration of energy conservation among the other factors that the Commission must consider.

Mr. JOHNSTON. Mr. President, with the same understanding of this measure that my colleague from Idaho has, we also approve this amendment.

The PRESIDING OFFICER. If there is no further debate on this amendment, the question is on agreeing to the amendment.

The amendment (No. 1778) was agreed to.

Mr. McCLURE. Mr. President, I move to reconsider the vote by which the amendment was agreed to.

Mr. EVANS. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. McCLURE. Mr. President, I think the distinguished Senator from California has an amendment, and I believe it is in order to consider it at this time.

I yield the floor.

AMENDMENT NO. 1779

Mr. WILSON. Mr. President, I send an amendment to the desk and ask for its immediate consideration.

The PRESIDING OFFICER. The amendment will be stated.

The legislative clerk read as follows:

The Senator from California [Mr. Wilson] proposes an amendment numbered 1779.

Mr. WILSON. Mr. President, I ask unanimous consent that reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

At the appropriate place in the bill, add the following new Section:

SEC. . ELECTION CONCERNING OTHER CONTESTED PROJECTS SUBJECT TO LITIGATION.

(a) Application of Section.—This section applies to any relicensing proceeding initiated prior to October 1983 at the Federal Energy Regulatory Commission involving the following projects: Mokelumne (No. 137), California; Phoenix (No. 1061), California; Rock Creek/Cresta (No. 1962), California; Haas-King (No. 1988), California; Poole (No. 1388), California; and Rush Creek (No. 1389), California. The numbers in this subsection refer to Federal Energy Regulatory Commission project identification numbers for the existing licensee. This subsection shall also apply to any subsequent relicensing proceeding for any such project involving the same parties which results from the rejection, without prejudice, of an application in any of the proceedings specified in this subsection.

(b) Election by Competing Applications.—In the case of each project named in subsection (a), a license applicant competing against an existing licensee must elect within 90 days after the enactment of the Act to either:

(1) withdraw the competing application and agree to be subject to the provisions of this section, or

(2) refuse to withdraw the application, in which case the relicensing proceeding for such project shall be continued and a new license issued solely in accordance with the Federal Power Act, as amended by this act.

(c) Commission Order.—If an election is made, the Commission, after notice and opportunity for a hearing, shall issue an order requiring the existing licensee to compensate the competing applicant in an amount representing the reasonable costs plus interest (at a rate determined by the Federal Energy Regulatory Commission in accordance with its regulations governing refunds in proceedings involving electric rate schedules) incurred by the competing applicant, which are related to—

(1) the cost of preparing, filing and maintaining the license applications for the hydroelectric project through the date of enactment;

(2) the cost of seeking to apply, and preserve the application of, Section 7 of the Federal Power Act to the pending relicensing proceedings through the date of enactment;

(3) the cost of preparing, filing and maintaining an application for compensation pursuant to this section through the date of payment; and

(4) the incremental costs the competing applicants will incur or have incurred as a result of any delay in pursuing alternatives to securing hydroelectric power sought by the competing applicants in their license applications.

Mr. WILSON. Mr. President, the amendment I am offering today is intended to provide fair compensation to California cities involved in the hydroelectric relicensing proceedings currently pending before FERC. These cities relied in good faith on existing law in competing for these projects. Since the changes made by S. 426 would effectively guarantee renewal of the existing licensee's license, I believe it only fair that the existing licensee compensate the competing applicant for all of the costs they have incurred or will incur in connection with the relicensing process.

This amendment identifies five costs that should be reimbursed including:

(1) Costs associated with preparing, filing and maintaining the license applications for the hydroelectric project through the date of enactment;

(2) Costs associated with seeking to apply, and preserve the application of section 7 of the Federal Power Act to the pending relicensing proceedings through the date of enactment;

(3) Costs associated with preparing, filing and maintaining an application for compensation pursuant to this section through the date of payment;

(4) The incremental costs the public applicants will incur or have incurred as a result of any delay in pursuing alternatives to securing the hydroelectric power sought by the California cities in their license applications;

(5) Interest through the date of payment on the amounts specified in (1)-(3).

All of the costs are related to the seeking of the hydro licenses. All of the costs represent economic losses to the California cities resulting from the retroactive application of the changes contained in S. 426. It would be unfair and inequitable to force the affected California ratepayers to shoulder the economic burden created by the retroactive application of this bill.

Mr. President, I ask my distinguished colleague, the Senator, from Idaho [Mr. McCLURE], whether he agrees with me that the California cities should be fully reimbursed for all of the costs identified in my amendment.

Mr. McClure. Let me assure my distinguished colleague that I share his concern. The competing public applicants have spent substantial sums in good faith reliance on existing law. But because the changes made by the bill we are considering today are to apply retroactively, thereby diminishing significantly their chances of succeeding in these relicensing proceedings, it would clearly be inequitable not to provide for reimbursement of their costs. While I have not had sufficient opportunity to study specific language offered by my colleague, I do believe that the costs he has just described are reasonable and should be reimbursed, and I will support inclusion of a provision providing for reimbursement of those costs in the conference report.

I will state, further, that the provisions in the House bill that deal with this subject do make this matter fully conferenceable, and I hope we can arrive at an appropriate conclusion in the conference.

Mr. WILSON. I thank the Senator from Idaho.

I note that the provisions in the House bill not only make this conferenceable but also go beyond what is described in my amendment. I will say for the record that it is my intention and purpose to try to make the cities whole but not to give them a windfall.

I thank the Senator from Idaho, and I am much assured by his statement. With that assurance, I see no need to pursue this amendment, and I withdraw it at this time.

The PRESIDING OFFICER. The amendment is withdrawn.

Mr. McCLURE. Mr. President, at this point, I believe we have disposed of every amendment or discussion, with the exception of three.

Senator Hart has an amendment or a complete substitute which he desires to offer. Senator Melcher and the managers of the bill have been discussing at some length the question of an amendment or amendments dealing with wheeling. I had made arrangements with the distinguished Senator from Montana [Mr. Baucus] for a colloquy which was to be entered into the Record this afternoon. I believe that those are all the remaining items.

I also understand that Senator Murkowski and Senator Evans are going to engage in a colloquy, which apparently will be satisfactory to them, and I believe it can be and will be resolved satisfactorily.

We are seeking any information from any source of the correctness or lack of accuracy of the statement that I have just made. I believe if that is accurate, that we will be able to propound a unanimous-consent agreement by which we would stop the con-

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sideration of the bill at this time, return to it at the hour of 10 o'clock on next Tuesday for the consideration of amendment or amendments by the Senator from Montana, to turn to the amendment or substitute to be offered by the Senator from Colorado at the hour of 2 o'clock under a 1-hour time agreement to be equally divided and no other amendments to be in order, with final passage to follow the disposal of the Melcher amendments, if they are disposed of, and the Hart amendment.

That would also leave room for the Baucus colloquy and the colloquy with Senator MURKOWSKI because they would not have to be covered by a specific unanimous-consent agreement.

Pending the clearance of the unanimous-consent agreement and any other advice that we can get from any other source as to any other issue that might be pertinent to this legislation, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. McCLURE. Mr. President, I ask unanimous consent that further proceedings under the quorum call be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

UNANIMOUS-CONSENT AGREEMENT

Mr. McCLURE. Mr. President, I am about to propound a unanimous-consent request which I understand has been cleared on both sides of the aisle. I ask unanimous consent that during the remainder of the Senate's consideration of S. 426, the hydrorelicensing bill, the following amendments be the only amendments in order: a Hart substitute dealing with making Federal recapture of privately-licensed projection automatic, limited to 1 hour, to be equally divided in the usual form; an undetermined number of amendments to be offered by Senator MELCHER dealing with wheeling of power, with no time restraints for debate; the pending committee substitute; an undetermined number of amendments in the second degree to be offered by the Senator from Ohio [Mr. METZENBAUM] to the Melcher amendments, which must be germane to the first-degree amendments they propose to amend.

I also ask unanimous consent that at 10 a.m. on Tuesday, April 15, the Senate resume consideration of S. 426, and at that point the Senator from Montana [Mr. MELCHER] be recognized to offer his amendments on wheeling of power.

I further ask unanimous consent that the Senate stand in recess between the hours of 12 noon and 2 p.m. on Tuesday, in order for the weekly party caucuses to meet.

I further ask unanimous consent that when the Senate reconvenes at 2 p.m., the Senator from Colorado [Mr. HART] be recognized to offer his substitute under the time agreement mentioned above.

I further ask unanimous consent that at 3 p.m. on Tuesday, the Senate proceed to vote in relation to the Hart substitute, without any intervening debate or action and, if agreed to, it be considered original text.

I further ask unanimous consent that following the disposition of the Hart substitute, the Melcher amendments and any second-degree amendments offered by Senator METZENBAUM, the Senate proceed to vote on the committee substitute, as amended, without any intervening action or debate, and that no motions to recommit with instructions be in order, and that there be 5 minutes on any debatable motions, appeals, or points of order.

Finally, Mr. President, I ask unanimous consent that following disposition of the committee substitute, the bill be advanced to third reading and final passage of S. 426, as amended, occur without any intervening action or debate.

The PRESIDING OFFICER. Is there an objection?

Mr. BYRD. Mr. President, reserving the right to object.

The PRESIDING OFFICER. The distinguished Democratic leader.

Mr. BYRD. Mr. President, I reserve the right to object. May I ask the distinguished Senator who proposed the agreement, is it understood that the amendments which are being specified in the agreement go to the committee substitute and that the bill itself will not be open to amendment other than by the committee substitute, as amended, if amended?

Mr. McCLURE. That is my understanding.

Mr. BYRD. In regard to the 5 minutes on any points of order, it it understood that the Senator is making that request only in the case of points of order submitted to the Senate by the Chair for consideration and debate?

Mr. McCLURE. The Senator is correct.

Mr. BYRD. Mr. President, will the distinguished Senator suggest the absence of a quorum at the moment?

Mr. McCLURE. I would be very happy to. Without the ruling on the unanimous-consent request or without withdrawing it, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistance legislative clerk proceeded to call the roll.

Mr. McCLURE. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. BYRD. Mr. President, I withdraw my reservation.

The PRESIDING OFFICER. Without objection, the unanimous-consent request is agreed to.

The text of the unanimous-consent agreement is as follows:

Ordered, That during the remainder of the Senate's consideration of S. 426, the hydro-relicensing bill, the following amendments be the only amendments in order to the substitute, and that amendments to the underlying bill not be in order:

Hart substitute dealing with making Federal recapture of privately licensed projection automatic, limited to 1 hour, to be equally divided and controlled in the usual form;

An undetermined number of amendments to be offerd by the Senator from Montana [Mr. MELCHER] dealing with wheeling of power, with no time restraints for debate;

The pending committee substitute;

An undetermined number of amendments in the second degree to be offered by the Senator from Ohio [Mr. METZENBAUM] to the Melcher amendments, which must be germane to the first degree amendments they propose to amend.

Ordered further, That at 10 a.m. on Tuesday, April 15, 1986, the Senate resume consideration of S. 426 and the Senator from Montana [Mr. MELCHER] be recognized to offer his amendments on wheeling of power.

Ordered further, That the Senate stand in recess between the hours of 12 noon and 2 p.m. on Tuesday, April 15, 1986.

Ordered further, That when the Senate reconvenes at 2 p.m. on Tuesday, April 15, 1986, the Senator from Colorado [Mr. HART] be recognized to offer his substitute, under the time agreement mentioned above.

Ordered further, That at 3 p.m. on Tuesday, April 15, 1986, the Senate proceed to vote in relation to the Hart substitute, without any intervening debate or action, and if it is agreed to, it be considered original text.

Ordered further, That following the disposition of the Hart substitute, the Melcher amendments, and any second degree amendments offered by Senator METZENBAUM, the Senate proceed to vote on the committee substitute, as amended, without any intervening action or debate.

Ordered further, That no motions to recommit with instructions be in order, and that there be 5 minutes debate equally divided on any debatable motions, appeals or points of order which are submitted to the Senate.

Ordered further, That following the disposition of the committee substitute, the bill be advanced to third reading, and final passage occur on S. 426, as amended, without any intervening action or debate.

Mr. McCLURE. Mr. President, I ask unanimous consent that S. 426 be set aside temporarily, pending its resumption under the unanimous-consent request just agreed to.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. McCLURE. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. RUDMAN. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

THE CALENDAR

Mr. RUDMAN. Mr. President, I would inquire of the Democratic leader whether he is in a position to pass a number of calendar items. I will read which ones they are.

Calendar Order No. 580, S. 2054; Calendar Order No. 589, Senate Resolution 332; Calendar Order No. 598, Senate Resolution 352; Calendar Order No. 599, Senate Joint Resolution 281; Calendar Order No. 600, Senate Joint Resolution 284; Calendar Order No. 601, Senate Joint Resolution 300; Calendar Order No. 602, Senate Joint Resolution 303; Calendar Order No. 603, Senate Joint Resolution 306; Calendar Order No. 604, Senate Joint Resolution 307; Calendar Order No. 605, Senate Joint Resolution 309; Calendar Order No. 606, Senate Joint Resolution 315; Calendar Order No. 607, Senate Joint Resolution 188, and Calendar Order No. 608, Senate Joint Resolution 199.

Mr. BYRD. Mr. President, I am happy to respond to the distinguished acting majority leader. Those items that the Senator enumerated have been cleared on this side and we are ready to proceed.

Mr. RUDMAN. If that is so, Mr. President, I ask unanimous consent that the calendar items just identified be considered and passed en bloc and that all committee-reported amendments and preambles be considered and agreed to.

The PRESIDING OFFICER. Is there objection? Without objection, it is so ordered.

CONTRIBUTIONS AND DONATIONS FOR A SPACE SHUTTLE

The Senate proceeded to consider the bill (S. 2054) to provide that the National Aeronautics and Space Administration may accept gifts and donations for a space shuttle which may be named *Challenger II*, which had been reported from the Committee on Commerce, Science, and Transportation, with an amendment:

On page 2, line 13, strike "shuttle", and insert the following: "shuttle or the Administrator does not, either pursuant to any provision of law or as a result of a determination by the Administrator, undertake and complete construction of such space shuttle—".

So as to make the bill read:

S. 2054

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That title II of the National Aeronautics and Space Act of 1958 (42 U.S.C. 2471 et seq.) is amended by adding at the end thereof the following new section:

"DONATIONS FOR SPACE SHUTTLE

"SEC. 208. (a) Notwithstanding the provisions of paragraph (4) of subsection (c) of section 203 of this Act or any other provision of law, the Administration is authorized to accept gifts or donations of services, money, or property, real, personal, or mixed, tangible or intangible, and expend such gifts and donations for the construction of a manned space shuttle. Such shuttle may be named Challenger II.

"(b) If the manned space shuttle program is discontinued before the completion of construction of such space shuttle or the Administrator does not, either pursuant to any provision of law or as a result of a determination by the Administrator, undertake and complete construction of such space shuttle—

"(1) the authority of the Administration to accept gifts or donations pursuant to subsection (a) shall be terminated; and

"(2) all such gifts or donations not expended, shall be treated as gifts and donations pursuant to paragraph (4) of subsection (c) of section 203 of this Act and may be expended by the Administrator for the activities of the Administration.".

The amendment was agreed to.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

HONORING THE "CHALLENGER" SPACE SHUTTLE ASTRONAUTS

The Senate proceeded to consider the resolution (S. Res. 332) to honor the *Challenger* space shuttle astronauts, which had been reported from the Committee on Commerce, Science, and Transportation, with amendments.

The amendments were agreed to.

Mr. ARMSTONG. Mr. President, the tragedy of the *Challenger* space shuttle disaster and the loss of our seven astronauts is still very much in the hearts and minds of Americans as well it should be.

We had become complacent. For most of us, the wonder of sending human beings into space had worn off, and we took it in stride every time shuttles were launched, carried out their missions and returned safely to Earth.

That complacency ended abruptly when the seven brave men and women of the *Challenger* space shuttle died in the pursuit of greater knowledge for the benefit of us all. Since that time, we have begun to understand the difficulty of sending man into space and the courage of the individuals who seek to be a part of the space program.

Recently, I introduced Senate Resolution 332 which urges the International Astronomical Union to name seven of the moons, satellites, or surface features of Uranus after the seven who died upon the *Challenger*—Michael Smith, Francis (Dick) Scobee, Judith Resnik, Ronald McNair, Ellison Onizuka, Gregory Jarvis, and Christa McAuliffe. As with many of the efforts to honor the *Challenger* astronauts, this one began with a suggestion from a private citizen, Bob Palmer, a prominent TV newscaster in Colorado. He saw this as a way to express national recognition of the seven astronauts who died on January 28, 1986, and for all those who dedicate their lives to space exploration.

This particular shuttle launch was even more unique in that a teacher, Christa McAuliffe, was to have taught the first school lesson from space. Instead, her death and that of the six other astronauts taught us a much more difficult lesson—that of the remarkable courage of those who travel into space, knowing they are risking their lives in the pursuit of greater knowledge. Such dedication should not be forgotten.

I am pleased that the Committee on Commerce, Science, and Transportation has favorably reported Senate Resolution 332 and that 33 of my colleagues here in the Senate have joined me in seeking to honor the seven *Challenger* astronauts. It is one way to express our national sense of regret and sorrow at the loss of these brave Americans and how deeply we respect their courage.

As President Reagan said, "The future does not belong to the fainthearted. It belongs to the brave." Today, we seek to show, in one small way, our sense of humility toward those who fearlessly sought to conquer new horizons in space. Their sacrifice serves as a lesson to us all.

Mr. BAUCUS. Mr. President, I rise today in support of the resolution by the Senator from Colorado, Senate Resolution 332, to honor the *Challenger* space shuttle astronauts.

On January 28, 1986, our entire Nation was brought together by a tragedy that still seems incomprehensible more than 2 months later. The space shuttle *Challenger*, embarking on its 10th mission into the heavens, exploded—ending the lives of seven courageous astronauts.

We have not forgotten the shock and sadness that we all felt that day. We continue to grieve the loss of those seven lives. Our hearts go out to the families of the astronauts, who have suffered through a private event in a very public way.

Senate Resolution 332 memorializes the seven heroes whose lives were taken on that sad day by calling for the naming of the newly discovered moons of the planet Uranus, or features of the moons, for the seven men and women who died aboard the space shuttle *Challenger*.

This resolution is a fitting reminder of their courage and their quest to explore space for the benefit of all mankind.

Mr. President, as the author of a similar measure, Senate Resolution 318, and as a cosponsor of the Armstrong resolution, I hope that the Senate will approve passage of this resolution so that the names of the *Challenger* seven will live on, as their memory will live on in our hearts.

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The **PRESIDING OFFICER**. The question is on agreeing to the resolution, as amended.

The resolution (S. Res. 332), as amended, was agreed to.

The preamble was agreed to.

The resolution, as amended, and the preamble, are as follows:

S. Res. 332

Whereas words cannot adequately express our deep sense of regret and sorrow to the families of those brave men and women who have lost their lives pursuing the exploration of space;

Whereas in the words of President Reagan, "The future does not belong to the faint-hearted. It belongs to the brave. The *Challenger* crew was pulling us into the future, and we will continue to follow them.";

Whereas space exploration holds limitless promise for greater knowledge and the advancement of all mankind;

Whereas without the courage of our space pioneers, our last great frontier would remain beyond our reach;

Whereas those who are fearlessly dedicated to space exploration should be considered no less than modern-day heroes;

Whereas in this time of sorrow for the astronauts who have perished we are conquering a new horizon in modern space exploration—the remarkable discovery of new celestial bodies orbiting the planet Uranus; and

Whereas we mourn the tragedy of today, we recognize that space exploration holds continued promise for the future: Now, therefore, be it

Resolved, That it is the sense of the Senate that—

(1) seven of the newly discovered celestial bodies orbiting the planet Uranus or other suitable features discovered by the *Voyager* spacecraft at Uranus should be named after those individuals who have lost their lives in the quest of space. They are the men and women who died aboard space shuttle *Challenger*, on January 28, 1986: Michael Smith, Francis (Dick) Scobee, Judith Resnik, Ronald McNair, Ellison Onizuka, Gregory Jarvis, and Christa McAuliffe; and

(2) the Senate recommends to the International Astronomical Union that the celestial bodies or other suitable features be so named.

COMMEMORATION OF BICENTENNIAL OF THE SENATE OF THE UNITED STATES

The Senate proceeded to consider the resolution (S. Res. 352) relating to the commemoration of the bicentennial of the Senate of the United States.

Mr. BYRD. Mr. President, I am pleased and proud to announce that the Senate Judiciary Committee, of which I am a member, has reported out S. Res. 352, which establishes the Commission on the Bicentennial of the United States Senate.

This commission was called for in the recommendations of the study group on the commemoration of the United States Senate bicentenary in 1982. And now it is close to becoming reality.

In my remarks on February 26, at the time I introduced S. Res. 352, I outlined the numerous and various projects both planned and already underway to celebrate the bicentenntial of the Senate. These projects include valuable and important publications, restoration projects, and commemoration ceremonies.

It is appropriate that we take such actions to recognize the creation of the American Government. Under the system of Government created by our Founding Fathers during the Constitutional Convention of 1787, and inaugurated in 1789, this Nation has grown from 13 badly divided and underdeveloped States into the premier world power, and the wealthiest and most influential nation in the world. And yet, our form of government remains remarkably close to the system of government devised by the framers of the Constitution in Philadelphia 200 years ago.

As I said when introducing the resolution to create the commission, the continuation of our National Government and the preservation of our rights and freedoms under that Government have served as an inspiration to the world. We cannot forget, or take for granted, those accomplishments. It is proper that we begin now to commemorate them with the thoughtful deliberation and dignity that are in keeping with the best traditions of the U.S. Senate.

The establishment of this commission will be a major force and factor in ensuring these goals. For, as the resolution states, the purpose of the commission will be:

> To coordinate ceremonial events and related activities as appropriate * * * [and] oversee the development of projects and activities as outlined in the final report of the study group on the commemoration of the United States Senate bicentenary. It shall seek to coordinate Senate bicentennial activities with related organizations outside the Senate, including the Commission on the United States House of Representatives Bicentenary and the Commission on the Bicentennial of the United States Constitution.

I hope that the Senate will move swiftly to accept this report in order that we may begin planning for the celebration of this very significant event in the history of our Nation and the world.

The **PRESIDING OFFICER**. The question is on agreeing to the resolution.

The resolution (S. Res. 352) was agreed to

The preamble was agreed to.

The resolution, with the preamble, is as follows:

S. Res. 3.

Whereas the Senate of the United States in the year 1989 will celebrate the two hundredth anniversary of its establishment under the Constitution;

Whereas the Senate's historical development has been inextricably bound to the development of our national heritage of individual liberty, representative government, and the attainment of equal and inalienable rights;

Whereas it is appropriate and desirable to provide for the observation and commemoration of this anniversary;

Whereas the Study Group on the Commemoration of the United States Senate Bicentennary in 1982 recommended a "coordinated program of publications, ceremonial events, conferences, and a film to inform the Nation on the role of the Senate" to be undertaken within the Office of the Secretary of the Senate by the Senate Historical Office and the Office of the Senate Curator; and

Whereas the Study Group further recommended that the Senate on the eve of the one hundredth Congress might "wish to establish a special bicentennial commission to coordinate specific activities of the bicentennial period 1987–1989": Now, therefore, be it

Resolved, That there is hereby established a Commission on the Bicentennial of the United States Senate (hereafter in this resolution referred to as the "Commission") to coordinate ceremonial events and related activities as appropriate.

Sec. 2. The Commission shall be composed of the following members:

(1) the President pro tempore of the Senate;

(b) the majority leader and minority leader of the Senate;

(c) two Members of the Senate to be appointed by the majority leader; and

(d) two Members of the Senate to be appointed by the minority leader.

Sec. 3. The majority leader shall designate one of the members of the Commission to serve as Chairman of the Commission, and the minority leader shall designate one of the members of the Commission to serve as Vice Chairman of the Commission. Four members of the Commission shall constitute a quorum for the transaction of business.

Sec. 4. Any vacancy in the membership of the Commission shall be filled in the same manner as the original appointment.

Sec. 5. The Commission shall oversee the development of projects and activities as outlined in the Final Report of the Study Group on the Commemoration of the United States Senate Bicentennary. It shall seek to coordinate Senate bicentennial activities with related organizations outside the Senate, including the Commission on the United States House of Representatives Bicentennary and the Commission on the Bicentennial of the United States Constitution.

Sec. 6. The Commission shall be staffed by the Senate Historical Office and the Office of Senate Curator, under the jurisdiction of the Secretary of the Senate, and with the assistance of the United States Senate Commission on Art and Antiquities.

Sec. 7. The routine administrative expenses of the Commission shall be paid from the Contingent Fund of the Senate, out of the account of Miscellaneous Items, upon vouchers approved by the Chairman of the Commission. For any fiscal year, not more than $100,000 shall be expended for such purposes.

Sec. 8. The Commission shall seek to assemble a private sector task force to explore ideas and funding from private sources for appropriate projects to commemorate the bicentennial.

Sec. 9. The Commission may submit periodic reports on its activities to the Senate and shall submit a final report at the time of its termination.

Sec. 10. The Commission shall cease to exist at the end of the one hundred and first Congress, unless otherwise provided by law or resolution.

SENIOR CENTER WEEK

The joint resolution (S.J. Res. 281) to designate the week of May 11 through May 17, 1986, as "Senior Center Week," was considered, ordered to be engrossed for a third reading, read the third time and passed.

The preamble was agreed to.

The joint resolution, and the preamble, are as follows:

S.J. Res 281

Whereas senior centers act as a catalyst for mobilizing the creativity, energy, vitality, and commitment of older Americans to help themselves and others in their communities;

Whereas, through their wide array of services, programs, and activities, senior centers empower older Americans to contribute to their own health and well-being and to the health and well-being of their fellow citizens of all ages;

Whereas senior centers foster a philosophy of independence, self-reliance, and community spirit, thereby representing another expression of American ingenuity, determination, self-help, and neighborliness;

Whereas the month of May has historically been proclaimed as Older Americans Month, as a time to recognize our rich treasury of older Americans; and

Whereas the national theme for Senior Center Week shall be "Senior Centers are Wellness Centers": Now, therefore, be it

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled, That the second week of May, May 11 through May 17, 1986, be designated as "Senior Center Week" calling upon the people of the United States to recognize the special contributions of senior centers and their participants, and the special efforts of senior center staff and volunteers who work every day to enhance the well-being of older persons in communities throughout the country.

BETTER HEARING AND SPEECH MONTH

The joint resolution (S.J. Res. 284) to designate the month of May 1986, as "Better Hearing and Speech Month," was considered, ordered to be engrossed for a third reading, read the third time and passed.

The preamble was agreed to.

The joint resolution, and the preamble; are as follows:

S.J. Res. 284

Whereas more than fifteen million Americans, of all ages experience some form of hearing impairment, ranging from mild hearing loss to profound deafness;

Whereas more than ten million Americans of all ages experience some form of speech or language impairment;

Whereas the deaf, hard of hearing, and speech or language impaired have made significant contributions to society in virtually every occupational category and profession;

Whereas those with communication disorders continue to encounter impediments and obstacles which limit their education and employment opportunities; and

Whereas the remaining barriers which prevent the communicatively handicapped from fulfilling their potential must be recognized and eliminated.

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled, That the month of May 1986 is designated "Better Hearing and Speech Month" and the President is requested to issue a proclamation calling upon the people of the United States to observe such month with appropriate ceremonies and activities.

RECOGNIZING AND HONORING THE 350 YEARS OF SERVICE OF THE NATIONAL GUARD

The joint resolution (S.J. Res. 300) to recognize and honor 350 years of service of the National Guard, was considered, ordered to be engrossed for a third reading, read the third time and passed.

The preamble was agreed to.

The joint resolution, and the preamble, are as follows:

S.J. Res. 300

Whereas three hundred and fifty years ago, the first settlers organized militia units to defend their property and lives, establishing the tradition of the citizen-soldier in the United States;

Whereas citizen-soldiers evolved into the National Guard and have answered the call to duty in virtually every conflict in which the United States has been involved; and

Whereas the National Guard has always been ready to serve by saving lives and property when disaster has struck in peacetime: Now, therefore, be it

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled, That the Congress recognizes the National Guard for three hundred and fifty years of service, and honors the Army and Air National Guard for services rendered to communities, to States, and to our Nation.

FAIR HOUSING MONTH

The joint resolution (S.J. Res. 303) to designate April 1986 as "Fair Housing Month," was considered, ordered to be engrossed for a third reading, read the third time and passed.

The preamble was agreed to.

The joint resolution, and the preamble, are as follows:

S.J. Res. 303

Whereas the year 1986 marks the eighteenth anniversary of the passage of title VIII of the Civil Rights Act of 1968, commonly referred to as the "Fair Housing Act", declaring a national policy to provide fair housing throughout the United States;

Whereas the Federal Fair Housing Act prohibits discrimination in housing on the basis of race, color, religion, sex, or national origin;

Whereas fairness is the foundation of our way of life and reflects the best of our traditional American values;

Whereas invidious discriminatory housing practices undermine the strength and vitality of America and the American people; and

Whereas in this eighteenth year since the passage of the Fair Housing Act, all Americans must work to continue to improve the Fair Housing Act by strengthening enforcement provisions, by extending the protections of the Act to all our citizens, by assuring there are no victims of discriminatory housing practices, and by making the ideal of fair housing a reality: Now, therefore, be it

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled, That the President is authorized and requested to issue a proclamation designating April as "Fair Housing Month" and to invite the Governors of the several States, the chief officials of local governments, and the people of the United States to observe the month with appropriate ceremonies and activities.

NATIONAL ADOPTION WEEK

The joint resolution (S.J. Res. 306) to designate the week beginning November 23, 1986, as "National Adoption Week," was considered, ordered to be engrossed for a third reading, read the third time, and passed.

The preamble was agreed to.

The joint resolution, and the preamble, are as follows:

S.J. Res. 306

Whereas the week of November 23 has been commemorated as "National Adoption Week" for the past ten years;

Whereas we in Congress recognize the essential value of belonging to a secure, loving permanent family as every child's basic right;

Whereas approximately fifty thousand children who have special needs—school age, in sibling groups, members of minorities, or children with physical, mental, and emotional handicaps—are now in foster care or institutions financed at public expense and are legally free for adoption;

Whereas the adoption by capable parents of these institutionalized or foster care children into permanent, adoptive homes would insure the opportunity for their continued happiness and long-range well-being;

Whereas public and private barriers inhibiting the placement of these special needs children must be reviewed and removed where possible to assure these children's adoption;

Whereas the public and prospective parents must be informed of the availability of adoptive children;

Whereas a variety of media, agencies, adoptive parent and advocacy groups, civic and church groups, businesses, and industries will feature publicity and information to heighten community awareness of the crucial needs of waiting children; and

Whereas the recognition of Thanksgiving week as "National Adoption Week" is in the best interest of adoptable children and the public in general: Now, therefore, be it

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled, That the week of November 23 through November 29, 1986, hereby is designated "National Adoption Week", and the President of the United States is authorized and requested to issue a proclamation calling upon the people of the United States to observe such week with appropriate ceremonies and activities.

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NATIONAL CARPET AND FLOOR COVERING WEEK

The Senate proceeded to consider the joint resolution (S.J. Res. 307) to authorize and request the President to designate the week of April 18, 1986, through April 27, 1986, as "National Carpet and Floor Covering Week."

Mr. MATTINGLY. Mr. President, a rapidly changing global economic environment is forcing U.S. producers to increasingly compete against unfairly subsidized or dumped foreign goods and foreign trade barriers that discriminate against U.S. exports. As Congress considers responses to the current international trade climate, it is appropriate to recognize a sector of a beleaguered U.S. industry that has met today's challenges and has managed to maintain its competitive position. I am referring to that portion of the U.S. textile industry devoted to the manufacture of carpet and other floorcovering. The carpet and floor covering industry fully realizes the value, indeed the necessity, of technological innovation and improved efficiency. American-made carpets, rugs, and floorcoverings are able to compete successfully on the merits of their product thanks to state-of-the-art production and aggressive marketing and promotional strategies. I applaud the efforts and success of this industry and urge my colleagues to support Senate Joint Resolution 307 to designate the week of April 18, 1986, through April 27, 1986, as "National Carpet and Floor Covering Week."

The joint resolution (S.J. Res. 307) was considered, ordered to be engrossed for a third reading, read the third time and passed.

The preamble was agreed to.

The joint resolution, and the preamble, are as follows:

S.J. Res. 307

Whereas since its founding more than two hundred years ago, this Nation has promoted the concept of prosperity through a free enterprise system;

Whereas American business has traditionally prospered and flourished through fair pursuit of free enterprise, but finds itself now beset by increased unfair competition from overseas;

Whereas American carpet and floorcovering producers represent one of the last remaining areas of strength for the United States textile industry;

Whereas in the spirit of marketing and promotion that has helped make the United States the world's premier industrial power, an unprecedented national promotional effort is to be made in conjunction with "National Carpet and Floorcovering Week," April 18 through April 27, 1986;

Whereas this annual event has become known as the United States largest carpet and floorcovering event showcasing the enormous variety and excellent quality of goods offered by American fiber producers, mills, distributors, and retailers;

Whereas these efforts have been specifically designed to bring to the consumers' attention the vast array of American floorcovering products on the market and to heighten public awareness as to the design and fashion uses of American floorcoverings; and

Whereas it is only with resourcefulness, determination, and perseverance similar to that shown by the American carpet and floorcovering producers that United States industry can continue to meet the demands and needs of the world's consumers in what are increasingly competitive national and international marketplaces: Now, therefore, be it

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled, That the President of the United States is authorized and requested to issue a proclamation designating April 18, 1986, through April 27, 1986, as "National Carpet and Floorcovering Week," and calling upon the people of the United States to observe that week with appropriate programs and activities.

NATIONAL INTELLIGENCE COMMUNITY WEEK

The joint resolution (S.J. Res. 309) to designate the week of June 1, 1986, through June 7, 1986, as "National Intelligence Community Week," was considered, ordered to be engrossed for a third reading, read the third time and passed.

The preamble was agreed to.

The joint resolution, and the preamble, are as follows:

S.J. Res. 309

Whereas the work of the men and women of the intelligence community is essential to the national security of the United States and to the cause of freedom and democracy throughout the world;

Whereas the dedication of the men and women of the intelligence community to the service of their country in difficult and dangerous circumstances abroad, and in arduous intellectually challenging analytical assignments at home, is deserving of special recognition by the Senate and House of Representatives of the United States;

Whereas efforts should be made to foster an understanding and appreciation on the part of the American people that intelligence is the first line of national defense and that an effective intelligence capability is vital to the safety and well being of the United States; and

Whereas it is particularly appropriate to recognize the continuing contribution of our intelligence officers during the week of the anniversary of the birth of Nathan Hale, an early patriot, hero, and practitioner of American intelligence, who symbolizes the selfless dedication of our Nation's intelligence personnel: Now, therefore, be it

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled,

That the week beginning June 1, 1986, through June 7, 1986, is hereby designated as "National Intelligence Community Week", and the President is authorized and requested to issue a proclamation calling upon the people of the United States to recognize the week of June 1, 1986, through June 7, 1986, as "National Intelligence Community Week".

OLDER AMERICANS MONTH

The Senate proceeded to consider the joint resolution (S.J. Res. 315) designating May 1986, as "Older Americans Month."

(By request of Mr. Dole, the following statement was ordered to be printed in the Record:)

● Mrs. HAWKINS. Mr. President, today, I am joined in my sponsorship of Senate Joint Resolution 315 proclaiming May 1986, as "Older Americans Month" by over 30 of my colleagues. From as early as 1950, States have chosen May as the month to commemorate the contributions of our senior citizens through special local activities, programs, and ceremonies. In 1963, Older American's Month was nationally observed—and has been recognized since that time. Honoring our senior citizens, who give so much to our society, has become an important May tradition.

During Older Americans Month, we take time to consider all that older adults add to the richness of our individual lives and the life of our Nation. We must not forget the deeds and experiences of older Americans, many of whom have survived the Great Depression, defended our democratic society in times of war, and worked and sacrificed to shape our Nation's land and industry.

My home State of Florida has the largest number of senior citizens per capita in the Nation. Our climate is warm, opportunities abound, and Florida has become the "Venice" for a great number of this Nation's retiring and senior citizens. May I add that Florida has greatly benefited from the expertise and wisdom of senior citizens with a wide range of experiences and knowledge.

Last year Florida instituted a variety of innovative programs highlighting the contributions of our senior citizens. There were senior fairs offering everything from dancing, to fashion shows, to blood pressure and hearing testing. Senior citizens were encouraged to write and participate in theatrical performances. Quality-crafted quilts and other crafts from seniors were displayed in public buildings. And senior centers conducted marriage renewal celebrations for those celebrating their golden wedding anniversaries. Fast food chains offered bumper stickers and trayliners praising the elderly. And one poster portraying seniors in their exercise class stated, "Don't be a Senior Sit-i-zen."

Most people may not be aware that at age 100, Grandma Moses was still painting. That at 81, Benjamin Franklin effected the compromise that led to the adoption of the U.S. Constitution. That at 90 Pablo Picasso was producing drawings and engravings. And that at 89 Albert Schweitzer directed a hospital in Africa.

A little closer to home, our President Ronald Reagan is 73 years old. Supreme Court Justice William Brennan,

Jr., is 78, and runner Johnny Kelley, 76, has competed in 53 Boston marathons.

Mr. President, our Nation's senior citizens have so much to contribute to the future of this country. I hope and pray that throughout the month of May all of us will realize their significance as the purveyors of values, knowledge, and our culture.●

The joint resolution (S.J. Res. 315) was considered, ordered to be engrossed for a third reading, read the third time and passed.

The preamble was agreed to.

The joint resolution, and the preamble, are as follows:

S.J. Res. 315

Whereas older Americans have contributed many years of service to their families, their communities, and the Nation;

Whereas the population of the United States is comprised of a large percentage of older Americans representing a wealth of knowledge and experience;

Whereas older Americans should be acknowledged for the contributions they continue to make to their communities and the Nation; and

Whereas many States and communities acknowledge older Americans during the month of May: Now, therefore, be it

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled, That in recognition of the traditional designation of the month of May as "Older Americans Month" and the repeated expression by the Congress of its appreciation and respect for the achievements of older Americans and its desire that these Americans continue to play an active role in the life of the Nation, the President is directed to issue a proclamation designating the month of May 1986 as "Older Americans Month" and calling on the people of the United States to observe this month with appropriate programs, ceremonies, and activities.

NATIONAL AIR TRAFFIC CONTROL DAY

The joint resolution (S.J. Res. 188) to designate July 6, 1986, as "National Air Traffic Control Day," was considered, ordered to be engrossed for a third reading, read the third time and passed.

The amendments to the preamble were agreed to.

The preamble, as amended, was agreed to.

The joint resolution, and the preamble, as amended, are as follows:

S.J. Res. 188

Whereas July 6, 1986, marks the fiftieth anniversary of the establishment, by the United States Bureau of Air Commerce, of an airways traffic control system to assure adequate spacing between airplanes flying along established air routes and to prevent congestion at airports;

Whereas the volume of traffic using the United States Airspace System has increased one hundred eighty-fold from two hundred-ninety-four thousand five hundred twenty-eight en route flight movements in 1938, to fifty-three million three hundred twenty thousand nine hundred thirty-one total air route traffic movements in 1983;

Whereas the safety, efficiency, and technical sophistication of the United States National Airspace System is now unparalleled in the world, and the preeminence of the United States in pioneering the technology of air traffic control is universally recognized, and emulated, by other nations throughout the world;

Whereas this Nation's civil and military air traffic control personnel daily guide unprecedented volumes of traffic safely and efficiently through the National Airspace System; and

Whereas in order to increase public awareness of the excellence and preeminence of the United States National Airspace System, and because the people of the United States desire to express their gratitude and respect to the pioneers of the technology of air traffic control, and the air traffic control personnel—past and present—who have dedicated their lives and careers to development, safety, and efficiency of the National Airspace System: Now, therefore, be it

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled, That July 6, 1986, is designated as "National Air Traffic Control Day". The President is requested to issue a proclamation calling upon the people of the United States and upon interested associations and organizations to observe such a day with appropriate ceremonies and activities.

NATIONAL ELKS VETERANS REMEMBRANCE MONTH

The Senate proceeded to consider the joint resolution (S.J. Res. 199) to designate the month of November 1985 as "National Elks Veterans Remembrance Month," which had been reported from the Committee on the Judiciary, with an amendment:

On page 3, line 3, strike "1985", and insert "1986"

The amendment was agreed to.

The joint resolution was ordered to be engrossed for a third reading, read the third time, and passed.

The amendment to the preamble was agreed to.

The preamble, as amended, was agreed to.

The title was amended so as to read "Joint resolution to designate the month of November 1986 as 'National Elks Veterans Remembrance Month'."

The joint resolution, as amended, and the preamble, as amended, is as follows:

S.J. Res. 199

Whereas there are one million, six hundred and fifty thousand members of the Benevolent and Protective Order of Elks, assembled in fifty State groups;

Whereas the fraternal and benevolent society, founded in 1868, has demonstrated a strong commitment to the veterans of the Nation;

Whereas the pledge of the Elks National Service Commission first made in 1946, remains, "So long as there are veterans in our hospitals, the Benevolent and Protective Order of Elks will never forget them.";

Whereas the Elks and the Ladies Auxiliaries of the Elks provide many services and programs to hospitalized veterans;

Whereas the Elks National Service Commission provides volunteer services and assistance in all one hundred and seventy-two Veterans' Administration medical centers, and nursing homes and domiciliaries;

Whereas in addition to providing entertainment, occupational therapy assistance, and comfort to hospitalized veterans, the Elks have given financial support to hospital committees and have engaged in recruitment activities for the Armed Services;

Whereas the numerous contributions of the Benevolent and Protective Order of Elks on behalf of the veterans of the Nation deserve greater public recognition and awareness; and

Whereas recognition of the Elks by the Congress and President throught enactment of legislation declaring the month of November 1986 as "National Elks Veterans Remembrance Month", would serve to create greater public recognition and awareness of the contributions of the fraternal society, to express the appreciation of the Nation for the service of the Elks, to inspire more responsive care to veterans of the Nation, and to reinforce that duty to American veterans is the responsibility of all: Now, therefore, be it

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled, That the month of November 1986 is designated as "National Elks Veterans Remembrance Month", and the President is authorized and requested to issue a proclamation calling upon all citizens, community leaders, interested organizations, and Government officials to observe such month with appropriate programs, ceremonies, and activities.

Mr. RUDMAN. Mr. President, I move to reconsider the vote by which the various measures were passed or agreed to.

Mr. BYRD. Mr. President, I move to lay that motion on the table.

The motion to lay on the table was agreed to.

JUDICIAL IMPROVEMENTS ACT

Mr. RUDMAN. Mr. President, I would inquire of the Democratic leader whether he is prepared to move to Calendar Order No. 572, H.R. 3570.

Mr. BYRD. Mr. President, the Calendar Order No. 572 has been cleared on this side. We are ready to proceed.

Mr. RUDMAN. I thank my friend.

Mr. President, I ask unanimous consent that the Senate turn to Calendar No. 572, H.R. 3570, to improve Federal Justices and Judges Survivors' Annuity Program.

The PRESIDING OFFICER. The bill will be stated by title.

The assistant legislative clerk read as follows:

A bill (H.R. 3570) to amend title 28, United States Code, to reform and improve the Federal justices and judges survivors annuities program, and for other purposes.

The Senate proceeded to consider the bill, which had been reported from the Committee on the Judiciary, with amendments, as follows:

(The parts of the bill intended to be stricken are shown in boldface brack-

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ets, and the parts of the bill intended to be inserted are shown in italic.)

H.R. 3570

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the "Judicial Improvements Act of 1985".

SEC. 2. JUDICIAL SURVIVORS' ANNUITIES AMENDMENTS.

(a) Benefit Reforms.—Section 376 of title 28, United States Code, is amended as follows:

(1) Subsection (a)(1) is amended by striking out "or (iii) the date upon which the Judicial Survivors' Annuities Reform Act becomes effective;" and inserting in lieu thereof "(iii) January 1, 1977; or (iv) January 1, 1986;".

(2) Subsections (b) and (d) are each amended by striking out "4.5 percent" each place it appears and inserting in lieu thereof "5 percent".

(3) Subsection (c) is amended to read as follows:

"(c)(1) There shall also be deposited to the credit of the Judicial Survivors' Annuities Fund, in accordance with such procedures as the Comptroller General of the United States may prescribe, amounts required to reduce to zero the unfunded liability of the Judicial Survivors' Annuities [Fund]. *Fund; Provided, That such amounts shall not exceed the equivalent of 9 percent of salary or retirement salary.* Such deposits shall, subject to appropriation Acts, be taken from the fund used to pay the compensation of the judicial official, and shall immediately become an integrated part of the Judicial Survivors' Annuities Fund for any use required under this section.

"(2) For purposes of paragraph (1), the term 'unfunded liability' means the estimated excess, [determined by the Comptroller General on an annual basis,] *determined on an annual basis in accordance with the provisions of section 9503 of title 31, United States Code,* of the present value of all benefits payable from the Judicial Survivors' Annuities Fund, over the sum of—

"(A) the present value of deductions to be withheld from the future basic pay of judicial officials; plus

"(B) the balance in the Fund as of the date the unfunded liability is determined.

In making any determination under this paragraph, the Comptroller General shall use the applicable information contained in the reports filed pursuant to section 9503 of title 31, United States Code, with respect to the judicial survivors' annuities plan established by this section.

"(3) There are authorized to be appropriated such sums as may be necessary to carry out this subsection.".

(3) Subsection (h) is amended—

(A) in paragraph (1)(B), by striking out clauses (i) and (ii) and inserting in lieu thereof the following:

"(i) 10 percent of the average annual salary determined under subsection (1)(1) of this section; or

"(ii) 20 percent of such average annual salary, divided by the number of children;";

(B) in paragraph (1)(C) by striking out clauses (ii) and (iii) and inserting in lieu thereof the following:

"(ii) 20 percent of the average annual salary determined under subsection (l)(1) of this section; or

"(iii) 40 percent of such average annual salary amount, divided by the number of children;"; and

(C) in paragraph (2) by inserting immediately after "remarriage" the following: "before attaining age 55".

(4) Subsection (l) is amended—

(A) by striking out "1¼ percent" and inserting in lieu thereof "1.5 percent";

(B) in paragraph (2) by striking out the colon after "subsection" and inserting in lieu thereof a semicolon; and

(C) by striking out the proviso and inserting in lieu thereof the following: "except that such annuity shall not exceed an amount equal to [55] *50* percent of such average annual salary, nor be less than an amount equal to [30] *25* percent of such average annual salary. Any annuity determined in accordance with the provisions of this subsection shall be reduced to the extent required by subsection (d) of this section.".

[(5) Subsection (a) is amended—

[(A) in paragraph (1)(C) by inserting "or Deputy Director" immediately after "Director"; and

[(B) in paragraph (2)(C) by inserting "or Deputy Director" immediately after "Director".]

(b) Beneficiaries.—The benefits conferred by section 376 of title 28, United States Code, by reason of the amendments made by this section shall apply only to individuals who become eligible for annuities under such section on or after the effective date of this section, except that—

(1) such annuities shall be computed in accordance with the provisions of section 376 of title 28, United States Code, as amended by this section, notwithstanding contributions or deposits made in accordance with applicable law at lower rates; and

(2) no additional liability shall be created with respect to deposits made in accordance with applicable law before the effective date of this section, or after such effective date pursuant to an agreement entered into before such effective date.

(c) Revocation.—(1) Within 180 days after the effective date of this section, any judicial official who, before such effective date, made an election under section 376 of title 28, United States Code, to come within the purview of that section, shall be entitled to revoke that election. Such revocation shall constitute a complete withdrawal from the judicial survivors' annuities program provided for in such section 376. No such revocation shall be effective unless it is submitted in writing to the Director of the Administrative Office of the United States Courts, and until such writing is received by the Director. Upon receipt by the Director of such writing, any rights to survivorship benefits for the survivors of such judicial official shall terminate, and all amounts credited to the individual account of such judicial official under section 376(e), together with interest at 3 percent per annum, compounded on December 31 of each year to such date of revocation, shall be returned to that judicial official in a lump-sum payment.

(2) Any judicial official who makes a revocation under paragraph (1) of this subsection and who thereafter becomes eligible to make an election under section 376(b) of title 28, United States Code, may make such election only if such judicial official redeposits, to the credit of the Judicial Survivors' Annuities Fund, the full amount of the lump-sum payment made to such judicial official under paragraph (1) of this subsection, together with interest at 3 percent per annum, compounded on December 31 of each year from the date of such revocation until the date upon which that amount is so redeposited.

(3) Any judicial official who fails to revoke an election in accordance with paragraph (1) of this subsection shall be deemed to have irrevocably waived the right to make that revocation.

(d) Annuities for Former Spouses.—

(1) Section 376 of title 28, United States Code, is amended in subsection (a)—

(A) by striking out the period at the end of paragraph (5) and inserting in lieu thereof "; and"; and

(B) by adding at the end the following new paragraph:

"(6) 'former spouse' means a former spouse of a judicial official if the former spouse was married to such judicial official for at least 9 months.".

(2) Section 376 of title 28, United States Code, is amended by adding at the end the following new subsections:

"(s) A judicial official who has a former spouse may elect, under procedures prescribed by the Director of the Administrative Office of the United States Courts, to provide a survivor annuity for such former spouse under subsection (t). An election under this subsection shall be made at the time of retirement, or, if later, within 2 years after the date on which the marriage of the former spouse to the judicial official is dissolved. An election under this subsection—

"(1) shall not be effective to the extent that it—

"(A) conflicts with—

"(i) any court order or decree referred to in subsection (t)(1), which was issued before the date of such election, or

"(ii) any agreement referred to in such subsection which was entered into before such date; or

"(B) would cause the total of survivor annuities payable under subsections (h) and (t) based on the service of the judicial official to exceed 55 percent of the average annual salary (as such term is used in subsection (l)) of such official; and

"(2) shall not be effective, in the case of a judicial official who is then married, unless it is made with the spouse's written consent.

The Director of the Administrative Office of the United States Courts shall provide by regulation that paragraph (2) of this subsection may be waived if the judicial official establishes to the satisfaction of the Director that the spouse's whereabouts cannot be determined, or that, due to exceptional circumstances, requiring the judicial official to seek the spouse's consent would otherwise be inappropriate.

"(t)(1) Subject to paragraphs (2) through (4) of this subsection, a former spouse of a deceased judicial official is entitled to a survivor annuity under this section if and to the extent expressly provided for in an election under subsection (s), or in the terms of any decree of divorce or annulment or any court order or court-approved property settlement agreement incident to such decree.

"(2) The annuity payable to a former spouse under this subsection may not exceed the difference between—

"(A) the maximum amount that would be payable as an annuity to a widow or widower under subsection (l), determined without taking into account any reduction of such annuity caused by payment of an annuity to a former spouse; and

"(B) the amount of any annuity payable under this subsection to any other former spouse of the judicial official, based on an election previously made under subsection (s), or a court order previously issued.

"(3) The commencement and termination of an annuity payable under this subsection shall be governed by the terms of the applicable order, decree, agreement, or election, as the case may be, except that any such annuity—

"(A) shall not commence before—

"(i) the day after the judicial official dies, or

"(ii) the first day of the second month beginning after the date on which the Director of the Administrative Office of the United States Courts receives written notice of the order, decree, agreement, or election, as the case may be, together with such additional information or documentation as the Director may prescribe,

whichever is later, and

"(B) shall terminate no later than the last day of the month before the former spouse remarries before becoming 55 years of age or dies.

"(4) For purposes of this section, a modification in a decree, order, agreement, or election referred to in paragraph (1) of this subsection shall not be effective—

"(A) if such modification is made after the retirement of the judicial official concerned, and

"(B) to the extent that such modification involves an annuity under this subsection.".

(3)(A) Subsection (l) of section 376 of title 28, United States Code, (as amended by subsection (a)(4)(C) of this section) is amended by striking out the period at the end of the last sentence and by adding at the end the following: ", and by the amount of any annuity payable to a former spouse under subsection (t)."

(B) Subsection (n) of section 376 of such title is amended in the last sentence by inserting after "equity," the following: "except as provided in subsections (s) and (t),".

(C) Subsection (o) of section 376 of such title is amended in paragraphs (2) and (3) by inserting "or (t)" after "subsection (h)" each place it appears.

(4) Payments of retirement salary as defined in section 376(a)(2) of title 28, United States Code, which would otherwise be made to the judicial official upon whose service the retirement salary is based, shall be paid (in whole or in part) to another person if and to the extent expressly provided for in the terms of any court decree of divorce, annulment, or legal separation, or the terms of any court order or court-approved property settlement agreement incident to any court decree of divorce, annulment, or legal separation. Any payment under this paragraph to a person bars recovery by any other person. This paragraph shall apply only to payments made after the date of receipt by the Director of the Administrative Office of United States Courts of written notice of such decree, order, or agreement, and such additional information and documentation as the Director may prescribe. As used in this paragraph, "court" means any court of any State or the District of Columbia.

(e) Creditable Service.—Section 376(k)(1) of title 28 is amended by deleting the phrase "subsection (b) of".

[(e)] *(f)* Effective Date.—This section shall take effect on October 1, 1986.

SEC. 3. REMOVAL JURISDICTION.

(a) Section 1441 Amendment.—Section 1441 of title 28, United States Code, is amended by adding at the end the following new subsection:

"(e) The court to which such civil action is removed is not precluded from hearing and determining any claim in such civil action because the State court from which such civil action is removed did not have jurisdiction over that claim.".

(b) Effective Date.—The amendment made by this section shall apply with respect to claims in civil actions commenced in State courts on or after the date of the enactment of this section.

[SEC. 4. TRAVEL EXPENSES OF JUSTICES AND JUDGES.

[(a) Section 456 Amendment.—Section 456(a) of title 28, United States Code, is amended by striking out "for any continuous period" and all that follows through the end of the subsection and inserting in lieu thereof the following: "(1) all necessary transportation expenses; and (2) a per diem allowance for travel at the rate which the Director establishes not to exceed the maximum per diem allowance fixed by section 5702(a) of title 5, or actual and necessary expenses of subsistence actually incurred, notwithstanding the provisions of section 5702 of title 5, United States Code, in accordance with regulations which the Director shall prescribe with the approval of the Judicial Conference of the United States. In determining necessary expenses, the Director shall take into account the reasonable costs of transportation and subsistence generally incurred for travel to the geographic area involved.".

[(b) Effective Date.—The amendment made by this section shall take effect on October 1, 1986.]

SEC. [5.] *4.* COLLECTION OF FEES FOR THE UNITED STATES DISTRICT COURT FOR THE DISTRICT OF COLUMBIA.

(a) Section 1914 Amendment.—Section 1914 of title 28, United States Code, relating to district court fees, is amended by striking out subsection (d).

(b) Amendments to District of Columbia Code.—

(1) Section 15-701(a) of the District of Columbia Code, relating to compensation taxed as costs, is amended by striking out "clerk of the United States District Court for the District of Columbia,".

(2) Section 15-702 of such code, relating to docket fees, is amended—

(A) by striking out "(a)" and all that follows through "(b)"; and

(B) by striking out the section heading and inserting in lieu thereof the following:

"§ 15-702. Attorney fees taxed as costs"

(3) Section 15-703 of such code, relating to deposit and security for costs, is amended—

(A) by striking out "(a)" and all that follows through "(b)" and inserting in lieu thereof "(a)";

(B) in the undesignated paragraph by inserting "(b)" immediately before "A nonresident"; and

(C) in the section heading by striking out "Deposit for costs; security" and inserting in lieu thereof "Security".

(4) Section 15-704 of such code, relating to advance payment of costs and fees, is amended—

(A) in subsection (a) by striking out "(a)" and by striking out "the clerk of the United States District Court for the District of Columbia and"; and

(B) by striking out subsection (b).

(5) Section 15-706 of such code, relating to clerk's fees in the United States District Court for the District of Columbia, is hereby repealed.

(6) Section 15-709(a) of such code, relating to fees and costs in Superior Court, is amended by striking out the second sentence.

(7) The table of contents for chapter 7 of title 15 of such code, relating to fees and costs, is amended—

(A) by striking out the item relating to section 15-702 and inserting in lieu thereof

"15-702. Attorney fees taxed as costs."; and

(B) by striking out "Deposit for costs; security" in the item relating to section 15-703 and inserting in lieu thereof "Security".

(c) Effective Date.—The amendments made by this section shall apply with respect to any civil action, suit, or proceeding instituted on or after the date of the enactment of this Act.

SEC. [6.] *5.* JUDICIAL REVIEW OF FEDERAL MARITIME COMMISSION AND MARITIME ADMINISTRATION ORDERS.

(a) Section 2342 Amendment.—Section 2342(3) of title 28, United States Code, is amended to read as follows:

"(3) all rules, regulations, or final orders of—

"(A) the Secretary of Transportation issued pursuant to section 2, 9, 37, 41 or 43 of the Shipping Act, 1916 (46 U.S.C. App. 839); and

"(B) the Federal Maritime Commission issued pursuant to—

"(i) section 23, 25, or 43 of the Shipping Act, 1916 (46 U.S.C. App. 822, 824, or 841a);

"(ii) section 19 of the Merchant Marine Act, 1920 (46 U.S.C. App. 876);

"(iii) section 2, 3, 4, or 5 of the Intercoastal Shipping Act, 1933 (46 U.S.C. App. 844, 845, 845a, or 845b);

"(iv) section 14 or 17 of the Shipping Act of 1984 (46 U.S.C. App. 1713 or 1716); or

"(v) section 2(d) or 3(d) of the Act of November 6, 1966 (46 U.S.C. App. 817d(d) or 817e(d);".

(b) Effective Date.—The amendment made by this section shall apply with respect to any rule, regulation, or final order described in such amendment which is issued on or after the date of the enactment of this Act.

SEC. [7.] *6.* TECHNICAL AMENDMENTS.

(a) Redesignation of Duplicate Sections.—

(1) Title 28 amendments.—Chapter 85 of title 28, United States Code, is amended—

(A) in the table of sections by striking out

"1364. Senate Actions.

"1364. Construction of references to laws of the United States or Acts of Congress."

and inserting in lieu thereof the following:

"1365. Senate Actions.

"1366. Construction of references to laws of the United States or Acts of Congress.";

(B) by striking out the section heading

"§ 1364. Senate actions"

and inserting in lieu thereof the following:

"§ 1365. Senate actions"; and

(C) by striking out the section heading

"§ 1364. Construction of references to laws of the United States or Acts of Congress"

and inserting in lieu thereof the following:

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"§ 1366. Construction of references to laws of the United States or Acts of Congress".

(2) Conforming Amendment.—Section 705(a) of the Ethics in Government Act of 1978 (P.L. 95-521; 2 U.S.C. 288d(a)) is amended by striking out "1364" and substituting "1365".

(b) Deletion of Incorrect References.—Paragraph (3) of section 620(b) of title 28, United States Code, is amended—

(1) by striking out "referees,"; and

(2) by substituting "magistrates" for "commissioners".

(c) Effective Date.—The amendments made by this section shall take effect on the date of the enactment of this Act.

Mr. RUDMAN. I yield to the Democratic leader.

AMENDMENT NO. 1780

(Purpose: To provide full life insurance coverage for retired Federal judges)

Mr. BYRD. Mr. President, I send an amendment to the desk in behalf of Senator Stennis and ask for its immediate consideration.

The PRESIDING OFFICER. The amendment will be stated.

The assistant legislative clerk read as follows:

The Senator from West Virginia [Mr. Byrd] for Mr. Stennis proposes an amendment numbered 1780.

Mr. BYRD. I ask unanimous consent that further reading be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

At the appropriate place, add the following new section:

"Sec. . The Bankruptcy Amendments and Federal Judgeship Act of 1984 (98 Stat. 333) is amended as follows:

"(1) section 206 is revised to read as follows:

'Sec. 206. Sections 8706(a), 8714a(c)(1), 8714b(c)(1), and 8714c(c)(1) of title 5, United States Code, are amended to insert immediately after the first sentence in each of those sections a new sentence which reads as follows: 'Justices and judges of the United States described in section 8701(a)(5)(ii) and (iii) of this chapter are deemed to continue in active employment for purposes of this chapter, and

"(2) section 207 is revised to read as follows:

"Sec. 207. The amendments to chapter 87 of title 5, United States Code, made by section 206 of this Act shall apply in the case of any justice or judge who is retired under section 371(a) or 371(b) or 372(a) of title 28, United States Code. The amendments apply to those who retire on or after January 1, 1982.".

Mr. THURMOND. Mr. President, I have offered two amendments to H.R. 3570, the Judicial Improvements Act of 1985. One amendment, offered on behalf of Senator Stennis, would allow fully retired Federal judges to continue to carry the full amount of their regular and optional life insurance, without diminution beginning at age 65. The premiums would be deducted from their salaries. This provision was part of the Bankruptcy Amendments and Federal Judgeship Act of 1984 (P.L. 98-353); 98 Stat. 350), which was enacted into law on July 10, 1984. Several judges made career decisions based on the original amendment; however, the Office of Personnel Management later interpreted the language to have no effect at all.

It ruled that the amendment only clarified who an "employee" is for purposes of insurance coverage under title 5 of the United States Code. Consequently, the judges who retired after July 1984, in the expectation of carrying over their full insurance coverage, were thwarted. Subsequently, two lawsuits were filed, *Winner* v. *Cornelius*, C.A. No. 85-LW-1103 (USDC Colo., July 22, 1985), and *Moynahan* v. *United States*, C.A. No. 85-147 (USDC E.D.Ky., September 20, 1985). In both cases congressional intent was upheld. The Office of Personnel Management does not intend an appeal. This amendment will provide a legislative clarification of the intent of Congress in the 1984 amendment.

Only two retired judges are living today who are not covered by the amendment passed in 1984. This amendment, by making the effective date January 1, 1982, would allow both of these judges to take advantage of this option which currently is available to all of the other retired Federal judges.

The second amendment is purely technical. It lists the citations to the United States Code of rules, regulations or final orders of the Secretary of Transportation which are subject to judicial review in the U.S. Courts of Appeals.

Mr. President, I understand there is no objection to either of these amendments and I urge their adoption.

The PRESIDING OFFICER (Mr. Gramm). The question is on agreeing to the amendment.

The amendment (No. 1780) was agreed to.

Mr. BYRD. I move to reconsider the vote.

Mr. RUDMAN. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

AMENDMENT NO. 1781

(Purpose: Technical provision)

Mr. RUDMAN. Mr. President, I send an amendment to the desk in behalf of Senator Thurmond and ask for its immediate consideration.

The PRESIDING OFFICER. The amendment will be stated.

The assistant legislative clerk read as follows:

The Senator from New Hampshire [Mr. Rudman], for Mr. Thurmond, proposes an amendment numbered 1781.

On page 16, line 2 delete "or" and insert in lieu thereof: "and".

On page 16, line 3, delete "(46 U.S.C. App. 839);" and insert in lieu thereof: "(46 U.S.C. App. 802, 803, 808, 835, 839 and 841(a));".

Mr. RUDMAN. Mr. President, if there is no further debate, I move the amendment.

The PRESIDING OFFICER. The question is on agreeing to the amendment.

The amendment (No. 1781) was agreed to.

Mr. RUDMAN. I move to reconsider the vote.

Mr. BYRD. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. RUDMAN. I ask unanimous consent that the committee amendment in the nature of a substitute, as amended, be agreed to.

The PRESIDING OFFICER. If there be no further amendment to be proposed, the question is on agreeing to the committee amendment in the nature of a substitute, as amended.

The committee amendment in the nature of a substitute as amended was agreed to.

The PRESIDING OFFICER. The question is on the engrossment of the committee amendment, as amended and the third reading of the bill.

The bill was ordered to be engrossed for a third reading, was read the third time, and passed.

Mr. RUDMAN. I move to reconsider the vote.

Mr. BYRD. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. RUDMAN. Mr. President, I ask my friend, the Democratic leader, if he is ready to move forward on a House message number on S. 1282.

Mr. BYRD. Mr. President, there is no objection.

HEALTH SERVICES AMENDMENTS ACT OF 1986

Mr. RUDMAN. Mr. President, I ask that the Chair lay before the Senate a message from the House of Representatives on S. 1282.

The PRESIDING OFFICER laid before the Senate the following message from the House of Representatives:

Resolved, That the bill from the Senate (S. 1282) entitled "An Act to revise and extend provisions of the Public Health Service Act relating to primary care", do pass with the following amendments:

Strike out all after the enacting clause, and insert:

SECTION 1. SHORT TITLE; REFERENCE TO ACT.

(a) Short Title.—This Act may be cited as the "Health Services Amendments Act of 1986".

(b) Reference to Act.—Whenever in this Act an amendment or repeal is expressed in terms of an amendment to, or a repeal of, a section or other provision, the reference shall be considered to be made to a section or other provision of the Public Health Service Act.

SEC. 2. MEDICALLY UNDERSERVED POPULATIONS.

Section 330(b) (42 U.S.C. 254c(b)) is amended—

(1) by striking out the second, third, fourth, and fifth sentences of paragraph (3); and

(2) by adding at the end thereof the following:

"(4) In carrying out paragraph (3), the Secretary shall by regulation prescribe criteria for determining the specific shortages of personal health services of an area or population group. Such criteria shall—

"(A) take into account comments received by the Secretary from the chief executive officer of a State and local officials in a State; and

"(B) include infant mortality in an area or population group, other factors indicative of the health status of a population group or residents of an area, the ability of the residents of an area or of a population group to pay for health services and their accessibility to them, and the availability of health professionals to residents of an area or to a population group.

"(5) The Secretary may not designate a medically underserved population in a State or terminate the designation of such a population unless, prior to such designation or termination, the Secretary provides reasonable notice and opportunity for comment and consults with—

"(A) the chief executive officer of such State;

"(B) local officials in such State; and

"(C) the State organization, if any, which represents a majority of community health centers in such State.

"(6) The Secretary may designate a medically underserved population that does not meet the criteria established under paragraph (4) if the chief executive officer of the State in which such population is located and local officials of such State recommend the designation of such population based on unusual local conditions which are a barrier to access to or the availability of personal health services.".

SEC. 3. MEMORANDUM OF AGREEMENT.

Section 330 (42 U.S.C. 254c) is amended by redesignating subsection (h) as subsection (i) and by inserting after subsection (g) the following new subsection:

"(h) In carrying out this section, the Secretary may enter into a memorandum of agreement with a State. Such memorandum may include, where appropriate, provisions permitting such State to—

"(1) analyze the need for primary health services for medically underserved populations within such State;

"(2) assist in the planning and development of new community health centers;

"(3) review and comment upon annual program plans and budgets of community health centers, including comments upon allocations of health care resources in the State;

"(4) assist community health centers in the development of clinical practices and fiscal and administrative systems through a technical assistance plan which is responsive to the requests of community health centers; and

"(5) share information and data relevant to the operation of new and existing community health centers.".

SEC. 4. AUTHORIZATION OF APPROPRIATIONS.

Paragraphs (1) and (2) of section 330(g) are amended to read as follows:

"(1) There are authorized to be appropriated for payments pursuant to grants under this section $400,000,000 for fiscal year 1987 and $400,000,000 for fiscal year 1988.

"(2) The Secretary may not in any fiscal year—

"(A) expend for grants to serve medically underserved populations designated under subsection (b)(6) an amount which exceeds 5 percent of the funds appropriated under this section for that fiscal year; and

"(B) expend for grants under subsection (d)(1)(C) an amount which exceeds 5 percent of the funds appropriated under this section for that fiscal year.".

SEC. 5. PRIMARY CARE BLOCK GRANTS.

Part C of title XIX (42 U.S.C. 300y—300y-11) is repealed.

SEC. 6. MIGRANT HEALTH CENTERS.

The first sentence of section 329(h)(1) (42 U.S.C. 254b(h)(1)) is amended by striking out "and" after "1983," and by inserting before the period a comma and "$45,400,000 for fiscal year 1987 and $45,400,000 for fiscal year 1988".

SEC. 7. TECHNICAL AMENDMENT.

Section 329(d)(2) (42 U.S.C. 254(d)(2)) is amended by inserting before the semicolon "and the costs of repaying loans made by the Farmers Home Administration for buildings".

Amend the title so as to read: "An Act to amend the Public Health Service Act to revise and extend the programs of assistance for primary health care.".

Mr. HATCH. Mr. President, I am pleased to submit to the desk for immediate consideration S. 1282, the Health Service Amendments of 1986, a bill which will reauthorize Federal funding for community health centers and migrant health centers. This legislation sustains, as a categorical Federal health program, funding for health clinics which provide basic primary and preventive services for the most needy of our citizens.

The Senate approved this bill, without amendment on voice vote on July 19, 1985. The House called up the Senate bill on March 5 of this year, and made minor modifications—they lowered the authorization level to current authority, which wisely recognizes the importance of budgetary constraints, and eliminated a new primary care research grant authority. Although I would prefer the research authority be maintained, giving States who are interested an opportunity to better identify and provide for their primary health care needs, I believe it is now more prudent to accept the bill, as amended. The administration has clearly recognized the worth of these programs in that the President's proposed budget for 1987 maintains support for community health centers and migrant health centers. However, the administration would prefer that these programs be included as part of a new block grant, providing funds to States to operate these clinics. After lengthy discussions in 1984 and 1985, on the merits of creating a block grant related to this legislation, a strong consensus was developed in Congress that these programs, at least for the time being, are best operated by direct Federal funding. In fact, the House of Representatives just last month, defeated on a rollcall vote of 400 to 9 an amendment which would have created such a block grant.

Mr. President, these programs have been successful. They provide access to care for economically disadvantaged and minority populations. They inevitably save enormous cost to local, State and Federal Governments by nipping in the bud illnesses, which, if untreated may develop into serious and costly health problems. It is appropriate and necessary that we maintain these programs. However, this does not mean we should not conduct serious scrutiny of the effectiveness of these community and migrant health centers in each region of the country. In fact, in this legislation there is language requiring a memorandum of agreement between States and the health and human services agency which requires each State analyze their current needs for primary care services, and plan to meet those needs in an effective and timely manner. It is the intent of members of the Labor and Human Resources Committee in the Senate and our colleagues in the House of Representatives that States work toward assuming more responsibility for these important basic health services. They also need to carefully evaluate just what constitutes a medically underserved area, with particular consideration given to the increasing number of health providers. The criteria used to define an underserved area may need to be changed considerably as we enter a more competitive and entrepreneurial era in health care. The bottomline is we must identify those most in need of care and unable to obtain it and make sure that intent of Congress is met by providing basic primary and preventive health services to these individuals.

I would also like to bring to the attention of my colleagues a particular problem which has surfaced in my State of Utah but which is hardly unique, and that is a problem with providing sufficient funds for remote rural clinics. The director of the Utah State Department of Health, Dr. Suzanne Dandoy informed me in March that three, small rural community health centers were in jeopardy of being closed because of a change in policy proposed by the bureau of health care delivery and assistance. While I am not in favor of maintaining the status quo, and ongoing Federal support for all existing programs, this proposal could cut off basic health services to people living in very remote regions of our country. Dr. Dandoy requested that I seek legislative changes in our bill to ensure support for these rural clinics; however, after talking with representatives of

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the administration I believe these clinics can be sustained with a modification in the proposed policy. I ask to have in the Record a copy of a letter I received recently from Dr. Ed Martin, Acting Deputy Administrator of the Health Resources and Services Administration. This explains their intention to assure there will be no reduction in the proportion of funds available for small, rural clinics.

The letter follows:

Health Resources and Services
Administration,
Rockville, MD, March 27, 1986.

Hon. Orrin Hatch,
U.S. Senate,
Washington, DC.

Dear Senator Hatch: Your staff requested that the Public Health Service provide you with some written assurance that the concerns expressed by Dr. Dandoy in her letter of March 19 would be addressed by the Bureau of Health Care Delivery and Assistance (BHCDA).

By way of background, let me say that all Community Health Centers (CHC) grantees are being reviewed in the areas of governance, clinical systems and financial/administrative structure. These reviews are intended to ensure that centers meet all statutory and regulatory requirements prior to receiving grant funding. In addition, in view of funding constraints, the Public Health Service (PHS) has established priorities for funding.

All CHCs must be governed by a community board with center users comprising a majority of members. The board must fulfill all functions and responsibilities specified in legislation and regulations. Centers which meet these requirements through a coapplicant arrangement, where the community board is not the recipient of the grant, are a lower priority for funding then those whose board receives the grant directly.

Regarding clinical systems, a CHC must provide to the residents of its catchment area the statutorily required primary care services, available and accessible promptly, as appropriate, and in a manner which will insure continuity. In addition, a CHC must provide sufficient staff, qualified by training and experience, to carry out its activities. In implementing these requirements, the PHS gives priority to systems of care that have appropriate physician coverage, including appropriate after-hours coverage and hospital arrangements.

In the financial/administrative area, CHCs must maximize nongrant revenues and utilize, to the greatest extent possible, other Federal, State and local, and private resources.

The three small rural CHCs in Utah cited by Dr. Dandoy have not been marked for defunding. They have been identified, however, along with a significant number of other projects throughout the country, for an indepth review. This review is for the purpose of determining whether the current delivery system is the most appropriate and efficient model to meet the needs of that particular community. It may be possible for example, to strengthen a CHC's clinical system through shared services or consortia arrangements with other CHCs and private providers. In this context, we are looking at the uniqueness of "frontier" areas. This process began in early 1985 with the establishment of a frontier medicine task force comprised of Federal, State and project personnel from the western region of the country.

We expect to complete a draft policy paper, addressing frontier health issues, by early April. We will circulate this policy paper to a broad spectrum of interested people for input including: State Health Agencies; State Primary Care Associations; National Rural Health Care Associations; and National Association of Community Health Centers. We expect to issue a final document by the end of April which would establish the basis for reviewing frontier sites in terms of Federal grant support (CHC) or manpower support (National Health Service Corps). This document will assure no reduction in the proportion of available grant support for projects falling under this definition.

It remains our intent to maintain the current rural/urban split in appropriated funds. You may be interested to know that expenditures in rural areas increased by 11.1 percent from Fiscal Year 1984 to Fiscal Year 1985 while total appropriation increased by 8.2 percent.

I have assured Dr. Sundwall that any proposed decisions at the regional office level which might be viewed as adversely affecting frontier projects in Utah, will be carefully reviewed by me personally prior to any proposed adverse action. Should you have questions or continued concerns about our approach to the unique circumstances of "Frontier" projects, I will be pleased to respond further to them.

Sincerely yours,
Edward D. Martin, M.D.,
Assistant Surgeon General,
Acting Deputy Administrator.

Mr. President I encourage all of my colleagues to join with me in approving this bill immediately. I have assurances from the administration that this bill will be signed into law, maintaining the authority for these important clinics.

REAUTHORIZATION OF THE COMMUNITY HEALTH CENTERS AND MIGRANT HEALTH CENTERS PROGRAM

Mr. KENNEDY. Mr. President, I rise in support of the reauthorization of the Community Health Centers and Migrant Health Centers Programs, and urge the Senate to adopt the bill already passed by the House.

This legislation before us today will help ensure the continued development and vitality of community-based health centers. Community health centers have provided essential health services to those most in need for more than 20 years. Study after study has shown that community health centers provide high-quality, cost-effective care to those who would otherwise lack access to essential health services.

Last year alone, community health centers were the primary source of health care services to more than 5 million Americans. Because community health centers are such attractive and effective providers of primary care services, the Federal grant dollars provided leverage services valued at more than twice as much as the direct Federal grants, including funding by Medicare, Medicaid, State programs, private insurance, and patient fees.

The need for community health centers is greater today than ever before. The number of Americans without health insurance has increased 48 percent since 1977, from 25 million people to 37 million. The number of the poor and near poor without Medicaid coverage has increased from 37 percent to more than 50 percent during the same period. Community health centers obviously cannot fill all these gaps, but they are a key resource in providing care to the poor and the underserved at a time when other institutions in our society are doing less and less to meet these important needs.

In addition to reauthorizing the Community Health Centers Program, this legislation includes several important improvements. It encourages expanded activities by State governments in primary health care by establishing a new program of grants to the States for planning and development of primary care services. At the same time, the legislation includes several provisions designed to encourage even more effective coordination of State and Federal primary care activities.

Just as the community health centers have provided essential health services to the poor and underserved in urban and rural areas throughout the country, migrant health centers have provided health services to one of the most deprived groups in our society—migrant farmworkers. For this group in particular, the services of health centers have often literally meant the difference between life and death.

I am disturbed by the authorization levels of $400 million included in this bill for fiscal year 1987 and fiscal year 1988. This is substantially below the Senate level and only slightly above the fiscal year 1986 appropriations. In view of the growing crisis in access to health care, I believe additional increases in the Community Health Centers Program are warranted.

Despite my concern over these authorization levels, I am supporting this bill because I have been informed that the House bill will be signed by the President. Higher authorization levels might not pass the House and might not be signed if passed. Because this program is so essential, its maintenance should be our highest priority. Nevertheless, I believe serious consideration should be given to raising the authorization levels next year.

As the Community Health Centers Program enters its third decade, we, in the Congress, can express our satisfaction with their accomplishments and our recognition of the continued need for a Federal commitment to health care for the poor and underserved by prompt passage of this legislation.

Mr. RUDMAN. I move to concur in the House amendment.

The motion was agreed to.

Mr. RUDMAN. I move to reconsider the vote.

Mr. BYRD. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

COMMEMORATION OF DAYS OF REMEMBRANCE OF VICTIMS OF THE HOLOCAUST

Mr. RUDMAN. Mr. President, I inquire of the Democratic leader whether he is prepared to move forward on a resolution offered on behalf of the Senator from Florida [Mrs. Hawkins].

Mr. BYRD. As I understand it, this is a concurrent resolution authorizing the rotunda of the United States Capitol to be used for a ceremony commemorating the days of remembrance of victims of the Holocaust?

Mr. RUDMAN. The Democratic leader is correct.

Mr. BYRD. Mr. President, there is no objection.

Mr. RUDMAN. Mr. President, I then send the concurrent resolution to the desk.

The PRESIDING OFFICER. The concurrent resolution will be stated by title.

The legislative clerk read as follows:

A concurrent resolution (S. Con. Res. 126) authorizing the rotunda of the United States Capitol to be used on May 6, 1986, for a ceremony commemorating the days of remembrance of victims of the Holocaust.

The PRESIDING OFFICER. Is there objection to the present consideration of the concurrent resolution?

There being no objection, the Senate proceeded to consider the concurrent resolution.

(By request of Mr. Dole, the following statement was ordered to be printed in the Record.)

● Mrs. HAWKINS. Mr. President, as a member of the U.S. Holocaust Memorial Council, I am pleased to sponsor this resolution authorizing the use of the Rotunda for the council's annual commemoration ceremony. Senators Pell, Kasten, Lautenberg, Mattingly, and I invite our colleagues to attend what will prove to be a moving ceremony commemorating the victims of the Holocaust. The ceremony will occur at noon on May 6, 1986, as part of a weeklong observance of the Days of Remembrance of the Victims of the Holocaust.

Mr. President, it is important that we never forget the lessons of the Holocaust. I commend the entire Holocaust Memorial Council organization, and particularly chairman of the Council Elie Wiesel, for their constant vigilance. Their constant effort and hard work will ensure that we never forget the bitter lessons of the Holocaust. Again, I commend the entire Holocaust Memorial Council for the hard work they have done in preparing for the ceremony on May 6, and urge my colleagues to attend. Also, I would like to thank Senators Mathias and Ford for allowing the expeditious handling of this matter, along with the distinguished majority leader.●

Mr. RUDMAN. Mr. President, I move adoption of the concurrent resolution.

The PRESIDING OFFICER. The question is on agreeing to the resolution.

The concurrent resolution was agreed to. The preamble was agreed to.

The concurrent resolution, with its preamble, is as follows:

S. Con. Res. 126

Whereas, pursuant to the Act entitled "An Act to establish the United States Holocaust Memorial Council" and approved October 7, 1980 (94 Stat. 1547), the United States Holocaust Memorial Council is directed to provide for appropriate ways for the Nation to commemorate the days of remembrance of victims of the Holocaust, as an annual, national, civic commemoration of the Holocaust, and to encourage and sponsor appropriate observances of such days of remembrance throughout the United States;

Whereas, pursuant to such Act, the United States Holocaust Memorial Council has designated May 4 through May 11, 1986, as "Days of Remembrance of Victims of the Holocaust"; and

Whereas the United States Holocaust Memorial Council has recommended that a one-hour ceremony be held at noon on May 6, 1986, consisting of speeches, readings, and musical presentations as part of the days of remembrance activities: Now, therefore, be it

Resolved by the Senate (the House of Representatives concurring), That the rotunda of the United States Capitol is hereby authorized to be used on May 6, 1986, from 10 o'clock ante meridiem until 3 o'clock post meridiem for a ceremony as part of the commemoration of the days of remembrance of victims of the Holocaust. Physical preparations for the conduct of the ceremony shall be carried out in accordance with such conditions as may be prescribed by the Architect of the Capitol.

Mr. RUDMAN. Mr. President, I move to reconsider the vote by which the concurrent resolution was agreed to.

Mr. BYRD. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

PREDATORY TIDE AID CREDITS

Mr. RUDMAN. Mr. President, I ask the distinguished Democratic leader whether or not he is now prepared to move to a concurrent resolution offered in behalf of the Senator from Pennsylvania (Mr. Heinz).

Mr. BYRD. Mr. President, I am prepared. It is my understanding the resolution relates to predatory tide aid credits.

Mr. RUDMAN. The Democratic leader is correct.

Mr. BYRD. There is no objection.

Mr. RUDMAN. I then send the concurrent resolution to the desk on behalf of the Senator from Pennsylvania (Mr. Heinz) and ask for its immediate consideration.

The PRESIDING OFFICER. The concurrent resolution will be stated by title.

The legislative clerk read as follows:

A concurrent resolution (S. Con. Res. 127) relating to predatory tide aid credits.

The PRESIDING OFFICER. Is there objection to the present consideration of the concurrent resolution?

There being no objection, the Senate proceeded to consider the concurrent resolution.

Mr. HEINZ. Mr. President, this resolution expresses support for efforts by the Secretary of the Treasury to negotiate an end to foreign predatory export credits that are costing the U.S. exports and jobs. Several weeks ago, the Banking Committee reported a bill, S. 2246, that will establish a $300 million war chest facility, allowing Treasury and the Export-Import Bank to match mixed credit offers by other countries and to initiate mixed credits. The purpose of the war chest will be to eliminate the competitive advantage now enjoyed by other countries offering mixed credits and thus bring these countries to the negotiating table. If U.S. efforts are to be successful, it is essential to move this legislation through Congress as quickly as possible.

Next week the Treasury Secretary will attend a meeting of the OECD Ministers at which the mixed credit issue will be a major negotiating item. Given the requirements of the legislative calendar, it is unlikely that the war chest can be enacted into law prior to next week's negotiations. Nevertheless, it is imperative that Congress send Treasury negotiators off with the strongest possible statement of support. We want other countries to realize that our patience is not infinite when foreign government credit subsidies are putting Americans out of work.

So far the United States has invested considerable time in the hope that the mixed credit negotiations would successfully end the use of mixed credits for predatory commercial purposes. Instead of resolving the problem, however, the negotiations and the pledge of more negotiations have been used by the French and others to put off resolving the problem. We have been misled by repeated promises from countries using mixed credits that they will soon curtail their use of mixed credits—just as soon as they win a few more multibillion dollar projects at the expense of U.S. exporters. The time has come to let other countries

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know that we are serious about ending mixed credits by refusing to let these countries benefit from such predatory financing.

While everyone favors a situation in which U.S. exporters can compete internationally based on quality, price, and service, without any need for export credit subsidies, this is not the type of world market United States exporters face. Not only do other countries' mixed credit offers cost the United States jobs and exports; they also cost us control of our own economy. As foreign governments take export markets away from U.S. producers, our economic structure and level of exports will ultimately come to reflect the export subsidy strategies of other governments, not the industrial structure our free market system would have generated.

We must address this challenge to free markets in world trade by eliminating or neutralizing foreign mixed credit subsidies. While eliminating mixed credits through negotiation is our goal, we must show that we will counter foreign mixed credits so that other countries will gain no competitive advantage. That may be the only way to convince other governments to take mixed credit negotiations seriously. This resolution makes it clear to the rest of the world that the U.S. Congress is watching very closely this next phase of negotiations. I am sure, however, that the Congress will be ready and willing to defend U.S. markets with additional steps if successful negotiations are not concluded.

Mr. GARN. Mr. President, today I join Senator HEINZ in introducing a resolution supporting the Treasury Department's efforts to negotiate an end to foreign predatory mixed credits.

The predatory use of mixed credits has been the subject of U.S.-led negotiations in the OECD export credit arena for several years. I applaud the administration's persistence in continuing to negotiate with other countries to eliminate this market distortion. I appreciate the need for one more attempt to convince other governments that mixed credits are costly and that they are ultimately harmful to the countries receiving the mixed credits because they distort their economic decisions.

But just as it is foolish to disarm before peace talks are concluded it would be foolish for the United States to disarm its export credit system prior to reaching an acceptable mixed credit agreement. This resolution provides our negotiators with congressional backing to convince other governments that we are serious about eliminating mixed credits.

Other countries may be tired of our reminders that mixed credits are an unsatisfactory way to do business internationally. But we are tired of lost U.S. exports and reduced U.S. economic growth, while our negotiators are being given the run-around in Paris.

I believe countries blocking mixed credit negotiations recognize that they are in an untenable position. All nations understand that mixed credit subsidies distort the international trading system. At a time when governments around the world must focus on reducing their expenditures and increasing economic efficiency mixed credit subsidies just do not make sense.

I am optimistic that our OECD counterparts now realize the risks they are taking by continuing to offer mixed credits. I think we can realistically expect negotiating progress, as other countries recognize that mixed credits are expensive. I am hopeful that we can soon enact the mixed credit war chest bill, so that our competitors can be denied any benefits from their mixed credit offers. In the meantime, there should be no mistake about where the Congress stands on the need to eliminate predatory commercial mixed credits on a comprehensive basis.

Mr. RUDMAN. Mr. President, I move adoption of the concurrent resolution.

The PRESIDING OFFICER. The question is on agreeing to the resolution.

The concurrent resolution was agreed to. The preamble was agreed to.

The concurrent resolution, with its preamble, is as follows:

S. CON. RES. 127

Whereas tied aid and partially untied aid credits with low levels of concessionality are used by several governments as a predatory method of financing exports and result in market-distorting effects;

Whereas these distortions have caused the United States to lose export sales, with resulting losses in economic growth and development;

Whereas the Congress is preparing legislation intended to support the efforts of the Secretary of the Treasury to negotiate a comprehensive arrangement restricting the use of tied and partially untied aid credits for commercial purposes; and

Whereas these negotiating efforts of the Secretary of the Treasury are fully supported by the Congress of the United States: Now, therefore, be it

Resolved by the Senate (the House of Representatives concurring), That it is the sense of the Congress that—

(1) a successful conclusion of an arrangement to regulate tied aid credits, so that their use for predatory commercial purposes is ended, would eliminate the need for the Congress to enact a special tied aid credit program;

(2) the Secretary of the Treasury should use the full resources of his office to promote such a successful conclusion to the negotiations; and

(3) the President should make the use of predatory tied aid credits a major topic of discussion at the Tokyo Summit.

Mr. RUDMAN. Mr. President, I move to reconsider the vote by which the concurrent resolution was agreed to.

Mr. BYRD. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

REMOVAL OF INJUNCTION OF SECRECY

Mr. RUDMAN. Mr. President, I ask the Democratic leader if he is now prepared to move forward on a rather unusual procedure. It is entitled "Injunction of Secrecy."

Mr. BYRD. No objection.

Mr. RUDMAN. I will read it because it is not really as ominous as it sounds.

As in executive session,

I ask unanimous consent that the injunction of secrecy be removed from two ILO conventions transmitted to the Senate today by the President of the United States:

ILO Convention No. 144 Concerning Tripartite Consultations to Promote the Implementation of International Labor Standards (Treaty Document 99-20), and ILO Convention No. 147 Concerning Minimum Standards in Merchant Ships (Treaty Document 99-21).

I also ask that the treaties be considered as having been read the first time; that they be referred, with accompanying papers, to the Committee on Foreign Relations and ordered to be printed; and that the President's messages be printed in the RECORD.

The PRESIDING OFFICER. Without objection, it is so ordered.

The messages of the President are as follows:

To the Senate of the United States:

With a view to receiving the advice and consent of the Senate to ratification, I transmit herewith a certified copy of the Convention (No. 144) Concerning Tripartite Consultations to Promote the Implementation of International Labor Standards, adopted by the International Labor Conference at Geneva on June 21, 1976. I transmit also for the Senate's information a certified copy of the recommendation (No. 152) on the same subject, adopted by the International Labor Conference on that same date, which amplifies some of the Convention's provisions. No action is called for on the recommendations.

The report of the Department of State, with a letter from the Secretary of Labor, concerning the Convention is enclosed.

I support fully the principle of tripartite consultations among government, employers, and workers on matters relating to the International Labor Organization. This principle is fundamental to the existing structure of both the ILO and of the consultative mechanisms that have been established within the United States with respect to ILO matters. Ratification of Convention No. 144 therefore would require no change in the way the United States has organized to deal with the ILO.

Because the United States is party to so few ILO conventions, we are vulnerable to criticism when we seek to take others to task for failing to adhere to instruments we ourselves have not ratified. Ratification of Convention No. 144 would reduce this vulnerability. I therefore recommend that the Senate give its advice and consent to the ratification of ILO Convention No. 144.

RONALD REAGAN.

THE WHITE HOUSE, *April 10, 1986.*

To the Senate of the United States:

With a view to receiving the advice and consent of the Senate to ratification of the Convention (No. 147) Concerning Minimum Standards in Merchant Ships, adopted by the 62nd session of the International Labor Conference, at Geneva, on October 13, 1976, I transmit herewith a certified copy of that Convention. I transmit also for the Senate's information a certified copy of the recommendation (No. 155) concerning the improvement of standards in merchant ships, adopted by the International Labor Conference at the same time as the Convention. No action is called for on the recommendation.

The report of the Department of State, with a letter from the Secretary of Labor, concerning the Convention is enclosed. The Department's report also contains the texts of five proposed understandings. It is proposed that these understandings be included in the United States instrument of ratification, should the Senate give its advice and consent.

Adoption of the Convention and the recommendation was the culmination of a long negotiating process in which the United States participated actively and vigorously supported the drafting of a comprehensive and effective instrument to achieve minimum standards in merchant ships. I believe that the United States ratification of this Convention is in the national interest and in the interest of the world community as a whole, and I, therefore, recommend that the Senate give its advice and consent to ratification, subject to the understandings mentioned above.

RONALD REAGAN.

THE WHITE HOUSE, *April 10, 1986.*

EXECUTIVE SESSION

Mr. RUDMAN. Mr. President, I then inquire of the minority leader if he is in a position to confirm any of the following nominations on the Executive Calendar:

Under the Army, Calendar Nos. 736, 737, and 738; under the Marine Corps, Calendar Nos. 739 and 740; Calendar No. 741, J. Roger Mentz; Calendar No. 743, Marian Blank Horn; Calendar No. 744, Ralph D. Morgan; Calendar No. 745, John R. Kendall; Calendar No. 746, Emery R. Jordan; Calendar No. 747, K. William O'Connor; Calendar No. 748, Donald W. Peterson; Calendar No. 749, H. Allen Holmes; Calendar No. 750, Otto J. Reich; Calendar No. 751, Ronald S. Lauder; Calendar No. 752, Henry F. Schickling; Calendar No. 753, Carlos Salman; and all nominations placed on the Secretary's desk, with the exception of the nomination under "Foreign Service" of Edwin G. Corr.

Mr. BYRD. Mr. President, there is no objection on this side.

Mr. RUDMAN. I thank the distinguished Democratic leader.

Mr. President, I ask unanimous consent that the Senate go into executive session to consider the nominations identified, and that they be considered en bloc and confirmed en bloc.

There being no objection, the Senate proceeded to the consideration of executive business.

The nominations considered and confirmed en bloc are as follows:

IN THE ARMY

The following-named officer to be placed on the retired list in grade indicated under the provisions of title 10, United States Code section 1370:

To be lieutenant general

Lt. Gen. David K. Doyle, 578-40-4691, age 54, U.S. Army.

The following-named officer under the provisions of title 10, United States Code, section 601, to be assigned to a position of importance and responsibility designated by the President under title 10, United States Code, section 601:

To be lieutenant general

Maj. Gen. Thurman D. Rodgers, 408-48-2175, U.S. Army.

The following-named officer to be placed on the retired list in grade indicated under the provisions of title 10, United States Code, section 1370:

To be lieutenant general

Lt. Gen. Nathaniel R. Thompson, Jr., 183-20-5652, age 58, U.S. Army.

The following-named officer under the provisions of title 10, United States Code, section 601, to be assigned to a position of importance and responsibility designated by the President under title 10, United States Code, section 601:

To be lieutenant general

Maj. Gen. Henry Doctor, Jr., 251-44-7213, U.S. Army.

The following-named officer to be placed on the retired list in grade indicated under the provisions of title 10, United States Code, section 1370;

To be lieutenant general

Lt. Gen. Robert L. Moore, 223-40-5576, age 55, U.S. Army.

The following-named officer under the provisions of title 10, United States Code, section 601, to be reassigned to a position of importance and responsibility designated by the President under title 10, United States Code, Section 601:

To be lieutenant general

Lt. Gen. Lawrence F. Skibbie, 278-26-4580, U.S. Army.

The following-named officer under the provisions of title 10, United States Code, section 601, to be assigned to a position of importance and responsibility designated by the President under title 10, United States Code, Section 601:

To be lieutenant general

Maj. Gen. Peter G. Burbules, 352-24-3958, U.S. Army.

IN THE MARINE CORPS

The following-named officer to be placed on the retired list in the grade indicated under the provisions of title 10, United States Code, section 1370:

To be general

Gen. John K. Davis, 525-40-6605, U.S. Marine Corps.

The following-named officer, under the provisions of title 10, United States Code, section 601, to be assigned to a position of importance and responsibility designated by the President under title 10, United States Code, section 601:

To be general

Lt. Gen. Thomas R. Morgan, 199-22-0605, U.S. Marine Corps.

DEPARTMENT OF THE TREASURY

J. Roger Mentz, of New Jersey, to be an Assistant Secretary of the Treasury, vice Ronald Alan Pearlman, resigned.

THE JUDICIARY

Marian Blank Horn, of Maryland, to be a judge of the U.S. Claims Court for a term of 15 years.

DEPARTMENT OF JUSTICE

Ralph D. Morgan, of Indiana, to be U.S. Marshal for the southern district of Indiana for the term of 4 years, reappointment.

John R. Kendall, of Michigan, to be U.S. Marshal for the western district of Michigan for the term of 4 years, reappointment.

Emery R. Jordan, of Maine, to be U.S. Marshal for the district of Maine for the term of 4 years, reappointment.

K. William O'Connor, of Virginia, to be U.S. attorney for the district of Guam and concurrently U.S. attorney for the district of the Northern Mariana Islands for the term of 4 years.

DEPARTMENT OF COMMERCE

Donald W. Peterson, of Missouri, to be Deputy Commissioner of Patents and Trademarks.

DEPARTMENT OF STATE

H. Allen Holmes, of the District of Columbia, a career member of the Senior Foreign Service, class of Career Minister, to be an Assistant Secretary of State, new position.

Otto J. Reich, of Virginia, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to the Republic of Venezuela.

Ronald S. Lauder, of New York, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to the Republic of Austria.

U.S. INTERNATIONAL DEVELOPMENT COOPERATION AGENCY

Henry F. Schickling, of Pennsylvania, to be a member of the Board of Directors of the Overseas Private Investment Corporation for a term expiring December 17, 1988, reappointment.

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Carlos Salman, of Florida, to be a member of the Board of Directors of the Overseas Private Investment Corporation for a term expiring December 17, 1988, reappointment.

NOMINATIONS PLACED ON THE SECRETARY'S DESK IN THE AIR FORCE, ARMY, MARINE CORPS, NAVY

Air Force nominations beginning Nina K. Rhoton, and ending Janet C. Flournoy, which nominations were received by the Senate and appeared in the CONGRESSIONAL RECORD of March 20, 1986.

Air Force nominations beginning Janet C. Flournoy, and ending Charles A. Culver, which nominations were received by the Senate and appeared in the CONGRESSIONAL RECORD of March 20, 1986.

Air Force nominations beginning Warrren O. Abraham, and ending Laura M. Zukowski, which nominations were received by the Senate and appeared in the CONGRESSIONAL RECORD of March 20, 1986.

Air Force nominations beginning Thomas E. Applegate, and ending Christopher M. Zahn, which nominations were received by the Senate and appeared in the CONGRESSIONAL RECORD of March 24, 1986.

Army nominations beginning Melvin Abercrombie, and ending Douglas B. Tesdahl, which nominations were received by the Senate and appeared in the CONGRESSIONAL RECORD of March 14, 1986.

Army nominations beginning Charles R. Savely, and ending Robert Russell, which nominations were received by the Senate and appeared in the CONGRESSIONAL RECORD of March 27, 1986.

Marine Corps nominations beginning Michael T. Barry, and ending Paul C. Schreck, Jr., which nominations were received by the Senate and appeared in the CONGRESSIONAL RECORD of March 14, 1986.

Navy nominations beginning Michael S. Anisowicz, and ending Gale J. Wolff, which nominations were received by the Senate and appeared in the CONGRESSIONAL RECORD of March 20, 1986.

Navy nominations beginning Timothy Higgins, and ending David D. Buckley, which nominations were received by the Senate and appeared in the CONGRESSIONAL RECORD of March 24, 1986.

Navy nominations beginning Jeffery J. Iovine, and ending Barry L. Hunter, which nominations were received by the Senate and appeared in the CONGRESSIONAL RECORD of March 24, 1986.

Navy nominations beginning Kathryn K. Murray, and ending John F. Wilker, which nominations were received by the Senate and appeared in the CONGRESSIONAL RECORD of March 26, 1986.

(By Request of Mr. BYRD, the following statement was ordered to be printed in the RECORD:)

J. ROGER MENTZ

● Mr. BRADLEY. Mr. President, I am very pleased that the Senate has confirmed the nomination of Roger Mentz to serve as Assistant Secretary of the Treasury for Tax Policy.

The office for which Roger has been nominated is one of the most important positions in Government. It is an office that must be filled by someone whose educational and professional achievements leave no doubt as to their understanding of the Tax Code. But mastering of the technical details is not enough. The Assistance Secretary must also display sound judgment and a keen sense of the larger policy issues involved in the writing of our tax laws. Finally, he or she needs an ample store of patience and good humor just to survive the fractiousness that seems an inevitable component of the tax legislative process.

Perhaps at no other time has so much responsibility fallen on the Assistant Secretary's shoulders. We have undertaken a historic endeavor in trying to reform our unfair, inefficient, unduly complicated tax system. We will need all the help we can get.

Weighty as this responsibility is, Roger Mentz is well qualified for the office. He has distinguished himself intellectually and professionally in the tax field. More important, I believe he will bring to the Department of the Treasury the technical expertise and mature judgment we need. Most important, I am confident he will fulfill the Assistant Secretary's traditional role as an advocate for sound tax policy.●

RONALD S. LAUDER

Mr. MOYNIHAN. Mr. President, I rise today to express my wholehearted support for the confirmation of Mr. Ronald S. Lauder as Ambassador to Austria. During his past 3 years of service as Deputy Assistant Secretary of Defense for European and NATO Policy, Mr. Lauder distinguished himself through his contributions to allied security. He played a leading role in negotiating defense cooperation and basing agreements with a number of NATO members. He also orchestrated a series of NATO initiatives to upgrade the alliance's conventional capabilities and air defenses.

Together with his successes in other high-level negotiations, and his long-standing familiarity with European issues, Mr. Lauder is eminently qualified to become Ambassador to Austria. Mr. President, the Senate has never faced an easier task in offering its advice and consent. Confirming Ronald Lauder as Ambassador to Austria will ensure that the United States continues to benefit from his expertise and patriotism.

Mr. RUDMAN. Mr. President, I move to reconsider the vote by which the nominations were confirmed.

Mr. BYRD. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. RUDMAN. Mr. President, I ask unanimous consent that the President be immediately notified that the Senate has given its consent to these nominations.

The PRESIDING OFFICER. Without objection, it is so ordered.

LEGISLATIVE SESSION

Mr. RUDMAN. Mr. President, I ask unanimous consent that the Senate return to the consideration of legislative business.

The PRESIDING OFFICER. Without objection, it is so ordered.

ORDER OF PROCEDURE

Mr. RUDMAN. I advise the Democratic leader that I have been advised that there may be one other item that may be ready to clear. We are waiting for a call on that. So, for a very short period of time, unless the Democratic leader wishes to proceed with other business, I was going to propose to suggest the absence of a quorum.

I ask the leader that question.

Mr. BYRD. All right.

Mr. RUDMAN. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. RUDMAN. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

RULES CHANGE

Mr. RUDMAN. Mr. President, Senate Resolution 45 adopted under a unanimous-consent agreement on January 30, 1975, governs the referral of impoundment legislation in the Senate. Under this order, all special messages from the President pursuant to title X of the Congressional Budget and Impoundment Control Act and all bills and resolutions introduced with respect to such messages are referred concurrently to the Appropriations Committee, the Budget Committee, and to the appropriate authorizing committee. Section 1011 of the Impoundment Control Act provides that deferral disapprovals take the form of a simple resolution of one House. This is no longer a proper course of action, given the Supreme Court decision in INS versus Chadha that the one-House legislative veto is unconstitutional. Deferral disapprovals must now take the form of a bill or joint resolution.

Given this, I ask unanimous consent that the second paragraph of the standing order governing the referral of matters dealing with rescissions and deferrals be revised, as of January 21, 1986, to allow the re-referral of bills and joint resolutions disapproving deferrals to the same committees now having jurisdiction over title X impoundment resolutions.

The second paragraph of Senate Resolution 45, adopted under a unanimous-consent agreement on January 30, 1975, is revised to read as follows:

> 2. That bills, resolutions, and joint resolutions introduced with respect to rescissions and deferrals shall be referred to the Appropriations Committee, the Budget Committee, and pending implementation of section 410 of the Congressional Budget Impoundment Control Act and subject to section 401(d), to any other committee exercising jurisdiction over contract and borrowing authority programs as defined by section 401(c)(2) (A) and (B). The Budget Committee and such other committees shall report their views, if any, to the Appropriations Committee within 20 days following referral of such messages, bills, resolutions, or joint resolutions. The Budget Committee's consideration shall extend only to macroeconomic implications, impact on priorities and aggregate spending levels, and the legality of the President's use of the deferral and rescission mechanism under title X. The Appropriations and authorizing committees shall exercise their normal responsibilities over programs and priorities.

I ask the Chair to consider that unanimous-consent request.

The PRESIDING OFFICER. Without objection; it is so ordered.

Mr. RUDMAN. Mr. President, I had hoped there was one other item that we might be able to clear, but evidently we are not able to do that.

MESSAGES FROM THE PRESIDENT

Messages from the President of the United States were communicated to the Senate by Mr. Saunders, one of his secretaries.

ANNUAL REPORT ON ACTIVITIES OF U.S. GOVERNMENT AGENCIES IN THE FIELDS OF SCIENCE AND TECHNOLOGY—MESSAGE FROM THE PRESIDENT—PM 130

The PRESIDING OFFICER laid before the Senate the following message from the President of the United States, together with an accompanying report; which was referred to the Committee on Foreign Relations:

To the Congress of the United States:

In accordance with Title V of the Foreign Relations Authorization Act for Fiscal Year 1979 (Public Law 95-426), I am transmitting the Administration's Annual Report on the international activities of U.S. government agencies in the fields of science and technology for Fiscal Year 1985. The report was prepared by the Department of State in cooperation with other relevant agencies, consistent with the intent of the legislation.

During 1985, science and technology played a prominent role in our diplomacy. The United States is increasingly seen as the world leader in this field. National leaders and the general public see science and technology as a key to the solution of a wide variety of national and international problems. Such views are neither narrowly partisan nor without foundation. Indeed, it is significant to note that regardless of political ideologies or stage of development, many countries are not only anxious to engage in government-to-government cooperation with us, but also genuinely appreciative of cooperative scientific programs.

International science and technology cooperation, for the United States, takes place primarily in the private sector and outside the purview of government-to-government agreements. This cooperation can take the form of scholarly exchanges or research funded by private business and corporations. The Executive branch funds research where long lead time, large amounts of resources, and difficulty of capturing results make such efforts appropriate for government activities. It also funds research in essential areas not covered by the private sector, such as national defense and major parts of the space program. The international components of federally funded programs in the domestic agencies provide opportunities for unique collaboration or cost-sharing to extend the limited resources available. All are supportive of our domestic programs and priorities.

The international science and technology activities of agencies should demonstrate comparable technical merit, and return for the resources expended, to activities that take place within the United States. In this way, the United States is assured that the resources committed provide solid, technical returns. It is also the best way of ensuring that international cooperation is positive and more likely to produce foreign policy benefits. Experience has shown that international science and technology cooperation, where it is proposed primarily for foreign policy reasons, and with little inherent scientific or technical benefit, is not productive and does not sustain support in the agencies and the Congress. Foreign policy benefits are best assured if international activities are soundly grounded in technical benefits for the missions and programs of the agencies that fund them.

Programs in science and technology have become an increasingly valuable tool in the conduct of our relations with both developed and developing nations and, during 1985, they continued to play a meaningful role in the diplomacy of the United States. Through our cooperation with developed nations, we benefit from intellectual collaboration with other highly trained scientists and technical experts, and cost-sharing of expensive experimental facilities in advanced scientific areas. Our partners also gain from the collaboration and access to new technologies that have the potential to fuel economic growth. In 1985, our cooperation with developing nations also emphasized the contributions of science and technology to economic growth; however, the technologies emphasized were those appropriate to solving the problems of developing societies. We believe that bilateral arrangements with developing countries are one of the most effective ways of obtaining foreign policy benefit for the United States.

Major focuses for our cooperative programs in 1985, particularly with developed countries, were in areas of high mutual scientific interest. The space program is one such example. In addition to international participation in the space shuttle programs, 1985 also saw the signing of a Memorandum of Understanding on the Space Station Project with Canada, Japan, and the European Space Agency, establishing a basis for cooperation over the next 2 years. As we enter the 21st century, we should note that U.S. leadership in space is fostered by international cooperation which has enhanced the standing of the United States in the world community.

Among the developing nations, our major, high visibility programs continue to be in the People's Republic of China and India. Our maturing science and technology cooperation with China, a cornerstone in our expanding relationship, is now in its eighth year and is our largest government-to-government program. Not a part of our foreign assistance program, science and technology cooperation is based upon mutual benefit as are our other international exchanges. The Chinese have also added additional activities more attuned to their own interests on a reimbursable basis. We credit the doors opened by our successful science and technology program with contributing positively to the recent reforms made by the Chinese.

Our science and technology program with India functions on two levels—one is the continuation of our long-term cooperation in many fields, the other is the more focused Presidential Initiative, which because of its success was extended for an additional 3 years in 1985.

Our bilateral science and technology relationship with the Soviet Union saw some positive movement during 1985. At the Geneva summit meeting, we and the Soviets issued a joint statement encouraging further U.S.-Soviet collaboration in science and technology. In addition, we began a careful evaluation of how science and technology can and should be used to improve bilateral relations with the Soviets.

Our international science and technology activities continued as an integral and important part of our foreign policy during 1985 in many forms and on many levels as described in detail in the report I am transmitting. We have looked for ways to pool resources for high-cost projects. We have emphasized collaboration as the means for finding solutions to problems that are international in scope. Our efforts sought to assist the developing countries in their quest for a better life and

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to strengthen our alliances. Finally, our international science efforts underscored our commitment to maintaining the United States as a world leader in scientific and technological excellence for peaceful purposes and for the benefit of mankind.

Ronald Reagan.

The White House, *April 11, 1986.*

REPORT ON ADMINISTRATION OF RADIATION CONTROL FOR HEALTH AND SAFETY ACT—MESSAGE FROM THE PRESIDENT—PM 131

The PRESIDING OFFICER laid before the Senate the following message from the President of the United States, together with an accompanying report; which was referred to the Committee on Labor and Human Resources:

To the Congress of the United States:

In accordance with Section 360D of the Public Health Service Act, I am submitting the report of the Department of Health and Human Services regarding the administration of the Radiation Control for Health and Safety Act during calendar year 1985.

The report recommends that Section 360D of the Public Health Service Act that requires the completion of this annual report be repealed. The Senate, in passing S. 992, the "Congressional Reports Elimination Act of 1985," included a provision repealing this requirement. All of the information found in this report is available to Congress on a more immediate basis through Congressional committee oversight and budget hearings and the FDA Annual Report. This annual report serves little useful purpose and diverts Agency resources from more productive activities.

Ronald Reagan.

The White House, *April 11, 1986.*

EXECUTIVE AND OTHER COMMUNICATIONS

The following communications were laid before the Senate, together with accompanying papers, reports, and documents, which were referred as indicated:

EC-2909. A communication from the acting chairman of the Farm Credit Administration, transmitting, pursuant to law, the annual report of the Farm Credit Administration under the Freedom of Information Act for calendar year 1985; to the Committee on the Judiciary.

EC-2910. A communication from the chairman of the Board of Governors of the Federal Reserve System, transmitting, pursuant to law, the annual report of the Federal Open Market Committee of the Federal Reserve System under the Freedom of Information Act for calendar year 1985; to the Committee on the Judiciary.

EC-2911. A communication from the Director of the Bureau of Labor Statistics, Department of Justice, transmitting, pursuant to law, the annual report of the Bureau under the Freedom of Information Act for calendar year 1985; to the Committee on the Judiciary.

EC-2912. A communication from the Acting Director of the Selective Service System, transmitting, pursuant to law, the annual report of the System under the Freedom of Information Act for calendar year 1985; to the Committee on the Judiciary.

EC-2913. A communication from the Freedom of Information Act Director of the Federal Home Loan Mortgage Corporation, transmitting, pursuant to law, the annual report of the Corporation under the Freedom of Information Act for calendar year 1985; to the Committee on the Judiciary.

EC-2914. A communication from the Director of the Equal Employment Opportunity Commission, transmitting, pursuant to law, the Commission's annual report on the Employment of Minorities, Women, and Handicapped Individuals in the Federal Government for fiscal year 1983; to the Committee on Labor and Human Resources.

EC-2915. A communication from the Secretary of Education, transmitting a draft of proposed legislation to amend the Rehabilitation Act of 1973 and the Helen Keller National Center Act to reauthorize activities through fiscal year 1991, to authorize development of transition services and supported employment assistance to disabled individuals, and for other purposes; to the Committee on Labor and Human Resources.

EC-2916. A communication from the chairman of the board of the Student Loan Marketing Association, transmitting, pursuant to law, the annual report of the Commission for calendar year 1985; to the Committee on Labor and Human Resources.

EC-2917. A communication from the Secretary of Education, transmitting a draft of proposed legislation to extend and amend the Higher Education Act of 1965, to establish a financial assistance program emphasizing student self-help, to improve access to postsecondary education for the neediest students, to preserve the educational choices of the neediest students, and make loan repayment more manageable, to enhance the equity and effectiveness of Federal programs in support of higher education, to improve debt collection activities and default recoveries, to reduce collection costs and program abuse, to increase institutional flexibility and simplify higher education programs, and for other purposes; to the Committee on Labor and Human Resources.

EC-2918. A communication from the Secretary of Education, transmitting, pursuant to law, the 1986-87 Guaranteed Student Loan Family Contribution Schedule; to the Committee on Labor and Human Resources.

EC-2919. A communication from the Comptroller General of the United States, transmitting, pursuant to law, a report on the Financial Audit of David R. Ramage, Inc., Financial Statements—August 31, 1984 and 1983; to the Committee on Rules and Administration.

EC-2920. A communication from the Comptroller General of the United States, transmitting, pursuant to law, a report on the financial audit of Thomas J. Lankford, Inc., financial statements, September 30, 1984 and 1983; to the Committee on Rules and Administration.

EC-2921. A communication from the Administrator of Veterans' Affairs, transmitting, pursuant to law, a report on cases granted equitable relief during calendar year 1985; to the Committee on Veterans' Affairs.

EC-2922. A communication from the Administrator of Veterans' Affairs, transmitting a draft of proposed legislation to amend title 38, United States Code, to extend the authority of the Veterans' Administration to provide contract care to U.S. veterans in the Veterans Memorial Medical Center, and to provide grants to States for State veterans homes, and for other purposes; to the Committee on Veterans' Affairs.

EC-2923. A communication from the Secretary of Health and Human Services, transmitting a draft of proposed legislation to extend and amend programs under the Head Start Act, and for other purposes; to the Committee on Labor and Human Resources.

EC-2924. A communication from the chairman of the Advisory Council on Historic Preservation, transmitting, pursuant to law, the annual report of the Council for fiscal year 1985; to the Committee on Energy and Natural Resources.

EC-2925. A communication from the Secretary of Health and Human Services, transmitting, pursuant to law, a report on the experience of the Department in implementing the Freedom of Choice Waiver Provisions of the Social Security Act; to the Committee on Finance.

EC-2926. A communication from the Acting Administrator of the National Aeronautics and Space Administration, transmitting, pursuant to law, a report on NASA's plan to report to the General Services Administration certain excess real property; to the Committee on Governmental Affairs.

EC-2927. A communication from the Secretary of Education, transmitting, pursuant to law, final regulations—College Housing Program—Loan Discount; to the Committee on Labor and Human Resources.

EC-2928. A communication from the Secretary of Health and Human Services, transmitting, pursuant to law, the annual report on compliance by States with personnel standards for radiologic technicians for 1985; to the Committee on Labor and Human Resources.

EC-2929. A communication from the Presiding Officer, Advisory Council on Education Statistics, Department of Education, transmitting, pursuant to law, the annual report of the Council for fiscal year 1985; to the Committee on Labor and Human Resources.

EC-2930. A communication from the Acting Comptroller of the United States, transmitting, pursuant to law, a report on the status of certain budget authority; pursuant to the order of January 30, 1975, referred jointly to the Committee on the Budget, the Committee on Appropriations, and the Committee on Commerce, Science, and Transportation.

EC-2931. A communication from the Acting Comptroller General of the United States, transmitting, pursuant to law, a report on the President's third special message for fiscal year 1986; pursuant to the order of January 30, 1975, referred jointly to the Committee on Appropriations, the Committee on Armed Services, the Committee on Banking, Housing, and Urban Affairs, the Committee on the Budget, the Committee on Commerce, Science, and Transportation, the Committee on Energy and Natural Resources, the Committee on Environment and Public Works, the Committee on Finance, the Committee on Foreign Relations, the Committee on Governmental Affairs, and the Committee on Labor and Human Resources.

EC-2932. A communication from the Assistant Secretary of Defense (Comptroller) transmitting, pursuant to law, selected acquisition reports and selected acquisition summary tables for the quarter ended December 31, 1985; to the Committee on Armed Services.

EC-2933. A communication from the Acting Director of the Defense Security Assistance Agency, transmitting, pursuant to law, a report on the Departments of the Army, Navy, and Air Force proposed letter of offer to Saudia Arabia for defense articles estimated to cost in excess of $50 million; to the Committee on Armed Services.

EC-2934. A communication from the Secretary of Commerce, transmitting a draft of proposed legislation to amend the Export Administration Amendments Act of 1985 to authorize appropriations to carry out the provisions of title II of such act for fiscal years 1987 and 1988, and for other purposes; to the Committee on Banking, Housing, and Urban Affairs.

EC-2935. A communication from the Secretary of Commerce, transmitting a draft of proposed legislation to terminate the U.S. Travel and Tourism Administration, to repeal the International Travel Act of 1961, as amended, and for other purposes; to the Committee on Commerce, Science, and Transportation.

EC-2936. A communication from the Acting General Counsel of the Federal Emergency Management Agency, transmitting a draft of proposed legislation to authorize appropriations for activities under the Disaster Relief Act of 1974, as amended; to the Committee on Environment and Public Works.

EC-2937. A communication from the Administrator of the Environmental Protection Agency, transmitting a draft of proposed legislation to amend and extend title I of the Marine Protection, Research, and Sanctuaries Act, as amended, for 2 years; to the Committee on Environment and Public Works.

EC-2938. A communication from the Administrator of the Environmental Protection Agency, transmitting a draft of proposed legislation to amend and extend the Toxic Substances Control Act, as amended, for 2 years; to the Committee on Environment and Public Works.

EC-2939. A communication from the Deputy Assistant Secretary of Defense (Administration) transmitting, pursuant to law, a report on a new Privacy Act System of records; to the Committee on Governmental Affairs.

EC-2940. A communication from the Deputy Assistant Secretary of Defense (Administration) transmitting, pursuant to law, a report on a new Privacy Act system of records; to the Committee on Governmental Affairs.

EC-2941. A communication from the chairman of the Occupational Safety and Health Review Commission, transmitting, pursuant to law, a report on the system of internal accounting and administrative controls in effect during calendar year 1985; to the Committee on Governmental Affairs.

EC-2942. A communication from the Deputy Assistant Secretary of Defense (Administration) transmitting, pursuant to law, a report on a new Privacy Act system of records; to the Committee on Governmental Affairs.

EC-2943. A communication from the Secretary of Health and Human Services, transmitting, pursuant to law, the annual report with the respect to actions taken to recruit and train Indians to qualify for positions which are subject to preference under Indian preference laws; to the Select Committee on Indian Affairs.

EC-2944. A communication from the Freedom of Information/Privacy Officer of the Interstate Commerce Commission, transmitting, pursuant to law, the annual report of the Commission under the Freedom of Information Act for calendar year 1985; to the Committee on the Judiciary.

EC-2945. A communication from the Director of the Administrative Office of the U.S. Courts, transmitting, pursuant to law, the report of the proceedings of the Judicial Conference of the United States, held in Washington, DC March 6 and 7 and September 17 and 18, 1985, and the annual report of the Director of the Administrative Office of the U.S. courts for fiscal year 1985; to the Committee on the Judiciary.

EC-2946. A communication from the President of the American Academy and Institute of Arts and Letters, transmitting, pursuant to law, the annual report on the activities of the Academy for calendar year 1985; to the Committee on the Judiciary.

EC-2947. A communication from the Director of the Administrative Office of the U.S. Courts, transmitting a draft of proposed legislation to renew authority to contract for the detection and treatment of drug-dependent offenders, and for other purposes; to the Committee on the Judiciary.

EC-2948. A communication from the Assistant Attorney General (Office of Justice Programs) transmitting, pursuant to law, the first annual report of the Assistant Attorney General for Justice Programs, covering fiscal year 1985; to the Committee on the Judiciary.

EC-2949. A communication from the Secretary of Education, transmitting a draft of proposed legislation to authorize the establishment of an endowment fund at Galludet College and the National Technical Institute for the Deaf, and for other purposes; to the Committee on Labor and Human Resources.

MESSAGES FROM THE HOUSE

At 1:54 p.m., a message from the House of Representatives, delivered by Mr. Berry, one of its reading clerks, announced that the House has passed the following bill, with amendments, in which it requests the concurrence of the Senate:

S. 49. An act to protect firearms owners' constitutional rights, civil liberties, and rights to privacy.

ENROLLED JOINT RESOLUTION SIGNED

At 4:02 p.m., a message from the House of Representatives delivered by Ms. Goetz, one of its reading clerks, announced that the Speaker has signed the following enrolled joint resolution:

S.J. Res. 261. Joint resolution to designate the week of April 14, 1986, through April 20, 1986, as "National Mathematics Awareness Week."

INTRODUCTION OF BILLS AND JOINT RESOLUTIONS

The following bills and joint resolutions were introduced, read the first and second time by unanimous consent, and referred as indicated:

By Mr. CHILES (for himself, Mr. Durenberger, Mr. Bentsen, Mr. Baucus, and Mr. Rockefeller):

S. 2288. A bill to amend title XIX of the Social Security Act to permit States the option of providing prenatal, delivery, and postpartum care to low-income pregnant women and of providing medical assistance to low-income infants under one year of age; to the Committee on Finance.

By Mr. McCLURE (by request):

S. 2289. A bill to enhance effective administration of certain Federal lands, and for other purposes; to the Committee on Energy and Natural Resources.

By Mr. FORD (for himself and Mr. Bumpers):

S. 2290. A bill to amend the Communications Act of 1934 to prohibit the encoding of satellite-transmitted television programming until decoding devices are fully available at reasonable prices; to the Committee on Commerce, Science, and Transportation.

By Mr. BIDEN:

S. 2291. A bill to amend the Energy Reorganization Act of 1974 to create an independent Nuclear Safety Board; to the Committee on Environment and Public Works.

By Mr. GRASSLEY:

S. 2292. A bill to amend the Food Security Act of 1985 to require the Secretary of Agriculture to take certain actions to reduce the adverse effect of the milk production termination program on red meat producers, and for other purposes; to the Committee on Agriculture, Nutrition, and Forestry.

By Mr. LUGAR (by request):

S. 2293. A bill to authorize appropriations for the African Development Foundation; to the Committee on Foreign Relations.

SUBMISSION OF CONCURRENT AND SENATE RESOLUTIONS

The following concurrent resolutions and Senate resolutions were read, and referred (or acted upon), as indicated:

By Mr. RUDMAN (for Mrs. Hawkins (for herself, Mr. Pell, Mr. Kasten, Mr. Lautenberg, and Mr. Mattingly)):

S. Con. Res. 126. Concurrent resolution authorizing the rotunda of the United States Capitol to be used on May 6, 1986, for a ceremony commemorating the days of remembrance of victims of the Holocaust; considered and agreed to.

By Mr. RUDMAN (for Mr. Heinz (for himself and Mr. Garn)):

S. Con. Res. 127. Concurrent resolution relating to predatory tied aid credits; considered and agreed to.

STATEMENTS ON INTRODUCED BILLS AND JOINT RESOLUTIONS

By Mr. CHILES (for himself, Mr. Durenberger, Mr. Bentsen, Mr. Baucus, and Mr. Rockefeller):

S. 2288. A bill to amend title XIX of Social Security Act to permit States the option of providing prenatal, delivery, and post partum care to low-income pregnant women and of providing medical assistance to low-income infants under 1 year of age; to the Committee on Finance.

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INFANT MORTALITY PREVENTION ACT

● **Mr. CHILES.** Mr. President, I am today introducing the Infant Mortality Prevention Act of 1986 a [IMPACT 86]. The bill seeks to alleviate one of the more tragic problems this Nation faces: infant mortality.

In this Nation, where we take pride in our standard of living, medical care and technological advances, nearly 10 white babies, close to 20 black babies, and nearly 17 other nonwhite babies die before their first birthday for every 1,000 who are born. Overall, we have an infant mortality rate that is higher than Asian nations like Japan and Singapore, Western European countries like Norway or Great Britain, as well as Canada and Australia.

We are making some progress. The United States improved its infant survival rate from 17th in the world in 1983 to 16th in 1984. But I am not satisfied.

When you look behind the averages, when you look at the specifics of the survival rates for black babies versus whites, and a baby's chance for survival in the Southeast versus the rest of the Nation, we see not only do we have a long way to go, we are actually losing ground in the battle against infant mortality on some fronts:

In 1983 the incidence of low birthweight increased for both blacks and whites, and the annual rate of improvement would have to be about 300 percent to meet the Surgeon General's goal of reducing low birthweight to only 5 per 100 live births.

The gap between black and white rates of infant mortality is getting wider. In 1983 this difference was the widest in 40 years.

The percentage of women getting no prenatal care, or delayed care in the third trimester, is increasing. Our rate of progress to achieve the Surgeon General's goal of 90 percent of women getting care in the first trimester would have to be 650 percent per year until 1990.

Death rates are rising for infants who survive the first month of life. These deaths are most closely associated with preventable factors due to poverty. And yet in 1983 we had the worst situation we have had in 20 years in postneonatal deaths, and provisional data indicates these deaths are projected to rise again in 1984.

Finally, our rate of decline in infant mortality has slowed to about 3 percent per year between 1981 and 1983.

For over a year now, I have been looking at the issue of infant mortality. I have visited prenatal care centers and neonatal intensive care units all over the State of Florida. I have held hearings in Miami, Pensacola, and Washington.

The chief thing I have learned from physicians, nurse midwives, public health officials, and most importantly, young mothers, is that early and effective prenatal care makes a difference. In human terms, I have seen the babies who benefited from good maternal health care, counseling, and nutrition, whether they were born in the migrant stream, the Liberty City section of Miami, or to a middle-income teenager.

I have also seen the joy on a young mother's face as she held her first healthy baby after eight miscarriages and stillbirths. And I have seen the tragedy of young parents and their children who did not have access to such care and suffered preventable handicapping conditions.

The bill I am introducing today could bring this essential health care to thousands of low-income pregnant women. It would provide for a new Medicaid categorically needy program to permit States, at their option, to extend Medicaid coverage for preventive prenatal, delivery and postpartum medical services to low-income women during pregnancy and for 60 days after delivery, and to their infants up to 1 year of age.

My goal is to provide this essential preventive health care to all pregnant women with family incomes up to the full Federal poverty level. The bill would achieve that goal within the third year after enactment.

Pregnant women with family incomes below 65 percent of the Federal poverty level—$5,750 maximum countable income for a three-person family—would be eligible for this new maternity benefit converage in the first year of operation. The bill provides for an eligibility ceiling of 80 percent of the poverty level in fiscal year 1989.

Mr. President, I would have liked to start out with coverage for all pregnant women and small children up to the full Federal poverty level right away. This is what we need to do, and this is the best way, I am convinced, to lower infant mortality rates and keep our commitment to a national goal of healthy mothers and healthy babies.

I am convinced that in the long range such an initial expenditure on preventive health care will result in significant overall Federal and State Medicaid savings. But there will be startup costs, and as yet we do not have good cost estimates for coverage for this full population. We set aside a target amount of approximately $100 million a year in additional Medicaid spending in the budget resolution reported by the Senate Budget Committee for a new infant mortality initiative.

This is a realistic goal, something that we can achieve this year. My commitment is to doing the most we can right away—not putting off this important initiative until we feel we've got our tremendous budget deficits under control.

It is my hope that as the authorizing committees of Congress and the Congressional Budget Office spend more time with the possibilities of such an initiative, we will find that we can start out with an eligibility level much higher than 65 percent of the Federal poverty level. This is one area in which I wouldn't mind seeing this bill substantially changed before it comes to the Senate floor for final action.

I also want to see any final legislation in this area providing the maximum incentive for States to choose to exercise the option for expanded Medicaid coverage for pregnant women and infants.

One of the most important elements of this bill is that States would have the option of providing this new benefit without increasing their AFDC standards of need or payment levels. For the first time, we would be giving States the flexibility to target their resources to provide preventive health care to a specific, high risk population group.

As currently drafted, however, the bill would require a State to maintain its AFDC payment levels in place as of the date of enactment of this new legislation if it chooses to exercise the new Medicaid option.

To avoid a costly new administrative process, States also would be able to use their current AFDC income and eligibility determination process to decide eligibility for the new Medicaid benefit. There are two specific exceptions to current AFDC eligibility determination rules, however.

First, the bill provides that the guidelines used to determine maximum allowable assets and resources other than cash income should be those now used in Medicaid medically needy programs. In general, current law provides for the more liberal of the AFDC or SSI resource standards to be used to determine eligibility in Medicaid medically needy programs, and this same precedent would be applied to the new optional coverage.

Second, to prevent a situation in which a pregnant woman would lose her Medicaid coverage in the middle of her pregnancy because of a slight increase in income, as could happen with AFDC earned income disregard provisions and other tests, a minimum benefit period would be established to ensure coverage through the entire period of the pregnancy.

Mr. President, I'd like to point out that this new program we are proposing is actually a very limited benefit. But because it is so precisely targeted to a very high risk population, low-income pregnant women and their infants up to age 1, it can have tremendous impact.

In economic terms, we are talking about an investment averaging about $600 for routine prenatal check ups and counseling, versus neonatal intensive care that can cost as much at

$120,000 to $200,000 for an extended period. These costs do not even include the expense of handicapped education, vocational rehabilitation, or welfare for lifelong handicapping conditions.

In human terms, it's the least we can do for our children.●

● **Mr. BENTSEN.** Mr. President, I am pleased to join my colleagues from Florida and Minnesota as an original cosponsor of the Infant Mortality Prevention Act [IMPACT] of 1986.

The purpose of this legislation is to offer States the option of extending prenatal, delivery and postpartum care to women whose incomes fall below the poverty level, but who fail to qualify for coverage under current law because they exceed the State's income eligibility threshold. In addition, States would be allowed to extend health care to infants of less than 1 year of age.

The genesis of S. 2288 was the final report prepared by the Southern Governors' Task Force on Infant Mortality, under the chairmanship of South Carolina's Gov. Richard Riley. Recognizing that the incidence of infant mortality is highest in the southern region of the country, Governor Riley, members of the task force, and an able group of professional staff members developed a number of specific legislative recommendations designed to expand the tools available to elected officials concerned about reducing the number of infant deaths in their States.

The National Academy of Sciences Institute of Medicine study on low birthweight has shown that significant cost savings can be achieved by providing low cost prenatal, delivery and postpartum care to young mothers. In fact, IOM estimates a cost-benefit ratio of $3.38 saved in the first year of a child's life for $1 spent in prenatal care. Yet, in the United States, most especially in the southern region, we have been slow to recognize that an early investment in the health of the mother pays dividends for the long term well-being of mother, child, and the community at large. As a consequence, the price we have paid, in dollars and lost human potential, has been far too high.

To be more specific, 10 of the 11 States with the most severe infant mortality rates are in the South. In the southern region, it is estimated that 1 of every 15 mothers is likely to have a child with a discernible mental or physical handicap. While the national average is 6.8 percent, 7.6 percent of all babies born in the Southern States are low in birthweight. And, as most of my colleagues are already aware, low birthweight is closely associated with a statistically significant increase in the incidence of lifelong handicapping conditions, such as learning disabilities, autism, cerebral palsy, epilepsy, chronic lung problems and mental retardation.

In an effort to comply with the funding limitations placed on this initiative in the budget resolution, the bill calls for a gradual increase in the income threshold, providing coverage for women who fall below 65 percent of the Federal poverty level in the first year, below 80 percent in the second year, and below 100 percent in the third year. In the event that Congressional Budget Office estimates of the cost to implement this legislation permit acceleration of the proposed timetable, I hope that members of the Finance Committee will be prepared to adjust this particular provision to afford States the opportunity to expand coverage to the entire target population as quickly as possible.

For those who may be concerned about disengaging eligibility for health services under Medicaid from the payment of aid to families with dependent children [AFDC], let me stress that the legislative language was carefully drafted to ensure that benefit payments are not reduced in order to finance State participation in the IMPACT option.

In sum, Mr. President, enactment of S. 2288 will allow States to improve access to health care for an especially vulnerable population. These changes in the Medicaid statute are especially important for the southern tier of States, where the need for services is greatest.

To quote Governor Riley:

> We in the South must develop our full potential if we are to achieve the hopes and plans we share for our future. One of the most critical opportunities we can offer our people is a good start.

Let us join together in support of that goal by relaxing Federal restrictions that inhibit the ability of States and communities to structure their health services according to local priorities. S. 2288 is a good beginning.●

By **Mr. McCLURE** (by request):

S. 2289. A bill to enhance effective administration of certain Federal lands and for other purposes; to the Committee on Energy and Natural Resources.

FEDERAL LANDS ADMINISTRATION ACT

● **Mr. McCLURE.** Mr. President, I send to the desk legislation recommended in an Executive communication transmitted by the Secretaries of the Interior and Agriculture and referred to the Committee on Energy and Natural Resources. The legislation would provide for the interchange of lands between the two Departments involving an estimated 25 million acres. I ask unanimous consent that copies of the legislation, and the section-by-section analysis letter of transmittal which accompanied it be printed in the RECORD at the conclusion on my remarks.

I have long been a supporter of the concept of interchange. I believe that it will improve both the management of Federal lands and the ability of State, local, and private interests to work with Federal land managers. Having said that, however, I do have several reservations about this particular proposal. I am not certain that it is the best approach to accomplish an effective interchange.

I would note at the outset that any proposal to exchange lands will inevitably produce expressions of concern from individuals who are apprehensive as to the potential effects of the exchange. Will the new land manager be as responsive to problems? Will new planning requirements be implemented? Will my livelihood be affected? These are legitimate concerns, and I am pleased with the efforts which both the Bureau of Land Management and the Forest Service undertook to explain the proposal to affected localities. Eighty-five public meetings were held and there have been significant changes made as a result of those and other meetings and discussions. I think both agencies should be commended for that effort. If they have not resolved all the problems at least they have tried to do so.

One of the very real concerns is how the consolidation of functions will affect the various offices which the two agencies now have. The legislative impact statement which the agencies prepared goes into considerable detail, and we will need to carefully consider their conclusions.

For example, the proposal assumes a net reduction of 34 staff positions in the Burley office in Cassia County, ID, with an "induced change in local employment" of 16 positions. The analysis indicates that this proposal would "compound an unemployment rate already above the national average" of 7.7 percent in Burley. The analysis further states:

> A mitigating factor is that employees have stated that they would commute to Twin Falls rather than move out of Burley if their positions were eliminated. They would therefore continue to spend some portion of their salaries in Burley and contribute to Burley's tax base.

I am not satsfied with that, and I have obtained a commitment from the Director of the Bureau of Land Management that the Burley office will not be closed. I intend to examine closely each of the potential or planned consolidations to ensure that all communities are adequately protected. In addition to Burley's 7.7 percent unemployment, unemployment is estimated for other affected Idaho communities at 12.4 percent for Cottonwood and 13.3 percent for Salmon. While the proposal assumes far less of an impact in those communities than it did in Burley, nevertheless I intend to examine those impacts very careful-

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ly before any proposal is reported from the committee.

As I stated at the outset, I support the concept of the interchange. From the standpoint of the State of Idaho, I intend to look very closely at the specific lands subject to interchange and continue my discussions with people in the State to determine whether this is the best proposal or whether it could be improved. I expect that my colleagues will be having similar discussions with respect to the acreage involved in their States, and I anticipate that they will also have suggestions to improve this proposal.

Beyond the question of the acreage, I have several concerns which I plan to explore as this proposal moves through the legislative process. I have some concern over the transfer to the Forest Service of responsibility for 204 million acres of subsurface estate and the amendments to the Multiple-Use Sustaind-Yield Act and other statutes which are required to implement that decision. It may be that this is a good idea and we should reverse the decision made in the Reorganization Plan No. 3 of 1946 to transfer such responsibility from the Department of Agriculture to the Department of the Interior. This proposal may provide for better land management and a more integrated planning process. It may not. I intend to examine this issue closely.

I also intend to carefully review the various transfers of legislative authority from one agency to another that are proposed in this legislation, especially where the authorities do not run just with the lands being transferred, but are extended to all lands under the jurisdiction of the Department receiving the new authority. I understand and fully appreciate the concern that the lands being transferred should continue to be managed in the same manner as they were prior to the transfer. Accomplishing that may entail the exercise by one agency of certain statutory authorities normally reserved to another. That objective does not mean, however, that this proposal should be an excuse for agencies to extend such authorities to other lands nor to modify current law.

This does not mean that some of these ideas may not be beneficial. Extending the authority of the Small Tracts Act to all lands under the administration of the Department of the Interior rather than just to the lands transferred from the Department of Agriculture may be a good idea, but then again it might not. Providing the Department of Agriculture with certain authorities under the Desert Land Entry Act, the Carey Act, the Recreation and Public Purposes Act, Federal Land Policy and Management Act, and other statutes may be a good idea for the transferred lands, and it may improve management. But then again it might not.

Part of the rationale for the interchange is to provide more uniform land management by consolidating stewardship within one agency in any given area. While the Color of Title Act is extended throughout the Forest System, the other statutes would continue to apply only to the transferred lands. We will need to be certain that we have not interchanged one management problem—multiple agencies—for another—different management by a single agency on intermingled lands. The hearing process should provide the committee and my colleagues with ample opportunity to explore these issues.

Some areas I do intend to focus on are the provisions dealing with wilderness review, how these areas are incorporated into the planning process of the new agency, and the provision on water rights. Both agencies have made an effort to be absolutely neutral, but the remaining areas where we will need to be extremely careful especially in light of the ability of courts to read what we think is clear language in new and novel ways.

When the Bureau of Land Management and the Forest Service submitted their first interchange proposal last year, there was great concern in Western States that there would not be an opportunity for the public and affected groups to have a chance to air their views before the legislation was enacted. If my recent discussions with the people of Idaho are a barometer, that concern still exists.

So let me give this assurance to my colleagues and those affected groups. No legislation will be sent to the full Senate for consideration until there has been a full and complete opportunity for public comment and review. There will be hearings in Washington, and I'm sure there will also be several field hearings in affected States as well. Given the kind of effect which this legislation would have on land management in the West, full public participation and comment is not only desirable, it is essential.

I intend to spend at least one hearing on the issue of water rights. While the language is designed, as the section-by-section analysis states, to be absolutely neutral and neither create nor relinquish any rights of Federal, State, or private parties, I think that the Congress needs to be completely satisfied that the language will accomplish that result. I know that both Departments intend that result and I can assure my colleagues that before any legislation is reported by the committee to the Senate, we will also be satisfied.

Mr. President, I am pleased to introduce this legislation and I hope that all Members will give it very careful consideration. It offers the possibility of significantly improving the Federal stewardship of our lands with some commensurate budget savings. Whatever flaws are found in the legislation will I hope be fully explored and remedied as the legislation is considered. I certainly hope that our discussions can be focused on the concept of interchange and what is necessary to accomplish that interchange. There is an implicit danger in the extensions of authority that some may seek to undertake a comprehensive review of the management authorities of both agencies. I hope we will resist that temptation.

I believe that the concept of the interchange is good for Idaho, and I think that once my colleagues have examined this legislation, they too will conclude it is a good one for their States.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

S. 2289

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "Federal Lands Administration Act of 1986."

TITLE I—PURPOSES, DEFINITIONS AND MAPS

PURPOSES

SEC. 101. The purposes of this Act are to—

(a) improve service to the public in the administration of certain federally owned lands;

(b) increase efficiency in the management of federally owned natural resources and increase cost effectiveness by consolidating land jurisdiction and administration in the agency with the predominant presence in an area; and

(c) consolidate the management of the surface and subsurface resources in the agency responsible for the surface.

SEC. 102. Without altering in any way the meaning of the following terms as used in any other statute, whether or not such statute is referred to in or amended by this Act, as used in this Act—

(a) the term "Secretaries" means the Secretary of the Interior and the Secretary of Agriculture;

(b) the acronym "FLPMA" means the Federal Land Policy and Management Act of 1976, as amended (90 Stat. 2743, 43 U.S.C. 1701, et seq.);

(c) the terms "land" and "lands" includes surface, subsurface, water, minerals, and interests therein;

(d) the term "public lands" has the same meaning as defined in section 103(e) of FLPMA (43 U.S.C. 1702(e));

(e) the term "newly established public lands" means lands or interests in lands which were formerly in the National Forest System and by this Act become public lands;

(f) the term "National Forest System" has the same meaning as defined in section 11 of the Forest and Rangeland Renewable Resources Planning Act of 1974, as amended (88 Stat. 480, 16 U.S.C. 1609(a));

(g) the term "newly established national forest lands" means lands or interests in lands which were formerly public lands and by this Act become national forest lands and a part of the National Forest System;

(h) the term "withdrawal" has the same meaning as defined in section 103(j) of FLPMA (90 Stat. 2746, 43 U.S.C. 1702(j));

(i) the term "person" includes an individual, partnership, coporation, association, public or private organization, Indian Tribe or State or political subdivision thereof;

(j) the term "date of transfer" means the date of the beginning of the first pay period of the Bureau of Land Management and Forest Service following one hundred and eighty (180) days after the date of enactment of this Act; and

(k) the term "O&C Lands" means the Oregon and California Railroad and Coos Bay Wagon Road Grant lands which are subject to the Act of August 28, 1937 (50 Stat. 874, as amended), and the Act of May 24, 1939 (53 Stat. 753).

SEC. 103. Incorporated by reference into this Act are a series of maps entitled "Interagency Land Transfers—February 1986" (hereafter "maps") which delineate the areas of lands for which adminstration is transferred by this Act. The maps shall be on file and available for public inspection in the offices of the Chief, Forest Service, Department of Agriculture, and the Director, Bureau of Land Management, Department of the Interior. Changes may be made to the maps to correct technical errors.

TITLE II—TRANSFER OF LANDS TO THE FOREST SERVICE

SEC. 201. Effective on the date of transfer, jurisdiction over public lands designated on the maps for management by the Forest Service is transferred to the Secretary of Agriculture, and the lands are withheld and reserved as national forests and shall be administered in accordance with this Act and the laws, rules and regulations applicable to the national forests.

MODIFICATIONS OF NATIONAL FOREST SYSTEM UNIT BOUNDARIES

SEC. 202. (a) The Secretary of Agriculture is authorized to establish, extend or otherwise modify the boundaries of units of the National Forest System in order to facilitate planning, management or administration. Any boundary modifications shall become effective ninety days following publication of notice of such modifications in the Federal Register and notification of the appropriate committees of Congress. Exercise of this authority shall not affect valid existing rights.

(b) For the purpose of section 7 of the Land and Water Conservation Fund Act of 1965 (16 U.S.C. 4601-9), the boundaries of newly established national forest lands, and the boundaries of National Forest System lands as they may be modified pursuant to subsection (a) of this section or section 403 of this Act shall be treated as if they were boundaries in existence as of January 1, 1965.

NATIONAL FOREST PLANNING

SEC. 203. Until such time as plans are specifically developed for newly established national forest lands in accordance with the Forest and Rangeland Renewable Resources Planning Act of 1974 (88 Stat. 476, as amended; 16 U.S.C. 1601), such lands shall continue to be managed in accordance with plans in effect on the date of transfer. Newly established national forest lands shall be managed under land management plans developed pursuant to section 6(f)(5) of the aforementioned Act when appropriate plans are revised. If no plans are in effect on the date of transfer, the lands shall be managed in a manner consistent with other National Forest System lands in the vicinity until a plan is developed under applicable provisions of law. Nothing in this or any other Act shall require the amendment or revision of the plans governing newly established national forest lands or of the plans relating to national forest affected by the addition or deletion of lands transferred by this Act.

WILDERNESS REVIEW

SEC. 204. (a) For roadless areas of newly established national forest lands, the Secretary of Agriculture shall:

(1) adopt all recommendations of the Secretary of the Interior with regard to wilderness suitability of lands reviewed for wilderness by the Bureau of Land Management prior to the date of transfer pursuant to sections 202 and 603 of FLPMA; and

(2) undertake or complete wilderness consideration utilizing the wilderness review standards applicable to other national forest lands for wilderness study areas for which there are no recommendations of the Secretary of the Interior in effect on the date of transfer.

(b) Subject to valid existing rights, any roadless areas of newly established national forests lands which were in wilderness study areas identified by the Secretary of the Interior pursuant to section 603 of FLPMA shall be managed by the Secretary of Agriculture in accordance with the provisions of section 603(c) of FLPMA until either (1) Congress designates the areas as wildernes, or (2) Congress releases the areas from wilderness consideration.

(c) Subject to valid existing rights, any roadless areas of newly established national forest lands recommended for wilderness by the Secretary of the Interior pursuant to section 202 of FLPMA or any roadless area identified for wilderness study under section 202 of FLPMA and recommended for wilderness by the Secretary of Agriculture pursuant to subsection (a)(2) of this section shall be managed in a manner so as to maintain their presently existing wilderness characteristics and potential for inclusion in the National Wilderness Preservation System until the areas are designated as wilderness or released from wilderness consideration: *Provided,* That the Secretary of Agriculture may authorize the continuation of types of existing uses insofar as such uses would not disqualify the area for designation as wilderness.

(d) Any roadless areas of newly established national forest lands which have been considered but not recommended for wilderness pursuant to section 202 of FLPMA or subsection (a)(2) of this section, except as provided in subsection (b) of this section, shall be deemed to have been adequately considered for wilderness for the purposes of the initial land management plans hereafter required for such lands by section 6 of the Forest and Rangeland Renewable Resources Planning Act of 1974, as amended, and the Secretary of Agriculture shall not be required to manage the land to preserve wilderness values or to review the wilderness option prior to the revision of the plans, but shall review the wilderness option when the plans are revised.

(e) A recommendation of the President for designation as wilderness shall become effective only if so provided by an Act of Congress.

LAND ENTRY PROVISIONS

SEC. 205. The following Acts pertaining to entry and disposal of the public lands are amended as follows:

(a) the Act of March 3, 1877 (19 Stat. 377, as amended; 43 U.S.C. 321), pertaining to desert land entries, is amended as follows:

(1) in section 1, delete in the first sentence the words "Secretary of the Interior of" and insert in lieu thereof the words "appropriate Secretary for";

(2) in section 3, delete the period at the end of the sentence and insert a colon and the following proviso: "*Provided,* That the Secretary of the Interior shall exercise the authorities under this Act with respect to public lands, and the Secretary of Agriculture shall exercise the authorities with respect to newly established national forest lands designated pursuant to the Federal Lands Administration Act of 1986: *Provided however,* That the Secretary of the Interior shall issue all patents to such desert lands on his own initiative with respect to public lands or at the request of the Secretary of Agriculture with respect to newly established national forest lands."

(b) Section 4 of the Act of August 18, 1894 (28 Stat. 422, as amended; 43 U.S.C. 641) pertaining to grants of desert lands to States for reclamation, commonly known as the Carey Act, is further amended by adding the following unnumbered paragraph at the end therof:

"Newly established national forest lands designated by the Federal Lands Administration Act of 1986 shall remain available to the States for the purposes set forth in this Act: *Provided,* That the Secretary of Agriculture shall exercise the authorities of this Act with respect to grants of desert lands to States on such forest lands: *Provided further,* That patents shall be issued only by Secretary of the Interior at the request of the Secretary of Agriculture."

(c) The Act of February 28, 1891, which amended Revised Statutes § 2276 (26 Stat. 796, as amended; U.S.C. 852), pertaining to indemnity selections by the States, is amended as follows:

(1) in the first sentence of section 2(a), insert after the words "unsurveyed public lands" a comma followed by the words "or from newly established national forest lands designated pursuant to the Federal Lands Administration Act of 1986,"; and

(2) insert at the end of subsection 2(a) the following new numbered paragraph:

"(6) With regard to lands which are designated as newly established national forest lands pursuant to the Federal Lands Administration Act of 1986, the Secretary of Agriculture shall administer the provisions of this Act except that patents shall be issued only by the Secretary of the Interior at the request of the Secretary of Agriculture."

(d) The Recreation and Public Purposes Act of June 14, 1926 (44 Stat. 741, as amended; 43 U.S.C. 869) is amended by adding a new section 7 at the end thereof:

SEC. 7. Notwithstanding the provisions of section 1 of this Act, the Secretary of Agriculture shall exercise the authorities granted herein to the Secretary of the Interior to dispose of newly established national forest lands designated pursuant to the Federal Lands Administration Act of 1986, except that patents shall be issued only by the Secretary of the Interior at the request of the Secretary of Agriculture."

(e) The Act of December 22, 1928 (45 Stat. 1069, as amended; 43 U.S.C. 1068), commonly referred to as the Color of Title Act, is amended as follows:

(1) delete the words "of the Interior" wherever used;

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(2) delete the words "public land" wherever used and substitute in lieu thereof the words "Federal land";

(3) in section 1, delete the word "issue" the first time used and substitute in lieu thereof the words "cause to be issued by the Secretary of the Interior"; and

(4) add a new section 4 as follows:

"Sec. 4. For the purposes of this Act, (a) the word "Secretary" shall mean the Secretary of the Interior where public lands are involved, and the Secretary of Agriculture where National Forest System lands are involved, and (b) the words "Federal land" shall mean lands which are public lands as defined by section 103(e) of the Federal Land Policy and Management Act of 1976 (43 U.S.C. 1702(e)), and lands which are part of the National Forest System as defined in section 11(a) of the Forest and Rangeland Renewable Resources Planning Act of 1974, as amended (16 U.S.C. 1609(a))."

(f) Notwithstanding any provision of this Act, nothing herein shall be deemed to affect the powers and responsibilities of the Secretary of the Interior pursuant to the Grand Ronde Restoration Act (97 Stat. 1064) except that Federal real property in Oregon to be transferred for the benefit of the tribe pursuant to any reservation plan may be from newly established national forest lands in addition to other available public lands which were otherwise eligible for transfer prior to the date of transfer.

LAND SALES

Sec. 206. Areas of newly established national forest lands identified by the Secretary of the Interior on or before the date of transfer as suitable for sale under the provisions of section 203 of FLPMA or identified as suitable for sale after the date of transfer through land management planning may be sold by the Secretary of Agriculture in accordance with the procedures of said section 203: *Provided*, That patents shall be issued only by the Secretary of the Interior at the request of the Secretary of Agriculture.

AMENDMENTS TO FLPMA

Sec. 207. (a) Section 103(g) of FLPMA is amended to add a new sentence at the end thereof: "For purposes of sections 204, 209, and 211 the term 'Secretary' shall mean the Secretary of the Interior where public lands are involved, and the Secretary of Agriculture where National Forest System lands are involved."

(b) Section 204 of FLPMA is amended by adding a new subsection at the end thereof:

"(m) Upon request of the Secretary of Agriculture where National Forest System lands are involved, and with the concurrence of any other affected agency, the Secretary of the Interior shall make, modify or revoke any withdrawal transferring lands from one Federal agency to another: *Provided*, That nothing herein shall affect the authorities of the Secretary of Agriculture with respect to interchanges of lands with the Secretary of a military department pursuant to the Act of July 26, 1956 (70 Stat. 656; 16 U.S.C. 505a, b)."

TITLE III—TRANSFER OF LANDS TO THE BUREAU OF LAND MANAGEMENT

Sec. 301. Effective on the date of transfer, jurisdiction over National Forest System lands within areas indicated on the maps for management by the Bureau of Land Management is transferred to the Secretary of the Interior to be administered in accordance with this Act and the laws, rules and regulations applicable to the public lands, except that the areas are withdrawn from any sale or disposal under the public land laws or other authority unless such law or authority otherwise applied to the areas prior to the date of transfer.

Sec. 302. (a) All contiguous areas of newly established public lands of 10,000 acres or more which had a specific name indentification prior to enactment of this Act are hereby designated as conservation areas. Such lands shall remain unavailable for disposal under the public land laws, unless otherwise provided in this Act. The Secretary of the Interior shall assign an appropriate definitive name to each such conservation area which will recognize the location of the conservation area or its specific significance or characteristics, and may modify or adjust their boundaries.

(b) Section 522(e)(2)(B) of the Surface Mining Control and Reclamation Act of 1977 (91 Stat. 445; 30 U.S.C. 1272(e)(2)B)) is amended by deleting the words after the "*And provided further,*" and inserting in lieu of such deletions the words: "That no surface coal mining operations may be permitted on public lands which were formerly within the boundaries of the Custer National Forest as such boundaries existed on August 3, 1977."

(c) Title III of the Bankhead-Jones Farm Tenant Act (50 Stat. 522, as amended; 7 U.S.C. 1010–1012), is further amended as follows:

(1) in section 31, after the word "Secretary" insert the phrase "and the Secretary of the Interior for lands acquired under this Act and transferred to the Department of the Interior for administration as public lands";

(2) in section 32, after the phrase "Secretary is authorized" insert the phrase "and the Secretary of the Interior for lands acquired under this Act and transferred to the Department of the Interior for administration as public lands is authorized pursuant to subsection (b), (c), (d), and (f) of this section";

(3) in subsections 32 (c), (d), and (f) wherever the words "Secretary" or "Secretary of Agriculture" appear, insert the phrase "or the Secretary of the Interior as to lands such Secretary administers pursuant to this Act"; and

(4) in subsection 32(e), add a new unnumbered paragraph at the end thereof to read: "The provisions of this subsection shall not be exercised by the Secretary of the Interior."

(5) In section 33, delete the words "calendar year" and insert in lieu thereof the words "fiscal year", and after the word "Secretary" insert the phrase "or the Secretary of the Interior as to lands said Secretary administers pursuant to this Act".

LAND MANAGEMENT PLANS

Sec. 303. (a) Until such time as plans are specifically developed for newly established public lands in accordance with FLPMA, such lands shall continue to be managed under plans in effect on the date of transfer. If no plans are in effect on the date of transfer, the lands shall be managed in accordance with applicable existing regulations of the Secretary of the Interior or with other procedures adopted by the Secretary of the Interior for this purpose until a plan is developed under applicable provisions of law.

(b) Nothing in this Act shall be deemed to require amendment or revision of the plans in effect on the date of enactment of this Act governing newly established public lands.

WILDERNESS REVIEW

Sec. 304. (a) For roadless areas of newly established public lands, the Secretary of the Interior shall:

(1) adopt all recommendations for wilderness or additional study with regard to lands reviewed by the Secretary of Agriculture pursuant to section 6 of the Forest and Rangeland Renewable Resources Planning Act of 1974, as amended; and

(2) complete wilderness consideration for inventoried roadless areas which have not been released from consideration through the process prescribed by section 6 of the Forest and Rangeland Renewable Resources Planning Act of 1974 (88 Stat. 476, as amended; 16 U.S.C. 1601) or by an Act of Congress, and for which there were no recommendations by the Secretary of Agriculture in effect on the date of transfer. After review utilizing the procedures specified in section 3(d) of the Wilderness Act of 1964 (16 U.S.C. 1132(d)), those areas found suitable for wilderness designation under the criteria of section 2(c) of that Act (16 U.S.C. 1131(c)) shall be protected for their wilderness characteristics until Congress acts on recommendations for wilderness designation.

(b) Subject to valid existing rights, any roadless areas of newly established public land recommended by the Secretary of Agriculture for wilderness, or remaining areas required by Act of Congress to be studied for wilderness pending congressional designation or release, shall be managed by the Secretary of the Interior in accordance with the provisions of section 603(c) of FLPMA, or other specific statutory direction.

(c) Lands not recommended for wilderness or additional study as a result of the process prescribed by section 6 of the Forest and Rangeland Renewable Resources Planning Act of 1974, as amended, the process prescribed in subsection (a)(2) of this section, or that have been released by Act of Congress for any specified period shall be deemed to have been adequately considered for their suitability for inclusion in the National Wilderness Preservation System and the Secretary of the Interior shall not be required to review such lands for their wilderness characteristics and suitability except as required in the planning process developed pursuant to section 202 of FLPMA, or in accordance with the requirements of any law that released said lands from wilderness consideration.

(d) A recommendation of the President for designation as wilderness shall become effective only if so provided by an Act of Congress.

SMALL TRACTS

Sec. 305. The Act of January 12, 1983 (96 Stat. 2535; 16 U.S.C. 521c–521i) is amended as follows:

(a) in section 1, delete the period and insert in lieu thereof a comma followed by "where National Forest System lands are involved, or the Secretary of the Interior of the United States where public lands are involved.";

(b) in the first sentence of section 2, clause (1), delete the words "National Forest System lands" and insert in lieu thereof the words "Federal lands under his jurisdiction";

(c) in the second sentence of section 2, delete the words "National Forest System" and insert in lieu thereof the words "Federal lands", and delete the words "lands within the System" and insert in lieu thereof the words "Federal lands";

(d) in the third sentence of section 2, insert after the word "Secretary" the words "of Agriculture"; and

(e) in section 3, delete the words "National Forest System" and insert in lieu thereof the words "Federal lands".

Sec. 306. The Secretary of the Interior may require the purchasers of timber from the public lands to make deposits of money in connection with the payments for the timber, to cover the costs to the United States of any or all of the following activities: (1) disposing of brush and other debris resulting from cutting operations; (2) planting (including the production or purchase of young trees); (3) sowing with tree seeds (including the collection or purchase of such seeds); (4) cutting, destroying, or otherwise removing undersirable trees or other growth on the public lands cut over by the purchaser, in order to improve the future stand of timber; or (5) protecting and improving the future productivity of the renewable resources of the lands on sale areas, including the sale area improvement operation, maintenance and construction, reforestation and wildlife habitat management. Such deposits shall be covered into a separate fund in the Treasury. There is authorized to be appropriated from such fund, to remain available until expended, such sums as may be necessary to cover the costs of the activities specified in this section.

TITLE IV—GENERAL PROVISIONS

PUBLIC NOTICE

Sec. 401. (a) The Secretaries shall publish notice in the Federal Register when the transfer of the lands pursuant to sections 201 and 301 of this Act has been appropriately noted in the official land status records maintained in the appropriate offices of the Bureau of Land Management.

(b) The Secretary of the Interior, in consultation with the Secretary of Agriculture, is authorized to correct errors in the notations on the land status records made in accordance with subsection (a) of this section. Such corrections shall be published in the Federal Register and shall have the same force and effect as if enacted in this Act.

NATIONAL SYSTEMS

Sec. 402. Notwithstanding any other provision of law, components of the National Wilderness Preservation System, National Wild and Scenic Rivers System, and the National Trails System shall continue to be administered under the laws applicable to those areas except that such areas shall be administered by the Secretary to whom administration of the lands has been transferred by this Act.

INTERAGENCY TRANSFER AUTHORITY

Sec. 403. The Secretary of Agriculture with respect to National Forest System lands and the Secretary of the Interior with respect to the public lands are authorized to transfer jurisdiction over contiguous areas of land not exceeding 2,500 acres in size, without reimbursement or transfer or funds, whenever they determine that such transfer will facilitate land management. Such transfer shall be effective 90 days after publication of notification in the Federal Register with an opportunity for public comment, and notification of the appropriate committees of Congress. Upon transfer, lands shall be managed by the Forest Service or Bureau of Land Management, as appropriate, and shall be subject to this Act and the laws, rules and regulations administered by the Secretary to whom jurisdiction has been transferred. A change of jurisdiction under this provision shall not affect valid existing rights or authorizations.

EXISTING RIGHTS AND AUTHORIZATIONS

Sec. 404. (a) Nothing in this Act shall affect valid existing rights under any authority of law as of the date of enactment of this Act.

(b) Authorizations to use lands transferred by this Act which were issued prior to the date of transfer shall remain subject to the laws and regulations under which they were issued: *Provided*, That such laws and regulations will be exercised by the Secretary to whom jurisdiction over affected lands has been transferred. However, renewals and extensions shall be subject to the laws and regulations pertaining to the agency which has jurisdiction of the land at the time of renewal or extension. The change of administrative jurisdiction resulting from the enactment of this Act shall not in itself constitute a basis for denying the renewal or reissuance of any such authorization.

WATER RIGHTS

Sec. 405. With regard to lands transferred by or under authority of this Act, any existing water rights of the United States under State or Federal law which the United States had or may be determined to have had by purchase, reservation, or otherwise prior to the date of enactment of this Act shall not be expanded or diminished: *Provided*, That the designation and withdrawal of newly established national forest lands under authority of this Act shall not create any additional reserved water rights in the United States as to those lands: *Provided further*, That nothing in this Act shall otherwise affect the right of the United States or of any person to acquire or dispose of water or water rights under applicable law.

WITHDRAWALS

Sec. 406. Except as specifically provided for in this Act, nothing herein shall affect any withdrawal in effect as of the date of transfer.

CLAIMS

Sec. 407. Nothing in this Act shall affect any claim by or against the United States, nor shall this Act create any right, claim, remedy or cause of action which did not exist prior to enactment of this Act.

DISBURSEMENT OF RECEIPTS

Sec. 408. (a) After the date of transfer, all monies from newly established national forest lands or newly established public lands shall be credited to the appropriate accounts in the Treasury of the United States applicable to the status of such lands after the effective date of transfer.

(b) For lands transferred pursuant to this Act, all monies received prior to the date of transfer shall be distributed by the collecting agency in accordance with the laws relating to those lands at the time of collection.

(c) Section 10 of the act of June 28, 1934, amended (48 Stat. 1273, 43 U.S.C. 315i) is amended to delete in subsection (a) "12½ per centum" and to insert in its place "25 per centum", and to delete in subsection (b) "50 per centum" and to insert in its place "25 per centum".

(d) Section 3 of the Act of July 31, 1947, as amended (61 Stat. 681, 30 U.S.C. 603) is further amended to delete the period at the end of the paragraph and to add the following "and except that moneys received from the sale of timber on the public lands shall be distributed 25 per centum to the State in which the timber producing such moneys received is situated, to be expended as the State legislature of such State may prescribe for the benefit of the county or counties in which the timber producing such moneys received is situated: *Provided*, That if the timber is situated in more than one State or county, the distributive share to each from the proceeds shall be proportional to its area compared to the total area entitled to share in the moneys received, and 75 per centum to the special fund in the Treasury known as the 'reclamation fund'."

ADMINISTRATIVE APPEALS

Sec. 409. (a) Any formal administrative appeal, adjudication or review pending on the date of transfer shall be completed by the agency in which it is pending: *Provided*, That the Secretary to whom jurisdiction over the lands involved is transferred by this Act may exercise final administrative review.

(b) To provide for uniform application of the mining and mineral leasing laws or to promote efficiency in the administration of such laws, the Secretaries shall establish joint mechanisms and procedures for adminstrative adjudications or reviews upon such terms and conditions as the Secretaries may prescribe through regulations or interdepartmental agreements.

REGULATIONS

Sec. 410. (a) The Secretary charged with administration of a tract of land transferred by this Act may, by publication of notice in the Federal Register, adopt in whole or part any regulation of either the Secretary of Agriculture or Secretary of the Interior applicable to such transferred land that was in effect as of the date of transfer without complying with the provisions of the Administrative Procedure Act (5 U.S.C. 533) or other requirements for the issuance of new regulations. any adoption of regulations pursuant to this section shall not be deemed a major federal action significantly affecting the quality of the human environment for purposes of compliance with the National Environmental Policy Act (42 U.S.C. 4321).

(b) The Secretaries are authorized to promulgate such joint or separate regulations as either or both deem necessary or desirable to implement the provisions of this Act.

Sec. 411. Nothing in this Act shall affect the existing authorities of the Secretary of the Interior to maintain and administer the official land title records of the United States.

TITLE V—MINERAL RESOURCES

Sec. 501. The Congress declares that it is the policy of the United States that coordinated management by the Secretary of Agriculture of the renewable and the nonrenewable resources of lands within the National Forest System will benefit the public and promote the optimum combination of resource uses. In addition, Congress finds that certain efficiencies and improved public services will result from the Secretary of Agriculture managing such federally owned subsurface resources in areas where the Secretary has been given management responsibility by this Act.

Sec. 502. The Multiple-Use Sustained-Yield Act of 1960 (74 Stat. 215, as amended; 16 U.S.C. 528–531) is amended as follows:

(a) in section 1, insert after the comma following the word "timber", the word "minerals,".

(b) in section 2, delete the first sentence and substitute in lieu thereof, "The Secretary of Agriculture is authorized and direct-

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ed to develop and administer for multiple uses the renewable and nonrenewable resources of the National Forest System and, with regard to renewable resources, for sustained yield of the several products and services obtained therefrom."

(c) in section 4, subsection (a), delete the word "surface" and substitute in lieu thereof the words "and nonrenewable".

SEC. 503. For purposes of the Forest and Rangeland Renewable Resources Planning Act of 1974, as amended, the nonrenewable resources shall be given equal consideration with the renewable resources in compliance with the requirements of sections 3, 4, 6, and 8 of that Act.

SEC. 504. For any mining claim located on National Forest System lands pursuant to the mining laws of the United States, the Secretary of Agriculture is authorized to evaluate such claim and initiate and prosecute an appropriate administrative contest or other actions to obtain a determination regarding the validity of such claim. Only the Secretary of the Interior shall issue any patents for valid mining claims wherever located.

SEC. 505. For all National Forest System lands, there is hereby transferred to and vested in the Secretary of Agriculture all authorities heretofore exercised by the Secretary of the Interior contained in those statutes and all acts heretofore and hereafter enacted which are amendatory or supplementary thereto which authorize the leasing and administration of Federal leasable minerals, including:

(a) the Act of February 25, 1920, as amended (41 Stat. 437; 30 U.S.C. 181), commonly known as the Mineral Lands Leasing Act of 1920;

(b) the Act of February 7, 1927 (44 Stat. 1057; 30 U.S.C. 281-287);

(c) the Act of April 17, 1926 (44 Stat. 301; 30 U.S.C. 271-276);

(d) the Mineral Leasing Act for Acquired Lands (61 Stat. 913; 30 U.S.C. 351-359);

(e) section 402, Reorganization Plan No. 3 of 1946 (5 U.S.C. Appendix) which transferred functions of the Secretary of Agriculture relative to the leasing or other disposal of minerals to the Secretary of the Interior, and as supplemented by section 3 of the Act of June 28, 1952 (66 Stat. 285);

(f) section 3 of the Act of September 1, 1949 (30 U.S.C. 192c) which authorized the issuance of mineral leases or permits for the exploration, development and utilization of minerals, other than those covered by the Mineral Leasing Act of Acquired Lands, in certain lands added to the Shasta National Forest by the Act of March 19, 1948 (62 Stat. 83);

(g) the Act of June 30, 1950 (16 U.S.C. 508(b)) which authorized leasing of the hardrock minerals on national forest lands in Minnesota;

(h) the Act approved June 8, 1926 (44 Stat. 710; 30 U.S.C. 291-293).

(i) the Act of June 28, 1944 (58 Stat. 483-485);

(j) the Act of March 3, 1933 (47 Stat. 1487);

(k) the Geothermal Steam Act of 1970 (84 Stat. 1566; 30 U.S.C. 1001-1025);

(l) acts where the Congress authorized mineral leasing, including the leasing of nonleasable minerals in the manner prescribed by section 10 of the Act of August 4, 1939 (43 U.S.C. 387) in the following national recreation areas:

(1) Whiskeytown Unit of the Whiskeytown-Shasta-Trinity National Recreation Area, the Act of November 8, 1965 16 U.S.C. 460q-5);

(2) Ross Lake and Lake Chelan National Recreation Areas, the Act of October 2, 1968 (16 U.S.C. 90c-1(b));

(m) the Act of May 21, 1930 (30 U.S.C. 301-306) pertaining to oil and gas deposits underlying certain rights of way;

(n) subsections 522(b) and (e)(2) of the Surface Mining Control and Reclamation Act of 1977 (30 U.S.C. 1272(b), (e)(2)); and

(o) the Federal Oil and Gas Royalty Management Act of 1982 (30 U.S.C. 1701, et seq.).

SEC. 506 Subsection (c)(2) of section 28 of the Mineral Leasing Act of 1920 (30 U.S.C. 185) is further amended as follows:

(a) Delete the first sentence of said subsection 28(c)(2) and insert in lieu thereof, "Where the surface of Federal lands involved is administered by the Secretary of Agriculture and by a Federal agency other than an agency of the Department of the Interior, then the Secretary of Agriculture is authorized after consultation with the agencies involved, to grant or renew rights of way or permits through the Federal lands involved. In all other cases where the surface of the Federal lands involved is administered by the Secretary of the Interior and another agency, then the Secretary of the Interior is authorized, after consultation with the agencies involved, to grant or renew rights of way or permits through the Federal lands involved."

(b) In the second sentence of said subsection 28(c)(2), insert the word "appropriate" before the word "Secretary."

SEC. 507. The Act of June 11, 1960 (74 Stat. 205) is amended by deleting subsections 2(a) and 2(c).

TITLE VI—TRANSFER OF O&C LANDS

SEC. 601. Incorporated by reference into this Act is a map entitled "Forest Service-Bureau of Land Management Transfer of Oregon and California Grant Lands (February, 1986)" which is on file and available for public inspection in the offices of the Chief, Forest Service, and the Director, Bureau of Land Management, and such regional or field offices as the Chief or Director may designate: *Provided*, That changes may be made to the map to correct technical errors.

SEC. 602. Effective of the date of transfer, jurisdiction over O&C Lands which are designated on the map referenced in section 601 for transfer to the Forest Service is transferred and the lands shall be administered by the Secretary of Agriculture in accordance with the laws, rules and regulations pertaining to national forests.

SEC. 603. Effective on the date of transfer, jurisdiction over national forest lands which are designated on the map referenced in section 601 for transfer to the Bureau of Land Management is transferred and the lands shall be administered by the Secretary of the Interior as O&C Lands in accordance with the Act of August 28, 1937, as amended (50 Stat. 874), and the Act of May 24, 1939 (53 Stat. 753).

SEC. 604. The provisions of this Title IV of this Act shall apply to lands transferred by Title VI of this Act with the exception of sections 403 and 408 which shall not apply.

TITLE VII—SEVERABILITY

SEC. 701. If any provision of this Act or the application thereof is held invalid, the remainder of the Act and the application thereof shall not be affected thereby.

SECTION-BY-SECTION ANALYSIS

The enacting clause states that the bill may be cited as the "Federal Lands Administration Act of 1986."

TITLE I

Title I sets forth the purposes of the legislation, defines terms, and provides for maps depicting the Federal lands and interests in lands described by the bill and the areas of jurisdiction of the Forest Service, Department of Agriculture (USDA), and the Bureau of Land Management, Department of the Interior (USDI).

Section 101 states that the purposes of the legislation are, with regard to the Federal lands and interests in lands affected by the legislation, to: (a) improve service to the public, (b) increase efficiency and cost effectiveness in the management of federally owned natural resources, and (3) consolidate the management of surface and subsurface resources in the agency responsible for the surface.

Section 102 defines certain terms used in the bill. Of particular significance to the legislation are the terms "newly established public lands," meaning lands formerly in the National Forest System (as that term is defined in section 11 of the Forest and Rangeland Renewable Resources Planning Act of 1974, as amended by the National Forest Management Act of 1976) which would become public lands, and "newly established national forest lands," meaning public lands (as that term is defined in the Federal Land Policy and Management Act of 1976 (FLPMA)), which would become national forest lands and a part of the National Forest System; "land or lands," which include surface, subsurface, water, minerals, and interests therein; and "date of transfer," meaning the date on which jurisdiction over the lands would be transferred between the agencies, specified as the beginning of the first pay period for the Bureau of Land Management and the Forest Service following 180 days after the date of enactment.

Section 103 would incorporate by reference into the legislation a series of maps, which would include a nationwide map supported by individual State maps, and which delineate the geographic areas of responsibility for the management of the surface and subsurface resources by the Forest Service and Bureau of Land Management and identifies those lands which would be transferred by the legislation. This action further requires that these maps be available for public inspection in the Washington, D.C., offices of the Forest Service, USDA, and the Bureau of Land Management, USDI.

TITLE II

Title II sets forth those provisions applicable to those public lands to be transferred to the Forest Service, USDA.

Section 201 provides that the jurisdiction over public lands identified on the maps referred to in section 103 for management by the Forest Service would be transferred to the Secretary of Agriculture effective on the date of transfer. The public lands so transferred (newly established national forest lands) would be withheld and reserved as national forests and administered in accordance with the Federal Lands Administration Act of 1986 and the laws, rules, and regulations applicable to the national forests. The reservation and withholding of these public lands as national forest lands would not create additional water rights by virtue of the withholding (see section 405).

Section 202 authorizes the Secretary of Agriculture to establish, extend, or otherwise modify the existing boundaries of units of the National Forest System to facilitate the planning, management, or administration of these units. Any boundary establishment, extension, or modification would become effective 90 days after publication of a notice in the Federal Register announcing such modification and notification of appropriate committees of Congress. This provision would permit the Secretary to accommodate the inclusion of the newly established national forest lands into existing units whose boundaries have been established by law or Secretary's regulation but which could not otherwise be modified except by law. Any modification of a unit boundary would not affect valid existing rights. This section also provides that the boundaries of the newly established national forest lands or of the national forests as they may be modified under this section would be considered the boundaries in existence on January 1, 1965, for purposes of section 7 of the Land and Water Conservation Act of 1965. This would permit the provisions of that section of the 1965 Act, regarding land acquisition for recreational purposes, to apply.

Section 203 provides that until plans are specifically developed for the newly established national forest lands in accordance with the provisions of section 6 of the Forest and Rangeland Renewable Resources Planning Act of 1974, as amended (RPA), these lands would be managed according to the plans in existence on the date of transfer. If no plan is in existence (or if the plan is not final), these lands would be managed in a manner consistent with the management of other National Forest System lands in the vicinity until such time as the overall plan for that National Forest System unit is placed in effect. Thereafter, the planning for and management of these lands would be either on the basis of a separate planning unit or incorporated into the land management plans for the existing National Forest System unit, as those plans are reviewed and revised according to the requirements specified in section 6(f)(5) of RPA, as amended. That provision requires plans to be revised "from time to time" when conditions in the unit have changed significantly, but at least every 15 years. However, the addition or deletion of Federal lands transferred by the legislation would not of itself require the amendment or revision of plans relating to the affected national forests.

Section 204 of the bill would provide for review and management of roadless areas by the Secretary of Agriculture within newly established national forest lands. The section would assure that the Secretary of Agriculture incorporates existing recommendations, completes wilderness reviews, and manages these roadless lands in a manner that results in no significant change to existing recommendations of the Secretary of the Interior of the way these lands would have been reviewed or managed by the Secretary of the Interior under provisions of FLPMA. The following is a more detailed description of the provisions of section 204.

Subsection (a)(1) would require the Secretary of Agriculture to adopt all recommendations of the Secretary of the Interior with regard to newly established national forest lands reviewed for wilderness by the Bureau of Land Management prior to the date of transfer pursuant to sections 202 and 603 of FLPMA. The recommendations referred to in this section are either those to recommend an area be designated as wilderness or those to recommend an area not be designated as wilderness.

Subsection (a)(2) would require that the Secretary of Agriculture undertake a wilderness evaluation and review for newly established national forest roadless lands if one has not already been initiated by the Secretary of the Interior. If study of wilderness suitability is already underway for an area, but there are no recommendations of the Secretary of the Interior existing on the date of transfer, then the Secretary of Agriculture would complete that wilderness review. In either situation, the Secretary of Agriculture would use wilderness review standards applicable to other national forest lands, which are those being used in Forest planning under section 6 of RPA, as amended. This subsection would apply to lands considered under either section 202 or 603 of FLPMA.

Subsection (b) would assure that, subject to valid existing rights, any roadless areas of newly established national forest lands which were in wilderness study areas identified by the Secretary of the Interior pursuant to section 603 of FLPMA (Wilderness Study) would be managed by the Secretary of Agriculture in accordance with the provisions of section 603(c) of FLPMA until (1) Congress designates the area as wilderness, or (2) Congress releases the area from wilderness consideration. This subsection applies to only those wilderness study areas identified pursuant to section 603 of FLPMA.

Section (c) would assure that, subject to valid existing rights, any roadless areas of newly established national forest land recommended for wilderness by the Secretary of the Interior pursuant to section 202 of FLPMA, or by the Secretary of Agriculture under studies made pursuant to section 202 of FLPMA and recommended for wilderness pursuant to section 204(a)(2) of this proposed legislation, shall be managed in a manner so as to maintain their presently existing wilderness characteristics and potential for inclusion in the National Wilderness Preservation System until the areas are designated as wilderness or released from wilderness consideration. The Secretary of Agriculture would be authorized to allow continuation of existing uses insofar as such types of uses would not disqualify the area from designation as wilderness.

Subsection (d) provides direction for review and management of roadless areas of newly established national forest lands which have been considered but not recommended for wilderness pursuant to section 202 of FLPMA or under section 204(b), except as provided in subsection (b) of this proposed legislation. The subsection states that these roadless areas shall be deemed to have been adequately considered for wilderness for the purposes of the initial land management plans required for such lands by section 6 of RPA, as amended. It further provides that the Secretary of Agriculture shall not be required to manage the land to preserve wilderness values or to review the wilderness option prior to the revision of the plans, but shall review the wilderness option when the plans are revised.

Subsection (e) provides that a recommendation of the President for designation of lands covered by this section would become effective only if provided for in an Act of Congress.

Section 205 provides for the application of certain public lands regarding land entry and disposal to the newly established national forest lands. The Secretary of Agriculture would be given those authorities now exercised by the Secretary of the Interior for the public lands. The issuance of patents under the land entry laws amended by this section and in section 206 would continue existing procedures whereby the Secretary of the Interior issues patents to those Federal lands derived from the public domain. Patents for lands under the administration of the Secretary of Agriculture would be issued only by the Secretary of the Interior at the request of that Secretary.

Subsection (a) would amend the Act of March 3, 1877 (the Desert Land Entry Act) to direct the Secretary of Agriculture to exercise the authorities contained in that Act with respect to the newly established national forest lands which qualify under the 1877 Act as desert lands. Qualified applicants would be able to obtain up to 320 acres of desert lands which would be newly established national forest lands from the Secretary of Agriculture upon meeting the requirements of the 1877 Act. Desert lands are defined by the 1877 Act as all lands exclusive of timber and mineral lands which will not, without irrigation, produce some agricultural crop. Patent to the land would be issued only by the Secretary of the Interior upon request by the Secretary of Agriculture.

Subsection (b) would add a new paragraph to section 4 of the Act of August 18, 1894 (the Carey Act), which pertains to grants of desert lands to the States, to provide that newly established national forest lands would remain available for grants to States by the Secretary of Agriculture for patenting by actual settlers who would irrigate the lands. Patent to the lands granted to the States would be issued only by the Secretary of the Interior upon request by the Secretary of Agriculture.

Subsection (c) would amend the Act of February 28, 1891, to provide that newly established national forest lands shall remain available for selection by and granting to the States when public domain lands in sections 16 and 36, granted to the States by other public land laws, have been patented to settlers. In amending the 1891 Act, this subsection would provide that applications by the States for newly established national forest lands would be made to the Secretary of Agriculture who would administer the provisions of the 1891 Act insofar as these lands are concerned. Patents to any lands selected by the States would be issued only by the Secretary of the Interior upon request by the Secretary of Agriculture.

Subsection (d) would add a new section 7 to the Recreation and Public Purposes Act of June 14, 1926, to direct the Secretary of Agriculture, insofar as newly established national forest lands are concerned, to exercise that Act's authorities pertaining to the disposal of public lands to a State, county, municipality, Federal agency, or a nonprofit corporation or association for recreational or public purposes. The Secretary of the Interior would issue the patents to such lands, upon the request of the Secretary of Agriculture.

Subsection (e) would amend the Act of December 22, 1928, the Color of Title Act, to broaden its provisions to encompass lands of the National Forest System (in its entirety; not limited to newly established national forest lands) and would authorize the Secretary of Agriculture to administer the provisions of this Act insofar as these lands are concerned. Thus, tracts of up to 160 acres of National Forest System land held in peaceful, adverse possession under claim or color of title by a claimant could be conveyed by the Secretary of Agriculture upon payment by the claimant of $1.25 per acre. Patent to

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the land conveyed would be issued by the Secretary of the Interior.

Subsection (f) establishes that this legislation would not affect the authorities granted to the Secretary of the Interior by the Grand Ronde Restoration Act. Federal lands in the State of Oregon which are made available by that Act to the Confederated Tribes of the Grand Ronde for the purpose of establishing a tribal reservation would remain available. Thus, public lands identified by the tribe which would subsequently become newly established national forest lands by this legislation would be available for conveyance to the tribe.

Section 206 would extend the provisions, of section 203 of FLPMA, regarding the sale of public lands, to those public lands which would become newly established national forest lands by this legislation. Such lands could be sold by the Secretary of Agriculture. However, sales of newly established national forest lands would be limited to those which were identified as suitable for sale in plans prepared by the Bureau of Land Management under the provisions of section 203 of FLPMA or in plans prepared by the Forest Service pursuant to section 6 of RPA, as amended. The Secretary of the Interior would issue patents to the lands to be sold upon request of the Secretary of Agriculture.

Section 207(a) would amend section 103(g) of FLPMA, which defines the word "Secretary," to include the Secretary of Agriculture for the purposes of sections 204, 209, and 211 of FLPMA, insofar as the lands of the National Forest System are involved. By this action, the Secretary of Agriculture would exercise the authorities contained in these sections to withdraw lands (section 204), reserve and convey minerals (section 209), and convey to States and political subdivisions unsurveyed public lands (those lands omitted from the public land surveys) (section 209) on lands of the National Forest System. The authorities that would be granted by this section would be applicable to the entire National Forest System.

Section 207(b) would add a subsection to section 204 of FLPMA (Withdrawals) to clarify the authority that would be extended to the Secretary of Agriculture under subsection (a) regarding withdrawals of National Forest System land that involve the transfer of Federal land from one Federal agency to another. Upon request of the Secretary of Agriculture where National Forest System lands are involved, the Secretary of the Interior would make, modify or revoke any withdrawal transferring lands from one Federal agency to another. This provision would not affect the authority of the Secretary of Agriculture, contained in the Act of July 26, 1956, regarding interchanges (exchanges) of National Forest System lands with military departments of the Department of Defense.

TITLE III

Title III sets forth those provisions applicable to those national forest lands to be transferred to the Bureau of Land Management, USDI.

Section 301 provides that the jurisdiction over National Forest System lands identified on the maps referred to in section 103 for management by BLM would be transferred to the Secretary of the Interior effective on the date of transfer. These lands (newly established public lands) would be administered in accordance with the Federal Lands Administration Act of 1986 and the laws, rules, and regulations applicable to the public lands. However, the lands so transferred would be withdrawn from sale or disposal under the public land laws or other authority unless such sale or disposal authority applied to the lands prior to the date of transfer.

Section 302(a) would designate as conservation areas all contiguous areas of newly established public lands of 10,000 acres or more which had a specific name identification prior to enactment of this legislation. These areas would remain unavailable for disposal under the public land laws, except as may otherwise be provided by this legislation. This section would also authorize the Secretary of the Interior to assign an appropriate definitive name to each conservation area designated that would recognize its location, or specific significance or characteristics, and to modify or adjust its boundaries.

Subsection (b) of section 302 would extend the prohibition on surface coal mining on the Custer National Forest set forth in section 522(e)(2)(B) of the Surface Mining Control and Reclamation Act of 1977 to those newly established public lands.

Subsection (c) would amend Title III of the Bankhead-Jones Farm Tenant Act of 1937 to extend the authorities of that Title regarding the retirement of submarginal land (with the exception of section 32(e) concerning the establishment of an aquaculture program) to the Secretary of the Interior for lands acquired by the Federal Government under the provisions of the 1937 Act and subsequently transferred to the Department of the Interior either as a result of this legislation or other earlier actions under the authority of the 1937 Act. Thus, the Secretary of the Interior would have authority to protect, improve, develop, administer, and construct improvements; to sell, exchange, lease, or otherwise dispose of for public purposes; to make dedications or grants for any public purpose; and to regulate use and occupancy of all Title III lands that that Secretary administers under the 1937 Act. This would apply to all Title III lands transferred to the Secretary of the Interior by the Secretary of Agriculture. Provisions of the 1937 Act regarding the distribution of 25 percent of the net revenues from the use of the lands to the counties in which these lands are located would be applicable as well to the Secretary of the Interior. This receipt-sharing authority (section 33) would be amended to require payment to counties of 25 per cent of receipts on a fiscal year rather than a calendar year basis, making it comparable to other USDA and USDI receipt-sharing authorities.

Section 303 provides that newly established public lands would be managed under land management plans in effect on the date of transfer until plans are specifically developed for these newly established public lands in accordance with FLPMA. If no plan is in effect on the date of transfer for the public land unit to which the newly established public lands become a part (or if a plan has not been made final), then the lands would be managed under applicable Department of the Interior regulations or other procedures adopted by the Secretary of the Interior until a plan is developed under applicable law. However, the legislation would not, of itself, require amendment or revision of plans for public lands that are in effect on the date of enactment.

Section 304 of the bill provides for review and management by the Secretary of the Interior of roadless areas within newly established public lands. The section would assure that the Secretary of the Interior incorporates existing recommendations, completes wilderness review, and manages these roadless lands in a manner that result in no significant change to existing recommendations of the Secretary of Agriculture or the way these lands would have been reviewed or managed by the Secretary of Agriculture under provisions of section 6 of RPA, as amended. A more detailed description of the provisions of section 304 follows.

Subsection (a)(1) would require the Secretary of the Interior to adopt all recommendations for wilderness or additional study with regard to lands reviewed by the Secretary of Agriculture pursuant to section 6 of RPA, as amended. The recommendations referred to in this section are either those to recommend an area be designated as wilderness or those to recommend an area not be designated as wilderness.

Subsection (a)(2) would require the Secretary of the Interior to complete wilderness consideration for inventoried roadless areas which have not been released from consideration through the process prescribed by section 6 of RPA or by an Act of Congress, and for which there are no recommendations of the Secretary of Agriculture in effect on the date of transfer. The review would utilize the procedures specified in section 3(d) of the Wilderness Act of 1964. Those areas found suitable for wilderness designation under the criteria of section 2(c) of the Wilderness Act would be protected for their wilderness characteristics until Congress acts on recommendations for wilderness designation.

Subsection (b) would assure that, subject to valid existing rights, any roadless areas of newly established public land recommended by the Secretary of Agriculture for wilderness, or remaining areas required by Act of Congress to be studied pending congressional designation or release, shall be managed by the Secretary of the Interior in accordance with the provisions of section 603(c) of FLPMA, or other specific statutory direction.

Subsection (c) provides direction for lands not recommended for wilderness or additional study as a result of the process prescribed by section 6 of RPA, as amended, or as a result of the review required by subsection (a)(2), or that have been released by Act of Congress for any specified period. The section states that roadless areas shall be deemed to have been adequately considered for their suitability for inclusion in the National Wilderness Preservation System, and the Secretary of the Interior would not be required to review such lands for their wilderness characteristics and suitability except as required in the planning process developed pursuant to section 202 of FLPMA, or in accordance with the requirements of any law that released said lands from wilderness consideration.

Subsection (d) provides that a recommendation of the President for designation of lands covered by this section would become effective only if provided for in an Act of Congress.

Section 305 would amend the Act of January 12, 1983 (commonly known as the "Small Tracts Act"), to broaden its provisions to include all public land administered by the Secretary of the Interior through the Bureau of Land Management. Currently, this Act authorizes the Secretary of Agriculture to sell, exchange or interchange, under specified conditions, tracts of National Forest System which are: (1) parcels of 40 acres or less interspersed with or adjacent to lands which have been transferred out of

Federal ownership under the mining laws (mineral fractions); (2) parcels of 10 acres or less encroached upon by improvements occupied or used by persons who in good faith relied upon an erroneous survey, title search, or land description; or (3) road rights-of-way, reserved or acquired, which are no longer needed by the United States.

Section 306 would authorize the Secretary of the Interior to require purchasers of timber from the public lands to deposit into a separate fund in the Treasury amounts in addition to payments for the timber. This fund would be used to cover the costs of activities incurred by the Department of the Interior to dispose of brush and debris resulting from the timber harvest, prepare the harvested site for reforestation, plant trees or sow seeds, improve remaining stands of timber, and insure the continued productivity of the area. Amounts in the fund would be subject to annual appropriations in such sums as may be necessary; funds appropriated would remain available until expended. This provision would provide to the Department of the Interior an authority similar to authorities applicable to National Forest System lands contained in the Act of August 11, 1916, and the Act of June 9, 1930 (Knutsen-Vandenburg Act).

TITLE IV

Title IV sets forth those general provisions involving the transfer of jurisdiction of the lands which would be common to both Departments.

Section 401 provides that the Secretary of the Interior and the Secretary of Agriculture shall publish a notice in the Federal Register when the transfer of lands between the two Departments authorized by the legislation has been recorded in the official land status records maintained in the field offices of the Bureau of Land Management. This would maintain the existing procedures that place with BLM the responsibility for recording all changes in status to those Federal lands that evolved from the public domain. Forest Service would continue to notify BLM of land status changes on those National Forest Systems lands that were formerly a part of the public domain. This section would also authorize the Secretary of the Interior, after consultation with the Secretary of Agriculture, to correct errors in the recordation of the land transfers and to require publication of a notice in the Federal Register documenting such corrections.

Section 402 provides that this legislation would not affect the administration of components of the National Wilderness Preservation System, National Wild and Scenic Rivers System, and the National System of Trails. These areas would continue to be administered under the laws applicable to these Systems except that they would be administered by the Secretary to whom administration of the lands has been transferred.

Section 403 authorizes the Secretary of Agriculture, with respect to National Forest System lands, and the Secretary of the Interior, with respect to the public lands, to transfer jurisdiction of contiguous areas of land under their respective administration of up to 2,500 acres when they determine that a transfer to the other Secretary will facilitate land management. A transfer of jurisdiction would be made without transfer or reimbursement of funds and would become effective 90 days after notification of the appropriate committees of Congress and publication in the Federal Register. Any lands so transferred would be subject to all the laws, rules, and regulations applicable to the Federal lands to which they become a part, but the change in jurisdiciton would not affect valid existing rights or authorizations. This provision would permit consolidation and adjustments of boundary for units of public and National Forest System lands to insure efficient management after the overall interchange of jurisdiction has occurred.

Section 404 deals with the disposition of rights and authorizations that exist on the lands before the transfer of jurisdiction. Subsection (a) provides that valid rights existing at the time of enactment would not be affected by this legislation.

Subsection (b) provides that authorizations to use lands that would be transferred by this legislation, such as permits and contracts, and which were issued prior to the date of transfer would remain subject to the laws and regulations under which they were issued, but the administration of these authorizations would be exercised by the Secretary to whom the lands so affected had been transferred. However, any renewals or extensions of the authorizations would be subject to laws, rules, and regulations of the Secretary that receives jurisdiction of the lands. The transfer of jurisdiction would not in itself be a basis for denying the renewal or reissue of any authorization.

Section 405 prescribes the effect of the legislation on water rights. It would provide that any water right which the United States has on the date of enactment as a result of purchase, reservation, or otherwise would not be expanded or diminished by enactment of the legislation. Specifically, water rights which already exist on the date of enactment would not be affected as a result of the administration of the land being transferred from one agency to another. In particular, there will be no additional water rights reserved to the United States. As of the date of enactment, newly established public lands would have a reserved water right as of the date of the initial reservation of those former national forest lands from the public domain. (These reservations were generally made between 1897 and 1905.) In addition, there may be other water rights which the United States acquired under State law. None of these water rights would be divested of the United States as a result of the national forest lands being transferred to BLM and becoming newly established public lands. Newly established national forest lands would have whatever water rights the United States may have acquired under applicable law. Upon designation and withdrawal of newly established national forest lands, the existing water rights would still accrue to those lands but there would not be any additional reserved water rights created by virtue of the transfer—whatever water rights the United States had before the enactment of the legislation would be retained and would not be either expanded or diminished.

The legislation would not affect in any way the existing State laws pertaining to the appropriation of water rights. The legislation would not affect the Supreme Court's holding in United States v. New Mexico, 438 U.S. 696 (1978), pertaining to limitations on water rights reserved for national forest purposes. Further, it would not affect the right of the United States or of any person to acquire or dispose of water or water rights under applicable law.

Section 406 would specify that the legislation would not affect any withdrawal of lands covered by the legislation that would be in effect on the date of transfer, except as specifically provided for in the legislation.

Section 407 provides that the legislation would not affect any claim by or against the United States nor would it create any right, claim, remedy, or cause of action which did not exist prior to enactment of the legislation.

Section 408 would provide for the disbursement of receipts which derive from newly established public and national forest lands. Subsection (a) would provide that after the date of transfer, receipts derived from activities on newly established national forest lands or newly established public lands would be credited to accounts in the Treasury of the United States that are applicable to those lands. Subsection (b) would require that receipts collected prior to the date of transfer would be distributed by the agency to whom the lands are transferred in accordance with the laws applicable to those lands at the time of collection. This would mean, for example, that receipts collected from national forest lands (which would become newly established public lands) would be held in the National Forest Fund (established under the Act of March 4, 1907) and 25 percent of those amounts would be distributed to the States and counties under the Act of May 23, 1908, and the Act of March 1, 1911. Likewise, amounts collected from activities on those public lands which would become newly established national forest lands would be held in the Treasury account applicable to those lands and would be distributed to the counties where those lands are located under receipt-sharing authorities applicable to BLM.

Subsections (c) and (d) would amend those authorities pertaining to distribution of receipts derived from the public lands to States and counties to increase to 25 percent the amount of receipts shared. The Act of June 28, 1934 (Taylor Grazing Act) would be amended to raise from 12½ percent to 25 percent the amount of receipts shared with the States under that Act and which are derived from grazing fees within a grazing district. A reduction from 50 percent to 25 percent would be made in the amount of receipts derived shared with the States derived from grazing fees outside of grazing districts. The Act of July 31, 1947, which in part requires payment to States of 4 percent of receipts from the sale of "materials," which encompasses certain vegetative materials, including timber and common variety minerals, on the public lands would be amended to require payment of 25 percent of such receipts which are derived from the sale of timber only.

Section 409 would establish the procedures for handling administrative appeals existing on the date of transfer and affecting the lands transferred. Subsection (a) would provide that any formal appeals and adjudication or review of appeals that are pending on the date of transfer would be completed by the agency in which they are pending even though the lands may have been subsequently transferred under the provisions of the legislation. However, the Secretary administering the transferred lands could exercise final administrative review.

Subsection (b) would be directed specifically to appeals procedures regarding the mining and mineral leasing laws as would be affected by Title V of the legislation. It would authorize the two Secretaries to establish joint mechanisms and procedures through regulations or interdepartmental

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agreements for administrative adjudications or reviews of appeals arising from application of the mining and mineral leasing laws.

Section 410 provides for the development of regulations to implement the legislation. Subsection (a) would authorize either Secretary, after publishing a notice in the Federal Register, to adopt in whole or part any regulation of the other Secretary that was in effect on the date of transfer and applicable to the land transferred, without complying with the provisions of the Administrative Procedure Act or other requirements for the issuance of new regulations. The adoption of regulations under this subsection would not be deemed a major Federal action for purposes of compliance with the National Environmental Policy Act. Subsection (b) authorizes the Secretaries to promulgate joint or separate regulations as either or both deem necessary to implement the provisions of the legislation.

Section 411 would provide that this legislation would not affect the existing authorities of the Secretary of the Interior to maintain and administer the official land title records of the United States.

TITLE V

Title V would transfer to the Secretary of Agriculture all authorities, currently vested solely in the Secretary of the Interior, to manage the nonrenewable resources owned by the Federal Government underlying National Forest System lands, other Federal lands, and private lands that are within the geographic area of responsibility of the Forest Service as depicted on the maps provided for in section 103.

Section 501 would set forth a congressional declaration that it is the policy of the United States that coordinated management by the Secretary of Agriculture of the nonrenewable and the renewable resources of National Forest System lands will benefit the public and promote the optimum combination of resource uses. The section also declares a finding of Congress that efficiency and improved public service would result from the Secretary of Agriculture managing the federally owned subsurface resources underlying other Federal lands or where there are federally owned resources underlying non-Federal lands in areas where the Secretary of Agriculture would be given the responsibility for management by the legislation.

Section 502 would amend the Multiple-Use Sustained-Yield Act of 1960 to make that Act's provisions consistent with section 501; namely, to add minerals to the list of resources for which the national forests are established and are to be administered, and, further, to refer to both renewable and nonrenewable resources in connection with the National Forest System.

Subsection 503 would supplement the Forest and Rangeland Renewable Resources Planning Act of 1974, as amended, to require that nonrenewable resources be given equal consideration with the renewable resources in the preparation of the Renewable Resources Assessment, Program, National Forest System planning, and the Statement of Policy required by sections 3, 4, 6 and 8, respectively, of the 1974 Act.

Section 504 would authorize the Secretary of Agriculture, for any mining claim located on National Forest System lands pursuant to the mining laws, to evaluate such claim and initiate and prosecute an appropriate administrative contest or other action to determine the validity of the claim. This authority, however, would not affect the authority of the Secretary of the Interior to issue patents for valid mining claims wherever located.

Section 505 would transfer to and vest in the Secretary of Agriculture all authorities that have heretofore been exercised by the Secretary of the Interior with regard to National Forest System lands and which are contained in acts authorizing the leasing of federally owned minerals, including acts passed before and after the enactment of this legislation which are amendatory or supplementary to the Federal mineral leasing laws. These acts include the following:

(1) the Mineral Lands Leasing Act of 1920:

(2) the Act of February 7, 1927, concerning the leasing of deposits of chlorides, sulphates, carbonates, borates, silicates, or nitrates of potassium;

(3) the Act of April 17, 1926, concerning the leasing of deposits of sulphur in the States of Louisiana and New Mexico;

(4) the Mineral Leasing Act for Acquired Lands, enacted on August 7, 1947;

(5) section 402 of Reorganization Plan Number 3 of 1946 regarding the transfer of functions from the Secretary of Agriculture to the Secretary of the Interior relative to the leasing or other disposal of minerals, as supplemented by section 3 of the Act of June 28, 1952;

(6) section 3 of the Act of September 1, 1949, concerning the leasing of minerals on certain lands of the Shasta National Forest in California;

(7) the Act of June 30, 1950, concerning the prospecting, development and utilization of hardrock mineral resources on the national forests in Minnesota;

(8) the act of June 8, 1926, concerning the leasing of certain gold, silver, or quicksilver deposits in confirmed private land grants;

(9) the Act of June 28, 1944, regarding the purchase by the Secretary of the Interior of land and mineral deposits from the Choctaw-Chickasaw Nation of Indians;

(10) the Act of March 3, 1933, concerning the selection of public lands by the State of California for State park purposes subject to the reservation of minerals by the United States and the right to lease such minerals;

(11) the Geothermal Steam Act of 1970, as amended;

(12) acts where Congress authorized mineral leasing, including the leasing of nonleasable minerals, in the following National Recreation Areas:

(a) section 6 of the Act of November 8, 1965, concerning the Whiskeytown Unit of the Whiskeytown-Shasta-Trinity National Recreation Area;

(b) title IV, Section 402 of the Act of October 2, 1968, concerning the Ross Lake and Lake Chelan National Recreation Areas;

(13) the Act of May 21, 1930, concerning the leasing of oil and gas desposits underlying railroad and other rights-of-way;

(14) subsectiosn 522(b) and (e)(2) of the Surface Mining Control and Reclamation Act of 1977 concerning surface coal mining; and

(15) the Federal Oil and Gas Royalty Management Act of 1982, insofar as authorities delegated to the Bureau of Land Management are concerned.

Section 506 would amend section 28(c)(2) of the Mineral Leasing Act of 1920, regarding the issuance of rights-of-ways for pipelines, to clarify the responsibilities of the respective Secretaries in instances where a pipeline right-of-way may involve lands administered by two or more Federal agencies.

Section 507 would amend the Act of June 11, 1960, to delete sections 2(a) and (c) of that Act that require the Secretary of Agriculture to obtain the advice and approval of the Secretary of the Interior in national forest land exchange actions involving the disposal of minerals, or to otherwise dispose of minerals on such lands.

TITLE VI

Title VI transfers certain lands in Oregon now under the juridiction of the Secretary of the Interior or the Secretary of Agriculture and administered by BLM or FS to the jurisdiction of the other Secretary.

Section 601 incorporates by reference into the legislation a map entitled "Forest Service-Bureau of Land Management Transfer of O & C Lands," dated February 1986.

Section 602 would transfer approximately 24,000 acres of Oregon and California Grant Lands designated on the maps referred to in section 601 from the jurisdiction of the Department of the Interior to the Department of Agriculture, effective on the date of transfer. These lands would be administered under the laws, rules, and regulations pertaining to the national forests.

Section 603 would transfer approximately 15,000 acres under the jurisdiction of the Secretary of Agriculture and administered by the Forest Service under the Act of June 24, 1954 (which pertains to O & C lands), and approximately 12,000 acres of National Forest System lands, as designated on the maps referred to in section 601, to the Secretary of the Interior to be administered as Oregon and California Grant lands under the provisions of the Act of August 28, 1937 and the Act of May 24, 1939. This action would also be effective on the date of transfer.

Section 604 would make the provisions of Title IV, with the exception of section 403 (Interagency Transfer Authority) and section 408 (Disbursement of Receipts) applicable to the lands transferred by Title VI.

TITLE VII

Title VII, Section 701 would provide that if any provision of this legislation or the application thereof is held invalid, the remainder of the legislation would not be affected.

DEPARTMENT OF AGRICULTURE,
OFFICE OF THE SECRETARY,
Washington, DC, February 14, 1986.

Hon. GEORGE BUSH,
President of the Senate, Washington, DC.

DEAR MR. PRESIDENT: Transmitted herewith for the consideration of Congress is a legislative proposal to interchange management of certain Federal lands under the jurisdiction of the Bureau of Land Management (BLM), Department of the Interior, and the Forest Service (FS), Department of Agriculture.

The Departments of Agriculture and the Interior strongly urge introduction, prompt consideration, and enactment of the draft bill.

Our legislative proposal, entitled the "Federal Lands Administration Act of 1986," results from several years of discussion, analysis, and review by the two Departments of a concept, called interchange, in which Federal lands, including the subsurface estate, administered by BLM and FS would be transferred. The concept was announced on January 30, 1985. The proposal would involve about 24 to 25 million acres of public and National Forest System lands, and federally owned interests in land, throughout the United States, although the majority of the lands and interests affected are in the West. The purposes of the interchange of jurisdiction of these lands, as set forth in the legislation, are to: (1) improve

service to the public, (2) increase efficiency and cost-effectiveness of natural resource management by consolidating land jurisdiction, and (3) consolidate the management of the surface and subsurface resources in the agency responsible for the surface.

In developing the proposal, we followed these assumptions:

(1) either agency has the potential to manage any of the lands and their resources, regardless of classification or designation;

(2) intensity of land management would remain the same regardless of jurisdiction;

(3) there would be minimal change in on-the-ground management, regardless of which agency had management responsibilities;

(4) offices would remain in the communities in which either FS or BLM are now located, although consolidation of offices would take place;

(5) neither "acre-for-acre" nor "value-for-value" considerations would be criteria for judging interchange proposals;

(6) existing land use planning would continue as scheduled and current land use plans would be followed until updated through normal revision schedules of the receiving agencies; and

(7) impact on agency personnel would be minimized.

Our goal in developing the legislation has been simplicity, including only those provisions needed to accomplish the purposes of the interchange program. We have not attempted major change in the basic laws applicable to National Forest System or public lands.

The legislation is presented in seven titles. A summary of the draft bill follows; a more complete description of its contents is in the enclosed section-by-section analysis along with material showing this proposal's effect on existing law.

Title I of the draft bill sets forth the purposes of the legislation and defines terms. Title II transfers approximately 15 million acres of public lands to the Secretary of Agriculture for administration by the Forest Service. These lands are termed "newly established national forest lands." Title III transfers approximately 10 million acres of National Forest System lands to the Secretary of the Interior for administration by the Bureau of Land Management. These lands are termed "new established public lands." The transfer of lands that would be accomplished by Title II and III would be based on maps, including a national map and a series of State maps, that delineate the areas of federally owned land for which administration would be transferred by this legislation. Each of these Title list requirements that would be applicable to the transferred lands, such as land management planning and wilderness review. Also, certain laws now applicable to the public lands or to the National Forest System lands are amended or supplemented to apply to those lands which would become new established public or national forest lands. Title IV contains those general provisions applicable to both types of interchanged lands. Included here is language giving direction to both agencies on such matters as existing rights and authorizations, claims, and disbursement of receipts. Concerning the personnel effects of interchange, current law provides extensive protections for employees who might be affected by the interchange. Under subchapter VI of chapter 53 of Title 5, U.S. Code, for example, any employee downgraded as a result of the proposal would be entitled to grade and pay retention. In addition, 5 (U.S.C. 8336(d) authorizes the Office of Personnel Management (OPB) to provide early retirement authority for any agency facing a major reduction or reorganization. In an exchange of letters with the Departments of Agriculture and the Interior, OPM has indicated its willingness to act expeditiously on any request from the Departments for such authority resulting from enactment of this proposal. OPM also stated it would work with the Departments in developing early retirement requests which would meet statutory requirements.

Title V transfers the responsibility for management of the federally owned mineral resources underlying National Forest System, other Federal, and private lands in the areas where the Secretary of Agriculture would have management responsibility, as delineated on the maps showing each agency's area of responsibility. The transfer is made by a declaration of policy, and amendments to the Multiple-Use Sustained-Yield Act of 1960 and several mining laws to reflect the new responsibilities of the Secretaries. The authority that would be provided by this Title would not be limited to newly established national forest lands.

Title VI transfers about 24,000 acres of Oregon and California Grant (O & C) lands from the Secretary of the Interior to the Secretary of Agriculture to be administered as national forest lands, and transfers about 27,000 acres of land administered by the Secretary of Agriculture to the Secretary of the Interior to be administered as O & C lands. All of these lands are located in western Oregon and are delineated on maps. Title VII provides for severability if any provision of the legislation is held invalid.

The legislative proposal has been drafted to cause the minimum disruption to the agencies' programs and would, to the maximum extent possible, maintain the status quo regarding land and resource management and use. It would accomplish the important public purposes we have set forth. Improved service to the public would be achieved by enabling the users of these lands to obtain grazing, right-of-way, and recreation permits or mineral authorizations from one instead of two Federal offices. Efficiency of natural resource management would be improved by merging organizational units within the same geographic area, thus reducing personnel needs and duplication of offices, overhead, travel, and administrative functions. More efficient maintenance of recreation sites, roads, and communication networks; long-term efficiencies in land use planning; and data collection and utilization of resource expertise would also result. These efficiencies would lead to reduction in costs. We estimate that the annual savings to the agencies following implementation would be $14 to $15 million. The public would also save money and time dealing with one office and one set of permits and regulations instead of two.

We would like to emphasize that public consultation has been a cornerstone in the development of the interchange proposal. Following the announcement of the interchange proposal in January 1985, we sought the advice of State and local governments, Federal land users, and interested organizations on the location of the boundaries of each agency's area of jurisdiction and on development of State-by-State guides to implement the proposal. Some 85 public meetings, 600 recorded consultations, and numerous individual sessions were held, including several with Members of Congress. The State implementation guides, outlining the basic details of the program, and a revised map of the areas of jurisdiction were made available to the public on June 7, 1985, for a 30-day formal comment period. During that period, 30 formal public hearings were held throughout the Nation. About 2,350 responses were received during the hearings and comment period. These comments were analyzed and have been used in the preparation of the final interchange proposal and draft legislation. A summary of the public responses was prepared, and a copy has been provided to each affected Member of Congress. Generally, respondents supported the goals/purposes of the interchange proposal, but objected to specific elements, particularly on how it would affect a local or site-specific area. All public responses have been retained and are available for review.

A brief supplemental statement that presents background information and a history of this proposal is enclosed.

A legislative environmental impact statement has been prepared in accordance with the National Environmental Policy Act of 1969 and implementing regulations (40 CFR 1506.8) and procedures. This statement is being transmitted to Congress under separate cover. The decision to prepare the statement is in response to comments received during the comment period that the proposal was a "major Federal action" having significant resource, administrative, social, and economic impacts.

A copy of the national map delineating the areas of federally owned lands to be managed by the Bureau of Land Management and Forest Service is enclosed. The full series of maps referred to in the draft legislation will be provided to the appropriate Committees along with more detailed National and individual State summaries of the overall proposal.

This legislative proposal has also been sent to the Speaker of the House.

The Office of Management and Budget advises that there is no objection to the presentation of this proposal and that its enactment would be in accord with the President's program.

Sincerely,

JOHN R. BLOCK.
DONALD PAUL HODEL.

SUPPLEMENTAL STATEMENT—DEPARTMENT OF AGRICULTURE/DEPARTMENT OF THE INTERIOR LEGISLATIVE PROPOSAL, "THE FEDERAL LANDS ADMINISTRATION ACT OF 1986"

HISTORY AND BACKGROUND ON PUBLIC AND NATIONAL FOREST SYSTEM LANDS

The Federal Government administers about one-third of the land area of the United States. The Bureau of Land Management [BLM] and the Forest Service [FS] have the responsibility for managing the majority of these lands. In the 48 contiguous States, each agency manages about half of the approximately 343 million acres of Federal lands. In addition, the BLM manages the federally owned mineral resources underlying a large area of public and private land.

The present pattern of landownership and management in the United States is the product of many separate and often unrelated actions. Except for Texas, Hawaii, and the original 13 colonies, most of the lands in the United States were once owned by the Federal Government. The United States acquired these lands as public domain through purchase, treaties, and wars. Na-

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tional policy during most of the nineteenth century promoted settlement and development of the West by disposing of more than one billion acres of the public domain to private individuals and organizations. Land sales, homesteading, land grants to railroad companies, mineral patenting and agricultural settlements were some of the many means of disposal of the public domain. In addition, when States were created, they received blocks of public domain land as grants to support public education and land-grant colleges.

While enacting legislation to dispose of the public domain, Congress also provided authority to the President to withdrew certain of these lands for specific purposes, including parks, forests, Indian, and military reservations. Beginning in the 1890's several Presidents withdraw land for Forest Reserves (now designated as National Forests). Collectively, these actions affecting the public domain resulted in widely fragmented land patterns and the intermingling of the remaining public lands, especially those national forest lands reserved from the public domain now administered by the FS and the remaining public domain lands administered by the BLM. In many instances, similar land areas administered by FS and BLM share the same land management problems and resources values. The two agencies often work with the same people on similar issues concerning use of Federal lands. Both agencies often have offices in the same communities. This situation causes undue complication for the public and unnecessary administrative costs.

HISTORY OF USDI/USDA PROPOSAL

Proposals to transfer lands between the two agencies to overcome the inefficiencies of intermingled lands have been made several times in the last 40 years. Some land transfers were made, but each agency still manages many areas of land that could be managed more effectively by the other. The most recent effort, in response to Presidential direction, led to the establishment of a specific jurisdictional transfer program in 1980. This program resulted from a plan presented by the Secretaries of the Interior and Agriculture entitled "Coordination of Natural Resources Programs of the Departments of Interior and Agriculture." The program called for identifying public lands where the transfer of jurisdiction between BLM and FS had potential for increasing efficiency and cost-effectiveness of Federal land management and benefits to the public. Two recent major outside studies reinforced the need to move ahead on these proposals: (1) the President's Private Sector Survey on Cost Control (J. Peter Grace Commission), and (2) the General Accounting Office's 1984 report entitled "Program To Transfer Land Between Bureau of Land Management and Forest Service Has Been Stalled." Since 1980, the two agencies have been developing the information necessary to develop the proposal.

The statutory authorities that govern the management of public and National Forest System lands are similar. Both agencies manage the majority of the lands and resources under their jurisdiction on the basis of multiple-use and sustained yield. The agencies must, by law, insure the long-term productivity of the land and of the quality of the environment are protected. Management is guided by land management plans developed by each agency to provide coordinated management of all resource values. Certain lands, such as wilderness and wild and scenic rivers, have specific congressionally mandated management direction that restricts use of these lands to their designated purpose.

While surface management of both agencies is essentially the same, subsurface minerals management responsibilities for National Forest System land reserved from the public domain lie primarily with the BLM. The Bureau issues all mineral patents under the mining laws and all mineral leases under the mineral leasing laws. The Forest Service performs certain prelease and postlease analyses and evaluations of National Forest System lands. For acquired National Forest System land, the Secretary must consent to any mineral leasing. Under the proposal, the Forest Service would have responsibility for management of subsurface resources within its area of jurisdiction.●

By Mr. FORD (for himself and Mr. BUMPERS):

S. 2290. A bill to amend the Communications Act of 1934 to prohibit the encoding of satellite-transmitted television until decoding devices are fully available at reasonable prices; to the Committee on Commerce, Science, and Transportation.

RURAL SATELLITE DISH OWNERS PROTECTION ACT

● Mr. FORD. Mr. President, I am pleased to join with Senator BUMPERS in introducing the Rural Satellite Dish Owners Protection Act. This bill is similar to H.R. 3989 introduced by Representative MAC SWEENEY on December 18, 1985. I have received thousands of letters from Kentuckians endorsing H.R. 3989 and I am pleased to offer this legislation as a solution to the current scrambling crisis.

There are many parts of Kentucky that have never received good television coverage. It is hard to understand what it is like to have limited television channels when most citizens have the choice of at least three network affiliates. The terrain of some areas in Kentucky has long kept citizens from enjoying broadcasting diversity. At least half of the State will never be wired for cable because of the distance and low-population density; it is just not economically feasible. The development of the backyard satellite dish has been a remarkable development for many rural Kentucky citizens; for the first time they have a choice as to what to watch. I am amazed when traveling in the State at the number of backyard satellite dishes I have seen. It is estimated that there are now over 30,000 dishes in Kentucky and a large majority of dish owners are beyond the reach of cable or even normal television broadcasts.

Satellite dishes have been the technological phenomena of the 1980's. With the invention of the satellite dish, rural citizens can enjoy the same diversity as urban citizens which has long been a goal of the Federal Communications Commission's policy. The sales figures for video cassette recorders and home satellite dishes prove that Americans want, and are willing to pay for, program diversity. Since the passage of the Cable Communications Policy Act of 1984—Public Law 98-549—I have never seen such confusion on an issue. Noncommercial interception of satellite programming was declared legal by the act provided that the satellite signal is not scrambled. Since HBO scrambled last January, many of the previous cable programmers have announced they will also scramble this year.

A vast number of satellite dish owners in Kentucky, who have contacted me, want basic guarantees to protect their investment in their backyard satellite dish. Most owners have paid at least $2,000 for their dish and are frightened that their investment would end up as a birdbath. I believe it is time for the Senate to take a look at the scrambling issue. My constituents do not seek to change the Cable Act; they want scrambling to take place with reasonable guidelines.

This bill will provide fundamental protections for the backyard dish owner. Most backyard satellite dish owners are willing to pay to receive premium channels and want and deserve protections. The bill that Senator BUMPERS and I are introducing will solve many of the issues now surrounding the scrambling issue with limited Federal intervention.

The bill addresses the decoder availability issue and sets three conditions for scrambling. The bill will standardize the decoder with a standard set by the Federal Communications Commission. I do not believe that this is a burdensome requirement as the FCC has set standards for other forms of communications equipment, particularly television sets. I realize that most potential scramblers and HBO have chosen the M/A-Com encryption system, but there is potential for other systems. Backyard dish owners need a guarantee that if they choose to purchase a decoder, which is now being sold for $400, they will not have to purchase another decoder to receive a different channel.

The bill requires that the decoder must be available within 60 days of scrambling for sale or lease. The cable industry will have to better assess the availability of decoders before scrambling any other channels. Because of the uncertainties surrounding this issue, decoder sales have been slow. The announcements of approximately 12 other programmers in the next few months will certainly increase the demand. I recently noticed in Broadcasting that M/A-Com is committed to producing 100,000 units by the end of May and another 100,000 by the end of the year. As of March, M/A-Com had shipped 20,000 decoders. I wonder what the approximate 2 million owners of backyard satellite dishes will do when the 12 programmers

scramble this year. There has to be some reasonable availability of decoders before most of the premium programmers scramble.

The third provision requires that the decoder be reasonably priced. We have not defined "reasonable," but it is certainly an area which can be addressed by the FCC, as again they have expertise in this area. I really wonder if the current price of $400 is reasonable and the FCC should be able to ascertain the cost of manufacturing and the markup.

The fourth provision in H.R. 3989 requires that the subscription fee is not to exceed cable's fee in the same area and the programming be available through other sources other than just cable companies. We have, on purpose, left out this section as it is the most difficult to address. I believe that backyard dish owners should not be forced to pay more than cable subscribers, but requiring a federally mandated rate lessens the chances for movement of this bill. The rate should be reasonable and the fact that backyard dish owners have to go through a cable operator to subscribe is the major sticking point in this issue. There is no competition in the distribution of satellite programming to backyard dish owners. It is hoped that other groups seeking to provide a subscription service will not be turned down by programmers. This is the one area where the solution is most likely in the marketplace and programmers must use prudence and, therefore, not limit competition by only providing their product through cable operators. There is currently a monopoly on marketing the programs and if attempts by noncable groups continue to fail, then it will be necessary to add to this bill.

A suggestion to further competition has been to add a new section which would mandate that if cable programmers provide their signal to cable distributors for distribution then the cable programmer should not restrict the signals availability to other qualified distributors. This is certainly an approach which should be considered in addressing the competition problem.

Finally, the bill provides that aggrieved parties may bring a civil action in a Federal court. The court may grant temporary and final injunctions against scrambling if any of the three provisions of the bill are violated.

I keep reading that the marketplace will sort out all the problems of the backyard dish owners. This has not happened—in fact, talks between the cable industry and the owners of backyard dishes have not even taken place. If both groups would sit down and just talk about some of these issues, there would be no need for legislation. All I have seen in the press is a hard line on the issue. I believe that it is in the best interest of the cable industry to negotiate with dish owners. I am going to seek hearings on scrambling in the Senate because I fear talks will never take place. There is confusion and misinformation on both sides and it is time to resolve the issue. If marketplace and industry-negotiated solutions come about, there is no reason for this legislation.

This is a simple bill and I believe very reasonable to both cable programmers and backyard dish owners. The bill does not contain a federally mandated rate or address the network feed scrambling issue. I urge my colleagues to join in support of this bill and hopefully resolve the scrambling issue.

I ask unanimous consent that this bill be printed in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 2290

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE

This Act may be cited as the "Rural Satellite Dish Owners Protection Act".

SEC. 2. AMENDMENT TO THE COMMUNICATIONS ACT OF 1934.

Section 605 of the Communications Act of 1934 (47 U.S.C. 705) is amended—

(1) by redesignating subsections (c), (d), and (e) as subsections (d), (e), and (f), respectively; and

(2) by inserting after subsection (b) the following new subsection:

"(c)(1) No person shall encrypt any satellite cable programming for private viewing on or after 30 days after the date of enactment of the Rural Satellite Dish Owners Protection Act unless—

"(A) such encryption is conducted in accordance with uniform standards for encryption of such programming approved by the Commission;

"(B) devices for decryption of such programming are available for sale or lease to any and all interested persons within 60 days after submission of a request for such sale or lease;

"(C) the purchase or lease price of such devices is reasonable in relation to the cost of manufacture and distribution of such devices; and

"(2) Any person aggrieved by any violation of paragraph (1) of this subsection may bring a civil action in a United States district court or in any other court of competent jurisdiction. Such court may—

"(A) grant temporary and final injunctions on such terms as it may deem reasonable to prevent or restrain such violations; and

"(B) direct the recovery of full costs, including awarding reasonable attorney fees, to a prevailing plaintiff.".

● Mr. BUMPERS. Mr. President, I am pleased to be an original cosponsor of the Rural Satellite Dish Owners Protection Act. I think this legislation is necessary to ensure that the diversity and variety of television available in most urban areas today will be made available to the estimated 24 million Americans that live in rural settings beyond the bounds of normally broadcast programming or existing systems. I think my colleagues will agree that this bill is fair to rural satellite dish owners, cable operators, programmers, and broadcasters.

Satellite broadcast technology developed in recent years has made television programming formerly available only over cable systems available to those who live beyond the bounds of cable. The information and entertainment carried over this novel form of communication will certainly be a boon to rural dwellers. It is now necessary that Congress enact legislation to ensure that the market structures to accompany these technological developments are fair to the owners, distributors, and manufacturers of the satellite antennas. The legislation is also sound public policy.

I am convinced that this bill will accomplish these goals. This legislation is very similar to a bill introduced in the House of Representatives by Congressman MAC SWEENEY on December 18, 1985. Hearings were held in the House on this issue on March 9, 1986, and the Sweeney bill was very well received. A clear conclusion of that hearing was that the market structures that have arisen in the wake of the Cable Communications Policy Act of 1984 have been inadequate to meet the legislative needs of rural satellite dish owners. The present scrambling crisis inhibits the further development of satellite antenna technology in rural areas of our country, and makes passage of this legislation imperative. The uncertainty about scrambling has caused satellite antenna sales in my state to plummet from a boom level last year to virtually none this year.

It is important to state at the outset that no one expects fee television to be made available free to rural dwellers. Further, most people agree that scrambling is a legitimate way to prevent the unintended reception of fee television. The many owners, distributors, and manufacturers of satellite dishes that I know have expressed these principles to me on numerous occasions. What this legislation seeks to accomplish is a fair method of marketing programs to ensure the availability and reasonableness of the cost of programming without infringing on the rights of cable operators, programmers, and broadcasters.

The legislation is brief and simple and has three major provisions pertaining to scrambling of television signals broadcast over satellites. It would ensure that only one decoder is necessary to receive the full breadth of encrypted programming by standardizing decoder technology in accordance with regulations established by the Federal Communications Commission. It would ensure that the cost of such decoders are reasonable in relation to

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the cost of production and distribution. It would ensure that decoders are made available to all those who wish to purchase programming within 60 days of scrambling for sale or lease. A final provision of the bill allows aggrieved parties to seek redress in the courts.

Representative Sweeney's bill in the House contains a fourth provision that has been left out of this legislation. That provision would require that the subscription fee for programming is not to exceed the fee that cable franchises charge their own customers in the same area and that programming be made available through sources other than cable companies or programmers. I personally believe that these changes should not exceed fees charged others on cable subscriptions. I would not vote for this bill unless such fees are very reasonable in comparison to what cable customers pay for the same service. This provision has been left out because my colleague believes this matter can best be resolved in hearings where it will receive greater attention. It is possible that this issue will be resolved by the market, and if that happens, it is preferable to legislation.

I support this very simple legislation because I believe that rural satellite antenna owners need relief. I believe that this bill is fair to rural satellite dish manufacturers and owners, cable operators, programmers, and broadcasters. I have always maintained that this issue deserves the benefit of a full hearing in the Senate, and I once again urge that action. This is a reasonable bill that represents a good compromise on this issue, and I urge its adoption by the Senate.●

By Mr. BIDEN:

S. 2291. A bill to amend the Energy Reorganization Act of 1974 to create an independent Nuclear Safety Board; to the Committee on Environment and Public Works.

NUCLEAR SAFETY BOARD ACT

● Mr. BIDEN. Mr. President, I am introducing legislation today to improve the ability of the Nuclear Regulatory Commission [NRC] to investigate accidents at nuclear powerplants, and to reduce the chances of similar mishaps occurring at other plants.

My interest in this issue stems from problems that occurred at the Salem nuclear powerplant in New Jersey, across the river from my hometown of Wilmington. In 1983, the Salem 1 reactor failed to perform its most important and basic function—it failed to shut down, even though the highly automated system detected a dangerous situation.

To make matters worse, plant personnel and supervisors did not even notice that Salem had experienced the first-ever "anticipated transient without scram," as technicians call it, in a licensed nuclear reactor in the United States. Three days later, another failure in the same system was noticed and an investigation was started by the NRC.

Two findings of the Salem investigation are worth noting.

First, a record fine of $850,000 was levied on the operators of Salem because of the pervasive management failures that led up to the pair of system failures. Clearly the size of the fine shows the NRC found the problems at Salem to be quite serious.

Second, the NRC investigation concluded that the operations at the Salem plant were typical of the industry. In other words, the lackadaisical attitude toward safety at the Salem plant could be found in nuclear plants all over the country.

An additional result that showed up in the Salem investigation, although it was not noted in the report, was a case history of the haphazard and poorly directed way in which the NRC conducted its investigations of nuclear accidents. For example, one of the key components in the system failure was sent to its manufacturer to find out what the problem was. When the NRC went to look for the part, it was not to be found in the plant. After it was located, the NRC did have its chance to look at the part, but only after it had been taken apart and put back together as part of the manufacturer's study.

Mr. President, I am not implying that the manufacturer in this case tried to alter the part or obstruct the NRC investigation, but problems are bound to develop when confused, conflicting investigations fail to ask the necessary questions and miss vital pieces of equipment. There have been simply too many NRC investigations that have not met basic standards to assure public safety for us to allow a continuation of business-as-usual.

And let me make clear that the Salem investigation is not alone in its shortfalls. A report prepared for the NRC looked at several other recent accidents, including ones at Quad Cities, Browns Ferry and Hatch-2, and found problems in the timeliness of reports, the focus of investigations, and the potential for investigatory bias. What I discovered at Salem was not unique and cannot be blamed on isolated troubles. It is an issue that deserves careful review by every one of my colleagues.

Near the end of the last Congress the Senate adopted an amendment I sponsored calling for more in-depth study of NRC investigatory practices, and how they could be improved. The report, prepared by the Brookhaven National Laboratory, was clear in its criticism of NRC investigatory practices, and recommended changes in the NRC structure to address its shortfalls.

The purpose of my bill is to establish a safety board, along the lines of the one described in the Brookhaven report but independent of the NRC, to investigate major accidents at NRC-licensed facilities. A consensus has developed that NRC inquiry capabilities are limited in effectiveness by the structure of the agency and need to be reformed. The safety board proposal would clear up many of these weaknesses by consolidating the main responsibility for accident investigation in one office.

As an example, if there were an accident at a nuclear powerplant, the safety board staff would be on the scene as soon as the reactor or plant was stabilized to start the investigation into the causes of the accident. The safety board would conduct the initial inquiry, and could follow up this preliminary research with public hearings to allow experts from all sides to testify. The safety board would make recommendations based on its findings and, perhaps most importantly, would act as a watchdog to see them put into effect.

Additional important advantages would result from the creation of an independent safety board. First, the members of the safety board would be the organizers of any investigation of a nuclear accident. As I described earlier, past investigations by the NRC have proven to be ineffective because several departments of the NRC may each conduct their own, separate reviews. These confused and overlapping investigations have caused vital information to be lost and important reactor equipment to be mishandled, and they have produced, at best, uncertain results.

I would like to emphasize that these criticisms of NRC investigations are recognized widely in the nuclear industry.

The NRC has taken tentative steps to correct these shortfalls, but while the incident investigatory teams [IIT] address some of the problems described in the Brookhaven report, an independent safety board clearly retains the benefits of the IIT, and then adds more.

Allowing a safety board to lead accident investigations will build the experience in one office that is needed for effective investigations. A former head of the National Transportation Safety Board, after which the Nuclear Safety Board is modeled, commenting on the safety board proposal noted that investigations "are as much an art as a science; thus special education, training and indoctrination are needed to make them effective." Safety board members and staff would be prepared, not surprised, to receive the call that an investigation is needed. An independent safety board would put veterans, rather than rookies, in charge of these important investigations.

Placing the safety board outside the NRC removes any question in the public's mind that there may be a conflict in an NRC staff-led inquiry into an accident that could possibly have been caused by NRC errors. Again, the Brookhaven report raised this issue by citing probes that missed crucial factors leading to the accident, and acknowledged that a perceived conflict of interest is a problem. The recommendations of an inquiry team outside of the NRC will carry greater weight with the public and industry, and will be more likely to be put into place.

Finally, in addition to investigations immediately after an accident, the safety board will have the authority to conduct longer term investigations into minor problems of the day-to-day operation of powerplants that may be precursors to more serious problems. As with many jobs, this will not be the most glamorous part, but it is as important as finding the causes of accidents for the safety of nuclear power.

I expect there will be some initial objections to establishing an independent safety board at a time when Federal agencies are threatened with cutbacks, and savings are being sought throughout the Federal budget. However, it should be clear that the safety board will reduce overall demands on the NRC. Changes could be made within the NRC to offset the increase in employees of the safety board.

Inside the NRC is a department called the Office for Analysis and Evaluation of Operational Data [AEOD]. I believe the AEOD could be used as the base for building an independent safety board. This office's current job is to collect and evaluate safety information from NRC-licensed facilities, and prepare reports on trends which indicate potential safety problems. Moving it outside the NRC, and adding the primary investigation responsibility, will result in a safety board that can pursue the short- and long-term reviews with competence and impartiality, and that will be a visible and respected advocate for the public.

Mr. President, demands on the NRC have changed as the nuclear industry has evolved. I believe this proposal is a reform Congress can make to square the NRC with the new demands placed upon it. Without a doubt, it is a step that needs to be taken to raise public confidence and make the entire nuclear regulatory structure work better.●

By Mr. GRASSLEY:

S. 2292. A bill to amend the Food Security Act of 1985 to require the Secretary of Agriculture to take certain actions to reduce the adverse effect of the Milk Production Termination Program on red meat producers, and for other purposes; to the Committee on Agriculture, Nutrition, and Forestry.

ADVERSE EFFECT OF MILK PRODUCTION TERMINATION PROGRAM ON RED MEAT PRODUCERS

● Mr. GRASSLEY. Mr. President, the bill I am introducing today will help to solve some of the problems that have been created by the Whole Herd Dairy Buyout Program. First, this bill will require the Secretary of Agriculture to develop a more orderly marketing procedure for the dairy cattle that will be brought to market as a result of the Whole Herd Dairy Buyout Program. This marketing process' objective is to minimize the adverse impact of the Milk Production Termination Program on the beef, pork, and lamb producers. This action is critical since many farmers have experienced severe problems as a result of the USDA's poor implementation of this program. Prices in some areas have fallen 10 percent in less than a week. This hurts a farmer's profits, cash-flow, and net worth, which is particularly devastating on many already financially strapped farmers. Orderly marketing should have been the USDA's top priority and instead it has been almost completely neglected.

Second, this bill will require the Secretary to buy 400 million pounds of red meat or the quantity of meat that can be bought with $400 million, whichever is higher. Under present law the Secretary is only required to buy 400 million pounds of red meat without any reference to the amount of money which should be spent. In effect, this allows the Government to save money from the free falling cattle prices which are the result of poor Government policies. I do not believe that the Government should make a profit off a crisis it has caused. This provision will force the Government to help eliminate some of the excess supply of meat by requiring it to buy more meat if the price falls below $1 per pound, which is what has already been budgeted.

Third, the bill will require the Secretary to use any money saved in the Dairy Price Support Program as a result of the accelerated schedule in the Whole Herd Dairy Buyout to be used for the buying of red meat. The cattle industry has never wanted to be involved in Government programs but now that we have forced them into this situation we should make an effort to help them out. By using this money saved in the Dairy Price Support Program for the buying of red meat, we are giving back to the cattlemen a little of what we have taken away. This is only fair, since much of these savings are at the expense of the cattlemen in the first place.

Fourth, my bill will require the Secretary to buy meat under section 104 of the farm bill at the same rate as the cattle are brought to market under the Whole Herd Dairy Buyout. This is returning us to what Congress had intended when it passed the farm bill. Common sense should tell us not to cause a glut of meat and then, when it is too late, use the tools we have to prevent the crisis. Instead it is obvious that we should coordinate the two efforts to keep the impact on the market to a minimum.

Finally, this bill stresses the importance of exports in section 104 and requires that these Government purchases of meat are in addition to purchases that would take place normally by the Secretary or any other persons or entities. The present law does not prevent these purchases from displacing purchases that would take place on other levels other than the Federal level. Local entities may use this meat bought by the Secretary to replace purchases that they would normally make, thereby defeating the purpose of the program which is to increase the over all demand for meat through these purchases.

Mr. President, it is my hope that the Secretary acts administratively to correct the problems this bill attempts to address. I have written the Secretary outlining some of my concerns, as I know other Senators and Representatives have, in order to get him to solve the problem without legislative action. I am also a cosponsor of a resolution, which has passed the Senate instructing the Secretary to correct these problems. It is important, however, that he knows legislation is ready to go if necessary.

I strongly encourage my colleagues to support this bill and other actions that may be necessary to help our Nation's livestock farmers.●

By Mr. LUGAR (by request):

S. 2293. A bill to authorize appropriations for the African Development Foundation; to the Committee on Foreign Relations.

AFRICAN DEVELOPMENT FOUNDATION AUTHORIZATION

● Mr. LUGAR. Mr. President, by request, I introduce for appropriate reference a bill to amend the International Security and Development Cooperation Act of 1980 (22 U.S.C. 2151) with respect to the African Development Foundation.

This proposed legislation has been requested by ADF and I am introducing it in order that there may be a specific bill to which Members of the Senate and the public may direct their attention and comments.

I reserve my right to support or oppose this bill, as well as any suggested amendments to it, when the matter is considered by the Committee on Foreign Relations.

I ask unanimous consent that the bill be printed in the RECORD at this point, together with the letter from the President of the African Develop-

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ment Foundation to the President of the Senate dated March 24, 1986.

There being no objection, the bill and letter were ordered to be printed in the Record, as follows:

S. 2293

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

AUTHORIZATION OF APPROPRIATIONS

Section 510 of Title V of the International Security and Development Cooperation Act of 1980 (22 U.S.C. 2151) is amended by deleting "$3,872,000 for fiscal year 1987" in the first sentence, and inserting "$6,500,000 for fiscal year 1987, and such sums as may be necessary for fiscal year 1988" in lieu thereof.

African Development Foundation,
Washington, DC, March 24, 1986.

Hon. George H.W. Bush,
Vice President of the United States and President of the Senate, U.S. Senate, Washington, DC.

Dear Mr. President: I herewith transmit a bill to amend Section 510 of Title V of the International Security and Development Cooperation Act of 1980 to authorize the appropriation of $6,500,000 for the African Development Foundation for Fiscal Year 1987, and such sums as may be necessary for Fiscal Year 1988.

The Office of Management and Budget advises that there is no objection to the presentation of this proposal to the Congress and that its enactment would be in accord with the program of the President.

Sincerely yours,
Leonard H. Robinson, Jr.,
President.●

ADDITIONAL COSPONSORS

S. 426

At the request of Mr. Hollings, his name was added as a cosponsor of S. 426, a bill to amend the Federal Power Act to provide for more protection to electric consumers.

S. 524

At the request of Mr. Armstrong, the names of the Senator from South Carolina [Mr. Thurmond] and the Senator from Arizona [Mr. DeConcini] were added as cosponsors of S. 524, a bill to recognize the organization known as The Retired Enlisted Association, Inc.

S. 1223

At the request of Mr. Armstrong, the name of the Senator from Virginia [Mr. Trible] was added as a cosponsor of S. 1223, a bill to authorize the erection of a memorial on Federal land in the District of Columbia or its environs to honor members of the Armed Forces of the United States who served in the Korean war.

S. 1793

At the request of Mr. Kennedy, the name of the Senator from Maine [Mr. Mitchell] was added as a cosponsor of S. 1793, a bill to amend the Public Health Service Act to establish a grant program to develop improved systems of caring for medical technology dependent children in the home, and for other purposes.

S. 1847

At the request of Mr. Mitchell, the names of the Senator from Rhode Island [Mr. Pell] and the Senator from Mississippi [Mr. Cochran] were added as cosponsors of S. 1847, a bill to provide for a Samantha Smith Memorial Exchange Program to promote youth exchanges between the United States and the Soviet Union, and for other purposes.

S. 1873

At the request of Mr. Specter, the name of the Senator from Hawaii [Mr. Inouye] was added as a cosponsor of S. 1873, a bill to require the Secretary of Health and Human Services to make grants to, and enter into contracts with, community based health care organizations in order to support disease prevention and health promotion projects.

S. 1980

At the request of Mr. Thurmond, the name of the Senator from Louisiana [Mr. Johnston] was added as a cosponsor of S. 1980, a bill to amend title 17, United States Code, regarding the conveyance of audiovisual work, and for other purposes.

S. 2046

At the request of Mr. McConnell, the name of the Senator from Texas [Mr. Gramm] was added as a cosponsor of S. 2046, a bill to provide limits and procedures in certain civil cases.

S. 2064

At the request of Mr. Warner, the names of the Senator from Arizona [Mr. Goldwater], the Senator from Indiana [Mr. Lugar], the Senator from Georgia [Mr. Nunn], the Senator from Rhode Island [Mr. Pell], the Senator from Arkansas [Mr. Bumpers], the Senator from Maine [Mr. Cohen], the Senator from Arizona [Mr. DeConcini], the Senator from Minnesota [Mr. Durenberger], the Senator from Nebraska [Mr. Exon], the Senator from Ohio [Mr. Glenn], the Senator from Tennessee [Mr. Gore], the Senator from Colorado [Mr. Hart], the Senator from Louisiana [Mr. Johnston], the Senator from Wisconsin [Mr. Kasten], the Senator from Hawaii [Mr. Matsunaga], the Senator from Delaware [Mr. Roth], and the Senator from California [Mr. Wilson] were added as cosponsors of S. 2064, a bill to require the President to make an annual report on the national strategy of the United States Government to certain committees of Congress and to require joint committee meetings to be held on such report.

S. 2103

At the request of Mr. McClure, the name of the Senator from Oregon [Mr. Hatfield] was added as a cosponsor of S. 2103, a bill to clarify the application of the Clayton Act with respect to rates, charges, or premiums filed with State insurance departments or agencies.

S. 2166

At the request of Mr. Durenberger, the name of the Senator from Oklahoma [Mr. Nickles] was added as a cosponsor of S. 2166, a bill to amend the Internal Revenue Code of 1954 to modify the tax treatment of tax-exempt municipal bonds, and for other purposes.

S. 2187

At the request of Mr. DeConcini, the name of the Senator from Hawaii [Mr. Matsunaga] was added as a cosponsor of S. 2187, a bill to amend title 38, United States Code, to exempt from sequestration certain benefits for veterans and dependents and survivors of certain veterans which are paid based on the service-connected disability or death of veterans.

S. 2208

At the request of Mr. Kasten, the names of the Senator from Hawaii [Mr. Inouye], the Senator from Illinois [Mr. Simon], the Senator from North Dakota [Mr. Andrews], the Senator from Massachusetts [Mr. Kerry], and the Senator from Hawaii [Mr. Matsunaga] were added as cosponsors of S. 2208, a bill to establish the African Famine, Recovery and Development Fund for the relief, recovery, and long-term development of sub-Saharan Africa, and for other purposes.

S. 2261

At the request of Mr. Humphrey, the name of the Senator from Nebraska [Mr. Zorinsky] was added as a cosponsor of S. 2261, a bill to amend the Service Contract Act of 1965 to reform the administration of such act, and for other purposes.

S. 2271

At the request of Mr. Denton, the name of the Senator from Alaska [Mr. Stevens] was added as a cosponsor of S. 2271, a bill for the relief of Jens-Peter Berndt.

SENATE JOINT RESOLUTION 112

At the request of Mr. Pell, the names of the Senator from West Virginia [Mr. Rockefeller], the Senator from North Dakota [Mr. Burdick], and the Senator from Arkansas [Mr. Pryor] were added as cosponsors of Senate Joint Resolution 112, joint resolution to authorize and request the President to call a White House Conference on Library and Information Services to be held not later than 1989, and for other purposes.

SENATE JOINT RESOLUTION 134

At the request of Mr. Biden, the names of the Senator from Florida [Mr. Chiles], the Senator from Alabama [Mr. Denton], and the Senator from Arizona [Mr. DeConcini] were added as cosponsors of Senate Joint Resolution 134, joint resolution to designate "National Safety in the Workplace Week."

SENATE JOINT RESOLUTION 274

At the request of Mr. Grassley, the name of the Senator from Michigan [Mr. Riegle] was added as a cosponsor of Senate Joint Resolution 274, joint resolution to designate the weekend of August 1, 1986, through August 3, 1986, as "National Family Reunion Weekend."

SENATE JOINT RESOLUTION 280

At the request of Mr. Heinz, the names of the Senator from Michigan [Mr. Riegle], and the Senator from South Dakota [Mr. Abdnor] were added as cosponsors of Senate Joint Resolution 280, joint resolution designating the month of November 1986 as "National Alzheimer's Disease Month."

SENATE JOINT RESOLUTION 281

At the request of Mr. Nunn, the names of the Senator from Alabama [Mr. Denton], and the Senator from Arizona [Mr. Goldwater] were added as cosponsors of Senate Joint Resolution 281, joint resolution to designate the week of May 11, 1986, through May 17, 1986, as "Senior Center Week."

SENATE JOINT RESOLUTION 300

At the request of Mr. Glenn, the names of the Senator from Virginia [Mr. Trible], the Senator from Illinois [Mr. Simon], the Senator from Georgia [Mr. Mattingly], the Senator from Arkansas [Mr. Bumpers], the Senator from South Carolina [Mr. Thurmond], the Senator from West Virginia [Mr. Byrd], and the Senator from Virginia [Mr. Warner] were added as cosponsors of Senate Joint Resolution 300, joint resolution to recognize and honor 350 years of service of the National Guard.

SENATE JOINT RESOLUTION 307

At the request of Mr. Mattingly, the name of the Senator from New Jersey [Mr. Bradley] was added as a cosponsor of Senate Joint Resolution 307, joint resolution to designate the week of April 18 through April 27, 1986 as "National Carpet and Floorcovering Week."

SENATE JOINT RESOLUTION 315

At the request of Mrs. Hawkins, the names of the Senator from Minnesota [Mr. Boschwitz], the Senator from Illinois [Mr. Simon], the Senator from Indiana [Mr. Lugar], and the Senator from Mississippi [Mr. Cochran] were added as cosponsors of Senate Joint Resolution 315, joint resolution designating May 1986 as "Older Americans Month."

SENATE RESOLUTION 304

At the request of Mr. Trible, the name of the Senator from Tennessee [Mr. Gore] was added as a cosponor of Senate Resolution 304, resolution to express the sense of the Senate that the present 3-year basis recovery rule on taxation of retirement annuities be maintained.

SENATE RESOLUTION 368

At the request of Mr. Gore, the names of the Senator from Kentucky [Mr. Ford], the Senator from Pennsylvania [Mr. Specter], the Senator from Maryland [Mr. Sarbanes], the Senator from West Virginia [Mr. Rockefeller], the Senator from Arkansas [Mr. Bumpers], the Senator from New Jersey [Mr. Bradley], the Senator from North Dakota [Mr. Burdick], the Senator from Iowa [Mr. Grassley], the Senator from Michigan [Mr. Riegle], the Senator from Minnesota [Mr. Durenberger], the Senator from Oklahoma [Mr. Nickles], the Senator from South Dakota [Mr. Pressler], the Senator from Hawaii [Mr. Matsunaga], and the Senator from Hawaii [Mr. Inouye] were added as cosponsors of Senate Resolution 368, resolution to express the sense of the Senate that Federal funding to States for cooperative extension service programs for fiscal year 1987 be restored to at least the level approved in the 1986 budget resolution, except for reductions required in such programs by the Balanced Budget and Emergency Deficit Control Act of 1985.

SENATE RESOLUTION 381

At the request of Mr. DeConcini, the name of the Senator from Oklahoma [Mr. Boren] was added as a cosponsor of Senate Resolution 381, resolution expressing the sense of the Senate with respect to United States corporations doing business in Angola.

SENATE CONCURRENT RESOLUTION 126—AUTHORIZING THE USE OF THE U.S. CAPITOL ROTUNDA FOR A CEREMONY COMMEMORATING DAYS OF REMEMBRANCE OF VICTIMS OF THE HOLOCAUST

Mr. RUDMAN (for Mrs. Hawkins, for herself, Mr. Pell, Mr. Kasten, Mr. Lautenberg, and Mr. Mattingly) submitted the following concurrent resolution; which was considered and agreed to:

S. Con. Res. 126

Whereas, pursuant to the Act entitled "An Act to establish the United States Holocaust Memorial Council" and approved October 7, 1980 (94 Stat. 1547), the United States Holocaust Memorial Council is directed to provide for appropriate ways for the Nation to commemorate the days of remembrance of victims of the Holocaust, as an annual, national, civic commemoration of the Holocaust, and to encourage and sponsor appropriate observances of such days of remembrance throughout the United States;

Whereas, pursuant to such Act, the United States Holocaust Memorial Council has designated May 4 through May 11, 1986, as "Days of Remembrance of Victims of the Holocaust"; and

Whereas the United States Holocaust Memorial Council has recommended that a one-hour ceremony be held at noon on May 6, 1986, consisting of speeches, readings, and musical presentations as part of the days of remembrance activities: Now, therefore, be it

Resolved by the Senate (the House of Representatives concurring), That the rotunda of the United States Capitol is hereby authorized to be used on May 6, 1986, from 10 o'clock ante meridiem until 3 o'clock post meridiem for a ceremony as part of the commemoration of the days of remembrance of victims of the Holocaust. Physical preparations for the conduct of the ceremony shall be carried out in accordance with such conditions as may be prescribed by the Architect of the Capitol.

SENATE CONCURRENT RESOLUTION 127—RELATING TO PREDATORY TIED AID CREDITS

Mr. RUDMAN (for Mr. Heinz, for himself, and Mr. Garn) submitted the following concurrent resolution; which was considered and agreed to:

S. Con. Res. 127

Whereas tied aid and partially untied aid credits with low levels of concessionality are used by several governments as a predatory method of financing exports and result in market-distorting effects;

Whereas these distortions have caused the United States to lose export sales, with resulting losses in economic growth and development;

Whereas the Congress is preparing legislation intended to support the efforts of the Secretary of the Treasury to negotiate a comprehensive arrangement restricting the use of tied and partially untied aid credits for commercial purposes; and

Whereas these negotiating efforts of the Secretary of the Treasury are fully supported by the Congress of the United States: Now, therefore, be it

Resolved by the Senate (the House of Representatives concurring), That it is the sense of the Congress that—

(1) a successful conclusion of an arrangement to regulate tied aid credits, so that their use for predatory commercial purposes is ended, would eliminate the need for the Congress to enact a special tied aid credit program;

(2) the Secretary of the Treasury should use the full resources of his office to promote such a successful conclusion to the negotations; and

(3) the President should make the use of predatory tied aid credits a major topic of discussion at the Tokyo Summit.

AMENDMENTS SUBMITTED

METROPOLITAN WASHINGTON AIRPORT TRANSFER

EXON AMENDMENT NO. 1769

Mr. EXON proposed an amendment to the bill (S. 1017) to provide for the transfer of the Metropolitan Washington Airports to an independent airport authority; as follows:

On page 35, line 5, strike out all through line 15, on page 36 and insert in lieu thereof the following:

(9) governed by a board of thirteen members, as follows:

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(A) Three members shall be appointed by the Governor of Virginia, three members shall be appointed by the Mayor of the District of Columbia, three members shall be appointed by the Governor of Maryland, and four members shall be appointed by the President with the advice and consent of the Senate; the Chairman shall be appointed from among the members by majority vote of the members and shall serve until replaced by majority vote of the members.

(B) Members shall (i) not hold elective or appointive political office, (ii) serve without compensation other than for reasonable expenses incident to board functions, and (iii) reside within the Washington Standard Metropolitan Statistical Area, except that the members appointed by the President shall not be required to reside in that area.

(C) Appointments to the board shall be for a period of 6 years; however, initial appointments to the board shall be made as follows: each jurisdiction shall appoint one member for a full 6-year term, a second member for a 4-year term and a third member for a 2-year term. The President shall make an initial appointment of one member for a 6-year term, a second member for a 5-year term, a third member for a 4-year term, and a fourth member for a 3-year term. All subsequent appointments by the President shall be for a 6-year term. Such Federal appointees shall be subject to removal for cause.

(D) Seven votes shall be required to approve bond issues and the annual budget.

MATHIAS AMENDMENT NO. 1770

Mr. MATHIAS proposed an amendment to the bill S. 1017, supra; as follows:

On page 30, line 6, strike out the period and insert in lieu thereof "within six months after the date of enactment of this Act. In no event shall the determination of hypothetical indebtedness by the Federal Aviation Administration pursuant to this paragraph be an amount which is less than $105,600,000 or the audit finding of the Comptroller General of the United States, if it is different".

SARBANES AMENDMENT NO. 1771

Mr. SARBANES proposed an amendment to the bill S. 1017, supra; as follows:

On page 37, strike out lines 1 through "such" on line 3.

PROTECTION TO ELECTRIC POWER CONSUMERS

METZENBAUM (AND McCLURE) AMENDMENT NO. 1772

Mr. METZENBAUM (for himself and Mr. McClure) proposed an amendment to the bill (S. 426) to amend the Federal Power Act to provide more protection to electric consumers; as follows:

At the end of the Committee Amendment insert the following: "Sec. 13. Section 10(h) of the Federal Power Act (16 U.S.C. 803(h)) is amended by redesignating section 10(h) as 10(h)(1) and adding a new section 10(h)(2) as follows:

(2) That conduct under the license that: (A) results in the contravention of the policies expressed in the antitrust laws; and (B) is not otherwise justified by the public interest considering regulatory policies expressed in other applicable law (including but not limited to those contained in Part II of this Act) shall be prevented or adequately minimized by means of conditions included in the license prior to its issuance. In the event it is impossible to prevent or adequately minimize the contravention, the Commission shall refuse to issue the license to the applicant."

McCLURE AMENDMENT NOS. 1773 THROUGH 1775

Mr. McCLURE proposed three amendments to the bill S. 426, supra; as follows:

Amendment No. 1773

Section 11 of the Committee amendment is amended by:

(1) deleting "pursuant to this part" in subsections (b)(1) and (2) and inserting in lieu thereof "pursuant to this Act, whether granted under this Act or another provision of law"; and

(2) by adding the following new subsections at the end thereof:

(c) Section 13 of the Federal Power Act, as amended, is further amended by striking the final sentence thereof.

(d) Section 26(a) of the Federal Power Act, as amended, is further amended—

(1) by striking the first sentence and inserting in lieu thereof the following sentence: "The Commission, or the Attorney General on request of the Commission or of the Secretary of the Army, may institute proceedings in equity in the district court of the United States in the district in which any project or part thereof is situated for the purpose of revoking for significant violation of its terms any permit or license issued hereunder or any exemption from any requirement of this Act, whether granted under this Act or another provision of law, or for the purpose of remedying or correcting by injunction, mandamus, or other process any act of commission or omission in violation of the provisions of this Act or of any lawful regulation or order promulgated hereunder."; and

(2) by adding at the end thereof the following new sentence: "In the case of revocation of an exemption from any requirement of this Act, whether granted under this Act or another provision of law, the courts may exercise the same powers as they have under this section with respect to revocation of a license.".

(e) Section 402(a)(2)(A) of the Department of Energy Organizaiton Act, as amended, is further amended by inserting between "4," and "301" the following: "5, 13, 26, 30,".

(f) The amendments made by this section shall apply to licenses, permits, exemptions, rules, regulations, and orders issued before, on, or after the date of enactment of this Act.

Amendment No. 1774

Beginning on page 4, line 19, strike all through page 5, line 3, and insert:

"(3)(A) Upon receipt of an application for a license, the Commission shall solicit recommendations from the agencies and Indian tribes identified in paragraph (a)(2) of this section for proposed terms and conditions for the Commission's consideration for inclusion in the license;

"(B) If any recommendation for a proposed term or condition is received by the Commission within 120 days of the public notice of any license application under this section, the Commission shall explain in writing its reasons for adopting, rejecting or modifying any such proposed term or condition."

Amendment No. 1775

On page 10, following line 16 add the following new Section 11 and renumber subsequent sections accordingly:

"Sec. 11. The amendments made by section 10 of this Act shall not apply to any hydroelectric project for which an application for a license or preliminary permit was filed with the Federal Energy Regulatory Commission on or before April 11, 1986."

HUMPHREY AMENDMENT NO. 1776

Mr. HUMPHREY proposed an amendment to the bill S. 426, supra; as follows:

On page 12, following line 2 add the following new Section 13:

"Sec. 13. Section 4(e) of the Federal Power Act (16 U.S.C. 797(e)) is amended—

(a) by striking "And provided further" and inserting in lieu thereof "Provided further"; and

(b) by striking the final period "." and inserting in lieu thereof the following ': *And provided further*, That upon the filing of any application for a license the Commission shall seek to notify by certified mail the owner or owners of the property within the bounds of the project, and any State, municipality or other local governmental entity likely to be interested in or affected by such application.' "

EVANS AMENDMENT NO. 1777

Mr. EVANS proposed an amendment to the bill S. 426, supra; as follows:

On pages 9–10, strike section 10 and insert in lieu thereof the following new section:

"Sec. 10. Section 3(17) of the Federal Power Act (16 U.S.C. 796(17)), as amended, is further amended—

(a) by adding the following new subsection (B):

"(B)(i) Notwithstanding subsection (A) of this section, no hydroelectric project shall be considered a small power production facility (other than for purposes of section 210(e) of the Public Utility Regulatory Policies Act) if such project impounds or diverts the water of a natural watercourse other than by means of an existing dam or diversion, unless such project is located at a Government dam.

"(ii) For the purposes of this paragraph, the term "existing dam or diversion" means any dam or diversion that is part of a project for which a license has been issued on or before the date of enactment of this subsection, or which the Commission determines does not require any construction or enlargement of impoundment structures (other than repairs or reconstruction) except for the addition of flashboards (or similar adjustable devices).".

EVANS AMENDMENT NO. 1778

Mr. EVANS proposed an amendment to the bill S. 426, supra; as follows:

On page 4, line 18 before the period insert the following: "; and (c) if the applicant is an electric utility, its plans for energy conservation through energy efficiency programs".

WILSON AMENDMENT NO. 1779

Mr. WILSON proposed an amendment to the bill S. 426, supra; as follows:

At the appropriate place in the bill, add the following new section:

SEC. . ELECTION CONCERNING OTHER CONTESTED PROJECTS SUBJECT TO LITIGATION

(a) Application of Section.—This section applies to any relicensing proceeding initiated prior to October 1983 at the Federal Energy Regulatory Commission involving the following projects: Mokelumne (No. 137), California; Phoenix (No. 1061), California; Rock Creek/Cresta (No. 1962), California; Haas-King (No. 1988), California; Poole (No. 1388), California; and Rush Creek (No. 1389), California. The numbers in this subsection refer to Federal Energy Regulatory Commission project identification numbers for the existing licensee. This subsection shall also apply to any subsequent relicensing proceeding for any such project involving the same parties which results from the rejection, without prejudice, of an application in any of the proceedings specified in this subsection.

(b) Election by Competing Applications.—In the case of each project named in subsection (a), a license applicant competing against an existing licensee must elect within 90 days after the enactment of the Act to either:

(1) withdraw the competing application and agree to be subject to the provisions of this section, or

(2) refuse to withdraw the application, in which case the relicensing proceeding for such project shall be continued and a new license issued solely in accordance with the Federal Power Act, as amended by this act.

(c) Commission Order.—If an election is made, the Commission, after notice and opportunity for a hearing, shall issue an order requiring the existing licensee to compensate the competing applicant in an amount representing the reasonable costs plus interest (at a rate determined by the Federal Energy Regulatory Commission in accordance with its regulations governing refunds in proceedings involving electric rate schedules) incurred by the competing applicant, which are related to—

(1) the cost of preparing, filing and maintaining the license applications for the hydroelectric project through the date of enactment;

(2) the cost of seeking to apply, and preserve the application of, Section 7 of the Federal Power Act to the pending relicensing proceedings through the date of enactment;

(3) the cost of preparing, filing and maintaining an application for compensation pursuant to this section through the date of payment; and

(4) the incremental costs the competing applicants will incur or have incurred as a result of any delay in pursuing alternatives to securing the hydroelectric power sought by the competing applicants in their license applications.

JUDICIAL IMPROVEMENTS ACT

STENNIS AMENDMENT NO. 1780

Mr. BYRD (for Mr. Stennis) proposed an amendment to the bill (H.R. 3570) to amend title 28, United States Code, to reform and improve the Federal justice and judges survivors' annuities program, and for other purposes; as follows:

At the appropriate place, add the following new section:

"Sec. . The Bankruptcy Amendments and Federal Judgeship Act of 1984 (98 Stat. 333) is amended as follows:

"(1) section 206 is revised to read as follows:

"Sec. 206. Sections 8706(a), 8714a(c)(1), 8714b(c)(1), and 8714c(c)(1) of title 5, United States Code, are amended to insert immediately after the first sentence in each of those sections a new sentence which reads as follows: 'Justices and judges of the United States described in section 8701(a)(5)(ii) and (iii) of this chapter are deemed to continue in active employment for purposes of this chapter, and

"(2) section 207 is revised to read as follows:

"Sec. 207. The amendments to chapter 87 of title 5, United States Code, made by section 206 of this Act shall apply in the case of any justice or judge who is retired under section 371(a) or 371(b) or 372(a) of title 28, United States Code. The amendments apply to those who retire on or after January 1, 1982.".

THURMOND AMENDMENT NO. 1781

Mr. RUDMAN (for Mr. Thurmond) proposed an amendment to the bill H.R. 3570, supra; as follows:

On page 16, line 2 delete "or" and insert in lieu thereof: "and".

On page 16, line 3, delete "(46 U.S.C. App. 839);" and insert in lieu thereof: "(46 U.S.C. App. 802, 803, 808, 835, 839 and 841(a));".

NOTICES OF HEARINGS

COMMITTEE ON RULES AND ADMINISTRATION

Mr. MATHIAS. Mr. President, I wish to announce that the Committee on Rules and Administration will meet in SR-301, Russell Senate Office Building, on Wednesday, April 16, 1986, at 5:30 p.m., to consider legislation relating to official mail costs.

The committee will be marking up S. 2059, to control franking costs; S. 2255, to prohibit the expenditure of Federal funding for congressional newsletters; and Senate Resolution 374, to limit the amount that may be expended by Senators for mass mailings during the remainder of fiscal year 1986. The committee held a hearing on these items on April 9, 1986.

For further information concerning this business meeting, please contact Ron Hicks of the Rules Committee staff on x40290.

SUBCOMMITTEE ON PUBLIC LANDS, RESERVED WATER AND RESOURCE CONSERVATION

Mr. WALLOP. Mr. President, I would like to announce for the information of the Senate and the public the scheduling of a hearing before the Subcommittee on Public Lands, Reserved Water and Resource Conservation of the Committee on Energy and Natural Resources on Tuesday, June 17, 1986, at 9:30 a.m. in room SD-366 of the Senate Dirksen Office Building, Washington, DC 20510. Testimony will be received on S. 2055, to establish the Columbia Gorge National Scenic Area, and for other purposes.

Those wishing to testify should contact the Subcommittee on Public Lands, Reserved Water and Resource Conservation of the Committee on Energy and Natural Resources, room SD-308, Dirksen Senate Office Building, Washington, DC 20510. Oral testimony may be limited to 3 minutes per witness. Written statements may be longer. Witnesses may be placed in panels, and are requested to submit 25 copies of their testimony 24 hours in advance of the hearing, and 50 copies on the day of the hearing.

For further information, please contact Patty Kennedy or Tony Bevinetto of the subcommittee staff at (202) 224-0613.

COMMITTEE ON ENERGY AND NATURAL RESOURCES

Mr. McCLURE. Mr. President, I would like to announce for the information of the Senate and the public that the Committee on Energy and Natural Resources has scheduled a hearing on Tuesday, April 22, 1986, at 10 a.m., in room SD-366 of the Dirksen Senate Office Building in Washington, DC, to receive testimony on S. 2073, to encourage the standardization of nuclear powerplants, to improve the nuclear licensing and regulatory process, to amend the Atomic Energy Act of 1954, and for other purposes.

Those wishing to testify or who wish to submit written statements for this hearing should write to the Committee on Energy and Natural Resources, U.S. Senate, Washington, DC 20510.

For additional information regarding this hearing, you may contact Marilyn Meigs on the staff at (202) 224-4431.

SUBCOMMITTEE ON ENERGY RESEARCH AND DEVELOPMENT

Mr. DOMENICI. Mr. President, I would like to announce for the information of the Senate and the public that the Subcommittee on Energy Research and Development of the Committee on Energy and Natural Resources has scheduled a hearing on Tuesday, April 29, 1986, at 10 a.m. in room SD-366 of the Dirksen Senate Office Building in Washington, DC, to receive testimony on the Department of Energy's nuclear research and development programs.

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Those wishing to testify or who wish to submit written statements for this hearing should write to the Subcommittee on Energy Research and Development, Committee on Energy and Natural Resources, Washington, DC 20510.

For additional information regarding this hearing, you may contact Marilyn Meigs on the subcommittee staff at (202) 224-4431.

AUTHORITY FOR COMMITTEES TO MEET

SUBCOMMITTEE ON PUBLIC LANDS, RESERVED WATER, AND RESOURCE CONSERVATION

Mr. TRIBLE. Mr. President, I ask unanimous consent that the Subcommittee on Public Lands, Reserved Water and Resource Conservation of the Committee on Energy and Natural Resources be authorized to meet during the session of the Senate on Friday, April 11, to hold a hearing on S. 977, to establish the Hennepin Canal National Heritage Corridor in the State of Illinois, and for other purposes; S. 1374, to establish the Blackstone River Valley National Heritage Corridor in Massachusetts and Rhode Island; S. 1413 and H.R. 3067, to validate conveyances of certain lands in the State of California that form part of the right-of-way granted by the United States to the Central Pacific Railway Co.; S. 1542, to amend the National Trails System Act by designating the Nez Perce (Nee-Me-Poo) Trail as a component of the National Trails System; S. 1946, to designate the west branch of the Farmington River as a study area for inclusion in the National Wild and Scenic Rivers System, and for other purposes; S. 2265, to authorize the establishment of the Burr Trail National Rural Scenic Road in the State of Utah, and for other purposes; and H.R. 3556, to provide for the exchange of land for the Cape Henry Memorial site in Fort Story, VA.

The PRESIDING OFFICER. Without objection, it is so ordered.

SUBCOMMITTEE ON MILITARY CONSTRUCTION

Mr. TRIBLE. Mr. President, I ask unanimous consent that the Subcommittee on Military Construction of the Committee on Armed Services, be authorized to meet during the session of the Senate on Friday, April 11, in order to receive testimony on home porting.

The PRESIDING OFFICER. Without objection, it is so ordered.

SUBCOMMITTEE ON PREPAREDNESS

Mr. TRIBLE. Mr. President, I ask unanimous consent that the Preparedness Subcommittee of the Committee on Armed Services be authorized to meet during the session of the Senate on Friday, April 11, in open session, followed by a closed session to conduct a hearing on ammunition readiness.

The PRESIDING OFFICER. Without objection, it is so ordered.

SUBCOMMITTEE ON STRATEGIC AND THEATER NUCLEAR FORCES

Mr. TRIBLE. Mr. President, I ask unanimous consent that the Subcommittee on Strategic and Theater Nuclear Forces of the Committee on Armed Services be authorized to meet during the session of the Senate on Friday, April 11, in closed session, to be immediately followed by an open session, to hold a hearing on Strategic Command, Control, and Communication; and Federal Emergency Management Agency.

The PRESIDING OFFICER. Without objection, it is so ordered.

ADDITIONAL STATEMENTS

FINANCING OUR ADVERSARIES

● Mr. GARN. Mr. President, each day is bringing new indications of the degree to which the United States and our allies are financing the Soviet Union and its global activities. As Roger W. Robinson, former National Security Council staff member responsible for international finance, recently pointed out, it is difficult to understand how the Soviet Union is able to support its entire external empire with total annual hard currency earnings of only $32 billion. For the second largest economy in the world these are rather marginal earnings, representing only one-third the annual revenues of Exxon, for example. Yet it is largely this margin that must meet the Soviet Union's hard currency needs, and that includes almost all of its external activities in a world where the ruble will not go very far. Obviously, there must be additional sources of financing, and that is primarily borrowing from the West.

The largest component of Soviet hard currency earnings has been their earnings from oil exports. With both Soviet oil production declining and world oil prices dropping sharply the Soviets are facing a severe shortage of hard currency.

This would be good news for the free world, particularly for the targets of Soviet adventurism, were it not for the fact that the shortfall in Soviet earnings has coincided with a dramatic increase in Western lending to the Soviet Union. Last year United States commercial banks syndicated at least $1.3 billion in loans to Soviet bloc countries at what were generally recognized as very generous interest rates; $200 million of that amount was in lending directly to the Soviet Union, the first United States commercial lending to the Soviets since the crackdown on Solidarity.

When financial constraints on the Soviets could have an important impact toward reducing their international activities and therefore reducing international instability, at what should be a particularly fortuitous time for world peace, Western banks appear eager to step in and help the Soviets conduct their business as usual.

What can the President of the United States do about this? The President has under current law, short of a national emergency, no authority to do anything about it. That is why I have introduced, along with several of my colleagues, legislation to give the President authority to regulate financial transfers to our adversaries at times when it would be in the national interest to do so. That bill, S. 812, has already been the subject of hearings in the Banking Committee. With each day the need for this legislation becomes more apparent.

Mr. President, when the national interest overrides the importance of loan syndication fees the President of the United States should have authority to exert that national interest. Today he cannot. Even when the Soviets are looking for billions of dollars in Western loans, so that their activities around the world can continue well fed instead of starve due to lack of hard currency to fund them, the President cannot even require that loans to the Soviets be for specific projects that are not detrimental to our security or foreign policy interests. It is time that we gave the President that power.

I ask that the text of a speech given by Roger W. Robinson, Jr., delivered at the Heritage Foundation on February 11, 1986, be included in the RECORD.

The speech follows:

EAST-WEST TRADE AND NATIONAL SECURITY

(By Roger W. Robinson, Jr.[1])

I think it would surprise most people were they to step back and assess how many of the more publicized issues and challenges which the United States faces in the world today are directly or indirectly underpinned by the East-West economic and financial equation. I make this assertion because, like most endeavors in the human condition—whether it be at the individual, state, or national level—the proverbial "bottom-line" of the ability to get things done rests upon economics and particularly finance.

Having said that, I must confess that after a dozen years of active involvement in this policy area, I continue to be somewhat troubled by the lack of a more common understanding in the Western Alliance concerning the key elements of the strategic or security side of East-West economic and commercial relations. I have long referred to what I believe to be the three most important components of strategic trade with the East as the "Triad." They are: 1) the illegal acquisition by the Soviet bloc of militarily relevant Western technology; 2) Western energy security—specifically, the ongoing Soviet strategy to dominate Western Europe's natural gas markets; and 3) untied and nontransparent Western financial flows to the Warsaw Pact countries. These components of the Triad are, in my view, the principal avenues of the West's windfall contributions to Soviet military-related innovation, the USSR's hard currency earnings structure, and the Soviet Union's ability to maintain and expand its costly global commitments.

For example, has it not struck most Western policy makers as odd that the Soviet Union, which has a total annual hard currency income of only about $32 billion from all sources (including arms sales), can sustain a global empire which can directly rival the United States? More specifically, how does the USSR support such a vast array of third country commitments—many of which must be hard currency financed—with annual earnings equivalent to only about one-third of Exxon's annual revenues for 1985? These are central questions which I believe call for more thorough examination. Although the brevity of my remarks today will not permit a detailed attempt to answer these questions, I might at least offer a framework to advance the search.

In the area of finance, I have often been curious why I have never come across a security-oriented cash flow analysis of the USSR, a page divided down the middle with "sources" of hard currency or the left side—for example, oil and gas exports and the sales of arms, gold, diamonds—and "uses" of hard currency on the right side—such as imports from the West, technology theft, underwriting Cuba and other client states, KGB/GRU operations, and other expenditures. My own guess is that a detailed security cash flow analysis of this kind would show a formidable annual hard currency shortfall that presumably has to be financed through Western borrowings. Declining Soviet oil production and plummeting prices for both oil and gas—composing approximately two-thirds of the USSR's total annual hard currency earnings structure—should result in an even more active Soviet presence on the world credit markets than the roughly $3 billion in new credits attracted in 1985. The fact is that the level of Soviet indebtedness remained largely unchanged during the period 1979-1984 despite the fact that the USSR's hard currency needs apparently grew significantly. I believe this discrepancy can be explained, at least in part, by substantial Soviet reliance on a rather hidden borrowing source in Western financial markets.

This less visible borrowing activity takes place in the vast and amorphous interbank market where the Soviet Union has been a major player for many years. The interbank market is global in scope and is formed by the established practice among the world's banks of depositing cash with one another to facilitate the efficient flow of funds and to earn income on excess cash. The London Interbank Offering Rate (LIBOR) serves as a benchmark rate at which these deposits are offered to prime potential borrowers, and usually floats at roughly 1 percent below the U.S. prime rate. Interbank transactions can either be arranged by a money broker or directly between banks. A typical transaction might have bid and offer rates of 7⅞ percent and 8 percent respectively, with the higher rate representing the price at which a bank would offer, for example, a six-month time deposit to another bank. Prior to concluding an interbank transaction, the bank offering the funds will check the credit limit for the particular bank taking the funds as well as the "country exposure limit" for the country in which the bank is domiciled. It is not necessarily standard practice to check the "country exposure limit" for the country which owns the "taking" bank.

The six Soviet-owned banks located in the West, along with their branches, have been major beneficiaries of this global flow of interbank funds. The largest Soviet-owned banks in the West include Banque Commerciale pour l'Europe du Nord or Eurobank in Paris, Moscow Norodney Bank, London (which often serves as the coordinating point for other Soviet banking institutions in the West), and Ost-West Handlesbank in Frankfurt. Other 100 percent Soviet-owned banking institutions are located in Luxembourg, Zurich, Vienna, and Singapore. The latter is a branch of Moscow Narodney. The Soviets go to some lengths to obscure their complete ownership of these institutions. For example, these banks are incorporated under the laws of the countries in which they are domiciled, have foreign nationals in management positions, have what appears to be a diverse group of shareholders, and even maintain representative offices in Moscow similar to those of Western banks.

These Soviet banks engage in other banking activities outside the interbank market and even place some of their own deposits with major Western banks. This does not, however, offset the enormous advantage to the Soviets of having access to a large amount of hard currency at an interest rate which is below the U.S. prime rate and which can be used at their sole discretion. Similar to an individual who would use his or her cash reserve bank line to bridge shortages of cash in a regular checking account, interbank deposits provide the Soviets with needed liquidity on the margin to meet their pressing cash requirements. Access to these Western deposits also permits the Soviets to avoid more expensive and visible forms of Western financing. After all, why should the USSR step up its modest use of bankers acceptances or go more often to the syndicated loan market when they can tap a largely invisible pool of Western deposits at interest rates below U.S. prime?

It is very difficult to estimate the precise amount of such Western funds on deposit with the Soviet Bank for Foreign Trade, the COMECON banks, the State Bank of the USSR, and Soviet-owned banks in the West. Nevertheless, as the Soviets maintain correspondent banking relations with virtually every sizable banking institution in the world, a ballpark estimate of the aggregate amount of Western deposits with Soviet-owned banks in West would be roughly $5 billion. I would estimate that several billion dollars more in Western deposits have been attracted directly by the Soviet Bank for Foreign Trade and the State Bank of the USSR. Individual East European banks also enjoy the same favorable access to this untied, low-cost financing source. Although these deposits must eventually be repaid, similar to loans, they still represent a major reservoir of cheap money. I think that it would be very illuminating for the Administration and Congress to get a better handle on the role of interbank deposits in the funding of the Soviet Union's global activities.

Returning for a moment to the first leg of the strategic trade Triad—the Soviet acquisition of militarily sensitive technology—we can take satisfaction in knowing that this problem is far better understood today than ever before. The President instructed the bureaucracy early in his first term to redouble its efforts to stem the flow of strategic technology to the Warsaw Pact countries. This past fall the Department of Defense, in coordination with the CIA, released an unclassified White Paper which made a valiant effort to quantify, where possible, the magnitude of our technology losses. The paper sought to identify the estimated savings achieved by the Soviet military research and development establishment as well as the direct costs incurred by U.S. taxpayers to defend against these Western-sponsored advances in Soviet military strength. Whether or not one accepts the estimates in the Department of Defense White Paper, most informed observers would have to concede that U.S. taxpayers are penalized to the tune of billions of dollars annually.

Concerning the second leg of the Triad—Western energy security, and specifically the carefully crafted Soviet game plan to dominate the natural gas markets of Western Europe—again, the President demonstrated what will be judged by history to be impressive vision and courage when he urged his allied counterparts, at the Ottawa Summit in July 1981, to limit their level of dependency on Soviet gas supplies. Subsequent to the Ottawa meetings, he dispatched two high-level U.S. delegations to Europe (the first one in the fall of 1981 and the second in early 1982) to persuade the allies to identify and develop secure, indigenous natural gas reserves (particularly the Troll gas field in Norway) and to halt the expansion of subsidized credits to the Soviet bloc for energy development and other purposes. The declaration of martial law in Poland in December 1981 added urgency to these undertakings, since the Alliance needed to send a unified signal that continued repression in Poland would not be cost-free.

The President immediately decided to implement economic sanctions against the USSR by embargoing U.S. origin oil and gas equipment destined for the Soviet energy industry. In June 1982, with no movement toward reconciliation in Poland and insufficient allied unity on a response to this situation, the President extended these sanctions to include U.S. subsidiaries and licensees located abroad. This decision temporarily crippled progress in the construction of the USSR's major gas export pipeline. Intensive allied consultations were then undertaken at the ministerial level with a view toward achieving the President's goal of forging a durable allied consensus on the security dimensions of East-West trade.

The positive outcome of these ministerial deliberations led the President to decide in November 1982 to lift the oil and gas equipment sanctions, but only after the allies had agreed to undertake urgent work programs in the key strategic trade areas, including enhanced Western energy security, which were to be completed by the Williamsburg Summit in May 1983. Progress was swift in coming. The practice of offering subsidized credits was eliminated by an understanding achieved within the OECD. An agreement signed by some 25 nations in the International Energy Agency in May 1983 also represented a major accomplishment for the Administration. The language of that agreement effectively deprives the USSR of major European participation in construction of the anticipated second strand of the Siberian gas pipeline which is currently underway or will be imminently. If abided by, this agreement will not only block Soviet

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[1] Roger W. Robinson, Jr., is President of RWR, Inc. and former Senior Director for International Economic Affairs at the National Security Council (1982-1985). Mr. Robinson spoke at The Heritage Foundation on February 11, 1986. ISSN 0273-1155. Copyright 1986 by The Heritage Foundation.

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domination of Western Europe's gas markets but will also deny the USSR between $5 to $10 billion in annual projected hard currency earnings from the second strand in the mid- to late 1990s and beyond.

I think it is important to emphasize that the mission of the Poland-related sanctions was not, as so often reported in the world press, to block the first strand of the Siberian gas pipeline project. The administration was aware that the first pipeline was a fait accompli. The Administration's extension of the Poland-related sanctions represented a last-resort, tactical decision by the President to penalize Soviet repression in Poland and to forge a new consensus within the Alliance on the security aspects of East-West economic relations. All of the security-minded objectives which the President outlined to his counterparts in Ottawa in 1981 were achieved.

POLICY PRESCRIPTIONS

I would like to use the remainder of this talk to offer some specific policy recommendations which address each of the three legs of the strategic trade Triad.

First, on technology transfer, I recommend the continuation of the effort to quantify the impact on the West of what these losses mean to our long-term security, to our taxpayers, and our intensive efforts to reduce the U.S. budget deficit. The potential Gramm-Rudman trigger mandating reductions in our own defense expenditures adds urgency to this task. The infrastructure of COCOM, the multilateral organization which controls strategic technologies, must be substantially bolstered from its woefully inadequate present status. In addition, an expanded array of incentives and disincentives should be brought to the table by the U.S. in negotiations with the allies and neutral countries in an effort to finally subordinate commerical benefit to our common security. The U.S. should also continuously develop new methods designed to assist the trucking and identification of stolen technology so that would-be diverters will operate in an uncertain environment.

In the area of Western energy security, the Administration should send an early signal to the allies that despite the fall in demand for Soviet gas, we will insist that the May 1983 International Energy Agency agreement be strictly observed, particularly when the Soviets begin to contact Ruhrgas, Gaz de France, and others for below-market second strand gas deliveries during a future period of increased demand. In addition, the positive direction of the current negotiations for the accelerated development of the Nowegian Troll gas field, as a substitute for Soviet gas, should be politically reinforced at the highest levels. The Administration should also do whatever it can to defuse the dangers inherent in West Berlin becoming 10 percent dependent on Soviet gas stemming from an agreement signed in 1982 and the likelihood that Turkey will become approximately 95 percent dependent on Soviet gas if current negotiations with the USSR come to fruition. Also, allied willingness to provide the West's most sophisticated oil and gas equipment and technology to the USSR and actively assist in the extraction, processing, and transmission of Soviet energy resources should be, in some way, factored into allied efforts to increase emigration from the USSR and achieve equal and verifiable reductions in nuclear weapons. The other elements of the Triad should likewise be considered in this context.

Finally, the Administration can play an important role by examining the practice of untied or so-called balance of payments lending to potential adversaries and scrutinizing the extent to which the Soviets rely on interbank deposits. Certain principles or guidelines should also be considered for voluntary adoption by the Western banking community, if they have not already been instituted. Specifically, each loan to a potential adversary should have an identified and verifiable purpose—be it an equipment purchase, a specific project (with loan drawdowns calibrated to project expenditures) or a short-term commodity transaction such as grain. Every loan should have a maturity that is strictly matched against the duration of the underlying transaction. For example, a grain transaction should be financed with a maximum loan maturity of 180 days rather than 3 years which would otherwise de facto provide the Soviets with 2½ years of cash for their discretionary use. Finally, U.S. banks should aggregate their interbank deposit exposure to all Soviet-owned entities and periodically report these aggregate exposures to U.S. ban regulators, if they are not already doing so. The same practices should be applied to East European entities. In this connection, I am not arguing for the discontinuation of interbank activity with the USSR—only that specific information be developed on the amounts and the proper use and maturity of such deposits.

These proposed principles to govern financial flows to potential adversaries are prudent from a commercial as well as security perspective, and therefore, it is hoped, will not present major problems for the Western banking community. The Administration should urge our allies, through the OECD, to monitor the implementation of similar guidelines. In the event that the Administration and Congress are disappointed by the lack of allied cooperation in adopting these commercially prudent lending principles, more information should be gathered to determine the respective levels of allied involvement in untied, non-transparent financial flows to potential adversaries and what, if anything, should be done about it. To illustrate why we need a coordinated allied approach to this issue, we should ask the allies whether they view it as appropriate to make available even $10 million in untied Western cash to Colonel Qadhafi for his sole discretionary use. This particular issue brings to mind the sound advice offered by John Le Carre in his novel "The Honorable Schoolboy," which is embodied in three simple words—"Follow the money."

In conclusion, there do not have to be any "losers" in the West as a result of these policy recommendations. Legitimate, nonstrategic trade can go forward and expand; the U.S. can continue to streamline and expedite its export licensing procedures and trim the COCOM list of controlled technologies, where indicated, to ensure enhanced U.S. export competitiveness; Western loans can continue to support specific trade transactions and projects; and incentives for greater Soviet geopolitical cooperation can be created through expanded East-West economic and commercial relations. Nevertheless, we simply cannot avert our eye from those economic and financial practices which are deleterious to our long-term security interests; nor can we side-step the need to develop a more comprehensive picture of how the Soviet Union funds itself and its global activities.

I would hope that the U.S. security community, The Heritage Foundation, and other like-minded organizations will dedicate more resources and talented people to undertake further analyses of these issues. I would also recommend that consideration be given to the establishment, through legislation, of an Assistant Secretary of Defense for International Economic Security specifically to deal with the critical security aspects of trade and energy relations, and global finance. If property structured, such a new position need not interfere or overlap with existing positions or functions which are, for example, responsible for the complex issue of technology transfer.

Finally, it is imperative that we successfully come to terms with the enormous Western contribution to the economic and financial vitality of the Soviet Union and its client states, particularly at a time of budget-related austerity at home.●

ENCOMIUM OF FREE PAPERS

● **Mr. D'AMATO.** Mr. President, since the days of our forefathers, independent, free circulation papers have represented a superlative tradition in America's free enterprise system: They fill a need, and they provide a choice in the media marketplace.

Free papers are a strong, grassroots publishing force, filling the gap in cities and towns that do not receive full coverage by larger, paid papers. The American businessman has always needed a forum for advertising products and services, for sharing community news, and for disseminating information to a broad audience. In all cases, whether free newspapers, shopping guides, or pennysavers, free circulation papers fill this need. They offer a choice to local businesses and members of the community—providing the media support that keeps cities, small towns, and neighborhoods prospering.

Just how far back in history have American free papers been circulating? As far back as Benjamin Franklin. Benjamin Franklin was, in fact, the first free-paper publisher; his circulars and flyers were the first such publications. The number of free papers increased exponentially during the 1920's; and even more appeared in the 1930's as a direct response to the special needs arising from the Great Depression. After World War II, these papers were flourishing. More and more businesses wanted to reach every home in the community, and free circulation papers were the answer.

Today, it is estimated that 3,000 free community papers are published in the United States, attracting advertisers with their guarantee of blanket, door-to-door circulation. From New York to California, free papers are circulated to every home in the marketplace, providing all consumers with comprehensive buying information. In New York State alone, there are a total of 55 publishers in the free newspaper industry, reaching roughly 3 million homes across the State. They contribute to the growth and prosperity of business in the communities they serve.

Today's free-paper publisher continues to follow the spirit and dedication toward business exemplified by Benjamin Franklin. Many publishers are small "mom and pop" operations; in many cases, free-paper businesses have been passed down from generation to generation. They have witnessed their communities change and, with that, have strengthened their product to keep pace with reader and advertiser needs. Even large communications companies have carved a niche in their operations for free circulation papers, recognizing their reader strength and profitability.

Mr. President, I have called the attention of my colleagues to the benefits and services of free papers today because I believe their publishers deserve our recognition and respect.●

DR. LEON GINTZIG ANNUAL FORUM

● **Mr. MATHIAS.** Mr. President, it has been 2 years since the death of Dr. Leon Gintzig, a Marylander and a leader in the field of hospital administration. Dr. Gintzig was educated in Massachusetts, Illinois, and Iowa and went on to forge a distinguished career at the George Washington University. He did not, however, devote himself solely to his own career. He also volunteered his services for some 15 years to the Hospital Commission of Prince Georges County, MD, and the Prince Georges General Hospital. Dr. Gintzig's colleagues feel keenly the loss of his concern, expertise and particularly his friendship.

Now, however, we have another reason to remember Dr. Gintzig. Through private donations, a fund has been established which will underwrite an annual forum in Dr. Gintzig's name. There, the Nation's leading hospital administrators will gather each year at the congress of the American College of Healthcare Executives to exchange ideas and renew their commitment to building an efficient, fair, and affordable health care network. The first such meeting was held recently in Chicago and its success lends encouragement to all who have high hopes for its future. I believe this tribute is worthy of Dr. Gintzig and is worthy of note by the Senate today.●

ADVANCE NOTIFICATION—PROPOSED ARMS SALES

● **Mr. LUGAR.** Mr. President, section 36(b) of the Arms Export Control Act requires that Congress receive advance notification of proposed arms sales under that act in excess of $50 million or, in the case of major defense equipment as defined in the act, those in excess of $14 million. Upon receipt of such notification, the Congress has 30 calendar days during which the sale may be reviewed. The provision stipulates that, in the Senate, the notification of proposed sales shall be sent to the chairman of the Committee on Foreign Relations.

Pursuant to an informal understanding, the Department of Defense has agreed to provide the committee with a preliminary notification 20 days before transmittal of the official notification. The official notification will be printed in the RECORD in accordance with previous practice.

I wish to inform Members of the Senate that such a notification has been received.

Interested Senators may inquire as to the details of this advance notification at the office of the Committee on Foreign Relations, room SD-423.

The notification follows:

DEFENSE SECURITY ASSISTANCE AGENCY,
Washington, DC, April 9, 1986.

Dr. M. GRAEME BANNERMAN,
Staff Director, Committee on Foreign Relations, U.S. Senate, Washington, DC.

DEAR DR. BANNERMAN: By letter dated 18 February 1976, the Director, Defense Security Assistance Agency, indicated that you would be advised of possible transmittals to Congress of information as required by Section 36(b)(1) of the Arms Export Control Act. At the instruction of the Department of State, I wish to provide the following advance notification.

The Department of State is considering an offer to a Northeast Asian country tentatively estimated to cost $50 million or more.

Sincerely,

GLENN A. RUDD, *Acting Director.*●

PROPOSED ARMS SALES

● **Mr. LUGAR.** Mr. President, section 36(b) of the Arms Export Control Act requires that Congress receive advance notification of proposed arms sales under that act in excess of $50 million or, in the case of major defense equipment as defined in the act, those in excess of $14 million. Upon such notification, the Congress has 30 calendar days during which the sale may be reviewed. The provision stipulates that, in the Senate, the notification of proposed sales shall be sent to the chairman of the Foreign Relations Committee.

In keeping with the committee's intention to see that such information is immediately available to the full Senate, I ask to have printed in the RECORD at this point the notification which has been received. The classified annex referred to in the covering letter is available to Senators in the office of the Foreign Relations Committee, room SD-423.

The notification follows:

DEFENSE SECURITY ASSISTANCE AGENCY,
Washington, DC, April 9, 1986.

Hon. RICHARD C. LUGAR,
Chairman, Committee on Foreign Relations, U.S. Senate, Washington, DC.

DEAR MR. CHAIRMAN: Pursuant to the reporting requirements of Section 36(b)(1) of the Arms Export Control Act, we are forwarding herewith Transmittal No. 86-30 and under separate cover the classified annex thereto. This Transmittal concerns the Department of the Army's proposed Letter(s) of Offer to the Netherlands for defense articles and services estimated to cost $45 million. Shortly after this letter is delivered to your office, we plan to notify the news media of the unclassified portion of this Transmittal.

Sincerely,

GLENN A. RUDD,
Acting Director.

Attachments.

TRANSMITTAL NO. 86-30—NOTICE OF PROPOSED ISSUANCE OF LETTER OF OFFER PURSUANT TO SECTION 36(b)(1) OF THE ARMS EXPORT CONTROL ACT

(i) Prospective Purchaser: Netherlands.

(ii) Total Estimated Value: Major Defense Equipment,[1] $36 million; other, $9 million total $45 million.

(iii) Description of Articles or Services Offered: Four AN/TPQ-37 Radar Sets with supporting test equipment, generators, spares, tool kits and publications.

(iv) Military Department: Army (VRC).

(v) Sales Commission, Fee, etc., Paid, Offered, or Agreed to be Paid: None.

(vi) Sensitivity of Technology Contained in the Defense Articles or Defense Services Proposed to be Sold: See Annex under separate cover.

(vii) Section 28 Report: Case not included in Section 28 report.

(viii) Date Report Delievered to Congress: April 9, 1986.

POLICY JUSTIFICATION

NETHERLANDS—AN/TPQ—RADAR SETS

The Government of the Netherlands has requested the purchase of four AN/TPQ-37 Radar Sets with supporting test equipment, generators, spares, tool kits and publications. The estimated cost is $45 million.

This sale will contribute to the foreign policy and national security objectives of the United States by improving the military capabilities of the Netherlands; furthering NATO rationalization, standardization, and interoperability; and enhancing the defense of the Western Alliance.

The Netherlands needs the AN/TPQ-37 Radar Sets to continue an ongoing effort to upgrade its artillery counter-battery capability. Acquisition of these radars will enable the Netherlands to locate enemy long-range artillery and rocket launcher positions and to relay the information needed for counterfire. The Netherlands will have no difficulty absorbing these sets into its armed forces.

The sale of this equipment and support will not effect the basic military balance in the region.

The prime contractor will be the Hughes Aircraft Company of Fullerton, California.

Implementation of this sale will require the assignment of one contractor representative to the Netherlands for one year.

There will be no adverse impact on U.S. defense readiness as a result of this sale.●

GRANT DOREL CATARAMA AMNESTY

● **Mr. SIMON.** Mr. President, a young man and his parents living in Chicago hold out hope every day they will soon

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[1] As defined in Section 47(6) of the Arms Export Control Act.

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see their brother and son who languishes in a Romanian prison.

The prisoner is reported to be tortured and beaten regularly and he rarely gets enough to eat. He is not even allowed a Bible, his family says.

Viorel Catarama and his parents agonize over the fate of their beloved brother and son, Dorel Catarama, the Romanian prisoner.

The Cataramas and human rights groups are convinced Dorel is being persecuted for his Seventh-Day Adventist beliefs. The Romanian Government says Dorel broke Romanian law and is justly serving his sentence after being convicted of embezzlement and possession of foreign currency.

Reliable reports indicate there is no solid evidence to support the conviction.

Romanian officials allowed Dorel's wife to see him in February and for that we are grateful. Still, she waits in Romania for the day when she will be reunited with her husband and they can live as a family once again.

I ask the Romanian Government for a humanitarian gesture and grant Dorel Catarama amnesty. He poses no threat to Romanian society and only asks to be able to join his loved ones and worship his God in peace.

Such a gesture would strengthen the harmonious relations between our two countries.●

TRIO PROGRAMS

● Mr. RIEGLE. Mr. President, I rise today to express my support of the TRIO programs which provide low income youth and adults a realistic opportunity to escape cycles of poverty and achieve the upward mobility afforded by higher education. Congressional support of the TRIO programs was formally expressed in a recently passed concurrent resolution that I cosponsored, which designated February 28, 1986, as "National TRIO Day."

The special programs for students from disadvantaged backgrounds, commonly referred to as TRIO, were first authorized in 1965 and have since consistently proven their effectiveness in providing special supportive services for qualified low-income individuals and/or first generation college students.

TRIO includes five programs funded under the special programs for the disadvantaged which provide postsecondary outreach programs. These are: Educational Opportunity Centers, Special Services for Disadvantaged Students, Talent Search, Upward Bound and a training program for TRIO staffs. These programs provide low-income students the supportive services they need such as counseling, basic skills instruction, tutoring, and information about college admissions and financial aid in order to attend college.

The President's proposed budget requested a drastic 55 percent reduction for TRIO programs. I am pleased to say that the Senate Budget Committee, of which I am a member, in a bipartisan effort, passed a compromise budget proposal which maintains funding at present levels. The administration's desire to cut funding for valuable educational programs such as TRIO is not a new trend. The administration has frequently advocated drastic reductions and eliminations of educational programs since taking office in 1981. Fortunately, Congress continues to display its support of our Nation's educational system by opposing these proposals and funding educational programs at levels higher than those requested by the administration.

In the Senate's higher education reauthorization bill, funding for TRIO programs is $188 million. This is a 10-percent increase over the 1986 post-sequestration level of $169 million and more than double of what was requested in the President's fiscal year 1987 budget proposal for this program.

TRIO enjoys a praiseworthy record of success in providing young people the opportunity to achieve their full potential, rather than being swept into a cycle of poverty which destroys their chance to contribute to society. Special services students who receive counseling, tutoring, and basic skills instruction are more than twice as likely to remain in school than do those students who are not involved in the program. Graduates of Upward Bound are more than four times as likely to graduate from college as similar students not included in the program. TRIO programs provide key incentives and encouragement to make possible a meaningful educational experience. Nationwide, over 460,000 disadvantaged students receive TRIO services.

When some members of society are educationally neglected, we as a Nation are failing to live up to the higher standards of a world leader. I feel strongly that we must continue to provide the proper means to an education for all those who seek one.●

NATIONAL ASSOCIATION FOR EQUAL OPPORTUNITY IN HIGHER EDUCATION

● Mr. SIMON. Mr. President, during this week the National Association for Equal Opportunity in Higher Education [NAFEO] will hold its 11th national conference on blacks in higher education here in Washington. The association was founded in October 1969 as a voluntary, independent association of public and private 2- and 4-year institutions. Graduate and professional schools are counted among its member institutions in 21 States, the District of Columbia and the Virgin Islands.

NAFEO is a membership organization of 116 historically and predominantly black colleges and universities. NAFEO has as one of its major objectives, the responsibility to serve as a coordinator in black higher education. As such, NAFEO's annual national conference has become the most prestigious and important conference discussing issues affecting black higher education in America. The conference which attracts an audience of some 2,000 top leaders and decisionmakers of the Nation, including 8 black college/university presidents/chancellors, representatives from 400 institutions from all of the States and abroad, as well as 100 of the 300 black college alumni chosen—from among the 1 million graduates of black colleges—to receive NAFEO's annual distinguished alumni citation.

Recently, one of the presidents of the Nation's historically black colleges celebrated his 61st birthday. Dr. M. Maceo Nance, Jr., president of South Carolina State College for 19 years will also retire at the end of this academic year. He has served the Nation, the State of South Carolina, and black higher education with distinction. As a member of the board of directors of the office for black public colleges at the National Association for State Universities and Land Grant Colleges and the educational testing service's HBC-ETS black college collaboration, he has been instrumental in fashioning national policy on behalf of black colleges and universities and blacks in higher education. We will miss his contribution and South Carolina State will miss his leadership.

My distinguished Republican colleague from South Carolina, with whom I have the pleasure of serving on the Judiciary and Labor and Human Resources Committees, spoke at Dr. Nance's birthday celebration. Senator Thurmond has been a longstanding supporter of historically black colleges and universities, regularly introducing a resolution commemorating historically Black Colleges Day. He has also been a strong advocate and supporter of my legislation to create the Black College and University Act, which has been included in S. 1965, the Higher Education Act Amendments of 1985 as reported by the Committee on Labor and Human Resources.

I ask that his remarks be printed in the Record.

The remarks follow:

Address by Senator Strom Thurmond at the Dr. Maceo Nance Birthday Celebration

It is indeed a pleasure to be here tonight to pay tribute to a role model for young people, a National leader in higher education, the moving force behind the modernization of a great college, and a good friend, Dr. Maceo Nance.

In 1968, South Carolina State College was the focus of racial tensions in this Country. The enrollment was less than two thousand students. There was no School of Business or School of Engineering. The curriculum here did not include studies in nursing or agribusiness. There was no Martin Luther King, Jr. Auditorium, Smith-Hammond-Middleton Physical Education Center, I. P. Stanback Museum and Planetarium, Donma Administration Building, Nance Hall Classroom Building, or Sojourner Truth Residence Hall for Women. There was no sports program for women.

All of this was before the man whom we honor tonight became President of South Carolina State College.

As I reflect on the period of time between 1968 and 1986, I sincerely believe that no State has made more progress to ensure that the rights and opportunities of all citizens are safeguarded than South Carolina. The contributions which Dr. Nance made to this great achievement will not be forgotten.

The enrollment at South Carolina State has more than doubled during the Nance era. Thirty buildings on this attractive campus have either been constructed or improved since 1968. No mathematical computation can accurately gauge the expanded educational opportunities or improved quality of education presently available at South Carolina State College.

Although it was not highly publicized, March 19, 1986 was an important date to those of us who care about South Carolina State College, and all other institutions which provide higher education opportunities to low income, educationally disadvantaged young people. On that date, the Senate Labor and Human Resources Committee, of which I am a member, voted in favor of the Higher Education Reauthorization Act. Included in that bill was a five-year reauthorization of what used to be known as the "Title III—Institutional Aid Programs." These important programs recognize the contributions which Historically Black Colleges and Universities have made to this Nation.

I am proud to have actively worked with Senator Paul Simon to reauthorize these programs. This bill establishes a new "Part B" which is authorized exclusively for Historically Black Colleges. The United Negro College Fund and the National Association for Equal Opportunity in Higher Education (NAFEO) strongly support this legislation.

In two weeks, I will be one of several members of Congress honored by NAFEO for efforts on behalf of Historically Black Colleges. Although I appreciate such recognition, it is accepted with the knowledge that my commitment to these institutions has been gained through observing the valuable contributions made by these colleges, and because of my personal respect and deep admiration for leaders in Higher Education, like Dr. Maceo Nance.

Dr. Nance, we are proud of what you have accomplished here. Although you are retiring, I am sure that your influence in making South Carolina State College such an outstanding institution will be felt for many years. I wish you a happy birthday, and many more filled with good health in the future.●

BENAZIR BHUTTO RETURNS TO PAKISTAN

● Mr. KENNEDY. Mr. President, the people of Pakistan have been living under military rule since General Mohammad Zia ul-Haq seized power in a military coup in 1977. But today it appears that Pakistan has made some progress in the effort to return to democracy. Last December, President Zia announced the lifting of martial law and the return of civilian rule. And yesterday, Benazir Bhutto was allowed to return—in safety and in freedom—to her homeland.

The response of the Pakistani people has been overwhelming. I have received reports from Pakistan that 300,000 people greeted Ms. Bhutto when she arrived at the airport and that 1 million Pakistanis gathered in downtown Lahore to hear her speak and to welcome her home. Ms. Bhutto's return and her continued ability—freely and safely—to participate in the political affairs of her nation will test the commitment of the Pakistani Government to fundamental democratic principles.

In returning to Pakistan, Benazir Bhutto has shown great personal courage. It is clear that she commands the support of large numbers of Pakistani citizens, and if it was not clear before her return to Pakistan, it should be clear now that she is a major political leader who has a serious claim to political power—if democracy is permitted to run its course.

Pakistan and the United States have been close friends and have worked together on many common projects throughout the years. Our ties continue to be close. For that reason, we should make sure that the United States does not allow itself to be perceived as an enemy or an adversary of democracy inside Pakistan, and that we exercise whatever influence we have to make certain that human rights are respected and that the progress toward democracy continues. We will be watching very closely how the Pakistani Government deals with Benazir Bhutto, and we can only pray—for the future peace and well-being of the Pakistani people—that she is continued to be free to participate in the political affairs of her country without fear for her personal safety or for her freedom.

I ask that the newspaper reports of Benazir Bhutto's return to Pakistan—from the New York Times and from the Washington Post—be inserted in the Record.

The material follows:

[From the New York Times, Apr. 11, 1986]

A Daughter Returns to Pakistan To Cry for Victory

(By Steven R. Weisman)

Lahore, Pakistan, April 10.—Hundreds of thousands of people thronged the streets today demanding the ouster of President Mohammad Zia ul-Haq in the biggest anti-Government rally in Pakistan since General Zia seized power in a military coup in 1977.

The immense crowd turned out peacefully to cheer their loyalty instead to Benazir Bhutto, 33-year-old daughter of Prime Minister Zulfikar Ali Bhutto, who was overthrown and later executed by General Zia. Miss Bhutto arrived here this morning from a long self-imposed exile to proclaim herself heir to her father's once powerful political movement.

"Zia out! Zia must go!" the crowd shouted and chanted as Miss Bhutto declared, "The time has come to be united and push out the dictator who has ruled us for these nine years."

Others in the throng shouted, "Zia is a dog!" and along the route of a nine-hour procession through the broad streets of this historic city many Pakistanis burned American flags and shouted "down with America!" and other anti-American slogans. Their anger was a reflection of the widespread view in the opposition that General Zia has been propped up for many years by encouragement and economic and military assistance from Washington.

CROWD BEYOND EXPECTATION

The size of the crowd went far beyond the expectation of many politicians, diplomats and other analysts who had doubted that Miss Bhutto could galvanize the kind of support for which her father was famous. Before she arrived, however, Miss Bhutto's supporters were asserting that she could oust General Zia the way President Corazon C, Aquino has ousted Ferdinand E. Marcos in the Philippines.

Picking up on this theme, Miss Bhutto told the crowd that 1986 was "a bad year for dictators" because of what happened in both the Philippines and Haiti. "Marcos is gone, the president of Haiti is gone, and now another dictator must go," she declared as the crowd roared its delight.

But despite the enthusiasm of the opposition, it remained unclear whether Miss Bhutto would be able to translate her evident popularity into an actual drive to throw out Mr. Zia. The tone of her speech was emotional but it did not call for an actual public uprising or confrontation with the Government. At the rally's conclusion, the crowd drifted off peacefully in a festive but nonviolent mood. "I have not come here to take revenge," she told them.

RELAXED ENVIRONMENT REFLECTED

The fact that the rally was permitted to take place was a reflection of the relaxed political environment in Pakistan and what some say is the growing confidence of the country's recently installed civilian leaders that their Government can withstand a challenge from Miss Bhutto.

General Zia ruled under martial law from 1977 until last Dec. 30, when he formally restored civilian rule but retained his position as president and army chief of staff. The actual running of the Government—setting foreign and domestic policy, administering the bureaucracy, regulating political activities and maintaining order—is in the hands of a civilian cabinet led by Prime Minister Mohammad Khan Junejo.

The civilian leaders, elected a year ago, have been trying to establish their credibility in the eyes of potential supporters of Miss Bhutto. Earlier this week, Prime Minister Junejo held a rally in Lahore where he announced a scheme to hand over land to urban squatters. But the size of his rally was dwarded by Miss Bhutto's crowd today.

IN EXILE OR DETENTION

Miss Bhutto has spent most of the last nine years in exile or under detention here. She returned to Pakistan last summer briefly to attend a funeral for her slain brother,

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Shahnawaz. The funeral drew tens of thousands of mourners. But many politicians said this was far fewer than had been expected. Later Miss Bhutto was put under house arrest for supposedly engaging in opposition activities, but she was permitted to return to exile in London.

For months, politicians have openly questioned whether she had the support to lead the opposition. Even her own party, the Pakistan People's Party, has been split over whether to cooperate with or confront General Zia's regime. The larger coalition of parties opposed to Mr. Zia is also divided over whether to accept her leadership.

But with her rally today, Miss Bhutto appeared to sweep aside these doubts and open a new chapter in the country's turbulent history. After arriving from London and spending the day on top of a truck in the city streets she spoke in the shadow of the old Red Fort and Lahore Mosque built by the Mogul emperors. Earlier, Miss Bhutto appeared to many to look uncertain and reticent, but at the end of her one-hour speech, she was shouting, grinning broadly and leading the crowd in chants.

EVOKES HER FATHER

Everywhere in the streets there were pictures of her and especially of her father, a charismatic politician from Sind province who came into power in 1971 after Pakistan lost a war with India. Prime Minister Bhutto was hanged in 1979 by General Zia's Government, which charged him with plotting the murder of a political foe.

Today Miss Bhutto evoked her father again and again, at one point declaring to the crowd: "Seeing you, the people, makes me feel that Bhutto is alive before my eyes. He told me at our last meeting at Rawalpindi jail that I must sacrifice everything for my country. This is a mission I shall live or die for."

At the end of the speech, Miss Bhutto seemed exhausted. Her voice was hoarse, but she seemed elated with the response.

Although all of Lahore seemed caught up in the mood of the rally, there was very little disorder. The police remained mostly on the sidelines and army troops remained in their barracks.

It appeared that the Government of Prime Minister Junejo was pinning its hopes on the possibility that the rally today would let off steam among the opposition without leading to further turmoil in the streets, which have been a feature of Pakistan's history.

The country has had martial law three different times when the situation in the streets erupted with protest, and many politicians fear this could easily happen again. That is why not all of those opposed to the Government favor an approach of raising a challenge in the streets. Instead some of these opponents are calling for foes of General Zia to wait until the next elections in four years, register their parties legally and try to oust Mr. Zia through the democratic process. Miss Bhutto has already rejected that approach, but it remained unclear what she would do next with her newly proclaimed support.

[From the Washington Post, Apr. 11, 1986]

Pakistani Crowd Hails Return of Exiled Opposition Leader

(By James Rupert)

Lahore, Pakistan, April 10.—Hundreds of thousands of Pakistanis roared their condemnation of President Mohammed Zia ul-Haq and their support for Benazir Bhutto today as the opposition leader returned from political exile.

The return of the daughter and political heir of former prime minister Zulfiqar Ali Bhutto appeared to mark Zia's most serious domestic political challenge. She has vowed to campaign for Zia's resignation and for immediate national elections to replace the man who overthrew her father in 1977 and then saw him executed.

Before her return, Bhutto, 32, had told interviewers in London that she would not launch a "frontal attack" on Zia's government. But, speaking at a massive rally in Lahore's old city tonight, Bhutto said that if Zia refused to step down and schedule new elections, "the people will pursue their own line of action."

The massive welcome—which many local residents judged the largest gathering in Lahore since Pakistan's formation—confirmed that Bhutto retains a powerful hold over a substantial segment of the population for which her father remains a political hero.

Inching through the often frantic crowds, her motorcade needed 10 hours to travel the eight miles from the airport to the rally. Bhutto supporters stripped the flowers from public gardens along the route to toss them at Bhutto's truck, at foreign correspondents and each other.

The crowd was sometimes euphoric but more often angry, chanting slogans against Zia and U.S. support for him, "America is the murderer of [Ali] Bhutto and Pakistan," they chanted.

At one point—amid a forest of red, green and black flags of Bhutto's Pakistan People's Party—a half dozen U.S. flags waved above the demonstrators before bursting into flame, one by one.

"We knew she would get the largest crowd," said Mohabbat Ali Dogar, a Lahore lawyer and a senior official of Prime Minister Mohammed Khan Junejo's Moslem League party. "She is very popular here in Punjab, and the government is keeping its hands off" the demonstration.

In 1977, Zia overthrew Ali Bhutto in a military coup and immediately declared martial law. Zia lifted the martial law last December as part of a controlled return to civilian rule.

With the encouragement of the Reagan administration, Zia last year held nonpartisan elections to a National Assembly—elections that Bhutto's party and other opposition groups boycotted as unfair. The elections gathered a respectable turnout, however, and produced a conservative assembly from which Zia appointed Prime Minister Junejo and a civilian Cabinet.

Bhutto's party and the 11 smaller members of the opposition Movement for the Restoration of Democracy have been permitted to resume political activities under civilian rule, but have insisted on new elections, which they say cannot be fair under Zia's authority.

Bhutto landed shortly after dawn at Lahore International Airport, where other flights were canceled, as riot police were deployed and barbed-wire barricades were set up to hold back thousands who had gathered overnight to greet her. Although the authorities had called in thousands of police from surrounding areas, they were kept out of view during the day in an attempt to avoid provoking the often hostile crowds.

During today's motorcade, the crowd's most consistent chant proclaimed, "Zia is a dog," and demonstrators laughed at a man who portrayed the Pakistani ruler by crawling along the street with a leash around his neck. Demonstrators shouted over the constant beat of drums and the chanting crowd to explain their anger.

"The reason we support Benazir is because Zia has brought us years of martial law and repression," shouted Parvaiz Gill, a Lahore veterinarian. Referring to the name Pakistan, which translates as "land of the pure," Gill said, "Zia has given us not a democratic Pakistan but his own Pseudostan."

"There have been no human rights under Zia's martial law," said Tariq Rahim, a university engineering student. "Zia claims to rule in the name of Islam, but his martial law is anti-Islamic."

During the motorcade, Bhutto showed neither the anger nor the euphoria of her supporters. Appearing self-conscious, she waved and saluted to the crowd with the same gestures her father once used, and periodically readjusted a scarf over her head when it slipped to her shoulders.

Arriving this evening at Lahore's independence monument to address the rally, Bhutto was nearly crushed among her supporters packed tightly around the podium. Angered at being pushed, she suddenly lashed out at a young man, shouting at him as she grabbed him by the hair and slapped him.

Her voice often shrill, Bhutto repeated a comparison she has made in recent weeks between Pakistan and the Philippines, whose people recently deposed an authoritarian president, Ferdinand Marcos. "Marcos had to run from the Philippines," she said, "and after this evening another dictator will have to run."

Bhutto declared that her massive welcome represented a popular referendum in Lahore against Zia.

Bhutto tried to reinforce her traditional appeal to many Pakistanis as the political successor to her father—and as a woman who, with her family, has suffered under Zia. She told of promising her father, in their last conversation before his execution, to pursue the populist political themes that made him almost a cult figure for many in this country.

The longstanding anti-American stance of the Bhutto party—beginning with Ali Bhutto, who accused the United States of engineering his downfall—was symbolized by a massive portrait, hung near the podium, that showed Bhutto clasping hands triumphantly with Libya's Col. Muammar Qaddafi. But in her speech, Benazir Bhutto left out the anti-American rhetoric of many of her supporters, and noted that she had visited both Washington and Moscow in the weeks before her return.

Responding largely to criticism from leftists in the opposition who suggested she might be coopted by the United States, Bhutto insisted that she held a balanced position between the two superpowers and had acted only "as the agent of the Pakistani people."●

THE EGYPT-ISRAEL TREATY, 7 YEARS LATER

● Mr. SIMON. Mr. President, recently our former Ambassador to Israel, Samuel W. Lewis, had an item in the New York Times that I think is important for Members of this body to read.

Since Egyptian-Israeli relations are not as completely cordial as we would like, there are some who say that the whole Camp David process and the whole Egyptian-Israeli peace effort was meaningless or worse.

That sentiment is expressed sometimes by people here and sometimes by people in Israel and Egypt.

The reality is that things have not gone as well as we had hoped, but that agreement has totally changed the map of the Middle East.

The momentum prior to this agreement was in the direction of war. Now the momentum, however slow it is sometimes, is in the direction of peace.

Ambassador Lewis has made an important contribution to our understanding with this article, which I urge my colleagues to read, and I ask that it be printed in the Record.

The article follows:

[From the New York Times, Mar. 23, 1986]

The Egypt-Israel Treaty, 7 Years Later

(By Samuel W. Lewis)

Washington.—Seven years have passed since that chilly afternoon in late March 1979 when a festive crowd gathered before the north portico of the White House to witness a historic drama—the signing of the first peace treaty between Israel and an Arab state. A new era was dawning, or so it seemed. The pageantry of peace-making silenced, for a heady moment, the doubts and fears of the skeptics.

Seven years later, the Egyptian-Israel peace treaty appears a lonely relic of shattered dreams. Anwar el-Sadat is gone, Menachem Begin in seclusion, Jimmy Carter far from power. Their successors do, on occasion, politely commend their achievement, but today's preoccupations lie elsewhere. In both Israel and Egypt, there is widespread disillusionment with the peace, though few in either country speak of overturning it.

Both President Hosni Mubarak and Prime Minister Shimon Peres—preoccupied with other matters, at home, in the Arab world and over the West Bank and Gaza—grope for some way to rekindle the warmth that has gone out of this peace. As yet, the results are meager, though negotiators still meet, and meet, and meet again.

Nonetheless, peace it is, in a tormented region where peace is rare and warfare and terror seem endemic. The largest, most populous, most powerful Arab state has an open border with Israel, which had never in its modern history seen its citizens crossing any of its land frontiers as simple tourists. Hundreds of thousands of Israelis have by now been photographed by the pyramids and befriended by anonymous Egyptians in coffee houses, hotels and homes. A thin trickle of Egyptians have in turn ventured to Tel Aviv, Jerusalem, Haifa—not many, but some.

Egypt's bustling Embassy in Tel Aviv is, after the United States mission, the largest, most active diplomatic establishment in Israel. The continued absence of an Egyptian ambassador, recalled in the wake of the Sabra and Shatila massacres near Beirut in September 1982, deeply rankles Israeli sensitivities. Yet Egypt's able charge d'affaires ranges far and wide among Jews and Arabs alike—on television, at academic conferences, in frequent meetings with senior Cabinet ministers.

Israel's Embassy in Cairo is much more isolated, prey to an unacknowledged near-boycott by Egyptian officialdom. Even so, Ambassador Moshe Sasson, fluent in Arabic, moves widely, with his staff, in unofficial Egyptian circles. The Israeli flag flies in Cairo and the Embassy plays an important role in analyzing the political, economic and social currents flowing alongside the Nile.

There is little trade, except in oil; Israel buys much of its energy from Egypt. There could and should be more trade if negotiations revivify some of the many now moribund normalization agreements of 1981 and 1982. The two economies are, however, scarcely complementary, and trade potential is limited.

The border is peaceful, yet watched carefully by a 3,000-man multinational force. Tourists cross it uneventfully by bus, taxi and car at two points, hampered only by outmoded Egyptian bureaucratic practices. A daily flight leapfrogs the intervening desert in one hour; the overland trip takes about eight. Today, the planes fly three-fourths empty, but they fly.

Disputes, misunderstandings, suspicions, random tragedies like the shooting last autumn of Israeli tourists in Sinai by a fanatical Egyptian policeman, unfulfilled promises, bitter media attacks—all continue to roil the peace. Just last week, terrorists killed two Israeli diplomats in Cairo and wounded others. Yet leaders reaffirm their fidelity to peace, exchange visits and encourage their negotiators to keep trying.

In truth, this "peace' is not much different from the kind of "peace" enjoyed by other nations around the world: colder than most, but warmer than many—India and Pakistan for instance, Greece and Turkey, or the United States and the Soviet Union. It is peace—a first for the region—and it is broadly supported by the common people of both countries who have lost too many sons in fruitless wars to want to fight again. And since it serves the basic interests of both nations, the treaty is a sturdy plant that will not easily be uprooted, even if icicles at times weigh it down.

Egypt's leaders sustain it for another reason: pride prohibits their admitting to Arab critics that Mr. Sadat's choice, to exchange peace for lost lands, might have been mistaken. Israel's leaders embrace it because it realizes a part of the Israelis' fervent dream—acceptance by its neighbors. And, of course, peace in the south frees energy to confront Syria in the north.

Why, then, the disillusionment?

For Israelis, the answer lies in the gap between the dream and the reality. Never having known any peace at all in the 31 years of existence that predated this treaty, Israelis naively imagined that peace would mean warmth and friendship, not merely the absence of war. Many subconsciously took the American-Canadian peace as the model. When reality was different, Israelis felt irrationally betrayed—and the idea of peace itself seemed diminished in value.

That disillusion has produced a damaging side-effect: The Israeli public is now less, not more, convinced that giving up strategic depth in territory is worth the risk—if the result is only a "cold peace," hardly more in reality than the de facto state of "nonbelligerency" that already exists on Israel's eastern border with Jordan. "Territory for peace" is a controversial slogan in Israeli politics at best—and the "cold peace" with Egypt makes it less attractive today.

For Egyptians, there has also been disillusionment. Mr. Sadat led them to believe that peace would help overcome their economic hardships, that a settlement of the Palestinian problem would follow, that the Arab world would copy Egypt's example and Egypt would regain its traditional place as Arab leader.

None of that occurred. Instead, a negotiating stalemate thwarted fulfillment of the part of the agreement intended to provide a transitional period of real autonomy for the West Bank and Gaza, while Israeli forces struck at the Iraqi nuclear reactor and the Palestine Liberation Organization in both Beirut and Tunis. Egyptian counsel was ignored in Jerusalem, and Egypt did not become a bridge between Israel and other Arab states. Most important, inexorable population growth and Arab economic sanctions left the Egyptian people still desperately poor and with decreasing hope.

Nevertheless, the peace stands intact after seven blustery years. It survived a vicious war in Lebanon and the Isaeli occupation of a great Arab capital. It withstands the strain of an unresolved border dispute over Taba, on the Red Sea, and endures Syrian and Libyan efforts to undermine it. It is not what was once dreamed of, but it is peace—real peace, buttressed by United States support for both nations.

In a region where peace has been determinedly elusive, the Egyptian-Israeli treaty is a mountain peak in a sea of sand. There is no stomach in either people to overturn it. And nothing will again be the same in the Middle East in its wake.●

SENATE JOINT RESOLUTION 226, WORLD HEALTH WEEK

● Mr. BINGAMAN. Mr. President, on March 27, 1986, Senate Joint Resolution 226, a resolution to designate the week of April 6, 1986, through April 12, 1986, as "World Health Week," and to designate April 7, 1986, as "World Health Day"—became Public Law 99-268. At this time I call this law to the attention of my colleagues and I commend Senator Riegle for sponsoring the measure.

World Health Week is a reminder to us all that the health of a nation depends on the health of its people. The United States accepts the principle stated in the constitution of the World Health Organization that by improving the health of Americans we contribute to world health, which in turn contributes to the health of our Nation. Countries of the world, acting through the World Health Organization, are committed to the goal of "Health for All by the Year 2000." This week we recognize that effort by designating a commemorative week and day to call attention to what individuals and governments can do to promote health. I strongly support this effort.

I am especially committed to improving the health of Americans through health promotion and disease prevention as a means to improve individual health. Becoming concerned with health promotion is justified because of the need for this country to become more productive and remain competitive in our global economy. Currently, we spend close to 11 percent of our gross national product on health care

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costs. This expenditure drains our resources and should alert us to look toward prevention rather than treatment as a way to control rising health care costs. Health promotion and disease prevention must be an essential part of our strategy to develop a more productive and more competitive America.

As we recognize this week as "World Health Week" I hope we all are mindful of the continuing need for all Americans to lead healthier lives. We should also continue to be aware of the links between health care costs, health promotion, and our national competitiveness.●

INNA AND NAUM MEIMAN: A MIND IS A TERRIBLE THING TO WASTE

● Mr. SIMON. Mr. President, we, as Americans, are fortunate to be able to choose the profession we wish to pursue. In some cases, training takes months; in highly professional careers, we go through arduous years of training. When the training is finally complete and employment is obtained, we expect that we will be given ample equipment, staff, and supplies required to perform that job. In most cases, those expectations are met.

In the Soviet Union, however, a man named Naum Meiman sits at home, idle, deprived of professional contacts, despite his past years of brilliant work as a physicist. Although Naum is over 70, it is not his years that keep him from his work. It is the Soviet Government. Because Naum and Inna, his wife, have applied to leave the Soviet Union, the Government decided that the Meimans should be shunned by Soviet society at all levels. Naum was fired from his job.

Naum tries to work at home, but without constant interaction with his colleagues he cannot use his training as a physicist to contribute to the march of science. All Naum and Inna wish to do is to leave the Soviet Union to live quietly in Israel.

I urge the Soviet authorities to allow the Meimans to go to Israel.●

CAMPAIGN FINANCE REFORM

● Mr. BOREN. Mr. President, late last year, as the Senate adjourned at the end of the first session of the 99th Congress, we approved, S. 655, the Central States Low Level Radioactive Waste Compact, without final consideration of my amendment—cosponsored by 10 of our colleagues—dealing with campaign finance reform.

At that time, it was agreed that for the first couple of months of 1986, the Rules and Administration Committee would be given time to hold hearings in consideration of this legislation, as well as the bills sponsored by the Senator from Pennsylvania, Mr. Heinz, and the Senator from Maryland, Mr. Mathias.

It was further understood, that because of the overwhelming vote of 84 to 7, not to table my bill, the Senate was clearly serious about campaign finance reform. Members of this body paid great verbal service to calling for reform of the campaign laws which govern the integrity of our democracy. Yet, out of a desire to have possible solutions carefully weighed through the committee process prior to floor action, the Senate then voted only to symbolically call for reform.

In an effort to keep debate completely open for others to add to and strengthen our bill, S. 1806, and in light of the importance of the committee process, I agreed to allow the Central States Compact to be approved by the Senate in return for an assurance of committee consideration and the right to have S. 655, which is now a shell of a bill, to remain on the Senate Calendar. Therefore, should a committee proposal not be reported in time for Senate and House action this year, we could bring S. 1806 back to the floor, as an amendment to S. 655.

Mr. President, let me commend the chairman of the Rules and Administration Committee for arranging a quick hearing upon the Senate's return in January. Another hearing was held 2 weeks ago, and hopefully, further action will take place very soon.

In light of the possibility that no committee recommendation may come forward, or if progress toward such a proposal is not apparent, I think it only fair that I advise my colleagues of my intention to again bring my legislation before the full Senate. I have contacted the majority leader to advise him of my intentions and to ask his assistance in bringing a proposal to the floor.

The seriousness of the problems in our election process are too severe to allow the passing of yet another election cycle. As I told my colleagues in December, I will push for this reform again, and again, and again, until the focus of the Senate is firmly set on this crisis of liberty.●

PC CLASS OF '61—A QUARTER CENTURY!

● Mr. PELL. Mr. President, I rise to offer congratulations to the class of 1961 at Providence College which this year is celebrating the 25th anniversary of graduation.

It was a quarter of a century ago that this group of talented young men, most of them residents of Rhode Island, left "PC"—as it is affectionately known in my State—to pursue careers, marry and raise families, and embark on a multitude of ventures and adventures.

For all of this they were admirably prepared by the fine education which Providence College and its Dominican Fathers have been providing to the young men and, in the last 15 years, women of my State since 1919.

And the members of this class have indeed distinguished themselves. They are among Rhode Island's most prominent attorneys, physicians, businessmen, educators, and public servants. And many of them are contributing significantly to other States to which they have moved since leaving Providence College.

I cannot help mentioning the fact that the year of their graduation has special meaning for me, for in January 1961 I was sworn in as a Member of this body. I remember that time as if it were yesterday. It was a time of great hope and excitement in our State and our country, the state of a new decade. And we were specially excited and challenged by a young President from a neighboring State who embodied so many of our hopes and dreams.

So, Mr. President, I congratulate these men and wish them a happy reunion, full of warm memories and renewed friendships. And I wish them and their families continued success and happiness in the years to come.●

ORDERS FOR MONDAY, APRIL 14, 1986

Mr. RUDMAN. Mr. President, I ask unanimous consent that once the Senate completes its business today it stand in recess until the hour of 12 noon on Monday, April 14, 1986.

Further, I ask unanimous consent that, following the recognition of the two leaders under the standing order, there be special orders in favor of the following Senators for not to exceed 5 minutes each: Senator Hawkins, Senator Proxmire, Senator Weicker, and Senator Cranston.

Following the special orders just identified, I ask unanimous consent that there be a period for the transaction of routine morning business not to extend beyond the hour of 1 p.m., with Senators permitted to speak therein for not more than 5 minutes each.

The PRESIDING OFFICER. Without objection, it is so ordered.

PROGRAM

Mr. RUDMAN. Mr. President, at the conclusion of routine morning business, the Senate could turn to any of the following: the motion to proceed to S. 1774, the Hobbs Act; S. 1236, technical amendments to the crime bill; or any other legislative or executive calendar items that can be cleared for action.

I now ask my friend, the distinguished Democratic leader, if he has anything that he would like to address to the Chair or to the body before we call for a recess today on Friday.

Mr. BYRD. Mr. President, I thank the distinguished Senator for his characteristic courtesy.

CONDOLENCES TO ALAN FRUMIN

Mr. BYRD. Mr. President, I wish to take this moment to extend my sincere condolences to Alan Frumin, the Senate's Assistant Parliamentarian, whose mother Nanette Frumin passed away yesterday.

Alan has been with the Parliamentarian's office since January 1977 and has from the beginning served the Senate in a courteous, thorough, and most able way. I am confident that I speak for all who know Alan, both Senators and staff alike, when I express our sympathies and say that our prayers go with Alan and his family in this their time of grief.

Mr. RUDMAN. Mr. President, I wish to thank the Democratic leader, certainly on behalf of everyone on this side of the aisle, for those sentiments.

ORDER OF PROCEDURE

Mr. RUDMAN. Mr. President, I understand there may be one item that is now ready to be brought to the floor that has been cleared. I am going to wait just a short time to see if that is accomplished. If not, I will ask that the Senate recess. In the meantime, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. RUDMAN. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

RECESS UNTIL MONDAY, APRIL 14, 1986

Mr. RUDMAN. Mr. President, there appears to be no further business to come before the Senate. Therefore, I move, in accordance with the previous order, that the Senate stand in recess until Monday, April 14, 1986, at 12 noon.

The motion was agreed to, and at 5:25 p.m., the Senate recessed until Monday, April 14, 1986, at 12 noon.

CONFIRMATIONS

Executive nominations confirmed by the Senate April 11, 1986:

DEPARTMENT OF THE TREASURY

J. Roger Mentz, of New Jersey, to be an Assistant Secretary of the Treasury.

DEPARTMENT OF STATE

H. Allen Holmes, of the District of Columbia, a career member of the Senior Foreign Service, class of Career Minister, to be an Assistant Secretary of State.

Otto J. Reich, of Virginia, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to the Republic of Venezuela.

Ronald S. Lauder, of New York, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to the Republic of Austria.

U.S. INTERNATIONAL DEVELOPMENT COOPERATION AGENCY

Henry F. Schickling, of Pennsylvania, to be a member of the Board of Directors of the Overseas Private Investment Corporation for a term expiring December 17, 1988.

Carlos Salman, of Florida, to be a member of the Board of Directors of the Overseas Private Investment Corporation for a term expiring December 17, 1988.

The above nominations were approved subject to the nominees' commitment to respond to requests to appear and testify before any duly constituted committee of the Senate.

THE JUDICIARY

Marian Blank Horn, of Maryland, to be a judge of the U.S. Claims Court for a term of 15 years.

DEPARTMENT OF JUSTICE

Ralph D. Morgan, of Indiana, to be U.S. Marshal for the southern district of Indiana for the term of 4 years.

John R. Kendall, of Michigan, to be U.S. Marshal for the western district of Michigan for the term of 4 years.

Emery R. Jordan, of Maine, to be U.S. Marshal for the district of Maine for the term of 4 years.

K. William O'Connor, of Virginia, to be U.S. attorney for the district of Guam and concurrently U.S. attorney for the district of the Northern Mariana Islands for the term of 4 years.

DEPARTMENT OF COMMERCE

Donald W. Peterson, of Missouri, to be Deputy Commissioner of Patents and Trademarks.

IN THE ARMY

The following-named officer to be placed on the retired list in grade indicated under the provisions of title 10, United States Code, section 1370:

To be lieutenant general

Lt. Gen. David K. Doyle, 578-40-4691, age 54, U.S. Army.

The following-named officer under the provisions of title 10, United States Code, section 601, to be assigned to a position of importance and responsibility designated by the President under title 10, United States Code, section 601:

To be lieutenant general

Maj. Gen. Thurman D. Rodgers, 408-48-2175, U.S. Army.

The following-named officer to be placed on the retired list in grade indicated under the provisions of title 10, United States Code, section 1370:

To be lieutenant general

Lt. Gen. Nathaniel R. Thompson, Jr., 183-20-5852, age 58, U.S. Army.

The following-named officer under the provisions of title 10, United States Code, section 601, to be assigned to a position of importance and responsibility designated by the President under title 10, United States Code, section 601:

To be lieutenant general

Maj. Gen. Henry Doctor, Jr., 251-44-7213, U.S. Army.

The following-named officer to be placed on the retired list in grade indicated under the provisions of title 10, United States Code, section 1370:

To be lieutenant general

Lt. Gen. Robert L. Moore, 223-40-5576, age 55, U.S. Army.

The following-named officer under the provisions of title 10, United States Code, section 601, to be reassigned to a position of importance and responsibility designated by the President under title 10, United States Code, section 601:

To be lieutenant general

Lt. Gen. Lawrence F. Skibbie, 278-26-4580, U.S. Army.

The following-named officer under the provisions of title 10, United States Code, section 601, to be assigned to a position of importance and responsibility designated by the President under title 10, United States Code, section 601:

To be lieutenant general

Maj. Gen. Peter G. Burbules, 352-24-3958, U.S. Army.

IN THE MARINE CORPS

The following-named officer to be placed on the retired list in the grade indicated under the provisions of title 10, United States Code, section 1370:

To be general

Gen. John K. Davis, 525-40-6605, U.S. Marine Corps.

The following-named officer, under the provisions of title 10, United States Code, section 601, to be assigned to a position of importance and responsibility designated by the President under title 10, United States Code, section 601:

To be general

Lt. Gen. Thomas R. Morgan, 199-22-0605, U.S. Marine Corps.

IN THE AIR FORCE

Air Force nominations beginning Nina K. Rhoton, and ending Janet C. Flournoy, which nominations were received by the Senate and appeared in the Congressional Record of March 20, 1986.

Air Force nominations beginning Janet C. Flournoy, and ending Charles A. Culver, which nominations were received by the Senate and appeared in the Congressional Record of March 20, 1986.

Air Force nominations beginning Warren O. Abraham, and ending Laura M. Zukowski, which nominations were received by the Senate and appeared in the Congressional Record of March 20, 1986.

Air Force nominations beginning Thomas E. Applegate, and ending Christopher M. Zahn, which nominations were received by the Senate and appeared in the Congressional Record of March 24, 1986.

IN THE ARMY

Army nominations beginning Melvin Abercrombie, and ending Douglas B. Tesdahl, which nominations were received by the Senate and appeared in the Congressional Record of March 14, 1986.

Army nominations beginning Charles R. Savely, and ending Robert Russell, which nominations were received by the Senate and appeared in the Congressional Record of March 27, 1986.

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IN THE MARINE CORPS

Marine Corps nominations beginning Michael T. Barry, and ending Paul C. Schreck, Jr., which nominations were received by the Senate and appeared in the CONGRESSIONAL RECORD of March 14, 1986.

IN THE NAVY

Navy nominations beginning Michael S. Anisowicz, and ending Gale J. Wolff, which nominations were received by the Senate and appeared in the CONGRESSIONAL RECORD of March 20, 1986.

Navy nominations beginning Timothy Higgins, and ending David D. Buckley, which nominations were received by the Senate and appeared in the CONGRESSIONAL RECORD of March 24, 1986.

Navy nominations beginning Jeffery J. Iovine, and ending Barry L. Hunter, which nominations were received by the Senate and appeared in the CONGRESSIONAL RECORD of March 24, 1986.

Navy nominations beginning Kathryn K. Murray, and ending John F. Wilker, which nominations were received by the Senate and appeared in the CONGRESSIONAL RECORD of March 26, 1986.

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Congressional Record

PROCEEDINGS AND DEBATES OF THE 99th CONGRESS, SECOND SESSION

HOUSE OF REPRESENTATIVES—*Monday, April 14, 1986*

The House met at 12 noon and was called to order by the Speaker pro tempore [Mr. MINETA].

DESIGNATION OF SPEAKER PRO TEMPORE

The SPEAKER pro tempore laid before the House the following communication from the Speaker:

WASHINGTON, DC, *April 11, 1986.*

I hereby designate the Honorable NORMAN Y. MINETA to act as Speaker pro tempore on Monday, April 14, 1986.

THOMAS P. O'NEILL, Jr.,
Speaker of the House of Representatives.

PRAYER

The Chaplain, Rev. James David Ford, D.D., offered the following prayer:

We pray, O gracious God, that You would give to us the vision to see the glory of justice and mercy, and also grant us the wisdom to find the right paths in order to gain these values. Give us also, we pray, the enthusiasm and vigor to search for the ways that make for peace. May we never be content to let selfishness or pride cloud our action, but may we seek Your righteousness and thus secure Your blessing. Amen.

THE JOURNAL

The SPEAKER pro tempore. The Chair has examined the Journal of the last day's proceedings and announces to the House his approval thereof.

Pursuant to clause 1, rule I, the Journal stands approved.

MESSAGE FROM THE SENATE

A message from the Senate by Mr. Hallen, one of its clerks, announced that the Senate agrees to the amendments of the House to the bill (S. 1282) "An act to revise and extend provisions of the Public Health Service Act relating to primary care."

The message also announced that the Senate had passed bills, joint resolutions, and concurrent resolutions of the following titles, in which the concurrence of the House is requested.

S. 8. An act to grant a Federal charter to the Vietnam Veterans of America, Inc.;

S. 2054. An act to provide that the National Aeronautics and Space Administration may accept gifts and donations for a space shuttle which may be named Challenger II;

S.J. Res. 188. Joint resolution to designate July 6, 1986, "National Air Traffic Control Day";

S.J. Res. 199. Joint resolution to designate the month of November 1986 as "National Elks Veterans Remembrance Month";

S.J. Res. 281. Joint resolution to designate the week of May 11 through May 17, 1986, as "Senior Center Week";

S.J. Res. 284. Joint resolution to designate the month of May 1986 as "Better Hearing and Speech Month";

S.J. Res. 300. Joint resolution to recognize and honor 350 years of service of the National Guard;

S.J. Res. 303. Joint resolution to designate April 1986, as "Fair Housing Month";

S.J. Res. 306. Joint resolution to designate the week beginning November 23, 1986, as "National Adoption Week".

S.J. Res. 307. Joint resolution to authorize and request the President to designate the week of April 18, 1986, through April 27, 1986, as "National Carpet and Floorcovering Week";

S.J. Res. 309. Joint resolution to designate the week of June 1, 1988, through June 7, 1986, as "National Intelligence Community Week";

S.J. Res. 315. Joint resolution designating May 1986 as "Older Americans Month";

S. Con. Res. 126. Concurrent resolution authorizing the rotunda of the United States Capitol to be used on May 6, 1986, for a ceremony commemorating the days of remembrance of victims of the Holocaust; and

S. Con. Res. 127. Concurrent resolution relating to predatory tied aid credits.

ANNOUNCEMENT BY THE SPEAKER PRO TEMPORE

The SPEAKER pro tempore. The Chair desires to announce that pursuant to clause 4 of rule I, the Speaker signed the following enrolled joint resolution on Friday, April 11, 1986:

S.J. Res. 261. Joint resolution to designate the week of April 14, 1986, through April 20, 1986, as "National Mathematics Awareness Week."

WAIVING CERTAIN POINTS OF ORDER AGAINST CONSIDERATION OF H.R. 4515, URGENT SUPPLEMENTAL APPROPRIATIONS, 1986, AND PROVIDING FOR CONSIDERATION OF JOINT RESOLUTION RELATING TO CENTRAL AMERICA CONTAINING ONLY THE TEXT OF SENATE JOINT RESOLUTION 283

Mr. BEILENSON, from the Committee on Rules, submitted a privileged report (Rept. 99-529) on the resolution (H. Res. 415) waiving certain points of order against consideration of the bill (H.R. 4515) making urgent supplemental appropriations for the fiscal year ending September 30, 1986, and for other purposes, and providing for the consideration of a joint resolution relating to Central America pursuant to the International Security and Development Cooperation Act of 1985 only containing the text of Senate Joint Resolution 283, which was referred to the House Calendar and ordered to be printed.

DEATH OF THE HONORABLE JOSEPH P. ADDABBO

Mr. STRATTON. Mr. Speaker, I offer a privileged resolution (H. Res. 416) on the death of the Honorable JOSEPH P. ADDABBO and ask for its immediate consideration.

The Clerk read the resolution, as follows:

H. RES. 416

Resolved, That the House has heard with profound sorrow of the death of the Honorable Joseph P. Addabbo, a Representative from the State of New York.

Resolved, That a committee of such Members of the House as the Speaker may designate, together with such Members of the Senate as may be joined, be appointed to attend the funeral.

Resolved, That the Sergeant at Arms of the House be authorized and directed to take such steps as may be necessary for car-

☐ This symbol represents the time of day during the House proceedings, e.g., ☐ 1407 is 2:07 p.m.

Matter set in this typeface indicates words inserted or appended, rather than spoken, by a Member of the House on the floor.

rying out the provisions of these resolutions and that the necessary expenses in connection therewith be paid out of the contingent fund of the House.

Resolved, That the Clerk communicate these resolutions to the Senate and transmit a copy thereof to the family of the deceased.

Resolved, That when the House adjourns today, it adjourn as a further mark of respect to the memory of the deceased.

The SPEAKER pro tempore. The gentleman from New York [Mr. Stratton] is recognized for 1 hour.

Mr. STRATTON. Mr. Speaker, the Members of the House have lost a very valuable and dedicated Member in the passing of the gentleman from New York [Mr. Addabbo]. He was one of the pillars of this House as the chairman of the Defense Appropriations Subcommittee, and he was a tireless proponent of a strong defense but not supporting a wasteful defense.

We have all recognized that the gentleman from New York has been fighting a personal battle over the last few months against illness, but he never gave up in that fight and he will certainly be missed.

One of the features, I think, of the gentleman from New York [Mr. Addabbo] was that, although he occupied one of the most responsible assignments in the House of Representatives, he always proceeded at a low key, was humble certainly, and was highly responsive not only to his constituents but also to his colleagues in the House.

Mr. HORTON. Mr. Speaker, will the gentleman yield?

Mr. STRATTON. I yield to my friend, the gentleman from New York.

Mr. HORTON. I thank the gentleman for yielding.

Mr. Speaker, it is with deep regret that I join with the gentleman from New York [Mr. Stratton] in sponsoring this resolution.

We truly have lost a friend in Joe Addabbo. I have known him since I have been here in the Congress. I serve as the vice chairman of the New York bipartisan delegation and as the dean of the Republican delegation. We join in sympathy for his loved ones. My wife, Nancy, and I join with the other Members in expressing our deep sympathy and regrets to his wife, Grace, and to the members of his family.

We will truly miss Joe Addabbo from the Halls of Congress.

Mr. GARCIA. Mr. Speaker, will the gentleman yield?

Mr. STRATTON. I yield to the gentleman from New York.

Mr. GARCIA. I thank the gentleman for yielding.

Mr. Speaker, I would just like to join with my colleagues, the gentlemen from New York [Mr. Stratton and Mr. Horton] and share their remarks.

I think probably the key to Joe Addabbo was that in all the years that he spent here, he was always fair, and I would say to the public which is viewing these proceedings today that he was truly a nice guy. I think that is probably the hallmark of the gentleman from New York [Mr. Addabbo] a person who could be a nice guy and at the same time be a true American and do what was necessary for our country.

Mr. STRATTON. I thank the gentleman.

Mr. Speaker, I would point out that we will, sometime next week, have a special order for our departed comrade. In the interim, let me advise Members that the Speaker will appoint a congressional delegation to attend the funeral services on tomorrow at 11 a.m. in New York City.

Members who desire to travel to that ceremony are advised to contact the Sergeant at Arms. The delegation will depart the House steps for Andrews Air Force Base at 7:30 a.m. The funeral mass will be in St. Patrick's Cathedral on Fifth Avenue at 11 a.m., and it is estimated that the delegation would return by 3:30 p.m.

Mr. Speaker, I yield back the balance of my time.

The resolution was agreed to.

A motion to reconsider was laid on the table.

HOUR OF MEETING ON TOMORROW

Mr. MONTGOMERY. Mr. Speaker, I ask unanimous consent that when the House adjourns today, it adjourn to meet at 3:30 p.m. on tomorrow, Tuesday, April 15, 1986.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Mississippi?

Mr. MICHEL. Reserving the right to object, Mr. Speaker, and I will not object, but might we have a little exchange here as to just what the program might be following the return of the Members from the funeral of our good friend, the gentleman from New York [Mr. Addabbo]?

The way I gather it, and the gentleman can correct me if I am mistaken here, after we return we will have one-half hour of 1-minute speeches tomorrow, and then move immediately to consideration of the rule on the Contras and on the supplemental appropriation.

□ 1210

Then we would proceed with general debate on the Contra issue. There are 2 hours of general debate. There would not be a vote after general debate, but I would caution Members that after the 1-minutes, and then after a discussion on the rule, there could very well be a vote on the previous question and a vote on the rule prior to our going into general debate.

So that would suggest then that the session could last beyond 7 o'clock tomorrow.

Mr. MONTGOMERY. What the gentleman has said is correct. I would like to repeat what the minority leader said.

We go in at 3:30 on Tuesday. There would be 30 minutes of 1-minute speeches with 15 minutes on each side. There could be a possibility on the rule of two votes.

After the rule, we would take up 2 hours of general debate on the supplemental and Contra aid, and no votes, and it would probably be around 8 o'clock when we would finish our business.

Also, the suspensions, if there would be a vote called today, those votes would lay over until Wednesday, not Tuesday.

Mr. MICHEL. Then we will make a decision tomorrow as to what time we come in on Wednesday, because under a previous dialog with the majority whip, as I recall, we made a point that any votes demanded on suspensions would be the first order of business supposedly on tomorrow, but now that is being delayed 1 day. So we will make a determination then in conjunction with the majority leadership on time which we ought to begin then on Wednesday so that we can proceed with consideration of that supplemental.

Mr. Speaker, I withdraw my reservation of objection.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Mississippi?

There was no objection.

VOTE "NO" ON AID TO THE CONTRAS

(Mr. EDWARDS of California asked and was given permission to address the House for 1 minute.)

Mr. EDWARDS of California. Mr. Speaker, more proof surfaces daily that we should not be sponsoring the Contra invasion of Nicaragua.

Friday we learn that the Contras are being investigated in Florida for gunrunning and drug trafficking.

Sunday we learn that the White House by withholding economic aid is strong arming Costa Rica to support us.

Sunday we learn that the CIA has secretly funneled several million dollars to the Contras, in addition to the $27 million approved by Congress last year.

Finally there is overwhelming evidence that the White House pressured Honduras into describing the incursion incident as a major invasion.

Mr. Speaker, tomorrow and Wednesday we will vote on the President's request for another $100 in Contra aid.

All the evidence demands a "no" vote.

HOUSE OF REPRESENTATIVES DELINQUENT ON TAXES

(Mr. LAGOMARSINO asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. LAGOMARSINO. Mr. Speaker, today is April 14, and the question being asked around the country is: Have you done your taxes?

I'm afraid the answer for the House is "no." Although taxpayers around the country will face severe questions from the IRS if they don't file their tax returns by tomorrow, this House does not face so much as a slap on the wrist, despite the fact that we have not obeyed our own law and completed action on the 1987 budget resolution.

We apparently hold ourselves above the law: We face no monetary penalties; no one is going to put a lien on our furnishings or padlock the doors of this House.

Actually, Mr. Speaker, if it were not for the fact that the Constitution makes us immune from prosecution for our actions on this floor—or lack of action—there is no doubt in my mind that the Federal marshals would be in here at midnight tomorrow, asking us to present either a budget resolution or ourselves.

I find it more than ironic that we insist upon penalty of jail that the taxpayers meet their obligation, but that we not only refuse to meet ours, and in doing so, refuse even to tell them what we are going to do with their money. We should be ashamed.

But believe me, the taxpayers know of our delinquency, and they will hold us accountable. Not tomorrow, perhaps, and not next month, but certainly next November, because that is the time when the tables are turned.

COMMUNICATION FROM THE CLERK OF THE HOUSE

The SPEAKER pro tempore laid before the House the following communication from the Clerk of the House of Representatives:

Washington, DC,
April 11, 1986.

Hon. Thomas P. O'Neill, Jr.,
The Speaker, House of Representatives,
Washington, DC.

Dear Mr. Speaker: Pursuant to the permission granted in Clause 5, Rule III of the Rules of the U.S. House of Representatives, I have the honor to transmit sealed envelopes received from the White House at 3:05 p.m. on Friday, April 11, 1986, as follows:

(1) Said to contain a message from the President wherein he transmits the Report of the Department of Health and Human Services regarding the administration of the Radiation Control for Health and Safety Act during Calendar Year 1985; and

(2) Said to contain a message from the President wherein he transmits the Annual Report on International Activities of U.S. Government Agencies in the Fields of Science and Technology for Fiscal Year 1985.

With kind regards, I am,
Sincerely,
Benjamin J. Guthrie,
Clerk, House of Representatives.

REPORT ON ADMINISTRATION OF RADIATION CONTROL FOR HEALTH AND SAFETY ACT—MESSAGE FROM THE PRESIDENT OF THE UNITED STATES

The SPEAKER pro tempore laid before the House the following message from the President of the United States; which was read and, together with the accompanying papers, without objection, referred to the Committee on Energy and Commerce:

(For message, see proceedings of the Senate of Friday, April 11, 1986, at page 7320.)

ANNUAL REPORT ON INTERNATIONAL ACTIVITIES OF U.S. GOVERNMENT AGENCIES IN THE FIELDS OF SCIENCE AND TECHNOLOGY—MESSAGE FROM THE PRESIDENT OF THE UNITED STATES

The SPEAKER pro tempore laid before the House the following message from the President of the United States; which was read and, together with the accompanying papers, without objection, referred to the Committee on Foreign Affairs and the Committee on Science and Technology:

(For message, see proceedings of the Senate of Friday, April 11, 1986, at page S4157.)

NATIONAL FOOD BANK WEEK

Mr. GARCIA. Mr. Speaker, I ask unanimous consent that the Committee on Post Office and Civil Service be discharged from further consideration of the joint resolution (H.J. Res. 234), designating the week of May 18, 1985, through May 24, 1985, as "National Food Bank Week," and ask for its immediate consideration.

The Clerk read the title of the joint resolution.

The SPEAKER. Is there objection to the request of the gentleman from New York?

Mr. HORTON. Mr. Speaker, reserving the right to object, I shall not object, but in the first instance, I would like to commend and congratulate the gentleman from California [Mr. Mineta] in his role as the Speaker pro tempore. It is a great honor to serve in the Chair, and especially to be named as the Speaker pro tempore, I think it is a great honor. I congratulate the gentleman from California in his role as Speaker pro tempore today.

Mr. Speaker, I do not object to this legislation. As a matter of fact, I concur in it, and the minority has no objections to the legislation now being considered.

Mr. Speaker, I withdraw my reservation of objection.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from New York?

There was no objection.

The Clerk read the joint resolution, as follows:

H.J. Res. 234

Whereas substantial evidence indicates that poverty in the United States has risen in recent years, with the Census Bureau reporting that 35,500,000 people currently live below the poverty line, the greatest such number in over 15 years;

Whereas the correlation between poverty and hunger has been demonstrated in national, State, and local studies;

Whereas an estimated 20,000,000 people in the United States periodically go hungry;

Whereas non-profit food banks all over the United States are witnessing an increasing demand for food from families, children, the elderly, unemployed workers, and the homeless;

Whereas despite such increasing demand, food banks are meeting the challenge of collecting surplus food which would otherwise be wasted and distributing it to food kitchens, day care centers, homes for the elderly, halfway houses, church-operated meal programs and needy families;

Whereas Second Harvest has become the nationally recognized leader and pioneer of food banking, has forged a successful working relationship with the Nation's food and transportation industries, and has obtained voluntary private sector response to the needs of the Nation's hungry;

Whereas Second Harvest succeeded in working with 235 national companies to distribute 76,000,000 pounds of food products through its member food banks during 1984;

Whereas from May 18, 1985, through May 23, 1985, Second Harvest is holding its national conference in the District of Columbia, to bring together its member food banks and their member food banks, and to focus attention on the growing food needs of people in the United States; and

Whereas Second Harvest, its members, and other food banks all over the United States deserve commendation for their work with private sector and non-profit organizations to help feed the Nation's hungry: Now, therefore, be it

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled, That the week of May 18, 1985, through May 24, 1985, is designated as "National Food Bank Week", and the President is authorized and requested to issue a proclamation calling upon the people of the United States to observe such week with appropriate ceremonies and activities.

AMENDMENT OFFERED BY MR. GARCIA

Mr. GARCIA. Mr. Speaker, I offer an amendment

The Clerk read as follows:

Amendment offered by Mr. Garcia: Page 2, line 3, strike "1985" each place it appears and insert "1986".

Mr. GARCIA. Mr. Speaker, what we are essentially doing is just updating this resolution. The resolution as it was prepared and submitted to the Clerk and to the House used the dates

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of 1985, and what we have done is just eliminated 1985 and inserted 1986.

The **SPEAKER** pro tempore. The question is on the amendment offered by the gentleman from New York [Mr. GARCIA].

The amendment was agreed to.

The **SPEAKER** pro tempore. The question is on the engrossment of the joint resolution.

The joint resolution was ordered to be engrossed.

AMENDMENTS TO THE PREAMBLE OFFERED BY MR. GARCIA

Mr. **GARCIA**. Mr. Speaker, I offer amendments to the preamble.

The Clerk read as follows:

Amendments to the preamble offered by Mr. GARCIA: In the seventh paragraph of the preamble—

(1) strike "235" and insert "over 250",

(2) strike "76,000,000" and insert "over 100,000,000" and

(3) strike "1984" and insert "1985".

In the eighth paragraph of the preamble—

(1) strike "1985" each place it appears and insert "1986",

(2) strike "May 23" and insert "May 22",

(3) strike "in the District of Columbia,", and

(4) strike "and their member food banks, and" and insert ", affiliated food banks, and food industry representatives".

The **SPEAKER** pro tempore. The question is on the amendments to the preamble offered by Mr. GARCIA.

The amendments to the preamble were agreed to.

The joint resolution was ordered to be read a third time, was read the third time, and passed.

TITLE AMENDMENT OFFERED BY MR. GARCIA

Mr. **GARCIA**. Mr. Speaker, I offer an amendment to the title.

The Clerk read as follows:

Title amendment offered by Mr. GARCIA: Amend the title so as to read: "Joint resolution designating the week of May 18, 1986, through May 24, 1986, as 'National Food Bank Week'."

The title amendment was agreed to.

A motion to reconsider was laid on the table.

OLDER AMERICANS MONTH

Mr. **GARCIA**. Mr. Speaker, I ask unanimous consent that the Committee on Post Office and Civil Service be discharged from further consideration of the Senate joint resolution (S.J. Res. 315) designating May 1986 as "Older Americans Month," and ask for its immediate consideration.

The Clerk read the title of the Senate joint resolution.

The **SPEAKER** pro tempore. Is there objection to the request of the gentleman from New York?

Mr. **HORTON**. Mr. Speaker, reserving the right to object, I will not object. As a matter of fact, I am one of the cosponsors of this Senate Joint Resolution 315 designating May 1986 as Older Americans Month.

The minority has no objection to the legislation now being considered, and we urge its approval.

Mr. Speaker, I withdraw my reservation of objection.

The **SPEAKER** pro tempore. Is there objection to the request of the gentleman from New York?

There was no objection.

The Clerk read the Senate joint resolution, as follows:

S.J. RES. 315

Whereas older Americans have contributed many years of service to their families, their communities, and the Nation;

Whereas the population of the United States is comprised of a large percentage of older Americans representing a wealth of knowledge and experience;

Whereas older Americans should be acknowledged for the contributions they continue to make to their communities and the Nation; and

Whereas many States and communities acknowledge older Americans during the month of May: Now, therefore, be it

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled, That in recognition of the traditional designation of the month of May as "Older Americans Month" and the repeated expression by the Congress of its appreciation and respect for the achievements of older Americans and its desire that these Americans continue to play an active role in the life of the Nation, the President is directed to issue a proclamation designating the month of May 1986 as "Older Americans Month" and calling on the people of the United States to observe this month with appropriate programs, ceremonies, and activities.

The Senate joint resolution was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

NATIONAL GARDEN WEEK

Mr. **GARCIA**. Mr. Speaker, I ask unanimous consent that the Committee on Post Office and Civil Service be discharged from further consideration of the Senate joint resolution (S.J. Res. 136), to authorize and request the President to issue a proclamation designating the calendar week beginning with Sunday, April 13, 1986, as "National Garden Week," and ask for its immediate consideration.

The Clerk read the title of the Senate joint resolution.

The **SPEAKER** pro tempore. Is there objection to the request of the gentleman from New York?

Mr. **HORTON**. Mr. Speaker, reserving the right to object, I will not object, but I will just take this occasion to inform the House that the minority has no objection to the legislation now being considered.

Mr. Speaker, I withdraw my reservation of objection.

The **SPEAKER** pro tempore. Is there objection to the request of the gentleman from New York?

There was no objection.

The Clerk read the Senate joint resolution, as follows:

S.J. RES. 136

Whereas the gardeners of this country produce an abundance of food for our people and enable us to export food to other countries which are in desperate need; and

Whereas the gardeners help to preserve and foster our traditional spirit of independence and individual initiative; and

Whereas gardening instills in our people, both young and old, a greater appreciation for nature, in general, and for our beautiful land, in particular; and

Whereas such appreciation naturally leads to a greater respect and care for our environment; and

Whereas gardening, in addition to being most beneficial for our country, furnishes a pleasant, healthful, and productive full- or part-time activity for a large number of our citizens; and

Whereas our gardens also yield flowers of great variety and breathtaking beauty; and

Whereas these flowers bring beauty into our lives and satisfy our aesthetic needs: Now, therefore, be it

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled, That the President is authorized and requested to issue a proclamation—

(1) designating the calendar week beginning with Sunday, April 13, 1986, as "National Garden Week"; and

(2) urging Federal, State, and local government agencies, as well as citizens and private organizations, to observe that week with educational efforts, ceremonies, and other appropriate activities which shall include the wearing of garden flowers as a symbol of our appreciation for the efforts and contributions of our gardeners.

The Senate joint resolution was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

EDUCATION DAY U.S.A.

Mr. **GARCIA**. Mr. Speaker, I ask unanimous consent that the Committee on Post Office and Civil Service be discharged from further consideration of the joint resolution (H.J. Res. 582), to designate April 20, 1986, as "Education Day U.S.A.," and ask for its immediate consideration.

The Clerk read the title of the joint resolution.

□ 1225

The **SPEAKER** pro tempore. Is there objection to the request of the gentleman from New York?

Mr. **HORTON**. Mr. Speaker, reserving the right to object, I will not object, but I take this occasion to inform the House the minority has no objection to the legislation now being considered. As a matter of fact, I urge its approval because I am one of the cosponsors of this resolution (H.J. Res. 582) to designate April 20 as Education Day U.S.A.

Mr. MICHEL. Mr. Speaker, I welcome this opportunity to say a few words about House

Joint Resolution 582, requesting the President to designate April 20, 1986, as "Education Day, U.S.A."

Along with the distinguished majority leader, JIM WRIGHT, I am sponsoring this resolution. We joined forces last year and I'm happy to be part of this worthy venture today.

As I said last year, I think it is fitting that the majority and the minority leaders, should cosponsor such a resolution. It deals with a subject that transcends partisan consideration.

We are seeing a rebirth of the old American idea of progress through education for all Americans. That's still a great idea.

April 20 also happens to be the 84th birthday of a remarkable religious leader, Rabbi Menachem Mendel Schneerson.

He is the internationally renowned and respected leader of the Lubavitch movement which actively promotes education programs at more than 80 centers in 34 States.

The Lubavitch movement, founded in the 18th century, has as its philosophical foundation three basic elements—wisdom, understanding, and knowledge.

It is therefore appropriate that the movement, under the inspired leadership of the man called the rebbe, has been so active in promoting education.

Looking over my remarks from last year, I came upon a fact I want to share with you today.

The movement which the rebbe heads takes its name from a Russian city, Lubavitch, which, translated into English means, City of Love.

In the final analysis it is love of one's religious heritage, love of learning—that is at the heart of the Lubavitch movement and at the heart of our resolution.

I'm pleased once again to honor a great man and to support such a fine idea.

Mr. **HORTON**. Mr. Speaker, I withdraw my reservation of objection.

The **SPEAKER** pro tempore. Is there objection to the request of the gentleman from New York?

There was no objection.

The Clerk read the joint resolution, as follows:

H.J. RES. 582

Whereas Congress recognizes the historical tradition of ethical values and principles which are the basis of civilized society and upon which our great Nation was founded;

Whereas these ethical values and principles have been the bedrock of society from the dawn of civilization, when they were known as the Seven Noahide Laws;

Whereas without these ethical values and principles the edifice of civilization stands in serious peril of returning to chaos;

Whereas society is profoundly concerned with the recent weakening of these principles that has resulted in crises that beleaguer and threaten the fabric of civilized society;

Whereas the justified preoccupation with these crises must not let the citizens of this Nation lose sight of their responsibility to transmit these historical ethical values from our distinguished past to the generations of the future;

Whereas the Lubavitch movement has fostered and promoted these ethical values and principles throughout the World; and

Whereas Rabbi Menachem Mendel Schneerson, leader of the Lubavitch movement, is universally respected and revered and his eighty-fourth birthday falls on April 20, 1986: Now, therefore, be it

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled, That April 20, 1986, the birthday of Rabbi Menachem Mendel Schneerson, leader and head of the worldwide Lubavitch movement, is designated as "Education Day, U.S.A.". The President is requested to issue a proclamation calling upon the people of the United States to observe such day with appropriate ceremonies and activities.

The joint resolution was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

GENERAL LEAVE

Mr. **GARCIA**. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks on the joint resolutions, just passed.

The **SPEAKER** pro tempore. Is there objection to the request of the gentleman from New York?

There was no objection.

ANNOUNCEMENT BY THE SPEAKER PRO TEMPORE

The **SPEAKER** pro tempore. Pursuant to the provisions of clause 5, rule I, the Chair announces that he will postpone further proceedings today on each motion to suspend the rules on which a recorded vote or the yeas and nays are ordered, or on which the vote is objected to under clause 4 of rule XV.

Such rollcall votes, if postponed, will be taken on Wednesday, April 16, 1986.

COLLECTION OF STATISTICS ON CERTAIN INDUSTRIES

Mr. **GARCIA**. Mr. Speaker, I move to suspend the rules and pass the bill (H.R. 2721) to amend title 13, United States Code, to require the collection of statistics on domestic apparel and textile industries.

The Clerk read as follows:

H.R. 2721

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That (a) chapter 3 of title 13, United States Code, is amended by redesignating subchapters III and IV as subchapters IV and V, respectively, and by inserting after subchapter II the following:

"SUBCHAPTER III—APPAREL AND TEXTILES

"§ 81. Statistics on apparel and textile industries

"The Secretary shall collect and publish quartely statistics relating to domestic apparel and textile industries.".

(b) The analysis for chapter 3 of title 13, United States Code, is amended—

(1) by striking out the item relating to subchapter III and inserting in lieu thereof:

"SUBCHAPTER IV—QUARTERLY FINANCIAL STATISTICS";

(2) by striking out the item relating to subchapter IV and inserting in lieu thereof:

"SUBCHAPTER V—MISCELLANEOUS";

and

(3) by inserting after the item relating to section 83 the following:

"SUBCHAPTER III—APPAREL AND TEXTILES

"81. Statistics on apparel and textile industries.".

The **SPEAKER** pro tempore. Pursuant to the rule, a second is not required on this motion.

The gentleman from New York [Mr. GARCIA] will be recognized for 20 minutes and the gentleman from New York [Mr. HORTON] will be recognized for 20 minutes.

The Chair recognizes the gentleman from New York [Mr. GARCIA].

Mr. **GARCIA**. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, H.R. 2721 amends title 13 of the United States Code to require the collection of quarterly statistics on domestic apparel and textile industries.

The intention of the bill is to require apparel and textile manufacturing firms to report to quarterly production surveys given by the Census Bureau.

Under current law, participation in surveys are mandatory only for annual production surveys. Although Census Bureau carries out quarterly surveys, there have been response problems because these surveys are on a voluntary basis. Consequently, apparel and textile industries have experienced lack of quality up-to-date data to get an accurate picture of the domestic market conditions.

High quality data are critical in establishing an accurate description of the effect of imports on domestic apparel and textile industries.

During the past two decades the apparel and textile industies have faced increased competition in the U.S. marketplace from low-wage developing countries. To avoid market disruption, these industries rely on our Government's interagency group, Committee for the Implementation of Textile Agreements, to consult with exporting countries regarding import limitations. Requests for consultation must be accompanied by factual statements of domestic market disruption.

Because of the time involved in processing the annual surveys, often annual data are not the most current picture of the market.

Passage of H.R. 2721 will provide the information that can lead to proper administration of the import restraint programs which can lead to economically healthy and stable apparel and textile industries.

The Congressional Budget Office has found that enactment of H.R.

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2721 would result in no significant costs to the Federal Government and in no costs to State or local governments.

Mr. HORTON. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I rise in support of H.R. 2721, which requires a quarterly report of statistics on the domestic apparel and textile industries. This bill would provide much needed information for a very volatile industry and hopefully lead to better administration of the import restraint programs. At a time when the domestic apparel and textile industry is searching for economic stability, this bill seems to be very timely, and I commend the gentleman from New York [Mr. Garica] for his efforts.

While the administration has some reservations regarding the language of the bill, I am confident any problems can be resolved in conference and I urge my colleagues to support this legislation.

Mr. Speaker, I yield back the balance of my time.

Mr. GARCIA. Mr. Speaker, I yield back the balance of my time.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from New York [Mr. Garica] that the House suspend the rules and pass the bill, H.R. 2721.

The question was taken; and (two-thirds having voted in favor thereof) the rules were suspended and the bill was passed.

A motion to reconsider was laid on the table.

PREDATORY TIED AID CREDITS

Mr. NEAL. Mr. Speaker, I move to suspend the rules and concur in the Senate concurrent resolution (S. Con. Res. 127) relating to predatory tied aid credits.

The Clerk read as follows:

S. Con. Res. 127

Whereas tied aid and partially untied aid credits with low levels of concessionality are used by several governments as a predatory method of financing exports and result in market-distorting effects;

Whereas these distortions have caused the United States to lose export sales, with resulting losses in economic growth and development;

Whereas the Congress is preparing legislation intended to support the efforts of the Secretary of the Treasury to negotiate a comprehensive arrangement restricting the use of tied and partially untied aid credits for commercial purposes; and

Whereas these negotiating efforts of the Secretary of the Treasury are fully supported by the Congress of the United States: Now, therefore, be it

Resolved by the Senate (the House of Representatives concurring), That it is the sense of the Congress that—

(1) a successful conclusion of an arrangement to regulate tied aid credits, so that their use for predatory commercial purposes is ended, would eliminate the need for the Congress to enact a special tied aid credit program;

(2) the Secretary of the Treasury should use the full resources of his office to promote such a successful conclusion to the negotiations; and

(3) the President should make the use of predatory tied aid credits a major topic of discussion at the Tokyo Summit.

The SPEAKER pro tempore. Is a second demanded?

Mr. WYLIE. Mr. Speaker, I demand a second.

The SPEAKER pro tempore. Without objection, a second will be considered as ordered.

There was no objection.

The SPEAKER pro tempore. The gentleman from North Carolina [Mr. Neal] will be recognized for 20 minutes and the gentleman from Ohio [Mr. Wylie] will be recognized for 20 minutes.

The Chair recognizes the gentleman from North Carolina [Mr. Neal].

Mr. NEAL. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I rise in support of Senate Concurrent Resolution 127. This is a very simple resolution, reaffirming congressional support for the administration's efforts to negotiate an end to the use of mixed credits. More specifically, the resolution states that it is the sense of the Congress that at the upcoming OECD conference, the Secretary of the Treasury should use the full resources of this office to promote a successful conclusion to negotiations on restricting the use of tied aid credits for commercial purposes.

The House Banking and Foreign Affairs Committee have both reported legislation to establish a so-called war chest with which we can combat the unfair and predatory use of tied aid credits by our foreign competitors. Successful negotiations to restrict mixed credits would eliminate the need for Congress to enact a war chest.

I would like to explain, briefly, the threat to our exports posed by foreign tied aid credits. As it now stands, the OECD arrangement permits governments to offer tied aid credit to finance their exports but only if the "grant element" exceeds 25 percent of the loan. Many countries have commenced an aggressive program of tied aid credits with grant elements around 25 percent to 35 percent. American exporters cannot, on their own, compete against foreign exporters armed with such tied aid credit, no matter how good our products might be.

Tied aid credit can be a useful and legitimate tool for assisting developing countries, but only when it is genuine foreign aid. To be genuine foreign aid it should contain a grant element considerably greater than 25 percent. Tied aid credit with a grant element just about 25 percent is not sufficiently costly to donor countries to dissuade them from using it, and abusing it, primarily for commercial purposes. This is a thoroughly predatory practice, nothing less than the stealing of potential markets from American exporters.

The exploitation of mixed credits is extensive. According to the administration, reported tied aid credit offers with grant elements under 50 percent have doubled since 1982. Actual mixed credits were expected to exceed $6 billion in 1985. Since the beginning of 1984, the OECD has received notification of over 600 mixed credit offers, with a total value of over $10 billion.

To put an end to this abuse of tied aid credit, we have been trying to negotiate a reform of the OECD arrangement to ensure that tied aid credit would be granted primarily as bona fide foreign aid for legitimate development purposes. For instance, an agreement to offer only tied aid credits with grant elements greater than 50 percent would impose much greater discipline than the current 25 percent threshold. The more costly it becomes, the more the temptation to use tied aid credits to steal commercial markets diminishes.

Mr. Speaker, we have, unfortunately, made little progress to date in negotiations to achieve this objective. The administration reports that a few countries, notably France and Italy, are blocking negotiations. Only when they see our resolve to discipline mixed credits will progress be made. With this support from Congress, we hope that the administration will succeed in engaging France in serious negotiations.

Mr. WYLIE. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I rise in support of this resolution which we hope will fortify the work of our negotiators at the upcoming Organization for Economic Cooperation and Development Ministerial Conference in Paris on export credit issues. It is my understanding that the administration has a real opportunity to make significant progress at this meeting, particularly if other countries are certain that we are serious about dealing with this issue of tied aid credits.

This resolution before the House today will not cost the American taxpayer 1 cent: its enactment could, in fact, help the Treasury save millions of dollars in susidies which go to support U.S. exporters in the event negotiations fail.

By being able to offer heavily subsidized official project financing, foreign firms have constantly underbid American firms, leading to one lost sale after another. In the past, the United States has tried to counteract tied aid or mixed credits by offering Export-Import Bank financing at arrangement rates or at subsidized rates through a joint Eximbank/AID program. This approach has not worked to date.

Over the past year, both the Banking and the Foreign Affairs Committees have reported out bills which would create a $300 million war chest which could support up to $2 billion in tied aid credit offers.

I would like to commend the gentleman from North Carolina [Mr. Neal] for his leadership in this regard.

I introduced President Reagan's original request as H.R. 3515, with broad bipartisan support. While the two committees have differing approaches on how to set up this tied aid fund, this resolution specifically avoids taking sides in this policy debate. When it comes to supporting Treasury Secretary James Baker and our negotiators, I believe there are no disagreements between the two committees.

It is my understanding that the other body has already passed an identical resolution.

This measure deserves bipartisan support insofar as it will promote efforts to level the playing field for American exporters who frequently have had to compete against a foreign treasury as well as a foreign company.

Mr. Speaker, I urge its immediate adoption to assist Secretary Baker and his team and to help American business and American labor.

Mr. Speaker, I yield back the balance of my time.

Mr. NEAL. Mr. Speaker, I have no further requests for time, and I yield back the balance of my time.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from North Carolina [Mr. Neal] that the House suspend the rules and concur in the Senate concurrent resolution, Senate Concurrent Resolution 127.

The question was taken; and (two-thirds having voted in favor thereof) the rules were suspended and the Senate concurrent resolution was concurred in.

A motion to reconsider was laid on the table.

GENERAL LEAVE

Mr. NEAL. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks, and include extraneous material, on Senate Concurrent Resolution 127, the Senate concurrent resolution just concurred in.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from North Carolina?

There was no objection.

REAFFIRMING CONGRESS' RECOGNITION OF THE VITAL ROLE PLAYED BY MEMBERS OF THE NATIONAL GUARD AND RESERVE IN THE NATIONAL DEFENSE

Mr. MONTGOMERY. Mr. Speaker, I move to suspend the rules and pass the joint resolution, (H.J. Res. 220) to recognize the vital role played by members of the National Guard and Reserve in the national defense, as amended.

The Clerk read as follows:

H.J. Res. 220

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. RECOGNITION OF NATIONAL GUARD AND RESERVE

(a) Findings.—The Congress reaffirms its findings set out in section 1130(a) of Public Law 97-252 that—

(1) the National Guard and Reserve forces of the United States are an integral part of the total force policy of the United States for national defense and need to be ready to respond, on short notice, to augment the active military forces in time of national emergency;

(2) attracting and retaining sufficient numbers of qualified persons to serve in the Guard and Reserve is a difficult challenge during a period in which there is a decreasing number of young people from which to recruit; and

(3) the support of employers and supervisors in granting employees a leave of absence from their jobs to participate in military training without detriment to earned vacation time, promotions, and job benefits is essential to the maintenance of a strong Guard and Reserve force.

(b) Recognition of Members of Guard and Reserve.—It continues to be the sense of Congress that the citizen-military volunteers who serve the Nation as members of the National Guard and Reserve require and deserve public recognition of the essential role they play in the national defense, and particularly require and deserve the support and cooperation of their civilian employers, in order to be fully ready to respond to national emergencies.

(c) Employer Support for Guard and Reserve.—The Congress reaffirms its statements expressed in section 1130(c) of Public Law 97-252 that it—

(1) recognizes, and requests all citizens to recognize, the vital need for a trained, ready National Guard and Reserve in the national defense posture of the United States; and

(2) urges and requests employers and supervisors of employees who are members of the National Guard or Reserve to abide by the provisions of chapter 43 of title 38, United States Code, by—

(A) granting a leave of absence for military training, exclusive of earned vacation, to employees who are members of the Guard and Reserve; and

(B) providing such employees equal consideration for job benefits and promotions as all other employees.

The SPEAKER pro tempore. Pursuant to the rule, a second is not required on this motion.

The gentleman from Mississippi [Mr. Montgomery] will be recognized for 20 minutes and the gentlewoman from Maryland [Mrs. Holt] will be recognized for 20 minutes.

The Chair recognizes the gentleman from Mississippi [Mr. Montgomery].

Mr. MONTGOMERY. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I am very pleased that for the minority side, the gentlewoman from Maryland [Mrs. Holt] will handle this very important piece of legislation. She has been very supportive of the National Guard and Reserve over the years, and I am very honored that she would be part of this resolution today.

Mr. Speaker, in the fiscal year 1983 Department of Defense Authorization Act, the Armed Services Committee expressed the sense of Congress recognizing the vital role of the National Guard and Reserve in the defense of our Nation. Language from that law states in part, and I quote:

> The National Guard and Reserve forces of the United States are an integral part of the total force policy of the United States for national defense and need to be ready to respond, on short notice, to augment the military forces in time of national emergency.

That statement was true then and is true today. Since that law was enacted, there has been an even greater reliance on our Reserve Forces to help provide for the Nation's defense. I, along with the other members of the House Armed Services Committee, have long felt that our Reserve components offer a cost-effective means of providing for a significant share of the Nation's defense. I firmly believe that greater reliance on the National Guard and Reserves is an appropriate element in the battle to provide for an adequate defense at the lowest possible cost.

Because the vital role of our National Guard and Reserves becomes more apparent each day, the members of our Reserve components are being assigned more and more missions which require longer periods of training. In order to carry out their increased responsibilities, reservists and Guard members must have the support of the American people, and of employers in particular. It was because of this, that we introduced House Joint Resolution 220.

In reporting out this resolution, my colleagues on the Armed Services Committee have reaffirmed the feelings of Congress as expressed in the 1983 act which further stated, and I quote:

> * * * The citizen-military volunteers who serve the Nation as members of the National Guard and Reserve require and deserve public recognition of the essential role they play in the national defense, and in particular, require and deserve the support and cooperation of their civilian employers, in order to be fully ready to respond to national emergencies.

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Mr. Speaker, there seems to be little argument over the cost-effectiveness of reliance on our Reserve Forces. I believe this is a trend which will continue as we seek ways to reduce the Federal deficit. Although it is obvious to most of us here in Washington that our Reserve Forces represent the best buy for the taxpayer, this fact must be communicated to the American people, and to employers in particular.

During the development of a series of National Guard and Reserve initiatives last year, it became apparent to me that lack of awareness of the vital role being played by our Reserve Forces was still a problem. Hopefully, passage of this resolution will reemphasize this role and serve as a first step in establishing a broader base of support for the Guard and Reserve and also in bringing about a true national awareness of the professionalism and dedication of the members of our Reserve components.

Mr. Speaker, at this time I would like to yield to the distinguished Representative from Maryland [Mrs. Holt], who has long been one of the strongest supporters of the National Guard and Reserves. Without her work and support, many of the things which Congress has done for the Reserve components would never have happened.

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Mrs. HOLT. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I rise in support of House Joint Resolution 220. This resolution is a tribute to the gentleman from Mississippi [Mr. Montgomery] who for years has battled valiantly and tirelessly on behalf of the Nation's Guard and Reserve Forces. For years, the Pentagon's commitment to the important role of the National Guard and Reserve in the total force was primarily lipservice, lipservice that existed in a vacuum and was not translated into resources—the manpower, training, and equipment essential for military readiness.

Today, thanks in large part to the intervention of the Congress, the total force is a reality. The National Guard and Reserve are an integral part of the Nation's defense structure. The Guard and Reserve are expected to provide nearly one-half of the total Army's combat power and two-thirds of its combat support, service structure and wartime medical capability. Without the Reserves, the Active Forces would literally be unable to deploy and sustain the war effort. The gentleman from Mississippi [Mr. Montgomery] deserves the lion's share of the credit for this dramatic turnaround.

To fulfill mission requirements, National Guard and Reserve personnel must have the opportunity for meaningful and realistic training—both at monthly inactive duty training drills and 2 weeks' active duty for training. This is particularly the case for early deploying units that will be sent to the combat theater in the first hours and days following mobilization. As a result of congressional persistence, these early deploying units are at last getting the modern, first-rate equipment they would be expected to use in combat. Obviously, it is vitally important that they have an opportunity to train on that equipment.

Participation in Reserve training requires the understanding and cooperation of employers. House Joint Resolution 220 calls attention to the vital role that employers play in their employees' decisions to maintain active Reserve and Guard membership and urges strong employer support of the National Guard and Reserve.

I urge my House colleagues to join me in unanimously affirming their wholehearted support for House Joint Resolution 220.

Mr. MONTGOMERY. Mr. Speaker, will the gentlewoman yield?

Mrs. HOLT. I yield to the chairman of the committee.

Mr. MONTGOMERY. I thank the gentlewoman for yielding.

Mr. Speaker, I want to thank the gentlewoman for a very strong statement and also for her kindness over the years in working with the National Guard and Reserve. It has been a total team effort. It has not been just one individual.

Mr. Speaker, I do not know if we can carry on or not after the gentlewoman leaves us.

Mrs. HOLT. I thank the gentleman for his comments.

Mr. STUMP. Mr. Speaker, I rise in strong support of House Joint Resolution 220. As a member of the House Armed Services Committee, I have supported the emphasis being placed upon our Reserve components as a cost-effective source of national defense.

Over the past several years, Congress has recognized the vital need for a trained and ready National Guard and Reserve. Seeing that this need continues to be met is becoming more difficult as the increased roles of the Guard and Reserve demand more and more training time for the individual reservist. This is a particularly difficult challenge as we enter a period in which the number of eligibles is decreasing and in which authority to induct persons for training in service in the Armed Forces is not provided for by law.

This resolution recognizes the sacrifices being made by the men and women serving as members of our Reserve Forces. It calls for the support of the American people, and of employers in particular. Without the support of employers, in the form of military leave and equal consideration for job benefits and promotions, the Reserve components cannot function. And without these forces, a significant portion of our total defense will be lost.

Mr. Speaker, I would like to add my call for this critically needed support for our Nation's citizens soldiers. They are true military professionals who help ensure the security of our Nation. They deserve no less than the full support of the American people.

Mr. HOYER. Mr. Speaker, I rise today in support of House Joint Resolution 220, a resolution which recognizes the critical role of the National Guard and Reserve in our national defense. I would also like to commend the chairman for bringing this resolution to the floor.

The National Guard and Reserve are an integral part of this Nation's defense structure. In recent years we have witnessed an increase in the role and responsibilities of the Guard and Reserve. As we attempt to find ways to cut the Federal deficit we should also recognize the fact that the Guard and Reserve are very cost efficient since these forces can perform certain missions at much less cost than our regular forces. The continuation of their success requires the vigorous support of the American people.

More important, this resolution is necessary because of the need to encourage employers to continue to be supportive of the National Guard and Reserve. Without this support from employers, our Guard and Reserve Forces would be unable to get the necessary training needed in the case of an emergency.

Today, we add our voices of support to those supportive employers in commending the excellent service provided by the men and women of the National Guard and Reserve.

Mr. BONER of Tennessee. Mr. Speaker, I am pleased to join my colleagues in supporting H.J. Res. 220, which recognizes the vital role played by members of the National Guard and Reserve in the defense of our country.

Today the National Guard and Reserve are an integral part of the Armed Forces of the United States. Under the total force policy, the Reserve components will be used as the initial and primary back-up of the Active Forces in the event of national mobilization. In many instances, the active forces would be unable to deploy and accomplish their mission without the support of National Guard and Reserve members. In fact, the Guard and Reserve are expected to provide nearly one-half of the total Army's combat power and two-thirds of its combat support, services structure, and wartime medical capability.

To fulfill its mission requirements, National Guard and Reserve personnel must have the opportunity for meaningful and realistic training, both at the monthly inactive duty training drills and the 2 weeks' active duty for training. Clearly, participation in reserve training requires the understanding and cooperation of employees.

House Joint Resolution 220 calls attention to the role employers play in support of their employees' decisions to maintain active Reserve and Guard membership. The joint resolution urges strong employer support of the National Guard and Reserve.

More importantly, the joint resolution expresses the sense of the Congress that the volunteers who serve the Nation as members of the National Guard and Reserve require and deserve public recognition of the essential role they play in the national defense.

I join my colleagues in support of this resolution and, in particular, I want to express my

appreciation to the members of the Tennessee National Guard and Reserve. Under the leadership of Major General Carl D. Wallace, the members of the Tennessee National Guard and Reserve are well prepared to meet their responsibility as part of our Nation's defense establishment. Tennessee is known as the volunteer State and the 18,000 members of the Tennessee National Guard and Reserve are among the very finest of this long tradition.

I join the citizens of Tennessee in saluting these men and women for their courage, sacrifice, and dedication.

Mrs. HOLT. Mr. Speaker, I have no further requests for time. I yield back the balance of my time.

Mr. MONTGOMERY. Mr. Speaker, I have no further requests for time. I yield back the balance of my time.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Mississippi [Mr. Montgomery] that the House suspend the rules and pass the joint resolution, House Joint Resolution 220, as amended.

The question was taken; and (two-thirds having voted in favor thereof), the rules were suspended and the joint resolution, as amended, was passed.

The title of the joint resolution was amended so as to read: "A joint resolution to reaffirm Congress' recognition of the vital role played by members of the National Guard and Reserve in the national defense."

A motion to reconsider was laid on the table.

GARN-ST GERMAIN DEPOSITORY INSTITUTIONS ACT OF 1982 EXTENSION

Mr. ANNUNZIO. Mr. Speaker, I move to suspend the rules and pass the bill (H.R. 4551) to extend for 3 months the emergency acquisition and net worth guarantee provisions of the Garn-St Germain Depository Institutions Act of 1982.

The Clerk read as follows:

H.R. 4551

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That (a) section 141(a) of the Garn-St Germain Depository Institutions Act of 1982 (relating to emergency acquisitions) is amended by striking out "April 15, 1986" and inserting in lieu thereof "July 15, 1986".

(b) Section 206(a) of the Garn-St Germain Depository Institutions Act of 1982 (relating to net worth certificates) is amended by striking out "April 15, 1986" and inserting in lieu thereof "July 15, 1986."

The SPEAKER pro tempore. Is a second demanded?

Mr. WYLIE. Mr. Speaker, I demand a second.

The SPEAKER pro tempore. Without objection, a second will be considered as ordered.

There was no objection.

The SPEAKER pro tempore. The gentleman from Illinois [Mr. Annunzio] will be recognized for 20 minutes and the gentleman from Ohio [Mr. Wylie] will be recognized for 20 minutes.

The Chair recognizes the gentleman from Illinois [Mr. Annunzio].

GENERAL LEAVE

Mr. ANNUNZIO. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks on the bill, H.R. 4551.

The SPEAKER pro tempore. Is there objecton to the request of the gentleman from Illinois?

There was no objection.

Mr. ANNUNZIO. Mr. Speaker, I yield to myself such time as I may consume.

Mr. Speaker, on behalf of the Banking Committee and its chairman, Fernand St Germain, who is unable to be here today, I ask for your support in passing H.R. 4551. This bill is cosponsored by almost the entire Banking Committee and is vital and absolutely noncontroversial legislation needed to enable our Federal bank and thrift regulators to continue to cope with the problems that now confront our banks and thrift industries.

H.R. 4551 would extend, with no change whatsoever, titles I and II of the Garn-St Germain Act of 90 days. The Garn-St Germain Act was originally passed by this House in 1982 to enable banks and thrifts to survive the high interest rates of that period.

Title I provides the Federal depository institution regulators with authority to arrange emergency interstate depository institution acquisitions to prevent the termination of essential deposit and loan services by problem bank and thrift institutions.

Title II authorizes the Federal Deposit Insurance Corporation [FDIC] and the Federal Savings and Loan Insurance Corporation [FSLIC] to extend capital assistance to certain problem bank and thrift institutions in the form of net worth certificates. Without this authority many depository institutions would be unable to continue operations. You should also be aware that title II contains an essential conservatorship authority that is critical to the ability of the Federal credit union regulator, NCUA, to handle problem credit unions.

Titles I and II of the Garn-St Germain Act were originally intended to expire October 15, 1985. However, the continuing problems in the thrift industry, and the emergence of real estate, agriculture, and energy lending problems around the country made necessary a 6-month extension until tomorrow, April 15. We continue to await specific legislation requested from the Federal Reserve, the other banking regulators, and the administration, addressing current depository institution problems. As a consequence, we must again seek an extension of the basic vital regulatory powers in titles I and II. To enable the regulators and committee members sufficient time to deliberate on proposed specific legislation, we seek an extension of 90 days.

A number of Members of this body have approached members of your House Banking Committee and, especially, the chairman of our committee, the Honorable Fernand St Germain, to attempt to shorten the length of the extension contained in the bill before us from 90 to 30 days. This request, I am sure, was made with the best of intentions. We all know that a number of depository institutions, especially in the so-called energy and/or agriculturally oriented States, are in rather dire financial shape, as reported in the press, because of the loans they have made to agriculture and the energy sectors of our economy. Whereas we all hope this is a temporary situation for these financial institutions, the fact remains these depository institutions are not in the best of financial health at the moment.

It was the hope of those Members making the request that reducing the 90-day extension to 30 days would put the necessary pressure on the House Banking Committee to act immediately to solve the problems of these institutions and others in similar financial situations.

The administration—especially the financial regulatory agencies—as some of us know, is currently working on legislation concerning these matters which, if enacted into law, would alleviate the situation. As of the close of business Thursday, the regulators had not even come to a full agreement as to what precisely they wanted to propose to the Congress. I do not care to prolong this part of the discussion, but the Members should be informed that the Banking Committee is acting responsibly when it asks for this 90-day extension contained in the bill before us today.

In a Democratic caucus of the Financial Institutions Subcommittee, chaired by the chairman of the full committee, we considered all these problems and the need for prompt action. We are aware from extensive hearings of the full nature and extent of depository institution problems. The Members of the House should be advised that the Banking Committee has a history of acting in a timely fashion on all matters and especially matters which are of an emergency nature. The Members of the House should be comfortable in their knowledge that the Banking Committee will do the same in this instance.

In closing, Mr. Speaker, I ask for your support in passing H.R. 4551 to extend for 90 days the authorities contained in titles I and II of the Garn-St Germain Act of 1982.

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Mr. Speaker, I reserve the balance of my time.

Mr. WYLIE. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I rise in support of H.R. 4551, the extension of the Garn-St Germain emergency acquisition and net worth certificate provisions. The gentleman from Illinois was an original cosponsor in 1982 and a strong supporter. These provisions have been extremely helpful to the regulators in resolving problems confronted by some of our financial institutions experiencing stress as a result of conditions in agriculture, energy, and other sectors of our economy.

The regulators have testified on numerous occasions that these provisions have materially increased their options in handling failures. The authorizations in Garn-St Germain have served not only to protect the reserves of the insurance funds and the safety and soundness of our financial institutions, but also have ensured that financial services will continue to be provided to many communities and depositors.

Mr. Speaker, this is a short-term extension of only 90 days. As Secretary of the Treasury Jim Baker and the regulators in a recent letter have stated, much more needs to be done. In view of the fact that some banking organizations may continue to experience severe and prolonged financial stress, the regulators' flexibility to deal with these more serious cases must be enhanced. The law needs to be broadened and improved to minimize the disruption of financial services to the communities involved and to provide the greater flexibility necessary to reduce the costs to the insurance funds. Prudent changes are necessary to maintain the safety and soundness of the banking system as a whole.

In this regard the Federal bank regulators—the Federal Reserve, the FDIC, and the Comptroller of the Currency—have recommended four specific changes in the emergency authorities. Based on their experience during the past 4 years and on the current outlook, the regulators have recommended that the law be changed to:

First, permit the out-of-State acquisition of failing banks, as well as of failed banks;

Second, permit the out-of-State acquisition of the entire holding company of a failed or failing bank under certain conditions;

Third, require equal treatment for acquiring banks in the State of acquisition; that is, an out-of-State purchaser would be accorded all of the branching and acquisition rights of any other holding company operating in the State of the acquired bank or holding company; and

Fourth, reduce the asset size of banks eligible to be acquired pursuant to the emergency provisions from $500 million to at least $250 million.

Mr. Speaker, as stated in the letter from the regulators, it seems unavoidable that over the foreseeable future there will continue to be situations in which banks and thrifts will have problems so severe that they will be unable to continue to operate without an infusion of additional capital and management. The banking supervisors simply must have adequate tools to deal with such situations quickly and effectively so that the impact on local communities or regions and repercussions on the banking system generally are minimized.

This is one of the most important lessons we learned from the Ohio thrift crisis last year where the regulators clearly were not prepared. I don't want anyone anywhere in the country to have to experience the loss or disruption of daily banking services like so many Ohioans did last year.

My staff has been working with the staff of the distinguished chairman of the Banking Committee and I am hopeful that, after passing this short-term extension, we can agree on an expedited review of the regulators' recommendations and take quick action on a more permanent measure. I am also hopeful, Mr. Speaker, that the Banking Committee's review can be expanded to include other matters related to the safety and soundness of our financial system such as recapitalization of the FSLIC and other enhancements to the regulators' supervisory powers. I would like to personally thank Chairman St Germain for bringing this bill to the floor and state that I look forward to working closely with the chairman over the next few weeks in drafting a more comprehensive package to reform our deposit insurance system and give the regulators the tools they require.

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Mr. Speaker, I yield 3 minutes to the gentleman from Nebraska [Mr. Bereuter].

Mr. BEREUTER. Mr. Speaker, I appreciate the distinguished gentleman yielding me time on this legislation.

Mr. Speaker, today, as stated, we are considering legislation under suspension for yet another 90-day extension of the net worth certificate program for the thrift institutions of this country, and extending the emergency acquisition provision of the 1982 Garn-St Germain Act. I certainly support these efforts.

The first provision is certainly important, but I am very pleased that the extension is for only 90 days at this time. As I have earlier stressed to the chairman of the committee and the ranking member, I think it is important that we consider the possibility at least of extension of the net worth certificate concept to agricultural commercial banks, that is to say, commercial banks that are classified as agricultural lenders by the nature of their loan portfolio. And certainly the importance of extending the emergency acquisition powers is crucial, given the problems of those agricultural banks and the problems of banks in the energy-producing parts of the Nation; that is very evident to all. Therefore, this legislation is certainly timely.

Mr. Speaker, I do hope that some consideration is given to an approach like that embodied in legislation that I offered on March 3, 1986, H.R. 4289, which would extend the possibility in a revised form of the net worth certificate to agricultural banks of this country. I believe the net worth certificate program provides a valuable tool among the instruments necessary to help the troubled banks in the Grain Belt of this country and in farming States generally. Even the Government Accounting Office, in testimony before the Banking Committee, agrees with me in this respect for combating the problems of the thrift industry. It is now time that we broadened the use of this instrument for agricultural commercial banks. It is an approach that has proven its worth for the thrift industries of this country.

Mr. Speaker, I commend the chairman of the Banking Committee [Mr. St Germain], the gentleman from Illinois [Mr. Annunzio], and the ranking member of the Banking Committee [Mr. Wylie] for their timely initiative in bringing us this legislation today. I urge its passage.

Mr. WYLIE. Mr. Speaker, I yield 5 minutes to the gentleman from Texas [Mr. Bartlett].

Mr. BARTLETT. Mr. Speaker, I thank the gentleman for yielding me this time.

Mr. Speaker, I support the legislation before us and the extension of Garn-St Germain for a 90-day period.

I think that in particular the acquisition powers of failed banks are necessary tools to deal with safety and soundness issues in 1986.

I do note the short-term nature of the extension. That is a 90-day extension, and I think that that 90 days, the short-term nature, is necessary and desirable as we consider the issues, because I do think it is necessary that over a short period of time, Congress visit the additional issues of the expansion of the emergency interstate acquisition of failing bank holding companies under Garn-St Germain, as has been proposed by the three principal regulators.

My own view, frankly, is that 90 days is longer than is necessary, and I had counseled last week with the bill's sponsors that we adopt a 30-day extension. But I do understand their concern, and I understand the need to take a reasonable amount of time to draft legislation that is lasting legislation. I have received, and the House has received, assurances from the leadership of the committee that they will act expeditiously, and I do very much appreciate that assurance.

I do believe that the Banking Committee should consider and then bring promptly back to this floor legislation that would be limited legislation to expand Garn-St Germain in a way that would resolve the problem, that is, to permit the emergency powers for emergency interstate acquisition of a failing bank holding company.

Frankly, I must say that I reached that conclusion somewhat reluctantly. I am not enthusiastic about the expansion, but I do believe that it must be done.

I would have preferred to deal with interstate banking legislation in a more orderly fashion, in a rational approach that would have first provided for, as is under the current laws and the current court cases, a State-by-State decision of regional compacts, thus leading over a multiyear period to interstate acquisition. But I do not think this legislation is designed to promote or to provide for interstate banking. I think the legislation is designed to solve a very real problem.

During consideration of the legislation, I do have, and will express, several concerns on the committee about the details of the bill that has been submitted. It is my judgment that the law that we come back with, the legislation, should be narrowly drafted, when possible, and we should preempt State laws only as necessary to resolve the problem and not in some way to propose an additional loophole for interstate banking.

My concerns from a quick review of the legislation that has been proposed include the following, and may include more as we go through hearings and the markup.

First, the definition of failing. I would judge that we should define failing in a way that it is a narrow definition of failing, so that in fact we define failing as an institution that is in danger of closing, and that an interstate acquisition is necessary to avoid a failure.

Second, I think we should be very careful about preempting State laws any more than is necessary. I am not satisfied that we are required to preempt State laws in a way to permit the additional acquisitions of banks within a State by an out-of-State bank holding company just because they have acquired a bank holding company in that State on an emergency basis. I will urge that we avoid such preemption, and if such preemption is included, at the very least, we should have a 3- to 5-year waiting period for forbearance rather than immediately preempt those State laws.

My other concerns include maintaining in-State priorities first, retaining participation by all three Federal regulators and requiring the participating and consultation with the chief State regulators, and providing sufficient authority to avoid inappropriate windfalls for either the bank holding company management or the shareholders when such windfalls would be inappropriate.

Mr. Speaker, in conclusion, again I say I support the 90-day extension. I am grateful to the leadership of the committee for their agreement to act expeditiously, and to bring back legislation to this floor well in advance of the 90 days as quickly as the Banking Committee can act.

Mr. WYLIE. Mr. Speaker, I thank the gentleman for an excellent and very thoughtful statement.

Mr. Speaker, I have no further requests for time, and I yield back the balance of my time.

Mr. ANNUNZIO. Mr. Speaker, I have no further requests for time, and I yield back the balance of my time.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Illinois [Mr. Annunzio] that the House suspend the rules and pass the bill, H.R. 4551.

The question was taken; and (two-thirds having voted in favor thereof) the rules were suspended and the bill was passed.

A motion to reconsider was laid on the table.

CONTRA AID

(Mr. GEKAS asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. GEKAS. Mr. Speaker and Members of the House, the Democratic leadership has indicated in news reports that it is unwilling to give us a straight up-or-down vote on Contra aid separate and apart from the supplemental appropriations because they are miffed or angry at the intimation that the things that the Nicaraguans are doing can be laid at their doorstep.

I wish to revise history so that we can sooth the egos of the Democratic leadership and proceed to a separate vote on Contra aid.

Mr. Speaker, I will state for the record that Ortega did not go to Moscow following the vote on the Contras last year. I will state for the record that the Nicaraguan Sandinistas did not venture into Honduras following the vote just taken on Contra aid. And I will also state for the record that tomorrow is not April 15 and the deadline for filing income tax returns.

☐ 1300

APPOINTMENT OF MEMBERS TO ATTEND THE FUNERAL OF THE LATE HONORABLE JOSEPH P. ADDABBO

The SPEAKER pro tempore. Pursuant to House Resolution 416, the Chair, without objection, appoints the following Members to attend the funeral of the late Joseph P. Addabbo:

Mr. Stratton of New York;
Mr. O'Neill of Massachusetts;
Mr. Horton of New York;
Mr. Biaggi of New York;
Mr. Fish of New York;
Mr. Lent of New York;
Mr. Rangel of New York;
Mr. Gilman of New York;
Mr. Scheuer of New York;
Mr. Downey of New York;
Mr. LaFalce of New York;
Mr. McHugh of New York;
Mr. Nowak of New York;
Mr. Solarz of New York;
Mr. Lundine of New York;
Mr. Weiss of New York;
Mr. Garcia of New York;
Mr. Green of New York;
Mr. Carney of New York;
Mr. Solomon of New York;
Mr. Martin of New York;
Mr. McGrath of New York;
Mr. Molinari of New York;
Mr. Schumer of New York;
Mr. Wortley of New York;
Mr. Boehlert of New York;
Mr. Mrazek of New York;
Mr. Owens of New York;
Mr. Towns of New York;
Mr. Ackerman of New York;
Mr. DioGuardi of New York;
Mr. Manton of New York;
Mr. Whitten of Mississippi;
Mr. Price of Illinois;
Mr. Rodino of New Jersey;
Mr. Boland of Massachusetts;
Mr. Conte of Massachusetts;
Mr. Smith of Iowa;
Mr. McDade of Pennsylvania;
Mr. Roybal of California;
Mr. Annunzio of Illinois;
Mr. Ford of Michigan;
Mr. Myers of Indiana;
Mr. Alexander of Arkansas;
Mr. Chappell of Florida;
Mr. Stokes of Ohio;
Mr. Obey of Wisconsin;
Mr. Dellums of California;
Mr. Mitchell of Maryland;
Mr. Young of Florida;
Mrs. Holt of Maryland;
Mr. Lehman of Florida;
Mr. Moakley of Massachusetts;
Mr. AuCoin of Oregon;
Mr. Early of Massachusetts;
Mr. Hefner of North Carolina;
Mr. Mineta of California;
Mr. Markey of Massachusetts;
Mr. Akaka of Hawaii;
Mr. Dicks of Washington;
Mr. Glickman of Kansas;
Mr. Kildee of Michigan;
Mr. Panetta of California;

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Mr. Pursell of Michigan;
Mr. Livingston of Louisiana;
Mr. Fazio of California;
Mr. Gray of Pennsylvania;
Mr. Hutto of Florida;
Mr. Lewis of California;
Mr. Sensenbrenner of Wisconsin;
Mr. Dwyer of New Jersey;
Mr. Carr of Michigan;
Mr. Kostmayer of Pennsylvania;
Mrs. Boxer of California;
Mr. Coleman of Texas; and
Mr. Durbin of Illinois.

There was no objection.

JOHN D. CALLAWAY RECEIVES THE 1986 DANTE AWARD

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Illinois [Mr. Annunzio] is recognized for 5 minutes.

Mr. ANNUNZIO. Mr. Speaker, I rise to call to the attention of my colleagues the achievements of the nationally known senior correspondent for the public broadcast station WTTW-TV channel 11, John D. Callaway, who will receive the 15th Annual Dante Award of the Joint Civic Committee of Italian Americans on May 9, at a luncheon given in his honor at the Como Inn in Chicago.

John Callaway joined WTTW-TV in 1974 after 17 years as a broadcaster and news executive with CBS Radio and Television in Chicago and New York, and currently he is host of the Emmy-award winning program, "Chicago Tonight With John Callaway," which appears every week night on WTTW-TV. Well-known and highly respected for his insightful and responsible interviews, and for maintaining the highest standards of integrity in his 29-year career as as broadcast journalist, John Callaway has received more than 50 awards and honors in recognition of his work, including five Emmys and the prestigious Peabody Award. He is a most deserving recipient of the Dante Award for his achievements and contributions to broadcasting and he has been representative of Dante Alighieri's statement in his "Divine Comedy" that "man should never be timid about the truth."

The Dante Award was established by the Joint Civic Committee of Italian Americans, an umbrella organization comprised of more than 40 civic organizations in the Chicago area, to extend recognition annually to an individual in the mass media communications field who has made positive contributions to the profession of journalism.

During his career, John Callaway has covered six national political conventions, and was the moderator of the Illinois statewide network broadcasts of the four gubernatorial election debates which took place in 1978. In addition, he has compiled an outstanding record of achievement by moderating since 1974 all the WTTW-TV special programs on the congressional, senatorial, and mayoral campaigns in Illinois.

John Callaway has distinguished himself as a most competent and thorough journalist in his coverage of the aftermath of the 1967 Arab-Israeli War, and the career and death of Mayor Richard J. Daley, as well as his coverage of the tragic 1958 fire at Our Lady of the Angels School, where 92 students and 3 nuns died.

Beginning his career in journalism in 1956 as a copy boy and police reporter for the City News Bureau of Chicago, 1 year later John Callaway became a general assignment reporter and documentary producer for WBBM-Radio and WBBM-TV, the CBS owned station in Chicago. From 1960 to 1968, he served in several major executive positions at the radio station, including editorial director, public affairs director, and news and program director, and he also was host of the award-winning CBS radio documentary discussion, and call-in program, "Nightline."

In 1964, John Callaway won 7 national awards for his production and narration of a 13-part commentary series which examined the American civil rights movement. Writing, producing, and broadcasting several documentary programs about prison problems in Illinois, he became the first Chicago journalist to gain membership in the Illinois Academy of Criminology.

John Callaway was instrumental in helping to initate WBBM-Radio's all-news format in 1968, and from 1968 until 1970, he served as vice president of program services for CBS-Radio in New York City, where he developed the expansion of CBS all-news stations throughout the country. In 1970, he began hosting the nationally broadcast interview program, "Crosstalk," and in 1973, he returned to Chicago as a reporter for WBBM-TV.

Joining WTTW-TV channel 11 in Chicago in 1974, John Callaway has hosted numerous nationally syndicated Public Broadcasting System series, including the most highly respected "John Callaway Interviews," "Campaigning on Cue," and the "Paper Chase Addendum." He has also authored two books, and has contributed articles to several newspapers and magazines.

The 15th Annual Dante Award Luncheon will be held under the auspices of the Anti-Defamation Committee of the JCCIA, chaired by Carl De Moon, at the Como Inn, and many political dignitaries, civic leaders, and leaders of the communications industry will be in attendance. Joe Weisman, senior editor and host of WTTW's "Chicago Week in Review," will serve as master of ceremonies of the luncheon, sharing this position on the dais with Emil Venuti, a member of the Anti-Defamation Committee of the JCCIA. The invocation will be offered by the Reverend Lawrence Cozzi, C.S., administrator of Villa Scalabrini, the Italian Old Peoples Home in Melrose Park. Charles C. Porcelli, president of the JCCIA, will present the Dante Award to John Callaway.

For the 11th straight year, the John Fischetti Scholarship will also be awarded at the luncheon. The scholarship, which this year is a $1,500 award, was established by the Joint Civic Committee of Italian Americans to further the study of Italian American students in communications and is named after the Pulitzer prize-winning political cartoonist.

Mr. Speaker, I extend my warmest congratulations to John Callaway on meriting this recognition, and for the strong and constructive impact he has made on the broadcast industry. His career, his character, and his splendid record of achievement prove that he is, indeed, a "friend of truth."

SPECIAL RULE ON CONTRA AID

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Mississippi [Mr. Lott] is recognized for 10 minutes.

Mr. LOTT. Mr. Speaker, today our distinguished Republican leader, Mr. Michel, and I are introducing a special discharge rule on the subject of assistance for the democratic resistance in Nicaragua. I think it should be clear by now that the Democratic leadership of this House is more interested in playing games with the issue than in expediting consideration of a separate measure that could be signed into law and provide this urgently needed aid to the Contras. By folding the Contra aid issue into the supplemental under the rule to be taken up tomorrow, the Democratic leadership is cynically counting on delays and veto threats to put Contra aid on a slow track.

The rule I am introducing today would make in order consideration of House Joint Resolution 283, relating to the internal situation in Nicaragua, introduced by Congressman McCurdy last year. The joint resolution would be subject to 2 hours of debate. The House would then consider three substitutes in the following order, with an hour of debate on each: a substitute by Congressman Hamilton printed in the Record by May 7; A substitute by Congressman McCurdy printed in the Record by May 7; and a substitute by Congressman Michel printed in the April 21 Record. If more than one substitute is adopted the last one adopted would be reported back to the House, the so-called king-of-the-mountain approach. The joint resolution would then be joined with the Senate-passed measure, Senate Joint Resolution 283 to facilitate either sending it to the President or achieving an agreement between the two Houses.

Mr. Speaker, I intend to file a discharge motion on this rule next Wednesday. Hopefully, we will secure the necessary 218 signatures in time to bring this up on the next discharge date, Monday, May 12.

I regret it is necessary to resort to the discharge procedure on a matter on which we had thought separate consideration would be permitted. But this is apparently the only way we can accomplish that objective given the leadership's attempts to submerge and delay the matter.

At this point in the Record, Mr. Speaker, I include a summary and the text of our special discharge rule. The items follow:

Summary of Proposed Rule for Contra Aid

1. Immediately upon the adoption of the rule, the House would resolve into the Committee of the Whole for the consideration of H.J. Res. 283, to promote internal reconciliation in Nicaragua on the basis of democratic principles and to further peaceful resolution of the conflict in Central America.

[*Note:* H.J. Res. 283 was introduced by Rep. David McCurdy on May 8, 1985 with 10 cosponsors, and referred to the Committees on Appropriations, Foreign Affairs, Intelligence and Rules.]

2. The joint resolution would be subject to two hours of general debate divided between the majority and minority leaders.

3. All points of order are waived against the consideration of the joint resolution.

4. The rule makes in order the following amendments in the nature of a substitute to be offered only in the following order, waives all points of order against them, makes them in order even if a previous amendment has been adopted, prohibits any amendments to the amendments or a division of the question in the House or in the Committee of the Whole, and provides one hour of debate on each, divided between the proponent and an opponent: (1) an amendment printed in the Congressional Record by May 7th by Rep. Hamilton; (2) an amendment printed in the Congressional Record by May 7th by Rep. McCurdy; and (3) an amendment printed in the Congressional Record of April 21 by Rep. Michel. The last amendment adopted shall be reported back to the House (king-of-the-mountain).

5. After the joint resolution has been amended and reported to the House, the previous question is ordered to final passage without intervening motion except one motion to recommit.

6. After passage of the joint resolution, the House would proceed to the immediate consideraton in the House of S.J. Res. 283, the Senate passed Contra aid bill, and it would then be in order to move to insert the House passed language or, if the Michel substitute has been adopted, it would be in order as a preferential motion to move the previous question on the Senate joint resolution to final passage without intervening motion.

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Resolved, That immediately upon the adoption of this resolution the House shall resolve itself into the Committee of the Whole House on the State of the Union for the consideration of the joint resolution (H.J. Res. 283) to promote internal reconciliation within Nicaragua, on the basis of democratic principles, in furtherance of peaceful resolution of the conflict in Central America, the first reading of the joint resolution shall be dispensed with, and all points of order against the consideration of the joint resolution are hereby waived. After general debate, which shall be confined to the joint resolution and the amendments made in order by this resolution, and which shall continue not to exceed two hours, to be equally divided and controlled by the majority leader and the minority leader, or their designees, the resolution shall be considered as having been read for amendment under the five-minute rule. No amendment to the joint resolution shall be in order except the following amendments, which shall be in order any rule of the House to the contrary notwithstanding, which shall be in order even if a previous amendment in the nature of a substitute has been adopted, which shall be considered as having been read, which shall be considered only in the following order, and which shall not be subject to amendment or to a division of the question in the House or in the Committee of the Whole:

(1) an amendment in the nature of a substitute printed in the Congressonal Record by May 7, 1986, by, and if offered by, Representative Hamilton of Indiana, and said amendment shall be debatable for not to exceed one hour, to be equally divided and controlled by Representative Hamilton and a Member opposed thereto;

(2) an amendment in the nature of a substitute printed in the Congressional Record by May 7, 1986, by, and if offered by, Representative McCurdy of Oklahoma, and said amendment shall be debatable for not to exceed one hour, to be equally divided and controlled by Representative McCurdy and a Member opposed thereto; and

(3) an amendment in the nature of a substitute printed in the Congressional Record of April 21, 1986, by, and if offered by, Representative Michel of Illinois, and said amendment shall be debatable for not to exceed one hour, to be equally divided and controlled by Representative Michel and a Member opposed thereto. If more than one of the amendments in the nature of a substitute made in order by this resolution has been adopted, only the last such amendment which has been adopted shall be considered as having been finally adopted in the Committee of the Whole and reported back to the House.

At the conclusion of the consideration of the joint resolution for amendment, the Committee shall rise and report the joint resolution to the House with such amendments as may have been adopted, and the previous question shall be considered as ordered on the joint resolution and amendments thereto to final passage without intervening motion except one motion to recommit. After the passage of H.J. Res. 283, the House shall proceed to the immediate consideration of S.J. Res. 283 in the House, and it shall then be in order to move to strike out all after the enacting clause of the said Senate joint resolution and to insert in lieu thereof the provisions contained in H.J. Res. 283 as passed by the House, except that, if the joint resolution as passed by the House includes the provisions of the amendment offered by Representative Michel, it shall be in order as a preferential motion, any rule or precedent of the House to the contrary notwithstanding, to move the previous question on the said Senate joint resolution to final passage, without intervening motion.

SPECIAL ORDERS GRANTED

By unanimous consent, permission to address the House, following the legislative program and any special orders heretofore entered, was granted to:

(The following Members (at the request of Mr. Gekas) to revise and extend their remarks and include extraneous material:)

Mr. Lott, for 10 minutes, today.

Mr. Bereuter, for 60 minutes, April 15.

(The following Members (at the request of Mr. Annunzio) and to revise and extend their remarks and include extraneous material:)

Mr. Ray, for 5 minutes, today.

Mr. Annunzio, for 5 minutes, today.

Mr. Fauntroy, for 60 minutes, today.

Mr. Fauntroy, for 20 minutes, on April 15.

Mr. Durbin, for 60 minutes, on April 17.

Mr. Coleman of Texas, for 60 minutes on May 6.

EXTENSION OF REMARKS

By unanimous consent, permission to revise and extend remarks was granted to:

(The following Members (at the request of Mr. Gekas) and to include extraneous matter:)

Mr. Crane.

Mr. Clinger in three instances.

Mr. Fish in two instances.

Mr. Boulter.

Mr. Courter.

Mr. Michel in two instances.

(The following Members (at the request of Mr. Annunzio) and to include extraneous matter:)

Mr. Anderson in 10 instances.

Mr. Gonzalez in 10 instances.

Mr. Brown of California in 10 instances.

Mr. Annunzio in six instances.

Mr. Jones of Tennessee in 10 instances.

Mr. Boner of Tennessee in five instances.

Mr. Montgomery.

Mr. Murtha.

Mr. Dymally.

Mr. Rodino.

Mr. Stark.

SENATE BILLS REFERRED

Bills of the Senate of the following titles were taken from the Speaker's table and, under the rule, referred as follows:

S. 8. An act to grant a Federal charter to the Vietnam Veterans of America, Inc.; to the Committee on the Judiciary.

S. 2054. An act to provide that the National Aeronautics and Space Administration may accept gifts and donations for a space shuttle which may be named Challenger II; to the Committee on Science and Technology.

S.J. Res. 188. Joint resolution to designate July 6, 1986, "National Air Traffic Control Day"; to the Committee on Post Office and Civil Service.

S.J. Res. 199. Joint resolution to designate the month of November 1986 as "National Elks Veterans Remembrance Month"; to the Committee on Post Office and Civil Service.

S.J. Res. 281. Joint resolution to designate the week of May 11 through May 17, 1986, as "Senior Center Week"; to the Committee on Post Office and Civil Service.

S.J. Res. 284. Joint resolution to designate the month of May 1986 as "Better Hearing and Speech Month"; to the Committee on Post Office and Civil Service.

S.J. Res. 300. Joint resolution to recognize and honor three hundred and fifty years of service of the National Guard; to the Committee on Armed Services.

S.J. Res. 303. Joint resolution to designate April 1986 as "Fair Housing Month"; to the Committee on Post Office and Civil Service.

S.J. Res. 306. Joint resolution to designate the week beginning November 23, 1986, as "National Adoption Week"; to the Committee on Post Office and Civil Service.

S.J. Res. 307. Joint resolution to authorize and request the President to designate the week of April 18, 1986, through April 27, 1986, as "National Carpet and Floorcovering

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Week"; to the Committee on Post Office and Civil Service.

S.J. Res. 309. Joint resolution to designate the week of June 1, 1986, through June 7, 1986, as "National Intelligence Community Week"; to the Committee on Post Office and Civil Service.

S.J. Res. 315. Joint resolution designating May 1986 as "Older Americans Month"; to the Committee on Post Office and Civil Service.

S. Con. Res. 126. Concurrent resolution authorizing the rotunda of the United States Capitol to be used on May 6, 1986, for a ceremony commemorating the days of remembrance of victims of the Holocaust; to the Committee on House Administration.

SENATE ENROLLED JOINT RESOLUTION

The SPEAKER announced his signature to an enrolled joint resolution of the Senate of the following title:

S.J. Res. 261. Joint resolution to designate the week of April 14, 1986 through April 20, 1986 as "National Mathematics Awareness Enrolled Week".

ADJOURNMENT

Mr. ANNUNZIO. Mr. Speaker, pursuant to House Resolution 416, I move that the House do now adjourn in memory of the late Joseph P. Addabbo.

The motion was agreed to.

The SPEAKER pro tempore. Pursuant to the provisions of House Resolution 416, the House stands adjourned until 3:30 p.m., tomorrow, Tuesday, April 15, 1986, in memory of the late Joseph P. Addabbo.

Thereupon (at 1 o'clock and 5 minutes p.m.), pursuant to House Resolution 416, the House adjourned until tomorrow, Tuesday, April 15, 1986, at 3:30 p.m.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

3274. A communication from the President of the United States, transmitting requests for supplemental appropriations for fiscal year 1986 for the legislative branch and the Department of Agriculture, and supplemental appropriations language for the Department of Transportation, pursuant to 31 U.S.C. 1107 (H. Doc. No. 99-196); to the Committee on Appropriations and ordered to be printed.

3275. A letter from the Director, the Office of Management and Budget, transmitting a report giving the status as of April 1, 1986, of 80 rescission proposals and 66 deferrals contained in the first five special messages of fiscal year 1986, pursuant to 2 U.S.C. 685(e) (H. Doc. No. 99-197); to the Committee on Appropriations and ordered to be printed.

3276. A letter from the Secretary, Federal Trade Commission, transmitting the eighth annual report on the administration and enforcement of the Fair Debt Collection Practices Act, pursuant to Public Law 90-321, section 815(a) (91 Stat. 882); to the Committee on Banking, Finance and Urban Affairs.

3277. A letter from the Chairman, Council of the District of Columbia, transmitting a copy of D.C. Act 6-150, "Parental Kidnaping Prevention Act of 1985," and report, pursuant to Public Law 93-198, section 602(c); to the Committee on the District of Columbia.

3278. A letter from the Chairman, Council of the District of Columbia, transmitting a copy of D.C. Act 6-151, "South Africa and Namibia Contracting Sanction Amendment Act of 1986," and report, pursuant to Public Law 93-198, section 602(c); to the Committee on the District of Columbia.

3279. A letter from the Chairman, Council of the District of Columbia, transmitting a copy of D.C. Act 6-152, "D.C. Soil and Water Conservation Act of 1982 Technical Amendment Act of 1986," and report, pursuant to Public Law 93-198, section 602(c); to the Committee on the District of Columbia.

3280. A letter from the Chairman, Council of the District of Columbia, transmitting a copy of D.C. Act 6-153, "Leased Condominiums Temporary Clarification Amendment Act of 1986," pursuant to Public Law 93-198, section 602(c); to the Committee on the District of Columbia.

3281. A letter from the Chairman, Council of the District of Columbia, transmitting a copy of D.C. Act 6-154, "Alcoholic Beverage Control Act Temporary Amendment Act of 1986," pursuant to Public Law 93-198, section 602(c); to the Committee on the District of Columbia.

3282. A letter from the Chairman, Council of the District of Columbia, transmitting a copy of D.C. Act 6-155, "D.C. Construction Codes Adoption Act of 1983 Submission to the Council Due Date Amendment Act of 1986," and report, pursuant to Public Law 93-198, section 602(c); to the Committee on the District of Columbia.

3283. A letter from the Secretary of Education, transmitting notification of "Final Funding Priorities for NIHR—Research and Demonstration Projects, Knowledge Dissemination and Utilization Projects," pursuant to 20 U.S.C. 1232(d)(1); to the Committee on Education and Labor.

3284. A letter from the Secretary of Health and Human Services, transmitting the seventh annual report on the implementation of the Age Discrimination Act of 1975, as amended, during fiscal year 1985, pursuant to 42 U.S.C. 6106a(b); to the Committee on Education and Labor.

3285. A letter from the Secretary of Education, transmitting drafts of proposed legislation to authorize the establishment of an endowment fund at Gallaudet College and the National Technical Institute for the Deaf, and for other purposes, and to terminate the perpetual trust fund for the American Printing House for the Blind, and for other purposes; to the Committee on Education and Labor.

3286. A letter from the Secretary of Education, transmitting a draft of proposed legislation to make certain amendments to the act of September 30, 1950 (Public Law 874, 81st Congress), and for other purposes; to the Committee on Education and Labor.

3287. A letter from the Secretary of Health and Human Services, transmitting a draft of proposed legislation to extend and amend programs under the Native American Programs Act of 1974, and for other purposes; to the Committee on Education and Labor.

3288. A letter from the Secretary of Energy, transmitting a draft of proposed legislation to promote competition in the natural gas market, to ensure open access to transportation service, to encourage production of natural gas, to provide natural gas consumers with adequate supplies at reasonable prices, to eliminate demand restraints, and for other purposes; to the Committee on Energy and Commerce.

3289. A letter from the Acting Assistant Secretary for Legislative and Intergovernmental Affairs, Department of State, transmitting a report providing an overview of both continuing and new United States assistance programs in South Africa; to the Committee on Foreign Affairs.

3290. A letter from the Administrator, Agency for International Development, transmitting the Agency's fiscal year 1985 report on actions taken to increase competition for contracts; number and dollar value of noncompetitive contracts and accomplishments of the advocate for competition, pursuant to 41 U.S.C. 419; to the Committee on Government Operations.

3291. A letter from the Deputy Assistant Secretary of Defense (Comptroller, Administration), transmitting notification of a proposed new record system by the Defense Contract Audit Agency, pursuant to 5 U.S.C. 552a(o); to the Committee on Government Operations.

3292. A letter from the Deputy Assistant Secretary of Defense (Comptroller, Administration), transmitting notification of a proposed new record system by the Department of the Navy, pursuant to 5 U.S.C. 552a(o); to the Committee on Government Operations.

3293. A letter from the Deputy Assistant Secretary of Defense (Comptroller, Administration), transmitting notification of two new proposed record systems submitted by the Office of the Secretary of Defense, pursuant to 5 U.S.C. 552a(o); to the Committee on Government Operations.

3294. A letter from the Associate Administrator for Congressional Affairs, General Services Administration, transmitting a report on steps taken to reach GSA's fiscal years 1986 and 1987 budget goals; to the Committee on Government Operations.

3295. A letter from the Deputy Associate Director for Royalty Management, Department of the Interior, transmitting notification of proposed refunds of excess royalty payments in OCS areas, pursuant to 43 U.S.C. 1339(b); to the Committee on Interior and Insular Affairs.

3296. A letter from the Chairman, Advisory Council on Historic Preservation, transmitting the Council's fiscal year 1985 annual report, pursuant to Public Law 89-665, section 202(b) (94 Stat. 2999); to the Committee on Interior and Insular Affairs.

3297. A letter from the Assistant Secretary of the Army (Civil Works), transmitting a report dated September 26, 1984, from the Chief of Engineers, Department of the Army, on Oliver Lock Replacement, Black Warrior-Tombigbee Rivers, AL. These reports are in partial response to a resolution adopted on April 21, 1950 (H. Doc. No. 99-198); to the Committee on Public Works and Transportation and ordered to be printed.

3298. A letter from the Assistant Secretary of the Army (Civil Works), transmitting a report dated September 4, 1981, and accompanying supplement report dated February 1, 1985, from the Chief of Engineers, Department of the Army, on Central Ohio Survey, Scioto River at North Chillicothe, OH. These reports are in partial response to a resolution adopted July 14, 1970, and in full response to a resolution adopted December 9, 1975, by the House Committee

on Public Works (H. Doc. No. 99-199); to the Committee on Public Works and Transportation and ordered to be printed.

3299. A communication from the President of the United States, transmitting notification of his intention to designate Aruba as a "beneficiary country" for purposes of granting duty-free treatment, pursuant to Public Law 98-67, section 212(a)(1)(A). (H. Doc. No. 99-200); to the Committee on Ways and Means and ordered to be printed.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. BONIOR: Committee on Rules. House Resolution 415, a Resolution waiving certain points of order against consideration of H.R. 4515 making urgent supplemental appropriations for the fiscal year ending September 30, 1986, and for other purposes; and providing for the consideration of a joint resolution only containing the text of S.J. Res. 283 (Rept. No. 99-529). Referred to the House Calendar.

REPORTED BILLS SEQUENTIALLY REFERRED

Under clause 5 of rule X, bills and reports were delivered to the Clerk for printing, and bills referred as follows:

Mr. GARCIA: Committee on Post Office and Civil Service. H.R. 3559. A bill to amend the act establishing a Commission on the Bicentennial of the Constitution of the United States to clarify the status of employees of the Commission, to raise the limits on private contributions, and for other purposes; with an amendment; referred to the Committee on the Judiciary April 14, 1986, for a period ending not later than April 28, 1986, for consideration of such portions of the bill and amendment as fall within its jurisdiction pursuant to clause 1(m), rule X (Rept. No. 99-530, Pt. 1). Ordered to be printed.

PUBLIC BILLS AND RESOLUTIONS

Under clause 5 of rule X and clause 4 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. STARK:

H.R. 4570. A bill to establish certain trade sanctions to foreign nations that are not signatory to the Nuclear Test Ban Treaty by January 1, 1987; to the Committee on Ways and Means.

H.R. 4571. A bill to establish certain trade sanctions to foreign nations that are not signatory to the Nuclear Weapons Non-Proliferation Treaty by January 1, 1987; to the Committee on Ways and Means.

By Mr. STOKES:

H.R. 4572. A bill making appropriations for the Sub-Saharan Africa Fund of the International Fund for Agricultural development for the fiscal year ending September 30, 1987; to the Committee on Appropriations.

By Mr. PEPPER:

H.J. Res. 599. Joint resolution commemorating the 25th anniversary of the Bay of Pigs invasion to liberate Cuba from Communist tyranny; to the Committee on Post Office and Civil Service.

By Mr. STRATTON:

H. Res. 416. Resolution expressing the condolences of the House on the death of the Honorabe Joseph P. Addabbo, a Representative for the State of New York; considered and agreed to.

By Mr. CRANE:

H. Res. 417 Resolution to amend the Rules of the House of Representatives to require a rollcall vote on the passage of bills making appropriations and bills providing revenue, and for other purposes; to the Committee on Rules.

By Mr. DASCHLE (for himself, Mr. Coelho, Mr. English, Mr. Glickman, Mr. Penny, Mr. Williams, and Mr. Morrison of Washington):

H. Res. 418. Resolution expressing the sense of the House of Representatives that there is an economic depression in the beef and pork industries, resulting in part from excessive meat imports and from the administration of the milk production termination program, and that the President should alleviate such depression by imposing limitations on the levels of meats and meat products imported into the United States during the milk production termination program; jointly to the Committees on Agriculture, and Ways and Means.

By Mr. LOTT (for himself, and Mr. Michel):

H. Res. 419. Resolution providing for the consideration of the joint resolution (H.J. Res. 283) to promote internal reconciliation within Nicaragua, and for other purposes; to the Committee on Rules.

MEMORIALS

Under clause 4 of rule XXII, memorials were presented and referred as follows:

339. By the SPEAKER: Memorial of the Legislature of the State of Kansas, relative to the production of leaded gasoline for the use in farm equipment; to the Committee on Energy and Commerce.

340. Also, memorial of the Legislature of the Territory of Guam, relative to expressing the condolences of the people of Guam to the families of the crew of the space shuttle *Challenger*; to the Committee on Science and Technology.

ADDITIONAL SPONSORS

Under clause 4 of rule XXII, sponsors were added to public bills and resolutions as follows:

H.R. 93: Mr. Archer.

H.R. 96: Mr. Lent.

H.R. 97: Mr. Emerson, Mr. Ritter, and Mr. Hyde.

H.R. 1145: Mr. Scheuer.

H.R. 1345: Mr. Craig, Mr. Emerson, and Mr. Ritter.

H.R. 1398: Mr. Edwards of California.

H.R. 1674: Mr. Hayes.

H.R. 3000: Mr. Tallon.

H.R. 3024: Mr. Cooper and Mr. Jones of Tennessee.

H.R. 3298: Mr. Carney.

H.R. 3522: Mr. Campbell.

H.R. 3894: Mr. Hertel of Michigan, Mr. Martinez, Mr. Morrison of Connecticut, Mr. Roybal, Mr. Wolpe, Mr. Rose, Mr. Ortiz, Mr. Rahall, Mr. Fuqua, Mr. Tallon, Mr. Boland, Mr. Robinson, Mr. Manton, Mr. Owens, Mr. Foglietta, Mr. Bustamante, Mr. Jones of Oklahoma, Mr. Wortley, Mrs. Schroeder, Mr. Gallo, Mr. Stangeland, Mr. Beilenson, Mr. Mineta, Mr. Oberstar, Mr. Daschle, Mr. Siljander, Mr. Fazio, Mr. Edwards of California, Mr. Howard, Mrs. Boggs, Mr. Bryant, Mr. Anderson, Mr. Horton, Mr. Boner of Tennessee, Mrs. Lloyd, and Mr. Whitehurst.

H.R. 4060: Mr. Leach of Iowa, Mr. Feighan, Mr. Levin of Michigan, Mr. Kindness, Mr. Wilson, Mrs. Johnson, Mr. Perkins, Mr. Bonior of Michigan, Mr. Wyden, Mr. Torricelli, Mr. Kolbe, Mr. Carr, Mr. Wolpe, Mrs. Schneider, Mr. Staggers, Mr. Wise, Mr. Shaw, Mr. Thomas of Georgia, Mr. Olin, Mr. Coughlin, Mr. Durbin, Mr. Berman, Mr. Jones of North Carolina, Mr. Skelton, Mr. Mineta, Mr. Florio, Mr. Hansen, Mr. Lehman of Florida, Mrs. Collins, Mr. Ford of Tennessee, and Mr. Stallings.

H.R. 4336: Mrs. Holt.

H.R. 4442: Mr. Dannemeyer, Mr. Henry, Mrs. Johnson, Mr. Nielson of Utah, and Mr. Wortley.

H.R. 4489: Mr. Morrison of Washington, Mr. Lagomarsino, Mr. Gregg, and Mr. Schaefer.

H.J. Res. 244: Mrs. Meyers of Kansas, and Mr. Beilenson.

H.J. Res. 562: Mr. Blaz, Mr. DioGuardi, Mr. Bryant, Mr. McDade, Mr. Horton, Mr. Andrews, Mr. Carney, Mr. Moore, Mr. Moorhead, Mr. Weber, Mr. Coble, Mr. Green, Mr. Mack, Mr. Broyhill, Mr. Hartnett, Mr. Gejdenson, Mr. Chappie, Mr. Lightfoot, Mr. Leach of Iowa, Mr. Lewis of Florida, Mr. Ritter, Mr. Vander Jagt, Mr. Petri, Mr. Martinez, Mr. Fazio, Mr. Martin of New York, Mr. Daub, Mr. Hendon, Mrs. Byron, Mr. Bevill, Mr. Nielson of Utah, Mr. O'Brien, Mr. Quillen, Mr. Lent, Mr. Rinaldo, Mr. Jeffords, Mr. Lewis of California, Mr. Henry, Mr. Saxton, Mr. Dannemeyer, Mr. Rudd, Mr. Dickinson, Mr. Kasich, Mr. Moody, Mr. Roth, Mr. Ackerman, Mr. Anderson, Mr. Annunzio, Mr. Atkins, Mr. Barnes, Mr. Bennett, Mr. Berman, Mr. Boland, Mr. Boner of Tennessee, Mr. Borski, Mr. Boucher, Mr. Brooks, Mrs. Burton of California, Mr. Bustamante, Mr. Callahan, Mr. Chapman, Mr. Chappell, Mr. Coelho, Mr. Coleman of Texas, Mr. Coyne, Mr. Crockett, Mr. Darden, Mr. de la Garza, Mr. de Lugo, Mr. Dixon, Mr. Donnelly, Mr. Dorgan of North Dakota, Mr. Durbin, Mr. Dwyer of New Jersey, Mr. Edgar, Mr. Erdreich, Mr. Evans of Illinois, Mr. Fascell, Mr. Florio, Mr. Foley, Mr. Ford of Tennessee, Mr. Frank, Mr. Frost, Mr. Fuster, Mr. Gekas, Mr. Gray of Illinois, Mr. Hamilton, Mr. Hatcher, Mr. Hayes, Mr. Hefner, Mr. Hertel of Michigan, Mr. Howard, Mr. Hoyer, Mr. Huckaby, Mr. Jones of North Carolina, Mr. Kolter, Mr. LaFalce, Mr. Lagomarsino, Mr. Lantos, Mr. Lehman of Florida, Mr. Leland, Mr. Levin of Michigan, Mr. Levine of California, Mr. Lipinski, Mr. Lundine, Mr. McHugh, Mr. MacKay, Mr. Manton, Mr. Matsui, Mr. Miller of California, Mr. Mineta, Mr. Moakley, Mr. Morrison of Connecticut, Mr. Murphy, Mr. Ortiz, Mr. Owens, Mr. Pepper, Mr. Perkins, Mr. Rahall, Mr. Reid, Mr. Richardson, Mr. Roe, Mr. Rose, Mr. Scheuer, Mr. Shelby, Mr. Smith of Florida, Mr. Stratton, Mr. Tallon, Mr. Thomas of Georgia, Mr. Torricelli, Mr. Towns, Mr. Valentine, Mr. Vento, Mr. Volkmer, Mr. Watkins, Mr. Weiss, Mr. Wolpe, Mr. Wortley, and Mr. Dymally.

H. Con. Res. 129: Mrs. Lloyd and Mr. Skelton.

H. Con. Res. 261: Mr. Waxman, Ms. Mikulski, Mr. Gonzalez, Mr. Dellums, Mr.

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Fazio, Mr. Hoyer, Mr. Weaver, Mr. Wortley, and Mr. Levin of Michigan.

H. Con. Res. 306: Mr. Lantos, Mr. Schumer, Mr. Wolpe, Ms. Kaptur, Mr. Eckart of Ohio, Mr. Martinez, Mr. LaFalce, Mr. Horton, Mr. Bonior of Michigan, Mr. Burton of Indiana, Mr. Levin of Michigan, Mr. Bustamante, Mr. Kramer, Mr. Seiberling, and Mr. DioGuardi.

PETITIONS, ETC.

Under clause 1 of rule XXII, petitions and papers were laid on the Clerk's desk and referred as follows:

302. By the SPEAKER: Petition of Mr. Carl E. Bagge, National Coal Association, Washington, DC, relative to the downward trend in sulfur dioxide emissions at coal-fired electric utilities; to the Committee on Energy and Commerce.

303. Also, petition of Ramonita Ramos and Jouquin Valentin of Arroyo, Puerto Rico, relative to statehood for Puerto Rico; to the Committee on Interior and Insular Affairs.

304. Also, petition of the National Association of Retired Federal Employees, New Mexico Federation of Chapters, relative to actions impacting NARFE members' COLA's; to the Committee on Post Office and Civil Service.

AMENDMENTS

Under clause 6 of rule XXIII, proposed amendments were submitted as follows:

H.R. 4515

By Mr. ARMEY:

—Page 33, lines 19 through 21, strike section 201.

By Mr. BLILEY:

—Page 34, lines 7 through 15, strike section 204.

By Mr. BOSCO:

—Add the following new section at the end of the bill:

SEC. USE OF AMERICAN-BUILT RIGS FOR OCS DRILLING.

Section 5 of the Outer Continental Shelf Lands Act (43 U.S.C. 1334) is amended by adding at the end the following new subsection:

"(j)(1) Any vessel, rig, platform, or other structure used for the purpose of exploration or production of oil and gas on the outer Continental Shelf south of 49 degrees North latitude shall be built—

"(A) in the United States; and

"(B) from articles, materials, or supplies at least 50 percent of which, by cost, shall have been mined, produced, or manufactured, as the case may be, in the United States.

"(2) The requirements of paragraph (1) shall not apply to any vessel, rig, platform, or other structure which was built, which is being built, or for which a building contract has been executed, on or before October 1, 1985.

"(3) The Secretary may waive—

"(A) the requirement in paragraph (1)(B) whenever the Secretary determines that 50 percent of the articles, materials, or supplies for a vessel, rig, platform, or other structure cannot be mined, produced, or manufactured, as the case may be, in the United States, and

"(B) the requirement in paragraph (1)(A) upon application, with respect to any classification of vessels, rigs, platforms, or other structures on a specific lease, when the Secretary determines that at least 50 percent of such classification, as calculated by number and by weight, which are to be built for exploration or production activities under such lease will be built in the United States in compliance with the requirements of paragraph (1)(A).".

By Mr. FAUNTROY:

—Page 16, after line 11, insert the following:

HAITI

Of the funds made available for the "Economic Support Fund" in Public Law 99-190, up to $21,700,000 shall be made available for assistance to Haiti, which shall be in addition to the assistance previously allocated for Haiti. Of this amount, $1,700,000 shall be transferred to the Inter-American Foundation for use by the Foundation for programs for Haiti.

Military Assistance

Of the funds made available for "Military Assistance" in Public Law 99-190, up to $4,000,000 shall be made available to provide nonlethal military assistance for Haiti (such as transportation equipment, training, communications equipment, and uniforms). Such assistance may be provided notwithstanding the limitation on assistance to Haiti contained in section 705(e) of the International Security and Development Cooperation Act of 1985.

General Provisions—Haiti

Sec. 1. (a) The funds made available by this chapter under the heading "military assistance" may be used for assistance for the Government of Haiti only with the understanding by and agreement of that Government that—

(1) it will not use the assistance to suppress legitimate protests,

(2) it will act to remove from the military personnel responsible for human rights abuses,

(3) it will act to investigate the killings of unarmed civilians in Martissant and Gonaives and to prevent any similar occurrences in the near future, and

(4) it will act to require former members of the Volunteers for National Security (VSN) to turn in their weapons.

(b) Half of such assistance shall be withheld until submission by the President of a report to the Congress 4 months after the date of enactment of this Act which details the extent to which the Government of Haiti is acting consistent with each paragraph of subsection (a).

Sec. 2. It is the sense of the Congress that the United States Government should cooperate with the Government of Haiti in recovering the wealth of the Haitian people that was illegally diverted by former president-for-life Jean-Claude Duvalier and his former government ministers and associates.

Page 16, after line 5, insert the following:

ECONOMIC SUPPORT FUND

ANGLO-IRISH INTERNATIONAL FUND

By Mr. FAZIO;

—On page 34, after line 20, add the following new section:

Section . No funds appropriated, or made available, under this or any other act shall be used hereafter for soliciting proposals, preparing or reviewing studies or drafting proposals designed to transfer out of federal ownership, management or control in whole or in part the facilities and functions of the Federal Power Marketing Administrations located within the contiguous 48 states, and the Tennessee Valley Authority, until such activities have been specifically authorized and in accordance with terms and conditions established by an Act of Congress hereafter enacted; *Provided*, That this provision shall not apply to the authority granted under Section 2(e) of the Bonneville Project Act of 1937; or to the authority of the Tennessee Valley Authority pursuant to any law under which it may dispose of property in the normal course of business in carrying out the purposes of the Tennessee Valley Authority Act of 1933, as amended; or to the authority of the Administrator of the General Services Administration pursuant to the Federal Property and Administrative Service Act of 1949, as amended and the Surplus Property Act of 1944 to sell or otherwise dispose of surplus property.

By Mr. HAMMERSCHMIDT:

—Page 3, after line 14, insert the following:

DAIRY INDEMNITY PROGRAM

For an additional amount, for "Dairy Indemnity Program", authorized by the Act of August 13, 1968 (82 Stat. 750), the Act of August 10, 1973 (87 Stat. 223), and the Act of December 23, 1985 (99 Stat 1377) $10,000,000 to remain available until expended.

By Mr. MICA:

—Page 11, after line 12, insert the following:

GENERAL PROVISION—DIPLOMATIC SECURITY PROGRAM

The funds made available by this chapter under the headings "salaries and expenses", "acquisition and maintenance of buildings abroad", and "counterterrorism research and development" shall be used in accordance with those provisions applicable to the diplomatic security program that are contained in H.R. 4151 (the "Omnibus Diplomatic Security and Anti-Terrorism Act of 1986") as passed the House of Representatives on March 18, 1986, except that this paragraph shall cease to apply upon the enactment of authorizing legislation (either H.R. 4151 or similar legislation) providing for enhanced diplomatic security.

By Mr. MICHEL:

—Page 33, beginning on line 19, strike out section 201 and insert in lieu thereof the following:

Sec. 201. (a)(1) Paragraph (4) of section 1011 of the Impoundment Control Act of 1974 (hereinafter in this section referred to as "the Act") is amended to read as follows:

"(4) 'deferral resolution' means a joint resolution of the Congress which only expresses its disapproval of a proposed deferral of budget authority set forth in a special message transmitted by the President under section 1013; and".

(2) Subsection (b) of section 1013 of the Act is amended to read as follows:

"(b) Requirement To Make Available for Obligation.—Any amount of budget authority proposed to be deferred in any fiscal year (as set forth in a special message under subsection (a)) shall be made available for obligation if a deferral resolution is enacted disapproving such proposed deferral.".

(3) Section 1017 of the Act is amended by striking out "impoundment resolution" each place it appears and inserting in lieu thereof "deferral resolution".

(b)(1) Section 1013 of the Act if further amended—

(A) by redesignating subsections (b) and (c) as subsections (c) and (d), respectively; and

(B) in subsection (a), by striking out the matter following paragraph (6) and inserting in lieu thereof the following:

"(b) Limitations on Deferral Messages.—

"(1) A special message may include one or more proposed deferrals of budget authority, but the total amount of budget authority that may be deferred in any fiscal year shall not exceed $5,000,000,000.

"(2) Deferrals of budget authority shall be counted for purposes of paragraph (1) in the order in which submitted, except that if a message under section 1013 and a report under section 1015 are submitted on the same day, the deferral of budget authority described in such report shall be counted first. Once the limit contained in paragraph (1) has been reached for any fiscal year, any additional deferral of budget authority for such fiscal year shall be invalid, and the budget authority that is the subject of such deferral shall be made available for obligation.

"(3) Amounts which have been deferred but which are required to be made available by reason of the enactment of a deferral resolution or other provision of law shall not, after such enactment, be counted for purposes of paragraph (1).

"(4) Except to the extent that paragraph (3) applies following the enactment of a deferral resolution or other provision of law, amounts as to which the Comptroller General has made a finding under section 1015 (that the President has failed to transmit a deferral message) shall be counted for purposes of such limitation.

"(5) A deferral may not be proposed for any period of time extending beyond the end of the fiscal year in which the special message proposing the deferral is transmitted to the House of Representatives and the Senate.".

(2) Section 1015(c) of the Act is amended by adding at the end thereof the following:

"(c) Exceeding Limitation on Deferral Authority.—If the Comptroller General finds that the total of—

"(1) the budget authority proposed to be deferred by the President under section 1013(a), plus

"(2) the budget authority with respect to which a finding has been made under subsection (a) that the President has failed to transmit a deferral message,

equals or exceeds the total amount that may be deferred in such fiscal year under section 1013(b), the Comptroller General shall make a report to both Houses of Congress setting forth his reasons.".

(3) Section 1016 of the Act is amended by striking out "or 1013(b)" and inserting ", 1013(b), or 1013(c)".

(c)(1) Section 1011 of the Act is amended—

(A) in paragraph (1)—

(i) by striking out "includes—" and inserting in lieu thereof "does not include a reservation of budget authority, but includes—"; and

(ii) by striking out "(whether by establishing reserves or otherwise)";

(B) by striking out "and" at the end of paragraph (4);

(C) by redesignating paragraph (5) as paragraph (6); and

(D) by inserting after paragraph (4) the following new paragraph:

"(5) 'reservation of budget authority' means withholding or delaying the obligation or expenditure of budget authority by the establishment of a reserve in accordance with section 1512(c) of title 31, United States Code, and with paragraphs (1) and (2) of section 1018(c) of this Act; and".

(2) Part B of the Act is amended by adding at the end thereof the following new section:

"REPORTING AND RECLASSIFICATION OF RESERVATIONS

"Sec. 1018. (a) Transmittal of Special Message.—Whenever the President, the Director of the Office of Management and Budget, the head of any department or agency of the United States, or any officer or employee of the United States proposes to establish a reservation of budget authority, the President shall transmit to the House of Representatives and the Senate a special message specifying, with respect to the budget authority proposed to be reserved, the same information as is required with respect to a deferral of budget authority under paragraphs (1) through (6) or section 1013(a).

"(b) Review by Comptroller General.—The Comptroller General shall review each special message transmitted under subsection (a) to determine whether the proposed reservation of budget authority complies with the standards prescribed under subsection (c) of this section. If the Comptroller General determines that the proposed reservation does not comply with such standards—

"(1) the Comptroller General shall make a report to both Houses of Congress setting forth his reasons, and

"(2) the special message transmitted under subsection (a) shall be treated as if transmitted under section 1013(a).

"(c) Standards To Ensure Use of Reservations for Routine Management Purposes and Not for Proposal of Policy Changes.—The Comptroller General shall prescribe standards for determining whether a special message transmitted under this section proposes to withhold or delay the obligation or expenditure of budget authority—

"(1) exclusively for a purpose authorized by section 1512(c)(1) of title 31, United States Code; and

"(2) in a manner which improves the management and administration of the budget authority without diverging from the policies, purposes, and objectives of the Congress in making such budget authority available.".

(d)(1) The amendments made by this section shall be effective on the date of enactment of this Act, but shall not apply with respect any deferral of budget authority—

(A) for which the special message was submitted by the President under section 1013(a) of the Act before such date, or

(B) for which a report was made by the Comptroller General under section 1015 of the Act before such date.

(2) For purposes of applying section 1013(b) of the Act (as amended by this section) during fiscal year 1986, any deferral of budget authority—

(A) for which the special message was submitted by the President under section 1013(a) of the Act before such date, or

(B) for which a report was made by the Comptroller General under section 1015 of the Act before such date, shall excluded from the total budget authority counted for purposes of paragraph (1) of section 1013(b) of the Act.

(3) The terms used in this subsection have the same meaning as such terms had under the Act is in effect prior to the enactment of this section.

By Mr. ROSTENKOWSKI:

—Page 34, after line 18, insert the following new section:

Sec. 206. Subsections (a)(4) and (g)(1) of section 1886 of the Social Security Act (42 U.S.C. 1395ww) are amended by striking "1986" each place it appears and inserting "1987".

By Mrs. SCHROEDER:

—Page 34, after line 18, insert the following new section:

Sec. 206. Funds appropriated by this or any other Act for the Department of Defense or the Department of Energy may not be obligated or expended to carry out an explosive test of a nuclear device until the President certifies to Congress that the Soviet Union has conducted, after April 10, 1986 an explosive test of a nuclear device.

H.J. Res.

By Mr. HAMILTON:

(Text of S.J. Res. 283.)

—Strike out all after the resolving clause and insert in lieu thereof the following:

UNITED STATES POLICY IN CENTRAL AMERICA

Section 1. (a) The primary objectives of United States policy in Central America should be—

(1) to preserve the security of the United States;

(2) to prevent the Soviet Union and its allies from seeking to destabilize the region or to develop or deploy an offensive military capability which directly threatens the United States;

(3) to achieve peace and reconciliation;

(4) to promote stability and economic development;

(5) to promote the observance of human rights and the strengthening of democratic processes; and

(6) to live at peace with Nicaragua so long as Nicaragua lives at peace with its neighbors.

(b) United States strategy for achieving the objectives stated in subsection (a) should include—

(1) an emphasis on seeking a negotiated, regional settlement;

(2) respect for the independence and territorial integrity of all nations;

(3) a clear commitment, through appropriate types and levels of military and economic assistance, to assist the nations of Central America in building and sustaining viable, democratic societies capable of withstanding aggression and subversion and of providing their people with an opportunity for better lives; and

(4) consistent diplomatic support on behalf of the observance of human rights by groups and governments, and support for democratic institutions throughout the region, in recognition of the fact that subversion feeds on repression.

(c) In furtherance of the objectives stated in subsection (a), United States policy with respect to Nicaragua should include the following:

(1) A commitment to preserve the security of the United States by preventing the Soviet Union and its allies from developing or deploying an offensive military capability in Central America that directly threatens the United States.

(2) A commitment to protect the security and territorial integrity of any nation of Central America from unlawful actions by Nicaragua, in conformance with the Charter of the Organization of American States and the Inter-American Treaty of Reciprocal Assistance, which provide for collective action.

(3) Pursuit of a regional settlement through all diplomatic avenues, including—

(A) effective support for the Contadora process, which is addressing the questions of peace and security (including mechanisms

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for verification and enforcement) and internal reconciliation and political pluralism;

(B) giving priority to obtaining a ceasefire in Nicaragua;

(C) renewing bilateral talks with Nicaragua; and

(D) encouraging direct talks among the parties to the conflict in Nicaragua.

(4) The provision of incentives to Nicaragua if, over the long term, the Government of Nicaragua improves its conduct, including by agreeing to a ceasefire and to negotiate with its opponents, removing foreign military advisors, agreeing not to provide material support for insurgencies and agreeing to appropriate monitoring procedures under Contadora auspices to verify such agreement, respecting human rights and the independence of the media, and making progress toward national reconciliation and a pluralistic democratic system. Incentives should be structured to enable the United States to respond to positive steps by Nicaragua. These incentives could include—

(A) the suspension of United States military exercises in the region;

(B) the resumption of normal trade, including the resumption of nondiscriminatory trade treatment (MFN status), the restoration of benefits under the Generalized System of Preferences, and the restoration of Nicaragua's sugar quota;

(C) supporting bilateral and multilateral assistance for Nicaragua and providing technical assistance, help in agriculture and health, and volunteer services; and

(D) the creation of a Central American Development Organization (in accordance with section 464 of the Foreign Assistance Act of 1961) in which Nicaragua could participate.

(5) The imposition of further sanctions against Nicaragua should it intensify or expand activities hostile to United States interests and to peace and security within Central America. Such sanctions could include obtaining the cooperation of our allies in Western Europe and Japan, now Nicaragua's largest trading partners, in—

(A) cutting trade with Nicaragua;

(B) stopping bilateral assistance and blocking multilateral assistance to Nicaragua;

(C) imposing comprehensive economic sanctions against Nicaragua;

(D) breaking diplomatic relations with Nicaragua; and

(E) working with our Latin American allies, especially those in Central America, to isolate Nicaragua in regional affairs. Such sanctions can only be effective if taken together with our allies. Unilateral sanctions have not and will not be effective.

ASSISTANCE FOR HUMANITARIAN NEEDS

SEC. 2. (a) Of the funds authorized to be transferred by section 4, up to $27,000,000 may be used by the President to provide food, medicine, or other assistance for the humanitarian needs of those who have been displaced by conflict in Nicaragua, regardless of whether they have been associated with the Nicaraguan opposition forces.

(b) Assistance under this section may be provided only through the International Committee of the Red Cross or the United Nations High Commissioner for Refugees, and only upon that organization's determination that such assistance is necessary to meet humanitarian needs.

ASSISTANCE IN SUPPORT OF THE CONTADORA PROCESS

SEC. 3. (a) The Congress reaffirms its support for the Contadora initiatives and is prepared to support the regional peace process with financial assistance. Accordingly, the President may use up to $5,000,000—

(1) to provide assistance to the Contadora nations of Mexico, Panama, Venezuela, and Colombia, and the Contadora Support Group nations of Argentina, Peru, Uruguay, and Brazil, to assist those nations in reaching agreement among the nations of Central America based on the Contadora Document of Objectives of September 9, 1983, including assistance for peacekeeping, verification, and monitoring systems; and

(2) to help implement any joint border commission agreement between Nicaragua and Costa Rica, or between Nicaragua and Honduras, which those nations enter into in furtherance of the purposes of the Contadora Document of Objectives.

(b) In addition to funds transferred pursuant to section 4, the $2,000,000 appropriated under the heading "ASSISTANCE FOR IMPLEMENTATION OF A CONTADORA AGREEMENT" by the Supplemental Appropriations Act, 1985, may be used to carry out this section.

TRANSFER OF DOD FUNDS

SEC. 4. The President may transfer up to $30,000,000 of the funds appropriated by the Department of Defense Appropriations Act, 1986 (as contained in Public Law 99-190), for use in carrying out sections 2 and 3. The funds transferred under this section may include funds that have been made available for obligation beyond September 30, 1986, as provided by law.

REPORTS ON USE OF FUNDS

SEC. 5. No less frequently than once every 3 months, the President shall submit to the Congress a written report containing an accounting of any funds used pursuant to section 2 or section 3.

NATIONAL COMMISSION ON CONTADORA

SEC. 6. (a) There is hereby established the National Commission on Contadora (hereafter in this section referred to as the "Commission"). The Commission shall—

(1) monitor and review the efforts of the Contadora nations to achieve a political resolution to the conflicts in Central America; and

(2) make recommendations with a view to building a consensus on United States policy toward Nicaragua.

(b) The Commission shall consist of an even number of members, such number to be determined jointly by the Speaker of the House of Representatives and the Majority Leader of the Senate, who shall each appoint half of the members of the Commission. A vacancy in the membership of the Commission shall be filled in the same manner as the original appointment.

(c) Not later than September 1, 1986, the Commission shall submit a report to the President and to the Congress with respect to its findings and recommendations. This report shall include—

(1) a detailed review of the status of the Contadora negotiations and United States support for those negotiations:

(2) a determination by the Commission of whether the Government of Nicaragua and the Nicaraguan opposition are facilitating the Contadora process;

(3) a recommendation on policies toward Nicaragua which the Commission believes represent a consensus that is sustainable and is supportable by the American people; and

(4) a recommendation by the Commission on whether the United States should furnish military assistance to the Nicaraguan opposition forces, including an estimate of the likely impact that furnishing such assistance would have on the Government of Nicaragua and on United States policy throughout the region.

(d) Members of the Commission shall receive no compensation on account of their service on the Commission, but while away from their homes or regular places of business in the performance of their duties on the Commission, shall be allowed travel expenses, including per diem in lieu of subsistence, in the same manner as persons employed intermittently in the Government service are allowed expenses under section 5703 of title 5 of the United States Code.

(e)(1) The Commission may employ experts and consultants in accordance with section 3109 of title 5, United States Code.

(2) Upon a request by the Commission, the head of any Federal agency may temporarily assign employees of that agency to the Commission to assist the Commission in carrying out this section.

(f) The Administrator of General Services shall provide to the Commission, on a reimburseable basis, such administrative support services as the Commission may request.

(g) Funds for the expenses incurred by the Commission in carrying out this section, including travel expenses, shall be provided by Secretary of State.

PRESIDENTIAL REQUEST FOR ADDITIONAL AUTHORITY WITH RESPECT TO NICARAGUA

SEC. 7. (a) After considering the recommendations of the National Commission on Contadora contained in the report submitted pursuant to section 6(c), the President may submit to the Congress on or after September 1, 1986, a request for authority to take specified actions with respect to Nicaragua. The request must be accompanied by—

(1) the President's assurance that he has consulted with the Contadora nations and the Contadora Support Group nations concerning the proposed actions; and

(2) a description of the response of the Contadora nations and the Contadora Support Group nations to the proposed actions.

(b)(1) The provisions of this subsection apply, during the 99th Congress, to the consideration in the House of Representatives of a joint resolution with respect to the request submitted by the President pursuant to subsection (a).

(2) For purposes of this subsection, the term "joint resolution" means only a joint resolution introduced within 3 legislative days after the Congress receives the request submitted by the President pursuant to subsection (a)—

(A) the matter after the resolving clause of which is as follows: "That the Congress hereby authorizes the President, notwithstanding any other provision of law, to take those actions with respect to Nicaragua which are specified in the request submitted to the Congress pursuant to the joint resolution entitled 'Joint Resolution relating to Central America pursuant to the International Security and Development Cooperation Act of 1985'.";

(B) which does not have a preamble; and

(C) the title of which is as follows: "Joint Resolution relating to Nicaragua pursuant to the joint resolution entitled 'Joint Resolution relating to Central America pursuant to the International Security and Development Cooperation Act of 1985'.".

(3) A joint resolution shall, upon introduction, be referred to the appropriate committee or committees of the House of Representatives.

(4) If all the committees of the House to which a joint resolution has been referred have not reported the same joint resolution by the end of 15 legislative days after the first joint resolution was introduced, any committee which has not reported the first joint resolution introduced shall be discharged from further consideration of that joint resolution and that joint resolution shall be placed on the appropriate calendar of the House.

(5)(A) At any time after the first joint resolution placed on the appropriate calendar has been on that calendar for a period of 5 legislative days, it is in order for any Member of the House (after consultation with the Speaker as to the most appropriate time for the consideration of that joint resolution) to move that the House resolve itself into the Committee of the Whole House on the State of the Union for the consideration of that joint resolution. The motion is highly privileged and is in order even though a previous motion to the same effect has been disagreed to. All points of order against the joint resolution under clauses 2 and 6 of Rule XXI of the Rules of the House are waived. If the motion is agreed to, the resolution shall remain the unfinished business of the House until disposed of. A motion to reconsider the vote by which the motion is disagreed to shall not be in order.

(B) Debate on the joint resolution shall not exceed ten hours, which shall be divided equally between a Member favoring and a Member opposing the joint resolution. A motion to limit debate is in order at any time in the House or in the Committee of the Whole and is not debatable.

(C) An amendment to the joint resolution is not in order.

(D) At the conclusion of the debate on the joint resolution, the Committee of the Whole shall rise and report the joint resolution back to the House, and the previous question shall be considered as ordered on the joint resolution to final passage without intervening motion.

(6) As used in this subsection, the term "legislative day" means a day on which the House is in session.

(7) This subsection is enacted—

(A) as an exercise of the rulemaking power of the House of Representatives, and as such it is deemed a part of the Rules of the House, but applicable only with respect to the procedure to be followed in the House in the case of a joint resolution, and it supersedes other rules only to the extent that it is inconsistent with such rules; and

(B) with full recognition of the constitutional right of the House to change its rules at any time, in the same manner, and to the same extent as in the case of any other rule of the House, and of the right of the Committee on Rules to report a resolution for the consideration of any measure.

By Mr. McCURDY:

(Text of S.J. Res. 283.)

—(1) In section 1, strike out "as requested" and all that follows through "(Public Law 99-88),".

(2) Strike out paragraph (5) of section 3(a) and insert in lieu thereof the following:

(5) the lack of progress toward a peaceful resolution of the conflict in Central America based upon the comprehensive implementation of the September 1983 Contadora Document of Objectives.

(3) Strike out paragraph (1) of section 3(b) and insert in lieu thereof the following:

(1) begin serious bilateral discussions with the Government of Nicaragua without requiring, as a precondition, negotiations between the Government of Nicaragua and the forces opposed to the Government of Nicaragua, provided a cease-fire, to be monitored by the Contadora countries and the Contadora Support Group countries, is established before the United States begins such negotiations; and

(4) In section 4(a) strike out "It is the policy of the United States to assist all" and insert in lieu thereof "The United States shall assist only those".

(5) Strike out section 4(c) and insert in lieu thereof the following:

(c) The President shall use the authority provided by this joint resolution to encourage the Nicaraguan democratic resistance to take additional steps to strengthen its unity, increase the responsiveness of military forces to civilian leadership, pursue a defined and coordinated program for representative democracy in Nicaragua, and otherwise increase its appeal to the Nicaraguan people.

(6) Strike out section 4(d) and insert in lieu thereof the following:

(d) In furtherance of the policy set out in this section, not less than $10,000,000 of the funds transferred under section 5(a) shall be available only for assistance to resistance groups otherwise eligible and not currently included within the United Nicaraguan Opposition (UNO), such assistance to be provided according to their needs and contribution to the resistance. In carrying out this subsection, not less than $5,000,000 of the funds made available pursuant to this subsection shall be available only for the Southern Opposition Bloc (BOS) and not less than $5,000,000 shall be available only for the Indian resistance force known as Misurasata.

(7) In section 5, strike out subsection (b) and redesignate subsections (c) and (d) as subsections (b) and (c), respectively.

(8) Strike out section 6 and insert in lieu thereof the following:

COORDINATION OF ASSISTANCE TO THE NICARAGUAN DEMOCRATIC RESISTANCE

SEC. 6. The Secretary of State (or his designee) shall be responsible for policy guidance, coordination, and supervision of United States Government activities under this joint resolution.

(9) In section 9(b), strike out "In furtherance" and all that follows through the end of paragraph (1) and insert in lieu thereof the following:

(1) Of the amounts transferred under section 5(a), $30,000,000 shall be available only for the provision to the Nicaraguan democratic resistance of the following:

(A) assistance of the types authorized by section 722(g) of the International Security and Development Cooperation Act of 1985, provided by the Nicaraguan assistance office established by Executive Order 12530;

(1) In subsection (b) of section 9—

(A) insert "and" at the end of paragraph (3);

(B) strike out "; and" at the end of paragraph (4) and insert in lieu thereof a period;

(C) redesignate paragraphs (2), (3), and (4) as subparagraphs (B), (C), and (D), respectively;

(D) strike out paragraph (5); and

(E) at the end of the subsection, insert the following:

(2) Of the $30,000,000 specified in paragraph (1), $3,000,000 shall be available only for strengthening programs and activities of the Nicaraguan democratic resistance for the observance and advancement of human rights.

(3) In furtherance of the objectives set forth in subsection (a), none of the funds authorized to be transferred by section 5(a), except the $30,000,000 specified in paragraph (1), may be obligated or expended for assistance to the Nicaraguan democratic resistance unless the conditions specified in subsection (c) are met.

(11) Strike out subsections (c) through (f) of section 9 and insert in lieu thereof the following:

(c) On and after July 28, 1986, the restriction in subsection (b)(3) shall cease to apply if—

(1) the President determines and reports to the Congress that—

(A) the Central American countries have not concluded a comprehensive and effective agreement based on the Contadora Document of Objectives,

(B) the Government of Nicaragua is not engaged in a serious dialogue with representatives of all elements of the Nicaraguan democratic opposition, accompanied by a cease-fire, leading to regularly scheduled free and fair elections and the establishment of democratic institutions, and

(C) there is no reasonable prospect of achieving such agreement, dialogue, and cease-fire through further diplomatic measures, multilateral or bilateral, without additional assistance to the Nicaraguan democratic resistance; and

(2) the Congress enacts under section 10 a joint resolution approving the provision of assistance under this joint resolution without regard to the restriction in subsection (b)(3).

(d) Upon the enactment of a joint resolution pursuant to subsection (c)(2), $25,000,000 of the funds transferred under section 5(a) shall be available for obligation and expenditure in accordance with this joint resolution (in addition to the funds provided for in subsection (b)(1)). Upon the transmittal after the enactment of that joint resolution of each report required by section 12, an additional $15,000,000 of those funds shall be available for obligation and expenditure in accordance with this joint resolution.

(e) If the conditions specified in subsection (c) are met, assistance to the Nicaraguan democratic resistance under this joint resolution (other than the assistance provided for in subsection (b)(1)) shall no longer be provided if at any time—

(1) the President determines that—

(A) the Central American countries have concluded a comprehensive and effective agreement based on the Contadora Document of Objectives; or

(B) the Government of Nicaragua is engaging in a serious dialogue with representatives of all elements of the Nicaraguan democratic opposition, accompanied by a cease-fire, leading to regularly scheduled free and fair elections and the establishment of democratic institutions; or

(2) the Congress enacts under section 10 a joint resolution disapproving the provision of assistance under this joint resolution (other than the assistance provided for in subsection (b)(1)).

(f)(1) Notwithstanding any other provision of this joint resolution, on or after July 28, 1986, funds may be obligated or expended for assistance under this joint resolution for a Nicaraguan democratic resistance group only if the President determines and reports to the Congress that—

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(A) that group has agreed upon a program of principles and objectives directed toward the attainment of democracy in Nicaragua, such program to include a plan to provide a significant measure of autonomy for Nicaraguan Indians;

(B) that group has instituted full and adequate human rights-related training programs;

(C) that group has removed from its ranks all persons responsible for past human rights abuses in Nicaragua;

(D) that group has established procedures to ensure severe punishment of any person within that group who commits human rights abuses in the future; and

(E) in the case of the groups currently within the United Nicaraguan Opposition (UNO), the United Nicaraguan Opposition has been restructured to allow complete and balanced representation of all democratic opposition forces within that organization and to ensure full subordination of military commanders to the political leadership.

(2) In making his determination under subparagraph (E) of paragraph (1), the President shall take into account the effectiveness and legitimacy of the political leadership of the United Nicaraguan Opposition, including the ability of that political leadership—

(A) to reflect the views and objectives of the internal and external Nicaraguan democratic opposition;

(B) to function as the spokesman for the Nicaraguan democratic opposition with Central Americans, international organizations, and the United States Government; and

(C) to represent the Nicaraguan democratic opposition in dealing with the Government of Nicaragua.

(12) Strike out subsection (a) of section 10 and insert in lieu thereof the following:

(a)(1) A joint resolution described in subsection (c)(2) of section 9 shall be one without a preamble, the matter after the resolving clause of which is as follows: "That pursuant to section 9(c) of the joint resolution entitled 'Joint resolution relating to Central America pursuant to the International Security and Development Cooperation Act of 1985', the Congress approves the provision of assistance to the Nicaraguan democratic resistance pursuant that joint resolution without regard to the restriction in section 9(b)(3).".

(2) A joint resolution described in subsection (e)(2) of section 9 shall be one without a preamble, the matter after the resolving clause of which is as follows: "That pursuant to section 9(e) of the joint resolution entitled 'Joint resolution relating to Central America pursuant to the International Security and Development Cooperation Act of 1985', the Congress disapproves the provision of any assistance to the Nicaraguan democratic resistance pursuant to that joint resolution, other than the assistance provided for in section 9(b)(1).".

(13) In section 10(b), strike out ", (a)(2), or (a)(3)" and insert in lieu thereof "or (a)(2)"; and in paragraph (1), strike out ", subsection (a)(2), or subsection (a)(3)" and insert in lieu thereof "or subsection (a)(2)".

(14) In section 11(b)(1), insert "representatives of" before "all elements".

(15) Strike out paragraph (2) of section 11(e) and insert in lieu thereof the following:

(2) not later than July 21, 1986, the Commission shall prepare and transmit to the Congress a report on whether the Nicaraguan democratic resistance groups receiving assistance under this joint resolution have implemented the measures described in section 9(f)(1) and, with respect to the United Nicaraguan Opposition, an evaluation of the factors described in section 9(f)(2).

(16) In paragraph (1) of section 12, insert "representatives of" before "the Nicaraguan democratic resistance".

(16) At the end of the amendment, add the following:

PLAN FOR ASSISTANCE TO CENTRAL AMERICA

SEC. 14. The Secretary of State, the Administrator of the Agency for International Development, and the Director of the Office of Management and Budget, shall—

(1) develop a plan for fully funding the assistance to the Central American democracies (Costa Rica, El Salvador, Guatemala, and Honduras) proposed in the January 1984 report of the National Bipartisan Commission on Central America; and

(2) provide a report describing this plan to the President and the Congress no later than May 31, 1986.

By Mr. MRAZEK:

Text of S.J. Res. 283.

—At the end of section 4, add the following:

(f) Notwithstanding any other provision of this joint resolution, no member of the United States Armed Forces who is on active duty or is performing inactive duty training, and, no employee of any department, agency, or other component of the United States Government, may participate, in Honduras, Costa Rica, or El Salvador, in the provision of any assistance to the Nicaraguan democratic resistance pursuant to this joint resolution, except for the assistance described in paragraphs (1) and (3) of section 9(b).

(Version if the McCurdy amendment is adopted.)

—At the end of section 4, add the following:

(f) Notwithstanding any other provision of this joint resolution, no member of the United States Armed Forces who is on active duty or is performing inactive duty training, and, no employee of any department, agency, or other component of the United States Government, may participate, in Honduras, Costa Rica, or El Salvador, in the provision of any assistance to the Nicaraguan democratic resistance pursuant to this joint resolution, except for the assistance described in subparagraphs (A) and (C) of section 9(b)(1).

SENATE—*Monday, April 14, 1986*

(*Legislative day of Tuesday, April 8, 1986*)

The Senate met at 12 noon, and was called to order by the President pro tempore [Mr. THURMOND].

PRAYER

The Chaplain, the Reverend Richard C. Halverson, D.D., offered the following prayer:

Let us pray.

Not everyone that saith unto me Lord, Lord, shall enter into the Kingdom of Heaven; but he that doeth the will of my Father which is in Heaven.—Matthew 7:21.

Patient Father in Heaven, we thank You that our forebears took You seriously, however, they may have differed as to religious institutions. The Bible informed their lives and convictions out of which came a great republic. Forgive us, Lord, when we ignore You and the Bible as irrelevant. Help us see that the problem is not with those who deny that God exists, but with those who profess faith in God and behave as though He is nonexistent. Grant, Faithful God, that our lives will measure up to our profession. Forbid that we should forsake the faith of our fathers. Restore us in faith and life to Your glory and praise. Amen.

RECOGNITION OF THE MAJORITY LEADER

The PRESIDENT pro tempore. The able majority leader, Senator DOLE, is recognized.

SCHEDULE

Mr. DOLE. Mr. President, under the standing order, the leaders have 10 minutes each, to be followed by special orders in favor of the following Senators for not to exceed 5 minutes each: Senator HAWKINS, whose statement will be read by the distinguished Presiding Officer, Senator THURMOND; Senator PROXMIRE; Senator WEICKER; and Senator CRANSTON.

Following the execution of the special orders, there will be a period for the transaction of routine morning business, not to extend beyond the hour of 1 p.m., with Senators permitted to speak therein for not more than 5 minutes each.

Hopefully, at that point or shortly thereafter, we can take up S. 1236, technical amendments to the crime bill. I understand there is an agreement that we can handle that without a rollcall vote.

Then, at some time in the afternoon I would attempt to proceed to S. 1774, the Hobbs Act and possibly file a cloture motion, on which the vote will occur on Wednesday.

It is also my hope that we can clear the joint resolution on farm credit offered by myself and other Senators, about 38 of us, so far as I know. They are pretty equally divided between Republicans and Democrats as a bipartisan issue. It is my hope that we can pass that early this week.

I hope to be able to advise the distinguished minority leader later today or the first thing tomorrow morning as to what the plans will be for the entire week so that that information will be available for our policy luncheons tomorrow.

Mr. President, I do not expect a late day today, and I do not expect any rollcall votes today.

On tomorrow, if there is an amendment or something offered by Senator HART concerning the hydro-relicensing bill, that will come at 3 o'clock. From 10 o'clock until noon, as I recall, if, in fact, Senator MELCHER has an amendment or amendments, I hope we can dispose of those amendments by voice vote. In any event, if there are rollcall votes, they will follow the vote on the Hart substitute if, in fact, there is a vote, which will be followed by final passage.

Hopefully, Mr. President, we can dispose of the hydro-relicensing bill fairly early on tomorrow.

Mr. President, I reserve the remainder of my time.

RECOGNITION OF THE MINORITY LEADER

The PRESIDING OFFICER (Mr. EAST). The minority leader is recognized.

Mr. BYRD. Mr. President, while the distinguished majority leader is on the floor, is he in a position to tell the Members of the Senate when we might expect the budget resolution to be brought up? I believe it was reported by the committee to the Senate 22 days ago, as I recall. How soon may we expect to have the budget resolution before the Senate?

Mr. DOLE. Mr. President, I would only say to the distinguished minority leader I will be meeting this afternoon with Don Regan, the President's Chief of Staff, as well as with Jim Miller, the OMB Director.

Mr. President, the problem with the budget as reported is it is not a very good budget. It contains a lot of new taxes and cuts defense spending but it does not cut domestic spending sufficiently. While I understand it is bipartisan, it has not been well received on this side of the aisle by about half of my colleagues. I would hope that, as I have indicated before, when we do bring it up, there will be an appropriate substitute that can be adopted by a bipartisan majority that will put back some of the defense cuts, reduce the revenue figures, and try to do more on the domestic spending side.

I may be in a position later today or tomorrow to advise the distinguished minority leader.

Mr. BYRD. I thank the distinguished majority leader.

Mr. President, the distinguished majority leader refers to the budget as not a very good budget. From what I have heard in talking with several members of the Budget Committee, they think it is a good budget, a moderate budget, a fair budget. It was reported out on a bipartisan basis, I believe with seven Republicans and six Democrats voting to report it.

If it is not a good budget, if it needs fixing, if it has some flaws, why not bring it up on the floor and let the light of public scrutiny and scrutiny by our colleagues develop ways, if there be such, to improve it?

I may want to offer an amendment myself, or others may want to offer amendments. With 50 hours of debate on the budget, it would seem to me that would be ample time to discover any flaws in it and to improve it, if necessary.

Of course, I am sure the distinguished majority leader is probably under some pressure from the White House to try to develop a substitute. That may or may not be the case. I am in no position to say. But it seems to me, with this being the greatest deliberative body in the world, we should be able to deliberate on this budget and improve it. If the White House has some problems with it, so be it. Maybe they can be corrected on the floor.

Mr. DOLE. Will the Senator yield at that point?

Mr. BYRD. Yes, I yield.

Mr. DOLE. I want the record to reflect that we have actually had the budget on the Calendar, I think, for about 6 legislative days. We had a recess for a day in that period. Also, I want to reemphasize my hope that we will have some action on the House

● This "bullet" symbol identifies statements or insertions which are not spoken by the Member on the floor.

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side. I understand there are a lot of politics in the budget. We are not waiting for the White House solution because I doubt that will come, to be very frank and candid with the distinguished minority leader. My view is that they do not see any real urgency with the budget.

There is some rumor that they may try to do it through the appropriations process, that they may be better off going that route. You would not have the revenue problem.

The budget is important, and I believe in the budget process, and I believe we have to preserve it and should make every effort to do so.

At the same time, I am certainly willing to admit that some of my friends are for it and some of my friends are against it, and I want to be with my friends. That is sort of a position I find myself in at this point.

It is my hope that not only can we discuss the budget with the White House, but also, if they are not willing to negotiate, as I understand they are not, based on the written reports I have read, public reports, then I think the best course to follow would be to bring it up and let the Senate work its will. I would certainly have amendments. The minority leader might have amendments.

I would also urge the House to come to the party. They also have a responsibility. We are both going to miss the deadline, which is tomorrow. But I hope, as we suggested to the Speaker in the letter, we might sort of march in lockstep on the budget issue. I have not yet had a response to that inquiry.

Mr. BYRD. Mr. President, I thank the distinguished majority leader.

With respect to House action, it seems to me that it is wholly irrelevant, as to when the House acts. I cannot understand why we should wait on the House to act. As I understand it, the House has not even reported the budget from the Committee. But that is wholly irrelevant.

Mr. LONG. Mr. President, will the Senator yield?

Mr. BYRD. I yield.

Mr. LONG. Mr. President, I say to the distinguished minority and the distinguished majority leader that this is a matter, in my judgment, on which the Senate should act. We had a resolution that we voted on, that we need to vote on this matter before we take up the tax bill.

In the judgment of this Senator, facing the enormous deficits we do face, we ought to reduce spending wherever we can. Having reduced spending as much as we can, we then ought to look at the revenue side and help reduce the deficit by reaching the revenue side as well.

I am familiar with the point of view of the White House—the President, at least—about no taxes. But although the President has consistently taken that attitude about taxes, he has bent to go along with Robert Dole's bill which reduced the deficit, and he did yield a peg to go along on a 5-cent tax on gasoline, and he did go along with an increased Social Security tax to meet the problems of this sort, and he went along with the deficit reduction package in which many of us joined, in a bipartisan fashion, to pass and to help reduce this enormous deficit.

No matter what the President wants to do about the matter, we have a responsibility ourselves. What is the purpose of this budget process if it is not to try to get Congress to join forces and meet a very serious problem?

The budget committee could meet—and that is not on a Presidential recommendation and a bill signed by the President. They meet on the President's suggestions and recommend responsibility, or they are supposed to recommend responsibility, on this overwhelming problem.

If this matter can sit around and languish and wait until after the tax bill has been dealt with in the Senate, that is to convey a veto in advance, in effect, an irrevocable veto; because the chances are that we will not have an opportunity to send a big enough horse to carry that rider to the White House if we think taxes should be part of the answer to the problem.

So far as I am concerned, I want to do what is best for the country. I do not see how we can do it if we are going to continue to stall and put off action on this budget. There is no way I see that we can do the responsible job.

Mr. BYRD. Or the other body.

Mr. LONG. Or the other body.

Mr. BYRD. The Budget Act itself does not say anything about both Houses having to act concurrently. The act sets April 15 as the date when both Houses should have completed their work, conference and all, and here we are with the April 15 deadline tomorrow.

The measure has been reported by the Senate Budget Committee for several days. It has not been reported by the House committee. But it is irrelevant as to when the House acts. We have our own responsibility here. We have 50 days, and it seems to me that we should be moving ahead. I think we have to get down to the serious work that our constituents send us here to do.

Mr. LONG. I want to say, further, that although it was not my privilege to vote on who the majority leader would be, if I had been privy to vote, I would have voted for Mr. Dole to be majority leader. So far as I am concerned, he was my candidate. Obviously, the Republicans were not going to let the Democrats agree as to who the majority leader should be. I was disposed to vote for Mr. Byrd to be the minority leader.

Mr. Dole was my majority leader, even though I could not vote for him. He was the best man, I thought, for the job; and I am pleased that the Republicans chose Mr. Dole to be their leader.

Mr. President, I want the majority leader to be our leader. I want him to represent us, rather than represent the President of the United States. I know how the White House works. I was in the leadership at one time, and I know that the White House would like our leader to be the President's messenger up here. Bob Dole is not made of that kind of stuff. But from time to time I think we need to be reminded that he is supposed to be working for us. The President does not pay his salary.

Mr. BYRD. That is right—he is our leader. He is the Senate's man, not the President's man.

Mr. LONG. Mr. President, I once read a little book that inspired me for the rest of my life. It had one little passage in it that said there are two ways you can look at a problem. One, you could say, "Many are slaves because one is a tyrant. Let us hate the tyrant." Or, you could look at it another way and you could say, "One is a tyrant because many are slaves. Let us hate the slaves." I prefer to look at it that way, Mr. President.

It seems to me that the President has his responsibility and we have our responsibility.

We have no right to say that we would have done what is good for the country except that the President would not let us do it. We should do our duty in answer to our own conscience and let the President do what he wants. If he wants to veto, let him veto. At least we can say we did what we thought was right.

I have found, in serving in this body, that it is easy enough to vote for what the people in one State want. I believe that sometimes you can get away with voting contrary to what they want, if you convince them that you thought it was right, even though they did not. But what it is difficult to convince your people about is that you did it not because of what you thought was right or what they thought was right, but what somebody else thought was right, contrary to your judgment and contrary to the judgment of those you represent in this body.

I hope Senators will be Senators and take that attitude. If the President does not want to go along, fine. I still want to vote for what this Senator thinks is right, and have the privilege of doing so.

This Senator feels that if the budget process is not going to be permitted to work, we should get rid of it.

We should bring the matter up here and vote the committee up or down. I might differ with the committee in some parts; that is the way the process is supposed to work. Bring it out here and vote. I would like to support the Budget Committee in trying to reduce the deficit and see what happens. I hope the leadership on both sides of the aisle will help to bring that about, because as far as this Senator is concerned I am not running for reelection. I told everybody I am not going to run. So during the time remaining to this Senator, I can afford to vote for whatever I think is good for the country, without fear of consequences; you might say, except just to answer to my own conscience. I would like to vote for what is best for the country.

Mr. Domenici, for example, has provided courageous leadership on that committee and I believe Mr. Chiles and others have made it bipartisan. I would like very much to support them in their effort to make this budget thing work, because if it does not work we should get rid of it. The Senate should not be fiddling and faddling with a budget wasting all this time if we are not going to give the support that it takes to make that program work.

Mr. BYRD. I thank the distinguished Senator from Louisiana and I thank the distinguished majority leader.

FBI SPECIAL AGENT JERRY DOVE

Mr. BYRD. Mr. President, the town of Dunbar, WV, mourns today. It has lost one of its finest and bravest sons, FBI Special Agent Jerry Dove, who was killed last Friday in a hail of gunfire in Miami, FL.

Special Agent Dove was loved and respected by everyone who knew him. He was the type of man of whom this Nation can be most proud, who every parent wants for a son, and every decent, law-abiding citizen wants in the front line of defense against crime.

According to those who knew him, for as long as they can remember, Jerry Dove seemed to have one ambition—one dream—in life: to be an agent for the Federal Bureau of Investigation. After graduating from West Virginia University Law School in 1981 and serving as an assistant attorney general for the State of West Virginia for a year, he fulfilled that dream. During his visits to his hometown after becoming an agent, Special Agent Dove constantly told his friends of how he enjoyed and cherished every moment he was with the greatest law enforcement organization in the world.

Gunned down in the prime of his life, Special Agent Jerry Dove did not die in vain. He was performing his duty for the agency he held dear and performing his duty to his fellow man. He died protecting the innocent and pursuing those who would do them harm. He died fighting to push back that ever present web of evil that constantly threatens to encircle and engulf the free and honest people of this great country.

The death of this young and dedicated servant of the people is a reminder of how fragile life is. And it is a reminder of how people in law enforcement put their lives in jeopardy every day to safeguard society. How often we read about the excesses of a few people in law enforcement, while we take for granted the work of the vast majority of these courageous men and women until we read or hear of tragic events like that which took place last Friday in Miami.

To the people of Dunbar, especially the family and friends of Special Agent Dove, I say that while you mourn, you can be comforted with the knowledge that the young man you loved and respected is now in the embrace of an all-loving God.

To his mother, Patricia "Bobby" Dove, my wife Erma and I extend our most heartfelt condolences. I feel that I can speak for every Member of the U.S. Senate in saying that we thank you for your son and that we share your grief.

The PRESIDING OFFICER. Under the previous order, the Senator from South Carolina will be recognized to speak for the Senator from Florida.

Mr. WEICKER. Mr. President, will my good friend from South Carolina yield?

Mr. THURMOND. I yield to the Senator.

PROPOSED SWAP

Mr. WEICKER. I was privileged to be here on the floor as I heard the comments of the distinguished Senator from Louisiana. I say this: If he would like to participate in the Republican caucus I am sure the Republicans would be glad to swap Weicker for Long on an even enough basis.

Mr. THURMOND. I join in that, inviting him to come over on this side where he should have been all the time.

SENATOR HAWKINS' SPECIAL ORDER

The PRESIDING OFFICER. The Senator from South Carolina.

Mr. THURMOND. On behalf of Mrs. Hawkins, I wish to present a statement.

It is entitled, "How Slow Spin the Wheels of Mexican Justice."

HOW SLOW SPIN THE WHEELS OF MEXICAN JUSTICE

Mrs. Hawkins. Mr. President, it is true that we spend a great deal of time and effort pressuring poor countries to control narcotics trafficking. It is a fact that there would be no trafficking in the first place without the enormous demand in the United States and other affluent nations for cocaine and other illegal drugs. One hand washes the other. The cocaine trail leads from the jungles of Peru, to the lairs of unconscionable smugglers in Mexico and Colombia, through the sheltered waters off Fidel Castro's Cuba, and to the pathetic victims on the streets of New York, Washington, Miami, and other major cities of the United States. It's a mean, vicious trail of subterfuge, corruption, and terrorism, leaving in its backwash twisted minds, wrecked bodies, broken homes, and economic disruption.

Many countries pay lip service to the international effort to curb drug trafficking. Mexico and opium are a case in point. Mexican opium production in 1983 amounted to an estimated 17 metric tons. This year, production will range somewhere between 21 and 45 metric tons. Does that sound as if Mexico is making a concerted effort to reduce drug trafficking? In contrast, other major opium producers managed to achieve cutbacks. Production in Iran during the same three year period was cut in half. Other significant reductions were made by Pakistan, Iran, and Afghanistan. Marijuana shipments to the U.S. from Mexico grow. At the same time, Mexican eradication efforts falter. Marijuana eradication during the first six months of 1985 were 30 percent lower than for the first half of the previous year. One-third of all illegal heroin consumed in the U.S. originates in Mexico and another third passes through Mexico en-route to the U.S. Purity levels of Mexican heroin continue to rise while prices drop. The classic law of supply and demand holds forth—the larger the supply available, the lower the price.

Despite Mexico's role as a major producer and transit country of cocaine and heroin, local demand is slight. The drugs are made for export and I do not need to remind you who the number one customer is. Mexicans appear to prefer smoking marijuana and sniffing glue over "coke" and "horse."

The Mexican legal system poses a dismal picture when applied to drugs. The penal code is based on the Napoleonic tradition. Laws relating to narcotics generally are viewed as adequate, but enforcement is another thing altogether. The enforcement process is slow, cumbersome, and mired down in corruption at all levels. The lack of a computerized records system, or a centralized depository of criminal records that can be accessed by telephone, is a monumental handicap. Given the corruption level, there may be highly placed officials who do not want Mexico's legal record system to be state-of-the-art. It could be too efficient. Were it not for drug-financed corruption, the prison escape of Jose Contreras-Subias, a key figure in the Rafael Caro Quintero trafficking ring, could not have been engineered. Caro Quintero, you may recall, was indicted April 8, 1985 in connection with the brutal kidnap-torture-murder of DEA agent Enrique Camarena Salazar. He has yet to be tried. I think even Napoleon would raise his eyebrows over how the legal code that bears his name has been applied in the Camarena case. It's a textbook case of judicial foot-dragging. It has now been one year and six days since Caro Quintero was indicted. How slow spin the wheels of Mexican justice.

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RECOGNITION OF SENATOR PROXMIRE

The PRESIDING OFFICER. The Senator from Wisconsin is recognized.

THE UNITED STATES CAN NEGOTIATE ARMS CONTROL FROM STRENGTH RIGHT NOW

Mr. PROXMIRE. Mr. President, recently, President Reagan contended that this country must continue its feverish buildup of our military forces because the Soviet Union has a big military advantage over this country. He cited the vast superiority in Soviet tanks. He called attention to the much greater number of Soviet artillery pieces. He could have added the advantage the Soviets have in the number of troops, the number of ships, and even the number of planes. The President's facts were generally accurate. His implication that the Soviets have a stronger military force is wrong.

How does the Soviet military capability compare to America's military strength? Could the Soviets at will initiate a successful attack on the vital security interests of our country in Europe or in Asia or even directly against the United States itself? If so, what is the President recommending that this Congress do to respond to the Soviet military advantages that the President has highlighted? Does the President recommend that this country increase the number of our tanks to overcome the Soviet advantage? No. Does President Reagan ask this country to acquire the great number of artillery pieces necessary to put us on an equal plane with the Soviet Union in that respect? No. Does he call for an expansion of the number of troops in our armed services, so we can have the 5.7 million men under arms that the Soviet Union has? No. Does the President want us to step up the already accelerated production of ships? No. How about the increase in planes? Does the President call for this? No.

So why is the President making such a stir about the fact that the Soviets have such a massive advantage in so many military forces if he doesn't believe that Soviet advantage is significant enough for this country to overcome it? If the President could develop the case for this country matching the Soviets tank for tank, gun for gun, ship for ship, man for man, this country could do it, and Congress would appropriate whatever funds were necessary for the tanks, artillery, troops, ships, and planes. Our economy is twice as big as the Soviet's economy. The NATO economy is three times bigger than the Warsaw Pact economy. With far less effort than the Russians are making, we could easily match and surpass the Soviets militarily. So why doesn't the President call on us to do it?

The answer is that neither the United States nor the North Atlantic Treaty alliance needs to build up our military force in any of the specific areas the President has cited. The President knows that. That is why he has made no effort to ask for the tanks and artillery and planes and ships necessary to match the Soviets.

Is the President wrong in failing to call on the Congress to build up this country's capability in the military hardware where the Soviets have such a compelling advantage? No. The President is right, absolutely right. This country and its NATO allies have a devastating antitank capability. We have antitank guns mounted on mobile land carriers, antitank guns mounted on fast moving helicopters, antitank guns mounted on even faster planes. The Soviets have more combat aircraft. But they know that in conflicts between United States and Soviet aircraft in the Middle East, United States aircraft have prevailed and prevailed overwhelmingly.

How about the Soviet artillery advantage? Soviet and Warsaw Pact artillery is even more vulnerable to superior NATO land and air attack than Soviet tanks. How about the superior number of Soviet warships? Mr. President, numbers mean little. It means comparing Soviet patrol boats with United States cruisers. The real measure of naval strength is in naval firepower. How do the superpowers compare? There is no question that the United States has a huge advantage in naval firepower compared to the Soviet Union. When we compare NATO to the Warsaw Pact, the advantage becomes even greater. And in the combined power of air and sea forces represented by aircraft carriers, the advantage lies resoundingly with the United States over the Soviet Union. The United States has 15 aircraft carrier task forces. The Soviet Union as a couple of small helicopter carriers and one or two full-size aircraft carriers under construction.

Now consider the key element in military power in this nuclear world. Both superpowers have approximately the same number of nuclear warheads. The Soviets have the greater megatonnage and throw-weight. But the United States enjoys the crucial advantage. The U.S. nuclear deterrent is deployed in a far more survivable mode. Seventy percent of the Soviet nuclear deterrent is based in the most vulnerable kind of site, on stationary, land-based launchers—sitting ducks. Only about 25 percent is based on submarines and a mere 5 percent is deployed on bombers. Compare that with the far less vulnerable U.S. deterrent. Only 25 percent of the U.S. nuclear deterrent is stationary, land-based. A whopping 50 percent moves in mobile submarines, which the Secretary of the Navy has rightly described as virtually invulnerable. Twenty five percent—five times more U.S. nuclear weapons power—is deployed in bombers.

It may well be that in the nuclear age, military superiority between the superpowers is irrelevant because neither country could utterly destroy the other even after suffering a preemptive attack from its adversary. Both President Reagan and Secretary Gorbachev have said that a nuclear war must never be fought and can never be won. A war between the United States and the Soviet Union would very likely become a nuclear war. This is why the survivability of the nuclear deterrent is so absolutely critical. It is why the United States far less vulnerable deterrent gives our country the decisive military advantage. It is also why the President has not asked the Congress to match the Soviet Union in the numbers of conventional armament. And it is why the Reagan comparison of tanks and artillery pieces is so totally irrelevant.

Mr. President, this country does not need a major increase in military spending. The Congress should insist on using our superior economy and technology to maintain the kind of military quality advantage we hold over the Soviet Union, and we should use our great military strength now to negotiate arms control agreements that would stabilize the military deterrent of both superpowers and ease the immense economic burden that the arms race imposes on both countries.

THE GRIM TRUTH ABOUT THE ECONOMIC OUTLOOK

Mr. PROXMIRE. The American economy is weak. It is not strong. How can I say this when the stock market has been breaking one record after another? How can I say this when inflation has moderated to a level that has not been seen for 20 years? How can I say this when interest rates have been going down, down, down? Here is why: Here we have been rolling along in the 5th consecutive year of triple digit deficits. At this very moment the annual rate of the Federal Government deficit during the first 6 months of the current fiscal year that will end next September 30 exceeds $200 billion. With this kind of super stimulative deficit, of course, the American economy has been growing. It is being force fed. Our fiscal policy is not just stimulative. It is wildly, irresponsible stimulative.

How about monetary policy? For more than a year an extraordinarily expansive monetary policy has pushed the American economy along. In the past 12 months the money supply has rocketed ahead at an astonishing rate

of a 12-percent increase. Inflation putters along at less than a third of the rate of increase in the supply of credit. So here we have the super combo: All out truly reckless fiscal policy pushing the economy, plus a virtual explosion in the money supply. In nearly 30 years in this body this Senator cannot recall a time when fiscal and monetary policy have been so spectacularly expansive. And yet interest rates are falling. Why? Can anyone wonder why interest rates are down? The supply of credit is breaking all records for abundance. But that is only half of the reason. The other half is that the demand for credit is pitifully weak. In the past quarter of calendar 1985 the economy grew at the anemic rate of 0.7 percent. That means it was stumbling, staggering, crawling.

And why is inflation behaving so well in spite of this runaway fiscal policy and explosive monetary policy? Several reasons. But there is one simple and widely neglected answer. Inflation has been staying down not because of the free fall in oil prices. That has helped, but it has not been fundamental. Inflation has stayed down not because farm prices have fallen through the floor and taken tens of thousands of farmers down the heartbreaking road to bankruptcy in the process. The consequent low food prices have been marginally helpful to keeping inflation under control, but they have not been the prime factor. So what has caused inflation to behave so well? Answer: The same force that has kept interest rates down—the feebleness of the economy. What has always been the major reason prices rise? The major cause of inflation has been wage increases that exceed productivity improvements. Productivity has been wretched in our economy lately. So wage costs might be expected to rise and take prices up with them. Why hasn't that happened? Because this country still has more than 7 percent of its work force—an enormous 8 million plus Americans—out of work. Unemployment has hit specially hard in those industries that are heavily unionized. With union workers weakened by low demand in the manufacturing industries, the unions cannot lead the way. The huge pools of unemployed persons prevents nonunion wages from rising much in any major industry.

If the economy is weak now, what is the outlook? It is poor. First, there is little pent-up demand. Housing sales have been fairly high in recent years. They appear to be coming down in spite of the decisive fall in interest rates. The other major consumer purchases—automobiles—also shows no big potential. The last few years have been fairly big ones for the auto industry. There seems little demand in sight for new cars. And meanwhile the savings rate of the American people hit an all-time low last year. The consumers' reserves are running on empty. Suppose the American consumer returns to the 5 percent to 6 percent of income saved in the next couple of years. What does that mean? That means American consumers spend less. So sales and production and jobs fall. In fact, they will go through the floor. Corporations too are far more likely to save than to invest in new plant or equipment. They have just broken all records for debt. Like American consumers, American business is in very fragile shape. Many corporations are too near to survive a major recession. With equity razor thin, a year or 2 of losses would make many American firms insolvent.

This brings us to the most serious threat to economic recovery—the sudden, sharp shift in Federal deficits from the present $200 billion level down to zero in the next 4½ years. This Senator will do everything in his power to support those reductions. But let's face it. These reductions will contribute to a prolonged and deep recession. Then why will I fight for them? Because the alternative is worse, much worse. The alternative simply postpones the evil day. The alternative would give the country not just continued $200 billion deficits but $300 billion and $400 billion dollar deficits. The alternative will give us a national debt that will literally require most of our Federal revenues just to service the national debt that is for interest payments. And, of course, whenever we try to come off a $400 billion deficit and move toward a budget balance, the recession and unemployment will be far worse.

Mr. President, this country does not face happy times. It faces grim, tough, painful recession times. If we are to save this greatest economy in world history, we must recognize that cruel fact fully and squarely. We must take the painful budget cutting and tax increasing steps to meet it. And we must do it now.

MYTH OF THE DAY

Mr. PROXMIRE. Mr. President, there is a line in Isaiah (30:7) that "In quietness and in confidence shall be your strength." And that quote is something we should keep in mind whenever we think about star wars.

Confidence is a wonderful thing. It implies a whole world of faith and trust in our ability to succeed. You can see that strength of confidence in athletes who are sure they can sink the next putt, or hit a homerun, or a violinist who faultlessly plays a Bach partita.

But how about confidence in the things we build, like automobiles or airplanes? Or how about the things we are thinking of building, like the star wars missile defense system?

We are pretty confident that our cars and planes will operate as they are supposed to. Every once in a while, however, something shakes up our confidence in these mechanical devices. Witness the tragic explosion of the space shuttle *Challenger*, or a plane that inexplicably crashes.

Now, you might ask why am I so concerned about this? Simply this: Take star wars or SDI. How much trust can you have in something so monumentally complicated that human brains cannot begin to comprehend the mathematics involved? Something so complex that in laboratories across the country our best scientific minds are searching for answers to its most basic questions? Something so complex that research costs alone, according to the fiscal 1987 budget, is $4.9 billion. By the way, that is 75 percent above the $2.75 billion Congress appropriated in 1986. Star wars is something so complicated that no one, I repeat no one, has any idea what its final cost would be.

Mr. President, the myth of the day is that we can ever have confidence in a star wars defense system.

SDI advocates would have us believe that in the quietness of outer space, an SDI system faithfully could warn us of any impending attack, flawlessly track thousands of nuclear warheads and decoys and then swiftly destroy the threat.

President Reagan's notion of making nuclear weapons impotent and obsolete is wonderful. What brighter hope for mankind could we have than ridding the world of nuclear weapons? But what a wrong way to go about it. Why do I say this?

Here is why: the computer softwear, the programming instructions that control the entire system, is flawed.

Are computers important to star wars? You bet they are. Without computers to digest the incredible amounts of raw information that would pour in during an attack, nothing could be done. No human mind is up to this task. The simple, distressing fact is that we could spend hundreds of billions of dollars on star wars and end up with the space age equivalent of an Edsel. I am sure all the battle stations and satellites would look impressive whizzing around in space, yet without functioning computer softwear, star wars could not destroy a fly, let alone a swarm of attacking missiles.

So what is the flaw with the computer softwear? It is this: we can never make a realistic test of the system. Oh, sure, we could run test after computer test of star wars, and computers could spit electrons back and forth to simulate an enemy attack. But the key fact is that the tests would never tell us if a star wars system would really work if we needed it. Star wars would

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have to work perfectly the first time. There can be no margin for error. Less than perfect means lost cities and millions killed as missiles escape a defective star wars.

We have to come back to this basic point, Mr. President. Can we have confidence in star wars? Could we place the security of our country in something so fatally flawed? I think not.

TRIBUTE TO IRVINE H. SPRAGUE FORMER CHAIRMAN AND DIRECTOR OF THE FEDERAL DEPOSIT INSURANCE CORPORATION

Mr. PROXMIRE. Mr. President, I rise to pay tribute to a good friend and a long-time public servant who is just now entering retirement after 29 years of service with the Federal Government.

I have known Irvine H. Sprague almost since he came to Washington with Congressman John McFall of California in 1957, the same year that I arrived. I became better acquainted with him in the late 1960's when he was at the White House working as an assistant to President Lyndon Johnson. And I got to know Irv very well after he was appointed by President Johnson to his first term on the board of directors of the Federal Deposit Insurance Corporation.

Irv was appointed to a second term at the FDIC, this time as chairman, in 1979 by President Carter, thus becoming the only director in history to be appointed by two Presidents. Overall, Irv served 11½ years on the FDIC board, the second longest tenure in the agency's history. He was on the board during some of the most difficult and challenging times in the history of our banking industry.

During his long career in public service, Irv also worked for Speaker Tip O'Neill as executive director of the House Steering and Policy Committee, and earlier he was California Deputy Director of Finance under Gov. Pat Brown. Prior to that, he was a California newspaperman.

Now that he is retired, Irv is reverting to old habits. He has announced that the first thing he will do is write a book about his experiences at the FDIC.

On the legislative side, Irv was always interested, both at the White House and a chairman and director of the FDIC, in helping Congress pass laws which he felt would benefit the nation. Foremost among those is the extraordinary interstate acquisition law for large troubled banks, the very measure which has had to come to Congress for renewal this month.

Irv has led a very active, interesting and accomplishment-filled life during this wide-ranging public career. I wish him a long, active and just as fulfilling retirement.

RECOGNITION OF SENATOR WEICKER

The PRESIDING OFFICER. Under the previous order, the Senator from Connecticut [Mr. Weicker] is recognized for not to exceed 5 minutes.

S. 2294—HANDICAPPED EDUCATION ACT AMENDMENTS OF 1986

Mr. WEICKER. Mr. President, I rise today on behalf of myself and Mr. Kerry, Mr. Andrews, Mr. Inouye, Mr. Matsunaga, and Mr. Stafford, to introduce legislation to amend and extend for 3 years programs authorized under the Education of the Handicapped Act.

Ten years after enactment of Public Law 94-142, we can be proud of the great strides we have made in meeting the mandate of that law: That all handicapped children be provided a free, appropriate public education in the least restrictive environment. Last year, over 4.1 million handicapped students received educational services as a result of this landmark legislation, and 93 percent of those were educated in our public schools.

We are all aware of the tremendous impact this legislation has had on the lives to children with handicaps. The doors of our Nation's schools are now open to all these youngsters, no matter how severe their disability. No longer do school districts have the freedom to legally abdicate their responsibility to educate handicapped children. No longer are the parents left helplessly on the sidelines while others decide on an educational strategy for their handicapped child. Today, parents and educators work together to develop individualized programs for these children.

What was once an idealistic concept—that we should be "mainstreaming" handicapped children into the public schools with their nonhandicapped peers—is now a reality. And it works. Everybody wins: The handicapped child who benefits socially, emotionally and intellectually from a normal environment, as well as the so-called normal child whose life is enriched by his association with children with handicaps.

The legislation I am introducing today will strengthen our national commitment to special education programs. It contains a major new initiative in the area of early intervention services for handicapped children. This new initiative is actually comprised of two sections. The first will create a new State grant program, authorized at $100 million in fiscal year 1987, to enhance services for handicapped children from birth through age 2. States wishing to apply for funds under this new grant authority will have to meet several requirements. These requirements include the development of an overall plan of service and establishment of a service delivery system for all eligible children within 2 years. This new service delivery system will be interagency in nature and the Governor of the State will designate a lead agency to administer the program. In addition, the due process protections established under Public Law 94-142 will be applicable to this new grant authority, as well.

States wishing to participate in the early intervention grant program must conduct a multidisclipinary assessment of each eligible handicapped child and develop an individualized program describing the necessary education, health and social services for that child. Appropriate support for the child's transition to school must also be provided. All of these services will be available at no cost to the parent, as are all other programs currently authorized under this act.

The need for these early intervention services cannot be denied. The State of the art is such that there is no excuse for waiting until a handicapped child reaches the age of 3 to begin to assist that child reach his maximum potential. In fact, the 1985 report to Congress of the Department of Education states: "studies of the effectiveness of preschool education for the handicapped have demonstrated beyond doubt the economic and educational benefits of programs for young handicapped children. In addition, the studies have shown that the earlier intervention is started, the greater is the ultimate dollar savings and the higher is the rate of educational attainment by these handicapped children." Yet the administration requests no legislative changes in the Education of the Handicapped Act to follow through on these findings. Instead, it supports only a simple extension of the existing programs and requests less than the 1985 levels of funding.

The second part of this initiative will be to mandate services to all handicapped children between the ages of 3 and 5 under Public Law 94-142. Although that law does mandate educational services to all handicapped children between 3 and 21, there is a large loophole. States whose laws do not require the provision of special educational services to those in the 3-5 age group are exempt from this aspect of the Federal mandate. As a result, although most States are providing some services to some eligible youngsters, approximately 239,000 children are still being deprived of these essential educational services. This new requirement will ensure that no person in this age group is denied the services that will assist them to reach their maximum potential. The estimated cost to the Federal Government of this requirement is $100 million, for a

total of $200 million for both parts of the early intervention initiative.

This week, during Senate consideration of the budget resolution, I will be offering an amendment to add $600 million for handicapped education programs. These funds will cover the roughly $200 million necessary for the early intervention initiative I described earlier, and $400 million to modestly increase the Federal Government's share of the cost of educating our handicapped children. In 1986, the Federal Government's contribution to the cost of special education was only 9 percent of the average per pupil expenditure—although the law envisions a 40-percent Federal share—and in 1987 the administration wants to reduce that commitment even further, to a paltry 7 percent. My amendment would bring up the Federal share to 12 percent of the total cost, a level reached only once before, in fiscal 1979.

In general, this reauthorization bill provides that discretionary programs under the Education of the Handicapped Act continue in their present form, and receive inflationary increases above the fiscal year 1986 appropriated level to maintain current services. There are a few exceptions, however.

Increases of 10 percent are provided for two areas where there are critical needs: personnel preparation and transitional services. During recent hearings of the Subcommittee on the Handicapped, we were presented with startling data documenting critical nationwide shortages of qualified special education professionals. One recent national survey found all but four States reported that the current supply of new graduates was not sufficient to meet the demand, and it is no secret that the educational services for handicapped children are meaningless without qualified teachers and specialists to deliver these services. In fact, special education experts now estimate that we will need over 100,000 new special education teachers by 1990.

For all of us, the transition from school to adult life is one of the most critical and challenging periods in our lives. It is even more so for those individuals with handicaps. As a result, we authorized in the 1983 Handicapped Education Amendments a pilot program to develop model secondary and transition programs to assist handicapped youth and their families face this challenge. Such demonstration programs have been funded around the country and have made a significant difference in facilitating the transition of handicapped students to the community. But again, the need is greater than the services available. Therefore, I am convinced that we need to continue and expand these model programs if we ever hope to reverse the grim unemployment statistics given to us by a recent Lou Harris poll: Two-thirds of handicapped adults are currently unemployed, and of those individuals, two-thirds of them want to work.

This Nation has moved quickly along the learning curve since pioneers like Senator Robert Stafford and then-Congressman, now Senator Paul Simon first wrote Public Law 94-142. Today, armed with 10 years of experience, we seek to build upon their work, expanding both education and equity.

This legislation represents an important step forward in fulfilling a Federal commitment to those most vulnerable in our society, who require our special care. It is the right thing to do, in both human and economic terms. I urge my colleagues to support this legislation.

I ask unanimous consent that the text of the legislation be printed in the Record.

There being no objection, the bill was ordered to be printed in the Record, as follows:

S. 2294

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SHORT TITLE

Section 1. This Act may be cited as the "Education of the Handicapped Amendments of 1986".

ALLOCATIONS

Sec. 2. (a) Age Category Limitation Revision.—Section 611(a)(5)(A)(i) of the Education of the Handicapped Act (hereafter in this Act referred to as the "Act") is amended by inserting before the semicolon, a comma and the following: "except that the age category for the number of all children subject to the per centum limitation under this clause shall, in the case of a State which actually provides free appropriate public education for a different age category, be the age category which the State actually serves".

(b) Support Services.—Section 611(b)(2)(B) of the Act is amended to read as follows:

"(B) the remainder shall be used by such State to provide support services and direct services, in accordance with the priorities established under section 612(3), and for the administrative costs of monitoring and complaint investigation, but only to the extent that such costs exceed the costs of administration incurred during fiscal year 1985.".

ELIGIBILITY

Sec. 3. (a) General Rule.—Section 612(2)(B) of the Act is amended by striking out "aged three to five and".

(b) Effective Date.—The amendment made by subsection (a) of this section shall take effect two years after the date of enactment of this Act with respect to States which, in order to comply with the amendment made by subsection (a), have to qualify under State laws.

AUTHORIZATION FOR EVALUATION

Sec. 4. Section 618(g) of the Act is amended to read as follows:

"(g) There are authorized to be appropriated $3,800,000 for fiscal year 1987, $4,000,000 for fiscal year 1988, and $4,200,000 for fiscal year 1989 to carry out the provisions of this section.".

EARLY INTERVENTION PROGRAM FOR HANDICAPPED INFANTS

Sec. 5. (a) General Authority.—The Act is amended—

(1) by inserting after the heading for part B the following:

"Subpart 1—Education of All Handicapped Children";

(2) by redesignating sections 621 through 628 as sections 631 through 638, respectively;

(3) by redesignating sections 631 through 635 as sections 641 through 645, respectively;

(4) by redesignating sections 641 through 644 as sections 651 through 654, respectively;

(5) by redesignating sections 651 through section 654 as sections 661 through 664, respectively; and

(6) by adding after section 620 the following:

"Subpart 2—Early Intervention for Handicapped Infants

"PROGRAM AUTHORIZED

"Sec. 621. (a) The Secretary shall make grants, in accordance with the provisions of this subpart, to States to carry out an early intervention program for handicapped infants.

"(b) There are authorized to be appropriated $100,000,000 for the fiscal year 1987, and for each succeeding fiscal year ending prior to October 1, 1989.

"(c) During any fiscal year in which the amount appropriated for this subpart is less than $100,000,000 each State shall be entitled to receive its allotment under this subpart if the Secretary determines that the State is making a good faith effort to comply substantially with the provisions of this subpart.

"ALLOTMENT TO STATES

"Sec. 622. (a)(1) From the sums appropriated to carry out this subpart for any fiscal year, the Secretary shall reserve 1 per centum for payments to Guam, American Samoa, the Virgin Islands, the Republic of the Marshall Islands, the Federated States of Micronesia, the Republic of Palau, and the Commonwealth of the Northern Mariana Islands, to be allotted in accordance with their respective needs.

"(2) From the remainder of such funds the Secretary shall allot to each State an amount which bears the same ratio to the amount of such remainder as the number of eligible handicapped infants served to the number of such infants served by all States, except that no State shall receive less than 0.5 per centum of such remainder.

"(b) If any State elects not to receive its allotment under this part, the Secretary shall reallot, among the remaining States, amounts from such State in accordance with subsection (a) of this section.

"ELIGIBILITY

"Sec. 623. In order to qualify for assistance under this subpart in each fiscal year, a State shall demonstrate to the Secretary that the State has—

"(1) met the eligibility requirements of section 612;

"(2) a State plan approved under section 613;

"(3) a State Early Intervention Council which meets the requirements of section 624(a) for the purpose of ensuring that the State provides a comprehensive system of early intervention for handicapped infants;

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"(4) beginning two years after the date of enactment of this subpart, a comprehensive early childhood plan for services to handicapped children from birth to age five, inclusive, which address service delivery to all handicapped infants and includes the transition school;

"(5) beginning two years after the date of enactment of this subpart, a statewide comprehensive system of early intervention services available to serve all handicapped infants; and

"(6) a State agency administration which meets the requirements of section 624(b).

"EARLY INTERVENTION COUNCIL; STATE ADMINISTRATION

"Sec. 624. (a)(1) The Governor shall appoint an Early Intervention Council which shall be composed of members who represent each public agency within the State providing services to handicapped infants including the grant recipient under section 627 and one member representing the Governor.

"(2) The Early Intervention Council shall—

"(A) identify the sources of fiscal and other support for services for early intervention programs and ensure that each State agency is making a financial contribution to support;

"(B) promote the development of formal interagency agreements for services for handicapped infants;

"(C) assist the State agency in the development of and approval of the comprehensive early childhood plan for handicapped infants and the application for assistance under this subpart;

"(D) ensure that the application for assistance under this subpart is coordinated with grants awarded in the State under section 627;

"(E) disseminate information regarding early intervention programs; and

"(F) prepare and submit an annual report to the Governor and to the Secretary on the status of early intervention programs operated within the State for handicapped infants.

"(3) The report required by clause (E) of this subsection shall include recommendations on the appropriate use of Federal and State funds, together with a statement of statewide policy for the early intervention program for handicapped infants within the State.

"(4) A summary of the data required by this section shall be included in the annual report of the Secretary under section 618 of this Act.

"(5) The Early Intervention Council required by this section shall meet at least quarterly in each fiscal year.

"(b)(1) The Governor shall establish or designate a State agency for the purpose of administering this subpart in accordance with the provisions of this subsection. In carrying out this paragraph, the Governor may designate the State educational agency, the mental health agency, the mental retardation agency, a State health or social service agency, or a State Early Intervention Council.

"(2) The agency designated under paragraph (1) shall have responsibility for the general administration, supervision, and monitoring of the comprehensive system of early intervention services for handicapped infants within the State including the delivery of services to such infants. The State agency shall also be responsible either directly or by contract or other agreement with other agencies or organizations for coordinating multidisciplinary referrals of handicapped infants, conducting indepth assessments of such infants, and coordinating early intervention services for handicapped infants within the State.

"(c)(1) The Governor shall appoint an advisory panel to the Early Intervention Council consisting of individuals involved in or concerned with the needs of handicapped infants, including but not limited to parents, educators, rehabilitation specialists, social workers, medical experts, and psychologists, as well as one member of the State Advisory Council on Special Education, one member of the Developmental Disabilities Council, and one representative of the Parent Training Center established under part D of this Act.

"(2) The advisory panel shall—

"(A) advise the Early Intervention Council of unmet needs within the State in early intervention of handicapped infants;

"(B) comment publicly on the status of early intervention programs; and

"(C) make such recommendations to the Early Intervention Council as the advisory panel considers appropriate.

"PROGRAM COMPONENTS

"Sec. 625. (a) Each State shall develop and carry out a comprehensive plan to serve handicapped infants in accordance with the provisions of subsections (b), (c), and (d).

"(b) The State has or will establish an early intervention services program serving all handicapped infants from birth to age two, inclusive, within the State.

"(c) Each handicapped infant shall have—

"(1) a multidisciplinary assessment of individual needs and services required to meet such needs;

"(2) an individualized program plan developed by a multidisciplinary team, including the parent describing necessary services which may include but is not limited to—

"(A) special education;

"(B) speech and language therapy;

"(C) occupational therapy;

"(D) physical therapy;

"(E) psychological services;

"(F) health services;

"(G) parent and family support services; and

"(H) social services; and

"(3) access to all services described in the early intervention program plan without cost to the parent or guardian.

"(d)(1) Each individualized program shall be reviewed at least annually.

"(2) Services under the individualized program shall be provided by qualified personnel.

"(3) The individualized program shall include provisions which support the transition of handicapped infants to services provided under subpart 1 of this part.

"APPLICATION

"Sec. 626. (a) Each State meeting the eligibility requirements set forth in section 623 and desiring to participate in the program under this subpart shall submit an application to the Secretary through the Early Intervention Council at such time, in such manner, and containing or accompanied by such information, as the Secretary may reasonably require.

"(b) Each such application shall—

"(1) specify the role and financial contribution of each State agency providing services to handicapped infants;

"(2) describe the services which shall be available to handicapped infants and their families;

"(3) describe the procedures used to identify and serve handicapped infants;

"(4) set forth policies and procedures designed to assure that, to the extent consistent with the number and location of handicapped infants in the State, provision is made for the participation of such infants in the program assisted or carried out under this subpart by providing for such children community based early intervention services;

"(5) provide assurances that Federal funds made available under this subpart (A) will not be commingled with State funds, and (B) will be so used as to supplement and increase the level of State and local funds expended for the purposes described in this subpart and in no case to supplant such State and local funds; and

"(6) provide assurances that the State will not expend more than 10 per centum of its allotment on administrative costs of carrying out the early intervention services for which assistance is sought.

"PLANNING AND DEVELOPMENT GRANTS

"Sec. 627. (a) The Secretary shall make one of the following types of grants to each State through the State agency for services for which handicapped children aged birth through 5 are eligible. Grants under this section may be made to any State which submits an application which meets the requirements of this section:

"(1) Planning grant.—A grant for a maximum of two years for the purpose of assessing needs within the State and establishing a procedure and design for the development of a comprehensive early childhood State plan which includes parent participation and training of professionals and others.

"(2) Development grant.—A grant for a maximum of one year for the purpose of developing a comprehensive early childhood State plan, and gaining approval of the plan from the State educational agency, the Secretary of Education, or other designated official of the appropriate State agency.

"(3) Implementation grant.—A grant for a maximum of one year for the purpose of implementing and evaluating the comprehensive early childhood State plan.

"(b) Each State educational agency or other State agency desiring to receive a grant under this subsection shall submit an application at such time, in such manner, and containing or accompanied by such information as the Secretary considers necessary. Each such application shall contain assurances and evidence that—

"(1) The State agency receiving the grant will coordinate with other appropriate State agencies (including the State educational agency) in carrying out the grant.

"(2) The State plan will address the early intervention and the special education and related service needs of all handicapped children from birth through five years of age with special emphasis on children who are often not identified and children who are not now served.

"(3) The State plan will be closely coordinated with child-find efforts under section 612(2)(C) and with preschool incentive grant activities under section 619 of this Act.

"(c) The Secretary shall include in the annual report under section 618 of this Act the following:

"(1) The States and State agencies receiving grants under this subsection and the types of grants received.

"(2) A description of the activities in each State being undertaken through grants under this subsection.

"(3) Beginning in fiscal year 1987, in consultation with the National Council on the Handicapped a description of the status of early intervention programs for handicapped children from birth through five years of age (including children receiving services through Head Start, Developmental Disabilities Program, Maternal and Child Health Services, Mental Health/Mental Retardation Agency Services, and State child-developmental centers and private agencies under contract with State agencies or local schools).

"(d) Any planning or development grant application submitted pursuant to section 623(b) prior to the date of enactment of the Education of the Handicapped Amendments of 1986 shall qualify for a grant under this section.

"RESTRICTION

"Sec. 628. Nothing in this subpart shall be construed—

"(1) to permit the State to reduce medical assistance available, or to alter eligibility, under title XIX of the Social Security Act, relating to medicaid, for handicapped infants within the State; and

"(2) to encourage the reduction in benefits paid under other public or private insurance coverage.

"APPLICABILITY OF CERTAIN PROVISIONS OF LAW

"Sec. 629. The provisions of sections 615, 616, 617, 618, and 620 of this Act shall apply to the program authorized by this subpart, except that any reference to a State educational agency shall be deemed to be a reference to the State agency established or designated under section 623(b).".

(b) Conforming Amendments.—(1) Section 601(c) of the Act is amended by inserting before the period at the end thereof a comma the following: "and to assure that all handicapped infants have available to them a free appropriate early intervention program designed to meet their unique needs".

(2) Section 602(a) of the Act is amended by inserting after paragraph (1) the following new paragraph:

"(2) The term 'handicapped infants' means individuals from birth to age two, inclusive, who are substantially developmentally delayed or children with specific congenital conditions who by reason thereof require early intervention.".

(3) Section 602 of the Act is amended by redesignating subsection (b) as subsection (c) and by inserting after subsection (a) the following new subsection:

"(b) For the purpose of subpart 2 of part A of this title—

"(1) the term 'early intervention' means a program of services including special education services, social services, and health services but the term does not include surgery or hospitalization;

"(2) the term 'Early Intervention Council' means the Council established in accordance with the provisions of section 623(a);

"(3) the term 'Governor' means the chief executive of any State; and

"(4) the term 'State agency' means the State agency established or designated in accordance with section 623(b).".

(4)(A) Section 611(a)(1) of the Act is amended by striking out "part" and inserting in lieu thereof "subpart".

(B) Section 611(g)(1) of the Act is amended by striking out "part" and inserting in lieu thereof "subpart".

(C) Section 612 of the Act is amended—

(i) by striking out "part" in the matter preceding paragraph (1) and inserting in lieu thereof "subpart"; and

(ii) by striking out "part" in paragraph (6) and inserting in lieu thereof "subpart".

(D) Section 613 of the Act is amended by striking out "part" each time it appears and inserting in lieu thereof "subpart" each such time.

(5) Section 619(c) of the Act is amended by striking out ", and for providing special education and related services for handicapped children from birth to three years of age".

REGIONAL RESOURCE CENTERS

Sec. 6. Section 631(a) of the Act (as redesignated by this Act) is amended—

(1) by inserting after "special education" in clause (1) a comma and the following: "physical education,"; and

(2) by inserting after "special education" in clause (2) a comma and the following: "physical education,".

SERVICES FOR DEAF AND BLIND YOUTH

Sec. 7. Section 632(a)(2)(ii) of the Act is amended by inserting after "education" the following: "physical education".

EARLY INTERVENTION AND PRESCHOOL SERVICES FOR HANDICAPPED CHILDREN

Sec. 8. (a) General Authority.—Section 633(a)(1) of the Act (as redesignated by this Act) is amended to read as follows:

"Sec. 633. (a)(1) The Secretary is authorized to arrange by contract, grant, or cooperative agreement with appropriate public agencies, institutions of higher education (including university affiliated facilities program under the Developmental Disabilities Act of 1984 and the satellite network of the developmental disabilities program and the research and training centers under the Rehabilitation Act of 1973 specifically designed to address the needs of handicapped infants), and other appropriate nonprofit organizations for—

"(A) the development and operation of programs of experimental early intervention for traditionally unserved handicapped infants and their families;

"(B) preservice and inservice training of personnel including volunteers and paraprofessionals as well as physicians, nurses, occupational and physical therapists, educators, psychologists, social workers, speech and language pathologists, and administrators in early intervention practices; and

"(C) research pertaining to the intellectual, emotional, physical, social, and language development of handicapped children including investigations of the cost effectiveness of various approaches to service delivery.".

(b) Special Rule.—Section 633(a)(3) of the Act is amended by adding at the end thereof the following: "In carrying out the provisions of this Act, the Secretary shall, due to the over representation of native Hawaiians in statistical reports of children with handicaps, make a grant under paragraph (1) of this subsection within the State of Hawaii to address the needs of native Hawaiian children with handicaps. The grant made under the previous sentence shall be in addition to any other grant which may be made to Hawaii under this section.".

(c) Reservations.—(1) Section 633(b) of the Act is amended to read as follows:

"(b)(1) Not less than 10 per centum of the funds available in any fiscal year for purposes of this section shall be available for the provision of training and technical assistance for States preparing to receive or receiving grants under subpart 2 of part B.

"(2) Not less than 10 per centum of the funds available in any fiscal year for the purposes of this section shall be used for research pertaining to the intellectual, emotional, physical, social, and language development of handicapped infants and children, including studies providing information on various cost-effective approaches to service delivery as well as the impact and effectiveness of early intervention programs.".

(2) Subsection (c) of section 633 of the Act is repealed.

(d) Technical Amendment.—The heading of section 633 of the Act is amended to read as follows:

"EARLY INTERVENTION AND PRESCHOOL SERVICES FOR HANDICAPPED CHILDREN".

RESEARCH, INNOVATION, TRAINING, AND DISSEMINATION ACTIVITIES

Sec. 9. (a) Special Rule.—Section 634(a) of the Act (as redesignated by this Act) is amended—

(1) by inserting before the semicolon in clause (1) the following: "including the needs of native Hawaiians and other native pacific basin individuals where there is a disproportionate overrepresentation of children and youth with handicaps";

(2) by inserting before the semicolon in clause (2) the following: "and to native Hawaiian and pacific basin handicapped children and youth"; and

(3) by inserting before the semicolon in clause (3) the following: "and for programs serving native Hawaiian and other native pacific basin handicapped children".

(b) Severely Handicapped Special Rule.—Section 634(c) of the Act is amended by inserting before the period the following: "including severely handicapped native Hawaiian and other native pacific basin children and youth".

SECONDARY EDUCATION AND TRANSITIONAL SERVICES FOR HANDICAPPED YOUTHS

Sec. 10. (a) New Activities.—Section 636(b) of the Act (as redesignated by this Act) is amended—

(1) by redesignating clauses (5), (6), and (7) as clauses (6), (7), and (8), respectively, and

(2) by inserting after clause (4) the following new clause:

"(5) specifically designed physical education and therapeutic recreation programs to increase the potential of handicapped youths for community participation;".

(b) Conditions for Projects.—Section 636(d) of the Act is amended to read as follows:

"(d) Projects funded under this section shall—

"(1) be coordinated with other State agencies providing services for which the student is eligible;

"(2) provide individual transition plans for students served by projects funded under this section; and

"(3) to the extent appropriate provide for the direct participation of handicapped students and the parents of such students in the planning, development, and implementation of such projects.".

AUTHORIZATION OF APPROPRIATIONS FOR PART C

Sec. 11. Section 638 of the Act (as redesignated by this Act) is amended to read as follows:

"AUTHORIZATION OF APPROPRIATIONS

"Sec. 638. (a) There are authorized to be appropriated to carry out the provisions of section 631 $6,700,000 for the fiscal year 1987, $7,100,000 for the fiscal year 1988, and $7,500,000 for the fiscal year 1989.

"(b) There are authorized to be appropriated to carry out the provisions of section

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632 $15,900,000 for the fiscal year 1987, $16,800,000 for the fiscal year 1988, and $17,800,000 for the fiscal year 1989.

"(c) There are authorized to be appropriated to carry out the provisions of section 633 $17,600,000 for the fiscal year 1987, $18,600,000 for the fiscal year 1988, and $19,700,000 for the fiscal year 1989.

"(d) There are authorized to be appropriated to carry out the provisions of section 634 $5,300,000 for the fiscal year 1987, $5,500,000 for the fiscal year 1988, and $5,900,000 for the fiscal year 1989.

"(e) There are authorized to be appropriated to carry out the provisions of section 635 $5,900,000 for the fiscal year 1987, $6,200,000 for the fiscal year 1988, and $6,600,000 for the fiscal year 1989.

"(f) There are authorized to be appropriated to carry out the provisions of section 636 $7,300,000 for the fiscal year 1987, $7,700,000 for the fiscal year 1988, and $8,100,000 for the fiscal year 1989.".

GRANTS FOR PERSONNEL TRAINING

Sec. 12. (a) Priority.—Section 641(a) of the Act is amended—

(1) by inserting "(A)" after paragraph (4);

(2) by adding at the end thereof the following new subparagraph:

"(B) Whenever possible, the Secretary shall give priority to applications from States with areas where shortages exist.".

(b) Parental Training Special Rules.—(1) Section 641(c)(1) of the Act (as redesignated by this Act) is amended by inserting at the end thereof the following new sentence: "One such grant shall be made to a nonprofit agency serving the needs of native Hawaiians. This grant shall be in addition to and not in place of any other parent training grant made to an agency in the State of Hawaii.".

(2) Section 641(c)(4) of the Act is amended by adding at the end thereof the following new sentence: "The Secretary shall give priority to grants under this subsection which involve new programs.".

(3) Section 641(c)(6) of the Act is amended by adding at the end thereof the following new sentence: "Staff personnel of parent training and information programs may assist parents directly in activities under section 615.".

GRANTS FOR TRAINEESHIPS

Sec. 13. Section 642 of the Act (as redesignated by this Act) is amended—

(1) by striking out "to State educational agencies" and inserting in lieu thereof "to each State educational agency"; and

(2) by striking out "teachers" each time it appears and inserting in lieu thereof "personnel serving".

GRANTS TO IMPROVE RECRUITMENT OF EDUCATIONAL PERSONNEL

Sec. 14. (a) Physical Education.—Section 643(a)(2) of the Act is amended by inserting after "education" a comma and the following: "including physical education,".

(b) Transitional Services.—Section 643(b) of the Act is amended by inserting after "available" the following: "transitional services and programs as well as".

AUTHORIZATION OF APPROPRIATIONS FOR PART D

Sec. 15. (a) General.—Section 645(a) of the Act (as redesignated by this Act) is amended to read as follows:

"(a) There are authorized to be appropriated to carry out the provisions of this part (other than section 643) $70,400,000 for fiscal year 1987 and $74,500,000 for fiscal year 1988, and $79,000,000 for fiscal year 1989. There are authorized to be appropriated to carry out the provisions of section 643, $1,200,000 for fiscal year 1987, $1,400,000 for fiscal year 1988, and $1,500,000 for fiscal year 1989.".

(b) Reservation.—Section 645 of the Act is amended—

(1) by redesignating subsection (b) as subsection (c); and

(2) by inserting after subsection (a) the following new subsection:

"(b) Of the funds appropriated pursuant to subsection (a) for any fiscal year, the Secretary shall reserve not less than 65 per centum for activities described in clauses (A) through (E) of section 641(a)(1).".

(c) Technical Amendment.—Section 645(c) of the Act (as redesignated by subsection (b) of this section) is amended by striking out "section 631(c)" and inserting in lieu thereof "section 641(c)".

RESEARCH AND DEMONSTRATION PROJECTS

Sec. 16. (a) Uses Special Rule.—Section 651 of the Act (as redesignated by this Act) is amended by—

(1) redesignating subsections (b), (c), (d), and (e) as subsections (c), (d), (e), and (f), respectively, and

(2) by adding after subsection (a) the following new subsection:

"(b) Not less than 5 per centum of the funds made available in any year for the purpose of this section shall be used to address the needs of underserved secondary school-aged handicapped youth.".

(b) Additional Activities.—Section 651(a) of the Act is amended by adding after paragraph (5) the following new paragraph:

"(6) The development of program models and demonstrations for native Hawaiian Handicapped children and youth by an educational agency providing comprehensive elementary and secondary educational services to native Hawaiians. A grant contract or cooperative agreement under this section shall be in addition to and not in place of any other grant made to other Hawaiian public or private agencies under this part.".

AUTHORIZATION OF APPROPRIATIONS FOR PART E

Sec. 17. Section 654 of the Act (as redesignated by this Act) is amended to read as follows:

"AUTHORIZATION OF APPROPRIATIONS

"Sec. 654. For the purpose of carrying out this part, there are authorized to be appropriated $18,000,000 for fiscal year 1987, $19,000,000 for fiscal year 1988, and $20,100,000 for fiscal year 1989.".

INSTRUCTIONAL MEDIA

Sec. 18. (a) Theater.—Section 661(a)(1)(B) of the Act (as redesignated by this Act) is amended by inserting after "films" the following: "and through theater".

(b) Median Technology.—Section 651(a)(2) of the Act is amended by inserting after "media" each time it appears a comma and the following: "material and technology".

(c) National Theater of the Deaf.—Section 652 of the Act is amended by adding at the end thereof the following new subsection:

"(c) The Secretary is authorized to make grants to or enter into contracts or cooperative agreements with the National Theater of the Deaf for the purpose of providing theatrical experiences to—

"(1) enrich the lives of deaf children and adults,

"(2) increase public awareness and understanding of deafness and of the artistic and intellectual achievements of deaf people, and

"(3) promote the integration of hearing and deaf people through shared cultural experiences.".

AUTHORIZATION OF APPROPRIATIONS FOR PART F

Sec. 19. Section 664 of the Act (as redesignated by this Act) is amended to read as follows:

"AUTHORIZATION OF APPROPRIATIONS

"Sec. 664. For the purpose of carrying out this part, there are authorized to be appropriated $18,500,000 for fiscal year 1987, $19,600,000 for fiscal year 1988, and $20,800,000 for fiscal year 1989.".

REPEAL

Sec. 20. Section 604 of the Act is repealed.

(By request of Mr. Byrd, the following statement was ordered to be printed in the Record:)

● Mr. KERRY. Mr. President, today I rise to join with my distinguished colleague from Connecticut in introducing legislation to reauthorize the discretionary programs under the Education of the Handicapped Act. The act has proven its value over the years by integrating our disabled children into their schools and communities, and allowing them an opportunity to participate in a way that was impossible only a decade ago. And today I am proud to be a partner in sponsoring legislation that adds to the act by further expanding educational services for handicapped children. Today's reauthorization package reflects thoughtful input and consultation from experts across the country. This is genuinely demonstrated in the clear intent of the bill which is to improve our educational system in a manner that increases the developmental and learning potential of handicapped children, contributing to their full growth into adulthood.

This reauthorization increases that goal by providing for early childhood intervention which has proven highly effective. Our bill mandates services for children beginning at age 3. It allows for State and local flexibility so that existing programs may be continued and new ones will have the support necessary to provide the early intervention needed by "at risk" children. Recent research has indicated that this timely assistance makes a critical difference in educational progress of "at risk" children. In order to understand the overwhelming need for early childhood intervention, one only has to point to the fact that in the past decade, the number of handicapped preschoolers has increased by over 30 percent. Just last year, over 250,000 preschoolers were given educational services and this is but a fraction of the overall number of children who need these services. Currently only 19 States mandate services to all 3-to-5-year-olds. Yet, over 30 States cover a portion of this age category. The reauthorization not only mandates early childhood services nationwide and provides a reimbursement

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formula which covers the services, but it also amends the existing allotment formula to ensure that States will no longer be penalized for serving additional children.

The discretionary programs provide a critical support system to upgrade the service received by the more than 4 million children nationwide who are in special education programs. These programs provide new authority for early childhood research and personnel preparation. Interagency coordination and transition plans for students are required for the secondary transition programs. This assures that handicapped students enter the adult level of the community with the support and aid they require. Personnel preparation programs target areas of shortage, priority status is given to the establishment of parent training centers and staff is specifically permitted to assist parents in due process hearings. The appropriateness of physical education is stressed in several programs. The bill includes monitoring and complaint investigation in the administrative cost set-aside which realistically reflects school district needs.

Embodied in this legislation is the essential principle that the Federal Government has a critical role in devising a progressive and responsible approach to create an effective system designed to promote education for all handicapped children. These provisions, combined with past novel approaches implemented under the Education of the Handicapped Act, have allowed millions of children to maximize their potential, despite their handicap.

Mr. President, our bill builds on the existing mechanism and helps further integrate our disabled children into their schools and communities, helps their parents and families understand what resources are available to them, and establishes research and training so that future innovations can be encouraged to assist our handicapped youth.

Over the years, the Congress had made a commitment to our handicapped children and our proposal further strengthens this commitment in a manner that enhances the lives of disabled youth throughout our society.●

Mr. STAFFORD. Mr. President, I am pleased to join with Senator Weicker as an original cosponsor of S. 2294, the Education of the Handicapped Amendments of 1986. It has been 10 years since this landmark legislation was first enacted by the Congress. In that time, countless school districts have opened their doors to handicapped children who were previously denied a free and appropriate public education. Approximately 10 percent of the children attending public schools receive special education services that are paid for in part by Federal funds. Children with every kind of disability have taken their rightful places in their neighborhood schools. Handicapped young adults are now graduating from our public schools, with educational attainments, employment skills, and the expectation that they will live and work independently in the mainstream of their communities. That is remarkable progress for a decade. The task, however, is far from complete. Unemployment figures among disabled adults are as high as 60 percent. Many adults who would choose to live independently must remain in institutional or family settings because local alternatives are not available. I do not mention these facts to be discouraging. Rather, they reinforce the importance of the mandate that Public Law 94-142 has provided.

Senator Weicker is to be congratulated for the new initiatives included in this legislation which will bring services to handicapped children from birth. It is well-documented that early intervention equates to less expensive programming for handicapped children once they are school-aged. By encouraging local school districts to intervene in the lives of handicapped youngsters at birth instead of ages 5 or 6, we are increasing the likelihood that these children will leave school and enter the workplace with adequate skills and self-esteem to be wage-earning, taxpaying citizens. This initiative represents a major step toward achieving the ultimate goal of full integration of handicapped children and adults in society.

RECOGNITION OF SENATOR CRANSTON

The PRESIDING OFFICER. The Senator from California is recognized.

THE GENERAL MOTORS PRICE INCREASE

Mr. CRANSTON. Mr. President, whenever anyone mentions automobiles, a lot of people automatically think of California.

Cars may be an important part of life, even an essential part of life, everywhere in the United States.

But in California, cars are a way of life.

We have over 14 million passenger cars on the road—far more than any other State.

We have 26 million people—also more than any other State.

And at any one time, more than 1 million Californians are in the market for a new car.

That is why the news that the price of General Motors cars are going up an average of 2.9 percent today comes as such a shock to this Senator from California.

What is General Motors thinking of?

Or are they not-thinking at all?

General Motors and the American automotive industry have been pushing Congress for protectionist legislation, complaining that they are being beaten by foreign competitors.

And they are being beaten—with the possible exception of Chrysler.

Twenty-five percent of the new cars sold in the United States in 1984 were foreign imports—mostly Japanese.

Fifty percent of the new cars sold in California that year were foreign imports—mostly Japanese.

And now, when their No. 1 competitor has boosted its prices because of the increase in the exchange rate of the yen, what does General Motors do?

Does GM cut its prices to become more competitive and try to win back some of the American market it has lost?

Does it at the very least hold the line on the price of GM cars?

No, GM raises its prices.

Someone once said that what is good for General Motors is good for the United States.

I never could make much sense out of that.

General Motors' price increase is not good for the United States.

What is good for the United States is to reduce our trade deficit by producing better cars at lower cost.

That is good for the American consumer.

And it could even be good for General Motors.

ROUTINE MORNING BUSINESS

The PRESIDING OFFICER. Under the previous order, there will now be a period for the transaction of routine morning business for not to extend beyond the hour of 1 p.m., with statements therein limited to 5 minutes each.

THE W.M. KECK OBSERVATORY: TO SEE THE BEGINNING OF TIME

Mr. CRANSTON. Mr. President, I am very pleased that my colleague, Senator Matsunaga, has agreed to introduce legislation on behalf of the University of California, Caltech, and the University of Hawaii, to premit the duty-free entry of essential telescope components for installation in the W.M. Keck Observatory under construction on Hawaii's Mauna Kea.

The Keck telescope, when it is completed in 1992, will be the world's most powerful telescope, powerful enough to see a single candle at the distance of the Moon.

This marvelous instrument will function as a time machine peering 12 billion years into the past nearly three-quarters of the way to the birth of the

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universe, according to Caltech scientists.

The Keck telescope will measure 10 meters across compared to the well-known 5-meter hale telescope on Palmar Mountain. The final mirror assembly will consist of 36 hexagonal segments each individually controlled by a computor making 300 corrections a second to a tolerance of 3.75 nanometers. The Keck telescope will be enhanced by additional technological developments which will mean a 600-fold increase in productivity over present telescopes.

The bill which Senator Matsunaga is introducing will permit the duty-free entry of mirror components manufactured in West Germany. The duty-free entry provision is necessary because the telescope must be imported in components parts. Ironically, if the telescope were imported as a unit, it could enter duty-free.

I urge my colleagues on the Finance Committee to act promptly on this matter and to my colleagues in the Senate, I ask their wholehearted support of this significant contribution to an important scientific effort.

I ask unanimous consent that an article describing the project which appeared in the Caltech publication, Engineering & Science, be printed in the Record together with correspondence between California Institute of Technology and the U.S. Customs Service.

There being no objection, the material was ordered to be printed in the Record, as follows:

[From Engineering & Science, January 1985]

The W.M. Keck Observatory

It will be powerful enough to see a single candle at the distance of the moon. But the Keck Telescope won't be lookng at anything so mundance as the moon. Its faceted eye will look at the center of the galaxy to see if there's a black hole there. It will look at the clouds of hot gas that are the birthplace of stars. It will function as a time machine, peering 12 billion years into the past three-quarters of the way to the birth of the universe. When construction is complete in 1992, this telescope, the most powerful in the world, will be set to answer fundamental questions in the fields of optical and infrared astronomy.

And it will do so from a most unworldly landscape—the remote high ridge of an extinct volcano already dotted with the white domes of observatories. Perched at the 13,600-foot level on Hawaii's Mauna Kea (White Mountain), a site that has some of the best "seeing," astronomically speaking in the world, the Keck Telescope will be the culmination of a 15-year, $85 million project to design and build the premier weapon in the astronomical arsenal.

With the largest private gift ever made for a single scientific enterprise—$70 million from the W.M. Keck Foundation—Caltech will provide most of the funds for the observatory's construction. The University of California, whose scientists began designing the ten-meter telescope in 1977, will provide funds for the scope's continuing operation. Observation time will be split evenly between UC and Caltech astronomers, with a fraction of the time going to astronomers from the Universtiy of Hawaii, which is providing the site.

The observations these scientists will make should help answer some of the most perplexing of astronomical riddles. One of these involves the large-scale structure of the universe. Galaxies cluster in groups ranging from small ones only a million light years across, to superclusters, which span nearly a billion light years. Scientists link the small and medium-sized galactic clusters to tiny density irregularities arising among fundamental particles during the Big Bang. But they find the superclusters much more difficult to explain. Some scientists believe that superclusters owe their existence to primordial fluctuations in the density of as-yet-unidentified elementary particles, so particle physicists are vitally interested in the results of these studies as well.

Often superclusters occur in enormous filaments or chains, and the details of these structures that the telescope will reveal may provide important clues to their orign. Computer simulations indicate that the clustering process continues to this day. The ten-meter telescope will be able to trace this back in time by capturing light that's been traveling our way for billions of years. Present day telescopes, like the five-meter (200-inch) Hale Telescope on Palomar Mountain, are just barely able to make out then most distant (and hence the oldest) galaxies, but they can't collect enough light from them to determine their redshifts, a measure of astronomical distance. (The further away an object is, the faster it recedes from us. The faster it recedes, the further its light is shifted to the red end of the spectrum.) Redshift information is indispensable in mapping the structure of these ancient clusters. The ten-meter telescope, with its huge light collecting area, is admirably suited for this sort of work.

The telescope may also provide a solution to one of the major problems in astronomy—the question of why, where, and how stars form. Thick clouds of dust obscure most star-forming regions. But though the dust blocks visible light, infrared light gets through and the ten-meter telescope will be the biggest infrared instrument in the world, with a resolution three times that of its nearest competitor. The ten-meter telescope will be able to differentiate actual stars from nearby clumps of dust that scatter light and mimic stars. It will also be able to separate one nascent star from another in these densely packed areas. And the telescope may help solve the mystery within a mystery of certain small, young stars, which come into being as the result of an unknown mechanism operating outside the usual star-forming regions.

The telescope's infrared capabilities make it an ideal source of information about our galactic center, which is also obscured by layer upon layer of dust. Studies to date indicate that this is a most peculiar region, containing remnants of supernovae as well as chaotically moving clouds of ionized gas. Many astronomers believe that these constitute the gravitational signature of a black hole located precisely at the center of Milky Way galaxy. The Keck Telescope will peer through the dust, searching for the high velocity regions that will distinguish a black hole from a compact star cluster, the other major candidate for the structure at the galactic center.

One technique that will be applied to the telescope is known as Multiple Object Spectroscopy (MOS), a process in which the spectra of as many as 100 objects from a single field of view are obtained simultaneously. One of the advantages of MOS is a lengthening of the maximum tolerable exposure. An astronomer may be willing to invest 10 or even 20 hours in a single exposure if 100 good-quality spectra will result. In other words MOS, coupled with the great light-gathering power of the ten-meter telescope, will mean a 600-fold increase in productivity over present telescopes.

Despite the Keck Telescope's high resolution, when construction is completed in 1992 it will not be the highest resolution instrument in use. The Hubble Space Telescope, scheduled for launch by the Space Shuttle in 1986, will have a resolution ten times better than any ground-based instrument because of its freedom from atmospheric blurring. The Space Telescope will also have advantages in ultraviolet spectroscopy (since most ultraviolet light is filtered by the ozone layer) and in certain parts of the infrared region that are attenuated by atmospheric water vapor. But the Space Telescope's primary mirror is only 2.4 meters in diameter. At more than 4 times the diameter and 17.4 times the area, the ten-meter mirror will be better able to provide the large amounts of light demanded by the exacting requirements of spectroscopy. Spectroscopy is needed in quantitative astrophysical studies to determine abundances of the constituents of stars and galaxies, as well as to determine redshifts. The two telescopes will therefore complement each other. The ten-meter telescope will often be used to conduct detailed spectrographic studies of objects first discovered or imaged by the Space Telescope.

Designing a ten-meter telescope, which must have a virtually perfect 76-square-meter optical surface, requires much more than merely scaling up a five-meter mirror like the one at the Palomar Observatory. According to University of California astronomer Jerry Nelson (Caltech BS 1955), who headed the design team, scaling these designs up by a factor of two introduces a number of formidable problems, most of them associated with the primary mirror itself. A ten-meter mirror blank has never been made, and even if it were possible, its cost would be enormous. Polishing such a blank would take a very long time and require extremely large and expensive machinery.

Perhaps even more difficult is the problem of properly supporting the mirror against the force of gravity, since the deflections of a ten-meter mirror are 16 times those of a five-meter mirror. These deflections must be limited to about a thousand-fold less than the thickness of a human hair, says Nelson. Such a large mirror would require a massive telescope structure and a dome of enormous proportions, leading, again, to unacceptable costs.

To avoid these difficulties, the telescope's designers have developed a primary mirror design composed of a mosaic of 36 hexagonal mirror segments only 1.8 meters in diameter. Many of the problems are thus reduced to those of a 1.8-meter telescope. This allows a much lighter mirror, and modern computer-aided structural design tools have also made an extremely lightweight telescope structure possible. In fact, at 158 tons, the Keck Telescope will weigh less than one-third as much as the Hale Telescope.

But construction of the ten-meter telescope is not without problems of its own. Polishing the mirror is complicated by the fact that each segment is neither flat nor

symmetrical, but rather is one of six off-axis sections of a shallow paraboloid. The design team developed a method called "stressed mirror polishing" to arrive at each of the six shapes. This technique takes advantage of the ease with which opticians can polish a spherical surface. It involves first applying precisely calculated forces to a circular mirror blank, intentionally warping it. The mirror blank is then polished to a concave, spherical surface. Once the applied force is released, the mirror blank springs into the desired final shape. Its edges are then cut off to form the hexagonal outline.

During the cutting of an initial test blank, larger than desired warping occurred. This led to the idea of putting a "stressing" jig on each segment to remove the warp. This dewarping method, whose feasibility has been demonstrated, may also lead to a faster mirror production by allowing more relaxed tolerances during the polishing phase.

These difficulties in polishing the hexagonal segments are minor compared to the problem of polishing a single large mirror. But the multi-segment approach introduces other problems. A single mirror could be held steady in a rigid but passive support. But a system of multiple mirrors must be continually realigned, since the forces that tend to disrupt the aim (gravity, wind, and heat are the most important of these) act differently at each mirror location and change over time. Each segment, therefore, has edge displacement sensors on its back surface that bridge the gaps between one segment and its neighbors. If one segment should move relative to another, these sensors will send a signal to the computer control system. The computer will then make the necessary corrections by adjusting the three actuator pistons that support each segment. In order to maintain a sufficiently stable image, the computer will make such corrections 300 times a second to a tolerance of 3.75 nanometers. In this way the 36 segments, each individually controlled, with constitute, for all intents and purposes, a single mirror.

Light falling on this mirror will be directed to the telescope's six focal points, where various instruments such as cameras, spectrographs, photometers, and polarimeters will be housed. The designers have deferred decisions on the exact specifications of many of these instruments because of the rapid pace of technological advance. Light detectors in particular are currently undergoing dramatic improvements in sensitivity coupled with decreases in size, and these characteristics are fundamental starting points in some instrument designs. This flexibility to take advantage of the latest advances in instrument and detector technology is a further advantage ground-based telescopes have over space platforms.

But even a telescope in the best location in the world can have its seeing degraded by thermal inhomogeneities causing local atmospheric turbulence. Experience has shown astronomers that, ironically, the most damaging source of such turbulence is often the observatory itself. Ideally, all parts of the telescope would maintain the same temperature as the surroundings, but in practice this is not possible. To minimize damaging temperature gradients the designers will take a number of steps. These include painting the dome with a special, heat-reflective paint; actively controlling the temperature of the dome floor so that this massive structure will be neither a source nor a sink of heat; and locating much of the heat-producing electronic equipment in the heavily insulated observatory building.

This one-story building will contain the control room, offices, a library, and mechanical and electrical shops, including an aluminizing facility where the mirrors will be cleaned and resurfaced. Some of these rooms will be supplemented with oxygen, since the atmosphere at 13,600 feet contains only 60 percent of the oxygen present at sea level. This low oxygen level significantly degrades a person's mental and physical performance, but often people don't notice this reduction in performance soon enough. Several of the other observatories on Mauna Kea provide masks and bottle oxygen to their personnel, but although this is a much less costly option than oxygenating whole rooms, studies show that these aids are underused. The supplemental oxygen will not provide a sea-level environment, which would be prohibitively expensive. Instead, the oxygen levels will simulate conditions at the Hale Pohaku base camp at 9,200 feet, where the astronomers and support staff will study, eat, and sleep.

Although there's a strong tradition of astronomers making their observations while in residence at a telescope, full remote control of the Keck Telescope will be possible. This will allow astronomers to make their observations from their home offices around the world, which will significantly reduce travel and housing costs. Although some astronomers may be secretly disappointed by this, since justifying a trip to tropical Hawaii will be more difficult, the fact that the temperature atop Mauna Kea is usually between 30° and 50° Fahrenheit may assuage their disappointment.

Mauns Kea is already home to a number of major observatories including the Canada-France-Hawaii 3.6-meter telescope, the NASA 3.0-meter Infrared Telescope Facility, the United Kingdom 3.8-meter Infrared Telescope and the University of Hawaii 2.2-meter telescope. In addition, the Caltech 10.4-meter telescope for submillimeter wavelengths and a United Kingdom-Netherlands 15-meter telescope for millimeter-wave observations are under construction. Caltech scientists anticipate that the Keck Telescope will be linked to the 10.4-meter telescope to form a 400-meter-baseline interferometer at submillimeter wavelengths. This will allow them to examine sites of star formation, for example, in unprecedented spatial detail.

Future hopes for the site call for the construction of a second, identical ten-meter telescope that may be used in conjunction with the first to perform optical interferometry. The effective resolving power of such tandem observations, with both telescopes trained on the same area of the sky, would be equivalent to that of a telescope having a single mirror with a diameter equal to the distance between the two scopes. No funds have yet been raised for the second telescope, which could cost an additional $60 million.

Even without its twin, the Keck ten-meter telescope will be the source of significant advances in astronomical knowledge for decades to come. Considered together with the Hubble Space Telescope and a number of other observatories that may come on line within the next decade, the Keck Observatory will set the stage for possibly the fastest increase in our understanding of the cosmos since the time of Galileo.

Department of the Treasury,
U.S. Customs Service,
Washington, DC, December 17, 1985.

Refer to: DIS CO:R:R:D 85-573327 DLD.

G.M. Smith, *Project Manager,*
W.M. Keck Observatory Project, California Institute of Technology, Pasadena, CA.

Dear Mr. Smith: This is in response to your application of August 23, 1985, for duty-free entry under item 851.60 of the Tariff Schedules of the United States (TSUS), of astronomical telescope mirror blanks. The blanks will become part of the reflector for an optical telescope to be installed on Mauna Kea on the island of Hawaii.

It is our determination that the blanks are components within the meaning of 15 CFR 301.2(k), of the regulations of the Commerce Department and the Treasury Department. Components (other than repair components) are not eligible for duty-free treatment under this program. Therefore, we must deny your application.

Any additional facts or evidence concerning the conditions existing at the time of entry which might alter this determination may be submitted to the undersigned prior to notice of liquidation of the entry. In the absence of such a submission this determination is considered final. However, after notice of liquidation a protest may be filed in accordance with Part 174 of the Customs Regulations (19 CFR Part 174). In this regard see also 15 CFR 301.8(c) for the regulations of the Department of Commerce and the Department of the Treasury.

Sincerely,

John E. Elkins, *Chief,*
Disclosure Law Branch.

California Institute of Technology,
January 17, 1986.

Ref: DIS CO:R:R:D 85-573327 DLD.

Mr. John C. Elkins,
Chief, Disclosure Law Branch, Department of the Treasury, U.S. Customs Service, Washington, DC.

Dear Mr. Elkins: I have in hand your letter dated December 17, 1985 to G. M. Smith, Project Manager for our W. M. Keck Observatory Project. In your letter you deny our application for duty-free entry under item 851.60 of the Tariff Schedules of the United States for the astronomical telescope "mirror blanks" which we are purchasing from Schott Glass Technologies, Inc. in West Germany. These so-called "mirror blanks" will be combined to form the primary reflector (i.e. mirror) for the large (ten-meter) optical and infrared telescope to be installed on the summit of Mauna Kea on the Island of Hawaii. The primary reflector will be composed of 36 hexagonal, 1.8 meter segments, each of these to consist of one of the "mirror blanks" (further polished, of course) to be purchased from Schott Glass Technologies, Inc.

Actually, the problem here appears to be one of semantics, a problem caused by us when we described these mirrors as "mirror blanks." "Mirror blank" is clearly a misnomer. These mirrors, when received from Scott Technologies, Inc. will already have been worked and precision ground to a diameter of 1900 mm +/− .5 mm and to a thickness of 77 mm +/− .2 mm. And the surface will have been ground to form a meniscus with a radius of curvature of 35350 mm on the concave side and 35426 mm on the convex side.

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Headnote 6. to part 4 (of which item 851.60 is a part) describes which "instruments and apparatus" are exempt under item 851.60. Included are the "instruments and apparatus" listed in schedule 7, part 2 (except subpart G).

Subpart A of schedule 7, part 2 clearly lists the mirrors in question (item 708.07). Thus the items for which we are requesting exemption are, in fact, a line item "instrument [or] apparatus" coming within the included class described in headnote 6.

It seems clear that anything rising to the status of a stand-alone line item in one of the exempted parts qualifies for an exemption under item 851.60. To conclude otherwise would be to change the obvious intent of Congress. These mirror blanks are not "components" of some "instrument and apparatus" listed in the schedules. They are one of those exempt items themselves. Please note that the qualifying legislative definition is "instrument and apparatus", not merely "instrument." A reference to Webster's Third New International Dictionary, 1976, will show that "apparatus" includes anything which is a "collection or set of materials, instruments, appliances, or machinery designed for a particular use." These so-called "mirror blanks" being purchased from Schott Glass Technologies, Inc. are in fact the set of mirrors which will form the primary reflector for the Keck Observatory.

I can understand why as set forth in 15 CFR 301.2(k) "components" of "instruments" or "apparatus" are not exempt. However, that quite simply is not the case here. As we have shown, these precision ground mirrors from Schott Glass Technologies, Inc. are line item "instruments and apparatus" entitled to exemption. Furthermore, the only feasible way to fabricate, ship and install a telescope of this size and complexity is in pieces. It literally would not be physically possible to build a telescope of this size and transport it across the oceans and up the mountainside intact, as contrasted with a telescope or other scientific instrument which would fit on a desk or even in a normal laboratory room or bay. This telescope must be fabricated and transported to the Mauna Kea summit in pieces and then erected and installed there. It would be totally unreasonable and a complete distortion of 15 CFR 301.2(k) to call these prime elements of the telescope "components," so as to exclude them from exemption. And there is nothing in the legislation to support such a view. For your further information, I am enclosing a copy of an article in the January 1985 issue of Engineering and Science which describes in some detail this rather incredible new telescope.

We would appreciate your prompt reinstatement and further processing of our application. The completion of this exciting new optical and infrared telescope on the top of Mauna Kea, which will be the largest such telescope in the world, is dependent upon a steady flow of these precision ground mirrors from Schott Glass Technologies, Inc. Deliveries from Scott Glass are due to begin in March 1986, so prompt action is absolutely essential.

Your cooperation will be much appreciated.

Very truly yours,

DONALD R. FOWLER,
General Counsel.

DEPARTMENT OF THE TREASURY,
U.S. CUSTOMS SERVICE,
Washington, DC, February 26, 1986.
Refer to: DIS CO:R:R:D 86-573689 DLD

DONALD R. FOWLER, Esq.,
Office of the General Counsel, California Institute of Technology, Pasadena, CA

DEAR MR. FOWLER: This is in response to your letter of January 17, 1986, in which you appeal the denial of December 17, 1985, of an application for duty-free entry under item 851.60 of the Tariff Schedules of the United States (TSUS), of mirror blanks for the multiple mirror telescope being erected on Mauna Kea. Duty-free entry under item 851.60, TSUS, was denied on the grounds that the mirror blanks are components as defined by 15 CFR 301.2(k) of the regulations of the Department of Commerce and the Department of the Treasury.

The mirror blanks were not ruled ineligible because they were not completely optically worked and thus did not fail within the allowable tariff schedule items, although it might, in fact, be argued that they are not optically worked. Rather, they were denied duty-free entry because they are components, and components may not enter duty-free under item 851.60, TSUS. A telescope, for example, is an instrument. The primary mirror of a reflecting telescope is an component of the telescope, that is, a necessary part of the instrument, but not itself a complete instrument. The mirrors under consideration here will be assembled into the equivalent of a primary mirror in the Keck Telescope, and therefore cannot be considered an instrument or instruments.

If the entire multiple mirror telescope were purchased from one foreign manufacturer and imported in several shipments to be assembled in the United States, the instrument could obtain duty-free treatment under this provision. However, this is not the case here. The telescope was designed by the University of California and California Institute of Technology, and parts were purchased from various foreign and domestic manufacturers. The instrument is to be constructed in the United States. Section 301.2(k), Title 15, Code of Federal Regulations, states in part, "'Components' of an instrument means parts or assemblies of parts which are substantially less than the instrument to which they relate. A component enables an instrument to function at a specified minimum level . . . Applications shall not be accepted for components of instruments . . . being manufactured or assembled by a[n] . . . entity in the U.S." Therefore, we must affirm the denial of duty-free entry for the mirrors on the basis that they are components of a larger instrument, which did not enter duty-free under tariff item 851.60, TSUS.

This determination is considered final. However, if an entry has been filed a protest may be filed after notice of liquidation in accordance with 19 U.S.C. 1514 and Part 174, Customs Regulations (19 CFR Part 174). Once an entry has been liquidated the importer has 90 days in which to file a protest.

Sincerely,

B. JAMES FRITZ,
Director, Regulations Control and Disclosure Law Division.

SENATOR DOLE DEFENDS RIGHTS OF GUNOWNERS

Mr. HATCH. Mr. President, it has come to my attention that majority leader ROBERT DOLE is the subject of a recent false and unfair attack regarding his record on gunowners' rights issues. This attack was carried out in a mailing conducted under the auspices of the Gun Owners of America. J.E. Reinke, the president of the National Rifle Association, promptly protested the mailing and in response, Bill Richardson, the founder and chairman of Gun Owners of America, has submitted a formal apology. The mailing did not go out over Mr. Richardson's signature and I am confident that he had no prior knowledge of the mailing. I request that both their letters be printed in the CONGRESSIONAL RECORD at the end of my remarks. Right now, I would like to take a few moments to present my own point-by-point response to the charges that were made in this mailing.

The fact of the matter is, Majority Leader DOLE has been a staunch advocate of the rights of gunowners.

He has been a cosponsor and strong, consistent supporter of the Federal Firearms Owners Protection Act since its original introduction in 1979. Once he became majority leader, he made the bill a top legislative priority. In July 1985, he brought the bill up on the Senate floor for the first time since it had been introduced. A few days later, the Senate passed the bill by an overwhelming vote of 79 to 15. As floor manager for that bill, S. 49, I can personally attest to the critical contribution made by the majority leader that resulted in approval of this important initiative.

But this is hardly the first time BOB DOLE has demonstrated his commitment to the rights of gunowners. In 1981, he introduced a package of amendments that in some respects went farther than the McClure bill in correcting overreaching by the 1968 Gun Control Act.

For instance, there was his amendment, enacted into law in 1982, removing .22-caliber rimfire ammunition from the Gun Control Act. He also offered an amendment, enacted into law in 1984, removing the act's restrictions on military surplus imports. These were the first progun amendments to the 1968 act to be enacted by Congress. He also sought enactment of an amendment which would have downgraded technical and bookkeeping violations of the 1968 act. This Dole proposal would have handled technical regulatory infractions with a regulatory system of civil fines rather than with Federal felony prosecutions.

Incredibly, one of the allegations made in this mailing was that BOB DOLE tried to "tax and register" guns when in fact, Senator DOLE wrote the Commissioner of Internal Revenue, at the request of the person responsible for the mailing, protesting proposed regulations and any other attempt by

the IRS "directly or indirectly to require gun registration of any sort." In response, the Commissioner wrote back stating that the "IRS has no intention of requiring firearm registration of any sort"—a commitment which so far has been kept.

The mailing also attacked possible amendments to the National Firearms Act being circulated by Senator DOLE's staff for comment which BOB DOLE has never even seen.

What's more, I have been advised that these amendments, which were given to my staff and other interested parties many months ago, were designed to head off more sweeping changes to the national act. This staff draft was designed to help gunowners in many different ways. For instance, one change would give amnesty to certain individuals acting in good faith who possess automatic weapons now required to be registered by law. Another would allow law enforcement agencies to release from their arsenals for sale to collectors surplus automatic weapons with high collectors value, such as Thompson machineguns. These kinds of changes are highly unpopular with gun control advocates, so I was quite surprised to see the mailing also opposed to Senator DOLE's staff's efforts.

Contrary to what the mailing said, the staff amendments were never written to classify all semiautomatics as machineguns. On the contrary, Senator DOLE's staff have taken great pains to ensure that the amendments could not be so interpreted. Indeed, the most recent language being circulated goes so far as to repeat weapons covered by the national act remains the same.

Finally, the letter attacks Senator DOLE for supporting the KTW bill, S. 104, and its House counterpart. The letter fails to mention that Senator DOLE was among the first to caution against an overly broad approach in dealing with this issue. In 1982, his individual views on S. 1040, the McClure bill of that year, criticized the sweeping attempts being made at that time to prohibit the manufacture and sale of certain kinds of handgun ammunition. Instead, he offered an amendment to impose mandatory prison terms for the use of this kind of ammunition during the commission of a crime. This proposal was endorsed by the Reagan administration and interested progun groups and enacted into law in 1984.

During consideration of S. 104, Senator DOLE made every effort to accommodate Senator SYMMS and supported the successful Symms amendment because it was consistent with views held by the majority leader since 1982 concerning the need to ensure that the coverage of the legislation be carefully circumscribed. It should also be emphasized that as majority leader, Senator DOLE has a responsibility to accommodate the interests of the entire Senate. When a bill passes by a margin of 97 to 1, as did S. 104, and is supported by such staunch gunowner's rights advocates as Senators MCCLURE, THURMOND, and DECONCINI, I would say the majority leader is doing his job right.

What I find very difficult to understand is why this mailing would make such charges when now, more than ever, gunowners' rights advocates need to be pulling together to get the McClure-Volkmer bill finally enacted into law. I applaud the fact that such leaders as J.E. Reinke and Bill Richardson so quickly rose to Senator DOLE's defense. Senate DOLE has been unfairly attacked and it is important that responsible gunowners speak out to ensure the record stands corrected.

Mr. President, I ask unanimous consent that, in addition to the Reinke and Richardson letters, an article which appeared in the March 29 Congressional Quarterly entitled "Miscues Costly in Politics of Obstruction" be printed in the CONGRESSIONAL RECORD. This article contains an excellent summary of Senator DOLE's contributions on behalf of gunowners.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

NATIONAL RIFLE
ASSOCIATION OF AMERICA,
Washington, DC, March 19, 1986.
Hon. BILL RICHARDSON,
The State Capitol, Sacramento, CA.

DEAR BILL: I very much regret the need to advise you of my overwhelming sense of outrage and disappointment at the vicious, totally uncalled for attack on Senator Robert Dole by your employee, Larry Pratt—see enclosed.

I do not have the time to list all of the many outstanding contributions made by Senator Dole to the cause of the National Rifle Association and all law abiding gun owners. For the purpose of this letter, it will suffice to say that without the Majority Leader's courage and forceful leadership, we would not have seen the United States Senate pass the Firearms Owners' Protection Act in July of 1985. I would remind you that this momentous event occurred during the first year of Senator Dole's term as Majority Leader of the Senate after languishing in that body since 1979.

As a veteran member of the California State Senate you, better than most, know the critical importance of having any majority leader on your side during heated legislative debate. If it's required that a U.S. House-passed pro-gun bill be returned to the Senate for confirmation, we will all lean heavily on the advice and direction of Senator Dole. I call upon you to do everything in your power to repudiate the scurrilous attack upon the Senator by Pratt, as I feel that you personally and the Gun Owners of America will want to disassociate yourselves from Mr. Pratt as quickly as possible.

If his actions reflected only upon himself and GOA, then I would never make such a request. However, those of us who have labored long and hard to reform the 1968 Gun Control Act will, in some eyes at least, be tarred with the same brush, and I intend to advise every member of the Congress not only that Pratt speaks for a misguided few, but that the National Rifle Association denounces both the individual and his utterances.

I am sorry that I must use such harsh language, but Pratt's actions deserve no less.

Sincerely,

J. E. REINKE,
President.

GUN OWNERS INC.,
Sacramento, CA, March 25, 1986.
Hon. ROBERT DOLE,
Majority Leader, U.S. Senate, Senate Office Building, Washington, DC.

DEAR SENATOR DOLE: I would like to apologize for some copy written by one of my employees in a recent Gun Owners newsletter. It was intemperate and ill-advised. It assuredly did not reflect my opinion nor the opinions of the rest of the leadership in Gun Owners.

I had a long conversation on the matter of this copy with two of my very good friends, Warren Cassidy and Jim Reinke of the National Rifle Association. I concur with them that you have been one of our leaders in the preservation of our Second Amendment Rights, and they made a good selection in choosing you as our speaker at the convention. I, too, had the pleasure of serving as director of the NRA for better than a decade.

I know of the difficulties you now face as a leader of the Senate. Hopefully Gun Owners can be an assistance to you in the years to come.

Sincerely,

H.L. RICHARDSON,
Founder and Chairman.

[From the Congressional Quarterly, Mar. 29, 1986]

MISCUES COSTLY IN POLITICS OF OBSTRUCTION

(By Nadine Cohodas)

For much of the last 5½ years, House Judiciary Committee Chairman Peter W. Rodino Jr., D-N.J., has acted like the little Dutch boy with his finger in the dike.

Ever since Ronald Reagan became president and the Republicans took control of the Senate, Rodino has been fighting to hold back a tide of legislation pressed by the conservative right: anti-abortion constitutional amendments, anti-busing legislation, constitutional amendments to require a balanced budget and to allow school prayer.

He has learned how to play obstructionist politics very well. Not one of these pieces of legislation has cleared Congress, although Rodino did have a scare in 1982 when the House was forced to consider a balanced-budget amendment after the Senate passed one. The amendment was defeated with the help of some deft moves choreographed by the House leadership.

But Rodino may not be so lucky on another issue set for floor action April 9. That day, the House is to consider two pieces of gun legislation. One, favored by the National Rifle Association (NRA), would loosen restrictions in the 1968 Gun Control Act. The other, approved by the Judiciary Committee, would ease some of the law's requirements but would keep restrictions on handguns.

The Judiciary bill is given little chance of passage against the NRA-backed bill, and Rodino and his allies have drafted amendments to the NRA proposal, trying to preserve elements of the 1968 law.

Since 1979, when the NRA accelerated efforts to change the 1968 act, Rodino has bottled up the gun issue in the House. But this year his fortunes changed, and the fight over gun control nicely illustrates the amorphous and mercurial nature of obstructionist politics.

To succeed, the obstructionist must have an accurate measure of his own strength and his opponent's. He rarely is acting in isolation, especially in the House, where the rules make it difficult, though not impossible, for one person to sway the actions of the other 434.

In Rodino's case, he has not been acting only for himself. His ability to keep divisive matters off the floor is supported by dozens of members who privately applaud him and his committee for saving them from controversial votes. As a result, they don't flock to sign "discharge petitions" on abortion, busing or school prayer that would push these issues onto the House floor. (When 218 members sign a petition, they can force action.)

But guns are different. And this time around, it appears that Rodino and William J. Hughes, D-N.J., chairman of Judiciary's Crime Subcommittee, misjudged congressional sentiment.

They probably didn't bargain for the relatively quick Senate action in 1985; the NRA bill bypassed the Senate Judiciary Committee and went directly onto the Senate calendar. And they might have forgotten to watch the key Senate player—not James A. McClure, R-Idaho, the bill's sponsor, but Majority Leader Robert Dole, R-Kan. Dole gave the NRA something they couldn't get under his predecessor, Howard H. Baker Jr., R-Tenn.: floor time.

Although the Senate Judiciary Committee had approved gun legislation in 1982, Baker refused to let it come to the floor. But when Dole became majority leader, he decided there had been enough debate and that it was time for action.

It was not the first time Dole had done something for gun owners. In a 1982 catch-all spending bill he quietly inserted an amendment that lifted record-keeping requirements for .22-caliber bullets. And he inserted a provision in a 1984 trade bill that lifted import restrictions on many World War II weapons.

After the Senate acted in July, Hughes and Rodino apparently underestimated the momentum generated by its overwhelming 79–15 vote for the NRA bill.

Rodino was an unwitting catalyst. He pronounced the Senate bill "dead on arrival" in the House, and his comment, while catchy, was inflammatory. It helped convince some members that once again he would bury gun legislation. And it played into the hands of Harold L. Volkmer, D-Mo., who was circulating a discharge petition to get the bill on the floor.

Hughes seemed to misjudge the atmosphere as well. He waited until September to announce that his panel would hold hearings on gun control in Washington, D.C., and several other cities. The hearings didn't begin until late October, and contrary to the advice of gun control advocates, the out-of-town sessions were held in San Francisco and New York, two cities the gun lobby portrayed as too liberal and unrepresentative. Hughes' supporters had wanted him to go to the heart of gun country, Dallas and Denver, and get testimony from police and citizens there about how important gun control was.

With Volkmer and 203 supporters breathing down his neck by February, Hughes was still planning to hold more hearings. But the House leadership realized the threat, and told him to move a bill.

Hughes and the full committee promptly complied. Judiciary even managed to get a 35–0 vote on a consensus measure that was reported March 14. But the bill was immediately attacked by the NRA and its House supporters as unworkable and misguided.

The law enforcement community likes the bill, however, and for the first time, police groups are actively lobbying for the legislation. Rodino ultimately may be able to salvage some of what he wants in the gun fight April 9. But in this instance he is not marching smartly into battle. He's been pushed.

THE RETIREMENT OF MAYOR CLAYTON LODOEN

Mr. ANDREWS. Mr. President, recently one of North Dakota's outstanding public servants stepped down from the office of mayor of West Fargo. While Clayton Lodoen may be retiring as mayor, a position he has held since 1966, he will continue to serve North Dakota in the State senate. Few Americans can boast of providing the strength and leadership so fundamental to State and local government that has embodied Clayton's public service. He has long been a friend of mine, and I salute his personal dedication and 20 years of work on behalf of his fellow North Dakotans.

I ask unanimous consent to have the following editorial from the Fargo Forum printed here in its entirety so my colleagues and fellow North Dakotans may read the tribute to this truly outstanding American.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

LODOEN GAVE LEADERSHIP

Mayor Clayton Lodoen, West Fargo's man for all seasons, is stepping down after 20 years of presiding over this anomalous kind of town, one part suburb and one part Chicagoland. Packing plant, stockyards, rapid growth, waterfront problems, (Sheyenne River), West Fargo has fought the good fight and progressed marvelously.

Lodoen, a former U.S. Marine, has led the way to preserve the tax base, zone for orderly growth, provide utilities and services, fight floods, and clean up the night life. All this in a city that has tripled in size since Lodoen was first elected in 1966.

Lodoen didn't run for re-election this year, feeling it was time to cut back on his activities an give someone else a chance at the helm. Florenz Bjornson was elected to succeed him.

The grey-haired, ramrod straight Lodoen, at 63, isn't about to retire from public life. He is still a North Dakota state senator, where he is president pro tem, and still carries on some real estate and insurance business in West Fargo.

So we are not saying farewell to Lodoen, but writing a concluding chapter to his career as mayor and congratulating him for a job extremely well done.

We like the way he has:

Fought spring floods, and led the city's efforts to get a Sheyenne River Diversion around the city that appears near passage by Congress.

Helped keep city revenues in the black while also keeping taxes down.

Worn two hats—senatorial and mayoral—in passing legislation to allow the city to bar nude go-go dancing in night spots. West Fargo had been fighting prostitution that emanated from some of these places. The legislation is a model that is used by other cities.

Fought pollution in sewage disposal through expansion of the city's sewage treatment plant.

Built a new city hall suitable to this community that has grown to 11,000 on the western edge of Fargo.

Fargo taxpayers may not appreciate the fact that the West Acres shopping center, while a part of Fargo, remains in the West Fargo School District. But without this commercial property in that city's school district, it is difficult to imagine how enough schools could have been built to handle growing enrollments. The legislative coup that accomplished this was led by Lodoen, wearing his Senate hat.

Clayton Lodoen deserves our congratulations as he retires as West Fargo mayor.

THE MHD GAP

Mr. HATCH. Mr. President, I would like to call attention to two articles regarding the role of magnetohydrodynamic [MHD] generators in the SDI Program. I am concerned that the United States is overlooking an important alternative power source.

A November 1985 document, "Soviet Strategic Defense Programs," released jointly by the Department of State and the Department of Defense, states:

> The Soviets appear generally capable of supplying the prime power, energy storage and auxiliary components needed for most laser and other directed-energy weapons. They have developed a rocket-driven magnetohydrodynamic generator which produces over 15 megawatts of electrical power—a device that has no counterpart in the West.

The generator the document refers to is an open cycle generator which runs on special solid fuels. The use of high-power sources of short, single current pulses makes it possible to avoid the use of forced cooling systems for the generator, to simplify the systems of receiving stations and to be more flexible in selecting the time for conducting a measurement session while achieving the most favorable signal-to-noise ratio.

The MHD generator was introduced in the U.S.S.R. around 1968 by Dr. Y.P. Velikhov, president of the U.S.S.R. Academy of Sciences and chairman of Soviet Scientists in Defense for Peace and Against Nuclear War. Dr. Velikhov recognized the vast potential of the MHD generator, and today the Soviets have further developed the unit for use in ballistic shields and laser weapons.

This power source could undoubtedly be a valuable asset to the U.S. SDI Program. It is a proven, effective generator whose capability exceeds any in present use.

Why then is the MHD generator technology not being exploited in the United States? Further research turned up an interesting twist to this question—not only do we have the capability, we are the initial developer, and still it is not in use.

The preliminary stages of the MHD development began in the early 1960's at the University of Tennessee Space Institute [UTSI]. At that time there was a great deal of interest and cooperation from the Department of Defense. Toward the late 1960's, however, military interest began to wane. Only the Air Force continued its involvement in the testing, and even that was scaled down considerably.

In the early 1970's the oil embargo hit. The early testing at UTSI had resulted in a coal-fired generator, thus increasing the desirability of MHD during this critical period. The United States increased its development programs, as did several other nations, including the Soviet Union. This trend continued until the mid-1970's when the pulse-generator era started to wind down.

The Soviet Union did not slow its program, however. Their development programs are continuing today, with research proving that they were correct in their belief in the potential of the MHD generator.

Over the past 25 years, all the data, experiments and accomplishments of the MHD generator support the conclusion that the combustion-driven MHD pulse generators are a viable power supply for space or remote terrestrial applications. We have the technology, the capability and the facilities; I believe the United States should resume and intensify its research and application of the MHD generator.

Mr. President, I ask unanimous consent to have these articles printed in the RECORD.

There being no objection, the articles were ordered to be printed in the RECORD, as follows:

"SOVIET STRATEGIC DEFENSE PROGRAMS"

(By Department of Defense and
Department of State)

ADVANCED TECHNOLOGIES FOR DEFENSE AGAINST BALLISTIC MISSILES

In the late 1960s, in line with its longstanding emphasis on strategic defense, the Soviet Union initiated a substantial research program into advanced technologies for defense against ballistic missiles. That program covers many of the same technologies involved in the U.S. Strategic Defense Initiative, but represents a far greater investment of plant space, capital, and manpower.

Laser Weapons

The USSR's laser program is much larger than U.S. efforts and involves over 10,000 scientists and engineers and more than a half dozen major research and development facilities and test ranges. Much of this research takes place at the Sary Shagan Missile Test Center where the Soviets also conduct traditional ABM research. Facilities there are estimated to include several air defense lasers, a laser that may be capable of damaging some components of satellites in orbit, and a laser that could be used in feasibility testing for ballistic missile defense applications. A laser weapon program of the magnitude of the Soviet effort would cost roughly $1 billion per year in the U.S.

The Soviets are conducting research in three types of gas lasers considered promising for weapons applications: the gas-dynamic laser; the electric discharge laser; and the chemical laser. Soviet achievements in this area, in terms of output power, have been impressive. The Soviets are also aware of the military potential of visible and very short wave-length lasers. They are investigating excimer, free-electron, and x-ray lasers, and have been developing argon-ion lasers for over a decade.

The Soviets appear generally capable of supplying the prime power, energy storage, and auxiliary components needed for most laser and other directed-energy weapons. They have developed a rocket-driven magnetohydrodynamic generator which produces over 15 megawatts of electrical power—a device that has no counterpart in the West. The Soviets may also have the capability to develop the optical systems necessary for laser weapons to track and attack their targets. Thus, they produced a 1.2-meter segmented mirror for an astrophysical telescope in 1978 and claimed that this was a prototype for a 25-meter mirror that would be constructed in the future. A large mirror is considered necessary for a space-based laser weapon.

Unlike the U.S., the USSR has now progressed in some cases beyond technology research. It already has ground-based lasers that could be used to interfere with U.S. satellites, and could have prototype space-based antisatellite laser weapons by the end of the decade. The Soviets could have prototypes for ground-based lasers for defense against ballistic missiles by the late 1980s, and could begin testing components for a large-scale deployment system in the early 1990s.

The remaining difficulties in fielding an operational system will require still more development time. An operational ground-based laser for defense against ballistic missiles probably could not be deployed until the late 1990s, or after the year 2000. If technology developments prove successful, the Soviets may deploy operational space-based antisatellite lasers in the 1990s, and might be able to deploy space-based laser systems for defense against ballistic missiles after the year 2000.

[From the Washington Post, Sept. 6, 1985]

SOVIETS TAKE LEAD IN SPACE LASERS

(By Jack Anderson and Dale Van Atta)

The superpowers' contest for military supremacy in space continues, and the Soviets appear to be substantially ahead in the latest round: laser weapons.

CIA sources have told us they've discovered a major laser test center at Krasnoarmeysk, 30 miles northeast of Moscow. Even more alarming, the facility is believed to be actually producing laser weapons.

Evidence of the priority the Soviets place on the Krasnoarmeysk weapons plant, the CIA has determined, is that it is operated by an integrated design bureau.

Ordinarily the Soviets borrow the capitalist technique of competing design bureaus for everything from tanks to ballistic missiles. They have found that the competition eventually produces better weapons—but it's too time-consuming for a top-priority program.

"The Soviets have had a research program under way since 1970 aimed at developing lasers with weapons applications," notes a top-secret CIA report.

The program includes at least a half-dozen major research and development facilities and test ranges. More than 10,000 scientists and engineers are involved.

By way of comparison, the CIA estimates that a similar U.S. laser weapons program would cost about $1 billion a year. But the United States only began playing catch-up during the Reagan administration, with about $800 million earmarked for laser weapons research in 1986.

One of the unique features of the Soviet laser program is the development of a rocket-driven magnetohydrodynamic (MHD) generator, which produces 15 megawatts of short-term electricity as a fire-power source for the lasers.

A secret State Department report on the MHD explains that "it generates current by passing a conducting fluid through a magnetic field." The report adds this disturbing comment:

"Their [the Soviets'] MHD work is the largest in the world and continues to grow. Power outputs already achieved exceed those in the West several fold, and both rocket power and liquid metal system inputs could have potential for military programs in high-energy lasers, charged particle beams and space-borne laser power supplies. MHD is a technology area where the Soviets clearly lead the U.S. in demonstrated capability."

In fact, there is no counterpart device in the West.

Both the CIA and the Pentagon believe that the Soviets already have ground-based lasers that could interfere with U.S. satellites, and they estimate that by the late 1980s the Russians could have at least prototype space-based laser weapons that could incapacitate U.S. satellites.

The actual development of space-based lasers for antisatellite use is a tricky business, however, and the intelligence experts figure that the Soviets won't have mastered this before the 1990s.

The various reports and estimates, which accumulate with virtually every top-secret satellite photograph and analysis of it, all demonstrate that the Buck Rogers "ray gun" won't wait for Dr. Huer to come along in the 25th century.

THE WASHINGTON POST PRAISES THE SENATE'S WATER RESOURCES BILL

Mr. STAFFORD. Mr. President, just prior to the recess, the Senate passed S. 1567, the omnibus water resources bill, then substituted the Senate-passed language as an amendment to H.R. 6, and requested a conference with the House.

While the Senate was in recess, the Washington Post carried an editorial discussing the Senate's version of this water resources development bill. This editorial referred to the Senate's bill as "sensible," and noted that "Con-

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gress seems headed down the right path."

Mr. President, I agree.

This editorial is a tribute to the Senate. It is also a great tribute to our colleague, JIM ABDNOR, chairman of the Subcommittee on Water Resources. Senator ABDNOR worked hard and effectively to shape this bill and to win Senate passage of this legislation.

He led the fight for a disciplined, realistic bill. He deserves the special thanks of the Senate for this editorial.

Mr. President, I ask unanimous consent that a copy of the editorial be printed at this point in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

[From the Washington Post, Mar. 28, 1986]

WATER BILLS

Passage of a rivers and harbors bill used to be an important festival in Congress. Not since the early 1970s has there been one of any size. The main reason has been a dispute, first with President Carter, then with President Reagan, over the extent to which the federal government should any longer bear the cost. Now it appears that dispute may be ending. The Senate this week passed a sensible bill that, on the one hand, authorizes $11 billion in new projects but, on the other, requires beneficiaries to share the cost. The House passed similar albeit less disciplined legislation last year—$20 billion in projects and less cost-sharing. The administration has said the House bill is unacceptable, but the matter now goes to conference. A fair compromise ought to be possible.

The Reagan administration has insisted on cost-sharing on fiscal and philosophical grounds. It likes user fees, in part for the money they save, in part on the theory that government subsidies distort investment decisions and detract from efficient use of resources. The Senate bill would require the immediate beneficiaries of flood control projects to put up a fourth to a third of the cost. Communities will think twice about projects they used to accept happily because they were "free." That at least is the theory. There will be cargo fees to help pay for work on ports and a barge fuel tax increase to support work on inland waterways.

These partial deterrents may also have useful environmental effects. That was one of the reasons the Carter administration was drawn to them. Large water projects disturb the environment almost by definition; some do serious damage. Environmentalists tend to think the fewer the better.

Some of the projects in both bills remain dubious, both on environmental grounds and because the benefits don't match the costs. Not all these will be dropped in conference; they never are. But some will also be caught up by the new cost-sharing rules, and all these projects are authorizations only. It remains for the appropriations committees to choose—and to spread the expenditures so as not to burden the deficit.

It is tempting for all who live at a distance to write off all public works expenditures as pork. Not fair. Kept from excess, this is a necessary process in national investment; the cost-sharing principle is important. Congress seems headed down the right path.

Mr. FORD. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. DOLE. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

RECESS UNTIL 2:30 P.M.

Mr. DOLE. Mr. President, there are a number of us who will be attending a luncheon today with the Prime Minister of Japan, Mr. Nakasone. Because of that, and the fact we are waiting on one or two Senators with reference to the crime bill legislation, I move the Senate now stand in recess until 2:30 p.m. today.

The motion was agreed to; and, at 12:59 p.m., the Senate recessed until 2:30; whereupon, the Senate reassembled when called to order by the Presiding Officer (Mr. ABDNOR).

JOHN Q. PUBLIC OF THE REAL WORLD

Mr. MELCHER. Mr. President, the concerns on which attention is currently focused here in Washington, DC, the seat of the government of the world's strongest country, are not the center of reality for the people of the United States.

The real world for most Americans is in the job place, and that is shaky; hanging on to the family farm, liquidation threatens; or business endeavors, basic industries are going under.

The family pocketbook and savings accounts are getting flattened and drained. Family and business debts are big worries. In short, these are the pressing real world concerns of the citizenry.

In contrast, we find the government of this country concentrating on Qadhafi and Libya, Nicaragua and the Contras, and David Stockman's book about his and the White House economic failures.

Each of these concerns intertwine in an unholy trinity to dominate the Federal Government's attention. They can only dominate the attention of the people in terms of frustration that their elected officials ignore the real problems of the country.

For those who take former Budget Director David Stockman too seriously, such as President Reagan and his staff plus national party leaders, they all deserve each other and Stockman's barbs.

On Libya and Nicaragua, there is a common problem—both countries of about 3 million people have misguided, irresponsible heads of state threatening terrorism or killing their neighbors. The use of overwhelming U.S. naval strength against Qadhafi should be approached with caution.

What next? President Reagan has not said.

But the President has not proposed, as he probably should, similar U.S. naval patrols in the Caribbean to stop armament shipments into Nicaragua from the Soviets and/or Cuba.

Instead, he tells John and Mary Q. Public that the rag-tag Nicaraguan Contras, with $100 million in United States aid now and more later with which to kill a few hundred more people, is the United States policy. The Publics only shake their heads in profound disbelief.

Imagine, with me, what John and Mary Q. Public must think as they contemplate the realities of Hometown, U.S.A.

The family paycheck has shrunk. Their 23-year-old son's job is irregular and low paying, and their college-trained daughter's best job so far is at a fast food counter. One of the next door neighbors' kids, because college loans were not available, dropped out of college.

But they are even more concerned that Mrs. Public's brother and nephew seem to be losing the old family farm. They have been told to contribute some of their time and assist with donations at their church food bank, which helps the community's jobless families after their town's manufacturing plant closed down last year. Despite hearing from their farm kin and reading press accounts of huge surpluses of commodities in Federal storage, none of it has trickled down to be used in their church food bank.

Television portrayals of terrorist attacks draw their attention and are discussed at the supper table. They ponder, wondering if the Federal controls on air travel safety should be beefed up. One of them recalls an acquaintance who is a flight controller never rehired after the strike. They ponder whether air traffic is safe but wonder if it has been cut too much. While the family favors the National Aeronautics and Space Administration [NASA], space exploration and space shuttles, they have noted the speedup in launches—11 of them scheduled in 1986—and they wonder how much they had to do with the President's plan for expanded star wars research.

All of the John Q. Public family have tightened their belts. They worry over the economy and are convinced that it is outrageous that some of the Pentagon procurement is wasted on high-priced equipment or canceled weapons that do not work. They particularly note as April 15 approaches and passes that profitable megabuck corporations still pay no income taxes.

Their puzzlement is growing and their anger is simmering.

Their city and school taxes are on the increase because Federal funds have been cut. That has resulted in

municipal garbage and landfill curtailment and a slowdown in a toxic dump cleanup on the edge of town.

Mary, a former schoolteacher, is particularly concerned that federally funded reading and math teaching assistance has been cut in the local schools.

But the over-coffee talk that John Q. has picked up about foreign aid increases has sparked more than one evening's family discussion. He is a World War II veteran. One of his Army buddies is having difficulty qualifying for sorely needed veterans health care. The health of their immediate family has always been good, but his parents have needed help in meeting hospital costs, even though both are covered under Medicare, because the couple's savings virtually evaporated.

The John Q. Public family is not too concerned about Stockman's book, hopes the President knows what he is doing about Qadhafi, but what is this about $100 million for Nicaragua—and just who are the Contras? They agree it is about time they write their Congressman and their Senators.

Well, if that is not the way it is happening in the real world of the John Q. Public family in Hometown, U.S.A., at least these are the concerns expressed that I find in my letters.

There is real work to be done for Hometown, U.S.A., and the Publics know it even if Washington does not.

Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. BENTSEN. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

THE PROPER RESPONSE TO THE LIBYAN THREAT

Mr. BENTSEN. Mr. President, certainly it has been established beyond doubt that Libyan leader Mu'ammar Qadhafi has threatened the United States and many other nations. I am convinced that it would be in our best interests if he no longer served as head of that country.

The best way to achieve that result would be to help those who have their own good reasons to seek his removal. I am not suggesting that we abandon our current prohibition on assassination. I am certainly not talking about putting out a contract on him. I am suggesting a program of assistance to those Libyans who oppose his regime and would like to see their country rescued from Qadhafi's wild adventures and repressive rule.

By all accounts, there is strong domestic opposition to Qadhafi—from segments of the military, from the middle class, from ordinary Libyans who have not benefited from his one-man revolution.

There have been over a dozen serious coup attempts directed against Qadhafi in this decade. Libya is thus ripe for a coup, and we should be supporting those who could bring it about.

Instead of aiding this opposition, current U.S policy has the effect of legitimizing Qadhafi among his countrymen and rallying them around him in patriotic fervor.

We also should be working quietly with other Arab nations who fear Qadhafi's expansiveness, his diplomatic intrigue, and his outright terrorism. They have their own good reasons for opposing Qadhafi, but they have felt compelled to show Arab solidarity in response to America's gunboat diplomacy.

Instead of such a policy—low profile, but tough and smart—we have been sailing warships around the Mediterranean and threatening unspecified additional military actions. We are not practicing the wise counsel of Theodore Roosevelt, to "speak softly but carry a big stick."

It would surprise no one—least of all Libyans at possible target sites—if we launched an attack. But such a retaliatory strike is not likely to be effective at eliminating either Qadhafi or the vicious terrorism which he supports.

There is no doubt in my mind that Libya has been directly involved in recent terrorist incidents, including the West Berlin bombing. What is at issue is not the question of guilt, but the question of how best we ought to respond to Qadhafi's terrorism in the context of both short-range and long-range foreign policy goals. This requires a balance, which does not appear we have achieved.

In recent days, U.S. officials have been publicly pressuring our European allies to join with us in denouncing Qadhafi and taking tough economic sanctions. Thus far, the European response has been disappointing, for they too should recognize and work to counter this Libyan threat. Unfortunately, our loud public efforts have led mainly to calls for U.S. restraint.

A lower profile is more likely to be effective than our current posture of blustery confrontation and imminent conflict. The terrorist threat is too real, and Qadhafi is too great a danger to civilization, for us to be diverted by military displays which offer little promise of promoting our true national interests in this situation. Threatening Qadhafi by destroying a missile battery or two and sinking a couple of patrol boats may be gratifying, but actions such as these, when they are ends in themselves, may in fact be counterproductive.

We discovered in Lebanon that a limited military response risks American lives without accomplishing our objectives. We should not send our men into harm's way when there is a better alternative still available. Our real goal is that of ending the terrorist threat that Libya's current ruler poses to the world. I do not believe that our present policy will reach that end.

CONCLUSION OF MORNING BUSINESS

The PRESIDING OFFICER. Is there further morning business?

Morning business is closed.

ANTI-VIOLENCE AMENDMENT TO THE HOBBS ACT

Mr. DOLE. Mr. President, I ask unanimous consent that the Senate turn to the consideration of Calendar No. 353, S. 1774, the Hobbs Act.

The PRESIDING OFFICER. Is there objection?

Mr. SPECTER. Objection.

The PRESIDING OFFICER. Objection is heard.

CLOTURE MOTION

Mr. DOLE. Mr. President, I move that the Senate proceed to the consideration of Calendar No. 353, S. 1774, the Hobbs Act, and I send a cloture motion to the desk. I understand the distinguished Senator from Pennsylvania wanted to speak on the motion.

The PRESIDING OFFICER. The clerk will report.

The legislative clerk read as follows:

CLOTURE MOTION

We, the undersigned Senators, in accordance with the provisions of rule XXII of the Standing Rules of the Senate, hereby move to bring to a close debate on the *motion to proceed* to the consideration of S. 1774, a bill to amend section 1951 of title 18 of the United States Code, and for other purposes.

Bob Dole, Jesse Helms, Malcolm Wallop, Gordon Humphrey, Paul Laxalt, Don Nickles, Mack Mattingly, Phil Gramm, Steve Symms, Thad Cochran, J. Denton, Al Simpson, Chuck Grassley, Jake Garn, Mitch McConnell and Orrin Hatch.

Mr. DOLE. Mr. President, I would inform my colleagues a vote on the cloture motion on the motion to proceed would come on Wednesday. It may be that prior to that time we could reach some agreement on maybe letting us proceed to the bill. But in any event, the distinguished Senator from Pennsylvania advised me last Thursday that he wanted to be present when this effort was made and so we have waited. The Senator was available and he would now like to make a statement. I would hope that perhaps after some debate, if we cannot complete action on the so-called technical amendments on the crime bill, we would not stay in too late this evening because both the dis-

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tinguished minority leader and I have other engagements all afternoon.

Mr. BYRD. Will the distinguished majority leader yield?

Mr. DOLE. I am happy to yield.

Mr. BYRD. Mr. President, I thank the distinguished majority leader. We on this side were cleared for action on the motion to proceed. I had informed the distinguished majority leader to that extent, that we were not going to in any way attempt to delay the motion to proceed to take up the measure. But that consent has been objected to by the Senator who is acting within his rights and within the rules. I just wanted to say for the Record that the majority leader at least as far as this side is concerned was cleared to proceed to the measure.

Mr. DOLE. The Senator is correct; we did have that conversation and that indication was made.

Mr. SPECTER addressed the Chair.

The PRESIDING OFFICER. The Senator from Pennsylvania.

Mr. SPECTER. Mr. President, I thank the distinguished majority leader for scheduling proceeding on the amendment to the Hobbs Act to allow this Senator to be present. I have registered my objection to the unanimous consent request propounded by the majority leader to proceed because it is my sense that this is a matter of fundamental importance and it ought to be debated at each step of the way so that this body can focus attention of this important issue. Moreover, the public ought to be informed as to what is involved and the Members of this body must have ample opportunity to focus on this issue which is, realistically viewed, the purpose of our extended considerations and extended debate.

The issue which is before the Senate at this time on the underlying merits contains an effort to amend the Hobbs Act to make alleged assault and battery cases on a union picket line a matter of a Federal violation warranting criminal prosecution in the Federal courts. It is my view that that is most unwise, and I say so having had substantial experience as a prosecuting attorney on matters involving labor violence.

Based on that experience, it is my view that the State courts and State prosecutors are well equipped to handle these matters if union violence is involved and that it is unwise to bring that matter to the Federal courts, to make a Federal case out of it, to bring the Federal Government into the picture at a time when there is a heavy emphasis on limiting the Federal role and leaving the majority of action to State and local governments.

The issue of picket line violence is properly a matter, under American law and American jurisprudence, to be handled at the local level.

Criminal prosecution in every State gives a responsibility to a district attorney in States like Pennsylvania, a county attorney in States like Kansas, a prosecutor of the pleas in some States, and it is the responsibility of the county official to make the baseline determination. County prosecutors are equipped to do so.

I cite my own experience as an assistant district attorney in the case of Commonwealth of Pennsylvania versus Local 107 Teamsters. Six Teamster officials were indicted in Pennsylvania in 1959 arising out of evidence acquired by the McClellan Committee, which investigated union corruption and union violence in a series of celebrated hearings in the U.S. Senate. In the hearing procedure in this body, back in the mid-1950's, a very well-known and very distinguished committee undertook that investigation.

At the conclusion of the hearings, the committee then turned evidence over to a variety of State prosecutors and turned over an abundance of evidence to the district attorney's office of Pennsylvania. I was assistant district attorney and brought the case to trail in March of 1963. It was a complex case which lasted for more than 10 weeks and involved some 250 witnesses who took the stand. Some 1,160 exhibits were presented in that case. As a result, all six of the Teamster officials were convicted, and all went to jail.

A significant part of that prosecution involved union violence on picket lines, where there were beatings, severe beatings, where there was assault and battery, and where there was aggravated assault and battery. The local prosecutors' office was fully equipped to handle that kind of case. There was no need for the Federal prosecutor to intervene, no need to bring the Federal Government into the matter, no need to make a Federal case out of it.

Mr. President, there are ample procedures for redress short of making an assault and battery case a Federal matter, even if the local prosecutor, for one reason or another, fails or refuses to act.

In Pennsylvania, which is illustrative of the general rule, the State attorney general may supersede the district attorney in cases where the district attorney fails or refuses to act. There are solid common-law precedents generally—although I do not purport now to comment on the detailed laws of all 50 States which give the attorneys general in the United States the authority to supersede local district attorneys where DA's act improperly or refuse to prosecute.

If the attorney general should similarly refuse to act, there is a statute in Pennsylvania—a statute duplicated in many States in the United States—which authorizes the private injured party to file a petition with the court showing that the district attorney has failed or refused to act, and the presiding judge of that county, in any one of Pennsylvania's 67 counties, then has the authority to appoint private counsel to act as the prosecuting attorney in that case.

So that if you have a matter where there is some overtone of inaction, inappropriate inaction, and there are strong reasons to proceed with the prosecution—and customarily in matters of this sort, there are well-represented parties on both sides—the case may go forward. In cases which have been heard by the Judiciary Committee, for example, frequently several injunction proceedings are pending at the same time. These are matters where counsel are present, and certainly there is an opportunity for private counsel to come in and file such a petition and act and displace the district attorney, if that is warranted under the facts of the case.

There is a solid precedent for private counsel acting in criminal prosecutions, with the vast majority of the States in the United States having case law which supports private counsel, for example, and for assisting the district attorney when there is a strong private reason for intervention.

Mr. President, this issue has been heard extensively by the Committee on the Judiciary. A number of the matters have involved incidents arriving out of Pennsylvania. This Senator has inquired into those matters and has found in every one of them that there were ample opportunities for full redress of any valid interest on the part of the injured party or full opportunities for redress by having a criminal prosecution which could have been brought, had the parties really wished to do so.

In some situations, there is not a possibility for identifying who the assailants are. Obviously, a Federal prosecutor can no more proceed in the absence of positive identification than can a district attorney or a private citizen.

Mr. President, I express further concern in this matter as to what the real import of this amendment may be. I am concerned that there may be an intent or an effort to utilize such a law, if it were to be passed by Congress and signed by the President, to stifle or chill the expression of freedom of speech as it is embodied in peaceful picketing. The cases are legion in which the Supreme Court of the United States has upheld peaceful picketing as a right of freedom of speech—that is, an expression of freedom of speech.

If those who are expressing their right of freedom of speech are going to be concerned that there may be a Federal marshal present or there may

be an assistant U.S. attorney present or an allusion that they will take the case to a Federal court, that can have a very chilling effect.

If there were an effort to amend the Hobbs Act to show that there is some element of conspiracy or some element of organized crime or some conspiratorial act of organized crime, this Senator's view would be quite different. In the opinion of this Senator, the amendment goes too far when it makes the simple assault and battery case a violation of the Federal law.

Mr. President, I further express a question—perhaps more strongly stated, some misgivings—about the procedure in this bill reaching the floor at this time, although the procedural meanderings of the Senate are complex and sometimes subject to some wonderment. This bill was defeated in the Judiciary Committee. The Judiciary Committee held extensive hearings on the bill in this, the 99th Congress, the 98th Congress, and also in the 97th Congress. We had a vote on it in the Judiciary Committee on September 12, 1985, and the Committee turned this bill down.

Now it is on the calendar, having been held at the desk and having moved to another legislative day. I think that procedure further warrants some special inquiry at this time.

Without foreclosing any further activity, Mr. President, let me say at this time it is not my intention to filibuster this matter. I do not intend to do so because I believe that the Senate ought to move ahead with the consideration of its regular business, and we have a great deal to take care of on our agenda, but I do not believe it is a difficult problem to have the motion to proceed considered by the Senate today.

We are not exactly overflowing with Senate business on the floor of the Senate today. Outside of a fair number of interested spectators in the galleries, a few members of the press, a few attentive pages, a few staff members, the floor of the Senate is populated today, and I trust I violate no rule of our august body by saying so, by the distinguished Presiding Officer, the distinguished Senator from Mississippi, Senator Cochran, and by yours truly, the Senator from Pennsylvania, who is making this speech.

So in expressing myself on the motion to proceed, I am not putting aside any other more pressing business of the Senate at this moment.

But I know that our colleagues are all hard at work, many of them in their own States. I already thanked the majority leader for awaiting my arrival because I was in Pennsylvania, arrived in Washington within a half hour or just a few moments before coming here. Our colleagues are very busy in their own States attending to many matters around this country, and some are doubtless in their offices in the Capitol here in Washington, DC, today and perhaps some of those in their offices have their squawk-boxes on and it may even be that some are listening. If that be so, then let the consideration proceed.

Mr. President, as you know, and our association has been extensive the past 5½ years, this Senator does not take the floor on too many occasions, and I have not participated in any filibusters, but some extended debate on some subjects like Conrail that are very important to Pennsylvania.

But I feel very strongly about this issue, having been in the trenches on it and having seen exactly what it means to handle assault and battery cases and serious assault and battery cases and knowing that they can adequately be handled by local prosecuting attorneys. I really believe in a sense that it is an affront to the local prosecutors of America to say you need to bring the Federal prosecutor into the picture in the Hobbs Act because the local district attorney cannot handle the assault and battery cases. The district attorneys across America handle more than assault and battery cases. They can handle complex cases involving murder. I think the record is plain that by and large district attorneys handle assault and battery cases even when they involve union violence.

There are adequate remedies through State attorneys general and private prosecutors to protect the rights of those injured and ample remedies in a civil context, so there is no need to make a Federal case out of a fist fight on a picket line.

That is especially true, at least in the opinion of this Senator, where there are first amendment issues involved; the right to freedom of speech is exemplified by the right to peaceful picketing.

Mr. President, as the debate moves forward on this matter, this Senator will have additional comments to make in amplification, but that, in the course of a few minutes this afternoon, expresses my sense of the issue and my reasons for registering the objection on the motion to proceed at this time.

I thank the Chair.

I yield the floor.

I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. SIMPSON. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER (Mr. McConnell). Without objection, it is so ordered.

VICTORY OF THE HUMAN SPIRIT

Mr. SIMPSON. Mr. President, today is a magnificent spring day in the Nation's Capital. I think it reminds us all of how fortunate we are to be here to represent our home States and to enjoy the peace and freedom of this great country—indeed, to be alive.

That is why I would like to pay special recognition to a very bittersweet anniversary on this day. It was this day 41 years ago that forever changed the life of one our most distinguished Senate colleagues.

Back then, he was known simply as 2d Lt. Robert Dole, a brave, 21-year-old platoon leader, who left the University of Kansas in his premedical studies and varsity athletics for the Jayhawks in 1943 to take on the Nazi hordes.

His athletic prowess, intelligence and unusal leadership abilities made him a natural for one of the elite units of the U.S. Army—the 10th Mountain Division, a crack group of Olympic-class athletes and college students whose unenviable job it was to storm the rugged Italian mountains—often times on skis—to root out the deeply entrenched German forces. Soon after he arrived in Italy, the young man from Russell, KS, became known as the finest platoon leader his men had ever had. Believe me, I am not surprised; nor are those of us that serve with him on either side of the aisle. So he is now my platoon leader. It is a great honor to be his first sergeant in these ranks.

And so it came that on April 14, 1945, Second Lieutenant Dole found himself on hill 913, one of those nameless battlefields that can speak volumes about heroism but is somehow lost in the pages of history. But history does tell us that the 10th Mountain Division was indeed a legendary outfit. It had set high standards indeed, having never yielded one inch of ground it had ever taken back from the enemy. In fact, on that April day in 1945, the 10th Mountain Division took more casualties than all other allied forces in Italy combined. The resistance was fearsome: The Dole platoon was pinned down near a mine field, and raked by deadly accurate German snipers, mortar fire and well-fortified machine gun bunkers. It was on this day 41 years ago—near a tiny mountain village called Castel D'Aiano—that Senator Bob Dole, our superb majority leader, was struck down by a torrent of enemy fire. He had moved into a foxhole to try to save a fallen friend. But in an instant an explosion—a machine gun shell, a mortar round, no one knows for sure—tore into his body. He was left for dead on the battlefield.

So today is an anniversary. The anniversary of an inspirational and

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almost unbelievable comeback. Because from the agony of that foxhole, Bob Dole beat all the odds. In the face of catastrophe, he set out on a long and difficult journey back to the living. It started on a stretcher on an Italian hillside and took him all the way to a slot on the 1976 Presidential ticket and to the leadership of the U.S. Senate. His comeback included 39 months of hospitalization and years of rehabilitation; a roller coaster of hope and despair with several brushes with death along the way. First, he was told he would never walk again. From a robust 192 pounds he dropped to 120. He was to experience 108 degree body temperatures and severe kidney problems. Then there was a string of painful operations. And the knowledge that his medical career was over before it had ever started. But we all know how the story came out.

Mr. President, a few nights ago at the Kennedy Center, four disabled Americans were honored for their remarkable life achievements. Our Senate leader was one of them. The award he received is called "The Victory of the Human Spirit" and I can think of no one more deserving of this honor than Bob Dole.

I am so very proud of my good friend from Kansas. Sometimes in the heat of the combat of everyday politics we forget that our Senate is an extraordinary collection of unique individuals, with fascinating backgrounds, and often very touching and moving experiences in those backgrounds that shaped them. We never take much time to share those things with each other in this Chamber as we go through the hurtling experiences of the day. But let me just say that today is a day to recall—Bob Dole's day. We can all learn much from his "victory of the human spirit." He is a very special person to me, and to us all.

God bless him.

Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER (Mr. Humphrey). The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. THURMOND. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

REFORM OF FEDERAL INTERVENTION IN STATE PROCEEDINGS ACT OF 1986

Mr. THURMOND. Mr. President, I send a bill to the desk, on behalf of myself and others, and ask that it be read for the first time.

The PRESIDING OFFICER. The bill will be stated by title.

The assistant legislative clerk read as follows:

A bill (S. 2301) to reform procedures for collateral review of criminal judgments and for other purposes.

Mr. THURMOND. Mr. President, I ask that it be read a second time.

Mr. DOLE. Mr. President, I object.

The PRESIDING OFFICER. Objection is heard.

The bill will be held at the desk.

Mr. THURMOND. Mr. President, today, I am introducing two bills, habeas corpus legislation and exclusionary rule legislation, and asking that they be placed directly on the calendar. I am pleased to be joined in offering this legislation by several of my distinguished colleagues on the Judiciary Committee, Senators DeConcini, Laxalt, Hatch, and Denton.

The bills I am introducing today cover the same issues that were placed before, and fully considered by, the Judiciary Committee in two previous Congresses. In fact, these bills are identical to S. 237, Exclusionary Rule Reform, and S. 238, Habeas Corpus Reform, that I introduced during the first session of this Congress on January 22, 1985, and which were referred to the Judiciary Committee.

Over the last several Congresses the Judiciary Committee has devoted a great deal of time to these issues. During the 97th Congress, the committee held three hearings on exclusionary rule legislation and two hearings on habeas corpus legislation.

In the 98th Congress, the committee considered these issues in a series of hearings held on the comprehensive crime control bill and reported out S. 1763, Habeas Corpus Reform, and S. 1764, Exclusionary Rule Reform. The Senate overwhelmingly approved both of these bills. S. 1763, Habeas Corpus Reform, passed by a vote of 67-9 on February 6, 1984, and S. 1764, Exclusionary Rule Reform, passed by a vote of 63-24 on February 7, 1984.

At the time I introduced S. 237 and S. 238 last year, I did not ask that they be placed directly on the calendar even though they are identical to the legislation that passed last Congress, because I wanted to give the committee one more opportunity to consider these issues. The committee has had that opportunity for the last 13 months. These bills have been on the agenda on the committee since September 12, 1985. The committee held hearings on S. 237 on October 2, 1985, and on S. 238 on October 8, 1985. Even though the committee has fully considered these issues in previous Congresses and there is tremendous support for these bills as demonstrated last Congress, the committee still has not been able to proceed to a final vote on these bills this Congress.

By having these bills placed on the calendar, the full Senate will be given the opportunity to address these important issues, without forcing any committee member to forfeit his right to be involved in debate on the floor. Further, the committee will now move on to consideration of other legislation that is pending before us.

I will be working with the majority leader in an effort to have these bills scheduled for floor action, in order for the Senate to once again strongly endorse these needed reforms. I ask unanimous consent that the text of the bill be printed in the Record following my remarks.

The PRESIDING OFFICER. Without objection, it is so ordered.

S. 2301

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "Reform of Federal Intervention in State Proceedings Act of 1986".

Sec. 2. Section 2244 of title 28, United States Code, is amended by adding at the end thereof the following new subsections:

"(d) When a person in custody pursuant to the judgment of a State court fails to raise a claim in State proceedings at the time or in the manner required by State rules of procedure, the claim shall not be entertained in an application for a writ of habeas corpus unless actual prejudice resulted to the applicant from the alleged denial of the Federal right asserted and—

"(1) the failure to raise the claim properly or to have it heard in State proceedings was the result of State action in violation of the Constitution or laws of the United States;

"(2) the Federal right asserted was newly recognized by the Supreme Court subsequent to the procedural default and is retroactively applicable; or

"(3) the factual predicate of the claim could not have been discovered through the exercise of reasonable diligence prior to the procedural default.

"(e) A one-year period of limitation shall apply to an application for a writ of habeas corpus by a person in custody pursuant to the judgment of a State court. The limitation period shall run from the latest of the following times:

"(1) the time at which State remedies are exhausted;

"(2) the time at which the impediment to filing an application created by State action in violation of the Constitution or laws of the United States is removed, where the applicant was prevented from filing by such State action;

"(3) the time at which the Federal right asserted was initially recognized by the Supreme Court, where the right has been newly recognized by the Court and is retroactively applicable; or

"(4) the time at which the factual predicate of the claim or claims presented could have been discovered through the exercise of reasonable diligence.".

Sec. 3. Section 2253 of title 28, United States Code, is amended to read as follows:

"§2253. Appeal

"In a habeas corpus proceeding or a proceeding under section 2255 of this title before a circuit or district judge, the final order shall be subject to review, on appeal, by the court of appeals for the circuit where the proceeding is had.

"There shall be no right of appeal from such an order in a proceeding to test the validity of a warrant to remove, to another district or place for commitment or trail, a

person charged with a criminal offense against the United States, or to test the validity of his detention pending removal proceedings.

"An appeal may not be taken to the court of appeals from the final order in a habeas corpus proceeding where the detention complained of arises out of process issued by a State court, or from the final order in a proceeding under section 2255 of this title, unless a circuit justice or judge issues a certificate of probable cause.".

Sec. 4. Federal Rule of Appellate Procedure 22 is amended to read as follows:

"Rule 22.

"HABEAS CORPUS AND § 2255 PROCEEDINGS

"(a) Application for an Original Writ of Habeas Corpus. An application for a writ of habeas corpus shall be made to the appropriate district court. If application is made to a circuit judge, the application will ordinarily be transferred to the appropriate district court. If an application is made to or transferred to the district court and denied, renewal of the application before a circuit judge is not favored; the proper remedy is by appeal to the court of appeals from the order of the district court denying the writ.

"(b) Necessity of Certificate of Probable Cause for Appeal. In a habeas corpus proceeding in which the detention complained of arises out of process issued by a State court, and in a motion proceeding pursuant to section 2255 of title 28, United States Code, an appeal by the applicant or movant may not proceed unless a circuit judge issues a certificate of probable cause. If a request for a certificate of probable cause is addressed to the court of appeals, it shall be deemed addressed to the judges thereof and shall be considered by a circuit judge or judges as the court deems appropriate. If no express request for a certificate is filed, the notice of appeal shall be deemed to constitute a request addressed to the judges of the court of appeals. If an appeal is taken by a State or the government or its representative, a certificate of probable cause is not required.".

Sec. 5. Section 2254 of title 28, United States Code, is amended by redesignating subsections "(e)" and "(f)" as subsections "(f)" and "(g)", respectively, and is further amended—

(a) by amending subsection (b) to read as follows:

"(b) An application for a writ of habeas corpus in behalf of a person in custody pursuant to the judgment of a State court shall not be granted unless it appears that the applicant has exhausted the remedies available in the courts of the State, or that there is either an absence of available State corrective process or the existence of circumstances rendering such process ineffective to protect the rights of the applicant. An application may be denied on the merits notwithstanding the failure of the applicant to exhaust the remedies available in the courts of the States.";

(b) by redesignating subsection "(d)" as subsection "(e)", and amending it to read as follows:

"(e) In a proceeding instituted by an application for a writ of habeas corpus by a person in custody pursuant to the judgment of a State court, a full and fair determination of a factual issue made in the case by a State court shall be presumed to be correct. The applicant shall have the burden of rebutting this presumption by clear, and convincing evidence."; and

(c) by adding a new subsection (d) reading as follows:

"(d) An application for a writ of habeas copus in behalf of a person in custody pursuant to the judgment of a State court shall not be granted with respect to any claim that has been fully and fairly adjudicated in State proceedings.".

Sec. 6. Section 2255 of title 28, United States Code, is amended by deleting the second paragraph and the penultimate paragraph thereof, and by adding at the end thereof the following new paragraphs:

"When a person fails to raise a claim at the time or in the manner required by Federal rules of procedure, the claim shall not be entertained in a motion under this section unless actual prejudice resulted to the movant from the alleged denial of the right asserted and—

"(1) the failure to raise the claim properly, or to have it heard, was the result of governmental action in violation of the Constitution or laws of the United States;

"(2) the right asserted was newly recognized by the Supreme Court subsequent to the procedural default and is retroactively applicable; or

"(3) the factual predicate of the claim could not have been discovered through the exercise of reasonable diligence prior to the procedural default.

"A two-year period of limitation shall apply to a motion under this section. The limitation period shall run from the latest of the following times:

"(1) the time at which the judgement of conviction becomes final;

"(2) the time at which the impediment to making a motion created by governmental action in violation of the Constitution or laws of the United States is removed, where the movant was prevented from making a motion by such governmental action;

"(3) the time at which the right asserted was initially recognized by the Supreme Court, where the right has been newly recognized by the Court and is retroactively applicable; or

"(4) the time at which the factual predicate of the claim or claims presented could have been discovered through the exercise of reasonable diligence.".

Mr. HATCH. Mr. President, for most of this decade, we have been trying to relieve the crushing burden on the Federal courts with respect to habeas corpus applications. In 1981 Senator Thurmond introduced S. 653 which sought to modify existing habeas corpus procedures and to reduce the enormous proliferation of applications of writs of habeas corpus by incarcerated defendants. This unfortunately unsuccessful attempt was followed in 1983 by the introduction of S. 1763, an amended version of S. 829, which had full administration support, including not only the Attorney General of the United States, but also the endorsement of the National Association of Attorneys General and the Conference of Chief Justices. S. 1763 was reported from the Committee on the Judiciary by a vote of 12-5 with 1 abstention. S. 1763 passed the Senate on February 6, 1984, by a vote of 67-9. The House, however, did not act on S. 1763 before the close of the 98th Congress. Now, Mr. President, S. 238, a bill designed to reform the areas open to abuse in the criminal justice system, with respect to habeas corpus procedures, is once again being delayed, by its critics, beyond the point of reason in the Senate Judiciary Committee. This bill has been on the agenda and the subject of extended discussion in the committee for 9 months. Any amendments have so far been defeated.

I commend Chairman Thurmond for bringing this to the floor. The abuse of the habeas process is making a mockery of the principles of finality and certainty in the American judicial system. During the past quarter century, habeas corpus filings have increased by 800 percent. The recent numbers involved are almost dumbfounding. In 1983, 10,392 habeas corpus petitions were filed. In 1984, 10,169 habeas corpus petitions were filed. And last year, in 1985, 11,992 habeas corpus petitions were filed, an increase of 823 over the previous year and an alltime high in filings. A Department of Justice study has revealed that 98.6 percent of habeas corpus cases which were appealed at the Federal level had previously undergone State appellate review. Over 30 percent of the Federal habeas corpus petitioners had filed one or more State habeas corpus petitions or Federal habeas corpus petitions. Over 44 percent of the State petitioners to Federal court had previously filed a habeas corpus petition in State court. Over 20 percent of Federal habeas corpus petitioners had filed more than 2—and up to 13—previous State petitions. Clearly, Mr. President, the use of the criminal justice system by these petitioners had turned into an abuse of the criminal justice system by these petitioners.

As of June 30, 1985, more than 7,500 habeas corpus petitions were still pending, according to the administrative office of the U.S. courts. And it should be carefully noted that the previous year, out of the nearly 2,000 habeas corpus petitions filed in just 6 Federal district courts, only 1.8 percent resulted in the prisoner's release. I believe it is also important to note that it is the continued stream of habeas corpus petitions which draw out capital punishment from the time of sentence to the time of punishment for a general period of 5 to 7 years.

The right to habeas corpus is far from clearly defined in the U.S. Constitution. It is mentioned only in article 1, section 9, clause 2, which merely states that the writ of habeas corpus shall not be suspended unless rebellion or invasion requires such suspension.

Chief Justice John Marshall in *Ex Parte Bollman,* 8 U.S. 75 (1807), determined that a statute was necessary before the Federal courts could issue writs of habeas corpus. In John Marshall's view, it was section 14 of the Judiciary Act of 1789 which provided the necessary authority for the granting of such writs. Thus, this is a question of statutory, not constitutional,

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rights. The essential point to be made is that Congress can—and should—limit the application of habeas corpus under the provisions found in S. 238.

With respect to statute, in 1867 the Congress provided that persons who were incarcerated in violation of the Constitution and its guarantees could obtain a writ of habeas corpus from the Federal courts. Then in 1914, the majority of the Supreme Court held in the case of *Frank* v. *Magnum*, 237 U.S. 309 (1914), that a full and adequate hearing in State courts on a criminal conviction precluded collateral relief in Federal court. Full and adequate was defined in terms of due process—notice, opportunity to be heard, and an established procedure not repugnant to the Constitution. The late and great judge, Henry J. Friendly, writing in the University of Chicago Law Review (1970), pointedly observed that:

> Nothing in the Constitution requires a State to allow collateral attack simply because Congress has authorized Federal habeas corpus to challenge the State conviction.

In that context, it is valuable to hear what some of the Nation's chief jurists think of the current statutory habeas corpus policies:

Chief Justice Burger:

> The administration of justice in this country is bogged down with lack of reasonable finality of judgments in criminal cases.

Judge Henry Friendly:

> A matter that has rankled relations between State and Federal courts for some years now is the collateral attack on final State criminal convictions * * * since the same claim of Federal law can be and often is made in the trial and appellate courts of the State, with certiorari review available in the Supreme Court, the State judges understandably have some difficulty in seeing why their work should be reexamined.

Justice Stevens:

> In recent years Federal judges at times have lost sight of the true office of the great writ of habeas corpus.

Justice Powell:

> The present scope of habeas corpus tends to undermine the values inherent in our Federal system of government * * * we render the actions of State courts a serious disrepect in derogation of the constitutional balance between the two systems.

Justice O'Connor:

> State judges take an oath to support the Federal as well as the State constitution * * * it is a step in the right direction to defer to the State courts and give finality to their judgments on Federal constitutional questions where a full and fair adjudication has been given in State court.

Mr. President, S. 238 is not only reasonable, it is also necessary, if we are not to drown the Federal judiciary in a sea of habeas corpus writs. S. 238 denies habeas corpus relief to a convicted defendant who fails to raise a claim properly or to have it heard in State court proceedings. It allows only a 1-year period for such claim to be filed, and it runs only from the time that State remedies are exhausted, the time constitutional impediments are removed, the time at which a Federal right was initially recognized by the Supreme Court or newly recognized by it, and from the time when the factual predicate of the claim could have been discovered by due diligence. It also requires a claim of habeas corpus to be made to the appropriate district court, requires a circuit judge to issue a certificate of probable cause, requires the prior exhaustion of State remedies, and requires a timely petition to be made under the rules of Federal criminal procedure.

It is clear, Mr. President, that something has to be done and done soon if we are to have a manageable and meaningful criminal justice system. This bill does not violate the Constitution. It follows the Constitution. It also balances the interests of society and the general community with the interests of the individual in securing his constitutional rights and protections. This is a bill that will do justice. It should be passed in order to prevent our system from continual abuse of process. I urge its passage.

Mr. DENTON. Mr. President, I rise today to join my distinguished colleague from South Carolina, Mr. THURMOND, in support of the Reform of Federal Intervention in State Proceedings Act of 1986. It is designed to reform certain habeas corpus procedures that are currently in effect.

The writ of habeas corpus originated in the common law. Its importance was recognized by our Founding Fathers when they included in our Constitution a provision that "The privilege of the Writ of Habeas Corpus shall not be suspended, unless when in Cases of Rebellion or Invasion the public Safety may require it." We know from history and the common law, however, that the habeas corpus proceedings to which the Founding Fathers referred in the Constitution were proceedings that sought an initial judicial determination of the legality of a detention imposed by an executive authority. The Founding Fathers did not have in mind proceedings that sought additional judicial reviews of the legality of a judicially imposed detention.

After the Constitution was ratified, the availability of habeas corpus in the Federal courts was restricted to Federal prisoners, and the common law restrictions on the scope of the writ were generally observed. Unfortunately, however, the common law origins of the writ were generally observed. Unfortunately, however, the common law origins of the writ were gradually eroded during the last 100 years or so through statutory and case law development. During the last 30 years, the writ of habeas corpus has routinely served as a means for the lower Federal courts to review State criminal judgments on the grounds of alleged deprivation of Federal rights. In fact, the number of prisoners challenging the validity of their State Federal habeas corpus petitions rose nearly 700 percent from 1961 through 1982, according to a report prepared by the Bureau of Justice statistics. It is that appalling situation that this bill is designed to redress.

According to our country's leading legal scholars on Federal procedure, the single most controversial and friction-producing issue in the relationship between the Federal courts and the States is Federal habeas corpus for State prisoners. State courts resent having their decisions reviewed by Federal judges, who in turn are unhappy about the burden of reviewing thousands of mostly frivolous petitions.

Several Supreme Court Justices have strongly criticized the current system of Federal habeas corpus, and have called for basic limitations on its scope and availability. Chief Justice Burger has urged Congress to consider restricting the availability of Federal habeas corpus for State prisoners because, in his view, "the administration of justice in this country is bogged down with lack of finality of judgments in criminal cases." As Justice Powell observed over 10 years ago in his opinion in Schneckloth against Bustamonte:

> The present scope of habeas corpus tends to undermine the values inherent in our Federal system of government. To the extent that every State crominal judgment is to be subject indefinitely to broad and repetitious Federal oversight, we render the actions of State courts a serious Disrespect in derogation of the constitutional balance between the two systems.

It is to that very problem, so eloquently expressed by distinguished Supreme Court jurists, that this bill is addressed.

The bill establishes a standard for reviewing habeas corpus proceedings by according deference to State adjudications that are "full and fair." That would be a vast improvement over the current rules, which provide, through habeas corpus proceedings, for mandatory readjudication, and that frequently result in duplicative relitigation of claims that have already been fairly considered by State trial and appellate courts.

The bill also would resolve the major uncertainties about access to Federal collateral remedies after a failure to raise a claim properly in normal criminal proceedings. It does that by establishing "cause and prejudice" as the exclusive governing standard.

In addition, the bill would establish a 1-year time limit on excess to Federal habeas corpus for State prisoners, normally running from the time State remedies are exhausted. For similar

purposes, it would prescribe a 2-year time limit on applications for collateral relief by Federal prisoners, normally running from finality of judgment.

The bill also addresses two technical issues that need to be remedied. First, it would make it clear that habeas corpus petition can be denied on the merits, notwithstanding the petitioner's failure to exhaust available State remedies. That change would eliminate the waste of time and effort that currently occurs when a frivolous petition is dismissed by a Federal court on grounds of nonexhaustion of State remedies but is later brought back to Federal court following its unsuccessful presentation.

Second, the bill would change the current rule that gives a State prisoner in a habeas corpus proceeding repeated opportunities to persuade a Federal district judge and then a circuit judge that an appeal is warranted. Similarly, it would bring the procedure governing access to appeal in collateral proceedings involving Federal prisoners into line with the procedure employed for habeas corpus proceedings for State prisoners.

I believe that the Reform of Federal Intervention in State Proceedings Act of 1986 represents a rational, reasoned approach to a problem that has been developing for more than a century, a problem so great that it has led our country's leading jurists to ask us for specific legislative relief. I commend Senator THURMOND for his leadership role in introducing this necessary piece of legislation and I urge my colleagues to support the bill in order to facilitate the ability of our judicial system to dispense justice to all our citizens instead of unnecessarily wasting time and effort on a few people who exploit procedural loopholes in the law.

EXCLUSIONARY RULE LIMITATION ACT OF 1986

Mr. THURMOND. Mr. President, I send a bill to the desk, on behalf of myself and others, and ask that it be read for the first time.

The PRESIDING OFFICER. The bill will be stated by title.

The assistant legislative clerk read as follows:

A bill S. 2302) to amend Title 18 to limit the application of the exclusionary rule.

Mr. THURMOND. Mr. President, I ask that the bill be read a second time.

Mr. DOLE. Mr. President, I object.

The PRESIDING OFFICER. Objection is heard.

The bill will be held at the desk.

S. 2302

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "Exclusionary Rule Limitation Act of 1986".

SEC. 2. (a) Chapter 223 of title 18, United States Code, is amended by adding at the end thereof the following new section:

"§ 3505. Limitation of the fourth amendment exclusionary rule

"Except as specifically provided by statute, evidence which is obtained as a result of a search or seizure and which is otherwise admissible shall not be excluded in a proceeding in a court of the United States if the search or seizure was undertaken in a reasonable, good faith belief that it was in conformity with the fourth amendment to the Constitution of the United States. A showing that evidence was obtained pursuant to and within the scope of a warrant constitutes prima facie evidence of such a reasonable good faith belief, unless the warrant was obtained through intentional and material misrepresentation.".

(b) The table of sections of such chapter is amended by adding at the end thereof the following item:

"3505. Limitation of the fourth amendment exclusionary rule.".

Mr. DENTON. Mr. President, I rise today to join my distinguished colleague, the Senator from South Carolina [Mr. THURMOND] in strong support of a bill to modify the application of the exclusionary rule in Federal courts.

The bill would amend title 18 of the United States Code to allow otherwise admissible evidence to be used in Federal court proceedings, even if it was obtained through a violation of the fourth amendment to the Constitution, as long as the search or seizure which produced the evidence was "undertaken in a reasonable, good faith belief that it was in conformity with the fourth amendment. * * *"

The Supreme Court first held in the case of Weeks versus United States (1914) that evidence obtained in violation of the fourth amendment was inadmissible in a Federal criminal trial. Since its limited application in Weeks to exclude simple evidence of a crime, the exclusionary rule has been expanded to exclude contraband and the actual tools and instrumentalities of a crime. It has been further expanded to exclude evidence that was derived from other illegally seized evidence. Since the exclusionary rule is a judicially mandated rather than a constitutionally required response to fourth amendment violations, its reform through the legislative process is appropriate.

The primary, if not the sole, rationale for the application of the exclusionary rule is to deter fourth amendment violations by law enforcement personnel. The theory is that the exclusion of illegally seized evidence will deter law enforcement personnel from engaging in negligent or intentional practices that result in fourth amendment violations.

The problem arises when the rule is applied to exclude evidence seized in situations that a reasonably well-trained officer would not or could not have recognized as being in violation of the fourth amendment. The rule therefore loses any deterrent value it may have for more egregious violations of the fourth amendment. It simply results in a windfall for the criminal, who walks away unscathed despite the existence of reliable evidence of guilt.

If one considers the exclusion of evidence a "remedy" for one whose fourth amendment rights have been violated, then the problem is that it only rewards those who are actually guilty of a crime. It provides no recourse for innocent victims of police overaggressiveness, negligence, or intentional misconduct.

Mr. President, in deciding when the exclusionary rule should be applied, the Supreme Court has balanced the deterrent effect of the rule against the cost to society that would result from the distortion of the judicial process caused by depriving the prosecution of reliable, probative evidence of guilt. The bill would make clear the congressional determination that whatever minimal deterrent effect the exclusionary rule may have is outweighed by its cost to society in cases where the evidence to be excluded is the product of a search or seizure undertaken in a reasonable and good faith belief that it was in conformity with the fourth amendment.

In the 1984 case of United States versus Leon, The Supreme Court upheld the use of evidence seized by offices acting in reasonable reliance on a search warrant, issued by a detached and neutral magistrate, that was later found to be invalid. The Supreme Court recognized in Leon the "indiscriminate application of the exclusionary rule—impeding the criminal justice system's truth finding function and allowing some guilty defendants to go free—may well generate disrespect for the law and the administration of justice." The bill introduced today incorporates the ruling of the Supreme Court that the exclusionary rule should be modified to permit the introduction of evidence obtained by officers reasonably relying on a warrant issued by a detached and neutral magistrate. It also permits the use of evidence seized in warrantless searches where the seizing officer was acting in a reasonable and good faith belief that his conduct conformed with the fourth amendment.

The exclusionary rule will still be applied in cases where police conduct is objectively and patently unreasonable or where it is based on a warrant which was acquired through intentional and material misrepresentation. Thus, the effect of the bill is simply to limit the use of the exclusionary rule in those cases in which its cost to society is grossly disproportionate to the minimal deterrent effect it may have on law enforcement officers.

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Mr. President, legislation in this area is long overdue. I strongly urge my colleagues to support this effort so that the 99th Congress will effect a needed modification of the exclusionary rule.

DEATH OF REPRESENTATIVE JOSEPH P. ADDABBO OF NEW YORK

Mr. DOLE. Mr. President, I send a resolution to the desk and ask for its immediate consideration. It is relative to the death of Representative Addabbo.

The PRESIDING OFFICER. The resolution will be stated.

The assistant legislative clerk read as follows:

A resolution (S. Res. 382) relative to the death of Representative Joseph P. Addabbo.

S. Res. 382

Resolved, That the Senate has heard with profound sorrow the announcement of the death of the Honorable Joseph P. Addabbo, late a Representative from the State of New York.

Resolved, That the Secretary communicate these resolutions to the House of Representatives and transmit an enrolled copy thereof to the family of the deceased.

Resolved, That when the Senate recesses today, it recess as a further mark of respect to the memory of the deceased Representative.

Without objection, the Senate proceeded to consider the resolution.

Mr. MOYNIHAN. Mr. President, for the second time in a month flags fly at half-mast over the Capitol in honor of an esteemed public servant from the State of New York. In early March, New York and the Nation mourned the loss of Jake Javits, and now we pay tribute to another colleague, Joe Addabbo.

During his quarter-century in the Congress, Joe Addabbo never forgot that he had two constituencies—Queens and the Nation. He served both with the greatest distinction. The Sixth District and our Armed Forces are much the better for his presence.

On March 19, the Senate passed H.R. 4399, a bill to designate the Federal Office Building in Jamaica, Queens, as the Joseph P. Addabbo Building. The bill was signed into law by the President on March 27, 1986. It was a simple tribute; a small gesture for so respected a legislator.

His colleagues mourn the loss of a great friend. New York has lost a tireless champion. Joe will be hugely missed.

I ask unanimous consent that his obituary from the April 12, 1986, Washington Post be printed in the Record.

There being no objection, the obituary was ordered to be printed in the Record, as follows:

New York Representative Joseph P. Addabbo Dies

(By Bart Barnes)

Rep. Joseph P. Addabbo, 61, a New York Democrat who as chairman of the defense subcommittee of the House Appropriations Committee built a reputation as an articulate and forceful opponent of what he considered excessive military spending, died late Thursday night at Walter Reed Army Medical Center. He had cancer and recently had suffered a heart attack.

Mr. Addabbo, who had been in a coma since collapsing March 6, represented a district in Queens. He served for 25 years in the House of Representatives and since 1979 had been chairman of the defense appropriations subcommittee, the panel that acts on requests for all military spending. In that role he was often critical of high military officers who, he said, frequently shared with civilian bureaucrats a penchant for empire building and a narrowness of vision.

Despite his reputation as a critic of military spending, Mr. Addabbo always insisted he supported a strong defense policy. "But I don't take the Pentagon at their word," he once said. "I don't like the attitude of some members, 'Well, let's give them $20 million to play around with this year. Let's give them $40 million next year.' Three years later, the weapon doesn't work, and there's $100 million down the drain."

But Mr. Addabbo often found himself in a minority position on his own committee, most of whose members tended to have more hawkish views than he. More often than not he was on the losing side of defense-spending controversies.

He tried in 1982 to block funding for the MX missile but lost, both in his own subcommittee and in the full Appropriations Committee. He prevailed when he took his case to the floor of the House, although the House later reversed its position and work began on the missile.

In 1973 Mr. Addabbo sponsored the first antiwar resolution ever to pass the House of Representatives—the cutting off of funds for the bombing of Cambodia. He had supported the war in Southeast Asia during the Johnson administration and in the early years of the Nixon presidency but he subsequently changed his mind. He also opposed the B1 bomber and other * * *.

In 1984 he castigated the Defense Department for what he called "a complete breakdown of control over millions of dollars." This followed a report that accused the military of scrapping valuable equipment, then turning around and paying higher prices to buy identical items.

President Reagan called Mr. Addabbo "one of the lending players in the development of American military policy." He said the congressman was "widely respected for his knowledge of defense issues even by those who disagreed with him. His genial style was in keeping with the best traditions of American politics."

House Speaker Thomas O'Neill said Mr. Addabbo "worked diligently to ensure that America's defense was strong, efficient and effective. He demanded quality for each defense dollar."

New York Gov. Mario Cuomo called him a "great man whose commitment to integrity and excellence has improved the quality of life for all New Yorkers."

Mayor Edward Koch of New York ordered flags on city buildings to be flown at half staff until after Mr. Addabbo's funeral. The congressman, Koch said, "always strove to ensure that people of every race, religion and ethnic origin had a fair hearing and full representation in the halls of the Capitol."

A native of New York City, Mr. Addabbo graduated from the City College of New York and St. John's University Law School. He practiced law in Queens, participated in civic and community organizations, and headed Italian-American committees for various candidates.

But he never ran for public office until 1960, when the incumbent Republican representative from his district retired. With the help of John F. Kennedy's drawing power among Catholic voters, Mr. Addabbo won with 53.5 percent of the vote.

In the ensuing years the district changed from a predominantly middle clsss Catholic suburb to an area more closely resembling the inner city, with a population that was 65 percent black and Hispanic by the 1984 election.

During that time Mr. Addabbo established a record of steering defense contracts to Long Island-based industries and listening to * * *. He voted in favor of federal aid to education and the elderly, in favor of civil rights, and against measures to limit rights to abortion or allow prayer in public schools.

He won most bids for reelection handily, and in the campaigns of 1974 to 1982 had the Republican as well as the Democratic nomination. In 1984 he was challenged in the Democratic primary by Simeon Golar, a black real estate developer, who asked the voters to oust Mr. Addabbo on the argument that since the district had a black majority it should have a black representative. Mr. Addabbo won with 68 percent of the vote.

He is survived by his wife, Grace, and three children, Dominic, Dina and Joseph.

The PRESIDING OFFICER. The question is on agreeing to the resolution.

The resolution (S. Res. 382) was unanimously agreed to.

Mr. DOLE. Mr. President, I move to reconsider the vote by which the resolution was agreed to.

Mr. THURMOND. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

MESSAGES FROM THE PRESIDENT

Messages from the President of the United States were communicated to the Senate by Mr. Saunders, one of his secretaries.

EXECUTIVE MESSAGES REFERRED

As in executive session, the PRESIDING OFFICER laid before the Senate messages from the President of the United States submitting sundry nominations which were referred to the appropriate committees.

(The nominations received today are printed at the end of the Senate proceedings.)

ANNUAL REPORT OF THE NATIONAL ENDOWMENT FOR THE HUMANITIES—MESSAGE FROM THE PRESIDENT—PM 132

The PRESIDING OFFICER laid before the Senate the following message from the President of the United States, together with an accompanying report; which was referred to the Committee on Labor and Human Resources:

To the Congress of the United States:

In accordance with the provisions of the National Foundation on the Arts and Humanities Act of 1965, as amended, I am pleased to transmit herewith the 20th Annual Report of the National Endowment for the Humanities covering the year 1985.

Ronald Reagan.

The White House, *April 14, 1986.*

MESSAGES FROM THE HOUSE

At 2:45 p.m., a message from the House of Representatives, delivered by Mr. Berry, one of its reading clerks, announced that the House has passed the following joint resolutions, without amendment:

S.J. Res. 138. Joint resolution to authorize and request the President to issue a proclamation designating the calendar week beginning with Sunday, April 13, 1986, as "National Garden Week"; and

S.J. Res. 315. Joint resolution designating May 1986 as "Older Americans Month."

The message also announced that the House has agreed to the following concurrent resolution, without amendment:

S. Con. Res. 127. Concurrent resolution relating to predatory tied aid credits.

The message further announced that the House has agreed to the following resolution:

H. Res. 416. Resolution to the death of the Honorable Joseph P. Addabbo, a representative from the State of New York.

ENROLLED JOINT RESOLUTION SIGNED

The President pro tempore (Mr. Thurmond) announced that on today, April 14, 1986, he signed the following enrolled joint resolution, which had previously been signed by the Speaker of the House of Representatives:

S.J. Res. 261. Joint resolution to designate the week of April 14, 1986 through April 20, 1986, as "National Mathematics Awareness Week."

ENROLLED JOINT RESOLUTION PRESENTED

The Secretary of the Senate reported that on today, April 14, 1986, she had presented to the President of the United States the following enrolled joint resolution:

S.J. Res. 261. Joint resolution to designate the week of April 14, 1986 through April 20, 1986, as "National Mathematics Awareness Week."

MEASURES RE-REFERRED

Under the authority of the order of the Senate of April 11, 1986, the following bills were re-referred jointly to the Committee on Appropriations and the Committee on the Budget:

S. 2067. A bill to overturn the deferral of the fiscal year 1986 Urban Development Action Grant and Community Development Block Grant Program;

S. 2074. A bill disapproving the proposed deferral of budget authority for community development block grants; and

S. 2075. A bill to overturn the deferral of Urban Development Action Grants funds.

EXECUTIVE AND OTHER COMMUNICATIONS

The following communications were laid before the Senate, together with accompanying papers, reports, and documents, which were referred as indicated:

EC-2950. A communication from the Secretary of Education, transmitting a draft of proposed legislation to make certain amendments to the act of September 30, 1950 (Public Law 874, 81st Congress), and for other purposes; to the Committee on Labor and Human Resources.

EC-2951. A communication from the Secretary of Education, transmitting, pursuant to law, a report entitled "The Condition of Bilingual Education in the Nation, 1986"; to the Committee on Labor and Human Resources.

EC-2952. A communication from the Comptroller General of the United States, transmitting, pursuant to law, a report entitled "Compliance Report, Fiscal Year 1986—Balanced Budget and Emergency Deficit Control Act of 1985"; to the Committee on Governmental Affairs.

EC-2953. A communication from the Secretary of Transportation, transmitting, pursuant to law, the Urban Mass Transportation Report for the Fourth Quarter of Fiscal Year 1985; to the Committee on Banking, Housing, and Urban Affairs.

EC-2954. A communication from the D.C. auditor, transmitting, pursuant to law, a report entitled "Annual Audit of the Boxing and Wrestling Commission for Fiscal Year 1985"; to the Committee on Governmental Affairs.

EC-2955. A communication from the D.C. auditor, transmitting, pursuant to law, a report entitled "Review of Receipts and Disbursements of the Public Service Commission's Agency Fund"; to the Committee on Governmental Affairs.

EC-2956. A communication from the Director of the Office of Personnel Management, transmitting, pursuant to law, the annual report of the Office under the Freedom of Information Act for calendar year 1985; to the Committee on the Judiciary.

EC-2957. A communication from the Chairman of the National Labor Relations Board, transmitting, pursuant to law, the annual report of the Board under the Freedom of Information Act for calendar year 1985; to the Committee on the Judiciary.

EC-2958. A communication from the general counsel of the Department of Defense, transmitting a draft of proposed legislation to terminate the status as uniformed services treatment facilities of all former Public Health Service hospitals and stations and repeal requirements for ongoing studies, demonstrations and reports associated with such facilities; to the Committee on Armed Services.

EC-2959. A communication from the Secretary of State, transmitting, pursuant to law, a report on the situation in El Salvador; to the Committee on Foreign Relations.

EC-2960. A communication from the Director of the Administrative Office of the U.S. Courts, transmitting a draft of proposed legislation to provide for the administration of bankruptcy estates within the Judiciary.

EC-2961. A communication from the general counsel of the Department of Defense, trasmitting a draft of proposed legislation to repeal the Veterans' Educational Assistance Act of 1984, and for other purposes; to the Committee on Veterans' Affairs.

EC-2962. A communication from the Secretary of Transportation transmitting, pursuant to law, the annual report on the administration of the Deepwater Port Act of 1974; jointly, pursuant to 33 U.S.C. 1501, to the Committee on Commerce, Science, and Transportation, the Committee on Energy and Natural Resources, and the Committee on Environment and Public Works.

EC-2963. A communication from the Director of the Office of Civilian Radioactive Waste Management, DOE, transmitting, pursuant to law, the Office's 1985 annual report; jointly, pursuant to Public Law 97-425, to the Committee on Energy and Natural Resources, and the Committee on Environment and Public Works.

EC-2964. A communication from the Secretary of Labor transmitting, pursuant to law, notice of the determination of the necessity to extend the period of performance and to provide additional funding for the completion of ERISA cases concerning the Teamsters' central states pension and health and welfare funds; to the Committee on Governmental Affairs.

EC-2965. A communication from the Secretary of Health and Human Services transmitting a draft of proposed legislation to extend and amend Native American Programs Act programs; to the Select Committee on Indian Affairs.

EC-2966. A communication from the Secretary of Education transmitting, pursuant to law, a report on program reviews of 379 programs funded under the Indian Education Act; to the Select Committee on Indian Affairs.

EC-2967. A communication from the Director of the Office of Management and Budget transmitting a draft of proposed legislation to terminate the State Justice Institute; to the Committee on the Judiciary.

EC-2968. A communication from the Deputy Secretary of Defense transmitting, pursuant to law, a report on the new GI bill education benefits program; to the Committee on Veterans Affairs.

EC-2969. A communication from the Secretary of Health and Human Services transmitting, pursuant to law, a report on financial support for disabled infants with life-threatening conditions; to the Committee on Finance.

EC-2970. A communication from the Chairman of the National Advisory Council on International Monetary and Financial Policies, transmitting pursuant to law, the Council's special report on U.S. membership in the Multilateral Investment Guarantee Agency; to the Committee on Foreign Relations.

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EC-2971. A communication from the Administrator of the Agency for International Development transmitting a request for authorization and appropriation for a new program for Northern Ireland and Ireland and a fiscal year 1986 and 1987 supplemental appropriations for United States contributions for the proposed international fund to support the Anglo-Irish Agreement on Northern Ireland; to the Committee on Foreign Relations.

REPORTS OF COMMITTEES

The following reports of committees were submitted:

By Mr. GOLDWATER, from the Committee on Armed Services, without amendment:

S. 2295: An original bill to amend title 10, United States Code, to reorganize and strengthen certain elements of the Department of Defense, to improve the military advice provided the President, the National Security Council, and the Secretary of Defense, to enhance the effectiveness of military operation, to increase attention to the formulation of strategy and to contingency planning, to provide for the more efficient use of resources, to strengthen civilian authority in the Department of Defense, and for other purposes (Rept. No. 99-280).

INTRODUCTION OF BILLS AND JOINT RESOLUTIONS

The following bills and joint resolutions were introduced, read the first and second time by unanimous consent, and referred as indicated:

By Mr. WEICKER (for himself, Mr. Kerry, Mr. Andrews, Mr. Inouye, Mr. Matsunaga and Mr. Stafford):

S. 2294. A bill to reauthorize certain programs under the Education of the Handicapped Act, to authorize an early intervention program for handicapped infants, and for other purposes; to the Committee on Labor and Human Resources.

By Mr. GOLDWATER (for himself, Mr. Nunn, Mr. Thurmond, Mr. Cohen, Mr. Quayle, Mr. East, Mr. Wilson, Mr. Gramm, Mr. Hart, Mr. Exon Mr. Levin, Mr. Kennedy, Mr. Bingaman, Mr. Dixon, Mr. Leahy, Mr. Johnston, Mr. Boren, and Mr. Rockefeller):

S. 2295. An original bill to amend title 10, United States Code, to reorganize and strengthen certain elements of the Department of Defense, to improve the military advice provided the President, the National Security Council, and the Secretary of Defense, to enhance the effectiveness of military operation, to increase attention to the formulation of strategy and to contingency planning, to provide for the more efficient use of resources, to strengthen civilian authority in the Department of Defense, and for other purposes; from the Committee on Armed Services; placed on the calendar.

By Mr. BRADLEY:

S. 2296. A bill to provide financial assistance to local educational agencies or schools of such agencies having centers of excellence in civic education; to the Committee on Labor and Human Resources.

By Mr. STEVENS. (by request):

S. 2297. A bill to amend the Atlantic Tunas Convention Act of 1975 to authorize appropriations for fiscal years 1987 and 1988; to the Committee on Commerce, Science, and Transportation.

By Mr. BENTSEN (for himself, Mr. Glenn, and Mr. Levin):

S. 2298. A bill to make a technical correction to the Department of Defense Authorization Act, 1986, relating to the extension of an enlistment bonus program; to the Committee on Armed Services.

By Mr. INOUYE:

S. 2299. A bill for the relief of Valerie S. Ford of Richmond, VA; to the Committee on Armed Services.

By Mr. STAFFORD (for himself, Mr. Baucus, Mr. Mitchell, and Mr. Durenberger):

S. 2300. A bill to amend the Toxic Substances Control Act so as to require the Environmental Protection Agency to set standards for identification and abatement of hazardous asbestos in Federal and other buildings, and for other purposes; to the Committee on Environment and Public Works.

By Mr. THURMOND (for himself, Mr. DeConcini, Mr. Laxalt, Mr. Hatch, and Mr. Denton):

S. 2301. A bill to reform procedures for collateral review of criminal judgments, and for other purposes; read the first time.

By Mr. THURMOND (for himself, Mr. DeConcini, Mr. Laxalt, Mr. Hatch and Mr. Denton):

S. 2302. A bill to amend title 18 to limit the application of the exclusionary rule; read the first time.

By Mr. CHILES:

S.J. Res. 319. Joint resolution commemorating the twenty-fifth anniversary of the Bay of Pigs invasion to liberate Cuba from Communist tyranny; to the Committee on the Judiciary.

By Mr. MITCHELL:

S.J. Res. 320. Joint resolution to designate April 17, 1986 as "National Pension Day"; to the Committee on the Judiciary.

By Mr. LUGAR (for himself, Mr. Abdnor, Mr. Boschwitz, Mr. Bradley, Mr. Bumpers, Mr. Burdick, Mr. Chafee, Mr. Cochran, Mr. Cranston, Mr. Denton, Mr. Dole, Mr. Durenberger, Mr. Harkin, Mr. Hatch, Mrs. Hawkins, Mr. Heinz, Mr. Hollings, Mr. Kerry, Mr. Levin, Mr. Mathias, Mr. Mattingly, Mr. Metzenbaum, Mr. Nickles, Mr. Nunn, Mr. Pryor, Mr. Simon, Mr. Warner and Mr. Wilson):

S.J. Res. 321. Joint resolution to designate October 1986 as "National Down Syndrome Month"; to the Committee on the Judiciary.

SUBMISSION OF CONCURRENT AND SENATE RESOLUTIONS

The following concurrent resolutions and Senate resolutions were read, and referred (or acted upon), as indicated:

By Mr. DOLE (for Mr. D'Amato (for himself and Mr. Moynihan)):

S. Res. 382. Resolution relative to the death of Representative Joseph P. Addabbo, of New York; considered and agreed to.

STATEMENTS ON INTRODUCED BILLS AND JOINT RESOLUTIONS

By Mr. WEICKER (for himself, Mr. Kerry, Mr. Andrews, Mr. Inouye, Mr. Matsunaga, and Mr. Stafford):

S. 2294. A bill to reauthorize certain programs under the Education of the Handicapped Act, to authorize an early intervention program for handicapped infants, and for other purposes; to the Committee on Labor and Human Resources.

(The remarks of Mr. Weicker and the text of the legislation appear earlier in today's Record.)

By Mr. BRADLEY:

S. 2296. A bill to provide financial assistance to local educational agencies or schools of such agencies having centers of excellence in civic education; to the Committee on Labor and Human Resources.

CENTERS OF EXCELLENCE IN CIVIC EDUCATION ACT

Mr. BRADLEY. Mr. President, when the word "bicentennial" is mentioned, most Americans conjure up very fond memories of tall ships, fireworks, celebrations, and festivities. In 1976, we held such a celebration of national scale on the 200th anniversary of the signing of the Declaration of Independence, and Americans showed their pride in our 200 years of freedom.

Why do we as a people like to celebrate the signing of the Declaration of Independence? One hundred and twenty seven years ago, Abraham Lincoln said, ". . . we hold this annual celebration to remind ourselves of all the good done in this process of time, of how it was done and who did it, and how we are historically connected with it; and we go from these meetings in better humor with ourselves—we feel more attached the one to the other, and more firmly bound to the country we inhabit . . ."

The bicentennial of the Declaration of Independence gave Americans a chance to pause for a moment and reflect on the importance of the actions in 1776 and the shared values on which this Nation is based.

Mr. President, a new bicentennial will soon be upon us—the 200th anniversary of our Constitution and Bill of Rights. The bicentennial of the Constitution will give Americans another opportunity to celebrate that which binds us together as a people.

The deepest origins of our Constitution date back to the traditions of Greece and Rome. But our particular constitutional concerns for individual liberty, for the rule of law, for equal justice and for the limits to the use of government power through our system of federalism and checks and balances are, in many respects, uniquely American. Our Constitution reflects the values on which our American system of governance was based. It is my hope that this bicentennial will give all Americans an opportunity to do more than celebrate. I hope we can reflect on the values that serve to bind us together as a people.

Mr. President, I strongly believe that the forum for much of this discussion should be in our Nation's schools.

Both Washington and Jefferson argued that one of the most important roles of the schools, given our pluralistic society, was to educate youth on the values that bind us together as a people. Thomas Jefferson said that ". . . if you expect a nation to be ignorant and free, you expect what never was and never will be . . ." He argued that a knowledgeable citizenry that accepts its civic responsibilities—responsibilities such as participation in our democratic institutions and an acceptance of the policies which promote the common good—is central to the preservation of our Nation.

One way to help achieve these lofty goals is by promoting civic education. When I use the term civic—or citizenship—education, I am referring to a number of activities that are aimed at educating students about what it means to be an American, what the rights and responsibilities of citizenship are, and how students can take greater responsibility in the actual activities of government. Civic education tries to answer the following questions: What are the legitimate forms of authority? How, in a pluralistic society, can we establish fair and uniform laws? How can we ensure due process? How can we ensure that citizens play their parts as informed and responsible members of our democratic system?

There are many other democracies in the world, but Americans believe that we are unique in our special freedoms. But as D.H. Lawrence once noted, ". . . it is never really freedom until you positively decide what you want to be." Citizenship education programs in our schools should help students decide positively what they want to be—as individual citizens and collectively as a people.

Mr. President, there are a number of schools across the country that have established programs to try to meet this end. For example, in my home State of New Jersey, the Parsippany school district has established a program to help second and third graders examine the importance of the rule of law. Students discuss why laws are needed, how they are changed, and why laws must be fair. The students learn, not only by discussion, but by participating in the rulemaking of the school itself. These very young students are learning about the responsibilities of being a citizen who must live by the law with some very positive results. Parsippany has witnessed a significant decline in discipline problems since the program was instituted. Why? Because students have developed a commitment to responsible behavior. They have learned to understand the importance of the rule of law—for themselves and for their community. Who benefits? Both the individual and the community at large.

Another exemplary program is going on the the Sacramento school district in California. Over 200 local attorneys and judges have volunteered for various activities, such as holding mock trials and moot courts in the schools, to show students how our judicial system tries to arrive at justice. In addition, over 1,000 high school students are working as tutors to elementary school students on citizenship education projects. The elementary school students are not the only people benefiting from these activities; the high school students, in providing this service, are helping to discharge their responsibilities to the community at large.

A third example is Long Beach, where, with the help of the Center for Civil Education, the schools are helping their young people explore the values established in our Constitution by reenacting the debates of 200 years ago between the Federalists and Anti-Federalists. In addition, the Long Beach Lawyers Auxiliary is working with classes to act out real Supreme Court cases to show how conflicts are resolved at the Federal level.

Sadly, Mr. President, these exceptional programs are just that—more the exception than the rule. In some respects, I think many of our schools have lost some of their sense of mission to instill their students with a sense of values and mutual purpose that Jefferson spoke so eloquently about 200 years ago. But I believe that the bicentennial of the Constitution offers us the opportunity to remind young Americans about the rights as well as the responsibilities of citizenship. And what better vehicle for sending this message than our school system—the institution charged by Jefferson with part of the responsibility for instilling youth with this sense of mutual purpose?

And that is why today I am introducing in the Senate legislation to establish Centers of Excellence in Civic Education throughout the United States.

Mr. President, we know that many schools are already deeply involved in a variety of activities to promote the civic competence and civic responsibilities of their students. But it is important to publicize these local efforts so that other schools can learn from them. One way to accomplish that is to search out these outstanding schools and showcase them to the rest of the Nation.

The bill requires the Secretary of Education, in consultation with the Director of your Commission, to identify 10 to 20 schools that have exemplary programs and establish them as "Centers of Excellence" in Civic Education. These centers would be individual schools or school districts in the United States that have developed outstanding programs designed to develop both civic competence and civic responsibilities among their students. The Secretary shall be empowered to award the selected schools with grants of $25,000 to $75,000 a year to enable them to showcase their programs to other schools in their geographic area.

To receive funding, the selected schools must agree to form a steering commission of representatives from the public and private sectors to assist in the civic education activities of the school and to provide assistance to other school systems in their geographic area that are interested in improving their own civic education programs.

Finally, the bill envisions that an annual conference be held for the selected schools to exchange ideas and experiences of the various projects commemorating the bicentennial of the Constitution and other civic education projects that are currently being conducted throughout the United States.

What will this accomplish? A relatively small commitment of Federal funds—roughly $1 million a year—will help disseminate information about the very best programs that our schools have developed. And the success of this entire effort can, I believe reinforce the values that have made our particular form of democracy so vibrant and resilient.

Am I talking about forcing massive changes in the way that schools are doing their jobs? Of course not. We at the national level can't—and shouldn't—dictate policy to local schools. But when we have the opportunity, we can and should press schools to better meet the needs of their students and the Nation as a whole. I think this proposal is one very modest step in that direction.

I ask unanimous consent that a summary of the bill as well as the text of the bill be printed in the Record at the close of my statement.

There being no objection, the material was ordered to be printed in the Record, as follows:

S. 2296

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SHORT TITLE

Section 1. This Act may be cited as the "Centers of Excellence in Civic Education Act".

STATEMENT OF PURPOSE

Sec. 2. It is the purpose of this Act to provide financial assistance to local educational agencies or individual schools of such agencies having centers of excellence in civic education.

DEFINITIONS

Sec. 3. For the purpose of this Act—

(1) The term "elementary school" has the same meaning given that term under section 198(a)(7) of the Elementary and Secondary Education Act of 1965.

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(2) The term "local educational agency" has the same meanging given that term under section 198(a)(10) of the Elementary and Secondary Education Act of 1965.

(3) The term "secondary school" has the same meaning given that term under section 198(a)(7) of the Elementary and Secondary Education Act of 1965.

(4) The term "school" means an elementary or secondary school.

(5) The term "Secretary" means the Secretary of Education.

(6) The term "State" means each of the several States, the District of Columbia, the Commonwealth of Puerto Rico, Guam, American Samoa, the Virgin Islands, the Northern Mariana Islands, and the Trust Territory of the Pacific Islands.

(7) The term "State educational agency" has the same meaning given that term under section 198(a)(17) of the Elementary and Secondary Education Act of 1965.

EXCELLENCE IN CIVIC EDUCATION GRANTS AUTHORIZED

SEC. 4. (a) The Secretary is authorized, in accordance with the provisions of this Act, to make grants to local educational agencies and to individual schools of such agencies for centers of excellence in civic education.

(b) There is authorized to be appropriated $1,000,000 for the fiscal year 1987 and for each fiscal year ending prior to October 1, 1991.

IDENTIFICATION AND SELECTION OF RECIPIENTS

SEC. 5. (a) The Secretary, in consultation with the Director of the Commission on the Bicentennial of the United States Constitution, shall establish procedures to identify in each fiscal year not less than 10 nor more than 20 centers of excellence in civic education administered by local educational agencies or individual schools of such agencies.

(b)(1) In establishing procedures under this section, the Secretary shall select such agencies or schools with centers which have developed exemplary programs designed to develop both civic competence and civic responsibilities among their students.

(2) In establishing such procedures, the Secretary shall make every effort to ensure that the selected schools are geographically balanced and that at least one-third of the local educational agencies or the schools of such agencies selected are agencies or schools which serve high concentrations of low-income students, minority students, or students with limited English language proficiency.

(3) The Secretary shall make grants to the local education agencies or the schools of such agencies that are selected of not less than $25,000 or more than $75,000 for each year that sufficient appropriations are available.

ASSURANCES

SEC. 6. (a) Each local education agency and each school of such agency selected for assistance under this Act shall provide assurances that it will—

(1) appoint a director who will work on civic education activities of the center at least half time; and

(2) be advised by a steering committee of representatives of the public and private sector of the community served by the agency nor school; and

(3) furnish assistance to other local educational educational agencies within the area served by the agency or school; and

(4) furnish other assurances as the Secretary deems appropriate.

DISSEMINATION AND EXCHANGE OF CIVIC EDUCATION IMPROVEMENTS

SEC. 7. The Secretary, in consultation with the Director of the Commission on the Bicentennial of the United States Constitution, shall convene a conference in each fiscal year including representatives of the agencies and schools selected in each fiscal year pursuant to section 5, together with other experts in civic education to exchange ideas with respect to improvements in civic education programs. The Secretary shall provide for the dissemination of such information as the conference deems appropriate.

CENTERS OF EXCELLENCE IN CIVIC EDUCATION ACT

Funding through the Department of Education in coordination with the Commission on the Bicentennial of the United States Constitution. $1 million a year authorized for fiscal years 1987-1991.

The Secretary, in consultation with the Director of the Commission, is directed to identify 10 to 20 schools that have exemplary civic education programs and establish them as Centers of Excellence in Civic Education. These Centers must be either individual schools or local education agencies (LEA's) in the United States that have developed exemplary programs designed to develop both civic competence and civic responsibilities among their students.

The Secretary shall award these schools with grants of $25,000 to $75,000 a year to enable the institution to showcase its activities to other schools in the geographic area in order to help them develop programs to meet the needs of their students.

The Secretary shall make every effort to ensure that the selected schools are geographically balanced and that at least one third of the selected schools or LEA's serve high concentrations of low income or minority students or students with limited English language proficiency.

To receive funding, the selected schools or LEA's must agree to the following activities: appoint a director who will work at least half time on civic education activities; form a steering committee of representatives from the public and private sectors to assist in the civic education activities of the school; provide assistance to other school systems in the geographic area interested in improving their civic education programs.

The Secretary, in consultation with the Director of the Commission, shall also hold an annual conference for the selected schools and other experts to exchange ideas and experiences of various civic education projects currently being conducted throughout the United States.

By Mr. STEVENS (by request):

S. 2297. A bill to amend the Atlantic Tunas Convention Act of 1975 to authorize appropriations for fiscal years 1987 and 1988; to the Committee on Commerce, Science, and Transportation.

ATLANTIC TUNAS CONVENTION ACT AUTHORIZATION

● Mr. STEVENS. Mr. President, today I am introducing legislation proposed by the administration to reauthorize the Atlantic Tunas Convention Act. This act implements the International Convention for the Conservation of Atlantic Tunas [ICCAT], a multinational treaty for the conservation of tuna in the Atlantic Ocean.

Both the ICCAT and the Atlantic Tunas Act are directed toward maintaining the population of Atlantic tuna at levels which will permit maximum sustainable catches. Under the ICCAT, a Commission comprised of representatives from member nations convenes biannually. The Commission collects and analyzes statistical information relating to the current conditions of the tuna fishery, recommends further studies, and coordinates the investigation programs of the member nations, and recommends harvesting levels for the tuna resource.

Reauthorization of the Atlantic Tunas Convention Act would assure that the United States effectively implements the ICCAT agreement and continues to strive for effective conservation and management of the tuna resource in the Atlantic Ocean. Authorization for appropriations under the Atlantic Tunas Conservation Act expires after fiscal year 1986. The administration's bill proposes to extend authorization of the act through fiscal year 1988.●

By Mr. BENTSEN (for himself, Mr. GLENN, and Mr. LEVIN):

S. 2298. A bill to make a technical correction to the Department of Defense Authorization Act, 1986, relating to the extension of an enlistment bonus program; to the Committee on Armed Services.

CORRECTION TO RESERVE ENLISTMENT LAW

Mr. BENTSEN. Mr. President, sometimes the calendar moves faster than the Congress. Last year, when we finally approved the massive defense authorization bill on November 8, we extended the authority to provide enlistment bonuses for people entering the National Guard and Reserve in critical skill areas.

Unfortunately, the law which originally set up that important bonus technically, expired on September 30. There was thus a gap of nearly 6 weeks during which enlistees were not allowed to be paid the bonus for which they were otherwise eligible.

I learned about this lapse in the law from a Texan whose son joined the National Guard last October and expected to receive the bonus, but then was denied it on this technicality. I considered this an unfortunate oversight and sought to determine just how many people might have been affected by this legal gap.

Recently the Defense Department advised me that more than 4,300 National Guard and Reserve personnel were denied the bonuses for which they were otherwise eligible. Moreover, the $5.4 million which should have been paid had already been budgeted for, so corrective legislation will not require any additional funding.

Today I am introducing legislation along with the distinguished Senators from Ohio [Mr. GLENN] and Michigan [Mr. LEVIN] to make the necessary technical correction in the law so that these bonuses can be paid.

This bill is needed not only to correct an inequity but also to avoid harming Guard and Reserve recruiting efforts, particularly in critical skill areas.

Mr. GLENN. Mr. President, I am pleased to join my colleague, Senator BENTSEN, in introducing legislation to correct an inequity which came about due to the delay in enactment of the fiscal year 1986 Defense Authorization Act.

The previous legislative authority which permitted the Reserve components to offer enlistment bonuses to individuals who enlist in critical skills in National Guard and Reserve personnel expired on September 30, 1985.

Section 642 of the fiscal year 1986 Defense Authorization Act extended the Defense Department's authority to pay this bonus for an additional 3 years. The House-Senate conference on this bill concluded in July of 1985, and the conference report on this bill passed the Senate on July 30, 1985, well before the expiration date of the current bonus authority. It was obviously the intention of the Congress that there be no lapse in this bonus authority.

Unfortunately, due to the delay in adopting the conference report on the fiscal year 1986 Defense authorization bill in the House, the fiscal year 1986 Defense authorization bill was not signed into law by the President until November 8, 1985. Since the legislative authority for this enlistment bonus technically expired on September 30, anyone who enlisted in the National Guard or Reserve in a critical skill between September 30 and November 8, 1985, and who otherwise would have been eligible for this bonus, cannot receive the bonus because of this lapse in authority.

The military services had already budgeted, and the Congress has already appropriated, the necessary funds to pay this bonus for the full 12-month year, so no additional funding will be required to correct this problem.

The bill that Senator BENTSEN and I are introducing today simply corrects this inequity and permits the Department of Defense to pay these bonuses to those who enlisted during the period September 30 through November 8, 1985, and who otherwise would have been eligible to receive an enlistment bonus.

I commend Senator BENTSEN for bringing this matter before the Senate.

By Mr. STAFFORD (for himself, Mr. BAUCUS, Mr. MITCHELL, and Mr. DURENBERGER):

S. 2300. A bill to amend the Toxic Substances Control Act so as to require the Environmental Protection Agency to set standards for identification and abatement of hazardous asbestos in Federal and other buildings, and for other purposes; to the Committee on Environment and Public Works.

FEDERAL BUILDING ASBESTOS HAZARD ABATEMENT ACT

Mr. STAFFORD. Mr. President, I am introducing today a bill entitled the "Federal Building Asbestos Hazard Abatement Act of 1986." The purpose of the bill is to protect the public from an unseen but deadly health hazard—airborne asbestos fibers in Federal and other buildings.

Asbestos is a proven human carcinogen. Its deadly fibers can penetrate deep into the lungs, leading to lung cancer, mesothelioma, and other serious diseases 20 to 40 years after exposure. According to the National Academy of Sciences, "much of the more than 30 million metric tons of asbestos used in the United States since 1900 is still present in its original application and provides a potential for exposure." Asbestos-containing building products include sprayed or troweled insulation and fireproofing, boiler and pipe insulation, fireproof plaster and wallboard, and acoustical ceiling. When these materials are damaged or disturbed, they may release asbestos fibers into the air.

It was established at hearings on this subject before the Committee on Environment and Public Works that asbestos in buildings often does not present an immediate threat to health because it is intact. In these cases, an appropriate response often is an operation and maintenance plan designed to assure that it will not be damaged and to assure that any repairs or renovations will be properly conducted. Attempts to remove the asbestos, especially if the attempts are improperly done, actually can increase the level of risk. In other cases, the asbestos already is damaged and hazardous, in which case abatement is called for. Abatement may be accomplished in some cases by enclosure or encapsulation, but in other cases removal is necessary.

Mr. President, the Environmental Protection Agency has known for years about the serious health hazards caused by asbestos in building materials. In 1979, the Agency began trying to get hazardous asbestos out of schools. At the present time, schools are required to inspect for hazardous asbestos and notify parents and employees if it is found. But not even this small step has been taken with regard to other types of buildings. A 1984 EPA survey of public and commercial buildings estimated that 20 percent of all such buildings, about 733,000 buildings, contain friable, easily crumbled, asbestos. About one-quarter of these, or 192,000 buildings, had sprayed/troweled asbestos, which usually is the most dangerous situation.

Despite the obvious dangers presented by asbestos in buildings, EPA has not set any requirements for inspection or for management or abatement of asbestos hazards.

The lack of standards and requirements has allowed a dangerous situation to develop. Fly-by-night contractors have taken advantage of legitimate public health concerns by persuading building owners to undertake unnecessary and expensive asbestos removal projects. Often the poor quality of their work has made the situation worse.

The bill would attack this important public health problem by:

Requiring EPA to set standards for asbestos detection, management, abatement, and disposal;

Establishing contractor accreditation programs to assure the availability of competent contractors;

Requiring that Federal buildings be inspected and appropriate action taken; and

Requiring EPA to identify classes and categories of non-Federal buildings to be subject to these requirements, based on various factors that relate to the likely degree of health hazard.

Mr. President, the kinds of problems that have developed due to a lack of standards and requirements governing asbestos projects were brought out very clearly in an article in the Wall Street Journal of March 5, 1986. I ask unanimous consent that this article be reprinted in the RECORD at this point, followed by the bill and a description of its provisions.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

[From the Wall Street Journal, Mar. 5, 1986]

BAD RIDDANCE: RIPPING OUT ASBESTOS ENDANGERS MORE LIVES AS LAWS ARE IGNORED

(By Jonathan Dahl)

The Environmental Protection Agency doesn't have to look far to find people getting exposed to cancer-causing asbestos. Right across the street from its Philadelphia office, the agency caught construction workers ripping out asbestos insulation and heaving it into outdoor dumpsters.

"We could see all this asbestos dust blow by us," says an EPA spokesman. "It made us wonder how the stuff was being removed elsewhere."

The EPA isn't wondering anymore. Since that incident in 1984, shoddy asbestos removals have been alarmingly common in buildings across the country. As a result, one of the nation's greatest occupational tragedies is being repeated. More than 100,000 workers have died because they inhaled asbestos particles while installing in-

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sulation years ago. Now, desite publicity about those deaths, the deadly cycle is starting over again. This time, the eventual victims are the workers ripping out asbestos.

"It was bad enough when this happened and we didn't know the risks," says Dr. Irving Selikoff, an occupational-health expert at the Mount Sinai Medical Center in New York. "But now that we know, my God, we shouldn't let this be happening again."

A NATIONAL PROBLEM

Federal and state agencies cited more than 1,300 asbestos violations last year, and a government survey shows that at least 25% of removals are fouled up. Violations have occurred in schools, in apartments and even on Ellis Island in New York and on the grounds of the vice president's residence in Washington. They happen when asbestos cleanup is the main job and when it isn't. Most buildings constructed before 1970 have asbestos, and a health threat exists—even to passers-by—every time one is renovated or demolished. "It is a national problem," says Terrell Hunt, the EPA's highest-ranking criminal lawyer.

Some contractors don't know that they are tearing out asbestos. Others intentionally skip precautions or use slipshod methods. One contractor was sued for hiring dozens of homeless people off the street to remove asbestos from a San Antonio, Texas, hotel. And while the EPA recently beefed up its efforts to deter hazardous removals, experts say the laws pertaining to asbestos still are weak and poorly enforced. Because of the laws' inadequacies, even workers who follow guidelines might still die from asbestos poisoning.

"There are just no standards in the business. Some people do it right, but I've seen some abuses that would make your hair stand on end," says David Kimbrell, a former president of the National Association of Asbestos Abatement Contractors, a trade group based in Washington.

Ironically, some of the removal jobs aren't even necessary. Asbestos is lethal: it ranks only behind cigarettes as the leading cause of cancer. And while most of its uses are banned today, it is everywhere. Some 30 million tons of the fibrous mineral was mixed into plaster to insulate walls, pipes and ceilings during the past hundred years. But asbestos needs to come out only when it is old and crumbling. That is when the mineral's tiny particles, which cause lung cancer and other respiratory diseases, are released into the air.

Removing insulation without disturbing particles is tricky. The federal government doesn't require that asbestos come out, but it has issued reams of complicated cleanup rules. Insulation is supposed to be sprayed with water and stashed in airtight containers. Special air-circulating machines are recommended. And workers must don face masks and gear that looks like space suits. "There's almost a science to doing it correctly," says Edward Swoszowski, an indoor-air-quality consultant in Norwalk, Conn.

But many removals have been less than scientific. In the building across from the EPA's Philadelphia office, workers were gathering up asbestos debris with brooms and doing the job "the way you'd clean up your garage," says Ben Mykljewycz, an agency inspector. Eventually, the Justice Department sued the building's owner, Liberty Square Associates Ltd., for allegedly violating air-pollution laws. The owner paid a $50,000 fine last March to settle the suit, but made no admission of wrongdoing. A Justice Department suit is pending against the contractor.

COVERED WITH DUST

In another case, the EPA says it found eight teen-agers early last year yanking out asbestos with their bare hands in an abandoned school that was being converted into a condominium in Salem, Mass. The Justice Department has filed a suit against the developer, Granite Development Co. Company officials say they didn't realize that asbestos was in the school. Neither did the youths employed to remove it. "They were covered with white dust," recalls EPA inspector Bridget McGuiness. "They started asking me, 'Is this bad?' "

Nobody knows how many bad jobs are occurring, but the Occupational Safety and Health Administration found violations in * * * of 806 removal jobs that it inspected last year. The EPA estimates that it learns of only half of the asbestos removals; the agency is supposed to be notified of every instance. "If they're not notifying the EPA, they're probably not doing" the job right, says Patrick R. Tyson, the acting assistant secretary of OSHA. "I'm afraid a lot of people aren't handling it properly."

Most of those people won't feel any ill effects from asbestos exposure for a long time. As deadly as they are, asbestos diseases take five to 40 years to develop. And it isn't known how much exposure is harmful. OSHA estimates that 1.4 million construction workers risk becoming asbestos victims of the future, as do thousands of carpenters, electricians and others who work with insulation. Even passers-by may face a health threat. "Try to walk by [a construction site] without breathing the dust," says Charles Elkins, an acting assistant administrator of the EPA. "If it's asbestos, you're in trouble."

Some victims of asbestos removals are already getting sick. For 15 years, Dennis Burke wondered whether the insulation he was ripping out at construction jobs contained asbestos. "but if you complained, you'd get fired," he says. Now, Mr. Burke, 38 years old, has asbestosis, an incurable lung disease that causes shortness of breath. And he is still a construction worker; he can't find any other job.

Other victims could well be members of families already stricken by asbestos disease. Daniel O'Toole thought it was bad enough to have asbestosis; the 63-year-old former iron worker from Fort Howard, Md., was forced to retire early, and he can't take long walks. But last April, his son Patrick discovered he had swept up asbestos at a steel mill-the same mill in which Daniel O'Toole worked 18 years ago. "It's incredible, but my son was probably exposed to the same pipes I put in," Mr. O'Toole says.

Contractors complain that unless a building's owner hires them specifically to remove asbestos, they often don't realize that they are working with it. Asbestos insulation, which sometimes looks like plaster of Paris, isn't always recognizable.

But some people have a hard time claiming ignorance. In late 1984, the EPA says, inspectors went out three times to warn Maurice Fabiani, a developer, about shoddy asbestos removals at a powerhouse in Oakville, Conn. All they got was a lecture: "He told us we were being nitpicky," says Andrew Lauterback, a special assistant U.S. attorney. Mr. Fabiani, for his part, apparently wasn't too picky about where he left his asbestos. The EPA says it found a pile of it in an open dump behind some houses. Inspectors had to shoo away children playing in it.

The matter was serious enough to draw the first prison sentence ever in an asbestos case. Through his attorney, Mr. Fabiani contends he shouldn't be blamed for a contractor's work. But he nevertheless pleaded guilty to violating air-pollution laws, paid a $25,000 fine and, in January, served 30 days in prison. The contractor, Peter J. Vileisis, pleaded guilty, was fined $25,000 and received a one-year suspended sentence.

Some contractors ignore precautions because they don't think asbestos is harmful, particularly since inhaling the fibers doesn't cause immediate injury. Other contractors cut corners to increase profits. Certainly, the work is lucrative: Three contractors may get more than $1 million to take out asbestos from a three-story school building in Atlanta. "There's a whole bunch of hustlers out there trying to make a quick buck who will end up killing themselves and others," says U.S. Rep. James Florio, a New Jersey Democrat interested in the safe handling of asbestos.

A fast buck is what 166 workers allege motivated the contractor that renovated the St. Anthony Hotel in San Antonio in 1983. In a lawsuit, the workers assert that the contractor hired them off the street without telling them that asbestos was being removed. Most say they wore bandannas over their mouths, or nothing at all, to protect themselves from the dust. "Now, every time I get a cold in my chest, I think uh-oh, this is it," says Daniel Cady, 29, who was one of the workers. He had been recruited for the job while hitchhiking through Texas.

The contractor. Planned Management International Inc., denies exposing the workers to asbestos. But OSHA fined the company $1,500 for not posting warnings or giving workers respirators. And this month the company, the construction manager and the hotel's owner settled the lawsuit. They won't discuss the terms, but the workers' attorney says his clients are receiving a total of $1.66 million.

EPA officials say that bad practices persist because neither the federal government nor 39 states require asbestos removers to be trained or licensed. New York, one of the few states with training provisions, requires contractors only to watch a 40-minute filmstrip that regulators concede is inadequate. "A barber has to go to school, but someone can remove a hazardous substance and have no experience and no training," says Wolfgang Brandner, the EPA's regional asbestos coordinator in Kansas City, Kan.

What's more asbestos regulations are flawed. OSHA figures that even if its standards were followed to the letter, 64 of every 1,000 workers who remove asbestos would still eventually die from overexposure. That is because the current exposure standard is two asbestos fibers per cubic centimeter of air—about four times the exposure the agency currently thinks is safe. OSHA is trying to change the standard, but "people think they're protected by these laws when they're not," say James Fite, the president of the White Lung Association, a nonprofit group in Baltimore that represents asbestos victims.

But the most frequently cited problem with asbestos laws is the way they are enforced. The EPA and OSHA inspect just a fraction of asbestos-removal jobs; many contractors have never had a job inspected. And both federal agencies routinely let violators off with small fines or none at all. OSHA's Dallas-area office, for example,

hasn't levied a fine in any of its 12 asbestos cases in the past three years.

But officials in Dallas office say they are shorthanded—the office doesn't have anyone assigned just to asbestos cases. They also say some contractors conceal violations by working at night or on weekends. But the result is that repeat violators are common. And legitimate contractors say unscrupulous competitors have a free rein. "It's basically a voluntary-compliance system," concludes Neil Wilson, the president of National Environmental Engineering Inc., an asbestos-removal company in Michigan City, Ind.

In response to such criticism, the EPA recently vowed to vigorously enforce asbestos laws. The Justice Department, as part of that effort, last month filed 11 publicized lawsuits alleging serious asbestos violations against the state of Florida, Conrail and the school system of Ankeny, Iowa, among others. And at least 10 states are considering bills that would regulate asbestos removers.

But such steps come far too late for thousands of workers who recently may have been exposed to asbestos—a known carcinogen for at least a decade. As Patrick O'Toole, the construction worker in Maryland, puts it, "My father was done wrong, and now I'm done wrong. When will it stop?"

S. 2300

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. AMENDMENT TO TOXIC SUBSTANCES CONTROL ACT.

The Toxic Substances Control Act is amended by adding at the end thereof the following:

"TITLE II—FEDERAL BUILDING ASBESTOS HAZARD ABATEMENT

"SEC. 201. SHORT TITLE.

"This title may be cited as the "Federal Building Asbestos Hazard Abatement Act of 1986".

"SEC. 202. CONGRESSIONAL FINDINGS AND PURPOSES.

"(a) Findings.—

"(1) The Congress finds that—

"(A) hazardous asbestos is present in many Federal buildings and other buildings that are accessible to the public;

"(B) asbestos, if unrecognized or poorly managed, can cause serious adverse health effects, including lung cancer and other deadly and debilitating diseases;

"(C) though the Federal Government requires that school buildings be inspected for hazardous asbestos, there is no such requirement affecting buildings that are owned or leased by the Federal Government, or other publicly accessible buildings, nor is there any requirement that hazardous asbestos be abated in a safe and complete manner once it is discovered;

"(D) many buildings have not been inspected for hazardous asbestos, while others have been subjected to expensive abatement projects with no regulatory guidance from the Environmental Protection Agency on whether the actions are necessary, adequate, or safe; and

"(E) serious asbestos hazards continue to exist in certain buildings and some hazards actually may have been made worse due to the lack of national standards for asbestos hazards and abatement.

"(b) Purposes.—The purposes of this title are to—

"(1) provide for the establishment of Federal standards for the identification and abatement of hazardous asbestos in Federal and other buildings; and

"(2) mandate safe and complete inspection and abatement in accordance with those standards.

"SEC. 203. DEFINITIONS.

"For purposes of this title, the term—

"(1) 'Administrator' means the Administrator of the Environmental Protection Agency;

"(2) 'Federal building' means any building which is owned by the Federal Government;

"(3) 'covered Federal building' means any Federal building included on the schedule established by the Administrator pursuant to section 206(b) of this title;

"(4) 'non-Federal building' means any building other than a Federal building, except that such term does not include any school building otherwise subject to an asbestos inspection and abatement program under Federal law, any private residential dwelling, or any commercial residential building having fewer than 10 residential units;

"(5) 'covered non-Federal building' means any non-Federal building which is included on the schedule established by the Administrator pursuant to section 206(b) of this title;

"(6) 'accredited asbestos contractor' means an individual who has successfully completed an Environmental Protection Agency approved training program, or a training program relating to asbestos inspections and abatement adopted pursuant to subsection (b) of section 205 of this title;

"(7) 'owner', when used in connection with a covered Federal building under this title, means the head of the department, agency, office, or other instrumentality of the United States having jurisdiction or control over such building;

"(8) 'asbestos' means friable asbestos, material which contains friable asbestos, and any covering of friable asbestos or material which contains friable asbestos;

"(9) 'friable asbestos' means chrysotile, amosite, or crocidolite, or, in fibrous form, tremolite, anthophyllite, or actinolite, which can be crumbled, pulverized, or reduced to powder by hand pressure;

"(10) 'abatement' means action taken to eliminate the hazards posed by asbestos, including enclosure, encapsulation, repair, or removal; and

"(11) 'State' means a State, the District of Columbia, the Commonwealth of Puerto Rico, Guam, American Samoa, the Northern Mariana Islands, the Trust Territory of the Pacific Islands, and the Virgin Islands.

"SEC. 204. ENVIRONMENTAL PROTECTION AGENCY REGULATIONS ON IDENTIFICATION AND ABATEMENT OF ASBESTOS.

"(a) Standards.—Within 180 days after the date of the enactment of this title, the Administrator shall promulgate the following:

"(1) Regulations which prescribe standards and procedures, including the use of trained personnel, for determining whether asbestos is present in buildings.

"(2) Regulations which prescribe standards for the circumstances in which the presence of asbestos in a building shall be considered hazardous. In any standard prescribed under this paragraph, asbestos shall be considered hazardous if the asbestos or its covering is—

"(A) visibly damaged, or

"(B) readily accessible in a manner which presents a reasonable likelihood of human exposure to airborne asbestos fibers.

"(3) Regulations which mandate abatement, in accordance with standards prescribed under paragraph (4) of this subsection, of hazardous asbestos found in any building included on the schedule established pursuant to section 206 of this title, as determined in accordance with standards prescribed under paragraphs (1) and (2) of this subsection.

"(4) Regulations which prescribe standards for performance of asbestos abatement activities in buildings and for determination of when the hazard has been abated. Such regulations shall include standards for protection for both workers and building occupants for the following phases of abatement activity:

"(A) Inspection.

"(B) Abatement.

"(C) Post-abatement, including any long-term operation and maintenance activity.

"(5) Regulations which prescribe standards for operation and maintenance plans for—

"(A) hazardous asbestos which is abated by a means other than removal, and

"(B) asbestos which is found not to be hazardous.

The regulations shall include provisions for the education and protection of workers and other persons who may come in contact with the asbestos, for periodic reinspection of the asbestos, and for procedures to be used for custodial activities, building management, repairs, and renovations.

"(6) Regulations which prescribe such standards for transportation and disposal of asbestos as may be necessary to protect human health and the environment.

"(b) Hazardous Asbestos Standard if Environmental Protection Agency Fails To Promulgate Regulations.—If the Administrator fails to promulgate regulations under paragraphs (1) and (2) of subsection (a) of this section within the prescribed period, any asbestos or its covering which exists in a building included on the schedule established pursuant to section 206 of this title shall be considered hazardous if the asbestos is visibly damaged, with portions of the material dislodged, missing, cracked, deteriorated, showing evidence of water damage, or flaking, in any area in the building where there is a potential for human exposure, including an air plenum. Such standards shall be effective until such time as the Administrator promulgates different standards under regulations under paragraphs (1) and (2) of subsection (a) of this section.

"(c) Abatement if Environmental Protection Agency Fails To Promulgate Regulations.—If the Administrator fails to promulgate regulations under paragraphs (3) and (4) of subsection (a) of this section within the prescribed period, and if any asbestos which is hazardous under the standard described in subsection (b) of this section exists in a building included on the schedule established pursuant to section 206 of the title, the owner of such building shall abate such asbestos in accordance with the most recent version of the Environmental Protection Agency's 'Guidance for Controlling Asbestos-Containing Materials in Buildings' (or any successor to such document). The ambient interior concentration of asbestos after the completion of abatement shall not exceed the ambient exterior concentration, discounting any contribution from any local stationary source. In the ab-

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sence of reliable measurements, the exterior ambient concentration shall be deemed to be less than 0.003 fibers per cubic centimeter. A scanning election microscope shall be used to determine whether the standard has been met.

"(d) TRANSPORTATION AND DISPOSAL STANDARDS IF ENVIRONMENTAL PROTECTION AGENCY FAILS TO PROMULGATE REGULATIONS.—If the Administrator fails to promulgate regulations under subsection (a)(6) of this section within the prescribed period, any asbestos which is abated within a building included on the scheduled established pursuant to section 206 of this title shall be transported and disposed of in accordance with the most recent version of the Environmental Protection Agency's "Asbestos Waste Management Guidance" (or any successor to such document).

"SEC. 205. MODEL CONTRACTOR ACCREDITATION PLAN.

"(a) MODEL PLAN.—

"(1) PERSONS TO BE ACCREDITED.—Within 180 days after the date of the enactment of this title, the Administrator shall develop a model accreditation plan for States to give accreditation to persons for performance of the following functions:

"(A) inspection for asbestos in buildings;

"(B) preparation of asbestos management plans for such buldings;

"(C) abatement of asbestos in such buildings; and

"(D) laboratory analysis of bulk samples and air samples of asbestos from such buildings in laboratories.

"(2) PLAN REQUIREMENTS.—The plan shall include a requirement that any person performing a function listed in the preceding sentence achieve a passing grade on an examination pertaining to that function and participate in continuing education on current asbestos abatement technology. The examination shall assess the knowledge of the person in areas that the Administrator prescribes in regulations as necessary and appropriate for the performance of the functions listed in paragraph (1). Such regulations may include requirements for knowledge in the following areas:

"(A) recognition of asbestos and its physical characteristics;

"(B) health hazards of asbestos and the relationship between asbestos exposure and disease;

"(C) assessing the risk of asbestos exposure through a knowledge of percentage weight of asbestos, friability, age, deterioration, location and accessibility of materials, and advantages and disadvantages of dry and wet methods of abatement;

"(D) respirators and their use, care, selection, degree of protection afforded, fitting, testing, and maintenance and cleaning procedures;

"(E) approrpiate work practices and control methods including the use of high efficiency particle absolute vacuums, use of amended water, and principles of negative air pressure equipment use and procedures;

"(F) work area preparation for asbestos abatement, including isolation procedures to prevent bystander or public exposure, decontamination procedures, procedures for post-abatement dismantling of work areas, and waste disposal procedures;

"(G) establishing emergency procedures to respond to sudden releases;

"(H) air monitoring requirements and procedures;

"(I) medical surveillance program requirements; and

"(J) housekeeping and personal hygiene practices and procedures to prevent asbestos exposure to an employee's family.

"(b) STATE ADOPTION OF PLAN.—Within 180 days after the Administrator has developed a model contractor accreditation plan under subsection (a) of this section, each State shall—

"(1) adopt a contractor accreditation plan at least as stringent as that model, or

"(2) require that anyone practicing as a contractor in the State be accredited by another State which has adopted a contractor accreditation plan at least as stringent as the model plan.

"SEC. 206. CERTAIN BUILDINGS SUBJECT TO TITLE.

"(a) COVERED BUILDINGS.—After the date of the enactment of this title, all covered Federal Buildings and covered non-Federal buildings shall be required to be inspected for the purpose of determining the presence of asbestos material. Such inspection, together with action necessary to abate any hazardous asbestos found as a result of such inspection, shall be carried out in accordance with the provisions of this title.

"(b) SCHEDULE FOR ASBESTOS INSPECTION AND MANAGEMENT.—

"(1) PUBLICATION OF SCHEDULE.—Within the 12-month period following the date of the enactment of this title, the Administrator shall develop and publish in the Federal Register a schedule identifying and designating, by category, type, or class, the order in which Federal buildings shall be inspected for the presence of asbestos material and, if such material is found, a management plan developed and implemented in accordance with section 208 of this title. Except to the extent otherwise specifically provided herein, the development and publication of such schedule, including revisions and additions under paragraph (2) of this subsection, shall be within the discretion of the Administrator.

"(2) REVISIONS; ADDITIONS.—The Administrator shall, from time to time (but not less than biannually), review the schedule established pursuant to paragraph (1) of this subsection with a view to expediting, to the extent consistent with the availability of technical experts and personnel, and analytical resources, the inclusion on such schedule of additional categories, types, or classes of Federal buildings and non-Federal building. Any such additions shall be published in the Federal Register.

"(3) MATTERS TO BE CONSIDERED IN DEVELOPING SCHEDULE.—In making the determination of any such category, type, or class of building for inclusion on such schedule, or revisions and additions thereto, the Administrator shall consider, among other items or matters—

"(A) the size of building;

"(B) date of construction or renovation;

"(C) likelihood that building contains asbestos material;

"(D) availability of technical experts and personnel and analytical resources;

"(E) whether the determination is likely to adversely affect or impede the inspection for, or abatement of, hazardous asbestos in school buildings;

"(F) number of occupants and visitors utilizing such building; and

"(G) likelihood of use by children.

"SEC. 207. INSPECTION OF COVERED BUILDING.

"(a) INSPECTION REQUIREMENT.—Within 180 days after the Administrator has published his initial schedule in the Federal Register pursuant to section 206 of this title, or a revision or addition thereto, designating a particular category, type, or class of building as a part of such schedule, the owner of any such building shall conduct an inspection thereof to determine the presence or absence of asbestos materials in such building. Each owner, following such inspection, shall prepare a statement containing the following information for each such building so owned;

"(1) the dates of inspection;

"(2) the name, address, and qualifications of each inspector;

"(3) a description of the specific areas inspected, including an indication of whether the boiler room was inspected;

"(4) the results of such inspection; and

"(5) a description of any abatement action previously taken.

"(b) PUBLIC AVAILABILITY OF INSPECTION STATEMENT.—A notice of the availability of the inspection statement required under subsection (a) of this section shall be posted and shall remain posted in a conspicuous place on or within the building covered by such statement. A copy of such inspection statement shall be made available, upon request by any person, by the owner of the building covered by such plan.

"(c) AVAILABILITY OF INSPECTION STATEMENT.—A copy of each inspection statement made pursuant to subsection (a) of this section shall, within sixty days following its preparation, be submitted to the Administrator. Upon request of any Governor of a State to the Administrator for copies of such inspection statements, the Administrator shall make copies available pursuant to such request.

"SEC. 208. ASBESTOS MANAGEMENT PLANS.

"(a) MANAGEMENT PLAN.—Each owner of a building designated on the schedule established pursuant to section 206 of this title who, following an inspection pursuant to section 207 of this title, determines the presence of asbestos material or materials in such building, shall, not more than 60 days following such inspection, prepare a management plan for dealing with such asbestos. Each plan shall provide for compliance with the applicable regulations prescribed by the Administrator under section 204 of this title (or if there are no regulations, the applicable standards in subsections (a) and (b) of section 204 of this title) and shall include the following:

"(1) schedules for followup inspections for asbestos;

"(2) a detailed description of measures to be hazardous, including the location or locations at which an abatement action will be taken and the method or methods of abatement to be used;

"(3)(A) a detailed description of criteria and procedures which have been or which will be followed in selecting persons to abate the asbestos found to be hazardous; or

"(B) if the State has adopted a contractor accreditation plan similar to the model contractor accreditation plan developed under section 205 of this title, a statement that the owner of the building followed that plan in selecting such persons;

"(4) the names of the consultants, if any, who contributed to the plan, along with a description of their credentials;

"(5) a detailed description of any asbestos found in such building which was found not to be hazardous under the regulations prescribed under subsection (a) of section 204 of this title (or the standard in subsection (b) of section 204 of this title) and which is not visibly damaged or flaking; and

"(6) an operation and maintenance plan, with a provision requiring periodic reinspection, for—

"(A) asbestos which was abated by encapsulation rather than by removal, and

"(B) asbestos which was not abated because it was found not to be hazardous.

"(b) MANAGEMENT PLAN ACCREDITATION.—Each such management plan shall contain a statement by an accredited asbestos contractor that such contractor has prepared or assisted in the preparation of such plan, or has reviewed such plan, and that such plan is in compliance with the applicable regulations and standards promulgated or adopted pursuant to section 204 of this title, and other applicable provisions of law.

"(c) IMPLEMENTATION OF ASBESTOS ABATEMENT MANAGEMENT PLANS.—After an asbestos management plan has been developed in accordance with this section, the owner of the building covered by such plan shall implement the plan within 12 months.

"(d) PUBLIC AVAILABILITY OF ASBESTOS MANAGEMENT PLAN.—Notice of the availability of the asbestos management plan required under subsection (a) of this section shall be posted and shall remain posted in a conspicuous place on or within the building covered by such plan. A copy of such plan shall be made available, upon request by any person, by the owner of the building covered by such plan.

"(e) WARNING LABELS.—Any owner of a building who has carried out his or her management plan activities with respect to such building shall display warning labels at appropriate locations in such building, to notify building users of—

"(1) asbestos which was abated by encapsulation rather than removal and is subject to operation and maintenance activities, and

"(2) asbestos which was not abated because it was not found to be hazardous.

The warning label shall read, in print which is readily visible because of large size or bright color, as follows:

'CAUTION: ASBESTOS PRESENT. ASBESTOS CAUSES CANCER. DO NOT DISTURB WITHOUT PROPER TRAINING AND EQUIPMENT'.

"SEC. 209. FEDERAL LEASING POLICIES.

"On and after the expiration of the thirty-six-month period following the date of the enactment of this title, no department, agency, or other entity or instrumentality of the United States shall enter into any purchase agreement or lease for the acquisition of real property for use by any department, agency, or other entity or instrumentality of the United States, unless such property has been inspected in accordance with the provisions of this title and found to be free of any asbestos material, or such property has been inspected and is, at the time of any such purchase or lease, subject to a valid and current asbestos abatement management plan that is in compliance with the provisions of this title and regulations and standards promulgated pursuant thereto.

"SEC. 210. ENVIRONMENTAL PROTECTION AGENCY RESPONSE AUTHORITY.

"(a) IN GENERAL.—Whenever—

"(1) the presence of asbestos in a building designated on the schedule, or revision thereof, of the Administrator pursuant to section 206 of this title may present an imminent and substantial endangerment to human health, and

"(2) the owner of such building is not taking sufficient action (as determined, in the case of a covered Federal building, by the Administrator or, in the case of a covered non-Federal building, by the Governor or the Administrator) to abate or arrange for the abatement of the asbestos,

the Administrator, in the case of a covered Federal building, or the Governor or the Administrator, in the case of a covered non-Federal building, is authorized to act, consistent with standards prescribed under this title, to abate or arrange for the abatement of the hazard, or to take any other response measure which the Administrator or the Governor deems necessary to protect human health.

"(b) COST RECOVERY.—The Administrator may seek reimbursement from any potentially responsible party in a court of the United States for all costs of abatement action under this section incurred by the United States Government.

"SEC. 211. ABATEMENT ACTION.

"When the Administrator, in the case of a covered Federal building, or the Governor of a State, in the case of a covered non-Federal building, determines that there may be an imminent and substantial endangerment to the public health or welfare or the environment because of the presence of asbestos in any such building, the Administrator may request the Attorney General of the United States, or the Governor may act, to secure such relief as may be necessary to abate such danger, including closure of the buildings. The district court of the United States in the district in which the threat occurs shall have jurisdiction to grant such relief, including injunctive relief, as the public interest and the equities of the case may require.

"SEC. 212. PREEMPTION.

"Nothing in this title shall be construed as preempting a State from establishing any additional liability or requirements with respect to asbestos in non-Federal buildings within such State.

"SEC. 213. REPORT.

"The Administrator shall include, as a part of the annual report required by section 30 of the Toxic Substances Control Act, a report containing the following:

"(1) a summary of the information and other data (including inspection statements) available to the Administrator showing the extent to which asbestos was found in buildings covered by this title during the period covered by such annual report required by the Toxic Substances Control Act;

"(2) a summary of the abatement actions taken by owners of buildings covered by this title during the period covered by such annual report; and

"(3) a description of actions taken by the Administrator in the administration of this title during the period covered by such annual report, including information actions"."

SEC. 2. CONFORMING AMENDMENT TO TOXIC SUBSTANCES CONTROL ACT.

(a) CONFORMING AMENDMENT.—Section 15 of the Toxic Substances Control Act is amended in paragraph (1)—

(1) by striking out "or" before "(C)";

(2) by striking out the semicolon and inserting in lieu thereof a comma; and

(3) by adding at the end thereof the following: "or (D) any rule promulgated or order issued under title II;".

(b) TECHNICAL AMENDMENTS.—The Toxic Substances Control Act is amended—

(1) by inserting immediately before section 1 the following:

"TITLE I—CONTROL OF TOXIC SUBSTANCES";

(2) by inserting in the table of contents in section 1, immediately before the item relating to section 1, the following:

"TITLE I—CONTROL OF TOXIC SUBSTANCES"; and

(3) by adding at the end of the table of contents in section 1 the following:

"TITLE II—FEDERAL BUILDING ASBESTOS HAZARD ABATEMENT

"Sec. 201. Short title.
"Sec. 202. Congressional findings and purposes.
"Sec. 203. Definitions.
"Sec. 204. Environmental Protection Agency regulations on identification and abatement of asbestos.
"Sec. 205. Model contractor accreditation plan.
"Sec. 206. Certain buildings subject to title.
"Sec. 207. Inspection of covered buildings.
"Sec. 208. Asbestos management plans.
"Sec. 209. Federal leasing policies.
"Sec. 210. Environmental Protection Agency response authority.
"Sec. 211. Abatement action.
"Sec. 212. Report.".

DESCRIPTION OF BILL

The bill would amend the Toxic Substances Control Act by adding to it a new Title II entitled the "Federal Building Asbestos Hazard Abatement Act of 1986."

Section 202 contains the Congressional findings and purpose of the bill.

Section 203 contains definitions.

Section 204 requires the Environmental Protection Agency to promulgate a series of regulations related to asbestos identification, hazard assessment, abatement, operation and maintenance procedures, transportation and disposal. Fall back standards in the bill would apply should EPA fail to promulgate the required standards.

Section 205 defines the components of a model contractor accreditation program that EPA is required to publish. It requires States to adopt accreditation programs based on the model.

Section 206 requires the Administrator to establish a schedule by which classes and categories of Federal buildings are to be inspected for asbestos. The schedule is to be reviewed and revised periodically in order to add additional classes and categories of Federal and non-Federal buildings to the schedule. In determining the schedule, the Administrator is required to consider a number of factors related to the likelihood of asbestos exposure, size and characteristics of the exposed populations, and availability of technical resources.

Section 207 requires that buildings be inspected within 6 months after being scheduled, and that inspection statements describing the results of the inspection be made available to any person. Copies of this statement also are to be sent to the Administrator.

Section 208 requires that asbestos management plans be developed for buildings in which asbestos is found, consistent with the EPA regulations and standards. The plan must describe the asbestos found in the building and the steps that will be taken to prevent or abate asbestos hazards. The plan must be implemented within a year and must be made available to the public. Asbestos remaining in a building must be labeled.

Section 209 prohibits purchase or lease of an asbestos-containing building by the Fed-

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eral government after three years from enactment.

Section 210 authorizes the Administrator or the Governor of a State (in the case of non-Federal buildings) or the Administrator (in the case of Federal buildings), to act to abate asbestos that presents an imminent and substantial endangerment to human health. The Administrator is authorized to seek reimbursement from any potentially responsible party in a federal court.

Section 211 authorizes United States district courts to grant appropriate relief from asbestos that presents an imminent and substantial endangerment to public health.

Section 212 states that these requirements do not preempt states from establishing any additional liability or requirements with respect to asbestos in non-Federal buildings.

Section 213 requires an annual report to Congress summarizing actions taken in response to these requirements.

Section 214 contains conforming amendments to the Toxic Substances Control Act.

● Mr. BAUCUS. Mr. President, I am pleased to join Chairman STAFFORD and others in sponsoring legislation that addresses the critical issue of asbestos.

On February 20, 1986, I, along with Senator STAFFORD and others, introduced S. 2083, the Asbestos Hazard Emergency Response Act. This bill focused on the problem of asbestos in our Nations' schools.

The bill we are introducing today was designed to accompany S. 2083. It is the logical next step in addressing the overall problem of asbestos in buildings in the United States. This bill focuses on asbestos in Federal buildings.

It is well documented that when released into the air, asbestos fibers can cause lung cancer, asbestosis, pleural mesothelioma, and other debilitating lung diseases.

Unfortunately, Federal agencies are not doing an adequate job of detecting hazardous asbestos in federally owned buildings.

In some buildings, the asbestos is posing a serious threat and immediate removal is necessary. In other buildings, the asbestos is still intact and does not need to be removed. Federal agencies, like schools, need the proper guidance to make the correct decisions to protect building occupants and the general public.

While this bill focuses on asbestos in Federal buildings, it would later address the problem in non-Federal buildings. In effect, this bill would require the Government to clean up its act first before regulating non-Government properties.

Specifically, this bill would:

Require EPA to set standards for asbestos detection, management, removal, and disposal;

Establish certification programs for asbestos abatement contractors. This would ensure that States have a sufficient number of qualified contractors to safely remove and dispose of asbestos;

Require that all Federal buildings be inspected and appropriate action taken; and

Require EPA to identify classes and categories of non-Federal buildings to be added to the list of buildings to be subject to these requirements.

The U.S. Government must address the problem of asbestos in federally owned buildings. The lack of an organized, interagency effort to control the release of asbestos fibers has threatened the health of Federal employees and the general public for too long.

I urge my colleagues to support this important legislation.●

By Mr. CHILES:

S.J. Res. 319. Joint resolution commemorating the 25th anniversary of the Bay of Pigs invasion to liberate Cuba from Communist tyranny; to the Committee on the Judiciary.

COMMEMORATION OF 25TH ANNIVERSARY OF THE BAY OF PIGS INVASION

● Mr. CHILES. Mr. President, April 17 marks the 25th anniversary of the Bay of Pigs attempted liberation of Cuba. I introduce this joint resolution in commemoration of this important date. I intend my resolution to be a special and appropriate acknowledgement in honor of the men of the 2506 Brigade. Their bravery and unhesitating response to the call of duty is to be admired by all.

We must not allow time to dim our memory of the heroes of the 2506 Brigade. They stand as shining examples of the Cuban people's love for freedom, their willingness to fight for democratic principles, and their vow to restore liberty to their enslaved homeland. Twenty-five years after the Bay of Pigs attempted liberation, the desire is just as strong, the resolve as profound, the yearning as sincere that Cuba should be free.

It began on a Monday morning in April; the year was 1961; 1,400 men participated in an invasion that was to result in the liberation of Cuba. It was not to be. Three days later it ended with 114 dead, 1,189 men taken prisoners, a newly elected President embarrassed and a Cuban dictator still in power.

Historians have well documented what occurred on that day in Playa Giron. Political scientists have analyzed the decisionmaking process and the flaws which marked this effort. Pundits have volunteered their interpretation of the events which followed and the events which never unfolded as a result of the Bay of Pigs.

What I wish to make perfectly clear is that the men of the 2506 Brigade did not die in vain. The liberation of Cuba was not attained, but the battle which began on that day 25 years ago continues today. The desire for a free Cuba lives on.

Jose Marti wrote:

> Every man of justice and honor fights for liberty whenever he may see it offended, because that is to fight for his integrity as a man: and the one who sees liberty offended and does not fight for it, or helps those who offend—is not a whole man.

These words are certainly applicable to the men of the 2506 Brigade. Twenty-five years ago they proved themselves to be, in Jose Marti's words, whole men.

This resolution I introduce today is in commemoration of the brave men who fought and gave their lives so that their brothers in Cuba could breathe free. Their struggle for a free Cuba was a just one and it continues to be to this day. All of us know that the battle at the Playa Giron was not victorious, but it was a battle worth fighting.

As lovers of freedom, as defenders of liberty, we do not rest while liberty is denied in Cuba, in Nicaragua, in Afghanistan, and Angola. Freedom is only secure when it is defended.

As members of the Cuban-American community remember the men who fought on Playa Giron, I cannot even begin to share in their very personal pain over the loss of loved ones and the loss of a nation. I do share, however, the pride in the heroes of Playa Giron. In memory of their deeds and in memory of the lives which were lost the battle for a free Cuba will continue. Again, borrowing Jose Marti's words, as whole men we will fight where we see liberty offended. We will fight against injustice, against oppression and tyranny so long as the Cuban nation remains in chains.●

By Mr. MITCHELL:

S.J. Res. 320. Joint resolution to designate April 17, 1987, as "National Pension Day"; to the Committee on the Judiciary.

NATIONAL PENSION DAY

● Mr. MITCHELL. Mr. President, I am introducing a joint resolution today which would mark April 17 as National Pension Day.

Few factors have given our American working men and women more long-term protection than the development and strengthening of the private pension system which provides for workers when their working days are over.

Nobody discounts the vital role played by the tax-financed income security programs, especially Social Security.

But private pensions are the essential element of financial security in retirement that supplement Government-financed programs. Without the pension protection that workers earn by their years of labor, the retirement plans of millions of Americans would be very different, the living conditions of millions of retired people would be much more straightened.

Pension protection should continue to be expanded and offered to American workers across the board. With the appropriate safeguards as to portability and vesting, each worker should be able to feel secure in the fact that decades of honest labor will ultimately mean retirement years of fair compensation in return.

The dedication of the Sheetmetal Workers Pension Building on April 17 is an appropriate recognition of the pivotal importance of pension programs to workers today.

And the recognition of April 17 as National Pension Day would mark an entirely appropriate national recognition of that fact.●

By Mr. LUGAR (for himself, Mr. ABDNOR, Mr. BOSCHWITZ, Mr. BRADLEY, Mr. BUMPERS, Mr. BURDICK, Mr. CHAFEE, Mr. COCHRAN, Mr. CRANSTON, Mr. DENTON, Mr. DOLE, Mr. DURENBERGER, Mr. HARKIN, Mr. HATCH, Mrs. HAWKINS, Mr. HEINZ, Mr. HOLLINGS, Mr. KERRY, Mr. LEVIN, Mr. MATHIAS, Mr. MATTINGLY, Mr. METZENBAUM, Mr. NICKLES, Mr. NUNN, Mr. PRYOR, Mr. SIMON, Mr. WARNER, and Mr. WILSON):

S.J. Res. 321. Joint resolution to designate October 1986 as "National Down Syndrome Month"; to the Committee on the Judiciary.

NATIONAL DOWN SYNDROME MONTH

● Mr. LUGAR. Mr. President, I rise today to introduce legislation to designate the month of October as "National Down syndrome Month." I introduced legislation proclaiming October as "National Down Syndrome Month" that was signed into law in 1984 and 1985, and I am convinced that such a law in 1986 will constitute another important step toward encouraging continued understanding and advancement in the medical and educational programs concerned with Down syndrome.

Down syndrome occurs once in every 1,000 births. It results from a genetic mishap in which an extra chromosome, No. 21—which affects physical and mental development—is found within the individual's genetic material. For years, Down syndrome carried the stigma of being a hopeless impediment to a meaningful and productive life.

Happily, the past 15 years have brought a revolution in terms of discovering the potential for individuals with Down syndrome. Significant medical advances have enabled correction of a number of the congenital disorders associated with Down syndrome, which have impeded normal functioning in society. Moreover, infant stimulation programs taught to parents of babies with Down syndrome, have increased intellectual development far beyond previous expectations.

Since the enactment of Public Law 94-142, we see the rewards of educating the developmentally disabled in our public schools, both in terms of their increased achievements, and, consequently, the contributions that these children will make to society in the future as productive citizens.

At one time, the birth of a child with a mental handicap was tantamount to a life of anguish, despair and certain institutionalization. Today, however, we know differently. Today we dream dreams for our children with handicaps. Today we make them a part of all that we do; we integrate them into the community and educate them through appropriate programs.

An integral part of this process has been the fostering of public awareness, the dissolution of old stereotypes and stigmas about Down syndrome, and an acceptance of these individuals into the mainstream of our society. Given the tremendous success of October 1984 and October 1985 as "National down syndrome Month," I am confident that this resolution will again contribute to that education and acceptance.

Mr. President, I would like to thank and commend my distinguished colleagues who have joined me in cosponsoring this resolution. I ask unanimous consent that the text of this joint resolution be printed in the RECORD.

There being no objection, the joint resolution was ordered to be printed in the RECORD, as follows:

S.J. RES. 321

Whereas the past decade has brought a greater and more enlightened attitude in the care and training of the developmentally disabled;

Whereas one such condition which has undergone considerable reevaluation is that of Down syndrome—a problem which, just a short time ago, was often stigmatized as a mentally retarded condition which relegated its victims to lives of passivity in institutions and back rooms;

Whereas, through the efforts of concerned physicians, teachers and parent groups such as the National Down Syndrome Congress, programs are being put in place to educate new parents of babies with Down syndrome; to develop special education classes within maintreamed programs in schools; the provisions for vocational training in preparation for competitive employment in the work force and to prepare young adults with Down syndrome for independent living in the community;

Whereas the cost of such services designed to help individuals with Down syndrome move into their rightful place in our society is but a tiny fraction of the cost of institutionalization;

Whereas along with this improvement in educational opportunities for those with Down syndrome is the advancement in medical science which is adding to a more brightened outlook for individuals born with this chromosomal configuration; and

Whereas public awareness and acceptance of the capabilities of children with Down syndrome can greatly facilitate their being mainstreamed in our society: Now, therefore, be it

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled, That October 1986 is designated as "National Down Syndrome Month" and that the President of the United States is authorized and requested to issue a proclamation calling upon the people of the United States to observe the designated month with appropriate programs, ceremonies, and activities.●

ADDITIONAL COSPONSORS

S. 1322

At the request of Mr. HECHT, the name of the Senator from Washington [Mr. EVANS] was added as a cosponsor of S. 1322, a bill to amend the Geothermal Steam Act of 1970.

S. 1917

At the request of Mr. BRADLEY, the names of the Senator from New Jersey [Mr. LAUTENBERG], and the Senator from Rhode Island [Mr. CHAFEE] were added as cosponsors of S. 1917, a bill to amend the Foreign Assistance Act of 1961 to provide assistance to promote immunization and oral rehydration, and for other purposes.

S. 1923

At the request of Mr. THURMOND, the name of the Senator from Nevada [Mr. HECHT] was added as a cosponsor of S. 1923, a bill to provide for additional bankruptcy judges.

S. 2081

At the request of Mr. STAFFORD, the name of the Senator from Maine [Mr. COHEN] was added as a cosponsor of S. 2081, a bill to reauthorize the Head Start Act, the Low-Income Home Energy Assistance Act of 1981, the Community Services Block Grant Act, for deferred cost care programs, and for other purposes.

S. 2083

At the request of Mr. STAFFORD, the name of the Senator from Pennsylvania [Mr. SPECTER] was added as a cosponsor of S. 2083, a bill to amend the Toxic Substances Control Act to require the Environmental Protection Agency to set standards for identification and abatement of hazardous asbestos in the Nation's schools, to mandate abatement of hazardous asbestos in the Nation's schools in accordance with those standards, to require local educational agencies to prepare asbestos management plans, and for other purposes.

S. 2221

At the request of Mrs. KASSEBAUM, the name of the Senator from Washington [Mr. GORTON] was added as a cosponsor of S. 2221, a bill to amend section 108 of the Internal Revenue Code of 1954 to provide that the discharge of certain farm indebtedness shall not be included in gross income.

S. 2386

At the request of Mr. CRANSTON, the name of the Senator from Montana [Mr. BAUCUS] was added as a cospon-

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sor of S. 2266, a bill to establish a ski area permit system on national forest lands established from the public domain, and for other purposes.

S. 2273

At the request of Mr. KASTEN, the names of the Senator from South Dakota [Mr. ABDNOR], and the Senator from Arkansas [Mr. Bumpers] were added as cosponsors of S. 2273, a bill to amend the Internal Revenue Code of 1954 to deny the tax exemption for interest on industrial development bonds used to finance acquisition of farm property by foreign persons.

S. 2274

At the request of Mr. KASTEN, the name of the Senator from South Dakota [Mr. ABDNOR] was added as a cosponsor of S. 2274, a bill to provide that certain individuals who are not citizens of the United States and certain persons who are not individuals shall be ineligible to receive financial assistance under the price support and related programs administered by the Secretary of Agriculture.

S. 2284

At the request of Mr. NICKLES the names of the Senator from Georgia [Mr. MATTINGLY], and the Senator from South Dakota [Mr. PRESSLER] were added as cosponsors of S. 2284, a bill to amend the Food Security Act of 1985 to require the Secretary of Agriculture to take certain actions to minimize the adverse effect of the milk production termination program on beef, pork, and lamb producers, and for other purposes.

S. 2288

At the request of Mr. CHILES, the names of the Senator from Georgia [Mr. NUNN], the Senator from Alabama [Mr. HEFLIN], and the Senator from New Jersey [Mr. BRADLEY] were added as cosponsors of S. 2288, a bill to amend title XIX of the Social Security Act to permit States the option of providing prenatal, delivery, and postpartum care to low-income pregnant women and of providing medical assistance to low-income infants under one year of age.

SENATE JOINT RESOLUTION 241

At the request of Mr. DOLE, the name of the Senator from Minnesota [Mr. BOSCHWITZ] was added as a cosponsor of Senate Joint Resolution 241, a joint resolution designating the week beginning on May 11, 1986, as "National Asthma and Allergy Awareness Week."

SENATE JOINT RESOLUTION 282

At the request of Mr. MOYNIHAN, the name of the Senator from Maine [Mr. COHEN] was added as a cosponsor of Senate Joint Resolution 282, a joint resolution to express the disapproval of the Congress with respect to the proposed rescission of budget authority for the general revenue sharing program.

SENATE JOINT RESOLUTION 301

At the request of Mr. NICKLES, the name of the Senator from Michigan [Mr. RIEGLE] was added as a cosponsor of Senate Joint Resolution 301, a joint resolution designating the week of May 18, 1986, through May 23, 1986, as "National Food Bank Week."

SENATE JOINT RESOLUTION 310

At the request of Mr. HELMS, the names of the Senator from North Dakota [Mr. ANDREWS], the Senator from Oklahoma [Mr. BOREN], the Senator from Minnesota [Mr. BOSCHWITZ], the Senator from North Dakota [Mr. BURDICK], the Senator from Mississippi [Mr. COCHRAN], the Senator from Illinois [Mr. DIXON], the Senator from Minnesota [Mr. DURENBERGER], the Senator from Kentucky [Mr. FORD], the Senator from Tennessee [Mr. GORE], the Senator from Florida [Mrs. HAWKINS], the Senator from Nevada [Mr. HECHT], the Senator from Alabama [Mr. HEFLIN], the Senator from South Carolina [Mr. HOLLINGS], the Senator from Hawaii [Mr. INOUYE], the Senator from Vermont [Mr. LEAHY], the Senator from Louisiana [Mr. LONG], the Senator from Indiana [Mr. LUGAR], the Senator from Kentucky [Mr. MCCONNELL], the Senator from Alaska [Mr. MURKOWSKI], the Senator from Oklahoma [Mr. NICKLES], the Senator from Georgia [Mr. NUNN], the Senator from Arkansas [Mr. PRYOR], the Senator from Indiana [Mr. QUAYLE], the Senator from Pennsylvania [Mr. SPECTER], the Senator from Idaho [Mr. SYMMS], the Senator from South Carolina [Mr. THURMOND], and the Senator from California [Mr. WILSON] were added as cosponsors of Senate Joint Resolution 310, a joint resolution to proclaim June 15, 1986, through June 21, 1986, as "National Agricultural Export Week."

SENATE JOINT RESOLUTION 311

At the request of Mr. CRANSTON, the name of the Senator from South Carolina [Mr. HOLLINGS], was added as a cosponsor of Senate Joint Resolution 311, a joint resolution designating the week beginning November 9, 1986, as "National Women Veterans Recognition Week".

SENATE JOINT RESOLUTION 312

At the request of Mr. D'AMATO, the names of the Senator from South Carolina [Mr. HOLLINGS] the Senator from Kansas [Mr. DOLE], the Senator from Mississippi [Mr. COCHRAN], and the Senator from Ohio [Mr. GLENN] were added as cosponsors of Senate Joint Resolution 312, a joint resolution designating the week beginning April 13, 1986, as "National Medical Laboratory Week".

SENATE JOINT RESOLUTION 316

At the request of Mr. CRANSTON, the names of the Senator from Florida [Mr. CHILES], and the Senator from Idaho [Mr. SYMMS] were added as cosponsors of Senate Joint Resolution 316, a joint resolution prohibiting the sale to Saudi Arabia of certain defense articles and related defense services.

SENATE CONCURRENT RESOLUTION 122

At the request of Mr. NICKLES, the names of the Senator from South Carolina [Mr. THURMOND], and the Senator from Utah [Mr. HATCH] were added as cosponsors of Senate Concurrent Resolution 122, a concurrent resolution to express the sense of Congress with respect to agricultural loan restructuring.

SENATE RESOLUTION 342

At the request of Mr. D'AMATO, the name of the Senator from Florida [Mrs. HAWKINS] was added as a cosponsor of Senate Resolution 342, a resolution to provide for the designation of the month of May 1986, as "Genetic Disorder Awareness Month".

SENATE RESOLUTION 374

At the request of Mr. FORD, the names of the Senator from Arizona [Mr. DECONCINI], the Senator from Indiana [Mr. LUGAR], and the Senator from New Jersey [Mr. BRADLEY] were added as cosponsors of Senate Resolution 374, a resolution limiting the amount that may be expended by Senators for mass mailings during the remainder of fiscal year 1986.

SENATE RESOLUTION 382—RELATIVE TO THE DEATH OF REPRESENTATIVE JOSEPH P. ADDABBO OF NEW YORK

Mr. DOLE (for Mr. D'AMATO, for himself and Mr. MOYNIHAN) submitted the following resolution; which was considered and agreed to.

S. RES. 382

Resolved, That the Senate has heard with profound sorrow the announcement of the death of the Honorable Joseph P. Addabbo, late a Representative from the State of New York.

Resolved, That the Secretary communicate these resolutions to the House of Representatives and transmit an enrolled copy thereof to the family of the deceased.

Resolved, That when the Senate recesses today, it recess as a further mark of respect to the memory of the deceased Representative.

AMENDMENTS SUBMITTED

FEDERAL DEPOSIT INSURANCE ACT AMENDMENTS

CRANSTON AMENDMENT NO. 1782

(Ordered to lie on the table.)

Mr. CRANSTON submitted an amendment intended to be proposed by him to the bill (S. 2231) to amend the Federal Deposit Insurance Act; as follows:

At the end of the bill, add the following:

TITLE II—DEFERRALS

SEC. 201. SHORT TITLE.

This title may be cited as the "Agricultural Credit Act of 1986".

SEC. 202. IN GENERAL.

(a) REQUIREMENTS FOR RECEIVING PAYMENTS.—If a qualified lender agrees to defer principal or interest payments under this title with respect to an agricultural loan to a qualified borrower, the Secretary, and appropriate State authorities (if so authorized under State law), shall make payments to that lender as described in section 203.

(b) LIMITATION ON LOAN AMOUNTS.—A deferral of principal and interest payments under this title may be made only with respect to loan amounts of a borrower totaling, in the aggregate, not more than—

(1) $500,000 in the case of a qualified borrower who is an individual; and

(2) $700,000 in the case of a qualified borrower who is a person other than an individual.

(c) PERIOD FOR INITIATING REFERRALS OF PRINCIPAL AND INTEREST.—

(1) Except as provided in paragraph (2), a deferral of principal and interest payments under this title may be made only within 90 days after the lender has received an application for such deferral submitted by the borrower within one year after the date of enactment of this Act.

(2) Paragraph (1) does not apply to a deferral of principal and interest payments made during the period beginning six months before the date of enactment of this Act and ending on the date of enactment.

SEC. 203. STATE AND FEDERAL INTEREST RATE PAYMENTS.

(a) PAYMENTS BY THE SECRETARY.—If the lender defers the principal or interest accruing on a loan throughout the period that an interest deferral remains in effect under section 205(a) by (1) 2 percent of the interest and 10 percent of the principal; (2) 1 percent of the interest and 15 percent of the principal; or (3) 20 percent or more of the principal, the Secretary, through the Farmers Home Administration, shall pay to the qualified lender making a deferral of principal and interest under section 204—

(1) an amount equal to the amount of the deferral by the lender but not to exceed 2 percentage points of the interest accruing on such loan throughout the period that an interest deferral remains in effect under section 205(a): and

(2) any amount received by the Secretary under subsection (b).

Any payment under this subsection shall be passed on to the borrower.

(b) PAYMENTS BY APPROPRIATE STATE AUTHORITIES.—With respect to a loan for which a deferral of principal or interest is made under section 205, the appropriate State authorities (if so authorized under State law), shall pay to the Secretary an amount equal to 2 percentage points of the interest accruing on such loan throughout the period that such deferral remains in effect under section 205(a).

SEC. 204. AMOUNTS OF PRINCIPAL AND INTEREST RATE DEFERRAL.

(a) TABLE.—Except as provided in subsection (b), the deferrals referred to in section 203 are as follows:

Bank						
Interest Deferral		Principal Deferral	Federal Contribution	State Contribution	Total Deferral in States Authorizing Payments	Total Deferral in States not Authorizing Payments
2%	and	10%	2%	2%	6% interest 10% principal	4% interest 10% principal
1%	and	15%	2%	2%	5% interest 15% principal	3% interest 15% principal
0%	and	20%	2%	2%	4% interest 20% principal	2% interest 20% principal

(b) EXCEPTION IN THE CASE OF FIXED RATE LOANS.—In lieu of a principal deferral described under the second column of the table in subsection (a), a lender may defer the interest on a loan by an amount which will yield loan payments by the borrower comparable to loan payments which would be due under such principal deferral. An interest rate deferral under this subsection shall be in addition to any interest rate deferral described in the table in subsection (a).

SEC. 205. DEFERRAL PERIOD.

(a) DURATION OF INTEREST RATE DEFERRALS.—Except as provided in subsection (c), interest rate deferrals made under section 204 shall be in effect for the duration of the loan or for a period of three years from the date of enactment of this Act, whichever is less.

(b) INTEREST RATES FOLLOWING DEFERRAL PERIOD.—At the end of the period described in subsection (a) any interest rate charged on the balance of principal outstanding on a loan cannot exceed the standard rate charged by the lender for a comparable loan.

(c) EXCEPTION IN THE CASE OF INTEREST RATE DEFERRALS MADE IN LIEU OF PRINCIPAL DEFERRALS.—Interest rate deferrals made under section 204 in lieu of principal deferrals shall remain in effect for the duration of the loan.

SEC. 206. RECAPTURE IN THE EVENT OF NON-MONETARY DEFAULT.

In the event of non-monetary default by a qualified borrower on the terms of a loan whose terms are modified under this title, without consent by the lender, a qualified lender may enforce the terms of such loan as they existed before such modification.

SEC. 207. GUIDELINES.

(a) DEVELOPMENT OF GUIDELINES.—Each lender receiving a payment under section 203 shall develop guidelines for determining which borrowers shall receive interest or principal deferrals under this title.

(b) TERMINATION OF STATE AND FEDERAL PAYMENTS UPON FORECLOSURE.—No payment under section 203 shall be made with respect to a loan after a lender compels the forfeiture by a borrower of any security for such loan.

SEC. 208. USE OF CERTAIN FUNDS.

(a) USE OF AGRICULTURAL CREDIT INSURANCE FUND TO MAKE PAYMENTS.—The Secretary shall use the Agricultural Credit Insurance Fund established under section 309 of the Consolidated Farm and Rural Development Act to make payments under section 203(a)(1).

(b) DISCRETIONARY USE OF CERTAIN FUNDS.—The Secretary, at the Secretary's discretion, may use, to make payments under section 203(a)(1) during fiscal years 1986, 1987, 1988, and 1989 funds which would otherwise be available to the Secretary during such years under section 351(e)(2) of the Consolidated Farm and Rural Development Act.

SEC. 209. REGULATIONS.

The Secretary shall prescribe regulations to implement this title within 30 days after the date of enactment of this title.

SEC. 210. LIMITATIONS ON STATE LAWS RESPECTING FIXED RATE LOANS.

Any provision of the laws or constitution of any State which prohibits fixed rate loans shall not apply to extensions of credit made under this title or title IV.

SEC. 211. PENALTY FOR MISUSE OF FUNDS.

Whoever embezzles, misapplies, steals, or obtains by fraud, false statements, or forgery, any funds, assets, or property provided or financed under this title shall be fined under title 18, United States Code, or imprisoned for not more than five years, or both.

SEC. 212. DEFINITIONS.

As used in this title and title IV—

(1) the term "agricultural loan" means a loan made to finance the production of agricultural products or livestock in the United States or a loan secured by agricultural property;

(2) the term "agricultural property" means land in the United States that is in regular use for the production of agricultural commodities for sale and any personal property used on such land in the production of agricultural commodities;

(3) the term "qualified agricultural debt restructuring"—

(A) means any combination of—

(i) a deferral in the principal due on an agricultural loan to a qualified borrower for the duration of the loan;

(ii) a deferral in the interest due on such loan for the duration of the loan;

(iii) an extension of the term to maturity of such loan; or

(iv) an asset restructuring plan entered into between the borrower and lender, the terms of which shall, within ten years of the date on which such plan is made, accomplish the purposes of the Agricultural Credit Act of 1986 and the amendments made by such Act; but

(B) does not include any such combination which—

(i) reduces the term to maturity of a loan; or

(ii) is made with respect to loan amounts of a qualified borrower totaling, in the aggregate, more than—

(I) $500,000 in the case of a qualified borrower who is an individual; and

(II) $700,000 in the case of a qualified borrower who is a person other than an individual;

(4) the term "qualified borrower" means, with respect to an agricultural loan, a person who—

(A) has derived at least 50 percent of the person's gross income during at least four of the previous five years from the production of agricultural commodities, including livestock, poultry, and the products of aquaculture;

(B) has gross annual sales of agricultural commodities of at least $30,000 during three of the last five taxable years ending before the date of enactment of this Act;

(C) has an average net income of less than $100,000 during the last 3 taxable years before the date of enactment of this Act;

(D) is delinquent in the payment of principal or interest on such loan; and

(E) enters into a restructuring and asset liquidation plan acceptable to the lender which—

(i) demonstrates a reasonable likelihood that the borrower will be able to repay the

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amount of the loan if debt restructuring is made;

(ii) contains a schedule for the liquidation by the borrower of such assets as the lender may require as a condition for such restructuring; and

(iii) provides for annual review by the lender to ensure that the borrower is making a good faith effort to carry out the plan;

(5) the term "qualified lender" means a—

(A) commercial bank;

(B) savings and loan association;

(C) credit union;

(D) insurance company; or

(E) institution of the Farm Credit System;

(6) the term "qualified State institution" means a State chartered depository institution, the deposits of which are insured or guaranteed under the laws of a State;

(7) the term "Secretary" means the Secretary of Agriculture;

(8) the term "State" means each of the several States, the Distirct of Columbia, the Commonwealth of Puerto Rico, the Virgin Islands, Guam, American Samoa, the Northern Mariana Islands, the Trust Territory of the Pacific Islands, and any other territory or possession of the United States; and

(9) the term "deferral" means a postponement of payment until the borrower can demonstrate an ability to repay. The Secretary shall determine the rate of repayment and shall apportion repayments among the lender, the State, and the Secretary.

TITLE III—CONSERVATION PROVISIONS

SEC. 301. PROHIBITING ASSISTANCE TO BORROWERS WHO PRODUCE COMMODITIES ON ERODIBLE LAND.

Section 1211 of the Food Security Act of 1985 is amended—

(1) by striking out "or" where it appears after the semicolon in paragraph (1)(E);

(2) by striking out the period at the end of paragraph (2) and inserting in lieu thereof "; or"; and

(3) by adding at the end the following new paragraph:

"(3) treatment as a qualified borrower for purposes of title I of the Agricultural Credit Act of 1986.".

SEC. 302. PROHIBITING ASSISTANCE TO BORROWERS WHO PRODUCE COMMODITIES ON CONVERTED WETLANDS.

Section 1221 of the Food Security Act of 1985 is amended—

(1) by striking out "or" where it appears after the semicolon in paragraph (1)(E);

(2) by striking out the period at the end of paragraph (2) and inserting in lieu thereof "; or" and

(3) by adding at the end the following new paragraph:

"(3) treatment as a qualified borrower for purposes of title II of the Agricultural Credit Act of 1986.".

TITLE IV—ACCOUNTING PROVISIONS

SEC. 401. FEDERAL REGULATION OF THE ACCOUNTING FOR RESTRUCTURED AGRICULTURAL LOANS.

Section 13 of the Federal Deposit Insurance Act (12 U.S.C. 1823) is amended by adding at the end the following new subsection:

"(k)(1) In General.—The appropriate Federal banking agency shall—

"(A) permit an insured bank to account for qualified agricultural debt restructuring under paragraph (2);

"(B) establish a program of capital forbearance under paragraph (3) for an insured bank engaging in qualified agricultural debt restructuring; and

"(C) implement call report requirements under paragraph (4) with respect to qualified agricultural debt restructuring.

"(2) Accounting of restructured loans.—Consistent with generally accepted accounting principles, an insured bank engaging in qualified agricultural debt restructuring involving only modification of terms may account for the effects of the restructuring prospectively and will not be required to change the recorded investment at the time of the restructuring unless the recorded investment exceeds the total future cash receipts that can be reasonably anticipated given the new terms of the loan.

"(3) Capital forbearance program.—

"(A) Under a capital forbearance program under this paragraph the appropriate Federal banking agency shall permit the capital of an insured bank qualifying under this paragraph to fall below any applicable minimum capital requirement established by such agency to the extent that the reduction in such capital is attributable to qualified agricultural debt restructuring.

"(B) In order for an insured bank to qualify under subparagraph (A) such bank shall, before December 31, 1987, submit to the appropriate Federal banking agency an application containing a plan acceptable to such agency which details the insured bank's program to restore primary capital to levels at or above the regulatory minimum not later than January 1, 1993.

"(C) The appropriate Federal banking agency may establish additional specific requirements consistent with the requirements of this Act which any insured bank must meet in order to qualify under subparagraph (A), including requirements that such an insured bank—

"(i) demonstrate that its weakened capital position is not due to mismanagement, excessive operating expenses, excessive dividends, or action taken solely for the purpose of qualifying for capital forbearance;

"(ii) adopt and adhere to its plan for restoring capital to the required minimums; and

"(iii) report periodically to the appropriate Federal banking agency on its progress in complying with the plan submitted under clause (ii).

"(4) Call reports.—Each Federal banking agency shall implement call report requirements for loans restructured under qualified agricultural debt restructuring, providing an accurate description of their status. Such loans may be disclosed as 'Restructured and in Compliance With Modified Terms' or similar description.

"(5) Implementation deadline.—Each Federal banking agency shall issue its program on capital forbearance and call report requirements for renegotiated loans not later than three days after the date of enactment of this subsection.

"(6) Guidelines.—Each insured bank shall develop guidelines for determining which borrowers shall receive qualified agricultural debt restructuring.

"(7) Recapture in the event of non-monetary default.—In the event of non-monetary default by a qualified borrower on the terms of a loan modified by qualified agricultural debt restructuring without, consent by the lender, an insured bank may enforce the terms of such loan as they existed before such restructuring occurred.

"(8) Definitions.—For purposes of this subsection—

"(A) terms defined for purposes of the Agricultural Credit Act of 1986 shall apply to this subsection;

"(B) the term 'insured bank' means an insured bank which is not an agricultural bank or energy bank as defined in subsection (j)(6); and

"(C) the term 'capital forbearance' means refraining from taking administrative actions to enforce capital standards.".

SEC. 402. MODIFICATION OF LENDING LIMITATIONS FOR LENDERS THAT RESTRUCTURE AGRICULTURAL LOANS.

Section 5200(a) of the Revised Statutes (12 U.S.C. 84(a) is amended—

(1) by redesignating paragraph (3) as paragraph (4);

(2) by inserting after paragraph (2) the following:

"(3) If the Comptroller of the Currency establishes a capital forbearance program pursuant to section 13(k) of the Federal Deposit Insurance Act, the Comptroller of the Currency shall, without public notice and comment, amend the regulations under this section to establish new lending limits for insured banks covered by the forbearance program, individually or as a class, to compensate for the effects on such insured banks for losses attributable to qualified agricultural debt restructuring. A lending limitation established pursuant to this paragraph in lieu of the limitation established in paragraph (1) shall not exceed 20 percent of the unimpaired capital and unimpaired surplus of an association."; and

(3) by striking out, in the paragraph redesignated as paragraph (4) by this section "paragraphs (1) and (2)", and inserting in lieu thereof "paragraphs (1), (2), and (3)".

SEC. 403. REGULATION OF THE ACCOUNTING FOR RESTRUCTURED AGRICULTURAL LOANS BY STATE INSURED DEPOSITORY INSTITUTIONS.

Notwithstanding any provision of the laws or constitution of any State, each appropriate State banking agency shall—

(1) permit qualified State institutions to account for qualified agricultural debt restructuring in the manner described in section 13(k) of the Federal Deposit Insurance Act;

(2) establish a program of capital forbearance in the manner described in section 13(k) of such Act for qualified State institutions engaging in qualified agricultural debt restructuring; and

(3) implement call report requirements of the kind described in section 13(k) of such Act with respect to qualified agricultural debt restructuring by qualified State institutions.

NOTICES OF HEARINGS

COMMITTEE ON SMALL BUSINESS

Mr. WEICKER. Mr. President, I would like to announce that the Senate Small Business Committee will hold a hearing on Tuesday, April 22, 1986 on the implementation of title XVIII of Public Law 99-272, the Reconciliation Act. The hearing will commence at 2 p.m. and will be held in room 428A of the Russell Senate Office Building. For further information, please call Bob Wilson, chief counsel of the committee at 224-5175.

AUTHORITY FOR COMMITTEES TO MEET

COMMITTEE ON ARMED SERVICES

Mr. DOLE. Mr. President, I ask unanimous consent that the Committee on Armed Services be authorized to meet during the session of the Senate on Monday, April 14, in closed executive session to hold a hearing on defense of NATO, in review of S. 2199, the fiscal year 1987 DOD authorization bill.

The PRESIDING OFFICER. Without objection, it is so ordered.

COMMITTEE ON ENERGY AND NATURAL RESOURCES

Mr. DOLE. I also ask unanimous consent that the Committee on Energy and Natural Resources be authorized to meet during the session of the Senate on Monday, April 14, to hold a hearing on the following nominations: William F. Martin to be Deputy Secretary of Energy, and David P. Waller, to be Assistant Secretary of Energy for International Affairs and Energy Emergency.

The PRESIDING OFFICER. Without objection, it is so ordered.

COMMITTEE ON FINANCE

Mr. DOLE. Mr. President, I ask unanimous consent that the Committee on Finance be authorized to meet during the session of the Senate on Monday, April 14, 1986, in order to mark up H.R. 3838, the tax reform bill.

The PRESIDING OFFICER. Without objection, it is so ordered.

ADDITIONAL STATEMENTS

DEFENSE REORGANIZATION

● Mr. GOLDWATER. Mr. President, because of circumstances over which I have no control, it was not possible for me to be present today when S. 2295, the bill on defense reorganization reported by the Armed Services Committee, and its accompanying report were filed. I merely want to say that this legislation is the result of a study initiated over 3 years ago by former Senators John Tower and Scoop Jackson.

A study has been made by a highly competent staff who questioned a great number of individuals and who studied many treaties on the subject of defense reorganization. This, again, was not something that either Senator Nunn or I instigated or asked for.

If each of you will recall, the Constitution charges us "To raise and support armies" and "To provide and maintain a Navy." The Constitution also empowers the Congress "To make rules for the Government and regulation of the land and naval forces." Since the writing of the Constitution, the Congress has often neglected this second responsibility. We did create the Secretary of Defense, the Air Force, and the Joint Chiefs of Staff in 1947, and we made certain improvements in these areas between 1947 and 1958. But since 1958, the Congress has not given enough attention to the important area of defense organization and procedures.

It is our responsibility to the Constitution that motivates me. I hope that my colleagues will understand this, and I hope that my friends in uniform will understand it. I have never pretended to be an expert on the military whose expertise has been gained by combat. The truth of the matter is, no one ever shot at me during World War II. I can say that mainly because I was never hit, nor did I ever fire a shot at anyone else. My decorations include one, the Air Medal, for having flown a single-engine P-47 aircraft across the North Atlantic Ocean during the war. The rest of my time was spent with the Air Transport Command supervising two transport runs from the United States to India, Burma, and China. There were a few runs across the so-called Hump.

I explain this because I do not want anyone thinking that I am attempting to back up the legislation and report that have been submitted by any claim of expertise in the subject on my part. As I have explained before, my actions have been prompted and motivated entirely by the Constitution and my responsibility as a Member of the Congress to it.

I have the utmost respect for the man in uniform and for his commanders. I have seen some of the things they have to go through. I have witnessed from the Congress the impositions that have been placed upon the military by Congressional micromanagement. I say to my friends in uniform and to my fellow Members of the Congress, all I want to see come out of this is a better military, better able to conduct itself in battle, better able to defend the United States in this new era where force is of such importance.

There will, naturally, be many efforts to amend this legislation. We have already had more than 80 attempts to amend it in the committee, and there will, undoubtedly, be many other areas where my colleagues will feel an amendment will improve them. But I beg of my colleagues not to clutter this bill up with extraneous material. The thorough study it has received can guarantee that, if properly passed by both Houses, signed by the President, and accompanied by the recommendations of the Packard Commission, the military will take a giant step forward. Going into battle will no longer raise a lot of the problems that have been raised in the past.●

AIDS

● Mr. SIMON. Mr. President, the Center for Disease Control recently reported that the AIDS virus quite possibly can be infecting more than 1,000 people each day. Of these 1,000 infected, between 10 to 20 percent will develop AIDS within 5 years. More than 18,800 cases of AIDS to date have been reported to the Center for Disease Control. This number is expected to double within 13 to 15 months.

The average lifespan of a person once diagnosed with AIDS is a year and a half. Very few diagnosed as having AIDS have lived longer than 5 years.

The cost to American taxpayers of caring for future AIDS patients may be overwhelming. In one of the first studies to assess the economic impact of the first 10,000 cases of AIDS, JAMA, on January 10, 1986, reported that approximately $147,000 is being spent on hospital care for each AIDS patient. The first 10,000 AIDS victims will require 1.6 million days in the hospital at a cost of $1.4 billion. Treatment for the next 200,000 AIDS patients in the United States could total $28 billion by 1990.

The disability rate for all patients with AIDS for the period from diagnosis until death is 86 percent. Because over 90 percent of the victims are between the ages of 20 and 49, it has been estimated that the lost future earnings because of premature death for just the first 10,000 AIDS victims is $4.6 billion. The expenditures for hospitalization, income lost due to disability, and lost future earnings total $6.3 billion for the first 10,000 AIDS cases in the United States.

Those cost figures may differ somewhat depending upon the geographic location of the patients, the availability of non-hospital-based health care and patient management. But despite some regional differences, I find these cost figures staggering. These figures can only be reduced through more rapid diagnosis of the disease, development of treatment strategies based on sound research protocols, and increased availability of appropriate patient care settings.

President Reagan, in his budget message to Congress, included AIDS research among the "high priority programs in crucial areas of national interest." Yet under the President's budget for 1986, there is a reduction in funding for AIDS research and control of $15 million. Cumulatively between 1987 and 1991, the President's proposed budgets, as compared with funds already authorized by Congress, would further reduce funding for AIDS research by almost $75 million.

AIDS is a fatal disease. The loss of productivity due to the disease is tremendous. The intangible costs related to AIDS, such as pain and suffering and adverse effects on personal relationships, are also great. Resources used and lost as a result of AIDS will continue to increase unless continued

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efforts are directed toward prevention strategies. I urge my colleagues to join me in supporting increased funding for AIDS research and control.

BUDGET SCOREKEEPING REPORT

● Mr. DOMENICI. Mr. President, I submit to the Senate the budget scorekeeping report for this week, prepared by the Congressional Budget Office in response to section 5 of the first budget resolution for fiscal year 1986. This report also serves as the scorekeeping report for the purposes of section 311 of the Congressional Budget Act," as amended.

The report follows:

CONGRESSIONAL BUDGET OFFICE,
U.S. CONGRESS,
Washington, DC, April 14, 1986.

Hon. PETE V. DOMENICI,
Chairman, Committee on the Budget,
U.S. Senate, Washington, DC.

DEAR MR. CHAIRMAN: The attached report shows the effects of Congressional action on the budget for fiscal year 1986. The estimated totals of budget authority, outlays, and revenues are compared to the appropriate or recommended levels contained in the most recent budget resolution, S. Con. Res. 32. This report meets the requirements for Senate scorekeeping of Section 5 of S. Con. Res. 32 and is current through April 11, 1986. The report is submitted under Section 308(b) and in aid of Section 311 of the Congressional Budget Act, as amended.

No changes have occurred since my last report.

With best wishes,
Sincerely,
RUDOLPH G. PENNER,
Director.

CBO WEEKLY SCOREKEEPING REPORT FOR THE U.S SENATE, 99TH CONGRESS, 2D SESSION, AS OF APRIL 11, 1986

[Fiscal Year 1986—in billions of dollars]

	Budget authority	Outlays	Revenues	Debt subject to limit
Current level [1]	1,057.1	980.7	778.6	2,001.3
Budget Resolution, Senate Concurrent Resolution 32	1,069.7	967.6	795.7	[2] 2,078.7
Current level is:				
Over resolution by		13.1		
Under resolution by	12.6		17.1	77.4

[1] The current level represents the estimated revenue and direct spending effects (budget authority and outlays) of all legislation that Congress has enacted in this or previous sessions or sent to the President for his approval. In addition, estimates are included of the direct spending effects for all entitlement or other programs requiring annual appropriations under current law even though the appropriations have not been made. The current level excludes the revenue and direct spending effects of legislation that is in earlier stages of completion, such as reported from a Senate committee or passed by the Senate. The current level of debt subject to limit reflects the latest U.S. Treasury information on public debt transactions.

[2] The current statutory debt limit is $2,078.7 billion.

FISCAL YEAR 1986, SUPPORTING DETAIL FOR CBO WEEKLY SCOREKEEPING REPORT, U.S. SENATE, 99TH CONGRESS, 2D SESSION, AS OF APR. 11, 1986

[In million of dollars]

	Budget authority	Outlays	Revenues
I. Enacted in previous sessions:			
Revenues			777,794
Permanent appropriations and trust funds.	723,461	629,772	
Other appropriations	525,778	544,947	
Offsetting receipts	−188,561	−188,561	
Total enacted in previous sessions.	1,060,679	986,159	777,794
II. Enacted this session:			
Commodity Credit Corporation urgent supplemental appropriation, 1986 (Public Law 99–243).			
Federal Employees Benefits Improvement Act of 1986 (Public Law 99–251).		4	
VA home loan guarantee amendments (Public Law 99–255).		−51	
Omnibus Budget Reconciliation Act of 1985 (Public Law 99–272).	−4,259	−6,001	765
Department of Agriculture urgent supplemental, 1986 (Public Law 99–263).			
Advance to Hazardous Substance Response Trust Fund (Public Law 99–270).			
Total	−4,259	−6,048	765
III. Continuing resolution authority:.			
IV. Conference agreements ratified by both Houses.			
V. Entitlement authority and other mandatory items requiring further appropriation action:			
Veterans compensation.	272	185	
Veterans readjustment benefits.	91	91	
Compact of free association.	205	205	
Special benefits (Federal employees).	14	14	
Family social services	100	75	
Guaranteed student loans.	6		
Payment to civil service retirement [1].	(37)	(37)	
Total entitlements	688	570	
Total current level as of Apr. 11, 1986.	1,057,108	980,681	778,559
1986 budget resolution (S. Con. Res. 32).	1,069,700	967,600	795,700
Amount remaining:			
Over budget resolution.		13,081	
Under budget resolution.	12,592		17,141

[1] Interfund transactions do not add to budget totals.

Note: Numbers may not add due to rounding.●

S. 2220, THE MUTUAL NUCLEAR WARHEAD TESTING MORATORIUM ACT

● Mr. SIMON. Mr. President, I was pleased to join with my distinguished colleagues Senators CRANSTON, HATFIELD, KERRY, and HARKIN in introducing S. 2220 on March 21, 1986. The bill calls for a mutual, verifiable moratorium on nuclear testing, a step long overdue and in our national security interest.

What does the bill call for? It asks that the President resume negotiations with the Soviet Union on a Comprehensive Test Ban Treaty and that we cease further testing if the Soviets do the same. If President Reagan will not cease further testing, then, beginning 30 days after enactment of our bill, no funds can be spent on the testing of nuclear warheads for a period of 6 months. As a precaution, funds may be expended to prepare test sites to respond to a Soviet breakout from the moratorium. The President can test again only if he certifies that the U.S.S.R. has resumed testing. Finally, the President must submit in the 3 months' time and annually thereafter a report to Congress outlining the status of nuclear arms control negotiations and whether he believes the test ban is in our national security interest.

Sadly, the day after we introduced our bill the Department of Energy conducted its first nuclear test of 1986. The Soviet leader, Mikhail Gorbachev, had offered to extend the moratorium beyond the end of March if we would join them. The Reagan administration maintains that a nuclear test ban is not verifiable and, even if it were, would not in any event be in our best interest. Defense and Energy Department officials repeat the myth over and over again that as long as nuclear deterrence is the basis of our security, we will need to make periodic tests to check on our stockpile's reliability.

But seven of the Nation's top nuclear scientists—Hans Bethe, Norris Bradbury, Richard Garwin, Spurgeon Keeney, Wolfgang Panofsky, George Rathjens, and Herbert Scoville—disagree. Their letter to Chairman DANTE FASCELL of May 14, 1985, says very clearly that "nuclear testing is not necessary in order to insure the reliability" of our nuclear weapons. The best way, they say, to check reliability is to "disassemble sample weapons" and subject their components to nonnuclear testing.

At this point I would like to ask that their letter be printed in full in the RECORD.

Mr. President, according to the Natural Resources Defense Council's recent study on nuclear testing, the United States has conducted 799 tests from 1945 through 1985. Last week's test was the 800th. The Soviets have tested 604 times, the French 141, the British 39, the Chinese 30, and the Indians 1. The total is an unbelievable 1,615 nuclear tests, almost half of them by the United States.

What have we gained from all this testing? Do any of us feel more secure because of our testing program? Isn't it time to reverse the direction of the

arms race, to stop new destabilizing warhead designs that both sides will inevitably manufacture and deploy?

When President Reagan refused to go along with the Soviet moratorium last summer, he said we had to catch up. But we have had 200 more tests than the Soviets. In what way do we need to catch up? Is our nuclear arsenal qualitatively inferior? No lab director that I am aware of has ever made this kind of assertion, nor will they because it simply isn't true.

Could it be that we need to test nuclear explosives to investigate the SDI's x-ray Laser, which is powered by a nuclear explosion? Could it be that the nonnuclear defense proclaimed again and again by President Reagan cannot survive without nuclear weapons? If this is the case, then how will nuclear weapons be rendered "impotent and obsolete," the whole point of the star wars program? We need to decide whether the $600 million requested by the Department of Energy in fiscal year 1987 for SDI's "nuclear-driven concepts" is consistent with the objectives of the SDI program, and more importantly whether we should let SDI get in the way of a comprehensive test ban.

Finally, on the subject of verification, virtually all of our leading seismologists have testified that we can verify with high confidence a test moratorium. Seismic technology is so good that we can detect explosions in hard rock down to a level below 1 kiloton with our international network of monitoring stations. Our Norwegian station picked up just such a subkiloton blast from the main Soviet test site at Semipalatinsk last July 11. And with a network of tamper-proof seismic sensors located at one another's test sites, supplemented by periodic onsite inspections, a comprehensive ban can be verified with high confidence. The U.S.S.R. has agreed to both in-country sensors and onsite inspections; only the details need to be worked out. That is why it is so important to resume negotiations on a test ban, and to ratify the already signed Threshold Test Ban and Peaceful Nuclear Explosions Treaties.

We need to turn the arms race around. This bill will help move us in this direction. We can verify a comprehensive test ban. It's in our interest. And it is time to act responsibly on behalf of ourselves and future generations.

I submit for the RECORD a letter sent to Representative DANTE FASCELL by a number of distinguished Americans relating to this matter.

MAY 14, 1985.

Hon. DANTE FASCELL,
Chairman, Committee on Foreign Affairs, House of Representatives, Washington, DC.

DEAR MR. CHAIRMAN: Continued nuclear testing is not necessary in order to insure the reliability of the nuclear weapons in our stockpile. The best way to confirm reliability is to disassemble sample weapons and to subject the components to non-nuclear tests. Weapons can also be detonated without their nuclear components in order to insure that the complete assembly operates correctly. Nonexplosive tests are also available for determining whether the nuclear components have deteriorated during storage. If aging problems are found in some components, these components can be replaced with newly fabricated ones, using the orginal design specifications.

In the past these techniques have identified a number of reliability problems. In no case, however, was the discovery of a reliability problem dependent on a nuclear test and in no case would it have been necessary to conduct a nuclear test to remedy the problem.

In any event, it would be completely impractical to conduct the large number of nuclear tests that would be required to establish by this method a statistically meaningful measure of the reliability of stockpiled weapons.

We hope these observations will be useful to you in considering the Comprehensive Test Ban.

Sincerely,

Hans Bethe, Nobel Laureate in Physics, former Director, Theoretical Division, Los Alamos National Laboratories; Norris Bradbury, former Director, Los Alamos National Laboratories; Richard Garwin, IBM Fellow, Thomas J. Watson Research Center, Consultant, Department of Defense, Department of Energy; Spurgeon M. Keeny, Jr., former Deputy Director, ACDA; Wolfgang Panofsky, former Director, Stanford Linear Accelerator; George Rathjens, former Deputy Director, Defense Advanced Research Projects Agency (DARPA); Herbert Scoville, Jr., former Deputy Director, CIA, former Technical Director, Defense Department Armed Forces Special Weapons Project; Paul Warnke, former Director, ACDA.

SALE OF U.S. CONSULATE BUILDING IN VENICE, ITALY

● Mr. PRESSLER. Mr. President, earlier this month, I became aware of certain information pertaining to the sale of the former U.S. consulate building in Venice, Italy. This building is one of the premier architectural prizes located on the Grand Canal in Venice.

In an effort to determine the veracity of the information I have received, I have written to Secretary of State George Shultz requesting a State Department reaction to this information. Many of our distinguished colleagues share our concern over appropriate ways to reduce unnecessary Government spending and to obtain full value for the American taxpayer when Federal properties are disposed of. They may be interested in this information. Therefore, I ask that my letter to Secretary Shultz be printed in the RECORD.

The letter follows:

U.S. SENATE,
Washington, DC, April 9, 1986.

Hon. GEORGE SHULTZ,
Secretary, Department of State,
Washington, DC.

DEAR MR. SECRETARY: Information I have received suggests that the United States government soon may sell a valuable building in Venice, Italy at a small fraction of its actual value. Thus, I would appreciate your comments and reactions on the following information. I make no claim that this information is true—therefore your response will help to clarify this matter.

The property is the former U.S. Consulate, located on the Grand Canal next to the Guggenheim Museum.

Under the leadership of a former American ambassador, it was arranged for the building to be sold to his alma mater, Wake Forest University, for $250,000. The sale was mandated by Public Law 93-264 of April 12, 1974, and the State Department entered into a sales contract with the university on November 6, 1974.

Various transactions slowed Italian approval of this transaction for several years, but on June 29, 1983, a deed of sale was approved, contingent on the clearances of national government authorities in Italy. Except for the Italian Foreign Ministry, all the necessary clearances have been approved.

Current valuation estimates by Italian realtors indicate that this irreplaceable artistic building is worth as much as $40 million, or as much as 160 times the actual sales price.

There are indications of deep resentment on the part of Italians who regard the sale of this building as improper and as demonstrating a lack of American understanding about the importance attached by Italians to the disposition of this property of particular public and artistic interest.

Mr. Secretary, I bring this to your attention for two reasons. First, I would like to have your assessment of the accuracy of the above points and some evaluation of whether the sale of this historic building was handled properly. It would be my intention to share your response to me with my colleagues through the CONGRESSIONAL RECORD.

Second, in view of the urgent deficit reduction efforts—including proposed consular closings—being undertaken throughout the government, I would appreciate receiving an analysis of whether we are receiving fair value for this property. Would it be possible to retain ownership of the building and arrange leases with responsible parties at annual lease rates equivalent to the entire $250,000 sales price? If such is the case, would it not be a rational choice for the U.S. government to retain ownership, particularly in view of the prohibitive cost of purchasing another suitable building should we decide later to establish a consulate in Venice?

As indicated above, the Italian Foreign Ministry has not yet rendered a final judgment on this matter. If it is true that we could save millions of dollars for the U.S. government and American taxpayers and at the same time avoid offending the citizens of an important ally, then it is important for the appropriate signals to be sent as soon as possible. Thus, I would be most grateful for your prompt response to this inquiry.

Sincerely,
LARRY PRESSLER, *Chairman,*
Subcommittee on European Affairs.

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NAUM AND INNA MEIMAN: THE BERN CONFERENCE

● Mr. SIMON. Mr. President, tomorrow marks the first day of the Conference on Human Contacts in Bern, Switzerland. The Conference will last approximately 6 weeks and includes all of the signatories to the Helsinki accords. The Soviet Union and the United States will have a unique opportunity to discuss ways to resolve pressing human rights cases.

One of the most poignant cases is that of Naum and Inna Meiman. Naum was a renowned scientist until he began his activism in the Helsinki Monitoring Group, a watchdog organization in the Soviet Union that documents human rights violations there. Naum applied to emigrate to Israel over 10 years ago and was joined by Inna in that application when the two were married 5 years ago.

Since that time, the Meimans have suffered many hardships, including the involuntary retirement which the Soviets forced upon Naum. Inna is now critically ill with cancer. She has had four operations for tumors at the top of her spine. Although a fifth tumor is growing, Inna has been told that there is nothing more that the Soviet doctors will do for her. Even with Inna's illness, the harassment continues. The Meimans' telephone was recently disconnected.

To highlight the critical nature of the Meimans' plight, I want to inform my colleagues of a news event to coincide with the opening of the Bern Conference tomorrow with Senator HART, Senator BOSCHWITZ, Congressman WIRTH, Congressman SIKORSKI, myself and Olga Plam, Inna's daughter. Also in attendance will be a cancer specialist from Indiana who has seen Inna and has determined that she can be treated in the West. Only by raising our voices in protest will the Meimans' case be resolved.

I urge the Soviets to allow the Meimans to emigrate to Israel.●

ORDERS FOR TUESDAY

RECESS UNTIL 9:15 A.M.

Mr. DOLE. Mr. President, I ask unanimous consent that when the Senate completes its business today it stand in recess until 9:15 a.m. on Tuesday, April 15, 1986.

The PRESIDING OFFICER. Without objection, it is so ordered.

RECOGNITION OF CERTAIN SENATORS

Mr. DOLE. Following the recognition of the two leaders under the standing order, I ask unanimous consent that there be special orders in favor of the following Senators for not to exceed 5 minutes each: Senators HAWKINS, CRANSTON, HATFIELD, PROXMIRE, DOMENICI, and CHILES.

The PRESIDING OFFICER. Without objection, it is so ordered.

ROUTINE MORNING BUSINESS

Mr. DOLE. Mr. President, following the special orders just identified, I ask unanimous consent there is a period for the transaction of routine morning business not to extend beyond the hour of 10 a.m. with Senators permitted to speak therein for not more than 5 minutes each.

The PRESIDING OFFICER. Without objection, it is so ordered.

S. 426—HYDRORELICENSING BILL

Mr. DOLE. At the conclusion of routine morning business, by a previous unanimous consent, the Senate will resume consideration of S. 426, the hydrorelicensing bill.

MID-DAY RECESS

I ask unanimous consent that the Senate stand in recess between the hours of 12 noon, and 2 p.m., in order for the weekly party caucuses to meet.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. DOLE. At 2 p.m. the Senator from Colorado [Mr. HART] will be recognized to offer a substitute amendment to S. 426, and it may be that between 10 and noon, the distinguished Senator from Montana, Senator MELCHER, will be in a position either to offer an amendment or indicate that he will not offer one or more amendments to the hydrorelicensing bill.

Votes can be expected throughout the day, and it is the intention of the majority leader to complete acton on S. 426 tomorrow and the Senate could possibly vote cloture on the motion to proceed to the Hobbs Act. It may be that we will by agreement go to the Hobbs Act and then file a cloture motion on the bill itself and have that cloture vote on Thursday.

RECESS UNTIL 9:15 A.M. TOMORROW

Mr. DOLE. Mr. President, there being no further business to come before the Senate, I move, in accordance with the previous order, and pursuant to Senate Resolution 382, as a further mark of respect to the memory of the deceased Honorable Joseph P. Addabbo, late a Representative from the State of New York, that the Senate stand in recess until 9:15 a.m. tomorrow.

The motion was agreed to, and at 6:31 p.m., the Senate recessed until tomorrow, Tuesday, April 15, 1986, at 9:15 a.m.

NOMINATIONS

Executive nominations received by the Senate April 14, 1986:

DEPARTMENT OF STATE

J. Edward Fox, of the District of Columbia, to be an Assistant Secretary of State, vice William Lockhart Ball III.

INTERNATIONAL BANK FOR RECONSTRUCTION AND DEVELOPMENT

Robert Brendon Keating, of the District of Columbia, to be U.S. Executive Director of the International Bank for Reconstruction and Development for a term of 2 years, vice James B. Burnham, resigned.

BOARD FOR INTERNATIONAL BROADCASTING

Lilla Burt Cummings Tower, of Texas, to be a member of the Board for International Broadcasting for the remainder of the term expiring May 20, 1986, vice Frank Shakespeare.

Lilla Burt Cummings Tower, of Texas, to be a member of the Board for International Broadcasting for a term expiring May 20, 1989, (reappointment).

DEPARTMENT OF THE TREASURY

J. Michael Hudson, of Texas, to be a Deputy Under Secretary of the Treasury, vice Bruce E. Thompson, Jr., resigned.

IN THE ARMY

The following-named officer under the provisions of title 10, United States Code, section 601, to be assigned to a position of importance and responsibility designated by the President under title 10, United States Code, section 601:

To be lieutenant general

Maj. Gen. Gerald T. Bartlett, 549-40-1608, U.S. Army.

IN THE MARINE CORPS

The following-named colonels of the Marine Corps for promotion to the permanent grade of brigadier general, under title 10, United States Code, section 624:

James E. Sniffen
John S. Grinalds
David V. Shuter
Bobby G. Butcher
George L. Cates
Richard H. Huckaby
Jeremiah W. Pearson III
Walter E. Boomer
Frank A. Huey
John A. Studds
William M. Keys

EXTENSIONS OF REMARKS

RECONSIDERING AID TO THE CONTRAS

HON. ROBERT GARCIA

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Monday, April 14, 1986

Mr. GARCIA. Mr. Speaker, tomorrow we will once again consider whether or not to fund the Contras. I realize that most of us have read a great deal about the pros and cons surrounding this debate. I, nonetheless, felt that two articles from yesterday's Washington Post "Outlook" section are worth taking a look at before Members make up their minds on the upcoming vote.

[From the Washington Post, Apr. 13 1986]

GENERALS WHO CONTRADICT THE CONTRAS

(By George C. Wilson)

United States policy for Central America reaches what President Reagan says is a crucial crossroads this Tuesday. That's when the House is scheduled to vote on whether to send $100 million to the contras who are challenging the Sandinista government of Nicaragua.

But one group of retired U.S. military leaders who have actually fought wars do not see this crossroads as leading anywhere at all, militarily, whether the contras get the money or not.

After having spent years digesting the lessons of the Vietnam War, these professionals look at Central America and despair. Just as in Indochina, they see no clear military or political objective; no long-range policy, just tactical moves day by day. They feel sure, from their battlefield experience, that 15,000 to 25,000 contras cannot unseat the Managua government whether they get the $100 million or not. So the $100 million looks to them like conscience money—an alternative to bugging out on the contras right now; a something-is-better-than-nothing reaction.

Some U.S. military leaders do indeed consider another $100 million for the contras an investment in the future of the region. But even Gen. Paul F. Gorman, former commander of the U.S. Southern Command, found himself on the defensive when asking for contra money last year: "Is there any reasonable likelihood that this military force can defeat the military force in Nicaragua?" Sen. Edward M. Kennedy (D-Mass.) asked Gorman in his farewell appearance before the Senate Armed Services Committee. "Not in the foreseeable future," Gorman replied. He portrayed them as irritants, not victors, declaring: "My Salvadoran colleagues are entirely convinced that if it were not for the Sandinista opposition—the freedom fighters—the Salvadorans would have significantly increased military problems."

To respected soldier-statesmen like Gen. Bruce Palmer Jr., such a rationalization is not a policy. Palmer, in an interview representative of several others conducted with military professionals, shared his concerns about Central America. He spoke from the perspective of a general who, before retiring in 1974, commanded the troops former President Lyndon Johnson sent to the Dominican Republic, fought in Vietnam, ran the Army as vice chief of staff, advised presidents, and wrote a book entitled "The 25-Year War: America's Military Role in Vietnam."

"I think Nicaragua is probably gone," Palmer says. "Once dictators get in government, they dig in to control everything. Nothing short of a big effort can get them out. The time to intervene has passed. It's too late without starting a war, and we're not ready for that." Of the idea of using the contras, to overthrow the Sadinista government in Managua, he says, "It's ridiculous. It's sending a boy to do a man's job."

The fundamental weakness in the administration's position on Central America is lack of objectives, says retired Col. Harry G. Summers Jr., a soldier in and historian of the Vietnam War, now an analyst at U.S. News and World Report. "The objective is not only the first principle of war, it is also the most important, for all else flows from it. It asks the basic question, 'What are we trying to accomplish?' "

Despite these problems, says Palmer, if he were in the House of Representatives, he probably would vote for the $100 million as a symbol and then "look for better people to support. The contras already are discredited. We certainly don't want to get mixed up with Samoza guards. There is no such thing as covert action anymore." National leaders must go public with their concerns in Central America and "publicly warn" what they will not tolerate, he argues.

Retired general E. C. Meyer, former Army chief of staff, says he agrees with Palmer right down the line, adding he can't tell what the Reagan administration's objectives are in Central America but "if the objective is to try to cause an internal overthrow" of the Sandinista government, "it's not something that can be done through military means. You do it through people power, as was the case in the Philippines."

Retired lieutenant general Roy Thurman, former deputy director of the Army's training and doctrine command, says he, too has been unable to figure out the military and political objectives in Central America. He joined other military professionals in calling for less guns and more butter for the region. Rather than split the $100 million for the contras 70-30 in favor of military aid, Thurman recommends a reversal of those priorities.

Historian Summers also points out the weakness of the United States getting involved in another "coalition" war—one like Vietnam where a super-power is trying to work in concert with an underdeveloped nation." In order to gain public and congressional support for U.S. involvement, the American political leadership has a tendency to inflate the value of the coalition partner and to publicly announce that insurgent threats to the survival of the coalition partner also threaten the survival of the United States. The ally thus gains an erroneous perception of its own importance and may come to believe that the United States is permanently and irretrievably committed to its support."

Both active and retired military leaders have told me that they believe it is just a matter of time before the United States stops aiding the contras, no matter what Congress does in the coming week. One four-star general, in confiding those fears, said he would vote for the $100 million as a matter of conscience and then look for a way to pension the contras off while setting down clear national objectives in Central America.

In light of their battlefield and political experiences, a cross-section of professionals said it was time to take the following steps to give U.S. efforts in Central America a direction:

Draw a clear line outside of Nicaragua itself, that the Sandinistas can't cross. The United States would serve notice that it would oppose any effort by Nicaragua to overrun its neighboring countries. "We should draw a line and say this is it," Palmer said. "We have to keep hammering on the fact that this is close to home; that the Western Hemisphere is our base."

Declare that any new offensive weapons introduced into Nicaragua will be destroyed by the United States. Several generals noted that the Reagan administration's warnings to Managua against introducing MiG fighter planes into Nicaragua have proved effective. Military officials would like to see this doctrine applied to other sophisticated weapons as well. Instead, current thinking is that if something like an advanced Soviet helicopter is introduced, we should escalate by giving the contras advanced, "smart" antiaircraft missiles.

Increase financial assistance to friendly Central American countries and stress economic over military aid. Gorman's master plan called for creating jobs in building defense plants in the region. "I am convinced that in countries like Panama, Costa Rica and Salvador, even in Honduras, it would be possible to undertake, for example, a great deal more of defense-related electronics subcomponent assembly, the preparation of industrial fasteners and other modest tasks for defense prime contractors that are now being performed elsewhere overseas," Gorman told Congress. He noted in that context that 5 percent of the administration's security-assistance budget for fiscal 1986 was earmarked for all the friendly Latin American nations, compared to 27 percent for Israel.

If President Reagan or his successor should decide to go to war to remove the Sandinista government, this could not be done by subcontracting out the job to rebels, as was the case in the disastrous Bay of Pigs invasion, stresses Palmer. He recalled that after that invasion by CIA-sponsored forces, U.S. military planners focused on how much force it would take to topple Fidel Castro. It appeared to be a modest task at first. Palmer notes, but ended up with a plan calling for five U.S. divisions, or almost 100,000 men.

He estimates it would take "a couple of divisions" to take over Nicaragua but warns against expecting the native population to

● This "bullet" symbol identifies statements or insertions which are not spoken by a Member of the Senate on the floor.
Matter set in this typeface indicates words inserted or appended, rather than spoken, by a Member of the House on the floor.

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rally and help the invaders, as was assumed before the Bay of Pigs invasion. "You've got to do it yourself rather than depending on people rallying. Once they see who's going to win, then they rally," the old soldier says.

[From the Washington Post, Apr. 13, 1986]

DEMOCRATS' FEAR OF VOTING

(By Mary McCrory)

To the Progressives in the House, David McCurdy (D-Okla.) is a suspect figure. Last year, he helped President Reagan get $27 million for the contras and assured his colleagues he had the president's promise that he would negotiate with the Sandinista government.

Now, however, the liberals are glumly lining up behind his alternative to the presidential proposal for $100 million in military aid to our mercenaries.

"It's not easy selling McCurdy," says Rep. David Bonior (D-Mich.), who is trying to persuade his liberal brethren that the ambitious Oklahoma Democrat is not in this instance a collaborator.

The realities of the contra vote, which is expected on Tuesday, is that while 200 Democrats stand firm against any aid at all, the magic number of 218 cannot be achieved. In the middle, controlling the outcome, are 25 or 30 Democrats who blanch at the thought of voting for nothing.

They feel so strongly about it that they would, if faced with the choice, vote for $100 million in military aid rather than for nothing, as proposed by Rep. Lee Hamilton (D-Ind.) With the Republicans solidly backing military aid, the president would win a total victory.

House Speaker Thomas P. O'Neill, Jr. is backing Hamilton, but when push comes to shove, he will have to join McCurdy. He is "not twisting arms " in McCurdy's behalf.

Bonior is urging liberal colleagues who wish to vote nothing to reconsider. "Look at the bill, not the personality," he says.

The alternative proposed by McCurdy, who has been cured of his delusion that the president would ever willingly negotiate with his counterpart Daniel Ortega, specifically requires direct talks between the U.S. and Nicaragua. It also provides $75 million in "logistical aid," bans the "lethal" variety and requires the president, after 90 days in which peace, presumably, is given a chance, to come back for release of the money.

Bonior tells the unhappy Democrats that it's about the best they can expect, since they are in the hands of the brokers.

Nobody hopes for anything constructive from Ortega, the president of Nicaragua. The day before the Senate vote, in one of his recurrent fits of bad timing, his troops crossed the Honduran border, as they often have before, in pursuit or contras. Reagan pounced on the crossing and inflated it to an "invasion". Honduran authorities were all off at the beach, but were persuaded, on receipt of $20 million in U.S. emergency aid, that their territorial sovereignty had been violated and that they were in trouble.

The press made much sport of the affair, but not until after Speaker O'Neill had lost his temper with Ortega and called him names. Ortega had seriously aggravated him a year ago by going to Moscow after the speaker had broken a pick to keep the House from voting contra aid. The speaker is in a little trip flap of his own right now, having been attacked by the U.S. ambassador to Argentina for his conduct as leader of a recess excursion to Latin America to find out if leaders in the area were saying the same thing publicly and privately about contra aid.

All this is of passionate concern to Washington, but not to the country, which is standing firm in the face of presidential alarms, 2 to 1, against any meddling in Nicaragua. They don't seem to care where Ortega goes or what he does. They pay no attention when the President and his men cry that the Sandinistas are coming to Harlingen, Tex., or San Diego, Calif. They tune out on lurid tales of drug trade and human rights atrocities. They think the money that is being talked about should be used to bail out farmers. Where Reagan sees another Cuba, they see another Vietnam. They want no part of it.

Members who tremblingly voted against aid on March 20 went home on the Easter recess to thanks and praise from their constitutents.

Since they returned, they have received another jolt. The Contradora talks have collapsed—"torpedoed" by the Sandinistas, says the president.

Bonior says the failure was "foreordained." The latest Contradora proposal asks the Sandinistas to reduce their armed forces before the U.S. withdraws support for the contras. "They regard that as suicidal," says Bonior. "But the Contradoras wanted the Sandinistas to make the first move, as a gesture of good will."

Good will is in short supply in any corner of the contra aid picture. What is written all over it is the iron will of a president who never says uncle and who has forced Democrats to the point where they don't dare do nothing for the contras.

CONGRATULATIONS TO THE CLEARFIELD HIGH SCHOOL WRESTLING TEAM

HON. WILLIAM F. CLINGER, JR.

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Monday, April 14, 1986

Mr. CLINGER. Mr. Speaker, congratulations to the Clearfield Area High School wrestling team which was the No. 1 dual meet team in Pennsylvania with a 15–0 record and which won the recent 1986 State championship in Hershey, PA.

Special congratulations are in order for Bison Coach Garry Barton who was named class AAA coach of the year; Todd Williams, Scott Collins, and Mike Owens, who were all first-place winners; Marty Novery who placed fourth; and Mike Triponey who was a qualifier.

Their performances in the 49th annual Pennsylvania Interscholastic Athletic Association wrestling championships have become a source of community pride in Clearfield and an inspiration to all their schoolmates as well.

I know all of my colleagues join me in wishing the Bison wrestling coaching staff and team members the very best in all their future endeavors.

HELSINKI REVIEW CONFERENCES IN BERNE

HON. JIM COURTER

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Monday, April 14, 1986

Mr. COURTER. Mr. Speaker, as the official review conference on the Helsinki accords of 1975 gets underway in Berne, Switzerland, a parallel conference called by the Andrei Sakharov Institute and Resistance International will be assembling there as well. Both conventions have the endorsement of Anatoly Shcharansky, the emigre hero who now lives in Israel.

There will be much to discuss. As Mr. Shcharansky notes in the article which follows, imprisoned members of Helsinki monitoring groups in the Soviet Union are finding that the authorities can prolong their internment indefinitely under a new article, 188–1, of the Penal Code. In Czechoslovakia, meanwhile, the watch group Charter 77 has been suppressed. The Polish Helsinki Committee has been forced underground.

As the suppression of known human rights activists continues, so too does the suppression of the human rights of the captive populations of the Communist countries. In a report issued last August, Jeri Labor, executive director of the U.S. Helsinki Watch Committee described each and every one of the Warsaw Pact members as: "egregious violators of human rights and the Helsinki accords." In the Soviet Union, Laber reported, "repression appears to be more effective than it has been since the death of Joseph Stalin." And the citizens who live under such conditions are permitted no escape. For example, exactly 53 Soviet Jews were allowed to emigrate from the U.S.S.R. in the month of March, though hundreds of thousands have expressed the desire to do so. Only those with family members in the West have a serious prospect of being allowed that most fundamental right, the right to leave and seek a better life elsewhere.

I would like my colleagues to see the following article by Anatoly Shcharansky on the opening of the conferences in Berne. As always, his is eloquent testimony.

[From the New York Times, Apr. 13, 1986]

MOSCOW MUST START COMPLYING WITH THE 1975 HELSINKI AGREEMENT

(By Anatoly B. Shcharansky)

Anatoly B. Shcharansky, who left the Soviet Union in February, is living in Israel. This statement is to be delivered tomorrow in Berne, Switzerland, at the Paralle Helsinki Review Conference, a meeting of nongovernmental representatives designed to coincide with the official Helsinki review conference. The meeting was organized by the Andrei Sakharov Institute and by Resistance International, human rights organizations.)

I left the world of the gulag only a few weeks ago, and I am not yet ready to speak in public. Nevertheless, I could not refuse to greet you, if only in a recorded message, because the problems that brought you here today are extremely important to many people fighting for their rights in the Soviet Union and elsewhere in the world.

Ten years ago, several dissidents in the Soviet Union created a public group to monitor Moscow's compliance with the Helsinki agreements. Our idea was that many of the human rights issues that divide the governments of the Eastern and Western blocs could be agreed upon by independent representatives of public opinion—people in both East and West who have a vital interest in the implementation of the Helsinki agreements in their own countries. So we voluntarily took upon ourselves the task of examining how the Helsinki agreements were being implemented in the Soviet Union.

Ten years have passed, and what do we see? The Jewish emigration that began in the early 1970's has been brought to a stop by the Soviet authorities. Several hundreds of thousands of Soviet Jews who want to leave the Soviet Union cannot do so for no other reason than that the Soviet Government has decided that they cannot.

I spent nine years in Soviet prisons and camps, and I can certify that the conditions in which political prisoners are detained have been getting steadily worse. I shall mention only two particular problems.

First, a new article of the Penal Code, article 188-1, introduced in late 1983, allows the Soviet authorities to extend almost at will the length of time that one remains in prison or in camp. This measure has already been applied to several members of Helsinki monitoring groups now in prison. It is used by the authorities both to prolong the detention of political prisoners who resist "reeducation"—who refuse to comply with efforts to make them change their ideas and convictions—and to intimidate the others.

Second, according to a new official directive introduced barely a year ago in the Soviet Union, political prisoners who start a hunger strike can be immediately thrown into a dungeon—a measure that very much aggravates their sufferings.

These are only two examples of the many ways that the authorities are cracking down on political prisoners in camps. Why is this so important? Because, as a rule, the policy regarding the camps very much reflects the general situation in the country—the disregard for the rule of law and the harshness of the repression.

I would like to attract your special attention to the Sakharov case. I do not need to remind you that Andrei Dmitrivich Sakharov is a hero, a model of a honorable man who continues the very best traditions of the Russian intelligentsia, fighting for the trampled rights—be they national, religious or political—of all the people of the Soviet Union.

Needless to say, his present situation is extremely difficult. He is cruelly and unjustly isolated from his family and friends, barred from scientific work and normal social activities. His state of health inspires growing fears. I consider it vitally important at this moment to raise our voices and call for the Soviet Government to stop its persecution of Andrei Sakharov—to grant this remarkable man the possibility to continue his noble activities in dignity and normal conditions.

Looking back at the first documents issued by our Helsinki group 10 years ago, I must say that the longer I spent in prison, the more accurate they seemed and the more important. I also believe that it is more necessary than ever now for international public opinion to press the Soviet Union on these matters. It is high time for Moscow to begin complying with the Helsinki agreement signed in 1975.

I think that the Andrei Sakharov Institute and Resistance International have made a great contribution by organizing this meeting. I hope this work will be continued and will lead to further contacts, contributing to a real détente and to the establishment of genuine trust between the superpowers. In the long run, however, there will be no trust or détente until both sides show full respect for human rights in the keeping with the Helsinki agreement.

WEST POINT MODEL UNITED NATIONS TEAM

HON. HAMILTON FISH, JR.

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Monday, April 14, 1986

Mr. FISH. Mr. Speaker, I rise today to salute the 1986 U.S. Military Academy Model United Nations Team.

The U.S. Military Academy, located at West Point in the 21st District of New York, has a tradition of excellence, not only in its long and distinguished record of service to the Nation, but also in its reputation as one of the Nation's leading colleges. Its athletic teams are well-known for their prowess, but I would like to invite Members' attention to the extraordinary achievements of a group of cadets known as the West Point Model United Nations Team.

For some years, the Academy has encouraged cadets to participate in this highly specialized form of intercollegiate competition, in which member colleges develop the legislative and parliamentary skills of their students in diplomatic simulations which test their understanding of the international political, military, and economic environment. Under the sponsorship of the Academy's Department of Social Sciences, the West Point Model United Nations Team has established a reputation as one of the top teams in the country, winning a string of individual and team awards in regional collegiate model U.N. conventions.

The ultimate test of excellence in this arena, however, has always been the National Model United Nations Convention, held each year over 5 days in New York City, which brings together the Nation's best students in political science and international relations from more than 140 colleges and universities. This year, the West Point Model United Nations Team achieved an unprecedented honor when, for the third consecutive time, it was named outstanding delegation in the nationals competition. I should emphasize that this national intercollegiate title was won by cadets who voluntarily sacrifice their limited free time for this most demanding form of extracurricular activity, and who in no way are excused from the even more demanding requirements of the training regimen at the Academy.

Mr. Speaker, I believe it was Will Rogers who said that the United States never lost a war nor won a conference. This group of cadets has clearly shown that their skills as warriors will be complemented by their abilities as our future statesmen, and let me add, stateswomen. I know that Members will share my satisfaction that this latest cadet victory is but another example of West Point's record of excellence in developing our Nation's most outstanding young men and women into the "Long Gray Line" that has served this country for so long and so well. Before introducing the members of the championship team, let me pay particular tribute to their leaders—the team's captain, Cadet Jonathan Millen, and their coaches, Maj. Marvin S. Searle II, and Capt. Mike Simone. Well done, gentlemen.

1986 WEST POINT MODEL UNITED NATIONS TEAM

CLASS OF 1986

Cadet Jonathan B. Millen (E-2) Team Captain.
Cadet Scott Pierce (H-4).
Cadet Linda Fetko (I-4).
Cadet Troy Roper (B-1).
Cadet Chris Houseman (I-4).
Cadet Gerry Pearman (I-4).
Cadet Richard Turner (D-2).
Cadet Matthew Christ (I-4).

CLASS OF 1987

Cadet Troy Garrett (D-4).
Cadet Edward Clukey (D-2).
Cadet Jennifer Rice (F-1).
Cadet Mark Nelson (F-1).
Cadet Matthew Gaither (D-4).
Cadet Bill Grove (F-1).
Cadet Harris Emmons III (B-2).
Cadet Ronald Haddock (I-4).
Cadet Joseph Felter (D-4).
Cadet Jeanne Remmes (C-1).

OFFICER REPRESENTATIVES

Major Marvin S. Searle, II (Head Coach).
Captain Mike Simone (Assistant).

CLASS OF 1988

Cadet David Velloney (A-1).
Cadet Mike Barsella (G-4).

CONSTITUTIONAL SPENDING LIMITATION

HON. PHILIP M. CRANE

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Monday, April 14, 1986

Mr. CRANE. Mr. Speaker, today, I am introducing legislation that would revise current House voting procedures. My bill would require a rollcall vote of two-thirds for passage on measures raising spending or taxes including resolutions making appropriations, joint resolutions making continuing appropriations, and conference reports.

Consider the following:

In February 1985, an emergency famine relief and recovery in Africa bill appropriating $1 billion was passed by voice vote. In other words, $1 billion of the taxpayer's money was spent without them knowing how their Representatives voted.

Last July, an energy and development bill appropriating $15 billion was passed by voice vote. Again, huge sums of money are being spent and constituents can only guess as to how they are being represented.

In December, passage of the Tax Reform Act of 1985 left constituents in the "dark" once again. The tax measure alone was estimated to affect over $141 billion in taxes from individuals and corporations over the next 5 years.

At midnight on October 3, 1984, just before Congress adjourned for the year, a massive $470 billion continuing appropriations resolution was passed by voice vote; an appropria-

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tion which is more than twice the size of our current deficit. This measure alone proved to be the largest single expenditure made in the history of civilization.

A quick look at the House voting procedures used to gain passage of these bills illustrates a failure on the part of Congress to account for its actions. It is a total perversion of the concept of representative government to permit voice-voting practices on tax and spending issues. Such practices can hardly be considered the basis for honest decisionmaking when Congress is not held accountable for such critical votes. Important issues demand the efforts of Members to take a stand. Anything less does violence to the system. We need to bring the actions of Congress into the "sunshine" for the public to see. If we have the courage to make and stand by decisions that affect the entire Nation at large, then we should have the courage the stand by them and not hide behind them. Such courageous measures would reflect the quality and not the quantity of the many votes we decide upon. By taking cover under voice-voting procedures, our constitutents will never be able to know how we vote on the various bills that control the use of their tax dollars.

James Madison said it best, arguing for the newly drafted Constitution in 1787 and 1788: "It will not be denied that power is of an encroaching nature and that it ought to be effectually restrained from passing the limits assigned to it." Later, in the same essay, he states that "the legislative department alone has access to the pockets of the people" and therefore, he explained, its authority should also be restrained. In conclusion, he emphasized:

> If angles were to govern men, neither external nor internal controls on government would be necessary. In framing a government which is to be administered by men over men, the great difficulty lies in this: You must first enable the government to control the governed; and in the next place, oblige it to control itself.

We need only look at the pyramiding deficit of $208 billion to understand that the power of the "legislative department" to pick the pockets of Americans has not been "effectually restrained." The fact that we have such a horrendous deficit paints a bleak picture of Congress as a responsible decisionmaking body. Despite our efforts to put the blame on someone else, the fact remins that no President or executive agency votes to control the taxpayer's money. It cannot be denied that Congress is, in fact, the body imbued with the constitutional power to spend and tax. And Congress alone was there in the middle of the night when the $470 billion continuing appropriations resolution was passed. Over the past 4 years, we have had on the average, an annual increase in the inflation rate of 4.3 percent and an increase in spending of 7.9 percent. Some question whether taxes are high enough. Yet a quick look at the 6.5 percent annual increase in taxes over this period indicates that the pocketbooks of the American people are financing every spending decision made by Congress.

We must not forget the words of John Marshall who said: "The power to tax involves the power to destroy." And indeed, we are destroying the confidence of the people through the lack of responsibility that we are demonstrating in our decisions not to go on record. For this reason alone, we owe it to our constituents to give special consideration to all spending and revenue measures. Such decisions not only deserve total accountability, but a broader consensus than just a simple majority. We have no greater voting responsibility than on measures raising our constituents' taxes and spending their money. Such items demand the approval of a special majority. With billions of dollars being processed through our hands each day, we tend to lose sight of the value of each tax dollar. House voting procedures help facilitate this process through passage of bills by voice vote and simple majority approval. Undoubtedly, as legislators, we are a "little less than angels," and our authority in spending and taxing ought to be restrained. A rollcall vote of two-thirds for passage would ensure the confidence of the American people in our ability as Representatives to control the use of their money in a responsible manner.

Now is the time to stand up and represent the people in the way that our forefathers intended. Especially in times such as these, when our spending decisions should be under close scrutiny, it is essential that we stand behind our individual decisions to vote for or against each such item. The Constitution gives us the authority to spend the taxpayer's money. It is up to us to use that trust in a forthright manner.

Now is the time to own up to our responsibilities. For many years now, Members have proposed changes in House voting procedures. A need for change existed long ago. The moment for taking this courageous step is now—this session of the 99th U.S. Congress.

AID TO THE CONTRAS: WHAT IS BEHIND THE POLICY?

HON. ROBERT GARCIA

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Monday, April 14, 1986

Mr. GARCIA. Mr. Speaker, opposing aid to the Contras is not a question of siding with Daniel Ortega and the Sandinistas. It is a question of what is the best policy for the United States to pursue with regard to Nicaragua and the other nations of the region, and what precisely is behind the administration's request. What are its intentions toward Nicaragua?

In essence the argument over the Contras is really an argument over control. The White House wants to control the destiny of the region, insisting that events follow a preconceived notion of how they should proceed. It intends to use the Contras to undermine the Sandinistas, either by bringing them to the bargaining table or by causing them to crumble from within.

It is, at least at first glance, a logical plan. It permits the United States to move events along. It also fits in with the administration's notion that it is not possible for a totalitarian government—the Sandinistas—to fall without the use of outside pressure. This, in turn, coincides with the White House belief that the only thing the Sandinistas will respond to is force.

The White House has been successful in promoting a black/white, East versus West foreign policy, one not clouded by the nuances and subtlety of diplomacy that should characterize the foreign policy of a great power. Instead, administration rhetoricians reinforce the notions of a Latin American Armageddon if the freedom fighters are betrayed by Congress.

Yet why, despite these frightening warnings hasn't the administration been able to gain sufficient support for its policy? Certainly, $100 million is a significant sum of money when considering massive Gramm-Rudman inspired budget cuts. That money would go a long way toward helping to relieve urban blight or aiding distressed farmers.

But part of the problem is that throughout the Contra debate the White House has been largely unclear in its goals. This is where the logic of its plan breaks down. Not that it hasn't offered comprehensive briefing papers and policy statements calling for political solutions and reinforcing the idea that "power and diplomacy go hand in hand." In addition to this statement of tactic, the administration has said it wants "Nicaragua to be responsive to U.S. concerns about Soviet/Cuban ties, military buildup, support for subversion, internal repression, and refusal to negotiate."

While these goals sound reasonable enough, they become a bit hazy when one examines them more closely. What does the White House means by Soviet-Cuban ties? What is the bottom line? To what extent is the administration willing to pass resolutions in the United Nations about Nicaraguan repression as a means of protest against their abuses, to what extent is support for the Contras the only acceptable way to influence change? How far will the United States support Contadora? Does this include a willingness to "terminate external support to the irregular forces operating in the region," a position held by the Contadora and support groups, as well as by the five nations of Central America. Or, is the United States willing to support the Contras 10 to 20 years in the future? At some point are they expected to go it alone?

These questions may seem like details, obscuring the broader more important theme of the fight against the Sandinistas, but they should be clearly answered. The nations of Latin America, including Nicaragua, must understand what the United States wants and what it is willing to accept.

It would be naive to disregard legitimate U.S. strategic interests in Central America, and just as naive to down play Sandinista political repression and support for insurgencies throughout the hemisphere. Yet, it would be a mistake to ignore the importance of the role that Latin American nations can play in isolating the Sandinistas. President-elect Oscar Arias Sanchez of Costa Rica in a recent interview with conservative journalist, John McLaughlin, said that if the United States really wanted to help the nations of the

region, then it should use the $100 million to help the ailing economies of Guatemala, Honduras, Costa Rica, and El Salvador. The prosperity of its neighbors, economically and politically, will help to undercut the Sandinistas.

A further question remains. Can the Contras provide the "power" that the administration needs to bring about a political settlement to its differences with the Sandinistas? Thus far, they have not shown themselves to be a force that can garner much popular support within Nicaragua. That does not mean they could not become such a force, neither does it mean that they need extensive U.S. aid for them to do so. Perhaps it would be better for the Contras if they were left to their own devices; if they were able to remove the taint of being U.S. proxies by going it on their own. Maybe that is the only way they can succeed.

Finally, there is not now and there never has been enough support in Congress or across the Nation for the Contras. Chairman of the House Foreign Affairs Committee, Representative DANTE FASCELL of Florida, and committee member, DAN MICA of Florida, correctly pointed out at the committee's recent hearing on Contra aid that in order for foreign policy to be effective, it must enjoy a broad consensus of bipartisan support. There are still too many questions about the Contras—their human right record, their goals—and about the administration's policy toward Nicaragua before either will be able to muster that kind of support. High pitched rhetoric or emotional appeals cannot carry a controversial foreign policy.

R. EDWARD FERRARO

HON. WILLIAM F. CLINGER, JR.

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Monday, April 14, 1986

Mr. CLINGER. Mr. Speaker, R. Edward Ferraro, a native and life-long resident of Brockway, PA, is the State deputy of the Pennsylvania State Council of the Knights of Columbus and he is being honored at a testimonial dinner on Saturday, April 19, 1986.

Mr. Ferraro is a past grand knight of Rev. Thomas E. Kennedy Council No. 3794, Brockway, and served in all chair offices in the council. He was elected State Advocate for the Pennsylvania State Council, Knights of Columbus, 1978–80. And as State deputy of the Pennsylvania State Council, Knights of Columbus, elected 1984–86, he leads 62,000 Knights in Pennsylvania and 9,000 fourth degree Sir Knights.

He is the first State deputy from the Erie Diocese in 32 years, and one of the youngest State deputies ever elected in Pennsylvania.

I know all of my colleagues join me in congratulating Mr. Ferraro on his many accomplishments and fine service in the Knights of Columbus and wish him well in all future endeavors.

TRIBUTE TO MICHAEL ARNOLD

HON. JIM COURTER

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Monday, April 14, 1986

Mr. COURTER. Mr. Speaker, I rise today in tribute of Michael Arnold, Morris-Sussex Superior Court administrator. This past November Michael took over this position from his distinguished predecessor David Anderson, who was himself rewarded with promotion to the State's administrative office.

Michael has distinguished himself to the citizens of Morris and Sussex counties through 7 years of dedicated service in the court district. His record of excellence in previous position as a Morris County criminal justice planner, county probation officer, and State parole officer have earned him the respect and admiration of all who have come in contact with him in those positions.

For the 4½ years prior to his assuming the position of administrator he served as assistant trial court administrator. His record in that position furthered his reputation as a public servant of the highest integrity and abilities. It also provided him unique experience for his present duties as he has become intimately familiar with the workings and peoples of the Morris-Sussex district. The people of Morris-Sussex court district are indeed lucky to have such a capable and respected individual in this office. I take great pride in noting his accomplishments before my colleagues.

EARLINE PATRICE TO RECEIVE PAYNE HUMANITARIAN AWARD

HON. HAMILTON FISH, JR.

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Monday, April 14, 1986

Mr. FISH. Mr. Speaker, I would like to draw the attention of my colleagues to the accomplishments of the winner of the 1986 Bessie H. Payne Humanitarian Award, Mrs. Earline Patrice. The award is given annually by the Dutchess County Chapter of the New York State Association for Retarded Children. On April 18, 1986, this great honor is to be bestowed upon a richly deserving woman.

Mrs. Patrice's affiliations with community organizations in the mid-Hudson Valley are too numerous to list completely. Her present affiliations include membership in the Smith Street Tenant Council, the Jamaican and Concerned Citizens Committee, and the German Civic Association of Lower Main Street. Mrs. Patrice is known for the Annual Childrens' Christmas Party as well as the Thanksgiving Day and Christmas Day Dinners which she and her volunteers hold for those who are needy and alone.

Because of her outstanding record of community service, Mrs. Patrice has been the recipient of numerous awards. She has received the Poughkeepsie Area Chamber of Commerce Merit Award in 1971, the American Legion Lafayette Post No. 37 Community Service Award in 1973, the Model Cities Faithful Service Award in 1975, the Bethel Church of Christ Community Service Award in 1976, the Martin Luther King Commemorative Committee of Dutchess County Outstanding Service Award in 1981, the Poughkeepsie Area Jaycees Outstanding Citizens of the Year Award in 1985. The Bessie H. Payne Humanitarian Award is yet another in a long list of well-earned awards and honors for Mrs. Patrice.

Mrs. Patrice's tireless efforts on behalf of the community she serves so well are known to practically all Dutchess County residents. I join them in thanking her for her dedication, service, and selflessness.

THE ENERGY INCENTIVES AND AGRICULTURAL FINANCIAL RESOURCES ACT OF 1986

HON. BEAU BOULTER

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Monday, April 14, 1986

Mr. BOULTER. Mr. Speaker, today I am introducing "The Energy Incentives and Agricultural Financial Resources Act of 1986." This legislation addresses certain problems confronting the oil and gas industry, the agriculture industry, as well as the banking and financial industry which is involved in lending its financial resources to both energy and agricultural concerns.

As virtually all of us are aware, due to a number of factors, we are experiencing dramatic declines in both the agricultural and energy sectors of our economy, which has in turn caused widespread and far-reaching concern to many other sectors of the national economy. The effects of this development are becoming more serious and encompassing every day, and some of the factors contributing, I believe, have been: First, the message sent to energy developers and investors by the Housed-passed version of "tax reform"; second, inadequate authority on the part of Federal banking agencies to work with temporarily troubled banks, and third, the problems and restrictions brought on by the passage of both the Natural Gas Policy Act of 1978 and the Industrial Fuel Use Act of 1978.

Mr. Speaker, this legislation addresses these problems in the following ways:

First, the bill expresses, through a sense-of-the-Congress resolution, that any changes detrimentally affecting the oil and gas industry in H.R. 3838, or in any other tax reform bill, should not be included in final legislation passed by Congress.

Second, the bill provides enhanced flexibility to the Federal Deposit Insurance Corporation, the Comptroller of the Currency and the Federal Reseve Board, to establish regulatory procedures that allow the restructuring of certain oil and gas or agriculture industry loans. It further provides for new acquisition provisions in the Federal Deposit Insurance Act, allowing for limited interstate purchases when an institution has been closed or is deemed to be in danger of failing, and when the appropriate regulatory authorities agree that action should be taken. Defining the specific terms and instances in which an institution is in fact failing, for instance, referring to capital-to-asset ratios

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or other industry recognized indicators which the appropriate regulators (the Federal Reserve Bank, the Comptroller of the Currency, the Federal Deposit Insurance Corporation and the respective State bank commissioner) would agree to and recognize jointly, have not been addressed in this piece of legislation. I would also mention that there may be additional clerical items which will also need to be addressed and further defined before specific sections in this bill would be complete, and I look forward to working with the distinguished chairman and members of the House Banking Committee in that regard. Other regulatory measures located in this section are intended to allow Federal banking agencies the regulatory abilities to work in cooperation with well-managed financial institutions whose capital may be temporarily impaired by adverse economic conditions beyond their control.

Further, this bill allows the natural gas industry the ability to make their product available to electric utility plants and major industrial users who choose natural gas as their energy source. Finally, this legislation provides for the transportation of natural gas without undue discrimination, and repeals the incremental pricing requirements of the Natural Gas Policy Act of 1978.

Mr. Speaker, I urge my colleagues to consider this issue, and hope they will join me in what I believe is an overdue effort to provide the mechanisms necessary to address the current situation.

THE ANTITERRORISM TAX ACT

HON. BILL LOWERY

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Monday, April 14, 1986

Mr. LOWERY of California. Mr. Speaker, recent press reports have revealed that some American companies have been reluctant to quit operations in Libya after the President's order to do so. Many companies are still operating in North Korea, Cuba, Iran and Nicaragua, which, along with Libya, have been accused by the State Department of supporting terrorism as state policy.

Therefore, I have introduced legislation, H.R. 4278, which adds a financial incentive for U.S. companies to quit operations in terrorist countries and which prevents American taxpayers from indirectly subsidizing the economies of these nations.

Under current law, any corporation may receive a tax credit for any taxes paid to foreign countries on income earned in those foreign countries—called a foreign tax credit [FTC]. Although there are some statutes for denying credits and other tax provisions in response to foreign nations' dumping of goods, there are no provisions for denying these credits when those same nations commit acts of terrorism.

Briefly, H.R. 4278 requires the Secretary of State to list in the Federal Register nations which practice state-supported terrorism. The Secretary can add or delete countries from that list at his discretion. The bill then denies the use of the FTC for taxes paid to any country on the terrorist country list and has a part-year rule for cases when a country is listed or deleted during a tax year.

It is important to note, however, that H.R. 4278 only denies the FTC related to specific countries, it does not deny all FTC's to a company. For example, if a firm has an operation in a country such as Libya and one in a country which is not on the terrorist list, such as Saudi Arabia, the firm will no longer be able to use taxes paid to Libya as a way of reducing U.S. tax liability, but it will still be able to claim an FTC for taxes paid to Saudi Arabia.

In sum, Mr. Speaker, I would like to urge my colleagues to join me in sponsoring H.R. 4278, providing a financial incentive for companies to leave terrorist nations. It is time we make the important political statement that the U.S. Government will not credit taxes paid to terrorists against taxes owed to the U.S. Treasury.

DR. PAUL F. KLENS

HON. WILLIAM F. CLINGER, JR.

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Monday, April 14, 1986

Mr. CLINGER. Mr. Speaker, Dr. Paul F. Klens, of Mill Hall, PA, who served as professor of biology and chairman of the department of biological sciences at Lock Haven University in Lock Haven, PA., is preparing to leave the university as an active faculty member in August 1986, and will be honored for his many years of service to the university at a special testimonial dinner Saturday, April 19, 1986.

A Lock Haven University scholarship fund will be established in his name to provide financial assistance to an undergraduate scholar majoring in the biological sciences.

Dr. Klens has been a member of many community and civic organizations in the 29 years he has lived in Clinton County and has over 15 years of administrative experience in business, education, and government.

I know all of my colleagues join me in congratulating Dr. Klens on his many accomplishments and fine service to Lock Haven University and to his State and country and wish him well in all future endeavors.

MSU TOPS IN HOCKEY

HON. BOB CARR

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Monday, April 14, 1986

Mr. CARR. Mr. Speaker, the Michigan State University Spartan hockey team surprised a lot of people. This year was supposed to be a rebuilding one. Young players were going to get the needed experience. No one expected this to be a great season. Next year or even the year after that MSU fans were going to expect the title. But MSU went one better. They came from behind, just as they had all year, and scored the winning goal to go ahead of Harvard 6 to 5 in the closing minutes of the NCAA hockey tournament. After a gallant last minute effort by the Crimson, the arena in Providence RI looked like a sea of green as the MSU spartans laid claim to the title.

Finishing the year with a 34 to 2 record, the Spartans relied on leading NCAA scorer Mile Donnelly, junior Mitch Messier, junior Jeff Parker, freshman Brad Hamilton and freshman Brian McReynolds. Donnelly was named MVP of the tournament.

Coach Ron Mason has a lot to be proud of. He has accoumulated nearly 500-collegiate hockey victories and now has his first NCAA championship.

The student body responsed as well, filling the streets of East Lansing at a celebration parade.

Today, I salute the MSU Spartan hockey team. They beat the odds and deserve to be the NCAA champs.

CHARITY AND SELFLESSNESS

HON. BARBARA BOXER

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Monday, April 14, 1986

Mrs. BOXER. Mr. Speaker, I rise today to commend the people of the Sixth District of California. During the recent flooding of many areas of California, the people of the Sixth District exhibited a generous spirit of helping their neighbors that should be a model for all communities in times of trouble.

One example of this spirit is the people and parish of St. Anselms of Ross, CA. During the flooding the people of the parish opened their school as an evacuation center to provide aid to many of the residents forced from their homes by rising water or peril of mudslide.

There are many unnamed heroes in the flood areas and I would like to commend them for their charity and selflessness; they certainly will not ask it for themselves.

MS. JEANNE LOSEY'S POEM HONORING "CHALLENGER" ASTRONAUTS

HON. PHILIP R. SHARP

OF INDIANA

IN THE HOUSE OF REPRESENTATIVES

Monday, April 14, 1986

Mr. SHARP. Mr. Speaker, I would like to call the House of Representatives attention to a poem I received recently from Ms. Jeanne Losey of Shelbyville, IN. Ms. Losey's poem expresses so well the country's sadness over the tragic deaths of the *Challenger* astronauts, yet our determination to proceed with the NASA program so as to continue their vision of future space exploration.

"CHALLENGER," JANUARY 28, 1986

(By Jeanne Losey)

They set out bravely into space,
And took our hearts along.
There was no thought of tragedy,
Or something going wrong.
Then came that awful ball of fire,
And everybody knew
That God had made a special place
For Challenger's brave crew.
For 7 heroes died that day,
But even though they're gone,
Their dreams are ours to be fulfilled;
Their memory still lives on.

Our country grieves for Challenger
And its courageous crew,
But, as we weep, we carry on,
For there is work to do.
They blazed a trail across the sky
Right to the heavenly gate.
They all were space-edge pioneers
Who bravely met their fate.
We shall not let them die in vain;
We must be strong and brave.
Because of heroes just like them,
Old Glory still will wave.

TRIBUTE TO THE MOST REVEREND JOHN J. DOUGHERTY, AUXILIARY BISHOP OF NEWARK

HON. PETER W. RODINO, JR.

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Monday, April 14, 1986

Mr. RODINO. Mr. Speaker, I am deeply saddened to note the passing last month of one of Newark's finest spiritual leaders, Bishop John J. Dougherty.

Bishop Dougherty's career spanned 52 years and his great achievements and kindness touched the lives of countless people within and outside of his archdiocese. After his ordination in 1933, Bishop Dougherty earned degrees in sacred scripture, including a doctorate from the Pontifical Biblical Institute in Rome. He served as professor of scripture at Immaculate Conception Seminary in Mahwah for 22 years, hosted "Catholic Hour," a radio and later television program in the 1940's, and served on the Pontifical Commission of the Vatican for Motion Pictures, Radio, and Television.

Bishop Dougherty rose through the ranks of the church, becoming monsignor and, in 1962, auxiliary bishop. Beginning in 1959 he served for 10 years as president of Seton Hall University. Bishop Dougherty was one of the first Catholic prelates to speak out against the Vietnam war.

Although Bishop Dougherty was partially paralyzed by a stroke in 1980 and confined to a wheelchair, he continued his activities as chairman of the New Jersey Catholic Historical Records Commission and as chaplain to the Knights of Columbus.

Mr. Speaker, at the funeral Mass on March 24, Newark Archbishop Peter L. Gerety eulogized Bishop Dougherty as a man with a "great priestly heart." Although I mourn the loss of this great and kind man, I take comfort in knowing that his good works will be remembered and honored for many years to come.

Mr. Speaker, I commend to you Archbishop Gerety's homily, delivered in eulogy at the funeral Mass of Bishop John J. Dougherty:

FUNERAL MASS FOR MOST REVEREND JOHN J. DOUGHERTY, AUXILIARY BISHOP OF NEWARK, BY MOST REVEREND PETER L. GERETY, ARCHBISHOP OF NEWARK

Bishop Dougherty went home to God last Thursday evening at seven o'clock. His death came after more than half a decade filled with suffering and a courageous battle against the sickness which finally snatched him away from us just a few days ago.

We all have fond memories of him as he was before his stroke felled him in 1980. He was small of stature but he was an attractively healthy and handsome man with an engaging easy smile, a tender gentleness in his relationships with others and a gift for forming endearing friendships.

If we loved him before his stroke, we learned after it to add to that love profound admiration for the manner in which he bore the cross of illness. How he fought to overcome the slur in his speech, how he struggled to walk straight and proud again!

And above all, how he showed to us who were close to him the depth of his faith as he bore his suffering in union with his Lord. On one occasion, during one of the several crises brought on by his illness, he had been confined to a hospital bed for a considerable number of days. A priest of the Archdiocese who was a close friend of his dropped in to see him. He was agreeably surprised to find him at last sitting up in a chair.

He expressed to the Bishop his delight to see that he had fought his way to recovery. He said, "Bishop, it shows what a good man can do." In reply the Bishop said, "It shows that suffering is a part of the apostolate."

That remark revealed what a great priestly heart lay behind that ever-present smile. It made clear how closely he lived with the great High Priest, his crucified and risen Lord Jesus.

It was as if he had constantly ringing in his ears the Savior's instruction to all those who wish to be His true disciples. "If any man would come after Me, let him deny himself and take up his cross daily and follow Me. For whoever would save his life will lose it; and whoever loses his life for My sake, he will save it." (Luke 9, 23-24)

And he knew and profoundly believed with all his being the truth of that other saying of the Lord which we have just heard proclaimed in the Gospel selection chosen for this Mass. "Come to Me, all you who are weary and find life burdensome, and I will refresh you. Take My yoke upon your shoulders and learn from Me, for I am gentle and humble of heart. Your souls will find rest, for My yoke is easy and My burden light." (Matthew 11, 28-30)

Today we are gathered here to commend Bishop Dougherty to that gentle and humble Lord Whom he followed all his life in joy and in sorrow and in pain. He hoped with all his strength for that promised rest as he bore his cross with the Lord. We pray with all our hearts that God's eternal rest may be his now that he has passed through death to the life that was always the goal of his pilgrimage on this earth.

Indeed it is our goal too. Today we suffer pain and sorrow. The separation brought by death is an inescapable fact of the human condition. We cannot brush aside the crushing nature of that reality, nor can we deliver our hearts from it. It is part of the love we bear for one another that we should feel profoundly and shed bitter tears at the passing of those who are close to our hearts.

And yet our holy faith teaches us that death itself has been conquered by the Risen Christ. Its icy grip has been broken. God in Christ has promised, as Saint Paul said to Timothy, "If we have died with Him, we shall also live with Him, if we endure with Him, we shall also reign with Him." (2 Tim. 2, 11-12)

And in his first letter to the Corinthians, the great apostle to the Gentiles cried out, "Death is swallowed up in victory. O death where is thy victory? O death where is thy sting? . . . Thanks be to God, who gives us the victory through Our Lord Jesus Christ. Therefore, my beloved brethren," he said, "be steadfast, immovable, always abounding in the work of the Lord, knowing that in the Lord your labor is not in vain." (1 Cor. 15, 55-58)

As men and women of faith we firmly believe that death is a new beginning, the entrance into that heavenly city with God, His angels, His saints and all those loved ones who have gone on before us. The pain of death is real, it breaks our hearts. But even in the midst of sorrow the believer is sustained by the firm hope of better things to come.

The night before He died, the Lord Jesus spoke to His apostles with great solemnity. Good Friday He would hang on the cross and the world of injustice and evil would seem to carry the day. But He said:

"Truly, truly, I say to you, you will weep and lament, but the world will rejoice; you will be sorrowful but your sorrow will be turned into joy. . . You have sorrow now, but I will see you again and your hearts will rejoice, and no one will take your joy from you." (John 16, 20 ff)

Bishop Dougherty was pastor of Saint Rose of Lima Church in Short Hills from 1969 until 1977 when he resigned to become Scholar in Residence at Seton Hall University. At the farewell mass in Short Hills he bored out his heart in these words, "What is it we celebrate today? Surely not a going away. No, it is presence; Yours to me and mine to you. If you ask what this presence has meant to me, it is that I have seen God in people."

In those words there is a distinct echo of the words of Christ which I have just quoted. The Christ who died, rose and became present to His followers even more intimately than before, He in us and we in Him. John Dougherty, priest of Christ, Bishop of Christ's people believed profoundly in that presence of the Lord. He saw God in everyone and everywhere. He believed in presences, the Lord to us and we to Him.

Those of us who knew him well sensed in his ready smile, his constant good humor, his open-friendliness, the manifestation of a profound joy in God's presence, a wonder at the spirit-filled universe peopled with men and women and little children, all radiant with the God who had made them His temples of flesh and blood.

Joy in the Lord, even when he was in pain or in sickness, even in the last days of his struggle with his stroke, even on the bed of his last agony, joy in the Lord seemed to radiate from his every word, from his endearing smile. It was as if he had always ringing in his ears and echoing in his heart those words of Saint Paul to the Phillipians, "Rejoice in the Lord always! I say it again, Rejoice! . . . The Lord is near." (Phillipians 4, 4)

Shortly after Bishop Dougherty's death one of our young priests said to me, "Archbishop, we have lost a great man!" Who indeed can doubt it?

One has only to look at the record of the broad interests, of the multifaceted priestly service which characterized the Bishop's life to realize how true those simple words are.

As a young man he was chosen for studies in Rome and was ordained in the Eternal City on July 23, 1933. Then the list of accomplishments and service to the Church and all humankind on the national and international scene begins:

Licentiate and then Doctorate in Sacred Scripture from the Pontifical Biblican Institute in Rome, Professor of Scripture in our own Immaculate Conception Seminary for twenty-two years, author of many learned articles for professional and religious jour-

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nals, regular speaker for long years on national radio and television for the Catholic Hour, member of the Pontifical Commission at the Vatican for Motion Pictures, Radio and Television, honored as Papal Chamberlain, as Domestic Prelate, named President of Seton Hall University in 1959 and then named Auxiliary Bishop to the Archbishop of Newark in 1962—the list goes on and on. To ecclesiastical service we must add his activities in international affairs and interreligious ecumenical organizations. The interests of this dear man of God would fill a book. Scholarship, religion, justice in the world, peace, the new liturgy for which he was a member of the International Commission on English in the Liturgy; it is simply breathtaking.

It is impossible here to go through the entire story. All we can do is sit back and applaud such a universal man in a time of enormous change.

And with that I return to the question of the well-spring from which flowed John Dougherty's breadth of interest and service. To describe it is one thing, to understand its motivation and its roots is another.

Nevertheless it is basically simple, it is the secret of the saints. John Dougherty was a man whose whole life reflected that saying of Saint Paul, "The love of Christ impels us." (2 Cor. 5, 14) To Jesus Christ he gave himself as a young man and from that sweet smelling sacrifice of praise he never waivered. His path, chosen out of love, was a life-long response to those words of the Lord, "Abide in Me. . . . He who abides in Me and I in him, he it is who bears much fruit." (John 15, 4-5) He loved Jesus, the Word of God in the Scriptures, and in that Word he found delight.

He loved Jesus in His body, the Church—and so he served that Church through all the enormous changes of our time with open-hearted generosity and joy.

He loved Jesus in the people he met and so our hearts were warmed and made happy by his unfailing gentleness and courtesy, by his obvious empathy for us in our joys and sorrows.

And now we come to say good-bye. To the Bishop's family we offer our sympathy in their loss. Indeed, we share that loss of the gentle priestly presence among us—the presence as he said, he to us and we to him. But we take heart for we know that the living words of Jesus are meant for us at such a moment if we abide in Him, "You will be sorrowful, but your sorrow will turn into joy. . . . I will see you again and your hearts will rejoice, and no one will take your joy from you." (John 16, 22 ff)

FRANK STANTON'S APPRECIATION OF EDWARD R. MURROW

HON. DANTE B. FASCELL

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Monday, April 14, 1986

Mr. FASCELL. Mr. Speaker, in September of last year, CBS chairman and for the past 9 years, the Chairman of the U.S. Advisory Commission on Information, Frank Stanton, was the featured speaker at the USIA Alumni Association meeting.

In his remarks, Mr. Stanton noted, with understandable pride, that CBS has "given the (former) Office of War Information and the U.S. Information Agency three directors: Elmer Davis, Edward R. Murrow, and Frank Shakespeare." Each was very different, but all were equally dedicated to their profession.

Mr. Stanton took that opportunity to pay particular tribute to Ed Murrow—and in so doing, he provided a useful historical perspective of the World War II era. I believe his reminiscences are of value to this body and to the public at large, and for this reason, I would like to include the full text in the RECORD at this time.

Mr. Stanton also suggests that the current prohibition on making USIA products available to schools and colleges in this country is fast becoming outdated. While I am personally not convinced that this body is ready to embark on such a course, I believe Mr. Stanton's thoughts along this line were worthy of very serious considerations.

Finally, I would merely point out that Frank Stanton, like those he has eulogized, is also a very distinguished American and when he speaks to us on the subject of information policy, it behooves us to listen—and listen carefully.

The full text of Mr. Stanton's address follows:

REMARKS BY FRANK STANTON TO THE INFORMATION AGENCY ALUMNI ASSOCIATION

It's an unusual pleasure to be here today. After nine years as Chairman of the US Advisory Commission on Information, plus my stint on the Panel Report, I feel like something of a USIA alumnus myself.

I also feel exceptionally close to USIA for another reason.

CBS has given the Office of War Information and the US Information Agency three directors. Each very different, each very dedicated. Elmer Davis, Ed Murrow, Frank Shakespeare.

When Lou Olom invited me to come here today, he told me about the marker the Alumni Association had placed in that little park on Pennsylvania Avenue, dedicating the plot of land to Ed Murrow's memory. He suggested that in addition to whatever else I would like to say, I might talk a bit about Ed. He said it wouldn't be a dedication of the marker—that's been done—but a sort of a rededication.

That struck me as an excellent idea.

In fact, I can't think of any set of standards and ideals to which we in the world of information should more often rededicate ourselves than those of Ed Murrow.

I've long felt a special personal kinship with Ed. We were born in the same year. We came to CBS within a week of each other, almost 50 years ago. So we sort of grew up in broadcasting together. Actually, most of us here today are fortunate to have known and worked with Ed.

Ed was remarkable for what he was and also for what he represented. He was one of only a handful of journalists in all history whose stature as a man of his times—and for all times—overshadowed even his towering stature as a broadcaster.

Three great forces guided him. There was his strong faith in the power of education and enlightenment. There was his never-ending quest for perfection. And there was his passionate devotion to his duties as a journalist. His concept of those duties was to help the public—as he put it—"know the facts as far as they are ascertainable, and so to illuminate and explain facts and situations, as fairly as possible, as to enable the listener to judge and weigh them for himself."

Most Americans remember Ed Murrow as a creature of television: "See It Now," "Person to Person," "Small World." But it was on radio that he became an American institution.

Ed used to say that all he knew about radio was that the short waves were long and the long waves short. That, of course, was part of his gift for understatement and humor. But beyond that, he had a rare capacity for conveying the deeper meaning and the emotional quality of world events. They flowed through him like a stream. We saw it vividly on that historic day in March, 1938, when he went on the air from Vienna to report on the Anschluss of Austria and what we all recognized later as the beginning of the Second World War. That broadcast, the first CBS World News Roundup, was a milestone in journalism, tying the world together with live on-the-spot coverage of events as they were happening. In the decades since then, this format has become the hallmark of electronic journalism, bringing together correspondents from world capitals, battlefields, disaster areas, wherever the news is breaking.

During the Nazi blitz of London, it was the measured tones and perceptive reporting of Ed Murrow that awakened Americans to the ugly realities of the war then raging through Europe. With deep compassion and concern for the suffering he saw, he brought the burning city into our living rooms. He carried the dead to our doors, and we know they were more than the dead of London. They were the dead of mankind. He followed Londoners on their way to air-raid shelters and caught their measured footsteps on his microphone. He joined RAF bomber pilots on their raids over Germany and described the flak and fire.

This man destroyed the dangerous illusion of distance and time that insulated our nation from the grim events taking place in Europe. He destroyed the myth in many American minds that what is done 3,000 miles away is not really done at all. "There are no words to describe the thing that is happening here," he said of the inferno raging in London. But he somehow found the words. Simple ones. As the first American correspondent to enter Buchenwald, he expressed the same inability to describe the horrors found there. But somehow did.

It was from London that he stirred the soul of America. It was from London that he truly entered the heart of America.

When Ed broadcast from London, three things gave his reports the enormous impact they had.

One was that great resonant voice which conveyed such authority and immediacy and at the same time had a quality of human warmth that people responded to instinctively.

Another was his courage, and his passion to get the truth and convey the truth.

The third was the technology of radio itself.

For those who grew up in the television age, it may be hard to realize how exciting radio was in the 1930s and early 40s. When Ed brought the Battle of Britain home, live, to American living rooms, nothing like that had ever been done before. For the American people, it was a totally new experience. And it was gripping, chilling, heart-rending.

In that darkest hour of Britain's modern history, Ed Murrow, more than anyone, was the link that bound the United Kingdom and the United States together.

His success was a personal triumph. In a very personal way it also marked the

coming of age of broadcasting as an information medium.

Thinking back on those broadcasts today is a vivid reminder. First, that some things don't change; and second, that some things do change.

The human qualities, the professional qualities, that Ed brought to his work—those things don't change. But technology—that does change.

In the 1940s radio was the most pervasive and powerful information medium we had. Only radio had that immediacy and intimacy. Only radio brought us the human voice.

Now we have television. Through the magic of radio, we could hear Ed Murrow live from London. Through television, we could hear and see him. but the world of communications has expanded dramatically during the two short decades since Ed walked the halls at 1776.

And now we have a proliferation of new ways to get a television signal from one place to another. Satellites dot the skies. Cable snakes its way across the land. VCR players are in every fouth home. And increasingly, direct broadcast receiving dishes are sprouting from the landscape like giant inverted mushrooms after a spring rain.

Satellites, cable, VCRs, PCs, digital recording—these are radically changing the way we process and transmit information. They're changing the tools of the game. They're stretching the reach of the possible. And they're making a lot of our traditional thinking about communications obsolete. Technology is indeed driving us to change our way at home and abroad.

Today, I'd like to focus on two things in particular that I think this means for USIA.

First, it means that in its overseas information programs, the US has to move broadly and boldly beyond radio—just as the American people in their own news and entertainment habits have moved beyond radio. The Agency has begun to do that with Worldnet.

And second, it means that here at home the old rules that have barred the American people from seeing the product of USIA are more anachronistic than ever.

Let's think for a moment about those new technologies.

Let's think about digital recording—the laser disc. We've probably all listened to that wonderful new sound of music on those shiny compact discs. But they can be used for more than music. Already Grolier has put its entire encyclopedia—21 volumes—on one little five-inch disc, with an index that allows you to go to any subject in 5 to 10 seconds. Entire libraries can be put on discs and distributed to remote areas by satellite.

Think of what that means for our capacity, not just to store and retrieve information, but to transmit and share information.

And think about satellites. As more go up, as they broaden their footprints so that signals bounced off of them can be picked up over a wider and wider area, think what that means about our ability to reach places that are now unreachable.

Today, shortwave radio remains an effective means for reaching the people of the Soviet Union. Technically, there is little reason to believe that will not be true tomorrow, when it comes to signal availability and receivers. Except for the fact that Soviet television is reported to be coming up fast, due in large measure to its domestic program distribution via a sophisticated system of satellites and land-based stations. Not unlike our own television networks, save for geographic scale. Our lower 48 states stretch across four time zones: the USSR spans eleven.

As television becomes available to more and more people in the USSR, it could do the same thing to radio listening there that television did to radio here. It could soak up the audience's available time and attention. If and when that day comes, consider what impact that will have on the audiences for the Voice and Radio Liberty, as well as other Western radio broadcast services. Consider, too, that the source of the television news and information will be Moscow.

Does that mean we give up? To the contrary. It means we must plan ahead to the time when satellite technology will permit us to cover selected parts of the world with adequate television signals. It means we think about the impact of television, and about how advancing technology makes it possible to use television in new places and in new ways.

Ed Murrow believed in truth. He also believed in openness. And it's in his spirit that I suggest the time has come to stop hiding the work of USIA from the American people.

For almost 40 years now USIA has been producing an outstanding array of materials that present America to the world. But these have been off limits to Americans. We can show them overseas, but we can't show them here. If Americans want to see what their tax dollars are paying for, if they want to see how their government is portraying this country abroad, they have to go abroad.

When Congress first established USIA, there was a perhaps understandable concern that once the government got into the public information business, an unscrupulous administration might abuse the process in order to propagandize the American people for its own political purposes. So Congress leaned over on the side of caution. What USIA produced would be for overseas distribution. Period. It would not be shown or heard in the US. And therefore it would not be subject to political abuse. Through a combination of the sense of Congress and the power of precedent, this caution has hardened into an inflexible and binding rule.

But two things have happened to make those worries obsolete. One is experience. The other is technology.

For almost four decades now, USIA has maintained high standards of professionalism and integrity. And at the same time the American press, both broadcast and print, have shown convincingly that they are watchdogs with teeth. Surely any administration so foolhardy as to attempt to subvert USIA for domestic political purposes would be exposed and condemned by those whose business it is to keep an eye on government, and would quickly and sorely regret it.

At the same time, cable, satellites and VCRs have transformed broadcast technology. Many television receivers on sale today are "cable-ready," with dozens of cable connections. The consumer is no longer operating in an environment of scarcity with regard to programming sources. Even today every other home in the US has cable. Deregulation of broadcasting is itself predicated on the increased availability of multiple sources, and on the notion that the consumer ought to be the ultimate authority when it comes to program choice. Some day at least one of those cable connections ought to be available, if some enterprising person chose to make it available, to those Americans who might want to see what their government is telling the rest of the world about us.

Mind you, I'm not talking about using government money to distribute USIA programs in the United States. What I am talking about is ending the prohibition on their being shown here, so that schools and colleges and others who might want to know what their government is distributing abroad can gain access to the product. I'm talking about letting Americans themselves see it and make use of it, just as they can see and make use of the materials put out by the Government Printing Office. If not over the air or by cable, then by VCR.

Also, now that home satellite-receiving dishes are increasingly blanketing the countryside, the government soon won't be able to black out the USIA's product even if it still tries to. Eventually it's going to be up there, waiting to be pulled from the sky. So what I'm suggesting is that Congress catch up with technology and change the rules so that what will otherwise be done surreptitiously can be done openly and legitimately.

Truth doesn't have an easy time in today's world. It never did. It's our job to make its way easier, not harder.

But truth does have a wonderful quality: it has the power to cross national boundaries and to penetrate prison walls.

I'm glad that you who gave your careers to USIA are proud of Ed Murrow. CBS is proud of Ed Murrow. I'm proud of Ed Murrow.

Ed represented something central to the role of American journalism which is also central to the mission of USIA. He was both a truth-seeker and a communicator. Unfortunately, some people are one but not the other. Yet it doesn't help much for a person to seek the truth if he can't communicate it. And it is down-right dangerous if a person communicates well, but what he communicates isn't true.

Ed believed what we all believe: that in the world of information, truth is the ultimate standard.

In his CBS office Ed hung a quotation from Thoreau: "It takes two to speak the truth—one to speak and another to hear." And speaking of television, he used to say that without a message "all you have is a lot of wires and lights in a box."

That's at the heart of the challenge facing USIA: getting the message clear, getting it right, and getting it heard. Getting it across national boundaries, through Iron Curtains, into homes and villages and factories and schools around the world.

By taking advantage of the new technologies, we can help to make it available. And by letting the American people know what the message is, we can increase the public's confidence that we're getting it right.

INTRODUCTION OF LEGISLATION TO COMBAT NUCLEAR PROLIFERATION

HON. FORTNEY H. (PETE) STARK

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Monday, April 14, 1986

Mr. STARK. Mr. Speaker, today I am introducing two pieces of legislation to help combat one of the most fearsome problems facing this country and the entire world today—poorly controlled proliferation of nuclear technology.

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It is not an issue that has received the attention it deserves; in fact, it is not really even on the agenda of general public discussion. Because we tend not to address a problem until it is generally perceived to have reached crisis proportions, there has been little attempt to determine the status of nuclear proliferation and to propose ways to curb its expansion. With this subject, though, we cannot afford to delay action, for the costs of a crisis, in human and economic and environmental terms, are just too great. By the time a nuclear weapon is exploded by a non-superpower country or a terrorist organization, the realities of proliferation will be too intractable, and the time to solve them too short, for us to prevent a disaster of unthinkable horror.

The bills I am proposing cannot, by themselves, solve the problem, but they are useful and necessary steps—blocks in the foundation of a lasting structure to prevent uncontrolled proliferation. My legislation would simply deny all trade preferences—Most-Favored Nation, Generalized System of Preferences, Caribbean Basin Initiative, and Free Trade Agreements—to countries that have not signed the Non-Proliferation Treaty (NPT) or the Limited Test Ban Treaty, the basic documents in force designed to prevent the spread of nuclear weapons. These bills could help move us toward a more stable nuclear world.

Current U.S. nuclear policy is based upon the so-called "strategic triad," comprised of land-based ICBM's, submarine-launched ballistic missiles, and strategic bomber forces. It is a policy of death and destruction based upon a balance of terror, and it confronts us with the fearsome prospect of an endless nuclear winter, more terrible than any Ice Age. It is inhuman and it must not continue. My legislation would establish one leg of a new strategic triad: a triad to support peace. The three legs would be a comprehensive test ban, reduction of existing nuclear stockpiles and nonproliferation of nuclear technology. Unlike the current triad, it would be stable and survivable in the long run. Resumption of negotiations for a comprehensive test ban, which has received overwhelming congressional support, would provide the first leg. The Geneva arms talks would provide the second leg. My bills would set the framework for the third leg.

I believe the two areas, trade preferences and treaty adherence, can and should be linked. We grant such preferences to responsible members of the world community, and there is a conscious policy of tying those benefits to economic and diplomatic behavior. Agreement to limit nuclear weapons should be the most basic requirement for any country seeking standing in the community. If a country refuses to make the basic sacrifices necessary to preserve the community, it should not be eligible for the benefits accruing from membership in that community. My bills would change current policy only by extending the criteria for membership to include a willingness to participate in an attempt to protect the world from nuclear terror.

The problem of proliferation is present in three arenas, each presenting unique dangers and requiring unique measures to dismantle those threats. The first arena, and the one which has captured the world's attention, is the arms race between the superpowers. This is understandable. With about 50,000 nuclear weapons between them, these countries have the power to destroy the entire planet with just a small fraction of their arsenals. Article VI of the NPT calls on all signatories to "pursue negotiations in good faith on effective measures relating to cessation of the nuclear arms race at an early date and to nuclear disarmament. . . ." Without question, the United States and the U.S.S.R. have, especially in the past few years, failed miserably at this. Until the members of the nuclear club abide by the sections of the treaty that apply to them, they will have little leverage in persuading nonnuclear nations not to seek nuclear weapons. I suggest that speedy negotiations on a comprehensive test ban, as called for in House Joint Resolution 3, which the House passed on February 26, would be a good first step in this area.

The second arena, and the one which has received the least public attention, covers the drive by other nations to acquire nuclear weapons. In the past decade, India, Pakistan, Israel, and South Africa have become "associate members," capable of producing nuclear weapons, if they have not done so already. Frighteningly, none of those countries is signatory to the NPT, which means that there can be no safeguards or restrictions under the treaty on the types of nuclear material they acquire. Other countries which have nuclear aspirations and will soon have nuclear capabilities include Brazil and Argentina, which have not signed the NPT, and Iran, Iraq, and Libya, which have signed but whose recent behavior casts real doubt on the depth of their commitment to peace and the quality of any promises they may make. Many of these countries already have well developed conventional arms industries. At present, Israel, India, Brazil, Argentina, and South Africa are among the top six weapons producers in the third world.

Consider the situation for a moment. We have here nine countries, each frantically trying to build nuclear weapons. Several of them have a history of unstable government. All are in a currently or potentially volatile situation militarily. How safe can we feel knowing that these countries can acquire nuclear weapons, free from oversight by the International Atomic Energy Agency or any other body?

Think for a minute. Pakistan and India are traditional enemies and have fought several wars over the past 40 years. Pakistan is ruled by an autocratic military dictator who dreams of enlarging his country's (and thus his own) power and prestige. India's Prime Minister was assassinated last year and the country is torn by domestic religious and economic turmoil. Israel has been in a state of war since 1948 and is surrounded by hostile countries. South Africa is also confronted by enemies, both from within and without, and has shown little restraint in committing brutal atrocities as they attempt to preserve their racist, indefensible regime. Brazil and Argentina are long-standing competitors for supremacy in South America. Both have recently shed military rulers and replaced them with democracies. Both countries, however, still have in their cultures the tradition of autocratic rule and both will be facing very trying economic times in the next few years which could trigger serious social unrest. Iran and Iraq have been at war with each other for 6 years now. Both countries have leaders who can, at best, be considered fanatics. Both have shown blatant disregard for international agreements and basic human civility through their use of poison gas in that war. Both have committed themselves to fight to the death. Finally, there is Libya. Colonel Qadhafi can most kindly be classified as a lunatic. In his disregard for international law, human life and the very basics of civilized behavior, the colonel has acted like a renegade terrorist. The acquisition by Libya of a nuclear weapon would be a catastrophe of the highest degree.

The fact that some of those countries are currently our allies does not make the situation less disturbing. In the first place, the nature of a government's leadership may change (witness Iran, Pakistan, Brazil, and Argentina), but nuclear capabilities do not. In the second place, are nuclear weapons less destructive when fired by a government of which we approve? Are the costs any less? Would fewer innocent people die if India dropped a bomb on Pakistan than the other way around?

The third and perhaps most terrifying arena, which has received some public attention lately, is the race by various terrorist groups to acquire a nuclear weapons capability. These weapons would not be of the type that initially come to mind; they would probably be small, crude devices that could perhaps fit into a suitcase or an oil drum. This does not make their destructive capability any less terrible. The weapons would not have to use the latest technology or be highly accurate because they would not have to elude missile defenses or penetrate hardened silos.

Consider the traumas that governments have faced when dealing with a hostage situation with dozens or even hundreds of hostages and identifiable terrorists armed with conventional weapons. Consider then the magnitude of difficulty in dealing with a terrorist's nuclear weapon planted in a locker in Grand Central Station or hidden in the coat check room at the Smithsonian.

Perhaps equally as frightening, imagine the abrogations of international law and individual rights that terrified governments could commit to guard against such an occurrence. The recent hijacking of a small plane in international airspace by Israel indicates the measures that governments are currently willing to take to protect their citizens. With the threat magnified exponentially by a nuclear threat, the willingness to violate agreed-upon rules and processes would increase as well. If that happened, the terrorists could substantially win without ever firing a shot.

Since the nuclear age began in the 1940's the members of the nuclear club have tried, like the Greek gods protecting fire, to keep the knowledge to themselves. Unfortunately, the members have all played a mercenary Prometheus at times, rushing to sell their secrets and get something for them before another country does. With none of the partners trusting the others to keep the secret, the result is that they all give it up, hoping to be soon enough to get credit—in this case, money and gratitude—for it. Our nuclear technology sales to China at a time when they may be providing nuclear help to Pakistan is a case in point.

The history of failed attempts to keep the nuclear club exclusive is a sad litany of poor planning, mistrust, sovereign pride, and greed. When the United States was the sole nuclear member, the first arms control proposal was to establish an international agency to take control of nuclear facilities and materials worldwide, after which the United States would destroy its nuclear weapons. This plan ended when the Soviet Union, mistrustful of U.S. intentions, demanded that the United States destroy its weapons first, before an international system preventing other countries from making them was established. The United States, equally mistrustful, refused.

Having failed with the Soviets, the United States turned its attention to its allies in Western Europe and, through the formation of the NATO alliance and the development of the Atoms for Peace Program, tried to dissuade them from pursuing nuclear capabilities. Britain concluded its first nuclear-weapons test in October 1952 and France joined the nuclear club in February 1960. So much for NATO.

The United States then switched its tactics from unilateral appeals to stop proliferation to more cooperative efforts, including negotiation of the Limited Test Ban Treaty and the creation of the International Atomic Energy Agency, charged with developing safeguards on the supply and use of atomic energy. Unfortunately, the IAEA could not inspect facilities built with material or assistance from countries that made IAEA compliance a prerequisite to any sale. Facilities developed independently within the country or with help from countries that did not demand IAEA oversight could not be watched. Also, there were several practical and technical problems with IAEA inspection procedures. In 1964, China exploded it first nuclear device, above ground, like all other nations' first tests. China was not signatory to the Limited Test Ban Treaty.

Growing desperate, the nuclear club members overcame their conflicting interests and developed the Non-Proliferation Treaty, which went into effect on March 1, 1970. In 1974, India conducted a "peaceful nuclear explosion." It is also widely believed that Israel assembled the various components needed to make a bomb in the 1970's. As Roger Molander and Robbie Nichols said in their book, "Who Will Stop the Bomb?", "so much for nonproliferation by treaty. It's good as far as it goes but it's hardly good enough unless everyone can be persuaded to sign." And, I might add, to comply.

As proliferation increases, the differences in negotiating a treaty to slow the spread grow exponentially. Multilateral negotiations are much more difficult to conduct than bilateral ones, and as more diverse viewpoints gain a say in the content of the final product, that document almost inevitably becomes weaker and less enforceable. Also, as the market for nuclear products and technology grows, the ability to monitor sale and use, especially reprocessing, becomes almost negligible. Regulating nuclear proliferation is rapidly becoming an impossible task; it is imperative that we act now at least to slow the leakage until we can figure out a way to stop it altogether.

There is hope, though, and there should be progress because this is an issue where it seems that all countries have, on balance, a real incentive to stop proliferation. Certainly, there are market forces at work which encourage proliferation. On the supply side, there are incentives to sell nuclear know-how, similar to those incentives to sell conventional weapons around the world. Short-term fiscal and foreign policy considerations can drive many countries to sell arms almost indiscriminately, regardless of what the long-term cost might be. The difference with nuclear weapons is the staggering burden of that long-term cost, which should outweigh the possible current attractiveness of a nuclear transfer. On the demand side, there are legitimate sovereignty and security reasons for nonnuclear countries to seek nuclear knowledge. Many face real energy problems which they feel can be alleviated somewhat with nuclear energy. Others feel that the nuclear club has little right to dictate terms to them, especially when they are not abiding by their part of the NPT by seeking arms reductions. Still others feel legitimately threatened by other countries or antigovernment forces and know that potential aggressors are much less likely to attrack a government that has nuclear weapons.

Nevertheless, the overriding concern of all countries should be to stop proliferation. Nuclear club members want to keep their club exclusive. Nonmembers whose programs are not advanced want to keep other nonmembers whose programs are advanced from joining the nuclear club. The problem group is those countries that are not members but that have advanced nuclear programs. Naturally, most of those countries have not signed the NPT. I believe it is time to start a multifront program to encourage those countries to help stop proliferation. Probably, there should be incentives, such as added security agreements, aid in developing alternative energy capability and so on. Certainly there should be strong diplomatic pressure applied. And, I think the time has also come for there to be sanctions against the most obstinate countries.

The case is strong for trade sanctions as a measured but effective step. Trade benefits are a privilege for the recipients, not a right. As with foreign aid, we should and do expect something in return for them. In practice, this bill does not change the policy of quid pro quo, it merely places a commitment to nonproliferation high on our list of foreign policy priorities. Trade benefits are easier to adjust than foreign aid. Much foreign aid is tied up in medium- and long-term programs for which disrupting funding could cause real problems. Trade benefits are much less cumbersome. Since they work on a transaction-by-transaction basis, they are easier to adjust and the effects are better contained. Finally, trade benefit programs are clearly a foreign policy tool. MFN, GSP, and CBI were all established for diplomatic as well as economic reasons.

As I have said before, neither of these bills will, by themselves, solve the problems of nuclear proliferation. At the very least, though, passage of these bills would give all countries real incentive to sign the NPT. It would also send a signal that the United States is serious about proliferation and ready to take steps to combat it. By forcing the issue, in a sense, it could bring all countries to discuss proliferation and, if there is general agreement that the NPT is not workable, stimulate discussion on possible alternatives. And, combined with support for a comprehensive test ban, further discussion of additional security agreements and programs to develop alternative energy programs in countries that need them, these bills could be an important part of an all-fronts attack on the scourge of proliferation before it reaches the point where no reasonable type of control is possible.

Mr. Speaker, we don't have time to delay until we find a perfect solution. In the past 40 years, the nuclear club has expanded from one to probably nine members. In another 15 years, several dozen countries could have the ability to manufacture nuclear weapons. There has been much talk about the legacy we are leaving our children by dallying on the issue of budget deficits. I would suggest that leaving them a world of nuclear anarchy would be even worse than the fiscal anarchy we are preparing for them now. I would hope that our sense of stewardship would prevent us from allowing this to happen.

Much of the terror we feel with nuclear weapons grows out of our sense that our technological ability to destroy the world has outpaced our diplomatic ability to save it. We still are not comfortable with the ability of the United States and the U.S.S.R. to handle the awesome responsibility that comes with possessing nuclear weapons and both countries have had almost 40 years of practice. How secure can we feel if a growing number of countries suddenly develop a nuclear capability without having had any experience in handling it, at a time when their political and social systems may be shaky and they may feel seriously threatened by outsiders? I don't believe we can allow ourselves to get into a situation where we have to find out. The potential costs are just too great.

Mr. Speaker, I hope that my colleagues in this Congress will support these two pieces of legislation. I hope they will seize this opportunity to take a first step, to get the ball rolling and to let it lead us to a policy that will effectively control the unregulated spread of nuclear technology. I hope we will be able to do this before we have a disaster and have to explain how we could have been so blind to such a clear and looming and awesome danger.

PIL WOONG LEE RECOGNIZED FOR EFFORTS TO REBUILD KOREA, SERVICE TO U.S. 8TH ARMY

HON. MERVYN M. DYMALLY

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Monday, April 14, 1986

Mr. DYMALLY. Mr. Speaker, when the truce between North and South Korea was signed on July 27, 1953, Korea was a country devas-

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tated by war. Clearly, the country faced a long period of rebuilding. Little more than a year after the signing of the truce, on October 5, 1954, a company was formed which would play a key role in bringing Korea back to its feet. That company is the Poong Lim Industrial Co. The company has also been a significant one for the United States because of the many construction projects it has performed with distinction for the United States 8th Army stationed in Korea.

This week, we are honored to have visiting Washington the president of Poong Lim, Mr. Pil Woong Lee. Mr. Lee is living proof that the liberal arts major has a place, and a high one in the world of business. Mr. Lee's undergraduate degree is in English language and literature. He went on to graduate study in business administration at Yonsei University in Seoul. While he completed those studies in 1981, Mr. Lee has 22 years of practical experience in business management. Since 1981, he has been president of domestic operations for Poong Lim.

As with a number of the top management of Poong Lim, Pil Woong Lee gained his initial business experience at the Daelim Industrial Co. where he began to work his way up the ranks in 1964. He began as manager of the domestic projects department, a post he held until 1966 when he became the director of project promotion and administration. Ten years in that position gained him the expertise that elevated him to executive director of that division in 1976 and to senior executive vice president of the entire domestic operations division in 1979. Mr. Lee became president of Poong Lim in 1981. The top management of Poong Lim share a wealth of experience among them. In fact, between them, the president and the chairman of the board have more than 50 years of experience in the construction industry.

A philosophy of quality before quantity has helped to bring Poong Lim within striking distance of being a billion-dollar-a-year company. Today, Poong Lim is rated 99th among the world's top 250 international contractors.

I have been personally impressed with the emphasis that Mr. Lee's company places on safety at all levels. The company takes pride in counseling its personnel that people are more important than things. As a result of this enlightened point of view, the greatest care is taken to ensure the safety of workers. Moreover, the company management believe in going a step farther to build into their designs safety features for those who will operate the plants they build. As an indication of their safety record, one of the many awards the company has received is a citation from the Arab American Oil Co. for having worked 1,010,210 man hours without an accident.

The record of quality, safety, and concern for people has earned Poong Lim many contracts with the United States 8th Army stationed in Korea. Over the years, Poong Lim has built troop quarters, office buildings, sanitary systems, mess halls and family housing for the Army. Since 1981, in fact, Poong Lim his done more than $16 million worth of work for our Army. I would like to take this opportunity to salute Pil Woong Lee and his company for its outstanding work in behalf of the United States Army an for its patriotic effort to rebuild South Korea to a position of prosperity and economic well-being for its citizens.

SANFORD McDONNELL, A MAN TO WHOM WE OWE MUCH

HON. RICHARD A. GEPHARDT

OF MISSOURI

IN THE HOUSE OF REPRESENTATIVES

Monday, April 14, 1986

Mr. GEPHARDT. Mr. Speaker, I often speak of America's new generation and our responsibility to that generation. Our country has the best of everything to offer, and we, in Congress, must preserve the best and do what we can to guarantee that future.

This responsibility is vast and Congress needs the assistance of all Americans. It is a pleasure to know a man who, in his own actions, is also working for the same end. While his means may not be the House of Representatives, he has proven his dedication to the future, to America, and to its citizens. I speak of Sanford McDonnell, chief executive officer of the McDonnell Douglas Corp.

From his beginnings in Little Rock, AR, to the leadership he now shows in the business community, Sandy McDonnell has supported the future. His company has been active in the aerospace industry. McDonnell Douglas is the prime contractor for the Skylab space laboratory, and produced the Mercury and Gemini spacecrafts. Space is the frontier of the future. There is an enormous, unexplored frontier that lies waiting.

Under McDonnell's leadership, his company has been at the forefront of developments in the defense and commercial aerospace and electronics industries.

Aside from his business related efforts, he has also helped prepare future generations for leadership through his work with the Boy Scouts of America. He is currently national president of the Boy Scouts of America. This organization can help mold young men to face what's ahead; to be always aware of the concerns and needs of other; and to lead others to that future.

Tomorrow, Sanford McDonnell will receive the Electronics Industries Association's Medal of Honor. The electronics industry is aware of the work he performs and is honoring him with their most prestigious award.

This is an opportune time for us, in Congress to become aware of the work he has done. It is only through the actions of individuals like Sanford McDonnell that the work Congress performs can be effective. Individuals like Sanford McDonnell care about our society and future that waits just around the corner. I believe that society owes Sanford McDonnell a debt it can never repay. We can only try by honoring him with our thanks and our best wishes.

Every citizen has a responsibility to the future. People like Sanford McDonnell carry that responsibility well and are molding the future for my children, my neighbors' children, and all the children of the world.

ANATOLY SHCHARANSKY AND HUMAN RIGHTS

HON. TOM LANTOS

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Monday, April 14, 1986

Mr. LANTOS. Mr. Speaker, I am pleased to submit into the RECORD with my colleague and cochairman of the congressional human rights caucus, JOHN PORTER, a statement by Anatoly Shcharansky which appeared in the New York Times yesterday. His comments are especially worthwhile in light of the up-coming international meeting in Bern, Switzerland, regarding emigration and human contact issues.

Mr. Shcharansky writes with incredible clarity about a problem which concerns many of us here in Congress: The continuing persecution of Jewish and other political prisoners in the Soviet Union. Writing with the conviction possible only from one who has directly experienced the horrors of his subject, Mr. Shcharansky depicts the appalling conditions of the "re-education" of political and religious dissidents. These conditions, unfortunately, have not improved in the last 10 years since the signing of the Helsinki Final Act. In fact, Mr. Shcharansky indicates that conditions for political prisoners are actually worsening.

JOHN PORTER and I, on behalf of the congressional human rights caucus, commend this article to the attention of all Members of Congress. We must re-dedicate ourselves to the pursuit of human rights, today more than ever before. We should begin a dialog about the real world—tragically, the gulags are part of that world.

The statement follows:

MOSCOW MUST START COMPLYING WITH THE 1975 HELSINKI AGREEMENT

(By Anatoly B. Shcharansky)

I left the world of the gulag only a few weeks ago, and I am not yet ready to speak in public. Nevertheless, I could not refuse to greet you, if only in a recorded message, because the problems that brought you here today are extremely important to many people fighting for their rights in the Soviet Union and elsewhere in the world.

Ten years ago, several dissidents in the Soviet Union created a public group to monitor Moscow's compliance with the Helsinki agreements. Our idea was that many of the human rights issues that divide the governments of the Eastern and Western blocs could be agreed upon by independent representatives of public opinion—people in both East and West who have a vital interest in the implementation of the Helsinki agreements in their own countries. So we voluntarily took upon ourselves the task of examining how the Helsinki agreements were being implemented in the Soviet Union.

Ten years have passed, and what do we see? The Jewish emigration that began in the early 1970's has been brought to a stop by the Soviet authorities. Several hundreds of thousands of Soviet Jews who want to leave the Soviet Union cannot do so for no other reason than that the Soviet Government has decided that they cannot.

I spent nine years in Soviet prisons and camps, and I can certify that the conditions in which political prisoners are detained have been getting steadily worse. I shall mention only two particular problems.

First, a new article of the Penal Code, article 188-1, introduced in late 1983, allows the Soviet authorities to extend almost at will the length of time that one remains in prison or in camp. This measure has already been applied to several members of Helsinki monitoring groups now in prison. It is used by the authorities both to prolong the detention of political prisoners who resist "reeducation"—who refuse to comply with efforts to make them change their ideas and convictions—and to intimidate the others.

Second, according to a new official directive introduced barely a year ago in the Soviet Union, political prisoners who start a hunger strike can be immediately thrown into a dungeon—a measure that very much aggravates their sufferings.

These are only two examples of the many ways that the authorities are cracking down on political prisoners in camps. Why is this so important? Because, as a rule, the policy regarding the camps very much reflects the general situation in the country—the disregard for the rule of law and the harshness of the repression.

I would like to attract your special attention to the Sakharov case. I do not need to remind you that Andrei Dmitrivich Sakharov is a hero, a model of a honorable man who continues the very best traditions of the Russian intelligentsia, fighting for the trampled rights—be they national, religious or political—of all people of the Soviet Union.

Needless to say, his present situation is extremely difficult. He is cruely and unjustly isolated from his family and friends, barred from scientific work and normal social activities. His state of health inspires growing fears. I consider it vitally important at this moment to raise our voices and call for the Soviet Government to stop its persecution of Andrei Sakharov—to grant this remarkable man the possibility to continue his noble activities in dignity and normal conditions.

Looking back at the first documents issued by our Helsinki group 10 years ago, I must say that the longer I spent in prison, the more accurate they seemed and the more important. I also believe that it is more necessary than ever now for international public opinion to press the Soviet Union on these matters. It is high time for Moscow to begin complying with the Helsinki agreement signed in 1975.

I think that the Andrei Sakharov Institute and Resistance International have made a great contribution by organizing this meeting. I hope this work will be continued and will lead to further contacts, contributing to a real détente and to the establishment of genuine trust between the superpowers. In the long run, however, there will be no trust or détente until both sides show full respect for human rights in the keeping with the Helsinki agreement.

DON'T ABANDON THE NICARAGUAN PEOPLE—SUPPORT THE CONTRAS

HON. ROBERT H. MICHEL

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Monday, April 14, 1986

Mr. MICHEL. Mr. Speaker, Jaime Chamorro, editor of La Prensa, the most prominent newpaper in Nicaragua, a foe of dictatorships of the right and left, has written an important and persuasive article outlining the case against the Communist government of Nicaragua and in support of aid to the democratic resistance.

Yesterday, April 8, the Associated Press carried a story from Managua, stating that La Prensa was not published Monday, April 7 "because government censors had eliminated almost 60 percent of the articles planned for the edition."

Given the circumstances under which he is forced to live by the Communists, Mr. Chamorro has displayed extraordinary courage in bringing to our attention the plight of his country. It is inconceivable to me that anyone could read this article and still not understand the obvious totalitarian nature of the Sandinista's Communist dictatorship.

At this point I insert in the RECORD, "Don't Abandon the Nicaraguan People," by Jaime Chamorro, the Washington Post, April 3, 1986.

The article follows:

DON'T ABANDON THE NICARAGUAN PEOPLE

(By Jaime Chamorro)

MANAGUA.—As the question of sending $100 million in aid to the anti-Sandinista rebels was being discussed in Congress, the bishop of León, Nicaragua, Monsignor Julian Barni, made the following comment:

"While in the United States they are discussing the $100 million, the Soviet Union has already given $100 million and much more without any discussion at all." Bishop Barni added: "What is necessary is that both imperialist powers, not one alone, stop complicating matters in Nicaragua. The Nicaraguan people have fought to establish a true democratic regime and hope to achieve one. This is what matters most."

Nicaragua's problem, in effect, is not only a problem of the Nicaraguan people—their loss of freedom, civil and political rights. The problem is not only the total absence of democracy and political pluralism or the suppression of freedom of expression. Nor is it just the problem of discontent that prevails as a result of the same kinds of disastrous social and economic conditions that brought on the revolution. Nor is it only the persecution of the church, as if we have never seen this in the history of our country. Nor is it the 10,000 political prisoners.

In addition to these disgraces, which in one form or another we have seen appear and disappear in most Latin American countries, there emerges a particularly grave situation: the Sandinistas are transforming the Nicaraguan revolution, fought for by all Nicaraguans, into a revolution that serves the purposes of Marxism-Leninism. That is to say, they are taking a national movement and turning it into a beachhead for communist expansion. And they have sacrificed the national interest for the benefit of this cause.

Before the Sandinistas reach this goal, those Nicaraguans who are fighting for democracy have the right to ask for help from wherever they can get it. It is a cause far too important to lose. For the Nicaraguan people, the issue at hand is of such transcendental importance that they cannot vacillate at all in choosing the right position. The future of the freedom of generations of Nicaraguans hangs in the balanee.

Those who argue that to give aid to the Nicaraguan rebels would be a violation of the "principle of a people's right to self-determination" are mistaken. These people seem to ignore or perhaps forget deliberately that self-determination applies to peoples, not oppressive governments that do not legitimately represent the will of the people.

They try to forget as well that the same Sandinistas received direct military aid from other countries when they were fighting to overthrow the Somoza dynasty. And despite the fact that the Sandinistas were receiving aid in the form of arms from other countries, no one accused those countries of being guilty of aggression toward Nicaragua. The reason is that the Somoza regime, like the Sandinistas today, did not represent the will of the people.

The free peoples of the world, and particularly those in America, both North and South, must not in this critical time abandon the Nicaragua people because their struggle is also the struggle for the future of the Western democracies. Nicaragua has become an important point of East-West confrontation. That Nicaragua in the long term could determine the balance of forces between the East and the West and ultimately the security of the United States and the Western Hemisphere as a whole may seem an exaggeration. But everything depends on future actions and the capacity of the democracies to defend themselves.

In the United States, the debate centers on whether the Sandinistas represent a serious threat to U.S. security. President Reagan argues firmly that they do. Nicaraguan President Daniel Ortega has declared that he is prepared to discuss matters of regional security, but he refuses to speak with anyone regarding Nicaragua's internal situation.

A short time ago, two members of the U.S. Congress debated on television whether to give the $100 million to the Nicaraguan rebels. One of them, who opposed aid, asked: How is it possible that such a small country with a population of only 3 million could pose a security threat to a great military power such as the United States? Against a power like the United States it would be impossible for even a single plane or tank to reach San Antonio, Texas, without it being destroyed.

When I heard the congressman's statement I couldn't believe he was serious. The danger is not military: naturally, when we speak of the military, we think of a war between the United States and Nicaragua. The danger is that the Sandinista revolution is not a revolution of the Nicaraguan people. Managua is filled with internationalists from Latin American countries who wield influence in this revolution and whose aims are the expansion of communist influence and Soviet domination in the region.

Nicaragua with its army of 60,000 men (Somoza's army had only 7,000) cannot be a military threat, nor can Cuba, whose army and militia consist of more than a million men. This absurd idea of a direct military threat from the Sandinistas is an attempt to obscure the real danger of the Sandinistas.

Their strategy is to prop up their communist regime in Nicaragua by sacrificing the freedom of the Nicaraguan people while they inspire, aid and arm, from Managua, insurgencies throughout Latin America, "movements of national liberation" that will convert the entire continent into an immense base of insurrection.

Perhaps now the idea of Nicaragua's becoming a serious military threat to the United States seems absurd, but in the future it could take on a far more serious air. Sooner or later, in 20 or 30 years, Latin America is going to succumb to one form or another of communist domination. Mexico is not necessarily an exception. It might one day be the country most likely to fall. Moreover, Mexico is considered by the commu-

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nists to be the country that best fits into their strategy.

If all of this comes to pass, the balance of power between East and West, will be definitively in favor of the East and spending $100 million or a billion dollars will not reverse it. It could bring a world war to the doorstep of the United States. When Latin America, or much of Latin America, is under the influence of the Eastern bloc, NATO will no longer be in Europe; it will be in San Antonio, Texas.

But if the president of Nicaragua wants to have a dialogue on the subject of U.S. security, why not do it? We believe that dialogue is necessary. It should not be a dialogue solely on U.S. security, but also on our democracy and freedom—something that repels the Sandinistas, because making concessions by restoring democracy and freedom in Nicaragua will be their political death. The negation of the system that has been established will be the end of their internationalist and expansionist aims.

In addition, the Sandinistas have no reason or motivation to negotiate because the counterrevolution is in a ruinous state. This is because Reagan has not and will not be able to, as a result of congressional opposition, give effective aid so that the resistance can achieve its objective. In negotiations one concedes something in exchange for something else. The Sandinistas have a lot they can give. Reagan has nothing left to offer; Congress has already given it.

Daniel Ortega hopes to achieve the total elimination of the counterrevolution in exchange for the promise not to be a military threat to the United States or to Nicaragua's neighbors; not to allow the Soviets to install military bases, and to remove all Cuban advisers. With this the Sandinistas could achieve their consolidation and a free way to continue their expansionist aims through nonmilitary, but not less dangerous or effective, means.

As Jean-Francois Revel, in his book "How Democracies Perish," writes: Democracy "awakens only when the danger becomes deadly, imminent, evident. By then, either there is too little time left for it to save itself, or the price of survival has become crushingly high."

RICHMOND, CA, CITY COUNCIL URGES BAN ON NUCLEAR TESTS

HON. GEORGE MILLER

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Monday, April 14, 1986

Mr. MILLER of California. Mr. Speaker, on March 24, 1986, the City Council of Richmond, in my Seventh District of California passed a resolution recognizing the unique opportunity we have to put an end to the madness of the nuclear arms race by joining the Soviet Union's testing moratorium and immediately banning the testing of nuclear weapons.

The active support of the City Council of Richmond for a comprehensive, mutually verifiable nuclear test ban treaty is to be highly commended. Their efforts to focus public and government attention on the economic costs of the arms race, the verifiability of testing, the potential for spreading weapons to nonnuclear countries, and the grave danger of nuclear war are a great service to the citizens of Richmond and the Nation.

More accurate and more destructive weapons are unnecessary and only bring the world closer to the brink of catastrophe. We cannot afford to let a rare opportunity slip away. The city of Richmond and I again strongly urge the President to quit the tests and show the world that the United States is serious about arms control.

The text of the resolution follows:

CITY OF RICHMOND,
March 26, 1986.

THE PRESIDENT OF THE UNITED STATES,
The White House,
Washington, DC.

DEAR MR. PRESIDENT: Enclosed for favorable consideration is copy of Resolution No. 42-86 urging a ban on nuclear testing, adopted by the Richmond, California City Council at its meeting held March 24, 1986.

Very truly yours,
HARLAN J. HEYDON,
City Clerk.

Enclosure.

RESOLUTION OF THE COUNCIL OF THE CITY OF RICHMOND URGING A BAN ON NUCLEAR TESTING

Whereas, a nuclear war would result in death, injury and disease on a scale unprecedented in human history;

Whereas, spending for the arms race is contributing to record budget deficits that threaten our nation's economic security while programs providing essential assistance to communities throughout the country are being cut back;

Whereas, a ban on nuclear testing would promote the security of the United States by constraining new developments in the U.S.-Soviet nuclear arms competition and by strengthening efforts to prevent the spread of nuclear weapons to non-nuclear countries;

Whereas, a ban on nuclear testing can be verified with high confidence by a worldwide network of seismic monitors, satellites and other verification technology operated by the United States and other nations;

Now, therefore, the Richmond City Council calls upon the President to immediately respond to the Soviets' unilateral halt of testing by joining them in a mutual and verifiable suspension of testing as a first step towards freezing and reversing the arms race. This body also calls upon the members of our congressional delegation to support legislation that would enact a moratorium on nuclear testing, to be continued as long as the Soviets do not test. Copies of this resolution shall be forwarded to the President and to the Senators and Representatives comprising our congressional delegation.

DR. LAURANCE V. FOYE

HON. G.V. (SONNY) MONTGOMERY

OF MISSISSIPPI

IN THE HOUSE OF REPRESENTATIVES

Monday, April 14, 1986

Mr. MONTGOMERY. Mr. Speaker, Dr. Laurance Foye, the outstanding Director of the Veterans' Administration Medical Center in San Francisco, retired from the agency on March 1, having served the public for more than 33 years. His leaving the Department of Medicine and Surgery [DM&S] will be a great loss and veterans throughout the great State of California, and others who have benefited from his excellent service through the VA will miss him.

I first came to know Dr. Foye when he was named Deputy Chief Medical Director in 1974. The then Chief Medical Director, Jack Chase, and Larry Foye were a great team and members of the Veterans Affairs' Committees of the House and Senate developed a relationship with "the team" that meant much to the Congress and the VA. They were very good years.

As Dr. Foye retires from Federal service, he can reflect with great pride on a long and eminently successful VA career. Following completion of his military service in 1946, his VA career began at the VA Medical Center, San Francisco, CA, as a medical intern from 1952 until 1953. Dr. Foye's unique abilities were quiclky identified and in 1953 Dr. Foye was promoted to the position of junior and intermediate resident in medicine. In 1956, Dr. Foye assumed the position of senior medical resident at that facility. Following a brief 1 year absence from the VA to further his studies at the Cowell Memorial Hospital, University of California, Berkeley, Dr. Foye returned to the VA Medical Center in San Francisco as Assistant Chief Medical Service in 1958. He remained in that position for 8 years, attaining the rating of chief grade.

Throughout Dr. Foye's illustrious medical career, he concentrated his efforts on cancer research. Having been recognized for his efforts in this area, Dr. Foye accepted the position as executive secretary, Chemotherapy Committee at the National Instituutes of Health in Bethesda, MD, from 1966 to 1968. The National Institutes of Health also identified Dr. Foye's outstanding potential, and, as a result, he was promoted to the position of executive secretary for the Clinical Investigation Review Committee. Dr. Foye remained in this position until 1970 when he returned to the Veterans' Administration accepting the position of Deputy to the Assistant Chief Medical Director [ACMD] for research and rehabilitation at the VA Central Office, Washington, DC. His knowledge of, and accomplishment in, research proved invaluable to the VA's Department of Medicine and Surgery. During his tenure in this position, Dr. Foye was instrumental in expanding the research program of the VA by enhancing cooperative and joint efforts between our medical centers and affiliated medical schools. By concentrating efforts, Dr. Foye was able to reduce duplicative efforts thereby concentrating resources toward a common goal. It was from this effort that arose a new level of understanding and relationship between the VA and affiliated teaching institutions. In 1973, Dr. Foye accepted the position of ACMD for academic affairs and continued to expand his efforts until the majority of VA medical centers were affiliated with university medical schools. To this day the VA remains the organization most responsible for the higher education of physicians within this country.

From 1974 through 1978, Dr. Foye accepted the number two position within the Department of Medicine and Surgery, as Deputy Chief Medical Director. As Deputy Chief Medical Director of the largest medical system in the free world, Dr. Foye was instrumental in

providing the leadership necessary to upgrade and expand the overall VA medical system by constructing new and replacement medical centers, obtaining nationally and internationally recognized physicians to care for our veteran patients, and promote the overall quality of care within our system. His aggressive and forthright management style often demonstrated a tolerance for peculiarities of individuals which allowed him the opportunity to mold the diverse personalities of both the administrative and professional staffs toward a common goal.

In 1978, Dr. Foye stepped down as Deputy Chief Medical Director to return to his beloved San Francisco and accept the position of Director of that Medical Center. He quickly identified the need to upgrade and expand the physical plant at the medical center. His 8-year effort has vaulted the San Francisco VA Medical Center from an affiliated hospital to one of the "flagship" medical centers within our system, offering a multitude of specialty care.

Perhaps the most dominant personal characteristic, that of conducting official business with impeccable integrity, is evident in his tenure as Medical District Director. He demonstrated the ability to create organizational structure to address pressing issues and willingness to take controversial positions in the Medical District Initiated Program Planning [MEDIPP] process, when warranted. He served as a preceptor in the development of newly appointed directors. Due to his performance and reputation as one of the top District Directors in DM&S, Dr. Foye was selected to the Chief Medical Director's Field Advisory Committee and has served on national task forces, in the design and implementation of MEDIPP and restructuring of DM&S.

Dr. Foye can be justly proud of his career with DM&S and the Federal Government where he exemplified the qualities of an outstanding, ethical human being as well as an outstanding Federal manager. We wish him well, Mr. Speaker, as he takes time to enjoy some of the finer things in life which he so richly deserves.

BLACK UNITED SERVICE CLUBS OF JOHNSTOWN ANNUAL COMMUNITY RECOGNITION

HON. JOHN P. MURTHA

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Monday, April 14, 1986

Mr. MURTHA. Mr. Speaker, it is an honor for me to again this year place in the RECORD recognition of a group of community-minded citizens being honored at the annual dinner of the Black United Service Clubs of Johnstown on April 26.

I often remark that the history of our great Nation is written less by the headline-makers than by the individual acts of commitment, dedication, and caring that go on in our communities. That marks what America is all about. That is the pride and tradition of helping one another that has made our Nation great. It is against that measure that America is at its greatest.

And it is against that background, that it is my pleasure to summarize briefly the efforts of this year's award winners.

Robert Zakula: Recognized as an educator, a teacher, and a coach, Zak—as he was known to many—influenced the lives of hundreds of young people. It is impossible to count how many community, business, and civic leaders today received a boost from the attention and instruction of Zak. As we increasingly see in the stories about society's changes, there is no higher calling than working with our young people during the troubled, critical years of their lives. Against that measure, Zak can take great pride in his accomplishments. He has also been active on the Salvation Army Advisory Board, the Lions, retired organizations, and the St. Nicholas Serbian Church.

Dorothy Lewis: Mrs. Lewis is the director of community services for the Cambria County Community Action Council, and has been particularly active in working with disadvantaged youths in the community. Known to many as "Ms. Dice," Dorothy has provided counseling, job aid, and finding training opportunities for many young people. Even more important, Dorothy has providied them with support, with understanding, with letting them know that they can reach their goals, that their dreams are not impossible. For each youth promoted to new achievements and new commitments, our society gains tenfold, and Dorothy has met that challenge with a devotion that has benefited everyone in the community. She is also very active in other community groups including the Pennsylvania Human Relations Advisory Committee and the Mt. Sinai Institutional Baptist Church.

John A. Bennett: While Congress and the courts can pass and approve laws aimed at justice and equality, it is only by making those laws work for people that they prove great, and that is the work that John has undertaken for over 35 years. His leadership in the Johnstown Branch of the NAACP has brought hundreds of members of the minority community into the economic mainstream. His work with the NAACP and the Johnstown Regional Central Labor Council as civil rights chairman has been in the greatest tradition of the basic principles of our Nation, and has deeply affected the lives of many local residents and the entire community. Also active in the Mt. Sinai Baptist Church, John has combined his faith with our Nation's principles to make our community, State, and Nation stronger for striving to fullfill our principles of equality and fairness for all.

Delphine Andrews: Mrs. Andrews has shaped a career over the last two decades that has bridged the gaps of diverse groups in our community, with the constant theme of caring and helping. Delphine worked with the Cambria County Community Action Council as a neighborhood aide; she worked with the Johnstown Chapter of Children with Learning Disabilities; following the disastrous 1977 flood she worked with people who suffered traumatic experiences in the flood; and for the past 7 years Delphine has been a caseworker with the Cambria County Area Agency on Aging. Speaking specifically of raising children, Delphine said, "you may not have a lot of material things to give your children, but give them your love and encouragement." That has been true of Delphine's entire life and community commitment, and because of it, our entire community and hundreds of individuals have benefited. Her service has been in the highest tradition of individual commitment and concern.

It is a pleasure to join in recognition of these individuals and the Black United Service Clubs of Johnstown for their commitment to our area and the great principles of our Nation. It is recognition that is truly deserved.

RULE ON H.R. 3131, THE TELECOMMUNICATIONS TRADE ACT OF 1986

HON. DAN ROSTENKOWSKI

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Monday, April 14, 1986

Mr. ROSTENKOWSKI. Mr. Speaker, I take this opportunity to inform my colleagues that the Committee on Ways and Means on Wednesday, April 9, 1986, favorably ordered reported to the House of Representatives H.R. 3131, the Telecommunications Trade Act of 1986.

I wish to serve notice, pursuant to the rules of the Democratic caucus, that I have been instructed by the Committee on Ways and Means to seek less than an open rule for the consideration of this legislation by the House of Representatives.

SENATE COMMITEE MEETINGS

Title IV of Senate Resolution 4, agreed to by the Senate on February 4, 1977, calls for establishment of a system for a computerized schedule of all meetings and hearings of Senate committees, subcommittees, joint committees, and committees of conference. This title requires all such committees to notify the Office of the Senate Daily Digest—designated by the Rules Committee—of the time, place, and purpose of the meetings, when scheduled, and any cancellations or changes in the meetings as they occur.

As an additional procedure along with the computerization of this information, the Office of the Senate Daily Digest will prepare this information for printing in the Extensions of Remarks section of the CONGRESSIONAL RECORD on Monday and Wednesday of each week.

Any changes in committee scheduling will be indicated by placement of an asterisk to the left of the name of the unit conducting such meetings.

Meetings scheduled for Tuesday, April 15, 1986, may be found in the Daily Digest of today's RECORD.

MEETINGS SCHEDULED

APRIL 16

9:00 a.m.
Armed Services
To resume open and closed hearings on S. 2199, authorizing funds for fiscal year 1987 for the Department of De-

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fense, focusing on Navy and Marine Corps posture.
SR-222

Veterans' Affairs
To hold joint hearings with the House Committee on Veterans' Affairs to review the legislative priorities of AMVETS, Vietnam Veterans of America, World War I Veterans, Jewish War Veterans of the U.S.A., and the National Association of Atomic Veterans.
SD-106

9:30 a.m.
Appropriations
District of Columbia Subcommittee
To resume hearings on the overcrowding issue of the District of Columbia prison system.
SD-562

Appropriations
Labor, Health and Human Services, Education, and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1987 for the Department of Education, including student financial assistance, guaranteed student loans, higher education, higher education facilities loans and insurance, and college housing loans.
SD-116

Appropriations
Commerce, Justice, State, the Judiciary, and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1987 for the National Oceanic and Atmospheric Administration, Department of Commerce, and the Marine Mammal Commission.
S-146, Capitol

Banking, Housing, and Urban Affairs
Housing and Urban Affairs Subcommittee
To continue oversight hearings on mass transit.
SD-538

Energy and Natural Resources
Business meeting, to resume consideration of S. 1225, to compensate the public for injuries or damages suffered in the event of an accident involving nuclear activities undertaken by the Nuclear Regulatory Commission licensees or Department of Energy contractors, S. 570, S. 372, S. 913, and S. 946, measures to improve the administration of the Federal coal leasing program, and other pending calendar business.
SD-366

Finance
Business meeting, to mark up proposed legislation providing for revisions in Federal tax laws.
SD-215

Judiciary
To hold hearings on S. 2281, to provide additional penalties for fraud and related activities in connection with access devices and computers.
SD-628

Labor and Human Resources
To hold hearings on Acquired Immune Deficiency Syndrome.
SD-430

10:00 a.m.
Appropriations
Energy and Water Development Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1987 for energy and water development programs.
SD-192

Foreign Relations
Business meeting, to consider pending calendar business.
SD-419

Judiciary
Security and Terrorism Subcommittee
To hold oversight hearings on activities of the Drug Enforcement Administration, Department of Justice.
SD-226

Judiciary
Patents, Copyrights and Trademarks Subcommittee
To hold joint hearings with the House Committee on the Judiciary's Subcommittee on Courts, Civil Liberties, and the Administration of Justice to review intellectual property law and technological change.
SR-301

11:00 a.m.
Appropriations
Transportation and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1987 for the U.S. Coast Guard, Department of Transportation.
SD-138

2:00 p.m.
Appropriations
Energy and Water Development Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1987 for energy and water development programs.
SD-192

Appropriations
Treasury, Postal Service, and General Government Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1987 for the Department of the Treasury, Postal Service, and general government programs.
SD-124

Armed Services
Closed business meeting, to resume markup of proposed legislation to reform the military retirement system.
SR-222

Commerce, Science, and Transportation
Science, Technology, and Space Subcommittee
To hold hearings on the National Aeronautics and Space Administration and the Department of Defense assured access to space.
SR-253

Judiciary
To hold hearings on pending nominations.
SD-226

Conferees
On H.R. 2005, to extend and amend the Comprehensive Environmental Response, Compensation, and Liability Act of 1980 (Superfund).
SD-406

4:00 p.m.
Select on Ethics
Closed business meeting.
S-146, Capitol

5:30 p.m.
Rules and Administration
Business meeting, to mark up S. 2059, to control franking costs of Members of Congress, S. 2255, to prohibit the expenditure of Federal funding for congressional newsletters, and S. Res. 374, to limit the amount that may be expended by Senators for mass mailings during the remainder of fiscal year 1986.
SR-301

APRIL 17

9:00 a.m.
Armed Services
To resume hearings on S. 2199, authorizing funds for fiscal year 1987 for the Department of Defense, focusing on Air Force posture.
SR-222

9:30 a.m.
Appropriations
Labor, Health and Human Services, Education, and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1987 for the Department of Education, including bilingual education, vocational and adult education, education research and improvement, and libraries.
SD-116

Appropriations
Commerce, Justice, State, the Judiciary, and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1987 for the Office of Attorney General, Department of Justice.
S-126, Capitol

Finance
Business meeting, to mark up proposed legislation providing for revisions in Federal tax laws.
SD-215

10:00 a.m.
Commerce, Science, and Transportation
To hold hearings with the National Ocean Policy Study on S. 2138 and H.R. 2935, bills to establish a National Marketing Council to enable the United States fishing industry to establish a coordination program of research, education, and promotion to expand markets for fisheries products.
SR-253

Energy and Natural Resources
Water and Power Subcommittee
To hold hearings on S. 1319, to relieve the Washoe County Water Conservation District, Nevada, of certain Federal repayment obligations, and S. 1772, to convey certain real property to the Pershing County Water Conservation District.
SD-366

Foreign Relations
To hold hearings on arms sales to Saudi Arabia.
SD-419

Judiciary
Business meeting, to consider pending calendar business.
SD-226

Select on Indian Affairs
To hold hearings on S. 2118, to provide for the distribution of funds appropriated to pay a judgment awarded to the Sisseton and Wahpeton Tribes of Sioux Indians in Indian Claims Commission dockets numbered 142 and 359.
SD-485

Joint Economic
To resume hearings on the quality and accuracy of U.S. economic statistics.
SD-342

2:00 p.m.
Appropriations
Foreign Operations Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1987 for foreign assistance programs.
S-126, Capitol

Appropriations
Interior and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1987 for the U.S. Fish and Wildlife Service, Department of the Interior.
SD-192

Judiciary
To resume oversight hearings on white collar crime in the United States.
SD-226

4:00 p.m.
Select on Intelligence
To resume closed hearings on proposed legislation authorizing funds for fiscal year 1987 for the intelligence community.
SH-219

APRIL 18

9:00 a.m.
Armed Services
Strategic and Theater Nuclear Forces Subcommittee
To resume open and closed hearings on S. 2199, authorizing funds for fiscal year 1987 for the Department of Defense, focusing on Navy nuclear and reactor programs.
SR-232A

9:30 a.m.
Commerce, Science, and Transportation
Business, Trade, and Tourism Subcommittee
To hold hearings on proposed legislation authorizing funds for the U.S. Travel and Tourism Administration.
SR-253

Finance
Business meeting, to mark up proposed legislation providing for revisions in Federal tax laws.
SD-215

10:00 a.m.
Judiciary
To hold hearings on attorney fees forfelture.
SD-226

APRIL 21

9:30 a.m.
Finance
To hold hearings on the Federal excise tax provisions of H.R. 3838, proposed Tax Reform Act of 1985.
SD-215

Foreign Relations
To hold oversight hearings on activities of the Agency for International Development.
SD-419

APRIL 22

9:30 a.m.
Appropriations
Agriculture, Rural Development and Related Agencies Subcommittee
To resume hearings on proposed budget estimates for fiscal year 1987 for the Department of Agriculture, focusing on the Soil Conservation Service, Agricultural Stabilization and Conservation Service, Office of the General Sales Manager, Foreign Agricultural Service, Office of International Cooperation and Development, and the Food for Peace program (P.L. 480).
SD-138

Appropriations
Labor, Health and Human Services, Education, and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1987 for the Soldiers' and Airmen's Home, Prospective Payment Commission, Railroad Retirement Board, National Labor Relations Board, National Mediation Board, Occupational Safety and Health Review Commission, Federal Mediation and Conciliation Service, and the United States Institute of Peace.
SD-116

Foreign Relations
To continue oversight hearings on activities of the Agency for International Development.
SD-419

10:00 a.m.
Appropriations
Commerce, Justice, State, the Judiciary, and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1987 for the Federal Bureau of Investigation and Drug Enforcement Administration, Department of Justice, and the Equal Employment Opportunity Commission.
S-146, Capitol

Energy and Natural Resources
To hold hearings on S. 2073, to require the Nuclear Regulatory Commission to establish procedures, standards, and criteria for preapproved sites and standardized designs for nuclear powerplants and to revise the procedures for issuing construction and operating licenses.
SD-366

Select on Indian Affairs
To hold hearings on S. 1991, to authorize funds for fiscal years 1987-1990 for Native American programs.
SR-385

2:00 p.m.
Appropriations
Foreign Operations Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1987 for the Department of State, focusing on international narcotics control, migration and refugee assistance, and anti-terrorism programs.
S-126, Capitol

Appropriations
Interior and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1987 for the Navajo-Hopi Indian Relocation Commission, and the Office of Surface Mining, Reclamation and Enforcement, Department of the Interior.
SD-192

Environment and Public Works
Water Resources Subcommittee
To hold hearings on S. 1696, to establish a federally declared floodway for the Colorado River.
SD-406

3:00 p.m.
Rules and Administration
Business meeting, to consider the schedule for the receipt of vendor responses to the amended request for a proposal for the procurement of a new telephone system for the Senate, to review the status of the present procurement process, and to consider alternatives to a Congress-wide system, and other pending committee business.
SR-301

APRIL 23

9:30 a.m.
Appropriations
Labor, Health and Human Services, Education, and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1987 for ACTION (domestic programs), Corporation for Public Broadcasting, National Council on the Handicapped, Mine Safety and Health Review Commission, and the National Commission on Libraries and Information Science.
SD-116

Commerce, Science, and Transportation
Science, Technology, and Space Subcommittee
To resume hearings on proposed legislation authorizing funds for fiscal year 1987 for the National Aeronautics and Space Administration, focusing on the space station program.
SR-253

Labor and Human Resources
To hold hearings on S. 1815, to prohibit any employer from using any lie detector test or examination in the work place, either for pre-employment testing or testing in the course of employment.
SD-430

Rules and Administration
To hold hearings on proposed legislation authorizing funds for fiscal year 1987 for the Federal Election Commission.
SR-301

Select on Intelligence
To resume closed hearings on proposed legislation authorizing funds for fiscal year 1987 for the intelligence community
SH-219

10:00 a.m.
Appropriations
Defense Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1986 for Navy aircraft procurement programs.
SD-192

Appropriations
Transportation and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1987 for the United States Railway Association and Conrail.
SD-138

Energy and Natural Resources
Business meeting, to consider pending calendar business.
SD-366

Foreign Relations
Business meeting, to consider pending calendar business.
SD-419

1:30 p.m.
Foreign Relations
To continue oversight hearings on activities of the Agency for International Development.
SD-419

2:00 p.m.
Appropriations
Energy and Water Development Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1987 for energy and water development programs, fo-

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cusing on atomic energy and defense activities.

SD-116

Environment and Public Works

To hold hearings on the nomination of Frank H. Dunkle, of Montana, to be Director of the U.S. Fish and Wildlife Service, Department of the Interior.

SD-406

APRIL 24

9:30 a.m.

Agriculture, Nutrition, and Forestry

Rural Development, Oversight, and Investigations Subcommittee

To hold hearings on S. 1121, to encourage foreign agricultural trade by improving the quality of grain shipped from U.S. export elevator facilities.

SR-332

Appropriations

Agriculture, Rural Development and Related Agencies Subcommittee

To resume hearings on proposed budget estimates for fiscal year 1987 for the Department of Agriculture, focusing on Farmers Home Administration, and the Farm Credit Administration.

SD-192

Appropriations

Labor, Health and Human Services, Education, and Related Agencies Subcommittee

To hold hearings on proposed budget estimates for fiscal year 1987 for the Departments of Labor, Health and Human Services, and Education, and certain related agencies.

SD-116.

Foreign Relations

To continue oversight hearings on activities of the Agency for International Development.

SD-419

Labor and Human Resources

Labor Subcommittee

To hold hearings on S. 1018, to clarify the meaning of the term "guard" for the purpose of permitting certain labor organizations to be certified by the National Labor Relations Board as representatives of employees other than plant guards.

SD-430

10:00 a.m.

Appropriations

Defense Subcommittee

To hold closed hearings on proposed budget estimates for fiscal year 1987 for intelligence programs.

S-407, Capitol

Appropriations

Foreign Operations Subcommittee

To hold hearings on proposed budget estimates for fiscal year 1987 for the Department of State, focusing on voluntary contributions to international organizations programs, and for the Office of the U.S. Representative to the United Nations.

SD-138

Energy and Natural Resources

Natural Resources Development and Production Subcommittee

To hold hearings on S. 1322, proposed Geothermal Steam Act Amendments of 1985.

SD-366

Labor and Human Resources

Education, Arts, and Humanities Subcommittee

To hold hearings on S. 1662, proposed Training Technology Transfer Act of 1985.

SD-628

2:00 p.m.

Appropriations

Interior and Related Agencies Subcommittee

To hold hearings on proposed budget estimates for fiscal year 1987 for the Energy Information Administration and the Economic Regulatory Administration, Department of Energy.

SD-192

4:00 p.m.

Select on Intelligence

To hold closed hearings on intelligence matters.

SH-219

APRIL 25

10:00 a.m.

Governmental Affairs

Civil Service, Post Office, and General Services Subcommittee

To resume hearings on S. 1327, to establish higher minimum rates of basic pay in geographic areas where the Federal Government is experiencing significant recruitment and retention problems, S. 1727, to establish alternative personnel management systems for scientific and technical employees, and provisions of S. 2082, to improve the management of major defense acquisition programs, to establish a Defense Acquisition Service, and to limit employment contacts between senior officials of the Department of Defense and defense contractors.

SD-342

APRIL 29

9:30 a.m.

Appropriations

Labor, Health and Human Services, Education, and Related Agencies Subcommittee

To hold hearings on proposed budget estimates for fiscal year 1987 for the Departments of Labor, Health and Human Services, and Education, and certain related agencies.

SD-116

10:00 a.m.

Appropriations

Defense Subcommittee

To hold hearings on proposed budget estimates for fiscal year 1987 for certain defense programs.

SD-192

Appropriations

HUD-Independent Agencies Subcommittee

To hold hearings on proposed budget estimates for fiscal year 1987 for the Department of Housing and Urban Development and certain independent agencies.

SD-124

Commerce, Science, and Transportation

Science, Technology, and Space Subcommittee

To hold hearings on the findings of the Presidential Commission on the Space Shuttle Challenger Accident.

SR-253

Energy and Natural Resources

Energy Research and Development Subcommittee

To hold hearings to review the Department of Energy's nuclear research and development programs.

SD-366

Select on Indian Affairs

To hold hearings on S. 2105, S. 2106, and S. 2107, bills to provide for the settlement of certain claims of the Papago Tribe of Arizona.

SR-385

2:00 p.m.

Appropriations

Interior and Related Agencies Subcommittee

To hold hearings on proposed budget estimates for fiscal year 1987 for the Bureau of Indian Affairs, Department of the Interior.

SD-192

Environment and Public Works

To hold hearings on domestic and international oil pollution issues.

SD-406

Governmental Affairs

Oversight of Government Management Subcommittee

To hold hearings on S. 2214, to prohibit criminal penalties for violations of the financial disclosure provisions of the Ethics in Government Act of 1978.

SD-342

APRIL 30

9:30 a.m.

Appropriations

Commerce, Justice, State, the Judiciary, and Related Agencies Subcommittee

To hold hearings on proposed budget estimates for fiscal year 1987 for the Office of U.S. Trade Representative, and the Federal Communications Commission.

S-146, Capitol

Labor and Human Resources

To hold oversight hearings on the human resources impact of reentry of women into the labor force.

SD-430

Select on Intelligence

To hold closed hearings on intelligence matters.

SH-219

10:00 a.m.

Appropriations

HUD-Independent Agencies Subcommittee

To hold hearings on proposed budget estimates for fiscal year 1987 for the Department of Housing and Urban Development and certain independent agencies.

SD-124

Energy and Natural Resources

Business meeting, to consider pending calendar business.

SD-366

Foreign Relations

To hold hearings on embassy security enhancement.

SD-419

Governmental Affairs

Civil Services, Post Office, and General Services Subcommittee

To resume hearings on S. 1327, to establish higher minimum rates of basic pay in geographic areas where the Federal Government is experiencing significant recruitment and retention problems, S. 1727, to establish alternative personnel management systems for scientific and technical employees, and provisions of S. 2082, to improve the management of major defense acquisition programs, to establish a Defense Acquisition Service, and to limit employment contacts between senior officials of the Department of Defense and defense contractors.

SD-342

2:00 p.m.

Appropriations

Agriculture, Rural Development and Related Agencies Subcommittee

To hold hearings on proposed budget estimates for fiscal year 1987 for the Food and Drug Administration of the Department of Health and Human Services, and the Commodity Futures Trading Commission.

SD-138

MAY 1

9:30 a.m.

Appropriations

Labor, Health and Human Services, Education, and Related Agencies Subcommittee

To hold hearings on proposed budget estimates for fiscal year 1987 for the Departments of Labor, Health and Human Services, and Education, and certain related agencies.

SD-116

Labor and Human Resources

Labor Subcommittee

To hold oversight hearings on employee benefit and pension policy implications contained in proposed tax reform legislation.

SD-430

10:00 a.m.

Appropriations

Defense Subcommittee

To hold hearings on proposed budget estimates for fiscal year 1987 for certain defense programs.

SD-192

Energy and Natural Resources

Natural Resources Development and Production Subcommittee

To hold hearings on the impact of coal and electricity imports on the domestic coal industry.

SD-366

10:30 a.m.

Banking, Housing, and Urban Affairs

To hold hearings on S. 571, proposed Drug Money Seizure Act.

SD-538

2:00 p.m.

Appropriations

Interior and Related Agencies Subcommittee

To hold hearings on proposed budget estimates for fiscal year 1987 for territorial affairs, Department of the Interior.

SD-192

MAY 2

10:00 a.m.

Commerce, Science, and Transportation

Science, Technology, and Space Subcommittee

To resume hearings on proposed legislation authorizing funds for fiscal year 1987 for the National Aeronautics and Space Administration, focusing on the space transportation system.

SR-253

MAY 6

9:30 a.m.

Appropriations

Labor, Health and Human Services, Education, and Related Agencies Subcommittee

To hold hearings on proposed budget estimates for fiscal year 1987 for the Departments of Labor, Health and Human Services, and Education, and certain related agencies.

SD-116

10:00 a.m.

Appropriations

Defense Subcommittee

To hold hearings on proposed budget estimates for fiscal year 1987 for Air Force aircraft procurement programs.

SD-192

MAY 7

9:30 a.m.

Appropriations

Commerce, Justice, State, the Judiciary, and Related Agencies Subcommittee

To hold hearings on proposed budget estimates for fiscal year 1987 for the Supreme Court of the United States, U.S. District Courts/Courts of Appeals, and the Commission on the Bicentennial of the U.S. Constitution.

S-146, Capitol

Labor and Human Resources

To hold oversight hearings on medical malpractice.

SD-430

10:00 a.m.

Appropriations

Transportation and Related Agencies Subcommittee

To hold hearings on proposed budget estimates for fiscal year 1987 for the Urban Mass Transportation Administration, Department of Transportation, and the Washington Metropolitan Area Transit Authority.

SD-138

Energy and Natural Resources

Business meeting, to consider pending calendar business.

SD-366

MAY 8

9:30 a.m.

Appropriations

Labor, Health and Human Services, Education, and Related Agencies Subcommittee

To hold hearings on proposed budget estimates for fiscal year 1987 for the Departments of Labor, Health and Human Services, and Education, and certain related agencies.

SD-116

10:00 a.m.

Appropriations

Defense Subcommittee

To hold hearings on proposed budget estimates for fiscal year 1987 for strategic systems.

SD-192

Appropriations

Transportation and Related Agencies Subcommittee

To hold hearings on proposed budget estimates for fiscal year 1987 for the Federal Aviation Administration, Department of Transportation.

SD-138

2:00 p.m.

Appropriations

Interior and Related Agencies Subcommittee

To hold hearings on proposed budget estimates for fiscal year 1987 for the Holocaust Memorial Council and the Smithsonian Institution.

SD-192

MAY 9

9:30 a.m.

Finance

Health Subcommittee

To hold hearings to examine the condition of rural hospitals under the Medicare program.

SD-215

MAY 13

9:00 a.m.

Office of Technology Assessment

The Board, to meet to consider pending business items.

EF-100, Capitol

9:30 a.m.

Appropriations

Labor, Health and Human Services, Education, and Related Agencies Subcommittee

To hold hearings on proposed budget estimates for fiscal year 1987 for the Departments of Labor, Health and Human Services, and Education, and certain related agencies.

SD-116

MAY 14

9:30 a.m.

Appropriations

Labor, Health and Human Services, Education, and Related Agencies Subcommittee

To hold hearings on proposed budget estimates for fiscal year 1987 for the Health Resources and Services Administration, Department of Health and Human Services.

SD-116

Appropriations

Commerce, Justice, State, the Judiciary, and Related Agencies Subcommittee

To hold hearings on proposed budget estimates for fiscal year 1987 for the Legal Services Corporation, and the Securities and Exchange Commission.

S-146, Capitol

Labor and Human Resources

Business meeting, to consider pending calendar business.

SD-430

10:00 a.m.

Appropriations

Transportation and Related Agencies Subcommittee

To hold hearings on proposed budget estimates for fiscal year 1987 for the Department of Transportation and certain related agencies.

SD-138

Governmental Affairs

Energy, Nuclear Proliferation and Government Processes Subcommittee

To hold hearings on S. 525, to provide for the transfer to the Secretary of Health and Human Services and authority of the Secretary of Energy to conduct epidemiological studies of radiation effects.

SD-342

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MAY 15

9:30 a.m.
Appropriations
Labor, Health and Human Services, Education, and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1987 for the Department of Labor, Health and Human Services, and Education, and certain related agencies.
SD-116

Labor and Human Resources
Labor Subcommittee
To hold hearings on S. 2050, to notify workers who are at risk of occupational disease in order to establish a system for identifying and preventing illness and death of such workers.
SD-430

10:00 a.m.
Energy and Natural Resources
Natural Resources Development and Production Subcommittee
To hold hearings on the prospects for exporting American coal.
SD-366

2:30 p.m.
Appropriations
Interior and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1987 for fossil energy and clean coal technology.
SD-192

MAY 20

2:00 p.m.
Appropriations
Interior and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1987 for the Indian Health Service, Department of Health and Human Services.
SD-192

MAY 21

9:30 a.m.
Appropriations
Commerce, Justice, State, the Judiciary, and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1987 for the U.S. Information Agency, and the National Endowment for Democracy.
S-146, Capitol

Labor and Human Resources
To hold oversight hearings on strategies to reduce hunger in America.
SD-430

MAY 29

2:00 p.m.
Appropriations
Interior and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1987 for the Office of the Secretary and Office of the Solicitor, Department of the Interior.
SD-192

JUNE 3

10:00 a.m.
Governmental Affairs
Energy, Nuclear Proliferation and Government Processes Subcommittee
To hold hearings on statistical policy for an aging America.
SD-342

JUNE 4

9:30 a.m.
Appropriations
Commerce, Justice, State, the Judiciary, and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1987 for the Departments of Commerce, Justice, and State, the Judiciary, and certain related agencies.
S-146, Capitol

Labor and Human Resources
To hold oversight hearings to review the imposition of user fees in FDA approval procedures for new drugs.
SD-430

JUNE 11

9:30 a.m.
Labor and Human Resources
To hold hearings on pending nominations to the National Advisory Council on Women's Educational Programs.
SD-430

JUNE 17

9:30 a.m.
Energy and Natural Resources
Public Lands, Reserved Water and Resource Conservation Subcommittee
To hold hearings on S. 2055, to establish the Columbia Gorge National Scenic Area.
SD-366

Labor and Human Resources
To resume oversight hearings on medical malpractice.
SD-430

JUNE 18

9:30 a.m.
Labor and Human Resources
Business meeting, to consider pending calendar business.
SD-430

JUNE 25

9:30 a.m.
Labor and Human Resources
To hold hearings on the administration of the Mine Safety and Health Review Commission.
SD-430

JULY 16

9:30 a.m.
Labor and Human Resources
To hold hearings on measures to improve the health of children.
SD-430

JULY 30

9:30 a.m.
Labor and Human Resources
Business meeting, to consider pending calendar business.
SD-430

AUGUST 13

9:30 a.m.
Labor and Human Resources
To hold hearings to review the private sector initiatives in human services.
SD-430

SEPTEMBER 10

9:30 a.m.
Labor and Human Resources
To hold hearings to review the human resources impact on drug research and space technology.
SD-430

SEPTEMBER 16

9:30 a.m.
Labor and Human Resources
To hold hearings on pending nominations.
SD-430

SEPTEMBER 24

9:30 a.m.
Labor and Human Resources
Business meeting, to consider pending calendar business.
SD-430

CANCELLATIONS

APRIL 15

1:00 p.m.
Select on Intelligence
Closed business meeting, to mark up proposed legislation authorizing funds for fiscal year 1987 for the intelligence community.
SH-219

APRIL 16

9:30 a.m.
Select on Intelligence
To resume closed hearings on proposed legislation authorizing funds for fiscal year 1987 for the intelligence community.
SH-219

10:00 a.m.
Appropriations
HUD-Independent Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1987 for the National Aeronautics and Space Administration.
SD-124

2:00 p.m.
Foreign Relations
To hold hearings on the nomination of Morton I. Abramowitz, of Massachusetts, to be an Assistant Secretary of State.
SD-419

APRIL 17

2:00 p.m.
Commerce, Science, and Transportation
Science, Technology, and Space Subcommittee
To hold hearings on information provided by NASA's 51-L Data and Design Analysis Task Force to the Presidential Commission on the Space Shuttle Challenger Accident.
SR-253

APRIL 23

10:00 a.m.
Governmental Affairs
Energy, Nuclear Proliferation and Government Processes Subcommittee
To hold hearings on S. 2009, to require that Federal employees be paid by electronic funds transfer or any other economical or effective method.
SD-342

SENATE—*Tuesday, April 15, 1986*

(Legislative day of Tuesday, April 8, 1986)

The Senate met at 9:15 a.m., on the expiration of the recess, and was called to order by the President pro tempore [Mr. THURMOND].

PRAYER

The Chaplain, the Reverend Richard C. Halverson, D.D., offered the following prayer:

Let us pray.

Lord God Almighty, in these crucial, explosive, unpredictable hours, move upon the hearts and minds of the leadership of all nations that justice may be done and truth prevail. Wherever one looks today there is trouble and sooner or later that trouble confronts the Senate and demands a response. Help fallible men and women who bear enormous responsibility for national and world peace and safety and for whom decision is inescapable find their way through controversy and confusion to the way of sanity and peace. We pray for the protection and safety of newspeople and aliens in Libya. Father in Heaven, give us all the resolve to seek Your will and do it on Earth as it is in Heaven. In Jesus' name Who lived to do Your will. Amen.

RECOGNITION OF THE MAJORITY LEADER

The PRESIDENT pro tempore. The distinguished able majority leader, Senator DOLE, is recognized.

SCHEDULE

Mr. DOLE. Mr. President, under the standing order, the leaders will have 10 minutes each. The distinguished assistant leader, Senator CRANSTON, is here. Following that, special orders in favor of Senators HAWKINS, CRANSTON, HATFIELD, PROXMIRE, DOMENICI, and CHILES for not to exceed 5 minutes each, and routine morning business not to extend the hour of 10 a.m., with Senators permitted to speak therein for not more than 5 minutes each.

At 10 a.m., by a previous unanimous consent, the Senate will resume consideration of S. 426, the hydrorelicensing bill.

The Senate will stand in recess between the hours of 12 noon and 2 p.m. in order for weekly party caucuses to meet.

At 2 p.m., the Senator from Colorado [Mr. HART] will be recognized to offer a substitute amendment to S. 426. Between 10 a.m. and noon, if the distinguished Senator from Montana has any amendments to S. 426, it is my understanding he will bring up one or more amendments and hopefully complete action on those amendments by noon, but if any rollcall votes should be ordered this morning, they will be later in the afternoon.

We will have rollcall votes throughout the day, and it is the intention of the majority leader to complete action on S. 426 during today's session. I know the distinguished Senator from California has an interest in completing action on S. 426.

Mr. CRANSTON. Yes, I have.

Mr. DOLE. I know the interest comes from around the country. I think we are all interested in completing action on it and perhaps, also, the crime bill. Then we will still be on the motion to proceed to S. 1774 to amend section 1951 of title 18 of the United States Code.

Also, sometime today, as soon as we have damage assessments and photographs, it will be our hope that we can have a rather extensive briefing by the State Department, the Defense Department, Secretary Weinberger, and Secretary Shultz, for all Senators in S-407.

We are advised by Defense and State Department officials that if we can do it a little later in the day we will have more information. So hopefully we could be finished on the floor by 4, 4:30, or 5 o'clock.

I will advise the distinguished minority leader as soon as we are able to firm up a time, and I believe all Senators want information as quickly as possible. But they also want reliable information. They want facts and not conjecture.

So it would be my hope that we can wait until we have some information that will be helpful to all Members.

UNITED STATES AIR RAID ON LIBYA

Mr. President, today is a day for unity—for Congress and the American people to stand together in support of the President, and his action to defend our country and our citizens against terrorism.

For years, Libyan Dictator Qadhafi has orchestrated, and carried out, a reign of terror; not only against the United States, but against innocent people the world over. America has tried every diplomatic and nonviolent response to Qadhafi's attacks. But to no avail.

Now, there is unassailable proof that the trail of blood from the latest atrocity, the bombing of the Berlin disco, led straight to Qadhafi's headquarters. There is unassailable proof that Libya ordered other acts of terrorism, including bomb attacks on innocent foreign citizens trying to obtain visas at a United States Embassy. There is unassailable proof that Qadhafi planned to try again, with assaults on American installations, officials, and citizens on four continents.

We have the facts, we have the will, and we have the right to defend ourselves. That right is written in the United Nations Charter and our own Constitution.

And, as the President said last night, if we have to, we are prepared to defend ourselves again.

We are under no illusion. Qadhafi may strike again. But consider what he would have done had we not acted; had we simply rolled over and pretended that his murderous attacks, his murderous plans would somehow go away. Under those circumstances, the carnage we have seen in Berlin, in Rome, in Vienna, and everywhere around the globe where Qadhafi and his ilk have struck would have been multiplied many times over.

The President did what he had to do. And, in my view, what the American people wanted him to do. He met his responsibilities as Commander in Chief, and he met his responsibilities to the Congress.

Now it is up to us to do our part. To stand by the President, to stand by our Armed Forces, to stand together in doing whatever it takes to answer the challenge of international terrorism.

Mr. President, having been present, as was the distinguished Presiding Officer, Senator THURMOND, at the briefing yesterday afternoon from 4 o'clock until 6, I think it is fair to say this was a decision that was difficult for the President to make. But when you look at the options and the alternatives, there is no doubt, I think, in the minds of everyone there the President made the right decision.

Some would argue that Congress should have been consulted earlier. I guess we can argue that point. I do not think that is the important point. The important point is we are trying to deter international terrorism. Someone has to take the action.

I believe that the President, by consulting with the Congress 3 hours ahead of the strike in the Benghazi and Tripoli areas, fulfilled his responsibilities in a manner consistent with the War Powers Act. The administra-

● This "bullet" symbol identifies statements or insertions which are not spoken by the Member on the floor.

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tion intends to continue in that spirit. I am hopeful that there will not be any dispute or hairsplitting over whether or not we had enough notice or that it should have been 5 hours, 7 hours, or the day before yesterday.

I am convinced that Democrats and Republicans, when asked the direct question, "What would you do?" would have the same response.

I know that the President will be concerned when he learns casualties may have included civilians, just as he was concerned when American civilians, innocent women, children, and others were killed by terrorist acts. But I believe the President chose the military target, not an economic target. They chose targets purposely that would keep down civilian casualties.

We can second-guess consultation, and we can second-guess other things. But it would seem to me that there are not any easy choices. There are only hard choices. We have only one President. He made the decision. In listening to some of the congressional response so far, I believe that the support is nearly universal.

I hope now that our allies would understand we are firm in our resolve to stop international terrorism. I must say that it has been less than heartwarming to see the response from some of our allies, particularly France, which would not let us overfly France on the way to Tripoli or Benghazi. So it would be my hope that our allies, and our friends around the world, would understand we are properly concerned for their welfare and the welfare of all of our citizens, for the freedom to travel, for the freedom of the skies, and for the freedom of the seas.

I really believe that the President has set the proper course and the proper tone—a proportionate response directed at terrorist targets in a country whose leader's name, "Qadhafi" has become almost synonymous with the word "terror."

SENATOR HAWKINS' SPECIAL ORDER

Mr. DOLE. Mr. President, I wish to read the statement by Senator HAWKINS relating to Ambassador Gavin. The statement is as follows:

TRIBUTE TO AMBASSADOR JOHN GAVIN

Mrs. HAWKINS. Mr. President, this country will soon lose the services of a true pillar of support for United States interests in Central America in general and in Mexico, in particular. I am speaking of Ambassador John Gavin, who has announced his intention to resign after serving with true distinction for five long years in Mexico City.

Every American should take pride in the effective leadership demonstrated by Ambassador Gavin during U.S. efforts to provide relief to Mexico following its tragic earthquake. Through his vision of courage, the United States was able to respond rapidly to Mexico's need for medicine, food, doctors, and disaster relief personnel.

Like all great public servants who actually make a difference with the issues they work on, Ambassador Gavin had his share of foes within the bureaucracy. Mr. Gavin did not belong to the "don't rock the boat" school of diplomacy. When necessary he was willing to let the Mexican Government know they were hurting America's interests, whether it be our Central American policy, our narcotics control policy, or our economic interests. Most importantly, he knew how to get their attention. He did not see diplomacy as the art of glossing over real problems that need attention. Rather than covering up, Ambassador Gavin opened up the dialogue to solve problems rather than letting them fester.

Today's narcotics control summit in Mexico, which will be attended by Attorney General Meese, along with representatives of the U.S. Customs Service, the U.S. Coast Guard, the Drug Enforcement Administration, and Department of State, is a tribute to Ambassador Gavin's timeless efforts. For over a decade, no major narcotics trafficker has been convicted in Mexico. Only by the continued interest of senior policy makers in both our nations will narcotics control become a priority in our relationship. The refreshing candor and courage of Ambassador Gavin has established a starting point for United States and Mexican leaders to follow.

RECOGNITION OF THE ACTING MINORITY LEADER

The PRESIDENT pro tempore. The distinguished assistant Democratic leader is recognized.

Mr. CRANSTON. I would like to ask the distinguished majority leader how late he thinks we will be in today, and if he has any clues.

Mr. DOLE. I think if we have the briefing about 5 o'clock, we would try to complete action in the Senate before that briefing. I do not expect a late evening.

Mr. CRANSTON. I thank the distinguished majority leader.

Mr. President, I ask unanimous consent that the 5 minutes allocated to me be vitiated.

The PRESIDENT pro tempore. Without objection, it is so ordered.

Mr. CRANSTON. Mr. President, I reserve the time of the minority leader.

Mr. DOLE. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. THURMOND. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. (Mr. BOSCHWITZ). Without objection, it is so ordered.

THE PRESIDENT'S RESPONSE TO QADHAFI

Mr. THURMOND. Mr. President, I rise in support of the action of President Reagan yesterday in responding to Libya's Qadhafi, who seems intent on spreading terrorism throughout the world.

I was one of those who met with the President at 4 o'clock when he consulted with the congressional leadership at that time. In doing so, I think he met the requirements of the War Powers Act. There is no question in my mind, Mr. President, that the President is pursuing the right course. Time and time again we have had Americans attacked in various parts of the world. Our Embassies have been attacked, and terrorism has threatened our people long enough, the most recent being the American who was killed in Germany by a bomb.

Mr. President, it is well known that Mr. Qadhafi has been training terrorists in his country. It is well known that he is the world's foremost terrorist. It is also well known that he has attacked Americans, he has conspired with others to attack Americans, and insofar as I am concerned, the President acted wisely and courageously in taking the steps that he did.

How long can we go and not defend our people? This was a course pursued in self-defense of the American people.

As the Secretary of State said, it is matter of self-defense. That is what it was. We have been attacked so many times and we cannot afford to ignore this situation any longer. We must take steps to prevent a recurrence.

Someone said Mr. Qadhafi will just come back and again attack Americans.

Well, if he does that, he would have done it anyway. If he does that, I would expect this administration to respond again, and respond in a more severe manner. We simply cannot permit this to continue.

I admire the courage of the President because it took great courage in the face of some public opinion otherwise, and in the face of some political talk otherwise, and in the face of this being an election year. It may be said that we are taking steps here that may cause future trouble. But, Mr. President, President Reagan has pursued the right course. I do not know any other course a courageous President could have pursued.

What else could he have done? How much longer would he have to wait? I think he acted timely, he acted courageously, he acted wisely, and he acted in the best interests of the American people.

I commend President Reagan for the course he did take. I, for one, will back him up on it. I believe the Senate will back him up on it and the House will back him up on it, and I think the American people will back him up on it.

Mr. President, there may be other attacks. We must take steps to guard against further invasions by people like Mr. Qadhafi, whom the President

has called a "mad dog." That is a fitting term for him. That is exactly what he is. He has no regard for humanity. He will just kill in spite and try to bring together lawless elements in the world that can harm humanity.

I am proud of the President. I am proud of what he did. I am sure the American people will speak out when the time comes and back him up. I hope this Congress will not fail to back him up.

This is a foreign policy matter and everybody cannot make decisions on that. The President has to make the main decision. He has made the decision. He has made the right decision and I say, let us back him up.

I yield the floor, Mr. President.

Mr. DOLE. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. PROXMIRE. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

RECOGNITION OF SENATOR PROXMIRE

The PRESIDING OFFICER. Under the previous order, the Senator from Wisconsin [Mr. PROXMIRE] is recognized for not to exceed 5 minutes.

PRESIDENT REAGAN IS ON TARGET IN LIBYA

Mr. PROXMIRE. Mr. President, the President has taken precisely the right action in response to proven acts of terrorism by Libya under the control of Colonel Qadhafi. The U.S. retaliation was measured. Our air forces specially targeted terrorism installations. We took precautions to spare civilians as much as possible. The only reservations of this Senator is that the U.S. retaliation may not have brought sufficient force to bear on Libya to discourage further terrorist action directed by Qadhafi. The President was completely correct in promising to strike again with similar military retaliation if Qadhafi persists in his terrorist actions.

At the same time, the President has not taken the full economic actions against Libya that he should take. This country can and should insist that all American personnel leave Libya forthwith. We should sever all economic relations with Libya and continue to urge our friends in Europe and elsewhere in the world to do likewise.

GEOGRAPHY GIVES U.S. SHARP MILITARY ADVANTAGE OVER SOVIETS

Mr. PROXMIRE. Mr. President, what is the single, paramount consideration that most decisively influences the Congress' decisions on military spending? It is the threat represented by the Soviet Union. Is this not what President Reagan, like his predecessors, always uses as his prime argument for more appropriations for the armed services? I have recently spoken on the floor about the demonstrable military advantage this country has today achieved over the Soviet Union in relevant military power. In this speech I shall examine the striking military advantage the United States enjoys over its great superpower adversary for strictly geographic reasons.

The Soviet Union does have the advantage of occupying the largest land area of any nation on Earth. No nation is richer in natural resources, including energy resources, than the U.S.S.R. But the Soviet Union suffers very serious border problems. On its western Border, Russia dominates its neighbors through its puppet governments. The Soviets have a series of sullen, resentful bordering allies, including East Germany, Poland, Bulgaria, Czechoslovakia, Hungary and Rumania. The governments of these countries are tightly alined with the Soviet Union.

The people of these countries are another matter. They have repeatedly demonstrated their opposition to Russia in demonstrations, strikes, and even bloody uprising against great odds. In any Soviet invasion of Western Europe, the Soviet Warsaw Pact allies would be reluctant, foot-dragging allies or worse. In a Russian invasion of Western Europe, the Soviets would have to be concerned with sabotage and actual revolution from their Warsaw Pact allies.

In spite of its evident weaknesses, the North Atlantic Treaty Organization in Western Europe would confront the Soviets with a very tough resistance. Keep in mind that both England and France are full-fledged nuclear powers. Each of these countries has begun a buildup of its nuclear capability to a level of 1,000 nuclear warheads. Meanwhile, the United States has stockpiled literally thousands of tactical nuclear weapons throughout Western Europe. So on its western flank, the Soviet Union faces the serious threat of revolt among its own presumed Warsaw Pact allies in addition to a formidable NATO capability.

What does the Soviet Union face on its eastern flank? It confronts the biggest army in the world in manpower. China is four times larger in population than the Soviet Union. It is the biggest nation on Earth in population by far. It is also a full-fledged nuclear power. How about the Chinese economy? Could it support a Chinese military engagement against the Soviets. No question; the Soviet economy is clearly superior but no developed nation in the world has enjoyed the growth in economic strength that China has experienced over the past 2 or 3 years. And the economic explosion continues. Russia faces the same long historical conflict with China that it confronts with its presumed Warsaw Pact allies on its western front.

The hostility between the Soviets and its bordering neighbors east and west has persisted for centuries through profound ideological shifts. Those of us in the United States Congress consider the Soviet military force that confronts NATO. We too often ignore the fact that a third or more of the Soviet manpower, tanks, artillery and nuclear capability must be committed to its eastern border and we are reminded daily of the weaknesses of Russia's military machine in its dismal showing in Afghanistan. After 6 long years of Soviet military offensives, the primitive, feebly armed Afghans continue to defiantly rattle the superpower Soviets.

Now compare this Soviet geographic dilemma with what our country faces. We have one nation that shares our southern border: Mexico. Mexico has become our firm friend. Its government shares the same democratic system that we enjoy. The United States is far and away Mexico's principal trading partner. Mexico does not constitute the remotest kind of a military threat to the United States. Our countries both have a firm opposition to communism and Kremlin power plays. On our north, the United States occupies the longest undefended border between two sovereign countries in the world with Canada. Canada and the United States are each respectively the No. 1 trading partner of the other. We speak a common language. Both nations are proud of their democratic governments. Canada, like Mexico, has become our international partner and close friend.

On the east, this country is separated from Europe by one of the two great oceans of the world. On the west, the Pacific constitutes the vastest moat on Earth. It is true that an ocean can be viewed as a highway, an access for enemies as well as friends. A great coastal nation like the United States suffers a vulnerability as well as a protection by virtue of its ocean border. Which it is—a protection or a vulnerability—depends on seapower. Does the United States have the naval power to protect our coasts from invasion? The United States is without question the greatest seapower in the world, by far. That makes the Atlantic and the Pacific Oceans our great pro-

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tection against invasion which they, in fact, have been since 1812.

That is not all the geographic advantage enjoyed by this country. The Soviet Union shares the Eastern Hemisphere—Europe and Asia—with other independent, large, highly developed and militarily powerful countries. The European Common Market consists entirely of Western European countries that are opposed to the Soviet Union and communism. Its gross national product exceeds that of the Soviet Union by more than 2 to 1. The Soviet Union in no sense dominates its hemisphere.

Now, how about the United States? Our country does dominate our hemisphere. It shares a far higher standard of living with Canada and no other Western Hemisphere country. Our country has a gross national product literally three times greater than the GNP of all other Western Hemisphere countries combined. We are the only nuclear power in the hemisphere. Our Navy greatly exceeds the combined force of all other Western Hemisphere navies. This is also true of our Air Force. Our land forces also enjoy conspicuous superiority in the Western Hemisphere to all other Western Hemisphere nations combined.

So, Mr. President, when the admirals and generals so consistently tell the Congress they would not trade our military position for that of the Soviet Union, you can see how right they are.

Mr. President, recently I said on the floor that the military advantage of the United States vis-a-vis the Soviets in conventional and nuclear military capability makes now, today, the ideal time for us to press for arms control negotiations. For those who say we should negotiate from strength, the answer is: Today we can deal from solid and demonstrable strength. Our geographic advantage makes that specially clear.

WHO'S RIGHT: STOCKMAN OR THE STOCK MARKET?

Mr. PROXMIRE. Mr. President, David Stockman's new book is a devastating indictment of the Reagan economic policies. That should shock a lot of Americans, who have viewed Reagan economic policies as just what the doctor ordered for the American economy. David Stockman understands more about the Reagan economic policies than any man alive or dead. Stockman was on the inside all the way. He has been the supreme numbers cruncher, the No. 1 budget wizard, the expert par excellence.

So is he right? Is the American economy headed for disaster? Who can convincingly rebut Stockman? Let's start with today's stock market. After all, where can you go for a more convincing or objective judgment of the country's economic future than the American stock market? The stock market is not rhetoric. It is not political puffery. The stock market goes up or down depending on how smart, hardheaded investors feel about the future of the American economy.

This is not a barroom boast investors are venturing. This is not a political speech. It is the commitment of hard cash by cold-eyed, calculating investors. And today's investors are not little guys. These are not the daffy old widows and dim-witted inveterate gamblers. These investors in today's stock market are highly trained professionals who manage massive funds. Have they been tested? They have, indeed. They are promoted or fired depending on their record, not on their personalities or whom they know.

So David Stockman tells us that the policies of the Reagan administration are leading the country to a historic collapse. To Stockman, the succession of runaway Federal deficits spell not just disaster; they spell economic collapse. On the other hand, the stock market in the last 6 months has put on a dazzling performance month after month for 6 months that appears to show a massive consensus of hardheaded, cold-eyed investors believe the American economy is on a happy, profitable, uphill, prosperous roll. So who is right? Have the Reagan economic policies given us an economic nirvana as the stock market boom seems to promise? Or is this country in for a first-class depression 1930's style, as David Stockman's analysis tells us?

Mr. President, here is one vote for David Stockman. Oh, sure, the stock market has been right more often than it has been wrong. And yes, today's stock market investors are, indeed, better able to judge the economy than the investors of years ago. But why have stocks been rising? Why have investors been selling bonds and buying equities? The answer does not have much, if anything, to do with the economy's future. The answer has to do with the choice America's investors have between a bond market that is promising a steadily lower return and a stock market that promises to rise in value precisely as interest rates fall.

For example, any investor who bought stocks 6 months ago and enjoyed the average upward rise received by the vast majority of stock market investors as reflected on the broad stock indices would have enjoyed an increase in the value of his investment of better than 30 percent, and that is in only 6 months. The annual rate of appreciation would be about two-thirds!

But if the investor instead chose to slug his investment away in a fixed interest security, the rise in value would be far less. So investors have been buying stocks on the assumption that interest rates would fall, thus driving investors from the bond market into the stock market. Will they continue to fall? Probably. Why? Because inflation will likely moderate for some time to come. The glut of oil will hold down energy prices. The oversupply of farm products will continue to hold down the price of food. There is also a massive 7 percent of the work force, more than 8 million, unemployed. That will hold down wage pressure on prices.

What has low inflation to do with low interest rates? Answer—everything. The prospect for continued moderate or declining inflation will hold down interest rates for the foreseeable future. Why? Because the major element in interest in any period of volatile prices is the level of inflation—the inflation premium. If prices stay down, interest rates stay down. And prices seem very likely to stay down. So the stock market has been rising not because economic prospects are bright. The stock market has been rising because interest rates are falling. That makes stocks a better investment than bonds.

All of this brings us to the main reason why inflation interest rates are declining. What is that? It is not the strength of the economy. It is the weakness of the economy. Do interest rates fall in a resurgent, exuberant economy? Of course not. Does inflation moderate when demand pushes the economy ahead? Never and no way. The American economy today is weak. It grew by less than 1 percent in the last quarter of calendar 1985. And the worst is yet to come. David Stockman calls the mountainous deficits of the past 5 years a disaster. He is right. Strangely enough, the rise in stock prices confirms the Stockman thesis that the economy is headed for disaster because this particular stock market boom is based on weakness, not strength.

We are, indeed, climbing a mountainous disaster. Getting down off that mountainous disaster is going to be sheer political hell. Every step of the way down from the $200 billion deficit level will carry this feeble economy down with it. Slashing the deficit is a prescription for recession.

So why do it? Because failing to cut the deficit is worse. It means we are piling up a mountain of debt for our citizens and future generations. So much of that debt will be owed to foreign countries that this country will lose much of its historic freedom. Eventually, that debt will force interest rates higher as lenders become surfeited with American debt and less and less confident that we have the will to repay it. And future Congresses will be tempted to turn to superinflation as the only way the country can meet its immense multi-trillion-dollar Federal debt obligation.

So, between the judgment of the stock market in the past 6 months and

the judgment of David Stockman, this Senator not only chooses Stockman—he is right; but this Senator believes the stock market confirms that he is right. That means we cut spending, cut spending, and then cut spending some more. Meanwhile, we raise revenues by requiring every person and every corporation to pay its fair share of taxes. The time to start is now.

MYTH OF THE DAY: THE CONTRA WAR IS JUST DEMOCRATIC RESISTANCE

Mr. PROXMIRE. Mr. President, the myth of the day is that the Contra rebels are true Jeffersonian freedom fighters.

To hear the administration tell it, the Contras are modern-day "minutemen" and the war they are waging in Nicaragua is "democratic resistance," to use the administration's own words.

Well, an article in the February 20th issue of the New York Times reveals that the Contras' war is far more than "democratic resistance."

There seems to be a great deal of terrorism in the Contras' violent revolution.

For example, the Times reports that one recent Sunday night on an unpaved road near the Nicaraguan border, a land mine blew up a pickup truck carrying 17 civilians.

A rebel band waiting in ambush then opened fire, killing five women, ages 28 to 70, and a Swiss agronomist.

That, Mr. President, is not democratic resistance. That is a terrorist attack.

"In recent months," according to the Times, "rebel bands have carried out attacks in which civilians have been killed, robbed, or otherwise abused."

A recent study by Amnesty International found that Contra rebels were guilty of torture and murder. The Washington Office on Latin America also recently reported 118 instances of rebels abusing civilians.

Now to be sure, the Sandinista government in Nicaragua also is guilty of terrorist activities. No doubt about that. Both Amnesty International and the Washington Office on Latin America also cite instances where the Sandinista government has abused civilians.

But that does not diminish the abuse that is being perpetrated by the Contras.

In pressing for military support of the Contras, the Reagan administration should not forget that some of those military activities it is supporting the administration would classify as terrorist attacks if they occurred in other parts of the world.

It is a myth to believe otherwise.

RECOGNITION OF SENATOR HATFIELD

The PRESIDING OFFICER. Under the previous order, the Senator from Oregon [Mr. Hatfield] is recognized for not to exceed 5 minutes.

Mr. HATFIELD. Mr. President, under the information of the leadership, I understand there is some time remaining. I ask unanimous consent that I might be able to finish my statement with 2 or 3 additional minutes, if necessary.

The PRESIDING OFFICER. Without objection, it is so ordered.

BACKSLIDING AGAIN

Mr. HATFIELD. Mr. President, today is April 15. Heretofore this date has been infamous for being the filing deadline for Federal income tax returns. Now we have a new reason to rue this day, for April 15 is upon us and Congress has not completed action on a budget resolution. Indeed, Congress has hardly begun.

In 1974, Mr. President, Congress enacted the Congressional Budget and Impoundment Control Act—Public Law 93-344—in a fit of missionary zeal that only reformed reprobates can muster. Those of us who were here at the time—and only 29 were—remember a good deal of praise for the act as our savior from haphazard action and frustrating delay. A new, orderly process was created with logical, manageable deadlines for action on the budget. A first concurrent resolution on the budget was to be reported by the Budget Committees by April 15, and adopted in identical form by both Houses by May 15. A second concurrent resolution on the budget was to be adopted by September 15, with all 13 regular appropriations enacted by the start of the fiscal year, which we moved from July 1 to October 1 to give us 3 additional months for budget deliberations.

I am getting older, Mr. President, and my memory may not be as sharp as it once was, but I do not recall that the Congress of the United States ever was as zealous in its adherence to those goals as it was in prescribing them. But that is only human nature, after all. It should not have surprised us too much. John Wesley was only one of the more recent theologians to remind us, as he did more than 200 years ago, of our fondness for backsliding.

While I may not clearly recall every budgetary episode of the past 12 years, I am very clear on last year, when Congress did not adopt a conference report on a budget resolution until August 1, right before the August recess, thus delaying action on appropriations bills and forcing us to resort to a continuing resolution of sizable proportions. Oh, how everyone complained when we dealt with the appropriations process in that way. There was great weeping and gnashing of teeth, and somber statements uttered within this Chamber and without, about what a travesty it was to conduct the Nation's fiscal business in such an irresponsible way.

So once again, Mr. President, Congress has found itself wandering in the fiscal wilderness with a troubled soul and the burden of manifold sins and iniquities. And once again, there arose a new priesthood, calling upon us to abandon our decadent ways and cling to a new ritual that would surely lead us to salvation and a paradise of balanced budgets. Why we fell for it, I do not know. But in clouds of incense, with incantations of magic formulas ringing in our ears and dire warnings of failure to abide by the new rules, the Congress passed Gramm-Rudman-Hollings, the Balanced Budget and Emergency Deficit Control Act of 1985, and went home with new conviction.

And where are we now? Alas, Mr. President, we have backslid again. Our conviction has waned. We have failed to adhere to our new ritual. We should not be surprised. No mere change in ritual can save us from our errant ways. We can concoct all the budgetary rigmarole we like, and offer up across-the-board cuts as burnt offerings to deficit reduction, and we will wind up no better off unless we have had a change of heart. The term is "repentance."

In the throes of revivial last fall, Gramm-Rudman-Hollings amended the 1974 Budget Act to require that the concurrent resolution on the budget be adopted by both Houses by April 15, a full month before the deadline that had been created by the 1974 act and observed most often in the breach. There were assurances all around that this time we would meet the deadlines. Well, we have not, Mr. President, and the reason is that Gramm-Rudman-Hollings did not regenerate the spirits of all the competing factions and special interests that created delay under the old regime. It just arbitrarily established a new deadline and hoped the magic of the new ritual would take over.

Not that an effort has not been made. Under the leadership of Pete Domenici, the chairman, and Lawton Chiles, the ranking minority member, the Budget Committee of the Senate has produced a concurrent resolution on the budget covering fiscal years 1987, 1988, and 1989. That resolution, Senate Concurrent Resolution 120, was ordered reported by the committee on March 24, 1986, by a bipartisan rollcall vote of 13-9. Seven Republicans and six Democrats voted to report the resolution favorably. The measure has been on the calendar and available for consideration in the

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Senate since we returned from the Easter recess.

As always, there are a number of reasons for our backsliding, and there are a number of consequences. I am not here today to blame anyone, but I cannot help but wonder where our zeal has gone, and I do want to mention some possible consequences of inaction.

The first that comes to mind is the effect of delay on the appropriations process. Under section 303(a) of the Budget Act, as amended, it is not in order for the Senate to consider fiscal year 1987 appropriations bills until a fiscal year 1987 budget resolution has been adopted by the Congress. The longer we delay the budget resolution, the longer the appropriations process will be delayed. The longer the appropriations process is delayed, the greater the likelihood of a massive continuing resolution, with all the anguish that causes. I cannot help but remember how the anguish of last year in part prompted the creation of our new ritual, and I cannot help but wonder why those who presided over that creation are not more vocal now in urging prompt and decisive action on a budget resolution.

I should say here that the procedural situation is not quite the same in the other body. There, too, it is not in order to consider an appropriations bill for any given fiscal year until the budget resolution for that year has been adopted, but that requirement can be waived at any time by adoption of a rule providing for consideration of an appropriations measure, and is not applicable at all under the terms of the Gramm-Rudman-Hollings statute after May 15. This is but one example of different procedures in the two Houses under Gramm-Rudman-Hollings. I will address others as the occasion arises.

Perhaps of greater importance than the immediate consequence of inaction for the appropriations process are the implications for our being able to meet other requirements of the ritual as we proceed with the process. It is accepted truth in this body that the easier decisions are made first and the harder ones are delayed. I have great admiration for the work of the Budget Committee in producing Senate Concurrent Resolution 120. I realize it was not easy to do. But it strikes me that reporting the measure, and considering it here in the Senate, are easier tasks than casting hard votes on the bills that will enact the resolution's recommendations into law. If we are stymied now on the relatively simple matter of considering the budget resolution, what will happen later? I am not optimistic.

Again, Mr. President, I am not here to cast blame, I know the majority leader and others are assiduously seeking a consensus so that we can consider and adopt a budget resolution at the earliest possible time. Senator Stennis, the ranking minority member of the Appropriations Committee and the dean of the Senate, gave a forceful speech last week urging prompt action so that we can proceed with our business. I join with him in that, and I urge the 61 Senators who voted for Gramm-Rudman-Hollings last fall to rekindle their conviction. In light of the new religion I might be an old reprobate, but I believe we should at least proceed with the first steps of the new ritual.

Mr. CHILES. Will the Senator yield?

Mr. HATFIELD. I yield.

Mr. CHILES. I compliment the Senator from Oregon on his remarks and certainly thank him for his kind reference to the distinguished chairman of the Budget Committee, Senator Domenici, and myself.

I join with much of what he says. I sense the frustration he feels as we find ourselves at April 15, the deadline imposed by Gramm-Rudman-Hollings which said that we needed to speed up the budget process. I think the Senator is right. We tried in the Budget Committee to take that to heart. We went to work earlier. We produced a budget quicker than I can remember, and did it in a bipartisan way. We wanted to take it up before the Easter recess so it could be acted upon by this body well before the deadline. But to our chagrin, we find we still have not taken it up. I join with the Senator in saying I cannot understand why we do not have some of the sponsors of Gramm-Rudman-Hollings on the floor every day. This is their act. It is being violated. Where is the zeal we saw when that act was passed, and we moved up the deadline to April 15? It certainly would be helpful to the Appropriations Committee and to other committees if we could have prompt action on the budget. We in the Budget Committee have often felt the pressure when the authorizing committees chided us for failing to do our work. So we were attempting to move quickly this time in the spirit of Gramm-Rudman-Hollings. However, we now find the deadline is here, but the budget is not.

As you see, Mr. President, the distinguished chairman of the Appropriations Committee is with us on the floor. The distinguished ranking member, Senator Stennis, as the Senator from Oregon said, has already made his very strong statement. I certainly compliment him for the statement he made last week. And now you see the chairman of the Budget Committee and the ranking member also here. They have been here on a number of days saying why can we not take this up. Now we find ourselves today going by the deadline.

I say to the Senator I understand his frustration. He is not alone in feeling that frustration. I wish we had more allies. It seems to me those allies should be the principal sponsors of the act. I do want to say for my distinguished friend from South Carolina, I know he wants to take it up and has been saying that right along. But I am surprised that we do not see some more helpers here in that regard.

Mr. HATFIELD. I thank the Senator for his response. I, too, am puzzled by the absence of any evidence of Gramm-Rudman. The only evidence I see in this Chamber is a stale stench of the incense that does not help us get over our present problems or the responsibilities we must ultimately implement.

Mr. DOMENICI. I wonder if the distinguished chairman of the Appropriations Committee will yield for a couple moments.

Mr. HATFIELD. Mr. President, I am happy to yield to the chairman of the Budget Committee.

Mr. DOMENICI. Let me say to my friend from Oregon it was by happenstance that we are here together on the floor. I had decided to come here today because it is a momentous day; people are all filing their taxes. They do not like that. By coincidence, we set that very same day as the final day for getting our budget house in order. I thank him for the analysis he made here today to the extent that it points out the differences in procedures between the House and Senate. I did not get to hear all of the remarks, but I assume the distinguished chairman is absolutely correct.

I do want to say to him the reason we reported out a budget resolution on March 24 is that we intended to get our work done on time. We intended this to be a very good year from the standpoint of completing the budget and appropriations processes on time. I looked forward to the pressure of Gramm-Rudman bringing us to the point in time when the distinguished chairman of the Appropriations Committee and all of his subcommittee chairmen would bring appropriations bills to the floor and we would consider them in the framework of a budget resolution as we are obligated to do.

Now, there is a new theory around which I want to share with the distinguished chairman. There are some who are saying it does not matter about April 15; it does not matter about the appropriations schedule, because what we ought to do is do nothing with these processes which are difficult for 100 Members of the U.S. Senate to try to comply with.

There is a new notion around here that we ought to just fumble through here: Things are looking somewhat better, people say; reconciliation is in place; you have $9 billion more. You look at the numbers, and there is a $10 billion float under Gramm-Rudman-Hollings—that is, the target for fiscal year 1987 is $144 billion; but at the end of the year, so long as you do not exceed 154, the automatic reductions are not triggered. This allows for miscalculations on economics. Now some are saying, "Let's let everything float."

I suggest to the other 99 Members of the Senate that if we are to abide by Gramm-Rudman-Hollings, which was thought by many who supported it to be an impetus for us to determine policy, and not wait until the end of the year and gamble on a sequester, we need to decide how much we are going to cut. Almost everyone who voted for it said we should make the policy—we should vote on a budget resolution and then have the appropriators do their appropriations bills, so that when we get to August we have had an input.

The new idea is to say to the chairman: "Wait until August and take all these bills, packaged in a ribbon, called a continuing resolution, and maybe we'll get close to the budget targets and won't have to do anything."

I submit that anybody, including the White House, who has that theory and that thesis for activity here certainly is acting absolutely inconsistent with the way they voted and with the rhetoric of praise for that new approach called Gramm-Rudman-Hollings.

Yes, Gramm-Rudman-Hollings can work. But it will not work if we are going to graft on it some new theory that we do not need to do anything and we can let the distinguished chairman of the Appropriations Committee, in the waning days of this session, package up everything.

If that happened, this Senate would be denied, as the chairman knows, an opportunity to express its will. Nobody would be able to understand a continuing resolution, packaged all together. Nobody would be able to do anything significant, because it would be too late: a continuing resolution is too big and too complicated.

I urge all my colleagues who have an idea that we should fumble through this and do nothing to consider what that would do to their individual rights and privileges to have something to say about what happens to the fiscal policy of this country.

I want individual appropriations bills this year. I think they should be here. The Appropriations Committee should have an opportunity to go through those House appropriations bills and work its will, bring them to the floor, have 1, 2, or 3 days on each one, as we should be doing. We would not do that, under the newest theory in town—that things are OK and we do not have to do anything; that we will come out all right at the end of this year. I think we will come out with an absolute disaster from the standpoint of policy. We are gambling where we do not have to.

I say to the chairman of the Appropriations Committee that I do not know whether he has received any letters, but I do not have anybody telling me about alternative budgets. They are all saying: "Let's not do this. We can't do this, the budget the committee reported out." Has the chairman received any suggested budgets from Members? I have not seen any.

I ask, where are those budgets? If you want to add more to defense, let us hear about it. Perhaps there should be more money. Nobody has said that the budget resolution is inviolate. Where are the people who want to cut domestic spending more? They say we have not cut enough. Where are their proposals? Where will we find $10 to $12 billion more in outlay savings on the domestic side? If they have a proposal, I have not seen any clamor to sign up on some alternative.

Has the Senator from Florida seen any such proposal?

Mr. CHILES. Not yet. I am looking.

Mr. DOMENICI. I noticed that the distinguished Senator from Louisiana is here, wearing two hats: part of the leadership on the Democratic side, a member of the Appropriations Committee, and a member of the Budget Committee. Has he seen any proposal that we should get to debate?

Mr. JOHNSTON. I say to the Senator from New Mexico that I think the product produced by the Budget Committee was so good as to subsume everything else and sweep it right out the door.

Mr. DOMENICI. I thank the Senator.

Mr. HATFIELD. Mr. President, I thank the chairman of the Budget Committee. I agree with him fully on his analysis.

I think that even we who are heathens and voted against Gramm-Rudman-Hollings are here ready to try to help make it work. I believe we have an obligation, once the Senate works its will, to fall in line and try to implement that decision. Here we are, the laity, so to speak, and the priests have abandoned us. We have to call the priests back to the temple and get them back into their incantation or ritual.

I am ready to move, as chairman of the Appropriations Committee. I am locked in by this foul, new ritual we have adopted that has already proved its unworkability. At the same time, we should give it a try. I am only challenging the priests to come back to the temple, to help us out.

Mr. CHILES. Mr. President, I came across a proverb the other day that said, "One of these days is none of these days." I do not know who said that first, but it seems to me the White House has embraced that proverb as its basic attitude toward the budget. Their approach is a little like the old saying that by the street of by-and-by, one reaches the house of never. Well, by the same street, you can also reach the house of sequester.

If the administration wants to sit like a bump on a log and not negotiate the budget, I hope they will remember that at the other end of that log is the buzz saw of sequester.

I wonder how many times you can ask, how many times you can knock on a closed door, knowing that the person is home but will not answer? But that is the reaction we have had at the door of the White House.

At the same time, I notice the President derives great glee from whipping on Congress because we have not passed the budget by April 15. The reason we do not have it in place is because we cannot get any help from the White House at all in this matter.

If we do not have a budget, the sequester guillotine falls on October 15. That is 193 years almost to the day that it fell on Marie Antoinette's head. If it falls this year, it falls on all of us. It will mean we have already lost our heads, and it will mean a lot of people here will probably lose their jobs.

It seems to me that the most critical letters we face now are the letters GRH, and they do not stand for Gramm-Rudman-Hollings. They stand for "get Reagan's help." That is what I think we need, and we need it right away.

Four years ago, Milton Friedman said the deficit is a hidden tax. It is a tax in the form of money borrowed from the public. He is certainly right. The interest on the national debt this year is going to be $148 billion, roughly the same level to which we are trying to reduce this year's deficit. Yet, we find ourselves in a strange situation where we cannot get the budget up so it can be debated

Is there a Gramm alternative; is there another White House measure to come before us? We will never find that out if we cannot schedule the issue for debate. Many of us have been trying to do our job by April 15. I hope we will have the opportunity to do our work as soon as possible.

THE BOMBING OF LIBYA

Mr. CHILES. Mr. President, I want to take this opportunity to say I support the action the President took last night in striking at Qadhafi. I think the action was necessary in view of the overwhelming evidence that Qadhafi has consistently engaged in acts of terrorism, in acts of murder, against citizens of the United States and citizens of many other parts of the free world.

It is frustrating that we could not get our allies to totally join us with economic sanctions. I hope they will now.

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We will, of course, have to review the results of this mission. Many of us hope the action was sufficient to deter further acts on the part of Qadhafi and people who would sponsor terrorism.

This is certainly an issue in which Congress must involve itself, and try to determine how we deal with the state-sponsored terrorism.

The PRESIDING OFFICER (Mr. DENTON). If the Senator from Florida will yield for an inquiry from the Chair, according to the order under the previous order, the Senator from New Mexico was to be recognized for not to exceed 5 minutes followed by the Senator from Florida being recognized for not to exceed 5 minutes.

Is the Chair going to understand that both Senators consider that to have been executed?

Mr. CHILES. I do.

Mr. DOMENICI. Mr. President, the Senator from New Mexico considers he used the time. If he has not, I yield back the time.

Mr. CHILES. I yield back the time.

The PRESIDING OFFICER. The Chair appreciates the response.

ROUTINE MORNING BUSINESS

The PRESIDING OFFICER. Under the previous order, there will now be a period of routine morning business with statements limited to 5 minutes each.

TRIBUTE TO JUDGE WILLIAM LUTHER RHODES, JR.

Mr. THURMOND. Mr. President, I rise today to pay tribute to a distinguished South Carolinian, Judge William Luther Rhodes, Jr., who died on Tuesday, April 8, in Varnville, SC. To his wife and his three daughters, Mrs. Thurmond and I extend our deepest sympathy.

Judge Rhodes served in the State house of representatives from Hampton County from 1951 to 1960 and as chairman of the house ways and means committee for his last 4 years in the legislature.

He left the house to become a circuit judge and, for 15 years, was judge of the 14th circuit. He was first elected to the supreme court as an associate justice in 1975 and earned a reputation as a fair and careful jurist whose decisions were seldom reversed on appeal.

A native of Loris, SC, Rhodes was a graduate of Duke University and the University of South Carolina Law School. He served in the U.S. Army Air Corps during World War II.

Judge Rhodes was a great public servant, a dedicated leader, and an honest jurist. South Carolina and our Nation have lost one of their finest in his passing.

Mr. President, I ask my colleagues to join me in paying tribute to this great American patriot and my good friend, Judge William Luther Rhodes, Jr., and I ask unanimous consent that the following article which appeared in The State in Columbia, SC, on April 4, 1986, be printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

[From the State, Columbia, SC, Apr. 9, 1986]

RETIRED JUSTICE RHODES FOUND DEAD AFTER CRASH

Former legislator and retired Judge William Luther Rhodes Jr. died Tuesday, apparently after a heart attack, while driving in downtown Varnville.

The retired associate justice of the state Supreme Court was found dead at the wheel of his car after it left S.C. 278 and struck an empty pickup truck in a parking lot shortly afternoon.

The accident was reported to Varnville police at 12:42 p.m.

Hampton County Coroner Gordon Rhoden was not available for comment late Tuesday, but a spokesman for the funeral home Rhoden operates said that the death was attributed to natural causes and that no autopsy is planned.

Funeral arrangements will be announced today by Peoples-Rhoden Funeral Home in Hampton.

Rhodes, 67, served in the state House of Representatives from Hampton County from 1951 to 1960 and as chairman of the powerful House Ways and Means Committee for his last four years in the Legislature.

He left the House to become a circuit judge and, for 15 years, was presiding judge of the 14th Circuit, which encompasses Allendale, Hampton, Colleton, Jasper and Beaufort counties.

First elected to the Supreme Court as an associate justice in 1975. Rhodes filled the unexpired term of J. Woodrow Lewis, now retired, when Lewis was elevated to chief justice. Rhodes was re-elected to a full 10-year term on the court in 1979, but retired a year later because of ill health.

Rhodes was known as a fair and careful jurist whose decisions were seldom reversed on appeal and as an affable gentleman judge who frequently said that spittoons disappeared from South Carolina's courtrooms after women were allowed to serve on juries and that the ladies' presence had enhanced the quality of justice as well.

Rhodes also liked to share anecdotes about his years on the bench particularly when he "rode the circuit" to hold court in small counties. He said he once told a bailiff to take the jury to lunch and watched from the window of his chambers while members of the panel dutifully rode away in the back of a pickup truck after the bailiff found they wouldn't all fit in one car.

A native of Loris, Rhodes was a graduate of Duke University and the University of South Carolina law school. He served in the U.S. Army Air Corps during World War II and opened a law office in Varnville after leaving military service.

Hampton County voters elected Rhodes to four terms in the House. He later became the county's first resident trial judge. In his hometown, Rhodes remained "The Judge" throughout his life.

He was married to the former Elizabeth R. DuBose of Varnville.

Surviving are his widow and three daughters, Mrs. Thomas J. Ruhf, Mrs. Harold L. Peeples Jr. and Mrs. Varn Cummings.

IN SUPPORT OF PRESIDENT REAGAN'S ACTION AGAINST LIBYA

Mr. DENTON. Mr. President, I rise in strong support of the action taken by President Reagan in striking Libyan facilities which have been used to promote and support international terrorism. While the direct, documented, Libyan involvement in the recent bombing of the Berlin discotheque serves as the "smoking gun" which justified the President's action, ample evidence exists to demonstrate an interrelated nature of terrorist activities coordinated and sponsored by the Libyan Government.

In fact, in a February 19 hearing entitled "Libyan Sponsored Terrorism: A Dilemma for Policymakers," conducted by the Judiciary Subcommittee on Security and Terrorism, which I chair, evidence disclosed extensive involvement in international terrorism by the Libyan Government.

At that hearing, Dr. Yonah Alexander of Georgetown University's Center for Strategic and International Studies testified using maps and charts provided by intelligence sources. He was able to identify 44 terrorist training camps located in Libya, alone. The larger camps, several of which were hit last night, are located at Zawarah, Tarhuna, Al-Aziziyya Misurata, Sirte, Tocra, Baida, Ras el Hilal, Tubruq, Jaghbub, and Umm Al-Aranib. All of the bases except the last two are located along the Mediterranean coast. At these camps, terrorists from around the world are trained by Libyans, Cubans, East Germans, Soviets, Syrians, and Palestinians.

Moreover, the Libyan Secret Police, the dreaded Mukhabarat, is lead by Gen. Marcus Wolfe, chief of the GDR's Intelligence Service which, of course, is controlled by the KGB. Libya is supporting terrorism on two levels, by creating its own groups and by aiding those in existence. Qadhafi has restructured Libya and institutionalized the revolution within the bureaucracy. The revolutionary committees abroad keep dissidents in line and coordinate with the Peoples Bureaus—Embassies—which serve as an operation base for revolutionary activity.

The three primary bodies operating under Libyan auspices are the National Arab Youth Organization for the Liberation of Palestine (active against American civilians); the Revolutionary Arab-Palestinian Committees (based in Lebanon and operating against Israel); and the National Command for the Arab Revolutionary Force (which coordinates activities of terrorists from Syria, Iraq, Lebanon, and radical factions of the PLO).

Libyan Embassies reportedly serve as arms warehouses, even terrorists based in Indonesia have received money and weapons from Libya. The

Libyan Embassy in Kuala Lampur, Malaysia serves as the contact for Asian terrorist groups. The role of the Libyans is not limited to supplier, for as you know, two Libyan diplomats were forced to leave Spain in December 1985, following the discovery of evidence that they had been planning an attack.

Ambassador Robert B. Oakley, Director of the State Department's Office for Counterterrorism and Emergency Planning, who today is on a mission abroad to gain support for our effort against Libya, has provided the subcommittee with a voluminous history of Libya's support for and involvement in international terrorism, citing numerous specific incidents in the Middle East, Europe, Africa, and many other parts of the world.

Mr. President, at this point, I would ask unanimous consent that a "white paper" entitled "Libya Under Qadhafi: A Pattern of Aggression," prepared by the State Department and presented to the subcommittee by Ambassador Oakley, be placed in the RECORD immediately following my remarks.

Mr. President, Libya is not alone in its participation in state-sponsored terrorism. Over the past 5 years, the Subcommittee on Security and Terrorism has held more than 60 hearings on terrorism and related subjects, and those hearings have yielded abundant and conclusive evidence of a network, a global unity in the sources of support, strategy, tactics, and goals of international terrorists. The thrust and power of this network amounts to a new, highly effective form of low-intensity warfare, which is being waged by various nation-states to erode the influence and strategic position of the United States and Western democracies, in general, and to enhance the power of the Soviet Union, its client states and allies, in particular.

The hearings of the subcommittee have provided a reservoir of information sufficient to inform the Congress and the American public of the interrelationships between terrorist activities and, to show the nature and extent of this network's new threat to humanity, freedom, and U.S. economic as well as security interests. But the reservoir has not been tapped sufficiently. The information is not widely enough known by the Congress, the public, or the executive branch. Against such ignorance, informed policymakers face impediments. What should be chess has remained checkers, one move at a time. For too long, our policy toward terrorism has been fragmented, reactive, defensive and ad hoc, dealing with each incident as though it were an isolated occurrence, entirely unrelated to other terrorist acts. This approach to the problem ignores the voluminous record developed by this subcommittee and, also, the publicly declared policies and intentions of terrorist groups and the states, such as Libya, which support them.

The joint hearings held last May by the Senate Committees on Foreign Relations and the Judiciary disclosed, graphically and comprehensively, the interrelated nature of the international terrorist network. But few Senators seriously attended the hearings or studied the disclosures. Since those hearings, the American people have witnessed further the handiwork of the terrorist network as we have suffered through some depraved and outrageous episodes of international barbarity.

The shocking hijacking of the Italian cruise ship, the *Achille Lauro*, TWA flight 847, EgyptAir 648, the airport massacres in Rome and Vienna, the bombing of TWA flight 840, and the bombing of the Berlin discotheque were not isolated incidents. They were only a few of the more than roughly 705 terrorist acts that were committed in 1985, at a cost of death or injury to nearly 150 Americans and countless others. They are among only the most recent of the thousands of terrorist acts undertaken since 1973, except that the hijackings and the airport massacres have served to heighten American awareness of the cold, calculating nature of those persons or groups who use international terrorism to advance their political and ideological objectives. They have starkly revealed how little regard their perpetrators, strategists, and financiers have for human life and the values that are the core of the Western democratic world.

These incidents have revealed, more clearly with each occurrence, the existence of a multinational support system for such terrorist activities with Libya at the center of the support system. The airport massacres in Rome and Vienna were perpetrated by terrorists of the Abu Nidal faction who were able to cross international borders with the assistance of phony passports reportedly issued by Libya. The Libyan connection was established more firmly by statements made by Libyan leader Qadhafi describing the murders as "heroic" acts and pledging continuing support for such abominations. The U.S. Government reported that it had hard evidence that terrorists of the Abu Nidal and other factions were being harbored and trained in Libya.

The subcommittee's hearing also examined Libya's connection with that has become a "radical entente" of nation-states—including Libya, Syria, Iran, Cuba, and North Korea—which, since the early 1980's, has attempted to coordinate a worldwide strategy designed to expel United States military, political, and economic presence from key areas of the world. Terrorist acts are but one part of a strategy which plays heavily with politics, media, and psychological warfare. This radical explusion strategy includes efforts: First, to "decouple" the United States from its allies; second, to force the United States to abandon key military and diplomatic outposts; third, to stretch thin U.S. military forces over the world by coordinating the occurrence of terrorist incidents and other crises simultaneously or in succession in different parts of the world; and fourth, to deny the United States and other free nations access to trade vital to the survival of the free world's economy.

The activities of the "Radical Entente," only part of a global network, are nonetheless especially relevant to the Brezhnev, clearly stated Soviet goal of expanding Soviet hegemony into developing countries by fostering so-called "wars of national liberation," an ultimate end of which is to deprive the United States of trade in those key areas of the world. Mideastern oil and African metals and minerals should be in the forefront of our minds as we examine the entente's activities in the areas, especially when linked to the Communist-controlled ANC and SWAPO in southern Africa.

In the case of Libya, this hostile strategy is, as in other cased, directed primarily at the United States because of its leadership position in the Western World, the ideals and culture of which the radical entente considers to be inimical to the values both of its Muslim and Communist members. Also, the Arab members of the entente direct hostility toward the United States because of its long standing support for the State of Israel.

The Soviet Union supports the entente's operations with military hardware, the arrangements for terrorist training and other assistance, and encourages the core radical countries to focus their hostility more exclusively against the United States. Soviet stick-and-carrot intimidation discourages Third World countries from moving to maintain closer ties with the United States for fear of incurring the wrath of the radical entente. While the Soviet Union does not actually control the core countries of the radical entente, Moscow foments hatred of the United States and clearly benefits from the entente's anti-United States strategy and Soviet-sponsored tactics.

An understanding of the international support structure for terrorism is essential to developing a policy to combat it. After all, the commission of the terrorist act itself, although important, is only the tip of the iceberg; we must attack the core of the problem. We must have the intelligence capability to interdict and/or to discourage terrorist acts from occurring in the first place; and to discourage Soviet support for terrorism. If prevention of a terrorist act is not possi-

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ble in a given case, we must be able to quickly identify and punish the terrorist group or groups involved and the nation-states which have facilitated their acts.

With the notable exception of our response in the *Achille Lauro* incident and President Reagan's response last night, we as a nation have rarely demonstrated an ability to prevent or effectively respond to terrorism.

I hope that the attention of the Congress and the American people will now be focused on the urgent need to develop a policy to combat international terrorism. The American people are alarmed and frustrated by what they perceive to be an apparent inability of the United States to prevent or effectively respond to international terrorist attacks. We must develop a consistent policy to deal with terrorism on a continuum—not with "fire engine diplomacy" that treats each terrorist incident as an isolated event. The Soviet Union's march via terrorism to accomplish our destruction through the achievement of the two Brezhnev policy goals must be arrested before it makes further progress.

Moscow's progress toward denying the United States access to previously available trade has already cost the United States more in annual budget deficit terms than any other factor.

The common predictions, about, and general acceptance in Congress of, gross reductions in our armed services, foreign operations, intelligence and counterterrorism funds in today's and tomorrow's security/international trade environment is unworthy of government's prime function: To assure the survival of our people, of our freedom and of our chance to prosper.

Mr. President, I again commend President Reagan for taking the necessary measured response to Libyan state-sponsored terrorism. And I congratulate and express gratitude to those members of our armed services who gallantly put themselves in harm's way to execute the President's orders.

Thank you, Mr. President.

There being no objecton, the report was ordered to be printed in the RECORD, as follows:

LIBYA UNDER QADHAFI: A PATTERN OF AGGRESSION

CHARACTER OF LIBYAN POLICY

Mu'ammar Qadhafi seized power in a military coup in 1969. Since then, he has forcibly sought to remake Libyan society according to his own revolutionary precepts. Qadhafi's ambitions are not confined within Libya's borders, however. He fancies himself a leader and agent of historic forces that will reorder Third World politics to his taste. His vision provides both a motive and a rationale for providing military and financial aid to radical regimes and for undermining moderate governments by creating or supporting subversive groups and abetting terrorists. Qadhafi's aggressive policies increasingly have focused on undermining U.S. and other Western interests in the Third World, as he sees these as the main barrier to his radical and expansionist goals. Qadhafi's use of political, economic, and military resources in support of anti-Western activities worldwide may be surpassed only by the Soviet Union, its East European allies, and possibly North Korea or Cuba. He is particularly hostile to Israel and the United States. His tactics include a mixture of threats and material support for terrorism, offers of cooperation, economic incentives and intimidation, and outright military aggression.

LIBYAN INVOLVEMENT IN TERRORISM

Qadhafi has used terrorism as one of the primary instruments of his foreign policy and supports radical groups that use terrorist tactics. Tripoli operates numerous training sites for foreign dissident groups that provide instruction in the use of explosive devices, hijacking, assassination, and various commando and guerrilla techniques. It also provides terrorist training outside Libya and abuses diplomatic privilege by storing arms and explosives at its diplomatic establishments, as demonstrated by the shootout at its embassy in London in April 1984.

The main targets of direct Libyan terrorist activities have been expatriate Libyan dissidents and leading officials of moderate Arab and African governments. In almost all cases, the assassins kill their victims with handguns, often provided by the Libyan diplomatic establishment in their country. Qadhafi generally uses Libyans for anti-exlie operations; for other types of attacks he tends to employ surrogates or mercenaries.

The Libyan Government in 1980 began a concerted effort to assassinate anti-Qadhafi exiles. By the time the first phase ended in 1981, 11 Libyan dissidents living abroad had been murdered. Libya in 1985 sponsored five attacks against exiled Libyan dissidents. Targets of these attacks lived in Greece, West Germany, Cyprus, Italy, and Austria.

Qadhafi has at least twice tried to murder Libyan exiles in Egypt only to have his agents intercepted by Egyptian security. In November 1984, Egypt fooled Qadhafi into believing that his hired agents had assassinated former Libyan Prime Minister Bakoush. After the Libyan press acknowledged Tripoli's responsibility for the murder, Egypt revealed the sting: the four Libyan agents were in custody, and the pictures of the alleged victim were fake. In November 1985, another four-man Libyan team was arrested during an attempted attack against a gathering of exiles near Cairo. After the arrests, Egypt released audio and video tapes incriminating Libya.

Libya also has plotted anti-exile attacks in the United States. A Libyan exile in Colorado was shot and wounded by a Libyan-hired assassin in 1981. In May 1984, the FBI arrested two Libyans near Philadelphia for attempting to buy silenced handguns—the usual Libyan assassination weapon. A year later in May 1985, a Libyan diplomat at the United Nations was declared *persona non grata* and a ring of nonofficial Libyans was broken up in connection with a plot to kill Libyan dissidents in four states.

Qadhafi also targets moderate Arab governments for their refusal to continue the military struggle against Israel and for their links to the West. There is evidence of Libyan-backed assassination plots against President Mubarak of Egypt. For example, those arrested after last November's attempted attack on Libyan exiles in Egypt stated that Qadhafi's target list included Mubarak. Former Sudanese President Nimeiri has also been targeted by Libya. We believe that Qadhafi has added Jordan's King Hussein and Iraq's Saddam Husayn to his hit list because of restored ties to Cairo and Washington, respectively.

Qadhafi also has been implicated in plots to assassinate other moderate heads of state. In September 1984, the Chadian Government uncovered a Libyan-sponsored plot in which a briefcase bomb was to explode during a Cabinet meeting chaired by Chadian President Habre. More recently, Zairian officials thwarted a Libyan-sponsored plot against President Mobutu in September 1985.

LIBYAN LINKS TO MIDDLE EAST RADICALS

Longstanding Libyan support for radical Palestinian groups is growing. Qadhafi has provided safehaven, money, and arms to these groups—including the Popular Front for the Liberation of Palestine—General Command, the Fatah dissidents, and the notorious Abu Nidal group. Training for Palestinians and other radicals frequently takes place at several locations in Libya. These anti-Arafat Palestinians are widely engaged in terrorist activities and focus their terrorist activity on Israel and the occupied territories.

More recently, however, Libya's support has broadened to include logistic support for terrorist operations. For example, Libya provided passports to the Abu Nidal members responsibile for the attack on the El Al counter in Vienna. the Abu Nidal group is particularly appealing to Qadhafi because of its track record of successful terrorist operations. Abu Nidal's targeting of moderate Palestinians and moderate Arab leaders is consistent with Libya's antipathy toward participants in the peace process. According to Libyan press reports, Abu Nidal met with Qadhafi in Libya at least twice in 1985. Abu Nidal also gave an interview in Tripoli to a German publication last year and met with Qadhafi's chief lieutenant, Abd al-Salam Jallud. In addition, Libya has provided sanctuary, training assistance, and financial support to the Abu Nidal organization, and there are reliable press and other reports that its headquarters has been moved to Libya. The evidence points to Libya's having been involved in the bloody hijacking of Egyptair 648.

Libya is trying to improve ties to other regional terrorist groups. Qadhafi would also like closer links to Tehran's terrorist effort. He announced a "strategic alliance" with Iran last summer, which he hopes to use as a foundation for joint operational planning for terrorist attacks against various regional foes. He also supports Egyptian and Tunisian dissidents.

Libya also provided refuge for the notorious international terrorist Carlos, who has headed a network of terrorists for hire. His group was responsible for numerous vicious attacks including the hostage-taking of OPEC [Organization of Petroleum Exporting Countries] oil ministers in Vienna in 1975.

LIBYAN TERRORISM AGAINST THE UNITED STATES

During the past 18 months, Qadhafi has made several public references to expanding his terrorism campaign to cover U.S. targets. In a June 1984 speech, for example, he told his Libyan audience that "we are capable of exporting terrorism to the heart of America." During a speech last September observing the 16th anniversary of his takeover, Qadhafi remarked that "we have the right to fight America, and we have the

right to export terrorism to them. . . ." Qadhafi recently threatened in a press conference on January 2 to "pursue U.S. citizens in their country and streets" if the United States takes action in response to Libya's alleged involvement in the Rome and Vienna terrorist attacks.

There have been several instances over the years of Libyan-sponsored attacks against U.S. interests. These examples include the sacking of our Embassy in Tripoli in 1979 and the discovery by Sudanese authorities of a Libyan plot to blow up the American Embassy Club in Khartoum by planting explosives in stereo speakers. U.S. personnel also have been on Qadhafi's target list, as indicated by the plan in 1977 to assassinate our ambassador in Cairo.

RADICALISM IN THE ARAB WORLD

Qadhafi's foremost ambition is to dominate and unite the Arab world. He frequently compares himself to Garibaldi or Bismarck and has justified his use of violence and terrorism against moderate Arab regimes as necessary to achieve Arab unity.

Egypt, because of its peace treaty with Israel, is a special target. Libyan agents have been active in Egypt since the 1970s, and Qadhafi has offered support to various opponents of the Egyptian Government. In October 1981, immediately after President Sadat was assassinated, Qadhafi called on Egyptians to overthrow their government; within a week, at Cairo International Airport two bombs exploded that had been concealed in luggage unloaded from a flight originating in Tripoli.

More recently, Qadhafi has sought to embarrass the government of President Mubarak and undermine the Egyptian economy. In July 1984, a Libyan ship commanded by a senior Libyan naval commando laid mines in the Red Sea and Gulf of Suez that damaged 18 merchant ships. In May 1985, the Egyptians thwarted a plot by radical Palestinians backed by Libya to destroy the U.S. Embassy in Cairo with a truck bomb. Last summer Qadhafi expelled over 10,000 Egyptian workers in Libya—confiscating their savings and most of their belongings—in what was, in part, an effort to place a greater burden on the strained Egyptian economy. Also during 1985, Cairo captured several teams of Libyan-supported Egyptian dissidents who reported that their plan was to destabilize the Mubarak government through sabotage and inciting civil unrest.

Sudan also is a priority target. Qadhafi has long offered training and support to Sudanese dissidents and sponsored acts of sabotage against the government of former President Nimeiri. He was a major source of arms and money for southern Sudanese rebels who began a guerrilla war against the central government 2 years ago. In February 1983, the Sudanese, with Egyptain assistance, thwarted a Libyan-sponsored coup attempt, and in March 1984, a Libyan TU-22 bombed Omdurman, Sudan, in a failed attempt to destroy a radio station there that broadcast condemnations of Qadhafi's policies by Libyan oppositionists.

Since Nimeiri's fall from power, Qadhafi has exploited the resumption of diplomatic ties to Sudan to build a network for subversion inimical to Sudan's efforts to establish a parliamentary democracy. A number of known Libyan terrorists have been assigned to the Libyan People's Bureau (Embassy) and the Libyan airline office in Khartoum. Qadhafi also has provided arms, funding, training, and probably direction to the Sudanese Revolutionary Committees, a small group in Sudan dedicated to establishing a government on the Libyan model in Sudan. In May, a planeload of these dissidents arrived in Khartoum armed with assault rifles.

Qadhafi also is working to expand his influence in the countries of the Arab Maghreb. Qadhafi refuses to negotiate with Algeria to determine the correct location of the Libyan-Algerian border. Perhaps angered over President Bendjedid's moderation, Qadhafi reportedly provides money to Algerian dissidents such as Ahmed Ben Bella.

In Tunisia, Qadhafi has long sought to bring down the pro-Western government of Habib Bourguiba. In 1980, Libyan-supported guerrillas attacked the southern Tunisian mining town of Gafsa; when France offered its support to Tunis, Libyan mobs burned both the French and Tunisian Embassies while security forces stood idly by. Following bread riots in Tunisia in January 1984, saboteurs originating in Libya dynamited a pipeline near the Libyan-Tunisian border. In an effort to exacerbate social tensions this past year, Qadhafi expelled over 30,000 Tunisian workers and confiscated their property. In September, when Tunisian newspapers attacked Qadhafi for the expulsions, a Libyan diplomat attempted to mail letter bombs to the critical journalists. Several exploded, wounding two postal workers and causing Tunis to sever diplomatic relations.

Libya is staunchly opposed to the Middle East peace process, and Qadhafi is doing all he can to subvert it. In Lebanon, Libyan arms and money have flowed to different militias and Palestinian groups actively opposed to the government of President Gemayel. Qadhafi has been especially eager to undermine the influence of PLO [Palestine Liberation Organization] Chairman Yasir Arafat because Qadhafi perceives him as too willing to consider a negotiated settlement with Israel. As a result, Qadhafi has thrown his support to radical Palestinian groups—including the Fatah Revolutionary Council led by Abu Nidal—that advocate continued war against Israel. Since 1981 Qadhafi has shipped these groups items as prosaic as uniforms and as powerful as tanks and BM-21 multiple rocket launchers. In 1984, Libyan troops participated in the Syrian-backed assault on Arafat's forces in northern Lebanon.

The Persian Gulf also is an arena for Libyan medddling. Qadhafi has allied himself with Iran in its war against Iraq and has provided Tehran with T-55 tanks, antitank and antiaircraft artillery, ammunition, and even Scud rockets. In addition, Libya provides arms and money to Kurdish separatists in northern Iraq and to the antigovernment group, the "Union of Iraqi Democrats." In 1984 and 1985, Libyan agents attempted to disrupt the Islamic pilgrimage ceremonies in Saudi Arabia; in 1984 entire planeloads of Libyan "pilgrims" were discovered to be carrying arms. Libya continues to enjoy good relations with and has provided support to the National Democratic Front that operates out of Marxist South Yemen against the government of President Salih in North Yemen. Although Libya restored diplomatic relations with Somalia last May, Qadhafi has not severed his relationship with Somali opposition groups he has long supported.

INVOLVEMENT IN SUB-SAHARAN AFRICA

Tripoli views black Africa as a principal arena for forging a group of anti-Western radical states that will strengthen Libyan influence in international forums and confer upon Qadhafi status as a world leader. Qadhafi's aggressiveness has been strengthened by the propensity of the international community to ignore his often blatant disregard for the sovereignty of small African nations.

Chad, of course, is the most egregious example. In 1973 Qadhafi forcibly annexed the northern portion of Chad known as the Aozou Strip. Throughout the 1970s, Libya supported various tribal and guerrilla groups in Chad in a bid to install a pliable regime in N'Djamena. Having failed to achieve this indirectly, in October 1980 the Libyan army entered Chad and attempted to impose a union between the two countries. The Libyan occupation force withdrew in November 1981, but returned in 1983 when the pro-Libyan Chadian leader Goukouni Oueddei was ousted by current President Hissein Habre. Only intervention by French armed forces confined the Libyan occupation to the northern 40% of Chad. French forces were withdrawn in the fall of 1984, but Qadhafi reneged on an agreement reached with President Mitterand and continues to occupy northern Chad with an army of several thousand.

The drought-battered countries of the Sahel offer Qadhafi many opportunities for meddling. Qadhafi continues to provide arms and training to the nomadic Tuareg tribesmen in an effort to undermine the Governments of Mali and Niger.

Qadhafi also is determined to topple President Mobotu of Zaire. Qadhafi is motivated by hostility to Kinshasa's close ties to the West, its recognition of Israel, and its support of Chadian President Habre. Qadhafi also is aware of Zaire's role as a leading producer of cobalt and other strategic minerals. Tripoli provides training in sabotage and small arms to several different guerrilla groups including the National Front for the Liberation of the Congo and the Congolese National Movement. Libyan diplomatic facilities in countries bordering Zaire are centers of support for these groups.

MEDDLING IN LATIN AMERICA AND THE CARIBBEAN

Qadhafi's determination to strike at U.S. interests and to spread his philosophy of revolution has led to a more aggressive Libyan posture in Latin America. Although many governments and groups in this region are wary of Qadhafi, some are willing to accept his financial and military support.

Tripoli views Nicaragua as its base in Central America and accordingly seeks to strengthen the Sandinista dictatorship in Managua. In addition to several hundred million dollars in economic assistance, Qadhafi's support to the Sandinistas has included antiaircraft guns, SAM-7 surface-to-air missiles and launchers, and small arms. At least several dozen Libyan military pesonnel are in Nicaragua. Libyan support has enhanced the Sandinistas' ability to subvert neighboring states. In addition, Libya has provided some arms and money to insurgents in Guatemala and El Salvador, as well as the M-19 terrorist group in Colombia. During the past year, Libya has provided training, guidance, and funds to a key far-left terrorist group to enable it to expand armed action against the Government of Chile.

Libyan agents have been increasingly active among the Caribbean islands, especially since the summer of 1984. The loss of its People's Bureau in Grenada following the callapse of the Bishop government in 1983 forced Tripoli to attempt to establish

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its centers for subversion in other diplomatic posts in the region. Qadhafi also has used religion as a cover for intelligence activities in the area, sponsoring Islamic conferences in which the Libyan participants often are intelligence officers or operatives of the Libyan Revolutionary Committees. Leftist leaders from the Dominican Republic, Dominica, Barbados, Antigua and Barbuda, St. Vincent and the Grenadines, St. Lucia, the French Departments, and elsewhere have also been invited to Libya for "seminars" and paramilitary training. Particularly worrisome is Libyan urging of leftist politicians to undertake violent action rather than pursue legal means to replace moderate governments in the region.

SOUTH AND SOUTHEAST ASIA

As elsewhere, Libyan diplomatic missions in this region provide the infrastructure for Libyan subversion, disbursing funds, and arranging for the training of leftists and other dissidents.

In South Asia, Libyan activities are focused on the Islamic states. No doubt reflecting his dependence on Russian arms, Qadhafi is one of the few Muslim leaders who does not criticize the Soviet invasion of Afghanistan. Although Libya maintains relations with Pakistan, it has also been involved with the "al-Zulfiqar" terrorist group. Qadhafi, in addition, has provided training and money to opponents of President Ershad of Bangladesh.

In Southeast Asia, Qadhafi concentrates on Muslim minorities. For some time, he has provided paramilitary training to the small Muslim insurgency in southern Thailand. In the Philippines, Libya continues to send assistance to the Muslim Moro separatists on Mindanao, despite a 1976 agreement with Manila to cease such aid. New Caledonia, a French possession in the South Pacific, has no appreciable Muslim population, but Libya has, nevertheless, provided military training and some funding to the Kanak Socialist National Liberation Front, the group responsible for most of the pro-independence violence on the island. Libyan intelligence operatives are known to be active on other islands in Oceania.

THE EROSION OF INTERNATIONAL NORMS

Qadhafi's subversion is not confined to those countries that are the direct object of his ambitions. The international community as a whole suffers from Qadhafi's disrespect for international norms of behavior and accepted practice. Qadhafi has abused diplomatic privilege for terrorist purposes, reneged on international agreements, and blatantly used terrorist violence against political opponents. In addition, Qadhafi's support of terrorism, regardless of his direct operational involvement in a given terrorist act, helps legitimize terrorism as an acceptable political activity.

The Abu Nidal Group

The Abu Nidal group is among the most dangerous of the Middle Eastern terrorist organizations. It is probably the best organized and most effective of the radical Palestinian terrorist groups, carefully planning its operations and keeping its information tightly compartmented.

The group has repeatedly demonstrated its ability to operate in any country it chooses. It has staged attacks in over 20 countries on three continents and operates throughout the Middle East.

Abu Nidal has conducted over 60 terrorist attacks during the last 8 years—at least 30 of them since the beginning of 1984. Two-thirds of the group's nearly 20 attacks this year have taken place in Western Europe, as innocent bystanders increasingly have become casualties of the group's assaults.

The simultaneous attacks on airline offices in Rome and Vienna on December 27, which have the hallmarks of Abu Nidal, left more than a dozen dead, including five Americans. Three of the passports used n the Vienna attacks were traced to Libya; two were seized from Tunisians as they were expelled from Libya last summer, and the third was lost in Libya by a Tunisian worker there in 1977.

The Egyptair hijacking in late November ultimately cost the lives of 59 passengers.

The group bombed the British Air office in Rome in September, injuring 15 persons, many of them passers-by.

Abu Nidal members threw grenades at Rome's Cafe de Paris in September, injuring 38 tourists—among them Americans, Germans, Britons, Italians, Argentines, and Brazilians.

The group bombed two hotels in Athens—one in September that injured 19, mostly British tourists, and one in August that injured 13 Britons.

In Spain, Abu Nidal attacks in July at the British Air office and the nearby Alia ticket office killed one and wounded 24 customers and employees.

Also, in July, the group was probably responsible for the bombing of two restaurants in Kuwait, killing eight and injuring almost 90.

In April, an Abu Nidal terrorist fired a rocket at a Jordanian airliner as it was taking off from Athens airport. The rocket hit the plane but did not explode. Hundreds of casualties might have resulted had the operation been successful.

The official name of the Abu Nidal organization is "Fatah-the-Revolutionary Council," which it usually employs when attacking Israeli targets. But it has employed a number of cover names for its operations. Originally, the group operated under the name Black June; more recently, the group has used the name Arab Revolutionary Brigades when it staged attacks against Persian Gulf targets. It also acts as Black September when it attacks Jordanian and Palestinian targets and employs the name Revolutionary Organization of Socialist Moslems (ROSM) as its signature for attacks against British targets. It added Egyptian nomenclatures when it hijacked the Egypt air plane in November.

BACKGROUND

The group, which is headed by Sabri al-Banna (who uses the nom de guerre Abu Nidal), grew out of elements that broke away a decade ago from PLO Chairman Arafat's Fatah organization. The group is committed to the use of violence to destroy diplomatic efforts designed to reconcile Israel and the Arab states, especially those mounted earlier this year by King Hussein and Arafat's PLO. The Abu Nidal group also calls for the destruction of ruling "reactionary" regimes such as Jordan, Egypt, and the Persian Gulf states and is critical of what it sees as Arafat's and the PLO's moderation and lack of revolutionary base and zeal. Consequently, the group contends that both inter-Arab and intra-Palestinian terrorism are needed to force the all-embracing Arab revolution which, in turn, would lead to the liberation of Palestine.

The group was formed in 1974 after Arafat instituted a ban on PLO involvement with international terrorism outside Israel and the occupied territories. Abu Nidal radical views found favor at the time with the Iraqi regime, which helped him to create the organization that Abu Nidal called "Fatah-the-Revolutionary Council to promote his claim that his organization, rather than the one led by Arafat, was the legitimate Fatah. He has similarly duplicated other Fatah organizational titles to suggest a parallel structure with the original.

Beginning in the early 1980s, Baghdad suppressed activities of the Abu Nidal group out of Iraq. Elements of the group then moved to Damascus. Since early 1984, Libya began to provide increased support to the group, and Abu Nidal himself and many of the group's operations may have moved there within the last 12 months.

The group probably has several hundred members, although an accurate count is difficult. We believe the group has a number of cells throughout Western Europe and the Middle East and makes use of the large number of Palestinian students studying abroad, sometimes involving them in operations after only perfunctory training. These new recruits, for example, were involved in the five grenade attacks staged by the group in 1985.

CURRENT OPERATIONS AND TRENDS

Based on the style of Abu Nidal attacks, it is evident that the group is willing to cause indiscriminate casualties. Apart from assassinations of particular individuals, Abu Nidal operations through November 1985 resulted in nearly 70 deaths and 201 wounded among innocent bystanders—and the number could have been much higher if the Jordanian airliner attack in Athens had been successful. In the previous year, 111 died in the crash of a Gulf Air jet on which an Abu Nidal bomb may have exploded.

The Abu Nidal group has concentrated on attacking Jordanian interests since 1984. These attacks were provoked by the Jordanian agreement to host the PNC [Palestine National Council] meeting in November 1984 and King Hussein's February accord with Arafat to restart the stalled Middle East peace process. Abu Nidal operatives thought to have assassinated former West Bank mayor and Palestinian moderate Fahd Qawasmeh in December 1984 shortly after his election to the PLO Executive Council. The anti-Jordanian/PLO campaign has not abated. As long as Jordanian and PLO efforts toward Middle East peace negotiations continue, attacks against both Jordanian and Palestinian targets probably will also continue.

Aside from the attack on Alia offices in Madrid in July and the attempt to down a Jordanian airliner over Athens in April, other incidents involving Jordanian targets in 1985 have included:

The November 24 assassination of a Palestinian in Amman;

The murder of a Jordanian publisher in Athens in September;

A plot to assassinate the Jordanian Ambassador to Greece in August;

The murder of a Jordanian diplomat in Ankara on July 24; and

A rocket attack on the Jordanian Embassy in Rome in April.

The group has also targeted British interests. ROSM claimed responsibility for the kidnaping in March 1985 of a British journalist in Lebanon and the assassination of British diplomats in India and Greece in 1984. The purpose of the attacks probably is to force the United Kingdom to release group members imprisoned for the attempted assassination of the Israeli Ambassador in London in June 1982.

Even before the recent attacks on the Vienna and Rome airports, Abu Nidal had begun to concentrate his field of operations in Western Europe. Although his targets have been his usual enemies—for example, British, Israeli, moderate Arab—he has become very indiscriminate about injuring bystanders. The relatively relaxed controls in West European countries have been conducive to his operations there. The pattern of concentrating his efforts in Europe has coincided with the strengthening of his links to Libya. The likelihood of Libyan financing, safehaven, and logistic assistance should be very helpful to his future international terrorist operations.

CHRONOLOGY OF LIBYAN SUPPORT FOR TERRORISM 1980–85

1985:			
	December	Italy/Austria	Passports used by Abu Nidal terrorists in attack on El Al counter provided by Libya.
	November	Malta	Hijacking of Egyptair airliner by Abu Nidal supporters may have involved Libyan support.
		Egypt	Four-man team of Libyan agents arrested shortly before attempting to attack gathering of Libyan exiles. Former Libyan Prime Minister Bakoush was the main target.
	October	Greece	Libyan merchant wounded in Athens by two gunman; the victim had left Libya 5 years earlier.
	September	Tunisia	Libyan diplomat smuggles about 100 letter bombs addressed to journalists into Tunisia. Several explode, injuring two postal workers and causing Tunisia to sever diplomatic relations.
	May	United States	A Libyan diplomat at the United Nations was declared persona non grata, and 16 non-official Libyans were subpoenaed to appear before a U.S. grand jury in connection with a plot to kill dissidents in several different states.
	April	West Germany	Moroccan citizen resident in the F.R.G. since 1960 killed by a Libyan, who was arrested at the scene. Anti-Qadhafi Libyan student killed in Bonn by Libyan gunmen who was arrested. The assassin also wounded two German passers-by, one seriously. The victim had been a target of the Libyan regime for at least 2 years.
		Cyprus	Libyan businessman assassinated in downtown Nicosia by an unidentified gunman. The victim was the director of an offshore holding company and was believed to be an opponent of the Libyan regime.
	March	Italy	Libyan jeweler murdered in his shop in Rome. A silencer-equipped pistol was left at the scene by the assassin.
	February	Austria	Former Libyan Ambassador to Austria severely wounded by two shots fired from a car outside his home in Vienna. The victim had supported Qadhafi's seizure of power in 1969, but he quit his post in disgust at the regime in 1980.
1984:			
	November	Egypt	President Mubarak announces that four assassins sent to Egypt by Libya to kill former Libyan Prime Minister Bakoush had been arrested and forced to send fake pictures to the Libyan Embassy in Malta showing Bakoush apparently dead. Official Libyan press sources then claimed Bakoush had been executed by suicide squads sent abroad "to liquidate enemies of the revolution."
	September	Italy	A Libyan exile was found gagged and strangled in a hotel in Rome. The victim had been the subject of Libyan requests for deportation to Libya.
		Chad	Chadians discover plot to assassinate President Habre with an attache case bomb. Evidence of the plot, including photographs of the bomb, was provided to the United Nations the following February when Chad lodged a complaint against Libya.
	August	United Kingdom	One of six Libyans awaiting trial for bomb attacks in London in March 1983 found shot to death in a London apartment. The victim may have been silenced by the Libyan Government.
		Belgium	A bomb wrecks a car parked in front of the Zairian Embassy in Brussels.
	July	Belgium	A bomb exploded in the Brussels office Air Zaire.
		Red Sea	Libya mined the Red Sea, damaging 18 merchant ships of varying nationalities.
		Greece	Two Libyan students found murdered in their apartment in a crime reminiscent of Libyan killings of anti-Qadhafi students in 1980 and 1981. The two were beaten, strangled, and gagged before being shot twice in the back.
	June	Greece	Anti-Qadhafi Libyan editor of an Arab newspaper in Athens killed by two men on a motorbike. A Libyan-born citizen known to distribute anti-Qadhafi literature at his store shot by a Libyan employee of Libyan Arab Airlines.
	May	Libya	Jana, the official Libyan news agency, announces "the Libyan masses have decided to form suicide commandos to chase traitors and stray dogs wherever they are and liquidate them physically."
	April	United Kingdom	A bomb hidden in an unclaimed suitcase probably unloaded from a Libyan airliner explodes at London's Heathrow Airport, injuring 25.
		Libya	A number of British subjects in Libya arrested on trumped-up charges as hostages in order to pressure British Government during siege of Libyan People's Bureau in London.
		United Kingdom	British policewoman killed and 11 anti-Qadhafi demonstrators wounded by gunfire from London Libyan People's Bureau. After a siege, British authorities found weapons and spent shell casings in the vacated embassy.
	March	United Kingdom	Four bombs explode in London and Manchester near homes of Libyan exiles or at businesses frequented by them. Over 25 people injured. Three other bombs defused. Nine Libyan suspects arrested.
		Sudan	One Libyan TU–22 bomber drops bombs on Omdurman, Sudan, site of a radio transmitter used by anti-Qadhafi oppositionists.
	February	Libya	Following annual Libyan General People's Congress, the Libyan Revolutionary Committees announce that all Libyan exiles must return to Libya or face "the death penalty." Libyan authorities take no action while a mob burned the Jordanian Embassy in Tripoli.
		Congo	Chadian dissidents ready to negotiate with Government of Chad threatened in Brazzaville, Congo.
1983:			
	August	Burkina	Libya gave material support to coup in Burkina.
	July	Chad	Libya invaded Chad for the second time. Occupation continues into 1985.
	June	West Germany	Eight Libyan students in West Germany, all members of an anti-Qadhafi group, complain Libyan agents are harassing and threatening them.
	February	Libya	Libyan General People's Congress warns all Libyans in exile to return home or face the "anger of the Libyan people."
1982		No incidents known	
1981:			
	November	Sudan	Several bombs explode near government installations in Khartoum.
	October	Sudan	Planned assassination of visiting Chadian official, Hissein Habre, failed when those sent to conduct the operation surrendered.
		Egypt	Two bombs explode in luggage being unloaded from a plane coming from Libya via Malta.
	August	Libya	Two Libyan SU–22s that fired at U.S. Navy F–14s over Gulf of Sidra shot down.
	July	United States	Anti-Qadhafi Libyan student killed in Ogden, Utah.
	June	Sudan	Bomb explodes in front of Chadian Embassy in Khartoum.
	February	Italy	Libyan gunmen open fire on passengers arriving at Rome's airport on a flight from Algiers. Prominent anti-Qadhafi exile was the target.
1980:			
	November	United Kingdom	Anti-Qadhafi Libyan student brutally murdered in London. Two children of an anti-Qadhafi Libyan poisoned by eating peanuts containing thalium
	October	Chad	Libyan forces occupied Chad. Qadhafi attempted to force a Libyan-Chadian union.
		The Gambia	Libyan subversion in The Gambia caused break in relations. Senegalese troops intervene under a mutual defense treaty.
	June	Italy	Anti-Qadhafi exile wounded in Rome. Libyan exile killed in Milan within hours after expiration of a deadline set by Qadhafi for all Libyan exiles to return home.
	May	Italy	Libyan exile shot at in Rome. The arrested Libyan gunman says he was sent by Libya "to kill an enemy of the people."
		Greece	Libyan exile killed in Athens. His throat was slit.
		Itlay	Libyan businessman found strangled to death in Rome.
		West Germany	Libyan exile gunned down in Bonn.
		Italy	Libyan exile killed in Rome by two gunshots to the head.
	April	United Kingdom	Libyan lawyer shot and killed in London.
		Italy	Well-known Libyan businessman killed. The arrested assassin said the victim was an enemy of Col. Qadhafi.
		United Kingdom	Two gunmen kill an anti-Qadhafi Libyan journalist.
	February	Libya	Tunisian and French Embassies in Tripoli sacked and burned by a mob while Libyan authorities took no action.
1979:			
	December	Libya	An estimated 2,000 Libyans set fire to the U.S. Embassy in Tripoli. The Libyan authorities did not respond to requests by the Embassy for protection.
	November	West Germany	Two Libyans arrested with three suspected Palestinians for an unspecified terrorist operation.

QADHAFI, TERRORISM AND THE STINGER

Mr. DECONCINI. Mr. President, the previous sale of Stinger missiles to Saudi Arabia contained tight security measures that were conditional to the sale. We cannot guarantee that such safety measures can or even will be taken by the rebels fighting in Angola or Afghanistan. There is no need to give these freedom fighters the best that our military has to offer without full faith and knowledge that these missiles will be stored under the same conditions outlined for Saudi Arabia. I wish to reiterate what has been stated in the past: "Not a single airplane or airport in the civilized world will be safe if these weapons fall into the wrong hands."

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Today, we are assaulted by a terrible war. Not a war of conventional means, however, but a subversive, insane war. A war that has no rules, no set battleground and no clear warriors. Terrorism, Mr. President, is a cancer—springing up in isolated incidences, killing without reason, direction, or justice.

Recently, the United States has been under attack by this cowardly siege. A TWA airplane, flying over the Mediterranean, had a hole ripped through it in which four innocent victims plummeted to their death. All of these victims were Americans. One was a 4-month-old child. This bomb was allegedly planted by a known international terrorist who boarded in Cairo and debarked in Athens. This terrorist is associated with the Arab Revolutionary Brigades, which is linked with the Abu Nidal group, the group responsible for the Rome and Vienna airport bombings last December.

Recently, a bomb exploded in a Berlin discotheque killing 21-year-old Army Sgt. Kenneth Terrance Ford and injuring 64 other GI's. There is no one in custody, but there is strong belief that Libyan leader Qadhafi is responsible for this brutal murder.

In addition to the terrorist threat, delivering the Stinger to Savimbi in Angola will escalate regional conflict and seriously impair United States efforts to negotiate a peaceful settlement between Angola, Namibia, and South Africa. This will also increase the tension between the United States Government and the Soviet Union in the South African region and globally.

Providing these Stinger missiles to Mr. Savimbi raises many questions in this Senator's mind. He has claimed to have shot down commercial/civilian airliners on four occasions. The State Department verifies that at least twice he has successfully shot down Diamond Mine Co. commercial aircraft carrying employees.

The U.S. Department of State, in its publication "Patterns of Global Terrorism: 1984," described Savimbi's UNITA by stating that ". . . with increasing frequency in 1984 UNITA's tactics have verged on terrorism." In 1983 a UNITA spokesman claimed to have shot down a plane which carried 126 civilians. Do we want UNITA to have Stingers?

We have been slow reacting to terrorism in the past. I support the President's action to strike in pre-emptive fashion against Libya even though it certainly is not pleasant to have to do something like this. I have been critical of President Reagan and past Presidents when they have talked tough and not acted. I am glad that in this instance specific and strong action has been taken. This was a high risk response, but I see no alternative when faced with such a radical leader as Mr. Qadhafi.

Mr. Qadhafi has virulently stated, "We have the right to fight America, and we have the right to export terrorism to them." From my training and experience as an attorney, statements such as this connected with the evidence in the Berlin disco and TWA bombing give the United States the right to use self-defense as justification for this action. The United Nations legally recognizes this right in article 51. Democracies have a right and duty to defend their citizens.

We also need to think long and hard about preventive actions before terrorists strike. The transfer of the Stinger missiles to rebel forces in Afghanistan and Angola is irresponsible and hasty. Having these weapons available in areas where we are unable to monitor them or ensure that regulations are adhered to appears to be inviting terrorist organizations to advance to a new level of terrorism. In 1985 we had 13 significant terrorist attacks involving U.S. citizens. It is difficult enough to combat these murders without the Stingers. The Stinger missile is the wild card in Colonel Qadhafi's deck of terrorist cards. In this volatile conflict with Libya we are virtually at war over terrorism. The "mad dog" of the Middle East does not need U.S. weapons to further escalate this battle.

THE NEED TO TAKE ACTION ON THE BUDGET

Mr. **BUMPERS**. Mr. President, I want to express my great concern about our failure to take up and act on the budget resolution for fiscal year 1987. The Budget Committee reported a budget resolution on March 24, and Members have had ample time to study it. Yet action on the measure has been delayed, jeopardizing the orderly consideration of appropriations legislation and increasing the risk that the entire budget process will fall apart leaving us with automatic Gramm-Rudman cuts as our only option in September. None of us wants that to happen.

We are writing $200 billion in hot checks a year, and everyone claims to be extremely concerned about the national debt. Yet, here we are on April 15, the official deadline in the budget act for the entire Congress to complete action on the budget for the next fiscal year, and the Senate hasn't even begun to debate the issue. The Senate Budget Committee approved a budget and sent it to the full Senate 22 days ago. I understand that the White House is opposed to this budget, but the President is unwilling to negotiate an alternative, so the budget is languishing while the President and Congress are at loggerheads. While we fiddle, the budget burns. We need to begin the debate on the budget now. These tremendous deficits may be the most critical issue we face as a nation, and we cannot afford to let political squabbling keep us from acting responsibly and in a timely fashion.

The budget bill reported from committee is not perfect, but it is a bipartisan, responsible measure. It certainly can stand to be improved, but it is a good starting place and there is no reason to delay further in bringing it up.

I urge the majority leader to turn to the consideration of the budget forthwith. The other issues we are debating pale in comparison to the enormity of our $2 trillion-plus national debt, and we need to get on with taking the tough measures necessary to deal with it.

Mr. **BOSCHWITZ**. Mr. President, I suggest the absence of a quorum.

The **PRESIDING OFFICER**. The clerk will call the roll.

The bill clerk proceeded to call the roll.

Mr. **MELCHER**. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The **PRESIDING OFFICER**. Without objection, it is so ordered.

CONCLUSION OF MORNING BUSINESS

The **PRESIDING OFFICER**. Morning business is closed.

ELECTRIC CONSUMERS PROTECTION ACT

The **PRESIDING OFFICER**. Under the previous order, the Senate will now resume consideration of S. 426, which the clerk will report.

The assistant legislative clerk read as follows:

> A bill (S. 426) to amend the Federal Power Act to provide for more protection to electric consumers.

The Senate resumed consideration of the bill.

The **PRESIDING OFFICER**. Under the previous order, the Senator from Montana is recognized to offer his amendments on wheeling of power.

Mr. **MELCHER**. Mr. President, last Friday afternoon when we discussed this bill, I laid down the criteria for what I thought a worthwhile amendment would be. We discussed it for about an hour, I suspect. Out of that discussion came some interesting points.

Immediately afterward, I asked, as I said I would do on Friday, the Edison Electric Institute to look at the language of the proposed amendment and to give me a critique on it, their learned feelings and understandings of what effect it would have on current law.

They used some of their fine attorneys to provide that critique, which was given to me yesterday about noon. I very much appreciated that.

I believe while we have not satisfied by any means their objections to the proposed amendment, nevertheless there was an indication that there might be some method to satisfy their objections and still satisfy the public interest.

I suspect that anybody reading this Record would wonder first what it is all about to use that term "wheeling." I will attempt a definition of wheeling.

As I understand it, and I believe this to be correct, wheeling means the electrical transmission on lines owned by one utility of the electrical power generated by another utility. The utility company which owns the transmission lines is paid for the service by the second utility company.

Mr. President, I shall offer a limited and narrow amendment to pertinent sections of the Federal Power Act passed in 1935, as amended by the Public Utility Regulatory Policies Act, called PURPA, amended in 1978.

The amendment will change existing law in circumstances when one utility company would be required to carry electrical power generated by another utility company over its transmission lines.

The amendment will be narrow and limited because its requirements will meet these objectives.

A. The utility company with the transmission lines must have room, that is, unused capacity, to carry additional electrical power.

B. The utility company would not use capacity on its transmission lines and cannot be forced to carry additional power if in doing so the circumstances would significantly burden the utility company's ratepayers. In other words, my amendment would not have a significant cost or harmful cost effect on the consumers of the utility company required to carry electrical power generated by the other utility company seeking the wheeling contract.

Third, the need by the applicant utility company asking for the wheeling contract must be able to be demonstrated to the satisfaction of the Federal Energy Regulatory Commission that the wheeling contract is in the public interest.

Finally, the wheeling contract must not violate State law.

This issue, wheeling, is an old, old issue which has never been resolved in Federal law. The Federal Power Act passed in 1935 did not solve the wheeling issue. Section 211 and section 212 of that 1935 act were amended by the Public Utility Regulatory Policies Act, PURPA, enacted in 1978, and it was proclaimed by some in Congress and in the electric utility industry that those amendments would resolve the issue.

That simply did not prove to be the case.

Although many stated that their hopes were at that time, in 1978, that those amendments would put the wheeling issue to bed, it turned out to be a very short slumber.

Federal courts soon ruled that FERC had little or no additional authority to require wheeling contracts. Nevertheless, it is fair to say, and it should be said, that there have been dramatic increases in voluntary contracts for wheeling between utility companies during the past decade. These voluntarily negotiated wheeling service agreements are filed at FERC and more than 1,380 such agreements have been entered into since 1978. That is real progress.

It is apparent that wheeling contracts are in the public interest, and that it is good business practice for the utility company who gets paid for transmitting the electrical power of the second utility company that it can have its electrical power carried on unused capacity of an existing transmission line.

The public interest is further served by cutting down on the number of transmission lines that must be built to carry the electrical power to where it is needed.

For all the citizens who have been involved in the debate that surrounds the location and construction of new transmission lines which blight the environment and the esthetics, it is obvious that if construction of new transmission lines can be avoided, there is a huge sigh of relief from all sides. I believe that a significant number of American citizens have been involved in such arguments—where will a new transmission line be built, or will it be built? If so, how do you mitigate the environmental damage and, besides mitigating those potential damages, how do you satisfy the esthetics? Those are tough debates and hard, crushing conflicts.

To avoid building the new transmission lines not only makes good economic sense, it makes good sense for holding down the blood pressure acquired in the rousements that are caused by the thought of inflicting another huge transmission line across somebody's land, across somebody's favorite glorious area. So from all sides, if you can avoid building new transmission lines, it is always good to do so.

Mr. President, the Western Systems Coordinating Council, which includes a large part of our Big Sky Country of Montana, has worked diligently and consistently to make sure that where wheeling contracts are practical and efficient and needed, all sides get together to agree on them, get them in operation. It is that type philosophy upon which I shall offer an amendment to this bill to plant in bedrock that wheeling contracts are in the public interest and should be entered into if the following conditions are met—and I repeat them once more.

First, the utility company with the transmission lines must have room—that is, unused capacity—to carry additional electrical power.

Second, the utility company with unused capacity on its transmission lines cannot be forced to carry additional power if, in doing so, the circumstances would significantly burden the utility company's ratepayers.

In other words, my amendment would not have a significant cost or harmful cost effect on the consumers of a utility company required to carry electrical power generated by the other utility companies seeking the wheeling contract.

C. The need by the applicant utility company asking for the wheeling contract must be able to demonstrate to the satisfaction of the Federal Energy Regulatory Commission that the wheeling contract is in the public interest.

D. The wheeling contract must not violate State law.

That is a narrow amendment, one that I believe should be adopted. There is need for the amendment because there are documented cases where these conditions have been met and, for at least one or more reasons involving competition or greed for profit, wheeling contracts have not been voluntarily negotiated.

The Federal Energy Regulatory Commission under existing law in the Federal court case decision that I previously referred to have been restrained or prevented from issuing wheeling orders. Not one wheeling order has been issued by FERC since the 1978 amendments and the court case came down. To those who want wheeling and that is generally small utilities, rural electrics, and utility districts, they point out that there are instances when it is impossible to get wheeling contracts. To those companies who do not want to be bothered except by voluntary wheeling contracts that they negotiate, which is, generally speaking, large utility companies with large transmission lines, they point out that only three applications have been made to FERC for wheeling contract orders since 1978. For that reason, they say any change in the law is unnecessary. Both sides have a point but the strength of the argument of each side should be weighted to determine what is in the public interest. There is need, in my judgment, for enactment of an amendment for wheeling contracts. When the criteria of A, B, C, and D, which I have already detailed twice, are met, and FERC should make that wheeling contract required to be entered into.

It is wise that PURPA has required consumer protection against the provisions of inefficient costly transmission services or those services which would adversely affect system reliability. That is what PURPA does. I would not offer an amendment that would discontinue that. I would not offer an amendment that would alter it. There is, however, compelling evidence that the present voluntary approach has not always worked and that some proposals that have been documented have not resulted in an FERC order for wheeling when it should have. Some economic and efficient wheeling services have not been able to be agreed to under contract because FERC was prevented by law from requiring it. Congress has pursued overall a restrained course in requiring mandatory actions even where it was necessary in the public interest. There need be no further debate on whether or not FERC lacks authority to require wheeling contracts. It does not. In some narrow instances where a wheeling contract would be good for the public, it is in those cases that I shall offer an amendment seeking to correct the inadequacy of present law. That is only common sense, it is only good business. It is a furtherance of competition in the marketplace.

Mr. President, from the debate or the discussion on Friday and from my visits with Edison Electric Institute attorneys, it is obvious that an argument is made that this is a very detailed subject, very difficult to understand, very difficult to modify, very difficult to balance all factors. I will not argue with that. I will not argue with that at all. That is why I shall offer an amendment that is very narrow and limited so they understand it, so everybody understands it, even Congress; so we can understand.

In furtherance of that line of discourse, it will be said, well, it is too big a thing to take on here, on the floor. Mr. President, this is the floor where we decide issues in the public interest. I do not want to burden anybody with too much detail and too much confusion; so I shall offer a very narrow, limited amendment that requires in some instances that I have outlined—A, B, C, and D—twice put in the RECORD, twice enunciated here certain things. Those points can be understood by everybody.

I know FERC is on a big study. Indeed, they ought to be on a big study. They want to look at this whole issue of wheeling. But I do not want them to bog themselves down in the eternal study.

But the more they learn about wheeling, I guess the better protected the public will be. But FERC cannot do anything about it. Only Congress can. They will talk about there is not time to do this; we will hold hearings next year; the House wants to hold hearings next year.

Well, there is time to do it. Where is the report on this bill? Do we have a report on this bill? I hope so.

Here it is. I have it in my hand right now. October 22, ordered to be printed—October 22, 1985. That is when it was printed. I have some minority remarks in here. Those additional views state that we ought to consider a wheeling contract. Let us see, that is the first year of this Congress. We had this bill up in a rather timely fashion, the first year in this Congress. This is April, the second year of this Congress.

Now, I want to see this bill pass. I think this bill is in the public interest. I think it is probably even necessary, beyond that. I do not know what would happen to some of these dams if this bill did not pass this year. So do not bother to tell me what will happen. I want to see it pass. I want to see this bill passed by the Senate and House and signed and sealed by the President before the Congress adjourns this year, which, as I understand it, will be the first week of October. Having said that and with all due deference to everybody's view, I believe there is time, plenty of it, to adopt an amendment of the type that I shall offer, this narrow, limited clarification of authority. It is new authority to FERC——

Mr. JOHNSTON. Will the Senator yield at that point?

Mr. MELCHER. Not at this point, thank you—clarification to FERC that they do have the authority. We could adopt such an amendment when we arrive at what is the best language. But to get to that best language let me point out a couple of things. In my book, the Edison Electric Institute serves a very fine purpose. They can coordinate, bring to the public and to Congress the views of private utility companies. With me they have good credibility. And so I cast no aspersions on their motives, but to continue this delay, which existed, I suspect—I was just a kid in 1935, but I suspect there was plenty of discussion before the Federal Power Act was enacted by Congress in 1935 that said why can we not do something about wheeling. The 1935 Federal Power Act did not resolve it. In 1978—and I was here then and was no longer a kid—I remember somewhat the debate on how these PURPA amendments, which were enacted, were going to resolve wheeling issues. And so there is some merit to that argument if you just measure it on voluntary agreements. There is real merit to that argument if you just measure it on voluntary agreements, but there is not too much merit to the argument which says that the amendments to PURPA brought that on.

I do not think those amendments did much to bring that on. What brought it on was just good common sense and good business practices and people did what ought to be done, make voluntary agreements where it was good for both sides and assuredly in the public interest. But there is no doubt that in some instances wheeling contracts that are in the public interest and should have been entered into were not on a voluntary basis, and there is no way of getting FERC to force that because FERC does not have the authority. Congress has not granted it the authority.

Now, why now? Why now? Why not next year, the year after, 10 years later? Why not later rather than now? Well, I suspect I will have to give my answer from my own viewpoint, and I shall do so. There is not a whole lot of desire by Members of the Senate—and I will not speak for the House on this, but I do not think there is much desire by the Senate to get balled up in a long argument over a narrow amendment on this subject of wheeling.

I can just imagine next year. What bill would we have? Would we get a bill out of committee? I believe we would.

Mr. JOHNSTON. Will the Senator yield at that point?

Mr. MELCHER. Thank you, not right now. I believe we would. But what would it have in it? I do not know. Would it be passed? Well, I do not think it would be passed unless Edison Electric Institute wanted it to be passed.

I do not think it would be passed unless they liked every jot and tittle. And I do not say that out of any disrespect. They represent an awful lot of people across this country who generate electricity, which is then provided to consumers. But I believe this is the right time to consider it because I believe they want this bill passed this year, just like I do. Just like I do, they want it passed. Now, there is some hydrorelicensing that affects Montana and I want it enacted, I want the bill enacted. I think this is the right time to address a narrow amendment on wheeling because we are going to pass the bill. I do not know whether that will happen next year. I think this is the right time to address the issue.

Now I will be delighted to yield to my friend from Louisiana.

Mr. JOHNSTON. Yes. I was simply going to ask the distinguished Senator from Montana if he has an amendment written up and if we will get to see it?

Mr. MELCHER. Yes, I respond to my friend from Louisiana. It is the same amendment that was available and was examined by the staff for the past, I do not know, week or so.

As the discourse went last week, last Friday, that amendment was not right, but we make it right. We still have not properly ascertained what is wrong with it.

While I have had a critique supplied by very learned counsel—and I thank him for it, because it is a good critique—I have not had any suggestions. We seem to have a common interest. We talk about public interest. We talk about why voluntary agreements are good, and so forth. But we really have not gotten down to the nitty-gritty of "If you don't like it the way it is, what do you like, in order to take the needed, narrow, limited step forward to correct the defects?" It does not do us much good to say there are no defects in the present law.

Mr. JOHNSON. I am not arguing with the Senator. I simply want to know whether he is going to offer the amendment from last week, and when.

Mr. MELCHER. I will offer an amendment of the nature that I described on Friday, that I have described today, and of a nature that the learned Senator, my great friend from Louisiana, has looked at over the past several days. But I hardly think it is wise to just have an exercise in futility. When it is offered and if it is not acceptable, it will be tabled.

So let us do the obvious. Let us get together on an amendment.

Mr. JOHNSTON. Mr. President, I think the Senator knows that the Senator from Louisiana—and I think the distinguished chairman, the Senator from Idaho—have been telling the Senator for 5 months that we do not like wheeling more than PURPA has provided for. In the PURPA amendment, we went into great detail, after hearings to confect an amendment which is now the law, which is working, which is working very well. I do not think it comes as any surprise to the Senator to know that we oppose his amendment and why we oppose it.

I guess what I am asking is, Is the Senator really going to propose an amendment, or is this an exercise in filibuster?

Mr. MELCHER. It is much to take that dismal attitude, that a filibuster might be necessary.

Mr. McCLURE. Mr. President, will the Senator yield?

Mr. MELCHER. I will yield to the Senator from Idaho as soon as I respond to the Senator from Louisiana.

I want a narrow amendment to move forward in the public interest on wheeling. We can take the attitude that it is not necessary, that everything is fine. That attitude might easily prevail on a vote. I suspect that it would prevail overwhelmingly, that attitude expressed by the Senator from Louisiana. But I have consciously and sincerely expressed my intention.

I believe we can make some headway any time we want to. But we have to determine whether or not we want to try. Until we do that, I suspect that we are not going to make any progress at all, except discourse.

Mr. JOHNSTON. Mr. President, if the Senator will yield, I submit that last week's amendment was not narrow in scope at all. It was very broad, and the objections to it are very specific. We have cooperated with the Senator not only in giving our specific objections, but also, I think he has been furnished with a paper from me which further specifically details what those objections are.

Now there is a new amendment which is described as narrow.

Mr. MELCHER. Mr. President, I cannot deal further at this point. The amendment was very narrow. To say that it is not very narrow is merely to compound confusion that exists over what wheeling is to begin with.

I yield to the Senator from Idaho.

The PRESIDING OFFICER (Mr. RUDMAN). The Senator from Idaho.

Mr. McCLURE. Mr. President, I think I sense what the Senator is trying to do, and I will not cast it in the worst light. I will try to put it in the most favorable light I can, as I understand it, and make a comment to the Senator, to see if it will yield any progress on the legislation.

First of all, the Senator points back to the fact that some months ago, this bill was reported, and the Senator wrote minority views that indicated he thought something should be done about wheeling. So the committee certainly was on notice, as was the Senate on notice, that the Senator from Montana has something in mind that he would like to accomplish. In fairness to the Senator, we would have to say that we still do not know what that is, exactly.

The Senator suggests that he offered an amendment last week and that he will offer an amendment similar to that one, which has similar objectives as outlined today, but he does not have that amendment drafted, and that maybe if we talk, we will find a solution, which seems to me that, having been put on notice some months ago and having been put on notice last Friday, in the next 20 minutes we will be able to come to an agreement.

I say that because I think that is what the Senator is groping toward, if I understand what he is saying.

I suggest to the Senator that while he thinks this is a simple subject, there are many other people—and this Senator is one—who think it is a very complex subject.

Frankly, I did not know, at the time this matter was before the committee and the Senator first raised this question, nor do I know any more since last Friday, after having seen for the first time an amendment offered by the distinguished Senator from Montana, what the objectives are or what the reason might be, nor do I see a solution any more clearly today than 5 months ago, when I do not even know what the problem is.

Mr. MELCHER. I will help the Senator from Idaho.

Mr. McCLURE. May I go a step further and make a suggestion?

Mr. MELCHER. Yes.

Mr. McCLURE. I do this in absolute sincerity and believing the Senator from Montana is operating in good faith, and I assure him that I am, too.

The background of the problem, if there be one, the question of whether PURPA has worked, or the provisions in PURPA have worked, the question of whether there are or are not problems, and the question of how to solve those problems, if they can be identified and do exist, is something we are not going to find in 20 minutes. In my judgment, we are not going to be able to develop either the background or the comments or the information that is necessary to reach the objectives that the Senator from Montana apparently has in mind—although I do not know what they are—in the time that is allotted for the consideration of this bill.

So, while the Senator can say that we have lots of time, I think it is more complex today, as a matter of fact, I say in candor to my friend from Montana. I think it is the kind of thing we ought to develop through the hearings process on a specific proposal, so that everybody can look at it and analyze it, and talk about it and think about it, and comment upon it, and offer amendments to it.

I sincerely offer to the Senator from Montana the opportunity for that kind of process within the committee hearing structure, but I do not believe we can do it on the floor of the Senate.

Mr. MELCHER. I thank my friend from Idaho and my friend from Louisiana.

First of all, I do not think we can do it on the floor of the Senate, either.

Second, I am going to respond again. Not having seen the language, the Senator had every right to see it, because the staffs had it for quite a few days. They could have had it even earlier.

As to this shuffle around of responsibility for looking at amendments, it is indeed sometimes a very hard task to pin down when language of a proposed amendment was available, and I do not quarrel with that. But the language was submitted to staffs on each side. and it was asked. "What do you think of it?"

Mr. McCLURE. Will the Senator yield on just that point?

Mr. MELCHER. Yes.

Mr. McCLURE. To the best of my knowledge, the staff of the Energy Committee first saw the language on Friday morning of last week and I have consulted with the minority staff

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as well as the majority staff. None of us are aware of any such language being available to anyone prior to Friday morning of last week.

Mr. **MELCHER**. My staff just tells me he thinks you both had access to it. On Wednesday it was shoved at you, your staff. The staff over there shakes his head. Staff can argue with staff.

But the fact is the amendment is not that complicated and the fact is that while it should not be written here on the floor, there has to be willingness to want to have an amendment of this nature before we are going to have a good one.

Mr. **McCLURE**. Yes.

Mr. **MELCHER**. We are just going to say we will wait until some other time we can go on. I would have preferred, as a matter of fact, that the amendment would have been drafted and worked out in committee. I guess we could be truthful about this and honest about this and say "by the staff for our review." That was not done. Staff was not directed to do it.

It was looked at and thought why should a hydrorelicensing bill get into all of that? I am not even going to quarrel over that argument.

I think it might be a conclusion that under different circumstances if I were the chairman or the ranking minority member, such as my friend from Idaho and my friend from Louisiana, I might make the same decision.

But this is a difficult issue. This issue has been round and round and round. To the extent that it has been resolved, it has been resolved simply because it is good business practice to resolve it.

Now if my language is not good language, what is wrong with getting better language that does something? Why do I not hear from either this side or that side?

Mr. **McCLURE**. Introduce an amendment.

Mr. **MELCHER**. Why do I not hear from either side that there are instances when people wanting wheeling contracts could not simply get them and there are instances when the merits for awarding the contracts seemed to be justified.

Mr. **JOHNSTON**. Mr. President, will the Senator yield?

Mr. **MELCHER**. I asked a question. I will be delighted if the Senator would answer it.

Mr. **JOHNSTON**. It is very simple because the reason is that it is to the detriment of the customers of the company being asked to wheel to take away its customer base, in effect to pirate its customer base for someone else's benefit.

There is a limited ability to require wheeling as provided in PURPA and we think it is a proper requirement which has encouraged voluntary wheeling in ever-increasing amounts, but it is not in the interest of the customers to require further change, it is not in the interest of——

Mr. **MELCHER**. Now, would the Senator permit me?

Mr. **JOHNSTON**. Yes.

Mr. **MELCHER**. I would not want what you just described, a utility company to be forced to wheel to lose some of its customers.

Now might I ask my friend is that not a beginning point? That is one of my ABC's. Is that not a beginning point between us?

Mr. **JOHNSTON**. I think it is but I think the Senator's amendment from last week would allow what we call pirating.

Mr. **MELCHER**. There is a difference of opinion on that, see, between counsel. One say, oh, no, it does not. Then you say it does and other learned counsel say it does. So there is a difference of opinion on that point. I would not offer anything that allows pirating.

Mr. **JOHNSTON**. Will the Senator yield?

Mr. **MELCHER**. So that is a beginning point of agreement between us.

Mr. **JOHNSTON**. If the Senator will yield, his amendment provides that if you strike subsection (c)(1) of section 211 of the Power Act, and that is that provision which specifically prevents pirating, that is to say that is the amendment that is the part of PURPA that says "No such order may be issued under subsection (a) unless the Commission determines that such order would reasonably preserve existing competitive relationships."

That is to prevent pirating specifically.

Mr. **MELCHER**. Yes.

Mr. **JOHNSTON**. And I think the Senator's amendment would have done that.

Mr. **MELCHER**. The Senator will agree that between us we reached an agreement on a very basic point, as one of my A, B, C, and D's, that I set the amendment aside. Is that correct?

Mr. **JOHNSTON**. If the Senator says he did not want to do that, we can——

Mr. **MELCHER**. I do not want to offer anything that causes pirating—I think we understand that—the same way it causes a utility company offering or required to wheel I would cause them to lose part of their customers. I do not want that. We are in agreement on that.

You see, Mr. President, we might as well take each other seriously and have respect for each other's sincerity, because I think we are coming from the same point. The question is when learned counsel of one side says, "No, no, that language doesn't mean that," and learned counsel on the other side says, "Yes, it does mean that," that is exactly what would happen. All I ever said, to me we are seeking the same result; we better get language that we agree on.

I say that not as a learned counsel, just as a learned horse doctor and sometimes that helps. You can get in the middle between learned counsel and say let us get language that does exactly what we want it to do, to instruct FERC to carry it out.

I am delighted to yield to my friend from Idaho.

Mr. **McCLURE**. Mr. President, dealing with a sick horse is a little different. The horse cannot comment and cannot talk about it.

Mr. **MELCHER**. That is what makes it real tough sometimes.

Mr. **McCLURE**. It makes it easier in some respects because you do not have to ask the horse, do not have to get his consent and have to persuade what you do is right for him. You do it. He gets better or dies.

Mr. **MELCHER**. The horse always want good results, I remind my friend, let alone the owners of the horse.

Mr. **McCLURE**. I am sure he does.

Let me say to my friend from Montana that I am really not certain that I know how to help him draft an amendment because whether it be 5 months ago or last Friday, I still do not know what the problem is we seek to address when, as a matter of fact, the PURPA amendments tried to focus upon encouraging voluntary arrangements and in the decade past, we have had nearly 1,400 wheeling agreements entered into that have been with FERC. During the same period of time there have been five applications filed for the use of the authority of FERC to order wheeling under the provisions of the PURPA. One of those was denied, was denied under the provisions of the section the Senator seeks to strike. Two are still pending and two were settled or withdrawn.

If that is true, and I think those facts are irrefutable, I think that at least those facts are right. There may be some other facts of which I am not aware but at least those facts are right. If they are, then what is the problem, what is it we are trying to cure? Where is the wheeling that ought to take place that is not taking place? Where are the opportunities for mandatory wheeling which are available under PURPA? And FERC does have the authority to order wheeling under the test established under PURPA. Under criteria established in current law, FERC can order wheeling to take place.

They have only in one instance in the last 10 years denied such a request when made. What is the problem?

And that I guess is the dilemma of the Senator from Idaho, who has been trying to help the Senator from Montana draft an amendment to do what? To cure what ill? If indeed there are some problems that need to be addressed, we could develop that in a suitable hearing record and then start in pinpointing what there is in current law that is inadequate to meet the problems that are then identified.

But the Senator from Idaho does not know what the problem is and certainly cannot prescribe a cure for an illness which is not apparent.

Again, it seems to me that if indeed the Senator from Montana knows of such instances and problems, and others can do so, and they will present that to us in a hearing record, then we will start in honing in on why PURPA is not working, why the existing Federal power agency provisions are not adequate to meet the tests.

It seems to me, as I listen to the Senator from Montana, that the wheeling he desires to be done and believes should be done are all possible under existing law; that FERC has the authority under existing law to entertain an application and to make an order precisely as the Senator from Montana outlined as his desire that they should do, and the record does not indicate they have not followed nor applied the law.

So I start out from the beginning in a complete quandary as to how I can help the Senator from Montana because I do not know what he wants to do.

Mr. **MELCHER**. I thank my friend from Idaho. I know he is in a quandary on what the best language is. I can accept he does not understand for sure that there is a real problem out there.

The PURPA amendments were adopted in 1978. I believe the court case I referred to was of that same year, if I am not mistaken. And there was not any way that FERC could require wheeling unless it was voluntary.

Mr. **McCLURE**. Will the Senator yield?

Mr. **MELCHER**. Yes.

Mr. **McCLURE**. I do not remember the Senator having identified a specific case.

Mr. **MELCHER**. No.

Mr. **McCLURE**. To what case is the Senator referring?

Mr. **MELCHER**. I am not sure.

Mr. **McCLURE**. Neither am I.

Mr. **MELCHER**. But we will supply it to you. The Senator well knows that the PURPA amendments were tested. The Senator well knows—and I stated a couple of times in my remarks—that the ruling of the court on the interpretation of those PURPA amendments says FERC simply does not have that authority.

Mr. **McCLURE**. Will the Senator yield? There is a case which I think would be instructive, and that is Southern Power Administration versus Kentucky Utilities Co., which is a 1984 proceeding before the Federal Energy Regulatory Commission. And that one is the first case in which the Commission analyzed section 211 of PURPA with respect to wheeling to wholesale customers. And in SEPA, the Commission denied the application by the Southeastern Power Administration for an order requiring Kentucky Utilities, Inc., to wheel power generated by SEPA to eight of KU's municipal customers.

But that is just looking at the question of hiring and wheeling. That is a loaded term. The opportunity of different utilities to service customers within a service territory of another utility. That was pursuant to section 211 of PURPA.

PURPA has worked primarily because the whole theory of PURPA was set up on criteria that everyone could know, that are very clear and precise and well understood by people on both sides so everyone knows what the ground rules are and then seek voluntary arrangements. And that has worked. It has worked almost 1,400 times. It has failed to work five times, and two of those five were settled or withdrawn. It has only failed to work in one place where the Commission denied the application and in two cases they are still pending.

Now, that does not indicate to me that there is a problem that we need to fix. It indicates to me the law is working the way we intended it to work.

I am quite willing to explore the deficiencies of a statute or changes that might make it work better, but I need some evidence that it is not working and then, secondarily, what needs to be done to make it work better, neither of which has been presented to us either in committee or in debate on the floor.

Mr. **MELCHER**. First of all, Mr. President, I thank my friend from Idaho for his comments and his reference to the Southern Power Administration versus Kentucky Utilities Co. case before FERC, 61-206-983. I thank him for that and for his explanation.

But let me respond to this one point. In stating that—and it has been stated many times by the utility companies, at least privately owned utility companies—that only three applications for wheeling under sections 211 and section 212 had been made to FERC and that is good—now, that is a good indication that those desiring that, when services are able to obtain them, that that is through voluntary methods, and they have, by and large, obtained them through voluntary agreement.

But the fact is there are so many restrictions on the exercise of wheeling support granted FERC in sections 211 and 212 that the probability of prevailing before FERC is almost zero; that is, zilch.

That means there is not a chance of the proverbial snowball in Hades. Now, that is not how sections 211 and 212 are described ordinarily by those who drafted them, I suspect, in 1935, and those of us, including the two distinguished colleagues that I have on my left and my right, the Senator from Louisiana and the Senator from Idaho. Senator McCLURE assisted in drafting amendments to PURPA in 1978 to stress these very sections; that is, not to give any opportunity to approach FERC and say, "We want a wheeling contract, but this big meany over here won't give it to us." That is what those amendments were supposed to do.

If a little outfit comes in and says, "We want a wheeling contract with this monstrosity here. They won't give it to us. FERC, what do you think about it? Why can't you give us some guidelines and require it?" That is what that is supposed to do, but it does not do it.

Nobody applies because if you cannot get a voluntary agreement, there is no use applying to FERC. The cases well document that they are not going to get it anyway by application.

The issue of congressional preemption in the area of interstate transmission of electricity has already been resolved. The Federal Government has already preempted the States in this area. There would be no additional preemption to States' rights, under an amendment that I have described and will offer. When we find the narrow path, I will offer it. At the present time, however, there is no forum. FERC just cannot be the forum. They cannot deal effectively and expeditiously with refusals.

When somebody says, "Well, we want to negotiate with this other company way over here, this big one, but they won't negotiate a wheeling contract with us. We are asking you, FERC," and FERC cannot do it.

So there is no forum for these people seeking a wheeling contract that they believe is in the public interest and can meet all the criteria in the law. There is just no forum to go to.

You know, State commissions cannot deal with this and this is interstate. We want something uniform, not set it aside as a State commission's authority, but we do want something uniform on interstate. So it has to be under the Federal Power Act. It has to be decided by FERC. Only FERC can do it.

Mr. **McCLURE**. Will the Senator yield without losing his right to the floor?

Mr. **MELCHER**. The reason FERC cannot do it is, there are deficiencies in sections 211 and 212. If you do not like my approach to it, let us correct the deficiencies anyway. You give me the approach. I will go your way.

Yes. I am delighted to yield.

Mr. **McCLURE**. First of all, I do not know what the deficiencies are that the Senator has in mind. I have not been able to identify them. I look at section 211. It says:

> The Commission may issue such an order if it finds that such an order is in the public interest, would conserve a significant amount of energy, would significantly promote the efficient use of facilities and resources, or would improve the reliability of any electric utility systems to which the order applies and meets the requirements of section 212.

That is section 211 of the Federal Power Act as amended by PURPA.

It goes on in the remainder of section 211 to say that the Commission may issue an order after a hearing, and after a notice, if they find the electric utility that has been asked to provide wheeling is either constructively or specifically denied access to wheeling, and if such order meets the requirements of section 212.

If you look further under section 211, it says the order cannot be issued unless the Commission determines that the order would reasonably preserve existing competitive relationships. That is the section the Senator seeks to remove. Subsection (a)(2) says in effect that the order may be issued which requires the electric utility subject to the order to transmit during any period an amount of electric energy which replaces any amount of electric energy required to be provided, and so on, during the contract period currently provided to the applicant by a utility subject to the order pursuant to a rate schedule on file.

It says further in subsection 3 of subsection C, no order may be issued under the authority of subsection A or B which is inconsistent with any State law which governs the retail marketing areas of electric utilities. No order may be issued under subsection 4 under subsection A or B which provides for the transmission of electric energy directly to an ultimate consumer. That is the antipirating provision.

If you flip the page to section 212, the order cannot be issued unless the Commission has determined that the order is not likely to result in a reasonably ascertainable uncompensated economic loss; subsection 2 refers to an undue burden; subsection 3, the impairment of the reliability of the utility, and will not impair the ability of the electric utility affected by the order to render adequate service to the customer.

I do not know what is wrong with that. I do not see where it has failed. I have not been presented any information by the Senator from Montana on any specific cases where it has not worked.

I guess again the only bottom line I can reach in this conversation is I do not know what the problem is. I cannot define the fix. And there is not unlimited time. We last week debated this issue some. We by unanimous consent fixed a period from 10 o'clock this morning until 12 o'clock this noon to deal with these amendments. We still do not have an amendment offered. We will go into recess at 12 o'clock and return at 2 o'clock to hear the amendment to be offered by the Senator from Colorado. At 3 o'clock we will vote on that amendment.

I say to the Senator from Montana that if we do not get this bill resolved within that timeframe we are on notice from the leadership that we are going to turn to other matters like the budget resolution, and that once we get on the budget resolution we will be talking about it for awhile.

That is a contentious issue with a great variety of issues which are going to occupy this Senate.

I think the Senator from Montana knows, as does the Senator from Idaho, that there are relatively few legislative days remaining in this session this year to deal with the myriad of subjects which will come before the floor of the Senate. If we have not completed this bill today it is unlikely that I can give any assurances to anyone that we will have a predictable opportunity to get back on the bill and complete it at some undefined later time.

So I plead with the Senator from Montana to indeed give us the opportunity to hear from the Senator from Montana and any other interested witness in the form of a committee hearing to identify what the problem is, and to start trying to identify answers.

Mr. **MELCHER**. Mr. President, I very much agree with the frustration and concerns expressed by my friend from Idaho. He is absolutely correct. We can talk about a proposal forever and never get to any resolution. I mean for ever in a very lucid time frame because forever is a couple days around here right now because there are only limited days.

I am not advocating that this is the place to resolve this issue. But I do strongly urge and encourage my friend on the committee, my colleagues in the entire Senate, to address this issue, and take some concern in it because there will be an amendment offered. I will ask for support on it.

But I am not going to offer an amendment that is not going to get any support, and to which a tabling motion is going to be made. We are going to have almost an unnecessary recorded vote because it will be overwhelming against it. I am going to offer an amendment on the basis of what is practical and needed, and necessary at this time.

That does not mean a filibuster. It would be unwise for us to waste our time doing that. What would be wise is to recognize that indeed the issue can be resolved. This is a good place to resolve it, and we can agree on language.

Twenty years ago the Federal Power Commissioner, Charlie Ross, said in the hearing before the Senate Commerce Committee that:

> It is the parties who control the transmission, the arteries of the industry, that control the destiny of the millions of rate payers of this Nation.

I think we have made a great deal of headway since that time. He was talking directly about wheeling. I think there has been a great deal of headway since that time.

Let me give some examples to both my friends, the chairman, the Senator from Idaho, and the ranking member, the Senator from Louisiana, whom I do not see at the moment. But I know he is within listening distance.

Let me give you some examples. Utility companies do refuse to wheel on occasion despite those almost, as my friend from Idaho says, 1,400. I know that figure is accurate. It must be 1,400, maybe even above 1,400. It has been issued on a voluntary basis since 1976. That is good. That is real good. But there are utility companies that refuse to wheel.

Let me continue about these examples. In California, transmission service from Pacific Gas & Electric Co. has been obtained only through protracted negotiations and by accepting unreasonable terms and conditions. The Northern California Power Agency began negotiation with PG&E for wheeling before 1970 without result. In 1976 as a condition for obtaining the license for the Diablo Canyon nuclear project, PG&E was required by the Nuclear Regulatory Commission to provide wheeling when capacity is available. In 1983—13 years after negotiations started, 7 years after the licensing condition was imposed—the FERC approved a "negotiated" wheeling agreement whose terms are highly favorable to PG&E.

Throughout these negotiations, PG&E refused to submit controversies to FERC. Among other things, PG&E demanded that any transmission service change be filed with, and approved by FERC, thus creating a 3-month delay in each instance. Consequently, NCPA can make no day-to-day "opportunity" changes in operations that could save the consumers money.

Another example, like PG&E, Southern California Edison has actively sought to prevent California consumer-owned utilities from gaining access to independent power supplies.

> Anaheim, California, is an island within Edison's service area; without transmission, it must remain wholly captive. Anaheim has tried to buy energy from the Pacific Northwest, but Edison refused to allow transmission. Anaheim was barred from participating in the Navajo coal-fired powerplant in Arizona when it could not secure transmission through Edison's facilities. Anaheim asked Nevada Power Company, manager of a proposed coal plant, the Henry Allen-Warner Valley Project, for participation in that project; Nevada referred Anaheim to Edison, a project co-owner, which replied that participation requests should be addressed to Nevada; Anaheim wrote to all participants—without result. In 1979, Anaheim asked Edison for firm transmission for power from the Cholla Generating Project of Arizona Public Service Company. Edison demanded a contractual condition which made the purchase impossible—and then bought the Cholla power for itself.
>
> In Florida, Wisconsin, and Kansas, municipal utilities must pay "pancaked" double or multiple wheeling rates to two or more utilities—in contrast to New England's joint rates for transmission across the lines of multiple utilities. Kansas municipals anticipate an allocation of economical power from the Western Area Power Administration in 1985—but it must be wheeled through up to four utilities, each piling on charges with little relationship to cost. The result—WAPA waterpower may be unaffordable. In Wisconsin, Northern States Power demands that Wisconsin Public Power, Inc. (WPPI) pay double charges to NSP Wisconsin and NSP Minnesota—even though the two companies are fully integrated, both financially and operationally. WPPI and its ratepayers have thus foregone economical power supply arrangements available both from Manitoba Hydro and Minnesota Power Company.
>
> In Florida, municipal systems dependent on transmission by Florida Power and Light are unable to take advantage of economical short-term transactions with other utilities. FP&L refuses to file a transmission tariff and will deal only on a contract-by-contract basis. By the time negotiation can be concluded, opportunities have passed.

Mr. **McCLURE**. Mr. President, will the Senator yield?

Mr. **MELCHER**. I will in just a moment.

Mr. President, my amendment would not take care of all these cases. I cannot offer an amendment that is narrow and limited to deal with the A, B, C, and D criteria that I set out. I am not saying that all of these purported inequities would be corrected by my amendment. But I can offer an amendment that, in a narrow way, will open the door for those limited cases that FERC ought to consider and be the proper arena and forum to resolve quickly. That is what I shall offer.

I yield.

Mr. **McCLURE**. I thank the Senator for yielding. I thank the Senator for sharing with us specific kinds of cases with which he is concerned and to which he has now referred. I think that begins to allow us to lift the veil on the problem that the Senator is concerned about and may seek to deal with.

These cases, almost uniformly, are dealing with the anticompetitive antitrust aspects of utility operations and not wheeling. The Senator is not really dealing with a wheeling problem, per se. It is not something that is being done within FERC; it is something that is primarily within the purview of the courts under the antitrust law. That might yield the conclusion in the Senator's mind that FERC is powerless to deal with them because in an antitrust matter, not a wheeling matter, it is dealt with in the courts under an entirely different body of law and it is inappropriate for us to try to solve or deal with that area of the competitive situation between utilities in the guise of talking about wheeling.

It is an inappropriate attempt to remedy some of the problems that deal in an entirely different area of the law.

Mr. **MELCHER**. I thank my friend from Idaho for his observation, but I do not want the record to show that I agree with his observation. Indeed, wheeling in involved in each one of these observations that I briefly described.

The point really is this: Since you cannot get anywhere at FERC on having arrangements to quickly resolve wheeling orders, and, that lacking, no proper forum to go to, there are not many wheeling arrangements that are made on occasion when the utility company that does have the capacity does not want to transmit that power for another utility company because it would be advantageous of what they view as advantageous to a competitor, not hurting then but advantageous to a competitor in those instances they seek to correct.

I yield the floor.

RECESS UNTIL 2 P.M.

The **PRESIDING OFFICER**. Under the previous order, the hour of 12 noon having arrived, the Senate will now stand in recess until 2 p.m.

Whereupon, at 12 noon, the Senate recessed until 2 p.m.; whereupon, the Senate reassembled when called to order by the Presiding Officer [Mr. HELMS].

The **PRESIDING OFFICER**. Under the previous order, the hour of 2 o'clock having arrived, the Senator from Colorado [Mr. HART] is recognized to offer his substitute, on which there will be 1 hour of debate equally divided.

The Senator from Colorado [Mr. HART] is recognized.

Mr. **HART**. Mr. President, I understand that the Nation has undergone some fairly dramatic events in the last 2 hours. I am just notified in the last 2 minutes the President of the United States is now going to talk on television to the American people about the Middle East situation. Is that correct? Does the Senator from Idaho know?

Mr. **McCLURE**. I cannot add any information at all. I have been in a meeting, and I do not know what we might have been told.

Mr. **HART**. The Senator from Colorado is wondering, since this is an issue, an item of concern to all of us, whether some temporary quorum call might be entered for 5 or 10 minutes without eating into the time set aside for the amendment.

Mr. **McCLURE** addressed the Chair.

The **PRESIDING OFFICER**. The Senator from Idaho.

Mr. **McCLURE**. Mr. President, we have reserved 1 hour of time for this debate on the substitute offered by the Senator from Colorado. I do not think there would be any problem in us absorbing 15 minutes out of that time if the remainder is equally divided or even if we just take it out of our time. I think we can do that.

Mr. **HART**. Mine is a serious amendment and I cut way back to 1 hour on a serious amendment. I would like that time not to come out but I would like 15 minutes so I can find out what is going on.

Mr. **McCLURE**. I am in no position to offer to the Senator any other arrangement than that without consulting with the leadership on this side of the aisle.

Mr. **HART**. Would the Senator from Idaho agree to a unanimous-consent request to move the whole process forward 15 minutes?

Mr. **McCLURE**. Mr. President, without coming to that, let us see if we cannot arrange that. We will just have a quorum call and see if we cannot arrange that in the meantime.

Mr. **HART**. I cannot do that because I do not want to lose half an hour.

Mr. **McCLURE**. I cannot do better than that at the moment.

Mr. **HART**. I think 15 minutes would probably be eaten up by trying to find out whether we can get 15 minutes.

Mr. **McCLURE**. If the Senator will yield, I do not have the authority to make this arrangement but let me take a chance in spite of the fact that I do not have the authority to make the arrangement. I do not see the distinguished minority leader on the floor and he ordinarily would demand that for a matter of this kind he should be consulted. If we can just postpone the whole thing, we will start at 2:15 and end at 3:15.

Mr. **HART**. That was the request, but I understand even that has become academic because the President's statement is over, whatever it is he said, so I thank the Senator from Ohio.

Mr. **McCLURE**. I thank the Senator from Colorado. I wish we could have moved more rapidly.

AMENDMENT NO. 1783

(Purpose: To recapture for the public benefit, including the enhancement of environmental values, hydroelectric sites, upon the expiration of licenses therefor, issued to for-profit corporations under the Federal Power Act, and for other purposes)

Mr. **HART**. Mr. President, I send an amendment to the desk and ask for its immediate consideration.

The **PRESIDING OFFICER** (Mr. GRAMM). The clerk will report the amendment.

The assistant legislative clerk read as follows:

> The Senator from Colorado [Mr. HART], proposes an amendment numbered 1783.

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Mr. HART. Mr. President, I ask unanimous consent that further reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

In lieu of the language proposed to be inserted, insert the following:

That this Act may be cited as the Hydroelectric Power and Environmental Improvement Act of 1986.

Sec. 2. The Congress finds and declares that: This Act amends the Federal Power Act to provide mandatory take over by the United States of hydroelectric power projects held by private, for-profit, entities when the license expires, to provide for the marketing of power from those projects and to commit future revenues from such projects to fish and wildlife enhancement and for other environmental purposes.

Sec. 3. Title I of the Federal Power Act (16 U.S.C. Subsections 791a-823a) are amended in the following respects:

(a) In section 3 (16 U.S.C. Section 796(3)) by:

(1) inserting "or cooperatives" after the word "municipalities."; and

(2) adding a new subsection as follows: "(17) 'Cooperative' means any entity organized under the laws of any State or Territory of the United States which is entitled to preference in the sale of power and energy sold by the United States as provided in 16 U.S.C. §§ 831i, or 825s, or 43 U.S.C. § 485h(c)."

(b) In section 7 (16 U.S.C. § 800) by striking "States and municipalities" in subsection (a) and inserting in lieu thereof "States, cooperatives and municipalities" and by striking subsection (c).

(c) In section 14 (16 U.S.C. § 807):

(1) *In subsection (a), by* striking "have the right" after the words "United States shall," striking "to" after the word "license," striking "to" after the word "thereafter," adding the words "held by a corporation as defined in section 3 hereof (16 U.S.C. 796)" after the word "license," and adding a comma and the words "shall have" after the *first use of the* word "or".

(2) By striking subsection (b).

(3) By adding a new subsection "(b)" as follows: "Take over by the United States pursuant to the provisions of this section is mandatory unless, within two years from the date of the Commission's notice given under subsection (a) of this section, an Act of Congress declares that takeover of a project or projects by the United States shall not concur.".

(4) By adding a new subsection "(c)" as follows:

"(c) In the event the United States by reason of an Act of Congress does not take over a project or projects under subsection (b) of this Section *(or if the project is not subject to takeover under that subsection),* the Commission shall, after not less than two years from notice published in the Federal Register, accept applications for a new license and decide them in a relicensing proceeding pursuant to the provisions of section 15 (16 U.S.C. 808)."

Sec. 4. Upon the effective date of a take over by the United States of a project as provided in section 14(b) of the Federal Power Act (16 U.S.C. § 807(b)), operation of the project shall be assumed:

(a) By the Tennessee Valley Authority if located on or along the Tennessee River or any of its tributaries or in any geographic area in which the Authority is authorized to sell electric power;

(b) By the Bureau of Reclamation if located in the seventeen conterminous western states;

(c) By the United States Army Corps of Engineers if located outside the areas covered by (a) and (b). The recaptured project facilities shall constitute power generating facilities held by the designated operating entity.

Sec. 5. Upon assuming operation of a project, the Tennessee Valley Authority, the Corps of Engineers or the Bureau of Reclamation, as the case may be, shall reassess the project and its operation for possible modification as needed to meet then current standards for fish and wildlife protection and enhancement and shall make such structural and operational modifications, including additions and betterments, as the agency determines is needed to provide equitable treatment for such fish and wildlife with the other purposes for which the project is operated. In the case of the Corps of Engineers and the Bureau of Reclamation such reassessment shall be in accordance with the Fish and Wildlife Coordination Act (16 U.S.C. §§ 661-666c). In the case of the Authority such reassessment shall be in accordance with cooperative arrangements between the Authority, the United States Fish and Wildlife Service and the National Marine Fisheries Service conforming to the Fish and Wildlife Coordination Act.

Sec. 6. (a) Wherever practicable and feasible, a project, the operation of which is assumed pursuant to section 4, shall be integrated with other federal hydroelectric projects.

(b) The electrical output attributable to a project the operation of which is assumed pursuant to section 4 which is surplus to the operating needs of the project itself shall, if operation is assumed by the Tennessee Valley Authority, be marketed by the Authority pursuant to the Tennessee Valley Authority Act of 1933, as amended (16 U.S.C. §§ 831-831d). In all other cases, such electrical output shall be marketed by the Secretary of Energy under section 302 of the Department of Energy Organization Act (41 U.S.C. § 7152) and pursuant to (1) 16 U.S.C. § 825s where the project is located in the marketing areas of the Southwestern, Southeastern or Alaska Power Administrations, or is located outside the marketing area of any existing Department of Energy power marketing administration; (2) the acts governing the marketing of power by the Bonneville Power Administration, where the project is located in the marketing area of that power marketing administration; or (3) section 9(c) of the Reclamation Project Act of 1939 where the project is located in the marketing area of the Western Area Power Administration.

(c) For purposes of determining the financial requirements of a project the operation of which is assumed under section 4, the costs of the project shall consist of expenses of operation and maintenance, costs of replacements, modifications and betterments, including costs resulting from the implementation of section 5, and payments, if any, arising out of section 7(a) of the Federal Power Act (16 U.S.C. § 807(a)).

(d) Rates for power marketed pursuant to subsection (b) of this section shall be determined as follows:

(1) Where the project is interconnected with other federal hydroelectic projects constructed by the United States, power from which is marketed by the same entity, the rates for each class of service shall be the rate charged by the marketing entity for that class of service from the interconnected system, determined without reference to the financial requirements specified in subsection (c).

(2) Where the project is isolated from other federal hydroelectric projects constructed by the United States, the rate for each class of service shall be the marketing entity's average rate for the class of service involved.

(3) Where the marketing entity is the Secretary of Energy but the project is located outside the geographic area of any power marketing administration, the rate for each class of service shall be the average rate charged for that class of service from all federal power developments: *Provided,* That in the event the Secretary of Energy (i) establishes a power marketing administration to market power from the project or extends the area of an existing power marketing administration to include the project and (ii) the project is interconnected with other federal hydroelectric projects constructed by the United States and from which power is marketed by the same power marketing administration, paragraph (1) shall govern the establishment of rates.

(4) If rates determined in accordance with paragraphs (1), (2) or (3), whichever would be applicable, would not, for the project involved, return an amount sufficient to meet the financial requirements specified in subsection (c) plus any applicable interest, the rates shall be established at levels which will provide the necessary revenues.

Sec. 7. (a) There is hereby established in the Treasury of the United States, a trust fund entitled the "Environmental and Conservation Trust Fund" (hereinafter the "Fund"). All revenues received on account of projects the operation of which is assumed under section 4 which for any prior project are in excess of the financial requirements specified in section 6(c) shall be deposited in the Fund, as shall repayment of loans made pursuant to subsection (c) of this section.

(b) The Fund shall be administered by a Board consisting of the Secretary of the Interior, the Secretary of the Army, the Secretary of Agriculture, the Administrator of the Environmental Protection Agency (or their designees) and five, members selected by the President by and with the consent of the Senate, from among persons who by experience or training possess special qualifications in the fields of conservation or environmental protection. The Secretary of the Interior (or the Secretary's designee) shall serve as chairman of the Board and shall provide office space and staff for the Board, as the Board determines to be necessary, from staff and resources of the Fish and Wildlife Service and the National Park Service. Members of the Board who are not federal officials shall, when engaged in official duties, receive compensation at the level provided for federal officials at the initial step provided for federal employees holding the grade of GS 18, together with per diem or other allowances fixed in accordance with law while in travel status on official business. Other federal agencies shall provide such assistance as may be agreed upon on a reimbursable basis except that no charge shall be made for furnishing data and records in the possession of any federal agency, which data and records shall be provided as requested by the Board. The Board shall constitute an "agency" under 5 U.S.C. § 552b, and its records shall be available as

provided in 5 U.S.C. § 552. All expenses of the Board shall be met from the Fund, within appropriations therefor.

(c) The Board may, within the limits of appropriations from the Fund, make grants and loans to other federal agencies and to state and local public bodies for conservation and environmental purposes in accordance with regulations prescribed by the Board. The Board's proposed budget shall be included in the annual budget for the Department of the Interior and shall be transmitted to the Congress as adopted by the Board.

The PRESIDING OFFICER. The Senator from Colorado.

Mr. HART. Mr. President, the Senator from Colorado offers this amendment so as to turn this debate away from the details of the bill and to concentrate—even if for only 1 hour—on its underlying philosophy.

In the early years of this century, our Nation was blessed with certain foresighted leaders, among them President Theodore Roosevelt, who called themselves progressives. They were conservationists in the simplest and truest sense of the word. They were concerned with how best to care for and develop our physical environment long before the birth of the contemporary ecology movement.

Among the ideas they fought for was the idea that national resources such as forests and waterways should be managed to maximize their potential benefits to the public at large. Another of their ideas was that this stewardship was best entrusted to those who were directly responsible to the public.

These men believed in private ownership and profit making. But they also shared a profound belief that America's natural resources were assets of the Nation, the property of the people and a legacy to be willed to future Americans. They feared that assigning these assets to private concerns would interpose profit and the interests of shareholders between the resources and the people. Ordinary citizens would share in the development of these resources only as customers—and not as their rightful owners.

One of the fruits of this philosophy was the Federal Power Act of 1920, under which our waterways have been dammed to produce hydroelectric power. The 1920 act expressed the vision of the progressives and the conservationists by giving public bodies precedence in the granting of hydropower development licenses.

Nevertheless, most of those who raised the capital to build these facilities were—at least in the initial decades— private corporations. It was understood that, where public bodies could not do the job and private entities could, the Government should grant a license rather than leave the resource unused.

So the private corporations were licensed to develop power for a profit but for a period of time. It was an arrangement that all parties understood to be temporary.

The law made it clear that the resources in question were subject to recapture by the Federal Government when the licenses expired. And an adequate amount of time was allowed for the private utility to recoup its investment and then some.

Today, we face the question of renewing original licenses for private entities where public bodies are available to take over. The Federal Energy Regulatory Commission has been inconsistent in interpreting the right of public preference in relicensing decisions. The courts have stood by the Public preference in a succession of decisions, but that battle is still joined.

So, Mr. President, here we are, struggling to resolve the issue by legislation. The resulting bill before us provides a kind of compromise between various interested parties. But in seeking that compromise, and in accommodating the interests of the current licensees, the bill has short-changed the essential principle that informed the act of 1920—the principle that the water resources that generate this power are a public resource—first and last.

This bill does not go so far as to repudiate the public franchise overtly, of course. Yet it would, in effect, grant existing hydropower licenses to the current licensees in perpetuity—whether those licenses are held by public entities or private.

A licensee under this bill would only need to meet the barest requirements of the Federal Energy Regulatory Commission in order to retain the license. Any competing entity, public or private, would be required to meet a impractical standard to prevail.

So we are locking in the current licensees, Mr. President. I suspect that will satisfy most of the interests that have made their influence felt in the process thus far. But let us be clear about the price attached. Because that price is essentially the abandonment of a commitment—one that our predecessors in this body were foresighted enough to enact into law three generations ago.

We are today reversing the presumption that the ownership of national assets should be as close to the people as possible. The new presumption says that the license holder, whomever it may be, should be preferred.

This reversal is not without its practical effects. The strongest enforcer of responsiveness and responsibility today is not regulation but the potential of a license challenge. Under the new rules, it is hard to imaging a licensee feeling the same weight of responsibility.

We have heard this looking-in of current private licensees defended as a means to keep the cheapest power flowing to the greatest number of consumers.

The majority of affected consumers are served by private utilities because these utilities still hold most of the licenses. But this Senator remains unconvinced that the cheap power these consumers now enjoy would somehow be lost without this bill to preserve it. We are not discussing the existence of power but its ownership and management.

The benefits of this low-cost power could still find their way to those who enjoy them now—and without being diminished to satisfy the claims of shareholders. The achievement of such delivery is a major practical objective of the amendment this Senator has offered. And it is a natural byproduct of keeping faith with our own progressive political heritage.

But before detailing this proposal, we should take note of another reason we should not proceed to approve this legislation today. In recent days, several Indian tribes, among them the Cherokee Nation in Oklahoma and the Navajo of New Mexico, have raised questions concerning the potential infringment of their rights under this bill. The legislation makes not mention of the rights of tribes, nor does it make clear how the granting of permanent private usage rights will alter the claims of tribes to Federal resources.

The amendment I have sent to the desk would restore the presumption of public ownership that began our use of these national resources.

It would make the Federal recapture of privately licensed projects—which is now allowed under the 1920 act—automatic upon expiration of the original license. The recapture would occur unless the Congress acted to authorize extension of a current license. This restores the 1920 act's presumption that the hydropower resources and facilities would revert to public control.

The compensation features of the 1920 act would be retained, to maintain and respect the understanding under which licensees originally reached agreement with the people of the United States.

The amendment would preserve the preference for public bodies holding hydropower licenses and extend that preference to rural electric cooperatives, which do not now enjoy such a preference. These publicly responsible bodies would not be subject to Federal recapture.

The amendment would provide for recaptured projects to be operated by the Bureau of Reclamation in the 17 Western States, by the Tennessee Valley Authority in the TVA region and by the U.S. Army Corps of Engi-

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neers in the rest of the country. Where it is found to be impractical to recapture and manage a given project, Congress retains the option of extending the license.

The power output from recaptured projects would be marketed by the Department of Energy through the existing power marketing agencies wherever possible. The Department would be empowered to create new power marketing agencies if and where necessary.

Each class of power would be sold at the average cost for that class in the relevant power marketing area. Where revenues from sales on this basis exceeded actual costs, the excess would be deposited in a trust fund for the purpose of meeting environmental objectives in the area from which the revenues are received.

The amendment also would require the agency managing each recaptured project to conform its operation to the Fish and Wildlife Coordination Act or—in the case of the TVA—to conform to the cooperative agreement now operative between the TVA and the Fish and Wildlife Service. In this way, we would be keeping faith with conservation dream of our forebears, as well as their progressive vision.

Mr. President, if we adopt this amendment, we can lend some substance to the title of the bill before us—"The Electric Consumers Protection Act." We would maintain our historic commitment to popular ownership of our national resources.

We would recognize that the 50-year relationship between these investor-owned utilities and the Federal Government was always designed as a mutually beneficial but temporary arrangement—dependent on a set of economic circumstances that has changed substantially.

And we would establish a framework in which the rights of all parties—utilities, consumers, tribes, and the Nation as a whole—are fully protected under law.

This is the philosophical framework that men such as Teddy Roosevelt fashioned as our heritage. This is the inheritance we are on the brink of disowning. This is what we would exchange for the sake of allowing utility executives to rest easy on guaranteed access to cheap hydropower.

Whatever stands to be gained under the bill before us, this Senator believes we owe the authors of our progressive and conservationist heritage at least enough respect to reflect upon the virtues of their public philosophy before turning our backs on it. And for that reason, this Senator offers this amendment for the Senate's consideration.

Mr. President, I reserve the remainder of my time.

The PRESIDING OFFICER. Who yields time?

Mr. McCLURE. Mr. President, I yield 5 minutes to the distinguished Senator from Louisiana.

The PRESIDING OFFICER. The Senator from Louisiana is recognized for 5 minutes.

Mr. JOHNSTON. Mr. President, this amendment is proof that even a fine and gifted Senator can occasionally make a very serious mistake.

What this amendment does is to seek to unscramble an egg which has been scrambled now for over 30 years, and unscramble it in a most unfair way.

Actually, what this amendment seeks to do is to take electricity generated by hydroelectric facilities and take it from investor-owned utilities and give it to cities, public power entities. Just in one fell swoop, it would do that.

That taking is concealed in the language of the amendment, because it says that at the expiration of the license, the dam shall be turned over to the federal power marketing administrations and TVA. But if you look further in Federal law, you will find that publicly owned utilities, have first call on the power from PMA's and TVA. So you are effectively taking it from investor-owned utilities and giving it to public power utilities.

Mr. President, the issue here is which consumers get the power and which consumers lose the power. There is nothing intrinsically right or wrong or legal or illegal about one set of consumers being chosen over another. The question here is, how are consumers best served?

Under this legislation, the legislation produced under this bill, we have a carefully calibrated test that bases the right to the power, the right to the license, the right to the electricity, on the public good.

What the amendment of the Senator from Colorado would do would be to make a judgment that the electricity should be taken from the investor-owned utilities and given to public power authorities. It is as simple as that.

In many cases, Mr. President, it would wreak economic injustice, chaos, and confusion. It would result in tens of thousands of customers who are now getting electricity at rather good rates suddenly being deprived of that electricity, which is then given to public power authority bodies, to municipalities, or others, and indeed it will be a great windfall for the municipalities.

Mr. President, there simply is no reason to take power from consumers served by investor-owned utilities and give it to cities or to public power authorities.

I wonder if the Senator does not agree with me that that is the effect of his amendment since the Corps of Engineers and these other groups which would be given this power, since public power authorities have——

The PRESIDING OFFICER. The Senator's 5 minutes have expired.

Mr. JOHNSTON. Could I have 1 additional minute?

Mr. McCLURE. I yield 2 additional minutes to the Senator from Louisiana.

The PRESIDING OFFICER. The Senator from Louisiana is recognized for an additional 2 minutes.

Mr. JOHNSTON. The Senator does agree the existing law does give publicly owned utilities preferential access to all power generated by the Federal power marketing administrations and the TVA. Therefore, the effect of this would be to take the power from the investor-owned utilities and give it to the public power authorities.

Mr. HART. The Senator from Louisiana is incorrect. First of all, the power does not belong to the privately owned utilities. They are licensees of the Federal Government who are the citizens of the United States. This power belongs to the people of the United States and the presumption operates in favor of or against.

The law clearly contemplated in 1920 that it operate in favor of public bodies where bodies are available to own and operate the projects. So it does not take anything from anybody that they owned. They are licensees of the people of the United States.

Mr. JOHNSTON. Let me put it another way. I think the Senator makes a point. Indeed, they do not own the power but they have a right to it under their present license which will expire.

Mr. HART. Presently, it is temporarily right.

Mr. JOHNSTON. There is not a preference that is given to the public power people. There is an absolute right under the law, is there not? They are given preferential access to all power generated by the PMA's and TVA.

Mr. HART. Yes. Does the Senator from Colorado understand in the bill before us, that will change that fundamental right by permitting private licenses as far in the future as one can see?

Mr. JOHNSTON. The Senator understands that under our bill, the one under consideration, there is no absolute right, but rather a public interest test and whoever is best under the public interest test gets the power, except in the case of a tie.

Mr. HART. We should not skip over that "whoever is best." The standards established by the bill presently before the Senate are clearly standards that mitigate against anyone who challenges the incumbent licensee and makes it almost impossible to overturn that presumption in favor of the present private licensee.

Mr. JOHNSTON. I beg to differ. I mean if you can make the economic case and show that the greatest good for the most people under economic, under reliability, under efficiency as well under environmental considerations, then you can indeed get someone else's power.

Mr. HART. Why not have the presumption operate in the way that the original law contemplated and that is in favor of the presumption operating in favor of the public operator rather than private operator? That is all.

Mr. JOHNSTON. First of all, the Senator's bill does not contain a presumption. It simply turns that power over to the PMA's and TVA, which in turn must turn it over to the publicly-owned utilities. The Senator agrees with that.

The PRESIDING OFFICER. The 2 minutes yielded to the Senator from Louisiana have expired.

Who yields time?

Mr. McCLURE. Mr. President, I yield myself 5 minutes.

Mr. President, first of all, I concur with what my colleague from Louisiana has said in characterizing the effect of the proposal now before us. I think there are a number of serious questions that need to be asked and I might characterize the Hart amendment as the new flip side of the Stockman proposal to divest Bonneville Power and the PMA's. It is the flip chart of "let's get the Federal Government out of all of it" and the opposite side of the, "let's get the Government into all of it."

I submit that while many of us ask many questions about OMB's proposal that the Power Marketing Administration be sold and Bonneville Power be sold to the highest bidder and the impact that that would have, I think we have the same kind of questions with respect to the broad and sweeping effect of the existing proposal.

This bill, if enacted, and I pray it will not be, will cost the consumers of utilities which currently hold FERC licenses billions and billions of dollars. I am not sure the Senator from Colorado can give us an estimate. I think it is very difficult to know exactly how much existing consumers would pay as a result of the application of the terms of this amendment if adopted.

I think we also would have to look at the question of how many more Federal employees would have to be hired to manage what is now being managed in non-Federal entities. There would be a substantial increase in the scope, the size, and the cost of the Federal Government just to administer what is now being administered in the non-Federal sector.

I think there is one other thing that I am sure the Senator from Colorado would be very much concerned about which cannot be answered. I will not ask the question because it would simply be a rhetorical question for which there is no answer, at least I cannot answer, and that is the effect of this proposal with respect to State water law and the appropriation of waters pursuant to State law and how that would be preempted and wiped out by the application of this amendment.

What section 5 of the Hart amendment would require is in effect an open-ended authorization to the Bureau of Reclamation and Corps of Engineers to make any kind of modification which they desire with respect to fish and wildlife on dams which they take over with no estimate. It is an absolutely open-ended amount. It would be whatever they desire it to be over whatever period of time they desire.

The primary concern I have is the impact upon consumers of utilities that now know what the cost of their electricity is and who will benefit over a future period of time for the amount of money which the consumers have paid for electricity generated from that power.

After all, that is where the money came from to pay for the dams and facilities in the first place. It seems to me that if indeed there is to be a benefit in the future, it ought to run to the very people who have paid for the facility, not a new set of consumers who had nothing to do with that. Is it not really a question of whether or not we are going to favor an existing utility? Are we going to favor or permit the continuation of benefits to an existing group of consumers or will we invest that benefit in others? Unless indeed we are going to sell these at market value, put them up on an aution block—and I suspect we out in my section of the country will have the British Columbia Hydro, a provincial entity of the Province of British Columbia, Canada, being one of the highest and best bidders for these facilities in the United States, if indeed we put them up for auction—I think there are a number of questions that we can ask, that need to be answered. If indeed the power is taken away from an existing utility and given to some other group or consumers for their benefit, then that existing utility must find power from some other source. Rather than causing less environmental disruption, it is going to cause more as the existing utilities go out and build new nuclear powerplants and new coal-fired plants to produce the power now being produced which they lose. And who is the double loser? Again the consumers in that particular utility service area.

So for all of these reasons, Mr. President, I hope that the pending amendment is not adopted.

I would just note that I have an estimate from one utility of how much it would cost them. In Alabama alone they have estimated it would cost $2.8 billion in 1985 for new investment only, just $2.8 billion for one area and that would raise their rates by 24 percent for every one of the more than 1 million Alabama consumers affected.

Mr. President, I reserve the remainder of my time.

The PRESIDING OFFICER. Who yields time?

The Senator from Colorado.

Mr. HART. Mr. President, how much time remains on the side of those who favor the amendment?

The PRESIDING OFFICER. The Senator from Colorado has 18 minutes.

Mr. HART. Mr. President, to respond briefly to the Senator from Idaho and several observations, first of all, any private utility operating under license on these Federal resources, publicly owned resources, made whatever investment they made understanding that they did not have a permanent right to operate these facilities or to indeed earn a profit.

So if investments were made they were made with the clear knowledge of the intent of the law over some 65 years. It is very difficult to contemplate now that 10, 20, or 30 years ago hundreds of millions of dollars that were invested were invested with the thought that in 1986 a bill would be introduced in the Senate in effect to privatize those investments, which is essentially what the pending measure does.

The Senator from Idaho says that the consumers are going to change. I am not sure what consumers are going to change.

Mr. JOHNSTON. Will the Senator yield?

Mr. HART. If the Senator can just respond. The same people being served by the temporary, privately licensed private entity. The public licensed, private entity would be served by presumably a publicly owned operating entity.

Mr. JOHNSTON. Will the Senator yield at that point?

Mr. HART. I yield to the Senator from Louisiana for a question.

Mr. JOHNSTON. Yes. For example, Colorado Public Service, which is an investor-owned utility, has four licenses and it receives 324 megawatts from that. Now, if the Senator's amendment passed, that power would pass from Colorado Public Service to WAPA, Western Area Power Administration, and then be subject to the public power preference; that is to say, publicly owned utilities served by WAPA would have a preference and would be entitled to first call on the power WAPA acquired. It is not a presumption, it is not a test, it is an absolute right that the publicly owned utilities served by WAPA would have to that 324 megawatts.

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Now, my question to the Senator is: Would that not be likely to raise somebody's rates, and whose rates might that likely raise?

Mr. HART. Not necessarily, at all. It would depend upon the economics of the circumstances. I do not know why one should assume that if a publicly owned or publicly managed utility is operating a facility, that rates are going to go up necessarily. I think they could well go down. It depends on the demand for energy in the region and a lot of other economic considerations.

Mr. JOHNSTON. If Colorado Public Serivce would be serving its customers out there and all of a sudden that power goes to WAPA and WAPA then reallocates but with an absolute right of cities and towns and public power authorities to get that power in preference to Colorada Public Service, and then Colorado Public Service would have to go make a contract with someone else to get the power, is that not likely to raise some rates and lower some rates and redistribute economic benefits?

Mr. HART. It could well, but we are arguing here once again what was always contemplated by the Congress of the United States to be resources owned by the people of the United States. What the Senator's bill does, what the manager's bill does, is in fact take what is a public resource and give it to some private entities for the benefit of some shareholders. I would think that publicly operated entities running these facilities would run then as economically perhaps as those private entities and the beneficiaries would be the public at large, as well as the existing consumers.

Let me just finally say this: I think what we are dealing with here, Mr. President, is not the technicalities of management or even the economics of power. We are dealing here with the fundamental philosophy: that is, who owns the power developed on Federal water facilities, on national water facilities? It was never contemplated by the Congress, at least until this bill was introduced, that that ownership and that control would pass semipermanently into private hands. The departure here is not by the Senator from Colorado, it is by the sponsors and managers of this bill.

I reserve the balance of my time.

The PRESIDING OFFICER. Who yields time?

Mr. McCLURE. I yield to the Senator from Louisiana 2 additional minutes.

The PRESIDING OFFICER. The Senator from Louisiana is recognized for 2 additional minutes.

Mr. JOHNSTON. Mr. President, I say to my colleagues, as well as to the Senator from Colorado, that our bill, S. 426, does not give an absolute right at all to the present holders of a hydroelectric license to keep that license. There is a carefully calculated test, and I invite the Senator's attention to page 6 of S. 426, which is section 4(b) of the bill, which states the factors upon which the Commission shall decide who gets the license. They are: Who best develops, conserves, and utilizes the water resources of the region? That, in turn, is a test contained in section 10(a) of the present act and is well understood, and it involves environmental factors as well.

Second, the relative economic impact upon customers; third, the economic impact, in the case of a nonutility holder, upon the operation and efficiency of the dependent industrial facility or related activity; fourth, the ability of each applicant to operate and maintain the project in a manner most likely to provide efficient, reliable electric service—and, reliability, of course, is a very important thing here. Finally, the need of each applicant for the electricity generated by the project to serve its existing customers—surely, a legitimate matter.

Now those are the tests upon which you vie for the right to license. We give the present license holder that license only in the event of a tie. You keep the status quo only in the event of a tie. And I might point out to my friend from Colorado that publicly owned power authorities now have four times the amount of hydropower on a per capita basis as do the investor-owned utilities. So this works to the advantage of both the investor-owned and the public power authorities that they are allowed to keep the status quo.

The PRESIDING OFFICER. The Senator's 2 minutes have expired.

Mr. HART. Will the Senator yield for a question?

Mr. JOHNSTON. My time is up, but I would be glad to yield on the Senator's time.

The PRESIDING OFFICER. Who yields time?

Mr. HART. I yield myself 1 minute to ask the Senator from Louisiana a question. Is the Senator saying, under this bill, the pending measure before the Senate, that there is not a presumption in favor of the existing licensee?

Mr. JOHNSTON. Only in the event of a tie.

Mr. HART. Well, what is a tie?

Mr. JOHNSTON. Well, in other words, if this is an applicant who presents his application and, based on each of these five factors, for example, the relative economic impact, FERC says, "We cannot tell, both are equally meritorious," it is only in that instance where there is an equality of merit that the present holder of the license keeps the license.

The PRESIDING OFFICER. The Senator's 1 minute has expired.

Who yields time?

Mr. McCLURE. Mr. President, I yield 5 minutes to the distinguished senior Senator from Nebraska.

The PRESIDING OFFICER. The Senator from Nebraska is recognized for 5 minutes.

Mr. ZORINSKY. Thank you, Mr. President.

Mr. President, I rise in opposition to S. 426, the Electric Consumers Protection Act of 1985. This bill proposes to eliminate the preference granted smaller, nonprofit, publicly owned electric utilities in the relicensing of hydroelectric power facilities. Thus, it is a serious threat to a fundamental public policy regarding use of the Nation's resources.

The rivers and streams which drive these hydroelectric projects are public resources which belong to the Nation as a whole, not to individual companies. Congress has always recognized and lived up to its responsibility to ensure that these public resources are used in a manner which promotes valid public policy goals. Congress has consistently found that preference would foster competition in an essentially monopolistic industry. Congress has deemed it appropriate to provide, through preference, an opportunity for communities to exercise local control over an essential public service. Finally, Congress has stated time and again that the benefits of these public resources should flow directly to the public without passing through the tollgates of private, profit-oriented enterprises.

After several years of debate, Congress passed the Federal Power Act in 1920. The act authorizes the issuance of Federal licenses for up to 50 years for the operation of hydroelectric projects using Federal water. Under the law, a State or municipal applicant for a license is to be preferred over any private company as long as the plans of the public applicant are equally well adapted "to conserve and utilize in the public interest the water resources of the region."

Earlier in this century, many licenses were granted to investor-owned utilities. However, this was done with the express understanding that they would last for specified terms up to 50 years. Definite-term licenses were established to prevent private power companies from having the rights to public resources in perpetuity. The relicensing process was designed to provide a method by which the public could reclaim their resources after a 50-year period. Yet, S. 426 eliminates preference to municipal utilities in relicensing of hydro projects, and instead, grants to the private company license holders what amounts to perpetual rights to the use of a valuable public resource—falling water.

We must remember that as the law is now written, preference is applied only if two applicants are in equally good standing in what they propose to do with the project. You could say that the preference clause works as a tie breaker. Thus, the existing law clearly promotes competition in relicensing to the benefit of the public.

Now, just when implementation of preference in the relicensing process is being called into play, the private companies are asking Congress to change the rules of the game and undo the preference clause. They want to eliminate preference in relicensing, the tie breaker, and avoid competition. This would amount to a giveaway of valuable public resources, and that would be bad public policy.

No licenses have changed hands under provisions of existing law. The only impact of this law to date is that certain current licensees have been forced to compete for the privilege of the future use and enjoyment of a public resource. There is no need for Congress to act now. We should let the preference principle in relicensing work as it was intended.

Preference in the licensing and relicensing process is in the best interests of the public. I urge my colleagues to vote against S. 426.

The PRESIDING OFFICER. Who yields time?

Mr. ZORINSKY. I thank the Senator from Idaho for his courtesy.

The PRESIDING OFFICER. Who yields time?

Mr. HART addressed the Chair.

The PRESIDING OFFICER. The Senator from Colorado is recognized.

Mr. HART. Mr. President, the Senator from Colorado is so moved by the powerful statement of the Senator from Nebraska in favor of this position that I am prepared to yield the equivalent amount of time back to the managers of the bill, if that is considered fair play.

Mr. McCLURE. Mr. President, I understand the Senator from Nebraska would be opposed to both the amendment and the bill.

Mr. HART. I take back my offer.

[Laughter.]

Mr. McCLURE. I thought perhaps in candor the Senator should know that.

Mr. President, I yield myself 3 minutes.

The PRESIDING OFFICER. The Senator from Idaho is recognized for 3 minutes.

Mr. McCLURE. Mr. President, first of all I do not want to get involved in the debate of either of my colleagues today with respect to whether or not the Federal Government owns all of the water and owns all of the resources because I do not think they own the water any more than does the Federal Government own the oil, or gas, or coal, or soil, or timber, or air that exists in this country. There is a fundamental disagreement in the matter of philosophy and principle.

But that is not really the crux of my objection, although that might be the crux of the approach of the Senator from Colorado. My main objection is that there are winners and losers. Under the provisions of the amendment as offered by the Senator from Colorado, there is no way of now determining who those winners and losers will be because there is no congruence between the service areas or the consumers served by existing entities that hold licenses today, and those who might hold the license in the future.

To just use a hypothetical, and I will use it because it happens to be the Senator's State and not mine; that is, if a nonmunicipal or publicly owned utility, an investor owned utility in the State of Colorado has a license that expires and a public body in southern California applied for that license, they would get it. It would not be the people of Colorado who paid for the facilities through the rates they paid who would have the benefit of the use of that facility in the future. It would be consumers in southern California who would have the advantage of those lower rates.

Who is really going to be helped or hurt? It is not the investors of a utility who are helped by the extension of the license period. It is the consumers from that utility because if that utility is regulated by a competent State regulatory agency, once the cost of the facility is written off it is no longer a part of the rate base for the purpose of fixing the rates for that utility, and the rates are therefore lower than they otherwise would be.

Any other investor that comes in, or if that utility itself were forced to put in new capital or any other entity that comes in is forced to put new capital in, the consumers' total aggregate bill has to rise because there is a new element in the rate base upon which the rates must be fixed, and that, I submit, is not good for the consumers. I do not care whose consumers they are or where they may be. I would submit that is really an aid to those who loan money.

If you want to help Wall Street and hurt the consumers, pass this provision. Wall Street will be the winner. The consumers will be the losers.

Mr. HART addressed the Chair.

The PRESIDING OFFICER. The Senator's time has expired. Who yields time?

The Senator from Colorado.

Mr. HART. Mr. President, with all due respect, my response is it is patent nonsense. First and foremost, the Senator from Colorado has never talked about the Government owning this water. I have gone out of my way to talk about the people of the United States owning this water. That is what Theodore Roosevelt and the pioneer progressives and conservationists themselves understood and appreciated, and if I may say so, the drafters of the basic 1921 act. It is not the question of the Government owning the water. It is the question of the people of the United States owning the water.

Second, Mr. President, I think the Senator from Idaho well knows that the Senator from Colorado is not offering a bill for the benefit of Wall Street. This is an amendment offered for the benefit of the taxpayers and the citizens of this country who own these waterways, and who are entitled to the benefits of the power generated on them. That again was the underlying philosophy of the law.

It is in fact the Senator from Idaho and the sponsors and managers of this bill who seek to reverse that 65-year tradition—indeed, even 200-year tradition.

Finally, Mr. President, this notion that a privately operated and owned utility cares more about local consumers than a publicly owned and operated one is again just patent nonsense. Why in the world should the Senator from Idaho presume that a public entity responsible for the local constituency is going to export power to some other part of the country? I think quite the reverse is the presumption here.

It is those whose sole concern is the profit motive as obviously it should be, and the rights and interests of shareholders under the law that are going to take their profits and sell their power wherever they can.

The PRESIDING OFFICER (Mr. McClure). Would the Senator suspend for just a moment? I apologize. The Chair is uncertain whether the Senator yielded himself a specific amount of time.

Mr. HART. No. I did not.

The PRESIDING OFFICER. I thank the Senator.

Mr. HART. So, Mr. President, the law as it presently exists and has existed for over 65 years said that private licensees who expended capital for the construction of facilities did so with the understanding that it would be depreciated over time, that their investment eventually would be recaptured unless their license were renewed, and the pending legislation almost guarantees surely that license will be renewed in perpetuity.

The Senator from Colorado thinks that is bad public policy, thinks it is a dramatic reversal of the philosophy of this Government that this country has operated under for 2 centuries, and certainly in the case of public waterways and public power generation for the last six and one-half decades.

The Senator from Colorado hopes that the Senate will maintain that

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philosophy by supporting his amendment.

The PRESIDING OFFICER (Mr. GRAMM). Who yields time?

Mr. McCLURE. Mr. President, how much time remains on both sides?

The PRESIDING OFFICER. The Senator from Colorado has 7 minutes, and the Senator from Idaho has 5 minutes.

Mr. McCLURE. Mr. President, we are a little late in getting started on this for no fault of the Senator from Colorado or the Senator from Idaho. I ask unanimous consent that the time on this amendment be extended by 15 minutes to be equally divided.

The PRESIDING OFFICER. Is there objection? Without objection, it is so ordered.

Mr. McCLURE. Mr. President, I yield myself 3 minutes.

The PRESIDING OFFICER. The Senator from Idaho is recognized for 3 minutes.

Mr. McCLURE. Mr. President, I appreciate what the Senator from Colorado says and the distinction that he makes between the Federal Government and the people, a debating distinction but more than a debating distinction. I accept that. But again I have to remind the Senator that the taxpayers and consumers are the same body of people in the aggregate.

That does not mean that every taxpayer and every consumer consumes in exactly the same proportion as they pay taxes.

Some pay more and some pay less, some consume more and some consume less. But the resources which we are talking about here are resources which have been developed by the application of capital, whether it was done by an investor-owned utility and the capital gained in that way; whether it was done by a publicly owned body and they floated bonds and gained capital in that way, or whether it was done as a result of the advancement of Federal funds to a Federal entity and money generated through taxpayers' contributions. There was capital invested.

That capital, once written off, no longer lies in the rate base of the utility and rates drop. The rates reflect the amount of unrecovered capital.

If, at the moment that that unrecovered capital is completely written out of the rate base, more capital is required. Somebody goes to the market to get more capital, whether it be an investor-owned utility, whether it be a public body, or whether it be acquisition by the Federal Government.

If that is so, then all this can do is raise the rate base to cover that additional capital.

Mr. President, that has to be the aggregate paid by the consumers and their rates must be greater than it otherwise would be because it has to, again, repay capital borrowed from capital markets in one way or another.

So the transfer of ownership, if it is a company, by any payment requirement, simply increases the consumer's bill, and if it is the Federal Government that provides the additional capital or a public body that produces the capital, it can only be done by increasing the capitalization.

So, in some way, somewhere, the capital markets are those who are favored, initially and most directly; second, that group of consumers who might find that this power is for them cheaper than their current source of power. That group of consumers would be favored. But the group of consumers who would otherwise have been served who would then have to seek higher cost power would themselves be paying the bill for the shift of benefit from one group to another.

One other thing before I yield the floor is simply to express my disagreement with both the Senator from Colorado and the Senator from Nebraska that the 1920 Power Act says the preference applies to relicense. The 1920 act says no such thing. The 1920 act is silent in that regard.

There is an ambiguity or a hole or an area that is not just vague; it is uncovered. Because the law does not consider what happens in that event, we are trying to legislate to cover what is not now covered by the statute at all. This measure that we have is not a public power versus private power fight, because many of the existing licenses are public entities that themselves got a license through the route of a municipal or public power preference who might themselves be at the short end of this and find it bit away by some other public or preference entity. The Federal Government would take it away. They would not under the Senator's provision take it away but in the absence of some amendment to the statute can very well find their license removed from them and transferred to some other public entity.

We are not trying to serve just the one group, a private investor-owned utility group at the expense of publicly owned utility groups. We are trying to write a provision that serves the greatest number of consumers in the fairest possible way and the greatest number of entities that are already there in the fairest possible way with the least economic disruption to the existing patterns that exist throughout much of the United States.

I hope the amendment of the Senator from Colorado is rejected.

The PRESIDING OFFICER. Who yields time?

Mr. HART. Mr. President, I yield myself so much time as I may require.

Mr. President, as appreciative as the Senator from Colorado is for the lecture on economics by the Senator from Idaho, that is not the issue.

The issue is one of public policy and whether it is the intention of the Senate of the United States in 1986 to reverse 6½ decades of philosophy which said that power generated from the public waterways of this country belongs to the people of the United States, and that a legal preference under the law operates in favor of public operators of that power.

The Senator is generally correct in his statement that a vacuum exists in the law itself and can be variously interpreted. But it is the understanding of the Senator from Colorado that virtually unanimously when this issue has been addressed by the courts of the United States, including very recently, those courts have found, almost uniformly, that a public preference does in fact operate on relicensing and that was the intent of the Congress in passing the 1920 law.

If the Senator from Colorado is incorrect in that analysis of court decisions, I hope to hear otherwise.

The fact of the matter is, Mr. President, that the bill before us dramatically reverses public intent and congressional intent in 1920. It essentially says if you had a long-term but temporary license to operate a power-generating facility on a public waterway, that license could be transferred to a public entity at the discretion of the Federal Government at the end of the license period.

What this proposal presently before us says is that you have a presumption in your favor if you had that license, if you made investments, and it takes an extraordinary showing to upset your right, what the Senator from Colorado called a semipermanent right, to continue to operate that facility. That is the simple issue here.

Certainly there are economics involved, but not the kind the Senator from Idaho has suggested. We are not talking about raising consumer rates. We are not talking about changing who the consumers are. What we are talking about is continuing a philosophy spelled out in the law in 1920 that the power generated from publicly owned public waterways is power that belongs to the people of the United States and can be licensed to private entities at the discretion of the Federal Government working for the people of the United States. That is the issue.

I hope the Senator from Nebraska, who has since departed the Chamber, and others who care deeply about this question as the Senator from Colorado does, will support this amendment.

The PRESIDING OFFICER. Who yields time?

Mr. McCLURE. I yield 5 minutes to the Senator from Louisiana.

The PRESIDING OFFICER. The Senator from Louisiana is recognized for 5 minutes.

Mr. JOHNSTON. Mr. President, the question in this legislation is not whether the power belongs to the people of the United States. Of course it does. Of course it does. And certainly in the sense that the Congress can allocate that power, can distribute it, can put provisions for its license in this legislation. That is what this legislation is all about.

To say that the power is owned and subject to the power of this Congress is not to say, as the Senator's amendment would say, that public power authorities are necessarily better than investor-owned utilities.

The Senator has said or implied that there is some kind of moral superiority of the public power authorities over the investor-owned utilities.

I think that is decidedly not so, Mr. President. I do not claim moral superiority for either side. As a matter of fact, the publicly owned power authorities are not subject to regulation, whereas the investor-owned utilities are.

While I do not claim that as being a reason to be superior, it at least is a protection for the public that you have with investor-owned utilities which you do not have with cities. Indeed, there are some cities which use the power they receive from hydroelectric dams as a substitute tax, as a revenue source, on which to run their cities.

Now, Mr. President, public power authorities already have four times the amount of power from dams as the investor-owned utilities on a per capita basis. They have been treated more than fairly. There is no reason to take away the power presently licensed to the investor-owned utilities and give it to public power authorities unless they can make a case. This bill, S. 426, provides a perfect test, as perfect as we could devise, to determine who ought to have it. It ought to be based upon the public interest, Mr. President, not upon some arbitrary statement of who ought to get it. It ought to be based upon the public interest.

S. 426 has a very carefully orchestrated list of tests by which to determine where that public interest is. If the Senator can devise a better test of the public interest, I would like to hear it. But simply to ignore the public interest and say we are going to take it from the investor-owned utilities and give it to the power marketing authorities or to TVA is not to serve the public interest. Indeed, that may in many instances be going diametrically opposed to what the interest is. What our bill does, S. 426, is to, at the expiration of a license, give to the FERC a set of tests to determine the public interest and to mandate that they follow them. It is only in the event of a tie, only in the event a counterapplicant to the present licensee cannot prove a better case, that the present license holder, whether he be investor-owned or publicly owned, continues as in the status quo.

Mr. President, the Senator asks why do we want to change the present law. Because there is no adequate test under the present law. The present law simply says that you must develop, conserve, and utilize the water resources of the region, which is an important test and indeed a test that is brought forward in our bill. But it should not be the sole test. Relative economic impact upon consumers, reliability, efficiency, those kinds of measures ought also to be considered because they are always considered in electricity matters.

Mr. President, we submit that the better way to determine who gets the power is where is the public interest, and we submit that the tests we have in S. 420 are much better designed to do that than the present law and certainly much better than the Senator's amendment presently pending which would arbitarily take that power from those who have it and give it immediately to the Corps of Engineers or to TVA, to the power marketing authorities. The present law—and I want to emphasize this—provides that public power authorities have an automatic preference to the power from TVA, the Corps of Engineers or the power marketing authorities. In other words, you are taking it from those who have it and giving it automaticallly, without reference to the public interest, without reference to the economics, without reference to efficiency or reliability or any of those other tests, to the public power authorities, to those who do not now have it without having to prove merit, without having to pass muster under any test. Mr. President, that would wreak economic havoc, be unjust. It would raise rates across this country for tens of thousands of customers and therefore this amendment should be defeated.

The PRESIDING OFFICER (Mr. ARMSTRONG). Who yields time?

Mr. HART addressed the Chair.

The PRESIDING OFFICER. The Senator from Colorado.

Mr. HART. How much time remains in support of the amendment?

The PRESIDING OFFICER. The Senator from Colorado has 10 minutes remaining; the Senator from Idaho has 1 minute remaining.

Mr. HART. Mr. President, let us try to get one notion straight here if we may.

The right to the power generated on public waterways does not belong to private investor-owned utilities. The amendment of the Senator from Colorado takes nothing away from them. They do not own the power. They have a temporary license to operate facilities to generate that power. This amendment puts the power back in the hands of the people it was contemplated to belong to in 1920, and those are the people of the United States.

Now, to say that a handful or even a large number of privately owned corporate interests are better qualified to define the public interest than public entities flies in the face of reason, logic, and fact. The Senator lists criteria. One wonders who drafted those criteria and by whom those criteria were approved. Were they entities responsive and responsible to the people of the country or local areas or not? Were they entities responsible to stockholders and corporate laws?

Mr. JOHNSTON. Will the Senator yield?

Mr. HART. I yield for a question.

Mr. JOHNSTON. Is the Senator aware that those criteria were drafted by us, those of us sitting right here, without intervention? As a matter of fact, the investor-owned utilities opposed this test. They wanted a different approach altogether.

Mr. HART. Well, to the degree the Senator is asking a question, I will take his word for it. If the Senator says those criteria were not approved by or achieved the approval of those who have a license they want to protect, then I will take his word for it. But then certainly they would not be pushing as hard as they are the bill introduced by the managers. In any case, this is, as the Senator from Colorado said at the outset, a philosophical debate. It is an economic debate only secondarily. It is a philosophical debate about who owns the public resources of the country.

What is happening under the bill as introduced by the managers is a shifting of presumption as to who has what rights. What this bill would do, if enacted, is to fundamentally shift the notion of who is entitled to manage, own, and benefit from the power generated by public waterways. We should not make any mistake about it. It is designed to shift something that belongs to the people of the United States even more—as I said, semipermanently—into private hands. Now, private hands are good hands, but they have their own interests. Those interests are not always necessarily the interests of the people who own the resource. The amendment offered by the Senator from Colorado is to continue that long progressive tradition of protecting the public interest, the interest of the people who own these resources and who are entitled to benefit from them as public resources—not secondarily after shareholders are taken care of and after other capital interests but primarily.

If the presumption that those public interests can be met by a private entity is adhered to, then the private

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entity prevails. This is not to make public rights and interests that are now in private hands. It is to maintain a presumption that the interests and the property of the United States ought to continue to belong to the people of the United States.

Mr. McCLURE addressed the Chair.

The PRESIDING OFFICER. The Senator from Idaho is recognized for 1 minute.

Mr. McCLURE. Mr. President, I ask unanimous consent that my time be extended for 3 minutes.

The PRESIDING OFFICER. Is there objection? Hearing none, it is so ordered.

Mr. McCLURE. I thank the Senator for not objecting and I will not try to take advantage of this situation at all. But I think we ought to get one thing clearly on the record at this point before we get to a vote on this amendment. This is not a new issue—who owns the resource. It has been debated for many, many years in this country. The question to regulate or to license flowing water is quite a different thing than who owns the dam and the facilities that are involved quite a different thing.

Mr. President, section 4(e) of the Federal Power Act describes the legal basis for the Commission's licensing authority with respect to hydro projects. The language of this enabling provision demonstrates that Congress clearly recognized that the basic Federal interest in hydro projects is a purely regulatory interest based upon Congress' power under the commerce clause to regulate navigable streams except where public lands or Indian reservations are involved. The section states:

> SEC. 4. The Commission is hereby authorized and empowered—
>
> (e) To issue licenses * * * for the purpose of constructing, operating and maintaining dams, water conduits, reservoirs, power houses, transmission lines or other projects works necessary or convenient for the development and improvement of navigation and for the development, transmission and utilization of power across, along, from or in any of the streams or other bodies of water over which Congress has jurisdiction under its authority to regulate commerce with foreign nations and among the several States, or upon any part of the public lands and reservations of the United States * * *.

Likewise, in section 4(g), the Commission's authority to investigate possible encroachments upon its licensing authority and to issue and enforce remedial orders is based upon and restricted to the same regulatory interest, except as affecting public lands and reservations. Where public proprietary interests belonging to the Federal Government are involved in a hydro project, Congress provided in section 10(e) for appropriate charges to be assessed for their use. Other examples of the Congress' understanding of its role as regulator, but not owner, of the navigable waters throughout the Nation are apparent in section 9(b) regarding an applicant's demonstration of compliance with State property, water and utility laws, section 23(b) regarding the Commission's licensing authority over sites on nonnavigable waters and section 27 clarifying continuing primacy of State water law regarding rights in and uses of flowing waters. The Federal Power Act itself, therefore, evidences Congress' acknowledgement that the Federal Government has no proprietary interest whatsoever in hydroelectric projects not built on Federal lands or reservations or superimposed on existing Federal dams even though they utilize the flow of navigable waters. The enabling legislation makes clear that the Federal interest is strictly regulatory.

Notwithstanding the language of the act, proponents of the so-called public domain argument assert dogmatically that the admittedly dominant regulatory power of Congress over navigable waters somehow transforms the private assets involved in a licensed project into public assets allegedly due to be returned to public ownership at time of relicensing. Regardless of the unquestioned predominance of a proper exercise of the Federal regulatory power, the lands and facilities which comprise the affected hydroelectric projects—exclusive of Federal lands and reservations—remain the property of the respective States, their grantees or permittees and private owners.

This settled principle of law was recognized by Congress early in the development of Federal water power legislation. Senator John K. Shields of Tennessee,[1] eminent legal scholar, jurist and author of the seminal bill (S. 3331) leading to the Federal Water Power Act,[2] argued vociferously in the 2d session of the 64th Congress against amendments providing for a fee upon project licensees for the privilege of building a dam and using the flowing waters to generate power. Senator Shields made it clear that, despite its dominant regulatory power, the Federal Government lacked constitutional authority to impose a rental fee because the United States has no property interest in navigable waters.[3] The Senator and many of his colleagues in Congress[4] relied upon several leading U.S. Supreme Court decisions which I understand from counsel remain the law of the land today.

In *Martin* v. *Lessee of Waddell,* 41 U.S. (16 Pet.) 366 (1842), Chief Justice Taney spoke for the Court in an opinion resolving a dispute over ownership of certain New Jersey oyster beds.

> [W]hen the revolution took place, the people of each state became themselves sovereign; and in that character, held the absolute right to all their navigable waters, and the soils under them, for their own common use, subject only to the rights since surrendered by the constitution to the general government. (41 U.S. (16 Pet.) at 410).

In a later case involving the navigable waters of Alabama, *Pollard's Lessee* v. *Hagan,* 44 U.S. (3 How.) 212 (1845), the Court quoted with approval the foregoing language of Martin and further stated:

> Then to Alabama belong the navigable waters, and soils under them, in controversy in this case, subject to the rights surrendered by the Constitution to the United States; and no compact that might be made between her and the United States could diminish or enlarge these rights. (44 U.S. (3 How.) at 229).

The Court concludes its decision in the Pollard case as follows:

> By the preceding course of reasoning we have arrived at these general conclusions: First, The shores of navigable waters, and the soils under them, were not granted by the Constitution to the United States, but were reserved to the states respectively. Secondly, The new states have the same rights, sovereignty, and jurisdiction over this subject as the original states. Thirdly, The right of the United States to the public lands, and the power of Congress to make all needful rules and regulations for the sale and disposition thereof, conferred no power to grant to the plaintiffs the land in controversy in this case. (44 U.S. (3 How.) at 230).

Many other seasoned Supreme Court decisions reiterate this immutable principle of law. See, *United States* v. *Chandler-Dunbar Co.,* 229 U.S. 53, 60 (1913); *Kansas* v. *Colorado,* 206 U.S. 46, 92 (1907); *Shively* v. *Bowlby,* 152 U.S. 1, 58 (1894); *Illinois Central Railroad Co.* v. *Illinois,* 146 U.S. 387, 435 (1892); *Hardin* v. *Jordan,* 140 U.S. 371, 381–82 (1891); *Weber* v. *Board of Harbor Commissioners,* 85 U.S. (18 Wall.) 57, 71 (1873).

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[1] Senator Shields expressed his legal position on this matter many times, but most notably in a speech given in 1916 while House and Senate conferees considered a measure which had passed the House and S. 3331, which had passed the Senate. 54 Cong. Rec. 1004 (1916).

[2] The act was referred to as the Federal Water Power Act until the Wheeler-Rayburn bill of 1935 added pts. II and III and redesignated the act as the Federal Power Act.

[3] Senator John K. Shields (1858–1934) was a Democrat from Tennessee. He was elected to the Senate in 1913 and reelected in 1918, serving until 1924. Senator Shields served as chancellor of the 12th Division of the State of Tennessee (1892–94), associate justice of the Tennessee Supreme Court (1902–10) and chief justice of the Tennessee Supreme Court. After his two-term service as a U.S. Senator, President Warren G. Harding desired to submit the Senator's name for appointment to the U.S. Supreme Court, but was dissuaded by Senator Shield's age and ill health. Hale and Merritt, "A History of Tennessee and Tennesseeans" (1913), p. 2292; Concise Dictionary of American Biography (3d ed. 1964), p. 656.

[4] Other Senators and Representatives stating concurrent agreement with the position of Senator Shields on this issue include Senators Bankhead (53 Cong. Rec. 2580), Sutherland (53 Cong. Rec. 2580), Thomas (53 Cong. Rec. 2692), Husting (53 Cong. Rec. 2649), Shaforth (53 Cong. Rec. 3243), Galliger (53 Cong. Rec. 3366), Smith (53 Cong. Rec. 3366 and 54 Cong. Rec. 109), Simmons (53 Cong. Rec. 3366), Clarke (53 Cong. Rec. 3366), Works (54 Cong. Rec. 1179), Smoot (54 Cong. Rec. 1179), Clark (54 Cong. Rec. 1179), Nelson (54 Cong. Rec. 778–9), Root (54 Cong. Rec. 778–9), Chilton (54 Cong. Rec. 778–9), O'Gorman (54 Cong. Rec. 778–9), Culberson (54 Cong. Rec. 778–9) and Representatives Sparkman (54 Cong. Rec. 3366), Moon (53 Cong. Rec. 3366), Austin (54 Cong. Rec. 2785–6), Heflin (54 Cong. Rec. 2787), LaFollette (54 Cong. Rec. 2788 and 56 Cong. Rec. 9108), and Sinnott (56 Cong. Rec. 9290).

Most notably, as explained in the comments of Senator Shields, this principle is not diminished by the oft-cited Chandler-Dunbar decision. Clearly, the Court's decision in that case specified the undeniable predominance of the Government's navigational servitude over private property interests of riparian landowners when exercised for commerce clause purposes. Furthermore, the Court determined that ownership of the flowing waters in a navigable stream is "inconceivable." Most importantly, however, the Court decided that because the company admitted that any structures in the stream found to be an obstruction to the Government's navigational purposes could be ordered removed and because the Government had paid for all other private property interests except those associated with the disputed claim to the flowing waters, the Chandler-Dunbar Co. had no grounds for complaint. Thus, the Chandler-Dunbar decision demonstrates the relationship between the dominant Federal power over navigable waters and the coterminus private property rights which exist subject to that power.

Senator Shield's legal analysis was accepted by the Congress which adopted the Federal Water Power Act of 1920. Congress declined to impose rental charges for the use of the flowing navigable waters by licensees. More recent U.S. Supreme Court case law confirms the vitality of these earlier cases and the applicability of the legal principle accepted by Congress. In *Kaiser Aetna* v. *United States,* 444 U.S. 164 (1979), the Federal Government asserted a public right of access into a private marina development because the developers' dredging of the private lagoon created navigable waters subject to the Government's navigable servitude. The Court confirmed the broad regulatory power of the Government over navigable waters, stating that:

> [T]here is no doubt that Congress may prescribe the rules of the road, define the conditions under which running lights shall be displayed, require the removal of obstructions to navigation, and exercise its authority for such other reason as may seem to it in the interest of furthering navigation or commerce. (444 U.S. at 174).

But the property subjected to that dominant power remains private property and does not become a public asset merely by reason of its servitude.

> Although the Government is clearly correct in maintaining that the now dredged Kuapa Pond falls within the definition of "navigable waters" as this Court has used that term in delimiting the boundaries of Congress' regulatory authority under the Commerce Clause, this Court has never held that the navigational servitude creates a blanket exception to the Takings Clause whenever Congress exercises its Commerce Clause authority to promote navigation. Thus, while Kuapa Pond may be subject to regulation by the Corps of Engineers, acting under the authority delegated it by Congress in the Rivers and Harbors Appropriation Act, it does not follow that the pond is also subject to a public right of access. (444 U.S. at 172-3). (Citations omitted).

Thus, the regulatory power of Congress over navigable waters under the commerce clause, although unquestionably predominant over private property rights affected by its proper exercise, does not give rise to a proprietary or property interest in the riparian property subject to the commerce clause. Exclusive of Federal lands and reservations, the property interests comprising the various hydroelectric projects throughout the country remain private property subject to a dominant Federal navigational or regulatory power. Such projects are not public assets or a part of the public domain simply because they are subject to the Federal regulatory power.

This is especially apparent in the States east of the Mississippi River, such as Alabama, where licensed projects commonly were built with the use of privately owned lands and in river beds owned either by riparian landowners or the respective States. In these cases, the Federal Government's only cognizable interest is strictly regulatory. Likewise, this is the situation in other regions except where the projects were located on Federal reservations but, even then, the project works were constructed with funds provided by the licensee and the licensee is required by license provisions prescribed in accordance with section 9(e) of the act to pay annual charges for the use of the Government property used in the development and operation of the project. Thus, the project works of the existing licensee and the lands and flowage easements acquired by it are not "public resources," but rather private assets or resources devoted to public service. Except for the States' proprietary rights in the streambed, many of the projects which could be taken from existing licensees by application of a preference at relicensing are composed entirely of property interests assembled by developers with investment capital. Except for two projects where Alabama Power Co. has added generating facilities to dams constructed for the Federal Government by the Corps of Engineers—Bankhead and Holt projects—the company's projects have been built, at great risk to the investors, upon property acquired by the company after paying amounts reflecting fair market value at the time of the acquisition. All the improvements constructed on the site by Alabama Power were built without Federal funds. The impoundments, equipment, buildings, roads and transmission lines all were constructed, paid for and are owned by Alabama Power. All authorized taxing authorities levy ad valorem taxes against Alabama Power Co. as owner of such projects.

Congress' commerce clause power to regulate and improve navigation subjects all works that could impede navigation to a dominant servitude for such Federal purposes as may be related to the proper exercise of that power, but the servitude does not divest title from the owner of subjected property or create sua sponte a proprietary interest in the Federal Government. For example, if the Federal license for an existing project is taken from Alabama Power and issued to a municipality based upon a statutory preference, the property interests comprising that project will remain in Alabama Power until transferred by a properly executed deed or a condemnation order upon payment of the required compensation.

Mr. JOHNSTON. Mr. President, will the Senator yield?

Mr. McCLURE. I yield.

Mr. JOHNSTON. I hesitate to interrupt the Senator, but before the time expired, I wanted to get on the record where this legislation came from.

Will the Senator agree with me that the approach of the investor-owned utilities, EEI and the other group, was to provide legislation that provided not only for preference for the present license holders but also to provide compensation in the event that FERC should order that? As I recall the compensation language, it was fair market value as determined by due process.

Mr. McCLURE. The Senator is correct.

Mr. JOHNSTON. The Senator will also recall that we drafted the tests, I believe, almost exactly and precisely as stated, with maybe a minor change or some changes not suggested by the EEI or the investor-owned utilities. So all these tests came from us, this legislation came from us, and not from the investor-owned utilities.

Mr. McCLURE. The Senator is correct.

The PRESIDING OFFICER. The time of the Senator has expired.

The Senator from Colorado has 6 minutes remaining.

Mr. HART. Mr. President, I ask unanimous consent that the name of the Senator from Nebraska [Mr. EXON] be added as a cosponsor of the pending amendment.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. HART. Mr. President, let me assure my colleagues, the distinguished managers of the bill, that no bad faith was intended by the Senator from Colorado in terms of the drafting of criteria. The Senator from Colorado

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merely meant to say that those interests presently operating under private license strongly favor the pending bill, which contains those criteria. That is all.

On the issue of what the courts have said or currently are saying about the question of presumption, I should like to quote the court of appeals judge, Abner Mikva, who wrote, I think fairly recently, in a decision in October 1985, less than a year ago, last fall, on the question of presumption and the intent of the law. Judge Mikva wrote:

> The legislative history—

I assume him here to mean the 1920 act——

> removes any shadow of a doubt as to what Congress wanted to happen when relicensing time arrived. The muncipal preference applies to all relicensing, including those involving an incumbent licensee.

Mr. McCLURE. Mr. President, will the Senator yield?

Mr. HART. I yield for a question.

Mr. McCLURE. Is the Senator aware that the opinion to which he refers was vacated under the very unusual circumstance of a panel en banc, which set aside that opinion?

Mr. HART. No; the Senator understands that the court of appeals en banc is undertaking to review that decision. Nevertheless, until that review occurs, the language still stands. I think it stands, supported by a long series of Federal court decisions over the years.

In sum, Mr. President, the issue, as the Senator from Colorado has said, is a basic, philosophical issue. It has to do with the fundamental notion of who owns the public resources, who has what rights to them, who has what interests in them.

The 1920 act clearly contemplated that where public entities were not available to undertake production and operation of power facilities on public waterways, licenses, long-term but temporary, still to expire at a date certain, could be granted to private licensees. The issue before Congress today is what happens when those licenses expire.

The amendment offered by the Senator from Colorado says that the preference should operate in favor of the publicly owned facility when that entity is prepared to operate the facility in the public interest, or when a presumption in favor of that public entity can be overcome by a private licensee, then that license should be renewed.

I ask the Senators who care about preserving this public option to support the amendment of the Senator from Colorado.

Mr. President, I ask for the yeas and nays on my amendment.

The PRESIDING OFFICER. Is there a sufficient second? There is a sufficient second.

The yeas and nays were ordered.

Mr. HEFLIN. Mr. President, I rise in opposition to the proposed Hart amendment to S. 426. I do so, primarily, because its impact upon consumers, the electric utility industry, financial institutions, and industrial companies would be devastating.

Mr. President, the proposed Hart amendment is discriminatory on its face. It would require the Federal Government to exercise its discretionary right under S. 14 of the Federal Power Act to take over federally licensed hydroelectric projects presently owned by utility companies at the expiration of the license, but the hydro projects owned by State, municipal or cooperative utilities would not be subject to Federal takeover.

The power from these taken projects would then be turned over to existing Federal power agencies such as the Southeastern Power Administration in the Southeast for marketing in accordance with the existing schemes for marketing Federal hydropower, which include, of course, a preference for States and municipalities. I would also extend to cooperatives the present municipal preference in hydroelectric project licensing. More than 48 percent of our Nation's hydroelectric power is owned by the Federal Government and marketed pursuant to that scheme of preferences. The proposed Hart amendment would mandate that all of this valuable resource be monopolized for the benefit of these privileged few.

Utility companies that would lose hydroelectric capacity and energy pursuant to that Hart amendment would have to replace that capacity and energy with fossil-fired or nuclear generation in order to continue to serve their customers. This would be terribly expensive to consumers. There are few remaining sites for susbstantial hydroelectric projects, and all other hydro projects would be marketed pursuant to preference.

This incredible task would require new plants, new transmission networks, new fuel stocks, lots of capital, and lots of lead time. The cost of such an upheaval on a national basis would be staggering.

The environmental impact of creating an unnecessary requirement for new plant construction would be considerable.

The highest and best use of the hydroelectric capacity as peaking and stabilizing capacity in integrated systems would be lost forever if the units were separated from the integrated systems and sold on a stand-alone basis. The capacity and energy available from the units on that basis would be far less valuable to consumers. Such a use of hydroelectric capacity is poor energy policy and a waste of a valuable resource.

In Alabama alone, the cost of the Hart amendment would be $2.8 billion in 1985 dollars for new investment only. This would mean a 24 percent rate increase for every one of the more than 1 million Alabama consumers served by the private utility. Those customers would then still face higher annual electric bills because of increased fuel, maintenance and operating costs.

The proposed Hart amendment would unjustifiably extend the concept of federally subsidized power at the expense of millions of innocent consumers who happen to be served by utility companies.

The Federal Government already owns and operates more than 48 percent of the hydropower available in America. All of that power is mandated pursuant to preferences for State, municipal, and cooperative utilities which, altogether serve approximately 24 percent of American electricity consumers.

On a per-residential-customer basis, State and municipal utilities already own and operate more than four times the hydro capacity and more than 5½ times the hydro energy than utility companies.

All told, State and municipal utilities have preferential access to more than 68 percent of America's available hydropower for the exclusive benefit of the 14 percent of American electricity consumers they serve.

This is above and beyond the other special benefits provided to municipalities which aid their efforts to provide low cost electric service, such as:

First, freedom from Federal, State, county and local income, property, gross receipts, franchise, payroll and severance taxes;

Second, taxpayer-subsidized capital costs . . . approximately 4 percent, compared to 11 percent for utility companies;

Third, freedom from regulation in many States;

Fourth, immunity from financial penalties for violations of the antitrust laws.

In summary, Mr. President, the proposed Hart amendment—in the nature of a substitute—is directly contrary to every major concept embodied in S. 426. S. 426 presumes existing licenses should keep the dams for service to their customers, which the Hart amendment requires a Federal takeover. S. 426 seeks to protect the 76 percent of American electric consumers served by utility companies from an unjustifiable loss of hydro projects they have paid for through their rates while the Hart amendment mandates their automatic takeover by the Federal Government without adequate compensation. S. 426 eliminates a further preference at the relicensing stage for taxpayer-subsidized utilities while the Hart amendment seeks to extend the existing scheme of Federal subsidization to other entities over all hydroelectric capacity in the Nation forever.

Finally, Mr. President, the underlying premise of the proposed Hart amendment, that is, that the projects built with private capital on private property is really a Federal resource because the operation of that project is subject to Federal licensing authority, is simply legally wrong. I urge its defeat.

The PRESIDING OFFICER. Does the Senator yield back the remainder of his time?

Mr. HART. The Senator wants to see what the Senator from Idaho has in mind.

Mr. McCLURE. Mr. President, will the Senator yield?

Mr. HART. I yield

Mr. McCLURE. Mr. President, there will be a unanimous-consent request that it be in order to order a quorum call prior to the rollcall. It will be the intention of the Senator from Idaho to move to table and ask for the yeas and nays on the motion to table.

Mr. HART. It would be the intention?

Mr. McCLURE. Yes.

Mr. HART. What is the purpose of the quorum call?

Mr. McCLURE. Mr. President, if the Senator will yield further, the interposition of the quorum call will require unanimous consent, and I will ask that unanimous consent at the time the Senator from Colorado has yielded back the remainder of his time.

Mr. HART. My understanding is that the Senator can, by unanimous consent, seek a quorum call, without the Senator from Colorado yielding back his time.

Mr. McCLURE. The Senator is correct.

Mr. President, how much time remains?

The PRESIDING OFFICER. Approximately 1 minute remains to the Senator from Colorado.

Who yields time?

Mr. HART. Mr. President, I reserve the remainder of my time.

The PRESIDING OFFICER. The Chair advises the Senator from Colorado that under the consent agreement, the clock continues to run, and the vote will occur at approximately 3:18, under the previous order of the Senate.

Mr. HART. Mr. President, I yield back the remainder of my time.

Mr. McCLURE. I move to table the amendment, and I ask for the yeas and nays.

The PRESIDING OFFICER. Is there a sufficient second?

There is a sufficient second.

The yeas and nays were ordered.

The PRESIDING OFFICER. The clerk will call the roll.

Mr. McCLURE. Mr. President, I ask unanimous consent that it be in order to order a quorum call prior to the rollcall.

The PRESIDING OFFICER. Is there objection?

The Chair hears none, and it is so ordered.

Mr. McCLURE. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. JOHNSTON. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. JOHNSTON. I further ask unanimous consent that at the end of statements which I and the distinguished Senator from North Carolina will make that we go back automatically into a quorum call.

The PRESIDING OFFICER. Without objection, it is so ordered.

STRATEGIC DEFENSE INITIATIVE

Mr. JOHNSTON. Mr. President, my colleagues know that while I support vigorous research on antiballistic missiles I have doubts about the pace and direction of the President's star wars initiative. In the last several days these concerns have turned to grave reservations, especially with respect to the vulnerability of a star wars defense system to attack by the Soviets.

On March 5, in an open hearing before the Defense Appropriations Subcommittee I asked Lt. Gen. James Abrahamson, Director of the Strategic Defense Initiative Organization, how we could defend star wars satellites from Soviet attack. He responded that there are quite a few ways to defend them but they are classified. In a classified hearing with General Abrahamson on April 9, I asked him the same question, how can we defend space-based assets? After listening to the classified answer I must tell you that I was not any more satisfied with the classified answer than I was with the unclassified answer.

Furthermore, Senators CHILES, PROXMIRE, and I released a staff study on March 17, 1986, entitled, "SDI: Progress and Challenges," which stated:

> What is the current overall assessment on survivability? At this point, it appears bleak. Scientists at the Sandia Laboratory who have been intensely studying this question have come to the conclusion that space-based, boost-phase defenses can never be made survivable, unless by treaty.

This report was prepared by our staffs who went to the national labs, including Sandia, and to other SDI facilities and interviewed scientists working on the program. In the past, SDI officials have talked of establishing "keep-out zones" to protect SDI satellites against Soviet antisatellite weapons and Soviet space mines. The United States would declare a certain area around a satellite—say, hundreds or thousands of kilometers—off limits. Anything entering the keep-out zones would be destroyed. "Rules of the road" would be established in space which would govern what would be threatening to U.S. assets and thus subject to attack.

Obviously, the Soviet Union, who even prohibits overflights over their territory of foreign satellites capable of direct television broadcasts, might have some objection to such "keep-out zones" and "rules of the road" over their territory. We certainly would if the tables were reversed. These matters would have to be negotiated by treaty, assuming that is possible. I would refer my colleagues to this unclassified staff report for a more detailed discussion of survivability issues. Suffice it to say that the staff report concludes that, "A closer look should be taken at whether * * * spaced-based assets can ever be made survivable."

The Pentagon responded to this staff report through an article in the April 7, 1986, issue of Aviation Week and Space Technology saying that the report's comments about satellite survivability:

> Represent only random comments by individuals with essentially no expertise in the design or construction of space systems. Moreover, the authors of the staff report have not talked to the managers of the SDI Survivability Program. This dearth of credible sources is characteristic of the staff report.

In fact, as the magazine article points out, the staff who authored this report talked to the SDI program manager for survivability and top scientists and researchers at the national labs who the SDI organization selected for the interviews with the congressional staff. They even talked to General Abrahamson himself.

More recently, the Pentagon has toned down their response to the congressional staff study and says that the staff "apparently drew heavily upon informal conversations they had during a congressional staff tour of SDI-related research facilities."

On April 4, 1986, Irwin Welber, president of Sandia National Laboratories, wrote a letter to Senator PROXMIRE clarifying its official position saying:

> Sandia National Laboratories has not reached the conclusion that spaced-based elements of a strategic defense system cannot be made survivable. No definitive conclusion—especially a negative one—is appropriate at this stage of the research program. Indeed, until we gain a better understanding of the elements of the system that will be based in space, and what their character should be, the only conclusion that we can draw is that survivability should be a major focus of our research.

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Now why am I recounting all this to you? Because knowing the background of the recent controversy about the ability of star wars to defend itself from Soviet attack, you will appreciate the significance of an article just published in the April 18 edition of Science magazine by Michael M. May, who is the associate director at large at the Lawrence Livermore National Laboratory.

The article is entitled "Safeguarding Our Military Space Systems." I urge my colleagues to read the article in its entirety, but I would draw your attention to his statement that—

> Space assets much more complex and expensive than the present ones must be safeguarded if there are to be effective space defenses, and they must be safeguarded against very severe threats. It is not clear to me when we will know whether this can be done. The sort of partial ASAT ban suggested above would not in the long term be compatible with an active R&D program aimed at testing the survivability of strategic defenses in space. We are therefore thrown back on whether and at what pace to proceed toward strategic defenses as the first question to settle * * *. However, we are not close to knowing whether an effective defense system can be built or what it would look like.

Mr. President, the star wars program is being hyped up and oversold. In the midst of this star wars snowjob on the Congress and the American people, our respected and knowledgeable scientists are trying to tell us something and we would do well to listen.

I am not suggesting that severe doubts about SDI survivability and other critical issues enumerated in our congressional staff study should lead us to abandon the program. To the contrary, I support robust ABM research on these issues. What I deplore are the statements by enthusiasts that the feasibility of star wars is now established and that it is just a matter of time and money before we can breathe a sigh of relief behind the so-called "peace-shield." Nothing could be further from the truth.

Mr. President, I ask unanimous consent that the article entitled, "Safeguarding Our Military Space Systems," be printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

SAFEGUARDING OUR MILITARY SPACE SYSTEMS

(By Michael M. May)

(The vulnerability of military space systems depends on their orbits, functions, and other characteristics. The high-altitude satellites needed for warning and communications in particular could be vulnerable to prompt destruction by certain space-based systems and, in the future, possibly by ground-based high power lasers. A combination of passive countermeasures and arms control agreements could give these satellites some protection against such attack. Deployment of strategic defensive systems with the capability to reach far into space would invalidate this approach.)

The measures that can be taken to safeguard our military space systems or the functions carried out by these assets, the potential effectiveness of the measures, and the utility of arms control agreements vary according to the function to be safeguarded. Broad statements, arguing that space assets are few and fragile or that the deployment of antisatellite systems (ASAT's) is unverifiable, do not usefully summarize what can or cannot be done.

Military space systems consist of satellites, earth stations, and links between them. The characteristics that mainly affect the vulnerability of these systems, such as altitudes of orbits, nature of components, and the like are discussed in the first part of this article. Then various ways of attacking the systems along with steps that can be taken to counter the attack or make it less effective are described. Next, the adequacy of these steps in safeguarding some space system functions are evaluated, mainly to illustrate the kind of analysis that must be done in each case. Finally, the potential value of some arms control agreements in further safeguarding these functions is discussed.

VULNERABILITY OF MILITARY SPACE SYSTEMS

Space systems can be used for surveillance of either strategic assets or tactical situations, for warning, for communication, for weather information, for navigation, and for targeting. Figure 2 displays typical orbits for these various kinds of missions. The orbit is the main determinant of vulnerability. It determine the time and cost for an earth-launched ASAT to get to the satellite, as well as the power needed for a laser or particle beam to destroy a satellite. Warning and communication satellites are typically in very high orbits. Surveillance, weather, and targeting satellites, which need to see details on the surface of the earth, will typically be in lower orbits—how low depends on the scale of the details needed and on the resolving power of the optics. Radar surveillance and navigation satellites can be in intermediate orbits.

Several kinds of componentry might go into the various kinds of satellites: transponders used for communication, radar antennas, solar power panels, and internal electronics. Not all componentry would be on any one satellite, and there are other kinds. The ones shown in Fig. 3 are all necessary for some satellites. They illustrate the range of vulnerabilities that can be expected from most componentry.

Vulnerability can be due to material damage, blinding or jamming of sensors, or damage or false signals induced in the electronics. Let me take up material damage first. Some of the materials used on satellites that were designed without special attention to hardening can be quite fragile. Normal solar panels, for instance, will fail at relatively low levels of laser or nuclear irradiation. With special attention to the materials and design, however, the material problem can be solved to the point that a satellite can only be destroyed by either (i) a direct hit, (ii) a nuclear explosion sufficiently close that it can destroy only that satellite and no other,[1] or (iii) laser irradication at levels than can be delivered only by sizable, costly facilities designed and tested for the purpose.

The blinding or jamming of sensors must be done by radar, infrared, or visible light sources according to the frequency band the sensor operates in. Such "in-band" jamming can be countered by rapidly changing the frequency at which the radar operates, by rapidly shuttering the optical elements of a camera, or by other measures. One particular countermeasure applies to infrared sensors. For launch warning purposes these sensors need only pick up, the infrared signal from the missile plume above the atmosphere. The plume emits over a whole range of frequencies. The frequency chosen for the sensor to react to, therefore, can be one that does not penerate the atmosphere. Jamming such a signal would require mounting the source on a rocket, greatly increasing the cost and difficulty.

Damage to electronics componentry can be induced by nuclear explosions above the atmosphere, by penetrating neutral particle beams from space platforms, or possibly by extremely powerful radar transmitters. There are effective countermeasures against damage by radar transmitters. Nuclear explosions can destroy a satellite, but, with proper system design, one nuclear explosion per satellite would be required. Space-based particle beams that can disable satellite electronics have not been designed. Counters to them are possible in principle at some cost in weight, and the particle beam satellite can itself be attacked.

Ground stations and links between the satellites and the ground are also needed for space systems. Ground stations usually are large buildings. The major options for lessening the vulnerability of ground stations are the same as the major options for lessening the vulnerability of strategic weapons systems: to defend them actively, to harden them by putting them underground, to hide them, or to make them mobile and proliferate them. The latter is probably the preferred approach for ground stations. Underground siting is difficult for facilities that must keep communications open most of the time with space, hiding is unreliable in the United States, and active defense would run afoul of the Anti-Ballistic Missile Treaty requirements and may also be unreliable unless combined with some form of mobility and proliferation. Mobility can be, and is being, undertaken for several key systems with the use of airplanes, ships, and ground-mobile terminals.

The third element of space systems are the (electromagnetic) links between satellites and ground stations or among satellites. These links can be vulnerable to interference (including covert, deniable interference) unless measures are taken to protect them. The measures and countermeasures in this area are complex and classified and do not decisively favor either the offense or the defense. In general, it is difficult or impossible to deny with any confidence simple information, such as warning, even over a short period of time. Given a longer period of time, it is difficult to deny even complex information. If the information needed is both complex and time-urgent, however, as would be the case for a ballistic missile defense system, various means of interference, including nuclear means, could be very disruptive. Laser communication links are very robust against jamming and could offer a solution.

ATTACKING AND PROTECTING MILITARY SPACE SYSTEMS

With this general survey of key componentry and vulnerabilities in mind, let me turn to the various methods of attacking and safeguarding space systems, concentrating on satellites since that is where the main technical questions are currently. Safeguarding ground stations and electronic links from attack is equally important, but the technological problems and potential solutions are probably more familiar.

Let me begin with nuclear explosives, which were the earliest ASAT's historically. Since there is no way to harden against a nuclear explosion that comes close enough to the satellite, the key improvement from the standpoint of survivability is to make sure that one nuclear explosion is needed to destroy each satellite. That is possible to do, except possibly against nuclear-driven x-ray lasers. Satellites are typically thousands of kilometers apart, whereas the lethal range of even a 1-megaton explosion against a satellite hardened to a feasible level of hardness is less than 100 km. (An unhardened civilian communication satellite could be damaged at distances of thousands of kilometers by a high-yield nuclear explosion in space.) Making satellites nuclear-hard thus serves to make the task of attacking space systems more complex and time consuming. Nuclear weapons, however, probably remain the cheapest way to attack a properly designed and hardened space system.

Conventional explosives and kinetic energy weapons, the latter of which are sophisticated guided bullets, can also be used against satellites. The guidance requirements are much more severe for high-explosive weapons than for nuclear weapons and even more severe for kinetic energy weapons that must hit the target.

Nuclear weapons, conventional weapons, and kinetic energy weapons could all be stationed in space. (Nuclear weapons in space are prohibited by the Outer Space Treaty.) Space-basing would greatly increase the cost of any ASAT system. On the other hand, space-basing an adequate number of weapons can decrease the time needed for ASAT's to put a target system composed of several satellites out of commission. This time element is particularly importan in the case of warning and strategic communication satellite systems. ASAT system which can accomplish the destruction of these systems without giving any warning could be particularly dangerous.

Space-based ASAT systems that are to be effective on a prompt time scale against a hardened set of target satellites are likely to be noticeable, however, especially if the target satellites are placed into unique orbits. It may be difficult or impossible to determines without actual inspection what is inside a satellite. But maneuvering or emplacing a number of otherwise unidentified satellites close enough to the several target satellites to destroy them promptly is likely to give warning of hostile intent. Agreements that satellites will be kept a certain distance apart when in the particular orbits, or that they will submit to some sort of identification procedure if they come closer than a certain distance, would greatly increase the likelihood of warning. Such agreements, conventionally termed "rules of the road," will be discussed below.

Laser ASAT's, both ground-based and space-based, have the advantage that they deliver their lethal punch at the speed of light and the disadvantage that it is much more difficult and costly to package enough energy to do damage in laser beams than in explosives or bullets. For this discussion, assume that the sensors have been designed so that lasers cannot do permanent damage by in-band illumination at any greater range than they can damage other materials in the satellite. Materials can be damaged either by continuous irradiation above a certain level or by a large single pulse of energy. We will assume a damage threshold against both mechanisms within the present state of the art—that is, above that of unhardened satellites but below what advanced material research promises to do.

Under these conditions, powerful but presently or soon to be available laser systems (lasers with the necessary optics, pointing, tracking, and computer capability) could damage a satellite from 100 to 1000 km away. Satellites in relatively low orbits could be damaged by such systems based on the ground. The main problem is not the laser power but adaptive optics to compensate for the natural fluctuations in the atmosphere's optical properties. The lasers and optics could probably be hidden, but the pointing and tracking and other experiments needed to develop the full ASAT system would probably be detected.

A high-orbit satellite of the stated level of hardness, on the other hand, could not be damaged from the ground except by lasers with power and optics far beyond what is now available or what will be available operationally in the next 10 years. Not only are these lasers not available now or expected soon, but they would be extremely difficult to hide. They would probably be the size of a football field, with optical components and stable bases for them larger than most astronomical installations, with power supplies in the hundreds of megawatts at least, the whole installed in a region that should be free from cloud cover most of the time if the ASAT system is to be effective.

Research on advanced material and other techniques could give us satellites orders of magnitude harder than the present state of the art. To damage such future satellites even in comparatively low orbits would take very complex, noticeable laser facilities.

High-orbit satellites with state-of-the-art level of survivability could be damaged by space-based lasers deployed within 100 to 1000 km of the targeted satellites, but such space-based laser ASAT's could not sweep the sky clear of satellites in a short time unless they were deployed one-on-one. This would make the space-based laser ASAT system not only difficult or impossible to deploy covertly, but also probably much more expensive than the targeted system.

In addition to lasers that operate in the visible and infrared frequency range and can be based on the ground, x-ray lasers and particle beams, which cannot penetrate the whole atmosphere, could be based in space or launched into space at the time of the attack. The x-ray lasers would involve the use of nuclear explosions. Particle-beam accelerators would be high-cost items, for the same reason that optical and infrared lasers are, namely that expensive and heavy facilities would have to be orbited. Both x-ray lasers and particle beams are in the research stage.

SURVIVABILITY OF MILITARY SPACE SYSTEMS

How do these various threats to the space systems interact with the timely functioning of the systems and what can be done about it? The question of space survivability must be dealt with separately for each of the main types of space systems.

As a first example, let me consider warning and communication systems. They are stationed in high orbits, usually geosynchronous. They must function in minutes. Because of their central role in nuclear operations, interference with these systems in situations that do not threaten to become nuclear in any participant's judgment is perhaps unlikely. In situations involving nuclear threat or alert, on the other hand, these systems become salient potential targets.

Ground-launched, direct-ascent ASAT's would take hours to reach geosynchronous altitudes. During that time, there is a chance (how much of a chance depends on our detection capability and alertness) that they could be recognized and action could be taken. Such action could include evasive motion on the part of the targeted satellites (the reaction of ASAT's in turn could confirm whether or not there was an attack on the system), higher states of alert, and attaching more credibility to the other means of strategic warning. The plausibility of any particular would depend on the circumstances.

Although direct-ascent ASAT's against warning and communication systems might well be used in connection with a nuclear attack, space-based ASAT's and future, very powerful ground-based lasers that might be able to destroy the systems rapidly or without notice are of greater concern. As noted above, however, if we carry out the various measures now planned or in progress to make the warning and communication systems less vulnerable, to give them unique orbits, and to improve our ability to monitor what is going on in space in real time, we will probably be able to detect any ASAT system likely to be effective rapidly and will probably also know if an attack is in progress.

Low-altitude systems offer a more difficult safeguarding problem. The lower orbits make it easier for ground-based lasers and faster for direct-ascent ASAT's to destroy the satellites. We would probably know, from testing and other necessary activities, whether a threat existed and, with proper system design for survivability, the required ASAT system would have to be large and expensive. Thus, although sudden denial in a crisis of the information these satellites bring could not be ruled out, an attack could probably not be carried out in a covert or deniable way if we design the systems appropriately.

Different space systems have their own time lines, cost elements, and vulnerabilities. In most cases, perhaps all, easy or deniable interference with the systems can be prevented through the use of sophisticated techniques to protect communication links and by hardening satellites so that low to moderate power, ground-based lasers cannot damage them.

DISCUSSION

To reach some conclusion regarding the usefulness of various possible arms control arrangements in space,[2] we must have some

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[1] What is said here and elsewhere in this article regarding nuclear explosions or lasers in space may not apply to nuclear-driven x-ray lasers.

[2] For a history of ASAT negotiations and a survey of current positions, *see Nuclear Arms Control, Background and Issues* (National Academy Press, Washington, DC. 1985), chap. 6.

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notion of what eventualities we want to prepare against and at what level of priority. On the whole, there has been agreement that the essential warning and communication capabilities should be preserved at a very high priority even in the face of a nuclear attack. Much can be done to preserve these capabilities by unilateral measures. Stabilizing this situation seems a reasonable objective for arms control agreements in space, assuming there is not overriding rationale for deploying ASAT's in connection with or to deter conventional wars or crises, an assumption which seems warranted by history to date. Such an objective would lead us to focus first on space-based weapons and on ground-based laser systems sufficiently capable to damage hardened satellite systems, especially at high altitudes.

Verification is a major concern. There is no hope of arms control agreements being adequately verifiable unless we take the steps outlined above, as well as others, to enhance the survivability of the space functions as much as possible unilaterally, consistent with reasonable increases in systems cost. If we do not take these steps, small, not readily identifiable ground-based lasers, for instance, could have an ASAT capability. If we do take those steps, however, several agreements might enhance the security of at least the high-altitude space assets most relevant to nuclear stability in an adequately verifiable way. The following is a tentative and partial list.

(1) Develop rules of the road, that is, international agreements governing the use of space. These agreements might, for example, make it legal for any signatory nation to take some action regarding other nations' satellites coming closer than certain stated distances to specified satellites of its own. The stated distances and specified satellites would have to be worked out according to the orbits of the satellites to be protected and according to the requirements of civilian space users. Rules of the road that provide effective protection or warning may only be feasible in orbits that are not heavily used by civilian space users. The action to be permitted would also depend on the circumstances. It could range from requiring that entering legal satellites carry beacons to providing opportunities for inspection to acutal destruction of a trespassing satellite.[3] These rules of the road would not provide foolproof saftey against space mines and other space-based ASAT's. They would make the task of effective attack against certain space functions, which should already be a difficult matter if the systems carrying out these functions are suitably designed, more difficult yet and more uncertain.

(2) Ban the test and deployment of ground-based lasers in an ASAT mode. Bans on lasers in the appropriate power range coupled to sophisticated compensating optics to send the light through the atmosphere are probably very likely to be verifiable.

(3) Ban the test and deployment of projectile launchers, lasers, particle beams, and any other ASAT's in space. These would be in the main distinctive space installations that would require testing in space. The associated test program and deployment in numbers adequate to constitute a threat to a properly designed space system should both be verifiable.

Such arms control measures would not make our satellites safe against nuclear attack by specially configured intercontinental ballistic missiles, for example. They could, however, augment unilateral measures in ensuring that warning and communication systems, especially, could survive for some crucial period of time in the event of a nuclear war or crisis. They could also help avoid deployments that seem to add little or nothing to our security and that might make the handling of lower level conflicts more difficult and more risky.

If extensive strategic defenses are deployed, the ASAT and counter-ASAT picture changes completely. This is particularly true if space-based weapons are developed and deployed. Under such circumstances, all space assets, whether needed for defense or offense, for warning or other purpose, would have to operate in a very hostile environment. They would have to be hardened beyond anything now contemplated, at commensurate cost, or alternatively be mobile, defended, or proliferated. Space hardware would replicate the characteristics of earthbound military hardware. We would have the space analog of tank corps and carrier battle groups. The recommendations herein do not apply to such an era. Arms control in such an era, if it were possible, would be closer to the Strategic Arms Limitation Treaty—type of agreements, in which limits in the thousands or perhaps hundreds are agreed to.

The question of whether and when to proceed toward strategic defenses thus subsumes the question of safeguarding present space functions. Space assets much more complex and expensive than the present ones must be safeguarded if there are to be effective space defenses, and they must be safeguarded against very severe threats. It is not clear to me when we will know whether this can be done. The sort of partial ASAT ban suggested above would not in the long term be compatible with an active R&D program aimed at testing the survivability of strategic defenses in space. We are therefore thrown back on whether and at what pace to proceed toward strategic defenses as the first question to settle.

My view is that the right kind of strategic defenses could be helpful both to deterrence and to survival but that we are a long way from being able to tell whether that potential will be realized. Defenses could be helpful to deterrence, if coordinated with survivable offensive forces, by reducing both the real and the perceived differences between first and second strikes and by offering the possibility of defending against accidents and of stalemating limited attacks. They could also limit damage from a nuclear attack, if they are sufficiently survivable and sufficiently cost-effective so as not to lead to offsetting buildups.

However, we are not close to knowing whether an effective defense system can be built or what it would look like. We do not know for instance whether it should be based in space and to what extent, nor do we know what the component of the system should be. If space deployments are needed, a whole new regime of launch capabilities will have to come into being first. It thus seems unlikely that a strategic defense deployment of any value can begin within at least 10 years.

Thus the United States and the Soviet Union could agree to maintain the Anti-Ballistic Missile Treaty for some period of time, perhaps 10 years, possibly with exceptions to be negotiated for certain tests, without substantially harming the prospects for an effective defense. We could also complement the Anti-Ballistic Missile Treaty with ASAT agreements and rules of the road, those again to be good for the same period of time. Such measures could give us a chance to see what if anything new technologies might lead to in the way of a more satisfactory basis for peace.

CONCLUSION

Space systems are not all the same from the point of view of survivability. High-altitude systems, such as warning and communication systems, have the best prospects.

Similarly, ASAT systems are not all the same from either the standpoint of effectiveness or verification. In general, the more survivable the space system, the more costly and extensive the ASAT system needed to attack it effectively and the more verifiable a ban on such effective ASAT systems is likely to be. The exception is inorbit weapons, which might be handled with rules of the road.

Thus, from the point of view of safeguarding our space assets, especially our warning and communication assets which are most crucial for nuclear stability, there is a definite advantage to at least partial ASAT bans, if verifiable, and to appropriate rules of the road.

The deployment of strategic defense systems might change these conclusions. It might for one thing enormously increase the amount of resources that we would launch into space. However, that technology does not appear to warrant an early deployment decision for strategic defenses. As a result, it seems that proceeding with space arms control measures, in conjunction with unilateral survivability measures, is well warranted.

Mr. JOHNSTON. Mr. President, I extend to my distinguished colleague from North Carolina my apologies for taking so long with my statement.

The PRESIDING OFFICER. Under the previous order, the Senator from North Carolina is now recognized.

Mr. HELMS. Mr. President, of course, I thank the Chair and I thank my friend from Louisiana, Mr. JOHNSTON.

THE PRESIDENT'S ACTION AGAINST LIBYA

Mr. HELMS. Mr. President, I have never been prouder of President Reagan than I was last night when he informed the Nation that the United States had made a significant strike against the regime of Mu'ammar Qadhafi.

Clearly, the time had come when the United States was obliged to face up to the threat to international peace provoked by world terrorism. That threat was symbolized by the bomb placed in TWA 840. If the President had blinked, and nothing had happened, we would have seen a massive escalation of terrorism throughout the world.

It was necessary and proper for the United States to take decisive action—not in retaliation, not in vengeance, but to remove the existing threat. Qadhafi's capability to destroy innocent lives must be removed.

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[3] A. Wohlstetter and B. Chow. *Wall Street Journal*, 17 July 1985, p. 28 (eastern edition).

At the same time, Mr. President, our allies must recognize this fact, both in Western Europe and in the Arab world, that the time has come. Although the United States is the most obvious target of opportunity, all free nations are at risk. The European nations may have short range goals to continue their trade and investments in Libya; but in the long run their very existence may be threatened by the arbitrary terrorism of Libya's leader.

The Arab nations, too, must face the fact that Qadhafi is a threat to their stability and flexibility. For it is not just the Islamic fundamentalism that is the problem. Behind the surface turmoil lies the strong support and encouragement of the Soviet Union using the passions of the Middle East to undermine and weaken all non-Communist nations.

Unless both Europe and the Arab world realize that this is, at bottom, a confrontation between the Soviet Union and the free world, there will be no end to the destabilization of the Western World.

Frankly, I am deeply concerned that we as a nation, and the administration in particular, were being perceived as not having yet fully realized the incontrovertable fact that Libya, Iran, and Syria have declared war upon the United States by word and by deed. The President's powerful leadership has recognized that Libya is an important agent in world terrorism. But Qadhafi is just a front man. It is not just Libya that is the problem; Iran and Syria are far more fundamentally involved.

I am concerned that we are facing a clear threat to our Nation's security and to the security of our fellow citizens. Last June, in a Senate speech, I pointed out the intricate relationship between Libya, Iran, and Syria. I pointed out that on June 23, 1985, Libya and Iran signed a treaty of strategic and political alliance, just 9 days after the hijacking of TWA 847.

Yet I am sorry to see the perception that the administration was pursuing little more than a policy of rhetoric when it comes to Syria and Iran. It was all confined to Libya. Now Syria and Iran are pursuing a policy of war. There is no question about that, and rhetoric will never stop war.

Mr. President, no one wants war. Precisely because no one wants war, we must take those actions which will prevent a war from developing. Indeed, unless such action is taken, this Nation will be slowly dragged, more and more, into the war which we all want to avoid.

Mr. President, when, after the TWA 847 hijack crisis, I spoke in some detail in this Chamber on the subject of the international terrorism unleashed by Iran, Libya, and Syria, I noted that Iran was behind the TWA 847 attack. I also presented to the Senate extensive documentation gathered by my staff not only about that attack but also about the global network of terrorism that Khomeini has organized.

Since last June, Americans have been murdered by terrorists in the *Achille Lauro* attack, in the Rome and Vienna attacks, in the recent TWA 840 attack, and in the Berlin nightclub attack. Prior to this, hundreds of Americans have perished in attacks against our Embassies and against our military forces.

Therefore, Mr. President, I do hope that the administration will make a detailed presentation directly to the American people and to the press of the global infrastructure of terror that we are facing today. The public needs to know the facts and it is entitled to them.

I commend our distinguished colleague from Alabama [Mr. DENTON] for his determined and relentless efforts to expose international terrorism and educate not only our colleagues but also the American people. The hearings which he has held in the Subcommittee on Security and Terrorism, which he chairs, have been an invaluable service to our country.

In recent days, we have had to endure the spectacle of American officials being dispatched to Western Europe in order to seek cooperation with our supposed allies on the matter of international terrorism. This Senator can see no pressing need for our Nation to go hat in hand to the European governments, which have, so far, backed away from effectively defending their own people from international terrorism. We know all too well their excuses which put, under the guise of trade relations, the interests of their multinational corporations and their international financiers ahead of the security of the people of Western Europe.

And, today and last night, I felt obliged to ask: Do our friends in Europe not recall the enormous sacrifices of the American people during World War II? Where would they be today had it not been for the gallant men who gave their lives to rescue Europe from the clutches of Adolph Hitler? Is there no gratitude?

But, let me go back, Mr. President, and reiterate that the way to stop war is to take action against the facilities which give the capability of war.

When there is imminent danger that the peace will be endangered, or where there is a continuing breach of the peace where lives and property are threatened, it is necessary to stop the threat or the breach.

That is what the President had done in Libya. The American people would support not mere retaliatory air strikes. We have no need to "retaliate" against an enemy out of some supposed desire for vengeance. The only need to strike at Libya is to eliminate an immediate danger. That is what the President has done, and I commend him for it.

Mr. McCLURE. Will the Senator yield?

Mr. HELMS. Certainly.

Mr. McCLURE. I wish to commend the distinguished Senator from North Carolina for the statement he is making, and join with him in commending Senator DENTON for the hours and hours of dedicated effort he has put in through the subcommittee which he chairs to uncover the sources, the causes, and perhaps to point to some of the responses to international terrorism.

I think there are a great many people who have been waiting for us to take affirmative action and I suspect last night when it became apparent that this country was, under the leadership of President Reagan, going to respond very affirmatively and directly—there were two reactions. The most immediate one was "thank goodness, we are finally doing something;" and the second was "but I wonder where this leads us."

So I suspect most of the joy and support was tempered by a concern that it makes the situation better rather than worse. I join with the Senator in my own conviction that while this is a very difficult situation to know cause and effect, and to determine whether any specific action will make the situation better or worse, when you get down to really making a decision, and you have to choose between alternatives, this course of action was the best of the alternatives; that to do nothing is a worse alternative that surely would lead to a worsening of the situation.

I suppose that particular question will be debated endlessly, and the people will be analyzing it with meticulous care for months, if not for years, the course of events from this day forward as to whether or not it succeeded or failed.

But ultimately the President of the United States was confronted with an agonizing decision. No alternative was wholly satisfactory. I join with the Senator from North Carolina for commending the President for the courage to make hard decisions when hard decisions are called for when we far too often have seen in recent years a tendency to somehow duck that hard decision in the hope that the problem would somehow otherwise be dealt with.

I appreciate the Senator's comments.

Mr. HELMS. I thank the Senator.

Mr. President, Senator McCLURE and I are mindful of the great leadership of Senator DENTON in this vital field. Unfortunately, for many, many

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months his activities have been almost ignored by the media, but I think that they cannot be ignored any longer.

But in any case, Jerry Denton represents to me the finest spirit of America. I shall never forget the morning that the first contingent of prisoners of war came back home. Of course, Jerry Denton was the first down the ramp, and his first words were "God Bless America." I recall on that occasion that he thanked the American people for letting him go and serve. Here is a man, I would say to my friend from Idaho, who had endured 7 years of hellish torment as a prisoner of war.

So I am certainly grateful to Jerry Denton for all he has done and is doing, and I thank the Senator from Idaho for his remarks.

Mr. President, it is clear to this Senator that there is a very specific set of appropriate targets which is self-evident. The targets are the leadership and personnel of the terrorist organizations, their training facilities, their headquarters, their weapons caches, their supporters in foreign governments who sponsor international terrorism, and the infrastructure which these governments provide.

Mr. President, it is clear that such an infrastructure exists. In January 1985—6 months, before the TWA 847 hijacking—Libya, Iran, and Syria held a Foreign Ministers conference in Tehran to map out terrorist strategy for 1985 and beyond. In my statement here last June, I pointed to this as a clear indication of the nature of the war planning effort that these countries were engaged in. Terrorist attacks since last year have served to confirm this settled design and joint war effort.

Until yesterday, however, the United States had not acted effectively to counter this joint war effort. As a consequence, more and more Americans have perished at the hands of international terrorists and more will perish. We simply cannot escape the fact that Libya, Syria, and Iran are at war with our country. We cannot escape the urgent necessity to take whatever measures are necessary to defend ourselves.

Mr. President, there is only one form of response in this war. It is the direct use of lethal force in the degree necessary to destroy the intended target whether it be an individual terrorist in action, a terrorist headquarters building, a terrorist training center, a terrorist weapons cache, or any other part of the terrorist infrastructure operated by Iran, Libya, Syria and others.

Mr. President, this use of lethal force can be in the form of covert action or it can be in the form of overt military action for larger scale targets. The point is this. Lethal force must be used and used decisively in a timely manner.

The most appropriate and obvious targets for covert action are the leadership and operational personnel of the terrorist organizations who are at war with the United States. Wars are fought with the implements of war and not with lawsuits and political rhetoric.

THE TWA 840 ATTACK

Mr. President, the attack against TWA 840 resulted in the death of four Americans. Over this past weekend, millions of Americans witnessed TV clips of their funeral services and the funeral service of the serviceman murdered in the Berlin nightclub.

Mr. President, I have taken some trouble to investigate the background of these sad events by going to reliable sources outside of the intelligence community. I am not a member of the Senate Intelligence Committee, and I have not asked to be made privy to classified information that might disclose sources and methods if it were revealed. Rather I have gone to my own sources which have proved exceedingly reliable in the past, and I present the following information in the belief that it will prove reliable in the future. I believe that the more information which is available for public discussion the better, and I invite any responsible criticisms or corrections which will help to foster understanding.

According to my responsible and well-informed sources in Lebanon and elsewhere in the Middle East, there is little doubt that May Elias Mansur, the woman who sat in seat 10F, where the bomb was planted, was responsible for implementing the attack.

Mr. President, Mansur is no normal housewife and businesswoman as she would have the Western public believe in her well-staged press opportunities. I believe that events will show that she is, in fact, a hardened terrorist who just killed four Americans.

These same sources give the following account of Mansur's terrorist past and present. In the early 1970's, she reportedly joined the Lebanese Action Party, a Communist party with a pro-Albanian line. She then became the companion to Abu Jihad who is the commander of Yassir Arafat's PLO military forces. She carried out several missions for the PLO, although in an apparently nonmilitary role.

In 1982-83, Mansur joined the Syrian Nationalist Party and was sent to London for several months.

In early 1984, my sources indicate that she joined the Abu Nidal terrorist organization. The Revolutionary Fatah is a breakaway group from Arafat's al-Fatah. She then traveled to Libya and stayed there until June 1985. She then returned to Lebanon via Tunisia and Cairo. After that, she regularly shuttled back and forth between Beirut and Cairo on special missions.

Finally, I believe that after many years of terrorist preparation, Mansur was entrusted by her superiors with the attack against TWA 840, a mission which was handled with deadly professionalism. According to some experts, had the aircraft not been in a low altitude descent pattern, it would have been completely torn to pieces by the force of the explosion and all aboard would likely have perished.

THE ABU NIDAL ORGANIZATION

Mr. President, the international terrorist known as Abu Nidal was an Iraqi and Syrian asset. In 1981, however, he was expelled from Iraq and began to operate out of Syria until 1984.

His organization, the Revolutionary Fatah, is based in Libya. It is said to have about 50 to 60 core members. Most of these terrorists are Palestinians but it is reported that there are also Turkish, Jordanian, Armenian, Lebanese, Bangladeshi, and Pakistani members. Many analysts, with reason, consider them to be the best professional terrorist organization in the world today. They are highly trained and highly capable professional killers.

According to recent information from the Middle East, there are indications that this group is planning to relocate to Lebanon. There, they intend to connect into the Khomeini Hisbollah terrorist network.

I would note that some sources in the Middle East believe that Abu Nidal himself is dead. According to these sources, he was flown from Damascas to East Germany in 1984 for cancer treatment. Near death, he supposedly requested to be flown to Bagdad to be with his family and to be buried there. It is said that he died in late 1984 and was buried in Bagdad at a funeral service attended by his family, supporters, and some press. In the confused network of Middle Eastern intrigue, no one has been able to establish with certainty the facts of this narration. Nevertheless, there are many experts who believe that this is the truth.

Since his reported death, these sources point to his former second-in-command, Abbas Saleh, known as Abu Ahmad, as the new leader of the organization. It is reported that he is frequently in Iran for consultations.

Since the Abu Nidal organization is hosted by Qadhafi, receives Qadhafi's direct aid and support, and operates on Qadhafi's behalf, the conclusion is inescapable that the TWA 840 attack was a Qadhafi operation.

QADHAFI SUPPORTS KHOMEINI'S HISBOLLAH

In Lebanon, Qadhafi had several terrorist formations which he supported. They were the Morabatoun and the Independent Nasserist Fighters. These pro-Qadhafi groups were crushed in

1985 by Nabi Birri and his Amal militia who are anti-Qadhafi and anti-Khomeini. The leader of the pro-Qadhafi terrorist formations, Ibrahim Gholailat, fled to Europe and now operates out of Paris.

My sources report that, after his Lebanese formations were crushed by the Birri forces, Qadhafi supported several smaller armed bands. Over the last year, however, he has formalized his cooperation with and support of the pro-Khomeini Hisbollah terrorist organizations based in Lebanon.

Last year, one of the Hisbollah Executive Committee members, Abdul Azziz Hakkim, visited Libya and obtained an agreement with Qadhafi for considerable financial support as well as military aid in the form of weapons and ammunition.

Qadhafi, through Hakkim, invited the Hisbollah to establish an office in Tripoli. Two key operatives were dispatched from Hisbollah's Lebanese organization to open this office. These agents are reported to be Hosseyn Sadr and Mehti al-Hashemi. Hosseyn Sadr, 38, is a member of the Islamic Revolutionary Council for the Liberation of Iraq and was related to Ayatollah Bagher Sadr who was executed by Iraq for subversive activity. Formerly a Shiite clergyman, Hosseyn Sadr became a trained terrorist. Mehti al-Hashemi, 40, was a teacher in eastern Lebanon. He is a close confidant of Hosseyn Mossavi the leader of the Islamic Amal terrorist organization. Al-Hashemi was a member of Khomeini's Iranian Revolutionary Guard command in the Bekaa Valley.

For joint Libyan-Iranian terrorist operations, Qadhafi's Abu Nidal organization representatives meet with the two Hisbollah representatives in Libya for planning and coordination. The Rome and Vienna attacks are examples of this type of joint Libyan-Iranian operation according to informed sources. As Admiral Martini of the Italian military intelligence service correctly observed, the terrorists involved in the Rome and Vienna operations were trained in Iran and, assisted by Syria, passed through Damascas on their way to West Europe. Logistical assistance was reportedly provided by Libya. For these types of operations, Libya provides not only false passports from Morocco or Tunisia, for example, but also makes available safehouses, weapons, explosives, and other assistance from Qadhafi's well-established terrorist infrastructure in Europe.

Mr. President, Senators should note that there are millions of aliens, many illegal, in Western Europe from Morocco, Algeria, Tunisia, Libya, and other Arab countries. This massive population group provides ample cover for Middle Eastern terrorists and their operations as well as a recruiting ground for potential terrorists. Libya and Iran are known to fund substantial sums to labor organizations representing Arab workers in West Europe. Terrorists are recruited and then trained in Libya and Iran. They return to Europe to remain in place until they are activated for such operations as the Berlin nightclub attack. It is known that the West German Baader-Meinhof terrorist group as well as other European terrorist groups maintain close relations with Libya and Iran.

As for the Berlin attack, it is well known that the Libyan intelligence service, the Mukhabarat, is under the control of the East German intelligence service which itself is under the control of the KGB.

KHOMEINI'S HISBOLLAH IN LEBANON

Mr. President, Khomeini's terrorist force in Lebanon, the Hisbollah, is no longer the small single party that it started out as in 1981. Hisbollah has been transformed into a terrorist united front organization composed of both Shiite and Sunni terrorist organizations who retain their own separate identities but act jointly under an executive committee.

As I noted earlier, Mr. President, the Hisbollah has established an office in Tripoli, Libya, in order to better coordinate joint terrorist operations with Qadhafi.

After the TWA 847 attack last year, Hisbollah was reorganized and an executive committee was formed. The executive committee of Hisbollah contains 14 representatives from 5 terrorist organizations.

There are five representatives from the original Hisbollah organization. They are: Shaykh Ibrahim al-Amin; Shaykh Mohharram al-Arefi; Shaykh Sobhi Tofaili, the founder of Hisbollah in Lebanon; Shaykh Ahmed Zaki Toffane; and Shaykh Salaheddin Arghedan.

There are two representatives from Islamic Amal. They are: Hosseyn Mossavi, its founder, and Shaykh Abbas Mossavi.

There are two representatives from the Iraqi section of the Al-Dawa party. They are: Abdul Azziz Hakkim and Shayk Muhammad Hosseyn Nasseri.

There are two representatives from the Kuwaiti section of the Al-Dawa party. They are: Mehti al-Moussavi and Dr. Mahmoud al-Dashti.

There are two members of the Islamic Towhid Movement, a Sunni terrorist organization. They are: Shaykh Said Shabban and Eng. Abdullah Babati.

The chairman of the Hisbollah Executive Committee is the former Shaykh Muhammad Hosseyn Fadlallah. During February of this year, Fadlallah and a number of Lebanese terrorist leaders traveled to Iran for a 6 to 7 week visit. On February 11, Ayatollah Khomeini formally installed Fadlallah as an "Ayatollah." This was a highly unusual ceremony because it was the first time that Khomeini had conferred the title of "Ayatollah" on a foreigner.

Khomeini's Chargé d'Affaires in Beirut, Mahmoud Nourani, is reported to always participate in the meetings of the Hisbollah Executive Committee. His role is to convey plans for terrorist operations directly from Tehran. He also proposes terrorist operations on his own initiative as well as counsels the Hisbollah Executive Committee on terrorist operations and plans they develop themselves.

Until February of this year, Iranian funding of Lebanese terrorist organizations flowed either through the Iranian Beirut Embassy, the Shahid Foundation based in Iran, or the Iranian Revolutionary Guards stationed in the Bekaa Valley. Since February, however, the funds flow only through Nourani at the Embassy. The Hisbollah Executive Committee then apportions the money among its member terrorist organizations.

QADHAFI'S SUBVERSION IN THE WESTERN HEMISPHERE

Mr. President, as chairman of the Western Hemisphere Subcommittee, I would draw Senators' attention to the fact that Qadhafi has developed a terrorist infrastructure in the Western Hemisphere, particularly in Central America and the Caribbean region. He has done this in order to not only destabilize the governments of countries friendly to the United States but also to have a base of operations for terrorist attacks against the United States itself.

Libya has financed the election campaigns of several extremist Presidential candidates in the eastern Caribbean. Libya has provided several hundred million dollars to the Communist regime in Nicaragua. Libya has established a presence in Surinam and has used Surinam as a transshipment point for the delivery of Soviet bloc war materiel to Communist Nicaragua.

Mr. President, last year, Iran purchased a large shipment of rice from Thailand. This rice was then transfered to Libya which in turn gave it to the Communist regime in Nicaragua as a gift. This same pattern has occurred with Argentine beef. I would also point out that it has been revealed by sources within Qadhafi's own palace that he is a heavy user of the drug cocaine which the Communist government of Nicaragua makes available to him.

For its part, Iran maintains at least two major bank accounts in Panama for its operations in the Western Hemisphere. Last year, Khomeini promised the Communist regime in Nicaragua some 200 busses which will undoubtedly be used as troop transports. Sources inside Iran report that Iranian President Khameni will visit

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Nicaragua sometime this year and that President Ortega plans to visit Iran this year.

Mr. President, as I stated at the outset of my remarks today, the time has long since come for decisive and effective action to combat the ever-growing international terrorist apparatus of Libya, Iran, and Syria. It is time for a serious national decision to employ the necessary means, particularly through covert action, to systematically eliminate the very real and present danger posed by international terrorism to our Nation's security and to the well-being of our fellow citizens.

Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. McCLURE. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

ELECTRIC CONSUMERS PROTECTION ACT

The Senate continued with the consideration of the bill.

The PRESIDING OFFICER. The question is on agreeing to the motion of the Senator from Idaho to lay on the table the amendment of the Senator from Colorado. On this question, the yeas and nays have been ordered, and the clerk will call the roll.

The legislative clerk called the roll.

Mr. SIMPSON. I announce that the Senator from Florida [Mrs. HAWKINS] is necessarily absent.

I also announce that the Senator from Arizona [Mr. GOLDWATER] is absent due to illness.

The PRESIDING OFFICER (Mr. EVANS). Are there any other Senators in the Chamber who desire to vote?

The result was announced—yeas 80, nays 18, as follows:

[Rollcall Vote No. 66 Leg.]

YEAS—80

Abdnor
Armstrong
Bentsen
Biden
Bingaman
Boren
Boschwitz
Bradley
Bumpers
Byrd
Chafee
Chiles
Cochran
Cohen
Cranston
D'Amato
Danforth
DeConcini
Denton
Dodd
Dole
Domenici
Durenberger
East
Evans
Ford
Garn
Glenn
Gorton
Gramm
Grassley
Hatch
Hatfield
Hecht
Heflin
Heinz
Helms
Hollings
Humphrey
Johnston
Kassebaum
Kasten
Kerry
Lautenberg
Laxalt
Leahy
Levin
Long
Lugar
Mathias
Matsunaga
Mattingly
McClure
McConnell
Melcher
Mitchell
Moynihan
Murkowski
Nickles
Nunn
Packwood
Proxmire
Quayle
Riegle
Rockefeller
Roth
Rudman
Simpson
Specter
Stafford
Stennis
Stevens
Symms
Thurmond
Trible
Wallop
Warner
Weicker
Wilson
Zorinsky

NAYS—18

Andrews
Baucus
Burdick
Dixon
Eagleton
Exon
Gore
Harkin
Hart
Inouye
Kennedy
Metzenbaum
Pell
Pressler
Pryor
Sarbanes
Sasser
Simon

NOT VOTING—2

Goldwater
Hawkins

So the motion to lay on the table was agreed to.

Mr. DOLE. Mr. President, I move to reconsider the vote by which the motion to table was agreed to.

Mr. McCLURE. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

The PRESIDING OFFICER. The Senate will be in order.

The bill is open to amendment by the Senator from Montana, and only the Senator from Montana.

The Chair announces that if the Senator from Montana does not offer an amendment at this time, there is no further debate. Is there further debate?

The question is on agreeing to the committee substitute.

Mr. MELCHER. Mr. President, as we discussed this morning——

The PRESIDING OFFICER. Debate is not in order unless the Senator offers an amendment.

Mr. JOHNSTON. Regular order, Mr. President.

Mr. MELCHER. Mr. President, may I offer my amendment?

The PRESIDING OFFICER. If the Senator wishes to offer an amendment, it is his right.

Mr. MELCHER. A parliamentary inquiry. Is it proper for me to discuss my amendment?

The PRESIDING OFFICER. Not before offering the amendment.

Mr. MELCHER. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. MELCHER. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

AMENDMENT NO. 1784

(Purpose: To provide specific wheeling authority under sections 211 and 212 of PURPA)

Mr. MELCHER. Mr. President, earlier this morning we spoke at some length, at least 1½ hours, about an amendment I will be introducing.

The PRESIDING OFFICER. The Senator is out of order unless he sends an amendment to the desk.

Mr. MELCHER. Mr. President, I am sending an amendment to the desk.

The PRESIDING OFFICER. No debate is allowed until the amendment is sent to the desk.

Mr. MELCHER. Mr. President, I am sending an amendment to the desk. I call the attention of a page and hopefully someone will come and take the amendment.

The PRESIDING OFFICER. The amendment will be stated.

The assistant legislative clerk read as follows:

> The Senator from Montana [Mr. MELCHER] proposes an amendment numbered 1784.

Mr. MELCHER. Mr. President, I ask unanimous consent that reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

> S. 426 is hereby amended by adding the following new section :
>
> "SEC. . WHEELING OF POWER.
>
> (a) Section 211 of the Public Utilities Regulatory Policy Act of 1978 (16 U.S.C. section 824(j) is amended as follows—
>
> (1) Strike out subsection (c)(1).
>
> (2) Strike out subsection (c)(2)(B).
>
> (3) Redesignate subsections (c)(2), (c)(3) and (c)(4) as subsections (c)(1), (c)(2) and (c)(3) respectively.
>
> (b) Section 212(1) of the Public Utilities Regulatory Policy Act of 1978 (16 U.S.C. section 824(k)(1)) is amended as follows:
>
> (1) Strike out 'electric utility,'.
>
> (2) Insert ',or, in the case of any electric utility affect by the order, is not likely to unduly affect the cost of service provided to its customers,' after 'order'."

Mr. MELCHER. Mr. President, as I was stating earlier this morning we discussed the proposed amendment that is now at the desk and before us. We had discussed it on Friday when we were on the bill previous to that. I had described the amendment. I had circulated the amendment to committee staff of both sides prior to Friday and stated that if the amendment does not do as I purported it to accomplish, then, of course, I would like to know what its fallacies and faults were and make some corrections in order to make it an agreeable amendment.

There are none of us, I believe, here in the Senate who do not agree that we would like to give all utility companies the opportunity for transporting of electric power that they have to transmit it on lines that have the room or have the capability of transmitting it so as to provide for good business practices, and that is what we call wheeling.

Wheeling by one utility company that has the capacity for transmitting of power generated by another utility is widely done, and the question, of course, immediately occurs if it is widely done, do we need anything more in the law to augment what is already presently in the law.

The answer to that is, "Yes," there are occasions when the applicant company that generates some power and wants to get it wheeled by another utility is refused by the utility having the capacity to transmit that power.

So, this amendment seeks in a narrow way to make a correction in existing law.

I have earlier discussed the point that the Federal Power Act passed in 1935 did not correct the situation. The amendments to the Federal Power Act adopted in 1978, the PURPA Act, sought to do that.

Over the weekend, I asked for a critique on the amendment from the Edison Electric Institute. They were very gracious and very cooperative in providing me with that critique on Monday by noon, and they found fault with it.

I have gone over their critique and have recognized a legitimacy of their complaints, but it is coming down to the crunch where their complaints are not agreed to by attorneys on the other side.

I have described this, Mr. President, to the managers of the bill. We have had some opportunity to debate the questions of how to correct it and get something that we can agree on.

Let me outline, again, Mr. President, what I suggest should be the basis of agreement. The utility company, which owns the transmission lines where the wheeling is to be done is paid for the service by the second utility company. Now on this amendment which I now have offered and where fault has been found by Edison Electric Institute and by the managers of the bill, I would seek to modify the amendment. And let me tell you why.

The sections of the Federal Power Act, as I earlier mentioned, passed in 1935 and as amended by PURPA simply have not closed all the gaps. These are my objectives in the amendment which I hope we can finally adopt, whether it is in the form as it is now or whether it is modified.

These criteria are as follows: That the utility company with the transmission lines must have room, that is, unused capacity to carry additional electrical power.

Second, the utility company with unused capacity on its transmission lines cannot be forced to carry additional power if, in doing so, the circumstances would significantly burden the utility company's ratepayers. In other words, I seek in my amendment that the amendment would not have a significant cost or harmful cost effect on the consumers of a utility company required to carry electrical power generated by the other utility companies seeking the wheeling contract.

Third, the need by the applicant utility company asking for the wheeling contract must be able to demonstrate, to the satisfaction of the Federal Energy Regulatory Commission—FERC—that the wheeling contract is in the public interest.

And, last, the fourth point is, the wheeling contract must not violate State law.

Now, this is really an old issue. The Federal Power Act passed in 1945, of course, did not resolve the issue. Section 211 and section 212 of that act were amended by PURPA in 1978 and there were quite a few in Congress and in the electric utility industry that stated that those amendments would resolve the issue. That has not proven to be the case.

It is true that we have had a significant number of voluntarily negotiated wheeling service agreements. Over 1,380 such agreements have been entered into since 1976, and they are filed with FERC. So that is progress. But it is very apparent that wheeling contracts are in the public interest and that it is good business practice for both sides, the utility company that gets paid for transmitting electrical power and the second utility company that can have the power carried on unused capacity of an existing transmission line.

Now, this point should not be lost, Mr. President, by the wheeling contracts that have been entered into. There have been occasions when, just because of the wheeling contracts, there was not any need to build a new transmission line. New transmission lines, at their best, raise a point on the satisfaction of the environmental requirements and almost invariably raise the question of the esthetic value. And so to avoid any blight on the environment or any blight on the esthetics of the area, every time we can avoid the construction of a new transmission line, we are much further ahead, and there is a sigh of relief from almost all sides.

I want to compliment the Western Systems Coordinating Council, which includes a large part of our Big Sky Country of Montana, who have worked diligently and consistently to make sure that where wheeling contracts are practical and efficient and needed, all sides get together and agree on them. And so it is on that type of philosophy that I seek to have an amendment that will satisfy all those four criteria that move us forward with more opportunities for wheeling contracts to be entered into. We have the opportunity in this bill to do just that.

Now, the managers of the bill, very properly—and I fault them not at all for doing so—say, well, they do not understand exactly what is needed. If we have almost 1,400, and perhaps even more than 1,400 voluntary agreements, if we have all those agreements, surely the system works. Why do more? Why get into this?

They are not awared, they state, that there is a problem. Well, yes, indeed, there is a problem. The American Public Power Association, long known for its advocacy of more wheeling contracts, in July 1985, put together some of the problems as they saw them. In other words, they describe instances where they felt that a wheeling contract should have been granted. I read some of those this morning. I will not repeat those. But let me read you a couple more.

> Kentucky Utilities has refused to wheel power from the Southeastern Power Administration to eight Kentucky cities since 1974. A 1980 SEPA complaint to FERC resulted in a decision that the Commission had no authority to order KU to wheel under the Public Utilities Regulatory Policy Act of 1978 (PURPA) because such wheeling would not "reasonably preserve existing competitive relationships," as PURPA requires. The Department of Justice began an antitrust action to compel KU to wheel the SEPA power in 1981.

I believe that case is probably in trial right now. This is an old report from the American Public Power Association. They projected that the case would be tried this spring.

The second one that I will cite this afternoon that they state demonstrates the need for some change is:

> The giant American Electric Power Corp. forces other utilities, dependent on its monopoly ownership of transmission, to forgo short term and opportunity sales and purchases. AEP will not sell transmission service in less than 12-month time segments, and imposes unreasonable notice requirements. A utility which uses transmission for one day must pay for 12 months, and in some cases must make a formal request 60 days in advance for reservation of capacity for no less than one year. The upshot is that AEP acquires a competitive advantage over other generating utilities through its control of the transmission system. It is ensured access to markets closed to others.

A third one, and these are the only three that I will mention this afternoon.

> Wisconsin Electric Co. has filed wheeling rates, but it interprets the terms of the tariff to define all transactions as firm, this pricing them at high, firm wheeling rates rather than lower interruptible rates. Wisconsin Public Power, Inc., a publicly owned power agency dependent on Wisconsin Electric transmission services, states that only about half of its transactions are in fact firm.

What does all that say? What do those three examples say?

Mr. President, what these little utilities are saying is, they would like to have a forum—the Federal Energy Regulatory Commission, which is empowered by law to resolve these.

I have heard the argument, well, the Federal Energy Regulatory Commission has all the authority they need. That is not found to be true.

So the amendment would seek to correct that. The amendment is directed at wheeling contracts on the consideration of those contracts by FERC, one utility with the other utility, and one utility company with the other utility company.

We are not trying to reach out and correct everything. We are trying to have FERC be able to resolve some of

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the cases that come before it or would come before it if FERC had the authority to act on it in such a way that it made it practical to put the case before FERC. It is not creating something brandnew. It is creating the opportunity for FERC to do the right thing. That is all.

On that basis, I believe we can get an agreement for that purpose, not to disrupt what so many utilities have told me they fear some wheeling amendments might do. And that is, to enter into a situation where the ratepayer of the utility that would be wheeling the power under contract would lose money on it, thereby being a harmful effect on their ratepayers.

We do not want to do that. We should not do it. Or the other situation where the law would be changed to the extent that FERC would order a wheeling contract for a utility where they would have to sacrifice some of their own transmission. That we do not want to do.

I, above all, do not want to be instrumental in any amendment which would result in either of those cases.

But I do hear, I do sympathize with, and I do believe it is in the public interest, this lament. There must be a forum—that should be FERC—for the smaller utility companies to ask for relief from the terms and conditions set by a utility company that is abusing good business practice in the public interest by not accepting a wheeling contract when they have the capacity to do so, and when it shall not hurt their own ratepayers.

Mr. President, I think we can arrive at the language for such an amendment that would be helpful. At times it appears to be dismal to arrive at proper language and proper time, and be able to agree that, yes, indeed, that is what the language will do, and it is in the public interest. But, Mr. President, I think it is paramount that we continue that effort.

I am pleased that we had the amount of cooperation we have had so far. It has not resulted in good language yet that is acceptable. But I do want to pursue it for a day or two, and hope very desperately that we can make some progress on this point.

It is now a quarter of 5, 4:45, and perhaps I should yield the floor for purpose of a recess. I do want to discuss my amendment further.

Mr. HEFLIN. Mr. President, I rise today to oppose the proposed wheeling amendment.

Although "wheeling" enjoys a simple definition, that is, the transmission of electricity between two noncontiguous utilities over the lines of a third utility while, ironically, it is a technical, complex issue.

It is my understanding that my good friend, Senator Melcher, is troubled by the absence of a mechanism in S. 426 to assure services for utilities which are allegedly denied access to these services. It is also my understanding that he would like for the FERC to be empowered to order the transmission of "wheeling" of power by the big utilities, subject to just and reasonable terms and conditions. I would like to address each of these concerns.

First the proposed Melcher amendment assumes that wheeling services are not being encouraged and provided under the Federal Power Act, as amended by PURPA in 1978.

Sections 211 and 212 of the Federal Power Act, as amended by the Public Utilities Regulatory Policies Act [PURPA] were carefully crafted by Congress to provide encouragement for utilities to voluntarily engage in efficiency-enhancing wheeling transactions, while also providing important protections to all electric consumers with respect to both rates and reliability.

Dramatic increases in the provision of voluntary transmission services have resulted. Between 1976 and 1983, transmission delivered by private electric utility companies increased by 82 percent while total sales increased by only 16 percent. Nationwide, between 1976 and 1985, voluntarily negotiated wheeling service agreements on file at FERC increased by over 110 percent to 1,380 agreements. Agreements to wheel power to municipal and cooperative utilities increased during that period by 80 percent.

As an example of the high degree of voluntary wheeling provided on a regional basis, investor-owned utilities within the Western Systems Coordinating Council [WSCC] which includes a large portion of Montana, currently have 214 transmission service agreements on file with FERC. About half of them provide for transmission service to public or co-op customers.

The argument has been made that because there have been no wheeling orders issued pursuant to the PURPA wheeling amendments, that the statute is not working. However, Congress, in passing these, did not abandon the concept—inherent in the Federal Power Act—of encouraging voluntary wheeling among utilities. Rather, PURPA was intended to provide a means for FERC to issue wheeling orders only where parties are unable to reach voluntary agreement. At the same time, the PURPA amendments were intended to provide important consumer protections against the provision of inefficient, costly transmission services or those services which would adversely affect system reliability.

Without compelling evidence in more than a couple of isolated instances that the present voluntary approach is not working, the Senate should not act precipitously to change a system that has produced dramatic increases in transmission services in the last decade. The almost total absence of requests for wheeling orders under sections 211 and 212 of the Federal Power Act as amended by PURPA—only three have been requested—is a good indication that those desiring economic and efficient wheeling services are able to obtain the services they require through private business negotiations without the need for governmental interference and compulsion.

The 1978 act was adopted in the context of perceived energy shortages. The limited mandatory authority conferred by Congress upon the Federal Energy Regulatory Commission was thought to be necessary to conserve energy and improve the reliability of electric service. As stated previously, since the enactment of PURPA, significant increases in transmission or wheeling services have taken place. These increases have come about in a fashion consistent with the carefully crafted guidelines adopted by Congress in PURPA. No case has been made to tamper with these existing provisions or to reject congressional policies which have encouraged the best and most economical electric service in the world.

The second concern of my good friend, Senator Melcher, is that Congress should grant FERC the power to order the transmission of "wheeling" of power by the large utilities.

PURPA has served well, not by forcing mandatory wheeling, but by encouraging voluntary wheeling agreements. As I said earlier, Mr. President, between 1976 and 1985 voluntary wheeling agreements on file with FERC increased 110 percent, to 1,380 filed agreements.

Senator Melcher's concern is that no orders have been issued under section 211 of the Federal Power Act. This is so because most legitimate needs for wheeling have been accommodated. Again, it is my understanding that only three such section 211 orders have been applied for.

Wheeling is a very complicated issue. It requires more extensive study than a proposed floor amendment, which eliminates protection for consumers of the wheeling utility. The entire issue is presently under study in Docket RM 85-17 at FERC and by the National Association of Regulatory Utility Commissioners [NARUS] and at the Office of Technology Assessment.

Congress has already encouraged voluntary wheeling to promote economic efficiency but should avoid support for mandatory wheeling that has the destructive effect of disrupting existing wholesale customer relationships and failing to take into account utilities' obligation to serve its own retail customers at the lowest possible cost.

For these reasons, I urge the defeat of the amendment.

Mr. JOHNSTON. Mr. President, this amendment does only three things. All three of them are very, very bad. None of the three things which it does resembles what the Senator says he wants to do. Indeed, the three things have no similarity to it.

This amendment, first of all, repeals the antipirating amendment of PURPA. Mr. President, we put the antipirating amendment in because it is not right to pirate somebody else's customers. It is not in the public interest. It is not fair. It is a charge and a cost to some customers in favor of those to be wheeled. And almost everybody that I know, except maybe those who want to pirate the power, agree with that.

Second, this amendment permits under the guise of FERC ordering wheeling to abrogate contracts; that is to say, if there is a valid existing contract in terms of furnishing power, and a schedule for that filed with the FERC under the Senator's amendment, you could come in and preempt that valid subsidizing contractual relationship. That is the second thing it does. That is what it is meant by the subsection (a)(2), the striking out of subsection (c)(2)(b). It is exactly what it means. It is all it means.

Third, Mr. President, it repeals that provisions of existing law which says you cannot get wheeling if it is going to result in a reasonably ascertainable uncompensated economic loss to an electric utility.

Mr. President, it is basic not only in our Constitution, but in all our laws that you cannot take something from someone else without compensating them. The Senator's amendment would repeal that provision of PURPA so carefully crafted and put in the law that says you cannot under the guise of wheeling make another utility suffer an uncompensated loss.

How in the world, Mr. President, the Senator disagrees with any of those three principles I do not know. They are in the law. They were put there intentionally. There has been not one word, not one whit, not one jot or tittle said on the floor here that I can understand to disagree with three principles. Yet that is all his amendment does, is to repeal those three principles.

Mr. President, we have stood ready for not hours, but for months to try to come to an agreement on the question of wheeling. We think the present law is proper. If it is not, please give us an amendment, and we will look at it. But we have not seen anything yet other than the present amendment which has been introduced, which is neither similar to that which has been described by the distinguished Senator from Montana, nor is it in the public interest.

Mr. President, I will yield at this point to my colleague from Idaho.

Mr. McCLURE addressed the Chair.

The PRESIDING OFFICER. The Senator from Idaho.

Mr. McCLURE. Mr. President, we have debated this issue at length. I do not know what we can do to accommodate the Senator from Montana. I do not question that he is sincere in his desire to find an answer. But I do not know what that answer is.

I share with the Senator from Louisiana the conviction that if indeed the Senator from Montana has an amendment, we will look at it.

We will try to see whether it is acceptable. The one that is before us is obviously not acceptable.

Mr. President, I move to table the amendment and I ask for the yeas and nays.

The PRESIDING OFFICER. Is there a sufficient second? There is a sufficient second.

The yeas and nays were ordered.

Mr. MELCHER. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. McCLURE. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Is there objection?

Mr. MELCHER. Mr. President, reserving the right to object, I understand the distinguished chairman, as manager of the bill, would like to put us into recess. I thought he was going to do that before the tabling motion or I would not have suggested the absence of a quorum. I do not object.

The PRESIDING OFFICER. Without objection, it is so ordered.

RECESS UNITL 6 P.M.

Mr. McCLURE. Mr. President, I ask unanimous consent that the Senate stand in recess from the hour of 5 p.m. until the hour of 6 p.m. today.

The PRESIDING OFFICER. Is there objection? Without objection, it is so ordered.

Mr. McCLURE. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. McCLURE. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

The Senate stands in recess until 6 p.m. this evening.

Thereupon, at 5 p.m., the Senate recessed until 6 p.m.; whereupon, the Senate reassembled when called to order by the Presiding Officer [Mr. McClure].

The PRESIDING OFFICER. The question is on agreeing to the motion. The yeas and nays have been ordered. The clerk will call the roll.

Mr. MELCHER addressed the Chair.

The PRESIDING OFFICER. The Senator from Montana.

Mr. MELCHER. Mr. President, I am sending a modification of my amendment to the desk.

The PRESIDING OFFICER. The amendment is so modified.

The modification is as follows:

S. 426 is hereby amended by adding the following new section :

"SEC. . WHEELING OF POWER.

(a) Section 211 of the Public Utilities Regulatory Policy Act of 1978 (18 U.S.C. section 424(j)) is amended as follows—

(2) Strike out subsection (c)(2)(B).

(3) Redesignate subsections (c)(2), (c)(3) and (c)(4) as subsections (c)(1), (c)(2) and (c)(3) respectively.

(a) Section 212(1) of the Public Utilities Regulatory Policy Act of 1978 (16 U.S.C. section 424(k)(1)) is amended as follows—

(1) Strike out 'electric utility,'.

(2) Insert ', or, in the case of any electric utility affect by the order, is not likely to unduly affect the cost of service provided to its customers,' after 'order'."

Mr. MELCHER. Mr. President, I think it would be in order——

The PRESIDING OFFICER. The Chair informs the Senator from Montana that no further debate is in order on the amendment as modified. The question is on—

CALL OF THE ROLL

Mr. MELCHER. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk called the roll and the following Senators answered to their names:

[Quorum No. 4 Leg.]

Abdnor
Andrews
Baucus
Boren
Boschwitz
Bumpers
Burdick
Byrd
Chafee
Chiles
Cochran
Cohen
D'Amato
DeConcini
Dodd
Dole
Domenici
Eagleton
Exon
Ford
Garn
Gore
Gorton
Grassley
Harkin
Hart
Hatfield
Hecht
Helms
Hollings
Inouye
Johnston
Kassebaum
Kasten
Kennedy
Lautenberg
Laxalt
Leahy
Levin
Lugar
Mathias
Mattingly
McClure
McConnell
Melcher
Metzenbaum
Mitchell
Moynihan
Murkowski
Pressler
Pryor
Quayle
Roth
Simon
Specter
Stafford
Stevens
Thurmond
Trible
Warner
Weicker
Wilson
Zorinsky

The PRESIDING OFFICER (Mr. Gorton). A quorum is present.

The question is on agreeing to the motion to table the amendment of the Senator from Montana. The clerk will call the roll.

Mr. MELCHER addressed the Chair.

The PRESIDING OFFICER. The Senator from Montana.

Mr. MELCHER. Are we still in the quorum?

The PRESIDING OFFICER. We are not.

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Mr. MELCHER. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. A quorum has just been established, without intervening business.

The clerk will call the roll on the motion to table.

Mr. MELCHER addressed the Chair.

The PRESIDING OFFICER. The Senator from Montana.

Mr. MELCHER. I withdraw the amendment, and I ask for a little consideration to——

Mr. McCLURE. Regular order.

Mr. MELCHER. Mr. President, may I be recognized?

Mr. McCLURE. Regular order.

The PRESIDING OFFICER. The amendment is withdrawn.

Mr. MELCHER addressed the Chair.

The PRESIDING OFFICER. Debate is not in order unless the Senator offers an amendment.

Mr. MELCHER. Mr. President, I am going to put in a quorum call now, but prior to doing that, I would suggest that we could make more headway with a little more consideration of what we are doing here tonight in order to avoid holding everybody around here, wondering whether or not a vote is imminent. A vote is not imminent.

So, now, Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. There has been no intervening business. A quorum call is not in order.

Mr. McCLURE. Regular order, Mr. President.

AMENDMENT NO. 1785

(Purpose: To provide specific wheeling authority under sections 211 and 212 of PURPA).

Mr. MELCHER. Mr. President, I shall send up another amendment.

The PRESIDING OFFICER. The amendment will be stated.

The assistant legislative clerk read as follows:

The Senator from Montana [Mr. MELCHER] proposes an amendment numbered 1785.

Mr. MELCHER addressed the Chair.

The PRESIDING OFFICER. The Senator from Montana.

Mr. MELCHER. Mr. President, has the clerk reported the amendment?

The PRESIDING OFFICER. The clerk is attempting to do that right now.

Mr. MELCHER. I thank the Chair.

The assistant legislative clerk read as follows:

S. 426 is hereby amended by adding the following new section:

Mr. MELCHER. Mr. President, I ask unanimous consent that reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

S. 426 is hereby amended by adding the following new section :

"SEC. . WHEELING OF POWER.

(a) Section 211 of the Public Utilities Regulatory Policy Act of 1978 (16 U.S.C. section 824(j)) is amended as follows—

(1) In

(2) Strike out subsection (c)(2)(B).

(3) Redesignate subsections (c)(2), (c)(3) and (c)(4) as subsections (c)(1), (c)(2) and (c)(3) respectively.

(b) Section 212(1) of the Public Utilities Regulatory Policy Act of 1978 (16 U.S.C. section 824(k)(l)) is amended as follows:

(1) Strike out 'electric utility,'.

(2) Insert ', or, in the case of any electric utility affect by the order, is not likely to unduly affect the cost of service provided to its customers,' after 'order'."

Mr. MELCHER. Mr. President, let me explain a couple of things, so that whatever Members are here or listening on the radios in their offices can understand.

When I was speaking at 4:45, prior to the briefing, we were informed that the majority leader would like to have us go into recess at 4:45, so I relinquished the floor. It was not my intention this evening, at least at that point, to get to a tabling motion and force a vote.

Unfortunately, when I relinquished the floor, the managers of the bill, operating under the belief that we were going to recess at 5 o'clock, took the floor and did what they were inclined to do, and which they were perfectly entitled to do, and that is to move to table the amendment, which requires a vote, unless I just want to let it go by.

We were not to the point of having an amendment that is in any way acceptable to either manager or to a great number of the membership of the Senate, simply because the amendment is at fault or the amendment is not properly understood by the managers of the bill.

It is not my desire to have some useless votes on any amendment that I offer on this wheeling provision. I would like to have a vote when we can get close to an agreement on one; and perhaps even when we get to an agreement, no vote will be necessary.

It can just be adopted by voice. But I do not want to let my colleagues believe that I am trying to set the stage to force a requirement for recorded votes on into the evening.

I would like to present something that makes some sense to the managers and makes some sense to my colleagues and apparently we are not at that point. We do have some modifications that go directly to the points that were raised.

A point was raised that the amendment would permit pirating. Counsel on one side says that is not true. But if that were true the language can certainly be changed to demonstrate to every one's satisfaction that it does not set up pirating nor does it permit pirating.

The second point that was raised had to do with striking subsection (C)(2)(b) that would override contracts. Then again lawyers on one side argue "No, it doesn't do that because I can override contracts in other provisions of the FERC requirements." Nevertheless, if that is a point that will be interpreted that way, I would like to modify the amendment so it is clear that it does not.

Finally, on the third point, the question of what the phrase "or in the case of any electric utility affected by the order is not unlikely to unduly affect the cost of services provided to its customers."

Adding that phrase causes some of the membership to believe that we are creating some very complicated situations that will work adversely to the private utility company that is providing the wheeling services.

That is not the intention nor do counsel on one side believe that it does that.

But on those three points, we think modifications can be made and in so doing, I want to have the consideration of the managers of the bill and their review and see whether they can agree to that, that the modifications are correct and go in the direction of satisfying their objection.

That is my intention and Mr. President, I want to get on with the drafting of those kind of modifications to satisfy the managers.

For that reason, now I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The bill clerk proceeded to call the roll.

Mr. DOLE. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. SASSER. Mr. President, I rise today in opposition to S. 426, the Electric Consumers Protection Act. This legislation has been portrayed as merely an effort to clarify ambiguous provisions of the Federal Power Act of 1920. It is, in fact, far more than that. It is not a bill to protect electric consumers. It is not a bill in the public interest. It is a bill that would destroy competition. And that, Mr. President, is not in the long-term best interest of either the American ratepayer nor the American taxpayer.

In the early part of this century, conservationists such as Theodore Roosevelt and Gifford Pinchot realized that our Nation's public water resources had to be protected from monopoly control in the hands of giant private power corporations. Over the next 10 years, their concerns were refined by Congress in debates over comprehensive legislation to permit the private development of public water resources.

That legislation, the Federal Power Act of 1920, established two key provisions: Limited license terms, and the preference in licensing and relicensing provided for States and municipalities. Both of these provisions would be undermined by the passage of S. 426.

The bill does not eliminate the requirement for limited term licenses. However, it virtually assures that existing licenses will be able to retain control over licensed projects in perpetuity by giving preference in relicensing to existing licensees. This idea of control in perpetuity of a public resource was rejected by the Congress in 1920. It should likewise be rejected again.

The bill also eliminates the municipal preference in relicensing. The preference clause does not ensure automatic granting of a license to States or municipalities; rather, it operates as a "tie breaker" when all other factors are equal. It does not guarantee that a municipality will win in every competitive proceeding.

Municipal preference is extremely important in stimulating competition in relicensing. One has to understand that the strength of the competitors in relicensing is grossly unequal. Municipal utilities are, on the whole, relatively small, certainly smaller than most investor-owned utilities. The relicensing preference is therefore little more than an attempt to equalize the relative strengths of the potential competitors for new licenses at existing hydroelectric sites.

I might point out that while nearly 140 licenses have expired since 1970, only 11 competitive applications have been filed with the Federal Energy Regulatory Commission for new licenses by public power systems. No licenses have yet changed hands. Yet benefits have accrued to the public as a result of the preference clause in the few competitive relicensing proceedings filed.

In some of these cases, the incumbent licensees filed applications for license renewals that indicated existing projects could not be improved. Public agencies then filed competing applications demonstrating how improvements might be made. These improvements included plans to increase the power production potential of the project, mitigate environmental consequences of the project, or add recreational facilities. The investor-owned utilities were then forced to amend their own initial proposals and offer similar improvements.

Clearly, the competitive relicensing process benefits the public. I should add that the General Accounting Office made precisely this same point in a report to Congressman Ottinger in May 1984.

Tennesseans are particularly concerned about this legislation. The Tennessee Valley Public Power Association, representing 160 municipal and electric cooperative distributors of Tennessee Valley Authority power, has urged me to oppose this legislation. Public preference was one of the underlying principles of the Tennessee Valley Authority Act. In addition, Tennessee ratepayers benefit from the preference policy in terms of their access to federally generated power at certain Corps of Engineers dams. If enacted, S. 426 would be the first assault on the municipal preference principle. It could well invite attacks on this preference in Federal power marketing.

Mr. President, I find it curious that a bill entitled the Electric Consumers Protection Act should be opposed by both the Consumer Federation of America and the Consumer Energy Council of America. They don't believe it will benefit the consumer, either.

Mr. President, I oppose S. 426 because it eliminates the municipal preference clause in relicensing. I believe the elimination of this clause will significantly reduce competition in the relicensing process, which is not in the best interest of our country's consumers. I also oppose S. 426 because it could eventually undermine the Federal public power marketing preference. I urge my colleagues to oppose this legislation.

Mr. LEAHY. Mr. President, I rise in opposition to S. 426, the hydro-relicensing legislation currently before the Senate. While I cannot support this particular bill, I very much support efforts to reform the process by which hydroelectric projects are licensed.

The Federal Power Act, which regulates licensing of hydroelectric plants, has largely remained unchanged since 1920. That law was enacted to govern the use by private and publicly held utilities of public waterways for the purpose of generating power.

In the 56 years since President Theodore Roosevelt signed the Federal Power Act, there have been hundreds of changes in the ways utilities do business and in the circumstances surrounding the use and vitality of our nation's waterways.

Amendments to the law are essential to ensure that utility customers pay the lowest rates possible for electricity and to guarantee that hydroelectric energy remains a viable and reliable source of power. Important environmental and wildlife concerns must be addressed as well.

Mr. President, I believe that all of these criteria are met in H.R. 44, legislation reported by the House Energy and Commerce Committee. While I commend members of the Senate Energy Committee for their diligent work to reform the hyrdoelectric relicensing process, I believe that the House language is preferable and would urge the conferees on this legislation to adopt it.

Most importantly, the House bill clarifies the standards which the Federal Energy Regulatory Commission [FERC] uses in evaluating license and relicensing applications. Currently, those standards are sufficiently confused and befuddled to have caused an enormous amount of litigation and a corresponding amount of uncertainty among utilities and ratepayers concerned about obtaining new licenses or renewing expiring ones. Because many of the 50-year licenses will soon expire, including 13 in my own State of Vermont, these standards must be updated and clearly defined.

H.R. 44 clarifies that protection of the environment and proper management of fish and wildlife resources must be given equal weight with other concerns in the evaluation of license and relicensing applications. The bill also strengthens the energy conservation criteria used in the licensing process in recognition of our national commitment to energy independence.

In addition, the House legislation prescribes a rigorous process for reevaluating applications for relicensing. Unlike the Senate bill, H.R. 44 requires a utility to continually prove that its project is the "best adapted" to energy and environmental concerns and provides ratepayers the lowest possible price for electricity. As the House Committee report states, this approach "ensures that an existing license will not be rubber stamped," but will be subject to careful examination, taking into consideration the management of fish and wildlife, the environment, in general, and the needs of electric power consumers.

Finally, the House bill strikes a compromise on the issue of public preference in relicensing—one of the most divisive factors in this complicated and important debate. Under current law, FERC must award a license for a hydroelectric facility to a publicly held utility if a privately held utility presents a proposal of identical merit. This public preference has served our Nation well, but also needs reform to ensure that fair competition for licenses may continue to provide ratepayers with electricity at the lowest price possible.

The House bill preserves the public preference—the preference for State and local government utilities—for original hydroelectric power licenses. The preference, however, is discontinued in the relicensing process.

H.R. 44 also provides an adequate system for compensating public and private utilities that lose a hydroelectric facility in the relicensing process. This important provision protects ratepayers who, through their monthly utility payments, have helped finance construction and improvement of hydroelectric dams.

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Finally, Mr. President, I support H.R. 44 because it is good for Vermont and good for Vermonters. The legislation ensures critical reevaluation of the impact of hydroelectric facilities on our special State's most valuable commodity—the environment. The interest of outdoorsmen and fishermen are equally protected under this important measure. The House bill also ensures that Vermonters, who must already devote a tremendous amount of income to energy costs, will find electric energy readily available at competitive rates.

Mr. President, while proposed changes in hydro-relicensing legislation have divided investor-owned and publicly held utilities across this Nation, I am proud to report that the two major private utilities in Vermont, Green Mountain Power, and Central Vermont Public Service, join the State's publicly held utilities in supporting H.R. 44.

I ask unanimous consent that letters from these three organizations appear in the Record.

I applaud Green Mountain Power, CVPS, and Vermont Public Power for their diligent efforts to arrive at this important compromise and for the excellent guidance they provided me and my office. Specifically, I wish to express my gratitude to Governor Thomas Salmon and Steven Terry of Green Mountain Power, Thomas Hurcomb of CVPS and Paul Bradtmiller of Vermont Public Power. Their efforts truly attest to the commitment that all Vermonters share to the protection and improvement of our State.

There being no objection, the letter were ordered to be printed in the Record, as follows:

Vermont Public Power
Supply Authority,
Williston, VT, April 8, 1986.

Hon. Patrick J. Leahy,
U.S. Senate,
Washington, DC.

Dear Senator Leahy: Thank you for your letter of February 12, 1986 regarding the hydro-licensing bill introduced by Senators Wallop and Johnston, S. 426, as it pertains to federal policy on promoting the most comprehensive and equitable use of our water resources. Information received subsequently regarding amendment to the House version of hydro-relicensing legislation, H.R. 44, confirms the concern of the Vermont Public Power Supply Authority (VPPSA) that the Wallop-Johnston bill as presently written would not serve the best interests of all electric consumers.

I have reviewed the Report of the House Committee on Energy and Commerce dated March 25, 1986, and have concluded that H.R. 44, as recently amended in Committee, contains superior provisions, of which the following are considered key:

(a) The distinction between the relicensing and preference in power marketing fits the mix of investor-owned and consumer-owned electric utilities in Vermont, and is consistent with the Vermont method of allocation of Preference Power.

(b) The restructured relicensing process to restrict preference to original licensing in order to make it fair and competitive is reasonable and more protective of the consumer.

(c) The special emphasis placed on environmental issues and energy conservation is consistent with our priorities in Vermont.

Accordingly, on behalf of the VPPSA Systems, and thereby municipal and cooperative electric ratepayers throughout Vermont, I urge that you support the provisions of H.R. 44 over those of S. 426, as hydro-relicensing legislation comes up for passage in the Congress.

Sincerely yours,
Paul H. Bradtmiller,
General Manager.

Central Vermont Public
Service Corp.,
Rutland, VT, April 11, 1986.

Hon. Patrick J. Leahy,
U.S. Senate,
Washington, DC.

Dear Senator Leahy: During the last few days I have met twice with Paul Bradtmiller the general manager of the Vermont Public Power Supply Authority to discuss and review in detail the two hydro relicensing bills presently before Congres, S. 426 and H.R. 44.

Mr. Bradtmiller and I have concluded that H.R. 44 will more adquately protect and preserve our customers' interests with particular emphasis on environmental and energy conservation issues.

I would request that you carefully review and support H.R. 44.

Sincerely yours,
Thomas J. Hurcomb,
Vice President, External Affairs.

Green Mountain Power Corp.,
Burlington, VT, April 14, 1986.

Hon. Patrick J. Leahy,
U.S. Senate,
Washington, DC.

Dear Pat: I understand that the Senate will very soon be considering S. 426, the hydro-relicensing legislation.

I have reviewed the provisions of S. 426, and H.R. 44, the House-passed version of the federal hydro-relicensing bill. Green Mountain Power believes that H.R. 44 does a better job in protecting our customers' interest than will S. 426. GMP has discussed this legislation with representatives of Central Vermont Public Service Corporation, and the Vermont Public Power Supply Authority. We have all concluded that H.R. 44 best protects the interests of Vermont, and our respective customers.

I urge your careful review and support of H.R. 44.

Sincerly yours,
John V. Cleary, Jr.,
President and CEO.

Mr. DENTON. Mr. President, as an original cosponsor of the bill, I rise to express my support for S. 426, "The Electric Consumers Protection Act." I want to commend Senator Wallop for introducing the bill and the Senate Energy Committee for getting it to the Senate floor. The issue before us today is important to many of my constitutents in Alabama.

When the Federal Power Act was written in 1920, a preference was given to municipalities for the initial licensing of hydroelectric projects. The preference means that if a municipality and, for example, an investor-owned utility were both to submit equally well adapted project applications, a preference would be granted to the application of the municipality. That preference for initial licensing is not being challenged. The need for the legislation before us has arisen because the Federal Power Act has proven ambiguous about whether the preference shown municipalities for originial licensing is also available to them upon relicensing.

In 1968, the Federal Power Commission, the predecessor to the Federal Energy Regulatory Commissioin [FERC], represented to Congress that no such preference for municipalities existed at relicensing. In 1980, the FERC reversed the earlier opinion, saying that a preference would apply. In 1983, the Commission again reversed direction, holding that a preference was not required by the act. On October 22, 1985, a three judge panel of the D.C. Circuit Court of Appeals reversed the 1983 ruling by FERC, but on January 16, 1986, the circuit court, sitting en banc, vacated the panel's decision and is presently reconsidering that case. This action demonstrates the need for this bill.

S. 426 is designed to dispel once and for all any ambiguity contained in the Federal Power Act. The legislation makes clear that existing licensees, whether public or investor owned, shall retain their projects and protect their customers and their investors. If FERC determines that they will continue to operate the projects in the public interest and in accordance with the best adapted standard provided for in section 10(A) of the Federal Power Act.

In the initial licensing process, the municipal preference stated in section 7(A) of the Federal Power Act governs and operates, in effect, to preclude any competitive interplay among competing applicants. In contrast, the relicensing process under S. 426 will still allow for full consideration of any and all competing applications filed by applicants seeking to beat the existing licensee in a best adapted project contest, as well as of all competing and contrasting ideas and positions of invervening parties, State and Federal Government agencies and of course, the FERC staff.

In Alabama, Alabama Power Co. serves more than a million electric consumers, all of whom could adversely be affected by the interpretation of the Federal Power Act to give an unqualified municipal preference in relicensing proceedings. Alabama Power Co. currently owns and operates 14 hydroelectric projects on the Coosa, Tallapoosa and Warrior Rivers. The projects were designed and constructed to meet the energy needs of the citizens of Alabama. Hydroelectric power is, without question, the most

inexpensive source of energy that can be provided to electric consumers. If Alabama Power Co. were to lose any of its existing hydroelectric projects, it would be necessary to replace the loss with alternative sources of energy. All of the alternatives are far more costly. Although the cost situation is of particular concern to the citizens of my State, there are other reasons why S. 426 should receive our support.

There is no sound policy reason to support the transfer of a project from an existing licensee to another simply because a license term has expired and a new license for an additional term is to be issued. If an existing licensee will, based upon all available information at the time of relicensing, continue to operate the project in the public interest, including making the improvements in structure or operation required to achieve the necessary environmental and other project values, it should be given the opportunity to do so. To transfer a license to another entity based on any ground other than a licensee's failure to perform in the public interest would be unfair. S. 426, which would eliminate the risk, is a fair and equitable answer to the ambiguity found in the Federal Power Act.

The issue of the compensation to be paid to an existing licensee that loses its license has been of great concern to those on both sides of this bill. S. 426, as originally introduced, provided for just compensation. The committee decided, however, to strike this provision.

The current bill requires the FERC to assess the negative impact of the loss of the project on the customers of each applicant. FERC is specifically directed to consider the difference between the compensation which would be due the existing licensee under the net investment plus severance damages standard of the Federal Power Act and the cost of replacement power for the existing licensee. Although the term "just compensation" was questioned, it represents the concept embodied in the fifth amendment to the U.S. Constitution that no private property shall be taken for public use without just compensation in accordance with the due process of law. While I acknowledge that the water resources to generate power for the facility is public property, the power facility itself was paid for by the utilities' customers.

I know that the committee has attempted to balance the need to adequately compensate the ratepayers that paid for the project and also encourage a degree of competition. I commend the members of the committee for their efforts to resolve this issue.

Mr. President, more than 75 percent of America's electricity consumers are served by regulated utilities. Due to the municipal preference at initial licensing stages, and other Federal laws and developments preferential to public power systems, the more than 75 percent of American consumers served by regulated utilities have rights to only 32 percent of the hydropower available in the Nation. The consumers of existing investor owned utility licensees should have the same opportunity to continue to enjoy the benefits of hydropower that are available to the consumers of existing public power licensees. I strongly urge passage of S. 426.

Mr. PRESSLER. Mr. President, the hydroelectric relicensing legislation (S. 426) we are considering could have a very damaging effect on the public preference provision. The Federal Power Act of 1920 established the method of developing hydroelectric power resources and the sale of that power. The act provided muncipailities and other public power entities, such as rural electric cooperatives, with a preference in competing for dam sites and power generated at federally operated dams. The legislation we are considering today will eliminate this preferential treatment when hydroelectric projects are relicensed.

It is critical that we make it clear that this modification in the preference power provision is not intended to affect the preference municipalities and rural electric cooperatives receive in the sale of hydroelectric power generated at Federal dams and sold by the Federal marketing authorities. This preference is crucial to the economic survival of rural electric cooperatives and small towns. These public power entities do not have the resources to compete with large investor-owned utilities or even large municipalities for hydroelectric power. The preference power provision must be maintained for these public power consumers.

Mr. President, I want to stress that this legislation will not affect the preference power provision in regard to the sale of power from Federal hydroelectric projects and Federal power marketing authorities. The legislative record must clearly show that we do not intend this bill to have any effect on the public preference provision for the sale of Federal hydroelectric power.

ORDER OF PROCEDURE

Mr. DOLE. Mr. President, there will be no more rollcall votes this evening.

It will be my intention hopefully to complete action on the relicensing bill tomorrow. We will come in about 10 o'clock. There will be six special orders and then there will be a vote on the motion to proceed to the Hobbs Act, S. 1774, which would occur at about 11 o'clock tomorrow. If that motion is agreed to, then we would be on the Hobbs Act. If cloture is invoked, is that correct, we will be on the Hobbs Act.

The PRESIDING OFFICER. If cloture is invoked it would be on the motion to proceed and then we would be on the motion to proceed.

Mr. DOLE. That is true. Then we would have 30 hours. Hopefully it may be that we can work out some agreement on that.

But it would be my guess that cloture would not be invoked on the motion to proceed and we would be back on this proposal under the same terms and conditions that we leave it this evening; is that correct?

The PRESIDING OFFICER. The majority leader is correct.

ROUTINE MORNING BUSINESS

Mr. DOLE. Mr. President, I ask unanimous consent that there now be a period for the transaction of routine morning business not to extend beyond the hour of 7 p.m. with statements therein limited to 5 minutes each.

The PRESIDING OFFICER. Without objection, it is so ordered.

The PRESIDING OFFICER (Mr. Pressler). The Senator from Oregon is recognized.

Mr. HATFIELD. I thank the Chair.

RETALIATION BEGETS RETALIATION

Mr. HATFIELD. Mr. President, 3 weeks ago, I rose on this floor to question the timing and usefulness of U.S. freedom of navigation exercises conducted in the Gulf of Sidra. Retaliation begets retaliation, I said, in an unending spiral of violence. As the Libyan people count their dead and assess the damage done by 33 American bombers, I rise again to question military action taken against Libya.

Colonel Qadhafi's 17-year reign in Libya has gone sour. Shortages of consumer goods have become more severe in recent months as Libyan oil revenues shrink. His once successful coalition between various tribal groups and the Libyan Armed Forces has fallen apart, and factionalized tensions are running high. Libya's moderate neighbors including Tunisia, Sudan, and Egypt no longer offer automatic support in the name of Arab unity. Libyan expert Lisa Anderson recently asserted in the Washington Post that Qadhafi is "* * * ripe for a coup, and my guess is that he'll be gone within a year."

The obvious response of a leader with domestic troubles is to turn his nation's attention to real or perceived external threats. Nationalism leads to national unity when an external threat is made clear. As United States bombs dropped on Libyan targets last night, that threat could not have been more clear. As Ms. Anderson pointed out even before last night's strike:

> Ironically [Qadhafi is] surviving now largely because of the escalating American campaign against him—which has rallied patriotic Libyans to support a regime they otherwise disliked.

Moral outrage and fear have risen dramatically in recent months as the United States watches terrorism go unpunished throughout the world community. Because our evidence so clearly points to Qadhafi's culpability in many of the recent bloody attacks, that outrage and fear can be translated into punishment. By putting Qadhafi on the defensive, the rationale goes, the United States shows that terrorism will not go unpunished. Just as we did 3 weeks ago in the Gulf of Sidra, the United States has proven a point.

Notice has been served, and today we are riding high but tomorrow, and next week, and next month, the consequences of our rash desire for retribution will have succeeded in rallying an otherwise factionalized nation behind its crazy leader.

The negative long-term consequences of last night's strike will not be limited to Libya, however. Only international resolve will quell terrorism, isolating its sponsors and denying their lifeblood.

In the past several years, Western resolve has been patiently yet persistently sought on three separate issues. In 1981, exhausting conversations took place between the United States and Western European leaders on how best to bring economic vitality to the alliance. When the United States realized that voices of dissent had been raised in Western Europe over the deployment of Pershing 2 and cruise missiles, leaders again thoroughly discussed the issues until a resolution was reached. Even as we talk, similar discussions are ongoing regarding the strategic defense initiative. Each of these issues has been deemed so important as to demand that we sit down at the negotiating table and not get up until resolve is reached.

Yet last night's attack received only the blessings of England. Western European hesitation to join United States sanctions against Libya has fueled our frustration. West Germany and Italy receive the majority of their oil from Libya, and 40,000 Western Europeans are now living in Libya. Terrorists though often targeting Americans, tends to strike on Western European soil.

Western European hesitation may be understandable. It is not, however, acceptable nor is it necessarily unalterable. Proof that Colonel Qadhafi was undeniably behind the recent West Berlin disco attack which killed 2 and injured more than 200 went a long way toward convincing Western Europeans that Libya's hands are bloody. A meeting of European Economic Community foreign ministers in the Hague yesterday produced the strongest condemnation of Libya yet heard in Western Europe.

Mr. President, we got up from the negotiating table far too quickly. The West Berlin disco bombing seemed a catalyst for mobilizing Western European public opinion against Qadhafi. The current oil glut lends itself to restructuring Western European oil supplies. Dialog and consensus building rarely make headlines. But working with the Western Europeans rather than imposing our plan on them might have achieved meaningful resolve rather than destabilizing factionalism.

The implications will be no more pleasant for our moderate Arab allies. Condemning terrorism and calling for peaceful conflict resolution, several Arab nations have put themselves and their political stability on the line. Egypt's President Mubarek faces mounting opposition from radical factions in his nation and threats from various groups outside Egypt. Tunisia has felt threatened since Tunisian workers were expelled from Libya last fall. Saudi Arabia watches anxiously as the Iran-Iraq war threatens to spill over into Saudi oil fields. By pursuing diplomatic policies which address forthrightly the Palestinian problem we could deprive Qadhafi of his anti-American lifeblood. We could undergird our moderate allies in the region. Instead, we have embarked on a course which will only strengthen Qadhafi's stature in militant circles of the Arab world and erode the ability of those who might be in a position to challenge him.

Mr. President, Gandhi once said that "means are the end in the making." If he was right—and it is my firm conviction that he was—one stark, irrefutable, bottomline fact emerges from last night's bombing. The vast moral gulf which once separated us from the terrorists was narrowed yesterday.

A terrorist deliberately seeks the innocent. We sought to destroy military targets in Libya last night. But when the smoke had cleared, we had inched one step closer to the terrorism we sought to punish and deter.

There may be an indisputable moral distinction between the bombs that went off in Berlin and the ones that exploded in Libya. Yet the only clear justification which filters through the barrage of briefings and explanations and commentary is that it felt good. It felt good and, dammit, the monster deserved it. Mr. President, I would bet that the monster is laughing sick laughter right now.

How can one bask in the emotional satisfaction of revenge against Mr. Qadhafi's warped lust for violence while witnessing on television the agony of bleeding children in a Tripoli hospital? Sure, that is the reaction Mr. Qadhafi wishes to evoke as he parades television crews through the hospitals and clinics. But that is not the point, because it does not diminish the human cost of this action.

We missed the target, Mr. President. That is the point. Not in the traditional military sense of hits and misses. We missed the target because the terrorist target is profounding ubiquitous—worldwide—infinite. We did not hit the target. We grazed the symbol. Because that is all Colonel Qadhafi is—a symbol in the form of a sick clown. Destroy Qadhafi himself and you do not destroy terrorism. Destroy Libya and you do not destroy terrorism. The cause he symbolizes will continue to slither like a snake in the midst of the innocent population. And no bomb is going to stop it.

Take another look at those bleeding children before you delight over the precision of the rockets my colleagues. Tell them you are not sure the policy will work, but it sure did feel good. There will be more victims. And there will be only one difference between the status quo which existed prior to initiating this policy and the status quo which follows it. Before only they had the blood of innocents on their hands. Now we both do. Before we had moral authority. Now we share the vacuum of immorality.

Have we ignited a prairie fire of violence and reprisal for which there is no end in sight? Fanaticism was not bombed out of existence Monday, nor will it cease to exist the next time we strike back.

Mr. President, Teddy Roosevelt once said that "A just war is * * * better for a man's soul than the most prosperous peace." If he was correct—and I do not think he was—then certainly "just revenge is better for a man's soul than an imperfect peace marred by terrorism." At least it would appear that way, judging from the reaction in the streets and in the Congress. This is our contemporary manifestation of the Roosevelt thesis. I hope that we all stop and think about that. And think about Gandhi's words—that the means are the end in the making. Because only in that light can we possibly draw ourselves away from more of this senseless violence, that old familiar friend who comes around every time our best instincts fail us.

In the words of a German philosopher:

> Whoever battles with monsters had better see that it does not turn him into a monster.
>
> And if you gaze long into an abyss, the abyss will gaze back into you.

Mr. SIMON. Mr. President, I just got here for the final few pages of the Senator's speech. I simply want to commend my colleague from Oregon for standing up courageously, for saying some things that I fear are right.

There is no question about Mr. Qadhafi's direct relationship with the bombing that occurred in Berlin, but the question is whether we are wise and prudent in doing what we have done. And in addition to the very moral questions the Senator from Oregon has raised is this question: Have we elevated Qadhafi in Libya or weakened him? My fear is that we have elevated him rather than weakened him, and the same in the Arab world.

Prior to a few weeks ago, he was a pariah in the Arab world. I fear that is no longer the case.

The Senator from Oregon has, typical from MARK HATFIELD, shown great courage. I simply want to commend him for that courage and for raising the questions that we ought to be asking ourselves.

Mr. HATFIELD. Mr. President, I thank my good friend and colleague from Illinois, Senator SIMON. I would only say to the Senator that these are not easy times for anyone, about whichever side of the issue one may feel strongly on this particular occasion. But I do feel we have to call to conscience in order to at least raise questions; whether we have answers and solutions, at least ask questions about the validity and the wisdom of policy, particularly in matters of war and peace. And it is out of a call of conviction and conscience that I rise to make these comments I rise not because of any pleasure, not because of any satisfaction or anything else that it provides me, because it does not.

And yet I would feel less than responsible to my conscience if I did not at least take this occasion to hopefully in a respectful way, in a contributing, and in a positive way, at least to question some of these policies that are escalating hour by hour and day by day.

I want to thank the Senator for his kind remarks.

Mr. SIMON. Mr. President, if I can add one other point to what the Senator made which concerns me. The Senator said it makes us feel good. I have the feeling that we are responding to feelings rather than the national interest, and that is a very easy thing to do. It is very easy 5 years from now to look back, and say what the answer is. But we are dealing with this thing right now, and what is right.

The Senator helped to prick our conscience on this.

I thank the Senator.

Mr. HATFIELD. Mr. President, I suggest the absence of a quorum.

Mr. BYRD. Mr. President, will the distinguished Senator withhold?

Mr. HATFIELD. I withhold that request.

Mr. BYRD. Mr. President, I thank the distinguished Senator, my chairman on the Appropriations Committee.

SENATOR DOLE RECEIVES "THE VICTORY OF THE HUMAN SPIRIT" AWARD

Mr. BYRD. Mr. President, on April 7, 1986, our esteemed colleague, majority leader DOLE, received the Victory of the Human Spirit Award during a special ceremony at the Kennedy Center, sponsored by the newly opened National Rehabilitation Hospital here in Washington, DC.

He and three other outstanding Americans, including Edward Kennedy, Jr., the son of the distinguished senior Senator from Massachusetts, were so honored for showing that while personal disabilities may impose certain physical limitations, they need not impose limitations upon one's spirit, ambitions, or the pursuit and conquest of goals.

As the majority whip pointed out yesterday, it was 41 years ago yesterday that, while serving this Nation during World War II, a young and healthy 2d Lt. ROBERT DOLE was severly wounded by enemy gunfire.

This injury ended young ROBERT DOLE's dream of a medical career, but it could not end his pursuit of a career in public service. Mr. DOLE went on to serve in the Kansas Legislature, as Russell County, KS, attorney, and in the U.S. House of Representatives, 1960-68. In 1968, he was elected to the U.S. Senate. From 1971-73, he served as chairman of the Republican National Committee. In 1976, he was the Republican Party candidate for Vice President. Now he is the majority leader of the U.S. Senate.

Having served in that position myself, I know the demands and pressures of the job. In the 15 months that Senator DOLE has held that position, as all of us know, he has shown that he can meet these challenges effectively and successfully.

I am pleased that the promoters of the ceremony chose to recognize and honor the distinguished majority leader for his ability to overcome adversity and for his accomplishments. I congratulate him on the receipt of the award, and say that it is well deserved. Like Presidents Franklin Roosevelt and John Kennedy, and a number of other successful American public servants, such as our own distinguished Senator INOUYE of Hawaii, the majority leader has shown that America is indeed a land where dreams can and do come true despite physical limitations, that people can and do triumph over adversity, and that Americans should be recognized and appreciated for their abilities and should not be limited by their disabilities.

I congratulate my friend. Again, I say I am happy to have seen him receive this distinguished award.

I yield the floor.

Mr. HATFIELD. Mr. President, I would like to on behalf of Senator DOLE express appreciation to the Democratic leader of the Senate for his commendatory remarks on the award given to the majority leader, Senator DOLE of Kansas.

We all share in that. I also think it is illustrative of part of the glue of our Senate which may sometimes confound the casual observer as to how we may debate issues and appear to have such strong convictions that must eventually erupt into personalities or ruptured relationships. From the casual observer standpoint, people are puzzled at times when the Democratic leader will arise on an occasion of this type and make a public record concerning the distinction of an award given to the majority leader, and how that happens in both directions in the Senate.

I call it the glue of the Senate. There are a lot of things that make up the glue.

I want to thank the Democratic leader for his gracious remarks. I know that the Senator from Kansas, our majority leader, will express his own personal appreciation as well. I just cannot let this occasion go by, now that I have this powerful role for the moment of being the representative of the majority leader, but to respond in such a way.

Mr. BYRD. Mr. President, it is characteristic of the Senator from Oregon to speak in this fashion. I said a moment ago that he is the distinguished chairman of the Appropriations Committee, and he is distinguished, but he is more than that. He is considerate of others on both sides of the aisle who have their duties to perform as members of the Appropriations Committee. He is always understanding and courteous. I salute him for that.

We are Senators, but, after all, we are human beings and we have to get along with one another. Not only do we have to, but it is easy to get along with people like you, Senator HATFIELD, if I may go outside the rules of the Senate for a moment and speak to the distinguished Senator from Oregon in the second person.

I thank the Senator for what he means to all of us and for the example that he sets for us. He is fair, he has the courage to speak his mind, and I am happy to consider him my friend.

He is not only a good Senator but, perhaps, even better, he is also a gentleman.

Mr. HATFIELD. I am very grateful to the Senator for his gracious remarks.

THE CALENDAR

Mr. HATFIELD. Mr. President, I would like to inquire of the Democratic leader at this time if he is ready to handle some of the business that I have been assigned to raise before the body.

JOINT RESOLUTION HELD AT THE DESK—HOUSE JOINT RESOLUTION 582

Mr. HATFIELD. First of all, Mr. President, I will inquire as to holding at the desk House Joint Resolution 582.

Mr. BYRD. Mr. President, I have no objection.

Mr. HATFIELD. Mr. President, I ask unanimous consent that once the Senate receives from the House Joint Resolution 582, "Education Day," it be held at the desk pending further disposition.

The PRESIDING OFFICER. Without objection, it is so ordered.

PRINTING OF THE REPORT "DEVELOPMENTS IN AGING, 1985"

Mr. HATFIELD. Mr. President, I would like to inquire of the Democratic leader if he is ready to consider Calendar Order No. 525, Senate Resolution 305.

Mr. BYRD. Mr. President, there is no objection on this side of the aisle to proceeding with Calendar Order No. 525, Senate Resolution 305.

The PRESIDING OFFICER. The clerk will report.

The assistant legislative clerk read as follows:

A resolution (S. Res. 305) relating to the printing of a report entitled "Developments in Aging, 1985."

The PRESIDING OFFICER. Without objection, the Senate will proceed to consider resolution.

The Senate proceeded to consider the resolution.

The PRESIDING OFFICER. The question is on agreeing to the resolution.

The resolution (S. Res. 305) was agreed to, as follows:

S. Res. 305

Resolved, That there shall be printed for the use of the Special Committee on Aging the maximum number of copies of volume 1 of its annual report to the Senate, entitled "Developments in Aging: 1985", which may be printed at a cost not to exceed $1,200.

Mr. HATFIELD. Mr. President, I move to reconsider the vote by which the resolution was agreed to.

Mr. BYRD. Mr. President, I move to lay that motion on the table.

The motion to lay on the table was agreed to.

PRINTING OF A REVISED EDITION OF THE SENATE ELECTION LAW GUIDEBOOK

Mr. HATFIELD. Mr. President, I ask the Democratic leader if he is ready to consider Calendar Order No. 529, Senate Resolution 356.

Mr. BYRD. Mr. President, there is no objection on this side.

Mr. HATFIELD. I ask unanimous consent that the Senate turn to consideration of Calendar 529, S. 356, authorizing the printing of a Senate document.

The PRESIDING OFFICER. Without objection, it is so ordered.

The clerk will state the resolution by title.

The assistant legislative clerk read as follows:

A Senate resolution (S. Res. 356) authorizing the printing of a revised edition of Senate document numbered 99-23, entitled "Senate Election Law Guidebook 1984" as a Senate document.

The Senate proceeded to consider the resolution.

AMENDMENT NO. 1786

Mr. HATFIELD. Mr. President, I send an amendment to the desk on behalf of Mr. Mathias.

The PRESIDING OFFICER. The clerk will state the amendment.

The assistant legislative clerk read as follows:

The Senator from Oregon [Mr. Hatfield], for Mr. Mathias, proposes an amendment numbered 1786.

In line 2, after the word "numbered" strike out "99" and insert in lieu thereof "98",

Amend the title so as to read: "Authorizing the printing of a revised edition of Senate document numbered 98-23, entitled "Senate Election Law Guidebook 1984" as a Senate document.".

Mr. HATFIELD. This is a technical change, Mr. President.

The PRESIDING OFFICER. The question is on agreeing to the amendment.

The amendment (No. 1786) was agreed to.

The PRESIDING OFFICER. The question is on agreeing to the resolution as amended.

The resolution (S. Res. 356) was agreed to, as follows:

S. Res. 356

Resolved, That there be printed a revised edition of Senate document numbered 98-23, entitled "Senate Election Law Guidebook 1984", as a Senate document, and that there be printed for the use of the committee additional copies of such document not to exceed the cost of $1,200.

Mr. HATFIELD. I move to reconsider the vote by which the resolution was agreed to.

Mr. BYRD. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. HATFIELD. I ask the distinguished minority leader if he is prepared to consider Senate Resolution 383, a resolution marking the 10th anniversary of the Magnuson Fishery Conservation and Management Act's becoming law.

Mr. BYRD. Mr. President, there is no objection on this side and we are prepared to consider the resolution.

THE 10TH ANNIVERSARY OF MAGNUSON FISHERY CONSERVATION AND MANAGEMENT ACT

Mr. HATFIELD. I send the resolution to the desk and ask unanimous consent for its consideration.

The PRESIDING OFFICER. Without objection, the resolution will be stated by title.

The assistant legislative clerk read as follows:

A Senate resolution (S. Res. 383) marking the 10th Anniversary of the Magnuson Fishery Conservation and Management Act becoming law.

The Senate proceeded to consider the resolution.

Mr. GORTON. Mr. President, today I am joining several of my distinguished colleagues in introducing a resolution marking the 10th anniversary of the enactment of the Magnuson Fishery Conservation and Management Act [MFCMA]. Sunday, April 13, marked the 10th anniversary of the Magnuson Act being the law of the land. In order to pay the proper tribute to former Senator Warren Magnuson, who led the effort to pass this important fishery conservation law, I am seeking prompt passage of this resolution.

Under Senator Magnuson's leadership, the United States was able to assert jurisdiction of our fishery resources out to 200 miles from our shores. These marine fisheries resources comprise the largest, most varied and valuable fisheries resource in the world. Over 20 percent of all marine fisheries are found in this zone. It includes one-fifth of all the traditionally marketed fish and shellfish in the ocean, and about 90 thousand miles of tidal shoreline offering numerous and varied recreational opportunities.

During the decade prior to final passage of the act, Senator Magnuson had long been concerned about the serious plight of the American fishing industry and the progressive deterioration of our fishery resources. It became clear to him that the regulatory powers of the United States over these fisheries were insufficient. In response, Senator Magnuson framed this historic legislation upon on two fundamental goals that are still the basis for the act today. First. the United States was to reduce and manage the foreign fishing fleets and give preference to the U.S. industry. The second goal was to create a national management program, centered at the regional level, for management and conservation of the resources for all fishermen and future generations.

With passage of the Magnuson Fishery Conservation and Management Act, the United States established exclusive management authority over most fishery resources within 200

miles of our Nation's shores. The act created a fishery conservation zone, or FCZ, extending seaward from the 3-mile territorial waters to a distance of 200 nautical miles. Eight Regional Fishery Management Councils were created to manage the fishery within the FCZ, in cooperation with the Department of Commerce. Foreign fishermen were permitted to harvest that portion of the fish resource which would not be harvested by vessels of American fishermen, but only if the foreign nation had entered into a strict agreement with the United States and had paid license fees established by the Department of Commerce.

Our fishing industry is worth nearly $10 billion per year to our economy. Since passage of the Magnuson Act, our commercial fishermen alone have almost quadrupled their catches. The important role this law has played in helping our domestic industry grow cannot be overstated.

On an occasion such as this, however, it is also appropriate to recognize our other colleagues who not only contributed to the development of the Magnuson Act, but who also are ensuring that it is properly implemented. The Senator from the State of Alaska, Mr. Stevens, stands out in this regard. That distinguished Senator was an active floor manager of the act, has been a leader in promoting the interests of the American industry, and remains as important a force in shaping fisheries policy as anyone. He was additionally the Senator who offered the successful amendment naming the act—the Magnuson Act. He deserves a great deal of credit and our thanks for his role. Senators Packwood, Hatfield, Hollings, Kennedy, Inouye, Pell, and Weicker also were leaders 10 years ago in securing passage of this landmark legislation.

Mr. President, I believe it is fitting that we honor Warren Magnuson for all that he has done to help conserve our fishery resources and promote our domestic fishing industry. His role as chief architect and father of the act 10 years ago deserves our attention and tribute. The Magnuson Fishery Conservation and Management Act is appropriately named.●

Mr. BYRD. Mr. President, I ask unanimous consent that my name be added as a cosponsor.

The PRESIDING OFFICER. Without objection, it is so ordered.

The PRESIDING OFFICER. The question is on agreeing to the resolution.

The resolution (S. Res. 383) was agreed to.

The preamble was agreed to.

The resolution with its preamble is as follows:

S. Res. 383

Resolved,

Whereas Sunday, April 13, marked the 10th anniversary of the Magnuson Fishery Conservation and Management Act becoming the law of the United States of America (Public Law 94-265);

Whereas that Act extended U.S. jurisdiction to encompass over 3 million square miles of the world's most productive fishing grounds and 20 percent of the world's fishery resources;

Whereas that act instituted conservation and management for these stocks which has previously been heavily overfished and depleted by foreign fleets, and thus has permitted this Nation to manage our fisheries for the benefit of both present and future generations;

Whereas that Act provided unprecedented incentives and preferences for U.S. fishermen and processors, and since the Magnuson Act was passed, the U.S. fishing industry has almost quadrupled its catch;

Whereas Warren G. Magnuson, who honorably served Washington State in the U.S. Senate from 1944 to 1981 was the Nation's preeminent leader in securing passage of this landmark legislation and was honored for this effort by having the Act named after him: Now, it is hereby

Resolved, That the Senate of the United States recognizes and declares its highest respect and deepest gratitude to Warren Magnuson for his tireless and successful efforts to promote the conservation and management of our marine fisheries, and to provide our commercial and recreational fishing industry the ability to gain the full benefits of those vast and valuable resources.

Mr. HATFIELD. I move to reconsider the vote by which the resolution was agreed to.

Mr. BYRD. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

ORDER OF BUSINESS

Mr. HATFIELD. Mr. President, is the distinguished minority leader prepared to consider the Senate Concurrent Resolution 128?

Mr. BYRD. Mr. President, there is no objection on this side.

Mr. President, I ask unanimous consent that my name be added as a cosponsor.

The PRESIDING OFFICER. Without objection, it is so ordered.

COMMEMORATION OF THE BICENTENNIAL OF AUSTRALIA AND HONORING THE APRIL 1986 VISIT OF AUSTRALIAN PRIME MINISTER ROBERT HAWKE TO THE UNITED STATES

Mr. HATFIELD. Mr. President, I send to the desk the Senate concurrent resolution on behalf of Senator Dole and ask for its immediate consideration.

The PRESIDING OFFICER. The resolution will be stated by title.

The assistant legislative clerk read as follows:

A Senate concurrent resolution (S. Con. Res. 128) to commemorate the bicentennial of Australia and to honor the April 1986 visit of Australian Prime Minister Robert Hawke to the United States.

The Senate concurrent resolution was considered and agreed to.

The preamble was agreed to.

The resolution with its preamble is as follows:

S. Con. Res. 128

Whereas the United States and Australia enjoy a special and close relationship based on our shared history, cultural heritage, similar political values, and mutual respect for individual liberties;

Whereas our two nations enjoy thriving trade and business relationships and a broad range of people-to-people programs;

Whereas that close relationship has assured an alliance between our two nations in defense of freedom during four wars;

Whereas Australia and the United States are linked in a mutual defense treaty and readily accept the costs involved in preserving international peace;

Whereas Australia participated in the celebration of the bicentennial anniversary of American independence in 1976;

Whereas the Prime Minister of Australia, the Honorable Robert J.L. Hawke, will be visiting the United States in April 1986;

Whereas the Government and people of Australia have invited the Government and people of the United States to join in celebrating the forthcoming 1988 bicentennial of Australia; and

Whereas it is most fitting that this historic event be recognized in a manner which will commemorate Australian-American friendship and strengthen the many ties which link our two great nations together: Now, therefore, be it

Resolved by the United States Senate (the House of Representatives concurring), That the Congress declares its deep and abiding respect and friendship for the people of Australia and salutes Australia in its preparations for the celebration of its bicentennial.

Sec. 2. It is the sense of the Congress that the United States Government should help Australia observe its bicentennial year with appropriate activities and ceremonies that would indicate the high regard and deep affection which the people of the United States hold toward the Government and people of Australia during their celebration.

Mr. HATFIELD. I move to reconsider the vote by which the resolution was agreed to.

Mr. BYRD. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

ORDER OF BUSINESS

Mr. HATFIELD. Mr. President, I inquire of the Democratic leader if he is in a position to concur in the following nominations on the Executive Calendar: No. 742, Eric G. Bruggink and Calendar No. 754, Robert M. Gates.

Mr. BYRD. Mr. President, I do not think there is any objection on either of those nominations to the Senate's taking action at this time. I suggest to the distinguished acting majority leader that a Senator is on his way to the floor to speak on the second of the

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two nominations that were indicated by the distinguished acting leader.

May I suggest to the distinguished Senator who is the acting leader that the Senate proceed to the first of the two nominations and then, if the Senator would put in a quorum call so that the Senator on this side may come to the floor and speak; then I think that second nomination can be acted upon promptly.

EXECUTIVE SESSION

Mr. HATFIELD. Mr. President, I ask unanimous consent that the Senate go into executive session in order to consider the nominations just identified.

There being no objection, the Senate proceeded to the consideration of executive business.

The PRESIDING OFFICER. The nominations will be stated.

THE JUDICIARY

The assistant legislative clerk read the nomination of Eric G. Bruggink, of Virginia, to be a judge of the U.S. Claims Court.

Mr. HATFIELD. Mr. President, in compliance with the request made by the Democratic leader, I move approval of this nomination separately from the second nomination.

The PRESIDING OFFICER. Without objection, the nomination is considered and confirmed.

Mr. HATFIELD. I move to reconsider the vote by which the nomination was considered and confirmed.

Mr. BYRD. Mr. President, I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. HATFIELD. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to consider the nomination.

Mr. HATFIELD. Mr. President, I ask unanimous consent that further proceedings on the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. HATFIELD. Mr. President, I ask unanimous consent that the period for routine morning business be extended for another 10 minutes.

The PRESIDING OFFICER. Without objection, it is so ordered.

CENTRAL INTELLIGENCE

The assistant legislative clerk read the nomination of Robert M. Gates, of Virginia, to be Deputy Director of Central Intelligence.

SUPPORT FOR GATES NOMINATION

Mr. DOLE. Mr. President, I am pleased to support the nomination of Bob Gates to the key position of Deputy Director of the Central Intelligence Agency. First, because Bob is a consumate pro, with two decades of experience and accomplishment in intelligence affairs; and second, because Bob is a native Kansan, whose proud parents still live in Wichita.

ROLE OF CIA DEPUTY DIRECTOR POSITION

Bob has been nominated to assume one of the most important and sensitive positions in our Government. As the principal Deputy to CIA Director Casey, and as the Agency's representative when Casey assumes his "hat" as overall Director of Central Intelligence, Bob will be deeply involved in all major intelligence matters—which is to say, in virtually all of the major international issues facing our country.

He will have an enormous input into the intelligence on which the President and other senior officials base their national security and foreign policy decisions. He will help shape the strategy and programs of intelligence collection, on which our national security is directly based. And one only need to look at the current situation involving terrorism to know how critical timely, accurate intelligence can be to our national interests and to the safety of our people. And Bob will also influence the nature and scope of special intelligence activities, including covert programs, which can be so vital to our ability to operate in the real world.

READY TO MEET THE CHALLENGE

No doubt about it, he faces an enormous challenge. But he is ready to tackle it, by virtue of his talent and his experience.

Bob joined the CIA in 1966, after winning a B.A. from William and Mary and an M.A. from Indiana. Subsequently, he obtained a Ph.D. from Georgetown, as a specialist in Soviet affairs and Russian history.

Within the Agency, he rose rapidly as one of its most perceptive and creative analysts. Four years ago, he was appointed Deputy Director of CIA for intelligence; that is, in overall charge of the Agency's analytic effort. In that position, he has made a major effort to focus and sharpen Agency analysis of all of the major issues we confront, including such current issues as terrorism. Concurrently, he has served as chairman of the National Intelligence Council, the interagency body coordinating governmentwide analysis of national security and foreign policy related issues.

Among his many honors, Bob has won the intelligence community's "Intelligence Medal of Merit" and, in 1978, the prestigious Arthur S. Fleming Award as one of America's 10 most outstanding civil servants.

Bob Gates is eminently qualified to be the CIA's Deputy Director. He's the right man for the job. He deserves our unanimous support, and I urge all Senators to vote for his nomination.

Mr. LEAHY. Mr. President, I have no objection to this nomination.

I note that we had the confirmation hearings last week. The Senate Intelligence Committee—those voting—voted unanimously to confirm the nomination of Dr. Gates as Deputy Director of the CIA. He was extremely forthcoming and open in the answers to questions of all the members.

For the press, it was a unique opportunity to actually see our committee. We had the doors open for the meeting. It was only the second time I can remember in almost 7 years that I have been on the committee that we had the doors open to cameras.

I recommend to my colleagues that they read the transcript of that hearing. It is an instance of an extremely professional member of our intelligence community giving his views on covert action, the role of intelligence in arms control and foreign policy, and so forth. It is a unique window in that area.

As I said, I have no objection, as vice chairman of the Intelligence Committee, and I urge the confirmation of the nomination of Dr. Gates.

The PRESIDING OFFICER. The question is, Will the Senate advise and consent to the nomination of Robert M. Gates, of Virginia, to be Deputy Director of Central Intelligence?

The nomination was confirmed.

Mr. HATFIELD. Mr. President, I move to reconsider the vote by which the nomination was confirmed.

Mr. LEAHY. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. HATFIELD. Mr. President, I ask unanimous consent that the President be immediately notified that the Senate has given its consent to these nominations.

The PRESIDING OFFICER. Without objection, it is so ordered.

LEGISLATIVE SESSION

Mr. HATFIELD. Mr. President, I ask unanimous consent that the Senate resume the consideration of legislative business.

There being no objection, the Senate resumed the consideration of legislative business.

MESSAGES FROM THE PRESIDENT

Messages from the President of the United States were communicated to the Senate by Mr. Saunders, one of his secretaries.

EXECUTIVE MESSAGES REFERRED

As in executive session, the Presiding Officer laid before the Senate messages from the President of the United

States submitting sundry nominations which were referred to the appropriate committees.

(The nominations received today are printed at the end of the Senate proceedings.)

MESSAGES FROM THE HOUSE

At 3:39 p.m., a message from the House of Representatives, delilvered by Mr. Berry, one of its reading clerks, announced that the House has passed the following bills and joint resolutions, in which it requests the concurrence of the Senate:

H.R. 2721. An act to amend title 13, United States Code, to require the collection of statisticis on domestic apparel and textile industries;

H.R. 4551. An act to extend for 3 months the emergency acquisition and net worth guarantee provisions of the Garn-St Germain Depository Institutions Act of 1982;

H.J. Res. 220. Joint resolution to recognize the vital role played by members of the National guard and Reserve in the national defense;

H.J. Res. 234. Joint resolution designating the week of May 18, 1986 through May 24, 1986, as "National Food Bank Week"; and

H.J. Res. 582. Joint resolution to designate April 20, 1986, as "Education Day U.S.A.".

ENROLLED BILL AND JOINT RESOLUTIONS SIGNED

At 4:22 p.m., a message from the House of Representatives, delivered by Mr. Berry, one of its reading clerks, announced that the Speaker has signed the following enrolled bill and joint resolutions:

S. 1282. An act to amend the Public Health Service Act to revise and extend the programs of assistance for primary health care;

S.J. Res. 136. Joint resolution to authorize and request the President to issue a proclamation designating the calendar week beginning with Sunday, April 13, 1986, as "National Garden Week"; and

S.J. Res. 315. Joint resolution designating May 1986 as "Older Americans Month".

The enrolled and joint resolutions were subsequently signed by the President pro tempore (Mr. Thurmond).

MEASURES REFERRED

The following bill and joint resolution were read the first and second times by unanimous consent, and referred as indicated:

H.R. 2721. An act to amend title 13, United States Code, to require the collection of statistics on domestic apparel and textile industries; to the Committee on Governmental Affairs.

H.J. Res. 234. Joint resolution designating the week of May 18, 1986 through May 24, 1986, as "National Food Bank Week"; to the Committee on the Judiciary.

MEASURES PLACED ON THE CALENDAR

The following bill was read the first and second times by unanimous consent, and placed on the calendar:

H.R. 4551. An act to extend for 3 months the emergency acquisition and net worth guarantee provisions of the Garn-St Germain Depository Institutions Act of 1982;

MEASURES HELD AT THE DESK

The following joint resolution was ordered held at the desk by unanimous consent pending further disposition:

H.J. Res. 582. Joint resolution to designate April 20, 1986, as "Education Day U.S.A.".

ENROLLED BILL AND JOINT RESOLUTIONS PRESENTED

The Secretary of the Senate reported that on today, April 15, 1986, she had presented to the President of the United States the following enrolled bill and joint resolutions:

S. 1282 An act to amend the Public Health Service Act to revise and extend the programs of assistance for primary health care;

S.J. Res. 136. Joint resolution to authorize and request the President to issue a proclamation designating the calendar week beginning with Sunday, April 13, 1986, as "National Garden Week"; and

S.J. Res. 315. Joint resolution designating May 1986 as "Older Americans Month".

REPORTS OF COMMITTEES

The following reports of committees were submitted:

By Mr. HATCH, from the Committee on Labor and Human Resources:

Report to accompany the bill (S. 1968) to amend the Railroad Unemployment Insurance Act to assure sufficient resources to pay benefits, to increase the maximum daily benefit, and for other purposes (Rept. No. 99-281).

INTRODUCTION OF BILLS AND JOINT RESOLUTIONS

The following bills and joint resolutions were introduced, read the first and second time by unanimous consent, and referred as indicated:

By Mr. HATCH:

S. 2303. A bill to designate September 17 of every year as "Constitution Day" and to establish such day as a legal holiday with certain limitations; to the Committee on the Judiciary.

By Mr. CRANSTON (for himself, Mr. Matsunaga, Mr. DeConcini, Mr. Mitchell and Mr. Rockefeller):

S. 2304. A bill to amend title 38, United States Code, to extend the period of time during which veterans readjustment appointments may be made; to the Committee on Veterans' Affairs.

By Mr. KENNEDY:

S. 2305. A bill to amend title IV of the Public Health Service Act to require the Director of the National Cancer Institute to make grants and enter into contracts to support research on adoptive immunotherapy for cancer; to the Committee on Labor and Human Resources.

By Mr. D'AMATO:

S. 2306. A bill entitled the "Bank Secrecy Act Amendments of 1986"; to the Committee on Banking, Housing, and Urban Affairs.

By Mr. PRESSLER (for himself, Mr. Gore, Mr. Inouye, Mr. Hollings, Mr. Abdnor, Mr. Andrews, Mr. Warner, Mr. Johnston, Mr. Melcher, Mr. Moynihan, Mr. Boschwitz, Mr. Hecht, Mr. Cohen, Mr. Wilson, Mr. Nunn, Mr. Matsunaga, Mr. Long and Mr. Laxalt):

S. 2307. A bill to provide authorization of appropriations for activities of the U.S. Travel and Tourism Administration; to the Committee on Commerce, Science, and Transportation.

By Mr. LAUTENBERG:

S. 2308. A bill to authorize the President of the United States to award congressional gold medals to Anatoly and Avital Shcharansky in recognition of their dedication to human rights, and to authorize the Secretary of the Treasury to sell bronze duplicates of those medals; to the Committee on Banking, Housing, and Urban Affairs.

By Mr. STAFFORD (by request):

S. 2309. A bill authorizing appropriations to the Secretary of the Interior for services necessary to the nonperforming arts functions of the John F. Kennedy Center for the Performing Arts, and for other purposes; to the Committee on Environment and Public Works.

By Mr. PRESSLER (for himself, Mr. Hecht and Mr. Grassley):

S. 2310. A bill to make foreign nationals ineligible for certain agricultural program loans, payments or benefits; to the Committee on Agriculture, Nutrition, and Forestry.

By Mr. MITCHELL (for himself and Mr. Cohen):

S. 2311. A bill relating to certain foreign labor subsidies for which relief may be sought under the countervailing duty laws; to the Committee on Finance.

By Mr. LAUTENBERG (for himself, Mr. Murkowski, and Mr. Cranston):

S.J. Res. 322. Joint resolution to designate December 7, 1986, as "National Pearl Harbor Remembrance Day" on the occasion of the anniversary of the attack on Pearl Harbor; to the Committee on the Judiciary.

By Mr. D'AMATO:

S.J. Res. 323. Joint resolution to designate May 21, 1986, as "National Andrei Sakharov Day"; to the Committee on the Judiciary.

By Mr. GORE (for himself, Mr. Andrews, Mr. Boschwitz, Mr. Bradley, Mr. Burdick, Mr. Chiles, Mr. Cochran, Mr. Cranston, Mr. Dole, Mr. Durenberger, Mr. Grassley, Mr. Hatch, Mr. Heflin, Mr. Heinz, Mr. Hollings, Mr. Inouye, Mr. Lautenberg, Mr. Levin, Mr. Matsunaga, Mr. Pell, Mr. Sarbanes, Mr. Specter, Mr. Stennis, Mr. Symms, Mr. Thurmond, and Mr. Zorinsky):

S.J. Res. 324. Joint resolution to designate the week beginning May 18, 1986, as "National Digestive Diseases Awareness Week"; to the Committee on the Judiciary.

SUBMISSION OF CONCURRENT AND SENATE RESOLUTIONS

The following concurrent resolutions and Senate resolutions were read, and referred (or acted upon), as indicated:

By Mr. HATFIELD (for Mr. Gorton (for himself, Mr. Evans, Mr. Stevens, Mr. Murkowski, Mr. Hatfield, Mr. Packwood, Mr. Pell, Mr. Sarbanes, Mr. Ford, Mr. Hollings, Mr. Danforth, Mr. Abdnor, Mr. Cochran, Mr. Hecht, Mr. Lautenberg, Mr. Boren, Mr. Boschwitz, Mr. Inouye, Mr. Kennedy, Mr. Mitchell, and Mr. Byrd)):

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S. Res. 383. Resolution marking the 10th anniversary of the Magnuson Fishery Conservation and Management Act becoming law; considered and agreed to.

By Mr. HATFIELD (for Mr. Dole (for himself, Mr. Lugar, Mr. Pell, and Mr. Byrd)):

S. Con. Res. 128. Concurrent resolution to commemorate the bicentennial of Australia and to honor the April 1986 visit of Australian Prime Minister Robert Hawke to the United States; considered and agreed to.

STATEMENTS ON INTRODUCED BILLS AND JOINT RESOLUTIONS

By Mr. HATCH:

S. 2303. A bill to designate September 17 of every year as "Constitution Day" and to establish such day as a legal public holiday with certain limitations; to the Committee on the Judiciary.

CONSTITUTION DAY

Mr. HATCH. Mr. President, on September 11, 1987, the United States will celebrate the 200th anniversary of the signing of the Constitution. The bicentennial celebration provides a rare opportunity for the American people to reflect upon those principles which have nobly governed the Nation and which serve as a beacon for free people throughout the world.

Truly the Constitution is a marvelous work. On the occasion of the Constitution's centennial celebration, former Prime Minister William Gladstone of England remarked: "I have always regarded that Constitution as the most remarkable work known to men in modern times to have been produced by the human intellect."

As we approach the 200th anniversary of our charter of liberty, it is appropriate to ask: "How familiar are Americans with the formation and principles of the Constitution?"

Richard B. Morris, professor of history emeritus at Columbia University answered this question when he appeared before the Senate Subcommittee on the Constitution during the 97th Congress. "Granted the Constitution's central place in American political life," he said, "it is hardly disputable that the public's understanding of the Constitution is at a low ebb, and that young people completing high school take with them an abysmal sum of ignorance about the constitutional system of this Nation. * * * We are not * * * effectively teaching the Constitution in our schools."

The bicentennial celebration offers the Nation an opportunity to correct this educational dilemma. Thomas Jefferson once wrote that: "If a nation expects to be ignorant and free, in a state of civilization, it expects what never was and never will be."

The future of the Constitution depends upon the level of understanding of the American people and their willingness to uphold it in the tradition of the framers. If we are to remain a free people, we need an informed electorate.

In addition to the bicentennial celebration, there is another way in which Americans of all ages can become more familiar with the Constitution, That is to set aside one day each year to reflect upon the Constitution. Therefore, I have introduced a bill to designate September 17 of each year as "Constitution Day" and to establish such day as a legal public holiday with a certain limitation. The limitation is that while "Constitution Day" would be a national holiday, Federal workers would not be exempt from work. In other words, September 17 of each year would be a unique national holiday because Federal offices would not be closed. However, public and private schools, along with the media, would be free to focus upon the importance of the Constitution and the contributions of the framers. Since Federal offices would not be closed on September 17, there would be no cost involved.

Just as we honor the drafting and signing of the Declaration of Independence on July 4 of each year, I believe it is fitting that we honor the Constitution and those who drafted it. After all, it is these charters which have provided this Nation with unparalleled freedom.

I urge my distinguished colleagues in the Senate and the House of Representatives to support this bill.

By Mr. CRANSTON (for himself, Mr. Matsunaga, Mr. DeConcini, Mr. Mitchell, and Mr. Rockefeller):

S. 2304. A bill to amend title 38, United States Code, to extend the period of time during which veterans readjustment appointments may to be made; to the Committee on Veterans Affairs.

EXTENSION OF VETERANS READJUSTMENT APPOINTMENT AUTHORITY

Mr. CRANSTON. Mr. President, as the ranking minority member of the Committee on Veterans' Affairs, I am introducing today S. 2304, a bill to extend for 3 additional years the authority set forth in section 2014(b) of title 38, United States Code, for veterans readjustment appointments—VRA's. Joining with me as an original cosponsor of this measure are the Senators from Hawaii [Mr. Matsunaga], Arizona [Mr. DeConcini], Maine [Mr. Mitchell], and West Virginia [Mr. Rockefeller], all of whom also serve on the Veterans' Affairs Committee.

The VRA authority, which would otherwise expire on September 30, 1986, permits certain disabled Vietnam-era veterans and educationally disadvantaged Vietnam-era veterans to be given excepted appointments in the Federal civil service. The purpose of the VRA authority is to assist these veterans by making it possible for them to be hired noncompetively into the Federal civil service and to develop additional skills through a program combining education and training with the opportunity for a regular career appointment.

On March 26, 1970, President Nixon issued Executive Order No. 11521, which established a special civil service appointment authority for certain veterans and disabled veterans of the Vietnam era who were discharged after April 9, 1969. Under that original authority, the eligibility requirements specified that in order to be considered for an apppointment a veteran must be qualified for the position, must have completed no more than 14 years of education, must have served on active duty during the Vietnam era, and generally must have been separated from the service for 1 year or less. Veterans who met these eligibility requirements could be given a VRA for any position in the competitive service at or below the general schedules 5 [GS-5] level or its equivalent. A veteran who satisfactorily completed 2 years of substantially continuous service under a VRA and an education or training program was converted to career conditional employment and automatically acquired a competitive status for civil service purposes.

In 1973, I authored legislation, based on this model, that was enacted in Public Law 93-508. It codified the VRA authority as section 2014(b) of title 38, extended the eligibility period for certain veterans who enrolled in a program of education within 1 year after release from active duty, and provided for the continuation of the program through June 30, 1978.

In 1978, I authored provisions—based upon legislation submitted by the administration—to extend and expand the VRA program substantially. These provisions were enacted in section 6(b) of the Veterans' Programs Extension Act of 1978, Public Law 95-520, which extended the authority through September 30, 1981. These provisions also extended eligibility to all Vietnam-era veterans with no more than 14 years of education, not just those separated after April 9, 1969, and eliminated the maximum limitation on the number of years of education for Vietnam-era veterans with service-connected disabilities and those who were discharged or released because of a service-connected disability. In addition, that measure raised the grade-level limitation for VRA's from GS-5 to GS-7, expanded requirements for reporting on the use of this authority, and extended the program for 3 years through September 30, 1981.

In 1981, I authored in the Senate provisions, consistent with administration-supported proposals, enacted in Public Law 97-72, that further extended the authority through September 30, 1984, and in 1984 provisions, enacted in Public Law 98-543, that led to the extension of the authority through September 30, 1986. Additionally, based on administration-proposed legislation, Public Law 98-543 raised the grade-level limitation from GS-7 to GS-9 and provided veterans who receive VRA appointments with certain appeal rights to the Merit Systems Protection Board during the first year of employment.

Since the inception of this very successful program in 1970, VRA's have provided employment opportunities for over one-quarter of a million veterans. In fiscal year 1984, more than 20,000 appointments were made: in fiscal year 1985, more than 17,000. Overall, minority group veterans have received an average of 38 percent of the total appointments, service-connected disabled veterans, 10 percent, and women veterans, 9 percent.

The success of the VRA program is also evidenced by the high Government-wide retention rates of veterans who were intitially appointed under the VRA authority. Over 80 percent of veterans who have received VRA's have converted to career conditional employment status in the civil sevice system.

It should be stressed that the VRA program does not provide for the creation of additional Government jobs. All VRA positions are regular civil service positions that count against an agency's staffing ceilings. Federal agencies' participation in the program is influenced by such factors as the agency's interest in providing eligible veterans with VRA opportunities, budgetary considerations, and the types of positions available that attract the interest and are compatible with the qualifications of VRA eligibles.

Mr. President, the continued success and popularity of the program is without question. Indeed, at hearings held before the House Committee on Veterans' Affairs on March 20, there was unanimous support among the witnesses for extension of the program, including OPM Acting Associate Director for Workforce Effectiveness and Development Gerald Hinch, who noted the administration's support for enactment of legislation to extend the program for 3 additional years, just as the measure we are introducing today would do.

Mr. Hinch also noted that OPM has taken significant actions to encourage participation by Federal agencies in the VRA program. These include providing technical assistance and advice to Federal agencies, publicizing the program through Federal executive boards and the interagency advisory group, dispensing job information through OPM's network of Federal Job Information Centers, and participating in conferences and conventions of veterans' organizations. In addition, OPM works in cooperation with the VA, the Department of Labor, and the President's Committee on the Employment of the Handicapped to promote the program. Recently, OPM also successfully implemented a training course, "Veterans Employment Programs: A Workshop," a 2-day course designed for Government employers with the responsibility for veterans' employment programs. A major component of this course covers the policies and procedures of the VRA program and how agencies can use the VRA authority more effectively.

Mr. President, the VRA program has provided employment for tens of thousands of Vietnam-era veterans who would otherwise, because of a variety of factors, have not been able to obtain Federal employment. The extension of the basic authority would ensure that this consistently successful program continues to meet needs.

By Mr. KENNEDY:

S. 2305. A bill to amend title IV of the Public Health Service Act to require the Director of the National Cancer Institute to make grants and enter into contracts to support research on adoptive immunotherapy for cancer; to the Committee on Labor and Human Resources.

CANCER RESEARCH ACT

Mr. KENNEDY. Mr. President, I rise to introduce the Cancer Research Act of 1986. The bill I introduce today stands as a tangible hope for hundreds of cancer victims. A revolution has occurred in medical science, allowing understanding, treatment, even cure of disease on the molecular level where it occurs. Today, I introduce a measure seeking immediate support for a promising breakthrough in cancer therapy: Adoptive immunotherapy.

Adoptive immunotherapy. A cancer therapy developed by Dr. Stephen Rosenberg, Chief of Surgery at the National Cancer Institute, has been heralded by physicians, scientists, and lay leaders as one of the most significant cancer advances of our time. The process activated the body's own immune system to attack malignant cells, using a blood protein, Interleukin 2, genetically engineered in large amounts.

To date, 71 patients, all of them with extensive disease and with failures after other therapies, have been treated with this Interleukin 2 therapy. There have been highly encouraging response rates. The responses have been especially promising because they have occurred in some cancers which have been particularly difficult to treat. Kidney cancer, malignant melanoma, and colon cancer have responded at rates of 100 percent, 50 percent, and 30 percent respectively. These should not be confused with cures. But they are unusually encouraging responses.

The history of this struggle is a long, often frustrating one. In the 1970's, we turned money and muscle to the "war on cancer" expecting to conquer it as we had the Moon. The answers did not spring forth, and there was frustration in American homes. Today, fully three of four American families can expect at some point to face the diagnosis of cancer. Fortunately, the slow arduous process of research was not new to our scientists. It has been necessary to take years of small steps and to lay a foundation in basic medical science research. The scientists persisted in their work as we did in our support of them. The war continued against an oppressive, unrelenting foe. Thanks to breakthroughs like Dr. Rosenberg's work, the future for families who face cancer is less bleak than it once was.

Though six centers have been selected by the National Cancer Institute to receive a half million dollars for the treatment of 40 patients each, clearly this exciting new breakthrough deserves wider testing. Many questions must be answered. We must accelerate the development of this treatment into a therapy that could benefit millions of Americans.

When Dr. Rosenberg's cautious words on IL 2/LAK therapy appeared in the New England Journal of Medicine, the National Cancer Institute began receiving over 1,000 calls a day, the largest number in its history, from patients seeking placement in the program. Disease knows no prejudice. These calls were from your constituents and mine, people rich and poor, black and white, mothers and fathers, sons and daughters, Americans from all across the land. All were desperate for the treatment their tax dollars helped to discover. Their calls were answered but their pleas for help went unfulfilled. No funds nor mechanisms existed to extend the program.

The legislation I am introducing today will provide for 12 treatment and research sites. It will double the rate at which scientists can answer the many questions that need to be answered before this immunotherapy can surpass the experimental stage. Each center designated will receive a half million dollars.

The expansion of research on this therapy has been endorsed by the President's Cancer Panel. They asserted in their most recent report there would be an "almost immediate benefit from expanding the clinical trials of Steven Rosenberg's (sic)." They recommended $20 million to this end.

The proposal I introduce today is a modest one. It will cost only $6 million. But it will double the number of cancer centers which can begin work on this therapy and the number of pa-

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tients who are hopeful of receiving benefits from it.

Mr. President, there are those who would scoff at an old man who digs in the soil to plant a sapling, wasting effort on a tree whose fruit he will not live to taste, whose shade he will never enjoy. And yet that old man continues to toil, for he has vision. He labors, not just for himself, but for his children, for their fruit, for their shade. The Congress has shown vision through tireless support for basic science research since the very inception of the National Institutes of Health. While many of us do not fully understand the intricacies of biological science, we suffer ourselves and through family and friends when those biological processes go awry. At times, we have yearned for more direct results, for more practical research. But we have held fast to our faith in scientists at the helm supported by public revenues. Small steps lead to large ones. Years of small steps and vision have contributed to the larger step we are on the verge of making today.

By Mr. D'AMATO:

S. 2306. A bill entitled the "Bank Secrecy Act Amendments of 1986"; to the Committee on Banking, Housing, and Urban Affairs.

BANK SECRECY ACT AMENDMENTS

Mr. D'AMATO. Mr. President, I am very pleased today to introduce the Bank Secrecy Act Amendments of 1986. These amendments correct many of the weaknesses in current law that criminal investigators and prosecutors working against criminal money launderers have long complained about. Congressman. J.J. Pickle is introducing a companion measure in the House of Representatives today.

I ask unanimous consent that the full text of this bill, together with a complete technical analysis, be printed in the Record immediately following these remarks.

I call my colleagues' attention to two especially important aspects of our legislation:

First. It closes the favorite loophole in present law used by launderers of drug money and other criminal profits. Because today's Bank Secrecy Act only requires that deposits of more than $10,000 be reported on IRS Currency Transaction Reports [CTR's], money launderers often make multiple deposits of under $10,000 each, within very brief periods of time, to avoid the act's reporting rules.

In other words, our bill closes the so-called structuring loophole. I call to my colleagues' attention the fact that the Government has lost all three major structuring cases on appeal in the last year: United States versus Anzalone, United States versus Denemark, and United States versus Varbel.

Second. For the first time, our bill allows property related to a violation of 31 U.S.C. 5313 to be seized and forfeited. This new provision targets the person who structures his deposits, or otherwise subverts or attempts to subvert the act's reporting requirements, in order to cause a financial institution not to file a CTR.

For example, a person makes a series of deposits in a single day of under $10,000 each, but the total of deposits exceeds $70,000. If the purpose of this activity is to cause a financial institution not to file a required report or if the deposits are structured so as to evade the reporting requirements of section 5313(a), the currency used, or the property traceable to such currency, would be subject to seizure and forfeiture.

The importance of this new section is that it permits forfeiture of money even if it cannot be directly traced to a drug sale or other crime. Major drug traffickers and others engaged in organized crime are, of course, notoriously effective in covering the trail leading from their crimes to their profits. Under our bill, the only tracing needed will be that currency be traced to the failure to file a CTR, or that property be clearly traced to such currency.

Because we are breaking new legal ground, we have decided to proceed cautiously. Forfeitures under our bill will be subject to a defense that the owner of property violated the reporting rules without willfulness or a reckless disregard of the act's reporting rules.

The forfeiture authority proposed in this bill is also much more limited than most forfeiture provisions already in existence. For example, under 26 U.S.C. 7302, any property used or intended for use in violation of the internal revenue laws may be forfeited.

Under the bill being introduced today, property may not be forfeited if first, the person violating the domestic currency transactions requirements is a domestic financial institution examined by a Federal bank supervisory agency or a financial institution regulated by the Securities and Exchange Commission; second, the owner is a good faith purchaser for value who took without notice of the violation; or third, the violation was not willful.

Mr. President, I urge my colleagues to support not only this bill, but also S. 571, which will be the subject of a full Banking Committee hearing the morning of May 1, and other legislation directed at the money laundering operations of organized crime.

Only when legislation such as this becomes law, and criminal money laundering becomes a much more frequent and vulnerable target of Federal law enforcement activity, will we have a serious chance of permanently crippling major drug trafficking and other criminal organizations in this country.

Thank you, Mr. President.

There being no objection, the bill was ordered to be printed in the Record, as follows:

S. 2306

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the Bank Secrecy Act (31 U.S.C. 5311 et seq.) is amended as follows:

Section 1. Section 5313 of Title 31 of the United States Code is amended by adding to the end of subsection (a) a sentence which reads as follows:

"No person shall cause or attempt to cause a domestic financial institution to fail to file a report required by ths subsection, shall cause or attempt to cause a domestic financial institution to file a report required by this subsection that contains a material omission or misstatement of fact, or shall structure or assist in structuring a transaction for the purpose of evading the reporting requirements of this subsection."

Sec. 2. Section 5317 of Title 31 of the United States Code is amended by:

(a) Revising the first sentence of section 5317(c) of Title 31 of the United States Code to read as follows:

"(c) A monetary instrument being transported, or which has been transported, or any interest in any property, including any deposit in a financial institution, traceable to such instrument, may be seized and forfeited to the United States Government when a report on the instrument under section 5316 of this title has not been filed or contains a material omission or misstatement."

(b) Adding a new subsection (d) which reads as follows:

"(d) United States coin or currency (or other such monetary instrument as the Secretary may prescribe) or any interest in other property, including any deposit in a financial institution, traceable to such coin or currency involved in a transaction or attempted transaction in violation of section 5313(a) of this chapter may be seized and forfeited to the United States Government under the procedures of subchapter C of chapter 75 of Title 26 of the United States Code whenever a person (excluding a domestic financial institution examined by a federal bank supervisory agency or a financial institution regulated by the Securities and Exchange Commission liable under subsection 5321(a) of this chapter) violates section 5313(a) of this chapter. No property or interest in property shall be forfeited under this subsection if it can be established that the owner is a bona fide purchaser for value who took without notice of the violation or if the violation or attempted violation of section 5313(a) was not willful."

Sec. 3. Section 5321 of Title 31 of the United States Code is amended by:

(a) Adding to subsection (a) a new paragraph (4) to read as follows: "(a)(4) The Secretary may impose a civil penalty on a person or persons (excluding a domestic financial institution examined by a federal bank supervisory agency or a financial institution regulated by the Securities and Exchange Commission) willfully violating section 5313(a) of this chapter. A civil penalty under this paragraph may not be more than the amount of the United States coins and currency (or other monetary instruments the Secretary may prescribe) for which a report was required under section 5313(a) of this chapter. A civil penalty under this paragraph is reduced by an amount forfeited under section 5317(d) of this title."

(b) Deleting "or (2)" from subsection (b) and adding in lieu thereof ", (2) or (4)".

(c) Deleting "5317(b)" in subsection (c) and adding in lieu thereof "5317(c) or (d)" and by deleting "subsection (a)(2)."

Sec. 4. Section 7302 of Title 26 of the United States Code is amended by deleting "such property" in the second sentence and inserting in lieu thereof "property under this section and under the forfeiture provisions of Title 31 of the United States Code enforced or administered by the Internal Revenue Service" and by adding "or under the provisions of Title 31 of the United States Code enforced or administered by the Internal Revenue Service" after "section" in the fourth sentence.

Sec. 5. Section 7321 of Title 26 of the United States Code is amended by adding "or under any provision of Title 31 of the United States Code enforced or administered by the Internal Revenue Service" immediately following "title".

Sec. 6. Section 7327 of Title 26 of the United States Code is amended by inserting immediately following "internal revenue laws", the following: "or under provisions enforced or administered by the Internal Revenue Service under Title 31 of the United States Code, to the extent not inconsistent with the provisions of Title 31."

Sec. 7. Section 7608(b) of Title 26 of the United States Code is amended by adding "or any provision of Title 31 of the United States Code enforced or administered by the Internal Revenue Service" immediately following "responsible" in paragraph (1) and immediately following "the internal revenue laws" in paragraph (2)(C).

EXPLANATIONS OF PROPOSED AMENDMENTS

The general purposes of the proposed amendments are (1) to subject a person who launders money to potential civil and criminal penalties for certain money laundering activity, *i.e.,* causing a financial institution not to file a required report or to file an incorrect report and structuring or assisting in structuring a transaction to evade the reporting requirements, (2) to add an "attempt" provision, and (3) to create a program for forfeiting monetary instruments, or property interests traceable to those instruments, involved in violations of 31 U.S.C. § 5313 by persons other than financial institutions.

SECTION 1

Under present law, money launderers are successfully prosecuted in some judicial circuits for causing financial institutions not to file reports on multiple currency transactions totaling more than $10,000 or causing financial institutions to file incorrect reports. In such cases, defendants are charged with violations of 18 U.S.C. § 2 (aiding and abetting or causing another to commit an offense) and § 1001 (concealing from the government a material fact by a trick, scheme, or device). For example, in *United States* v. *Tobon-Builes,* 706 F.2d 1092 (11th Cir. 1983), the Eleventh Circuit Court of Appeals upheld a conviction under 18 U.S.C. § 1001 where the defendants had engaged in a money laundering scheme in which they had structured a series of currency transactions, each one less than $10,000 but totaling more than $10,000, to evade the reporting requirements. See also *United States* v. *Massa,* 740 F.2d 629, 645 (8th Cir. 1984), cert. denied sub nom *Skinner* v. *United States,* U.S. ——, 105 S.Ct. 2357 (1985); *United States* v. *Sanchez Vazguez,* 585 F.Supp. 990, 993 (N.D. Ga. 1984); *United States* v. *Konefal,* 566 F.Supp. 698 (N.D.N.Y. 1983) (prosecution for structuring upheld under Title 31). In contrast, the First Circuit Court of Appeals, in *United States* v. *Anzalone,* 766 F.2d 676 (1st Cir. 1985), the Eleventh Circuit Court of Appeals in *United States* v. *Denemark,* 779 F.2d 1559 (11th Cir. 1986), and the Ninth Circuit Court of Appeals in *United States* v. *Varbel,* 780 F.2d 758 (9th Cir., 1986) have held that structuring currency transactions to avoid the reporting requirements did not violate 18 U.S.C. § 1001.

The proposed amendment to 31 U.S.C. § 5313(a) would codify Toubon-Builes and like cases and would negate the effect of Anzalone, Varbel and Denemark. The proposed amendment would expressly subject to potential liability a person who causes or attempts to cause a financial institution to fail to file a required report or who causes a financial institution to file a required report that contains material omissions or misstatements of fact. In addition, the proposed amendment would create the offense of structuring a transaction to evade the reporting requirements, without regard for whether an individual transaction is, itself, reportable under the Bank Secrecy Act. For example, a person who converts $18,000 in currency to cashier's checks by purchasing two $9,000 cashier's checks at two different banks or on two different days with the specific intent that the participating bank or banks not be required to file Currency Transaction Reports for those transactions, would be subject to potential civil and criminal liability and the currency (or such monetary instruments as the Secretary prescribed) or property traceable to the currency would be subject to seizure and forfeiture under the proposed amendment in section 2. A person conducting the same transactions for any other reasons or a person splitting up an amount of currency that would not be reportable if the full amount were involved in a single transaction, *e.g.,* splitting $2000 in currency into four transactions of $500 each, would not be subject to liability under the proposed amendment.

The proposed amendment to 31 U.S.C. § 5313(a) would also add a much-needed attempt provision to the Bank Secrecy Act. Under current law, a financial institution is not required to report a currency transaction until 15 days after the transaction has taken place; therefore, a reporting violation does not occur until (1) 15 days have passed since the time of the transaction and (2) the financial institution has failed to file a report. This situation creates two problems for prosecutions of persons who have structured their transactions to avoid the reporting requirements of the Bank Secrecy Act. First, after 15 days the money launderers may have fled, and the investigative trail may be cold. Second, an individual who has attempted to avoid the reporting requirements may escape liability if the financial institution, despite the efforts of the money launderer, files a timely, correct report. The proposed attempt provision would cure these present flaws by: (1) authorizing an earlier seizure of individuals and funds, and (2) subjecting individuals who attempt to frustrate the reporting requirements of the Act to potential criminal liability at the time of their attempt and not 15 days later.

SECTION 2

31 U.S.C. § 5317 would be amended to add a new subsection (d), which would, for the first time, allow property related to a violation of section 5313, to be seized and forfeited. This new subsection would be directed primarily at a person who launders money or attempts to launder money in collusion with a financial institution, who intentionally subverts or who attempts to subvert the reporting requirements by causing or attempting to cause an "innocent" or otherwise unwitting financial institution to fail to file a report or to file a materially incomplete or inaccurate report, or a person who structures or assists in structuring a transaction for the purpose of evading the reporting requirements, where a report would, but for its artificial structure, be required under section 5313(a). For example, a person may engage in a pattern of cash deposits at a financial institution where each deposit involves less than $10,000 in currency and where the total of the deposits equals substantially more than $10,000. If the activity were performed in an attempt to cause the financial institution to fail to file a report required by section 5313(a), or if the activity is a transaction structured for the purpose of evading the reporting requirements of section 5313(a), the currency used or intended to be used, or the interest in the property traceable to such currency would be subject to seizure and forfeiture. The fact that the violation was not willful would be a defense to the forfeiture. Willfulness in a forfeiture case would be determined under the civil, reckless disregard standard in this, a civil, in rem forfeiture action.

This forfeiture provision is intended to reach interests in property which can be clearly traced to the currency that gave rise to the section 5313(a) violation. It would reach monies deposited in bank accounts or other types of financial accounts, *e.g.,* checking accounts, money market accounts, and certificates of deposit, and would apply to real and personal property that had been purchased by a violator with a monetary instrument that gave rise to a section 5313(a) violation. However, the provision is not intended to apply to the property interests of innocent third parties. It would not apply to cash received by an innocent bank, in which the money launderer no longer had any property interest, that a money launderer had used in the purchase of a cashier's check, but it would apply to the cashier's check in the hands of the money launderer or in the hands of the person on whose behalf the money launderer was acting. The fact that a person was a bona fide purchaser for value without knowledge of the violation would be a defense to forfeiture.

The amendment is needed because current forfeiture authority is an inadequate tool against money laundering. For example, forfeiture authority under federal drug laws, 21 U.S.C. § 881, requires a finding of probable cause to believe that the money was used in connection with a violation of the drug laws. Laundered money is frequently connected to violations of drug laws; however, money laundering is also used for non-drug criminal activity and, even where the operation is part of a drug trafficking organization, the money laundering can be arranged so that it is difficult, if not impossible, to prove such a connection.

Section 5317(c) is amended to provide express authority to seize assets clearly traceable to a monetary instrument being transported or which has been transported in violation of section 5316. The violation of section 5316 need not be willful in order for an unreported monetary instrument to be subject to seizure and forfeiture. Customs law relating to seizure, forfeiture and disposi-

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tion of property continue to apply, to the extent not inconsistent with the Bank Secrecy Act, to forfeitures under this subsection.

Current tax assessment and collection statutes, 26 U.S.C. §§ 6851 and 6861, are also an inadequate tool against money laundering. Tax assessment and collection under such statutes requires proof that a Title 26 tax deficiency is in jeopardy. This involves a computation of taxable income, which is a difficult computation with respect to illegal activity. Furthermore, since only the tax deficiency is collectable under such authority, much of the laundered money is unreachable.

Tax assessment and collection authority under 26 U.S.C. § 6867 is also an inadequate tool against money laundering. That authority permits a jeopardy/termination assessment against a person "in physical possession" of cash (or equivalent) who does not claim ownership or who claims that an unknown third person owns the money but permits seizure of only fifty percent of the cash, as income tax due. The balance is available to a person who comes forward to claim ownership. The launderer or actual owner of the money may be able to regain half of it.

In contrast, the proposed forfeiture authority is likely to be a very valuable tool against money laundering. As evidence of the usefulness of such forfeiture authority, one can look to current forfeiture authority under the Bank Secrecy Act. Under such authority, large amounts of currency, *i.e.*, more than $10,000, that a money launderer moves into or out of the country may be seized and forfeited to the United States if he fails to report it. This forfeiture authority has been used often and effectively as an important weapon in Treasury's war against money launderers.

Numerous case examples demonstrate how effective the proposed forfeiture authority can be. Following are three situations involving reporting violations where the proposed forfeiture authority would have enhanced law enforcement capabilities. The fourth example is a non-willful violation where no forfeiture would occur.

Case No. 1: An investigation developed evidence that a group of suspected narcotic traffickers had willfully caused domestic financial institutions not to file required Currency Transaction Reports on transactions totaling more than $50 million. However, the investigation did not develop sufficient admissible evidence to connect the laundered money to violations of the drug laws. Therefore, the money was not forfeitable under the current forfeiture authority at 21 U.S.C. § 881. Under the proposed forfeiture authority, the entire $50 million, or assets traceable to it, would have been forfeitable. Note that such assets in the hands of a bona fide purchaser for value would not have been forfeitable.

Case No. 2: A South Florida money laundering specialist laundered $57 million over 18 months through various Miami bank accounts. He deposited duffel bags and boxes filled with cash into accounts at Miami banks in collusion with certain bank officials; the banks filed no reports. The funds were transferred from the Miami accounts to other accounts and ultimately to Colombia. The admissible evidence in this case did not tie the $57 million to narcotics activity; therefore, the Government was unable to seize any of the funds under 21 U.S.C. § 881. Under the proposed forfeiture authority, the funds might have been seized prior to their leaving the United States. Furthermore, even if law enforcement officers had been unable to seize the money before it left the country, the proposed amendments would have authorized a civil penalty equal to the amount of the unreported currency.

Case No. 3: An individual represented to numerous financial institutions that he was conducting business as a bullion dealer and that he would be depositing large amounts of currency with those institutions. He opened business accounts, using his true name and the name of a bullion-dealer organization. He was not, in fact, a bullion dealer but was a money launderer. The bullion-dealer organization was strictly a shell corporation he used to launder money for his clients.

Over a 12-month period he deposited about $10 million in currency into 40 different accounts with 25 financial institutions in Florida and California. He drew checks on the accounts, payable to nominee names, which were then given to his clients. The check amounts were slightly less than the deposit amounts and the difference represented his money laundering commission.

The individual filed Federal tax returns, showing his occupation as a bullion dealer. Gross receipts on the tax returns approximated the amounts deposited into the bank accounts. Cost of the goods sold (expenses) shown on the returns approximated the amount of the checks drawn on the accounts. The profit on the returns resulted from the commissions.

Although the banks filed reports on the individual's transactions, the individual would have violated amended 31 U.S.C. §5313 (he did not violate 18 U.S.C. § 1001) because he made a material misstatement of fact, *i.e.*, a false occupation and a false business name, which caused the bank to file a form containing a material misstatement of fact. Current statutes do not allow for seizure of any of the funds deposited in the bank accounts. The proposed amendment to 31 U.S.C. §§5313(a) and adding 5317(d) would subject these deposited funds to seizure and forfeiture.

Case No. 4: A person has saved money to purchase a home, and, according to the real estate broker, needed a $9,000 down payment. On the day of the closing, she went to her bank and withdrew $9,000 in currency. When she arrived at the closing, her broker revealed that he had made an error in his calculations and that she needed $11,000 not $9,000 for the down payment.

She returned to her bank and withdrew another $2,000 in currency. Because she withdrew the $11,000 in currency in two transactions, the bank filed no report, despite the requirement on the report form that multiple transactions within a 24-hour period be aggregated and treated as a single transaction. Her withdrawal of the $11,000 in currency in two transactions presumably caused the bank to fail to file a required Currency Transaction Report; however, she would not have been criminally liable and her interest in the house would not have been subject to forfeiture under the proposed amendments because she had not willfully caused the bank to fail to file a required report and her transactions were not structured for the purpose of evading the reporting requirements.

Finally, it should be noted that the forfeiture provision proposed at 31 U.S.C. § 5317(d) for use with respect to domestic currency transactions is more limited in scope than most forfeiture provisions including the one already existing at 26 U.S.C. § 7302 for use with respect to violations of the internal revenue laws. Under 26 U.S.C. § 7302 any property used or intended for use in violation of the internal revenue laws may be forfeited. Under the proposed legislation for domestic currency transactions, the basic types of property subject to forfeiture are very limited. Only coins, currency, and certain other monetary instruments and property traceable to such monetary instruments may be seized and forfeited. Further restrictions exclude property from forfeiture if (1) the person violating the domestic currency transactions requirements is a domestic financial institution examined by a federal bank supervisory agency or a financial institution regulated by the Securities and Exchange Commission, (2) the owner is a bona fide purchaser for value who took without notice of the violation, and (3) if the violation or attempted violation was not willful.

SECTION 3

31 U.S.C § 5321 would be amended by adding a new subsection (a)(4) authorizing a civil penalty against a person who willfully violates section 5313(a). No amendment is necessary to 31 U.S.C. § 5322 for imposition of criminal penalties for violations of section 5313(a). Civil penalties can be imposed where a person had specific intent to violate the law or acted with reckless disregard for the law. This standard for willfulness is consistent with case law construing willfulness in civil penalty contexts and with Treasury's interpretation of willfulness under the Bank Secrecy Act.

The proposed civil penalty would complement the proposed forfeiture provision authorizing a civil penalty sufficient to fill the gap between the value of the property seized under proposed section 5317(d) and the value of the financial instruments involved in the unlawful transactions. This mirrors current treatment of forfeiture of monetary instruments seized under section 5317 and civil penalties imposed under section 5321(a)(2) (for violations of Bank Secrecy Act reporting requirements regarding transporting currency into or out of the United States).

SECTION 4

The authority of the Internal Revenue Service to forfeit property is currently set forth in 26 U.S.C. § 7302 and is limited to property used or intended to be used in violating the internal revenue laws. IRS agents enforce and administer laws in Title 31 of the United States Code (the currency transaction reporting provisions) in addition to the internal revenue laws. The proposed amendment to 26 U.S.C. § 7302 would allow the IRS to use this provision to forfeit property under proposed 31 U.S.C. § 5317(d).

It should be clearly understood that the forfeiture authority under section 7302 of Title 26 and the procedures relating to the administration and disposition of forfeited property are entirely separate and distinct from the provisions for the seizure of property for the collection of taxes provided under subchapter D of chapter 64 of Title 26.

SECTION 5

Those with an interest in property seized for forfeiture by the Internal Revenue Service may file a petition for remission or mitigation. The Internal Revenue Service applies the customs laws relating to remission or mitigation (26 U.S.C. § 7327). The authority to remit forfeitures under the Bank Secrecy Act rests with the Secretary of the Treasury under 31 U.S.C. § 5321(c).

Petitions for remission or mitigation are expected to be rare. Seizures will only be made by trained law enforcement personnel. Seizures will normally be reviewed by legal counsel before they are made. The vast majority of seizures will be made under a search warrant obtained from a United States magistrate after a review of the circumstances to determine if there is probable cause.

It is anticipated that the procedures for remission or mitigation will be similar to the current IRS procedures for property subject to administrative forfeiture. A petition must be filed with the Internal Revenue Service District Director for the district in which the property was seized. The requirements and rules concerning the contents of such a petition under the internal revenue laws are set forth in the Internal Revenue Service's regulations at 26 C.F.R. §§ 403.35–403.45. A petition must be filed not later than three months after the sale or other disposition of the property. The petition must (1) contain a description of the property, (2) indicate the nature and amount of the petitioner's interest in the property, (3) show that the petitioner was not willfully negligent and did not intend that the property be used in violation of the law, (4) set forth documents supporting the claims made in the petition (such as contracts and bills of sale), (5) indicate that costs (such as those relating to seizure and storage) assessed as a condition of allowance of the petition will be paid by the claimant, and (6) state how the property came into the possession of the person whose act caused the seizure, and that the petitioner had no knowledge or reason to believe that the property would be used in violation of the law where the petitioner did not commit the act which caused the seizure of the property. The assessment of costs is discretionary with those allowing a petition and therefore may be waived.

In reviewing petitions, consideration is given to factors such as (1) whether the petitioner had a recognizable, good-faith interest in the property, (2) whether the petitioner played any part in or had knowledge of the violation or should have had knowledge of the violation, (3) the petitioner's criminal record, and (4) whether the petition was timely filed.

Finally, it should be noted that provision is made in the law and regulations for consideration of petitions for mitigation where a forfeiture would cause undue hardship. This authority may be exercised where the petitioner has not or cannot meet the conditions for remission but where other extenuating circumstances are present indicating that some relief should be granted to avoid extreme hardship. Basically, the contents and procedures for petitions for mitigation are the same as those for remission.

Normally, petitions for remission or mitigation of other types of IRS forfeitures have been granted in around two months. However, in certain instances where a petitioner's noninvolvement, innocence, and ownership is clear, property can be returned more quickly.

Additionally, seized property may be returned to its owner if it was seized in error or if there is insufficient evidence to support the forfeiture. This can be done in a few days whether or not a petition has been filed.

All remission and mitigation determinations relating to property over a certain dollar amount, *e.g.*, $100,000, would be approved by the Assistant Secretary (Enforcement).

SECTIONS 6 AND 7

Current law limits IRS agents' seizure authority to "property subject to forfeiture under the internal revenue laws." The amended language is required to authorize IRS officers to seize property subject to forfeiture under Title 31. The changes coordinate with the change in section 7302.

By Mr. PRESSLER (for himself, Mr. Gore, Mr. Inouye, Mr. Hollings, Mr. Abdnor, Mr. Andrews, Mr. Warner, Mr. Johnston, Mr. Melcher, Mr. Moynihan, Mr. Boschwitz, Mr. Hecht, Mr. Cohen, Mr. Wilson, Mr. Nunn, Mr. Matsunaga, Mr. Long, and Mr. Laxalt):

S. 2307. A bill to provide authorization of appropriations for activities of the U.S. Travel and Tourism Administration; to the Committee on Commerce, Science, and Transportation.

USTTA REAUTHORIZATION

Mr. PRESSLER. Mr. President, I am introducing legislation today to authorize funds for the U.S. Travel and Tourism Administration [USTTA], recognizing the unique and vital role this agency fills in maximizing the impact of travel and tourism as an export—a major and positive contribution to the U.S. balance of trade. As chairman of the Senate Subcommittee on Business, Trade, and Tourism, I ask you to consider the following:

Travel and tourism is the first, second, or third largest employer in 41 States, and the second largest private employer in the Nation, providing 4.9 million jobs. In my own State of South Dakota, travel and tourism is the second largest employer, supporting nearly 15,000 jobs, or 6.1 percent of all jobs in the State.

All told, travel and tourism in this country account for $240 billion in annual revenues, making it the third largest service industry in the United States. In South Dakota, nearly $500 million is generated by travel and tourism annually.

Thirty of the fifty States earn more than $50 million from sales of tourism services to foreign visitors, 12 earned more than $100 million, 5 more than $1 billion, and 2 more than $2.6 billion, with a national total of nearly $15 billion from travel and tourism exports, South Dakota receives over $8.5 million from foreign visitors each year.

In the role of travel and tourism export developer, the USTTA wears many hats:

TRADE STRATEGY COORDINATOR

Working with States, cities, and the United States' 1 million travel-related businesses to make them more aware of the international market and how to enter it. Most recently this has involved uniting these components of the industry in joint marketing efforts that are able to compete effectively with major foreign tourism campaigns.

USTTA's new cooperative advertising program packages participants which provide complementary services or facilities, or which are located in a particular national region, targeting them to specific European or Pacific markets. To date, it is estimated that this effort has returned $18 for every dollar invested by the USTTA.

NATIONAL POLICY COORDINATOR

Working with other Federal and State agencies to ensure that there is a balance between travel and tourism interests, historical and cultural preservation, energy development and conservation, environmental concerns and natural resource utilization.

No other agency is in a position to oversee the decisions being made in these areas in order to ensure that future generations will be able to enjoy our rich natural heritage.

INTERNATIONAL NEGOTIATOR

Working with foreign governments to remove trade barriers and open doors for U.S. export development. Over the past several months, USTTA has successfully negotiated an agreement with Canada to remove a prohibitive sales tax on U.S. tourism literature entering that country.

More recently, USTTA has taken on the critically important role of coordinating the travel and trade industry's response to the serious problem of international terrorism. No other Federal agency is better suited to work with our travel and tourism industry and their counterparts worldwide to make travel safe and enjoyable for all people.

GOODWILL AMBASSADOR

Working to foster international understanding and world peace by encouraging citizens of other nations to come see our country and get to know us better as a people. USTTA's nine field offices around the globe seek both to identify marketing opportunities for U.S. tourism exporters and to educate travel-sellers abroad about the U.S. product.

In addition, USTTA works closely with the U.S. Information Service and Voice of America [USIA/VOA] which have large overseas audiences and do much to disseminate materials and promote travel to the United States.

Finally, the USTTA is working with public and community groups and the travel and tourism industry in this country to heighten awareness of the foreign visitor's need for specialized travel helps including language services, currency exchange facilities, universal symbol directional signs in public areas, et cetera.

EDUCATOR AND PLANNER

Working to collect, analyze, and distribute data which accurately measure the economic and social impacts of

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travel and tourism to and within the United States in order to help the public and private sectors plan for the future.

Competition for the world tourism market has intensified in recent years with developing countries anxious to earn foreign exchange and long-established nations looking to improve their economic circumstances. USTTA has been able to determine where untapped markets exist, and where growth is possible. This has been accomplished in part through their newly developed in flight survey, which is rapidly proving to be an invaluable tool for export market expansion.

The USTTA has continued to provide these unique and vital services to the U.S. travel and tourism industry, harvesting a bountiful return on an extremely modest investment. The legislation I propose to introduce would authorize funding for this important agency at levels of $13 million, $14 million, and $15 million for fiscal years 1987, 1988, and 1989 respectively—an investment of less than 3.5 cents per capita compared to an average of $3.64 per capita for national tourism organizations worldwide.

On Friday, April 18, 1986, at 9:30 a.m. in room 253 of the Russell Building, my Senate Subcommittee on Business, Trade, and Tourism will hold hearings on this legislation. At that time we will consider the value of a national government travel and tourism agency as a catalyst to State, local, and private cooperative efforts; the need for such an agency to represent U.S. interests abroad, and to work with other countries to address mutual concerns such as international terrorism; and the suggestion that State, local, and private organizations could deliver these and other services now provided by the USTTA as effectively and efficiently.

I believe this hearing will show that the USTTA is necessary, and that only that agency can articulate, demonstrate, and represent the various elements of U.S. travel and tourism, as a whole, to the rest of the world. The USTTA does for the people what they cannot do for themselves very effectively, and at minimal cost and great benefit to the American public. Therefore, I invite you to join me in supporting this legislation to reauthorize the U.S. Travel and Tourism Administration.

By Mr. LAUTENBERG:

S. 2308. A bill to authorize the President of the United States to award congressional gold medals to Anatoly and Avital Shcharansky in recognition of their dedication to human rights, and to authorize the Secretary of the Treasury to sell bronze duplicates of those medals; to the Committee on Banking, Housing, and Urban Affairs.

GOLD MEDALS FOR THE SHCHARANSKYS

Mr. LAUTENBERG. Mr. President, today I introduce a bill to award congressional gold medals to Anatoly "Natan" and Avital Shcharansky in recognition of their courageous dedication to human rights. A similar bill has been introduced in the House of Representatives by my colleague Representative BENJAMIN A. GILMAN.

Commissioning a congressional gold medal is Congress' way of expressing national appreciation for distinguished achievements. Each one is individually struck to honor particular individuals, institutions, or events. The congressional gold medal is not to be confused with the Medal of Honor, awarded for combat bravery alone.

Anatoly "Natan" and his wife Avital deserve this special honor because of their outstanding and unwavering commitment to human rights, and their truly magnificent strength of spirit. Anatoly Shcharansky, a Jewish computer programmer, was one of the founding members of the Moscow Helsinki Monitoring Group. The group was set up to monitor the Soviet Union's compliance with the human rights provisions of the Helsinki accords. Those accords, signed in 1975 by the Soviet Union, included provisions that "everyone has a right to leave any country, including his own" and that "participating states will deal in a positive and humanitarian spirit with the applications of persons who wish to be reunited with their family."

Within months of joining the Helsinki Monitoring Group, Anatoly was arrested on charges of espionage as part of a Soviet campaign to taint the Jewish emigration movement with the charge of treason. He was 29. In 1978, he was sentenced to 3 years in prison and 10 years of hard labor for anti-Soviet agitation, treason, and espionage for the Central Intelligence Agency. Almost 9 years later, he was set free.

Anatoly "Natan" Shcharansky was not a spy. His real crime was his courageous activity on behalf of would-be Jewish immigrants. Using his wit and excellent command of English, he served as a spokesman and public relations person in Moscow for the Jewish emigration movement. Knowing full well that his activity would probably lead to prison, he nevertheless contacted Western correspondents, arranged press conferences, and translated statements to win publicity for the plight of Soviet Jews seeking to emigrate. He even advised Soviet Jews who had been turned down for exit visas on how to use the law and bureaucratic procedures to needle the authorities.

Once imprisoned, he did not lose hope or lose heart. Although he was in physical custody, his Soviet jailers never enslaved his spirit. He refused to inform on other prisoners or confess to crimes of which he was not guilty in order to receive better treatment in prison. Despite years of physical and psychological torture, including repeated stretches in solitary confinement, bouts of starvation, and periods of extreme cold, his spirit remained whole.

And on the day he was set free, his first thought was of those he left behind. He said:

> On this happiest day of our lives, I am not going to forget those who I left in the camps in the prisons, who are still in exile or who still continue their struggle for their right to emigrate, for their human rights. And I hope that that enthusiasm, that energy, that joy which fills our hearts today, Avital's and mine, will help us to continue the struggle, for the freedom and the rights of our brothers in Russia.

Avital Shcharansky deserves a congressional gold medal for her tireless efforts to free her husband from the gulag, and to elevate his plight into a global concern for human rights. Avital and Anatoly were married in 1974. She left for Israel the day after the wedding, fully expecting her husband to join her there soon. When it became clear that her husband would not be released, Avital took up a vigil that spanned continents, lasted years, and was not relinquished until she was reunited with her husband 12 years after she had seen him last. Her unending crusade took her to many Western capitals, to presidents, prime ministers, and kings. Tirelessly, never faltering, she kept his name on government agendas, making sure no one forgot that Anatoly Shcharansky was not free. As Prime Mininster Peres said, Avital fought like a lioness."

Avital and Anatoly "Natan" Shcharansky have already proven their credentials in the fight for human rights. They have demonstrated tenacity, strength of spirit, and dedication worth far more than any gold medal we could give them. But a congressional gold medal is nonetheless an important way of recognizing their past contributions to the cause of human rights, and saying thank you in advance for those we know, we know they will make in the future. I urge my colleagues to pass this bill to give the Shcharansky's the recognition they deserve. I ask unanimous consent that a copy of the bill appear in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 2308

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. FINDINGS.

The Congress finds that—

(1) Avital Shcharansky and Anatoly Shcharansky have displayed immense courage and commitment to the preservation of individual human rights, regarded as among

the highest of ideals by the American people;

(2) Anatoly Shcharansky, a prominent founding member of the Moscow Helsinki Monitoring Group and active spokesman for the human rights denied to Soviet Jews, was unjustly arrested by the Soviet Union in 1977 and imprisoned for almost nine years on the false charges of espionage and treason;

(3) Anatoly Shcharansky, during his lengthy incarceration and isolation, was subjected to ongoing emotional and physical deprivation of the highest magnitude, yet continued to display raw courage and the noblest commitment to his rights as an individual, thereby setting an example for others whose individual freedoms are being denied;

(4) freedom is the ideal held most dear by the American people, and Anatoly Shcharansky has become a symbol of that love of freedom;

(5) Avital Shcharansky, while her husband was kept silent by Soviet prisons and labor camps, waged an indefatigable campaign around the world on behalf of her husband and others similarly treated;

(6) Avital Shcharansky's earnest persistance and dedication to the precepts of freedom of thought, word, and deed raised the consciousness of the world while she valiantly worked for her husband's release, thus elevating human rights to a global concern; and

(7) their reunion is evidence of the triumph of the human spirit against all adversities.

SEC. 2. CONGRESSIONAL GOLD MEDAL.

(a) AWARD.—The President of the United States is authorized and requested to present, on behalf of the Congress, gold medals to Anatoly and Avital Shcharansky in recognition of their supreme dedication and total commitment to the cause of individual human rights and freedoms.

(b) DESIGN AND CONSTRUCTION.—For purposes of the presentation referred to in subsection (a), the Secretary of the Treasury (hereafter in this act referred to as the "Secretary") shall cause to be struck two gold medals with suitable emblems, devices, and inscriptions, to be determined by the Secretary.

(c) AUTHORIZATION OF APPROPRIATIONS.—There is authorized to be appropriated such sums as may be necessary to carry out the provisions of this section.

SEC. 3. DUPLICATE MEDALS.

(a) CONSTRUCTION AND SALE.—The Secretary may cause duplicates in bronze of the gold medals provided for in section 2 to be coined and sold under regulations prescribed by the Secretary, at a price sufficient to cover the cost of such duplicates and such gold medals, including labor, material, dies, use of machinery, and overhead expenses.

(b) REIMBURSEMENT OF APPROPRIATIONS.—Any appropriation made under section 2 shall be reimbursed out of the proceeds of the sales referred to in subsection (a).

SEC. 4. NATIONAL MEDALS.

The medals provided for in this Act shall be considered to be national medals for purposes of section 5111 of title 31, United States Code.

By Mr. STAFFORD (by request):

S. 2309. A bill authorizing appropriations to the Secretary of the Interior for services necessary to the nonperforming arts functions of the John F. Kennedy Center for the Performing Arts, and for other purposes; to the Committee on Environment and Public Works.

JOHN F. KENNEDY CENTER FOR THE PERFORMING ARTS AUTHORIZATION

● Mr. STAFFORD. Mr. President, by request, I am introducing a bill to provide authorizations of appropriations to the Secretary of the Interior for services necessary to the nonperforming arts functions of the John F. Kennedy for the Performing Arts. The bill provides monetary authorizations for fiscal years 1987 and 1988 to enable the National Park Service to continue to provide services as directed in the John F. Kennedy Center Act.

Mr. President, I ask that the text of the letter transmitting that legislation from Acting Assistant Secretary P. Daniel Smith be printed at this point in the RECORD, together with the text of the bill.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

S. 2309

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That subsection (e) of section 6 of the John F. Kennedy Center Act (72. Stat. 1698, 1699; 20 U.S.C. 76 h, 76 l) is amended by striking out the period in the last sentence and adding in lieu thereof", and not to exceed $4,771,000 for the fiscal year ending September 30, 1987, and such sums as are necessary for the fiscal year ending September 30, 1988.

U.S. DEPARTMENT OF THE INTERIOR,
OFFICE OF THE SECRETARY,
Washington, D.C., March 28, 1986.

Hon. GEORGE BUSH,
President of the Senate,
Washington, D.C.

DEAR MR. PRESIDENT: There is enclosed a draft bill, "Authorizing appropriations to the Secretary of the Interior for services necessary to the nonperforming arts functions of the John F. Kennedy Center for the Performing Arts, and for other purposes."

We recommended that the draft bill be introduced, referred to the appropriate committee for consideration, and enacted.

Under subsection (e) of section 6 of the John F. Kennedy Center Act (72 Stat. 1698, 1699; 20 U.S.C. 76 h, 76 l), the Secretary of the Interior is required to provide all services necessary to the nonperforming arts functions of the John F. Kennedy Center for the Performing Arts, including informational, interpretation, janitorial, maintenance, and security services. However, the Congress has only appropriated funds to the National Park Service through September 30, 1986, for the nonperforming arts functions of the Kennedy Center.

The draft bill would amend the appropriation authorization in subsection (e) to authorize an appropriation of $4,771,000 for the fiscal year ending September 30, 1987, and such sums as are necessary for the fiscal year ending September 30, 1988. Such an authorization and appropriation would enable the National Park Service to continue to carry out its responsibilities for the nonperforming arts functions for the Kennedy Center as provided in the President's 1987 budget.

The Office of Management and Budget has advised that this legislative proposal is in accord with the program of the President.

Sincerely,

P. DANIEL SMITH,
Acting Assistant Secretary.●

By Mr. PRESSLER (for himself, Mr. HECHT, and Mr. GRASSLEY):

S. 2310. A bill to make foreign nationals ineligible for certain agricultural program loans, payments, or benefits; to the Committee on Agriculture, Nutrition, and Forestry.

AGRICULTURAL PROGRAM INELIGIBILITY FOR FOREIGN NATIONALS

● Mr. PRESSLER. Mr. President, today I am introducing legislation to prohibit the payment of farm program benefits to foreign landowners or operators. Under current law, any farmland owner or operator is eligible for farm program benefits if they comply with the various requirements. My legislation would prohibit foreign owners and operators of farms from receiving benefits.

Currently, 8,760,300 acres of farmland is owned by foreign investors. This represents a relatively small percentage of total farmland, but if all of the land was placed in farm programs the payments to the foreign owners could total several million dollars. With the strict budget requirements farm programs face we cannot afford to subsidize these foreign investors.

The eligibility of foreign investors to receive farm program benefits also increases the incentive for them to purchase U.S. farmland. In recent years with farmland values declining, there has been a decline in foreign investment in farmland. But with farmland prices bottoming out the number of foreign investors purchasing U.S. farmland is bound to increase. Prohibiting these investors from receiving farm program payments on their land would make U.S. farmland less attractive to foreign investors.

Finally, the majority of the foreign owned farmland is held by corporations. These are not family farm corporations but huge multinational corporations who do not need farm program subsidies. For many years I have argued that farm program benefits should be directed to family farmers and restrictions placed on payments to huge corporations. This would achieve such a goal.

As I have outlined, this legislation has several advantages. It will reduce the cost of farm programs. It will reduce the incentive for foreign investors to purchase U.S. farmland. And it will prohibit payments from going to huge multinational corporations.

I urge my colleagues to join me in support of this legislation and work for passage of it.

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Mr. President, I ask unanimous consent that the text of the bill be printed in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 2310

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. AGRICULTURAL PROGRAM INELIGIBILITY FOR FOREIGN NATIONALS.

(a) IN GENERAL.—Except as otherwise provided in this section and notwithstanding any other provision of law, following the date of enactment of this Act, any person who is not a citizen or national of the United States or an alien lawfully admitted for permanent residence shall be ineligible for—

(1) as to any commodity produced on a farm that is owned or operated by such person—

(A) any type of price support or payment made available under the Agricultural Act of 1949 (7 U.S.C. 1421 et seq.), the Commodity Credit Corporation Charter Act (15 U.S.C. 714 et seq.), or any other Act;

(B) a farm storage facility loan made under section 4(h) of the Commodity Credit Corporation Charter Act (15 U.S.C. 714B(h));

(C) crop insurance under the Federal Crop Insurance Act (7 U.S.C. 1501 et seq.);

(D) a disaster payment made under the Agricultural Act of 1949 (7 U.S.C. 1421 et seq.); or

(E) a loan made, insured, or guaranteed under the Consolidated Farm and Rural Development Act (7 U.S.C. 1921 et seq.) or any other provision of law administered by the Farmers Home Administration; or

(2) a payment made under sections 4 or 5 of the Commodity Credit Corporation Charter Act (15 U.S.C. 714b or 714c) for the storage of an agricultural commodity acquired by the Commodity Credit Corporation.

(b) CORPORATIONS.—For the purpose of subsection (a), a corporation shall be considered a person that is ineligible for program loans, payments, or benefits if more than 50 percent of the beneficial ownership of the corporation is held by persons who are not citizens or nationals of the United States or aliens lawfully admitted for permanent residence.

(c) EXEMPTION.—No person shall become ineligible under this section for program loans, payments, or benefits as the result of the production of a crop of an agricultural commodity planted before the date of enactment of this Act.●

By Mr. MITCHELL (for himself and Mr. COHEN):

S. 2311. A bill relating to certain foreign labor subsidies for which relief may be sought under the countervailing duty laws; to the Committee on Finance.

RELIEF UNDER COUNTERVAILING DUTY LAWS FOR CERTAIN FOREIGN LABOR SUBSIDIES

● Mr. MITCHELL. Mr. President, I introduce today a bill that would clarify a gap in our trade laws that currently is working to the detriment of the New England fishing industry. Under current law, foreign unemployment assistance programs which benefit a particular sector, and which confer benefits far in excess of premiums, are not explicitly considered to be subsidies subject to countervailing duties.

The seriousness of this problem recently became clear in the current countervailing duty case against Canadian groundfish. The Canadian program is inaccurately termed "unemployment insurance". But there is no insurance risk involved. Payments are made every year to self-employed fishermen during their off-season. Furthermore, there is no employer to pay premiums, because benefits are restricted to self-employed fishermen. Finally, the program constitutes in effect a massive government transfer program to fishermen far exceeding the small amount of insurance premiums they pay.

Canadian fishermen receive $140 million annually under this program; of that amount, over 90 percent is directly from Federal Government revenue. Under normal Canadian unemployment insurance, the ratio of benefits received to premiums paid is slightly over 1 to 1. For the self employed fisherman, the ratio is an enormous 17 to 1.

These unemployment transfer payments should qualify as a bounty or grant under the definition of subsidy under current countervailing duty law. However, the definition of subsidy is apparantly not clear enough at present, for the Commerce Department recently decided not to recognize these grants as countervailable. Despite the fact that economically, they act exactly like direct subsidies to the Canadian fish industry, Commerce did not factor them into its estimate for a countervailing duty.

Clearly, not to have such practices considered countervailable contradicts the intent of our current trade law. Countervailing duty law is meant to protect efficient American industries against unfair foreign subsidies. American fishermen must operate without the benefit of enormous grants for the months that they are idle. If Canadian fishermen were also subject to the discipline of the free marketplace, they could not so effectively compete against their American counterparts. These unemployment payments allow inefficient Canadian fishermen, who otherwise could not remain in business, to stay in the marketplace.

Thus, in the interest of fair trade, it is necessary to broaden the definition of subsidy under our countervailing duty laws. This bill would do just that. To insure that such obvious direct subsidy programs are countervailable in the future, I urge my colleagues to support this legislation.●

By Mr. LAUTENBERG (for himself, Mr. MURKOWSKI, and Mr. CRANSTON):

S.J. Res. 322. Joint resolution to designate December 7, 1986, as "National Pearl Harbor Remembrance Day" on the occasion of the anniversary of the attack on Pearl Harbor; to the Committee on the Judiciary.

NATIONAL PEARL HARBOR REMEMBRANCE DAY

● Mr. LAUTENBERG. Mr. President, today Senators MURKOWSKI, CRANSTON, and I are introducing a joint resolution to designate December 7, 1986, the 45th anniversary of the attack on Pearl Harbor, as "National Pearl Harbor Remembrance Day." I greatly appreciate the support of the chairman and the ranking minority member of the Senate Veterans Affairs Committee in joining me in introducing this joint resolution.

The joint resolution also authorizes and requests the President to issue a proclamation calling upon the people of the United States to observe this solemn occasion with appropriate ceremonies and activities, and pledge our strong resolve to defend this Nation and its allies from all future aggression.

I would like to commend the New Jersey members of the Pearl Harbor Survivors Association, particularly Lee Goldfarb, the State chairman, and the approximately 10,000 members throughout the country, for their active interest and support in commemorating this 45th anniversary through a Presidential Proclamation of National Pearl Harbor Remembrance Day.

On December 7, 1941, "a date which will live in infamy," while talks between Japanese and American diplomats were going on in Washington, the United States was attacked by the imperial Japanese Navy and Air Force. Pearl Harbor was caught totally unprepared. The blow was deliberately planned for Sunday morning, when the ships of the Pacific Fleet were moored in perfect alignment, and their crews were ashore, having breakfast or relaxing on board. There was no advance warning.

About 360 Japanese planes attacked Pacific Fleet units at the naval base, and army aircraft at Hickam Field and other nearby military installations. The surprise attack, launched entirely without provocation, took, the lives of 2,403 Americans, and wounded 1,178. Some of those lost were civilians.

Fortunately, no aircraft carriers were tied up at the base during the attack. When the assault ended nearly 2 hours later, the Pacific Fleet had lost eight battleships, three light cruisers, three destroyers and four other vessels. The attack also destroyed about 170 U.S. planes. The Japanese had concentrated on ships and planes, leaving repair facilities, the submarine base, and fuel oil storage facilities relatively undamaged.

In short, the attack had dealt the Pacific Fleet, and Hawaii's air defense a devastating blow. In less than 2 hours, the Japanese had crippled the

Pacific Fleet and undermined the American strategic position in the Pacific.

The unification of the country under the impact was swift. It was the first time in U.S. history that we had been attacked first, and it wiped away the last vestige of isolationist sentiment. The entire country stood behind the President and gave him wholehearted support. The attack united U.S. public opinion against Japan, and propelled the United States into World War II. On 4:10 p.m., Monday, December 8, 1941, the United States declared war on the Japanese empire.

As "Remember Pearl Harbor" became the American war cry throughout World War II, so today we must "Remember Pearl Habor." We must recall and pay tribute to those who died in that tragedy, and we must remember so that we will never be caught short or unprepared again.

Mr. President, I ask unanimous consent that a copy of the joint resolution appear in the RECORD following my remarks, along with a letter from the Pearl Harbor Survivors Association, Inc. in support of this joint resolution.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

S.J. RES. 322

Whereas on the morning of December 7, 1941, the Imperial Japanese Navy and Air Force launched an unprovoked surprise attack upon units of the Armed Forces of the United States stationed at Pearl Harbor, Hawaii;

Whereas over two thousand four hundred citizens of the United States were killed in action and one thousand one hundred and seventy-eight were wounded in this attack;

Whereas President Franklin Delano Roosevelt referred to the date of the attack as " a date that will live in infamy";

Whereas the attack on Pearl Harbor marked the entry of this Nation into World War II;

Whereas the people of the United States owe a tremendous debt of gratitude to all members of our Armed Forces who served at Pearl Harbor, in the Pacific Theater of World War II, and in all other theaters of action of that war; and

Whereas the veterans of World War II and all other people of the United States will commemorate December 7, 1986, in remembrance of this tragic attack on Pearl Harbor: Now, therefore, be it

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled, That December 7, 1986, the anniversary of the attack on Pearl Harbor, is designated as "National Pearl Harbor Remembrance Day" and the President of the United States is authorized and requested to issue a proclamation calling upon the people of the United States—

(1) to observe this solemn occasion with appropriate ceremonies and activities; and

(2) to pledge eternal vigilance and strong resolve to defend this Nation and its allies from all future aggression.

PEARL HARBOR SURVIVORS ASSOCIATION,
East Hanover, NJ, March 26, 1986.
Senator FRANK LAUTENBERG,
Hart Senate Office Building, Washington, DC.

DEAR SENATOR LAUTENBERG: Enclosed is a copy of a letter written by Thomas J. Stockett which was sent to you on March 20, 1986. Mr. Stockett is the National President of the Pearl Harbor Survivors Association and in his letter to you he authorizes me to act on behalf of the Association.

I am also enclosing a copy of my letter to you outlining our request to you. I would like to repeat the last sentence to you knowing it has just as much meaning now as it did when I first wrote it March 7, 1986. "May I thank you in advance for your cooperation and please be assured of the gratitude of our entire organization."

With best regards,
LEE GOLDFARB,
New Jersey State Chairman,
Pearl Harbor Survivors Associations.

PEARL HARBOR SURVIVORS ASSOCIATION, INC.,
Woburn, MA, March 20, 1986.

DEAR SENATOR LAUTENBERG: I thank you for your interest in the declaration of Sunday, December 7, 1986 as Pearl Harbor Remembrance Day. Lee Goldfarb, New Jersey State Chairman of the Pearl Harbor Survivors Association, is serving as the prime mover in this case.

The 88,000 young Americans, living and dead, that served our Country on that Day of Infamy will deeply appreciate your support and effort necessary to bring this petition to a successful conclusion.

Sincerely yours,
THOMAS J. STOCKETT,
National President.

PEARL HARBOR SURVIVORS ASSOCIATION,
East Hanover, NJ, March 7, 1986.
Senator FRANK LAUTENBERG,
Hart Senate Office Building, Washington, DC.

DEAR SENATOR LAUTENBERG: The Pearl Harbor Survivors Association are endeavoring to have December 7, 1986 declared as "National Pearl Harbor Remembrance Day" on the occasion of the anniversary of the attack on Pearl Harbor.

Congressman Courter of New Jersey has introduced legislation to that effect (Joint Resolution #524) in the House of Representatives and we would be honored and delighted if you would introduce similar legislation in the Senate.

This December 7th is the Forty Fifth anniversary of the attack and we are having our reunion in Hawaii. I personally as the New Jersey State Chairman would indeed be proud to announce at our convention the passage of the Resolution and both chief sponsors were from New Jersey.

May I thank you in advance for your cooperation and please be assured of the gratitude of our entire organization.

With best regards,
LEE GOLDFARB,
New Jersey State Chairman,
Pearl Harbor Survivors Association.●

By Mr. D'AMATO:

S.J. Res. 323. Joint resolution to designate May 21, 1986, as "National Andrei Sakharov Day"; to the Committee on the Judiciary.

NATIONAL ANDREI SAKHAROV DAY

● Mr. D'AMATO. Mr. President, I rise today to introduce a Senate joint resolution to make May 21, 1986, National Andrei Sakharov Day. As chairman of the Commission on Security and Cooperation in Europe, better known as the Helsinki Commission, I call to the attention of my colleagues the fact that May 21, 1986, will be Andrei Sakharov's 65th birthday. He will spend this birthday in exile in the closed city of Gorky, where he is under close KGB surveillance.

Few people are more qualified to speak about Andrei Sakharov than Anatoly B. Shcharansky. On Sunday, April 13, 1986, the New York Times published the transcript of a statement by Shcharansky to be delivered the following day to the parallel Helsinki Review Conference in Bern, Switzerland. His statement contained an eloquent passage on Sakharov's plight.

Shcharansky said:

> I would like to attract your special attention to the Sakharov case. I do not need to remind you that Andrei Dmitrivich Sakharov is a hero, a model of an honorable man who continues the very best traditions of the Russian intelligentsia, fighting for the trampled rights—be they national, religious or political—of all the people of the Soviet Union.

Shcharansky continued:

> Needless to say, his present situation is extremely difficult. He is cruelly and unjustly isolated from his family and friends, barred from scientific work and normal social activities. His state of health inspires growing fears. I consider it vitally important at this moment to raise our voices and call for the Soviet Government to stop its persecution of Andrei Sakharov—to grant this remarkable man the possibility to continue his noble activities in dignity and normal conditions.

Adopting this resolution to make May 21, 1986, National Andrei Sakharov Day adds our voices to the voice of Anatoly Shcharansky and the many supporters of the Helsinki process now gathered in Bern. Shcharansky pointed out that:

> It is more necessary than ever now for international public opinion to press the Soviet Union on these matters. It is high time for Moscow to begin complying with the Helsinki agreement signed in 1975.

Your support for this resolution will help achieve those goals.

Sakharov is a hero, not just to dissidents within the Soviet Union, but to freedom-loving people everywhere. He is a Nobel Peace Prize winner who has led the fight for respect for human rights and fundamental freedoms. His is a lonely voice calling for civilized behavior by a government which rests upon one of the bloodiest records in the history of the world.

Andrei Sakharov is the leading figure in the Soviet Union working for peace and human rights. He believes all Soviet citizens should enjoy the rights their government promised to them when it signed the Helsinki

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Final Act in August 1975. He believes they have the right to live in peace, not just free from external attack, but also free from attack by their own government.

Instead of witnessing gradual improvement in Soviet behavior as they seek acceptance into the community of nations, we have seen repeated and continuing acts of barbarism. These acts are not isolated instances of misbehavior on the part of minor functionaries who have somehow escaped adequate supervision by their superiors. They are acts committed in a carefully organized, centrally directed effort designed to further the basic interests of the Soviet nomenklatura, the small band of totalitarians who rule the Soviet State.

Andrei Sakharov's own experiences illustrate this point too well. Let us examine the suffering he experienced as he attempted to obtain an exit visa for his wife, Elena Bonner, so she could travel to the west for treatment of her heart condition:

May 1, 1984, Dr. Sakharov begins a hunger strike to protest Soviet denial of Elena Bonner's request for an exit visa for medical treatment.

May 7, 1984, Dr. Sakharov is hospitalized and Soviet authorities order him force-fed.

May 11, 1984, as a result of forced feeding and rough treatment by Soviet authorities, Sakharov suffers a stroke. His condition is not treated.

August 10, 1984, Elena Bonner is sentenced to 5 years exile in Gorky for anti-Soviet slander.

August 1984, KGB-produced video tape given to West German News magazine. Purchased and shown by ABC on U.S. television, this video tape, spliced together from old footage and still photos, purportedly is current and is intended to show Sakharov in good health. This is a clear KGB use of disinformation to deceive Western public opinion.

September 8, 1984, Sakharov ends his hunger strike, despairing of success, suffering from the physical impact of forced feeding and the emotional impact of separation from his wife.

October 15, 1984, Sakharov writes to the President of the Soviet Academy of Science, appealing on behalf of his wife.

December 1984, as General Secretary Mikhail Gorbachev arrives in London, the second KGB photographic effort is released in the West, again purporting to show Sakharov and Bonner in good health.

January 1985, Sakharov letter smuggled to the West, announcing that he will begin his next hunger strike in April.

April 16, 1985, Sakharov begins hunger strike.

April 21, 1985, Sakharov again hospitalized and Soviet authorities again order him force-fed.

May 16, 1985, associated press reports, on the basis of a smuggled note, that Sakharov has begun his hunger strike.

May 24, 1985, KGB produces fake telegram to Irina Kristi, who is about to emigrate to the United States, purporting to be from Elena Bonner. This forgery implied that Sakharov and Bonner are living together and conditions are improving.

May 25, 1985, Bonner's daughter, Tatiana, living in Newton, MA, receives postcard from Bonner, apparently dated April 21, 1985, saying in part, "so now April is passed * * * the snow has melted, and the Sun is shinning." When analyzed by experts, the actual date of the card is April 1, and verb tenses have been changed. Another KGB disinformation ploy.

June 1985, ABC obtains from the same West German News magazine two more KGB video tapes, of Sakharov in the Gorky Hospital. A Soviet doctor narrates the tape, denying any hunger strike by Sakharov, claiming he was in the hospital for treatment of different complaints.

July 11, 1985, Sakharov terminates hunger strike to rejoin Elena Bonner.

July 25, 1985, determining that her health remains in jeopardy, Sakharov resumes his hunger strike.

July 27, 1985, Sakharov is back in the hospital and Soviet authorities again direct that he be force-fed.

July 29, 1985, KGB releases another secret surveillance video tape of Sakharov and Bonner, this time attending a movie theater. In the background, a poster dated July 11, 1985, is visible. ABC and French television broadcast this tape.

October 21, 1985, Bonner is issued an exit visa and a passport. This is provided on the conditions that she agree not to speak to the press while she is in the West and that Sakharov publicly agree that the Soviet argument that he cannot be allowed to emigrate because of security concerns is valid.

December 2, 1985, Bonner arrives in Rome, Italy for treatment of an eye ailment.

December 8, 1985, Bonner joins her daughter and son-in-law in Newton, MA.

January 13, 1986, Bonner undergoes heart bypass surgery.

February 18, 1986, Bonner's VISA is extended for 3 months until, June 2, 1986, to allow her to convalesce here.

March 26, 1986, KGB produces another secret surveillance video tape, showing Sakharov pushing a car in the snow and doing other routine things. ABC shows the tape to Bonner, who breaks her commitment to the KGB not to speak to the press while she is in the West. She says the tape "is an indicator that Sakharov's condition is worsening, deteriorating."

April 3, 1986, Bonner attempts to tell Sakharov over the telephone that the KGB is secretly video taping him. The KGB jams this portion of the call.

This is the story of the most recent events in the ordeal Soviet authorities have forced this gentle and great man to undergo. Contrary to Soviet hopes, their disinformation campaign has raised his stature in the West. Sakharov's love for his wife, Elena Bonner, and his steadfast dedication to his principles are on full public display.

Just as his courage marks him as a heroic figure of giant stature, so the conduct of Soviet authorities from Mikhail Gorbachev to the KGB doctors who force-fed Sakharov and the KGB thugs who surveilled, video taped and forged marks them as totally immoral, unprincipled supporters and beneficiaries of a fundamentally corrupt and vicious system.

Accordingly, it is entirely timely and appropriate for the Congress to adopt this resolution making May 21, 1986, National Andrei Sakharov Day. Our action on this measure will keep the spotlight of public attention focused on Andrei Sakharov and upon Soviet authorities' actions toward him. It might even save his life.

His agreement to the Soviet contention that he cannot emigrate because of his knowledge of state secrets was clearly extorted from him. It deserves no respect whatsoever. Therefore, the provision of this resolution calling upon the President to "urge the Government of the Union of Soviet Socialist Republics to permit Andrei Sakharov and Elena Bonner freely to choose their place of residence," is vitally important.

This resolution, given our united support, will certainly send a message to both President Reagan and General Secretary Gorbachev. In light of the decision that Elena Bonner should not see the President, our action here should clearly call attention to the importance, in Sakharov's case, of public diplomacy and a resolute expression of our concern and support for him. It should also convince the President of the necessity of raising the issue of permitting Sakharov to emigrate with General Secretary Gorbachev when they next meet.

On the 21st of May, Sakharov will be 65 years old. When an American citizen reaches this age, he or she is either retired or is contemplating retirement. An American is usually planning to enjoy life without work in the company of friends, children, and grandchildren.

In the starkest contrast, Sakharov is in forced exile, alone and isolated. The only people who see him are government officials. His friends cannot visit

him. His wife is here in the United States and Sakharov must have doubts about whether the Soviet authorities will allow her back into the Soviet Union when her recuperation period here ends.

Instead of facing the final years of his life surrounded by his family and friends, enjoying the honors and achievements which are the product of a remarkable life, he is hounded, spied upon, tortured both mentally and physically, and subjected to campaigns of vilification in the Soviet press. He cannot associate or communicate with anyone on professional matters. His mind has been cut off from the universe of scientific discourse.

I call upon my colleagues to join me in support of this resolution. Its timely passage is urgently necessary. With your support, we can join with our colleagues in the House, where my Helsinki Commission cochairman, the distinguished Representative from Maryland, Steny Hoyer, has introduced the same resolution as House Joint Resolution 596. Clearly, a strong expression of congressional support for Dr. Sakharov is necessary now. I urge you to join me to make May 21st National Andrei Sakharov Day.●

By Mr. GORE. (for himself, Mr. Andrews, Mr. Boschwitz, Mr. Bradley, Mr. Burdick, Mr. Chiles, Mr. Cochran, Mr. Cranston, Mr. Dole, Mr. Durenberger, Mr. Grassley, Mr. Hatch, Mr. Heflin, Mr. Heinz, Mr. Hollings, Mr. Inouye, Mr. Lautenberg, Mr. Levin, Mr. Matsunaga, Mr. Pell, Mr. Sarbanes, Mr. Specter, Mr. Stennis, Mr. Symms, Mr. Thurmond, and Mr. Zorinsky):

S.J. Res. 324. Joint resolution to designate the week beginning May 18, 1986, as "National Digestive Diseases Awareness Week"; to the Committee on the Judiciary.

NATIONAL DIGESTIVE DISEASES AWARENESS WEEK

● Mr. GORE. Mr. President, I am pleased today to introduce a joint resolution that will designate the week of May 18, 1986, through May 24, 1986, as "National Digestive Diseases Awareness Week," and request the President to issue a proclamation for this purpose. This will be the fourth consecutive year this designation has been made.

The digestive system, which includes the esophagus, stomach, intestine, gall bladder, liver, pancreas, and colon, can be affected by a wide range of acute and chronic diseases. For those who suffer from a disorder of the digestive tract, problems may range from mild discomfort to a severe and real threat to life itself. An estimated 20 million Americans suffer from chronic digestive diseases, with over 14 million cases of acute digestive disease disorders treated each year. Tragically, more than 200,000 deaths occur from these illnesses each year, as well as one-third of all malignancies, including the cancerous growth that was removed from the President's colon last year.

When measured in economic terms, digestive disorders are extremely costly to the American public, with direct personal health care expenditures for treatment at $17 billion per year. Combined with annual lost wages, taxes, disability, and other financial expenditures, total losses from digestive diseases are estimated at nearly $50 billion.

Despite these grim and saddening statistics, there has been valuable and exciting progress made recently by researchers through the National Institute of Arthritis, Diabetes, Digestive and Kidney Diseases. Many previously disabled and chronically ill Americans can now hope for relief from pain and suffering as a result of these Federal and other research efforts conducted elsewhere. Congress has recently funded the development of digestive disease research centers of excellence through the NIH to perform basic and clinical research into diseases of the digestive tract. Hopefully these efforts will lead to more answers by researchers on the debilitating effects of gastrointestinal disease.

Mr. President, I urge my colleagues to support this joint resolution—I hope each one of them will consponsor this resolution to heighten the awareness of the American public to the significance of digestive disease in this country. I applaud the Digestive Disease National Coalition for their efforts to bring about this level of awareness. I urge the swift consideration of this important measure.●

ADDITIONAL COSPONSORS

S. 1372

At the request of Mr. Heinz, the name of the Senator from North Dakota [Mr. Burdick] was added as a cosponsor of S. 1372, a bill to amend the Internal Revenue Code of 1954 to provide incentives for the establishment of statewide insurance pools to provide health insurance to high-risk individuals.

S. 1900

At the request of Mr. Roth, the name of the Senator from Colorado [Mr. Armstrong] was added as a cosponsor of S. 1900, a bill to amend the Foreign Agents Registration Act of 1938 by providing for the 5-year suspension of exemptions provided to an agent of a foreign principal convicted of espionage offenses..

S. 1901

At the request of Mr. Roth, the name of the Senator from Colorado [Mr. Armstrong] was added as a cosponsor of S. 1901, a bill to amend the Foreign Missions Act regarding the treatment of certain Communist countries, and for other purposes.

S. 1937

At the request of Mr. Stevens, his name, and the names of the Senator from Utah [Mr. Hatch], the Senator from California [Mr. Cranston], and the Senator from Massachusetts [Mr. Kennedy] were added as cosponsors of S. 1937, an original bill to restrict smoking to designated areas in all U.S. Government buildings.

S. 2081

At the request of Mr. Stafford, the name of the Senator from Mississippi [Mr. Cochran] was added as a cosponsor of S. 2081, a bill to reauthorize the Head Start Act, the Low-Income Home Energy Assistance Act of 1981, the Community Services Block Grant Act, for deferred cost care programs, and for other purposes.

S. 2166

At the request of Mr. Durenberger, the names of the Senator from Nevada [Mr. Laxalt], and the Senator from Nebraska [Mr. Zorinsky] were added as cosponsors of S. 2166, a bill to amend the Internal Revenue Code of 1954 to modify the tax treatment of tax-exempt municipal bonds, and for other purposes.

S. 2181

At the request of Mr. D'Amato, the name of the Senator from West Virginia [Mr. Rockefeller] was added as a cosponsor of S. 2181, a bill entitled the "Construction Industry Labor Law Amendments of 1986".

S. 2203

At the request of Mr. Stafford, the name of the Senator from Maryland [Mr. Mathias] was added as a cosponsor of S. 2203, a bill to establish a program to reduce acid deposition, and for other purposes.

S. 2209

At the request of Mr. Dole, the name of the Senator from Mississippi [Mr. Cochran] was added as a cosponsor of S. 2209, a bill to make permanent and improve the provisions of section 1619 of the Social Security Act, which authorizes the continued payment of SSI benefits to individuals who work despite severe medical impairment; to amend such act to require concurrent notification of eligibility for SSI and Medicaid benefits and notification to certain disabled SSI recipients of their potential eligibility for benefits under such section 1619; to provide for a GAO study of the effects of such section's work incentive provisions, and for other purposes.

S. 2253

At the request of Mr. Heinz, the name of the Senator from Illinois [Mr. Dixon] was added as a cosponsor of S. 2253, a bill to amend the Balanced

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Budget and Emergency Deficit Act of 1985 to exempt certain railroad retirement benefits from sequestration or reduction under an order issued by the President under section 252 of such act.

S. 2285

At the request of Mr. McClure, the name of the Senator from Texas [Mr. Gramm] was added as a cosponsor of S. 2285, a bill to promote competition in the natural gas market, to ensure open access to transportation service, to encourage production of natural gas, to provide natural gas consumers with adequate supplies at reasonable prices, to eliminate demand restraints, and for other purposes.

S. 2288

At the request of Mr. Chiles, the names of the Senator from New York [Mr. Moynihan], the Senator from Michigan [Mr. Levin], and the Senator from Arkansas [Mr. Pryor] were added as cosponsors of S. 2288, a bill to amend title XIX of the Social Security Act to permit States the option of providing prenatal, delivery, and postpartum care to low-income pregnant women and of providing medical assistance to low-income infants under 1 year of age.

S. 2301

At the request of Mr. Thurmond, the name of the Senator from Virginia [Mr. Trible] was added as a cosponsor of S. 2301, a bill to reform procedures for collateral review of criminal judgments, and for other purposes.

S. 2302

At the request of Mr. Thurmond, the name of the Senator from Virginia [Mr. Trible] was added as a cosponsor of S. 2302, a bill to amend title 18 to limit the application of the exclusionary rule.

SENATE JOINT RESOLUTION 288

At the request of Mr. McClure, the names of the Senator from Idaho [Mr. Symms], the Senator from Georgia [Mr. Mattingly], the Senator from Pennsylvania [Mr. Specter], the Senator from New Mexico [Mr. Domenici], the Senator from Nebraska [Mr. Zorinsky], the Senator from California [Mr. Cranston], the Senator from Utah [Mr. Hatch], the Senator from Utah [Mr. Garn], the Senator from Florida [Mrs. Hawkins], the Senator from Minnesota [Mr. Boschwitz], the Senator from Alabama [Mr. Denton], the Senator from Pennsylvania [Mr. Heinz], the Senator from Missouri [Mr. Danforth], the Senator from South Dakota [Mr. Abdnor], the Senator from South Carolina [Mr. Thurmond], the Senator from Kansas [Mr. Dole], the Senator from Indiana [Mr. Lugar], the Senator from Missouri [Mr. Eagleton], the Senator from Georgia [Mr. Nunn], the Senator from Tennessee [Mr. Gore], the Senator from Arkansas [Mr. Bumpers], the Senator from Arkansas [Mr. Pryor], the Senator from Hawaii [Mr. Matsunaga], the Senator from North Dakota [Mr. Burdick], and the Senator from Alabama [Mr. Heflin] were added as cosponsors of Senate Joint Resolution 288, a joint resolution to designate the month of May 1986, as "National Birds of Prey Month".

SENATE JOINT RESOLUTION 312

At the request of Mr. D'Amato, the name of the Senator from Montana [Mr. Baucus] was added as a cosponsor of Senate Joint Resolution 312, a joint resolution designating the week beginning April 13, 1986, as "National Medical Laboratory Week".

SENATE RESOLUTION 374

At the request of Mr. Ford, the name of the Senator from Ohio [Mr. Glenn] was added as a cosponsor of Senate Resolution 374, a resolution limiting the amount that may be expended by Senators for mass mailings during the remainder of fiscal year 1986.

SENATE CONCURRENT RESOLUTION 128—COMMEMORATING THE BICENTENNIAL OF AUSTRALIA

Mr. HATFIELD for Mr. Dole (for himself, Mr. Lugar, Mr. Pell, and Mr. Byrd) submitted the following concurrent resolution; which was considered and agreed to.

S. Con. Res. 128

Whereas the United States and Australia enjoy a special and close relationship based on our shared history, cultural heritage, similar political values, and mutual respect for individual liberties;

Whereas our two nations enjoy thriving trade and business relationships and a broad range of people-to-people programs;

Whereas that close relationship has assured an alliance between our two nations in defense of freedom during four wars;

Whereas Australia and the United States are linked in a mutual defense treaty and readily accept the costs involved in preserving international peace;

Whereas Australia participated in the celebration of the bicentennial anniversary of American independence in 1976;

Whereas the Prime Minister of Australia, the Honorable Robert J. L. Hawke, will be visiting the United States in April 1986;

Whereas the Government and people of Australia have invited the Government and people of the United States to join in celebrating the forthcoming 1988 bicentennial of Australia; and

Whereas it is most fitting that this historic event be recognized in a manner which will commemorate Australian-American friendship and strengthen the many ties which link our two great nations together: Now, therefore, be it

Resolved by the United States Senate (the House of Representatives concurring), That the Congress declares its deep and abiding respect and friendship for the people of Australia and salutes Australia in its preparations for the celebration of its bicentennial.

Sec. 2. It is the sense of the Congress that the United States Government should help Australia observe its bicentennial year with appropriate activities and ceremonies that would indicate the high regard and deep affection which the people of the United States hold toward the Government and people of Australia during their celebration.

SENATE RESOLUTION 383—MARKING THE 10TH ANNIVERSARY OF THE MAGNUSON FISHERY CONSERVATION AND MANAGEMENT ACT BECOMING LAW

Mr. HATFIELD for Mr. Gorton (for himself, Mr. Evans, Mr. Stevens, Mr. Murkowski, Mr. Hatfield, Mr. Packwood, Mr. Pell, Mr. Sarbanes, Mr. Ford, Mr. Hollings, Mr. Danforth, Mr. Abdnor, Mr. Cochran, Mr. Hecht, Mr. Lautenberg, Mr. Boren, Mr. Boschwitz, Mr. Inouye, Mr. Kennedy, Mr. Mitchell, and Mr. Byrd) submitted the following resolution; which was considered and agreed to.

S. Res. 383

Whereas, Sunday, April 13, marked the tenth anniversary of the Magnuson Fishery Conservation and Management Act becoming the law of the United States of America (Public Law 94-265);

Whereas, That Act extended United States jurisdiction to encompass over three million square miles of the world's most productive fishing grounds and twenty percent of the world's fishery resources;

Whereas, That Act instituted conservation and management for these stocks which has previously been heavily overfished and depleted by foreign fleets, and thus has permitted this nation to manage our fisheries for the benefit of both present and future generations;

Whereas, That Act provided unprecedented incentives and preferences for United States fishermen and processors, and since the Magnuson Act was passed, the United States fishing industry has almost quadrupled its catch;

Whereas, Warren G. Magnuson, who honorably served Washington State in the United States Senate from 1944 to 1981 was the nation's preeminent leader in securing passage of this landmark legislation and was honored for this effort by having the Act named after him; Now, It is Hereby

Resolved, That the Senate of the United States recognizes and declares its highest respect and deepest gratitude to Warren Magnuson for his tireless and successful efforts to promote the conservation and management of our marine fisheries, and to provide our commercial and recreational fishing industry the ability to gain the full benefits of those vast and valuable resources.

AMENDMENTS SUBMITTED

ELECTRIC CONSUMERS PROTECTION ACT

HART (AND EXON) AMENDMENT NO. 1783

Mr. HART (for himself and Mr. Exon) proposed an amendment to the bill (S. 426) to amend the Federal

Power Act to provide for more protection to electric consumers; as follows:

In lieu of the language proposed to be inserted, insert the following:

That this Act may be cited as the Hydroelectric Power and Environmental Improvement Act of 1986.

Sec. 2. The Congress finds and declares that: This Act amends the Federal Power Act to provide mandatory takeover by the United States of hydroelectric power projects held by private, for-profit, entities when the license expires, to provide for the marketing of power from those projects and to commit future revenues from such projects to fish and wildlife enhancement and for other environmental purposes.

Sec. 3. Title I of the Federal Power Act (16 U.S.C. Subsections 791a-823a) are amended in the following respects:

(a) In section 3 (16 U.S.C. Section 796(3)) by:

(1) inserting "or cooperatives" after the word "municipalities."; and

(2) adding a new subsection as follows: "(17) 'Cooperative' means any entity organized under the laws of any State or Territory of the United States which is entitled to preference in the sale of power and energy sold by the United States as provided in 16 U.S.C. §§ 831i, or 825s, or 43 U.S.C. § 485h(c)."

(b) In section 7 (16 U.S.C. § 800) by striking "States and municipalities" in subsection (a) and inserting in lieu thereof "States, cooperatives and municipalities" and by striking subsection (c).

(c) In section 14 (16 U.S.C. § 807):

(1) In subsection (a), by striking "have the right" after the words "United States shall," striking "to" after the word "license," striking "to" after the word "thereafter," adding the words "held by a corporation as defined in section 3 hereof (16 U.S.C. 796)" after the word "license," and adding a comma and the words "shall have" after the first use of the word "or".

(2) By striking subsection (b).

(3) By adding a new subsection "(b)" as follows: "Takeover by the United States pursuant to the provisions of this section is mandatory unless, within two years from the date of the Commission's notice given under subsection (a) of this section, an Act of Congress declares that takeover of a project or projects by the United States shall not occur.".

(4) By adding a new subsection "(c)" as follows:

"(c) In the event the United States by reason of an Act of Congress does not take over a project or projects under subsection (b) of this Section (or if the project is not subject to takeover under that subsection), the Commission shall, after not less than two years from notice published in the Federal Register, accept applications for a new license and decide them in a relicensing proceeding pursuant to the provisions of section 15 (16 U.S.C. 808)."

Sec. 4. Upon the effective date of a take over by the United States of a project as provided in section 14(b) of the Federal Power Act (16 U.S.C. § 807(b)), operation of the project shall be assumed:

(a) By the Tennessee Valley Authority if located on or along the Tennessee River or any of its tributaries or in any geographic area in which the Authority is authorized to sell electric power;

(b) By the Bureau of Reclamation if located in the seventeen conterminous western states;

(c) By the United States Army Corps of Engineers if located outside the areas covered by (a) and (b). The recaptured project facilities shall constitute power generating facilities held by the designated operating entity.

Sec. 5. Upon assuming operation of a project, the Tennessee Valley Authority, the Corps of Engineers or the Bureau of Reclamation, as the case may be, shall reassess the project and its operation for possible modification as needed to meet then current standards for fish and wildlife protection and enhancement and shall make such structural and operational modifications, including additions and betterments, as the agency determines is needed to provide equitable treatment for such fish and wildlife with the other purposes for which the project is operated. In the case of the Corps of Engineers and the Bureau of Reclamation such reassessment shall be in accordance with the Fish and Wildlife Coordination Act (16 U.S.C. §§ 661-666c). In the case of the Authority such reassessment shall be in accordance with cooperative arrangements between the Authority, the United States Fish and Wildlife Service and the National Marine Fisheries Service conforming to the Fish and Wildlife Coordination Act.

Sec. 6. (a) Wherever practicable and feasible, a project, the operation of which is assumed pursuant to section 4, shall be integrated with other federal hydroelectric projects.

(b) The electrical output attributable to a project the operation of which is assumed pursuant to section 4 which is surplus to the operating needs of the project itself shall, if operation is assumed by the Tennessee Valley Authority, be marketed by the Authority pursuant to the Tennessee Valley Authority Act of 1933, as amended (16 U.S.C. §§ 831-831d). In all other cases, such electrical output shall be marketed by the Secretary of Energy under section 302 of the Department of Energy Organization Act (41 U.S.C. § 7152) and pursuant to (1) 16 U.S.C. § 825s where the project is located in the marketing areas of the Southwestern, Southeastern or Alaska Power Administrations, or is located outside the marketing area of any existing Department of Energy power marketing administration; (2) the acts governing the marketing of power by the Bonneville Power Administration, where the project is located in the marketing area of that power marketing administration; or (3) section 9(c) of the Reclamation Project Act of 1939 where the project is located in the marketing area of the Western Area Power Administration.

(c) For purposes of determining the financial requirements of a project the operation of which is assumed under section 4, the costs of the project shall consist of expenses of operation and maintenance, costs or replacements, modifications and betterments, including costs resulting from the implementation of section 5, and payments, if any, arising out of section 7(a) of the Federal Power Act (16 U.S.C. § 807(a)).

(d) Rates for power marketed pursuant to subsection (b) of this section shall be determined as follows:

(1) Where the project is interconnected with other federal hydroelectric projects constructed by the United States, power from which is marketed by the same entity, the rates for each class of service shall be the rate charged by the marketing entity for that class of service from the interconnected system, determined without reference to the financial requirements specified in subsection (c).

(2) Where the project is isolated from other federal hydroelectric projects constructed by the United States, the rate for each class of service shall be the marketing entity's average rate for the class of service involved?

(3) Where the marketing entity is the Secretary of Energy but the project is located outside the geographic area of any power marketing administration, the rate for each class of service shall be the average rate charged for that class of service from all federal power developments: *Provided*, That in the event the Secretary of Energy (i) establishes a power marketing administration to market power from the project or extends the area of an existing power marketing administration to include the project and (ii) the project is interconnected with other federal hydroelectric projects constructed by the United States and from which power is marketed by the same power marketing administration, paragraph (1) shall govern the establishment of rates.

(4) If rates determined in accordance with paragraph (1), (2) or (3), whichever would be applicable, would not, for the project involved, return an amount sufficient to meet the financial requirements specified in subsection (c) plus any applicable interest, the rates shall be established at levels which will provide the necessary revenues.

Sec. 7. (a) There is hereby established in the Treasury of the United States, a trust fund entitled the "Environmental and Conservation Trust Fund" (hereinafter the "Fund"). All revenues received on account of projects the operation of which is assumed under section 4 which for any prior project are in excess of the financial requirements specified in section 6(c) shall be deposited in the Fund, as shall repayment of loans made pursuant to subsection (c) of this section.

(b) The Fund shall be administered by a Board consisting of the Secretary of the Interior, the Secretary of the Army, the Secretary of Agriculture, the Administrator of the Environmental Protection Agency (or their designees) and five members selected by the President by and with the consent of the Senate, from among persons who by experience or training possess special qualifications in the fields of conservation or environmental protection. The Secretary of the Interior (or the Secretary's designee) shall serve as chairman of the Board and shall provide office space and staff for the Board, as the Board determines to be necessary, from staff and resources of the Fish and Wildlife Service and the National Park Service. Members of the Board who are not federal officials shall, when engaged in official duties, receive compensation at the level provided for federal officials at the initial step provided for federal employees holding the grade of GS 18, together with per diem or other allowances fixed in accordance with law while in travel status on official business. Other federal agencies shall provide such assistance as may be agreed upon on a reimbursable basis except that no charge shall be made for furnishing data and records in the possession of any federal agency, which data and records shall be provided as requested by the Board. The Board shall constitute an "agency" under 5 U.S.C. § 552b, and its records shall be available as provided in 5 U.S.C. § 552. All expenses of the Board shall be met from the Fund, within appropriations therefor.

(c) The Board may, within the limits of appropriations from the Fund, make grants and loans to other federal agencies and to

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state and local public bodies for conservation and environmental purposes in accordance with regulations prescribed by the Board. The Board's proposed budget shall be included in the annual budget for the Department of the Interior and shall be transmitted to the Congress as adopted by the Board.

MELCHER AMENDMENT NO. 1784

Mr. MELCHER proposed an amendment which was subsequently modified, to the bill S. 426, supra; as follows:

S. 426 is hereby amended by adding the following new section:

"SEC. . WHEELING OF POWER.

(a) Section 211 of the Public Utilities Regulatory Policy Act of 1978 (16 U.S.C. section 824(j)) is amended as follows:

(2) Strike out subsection (c)(2)(B).

(3) Redesignate subsections (c)(2), (c)(3) and (c)(4) as subsections (c)(1), (c)(2) and (c)(3) respectively.

(b) Section 212 of the Public Utilities Regulatory Policy Act of 1978 (16 U.S.C. section 824(k)(1)) is amended as follows:

(1) Strike out 'electric utility,'.

(2) Insert ',or, in the case of any electric utility affected by the order, is not likely to unduly affect the cost of service provided to its customers,' after 'order'."

MELCHER AMENDMENT NO. 1785

Mr. MELCHER proposed an amendment to the bill S. 426, supra; as follows:

S. 426 is hereby amended by adding the following new section:

"SEC. . WHEELING OF POWER.

(a) Section 211 of the Public Utilities Regulatory Policy Act of 1978 (16 U.S.C. section 824(j)) is amended as follows—

(2) Strike out subsection (c)(2)(B).

(3) Redesignate subsections (c)(2), (c)(3) and (c)(4) as subsections (c)(1), (c)(2) and (c)(3) respectively.

(b) Section 212(1) of the Public Utilities Regulatory Policy Act of 1978 (16 U.S.C. section 824(k)(1)) is amended as follows:

(1) Strike out 'electric utility,'.

(2) Insert ', or, in the case of any electric utility affect by the order, is not likely to unduly affect the cost of service provided to its customers,' after 'order'."

PRINTING OF A REVISED EDITION OF "SENATE ELECTION LAW GUIDEBOOK, 1984"

MATHIAS AMENDMENT NO. 1786

Mr. HATFIELD (for Mr. MATHIAS) proposed an amendment to the resolution (S. Res. 356) authorizing the printing of a revised edition of Senate document numbered 99-23, entitled "Senate Election Law Guidebook 1984" as a Senate document; as follows:

In line 2, after the word "numbered" strike out "99" and insert in lieu thereof "98",

Amend the title so as to read: "Authorizing the printing of a revised edition of Senate document numbered 98-23, entitled "Senate Election Law Guidebook 1984" as a Senate document.".

NOTICES OF HEARINGS

SELECT COMMITTEE ON INDIAN AFFAIRS

Mr. ANDREWS. Mr. President, I would like to announce for the information of the public that the Select Committee on Indian Affairs will be holding a hearing on the following bills:

On Tuesday, April 29, 1986, in Senate Russell Office Building, SR-385, at 10 a.m., on S. 2105, settlement of certain claims of the Papago Tribe arising from the operation of Painted Rock Dam; S. 2106, settlement of certain water rights claims of the Papago Tribe of Arizona; and, S. 2107, settlement of certain claims of the Papago Tribe of Arizona arising from the construction of Tat Momolikot Dam, and for other purposes. Those wishing additional information on these bills should contact Patricia Zell of the committee at 224-2251.

COMMITTEE ON AGRICULTURE, NUTRITION, AND FORESTRY

Mr. HELMS. Mr. President, I wish to announce that the Committee on Agriculture, Nutrition, and Forestry, has scheduled 2 full days of hearings to receive testimony on legislation to amend the Federal Insecticide, Fungicide, and Rodenticide Act.

The first hearing is scheduled for Tuesday, April 22, 1986, at 9:30 a.m., with an afternoon session to begin at 2 p.m.

The second hearing is scheduled for Wednesday, April 30, 1986, at 10 a.m., with an afternoon session to begin at 2 p.m.

For further information, please contact Alex Mathews or Chuck Conner of the committee staff at 224-2035 or 224-6901, respectively.

COMMITTEE ON RULES AND ADMINISTRATION

Mr. MATHIAS. Mr. President, I wish to announce that the Committee on Rules and Administration will meet at 9:30 a.m., in SR-301, Russell Senate Office Building, on Wednesday, April 23, 1986, to receive testimony on the Federal Election Commission's fiscal year 1987 budget authorization request.

For further information regarding this hearing, please contact the elections staff of the Rules Committee at (202) 224-3448.

Mr. President, I wish to announce that the Committee on Rules and Administration will meet in SR-301, Russell Senate Office Building, on Tuesday, April 22, 1986, at 3 p.m., to consider the procurement of a new telephone system for the Senate and other pending business.

For further information concerning this business meeting, please contact Carole Blessington of the Rules Committee staff on 40278.

SUBCOMMITTEE ON ENERGY RESEARCH AND DEVELOPMENT

Mr. DOMENICI. Mr. President, I would like to announce for the information of the Senate and the public that the Subcommittee on Energy Research and Development of the Committee on Energy and Natural Resources has scheduled a hearing on Monday, May 5, 1986, at 2 p.m., in room SD-366 of the Dirksen Senate Office Building in Washington, DC, to receive testimony on the Department of Energy's nuclear research and development program policy.

Those wishing to testify or who wish to submit written statements for this hearing should write to the Subcommittee on Energy Research and Development, Committee on Energy and Natural Resources, Washington, DC 20510.

For additional information regarding this hearing, you may contact Marilyn Meigs or K.P. Lau on the subcommittee staff at (202) 224-4431.

Mr. President, I would like to announce for the information of the Senate and the public of a change in the hearing previously scheduled on Tuesday, April 29, 1986, at 10 a.m., in room SD-366 of the Dirksen Senate Office Building in Washington, DC, by the Subcommittee on Energy Research and Development of the Committee on Energy and Natural Resources. The purpose of this hearing will be to receive testimony from the administration on the Department of Energy's budget with respect to its nuclear activities.

For additional information regarding this hearing, you may contact Marilyn Meigs or K.P. Lau on the subcommittee staff at (202) 224-4431.

AUTHORITY FOR COMMITTEES TO MEET

COMMITTEE ON FINANCE

Mr. McCLURE. Mr. President, I ask unanimous consent that the Committee on Finance be authorized to meet during the session of the Senate on Tuesday, April 15, 1986, until 12 noon in order to mark up H.R. 3838, the tax reform bill.

The PRESIDING OFFICER. Without objection, it is so ordered.

COMMITTEE ON ARMED SERVICES

Mr. McCLURE. I ask unanimous consent that the Committee on Armed Services be authorized to meet during the session of the Senate on Tuesday, April 15, to receive testimony on the posture of the U.S. Army.

The PRESIDING OFFICER. Without objection, it is so ordered.

SUBCOMMITTEE ON STRATEGIC AND THEATER NUCLEAR FORCES

Mr. McCLURE. Mr. President, I ask unanimous consent that the Subcommittee on Strategic and Theater Nuclear Forces, of the Committee on Armed Services, be authorized to meet during the session of the Senate on Tuesday, April 15, 1986, in closed executive session, in order to conduct a

hearing on Air Force classified programs.

The PRESIDING OFFICER. Without objection, it is so ordered.

SUBCOMMITTEE ON ENERGY REGULATION AND CONSERVATION

Mr. McCLURE. Mr. President, I ask unanimous consent that the Subcommittee on Energy Regulation and Conservation of the Committee on Energy and Natural Resources be authorized to meet during the session of the Senate on Tuesday, April 15, to hold a hearing to consider the following: S. 1302, to amend the Natural Gas Policy Act of 1978, to protect consumers from market distortions that occur as a consequence of current partial regulation of natural gas prices by eliminating the remaining wellhead price regulation as contracts expire, or terminate, or are renegotiated, to permit natural gas contracts to reflect free market prices, to eliminate incremental pricing requirements for natural gas, to eliminate certain restrictions on the use of natural gas and petroleum, and for other purposes; S. 1251, entitled the "Natural Gas Utilization Act of 1985"; S. 2205, to eliminate certain restrictions on the use of natural gas and petroleum, and for other purposes; and S. 2285, to promote competition in the natural gas market, to ensure open access to transportation service, to encourage production of natural gas, to provide natural gas consumers with adequate supplies at reasonable prices, to eliminate demand restraints and for other purposes.

The PRESIDING OFFICER. Without objection, it is so ordered.

SUBCOMMITTEE ON PREPAREDNESS

Mr. McCLURE. Mr. President, I ask unanimous consent that the Subcommittee on Preparedness, of the Committee on Armed Services, be authorized to meet during the session of the Senate on Tuesday, April 15, 1986, in order to receive testimony on DOD readiness.

The PRESIDING OFFICER. Without objection, it is so ordered.

SUBCOMMITTEE ON CIVIL SERVICE, POST OFFICE, AND GENERAL SERVICES

Mr. McCLURE. Mr. President, I ask unanimous consent that the Subcommittee on Civil Service, Post Office, and General Services, of the Committee on Governmental Affairs, be authorized to meet during the session of the Senate of Tuesday, April 15, 1986, in order to conduct a hearing on the following legislation: S. 1327, Special Pay Rates, S. 1727, Federal Science and Technical Revitalization Act of 1985, and S. 2082, Defense Acquisition Enterprise, and Initiative Act of 1986.

The PRESIDING OFFICER. Without objection, it is so ordered.

SUBCOMMITTEE ON TERRORISM

Mr. McCLURE. Mr. President, I ask unanimous consent that the Subcommittee on Security and Terrorism of the Committee on the Judiciary be authorized to meet during the session of the Senate on Tuesday, April 15, to hold a closed hearing on FBI Oversight and Budget Authorization.

The PRESIDING OFFICER. Without objection, it is so ordered.

SUBCOMMITTEE ON AVIATION

Mr. McCLURE. Mr. President, I ask unanimous consent that the Aviation Subcommittee of the Committee on Commerce, Science, and Transportation be authorized to meet during the session of the Senate on Tuesday, April 15, to conduct a hearing on aviation safety issues.

The PRESIDING OFFICER. Without objection, it is so ordered.

SUBCOMMITTEE ON SCIENCE, TECHNOLOGY, AND SPACE

Mr. McCLURE. Mr. President, I ask unanimous consent that the Subcommittee on Science, Technology, and Space of the Committee on Commerce, Science, and Transportation, be authorized to meet during the session of the Senate on Tuesday, April 15, 1986, to conduct a hearing on the reauthorization of the satellite and atmospheric programs of the National Oceanic and Atmospheric Administration.

The PRESIDING OFFICER. Without objection, it is so ordered.

COMMITTEE ON THE JUDICIARY

Mr. McCLURE. Mr. President, I ask unanimous consent that the Committee on the Judiciary be authorized to meet during the session of the Senate on Tuesday, April 15, 1986, in order to receive testimony concerning S. 2162, the "Antitrust Remedies Improvement Act."

The PRESIDING OFFICER. Without objection, it is so ordered.

ADDITIONAL STATEMENTS

THE CALL TO CONSCIENCE FOR SOVIET JEWRY

(By request of Mr. DOLE, the following statement was ordered to be printed in the RECORD:)

● Mrs. HAWKINS. Mr. President, I want to take some time today to draw the attention of the Senate to an issue of paramount importance—the plight of the Jewish activists, refusniks and others whose only crime was to be born Jewish and to be proud of the achievements that are associated with that heritage. These people are not asking for anything special or extraordinary. They are simply asking for their internationally recognized rights to freedom of worship, and in some cases, freedom to emigrate. But what we here in the United States and the rest of the West view as ordinary and inalienable rights, are for the totalitarian society of the Soviet Union a grave threat.

The point is, however, threat or not, these rights are inalienable, and we have an obligation to provide moral and other support for those brave men and women who stand up to the Soviet juggernaut and take a stand for what they believe in. These men and women are our brothers and sisters—and they need our help.

There are a number of ways in which we can help. Perhaps the most important is that we not forget them. It is so easy for many of us to get wrapped up in the daily routine, and lose track of the really important things of life such as the lives and freedom of people who live imprisoned in the restrictive societies of the Soviet Union and other Communist countries.

It is for this reason that we need to take public and private steps to ensure that neither the American people, the United States Government, nor, most importantly, the Soviet Union forget the importance of these people to us.

I have been working for some time to achieve the emigration of several Jewish families in the Soviet Union, and I would like to share some of the details of a particular case with you. Last year, when I participated in the Call to Conscience, I brought to the Senate's attention the case of Yakov Mesh. Yakov is a 33-year-old tailor by trade. He has a wife, Marina, 26, and an 8-year-old son, Marat. Mr. President, Yakov Mesh is a free man today, living with his family here in the United States.

The Mesh family has been trying to leave the Soviet Union since 1977 when 20 of Yakov and Marina's relatives were allowed to emigrate. While Yakov was held back at the time, Soviet officials assured Yakov's mother, Rosa, that Yakov and his family would be allowed to join them shortly. But days turned into months and months turned into years and the Soviets were unrelenting in their refusal to consider issuing him and his family visas.

The reason the Soviets gave for not allowing him to emigrate is that he served in the Soviet military and there acquired a knowledge of military secrets. While it is true that Yakov did serve in the military, he was attached to the sports section as a boxer—hardly a position from which one would expect exposure to essential military secrets. I believe that the real reasons for not allowing the Meshes to emigrate probably had more to do with their pro-Jewish activities in the Soviet Union. They participated in activities such as hunger strikes, and organized seminars and meetings on Jewish culture, history and languages. Because of these activities the Meshes were repeatedly harassed, intimidated, detained and even arrested.

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In 1984 Yakov was arrested and while in prison he was abused causing a deterioration in his health. Yakov was released from prison in December 1984.

On February 28, 1985, I went to the Soviet Embassy to discuss this case with Soviet authorities and was accompanied by Senator Metzenbaum. We forcefully made the case for Yakov and his family, and requested that he and his family be issued emigrant visas as soon as possible. We never received any type of response to our meeting at that time.

I know that many of my colleagues have worked on or are working on difficult cases such as Yakov's. In fact because of the tremendous decline in emigration visas granted to Soviet Jews in recent years, there are many heart-rendering cases like this. Yet we cannot give up. We must persevere, and take every possible step we can to provide these brave refusniks with moral support and encouragement because there is hope. We can, with the force of public expressions of concern, force the Soviet Union to allow refusniks to emigrate. Yakov Mesh and his family are free. The efforts that we make in bringing these cases to the attention of Soviet authorities can make a difference. I commend all of my colleagues who are participating in this year's Call to Conscience on Soviet Jewry because this effort is so important. I particularly want to thank Senator Mitchell who is managing the Call to Conscience this year for allowing me the opportunity to address this important issue at this time.

JOSEPH H. KANTER JOGGING AND EXERCISE CENTER

● Mr. BINGAMAN. Mr. President, I want to bring to the attention of my colleagues in the Senate a new exercise facility under construction on the mall at Fourth Street and Independence Avenue SW., adjacent to the National Air and Space Museum at the Smithsonian Institution.

The facility, known as a Parcourse, has been donated by a long time fitness enthusiast, Joseph H. Kanter. A former resident of Washington, DC, Mr. Kanter has for over 40 years enjoyed the benefits of good physical condition that so many Americans are discovering today. Having jogged throughout his lifetime, Mr. Kanter will soon complete a cumulative total mileage equaling the circumference of the Earth.

Mr. Kanter, who now lives in Miami, FL, where he is the chairman of the Bank of Florida, has donated this facility for use by all government employees and all Americans. As one interested in the health of our citizens and a supporter of the "wellness" movement that is inspiring many Americans to lead healthier lifestyles, I applaud Joe Kanter's initiative and urge my colleagues to join in extending thanks to him for his generosity.●

THE HELSINKI ACCORDS AND VISITATION RIGHTS

● Mr. DURENBERGER. Mr. President, in my almost 8 years in the Senate, I have placed a high priority on promoting and protecting the basic human rights of individuals both in this country and around the world. I have not hesitated to call attention—wherever appropriate—to barriers to either individuals or groups of individuals in the exercise of those basic human rights.

Certain of these basic human rights are guaranteed by our own Constitution and the constitutions of other sovereign nations. Other rights are guaranteed by international treaties and other agreements.

One such agreement is the Helsinki accords and one such right is the right of all individuals to contacts and regular meetings among family members.

The Helsinki accords, for example, commit signatories to favorably consider visa applications from individuals seeking to visit family members in the country in which they live.

Unfortunately, the Soviet Union has not complied with this important provision of the Helsinki accords. Former Soviet citizens who have emigrated to the United States are routinely denied permission to return to the U.S.S.R. for visits to family members. One such Soviet emigree now living in Minnesota has tried repeatedly over the last several years to gain permission to visit aging parents and other relatives in the Soviet Union, but has been denied the necessary visa without any reasonable explanation from Soviet officials.

Not only is this policy by Soviet officials a violation of the Helsinki accords, but it is a violation of basic laws of human decency and respect for the value of the family in society.

It is my understanding that members of the Congress and administration will be participating in a conference in Bern, Switzerland, over the next several months which will deal with human contact issues covered by the Helsinski accords. I am certainly hopeful that our delegation will raise this important issue of visitation rights to relatives in those discussions.

Because of the importance of this issue to Americans and to all people who care about basic human rights, I ask that the following op ed article which recently was published in the Minneapolis Star and Tribune be printed in the Record.

The article follows:

Soviets Should Fulfill Pledge on Family Visits

(Editor's note: On rare occasions, circumstances justify the withholding of a writer's name. This is such an occasion. The writer is a Soviet emigre who lives in the Twin Cities.)

In considering human-rights violations in the Soviet Union, the public, Congress and the media have focused on the Kremlin's refusal to allow Jewish refuseniks to emigrate and on its continuous disregard of the human rights of dissidents.

Also of concern, however, should be the Soviet failure to live up to the provision of the Helsinki accords on contacts and regular meetings among family members, which states:

"In order to promote further development of contacts on the basis of family ties the participating states will favorably consider applications for travel with the purpose of allowing persons to enter or leave their territory temporarily, and on a regular basis if desired, in order to visit members of their families. Applications for temporary visits to meet members of their families will be dealt with without distinction as to the country of origin or destination. . . . The preparation and issue of . . . documents and visas will be effected within reasonable time limits; cases of urgent necessity—such as serious illness or death—will be given priority treatment."

Despite this clear language the Soviet Union is denying visas to those seeking to visit their families in the Soviet Union. Many Soviet Jews who legally emigrated from the Soviet Union in '70s are now U.S. citizens. When they seek to return to the Soviet Union to visit their families, their visa applications are invariably denied.

It is understandable that every country controls its own visa policies and may have legitimate reasons to exclude certain individuals, just as the United States does. However, the Soviet Union is using its power to stop the reunification of families. This punishment of those who have emigrated and their families still living in the Soviet Union is a blatant abuse of basic human rights and must be protested.

The issue of visitation rights has not received sufficient attention. If the administration hears enough voices it will assign the issue a higher priority. To quote Secretary of State George Shultz, "Human rights cannot be relegated to the margins of international policies . . . The need for steady improvement of Soviet performance in the most important human-rights categories is as central to the Soviet-American dialogue as any other theme."

It is important that the Reagan administration and Congress speak out on family-visitation rights. The free flow of individuals and ideas can only improve relations between the United States and the Soviet Union.●

OPENING OF THE BERN HUMAN CONTACTS EXPERTS MEETING OF HELSINKI SIGNATORY STATES

● Mr. D'AMATO. Mr. President, today marks the opening of the Human Contacts Experts Meeting of Helsinki Signatory States in Bern, Switzerland. The 6-week Bern meeting should be a clear focus of continuing congressional and U.S. public concerns about Soviet and Warsaw Pact policies maintaining barriers between the peoples of East and West in clear violation of their

commitments as signatories of the Helsinki Final Act.

The official U.S. delegation to the multilateral conference, led by Ambassador Michael Novak, will address such issues as emigration, divided families, obstacles to family visits and binational marriage, impediments to travel for personal or professional reasons, and interference by East bloc governments with telephone and mail communications. I urge my colleagues in Congress to take an active interest in the Bern meeting and to express their strong support for Ambassador Novak's efforts to conduct a vigorous review of these important issues.

This morning, the New York Times published an article entitled, "Identify All Helsinki Violators," by Leonard R. Sussman, executive director of Freedom House. This article addresses further the importance of the Bern meeting. In particular, it highlights the need for media recognition of our efforts to achieve compliance with the Helsinki Final Act's humanitarian provisions. It deserves the thoughtful attention of everyone who is concerned about human rights. I commend this article to my colleagues' attention.

I ask that Mr. Sussman's article appear in the Record immediately following my remarks.

Meanwhile, outside the official conference, concerned citizens groups also have organized events designed to train the spotlight of world opinion on the ongoing human contacts violations committed by Eastern governments.

Mr. President, I ask that a letter Cochairman Hoyer and I addressed to the participants in the unofficial "Helsinki Review Conference" organized in Bern by nongovernmental representatives of United States, Canadian, and West European human rights advocacy organizations appear in the Record immediately following my remarks.

The documents follow:

[From the New York Times, Apr. 15, 1986]

Identify All Helsinki Violators

(By Leonard R. Sussman)

President Reagan's statement last month attacking human rights violators on the right as well as the left drew great attention from the American press and public—and it was indeed newsworthy that a President known for chiding the Soviet Union began to chastise right-wing oppressors. But will the press remain interested when the camera focuses once again on the authenticated evils of the Soviet empire.

That test starts today and continues through May 26 as delegations from the 35 countries that signed the Helsinki accords in 1975 meet in Bern, Switzerland, to examine whether each signatory is fulfilling its pledge to improve "human contacts."

The meeting will focus on rather intimate human activities—family reunification, travel within and between countries, broadening contacts among citizens of different countries, marriage of people of two nationalities and cross-border contacts between religious groups, labor unions and other institutions.

It all sounds innocuous enough, but crossing borders—whether for simple travel or to reunite families—can still be a dangerous, even deadly business in Europe. Barbed wire and police dogs still deter any crossings from East Germany that have not been paid for by a Western government supplying ransoms for the reuniting of families. Just last year, Czechoslovak guards shot and killed Frantisek Faktor for crossing to Austria. Yugoslav border police killed another Czechoslovak citizen already on Austrian soil, and several others drowned while crossing between Yugoslavia and Austria.

Most prominent Polish human rights activists do not travel abroad for fear that they will not be allowed to return to Poland. And the second largest category of political "patients" in the psychiatric hospitals of the Soviet Union—dissidents made up the largest single group—is composed of people who have attempted unauthorized border crossings.

It wasn't suprising, then, that the Soviet Union and its allies strongly opposed the Bern meeting. They belatedly agreed only when the West insisted on maintaining "linkage" between these humanitarian questions and the security aspects of the Helsinki accords.

Bureaucratic procedures for expanding human contacts may not seem newsworthy, but change could reflect significant improvements in the closed societies of the Eastern bloc. Besides, even without significant change—and it is unlikely that this six-week conference will lead to major openings—the quite oppression in Soviet-bloc countries is always newsworthy, and providing publicity is the most important thing we can do for the victims in the gulags.

The human rights violations that receive most attention occur in countries with significant public connections to the United States. Yet the worst human rights abuses routinely occur in places where we have little or no connections—Iran, Iraq, Cambodia, Vietnam, Afghanistan, North Korea and Eastern Europe, among others. Because Washington has relatively little official business in these countries, there is little press coverage of violations there, and the public receives a distorted view of where the worst oppressors are headquartered.

Of course, the countries where we have the best connections are also the places where we can do most good, using our leverage—usually the promise of economic or military aid—to influence human rights practices. But we can have an effect even on countries where we have no leverage—by providing persuasive public and private expressions of unflagging American abhorrence of human rights abuses and of our determination to work by all effective means to eliminate them.

That abhorrence will be aired in detail by the American delegation at Bern—and it should be properly reported in the press these next six weeks. The Administration is making an important effort to balance its human rights policy, and it is time for the press to provide similar balance in covering the human rights story.

The Soviet Union has insisted that the Bern meetings be closed to journalists, but the American press and public have a responsibility to attend to the "naming of names" at the Helsinki review conference.

Commission on Security
and Cooperation in Europe,
Congress of the United States,
Washington, DC, April 14, 1986.

To the Participants in the Helsinki Review Conference, Buregerhaus Bern, Neuengasse 20, CH 3011, Bern, Switzerland.

Dear Friends of the CSCE Process: As Chairman and Co-Chairman of the U.S. (Helsinki) Commission on Security and Cooperation in Europe, the independent U.S. Government agency mandated by Congress to monitor and encourage compliance with the 1975 Helsinki Final Act, we send you our best wishes.

As a matter of principle in CSCE, the Commission has stressed the vitally important role that private individuals and nongovernmental representatives play in the Helsinki process. Since the Final Act's signing, concerned citizens from both the East and West have sought to give the Helsinki Final Act's words more than just symbolic meaning. From the West's perspective, private efforts do not counter the work of participating governments; they complement it.

In fact, individual citizens' activities, alone or in association with other persons, are the clearest expression of the true spirit of the Helsinki process. Your activities become even more important when contrasted with East Bloc states' treatment of their citizens who similarly have attempted to exercise their rights and play a legitimate and genuine role in the Helsinki process. Your freedom to speak and act casts in stark relief Soviet and East Bloc failures to live up to their Helsinki promises to respect human rights and fundamental freedoms.

The Bern Human Contacts Experts Meeting is coming at a time when the direction of East-West relations is a matter of intense popular interest and comment. In advance of the third major Helsinki Review Meeting, scheduled to begin in Vienna in November, it is only fitting that concerned citizens such as yourselves take early stock of the Helsinki process and consider means by which its effectiveness can be increased.

The Helsinki process remains an important instrument of diplomacy for the United States and for other Western democracies. The Final Act placed respect for fundamental human freedoms squarely within the East-West framework as a basic element of government-to-government relations. In East-West diplomacy, the Helsinki process has become the vehicle by which concerns in humanitarian, military, political, social, cultural and other fields routinely are conveyed. Also, the Helsinki umbrella has afforded to the smaller Eastern countries in particular much greater latitude in establishing relationships with Western nations independently of the Soviet Union. The multilateral Helsinki approach to problems can serve to increase Western leverage by compounding the political cost to the Eastern governments of human rights violations. Furthermore, Helsinki's European focus ensures that debate on key issues remains centered on an area where Western ideas fall on familiar and fertile soil.

Helsinki's unique follow-up provisions, calling for periodic review meetings such as those in Belgrade, Madrid and the upcoming Vienna Conference and the interim meeting such as the Bern experts meeting, constitute a continuing framework for the consideration of a broad range of East-West matters and keep the door open to the possibility of concrete progress when the international climate is propitious.

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From the beginning, the West has acknowledged that full implementation of the Helsinki accords' provisions will be a long-term process. In the decade since the accords were signed, the West has chronicled some steps forward as well as a litany of Eastern human rights violations. In the human contracts field, for example, there have been some welcome easements in the emigration and travel policies and practices of some East Bloc countries and a net increase has been registered in East-West travel.

Yet, despite their Helsinki commitments, Eastern countries, continue to maintain policies stringently limiting and controlling the movement of their citizens. Physical barriers, such as the Berlin Wall, remain tangible reminders of the artifical division of Europe—and Europeans—by force. Legal, procedural and financial obstacles are imposed and methods of intimidation are applied by Eastern governments in order to dissuade would-be emigrants, finances and travellers, Helsinki monitors, human rights activitist, religious believers, unofficial peace groups members and free trade unionists have been prosecuted for their efforts to maintian independent contacts with Eastern and Western counterparts.

The U.S. Helsinki Commission has urged that all such problems be raised forthrightly at the Bern Human Contacts Experts Meeting. Your support of the CSCE process and participation at Bern assistant in drawing the international spotlight to these same problems and in so doing will help to ensure that the victims of repressive and restrictive governments are remembered and that their plight is brought to the attention of officials of the offending governments.

The U.S. Helsinki Commission closes its letter of greeting to you with a restatement of our conviction that the Helsinki process—painstakingly built only a few hundred miles away in Geneva—can, if developed over time in a determined, concerted and compassionate manner, lead to positive results. We should not lose sight of our ultimate aim, perhaps put most eloquently by physicist Yuri Orlov, founder of the Moscow Helsinki Group and a prisoner of conscience since 1977: "By our efforts, we increase the probability that in the end we shall be successful."

Joining you in these humanitarian efforts, the U.S. Helsinki Commission sends you our best regards.

Sincerely.

ALFONSE M. D'AMATO,
Chairman.
STENY H. HOYER,
Cochairman.●

THE SETTING OF SOCIAL STANDARDS BY GOVERNMENT

● Mr. **ARMSTRONG**. Mr. President, two items of recommended reading recently crossed my desk. One is Paul Johnson's magisterial history of the 20th century, "Modern Times." It is massive, literate, sweeping in scope, emphatic in conclusions. The other is just the opposite. Richard B. Freeman's study for the National Bureau of Economic Research, a private think tank in Cambridge, MA, is slim, statistical, and tentative. It is micro-analysis, focusing on "the relation of church-going and other background factors to the socioeconomic performance of black male youths from inner-city poverty tracts."

Johnson's opus won international acclaim, while Freeman's working paper has received scant attention. Despite their differences, however, the two publications are intimately related; and in understanding that kinship we may get a better grip on some of the policy problems we face in government today.

When "Modern Times" appeared in 1983, it became an instant classic. For readers around the world, divided by every imaginable distinction, it deftly drew together the pieces of mankind's shattering experience to arrange them in a startling pattern. For Johnson did more than recount the horrors of the last nine decades. He gave them a logic.

He showed how the ghastly suffering of this century has been the natural consequence of moral relativism. Once mankind—or rather, a large part of its rulers and opinion makers—accepted the idea that one set of values is no better than any other, it became silly to quibble about a crime here, an atrocity there. Efficiency became as important as justice, ruthlessness as ethical as mercy. A human life could have no more value than a bureaucrat's whim or a commissar's production quota.

Granted, evil has always been with us. This side of the Garden of Eden, human history seems a record of our shortcomings. But the malignity of the 20th century has been fundamentally different: many have denied the distinction between good and evil. When all virtue is relative, so is all vice. The distinguished healer of minds, Dr. Karl Menninger, turning his attention to ailments of the spirit a few years ago, asked in the title of his thoughtful essay, "Whatever happened to sin?" That is, whatever happened to the concept, basic to western civilization, that rational individuals can discern right from wrong and that those two categories, far from being arbitrary, are non-negotiable expressions of values to which mankind is summoned by its Creator?

Readers of "Modern Times" know what happened. The very concept of values crumbled under the onslaught, not so much from modern science, as from those who wielded science to justify their own social and politicial agendas. Thus, scientific genetics could be used to advance ignorant racism. Scientific psychiatry could be used to justify personal misconduct or national lunacy. Scientific physics could be distorted into a denial of any standard of measurement, including those applicable to human behavior.

This denial of all norms was the intellectual prerequisite to establishing regimes like those of Nazis, Soviets, and their imitators past and present. Monstrous evil was made possible by the corruption of the individual mind. Once it became acceptable to eliminate one defective person for the common good, then there could be no effective objection to larger enterprises of like nature. The scores of millions killed—dying now—under Marxism can mean no more than the far fewer millions slaughtered under Hitler. Those in turn meant no more than the quarter million massacred in Nanking alone during a 2-month period of Japanese occupation, who all together meant no more than the hundreds of twins butchered by "Doctor" Mengele in his hideous experiments. Their deaths were no more important than that of a single mental patient gassed by physicians years before the Holocaust began. If the one did not matter, then neither did the multitude.

We like to think our society is immune to such amorality, but it may be only the difference between acorn and oak. Under the proper circumstances, the former develops into the latter. Those who have read "the fine print" in the Supreme Court's decision in Roe versus Wade, giving the state the option—not the obligation—of protecting life after birth will know what I mean. But that is a subject for another time.

For this time, instead, we can summarize the findings of Richard Freeman's study: There appears to be a correlation between church attendance by low-income black youngsters and their later prospects for escaping poverty and moving into the mainstream of American life. If that seems puny when compared to Paul Johnson's grand exposition, look more closely at what it is telling us. Young people who daily confront disadvantage and discouragement are much more likely to lead successful lives—not just economically successful, but in terms of overall personal development—if they participate in institutions or social processes that inculcate fixed values and demand an ethically normative code of conduct. On the other hand—and perhaps it is more important to put things this way—youngsters who grow up without a sense of spiritually ordered right and wrong are far less likely to break out of the ranks of what some call the underclass. Not only are they more apt to do wrong to society, through crimes, but they are also less able to do right by themselves, through development of their personal potential.

That sets in microcosm the immense lesson of "Modern Times": Ethical norms are a necessary part of all human interaction; without them, in the long run, we are doomed.

But of course, most Americans would say. No one denies that. Tragically, many do deny it; or to be more precise, they claim that, since all

morality is relative anyway, moral standards must be private. Government must abstain from decisions that demand an ethical dimension. Public policy must not be used to impose one set of values upon all. In particular, those whose ethical concerns spring from religious commitment cannot intrude their private views into civic discourse. If they insist upon doing so, one public figure recently explained, "we've got to show them for the bigots they are. We've gotta wrap it around their necks!"

That extreme statement has a familiar ring to it. Wrapped in phrases plucked inappropriately from the U.S. Constitution, the same argument has appeared in editorials and speeches throughout the country. The application of moral values to public policy is suspect as the intrusion of religion into politics. Indeed, some groups have gone so far as to ask Federal judges to strike down congressional legislation because its sponsors were acting out of ethical motives related to their religious beliefs. Thus far, the courts have hesitated to take that step; but there is no assurance that some jurists may not attempt it in the future.

That is only part of the price we pay, as a society, for moral relativism in public life. It paralyzes government in the face of critical problems; for when ethical choices are not made consciously, they are made by default.

That brings us back to the Freeman study and others like it. We know that intact families are the best preventive medicine against a whole range of social pathologies. Two-parent households are much less inclined to delinquency, welfare dependence, substance abuse, problems in schooling, and so on. One would assume, therefore, that public policy would do all in its power to foster stable family life. That would be not only in the interest of the taxpayers and the community as a whole; but also to the direct benefit of those who need incentives to keep their households together.

But government does not do that. It avoids the appearance of moralism. It dares not to prefer certain family arrangements to others. Indeed, a series of decisions by the Supreme Court over the last two decades has called into question the ability of government to have such a preference, even if public officials wanted to do so. One of them is especially enlightening. In Moore versus City of East Cleveland (1977), the Court confronted a local zoning ordinance which restricted housing to intact families, thereby prohibiting communes and other tenuous living arrangements. This was not a cover for bigotry; East Cleveland was a predominantly black city under a black city commission and city manager. Their purpose in zoning their community for families was affirmative, not exclusionary. Hoping to preserve the strong family structure that had enabled them to reach the mainstream of American life, they were declaring that this particular norm is what works best for people trying to live decent lives, advance economically, and raise children who will be assets, rather than liabilities, to the community.

They did not have a chance in Washington. Relying explicitly upon such cases as Roe versus Wade, Justice Powell wrote in the majority decision:

> The Constitution prevents [the government] from standardizing its children—and its adults—by forcing all to live in certain narrowly defined family patterns.

The Constitution, of course, says nothing of the sort; but that has not prevented a majority on the Court from forbidding Congress and the States to allot public benefits, especially welfare, on the basis of family structure. This deprived the States of their traditional means of encouraging legitimate births over illegitimate ones, of encouraging marital commitment over cohabitation, of reinforcing the norms of social behavior rather than the aberrations that now threaten to overwhelm society. The people of East Cleveland have nothing to say about what are or are not acceptable living arrangements. The people of New Jersey cannot give preference, in receipt of welfare, to married—as opposed to cohabiting—couples, according to the Court in New Jersey Welfare Rights Organization versus Cahill. The Congress cannot direct food stamps only to households composed of individuals related by blood, marriage, or adoption, according to the Court in USDA versus Moreno.

In short, there are no grounds for the community to impose its values on others. Its notions about family structure or socially productive behavior are entirely relative. Intimidated by that argument, many public officials have, in effect, written off what some call "the underclass," the millions who have been left behind in America's ongoing progress. But we have done them no favor by not imposing our norms upon them. They have paid the price for the relativism of public policy. Their children continue to pay it.

Meanwhile, evidence accumulates that the setting of social standards by government, the official preference for certain kinds of living arrangements and behavior patterns, would be one of the best things we could do for those now trapped outside the American mainstream. Among disadvantaged minorities, intact families have attained incomes near the national average. Among the poor in city after city, youngsters are excelling in schools that are short on resources but rich in moral standards. In experiments with mandatory work programs, welfare dependency has fallen. Sure, the public benefits from these trends. But the persons involved have the greatest gain, not only financially but where it counts most: in their self-respect, their independence, their human fulfillment.

That is reason for great hope, but only if we are willing to translate these lessons into policies which affirm and enforce the norms upon which human advancement depends. That means those in government have a special responsibility. They have an obligation to apply the standards they avow to their official decisions. Otherwise, they are juggling two sets of ethical books, one for private lives and the other for public business. They must not be afraid to act upon the values they profess, to translate into legislation or administration the sense of right and wrong that distinguishes us from the totalitarians of these modern times.●

UNREST AND VIOLENCE IN SOUTH AFRICA

● Mr. **SIMON**. Mr. President, I take this opportunity to congratulate Bishop Tutu on his appointment as the Archbishiop of Capetown. He is the first black man to head the Anglican Church in South Africa. Bishop Tutu is a great man and a formidable spiritual leader of his people. I had the privilege of meeting him when he visited the United States and we discussed the situation in South Africa. Bishop Tutu has repeatedly warned that continued white intransigence would lead to further violence in South Africa. Sadly his predictions have come true. In the 24 hours preceding his election, for example, 14 black persons died and the bodies of another 36 were found in a tribal homeland north of Pretoria.

I am increasingly concerned about the reports of continued heightened violence in South Africa. For a time, the restrictions on the American press imposed under the state of emergency decree issued by the Government in South Africa resulted in less coverage by American media of the violence and unrest in South Africa. Now the State of Emergency has been lifted but the press is still restricted in instances from covering the unrest and violence. But that unrest and violence is still occurring on a massive scale. According to Amnesty International, extensive violations of human rights by the South African authorities have escalated further in the wake of widespread black protest against Aparthied.

Recently, Amnesty International USA published a report that documented that in 1984 238,000 people were arrested because of alleged violation of the pass laws. The State Department's country reports on human

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rights practices reported that almost 900 people were killed last year and more than 11,000 were detained by the police and security forces there.

We are at a crossroads in our policy toward South Africa. We cannot stand idly by and tacitly participate in the South African economy by accepting the President's assurances that the sanctions in his Executive order are sufficient. We must take additional measures to promote justice and freedom in South Africa. That is why I recently introduced a bill for further economic sanctions against South Africa and why I intend to support other similar measures as they come before Congress.

Two weeks ago, Archbishop Tutu risked a charge of treason by saying:

> I have no hope for change from this government unless they are forced. We face a catastrophe in the land, and only the action of the international community, by applying pressure, can save us. Our children are dying. Our land is burning and bleeding, and so I call on the international community to apply punitive sanctions against the government to help us establish a new South Africa—nonracial, democratic, participatory and just.

Today I congratulate Bishop Tutu on his election, and I say to him that we in the Senate hear his call and the call of millions of other South Africans. We can answer that call by bringing to the floor of this body more stringent sanctions legislation and voting that legislation into law.●

SESQUICENTENNIAL EDITION OF THE EDGEFIELD ADVERTISER

● Mr. **HOLLINGS**. Mr. President, I should like to recognize a great achievement by the Edgefield Advertiser, a weekly newspaper in Edgefield, SC. This newspaper is currently celebrating its sesquicentennial anniversary. In the 150 years in which this newspaper has been in operation, it has never missed an issue or changed its name. In fact, for the past 114 years, it has been owned by the same family.

The history of the Edgefield Advertiser is filled with colorful and historic stories. For example, it was the only newspaper to publish the letter of Colonel Travis, commander of the Alamo, to Gen. Sam Houston. This historic press coverage prompted the Governor of Texas and the mayor of San Antonio to send their congratulations to the Edgefield Advertiser in commemoration of its sesquicentennial.

The Edgefield Advertiser combines a strong sense of history with a dedication to excellence in reporting the events that currently impact on Edgefield and the surrounding area. I offer my most sincere congratulations on a job well done.●

NAUM AND INNA MEIMAN: SUPPORT IN CONGRESS

● Mr. **SIMON**. Mr. President, I just returned from a moving news conference to demonstrate solidarity with Naum and Inna Meiman with Senator HART, Congressman WIRTH, Congressman SIKORSKI, Lisa Paul, Olga Plam, Naum's daughter, and others.

All of us spoke about the profound effect that Naum and Inna had on us when we met them. As Lisa Paul, a young Minnesota woman who went on a 25-day hunger strike for the Meimans, said, "The Meimans have this incredible energy and vitality." To think of Inna suffering in pain in Moscow is a chilling thought. Naum is a 74-year-old man. He has not performed "sensitive" work in 30 years.

The Meimans are persecuted for expressing their desire to leave the Soviet Union. What good does it do the Soviets to keep the Meimans there?

I strongly urge the Soviets to allow the Meimans to emigrate to Israel.●

SCHIZOPHRENIA

● Mr. **DOMENICI**. Mr. President, schizophrenia strikes 1 percent of the American people. It is devastating disease. Of the hundreds of thousands of homeless Americans, from one-third to one-half are mentally ill, most of these afflicted with incurable schizophrenia. The costs of this disease to this Nation annually exceed $20 billion. We are now spending $27 million annually on research.

Science tells us it is a brain disease, that is does not come about from bad parents or "toxic" families. Nor is it necessarily character flaw in the afflicted person, as it was once believed. Because of psychotropic medication, schizophrenic citizens are no longer hospitalized for endless years. They are stabilized and returned to the community. Unfortunately, communities are poorly prepared to receive them and to provide the rehabilitation services that can and will help them achieve their potential for independence and self-care.

The care givers today are, in the majority of cases, the families. They need help in understanding the illness, in providing a therapeutic environment in the home, in financial support, and in respite from the day-in-day-out regime of care.

Mr. President, these remarks are to introduce an excellent four-part series on schizophrenia that appeared in the New York Times, March 16–19, 1986. I offer them because there is a lot of ignorance across this land about schizophrenia, as well as other serious mental illnesses such as major or manic depression. The Times series gives an up-to-date report of the state of scientific research on this disease. It details the emerging family movement that is achieving historic growth as a force in the Halls of Congress, our State capitals, city halls, and courthouse. It describes the treatment and rehabilitation needs of these mentally ill citizens. It describes the gaps in our mental health system.

I commend the editors of the New York Times for focusing on this important topic at a time when policymakers must face the consequences of mental illness in our society, particularly among the homeless whose numbers continue to grow.

I ask that the articles from the New York Times be printed in the RECORD.

The articles follow:

SCHIZOPHRENIA PUZZLE: TOLL RISES AMID HOPE

(By Philip M. Boffey)

WASHINGTON.—Schizophrenia is emerging as the worst mental health problem facing the nation. Yet it has long been the most neglected.

Never before in American history have so many schizophrenics been seen on the streets of American cities, screaming aloud to voices only they can hear, proclaiming themselves God, warning passers-by that the Central Intelligence Agency has bugged their brains, or simply sitting, mute and withdrawn, sunk in an apathy so deep that no emotion crosses their faces.

But street people are only a part of the problem. Far more victims of this shattering disease are now in the homes of their families, in the nation's hospitals, in nursing homes, halfway houses or seedy hotels—either forgotten or given care that, health experts agree, has brought only limited relief of their suffering.

SIGNS OF NEW UNDERSTANDING

But there are now important signs of change.

Interviews and an extensive review of medical journals and scientific papers reveal that the nation is moving toward a new era in both understanding and treating schizophrenia. The new insights are paradoxical, the news, to some degree, both bad and good:

Not only are more people suffering from schizophrenia than ever, but medical and behavioral scientists believe that the disease itself is far more complicated and resistant to treatment than had been realized. Moreover, though much has been learned about its manifestations, the basic cause remains a mystery.

On the other hand, for the first time in decades, scientists are expressing cautious hope that progress can now be made toward unraveling the inner mysteries of schizophrenia and finding more effective treatments.

ENORMOUS COST TO SOCIETY

All told, two million to three million Americans, 1 percent of the population, either have the disorder or will develop it at some point in their lives, according to the National Institute of Mental Health.

The cost to society is enormous, with authoritative estimates ranging from $20 billion annually, as calculated by the N.I.M.H., to $48 billion reported by the Institute of Medicine of the National Academy of Sciences. The estimates are of expenses incurred in providing treatment and social services, as well as the staggering amount of productivity lost as schizophrenics; lives are disrupted.

"While schizophrenia is by no means the most common mental illness," a 1984 report from the mental health institute asserted, "It is probably the most costly and devastating in terms of human suffering."

It has never been easy to determine who is schizophrenic; all the homeless people who wander the streets are by no means suffering from the disorder. But the N.I.M.H. studies were based on one of the most scientifically precise analyses ever conducted of schizophrenia.

Some 20,000 people were randomly selected by researchers at Yale, Johns Hopkins, Washington University of St. Louis, Duke and the University of California at Los Angeles, and carefully chosen diagnostic criteria were used to determine which could properly be judged to be suffering from the disorder. Information was collected from the late 1970's until late 1981; over the next three years it was analyzed and extrapolations were made to the general population.

Schizophrenia is the classic disease of madness, a disease that can produce symptoms and behavior so bizarre that people recoil from its victims in fear, revulsion or disbelief.

Schizophrenics often suffer from delusions, hallucinations or a wild disordering of thought processes, an inability to think straight. In periods when their more florid symptoms are absent, they may show no emotion at all, talking in a flat, monotonous voice, from a face without expression, showing almost no response at all to the people and events around them. Then again, at other times, the patient may show no signs of disorder.

The reasons for all this remain a mystery. Schizophrenia is still regarded as one of the most baffling of all—"possibily the most complex puzzle in biomedicine," according to Dr. Shervert H. Frazier, the director of the National Institute of Mental Health. Its cause is unknown, its progression unpredictable. Schizophrenia has no cure, although drugs can control its most bizarre manifestations. Nor is there any laboratory test capable of providing an undisputed diagnosis.

But rapid strides have been made in understanding some aspects of the disease, producing a small revolution in scientific comprehension and guarded hope for further advances. The new studies have shown that the outlook for schizophrenics is by no means as uniformly dismal as was widely believed just a few years ago. Roughly half of all schizophrenics eventually get better, spontaneously, over the course of decades, according to five recent studies.

Many other key concepts about the disease have changed dramatically as well. The old notion that families were to blame for causing the disease has given way to the notion that biological factors play a major causative role.

There is a recognition now, too, that drugs, introduced in the late 1950's, are not by themselves enough—that psychotherapies and drugs work best in tandem. And in long-term care, simple management of daily life is proving as important as drugs or psychotherapy. Most important, old beliefs have faded that the disturbing outward symptoms, the hallucinations and delusions, are the most important aspect of the disease. Less flamboyant "deficit" symptoms, like apathy and inertia, are now regarded by many experts as constituting the care of the disorder.

Scientists have thus realized, belatedly, that they were focusing much of their energies for the past three decades on the less important symptoms.

ANCIENT MADNESS OR A MODERN ILL?

Nobody really knows whether schizophrenia is an ancient disease that has always afflicted mankind, or an illness that was ushered in by modern civilization. The word "schizophrenia" was not even coined until 1911, and scholars still argue over whether symptoms of madness described in earlier literature represent essentially the same disorder that we now call schizophrenia.

Dr. E. Fuller Torrey, a Washington psychiatrist who has published some of the most provocative analyses of the origins of schizophrenia, believes that the illness was virtually unknown until about 1800, when it appeared suddenly all over the Western world, increased rapidly for about 100 years, then leveled off about 1920 and has maintained essentially the same prevalence rate ever since. He links the appearance and spread of schizophrenia to the rise of civilization. But Dr. Torrey acknowledges that his is a minority view.

The mainstream view was expressed in a paper by four scholars from N.I.M.H., published in a recent issue of Comprehensive Psychiatry. They found sketchy descriptions of delusions, auditory hallucinations and bizarre behavior in documents as far back as the third millenium B.C., in cuneiform tablets from ancient Mesopotamia. Although "the evidence is not conclusive," they said, it nevertheless suggests that "schizophrenia has existed throughout history."

Dr. Torrey, who has conducted some of the most thorough epidemiological reviews, believes that the highest schizophrenia rates in the world are found in northern Sweden, western Ireland and northern Yugoslavia. The United States falls somewhere in the middle, with rates roughly comparable to those in Japan, England, Germany and Denmark. And relatively low rates are found in southern Europe and in the developing world.

But such comparisons are fraught with uncertainty. Schizophrenia has been defined solely by its symptoms, and doctors in different countries have often used different definitions or methods of diagnosis. Whatever real differences may exist are not understood.

In a majority of countries surveyed, schizophrenia appears to be disproportionately high in the poorer classes. But it is not known whether the disease actually strikes the poor in greater numbers, or whether the afflicted poor are more visible or more often diagnosed with what may be a stigmatizing label. And schizophrenia often so disables its victims that they are unable to earn a living.

Schizophrenia is apparently not becoming more prevalent as a percentage of the population. Epidemiologists have long estimated that about 1 in every 100 Americans will develop schizophrenia at some point in their lifetime, and they believe that rate is holding stable. But as the nation's population increases, particularly in the age groups where schizophrenia is most common, the number of schizophrenics in the United States has climbed to an all-time high.

The mental, emotional and financial toll exacted by this bizarre disease is enormous. Schizophrenics occupy over half of the hospital beds for the mentally ill and retarded in the United States and fully one-fourth of all hospital beds in the nation, according to the Institute of Medicine.

Few other mental illnesses disrupt the whole course of their victim's lives so completely. Schizophrenia typically strikes men in their late teens or 20's, and women perhaps five years later, just at the point where the victims have finished the long, costly preparation for life and are embarking on adulthood. For reasons that are unclear, but could be related to hormones, the course of the disease is often less severe in women.

NEW THOUGHTS ON CAUSE AND RECOVERY

The old rule of thumb used to be that about a third of all schizophrenics would improve, about a third would stagnate and a third would deteriorate. Indeed, a recent diagnostic manual published by the American Psychiatric Association, known as DSM-III, says "a complete return to premorbid functioning is unusual—so rare, in fact, that some clinicians would question the diagnosis."

But recent studies have shown surprising and encouraging evidence that many cases of schizophrenia eventually cure themselves.

A recent long-term follow-up of 118 schizophrenics who were discharged from Vermont State Hospital 20 to 25 years found that half to two-thirds had since achieved "significant improvement or recovery." The improvements seemed to be spontaneous, for the most part coming well after treatment. Fully 45 percent had no psychiatric symptoms at all after two decades, and another 23 percent had lost all symptoms of schizophrenia while developing symptoms of other, more treatable, mental disorders. The results corroborated similar results from three European studies and another American study over the past decade indicating that half or more of the schizophrenics eventually recovered or significantly improved.

"It's not all downhill," says Dr. Frazier, the N.I.M.H. director. "Our data show that 50 per cent or more do improve."

"They get better but not necessarily well," says Dr. Howard Goldman, a special consultant to the institute. "It's a far better prognosis than we used to give people, that they would just get worse and worse and end up on the back wards of the state hospital as a vegetable."

Theories as to what causes schizophrenia have changed sharply over the years, although they remain just that—theories. Those tracing the cause of schizophrenia to family or childhood experiences, although once very popular in this country, have faded in recent years. The old concept that "schizophrenigenic mothers" caused the disease by their coldness and rejection of their children has largely been abandoned, as have notions that pathological family interaction was the chief cause.

But stress within the family is still believed to play some role. Studies in several countries have found that schizophrenics who returned after hospital treatment to live with families that criticized them a lot or got overinvolved in their lives suffered far more relapses than those who returned to families more tolerant and supportive.

Moreover, stress in general is still believed by some experts to play a role in triggering schizophrenia, perhaps by pushing a vulnerable individual over the edge.

But today, most scientists are focusing on possible biological or medical causes.

Genetic factors clearly play some role, according to a range of research done years ago and refined in more recent studies. The children of a schizophrenic parent, for ex-

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ample, have about a 10 percent chance of developing schizophrenia, and of two schizophrenic parents a 39 percent chance, far above the 1 percent chance in the general population. Most scientists believe that what is inherited is not the disease itself, but a vulnerability or predisposition to it. No one, however, has pinpointed a specific genetic defect responsible.

EMPHASIS SHIFTS TO OTHER SYMPTOMS

Technologies that enable scientists to probe deeper than ever into the structure and functioning of the brain have given an impetus to the search for biochemical and physiological abnormalities.

New brain scanning instruments have shown that the brains of some schizophrenics are actually different from the brains of people who do not have the disease. Schizophrenics often have an enlargement of cavities in the interior of the brain, or functional abnormalities like unusual electrical impulses, decreased blood flow or glucose utilization in key areas of the brain, and excess or lack of neurotransmitters, the cells of the brain that enable it to send and receive information.

Nobody knows what role these biological factors play in causing schizophrenia, and no common biological factor has yet been found. But the rapid rush of new findings is creating optimism that a biological explanation will eventually be developed.

One theory is that schizophrenia will be shown to be caused by a slow virus, exerting its effect years after it first invades the body. The evidence, however, is still sparse.

The new understanding of schizophrenia has placed a major emphasis on a range of less glaring symptoms that had previously received little attention. Among these are the blunting of the emotions, loss of curiosity, narrowing of ideas, poverty of speech, a diminution of social drive, and deep apathy or inertia. For several decades, the features most commonly emphasized by doctors, those now referred to as the positive ones, have been the bizarre manifestations like hallucinations, delusions and incoherent thoughts.

The positive symptoms are often accompanied by the less dramatic, but equally debilitating, negative symptoms. Sometimes they are closely linked, and both sets of symptoms come and go in tandem, according to William Carpenter, a psychiatrist at the University of Maryland who initially identified the importance of the negative symptoms.

But in many cases, the negative symptoms appear to be entirely independent of the positive symptoms, so that a patient can be "cured" of hallucinations and delusions but remain deeply impaired by apathy.

"Most treatment has focused on the positive symptoms in an effort to reduce the hallucinations and delusions and the more florid aspects of the illness," said Dr. Joseph Autry, director of policy analysis for N.I.M.H. "Now we need to address the deficits that may, in fact, be the core element of the disease."

"There is a concern that while the deficit, or negative, symptoms may be the most troubling, the bulk of attention in diagnosis and treatment has been directed toward the positive symptoms," Dr. Frazier said in a speech last November. "This stems, in part, from the fact that existing medications are more effective in treating positive symptoms."

DRUGS ARE A HELP, NOT THE ENTIRE ANSWER

A major breakthrough in treating schizophrenia came three decades ago with the discovery of the antipsychotic, or neuroleptic, drugs, found accidentally during a search for medication to alleviate anxiety among surgical patients.

The neuroleptic drugs revolutionized the treatment of schizophrenia and had an immense social impact. The drugs control the most disruptive symptoms of schizophrenia, and doctors, for the first time, felt safe in moving patients out of state hospitals and back into the community.

But the drugs do not work on all schizophrenics, and many patients suffer relapses while on treatment. Some 40 percent of all schizophrenics who are discharged from the hospital suffer relapses within two years, even with continued drug treatment, although the number soars to 80 percent if drugs are discontinued. The drugs do not prevent relapses, most experts say, but rather reduce their frequency.

Unfortunately, they can also do damage. Some 13 per cent of all schizophenics who have received antipsychotic drugs for many years develop a side effect, tardive dyskinesia, which can produce involuntary movements of the tongue mouth or limbs.

The initial drug discoveries have not been followed by any comparable advances over the past three decades. What new drugs there are operate in basically the same way and represent, at best, marginal improvements for some patients.

"The basic problem with drugs is that we don't know the cause of schizophrenia, and until we do it's difficult to design a proper treatment," says Dr. Richard Wyatt, head of the neuropsychiatry branch at the National Institute of Mental Health.

Most important of all, the drugs have almost no value in treating the negative symptoms. "I see nothing on the near horizon to treat the deficits with," says Dr. Wyatt. "It would be blind luck if we stumbled across something."

An early approach to psychotherapy with schizophrenics, which involved an intense encounter between therapist and patient, has fallen out of favor. At many private hospitals, though, psychoanalytic and other therapies are used, as well as a more general supportive treatment that tries to build on whatever strengths the patient may have in the midst of his illness. Such therapy is not available to the vast majority of schizophrenics who are being treated in public facilities.

"Almost everyone who does therapy with schizophrenics uses drugs to make the patient accessible to treatment," said Mortimer Ostow, a psychiatrist who wrote one of the first books on combining drug and psychotherapy approaches. "When the patient is too psychotic, with flamboyant symptoms, there is no point in trying therapy."

Current research is seeking ways to lower the dosages of drugs used. Helping patients better organize and order the tasks of day-to-day life has, in early studies, shown promise, allowing lower drug dosages by lessening symptoms exacerbated by stress.

STUDY OF DISEASE HAS BEEN NEGLECTED

Despite its destructive impact and enormous cost to society, schizophrenia has been widely neglected even among those in the position to help.

Psychiatrists in private practice seldom deal with these patients because they are hard to treat and are generally too poor to pay their own way or to carry substantial insurance.

Dr. Torrey scornfully accuses his fellow psychiatrists of ignoring schizophrenics and caring only for what he calls the "worried well"—"neurotic ladies and gentlemen" who spend hours explaining "how their feelings about mother had shaped their lives." Dr. John A. Talbott, a past president of the American Psychiatric Association, acknowledges that psychiatry is "one of the few specialties where the most skilled practitioners take care of the least impaired patients."

The very institutions that are designed to care for schizophrenics often throw up their hands in despair over the great numbers who need help and the lack to date of any really effective treatment to restore their health. Wave after wave of reform in the American mental health system has brought little benefit to schizophrenics. The state mental hospitals, which were created in the last century to provide the first humane treatment for the insane, did little for schizophrenics except lock them up, far from the eyes of other citizens who might be offended by their presence.

The community mental health centers that were supposed to replace state hospitals as the cornerstone of this generation's effort to "reform" mental health care have often neglected the schizophrenics and concentrated on easier patients.

"The history of the care of the mentally ill in this country is one of abuse and neglect," says Dr. Ellen Bassuk, associate professor of Psychiatry at the Harvard Medical School. "Whether that abuse and neglect occurred in the hospital or in the community is beside the point. There's been a lack of commitment to the care of these terribly ill individuals. That's the bottom line."

Research scientists have been reluctant to investigate schizophrenia, largely because it is so hard to understand, measure and treat.

A meeting of expert consultants who were called upon to address the problem at N.I.M.H. last July heard Dr. Frazier express "deep concern" about the difficulties in attracting scientists into the field. Various experts noted a sharp drop in the number of scientific articles on schizophrenia, a drop in applications for research support to a major private foundation, and a loss of interest among young scientists. A host of factors were blamed for the decline, including the lack of any comprehensive theory of the disease to guide research, the apparent intractability of the problem and the limited possibilities to actually help many patients.

But signs of a stronger Federal commitment to conquer schizophrenia are emerging. Dr. Frazier said that two years ago he felt that "inadequate attention" was being paid to schizophrenia in comparison to other mental illnesses and that people in the field had "lost heart," so he pushed for a stronger emphasis on studying the disease.

The N.I.M.H. recently selected schizophrenia as one of its five major targets, elevating it to a new level of importance. The agency's funds for research have been edging up slowly, from $18.4 million in the fiscal year 1985 to a projected $20.6 million this year, although critics feel these sums are paltry given the importance of the disease. And the agency has established a new schizophrenia research branch to coordinate and focus attention on the disorder. It is also considering a broad range of incentives to attract young scientists into the field.

No one believes that a cure for schizophrenia is near, but Federal officials are increasingly optimistic that major progress can be made. So is Dr. Torrey, who sees "a potential for significant breakthroughs" if research is increased. "Ten years ago we felt we didn't know where to begin," he said. "But given rapid advances since then, it looks very promising now. To not invest in schizophrenia research is very foolish."

Schizophrenia: Disorder Has Many Faces

The roots of schizophrenia remain a mystery. There is uncertainty as to the precise roles of biology and of environment, and many experts believe that the diagnosis of schizophrenia covers a group of disorders that will one day prove to have differing causes.

The diagnosis of schizophrenia requires that a person display a serious loss of contact with reality, such as bizarre delusions—for example, that one's thoughts are being broadcast on the radio—auditory hallucinations, or incoherent thoughts with no awareness of the incoherence. These symptoms typically accompany a marked deterioration of the person's ability to function.

When these active symptoms clear up, there are residual signs of schizophrenia that can linger for years. These include markedly peculiar behavior, like talking to oneself in public; social withdrawal and an inability to function as well as previously, and odd ways of speaking and thinking. Experts now say that long-term care is often needed for long-lasting and subtle deficiencies, such as apathy and lack of normal feelings.

There are, by Federal estimates, more than two million Americans who could now be diagnosed as schizophrenic, and over 600,000 of these are in active treatment in a given year. Another half million to a million schizophrenics are being cared for in a range of settings, with their families, in boarding houses or nursing homes, or on their own, many living in the streets.

There are several types of schizophrenia, depending on which symptoms predominate. A "disorganized" diagnosis is made when the person is often incoherent but has no systematic delusions. "Paranoid" is the diagnosis when the person has delusions of persecution or grandiosity. When there are no prominent psychotic symptoms but the person's behavior is deficient in many regards—withdrawn and eccentric, for example—the diagnosis is a "residual" type of schizophrenia.

Schizophrenia typically begins in late adolescence or early adulthood; it generally first emerges before the age of 45.

There are two general patterns of symptoms, one thought to have a good prognosis, the other poor. One pattern, sometimes called "reactive" schizophrenia, begins in early adulthood with a sudden, extreme psychosis that typically clears up within six months, leaving no further problems. In "process" schizophrenia there are signs of trouble early in life, with the first full psychotic symptoms emerging in adolescence and often continuing in episodes throughout life.

But there is no single, set course schizophrenia follows. It has been thought that about one-third of schizophrenics suffer a single acute episode and never have a further problem. Another third have longer lasting symptoms, which finally clear up entirely, or enough to allow a normal life. And the final third have symptoms all their lives, at times increasing in severity, although schizophrenia seems, generally, to lessen gradually over the years.

The common belief that schizophrenia involves a "split personality" is a misconception. Multiple personality is a psychiatric disorder that is clinically distinct from schizophrenia.

Schizophrenia's Victims Include Strained Families

(By Eric Eckholm)

The greatest numbers of schizophrenics do not now live in hospitals or in the streets or jails, but rather with their families, representing a profound change in the way the nation cares for its most severely mentally ill.

The families, many health officials have only recently concluded, are forgotten victims of this baffling disorder that disables one of every hundred Americans at some point in their lives.

Parents and siblings of schizophrenics say they are racked by demands that would overtax a Mother Theresa. They describe themselves as bitter, despairing and wrung out.

FAMILIES BECOME THE DOCTORS

Between the excruciating turbulence at home and the limited services they receive from public agencies, families become "lost in a process that is hideously engulfing," as one woman with a schizophrenic niece described it.

"The families have become the doctors, the nurses and the social workers," said Dr. John Talbott, former president of the American Psychiatric Association. Close to a million families are struggling with these burdens of schizophrenia, whose victims can suffer a serious loss of contact with reality leading to delusions, incoherent thoughts, bizarre behavior or a profound withdrawal and apathy.

A generation ago, a person diagnosed as a chronic schizophrenic was apt to live and die in a state hosptial. Since the 1950's, however, with the discovery of antipsychotic drugs and changes in social attitudes, far fewer have been permanently kept in institutions. Instead, they tend to stay in the hospital only temporarily, during acute breakdowns, and then return home with little or no medical follow-up.

The dazed man huddled on the sidewalk, the babbling woman with an overstuffed shopping bag have come to symbolize the "deinstitutionalized" schizophrenic.

Yet in fact, some 65 percent of patients discharged from mental hospitals return to their families, usually their parents, according to the National Institute of Mental Health. An estimated 800,000 schizophrenics now live with their families and many more live nearby, depending on relatives for crucial support. But society has, for the most part, left these caretakers to fend for themselves.

An index of their suffering, borne silently until recently, is the explosive emergence around the country of activism on the part of families of the mentally disturbed: The National Alliance for the Mentally Ill is one of the nation's fastest-growing pressure groups.

The goals of this "family movement" are emotional support, public education and advocacy of neglected programs and research on severe mental diseases, schizophrenia foremost among them. It was formed in 1979 at a meeting attended by delegates from 80 local family groups. Now, just seven years later, it includes 550 groups from every state, with members drawn from 30,000 households. Throughout the second half of 1985 local groups were joining the alliance at a rate of 4 per week.

It is not only the families who will pay, activisits warn, if society does not help mental patients live more independently. Schizophrenia tends to strike people in their late teens or 20's, but now, as the first generation of nonhospitalized patients ages, more and more elderly parents find themselves caring for middle-aged schizophrenic children.

"I predict we'll see a new wave of people living in the streets as their parents pass away," said James W. Howe, the president of the burgeoning national alliance, with headquarters in Arlington, Va. "I'm not arguing they should be back in hospitals. There's an urgent-need for residences, job programs and other community services."

Mental illness can devastate a household financially as well as emotionally. Many patients are diagnosed as schizophrenic in their teens and then live 60 years, in and out of hospital and home, without ever working.

"It has ruined families economically," Dr. Talbott said. "People come to me saying, 'I've got $40,000 left and a 40-year-old schizophrenic child. What should I do?'

"I don't know what to tell them," he admitted.

Stung by the stigma of mental illness, the families of schizophrenics often turn inward, spending years in anguished isolation.

"A stigma is society's way of telling people they somehow have failed," said Phyllis Vine, a historian at Sarah Lawrence College whose experiences with a schizophrenic niece led her to write a book called "Families in Pain."

The truth is concealed from neighbors, even relatives. Outside friendships tend to wither as the family struggles against the strange specter in the home.

BURDENED FAMILIES 'FIND EACH OTHER'

Mr. Howe and his wife, Carol, of Garett Park, Md., say their experience was typical. For seven years after one son, then another, became mentally ill, they "wandered alone," as Mr. Howe described it. "We paid people $75 an hour to tell us it was our fault. We believed them and that kept us in the closet.

"We felt guilty, frustrated and angry," he continued. Then in 1978, five families with similar problems "found each other," he said. "That gave us exquisite relief—we learned we weren't alone, and that we could restore some sort of order to our lives."

Activists say that families have become more willing to declare themselves publicly as they learn about the changing scientific understanding of schizophrenia, about the decline in theories that blamed domineering mothers or family strains for what is now seen as a disease with biological origins.

"The old philosophy was that parents, especially mothers, caused their kids to become schizophrenic," said Dr. Talbott. "Now we see that when a kid is this crazy, he'll make the family begin to seem crazy." A growing number of doctors work with families, not so much to treat the "cause" of the child's disease as to help reduce conflict and discourage any family interactions that encourage the schizophrenic symptoms.

Life with a schizophrenic is "endlessly frustrating, a roller coaster," said Dr. Vine. "You can never presume tomorrow will be like today. You constantly steel yourself for the unknown, and you never know when the unknown will hit."

Parents tell of helplessly watching a child become tormented by delusions, become unable to respond normally or cope with daily challenges. But even a parent's love and patience, many admit, can be sorely

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tested by behavior that seems hostile or uncooperative.

To the frustration of those around them, more than half of all schizophrenics fail to take their prescribed antipsychotic drugs, which for many help normalize thoughts and stave off relapses. Some housemates may suspect the patient is taking advantage of his condition, asserting independence when convenient yet demanding care when needed.

"A parent has to watch a 30-year-old son say he's going out to drink with friends tonight, knowing he might come home psychotic," said Dr. Bert Pepper, the director of the Rockland County Mental Health Center in New York who is an expert on young, chronic mental cases. Quite often, mental disease is exacerbated by the patient's overuse of alcohol or illegal drugs.

LAWS ON COMMITMENT CAN BE A HINDRANCE

While acknowledging that former laws governing forcible hospital commitment were open to abuse, many family activists believe that necessary hospitalizations are now impeded. Even patient who request admission may be turned away by state hospitals if their mental state is deemed insufficiently serious.

When relatives know a patient is having a psychotic relapse but he refuses to acknowledge it, they may reluctantly seek to force him into a hospital. But today's state laws, which forbid involuntary commitment unless a judge is convinced that the patient poses a clear danger to himself or others, are too rigid, many parents assert. Parents describe the wrenching humiliation of appearing in an open courtroom to argue that their child needs temporary hospitalization, sometimes with a public lawyer arguing against them in the child's behalf.

While no statistics on divorce rates have been gathered, psychiatrists say that the stresses of coping with schizophrenic children have taken a heavy toll on marriages. Brothers and sisters, too, tend to suffer, often feeling neglected, angry and guilty. Like their parents, they often lose friends, whom they are embarrassed to bring home.

Often the mothers carry the heaviest loads. In a familiar syndrome, the mother accepts the child's condition as an illness while the father persists in seeing it as misbehavior requiring discipline. "It's not at all uncommon for the father to segregate himself from the problem," Mr. Howe said. "We see a lot of women attending support-group meetings whose husbands refuse to come, or have left them."

Some mothers or other relatives, afraid to leave an unstable patient alone, say they feel like jailers. Unable or unwilling to hire an outside caretaker, they become prisoners themselves.

While Social Security and other government programs help with subsistence and medical expenses, neither these nor private insurance tends to pay all the enormous costs of hospitalization and psychiatric care. Adding to the costs, sometimes a relative must stop working in order to care for the patient, chauffeur him to his appointments and keep watch at home.

At a recent conference, a father summarized his medical expenses over the nine years since his son was diagnosed as schizophrenic, during which the son had been hospitalized 10 times for a total of a 68 months. The medical bills totalled $721,500, of which insurance companies paid $541,000 and the family paid $180,000.

STRAINS ARE HARDEST FOR THE POOR

Once family members join a support group, a transition from "just sharing tales of woe," as one put it, to political advocacy is common.

"At first, I would stay home and cry, and hope he would get better next year," said Kathleen Giaimo of Queens, the mother of a schizophrenic son. "In 1979 I heard about another mother. I called her and we talked on the phone for four hours."

Then, Mrs. Giaimo said, she realized that her son's problem would not disappear and that the family alone could do little. "I got involved with a group to try to make the system change," she said, "because the system stinks."

Mrs. Giaimo became active in Friends and Advocates of the Mentally Ill, in which 500 New York City families now participate. Thirty such groups have sprung up in the state and the movement is "growing like crazy" as more families discover it, said Mrs. Giaimo, who is serving as president of the local association this year.

The strains on the family are all the worse among the poor, who for unclear reasons seem to suffer the highest incidence of schizophrenia.

"A schizophrenic creates even more wear and tear in poor families than in the middle class," said Dr. Neal Cohen of Gouverneur Hospital on Manhattan's Lower East Side. "The family structure is often more vulnerable and can more quickly break apart."

Dr. Cohen said that many young schizophrenics in the inner city start out living with their families, then drift away, often getting into trouble with the police. Sometimes parents give up in despair and break all ties. "We think of these youths as the pre-homeless population," he said.

"The urban poor are facing tremendous burdens anyway, survival issues like housing and income and safety." observed Dr. Donald Brown, the director of the Morrisania Neighborhood Family Care Center in an impoverished area of the Bronx. "We can't count on things we take for granted elsewhere, such as a parent's ability to cooperate with their child's treatment or even visit a clinic. A family member might be unable to come out for strong reasons; work, no baby sitter, fear of leaving the apartment at night."

The volatile mixture of mental illness and drug abuse may also be more common in the inner city, where drugs are readily available. "We're seeing more and more patients confused by marijuana and angel dust," Dr. Brown said of his clinic in the South Bronx. "It's getting hard to find a pure schizophrenic anymore."

SOME PSYCHIATRISTS STILL BLAME FAMILIES

On top of all the other burdens, families often also suffer at the hands of psychiatrists. Many doctors, they charge, have not kept pace with scientific research and still tend to blame the family somehow for causing the disease.

Some psychiatrists acknowledge the problem. "In the past, the families were looked at as noxious agents instead of people with a sick child," Dr. Pepper said. "Many of the parents have been scarred and humiliated by the mental health professionals, especially if their child became ill 15 or 20 years ago."

Local family groups share information about which doctors their members have found to be helpful and sympathetic and which ones they have not. Many groups are also campaigning against what they say are widespread misconceptions about mental illness. Especially pernicious is the image of schizophrenics as prone to violence, a myth sustained, family advocates contend, by frequent portrayals of wild "crazies" on television.

At the national level, advocates are pushing hard for an increase in research on the causes and treatment of mental disorders, now budgeted at about $200 million a year and declining. Of this, about $21 million is specifically allocated for research on schizophrenia.

"Given the costs to society of mental illness, it's unbelievable how little investment in research there is," said Richard T. Greer, the director of government relations for the national alliance. "And this at a time when the biomedical opportunities are so exciting."

Looking to the future, groups in several states are pioneering in the creation of trust funds and corporations that can take over from the parents when they die, providing private case-workers who can keep tabs on the patients and help them procure housing, medical care and other needs.

Meanwhile, a primary goal is to create more programs that can help patients live on their own or in residences where they receive counseling and companionship. For many reasons, a rising number of experts contend, care at home is often not preferable even when the family is willing and able to provide it. For one thing, the parent's home is a poor environment for developing independence, vital if the patient is to regain anything close to a normal life.

Also, the stress for family members is often simply overwhelming, with the result that several lives are ruined by one person's illness. Medical professionals complain of "burnout" from working with patients just 40 hours a week, activists observe. But a family keeping a schizophrenic at home is, in effect, on duty 168 hours a week, with no vacation.

And finally, the parents are deeply aware of their own aging. Many wonder, fearfully, how their ill child will get by 20, 30 and 40 years from now.

"This is what haunts the parents," Mr. Howe said. "What will happen when I'm no longer around? This may be the biggest driving force behind the activism for community services."

SCHIZOPHRENIA FOCUS SHIFTS TO DRAMATIC CHANGES IN BRAIN

(By Harold M. Schmeck Jr.)

The architecture and chemistry of the brains of schizophrenics can be actually different from those of normal people, new studies show. As a result, a revolution in psychiatry has occurred in which biology has become the main focus of the research on this most devastating and intractable disease of the mind.

Among the most dramatic differences revealed in the new research are computer generated images of the brain that light up in vital regions when a normal person tackles a mental problem. These regions stay ominously dim when the disordered mind of the schizophrenic takes the same test.

Physical brain abnormalities have long been suspected among schizophrenics but have only recently been pinned down by researchers using new tools for exploring the brain.

The brains of some schizophrenics have even been found to weigh less than normal and sometimes look as though the crucial fore part of the cerebral cortex, the "thinking" part of the brain, has atrophied. Abnormalities have been detected in the brain's chemistry as well as structure.

Just how these aberrations account for the hallucinations, the voices and the schizophrenic's chaotic attitude toward the world, however, are still a mystery. Penetrating that mystery, scientists hope, will lead to more effective diagnosis and treatment of the baffling disorder.

What looks like atrophy of the cortex and other physical abnormalities have been confirmed by more than 30 studies, said Dr. Richard J. Wyatt of the National Institute of Mental Health and St. Elizabeths Hospital in Washington. He estimated that these abnormalities may be present in 5 to 15 percent of schizophrenics.

"Whether it is atrophy or failure of the brain to develop fully is not clear," Dr. Wyatt said. It does seem clear that the abnormalities exist long before the patient begins to hear voices or to drift away from normal emotional involvement with family, friends or the world.

The new evidence indicates that the disease is far more than a consequence of adverse familial, social and other environmental experiences as many American psychiatrists long believed.

Some scientists still maintain that these biological changes may be results rather than a cause of the disease.

But many biological psychiatrists today speak bitterly of the pain the earlier view inflicted on the families of schizophrenics: adding guilt to the agony of watching a spouse or child turn into an irrational, angry or apathetic stranger.

Nevertheless, few experts doubt that there are powerful social and environmental influences. The role of the family is seen as particularly important after a patient is released from a mental institution.

Many experts believe the chief task of brain scientists, in schizophrenia today is to discover just how environment interacts with heredity and the physical and chemical state of the patient's brain to evoke catastrophe.

Heredity appears to be a factor in the disease. Children who were adopted and reared apart from a schizophrenic mother or father are significantly more likely to become schizophrenic themselves than are the natural children of normal parents.

The new tools of molecular biology are being enlisted more and more in efforts to find the genes and gene products that express this heredity. But what those factors are and how they lead some individuals into the wasteland of mental illness is still a mystery.

Schizophrenia involves two different sorts of symptoms that seem to be linked to different features of the biology of the brain.

The hallucinations, the rages, the patient's belief that his mind is being controlled by an external force like radio waves or a television set are what scientists call the "positive" symptoms of the disorder. Laughter or tears may occur in totally inappropriate situations, and some rare cases involve violence or even the compulsion to kill on orders from an imagined higher power. It is these symptoms that are often ameliorated by the antipsychotic drugs and are thought to be most directly related to aberrent brain chemistry.

The negative symptoms are the indifference, the withdrawal from the world. It is these symptoms that often create the street people who quietly drag all their possessions along with them in bags and sleep on grates. Even with drug treatment, patients who show this array of negative symptoms are often on a grim downhill course from which they never recover.

WATCHING THE BRAIN AT WORK

Some of the most dramatic new observations of the schizophrenic brain in action have been made by a group at St. Elizabeths headed by Dr. Daniel R. Weinberger. They have watched the living brains of normal people and schizophrenics in the process of coping with mental tasks.

Using sophisticated electronic imaging equipment they have seen appropriate parts of the brain light up in a computer-generated image as increased chemical activity indicates heightened work by brain cells.

Schizophrenics and others were tested while they were performing a psychological test that measured their ability to correlate different kinds of data including colors, shapes and numbers. This exercise, the Wisconsin Card Sort test, is not particularly taxing for a normal adult, but has long been known to be extremely difficult for schizophrenics.

In a normal person, the image of a portion of the brain called the prefrontal cortex can been seen to light up as it reacts to this analytic task. In sharp contrast, the brains of schizophrenics remained quiescent as though they were unable to meet the physiological demands.

The experiment shows a physiological defect not just in schizophrenic brain, but in that brain's prothought processes.

Some brain scientists view this link to the prefrontal cortex as particularly interesting for several reasons. This brain area is important in cognition—the processes of thought and higher mental function that are so terribly disrupted in schizophrenia. Furthermore it is the last region of the brain to attain complete development and does this only in adolescence and early adulthood.

VIRUS SUSPECTED BY SOME

Perhaps significantly, the Wisconsin Card Sort is difficult for children, in whom the brain region is not yet mature. Schizophrenia rarely develops before the age of 15, which suggests that something may have interfered with development of the prefrontal cortex.

The nature and timing of the "something" are complete mysteries. Some scientists have suggested that a virus infection in a pregnant woman may set the stage for this outcome years later in her child, or perhaps a self distructive immune reaction or some toxin produces damage before birth or in early childhood.

One tantalizing clue that may be relevant to virus involvement is that significantly more people who become schizophrenics are born in late winter and early spring than in any other season. These evidently fateful months are known for the prevalence of many virus infections. But to date, solid evidence of damage by any specific virus or possible autoimmune problems in schizophrenia is lacking.

"My own sense is that there is some legitimate excitement in the viral and autoimmune areas," said Dr. Frederick K. Goodwin, the direcor of intramural research at the mental health institute. "But scientists of both those fields have to be respectful of the false starts made in the past."

Dr. Weinberger's group studied brain cell activity through a method that allowed them to gauge blood flow and cell metabolism in specific regions of the cerebral cortex, using inhaled xenon gas as an indicator. The method is only one of several developed recently that psychiatrists and brain scientists are using to study the disease-impaired living brain.

Many studies based on computed axial tomography, CAT scans, have shown structural abnormalities in the brains of some schizophrenics. Most notable were abnormally large ventricles, the hollow fluid-filled spaces within the brain.

That and related evidence indicates that some schizophrenics have somewhat less brain tissue than normal people do. Careful studies indicate that the findings are intrinsic to the disease, not just effects of treatment or hospitalization. The evidence also suggests strongly that whatever causes the enlarged ventricles does so before the first symptoms of schizophrenia appear and does not change, for better or worse, thereafter. Usually, by the time the patient first comes to the attention of a psychiatrist, the brain damage has already been done.

Some scientists hypothesize that these structural abnormalities are linked to the withdrawal and apathy classified as negative symptoms of schizophrenia.

The CAT scan evidence has led to a renaissance in studies of the schizophrenic brain, Dr. Weinberger said. Even more important results are expected from newer and more sophisticated brain imaging methods.

As a group, patients whose brains showed these physicial abonormalities had poorer social adjustment before diagnosis. Later, they showed poorer response to drugs and to generally bleak outlook. But the findings were not sharp enough to be used in diagnosis of individual patients.

Such antipsychotic drugs as chlorpromazine have had profound impact on the treatment of schizophrenia and also on efforts to fathom the biochemistry of the disease. The drugs, a class called phenothiazines, interfer with the brain's production and use of an important brain chemical, dopamine. American scientists have used their understanding of those drugs to glean important clues concerning the involvement of aberrant brain chemistry in schizophrenia.

The evidence available today links the positive symptoms of schizophrenia with chemical rather than physical abnormalities, especally the brain's handling of dopamine, one of the chemicals that transmits signals in the brain.

That the phenothiazines interfere with the dopamine system suggested that perhaps excess dopamine was a factor in schizophrenia. The suspicion was strengthened by observing victims of Parkinson's disease, who lack sufficient dopamine activity. Parkinson's patients who take a dopamine promoter, L Dopa, to curb their shaking, halting movements and other physical symptoms also sometimes develop psychotic symptoms. Conversely, schizophrenics who are treated with drugs known to inhibit the dopamine system sometimes develop the stumbling gait and facial rigidity characteristic of Parkinsonism.

Other drugs, like amphetamine, that boost the normal brain's production of dopamine can produce symptoms like those of schizophrenia.

The resulting body of knowledge has produced the hypothesis that a key factor in schizophrenia is abnormal dopamine activity.

But the search for simple chemical solutions to the puzzle of schizophrenia has been frustratingly unsuccessful. Indeed, Dr. David Shore of the mental health institute likes to cite H. L. Mencken's idea that for any complex question there is almost always a simple answer—that is almost always wrong.

Scientists note that the true situation in schizophrenia may involve abnormality in the population of dopamine receptors on nerve cells in parts of the brain, possibly a shortage of a still-undiscovered dopamine inhibitor or some other possibility that has not yet occurred to anyone. The available evidence does not support any simple cause-and-effect link between the mental illness and excess dopamine. In fact studies show reduced dopamine in some brain tissues, leading some scientists to suspect there may be simultaneous excesses and deficiencies in different parts of the brain of the same patient.

While some form of the dopamine hypothesis may help explain the positive symptoms, specialists say, they do not yet seem to offer much enlightenment on the negative symptoms.

Furthermore, this baffling disorder is so far from uniform in its effects that many specialists prefer to call it a group of disorders rather than a single entity. One of the hopes of the new and highly sophisticated brain research, they say, is that the studies may help tease apart from the whole tangled skein some of the more homogeneous subgroups of the disease. This too could lead to important enlightenment and perhaps more effective medical intervention.

AUTOPSIES SUPPORT VIEW

Major recent autopsy studies have bolstered the view that enlarged brain ventricles are involved in schizophrenia, that parts of the cortex of the forward part of the brain appear thinner and short of the normal number of active nerve cells.

The evidence of malfunction of the prefrontal cortex seems powerful and offers researchers an important focus for future research.

Physical abnormalities in the brains of schizophrenics were long denied by many American psychiatrists. Today the evidence is on a much more solid footing.

"We have made some good progress," said Dr. Samuel Keith, chief of the mental health institute's center for study of schizophrenia. "It hasn't been easy progress because the brain is a complex and inaccessible organ.

He described the new brain imaging techniques as exciting new windows on that inaccessible organ, offering important hope for the future of schizophrenia research.

"I think we are at a critical juncture today in terms of schizophrenia research," he said.

I Feel Like I Am Trapped Inside My Head, Banging Desperately Against Its Walls

(The following first-person account of the ordeal of schizophrenia was written by a woman who recently completed college despite repeated hospitalizations. Her identity is withheld to protect her privacy.)

Can I ever forget that I am schizophrenic? I am isolated and I am alone. I am never real. I play-act my life, touching and feeling only shadows. My heart and soul are touched, but the feelings remain locked away, festering inside me because they cannot find expression.

Can I ever forget that I am schizophrenic? Will I ever learn to live, to love unselfishly, to appropriate the beauties of life, to deny my hell and pain and darkness? Why is life like this? What have I done wrong? Have I created my own hell? If I did not create it, why was it inflicted upon me? What does it mean, all these weird feelings that shut me off from the rest of the world? Will they ever end?

Can I ever forget that I am schizophrenic? I am a ghost within myself, a spirit no one knows. Long ago when they locked us up forever, perhaps they were not so wrong. What good is physical freedom if the human feelings are trapped, unable to escape? I am in my own prison. I feel like I'm just stumbling around, grasping at straws hoping one will be the key to open my heart. It never comes, and I wonder if I'll ever give up.

It is hard to be schizophrenic. It means years of struggling and fighting to overcome a disease that defies submission. Many times I have felt that I was fighting my way up a dirt hill, and as I walked the ground crumbled beneath me, and I could make no movement. After nine years I can look back through a maze of pain and fear and see that I have moved and made progress: Many of the symptoms that crippled me for years have come under some control. The totally frustrating part of this illness is that it is always growing, always changing. There are always new symptoms, new fears to conquer. Sometimes I get tired, and it is the weariness more than the pain that brings tears to my eyes.

The most wearing aspects of schizophrenia is the fierce battle that goes on inside my head in which conflicts become irresolvable. I am so ambivalent that my mind can divide on a subject, and those two parts subdivide over and over until my mind feels like it is in pieces, and I am totally disorganized. At other times, I feel like I am trapped inside my head, banging against its walls, trying desperately to escape while my lips can utter only nonsense.

Some of the symptoms I experience now are different than when the illness first began but they are just as painful and just as powerful. At times my thinking about things around me becomes confused as is revealed by this entry in my journal:

I live in the shade and I try to capture its edge so I can contain it but it keeps growing. Then it's gone, but the sun is too hot, so hot it too becomes engulfed in shadows—sun shadows—the sots that bore through my head and make me spacey. There is no escape. The whole world is poison. I must hide.

Recently, my mind has played tricks on me, creating The People inside my head who sometimes come out to haunt me and torment me. They surround me in rooms, hide behind trees and under the snow outside. They taunt me and scream at me and devise plans to break my spirit. The voices come and go, but The People are always there, always real.

Life for most schizophrenics is a nightmare full of fears and doubts about oneself and about reality; they have a distorted view of that most profound question of how they relate to the world around them. Boundaries become unclear and other people are frightening and not to be trusted. Thus, the very thing which could bring relief—closeness to other people—is shunned as something horrible and dangerous. For this reason it is absolutely essential to have someone to depend on, to draw the schizophrenic out of his jungle of terrors and eventually more into the less frightening world of reality.

One of the hardest issues for me to deal with has been trust. My mind has created so many reasons to fear the real world and the people in it that trusting a new person or moving to a new level of trust with a familiar person presents a terrifying conflict that must be hammered out over and over until I can find a way to overcome my fears or in a few cases give up the battle, even if just for the time being. The intensity of this conflict makes it hard to build relationships. It's hard for the family to help. It's difficult for them to understand the nature of the disease.

Therapy with schizophrenics can go on for years before a level of trust is built up sufficiently for the patient to use his therapist as a bridge between the two worlds he is confronted with. For me, each new experience of trust adds a new dimension to my life and brings me that much closer to living in reality.

Living day to day is a challenge because it is just simply *hard* for schizophrenics to live in a world that is so troublesome to them. My fears are so intense that before I do most things I must pass through a "wall of terror" that stands between myself and my goal. Leaving the house, talking to someone, or taking a walk can create panic, simply because I do not feel like part of the world. It is a foreign place to me. Since my childhood I have felt like an outsider looking in.

Schizophrenia is not just an illness, it is a way of life, and it is a life constantly disrupted by symptoms. I have dealt with a totally delusional world in which I was God—The Creator and The Sufferer—and the trees held magical power while a great wall and glass dome cut me off from the rest of humanity. More recently, I have gone through excruciating periods of thought-interference and feeling that I did not exist, experiencing my body as a machine that I could see and feel but which I could not perceive as being in the world. The most frightening part for me is how quickly I can be taken as if by a force and projected into another "state" in which all my perceptions are altered and the world becomes a bizarre place. Sometimes there is confusion about which is the true reality—the objective world or the psychotic world:

Today I saw reality, felt it, lived in it for a while. It was exactly as though someone had thrown a switch and turned a black and white TV into color—like the Wizard of Oz. It was incredibly beautiful and extremely intense. I felt every color, heard every light, saw the world as everyone else sees it—as a vibrant, pulsating complex of what life is all about. I heard in my head very distinctly, "I am both The Creator and The Sufferer."

My mind is often tortured by the movement back and forth between two worlds, neither of which I clearly understand. The only real peace or sense of "feeling good" comes with the relief of these symptoms, even if just for a short time. In my experience, the best source of relief is other people who are sensitive enough to understand me and patient enough to help me through my times of unreality. I have done much work but I still seek reassurance that the real world is not as hostile as I had imagined and that I do indeed have a place in it. Perhaps acceptance in the real world can give me the strength to sever those painful ties to the world of my imagination that have for so long held me captive.

Aid in Day-to-Day Life Seen As Hope for Schizophrenics

(By Daniel Goleman)

Innovative programs scattered around the country are now offering the first rays of hope in decades for millions of tormented victims of schizophrenia, which has become the nation's worst mental health problem.

"We've learned that if we have the will to provide decent care for schizophrenics, their condition could be sharply improved," said John Talbott, a former president of the American Psychiatric Association.

But other experts say the growing ability to cope with schizophrenia is not being matched by a broad, coordinated effort to apply it. That failure, they say, is enormously costly to the nation both in the money spent for excessive hospitalization and in the shattered, unrepaired lives that result.

Schizophrenia's victims can be completely disabled by unsettling delusions or an inability to think clearly; they may find themselves shouting back wildly at imaginary voices or sinking, emotionless, into deep apathy.

Most of the new approaches in treating the baffling disorder focus on practical help for patients and their families in managing everyday problems: diminishing the stress that sets off some of the most disruptive and painful behavior, as well as teaching skills needed to achieve friendships, jobs and success in negotiating a bureaucracy to obtain the government benefits that any sick or poor person is entitled to.

"The environment in which the person lives has become the key factor in treating schizophrenia," said Dr. Samuel J. Keith, who heads the schizophrenia branch of the National Institute of Mental Health.

The trend reflects the inability of scientists thus far to discover the root causes of the disorder as well as the failure of powerful drugs to ameliorate some of the most prevalent symptoms.

But the innovative approaches to the handling of schizophrenia are demonstrating dramatic improvements in patients' return to mental stability.

A recently completed 30-year study of hospitalized schizophrenics who had been given up as hopeless, but then were released in a program that closely manages and monitors their lives, has found that two-thirds of them are now living normal lives in the community, half of them without any signs of the disorder.

There are a range of treatments that, taken together, offer new hope:

Family management, the fastest growing of the new approaches, encourages the patient's family to keep stresses in the home minimal and teaches family members how to handle the day-to-day difficulties of living with a schizophrenic.

A full spectrum of community services—ranging from hiring neighbors to help look after schizophrenics to 24-hour crisis teams whose members will move in for days at a time with a schizophrenic in crisis—has proven capable of keeping all but a small minority of schizophrenics out of psychiatric hospitals while speeding their improvement. And when schizophrenics are helped to get the government funds due them, they need not live in shelters or on the streets.

Havens of several sorts offer new kinds of protected environments in which schizophrenics can rebuild their lives. In New York City, Fountain House finds sheltered jobs and apartments for schizophrenics leaving hospitals. In Boulder, Colo., a program sets up patients in households with two members of a treatment team.

PROMISE COMES AMID RESEARCH OPTIMISM

The promise of the new family and community programs is strengthened by recent research findings that portray a far more positive long-term prognosis for many schizophrenics than is commonly assumed, even by many of those who treat them.

Next month, for example, in an article in The Archives of General Psychiatry, a team of researchers at the University of Pittsburgh will publish results of a study showing that teaching the families of schizophrenics how to care for them can drastically improve the course of the illness.

It is not yet clear whether the new programs might not prove too expensive or unwieldy in some urban settings where social services, under the best of circumstances, are often mired in bureaucracy.

Some schizophrenics continue to be treated individually by psychotherapists, usually in combination with drugs, and with varying degrees of success. While there are some promising developments in psychotherapy, for the vast majority of schizophrenics the hope lies in the new approaches.

One of the factors behind it is a radical new understanding of schizophrenia itself: that the disorder goes far deeper than had been thought and that recovery does not end when the more obvious symptoms—the delusions and hallucinations—stop.

Effective treatment, it is now thought, requires an ongoing, dogged effort to help a person overcome the apathy and other problems created by the longlasting emotional and other deficits, and to rebuild crumbled social relationships.

One of the more inventive methods used, called "network therapy," constructs a support system for former hospital patients who otherwise would be isolated and alone.

"These are people who have been in and out of the hospital for the last 10 years and whose natural network of family and friends has gradually eroded," said Paul Wagner, a clinical social worker who directs the Mount Tom Institute in Holyoke, Mass., one of several agencies that provides such services.

"Network therapy begins with a series of meetings to which you invite absolutely everyone who knows the person and might help him," he said. "It might be a distant relative, some old friends, the grocer, maybe some neighbors. Everyone meets and you tell them the person's whole story. These stories are very tragic, very moving. By the end, just about everyone wants to help somehow.

"Each person does a small part," Mr. Wagner added. "One neighbor says he'll call more often, someone else volunteers to bring him to church. When you put it together, you have a treatment plan. Since we began network therapy in 1982, not a single person in the program has been readmitted to the hospital."

An important factor in this success, according to Mr. Wagner, is a crisis team available 24 hours a day. It not only makes house calls to help resolve crises, but also has access to families in the area who keep an extra bedroom available for the emergency team, where a person in crisis can stay and be treated for up to a month.

There is great interest among professionals in teaching families better ways to care for schizophrenic members, at least until they can live on their own. "There's hardly a place in the country where, in the last three years, they have not begun to use some form of family management," said Dr. Talbott. "It is an idea whose time has come."

Carol Anderson, a psychologist at the University of Pittsburgh who is one of the primary developers of the family management approach, said: "We emphasize that schizophrenia seems to be due to a biological vulnerability that is triggered by stress. Most families have some private theory about what caused it, often one that makes them feel guilty, like their child falling out of bed. They're relieved to learn that no one single life event causes schizophrenia."

GUIDES TO CREATING A HELPFUL ENVIRONMENT

The training, which Dr. Anderson describes in detail in "Schizophrenia in the Family" (Guilford Press), typically begins with a one-day session for families in which a member is being treated for schizophrenia. Families are told that because schizophrenics are easily overstimulated and distracted, they should avoid extremes of conflict and criticism on the one hand, or extreme enthusiasm on the other. They are also advised to create an attitude of "benign indifference" toward many of the symptoms of schizophrenia.

But families are also urged to set reasonable rules for the patient, so as "not to confuse the need for low stimulation with permissiveness." Even the most stable of families would be hard-pressed to deal with a member's insistence that the television screen be covered with aluminum foil to thwart eavesdropping.

Families are also urged to let patients withdraw for a time when they need to do so, for example, taking meals alone or staying in their rooms when company comes. At the same time it is crucial that burdened family members maintain friends and sources of pleasure outside the home.

Research done by Dr. Anderson shows a one-year relapse rate under 10 percent in patients treated using family management. For patients who receive only drug treatment the relapse rate was 50 percent. According to the researchers, similar patients who receive no treatment at all have a relapse rate of 60 to 80 percent in the first year after leaving the hospital.

"The main rationale for family management is to calm the emotional climate and offer the family support, not point fingers or try to change the family dynamics," said Christine McGill, a social worker. She is training the staffs of hospitals engaged in a major five-year, $5 million study of family management being conducted by the National Institute of Mental Health. The study, now in its first year, is under way at four hospitals, including the Payne-Whitney Clinic in New York City and the Long Island Jewish-Hillside Medical Center in Glen Oaks.

A major goal of that study is to determine the extent to which dosages of the drugs used to treat schizophrenics can be lowered as families become more adept at handling the patient. The drugs, called neuropleptics, can have serious side effects, such as loss of muscular coordination. The standard treatment is to maintain patients with chronic symptoms on the drugs for years, but many experts now believe that family management and similar support can allow symptoms of schizophrenia to be controlled with intermittent or much lower doses of the drugs, or even no drugs at all.

With the proliferation of family management, Dr. McGill cautions, often what is offered to families is simply a one-day training program. "They neglect the crucial part: the contact with families to help them through the large and small crises," she said. "You need to make a minimum two-year commitment to help a family after a member has had a schizophrenic episode."

PROGRAMS FOR THOSE OUTSIDE THE FAMILY

While the goal of family management is to help the person, finally, to become inde-

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pendent, not every family is willing or able to put up with the difficulties that having a schizophrenic at home entails. And, of course, many patients have no families to take them in. For such people other programs have evolved with principles and methods similar to family management.

One of the most innovative is a treatment arrangement that, in effect, creates a family for a schizophrenic while he is in treatment. This program, operated by Maitri Psychological Services of Boulder, Colo., creates a household in a rented apartment or house with a schizophrenic patient and two roommates, who are trained as part of an eight-member treatment team. Members of the team are with the patient as needed day and night.

Although each patient in the program is in psychotherapy three times a week, the emphasis is on the healing value of ordinary daily activities in the household.

"Our experience is that when highly disturbed people are in the intensive company of healthy people, they tend to become healthier," said Edward Podvoll, the psychiatist who directs Maitri.

One of the main deficit symptoms of schizophrenia is a wildly wandering attention. The Maitri treatment puts a special emphasis on the quality of attention that patient and companion bring to what they do.

"It is all done from the point of view of helping the patient engage in a mindful way in every activity, to help them recover their attention and concentration abilities."

Maitri and other private programs like it, however, are available only to a limited number of patients, and cost about as much as one of the better psychiatric hospitals. Maitri, for instance, ranges from $6,375 to $9,850 a month, and although some health insurance plans will pay for it, few patients or their families can afford such expense on their own.

For the several hundred thousand schizophrenics across the country who need continuing treatment, there is a longstanding Federal plan for a spectrum of community services. The plan, dating back to the 1970's, was to be a replacement for the "warehousing" of chronic patients in large state hospitals. But few states, it is now widely acknowledged, allotted sufficient funds for the community program.

One notable exception is a highly successful program that began as an experiment in Madison, Wis.

"We started by moving a large group of patients out of the state hospital into town, and moved the staff right along with them" into the community, said Leonard Stein, the psychiatrist who directed the project. "When we evaluated the needs of each patient we found that they had been coming back to the hospital because, for example, they got into trouble with a landlord and were evicted, or they didn't know how to get their social security benefits and got very upset."

Compared to patients who were treated in the hospital as a part of the usual follow-up treatment, the patients in this program had one-tenth the rate of relapse, had far fewer symptoms of schizophrenia, and were generally more satisfied with their lives. Moreover, the cost per patient in the community program was about $15,000 a year, while a full year in the hospital would cost $70,000.

Despite the success of the Wisconsin experiment, very few states have allocated the funds that would set up similar programs. One of the rare exceptions is a community-based program in western Massachusetts, created as the result of a legal action taken in behalf of patients at the state hospital in Northampton. In 1972 the hospital had 1,400 patients; now it has just over 200, a very small number for a region with 800,000 residents.

The network therapy at the Mount Tom Institute is part of the Massachusetts program. Among the other unusual services offered there is "respite care," where a family who is caring for a schizophrenic member can, when a particularly difficult crisis occurs, have the patient stay in a supervised house for a few days, or have a mental health worker come and stay with the family to help them out. In addition, specially trained families are available who will take in schizophrenic patients from other families for anywhere from a week to two months.

Such services are part of a concerted effort to keep patients living in the community, even when they are having psychotic episodes. "The state hospital is the last resort, not the first resort," said Steven J. Schwartz, the lawyer whose suit created the system.

The key to the Massachusetts program is case management, the assignment of around 30 patients to a service coordinator whose task it is to see that they get whatever help they need. This means, for example, that if someone is too confused or apathetic to find an apartment, the service coordinator will do it with him, and help him move in. And if an ex-patient needs looking after in his apartment, the service coordinator might hire neighbors to keep an eye on him.

There are public funds already allotted to which schizophrenics are entitled, but are often too confused or naive to get on their own. "To get the money, you're got to know exactly which funds you're entitled to, where to apply, how to answer the question," said Mr. Wagner. "One of the main jobs of the service coordinators is to go along with their clients to all these places and help them through each step."

The potential sources include insurance plans and veterans' benefits, Medicare and Medicaid, and Social Security for the mentally disabled. In addition, in Holyoke there are funds available to help pay for heating oil, a food bank that provides the proverty-stricken with groceries until they can get food stamps or other funds, and a program that pays the security deposit on an apartment—often one of the crushing financial obstacles for those who have been existing on the streets.

NEW YORK PROGRAM IS OFTEN COPIED

Finding a group of friends and a job is seen by many mental health experts as key steps for those who have suffered from schizophrenia for many years. The most copied program that focuses on these needs is Fountain House in New York City.

"We start with the assumption that schizophrenia is a condition that isolates people and destroys their confidence," said Jim Schmidt, the director. "We give them a place to go where they are welcomed, even celebrated. They are not here to be treated or trained; it's a clubhouse."

Dozens of businesses have entry-level jobs reserved for Fountain House. Members try these jobs part-time, at first accompanied by someone from the staff who will do the job if the member fails at it. If the member succeeds, in six months he moves on to another job, until he is finally able to get a full-time job on his own.

There are now nearly 200 programs nationwide based on the Fountain House approach to getting former patients employed again. But while many communities have one or another part of the services offered in western Massachusetts or by Fountain House, programs with the entire range are few and far between.

"People are only just becoming aware that community treatment can be successful, if done right," Dr. Stein said. "There is no real alternative to a community program; the old hospitals are enormously expensive. And this works."●

JAPANESE BARRIERS TO U.S. TOBACCO PRODUCTS

● Mr. MATTINGLY. Mr. President, when the U.S. Commerce Department released its trade deficit figures for 1985 those figures clearly indicated that the U.S. trade deficit had continued its unchecked growth for yet another year. Of even greater concern is our trade imbalance with Japan which soared to a record level of almost $50 billion, nearly one third of this country's total trade deficit.

I was encouraged last year when the President announced that the administration would self-initiate a number of section 301 trade investigations into certain unfair Japanese trade practices. While success has been reported in negotiations concerning leather and pharmaceutical products, little progress has been made in eliminating Japanese barriers to imported cigarettes. U.S. Trade Representative Clayton Yeutter has written to me to say that recommendations in this case will be submitted to the President by this fall, though he hopes the issue can be resolved in the interim. I am concerned that the effort is losing momentum.

Mr. President, right now imported cigarettes have only a 2.3-percent share of a Japanese market worth $20 billion a year. We all heralded the supposed liberalization of the Japanese tobacco market on April 1, 1985, when the virtual monopoly of the Government-owned tobacco company, Japan Tobacco Inc., or JTI, ended. Foreign companies were no longer required to distribute cigarettes through JTI, also their biggest competitor. Nonetheless, substantial barriers remain that allowed imported tobacco products less than a one-third of 1 percent increase in market share over the past year. U.S. manufacturers' efforts to gain a greater share have been blocked by unfair tariff and taxation policies which place imports at a price level well in excess of the price of comparable domestic brands. United States cigarette companies are prohibited from manufacturing in Japan, an opportunity available to Japanese manufacturers in this country. Importers are forced to notify the Japanese Government, the majority shareholder of JTI, in advance of any price alterations. Importers also must employ

the same distribution network that has traditionally serviced their main competitor, JTI, and is in fact a subsidiary of that organization. The president of Philip Morris Inc.'s Japan subsidiary has likened the system to Pepsi Cola being distributed by Coca Cola. Now Japanese cigarette manufacturers are engaged in a campaign of trademark piracy. I joined several of my colleagues in writing last month to Ambassador Yeutter and Secretary of Commerce Malcolm Baldrige protesting this latest unethical action by the Japanese.

Conservative estimates of the potential for cigarette exports to Japan are impressive. Each percentage point of market share in Japan is worth an estimated $48 million. Without restrictions, United States products could easily obtain a 10-percent share of the Japanese cigarette market; this translates into potential United States exports worth almost half a billion dollars.

We have delivered our warning messages to the Japanese and they are responding. Japanese officials often reason that United States products are inferior. If Japanese officials really believe that our products are inferior and would not be purchased by Japanese consumers, why not remove all barriers? In actuality, the U.S. cigarette industry produces a high quality, reasonably priced, popular product that is well marketed around the world. Once again, all we are asking for is the opportunity to compete on an equal footing. I support the administration's self-initiation of a section 301 investigation into Japanese practices surrounding tobacco trade, but was disappointed that the agenda of last weekend's meeting between the President and Japanese Prime Minister Nakasone did not allow for discussion of this issue. I encourage the President to address the situation directly with Prime Minister Nakasone at the earliest opportunity.●

KOREAN TRADE RESOLUTION

● Mr. McCONNELL. Mr. President, on March 19, I introduced Senate Resolution 369 which, if approved, would express the sense of the Senate that until substantial progress is made in the liberalization of its import restrictions, the Republic of Korea should be removed as a beneficiary country under the U.S. Generalized System of Preferences.

Today, I am pleased to add as cosponsors to this resolution Senators ABDNOR, FORD, GORE, HEINZ, HOLLINGS, SYMMS, THURMOND, TRIBLE, and WILSON.

Mr. President, Korea has been a close friend and ally of the United States for many years. Our friendship has been based on a mutual sense of trust and respect. I fear, however, that our differences of opinion in the forum of international trade have the potential of weakening our alliance. When U.S. farmers, businessmen, and manufacturers encounter a wall of unfair trade practices, who can blame them for becoming frustrated—who can blame them for losing their patience?

By concentrating on the Republic of Korea, therefore, Senate Resolution 369 focuses on an international friendship of particular importance. With this resolution we are saying that our exports to Korea are being treated unfairly and we are willing to take action to emphasize our concern. Further, it should be clear that Korea, while not our only ally with which we have disagreements in the area of trade, has erected trade barriers and maintained policies which are uniquely discriminatory.

But, Mr. President, this resolution should not signal any change in our resolve to be a constructive partner in Korea's growth and development. Our relationship with Korea, both in terms of foreign policy and trade, will require increased attention in the months and years ahead. The United States has always, when possible, been there when Korea has needed us. I am absolutely convinced that if we ignore our trade disagreements now, we invite larger and more complicated problems in the future.

Mr. President, the April 5 edition of the National Journal published an article by Bruce Stokes entitled "Korea: Relations Worsen." I believe that it is one of the most objective recent articles written on the issue of our trade deficit with Korea, and I ask that it appear in the RECORD.

The article follows:

KOREA: RELATIONS WORSEN

(By Bruce Stokes)

SEOUL, SOUTH KOREA.—U.S.-Korean trade relations have never been worse.

Tension is mounting in Washington, keeping pace with the growing U.S. trade deficit with South Korea. The Reagan Administration is increasingly frustrated with the pace and scope of Seoul's efforts to open its markets to American goods and services. Korean industries' plans to target the American market with an array of new products—automobiles, computer chips, consumer electronics—are bound to exacerbate frictions.

In Seoul, there is a sense that the United States has singled out Korea as a scapegoat for America's declining international competitiveness. There is concern that Korea will suffer from the backlash of anti-Japanese sentiment now prevalent in the United States. And there is a small, but vocal, streak of defiance in Korean society, a sentiment that Korea's economic performance is nothing to be ashamed of and that the country need no longer restrain itself to suit the Americans.

Trade differences are unlikely to rupture Korea's strong political and military ties with the United States. Both sides have a vested interest in regional stability. But Washington is seemingly oblivious to Korea's debt and employment problems and insensitive to the political turmoil that U.S. trade actions cause for Seoul. And Seoul has yet to divine how Washington works or to accept that being a major industrial power entails buying a variety of goods and services from the world marketplace as well as selling to it.

As a result, there is a fundamental disparity in how South Korea and the United States view their trading relationship. "We're talking past each other on trade issues," said an American expert on Korea based in Seoul.

The price of continuing this miscommunication may be an escalating trade conflict between the two nations.

TRADE PROBLEMS

Trade tensions are already running very high. To try to increase sales by U.S. firms to Korea, the Administration has launched a series of unfair trade cases against Korea and is pressuring the Korean government to accelerate its efforts to open the Korean market to foreign competition. And Members of Congress are attempting to curb the sale of duty-free Korean items in the U.S. market because of Korea's labor policies.

Moreover, the trade balance between South Korea and the United States has gone from a small U.S. surplus in the 1970s to a $5 billion U.S. deficit in 1985. While U.S. imports from Korea nearly doubled from $5.5 billion in 1981 to $10.7 billion in 1985, Korean imports of U.S. products grew only from $5 billion to $5.7 billion, not even keeping pace with inflation.

Koreans point out, however, that the United States has traditionally run a trade surplus with their country. Moreover,they argue that their surplus with the United States only helps to offset Korea's staggering deficit with Japan and that their surplus is neccessary to help pay their $46 billion foreign debt.

What the Koreans fail to acknowledge is that while their dependence on sales to the United States is growing, they are diversifying the sources of their imports. In 1975, 30 per cent of Korean exports went to the United States; in 1985, the U.S. bought 38 per cent. In 1975, Korea bought 26 per cent of its imports from the United States, but a decade later, it purchased only 22 per cent of such goods and services from the United States.

Such problems have led to charges that Korea is the next Japan—flooding the world market with its goods but refusing to buy from other people.

"We copy a lot that is Japanese," acknowledged Yung Chul Park, professor of economics at Korea University. "We emulate Japanese industrial techniques, their work ethics, managerial system and research and development investment strategy."

But there the similarity stops, say Korean officials. Korea is a relatively small country of 42 million people that is just emerging as a modern industrial nation. It has an annual per capita income of only $2,000 and a gross national product (GNP) of just $80 billion. It cannot produce for export to the U.S. market or afford to import from the United States nearly as much as Japan, with a $1.2 trillion GNP, 120 million consumers and a $10,000 per capita income.

In fact, Korean officials argue that many of their trade problems with the United States stem from their small domestic market, which forces their industries to produce for export to survive.

"Who the hell else are we going to sell our autos and TVs?" Park asked. "There are

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only two countries who can absorb our exports—Japan and the United States."

Nevertheless, the Koreans' ardent, at times desperate, desire to convince Americans that Korea is not another Japan raises suspicions that there may be a kernel of truth to the claim.

"We want to become the next Japan [in the sense that] it is the only Asian country to become an industrial nation in the 20th century," admitted a Korean government official.

And the industrial road map that the Koreans have chosen is the same as Japan's—building up some of the same industries, (by hiding behind some of the same protectionist barriers) and targeting the U.S. market in the same way. Little wonder that Korea is encountering some of the same trade frictions that Japan has.

INDUSTRIAL TROUBLE SPOTS

Even those who do not see parallels with Japan foresee a rough road ahead for Korea in its relationships with the United States. In a whole range of industries, trade problems between the two nations loom on the horizon, and no amount of disassociation from Japan can defuse the coming confrontations.

Korean textile and apparel manufacturers are particularly vulnerable to U.S. protectionism. Korea is the third-largest supplier of apparel to the United States and the fifth-largest textile supplier. Competition from low-wage countries such as China is forcing the Koreans to shift to higher-value products, but this puts them in direct conflict with that small portion of the American textile industry that has survived.

The Administration is pressing Korea to voluntarily cap its textile exports to the United States through 1988. If that fails, Congress may again push for quotas on textile imports. The Korean Economic Planning Board estimates that this could cost Korea 30,000 jobs.

Another area of tension involves consumer electronics products. U.S. imports of Korean electronics have more than doubled since 1981. Korea has long since surpassed Japan in the manufacture of 12-inch portable black and white televisions for the U.S market and last year supplanted Japan in the production of 13-inch color sets. Korea began marketing video cassette recorders in the United States only a year ago, but sold approximately $210 million worth in 1985 and expects sales to reach $380 million this year.

Korea may also be on the verge of flooding the U.S. market with low-priced automobiles. Hyundai Motor Co. hopes to sell 100,000 small cars in the United States in 1986, its first year of marketing in the United States. Daewoo Motor Co. will soon be producing a car under a joint venture with General Motors Corp. With the average Korean auto worker putting in a 50-hour work week, at $2.16 an hour, the Korean firms should easily undercut the prices of U.S. and Japanese automakers.

Moreover, Korean auto parts manufacturers are expanding rapidly. The Samsung Group, in a joint venture with Chrysler Corp., will begin producing auto parts this year, and many industry analysts think a joint auto-making effort involving the two giants is inevitable.

Until 1982, Korea sold no integrated circuits—arrays of computer chips—in the United States. By 1984, integrated circuits were by far the most valuable Korean export to the United States, totaling $732 million. Most of this production was by Korean firms assembling American-made chips, one reason the U.S. chip industry has yet to complain. Using loans from the World Bank and the purchase of foreign technology, Korean firms are now producing their own 64K chips, soon will produce 256K chips and are working on a 1 megabit chip. But the world market for 64K chips has collapsed, and Japanese and U.S. producers of 256K chips are unwilling to cede that new market to the Koreans without a fight.

FUTURE CHALLENGES

Whether Korean industries of the future will pose similar challenges to the American economy depends largely on the industrial strategy choices now being made in Korea.

The Korean economy is dominated by giant industrial conglomerates whose mammoth size has facilitated Korea's rapid growth in exports. "The problem with these large industries is that they do things in a big way," Park said. "So when they enter foreign markets, they have a large impact and draw an unfavorable reaction." And when they move into a new field—such as chemicals in the mid-1970s—they can make costly mistakes.

The Korean government is now trying to encourage the expansion of medium and small-scale enterprises because it thinks such firms will be more responsive to signals from the marketplace and will prove more attractive as joint venture partners for American high-technology firms that are leery of the conglomerates.

The Korean government also hopes that small companies will generate more jobs than the large firms will. Korea's unemployment rate rose slightly last year, to 4 per cent, but due to definitional differences, unemployment in U.S. terms may be almost twice as high. Because of Korea's 1960s baby boom, the economy must grow by 6–7 per cent a year just to generate enough jobs for new entrants to the work force. Lately it has failed to keep up this pace. Half of the spring 1985 college graduates did not find a job last year, fueling the ranks of those ready to take to the streets to protest government economic and political policies.

The Korean government "must be judicious in selecting those medium and high-tech areas [that require] a fair amount of labor—manufacturing components for automobiles, for example," said Henry Nau, a professor of economics at George Washington University. The emphasis has to be more on assembly operations than research and development.

Such a labor-intensive development strategy continues Korea on its collision course with American industry. As Korean producers move into manufacturing machine tools and other sophisticated uses of technology, they will face the same problems that textile manufacturers did. And concerns about generating jobs will strengthen Korea's reluctance to open its service sector—including labor-intensive banking and insurance operations—to more efficient foreign competition.

If such conflicts are to be minimized, Korea and the United States are going to have to radically change the way they relate to each other. "The non-understanding between the two is just phenomenal," said a U.S. trade official.

Koreans are relatively naive about how Washington works. Hyundia, for example, blithely announced plans to market cars in the United States during the U.S. debate on renewing the voluntary auto import restraint agreement with the Japanese. Only recently have the Koreans begun to improve their lobbying and diplomatic representation in Washington.

Many Koreans enter into trade negotiations with the United States with a chip on their shoulder. For centuries, Korea was a colony first of China and then of Japan. From the man in the street to industry captains, the national self-image demands standing up to foreigners. And Korea's Confucian heritage teaches that one does not compromise when one is right. As a result, the Koreans have a reputation for digging in their heels when trying to resolve differences.

For its part, say some observers, the United States has demonstrated a striking insensitivity to the consequences of its actions in dealing with Korea, even when the United States ends up paying a price. The recent U.S. unfair trade practices cases lodged against Korea cost Kim Kiwhan, Korea's chief trade negotiator, his job. His advocacy within Korean government circles of opening domestic markets was seen as appeasement that did not work.

The immediate consequenses of U.S. pressure can be heard in the anti-American slogans chanted in Korean street demonstrations. "The [Korean] government is really being sandwiched," said Bon ho Koo, a professor of economics at Hanyang University. "The United States says Korean government is going too slow [in opening its economy to foreign competition]. businessmen, students and newspapers think they are going too fast."

If Korea is to join the ranks of the advanced industrial countries by the end of the century, it must accept many of the responsibilities of an industrial power-including tempering its robust enconomy so it can live in harmony with its trading partners. This already has begun. More and more Korean companies are forming joint ventures with U.S. firms and investing more in the United States.

The United States, meanwhile, must not object if such joint ventures lead to more U.S. imports from Korea and must "frame [its] trade objectives with the [other] country's domestic situation in mind," said a U.S. trade official. "If we go in with something unrealistic, you make their life miserable and undermine your own credibility."

The ability of Korea and the United States to work better together will soon be tested. The Korean currency, the won, is tied to a basket of currencies, primarily the dollar. In recent months, while the Japanese yen has appreciated 30 per cent against the dollar, the won has appreciated only 7 per cent. As a result, Korean goods are going to become relatively more affordable in the U.S. market compared with Japanese goods, driving up the U.S. trade deficit with Korea. Only sensitivity and understanding on both sides will avoid further trade conflicts.●

RESEARCH ON METHANOL AND ETHANOL PRODUCTION

● Mr. PRESSLER. Mr. President, research on alternative fuels continues to require our serious attention. During this period of budget reductions and falling oil prices, funding for research on alternative energy sources has become a very attractive target. We must not forget what happened to oil prices in the past as we prepare to meet our future energy needs. It is

critical that we continue to explore potential new sources of renewable energy.

Two areas about which I am particularly concerned are ethanol and methanol. Both ethanol and methanol can be produced from renewable sources of energy. Ethanol, commonly known as grain alcohol, is usually produced from agricultural crops such as corn, wheat, or sugarcane. Ethanol is not only an alternative source of fuel but also creates a use for farm commodities which we currently have in record surplus. The development of a vigorous ethanol industry would reduce crop surpluses and help to improve the depressed state of the farm economy. Nearly 40 percent of U.S. crop production would be required to produce 11 billion gallons of alcohol fuel, which represents approximately 10 percent of U.S. automotive needs. An added benefit would be lower costs for farm programs.

Methanol, commonly known as wood alcohol, is derived from coal, wood, or urban wastes. A potentially great benefit of increased methanol production would be the disposal of huge amounts of urban waste. An estimated 200 million tons of municipal solid waste were generated last year. The processing of 90 percent of this municipal waste into methanol would produce approximately 10 billion gallons of methanol. Methanol and ethanol could not totally replace oil or other fossil fuels, but their production could help to reduce our dependence on imported oil.

The current low oil prices will not last, and in many respects they may cause long-term problems for the economy. Low prices may force major cuts in domestic oil exploration and eventually increase U.S. dependence on foreign oil. We must continue active research and development of alternative sources of fuel, such as methanol and ethanol, as a hedge against the next surge in oil prices.

An executive of General Motors recently stated that methanol will be the fuel of the next century. The adaptation of automobiles to methanol fuel would take approximately 20 to 30 years. We could reduce this time by accelerating development of technology to produce methanol from urban wastes, coal, and sea water. The development of this technology will be essential. to achieve the goal of U.S. energy independence.

Mr. President, I urge our colleagues to resist making devastating cuts in funding for research on alternative energy sources. Research and development in this area are critical to the long-term prosperity of the United States and world economies.●

UNITED STATES ACTED WISELY

● Mr. HECHT. Mr. President, the United States has acted wisely and decisively in launching a series of strikes against the terrorist nerve centers of Libya's Mu'ammar Qadhafi. No man, woman, or child is immune from Colonel Qadhafi's thirst for blood. President Reagan's actions reflect the feeling of an overwhelming number of Americans: Terrorists will have to pay a price for their deeds!

The victims of this mass murderer posed no threat to Libya, and left the United States with no choice. I am very proud of our President's response. I am also proud of our military men and women involved in this action.

I am especially proud that Nevada is a temporary home to so many pilots who train for these missions at the Nellis Air Force Base at Las Vegas and at the Naval Air Station at Fallon. We have very few detractors of our military in Nevada, but the vast majority of the people in our State support our installations and are pleased to be their neighbor. I would like to point out that many of our allies use our bases for pilot training as well.

Mr. President, the United States has taken a strong stand against terrorism. We should expect no less from our allies.

Mrs. Thatcher's support will not be forgotten by Americans. Libyan sponsored terrorism cannot and should not be condoned, much less tolerated by any responsible government.

We have tried quiet diplomacy, public condemnation, economic sanctions, and demonstrations of military force. Criminals like Qadhafi must face punishment. I am glad we had the opportunity to administer it.●

THE MILITARY OPERATION AGAINST LIBYA

Mr. BYRD. Mr. President, the American military operation against Libya last evening was, according to early administration reports, a success in that it achieved its objectives—specifically, to interfere with Libya's ability to undertake terrorist acts by taking out selected military and terrorist support targets, and, by so doing, to demonstrate that terrorism is undertaken only at a heavy cost. This operation, conducted with such professionalism by our fighting forces—under cover of darkness, with highly defined and selected targeting, gives all of us a sense of great pride and patriotism. As always, the men and women of our Armed Forces have performed the mission that is asked of them—this is one of the fundamental strengths which make the United States a great nation. It is regrettable that the problem confronting our airmen and airwomen was exacerbated by the refusal of a number of our European allies to permit overflight through their airspace—this lengthened the time necessary for the American strike aircraft to proceed from their base in England to their destinations in Libya.

Mr. President, I have been very disappointed in the inability of the administration to convince our European allies to join us in a series of closely coordinated actions to deter Qadhafi's regime from its policy of terrorism. Terrorism is a global scourge which confronts civilized society with very difficult problems in how to respond effectively. Without close coordination, terrorists are provided with opportunities and temptations which compound our efforts to combat it.

Therefore, it is clear to me that our allies should now be urged to review their policies toward Libya, and a renewed effort to fashion a common approach be made. There are a variety of actions, such as economic sanctions, that could and should again be explored. To be sure, those economic sanctions may pose short-run difficulties for the nations that impose them. As an example, Italy has substantial economic ties with Libya and would be making a sacrifice in joining an economic blockade of Libya. However, Italy is a nation which has suffered the results of Libyan-generated violence, and the long-term elimination of that violence would be well worth the short-term economic sacrifice which she would have to pay in joining with the United States in a common effort. I believe all western airlines should be prohibited by the western nations from operating into or out of Libya, for example.

It is worth repeating, Mr. President: Terrorism is a world problem which demands a world solution—the sooner that other nations recognize this fundamental reality, the sooner the appropriate common steps can be taken.

Mr. President, yesterday I was invited to the White House, along with Mr. DOLE and a number of other leaders from both Chambers of the Congress. We were asked to come to the White House at 4 p.m. and remained in discussions with the President for a while and then with his advisors until about 6 p.m. The President briefly indicated to the group that he had already ordered a bombing raid on targets in Libya, and after that, Mr. Weinberger proceeded to indicate what the specific targets were. We were informed that the aircraft, FB-111's based in England had been on their way already to their destinations for 2 hours and that they would reach the targets at about 7 p.m. Washington, DC time.

I asked the administration officials at the meeting if anyone in the Congress had been briefed prior to our meeting. The answer being no, it was my conclusion that the consultation requirements of section 3 of the War Powers Act, which states that "the President in every possible instance shall consult with Congress before in-

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troducing U.S. Armed Forces into hostilities" . . . had not been satisfied.

The purpose of consultation, required by the War Powers Act, is to seek the best possible advice so that the actions of this Nation on the weighty matter of conducting hostile action is given the benefit of thoughtful consideration by responsible public officials in both branches of the Congress.

I would also note, Mr. President, that it is still somewhat unclear what the long-term policy of the United States is in regard to acts of terrorism and how best to forestall them.

Mr. President, I asked, and several of my colleagues present at the White House meeting yesterday also asked, the basic question: is this just a tit-for-tat policy, and if, after our military action, Qadhafi or someone else, such as the Iranians or Syrians, engage in a terrorist act against Americans, what do we do then? The answer was that we will make that decision at that time. I believe we need a more thoughtful policy. We do have to contemplate the likelihood that terrorists will commit further acts.

We must try every way possible to encourage a well-developed and effective global anti-terrorism policy—a series of agreed-upon diplomatic, economic, and possible military steps in response to or even in anticipation of actions by terrorist groups and states.

In recent days, Mr. President, I have written to the President, as well as to the Japanese Prime Minister, Mr. Nakasone, and to the Soviet leader, General Secretary Gorbachev, to include the question of coordinated actions against terrorism on the agenda of both the upcoming economic summit of western leaders in May in Tokyo and the next Reagan-Gorbachev summit. In addition, I have met with the German Foreign Minister, Mr. Genscher, this afternoon, along with a group of my colleagues, to discuss this matter in more depth.

Mr. President, I am hopeful that the military action taken by the United States last night will have the desired effects—to damage Libya's military and terrorist support sites, and to inhibit Qadhafi from further terrorist acts. I hope it will encourage our allies to take a second look and evaluate jointly with us as to where we go next. I believe that we should work quitely but effectively with our allies to come up with a joint policy. We should be rethinking the range of economic sanctions that can be put into place.

I reiterate my congratulations to, and pride in, the fine young fighting men and women who executed this operation so boldly and so well.

Mr. President, I ask unanimous consent to have several letters printed in the Record.

There being no objection, the letters were ordered to be printed in the Record, as follows:

U.S. Senate,
Office of the Democratic Leader,
Washington, DC.

The President,
The White House,
Washington, DC.

Dear Mr. President: I was pleased to note that some progress is now being made in the scheduling of your second summit meeting with Mr. Gorbachev. I also was gratified to note that Mr. Gorbachev has apparently dropped any insistence on preconditions to the scheduling of that meeting. I believe that the benefits for both our nations which will result over the long run from a full and regular dialogue will be well worth your efforts.

We all share the goal that the next summit meeting will produce tangible benefits in the way of major progress on several arms control matters, including, at the least, intermediate-range nuclear missiles, nuclear testing, and the Nunn-Warner proposal for Nuclear Risk Reduction Centers.

I would like to suggest that you give serious consideration to including, on the summit agenda, an initiative for a joint U.S.-Soviet program to work together to reduce the scope of terrorist activities in our world. The recent incident in West Berlin, and the numerous other terrorist actions and threats indicate that better planning should be done and more decisive actions should be taken on a cooperative basis with other nations. I know that you have attempted to develop closer working relations in this area with our European allies, and it occurs to me that it might be possible to broaden your efforts to include the Soviets in some ways. Such an initiative might be constructed along the lines of the Nuclear Risk Reduction Center proposal and other existing understandings between the United States and the Soviet Union regarding nuclear incidents, but broadened to include non-nuclear terrorism as well.

I appreciate your consideration of this idea.

With highest personal regards,
Sincerely,
Robert C. Byrd.

U.S. Senate,
Office of the Democratic Leader,
Washington, DC.

His Excellency Mikhail Gorbachev,
General Secretary of the Communist Party of the Soviet Union, Moscow, Union of Soviet Socialist Republics.

Dear Mr. General Secretary: I and my colleagues in the Senate were pleased to note that some progress is now being made in the scheduling of your second series of meetings with President Reagan. I believe that the benefits for both our nations which will result over the long run from a full and regular dialogue will be well worth this effort.

I have also noted that you are not attaching any preconditions to the scheduling of the next summit meeting and I believe that is an important step forward. Naturally, however, we all share the goal that the next meeting will produce tangible benefits in the way of major progress on several arms control matters, including, at the least, nuclear testing, intermediate-range nuclear missiles, and the proposal for Nuclear Risk Reduction Centers.

I have today hosted a luncheon for your very able ambassador to the United States, Mr. Anatoly Dobrynin, and have asked him to deliver this letter to you upon this return to Moscow. The other seven Senators who accompanied me on my visit to meet with you last September also attended this luncheon, and wish to renew their warm regards and best wishes to you. We are delighted that Mr. Dobrynin will continue to serve as an important channel of communication and understanding between our two nations as he assumes his new responsibilities.

I would like to suggest to you that in preparation for the upcoming summit consideration be given to a joint Soviet-American initiative to work together to reduce the scope of activities of terrorists in our world. The recent upsurge of terrorist incidents and threats indicates, I believe, that better planning and more decisive actions must be taken on a cooperative basis by our two nations. I am also making this suggestion to President Reagan.

I hope that this letter finds you and your family well, and I look forward to the opportunity to renew our acquaintance.

With best wishes.
Sincerely,
Robert C. Byrd.

U.S. Senate,
Office of the Democratic Leader,
Washington, DC, April 14, 1986.

Hon. Prime Minister Yasuhiro Nakasone,
Office of the Prime Minister, Nagata-Cho, Chiyoda-Ku, Tokyo, Japan.

Dear Mr. Prime Minister: My predecessor, former Senate Democratic Leader Mike Mansfield, now United States Ambassador to your nation, has described the U.S./Japan relationship as the most important bilateral relationship that both countries enjoy. In a letter to you of March 10, 1986, Speaker Thomas O'Neill, Jr. and I affirmed the importance of this relationship, and encouraged your renewed efforts to reduce the trade imbalance that has had such a profound impact in recent years.

In that letter, we called for increased Japanese purchases of American goods and services. As you know, I am especially concerned about the trend of Japanese purchases of coal from West Virginia. U.S. coal exports to Japan have declined from about 31 million metric tons in 1982 to 13.3 million metric tons in 1985. I understand that U.S. coal producers were recently informed by Japanese officials that Japan would be further reducing its purchase of U.S. coal to about 11 million tons in 1986. About 38 percent of US. coal exports to Japan come from my state of West Virginia. Consequently, I am particularly concerned with the grim prospects for U.S./ Japan coal trade.

The decline in U.S. market share has occurred at a time when the Japanese coal market has increased by 13 million tons to over 90 million tons. Unfortunately, it does not appear that coal producers in the United States will benefit from this growth in the Japanese coal market. I understand that Japan has increased coal purchases from every other major coal exporting nation in the world, except the United States.

Finally, on another matter of shared interest, I encourage you to join with President Reagan and other concerned leaders in assuring that the challenge of terrorism receives an appropriately high place on the agenda of the up-coming summit meeting which you will be hosting in Tokyo. I wrote last week to President Reagan, urging him to move in this direction, and I hereby provide a copy of my letter to him for your information.

Sincerely yours,
Robert C. Byrd.

U.S. Senate,
Office of the Democratic Leader,
Washington, DC, April 10, 1986.

The President,
The White House,
Washington, DC.

Dear Mr. President: The up-coming Tokyo Summit provides an important opportunity for cooperation between the seven largest industrial democracies at a time of fundamental change in the world economy. The need for action to resolve trade disputes and avert a global economic crisis is paramount. A related priority will be progress in stabilizing international currency movements to reduce the imbalances which handicap America's ability to compete.

While economic issues should be given priority at these important meetings, the economic challenges do not occur in a vacuum. All responsible nations share the uncertainties created by an increase in international terrorism. It would be unfortunate if leaders of the world's great democratic powers met at this time without reviewing opportunities for increased cooperation in combatting terrorism. In my letter to you of July 9, 1985, I recommended increased multilateral efforts in response to terrorism. The report of the Vice President's Task Force on Combatting Terrorism incorporated some of these recommendations, and provided other initiatives to strengthen the international regime.

I encourage you to seek the support of other Tokyo Summit participants for increased cooperation in combatting global terrorism, and to make sure that such action receives appropriate attention on the agenda of the Tokyo Summit. Participants at the Bonn Summit in 1978 dealt with this issue and included a commitment to combatting terrorism in their final declaration. That effort provided an important foundation for joint action. Given our shared interest in an effective response to terrorism, I believe it is essential that the great industrial democracies use the occasion of the Tokyo Summit to renew and expand that commitment.

You have my support in pursuing multilateral initiatives as well as domestic legislation to protect Americans at home and abroad, and to bring to justice those responsible for terrorist acts.

Sincerely,
Robert C. Byrd.

ORDERS FOR WEDNESDAY

RECESS UNTIL 10 A.M

Mr. HATFIELD. Mr. President, I ask unanimous consent that when the Senate completes its business today, it stand in recess until 10 a.m. on Wednesday, April 16, 1986.

The PRESIDING OFFICER. Without objection it is so ordered.

RECOGNITION OF CERTAIN SENATORS

Mr. HATFIELD. Mr. President, I ask unanimous consent that following the recognition of the two leaders on tomorrow under the standing order, there be special orders in favor of the following Senators for not to exceed 5 minutes each: Senator Hawkins, Senator Cranston, Senator Specter, Senator Biden, Senator McConnell, Senator Chiles, Senator Proxmire, and Senator Metzenbaum.

The PRESIDING OFFICER. Without objection, it is so ordered.

ROUTINE MORNING BUSINESS

Mr. HATFIELD. Mr. President, I ask unanimous consent that on tomorrow, following the special orders just identified, there be a period for the transaction of routine morning business, not to extend beyond 11 a.m., with Senators permitted to speak therein for not more than 5 minutes each.

The PRESIDING OFFICER. Without objection, it is so ordered.

PROGRAM

Mr. HATFIELD. Mr. President, at 11 a.m. tomorrow, under the provisions of rule XXII, a live quorum will begin, to be immediately followed by a cloture vote on the motion to proceed to S. 1774, the Hobbs Act.

If cloture is invoked, it will be the intention of the majority leader to remain on the motion to proceed for the remainder of Wednesday's session.

If cloture is not invoked, the Senate could turn to any of the following items: S. 1236, technical amendments to the crime bill; S. 2231, Federal Deposit Insurance Act, or its companion bill, H.R. 4551; S. 1923, bankruptcy court judges bill; any Executive Calendar nominations that appear on the calendar; and then resume S. 426, the hydroelectric relicensing bill.

Therefore, rollcall votes can be expected throughout the day on Wednesday.

RECESS UNTIL 10 A.M. TOMORROW

Mr. HATFIELD. Mr. President, I, therefore, ask unanimous consent that the Senate stand in recess in accordance with the previous order.

There being no objection, the Senate, at 7:11 p.m., recessed until tomorrow, Wednesday, April 16, 1986, at 10 a.m.

NOMINATIONS

Executive nominations received by the Senate April 15, 1986:

Department of State

Warren Zimmermann, of Virginia, a career member of the Senior Foreign Service, class of Minister-Counselor, for the rank of Ambassador in his capacity as Chief of the U.S. delegation to the Vienna Conference on Security and Cooperation in Europe Follow-Up Meeting.

Department of Justice

Breckinridge L. Willcox, of Maryland, to be U.S. attorney for the district of Maryland for the term of 4 years vice J. Frederick Motz, resigned.

Merit Systems Protection Board

Daniel R. Levinson, of Virginia, to be a member of the Merit Systems Protection Board for the term of 7 years expiring March 1, 1993, vice Herbert E. Ellingwood.

Daniel R. Levinson, of Virginia, to be chairman of the Merit Systems Protection Board, vice Herbert E. Ellingwood.

CONFIRMATIONS

Executive nominations confirmed by the Senate April 15, 1986:

The Judiciary

Eric G. Bruggink, of Virginia, to be a judge of the U.S. Claims Court for a term of 15 years.

Central Intelligence

Robert M. Gates, of Virginia, to be Deputy Director of Central Intelligence.

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HOUSE OF REPRESENTATIVES—*Tuesday, April 15, 1986*

The House met at 3:30 p.m.

The Reverend Russell Fitts, pastor, Zion Baptist Church, Shelby, NC, offered the following prayer:

Our Father, we recognize that You have told us in Psalms 127:1, "Except the Lord build the house, they labor in vain that build it: except the Lord keep the city, the watchman waketh but in vain." We look to You to help us build and maintain this Nation.

We pray for the women and men of this House. Be with them in their elected duties. Some have sacrificed time and distance from loved ones to enter service here. Be with loved ones at home while we invoke Your direction upon the activities here.

Grant, we pray, our awareness of Your love for all the world and our appreciation of Your goodness. We pray through Jesus our Lord. Amen.

THE JOURNAL

The SPEAKER. The Chair has examined the Journal of the last day's proceedings and announces to the House his approval thereof.

Pursuant to clause 1, rule I, the Journal stands approved.

Mr. SENSENBRENNER. Mr. Speaker, pursuant to clause 1, rule I, I demand a vote on agreeing to the Speaker's approval of the Journal.

The SPEAKER. The question is on the Chair's approval of the Journal.

The question was taken; and the Speaker announced that the ayes appeared to have it.

Mr. SENSENBRENNER. Mr. Speaker, I object to the vote on the ground that a quorum is not present and make the point of order that a quorum is not present.

The SPEAKER. Evidently a quorum is not present.

The Sergeant at Arms will notify absent Members.

The vote was taken by electronic device, and there were—yeas 273, nays 128, answered "present" 1, not voting 31, as follows:

[Roll No. 76]

YEAS—273

Ackerman
Akaka
Alexander
Anderson
Andrews
Annunzio
Anthony
Archer
Aspin
AuCoin
Barnard
Barnes
Bateman
Bates
Bedell
Beilenson
Bennett
Bevill
Biaggi
Boggs
Boland
Boner (TN)
Bonior (MI)
Bonker
Borski
Bosco
Boucher
Boxer
Breaux
Brooks
Broomfield
Brown (CA)
Broyhill
Bruce
Bryant
Burton (CA)
Bustamante
Byron
Callahan
Carper
Carr
Chapman
Chappell
Clinger
Coelho
Coleman (TX)
Collins
Combest
Conyers
Cooper
Craig
Crockett
Daniel
Darden
Daschle
de la Garza
Dellums
Derrick
Dicks
DioGuardi
Dixon
Donnelly
Dorgan (ND)
Dowdy
Downey
Duncan
Durbin
Dwyer
Dymally
Dyson
Early
Eckart (OH)
Eckert (NY)
Edwards (CA)
English
Erdreich
Evans (IL)
Fascell
Fazio
Feighan
Fish
Flippo
Florio
Foley
Ford (MI)
Ford (TN)
Fowler
Frank
Franklin
Frenzel
Frost
Fuqua
Garcia
Gejdenson
Gephardt
Gibbons
Gilman
Glickman
Gonzalez
Gordon
Gradison
Gray (IL)
Gray (PA)
Green
Guarini
Gunderson
Hall (OH)
Hall, Ralph
Hamilton
Hammerschmidt
Hansen
Hatcher
Hawkins
Hayes
Hefner
Heftel
Hertel
Hopkins
Horton
Howard
Hoyer
Hubbard
Huckaby
Hughes
Hutto
Hyde
Jeffords
Jenkins
Johnson
Jones (NC)
Kanjorski
Kaptur
Kasich
Kastenmeier
Kemp
Kennelly
Kildee
Kleczka
Kolter
Kostmayer
LaFalce
Lantos
Leath (TX)
Lehman (CA)
Lehman (FL)
Leland
Levin (MI)
Levine (CA)
Lipinski
Livingston
Luken
Manton
Markey
Martinez
Matsui
Mavroules
Mazzoli
McCloskey
McCollum
McCurdy
McDade
McEwen
McHugh
McKinney
McMillan
Mica
Mikulski
Miller (CA)
Miller (WA)
Mineta
Moakley
Mollohan
Montgomery
Moody
Moore
Morrison (WA)
Mrazek
Murphy
Myers
Natcher
Neal
Nelson
Nowak
Oakar
Oberstar
Obey
Olin
Owens
Packard
Panetta
Pease
Pepper
Perkins
Petri
Pickle
Porter
Price
Pursell
Quillen
Rahall
Rangel
Ray
Regula
Reid
Richardson
Rinaldo
Ritter
Robinson
Rodino
Roe
Rose
Rostenkowski
Rowland (GA)
Roybal
Rudd
Russo
Sabo
Scheuer
Schulze
Schumer
Sharp
Shelby
Shumway
Sisisky
Skelton
Slattery
Smith (FL)
Smith (IA)
Smith (NE)
Smith (NJ)
Snyder
Solarz
Spratt
St Germain
Staggers
Stallings
Stark
Stenholm
Stokes
Stratton
Studds
Sweeney
Swift
Synar
Tauke
Tauzin
Thomas (GA)
Torres
Torricelli
Traficant
Traxler
Udall
Valentine
Vento
Visclosky
Volkmer
Walgren
Waxman
Weaver
Weiss
Wheat
Whitley
Whitten
Wilson
Wirth
Wise
Wolpe
Wortley
Wyden
Wylie
Yates
Yatron
Young (MO)

NAYS—128

Armey
Badham
Bartlett
Barton
Bentley
Bereuter
Bilirakis
Bliley
Boehlert
Boulter
Brown (CO)
Burton (IN)
Campbell
Carney
Chandler
Chappie
Cheney
Clay
Coats
Cobey
Coble
Coleman (MO)
Conte
Coughlin
Courter
Crane
Dannemeyer
Daub
DeLay
DeWine
Dickinson
Dornan (CA)
Dreier
Edwards (OK)
Emerson
Evans (IA)
Fawell
Fiedler
Gallo
Gekas
Gingrich
Goodling
Gregg
Hartnett
Hendon
Henry
Hiler
Ireland
Jacobs
Jones (OK)
Kindness
Kolbe
Kramer
Lagomarsino
Latta
Leach (IA)
Lent
Lewis (CA)
Lewis (FL)
Lightfoot
Lloyd
Lowery (CA)
Lowry (WA)
Lungren
Mack
MacKay
Madigan
Marlenee
Martin (IL)
Martin (NY)
McCain
McCandless
McGrath
McKernan
Meyers
Michel
Miller (OH)
Mitchell
Molinari
Monson
Moorhead
Nielson
Oxley
Parris
Pashayan
Penny
Ridge
Roberts
Roemer
Rogers
Roth
Roukema
Rowland (CT)
Saxton
Schaefer
Schneider
Schroeder
Schuette
Sensenbrenner
Shaw
Shuster
Sikorski
Siljander
Skeen
Slaughter
Smith, Denny (OR)
Smith, Robert (NH)
Smith, Robert (OR)
Snowe
Solomon
Spence
Stangeland
Strang
Stump
Sundquist
Swindall
Taylor
Thomas (CA)
Vander Jagt
Vucanovich
Walker
Watkins
Whitehurst
Whittaker
Wolf
Young (AK)
Young (FL)
Zschau

ANSWERED "PRESENT"—1

Ortiz

NOT VOTING—31

Applegate
Atkins
Berman
Coyne
Davis
Dingell
Edgar
Fields
Foglietta
Gaydos
Grotberg
Hillis
Holt
Hunter
Jones (TN)
Loeffler
Long
Lott
Lujan
Lundine
Morrison (CT)
Murtha
Nichols
O'Brien
Savage
Seiberling
Tallon
Towns
Weber
Williams
Wright

☐ 1540

Mr. SIKORSKI changed his vote from "yea" to "nay."

So the Journal was approved.

The result of the vote was announced as above recorded.

ANNOUNCEMENT BY THE SPEAKER

The SPEAKER. The Doorkeepers will maintain order in the gallery.

FURTHER ANNOUNCEMENTS BY THE SPEAKER

The SPEAKER. May the Chair explain what the schedule of the day will be.

First of all, the Chair will recognize the gentleman from North Carolina [Mr. Broyhill] for a 1-minute speech.

☐ This symbol represents the time of day during the House proceedings, e.g., ☐ 1407 is 2:07 p.m.

Matter set in this typeface indicates words inserted or appended, rather than spoken, by a Member of the House on the floor.

Then the call of the Private Calendar.

Then under previous agreement, there will be 15 minutes on each side, Democratic side and Republican side, for 1-minute speeches. We will cut off recognition at the end of 30 minutes.

The House will then take up the rule and hope, after the completion of the rule, that there will be 1 hour of general debate on the Contra joint resolution.

It is the Chair's understanding that there is a briefing for the House at 7 o'clock tonight on the Libya situation. My understanding is that it will be at 7 o'clock, and if not, we would have to make other plans, but I hope we will be able to complete the rule.

☐ 1555

All Members wearing yellow badges should be advised that they are inappropriate under the rules of the House.

MESSAGE FROM THE SENATE

A message from the Senate by Mr. Hallen, one of its clerks, announced that the Senate agreed to the following resolution:

S. Res. 382

Resolved, That the Senate has heard with profound sorrow the announcement of the death of the Honorable Joseph P. Addabbo, late a Representative from the State of New York.

Resolved, That the Secretary communicate these resolutions to the House of Representatives and transmit an enrolled copy thereof to the family of the deceased.

Resolved, That when the Senate recesses today, it recess as a further mark of respect to the memory of the deceased Representative.

The message also announced that the Senate had passed with amendments in which the concurrence of the House is requested a bill of the House following title:

H.R. 3570. An act to amend title 28, United States Code, to reform and improve the Federal justices and judges survivors' annuities program, and for other purposes.

The message also announced that the Senate had passed a bill of the following title, in which the concurrence of the House is requested:

S. 290. An act for the relief of Catherine and Robert Fossez.

THE REVEREND RUSSELL FITTS

(Mr. BROYHILL asked and was given permission to address the House for 1 minute.)

Mr. BROYHILL. Mr. Speaker, it is a great privilege for me to welcome to the House of Representatives the Reverend Russell Fitts, pastor of Zion Baptist Church in Shelby, NC. Reverend Fitts was born and raised in Siler City, NC, was a high school classmate of our colleague, Congressman Charlie Whitley, educated at Morris Hill College, Furman University, and Southern Baptist Seminary in Louisville, KY. His education being interrupted in World War II with service in the 82d Airborne.

My congressional district doesn't have any major metropolitan areas, just lots of small cities and towns where people get to know their neighbors, and the townsfolk really try to put something back into their communities.

Reverend Fitts, and his wife Mary, are people like that. During their 23 years in Cleveland County, and 8 years at Zion Baptist, they have proven time and again that they are good neighbors, not just to those who belong to their particular church, or share their particular faith, but to anyone in need of a friend.

And I want to thank you, Reverend Fitts, for the message you brought us today. We owe you a debt of gratitude for those comforting words. With the events of last evening still fresh in our minds, and our hearts filled with concern for the future of our country and our world, we need that message of hope; that prayer for wisdom and guidance.

Thank you for honoring us with your presence here today.

I now yield to the Reverend Fitts' former high school classmate, our colleague, Charlie Whitley.

Mr. WHITLEY. I thank the gentleman for yielding, and I want to associate myself with his remarks in welcoming here today the Reverend Russell Fitts.

As the gentleman said, Russell and I were classmates all the way from first grade through high school, and as you can see, after that time Russell went straight; he has been in the ministry: A very outstanding Baptist minister in North Carolina.

I am delighted to call him my friend and we are happy to have him here today.

PRIVATE CALENDAR

The SPEAKER. This is Private Calendar day. The Clerk will call the first individual bill on the Private Calendar.

STEVEN McKENNA

The Clerk called the bill (H.R. 1598) for the relief of Steven McKenna.

Mr. SENSENBRENNER. Mr. Speaker, I ask unanimous consent that the bill be passed over without prejudice.

The SPEAKER. Is there objection to the request of the gentleman from Wisconsin?

There was no objection.

Mr. SENSENBRENNER. Mr. Speaker, I ask unanimous consent to dispense with further proceedings under the call of the Private Calendar.

The SPEAKER. Is there objection to the request of the gentleman from Wisconsin?

There is no objection.

The SPEAKER. This concludes the call of the Private Calendar.

APPOINTMENT OF ADDITIONAL CONFEREES ON S. 1128, CLEAN WATER ACT AMENDMENTS OF 1985

Mr. ROE. Mr. Speaker, I ask unanimous consent that the Speaker be authorized to appoint two additional conferees on the part of the House on the Senate bill (S. 1128) to amend the Clean Water Act, and for other purposes.

The SPEAKER. Is there objection to the request of the gentleman from New Jersey? The Chair hears none, and appoints as additional conferees the gentleman from New Jersey [Mr. Howard] and the gentleman from Pennsylvania [Mr. Shuster].

The Clerk will notify the Senate of the change in conferees.

TERRORISM AND APPEASEMENT

(Mr. LANTOS asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. LANTOS. Mr. Speaker, a generation ago the threat to free and democratic societies came from large-scale conventional military forces under the control of dictators. Today the threat to free and open societies comes from brutal and bloody terrorist attacks controlled by the likes of Qadhafi masquerading as heads of state.

A generation ago the voices of appeasement advised us that if we would only let Hitler take one more little country, his needs would be satisfied and peace would prevail. The voices of appeasement are heard again in Europe and elsewhere—and they are as wrong today as they were decades ago.

I fully support the action of our Commander in Chief. He acted after exhausting all avenues of diplomatic pressure, attempts at persuading our friends to join us in an economic boycott, private and public calls for coordinated action against terrorism.

The critics of our Government's action have an obligation to answer these simple questions: How many more American diplomats will have to be killed while peacefully performing their official duties? How many more 11-year-old American girls waiting at civilian airports will have to be killed while playing with their toys? How many more American grandmothers and infants will have to be blown out of American commercial aircraft before the critics are ready to act?

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Appeasement is not a policy. It is the road to war. Terrorism will not prevail because there are enough of us who have learned the lessons of appeasement and who know that free societies must defend themselves if they wish to survive.

EXPRESSING CONCERN FOR THE MISSING F-111 PILOTS

(Mr. DORNAN of California asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. DORNAN of California. Mr. Speaker, I would like to ask us to pause for one moment to pray for the two families of two young American Air Force pilots, the F-111 crew that is still missing and hopes for their safety grow darker with each passing hour.

One of these young pilots—I am sure they both have young wives and small children waiting for them just outside that air base at Lakenheath in England. One of them is 33 years of age, he is Puerto Rican-American named Fernando L. Ribas-Dominicci. The other one is 31 years of age, Paul F. Lorence.

These are the first two Air Force pilots to be ordered into combat since Vietnam in January 1973 and Laos through August of that year. That is the longest period of peace since Pearl Harbor that Air Force or Army-Air Force crews have not been sent into combat.

I ask you to pray for these men, for the brave Navy pilots; the Navy has seen combat in those years and remember that these select few maintain our way of life and our liberty.

ANNOUNCEMENT BY THE SPEAKER PRO TEMPORE

The SPEAKER pro tempore (Mr. MOAKLEY). The time of the gentleman from California [Mr. DORNAN] has expired.

Members giving 1-minute speeches should pay strict attention to the Chair's warnings because there are only 15 minutes on each side and if speeches run over, it is unfair to others who want to address the House.

SERVICES FOR HON. JOSEPH P. ADDABBO

(Mr. BIAGGI asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. BIAGGI. Mr. Speaker, I have just returned from the funeral service held this morning for our dear and departed friend and colleague Joseph Patrick Addabbo. The service which was attended by more than 50 House Members was held in St. Patrick's Cathedral and was officiated by Cardinal John J. O'Connor. The speaker delivered a most moving eulogy.

Joe Addabbo died this past Thursday night at the age of 61. He served this House of Representatives with unique effectiveness for a total of 26 years. He rose to national prominence as chairman of the Defense Appropriations Subcommittee.

Yet we remember our friend Joe Addabbo, we struggle with our feelings. We are in grief yet we are relieved that Joe is not suffering anymore.

We will remember Joe's sweet nature, his kind and unassuming manner. We will remember a man of unparalled integrity with the highest moral principles and values. Yet he never let the trappings of power to cause him to be removed from his constitutents. He served them for so long and so well that they were part of an extended Addabbo family.

We have lost Joe Addabbo. It is a loss difficult to measure and impossible to reconcile, especially for those of us blessed enough to be his friend. We convey our most sincere condolences to Grace Addabbo and Joe's children Dominic, Diana, and Joseph. We share your loss but hope you will take solace in the fact that his legacy of public service and love of country will endure for years to come.

THE HOUSE MUST HONOR ITS COMMITMENTS

(Mr. COMBEST asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. COMBEST. Mr. Speaker, today is April 15 and millions of citizens across the United States have filed their annual income tax forms. Our tax system is based on the commitment of the majority of American people to honor their civic duty and meet the April 15 deadline.

While considering this remarkable system, I am acutely aware of the fact that April 15 is also the date on which Federal law requires Congress to have completed action on a budget resolution for fiscal year 1987. Unfortunately, this law is being deliberately violated by the House.

Mr. Speaker, our country is struggling with the numerous adverse effects of a $205 billion deficit. Last year we passed the Gramm-Rudman legislation in an effort to ensure that Congress meets it deficit reduction targets. Still, the House Budget Committee has failed to produce a budget and bring it to the floor. There is no valid excuse for failing to comply with the law. We were elected to do our job and set national priorities by enacting a budget.

We are here to represent the people in our congressional districts across the country. Like our taxpaying constituents who have met the April 15 deadline, we must produce a budget resolution that meets the appropriate deficit reduction figure. I urge my colleagues to honor their commitment to the taxpayers of America by reporting a fiscal year 1987 budget resolution without further delay.

ATTACKS ON TERRORIST TARGETS IN LIBYA JUSTIFIED

(Mr. McCLOSKEY asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. McCLOSKEY. Mr. Speaker, the President was more than justified in ordering military attacks on terrorist targets in Libya.

Given Qadhafi's terrorist bent leading up to our actions, it would seem more than even that the administration should press for an allied boycott of Libya.

One of the allies we should start with is the pentagon cancellation of a $7.9 million defense contract to Fiatallia this is crucial, as this firm has 15-percent Libyan ownership.

Why Qadhafi should be reaping profits from a U.S. contract for crawler tractors for the Marines while we urge an economic boycott of Libya by our allies is perplexing, to say the least.

I have introduced legislation to prevent this action, which imperils hundreds of jobs in southern Indiana.

The Congress must urge the Secretary of Defense to suspend this contract.

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THE PRESIDENT STRIKES AT LIBYAN TERRORISM

(Mr. BROOMFIELD asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. BROOMFIELD. Mr. Speaker, I commend the President for his courageous decision to strike back against Libya, a terrorist-supporting state, responsible for the murder in West Berlin of a young Army sergeant from Detroit, after confirming Libya's role in that terrorist action.

Our Government tried to get our allies to agree to nonmilitary options in dealing with Qadhafi. We used public diplomacy to convince him to change his ways. Nothing, however, worked.

Libyan agents went on planning attacks on U.S. military and diplomatic targets.

The President's decision was an act of self-defense, justified under the U.N. charter. Our military operations there were designed to reduce Libya's capability to support and direct terrorism.

While terrorism will not go away, a clear signal was sent. We have raised the cost of Libyan-backed terror.

My heart goes out to the families of those servicemen who were lost. I praise the President for a gutsy decision in defense of our country. He did what he had to do. I believe that all of us in Congress can say, "Well, done, Mr. President."

THE PRESIDENT MADE THE RIGHT DECISION

(Mr. COLEMAN of Texas asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. COLEMAN of Texas. Mr. Speaker, there is clearly sufficient evidence to link Qadhafi and the Libyan Government to terrorist acts against Americans. The President made the right decision, based on Qadhafi's continued support of worldwide terrorism. It was the response we should have made.

We must demonstrate a firm resolve against state-supported terrorism. A military option must be part of the arsenal of our defense against terrorism, to be used, as it was in this case, as a last resort when peaceful measures have failed. We all regret the loss of lives, but our resolve must be firm. The next step needs to be the diplomatic and economic isolation of all nations that sponsor terrorism, not just Libya, and it needs to be a concerted effort in conjunction with our allies.

Today we stand as one nation resolved to end international terrorism. Soon, we must stand as one people worldwide resolved to halt the spread of terrorism.

We cannot expect any short-term relief as a result of this action, and all Americans must know that, in fact, we face a possible escalation. We hope, however, that by raising the costs of terrorism to the nations that sponsor it, in the long term we can end terrorism worldwide.

HONORING WILLIAM SIKKEL

(Mr. SILJANDER asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. SILJANDER. Mr. Speaker, I would like to take this opportunity to recognize the outstanding contributions of Mr. William A. Sikkel to his community and to his Nation.

Following 5 years of outstanding military service, Bill Sikkel settled in Holland, MI, where he married the former Alma Brondyke. Bill and Alma now have two children and four grandchildren.

Americans have a way about them, Mr. Speaker. We're known as people who work our way up from the bottom. Our folk heroes are more likely to have their roots in buckskins than in suede.

Bill Sikkel is one of those Americans.

Born in Paterson, NJ, Bill settled in Holland in 1935, got a job as a punch press operator for the Holland Furnace Co., and began working his way up the ladder. But, when war broke out a few years later, he turned in his lunchbox for a backpack.

In 5 years, Bill fought his way through four campaigns in the South Pacific, went from private first class to major and earned a Bronze Star and three Presidential Citations.

Bill returned to Holland after the war. He and Alma were married in 1944, and back at Holland Furnace, he worked his way up to branch manager.

Bill's business love has always been sales. Throughout his career—from the Holland Furnace Co. through Big Dutchman to Haworth, Inc.—this love has carried him through all 50 States and 56 foreign countries. During this time, he trained more than 1,000 sales people.

When he signed on as Haworth's vice president sales in 1966, company sales were $3 million a year. Today, Haworth brings in $350 million putting it at the forefront of the office systems industry. That translates into unprecedented job opportunities for the people of western Michigan.

But there are many outstanding businessmen in America. The man we are honoring today is much more than that.

Bill served enthusiastically as president and director of the Holland Area Chamber of Commerce. He served as director of the Holland Community Foundation. And, an avid hunter and fisherman, he served with particular enthusiasm as the director of Wildlife Unlimited. At one point, Bill successfully mixed business with pleasure launching the Holland Fishing Derby Program which brought in more tourist and resort business and tied them in to the harbor and fishery industries.

I said several times that Bill Sikkel "served." That is the motivation in Bill's life.

He served his Nation in World War II. He served his community by offering his leaderhip skills to civic activities. And he served his family as a faithful and loving husband, father, and grandfather.

His son Bob is an attorney. He and his wife Connie have two sons. Daughter Linda is a homemaker, married to Gary Speet who is a sales representative for Coutours, Inc., of Holland. The Speets have two daughters.

Bill also serves his faith. A member of the Maple Avenue Christian Reformed Church, he is a loyal supporter of private, Christian education. His son, a graduate of Holland Christian Schools, now serves on the H.C.S. Board of Directors.

In 1984, Bill raised $3 million for a new middle school building. Its offices were completely equipped and furnished by a gift from his own corporation. He also utilized his international experience to raise money for Christian Schools International, headquartered in Grand Rapids.

Hero, leader, and servant. For these qualities and accomplishments and more, I ask you, my colleagues, to join me today in commending William A. Sikkel.

UNITED STATES SENT A MESSAGE TO TERRORISTS WORLDWIDE

(Mr. CHAPMAN asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. CHAPMAN. Mr. Speaker, yesterday America sent a message to terrorists worldwide. We said that we are no longer going to lie down for cowardly killing. We are no longer going to lie down because of fear. We are no longer going to ignore senseless brutal destruction.

Qadhafi is a madman who we can no longer tolerate. We told the world we intend to do what must be done to protect our citizens worldwide.

I applaud the President's decisive, measured response against a mindless mad dog Mu'ammar.

Despite the apparent success of last night's mission, I cannot help but share the disappointment expressed by one of my constituents in east Texas that in bombing the military barracks in Libya, Colonel Qadhafi was not sleeping inside.

It is my sincere hope that the Libyan people—who are not our enemy—rethink the direction their leader is taking them.

I do not underestimate the mindless response and brutality of Qadhafi. We may suffer further attacks, but we nonetheless stand ready to act.

United America will fight terrorism and terrorists wherever they are found.

ARE THEY REALLY "MEDICAL SUPPLIES" OR LIBYAN MILITARY SUPPLIES?

(Mr. RITTER asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. RITTER. Mr. Speaker, yesterday, Americans protesting proposed aid to the Nicaraguan Contras symbolically placed medical supplies on the steps of the U.S. Capitol; crutches, bandages, ointments, and the list goes on.

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These people were not the first to think of sending the Sandinistas medical supplies. The Sandinistas received a shipment a few years ago, and it was marked "medical supplies." However, these "medical supplies" did not immediately reach their destination. Four Libyan planes loaded to capacity ran into trouble and had to land in Brazil. And what did they find? Two dismantled Soviet fighter jets, wire-guided missiles, rifles, machineguns, mortars, bazookas, 90-millimeter cannons, 8 multiple-rocket launchers, 5 tons of bombs, 8 antiaircraft guns, 600 light artillery rockets, and the list goes on. All in all, 84 tons of arms. One of a number of shipments of Libyan military shipments to the Sandinistas. In praise of the Sandinistan efforts, Qadhafi said, "Libyan fighters, arms, and backing to the Nicaraguan people have reached them because they fight with us. They fight America on its own ground."

That is why, my colleagues, he gave $400 million to the Sandinistas.

TO THE SHORES OF TRIPOLI—AGAIN

(Mr. SKELTON asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. SKELTON. Mr. Speaker, the military action last night was one of self-defense taken against a sustained, continuous, and ever increasing use of terrorism by Colonel Qadhafi directed against America. For too long, he has viewed Americans as easy pickings for his coldblooded murderers. Targets have included our servicemen, our embassies, diplomats and their children, U.S. businessmen, and American tourists throughout the world. To put an end to this, America went to the shores of Tripoli again.

We wish we didn't have to take this action. We also wish there were no terrorism in the world. Unfortunately, we can't wish terrorism away.

The Government and people of the United Kingdom who cooperated in yesterday's mission should be thanked. They remember the lessons of history and well understand that there can be no security in appeasing dictators. My great regret is that the French Government did not see fit to allow our fighter bombers to overfly French territory. Instead of a flight of 8 hours, our flight crews were forced to fly 14 hours.

If our allies had only joined us, months or years ago, in economic sanctions against Libya, this type of military action might never have been necessary.

This Government has talked long and loud about actions it was going to take in response to terrorism. Action has finally been taken. Now is the time to heed the old adage to "speak softly but carry a big stick."

The American people should be aware that one military strike does not a policy make. The fight against terrorism will require a sustained effort, and the most important component is willpower. The fight against terrorism will not end with last night's strike, but a strong blow in a right cause was finally made.

TAX POLICY

(Mr. SCHULZE asked and was given permission to address the House for 1 minute.)

Mr. SCHULZE. Mr. Speaker, today I am introducing legislation to address both the short-term ill effects of current tax reform proposals and our long-term tax policy and its relationship to the world economy. As America approaches the 21st century, she is facing a greatly altered international trade arena. We must gear our policies, including our tax policy, toward the future.

The business alternative minimum tax will start America moving in that direction. This new minimum tax will bring our tax system into closer harmony with those of our major trading partners, and help level the playing field with foreign competition. It will ensure that corporations pay a substantial and fair share of tax, and will right the wrongs of the huge business tax increases included in the current tax reform proposals.

Today is April 15, Mr. Speaker, a day that is foremost in the minds of American taxpayers. Today our Nation must look toward the future in its tax policy.

I urge my colleagues to join me in supporting a tax policy to solve the ills of tax reform and allow us to be more competitive worldwide.

THE PRESIDENT'S ACTION DESERVES NOT ONLY BIPARTISAN SUPPORT BUT ALSO ALLIES' SUPPORT

(Mr. RICHARDSON asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. RICHARDSON. Mr. Speaker, the President's action on Libya was justified and it deserves our bipartisan support. A good number of our European nation friends, however, have slapped the United States in the face with their lack of cooperation. France and Spain went so far as to prevent us from using their air space. I looked at the definition of "ally" in Webster's dictionary, and it says "one that is associated with another as a helper."

After yesterday, quite frankly, I sometimes wonder. Had the Europeans supported us on economic sanctions, perhaps this course of action might not have been necessary. One cannot simply condemn the Libyans as the EEC did yesterday with rhetoric. I suggest that the Europeans consult among themselves and talk about two words, "alliance" and "NATO."

AIR STRIKE ON LIBYA

(Mr. MOORE asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. MOORE. Mr. Speaker, yesterday the United States delivered a message to Libya's Colonel Qadhafi in the only language he understands. It was firm, clear, and resounding. Time had come for Qadhafi to end his reign of terror. Our warnings had gone unheeded. He had failed to listen to reason. He had shown no signs of changing his relentless pursuit of terror.

In the famous words of Edmund Burke, "All that is necessary for evil to succeed is for good men to do nothing." Last night when the President talked to America about the day's events, he told us, "Today we have done what we had to do. If necessary, we shall do it again." Mr. Speaker, yesterday good men confronted evil and did something.

I would add one final observation. Last night the President praised French authorities for helping us successfully prevent Libya from carrying out a massacre of civilians waiting in line for visas at the American Embassy in France. I trust we can expect similar behavior on their part in the future so American aircraft will be granted access to French air space and safe passage should it be necesssary in the future. France needs to straighten up its act so we can fly right to the target should another mission be necessary.

THE UNITED STATES RESPONDS TO THE TERRORIST THREAT

(Mr. HUBBARD asked and was given permission to address the House for 1 minute.)

Mr. HUBBARD. Mr. Speaker, I support our President regarding our air attacks yesterday in Libya.

We were trying to respond through the only method Col. Mu'ammar Qadhafi understands to the violent terrorist activities ordered and carried out by the world's No. 1 terrorist.

We in the United States appreciate and value human life.

Therefore, we are not happy about, indeed, we're sympathetic with the Libyans, including Colonel Qadhafi, who have lost family members in last night's air strikes.

But, Colonel Qadhafi, you asked for it. You are directly responsible for killing Americans in the Middle East and

in Europe on land, at sea, and in the air. We are fed up with you and your terrorist gangs.

The use of U.S. military power must always be used with great caution. Last night the Libyan terrorists learned that Americans are unwilling any longer to see our people's safety and travels jeopardized by Colonel Qadhafi and his terrorist gangs.

WE SHOULD NOT MINIMIZE THE GRAVITY OF THE SANDINISTA INVASION OF HONDURAS

(Mr. LAGOMARSINO asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. LAGOMARSINO. Mr. Speaker, Honduran concerns about Nicaraguan attacks across its border were well established before 1,500 Nicaraguan soldiers invaded Honduras on March 23. Honduran military intelligence learned of a large buildup of Sandinista troops on the border around March 19 and 20. The Honduran military reportedly was considering air raids against targets in Nicaragua and had six planes loaded with bombs on standby even before the border crossing by the Sandinista soldiers. Reports indicate the bombing raids were cancelled because the Hondurans were concerned that the Nicaraguans might have installed new antiaircraft defenses along the border.

Honduran officials have reacted angrily to reports that the United States pressured Honduras into taking military action against the Snadinistas. Honduran Armed Forces spokesman Maj. Jorge Arguello said that any reports of pressure were "categorically a lie. No one pushed us into anything." Honduran President Azcona said he made his decision to seek United States military aid "without outside or domestic pressures."

I stongly believe it would be a mistake to minimize the gravity of the Sandinista invasion of Honduras.

HOUR OF MEETING ON TOMORROW, APRIL 16, 1986

Mr. PICKLE. Mr. Speaker, I ask unanimous consent that when the House adjourns today, it adjourn to meet at 11 a.m. tomorrow, April 16, 1986.

The SPEAKER pro tempore (Mr. MOAKLEY). Is there objection to the request of the gentleman from Texas?

Mrs. MARTIN of Illinois. Mr. Speaker, reserving the right to object, has this been cleared with the minority?

Mr. PICKLE. Yes; it has.

Mrs. MARTIN of Illinois. Mr. Speaker, I withdraw my reservation of objection.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Texas?

There was no objection.

MONEY LAUNDERING PREVENTION ACT OF 1986

Mr. PICKLE asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. PICKLE. Mr. Speaker, today I have introduced the bill, Money Laundering Prevention Act of 1986, along with the gentleman from Pennsylvania [Mr. SCHULZE]. This bill was drafted by the administration with the close consultation of the oversight staff. The bill closes the loopholes in current law which allow money launderers to escape conviction and provides Internal Revenue Service with seizure and forfeiture authority when there are violations of the bank secretary reporting requirements.

Mr. Speaker, this bill is needed. The Federal courts have taken the position that there is inadequate legislative authority to prosecute people who are actively engaged in money laundering operations.

Mr. Schulze and I are going to petition our colleagues, requesting Members to join with us in enacting this much needed legislation.

CONGRESS NEEDS TO PASS A BUDGET RESOLUTION NOW

(Mr. WYLIE asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. WYLIE. Mr. Speaker, today marks the symbolic day for the collection of our national taxes to pay for the feeding frenzy of the Federal Government. Today also marks the day that Congress was expected to take a significant step to curb the voracious appetite of the Government under the Gramm-Rudman legislation passed by this body only a few short months ago.

As millions of Americans meet the April 15 deadline today, Congress ought to be ashamed that we do not have the political courage to meet our own self-imposed deadline to reduce Federal spending.

Why is it important for Congress to get on with the business of deficit reduction? We now have the kind of economic climate many of us have advocated for years: Low inflation, sustained economic growth, declining interest rates, and a dollar moving into a more advantageous position. The Federal Reserve recently lowered the interest rate it directly controls—the discount rate is now at 7 percent—and many forecasters are predicting it will move lower.

Congress needs to complement this action by passing a budget resolution now that meets the Gramm-Rudman deficit target. Millions of first-time home buyers, millions of small businesses, millions of farmers all across America will benefit from the lower interest rates that will ensue from meaningful deficit reduction.

Finally, there is the most dangerous consequence of procrastination of all—the likely erosion of confidence by the financial community, both domestic and international, that the U.S. Congress is serious about cutting the Federal deficits. The result can only be a renewed increase of interest rates—despite recent Federal Reserve discount action—a stronger dollar and a likely delay in the improvement of our trade balance. Working in the limelight of public scrutiny, as we do, we dare not permit the impression that we are wavering in our resolve.

The financial markets expect Congress to act. The good people of this country expect Congress to act. Mr. Speaker, let Congress act. Bring us a budget resolution under an open rule so Congress can work its will and do its part to sustain the present economic expansion.

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WE SHOULD BE PROUD OF THE PRESIDENT'S ACTION

(Mr. SCHEUER asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. SCHEUER. Mr. Speaker, the failure of our European allies, except for England, to join in any kind of collective action against the world's greatest terrorist chief of state was pusillanimous, fainthearted, pitiful, and shameful. The President acted in the only way a Chief of State could react; he did what had to be done.

The act itself, our reprisal, was an excellent military exercise, surgical to the point. If there were any civilian casualities, it is only as a result of Mu'ammar Qadhafi's placing his assassins and his, hiding them under the skirts of women and children, as does his mentor, the PLO chairman.

And the face that our President put on this act to the world in his speech last night was thoughtful, calm, deliberate, much more on sorrow than in anger, and he presented an image that made all Americans proud.

THE DEMOCRATIC STEALTH BUDGET

(Mrs. MARTIN of Illinois asked and was given permission to address the House for 1 minute and to revise and extend her remarks.)

Mrs. MARTIN of Illinois. Mr. Speaker, the Defense Department claims that we have the ability to make a fighter plane that will be an effective offensive weapon, but it will be invulnerable to attack because it will in

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effect be radar invisible. Now I do know that technology exists because the Democrats are using it in their own stealth budget.

Ever since the President released his budget, the Democrats have gone on the offensive, attacking it with glee and vigor across the Nation. They even scheduled a vote on the floor of the House on the President's budget under the guise that they had to vote on that budget before the committee could consider an alternative. That was March 13. The House Budget Committee has not even met since that vote. In the process, the majority party in this House has let the April 15 deadline pass by.

The Democratic stealth budget has its advantages. Since it is invisible, we cannot examine it, discuss it, or criticize it. We could not even agree to it if we wanted to. It is time to take the wraps off the Democrat's stealth budget and begin the process of governing as we were elected to do.

VOTE AGAINST AID TO THE CONTRAS

(Mr. BATES asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. BATES. Mr. Speaker, I rise today to urge my colleagues to vote against the President's proposal for aid to the Contras when it comes before the House for the second time.

More aid to the Contras will not solve our problems with Nicaragua.

The administration says that military pressure is needed if diplomatic initiatives are to succeed. Military pressure in the form of support for the Contras has done nothing to further the diplomatic initiatives.

These Contras who have little support in Nicaragua have achieved little besides encouraging extremists in the Sandinista junta and pushing their country closer to the Soviet Union for military support.

The administration must make clear what sort of a threat they believe Nicaragua is. If the Sandinistas are truly endangering the United States, $100 million to a weak and embattled rebel force will do nothing to stop this threat.

THE AMERICAN PEOPLE DESERVE BETTER

(Mr. BROWN of Colorado asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. BROWN of Colorado. Mr. Speaker, today is the day when this House was supposed to pass a budget. Sadly, we not only have not enacted a budget for the Congress, we did not even act on it in the House of Representatives.

As a matter of fact, the leadership of this House has not even permitted a markup hearing to exist on the budget. What we have is a refusal by the leadership of this House to even allow the markup of a budget. What they have done is decided to hide from the problem. You cannot hide from this problem. It is not going to go away.

What we see here is a decision by the leadership to refuse to let the American people deal with a budget, and an insistence on the part of the leadership of this House that you go ahead with the sequestering provided for under Gramm-Rudman.

Mr. Speaker, that is irresponsible. The American people deserve far better.

SURPRISE, NO SURPRISE

(Mr. TORRICELLI asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. TORRICELLI. Mr. Speaker, last night there were no surprises in Tripoli. From the Libyans, the American Government has found exactly what it expected.

Indeed, the only real surprise, the only real disappointment, is not from an adversary, but from a friend in France, because American pilots had to find uncertain dangers, different dangers, by flying a longer route to the coast of Libya.

So today I rise to apologize, apologize for a French Government that cowers by intimidation and in fear. And I apologize for that French Government to those brave Americans who lie in Normandy and expected more, to those brave Americans who lost their lives in Dien Bien Phu and expected more, to those Americans who sacrificed to rebuild France and expected more. I apologize for all of those who expected more from a free and a proud French people.

Last night was a proud moment for the American people, but it remains a day of shame for France.

TERRORISTS ONLY UNDERSTAND THE LANGUAGE OF FORCE

(Mr. COATS asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. COATS. Mr. Speaker, America's attack against Libya was clearly justified. No nation need sit back idly while a hostile power maims and murders its citizens. In launching these air attacks against Libya, President Reagan has chosen to speak the only language terrorists understand, the language of force.

We must now work to speak this language with a unified voice in the West. The inability of some of our allies, and especially the French, to join with us in defending our shared interests against wanton attacks is most troubling. The administration, with support from this body, should work to bring all our allies aboard for this effort to end state-sponsored terrorism. Those of our allies who decided not to assist us in this effort need to reexamine their decision. It is time to stand up and be counted.

OUR EUROPEAN ALLIES CANNOT HAVE IT BOTH WAYS

(Mr. MRAZEK asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. MRAZEK. Mr. Speaker, when we read in the morning newspaper about a terrorist act, we react with horror. But, imagine the horror if it is our own wife and baby daughter that is blown out of a TWA aircraft to their deaths, or our own son whose arms and legs are blown off in a discotheque in West Germany. When terrorism can be tracked to its source, then we have to take action. No one is sure where this action will lead, but without it the murder of innocent civilians would certainly go on.

Our European allies cannot continue to have it both ways. They cannot continue to expect $100 billion a year for their own security while sanctimoniously chastising the United States of America for at least attempting to confront a terrorist menace that has consumed so many lives of their own citizens.

CONGRESS SHOULD COMPLY WITH THE LAW

(Mr. BOULTER asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. BOULTER. Mr. Speaker, when Congress passes a law, it expects that the law will be obeyed. Today, April 15, is a day for complying with two very important laws.

As many of us will be reminded late this evening, today is the day that Americans file their Federal tax returns. It is the law, and the great majority of Americans comply with it.

Today is also the day that Congress is to have completed action on a budget resolution for fiscal year 1987. Unlike the vast majority of Americans—Congress is not complying with the law today. Congress has not even come close. Unlike the millions of Americans who will put pen to paper late today in order to get the 1040 form completed, the House of Representatives has not started the budget writing process.

Mr. Speaker, it is the Democrat majority that is responsible for this hypocracy—telling the Nation to comply with one law, while this House ignores another. It reminds me of the old saying—do what I say, not what I do.

The Democrat majority on the Budget Committee has delayed any real action on the budget. Do they think the deficit is going to go away on its own?

Well, I, for one, know that it won't. It is time for Congress to follow the example of the American people and comply with the laws by which it is governed.

If taxpayers can pay their taxes on time, then surely we in this body can take timely action to come up with a responsible budget that puts tax dollars to the best possible use.

WE NEED COOPERATION OF ALL NATIONS TO STEM THE THREAT OF TERRORISM

(Mr. HUGHES asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. HUGHES. Mr. Speaker, like most Americans, I stand by President Reagan's decision to bomb key terrorist bases and military facilities in Libya. We cannot permit terrorists like Qadhafi and his kind to intimidate with impunity and without fear of retaliation.

The raid on Libya was calculated to protect the lives of Americans and other citizens of the world community. It is my sincere hope that this military strike was successful in disrupting Libya's terrorist agenda, and that it serves as a deterrent to future terrorist attacks by these cowards, who pride themselves on murdering innocent citizens.

It is time for our allies to stand with us in exerting as much economic, political and diplomatic pressure as possible on Libya and the other peddlers of terrorism. Perhaps if our allies had joined with us for that purpose months ago, yesterday's actions might not have been necessary.

I find it inexcusable that France forced our planes to fly an additional 1,200 miles each way around its borders. We are trying to protect the interests of the entire world, not just the United States. It's going to take the cooperation of all nations to stem the threat of terrorism and return some degree of sanity to our world. I am disappointed with some of our allies and their ostrich-like thinking.

REVISED ORGANIC ACT OF THE VIRGIN ISLANDS

(Mr. de LUGO asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. de LUGO. Mr. Speaker, the legislation I introduce today would correct an unfortunate change in this country's relationship with the U.S. territory that I represent.

The revised Organic Act of the Virgin Islands, enacted in 1954, is the Federal law which establishes the premises of this country's relationship with the territory of the U.S. Virgin Islands. A major component of that act is permanent financial assistance provided to the territory through advanced payment of U.S. excise tax collections on products of the islands. The most significant of these collections are the excise taxes on rum. This tax was imposed on rum entering from the Virgin Islands as a means of equalizing the costs vis-a-vis mainland distillers. From its inception, this equalizing tariff was returned to the territory. There were two prevailing theories for the returns: excise taxes provide an ideal source for meeting the Federal objective of promoting economic development in the territories because they are tied to local production; and Federal taxation of territorial inhabitants suggests taxation without the constitutional minimum of representation, a result which is avoided by returning the assessment to the local government.

The 1984 Tax Act changed this historical economic arrangement. The act increased from $10.50 to $12.50 per proof gallon the excise taxes imposed on distilled spirits, but disallowed the increase to the Virgin Islands for the first time. As is to be expected when the price increases, rum sales diminished. Furthermore, for public policy reasons, alcohol consumption has dropped off somewhat. The dual effect has yielded the Virgin Island a significant loss in revenue. Unlike the Federal Government, the impact has not been mitigated by the excise tax increase.

According to the President's budget, over 5 years the excise taxes returned to the Virgin Islands will fall from $40 million to $25 million. This is hard to accommodate in a territory that, by Federal law, must rely on the funds for many of its capital improvement needs, and which had considered these excise taxes its singlemost reliable resource.

If passed, the increase in excise taxes to be returned to the Virgin Islands in fiscal year 1987 would be just under $5 million. This amount would be generated solely by excise taxes collected on the sale of Virgin Islands produced rum. The revenue would be derived from a source that was never intended as a Federal revenue enhancer, and would be returned to the jurisdiction which Congress had historically recognized as the beneficiary.

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BENTLEY PRAISES STRIKE ON TERRORISM

(Mrs. BENTLEY asked and was given permission to address the House for 1 minute and to revise and extend her remarks.)

Mrs. BENTLEY. Mr. Speaker, our reaction to last night's punitive action must include consideration of the dead in the airports at Rome and Vienna and of the three Maryland dead from the bomb on the TWA plane from 2 weeks ago and another Marylander on a TWA plane last fall. I could go on—the list is endless, the dead from terrorist attacks.

The toast of Robert Goodloe Harper "Millions for defense but not one cent for tribute" was first used in 1798. Several years later that toast became the battle cry of the infant American Republic when it fought the pirates of Tripoli.

For decades, pirates—the terrorists of their day—held Europe at gunpoint. If governments did not pay tribute the Tripoli pirates would disrupt sealanes by sinking ships. The Europeans were afraid; and, counseled caution; 180 years later, the Europeans are still cautioning as yet new Tripoli pirates are attacking travel lanes and committing other acts of barbarism. President Reagan, like Jefferson before him, was forced to protect travel lanes, and to defend against Tripoli pirates.

While the use of force is dangerous, it has been the policy of the new Tripoli pirates for years. A failure to react with force was probably even more dangerous than allowing Qadhafi to go unchallenged. I wish there was a peaceful way to guarantee the safety of our citizens, but I support the President in his necessary use of force.

PERMISSION FOR SUBCOMMITTEE ON PUBLIC BUILDINGS AND GROUNDS OF COMMITTEE ON PUBLIC WORKS AND TRANSPORTATION TO SIT TOMORROW DURING 5-MINUTE RULE

Mr. GRAY of Illinois. Mr. Speaker, I ask unanimous consent that the Subcommittee on Public Buildings and Grounds of the Committee on Public Works and Transportation be permitted to sit tomorrow, April 16, 1986, during the 5-minute rule.

This request has been cleared by the minority.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Illinois?

Mr. SHAW. Reserving the right to object, Mr. Speaker, that is quite correct, it has been cleared, and I withdraw my reservation of objection.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Illinois?

There was no objection.

WAIVING CERTAIN POINTS OF ORDER AGAINST CONSIDERATION OF H.R. 4515, URGENT SUPPLEMENTAL APPROPRIATIONS, FISCAL YEAR 1986, AND PROVIDING FOR CONSIDERATION OF A JOINT RESOLUTION RELATING TO CENTRAL AMERICA

Mr. BONIOR of Michigan. Mr. Speaker, by direction of the Committee on Rules, I call up House Resolution 415 and ask for its immediate consideration.

The Clerk read the resolution, as follows:

H. Res. 415

Resolved, That at any time after the adoption of this resolution the Speaker may, pursuant to clause 1(b) of rule XXIII, declare the House resolved into the Committee of the Whole House on the Senate of the Union for the consideration of a joint resolution relating to Central America pursuant to the International Security and De-

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velopment Cooperation Act of 1985 only containing the text of S.J. Res. 283, and the first reading of the joint resolution shall be dispensed with. After general debate, which shall be confined to the joint resolution and to the amendments made in order by this resolution and which shall continue not to exceed two hours, to be equally divided and controlled by a Member in favor of the joint resolution and a Member opposite thereto, the joint resolution shall be considered as having been read for amendment under the five-minute rule. No amendment to the joint resolution shall be in order except the following amendments, which shall be in order any rule of the House to the contrary notwithstanding, which shall be considered only in the following order, and which shall not be subject to amendment or to a demand for a division of the question in the House or in the Committee of the Whole:

(1) an amendment in the nature of a substitute printed in the Congressional Record of April 14, 1986, by, and if offered by, Representative Hamilton of Indiana, and said amendment shall be debatable for not to exceed two hours, to be equally divided and controlled by Representative Hamilton and a Member opposed thereto;

(2) an amendment, which may be offered only if the amendment designated (1) above has been rejected, printed in the Congressional Record of April 14, 1986, by, and if offered by, Representative McCurdy of Oklahoma, and said amendment shall be debatable for not to exceed two hours, to be equally divided and controlled by Representative McCurdy and a Member opposed thereto; and

(3) an amendment, which may be offered only if the amendment designated (1) above has been rejected, printed in the Congressional Record of April 14, 1986, by, and if offered by, Representative Mrazek of New York, and said amendment shall be debatable for not to exceed two hours, to be equally divided and controlled by Representative Mrazek and a Member opposed thereto. At the conclusion of the consideration of the joint resolution for amendment, there shall be an additional period of general debate on the joint resolution to continue not to exceed thirty minutes, to be equally divided and controlled by a Member in favor of the joint resolution and a Member opposed thereto. At the conclusion of said debate, the Committee shall rise and report the joint resolution to the House with such amendments as may have been adopted, and the previous question shall be considered as ordered on the joint resolution and amendments thereto to final passage without intervening motion except one motion to commit, which may not contain instructions. The engrossment of the joint resolution shall not be messaged to the Senate if the bill (H.R. 4515) making urgent supplemental appropriations for the fiscal year ending September 30, 1986, and for other purposes is passed by the House.

Sec. 2. After the vote on final passage of such joint resolution, all points of order for failure to comply with the provisions of section 302(f) of the Congressional Budget Act of 1974, as amended (Public Law 93-344, as amended by Public Law 99-177), and with the provisions of clause 2(1)(3)(B) of rule XI, are hereby waived against the consideration of the bill (H.R. 4515) making urgent supplemental appropriations for the fiscal year ending September 30, 1986, and for other purposes. During the consideration of the bill, all points of order against the bill for failure to comply wiht the provisions of clauses 2 and 6 of rule XXI are hereby waived. Amendments to strike out the following provisions in the bill shall be considered to have been adopted in the House and in the Committee of the Whole: beginning on page 5, lines 11 through 25; and beginning on page 28, line 19 through page 30, line 16. It shall be in order to consider the following amendments to the bill printed in the Congressional Record of April 14, 1986, by, and if offered by, the Members indicated: the amendment by Representative Hammerschmidt of Arkansas, and all points of order against said amendment for failure to comply with the provisions of clause 2 of rule XXI and section 302(f) of the Congressional Budget Act of 1974, as amended, are hereby waived; an amendment by Representative Schroeder of Colorado, and all points of order against said amendment for failure to comply with the provisions of clause 2 of rule XXI are hereby waived; an amendment by Delegate Fauntroy of the District of Columbia, and all points of order against said amendment for failure to comply with the provisions of clauses 2 and 6 of rule XXI, and clause 7 of rule XVI, are hereby waived; an amendment by Representative Mica of Florida, and all points of order against said amendment for failure to comply with the provisions of clause 2 of rule XXI and clause 7 of rule XVI are hereby waived; an amendment by Representative Fazio of California, and all points of order against said amendment for failure to comply with the provisions of clause 2 of rule XXI are hereby waived; an amendment by Representative Rostenkowski of Illinois, and all points of order against said amendment for failure to comply with the provisions of clause 2 of rule XXI and clause 7 of rule XVI are hereby waived; and an amendment by Representative Bosco of California, and all points of order against said amendment for failure to comply with the provisions of clause 2 of rule XXI and clause 7 of rule XVI are hereby waived. If the joint resolution designated in section one of this resolution and H.R. 4515 are both passed by the House, the enrolling clerk of the House of Representatives shall add the text of such joint resolution as passed by the House, with such technical and conforming changes as may be necessary, to the engrossment of H.R. 4515 as passed by the House, and such joint resolution shall be considered to have been laid on the table.

POINT OF ORDER

Mr. STRATTON. Mr. Speaker, I have a point of order against the rule. I am not exactly sure how to express the situation that I face.

The SPEAKER pro tempore. (Mr. GRAY of Illinois). The gentleman will state his point of order.

Mr. STRATTON. Mr. Speaker, on behalf of the Committee on Armed Services, this Member appeared before the Committee on Rules last week to point out that one of the amendments that the rule that has just been read, the so-called Schroeder-Downey amendment, was legislation that has already been referred by the Parliamentarian to the Committee on Armed Services and has been further referred to the Subcommittee on Procurement and Military Nuclear Systems, which I have the honor of chairing, and that the same amendment that is being put in order in this rule was also referred to the Committee on Foreign Affairs.

The distinguished chairman of the Committee on Rules is in the Chamber. When I testified before the Committee on Rules, the distinguished chariman said: "Do you mean to tell me that the identical legislation that the gentlewoman from Colorado wants to add as an amendment to the supplemental appropriation bill has been referred to the Committee on Armed Services?"

And I said: "Yes, sir."

He said: "Do you mean to tell me that the same piece of legislation that the gentlewoman from Colorado wants to add to the rule already and the supplemental appropriation bill was also referred to the Committee on Foreign Affairs?"

And I said: "Yes, sir."

And the chairman said: "Well, in that case, we will not allow that to be put in the amendment."

This is in the proceedings of the Committee on Rules, and it would seem to me that a pledge on behalf of the chairman of the committee on a matter that was brought to the attention by the Committee on Armed Services should be honored, Mr. Speaker.

The SPEAKER pro tempore. Does any Member desire to be heard on the point of order of the gentleman from New York [Mr. STRATTON]?

Mr. BONIOR of Michigan. What is the point of order, Mr. Speaker?

The SPEAKER pro tempore. The Chair is not quite clear. The gentleman from New York [Mr. STRATTON] has made a point of order against the entire rule. I would ask my dear friend, the gentleman from New York, to be more specific as to what point of order he is making.

Mr. STRATTON. Mr. Speaker, the basic point of order is that you cannot make a piece of legislation that has been referred by the Parliamentarian to two standing committees and have it then, without any discussion in those standing committees, added to the legislation that includes this entire rule.

The SPEAKER pro tempore. Does the gentleman from Michigan [Mr. BONIOR] desire to be heard?

Mr. BONIOR of Michigan. Mr. Speaker, with all due respect to my good friend, the gentleman from New York, who is a distinguished Member of the Committee on Armed Services, he certainly understands and realizes that this is not a point of order that can lie against this rule.

Mr. Speaker, I would ask the Chair to rule.

The SPEAKER pro tempore. Does the gentleman from New York [Mr. STRATTON] desire to be heard further?

Mr. STRATTON. Mr. Speaker, it is a point of order of the credibility of the committee. I do not believe that the

pledge of the chairman of the committee can be overridden by some individual Member.

The SPEAKER pro tempore (Mr. GRAY of Illinois). The Chair is ready to rule.

The Chair would state to the distinguished gentleman from New York [Mr. STRATTON] that the Committee on Rules has the inherent authority to recommend to the House the discharge of any committee from consideration of any matter. The gentleman has the right to express his argument on the merits of the special order during debate or by voting against the rule.

The Chair overrules the gentleman's point of order.

Mr. STRATTON. Mr. Speaker, I would be delighted to exercise that privilege.

The SPEAKER pro tempore. The gentleman from Michigan [Mr. BONIOR] is recognized for 1 hour.

Mr. BONIOR of Michigan. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, House Resolution 415 is a complex and lengthy rule pertaining to two measures. Section 1 provides for consideration of a joint reolution relating to Central America. Section 2 waives certain points of order against the bill H.R. 4515, making urgent supplemental appropriations for fiscal year 1986.

House Resolution 415 provides a modified closed procedure for the consideration of a joint resolution on Central America, containing the text of Senate Joint Resolution 283. The rule provides for 2 hours of general debate, to be confined to the joint resolution and to the amendments made in order.

After general debate is concluded, only three amendments are to be in order under the rule. All points of order against the three amendments are waived and they will not be subject to amendment or to a demand for a division of the question either in the House or in the Committee of the Whole.

The amendments are printed in Monday's CONGRESSIONAL RECORD and are to be considered only in the following order:

First, an amendment in the nature of a substitute to be offered by Representative HAMILTON;

Second, an amendment which may be offered only if the amendment by Mr. HAMILTON is rejected, to be offered by Representative MCCURDY;

And third, an amendment, which may be offered only if the Hamilton amendment is rejected, to be offered by Representative MRAZEK of New York. Each of these amendments will be debatable for not to exceed 2 hours, to be equally divided and controlled by the author and a Member opposed to the amendment.

At the conclusion of consideration of the joint resolution for amendment, there shall be an additional period of general debate. This debate shall not exceed 30 minutes, equally divided and controlled by a Member in favor and a Member opposed.

The rule provides for one motion to commit, which may not contain instructions. The House will then move to a vote on final passage of the joint resolution.

The rule also contains a stipulation that the engrossment of the joint resolution shall not be messaged to the other body if H.R. 4515—the supplemental appropriations bill—is passed by the House.

Section 2 of the rule before the House contains waivers of points of order during the consideration of H.R. 4515, the urgent Supplemental Appropriations Act for fiscal year 1986.

The rules waives section 302(f) of the Congressional Budget Act of 1974 against consideration of the bill. In compliance with section 302(b) of the Budget Act, the Appropriations Committee issued a report subdividing the budget authority allocated to the full committee among its subcommittees. While the budget authority contained in H.R. 4515 would not breach the Appropriations Committee's budget authority allocation, it does violate the allocation made to some of its subcommittees. Section 302(f) of the Budget Act prohibits the consideration of legislation if it violates the Appropriate Committee's subdivision and so the waiver is necessary in order for H.R. 4515 to be considered.

The rule also waives clause 2(L)(3)(B) of rule 11 against consideration of the bill. This provision of the House rules requires each committee to include in its report on any bill a comparison of the spending levels in the bill to the subcommittee budget authority allocations.

The rule waives clauses 2 and 6 of rule XXI against the bill. Clause 2 of rule XXI prohibits the inclusion of legislation and unauthorized appropriations in any general appropriations bill. H.R. 4515 contains a number of such provisions which are outlined in the committee's report on the bill.

Clause 6 prohibits reappropriations in a general appropriations bill. A number of the provisions of the bill contain transfers of funds previously appropriated.

The rule strikes out two provisions of the bill. The first provision pertains to modifications of the Farmland Conservation Reserve Program, established by the 1985 farm bill. The other provision stricken by the rule relates to standards and funds for congressional mailings.

The rule waives points of order to permit consideration of seven amendments. Each of these amendments must be printed in the CONGRESSIONAL RECORD of April 14, 1986, by its author.

Finally, the rule provides that, if both the joint resolution on Central America and the urgent supplemental appropriations bill are passed by the House, the text of the joint resolution is to be added to H.R. 4515, and the joint resolution itself will be laid on the table.

Mr. Speaker, let me summarize briefly the procedural situation made in order by this rule.

First, it will be in order to consider the joint resolution on aid to the Contras. This will contain only the text of Senate Joint Resolution 283, the administration's proposal.

There will be 2 hours of general debate on the joint resolution after which only three amendments may be offered which will be considered in the following order:

First, an amendment in the nature of a substitute by Mr. HAMILTON;

Second, an amendment by Representative MCCURDY, which may be offered only if the Hamilton amendment is defeated;

Third, an amendment by Representative MRAZEK, which also may be offered only if the Hamilton amendment fails.

Each of these amendments will be debated for up to 2 hours. There will be one-half hour more of general debate after the conclusion of deliberation on the amendments and before the vote on final passage.

After consideration of the joint resolution, we will move to consideration of the supplemental appropriations bill. After the final vote on the supplemental, if both the joint resolution and the supplemental pass they will be joined and sent to the other body.

Mr. Speaker, we have before us two measures of utmost importance to this House and Nation. It is fitting, I believe, that we consider them together.

At bottom, what we debate today, and the rest of this week is the issue of our Nation's priorities.

Mr. Speaker, in H.R. 4515, we have urgent supplemental appropriations for the most pressing problems this Nation faces.

Across this Nation, farmers are facing the threat of bankruptcy and ruin. This legislation will restore funds for the Farmers Home Administration to provide housing in our rural areas. It also recommends that the administration use its authority to defer principal and interest payments and provide loans for farmers who are suffering from circumstances beyond their control.

Much of our Nation has been devastated by floods causing hundreds of millions of dollars in property damage, and threatening erosion to valuable farm land. This legislation provides

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emergency flood relief, and for flood control.

The bill provides funds for veterans compensation, and pension benefits. Funds for veterans job training and readjustment counseling.

It provides funds for feeding programs for women, infants and children in this country who otherwise would go without adequate nutrition.

It restores funds for economic development assistance in our Nation's cities and towns. For shelters for our homeless who haunt our Nation's streets.

And it makes available immediate funds to strengthen our Embassies throughout the world against the threat of terrorism. In the midst of the current crisis in Libya, who can deny that we urgently need these funds to protect American lives abroad?

Yet, the President has told us he will veto this bill. And because he wants to veto this bill, he wants us to consider separately the question of providing $100 million in aid to the Contras.

Mr. Speaker, when we vote on this rule today, we must face up to the true cost of the war in Nicaragua. The President has told us that $100 million is a small price to pay, a limited investment in Central America. But he has not told us that the true cost of the war in the last 5 years has totalled over $1 billion.

Will we allow the administration to spend a billion dollars in a war against Nicaragua, while allowing our family farmers to face bankruptcy and ruin?

Will we allow the administration to send $10,000 in additional aid to every single Contra, while women, infants, and children in this country suffer from poor nutrition?

Will we allow the people of this Nation who have paid for a billion dollar war in Central America, watch their own homes and savings of a lifetime be washed away with no hope of financial recovery?

Mr. Speaker, I urge adoption of this rule. The procedure before us is an unusual one, unusual in the extent to which, in this rule, we have bent over backward to provide an opportunity for the administration's position on Contra aid to be presented to the House again.

Three of the relevant committees have already voted their disapproval for the President's Contra request this year. This joint resolution could not reach the floor independently.

By connecting this resolution to the supplemental, we have taken an extraordinary step to ensure Contra aid will be considered on the first possible legislative vehicle.

Mr. Speaker, this is a fair rule. It allows for an opportunity to debate a range of options on our policy in Central America, and it allows this body to face what the President prefers to hide—the true cost to the American people of the Contra war.

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Mr. Speaker, I yield the customary 30 minutes, for purposes of debate only, to the gentleman from Mississippi [Mr. Lott].

Mr. LOTT. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I thank the gentleman for yielding me the customary 30 minutes.

Well, I guess I should say, "Thank you very much," but instead, I will say, "There you go again."

You call this rule fair? I really have to question the truth of an allegation that this is a fair rule. In certainly is not. It is the most convoluted process that goes beyond the bounds of anything I have ever seen from the Rules Committee in the 18 years I have been around here, not to mention the fact that it involves foreign policy that this process is being used.

Now, I know that you might say, "I have heard you say that before, that this process is worse than any I have ever seen before."

Incredibly, they keep getting worse. I wonder where it will end. I really worry about the institution when we have a process devised like this one, which is a very thinly veiled effort to thwart the will of the House.

It is clear that the votes are here now to vote for aid for the Contras in Nicaragua. So realizing that the votes are here in the whole House coming from both sides of the aisle. We have this process that will, at the very least, delay a conclusion for probably a minimum of 30 days if it is coupled to the supplemental appropriation bill, goes across to the Senate, they act, and then it goes to conference. And probably, based on what I see and what I hear about this urgent supplemental appropriation, it will be vetoed in the end anyway. So, a month, or 6 weeks, or 2 months from now we will be back here with no urgent supplemental, assuming it is an urgent supplemental, and of course no aid having reached the Contras, even if the House and the Senate will have voted for it.

I repeat, this goes beyond the bounds of anything I have ever seen before.

Let us talk about the rule. I do not want to repeat everything that the gentleman from Michigan has already said. We know the resolution brings this process to the floor and the time that is allocated, but there are a couple really interesting points that maybe have not been touched on that I would like to talk about.

Mr. Speaker, House Resolution 415 makes in order H.R. 4515, making urgent supplemental appropriations for the fiscal year ending September 30, 1986. This rule provides for the consideration of two measures, a joint resolution relating to Central America and the urgent supplemental. If both the joint resolution and H.R. 4515 pass the House, the Contra aid resolution is automatically included in the supplemental.

The Contra aid resolution is subject to 2 hours of general debate to be equally divided between a proponent and an opponent. It makes in order three amendments which are not subject to amendments: Two hours of debate on an amendment in the nature of a substitute by Representative Hamilton; 2 hours of debate on a McCurdy amendment if the Hamilton substitute is defeated; 2 hours of debate on a Mrazek amendment if the Hamilton substitue is defeated.

An additional 30 minutes of debate is provided at the end of the amendment process, divided equally between a proponent and an opponent. Finally, the rule provides for one motion to commit, without instructions. At the conclusion of the consideration of the Contra aid resolution that House will proceed with the consideration of H.R. 4515, the urgent supplemental appropriations.

Mr. Speaker, the rule waives two points of order against consideration of the bill: section 302(f) of the Congressional Budget Act and clause 2(l)(3)(B) of rule 11. Section 302(f) of the Budget Act prohibits consideration of a bill which exceeds a committee's section 302(b) allocation of budget authority under the most recent budget resolution. Since several Appropriations subcommittees have already exceeded 302(b) allocations, the waiver is necessary to permit consideration of the bill. The Budget Committee chairman has indicated that a majority of the committee members support the waiver.

I think this is a serious violation of Gramm-Rudman that should not be taken lightly.

The rule also waives clauses 2 and 6 of rule 21 which prohibit legislative and unauthorized provisions, and transfers in appropriations bills. In recent times, we have been specifying in rules by page and line numbers which provisions were given protection. In this rule, we don't do that; we simply waive clauses 2 and 6 against the entire bill. The rule leaves it to you to find out just how many legislative provisions are hidden away in here.

To give you some idea of how much is being protected, I call your attention to pages 44-52 of the committee report in which all the legislative provisions and transfers are listed which require these waivers. This comes to 208 of the bill's 838 lines or 25 percent. It is no wonder the rule avoids telling us about all the offensive provisions being protected. We might begin to take offense and accuse the Appropriations Committee of usurping the powers of other committees. But that would hardly be fair.

Most of these authorization provisions have been given a wink and a nod by the authorizing chairmen.

To compound this problem the rule also waives clause 2 against the consideration of seven amendments specified in the rule. These include the following: First, a Schroeder amendment that deals with nuclear testing; second, a Hammerschmidt amendment of dairy indemnity; third, an amendment by Mr. Mica regarding Embassy security; fourth, a Fauntroy amendment on Haiti aid; fifth, a Fazio amendment on sale of Federal power, sixth, an amendment by Mr. Rostenkowski on the hospital regulations; and seventh, a Bosco "Buy American" amendment for oil rigs.

Finally, the rule automatically strikes the sections dealing with conservation reserve programs and congressional mailings.

Mr. Speaker, this urgent supplemental started out as a simple little disaster relief bill and ended up more disaster than relief, with the taxpayer picking up the bill.

Mr. Speaker, the rule before us is one of the most blatantly cynical and transparently political I have seen in all my years, and I'll grant you I've seen some doozies. But I have to hand it to the draftsmen who charted this procedural path—they've managed to come up with the most roundabout route to nowhere one could imagine. But while I might give the drafters of this rule an A for creativity, I would give them an F when it comes to fairness and fundamental decency. This rule is an insult to the House as an institution and the Members individually.

Who is going to be fooled by a rule that says, "yes," you can consider the issue of Contra aid in a separate resoluton; but, when you finish with the supplemental, a clerk will automatically insert that Contra aid language in the supplemental bill?

There you go again!

You might say this process is fair, and I ask is that the truth?

Why no, this convoluted process will delay and be defeated by veto.

And you say defeat the supplemental.

This goes beyond the bounds of anything I've seen.

I can't for the life of me understand how that either keeps faith with commitments made to permit separate consideration of the Contra aid issue or demands made for such a clean vote. It was no secret from the outset that the supplemental was veto bait with all the goodies weighing it down. How could anyone truly interested in getting immediate assistance to the democratic resistance in Nicaragua buy-off on a procedure that will tie such aid to a bill that will be delayed at best and vetoed at worst?

This rule is a little like offering the Pony Express rider a free ride on a train you know is going to be derailed: you ain't really doing him any favors.

And what about the favors that are being done within the Contra aid portion of the rule? Under this rule, if the Hamilton substitute, which denies all aid, is adopted, the ball game is over: there will be no separate votes on McCurdy, Mrazek, of Michel. Whatever happened to the king-of-the mountain approach that we had in last year's supplemental rule? So much for fairness, decency, and civility.

Mr. Speaker, I also want to say a few words about section 201 of the supplemental which purports to take away a good part of the President's deferral authority. I say "purports" because a legal memorandum from the American Law Division of the Congressional Research Service indicates that the actual effect of this provision is to simply eliminate the reporting of deferrals, and not the deferral authority itself.

I can understand the frustration of some of my colleagues over some recent deferrals, and I would agree that some reforms may be in order. But, why, at a time we are trying to meet rigid new deficit reduction requirements, would anyone want to strip the President of the ability to make prudent delays in spending that could ultimately save us billions of dollars? The meat-axe approach taken by section 201 not only contributes to the prospects of a veto, but of higher deficits as well? Is this House that hot to sequester?

Our distinguished Republican leader testified before the Rules Committee against this provision and urged that we take a more deliberate look at the issue in the committees of jurisdiction—Rules and Government Operations. But while the Rules Committee raised a great fuss over the franking rule included in the bill, and took that out in this rule, it let this major deferral repealer stay in with a wink and a nod. It even denied our Republican leader a chance to offer an alternative which would cap policy alternatives at $5 billion a year.

Mr. Speaker, for all these reasons, I urge my colleagues to vote "no" on the previous question so that I can offer a substitute rule which will permanently decouple the Contra aid resolution from the supplemental, guarantee separate votes on the McCurdy and Mrazek amendments and the Michel and Hamilton substitutes in that order, ala king-of-the-mountain, and permit consideration of the Michel deferral alternative in the supplemental.

Mr. Speaker, let us cut the games being played by this rule and adopt a serious substitute that is fair to the Members of this House, fair to the President, fair to the democratic resistance in Nicaragua, and fair to the American people. We're not fooling anyone by this "convoluted process that is designed to self-destruct." Let's face the Contra aid and supplemental appropriations issues involved, fairly, squarely and separately. Vote "no" on the previous question and then "yes" on the substitute rule I will offer. This is the only way to do credit to this House and address the vital international security interests and responsibilities tied to this rule.

Mr. Speaker, I yield 5 minutes to our distinguished minority leader, the gentleman from Illinois [Mr. Michel].

Mr. MICHEL. I thank the gentleman for yielding this time to me.

Mr. Speaker, I rise in opposition to the previous question and to the rule. I wish I could drag out the familiar angry words and phrases to describe the way the majority has acted in rolling this great, bursting barrel of rancid pork onto the floor of the House, but my heart would not be in it. I am sick of complaining about unfairness and my colleagues are sick of hearing it.

The majority has proved once again that old saying about the effect of absolute power. Let me try to put this process in perspective, and before dealing with the Contra-aid issue, let me first comment on the second part of the proposition having to do with the appropriation process.

My colleagues know and I know that the supplemental appropriation is so overbudget, so hung with baubles, bangles, and beads, that it is a wonder it does not fall of its own weight. The administration, the President's senior advisers, would recommend veto of H.R. 4515 in its present form. Accordingly, the administration believes that this bill is a totally inappropriate, ill-advised vehicle for the urgent matter of funding for the Nicaraguan freedom fighters. I will include that communication in my remarks.

The communication is as follows:

STATEMENT OF ADMINISTRATION POLICY, APRIL 15, 1986

H.R. 4515, URGENT SUPPLEMENTAL APPROPRIATIONS, 1986 (WHITTEN, MISSISSIPPI)

The President's senior advisors would recommend veto of H.R. 4515 in its present form. Accordingly, the administration believes that this bill is a totally inappropriate and ill-advised vehicle for the urgent matter of funding for the Nicaraguan Freedom Fighters.

There has not been so much pork seen in one place since the last "Porky Pig" film festival. As the gentleman from Mississippi [Mr. Lott] so ably pointed out, this bill would take away the President's spending deferral authority, thereby providing yet another tool with which to break open the locks of the National Treasury.

The power to defer is one of the essential tools we have to keep spending under control. If my memory serves me correctly, over $100 billion has been saved through the deferral process since 1975 alone. One hundred billion bucks through that process, with

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Congress having overturned only 17 percent of the deferrals submitted by the President.

It is bad enough that the Committee on Rules would allow elimination of the deferral power through ill-considered language on an appropriation bill; it is even worse that the Committee on Rules would not allow any alternatives to the appropriation language to even be considered.

I have an amendment, as the gentleman pointed out, that would retain the deferral power with new limitations. If major changes in the Budget Act are to be considered here, then certainly an amendment of this sort ought to be allowed.

Beyond deferrals and badly written bills, the Members of this body ought to share considerable concern over the integrity of this institution. We are making a mockery of our rules. They are rewritten daily, sometimes hourly, in order to satisfy the political whims of a select few and powerful few around here. If our procedures have no integrity, the House has none; and if the House has none, neither do we.

But these features are not the worst part of the process. No; that prize goes to the way in which the majority leadership has housed the issue of Contra aid in the pork palace. My colleagues know and I know that if we got a clean up-or-down vote on Contra aid, the President's position would prevail.

Bear in mind when we get to this procedure what this rule makes in order. First of all, we are out there standing free with our proposition. We have to take off an amendment by Barnes-Hamilton, beat it down; take on an amendment by McCurdy, beat it down; take on an amendment or substitute by Mrazek, beat it down; and then if we are still standing, we get married up with this monstrous supplemental appropriation bill, and with all the goodies in it and projects for districts and all the rest, and I have to go to every one of my men, plus hopefully a select few over here, to make a majority and say, "Vote down those things which you want just to keep us free-standing up there."

We know, as I said earlier, that appropriation bill is doomed to failure and it is going to be vetoed, and what has been done here by this procedure is kill aid to the Contras. Make no mistake about it. And those of you who join in this doggone cabal are just as guilty of playing a part in that charade.

In doing this, the majority leadership has reached the point of no return on the road to dangerously irresponsible manipulation of foreign policy. The majority leadership has set itself up as an alternative government, frankly, complete with its own foreign policy which it seeks to force upon the President and the people through parliamentary maneuverings.

Genuine opposition to a Presidential proposal is a legitimate part of our democratic process, but when that opposition is afraid to come out in the open and hides behind legislative technicalities, it trivializes debate over foreign policy. The Democratic Party has a great tradition of making tough foreign-policy decisions. Harry Truman did not flinch or hide behind legislative trickery to avoid his duty in aiding Greece. He was criticized, and roundly so, but he did what was right, and he was a great Democrat.

That great Democratic Party tradition is being thrown into the rubbish bin of history by this deplorable piece of cut, slick, aren't-we-clever legislative trickery. To the Democrats who remember the great foreign policy tradition of their party and want to reclaim it, I say join with us in voting down the previous question and defeating this rule. I ask you to give the President a fair chance and give this great institution and, yes, your party, something to be proud of.

Mr. BONIOR of Michigan. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I am somewhat baffled by the intensity of the opposition to this rule, and I will tell my colleagues why. Everyone on that side of the aisle understands that we voted last year to provide a special vote on the Contra aid issue when we voted the so-called $27 million.

The President submitted his request, it came up before the House, and it was defeated. It was defeated. There were no obligations to provide another vehicle. There were no obligations to provide other accelerated procedures. But the Speaker, in fairness to the administration, said on the next vehicle that moves through this House, that will become law—and I disagree with the gentleman from Illinois; he knows that the supplemental is going to become law because there are too many important issues in this thing that the President will not veto—the Speaker said, in all fairness, that he would give the opponents who had alternatives a chance.

Quite frankly, there was a hue and a cry from many on my side of the aisle who said, "Why are you giving them another chance? Let them go through the regular legislative process, the committees, the Committee on Rules, and then to the House floor." But the Speaker said, "Let us be fair."

So we went up to the Committee on Rules and we allow the gentleman from Oklahoma, who has an alternative, we allow the gentleman from Illinois, who has an alternative, and we allow the gentleman from Indiana, who has an alternative, to express their will in this first part of the supplemental.

In addition, we separated out the Contra aid from the supplemental appropriation. We think that is fair, and I think the Members of this body will respond that this rule is a fair one.

The gentleman from Illinois suggests, in the great tradition of the Democratic Party, that we stand with Harry Truman. I would point out to the gentleman from Illinois that when Harry Truman involved himself in the Marshall plan and the containment doctrine, he had the American people with him. You do not have the American people with you on this issue.

The latest polls today that came out in the gentleman's own State, the Chicago Tribune, pointed out by a 2-to-1 majority the American people oppose this administration in aiding militarily the Contras in Nicaragua. And those same findings were found in the New York Times poll.

□ 1710

There is a distinct difference between what Harry Truman did and what you are trying to do here in this bill.

Mr. MICHEL. Harry Truman did not legislate by a public opinion poll.

Mr. BONIOR of Michigan. I ask for regular order, Mr. Speaker.

The SPEAKER pro tempore. The gentleman from Michigan has the time. Does the gentleman from Michigan [Mr. Bonior] yield to the distinguished minority leader?

Mr. LOTT. Mr. Speaker, will the gentleman yield to me on a point he just made a moment ago?

Mr. BONIOR of Michigan. I yield to the gentleman from Mississippi.

Mr. LOTT. I appreciate the gentleman yielding. I would like to make the point that the rule does not make an amendment in order by the gentleman from Illinois [Mr. Michel] not by name. It makes in order a House joint resolution.

Mr. BONIOR of Michigan. The base resolution is the same as that of the gentleman from Illinois.

Mr. LOTT. He was not given an opportunity.

Mr. BONIOR of Michigan. I correct myself. The gentleman's base resolution is the same as the gentleman proposed the last time.

Mr. LOTT. He did not have an opportunity under the rules to offer the Michel amendment. It is a House joint resolution which was put in the Record by a Democrat.

Mr. BONIOR of Michigan. The gentleman had ample opportunity to offer that in the Rules Committee, ample opportunity.

Mr. LOTT. Ample opportunity to what?

Mr. BONIOR of Michigan. To offer the gentleman's position, the bill as passed by the Senate, and the gentleman from Illinois, and the gentleman speaking now had ample opportunity

in the Rules Committee to offer that. They refused to do that.

Mr. LOTT. As a matter of fact, this gentleman came to the Rules Committee in an executive session, whatever that was, and asked to make sure that we were going to have to print it in the Record with the assumption that we would have an opportunity for the gentleman from Illinois [Mr. Michel] to put it in the Record. But when the rule was brought out from the executive committee, fait accomplie, the gentleman from Illinois [Mr. Michel] did not have an opportunity.

Mr. BONIOR of Michigan. If he would like to have had the opportunity, we would like to have had the gentleman express an interest in doing that, and I believe we would have allowed the gentleman to have offered that. He had the opportunity to offer it. He refused to exercise that opportunity.

The SPEAKER pro tempore. The gentleman from Michigan [Mr. Bonior] has 19 minutes remaining, and the gentleman from Mississippi [Mr. Lott] has 15 minutes remaining.

Mr. BONIOR of Michigan. Mr. Speaker, I yield 1 minute to the gentleman from Oklahoma [Mr. McCurdy].

Mr. McCURDY. Mr. Speaker, last month I voted against House Joint Resolution 540 because I did not believe that it sufficiently addressed the concerns of a number of Members on both sides of the aisle who have been working to develop a bipartisan policy with respect to Central America.

Our group was offered the opportunity to propose an alternative to the President's plan following the Easter recess. We will have that opportunity under the resolution reported by the Committee on Rules that is now before the House, and I will support the previous question and vote for the committee rule.

Mr. BONIOR of Michigan. Mr. Speaker, I yield myself such time as I may consume just to clarify one other thing, and then I yield to my friend from California.

Before we passed the rule out of the Rules Committee, the gentleman from Illinois' staff was specifically asked if they wanted the gentleman from Illinois to offer the amendment, and they refused.

Mr. Speaker, I yield 3 minutes to the gentleman from California [Mr. Coelho].

Mr. COELHO. Mr. Speaker, I rise today in support of the rule and the previous question on the rule.

Let's be clear about one thing: The issue in the debate today is not fairness, because this rule is very fair.

It's fair because it provides an opportunity for the House to consider a full range of alternatives for United States policy in Nicaragua.

This rule is fair because it allows the House to vote separately on United States policy in Nicaragua and the supplemental, allowing either of them to go forward if the other is defeated.

So the issue is not fairness. On the contrary, it's this: The Republicans in the White House and in this House want to be able to veto the farm aid in the supplemental. They want to fund the Contras, but not the combines.

The issue is this: The administration wants to terminate the Farmers Home Administration while rushing another hundred million to the billion dollar war in Nicaragua.

The issue is this: The supplemental mandates the Secretary of Agriculture to provide loans at a level to give farmers a fair rate of return.

And it encourages the administration to use its existing authority to defer principal and interest payments at this critical time in Central America—that is, from Minnesota to Texas, and everyplace in between.

Mr. Speaker, it's ironic that today, tax day, the administration is trying to veto the supplemental, thereby vetoing thousands of family farmers across the country.

These are people who struggle every year to pay their fair share in taxes, and who are struggling today for their dignity and their future. Yet, at the same time, the President has no trouble giving $10,000 in taxpayer funds to every single Contra fighting in Nicaragua, whether they're running drugs or not.

In short, this administration's priorities are out of whack, and the American people know it. And it's not just farm aid they're upset about: The supplemental restores funding for housing, education, mass transit, health research, and other vital programs.

It's time for the House to send a message to the administration, and this rule will give us all a chance to express our own budget priorities.

Now, Mr. Speaker, earlier today the President said he needed Contra aid to help him fight Qadhafi. But in his speech last night his justification for military action was that he'd exhausted all methods of diplomacy toward Libya. And he was right.

But of course in Nicaragua, Mr. Reagan refuses to negotiate. So the Libyan comparison is wrong, and the American people understand the President's lack of consistency.

Mr. LOTT. Mr. Speaker, I yield myself such time as I may consume for just a couple of brief points.

First of all, I want to emphasize that the gentleman from Oklahoma [Mr. McCurdy] who may have left the Chamber, did say in the Rules Committee that he definitely thought that the two bills should be separate, that they should not be coupled together. Now he says he will support the rule, even though it clearly is not what he expressed a desire to have when he came before the Rules Committee.

As far as what a staff member said, you know, there you go again. I mean, have we gotten to the point where we do not even give the Republican leader of the House the opportunity to speak for himself?

The information I have is that the staff did not say he did not want to have that opportunity. But you would think on something this important that the Republican leader would have had a chance to say for himself whether or not he would have liked to have had an opportunity to put that amendment in the Record.

Mr. BONIOR of Michigan. Mr. Speaker, will the gentleman yield?

Mr. LOTT. I am glad to yield to the gentleman from Michigan.

Mr. BONIOR of Michigan. If it was so important, why did not the minority leader come himself and ask for it?

Mr. LOTT. He did not think that the process deserved the type of time and credit that he would be responsible for in coming up to the Rules Committee and ask for this to be in order; and because he thought it would be a very matter-of-fact thing that it would be the Michel amendment to be offered or not to be offered under the rule.

Mr. Speaker, I yield 3 minutes to the gentleman from Michigan [Mr. Broomfield].

Mr. BROOMFIELD. Mr. Speaker, at the outset, I want to associate myself with the excellent remarks by the minority leader as well as the minority whip opposing this rule.

Mr. Speaker, this proposed rule, in its present form, should be rejected by the House in light of its bizarre and unjustified treatment of Senate Joint Resolution 283, which would provide assistance to the Nicaraguan freedom fighters.

The joint resolution involves a critical national security and foreign policy issue which should NOT be held hostage in a transparent partisan attempt to "veto proof" H.R. 4515.

That bill is a "Christmas tree" supplemental appropriation which contains a grab bag of provisions, some good and some of highly questionable value.

I believe the House is ready to act with appropriate dispatch on the pressing Contra aid matter. There is no justification for this kind of rule.

It will force the House to purposely slow the progress of Senate Joint Resolution 283 to a snail's pace by retroactively attaching it to H.R. 4515 or alternatively, to defeat that urgent supplemental appropriations bill in order to send the resolution back to the Senate cleanly in the timely fashion which that critical joint resolution deserves.

Members who vote for this rule will be responsible for needlessly forcing a

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Hobson's choice on the House. Unless we defeat H.R. 4515, we will give the Sandinista regime more time to annihilate its democratic opposition before effective aid can be sent to the Freedom Fighters.

Let's face it, the Sandinistas are playing stall ball, and their recent behavior at the latest round of Contadora talks in Panama revealed how insincere they are about bringing genuine and lasting peace to Central America. They flatly rejected a timetable and deadline for concluding negotiations that was proposed by their Central American democratic neighbors. Particularly noteworthy is the fact that this proposal was also endorsed by the Contadora and support group nations.

Oscar Arias, the President-Elect of Costa Rica, hit the nail on the head when he observed that—

> In Panama the true situation was made very clear. Twelve Latin American Foreign Ministers, among them the Foreign Ministers of four Central American countries, supported the prompt signing of the [Contadora draft of September 1984 with agreed-upon modifications] in accordance with international opinion. Only Nicaragua was opposed, thus demonstrating once again that it has neither an interest in, nor the will for, peace in Central America.

And let's not forget the Holy Week incursion by Sandinista forces into Honduras. That was not just another border skirmish. In fact, this was a blatant violation of Honduran sovereignty and a dramatic illustration of Sandinista intentions to continue to subvert and militarily intimidate its democratic neighbors.

I urge the Members to vote no on this pending rule. An issue of this magnitude must be considered strictly on its own merits. Resorting to clever parliamentarian tactics to frustrate the will of the majority is simply not fair.

In short, Mr. Speaker, we deserve a straight up or down vote on this important question. The democratic leadership knows Contra aid would prevail.

Mr. BONIOR of Michigan. Mr. Speaker, I yield 3 minutes to the gentleman from California [Mr. Fazio].

Mr. FAZIO. Mr. Speaker, I regret that I have to break into this discussion of a much more fundamental, important debate on foreign policy to bring up a rather mundane but difficult issue for the House of Representatives to deal with, in fact, for the entire Congress to deal with.

Most of the Members are well aware of the fact that sometime this spring, May or June, we are going to run out of funds to respond to our constituents' mail. We are also going to, in effect, have no funds left for the privilege of using the frank for any purpose.

But I want to underscore it is not simply for legislative newsletters. It is for responding to the burgeoning, increasing amount of mail that we get from our constituents. Yes, we have increased the appropriations on a regular basis, but the incoming mail has been increased by an overwhelming margin. Since 1972, we have had a 1,700-percent increase in our incoming mail while our outgoing franked mail has gone up by only 300 percent. But we need the money to pay the bill.

We recognized that problem last year. It is not a surprise to us, those of us who pay attention to the legislative branch bill.

The Speaker appointed a bipartisan, ad hoc committee of Members who have primary responsibility on this matter from both sides of the aisle, and we had worked out what we thought was the proper approach; funding a supplemental of some $42 million, and at the same time, projecting savings as a result of a variety of reforms recommended by this ad hoc committee to the tune of over $8 million, and through the voluntary restraint of a number of Members cutting back perhaps another $16 million between now and the end of the fiscal year.

These restrictions include the following:

Proviso 1: Amends clause 1 of rule 46 by requiring that first-class mail be sent at the lowest rate practicable. This primarily means using 9-digit zip codes and/or presorting wherever practicable. This proviso also requires that non-time-sensitive mail such as calendars and yearbooks are sent at class 3 or 4 rates;

Proviso 2: Amends clause 2 of rule 46—as of May 1, 1986—to reduce from 6 to 4 the number of districtwide, 3d class, postal-patron mailings;

Proviso 3: Amends clause 3 of rule 46 to require that all mass mailings—500 or more pieces, but not those in response to incoming communications—be submitted to the Franking Commission for an advisory opinion. The purpose here is to get advice on lowest cost method and to provide data on mail volumes;

Proviso 4: A technical correction to clause 4 of the rule;

Proviso 5: A technical correction to clause 5 of the rule;

Proviso 6: For the period of May 1, 1986 through December 31, 1986, a freestanding provision of law, the number of town meeting notices is set at one per address in the congressional district. All additional notices will count against the new limit of four districtwide postal patron mailings, except that notices may be included in regular newsletters without counting against the limitation;

Proviso 7: For the period May 1, 1986, through September 30, 1986—a freestanding provision of law—limits the number of pieces of first-class franked mail not sent in response to an inquiry or request to the total number of addresses in the congressional district.

But it became obvious that this was not going to be an easy matter for us to deal with. Certain individuals indicated they wished to make this a political debate on the floor, and so it is possible to say that in supporting this rule, as I do for a variety of reasons, we will also be rejecting at this time any additional funding for the franking privilege.

I hope that we can continue to work in the bipartisan manner that has brought us to the proposal that was included by the Appropriations Committee in this bill. I hope it will be possible for us to avoid hitting the wall with the Postal Service. I hope we will be responsible and mature and bipartisan, as well as reaching a bicameral solution in solving this problem because it impacts on every one of the Members of this body and the other body, too.

I look forward to having that opportunity sometime in the future. But for today, it appears we do not have the resolve to move forward.

I would simply want to underscore for those concerned about the future that we do not know whether the funds will be available later on. We do not know whether the Postal Service will simply refuse to process our correspondence. We do not know whether we will have to pay this bill in a future fiscal year, or perhaps it will be defined away by some legal opinion.

But the only responsible way is for us to deal with it in the context of this fiscal year's appropriation, and I hope we will have the courage to do so at the proper time. But for now, I urge support for the rule and for the elimination of this provision.

☐ 1725

The SPEAKER pro tempore. The Chair will announce that the gentleman from Michigan [Mr. Bonior] has 11½ minutes remaining, and the gentleman from Mississippi [Mr. Lott] has 11 minutes remaining.

Mr. LOTT. Mr. Speaker, I yield 2 minutes to the gentleman from Arizona [Mr. Stump].

Mr. STUMP. Mr. Speaker, I rise in opposition to the rule on the urgent supplemental appropriations bill.

The rule does not give the Members of the House a fair procedure under which to consider the critical issue of aid to the Nicaraguan democratic resistance. In order for those of us who support the President to prevail, we have to defeat three separate nonamendable amendments. Then, if we win on the substance, the rule requires that the victory be taken away by attaching the Nicaraguan provision to the Urgent Supplemental Appropriations Act. Does this sound like a fair

rule to assist the House in the disposition of its legislative responsibilities?

The rule before us is procedurally rigged so that if the House supports the President's position on Nicaragua, the legislative provisions will only go forward as a rider on a dead bill.

I urge my colleagues to vote to defeat the rule. That is the only way we can get a fair procedure for consideration of the Nicaragua issue.

CALL OF THE HOUSE

Mr. BONIOR of Michigan. Mr. Speaker, I move a call of the House.

A call of the House was ordered.

The call was taken by electronic device, and the following Members responded to their names:

[Roll No. 77]

ANSWERED "PRESENT"—400

Ackerman
Akaka
Alexander
Anderson
Andrews
Annunzio
Anthony
Armey
AuCoin
Badham
Barnard
Bartlett
Barton
Bateman
Bates
Bedell
Bennett
Bentley
Bereuter
Bevill
Biaggi
Bilirakis
Bliley
Boehlert
Boggs
Boland
Boner (TN)
Bonior (MI)
Bonker
Borski
Bosco
Boucher
Boulter
Boxer
Breaux
Brooks
Broomfield
Brown (CA)
Brown (CO)
Broyhill
Bruce
Bryant
Burton (CA)
Burton (IN)
Bustamante
Byron
Callahan
Campbell
Carney
Carper
Carr
Chandler
Chapman
Chappell
Chappie
Cheney
Clay
Clinger
Coats
Cobey
Coble
Coelho
Coleman (MO)
Coleman (TX)
Collins
Combest
Conte
Cooper
Coughlin
Courter
Coyne
Craig
Crane
Crockett
Daniel
Dannemeyer
Darden
Daschle
Daub
de la Garza
DeLay
Dellums
Derrick
DeWine
Dickinson
Dicks
DioGuardi
Dixon
Donnelly
Dorgan (ND)
Dornan (CA)
Dowdy
Dreier
Duncan
Durbin
Dwyer
Dymally
Dyson
Early
Eckart (OH)
Eckert (NY)
Edwards (CA)
Edwards (OK)
Emerson
English
Erdreich
Evans (IA)
Evans (IL)
Fascell
Fawell
Fazio
Feighan
Fiedler
Fields
Fish
Flippo
Florio
Foglietta
Foley
Ford (MI)
Ford (TN)
Fowler
Franklin
Frenzel
Frost
Fuqua
Gallo
Garcia
Gaydos
Gejdenson
Gekas
Gibbons
Gilman
Gingrich
Glickman
Gonzalez
Goodling
Gordon
Gradison
Gray (IL)
Gray (PA)
Green
Gregg
Guarini
Gunderson
Hall (OH)
Hall, Ralph
Hamilton
Hammerschmidt
Hansen
Hartnett
Hatcher
Hawkins
Hayes
Hefner
Heftel
Henry
Hertel
Hiler
Holt
Hopkins
Horton
Howard
Hoyer
Hubbard
Huckaby
Hughes
Hunter
Hutto
Hyde
Ireland
Jacobs
Jeffords
Jenkins
Johnson
Jones (NC)
Jones (OK)
Jones (TN)
Kanjorski
Kaptur
Kasich
Kastenmeier
Kemp
Kennelly
Kildee
Kindness
Kleczka
Kolbe
Kolter
Kostmayer
Kramer
LaFalce
Lagomarsino
Lantos
Latta
Leach (IA)
Leath (TX)
Lehman (CA)
Lehman (FL)
Leland
Lent
Levin (MI)
Levine (CA)
Lewis (CA)
Lewis (FL)
Lightfoot
Lipinski
Livingston
Lloyd
Long
Lott
Lowery (CA)
Lowry (WA)
Luken
Lundine
Lungren
Mack
MacKay
Madigan
Manton
Markey
Marlenee
Martin (IL)
Martin (NY)
Martinez
Matsui
Mavroules
Mazzoli
McCain
McCandless
McCloskey
McCollum
McCurdy
McDade
McEwen
McGrath
McHugh
McKernan
McKinney
McMillan
Meyers
Mica
Michel
Mikulski
Miller (CA)
Miller (OH)
Miller (WA)
Mineta
Mitchell
Moakley
Molinari
Mollohan
Monson
Montgomery
Moody
Moore
Moorhead
Morrison (CT)
Morrison (WA)
Mrazek
Murtha
Myers
Natcher
Neal
Nelson
Nielson
Nowak
Oakar
Oberstar
Obey
Olin
Ortiz
Owens
Oxley
Packard
Panetta
Parris
Pashayan
Pease
Penny
Pepper
Perkins
Petri
Pickle
Porter
Price
Pursell
Quillen
Rahall
Rangel
Ray
Regula
Reid
Richardson
Ridge
Rinaldo
Ritter
Roberts
Robinson
Rodino
Roe
Roemer
Rogers
Rose
Rostenkowski
Roth
Roukema
Rowland (CT)
Rowland (GA)
Roybal
Rudd
Russo
Sabo
Savage
Saxton
Schaefer
Schneider
Schroeder
Schuette
Schulze
Schumer
Seiberling
Sensenbrenner
Sharp
Shaw
Shelby
Shumway
Sikorski
Siljander
Sisisky
Skeen
Skelton
Slattery
Slaughter
Smith (FL)
Smith (IA)
Smith (NE)
Smith (NJ)
Smith, Denny (OR)
Smith, Robert (NH)
Smith, Robert (OR)
Snowe
Snyder
Solarz
Solomon
Spence
Spratt
St Germain
Staggers
Stallings
Stangeland
Stenholm
Stokes
Strang
Stratton
Studds
Stump
Sundquist
Sweeney
Swift
Swindall
Synar
Tauke
Tauzin
Taylor
Thomas (CA)
Thomas (GA)
Torres
Torricelli
Traficant
Traxler
Valentine
Vander Jagt
Vento
Visclosky
Volkmer
Vucanovich
Walgren
Walker
Watkins
Waxman
Weaver
Weber
Weiss
Wheat
Whitley
Whittaker
Whitten
Wirth
Wise
Wolf
Wolpe
Wright
Wyden
Wylie
Yates
Yatron
Young (FL)
Young (MO)
Zschau

☐ 1735

The SPEAKER pro tempore. On this rollcall, 400 Members have recorded their presence by electronic device, a quorum.

Under the rule, further proceedings under the call were dispensed with.

WAIVING CERTAIN POINTS OF ORDER AGAINST CONSIDERATION OF H.R. 4515, URGENT SUPPLEMENTAL APPROPRIATIONS, FISCAL YEAR 1986, AND PROVIDING FOR CONSIDERATION OF A JOINT RESOLUTION RELATING TO CENTRAL AMERICA

The SPEAKER pro tempore. The chair will state that the gentleman from Michigan [Mr. Bonior] has 11½ minutes remaining, and the gentleman from Mississippi [Mr. Lott] has 9½ minutes remaining.

Mr. BONIOR of Michigan. Mr. Speaker, I yield 1 minute to the distinguished gentleman from Texas [Mr. Brooks].

Mr. BROOKS. I thank the gentleman for yielding me this time.

Mr. Speaker, I rise in support of the rule before the House. Adoption of this rule is most important because it will enable this body to take expeditious action to preserve congressional prerogatives by terminating the absolute line item veto that the President has grabbed by abusing the judicially crippled deferral mechanism in the Impoundment Control Act. While I generally oppose allowing legislation in appropriations bills, I support the waiver of points of order against section 201 because I think we have an emergency situation facing us with which we must deal immediately.

Only if Congress takes away the statutory vehicle that the President is abusing will we be able to force him to sit down and work out a new method of equitably allowing Congress and the Executive to share in the Federal spending process. I strongly urge that we adopt this rule so that steps can be taken immediately to begin this negotiating process.

Mr. LOTT. Mr. Speaker, I yield 2 minutes to the gentleman from Texas [Mr. Armey].

Mr. ARMEY. I thank the gentleman for yielding me this time.

Mr. Speaker, I rise today to voice my strong opposition to House Resolution 415. This rule contains just about every element you'd want to avoid if you were looking for a clean rule to govern debate on a bill requesting new spending.

A good rule wouldn't tie the issue of Contra funding to new spending. A good rule wouldn't contain waivers allowing subcommittee or program ceilings to be breached. A good rule would not allow substantive legislative language in an appropriation bill. And finally a good rule would not allow nongermane, legislative amendments and protect them with waivers from points of order.

Mr. Speaker, last week as the Rules Committee considered House Resolution 415, I submitted a letter to the committee, signed by 70 of our colleagues, urging a rule without waivers that would protect substantive legislative language from points of order. Our letter also asked the Rules Committee to refuse to grant a rule until the Appropriations Committee reported out a bill containing no net new spending.

This last point—no net new spending—is the key. We all know how serious the deficit is, and we all know that every new dollar we spend is just an-

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other dollar of debt that we are continually piling on the backs of our children. Does this mean that the Government of the United States cannot initiate any new programs that the Congress deems vital? Not at all.

It simply means that we must embrace the concept of zero sum spending in supplemental appropriation bills. If we need to spend money on a new project, fine, let's do that. But let's take the money from elsewhere in the budget, and not get it from new borrowing or new taxing.

Those of us who signed the letter felt there was ample precedent, even within this supplemental appropriation, to support the concept of zero-sum funding. I personally believe that many items in this spending bill are very important. Recent events in the Mediterranean illustrate the need for the antiterrorism provisions, for instance. And while I disagree with the source of funds for this transfer, I applaud the Appropriation Committee for adopting the concept of zero-sum spending in this instance. There are other examples in this bill where money is transferred from one account to another to reflect changing priorities.

Let me mention two particular points that concern me. Both are legislative in nature, and both would not be in order if this rule did not protect them from points of order.

H.R. 4515 contains legislative language repealing a portion of the Budget and Impoundment Control Act governing the President's power to defer spending. Deferrals are carefully governed under the Budget Act. They are a valuable budgetary tool that have helped us achieve some $65 billion in savings since their creation. A supplemental appropriation bill is not the place to debate and vote on such a major budgetary issue, and I strongly object to waivers in this bill which protect this extraneous legislative provision.

Representative Fazio will also offer an amendment prohibiting any further study or consideration of proposals to privatize Federal power marketing agencies. An urgent supplemental appropriation is no place to make policy. Whether you agree that privatization is a viable alternative or not, everyone agrees that it represents a major policy shift. Clearly such a change in policy cannot be effectively considered in a half-hour debate over the supplemental which is already overloaded with major policy issues. Privatization deserves a thorough and spirited debate, not a gag order.

For the sake of fiscal responsibility and responsible government, I strongly urge my colleagues to defeat this rule.

□ 1750

Mr. LOTT. Mr. Speaker, I do have additional requests for time, but I would like to inquire of the Chair how much time we have remaining on each side.

The SPEAKER pro tempore. The gentleman from Mississippi [Mr. Lott] has 7 minutes remaining and the gentleman from Michigan [Mr. Bonior] has 10 minutes remaining.

Mr. BONIOR of Michigan. Mr. Speaker, I yield 4 minutes to the gentleman from Washington [Mr. Foley], the distinguished majority whip.

Mr. FOLEY. Mr. Speaker, I think it might be useful for us to focus for a bit on what would be the normal course in considering such a matter as the Contra aid issue. The House took action and voted on the issue a month ago, exactly as requested by the administration, but rejected that proposal. The normal course of action to revisit this matter under the circumstances would require the introduction of legislation, its referral to committee, and the holding of hearings. Based upon the previous references to the committees, it would have been referred to four committees of the House of Representatives, three of which reported adversely on it on the last occasion.

Instead of that, Mr. Speaker, there was a commitment made by the Speaker of the House to an extraordinary opportunity, despite all the existing rules of the House and its earlier defeat, to bring this matter up again and to bring it up specifically as an amendment to the supplemental appropriation bill by special rule waiving the necessary points of order.

After the Speaker made this a commitment, I heard no complaints publicly mentioned that this was unfair. Indeed, I believe it was viewed by most Members for what it was, an extraordinary and unusual opportunity to revisit an issue that had already been decided.

Now the rule that comes before the House this afternoon goes even beyond that and allows for separate consideration of the so-called Contra aid issue, separate from the supplemental appropriation, again a matter that benefits those who want to separate out this issue. Yet we hear complaints that it is not precisely as those who favor a particular point of view would like to have the rule structured.

After giving a commitment that the rules and procedures of the House would be bypassed to permit an expedited reconsideration of this issue, within scarcely a month's time, after providing an opportunity for it to be considered under a rule which separates it from the pending business as an amendment, and after offering a way for those who take any position on this issue that they wish to reflect that position, we are told that it is unfair.

I think that the Speaker and the House have been presented by the Committee on Rules with the fairest and most generous opportunity to consider this issue again, and the response of the House should be to recognize that fairness and equity by voting the previous question and adopting the rule. Then may the House decide as it wishes on the underlying issue so important in the consideration of this country's future foreign policy.

Mr. LOTT. Mr. Speaker, I yield 2 minutes to the gentleman from Louisiana [Mr. Roemer].

Mr. ROEMER. Mr. Speaker, I thank the gentleman for yielding me this time.

Mr. Speaker, I could not disagree with my good friend, the gentleman from Washington, Tom Foley, more. The gentleman is a good man and usually right, occasionally wrong; on this issue, I think the gentleman is wrong.

I ask you to vote against the rule, vote against the motion for the previous question. We cannot hide on this issue.

The rule deliberately unites the questions of spending and fiscal policy, the supplemental appropriations bill, with the fundamental issue in American foreign policy today, Central America. What are we willing to risk? What are we willing to stand for? Which friends will we help? That is the issue.

The gentleman from California, Vic Fazio, said it earlier today in the debate, perhaps inadvertently. The gentleman got up in the middle of the debate and, being a good man, the gentleman told it like it was. The gentleman said, "I hate to get in the middle of this fundamental, basic American foreign policy issue about questions on supplemental."

□ 1800

That is what the rule does. We can work our will as a nation and as a body and end up having united on the final vote questions of the supplemental and questions of support to the Contras.

We deserve better than this. Vote against the previous question. Vote against the rule. Remember, as one Member of the House, a colleague of mine, asked me before I spoke today, "Do you think the American people understand the question of the rule?"

No, they do not. But we do. Every man and woman in this House knows what is at stake. Win or lose, right or wrong, keep the issue of the Contras separate. Let us debate it, dissect it, and I hope we stand for something.

And I will say this to my Democrats: I am proud to be a Democrat, but at this moment the party of the donkey is looking an awful lot like the party of the ostrich.

Let us beat the rule.

Mr. LOTT. Mr. Speaker, I yield the balance of our time to the distinguished gentleman from Illinois [Mr. Hyde].

Mr. HYDE. Mr. Speaker, I guess the heavy hitter who is going to end the debate on your side is the distinguished gentleman from Texas [Mr. Wright]. So I am going to listen carefully during his remarks, because he is quoted in the newspaper of April 9, in an address at the National Press Club, and he said:

> Let us be very clear about the real threat in Latin America. Hopelessness, spawned by hunger, illiteracy, disease and debt—that's the real malignancy.

Now, he did not say "that's a real malignancy." He said "that's the real malignancy."

Now, if that is so, I want Mr. Wright to explain, at least to me—and I am an underachiever—why President Carter halted aid to the Sandinista government. If it was hunger, if it was poverty, why did President Carter cut off the millions of dollars that I voted for to assist that country? I will be interested in the gentleman's explanation.

Now, the meanest argument against foreign aid has been made, and that is: We have people at home who need this money, why do you send it overseas?

I have heard that argument for 12 years. And I will tell you, it is tough to sell foreign aid at home.

"Why feed Ethiopians, even though they are hungry? They are way over there. We need better transit and we need food at home." I have heard that argument. It is a mean argument. It is a good one, but it is a mean one. And usually it is made by right-wing reactionaries, not the party of compassion.

Now, in addition, as far as polls are concerned, I will say to my dear friend from Michigan that if Jesus Christ had taken a poll in Jerusalem, he would never have preached the Gospel. You know that and I know that.

Now, we are actors in a farce today, unwilling and unwitting, but this script was written by the Rules Committee, produced by the Democratic leadership. And "farce" is really too mild a word. "Fraud" would be more descriptive, because it pretends to give us a second bite at the apple, a vote on Contra aid, but it weighs it down with a millstone that is of grotesque proportions. We are going to vote on a sensitive life and death issue and combine it with a wild spending bill.

Now, I have no quarrel with that. I agree with Mr. Foley, we had our opportunity, we had a free-standing vote, and we blew it. Sixteen of our people, five of them ranking Members, did not vote with the President. They voted with you.

Now, some of the conservative Democrats may feel a little cynical. They may feel they have been had because they put their flowers at the altar of the Democratic leadership, thinking they would get another crack at it, but they are not going to get another crack at it. They find themselves standing on two stools, the freedom fighters and the Democratic leadership, and they are going to soon learn what a political hernia feels like.

What you are doing, your party of compassion, is trivializing an issue of life and death. And this is a form of blackmail. You are saying, "Mr. Reagan, if you want your $100 million, it is going to cost you $1.7 billion." that is the trade-off. And you want to know if we will become accessories.

Now, seriously, ladies and gentlemen, can we inject a little candor into this debate, a little intellectual honesty? When you Democrats wheel out your heavy hitters to close the debate, spare us the sermonizing about voting your conscience. Spare us that. Because while those words were resounding through this Chamber, there was a line of Democrats at the doctor's office trying to get their shoulders put back in the socket. You know that and I know that. In fact, your whip call, when it went out on the last vote, it did not say, "Vote your conscience," it said, "The Democratic leadership wants a no vote."

So spare us the conscience bit.

And, then, No. 2, spare us any banalities about partisanship stops at the water's edge. Can we skip that this time around? I would appreciate it.

I hope I have the time to discuss Mr. Foley's op-ed piece today, because the substance of it is twofold: The Contras cannot win. Thank God he was not Washington's military adviser at Valley Forge. He would have said, "Hey, those guys have no shoes, they can't win." And then he referred to what is going on in Nicaragua as our proxy war. It is not too tough to understand, I should think, that these are Nicaraguans we are helping. They are not invading their own country. The proxies are on the other side—Bulgarians, North Koreans, Libyans, East Germans, Cubans, Russians. Those are the proxies. And that country is an occupied country.

We wish to help Nicaraguans fight Nicaraguans to recover their freedom.

There are two sides, the Communist side and the free side.

And let me close with a quote from a Nicaraguan. Let me just read this to you. This is from testimony from Bernard Aaronson, a very nice liberal Democrat, and he is quoting to us what a Nicaraguan opposition leader said inside the country:

> You have the strength, the opportunity, but not the will. We want to struggle, but it is dangerous to have friends like you. It is dangerous to be stuck on the landing beaches of the Bay of Pigs. Either help us or leave us alone.

I want to help.

Mr. BONIOR of Michigan. Mr. Speaker, before I yield to my distinguished leader, I yield myself such time as I may consume so that I may respond to my friend, the gentleman from Illinois.

He has accused us of trivializing a policy of life or death. I would respond to my friend that the Nicaraguan people have lost 50,000 of their precious young during the revolution. They lost 12,000 already in this war. That is 62,000 young men who will never know an education, never know a decent living, will never fall in love, never get married, will never grow old in peace.

If you were to take 62,000 of that number and spread that proportionately across this country, with our numbers—that is a country of 2.5 to 3 million people, we are a country of 230 million people—you are talking roughly 5 million Americans.

We have 57,000 Americans on that wall near the Lincoln Memorial. You could stretch that wall up to the Capitol and back down again. So we do not trivialize life and death in this war. We think it is serious.

Mr. Speaker, I yield the remaining time on this side to my colleague, the gentleman from Texas [Mr. Wright].

The SPEAKER pro tempore. The distinguished majority leader is recognized for 5½ minutes.

Mr. WRIGHT. Mr. Speaker, I rise in support of this rule.

I am sorry that the debate has degenerated into an attempt to discredit the Speaker and the leadership of the House on the basis of a rule which is, on its face, patently and eminently fair.

What is a fair rule? A fair rule, by definition, is one which allows the will of the majority of the Members to prevail. That is the purpose of the rules of this House. They exist to guarantee that a majority will not be tyrannized by a minority and that a minority will not be taken advantage of by a majority.

Those who have attempted to make a case that this is an unfair rule do so simply on the ground, as I understand it, that it does not treat the question of Contra aid as a separate matter entirely without any amendments.

But, my colleagues, that is exactly what we did less than 1 month ago. We gave a full and ample opportunity for debate without any amendment whatever and an up and down vote. It did not prevail. The House was under no moral or ethical or legal obligation to give a second opportunity.

I was present in the room when the Speaker agreed with a number of Members that there were Members who wanted an opportunity to have

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some modification, something in between the all or nothing positions. And quite reasonably and quite fairly the Speaker said, "On the 15th day of April that opportunity will be given, and anybody who has a serious amendment to offer to modify, alter or change will have that opportunity as a part of the supplemental appropriation bill."

That agreement was made almost a month ago, and that agreement is being kept.

I would like for us to reflect that this is the most expeditious way in which the President's position could be given a second chance. There is not any other manner, save by a rule of this type and as an amendment to this bill by which it could be offered without first having to go to committees, be subject to hearings, be subject to amendments.

Now, it is offered as a reasonable proposition that it is not a fair rule because, in order to prevail, those in favor of the Michel approach are going to have to defeat three amendments. Well, how does that differ from any other proposition that comes to this House floor? Any proposition that comes to the House floor, in order to prevail in its raw form, must have a majority who will reject amendments. So it is not any different. It is a fair rule, it is an expeditious rule.

And I want to say, in the last instance, it is a logical rule.

What is this? It is an appropriation, is it not? Does it not belong to be considered as part of a supplemental appropriations bill? Is that not the very purpose of a supplemental appropriations bill, in order that we might consider in concert a number of important matters, urgent supplemental matters, dignified by their urgency and the importance of each of those matters to our country.

Now, it is suggested that we trivialize the question of the Contra aid by considering it in concert with other matters. Now, I just want to ask: Do we truly trivialize it when we consider it in concert with such questions as security from terrorism?

Only a few weeks ago the House voted for a bill that would strengthen the security of our Embassies all over the world so that they do not have to be vulnerable to the kind of madmen who hurdle through space intent upon blowing themselves up and doing so in the process of killing American citizens. Is that trivial? Does that not deserve to be considered also in the same context?

We are carrying that out in an expeditious fashion. Surely the events of last evening demonstrate the importance of that matter.

Finally, I want us to recognize that this is the only manner in which we can properly preserve the constitutional balance between the executive and legislative branch. Due to a juxtaposition of deferrals and rescissions and the change exerted by the judicial branch of Government in our carefully crafted Anti-Impoundment Act, the only way we have to prevent the President's asserting, in effect, a line-item veto forbidden in our Constitution is to have the opportunity to present a rejection of the deferrals.

Now, we have already asserted the will of the majority on each of these items. Low-income housing, is that not important? Housing for the elderly and the handicapped, is that trivial?

We have already asserted the will of this House on a strategic petroleum reserve. And surely if it is appropriate ever, it ought to be appropriate at this time, when the price of petroleum is cheap, to fill up the reserve and reduce our vulnerability to Middle Eastern sources of oil. Is that trivial?

I suggest that it is a matter of important national security and must be considered.

☐ 1815

This is the only way we ever will have an opportunity to present these matters which we already have supported by a clear majority in the House and the Senate to require the President to expend the funds that we have appropriated, and that is by incorporating them in this supplemental bill.

Let me suggest one other thought. Surely the plight of the American farmers is anything but trivial. Is it unimportant that we protect our efforts to address that plight, and to preserve the American family farmer from the foreclosures that are greater this year than any year since the midst of the Great Depression, is that trivial? This is our opportunity to do it.

Veterans' compensation programs are protected in this bill. I do not think any man or woman in his rightful mind would consider our responsibility to those who have sacrificed their wholeness in defense of our country as trivial.

So the other matters contained in this bill, too, are matters of extreme importance.

Finally, I just want to suggest to my very dear friend, the gentleman from Illinois [Mr. HYDE], who is also delightful and whom I revere and respect, that there is contained in this bill a very important element for the protection of the rights of the unborn, the women's, infants' and children's feeding program, and unless this bill passes, that program will be trivialized by an administration that seems not to understand the needs of those people.

The **SPEAKER** pro tempore. The time of the gentleman from Texas has expired.

(By unanimous consent, Mr. WRIGHT was allowed to proceed for 30 additional seconds.)

Mr. **WRIGHT**. Mr. Speaker, I thank the gentleman, and I did not realize that my time was otherwise expired. Let me just simply say that it is truly an important matter that we protect the rights of the unborn generations yet to come by providing adequate nutrition for poor, pregnant mothers. All of these things are important.

We give to each an opportunity to go up or down by the will of the majority of the Members of this House under this rule. For that reason, it is a fair rule and I ask all of you to support it.

The **SPEAKER** pro tempore. All time has expired.

Mr. **BONIOR** of Michigan. Mr. Speaker, I move the previous question on the resolution.

The **SPEAKER** pro tempore. The question is on ordering the previous question.

The question was taken; and the Speaker pro tempore announced that the noes appeared to have it.

Mr. **BONIOR** of Michigan. Mr. Speaker, on that I demand the yeas and nays.

The yeas and nays were ordered.

The vote was taken by electronic device, and there were—yeas 221, nays 202, not voting 10, as follows:

[Roll No. 78]

YEAS—221

Ackerman
Akaka
Alexander
Anderson
Andrews
Annunzio
Anthony
Applegate
Aspin
Atkins
AuCoin
Barnes
Bates
Bedell
Beilenson
Berman
Bevill
Biaggi
Boggs
Boland
Boner (TN)
Bonior (MI)
Bonker
Borski
Bosco
Boucher
Boxer
Brooks
Brown (CA)
Bruce
Bryant
Burton (CA)
Bustamante
Carper
Carr
Chapman
Chappell
Clay
Coelho
Coleman (TX)
Collins
Cooper
Coyne
Crockett
Daschle
Dellums
Derrick
Dicks
Dingell
Dixon
Donnelly
Dorgan (ND)
Dowdy
Downey
Durbin
Dwyer
Dymally
Early
Eckart (OH)
Edwards (CA)
English
Evans (IL)
Fazio
Feighan
Florio
Foglietta
Foley
Ford (MI)
Ford (TN)
Fowler
Frank
Frost
Fuqua
Garcia
Gaydos
Gejdenson
Gephardt
Gibbons
Glickman
Gonzalez
Gordon
Gray (IL)
Gray (PA)
Guarini
Hall (OH)
Hamilton
Hatcher
Hawkins
Hayes
Hefner
Heftel
Hertel
Howard
Hoyer
Huckaby
Hughes
Jacobs
Jones (NC)
Jones (OK)
Jones (TN)
Kanjorski
Kaptur
Kastenmeier
Kennelly
Kildee
Kleczka
Kolter
Kostmayer
LaFalce
Lantos
Lehman (CA)
Lehman (FL)
Leland
Levin (MI)
Levine (CA)
Lipinski
Long
Lowry (WA)
Luken
Lundine
MacKay
Manton
Markey
Martinez
Matsui
Mavroules
Mazzoli
McCloskey
McCurdy
McHugh
Mica
Mikulski
Miller (CA)
Mineta
Mitchell
Moakley
Mollohan
Montgomery
Moody
Morrison (CT)
Mrazek

Murphy
Murtha
Natcher
Neal
Nelson
Nowak
Oakar
Oberstar
Obey
Olin
Ortiz
Owens
Panetta
Pease
Penny
Pepper
Perkins
Pickle
Porter
Price
Rahall
Rangel
Ray
Reid
Richardson
Rodino
Roe
Rose
Rostenkowski
Roybal
Russo
Sabo
Savage
Scheuer
Schroeder
Schumer
Seiberling
Sharp
Sikorski
Sisisky
Skelton
Slattery
Smith (FL)
Smith (IA)
Solarz
Spratt
St Germain
Staggers
Stark
Stokes
Studds
Swift
Synar
Torres
Torricelli
Traficant
Traxler
Udall
Valentine
Vento
Visclosky
Volkmer
Walgren
Watkins
Waxman
Weaver
Weiss
Wheat
Whitley
Whitten
Williams
Wilson
Wirth
Wise
Wolpe
Wright
Wyden
Yates
Yatron
Young (MO)

NAYS—202

Archer
Armey
Badham
Barnard
Bartlett
Barton
Bateman
Bennett
Bentley
Bereuter
Bilirakis
Bliley
Boehlert
Boulter
Breaux
Broomfield
Brown (CO)
Broyhill
Burton (IN)
Byron
Callahan
Campbell
Carney
Chandler
Chappie
Cheney
Clinger
Coats
Cobey
Coble
Coleman (MO)
Combest
Conte
Conyers
Coughlin
Courter
Craig
Crane
Daniel
Dannemeyer
Darden
Daub
de la Garza
DeLay
DeWine
Dickinson
DioGuardi
Dornan (CA)
Dreier
Duncan
Dyson
Eckert (NY)
Edwards (OK)
Emerson
Erdreich
Evans (IA)
Fascell
Fawell
Fiedler
Fields
Fish
Flippo
Franklin
Frenzel
Gallo
Gekas
Gilman
Gingrich
Goodling
Gradison
Green
Gregg
Gunderson
Hall, Ralph
Hammerschmidt
Hansen
Hartnett
Hendon
Henry
Hiler
Holt
Hopkins
Horton
Hubbard
Hunter
Hutto
Hyde
Ireland
Jeffords
Jenkins
Johnson
Kasich
Kemp
Kindness
Kolbe
Kramer
Lagomarsino
Latta
Leach (IA)
Leath (TX)
Lent
Lewis (CA)
Lewis (FL)
Lightfoot
Livingston
Lloyd
Lott
Lowery (CA)
Lungren
Mack
Madigan
Marlenee
Martin (IL)
Martin (NY)
McCain
McCandless
McCollum
McDade
McEwen
McGrath
McKernan
McKinney
McMillan
Meyers
Michel
Miller (OH)
Miller (WA)
Molinari
Monson
Moore
Moorhead
Morrison (WA)
Myers
Nielson
Oxley
Packard
Parris
Pashayan
Petri
Pursell
Quillen
Regula
Ridge
Rinaldo
Ritter
Roberts
Robinson
Roemer
Rogers
Roth
Roukema
Rowland (CT)
Rowland (GA)
Rudd
Saxton
Schaefer
Schneider
Schuette
Schulze
Sensenbrenner
Shaw
Shelby
Shumway
Shuster
Siljander
Skeen
Slaughter
Smith (NE)
Smith (NJ)
Smith, Denny (OR)
Smith, Robert (NH)
Smith, Robert (OR)
Snowe
Snyder
Solomon
Spence
Stallings
Stangeland
Stenholm
Strang
Stratton
Stump
Sundquist
Sweeney
Swindall
Tauke
Tauzin
Taylor
Thomas (CA)
Thomas (GA)
Vander Jagt
Vucanovich
Walker
Weber
Whitehurst
Whittaker
Wolf
Wortley
Wylie
Young (AK)
Young (FL)
Zschau

NOT VOTING—10

Davis
Edgar
Grotberg
Hillis
Loeffler
Lujan
Nichols
O'Brien
Tallon
Towns

☐ 1830

Mr. **BEVILL** changed his vote from "nay" to "yea."

So the previous question was ordered.

The result of the vote was annouced as above recorded.

The **SPEAKER** pro tempore. The question is on the resolution.

The question was taken.

The **SPEAKER** pro tempore. The Chair is in doubt. The Chair will put the question again.

The question was taken; and the Speaker pro tempore announced that the ayes appeared to have it.

RECORDED VOTE

Mr. **LOTT**. Mr. Speaker, I demand a recorded vote.

A recorded vote was ordered.

The vote was taken by electronic device, and there were—ayes 212, noes 208, not voting 13, as follows:

[Roll No. 79]

AYES—212

Ackerman
Akaka
Alexander
Anderson
Andrews
Annunzio
Anthony
Applegate
Aspin
Atkins
AuCoin
Barnes
Bates
Bedell
Beilenson
Berman
Bevill
Biaggi
Boggs
Boland
Boner (TN)
Bonior (MI)
Bonker
Borski
Bosco
Boucher
Boxer
Brooks
Brown (CA)
Bruce
Bryant
Burton (CA)
Bustamante
Byron
Carper
Carr
Chapman
Chappell
Clay
Coelho
Coleman (TX)
Collins
Coyne
Crockett
Darden
Daschle
Dellums
Derrick
Dicks
Dixon
Donnelly
Dorgan (ND)
Dowdy
Downey
Durbin
Dwyer
Dymally
Early
Eckart (OH)
Edwards (CA)
Evans (IL)
Fazio
Feighan
Florio
Foglietta
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Ford (MI)
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Fowler
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Gonzalez
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Gray (IL)
Gray (PA)
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Guarini
Hall (OH)
Hamilton
Hatcher
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Jacobs
Jones (NC)
Jones (OK)
Jones (TN)
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Kastenmeier
Kennelly
Kildee
Kleczka
Kolter
Kostmayer
LaFalce
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Lehman (CA)
Lehman (FL)
Leland
Levin (MI)
Levine (CA)
Lipinski
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Lowry (WA)
Luken
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Miller (CA)
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Moakley
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Morrison (CT)
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Ortiz
Owens
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Yatron
Young (MO)

NOES—208

Archer
Armey
Badham
Barnard
Bartlett
Barton
Bateman
Bennett
Bentley
Bereuter
Bilirakis
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Breaux
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Brown (CO)
Broyhill
Burton (IN)
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Carney
Chandler
Chappie
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Clinger
Coats
Cobey
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Coleman (MO)
Combest
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Conyers
Cooper
Coughlin
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Daniel
Dannemeyer
Daub
de la Garza
DeLay
DeWine
Dickinson
DioGuardi
Dornan (CA)
Dreier
Duncan
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Eckert (NY)
Edwards (OK)
Emerson
English
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Evans (IA)
Fascell
Fawell
Fiedler
Fields
Fish
Flippo
Franklin
Frenzel
Gallo
Gekas
Gilman
Gingrich
Goodling
Gradison
Gregg
Gunderson
Hall, Ralph
Hammerschmidt
Hansen
Hartnett
Hendon
Henry
Hiler
Holt
Hopkins
Horton
Hubbard
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Hyde
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Martin (IL)
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Rowland (CT)
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Skelton
Slattery
Slaughter
Smith (NE)
Smith (NJ)
Smith, Denny (OR)
Smith, Robert (NH)
Smith, Robert (OR)
Snowe
Snyder
Solomon
Spence
Stallings
Stangeland
Stenholm
Strang
Stratton
Stump
Sundquist
Sweeney
Swindall
Tauke
Tauzin
Taylor
Thomas (CA)
Thomas (GA)
Torricelli
Vander Jagt
Vucanovich
Walker
Weber
Whitehurst
Whittaker
Wolf
Wortley
Wylie
Young (AK)
Young (FL)
Zschau

NOT VOTING—13

Davis
Dingell
Edgar
Gibbons
Grotberg
Hillis
Loeffler
Lujan
Nichols
O'Brien
Scheuer
Tallon
Towns

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□ 1840

So the resolution was agreed to.

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

PERSONAL EXPLANATION

Mr. WOLPE. Mr. Speaker, last week, I inadvertently neglected to record my vote on final passage of H.R. 4332, as amended. I intended to cast a "no" vote.

LEGISLATIVE PROGRAM

(Mr. FOLEY asked and was given permission to address the House for 1 minute.)

Mr. FOLEY. Mr. Speaker, it would be my intention to ask unanimous consent that when the House adjourns tonight, it adjourn to meet at 10 a.m. tomorrow. But before I make that request, I would state, Mr. Speaker, that I think we have many Members who are anxious to be at a briefing which is now being conducted by the Secretaries of State and Defense. We had planned to go for 1 hour tonight on the general debate, but I think it would accommodate Members' desire to be present at that important briefing if we were able to get consent to resume the work before tomorrow and have 2 hours in the morning.

Mr. LOTT. Mr. Speaker, will the gentleman yield?

Mr. FOLEY. I yield to the gentleman from Mississippi.

Mr. LOTT. I think our leader would have no objection to that unanimous-consent request. Of course, all of the Members are interested in this briefing, and we would like to join with the gentleman in making arrangements to do so.

I would like to make one inquiry. Do you intend to resolve into the Committee of the Whole at this point, or do you intend for the House to go to special orders after your unanimous consent request?

Mr. FOLEY. I would assume we would go to special orders.

HOUR OF MEETING ON TOMORROW, APRIL 16, 1986

Mr. FOLEY. Mr. Speaker, I ask unanimous consent that when the House adjourns tonight, it adjourn to meet at 10 a.m., tomorrow, April 16, 1986.

The SPEAKER. Is there objection to the request of the gentleman from Washington?

There was no objection.

COMMUNICATION FROM THE CLERK OF THE HOUSE

The SPEAKER laid before the House the following communication from the Clerk of the House of Representatives:

WASHINGTON, DC,
April 14, 1986.

Hon. THOMAS P. O'NEILL, Jr.,
The Speaker, House of Representatives,
Washington, DC.

DEAR MR. SPEAKER: Pursuant to the permission granted in Clause 5, Rule III of the Rules of the U.S. House of Representatives, I have the honor to transmit a sealed envelope received from the White House at 3:50 p.m. on Monday, April 14, 1986, and said to contain a message from the President wherein he transmits the 20th Annual Report of the National Endowment for the Humanities covering the year 1985.

With kind regards, I am,

Sincerely,

BENJAMIN J. GUTHRIE,
Clerk, House of Representatives.

ANNUAL REPORT OF NATIONAL ENDOWMENT FOR THE HUMANITIES—MESSAGE FROM THE PRESIDENT OF THE UNITED STATES

The SPEAKER laid before the House the following message from the President of the United States; which was read and, together with the accompanying papers, referred to the Committee on Education and Labor:

(For message, see proceedings of the Senate of yesterday, Monday, April 14, 1986, page 7399.)

□ 1855

MAYOR CHASTAINE FLYNT

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Mississippi [Mr. MONTGOMERY] is recognized for 5 minutes.

Mr. MONTGOMERY. Mr. Speaker, the dean of Mississippi mayors is one of my constituents and a good friend, Mayor Chastaine Flynt of Flowood, MS. This year he will celebrate his 33d year in office. The publication of the Mississippi Municipal Association contains a feature story on Mayor Flynt and it details the progress of his city since he took office in 1953.

I want to share the article with my colleagues:

DEAN OF MISSISSIPPI MAYORS CELEBRATES 33 YEARS IN OFFICE

Chastaine Flynt is a man of many titles. His official title is Mayor of Flowood, but he's also called "Mayor of Mississippi," "Dean of Mississippi Mayors," and even "Emperor."

Flynt chuckles about the Emperor title. "I really don't think I act like an emperor because if I did, the nice people around here wouldn't work with me," Flynt said. "I think some people call me that because I've been around so long.

Mayor Flynt has been around for a long time. If fact, he's been mayor of Flowood since the city was incorporated 33 years ago on March 10, 1953. Lately, he's enjoyed laughing and saying he's stayed in office longer than Marcos.

Everyone who knows the "Mayor of Mississippi," no matter how slightly, knows he is full of fun and likes to joke, especially about himself. But don't be mistaken, though he likes fun, he takes his job as mayor seriously. Flowood's growth is proof of it.

The tiny city started from scratch in 1953 and operated the first year on an $8,600 budget. Today's budget is $1,750,000.

The city boasts three major hospitals: River Oaks Hospital, Woman's Hospital and Riverside Hospital. It is the home of Blue Cross and Blue Shield of Mississippi and Aetna Insurance Company. Other major industries include Magna Corporation, BIC Corporation, Stone Manufacturing, Rival Manufacturing, Seagull Corporation, Cataphote Corporation, Steel Services Corporation, Adcock and Campbell Street and Road Builders, Associated Contractors, and Browning Ferris Industries.

Flowood is also home of Jackson Preparatory School, Dean, Dale & Dean, the state's largest architectural firm; three major furniture dealers, two building supply companies, a racquetball club with swimming facilities and the offices of approximately 35 physicians.

When talking about industries in Flowood, Flynt says he usually mentions Shacks Welding Company because he likes the company's motto: "We can weld anything except the break of day and a broken heart."

It's easy to tell that Flynt is proud of Flowood, but he's modest about this industrial development efforts. He says the city doesn't have to go out and look for industries. "They come to us," Flynt explains. "The reason is simple. It's our location."

Recent development includes commercial buildings and residential construction. Fox Meadow and East Lakeland apartment complex were recently completed and Reflection Point, a 244 unit complex is underway. Also under construction is Mirror Lake Plaza, a $27 million project.

The Flowood construction Mayor Flynt is most interested in right now is a new $750,000 fire station. "We're going to call it Central," says Flynt proudly. "Now tell me, how many towns in Mississippi have $750,000 fire stations?"

Flowood owns its city hall and is the only city in Rankin County with it own city auditorium. The population is 1800 for the town in which 12,000 people are employed.

The City Board of Aldermen include E. C. Dewitt, who has served as alderman as long as Flynt has served as mayor; K. R. Ainsworth, W. K. Bell, Ivy Graham and Bobby Gene Moore. Billie Bush is Fire Chief and Gary Rhoads is Chief of Police. Miss Frances Jones is City Clerk.

REAUTHORIZING CERTAIN INDIAN HEALTH PROGRAMS AND REFORMING ADMINISTRATION OF THE INDIAN HEALTH SERVICE

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Arizona [Mr. UDALL] is recognized for 5 minutes.

Mr. UDALL. Mr. Speaker, I am introducing today for myself and Mr. WAXMAN, a bill reauthorizing certain Indian health programs and making reforms in the administration of Indian health service.

My committee began consideration of this matter in March 1983. In the 98th Congress,

legislation on the subject was passed by both Houses, but was unfortunately vetoed by the President. In March of last year, I reintroduced similar legislation, H.R. 1426, which was jointly referred to the Interior Committee and the Committee on Energy and Commerce. Both committees reported H.R. 1426 in May of last year with amendments. As reported, there were significant differences between the two committee bills.

In the intervening months, we have sought to resolve these differences and to meet some of the further objections of the administration. In addition to resolving most of the differences between the two committees in H.R. 1426 as reported, this new bill significantly reduces authorization levels for the various Indian health programs and reduces the authorization period from 4 years to 3 years.

While I would prefer the passage of H.R. 1426 as reported from my committee, in light of existing fiscal restraints and in the spirit of compromise, I can support the provisions of the bill I introduce today. It is the intent of Mr. WAXMAN and myself to seek consideration of this new bill under suspension of the rules as soon as possible in lieu of H.R. 1426 as reported from our committees.

CONGRESSIONAL DELEGATION'S TRIP TO LATIN AMERICA

(Mr. O'NEILL asked and was given permission to extend his remarks at this point in the RECORD.)

Mr. O'NEILL. Mr. Speaker, from March 26–April 8, I led a bipartisan delegation to four Latin American countries.

Democracy is the wave of the future in Latin America. Ninety percent of the people to our south are living in countries that are either fully democratic or moving toward democracy. In the countries we visited, Brazil, Argentina, Venezuela, and the Dominican Republic, we saw that the commitment to democratic institutions is strong and vital. The people of these countries have a strong and passionate belief in human rights, a free press, free elections, and a lively political competition. Rather than being alone in this hemisphere the United States is part of an overwhelming democratic majority in the Americas.

A number of these countries are on the verge of joining the economic first world. They have developed in great strides and while they face serious challenges of debt and trade they have a real opportunity to leave the ranks of developing nations and join those of the developed world. If correct policies are followed these countries could, at sometime in the future, be facing north as economic equals of the United States, Europe, and Japan.

In our visits to these rising democracies, we met with legislators like ourselves who fully appreciate the crisis facing Central America. They have a realistic assessment of the Contadora process and fully realize the frustration and challenges that lie in the path of peace. The fact that they remain committed to the negotiation process, rather than further military escalation, is itself a healthy sign that the democracies of Latin America recognize the essential importance of concerted action.

The leaders we met with shared a common concern that the conflict in Central America must not trigger United States intervention. They believe that such a development could undermine their own democracies by igniting extremist movements who would use American military intervention as means to gaining public support. They expressed this concern both publicly and privately.

Members of Congress in the bipartisan delegation accompanying Speaker Thomas P. O'Neill, Jr.:

The Honorable Dan Rostenkowski of Illinois;

The Honorable Edward P. Boland of Massachusetts;

The Honorable Joseph M. McDade of Pennsylvania;

The Honorable Charles B. Rangel of New York;

The Honorable Norman Lent of New York;

The Honorable Pete Stark of California;

The Honorable Ralph Regula of Ohio;

The Honorable John Murtha of Pennsylvania;

The Honorable Marty Russo of Illinois;

The Honorable George Miller of California;

The Honorable Barbara Kennelly of Connecticut;

The Honorable Bill Lowery of California; and

The Honorable Norman Sisisky of Virginia.

Mr. Speaker, on behalf of the delegation, I submit the following report.

BRAZIL

During its visit to Brazil, the Congressional delegation met with President Jose Sarney Costa; Foreign Minister Roberto Sodre; Presidential Foreign Affairs Advisor Rubens Ricupero; Finance Minister Dilson Funaro; fifteen members of the Chamber of Deputies (including President of the Chamber Ulysses Guimares and members of the Committees on Foreign Relations; Finance; Science and Technology; Constitution and Justice; and the Economy, Industry, and Commerce); Governor of Rio de Janiero Leonel Brizola; U.S. Charge Alec Watson and the staff of the U.S. Embassy in Brasilia and the U.S. Consulate in Rio de Janiero. Several members of the delegation also had separate meetings with the chief of police and with U.S. businessmen. The delegation visited an innovative school in Rio where the children spend nine hours a day (in contrast to the normal three) and receive educational instruction, 3 meals, and health care, and participate in athletics. The discussions focused on the evolution of democracy in Brazil, the current economic situation in Brazil, the external debt, U.S.-Brazilian trade relations, and Central America.

POLITICAL AND ECONOMIC DEVELOPMENT IN BRAZIL

1985 was described to the delegation as a year of crisis, both political and economic. The country left behind twenty years of authoritarian rule, and did it without trauma. The death of President-elect Trancredo Neves came at a time of political tension and economic/social crisis; political tension in the transition to democracy at a time when political parties and democratic institutions lacked substance and stability, and economic/social crisis arising from a period of economic recession, falling wages, high external and demostic debt, inflation, and high unemployment.

A year later, the rejuvenation of political activity and an easing of the economic crisis have relieved the social tension that threatened the stability of the transition. By early 1986 Brazil had moved beyond the recession that had lasted seven years. Economic growth in 1985 was 8%, unemployment declined, real wages rose, and the trade surplus was $12.5 billion. However, inflation reached 250% in 1985 and at the beginning of 1986 was approaching 400%, and was quickly erroding any gains achieved in wage increases. Consequently, in February of this year President Sarney instituted the Tropical Plan, under which a new currency was created, all wages and prices were frozen, all indexation was terminated, and the government ceased issuing new money. A month later, no new money has been printed and inflation had been halted.

One Brazilian political leader with whom the delegation met expressed the view that the economic reforms are inequitable in their impact—the burden falls on the poorer 70% of society—and that greater attention to social problems is necessary. However, the accepted view in Brazil appears to be that there is widespread public support for the economic reform plan.

Several Brazilians said the critical thing that remains to be done is to settle the "social debt" which remains from the years of military rule. It was also explained to the delegation that the other item which must be dealt with is the external debt burden. Foreign markets must remain open in order for Brazil to be able to meet its debt service obligations—which commitments it will keep—and it is important to realize that there is a direct link between Brazil's debt burden and trade balance and its ability to sustain its political development.

There was also an expression of the view that the real crisis in Latin America is economic, not ideological. It is the low level of economic activity, not ideological doctrine, that is causing social tension and violence. What is needed is to attack the root causes of the problem, such as in Brazil the widespread labor strikes were attacked not by treating the symptoms (the strikes) but through economic reform that protected wage levels. The result has been a calming of social unrest and a reduction in labor strikes.

TRADE AND DEBT

Considerable focus was directed during the discussions to the issues of Brazil's external debt and U.S.-Brazilian trading relations, and the links between the two. On the broader issue of the Third World debt problem, several Brazilians made the point that efforts had been made by some countries to politicize the debt issue—to make it into an ideological confrontation—but Brazil had rejected and helped block those efforts.

Brazil has the largest external debt of any Third World country, $102 billion as of the end of 1985. Several Brazilians with whom the delegation met pointed out that Brazil's reserves at $8 billion (some sources put them at $9.2 billion) are small compared to its requirements, and Brazil must run a trade surplus in order to meet its annual debt service payments of $10–12 billion. The Brazilian debt was run up during the period 1980–1985 due to high interest rates, and now Brazil must put out the equivalent of its entire debt every six years just to service the debt. Debt servicing was 83% of exports in 1982 and 71% in 1985.

One presentation on Brazil's debt identified its principal sources as rising interest

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rates and oil prices—$35 billion due to spiralling interest rates during the early 1980's and $36 billion due to the increased cost of oil imports. It was said that these two items are beyond Brazil's control, and it is impossible for Brazil to continue to devote 50% of its export earnings to servicing its external debt; 4.5% of Brazil's savings goes to pay interest on external debt. The flood of petrodollars kept interest rates artificially low, countries like Brazil went into the market, and then interest rates spiralled to 21%. Another Brazilian reported that as much as $45 billion of the debt went for major infrastructure projects, so there appears to be some difference in analysis as to the exact breakdown of the source and use of Brazil's external debt. The danger of interest rates was noted by the fact that a two point rise in interest rates would wipe out the Baker Plan.

One Brazilian urged that the United States reduce its budget deficit in order to relieve the pressure on interest rates and therefore the burden of servicing Brazil's debt. It was asked how long does Brazil have to continue to pay for the U.S. internal deficit. Another asked for the delegation's view on eliminating floating interest rates, undertaking a full audit of Brazil's external debt (part of which may have ended up in U.S. banks as capital flight rather than being put to productive use in Brazil), and the need for a new Bretton Woods arrangement because the Third World debt is unmanageable. It was also suggested that it is in order to be able to meet its debt payments that Brazil has to limit imports. It was asked what would the impact be on U.S. banks if Brazil could not pay its debt. Various officials with them the delegation met emphasized the potential conflict between the development of democracy in Brazil and the burden of Brazil's external debt.

Members of the congressional delegation expressed considerably sympathy for the problems posed by Brazil's external debt, and appreciation for the potential difficulties which the debt burden imposes on Brazil's economic/social stability and the new democratic institutions of the country. They said there is obviously a careful balance which must be struck between Brazil meeting its debt commitments and the development of democracy, and the IMF and the banks must realize what is required to sustain a democracy. Appreciation was also expressed for Brazil's pledge to honor its commitments. However, it was pointed out that Brazil does not face as serious a debt servicing problem as many developing countries. With U.S. commercial banks accounting for only 27% of Brazil's external debt—no more than $4 billion of the total annual servicing burden—that sum is more than covered by Brazil's $5 billion trade surplus with the United States. Brazil's debt problem is not just a problem with the United States, but also with Western Europe, Japan, and some Arab countries.

It was pointed out to the Brazilians that for the House of Representatives 1986 is the year of deficit and trade. U.S. interest rates have declined over the last eighteen months, and, with Gramm-Rudman and other efforts, the Congress is attempting to reduce the budget deficit—so there should be a further reduction in pressure on interest rates. It was also suggested that Brazil should have an easier time servicing its debt in 1986—the recent and expected further reduction in interest rates should result in the servicing requirement for 1986 being in the range of $10 billion rather than $12 billion, and Brazil should save another $1 billion or more from the dramatic decline in oil prices. Brazil, therefore, should have the capability also to meet its official debt requirements, which have accumulated some $2 billion in arrearages since servicing was suspended in December 1984.

Several Brazilians with whom the delegation met expressed the Brazilian reluctance to agree to an IMF arrangement, because the last one required a reduction in trade and economic growth, while Brazil is now taking the opposite tact of attempting to increase exports and to grow out of its economic/debt difficulties. Members of the delegation expressed the hope that Brazil would find a way to cooperate with the International Monetary Fund.

Various Brazilians drew a strong link between Brazil's external debt and its trade balance. They explained that Brazil had to maintain a net trade surplus in order to service its debt. It was explained that for a period of some twelve years Brazil ran a trade deficit with the United States in the range of better than $1 billion annually, so the trade surplus that evolved in 1985 and 1986 is a recent phenomenon. It was noted that in 1985 Brazil had restricted certain types of steel exports to the United States, only to have the difference picked up by other exporters. The concern was expressed that the United States is moving to protectionist measures which will affect Brazilian exports.

Members of the congressional delegation raised various trade problems which the United States faces with Brazil. Particular focus was directed toward Brazilian policy on "informatics", whereby significant segments of the sector are "reserved" for Brazilian production and thereby impacts negatively on both U.S. investments in and exports to Brazil. The software side of the industry faces a lack of copyright protection. U.S. informatics exports to Brazil rose only slightly from $347.9 million in 1980 to $375.3 million in 1984; this trade is increasingly in spare parts, and U.S. products account for a decreasing share of the market. The matter of Brazilian policies affecting U.S. investment in the pharmaceutical industry was also raised, particularly the absence of intellectual property protection, price controls, and bureaucratic delays and discrimination against U.S. owned firms. It was mentioned that the GAO had released a report which documents specific instances of Brazilian import restrictions, quotas, licensing restrictions, and discriminatory taxes. Concern was also expressed over Brazilian subsidy of production and exports.

The members of the delegation explained the many difficulties facing the United States in the area of trade. The current U.S. trade deficit of $150 billion is unsustainable. This situation, and the gradual deindustrialization of basic industries, is producing considerable pressure in the Congress to enact trade legislation. It was explained that the House of Representatives will consider a trade bill in mid-May, and, while a strong effort will be made to prevent it from becoming a vehicle for protectionism, those pressures may be very difficult to fend off. There is a growing feeling in the United States that it is the last nation practicing free trade, and the Congress is coming to the position of demanding reciprocity. If Brazil denies U.S. products access to the Brazilian market, then Brazil will find that its products will be denied access to the U.S. market.

It was pointed out to the delegation that the ITC recently determined that Brazilian imports of ethanol were not causing injury to the U.S. industry. It was also suggested that the United States does not have to worry about Brazilian subsidy because the U.S. regulatory procedures are strong and more than adequate to the task of protecting American business interests.

The overall impression the delegation developed of the foreign investment/trade climate of Brazil is that, while there are specific areas in which there are serious U.S. business complaints because of restrictions and discrimination, overall the climate is favorable and there are many U.S. firms engaged in satisfactory business relations with Brazil.

FOREIGN POLICY—CENTRAL AMERICA AND THE GULF OF SIDRA

The delegation engaged in wide ranging discussions on foreign policy with various Brazilians. The primary focus was on Central America, but recent events on the Gulf of Sidra were also discussed. There was no consensus which could be identified as the single Brazilian view on the issues, as the delegation found a diversity of opinions.

Various Brazilians argued that a negotiated dialogue should be pursued in Central America through the Contadora process and that ideological and East-West confrontation should be avoided. They could not say whether Ortega would negotiate, but negotiations should always be tried. Several also said that what should be attacked is the underlying causes of the civil strife in Central America—the inequitable social and economic conditions that give rise to unrest and upheaval.

Several Brazilians expressed strong opposition to U.S. assistance to the contras, whom they saw as composed mainly of former Somoza guardsmen. It was noted that the Contadora nations were to meet April 5-6th in Panama and that Brazil will attend and support a proposal for a commission to review the veracity of recent events (presumably the recent Honduran-Nicaraguan border conflict). One individual expressed the view that, although the Nicaragua Government is not democratic, it is a strong government following the Somoza dictatorship and is in transition. Another expressed general sympathy for U.S. policy in Central America.

During the discussions the congressional delegation attempted to explain the sentiment within the U.S. Congress and of the American people with regard to Central America. While there is considerable disagreement within the Congress as to the specifics of U.S. policy toward Nicaragua, there is little disagreement that the Sandinistas are in the process of establishing a non-democratic political system and are supporting subversion in the region and that it should be U.S. policy to seek an alteration in that behavior. It was urged that Brazil become more involved in the process and help push for a negotiated settlement. It was also explained that it was important to isolate Nicaragua and that the one point of stablity in the region—El Salvador—should be supported. It was suggested that time is not on the Sandinista's side but is on the side of democracy.

Several Brazilians expressed concern over and opposition to recent U.S. military maneuvers in the Gulf of Sidra and what was characterized as the hawkish U.S. position toward Libya. The view was expressed that the United States provoked the military confrontation and that the U.S. Congress should stand on the side of non-intervention. Several members of the delegation made a strong defense of U.S. actions in the Gulf of Sidra. They explained that Kadafi had become an international outlaw and had violated international law and that the United States was defending the right of passage in international waterways for all countries. The United States had undertaken similar maneuvers before, they had been announced in advance, and the United States cannot allow a Kadafi to engage in international blackmail.

One Brazilian expressed the view that historically the United States has provided support for many dictatorships, but commended the recent change in U.S. policy with regard to the Philippines, Haiti, Chile, and Nicaragua. This was seen as a positive change in policy that should be continued.

The sense which the delegation received from the discussions on foreign policy matters is that foreign policy, Central America specifically, is not high on the Brazilian agenda. Its priority issues are institutionalization of the democratic processes, domestic economic revitalization, and the external debt. Brazilian attention to and involvement in finding a resolution to the conflict in Central America is further down the list of priorities.

ARGENTINA

In Argentina the delegation met with President Raul Alfonsin, Foreign Minister Dante Caputo, U.S. Ambassador Frank Ortiz, and the staff of the U.S. Embassy. The delegation also held roundtable discussions with members of the Chambers of Deputies, led by Chairman of the Chamber of Deputies Dr. Juan Carlos Pugliese, and with members of the Senate, led by Vice President of Argentina and President of the Senate Dr. Victor Martinez. The discussions focused on the return of democracy in Argentina, the Argentine economic situation, the external debt, and Central America.

POLITICAL AND ECONOMIC DEVELOPMENT IN ARGENTINA

The delegation congratulated the Argentine political leaders for the successful transition from a military government to democracy. The Argentines explained that their constitution, which dates from 1853, is very similar to the U.S. Constitution—provides for three branches of government that are separate and equal. They said the road to reestablishing democracy has been difficult and Argentina does not yet have the political stability enjoyed by the United States, but that institutionalization of democracy is well on its way.

It was explained to the delegation that the Government of Raul Alfonsin, elected in 1983, inherited the residue of failed economic policies, human rights abuses of the military government, and defeat from the war over the Malvinas Islands. The Government has been seeking a resolution of the dispute with Britain through the United Nations, has brought to trial the nine principal military leaders, and has undertaken economic reforms.

While coming to office seeking economic growth and an increase in wages, the Government of Raul Alfonsin realized in 1985 that the principal economic problem facing the country was inflation. During the first quarter of 1985 inflation totaled 91% and at the end of that period was running at an annualized level of 851%. In June, 1985, President Alfonsin announced a dramatic economic reform program that went beyond even IMF requirements. The Plan Austral froze wages and prices, introduced a new currency (Austral), stopped the issuance of currency unsupported by reserves, and promised to reduce the budget deficit to 2.5%. Inflation declined to 2%/month for the remainder of 1985 and is running at the same level for 1986, with the projected level for all of 1986 being 28%. The Argentine economy grew by 2% in 1984 and declined by 4.5% in 1985. Projections for 1986 are for 4% growth.

Members of the delegation commended the Argentine Government for the serious manner in which it was attempted to bring under control its economic problems and for its pledge to meet its international commitments, specifically its $50 billion external debt. When the Alfonsin Government came to office, Argentina was in arrears on its debt servicing. An IMF agreement and a rescheduling of its debt in 1984, together with a trade surplus of $3.5 billion in 1984 and of $4.4 billion in 1985, has made it possible for Argentina to keep its debt servicing current. Debt servicing as a per cent of exports declined from 125% in 1983 to 91% in 1985.

Various Argentines with whom the delegation met expressed the view that there is a direct connection between Argentina's external debt, its ability to grow economically, and the institutionalization of democracy. The economic constraints required in order to meet the debt payments jeopardizes democracy, not just in Argentina, but throughout the hemisphere. They argued that economic adjustment is necessary, not just by the debtor nations, but also in the Northern economies, in order to reduce the budget deficits which have maintained interest rates at an historic high.

Members of the delegation pointed out that 1986 is for the House of Representatives the year of the deficit and of trade. Tax reform has already passed the House, and a trade bill will be on the House floor in May. The Congress has made a commitment to reducing the federal deficit and set the goal of eliminating it by 1991. That commitment has brought stability and confidence to financial markets, resulting in a decline in inflation and in interest rates. This will help both the U.S. economy and other economies. However, it was pointed out that reducing the budget deficit is not an easy matter. $40 billion has already been taken from domestic spending programs, and there is no longer any fat to cut. Constituents do not want social programs cut and the Administration and other governments do not want defense and foreign aid cut, so where do you reduce the deficit?

An Argentine said that the priority issues in the Argentine Congress are similar. The Congress is seized with budget deficit reduction and tax reform, which are aimed at solidifying the fight against inflation, bringing economic stability and growth, and providing the country with the ability to meet its international commitments.

While the delegation was in Argentina the Congress was involved in a lengthy debate over the external debt. The opposition is suggesting that the debt, having been largely incurred under a non-elected military government, should not be the responsibility of the current government. The need to service the debt has produced economic policies that have resulted in a reduction of the standard of living; instead of paying the debt, the government should be raising salaries. The opposition is also suggesting a debt moratorium and the establishment of a commission to determine which portion of the debt is legitimate and which is illegitimate. The position of the government party is that the debt must be honored, that unilateral action is not the correct path, but that Argentina should seek to negotiate a better deal (the objective of which would be a reduction in interest rates).

The United States appeared to be the target of most comments on the debt situation, and members of the delegation pointed out that the debt is not solely, or even principally, a U.S. matter. U.S. banks account for only $11 billion of Argentina's external debt, so it is a matter also involving Western Europe, Japan, and other countries. The Argentines noted that the Cartagena Group has called for a return of interest rates to historic levels, but the creditor nations have not heeded this plea. The Argentine analysis of the debt problem is that it is no longer just an economic/financial matter, but a political matter, and requires a political solution.

The Argentines raised the issure of the new U.S. farm bill and complained that EEC and US subsidies on agriculture products and barriers to agricultural trade are seriously damaging Argentine agricultural exports, specifically resulting in an international price of wheat of below $100/ton rather than what had been a price of $140/ton. In response, it was explained that the real culprit in imposing trade barriers and engaging in subsidies is the European Community, and the target of the new U.S. farm bill is those unfair European practices, not Argentina. It was noted that the basic problem is worldwide oversupply.

CENTRAL AMERICA

The delegation engaged in wide ranging discussions on Central America in all of the meetings that were held in Argentina. The focus of the delegation's questions to the Argentina political leaders was their views on the Contadora process, the Nicaraguan government, and U.S. policy in the region.

While expressing a desire to avoiding becoming involved in domestic U.S. politics, the Argentines express strong support for the Contadora process and for the necessity of pursuing peace in the region through negotiations. They said that Argentina shares the same objectives as the United States—stopping Nicaraguan subversion in the region and promoting the democratization of Nicaragua—but disagrees on methodology. They said they could not promise that negotiations would achieve those objectives, but that was the preferred approach to pursue.

There was strong expression that Latin America should be composed of democratic nations, with democracy being defined as is customary in this hemisphere—democratic pluralism and political and press freedoms—not dominance by one party with a Marxist-Leninist ideology. Democracy is to be supported in the hemisphere, not just for ideological, but more importantly for practical reasons—practical reasons because communist governments always seek alliances with communist bloc countries and bring hemispheric instability.

When asked whether Nicaragua was committed to being a communist country, the response was that it could go either way, but the current trend is toward consolidating communism. The current economic situation in Nicaragua is in a crisis state, and it was held that such a situation tends to polarize the politics of a country.

Several Argentines suggested that the best path to pursue change in Nicaraguan behavior is through pressure from the other countries of Latin America. Such efforts

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will require a strong will and will not be easy. The problem of Nicaragua goes beyond Central America, because if there is not a peaceful solution, it will have a damaging effect of public opinion in Argentina and elsewhere. Some felt that direct US intervention in Nicaragua could produce a radicalization in Argentina and even destabilize Argentina democracy.

Several Argentines presented this view, and what obviously was behind this assessment was revealed by one official who explained that historically public opinion in Argentina has not been pro-America. Just as there is an oversimplification in the United States of events in Latin America, the same phenomenon exist in Latin America with regard to the United States. The Argentine government is seeking a more stable, more mature relationship with the United States, in an effort to overcome years of instability in relations between the two countries, but a military intervention in Central America would be a serious set back to that effort because of the adverse impact on Argentine public opinion. It was clear that Argentines see their country as having a direct interest in developments in Central America, as they believe a non-peaceful development there would adversely affect the efforts to institutionalize democracy in Argentina.

Various Argentines expressed strong support for the efforts of the Contadora countries and suggested that the recent Declaration of Caraballeda offered the basis for an agreement. When queried why it was thought that agreement was possible when three years of effort had proved fruitless, the response was that recent efforts had focused too much on technical details rather than on the main issues and that multilateral diplomacy is always difficult. It was noted that the Declaration of Caraballeda was agreed to by the Contadora nations and the Contadora Support Group, which together represent 90% of the population of Latin America. This support, together with that which has been offered by the European Community, Canada, and Japan, should increase the pressure for an agreement.

Members of the delegation explained that, although there is general agreement within the delegation on the importance of the Contadora process and that negotiations are the preferred route, the time for negotiations is running short. They explained that Congress will probably pass legislation similar to what was approved by the Senate on March 27, resulting in a ninety-day period between enactment of legislation and the time that restrictions are removed from the provision of offensive military assistance to the contras. They further explained that it therefore is very important that progress be made at the April 5–6 meeting in Panama of the thirteen nations (the five Central American countries, the four Contadora nations, and the four Support Group nations); and that a Contadora agreement be concluded during the ninety-day "window of opportunity". It was suggested that this period is a unique opportunity for Latin America to have a positive impact on the United States. If the Latin American countries do not influence the Sandinistas and resolve the conflict in Central America, it will be a tremendous loss for Latin America in U.S. public opinion.

There was understanding and accord from various Argentines that the time for negotiations is limited. The view was also expressed that Argentina was prepared to accept the consequences of a pacificist approach to the situation in Central America. If a peaceful solution is not found, the situation will deteriorate rapidly. But, if the United States intervenes, it will affect the entire hemisphere and will constrict U.S. relations throughout the hemisphere.

There was a recognition among some Argentines that, during the period of no U.S. assistance to the contras, the pressure was taken off the Sandinistas and there was no progress on negotiations. One Argentina tied the lack of progress to the absence of agreement between the United States and Contadora on either objectives or methodology. Various Argentines agreed that it was important to maintain pressure on the Sandinistas but said it should be Latin pressure.

When queried as to the recent Nicaraguan incursion across the Honduras border, Argentines said similar occurrences happen frequently, but that this last incident was particularly explosive. Argentina is reviewing a proposal to create a peace force in the area, similar to the one proposed for the border between Nicaragua and Costa Rica, but they said the northern border of Nicaragua is different from its southern border. The Canadian Government has studied the situation and has reported that, for a border force to be effective, would require a 20,000 man force.

When queried as to whether there was a difference of opinion between the two major parties on policy toward Central America, the response was "no", that there is consensus on non-intervention, self-determination, and support for Contadora. It was also suggested that, while the Argentine position should not be taken as being against the United States, there is a feeling in the country that a political solution is possible, like the political progress that has been made in Guatemala and El Salvador. One Argentine expressed the view that, because Nicaragua is subject to invasion from outside, maybe it cannot survive under a political system similar to other countries in Latin America, and, while Argentina struggled against terrorism through a bloody means, the objective in Central America should be peace. Another reported that there is Argentine concern over certain actions by the Nicaraguan government, specifically its connection to M19 in Colombia.

It was explained to the delegation that Argentina favors the development of pluralistic democracy in Nicaragua because developments in Central America can affect the security of the region and the integration of the hemisphere. The Nicaraguans have been told by Argentines that there are two paths to political developments, one the Eastern European model of "popular democracy" and the other of Latin American pluralistic democracy. If the latter is chosen, then Nicaragua can benefit from integration into Latin America and can expect assistance in solving its economic and social problems. The most effective means of achieving this objective is through Latin pressure. Several Argentines said there is no guarantee as to what path will bring peaceful development of democracy to Central America, but that the route of peace is the more likely one.

It was suggested that a solution can be achieved when there is agreement by the United States and the Contadora countries on an acceptable methodology for pursuing it, and that the Contadora process would be strengthened if there were a coincidence of view with the United States. When asked what it is Argentina would want the United States to do in order to help Contadora, the suggestion was made that, instead of providing $100 million to the contras, the United States should use the funds to help the Contadora nations to promote economic development in Central America. Another Argentine suggested that, rather than providing the $100 million to the Contadora countries, what is necessary is a new analysis of the situation by the United States and actions in consort with Contadora. It was said that any formula that is arrived at by the Contadora countries must be approved by the United States to be successful.

When asked whether it was being suggested that peace and democracy could be achieved in Central America and Nicaragua only if the contras are removed from the borders, one Argentine responded in the affirmative and said the methodology of assistance to the contras was wrong. It was suggested by another that international law permits criticism of certain actions by the "other" super power, but that U.S. actions in Central America are jeopardizing that ability and that international law would be dead were the Congress to approve aid to the contras, which would amount to Congress approving assistance to overthrow a government which is a member of the Organization of American States.

When asked how long should be given for Contadora to bring about a resolution to the strife in Central America before another route is chosen, the response was that no time limit can be placed on negotiations. As to the implications if negotiations fail, it was explained that would not be catastrophic because there is always possibility of change. It was said that, if faced with alternatives, Argentina will always choose the path of principle.

VENEZUELA

In Venezuela the congressional delegation held discussions with President Jaime Lusinchi; Foreign Minister Simon Alberto Consalvi; former President Rafael Caldera; President of the Senate (and of the entire Congress) Reinaldo Leandro Mora and other members of the Senate; President of the Chamber of Deputies Leonardo Ferrer the other members of the Chamber of Deputies; several members of the board and the presidents of two of the operating companies of Petroleos de Venezuela; and Chargé Kim Flowers and the staff of the U.S. Embassy. The delegation also held a joint meeting with leaders of the two principal political parties specifically to discuss their views on Central America and the Contadora process. The discussions in Venezuela focused principally on the Venezuelen economic situation, international oil prices, the country's external debt, and Central America.

POLITICAL AND ECONOMIC DEVELOPMENT IN VENEZUELA

Members of the delegation commended the Venezuelans for having the "oldest of the young democracies of Latin America", dating from 1957, and for being such good friends of the United States. The Venezuelen economy generally has been depressed during the 1980's. The country was faced with a balance of payments deficit in 1983, but that was reversed by a combination of devaluation, fiscal austerity, debt rescheduling, and import and exchange controls. Venezuela posted a trade surplus of $8 billion in 1984 and of $7.4 billion in 1985. Its trade surplus with the United States was $3.4 billion in 1984 and $3.6 billion in 1985. Given the current international prices for petroleum, Venezuela faces the prospect that foreign exchange earnings from oil exports will decline approximately one-third, from $12.5 billion in 1985 to $8 billion in 1986. Venezuela's international reserves stood at $14 billion at the end of this 1985.

In the various discussions the delegation held in Venezuela, the two economic issues foremost on the minds of Venezuelan government and political leaders were international oil prices and the country's $26 billion external debt (with private debt, the external debt reaches $39 billion). It was suggested to the delegation that the source of the Latin American debt problem is a combination of irresponsible borrowing and use of the loans by the Latin American debtors and the rashness of the commercial banks in pushing loans. It was said that Venezuela will meet its international responsibilities, but it must be accomplished in a manner that avoids a reduction in the standard of living of the Venezuelan people. Venezuela's debt service payments were 63% of exports in 1982 but in the range of 36–38% for 1983–1985.

When queried as to their assessment of the Baker Plan, several Venezuelans responded that it is a welcomed recognition that the debt problem must be dealt with in a political context, as Henry Kissinger suggested some time ago, but it is not a complete solution to the problem and the inclusion of the IMF as one of its pillars makes it unpopular for many in Latin America. A recent article in *Foreign Affairs* by Abe Lowenthal was also mentioned; the statistics he presents demonstrate that growth is impossible if the Latin American debtors are to meet their debt service payments. It was pointed out that such a situation will endanger democracy and stability in the hemisphere.

It was suggested by one Venezuelan political leader that what is needed is a dialogue between the debtor and creditor nations and a Latin version of the Marshall Plan. When Western Europe was threatened by communism in the late 1940's, the United States responded with the Marshall Plan. The debt situation presents a similar threat of instability and communism in Latin America today, and a similar response is in order. The essence of a debtor-creditor agreement on debt would be a reduction in the interest rate, which has remained at an historic real high. Current interest rates of 11-12% are unconscionable when inflation in the United States is 3–4%. It was suggested that the source of the high interest rates was the need of the United States for capital to finance its fiscal deficit.

The response by a member of the delegation was that interest rates have come down in the United States, but they are unlikely to decline much more because there appears to have developed a permanent differential of some five points between the rate of inflation and interest rates.

Another approach to the debt problem suggested by a Venezuelan would be for a multilateral institution, possibly the World Bank, to secure a pool of funds from creditor nations which could be used to purchase Third World loans from commercial banks, in exchange for which the banks would hold long term paper, at a lower interest rate which could be sold at discount.

When asked whether capital flight was a problem for Venezuela, the answer was "yes" and that the problem arose from a concern and fear of devaluation and a lack of confidence in the domestic economy. It was suggested by a member of the delegation that Venezuela's debt problem can be traced to capital flight, and if Venezuela could find a way to attract that capital back home, its debt problem would be solved. It was explained to the delegation that one of the clauses of the rescheduling arrangement was a contingency clause permitting a reopening of discussion on the terms of debt repayment, and the decline in oil revenues may force the government into invoking that clause.

Many Venezuelans with whom the delegation met raised the issue of the likelihood of the U.S. Congress enacting an oil import fee, or quotas. The importance of oil to the Venezuelan economy was made clear: in 1984 the petroleum industry accounted for 23% of gross national product, 65% of federal revenues, and 88% of foreign exchange earnings. Venezuela's petroleum resources include proven reserves of petroleum of 29 billion barrels (the same as the United States) and unproven petroleum reserves of 225 billion barrels. Venezuela's current petroleum production capacity is 2.6 million barrels/day and current production is 1.7 million barrels/day, of which 1.4 million barrels/day is exported, one-third as refined products. Over forty percent of exports go directly to the United States. Thirty per cent of exports go to the Caribbean, mostly, to be refined, and half of that is subsequently shipped to the United States, so over half of Venezuela's oil exports end up in the United States.

The Venezuelans expressed serious concern over proposals that have been made in the United States to impose a fee, or quotas, on oil imports, either to protect domestic U.S. production or for purposes of energy conservation. They made a strong point of the fact that Venezuela has been over the years a dependable source of petroleum for the United States. In time of peace, war, and crisis—during World War II, the Korean War, the Vietnam War, and the Arab oil embargo—Venezuelan supplies were always available. Furthermore, it is important to maintain dependable supply relationships and there are many advantages which Venezuela has to offer as a supplier—operational flexibility (30–40 different types of oil and the ability to shift from one type to another); capacity to increase production; a large and excess refining capacity; a modern marine capacity and proximity to the United States (three and a half days shipping time); large natural gas resources; and competitive costs (production costs of $3.5/barrel).

The Venezuelans argued strongly against any discriminary fee based on geography (imports versus domestic production, or preferential treatment of Canadian and Mexican imports over Venezuelan) or based on product (higher fee on refined products than crude oil). When asked whether they had the same concern about an across the board tax on gasoline, or petroleum products, or energy products, the answer was negative. Concern was also expressed over proposed legislation which would define certain raw material pricing practices as a subsidy that is countervailable.

When asked by a member of the delegation whether Venezuela did not need the U.S. market as much as the United States needed Venezuelan oil, the answer was "yes", there is a strong mutuality of interests in the relationship. Another member of the delegation explained that one of the points raised in the United States is that a continuation of the current price level will result in capacity of a million barrels/day having to be shut-in in California alone, and that production capacity will be lost forever, or until prices reach some astronomical level. Such a development will lead to increased U.S. dependency on foreign sources of oil, with which the United States has an unfavorable experience. The Venezuelans suggested that the United States would be better off conserving its petroleum resources, because, if it uses them up now, it will be even more dependent on foreign supplies in the future.

When asked where oil prices were going, the Venezuelans said they did not know, but the bottom had not likely been reached yet. A Venezuelan suggested a dialogue between producers (OPEC and non-OPEC) and consumers to bring stability to the international oil market, an objective which should be in the interests of both exporting and importing nations. Markets can sometimes be artificial, so government action may be required to insure stability. A member of the delegation noted it was ironic that in the 1970's OPEC nations criticized the United States for being an excessive oil consumer, but it was the success of the United States in responding to that criticism—on reducing petroleum consumption—that had brought on the collapse of international oil prices. It was reported by a member of the delegation that there is not a strong move in the United States to impose a fee on oil imports, but the proposal obviously could gain momentum at any point.

Several Venezuelans said that they understood the economic difficulties being faced in some U.S. oil producing states—Louisiana, Texas, Oklahoma—but that U.S. policy should not be driven by short-term solutions to those problems. Any action taken to discriminate against oil imports would have both a practical and psychological effect on Venezuela.

Noting that the Venezuelan petroleum industry had been nationalized in 1974, a member of the delegation asked whether a similar policy would be recommended for the United States. The answer was not necessarily because of the different circumstances of the industry in the two countries. Oil in Venezuela is the economy. Under Hispanic law the resource is reserved for the state. The nationalization process in Venezuela was not instituted for political/social reasons, but because investment had been declining in the industry for some years and because of a lack of national control over the industry. Furthermore, the process was not traumatic; it was the result of lengthy discussions and negotiations, and the nationalized industry has maintained technical and supply relationships with the former owners. When asked when a resolution would be reached to the ten-year-old dispute over the allocation of the reserve fund from the nationalization, the response was hopefully soon. Most interested parties appear to be reaching a position of being satisfied with a wash, the government is pushing for a resolution, and it is principally a matter of completing the judicial proceedings, which have proved to be lengthy.

FOREIGN POLICY—THE AMERICAN HEMISPHERE AND CENTRAL AMERICA

As in the other countries visited by the congressional delegation, a clear link was drawn between economic and political development. While the principal foreign policy issue discussed in the meetings in Venezuela was Central America, an appropriate introduction to those discussions is a review of the other foreign policy issues which were raised. Those other issues are developments in other countries of the hempishere, and

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that portion of the discussions is representative of the broad range of Venezuelan interest in the hempishere. As a Caribbean nation, a member of the Andean group, a South American country, and a neighbor to Central America, Venezuela has interests throughout the hempishere and could be seen as sitting at the center of a crossroads.

Concern was expressed for the narcotics situation in Peru, Bolivia, and Colombia, and it was suggested that those governments need to be strengthened and an alternative source of income offered to its peasants in order to permit those countries to be able to deal with the narcotics production and trafficking problems. The United States was praised for its role in helping to bring democracy to Guatemala, and it was urged that greater assistance be provided to the recently elected civilian government. Costa Rica also needs help in getting through its current economic difficulties. The institutionalization of the democratic processes of Brazil and Argentina—in Argentina it is particularly fragile—need to be helped along, and attention must be directed toward a return of democracy to Panama. The new U.S. policy toward Chile, with greater emphasis on human rights, was also praised, and it was urged that the situation there not be let to fester too long as time is likely to strengthen the communist elements in the country.

A direct link was made between the political road likely to be chosen in these countries and their economic difficulties, specifically the external debt problem and the need to maintain and increase exports. A plea was made for the United States to approach the debt problem on a global basis and to find some mechanism of dealing with the unmanageable burden of high interest rates. It was also urged that the United States maintain adequate access to its markets for the exports from the region. Trade barriers or specific tariffs would be a tragedy—especially on oil for Venezuela, on manufacture products for Brazil, and on agricultural products for Mexico.

It was suggested that it is up to the Western Christian world—the United States, Canada, Western Europe—to help guarantee democracy in the American hemisphere. The ideological war will be waged in Latin America, not in Asia. Basic equality must be insured. Venezuela is a true ally of the United States. Venezuela and other countries of Latin America share the values of democracy, and the United States should invest in democracy in the region. What is needed is joint solutions to the mutual problems facing the hemisphere.

A special plea was made to the delegation on policy toward Haiti. Recent U.S. policy toward Haiti was described as good, but as needing to go further. It is uncertain whether the governing council in Haiti will produce a process for democracy, and Venezuela and the United States should collaborate to insure that such a path is followed. A transitional government is obviously required and the current president of the council deserves our trust, but the environment in the country is very unstable and dangerous. There is the potential for external subversion, and the United States and Venezuela should work together to counter any such effort. Venezuela is prepared to use its oil resources as leverage for the democratization of Haiti.

A Venezuelan political leader expressed the view that the search for peace in Central America is tied to the search for economic and social equity, because deprivation can lead directly to violence. Venezuela supports peace in Central America and the Contadora process because events in Central America can affect social and economic progress in Latin America, so Venezuela has a self-interest in what happens there. Violence has been present in Central America for many years, in the form of both guerillas and dictatorships. Those who want to foment violence do not need to undertake a great effort; they do not even need foreign financing because today it can be financed through narco-trafficking.

The Venezuelans expressed a strong commitment to search for peace through the Contadora process. Countries representing 90% of the population of Latin America are behind the most recent Contadora effort, the Declaration of Caraballeda, which seeks to terminate the activities of all irregular forces and stop the arms escalation. The Document of Objectives defines the type of society which is being sought—democracy which is characterized by pluralism, liberty, respect for human rights, free elections, and private enterprise. Unfortunately, not all parties see the Contadora process as a sufficiently serious effort to achieve this objective, but they should today. Contadora has been declared dead many times, and the possibility of negotiations is limited and the process has suffered set backs, but it is strong today, the delegation was told.

Several Venezuelans said that, as the question of assistance to the contras is a matter of internal domestic U.S. politics, they would not address that issue directly.

A member of the delegation explained that the Soviet Union and Cuba are providing assistance to Nicaragua, and if the Contadora nations do not want the United States to provide military assistance to the contras, then they must act quickly. A Venezuelen agreed that the Soviet Union and Cuban interest in the region cannot be ignored and must be removed. Venezuela has had experience with Cuban subversion and with communist influence in its universities and got rid of both. Venezuela knows how to deal with communist elements. The correct path is through political pressure, because if it looks like war is being promoted then the United States will lose public opinion in Latin America. If anyone is to be blamed for the absence of peace, it must be clear who deserves the blame in order to keep public opinion on your side. The forces for democracy have been losing the war in the media. It is time to be less declarative and take actions that will make it clear that it is the Sandinistas and Cuba who are the real aggressors. The Vietnam War was lost in the media, and the same could happen with Nicaragua.

Another said that there has been plenty of good will and political support for Contadora, what has been lacking is the strength to conclude the negotiations. Venezuela appeals to the United States—and to Cuba, the USSR, and Nicaragua, because there is no one source to blame—to reject intervention and to support democratic self-determination, not imposed self-determination. The Sandinistas and the United States have hindered the negotiating process, and both the Sandinistas and the contras must be brought into any dialogue, the one way to find a possible solution. One Venezuelen suggested that President Duarte should be taken up on his proposal to engage in a dialogue with the Salvadorian armed opposition if the Sandinistas would engage in a dialogue with the contras.

Another Venezuelen proposed that Cuba be invited into the negotiations, as Cuba is part of the problem and so must be part of the solution. He suggested, given the fact that Castro has to be worried about the possibility of U.S. intervention, he may be willing to talk and negotiate. Venezuela has told the Sandinistas to open up and pursue democracy, but they are too stubborn and only know how to live with violence. There are potential sources of instability, which could be contagious in Venezuela, so Venezuela has a direct interest in finding peace in Central America. War is good business for some, and can lead to intransigence. An excess of resources can be counterproductive, so one needs to be careful on the use of military resources as they could play into the hands of those seeking to destabilize the hemisphere. Another view was that maybe guns will be necessary, it cannot be ruled out, but only after all other routes have been tried.

It was said that the meeting in Panama April 5–6th is the first time that the foreign ministers of all of the thirteen countries involved in the Contadora process have come together, and at this meeting it will be determined who is really interested in peace—who is interested in negotiations and who is interested in war. The way to demonstrate interest in and support for the Contadora process is to demonstrate a will to implement the Contadora draft treaty. When pressed as to the agenda for the April 5–6th meeting in Panama and what Contadora could accomplish during the ninety-day "window of opportunity", the response was that there is no set agenda but there is great interest in knowing exactly what the Nicaraguan position is and whether it intends to commit to the principles set down in the Contadora documents. The matter of a commission to supervise the Honduran/Nicaraguan border may come up during the meeting, but Venezuela has no position on the adviseability of that proposal.

It was explained to the delegation that the objective of Contadora is not just peace in Central America, but also democracy and freedom in Nicaragua. Certain political promises were made when Somoza was overthrown, but democracy has not evolved, and now the danger is that Central America may be given over to a violent solution. When the delegation was asked its view on the situation in Central America, it was explained that a broad consensus had developed within the U.S. Congress on two issues: that the Sandinistas were not pursuing a democratic course and were moving to establish a Marxist/Leninist structure; and the preferable route to pursue a resolution is through negotiations and the Contadora process.

However, there is disagreement in the United States over the means of achieving the dual objectives of democracy in Nicaragua and an end to Nicaraguan external subversion. Some members feel that the President's policy is correct and military assistance should be provided to the contras, as the only effective way to bring pressure on the Sandinistas, while others believe that both the Sandinistas and the President's policies are wrong and that negotiations should receive greater emphasis and support.

Several Venezuelen political leaders expressed agreement with the U.S. assessment that the Sandinistas are attempting to create a Marxist/Leninist dictatorship, but said there are other means besides military resources to exert pressure. An alternative route is to support the remaining sources of democratic pluralism in the country—the

private sector, media, church, labor unions. These groups still exist within Nicaragua. To a large extent they do not agree with the contras and have been calling for a dialogue, and use should be made of these forces for democracy in Nicaragua. The Sandinistas have used the contras and the possibility of a U.S. invasion to justify waging war on these groups, and this excuse should be removed.

One Venezuelen agreed that we cannot just go on and on pursuing negotiations to no conclusion, and made the proposal that one possibility is to force the Sandinistas to hold elections. In 1984 thirty per cent of the vote went against the Sandinistas, even though there was no comprehensive, coordinated opposition. A unique opportunity was lost in 1984 with the failure of the opposition to unite and actively contest the election, so maybe outside pressure could force the holding of new elections.

Another Venezuelen noted that unfortunately elections were held in Nicaragua and that elections are not always a democratic expression, if the government appoints the candidates and announces the results. However, he said it was unfair that the remaining democratic forces in Nicaragua—church, trade unions, etc.—did not share the views of the contras but were having to pay for their actions. He said that some of those groups want dialogue and not support for the contras. However, he said it was also unfair to label the contras as Somozistas just because some of them had been members of Somoza's National Guard.

It was mentioned that the Venezuelen delegation to the April meeting of the Inter-Parliamentary Conference in Mexico City will present a resolution which reaffirms support for the efforts of the Contadora Group.

The view was expressed by one Venezuelen political leader that, although Machiavelli may have been correct that sometimes it is necessary to practice diplomacy through other means, war and direct U.S. intervention is too dangerous in Central America. The people of Latin America are of Spanish heritage, so are a proud people and react strongly to foreign intervention. Political pressure must be pursued, because violence simply allows the Sandinistas to strengthen themselves through further militarization of the country.

It was suggested that communism will be very difficult to consolidate in Nicaragua. Nicaragua is different from Cuba. Nicaragua is backward, is not an island, and has a diversified economy. Castro could take over the sugar industry and in that one action essentially nationalized the entire economy. In contrast, the Nicaraguan economy is backward and diversified and would be much more complicated to take over. In addition, in Nicaragua there is a low level of political activity, the church is strong, and the Indians do not speak Spanish and have a strong sense of their own self-determination. When asked by a member of the delegation whether the situation in Nicaragua was not the same as in eastern Europe and Cuba, the answer was "no", because communism has not been consolidated yet in Nicaragua and there are differences among the Sandinista leaders.

Finally, it was suggested that the United States has great moral authority, which is much more powerful than its dollars, and that is what should be exerted. Various Venezuelens with whom the delegation met said it was necessary to put "pressure" on the Sandanistas. Sometimes the pressure was specified as "political", or "Latin". Sometimes it was unspecified. There was never any direct suggestion that it was military pressure that should be applied.

DOMINICAN REPUBLIC

In the Dominican Republic the congressional delegation met with: President Salvador Jorge Blanco; Foreign Secretary Jose Augusto Vega Imbert; President of the Chamber of Deputies Hugo Tolentino Dipp; President of the Senate (and presidential candidate of the Dominican Revolutionary Party) Jacobo Majulta Azur, and his Vice Presidential candidate Micolas Vargas; former President (and presidential candidate of the Social Chirstian Reformist Party) Joaquin Balaguer, and his vice presidential candidate Carlos Morales Troncoso; and U.S. Ambassador Lowell C. Kilday and the staff of the U.S. Embassy.

The focus of the discussions in the Domincian Republic were on the political developments of the country and the pending elections, the state of the economy, problems with the external debt and sugar exports, and Central America.

Because of the delegation's interest in the situation in Haiti, and in keeping with one of the principal purposes of the trip of reviewing and expressing U.S. support for the new democracies in the hemisphere, the delegation requested and received a briefing from U.S. Ambassador to Haiti Clay McManaway and his political counselor Larry Rossin.

POLITICAL AND ECONOMIC SITUATION

The delegation commended Dominican government and political leaders for the firm institutionalization of democracy since 1966 and wished them well in the May elections. It was explained to the delegation that, while a strong base for democracy has been laid over the past twenty-five years, that base could be jeopardized, specifically by adverse economic developments. A strong economy is necessary in order for the country to be able to deal with its social problems, and, conversely, economic decline could produce social problems that can endanger democratic institutions.

One Dominican political leader suggested that the United States should provide observors for the May elections. It was explained that this was done for past elections, and that the benefit was in insuring that the conduct of the election was fair and in providing people with confidence that their vote will count and be respected. A member of the delegation explained that the sending of election observers was a matter to be taken up with the U.S. Embassy and the Executive Branch, in response to which the Dominican express skepticism that the Dominican Government would make such a request.

Members of the delegation congratulated the Dominicans for the strong and difficult economic adjustment measures which the government had instituted. In the early 1980's the Dominican Republic faced a spiralling external debt and growing arrearages, a declining price for and exports of sugar, an overvalued exchange rate, a lack of export diversity, and high unemployment. Between 1982 and 1985 the government undertook major economic reforms which led in 1985 to a one-year IMF Stand-by Agreement, a rescheduling of $800 million in commercial debt, and a Paris Club rescheduling of $280 million in official debt (mostly to the United States).

The reform measures included: devaluation and unification of the exchange rate at a free market rate; monetary and fiscal discipline; and reduction in subsidies, including increased prices for petroleum products, electricity, and basic food items; curbed money supply growth; and a stop to printing money to finance the government deficit.

The United States assisted the Dominican Republic through this adjustment process, most importantly in 1984 in providing a $50 million ESF loan which enabled the government to initiate the structural adjustment program (including the unified exchange rate) and also in 1984 a further $40 million ESF loan which assisted the country to meet the performance criteria under the IMF Standby Agreement and thereby permitting the commercial and official debt rescheduling.

One Dominican political leader with whom the delegation met expressed the view that the government's economic program had been inadequate and that what was needed was greater fiscal austerity and a reduction in the size of the government bureacracy.

Having gone through this painful adjustment process, the Dominican Republic is now facing an improved economic outlook, including favorable international trends in the form of lower oil prices (saving over $100 million), lower interest rates, and higher coffee and gold prices. The negative side remains sugar, with continued low international prices, reduced access to the U.S. market, and a lower than average production. Inflation, which hit an annual rate of 70 percent in the month of January 1985, is projected at 15 percent for 1986. Expectations for 1986 are for minimal growth, which has been characteristic of the economy during the first half of the 1980's, and for a continued balance of payment and trade deficit.

TRADE/ECONOMIC ISSUES

Sugar

All of the Dominican officals and political leaders with whom the delegation met raised the issue of sugar. It clearly is the principal economic issue in the country and to the Dominican perspective of relations with the United States. The Dominicans explained the importance of sugar to the Dominican economy and the economic setback which had occurred in recent years. The sugar industry provides the Dominican Republic with 40 percent of its total exports and 35 percent of foreign exchange earnings. One out of every ten Dominicans derives his daily livelihood from the sugar industry. In 1981 the Dominican Republic shipped 747,000 tons of sugar to the United States valued at $414 million. The sugar quota has been steadily cut, and in 1986 the quota will be 276 tons. When combined with low international prices and reduced harvesting, 1986 export revenues from sugar are expected to be around $145 million.

The Dominicans explained that economic difficulties were being incurred, not just because of the reduced sugar quota, but also because of the manner in which they were being applied this year. Rather than being set on a quarterly basis, they are now administered on a monthly basis. The Dominican Republic traditionally has exported at the beginning of the quarter, so it now finds itself short of working capital. One Dominican said that a further difficulty is the inefficiency of the state owned sugar industry. The deficit of the Dominican Sugar Council had been gradually reduced since 1982, but low prices and the reduction in the U.S.

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sugar quota has reversed that positive trend.

The current difficulty with the harvest was explained as arising from delay in commencing the harvest and from the inadequate availability of Haitian workers. At the beginning of the harvest season, just days before Jean-Claude Duvailier left Haiti in early February, the Dominican govenment provided $2 million to the Haitian government for the annual recruitment of workers to harvest the sugar crop. The $2 million disappeared, and the workers never arrived in the Dominican Republic. The country is attempting to substitute with military and civilian Dominican workers, and Haitian workers already in the country, but the harvest is 50 percent behind last year. Other difficulties of the Dominican sugar industry were identified as the inefficiency of the state-run lands and mills and over production by Cuba and the European community.

External debt

The other priority economic issue that is substantially affected by external developments is the country's debt. By the end of 1984 the external debt had grown to $3.4 billion. The economic reforms and the reschedulings outlined above rescued the country from near financial bankruptcy. Debt servicing requirements were 44 percent of exports in 1983 and 31 percent in 1985. The Dominicans with whom the congressional delegation met said that the external debt remains a serious problem.

The view was expressed that the democratic process could be sustained only through a process of further development, but that development was being jeopardized by the debt overhang. It was suggested that the external debt can no longer be paid for with poverty and that the Cartegena Group has presented a clear formula—debt service must be adjusted to a country's level of foreign exchange earnings. Statistics demonstrate that in the past several years Latin America has exported more capital than it has imported, a serious reversal of historic trends. What is needed is a reactivation of the world economy and a reduction in trade barriers.

CBI

The Dominicans also raised the matter of the Caribbean Basin Initiative and explained that the Dominican Republic had benefitted from the initiative. They produced statistics which showed that for the years 1984-1985, the CBI had bought fifty-five investments in agribusiness worth $280.6 million and creating 6,728 jobs, and 102 investments in free trade zones worth $368.4 million and employing 17,745 people. The deficiencies that were noted were insufficient financial resources and restricted access to U.S. markets. 1985 non-traditional exports were 9.5% above their 1984 level.

Book piracy

The other economic/trade issue discussed was piracy of intellectual property. A member of the delegation explained that there was concern in the United States over the illegal publication of American copyrighted books and inquired as to the prospects for legislation to remedy this problem. It was explained that remedial legislation had passed a first reading in the Chamber of Deputies, but that a second reading had been delayed by the difficulty in securing a quorum because members were campaigning for the May elections. The assessment was given that the bill would pass a second reading, after which it would be considered by the Senate.

CENTRAL AMERICA

The matter of Central America was also discussed in the meetings, although not to the extent as in the other three countries visited by the delegation. One Dominican expressed the view that there is concern in the Dominican Republic over developments in Central America because they could affect the Caribbean. He also said that we are now seeing the harvesting of seeds sown in the past—seeds produced by a monopoly by a few of the productive assets, which had produced misery and provided the base for civil unrest. He further asserted that it is important to learn from the lessons of the past that a lack of social justice produces social discontent which leads to violence. It is important to create conditions where people do not lose faith in democracy. The United States' role is vital to achieving that goal. It was further explained that Latins are a proud people, but, if treated fairly by the United States, they will respect the United States.

General Observations

Democracy.—The new democracies visited by the congressional delegation are strong and vibrant, but their political leaders are concerned that they could be subject to instability due to economic difficulties, particularly due to the external debt burden. The congressional delegation understands and appreciates this concern and hopes that the United States Government will continue and enhance its efforts to work with these countries to overcome their economic difficulties.

Debt.—The external debt situation is one of the principal issues of concern in Latin America. These countries are increasingly coming to see the external debt as not just an economic/financial matter, but also as a political problem, and are calling for it to be dealt with in a political context. While admitting to some irresponsible borrowing and use of the loans on their part, they see the debt burden as having spiralled due to the run-up of interest rates in the early 1980's and to their continuance at an historic real high today, and they are asking why and how long they have to pay for the U.S. domestic budget deficit.

The congressional delegation is convinced that the debt servicing burden is restricting a return to economic prosperity, which can have serious potential political ramifications, particularly in the new democracies. The delegation hopes that a reduction in the U.S. fiscal deficit and other actions will bring a continued decline in interest rates and calls on the U.S. Government and commercial banks to devote renewed effort to finding means of easing this burden.

Trade.—The congressional delegation found in all of the countries visited a perception of rising protectionist sentiment in the United States and a concern over possible increased restriction of access of U.S. markets, with a special concern in the Dominican Republic over its reduced exports of sugar to the United States and in Venezuela over proposals for an oil import fee. The congressional delegation did not find a concomitant recognition and appreciation of the extent to which U.S. exports and investments are restricted from access to those economies due to trade barriers, subsidies, and restricted investment policies. The congressional delegation emphasized the U.S. concern and explained that the House of Representatives will consider trade legislation in May which will demand fair and reciprocal trade relations, but hopefully will not be protectionist.

Central America.—The congressional delegation engaged in wide-ranging discussions on Central America in all of the countries visited. The delegation explained the current prevailing view in the United States: that there is a consensus that the Sandinistas were pursuing a route to totalitarianism and communism and that their support for external subversion was unacceptable, but no consensus over the policy options to pursue a change in that behaviour. Several members of the delegation also expressed an urgency over achieving substantial movement in the Contadora process toward a peaceful solution during the ninety-day period which is likely to be provided in legislation that may be passed by Congress; otherwise, military assistance to the contras will be renewed.

The government and political leaders with whom the congressional delegation met expressed the following views:

Strong support for the Contadora process and negotiations, and the importance of the United States strongly supporting those efforts.

Concern that direct U.S intervention could have serious adverse repercussions on public opinion in Latin America and could even be politically destabilizing in some countries.

Athough many shared the U.S. concern over the nature of the Sandinista regime and its support for subversion, there was no overall consensus.

Many called for external pressure on the Sandinistas, with the pressure called for being identified as "Latin", "political", "moral", or unspecified.

LEAVE OF ABSENCE

By unanimous consent, leave of absence was granted to:

Mr. Lujan (at the request of Mr. Michel), for today and the balance of the week, on account of illness.

Mr. Grotberg (at the request of Mr. Michel), for today and the balance of the week, on account of illness.

SPECIAL ORDERS GRANTED

By unanimous consent, permission to address the House, following the legislative program and any special orders heretofore entered, was granted to:

(The following Members (at the request of Mrs. Bentley) to revise and extend their remarks and include extraneous material:)

Mr. Wylie, for 5 minutes, today.
Mr. Cobey, for 60 minutes, April 16.
Mr. Roth, for 60 minutes, April 16.
Mr. Roth, for 60 minutes, April 17.
Mr. Lungren, for 60 minutes, today.
Mr. Lungren, for 60 minutes, April 16.
Mr. Lungren, for 60 minutes, April 17.
Mr. Lungren, for 60 minutes, April 18.
Mr. Lungren, for 60 minutes, April 21.
Mr. Kolbe, for 60 minutes, April 23.

Mr. Dannemeyer, for 60 minutes, April 17.

(The following Members (at the request of Mr. Moody) to revise and extend their remarks and include extraneous material:)

Mr. Montgomery, for 5 minutes, today.
Mr. Annunzio, for 5 minutes, today.
Mr. Udall, for 5 minutes, today.
Mr. Lundine, for 5 minutes, today.
Mr. Solarz, for 60 minutes, April 17.

EXTENSION OF REMARKS

By unanimous consent, permission to revise and extend remarks was granted to:

Mr. O'Neill (at the request of Mr. Moody) to revise and extend his remarks and include extraneous matter.

(The following Members (at the request of Mrs. Bentley) and to include extraneous matter:)

Mr. Packard.
Mr. Jeffords.
Mr. Courter.
Mr. Wortley.
Mr. Kindness in two instances.
Mr. Kemp in two instances.
Mr. Gekas in four instances.
Mr. Pursell.
Mr. Goodling.
Mr. Schulze.
Mr. Lagomarsino in two instances.
Mr. Conte.
Mr. Crane.
Mr. Schuette in two instances.
Mr. Gradison.
Mr. Rowland of Connecticut.
Mr. Thomas of California in two instances.
Mr. Horton.
Mr. Hiler.
Mr. Hyde.
Mr. Gallo in two instances.
Mr. McKernan.
Mr. Barton of Texas in two instances.
Mr. Molinari.
Mrs. Smith of Nebraska.
Mr. Moorhead.
Mr. Marlenee.
Mr. Sundquist.
Mr. Porter.
Mr. Gilman.

(The following Members (at the request of Mr. Moody) and to include extraneous matter:)

Mr. Lantos in two instances.
Mr. de la Garza.
Mr. Donnelly in two instances.
Mr. McHugh.
Mr. LaFalce.
Mr. Dorgan of North Dakota in two instances.
Mr. Hoyer.
Mr. Jones of North Carolina.
Mr. Skelton.
Mr. Frank.
Mr. Mica.
Mr. Levine of California in three instances.
Mrs. Lloyd.
Mr. Lundine.
Mr. Cooper.
Mr. Boner of Tennessee in two instances.
Mr. Stark.
Mr. Borski.
Mr. Owens.
Ms. Oakar.
Mr. Fascell.
Mr. Hall of Ohio.
Mr. Eckart of Ohio.
Mr. Traficant.
Ms. Kaptur.
Mr. Stokes in two instances.
Mr. Rodino.
Mr. Coelho.
Mr. Garcia.

SENATE BILL REFERRED

A bill of the Senate of the following title was taken from the Speaker's table and, under the rule, referred as follows:

S. 290. An act for the relief of Catherine and Robert Fossez; to the Committee on the Judiciary.

SENATE ENROLLED BILL AND JOINT RESOLUTIONS SIGNED

The SPEAKER announced his signature to the enrolled bill and joint resolutions of the Senate of the following titles:

S. 1282. An act to amend the Public Health Service Act to revise and extend the programs of assistance for primary health care;

S.J. Res. 136. Joint resolution to authorize and request the President to issue a proclamation designating the calendar week beginning with Sunday, April 13, 1986, as "National Garden Week"; and

S.J. Res. 315. Joint resolution designating May 1986 as "Older Americans Month."

ADJOURNMENT

Mr. MOODY. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 7 p.m.) under its previous order, the House adjourned until tomorrow, Wednesday, April 16, 1986, at 10 a.m.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

3300. A letter from the Assistant Secretary of Defense (Comptroller), transmitting a listing of contract award dates for the period May 1, 1986 to June 30, 1986, pursuant to 10 U.S.C. 139(b); to the Committee on Armed Services.

3301. A letter from the Secretary of the Army, transmitting additional information on the Pershing II program, which has exceeded a baseline unit cost by more than 25 percent, pursuant to 10 U.S.C. 139b(e)(1); to the Committee on Armed Services.

3302. A letter from the Secretary of the Army, transmitting additional information on the Army Helicopter Improvement Program, which has exceeded a baseline unit cost by more than 25 percent, pursuant to 10 U.S.C. 139b(e)(1); to the Committee on Armed Services.

3303. A letter from the Secretary of the Army, transmitting additional information on the Remotely Piloted Vehicle Program; which has exceeded a baseline unit cost by more than 25 percent, pursuant to 10 U.S.C. 139b(e)(1); to the Committee on Armed Services.

3304. A letter from the General Counsel, Department of Defense, transmitting a draft of proposed legislation to amend section 404(d) of title 37, United States Code, to authorize the payment of a per diem in lieu of subsistence in an amount sufficient to meet normal and necessary expenses of travel in the area to which such travel is performed, and for other purposes; to the Committee on Armed Services.

3305. A letter from the President of the United States, transmitting his determination that the authority available to the Export-Import Bank for fiscal year 1986 is sufficient to meet its needs, pursuant to 12 U.S.C. 635e(a)(2)(A)(ii) (97 Stat. 1257) (July 31, 1945, ch. 341, sec. 7(a)(2)(A)(ii)); to the Committee on Banking, Finance and Urban Affairs.

3306. A letter from the Auditor, District of Columbia, transmitting a copy of a report entitled, "Annual Audit of the Washington Convention Center for the Fiscal Years ended September 30, 1985 and 1984", pursuant to Public Law 93-198, section 455(d); to the Committee on the District of Columbia.

3307. A letter from the Auditor, District of Columbia, transmitting a copy of a report entitled, "Review of Receipts and Disbursements of the Office of the People's Counsel Agency Fund", pursuant to Public Law 93-198, section 455(d); to the Committee on the District of Columbia.

3308. A letter from the Auditor, District of Columbia, transmitting a copy of a report entitled, "Annual Audit of the Boxing and Wrestling Commission for Fiscal Year 1985", pursuant to Public Law 93-198, section 455(d); to the Committee on the District of Columbia.

3309. A letter from the Auditor, District of Columbia, transmitting a copy of a report entitled, "Review of Receipts and Disbursements of the Public Service Commission's Agency Fund", pursuant to Public Law 93-198, section 455(d); to the Committee on the District of Columbia.

3310. A letter from the Secretary of Education, transmitting notification of "Final Funding Priorities for Special Projects and Demonstrations for Providing Vocational Rehabilitation Services to Severely Disabled Individuals Program", pursuant to 20 U.S.C. 1232(d)(1); to the Committee on Education and Labor.

3311. A letter from the Secretary of Education, transmitting notification of "Final Funding Priorities for NIHR—Research and Demonstration Projects in Research Training", pursuant to 20 U.S.C. 1232(d)(1); to the Committee on Education and Labor.

3312. A letter from the Secretary of Commerce, transmitting a draft of proposed legislation to terminate the U.S. Travel and Tourism Administration, to repeal the International Travel Act of 1961, as amended, and for other purposes; to the Committee on Energy and Commerce.

3313. A letter from the President of the United States, transmitting a bimonthly report on progress toward a negotiated settlement of the Cyprus question, pursuant to

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22 U.S.C. 2373(c); to the Committee on Foreign Affairs.

3314. A letter from the Chairman, Nuclear Regulatory Commission, transmitting the calendar year 1985 report on the Commission's compliance with the laws relating to open meetings of agencies of the Government (Government in the Sunshine Act), pursuant to 5 U.S.C. 552b(j); to the Committee on Government Operations.

3315. A letter from the Director, Office of Personnel and Management, transmitting a report on OPM's activities under the Freedom of Information Act during calendar year 1985, pursuant to 5 U.S.C. 552(d); to the Committee on Government Operations.

3316. A letter from the Freedom of Information/Privacy Officer, Interstate Commerce Commission, transmitting a report on the Commission's activities under the Freedom of Information Act during calendar year 1985, pursuant to 5 U.S.C. 552(d); to the Committee on Government Operations.

3317. A letter from the Assistant Attorney General, Legislative and Intergovernmental Affairs, Department of Justice, transmitting a draft of proposed legislation to amend the interest provisions of the Declaration of Taking Act; to the Committee on the Judiciary.

3318. A letter from the Director, Office of Management and Budget, transmitting a draft of proposed legislation to terminate the State Justice Institute; to the Committee on the Judiciary.

3319. A letter from the Secretary of Transportation, transmitting the Urban Mass Transportation Administration Quarterly Report for the fourth quarter of fiscal year 1985, pursuant to 49 U.S.C. app. 1603(h)(1); to the Committee on Public Works and Transportation.

3320. A letter from the Director, Office of Alcohol Fuels, Department of Energy, transmitting notification of a delay in submitting the annual report on the use of alcohol in fuels, pursuant to 26 U.S.C. 4041 nt; to the Committee on Ways and Means.

3321. A letter from the Under Secretary of State for Management, transmitting a report on the operation, cost, advantages, and disadvantages of the Model Foreign Language Competence Posts, pursuant to 22 U.S.C. 4171(b); jointly, to the Committees on Foreign Affairs and Post Office and Civil Service.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. ROSTENKOWSKI. Committee on Ways and Means. H.R. 3131. A bill to identify and reduce barriers to, and distortions of, international trade affecting United States suppliers of telecommunications equipment and services in interstate and foreign commerce; with an amendment (Rept. 99-471, Pt. 2). Referred to the Committee of the Whole House on the State of the Union.

Mr. ASPIN. Committee on Armed Services. Report pursuant to section 302(b) of the Congressional Budget and Impoundment Control Act of 1974 (Rept. 99-531). Referred to the Committee of the Whole House on the State of the Union.

PUBLIC BILLS AND RESOLUTIONS

Under clause 5 of rule X and clause 4 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. PICKLE (for himself and Mr. Schulze):

H.R. 4573. A bill entitled: "The Money Laundering Prevention Act of 1986"; jointly, to the Committees on Banking, Finance and Urban Affairs, and Ways and Means.

By Mr. LUNDINE (for himself, Mr. Bereuter, Mr. LaFalce, Ms. Oakar, Mr. Levin of Michigan, Mr. Torres, Mr. Kolbe, and Mr. Morrison of Connecticut):

H.R. 4574. A bill to alleviate the international debt crisis, expand world trade, and promote stability in the international financial system; to the Committee on Banking, Finance and Urban Affairs.

By Mr. ROSTENKOWSKI:

H.R. 4575. A bill to amend the Internal Revenue Code of 1954 to prevent the avoidance of certain pension requirements through the use of leased employees; to the Committee on Ways and Means.

By Mr. BIAGGI:

H.R. 4576. A bill to designate the U.S. Attorney's Building for the Southern District of New York as the "Silvio James Mollo Federal Building"; to the Committee on Public Works and Transportation.

By Mr. DANIEL (for himself, Mr. Bateman, Mr. Whitehurst, Mr. Bliley, Mr. Sisisky, Mr. Olin, Mr. Slaughter, and Mr. Parris):

H.R. 4577. A bill to amend the Immigration and Nationality Act to provide that the adverse effect wage rate, for nonimmigrant aliens brought into the United States to perform temporary agricultural labor, may not be more than 50 cents higher than the applicable Federal or State minimum wage rate, and for other purposes; to the Committee on the Judiciary.

By Mr. de LUGO (for himself, Mr. Udall, Mr. Young of Alaska, and Mr. Lagomarsino):

H.R. 4578. A bill to amend the Internal Revenue Code of 1954 to provide that the full amount of excise taxes imposed on rum produced in the Virgin Islands shall be covered over to the Virgin Islands; to the Committee on Ways and Means.

By Mr. DOWNEY of New York:

H.R. 4579. A bill to amend the Tariff Schedules of the United States to provide for the elimination of duty on small toys; to the Committee on Ways and Means.

By Mr. ECKART of Ohio (for himself and Mr. Traficant):

H.R. 4580. A bill to amend the Tariff Act of 1930 to make the unfair trade laws more effective, and for other purposes; jointly, to the Committees on Ways and Means, Energy and Commerce, and the Judiciary.

By Mr. JONES of North Carolina (for himself, Mr. Biaggi, Mr. Lent, and Mr. Snyder) (by request):

H.R. 4581. A bill to direct the Secretary of Transportation to enter into certain contracts and contract amendments to develop and deregulate the U.S.-flag liner fleet; to the Committee on Merchant Marine and Fisheries.

H.R. 4582. A bill to direct the Secretary of Transportation to enter into certain contracts and contract amendments to develop and deregulate the U.S.-flag liner fleet; to the Committee on Merchant Marine and Fisheries.

H.R. 4583. A bill to direct the Secretary of Transportation to enter into certain contracts and contract amendments to develop and deregulate the U.S.-flag liner fleet and to permit a subsidy buy out for smaller liner companies or alternatively an infusion in recognition of the adverse competitive impact of this program on smaller U.S. liner companies to the benefit of the larger U.S. liner companies; to the Committee on Merchant Marine and Fisheries.

H.R. 4584. A bill to direct the Secretary of Transportation to enter into certain contracts and contract amendments to develop and deregulate the U.S.-flag liner fleet; to the Committee on Merchant Marine and Fisheries.

By Mr. ERDREICH:

H.R. 4585. A bill to encourage innovation, promote research and development, and stimulate trade by strengthening the protection given intellectual property rights by making necessary and appropriate amendments to the intellectual property rights laws; jointly, to the Committees on the Judiciary, Ways and Means, and Energy and Commerce.

By Mr. FISH:

H.R. 4586. A bill to amend the interest provisions of the Declaration of Taking Act; to the Committee on the Judiciary.

By Mr. FORD of Tennessee:

H.R. 4587. A bill to appropriate funds for the establishment of a cancer research center at the University of Tennessee Center for Health Sciences in Memphis, TN; to the Committee on Appropriations.

By Mr. GLICKMAN (for himself and Mr. Frank):

H.R. 4588. A bill to authorize appropriations for the Administrative Conference of the United States, and for other purposes; to the Committee on the Judiciary.

By Mr. LANTOS:

H.R. 4589. A bill to provide financial assistance and incentives to local schools having centers of excellence in civic education; to the Committee on Education and Labor.

By Mr. McKERNAN:

H.R. 4590. A bill relating to certain foreign labor subsidies for which relief may be sought under the countervailing duty laws; to the Committee on Ways and Means.

By Mr. MARLENEE (for himself, Mr. Volkmer, Mrs. Smith of Nebraska, Mr. Stallings, Mr. Craig, Mr. Robert F. Smith, Mr. Daschle, Mr. Emerson, Mr. Taylor, Mr. Strang, Mr. Stangeland, Mr. Roberts, Mr. Gunderson, Mrs. Vucanovich, Mr. Reid, and Mr. Glickman):

H.R. 4591. A bill relating to the importation of certain Canadian beef products; to the Committee on Ways and Means.

By Ms. MIKULSKI:

H.R. 4592. A bill to amend the Foreign Sovereign Immunities Act with respect to admiralty jurisdiction; to the Committee on the Judiciary.

By Mr. NEAL:

H.R. 4593. A bill to permit the Government National Mortgage Association and the Federal Housing Administration to enter into additional commitments during fiscal year 1986 to guarantee mortgage-backed securities and insure loans under the National Housing Act; to the Committee on Banking, Finance and Urban Affairs.

By Ms. OAKAR:

H.R. 4594. A bill to require the Administrator of Veterans' Affairs to conduct a study for the purpose of locating sites in the State of Ohio suitable for development as

cemeteries in the National Cemetery System with an emphasis on the Greater Cleveland area; to the Committee on Veterans' Affairs.

By Mr. RANGEL:

H.R. 4595. A bill to provide that certain amounts received by a qualified cooperative housing corporation in connection with the refinancing of indebtedness of such corporation shall not be subject to Federal income tax, and for other purposes; to the Committee on Ways and Means.

H.R. 4596. A bill to amend the Internal Revenue Code of 1954 to make certain changes with respect to the Tax Court; to the Committee on Ways and Means.

By Mr. Rangel (by request):

H.R. 4597. A bill to amend the Internal Revenue Code of 1954 to make certain changes relating to the administration of the excise taxes on alcohol, tobacco, and firearms, and for other purposes; to the Committee on Ways and Means.

By Mr. SCHULZE:

H.R. 4598. A bill to amend the Internal Revenue Code of 1954 to impose a business alternative minimum tax, to repeal the existing minimum tax on corporations, and to revise certain capital cost recovery provisions; to the Committee on Ways and Means.

By Mr. TORRICELLI:

H.R. 4599. A bill to extend duty-free treatment to certain chemicals; to the Committee on Ways and Means.

By Mr. UDALL (for himself and Mr. Waxman):

H.R. 4600. A bill to reauthorize and amend the Indian Health Care Improvement Act, and for other purposes; jointly, to the Committees on Interior and Insular Affairs, and Energy and Commerce.

By Mr. WEBER (for himself, Mr. Tauke, Mr. Coleman of Missouri, Mr. Evans of Iowa, Mr. Jones of North Carolina, Mr. Gingrich, Mr. Williams, Mr. Bruce, and Mr. Daub):

H.R. 4601. A bill to amend the Internal Revenue Code of 1954 to exclude from gross income amounts attributable to the discharge of indebtedness on certain farm property; to the Committee on Ways and Means.

By Mr. WYLIE (for himself, Mr. St Germain, Mr. Gonzalez, and Mr. McKinney):

H.R. 4602. A bill to authorize the Federal Housing Administration and the Government National Mortgage Association to enter into additional commitments to insure loans and guarantee mortgage-backed securities during fiscal year 1986, and for other purposes; to the Committee on Banking, Finance and Urban Affairs.

By Mr. COELHO (for himself, Mr. Akaka, Mr. Bevill, Mr. Brooks, Mr. Coleman of Texas, Mr. Darden, Mr. Fauntroy, Mr. Murphy, Mr. Kildee, Mr. Owens, Mr. Boucher, Mr. Hayes, Mr. Perkins, Mr. Dymally, Mr. Jones of North Carolina, Mr. Kanjorski, Mr. Kolter, Mr. Lantos, Mr. Savage, Mr. Skelton, Mr. Traxler, Mr. Chapman, Mr. Dwyer of New Jersey, Mr. Hoyer, Mr. Bedell, Mr. Sabo, Mr. Gray of Illinois, Mr. Mrazek, Mr. Richardson, Mr. Sisisky, Mr. Ackerman, Mr. Oberstar, Mr. Anderson, Mr. Boner of Tennessee, Mr. Bryant, Mr. Conyers, Mr. Dellums, Mr. Fazio, Mrs. Lloyd, Mr. Luken, Mr. Lundine, Mr. McCloskey, Mr. McHugh, Mr. Manton, Mr. Markey, Mr. Matsui, Mr. Moakley, Mr. Moody, Mr. Price, Mr. Staggers, Mr. Towns, Mr. Guarini, Mr. Ortiz, Mr. Mavroules, Mr. Mineta, Mr. Levin of Michigan, Mr. Panetta, Mr. Bonior of Michigan, Mr. Waxman, Mr. Fuster, Mr. Young of Missouri, Mr. Frank, Mr. Crockett, Mr. Barnes, Mr. Borski, Mr. Bustamante, Mr. Valentine, Mr. Dowdy of Mississippi, Mr. Feighan, Mr. Walgren, Mr. Weiss, Mr. Wilson, Mr. Wyden, Mr. Yates, Mr. Sunia, Mr. Tallon, Mr. Tauzin, Mr. Thomas of Georgia, Mr. Pepper, Mr. Rodino, Mr. Roe, Mr. Traficant, Mr. Ralph M. Hall, Mr. Martinez, Mr. Dixon, Mr. O'Brien, Mrs. Burton of California, Mr. Lehman of California, Mr. Yatron, Mr. Gordon, Mrs. Byron, Mr. Smith of Iowa, Ms. Oakar, Mr. Stallings, and Mr. Volkmer):

H.J. Res. 600. A joint resolution to designate April 17, 1986, as "National Pension Day"; to the Committee on Post Office and Civil Service.

By Mr. WIRTH (for himself, Mr. Sikorski, and Mr. Gilman):

H. Con. Res. 317. Concurrent resolution expressing the sense of the Congress that the Soviet Union should immediately provide for the release and safe passage of Naum Meiman and Inna Kitrosskaya-Meiman; to the Committee on Foreign Affairs.

By Mr. NEAL:

H. Con. Res. 318. Concurrent resolution to express the sense of the Congress that the Federal income tax deduction allowable for payment of Federal excise taxes should not be changed as part of tax reform; to the Committee on Ways and Means.

By Mr. GILMAN (for himself, Mr. Green, Mr. Mrazek, and Mr. Rangel):

H. Res. 420. Resolution to express the sense of the House of Representatives concerning Solidarity Sunday for Soviet Jewry; to the Committee on Post Office and Civil Service.

MEMORIALS

Under clause 4 of rule XXII,

341. The SPEAKER presented a memorial of the House of Representatives of the Commonwealth of Kentucky, relative to price advantages for foreign coal producers; to the Committee on Ways and Means.

ADDITIONAL SPONSORS

Under clause 4 of rule XXII, sponsors were added to public bills and resolutions as follows:

H.R. 471: Mr. Hartnett and Mr. Oxley.

H.R. 831: Mr. Wolpe.

H.R. 880: Mr. Bedell, Mr. Fazio, Mr. Barnes, Mr. Reid, and Mr. Lehman of Florida.

H.R. 1069: Mr. Kolbe.

H.R. 1140: Mr. Coelho.

H.R. 1154: Mr. Schumer.

H.R. 1375: Mr. Rose and Mr. Martinez.

H.R. 1398: Mr. Fauntroy.

H.R. 1659: Mr. Rangel, Mr. Bates, Mr. Scheuer, Mr. Hendon, Mr. Bilirakis, Mr. Mineta, and Mr. Wilson.

H.R. 1674: Mr. Ackerman, Mr. Bonior of Michigan, Mr. Boucher, Mr. Conyers, Mr. Daschle, Mr. Dixon, Mr. Dymally, Mr. Dyson, Mr. Erdreich, Mr. Frost, Mr. Frank, Mr. Hall of Ohio, Mr. Manton, Ms. Mikulski, Mr. Price, Mr. Scheuer, Mr. Smith of Florida, Mr. Studds, Mr. Seiberling, Mr. Staggers, Mr. Tallon, Mr. Williams, and Mr. Gordon.

H.R. 2353: Mr. Nielson of Utah.

H.R. 2354: Mr. Ford of Tennessee.

H.R. 2439: Mr. Valentine.

H.R. 2504: Mr. Staggers, Mr. Kindness, and Mr. Hammerschmidt.

H.R. 2578: Mr. DeWine, Mr. Dickinson, Mr. Gallo, Mr. Gunderson, Mr. Udall, and Mr. Wylie.

H.R. 2591: Mr. Brown of California, Mr. Atkins, Mr. Hefner, Mrs. Boggs, and Mr. Coughlin.

H.R. 2741: Mr. Slattery.

H.R. 3032: Mrs. Schroeder.

H.R. 3042: Mr. Berman, Mr. Moakley, and Mr. Markey.

H.R. 3330: Mr. Denny Smith and Mr. Hendon.

H.R. 3431: Mr. Brown of Colorado.

H.R. 3465: Mr. Porter and Mr. Kanjorski.

H.R. 3522: Mr. Bateman.

H.R. 3597: Mr. Clinger, Mr. Traxler, Mr. Wortley, Mr. Daub, Mr. Kolbe, Mr. Martinez, and Mr. Dorgan of North Dakota.

H.R. 3626: Mr. Oxley.

H.R. 3799: Mr. Roe, Mr. Markey, and Mr. Panetta.

H.R. 3806: Mr. Edwards of California, Mr. Russo, Mrs. Boxer, Mr. Weaver, and Mr. Torricelli.

H.R. 3822: Mr. Fazio and Mr. Reid.

H.R. 3833: Mr. Ritter.

H.R. 3866: Mr. Duncan, Mr. Roe, Mr. Wolpe, Mr. Scheuer, and Mrs. Boxer.

H.R. 4003: Mr. Wilson and Mr. Weaver.

H.R. 4057: Mr. Mica, Mr. Bates, Mr. Shaw, Mrs. Burton of California, Mr. Price, Mr. Gilman, Mr. Kolter, Mr. Henry, Mr. Williams, and Mr. Blaz.

H.R. 4073: Mr. Jones of North Carolina.

H.R. 4098: Mr. Petri and Mr. Shumway.

H.R. 4148: Mr. Obey.

H.R. 4183: Mr. Ackerman, Mr. Quillen, Mr. Nielson of Utah, Mr. Flippo, Mr. Spence, Mr. McCain, Mr. Gonzalez, Mr. Gray of Illinois, Mr. Evans of Iowa, Mr. Boner of Tennessee, Mr. Udall, Mr. Gordon, and Mr. Carr.

H.R. 4194: Mr. Downey of New York, Mr. Traficant, and Mr. Owens.

H.R. 4202: Mr. Archer, Mr. Armey, Mr. Fuqua, Mr. Monson, and Mr. Stallings.

H.R. 4203: Mr. Durbin.

H.R. 4253: Mr. Atkins, Mr. Downey of New York, Mr. Frank, Mrs. Byron, Mr. Boulter, Mr. Scheuer, Mr. Markey, Mr. Bland, Mr. Moakley, Mr. Hayes, Mr. Conte, Mr. Rangel, Mr. Mavroules, Mr. McKinney, Mr. Studds, and Mr. Kolter.

H.R. 4299: Mr. Kramer, Mr. McDade, Mr. Luken, Mr. Chandler, Mr. Chappell, Mr. Coughlin, Mr. Hatcher, and Mr. Ridge.

H.R. 4301: Mr. Gejdenson, Mr. Morrison of Connecticut, Mr. Frank, Mr. Gonzalez, Mr. Mitchell, Mr. Tallon, Mr. Feighan, Mr. Nichols, Mr. Strang, Mr. Lujan, Mr. Davis, Mrs. Boxer, Mr. Yatron, Mrs. Vucanovich, Mr. Gilman, Mr. Traficant, Mr. Lowry of Washington, Mr. Owens, Mr. Rahall, and Mr. Vento, and Mr. Ortizo.

H.R. 4312: Mr. Shaw, Mr. Kindness, Mr. Horton, Mr. Fazio, and Mr. Dreier of California.

H.R. 4360: Mrs. Schneider.

H.R. 4391: Mr. Hayes, Mr. Leath of Texas, Mrs. Lloyd, Mr. Clinger, and Mr. Torres.

H.R. 4405: Mr. Dorgan of North Dakota and Mr. Stallings.

H.R. 4430: Mr. Akaka.

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H.R. 4488: Mr. Oberstar, Mr. Nielson of Utah, Mr. Dellums, Mr. Synar, Mr. Hansen, Mr. Roybal, Mr. Bates, Mr. Beilenson, Mr. Leland, Mr. Jacobs, Mr. Wilson, Mr. Waxman, Mr. Fawell, Mr. Ackerman, and Mr. Seiberling.

H.R. 4519: Mr. Hopkins, Mrs. Martin of Illinois, Mr. Daniel, and Mrs. Smith of Nebraska.

H.R. 4520: Mr. Stangeland, Mr. Roth, Mr. Daub, Mr. Henry, Mr. Hopkins, Mr. Olin, Mr. Schuette, Mrs. Martin of Illinois, Mr. Daniel, Mr. Gejdenson, Mr. Penny, and Mrs. Smith of Nebraska.

H.R. 4524: Mr. Stenholm, Mr. Tallon, Mr. Bilirakis, Mr. Applegate, Mr. Pursell, and Mr. Wilson.

H.R. 4534: Mr. Bedell and Mr. Slattery.

H.R. 4569: Mr. Watkins and Mr. McCurdy.

H.J. Res. 57: Mr. Moorhead.

H.J. Res. 279: Mr. Broyhill.

H.J. Res. 429: Mr. Rodino, Mr. Bustamante, and Mrs. Burton of California.

H.J. Res. 451: Mr. Lott, Mr. Spratt, Mr. Saxton, Mr. Tauke, Mr. Hunter, Mr. Kolter, Mr. Skelton, Mr. Torricelli, and Mr. Kolbe.

H.J. Res. 470: Mr. Sikorski, Mr. Jenkins, Mr. McDade, Mr. Smith of New Hampshire, Mr. Reid, Mr. Martin of New York, Mr. Annunzio, Mr. Anderson, Mr. Atkins, Mr. Bliley, Mr. Nielson of Utah, Mr. Lent, Mr. Lagomarsino, Mr. Nowak, and Mr. Molinari.

H.J. Res. 492: Mr. Derrick, Mr. Bilirakis, Mr. Crockett, Mr. Pickle, Mr. Gephardt, Mr. Darden, Mr. Ford of Michigan, Mr. McKernan, Mr. MacKay, Mr. Walgren, Mr. Dreier of California, Mrs. Holt, Mr. Gray of Illinois, Mr. Fish, Mr. Erdreich, Mr. Heftel of Hawaii, Mrs. Meyers of Kansas, Mr. Florio, and Mr. Madigan.

H.J. Res. 502: Mr. Coelho, Mr. Dellums, Mr. Kasich, Mr. Mitchell, Mr. Moorhead, Mr. Morrison of Washington, Mr. Owens, Mr. Pepper, Mr. Rinaldo, Mr. Rodino, Mr. Skelton, Mr. Snyder, Mr. Swindall, Mr. Tallon, Mr. Tauke, Mr. Walgren, Mr. Whittaker, Mr. Wirth, Mr. Wyden, and Mr. McCloskey.

H.J. Res. 510: Mr. Berman, Mr. Rose, Mr. Stangeland, Mr. Ackerman, Mr. Nelson of Florida, Mr. Stokes, Mr. Gephardt, Mr. Boner of Tennessee, Mr. Gray of Illinois, Mr. Scheuer, Mr. McKernan, Mr. Traficant, Mr. Spratt, Mr. Dowdy of Mississippi, Mr. Jeffords, Mr. Kasich, Mr. Borski, Mr. Carney, Mrs. Collins, Mr. Kastenmeier, Mr. Smith of Florida, Mr. Mack, Mr. Brooks, Mr. Evans of Iowa, Mr. Boucher, Mr. Carper, Mr. Boehlert, Mr. English, Mr. Andrews, Mr. Dymally, Mr. Moody, Mr. Frank, Mr. Gilman, Mr. Volkmer, Mr. Coleman of Missouri, Mr. Alexander, Mr. Monson, Mr. Moorhead, Mr. Morrison of Connecticut, Mr. Bonior of Michigan, Mr. Petri, Mr. Breaux, Mr. Miller of Ohio, Mr. Synar, Mr. Perkins, Mr. Snyder, Mr. Wirth, Mr. Smith of New Hampshire, Mr. Wolpe, Mr. Tallon, Mr. Tauzin, Mr. Nielson of Utah, Mr. LaFalce, Mr. Chapman, Mr. Lungren, Mr. Moore, Mr. Leach of Iowa, Mr. Hayes, Mr. Jones of North Carolina, Mr. Hunter, and Mr. Schuette.

H.J. Res. 528: Mr. Feighan, Ms. Mikulski, and Mr. Shelby.

H.J. Res. 529: Mr. Franklin, Mr. Hoyer, Mr. Schuette, Mr. O'Brien, and Ms. Kaptur.

H.J. Res. 531: Mr. Eckart of Ohio, Mr. McHugh, Mr. Sisisky, Mr. Gordon, Mr. LaFalce, Mr. Hoyer, Mr. Frenzel, Mr. Ford of Michigan, Mr. Fuqua, and Mr. Derrick.

H.J. Res. 544: Mr. Valentine, Mr. Rose, Mr. Dornan of California, Mr. Lewis of Florida, Mr. Kostmayer, Mrs. Lloyd, Mr. Hoyer, Mr. Hammerschmidt, Mr. Hefner, Mr. Livingston, Mr. Coelho, Mr. Derrick, Mr. Campbell, Mr. Ortiz, Mr. Stark, Mr. Dannemeyer, Mr. Bartlett, Mrs. Burton of California, Mr. Hartnett, Mr. Chappie, Mr. Lungren, Mr. Kasich, Mr. Erdreich, and Mr. Fuqua.

H.J. Res. 561: Mr. McEwen, Mrs. Vucanovich, Mr. Fazio, Mr. McKernan, Mr. Miller of California, Mr. Clinger, Mr. McGrath, Mr. Ortiz, Mr. Durbin, Mrs. Johnson, Mr. Hawkins, Mrs. Bentley, Mr. Atkins, Mr. Hammerschmidt, Ms. Snowe, Mr. Walgren, Mr. Bustamante, Mr. Coats, Mr. Gray of Pennsylvania, Mr. Duncan, Mr. Gray of Illinois, Mr. Bedell, Mr. Gunderson, Mr. Tauke, Mr. Jeffords, Mr. Rinaldo, Mr. Lundine, Mr. AuCoin, and Mr. Rogers.

H. Con. Res. 233: Mr. Dymally.

H. Con. Res. 299: Mr. Rinaldo, Mr. Monson, and Mr. Watkins.

H. Con. Res. 307: Mr. Rinaldo and Mr. Monson.

H. Res. 362: Mr. Fawell, Mr. Dreier of California, Mr. Daub, Mr. Kleczka, Mr. Lagomarsino, Mrs. Roukema, Mr. Hendon, Mr. Wylie, Mr. Shaw, Mr. Dornan of Califonia, Mr. Sikorski, Mr. Cobey, Mr. Franklin, Mrs. Vucanovich, Mr. Lightfoot, Mr. Mack, Mr. Swindall, and Mrs. Martin of Illinois.

H. Res. 407: Mr. Ackerman, Mr. Bateman, Mr. Beilenson, Mr. Bonker, Mr. Bosco, Mr. Boucher, Mrs. Burton of California, Mr. Bruce, Mr. Dicks, Mr. Dorgan of North Dakota, Mr. Downey of New York, Mr. Durbin, Mr. Fazio, Mr. Feighan, Mr. Fish, Mr. Frank, Mr. Gejdenson, Mr. Heftel of Hawaii, Mr. Hendon, Mr. Henry, Mrs. Holt, Mr. Howard, Mr. Hoyer, Mr. Hyde, Mr. Kastenmeier, Mr. Kindness, Mr. Kolter, Mr. LaFalce, Mr. Lehman of California, Mr. Levine of California, Mr. McKernan, Mr. Miller of Washington, Mr. Morrison of Connecticut, Mr. Reid, Mr. Ridge, Mr. Rodino, Mr. Roe, Mr. Roth, Mr. Sabo, Mr. Seiberling, Mr. Stark, Mr. Stangeland, Mr. Swift, Mr. Synar, Mr. Tauke, Mr. Taylor, Mr. Udall, Mr. Walgren, Mr. Weiss, Mr. Yates, Mr. Yatron, Mr. Zschau, Mr. Porter, Mr. Torres, Mr. Wolpe, Mr. Parris, Mr. Mrazek, Mrs. Lloyd, Mr. Anderson, Mr. Kleczka, Mrs. Bentley, Mr. Lent, Mr. Lipinski, Mr. Donnelly, Mr. Young of Missouri, Mr. Sensenbrenner, Mr. Hughes, Mrs. Byron, Mr. Matsui, and Mr. Traxler.

H. Res. 413: Mr. Horton, Mr. Lightfoot, Mr. Bateman, Mr. Daub, Mr. Monson, Mr. McKinney, Mr. Synar, and Mr. Dorgan of North Dakota, and Mr. McCloskey.

PETITIONS, ETC.

Under clause 1 of rule XXII, petitions and papers were laid on the Clerk's desk and referred as follows:

305. By the SPEAKER: Petition of the city council of Detroit, MI, relative to Public Law 93-531; to the Committee on Interior and Insular Affairs.

306. Also, petition of the council of the Borough of Ringwood, NJ, relative to an amendment to the 16th amendment to the Constitution; to the Committee on the Judiciary.

AMENDMENTS

Under clause 6 of rule XXIII, proposed amendments were submitted as follows:

H.R. 281

By Mr. JEFFORDS:

(Amendment in the nature of a substitute.)

—Strike out all after the enacting clause and insert in lieu thereof the following:

That this Act may be cited as the "Constitution Industry Labor Law Amendments of 1986".

Sec. 2. (a) Section 2(2) of the National Labor Relations Act (29 U.S.C. 152(2)) is amended by adding at the end thereof the following new sentence: "In the construction industry, any two or more business entities performing the same or similar work in the same geographical area and having common ownership, management or control, shall be deemed a single employer if there is a practice of interchanging employees among the entities or if any such entity directly competes with or intentionally deprives other such entities of work."

(b) Section 8(d) of such Act (29 U.S.C. 158(d)) is amended by adding at the end thereof the following new sentence: "Whenever the collective bargaining involves employees of a business entity comprising part of a single employer in the construction industry, as defined in section 2(2) of this Act, the duty to bargain collectively, for the purposes of this section, shall include the duty to apply the terms of a collective bargaining agreement between such business entity and a labor organization to all other business entities comprising the single employer within the geographical area covered by the agreement: *Provided*, That the employees of the combined business entity covered by the agreement constitute an appropriate unit for the purpose of collective bargaining, consistent with section 9(b) of this Act.".

(c) Section 8(e) of such Act (29 U.S.C. 158(e)) is amended by inserting before the colon at the end of the first proviso of such section the following new proviso: ": *Provided further*, That nothing in this subsection (e) shall be construed to prohibit any agreement between a labor organization and an employer in the construction industry form including any prohibition, restriction, or requirement on such employer with regard to the ownership, management, or control of other business entities in the same geographic area that are engaged in work similar to that performed by the employees in the bargaining unit".

(d) Section 8(f) of such Act (29 U.S.C. 158(f)) is amended—

(1) by striking out " geographical area:" in clause (4) and inserting in lieu thereof the following: "geographical area. An agreement lawfully made pursuant to this subsection shall impose the same obligations under the Act as an agreement made with a majority representative pursuant to section 9(a):"; and

(2) by inserting before the period at the end of such section the following new proviso: ": *Provided further*, That any agreement lawfully made pursuant to this subsection may be repudiated at any given site only where (A) at least 30 days after the hiring of the first employee under such agreement

at such site, the employer, based upon objective considerations and after compliance with any requirements in such agreement permitted by clause (3) of this subsection, determines that the majority status of such labor organization at such site has not been established or is no longer present; or (B) the Board certifies the results of an election conducted pursuant to section 9(c), in which a majority of employees in an appropriate bargaining unit selects a bargaining representative other than the labor organization with which such agreement was made or chooses not to be represented by a labor organization.

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SOLIDARITY SUNDAY FOR SOVIET JEWRY

HON. BENJAMIN A. GILMAN

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, April 15, 1986

Mr. GILMAN. Mr. Speaker, once again I am privileged to introduce the congressional resolution of support for Soviet Jewry. Each year, to highlight the plight of those denied their religious and cultural rights under international law, the Coalition to Free Soviet Jews, in New York City, organizes a massive rally at Dag Hammarskjold Plaza opposite the United Nations. Nearby are the Shcharansky Steps, which for years commemorated the daily struggle of Anatoly Shcharansky as he languished in a Soviet prison under the false charge of treason. Yet, on May 11, 1986, hundreds of thousands of concerned citizens will stand in solidarity with Soviet Jewry, and will hear the words of the newly freed Anatoly Shcharansky.

This past year has been a time of both joy and frustration to those of us concerned about the plight or Soviet Jewry. Apparently, the recent summit meeting between President Reagan and Soviet leader Mikhail Gorbachev, helped to bring about the release of several well-known long-term refuseniks and former Prisoners of Conscience, including Dr. Mark Nashpitz, a Moscow dentist with whom I had been corresponding for almost 15 years, and Ilya Essas, a self-taught Hebrew and religious teacher who became the focal point in Moscow for observant Jews. these two men were in Washington recently, where many Members of Congress had the opportunity to meet with them.

Yet, from a high point of over 51,000 in 1979, we saw emigration plummet in the early 1980's. And in 1985, only 1,140 Jewish men, women, and children were allowed to participate in the reunification process as provided for by the Helsinki Final Act.

During the past year, we have also seen other innocent people arrested, harassed, and interrogated for no other reason than they had expressed their desire to emigrate to Israel. Yakov Berenshtein's sight is almost completely gone as a result of having been beaten by criminals in his prison, POC Yuli Edelshtein lies in a hospital, the victim of a badly shattered broken leg and ruptured urethra associated with a suspicious accident while on a construction project at his labor camp.

These innocent people continue to suffer, as do all those who make the decision to apply to emigrate. There are almost 400,000 individuals who are at some point in the application process. Once their decision to emigrate is made, loss of employment is almost certain to follow. Once unemployed, such an individual risks arrest on the charge of parasitism. If the applicant is younger, he most certainly risks being drafted into the Soviet Army, which automatically carries with it the knowledge of state secrets for at least 5 years, certain grounds for emigration refusal. There are so many obstacles ahead of one who decides to emigrate, and so much official discrimination and persecution, that those who pursue their dream are to be admired. They suffer for their principles, but they will not be bowed.

Mr. Speaker, Solidarity Sunday for Soviet Jewry is our annual opportunity in the House of Representatives to make known our commitment to human rights. When Anatoly and Avital Shcharansky ascend the platform on Solidarity Sunday, the free world will see for itself a shining example of the triumph of the human spirit in the face of adversity. Yet we cannot forget the hundreds of thousands who are left behind the Iron Curtain. It is for them that we must continue to speak out, until all those who desire to practice their religious and cultural heritage freely are allowed to do so.

Mr. Speaker, I request that at this point in the CONGRESSIONAL RECORD the full text of this resolution be printed, and I invite our colleagues to cosponsor this important measure. I anticipate floor action in the very near future, and will be conducting a special order in the week prior to Solidarity Sunday.

H. RES. 420

Whereas on May 11, 1986, the constituent agencies of the Coalition to Free Soviet Jews will convene the fifteenth annual "Solidarity Sunday for Soviet Jewry" in reaffirmation of the American People's resolve to secure freedom for Soviet Jews and beleaguered persons everywhere;

Whereas Americans of all faiths will join in myriad activities on that day in public expression of solidarity with the long suffering Jewish community in the Soviet Union;

Whereas the right to emigrate freely and to be reunited with one's family abroad is denied Jews and many others in the Soviet Union;

Whereas the Universal Declaration of Human Rights, adopted by the General Assembly of the United Nations, and the Helsinki Final Act explicitly assert guarantees of those rights;

Whereas the Government of the Soviet Union has nevertheless continued to restrict emigration, particularly in the last few months, when the number of Jews allowed to emigrate has declined to extremely low levels;

Whereas the Government of the Soviet Union is persecuting its Jewish citizens and denying them even those few rights and privileges accorded other recognized religions in the Soviet Union;

Whereas the Government of the Soviet Union discriminates against Jewish cultural activities by banning and suspending Hebrew and Jewish cultural classes, by arresting teachers of Hebrew, and by harassing those Soviet Jews who seek only to practice their religion;

Whereas a virulent anti-Semitic campaign continues unabated in the Soviet Union and Soviet Jews are increasingly deprived of occupational and educational opportunities;

Whereas thousands of innocent Jews and other persons, having applied to leave the Soviet Union, have been subjected to immediate induction into the armed forces, improper incarceration in mental institutions, expulsion from school, and constant surveillance and harassment;

Whereas the Government of the Soviet Union will not succeed in isolating Soviet Jews from their friends in the free world so long as those who cherish liberty continue to speak on behalf of beleaguered people everywhere;

Whereas "Solidarity Sunday for Soviet Jewry" shall provide vigorous expression of American determination to secure freedom for Soviet Jewish prisoners of conscience incarcerated solely for their desire to emigrate; and

Whereas the Government of the Soviet Union refuses to permit the free exercise of religious beliefs and cultural expression and also refuses to remove all obstacles to the free emigration of its Jewish citizens and others who wish to leave and live in other countries: Now, therefore, be it

Resolved, That the House of Representatives hereby expresses its full support for "Solidarity Sunday for Soviet Jewry", to be held on May 11, 1986, and encourages Americans to participate in the activities of that day.

TRADE LAW IMPROVEMENT ACT OF 1986

HON. DENNIS E. ECKART

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Tuesday, April 15, 1986

Mr. ECKART of Ohio. Mr. Speaker, today, I along with my distinguished colleague and congressional neighbor JIM TRAFICANT, am introducing the Trade Law Improvement Act of 1986. Both Representative TRAFICANT and myself have worked hard to bring jobs back to northeast Ohio by promoting our local businesses and industries. This bill takes urgently needed steps to save both local and national industries from the invasion of unfairly produced imports which are threatening our economy and endangering jobs in America and in northeast Ohio.

Over the course of the past 5 years, this Nation has suffered a steady erosion of its ability to compete in the international marketplace. This problem has rapidly approached epidemic proportions. Last year, the United States imported $148 billion more in goods than we exported, causing the largest trade deficit in our Nation's history and turning us into a debtor nation. This staggering figure represents a nearly fivefold increase over the 1980 trade deficit of just $30 billion.

● This "bullet" symbol identifies statements or insertions which are not spoken by a Member of the Senate on the floor.

Matter set in this typeface indicates words inserted or appended, rather than spoken, by a Member of the House on the floor.

The unavoidable bottom line of this crisis is lost jobs for Ohioans. Over 140,000 Ohioans in auto-related industries have lost jobs due to the import invasion, more than 20,000 people lost their steel-related jobs, and in northeast Ohio alone, tens of thousands of jobs have fallen prey to the growing trade imbalance. In areas like Ashtabula, OH, where unemployment still hovers above 15 percent, and Trumbull County, OH, with an unemployment rate over 12 percent, this comes as no surprise. We are not strangers to the economic devastation and personal ruin brought about by the unfair trade practices which this administration has allowed to exist and proliferate. The administration continues to perilously cling to its weak adherence to free trade while other nations subsidize their industries and erect barriers against American products at their borders.

What has become most disturbing and in need of immediate remedy is the discovery that our Government's current trade laws not only allow this uneven international playing field to exist, they are helping to tip it further from our advantage. The specific problems encountered by RMI Corp., based in Niles, OH, with plants in Ashtabula County and elsewhere, only serve to illustrate the glaring inequities in our trade law which are similarly hurting other industries nationwide. The 1983 contract award for the purchase of titanium sponge by the General Services Administration [GSA] handed 80 percent of the contract to foreign producers at dumped prices. This action blatantly ignored buy-American requirements, favored goods produced unfairly in foreign countries, and threatened our Nation's national security interests. Titanium sponge is a critical element in the manufacture of crucial defense components. It is, therefore, unconscionable that our own trade practices would allow for the development and advancement of foreign manufacturers of this strategic product to the detriment and potential destruction of domestic producers.

This bill contains several key provisions to help level the playing field and erode the barriers to fair and free trade:

It closes existing loopholes in the antidumping laws for certain purchases by the Federal Government to ensure that imports are priced at fair value and domestic producers can compete evenly and openly.

It requires that companies responding to Commerce Department inquiries in antidumping and countervailing duties certify their responses as accurate.

It gives producers injured by customs fraud a private cause of action against the persons involved in the fraud. Widespread customs fraud has recently been discovered in connection with imports of steel and textile products—industries especially hard hit by unfair trade practices.

It provides a workable private cause of action for damages caused by dumping. Existing provisions are revised by the bill to make a more meaningful remedy for damages caused by dumping, as well as to provide a deterrent to future dumping.

Trade policy and the U.S. trade deficit are among the biggest issues facing Congress this year. This bill offers relief to specific aspects of what is indeed a much larger ailment. It is vitally important that any—and all—efforts be made to shape a workable and practical trade policy for America. This proposal which Representative TRAFICANT and I are introducing today takes us one step closer toward achieving that goal.

THE TRADE LAW ENFORCEMENT ACT OF 1986

HON. JAMES A. TRAFICANT, JR.

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Tuesday, April 15, 1986

Mr. TRAFICANT. Mr. Speaker, it is my pleasure to be joining my colleague, Representative DENNIS ECKART, in introducing the Trade Law Enforcement Act of 1986.

In the fall of 1985, representatives of the RMI Co. of my congressional district brought to my attention a disturbing case of how our own U.S. trade and tariff laws were injuring American industry, making it more difficult and in some circumstances impossible to compete in the international marketplace. RMI's particular case of discovering the U.S. purchase of illegally dumped titanium from foreign manufacturers instead of from an adequate domestic industry is literally just the tip of the iceberg in the question of fair trade.

The legislation we are introducing today, the Trade Law Enforcement Act of 1986 addresses the concerns of domestic industries in order to bring a fairer trade policy forward. Specifically, the closing of existing loopholes in the antidumping laws for certain purchases by the Federal Government will insure the opportunity of competition to domestic producers. Likewise, it provides for a private cause of action for damages sustained by "dumping," a situation occurring when a foreign company sells large quantities of a resource or product in U.S. markets at prices below market value. Current U.S. trade law makes this practice illegal and requires a stiff duty be imposed on illegally dumped goods. However, goods purchased by the Federal Government for the national defense stockpile are exempt from this action.

This bill will have a significant impact on the trade policy of this Nation—a policy that desperately needs to be reformed in order to save American jobs and America's industry. Faced with the largest trade deficit in this Nation's history the threat of more U.S. plants closing; and the despair of our unemployed Americans, action must be taken immediately. The Trade Law Enforcement Act as introduced by Mr. ECKART and myself will provide some relief to these problems and reflect a move toward a trade policy that is both fair and just in responding to the pressing needs of our Nation.

I urge my colleagues to join us in sponsoring this important trade legislation.

THE MAJORITY WHIP ON CONTRA AID

HON. LEE H. HAMILTON

OF INDIANA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, April 15, 1986

Mr. HAMILTON. Mr. Speaker, I would like to bring to the attention of my colleagues an excellent article by THOMAS S. FOLEY, majority whip of the House. His views on the Contra aid question deserve careful consideration before this body votes on this issue again. This article appeared in the Washington Post April 15, 1986, and the text follows:

CONTRA AID: AN ACT OF WAR

(By Thomas S. Foley)

Today the House will revisit the contra aid debate. Shortly before the last vote in the House the administration abandoned its erstwhile strategy of all or nothing on the contra issue. Its new strategy has two facets. On the one hand, it has begun to offer paper compromises. On the other, it has tried to develop some public relations event equivalent to last year's famous trip to Moscow by Nicaraguan leader Daniel Ortega.

Despite strenuous effort, the administration has been unable to rally convincing majorities of the public or Congress to its position. The week following the last House vote on contra aid, the Senate voted by a narrow margin to approve a "compromise" plan which many regard as little more than a cosmetic makeover of the president's original proposal. Key features of that plan were that "only" one quarter of the $100 million, 18-month financing would be available in the first 90 days, only "defensive" weapons could be bought and the president could not release the remaining funds until an additional 15 days had expired, 15 days in which Congress could veto the decision to release the remaining funds and the president could veto any such congressional action. A thinner compromise could hardly be imagined and, indeed, only a thin majority of the Senate supported the president where he had hoped for an overwhelming vote.

But before the Senate vote, the administration believed the public relations coup it has so fervently desired had fallen into its hands, a highly trumpeted "invasion" of Honduras by Nicaraguan troops in pursuit of the contras. Originally the administration had difficulty in persuading the Hondurans that they should acknowledge the event at all. Their reluctance was understandable in light of the fact that the Nicaraguan action may have been larger than normal but nevertheless closely resembled hundreds of similar reported incidents over the last five years. For Honduras to raise a public outcry would, in its view, publicly acknowledge that the contras were being allowed to stay in Honduras.

Congressional leaders of both parties said the "invasion" had had little or not effect on the Senate vote. In the face of subsequent intelligence and press reports, which substantially reduced the scale of the incident, the administration's public relations machine has had no choice but to seek a new approach.

Now, before the second vote in the House, the administration has launched a new offensive on the Contadora front. The president says the Nicaraguans have "torpedoed" the Contradora peace process with their

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latest rejection of a proposed document that called on them to reduce their armed forces without their first being a cut-off in aid to the contras. Diplomatic damage experts have noted that the disappointment of the Contadora negotiators with the latest action by the Nicaraguan representatives was obvious. But the communique issued by the Contadora nations after the recent breakup contemplates getting back to work as soon as possible. It does not resemble an obituary. Nevertheless the administration has seized on the latest development and is now trying to exaggerate its consequence in yet another attempt to weaken opposition to its proposal, a proposal which would wring from both houses a reluctant declaration of a proxy war in Nicaragua.

The Contadora negotiators continually point to the fact that the contras merely frustrate the Contadora process. The Central American nations know what they want from negotiations: regional security. But the administration wants the Sandinistas to negotiate cession of power, a concession it also says it never expects them to give without military defeat by the contras. Yet the continuation of the contra war will reduce, not enhance the security of Nicaragua's neighbors. The administration appears confused about its own goals and in any case is acting at cross purpose to Contadora, as the Latin Americans view it.

We should make no mistake. This is not a one-time vote for $100 million. We are on the eve of a historic decision. This vote is merely a down payment on hundreds of millions, perhaps billions to come over many years in support of the contras (indeed we have already spent $1 billion on military preparations in Central America). Much more important than the money, however, is the unprecedented and damaging decision we are about to make to support and finance the proxy invasion of a foreign country with which, for whatever purpose, we maintain diplomatic relations. This course of action sweeps aside the president's own stated concern, only a year ago, that to pursue such a course would be an act of war. In any case, our action would be totally unilateral with no support from our allies anywhere on the globe.

We desperately need a better strategy regarding Nicaragua and, despite the recent setback, Contadora is that strategy.

The Contadora process is far from dead. On the contrary, it has been the administration's own refusal to promote Contadora that has deprived the process of its moral authority to pressure the Nicaraguans. We have been unable to exploit the Nicaraguans' recent action because the other Latin American participants do not view us as supporting Contadora. Reports say that several Central American foreign ministers have come away with the impression that their recent visits from U.S. envoys were actually attempts to undermine Contadora.

If we were wholeheartedly to support the Contadora process, we would vastly improve its possibilities for guaranteeing regional security, U.S. security and liberalization of the Nicaraguans' internal policies. The current policy of aid to the contras, accompanied by lip service support of Contadora, allows the Sandinistas plausibly to claim that their internal repressive policies, their military build-up, their reliance on thousands of Cuban advisers, their close ties to Moscow and their reluctance to negotiate are all the result of their need to repel the American-sponsored contra invasion.

The Contadora process offers us many opportunities to pressure Nicaragua productively that we do not now have. We would have the support of the rest of Central America to pressure Nicaragua to reduce its armed forces, expel the Cubans, honor its borders and cease support for insurgencies in other countries. We do not now have the support of those countries. We would have the support of the entire Western world when we pressured the Sandinistas to cease their lockdown of Nicaraguan society and honor basic human rights principles there. We do not have such support for our policy of backing the contras.

Some suggest that only the contras can put productive pressure on the Sandinistas, but we must remember that Nicaragua has a weak economy, totally dependent on world trade. Western opinion, if it is united, will mean a great deal to them, and they can ill afford to continue to disillusion Western democracies with their repressive internal policies.

Some Contadora ministers have confided that the contras are the best thing to happen to the Sandinistas in Nicaragua. The story goes that the Sandinistas can survive years of war with ease, but six months of peace would be a terrible threat because of the natural political pressures that would develop within Nicaragua.

If Contadora were ultimately to succeed, and with the enthusiastic backing of the United States, the pressure on Nicaragua to cooperate would be intense, and we would have the moral authority and international support to militarily back up the treaty if that ever became necessary.

What are the risks of Contadora? We need not fear the military loss of Central America while talks continue. Congress will support any action to repel Nicaraguan aggression against its neighbors, or to prevent the introduction of advanced weaponry or to prevent the use of Nicaragua as a base for Soviet and Cuban main forces. Our steady policy of strong support for the other democracies in the region has lessened the Nicaraguans opportunities for subversion, and we should continue that policy with determination. This is the approach that all the Central American countries we are trying to help urge upon us.

In contrast to Contadora, what risks does the continued policy of support for the contras present? What will we do if, after hundreds of millions of dollars, years of support, training and equipment and an incalculable investment of American political and diplomatic currency, the contras eventually face defeat? What if they face decimation or capture? Will we never send our own forces to help them no matter how desperate their situation? Or will we leave them to their fate in a giant replay of the Bay of Pigs? Will we then be negotiating to save the contras rather than to reform Nicaragua?

Perhaps I view the contras' prospects too pessimistically, although the overwhelming weight of American intelligence and military opinion, some of it on the public record, agrees that the contras have no chance of military victory. A bloody stalemate is their best hope, and even this analysis assumes a static situation without escalation on the other side.

I accept President Reagan's assurance that he has no present intention to send American troops to Nicaragua. But the president's present intentions are not what will determine the outcome. We have all witnessed this inexorable process before. As our commitment increases, our options dwindle, and the day when we are out of options grows nearer.

I have trouble understanding the administration's strategy. On the one hand they say that the contras really don't have to win. They need only stalemate the sandinistas to force them to the bargaining table to negotiate internal reforms in Nicaragua. But administration officials also almost invariably say that no Marxist-Leninist regime will ever voluntarily relinquish power. They often publicly use that as reason why direct U.S.-Nicaragua talks will not succeed. Stalemate will not be good enough. The contras must win or the Sandinistas will simply keep fighting with all the resources they can command or that the Soviets and Cubans can provide. If the contras must win, we must decide now what we are willing to do to ensure their victory, and if we are not prepared to use American forces we must be prepared to accept the possible defeat of our proxy army and the resultant embarrassment to ourselves.

In short, the contra option is a prescription for an unprecedented U.S. proxy invasion of a country with which we are not at war, a proxy invasion with almost no chance of military victory without American participation and no chance of productive results short of victory. Compared with the sometimes difficult course of negotiations, military action seems strong and decisive, but it is fraught with terrible risks. It leaves us with the probable choice of having to use our own forces or accept the defeat of the army we have armed and suborned. Compared with this, Contadora remains the compelling choice.

NEW HORIZONS FOR AMERICAN YOUTH

HON. JERRY HUCKABY

OF LOUISIANA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, April 15, 1986

Mr. HUCKABY. Mr. Speaker, our youth of today, as our leaders of tomorrow, will face some stiff challenges in the years ahead. They may very well face a world and a lifestyle unlike what we have today.

For that reason, I am always impressed when I come across the accomplishment of a young person that shows strength of purpose and a realization of what lies ahead.

Mark Oliver of Bastrop, LA, one of my constituents, is such a young man. He was the Louisiana winner in the VFW Voice of Democracy Scholarship Program, a program which has challenged our youth to think responsibly for 38 years.

I commend for your attention the script written by Mark Oliver. I think you will be impressed with him as I was.

NEW HORIZONS FOR AMERICA'S YOUTH

(By Mark Oliver)

A few days ago, as I was sitting quietly, thinking on this topic, how I could tell you exactly the things I wanted to tell you about it, an idea came to me, so I got in my car and I drove out to a nearby field.

The field was large and wide, and there were no trees as far as the eye could see. So as I stood there, feet planted firmly in the wet grass, looking toward a beautiful sunset, I was able to see the most perfectly clear horizon that I've ever seen. But it was then that all these things on which I had been

thinking came together, and they made sense.

That horizon out there is like a goal, a destination, it's the future. I felt as if I would walk across that field, I would soon be there standing on the horizon I saw in the distance.

But the truth is with every step I would have made in that direction I would have created a new horizon for myself. Oh, if I had kept on, I would have eventually have gotten to the spot where I saw the first line, but from there I would see a new horizon, a new goal, a new destination, and a new future.

For you see, there really is no such thing as a horizon. The sky really doesn't meet the earth. It only appears to. But unless we, as America's youth have something to look toward, a horizon to walk toward, our feet will remain firmly planted in the wet grass, and we will go nowhere.

Just as I had to step out of my nice dry home, and go and stand in that wet field, to see that physical horizon; we as America's youth are going to have to step out to see our horizon's. We have to picture them. You can't begin your journey to the future on the horizon until you know where it is, until you've caught a vision of it.

But now understand this; the field where I stood was a rare sort. I haven't seen very many fields that are that broad and that bare, and thus with a horizon that clear. Oh, there is one place you can always see a perfect horizon: and that's standing on the sea, and looking out over the seemingly calm waters, but those are the hardest and most dangerous of all horizons to reach.

This occurred to me as I was returning home that evening and had looked out to see behind a small hill covered with trees, the beautiful colors of the sunset; red, orange, and purple radiating in the sky.

You see, most of our horizons are much harder to see. Sometimes we have to start by just following the signs. Now I knew there was a horizon over that hill, and if there wasn't, and all I found was another hill, well, as long as I could see the light I'd know that the horizon was there, just over that hill or perhaps the next. A new horizon for an American youth.

Oh, thank God I'm an American youth. I took a picture of that perfect and clear horizon. And when I returned home I sat down with that picture. I reached into my desk and took out a roll of dark tape, and with the tape I covered the horizon. In the picture now I could see a glow rising above the dark band that was like a wall between me and it. If that was my horizon on the other side of that wall, it didn't look like I would ever be able to reach it. Just like many young men and women in other nations around the world have set their eyes to a goal, a destination, or a future; but can't get over the wall that's been built in front of them. Oh, thank God I'm an American youth, and if any of you listening to me have ever fought for my freedom, I thank you, because of you I can reach for my horizons.

Basically, what I'm trying to say to you and the youth of America is that first of all we, the future leaders and protectors of our nation must get out and look for new horizons, and realize that as we travel toward them they change, and become anew every day. And it's very rare one sees a destination clearly and unobstructed, and if one does there is more often than not unforeseen dangers lying ahead. In most cases our horizon is over a hill or behind some trees, but it's there all the same. And as long as we catch a vision of it and where we're going, we can get there; and when we do . . . we'll find a new horizon, a new goal, a new destination, and a new future.

MONEY LAUNDERING

HON. J.J. PICKLE

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, April 15, 1986

Mr. PICKLE. Mr. Speaker, the Oversight Subcommittee of the Committee on Ways and Means has investigated problems associated with money laundering. The subcommittee held a hearing, last year, focusing specifically on the responsibilities of the Internal Revenue Service in this area. In addition, several members of the subcommittee toured the IRS training facilities at the Federal Law Enforcement Training Center in Glynco, GA, to learn more about the IRS enforcement in this area.

Our subcommittee's investigation resulted in two important findings. We found that because of loopholes in the current law, the Government has been unable to successfully prosecute the person who puts together schemes that allow illegal source cash to be laundered. We also found that problems existed in the ability of IRS to seize illegal source income when a criminal, such as the drug dealer, launders his illegal source income through domestic financial institutions.

We as a nation, are losing our battle against the flow of illegal drugs. Money laundering is an intricate part of the drug trafficking process. Therefore, any efforts to try to stop the drug traffic must stop the money laundering associated with it. Also, I should point out that businesses and individuals in the United States are laundering income, from both illegal and legal activities. This problem is a growing one. As a result, I am concerned about the impact of money laundering operations on the collection of U.S. Federal income taxes.

As members are aware, the enforcement of the Bank Secrecy Act reporting requirements is the responsibility of the Secretary of the Treasury, who has delegated his authority to the IRS. Under current law, domestic financial institutions must report cash transactions of $10,000 or more to the Internal Revenue Service. In a typical scheme, money launderers often break up large sums of money, into transactions of less than $10,000, to avoid having the financial institutions report the cash.

I asked the administration to work with me in drafting legislation that will close loopholes in the law that have not allowed the government to successfully prosecute money launderers and will give the IRS adequate seizure and forfeiture authority. The bill I am introducing today, "The Money Laundering Prevention Act of 1986," represents the results of this joint effort. This bill (H.R. 4523) was drafted by the administration with close consultation with my staff. The bill closes the loopholes in current law which allow the money launderer to escape conviction and provides the IRS with seizure and forfeiture authority when there are violations of Bank Secrecy Act reporting requirements.

The bill, as drafted, is primarily under the jurisdiction of the House Banking, Financing and Urban Affairs Committee. I will share the proposal, with its distinguished chairman, Mr. ST. GERMAIN and members of that committee. I am confident that this committee will proceed to carefully evaluate this legislation.

Before I outline my bill, I think one thing should be made clear. The administration has developed its own comprehensive approach to address the entire area of money laundering. Their proposals are being actively worked on in the House and Senate Judiciary Committees. I encourage all efforts in this area.

My bill, which has administration support, is designed to complement other money laundering proposals. My bill, even if it is enacted on its own, will be a useful addition to current law in combating money laundering activities.

Let me briefly outline this legislation. H.R. 4573 does the following:

Section 1 of my bill expressly subjects persons to criminal and civil liability where they cause or attempt to cause an institution to fail to file a required report or an incorrect report. This will be helpful in not only getting the smurf who does the actual transaction, but also those who plan the activity. This would also allow Treasury and IRS to act before the 15 days the financial institution has to formally file a CTR report.

Also, the bill creates an offense of structuring or assisting in structuring a transaction to evade the reporting requirements. For example, this provision would prohibit the structuring of a transaction to circumvent the reporting requirements by involving two or more financial institutions.

Section 2 of my bill allows forfeiture and seizure authority to be used by the IRS to seize laundered cash and property directly traceable to the laundered cash. Thus, both the IRS and the Customs Service will be able to use seizure and forfeiture authority more effectively to get the money or the property before it disappears.

However, there are protections in my bill for innocent third parties. If a person proves he was a good faith bona fide purchaser or could prove that it was not a willful violation, he would not be subject to forfeiture.

Section 3 of my legislation provides a new civil penalty for violations of the Bank Secrecy Act. The amount of the penalty would be the difference between the amount forfeited under section 2 and the total amount of the laundering transaction. Again, the standard for this new civil penalty would be a willful violation.

In conclusion, Mr. Speaker, I believe the need for this legislation is obvious. Federal courts have taken the position that there is inadequate legislative authority to prosecute people who are actively engaged in money laundering operations. At a minimum, this loophole should be closed forever. Under my bill, it would be. Also, for the first time, this legislation will allow the Internal Revenue Service to seize and forfeit cash and property that is involved in a violation of the Bank Secrecy Act. As members may know, laundered money cannot be seized because there is difficulty in proving that there is a nexus be-

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tween the laundered money and a criminal activity. In most cases, the case involves illegal drugs. My bill also represents a careful effort to strengthen IRS enforcement authority against money laundering, while at the same time, protects third parties.

H.R. 4573

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the Bank Secrecy Act (31 U.S.C. 5311 et seq.) is amended as follows:

SECTION 1. Section 5313 of Title 31 of the United States Code is amended by adding to the end of subsection (a) a sentence which reads as follows:

No person shall cause or attempt to cause a domestic financial institution to fail to file a report required by this subsection, shall cause or attempt to cause a domestic financial institution to file a report required by this subsection that contains a material omission or misstatement of fact, or shall structure or assist in structuring a transaction for the purpose of evading the reporting requirements of this subsection.

SEC. 2. Section 5317 of Title 31 of the United States Code is amended by:

a. Revising the first sentence of section 5317(c) of Title 31 of the United States Code to read as follows:

(c) A monetary instrument being transported, or which has been transported, or any interest in any property, including any deposit in a financial institution, traceable to such instrument, may be seized and forfeited to the United States Government when a report on the instrument under section 5316 of this title has not been filed or contains a material omission or misstatement.

b. Adding a new subsection (d) which reads as follows:

(d) United States coin or currency (or other such monetary instrument as the Secretary may prescribe) or any interest in other property, including any deposit in a financial institution, traceable to such coin or currency involved in a transaction or attempted transaction in violation of section 5313(a) of this chapter may be seized and forfeited to the United States Government under the procedures of subchapter C of Chapter 75 of Title 26 of the United States Code whenever a person (excluding a domestic financial institution examined by a federal bank supervisory agency or a financial institution regulated by the Securities and Exchange Commission liable under subsection 5321 (a) of this chapter) violates section 5313(a) of this chapter. No property or interest in property shall be forfeited under this subsection if it can be established that the owner is a bona fide purchaser for value who took without notice of the violation or if the violation or attempted violation of section 5313(a) was not willful.

SEC. 3. Section 5321 of Title 31 of the United States Code is amended by:

a. Adding to subsection (a) a new paragraph (4) to read as follows:

(a)(4) The Secretary may impose a civil penalty on a person or persons (excluding a domestic financial institution examined by a federal bank supervisory agency or a financial institution regulated by the Securities and Exchange Commission) willfully violating section 5313(a) of this chapter. A civil penalty under this paragraph may not be more than the amount of the United States coins and currency (or other monetary instruments the Secretary may prescribe) for which a report was required under section 5313(a) of this chapter. A civil penalty under this paragraph is reduced by an amount forfeited under section 5317(d) of this title.

b. Deleting "or (2)" from subsection (b) and adding in lieu thereof ", (2) or (4)".

c. Deleting "5317(b)" in subsection (c) and adding in lieu thereof "5317(c) or (d)" and by deleting "subsection (a)(2) of".

SEC. 4. Section 7302 of Title 26 of the United States Code is amended by deleting "such property" in the second sentence and inserting in lieu thereof "property under this section and under the forfeiture provisions of Title 31 of the United States Code enforced or administered by the Internal Revenue Service" and by adding "or under the provisions of Title 31 of the United States Code enforced or administered by the Internal Revenue Service" after "section" in the fourth sentence.

SEC. 5. Section 7321 of Title 26 of the United States Code is amended by adding "or under any provision of Title 31 of the United States Code enforced or administered by the Internal Revenue Service" immediately following "title".

SEC. 6. Section 7327 of title 26 of the United States Code is amended by inserting immediately following "internal revenue laws", the following: "or under provisions enforced or administered by the Internal Revenue Service under Title 31 of the United States Code, to the extent not inconsistent with the provisions of Title 31."

SEC. 7. Section 7608(b) of Title 26 of the United States Code is amended by adding "or any provision of Title 31 of the United States Code enforced or administered by the Internal Revenue Service" immediately following "responsible" in paragraph (1) and immediately following "the internal revenue laws" in paragraph (2)(C).

"BACKDOOR BROKERING" IMPORT POLICIES

HON. RON MARLENEE

OF MONTANA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, April 15, 1986

Mr. MARLENEE. Mr. Speaker, our cattlemen have been suffering from years of economic stress and it is time that we send a signal to the Canadians that their "backdoor brokering" import policies are placing the results of an unfair trade practice right at the front door of the United States producer.

A major concern of America's cattle industry is Canada's import policy, particularly subsidized imports from the European Community. This can cause a disproportionate amount of imports into the United States from Canada. The extra imports into Canada from the EC displaces Canadian beef into the United States. We are essentially a safety valve for anything Canada cannot consume.

Subsidized beef imports from the European Economic Community to Canada may be displacing the Canadian market to such an extent that Canadian beef products are being imported in the United States in increased quantities. This substitution or "backdoor brokering" needs immediate attention.

For example, in 1983, Canada imported around 13 to 14 million pounds from the EC. In 1984, this rose to almost 50 million pounds. The Canadian cattlemen have fought this practice.

The irony of this situation is that the Canadian livestock producers commissioned Canada's equivalent of our International Trade Commission [ITC] to study whether EC beef being imported into Canada is subsidized. The preliminary findings by the Canadian tribunal have determined the EC beef is subsidized.

Today I am introducing legislation to stop "backdoor brokering" from Canada. The legislation places a moratorium on Canadian beef products. This moratorium includes both live cattle and fresh, chilled, or frozen beef.

The moratorium remains in place while the ITC undertakes and completes within 6 months a study under section 201 of the Trade Act of 1974 to determine if beef products are being imported from Canada in such increased quantities as to be a substantial cause of serious injury to America's industry producing live cattle and fresh, chilled, or frozen beef.

Upon completion of the study, if the ITC does not find serious injury to the livestock industry, the moratorium will be lifted. If, however, serious injury is found, the moratorium will remain in effect. The ITC will periodically update the study—not less than twice each year. If, as a result of any study update, the ITC finds that the injury is no longer serious, the moratorium will be lifted.

The EC's export subsidies have brought some cheap beef into Canada, which has displaced local production. Ultimately, the surplus ends up in the United States.

Unless Canada does something about importing subsidized EC beef, we will bear the brunt of it in the long run.

SHEET-METAL JUSTICE

HON. ROBERT T. MATSUI

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, April 15, 1986

Mr. MATSUI. Mr. Speaker, I would like to call to the attention of the House of Representatives an important editorial which appeared in the Sacramento Bee on Sunday, March 2, 1986.

The editorial, entitled "Sheet-Metal Justice," examines attempts by the Justice Department to reverse many of the civil rights gains made over the last 30 years. The Justice Department has sought to amend Executive Order 11246 and has argued against affirmative action in the courts.

I commend this article to all of my colleagues.

SHEET-METAL JUSTICE

Until it was ordered to integrate by a court in 1964, Local 28 of the Sheet Metal Workers union was lily-white. The New York union had a clause barring non-whites from membership until 1946, but even after that was struck down nothing changed in the racial composition of the union's membership.

In 1966, the union was forced to give a court-ordered aptitude test but sought to void the results because blacks had scored too high. When the union administered the test again the following year, it paid for tutorials for white friends and relatives of union members.

The union refused to organize non-union shops that had no white employees, would

only accept as transfers members of other unions who were white and, in the years between 1968 and 1972, after a court ordered the union to give preference to minorities in admitting new members, the union issued only temporary work permits. Of the more than 400 such permits, only one went to a non-white. In 1971, it refused to comply with a plan by the mayor of New York to admit one minority trainee for every four members employed.

What's the proper remedy for such a record of discrimination?

For the U.S. Justice Department in 1971, the answer was clear. It sued the union and, in 1975, won a federal court order requiring the union to strive for a minority membership of at least 29 percent, a figure that more or less reflected the racial composition of the community. The 29 percent goal was upheld by an appellate court, which ruled that it did not constitute a quota, only a target to remedy a clear history of discrimination.

In 1981, having raised minority membership to only 7 percent, the union was held in contempt. It appealed the decision, lost in the circuit court, and is now before the Supreme Court, where the Justice Department, having reversed two generations of federal civil rights policy, is arguing the union's side. The Civil Rights Act, the Justice Department claims, was never meant to force employers to hire by race. Counting by race is racism, says Attorney General Ed Meese.

In a case like this, what should be counted? Of course it would be better if all judgments—on the job, like everywhere else—were made without reference to race. But how, without guidelines, can a union or company with such a record be trusted to do the "color-blind" hiring that the administration proposes as an alternative? If enforcement depends on each applicant for union membership who is a victim of discrimination hiring a lawyer, collecting the required evidence, itself often impossible to get, and waiting for a case to move through two or three levels of courts, there will be no remedy for discrimination of any sort, certainly not within any reasonable time.

The issues and problems arising from affirmative action policies are rarely easy, but the country has made progress with them. For the courts to begin reversing them now would not only undercut that progress, but also make a mockery of the ideals and objectives that the nation, and not least the federal government, have honorably been pursuing for more than 30 years.

GLENDALE CHAMBER OF COMMERCE RECOGNITION LUNCHEON: WOMAN OF THE YEAR—MARLENE HAMILTON, MAN OF THE YEAR—RICHARD JUTRAS, ORGANIZATION OF THE YEAR—GLENDALE FEDERAL SAVINGS & LOAN, GOLDEN SERVICE AWARD—FLOYD C. "BABE" HERMAN

HON. CARLOS J. MOORHEAD

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, April 15, 1986

Mr. MOORHEAD. Mr. Speaker, on April 23 the Glendale Chamber of Commerce will host its annual special recognition luncheon at which three individuals and one organization will receive deserved and special recognition.

The chamber will honor Marlene Hamilton as Woman of the Year, Richard Jutras as Man of the Year, baseball great Babe Herman as the recipient of the Golden Service Award and Glendale Federal Savings & Loan as the Organization of the Year.

Marlene Hamilton has been a community mainstay for years. Her record of involvement is extensive and long standing. She has served the chamber, the Days of Verdugo, the Tournament of Roses Float Committee, the United Way, the Building Industry Association, the Verdugo Hills Mental Health Association, the YMCA, and the city of Glendale with charm and efficiency. Each entity has benefited from Ms. Hamilton's energy and dedication.

Richard Jutras is an active and involved member of the chamber of commerce and the Kiwanis Club. He served on the Glendale Planning Commission for 6 years, the last as its chairman. He has served on the board of directors of the Salvation Army and Los Conquistadors of the Glendale YMCA. Mr. Jutras' record of civic involvement and success is one worthy of the special tribute.

The Golden Service Award is presented to an individual who has demonstrated a special brand of community devotion for a long period of time. Few Glendalians are more worthy of this honor than Babe Herman. While we all know that Babe has skillfully served the legend and lore of baseball with a great 14-year major league career, his numerous contributions to the city of Glendale are not as well chronicled but just as appreciated by his many friends and fellow residents. Babe Herman is one of those individuals a community delights in calling one of her own.

The success of Glendale Federal Saving & Loan as a financial institution and community benefactor is virtually without equal. It is one of the largest federally insured savings institutions in the Nation and it is the principal underwriter of much-lauded Glendale Symphony Orchestra. It has recently become a sponsor of the LPGA's tournament at Oakmont Country Club, a growing community tradition.

Mr. Speaker, I appreciate the Glendale Chamber of Commerce paying special tribute to Marlene Hamilton, Richard Jutras, Babe Herman and Glendale Federal. I am also grateful to each of the honorees for their contributions to the city and its residents. We all have benefited because of their charitable ethic.

EXPLANATION OF VOTE

HON. JOHN EDWARD PORTER

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, April 15, 1986

Mr. PORTER. Mr. Speaker, on rollcall No. 78, I inadvertently pressed the aye button on the electronic voting device when I had intended to vote no and did not realize my mistake until after the rollcall had been completed. While I am officially recorded as voting "aye" my correct vote was intended to have been "no." A correct no vote, unfortunately, would not have changed the result.

BERN HUMAN CONTACTS EXPERTS MEETING OPENS

HON. DON RITTER

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, April 15, 1986

Mr. RITTER. Mr. Speaker, today, April 15, 1986, marks the opening of the Bern Human Contacts Experts Meeting, one of the followup meetings between the 35 signatories of the Helsinki accords which have become an integral part of the Helsinki process. This meeting is mandated to discuss the development of international contacts among persons, institutions, and organizations. Among the topics for discussion which the U.S. delegation considers most important is the Soviet Union's record of noncompliance with the human contacts provisions spelled out in the Helsinki accords. Specifically, the U.S. delegation will raise numerous cases in which the Soviet Union has obstructed the reunification of families.

Family ties, the firm foundation of so many American values, are taken for granted by most U.S. citizens. Unfortunately, families with relatives living in the U.S.S.R. cannot take these for granted. Families divided by the Iron Curtain are given little reason to hope for reunification with their loved ones. Their applications for visas are routinely rejected; even the submission of an application for a visit or emigration can result in serious persecution. Life has become miserable for these family members.

The case of Kaisa Randpere is a prime example of the Soviet Union's flagrant disregard for the pledges it made in Helsinki in 1975. At the age of 3½ years, Kaisa is the world's youngest refusenik. In August 1984, her parents Valdo and Leila—a senior aid to the Estonian Minister of Justice and a popular Estonian singer, respectively—managed to secure passage to Sweden while on a tour of Finland. Once they had requested asylum from the Swedish authorities, the Randperes requested that their 13-month-old daughter be allowed to join them. They never imagined that the Soviet authorities would refuse this request, and instead of the month-long separation they had expected, Valdo and Leila have been waiting for nearly 2 years to see their daughter. Since 1984, Kaisa's parents, many organizations and individuals, including 110 Members of Congress, have made repeated attempts to secure Kaisa's release. Instead of acting positively toward these request, the Soviet Government continually has harassed the child's grandmother, with whom Kaisa is staying, threatened to send Kaisa to an orphanage, and told the Randperes, "You will never see her again." Such is the Soviet Union's shameless attitude toward family reunification.

The Bern meeting provides us with a forum to reemphasize our commitment to realizing the humanitarian goal of bringing families together rather than forcing them to live apart. My fellow Commissioners and I hope that this meeting will result in concrete actions on the part of the Soviet Union and its East European allies to facilitate human contracts between our citizens.

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NEW AMERICANS: FREE CITIZENS IN A FREE SOCIETY

HON. PETER W. RODINO, JR.

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Tuesday, April 15, 1986

Mr. RODINO. Mr. Speaker, last month my colleague from New York, Congressman STEPHEN J. SOLARZ, was asked to deliver an address to a very special audience at the Federal courthouse in Brooklyn: The event was the swearing-in of 397 new American citizens.

The audience in that courtroom represented people from 59 countries. These men and women had worked and studied hard to fulfill the requirements mandated by the Congress to become citizens of this great Nation. Now they were freely choosing to accept the duties and responsibilities of American citizenship.

The address which Congressman SOLARZ delivered was a brief, but eloquent, explanation of just what our democratic way of life means and what citizenship in this Nation entails. STEVE SOLARZ, like many of us, represents a congressional district which welcomes many newcomers each year and which is a microcosm of the wonderful mosaic of ethnic, racial, and religious groups which make this Nation so unique and so dynamic.

Mr. Speaker, because of the importance of the naturalization process in our political life, I ask that the entire text of Congressman SOLARZ' address be reprinted in today's RECORD.

FREE CITIZENS IN A FREE SOCIETY—WELCOMING 397 NEW AMERICANS

A few moments ago, each of you swore to uphold and defend the Constitution of the United States.

With those few words, you ended a long journey from your homeland. How you begin anew—as free citizens of a free society.

Today I am proud to welcome you to this great nation—to this citadel of democracy and freedom—the United States of America.

We are not an ancient nation. But we are dedicated to some of the oldest and most profound truths associated with the human enterprise.

We believe and we cherish what Thomas Jefferson wrote in the Declaration of Independence: "That all men are created equal; that they are endowed by their creator with certain unalienable rights; that among these are life, liberty, and the pursuit of happiness."

And we have taken to heart another timeless message of Thomas Jefferson: "I have sworn upon the altar of God eternal hostility against every form of tyranny over the mind of man."

Where many other countries are founded on fear, our country is founded in freedom. Where many other societies are torn apart by hate, ours is held together by hope.

In many other countries, an iron curtain descends to bar the free flow of people and ideas.

In America, we refuse to lock people in or lock ideas out.

In many other lands, leaders launch a relentless assault against the human spirit. In America, we celebrate the human potential. We reward artistry in literature, theater, and music. We never define the creative expression of the soul as a threat to the continued existence of the state.

In America, we do not remain indifferent to the fate of freedom in other lands. We understand, as Malusi Mpumlwana, a black South African priest and friend of Steve Biko, has said, "The measure of your freedom is to what extent you are able to recognize the unfreedom of others and battle to undo it."

And so we have reached out to rescue those who have been trapped in the gulags of the Soviet Union or the killing fields of Cambodia. Often we fail. But when we succeed—when, after a decade of struggle, we save Anatoly Shcharansky from the clutches of the KGB or when we aid Dith Pran in his death-defying flight from the genocidal Khmer Rouge, we honor our sense of national purpose.

Last Thursday morning, in this very room, Dith Pran took the solemn step you have taken today. And on Thursday evening, Tom Brokaw, the anchorman for NBC News, spoke for all Americans when he said, "I am proud to share a citizenship with Dith Pran."

America is not a perfect nation. But we pledged in the Constitution to form a more perfect union, and we remain committed today to perfecting and improving our system of government.

One hundred and fifty years ago, a French citizen named Alexis de Tocqueville wrote a book called *Democracy in America*. He wrote, "America is a land of wonders in which everything is in constant motion and every change seems an improvement. No Natural boundary seems to be set to the efforts of man: and in his eyes what is not yet done is only what he has not yet attempted to do."

Or as the playwright George Bernard Shaw once said, "Some men see things as they are and ask why. Others dream things that never were and ask why not."

We build no walls to keep people in, and we build no ceilings to limit their achievements. Last year, the daughter of immigrants, Geraldine Ferraro, come upon the world stage as the first woman ever nominated for the second highest office in our land.

And last month, when the space shuttle Challenger exploded, we saw dramatic evidence of our diverse heritage. America grieved for its seven fallen heroes—Baptist and Buddhist, Catholic and Jew, Black and white, men and women. From different parts of America, from different backgrounds, races, and religions, they came together, united in a drive for excellence and scientific advance, and in doing so, they brought America together as well.

The United States is not—as we once thought—a melting pot. But we are a remarkable mosaic of many races, creeds, and ethnic backgrounds. Look around you in the City of New York. You will see not a clash of cultures, but a place where each culture leaves its own imprint and enriches us all.

Each new wave of immigrants—from Europe, from Asia and the Pacific Islands, from Africa, from South America, from the Caribbean—has brought new ideas and new ambitions, new drive and new achievements to our society.

Indeed, we are not just a mosaic, but a kaleidoscope, a changing canvas of many colors and many cultures, the emblem of a dynamic and free society.

America is not a government of men and women, but a government of law.

In this country, we seek to change the policy of our government through the ballot, not the bullet.

We reject the concept of arbitrary state action or the confiscation of private property.

We settle disputes through our public courts, not private armies. We resolve conflicts by hiring attorneys, not assassins.

We cherish the right to disagree—privately or publicly—with our government, and our press reminds us that self-criticism lies at the heart of a free society.

Now you are part of this revered American tradition. Now you, too, share the rights and responsibilities of American citizens.

You are free to work and live where you will.

You are free to practice any religion or no religion, according to the dictates of your conscience, not the dictatorship of any state.

You can join any political party, or none at all.

You are free to read or publish any newspaper or magazine, to listen to or watch any radio or television program.

At the same time, you are responsible for obeying the law and respecting the rights of your fellow citizens.

In a few months, we will celebrate the one hundredth anniversary of the Statue of Liberty—our heroine and herald of freedom. I suspect that just as you are very proud today of all that you have achieved in becoming an American citizen, so, too, you will look with special pride at the festivities next July.

More than most Americans, you will see beyond the glitter—beyond the fireworks lighting up the sky and the spectacular procession of ships in our harbor. You will not lose sight of the symbolism of the Statute of Liberty—reminding America of our special status as a refuge for the dispossessed.

On that day—indeed on any day, all Americans can reflect upon the words of the songwriter, Phil Ochs, "This is a land full of power and glory—beauty that words can not recall. The power shall rest on the strength of her freedom. Glory shall rest on us all."

May God bless all of you and our great nation, of which you are now a part.

MATT SNYDER, NEBRASKA WINNER 1985/86 VFW VOICE OF DEMOCRACY SCHOLARSHIP PROGRAM

HON. VIRGINIA SMITH

OF NEBRASKA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, April 15, 1986

Mrs. SMITH of Nebraska. Mr. Speaker, I would like to share with my colleagues the winning entry in the Nebraska Voice of Democracy contest, sponsored by the Veterans of Foreign Wars and its Ladies Auxiliary.

The author is Matthew Snyder of Broken Bow, NE, and I am extremely proud of his inspirational thoughts about the future of America. I hope my colleagues will find his essay of interest:

NEW HORIZONS FOR AMERICA'S YOUTH

We stand right at the mid-point of the decade. In only fifteen years we will be welcoming a new millennium—the year 2000. As we look toward that horizon—toward the twenty-first century—we realize that it is today's American youth who will determine our nation's course.

How will we do? It is appropriate and timely for us to begin now, preparing for the challenges America and our generation will face.

First, let me backtrack a little to consider how earlier generations of Americans prepared themselves for the coming of a new century. From our nation's very birth, Americans have accepted challenges which seemed to threaten our future. As we approached the nineteenth century, colonial farmers and merchants, trappers and bookkeepers, formed hometown militias and risked their lives in battle against those who would deny basic human rights in this new land.

Midway through that century, Americans again were called to take up arms to preserve the unity of our young country, and our nation came out of this internal struggle a freer and stronger country.

Barely into the twentieth century Americans were called to battle twice, joining free forces all over the world—forces determined that mankind would not be ruled by fascist tyrants. Once again we proved to ourselves and to others, that America was strong and more than willing to protect that invaluable freedom with the strength that is America.

I think it is appropriate, as we consider the new millennium on our horizon, that we remember the lessons of yesterday—that they might guide us tomorrow. Consider, for a moment, one of those lessons as described by an American poet, Douglas Mallach, in the first stanza of this poem. He creates an imagery which seems very appropriate here.

The tree that never had to fight
For sun and sky and air and light;
That stood out in the open plain
And always got its share of rain,
Never became a forest king,
But lived and died a shrubby thing.

Facing challenges with optimism and courage has become an American tradition—a tradition we must carry with us into the twenty-first century. If we see a better life on the horizon, we must not be blind to the challenges which lie between us and that dream.

We know that if we are to conquer disease, we must begin our preparation today. If our horizon holds dreams of energy independence, it is today's graduates who will have to find new ways to tap new deposits of oil and coal below the earth's surface. If the very spirit of America is to serve us well into the new era, we must accept the challenge of instilling American values in the next generation.

America is rich in resources—resources beyond minerals and food, beyond medical advances and education. And we are at this moment at the brink of discovering and developing that which I am convinced is our greatest resource of all, our generosity and pride of nation.

It is a unique opportunity for America's youth to lead this exploration and development. And when today's youth reach those horizons which they explored and then developed, they can say.

America fought.
And America will be that forest king.

When we meet those horizons we have set, we must not stop. We must expand them. We must not only find way to reach below the earth's surface, but we must put our energy resources to work to keep America the industrial giant of the world. We must not only prepare to conquer disease, but we must continue to improve the quality of life. We should not stop at instilling American values in the next generation, but must live so that each new generation has cause to be proud of their country. And after we have expanded and passed those horizons we set, we can say with pride in our voice,

America grew,
America is the forest king,
And America will never die a shrubby thing.

THE CONGRESSIONAL BUDGET PROCEDURES HAVE FAILED ONCE AGAIN

HON. C.W. BILL YOUNG

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, April 15, 1986

Mr. YOUNG of Florida. Mr. Speaker, Congress has failed again to meet its budget deadlines. Today is April 15, the new deadline for House and Senate agreement on a budget resolution, but there is once again no budget resolution to be found.

That's not really surprising though. Last year, Congress didn't reach agreement on the first budget resolution until August 15, 2½ months late. In 1984, we were 4½ months late. In both 1982 and 1983, Congress was 5 weeks late.

According to the Budget Act of 1974, the first budget resolution is supposed to be nonbinding. It's the second budget resolution that is supposed to be the binding budget guideline. But our record with the second budget resolution is even more dismal. We haven't passed one in any of the last 4 years!

How ironic that we have set April 15 as the new deadline for a first budget resolution. This is the same date that American taxpayers must meet the deadline to file their income tax returns. Congress has established penalties for taxpayers who don't meet these deadlines. Maybe we need to establish penalties against Congress when we fail to meet our deadlines.

I believe, however, there is another solution to our budgetary difficulties. Let's revamp the current budget process, which has become too cumbersome and just doesn't work. To begin, I propose at least a temporary 2-year budget cycle to allow us to get caught up with budgetary matters. I also propose to abolish the House and Senate Budget Committees and the new level of bureacracy they have established with Congress. In place of the Budget Committees, the Appropriations and Ways and Means Committees would meet early in the process to issue a statement of receipts and outlays that cites estimated revenues for the budget period and a maximum level of expenditures.

New deadlines would be established for authorizing legislation to be brought before Congress prior to the consideration of any appropriations bills. Finally, a 1-month period would be set aside for the sole consideration of the 13 regular appropriations bills.

As a member of the Appropriations Committee, it's obvious to me that Congress has failed miserably in meeting its fiscal deadlines and responsibilities. Not only have we failed with regard to the budget process, but more importantly, we have failed to meet our appropriations deadlines. Seven of the 13 regular appropriations deadlines. Seven of the 13 regular appropriations bills were included this year in a massive continuing resolution. Continuing resolution are a symbol of our failure to discharge our responsibilities, and unfortunately, they have become a rule rather than an exception.

The Library of Congress recently analyzed the record of Congress with regard to appropriations bills since the institutions of the 1974 Budget Act. According to the report:

> Before the Budget Act it was highly unusual if all 12 months of a fiscal year went by without passing the regular appropriations bills. It is now a common occurrence. From fiscal 1968 through fiscal 1975, only two appropriations bills were under a continuing resolution for an entire fiscal year. From fiscal year 1976 through fiscal 1985, that figure jumbed to 27.

Because of our failure to meet budget and appropriations deadlines, our Government was on the verge of fiscal chaos last year. The Secretary of the Treasury even had to resort to the disinvesting of the Social Security trust funds in order ot make good on Federal obligations.

We funded the operations of our Government on a week-to-week basis under continuing resolutions for 2½ months. We let important legislation pile up to the point that we had to consider temporary extensions to prevent programs from expiring.

We were asked to vote on major legislation in excess of 1,000 pages with little or no time to review key provisions. This happened with regard to the tax bill, farm bill, and reconciliation bill.

The situation became so bleak that Members were willing to accept the Gramm-Rudman-Hollings concept and turn over to computers our constitutional responsibilities to make important financial decisions for the Federal Government. I opposed Gramm-Rudman because we shouldn't turn our backs on casting the tough votes and making the difficult Federal spending decisions. That's why we have been elected to Congress.

The conduct of Congress the past few months is a sad commentary of how the greatest Nation in the world conducts its fiscal affairs. We need to work together to find the solution to our problems. We need strong and effective leadership to guide us on our course. We need to resist gimmickry and return to

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procedures that will enable Congress to make the tough decisions we're charged with making in a timely fashion.

Above all else, we need to make a commitment to quit wasting time and to fulfill the responsibilities of governing our Nation. Since we reconvened here January 21 for the second session of the 99th Congress, the House has met to conduct official business on only 29 of a possible 59 days. On eight other days, the House convened in pro forma session or conducted no legislative business.

Mr. Speaker, I hope that we can move forward by working toghether to discharge our duties in a responsible and timely fashion. As a cornerstone of this effort, I look forward to working with my colleagues to craft a new, streamlined budget process that will get us back on track in making the important funding decisions so we can do our job to reduce Federal deficits and ensure a strong and thriving national economy.

A CONSTITUENT RESPONSE

HON. LOUIS STOKES

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Tuesday, April 15, 1986

Mr. STOKES. Mr. Speaker, recently, there has been a great deal of discussion in the House about public opinion toward how best to achieve peace in Central America and to reduce nuclear proliferation. And, later this week, the House will, once again, meet to make key policy decisions on these matters.

Mr. Speaker, I recently received a letter from a distinguished constituent of mine, Allan J. Bing, a retired lecturer of philosophy at Case Western Reserve University in Cleveland, which raises a number of compelling points with respect to these issues. And, while the jury may still be out as to overall public opinion, Mr. Bing's letter is just one example of how a majority of the residents of the 21st District of Ohio view U.S. policy in this regard.

Mr. Speaker, I submit his letter to be inserted into the Record and I commend it to the attention of my colleagues:

March 28, 1986.

Dear Congressman Stokes: I must vehemently protest against the underground nuclear bomb explosion which took place in the Nevada desert on Mar. 22. As you must know, the bomb was ten (10) times as powerful as the one exploded at Hiroshima, and shook all the major buildings in Reno, seventy miles away.

I can only regard this explosion as a completely irrational defiance of the Soviets, especially in view of the Moratorium on nuclear explosions which the Kremlin proposed, and itself rigidly adhered to, since last July 30. Most peace groups, both in Cleveland and in Washington, regarded this proposed moratorium on testing as the most significant breakthrough on the issue of nuclear disarmament, since the two superpowers began to build their arsenals. Pres. Reagan must be off his nut to order this explosion. As Nina McLellan, head of the Cleveland chapter of the Sierra Club, said, as quoted by the Cleveland Plain Dealer on March 23: "The reason that Pres. Reagan refuses to negotiate a test ban is that he wants to test and build new, advanced nuclear weapons. These weapons represent a significant change in nuclear technology and are a dangerous esculation toward nuclear war. A test ban could easily be verified."

On the somewhat related issue of the question of aid to the Contras in Nicaragua, I refer you to the lead article in the current issue (March 31) of *Time Magazine.* After attempting to regard the Sandinistas in a more reasonable and human light than the President has, the writer concludes: "In fact, if the peril posed by the Sandinistas were as great as the President's political rhetoric suggest, he would be irresponsible *not* to send in American troops."

This President needs to have his head examined. Please personally see to it that his irrationality and stupidity are tightly contained.

Very truly yours,

Allan J. Bing.

APRIL IS MONTH OF THE MILITARY CHILD

HON. GLENN M. ANDERSON

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, April 15, 1986

Mr. ANDERSON. Mr. Speaker, Defense Secretary Caspar Weinberger has designated this month, and every April Thereafter, as "Month of the Military Child." I would like to join military families throughout the world in recognizing the important role our youth play in the development of this great land of ours.

This year's theme has been appropriately titled, "Children and Youth: Our Investment in the Future."

In the March 28, 1986, edition of Astro News, Lt. Gen. Forrest S. McCartney, Space Division Commander at Los Angeles AFS, has written an excellent editorial on the significance and importance of recognizing the many contributions of military children. This article is as follows:

[From the Astro News, March 28, 1986]

Commander Salutes Youth

(By Lt. Gen. Forrest S. McCartney)

April 1986—and every April thereafter—has been designated the "Month of the Military Child" by Defense Secretary Caspar Weinberger to recognize the important role that our youth and their activities play in our lives.

The theme this year, "Children and Youth: Our Investment in the Future," appropriately reflects the effort we have placed in our programs which care for and nurture our young family members.

These programs include the Fort MacArthur Youth Center, the Youth Elite Society, and the station's child care program.

The center is an outstanding source for a wide variety of activities which help develop social and intellectual values. It also provides an outstanding perspective of Air Force life for high school-age participants who aspire toward military careers.

The Youth Elite Society, which has benefited our children for four years, holds activities which set social, intellectual and spiritual standards as guidelines for growth.

The society's field trips help its members widen their horizons, and its service projects help teach them how to set example and meet goals. The society also recognizes those who excel in their scholastic and extracurricular activities.

The child care center, when completed later this year, will provide much-needed day-time supervision of our infant children and thus ease their parents' concerns for adequate care.

Those concerns have already been considerably alleviated thanks to many of the wives at Fort MacArthur who have become certified to care for children in their homes.

Our youth activity coordinators work very hard in support of our familes. They are planning activities at the Fort in commemoration of the Month of the Military Child. I encourage you to participate in the efforts.

SMALL SCHOOL DISTRICTS

HON. MERVYN M. DYMALLY

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, April 15, 1986

Mr. DYMALLY. Mr. Speaker, the economic crisis of our times has forced education to be on the back burner of priorities for our Nation. This displacement of education within the nation within the framework of our national priorities comes at a time when the illiteracy rate of our Nation is at an all time high; the dropout rate of our youngsters from high school is devasting to our national security; and, local school districts do not have the economic resources to properly and appropriately address the issues of today.

On Friday, April 4, 1986 the Subcommittee on Elementary, Secondary and Vocational Education of the House Education and Labor Committee held a hearing in Paramount California to address some of the problems which are being encountered by the cuts in Federal funding to small school districts. Among those who submitted testimony was Mr. Willard H. Murray, vice president of the California Voter Education and Research Action, Inc., who succinctly charactered the problems in education as a result of the cuts in Federal spending on the State of California.

Herewith is Mr. Murray's statement:

Congressman Dymally: Thank you for allowing me to present this testimony to you to be a part of the Committee print of this hearing. I am Willard H. Murray, Vice President of the California Voter Education and Research Action, Inc, (VERA). While not an expert, I am knowledgable of the effects that are being realized by the State of California and the Assembly district which I seek to represent—which includes large and small school districts. I will address federal cuts in education as a whole and a beam of hope that I see on the horizon.

It is my position that in order to ensure a strong educational system and a vital nation, the State, Federal government and local school districts must be in the position to carry out their roles and work in accord with one another. The cuts in Federal funding, which have been the trend of the Reagan Administration, have placed an undue and unfair burden on the State of

California, and this burden is felt in greater proportions by local school districts. This burden comes at a time when the United States of America is witnessing the worst economic crisis for the poor and the farmer since the Great Depression of the 1930's, and the deficit of this great nation of ours is at an all time record.

In the area of Elementary and Secondary Education, the cuts in federal spending have mounted to such great proportions that it may take years for our nation to recover. When comparing the actual federal appropriations from 1980 until the present, and adjusting for inflation, there is actually a 23.9 percent decrease in funding of the Chapter 1 program. This program provides funds for supplementary education and related services to educationally disadvantaged children. California suffers because of this.

Chapter 2 of the Education Consolidation and Improvement Act of 1981, the program which provides block grants to State and local educational agencies and provides programs such as basic skills development, educational improvement and support services along with special projects in elementary and secondary schools has experienced a 54.6 percent cut (with inflation considered). The impact was felt greatest in urban areas which is much of what the district that I seek to represent consists of. California suffers because of this.

Bilingual Education, a subject that can not be ignored by the State of California at any level, has experienced a 44.7 percent decrease since 1980 (inflation adjusted). The impact of this cut for California is that more state funds will have to be allocated to this area at a time when economic crisis throughout the Nation does not allow the State to secure more taxes and thereby making revenues unavailable to sustain the program at the level needed. I must add that bilingual education is negatively correlated with income wealth or other measures of taxing and spending capabilities. California suffers because of this.

The Impact Aid Program provides financial assistance to local school districts for the cost of educating children. A cut in Federal activities has caused a financial burden to the district. The cuts in Federal funding of Impact Aid by approximately 36.2 percent has been especially hard for the State of California because of the amounts of Federal property which is in the state. California suffers because of this.

While education of the handicapped has fluctuated in terms of federal funding, the overall results have been negative and the nation has witnessed a 7.8 percent decrease. Mr. Chairman, the same is true for Vocational Rehabilitation.

Vocational education, the portion of education which is necessary in order for the State of California to meet the needs of the workforce of the future and ensure equity and equal opportunity for all Californians, has been cut to such a level that the industries of California will be hard pressed to have a workforce within the next few years. Nevertheless an educated and qualified one will ensure the national defense and stability of these United States. And, yes, California suffers because of this.

While the list goes on and on and includes such topics as adult education and adult literacy, I wish to speak now about a beacon of hope.

The hope I speak of is a piece of legislation which was recently introduced in the House of Representatives by the distinguished Chairman, (H.R. 747) "The Effective Schools Development in Education Act of 1985".

While it is true that the State of California has long since implemented a program simular to this Legislation, in my opinion this legislation is much farther reaching and will benefit the 54th Assembly District as well as the State of California in most significant ways.

The effective schools bill has the purpose of assisting and encouraging State and local education agencies in broadening and improving effective school programs that they have developed and/or implemented. Through grants provided to states, this legislation will create effective schools by providing basic educational skills to the functionally illiterate parents; enhance a child's very early pre-school education; help parents learn how to teach three to seven year old children; and, help the school administrators, teachers, and other school staff, parents and community to learn how to organize an effective school through school analysis of all of its functions and, then, develop and implement plans which will vastly improve those functions.

Mr. Chairman, the federal cuts in funding are hard for the State of California to adjust to. Your bill should help us do the job of educating our students in a more appropriate sound manner. California will be thankful when this bill becomes law. Then, perhaps we can make do with the awful cuts that we are experiencing.

NO AID TO THE CONTRAS

HON. ROBERT GARCIA

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, April 15, 1986

Mr. GARCIA. Mr. Speaker, our colleague from the State of Washington, the distinguished majority whip, Tom Foley, wrote an excellent, well-reasoned op-ed piece on why we shouldn't aid the Contras. I will not express my own views at this time on why we should not send them aid, other than to say that I agree with my colleague wholeheartedly. I am inserting the article in the Record for my colleagues' perusal.

[From the Washington Post, Apr. 15, 1986]

Contra Aid: An Act of War

(By Thomas S. Foley)

Today the House will revisit the contra aid debate. Shortly before the last vote in the House the administration abandoned its erst-while strategy of all or nothing on the contra issue. Its new strategy has two facets. On the one hand, it has begun to offer compromises. On the other, it has tried to develop some public relations event equivalent to last year's famous trip to Moscow by Nicaraguan leader Daniel Ortega.

Despite strenuous effort, the administration has been unable to rally convincing majorities of the public or Congress to its position. The week following the last House vote on contra aid, the Senate voted by a narrow margin to approve a "compromise" plan which many regard as little more than a cosmetic makeover of the president's original proposal. Key features of that plan were that "only" one quarter of the $100 million, 18-month financing would be available in the first 90 days, only "defensive" weapons could be bought and the president could not release the remaining funds until an additional 15 days had expired, 15 days in which Congress could veto the decision to release the remaining funds and the president could veto any such congressional action. A thinner compromise could hardly be imagined and, indeed, only a thin majority of the Senate supported the president where he had hoped for an overwhelming vote.

But before the Senate vote, the administration believed the public relations coup it has so fervently desired had fallen into its hands, a highly trumpeted "invasion" of Honduras by Nicaraguan troops in pursuit of the contras. Originally the administration had difficulty in persuading the Hondurans that they should acknowledge the event at all. Their reluctance was understandable in light of the fact that the Nicaraguan action may have been larger than normal but nevertheless closely resembled hundreds of similar reported incidents over the last five years. For Honduras to raise a public outcry would, in its view, publicly acknowledge that the contras were being allowed to stay in Honduras.

Congressional leaders of both parties said the "invasion" has had little or no effect on the Senate vote. In the face of subsequent intelligence and press reports, which substantially reduced the scale of the incident, the administration's public relations machine has had no choice but to seek a new approach.

Now, before the second vote in the House, the administration has launched a new offensive on the Contadora front. The president says the Nicaraguans have "torpedoed" the Contadora peace process with their latest rejection of a proposed document that called on them to reduce their armed forces without their first being a cut-off in aid to the contras. Diplomatic damage experts have noted that the disappointment of the Contadora negotiators with the latest action by the Nicaraguan representatives was obvious. But the communique issued by the Contadora nations after the recent breakup contemplates getting back to work as soon as possible. It does not resemble an obituary. Nevertheless the administration has seized on the latest development and is now trying to exaggerate its consequence in yet another attempt to weaken opposition to its proposal, a proposal which would wring from both houses a reluctant declaration of a proxy war in Nicaragua.

The Contadora negotiators continually point to the fact that the contras merely frustrate the Contadora process. The Central American nations know what they want from negotiations: regional security. But the administration wants the Sandinistas to negotiate cession of power, a concession it also says it never expects them to give without military defeat by the contras. Yet the continuation of the contra war will reduce, not enhance the security of Nicaragua's neighbors. The administration appears confused about its own goals and in any case is acting at cross purpose to Contadora, as the Latin Americans view it.

We should make no mistake. This is not a one-time vote for $100 million. We are on the eve of a historic decision. This vote is merely a down payment on hundreds of millions, perhaps billions to come over many years in support of the contras (indeed we have already spent $1 billion on military preparations in Central America). Much more important than the money, however, is the unprecedented and damaging decision we are about to make to support and finance the proxy invasion of a foreign coun-

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try with which, for whatever purpose, we maintain diplomatic relations. This course of action sweeps aside the president's own stated concern, only a year ago, that to pursue such a course would be an act of war. In any case, our action would be totally unilateral with no support from our allies anywhere on the globe.

We desperately need a better strategy regarding Nicaragua and, despite the recent setback, Contadora is that strategy.

The Contadora process is far from dead. On the contrary, it has been the administration's own refusal to promote Contadora that has deprived the process of its moral authority to pressure the Nicaraguans. We have been unable to exploit the Nicaraguan's recent action because the other Latin American participants do not view us as supporting Contadora. Reports say that several Central American foreign ministers have come away with the impression that their recent visits from U.S. envoys were actually attempts to undermine Contadora.

If we were wholeheartedly to support the Contadora process, we would vastly improve its possibilities for guaranteeing regional security, U.S. security and liberalization of the Nicaraguans' internal policies. The current policy of aid to the contras, accompanied by lip service support of Contadora, allows the Sandinistas plausibly to claim that their internal repressive policies, their military build-up their reliance on thousands of Cuban advisers, their close ties to Moscow and their reluctance to negotiate are all the result of their need to repel the American-sponsored contra invasion.

The Contadora process offers us many opportunities to pressure Nicaragua productively that we do not now have. We would have the support of the rest of Central America to pressure Nicaragua to reduce its armed forces, expel the Cubans, honor its borders and cease support for insurgencies in other countries. We do not now have the support of those countries. We would have the support of the entire Western world when we pressured the Sandinistas to cease their lockdown of Nicaraguan society and honor basic human rights principles there. We do not have such support for our policy of backing the contras.

Some suggest that only the contras can put productive pressure on the Sandinistas, but we must remember that Nicaragua has a weak economy, totally dependent on world trade. Western opinion, if it is united, will mean a great deal to them, and they can ill afford to continue to disillusion Western democracies with their repressive internal policies.

Some Contadora ministers have confided that the contras are the best thing to happen to the Sandinistas in Nicaragua. The story goes that the Sandinistas can survive years of war with ease, but six months of peace would be a terrible threat because of the natural political pressures that would develop within Nicaragua.

If Contadora were ultimately to succeed, and with the enthusiastic backing of the United States, the pressure on Nicaragua to cooperate would be intense, and we would have the moral authority and international support to militarily back up the treaty if that ever became necessary.

What are the risks of Contadora? We need not fear the military loss of Central America while talks continue. Congress will support any action to repel Nicaraguan aggression against its neighbors, or to prevent the introduction of advanced weaponry or to prevent the use of Nicaragua as a base for Soviet and Cuban main forces. Our steady policy of strong support for the other democracies in the region has lessened the Nicaraguans opportunities for subversion, and we should continue that policy with determination. This is the approach that all the Central American countries we are trying to help urge upon us.

In contrast to Contadora, what risks does the continued policy of support for the contras present? What will we do if, after hundreds of millions of dollars, years of support, training and equipment and an incalculable investment of American political and diplomatic currency, the contras eventually face defeat? What if they face decimation or capture? Will we never send our own forces to help them no matter how desperate their situation? Or will we leave them to their fate in a giant replay of the Bay of Pigs? Will we then be negotiating to save the contras rather than to reform Nicaragua?

Perhaps I view the contras' prospects too pessimistically, although the overwhelming weight of American intelligence and military opinion, some of it on the public record, agrees that the contras have no chance of military victory. A bloody stalemate is their best hope, and even this analysis assumes a static situation without escalation on the other side.

I accept President Reagan's assurance that he has no present intention to send American troops to Nicaragua. But the president's present intentions are not what will determine the outcome. We have all witnessed this inexorable process before. As our commitment increases, our options dwindle, and the day when we are out of options grows nearer.

I have trouble understanding the administration's strategy. On the one hand they say that the contras really don't have to win. They need only stalemate the Sandinistas to force them to the bargaining table to negotiate internal reforms in Nicaragua. But administration officials also almost invariably say that no Marxist-Leninist regime will ever voluntarily relinquich power. They often publicly use that as reason why direct U.S.-Nicaragua talks will not succeed. Stalemate will not be good enough. The contras must win or the Sandinistas will simply keep fighting with all the resources they can command or that the Soviets and Cubans can provide. If the contras must win, we must decide now what we are willing to do to ensure their victory, and if we are not prepared to use American forces we must be prepared to accept the possible defeat of our proxy army and the resultant embarrassment to ourselves.

In short, the contra option is a prescription for an unprecedented U.S. proxy invasion of a country with which we are not at war, a proxy invasion with almost no chance of military victory without American participation and no chance of productive results short of victory. Compared with the sometimes difficult course of negotiations, military action seems strong and decisive, but it is fraught with terrible risks. It leaves us with the probable choice of having to use our own forces or accept the defeat of the army we have armed and suborned. Compared with this, Contadora remains the compelling choice.

GUN BILL RECORDS CHECK DELETION

HON. GEORGE W. GEKAS

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, April 15, 1986

Mr. GEKAS. Mr. Speaker, on Thursday, April 10, 1986, the House of Representatives passed legislation (H.R. 4332) changing the focus of the Gun Control Act of 1968. During floor consideration of the measure I had planned to offer an amendment to the Judiciary Committee's version of the bill to delete the records check section of the bill, but instead withdrew the amendment due to time constraints. And, while the House did finally pass a measure that did not incorporate a records check, I feel that the House should be aware of the reasons for objecting to a records check provision.

The records check section of H.R. 4332 as passed by the Judiciary Committee was included in an effort to maintain some control over who purchases a handgun. While admirable in intent, the practical aspects of a records check are far less positive. Simply stated, a records check requirement would place a tremendous burden of cost and labor on the FBI but would yield few if any of the protections of criminal history tracing supposedly available. I submit to the House for the edification of the Members a letter from John R. Bolton, Assistant Attorney General, U.S. Department of Justice, to Representative BILL MCCOLLUM, ranking minority member of the Subcommittee on Crime, regarding the Department's feelings on the handgun records check requirement of H.R. 4332 as passed by the Judiciary Committee, and hope that if considered again a records check provision will be reworked to correctly address the problems it is trying to amend.

U.S. DEPARTMENT OF JUSTICE,
OFFICE OF LEGISLATIVE AND INTERGOVERNMENTAL AFFAIRS,
Washington, DC, March 19, 1986.

Hon. BILL MCCOLLUM,
Ranking Minority Member, Committee on the Judiciary, House of Representatives, Washington, DC.

DEAR CONGRESSMAN MCCOLLUM: The Department of Justice has deferred to the Department of the Treasury as to the substantive portions of S. 49, which passed the Senate on July 9, 1985, and H.R. 4332, the Federal Firearms Law Reform Act of 1986, which was ordered reported by your Committee on March 11, 1986. However, I would like to address one particular section in the House bill which directly affects the Federal Bureau of Investigation (FBI) and poses serious problems.

Section 14 of H.R. 4332 makes it unlawful for a licensed dealer or other persons to sell or transfer a handgun to an individual who is not licensed unless the transferor promptly sends by registered or certified mail a copy of the documentation of transfer to the chief law and enforcement officer of the transferee's place of residence and to the FBI. The FBI is then required to examine "Federal official records which may reveal any circumstances making illegal the receipt or possession of a handgun by the transferee" and report such information to the chief

law enforcement officer of the transferee's residence.

Our primary concerns with this language are as follows:

(1) The proposed examination of Federal records is based on an individual's name and other identifiers (date of birth, place of birth, etc.). Those persons with a criminal record who are prohibited from purchasing a handgun are the ones most likely to obtain false identification documents to support a new name. As to felons using a false identity, the name check will not reveal any information regarding the purchaser's criminal activity which might make him ineligible to own a handgun. Even if the purchaser uses his true name, it may not be possible to determine with certainty whether or not a criminal record belongs to the purchaser or another person with the same name. There are many people with identical names and similar identifiers who have criminal records. It is possible that the FBI might identify a half dozen individuals with criminal records whose name is the same as the purchaser; further, even if we identify only one record in an individual's name, that does not mean that the record belongs to the purchaser. The outcome of the name check may be that persons with no previous contact with the criminal justice system will be further investigated merely because they wish to purchase a handgun while those with a disqualifying criminal record will perhaps be able to escape closer scrutiny.

(2) The bill would require the FBI to check all "Federal official records which may reveal any circumstances making illegal the receipt or possession of a handgun by the transferee . . ." Currently, the FBI estimates that the cost of a name check of its Identification Division criminal record system is about $7. However, the broad language of the bill would not only require a name check of the Identification Division system, but the FBI's central records system as well. I understand that the National Rifle Association is estimating that from 2 to 4 million handguns are purchased each year. The cost of the name check of just the FBI Identification records could be as much as 30 million dollars a year. However, the bill does not provide any additional funding for the FBI to cover its costs.

(3) The bill would conflict with State laws governing criminal record checks currently performed in connection with firearms purchases. Pursuant to Public Law 92-544, the FBI is permitted to exchange identification records with officials of state and local governments for licensing and employment purposes if authorized by state law and approved by the Attorney General. Public Law 99-180 (the Department of Justice Appropriation Act for 1986) authorizes the FBI to collect fees to process fingerprint identification records for noncriminal justice employment and licensing purposes and credit up to $13,500,000 of such fees to its appropriation to be used for salaries and other expenses incurred in providing this service. The states have enacted various types of laws which mandate a criminal history record check based on fingerprints for different licensing and employment purposes, i.e., to license teachers, child care workers, real estate brokers, etc. Twenty-one states including the District of Columbia and three territories now require handgun purchases based on their fingerprints. The fingerprints are submitted to the State Identification Bureau or other similar central state authority. If the central state authority finds anything in its records which disqualifies the purchaser, it will be submitted to the FBI for processing. The FBI charges $14 for this service. (The states may have additional charges). The FBI's fees are funneled back into its budget to cover costs. For Fiscal Year 1985, the FBI processed 864,085 fingerprints for noncriminal justice licensing and employment purposes and collected $9,577,969 in fees.

If the Congress considers it important to require a check of handgun purchasers, we believe that such legislation should take advantage of current procedures. In doing so, the Congress would avoid placing any additional burdens on the 21 states which now have laws and procedures in place which are intended to keep handguns out of the hands of criminals. Further, by mandating a criminal history check based on fingerprints, the FBI would be able to charge for its service. The cost of doing a name check as mandated by H.R. 4332 could not be recovered by fees; therefore, the Bureau's budget would have to be enhanced. Most importantly, by requiring a fingerprint check, law enforcement will know beyond a doubt that the criminal record in fact belongs to the purchaser.

To further illustrate the benefits of a fingerprint check, I am attaching a news article from The Star-Ledger (Newark, New Jersey), dated February 23, 1986. As reported in this article, an Edward Morris, who was wanted for forgery and grand theft in Tallahassee, Florida, had been hired by a Newark bank using the name of Kenneth Taylor. Taylors' fingerprints were routinely taken by the bank and submitted to the FBI Identification Division for processing. The results led to Taylors arrest just in time as he was found to have in his possession $5,000 in cash, a cashier's check in the amount of $57,000, and a new car valued at $13,000. Taylor was charged with bank fraud and embezzlement. A name check would have been worthless in this case.

If the Committee wishes further information on this issue, representatives of the Department are available to discuss current fingerprint processing procedures and to suggest legislative language which would address the concerns identified above.

Sincerely,

JOHN R. BOLTON,
Assistant Attorney General.

IN RECOGNITION OF THE BUSINESS ACHIEVEMENTS OF LEROY OZANNE

HON. LOUIS STOKES

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Tuesday, April 15, 1986

Mr. STOKES. Mr. Speaker, I would like to call my colleagues attention to an article that recently appeared in the Cleveland Plain Dealer that traces the career of Leroy Ozanne, an outstanding Cleveland business pioneer, entrepreneur and the owner of the largest black contracting company in the Cleveland area.

Mr. Ozanne's climb to the top of the business world demonstrates that hard work, foresight and a few breaks are essential elements to survival in the highly competitive construction business. The Ozanne Construction Co., represents a success story we are very proud of in Cleveland, and I am pleased to bring it to the attention of my colleagues in the House of Representatives.

The article follows:

VENTURES PAY OFF—BLACK CONTRACTOR BUILDS REPUTE AND BUSINESS

(By Angela D. Chatman)

More than 30 years ago, Leroy Ozanne saw an opportunity to be what was then a rarity: a black general contractor.

As a city building inspector in the early 1950s, he saw few black contractors come to the Cleveland Building Department for permits and information.

"There was actually no representation in construction and that's what got me interested. I said, 'This is going to be my shot,' " he said recently in his offices on E. 25th St.

He was right.

Thirty years after the Ozanne Construction Co.'s incorporation in 1956. Leroy Ozanne, 59, and son Dominic, 32, run what is identified as the largest, most prominent of the 10 or so minority general contractors in the Cleveland area.

It has in the past been listed among the nation's top 100 Black businesses by Black Enterprise magazine.

Its 1985 workload was in excess of $10 million. During his first 12 years, he was able to put together at most $200,000 in projects in any one year.

In those first 12 years, Ozanne was a sole proprietor. Today, the company employs 14, eldest son Dominic is president, and Ozanne is chairman of a three-person board on which his son and wife, Betty, serve.

The elder Ozanne's first job as a contractor was the conversion of a porch into a real estate office for a friend. Today, the company name is associated with such major projects as housing projects, Martin Luther King Plaza, the Justice Center, the Cleveland Hopkins International Airport expansion, the U.S. Postal Service headquarters on Orange Ave., and Lexington Village.

"They're a strong, aggressive company with a good track record," said Joseph A. McCullough, vice president and operations manager for Turner Construction Co., which does quite a bit of joint venture work with Ozanne.

"They are the area's largest minority contracting company. . . . They are a highly respected company within the construction industry," said Catherine A. Barry, editor of the Construction Register, a publication of the Builder's Exchange, a non-profit trade group for the Ohio construction industry.

It wasn't always that way.

In fact, there was a time when Ozanne considered leaving Cleveland.

The company say some good times and some lean times in its beginnings. Back then, Ozanne's first idea was to get into the remodeling business.

"I spent about three to four years in the Building Department and (I) saw minorities buying into the Hough area and buying into new areas that needed work. My first idea was to get involved in remodeling, converting buildings and that kind of thing," he said.

He was familiar with all building codes and could draw plans. He began doing remodeling on the side in 1954, while he still was employed by the city.

After a short time in the remodeling business, Ozanne decided that he preferred the commercial end of building. So in 1956 and 1957, he looked for commercial work.

His first commercial venture was with the city of Cleveland, building a service station

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at the old incinerator plant on W. 3rd St. ". . . I built it. I mean I literally built it. . . . They put a metal roof on there and I had to weld it myself," he said. The only thing he didn't do was lay brick, he said.

It was his first time dealing with a bonding company and the first of 16 service stations he would eventually build.

He was bonded for $5,000 for the $4,595 city project.

Once he was able to get bonding, he could go after larger projects. It was then that he went after more service station work, building stations for Gulf Oil Co., Shell Oil Co., Texaco Co. and Cities Service Co.

His next bonded job was a Gulf service station at the corner of Lakeview Rd. and Durant Ave. The bond was for $35,000.

"I think the biggest thrill I ever had in my life was when I got two gasoline stations at once. . . . And, that bond had to be awfully large, $70,000. . . . That was really big stuff. That was just before 1958," he said.

"When you started around the $100,000 mark in those days, you were considered heavy," he said.

In 1959, he successfully bid to build the Brooklyn fire station.

Then there were sudden obstacles. Many times, the company bid unsuccessfully. There were even times when the company was the low bidder, but didn't get the job, he recalled. Such has been the case with many minority-owned firms.

He got more proficient in the work, but the big projects did not come his way, he said.

"We bid a lot of work . . . remodeling work and things like that . . . but new building additions never came to Ozanne Construction or new school buildings never came to Ozanne," he said.

The company had to settle for doing work for the U.S. Department of Housing and Urban Development, and doing other jobs it was able to pick up along the way, he said.

Despite his relatively successful start, he did not add staff until 1968 when he had more than one project going at a time.

That also was the year Turner Construction chose Ozanne as its joint venture partner on the Martin Luther King Plaza project.

When the call came, Ozanne was planning to leave town.

"My bags were packed to move to Denver . . . I'd had enough of it. Cleveland had just gotten me right up to here," he said raising his hand to his neck.

The native Texas had never been to Denver, but was willing to go just "to make a major change," he said.

The call from Turner Construction turned what was a dismal point in his career to a positive turning point, he said.

"That was a turning point and we saw it as an opportunity to work with company like Turner, because they took a complete interest in our people and they exposed us to" building systems and techniques, he said.

The Ozannes are advocates of joint venturing as a way for minority contractors to learn building techniques from other contractors, even though such arrangements aren't always lucrative.

Over the years, Ozanne Construction has done six joint ventures with Turner Construction, among them the Orange Ave. postal facility.

The joint venture lent credibility to Ozanne Construction as a general contractor.

There was no long-term strategy for success, Ozanne said, just aggresiveness.

"You know, it's just like a treadmill. You can't stop it. You have to keep it going . . . The necessity of just having new jobs come in the office all the time required us to bid very ferociously for new work," he said.

He said having his son in the business had helped.

Dominic Ozanne began working with his father on jobs when he was 11 or 12, Ozanne said.

Although Dominic Ozanne has a degree from Harvard Law School and worked for two years with the local law firm of Thompson, Hine & Flory, he always wanted to join the family business, he said.

TESTIMONY OF HON. BYRON DORGAN BEFORE SUBCOMMITTEE ON FOREIGN OPERATIONS

HON. TONY P. HALL

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Tuesday, April 15, 1986

Mr. HALL of Ohio. Mr. Speaker, as a colleague of Representative BYRON DORGAN on the Select Committee on Hunger, I want to call attention to his timely testimony before the Foreign Operations Appropriations Subcommittee. Mr. DORGAN trenchantly makes the case for realigning our foreign aid priorities—away from massive growth in military aid toward greater investments in economic and food aid. His analysis of our aid mistakes in the Philippines warrants particular attention.

I also want to commend our colleague for his thoughtful remarks about the value of investments in child survival programs and universal immunization. As the author of a bill to increase the U.S. commitment to global immunization, I found Mr. DORGAN'S remarks on the subject to be right on target. We can save the lives of millions of children for literally pennies per child and it's time we capitalized on the opportunity.

Mr. DORGAN'S testimony follows:

TESTIMONY OF HON. BYRON L. DORGAN, APPROPRIATIONS SUBCOMMITTEE ON FOREIGN OPERATIONS

Mr. Chairman, I appreciate the opportunity to testify today on the right kind of foreign aid. I know that you have wrestled with this tiger—often times by yourself—so I know that my remarks do not fall on deaf ears. I want to commend you and members of this Subcommittee for trying to develop a foreign aid package which advances our legitimate interests and also meets the pressing needs of the developing world.

This can be a thankless task. Yet, it's a job which must be done if we are to craft a foreign policy that makes sense. I want to try to illustrate some severe blunders in our foreign assistance program and also to highlight what kind of aid really works for us and its recipients.

A MESS IN MANILA

Rarely do we have a chance to look into the belly of a dictatorship to see how our aid went sour. The collapse of the Marcos regime affords us a great chance to see how our aid can be wasted and squandered, if we don't link it to sound policy and if we don't provide the right kind of aid.

It now seems likely that money which we sent to help poor Filipinos was stolen to buy Gucci shoes, fur coats, gold bullion, stocks, bonds, and Manhattan real estate. Over the past 20 years we have poured in nearly $2 billion in aid to the Philippines—about half of it as military aid.

But did this buy us a more democratic government in a key Pacific ally? Did this ensure a long-term lease for vital U.S. military bases in the Philippines? Did this aid help its people shake loose from staggering external debt and a stagnant economy? We know that the answer to all these questions is NO!

We don't yet know all the reasons why things went so awry. We do know that we waited too long to press for democratic reforms. We also waited too long to monitor carefully how our aid was being used. We further assumed naively that massive amounts of military aid could prop up a dictationship with clay feet.

On the future, we can do better. We can insist that policy and aid are linked together. We can press for tougher oversight and audits on aid. We can change the mix of aid to developing nations, so that we place greater emphasis on food for the hungry, medicine for the sick, teachers for the illiterate, and technical help for self-sufficiency.

Unfortunately, the Administration is proposing the same tired and fruitless program for FY 87 to the Philippines as before. The White House wants to double military aid, virtually drop food aid, and freeze economic aid. I hope that the rise of the Aquino government will realign our priorities and urge this Subcommittee to grab the bull by the horns if President Reagan does not show some leadership.

I would also encourage this Subcommittee to support appropriate efforts to establish a commission to X-ray our aid to the Philippines. We need to find out how that aid was abused and where it ended up. The Philippine Fraud Commission and our own Foreign Affairs Committee simply don't have the resources to find out how President Marcos; with a $5,400 a year salary, managed to spirit away an estimated $5 to $10 billion into foreign real estate, stocks, and bank accounts. This is no small change; it equals the total foreign debt of the Philippines in 1983.

The American taxpayers and the Philippine people deserve an answer to these questions. I have urged the President to appoint a Special Commission to investigate the Marcos money ring. But I hope your Subcommittee, Mr. Chairman, will consider your own initiatives.

TRENDS IN FOREIGN AID

I cite the Philippines as a specific case of a lamentable infatuation with military aid as a security sweetheart. The appended chart of the Congressional Research Service show that this is no aberration in recent years.

You will see that between FY 1981 and FY 1987 we have seen a sizable 82% growth in foreign aid, including a 12% proposed increase for FY 1987 alone. I want to say that I am puzzled at best to understand how the President can propose this when he simultaneously wants to cut all domestic programs by 8%. If getting our budget house in order is one of the best ways to help developing nations, by reducing their debt service costs through lower interest rates, why not start with restraint in foreign aid? I believe we can freeze total aid at the FY 1986 level, or even make cuts, and still meet our obligations.

I also fail to see the budget sense or foreign policy value in a 100% plus growth in military aid, including an 800% growth in

the Military Assistance Program. The growth in the MAP account makes the Pentagon's big spenders look like country bumpkins. But the Reagan Administration sees this account as the salvation of governments like Marcos' Philippines. Well, it did not work in Manila and it's not going to work in Port-au-Prince, Haiti—despite the White House plans to pump more riot control equipment and military aid into a country with the lowest literacy and worst hunger problems in the Western Hemisphere.

What the people in the Philippines, the Caribbean, Africa, and Central America need is a fighting chance—not more chances to fight. They need to arm themselves with literacy, self-sufficiency, and health to defeat their real enemies—the scourges of poverty, hunger, and disease. These are the carrion on which Marxism feeds. I only hope we start funneling our aid into these programs with tough controls, instead of into security aid for dictators which ends up in Swiss bank accounts and Imelda Marcos' wardrobe closet.

I won't take time to tackle the tough issue of aid to the contras of Nicaragua to finance our proxy war to overthrow an admittedly distasteful and repugnant Sandinista regime. Let me simply say that we are threatened in Central America—in Wisconsin, North Dakota, Kansas, and Iowa. We are being threatened with the loss of our family farms and small towns.

So I ask the President to spend some time helping our Central America, the Central America at home, before we send down machine guns and rockets to a band of thugs and murderers. I ask this Appropriations Subcommittee to help straighten out our budget priorities so that we preserve genuine security with a strong economy, a defense that works, and the right kind of foreign aid.

HIGH ON THE HOG

I also would like to underscore my concern about the salaries and perks of employees of the International Monetary Fund and the World Bank. Congress can exercise some control over what I consider a misuse of foreign aid by restraining the U.S. contributions to these development institutions.

Salaries at the World Bank and IMF remind me of James Michener's decription of the fictional missionaries in Hawaii: "They came to do good, but ended up doing very well." Much the same could be said of the international civil servants who staff the Bank and IMF.

For example, where can you find a job in the U.S. Government that pays a $130,000 a year salary and offers 4-5% loans for home purchases and 4% loans for children's education? You can at the IMF. If you are an American IMF employee, you'll find that 40% of all employees earn a pay grade with a midpoint of at least $70,000. Moreover, you and everyone else garners what amounts to a tax-free salary. Nice work—if you can get it!

I wonder how we can square the Wall Street salaries and benefits of IMF staff with the pressing needs of nations too poor to even collect accurate employment and national income data. Shaving 10% off the IMF personnel budget, for example, would not in itself save the IMF from an onslaught of Third World debt. But the savings would have been large enough to cover the 1985 overall IMF loss.

I would like to see some belt-tightening around the middle of the IMF and World Bank—not just around the necks of dairy farmers and wheat growers. If we can keep lining the pockets of international aid elites, why can't we afford to let family farmers earn enough to pay their bills?

I plan to ask GAO to look into the salary and benefit packages at these two financial institutions. I want to know if these salaries are out of line with comparable organizations, our own budget goals, and the stated intentions of the Treasury and State Departments.

I have no interest in undermining the legitimate work of these needed agencies. But I believe that they can only help bridge the development gap if they enjoy the solid support of donor governments. I simply think we need to make sure in Congress that the World Bank and IMF are on the right track.

ON THE RIGHT TRACK

Fortunately, we can also point to some real success stories in foreign aid. We do have a responsibility to help our poorer neighbors and to advance the development of younger nations. The question is what kind of aid is the right kind.

For the most part, I think that it is food aid, health aid, and development. Judicious amounts of security aid can undoubtedly help in the right circumstances; but military aid will not do the job if it is used as a surrogate for building genuine security.

For example, our recent provision of emergency food aid to Africa points to the best in the American tradition of helping others. Without timely delivery of American grain and dairy products thousands or millions more Africans would have perished in the recent famine.

Nor has the need for food aid evaporated, despite the good news of better harvests in Africa. Some 69 food deficit countries will need to import 10 million tons of cereals, beyond commercial import levels in the next year, just to maintain consumption at present substandard levels. To meet adequate nutritional levels, they would have to obtain donations of twice that level, according to USDA's 1986 report on World Food Needs and Availabilities. So I don't support the Administration's plan to cut Food for Peace by 6% next year.

Food for Peace builds bridges which last with aid which brings life. When provided creatively in emergency feeding stations or as part of food-for-work projects, such aid can lay the groundwork for survival and longer-term development. As one commentator observed, "People don't eat in the future, they eat every day."

INVESTING IN IFAD

Naturally, the wrong kind of food aid can create a deadly addiction to outside help and sap the nerve of self-sufficient food production. And this need not happen with well-run programs such as we find with CARE, Catholic Relief Services, Lutheran World Relief and others.

But inevitably, the need for people to feed themselves surfaces. It costs $400 to ship a ton of emergency food aid, but only $200 for the International Fund for Agricultural Development to assist individual farmers in improving yields by a ton every year for a lifetime.

In my view, the International Fund for Agricultural Development provides one of the surest, leanest, and most progressive ways to invest in the self-sufficiency of developing nations. IFAD has a proven record of efficiently promoting self-sufficiency, as shown in evaluations by AID.

Most notable of IFAD's successes is its ability to manage and leverage limited resources. It has financed some 152 projects in 83 countries at a cost of about $8.2 billion through early 1985. Yet, its direct contribution was only $1.9 billion. Even more remarkably, IFAD has achieved a loan repayment rate of up to 99%—the envy of any Wall Street banker—with a staff of 100 and very low overhead.

This also is the right kind of aid. I strongly urge the Subcommittee to fund the regular replenishment for IFAD's next three years—at about $30 million a year—and to willingly consider added funds for a Special Africa Fund.

SAVING LIVES FOR PENNIES

Finally, I would like to urge the Subcommittee's support for the purpose of H.R. 3894, which would make available an added $50 million beyond the FY 1986 level for the Child Survival Program of AID.

Every year about 3½ million children die from six easily preventable diseases. These tragedies need not occur. We have on hand the vaccines to prevent these diseases, but only a fraction of the world's children are immunized. To reach the goal of universal immunization by 1990, the United States will have to join other nations in contributing as generously as possible to this worldwide effort.

It makes good sense. For every $1 invested in immunization, $14 in health costs will be saved. And a coordinated child Survival Program can save lives, too. UNICEF estimates that the rate of 40,000 child deaths per day could be cut in half by advancing a simple, four-point program of proven health techniques for literally pennies per child.

In conclusion, Mr. Chairman crafting the right kind of aid is no small task. But it's both possible and workable. I have attempted to shine the caution spotlight on some kinds of aid which don't work, like our runaway pre-occupation with aid that explodes. I have also sought to showcase the right kind of aid: Food for Peace, the International Fund for Agricultural Development, and the Child Survival Program. We can do this within budget limits, if we put some clamps on security aid.

Thank you for your attention and I gladly would try to answer any questions which you and members of the Subcommittee may have.

FOREIGN ASSISTANCE APPROPRIATIONS: FISCAL YEARS 1981, 1986, 1987

[Dollar amounts in millions]

	1981	1986 (post-GRH)	1987 (request)	1987 (+/−), 1986 dollars	1987 (+/−), 1986 percent	1987 (+/−), 1981 dollars	1987 (+/−), 1981 percent
Multilateral aid:							
Int Bank for Recon and Dev	$32.8	$105.0	$182.8	$77.8	74.1	$150.0	457.3

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FOREIGN ASSISTANCE APPROPRIATIONS: FISCAL YEARS 1981, 1986, 1987—Continued

[Dollar amounts in millions]

	1981	1986 (post-GRH)	1987 (request)	1987 (+/–), 1986 dollars	1987 (+/–), 1986 percent	1987 (+/–), 1981 dollars	1987 (+/–), 1981 percent
Int Development Assoc	520.0	669.9	750.0	80.1	12.0	230.0	44.2
IDA African Facility		71.8		–71.8		0	
Int Finance Corp	0	27.8	35.0	7.2	25.7	35.0	
Inter-American Dev Bank	251.5	85.8	143.5	57.7	67.2	–108.0	–42.9
Asian Development Bank	139.6	107.1	143.2	36.1	33.7	3.6	2.6
African Development Fund	41.7	59.6	75.0	15.4	25.8	33.3	79.9
African Development Bank	18.0	15.5	18.0	2.5	16.1	0	0
Mult Invest Guarantee Ag			44.4	44.4		44.4	
Subtotal, Int Financial Inst	1,003.6	1,142.6	1,391.9	249.3	21.8	388.3	38.7
Int Organizations and Programs	210.4	337.2	186.0	–51.2	–21.6	–24.4	–11.6
Int Fund for Agricultural Dev	0	28.7		–28.7		0	
Total, multilateral aid	1,214.0	1,408.5	1,577.9	169.4	12.0	363.9	30.0
Bilateral economic aid:							
Agriculture	635.0	669.9	709.9	40.0	6.0	74.9	11.8
Population	190.0	239.3	250.0	10.8	4.5	60.0	31.6
Health	135.0	192.2	150.8	–41.4	–21.5	15.8	11.7
Child Survival Fund		23.9	25.0	1.1	4.5	25.0	
Education	101.0	162.7	179.8	17.1	10.5	78.8	78.0
Sel Dev Act/Science and Tech	123.9	177.1	231.5	54.4	30.7	107.6	86.8
Subtotal, development accounts	1,184.9	1,465.1	1,547.0	81.9	5.6	362.1	30.6
Amer Schools/Hospitals Abroad	20.0	33.5	10.0	–23.5	–70.1	–10.0	–50.0
International Disaster Asst	73.0	21.5	25.0	3.5	16.1	–48.0	–65.8
Sahel Development Program	91.0	77.0	80.0	3.0	3.8	–11.0	–12.1
Foreign Service Retirement	27.9	41.2	45.5	4.3	10.3	17.6	63.1
AID Deob/Reob Authority		4.8		–4.8		0	
AID Operating Expenses	300.6	360.2	388.9	28.7	8.0	88.3	29.4
AID Inspector General Op Exp		20.2	21.8	1.6	8.0	21.8	
Trade and Development Program		18.1	18.0	.1	.6	18.0	
Housing and Investment Guarantees			10.0	10.0		10.0	
African Development Foundation	(0.5)	3.7	6.5	2.8	74.2	6.5	
Inter-American Foundation	15.8	11.5	10.8	–.7	–6.0	–5.0	–31.6
Peace Corps	105.5	124.4	126.2	1.8	1.4	20.7	19.6
Int Narcotics Control Program	36.0	55.0	65.4	10.4	18.8	29.4	81.7
Migration and Refugee Asst	490.7	324.3	347.5	23.2	7.1	–143.2	–29.2
Emerg Migration and Refugee Fund			25.0	25.0		25.0	
Subtotal, bilateral development	2,345.4	2,560.6	2,727.6	167.0	6.5	382.2	16.3
Public Law 480 (food aid)	1,229.0	1,243.3	1,164.4	–78.9	–6.3	–64.6	–5.3
Subtotal, bilat development/food		3,804.0	3,892.0	88.0	2.3		
Economic Support Fund	2,104.5	3,540.9	4,093.8	552.9	15.6	1,989.3	94.5
Anti-Terrorism Program		7.1	9.8	2.7	38.4	9.8	
Peacekeeping Operations	25.0	32.5	39.0	6.5	19.9	14.0	56.0
Nicaragua Contra Aid							
Total, bilateral economic aid	5,703.9	7,384.5	8,034.6	650.1	8.8	2,330.7	40.9
Military aid:							
Military Asst Program (MAP)	110.2	748.4	996.5	248.1	33.2	886.3	804.3
Int Military Ed and Training (IMET)	28.4	52.2	68.8	16.6	31.9	40.4	142.3
Foreign Military Sales Credits	3,046.2	4,966.8	5,661.0	694.2	14.0	2,614.8	85.8
(FMS Forgiven Credits)	(500.0)	(2,966.7)	(3,100.0)	(133.3)	(4.3)	(2,600.0)	(520.0)
(FMS Market/Concessional Loans)	(2,546.2)	(2,000.1)	(2,561.0)	(560.9)	(28.0)	(14.8)	(0.6)
FMS Guarantee Reserve							
Total, military aid	3,184.8	5,767.4	6,726.3	958.9	16.6	3,541.5	111.2
Total, foreign assistance app	10,102.7	14,560.4	16,338.8	1,778.4	12.2	6,236.1	61.7

FOUR HONORED AT MOST DISTINGUISHED GREEK AMERICAN BANQUET

HON. HENRY J. HYDE

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, April 15, 1986

Mr. HYDE. Mr. Speaker, the United Hellenic Voters of America, headquartered in Addison, IL, held its most distinguished Greek-American Banquet in March and honored four distinguished Greek-Americans in the fields of medicine, religion, government, and business.

This year's honorees were:

DR. ALEXANDER DOOLAS—MEDICINE

Dr. Doolas is presently a senior attending surgeon at the Rush Presbyterian St. Luke's Hospital in Chicago. He is also a director of undergraduate surgical education at the Rush Medical College and a very respected individual in the Greek-American community.

REVEREND FATHER EMMANUEL M. LIONIKIS—RELIGION

Father Lionikis has served the church in many capacities during his 39 years in the Diocese of Chicago. He has also published a number of church service books. He is well known and respected in the community at large.

STEVEN G. NASH—GOVERNMENT

Mr. Nash was elected to the Senate of the Illinois General Assembly in 1978 and served until 1982, he was then elected to the House of Representatives in the Illinois General Assembly. He is well respected as a legislator and community leader.

TOM ANGELOS—BUSINESS

Mr. Angelos was formerly a newspaper publisher and editor in Greece. He is presently the owner and manager of the successful Ambassador Banquets in Elmhurst, IL.

Mr. Speaker, I know my colleagues join me in congratulating these four distinguished members of the Illinois Greek-American community, and in wishing them continued success.

HON. MARY ROSE OAKAR

HON. MARCY KAPTUR

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Tuesday, April 15, 1986

Ms. KAPTUR. Mr. Speaker, recently our distinguished colleague and my fellow Ohioan, MARY ROSE OAKAR, of Cleveland, was featured in the Washington Post. I include this article in the RECORD for the benefit of this entire body.

[From the Washington Post, Mar. 31, 1986]

MARY ROSE OAKAR—A LEADER IN THE HOUSE WHO SPEAKS HER MIND

(By Spencer Rich)

About a month ago, recalls Rep. Mary Rose Oakar (D-Ohio), President Reagan told a "welfare story" at a meeting with congressional leaders. It was about a jobless welfare recipient who phoned the employment service ostensibly to look for work, but

who hung up immediately when told it was available.

Oakar, who attends the White House meetings as secretary of the House Democratic Caucus, says she and other Democrats who were there—led by the Speaker of the House—were "livid."

"So I raised my hand and the president said, "Yes, Mary Rose?" I said, 'A lot of unemployed people are very proud and don't want welfare. I know 50-year-old unemployed workers who will not take welfare. It's not true that people prefer welfare.' "

The incident illustrates a lot about Oakar and why she is receiving increasing attention as a tough legislator squarely within the liberal Democratic social welfare tradition.

"She speaks up, that's for sure," said a Republican who asked not to be named. "She stands by her guns and doesn't hesitate to let you know what she's thinking—and she knows what she's talking about," said a Democratic official.

The perception is also beginning to spread that Oakar, 46, a 10-year veteran of the House, is a strong party activist of remarkable energy. She is unusual in serving on four committees: Banking, Aging, Post Office and Civil Service, and House Administration. At the Select Committee on Aging, she heads the task force on Social Security, elderly and women. She also chairs the key Post Office and Civil Service compensation and benefits subcommittee, which handles federal employe pensions, health benefits and pay.

And in recent years, Oakar has risen within her party. A member of the Democratic National Committee, she serves as House congressional liaison to the DNC and as an at-large House Democratic whip. She is starting a political action committee called Economic Security PAC to help female candidates, and she speaks at colleges to help recapture the campuses for the Democrats.

"I think the kids are coming around," she says. Oakar calls herself a "moderate" Democrat, but others call her a traditional liberal. She says that when people hear the specifics of what President Reagan wants to cut in domestic programs, they respond well to the Democrats.

Oakar, first elected to the House in 1976, has won most elections since by huge margins; in 1984 she had no opposition and only 44 write-in votes were cast against her. Representing downtown Cleveland and suburbs that include many white ethnic working-class people, she has built a strong pro-labor record.

Increasingly, Oakar also has become associated with women's issues—pay, pensions and Social Security protection—and with consumer matters. These issues have been in political decline in recent years, but Oakar persists.

On the other hand, while she supports the Equal Rights Amendment and family planning and has sponsored numerous bills on women's benefits, she recognizes that "certain women's groups will never endorse me" because of her stance on abortion. She opposes Medicaid funding of abortions and favors special benefits for pregnant women to provide alternatives to abortion.

The youngest of five children in a Maronite Catholic family, Oakar was born in Cleveland, attended Roman Catholic schools, got her B.A. in English, speech and drama at Ursuline College in Cleveland and her M.A. in fine arts from nearby John Carroll University. Her father, a Lebanese immigrant, was a steelworker, construction worker and stonecutter.

She once thought of working on the stage, but turned to teaching instead—for four years at a high school and for six years at Cuyahoga Community College in Cleveland, where she taught English, speech, drama and fine arts. Although she almost was fired for starting a union at the college, she says, "technically I am still on leave from Cuyahoga."

She began her political career as a neighborhood activist, served on the City Council from 1973 to 1976, and made a bid for Congress when the incumbent sought a Senate seat.

When she came to the House, Speaker Thomas P. (Tip) O'Neill Jr. (D-Mass.) kept calling her "Rosemary." When she mentioned this, he explained that he has a daughter named Rosemary and a sister named Mary Rose, and that he's always had trouble keeping the names straight.

Oakar is philosophical about being a leading woman in a traditionally male club. "I really can't say I have suffered discrimination in the House because of being a woman. At times the fellows go out of their way to not leave you out." But she says women in the House do feel a special bond, "because after all, there are only 24 of us."

Oakar has a heavy agenda in the 99th Congress, with a special emphasis this year on banking legislation. Because many banks "only want to cater to large accounts," she is pressing to require banks to give certain free services, to bar a minimum balance requirement and to pay interest on all balances.

She is concerned about interstate banking takeovers in which big banks buy smaller banks and funnel the money from depositor savings to investments in other areas. With Rep. Charles E. Schumer (D-N.Y.), she wants to introduce legislation requiring large banks to reinvest money in the local community and to make their portfolios public. The Banking Committee has endorsed the idea.

She also has been pushing (so far without success) for big increases in Social Security benefits for women; more free credits for years of absence from the labor force for child care, better benefits for widows and widowers, and above all, for earnings-sharing—a highly controversial plan to give a person Social Security credits for half the earnings of her or his spouse, thereby entitling these people to Social Security disability or old-age benefits on their own.

She is also a strong advocate of improving private pensions for women—for example, cutting the 10-year vesting requirement, which works to the disadvantage of women who join the work force late or who make time off for child care, to five years.

An Oakar-engineered House bill calling for a broad study of pay equity for women and minorities in the federal pay system awaits Senate action. "Women are now 40 percent" of the federal labor force, she says, "but they're clustered in the bottom four rungs" of the scale.

Oakar also describes herself as "a big advocate of federal workers. This administration is just trying to take everything away from them—gut the retirement system, gut their health benefits and gut their pay, too."

While cutting an increasingly high profile in Washington, Oakar still has that other attribute of successful politicians: she's a big home-town booster. Cleveland, she says, is enjoying a "fabulous regrowth" after being hit hard by the shrinkage of heavy industry. Employers based in the city or nearby include TRW, Standard Oil, Eaton, LTV Steel and the only National Aeronautics and Space Administration center "north of the Mason-Dixon line and east of the Mississippi." Cleveland, she says, "is second only to New York in the arts, with the Cleveland Orchestra, all the museums, magnificent old theaters now being revived instead of turned into parking lots, outstanding health institutions."

In fact, Cleveland's health institutions are such that "one year, five members of Congress had heart bypasses at the Cleveland Clinic. I kept sending them baskets of flowers."

BACKGROUND

Elected to House of Representatives in 1976. Ran unopposed in 1984. Represents Ohio's 20th District, including Cleveland. Serves as secretary of the House Democratic Caucus, House congressional liaison to Democratic National Committee and at-large Democratic House whip, and on four committees. Special interest in labor, consumers and women's issues.

MOSCOW MUST START COMPLYING WITH 1975 HELSINKI AGREEMENT

HON. JACK F. KEMP

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, April 15, 1986

Mr. KEMP. Mr. Speaker, today marks the opening of the Helsinki Review Conference on human contacts in Berne, Switzerland. The United States has sent a strong delegation headed by Ambassador Michael Novak.

To commemorate this occasion, the New York Times has printed two excellent statements on the conference, which I am introducing into the CONGRESSIONAL RECORD.

Former Soviet prisoner of conscience Anatoly Shcharansky sent one statement to open the Parallel Helsinki Review Conference. The Parallel Conference is a meeting of nongovernmental organizations which has been organized by the Sakharov Institute and Resistance International. Shcharansky highlights the repression and reprisals taken against the original Soviet Helsinki Monitoring Groups, himself the most visible member, and the intolerable treatment being accorded to Dr. Andrei Sakharov, and calls for the Soviet Union to begin—after 10 years—to comply with the Helsinki agreement.

In his article in today's New York Times, Leonard Sussman stressed the importance of focusing attention on the consistent violations of the Helsinki Accords on the part of the Soviet Union. Sussman points out that we are presently in a position to influence human rights practice, and we should take advantage of this forum to do so.

[From the New York Times, Apr. 13, 1986]

MOSCOW MUST START COMPLYING WITH THE 1975 HELSINKI AGREEMENT

(Anatoly B. Shcharansky, who left the Soviet Union in February, is living in Israel. This statement is to be delivered tomorrow in Berne, Switzerland, at the Parallel Helsinki Review Conference, a meeting of non-

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governmental representatives designed to coincide with the official Helsinki review conference. The meeting was organized by the Andrei Sakharov Institute and by Resistance International, human rights organizations.)

(By Anatoly B. Shcharansky)

I left the world of the gulag only a few weeks ago, and I am not yet ready to speak in public. Nevertheless, I could not refuse to greet you, if only in a recorded message, because the problems that brought you here today are extremely important to many people fighting for their rights in the Soviet Union and elsewhere in the world.

Ten years ago, several dissidents in the Soviet Union created a public group to monitor Moscow's compliance with the Helsinki agreements. Our idea was that many of the human rights issues that divide the governments of the Eastern and Western blocs could be agreed upon by independent representatives of public opinion—people in both East and West who have a vital interest in the implementation of the Helsinki agreements in their own countries. So we voluntarily took upon ourselves the task of examining how the Helsinki agreements were being implemented in the Soviet Union.

Ten years have passed, and what do we see? The Jewish emigration that began in the early 1970's has been brought to a stop by the Soviet authorities. Several hundreds of thousands of Soviet Jews who want to leave the Soviet Union cannot do so for no other reason than that the Soviet Government has decided that they cannot.

I spent nine years in Soviet prisons and camps, and I can certify that the conditions in which political prisoners are detained have been getting steadily worse. I shall mention only two particular problems.

First, a new article of the Penal Code, article 188-1, introduced in late 1983, allows the Soviet authorities to extend almost at will the length of time that one remains in prison or in camp. This measure has already been applied to several members of Helsinki monitoring groups now in prison. It is used by the authorities both to prolong the detention of political prisoners who resist "reeducation"—who refuse to comply with efforts to make them change their ideas and convictions—and to intimidate the others.

Second, according to a new official directive introduced barely a year ago in the Soviet Union, political prisoners who start a hunger strike can be immediately thrown into a dungeon—a measure that very much aggravates their sufferings.

These are only two examples of the many ways that the authorities are cracking down on political prisoners in camps. Why is this so important? Because, as a rule, the policy regarding the camps very much reflects the general situation in the country—the disregard for the rule of law and the harshness of the repression.

I would like to attract your special attention to the Sakharov case. I do not need to remind you that Andrei Dmitrivich Sakharov is a hero, a model of a honorable man who continues the very best traditions of the Russian intelligentsia, fighting for the trampled rights—be they national, religious or political—of all the people of the Soviet Union.

Needless to say, his present situation is extremely difficult. He is cruelly and unjustly isolated from his family and friends, barred from scientific work and normal social activities. His state of health inspires growing fears. I consider it vitally important at this moment to raise our voices and call for the Soviet Government to stop its persecution of Andrei Sakharov—to grant this remarkable man the possibility to continue his noble activities in dignity and normal conditions.

Looking back at, the first documents issued by our Helsinki group 10 years ago, I must say that the longer I spent in prison, the more accurate they seemed and the more important. I also believe that it is more necessary than ever now for international public opinion to press the Soviet Union on these matters. It is high time for Moscow to begin complying with the Helsinki agreement signed in 1975.

I think that the Andrei Sakharov Institute and Resistance International have made a great contribution by organizing this meeting. I hope this work will be continued and will lead to further contacts, contributing at a real détente and to the establishment of genuine trust between the superpowers. In the long run, however, there will be no trust or détente until both sides show full respect for human rights in the keeping with the Helsinki agreement.

[From the New York Times, Apr. 15, 1986]

Identify All Helsinki Violators

(By Leonard R. Sussman)

President Reagan's statement last month attacking human rights violators on the right as well as the left drew great attention from the American press and public—and it was indeed newsworthy that a President known for chiding the Soviet Union began to chastise right-wing oppressors. But will the press remain interested when the camera focuses once again on the authenticated evils of the Soviet empire?

That test starts today and continues through May 26 as delegations from the 35 counties that signed the Helsinki accords in 1975 meet in Bern, Switzerland, to examine whether each signatory is fulfilling its pledge to improve "human contacts."

The meeting will focus on rather intimate human activities—family reunification, travel within and between countries, broadening contacts among citizens of different countries, marriage of people of two nationalities and cross-border contacts between religious groups, labor unions and other institutions.

It all sounds innocuous enough, but crossing borders—whether for simple travel or to reunite families—can still be a dangerous, even deadly business in Europe. Barbed wire and police dogs still deter any crossings from East Germany that have not been paid for by a Western government supplying ransoms for the reuniting of families. Just last year, Czechoslovak guards shot and killed Frantisek Faktor for crossing to Austria. Yugoslav border police killed another Czechoslovak citizen already on Austrian soil, and several others drowned while crossing between Yugoslavia and Austria.

Most prominent Polish human rights activists do not travel abroad for fear they will not be allowed to return to Poland. And the second largest category of political "patients" in the psychiatric hospitals of the Soviet Union—dissidents make up the largest single group—is composed of people who have attempted unauthorized border crossings.

It wasn't surprising, then, that the Soviet Union and its allies strongly opposed the Bern meeting. They belatedly agreed only when the West insisted on maintaining "linkage" between these humanitarian questions and the security aspects of the Helsinki accords.

Bureaucratic procedures for expanding human contacts may not seem newsworthy, but change could reflect significant improvements in the closed societies of the Eastern bloc. Besides, even without significant change—and it is unlikely that this six-week conference will lead to major openings—the quiet oppression in Soviet-bloc countries is always newsworthy, and providing publicity is the most important thing we can do for the victims in the gulags.

The human rights violations that receive most attention occur in countries with significant public connections to the United States. Yet the worst human rights abuses routinely occur in places where we have little or no connections—Iran, Iraq, Cambodia, Vietnam, Afghanistan, North Korea and Eastern Europe, among others. Because Washington has relatively little official business in these countries, there is little press coverage of violations there, and the public receives a distorted view of where the worst oppressors are headquartered.

Of course, the countries where we have the best connections are also the places where we can do most good, using our leverage—usually the promise of economic or military aid—to influence human rights practices. But we can have an effect even on countries where we have no leverage—by providing persuasive public and private expressions of unflagging American abhorrence of human rights abuses and of our determination to work by all effective means to eliminate them.

That abhorrence will be aired in detail by the American delegation at Bern—and it should be properly reported in the press these next six weeks. The Administration is making an important effort to balance its human rights policy, and it is time for the press to provide similar balance in covering the human rights story.

The Soviet Union has insisted that the Bern meetings be closed to journalists, but the American press and public have a responsibility to attend to the "naming of names" at the Helsinki review conference.

H.R. 3002: EXPERIMENT IN VOLUNTARY SERVICES

HON. MAJOR R. OWENS

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, April 15, 1986

Mr. OWENS. Mr. Speaker, I am pleased to see H.R. 3002, the Executive Exchange Program Voluntary Services Act of 1986 come to the floor of the House. The need for this limited experimental program, which would allow the volunteers to be paid by their private industry employer, makes the point that Federal employees, including managers, do not receive salaries which are comparable to their private industry counterparts.

The second aspect of the bill, as amended by the committee, which is significant is the emphasis on the application of laws and regulations on conflicts of interest, financial disclosure and standards of conduct for Federal employees to the private sector volunteers. This section will need attention if we are to ensure that voluntary placements in Federal agencies are not simply a vehicle for making contacts which will benefit the volunteer and his or her parent company for years to come.

This experiment upon which we embark is an exceedingly limited one. There can be up to 10 volunteers sponsored by their parent companies over the next 3 fiscal years. The limited nature of the experiment makes it possible for me to support it. Let us all monitor this experiment closely lest we find that we have created a new way to preserve revolving doors which have worked against the best interests of the American taxpayer.

THE COMMON BOND OF GENERATIONS

HON. EDWARD R. ROYBAL

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, April 15, 1986

Mr. ROYBAL. Mr. Speaker, I rise today, as chairman of the House Select Committee on Aging, to call the members' attention to an important report released at the committee's April 8 hearing on the interdependence of the generations. This report, "The Common Stake: The Interdependence of Generations," is the definitive statement on the common bond of generations in the health and economic security of Americans of all ages. Yesterday, I distributed copies of this report to each member of the House on behalf of its author—the Gerontological Society of America [GSA]. Today, I urge the Members to carefully review the report's findings.

The results of the committee's April 8 hearing and the GSA report highlight the emotional and economic interdependence of families across generations and their common stake in programs for both young and old. They also alert the Nation to the serious problem of poverty among children that threatens their and America's future. Most important, they warn against the divisive and destructive notion of "intergenerational conflict" that has been recently popularized in the media.

Clearly, we face a serious challenge in meeting the needs of today's and tomorrow's children, young families and elderly—a challenge that calls for a reassessment of current funding priorities. Where some, however, would pit the generations against one another in funding decisions, the GSA report offers a responsible framework for public policy based, instead, on the interdependence of young and old within the family and in society at large.

Few would deny the common bond that exists among family members of all ages and the benefit to older generations of investing in their own children and grandchildren. Few would deny the relief that programs for the aged provide families on whom the elderly would otherwise depend. Yet, after 5 years of cutbacks in programs for America's vulnerable citizens, rising inflation and a deplorable increase in poverty among children, a notion of "intergenerational inequity" has emerged.

This is a frightening notion that defies the strength of traditional family bonds and draws an artificial, simplistic parallel between poor young and "well-off" elderly. The issue is not whether one generation has been assisted at the expense of another, but whether the needs of all vulnerable Americans will be met now and in the future. To the extent that we have made progress in improving the economic security of older persons—the Nation can be proud. To the extent that older persons and their families remain unprotected against the catastrophic costs of long term illness—the Nation must move quickly to provide protection. To the extent that children are being driven into poverty—the Nation must move immediately to pull them out.

The GSA report provides us with the means for educating ourselves and the public on the common bond of generations. With this report in hand, it is my hope that we can redirect the notion of "intergenerational conflict" toward what, in reality, are serious problems of poverty and health-related financial destitution that strike Americans of all ages and carry a heavy toll for the entire family. I urge you, as Members of Congress and as spokespeople for Americans of all ages, to join with me in this effort.

Mr. Speaker, the attached summary of the GSA's report follows:

"The Common Stake: The Interdependence of Generations"

PREPARED BY THE GERONTOLOGICAL ASSOCIATION OF AMERICA [GSA]

Released April 8, 1986 at House Select Committee on Aging hearing "Investing in America's Families: The Common Bond of Generations"

This fact sheet outlines four key issues that are covered in the Gerontological Society of America's (GSA) report, "The Common Stake: The Interdependence of Generations", and that the Society considers essential to a proper framing of the upcoming policy debates on the growing needs of an aging society.

Responsible use of data

It is undoubtedly true that the elderly population of the U.S. is growing and will continue to increase. This leads some researchers and policy makers to question whether there will be sufficient resources to support a retired baby boom generation and whether future taxpayers will have to shoulder unreasonably heavy burdens. These fears are being used to justify short-sighted policies and are helping to create the very conflict between generations that this group hopes to avoid. However, these arguments are based on "voodoo demographics' and ignore a significant part of the picture. Specifically:

Their assumptions do not take into account the effects of economic growth. Given a realistic assumption of two percent growth, the real costs in 2030 of supporting each dependent could be 5 to 6 times greater than in 1960 without increasing the burden on society.

This view also ignores the fact that the aged dependency ratio is only part of the overall dependency ratio. According to the Census Bureau, the dependency burden—which includes underage dependents as well as the elderly—will remain below the levels of the mid-1960's, even at the height of the retirement of the baby-boom generation.

Lastly, this view fails to account for the increasing proportion of the elderly who work. The aged dependency ratio assumes that the elderly do not contribute to the economy and that all persons 18-64 are productive—obviously not true. One-quarter of men aged 65 to 69 worked in 1984 and, in the future, a larger proportion of the elderly will continue to work.

Interdependence of generations

Fifty years ago the framers of our Social Security Act understood that the generations are interdependent. They realized that "old age pensions are in a real sense measures in behalf of children,"—that societally guaranteed benefits to the elderly benefit children and young adults because those public dollars relieve younger generations of heavy financial burdens. The elderly likewise benefit from programs aimed primarily at the young. Each generation has a stake in social policies targeted at those in other age groups:

Younger generations have two important stakes in programs which assist the elderly maintain a decent quality of life. First, programs which assist their grandparents and parents to remain as autonomous as possible in old age relieve younger families of financial burdens and intra-family stresses. And second, they will be served by those programs when they become old.

By providing cash benefits to older family members, Social Security frees up younger and middle-aged family members to concentrate more financial resources on their children to help them become productive members of society.

Social Security stabilizes family and community life by enabling family members to partially protect themselves from major financial risks.

Social Security provides disability and survivors protection to young families.

The elderly benefit directly and indirectly from education, training, and health programs which help increase the productivity of the workforce. The eventual contributions to economic growth and tax revenue will benefit current workers as they age.

A July 1985 Harris poll indicates that, given a choice between cutting defense spending or cutting Medicare, more than 70 percent of adult Americans respond that they would prefer to see defense cuts.

Family care

Contrary to myth, the elderly have not been deserted by their families. However, current public policies are putting extreme pressure on already overburdened caregiving families. If the government does not respond to these growing pressures many families will be overwhelmed by the stress of providing care to relatives. This could effectively undermine the family and ultimately add to the economic and social costs to the nation.

Families, not the government or social agencies, provide 80-90 percent of the health/social supportive services: medically-related care and home nursing, hands-on personal care, household maintenance, transportation, and shopping.

Only 4.3 percent of the daily services needed by older people are provided by Government or social agency workers. The rest is either purchased or given by the family.

Families nowadays provide more care, and more difficult care, over longer periods of time to more older people than ever before. They also strenuously avoid placing older people into institutions, often exhausting themselves emotionally, physically, and financially before taking that step.

When adults aged 18-64 are asked to indicate which public programs they would support, even if an increase in taxes were required, they overwhelmingly favor income security and health care for the old.

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Diversity of the elderly

Stereotypes of the elderly—as either all rich or all poor, all healthy or all ill, all retiring voluntarily or all retiring involuntarily—are inaccurate and do not provide a realistic basis for policy making. The older population is actually composed of many different groups of different ages, with vastly different needs. Just as the old image of all the elderly being poverty stricken and eating dog food was inaccurate, so is it now untrue that they all are rolling in wealth. In fact:

In 1984, more than one-fifth (5.6 million) of all elderly were classified as poor and near poor—that is, below the near proverty thresholds ($6,224 for a single elderly person and $7,853 for an elderly couple).

Well over half (56 percent) of women aged 65 and older are not currently married and therefore are likely to be facing old age alone. In addition, not only do older women have substantially lower incomes than men, but most are not entitled to pension benefits and many have no health care insurance.

Certain groups of the elderly—namely widows, the very old and minorities—have very high poverty rates. About 23 percent of all Hispanic elderly, 36 percent of all back elderly, 24 percent of elderly unmarried white women, 46 percent of elderly unmarried Hispanic women and 63 percent of elderly unmarried black women had below poverty incomes in 1983.

While about four-fifths of the non-institutionalized elderly report their health as "good" or "excellent", the other fifth report being unable to carry on a major activity of daily living.

FORT LEONARD WOOD: BEST BASE IN THE U.S. ARMY

HON. IKE SKELTON

OF MISSOURI

IN THE HOUSE OF REPRESENTATIVES

Tuesday, April 15, 1986

Mr. SKELTON. Mr. Speaker, it is with a great deal of personal pride that I rise today to inform my colleagues that the Department of Defense has chosen Fort Leonard Wood, MO—located in my congressional district—as the best base in the U.S. Army. This army-wide award given Fort Leonard Wood, was based on how they treat their people, perform their mission, and wisely use resources. Fort Wood was also praised for having innovative management programs that improve productivity and quality of life.

The commanding general of the post, Maj. Gen. James W. van Loben Sels, will be coming to Washington to receive the Commander in Chief's Award for Installation Excellence later this month.

Along with providing basic training for between 30,000 and 40,000 new soldiers each year, Fort Leonard Wood is in process of becoming the leading military engineer training center in the free world. The decision last year to move the Army Corps of Engineers officers' training school to Fort Wood by 1989, will continue the tradition of excellent instruction at the base that helped win the Presidential award this year.

Mr. Speaker, I am certain all the Members join me in congratulating the men and women of Fort Leonard Wood, and wishing them all the best as they continue to do the most important of jobs—protecting liberty, freedom, and our way of life.

PUBLIC SERVICE OF McGLADREY, HENRICKSON AND PULLEN

HON. FORTNEY H. (PETE) STARK

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, April 15, 1986

Mr. STARK. Mr. Speaker, I would like to take this opportunity today to thank the accounting firm of McGladrey, Henrickson and Pullen for demonstrating that good tax policy is consistant with good politics.

Partners of McGladrey, Hendrickson and Pullen ran a tax reform workshop in my district last fall while the tax bill was under consideration by the Ways and Means Committee. This workshop provided me with the opportunity to see how my constituents would fare if various tax reform provisions were enacted.

The workshop was conducted on September 5, 1985 in Dublin, CA. Forty-nine constituents volunteered to bring in their 1984 tax returns for confidential analysis by the accountants. The accountants collected the 1984 tax information and compared how much in taxes each constituent actually paid in 1984 with what they would pay if the President's tax reform proposal were enacted. The accountants who ran the workshop analyzed the effects of proposed changes and explained these effects to the workshop participants. The constituents then received a computer printout of their tax analysis for their personal records.

The tax reform workshop was important to me because it illustrated to my constituents that rate reduction could offset the loss of a tax preference or even a combination of tax preferences.

McGladrey, Henrickson and Pullen adapted their computer analysis as the tax reform bill moved through the legislative process to provide a comparison of the various proposals. With each modification, the majority of the workshop participants received a larger tax cut.

By stripping the code of outdated and inefficient tax preferences and reducing the rates, Congress will enable businessmen to concentrate on the economics of their business decisions without getting waylaid by complicated tax considerations.

Closing corporate loopholes to broaden the tax base and reduce tax rates dramatically reduces the tax burden of individuals. Ninety percent of the constituents who volunteered to have their tax returns analyzed would receive a tax cut if H.R. 3838 were enacted today.

The average tax cut for these individuals was $760.90 a year!

Data like this helps remind us as legislators that although the tax reform process is complicated and painful, the result of our labor, if we let good policy prevail, is sweet and simple—more money in the pockets of most individual taxpayers!

The Senate Finance Committee is grappling now with the same tax reform issues and the pressures of provincial interests seem insurmountable. I am delighted to share the results of the McGladrey, Hendrickson and Pullen tax reform workshop to show the beauty of tax reform.

TEXTILE INDUSTRY HONORS WAYNE COUNTY RADIO STATION

HON. DON SUNDQUIST

OF TENNESSEE

IN THE HOUSE OF REPRESENTATIVES

Tuesday, April 15, 1986

Mr. SUNDQUIST. Mr. Speaker, I am delighted today to bring to the House's attention a very high honor that has been bestowed upon a radio station in my district. WNBG Radio in Waynesboro, TN, under the leadership of Station Manager Lisa Nutt, has been awarded a $25,000 cash prize for its efforts to promote the "Crafted With Pride in the U.S.A." campaign. Of 753 entries nationwide, WNBG placed first for its outstanding promotion of American-made goods, specifically in the textile and apparel industries.

In light of the fact that WNBG won first prize over stations with literally 100 times its wattage, I'm proud of this high achievement. But I'm even more proud of the total community effort from the industries of Wayne and Hardin counties that made this award possible. Lisa and her staff rallied the resources of merchants, workers, political leaders, and concerned residents—from Girl Scouts to senior citizens—to promote American made products.

Stuart Epperson, national chairman for radio broadcasters for the Crafted With Pride in the U.S.A. Council, will formally present the $25,000 this week. "We're talking about more than just a contest," said Mr. Epperson. "We're talking about American jobs. A lot depends on what we do to save the entire manufacturing industry in this country."

Though the Crafted With Pride Council is primarily affiliated with the American textile industry, WNBG used the contest as a vehicle also to promote Wayne and Hardin Counties' shoe and furniture industries.

More than any other area of my congressional district, these counties are impacted tremendously by international trade fluctuations in these industries. And despite all of their successful efforts to produce superior products at the lowest possible price, everyone knows that these industries cannot survive without Federal Government policies and practices that enable our industries to be competitive worldwide.

As chairman of the Republican Task Force on International Trade, I'll continue to work in Congress to create a stable and fair world trading atmosphere in which all of us can compete and prosper.

I get pretty fed up when I hear that American businesses must fail because they are wasteful and can't compete in world markets. That's nonsense. I'm familiar enough with our textile and shoe industries to know that these industries are doing more to modernize and stay ahead of the game than practically any other industries in the world. I'm convinced

that Americans can and will produce superior products at fair prices. The efforts that culminated in the award to WNBG Radio demonstrate this commitment.

I frankly can't think of a better cause—a display of pride in our American fiber, textile, shoe and home furnishing industries. WNBG's efforts to promote Wayne County products represents perhaps the finest display of good citizenship and pride I've witnessed from a radio station since becoming involved in public service. Lisa Nutt in particular deserves all the credit in the world for her hard and persistent work on behalf of these industries. I salute WNBG for its outstanding performance.

JOANN BURRIS TO RECEIVE KERN COUNTY'S REGISTERED NURSE OF THE YEAR AWARD

HON. WILLIAM M. THOMAS

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, April 15, 1986

Mr. THOMAS of California. Mr. Speaker, on Tuesday, May 6, the Kern County Registered Nurse Society will present its annual "Nurse of the Year Award" to Joann Burris.

Joann is most deserving of this prestigious award. Throughout her 19 years of service, she has continually demonstrated the utmost dedication of excellence in her field. As supervisor of a high risk neonatal area at the Kern Medical Center, Joann has implemented many programs to improve the entire area of maternal child health.

In addition to the numerous medical organizations in which Joanne participates, she takes the time to initiate programs to improve the growth and development of her patients and staff. She pioneered the Infant Stimulation Program at Kern Medical Center which teaches both staff and new mothers how to respond to infant signals. She also established the Active Outreach Program which utilizes stabilization techniques to decrease high risks to the newborn. She combines the sharp sense of professionalism necessary for crisis care with a unique sensitivity to the emotional needs of the newborn and their families.

Joann makes continuing contributions to her field by sharing her knowledge and expertise with those around her. She has organized orientation programs, led lectures and demonstrations, and has published significant research on neonatal crisis care. She is consistently innovating so that her work will reach the largest number of people possible and all may benefit from her skills and experience.

Joann is an example of one who is dedicated to improving the lives of others. Her contributions are even more impressive when one considers the delicacy of newborn lives. She is most certainly an asset to her profession, and I consider her a tremendous asset to the Bakersfield community.

I would like to extend my deepest congratulations to Joann and wish her continued success in her flourishing career.

JACK KEMP ON REAL MILITARY REFORM

HON. JIM COURTER

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Tuesday, April 15, 1986

Mr. COURTER. Mr. Speaker, my distinguished colleague, JACK KEMP, has, in a recent Wall Street Journal essay, closely examined the defense bureaucracy and found it sorely wanting. Too many procurement bureaucrats are zealously watched by too many congressional overseers. Their primary product is confusion and paralysis. This centralized, multilayered complex is Robert McNamara's legacy to a nation facing an enormous budget deficit and a menacing, expansionist Soviet Union.

JACK KEMP's proposed remedies are eminently sensible; many of them are currently at work in America's best-run corporations. Central staffs must be cut; accountability must be restored; internal competition must be encouraged, and innovation must be rewarded. But for these reforms to work, Congress must also curb its voracious appetite for micromanagement. The ultimate result should be greater efficiency in meeting and defeating the Soviet military challenge. I urge all my colleagues to read carefully the following essay by Representative KEMP.

The article follows:

[From the Wall Street Journal, Apr. 9, 1986]

MILITARY REFORMERS, TAKE A CUE FROM BUSINESS

(By Jack Kemp)

Last fiscal year more than $250 billion was spent on defense. Now for the quiz: Name just one item that the Defense Department bought with your money.

If my recent conversations about the defense budget are any guide, about half of you will give the following answer:

A $700 toilet seat.

In 1985 that "toilet seat" became the symbol of the defense-reform debate. To would-be reformers it offered a memorable caricature of everything wrong with our "military-industrial complex." To their opponents it demonstrated not just a disregard for the truth, but even worse, a willful distraction from the serious business of restoring America's defenses.

Both sides have a point. Most Americans have heard only a misleading account of the $700 toilet seat. But the true toilet-seat story also supports the case for defense reform—reform of quite a different kind than Congress is now pursuing.

"SEAT, WATER CLOSET"

Back in fall 1983, the inventory of spare part P/N 941673-101 for the Navy's fleet of P-3 long-range patrol aircraft fell to its replenishment point. Now, the Navy doesn't just go out, negotiate a price for his item, and buy it. Instead, this and most similar purchasing is done centrally for all the services by the Defense Logistics Agency (DLA).

So DLA put in the order for item P/N 941673-101: "Seat, Water Closet," proposed Lockheed price $618.

The junior purchasing clerk at DLA may have scratched his head at a $618 "Seat, Water Closet." But it was not his job, nor, most likely, did he have the technical expertise, to evaluate what a P-3—whatever that is—required. Probably the thing was a lot more complicated than it sounded. And so it was. Part P/N 941673-101 is actually the large molded plastic assembly that holds a $10 toilet seat.

Was $618 a reasonable price for this item? Federal law, as passed by Congress, and federal regulations, as administered by another central defense agency, the Defense Contract Audit Administration (DCAA), are quite specific about how contractors set their prices.

In this case, everything appeared to be in order. So the purchase was approved—with a $100 DLA surcharge tacked on.

The "$700 toilet seat" later caused a stir because it was misleadingly labeled. What should have drawn attention, however, was the $700-plus price tag on an item that the Navy's "price fighter team" subsequently concluded should have cost, even with substantial overhead charges and the DCAA-approved profit margin, about $350: half the DLA price.

The Navy analysts also calculated the price using DCAA-approved charges. They estimated that direct labor and materials would come to $140 per unit, while overhead charges, all fully authorized, would come to $356, or more than twice the direct costs. Add on a few other allowable charges, plus profit, and the Navy calculated the DCAA-recommended price at $626: about what Lockheed charged.

In many ways, this is already a tale of defense reform. Central purchasing by DLA was instituted in the 1960s to enforce uniform purchasing policies among the services, and to take advantage of economies of scale. Regulated, "by-the-book," pricing was established to ensure consistency, to combat fraud, and to simplify review. Centralization, rationalization: These were the goals of dedicated people struggling to bring our huge, diffuse defense establishment under control.

To American business, this story will sound familiar. The multiple administrative layers and swelling headquarters staffs, the overambitious pursuit of economies of scale through centralization, the by-the-book decision-making, the erosion of line operators' authority and accountability: Today these are all well-recognized management problems.

Twenty years ago, of course, they were popular management solutions. And no one represented that approach better than Ford's Robert McNamara, who imposed it vigorously on the Pentagon.

Numbers tell part of the story. Between 1962 and 1968 the total of civilian and military personnel employed by the Office of the Secretary of Defense, the Office of the Joint Chiefs of Staff, and other central agencies such as the newly created DLA grew from 32,000 to 69,000: Today it is close to 95,000. With this vast growth in the central agencies came more consistency and central control. With it, too, came more administrative layers, more paper work, less responsibility and accountability at every level. And as each new agency or office gained the opportunity to delay decisions or add pet requirements, weapons and equipment grew more and more expensive and took longer and longer to reach the field.

Today America's businesses are busy applying lessons from the past. In a new wave of corporate reform, companies are cutting central staffs, restoring accountability to line operators, fostering innovation, even encouraging internal competition. The need for strong central direction is no longer in-

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terpreted as a call for centralization. Rationality is no longer confused with rigid regulation and uniformity.

Unfortunately our government, seldom learns so quickly. Many of the reforms being urged by Congress today would actually produce not less but more centralization and regulation.

In defense procurement, for example, there has been little effort to explore, much less clear, the vast jungle of laws and regulations. At a time when budgets are shrinking, the services themselves would have a powerful incentive to get more for their money—if they were allowed more flexibility in negotiating contracts, or saw success rewarded with something other than an immediate subtraction of any savings realized from the relevant line item in the budget.

But instead of restoring incentives and accountability to the military services, Congress has made itself one more administrative layer: a kind of giant corporate staff that second-guesses and micro-manages every defense program. In 1970 Congress made changes to 180 line items in the defense budget. In 1985, we made 1,315. Even the current legislative proposals to inject more competition and market discipline into defense contracting are mostly just more procurement rules.

This preoccupation with centralized control shows up, as well, in proposals for reorganizing the Defense Department. For example, legislation now before the Senate Armed Services Committee would concentrate power in the hands of the chairman of the Joint Chiefs of Staff (JCS). The chairman would replace the corporate JCS as the principal military adviser to the secretary of defense, and would also gain control over the JCS staff, which prepares strategic plans for the U.S. military. While this "reform" would give our civilian leaders more uniform advice—indeed, the advice of a single uniform—it would also help suppress the competition of ideas and encourage civilian leaders to abdicate their responsibility for making hard choices about our nation's defense policy.

Yes, our defense establishment needs reform—a different kind of reform. Rather than further concentrating control in the hands of central Pentagon bureaucracies or a single military adviser, we should be reducing red tape, eliminating bureaucratic layers and restoring responsibility to our line operators—the military services—while making them more accountable for their results. My colleagues Jim Courter (R. N.J.) has taken the lead in many of these issues. For a start we should cut back the size of the central defense bureaucracies. The Hudson Institute, a respected defense think tank, has proposed a 20% reduction. Navy Secretary John Lehman told the House Armed Services Committee last summer that the bureaucracy could be halved—so long, he added, as it didn't have to continue devoting over 700,000 employee-hours a year to answering congressional queries.

Nor should the services escape the knife. Their own bureaucracies have grown large and cumbersome, partly in response to the need for central "coordination" with the rest of the department.

For the most part, the work of the Packard Commission has reflected these concerns. President Reagan's directive to the Pentagon last week to implement virtually all of that panel's recommendations on reorganization and cuts in the bureaucracy should provide the impetus for progress. Now Congress should begin reexamining its own contribution to the chaos. Instead of rushing to pass new laws regulating defense procurement, such as Rep. Les Aspin's bill up before a House Armed Services subcommittee this month, we should first take a long, hard look at what's already on the books. Instead of trying to direct every small decision made by the Defense Department, we should spend more of our time looking at the overall direction of defense policy.

MORE REALISTIC EXPECTATIONS

Finally—and this is not going to be a very popular suggestion—we must develop more realistic expectations about what any defense reform can achieve.

We may have a bloated defense bureaucracy. We do not have a bloated defense budget. The gross inefficiency of the Soviet Union's centrally planned economy has not prevented a leadership willing to impose great sacrifice on Soviet citizens from accumulating enormous military might. Greater efficiency on our own part will not let us escape the consequences of that Soviet buildup. President Reagan's defense program has started us down the road toward regaining our strength. We must seize the opportunity for significant defense reform: but we must not allow reform to become a smokescreen for returning to the policy of weakness that threatened peace and freedom just a few short years ago.

THE LAND OF FREEDOM

HON. BYRON L. DORGAN

OF NORTH DAKOTA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, April 15, 1986

Mr. DORGAN of North Dakota. Mr. Speaker, the future of our Nation rests in the hands of the young people of America. And we should be proud that there are many bright, hard working, dedicated young people today who are willing and able to carry the torch of freedom in the years ahead.

I'd like to share with my colleagues the thoughts of one young woman from my State of North Dakota. Penny Knutt, a 16-year-old attending Rock Lake Public School in Rock Lake, ND, is the State's winner of the annual Veterans of Foreign Wars of the United States' "Voice of Democracy" context.

Penny makes several vital points in her winning entry which follows:

Past generations of Americans look back on their younger years and say, "Oh, those were the good ole' days." They seem to look at society and see no hope for the young people of today. They just look back on how good things were. But they are overlooking one small detail. They have to see the advances that have been made in the last 75 years or even in the last 10.

Who would have ever dreamed during World War I and II that someday wars might be fought in outer space. Or that man could even walk on the moon and explore our solar system. Or who would have ever thought that the human heart could completely be transplanted or man could live with a man made heart.

The advances and discoveries made in the last century have opened many doors and new opportunities for the young of today; that makes it very difficult to choose a field or profession. With all the opportunities just knocking at our door, all it takes is a little initiative and encouragement, and there's a whole world of things just waiting to be explored.

One thing that being an American gives me is pride—pride in being from such a great country and pride for being part of the American people. As we've seen in recent events, the people of this great country seem to pull together in a great crisis, The overtaking of the TWA flight in which many American hostages were taken is an example. Or all the people in the country pulling together to help their brothers abroad and within the country with their financial difficulties is another. When one is hurt, everyone feels. When one is in trouble, they try their best to help him out of it. It's a sense of brotherhood that makes American people so unique. This gives us, as the future of America, a reason to do everything we can to keep that alive.

When people from other countries look at the United States, they see the land of freedom. From way back in the early history of our nation, people took their chances on the long treacherous voyages to seek freedom in the new world. They wanted freedom of speech and religion. Some came desperately seeking to save their own lives. In many countries today, the people still don't have the freedom that Americans do. In many countries the youth are not allowed to choose a career and pursue it. They are either chosen for them, or they are not allowed to or are unable to continue their education. This should inspire the young people of today even more to take advantage of all that America has to offer them—to make them realize that they really can "be all that they can be".

Because of this freedom, America's youth can strive to do the best at whatever direction in life that they choose. It is our duty to do all we can to make a better today and brighter tomorrow for our children and the generations to follow. I know that because of what America is today, I will be a better persons, and I too will someday be able to say "Ah, yes, those were the good ole' days".

VOICE OF DEMOCRACY SCRIPT-WRITER CONTEST WINNER

HON. RONNIE G. FLIPPO

OF ALABAMA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, April 15, 1986

Mr. FLIPPO. Mr. Speaker, the Voice of Democracy Scholarship Program was initiated 38 years ago with the endorsement of the U.S. Office of Education and the National Association of Secondary School Principals. Sponsorship was provided by the National Association of Broadcasters, Electronic Industries Association, and State Association of Broadcasters.

Starting in 1958–59, the program was conducted in cooperation with the Veterans of Foreign Wars with the broadcasters still serving as sponsors. In 1961–62, the Veterans of Foreign Wars assumed sole sponsorship responsibility.

During the past 24 years under VFW sponsorship, the annual national scholarships have been increased to six, totaling $32,500, with the first-place winner currently receiving a $14,000 scholarship to the school of their choice. To date, over 5 million students have

participated nationwide with the winners receiving more than $3 million in scholarship awards.

The winning script for the State of Alabama was written by Chever Hardin Kellogg of Huntsville, AL. Chev is a senior at Randolph School. He is an Eagle Scout, has served as president and vice president of the Student Government Association, and has received numerous awards for academic achievement.

This year's contest theme was "New Horizons for America's Youth." I want to congratulate Chev Kellogg on his thoughtful and insightful script, and I ask that his winning composition be reprinted here.

NEW HORIZONS FOR AMERICA'S YOUTH

(By Chev Kellogg, Huntsville, AL)

The sun. Every morning it rises, spraying its warm light over the dark earth. Every morning it rises, awakening people to a new day and new deeds. All over the nation it rises, a daily testament to the eternal hope and glory of mankind, and all over the nation the hopes and dreams of America's youth rise with it.

This dawn, like all the ones that came before and all that will follow, symbolizes the mission of American youth. Although the essence of a sunrise remains the same from day-to-day, the constantly changing contours and colors create a distinctly different effect each morning. Just as the sunrise accomplishes its age-old duty in a different way each day, American's youth constantly searches for a perfect solution to the problems that face our country today.

I am reminded of a story I once heard. It involved a man whose home lay through a maze of tiny streets and finally past a nearby junkyard. Because of these complicated directions, the man's journey to and from his home was always an arduous task and no guests could be directed to his house. This problem was solved, however, when the man became lost on his way home one day. In this lost condition the man drove through a few short streets and finally stopped at a peacock farm for directions. As he angrily stepped from his car the man suddenly saw his home in the distance and realized that he had found both a shorter and because of the peacock farm, more beautiful way home.

Just as this man found a more effective and more satisfying path to his home, the new horizon for America's youth lies in the search for new and better answers to old problems.

This search for new solutions is readily apparent in the solution of modern environmental problems. Parts of America are currently vexed by a major smog problem. In an attempt to stop this pollution of our environment, several cities raised the heights of their smokestacks. This height increase diffused the smoke higher into the atmosphere, where it was subsequently spread over a vast area, ending the smog problem. Unfortunately this diffusion of smoke contributed to another problem: acid rain. America is now seeking to solve both the smog and acid rain problems without further damage to the environment.

Just as America is seeking a solution to the constant problem of pollution. America's youth must use new ideas and new technologies to solve problems that, in the past, have seemed insoluble. Although the youth of America will rely on the same patriotic devotion to America, they must seek new routes to solve such problems as social security funding and the high crime rates nationwide. Just as a tree, always growing upward, must send its branches in all directions to survive and grow, America's youth must search for new solutions to America's problems, and through the solving of these problems the nation will be made stronger.

The sun is setting now, with merc wisps of fleeting daylight left to remind us of its presence. But this sunset is not an end. It is instead a symbol of the unending promise that tomorrow holds for the new horizons of America's youth.

GEORGE BUSH'S MISTAKE

HON. BARNEY FRANK

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, April 15, 1986

Mr. FRANK. Mr. Speaker,. the saga of GEORGE BUSH's mission on behalf of higher oil prices is one of the most intriguing we have seen unfold in awhile. Despite some obfuscation, it does seem clear that Vice President BUSH thought it appropriate to lobby in various quarters—including Saudi Arabia—for higher oil prices. The fallacy of that policy has been cogently laid out in two recent articles which I ask be printed here.

Lester Thurow in the April 8 Boston Globe points out that while it is reasonable to have an element in national policy that deals with a particular economic distress that certain sectors of the economy encounter, that ought to be done in an explicit and open fashion and not by lobbying foreign nations to charge all Americans higher prices for a vital commodity.

And an editorial in the April 28 New Republic provides a very thoughtful and balanced analysis both of the problems and advantages presented to us by rapidly dropping oil prices, and proposes intelligent policies to take advantage of the opportunities and diminish the problems. Lobbying the Saudis to keep oil prices high is not one of the policies proposed.

The articles follow:

[From the Boston Globe, April 8, 1986]

AN INAPPROPRIATE TRIP

(By Lester C. Thurow)

Last week's newspapers reported that Vice President George Bush was off to Saudi Arabia to persuade the Sheiks to hold up the price of oil. The announced reason for this mission was to prevent oil firms and their associated service industries from going broke in the oil patch—Texas, Oklahoma and Louisiana—and to lessen the probability that Third World oil-exporting countries would go broke.

If treason is defined as a betrayal of American interests, then such a mission should be viewed as something close to economic treason. The United States imports approximately one-third of its oil supplies. Any country that is a net importer of oil unambiguously benefits from a fall in the price of oil. Americans have to spend less of their money buying energy and as a result they have more income left over to buy other goods and services.

Any vice president interested in the welfare of America would be working to lower the price of oil—not raise it. For America, higher oil prices are bad, lower oil prices are good, and there are no circumstances that reverse this conclusion.

This does not mean, however, that every American benefits from falling oil prices. That, of course, is not true. America produces about two-thirds of its own oil and those associated with the oil industry are going to suffer much lower incomes—some of them will, in fact, go broke as the price of oil falls. But the income losses imposed on those in the oil industry will be smaller than the real income gains harvested by the rest of America.

If America produced all of its own oil, a $15 dollar per barrel fall in the price of oil would neither raise or lower the average American income. Some American oil consumer would have $15 extra since he could buy oil for $15 less, but some American oil producer would have $15 less to spend since he was selling his oil for $15 less.

But if America imports one-third of its oil, the American consumer gets a $15 gain when the price of oil falls, yet only two-thirds of the loss ($10) is suffered by American producers. The rest of the loss (the other $5) accrues to oil producers in the rest of the world.

It is perfectly appropriate for the Reagan government to want to do something to prevent massive bankruptcies in the oil patch. But to go to Saudi Arabia to ask them to hold up the price of oil is perfectly inappropriate. It is perfectly inappropriate since it is the most expensive way imaginable to help those in the oil patch. If help is to be given to the oil patch, there are much cheaper home-grown alternatives.

The cheaper domestic alternative is to tax the oil consumers whose real income is rising with an oil tax and use the revenue from this tax to give income subsidies to those in the oil patch whose income has fallen. Even if this were done to the extent that those in the oil patch suffered no income reductions (they were given 15 extra dollars for every barrel of oil they produced), the American consumer would still be left with an extra $15 for every barrel of imported oil.

If Saudi Arabia raises the price of oil, the American oil consumer is effectively being taxed by Saudi Arabia and he loses not just the income that must be taken away from him to subsidize those in the oil patch, but also the income that must be taken away to subsidize those who sell imported oil—Saudi Arabia. If Americans are to be taxed to help those in the oil patch, an American tax beats a Saudi Arabian tax every time.

Given this reality, why then is Vice President Bush off to Saudi Arabia to ask the Saudis to raise their taxes on Americans? One does not have to be completely cynical to understand the rationale.

To tax American oil consumers overtly to subsidize American oil producers is a political non-starter of the first magnitude. Far better to have the Saudis raise the price of oil and covertly tax the American oil consumer to subsidize the American oil producer. In addition, President Ronald Reagan has promised not to raise American taxes. A Saudi tax increase is not a technical violation of his "no new taxes" pledge.

If one is only slightly cynical, other factors come into play. The oil industry is a major source of campaign financing for the Republican party and that no candidate for the presidency, especially one from Texas, could really run for the presidency without oil money. One gets such money by asking for higher oil prices. In addition, if too much of the oil industry goes broke, the oil industry will have no money to contribute

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to any campaigns—no matter how much they may love him.

Personally, I have some sympathy with adopting domestic public policies to prevent a total collapse of the oil-patch economy—it is part of America—and America should be willing to come to the aid of its different regions when they are in trouble, although I admit Texans don't make it easy to be sympathetic. But I have no sympathy with the vice president's mission to Saudi Arabia. It is a wrong policy at a wrong time in a wrong place.

(Lester C. Thurow is the Gordon Y. Billard professor of economics and management at MIT.)

[From the New Republic, April 28, 1986]

OIL DRIP

The ideal price for oil would be $0 a barrel. As Henry George explained more than a century ago in *Progress and Poverty*, the cost of natural resources is nothing more than a tax on the productive elements of the economy—labor and capital. The $15 plummet in the price of oil during the past few months—from about $27 to about $12 a barrel—has been like a $90 billion annual tax cut for the American economy. The policy question is what we should do with our $90 billion.

Vice President Bush thinks we should give part of it back. Well, who knows what—or if—George Bush really thinks. During the first week in April, Bush said regarding the proper price of oil: (a) that he was going to urge the Saudis "that we not just have a continued free-fall . . . without a parachute"; (b) that "our answer is market, market—let the market forces work"; (c) that whereas the Saudis want higher prices, the United States "ought to be pleased" by low prices; and (d) "I don't know." He continues to imply, though, that there is some danger to the nation if prices get too low. Others say it outright.

The ostensible danger of low oil prices is fourfold. First, prices could go up again if we allow ourselves to get too dependent on foreign supplies. Second, apart from price, we need the guaranteed supply of oil that only a large domestic industry can provide. Third, low prices are devastating the energy-producing regions of the country, with potential ripple effects, mostly involving the collapse of banks. And fourth, Mexico and other Third World producers are also being devastated, with potentially explosive consequences, both political and economic.

The United States is a net energy importer. Therefore, it is a mathematical certainty that the nation as a whole is better off, not worse off, with lower prices. As with any dramatic economic change, there are winners and losers, but that's capitalism. When oil prices were going up, an equally dramatic and far less desirable change, those now complaining the loudest felt very strongly that the government shouldn't interfere. As for the ripple effects, banks in trouble are forever holding themselves hostage and demanding ransom. We're skeptical. But even if a bailout were required, doing it directly would be far cheaper than showering the oil regions with money in the hope that some of it will land where it's needed.

The foreign policy consequences of cheap oil are also generally favorable. Yes, it's bad for Mexico. But it's also disastrous for the Soviet Union. Cheap oil may cost the Soviets a third of their hard-currency earnings. It's a blessing for the very poorest nations—those with no oil of their own. And it's bad for the terrorist international, whose formerly oil-rich patrons will be watching their pennies in the future.

The national security argument for maintaining a domestic oil capacity cannot be laughed off. Nor can concerns of a future OPEC rip-off if we lower our guard too much now. What can be laughed off are most of the estimates of how the domestic industry would dry up with lower prices. For one thing, prices are not likely to stay as low as they are now. If they settle at $15 to $18 a barrel, most of the most productive wells will still be profitable, and so will continued exploration. In addition, there's a countervailing factor at work. If a steel plant shuts down, you don't have a steel plant. If an oil well shuts down, you may not have an oil well, but you do have the oil—in fact, you have more of it, in more accessible locations, than if you kept pumping away full speed. When and if prices go back up, you can reopen the well. (Yes, it's not quite that easy. But it's also not as hard as oil industry apologists would have you believe.)

Of all the policies being proposed for dealing with these problems, real and imagined, the most insane is Bush's original suggestion, echoed by Secretary of Energy John Herrington, that we should talk the price of oil back up, or at least try to prevent it from falling further. To start with, this would negate all the foreign policy benefits of lower oil prices worldwide. (And surely direct aid to Mexico would make more sense than indirect aid to Mexico, the Soviet Union, and Libya.) Financially, every dollar extra we pay for oil is a 30-cent gift to foreigners and a 70-cent subsidy to domestic oil producers.

An import fee is only marginally more sensible. At least in this case the foreigners' share of the take would go to the U.S. Treasury instead. But since an import fee will raise the price for domestic oil by an equal amount, it is in effect a huge and utterly unjustified handout to domestic oil producers. A ten-dollar-a-barrel import fee, for example, would raise about $20 billion for the government and transfer another $40 billion from oil consumers (including businesses) to producers.

A gasoline tax or other broad-based energy levy would prevent this unjustified windfall. In terms of preventing renewed overdependence on foreign oil, guarding our achievements in conservation is at least as important as continued domestic production. A gas tax would have the same effect in encouraging conservation as an import fee, but for any given burden on consumers and businesses, it would bring three times as much revenue to the government. The rule of thumb is that every penny increase in the gas tax would bring in a billion dollars of revenue. A 20-cent gas tax increase, for example, would be an easy $20 billion. Gasoline prices would still be below where they were six months ago, way below what consumers pay in almost every other country, and—in real terms—even below where they were at the beginning of the energy crisis.

How to use the money? Part of it should be used to fill up the Strategic Petroleum Reserve and, if possible, to create new reserves while oil remains cheap. Huge stockpiles of quickly available oil are our best defense against either a huge price hike or a sudden shutoff by foreign producers. Buying the oil from foreigners now at $12 a barrel makes a lot more sense than paying our own producers $27 a barrel in the hope that they'll still be producing at that price when and if we need them.

The rest of the money could be used to reduce the deficit which isn't going to go away even with all this good news. If that's intolerably sensible, it also could be used to finance a reduction in the FICA (Social Security) tax, the most regressive and economically destructive of all federal taxes, and one that has increased dramatically during the supposedly tax-cutting Reagan years.

Oh. And a few dollars might profitably be invested in a copy of *Progress and poverty* for George Bush.

A LETTER FROM AMBASSADOR FENWICK

HON. WILLIS D. GRADISON, JR.

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Tuesday, April 15, 1986

Mr. GRADISON. Mr. Speaker, I would like to bring to the attention of our colleagues, a letter which I received from our former colleague—Ambassador Millicent Fenwick. Ambassador Fenwick graciously wrote to me regarding a report on Social Policy by the House Wednesday Group, which I currently chair.

Mr. Speaker, I know that you and our colleagues have great respect and admiration for Millicent. Not only does she perform admirably in heading the U.S. mission to the U.N. Agencies for Food and Agriculture, but she still takes time to share her important views about the things happening on this side of the Atlantic.

Her letter, like the Wednesday Group report, speaks to issues affecting families and child care, welfare policy, health policy, and civil rights. In the area of welfare policy, she points out that it is "unwise to give independent welfare status to a very young teenager * * *. The hope of an independent apartment and income, of medicaid and food stamps, constitute an escape from many a crowded welfare household. But, more importantly, no escape from the welfare syndrome."

Mr. Speaker, I know that I speak on behalf of all our colleagues when I say how much we appreciate Millicent continuing to share her wisdom with us on these vital issues.

I am pleased to include a copy of her letter for the RECORD:

UNITED STATES MISSION TO THE
UNITED NATIONS AGENCIES FOR
FOOD AND AGRICULTURE,
Rome, Italy, March 6, 1986.

Hon. WILLIS D. GRADISON, JR.,
Congress of the United States, House of Representatives, Washington, DC.

DEAR BILL: The Wednesday Group agenda, "Social Policy," arrived here in Rome Tuesday. It is an excellent document and, as always with Wednesday Group proposals, I am stimulated to write concerning a few ideas that might be useful, or worth considering:

FAMILIES AND CHILD CARE

1. I think repeal on the tax on marriage would be a great boom to all two-earner families. My bill in the House had 160 cosponsors, as I remember it. It received a slight nod of acceptance while I was still in the House, but some States have a simple, direct form we really should copy.

2. Trying to do something about child care when I was still in Congress, I found an excellent system devised by the Chicago Telephone Company, which had an overwhelming majority of women as employees. It was organized by one competent social worker, employed by the company, who presented this plan to the women: "If you need child care, get together with some of these employees who live near you and are mothers. Choose a woman in your area to whom you would be happy to confide your children while you are at work. Five children would be the maximum for any one such child care center, operating in the home of the one you have chosen. The company will interview and, if necessary, give the necessary training to this foster mother." The foster mother may be a low-income—or even a welfare recipient—who has the confidence of the working mothers. The working mothers pay her a very small sum each week. The expense to the company is the high-powered social worker that they provided to organize the whole system, and to check the ability of the one the mothers have chose. There was also a very good child care system in Maryland, and another in Maine but I don't remember the details.

3. I am convinced—by the California experience—that preventive care for mothers and children is the wisest of all investments. But I cannot see why WIC and MCH are not merged. Unless the regulations have changed, a pregnant woman can go to WIC for advice on nutrition. So can her child, for 5 years. The mother, however, is limited to one year's services of WIC after the birth of the baby. So we have two sets of books, practical inconvenience for the mother, and an uncoordinated system. I proposed this merger to the Labor and Education Committee and the key witness against my proposal was a professor from Johns Hopkins. I was forced to go to a Foreign Affairs meeting scheduled at the same hour and missed the professor's appearance. When I telephoned him to inquire about his testimony I found that his main and only objection was that maternal and child health had no nutrition specialist. I asked if he would approve the merger if maternal and child health were required to include nutritional counseling by a qualified person. And the answer was "Well, we are all set up this way." Here we have a ridiculous situation—inconvenience for the mother; lack of continuity in health care; useless duplication and expense for the taxpayer.

WELFARE

1. The Plainfield Chapter of the Red Cross under Mabel Sias' direction, runs a program whereby welfare mothers are trained as Home Helath Care Practitioners. Over 90% of them receive jobs in private employment. I believe Charlie Rangel is the author of this legislation—in any case, when funds were threatened, Mrs. Sias asked me to put her in touch with Charlie, and apparently it worked.

2. Another point was made in a most interesting article in the New York Times written by Francis Cline, the sociologist. The article strongly suggested that it was unwise to give independent welfare status to a very young teenager who was still under the necessary protection of the child labor laws. The hope of an independent apartment and income, of medicaid and food stamps, constituted an escape from many a crowded welfare household. But, more importantly, no escape from the welfare syndrome. Cline quoted the teenager he interviewed as saying, "My girlfriend told me all about how to do this." This will perpetuate what Ken Auletta has called the permanent underclass.

HEALTH

1. The HMO process has always interested me. I worked hard with organized labor in New Jersey to encourage and facilitate the establishment of an HMO and I cannot see why the system has not developed more quickly and more widely.

2. Home health care, and long-term medical care, need to be completely reoriented, I think. Our New Jersey nursing homes, in order to get a license, had to take a certain number of indigent patients paid for by the public. The cost was roughly half or a little more than half what rich people paid. For example, at a time when average nursing homes cost $70.00 a day, the indigent was cared for at $40.00 a day (the State nursing home costs over $80.00 a day!) My hope was to give the patient—or the family—half the nursing home cost in a home health care subsidy. My interest in all this was sparked by a pitiful letter, and subsequent telephone call, from a woman whose mother was in the hospital and was threatened with being transferred to a nursing home. Both mother and daughter were horrified by the prospect, and the doctor, too, thought it would be most damaging. The therapy the mother needed could have been paid by a home health care subsidy which could go directly to the daughter. All that was needed from the State was a bimonthly visit to make sure that the patient was happy and the therapist was being paid. (The sad sequel to this is that I could not arrange home health care. The mother went to the nursing home and died of "transfer trauma" within three weeks). These sums are probably out of date but the point is this: when doctor, patient and family urge care at home and when the payment to the family covers the cost of the necessary therapy at half the cost to the taxpayer, it seems ridiculous to continue an expensive, anti-human system. HEW Secretary Califano greatly approved this idea and tried it, he said, in Texas in a rural and in an urban district. But I found after repeated checking that the money was not given to the family but instead to a variety of organized therapists. (For example, an elderly Mexican-American woman was being given speech therapy when her family and she were quite accustomed to the communication system they used for many years).

3. Another point can be made when one considers that in many areas hospitals are overbuilt and have empty wards. These wards could be used for nursing home care at less cost than nursing home prices. The only reason they are not used in this way, as one hospital administrator explained it to me, is the Federal regulation which stipulates that Federal support for the care of the indigent will be "at cost." This means factoring-in CAT scans, ultra sound and other expensive equipment. The simple solution to the problem would be to change the regulation to read "at cost or less."

CIVIL RIGHTS

1. The description of the lack of civil rights in the housing field is absolutely disgraceful. Page 7 of your paper reads ". . . if an alleged violator of Title VIII refuses to participate in such proceedings, there is little HUD can do." That is outrageous and I agree that with the last paragraph on page 15 which suggest corrective as well as punitive sanctions. Most people just want a house, and justice under the law, and would rather get a house than be involved in a court fight.

2. I have also been very much interested in affirmative action programs. I would like to suggest that all Federal and State agencies, particularly those located in core-cities, should form teams of their employees, to go into the high schools and tell the students what the requirements are for each of the occupations, in which the employees are involved. For instance, I see a white truck-driver, a black doctor, a female administrator, a Puerto Rican or Asian nurse who—without mentioning race—would by their very presence, and composition as a group, make clear the goal of equal opportunity. Companies in the area should be encouraged to do this to.

Bill, I know you will turn this over to one of our wonderful staff members but I hope some of it will be useful.

All the best to you, as always.

Sincerely,

MILLICENT H. FENWICK,
Ambassador.

OPENING OF THE BERN HUMAN CONTACTS EXPERTS MEETING OF HELSINKI SIGNATORY STATES

HON. STENY H. HOYER

OF MARYLAND

IN THE HOUSE OF REPRESENTATIVES

Tuesday, April 15, 1986

Mr. HOYER. Mr. Speaker, I rise to remind my distinguished colleagues that today marks the opening in Bern, Switzerland, of the Human Contacts Experts Meeting of Helsinki signatory states. As Co-Chairman of the U.S. (Helsinki) Commission, I can point with some institutional pride to the convention of the 6-week conference, which is the brainchild of the Helsinki Commission. The Commission, under the leadership of Representative DANTE FASCELL, developed the idea in 1979 as it worked with the State Department to prepare for the Madrid Review Meeting of Helsinki signatory states. The Commission strongly believed that holding a human contacts meeting as well as other human rights forums were necessary to counterbalance the expected post-Madrid security conference.

The U.S. delegation, under the direction of Ambassador Kampelman, and other Western delegations to the Madrid Conference, eventually adopted the Commission's idea and, after 3 long years of tenacious negotiation, achieved agreement with the East to hold the human contacts conference.

Bern is coming at the midpoint between summits when prospects for East-West relations will be a matter of intense popular speculation and comment. As Anatoly Shcharansky pointed out in his message to representatives of nongovernmental human rights advocacy organizations meeting in Bern: "I hope this work will be continued and will lead to further contacts, contributing to a real détente and to the establishment of genuine trust between the superpowers. In the long run * * * there will be no trust or détente until both sides show full respect for human rights in keeping with the Helsinki agreement." Mr. Speaker, I respectfully request that the entire statement by Anatoly Shcharansky as reported in The New York Times on April 13 appear

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in the RECORD immediately following my remarks.

The overriding humanitarian theme for the United States at the Bern meeting is the expansion of people-to-people contacts across East-West borders, on an individual basis or by groups, whether for the purpose of emigration, family reunification, repatriation, or travel for personal or professional purposes.

The U.S. Helsinki Commission has urged the U.S. delegation to begin from the premise that Europe is unnaturally divided by force. Artificial barriers to the free flow of people having extensive common ties and interests have been erected. Physical barriers, such as the Berlin wall, have been built. In addition, legal, procedural, and financial obstacles are imposed and methods of intimidation are applied by East bloc governments in order to dissuade would-be emigrants or travelers.

In the decade since the accords were signed, the West has chronicled some steps forward as well as a litany of Eastern human rights violations. In the human contacts field, for example, there have been some welcome easements in the emigration and travel policies and practices of some East bloc countries and a net increase has been registered in East-West travel. Yet, despite their Helsinki commitments, a number of the participating states continue to maintain policies stringently limiting and controlling the movement of their citizens. Helsinki monitors, human rights activists, religious believers, unofficial peace group members, and free trade unionists continue to be prosecuted for their efforts to maintain independent contacts with Eastern and Western counterparts.

In itself, the Bern meeting will not provide any guarantee of Soviet or East European compliance with the human contacts section of the final act and of the Madrid document. It will, however, provide an excellent and timely mechanism for examining how human contacts provisions have been implemented and will be a useful forum to encourage greater compliance with them in the future. In light of Eastern violations, it would be detrimental to the Helsinki process if the exchanges at the conference were limited to technical discussion. The freer flow of people across East-West borders should be forthrightly raised as the overriding humanitarian theme of the Bern meeting.

I, therefore, encourage my colleagues in Congress to lend their active support to the U.S. delegation in Bern, ably led by Ambassador Michael Novak, in a common effort to draw international attention to existing human contacts violations and to seek practical solutions to humanitarian problems in this field.

[From the New York Times, Apr. 13, 1986]

MOSCOW MUST START COMPLYING WITH THE 1975 HELSINKI AGREEMENT

(By Anatoly B. Shcharansky)

I left the world of the gulag only a few weeks ago, and I am not yet ready to speak in public. Nevertheless, I could not refuse to greet you, if only in a recorded message, because the problems that brought you here today are extremely important to many people fighting for their rights in the Soviet Union and elsewhere in the world.

Ten years ago, several dissidents in the Soviet Union created a public group to monitor Moscow's compliance with the Helsinki agreements. Our idea was that many of the human rights issues that divide the governments of the Eastern and Western blocs could be agreed upon by independent representatives of public opinion—people in both East and West who have a vital interest in the implementation of the Helsinki agreements in their own countries. So we voluntarily took upon ourselves the task of examining how the Helsinki agreements were being implemented in the Soviet Union.

Ten years have passed, and what do we see? The Jewish emigration that began in the early 1970's has been brought to a stop by the Soviet authorities. Several hundreds of thousands of Soviet Jews who want to leave the Soviet Union cannot do so for no other reason than that the Soviet Government has decided that they cannot.

I spent nine years in Soviet prisons and camps, and I can certify that the conditions in which political prisoners are detained have been getting steadily worse. I shall mention only two particular problems.

First, a new article of the Penal Code, article 188-1, introduced in late 1983, allows the Soviet authorities to extend almost at will the length of time that one remains in prison or in camp. This measure has already been applied to several members of Helsinki monitoring groups now in prison. It is used by the authorities both to prolong the detention of political prisoners who resist "reeducation"—who refuse to comply with efforts to make them change their ideas and convictions—and to intimidate the others.

Second, according to a new official directive introduced barely a year ago in the Soviet Union, political prisoners who start a hunger strike can be immediately thrown into a dungeon—a measure that very much aggravates their sufferings.

These are only two examples of the many ways that the authorities are cracking down on political prisoners in camps. Why is this so important? Because, as a rule, the policy regarding the camps very much reflects the general situation in the country—the disregard for the rule of law and the harshness of the repression.

I would like to attract your special attention to the Sakharov case. I do not need to remind you that Andrei Dmitrivich Sakharov is a hero, a model of a honorable man who continues the very best traditions of the Russian intelligentsia, fighting for the trampled rights—be they national, religious or political—of all the people of the Soviet Union.

Needless to say, his present situation is extremely difficult. He is cruielly and unjustly isolated from his family and friends, barred from scientific work and normal social activities. His state of health inspires growing fears. I consider it vitally important at this moment to raise our voices and call for the Soviet Government to stop its persecution of Andrei Sakharov—to grant this remarkable man the possibility to continue his noble activities in dignity and normal conditions.

Looking back at the first documents issued by our Helsinki group 10 years ago, I must say that the longer I spent in prison, the more accurate they seemed and the more important. I also believe that it is more necessary than ever now for international public opinion to press the Soviet Union on these matters. It is high time for Moscow to begin complying with the Helsinki agreement signed in 1975.

I think tht the Andrei Sakharov Institute and Resistance International have made a great contribution by organizing this meeting. I hope this work will be continued and will lead to further contacts, contributing to a real détente and to the establishment of genuine trust between the superpowers. In the long run, however, there will be no trust or détente until both sides show full respect for human rights in the keeping with the Helsinki agreement.

THE REAGAN NICARAGUA POLICY: A PRECONCEIVED, PARANOID, OBSESSIVE SCRIPT

HON. MEL LEVINE

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, April 15, 1986

Mr. LEVINE of California. Mr. Speaker, a most intelligent article titled "Reagan's Nicaragua Obsession Puts All the Hemisphere at Risk," by Mexican novelist and former diplomat Carlos Fuentes, appeared in the April 6, 1986 Los Angeles Times. I want to share it with my colleagues.

The author writes, in part:

Ronald Reagan's failed Central America policy is less of a danger to Nicaragua, which is geared to defend itself for a long, long time, than to the United States' friends on the continent and, eventually, to the United States itself, acting in this matter as its own worst enemy * * *

A great deal—the respect and credibility of a whole continent; a whole range of political opportunities—is being sacrificed to very little—a preconceived, paranoid and obsessive script.

Mr. Speaker, giving money to the Contras will undermine our relationship with all of Latin America, and will in no way advance our own national and security interests. Mr. Fuentes' article, which follows, articulately explains why, and I urge our colleagues to read it. Thank you

The article follows:

APPROACHES TO THE AMERICAS—REAGAN'S NICARAGUA OBSESSION PUTS ALL THE HEMISPHERE AT RISK

(By Carlos Fuentes)

The real political choice for the United States in this hemisphere is between the contras and the governments of Latin America. Perhaps in all its history, Latin America has never before been governed by such an exceptional group of men: capable, honest, democratically oriented and internationally educated individuals. To name not all: Argentina's Raul Alfonsin, Uruguay's Julio Sanguinetti, Brazil's Jose Sarney, Peru's Alan Garcia, Mexico's Miguel de la Madrid, Guatemala's Vinicio Cerezo, Venezuela's Jaime Lusinchi and Colombia's Belisario Betancur (as well as his probable successor, Virgilio Barco) form a constellation of heads of state offering the United States an unparalleled opportunity for cooperation and the solution of problems.

These men appear on the scene, however, during a period of harrowing economic and social dilemmas. It is far from certain they will find solutions. Too many intractable forces—a disillusioned middle class, a mob of urban marginals, a deeply dispossessed working class, a blighted agricultural proletariat—are seething under the veneer of stability. The democratic gains of the last few years, so fervently hailed by those who did nothing to bring them about, run the gravest risks of becoming mere swallows caught

in a sudden winter storm. The military, unwilling to administer the crises, are nevertheless waiting in the wings.

One dreams of what leaders such as Franklin D. Roosevelt or John F. Kennedy would have done together with a comparable group of Latin Americans. Certainly not offer them a contra war in Central America, distracting attention from the really important questions of economic survival, draining energies from the internal to the international stage, dividing national opinion and threatening, in sum, the feeble stability of the continent. The last thing that De la Madrid, Alfonsin or Sarney need is an escalating conflict in Latin American territories, leading inexorably to generalized war—by accident, by slippage or by will.

Ronald Reagan's failed Central American policy is less of a danger to Nicaragua, which is geared to defend itself for a long, long time, than to the United States' friends on the continent and, eventually to the United States itself, acting in this matter as its own worst enemy.

For example: During almost half a century Mexico has offered the United States the most precious of gifts: a secure southern border. In effect, the United States is that rarity in universal history, a great power with only two neighbors, both weaker than itself. But the Reagan Administration seems willing to create havoc in Mexico by forcing the *contra* war and, eventually, the American war on Nicaragua. Mexico, a nation of 80 million, will not be drowned by a red tide flowing from Nicaragua. In fact, well before reaching Harlingen, Texas, any venturesome Sandinista battalions would be blown apart at the Honduran, Salvadoran or Guatemalan borders.

But Mexico would be politically ripped apart by pressures to take sides in an American conflict in Central America as either enemy or satellite of the United States. The Mexican government, seriously damaged by economic, moral and physical problems, would probably lose its strongest claim to legitimacy—the sovereign conduct of its foreign policy—if it caved in to Washington's demands. But it would also suffer grievously, for other reasons, if it seemed to undermine the security of the United States for refusing to follow Washington's lead in Central America. The result would be turmoil on the border, but not for the reasons Reagan paints in his TV graphics.

A great deal—the respect and credibility of a whole continent; a whole range of political opportunities—is being sacrificed to very little—a preconceived, paranoid and obsessive script. Brazil has had to ask—twice—that it not be painted red on Reagan's maps. President Betancur of Colombia has had to denounce publicly, on more than one occasion, the State Department's penchant for saying that he says one thing in private and another in public. Betancur's latest correction: "All of Latin America opposes the Reagan proposal [of aid to the *contras*]."

Former President Carlos Andres Perez of Venezuela has warned that all of Latin America would rise against the United States in the event of an invasion of Nicaragua. President Garcia of Peru has declared before the Argentine Congress that his country would "break relations with the aggressive power" if Nicaragua were invaded and "do everything in its power to defend the brother country." And the newly elected president of Costa Rica, Oscar Arias, has wryly suggested that the $100 million in proposed contra aid be given to the Central American countries for economic development. Farmers, scientific researchers, the roofless and quite a few U.S. schoolchildren must feel the same way.

Latin America cannot be faulted for critizing while abstaining. Latin governments have repeatedly offered rational political and diplomatic solutions to what they consider a very minor international crisis in Central America—although it is a major economic and social crisis for those extremely weak countries, more and more dependent on foreign military and financial aid, wherever it might come from.

Why not listen seriously for once to the Latin American solution? It takes care of the security concerns of the United States better than Reagan's theater of horrors. By now everyone knows that the solutions include ending external support for any guerrillas; freezing the acquisition of arms and then diminishing them gradually suspending international military maneuvers; reducing and finally eliminating foreign military advisers and bases.

Since it is now evident that the Reagan Administration, caught in its own web of fictions, will not give the Latin American solution that serious try, I believe Latin America should take a bold initiative to negotiate with the five Central American governments and offer Latin Americans—the four Contadora nations and the four countries forming their support group—as guarantors of the peace agreement. This is a Latin American problem and it deserves a Latin American solution. "Left to ourselves," a former president of Costa Rica told me recently, "we Central Americans would solve this problem in a few weeks."

If any of the Central American governments then faulted on the agreements freely arrived at with the Latin American community—if, say, Honduras were to offer continued sanctuary to the contras, or Nicaragua a base to the Soviet Union, or if El Salvador were to turn against its traditional foe, Honduras—then all hell would break loose. But the solutions and eventual sanctions would all be inspired by Latin America, guaranteed and headed by Latin America; the United States would be spared the divisive contests, the debasing rhetoric, the ignorance in high places that have seriously damaged it during these past few weeks.

Men such as Sen. Edward M. Kennedy (D-Mass), Sen. Christopher J. Dodd (D-Conn.) and Rep. Michael D. Barnes (D-Md.) have saved the honor and the voice of the United States for a better, more rational day. The contras cannot win, but the United States and Latin America can lose. It is time to stop playing games, physical or rhetorical, and take serious diplomatic initiatives. The time is now, in the hiatus between voting on contra aid in the Senate and the House. The stakes are indeed high, but not for the reasons Reagan offers. Most of the new Latin governments have the legitimacy to carry through the harsh solutions needed for economic recovery. If they consent to American adventurism in Central America they will end by losing this legitimacy. Economic disaster, erosion of the social fabric and political upheaval will ensue, from the Rio Grande to Cape Horn.

Where will the security of the United States be then?

NATIONAL CEMETERY NEEDED IN OHIO

HON. MARY ROSE OAKAR

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Tuesday, April 15, 1986

Ms. OAKAR. Mr. Speaker, I rise today in order to pay homage to the hundreds of thousands of men and women who have defended their country to preserve our freedoms.

Mr. Speaker, it is because of these sacrifices that I introduce H.R. 4594 a bill that would require the Administrator of Veterans' Affairs to conduct a study for the purpose of locating sites in the State of Ohio suitable for development as cemeteries in the National Cemetery System.

The veterans in my district have urged my support for a new national cemetery. Presently, Ohio has only one cemetery which is located in Dayton. This cemetery is expected to be filled by the year 2001. Another regional cemetery, located at Fort Custer, MI, is 260 miles away from northeast Ohio. Statistics indicate that 538,000 veterans are living within a 50-mile radius of Cleveland and 790,000 within a 100-mile radius of Cleveland. By the year 2000, it is expected that 260,000 veterans within Ohio will die.

Mr. Speaker, I firmly believe that it is our duty to establish a final resting place for our veterans within a reasonable distance, so that friends and family will be able to visit. According to Paul T. Bannal, Chief Memorial Affairs Director for the Veterans' Administration, "the Veterans' Administration recognizes that an aging veteran population may have significant impact on the National Cemetery System in years to come. Cleveland, with its large veteran population, is included in our long range planning."

It has been my pleasure to work closely with the Veterans Affairs Committee under the leadership of my good friend and colleague SONNY MONTGOMERY. We have worked together on issues concerning health benefits, distinguished service, memorials, and medical care for veterans. Now, we must recognize the need to establish this cemetery because of the even-increasing size of the aging veteran population in my district.

A TRIBUTE TO MARK SEBASTIAN PALERMO

HON. RON PACKARD

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, April 15, 1986

Mr. PACKARD. Mr. Speaker, today I rise to honor Mark Sebastian Palermo, a member of my district. Mark has been chosen as the California State winner in the Voice of Democracy contest sponsored by the Veterans of Foreign Wars.

During the past year, over 250,000 students participated in this contest nationwide. I would like to commend the Veterans of Foreign Wars organization for sponsoring this contest

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which helps to instill patriotism in the heart's of young Americans.

As a fitting recognition of his achievement in this contest, I wish to enter Mark's winning speech into the CONGRESSIONAL RECORD.

NEW HORIZONS FOR AMERICA'S YOUTH

You know, I've heard some people say, "What kind of adults are America's youth going to be? Things are so different now. Our kids face population explosions, new diseases, energy problems, pollution problems, the constant threat of war. What kind of future is that?" But is our future all that bleak?

Couldn't I just as well say, "What a terrific future our children have! With advancements in medicine, transportation, communication, energy, space exploration, and pollution control, our kids will have the best lives any human being has ever seen!"

When you were young, there were plenty of folks that thought your generation would simply flounder in its tracks. But did it? No! Even a horror like war can't stifle the livelihood of Americans. The fact that the VFW is sponsoring such a youth oriented, thought provoking event like this, shows the strength and comradery of its members, and the hope they have for our future. They see that right here, in America's youth, is that same strength and comradery.

The problems today's youth face are really no different than those of any other age. Poverty is an inherent problem. Somebody will always be considered impoverished; however, we will continue to put out our hands to the less fortunate. What about medical problems? Just about everything is a carcinogen these days, and we have a deadly new threat in AIDS, but these afflictions have always been around. We are now aware of them, and looking for their cures. The questions we are faced with about energy sources and pollution control are the same as they've always been. Each age simply provides different answers. New scientific advancements made by the youth will provide the solutions to today's energy and pollution problems, just as you did to yours. As a generation, we know the importance of solving our international differences peacefully, but we also know the importance of national defense, and protecting our rights and our heritage. Today's youth is striving to make a better life for all Americans.

As we grow up and start families, move into the workforce, and contribute to politics, our new minds will bring new ideas and new technological advancements. We will help our impoverished brothers. We are discovering more cures than we are new medical mysteries, and more ways to produce energy than use it. We are bent on controlling pollution, and working toward its irradiation. We will do our best to negotiate through political differences, but if our nation calls us to arms, America's youth will not let you down. We will stand by this nation and defend its ideals, our families, and our freedom. Technology, advancement, better standards of living, national pride, politics, and families, these are the new horizons for America's youth.

THE PRESIDENT HAS ACTED EFFECTIVELY AGAINST LIBYAN TERRORISM

HON. BOB STUMP

OF ARIZONA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, April 15, 1986

Mr. STUMP. Mr. Speaker, the President's action against military and terrorist targets in Libya demonstrates a new resolve to defend Americans against the scourge of terrorism. The President's action in defense against terrorism shows that America has both the capability and the will to counter threats to the safety and well-being of Americans here at home and around the world.

As a member of the Intelligence Committee, I must not discuss the content of matters which come before the committee in executive session. I can say, however, that the President is absolutely correct that the evidence linking the Qadhafi regime of Libya to terrorism against Americans is clear, direct, and irrefutable.

Given the Libyans' state-sponsored terrorism directed at Americans, the United States has the right—indeed, the duty—to act to reduce the capability of the Libyan regime to wage terroristic war against the American people. Before employing force in self-defense, the President clearly and repeatedly warned the Libyans that their continued terrorism would bring a tough United States response. In developing that response, the President consulted with leaders in the Congress. The President also consulted with our allies around the world, including the United Kingdom, whose support for the United States action deserves the special thanks of the American people. After issuing warnings and after extensive consultations, and in accordance with international law, including article 51 of the United Nations Charter, the President chose a carefully measured, proportionate response involving use of force in self-defense against the Libyans.

The President has sent a clear message to terrorists around the world: The United States will not stand still while terrorists wage war against the United States. The United States will protect its citizens from terrorism, including when necessary by direct application of military force. The United States of America will protect its citizens around the globe.

IN MEMORY OF THE "CHALLENGER" ASTRONAUTS

HON. GEORGE C. WORTLEY

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, April 15, 1986

Mr. WORTLEY. Mr. Speaker, the Common Council of the City of Syracuse has passed a resolution requesting the mayor of Syracuse to lower the flags at all city installations on each January 28 in memory of the brave women and men who died aboard the space shuttle *Challenger*: Dick Scobee, Mike Smith, Ron McNair, Ellison Onizuka, Judith Resnik, Greg Jarvis, and Christa McAuliffe. I respectfully request that the text of the resolution be printed in the CONGRESSIONAL RECORD.

RESOLUTION NO. 133-R

RESOLUTION—REQUESTING THE MAYOR TO CONSIDER LOWERING FLAGS AT ALL CITY INSTALLATIONS TO HALF-MAST ON EACH JANUARY 28TH IN HONOR OF THE MEMORIES OF THE CHALLENGER ASTRONAUTS

Whereas, on January 28, 1986, at approximately 11:39 a.m., the horrendous and calamitous explosion of the space shuttle *Challenger* that took the lives of the seven brave men and women aboard, completely shattered the tranquility and confidence of all Americans, the flaming wreckage spewing untold grief and utter disbelief throughout this entire proud and mighty nation; and

Whereas, since that time, the pain and horror of that day has begun to ease, explanations concerning the cause of this terrible tragedy are being brought to light and investigated, and Americans are once again beginning to bring themselves to look toward the future; and

Whereas, although no one will ever be able to forget this shocking and painful event in our history, time heals, answers will help to lighten the overwhelming burden we have been carrying within our hearts and minds; and

Whereas, members of this Common Council have been requested by Mr. Jerry Effron, a World War II veteran presently hospitalized at the Veterans Administration Hospital in Syracuse, to ensure the date is prominently remembered; now therefore be it

Resolved, That this Common Council, on behalf of the citizens of the City of Syracuse, hereby joins with Mr. Effron in seeking to preserve the memories of the *Challenger* Astronauts by respectfully requesting Syracuse Mayor Thomas G. Young to consider lowering the flags at all City installations to half-mast on each January 28th.

PROFILE OF HON. MARY ROSE OAKAR

HON. MARILYN LLOYD

OF TENNESSEE

IN THE HOUSE OF REPRESENTATIVES

Tuesday, April 15, 1986

Mrs. LLOYD. Mr. Speaker, I rise today to call to the attention of my colleagues a profile on MARY ROSE OAKAR, secretary of the Democratic caucus, which appeared in the Washington Post during the Easter district work period. This article details the exceptional record and strong tireless leadership of our friend and colleague, MARY ROSE OAKAR. The article is as follows:

MARY ROSE OAKAR—A LEADER IN THE HOUSE WHO SPEAKS HER MIND

(By Spencer Rich)

About a month ago, recalls Rep. Mary Rose Oakar (D-Ohio), President Reagan told a "welfare story" at a meeting with congressional leaders. It was about a jobless welfare recipient who phoned the employment service ostensibly to look for work, but who hung up immediately when told it was available.

Oakar, who attends the White House meetings as secretary of the House Democratic Caucus, says she and other Democrats who were there—led by the Speaker of the House—were "livid."

"So I raised my hand and the president said, 'Yes, Mary Rose?' I said, 'A lot of unemployed people are very proud and don't want welfare. I know 50-year-old unemployed workers who will not take welfare. It's not true that people prefer welfare.' "

The incident illustrates a lot about Oakar and why she is receiving increasing attention as a tough legislator squarely within the liberal Democratic social welfare tradition.

"She speaks up, that's for sure," said a Republican who asked not to be named. "She stands by her guns and doesn't hesitate to let you know what she's thinking—and she knows what she's talking about," said a Democratic official.

The perception is also beginning to spread that Oakar, 46, a 10-year veteran of the House, is a strong party activist of remarkable energy. She is unusual in serving on four committees: Banking, Aging, Post Office and Civil Service, and House Administration. At the Select Committee on Aging, she heads the task force on Social Security, elderly and women. She also chairs the key Post Office and Civil Service compensation and benefits subcommittee, which handles federal employee pensions, health benefits and pay.

And in recent years, Oakar has risen within her party. A member of the Democratic National Committee, she serves as House congressional liaison to the DNC and as an at-large House Democratic whip. She is starting a political action committee called Economic Security PAC to help female candidates, and she speaks at colleges to help recapture the campuses for the Democrats.

"I think the kids are coming around," she says. Oakar calls herself a "moderate" Democrat, but others call her a traditional liberal. She says that when people hear the specifics of what President Reagan wants to cut in domestic programs, they respond well to the Democrats.

Oakar, first elected to the House in 1976, has won most elections since by huge margins; in 1984 she had no opposition and only 44 write-in votes were cast against her. Representing downtown Cleveland and suburbs that include many white ethnic working-class people, she has built a strong pro-labor record.

Increasingly, Oakar also has become associated with women's issues—pay, pensions and Social Security protection—and with consumer matters. These issues have been in political decline in recent years, but Oakar persists.

On the other hand, while she supports the Equal Rights Amendment and family planning and has sponsored numerous bills on women's benefits, she recognizes that "certain women's groups will never endorse me" because of her stance on abortion. She opposes Medicaid funding of abortions and favors special benefits for pregnant women to provide alternatives to abortion.

The youngest of five children in a Maronite Catholic family, Oakar was born in Cleveland, attended Roman Catholic schools, got her B.A. in English, speech and drama at Ursuline College in Cleveland and her M.A. in fine arts from nearby John Carroll University. Her father, a Lebanese immigrant, was a steelworker, construction worker and stonecutter.

She once thought of working on the stage, but turned to teaching instead—for four years at a high school and for six years at Cuyahoga Community College in Cleveland, where she taught English, speech, drama and fine arts. Although she almost was fired for starting a union at the college, she says, "technically I am still on leave from Cuyahoga."

She began her political career as a neighborhood activist, served on the City Council from 1973 to 1976, and made a bid for Congress when the incumbent sought a Senate seat.

When she came to the House, Speaker Thomas P. (Tip) O'Neill Jr. (D-Mass.) kept calling her "Rosemary." When she mentioned this, he explained that he has a daughter named Rosemary and a sister named Mary Rose, and that he's always had trouble keeping the names straight.

Oakar is philosophical about being a leading woman in a traditionally male club. "I really can't say I have suffered discrimination in the House because of being a woman. At times the fellows go out of their way to not leave you out." But she says women in the House do feel a special bond, "because after all, there are only 24 of us."

Oakar has a heavy agenda in the 99th Congress, with a special emphasis this year on banking legislation. Because many banks "only want to cater to large accounts," she is pressing to require banks to give certain free services, to bar a minimum balance requirement and to pay interest on all balances.

She is concerned about interstate banking takeovers in which big banks buy smaller banks and funnel the money from depositor savings to investments in other areas. With Rep. Charles E. Schumer (D-N.Y.), she wants to introduce legislation requiring large banks to reinvest money in the local community and to make their portfolios public. The Banking Committee has endorsed the idea.

She also has been pushing (so far without success) for big increases in Social Security benefits for women: more free credits for years of absence from the labor force for child care, better benefits for widows and widowers, and above all, for earnings-sharing—a highly controversial plan to give a person Social Security credits for half the earnings of her or his spouse, thereby entitling these people to Social Security disability or old-age benefits on their own.

She is also a strong advocate of improving private pensions for women—for example, cutting the 10-year vesting requirement, which works to the disadvantage of women who join the work force late or who take time off for child care, to five years.

An Oakar-engineered House bill calling for a broad study of pay equity for women and minorities in the federal pay system awaits Senate action. "Women are now 40 percent" of the federal labor force, she says, "but they're clustered in the bottom four rungs" of the scale.

Oakar also describes herself as "a big advocate of federal workers. This administration is just trying to take everything away from them—gut the retirement system, gut their health benefits and gut their pay, too."

While cutting an increasingly high profile in Washington, Oakar still has that other attribute of successful politicians: she's a big home-town booster. Cleveland, she says, is enjoying a "fabulous regrowth" after being hard hit by the shrinkage of heavy industry. Employers based in the city or nearby include TRW, Standard Oil, Eaton, LTV Steel and the only National Aeronautics and Space Administration center "north of the Mason-Dixon line and east of the Mississippi." Cleveland, she says, "is second only to New York in the arts, with the Cleveland Orchestra, all the museums, magnificent old theaters now being revived instead of turned into parking lots, outstanding health institutions."

In fact, Cleveland's health institutions are such that "one year, five members of Congress had heart bypasses at the Cleveland Clinic. I kept sending them baskets of flowers."

BACKGROUND

Elected to House of Representatives in 1976. Ran unopposed in 1984. Represents Ohio's 20th District, including Cleveland. Serves as secretary of the House Democratic Caucus, House congressional liaison to Democratic National Committee and at-large Democratic House whip, and on four committees. Special interest in labor, consumer and women's issues.

A TRIBUTE TO MARTY ROSE

HON. FRANK HORTON

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, April 15, 1986

Mr. HORTON. Mr. Speaker, a testimonial dinner was held in Oswego, NY, on April 5 for a very close personal friend of mine, and one of the most dedicated labor leaders I have known in my 24 years in Congress—Martin (Marty) Rose.

Marty Rose symbolizes to me the very best of the labor movement in the United States. He is a man dedicated to his fellow workers, to his community, to his State of New York and to our Nation. His personal dedication has been translated into a lifetime of service. And for that outstanding record of service, I and more than 400 of his friends attended the April 5 testimonial in his honor.

Marty Rose knows the problems of workers and of Americans generally. He knows their desires and their dreams. He understands the desire of men and women to earn a decent wage, to afford their children the opportunities of education, to create a quality of life and standard of living that befits our Nation and the principles for which it stands. Marty is from Oswego County, which is in my congressional district, and which is part of Upstate New York that is suffering from economic flight.

Oswego County and upstate New York in general, could not have a more aggressive advocate than Marty Rose. He is concerned about his community and the union he represents. He is tireless in his efforts to attract and assist businesses located in, or seeking to locate in, Oswego County and upstate New York. His efforts have brought many results. Oswego County is an area of growth and growth potential, thanks in no small measure to Marty's work. Operation Oswego County, Onward Oswego, his work on a number of particular projects, his unfailing commitment to his union membership, all contribute to the area. These accomplishments and his record of service are all especially impressive when one considers that Marty Rose is blind. However, loss of sight has diminished neither his spirit or his ability to get a job done and done well.

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Mr. Speaker, I would like to enter into the CONGRESSIONAL RECORD a biography outlining the career and record of service of Martin (Marty) Rose:

Martin Rose was elected as a delegate to The Oswego Federation of Labor-A.F.L. in 1942, respesenting the International Ladies Garment Workers Union. The O.F.C.-A.F.L. Central Body recommended the I.L.G.W.U. was the appropriate Union to represent a group of workers who were seeking to be organized. Consequently, three shops were successfully unionized.

The I.L.G.W.U. workers received a charter for Local 396 on August 14, 1941.

Marty has been a continuous delegate and served as chairman of many committees in the Central Body. Also he has served as an assistant Secretary, Vice President and has been President since 1957 of that Central Body.

Marty served as Vice President to the Upstate New York and Vermont District Council and when the then President of the District Council accepted a State job, Marty was elected President of the Upstate New York and Vermont District Council.

The "Antiprofessional Strikebreaker Ordinance" was entered into the record books of the City of Oswego, spearheaded by Marty and a committee of labor leaders, which was approved by the then Mayor of Oswego John O.C. Conway and successfully passed through the Common Council. Attempts to place the similar legislation in the City of Fulton failed after being presented in two common council meetings with Presidents of various local labor unions assisting in the presentation.

He was appointed by President George Meany as a member of the National AFL-CIO Volunteer Organizer Corps.

He was the AFL-CIO Community Service Councilor.

He was appointed to the committee on International Year For Disabled Persons by Governor Carey.

Marty was appointed by the N.Y. State AFL-CIO President Edward Cleary as honorary Chairman of the 1984 N.Y. State Convention.

Marty represented the Union Label Department and the International President of the I.L.G.W.U. at a convention of the Aluminum Workers in Messina, N.Y., also at the Switchmen of North America Convention, held in Buffalo, N.Y.

Marty has addressed many organizations in behalf of advancing the purchase of Union Label, and Garment Workers. He also urged respect for Union Label goods and services in the family of Trade Unions.

He served many years, and continues to serve as the Vice President of the Union Label & Service Trades Department of the State of N.Y., AFL–CIO.

Marty served on CETA, Private Industry Council, currently serving as member of Oswego County Job Training and Partnership Act.

He served as the first Secretary Treasurer of Labor's League for Political Education. He currently serves as the Chairman of the Oswego County COPE. In addition he serves as a member of the N.Y.S. AFL-CIO COPE Advisory Board.

Marty serves as a member of the Advisory Board of the Central N.Y. Labor Studies of Industrial Labor Relations School at Cornell, and has been utilized to speak at graduations and serve on panels.

Marty was the Director of the Oswego County March of Dimes in 1975.

Marty served on Onward Oswego. He served eight one year terms on the Commercial and Industrial Relations Commission of the city of Oswego. He was appointed by Sal Chalkin and David Gringold, Associate Directors of the North East Department of the I.L.G.W.U. as a Union Label Representative in 1960.

Following the separation of Vermont into the newly created New England States District, Marty was elected President of the Upstate New York District Council of the New York State District of the I.L.G.W.U. and as President of Local 280.

ARTIE WALLACE RECEIVES GOD AND COUNTRY AWARD

HON. GEORGE W. GEKAS

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, April 15, 1986

Mr. GEKAS. Mr. Speaker, I am pleased to inform my colleagues of a young man's accomplishments from my congressional district. Artie Wallace of Oberlin, PA. will be receiving the Boy Scout God and Country Award on Sunday, April 20, 1986, at the Salem Lutheran Church.

Artie, a fifth grader at the Tri-Community Elementary School has been involved in scouting for the past 2 years and is presently a member of Boy Scout Troop 95 in Enhaut. He started working toward this award 5 months ago as a Cub Scout, and has worked extensively with the pastor of the Salem Lutheran Church. He has also kept a daily prayer log and completed a service project at the church. Artie is a member of the midget baseball team in Enhaut.

I would like to congratulate Artie on his fine work and wish him continued success in all his endeavors.

APRIL 15 MARKS THE OPENING OF AMERICAN AIRLINES HUB IN NASHVILLE

HON. WILLIAM HILL BONER

OF TENNESSEE

IN THE HOUSE OF REPRESENTATIVES

Tuesday, April 15, 1986

Mr. BONER of Tennessee. Mr. Speaker, Nashville is on the move.

Today, April 15, marks the expansion of major air service to and from Nashville. Today, American Airlines begins hub service in Nashville, thereby linking Nashville and middle Tennessee by direct air service to more than 35 cities in the East and Midwest.

Middle Tennesseans have worked hard for this day. City officials, airport authority officials, businessmen, women and labor leaders, everyday Nashvillians, as well as officials here in the Federal Government, have all worked to attract the American Airlines hub to Nashville. This investment of personnel and equipment not only promises future growth for Nashville and middle Tennessee but, just as importantly, it indicates the confidence that American Airlines has in Nashville's business and labor community to provide the support necessary to maintain a major airline hub.

I join my fellow Tennesseans in welcoming American Airlines' expanded service to and from Nashville. And I congratulate the officials, business men and women, and labor leaders in landing the hub at Nashville. I am proud to have played a role in these efforts and I look forward to continuing this partnership.

I am including an article from the Nashville Banner describing the importance of the hub to the continued growth of Nashville and middle Tennessee, and several articles from today's Tennessean commemorating the beginning of expanded service.

[From the Nashville Banner, Apr. 14, 1986]

HUB PROVEN KEY TO AREA'S GROWTH

(By Mary Hance)

Cities across the country are increasingly aware that having a hub—having good air service—is a critical link to economic development and community growth.

With this week's startup of the American Airlines hub, Nashville joins cities like Atlanta; Charlotte, N.C.; Dallas/Fort Worth, all of which have prospered and attribute much of that prosperity to the superb air service that a hub makes possible.

In Memphis, for example, where Republic Airlines last year established a hub, "Republic added overnight $55 million in payroll," said Larry Cox, director of the Memphis International Airport.

"They added 1,200 employees. And as far as sales and purchase of goods and services, I would say the impact was between $25 million and $30 million."

Republic, which already had a sizable presence in Memphis with 55 daily flights, increased that to 159 daily flights when it launched its hub in April 1985.

"It has exceeded all of our expectations," Cox said, adding that the proposed merger of Republic with Northwest Orient would mean even more service.

David Cooley, president of the Memphis Chamber of Commerce, described the airport as "a very significant economic factor" for this region.

He said recent figures show the total economic impact of the Memphis airport is $1.5 billion for 1985, the airport employs 17,000 people, and it has a total payroll of $450 million.

In June 1985, American made its announcement that it would establish a hub here—a hub representing an investment of $115 million dollars, a hub that would increase the number of daily flights to 103 from its current 15. From there American would build the hub to as many as 200 daily flights.

The hub, which is being developed in phases, begins with the first phase that kicks in Tuesday.

The hub, which already has created 500 American jobs here, is expected to create as many as 1,350 jobs directly under American Airlines and thousands of associated jobs.

American began looking for an eastern North/South hub location about 18 months ago—and selected Nashville and Raleigh/Durham, N.C., from about 20 perspective airports.

"The hub city is clearly the element that benefits from the hub," said Wes Kaldahl, director of corporate communications for American, "—not only the non-stop service to an increasing number of points, but an incredible economic benefit because of the traffic."

In Atlanta, where there are 2,100 daily flights, including more that 350 a day each from Delta and Eastern, the impact is even more significant.

"I'm not aware of any economic measurement of what it has done," said Gerald Bartels, director of the Atlanta Chamber. "But the airport is absolutely the single most important factor in Atlanta's historic development.

"It is Atlanta's biggest asset," Bartels said. "That is sort of universal opinion among thinking people."

Meanwhile, other cities—cities like Birmingham, Ala., and Louisville, Ky.,—are struggling to get full hubs, minihubs, regional hubs—any variation that means better air services.

In Louisville, the situation has gotten to the point that Greyhound Bus Lines not long ago launched an advertising campaign to shuttle Louisville travelers from the Greyhound Bus Terminal to the Greater Cincinnati Airport, where the prices and the variety of flights are vastly superior.

"It is actually cheaper to drive to Cincinnati (about two hours away) and catch a plane there," said Terry Feathers, director of government affairs for the Louisville Chamber of Commerce.

Louisville has the disadvantage of being located closed to very active airports in Cincinnati and in Indianapolis, Ind. In addition, it does not have enough room to add a parallel runway—and almost mandatory element in a full hub operation.

Bob Michael, director of Standiford Field at Louisville, said even without the runway, his airport could handle considerably more traffic than it does now. And that is what airport officials, Louisville Mayor Jerry Abramson and the business community are going after.

"There is a perception of poor air service, and we want to turn that around," Michael said. "We have a deficit that is impeding our economic efforts."

In Birmingham, where air service is perceived as notoriously bad, the mayor and business community have also taken an aggressive approach to improving the air traffic situation—the Alabama House of Representatives has passed a bill granting certain tax exemptions to airlines establishing large daily flight schedules or hub operations at the Birmingham Airport.

"It (inadequate air service) is a terrific disincentive to people and businesses wanting to locate here," said Ed LaMonte, executive secretary to Birmingham Mayor Richard Arrington.

"It is an albatross around our neck in an otherwise effective economic development campaign," LaMonte said.

Delta Airlines, and to a lesser extent Eastern Airlines, are credited with creating the hub-and-spoke concept about 25 years ago.

Nashville's road to becoming a hub city started in the late 1970s—after it was clear that deregulation was sure to make trouble for airports the size of Nashville's.

Sam Bartholomew, attorney to the Metro Airport Authority, said the first strategy of deregulation was the "save what we have" game plan.

"We realized that with deregulation we would have a big time problem," he said. "So what we decided was that we would have to keep our airlines happy—keep the airlines who were serving Nashville from pulling out. That was the game plan."

It was then that they established programs like the Airline Executives Conference to bring the airlines' top management here to see Nashville first hand and build personal and professional relationships with the city and its leaders.

"In 1981, we looked at it and said, 'hey, we've been successful. What do we do now?'

"In 1981 John Tune (chairman and one of the founders of the authority, who died in 1983) and I sat down and realized that if we were ever going to be a major city we would have to have a hub.

"A new phase of hubbing was developing and we saw that if we missed out on this second phase of hubbing, we would never be able to attract any corporate headquarters," Bartholomew said.

[From the Tennessean, Apr. 15, 1986]

AMERICAN'S NASHVILLE HUB OPENS

American Airlines is celebrating the opening of its new Nashville hub today with a special package of introductory, unrestricted discount fares of $49 each way to feeder cities and $98 each way to Los Angeles.

The fares provide discounts ranging up to 83% and apply to all 23 points American will serve from the Nashville hub, except Dallas/Fort Worth. They also will apply to all 11 markets to be served from Nashville by American's commuter airline partner, American Eagle, during the start-up period.

The fares are available for purchase through next Tuesday and will apply to travel to, from or through the Nashville hub today through May 15. They will apply to all coach seats on all Nashville flights at all hours of the day or night.

At a news conference at the Nashville City Club, Donald P. O'Hare, American's southeastern division president, said the discounts are the airline's way of saying "thank you" to the Nashville community for its support and encouragement.

"Nashville has given its heart to the American Airlines over the past several months," O'Hare said, "and now we are giving the community a special 'thank you' in return.

By offering the low fares to people in the feeder cities, American hopes to more quickly familiarize them with the Nashville hub."

O'Hare also announced at the news conference that Robert L. Crandall, American's chairman and president, will conduct the hub's opening ceremonies today and that Crandall will be joined for the event by Gov. Lamar Alexander, Mayor Richard Fulton, Metro Nashville Authority Chairman Robert Mathews, and Gen. William Moore, the airport director.

Led by Crandall, the board of directors of AMR Corp., parent company of the airline, will hold its regular monthly meeting in Nashville tomorrow as part of the overall hub celebration.

In addition, over 500 key travel agents and convention and meeting planners from throughout the American Airlines system are being flown to Nashville during the inaugural week to see the hub operation firsthand and to learn more about what Nashville has to offer major events like national conventions.

The special "thank you" fares were put on sale April 7 through American's SABRE reservations system.

Savings with the fares are substantial. For example, the $49 "thank you" fare is a 76 percent discount from the normal one-way coach fare of $210. The $49 price is 83 percent less than the normal Boston fare of $290 and 73 percent below the regular New Orleans fare of $182. To Los Angeles, the $98 "thank you" fare is a 76 percent savings from the regular fare of $418.

By June, when the first phase of the hub is fully developed, American and American Eagle together will operate a total of 106 flights a day to 37 destinations. American will have 60 daily flights to 23 points, and Eagle will offer 46 flights a day to 14 cities.

O'Hare said advance bookings for the hub have been strong and that American expects to board an average of more than 100,000 passengers a month during the first several months of operation. The airline anticipates that for its first full year of hub operations, its total boardings will exceed 1.1 million passengers.

The Nashville hub is being established as a north-south connecting center. As a result, the cities American and American Eagle will serve from Nashville will be about evenly divided north and south.

To the north of Nashville, American will have daily service to 12 points: Boston, Mass; Buffalo, NY.; Chicago, Ill.; Cincinnati, Cleveland and Columbus, Ohio; Detroit and Grand Rapids, Mich.; Newark, N.J.; Philadelphia, Pa.; New York's La-Guardia Airport, and Washington's National Airport.

To the south, American will have 10 destinations: Baton Rouge and New Orleans, La.; Birmingham, Huntsville and Mobile, Ala.; Chattanooga, Tenn.; Jackson, Miss.; Little Rock, Ark.; Dallas/Fort Worth, Texas, and Memphis, Tenn.

Additionally, there will be non-stop service to Los Angeles in the west.

American Eagle's cities to the north will be Terra Haute and Evansville, Ind.; Springfield, Mo. ; Lexington and Paducah, Ky.; Tri Cities and Knoxville, Tenn.; Asheville, N.C., and Roanoke, Va.

To the south, Eagle will serve Tuscaloosa and Montgomery, Ala.; Albany, Ga., and Columbus and Tupelo, Miss.

American will serve the hub with 142-seat Super 80 twin-jet, one with 115 seats and a larger version with 150 seats. American Eagle will fly its Nashville schedules with 17-seat Metros and 30-seat Brasilias.

FLIGHT APPROVAL SOUGHT TO MEXICAN RESORT CITIES

American Airlines has asked the U.S. Department of Transportation for authority to begin daily non-stop jet service between Nashville, and Cancun and Cozumel in Mexico's Yucatan peninsula.

If approved, the route authority would give American its first international service for the hub at Metro Nashville Airport, which opens today.

Donald P. O'Hare American's southeastern division vice president, said the airline would like to begin the Mexico service "as soon as possible."

"With creation of the hub," O'Hare said, "American will be in an excellent position to serve Cancun and Cozumel from Nashville. We will be the largest carrier at Metro Nashville Airport, and the existence of the hub will benefit passengers in feeder cities with convenient connections to the Yucatan."

O'Hare said American has received strong indications that the Mexican government "would look favorably on a request from the U.S. government to allow Nashville-Yucatan service." Cancun and Cozumel are popular resort destinations, and the Mexican government is eager for increased tourism throughout its country, O'Hare said.

In its filing with the DOT, American said it would service the Nashville-Yucatan market with 142-seat Super 80 jets. The southbound flight would leave Nashville at

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10:10 a.m. and arrive at Cancun at 11:37 a.m., and at Cozumel at 12:41 p.m.

The northbound flight would leave Cancun at 12:20 p.m. and Cozumel at 1:25 p.m., arriving at Nashville at 4:58 p.m.

NASHVILLE HUB DEVELOPMENT

	Phase 1, minihub, spring 1986	Phase 2, new terminal, late 1987	Phase 3, ultimate potential
Gates	9	15	As required.
Departures:			
American Airlines	50–60	75–85	Up to 135.
American Eagle	40–45	65–75	Up to 100.
Cities served:			
American Airlines	20–25	45–50	Up to 60.
American Eagle	15–20	20–25	Up to 28.
Added jobs	598	843	1,350.

AMR Board Sets Meeting for Opening

The visit to Nashville this week of the board of directors of AMR Corp. reflects American Airlines' strong commitment to the new Nashville hub, officials say.

The board of AMR, parent company of the airline, meets here tomorrow as part of a full week of gala inaugural events and activities in connection with the formal opening of the hub.

"It is a distinction we can be proud of," said Donald P. O'Hare, American's southeastern division vice president, "and it illustrates the enormous importance American has attached to the success of the Nashville project."

The official ceremonies begin at 10 a.m. today in the new lounge area for Gates 1A-B-C. Other events scheduled this week include:

A special black-tie gala event for key community leaders at Opryland Hotel today that will feature a performance by the Nashville Symphony Orchestra, with Maestro Kenneth Schermerhorn conducting.

Tomorrow, Thursday and Friday, a series of special Nashville "Product Fairs" at Opryland Hotel that will tell the story of Nashville and its new hub to more than 500 of the nation's leading travel agents and meeting and convention planners.

O'Hare said the Product Fairs will be attended by some of the most important travel leaders in the country.

"They represent the very elite of travel decision-makers in the country—the people who actually select cities and hotel properties for major meeting and conventions," he said. "The decisions these people make can pump millions in the local economy."

O'Hare said the Nashville hub will be the largest single startup of new service in American's history and will constitute for American and the community "a giant leap into a stronger and more dynamic future."

American is making a total financial commitment of about $115 million for the long-term development of the Nashville hub. Phase One is the interim hub that opens today in an expanded nine-gate facility in the existing terminal building.

Phase 2 of the hub will begin in January 1988 when the airline moves into a 15-gate concourse in the airport's new terminal complex. At that point, American will increase its Nashville service to as many as 85 flights a day serving 50 cities, and American Eagle will increase to 75 flights a day to 25 cities.

The ultimate potential of the hub, called Phase 3, envisions American operating about 135 flights a day and American Eagle operating an additional 100 flights. At that point, American will be serving 60 cities from Nashville and American Eagle will be serving 28 for a total hub operation of 235 flights and 88 cities.

American estimates that when the hub reaches full potential, the airline alone will have added more than 1,350 new jobs to the Nashville economy.

American Airlines

City	*Nonstop frequency*
North:	
Boston	3
Buffalo (1-stop)	3
Chicago	3
Cincinnati	3
Cleveland	3
Columbia (1-stop)	3
Detroit	3
Grand Rapids (1-stop)	3
Newark	3
Philadelphia	3
New York (LaGuardia)	3
Washington (National)	4
South:	
Baton Rouge	3
Birmingham	3
Chattanooga	3
Dallas/Fort Worth	6
Huntsville	3
Jackson	3
Little Rock	3
Memphis	3
Mobile	3
New Orleans	3
West:	
Los Angeles	1

American Eagle

City	*Nonstop frequency*
North:	
Terre Haute, IN	3
Evansville, IN	3
Springfield, MO	3
Lexington, KY	3
Tri Cities, IN	3
Knoxville, TN	6
Ashville, NC	3
Paducah, KY	3
Roanoke, VA	3
South:	
Tuscaloosa, AL	3
Montgomery, AL	3
Albany, GA	3
Columbus, MS	3
Tupelo, MS	3

Note: Columbus, MS, and Terre Haute began May 1; Montgomery and Springfield began May 15; Albany, GA, will start June 1.

A TRIBUTE TO JOHN A "SNOOKS" KELLEY

HON. SILVIO O. CONTE

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, April 15, 1986

Mr. CONTE. Mr. Speaker, I rise today to pay tribute to John A. "Snooks" Kelley, a true all-American, who was called from us Thursday, April 10 at the age of 78.

Snooks Kelley was a legend throughout New England for his contribution to the sport of hockey and the hundreds of young student-scholars he inspired while serving as Boston College hockey coach for nearly four decades. This man was known as the architect of the Boston College hockey program, now one the Nation's finest amateur athletic organizations.

Snooks believed in America and he believed in Americans. As patriarch of a hockey program that could have catered to outstanding foreign talent, Snooks always looked to this country's youth first for hockey talent and then taught them as much about life as he did about skates, slap shots, and forechecking.

This man, a New England sports legend, was the first college hockey coach to win 500 games. He did this while compiling an astounding record of 501–243–15 during his 36 years at Boston College. Only three other college hockey coaches can boast of 500 or more wins.

This was not the only record Snooks achieved. During his distinguished career, he coached nine teams to the national championships and that record stands to this day. Snooks, a BC alumnus himself, coached his first team to victory and continued winning from that point on.

Snooks Kelley was also a founding father of the now famous Beanpot Tournament and led eight of his own teams to victory in the celebrated New England hockey fest. The awards and distinctions he received during and after his career are far too numerous to list but bear testament to the commitment he made to a sport that is truly part of New England.

His record is not one that will soon be matched and I have no doubt he will long be heralded for his accomplishments by the students and athletes whose lives were changed by his persevering optimism.

Beyond hockey, Snooks Kelley stood for education and development of sound, well-rounded American youth. He taught at Cambridge High and Latin School for 30 years, giving young scholars the same encouragement and insight he instilled on the hockey rink. This was a man who cared about people, a man who developed young minds and bodies to their fullest potential while maintaining the good heart that his friends and associates will remember him by.

Snooks Kelley, member of the National Hockey Hall of Fame, member of the Boston College Hall of Fame, friend, coach, pioneer, and above all Great American, will be sorely missed.

IN HONOR OF GEORGE BARKS

HON. MEL LEVINE

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, April 15, 1986

Mr. LEVINE of California. Mr. Speaker, I rise today to honor George Barks, who will retire from the Hermosa Beach City Council after 12 years of dedicated service.

George is a native of Hermosa Beach, CA, and attended neighborhood schools including South Valley Vista, Pier Avenue, Redondo Union High School, El Camino College and UCLA.

He is a property owner and has owned a small business in Hermosa Beach. In addition, he teaches adult school auto shop at Redondo Union High School.

George has two children, Georgia, and George, Jr.

As the congressional representative for Hermosa Beach, I have enjoyed working with George during the two terms that I have been in office. After serving the community of Hermosa Beach for 12 years, I know George will be missed. I ask that my colleagues join me in wishing him the best of luck in all his future endeavors.

IN RECOGNITION OF ANTHONY G. PENNUCCI

HON. DEAN A. GALLO

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Tuesday, April 15, 1986

Mr. GALLO. Mr. Speaker, I rise today to recognize the commitment and dedication of Mr. Anthony G. Pennucci, who is a business representative of the Carpenters Union Local 620, in Madison, NJ. I hope that by my statement, my fellow Members will appreciate the years of service that Tony has given to the Occupational Training Center for the Handicapped.

In 1959, Tony Pennucci recognized a need. He knew the importance of reaching out to all people in the community and the importance of providing opportunities for all. More importantly, Tony recognized the responsibility that we all have to see that those who are less fortunate than we have an opportunity to live as active and productive members in our communities.

Twenty-seven years ago, Tony Pennucci made a personal commitment to the Occupational Training Center, and as a result the center has become an unsurpassed resource in our county. The center builds bridges that help everyone. Its network provides access and opportunity. Most importantly it provides promise.

Much of the success of the Occupational Training Center is the result of the activities of Tony Pennucci, and people like him.

Mr. Speaker, we all speak of voluntarism. We all try to encourage and foster voluntarism. Tony Pennucci is a volunteer of the highest order. He has given selflessly of his time and effort, and we have all reaped the benefits of his service.

I want to take this opportunity to thank Tony, and to urge my fellow Members to learn from his example.

Thank you.

PENSIONS: RETIREMENT SECURITY FOR AMERICA'S WORKERS

HON. TONY COELHO

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, April 15, 1986

Mr. COELHO. Mr. Speaker, today I'd like to take a moment to praise American industry and its effort to provide workers with a secure future through pension plans.

Often times we focus solely on the benefits of Social Security, and rightly so, as it is an essential part of a retiree's life these days. However, there are other aspects to a retiree's income, sometimes overlooked, yet just as important. I'm speaking here of pension plans.

Thanks to advances in labor law and labor agreements, most American workers are covered by some form of pension plan on their jobs. These plans vary from basic, straight cash paybacks to complicated cash-stock-investment portfolio plans, the so-called "cafeteria plans," 401k benefits. But no matter what the composition, pension plans are set up by employers, along with the employees, and their unions to help workers plan reasonably and logically for the future.

Though pension plans are generally regarded as providing only income to retired workers, pension plans do much, much more. Funds collected from present day workers not only serve to pay pensions to retirees, but they avail pension plan members of a whole host of services. Many pension plans offer investment services, health benefits and educational opportunities for their members. In fact, the Sheetmetal Workers International Association, in the very spirit of this service, has erected a new pension building solely devoted to the purposes and promotion of the American worker.

I make this statement because I believe it is, and always will be, part of the American work ethic to work toward one's own financial independence. Retirement should be the culmination and achievement of that independence. The Sheetmetal Worker's building is a monument to the effort. For this reason I have introduced a resolution calling on the President to proclaim National Pension Day. I feel strongly that efforts by industry and by labor to improve the retirement prospects of the American workers should be duly recognized and that my resolution, House Joint Resolution 600, is one small way to doing so. I encourage and welcome all my colleagues to join me in this tribute to the American laborer—backbone of American industry.

THE 50TH ANNIVERSARY OF ARMSTRONG'S BRAINTREE, MA, PLANT

HON. BRIAN J. DONNELLY

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, April 15, 1986

Mr. DONNELLY. Mr. Speaker, 1986 marks the 50th anniversary of Armstrong World Industries' Braintree, MA, plant, and I would like to take a moment to congratulate the employees, management, and retirees on this milestone.

The Armstrong Cork Co., as it was known then, purchased the facility from the Stedman Rubber Flooring Co. in 1936 to add rubber floor tile to the company's product line.

In the half century since, the Braintree plant has shifted from making flooring to producing industrial rubber and insulation products, but the facility remains an important component of the region's economy, providing about 500 jobs.

Armstrong's Braintree plant is located on one of the oldest manufacturing sites in the Western Hemisphere. In 1643, Braintree's early settlers established an iron works at the same location, along the Monatiquot River. In 1776, a saw and grist mill was set up. In 1820, the metalworking firm begun by patriot Paul Revere acquired the site for a copper and bell foundry.

The site was purchased in 1909 for a newly formed Monatiquot Rubber Works Co., which evolved into the firm purchased 50 years ago by Armstrong.

During those five decades, Armstrong and its employees have made a continuing, important contribution to the life of the community. We, their neighbors, congratulate them on their 50th anniversary and we look forward to a long continuation of our association with them.

WHY MILITARY AID TO HAITI?

HON. BYRON L. DORGAN

OF NORTH DAKOTA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, April 15, 1986

Mr. DORGAN of North Dakota. Mr. Speaker, are we set to slide down the same slippery slope in Haiti which embarrassed us in the Philippines? It looks like the White House wants to pump in military aid to Haiti's new military council, just as we did for so many years for the Marcos bunch in the Philippines. I am very concerned that we provide the right kind of aid to help Haiti on the road to recovery and stability.

Haiti has not ranked high among our military aid recipients. But last month, the administration approved some $383,000 worth of riot control gear. Now it seems poised to provide unconditional security training for a new police force to fill the vacuum left by the demise of ex-dictator Duvalier's hated militia, the Tontons Macoute.

I sincerely hope that we will not be arming and training another instrument for the repression of the Haitian people. Any such aid must include strict human rights conditions to ensure that it is only used to stomp out the vestiges of the Duvalier system, not to entrench new military power.

As one Haitian Catholic priest remarked, "Until we get rid of the Duvalier system, we will continue to say no, no, no." No doubt the people will say no until democracy arrives, just as the people of the Philippines pressed their cause to purge the Marcos system.

I support the administration in its provision of emergency food aid, I submit that food and other emergency economic support is the kind of aid most needed by Haitians—not shotguns, teargas, and birdshot. Even nonlethal aid should be provided with great care.

The following articles describe recent aid developments in Haiti and I call them to the attention of my colleagues.

[From the Washington Post, Apr. 4, 1986]

Cries for Change Louder in Haiti

UNTIL DUVALIER SYSTEM GOES, PRIEST SAYS, "WE CONTINUE TO SAY NO"

(By Edward Cody)

Port-au-Prince, Haiti.—Suddenly released after 29 years of repression, demands for political change are sweeping over Haiti

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like a Caribbean hurricane too powerful and unpredictable to control.

Thousands of youths, emboldened by success in driving Jean-Claude Duvalier from power, are reveling in a discovery that for the first time they can challenge authority and not only get away with it, but also force a response.

So far, they have proved to be the country's main political force in a chaotic array of competing power centers.

More than six weeks after Duvalier's fall, their power in the streets has yet to be harnessed by civilian political leaders able to channel the demands for change and deal with the military officers who inherited authority when Duvalier fled.

The result has been an explosion of political activity with little, if any, direction * * * groups, causes, or aspiring presidential candidates. The one cause most street youths appear to have agreed on recently is a growing call for the military to step aside for a provisional civilian government even before elections can be organized.

"Bum palais-la, burn Palais-la," they chanted in Creole during a recent demonstration challenging the military's right to rule. "Turn over the palace turn over the palace."

Lt. Gen. Henri Namphy, who heads the National Council of Government, fired two council members and a key adviser on March 21 who were associated in the public mind with Duvalier's abuses. Namphy's action came in response to weeks of demands by demonstrating youths. But by the time he moved, the popular demands had expanded to include his own removal.

Diplomatic and Haitian sources said some military officers, uncomfortable with the disorder, have discussed the possibility of moving against Namphy. These sources said the contacts, among a small group of colonels and majors, appeared so far to be tentative and inconclusive. But they were enough to send rumors of a coup d'etat percolating through Port-au-Prince a few days ago.

The extent of a U.S. influence over these officers has remained unclear. The Haitian military, abiding by tradition, has mostly kept silent. Neither U.S. Ambassador Clayton McManaway nor his military attache has been available to reporters to discuss U.S. contacts in the military.

Publicly, however, the Reagan administration has offered strong support for Namphy. Within one month of Duvalier's departure, Washington flew in $384,000 worth of riot gear including 150 shotguns with 10,000 rounds of birdshot, 5,000 tear gas canisters and some radios and bulletproof vests.

In addition, a ship bearing $2.3 million in emergency U.S. wheat donations arrived two weeks ago.

Haitian youths have complained angrily that the United States also sent in the hard rubber truncheons used March 21 to beat a number of protesters in Port-au-Prince. U.S. Embassy issued a statement calling this an "unfounded allegation." But young men burning tires during disorders March 24 said they did not believe the denial.

Aspiring political leaders have said in interviews that such youth often has unrealistic demands and attitudes because of inexperience and lack of education. The political figures appeared unanimous, for example, that the military must remain in power for a time until elections are held because no civilian could manage the country under present conditions. This assessment was in direct contradiction to demands shouted by the demonstrating youths.

"A civilian government without the military, what is that worth?" said Gerard Gourgue, who resigned March 20 as the council's longtime anti-Duvalier leader.

Gourgue and other civilian figures have been in contact in an effort to work out a civilian leadership coalition as a moderate counterweight to the military, said Lafontant Joseph, one of those involved. But Hubert de Ronceray and Gregoire Eugene, both presidential candidates, said they would not be part of the group and urged instead that the military work faster to organize elections.

"Everyone is a presidential candidate," said DeRonceray. "What kind of association can we form?"

Rene Theodore, the Haitian Communist Party leader recently returned from exile, has suggested instead a "national debate" to select a replacement for Namphy's National Council of Government. In a public document, he urged that each of Haiti's nine regions delegate a spokesman for the debate.

The Roman Catholic Church, which played a leading role in toppling Duvalier, has pulled away from the present confusion, apparently to leave the way clear for political leaders. Activist priests have remained close to the street demonstrations, however.

One, The Rev. Jean-Bertrand Aristides, led a small demonstration recently in which students sang for peace and changes in the government at the same time. "Until we get rid of the Duvalier system, we will continue to say no, no, no," Aristides told reporters.

Aristides said the will of the people has to be respected; if they say the military must leave the government, that is the solution.

Other demonstrators have been similarly rigid. A group of taxi drivers demanded improvements in a crowded street recently, for example, and added in a message to the government:

"We will wait only eight days for the Department of Public Works and Transport to make known its plan to carry out [improvement projects]. If not, we will consider the department is no longer competent and will take the appropriate measures."

[From the New York Times, Apr. 4, 1986]

U.S. To Give Haiti More Military Aid

(By Marlise Simons)

Port-Au-Prince, April 3.—A high-ranking American official said today that the United States intended to increase military and economic assistance to Haiti and also to help it recover some of the vast riches stolen from the country by the Duvalier Government.

The official, Elliott Abrams, Assistant Secretary of State of Inter-American Affairs, made the announcement at the conclusion of a two-day visit here.

He was accompanied by Brig. Gen. Fred Gorden, director of the Inter-American region at the Defense Department.

SMALL LEFTIST GROUPS CITED

The visit appeared to reflect the growing United States concern with the stability of this impoverished Caribbean nation of six million people that has remained poltically and economically stagnant in the two months since the flight Feb. 7 of Jean-Claude Duvalier.

Haiti's military dominated ruling council has quickly lost its popularity because of its general lack of achievement. In recent days, United States and other diplomats have begun to cite the presence of small leftist groups as a source of growing concern.

In a news conference before his departure, Mr. Abrams said: "We have increased the amount of aid we are giving to Haiti and we hope to increase it more."

The size of the aid increase, he said, would depend on Congressional action. Newly approved emergency food shipments will bring the amount of United States assistance to Haiti to close to $60 million this year.

Mr. Abrams said that Haiti's most pressing needs were for food and jobs. "But if you want to maintain order in the country, then the military is going to have to modernize and professionalize, which it wishes to. Obviously a new democratic Haiti will need a new professional force to maintain order."

TRAINING IS DISCUSSED

Mr. Abrams declined to specify if more military equipment would be sent to Haiti. "But certainly training, yes. I think the Army wants training. This is something we can offer and that I think will be very useful for the armed forces here."

Both the Haitian military and police forces, according to officials, will begin a recruiting program this month to fill the vacuum left by the Duvalier militia known as the Tontons Macoute. This feared paramilitary force of some 15,000 armed men and some 300,000 members was widely believed to have been the vital instrument for maintaining stability. Its members performed often arbitrary police duties and served as a nationwide political spy network.

Since it was disbanded, Haiti's security forces consist of 7,800 mostly poorly trained men, which include the fire brigade, a small Navy and Air Force and about 1,000 police in the capital.

ON STOLEN FORTUNE

Long low on the list of United States military and recipients, Haiti's allotted portion of $500,000 of aid was spent largely last month, when the United States sent $383,000 worth of riot control gear here.

Asked if the United States Government would help Haiti recuperate part of the fortune stolen by the former president and his associates, Mr. Abrams said: "Yes, we want to and we will in every way we can. We will work with the Government of Haiti on the information that is needed." He said the issue had been discussed with the President, Gen. Henry Namphy. But referring to similar attempts to recover Ferdinand E. Marcos's holdings, Mr. Abrams said that the case of Haiti was much more difficult. "We had the Marcos documents and we could give them to the new Government of the Philippines," said Mr. Abrams, "we don't have the Duvalier documents."

To Haitians, who are not used to such concentrated attention from the outside world, the procession of American politicians during the last two weeks has been variously a source of punishment or concern. Haitian politicians repeatedly question foreigners on what they believe to be the American design behind the high-level attention from Washington. Besides today's delegation, in the past week Haiti also has had visits from Peter McPherson, the administrator of the United States Agency for International Development, from State Department officials and five American Congressmen.

"We have never seen such a constellation of stars of the American system," said one pro-American presidential candidate who asked not to be named.

DAVID PACKARD SPEAKS OUT ON SCIENTIFIC BRAIN DRAIN

HON. DON FUQUA

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, April 15, 1986

Mr. FUQUA. Mr. Speaker, last October, I introduced H.R. 3480, the Science and Technology Revitalization Act, to authorize alternative personnel management systems for scientific and technical personnel in the Federal Government. I introduced this bill because, in my capacity as chairman of the Committee on Science and Technology, I have observed an alarming decrease in overall quality of personnel beginning careers at our Federal laboratories.

At a recent hearing held by our Subcommittee on Science, Research and Technology, we heard from Hon. David Packard, who chaired the White House Science Council's Federal Laboratory Review Panel. Mr. Packard dramatically highlighted this alarming trend for the Science Committee, and called our attention once again to the contribution of Federal personnel management systems to the problem. Simply stated, the current system is just not working to attract and retain the high quality Federal scientists and engineers we need.

Mr. Speaker, I believe what David Packard is saying is of the utmost importance if we are to maintain the traditional quality of work at our Federal labs. Not only do our national prestige and our international competitiveness rest heavily on that quality, but even more important, our national security is heavily dependent on maintaining a technological lead. For this reason, I would commend the following article by Mr. Packard to the Members of this body, and to everyone who is concerned that we obtain quality work in science and technology for our Federal tax dollars. The article appeared in the spring 1986 edition of Issues in Science and Technology, the public policy journal of the National Academies of Sciences and Engineering, and the Institute of Medicine.

The Loss of Government Scientific and Engineering Talent

(By David Packard)

Prologue: From AIDS research to plant biotechnology to the Strategic Defense Initiative, the federal laboratories are entrusted with much of the nation's vital R&D. In 1985 the laboratories received $17 billion, or one-third of the federal R&D budget, and federal support is increasing. But, David Packard warns, the government is skimping on the laboratories' most essential element: scientists and engineers.

Because of low salaries and noncompetitive fringe benefits, the federal laboratories are having difficulty attracting, retaining, and motivating high-caliber scientists and engineers, says Packard, who headed a White House review of the laboratories. Here he outlines several measures to correct these problems and to reduce the general rigidity and inertia of the federal personnel system. He urges Congress to act quickly to halt the erosion of scientific talent before the vitality of the laboratories is seriously undermined.

David Packard is chairman of the board of Hewlett-Packard Company, which he founded with William Hewlett in 1939. Packard received a B.A. in 1934 and an M.S. in electrical engineering in 1939, both from Stanford University. From 1969 through 1971 he served as deputy secretary of defense. In 1982 Packard chaired a White House Science Council committee to review the performance of the federal laboratories, and in 1985 President Reagan appointed him to chair the President's Blue Ribbon Commission on Defense Management.

Research and development are key to both our national security and industrial competitiveness. In the past 10 years both federal and private support for R&D in the United States have been increasing in constant dollars, and in 1985 this support reached an all-time high of $107 billion, about 47 percent of which was federal. Ironically, with more national emphasis on R&D than ever before, the federal government's inability to attract and retain qualified scientists and engineers has become a major problem.

A significant part of the nation's R&D is performed in government-owned laboratories, a system of over 700 institutions that includes not only the National Bureau of Standards, National Institutes of Health, Beltsville Agricultural Research Center, and Naval Research Laboratory but also less familiar ones such as the National Severe Storms Laboratory, Environmental Monitoring Support Laboratory, and National Space Technology Laboratories. About one-third of the federal government's annual R&D budget is allocated to the federal laboratories; the rest goes to universities and industry. In 1985 the federal laboratories received roughly $17 billion, or about 16 percent of total federal and private expenditures on R&D.

The accomplishments of the federal laboratories, from the development of radar to frozen orange juice to nuclear power, have had an impact on every American. Today these laboratories are tackling such challenges as AIDS research, plant and animal genetics, secure computer systems, optical fibers for telecommunications, and night vision devices.

During the past 10 years, however, the federal government has had increasing difficulty in recruiting and retaining people of the caliber needed to conduct and manage its R&D activities. These problems have generally not affected the 27 federal laboratories that are run under contract to universities and industry, such as the National Aeronautics and Space Administration's Jet Propulsion Laboratory and the Energy Department's Argonne, Los Alamos, and other atomic energy laboratories. Rather, the problems are concentrated in the laboratories operated by the government and thus subject to government salary and personnel regulations.

At the heart of the problem is pay, with rigidity and inertia of the personnel administration system being a less important but contributing factor. The pay disparity between government and industry began to grow with the last cycle of inflation, when increases in federal salaries failed to keep pace. The problem is particularly acute in the scientific and engineering fields, where industrial pay scales have risen faster than the rest. Congress has exacerbated the problem by insisting on linking congressional and civil service pay. Because Congress is reluctant to raise its own pay, civil service salaries have been capped for at least six years; in 1986 the salary ceiling is $72,300. The result is not only lower federal salaries but also severe salary compression at the senior levels, which penalizes some of the most highly trained and experienced people entrusted with critical responsibilities.

In 1984 the General Accounting Office found that federal engineers' salaries were 47 percent lower than those in the private sector at the entry level and 25 percent lower at the more experienced (GS-11) level.[1] A recent Air Force survey showed that for computer scientists, federal civilian starting salaries are 30 to 40 percent lower than those in industry. Data from other agencies tell the same story:

The National Bureau of Standards found in recent recruiting actions that the top federal salary offers to Ph.D. scientists, engineers, and mathematicians in high-technology fields averaged about $10,000 per year less than industry and university salaries.

A recent survey of unsuccessful recruiting actions at the Naval Research Laboratory revealed that 93 of 102 candidates who turned down federal job offers did so because of low federal salaries.

The acceptance rate for NASA's offers to new engineering graduates dropped from 62 percent in 1981 to 46 percent in 1984.

The Agricultural Research Service has had difficulty recruiting and retaining Ph.D.'s in high-technology fields, where university and industry salaries are as much as 40 percent higher.

At the National Institutes of Health, salaries for senior Ph.D. scientists are 25 percent lower than those in the private sector, and salaries for clinical surgical specialists are 300 percent lower.

There has also been an alarming increase in resignations among the Air Force's civilian scientists and engineers. From 1981 through 1984 the number of resignations increased by 164 percent; resignations now constitute the major source of attrition in the technical work force. The predominant reason given for leaving government service is inadequate pay. Another disturbing trend is that resignations, which used to be most common at the junior middle management levels, are now spreading to the less experienced levels as well.

Faced with problems in recruiting, federal agencies often have to choose between accepting a less qualified candidate or leaving a position vacant. Defense Department data show that the aptitude scores of newly hired scientists and engineers are declining relative to national norms. This situation illustrates that the nation is getting only what it is willing to pay for.

Not only are federal salaries noncompetitive but fringe benefits are eroding as well. Although the federal pension plan is still relatively generous, it has been affected by recent budget cuts and is often matched or exceeded in the private sector. Federal health and life insurance provisions and annual and sick leave allowances are far less generous than those offered by many private companies and universities.

Salaries in the contractor-operated federal laboratories are more attractive than salaries in the government-operated institutions. Indeed, the government originally decided to have contractors run some of its laboratories during World War II to avoid

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[1] General Accounting Office, *Federal White Collar Special Rate Program*, Report to the Subcommittee on Compensation and Benefits, House Committee on Post Office and Civil Service, 98th Cong., March 30, 1984.

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many of the difficulties inherent in government operation and the civil service. The contractors have more flexibility in salary administration, and the salaries they typically offer are competitive with those in industry and universities. Certainly, many of the problems in government-operated laboratories today, particularly in the personnel area, could be solved by converting to contractor operation. That approach, however, brings other problems. Contractors may have a lesser commitment to the sponsoring agency's mission, and they may appear to have a conflict of interest in the R&D projects they undertake. In addition, legal difficulties occasionally arise because the contractor-operated laboratories are not purely federal or private.

In 1982 I chaired a White House Science Council panel established to review the federal laboratories and recommend actions to improve their use and performance. The panel concluded that the inability of many federal laboratories—especially those under civil service restraints—to attract, retain, and motivate qualified scientists and engineers limits the productivity of the laboratories. If not corrected, this situation will seriously threaten the vitality of the institutions.[2]

In examining the various factors that contribute to these problems, our Federal Laboratory Review Panel compared administrative practices in government-operated laboratories with those in industrial R&D organizations. We found that industry typically places more administrative control over technical personnel in the hands of technical supervisors than do government-operated laboratories. In the federal system, personnel administration is handled by a more or less autonomous bureaucracy focused on procedures and standardization rather than on technical achievement. The federal government also commonly imposes personnel ceilings as well as budgetary controls on the laboratories, whereas the general industrial practice is to use budgetary control alone. Our panel recommended that government-operated laboratories also use budgetary control alone.

Another problem of federal personnel administration, and one that differs from customary practice in industry, is the emphasis on length of service rather than quality of performance in determining salary increases. Thus, a federal employee who has a clean service record is assured of a step increase at regular intervals regardless of productivity. Conversely, the process of rewarding high performers is administratively cumbersome, and most bonuses and promotions are difficult to get through the system. Thus, the federal system plods along for the most part, fostering mediocrity and lacking the means to attract or encourage the genuis needed for technical inspiration and organizational leadership.

A greater exchange of scientists and engineers between government and academia would provide new ideas, not only to laboratories but also to federal R&D program offices. Unfortunately, the current structure and rigidity of the federal personnel system inhibit the mobility of technical personnel between government and universities. Pay comparability would do much to improve the situation, as would additional flexibility in pension accounts. There is no reason, for example, why academics who join a federal organization should not have the option of retaining their own pension plans rather than being required to join the federal one.

The Navy is attempting to rectify some of these personnel management problems in a demonstration project started in 1980 at two of its California laboratories, the Naval Weapons Center at China Lake and the Naval Ocean Systems Center in San Diego. An alternative personnel management system has been created at each facility that, among other things, aggregates the numerous civil service grades into broad pay bands, links pay to performance, and simplifies personnel administration. The broad pay bands give supervisors more flexibility in making initial salary offers and giving subsequent in-grade raises; they also permit more generic job descriptions and greater latitude in rewarding deserving individuals without having to promote them. In contrast, the existing civil service system, with its many narrowly and rigidly defined grades, makes if difficult to match markets rates for scarce talent. This system also forces supervisors to rewrite job descriptions, thereby justifying promotion to higher grades, in order to give employees pay raises.

After visiting China Lake and reviewing the improvements these changes had made in the quality of the facility's professional staff, our panel recommended that government-operated laboratories be allowed to establish a new management system for scientific and technical personnel, patterned after the Navy's demonstration project.

A bill now pending in Congress includes the panel's recommendation. The Federal Science and Technology Revitalization Act, introduced in both the Senate (S. 1727) and the House (H.R. 3480), proposes changes in personnel management that incorporate both provisions of the Navy's personnel system at China Lake and additional features intended to alleviate the specific problems pertaining to scientists and engineers. The proposed legislation would permit federal agencies to adopt this alternative personnel system, although adoption would not be mandatory, it would base pay on performance rather than service time, create broad pay bands, and simplify job classification. It would also allow the pay cap to be waived for up to 5 percent of the covered positions, although this waiver would be limited to specially qualified scientific and technical personnel. Finally, the bill would provide greater flexibility in retirement programs and would permit agency heads to classify positions and fix compensation to make positions competitive with rates and practices outside the federal government. These changes would apply to all of an agency's scientists and engineers other than presidental appointees requiring Senate confirmation.

Aside from the obvious improvements in the compensation system, the proposed legislation would give each agency flexibility to design a personnel management system to fit its own distinct needs. It would also give more control over technical personnel to technical supervisors rather than to personnel administrators. Passage of this bill would go a long way toward improving the federal government's ability to manage and conduct R&D.

Another potential benefit of this proposed act should be recognized. Increasing the attractiveness of federal R&D jobs will improve the job market for all scientists and engineers, thereby attracting more young people into science and engineering careers. Greater involvement of our most promising talent in R&D activities is essential if we are to retain technological leadership in an increasingly competitive international environment.

It will take some time for legislative remedies and enlightened administrative measures to restore our federal R&D capability to an acceptable level. Within today's constrained budget environment, salary reforms will have to be spread out over time. Eventually, however, these reforms should stop the talent drain and make it possible to rebuild the quality of the federal scientific and engineering work force. Now is the time to act before it is too late. It is in every American's interest to see that the quality of our federal R&D establishment not decline because of neglect of its most essential element—people.

IN HONOR OF GARY BRUTSCH

HON. MEL LEVINE

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, April 15, 1986

Mr. LEVINE of California. Mr. Speaker, I rise today on behalf of Gary Brutsch, a city councilman in Hermosa Beach, CA, whose term will expire on April 15, 1986. As the Congressional Representative of Hermosa Beach, I have had the privilege of working with Gary throughout most of his term end it is an honor for me to share a few of his many accomplishments with my colleagues in the U.S. House of Representatives.

Gary will be remembered as one local official who continually advocated improvements in the quality of life for all residents of Hermosa Beach. This included leading the city toward a planned program of replacement for its deteriorated sewers, advocacy of new storm drains for the downtown area and a nurturing of economic and commercial development in the city. During his 4 years on the city council, he was in the forefront of urging a clean up of the entire Santa Monica Bay and in addressing reduced density/traffic congestion in Hermosa Beach.

Gary and I have always shared a passion for the Santa Monica Bay and have worked together to keep the bay free from oil rigs. Last summer Gary cochaired a local group in order to rally support for an agreement I and other members of the California delegation had negotiated with Secretary Hodel. This agreement would have offered most of the bay long-term protection from offshore oil drilling until the year 2000.

Although I regret that Secretary Hodel backed away from this agreement, we have resumed negotiations with Hodel in Washington, and again Gary has organized a local effort to demonstrate additional support.

Gary authored a successful initiative, which came before voters in the April 8 elections, asking residents if they believed the Federal Government should lease for oil in the Santa Monica Bay. An overwhelming majority of Hermosa residents voted "no" for the measure, thus sending a clear message to the Interior Department that local residents in Hermosa Beach are opposed to current leasing plans.

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[2] *"Report of the White House Science Council, Federal Laboratory Review Panel"* (Washington, D.C.: Office of Science and Technology Policy, Executive Office of the President, May 1983.)

As someone who has been involved in ongoing efforts to protect this precious resource, the success of Gary's initiative means a great deal to me and I appreciate all of his hard work on behalf of the bay.

A native of southern California, Gary has lived in Hermosa Beach for 14 years. He received a bachelors degree in business administration and a masters degree in communications from Pepperdine University. In addition, Gary did graduate work in management at the University of Virginia. Gary spent 20 years of outstanding service with the Los Angeles Police Department, and was appointed by the chief of police to train with the FBI National Academy. Gary retired from the police force in 1985, and has recently founded Gary Lee Brutsch and Associates, a public relations and lobbying firm. Gary is married to Kena and they have a 6-year-old daughter Shanden.

Gary established an impressive record during his 4 years in office and his presence on the city council will be greatly missed. On a personal note, I want Gary to know how much I have enjoyed working with him and I hope he will continue to remain in close touch. I will always welcome his imput on matters of mutual concern.

It is a pleasure to highlight Gary's fine record with my colleagues in the House of Representatives. I ask that Members of this body join me in wishing Gary the best of luck in all his future endeavors.

OUR FIRM RESPONSE TO TERRORISM

HON. DEAN A. GALLO

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Tuesday, April 15, 1986

Mr. GALLO. Mr. Speaker, the actions of our Government over the last 24 hours in response to acts of terrorism that resulted in the deaths of Americans around the world deserve our support today.

I think from the comments of my colleagues here today, that support is broad and deep. It is bipartisan and it is representative of all parts of this country.

It is always difficult, when you are dealing with sensitive intelligence gathered from many sources, to publicly proclaim the source of terrorism in our world today.

But, in this case, we have the evidence linking events of recent weeks to the country of Libya. We have proof that other events were planned which would have resulted in further deaths and greater destruction.

We have reports, including this morning's column by Jack Anderson, of further links between Libya and acts of terrorism dating back several years or more.

We have deliberated and we have studied these many reports.

And, most importantly, we have acted.

Our national commitment to fight state-sponsored terrorism has been greatly strengthened by our actions yesterday.

In the past, we have tried economic force. We have tried moral force. The supporters of terrorism around the world now know that we are capable of using the type of force that they understand to answer their acts of terror.

Our actions were directed and initiated for one purpose and one purpose only—to send a clear and unmistakable message to those who would undertake state-sponsored acts of terrorism that this country will not tolerate continuous and unanswered acts of violence.

Our actions came after careful review of the evidence and a full review of our options in this case. I anticipate that the same review process will be used in the future, as well.

We will respond to protect American citizens. We will also respond to clearly documented evidence of intimidation directed at the United States or our allies by any nation using premeditated acts of random violence.

And, most importantly, we will stand by the strength of our commitments.

ON AID TO THE CONTRAS

HON. ROBERT GARCIA

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, April 15, 1986

Mr. GARCIA. Mr. Speaker, I am inserting in the Record two articles on aid to the Contras that I thought might be helpful as our colleagues consider their vote on this most important issue. One is a poll published in today's New York Times, which talks about the extensive opposition against Contra aid among many Americans. The other is an editorial from today's Washington Post on why we should press for negotiations rather than aid to the Contras. I hope my colleagues will find them useful.

[From the New York Times, Apr. 15, 1986]

Poll Shows Confusion on Aid to Contras

(By David K. Shipler)

Americans are uncertain about which side the United States is backing in Nicaragua and only one out of four supports President Reagan's request for $100 millilion in aid to the rebels who are trying to overthrow the Nicaraguan Government, according to the latest New York Times/CBS News Poll.

With the approach of another key vote by the House of Representatives on the President's proposal, majorities of those polled accepted his argument that Nicaragua is a risk to American interests, but opposed his remedy of $100 million in aid.

Only 38 percent knew that Washington was supporting the guerrillas and not the Government. That confusion extended to the nature of Nicaragua's Government, which is aligned with the Soviet Union; just 20 percent said it was Communist, 19 percent said it was a right-wing dictatorship and 49 percent said they didn't know.

NICARAGUAN THREAT PERCEIVED

Nevertheless, after questions about the Reagan aid plan had been asked, a more defined image of Nicaragua seemed to emerge. Fifty-nine percent of the 1,601 adults interviewed by telephone from April 6 through 10 answered yes when asked if they thought the Nicaraguan Government would provide the Soviet Union with military bases, and 56 percent agreed that Nicaragua constituted a threat to the security of other Central American countries. The survey's margin of sampling error was plus or minus three percentage points.

It therefore appeared that President Reagan had succeeded only partially in his efforts to sway the American public toward his views on Central America. There was concern, but it failed to translate into support for action by the United States.

Citing the risk of another Vietnam, the need to address domestic problems and a conviction that the money would be wasted, only 25 percent expressed a willingness to assist the contras. Sixty-two percent opposed the aid, and 12 percent had no opinion.

A FINANCIAL DRAIN IS SEEN

"If we had some assurance that the money would do the job, that would be one thing," said Thomas Haeger of Vancouver, Wash., who described himself as a conservative Republican. "But it would just be the beginning of years of a financial drain. After Vietnam we don't need the money worry or the emotional worry."

As the example of Mr. Haeger illustrated, opposition to the aid request came even from the ranks of President Reagan's supporters. Even those who approved of the way in which Mr. Reagan was handling his job as President—a very strong 64 percent of the total—rejected aid to the contras by a margin of 52 to 35 percent. Those who described themselves as conservatives opposed it by 57 to 30 percent and Republicans by 51 to 38 percent.

The survey was done after weeks of vigorous debate in Washington over the Nicaragua issue. The Reagan Administration is seeking to end a two-year Congressional ban on military aid to the contras—$27 million in nonlethal aid was provided during the fiscal year ending last March 31—but has encountered considerable opposition, especially in the Democratic-controlled House.

VOTE SCHEDULED FOR TUESDAY

Last month, the House narrowly defeated the Administration's request. The Republican-controlled Senate then passed a compromise, under which the aid would be withheld pending diplomatic efforts to get Nicaragua's agreement to move toward internal democratization and refrain from supporting insurgencies against its Central American neighbors. The House vote Tuesday is expected to be close.

Judging from the results of the Times/CBS News Poll, the contra aid issue appears to have tapped a deep well of ambivalence over the place of the United States in countering undemocratic, pro-American regimes.

Asked whether Washington should back a right-wing dictatorship friendly to the United States or urge free elections even if they might lead to a Communist government, those surveyed opted for the elections by a margin of 40 to 33 percent.

The public also expressed more willingness to criticize such governments than to try to change them. To the question, "Should the United States criticize governments that deny human rights to their citizens, even if those governments support us on important foreign policy issues?" 54 percent said yes and 31 percent said no. But opposite sentiments were evoked by the question "Should the United States try to change a dictatorship to a democracy where it can, or should the United States stay out of other countries' affairs?" Sixty-two percent said stay out, and 28 percent said try to change.

TERRORISM SEEN AS TOP PROBLEM

Terrorism, not Central America, was listed most frequently as the most important problem facing this country, followed by the economy, unemployment, the risk of nuclear war and the budget deficit. Only 12 of

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the 1,601 persons questioned mentioned Central America as the United States' chief worry.

Few of the aid proponents accepted the idea of American military intervention, and some saw money as a way of avoiding a deeper entanglement. "If we don't help, it will turn out like Cuba—we'll be threatened from all sides," said Eva Gramm, a restaurant cook in Avon, S.D., "I have three sons—one is eligible for the draft," she continued. "I think we should send money and keep our troops out."

"I'd rather send money than troops," said Robert Thomas, an electrician from Easton, Pa. "That's where we have to draw the line: no troops, no advisers."

Indeed, when a suggestion was made to include American personnel in the aid, the survey showed support for American involvement dropping sharply. The 25 percent who favored funds to the contras fell to 16 percent when asked whether they would favor American military advisers if the money "did not work." Then, if advisers "did not work," they were asked whether they would favor sending United States combat troops. Only 10 percent said yes.

NO GROUP FAVORED AID

Opposition to aid for the contras crossed all political, ethnic and regional and socioeconomic lines. No demographic group favored it. But within that broad picture, some differences emerged. Aid was opposed by a lower percentage of men than women, whites than blacks, Republicans than Democrats and conservatives than liberals.

The higher the education and income, the less the opposition. Those earning more than $50,000 a year were against aid by a margin of 52 to 40 percent, while those earning less than $12,500 a year opposed it by 68 to 17 percent. Similarly, college graduates were against it by 53 to 33 percent, and those with less than a high school education by 68 to 17 percent.

The shadow of the long, losing war in Vietnam appeared to hang over the prospect of involvement in Central America. Sixty-two percent of the respondents said that they feared that the United States would get involved in Nicaragua the way it did in Vietnam, although when asked to volunteer reasons for opposing contra aid, only 2 percent mentioned "another Vietnam" and the danger of escalation.

Some proponents of aid dismissed the Vietnam analogy. "We won't have another Vietnam," said Eva Gramm. "It was a harsh lesson; it won't happen again."

The most frequent reason given against the aid, and given most often by urban residents and those with lower incomes and less education, was that problems in the United States were more important. Of those opposing assistance, 44 percent said the $100 million should be spent on domestic problems.

In addition, follow-up interviews revealed some skepticism about the contras' abilities and a fear that money would be pocketed by corrupt rebels. Some respondents pointed to the example of Ferdinand E. Marcos, the former President of the Philippines, who has been accused of enriching himself with American Government funds.

"If we give money to the contras, we should monitor where and how it is being spent," said Mary Battle of Riveredge, N.J.

The New York Times/CBS NEWS POLL—AID TO THE CONTRAS: IGNORANCE AND OPPOSITION

[Percent]

	Those who know U.S. support Contras	Willing to give aid	
		Yes	No
Total	38	25	62
Republicans	40	36	51
Democrats	31	16	74
Independents	43	26	60
Men	52	35	56
Women	25	17	68
18–44 year old	38	29	62
45 and older	38	20	64
High school graduate or less	31	22	65
Some college or more	52	31	57
Whites	39	26	61
Blacks	28	16	74
Northeast	43	27	61
Midwest	39	22	67
South	31	27	59
West	39	24	64
Those who			
Know which side U.S. supports in Nicaragua		40	52
Don't know		16	69
Call Nicaragua a threat to security of Central America		36	54
Not a threat		11	82
Say Nicaragua will give Soviet Union bases		34	55
Will not give		16	75
Say it's important to U.S. security to eliminate communism from Latin America		38	51
Say Communist governments can exist without threatening U.S. security		13	79
Fear U.S. will get involved in Nicaragua the way it did in Vietnam		17	73
Not afraid		43	44
Approve Reagan's handling presidency		35	52
Disapprove		8	84

Based on 1,601 telephone interveiws conducted April 6–10

HOW THE SURVEY WAS CONDUCTED

The latest New York Times/CBS News Poll is based on telephone interviews conducted April 6 through 10 with 1,601 adults around the United States, excluding Alaska and Hawaii.

The sample of telephone exchanges called was selected by a computer from a complete list of exchanges in the country. The exchanges were chosen so as to insure that each region of the country was represented in proportion to its population. For each exchange, the telephone numbers were formed by random digits, thus permitting access to both listed and unlisted residential numbers.

The results have been weighted to take account of household size and number of residential telephones and to adjust for variations in the sample relating to region, race, sex, age and education.

In theory, in 19 cases out of 20 the results based on such samples will differ by no more than 3 percentage points in either direction from what would have been obtained by interviewing all adult Americans. The error for smaller subgroups is larger. For example, for either Republicans or Democrats the potential error is plus or minus four percentage points.

In addition to sampling error, the practical difficulties of conducting any survey of public opinion may introduce other sources of error into the poll.

[From the Washington Post, Apr. 15, 1986]

THE CONTRA AID VOTE

Two weekends ago in Panama, the would-be mediators of the Contadora group struggled to find a way to ease the gathering confrontation between the United States and Nicaragua. The Sandinistas defiantly rejected all steps the would-be mediators urged on them. Last weekend, however, they edged back a bit, agreeing to accept a deadline of June 6 for the signing of a regional peace treaty, with two conditions: that the points of the treaty still in dispute be resolved, and that the United States halt "aggression" against Managua. Presumably this was done at least in part to assure members of the House, who are about to vote on contra aid, that there is a valid diplomatic alternative to the Reagan administration's course.

The eight Latin governments supporting the Contadora initiative believe there is. If Washington cut off the contras, they argue, a workable regional security treaty could be put in place, and in the resulting calm, Nicaragua could be induced to slow and reverse its totalitarian progress. For its part, the Reagan administration says it has no confidence in a treaty entered into by a Sandinista regime. It further insists that the Latin way of political envelopment, far from mellowing Managua, would merely let the regime consolidate power. Its call for contra aid follows.

The moral argument for contra aid—that it keeps faith with the democrats of Nicarauga—is powerful. They are worthy people, and they deserve better than to be identified, as some identify them, with that part of the Nicaraguan opposition consisting of Somoza holdovers.

The difficulty is the lack of a plausible way to help. The administration offers the contras. But in four years these forces have yet to demonstrate either military effectiveness—they have not held a town overnight—or political appeal—most leaders of the contra groups supported by Washington are Somoza holdovers and act the part. Senoir retired American military officers attest to the inadequacy of the administration's military program to accomplish any realistic military objectives. The prospect that American forces might have to bail out a failing contra expedition is real. The hostility to the United States that would grow elsewhere in Latin America is a serious consideration.

Four years of pursuit of democracy in Nicaragua by military means has spurred the Sandinistas to move faster toward police rule and has helped them gather wider Latin sympathy for being targets of American power. A more zealous application of this policy, as the administration urges, would not alter these unhappy basic facts.

Rather than contra aid, the Latins propose quickly to complete a treaty limiting Nicaragua's military reach and its Soviet-Cuban ties, and then to start trying to press the Sandinistas along a better internal path. It is argued that the security talks won't work without the pressure of the contras. The record suggests to us that those talks won't work with the pressure of the contras. The Sandinistas are in the eighth year of a communist revolution. Yet Nicaragua is contiguous to its Latin neighbors and connected to them in ways that Cuba never was. Its economy is in desperate straits.

The United States, moreover, would—should—remain ready to do what is necessary, in security policy, political support and development aid, to prevent Nicaragua from undermining the security of its Central American neighbors. It must also be ready to ensure, by its own military acts if necessary, that Nicaragua does not become a strategic threat to the United States.

Finally, the United States must not stop demanding that the Contadora Latins keep pressing the Sandinistas to open to the democrats in Nicaragua. The very least Americans can do for these Nicaraguans is to stay alert to ways of salvaging what can be salvaged by acceptable means.

DANIEL SHAPIRO TO COMPETE IN NATIONAL PTA CONTEST

HON. GEORGE W. GEKAS

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, April 15, 1986

Mr. GEKAS. Mr. Speaker, it is my pleasure to bring to the attention of the Members of Congress the work of Daniel Shapiro. Danny, a student at Linglestown Junior High School, and a resident of Harrisburg, PA, has been chosen to be the sole representative from Pennsylvania in the national competition of the "PTA Reflections" competition that will take place in June.

Danny, an amateur photographer for just 1 year, entered the local PTA contest after learning of the competition through a school announcement. His photograph, in accordance with the contest's theme "On Liberty's View", reveals an interesting perspective of Pennsylvania's State Capitol in Harrisburg. He photographed, developed, and printed his entry, using the darkroom at the Museum of Scientific Discovery in Harrisburg.

After winning the competition at Linglestown Junior High School, he went on to capture first place in the intermediate competition and then took another first place in Statewide competition. I would like to congratulate Danny on his accomplishments and wish him the best of luck in the national competition.

A TRIBUTE TO JOHN HOY

HON. JOHN HILER

OF INDIANA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, April 15, 1986

Mr. HILER. Mr. Speaker, I would like to take this opportunity to share with this body a story about an individual who has touched a great many lives.

The very special person I am referring to is John Hoy, a man with a truly remarkable talent for making friends. Mr Hoy, a native of North Webster, IN, has dedicated himself to spreading friendship through the concept of "A Rose for Friendship."

I have been aware of Mr. Hoy's "mission of friendship" for a number of years, and I have always been impressed that one man could have such an effect on others' lives. In this fast-paced and complex modern day, it is reassuring to know that there are good friends like John Hoy among us.

I would like to call to the attention of my colleagues an insightful newspaper article, which was written by Edith Gray, a resident of Goshen, IN.

[From the Mail-Journal (Milford and Syracuse, IN), Feb. 12, 1986]

"A ROSE FOR FRIENDSHIP"

On the shores of beautiful Tippecanoe Lake in northern Indiana in a lovely brick ranch home under great oak trees lives a sensitive man who many call friend. A native of the North Webster area, one-time milk salesman (in the days of home deliveries and the depression), now semi-retired realtor and developer, J.B. Hoy enjoys pursuing a dream he earnestly seeks to make come true.

In many ways he has already succeeded. But when his dream is finally realized, his part in achieving his goals will probably be forgotten by those who will enjoy the fruit of his labor.

In 1963 business took Mr. Hoy, the small-town businessman, to the big city of Chicago where he called on a gentleman in a luxurious office with lovely furnishings but with one flaw. On the receptionist's desk was a faded, plastic rose. After completing his business he left the office and returned a few minutes later with one long-stemmed rose which he presented to a delighted young lady in place of the artificial one. She sent a note of thanks to his home a few days later.

Three years later J.B.'s son, Phil Hoy, a personnel director for a firm in Fort Wayne, interviewed a young woman who had recently moved from Chicago. She inquired if he might be related to a J.B. Hoy of Tippecanoe Lake and was told of the relationship. She then related the long-stemmed rose incident and said she had always considered the rose to be the emblem of friendship and a compliment.

J.B. Hoy was impressed that one single act of kindness, long forgotten by him—it was such a little thing—that of giving a rose, had meant so much to another person that she would remember it three years afterward and even remember the stranger's name who had given it. The full impact of our human need for receiving expressions of kindness, love, or concern, that intangible thing we call friendship, hit home that day for J.B. Hoy. The more he thought about it, the more he appreciated his own friends and all the little things that many people had done for him over the years. It seemed that there should be some special way to repay and show appreciation for the many benefits of friendship he had received from others. But many of those acts of kindness had been done by people he could not identify, or the whereabouts of whom he no longer knew, or who were no longer living. So he felt a debt that seemed hopeless to repay.

The solution came in the form of a resolve that from that day forward each time he met someone, he would give that person a "rose" in the form of a compliment, a kind word, or an act of kindness.

As he carried out his resolve, he began to notice how many more acts of kindness were returned to him. Kind words begat kind words, compliments yielded a return compliment, days were brightened by the smiles and appreciative words received by the giver of a "rose." Truly, "a bit of fragrance always clings to the hand that gives a 'rose.' "

The value of friendship became even more apparent to J.B. Hoy upon the death of his wife, Eunice, of 37 years. He realized we have a day to honor almost every human relationship, Mother's Day, Father's Day, Valentine's Day for lovers, birthdays for ourselves, even Children's Day, but never has there been a day set aside to recognize one of the most precious possessions we have—our friends. No governmental unit had proclaimed a special day for expressing love and concern for others. Until J.B. Hoy took his dream to the 1976 session of the Indiana Legislature.

In February of that year the Legislature passed a little-publicized resolution designating the fourth week of June as "A Rose for Friendship Week" with the Wednesday of that week being "Friendship Day" and the then Governor Otis R. Bowen, M.D., now Director of the Department of Health and Human Services, so proclaimed it on April 2, 1976. As he did so, he mentioned to members of the press and J.B. Hoy ". . . carried to complete fulfillment, a Rose for Friendship could bring peace to all the world.

A resolution by the Legislature and the Proclamation by the Governor were two of the goals Mr. Hoy had set out to obtain. The third he has yet to achieve—to have a similar resolution passed by the Congress of the United States.

As I sat that day figuring my balance sheet, I was reminded of the Bible story of the rich man who built more barns to store the wheat to preserve his wealth in the form of farm production. Is it not more important to build more friendships? For fire or mold could destroy the wheat, thieves could come and steal it, or the bank could foreclose upon it. But building a balance sheet full of friends or with a few very good friends is something no one can take from you. Some of them may move away, but the friendship is still there. Its luster may tarnish with lack of use but with renewed communication the friendship becomes beautiful again just as a silver bowl with a little polish.

The exciting thing to me about J.B.'s concept of a "Rose for Friendship" is that it teaches us how to become a friend. Many people are friendless because they have never learned how to be a friend. When we give a "rose": that compliment, kind word, or act of kindness, we give of ourselves to others that precious commodity called love. And from that act, or many repetitions of it, can develop a beautiful friendship.

As a nation, at a time in our history when we are concerned with human rights and the welfare of people living in countries who do not share our concepts, what better way to demonstrate what we are trying to say about the value of the individual and the need for more acts of kindness in our world than to adopt a national day celebrating friendship—a Rose for Friendship Day. As Dr. Bowen said "a Rose for Friendship could bring peace to all the world." No nation in the history of the world has ever set aside a day to honor and recognize friendship. Shouldn't we, the United States of America, set the example? Isn't this an idea whose time has come?

Would it not be wonderful for us as a nation to send a compliment to other countries, including our enemies, on our national Rose for Friendship Day? Do a kind deed on that day for a neighboring country. Maybe the idea would catch on and we would learn to be better friends as nations of the world.

In addressing the Indiana assembly of lawmakers, J.B. Hoy said, "Rose is a key word, a symbol, for in the face of a rose the heart of God is revealed. In it you see love, tenderness, kindness, thoughtfulness. A rose is for friendship, for remembrance, for forgiveness. In its larger meaning, a Rose for Friendship can be an act of kindness, a token of remembrance, a compliment, or just a friendly word. In so doing, we lengthen our shadow, for kindness and thoughtfulness are watermarks of character."

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A TRIBUTE TO HAL BOEL

HON. ROBERT J. LAGOMARSINO

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, April 15, 1986

Mr. LAGOMARSINO. Mr. Speaker, on behalf of the entire California delegation, I'd like to pay tribute to an individual who is well known and well respected by all of my colleagues in the California delegation—Hal Boel. Hal is retiring with 46 years of service for Pacific Telesis Group.

Most of us have known Hal as the "telephone company lobbyist" both in Washington recently, and for 10 years in Sacramento. Hal has been a familiar face in the California political scene—spreading good will on behalf of the k85,000 employees of Pacific Bell.

Hal's involvement in California related activities is well known. He has been a tireless supporter of the California State Society, the California Roundtable, and the Olympic fund-raising efforts. In addition, he is one of the first people my colleagues can call on to help with charitable or fund-raising efforts—Hal is always there: dependable, reliable, and helpful.

Hal has been a most effective representative of his corporation as well. Throughout his service with the telephone company, he has served in virtually every nonmanagement and management position.

While too numerous to cite in specifics, suffice to say Hal started as a lineman in Nevada in 1942 building a redundant telephone route through Nevada. He was promoted to service representative, worked as a manager in Fresno, Bakersfield, Modesto, San Francisco, and Marysville. He entered the political arena in 1967 as Pacific's lobbyist in Sacramento, and capped his career as vice president, Federal relations when the company opened its door in Washington 3 years ago.

Hal served this country well as a Navy pilot during World War II. In addition, he participated in the Executive Program at the University of California.

Hal is also a family man. He loves to spend his time hunting and fishing with his sons Neil and Mark—or in Tahoe and on the golf course with daughters Stephanie and Nan. He and his wife Jan are looking forward to settling back in California—and allocating more time to those things he loves.

Mr. Speaker, Hal Boel will be sorely missed as an active and effective participant in the California political scene. I, along with my colleagues, consider Hal a trusted lobbyist and a good friend. I know I speak for the entire delegation in wishing him the best of luck.

JUSTICE FOR MURDER VICTIMS

HON. TOM LANTOS

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, April 15, 1986

Mr. LANTOS. Mr. Speaker, following the approval by this House yesterday of changes to the Victims of Crime Act of 1984, it is most appropriate that I draw your attention and the attention of my colleagues in the Congress to a special organization in my district called "Justice for Murder Victims." I first came into contact with this group through one of the members of my congressional office staff who is, through tragic circumstances, a victim of crime herself.

The purpose of this organization is to provide assistance to victims of crime and their families regardless of race, color, religion, or social status. The people who volunteer their help have themselves been targets of crime, and they well understand the feelings of pain, anger, fear, and isolation experienced by survivors of violent attacks.

The idea stems from the San Francisco Chapter of Parents of Murdered Children which was founded in 1979. Six years later, Justice for Murder Victims was organized and incorporated. Members offer assistance in the form of personal counseling, advising survivors of programs available to help them lead normal lives again, help in receiving benefits to which they may be entitled, and familiarizing them with the complicated and often confusing judicial procedure which they experience. The aim of the organization is to ensure that laws already enacted are enforced and to work within the legislative process to secure new legislation which will bring added protection for all Americans.

A group such as this is long overdue. For too long, victims of criminal attack have been neglected as we have focused attention upon the criminal. For example, criminal suspects are entitled to free legal assistance and unlimited medical care, but the victim of a crime has only minimal benefits. "Justice for Murder Victims" has taken the first important step toward rectifying these inequalities. It deserves the support of all of us, for all of us are potential victims of crime through no action or fault of our own.

Mr. Speaker, I would also like to take this opportunity to pay my own special tribute to Elizabeth and Sven Carlson, whom I have known for many years. I admire them not only for their courage, but also for their commitment and dedication to helping fellow victims of crime. My heart goes out to them as they continue their work. I invite you, Mr. Speaker, and my fellow colleagues in Congress, to join with me in saluting this much needed organization.

VALIANT EFFORTS SAVE LIFE OF 3-YEAR-OLD CHILD

HON. GUY V. MOLINARI,

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, April 15, 1986

Mr. MOLINARI. Mr. Speaker, it is my pleasure to rise today to pay tribute to a very special group of concerned medical and police personnel in my congressional district through whose valiant and sustained efforts the life of a trapped and drowning 3-year-old girl was saved. This remarkable group showed through example just what can be accomplished when dedicated people work to turn an almost certain tragedy into a story of inspiration.

On the night of April 9, 1986, a car plunged into the frigid waters off Stapleton, Staten Island and 3-year-old Jacqueline Williams was trapped inside. Alerted to the emergency, members of the Emergency Medical Service and the police department quickly arrived on the scene. Their efforts to pull the child from the car were thwarted by the cold water and the high waves. By the time the child was pulled from the car by police divers she had been trapped under water for 25 minutes. At that point, Mr. Speaker, the girl's heart was not beating and she was not breathing—clinically, she was dead.

Undeterred, the EMS specialists immediately went to work administering CPR on the child while she was placed in an ambulance and taken to Bayley Seton Hospital. At Bayley Seton Hospital, a devoted team of doctors and nurses went into action working relentlessly until Jacqueline's heartbeat and breathing were restored. Once stabilized, the child was transferred to a special pediatrics unit at St. Vincent's Medical Center.

Mr. Speaker, what these exceptional people did was in no way short of a miracle. Without their dedication, concern and hope, Jacqueline Williams would not be alive today. It is for this reason that I would like to enter their names here as a record of their dedication and service.

Members of the Emergency Medical Service who assisted include Ralph Wainwright, Charles Pfefferbaum, Nicholas Catello, Rod Mauceri, Christopher Schwartz, Ray Tufaro, and William Azar. Gary Brennan and Michael Duchin, members of the Staten Island ambulance crew, also gave their services.

Those helping from the police department were Sgt. Salvatore Margarella and Police Officers Robert Higgins, Frank Hamer, George Croake, Ernest Couch, Vincent Fucci, Michael Careu, and Kevin Collins.

Finally, the fine team from Bayley Seton Hospital included Dr. Lloyd McPherson, Dr. Alberto Belalcazar, Eileen Schierenbeck, Helen Mohon, Bruce Cornish, Maria Sineri, Janet Madoro, Alice Porowski, and Franklin Rosado.

Mr. Speaker, it is my privilege to bring the outstanding accomplishments of these modern heroes—and indeed they are heroes—to the attention of my colleagues in the House. I know that they join me in applauding the valiant service that led to the saving of a young child's life.

FAIR SHARE LOW-INCOME ENERGY ASSISTANCE ACT OF 1986

HON. JOE BARTON

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, April 15, 1986

Mr. BARTON of Texas. Mr. Speaker, I rise in support of H.R. 4556, the Fair Share Low-Income Energy Assistance Act of 1986. This bill ensures that Low-Income Home Energy Assistance Program funds are distributed among States in a fair manner. The LIHEAP Program distributes funds to low-income families in order to help them pay home energy bills.

The Gramm-Rudman Balanced Budget Act has put our country back on the path to fiscal

health. I fully support Gramm-Rudman, and believe that the Congress can stick to the deficit reduction schedule in the law if it exercises strong leadership and a sense of fairness. Across-the-board spending reductions are one way that the Congress can demonstrate this sense of fairness.

However, this sense of fairness is threatened by certain loopholes that impose unfair shares of budget reductions on some States. The uneven budget reductions that are proposed in the LIHEAP Program are evidence of unfairness in our common fight for the fiscal health of our great country. Currently, a hold-harmless provision protects certain States from Gramm-Rudman reductions in the program, although the law provided that the program must be cut by 4.3 percent in fiscal year 1986. In order to comply with these reductions and respect the hold-harmless clause those States that do not enjoy this special protection have to shoulder an unfair share of budget reductions. My home State of Texas is one of the States that would have to bear an unfair share of future budget reductions. The LIHEAP allocations for Texas and 14 other States will suffer 11.4 percent reductions in order to achieve an across-the-board reduction of 4.3 percent.

The Department of Health and Human Services has announced that reductions in the LIHEAP Program will range from 0 percent to 4.3 percent to 11.4 percent. I believe that the wide range in these reductions is an example of the unfairness that will spoil congressional efforts to control Federal spending and reduce the deficit. The Members from the unlucky States that shoulder an unfair share of reductions in this program will push for special consideration in other areas.

The Fair Share Low-Income Energy Assistance Act of 1986 presents us with the opportunity to retain the sense of fairness that is essential to our duty to balance the budget and comply with the provisions of Gramm-Rudman. Under H.R. 4556, reductions in the LIHEAP Program will be made on a pro rata basis in every State. Under the bill, the States will shoulder the same reduction, and there would be no favorites. I believe that Congress must maintain a sense of fairness on budget reductions if we are to succeed in our difficult task.

I urge my colleagues to support H.R. 4556 and the effort to establish fair standards for reductions in the Low-Income Home Energy Assistance Program.

RESPONSIBILITY

HON. THOMAS N. KINDNESS

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Tuesday, April 15, 1986

Mr. KINDNESS. Mr. Speaker, today, millions of taxpayers across the United States are hustling to meet the April 15th income tax filing deadline. Meeting this deadline, or at least filing for an extension of time to file, is expected of all responsible U.S. taxpayers.

The important point here is that we expect the taxpaying public to act responsibly in handling their affairs, yet the same expectations do not seem to apply to many of the actions of this body.

Today, Mr. Speaker, also marks another deadline important to the livelihood of U.S. taxpayers. The Congress, in accordance with Federal law, was to have come up with a budget resolution for fiscal year 1987 by April 15. Regrettably, such action is not yet complete.

The Members of the other body have lived up to their end of this congressional commitment. However, the House Democratic leadership has done little, other than playing partisan politics with the administration budget proposals, to move this body toward action on a budget resolution.

I guess it's a good thing that there aren't agents like those of the IRS to enforce our budgetary commitments, Mr. Speaker, because their hands would be full in this institution.

The sequestration process of the Balanced Budget and Emergency Deficit Control Act of 1985 will be upon us, if we allow the budget process to falter in this manner. That will clearly mark the leadership of the majority in this House as irresponsible. We must act on a budget resolution without further delay.

On behalf of taxpayers throughout the Nation, I urge my colleagues on the other side of the aisle to consider the seriousness of this situation and the ridicule to which you will be subject, and to allow the membership of this body an opportunity to vote on a budget.

Today, millions of taxpayers are living up to their obligations under the U.S. Internal Revenue Code. Don't we owe it to these responsible citizens to live up to our obligations and responsibilities as their representatives?

A CONGRESSIONAL SALUTE TO DR. MARION L. PLIES

HON. GLENN M. ANDERSON

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, April 15, 1986

Mr. ANDERSON. Mr. Speaker, I rise to pay tribute to Dr. Marion LaVona Plies, who will be celebrating the 45th year of her pastorate at the Harbor City Foursquare Church in Harbor City, CA, on April 27, 1986.

Born in Fort Worth, TX, in 1910, Dr. Plies and her family moved to San Francisco, CA, when she was 7 years old. Her family later moved to Los Angeles, CA, where Dr. Plies attended Huntington Park Union High School by day, and LIFE Bible College at night. In January of 1930, she graduated from LIFE Bible College. She had married George Plies in 1929, and following her graduation she worked with a number of ministers and ran a mission on San Pedro Street.

After a number of years, she was asked to take over the pastorate at the Harbor City Foursquare Church. She officially took over the pastorate in 1941. In September of 1946, Dr. Plies opened the Harbor City Christian School. The school has been relocated since to a new site, and has opened up a high school. The church itself has been relocated, and in all, Dr. Plies has been responsible for the acquisition, on behalf of the church, of over $5.7 million worth of developed property.

In addition to her outstanding work with the Harbor City Foursquare Church, and the Harbor City Christian School, Dr. Plies has been a leader in a number of other areas of Christian work. Dr. Plies has served on the International Education Committee of the International Church of Foursquare Gospel, and is the founder of the Foursquare Association of Christian Schools. She is also the author of a book entitled, "To God Be the Glory," and the recipient of an honorary doctorate for her work in Pentecostal Christian Day Schools.

It is with great pride that my wife, Lee, joins me in congratulating Dr. Plies on her 45th year as the pastor of the Harbor City Foursquare Church, and in wishing Dr. Marion L. Plies, her son Vic and his wife Mary—continued success, and all the best in the years ahead.

SUPPORT PRESIDENT REAGAN MILITARY ACTION VERSUS LIBYA

HON. MARIO BIAGGI

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, April 15, 1986

Mr. BIAGGI. Mr. Speaker, I rise today to convey my support for the President's decision of last night to launch a limited but purposeful military attack on selected targets in two cities in Libya. I believe the response was entirely appropriate considering the repeated patterns of provocations by Libyan leader Qadhafi including "irrefutable" evidence linking Libya to the West German club bombing which killed an American soldier.

It is obvious that Qadhafi poses a menace to the United States and to the free world. It is obvious that Qadhafi feels he could operate his reign of terror with impunity and without fear of response. Such an assumption on his part was wrong.

The use of military force is justified by the United States when it is operating as in last night's action in self-defense. Unlike Libyan terrorism which seeks out innocent civilians for its victims, every effort was made in the United States mission to minimize damage and harm to civilians.

A total of 33 United States F-111's and A6 and A7 attack planes were involved in last night's action. We pray for the recovery of the one missing F-111 and its two-member crew. We commend the skill and bravery of our Armed Forces in conducting this action so successfully. The message that was sent to Libya had to be sent. It was a message their leader asked for and got.

JAMES G. McCANN, DEMOCRATIC COMMITTEEMAN

HON. ROBERT A. BORSKI

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, April 15, 1986

Mr. BORSKI. Mr. Speaker, I rise to pay tribute to Mr. James G. McCann, for more than a

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half century of loyal service to the Philadelphia Democratic Party.

Mr. McCann has been a Democratic Party committeeman in 33d ward, 13th division, since shortly after he graduated from high school. In that time he has helped his party rise in power and influence in city government and he has seen Philadelphia grow and renew itself. The 33d ward, including parts of Kensington and Juniata, has been a stronghold for the Democratic Party, due in no small part to the dedicated efforts of people like Jim McCann. These people have helped maintain a 3-to-1 voter registration edge and a strong and effective party organization.

Mr. McCann is a lifelong Philadelphian, and a graduate of North Catholic High School. He worked for over 20 years at Liberty Bell Racetrack and in the city's department of revenue. He and his wife Dorothy have raised 5 children and are now proud grandparents to 15 grandchildren and 1 great-grandchild.

Jim McCann stands for what is best in our political system, and for what is best in our party. He has set an example through a lifetime of service and dedication that should be an inspiration to all of us. I am happy to join with the Democrats of the 33d ward and throughout Philadelphia in saluting James McCann as he leaves the 13th division to enjoy a well-deserved retirement from our party's activities.

NEO-PROTECTIONISM

HON. PHILIP M. CRANE

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, April 15, 1986

Mr. CRANE. Mr. Speaker, I would like to call your attention to a recent article, "Neo-Protectionism, a Growing Threat to World Trade," by Charles R. Allen, executive vice president and chief executive officer TRW, Inc. The article appeared in the February addition of the Financial Executives Institute publication FE. Mr. Allens' article points out why protectionism is a self-defeating approach for the U.S. trade deficit.

As the ranking minority member of the Ways and Means Trade Subcommittee in the House of Representatives, I find the growing call for protectionism alarming. Traditionally, the United States has always supported free trade with other nations and it is only recently, in the light of growing U.S. trade deficits, that the trend toward protectionism is spreading.

One of the best historical examples of the failure of trade protection is the Smoot-Hawley Act, implemented by President Hoover to protect trade in the late 1920's. Instead of developing a strategy to improve the competitive capabilities of American goods and continuing the tax reductions begun by President Coolidge, Hoover isolated the United States with trade protection and tariffs. Once implemented, Smoot-Hawley was met with retaliation by other nations who reacted by raising their import tariffs against U.S. products. High trade tariffs worldwide caused an international slump in trade. The United States, unable to meet the high cost of exporting goods to foreign countries, decreased production resulting in higher unemployment. It is clear that the Smoot-Hawley Act only aggravated the Depression and did not accomplish its goal of protecting U.S. goods and creating employment opportunities.

Today the United States is faced with a similar fate. If we pursue the course of protectionism and isolation we will lose the vitality and innovation of our domestic economy. Protectionism only locks industry and labor into inefficient methods which stifle modernization and the response to changing technology and consumer demands.

Mr. Speaker and fellow Members, I urge you to read Mr. Allen's article and consider the effects that protectionism will have on our future. We do not want to repeat the same mistakes of our past.

NEO-PROTECTIONISM A GROWING THREAT TO WORLD TRADE

(By Charles R. Allen)

The major trading countries must get serious—very soon—about supporting an open, fair, and expanding world trade system, or suffer the consequences of their inaction.

The drive for open trade is a constant struggle between long-term universal values and short-term, narrow nationalistic fears, distress, or simple greed. It's like the nuclear peace that we all so desire, yet find so hard to achieve because of human frailty. And though the problem is coming to a head in the U.S., the solution is one that must involve the whole trading community.

Let's start with a look at some recent developments in the United States. Beginning late last spring, the U.S. Congress has been caught up in a legislative frenzy. More than 300 specific trade measures have been introduced: trade protection bills, trade expansion bills, and trade reform bills. The underlying theme of many of these bills is labeled as "fair trade" but is, in fact, an appeal to some form of protectionism.

Of all the private interest groups in the U.S., the large multinational companies are almost alone in trying to slow a runaway protectionist freight train speeding toward disaster. Most labor unions and trade associations are urging it on with all their energy. Small businessmen, farmers, and industries most affected by growing imports are lobbying furiously, as they sense a growing protectionist sentiment throughout the country. The trade deficit is looming as a major issue in the 1986 Congressional campaign.

This protectionist thrust must be stopped before it has gone too far. Preventive action is needed, not just by the United States, but also by all the major trading nations. All of them should be as concerned as we to avoid a trade war, for many have even more to lose. What a trade war would do to the debt-laden economies of Latin America, not to mention the world banking and credit systems, is too awful to contemplate.

We must all understand that the economic and political posture of the United States in the world community is in a process of change.

For the first time in memory, the U.S. standard of living is going down, both in absolute terms and compared with other countries. The telling evidence of the U.S. decline appears in our balance of trade. We have changed almost overnight from a net exporter, running trade surpluses with the rest of the world, to a net importer with huge negative trade balances in merchandise, as much as $150 billion in 1985.

The trade deficit has led to large-scale job displacement and industrial unemployment, upheavals in major industries and communities, and a depression in U.S. agriculture, with epidemic bankruptcy in small family farms, low commodity prices, and loss of export markets.

U.S. government policies have been slow to respond to changes in trading patterns, and now we face a serious problem of orderly adjustment. The result is intense—perhaps irresistible—pressure on politicians to protect U.S. industry and agriculture.

The causes of the U.S. decline most often mentioned include:

First, the loss of competitive advantage to a number of emerging industrial powers that have outperformed us in the excellence of their marketing strategies, products, quality, and productivity. This is probably the major problem we face. Responsible business leaders in the U.S. have come at last to realize that competing for global markets is a matter of some urgency, even survival.

Next is the too-huge U.S. budget deficit, which begins a vicious cycle leading to higher interest rates, which, in turn attracts foreign investors to U.S. government securities. This flow of funds then drives up the value of the dollar, making our exports uncompetitive and whetting consumer appetites for imports. Most of us were taught that trade imbalances were self-correcting; a country's worsening trade deficit would weaken its currency. So much for conventional wisdom. For in today's environment of global interdependence, it is capital flows, not trade flows, that produce an overvalued dollar, all made possible by the emergence of international money and capital markets. While one can applaud the efforts of the Group of Five (Japan, England, U.S., Germany, and France) to lower the value of the dollar, intervention in the currency markets cannot produce lasting effects. The ultimate solution to the overvalued dollar is to be found only in reduced budget deficits.

Third, we should not be surprised by the sharp decline of U.S. exports to countries, particularly in Latin America, burdened with foreign debt.

Finally, there has been a slow but steady increase in restrictive and aggressive trade practices that are nullifying past efforts to promote expanding world trade through the General Agreement on Tariffs and Trade (GATT) and other multilateral negotiations. I refer to such well-known practices as:

Rebates of European value-added taxes on export items, creating a competitive cost advantage.

Quotas against selected products, designed to protect the domestic producers. So-called voluntary agreements are much in vogue. In the U.S., limitations on imports of Japanese cars and limitations on imports of European steel are prime examples.

Bureaucratic barriers to unwanted imports—harrassing inspections, absurd product standards, unwarranted paperwork—all justified as national prerogatives, and evasions of past commitments.

Aggressive government-aided strategies, including direct export subsidies, subsidized shipping, insurance, and financing arrangements that virtually insure exporters against risk.

The list goes on. Whatever the strategies used, no country can claim that it always plays fair. We are all sinners, some more than others. But right or wrong, it is perceived in Washington that the U.S. is a net loser in the game of restrictive trade practices. And while such actions may account for only a small part of the U.S. trade deficit, they lend moral support to the argument of our protectionists. Like the small tail wagging a big dog, they are an irritant that arouses a disproportionate reaction in Congress.

One cannot review the U.S. trade deficit without noting the special role of Japan. Certainly the powerful economic advance of Japan is an important cause of the world trade imbalance and the drift toward protectionism. Still, the popular and long-standing pastime of blaming Japan for all our problems is overdone and counterproductive, as it leads to negative rather than positive solutions.

I mention "long-standing" because of an astonishing prophecy, made 35 years ago, by Joseph Stalin. He predicted that one day the Western Alliance, no longer able to absorb the export capabilities of Japan, would fall apart in a naked struggle for markets. There was just enough truth in that prediction to make one stop and think.

Today, both Europe and the United States are suffering from the combination of massive Japanese exports and exclusionary practices against imports. Our growing deficit with Japan alone—$19 billion in 1983, $38 billion, in 1984, $50 billion-plus in 1985—shows no signs of turning around.

There's considerable feeling, justified or not, that Japanese industry and government have been ganging up on us in ways that we are not permitted to use under our rules of fair play. There is anger not only about Japan's aggressive assault on our markets, but also about what's seen as extreme resistance to our exports to Japan, even where we have a decided advantage in cost or technology.

In fairness, there is much truth to the countercharge that many U.S. firms have not been very effective in marketing their products in Japan. However, it's clear that the recent surge of trade bills in the Congress was triggered largely by frustration over the failure of trade negotiations to gain improved acceptance of U.S. telecommunications equipment. In contrast, the breakup of AT&T enabled a major Japanese invasion of our domestic telecommunications market.

By now, that militancy is being directed not just toward Japan and other Far Eastern countries but toward some of our trading partners in Europe and Latin America as well.

I mentioned earlier the fundamental change that has altered the U.S. economic posture in the world community. In days past, the U.S. has been viewed as an invulnerable economic giant. That may once have been true, but it doesn't look that way to us now. We look east to the European Community, an economy at least as large, modern, and advanced in technology as ours. We look south to the state-of-the-art factories and low wages of Mexico and Brazil, and west across the Pacific to the new industrial revolution launched by Japan and joined by Korea, Taiwan, Hong Kong, and Singapore.

And we begin to realize that those comfortable days in which U.S. firms competed mainly with each other in a market that all understood, under accepted rules of the game, are gone forever.

Gone, too, are the days when the unchallenged might of U.S. mass production bought the machinery that enabled us to pay the world's highest wages and still enjoy the world's lowest unit labor costs. Now, for the first time, we face tough foreign competition in a world market, under terms that we do not control. To some of our competitors, the only rule seems to be "export or die."

Since the end of World War II, it's fair to say the U.S. has been a strong advocate of trade liberalization and open markets. For motives both selfish and broad-gauged, it has fostered common markets in Europe, Asia, and Latin America, and supported a stronger GATT and healthy private-enterprise economies in Japan and throughout the free world.

Following the war, it was not difficult for the U.S., as the world's dominant economic power, to open its gates to foreign imports, to help allies by trade, not aid. Those efforts helped create not only an explosion of world trade and growing wealth but also the emergence of two new economic superstars—Japan and the European Community. The fact that some European nations still see themselves as separate national economic units does not alter the reality of the combined economic power of the European trading bloc.

The world responsibilities of a great industrial power have not changed from 1950, when there was one, to today, when there are three—the U.S., Europe, and Japan.

A country in a position of having a profound impact on the world economy has two choices:

To deal positively with problems created by its successes, assume its full share of the task of leadership, and moderate the demands of its constituencies; or

To continue to seek maximum advantage for narrow national interests until overwhelming opposition and hostility arise and destroy the fragile web of economic cooperation.

What seems to be happening today is that Western Europe is seeking to protect itself against U.S. and Japanese exports, and evasions of the intent of the GATT have been increasing, both in number and ingenuity. Meanwhile, Japan continues to exclude U.S. and European exports, and to step up its assault upon foreign markets.

U.S. leaders are led to conclude that we can no longer carry the main responsibility for open markets, that the time has come for others to bear an equal burden in supporting trade. Those are the realities of the present trade environment. Because the seductions of protectionism are ever present, politically tempting, and easy to rationalize, the situation is dangerous. The step from where we are now to serious protectionism is a short one.

Let me stress that the real and official U.S. position is still strongly pro-free trade. The President, as a committed free trader, but a political pragnatist as well, is trying to avoid a hard confrontation with Congress and the protectionist lobby, where a defeat on any one trade bill could unleash an avalanche. He has warned that the United States—while shunning protectionism—will insist upon full parity of treatment for its exports, the same as that granted by the U.S. to imports in its home markets, asserting that there can be "no free trade that is not fair," Those words should be taken seriously.

As financial executives, we know that when business competes against on equal terms under an orderly set of rules, the market can be trusted to diffuse power, and comparative advantage can work its begin magic to the benefit of all. But when societies and governments compete, cut deals, each seeking the greatest national advantage, we have a prescription for economic war.

To sum up: The time has come when all industrially advanced nations will have to make significant changes in order to maintain a world trade environment in which we all can live and prosper together. The United States is under greater pressure to deal with its domestic economic problems and to compete more effectively in the world without falling prey to protectionism. The major trading nations are under equal pressure to recognize that the era of the United States playing big brother to the free world economy has been brought to an end by inexorable forces of history and economics.

Looking at the present situation, there are a range of possible outcomes.

One is that key trading nations will evade their leadership responsibilities to the international community and will insist upon playing by their own rules. The next round of GATT negotiations will fizzle. A firmer response by the United States to what it views as unfair trade practices will meet with hostility and retaliation. The European Economic Community will break out in internal bickering and advantage seeking. Japan will keep talking and keep shipping. And all together, we will pull the roof down upon ourselves.

That dreary outcome is the worst-case scenario and, though unlikely, it's by no means impossible.

A far happier outcome results if all the major trading nations can agree that a strong and open world trade system should be a primary goal of every national policy and approach the next GATT negotiations in that spirit. In seeking such a positive outcome, there is a special role for the international business community.

Business knows what is at stake. It will be the first to suffer if the trade system is blown apart. Business has the resources and the credibility to encourage our governments to do what they must do to avoid a fight that no one can win.

And we, as financial executives, are in a special position to appreciate the benefits of world trade and fear the perils of protectionism. Today, the world trade system is in danger. It must be preserved and strengthened at all costs. Such are the dues every nation must pay for sharing in the benefits of a world economy. For to help that economy survive and grow, we must all truly support open markets and fair competition.

TRIBUTE TO BROCKTON HOSPITAL SCHOOL OF NURSING

HON. BRIAN J. DONNELLY

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, April 15, 1986

Mr. DONNELLY. Mr. Speaker, it is my distinct pleasure to rise today in recognition of the Brockton Hospital School of Nursing. The Brockton Hospital School of Nursing, founded in 1897, is celebrating 90 years of excellent service to the Greater Brockton Metropolitan Community. It is the only hospital-based school within the area that offers its students field training while simultaneously setting high standards of nursing education with a curriculum based on both the humanities and health

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and nursing. The students receive a wide variety of educational benefits through their learning experience. As a result, 90 percent of the graduating students pass their RN qualifying examinations on the first attempt.

The school is a private nonprofit institution that is funded directly through the Brockton Hospital and the Federal Government through Medicare grants. Students who enroll in the Brockton Hospital School of Nursing may also receive additional assistance in meeting the costs of tuition through the many financial programs offered by the Federal Government. The school of nursing enjoys full accreditation while its student enjoy small classroom settings with excellent facilities.

Recently, the Brockton Hospital School of Nursing has collaborated with Stonehill College, a 4-year accredited liberal arts college located in North Easton, MA. Students who graduate from the nursing school in high standing, may now continue on with their studies at Stonehill, receiving their baccalaureate in nursing.

On behalf of the citizens of Massachusetts, I wish to congratulate the Brockton Hospital School of Nursing for its 90 years of dedicated service to the Brockton metropolitan community.

HOW NATURAL GAS USE CAN REDUCE ACID RAIN

HON. JOE BARTON

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, April 15, 1986

Mr. BARTON of Texas. Mr. Speaker, President Reagan and Canadian Prime Minister Mulroney in their recent Washington summit issued a statement that acid rain is a common environmental problem for both countries, and recommended a coal technology program as the answer to acid rain. Last week, legislation was introduced in the House that would establish an expensive control program to reduce the sulfate emissions that some say are the source of acid deposition.

I believe that a very important means of sulfate emissions reduction has been overlooked: the select use of natural gas. The select use of natural gas is probably the most painless way to reduce sulfate emissions. As such, it is an appropriate approach to an acid rain control program.

Natural gas is the cleanest burning fossil fuel, producing virtually no sulfur oxides or particulate matter, and only a small fraction of the nitrogen oxides produced by coal or high sulfur residual fuel oil. Natural gas could substitute for coal or high-sulfur fuel oil in some circumstances. A partial substitution of natural gas for coal would also minimize the impact on local coal industries compared to other alternatives such as coal switching.

One of the most attractive features of increased use of natural gas for environmental purposes is its low cost. Natural gas is a very cost-effective fuel for electric generation, and because of its clean burning characteristics its operation and maintenance costs are much lower than other fuels. The low cost of sulfur dioxide removed should be compared with other control methods. Natural gas use with coal or oil can remove sulfur dioxide at costs of $200 to $400 per ton removed. In comparision, control technology such as "scrubbers" can cost as much as $2,000 per ton of sulfur dioxide removed.

In new plants, the cost advantage of select use of natural gas is even more marked. A new combined-cycle gas turbine powerplant can be installed at a capital cost of $500 per kilowatt, about one-third the cost of a new coal-fired unit. Further, a natural gas plant will produce less than 0.003 percent of the sulfur dioxide produced by a comparable coal powerplant with pollution control technology. Gas has advantages based on both cost and environmental factors.

Natural gas is both cheap and plentiful, and an increased demand for gas for environmental purposes would shrink the "bubble" that troubles natural gas producers. Gas supplies far exceed current demand. An increase in gas use of 1 trillion cubic feet, about 6 percent of consumption, would decrease annual sulfate emissions by 2 to 3 million tons. This would be a very substantial reduction, especially in the context of a 5 million ton reduction program such as proposed by President Reagan and Prime Minister Mulroney.

Incredibly, the United States discourages the use of natural gas through certain regulations and provisions of law. These regulations and laws were added at a time when natural gas supplies had been eroded through Government price controls and supplies were scarce. However, these natural gas-shortages have disappeared since the partial decontrol of gas, and supplies are ample. The legal impediments to select use of natural gas, such as the Powerplant and Industrial Fuel Use Act and incremental pricing provisions of the 1978 Natural Gas Policy Act, must be repealed. Repeal of these restrictive provisions can enable industrial customers and utilities to use more natural gas.

There is legislation before Congress to repeal the Fuel Use Act and the incremental pricing provisions of the Natural Gas Policy Act. I encourage my House colleagues to seriously consider supporting this legislation.

I have not been convinced that acid deposition is a serious environmental problem that deserves an expensive control program. However, I have outlined some of the benefits of select use of natural gas for my House colleagues who support an acid rain control program. Gas has clear environmental benefits.

THE ISSUE OF EMPLOYER SANCTIONS AND IMPLEMENTATION UNDER IMMIGRATION REFORM BILLS

HON. THOMAS N. KINDNESS

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Tuesday, April 15, 1986

Mr. KINDNESS. Mr. Speaker, I would like to bring to the attention of the House a statement by Richard L. Lesher of the U.S. Chamber of Commerce which addresses the issue of employer sanctions and their implementation under the immigration reform bills presently under consideration by the House. I believe his statement suggests an alternative that would make such legislation much more palatable to business interests while at the same time maintaining the kind of protection necessary for enforcement purposes.

Mr. Lesher's statement follows:

> It's a tribute to America that while around the world people literally are dying to get out of countries limiting freedom and opportunity, they're falling all over each other to get in here.
>
> But the ability of an estimated 3 million to 6 million foreigners to reside illegally within our borders weakens the very system that attracts them.
>
> America's freedoms are based on our system of laws. We cannot allow these laws to be broken with impunity during nearly two million border crossings every day, nor can we encourage creating an entire class of people whose very presence mocks those laws.
>
> We must prevent this destabilization. The question is how. Congress has struggled with that one for ages, in part because they've been unable to resist making business the fall guy.
>
> Immigration control proposals over the years have invariably included sanctions against employers who hire illegals. Now no one wants to protect employers who knowingly hire illegals. But most sanction proposals have included onerous record-keeping requirements and criminal penalties against employers who may have been duped into hiring illegals—provisions bound to cause employers to avoid hiring Hispanics, not out of discriminatory intent but out of self-defense.
>
> Fortunately, Sen. ALAN SIMPSON, R-Wyo., this year introduced reform legislation with less burdensome—and optional—record-keeping requirements and no criminal sanctions. Limited criminal sanctions were added in committee but Simpson's bill remains a tough and fair attempt to regain control of our borders—one business can live with.
>
> But the House of Representatives seems determined to hang the immigration control millstone around business' neck. Legislation introduced by Rep. PETER RODINO, D-N.J., takes those onerous record-keeping requirements off the trash heap and puts them back on the table—and imposes criminal penalties for mere paperwork violations.
>
> Congress would do well to enact legislation closer to the Simpson version. It isn't perfect, but unlike Rodino's bill, it represents a fair compromise. However, Congress would do even better to go beyond these limited efforts to address the full range of issues surrounding immigration control.
>
> Maybe we could take a hint from that old saying "If you can't bring Mohammed to the mountain, bring the mountain to Mohammed" by addressing the desperate political and economic straits illegal immigrants are fleeing. And I'm not talking about foreign aid giveaways. We should be in the position of providing the fishing poles and the lessons, not the fish.
>
> We should establish free trade zones with our neighbors and encourage them to copy our recent tax and budget cuts and regulatory reforms—policies based on a return to the freedoms that historically have produced unprecedented prosperity.
>
> Instead of importing foreign workers, perhaps the best solution is to export the best features of the system that attracts foreigners to our shores in the first place.

Mr. Speaker, the sentiments expressed by Mr. Lesher should provide ample food for thought as we address the critical issue of immigration control. Certainly there is not enough room for all who would like to come to the United States and our efforts should realize the burdens that American businesses already bear.

EAGLE SCOUT AWARD TO MARC DORMAN

HON. GEORGE W. GEKAS

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, April 15, 1986

Mr. GEKAS. Mr. Speaker, I would like to take this time to express my congratulations to Marc Dorman of Harrisburg, PA, who will receive the Boy Scout Eagle Award on Monday, April 21, 1986. This event is always a special time for the family and friends of a man who receives such an award because it is a recognition of his dedication to his community and country.

Marc, a freshman honor student at Susquehanna Township Senior High School, is a member of Boy Scout Troop 256. He began the scouting program as a Cub Scout in Troop 36 and has worked his way through Webelos and Boy Scouts. At Susquehanna High School he is the freshman class president, a member of the baseball team, and a violinist in the school orchestra.

As part of the scouting program, Marc is involved with the Medical Explorer Post at Polyclinic Medical Center in Harrisburg. Since joining Troop 256 he has served as a patrol leader, chaplain's aid, and quartermaster. He is also an ordeal member of the Order of the Arrow.

Marc Dorman has shown excellent service and leadership capabilities in his work with the Scouts and should be congratulated for earning this very distinguished achievement. I wish him good luck and great success in his future endeavors.

CONGRESS SHOULD START MEETING ITS DEADLINES

HON. WILLIAM F. GOODLING

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, April 15, 1986

Mr. GOODLING. Mr. Speaker, is today just the first of a series of deadlines this House will miss under the Balanced Budget and Emergency Deficit Reduction Act of 1985?

Congress was to have completed action on a binding budget resolution for fiscal year 1987 by today. The majority side of the House Budget Committee has not even produced such a resolution to date.

Before we know it, June 10, the deadline for all appropriations bills to be through the Appropriations Committee, will be past. Then June 15, when the Congress is to have completed action on budget reconciliation, will be gone. June 30, when all appropriations bills are to have cleared the House, may slip by. If we miss those last deadlines, we may miss an extended Independence Day district work period, because technically we cannot adjourn for more than 3 days until we have cleared all reconciliation and appropriations legislation.

The purpose of the accelerated deadlines for consideration of budget legislation this year was to insure that everything was done by mid-August, when the economic agencies are to take the economic snapshot that will show whether we are within the required deficit reduction target and can avoid sequestration on necessary programs.

Every deadline we miss brings us closer to the sequestration we wish to avoid. Let us start meeting the deadlines instead of ignoring them.

A SPECIAL TRIBUTE TO DR. H. CLAUDE HUDSON

HON. AUGUSTUS F. HAWKINS

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, April 15, 1986

Mr. HAWKINS. Mr. Speaker, on April 19, 1986, the distinguished son of a former slave and Louisiana sharecropper, Dr. H. Claude Hudson, shares his 100th anniversary with four generations of relatives, community associates, and friends from all walks of life.

The phenomenal career of this libertarian, successful dentist, civil rights leader, and president of a $50 million savings and loan institution exemplifies the finest tradition of American life.

Dr. Hudson was elected to the presidency of the Shreveport, LA, branch of the NAACP in 1921 at a time when being president of the NAACP in the South was not only unfashionable, but suicidal. Whenever referring to his membership in the NAACP, he identified it as a citizens' committee. He was so active in fighting segregation and police abuses that in June 1923 he was "called on the carpet" by the power structure. Immediately, he went to the office of the chief of police and found him with the sheriff discussing what to do with Dr. Hudson. Dr. Hudson argued the situtation with them and they finally admonished him to, "Go home, be a good boy, and don't give us any more trouble."

That visit to the chief of police and sheriff saved his life. Having already obtained a license to practice dentistry in California, he moved his family to Los Angeles without causing further disturbance. That incident gave rise to the rumor that he had been run out of Shreveport. He never denied it because it was a good story and gave everyone who heard it a good laugh.

In November 1924, due to this record of service during his 2 years with the Shreveport branch of the NAACP, he was elected to the presidency of the Los Angeles branch. Even though he had changed his residency, he didn't miss a year of service with the NAACP.

During his second term as president of the Los Angeles branch, Dr. Hudson faced a serious civil rights problem. At this time the Pacific Ocean was segregated: Black people, with one minor exception, could not go to the beach without being molested. So in 1925, he and seven other members of the NAACP waded in the ocean at Manhattan Beach, were arrested and fined $500 for defying the no-swimming ordinance. He immediately appealed the decision, and thereupon the Manhattan Beach court called him in and wanted to throw the case out of court. He agreed, but asked what was going to be done about the parking ordinance which allowed only 15 minutes for bathers to undress, swim, and return to their cars. The court reminded him that it would take about 90 days to repeal the ordinance. Dr. Hudson informed him that he was aware of that, as well as the fact that the ordinance was not being enforced against anyone else. The court responded that if he dropped the case they would not enforce the ordinance against black people. On the following day Dr. Hudson took a little black boy with him to swim on the beach to see if they would be arrested, but they were not and from that day on the beaches have been open to everyone.

Dr. Hudson served 10 consecutive years as president of the NAACP Los Angeles branch, which he developed into one of the largest and most effective in the Nation. Since 1934, Dr. Hudson has served the local branch as either vice president or as a member of the executive board. In 1950, he was elected to the national board of directors of the NAACP and has served continuously since that date. He is at present a member of the executive committee of the national board of directors.

In 1927, Dr. Hudson enrolled in the Loyola University School of Law and was awarded the LL.B. degree in 1931. His interest in the study of law was to broaden his education to better enable him to carry on the work of the civil rights organization.

Dr. Hudson assumed the presidency of Broadway Federal Savings & Loan Association in 1949 when the association had assets of less than $3 million. The association, with Dr. Hudson as its leader, broke the stranglehold of white savings and loan associations in Los Angeles, who refused to lend money on property located in neighborhoods where they felt black people should not live. Broadway made so many loans until the white associations reversed their position and began making loans to people under better terms.

Under Dr. Hudson's leadership, Broadway Federal Savings grew into a $57 million company. During his tenure as president of the association, he enrolled in the American Savings and Loan Institute evening school and obtained a graduate diploma in the operation and management of savings and loan associations. Dr. Hudson is now president emeritus of Broadway Federal Savings and Loan Association of Los Angeles, having retired from the presidency in 1972.

In 1962, at charter day exercises, Dr. Hudson received the Distinguished Alumnus Award from his alma mater, Howard University, for distinguished service as a dentist, businessman, and civil rights advocate.

He serves as a member of the Los Angeles County Real Estate Advisory Commission and as a member of the board of trustees of the Martin Luther King Memorial Hospital. The auditorium of King Hospital was named in honor of Dr. H. Claude Hudson. Loyola University,

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Los Angeles, CA, established a scholarship in honor of Dr. H. Claude Hudson in June 1974.

In 1974, Dr. Hudson was awarded the Humanitarian of the Year Award of the Aid United Givers of the Biltmore Bowl of the Biltmore Hotel in Los Angeles. Upon his introduction as guest speaker, the audience of several thousand gave him a standing ovation. After the audience was reseated, Dr. Hudson began his acceptance speech by saying, "The ovation that you have just given me amazes me when I think of the fact that when I arrived in Los Angeles in 1923 I was not allowed to enter this hotel, and now to be the guest of honor shows me how far you have come." The audience at his request then stood and gave themselves a big round of applause.

At the Wiley College baccalaureate commencement convocation held on the campus of the college in Marshall, TX, on May 6, 1976, Dr. Hudson was awarded the honorary degree of doctor of humanities.

In mid-winter of 1976, Dr. Hudson received the honorary degree of doctor of laws from the University of Southern California, being the second citizen of black ancestry to be so honored by this great university.

The Distinguished Service Medal was awarded to Dr. Hudson on April 19, 1976, by the Los Angeles County Board of Supervisors, which is the highest honor the board of supervisors can bestow upon one of its citizens.

In 1976, the Commission on Human Relations of Los Angeles County awarded Dr. Hudson the John Anson Ford Award in human relations. In 1976, at the age of 90, he surprised his many friends and acquaintances by taking unto himself a bride, the former Lena Brown Work, a retired mathematics teacher and college adviser in the Los Angeles school system.

In 1977, Dr. Hudson was presented the Civil Rights Award of the National Dentist Association. In 1978, the Senate of the State of California presented an Outstanding Service Award, to his community, to Dr. H. Claude Hudson.

Mr. Speaker, Dr. Hudson epitomizes in so many ways the best our country can produce. His commitment to civil rights and dedication to the community are truly an inspiration to all who know him. I would like all my colleagues to join me in honoring Dr. H. Claude Hudson, who on April 19, 1986, will be 100 years young.

INTRODUCTION OF FOUR BILLS TO DEVELOP AND DEREGULATE THE U.S. LINER FLEET

HON. WALTER B. JONES

OF NORTH CAROLINA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, April 15, 1986

Mr. JONES of North Carolina. Mr. Speaker, I rise in behalf of the leadership of the Committee on Merchant Marine and Fisheries to introduce by request, four bills to amend the 1936 Merchant Marine Act. The 1936 act established a complex system of financial assistance to aid the U.S. merchant marine. Congress recognized the important role of the merchant marine in times of national emergency and that a U.S.-flag maritime fleet was necessary if our Nation was to develop as a major trade and military power.

It is ironic that in recent years as we have devoted tremendous attention to the military needs of our Nation, we have ignored, neglected, and disregarded what continues to be the essential fourth arm of defense—our merchant marine.

The problems of the 1980's unfortunately cannot always be satisfactorily solved with solutions fashioned in the 1930's. The impact of our attempts to resolve the budget deficit crisis on essential activities such as our merchant marine has been devastating, and we must address our urgent attention to answers that will address the needs of the merchant marine not only today but for the balance of this century.

The industry most immediately affected has been engaged in efforts to present the Congress with a unified position on a solution to the crisis facing the merchant marine. Unfortunately, time is running short and rather than a single unified industry position, we have been presented with four approaches. In order to move the process along, I together with Messrs. LENT, BIAGGI, and SNYDER have agreed to introduce all four bills at the request of their proponents. These bills together with other concepts already before the committee will serve as the basis for legislative distillation.

It is the committee's goal to present to the Congress a single bill that will be responsive to the needs of the Nation, the industry, and the budget.

A TRIBUTE TO CHARLIE HALLECK

HON. E de la GARZA

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, April 15, 1986

Mr. de la GARZA. Mr. Speaker, long will I remember how impressed I was with Representative Charlie Halleck when I arrived as a brand new Member of the House in 1965 to be sworn-in for the 89th Congress.

To a young fellow from the Texas Legislature, I was interested in being within the same quarters as those about whom I had read in the papers and seen on television for such a long time.

Certainly Congressman Halleck set a record of some kind, having served as both majority and minority leader—that is an accomplishment that doesn't happen to many.

His family can always live with the realization that their father was one of the Nation's greats—a man who won respect and the admiration of all in this body.

A POET LAUREATE FOR THE UNITED STATES

HON. JOHN J. LaFALCE

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, April 15, 1986

Mr. LAFALCE. Mr. Speaker, following an act of Congress creating the post of Poet Laureate, the Librarian of Congress, Daniel Boorstin, installed writer Robert Penn Warren as Poet Laureate of the United States. At first blush this appeared a curious if not questionable act. After all, the role of poet laureate is a British tradition embodying all the trappings of an aristocracy which our society purports to reject.

The poet laureate tradition dates from early 17th century England. There is seem disagreement about the first appointee but most authorities identify John Dryden. His responsibilities as laureate were to celebrate in verse major state events and other weight occasions such as birthdays of the monarch. Not surprisingly, such a tradition held little charm for Americans.

In the American context the appointment creates a concrete, tangible symbol to make explicit a solid but diffuse notion that art is truly important among our national priorities. Moreover, it affirms the role of government as an active collaborator with the private sector in supporting and encouraging excellence in the arts. There is nothing new in this. Historically, our Government, with widespread popular backing, has always vigorously promoted artistic expression. Importantly, the form of this support has recognized the artist and his work as far more than a dispensable luxury to be patronized in times of plenty. In the depths of the Great Depression, among the major New Deal programs were the Federal artists and writers projects which ensured that our society would emerge from that dark period intact in soul as well as body. What is new is the crystallization of this tradition represented by the Poet Laureate appointment.

Reflecting on this appointment and its antecedent tradition reinforces the principle that art not only enhances civilized life but sustains it; that art is a uniquely human endeavor and lacking outlets for creativity we would not be fully alive.

This appointment also invites us to consider the functions of art in society.

Often the artist and his work serve as mirrors and preservers capturing the prevailing beliefs and values of a society in a concrete, tangible form. Inevitably, the serious student of our own or another culture, past or present, will look to its major artistic works as a source of understanding.

Ironically, the artistic enterprise is often both conservator and iconoclast. Frequently the artist as social critic both symbolizes and stimulates the emergence of a new order. By its very nature the expressive essence of art is fertile ground for the growth of new ideas.

Functions of reflection and criticism are not contradictions, for any society is a dynamic relationship between pressures for change in several directions. In this dynamic process the artist plays the vital role of creating comprehensible forms out of the often bewildering flux of ideas and beliefs. His work gives concrete shape and texture to abstract and elusive notions which pulse like currents through our complex world.

But more vital than flash freezing the waves of change, the artists, especially the great artists, give definition and form to enduring abstractions such as good and evil, love and hate, beauty and trust. It is for this reason that the classic artist can speak with equal veracity to the 14th century cobbler and today's systems analyst.

In the process of articulating ideals and values, the artist creates models readily identifiable by anyone in our vast and multitiered society. Heroes, villains, and fools expemplify for appropriate response our ideals, failings and foibles. For example, I suspect that Pinocchio's nose is a far more powerful force in shaping children's values than abstract discussions of truth and falsity.

Serious accomplished artists are merely a fraction of our population yet their impact involves literally millions. One consequence of this mass impact is the opportunity for vast numbers of people to share concurrently in the ideas and emotions contained in artistic creations. In this phenomenon we have a form of public dialog at an unprecedented scale on complex but vital moral, spiritual, and esthetic issues.

If this brief and fragmented list is even partially valid it confirms my belief in the aptness of establishing a position to symbolize and enshrine artistic excellence. The choice of the first incumbent, Robert Penn Warren, is especially appropriate.

His record of excellence as poet, novelist, essayist, and critic is awesome. But equally impressive are certain qualities of the man and his work. To that special forum of public discussion which is modern literature, Mr. Warren has contributed abundantly and significantly. As simultaneous critic and observer he has reminded us of our own roots with vivid evocations of the virtues of our agrarian past. In two of his best novels, "At Heaven's Gate" (1943) and "All the King's Men" (1946), he incisively examines the dark side of public life-corruption, demogoguery, and the abuse of power. His own personal response to the appointment exemplifies the independence of thought and expression cherished in our society and demonstrated by the roles of the artist in it. He rejects the historic regal trappings of the position and even denies its value as an encouragement to aspiring yound artists. In short, his appointment confirms the assertion of Mr. Warran;'s wife that in creating this position, contrary to British tradition, the Government honors the artist.

WELCOME TO VENTURA COUNTY GULLS

HON. ROBERT J. LAGOMARSINO

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, April 15, 1986

Mr. LAGOMARSINO. Mr. Speaker, on Friday, April 11, 1986, pro baseball returned to Ventura County. The Ventura County Gulls, a class A affiliate of the Toronto Blue Jays, opened their California league regular schedule against the Reno Padres.

This marks the first time in 31 years that Ventura County has had professional baseball and the red carpet has been rolled out for the Gulls. Thanks for bringing this team to Ventura County go to Jim Biby and former ballplayer Ken McMullen.

I urge my colleagues to join me in welcoming the Gulls and wishing them a winning season. Play ball!

IS AID SERIOUS ABOUT PRIVATE SECTOR DEVELOPMENT?

HON. MATTHEW F. McHUGH

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, April 15, 1986

Mr. McHUGH. Mr. Speaker, shortly after the Reagan administration took office in 1981, the Agency for International Development [AID] established a new Bureau for Private Enterprise. Its purpose was to stimulate the private sector within developing countries.

Since the economies of most developing countries are agriculturally based, a top priority for the new Bureau was to stimulate the flow of capital and technology from the private agribusiness sector in the United States to counterparts in developing nations.

One of the first efforts of the Bureau was to fund the Joint Agricultural Consultative Corporation [JACC], a private nonprofit corporation headed by former Agriculture Secretary Orville Freemen. Secretary Freeman had pioneered the JACC effort in Nigeria under a bilateral agreement signed by the United States and Nigerian Governments in 1980.

Under the AID/JACC funding agreement signed in 1982, JACC was asked to expand its efforts beyond Nigeria to several additional countries over the following 3 years. Eventually, the total number of countries covered under the agreement reached 11: Belize, Costa Rica, the Dominican Republic, Honduras, Indonesia, Ivory Coast, Nigeria, Panama, the Philippines, Sri Lanka, and Thailand.

The JACC program has stimulated the creation of broad-based, affiliated agribusiness committees in those countries. In addition, professionally staffed offices have been established in eight of them, with funding provided almost entirely from local resources. Here in the United States, the JACC has created individual country committees, consisting of 65 U.S. agribusiness companies having an investment interest in these 11 countries.

Over the course of the last 3 years, the JACC, in cooperation with its overseas affiliates, has provided help for hundreds of private agribusiness firms in those countries, linking them with private companies in the United States. More than 30 joint ventures have already been formed, valued at over $140 million, with several hundred million dollars worth of projects still in the pipline. Total cost to the U.S. Government: $1.5 million over the entire 3 years.

Despite this phenomenal success story, AID suddenly decided late in 1985 to terminate funding for JACC. This decision was apparently made by the Bureau's new Assistant Administrator, Ms. Neal Peden, in spite of a commitment in May, 1985, to continue funding for at least another 3 years and in spite of a recommendation for continued funding from the President's Task Force on International Private Enterprise.

Opposition to the decision to terminate funding was immediate, both overseas and in the United States. Among those opposing the decision were our Ambassadors to Nigeria and the Ivory Coast. As a result, Ms. Peden agreed to take another look. She commissioned three private contracting firms to visit overseas JACC affiliate offices, committees and companies. All of the reports she received from these contractors were apparently positive toward the JACC program. Yet, no new funding agreement has been reached.

Mr. Speaker, I am including an editorial about the JACC program at the conclusion of my remarks. It states the case for continuing the JACC very well.

It is my hope that AID will seriously consider continued funding for this worthwhile program, and won't seek to create new mechanisms to perform services that the JACC is already providing. Congress has generously funded the activities of the Private Enterprise Bureau over the years, and this episode raises troubling questions.

In particular, if the Bureau cannot appreciate a success story like this, one has to wonder whether it is up to the task with which it has been charged.

IS AID SERIOUS ABOUT PRIVATE SECTOR DEVELOPMENT?

Since its incorporation as a nonprofit organization in 1982, the Joint Agricultural Consultative Corporation (JACC) has helped to expand the agricultural horizons of developing nations in Africa, Southeast Asia, Central America and the Caribbean. Begun with the help of a grant from the U.S. Agency for International Development, through the Bureau of Private Enterprise, JACC's mission is the establishment of an informational network between private industry's agribusiness firms in the United States and agribusiness entrepreneurs in foreign developing countries. The goal is to provide direct help to foreign agribusiness companies who are looking for U.S. joint venture partners, to provide technical assistance in their development of specific agricultural resources and the transferral of technologies that will expand the agricultural bases of these foreign countries and help them to reduce their dependency on imports, and at the same time, increase their exports.

The lack of agricultural technology systems in developing countries is having the most severe consequences to the citizens of these nations. This lack of technology and support coupled with these countries' fragile economies, makes the development of a strong and viable agricultural base within these countries an arduous task.

In 1985, the citizens of the world witnessed the struggle for life in Ethopia. The ferocity of the drought in Africa made clear the fact that unexpected natural disasters can greatly undermine a nation's ability to provide adequate food for its countrymen. And as the agricultural technologies in these developing countries are at best only rudimentary, under these conditions even the most dedicated and conscientious efforts

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on the part of the citizens of the world to bring relief to those victims of the famine still come too late for many.

Since man first began communicating with signs and symbols, through the development of the spoken and written word, through the stages of agrarian societies and on into the industrial revolution, we now have come to experience the informational revolution. We have the technology, experience and knowledge to prevent starvation, and at the same time, establish strong agricultural bases within developing countries and help them to become economically and nutritionally independent.

We see JACC as an instrument capable of transmitting that information and expertise to developing nations beset by antiquated farming and agricultural techniques. We see JACC's efforts to include private industry in this endeavour as a way for U.S. firms to, at the same time, take advantage of the excellent trade and investment opportunities inherent in this challenge. In its December 2, 1985 newsletter, an update of JACC's activities states that in the past three years, private agribusiness committees have been established in eleven developing nations. In eight of these countries, local affiliate offices and professional staff have been established, funded almost entirely with local funds. This indicates that JACC has been successful in the establishment of long-term foreign investment contracts with these countries while effectively leveraging local funds to help finance these efforts.

In the past three years, JACC has directly assisted the formation of over thirty joint venture enterprises involving U.S. and foreign agribusiness firms, the total estimated value of which exceeds $140 million. Also, as of September 1985, another twenty projects were in the "advanced stages of negotiation," partners had been identified for another thirty projects, and an additional eighty were in the U.S. "search" phase of developmnet. Should all of these ventures make it to the "established enterprise stage," the total project value would exceed one billion U.S. dollars.

Under the chairmanship of former U.S. Secretary of Agriculture Orville L. Freeman, the Joint Agricultural Consultative Corporation has expanded its activities into the countries of Belize, Cameroon, Costa Rica, Dominican Republic, Honduras, Indonesia, Ivory Coast, Nigeria, Panama, Philippines, Sri Lanka and Thailand. JACC has established a Washington, D.C. office, organized U.S. JACC Country Committees, introduced the JACC concept and structure to targeted countries, provided assistance to JACC countries in organizing and financing their in-country JACC committees, offices and staffs, processed requests for joint ventures and technology transfers to JACC targeted countries, sponsored and participated in conferences to promote the socio-economic interests inherent in the mission of JACC, engaged in some limited activities related to the review of foreign government policies affecting private enterprise and direct foreign investment, promoted private source revenues to reduce future financial dependence on AID, and hosted numerous individual office meetings to explain the JACC organization and operating structure.

Through these endeavours, JACC and its private industry members retain the capability to help developing nations meet their increased food and fiber needs and helps bring focus to future development of the infrastructure necessary to store, transport, market and export increase commodity production.

The U.S. Agency for International Development has announced that assessments are being completed on the decision to terminate US JACC/AID funding agreement. Should this funding be terminated, JACC will probably have no other option than to convert the JACC into a "for profit" investor-owned company. Through the years of its operation, JACC has steadfastly held to its original purpose to facilitate the technology transfer process and attract private U.S. investment in developing country agribusiness. JACC represents a number of medium-sized U.S. companies which, without JACC assistance, would probably not be involved in developing country agribusiness projects. JACC committees, set up in key developing countries, have both U.S. and Third World agribusiness participants, who exchange information and pursue joint ventures.

In its December 1984 report to the President of the United States, The President's Task Force on International Private Enterprise stated: "The Joint Agricultural Consultative Corporation (JACC) should receive continued and expanded support from the Agency for International Development." The report goes on to mention that the AID should support organizations and programs that serve as brokers between the U.S. private sector and the Less Developed Countries (LDC) private sector. Many times, because they lack sufficient information about international markets, U.S. firms ignore opportunities to go overseas because of what appears to them unknown, high-risk markets, too undefined and "unattainable" to be worth the effort.

JACC helps to bridge the gap and provide informational services between the U.S. private sector and the LDC private sector. Through its sponsorship of feasibility studies of foreign countries' agricultural potential and in providing assistance to obtain loan capital to finance these enterprises, the JACC helps to ensure the environment the agribusiness community needs in order to negotiate mutually advantageous business agreements.

We at INFOS recognize the accomplishments of JACC and its overseas affiliates and strongly support its mission and goals to sustain and enrich the lives of all residents of this planet. Beyond the differences of race and creed and economic status remains the common need for sustenance. As individual members of the human race, we are bound by a brotherhood of instinct—an instinct to be physically, emotionally and spiritually whole. We must work together to help sustain physical life on this planet. Although we here in the United States are blessed with advanced technology and an abundance of things necessary to enrich our lives, in the spirit of international brotherhood we must, for the future of our planet, see to it that all of our brothers and sisters and their children have at least the basic foods and nutritional elements required to sustain life. The Joint Agricultural Consultative Corporation promotes and encourages world food productivity through private enterprise.

We at INFOS suggest to our readers that they do all in their power to help assure continued funding of the JACC program. The challenge to those of us living in the informational revolution is to experience the freedom and benefits inherent to our ability to share the technologies and information we have with all of our fellow human beings within the global community.

FISHERMEN DESERVE OPPORTUNITY TO COMPETE FAIRLY IN THEIR OWN MARKET

HON. JOHN R. McKERNAN, JR.

OF MAINE

IN THE HOUSE OF REPRESENTATIVES

Tuesday, April 15, 1986

Mr. McKERNAN. Mr. Speaker, on March 14, 1986, the International Trade Administration in the Department of Commerce announced that it had determined that imports of fresh Atlantic groundfish from Canada were being subsidized. The ITA noted that a total of 55 programs administered by the Canadian Federal Government and the provinces of Nova Scotia, New Brunswick, Prince Edward Island, Newfoundland, and Quebec provided subsidies to the Canadian fresh fish industry. Unfortunately, however, the Department of Commerce did not consider all programs—particularly the off-season payments made directly to unemployed fishermen by the Canadian Government—to constitute a countervailable subsidy.

In its determination, the Department of Commerce did not dispute the fact that the unemployment compensation provided to Canada's self-employed fishermen is governed by a special statutory provision and directed at a specific type of industry. The Department stated, however, that fishermen who received unemployment insurance through this program did not receive benefits on more preferential terms than those who received benefits under other Canadian unemployment programs.

One key criterion that can be used to establish whether or not preferential treatment has been afforded is the ratio of benefits provided to premiums paid. It has been clearly established by the North Atlantic Fisheries Task Force, in their petition on behalf of United States fishermen, that the level of benefits paid by the Canadian Government to the premiums paid by Canadian fishermen is at least 12 to 1. Such a ratio is, in my view, substantially disproportionate and, I believe, prima facie evidence of the type of subsidy that has contributed to the injury of U.S. fishermen.

I have introduced legislation today which clarifies the definition of subsidy to include unemployment insurance programs if the benefit recipient is allowed to draw a substantially disproportionate amount of benefits relative to the costs incurred in participating in the program. The purpose of this legislation is to discourage foreign countries from providing direct financial assistance to specific industries under the guise of social welfare that function as a direct granting of funds to aid in the manufacture, production or export of any product. This legislation is in response to the Department of Commerce's final determination in its countervailing duty investigation of fresh Atlantic groundfish from Canada. It is my intention, however, that the changes made by this legislation would apply in all investigations where unemployment compensation is an alleged subsidy.

Mr. Speaker, in the existing trading environment, our fishing industry lacks both the market power and the Government support to

stand up to the Canadian industry. I believe, however, that given the chance to compete fairly, our fishing industry can hold its own. Our fishermen have proven their case—they deseve an opportunity to compete fairly in their own market, and I urge my colleagues to support me in this effort to provide the tools necessary to bring about a sense of equity.

CONGRATULATIONS TO COACH JODY CONRADT AND THE UNIVERSITY OF TEXAS WOMEN'S BASKETBALL TEAM, AND COACH RICHARD QUICK AND THE TEXAS WOMEN'S SWIM TEAM, NCAA NATIONAL CHAMPIONS

HON. J.J. PICKLE

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, April 15, 1986

Mr. PICKLE. Mr. Speaker, if you had been in Austin, TX, last week, you could not have failed to notice the University of Texas tower which was lit twice to honor University of Texas national championships in women's basketball and swmming.

The University of Texas Lady Longhorns' basketball team who won their first national basketball championship by defeating the University of Southern California, 97-81..

The University of Texas women's swim team also won the national championship, their third in 3 years, by outpointing the University of Florida, 633-588, in Fayetteville.

Our hats are off to both teams for their accomplishments.

The Lady Longhorns are, without a doubt, one of the most powerful and one of the winningest basketball teams in the history of women's college basketball. They were ranked No. 1 in the country the entire year and compiled a remarkable 34-0 undefeated season. They may very well be the best women's basketball team ever assembled.

The Lady Longhorns' victory was especially sweet for the seniors of the team who had been to the playoffs before but had come up short. Over the last 4 years, the Lady Longhorns have had one of the winningest programs in the country, but the seniors on the team saved their best for last—a national championship. What a way to top off their collegiate careers.

And we can't help but share Coach Conradt's enthusiasm for the performance of the Lady Longhorns that came off the bench to help seal the victory. Indeed, if Coach Conradt is right, and I'm taking her at her word, that it doesn't matter who starts on this team, then I'm planning to be standing in the well of the House this time next year complimenting them on their second national championship.

And what about the Texas Women's Swim Team? This is the third national title for the women's swim team in 3 years and most of our swimmers from this year's team will be returning, so I may very well find myself back here next year congratulating them on their fourth national championship.

Coach Richard Quick, who, I might add, is the 1988 Olympic swimming coach, has put together one of the strongest swimming programs in the country. I think this bodes well for our 1988 Olympic Swim Team, which I assume will be represented by Texas swimmers.

This particular championship was a total team effort as evidenced by the fact that the Texas team only won four of the 22 total events, yet still managed to win the championship. Teamwork and team depth were the key.

To Coach Conradt and the Lady Longhorns, and to Coach Richard Quick and the Texas Women's Swim Team, I simply want to say, well done, you make us proud, and "Hook Em Horns!"

SALUTE TO THE COPE-O'BRIEN CENTER

HON. CARL D. PURSELL

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Tuesday, April 15, 1986

Mr. PURSELL. Mr. Speaker, I rise today to pay tribute to a center dedicated to helping youths in need.

The Washtenaw County O'Brien Center for Youth Development/Center for Occupational and Personalized Education, Inc.—referred to as the COPE-O'Brien Center—is celebrating its 15th anniversary.

Founded in March 1971, the COPE-O'Brien Center has been instrumental in offering essential individualized therapeutic and alternative educational services for behaviorally troubled and needy adolescents aged 13 to 21, living in Michigan's Washtenaw County.

The COPE-O'Brien Center works with one philosophy: that, given the opportunity to receive critical skill training and specialized treatment with regard to both vocation and education, the quality of these young people's lives and their chances for becoming productive and responsible adults will improve significantly.

Annually, more than 200 youths are served at the center. Totally, some 2,500 have benefited from its services during the last 15 years. The center has been considered a valuable asset to the community and has been given consistent public funding support at the local, State, and Federal level.

COPE-O'Brien Center represents a unique resource sharing model which integrates a public/private partnership in the delivery of youth services, and has been recognized as a model youth service program by the Michigan Department of Social Services, and the National Council of Juvenile and Family Court Judges.

I think it only fitting, Mr. Speaker, that I ask my colleagues to join with me in saluting the COPE-O'Brien Center for its outstanding work and wish them another 15 years of success.

A TAX POLICY FOR TODAY AND THE FUTURE—HOW TO SAVE TAX REFORM

HON. RICHARD T. SCHULZE

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, April 15, 1986

Mr. SCHULZE. Mr. Speaker, today, April 15, is a day that is foremost in the minds of American taxpayers. This April 15, taxpayers again face filing Federal tax returns after months of work and confusion. Congress also faces confusion in sorting out months of work on reforming our Internal Revenue Code. Unfortunately, it has become apparent that proposals under consideration fail to address the role of tax policy in competing in our world economy. It is for this reason I am introducing legislation to address the ills of current tax reform proposals before Congress. Legislation to enact a strong and broad-based business alternative minimum tax or BAMT.

The BAMT would more nearly harmonize our tax system with those of our major trading partners, would help to level the playing field with foreign competition, and it would ensure that corporations which currently pay little or no income tax would pay a substantial amount of tax. Most importantly, the BAMT would pay for a capital formation system nearly as generous as current law and would replace either the current minimum tax or the onerous and loophole-filled minimum tax proposals under consideration by Congress.

Currently, our major trading partners utilize value-added taxes to raise the majority of their revenues. These VAT's tax imported goods raising substantial revenues from American exports. This is one more example of our Nations inability to utilize our Tax Code to level the playing field with our foreign competition. Japan is now considering implementing a VAT to enhance their trading position. The time has come for America to move toward harmonizing our tax system with our trading partners and the business alternative minimum tax does just that.

Let me emphasize that the BAMT is not a VAT. It acts as an alternative minimum tax to the Federal income tax and places a 7-percent tax on the net business receipts of trade or business. The BAMT also taxes all imports and exempts all exports as is allowed under the General Agreement on Tariffs and Trade [GATT]. Credits are allowed against the Federal income tax, FICA liability, and the BAMT also includes a small business exemption of $10 million to avoid hindering new business growth. The BAMT is not an add-on tax easily increased as a VAT could be; it is instead an alternative tax and includes specific language limiting any increase to a ratio directly corresponding with the income tax. In addition, a two-thirds vote by both Houses of Congress is needed to increase the rate. As an alternative tax, the BAMT is not a regressive tax as a VAT would be.

Finally, the BAMT raises $205 billion over five years, 68 percent from imports, and would pay for a tax reform bill American business could live with. Doesn't it make sense that we subsidize our economy with revenues from our

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trading partners as they do from us? I urge my colleagues in the Congress to join me in addressing both a short-term goal of keeping our Nation's economy healthy and a long-term goal of implementing a tax policy to harmonize our system for competing effectively and efficiently in our future world economy. The BAMT generates the revenue necessary to lower tax rates for all Americans while maintaining a strong economy and a more equitable playing field in the international trade arena.

PROTECT SATELLITE DISH OWNERS

HON. BILL SCHUETTE

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Tuesday, April 15, 1986

Mr. SCHUETTE. Mr. Speaker, H.R. 3989 has rightly been called the Rural Satellite Dish Owners Protection Act. Many of the satellite dish owners throughout our country, and especially in Michigan's 10th District which I represent, live in rural areas where Earth-based satellite technology brings them a variety of television programming that would not otherwise be available to them.

The cable TV industry has legitimate concerns over the effects of satellite dish use for its business. But what they have proposed to do about this puts unfair penalties on satellite dish owners. The cable programmers want to scramble their signal—and in some areas they have already begun to do so—before insuring that decoding devices for wisely available and at a reasonable cost. Furthermore, cable programmers have come to no agreement on a uniform method for scrambling their programs, and different scrambling techniques would render one decoder useless for unscrambling other programs. Finally, cable programmers have even considered providing service to dish owners at a higher subscription rate than regular cable subscribers. These solutions that the cable programmers have offered can only be described as punitive against the satellite dish owners.

Mr. Speaker, I have agreed to cosponsor H.R. 3989 because it offers a solution to the conflict between satellite dish owners and cable programmers that is fair to both and punitive toward neither. This legislation permits cable programmers to scramble, but in accordance with uniform standards and after a 30-day moratorium which will allow time for decoders to become more widely available at more reasonable prices. This legislation allows cable programmers to charge satellite owners a subscription fee, but not at a rate that exceeds the fee charged regular cable subscribers.

Mr. Speaker, satellite dish owners are willing to pay their fair share for the programming they now enjoy, and no less. But also, no more. Previously, I have given my support to H.R. 1769 and H.R. 1840, Legislation also designed to achieve an equitable solution to this problem. Rural residents throughout our country, and especially in the district I represent, have turned to us in Congress to help them arrive at a reasonable compromise with cable programmers, one that will allow them to continue to enjoy the programming now available to them. I am committed to achieving such a compromise which is a fair deal for all parties involved in this problem. H.R. 3989 gives us the opportunity to achieve such a compromise, and this is why I urge my colleagues to join me in support of this legislation.

A TRIBUTE TO GORDON CARRINGTON

HON. JOHN G. ROWLAND

OF CONNECTICUT

IN THE HOUSE OF REPRESENTATIVES

Tuesday, April 15, 1986

Mr. ROWLAND of Connecticut. Mr. Speaker, I would like to take this opportunity to mark the passing of one of my district's finest citizens, Gordon Carrington of Bethany.

Gordon has spent his life trying to make his hometown of Bethany a better place for all of its citizens. He was born in Bethany 64 years ago and from the day he became an adult he began a career of public service, becoming town assessor. For 6 years he served on the board of assessors and later served on the town's first zoning board. On July 23, 1963, Gordon became first selectman of Bethany, a post his neighbors reelected him to in every election since. At the time of his untimely death Gordon had served as first selectman for 22 years—longer than any other first selectman in Connecticut.

Gordon Carrington's service to the community of Bethany was not restricted to political service. He was both a successful farmer and businessman, as co-owner of the Cherry Tree Farm and owner of an Agway dealership. He was an active member of the Congregational Church, the Bethany Lions Club, and a number of masonic lodges. Prehaps most important of all, Gordon Carrington was a devoted husband and father.

I am sorry to see Gordon Carrington pass away. He will be greatly missed by all who knew him. We can rest easier in the knowledge that Gordon's accomplishments in making Bethany a better place to live will long outlive him.

TRIBUTE TO FRANKLIN A. POLK

HON. LOUIS STOKES

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Tuesday, April 15, 1986

Mr. STOKES. Mr. Speaker, on May 21, 1986, a distinguished constituent of mine, Franklin A. Polk, will be honored by the Cuyahoga County Bar Association. I would like to bring to the attention of my colleagues the numerous contributions made by the "Grand Old Man" of the Cleveland legal community.

Mr. Speaker, Franklin Polk is a 1939 graduate of Cleveland State University Law School, who has maintained offices as an individual, general practitioner at 5725 Broadway, Cleveland, OH, for 44 years. In 1948, he was elected president of the Cuyahoga County Bar Association. For 39 years, he has chaired its annual Public Servants Merit Awards committee luncheon in which each year five of the county's most deserving court employees are honored. For 35 years he has been an elected delegate to the Ohio State Bar Association House of Delegates. For 12 years, from 1971 to 1983, Mr. Polk represented the Cuyahoga County Bar Association in the American Bar House of Delegates. These years of devoted service, however, have not gone unrecognized. Mr. Polk is the recipient of numerous awards and honors.

Mr. Speaker, in May 1983, Mr. Polk was awarded the Ohio State Bar Association Medal for his exceptional contributions to furthering the administration of justice. In May 1984, he received the American Judicature Society's Herbert J. Harley Award for his lifetime efforts toward improving the functioning of the Nation's legal system.

Mr. Speaker, Mr. Polk has introduced 108 lawyers into the full-time practice of law since 1947. They have memorialized his assistance to them by naming the No. 1 carrel at the Cleveland State University Law School Library after him. Mr. Polk has also served as the National Alumni Association President of John Carroll University, from which he graduated in 1935 after earning an A.B. degree. In 1951, Mr. Polk served as dean of Delta Theta Phi Cleveland Alumni Senate. He has been named as an outstanding alumnus of Cleveland State University Law School, John Carroll University and Delta Theta Phi. In addition, Mr. Polk currently serves on the editorial committee of the Cleveland Bar Association.

Mr. Speaker, Franklin A. Polk has made immeasurable contributions to every bar association, civic organization and fraternal brotherhood he has ever been involved with, and I am extremely honored to join in the salute to him. He has unselfishly served the Cleveland community for more than 40 years, and I join with the Cuyahoga County Bar Association in paying tribute to him.

TRADE TALKS WITH KOREA

HON. DAN MICA

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, April 15, 1986

Mr. MICA. Mr. Speaker, I would like to acknowledge the significance of the talks being held between representatives of the United States and the Republic of Korea, one of our key trading partners. Leaders from business and government in seven Southeastern States will be meeting April 20–22 in Miami Beach with a Korean delegation, headed by Minister of Trade and Industry Jin-Ho Kum, to discuss opportunities for establishing new economic ties between our two regions.

We are proud that Florida is hosting this conference. We believe the whole Southeastern United States is rich in potential for increased exports to Korea.

Korea is a key ally for us in the Pacific. We have a vital security interest in seeing that it maintains a strong economy to support its heavy defense burden. Koreans have the fourth largest international debt among the developed countries.

The backbone of the Korean economy is trade. Already, Korea is the eighth largest purchaser of United States goods. Expanded economic relationships with the United States are key to Korea's continued stability.

We are heartened by Korea's apparent desire to engage in international trade on a good-faith basis. Unlike other countries, Korea is not committed to a program of industrial self-sufficiency. Its leaders seem to recognize that restricting imports could trigger retaliatory trade actions that would devastate its economy.

The current discussions with the Koreans could furnish a blueprint for working with our other trading partners. This approach provides us with an alternative to instituting restrictive, protectionist policies. We stand to gain more from adopting an international trading policy grounded in cooperation rather than confrontation.

CALL TO CONSCIENCE VIGIL FOR SOVIET JEWS

HON. DANTE B. FASCELL

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, April 15, 1986

Mr. FASCELL. Mr. Speaker, I have had the privilege of participating in the Call to Conscience Vigil since it was first organized in 1976. I would like to commend this year's sponsor, our distinguished colleague, Representative TOM KINDNESS, for organizing this ongoing manifestation of congressional support for Soviet Jewry. As always, I am glad to do my part in demonstrating Congress' concern for the plight of the Jewish minority in the U.S.S.R.

I regret, however, Mr. Speaker, that today also marks the 10th year that I have taken the floor to draw our colleagues' attention to the case of Vladimir and Maria Slepak. For a decade now, I have spoken on behalf of the Slepak family of Moscow, a family that has been attempting to emigrate to Israel since 1970. Vladimir and Maria's two sons were allowed to emigrate to Israel in the late 1970's and Maria's mother and sister also live there. Vladimir, a radio and television engineer and member of the Moscow Helsinki Group, and Maria, a physician, spent 5 years in remote Siberian exile for protesting against the Soviet refusal to grant them exit visas. Since December 1982, when they returned to Moscow from exile, the Slepaks have renewed their efforts to be reunited with their children and the grandchildren they have never seen.

Mr. Speaker, earlier this month, I had the honor of meeting Maria and Vladimir Slepak in Moscow. Along with one distinguished colleague, Representative BROOMFIELD, I met with many of the Moscow Jewish community's long-term refuseniks. We told them of the Congress' commitment to their freedom and pledged ourselves to do all that we could to achieve that goal. And, in all our meetings with Soviet officials, including General Secretary Gorbachev, we raised the issue of Jewish emigration and highlighted specific cases. While we received no assurances, we were told that the cases were raised—including, of course, the Slepaks—would be reviewed and decisions reconsidered. I am, therefore, very hopeful that I will not be compelled to take the floor again next year, Mr. Speaker, on behalf of the Slepaks but that they will, after a 16-year-long wait, be reunited with relatives in Israel.

Mr. Speaker, today the 35 nations that signed the Helsinki final act are meeting in Bern, Switzerland, to open the Experts Meeting on Human Contacts. This 6-week-long meeting will cover the issue of family reunification, family visits, travel, and emigration. Specific cases of divided families, such as the Slepaks, will be raised and discussed. Let the Soviet Union use the occasion of the Bern meeting to demonstrate their professed fidelity to the final act with concrete actions and allow the emigration of the Slepak family.

IN HONOR OF JACK WOOD

HON. MEL LEVINE

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, April 15, 1986

Mr. LEVINE of California. Mr. Speaker, I rise today on behalf of Jack Wood who will leave public office in Hermosa Beach on April 15, 1986.

Jack has served on the Hermosa Beach City Council for 4 years and most recently served as mayor. He has been a resident of Hermosa Beach for 16 years.

He was educated at Norwich University where he received his bachelors degree in civil engineering. He earned a masters in business administration from Cal State University in 1975. He has worked as a private consulting engineer in Hermosa Beach and has been active in both the Hermosa Beach Rotary Club and Hermosa Beach Chamber of Commerce.

He served his country in the U.S. Army as a combat engineer during the Vietnam war and was made an officer.

To mark Jack's departure from public office, I ask that my colleagues join me in wishing him the best of luck in all of his future endeavors.

ACTION BY ADMINISTRATION MAY LEAD TO SELLING OF TVA

HON. JIM COOPER

OF TENNESSEE

IN THE HOUSE OF REPRESENTATIVES

Tuesday, April 15, 1986

Mr. COOPER. Mr. Speaker, the administration recently announced their intention to sell the five Federal Power Marketing Administrations (PMAs) to the private sector. I am deeply concerned that this action could eventually lead to the selling of the Tennessee Valley Authority [TVA]. I wish to bring to my colleagues' attention a study which I hope will help inform them as to the impact such a move would have on ratepayers in the Tennessee Valley.

THE RATE IMPACT IMPLICIT IN THE HERITAGE FOUNDATION STUDY OF SELLING THE FIVE FEDERAL POWER MARKETING ADMINISTRATIONS AND THE TVA POWER SYSTEM

The Heritage Foundation study by Senior Policy Analyst Milton Copulos concludes that selling the five PMAs and the TVA power system would:

1. Yield significant long-term benefits to the consumers of PMA- and TVA-generated power through greater efficiency and accountability.

2. Help solve the deficit problem by raising $100 billion—even after all debts from revenue bonds were repaid.

An initial review of the study as it relates to TVA indicates both these conclusions are false. The $62 billion price tag for the TVA power system meets neither the test of financial common sense nor of protecting the public interest. Determining the market value of TVA involves not only complex financial and accounting questions, but fundamental legislative and regulatory uncertainties. There is no way to value TVA's power assets without knowing how the output produced by those assets would be priced, i.e., how rates for a "privatized" TVA would be set. Thus, the amount that the Treasury would realize is problematical at best, and in any event would be a one-shot affair that would not change the basic economic problems caused by the Federal deficit in a beneficial way.

In this paper, we deal primarily with the interrelated issues of whether the sale price for the TVA power system established in the Heritage study makes financial sense and the magnitude of the rate impact on TVA's customers that is implicit in it.

1. The rate impact of the sale of the TVA power system for $62 billion would be cataclysmic:

In order to yield $62 billion to the Government under a typical 60 percent debt and 40 percent equity financing arrangement, annual power system revenue requirements would have to increase by $7.18 billion in order to complete the transaction. (Based on average returns on utility debt and equity.)

An increase in revenue requirements of $7.18 billion would imply a rate increase of 158 percent.

An increase in revenue requirements of that magnitude would increase the monthly residential electric bill for 1,000 kWh from the current level of about $50 to $115.

With average annual residential use in the TVA service area at about 14,418 kWh per year (residential average use in 1984), the annual bill would increase from $720 to $1,645—an increase of $925 for the average residential customer.

This proposal would give the Tennessee Valley the highest electric rates in the Southeast by a large margin (they are now among the lowest). Of the major U.S. cities only New York City would have higher electric rates.

Moreover, as their contracts with TVA expired, TVA's customers would leave the system in order to buy the now much cheaper power available from contiguous utility systems. In turn this would drive up TVA's rates even further as the higher revenue requirements were spread over fewer and fewer ratepayers.

The derivation of this rate impact is shown in table 1. We have used very conservative assumptions as to interest rates and required rates of return. In reality, a substantial "risk premium" would be de-

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manded by the financial markets for the sort of transaction outlined in the study—increasing the impact substantially.

Table 1.—Rate impact if TVA were sold: 60 percent financing by debt, 40 percent by equity

Assumptions:	*Billion*
Sale price of	$62.0
Financed by long-term bonds at 9.5 percent	37.2
New shares earning the average rate of return for the utility industry of 15.6 percent	24.8

Major changes in TVA's revenue requirements

[In billions]

Decreases:	
Long-term interest	$1.55
Repayment to U.S. Treasury	0.12
Increase in retained earnings	0.33
Total decrease	2.00
Increases:	
Interest on new debt	3.53
Return on equity	3.87
Increase in depreciation	1.78
Total increase	9.18
Net change	7.18
Current revenue payments	4.55
Percent increase	158

2. The structure of the sale as proposed in the Heritage Foundation study is all equity financing scheduled in two phases: an initial offering of 51 percent of the value of the agency's assets with the Government retaining a 49 percent share to be sold at a later date.

This arrangement would increase the revenue requirements and rate impact substantially above the 158 percent increase implicit in the 60 percent debt and 40 percent equity arrangement described previously.

The net increase in revenue requirements that would follow the initial 51 percent offering would be $4.71 billion, approximately a 104 percent increase. This assumes, of course, that the Government would be willing to forego any dividends on its 49 percent equity.

This would raise the current monthly residential bill of about $50 for 1,000 kWh to about $95.

As the second phase of the proposed offering went into effect, revenue requirements would increase another $4.74 billion. This also assumes that the first issue maintained its initial value, keeping in mind that in order for the shares in the first issue to retain their value, rates would have had to more than double, and that TVA's customers would not have left the system to obtain cheaper power elsewhere.

The combined impact for the two phases of the sale as proposed by the Heritage Foundation would be to raise revenue requirements by $9.45 billion, leading to a 208 percent increase.

Translating this into a increase in the average annual residential bill means the current $720 per year would almost triple to about $1,950 per year.

(The derviation of the rate impact is shown in table 2.)

Table 2.—Revenue requirement impact of TVA sale: Heritage Foundation plan

Assumptions:	*Billions*
Sale price	$62
Financed in two stages by new shares earning the average rate of return in utility industry of 15.6 percent	

Major Changes in TVA's Revenue Requirements

[In billions]

PHASE I:	
Decreases:	
Long-term interest	$1.55
Repayment to Treasury	0.12
Increase in retained earnings	0.33
Phase I decreases	2.00
Increases:	
Return on equity (51 percent of $62 billion at 15.6 percent)	$4.93
Increase in depreciation	1.78
Phase I increases	6.71
Net increase Phase I	4.71
Current revenue requirement	4.55
Percent change	104
PHASE II:	
Total decrease Phases I and II	2.00
Return on equity (49 percent of $62 billion at 15.6 percent)	4.74
Total increase Phases I and II	11.45
Net increase Phases I and II	9.45
Current revenue requirements	4.55
Percent change	208

3. Aside from the rate implications, the sheer magnitude of the proposed stock offering is so much larger than any previous sale that it makes any prediction of its yield an exercise in conjecture.

The largest previous stock offering was British Telecom in 1984—about $6 billion, but this offering was spread through Europe and Japan as well as the United States.

The largest stock offering made in the U.S. was a $1.17 billion sale of AT&T shares in 1983.

The proposed sale would also yield a very significant fee for the investment bankers underwriting the sale. Assuming a typical fee spread of 1 percent of the face value of the debt and 5 percent of the aggregate proceeds for stock offerings:

The 60/40 "buy out" would yield underwriters fees of $1.6 billion.

The all equity approach advocated by the Heritage Foundation would result in underwriting fees of $3.1 billion.

To put this in perspective, under the Heritage Foundation plan the fees paid to the bankers handling the transaction would exceed the Federal Government's current equity investment in the TVA power system.

The Heritage Foundation also recommends that the proceeds from the proposed sale of Bonneville Power Administration (BPA) be used to pay off the bonds issued to build units four and five of the Washington Public Power Supply System (WPPSS). BPA did not guarantee the bonds issued to build those units, and recent litigation has established BPA has no liability for them. Thus, the arrangement proposed in the study would amount to a very substantial Federal subsidy to the WPPSS bondholders.

Numbers and rate impacts of this magnitude may seem unrealistically large—and in our opinion clearly they are—however, they are also logically implicit in the study's claim that TVA could be sold for $62 million.

Another way to say the same thing is, that in order for rational investors to be willing to pay $62 billion for TVA, they would have to be assured that whoever would have the authority to set rates in the event of such a sale would be willing and able to triple the rates paid by TVA's customers.

Thus it appears that the Heritage Foundation's basic conclusions fail rather badly a basic test of financial and political reductio ad absurdum.

HOUSE OF REPRESENTATIVES—*Wednesday, April 16, 1986*

The House met at 10 a.m.

The Chaplain, Rev. James David Ford, D.D., offered the following prayer:

As we anticipate the opportunities and responsibilities of each new day we pray, gracious God, that Your spirit would illumine our minds to see the truth that makes us free, touch our souls so we will be aware of the needs of all Your creation, make us receptive to the demands of justice and mercy that we may know that peace that passes all human understanding and gives hope and purpose to our lives. Amen.

THE JOURNAL

The SPEAKER. The Chair has examined the Journal of the last day's proceedings and announces to the House his approval thereof.

Pursuant to clause 1, rule I, the Journal stands approved.

Mr. SCHUETTE. Mr. Speaker, pursuant to clause 1, rule I, I demand a vote on agreeing to the Speaker's approval of the Journal.

The SPEAKER. The question is on the Chair's approval of the Journal.

The question was taken; and the Speaker announced that the ayes appeared to have it.

Mr. SCHUETTE. Mr. Speaker, I object to the vote on the ground that a quorum is not present and make the point of order that a quorum is not present.

The SPEAKER. Evidently a quorum is not present.

The Sergeant at Arms will notify absent Members.

The vote was taken by electronic device, and there were—yeas 244, nays 134, answered "present" 5, not voting 50, as follows:

[Roll No. 80]

YEAS—244

Ackerman
Akaka
Alexander
Anderson
Andrews
Annunzio
Anthony
Applegate
Archer
Aspin
AuCoin
Barnard
Barnes
Bateman
Bates
Bedell
Bellenson
Bennett
Berman
Bevill
Boggs
Boland
Boner (TN)
Bonior (MI)
Bonker
Borski
Bosco
Boucher
Boxer
Breaux
Brooks
Broomfield
Brown (CA)
Bruce
Bryant
Burton (CA)
Bustamante
Byron
Callahan
Carper
Carr
Chappell
Coelho
Coleman (TX)
Collins
Combest
Conte
Cooper
Coyne
Crockett
Daniel
Darden
Daschle
Davis
Dicks
Donnelly
Dorgan (ND)
Dowdy
Downey
Dwyer
Dymally
Dyson
Early
Eckart (OH)
Eckert (NY)
Edwards (CA)
English
Erdreich
Evans (IL)
Fascell
Feighan
Fish
Flippo
Florio
Foglietta
Ford (TN)
Fowler
Frank
Frost
Fuqua
Garcia
Gejdenson
Gephardt
Gilman
Glickman
Gonzalez
Gordon
Gradison
Gray (IL)
Gray (PA)
Green
Hall (OH)
Hall, Ralph
Hamilton
Hartnett
Hayes
Hefner
Hertel
Hillis
Holt
Horton
Howard
Hoyer
Hubbard
Huckaby
Hughes
Hutto
Hyde
Jeffords
Jenkins
Johnson
Jones (NC)
Jones (OK)
Jones (TN)
Kanjorski
Kasich
Kastenmeier
Kennelly
Kildee
Kleczka
Kolter
Kostmayer
LaFalce
Lantos
Lehman (CA)
Lehman (FL)
Levin (MI)
Levine (CA)
Lipinski
Long
Luken
Lundine
MacKay
Manton
Markey
Martinez
Matsui
Mavroules
Mazzoli
McCloskey
McCollum
McCurdy
McDade
McHugh
McKinney
Mica
Miller (WA)
Mineta
Moakley
Mollohan
Montgomery
Moody
Moore
Morrison (CT)
Morrison (WA)
Mrazek
Murphy
Murtha
Myers
Natcher
Neal
Nelson
Nowak
Oakar
Oberstar
Obey
Olin
Ortiz
Owens
Packard
Panetta
Pease
Pepper
Perkins
Petri
Pickle
Price
Pursell
Rahall
Rangel
Ray
Regula
Reid
Richardson
Ritter
Robinson
Roe
Rose
Rowland (CT)
Rowland (GA)
Roybal
Rudd
Russo
Sabo
Schneider
Schulze
Schumer
Seiberling
Sharp
Shelby
Shumway
Sisisky
Slattery
Smith (IA)
Smith (NE)
Snyder
Solarz
Spratt
St Germain
Staggers
Stallings
Stokes
Stratton
Studds
Swift
Synar
Tauzin
Taylor
Thomas (GA)
Torres
Torricelli
Traficant
Traxler
Udall
Valentine
Vento
Visclosky
Volkmer
Walgren
Waxman
Weaver
Weiss
Wheat
Whitley
Whitten
Wilson
Wirth
Wolpe
Wright
Wyden
Wylie
Yates
Yatron
Young (MO)

NAYS—134

Armey
Badham
Bartlett
Barton
Bentley
Bereuter
Bilirakis
Bliley
Boehlert
Boulter
Brown (CO)
Burton (IN)
Carney
Chandler
Chappie
Clay
Clinger
Coats
Cobey
Coble
Coleman (MO)
Coughlin
Courter
Craig
Crane
Dannemeyer
Daub
DeLay
DeWine
Dickinson
DioGuardi
Dornan (CA)
Dreier
Duncan
Durbin
Edwards (OK)
Emerson
Evans (IA)
Fawell
Fiedler
Fields
Franklin
Gekas
Gingrich
Goodling
Gregg
Gunderson
Hammerschmidt
Hansen
Hawkins
Hendon
Henry
Hiler
Hopkins
Hunter
Ireland
Jacobs
Kindness
Kolbe
Kramer
Lagomarsino
Latta
Leach (IA)
Lent
Lewis (CA)
Lightfoot
Livingston
Lloyd
Loeffler
Lott
Lowry (WA)
Lungren
Mack
Madigan
Martin (IL)
Martin (NY)
McCain
McCandless
McGrath
McKernan
McMillan
Meyers
Miller (OH)
Molinari
Monson
Moorhead
Nielson
Oxley
Parris
Pashayan
Penny
Porter
Quillen
Ridge
Roberts
Roemer
Rogers
Roth
Roukema
Saxton
Schaefer
Schroeder
Schuette
Shaw
Shuster
Sikorski
Siljander
Skeen
Slaughter
Smith, Denny (OR)
Smith, Robert (NH)
Smith, Robert (OR)
Snowe
Solomon
Spence
Stangeland
Stenholm
Strang
Stump
Sundquist
Swindall
Tauke
Thomas (CA)
Vander Jagt
Vucanovich
Walker
Weber
Whitehurst
Whittaker
Wolf
Wortley
Young (AK)
Young (FL)
Zschau

ANSWERED "PRESENT"—5

Gibbons
Hatcher
Heftel
Rostenkowski
Watkins

NOT VOTING—50

Atkins
Biaggi
Broyhill
Campbell
Chapman
Cheney
Conyers
de la Garza
Dellums
Derrick
Dingell
Dixon
Edgar
Fazio
Foley
Ford (MI)
Frenzel
Gallo
Gaydos
Grotberg
Guarini
Kaptur
Kemp
Leath (TX)
Leland
Lewis (FL)
Lowery (CA)
Lujan
Marlenee
McEwen
Michel
Mikulski
Miller (CA)
Mitchell
Nichols
O'Brien
Rinaldo
Rodino
Savage
Scheuer
Sensenbrenner
Skelton
Smith (FL)
Smith (NJ)
Stark
Sweeney
Tallon
Towns
Williams
Wise

☐ 1010

So the Journal was approved.

The result of the vote was announced as above recorded.

ANNOUNCEMENT BY THE SPEAKER

The SPEAKER. The Chair will announce that he will not recognize Members for 1-minute speeches before legislative business today.

GENERAL LEAVE

Mr. BOLAND. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks on the joint resolution relating to Central America pursuant to the International Security and Development Cooperation Act of 1985.

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

☐ This symbol represents the time of day during the House proceedings, e.g., ☐ 1407 is 2:07 p.m.

Matter set in this typeface indicates words inserted or appended, rather than spoken, by a Member of the House on the floor.

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URGENT SUPPLEMENTAL APPROPRIATIONS, FISCAL YEAR 1986, AND JOINT RESOLUTION RELATING TO CENTRAL AMERICA

The **SPEAKER**. Pursuant to House Resolution 415 and rule XXIII, the Chair declares the House in the Committee of the Whole House on the State of the Union for the consideration of the joint resolution——

POINT OF ORDER

Mr. **LOTT**. Mr. Speaker, I rise to a point of order against consideration of the joint resolution, and ask to be heard on the point of order.

The **SPEAKER**. The Chair will hear the gentleman.

Mr. **LOTT**. Mr. Speaker, House Resolution 415 just adopted, or adopted last night, provides for consideration of, and I quote:

> A joint resolution relating to Central America pursuant to the International Security and Development Cooperation Act of 1985 only containing the text of S.J. Res. 283.

Under section 722(s) of the International Security Act, the subsection headed "House Procedures," it is stated that the provisions apply during the 99th Congress to the consideration of a joint resolution with respect to the request submitted by the President pursuant to subsection (p), and the subsection goes on, I quote:

> For purposes of this subsection, the term joint resolution means only a joint resolution introduced within 3 legislative days after the Congress receives the request submitted by the President pursuant to subsection (p).

□ 1025

Mr. Speaker, under the terms of the rule and the International Security Act, only one pending joint resolution qualifies for consideration at this time, and that is Senate Joint Resolution 283 now pending at the Speaker's table since only it was introduced within 3 legislative days of the President's request and only it also contains the text of Senate Joint Resolution 283.

The House joint resolution the Speaker is attempting to bring up is not eligible under the terms of the rule or the International Security Act because it is not a legitimate joint resolution pursuant to that act; that is, it was not introduced within 3 days of the President's request.

I therefore urge that my point of order be sustained, Mr. Speaker, and that the Chair then resolve the House into the Committee of the Whole for the consideration of Senate Joint Resolution 283, which is the only joint resolution eligible for consideration under the terms of the rule and the International Security Act.

The **SPEAKER**. Does the gentleman from Texas [Mr. Frost] desire to be heard on the point of order?

Mr. **FROST**. Mr. Speaker, could the gentleman from Mississippi [Mr. Lott] very concisely restate his point of order? I do not think many people in the House heard it, and if he could very precisely state what his objection is.

Mr. **LOTT**. Mr. Speaker, under the rule and also under the International Security Act, the only thing that is eligible for consideration is Senate Joint Resolution 283, because it was the only one that was introduced within 3 legislative days of the President's request.

The House joint resolution that is attempting to be brought up at this time is not eligible under that rule or the terms of the International Security Act.

Mr. Speaker, in furtherance of that point of order, I would like to make some additional comments.

Mr. Speaker, a review of the Rules Committee transcript on the motion to report the rule reveals that there was no discussion as to intent or interpretation of the phrase, "a joint resolution relating to Central America pursuant to the International Security and Development Cooperation Act of 1985." Nor was there any elucidation on this phrase in yesterday's debate on the rule. Whatever discussions as to intentions or interpretations which may have taken place behind the closed doors of the committee caucus or in the Speaker's Office are irrelevant to the public record on which any determination as to intent must be based. But, I would point out that one need not look beyond the language of the rule itself if it is clear on its face what it means, since that is the first tenet of statutory construction—the so-called plain meaning rule. And nothing could be plainer than the words "pursuant to" and act which permits "only a joint resolution introduced within 3 legislative days of the President's request."

That is the key phrase, Mr. Speaker.

Mr. **FROST**. Mr. Speaker, of course we dealt with this matter several weeks ago, under the statute as the gentleman from Mississippi [Mr. Lott] is aware. This is an entirely different question; it is a part of a supplemental piece of appropriation pending before this House, and this matter was dealt with, the procedures were complied with, when this matter was dealt with the first time.

Mr. **LOTT**. If I can be heard further on that point, Mr. Speaker, that was a House joint resolution. Our understanding all along was that the gentleman from Illinois [Mr. Michel] would be allowed to offer a House joint resolution which incorporated the Senate-passed language, perhaps with some modifications; but that was not what happened when the rule came out and we voted on the rule.

So, Mr. Speaker, I persist in my point of order that the House joint resolution that is attempting to be brought up at this time is not eligible, under the rule or the act.

PARLIAMENTARY INQUIRIES

Mr. **MICHEL**. Mr. Speaker, I have a parliamentary inquiry.

The **SPEAKER**. The gentleman will state it.

Mr. **MICHEL**. Enlarging upon the gentleman's inquiry, and if the Chair is constrained to overrule the gentleman's point of order, then I would also make the parliamentary inquiry: What is the base from which we are operating?

It is not my resolution; it was not referred to any committee; I do not know that there has been any effort here to discharge a committee from consideration of the base resolution; where did it come from? What is the mechanism by which we consider this base resolution?

The **SPEAKER**. The Chair will respond that the gentleman from Mississippi was really reading the title of the House joint resolution made in order by House Resolution 415; it is that title that refers to the International Security Act.

The House is not operating under that statute, and that statute does acknowledge that the House has the constitutional right to change the procedure at any time under its rulemaking authority. The Committee on Rules and the House have changed the procedure; so the House is not acting under the procedures outlined in the law cited in the title, but under the rule.

As far as the gentleman from Illinois' [Mr. Michel] is concerned, there is a joint resolution just numbered by the Clerk, House Joint Resolution 601, and the House rule adopted yesterday makes it in order to consider that resolution, and not Senate Joint Resolution 283.

So the point of order is not well taken.

Mr. **MICHEL**. Mr. Speaker, a further parliamentary inquiry. Might I inquire as to who introduced that measure you just made reference to? House Joint Resolution 601.

The **SPEAKER**. The Chair will state that it was made in order by the rule.

Mr. **MICHEL**. With no author?

The **SPEAKER**. It does not have to have an author; it was made in order by the rule.

Mr. **MICHEL**. Well, that is something unique around here. They are now falling from the sky.

The **SPEAKER**. The Chair appoints the gentleman from North Carolina [Mr. Whitley] to preside over the Committee of the Whole.

□ 1031

IN THE COMMITTEE OF THE WHOLE

Accordingly the House resolved itself into the Committee of the Whole House on the State of the Union for the consideration of the joint resolution (H.J. Res. 601) relating to Central America pursuant to the International Security and Development Cooperation Act of 1985, with Mr. Whitley in the chair.

The Clerk read the title of the joint resolution.

The **CHAIRMAN**. Under the rule, the first reading of the joint resolution is dispensed with.

Pursuant to the rule, the gentleman from Illinois [Mr. Michel] will be recognized for 1 hour and the gentleman from Massachusetts [Mr. Boland] will be recognized for 1 hour.

The Chair recognizes the gentleman from Illinois [Mr. Michel].

Mr. **MICHEL**. Mr. Chairman, as we begin this debate again, a very quick review of what the rule adopted yesterday by the very narrow margin of four votes provides is, 2 hours of general debate here on this base resolution after which there will be 2 hours of debate on the so-called Hamilton-Barnes substitute to the base resolution; after which there are 2 hours of debate on the McCurdy substitute or amendment; and then finally 2 hours on the amendment introduced by Mr. Mrazek.

The procedure is that if perchance the Hamilton-Barnes substitute should prevail, my understanding is then it washes out the other two substitutes; but in any event, there would be 30 minutes of debate prior to a final resolution of this issue before we would engage in debating more specifically the supplemental appropriation bill.

Mr. BROOMFIELD. Mr. Chairman, the foreign policy objectives of the United States in Nicaragua are clear. The plan of the President, already approved by the other body, can achieve those objectives. The plans represented by the Hamilton, McCurdy, and Mrazek amendments cannot.

The President has stated American objectives clearly and consistently for several years. Those objectives are to convince the Sandinista regime in Nicaragua to:

End Nicaraguan military and security ties to Cuba, the Soviet Union and other Warsaw Pact countries;

Reduce Nicaraguan military and security forces to a level consistent with Nicaraguan defensive needs;

End Nicaraguan support for subversion and terrorism directed at other countries;

End internal repression of the Nicaraguan people;

Begin good faith diplomatic negotiations in the Contadora process;

Begin the process of national reconciliation by church-mediated dialog with the opposition; and

Observe basic human rights and fundamental freedoms, including the right of free election of democratic government.

The President's plan is designed to achieve these objectives through diplomacy coupled with effective support to the Nicaraguan democratic resistance. The support for the resistance will give the Sandinistas the incentive to negotiate in good faith with neighboring countries and the internal opposition.

The Hamilton amendment plan will not achieve U.S. foreign policy objectives. All the Hamilton amendment does is turn an effective resistance into refugees dependent on handouts. It does not give the Sandinistas a reason to negotiate. Why should the Sandinistas negotiate if the Hamilton amendment hands them on a silver platter victory over the resistance?

The McCurdy amendment also will not achieve U.S. foreign policy objectives. All the McCurdy amendment does is stall any possibility of progress through the end of July. The McCurdy amendment does not give the Sandinistas a reason to negotiate. It simply states that if the Sandinistas don't negotiate in good faith out of the goodness of their hearts by the end of July, then maybe the Congress might then decide that we ought to give them a reason to negotiate by providing effective support for the resistance. The time to give the Sandinistas a reason to start negotiating is now. We have let them coast along with impunity long enough.

The Mrazek amendment would gut both the President's plan and the ineffective McCurdy amendment plan. It would be foolish to spend money to support the resistance, but then provide that U.S. personnel cannot be involved in making sure that the money is effectively spent.

Only the President's plan can do the job. The Hamilton, McCurdy, and Mrazek amendments cannot do the job and I urge my colleagues to vote against those amendments.

The letter from the Secretary of State follows:

THE SECRETARY OF STATE,
Washington, DC, April 16, 1986.

Hon. WILLIAM BROOMFIELD,
House of Representatives,
Washington, DC.

DEAR BILL: The McCurdy Amendment to be considered by the House on April 16 again raises the question of our policy on further bilateral negotiations with the Sandinistas. This amendment would require bilateral discussions between the United States and the Government of Nicaragua without requiring the latter to begin negotiations with the Nicaraguan opposition. I would like to review the history of our policy with regard to talks with the Sandinistas and why U.S./Nicaraguan bilaterals by themselves will not contribute to a peaceful settlement in Central America.

During nine rounds of bilateral negotiations in 1984, the Sandinistas rejected our offer of bilateral assurances in exchange for a workable Contadora agreement. By the ninth round, in December 1984, the Sandinista position was very clear: they were using the Manzanillo talks with us as an excuse to refuse to conduct any substantive negotiations with the other countries of Central America. In addition, the Sandinistas sought to create distrust of the United States by telling the Central American democracies that the U.S. was "making a deal" behind their backs. Since December 1984, the Sandinistas have grown increasingly obstructive in the multilateral Contadora talks while making renewal of bilateral talks with the U.S. a priority objective.

The United States remains willing to resume bilateral talks in support of a comprehensive regional agreement, including democratic internal reconciliation within Nicaragua. However, in view of past Sandinista intransigence and duplicity, we have insisted that the Sandinistas demonstrate serious intent by initiating a credible dialogue, accompanied by a ceasefire and restoration of civil liberties, with *all* elements of their opposition. Our objective is not talks which lead to "power sharing," but rather a sincere effort toward democratization.

In support of this goal, we have made a number of forthright proposals. In April 1985, the President endorsed an offer by the Nicaraguan democratic resistance, in which they proposed a ceasefire and a Church-mediated dialogue with the Sandinistas. In February 1986, we offered to have the U.S. begin bilateral talks simultaneously with the initiation of an internal dialogue by the Sandinistas with their opposition. On March 5, 1986, President Duarte added an offer to begin serious talks with the Salvadoran guerrillas, simultaneously with a Sandinista dialogue with the Nicaraguan democratic resistance.

The Nicaraguan resistance has been willing to talk; the Nicaraguan Council of Bishops has offered to mediate. The Presidents of Guatemala and Honduras, the President-elect of Costa Rica, and the United States Government all endorse President Duarte's proposal. The Sandinistas have adamantly rejected all these offers and have obstructed further Contadora meetings. They have insisted on bilateral talks with the U.S. as their foremost objective.

The United States continues to resist the Sandinistas' effort to portray the regional crisis as a bilateral, U.S.-Nicaraguan dispute and the internal Nicaraguan conflict as an artificial creation of the U.S. Given recent events in Honduras, I am more concerned than ever that giving the Sandinistas what they want—direct bilateral talks with the U.S.—would have a number of severe and adverse consequences:

It would seriously undercut President Duarte and his democratic neighbors who have supported him. President Duarte braved considerable internal criticism in his bold offer to open talks with the FMLN guerrillas in El Salvador, if the Sandinistas would simultaneously hold similar talks with the Nicaraguan democratic resistance. His forthright initiative provided an additional inducement that complemented our proposals to further a dialogue on national reconciliation in Nicaragua. We should not be in a position of weakening President Duarte in the eyes of his domestic critics or diminishing his prestige in the region.

It would afford the Sandinistas an opportunity for further duplicity and result in further delay in resolving the conflict. Their past record of dishonesty, during earlier bilateral talks with the U.S., has been duplicated by Sandinista misrepresentations over the invasion of Honduras.

It would divert attention from the evidence of Sandinista performance in the international diplomatic arena, as well as their aggression against their neighbors. The real issues are genuine dialogue leading to democracy in Nicaragua and serious nego-

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tiations with their neighbors. They seek to district attention from these matters.

Finally, suggestions that we should undertake direct negotiations with the Sandinistas, if they simply talk to their internal political opponents, would place an undue burden on the weakest elements of the Nicaraguan opposition. Representatives of these internal groups, with their families and homes at risk and subject to direct Sandinista retribution, cannot be expected to speak for the concerns of the resistance.

A democratic reconciliation in Nicaragua is essential to regional peace. The United States has consistently offered to provide incentives to initiate such a dialogue—to include simultaneous bilateral talks with the Sandinistas. Conditioning our aid to the Nicaraguan resistance on the initiation of direct bilateral talks, without first requiring that the Sandinistas talk to their own internal opposition, would seriously undercut our friends in the region and prospects for a comprehensive, verifiable regional settlement. Our policy is, and should continue to be, to persuade the Sandinistas that they must come to terms with their own opposition and their neighbors.

Sincerely yours,

George P. Shultz.

Mr. MICHEL. Mr. Chairman, I yield 7 minutes to the gentleman from California [Mr. Lagomarsino].

Mr. LAGOMARSINO. Mr. Chairman, we hear criticism of the President's request for military assistance for the democratic resistance in Nicaragua because, critics say, we should instead be supporting the Contadora effort to achieve a negotiated solution. The rejection by the Sandinistas of further negotiations at the meeting of Foreign Ministers in Panama April 5–7 should have been sufficient evidence that the Sandinistas are not willing to negotiate.

Through countless debates we have heard that the United States is the obstacle to a negotiated settlement in Central America, that if we would only give Contadora a chance, we could have a diplomatic solution. Where is there evidence the Sandinistas really want to negotiate? Why would they even have to negotiate if they didn't face any opposition? The Sandinistas believe they can win on the battlefield without having to give up anything at the negotiating table. Well, let's have negotiations, but let's not give up our bargaining chips before we go to the bargaining table.

Our Western Hemisphere Subcommittee last week heard testimony from a witness who had just returned from Nicaragua and Honduras. He offered a compelling picture of Nicaraguans fighting to recapture a revolution they thought they had won in 1979 against Somoza only to be betrayed by the Communist Sandinistas. This witness, Bernie Aronson, a lifelong Democrat, said we should make no mistake about the democratic resistance. "They are not our puppets, they are not our proxies, they are not our creation," he said. They are fighting for something they believe in, not because of what we do in the United States.

Much of this debate has concentrated on charges by one side or another about the Contras and whether they deserve our help. Not enough attention has been paid to what the Contras are proposing.

On January 22, 1986, the directorate of the united Nicaraguan opposition supported by its permanent advisory committee proposed the principles and objectives of a provisional government of national reconciliation. Those principles and objectives follow:

I. REGARDING THE POLITICAL SYSTEM

First, to democratize Nicaragua, guaranteeing and promoting political pluralism and the participation of all citizens at the local and national level, through the exercise of representative democracy, respecting their ethnic, cultural, and religious values;

Second, to establish a political system which guarantees the separation and independence of the powers of the government;

Third, to establish a rule of law which assures the equality of the citizens before the law; respect for, the full exercise of, and effective development of human rights through the independence of the judicial power; giving guarantees to national human rights organizations, and adhering strictly to international obligations deriving from written agreements;

Fourth, to guarantee the strictest respect for freedoms, especially those of speech, association, worship, and unions with respect for agreements numbers 87 and 98 of the International Labor Organization, such as the undeniable right to strike;

Fifth, to recognize the primacy of civil society over the state and the achievement of the common good as its principal objective;

Sixth, to create an autonomous electoral system which guarantees representative democracy and respect for the popular will, freely expressed in periodic elections, assuring alternability in office, through the principle of non-reflection;

Seventh, to promulgate a civil service law, establishing the administrative career. There will be created the National Comptrollership Commission to guarantee the efficient and honest use of public funds and state resources;

Eighth, to abolish any and all types of capital punishment and to eliminate permanently and unequivocally the special tribunals which have been abusively created by the Sandinista front;

Ninth, to decree a general amnesty for political and related common crimes, as an expression of the process of rehabilitation and reconciliation, without exception;

Tenth, to recognize the historic rights of the indigenous peoples of Nicaragua, adopting special administrative and developmental measures in order to accelerate the progress of the Atlantic coast; fostering the participation of its peoples in matters affecting the region, preserving their cultural identity and strengthening the nationality and territorial integrity of the nation;

Eleventh, to demilitarize society by subjecting the military to the civil authority, proceeding to dismantle military, paramilitary and security organizations and the organizations of repressive nature of the Sandinista regime;

Twelfth, to create a national army in the service of the nation and the defense of its sovereignty, of adequate proportions for those objectives and composed principally of freedom fighters who wish to serve professionally and loyally in democratic institutions, and by other Nicaraguans who also meet the conditions of moral character. No person with a record of human rights violations will be able to become a part of the new national army.

II. SOCIO-ECONOMIC AFFAIRS

First, to recognize the family as the basis of society, making its protection a fundamental objective of the government of reconciliation;

Second, to give preferential use of state resources to satisfy basic human needs: Especially employment, food, health, education and housing;

Third, to assure that education responds to the fundamental principles of freedom of instruction and the right of parents to select the best for their children. The preservation and the development of culture and sports will be an important part of the programs of teaching, outreach and information;

Fourth, to carry out an integral agrarian reform, which responds to the natural right of private property, taking into account efficiency in the utilization of resources and the utility of giving land to those who work it;

Fifth, to establish a new social contract, democratically adopted, which recognizes the equitable participation of all sectors of civil society, both in effort as well as in benefits;

Sixth, to provide immediate assistance to the victims of the civil war, providing programs which permit their rehabilitation and economic security;

Seventh, to adopt measures which facilitate full participation in productive civilian life by combatants who do not join the new army and national police;

Eighth, to promote and facilitate the return of exiles through programs to finance the creation of jobs and the adoption of legal, economic and customs measures and other incentives;

Ninth, to formulate and execute an immediate program of action and the securing of resources for the reordering and reactivation of the national economy and the providing of jobs for the Nicaraguan people;

Tenth, to abolish state centralism and return to the private sector all those productive, commercial and service activities which said sector is able to carry out more efficiently for the common good;

Eleventh, the government of reconciliation, as guarantor of the common good and social peace, will observe and promote the principles of: Social justice, freedom of association, work as a source of well-being and wealth, the indispensable contribution of laborers and peasants to the development of the country, as well as solidarity with the less favored sectors of the population, private property as the expression of a natural right and the sovereignty of Nicaragua over its natural resources;

Twelfth, to consolidate and perfect the Central American common market and to promote foreign investment as important measures to bring about socio-economic development.

III. FOREIGN POLICY

To adopt a foreign policy which protects the peace and strengthens the independence and sovereignty of the nation, founded on the principles of the inter-American system; supported in the fulfillment of international accords, cooperation and friendly relations, especially with those countries which practice representative democracy, and in the permanent determination to contribute to the economic, social, and political integration of the Central American fatherland.

IV. PLAN AND PROGRAM

A program of government will be presented for the consideration of a consultative body in which will be represented the various democratic, political, social, and labor organizations which will implement these principles. It will establish the procedures so that, by the 8th month after the installation of the new government of reconciliation, it will hold elections for a constituent assembly. After 18 months it will hold general elections with guarantees to assure the free participation of all citizens and the integrity of the elections.

Among the preferred objectives to be considered by the consultative body should be the following: Reorganization of the judicial power; municipal autonomy; reorganization and integrity of public administration; health and social security; education; culture; housing; transportation; infrastructure; sports; policies of incentives for the various productive sectors; the financial system; agrarian reform; commerce; foreign investment; reduction of the foreign debt; fiscal, monetary and credit policies, giving special attention to the development of cooperatives and the balanced action of the state.

We reiterate that the liberation of our fatherland requires the participation of all the democratic sectors of the Nicaraguan people, as well as the solidarity and support of the peoples and governments of the countries of the Americans and the other free peoples of the world.

At the same time, we pledge ourselves to respect the consensus of Nicaragua's democratic spectrum in the selection of those who will implement the initial task of national reconstruction. Furthermore, we pledge ourselves to assure that it shall be the people, by means of an electoral process in full enjoyment of their rights and freedoms, who will elect the constituent assembly and later the national authorities.

National reconciliation is an integral part of the Contadora process, yet the Sandinistas refuse to accept dialog with their opposition. President-elect Arias of Costa Rica has said that Contadora means agreeing to elements that imply "a political process of pluralistic democratization, which probably Nicaragua and those countries ideologically close to it are not disposed to accept. For this reason it is understandable that Nicaragua has adopted its present position of rejecting Contadora, after having approved of this mediation effort in the past for its international propaganda value—and to buy time."

A Costa Rican official, a favorite source for quotation by critics of the administration, has just said the Sandinistas have been participating in Contadora "for its international propaganda value—and to buy time." Now these critics say, we must buy more time, we must not pass military aid for the Contras, or we must at least make it more difficult to pass, so the Sandinistas can negotiate in Contadora. To those critics I say, heed the words of Bernie Aronson:

> The Sandinistas fought for 20 years to create a certain kind of society and it is not Costa Rica. They believe in what they are doing. They do not feel guilty they are suppressing those parties * * *. They are going to try to promote revolution elsewhere. There are 400 Costa Ricans fighting with the Sandinistas right now. What are they going to do when they go home? They are not fighting for Costa Rica * * * and I do not think we should kid ourselves about who those people are. They are Leninists and we have to deal with Leninists. They are not frustrated social democrats * * *. I would never say give military aid to the armed resistance for security alone. I really would not. I do not think we have a right to ask Nicaraguans to die for us. But I would say that if they want to stand up and complete their revolution, and they have a chance to do so, and I think they do, they have a right to do that; and if we are going to help, let's do it the right way. If not, let's end the tragedy. Let's end the killing.

I believe we do have to help the democratic resistance in Nicaragua, and we have to help them the right way. We must approve military aid to the Contras. I urge my colleagues to support the language of the resolution and reject all amendments to it.

☐ 1035

Mr. BOLAND. Mr. Chairman, I yield 7½ minutes to the gentlewoman from California [Mrs. Boxer].

Mrs. BOXER. I thank the gentleman very much for yielding.

Mr. Chairman, I rise in strong support of a new foreign policy in Central America and against the old failed policy of aid to the Contras. That new policy is embodied in the Hamilton amendment.

From Haiti to the Philippines to Libya, the issue of what makes a successful foreign policy is currently being debated in many parts of this country.

First, no policy can be successful unless it has the support of the American people, and by extension, bipartisan support in the Congress.

Why does aid to the Contras not enjoy wide support in this country? It is because the American people realize that the Contras kill indiscrimately, operate through a policy of terror, and have no real program for their country's future. Now, allegations have come out that the Contras are involved in drug trafficking in this country.

As a matter of fact, the largest cocaine bust on the west coast is tied to the Contras. Both the U.S. Congress and the administration have begun investigations into these allegations backing up their credibility. The President has already stated that drug traffickers do not deserve our support. I agree with the President on that. But I would like to go further. I say drug dealers deserve our contempt and certainly not our dollars.

Again and again, the American people have said they do not want us to aid the Contras. The latest CBS/New York Times poll shows only 25 percent of the American people support the President on aid to the Contras.

Then there is the question of support of the Contras by the Nicaraguan people. The United States cannot hope to influence events in another country by supporting a movement that does not have their support of that country's people. Let us learn from the example of the Philippines, where Mrs. Aquino clearly caught the Filipino people's imagination and was able to lead a bloodless transition of power. Contrast that with the 5 bloody years that the Contras have been fighting in Nicaragua, evidentally without the popular support they need, to be the domestic alternative the President imagines them to be. Pushing the Contras on an unwilling Nicaraguan people is doomed to fail

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miserably. The Nicaraguan people do not want another Somoza dictatorship and they know that the leadership of the Contras are former Somocistas.

Finally, we cannot possibly have a successful policy without the support of our friends and allies in the region. Recently, President Alfonsin of Argentina, a man who clearly knows the importance of diplomacy, echoed this same point when he said that only concerted pressure by its neighbors will cause the Sandinistas to change their policies. There is a sentiment among these neighbors for diplomacy and negotiation. There is no support for the Contra War—not publicly, not privately—there is no support. We are isolated in that regard.

The United States commands powerful influence, there is no doubt about that. So far we have used that influence to press a failed policy of armed conflict which has led the Congress to place restrictions on every Contra aid proposal that is sent up here. There are many who say this is no way to run a war. We hear that all the time and I agree. Let's not keep placing Band-Aids on the bloody wound. Let's cure the illness and move on to a new day with the Hamilton amendment.

To bring this new day about let us find one aspect of this Central America quagmire that everyone supports—all sides. That is the Contadora process. Full support of Contadora should be the centerpiece of our new bipartisan policy and it is the centerpiece of the Hamilton amendment.

I hope with all my heart the Congress ushers in the new day with the Hamilton amendment, but if we do not, I believe those of us who have fought against aid to the Contras will support the McCurdy amendment. McCurdy forces the military aid to be fenced for 90 days and then requires a vote of approval to release it. My friends, any amendment that will delay one death, one wound, one frightened child, deserves our support. Our choices are sometimes murky, but it is clear that McCurdy will at least delay the worst from happening right now.

Our choices are sometimes murky in this body, but it is clear that McCurdy will at least delay the worst from happening right now. And very important to all sides, very important, it keeps the control here in this Congress.

It buys us a little time for diplomacy, it keeps the control right here in the House.

My friends, whether you are Republican or Democrat, whether you are a moderate or a conservative or a liberal, we should keep the control of this war in this body and that is what McCurdy does. So vote yes on Hamilton, vote yes on McCurdy if Hamilton fails, and vote "no" on Michel.

Mr. BURTON of Indiana. Mr. Chairman, will the gentlewoman yield to me?

Mrs. BOXER. I yield to the gentleman from Indiana.

Mr. BURTON of Indiana. I thank the gentleman for yielding.

Mr. Chairman, on what basis does the gentlewoman make the allegation that the Contras were involved in drug trafficking? Can she give names, dates, places?

Mrs. BOXER. I will be happy to do that. The gentleman should like to look back into the Congressional Record on the last debate. I placed into that record the story that was in the San Francisco Examiner that was confirmed by court investigation. Those records are in court files and I would be glad to make those available.

Mr. BURTON of Indiana. Have there been any indictments or convictions? If so, what were the names of those people who were convicted?

Mrs. BOXER. Yes. We have that all for the gentleman. In fact, there was a conviction. What was very interesting was——

Mr. BURTON of Indiana. Was it a Contra?

Mrs. BOXER. If I may just complete my answer: These people were directly tied to the Contras. In fact, what happened which was so extraordinary was that the U.S. Department of Justice returned the funds to that particular party. I think the first time in history when a drug dealer got back the money once it was known the money was for the Contras.

I thank the gentleman.

Mr. BROOMFIELD. Mr. Chairman, I yield 30 seconds to the gentleman from Indiana [Mr. Burton].

Mr. BURTON of Indiana. I thank the gentleman for yielding.

The gentlewoman from California just referred to the case in California. It has been brought to my attention that the DEA confirms that the case referred to by Congresswoman Boxer involves a Colombian, Enrique Zavallos, who was a member of a Colombian drug ring. The DEA further confirms that the individual, Enrique Zavallos, later admitted to having lied about any connections with the Contras in Nicaragua, that he had only made up the story. This is confirmed by the DEA.

Mr. BROOMFIELD. Mr. Chairman, I yield 3 minutes to the gentlewoman from California [Ms. Fiedler].

Ms. FIEDLER. I thank the gentleman.

Mr. Chairman, we spend billions and billions of dollars on our national defense, and yet when there is a real threat in our own back yard, we refuse to acknowledge that it exists.

Now in just the past couple of days we have seen what happens when we recognize a threat. The threat in this case was Qadhafi's support of terrorism, and Congress saw the effectiveness with which the United States can respond when it is necessary.

After all, he armed, supported, and trained terrorists in another part of the world. Yet we see a situation taking place in Nicaragua with many of the same terrorist groups that are involved with Libya and some liberals propose that we do nothing to stop them.

□ 1050

The threat of terrorists working out of Nicaragua is compounded by a tremendous buildup of troops by the Sandinista government that did not exist prior to their taking over.

In 1979, there was only 16,000 troops in the country of Nicaragua; yet today, there are 120,000 troops there. The Soviet Union has invested, along with the Cubans, more than $500 million in military equipment for Nicaragua. They have provided military hardware in the form of tanks, artillery, helicopter gunships, patrol boats, a whole host of other things, to help work toward exporting terror in that part of the world. In Nicaragua we are dealing with the issue of the Sandinistas exporting terrorism to a neighboring country, El Salvador, which is trying to stabilize a democracy. They have also put their arms around and dealt closely with the PLO, the Libyans, the Iranians, all of whom comprise the greatest elements of opposition to the United States and its citizens. They all advocate World terror.

Terrorist activities are taking place within Nicaragua itself. They have slaughtered numerous Miskito Indians in Nicaragua; they have burned the only synagogue in Managua, and the entire Jewish community had to leave Nicaragua because it was no longer safe there. There is also a tremendous level of religious repression taking place there today.

These are the people who have control over the Nicaraguan Government. These are the same enemies that we were dealing with in Libya. And for this Government not to recognize the enormous threat that exists, not thousands and thousands of miles away from our shores, but right here in our hemisphere, is a terrible mistake for us and the American people. I urge this body to support aid for the Contras so that they can establish a democracy in Nicaragua, instead of permitting the continuing expansion of influence by the same terrorist groups we are dealing with in Libya.

Mr. BOLAND. Mr. Chairman, I yield 7 minutes to the gentleman from Ohio [Mr. Seiberling].

Mr. SEIBERLING. Mr. Speaker, no one is more disturbed than I over the prospect of a Sandinista Communist regime in Nicaragua. Yet, I think I see as clearly as anyone the terrible dilemma that faces us as a Congress and we as a country.

The Contras are not a viable alternative to the Sandinistas. They have been at it for 5 years and they do not have a single beachhead inside Nicaragua. They have no popular uprising of support when they do go into Nicaragua. They are riddled with corruption. Their leadership is dominated by former Somocista national guardists.

So let us not kid ourselves. If we are going to rely on a military option in Central America, then there is no way that it is going to be successful unless it also includes the U.S. Armed Forces. And that is what the country clearly does not want. That is what the Congress does not want. Yet, we are slowly edging into it as we did in Vietnam, first with advisers, then with military training and, finally, it will include the entire U.S. Armed Forces.

So that is what is disturbing some of us who do not just jump through the hoop when the President says that there is a threat to our American security system coming from the Sandinistas. Of course, there is. But the question is: How do we deal with it?

I submit to you that the use of military options on a very limited basis through giving money to the Contras, both for military and humanitarian aid, is not a viable option in dealing with what is basically a political problem.

Let us take a little longer-range look at this thing. Suppose we wiped out the Sandinistas through some combination of U.S. Armed Force intervention and the Contras. That is not something new. For over 100 years, this country has on occasion invaded Nicaragua and set up regimes that we thought were more stable and more friendly to the United States. Each time we had to intervene again. The last one was the Somoza family. And what did it produce? It produced the Sandinista revolution.

Unless we address the basic underlying causes of instability in Central America, we are not going to solve this problem. You can knock off the Sandinistas and someone else will be back tomorrow.

So that brings us to the point that I really want to take a look at, which is the long-range problem that we are facing in Central America. I hope my Republican colleagues will think about this, as well as my Democratic colleagues.

We have lost the tax base to deal effectively in international affairs with any means except military means. We have lost our tax base through the unwise tax cuts that the President got the Congress to approve in 1981. We have now cut our domestic programs just about as far as we can safely go in order to finance the Presidents' increased defense spending. We have $200 billion a year deficits, and the Gramm-Rudman process that is forcing us to cut, cut, cut on both defense and democratic programs.

If we wanted a Marshall plan for Central America, if we wanted point 4, if we wanted another Alliance for Progress, we do not have the funds to do it. So all we have left now is the military option, and I submit to you that that is not going to solve the political, social, and economic problems which give rise to unrest in Central America, not only in Nicaragua, but throughout Central America, and South America as well.

That is what our friends in the Contadora countries and the other South American countries are trying to tell us, that if we have a program which is purely a military stick and no carrot of economic growth and development of the kind that will produce stability in Central America—and perhaps even provide a carrot for Nicaragua to moderate their dictatorial approach to their internal affairs—then we are not going to succeed in solving the problem of communism in Nicaragua or any other place in Central America.

So I suggest to you that we start taking a longer view. In the meantime, let us adopt the Hamilton amendment which sends a message that we are, in fact, going to do so. If that fails, we should at least adopt the McCurdy amendment that forces serious negotiations on both sides before Congress has to vote on the military option.

Beyond that, let us take a look down the road and figure out some way, whether through tax increases or some other means, to get ourselves in the position where we can start dealing with these Third World problems, the economic and social problems, and not just have the military option.

Mr. BURTON of Indiana. Mr. Chairman, will the gentleman yield?

Mr. SEIBERLING. I would be happy to yield to the gentleman.

Mr. BURTON of Indiana. Mr. Chairman, I just have a brief question. First of all, what period of time does the gentleman think we should wait for further negotiations? No. 2, if those negotiations are not fruitful, will the gentleman vote for military assistance?

Mr. SEIBERLING. I am trying to get across that we do need time to develop other options than military options.

Mr. BURTON of Indiana. Will the gentleman vote for military options if they do not work?

Mr. SEIBERLING. That will depend entirely on the circumstances at the time.

I do think that we ought to send a message very loud and clear to the Sandinista government, and to Cuba and the Soviets, that if the Contras aid is terminated, there are, nevertheless, limits to Sandinista actions which we will tolerate. Certainly we should not tolerate the introduction of any significantly higher levels of weapons in Nicaragua or military advisers or sophisticated weapons that could threaten neighboring countries. And we will not tolerate Sandinista military interventions outside of their borders. We can and should draw that line. That, in effect, was the original Contadora proposal.

Mr. BURTON of Indiana. If the gentleman will yield further, if they do not pay any attention, would the gentleman vote for military assistance?

Mr. SEIBERLING. Again, that will depend entirely on the circumstances.

Mr. DeLAY. Mr. Chairman, will the gentleman yield?

Mr. SEIBERLING. I yield to the gentleman.

Mr. DeLAY. Mr. Chairman, will the gentleman tell me what a viable force is? Is a viable force 3 weeks ago that was invaded by a huge Communist army when they invaded Honduras and attacked the freedom fighters' training camps, and the unviable force that you talked about kicked their tail in 2 days and sent them back across the border? Is that an unviable force?

Mr. SEIBERLING. If they could not defend their own base, I would say that they were not only not viable, they were practically nonexistent.

Mr. DeLAY. I think they did defend their own base and kicked the Communists right back into Nicaragua.

Mr. SEIBERLING. But can they establish a base in Nicaragua? That is the Contra's objective.

□ 1100

Mr. MICHEL. Mr. Chairman, I yield myself such time as I may consume.

Mr. Chairman, the gentleman in the well made mention of the erosion of the tax base and that, therefore, we cannot do some of the things we ought to be doing. I simply suggest that since 1980 and before 1985, Federal revenues have increased better than 40 percent, even with that tax reduction that we voted in 1981. The problem is that expenditures, mainly in the entitlement area, increased 62 percent during the same period of time.

As for our getting ourselves dragged down in a Vietnam situation, the conditions are completely different. We do not have military advisers in Nicaragua today. As a matter of fact, the gentleman opposed those military advisers in El Salvador, and it was the assistance of those military advisers that helped gain a free election in El Salvador, a neighboring country, and helped establish the kind of government, a pluralistic government, that we are striving for in Nicaragua.

So this business of getting ourselves in another Vietnam just does not hold water. We could, as a matter of fact, bar military advisers if that were our inclination, and we could certainly bar

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the introduction of American troops. That is the last thing the President would want to have happen; that has been made clear in any of the conversations that I have had with him.

At this juncture, Mr. Chairman, I am happy to yield 3 minutes to the gentleman from Pennsylvania [Mr. Ritter].

Mr. RITTER. Mr. Chairman, all eyes are focused on Libya. With a near unanimous American voice supporting our actions there, it is wise at this juncture to consider the meaning of the Libyan-Nicaraguan link.

I have here a picture of Qadhafi of Libya and Ortega of Nicaragua, their fists raised together in solidarity, and this is the quote that appears underneath the picture of Mu'ammar Qadhafi: He says;

> Libyan fighers, arms, and backing to the Nicaraguan people have reached them because they fight with us. They fight America on its own ground.

Those were the words of Col. Mu'ammar Qadhafi as reported in the New York Times on September 1, 1984.

I say to my colleagues that the link is both substantive and symbolic. There are deep and abiding commonalities between Qadhafi, his Libya, and Nicaragua's Leninist regime. It is essential that we understand fully this brotherhood because it implies something that opponents of Contra assistance have been unwilling to admit, that a Marxist-Soviet client, Nicaragua, poses a direct threat to the United States and its citizens.

The close relationship between the Sandinistas and Qadhafi creates the imminent danger of Libyan-inspired terrorism in this hemisphere against Americans. Consolidation of the Sandinistas' Leninist regime can only benefit Qadhafi and his sponsors and hurt America and Americans. Qadhafi's terrorists have a second home in Nicaragua. The Sandinistas and the Libyans are not just in the same league; they are on the same team. I repeat the quote of Colonel Qadhafi: "Libyan fighters, arms, and backing to the Nicaraguan people have reached them because they fight with us. They fight America on its own ground." In other words, the Libyans know exactly what is going on in Central America. None of us could have said it better. The Sandinistas are fighting the United States.

No, it is not an open war, but it is a war against democracy, a war against their neighbors, a war against human rights, a terrorist war in Colombia and El Salvador, and this threatens all of Central America and the entire hemisphere, and it jeopardizes American lives and security. The majority of Americans agree that Libya's Qadhafi deserved punishment, and they approved the President's action.

The CHAIRMAN. The time of the gentleman from Pennsylvania [Mr. Ritter] has expired.

Mr. BROOMFIELD. Mr. Chairman, I yield 2 additional minutes to the gentleman from Pennsylvania [Mr. Ritter].

Mr. RITTER. Mr. Chairman, on this Contra aid issue so many Members of this House are not willing to support the action, not of American troops, not of the American Air Force or the U.S. Navy as they did in Libya, but the actions of others who would fight for their freedom against a destabilizing threat, a hostile threat, right south of our borders from the Sandinistas.

Let us consider the evidence of the Libyan-Nicaraguan connection, the terrorism, the anti-American activities, the democracy bashing, the suppression of human rights, the arms traffic. The facts are that four Libyan planeloads of Soviet-manufactured arms were intercepted in Brazil, and all in all there were 84 tons of arms labeled as medical supplies. Libyan loans in the amount of $400 million have reach the Sandinistas. That is four times the amount that we cannot get, because of this Congress, to our friends who are fighting for freedom in that region. We hear of Sandinista celebrations honoring the Qadhafi takeover of Libya and the ousting of U.S. military bases in Libya, and you can go through the quotes reflecting solidarity among Qadhafi and his colleagues.

We know that Libyan military officers are advising and fighting inside Nicaragua with the Sandinistas. Libya has repeatedly propped up the Nicaraguan economy with tens of millions of dollars in oil loans. The Libyans and the Sandinistas are in this together. They see this as a war.

Surrender is not a viable alternative. The best alternative is to support those who would fight for their own freedom. Again before we vote, let us remember Qadhafi's words, the words underneath this picture, with Qadhafi's fist raised in solidarity with Daniel Ortega, the President of Communist Nicaragua:

> Libyan fighters, arms, and backing to the Nicaraguan people have reached them because they fight with us. They fight America on its own ground.

Mr. BOLAND. Mr. Chairman, I yield 3 minutes to the gentleman from New York [Mr. Schumer].

Mr. SCHUMER. Mr. Chairman, we have just heard a discussion about the link between Libya and Nicaragua. I think the recent events in Libya underscore why American policy or administration policy in Nicaragua is wrong, not right.

There are two fundamental differences between our policy in Libya and our policy in Nicaragua. What are we on this side urging the administration to do before we commit to a military solution in Nicaragua? The very thing they have done in Libya. What did the administration do before it took military action? We have known what Qadhafi has been doing for a year, but we first tried diplomacy and we tried economic measures. We tried them for 6 months, 8 months, 10 months, and a year. It was only after those methods failed that we then had to resort, with no other choice before us, to the ultimate military force.

Mr. BURTON of Indiana. Mr. Chairman, will the gentleman yield?

Mr. SCHUMER. I will yield after I finish my remarks to the gentleman from Indiana.

Mr. Chairman, there is a world of difference here. Why cannot we try diplomacy first in Nicaragua? Why can we not listen to the Contadora nations and the surrounding countries who have, if anything, more to lose than we?

Let me ask the gentleman a rhetorical question. That is this: Why is it that the American people have supported the President in Libya overwhelmingly and yet, by a CBS-New York Times poll just recently given-out, have rejected his policy in Nicaragua? For one simple reason: They are convinced that we tried diplomacy and it failed in Libya. Everywhere you go, people say: "I didn't like to see us have to do it, but it was a last resort."

There is a second major difference. The day Daniel Ortega trains terrorist hit squads to assassinate Americans in Nicaragua or outside Nicaragua, you can be sure that the kind of bipartisan support the President has received on Libya will be received on Nicaragua. The difference in the argument is that what is going on in Nicaragua is an internal struggle. Qadhafi did not just get into power this year. He has been doing his evil things within Libya not just for a year but for 5 years, for 8 years.

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And yet 2 years ago or 3 years ago did our President say that we should interfere in Liyba no matter how evil the Libyan Government was? No. It was only when the Libyan regime declared war on Americans in Germany, in Italy, in Egypt and in Sudan—

The CHAIRMAN. The time of the gentleman from New York has expired.

Mr. BOLAND. Mr. Chairman, I yield 2 additional minutes to the gentleman from New York [Mr. Schumer].

Mr. SCHUMER. Mr. Chairman, I thank the gentleman from Massachusetts for his kindness.

It was only when he began a terrorist war against Americans outside of Libya that we intervened and only after the use of diplomacy.

I would submit, Mr. Chairman, that indeed the bipartisan support in this House that the President has received

for his Libyan policies, and furthermore the overwhelming degree of backing he has received for his Libyan policies among the American people, are founded with very good reason, that first, in Libya indeed military policy has been a last resort. In Nicaragua it seems to be the first resort.

Second, that Libya no matter how badly internally its policies are is seeking to export its terror to Americans throughout the world. Those are two major differences and differences that I believe stand the test politically, issuewise and morally, and that is why I would urge support in this House for the Hamilton provision and the McCurdy provision.

Mr. BURTON of Indiana. Mr. Chairman, will the gentleman yield?

Mr. SCHUMER. I am happy to yield.

Mr. BURTON of Indiana. Mr. Chairman, how does the gentleman explain the walkout of the Communist Sandinistas from the Contadora talks recently and is the gentleman aware there have been nine times in the past 2 years that we have made overtures to the Nicaragua government to negotiate.

Mr. SCHUMER. Let me say to the gentleman from Indiana that the negotiations that the President has tried cannot be tried at the same time we are aiding a military force.

I think in this country if some foreign power were trying to overthrow our government and then said, "Let's sit down and negotiate," we would resist doing that. Let us do one and then the other.

Mr. BROOMFIELD. Mr. Chairman, I yield 1 minute to the gentleman from Pennsylvania [Mr. Ritter].

Mr. RITTER. Mr. Chairman, I thank the gentleman for yielding.

If the gentleman from New York had his facts straight, I would agree with him, but the fact is that aid to the Contras was cut off entirely, not just military aid, but humanitarian aid, any kind of aid was cut off entirely for a period of 16 months and then some humanitarian aid started coming in there and there were many negotiations plus many attempts at negotiations.

Let me read from a letter that Congressman Broomfield just received from Secretary of State Shultz:

> During nine rounds of bilateral negotations in 1984 the Sandinistas rejected our offer of bilateral assurances in exchange for a workable Contadora agreement. By the ninth round in December 1984, the Sandinista position was very clear. They were using the Manzanillo talks with us as an excuse to refuse to conduct any substantive negotiations with the other countries of Central America. In addition, the Sandinistas sought to create distrust of the United States by telling the Central American democracies that the United States was making a deal behind their backs.

The gentleman from New York said that if—another caveat of his—that if it could be shown that the Sandinistas were training terrorists for the export of revolution, he would support military assistance.

Well, the facts are clear. M-19, the Colombian terrorist group, is active inside Nicaragua. Thomas Borge held a special mass for the deceased M-19 guerrillas who were killed in their massive assault on the Palace of Justice in Columbia. There is an intimate link between the Sandinistas and those terrorists.

Mr. BROOMFIELD. Mr. Chairman, I yield 3½ minutes to the gentleman from Indiana [Mr. Burton], a member of the Foreign Affairs Committee.

Mr. BURTON of Indiana. Mr. Chairman, I thank my distinguished colleague for yielding.

It never ceases to amaze me, Mr. Speaker, how my colleagues on the other side of the aisle seem to be consumed with disinformation emanating from Nicaragua.

There is a book out that has been published by the State Department and it is a complete dissertation by Mr. Alvaro Baldizon who was the right-hand man of Thomas Borge, the Minister of the Interior in Nicaragua. In this book he talks about the disinformation tactics of the Communist Sandinista government. He talks about how when visiting delegations, particularly religious delegations go down there, they go into Borge's office, which has a crucifix, a picture of Jesus Christ, and a Bible on his desk, and he talks in religious terms to confuse them and to deceive them into thinking that his is a Christian and humanitarian type government. He even brings in poor peasants who may have been mistreated and promises them, with the door open so that these visiting dignitaries can hear, aid and assistance and then he goes out and very humbly apologizes for keeping these people waiting.

Disinformation is one of the major tactics that the Communists are using in Nicaragua and elsewhere in the world.

In addition to that, you talk about drug trafficking, Mr. Borge, according to Baldizon, his former right-hand man, is directly involved in drug trafficking, unlike the case that the Representative from California [Mrs. Boxer] talked about a few minutes ago. What the gentlewoman talked about was more Communist disinformation.

The man who made the allegations that the gentlewoman from California [Mrs. Boxer] referred to, Mr. Zavallos, later said to the DEA that he lied, that he lied, and yet on this floor a few moments ago one of my colleagues was stating this false information as fact.

Is it any wonder that the American people do not know who to believe? Is it any wonder that the American people do not know whether or not we should support the freedom fighters down there, because they are getting a steady diet of Communist disinformation.

The law firm of Reichler & Applebaum here in Washington, DC, who was paid $320,000 by the Communist Sandinista government last year that commissioned a human rights study to make the Sandinistas look better, which was later published by the Washington office on Latin American affairs, which one of my colleagues, the gentleman from Connecticut [Mr. Gejdenson] supported at a news conference here on Capitol Hill was total Communist disinformation. There is no question about that, and yet on CBS news and other networks around this country that document was reported as fact. It was never refuted.

Now, how is it that the American people are supposed to understand this issue clearly when Communist disinformation has been fed to them as a steady diet? It concerns me a great deal and I am sure it concerns my colleagues.

The previous speaker up here talked about Mr. Qadhafi. Mr. Qadhafi said that he supports the Communist Sandinistas as brothers and gave them massive amounts of aid because they fight America on our own ground. That ought to tell us something. It ought to tell us that the Communist Sandinistas with the support from Qadhafi and the Soviet Union intend to crush all internal opposition and if we do not give the freedom fighters the aid that they need, they will crush them, make no mistake about that. They will then consolidate power and export revolution rapidly throughout Central America. They will build a massive army that will be on our southern flank, the 2,000-mile border between us and Mexico.

My colleagues, at some point in the future we are going to have to face that massive military power if we do not deal with the problem today.

Mr. BOLAND. Mr. Chairman, I yield 5 minutes to the gentleman from Massachusetts [Mr. Frank].

Mr. FRANK. Mr. Chairman, I thank my colleague, the gentleman from Massachusetts, who is doing a superb job on this whole question of Central America.

We are talking here somewhat about the quality of information and as long as we are on the question of the quality of information being given to us on the House floor, I have to confess some puzzlement that we are debating anything at all, because on March 20 the distinguished minority leader, who is here, got up on the floor and he said:

> To those of you gazing longingly at the April 15th vote, the escape hatch offered by the Speaker, let me tell you what a national

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security expert told me yesterday. He said, "Bob, if you lose that vote tomorrow, Nicaragua is gone. A month from now will be too late, because the Communists are even now mobilizing for an offensive."

So I have to wonder if the minority leader was correct a month ago what we are voting on, because if Nicaragua is gone, what have we got left here? That is an example I think of the kind of problems we are getting with information.

Mr. MICHEL. Mr. Chairman, will the gentleman yield?

Mr. FRANK. I yield to the minority leader.

Mr. MICHEL. Well, it is not uncommon for those of us on the floor to quote individuals, those who are supposed to be experts. He was only one. He was not the ultimate. He was not the head of his department. He was one.

I was simply quoting him to make a point, as the gentleman from Massachusetts quoted at the time whomever he thinks is appropriate. I did not say that was my personal view.

Mr. FRANK. I have to take my time back, because the gentleman from Illinois is misstating it right now. The gentleman did say quite clearly in the context that that was his personal view. The only person I am quoting right now is the gentleman from Illinois. He did not get up and say here is one expert out of several. He got up and he said: "To those of you gazing longingly, let me tell you."

He clearly intended to say, "Don't vote for it because Nicaragua will be gone."

Well, it is not gone and that is an example of the kind of information we are getting.

Mr. MICHEL. Mr. Chairman, will the gentleman yield?

Mr. FRANK. Yes, I will yield again to the minority leader.

Mr. MICHEL. Well, the gentleman would have to concede that just a few days thereafter there was a serious incursion onto the borders beyond in Honduras by the Sandinistas. That is a very serious kind of thing.

Mr. FRANK. I do not "concede it." I will take back my time. The gentleman wants to get off the point. I do not "concede it." I concede something if I have done something wrong.

I mentioned the fact, yes, it happened, but the gentleman said that if we did not do this on March 20, Nicaragua would be gone. I think that is an example of the inaccurate hyperbole we are being given.

Now, I want to talk a little bit about the Libyan connection. There was an inconsistency and hypocrisy and lack of central rationale in the administration's position on this that is striking. You talk about funding a war against Nicaragua because Qadhafi was friendly with the Sandinistas. The Saudi Arabians have been good friends of the Libyans. They have given them help. And what are we doing with the Saudi Arabians? We are sending weapons over there, but for them to use to shoot other people.

We have been told that negotiations have not worked partly because this administration, incredibly and hypocritically, has included in the list of things to be negotiated internal reforms to Nicaragua.

Now, I am for human rights and we should make our point about human rights clear, but let us be consistent once again. We are told that the Nicaraguans mistreat people in the Roman Catholic Church, and they do and that is something to be deplored and something we should work against; but you know, in Ronald Reagan's great friendly country, the People's Republic of China, they do not mistreat any Catholic prelates. Do you know why? They ran them all out. The do not allow them in there. They have outlawed the Roman Catholic Church in the People's Republic of China. There is no Cardinal, like Cardinal Obando in there to be harassed, because they will not let him in. They set up there own Catholic Church, a pseudo-Catholic Church.

And what are we doing to the People's Republic of China? We are sending them weapons to shoot other people.

Now we are told that they are not very good to Jews in Nicaragua. I think there have been some anti-Semitic outbursts, but I would rather be a Jew in Managua than a Jew in Riad in Saudi Arabia, and we are sending them money.

There is an inconsistency and a lack of coherent rationale in this that is striking.

One reason that negotiations have not succeeded is that Ronald Reagan has suddenly pretended that he is the Paladin of civil liberties. He is the 911 of free speech. Somebody is not letting a newspaper be published, call Ronald Reagan. Here comes a hundred million bucks to a country that is gone, according to the minority leader, a hundred million bucks being thrown in a hole. Rand McNally has probably taken the map back and we are being told that that is why negotiations will not succeed.

Mr. BURTON of Indiana. Mr. Chairman, will the gentleman yield?

Mr. FRANK. I yield to the gentleman from Indiana.

Mr. BURTON of Indiana. Mr. Chairman, would the gentleman concede that maybe the reason the freedom fighters continue to flourish is because they are tenacious and because they are patriotic and they want to hang in there no matter what the cost and maybe we have not given them enough credit, maybe they are going to hang in there as long as possible to defend their liberty?

Mr. FRANK. Well, I will take back my time now to say, in the first place, I am not "conceding" that they are patriotic and tenacious. People keep asking me to "concede" things. I do not concede facts unless they are something unpleasant to me.

Mr. BURTON of Indiana. Mr. Chairman, will the gentleman yield further?

Mr. FRANK. No, I have taken back my time. I have yielded three times in a short period of time here.

I want to say to the gentleman that I was not talking about the quality of whether or not they are patriotic or not patriotic. I am talking about American policies.

I will ask the gentleman to stop interrupting me. I have yielded for the third time in a short period of 5 minutes. I am trying to respond to the gentleman's comments and the gentleman ought not to be interrupting.

The point is simply this, we do not decide to send hundreds of millions of American dollars to get people killed based on other people's patriotism or lack of it.

I supported what we did in Libya. I thought that was a rational use of American force with a sensible moral and strategic rationale. Quite distinct from Nicaragua; but even there, innocent people, tragically, were killed.

What we are talking about in Nicaragua is not just pushing pieces on a chess board. We are talking about taking American tax dollars to help people kill each other and I do not think we ought to do that as a matter of national policy without a lot stronger moral and strategic rationale.

The patriotism of a particular group—there are patriotic people all over the world who would like to kill each other. That is not in my judgment a reason for giving American funds there.

The reasons being, the human rights reason, is nonsense. Ronald Reagan had to be dragged, lamenting, kicking and screaming, away from Ferdinand Marcos. He called one of the most fraudulent elections of our times a show of strength of the two-party systems.

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When he turns around and says to the Nicaraguans, "Let us negotiate free elections," of course, those negotiations are not going anywhere.

Now I will yield to the gentleman from Indiana.

Mr. BURTON of Indiana. I will take my 15 seconds. The gentleman is running out of time.

Mr. FRANK. I do not know why the gentleman was standing up, but I apologize for yielding to him when he did not want to be yielded to.

If there is a threat to the strategic interests of the United States, then we use force. I do not think that these 3

million people in that poor, unorganized country, threaten our security. There is a national consensus——

Mr. BURTON of Indiana. Will the gentleman concede——

Mr. FRANK. The gentleman has himself confused with a yo-yo. I say I will yield and he says "No." Then when I start talking, he interrupts me again. No, I will not yield to the gentleman.

The point is this: We have had a national consensus here that the gentleman from Massachusetts [Mr. Boland] helped formulate. We are prepared to say that we will interdict arms, we will protect any other country against a possible attack, but to pretend that Ronald Reagan is the 911 of civil liberties and that he is so offended by the lack of democracy in Nicaragua that he is going to send these people in there to help kill each other is nonsense. It does not represent a threat to the United States.

Libya is an instructive difference. That was a rational use of American force. This is an irrational one, it is not morally justified, and I hope that the Hamilton amendment passes, and if not, the McCurdy amendment.

Mr. BROOMFIELD. Mr. Chairman, I yield 30 seconds to the gentleman from Indiana [Mr. Burton] for a response.

Mr. BURTON of Indiana. I thank the gentleman for yielding this time to me.

Mr. Chairman, after all of the rhetoric, fact No. 1: The Soviet Union in spades is supporting the Communist Government of Nicaragua and giving them massive military support. The PLO is supporting them. The Libyans are supporting them. All the Communist fellow travelers are supporting them. They are suppressing their people. The human rights violations that the gentleman talked about are legion and the freedom fighters are asking and pleading and crying for our support.

I think people fighting for their freedom deserve it, and that ought to put to rest the statements by my colleague who preceded me.

Mr. BROOMFIELD. Mr. Chairman, I yield 3½ minutes to the gentleman from Pennsylvania [Mr. Walker].

Mr. WALKER. I thank the gentleman for yielding this time to me.

Mr. Chairman, I think we should state from the outset here, we talked about patriotism here a minute ago, that everybody engaged in this debate on the House floor is a patriotic American and we ought to understand that we are all coming at these issues from a position of good will.

What is questioned in many instances is the judgment that people bring to these matters affecting our own national security, because the question that we have before us is: What is the real nature of the Communist movement in Central America, and in particular in Nicaragua?

We got some hints of that. The person who was put on television by the Democratic Party in opposition to the President's policy said this:

> We agree that the Sandinista government has betrayed the promise of its own revolution, has suppressed the freedom of its own people, and has supported subversion against its neighbor, El Salvador.

There is agreement by the Democratic Party that that is the nature of communism in Central America today, particularly in Nicaragua.

What has the chairman of the subcommittee related to Central America said about this? In a report to this body, he said:

> There is no question but that the Nicaraguan government has contributed to regional tension in Central America. It has channeled assistance to other revolutionary movements, especially the guerrilla movement in El Salvador, and has staged its own rapid military buildup with Cuban and Soviet support.

In other words, in that document, we admit that there is Cuban and Soviet involvement in the Nicaraguan Communist movement in Central America.

The New York Times, that has hardly been a supporter of the President's policies, has said this, and I quote:

> The Sandinista junta has meddled in its neighbors' affairs and complicated the region's security problems. With Soviet-bloc help, it has built the biggest military airfield in Central America and is building a deepwater port in the Caribbean. Managua is plainly encouraging guerrilla comrades in El Salvador, and more than piety explains why Tomas Borge, the Interior Minister, participated in a mass for the M-19 guerrillas who shot up the Palace of Justice in Bogota, Colombia.

That is the nature of the Communist movement in Nicaragua. Now, the question then before us is: What are we going to do about it? Are we going to sit here and blithely say that we are going to simply negotiate? I will tell my colleagues what the Secretary of State said the other day about negotiations. He said negotiation in this context is the same as capitulation.

Why did he say that? Because the negotiation process, the Contadora process, as constantly referred to on this floor, broke down the other day. Why? Because the Sandinistas walked out. Why did they walk out? Because they were not about to come to an agreement; because what they want is time, time in order to put together their totalitarian regime in such a way that they cannot be removed from power.

That is what the side that talks about negotiation is really talking about. They are talking about a policy of appeasement. They are talking about a policy of capitulation. I submit to my colleagues that that kind of judgment is a danger to our national security.

It seems to me, then, that our choice is clear. We have a choice of either doing something to help bring freedom to Nicaragua or to support dictatorship in Nicaragua. We have a choice of standing up to the Communist expansionism in Central America or capitulating to Communist aggression in Central America.

We should stand firm in this body. We should stand firm for freedom. We should stand firmly against communism.

Mr. FOLEY. Mr. Chairman, I yield 4 minutes to the gentleman from Massachusetts [Mr. Studds].

Mr. STUDDS. I thank the gentleman for yielding this time to me.

Mr. Chairman, when the House voted last month to reject the President's $100 million aid request, the President called it "a dark day for freedom." The Democratic leaders of Latin America called it an opportunity for peace.

Last Thursday, I introduced a resolution that, if enacted, would declare a state of war between the United States and Nicaragua. I do not support a policy of war, but this Congress will commit an act of war if the President's plan to aid the Contras is approved.

A resolution to declare war frames the real issue more clearly and more fairly than any of the legislative options we will consider today.

The central question, after all, is whether the United States should support with weapons, money, and military advisers the violent overthrow of a government with whom we purport to be at peace. Although the United States intervention in Nicaragua began more than 4 years ago, our Government has provided no explicit answer to this question. As a result, we have a policy that puts little military pressure on Nicaragua, while it squanders our ability to encourage change by other means.

The primary victims of this indecision are the people of Nicaragua—all of them, Contra, Sandinista, and, perhaps most tragically, those in the middle, the unlabeled majority.

The administration has invited the people of Nicaragua to rebel violently against their government; but because this invitation does not have the backing of the American people, it is a trap, an invitation only to suffer and die.

President Reagan's war has encouraged the worst instincts and strengthened the most extreme elements within the Sandinista government; it has cast suspicion and restricted the options of those seeking nonviolent means of effecting change.

Mr. Chairman, the people of Nicaragua did not elect the Members of this Congress; they have not asked us to

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select their leaders; they have done nothing to deserve this war.

Our Government should stand with the American people, with the Democrats of Central and South America, with the independent labor unions, with the church, and with Nicaragua's own internal political opposition in support of law, justice, and freedom, not only in Nicaragua but throughout the hemisphere. Today, as a result of this administration, our Government stands isolated, accompanied only by the Contras, supporting an undeclared war in which we cannot with honor participate, and which we cannot win.

We have, in recent days, taken a strong stand against state-sponsored international terrorism. Let us live up to that position not only in what we ask others to do, but in what we ask of ourselves. Violence is not the solution to the crisis in Central America; freedom will not be served by a replay, albeit in slow motion, of the Bay of Pigs.

Our policy toward Nicaragua can be saved. It can be made to work. But first, it must be changed. I hope Members will support the Hamilton substitute; support, if that fails, the McCurdy amendment. Let us begin again, this time with the full backing of the American people; and with the active cooperation of our Latin allies; let us, for once, hold out to the people of Nicaragua the promise of a better future, instead of reminding them, as we have for 5 years, of their own bitter past.

Mr. BURTON of Indiana. Mr. Chairman, will the gentleman yield?

Mr. STUDDS. I yield to the gentleman from Indiana.

Mr. BURTON of Indiana. I thank the gentleman for yielding.

Mr. Chairman, I just have one question, and that is: If negotiations do not work, if the gentleman's position prevails and negotiations do not work, will the gentleman vote for military assistance down the road for the freedom fighters?

Mr. STUDDS. The gentleman persists in asking hypothetical questions. I do not understand how now, or in any hypothetical situation the gentleman would conjure in his wildest imagination, he thinks that the people of any Latin country will rally behind the United States and the CIA after 80-some years of history of intervention in this century.

Even if desirable, which I do not grant the gentleman, the bottom line is that in addition to being illegal, it will not work.

Mr. BROOMFIELD. Mr. Chairman, I yield 3½ minutes to the gentleman from Texas [Mr. DeLay].

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Mr. DeLAY. Mr. Chairman, already some of my colleagues have once again found themselves in the dark with the boogyman—Vietnam. Out of fear they raise this spector—and hope that many of us will shy away, fearing the old wounds of a war we would all like to forget. Well, let me take a stab at plugging in their nightlight, and showing them how to make the boogyman go away.

The question is asked—are there parallels between our efforts in Central America and Vietnam? The answer is "Yes." The next question, logically, is—will we continue to go down the same road we did in Vietnam? The answer—we don't have to.

We can choose another road by changing the fundamental factor which drew us into the slow spiral of a defensive war that cost us many lives and our self-respect. That factor is U.S. resolve. The resolve to make a commitment to act in the national interest. The resolve to do what we can now with indiginous forces to preclude having to commit forces later if at all possible.

In Vietnam our resolve from the outset was weak and wavering. We only aided the South Vietnamese in fits and starts through years of debate and discussion—meanwhile the North Vietnamese organized and mobilized—and we continued to debate and discuss. Though strategic United States interests were at stake, we could not find the resolve to say—we must do everything in our power to ensure that the South Vietnamese people would be ready and able to defend themselves—to win a war against the North. Instead we flip-flopped slowly drawing ourselves into a long drawnout war, where our lack of resolve continued to haunt us.

In Nicaragua, there is an opposition force of over 20,000—more than the Sandinistas had when they set out to overthrow Somoza—20,000 against a Sandinsta army built by physically forced recruitment and supported by Libya, the PLO, the Soviet Union, Cuba, Bulgaria—and the list goes on.

Yes, my friends, we can all feel the Vietnam boogyman's presence and, yes, he is scary. But do we once again cower in the corner waiting for events to take their own course. Hoping that things will turn out favorably for our country—merely hoping that we can avoid sending our own troops to fight—finding some resolve so late that it's too late? Or does this Congress reach deep within itself and find the resolve to make a commitment of support to indigenous forces who want to take back their country before it's lost to Cuba and the Soviet Union. Do we once again send a message to the world that the United States can't make up its mind to help those who would kick out of their country those who are bent on destabilizing the West—a band of international thugs brutally oppressing a nation? Or do we say that our resolve to defend American interests does not stop on the shores of Libya? Will we tell the world that when we see a threat, no boogyman is scary enough to paralyze the Congress of the United States? I hope so. If we find this resolve—Vietnam will fade into the past. We now have a chance to make it a memory—let's not let fear cause it to once again be a reality.

Mr. HOYER. Mr. Chairman, I yield 3 minutes to the gentleman from California [Mr. Dymally].

Mr. DYMALLY. Mr. Chairman, only a few short weeks ago this body voted down aid to the Contras. That was the correct vote then. It is the correct vote today. Nothing has changed.

Shortly after our vote, the Nicaraguan Army entered Honduras in hot pursuit of Contra forces. This was publicized as an unusual occurrence, and as a threat to Honduras. It was an event that has occurred at least 100 times in the past, and apparently the Hondurans did not see it as a major threat to themselves until we convinced them to let us move Honduran forces close to the border to defend Honduras.

Let us try to be somewhat objective about this latest event. The Contra bases are in Honduras. The Contras are working actively to overthrow the Sandinista government. What government, including ours, perceiving itself to be under attack would not pursue its attacker all the way to the attacker's home base wherever that base might be? As our incursion into Libya makes amply clear, we will not hesitate to cross our own borders in order to defend ourselves. Other countries do not hesitate to do likewise. While we may not like the Sandinista government, we should not expect it to act differently than we and our allies would and do act when attacked.

The question we still must face is this: What is that $100 million in aid going to win for us? The answer is nothing. It will not lead to the overthrow of the Sandinistas. It will lead to a continuation of fighting, a continuation of death and destruction in a country so desperately poor that it is a travesty to use that money to promote an arms buildup on both sides. And we know that will happen. As long as the Sandinistas are under attack, its allies will be able to justify more and better weapons. We will do the same for our proxies. if we want to spend $100 million on Nicaragua, let's do it to benefit the people directly, not to purchase armaments.

Let us send that money to Haiti where it will do some good.

Let us again vote down military aid to the Contras.

Let us support the Hamilton amendment.

Mr. BURTON of Indiana. Mr. Chairman, will the gentleman yield?

Mr. DYMALLY. I yield to the gentleman from Indiana.

Mr. BURTON of Indiana. Mr. Chairman, I want to make sure I understood the gentleman's last statement that he made, that we should be giving $100 million in economic aid to the Sandinista government to help the people down there?

Mr. DYMALLY. No, to Haiti.

Mr. BURTON of Indiana. To Haiti?

Mr. DYMALLY. That is correct.

Mr. BURTON of Indiana. I am sorry. I misunderstood the gentleman.

Mr. LAGOMARSINO. Mr. Chairman, how much time remains on this side.

The CHAIRMAN. The gentleman from California [Mr. Lagomarsino] has 30 minutes remaining.

Mr. LAGOMARSINO. Mr. Chairman, I yield such time as he may consume to the gentleman from New York [Mr. Solomon].

Mr. SOLOMON. Mr. Chairman, at this point in the debate, I would like to take a few moments to consider the nature of revolution. Here is an idea, a word, revolution, that is so often used—and almost as much it is misused.

The sad fact that history teaches us is that the vast majority of those political upheavals that have been called by the name of revolution have in fact subverted the very liberties they were intended to establish. If there is one thing we must learn from this tragic record it is this: A political process that results merely in the exchange of one form of tyranny for another is not revolutionary—it is reactionary.

I have often pointed out that the great irony of communism is the fact that Communists are always interested in sponsoring so-called revolutions against everything except the most reactionary model for political, social, and economic development that the human mind has ever devised; namely, communism itself.

And that leads me to the pathetic spectacle that is Nicaragua. The pattern has repeated itself so many times in so many countries that I wonder how we can possibly keep missing it.

In 1979, Nicaragua experienced what has been called a revolution. What really happened is that a gang of cutthroats incorporated the name of an authentic Nicaraguan hero; they next adopted the language of our own Founding Fathers; And they finally succeeded in mobilizing public opposition to a decaying and corrupt regime whose political effectiveness had long since been exhausted. With a timely shove from the United States, bolstered by international public opinion, the Somoza regime was out—and suddenly the Sandinistas were in!

A revolution it was called! A cynical betrayal it soon became.

We all remember the solemn promises the Sandinistas made in 1979, the commitments made to the OAS and to the United States:

Free and fair elections.

A mixed economy with opportunity for individual enterprises and advancement.

A pluralistic society with respect for freedom of religion, association, and expression; and

An impartial and orderly judicial system.

That is what the Sandinistas promised. What they produced is what these so-called revolutions always produce:

Broken promises.

A shattered economy.

Political repression on a scale previously unknown in Nicaragua.

Expanding prisons; and, oh yes, waves of refugees.

The revelations made by Alvaro Baldizon, Arturo Cruz, and other defectors who had inside knowledge of the inner workings of the Sandinista regime add up to a striking group portrait of men who are desperately clinging to power and living in fear of the very people that they ostensibly liberated. So complete has been the failure of the Sandinista revolution within Nicaragua itself that its leaders soon turned their attention outward to the neighboring countries.

"This revolution goes beyond our borders"—so declared Tomas Borge in 1981 as he and his cohorts moved to subvert the neighboring countries. Only by spreading revolution Sandinista-style—uninvited, unwanted, and undemocratic—could the Sandinistas find reason enough to justify continuing their disgusting regime.

Mr. Chairman, If Tomas Borge can proclaim a revolution beyond the borders of Nicaragua—if the principles of Sandinismo are truly international in scope—why cannot we help the Nicaraguan people reclaim their own revolution? Why cannot we help them bring to completion the revolution they thought they had achieved in 1979?

The choice before us is whether we are willing to accept as a permanent fact of life a demented parody of those ideals for which the Nicaraguan people fought and bled in 1979—or whether we will stand with them in their hour of need, helping them to reclaim their own revolution.

Mr. LAGOMARSINO. Mr. Chairman, I yield 2 minutes to the gentlewoman from Tennessee [Mrs. Lloyd].

Mrs. LLOYD. Mr. Chairman, today, the House continues its debate on U.S. policy for Central America. Three weeks ago, the House made the decision to take the extra time to resolve this issue properly. I voted no then because I firmly believe we must find legislatively a time for negotiation.

Options and choices are now before us.

What is decided now will serve as the foundation for an essential long term policy in Central America.

All of us share a common goal: To nurture democracy and independence in a region which has long known only dictatorship and indifference. As secretary Shultz has commented, the consequences of our inaction are simply too great—the price of failure too high—for this Congress not to follow the right road.

Before the last vote, I met with President Duarte at his office in San Salvador. "People who have lived under a dictatorship," He said, "need an opportunity to fully appreciate liberty. I want to prove," President Duarte continued, "that a democratic revolution is better than a Communist revolution."

Our challenge in this Congress is to support a program that gives democracy a chance.

I have consistently said I would support aid to the Contras. I have consistently said I see the need for a fenced-in period of negotiation. I have consistently said the United States should strive toward a Central American policy.

It would be a tragedy not to support the positive trend toward democracy throughout Central America.

While I understand the honorable motives behind the other amendments being offered, our actions must send a clear signal. A second vote in a few weeks is no substitute for a decision today. It is important that we display our support. More conditions will only send a confused message that Congress cannot make up its mind.

If we want to provide a little breathing room for those fragile democracies in El Salvador and Honduras, Congress must send a signal to the Sandinistas.

If their response is indifference, the Senate proposal is equally clear. The United States will support a program to promote Central American independence through appropriate assistance to the Nicaraguan resistance.

The Senate proposal meets the conditions I outlined in my report after my own visit to Central America I will support the Senate proposal.

Mr. HOYER. Mr. Chairman, I yield 10 minutes to the gentleman from Maryland [Mr. Barnes].

Mr. BARNES. Mr. Chairman, I thank my distinguished friend from Maryland for yielding the time to me.

Mr. Chairman, we face today one of the most important series of votes that we are going to cast in this Congress. These votes are about nothing less than whether our Nation will continue down the road of escalation in Central America that the administration has laid out for us, or whether we are going to give diplomacy a real try.

The administration has charted its road very clearly. This road leads to an ever-larger Contra army, and it leads, in my judgment, to eventual United States intervention if the Sandinistas do not, as the President has said, cry uncle. This road leads to a war that will serve no one's interests.

As a Contadora negotiator told me just last week, the approval by Congress of the $100 million for the Contras will lead to "nothing positive; only havoc and chaos."

Later today, our universally respected colleague from Indiana [Mr. Hamilton], the distinguished chairman of the Intelligence Committee, will offer an alternative that would take our Nation down another road, a road toward diplomatic settlement, a road

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toward stability in our region rather than chaos in our region.

We are not just debating $100 million in aid. We are debating the entire direction of our Central American policy. We are debating whether we will continue to pursue policies that have failed to bring peace and stability to Central America, failed to slow Nicaragua's military buildup, failed to slow its movement into the Soviet-Cuban camp, failed to induce the Sandinistas to open up their political system; or whether we will adopt new policies, new policies that have, we are told, by all of our friends in the hemisphere, a better chance of working. We are being asked today to kid ourselves. Basically, we are being asked to suspend judgment, to pretend that voting for this joint resolution providing for $100 million to the Contras will accomplish something positive.

But I believe, I really believe that we know better. My colleague, we cannot escape responsibility for the fact that we know better. We know that this $100 million, or whatever it turns out to be because the resolution, if adopted, will suspend the restriction on the use of other funds, so we do not know how much money we are talking about, but whatever it ends up being, we know that it is not going to accomplish anything. We know that 18 months from now the administration is going to be back asking for more, just another $100 million, or just another $200 million, or $500 million to, as they will tell us again, draw the Sandinistas to the negotiating table.

But we know that this policy is not going to produce negotiation. We are told that by the negotiators. That is not the intent of this policy, and that will not be its effect.

The idea that by financing the Contras we will ever get the Sandinistas to sit down with Somoza's national guard and agree to give power back to them is, we are told by our friends in the hemisphere, ludicrous. It cannot happen. We know that.

If that is what we want, to get the Sandinistas out of power, we are going to have to accomplish that with the use of American troops. We know that this policy makes reconciliation in Nicaragua less likely. It makes concessions by the Sandinistas less likely, because they do not want to be seen to be giving into externally supported aggression. That message has been told to us loud and clear by the negotiators themselves, the very people who are trying to pursue an alternative to war. And it makes concessions, I would argue, by the opposition, the Nicaraguan opposition, less likely because they will continue to hope that the United States Armed Forces will eventually install them in power.

We know that this policy is a failure. The record is clear. Five years of this policy have produced more repression, have produced more polarization, more censorship, more human rights violations, more attacks on the church, more military buildup, more Cuban advisers, more of everything in Nicaragua that the administration says that the policy is supposed to prevent.

We know also, I would argue, everybody here knows Nicaragua is not 10 feet tall. We know that our rejection of this request is not going to lead to the fall of Mexico and the end of freedom in the Americas.

□ 1150

Nicaragua is a tiny country of 3 million people, about half the population of our State of Maryland, with an inept government and a bankrupt economy. The United States does not have to be afraid of Nicaragua. In cooperation with our many friends in Latin America who have more at stake in this than we do, we can clearly deal with Nicaragua; and our friends confirm that when we talk with them.

We can ensure that the Soviets do not base missiles or submarines in Nicaragua. The Contras do not have the power to do that, by the way, but we do. We can ensure that Nicaragua does not take over other countries. The Contras cannot ensure that, but if we and our friends follow the right policies, we can ensure that.

We know that we are isolated from Latin America on this issue. This is an irony here. A policy intended to isolate Nicaragua has instead isolated the United States. The Latin American democracies do not support this policy. They tell us that there is a better way, and it is through the diplomatic process that they have been working at over these many months.

We know that this policy is not an alternative to intervention or withdrawal, as the administration claims. On the contrary, it makes either intervention or withdrawal inevitable. We know that the only way to avoid having to face that cruel choice is to abandon this failed policy and go to an alternative that does serve the national interests of the United States.

My colleagues, I suggest to you that we all really know when we stop to think about it that these things are true. Acting on that knowledge, I concede, will be difficult today. We will be attacked by the administration, we will be attacked by the right wing; but when we were elected, and when we took our oaths of office on the floor of this House, we acquired responsibilities; and one of the most awesome of those responsibilities is to cast the tough votes when we know the national interest of our Nation demands it.

I ask you to join with me, to join with the majority of the American people who oppose this policy, to join with virtually all of our democratic neighbors to the south and all of our allies in Europe, to join with the Latin American Parliament, which issued a report just 10 days ago on April 5, condemning United States policy of aiding the Contras; to join with the three former Presidents, with the more than a dozen former Cabinet officials and many other leaders from the United States and Latin America who signed the report of the Inter-American Dialog condemning this policy, which I had delivered to the offices of all of my colleagues yesterday. I urge you to read that statement if you have not had an opportunity to do so yet. It was signed by leaders from all over the hemisphere, including former Cabinet members of the United States, former American Ambassadors, former American military officials; an outstanding group of business leaders and political leaders from our Nation and nations all over the hemisphere cochaired by the former President of Peru, and the former distinguished American Ambassador to the Organization of American States, Ambassador Lenowitz; a superb statement which I provided to all Members yesterday, condemning the proposal to aid the Contras.

I urge Members very strongly to vote "no" on war, to vote "yes" on the positive alternative that many of us will be offering later under the leadership of the distinguished chairman of the Committee on Intelligence.

Now I yield to the gentleman from Indiana [Mr. Burton].

Mr. BURTON of Indiana. Mr. Chairman, one of the things the gentleman from Maryland [Mr. Barnes] said struck me in an unusual way.

In all Communist countries with which I am familiar, there is severe repression, and Nicaragua is no exception. Yet the gentleman indicated in his remarks that the main responsibilities for the repression in this country, in Nicaragua, rests with the Contras and their aggressive attitude. Is that the impression you meant to leave?

Mr. BARNES. No, it is not.

The CHAIRMAN. The time of the gentleman has expired.

Mr. HOYER. Mr. Chairman, I yield 30 additional seconds to the gentleman from Maryland.

Mr. BARNES. What the existence of the Contras does, we are told; and the gentleman has had meetings with Contadora leaders so I am sure he has had the same message from them. What the existence of the Contras does is provide a beautiful excuse for the Sandinistas to take the actions that tney have taken.

It makes it, their neighbors tell us, virtually impossible for them to put the kind of pressures that the Latin Americans are prepared, they tell us, to put on Nicaragua because of the policies that we are engaged in and the excuse that the Nicaraguans have in the negotiations that they have been engaged in.

Mr. LEWIS of California. Mr. Chairman, the presentation of my colleague, Mr. Barnes reminds me of the reality that men and women are elected to Congress to make the tough choices. Not the simple—not the easy, but rather the complex and difficult choices.

And the most important decisions come at a time when your individual vote really counts—when what you decide to do with your vote may change the course of history for America.

Today, each of us is faced with just such a decision. The vote is going to be close. Four or five—maybe even one or two votes will make the difference.

As we come to decision time on Nicaragua—to support the freedom fighters or to allow the consolidation of a Communist state in our hemisphere, let us review a chapter of recent history:

During the session beginning in 1979, as new Members of Congress, my colleague Mr. Barnes and I listened with fascination while more learned and senior Members debated the role we should play as America joined forces to pressure Somoza to leave Nicaragua in the hands of a group who called themselves Sandinistas. Their rhetoric gave promise of a free and pluralistic society—that would hold democratic elections—would support a free press, freedom of religion, and bring an end to politicial oppression.

One side of the debate argued that we should give economic assistance to the new government because of the hope of the Sandinista promise. The other suggested that we should not be fooled by false promise and that the threat of Communist takeover was real.

Well, there was credibility to the argument of both sides and the Congress decided to go with hope. Those who say we walked away from the new government are wrong. During the next 18 months President Carter's administration and Congress poured $118 million in the Sandinista regime.

In the meantime the Ortega brothers and those who make up today's commandantes stole the revolution from the Nicaragua democrats. Businesses were closed, property confiscated, free speech and press obliterated, and the church humiliated. Voices of opposition were heard only from Nicaraguan jails and Miskito Indians were massacred. Finally in frustration, President Carter cut off aid and the democrats of Nicaragua began their effort to recapture the revolution of hope.

The history of the 1980's has been recounted here by others. Ortega has declared himself the leader of a revolution without borders. Sandinista efforts to destabilize the democratic states of Central America are well documented. We have made continued efforts through persuasion to bring about meaningful negotiations. Even our Speaker has recognized Ortega to be an "incompetent Marxist-Leninist Communist."

So that history brings us to the point of decision: Will we support the hope of the democrats in Nicaragua or will we let Ortega and the commandantes consolidate their Communist state?

The question is not $100 million when placed beside the $1.5 billion we already plan to spend in Latin America this year. So don't try to hide behind a sop to a balanced budget.

During hours of debate I have not heard one of my colleagues come to the floor to praise those Communists who call themselves Sandinistas. I did hear some argue: "If the Ortega brothers and the commandantes really mean to threaten El Salvador or Costa Rica—surely $100 million is not enough—then and only then we should send the Marines."

Well friends, I certainly hope this House has more to offer than two simplistic alternatives: On the one hand to send no money at all while we wish the Nicaraguan Communists to the table for negotiations, or, some suggest that after overt action against, and destabilization of, democracy in neighboring countries such as Costa Rica, El Salvador, and Honduras by the Sandinistas then send in the Marines!

Ortega has rejected Contadora and the Duarte initiative—our aid to the freedom fighters is our only hope to pressure them to the bargaining table.

I urge you today to cast your vote to continue the revolution begun by the freedom fighters against Somoza. Let your vote give freedom a chance to survive in the Americas.

Mr. LAGOMARSINO. Mr. Chairman, I yield 1 minute to the gentleman from Mississippi [Mr. Montgomery].

Mr. MONTGOMERY. Mr. Chairman, as the gentleman from Maryland [Mr. Barnes] knows, I have a great deal of respect for him; but I really believe he sometimes gets himself into the utopia position. I wish there were ways to work that the gentleman from Maryland mentions, but they are not going to work.

I rise in support of the Contra aid. Basically I support the Senate compromise and oppose the first three amendments that will be offered today.

Four Members of the House went to Nicaragua, Mr. Chairman, several weeks ago: Ken Gray, Sandy Levin, Buddy Darden, and myself. We had voted 2 and 2 for and against Contra aid. I do not think we changed any votes on our trip.

However, and I think my colleagues will agree with this, we did find in place a Marxist-Leninist type of government in Nicaragua. There is no freedom of the press in that country; there is no religious freedom, and no free elections are being planned.

Mr. Chairman, if the freedom fighters are willing to risk their lives for freedom, I certainly want to help them.

The CHAIRMAN. The time of the gentleman has expired.

The Chair will advise that the gentleman from California [Mr. Lagomarsino] has 27 minutes remaining, the gentleman from Maryland [Mr. Hoyer] has 16 minutes remaining, and consequently the Chair now recognizes the gentleman from California [Mr. Lagomarsino].

Mr. LAGOMARSINO. Mr. Chairman, I yield 30 seconds to the gentleman from Indiana [Mr. Burton].

Mr. BURTON of Indiana. Mr. Chairman, I would like to refute just a couple of points that were made by the gentleman from Maryland [Mr. Barnes], the chairman of the Subcommittee on Western Hemisphere Affairs.

First of all, he referred to the Contras as the Somoza guard; 98 percent of the Contras are campacinos and citizens of Nicaragua, and not the Somoza national guard. There are about 20 percent in the leadership, but the Contras are not the Somoza national guard.

He said aid will get us into war. I believe and I believe my colleagues on this side of the aisle believe that no aid will allow the Sandinistas to crush their opposition and consolidate their power and export revolution and then we will be forced into a war that is unnecessary and one we don't want.

Finally, Mr. Borge himself has said they want a revolution throughout all of Central America, up into Mexico. We must take them at their word.

Mr. LAGOMARSINO. Mr. Chairman, I yield myself 30 seconds.

Mr. Chairman, there has been a lot of talk, especially earlier in the debate, about drugs. I would point out for my colleagues that the legislation we are debating, the Senate-passed resolution, provides that: No assistance under this joint resolution may be provided to any group that retains in its ranks any individual who has been found to engage in drug smuggling.

Mr. LAGOMARSINO. Mr. Chairman, I yield 3 minutes to the gentleman from California [Mr. Dreier].

Mr. DREIER of California. Mr. Chairman, no Member of this House has made any attempt whatsoever to deny the Qadhafi-Ortega connection. It is very clear and evident here that there is a tremendous alliance between

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both Mu'ammar Qadhafi and Daniel Ortega.

It is also obvious that we have made an attempt to bring about negotiations with Libyans. That is one of the reasons that we were led to this very last resort. There is almost unanimity of thought in both Houses of Congress that the President was correct in taking the action that he did in the strike against Libya. That is why it is very important for us to provide this much needed assistance to the freedom fighters.

A number of us have been greatly criticized by picketers at our offices. My district office has twice been picketed by a number of people; up to 50 just the day before yesterday, and I have to say, Mr. Chairman, that it is very important for us to realize as I have found when I visited Nicaragua, that the kind of gathering which took place outside of my office could not have taken place in Managua, because Ortega and the Sandinista regime, the Communist dictatorship, prevents that kind of gathering.

□ 1200

Mr. Chairman, not only do I welcome that kind of gathering outside my office, even though it disrupts the work of my office and the small businesses around my office, but I will take, and when we go into the full House, I will print in the Congressional Record the announcement that they had calling people to that rally. That shows very clearly the difference between Nicaragua and the United States of America.

As I have reported to this House several times, based on the trip that we had, we are seeing two revolutions taking place in Nicaragua. One is a revolution without borders, as has been pointed out on several occasions. That revolution without borders was seen very clearly with the incursion into Honduras.

The second revolution, that important one of 1979, which the people of Nicaragua support. The revolution which called for free and fair elections, nonalignment, an end to human rights violations, that is what the people of Nicaragua want and that is all we are trying to provide them, is what they originally wanted in their quest in 1979 by overthrowing that horrible repressive Somoza dictatorship.

Mr. Chairman, I urge my colleagues to support this package as these people of Nicaragua are reaching out for the same kinds of freedoms that we in the United States of America enjoy.

Rally announcement referred to follows:

JOIN IN A NATIONWIDE PROTEST AGAINST RACISM AND INJUSTICE

In Commemoration of the 18th Anniversary of the Assassination of Dr. Martin Luther King, Jr.

Friday, April 4, 3:30-5:00 pm

At the offices of David Dreier (R), U.S. Representative of the 33rd District

112 N. Second Ave., Covina

(Corner of Badillo and 2nd; take Citrus Ave. exit from 10) Car-pooling at 3:00 pm from McAlister's Center (corner of 9th & Columbia, Claremont Colleges)

Stop U.S. support and sanction of repressive and fascist regimes like South Africa, El Salvador and Guatemala. Stop the use of your tax dollars to aid terrorists attempting to overthrow the legitimate governments of Nicaragua and Angola and to support U.S. international terrorism and geopolitical bullying. Demand that our government use its resources to promote peace and justice at home and abroad. Demand that our government respond to our cry. The time is now, the opportunity is here, and the rest is up to us!

Kickoff: Thursday, April 3, 6:30 pm; Avery auditorium, Pitzer College. A talk by Jeff Cohen on the role of the FBI in the harassment of Civil Rights Workers and the assassinations of Dr. Martin Luther King Jr. and Black Panther leader Fred Hampton.

Sponsored by: Clarement Colleges' Central American Concern, Students Against Apartheid, and Black Students Union.

Mr. LAGOMARSINO. Mr. Chairman, I yield 3 minutes to the gentleman from California [Mr. Dannemeyer].

Mr. DANNEMEYER. Mr. Chairman, as I have listened to the debate not only today but last month when we considered this matter, and read the account in the newspapers, I have asked myself this question time and again: Why is it so many of the Democrats in the House, who are dedicated and loyal Americans as any Republican in this House, see the issue in Nicaragua so differently than so many Republicans? It is one of the major differences between the two great political parties in America. Why is that? The answer really involves an interpretation of history that I think the American people should understand in terms of where the stewardship of power should be vested in the years to come.

Up until about 1975 in this country we had a bipartisan foreign policy that recognized the necessity of interfacing with Soviet expansionism wherever it occurred in the world. That bipartisan policy broke down in 1975, and since then the leadership of the Democratic Party in America has turned inward and isolationist and to justify their bias, their analysis goes something like this: We Americans are a revolutionary people. We won our Revolution 200 years ago from Great Britain and the tide of history is on the side of the revolutionary movement. What is going on in Central America is a revolution. We Americans should be on the side of revolution, not against it. Therefore, we should be supporting the forces of Ortega and those seeking a better life for those in Nicaragua.

It sounds pretty good. But let us look at it. The American Revolution was based on certain premises: Respect for private property, another respect for pluralism, respect for religious views, and respect for freedom of speech. The revolution going on in Central America claims to reflect all those values. They claim to pursue them, to respect them, but the fact is they do not support them.

That is why today 40 percent of the Contras are former Sandinistas. The revolution going on in Central America is one that is pursued with a gun, and the gun says to those with property: "If you do not give it up voluntarily, we will take it from you or your life, and we the government will redistribute this wealth to those who have a greater need than those who have it."

That violation of private property is the major distinction in the revolutions going on in Central America and the American Revolution and is responsible for the failure of this rostrum, now receding, which is the same failure of my Democratic colleagues who cannot understand the difference between the two revolutions in our world.

Mr. HOYER. Mr. Chairman, I yield 6 minutes to the gentleman from Iowa [Mr. Bedell].

Mr. BEDELL. Mr. Chairman, as many of you know, I come from an agricultural area which is having serious, serious difficulties at this time. I must tell you that I have great difficulty understanding that if we need something to help our own people, it is constant cutback, cutback, cutback, we cannot do it. But if what we are going to do is to try to furnish arms to overthrow a government, then "don't worry about the cost, go right ahead." I do not agree with that. I think we should have some concern for the problems that exist herein. And if my friends who are so concerned about the budget, surely they should be somewhat concerned about the money we are spending in other areas as well.

Mr. Walker, you are one of those that says we ought to worry about spending. Apparently 100 million bucks to the Contras does not bother you. We go ahead and throw it away.

What is your view?

Mr. WALKER. Mr. Chairman, will the gentleman yield?

Mr. BEDELL. I yield to the gentleman from Pennsylvania.

Mr. WALKER. I thank the gentleman for yielding.

I have a question: Is the gentleman going to support my amendment to cut out the Irish aid?

Mr. BEDELL. I do not know about the gentleman's amendment to cut out

the Irish aid. I do not know what it is about, what it says.

Mr. WALKER. That will be an amendment. Will the gentleman support that amendment to cut out the Irish aid?

Mr. BEDELL. That has nothing to do with this issue. This is whether you believe we ought to——

Mr. WALKER. Sure it does, sure it does. It is money going elsewhere. Is the gentleman willing to support stopping the money going to Ireland?

Mr. BEDELL. I am telling the gentleman I do not know what that amendment is, and I am not going to tell you what I am going to do if I do not know what the amendment is. What a ridiculous question for you to ask. You apparently do not think it matters a darn bit how much money we spend in furnishing arms to other countries to overthrow governments. That is the issue. The issue is not Ireland today. That is the issue. The gentleman is saying we have got to worry about our budget, but apparently you do not worry about it when it comes to this sort of thing. That bothers me.

Mr. WALKER. Will the gentleman yield?

Mr. BEDELL. No, I will not. I am not going to spend all of my time talking about Irish aid. This is not Irish aid. This is whether we are going to send arms to try to overthrow a government. Some of us question whether that is advisable. But I have a greater concern than that, and that is that I do not have any love for the Sandinista government either. I think they have done a lot of bad things. We have seen what terrorism has done recently. We are against terrorism. But we are supporting terrorism when we support the Contras.

I have been down there. Let me tell you they are committing acts of terrorism against the people in Nicaragua.

Mr. RITTER. Mr. Chairman, will the gentleman yield for a very quick question?

Mr. BEDELL. I yield to the gentleman from Pennsylvania, and I apologize that I did not yield before.

Mr. RITTER. I thank the gentleman for yielding. There was somebody else here before.

Will the gentleman acknowledge the intimate link between Qadhafi's Libya and the Sandinistas' Nicaragua? Does he understand that intimately? Does he understand how the two work inexorably together, that they have cooperated in terrorist training, that the Sandinistas are exporting terrorism?

Mr. BEDELL. That indeed is the issue, and I have told you I do not admire the Sandinista government. We agree on a lot of things, but let me finish if you may, it is my floor, if I may. It seems to me then we should objectively look at what it is we do in order to try to reduce the power and influence of that regime.

My contention is, for God's sake, if we want to strengthen a regime, all you have got to do is threaten it from without. That is what we are doing. That is what we are supporting in spite of the expenditures we are spending, that is what we are doing.

The issue is not whether we love the Sandinistas. I made that clear that I do not. The issue is not whether we feel they should have the associations that they have. I agree they should not.

The question is, Are we first of all going to overthrow them with $100 million of aid to the Contras. Does this gentleman think that will overthrow their government?

Mr. RITTER. Do I believe that the $100 million will be successful in overthrowing the government?

Mr. BEDELL. Yes.

Mr. RITTER. Well, I for one think that we can certainly neutralize MI-24 Hind-D helicopters with a few million dollars worth of Stingers. I do believe that.

Mr. BEDELL. That is not my question. Does the gentleman——

Mr. RITTER. I believe that we have, that there is a potential shot at it. It is a lot better shot than what—people in the gentleman's own party have stated that in the event the Soviets and Cubans establish a major base then U.S. troops would have to be sent into action. The gentleman from the other body stated that.

What we are trying to do is avoid that.

Mr. BEDELL. I understand, we are all trying to avoid it. I asked the gentleman a question and apparently the answer is yes. Certainly the gentleman does think that $100 million——

Mr. RITTER. We have freedom in Nicaragua——

Mr. BEDELL. No, please, it is my time, I wish the gentleman would not interrupt me. Apparently the gentleman does feel that $100 million aid to the Contras is likely to cause the overthrow of the Sandinista government. Is that correct?

Mr. RITTER. The possibility is distinct that the Sandinistas are so rotten——

Mr. BEDELL. I am sorry, it is my time, I asked the gentleman a question. It is either yes or no. Does he think the $100 million will overthrow the government?

Mr. RITTER. I think it would help, yes.

Mr. BEDELL. Does he think it is likely to overthrow the government of Nicaragua?

Mr. RITTER. I have no crystal ball as the gentleman.

Mr. BEDELL. Well, does he think——

Mr. RITTER. Mr. Chairman, will the gentleman yield?

Mr. BEDELL. No; I will not. You have taken up all my time so far talking about Ireland and everything else. The fact is that we have a problem in Nicaragua.

The fact is that the President is becoming more and more committed to the overthrow of that government. The fact is most people would tell you this is not going to do it, and most people would tell you the Contras are probably not going to do it.

I hope we will ask ourselves if we are committed to the overthrow of that government and the Contras cannot do it, how are we going to do it? And do you want to commit our young people to go to war in Central America.

Mr. RITTER. Mr. Chairman, will the gentleman yield?

Mr. BEDELL. No; I am not going to yield. You have taken up all my time. I have about 1 minute left. I understand that, but some of us have a right to ask questions and those questions are: What happens when we have to send our own people down there, and if we do not, how the devil are you going to overthrow that government if the Contras cannot do it?

Thank you.

Mr. LAGOMARSINO. Mr. Chairman, I yield 30 seconds to the gentleman from Pennsylvania.

Mr. RITTER. I appreciate the feelings of the gentleman from Iowa. I empathize with those feelings. He wants peace in the region, but he should know that members of his own party have stated that, if the situation deteriorated, if the Soviets were indeed establishing a military base, then they would recommend the use of American troops. A member of the gentleman's party in the other body stated that and then, according to an ex-Vice President of the gentleman's party, a former Presidential candidate, quarantine, a blockade, might be necessary. That is precisely what we are trying to avoid by supporting forces indigenous to the region.

Mr. LAGOMARSINO. Mr. Chairman, I yield 5 minutes to the gentleman from Louisiana [Mr. Livingston].

Mr. LIVINGSTON. Mr. Chairman, we've come a long way in the last few months. It used to be that some of us had to stand up on this floor to try to convince some of our colleagues that the Sandinistas are dedicated Marxists committed to repressing their own people in the name of their "people's revolution." It used to be that we had to spell out for those who refused to listen to the details of how civil liberties have been suspended, freedoms have been trampled upon, and a nation has been imprisoned by its own government.

But now, that's all changed, for we all know the Sandinistas have systematically destroyed free expression in

Nicaragua. We know that they've taken over all the radio and television stations and that they've heavily censored the press. We know that they've suppressed and humiliated the Catholic Church by harassing its leaders and shutting down its newspaper and radio station. We all know that they've betrayed their revolution and have lost whatever legitimacy they may have had as a representative democracy by denying all freedom of expression to their opposition; by invoking martial law and imprisoning, torturing and even executing their foes, and by supporting and subsidizing terrorist training bases and exporting terror and revolution to their neighbors.

The question before us now is simply, what are we going to do about it? The President has made his request for funding for the freedom fighters 2 months ago, and the other body has agreed with him. We have fooled around long enough and now we come once again to the moment of decision. We must decide whether we're going to continue to turn the other cheek to their transgressions, or whether we're going to pressure them to live up to the promises of freedom they made to the world 7 years ago.

Opponents of the legislation before us today have done their level best to avoid this issue and to keep the House from voting up or down on the President's aid package. The leadership has attached this aid package to a supplemental appropriations bill containing additional spending provisions that the President may veto, even though this aid package has nothing whatsoever to do with new appropriations, and is merely a reprogramming of Defense Department funds. They feel that by obscuring the procedure, they can evade a true vote on the issue, and divert the President from what most of us know must ultimately be done.

Mr. Chairman, this legislative maneuvering must not be allowed to succeed, for the Nicaraguan freedom fighters need our help.

There will be amendments here today that will attempt to impose restrictions and conditions on the President's proposal. One of my colleagues will offer an amendment to only allow assistance to refugees and support for the Contadoran process. He obviously lingers under the misguided notion that the Sandinistas intend to negotiate in good faith. I find that somewhat incredible in light of their recent refusal to even discuss a rational agreement at the bargaining table in Panama, but of course, the gentleman is entitled to his opinion. But so am I, and I am wholly convinced that the Sandinistas will never have any motivation to negotiate seriously, so long as we blindly leave them to their own sinister divices.

Another of my colleagues will propose an amendment to restrict the immediate release of defensive weapons, and if passed, his amendment would delay the release of the rest of the money until the administration has undertaken "serious" negotiations with the Sandinistas, whereupon there would, of course, have to be another vote on the issue. How many delays must be endured by a people who seek only to restore liberty to their own homes and those of their neighbors? The administration has already tried negotiations, and they have not worked. How many times must they be compelled by the legions of congressional "experts" in this body to return to a fruitless negotiating table? When will we realize that the Sandinistas will not negotiate away the death grip that they hold on their people without being pressured? When the Contras have been eradicated?

Mr. Chairman, the time has come to take firm action. The cruelest policy that we can impose on the Nicaraguan people is one of half-hearted restrictions on aid that is truly needed. We must show the freedom fighters that we intend to help them; we must show them that it is not dangerous to have a friend in the United States; we must convince them that we'll not leave them on the landing beaches of another "Bay of Pigs."

The time has come to cease our bleating and our helpless equivocating.

The time has come to let Central America know that it is every bit as important to us as is the Middle East.

The time has come to help the Nicaraguan freedom fighters, so I urge my colleagues to defeat these amendments and pass the President's aid package, unencumbered.

☐ 1215

Mr. SOLOMON. Mr. Chairman, we reserve the balance of our time.

Mr. FOLEY. Mr. Chairman, I yield 4 minutes to the gentleman from Michigan [Mr. Levin].

Mr. LEVIN of Michigan. Mr. Chairman, I favor a period for unconditioned negotiations. Negotiations may not work, but the alternatives are worse.

If we pass military aid but fence it, it more likely than not will be counterproductive. Passage of military aid will likely cause the Sandinistas to stiffen their position still further. And it might also take pressure off the Reagan administration to negotiate vigorously, it preferring instead to wait out an interim period.

In fact, there now exists good cause for both sides to negotiate. A rough parity of peril prevails today. For the Sandinistas, there is the peril of the unknown, further U.S. military action. For the United States, there is the peril of different unknowns, that $100 million most likely will become just another step on an endless journey.

There are no easy answers here. There is every reason for reasoned debate, not reckless charges.

In that regard, the President was wrong in the New York Times interview of several weeks ago, when he said there was a basic difference of objectives here. No side in this debate likes the increasingly closed society being crafted by the Sandinistas. The problem is that each position contains the potential of unsatisfactory consequences. The United States, with our military capability and surveillance capabilities, can move to contain Nicaragua, to inhibit dramatically Nicaragua's ability to infiltrate into other nations. We can continue to act economically to boycott, to press for further sanctions.

Further, we can keep the glare of publicity on undemocratic practices and provide moral and financial support to opposition forces within Nicaragua.

The results of such a policy of containment and change are not totally certain. If we put our mind to it, containment should work. The outcome of pressures for internal change is less certain, and the result could be a Nicaragua cordoned off externally, but undemocratic inside.

But on the other hand, the logic of the Michel proposal can lead to massive involvement of U.S. troops to overthrow the Sandinistas.

The administration's policies toward Nicaragua have been plagued by unclear and shifting objectives. Its basic position is that the United States cannot live with the Sandinista regime. It was anxious to point out that United States helicopter pilots were not in danger when ferrying Honduras troops to the border several weeks ago, but the logic of its position means first United States military advisers, and then if need be hundreds of United States helicopter pilots, and then United States soldiers on the firing lines in the valleys and mountains of Nicaragua.

The sensitivity of the Reagan administration about such a result shows how unacceptable it is. The potential outcome of deepening U.S. military involvement militates in favor of giving negotiations a serious unfettered try now, no matter how difficult the process. The alternatives are indeed much worse. That is why I intend to support the Hamilton-Barnes proposal.

Mr. BURTON of Indiana. Mr. Chairman, will the gentleman yield?

Mr. LEVIN of Michigan. I would be happy to yield to the gentleman.

Mr. BURTON of Indiana. Mr. Chairman, will this containment strategy the gentleman is talking about keep American marines like those who were shot down in a restaurant in El Salvador from being killed by Communist guerrillas trained in Managua?

Mr. LEVIN of Michigan. I think the answer to that is there is a good chance, yes, and a better chance than that of keeping United States marines out of Nicaragua fighting in the valleys and mountains under the administration's policy.

Mr. SOLOMON. Mr. Chairman, I yield 2 minutes to the distinguished gentleman from California [Mr. Dornan].

Mr. DORNAN of California. Mr. Chairman, I have just signed up for two special orders, one tonight—I hope it is not a postmortem on a vote against freedom—and one for tomorrow night, because I cannot cover in 2 minutes the major human rights violations going on in our hemisphere at this moment.

Here is the report which I signed and put out together with my distinguished colleague from the majority side, the gentleman from Texas, Charles Wilson, the gentleman from New York [Mr. Solomon] and myself on the prison system in Nicaragua.

At the height of Somoza's cruelty to his own people, the deposed and murdered dictator, he had a high-water mark of 500 people in his prisons. There are now between 11,000 and 13,000 people in prison in Nicaragua.

I had the opportunity to debate a nun of my faith by radio in San Antonio. She told me that she has a friend who visits all of these political prisoners and that they are getting sensitivity training on their crimes against the people under Somoza.

The fact is the majority of these people fought against Somoza.

The map, which cannot be seen too well by Members in the back of the House, shows 10 major prisons and 4 suspected prisons. We do not yet have all the intelligence we need on Nicaragua—a country which is closer to my district in southern California than we are here in the Capital City.

But here is a graph that no one on the majority side who votes against the President has refuted. It says there were 20,000 square feet of prison footage under Somoza. It is now way over 100,000 square feet, locking up people who fought with the Communists who were part of the Sandinistas to free that country.

Look at these pictures. This is hard evidence.

I have offered several times in this well to resign from the Congress if somebody can show me this is a massive conspiracy between the leadership on both sides of the aisle, the CIA, the Defense Intelligence Agency, and that somehow or other it is a coverup.

☐ 1225

Without sufficient time to adequately cover this issue I urge, Mr. Chairman, my colleagues to please watch my special order, following that of the gentleman from Georgia [Mr. Gingrich] tonight, where I talk individually about each prison camp.

Mr. KASTENMEIER. Mr. Chairman, this is the fourth time within a year that the House of Representatives is considering the issue of aid to the Nicaraguan Contras. A year ago last April the House decided that assistance to the Contras was wrong. Today, such aid still is wrong, and I urge the House to support the substitute to the Senate resolution offered by our colleague from Indiana, Lee Hamilton, which does not provide any aid to the Contras.

There is no political, strategic, moral, or intellectual value in supporting the Contras. The administration's policy of seeking a military solution to our differences with Nicaragua is wrongheaded and it is doomed to failure. Yet, the administration persists in its efforts to promote the Contra cause. The administration is pressuring Honduras and Costa Rica to cooperate with our backing of the Contras. Recent news reports have now informed us that the CIA has given the Contras several million dollars during the past year for various Contra political projects.

Notwithstanding this enthusiastic support by the administration for the Contra cause, the hard truth is that the Contras do not have popular appeal in Nicaragua. Many of the Contras are viewed, correctly, as being former members of the hated Somoza national guard. The Contras have repeatedly engaged in terrorist campaigns against Nicaraguan civilians and their atrocities have been well documented by various human rights organizations. Even President Reagan, last June, belatedly acknowledged the acts of brutality committed by the Contras.

The Contras have no political legitimacy in Nicaragua. They are fighting a losing cause. There is no popular uprising on their behalf. They have not been able to hold a single town in Nicaragua, and, by themselves, they cannot dislodge the Saninistas.

The President has told us that our credibility will collapse and our alliances will crumble if we fail to aid the Contras and prevail in Central America. But, it is the President, and no one else, who has made our credibility and our alliances an issue. None of our major allies throughout the world support the President's promotion of the Contras. In particular, our friends and allies in Central America, who know this region best, do not back the President's policy. On the contrary, heads of state throughout Central and Latin America have called the Reagan administration's military support for the Contras wrong. The newly elected President of Costa Rica, Oscar Arias, has stated his desire to prevent the Contras from using Costa Rica as a base, and he has said that the President should use the $100 million that Mr. Reagan is seeking in military aid to the Contras for economic aid to United States-allied governments in that region. President Reagan, however, with the wrong kind of farsightedness, ignores the advice of our neighbors to the south.

The $100 million which the President asked for the Contras is nothing more than an additional downpayment to try to keep the Contra cause alive. I doubt that anyone in this Chamber seriously believes that this $100 million is going to help topple the Nicaraguan Government. The administration has failed to tell us what the upper limit is of financial aid to the Contras. It is inevitable that we will see additional requests in the future for escalating amounts of money to prop up the Contra forces.

Mr. Chairman, the President's policy toward Nicaragua is also very dangerous. It is dangerous because it permits the Reagan administration to inexorably push the United States deeper and deeper into a Central American quagmire. For those of us who remember the steps which led to our involvement in Vietnam, the parallel with Nicaragua is striking, and the lessons of our tragic experience in Vietnam must not be ignored. If this request for $100 million is approved, the President will interpret such support as a blanket congressional endorsement for whatever he seeks to do against Nicaragua. This, I fear, will eventually result in the involvement of our Nation in a military action against Nicaragua once it becomes obvious to the administration that the armed aggression by the externally financed Contras cannot succeed. At that point, this war by proxy against Nicaragua will cease being a war by proxy.

There, however, is an alternative to the administration's policy of unleashing the dogs of war in Central America. It is a process for a negotiated peace in Central America which has been proposed by the Contadora group of eight Latin American states. This Contadora peace process offers the best prospect for obtaining a long-term commitment to peace and stability in Central America and we should become a willing partner in the diplomatic pursuit for peace.

Mr. NEAL. Mr. Chairman, I would like to make a brief observation about our policy toward Nicaragua and some recommendations.

In a representative democracy it is imperative that foreign policy in particular receive broad support if it is to work. This is especially important when it involves a long-term commitment, such as in the case of Nicaragua.

That the American people are split on increasing aid to the Contras is clear. Most polls, in fact, show that the majority of American people oppose increasing aid to the Contras.

While the American people may not agree on a policy toward Nicaragua, Mr. Chairman, they are united on policy goals. The American people, by and large, would like to see Nicaragua decrease reliance on the Soviet Union and Cuba; they want Nicaragua to reduce the size of its armed forces so that it no longer would in any way threaten its Latin neighbors; and, Mr. Chairman, they want Nicaragua to move toward a representative government that respects the rights of its citizens.

How do we accomplish our shared goals, Mr. Chairman? Well, I do not believe there is any policy guaranteed to work. I am convinced that continuing the current policy or escalating U.S. military support for the Contras will not do the job. The administration's policies toward Nicaragua have only worsen the situation. Compared to 1980, Nicaragua today is far more reliant on the Soviet Union and Cuba, its military force is double in size and

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the Sandinista government imposes far more restrictions on the rights of its citizens.

Nor do I believe that continuing to throw scraps to the Contras in the form of so-called humanitarian aid will work. We have gone this route before, Mr. Chairman. To go down it again will not bring us any closer to a consensus policy and will only prolong the agony down there.

I would argue, Mr. Chairman, that we settle the issue today. End U.S. support for the Contras and force the administration to go back to the drawing board and come up with a policy to accomplish our shared goals that can be supported by the American people.

One positive consequence of ending support for the Contras today would be that Mr. Ortega would no longer have that excuse for continuing to refuse to sign the Contadora regional compact. As we know, the Contadora treaty would send Cuban and Soviet military advisers home and require a reduction in Nicaragua's armed forces. I would urge the administration to take other more direct steps to resolve the situation, refraining from new military operations with Honduras designed to intimidate Nicaragua, and engaging the Sandinistas in direct negotiations. The administration should offer the possibility of normalizing trade relations with the United States and the possibility of economic assistance, in exchange for opening up the political process to all Nicaraguans, including the Contras. It should be made absolutely clear, too, that the United States will not tolerate domination by any foreign power, particularly the Soviet Union and Cuba, in our hemisphere.

Mr. Chairman, I urge my colleagues to support the Hamilton substitute and opt for a change in policy that has a much better chance to succeed than the one we are now following.

Mr. DOWNEY of New York. Mr. Chairman, I rise today in strong opposition to this latest proposal, adopted by the other body, to provide $70 million in military assistance to the Contras and an additional $30 million in humanitarian assistance.

We are not dealing here with a one time vote to provide $100 million in aid to the Contras. We are considering the next step in the administration's program to overthrow the Sandinistas. We have been assured by the administration that it has no intention of becoming directly involved in the activities of the Contras, that the United States will not be called upon to commit its armed forces to the Contras' goals. Yet, despite these firm declarations of the President's intentions, they really are not a guarantee that we will not have to commit troops to the Contras' war against the Sandinistas.

One thing is clear. Without the monetary and logistical support of the United States the Contras would barely exist. Where is their support in Nicaragua? Why do they have no base in Nicaragua?

Mr. Chairman, this latest administration proposal for Contra aid will immediately provide defense arms for the Contras. I am tempted to ask what defensive arms means in this context. What territory do the Contras have to defend? They are based in Honduras, not Nicaragua. They have no territory to defend. Any arms they have are inevitably offensive, for they will be used to attack Nicaragua.

I will support the substitute offered by my colleague, Representative Lee Hamilton, which will provide $27 million in humanitarian assistance for refugees from the Nicaraguan conflict, but which provides no assistance for the Contras.

Should that proposal fail, I will support the amendment offered by Mr. McCurdy which restricts the use of funds provided in the measure adopted by the other body. I support this amendment because it allows the negotiation process undertaken by the Contadora nations to continue and postpones any military aid for 90 days. It requires that Congress act affirmatively in July in order to release any funds for military assistance. The Congress, under the McCurdy amendment, will retain control of the purse strings.

I will also support the amendment offered by my good friend Representatives Mrazek. This amendment prohibits United States troops or employees from providing military training or assistance to the Contras in Honduras, Costa Rica, or El Salvador. This is the best guarantee that we have, under the circumstances, that U.S. troops will not be involved in the Contras' war.

Mr. Chairman, I do not support assistance for the Contras. I have said before that we are headed down the wrong road in Central America. If we vote to provide assistance today we will have moved further down the road of United States involvement in Nicaragua; we will have moved further away from a negotiated settlement and from peace. And we will not have succeeded in our acknowledged goals, to deny the Soviet Union an offensive military base in Central America and to promote peace in the region. I urge my colleagues to vote against House Joint Resolution 601, the Nicaraguan assistance provision.

Mr. OWENS. Mr. Chairman, once again we are being asked to consider aid to the Contras. It is imperative that we ask ourselves why some would support such aid and precisely what might be gained or lost through any support given.

The stated objectives of Contra aid has varied from making democratic reforms in Nicaragua to the ousting of the Nicaraguan Government. It is clear that external pressures will not lead to democratic reforms in Nicaragua. In fact, the opposite is true. No country in history has ever become more democratic when it was dealing with an external threat. One has but to look at our own country's behavior during World War II to understand that individual rights may be violated in response to a threat. The removal of Japanese Americans from the west coast is interestingly similar to the removal of Nicaraguan Indians from the Rio Coco area. Neither act can be viewed as a high point for democracy and the protection of human rights.

The objective of removing the current Nicaraguan Government is not likely to be met by continuing aid to the Contras. The Contras have failed to get support within Nicaragua and it is clear that a far more massive military adventure would be necessary if the goal was to remove the government. There is no support for such a venture in the United States and our Latin American neighbors have expressed their opposition to such an approach.

If we are incapable of encouraging democratic reforms in Nicaragua or removing the current government through the use of the Contras, we must then take a look at whether any reasonable policy objective can be met by supporting the Contras. I fail to see any stated objective being met by financial support to the Contras.

If we are unable to gain the objectives that we articulate, we must go the next step and recognize just what it is that we have gained and lost through support for the Contras to date, and what is the likely result of further support. To date, we have been assigned the responsibility for the most objectionable behavior of the Contras; for example, terrorist attacks on Nicaraguan civilians, at the same time that we have virtually no control over these actions which would not be tolerated by any responsible American military commander. This behavior has led to a general sense of disgust on the part of our American neighbors who have repeatedly stated their support for the Contadora process and their understanding that that process of demilitarization cannot proceed without an understanding that Nicaragua cannot continue to be attacked.

Although there has long been a sense of hemispheric good will which has allowed our American neighbors to live with U.S. foreign policy actions of which they did not approve, we seem bound and determined to undermine those sentiments by assuming a right to interfere whenever and wherever it seemed to meet our immediate needs. Such policies are shortsighted and ignore the realities of modern transportation and communication which make it possible for our neighbors to the south to unite on issues of national integrity. Latin Americans see the U.S. intervention of Contra support as a threat to their own national integrity even though they may not be under such pressures at the moment. Unity in Latin America in friendship with the United States is in our interests. Unity in Latin America in defense against the United States is clearly not in our best interests. Nothing binds people together more than a common enemy. I, for one, do not want to see the United States perceived as being the common enemy of the peoples of Latin America.

Support for the Contras has also gained us one more expenditure in a time when we are told that we must cut Government spending. Although I would not argue against spending which increased the security of the United States and which was clearly in our best interests, I do not have any reason to believe that anything is to be gained by spending money to support the Contras. Although I would have questions if every penny were accounted for and were spent to supply the Contra forces, it is quite clear that a great deal of money is unaccounted for. The Contra leadership salaries always manage to get paid, but money allocated for those in the field seems to go astray leaving the rank and file without food, medical supplies and clothing. The last thing that this country can afford is to fatten the bank accounts of military leaders, be they in power or trying to get power.

Support for so-called humanitarian aid to the Contras has also caused problems. Humanitarian aid, by definition, must go to assist all parties to a conflict through neutral aid givers. The whole point of organizations such as the International Red Cross is to supply aid to all victims. Selective aid is simply a way to assist one side in a conflict and labeling it as "humanitarian" merely clouds the issue of genuine humanitarian aid to recognized nonaligned neutral organizations.

Latin Americans are working together to solve their own regional problems. It is not necessary that we stand by to shape their solutions. It is necessary that we not get in the way and that we not force any country to militarize in order to defend themselves from a direct attack by the United States or from attacks supported and supplied by the United States. In order for the Contadora process to proceed we do not have to come up with any solutions to anyone's problems. We can simply stop sending, or implying that we will send, money to the Contras. That does not seem to be a very difficult task.

It is my hope that all of my colleagues will see fit to vote against Contra aid. This is the only choice open to us which is consistent with our interests and consistent with the will of the vast majority of our people.

Mr. SOLOMON. Mr. Chairman, I yield 5 minutes to the gentleman from Illinois [Mr. Michel], the distinguished Republican leader.

Mr. MICHEL. Mr. Chairman, during yesterday's debate on the rule, Mr. Bonior quoted a New York Times poll concerning public views of aid to the Contras.

Mr. Bonior correctly quoted the New York Times poll as showing that a majority of Americans polled are opposed to the President's position.

Today I would like to tell you the rest of the story of that poll, a story neither the gentleman from Michigan nor any of the President's critics have discussed.

First, while the poll shows that there is opposition to the President's position, it also shows the following:

Only 38 percent of those polled know that the administration is supporting the Contras and not the Government in Nicaragua.

As to the nature of the Sandinista regime, just 20 percent think it is Communist, 19 percent think it is a rightwing dictatorship and 49 percent haven't the slightest idea what ideology the Sandinistas have.

Fifty-nine percent believe the Nicaraguan Government would provide the Soviet Union with military bases and 56 percent agree that Nicaragua constitutes a threat to the security of other Central American countries.

This is an astounding fact. After 6 years of debate and discussion and evening television news, only 38 percent of the American people know which side the administration is supporting.

And this lack of knowledge isn't a new phenomenon.

Consider two national polls taken by the New York Times/CBS News. One was taken in April 1984 and the other in May and June 1985. Both showed that less than a majority favor the President's programs in Central America. But in the story describing the results of the 1984 poll, the Times reported:

> Only 19% of those surveyed could answer that the United States supported the opponents of the Nicaraguan government. Although the figure is an increase of 6 percentage points since last June (i.e. June, 1983), 62% of those who were interviewed said they had not been following events in the region carefully enough to identify which side the United States supported.

In the story accompanying the results of the 1985 poll, the Times said:

> Support for the Reagan administration policy is increasing, especially among the growing number who know which side the United States backs.

That "growing number" was 26 percent of those interviewed.

What are we to make of this scarcely credible confusion and lack of knowledge?

I say it is proof that American democracy, which depends upon an informed electorate, is being ill-served.

It is being ill-served by those of us in Congress who either can't or won't tell the facts to our constituents.

Maybe we just don't want to talk about Nicaragua because it is a tough question. Maybe we ourselves are not as informed as we should be.

But for whatever reason, those of us in Congress are not communicating the facts about Nicaragua to our people, except to activists on both sides.

Remember what I'm talking about—less than 40 percent of the people are certain what side we are supporting in Nicaragua. That doesn't even get into complicated questions of policy.

The administration also stands indicted for not communicating the facts. They have done a poor job.

And, yes, the national media must bear their part of the shame for this situation. Most Americans get their news from television. And if 6 years of television news has left the public so confused, maybe we're getting too much soap and not enough substance in our newscasts.

We all stand indicted for failure to inform the people. The New York Times poll shows that this debate is being held without the kind of informed electorate our democratic process demands.

The House, the Senate, the administration, and the media all have to do some soul-searching.

The point I am making is that as men and women responsibly elected to this body by the people, we ought not simply put our finger to the wind and test every vote we make here by public opinion polls. That is not the way strong men and women, elected to responsible positions, should act around here. From time to time we have got to sense, from all the information available to us, that we have got to accept responsibility and exercise it, we have got to lead. And, hopefully, the American people will follow.

The CHAIRMAN. The Chair will advise that the gentleman from Washington [Mr. Foley] has 6 minutes remaining, and the gentleman from New York [Mr. Solomon] has 7½ minutes remaining. The gentleman from New York, on a resolution that opened on the minority side, will have the right to close.

Mr. FOLEY. Mr. Chairman, there is 7½ minutes remaining on the other side of the aisle?

The CHAIRMAN. The gentleman from Washington [Mr. Foley] has 6 minutes remaining on the general debate.

Mr. FOLEY. Mr. Chairman, I yield myself 4 minutes.

Mr. Chairman, there is no person in the body that I admire more than the distinguished Republican leader, the gentleman from Illinois [Mr. Michel], but I found myself being very surprised by his remarks. In effect, he is suggesting that the American people do not understand this issue and it is for that reason that they are apparently opposed by majorities of 2 and 3 and 4 to 1, depending upon which group and which question is asked, to the President's proposal to provide military aid to the so-called Contras. I can understand his search for an explanation for this situation. Every group and region in the United States, whether you take it by income, background, education or political party, opposes this proposal. After years of discussion of this issue by the administration, it is obviously difficult and embarrassing to find the American people standing resolutely against providing military aid to the Contras.

The fact is that if we act today to support the resolution offered by the gentleman from Illinois [Mr. Michel], we will be acting against the repeated opinion of the people of this country.

Now, there are times, I suppose, when it could be argued that it is our job, our duty, to go public opinion, against the American preference, against the will of the people, in order to provide leadership. But let us understand, at least, that that is what we are doing.

If it is decided by this body to provide military aid to the Contras, we are acting against the opinion of our constituents, against the opinion of the people whom we were sent here to represent.

I do not concede that that is necessarily wrong. There are times when we must stand up and vote our convictions as to what we believe to be in the

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best interest of our country. But they should be acknowledged as such.

Beyond that, I think we ought to recognize the wisdom of the Secretary of Defense, Mr. Weinberger, who said that before we send American forces into an area to fight a war, we should have the firm, committed opinion, of the American people to back them up. It would be equally wise to extend that condition to proxy wars when they are being proposed, because this is nothing more or less than a declaration of a proxy war against Nicaragua in which American money and American weapons will be used and Nicaraguan lives lost. Before we embark on such an undertaking, perhaps it would be better that the American people be convinced that it is in our national interest, that they believe it is in the course of advancing freedom and liberty in that region and here.

So far, the record is clear, from every objective survey and every objective analysis done by the media and by people on both sides of this issue, that that is not the case.

If the American people could vote directly today on the Michel amendment, they would vote a resounding "no."

Mr. SOLOMON. Mr. Chairman, we have one last speaker to sum up for this side, so we will reserve our time at the moment.

The CHAIRMAN. The gentleman from Washington [Mr. Foley] has 2½ minutes remaining.

Mr. FOLEY. Mr. Chairman, how much time remains on the other side?

The CHAIRMAN. The gentleman from New York [Mr. Solomon] has 7½ minutes remaining.

Does the gentleman from New York desire all that time for summary?

Mr. SOLOMON. That is correct, Mr. Chairman.

Mr. FOLEY. Mr. Chairman, I thought the gentleman intended to make some time available to the gentleman from Missouri.

Mr. SOLOMON. That is correct, Mr. Chairman. We are privileged to have the gentleman from Missouri sum up for this side.

Mr. FOLEY. The gentleman from Missouri is going to be the final speaker in the debate?

Mr. SOLOMON. Yes.

Mr. FOLEY. Mr. Chairman, in that case, I yield myself the remaining time on this side.

Mr. Chairman, I just want to address an issue that I am rather surprised was placed into this debate, it is the suggestion that if the Sandinista regime has had any connections with Libya, this ought to justify a decision for us, with proxy forces, to invade Nicaragua.

I just want to suggest, as did the gentleman from Massachusetts [Mr. Frank] that, if that is the assumption, then the gentleman should be prepared to take action against Cuba, Syria, the Soviet Union, countries all over the world with which I do not presume he wants to go immediately to war through proxies or otherwise.

Mr. BURTON of Indiana. Mr. Chairman, will the gentleman yield?

Mr. FOLEY. I yield to the gentleman from Indiana.

By the way, I think the gentleman said something in debate that I wonder if he would like to confirm. I believe that I heard him say that those in the course of opposition to the President's proposal here were congressional fellow travelers. Did I hear the gentleman correctly?

Mr. BURTON of Indiana. No, the gentleman did not hear that from me. He may have heard that from another Member of this body, but it was not from me.

My question is: The gentleman indicated that we would be involved in a proxy war, a United States proxy war.

Would the gentleman concede that the Soviets, who sent 18,000 tons of war materials in there last year, are involved in a proxy war on our continent?

Mr. FOLEY. On our continent?

Mr. BURTON of Indiana. Yes, in our continent, on the Continent of North America.

Mr. FOLEY. Not in the same way. There are no Soviet troops fighting in this area. As far as I know, the United States maintains diplomatic relations, for whatever purpose, with Nicaragua. One might question that, but I do not think there is any question that the President himself last year suggested that if we provided open support for the Contras we would be engaging in an act of war. That is the President's statement of what he felt would be the result of the proposal that is now before us. Under the circumstances, I think to call it a proxy war is certainly within the gambit of what the President has suggested.

Mr. BURTON of Indiana. I just want to understand the aspect of——

Mr. FOLEY. I have only about a minute to conclude, and I would like to take it to do so.

This is an issue on which Democrats and Republicans disagree. It is also an issue on which Democrats and Democrats disagree and Republicans and Republicans disagree. I want to compliment the gentleman from Pennsylvania [Mr. Walker] for saying that everybody in this well is a patriot who is concerned about the future of this country, about freedom in this continent and hemisphere, and about the prevention of Soviet bases or Soviet capacity to work against their neighbors.

The question is whether this particular policy is correct and wise. The position that is being taken against it is one which is supported by the American people.

Mr. SOLOMON. Mr. Chairman, when it comes to foreign policy, we all agree that partisanship ends at the water's edge, and it is because of that that I yield the balance of our time to one of the most distinguished Members of this House, the gentleman from Missouri [Mr. Skelton], who has proved this time and time again. I am proud to yield our remaining time to the gentleman from Missouri.

The CHAIRMAN. The gentleman from Missouri [Mr. Skelton] is recognized for 7½ minutes to close general debate.

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Mr. SKELTON. Mr. Chairman, I rise in favor of the basic resolution, the resolution that was passed in the Senate just several days ago. I do this in the best of bipartisan spirit, because I realize that the future of our country, the national security to which all of us are so interested in, must be on a bipartisan basis.

Mr. Chairman, this is legislation before us that is basically what the gentleman from Washington [Mr. Chandler] and I worked out over a period of several days with the White House prior to the last vote, with one exception. Prior to the last vote, the President agreed—after a great deal of difficult negotiations with the White House—agreed to specifics which would allow 90 days for negotiations to give one last clear chance for negotiations to work; should that be impossible, to allow training to go on and to allow defensive weaponry, to bring about insistence upon human rights, to bring all people into the political process and the process of resistance in Nicaragua, including the Indians, including the southern front, to make sure that there is a cleaning up of the resistance movement. We have talked about all those things and the President did agree to give an Executive order to that effect.

As you know, that failed by a few votes. It failed because some people wanted the very same thing to be in legislation.

Mr. Chairman, we have that before us today, because that is exactly what the Senate passed, the legislative agreement that the gentleman from Washington [Mr. Chandler] and I worked out for an Executive order.

Now, let us look at this basically. We have two interests as Americans. No. 1 is that of national security. The second is that of supporting democracy.

Let us look at the first. There is a national security interest in having the Communists suppressed, to having a democratic regime in Nicaragua, because it is a potential proxy territory for communism, not just to be there, but to foment into the entire area possibly and threats to cut off the southern port areas, the Panama Canal, and all the national security interests that we have in the southern part of our country.

The second is that of supporting democracy and fighting and standing against communism. Democracy is alive in Central America. Costa Rica has been doing well. We know that. Honduras is new at it and we are proud of what they are doing. In El Salvador, we know all that story and it is a success story that this Congress can take pride in because we passed legislation that encouraged it and fomented democracy to go in there and stay there, and it is working.

Now Guatemala is falling into the same pattern. But there is a cancer in the center of all this and that is the Sandinista Nicaragua.

Mr. Chairman, let us look at some basic things that all of us agree upon. No. 1 is that we agree that the American Nation has important interests in Central America.

We also all agree that the United States should support democratic states in our region with economic and security assistance. Everyone opposes the Nicaraguan subversion. Everyone also opposes the establishment of a Soviet beachhead in Nicaragua. These are things that no one will really disagree with and no one argues anymore about the nature of the Sandinista regime, because we all agree it is brutal, repressive, a communistic dictatorship, and this is something that all of us understand so well.

Now, what we need to do, Mr. Chairman, is to forge a bipartisan consensus and that is what the Senate resolution does and that is what this basic document to which we are addressing ourselves today does. It creates a diplomatic and economic and military carrot and stick in dealing with the Sandinistas. It establishes a commission on Central American negotiations. It furthers the democractizing of the resistance, giving real power to such people in the democratic resistance, like Arturo Cruz and Alfonso Robelo.

It broadens the resistance by including the Indians, the Misurasata Indians included, and the southern opposition bloc, also known as BOS.

What is very important to us is that it cleans up the resistance, because there have been charges made concerning the human rights violations and other violations that I think all of us will agree should be addressed. That is what this does.

There are other amendments and I urge the body, Mr. Chairman, not to vote for those other amendments.

I can see us basically on the same track, but what we should do is send a clear message in a clear-cut legislative piece, and that is what has come for the Senate, and that is what we wish to pass today without the encumbrance of those other amendments.

We wish to give the Contras a meaningful assistance within the next few months. We cannot do this if we prohibit them from receiving defensive weapons during that 90 days of negotiations.

We should not postpone the congressional decision again on this critical issue until late in the summer, because when you do that you send a message not just to the Sandinistas that we do not mean what we say, but we send a message to all of Central America that we do not stand by our friends and our allies by what we say for democracy.

Nicaragua's recent aggression against its neighbor Honduras and its torpedoing of the Contadora talks show why aid to the Contras and the pressure that it would bring on the Sandinistas is needed soon. It is needed now.

We must by the measure that I am urging not prolong the inevitable, because we do as a nation stand behind the basic tenets of democracy and freedom.

Mr. Chairman, we have our credibility as a nation at stake. We have national security as a nation at stake. This is a decision we must make for democracy and against communism. That is very clear and that issue is at stake.

If we have learned anything from the lessons of history, it is that prolonged indecision and lack of looking clearly where we are going does not determine a true course and policy.

Mr. Chairman, I urge sincerely the defeat of all amendments and the adoption of the basic language in House Joint Resolution 601. It will be a vote for democracy in our Nation.

The CHAIRMAN. All time for general debate has expired.

Pursuant to House Resolution 415, the joint resolution is considered as having been read for amendment under the 5-minute rule.

No amendments are in order except the following amendments, which shall not be subject to amendment or to a demand for a division of the question and shall be considered only in the following order and each amendment listed below shall be debatable for 2 hours equally divided and controlled by the Member offering the amendment and a Member opposed thereto:

(1) An amendment in the nature of a substitute printed in the Congressional Record of April 14, 1986, by, and if offered by, Representative Hamilton;

(2) An amendment, which may be offered only if the amendment designated (1) above has been rejected, printed in the Congressional Record of April 14, 1986, by, and if offered by, Representative McCurdy; and

(3) An amendment, which may be offered only if the amendment designated (1) above has been rejected, printed in the Congressional Record of April 14, 1986, by, and if offered by, Representative Mrazek.

The text of House Joint Resolution 601 is as follows:

H.J. Res. 601

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled,

PURPOSES

Section 1. The purposes of this joint resolution are to promote peace, stability, and democracy in Central America, to encourage a negotiated resolution of the conflict in the region and, toward these ends, to enable the President to provide additional assistance for the Nicaraguan democratic resistance, as requested by the President on February 25, 1986, pursuant to the provisions of section 722(p) of the International Security and Development Cooperation Act of 1985 (Public Law 99-83) and section 106(a) of the Supplemental Appropriations Act, 1985 (Public Law 99-88), subject to the terms and conditions of this joint resolution.

POLICY TOWARD CENTRAL AMERICA

Sec. 2. (a) It is the policy of the United States that—

(1) the building of democracy, the restoration of peace, the improvement of living conditions, and the application of equal justice under law in Central America are important to the interests of the United States and the community of American States;

(2) the interrelated issues of social and human progress, economic growth, political reform, and regional security must be effectively dealt with to assure a democratic and economically and politically secure Central America; and

(3) the September 1983 Contadora Document of Objectives, which sets forth a framework for negotiating a peaceful settlement to the conflict and turmoil in the region, is to be encouraged and supported.

(b) The United States strongly supports as essential to the objectives set forth in subsection (a)—

(1) national reconciliation in Nicaragua and the creation of a framework for negotiating a peaceful, democratic settlement to the Nicaraguan conflict; and

(2) efforts to reach a comprehensive and verifiable final agreement based on the Contadora Document of Objectives, including efforts to encourage the Government of Nicaragua to pursue a dialogue with the representatives of all elements of the Nicaraguan democratic opposition for the purposes of achieving a democratic political settlement of the conflict, including free and fair elections.

POLICY TOWARD THE GOVERNMENT OF NICARAGUA

Sec. 3. (a) United States policy toward Nicaragua shall be based upon Nicaragua's responsiveness to continuing concerns affecting the national security of the United States and Nicaragua's neighbors about—

(1) Nicaragua's close military and security ties to Cuba and the Soviet Union and its Warsaw Pact allies, including the presence in Nicaragua of military and security personnel from those countries and allies;

(2) Nicaragua's buildup of military forces in numbers disproportionate to those of its neighbors and equipped with sophisticated weapons systems and facilities designed to accommodate even more advanced equipment;

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(3) Nicaragua's unlawful support for armed subversion and terrorism directed against the democratically elected governments of other countries;

(4) Nicaragua's internal repression and lack of opportunity for the exercise of civil and political rights which would allow the people of Nicaragua to have a meaningful voice in determining the policies of their government through participation in regularly scheduled free and fair elections and the establishment of democratic institutions; and

(5) Nicaragua's refusal to negotiate in good faith for a peaceful resolution of the conflict in Central America based upon the comprehensive implementation of the September 1983 Contadora Document of Objectives and, in particular, its refusal to engage in a serious national dialogue with all elements of the Nicaraguan democratic opposition.

(b) The United States will address the concerns described in subsection (a) through economic, political, and diplomatic measures, as well as through support for the Nicaraguan democratic resistance. In order to assure every opportunity for a peaceful resolution of the conflict in Central America, the United States will—

(1) engage in bilateral discussions with the Government of Nicaragua with a view toward facilitating progress in achieving a peaceful resolution of the conflict, if the Government of Nicaragua simultaneously engages in a serious dialogue with representatives of all elements of the Nicaraguan democratic opposition; and

(2) limit the types and amounts of assistance provided to the Nicaraguan democratic resistance and take other positive action in response to steps taken by the Government of Nicaragua toward meeting the concerns described in subsection (a).

(c) The duration of bilateral discussions with the Government of Nicaragua and the implementation of additional measures under subsection (b) shall be determined, after consultation with the Congress, by reference to Nicaragua's actions in response to the concerns described in subsection (a). Particular regard will be paid to whether—

(1) freedom of speech, assembly, religion, and political activity are being respected in Nicaragua and progress is being made toward the holding of regularly scheduled free and fair elections;

(2) there has been a halt to the flow of arms and the introduction of foreign military personnel into Nicaragua, and a withdrawal of all foreign military personnel has begun;

(3) a cease-fire with the Nicaraguan democratic resistance is being respected; and

(4) Nicaragua is refraining from acts of aggression, including support for insurgency and terrorism in other countries.

(d) The actions by the United States under this joint resolution in response to the concerns described in subsection (a) are consistent with the right of the United States to defend itself and to assist its allies in accordance with international law and treaties in force. Such actions are directed, not to determine the form or composition of any government of Nicaragua, but to achieve a comprehensive and verifiable agreement among Central American countries, based upon the 1983 Contadora Document of Objectives, including internal reconciliation within Nicaragua, based upon democratic principles, without the use of force by the United States. Nothing in this joint resolution shall be construed as authorizing any member or unit of the Armed Forces of the United States to engage in combat against the Government of Nicaragua.

POLICY TOWARD THE NICARAGUAN DEMOCRATIC RESISTANCE

Sec. 4. (a) It is the policy of the United States to assist all groups within the Nicaraguan democratic resistance which—

(1) are committed to work together for democratic national reconciliation in Nicaragua based on the document issued by the six Nicaraguan opposition parties on February 7, 1986, entitled "Proposal to the Nicaraguan Government for a Solution to the Crisis in Our Country"; and

(2) respect international standards of conduct and refrain from violations of human rights or from other criminal acts.

(b) No assistance under this joint resolution may be provided to any group that retains in its ranks any individual who has been found to engage in—

(1) gross violations of internationally recognized human rights (as defined in section 502B(d)(1) of the Foreign Assistance Act of 1961); or

(2) drug smuggling or significant misuse of public or private funds.

(c)(1) The Congress finds that the Nicaraguan democratic resistance has been broadening its representative base, through the forging of cooperative relationships between the United Nicaraguan Opposition (UNO) and other democratic resistance elements, and has been increasing the responsiveness of military forces to civilian leadership.

(2) The President shall use the authority provided by this joint resolution to further the developments described in paragraph (1) and to encourage the Nicaraguan democratic resistance to take additional steps to strengthen its unity, pursue a defined and coordinated program for representative democracy in Nicaragua, and otherwise increase its appeal to the Nicaraguan people.

(d) In furtherance of the policy set out in this section, not less than $10,000,000 of the funds transferred under section 5(a) shall be available only for assistance to resistance forces otherwise eligible and not currently included within UNO, of which amount $5,000,000 shall be available only for the Southern Opposition Bloc (BOS) and $5,000,000 shall be available only for the Indian resistance force known as Misurasata.

(e) Notwithstanding any other provision of this joint resolution, no member of the United States Armed Forces, or employee of any department, agency, or other component of the United States Government may enter Nicaragua to provide military advice, training, or logistical support to paramilitary groups operating inside that country.

TRANSFER OF FUNDS

Sec. 5. (a)(1) The Congress hereby approves the provision of assistance for the Nicaraguan democratic resistance in accordance with the provisions of this joint resolution.

(2) There are transferred to the President for use in carrying out the provisions of this joint resolution $100,000,000 of unobligated funds from such accounts for which appropriations were made by the Department of Defense Appropriations Act, 1986 (as contained in Public Law 99-190), as the President shall designate. No limitation or restriction contained in section 10 of Public Law 91-672, section 8109 of the Department of Defense Appropriations Act, 1986, section 502 of the National Security Act of 1947, or any other provision of law shall apply to the transfer or use of such funds.

(b) Notwithstanding the Impoundment Control Act of 1974, not more than 25 percent of the funds transferred under subsection (a) may be available for obligation or expenditure in accordance with this joint resolution upon the date of enactment of this joint resolution, and not more than an additional 15 percent of such funds may be so available upon the transmittal of each report required by section 12.

(c) Funds transferred under subsection (a) shall remain available for the same periods of time, but not to exceed September 30, 1987, as such funds would have been available under the Department of Defense Appropriations Act, 1986 (as contained in Public Law 99-190), but for the enactment of this joint resolution.

(d)(1) There are transferred to the President out of funds appropriated by the Supplemental Appropriations Act, 1985 (Public Law 99-88), under the heading "Assistance For Implementation of a Contadora Agreement" such sums as the President may require, but not more than $2,000,000, to facilitate the participation of Costa Rica, El Salvador, Guatemala, and Honduras in regional meetings and negotiations to promote peace, stability, and security in Central America. No limitation or restriction contained in section 15 of the State Department Basic Authorities Act of 1956, section 10 of Public Law 91-672, or any other provision of law shall apply to the transfer or use of such funds.

(2) Funds transferred under paragraph (1) shall remain available for the same period of time as such funds would have been available under the Supplemental Appropriations Act, 1985 (Public Law 99-88), but for the enactment of this joint resolution.

FUNDS FOR HUMANITARIAN ASSISTANCE

Sec. 6. (a) Of the amounts transferred under section 5(a), $30,000,000 shall be available only for the provision of humanitarian assistance to the Nicaraguan democratic resistance by the Nicaraguan Humanitarian Assistance Office (established by Executive Order 12530).

(b) Of the $30,000,000 made available only for purposes of subsection (a), $3,000,000 shall be available only for strengthening programs and activities of the Nicaraguan democratic resistance for the observance and advancement of human rights.

APPLICATION OF EXISTING LAWS

Sec. 7. (a) Except as otherwise provided in this joint resolution, funds transferred under section 5(a) shall be available for the purposes described in section 105(a) of the Intelligence Authorization Act for Fiscal Year 1986, and all the requirements, terms, and conditions of such section and sections 101 and 102 of such Act, section 502 of the National Security Act of 1947, and section 106 of the Supplemental Appropriations Act, 1985 (Public Law 99-88), shall be deemed to have been met for such use of such funds.

(b) The use of funds made available under this joint resolution is subject to all applicable provisions of law and established procedures relating to the oversight by the Congress of operations of departments and agencies.

(c) Nothing in this joint resolution shall be construed as permitting the President to furnish additional assistance to the Nicaraguan democratic resistance from funds other than the funds transferred under section 5(a) or otherwise specifically authorized by the Congress for assistance to the Nicaraguan democratic resistance.

USE OF FUNDS AFTER A PEACEFUL SETTLEMENT

Sec. 8. If the President determines and so reports to the Congress that a peaceful settlement of the conflict in Central America has been reached, then the unobligated balance, if any, of funds transferred under section 5(a) shall be available for the purposes of relief, rehabilitation, and reconstruction in Central American countries in accordance with the authorities contained in chapter 4 of part II of the Foreign Assistance Act of 1961 (relating to economic support fund assistance).

INCENTIVES FOR A NEGOTIATED SETTLEMENT

Sec. 9. (a) Assistance under this joint resolution shall be provided in a manner designed to encourage the Government of Nicaragua to respond favorably to the many opportunities available for achieving a negotiated settlement of the conflict in Central America. These opportunities include the following proposals:

(1) Six opposition Nicaraguan political parties on February 7, 1986, called for an immediate cease-fire, an effective general amnesty, abolition of the state of emergency, agreement on a new electoral process and general elections, effective fulfillment of international commitments for democratization, and observance of implementation of these actions and commitments by appropriate international groups and organizations;

(2) President Reagan on February 10, 1986, offered simultaneous talks between the Government of Nicaragua and all elements of the Nicaraguan democratic opposition in Nicaragua and between the Government of Nicaragua and the United States Government;

(3) President Jose Napoleon Duarte of El Salvador on March 5, 1986, offered an additional dialogue between the Government of El Salvador and the insurgents in El Salvador if the Government of Nicaragua would simultaneously engage in a dialogue with all elements of the Nicaraguan democratic opposition; and

(4) President Reagan's Message to the Congress of March 19, 1986, proposed a mission to Latin America by his special envoy to encourage the Contadora and Support Group countries to join in urging the Government of Nicaragua to initiate a national dialogue with representatives of all elements of the Nicaraguan democratic opposition.

(b) In furtherance of the objectives set forth in subsection (a), and except as provided in subsection (c), assistance to the Nicaraguan democratic resistance under this joint resolution shall be limited to the following:

(1) humanitarian assistance (as defined in section 722(g)(5) of the International Security and Development Cooperation Act of 1985);

(2) logistics advice and assistance;

(3) support for democratic political and diplomatic activities;

(4) training in radio communications, collection, and utilization of intelligence, logistics, and small-unit skills and tactics; and

(5) equipment and supplies necessary for defense against air attacks.

(c) On and after July 1, 1986, the restrictions in subsection (b) shall cease to apply beginning 15 days after the President determines and reports to the Congress that—

(1) the Central American countries have not concluded a comprehensive and effective agreement based on the Contadora Document of Objectives,

(2) the Government of Nicaragua is not engaged in a serious dialogue with representatives of all elements of the Nicaraguan democratic opposition, accompanied by a cease-fire and an effective end to the existing constraints on freedom of speech, assembly, religion, and political activity, leading to regularly scheduled free and fair elections and the establishment of democratic institutions, and

(3) there is no reasonable prospect of achieving such agreement, dialogue, cease-fire, and end to constraints described in paragraphs (1) and (2) through further diplomatic measures, multilateral or bilateral, without additional assistance to the Nicaraguan democratic resistance,

unless the Congress has enacted a joint resolution under section 10 disapproving the provision of additional assistance (other than assistance described in subsection (b)).

(d)(1) Notwithstanding subsection (c), no assistance (other than the assistance described in paragraphs (1) through (4) of subsection (b)) shall be provided at any time to the Nicaraguan democratic resistance under this joint resolution if—

(A) the President determines that—

(i) the Central American countries have concluded a comprehensive and effective agreement based on the Contadora Document of Objectives; or

(ii) the Government of Nicaragua is engaging in a serious dialogue with representatives of all elements of the Nicaraguan democratic opposition, accompanied by a cease-fire and an effective end to the existing constraints on freedom of speech, assembly, religion, and political activity leading to regularly scheduled free and fair elections and the establishment of democratic institutions; or

(B) the Congress enacts a joint resolution under section 10 disapproving the provision of additional assistance (other than assistance described in paragraphs (1) through (4) of subsection (b)).

(2) The prohibition contained in paragraph (1) shall not apply with respect to assistance described in paragraph (5) of subsection (b) if the Government of Nicaragua acquires additional equipment or materiel to carry out air attacks.

(e) The limitations on assistance that may be furnished to the Nicaraguan democratic resistance which are contained in subsections (b) and (d) shall cease to apply if the Congress enacts a joint resolution, in accordance with section 10, stating that the Government of Nicaragua has failed to accept or observe a cease-fire with the Nicaraguan democratic resistance.

(f)(1) Notwithstanding any other provision of this joint resolution, on or after July 1, 1986, funds may be obligated or expended under this joint resolution only if the President determines and reports to the Congress that the Nicaraguan democratic resistance groups receiving assistance under this joint resolution have agreed to and are beginning to implement—

(A) confederation and reform measures to broaden their leadership base;

(B) the coordination of their efforts;

(C) the elimination of human rights abuses;

(D) the pursuit of a defined and coordinated program for achieving representative democracy in Nicaragua; and

(E) the subordination of military forces to civilian leadership.

(2) In making his determination under paragraph (1), the President shall take into account the effectiveness and legitimacy of the political leadership of those Nicaraguan democratic resistance groups receiving assistance under this joint resolution, including the ability of that political leadership—

(A) to reflect the views and objectives of the internal and external Nicaraguan democratic opposition;

(B) to function as the spokesman for the Nicaraguan democratic opposition with Central Americans, international organizations, and the United States Government;

(C) to represent the Nicaraguan democratic opposition in dealing with the Government of Nicaragua;

(D) to provide command and control for the military forces of all resistance groups receiving assistance under this joint resolution and to establish the goals for their military operations;

(E) to determine the distribution of assistance provided under this joint resolution; and

(F) to provide the legal mechanisms necessary for the enforcement of standards of conduct applicable to all members of the resistance groups receiving assistance under this joint resolution.

CONGRESSIONAL PRIORITY PROCEDURES

Sec. 10. (a)(1) A joint resolution described in subsection (c) of section 9 shall be one without a preamble, the matter after the resolving clause of which is as follows: "That the Congress disapproves the provision of additional assistance to the Nicaraguan democratic resistance pursuant to the joint resolution entitled 'Joint resolution relating to Central America pursuant to the International Security and Development Cooperation Act of 1985', except as provided in section 9(b) thereof.".

(2) A joint resolution described in subsection (d)(1)(B) of section 9 shall be one without a preamble, the matter after the resolving clause of which is as follows: "That the Congress disapproves the provision of additional assistance to the Nicaraguan democratic resistance pursuant to the joint resolution entitled 'Joint resolution relating to Central America pursuant to the International Security and Development Cooperation Act of 1985', except as provided in paragraphs (1) through (4) of section 9(b) and paragraph (2) of subsection (d) thereof.".

(3) A joint resolution described in subsection (e) of section 9 shall be one without a preamble, the matter after the resolving clause of which is as follows: "That the Congress finds that the Government of Nicaragua has failed to accept or observe a cease-fire and hereby approves the provision of assistance to the Nicaraguan democratic resistance pursuant to the joint resolution entitled 'Joint Resolution relating to Central America pursuant to the International Security and Development Cooperation Act of 1985.', notwithstanding subsection (b) or (d) of section 5 thereof".

(b) A joint resolution described in subsection (a)(1), (a)(2), or (a)(3) shall be considered in the House of Representatives and in the Senate in accordance with the provisions of paragraphs (3) through (7) of section 8066(c) of the Department of Defense Appropriations Act, 1985 (as contained in Public Law 98-473), except that—

(1) references in such paragraphs to a joint resolution shall be deemed to be references to the respective joint resolution set forth in subsection (a)(1), subsection (a)(2), or subsection (a)(3);

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(2) references in such paragraphs to the Committee on Appropriations shall be deemed to be references to the appropriate committee or committees of the respective House of Congress;

(3) references in such paragraphs to the eighth day and to fifteen calendar days shall be deemed to be references to the fifth day and to five calendar days, respectively; and

(4) amendments may be in order but only if the amendments are germane.

(c) The provisions of this section are enacted—

(1) as exercises of the rulemaking powers of the House of Representatives and Senate, and as such they are deemed a part of the Rules of the House and the Rules of the Senate, respectively, but applicable only with respect to the procedure to be followed in the House and the Senate in the case of joint resolutions under section 9, and they supersede other rules only to the extent that they are inconsistent with such rules; and

(2) with full recognition of the constitutional right of the House and the Senate to change their rules at any time, in the same manner, and to the same extent as in the case of any other rule of the House or Senate, and of the right of the Committee on Rules of the House of Representatives to report a resolution for the consideration of any measure.

COMMISSION ON CENTRAL AMERICAN NEGOTIATIONS

Sec. 11. (a)(1) There is established the Commission on Central American Negotiations (hereafter in this section referred to as the "Commission"), which shall be composed of five members appointed as follows:

(A) One individual appointed by the Speaker of the House of Representatives;

(B) One individual appointed by the Minority Leader of the House of Representatives;

(C) One individual appointed by the Majority Leader of the Senate;

(D) One individual appointed by the Minority Leader of the Senate; and

(E) One individual, who shall serve as Chairman of the Commission, selected by unanimous vote of the other members of the Commission.

(2) No officer or employee of the United States may be appointed as a member of the Commission.

(b) The purpose of the Commission is to monitor and report on the efforts of the Nicaraguan democratic resistance to coordinate and reform and on the status of any negotiations on the peace, stability, and security of Central America, including negotiations conducted between or among—

(1) the Government of Nicaragua and all elements of the Nicaraguan democratic opposition, including the Nicaraguan democratic resistance;

(2) the governments of Central American countries;

(3) the Government of the United States and the Government of Nicaragua;

(4) the governments of the Contadora and Support Group countries and the government of the Central American countries; and

(5) the Government of El Salvador and the insurgents in El Salvador.

(c)(1) The Commission may appoint and fix the pay of not more than seven staff personnel, but at such rates not in excess of the rate of pay for GS-18 of the General Schedule under section 5332 of title 5, United States Code.

(2)(A) Each member of the Commission shall be entitled to receive the daily equivalent of the annual rate of basic pay in effect for grade GS-18 of the General Schedule under section 5332 of title 5, United States Code, for each day during which such member is engaged in the performance of duties as a member of the Commission.

(B) While away from his home or regular place of business in the performance of duties for the Commission, a member or staff personnel of the Commission shall be allowed travel expenses, including a per diem in lieu of subsistence, not to exceed the expenses allowed persons employed intermittently in Government service under section 5703 of title 5, United States Code.

(3) For purposes of pay and other employment benefits, rights, and privileges and for all other purposes, any employee of the Commission shall be considered to be a congressional employee as defined in section 2107 of title 5, United States Code.

(d)(1) A majority of the members of the Commission shall constitute a quorum.

(2) All decisions of the Commission, except as otherwise provided in this section, shall be by majority vote.

(e) The Commission may make such reports in connection with its duties as it deems necessary to the Speaker of the House of Representatives and the chairman of the Committee on Foreign Relations of the Senate, except that—

(1) not later than 5 days after receipt by the Congress of a report by the President under section 9(c), the Commission shall prepare and transmit to the Speaker of the House of Representatives and the chairman of the Committee on Foreign Relations of the Senate a report addressing all the matters which are required to be included in reports of the President by paragraphs (1), (3), and (4) of section 12; and

(2) not later than June 30, 1986, the Commission shall prepare and transmit to the Congress a report on whether the Nicaraguan democratic resistance groups receiving assistance under this joint resolution have agreed to and are beginning to implement measures described in subparagraphs (A) through (E) of section 9(f)(1) and an evaluation of the factors described in section 9(f)(2).

(f)(1) Salaries and expenses of the Commission, but not more than $400,000, shall be paid from the contingent fund of the Senate out of the Account for Miscellaneous Items, in accordance with the provisions of this section.

(2) Funds made available to the Commission by paragraph (1) shall be disbursed on vouchers approved by the Chairman, except that no voucher shall be required for the disbursement of the salary of an individual appointed under subsection (c).

(3) For purposes of section 502(b) of the Mutual Security Act of 1954, the Commission shall be deemed to be a standing committee of the Congress and shall be entitled to use of funds in accordance with such section.

(g) The Commission shall terminate not later than 30 days after transmittal of the reports required by subsections (e) and (f).

PRESIDENTIAL REPORTING REQUIREMENT

Sec. 12. Not later than 90 days after the date of enactment of this joint resolution, and every 90 days thereafter, the President shall prepare and transmit to the Congress a report on actions taken to achieve a resolution of the conflict in Central America in a manner that meets the concerns described in section 3(a). Each such report shall include—

(1) a detailed statement of any progress made in reaching a negotiated settlement, including the willingness of the Nicaraguan democratic resistance and the Government of Nicaragua to negotiate a settlement;

(2) a detailed accounting of the disbursements made to provide assistance with the funds transferred under section 5(a);

(3) a discussion of alleged human rights violations by the Nicaraguan democratic resistance and the Government of Nicaragua, including a statement of the steps taken by the Nicaraguan democratic resistance to remove from their ranks any individuals who have engaged in human rights abuses; and

(4) an evaluation of the progress made by the Nicaraguan democratic resistance in broadening its political base and defining a unified and coordinated program for achieving representative democracy in Nicaragua.

REQUESTS FOR ADDITIONAL ASSISTANCE

Sec. 13. The provisions of subsections (s) and (t) of section 722 of the International Security and Development Cooperation Act of 1985 shall apply with respect to any request described in section 722(p) of such Act submitted by the President to the Congress on or after the date of enactment of this joint resolution, except that, for purposes of consideration in a House of Congress of a joint resolution under subsection (s) or (t) of such section, amendments to such a joint resolution may be in order but only if such amendments are germane.

AMENDMENT IN THE NATURE OF A SUBSTITUTE OFFERED BY MR. HAMILTON

Mr. HAMILTON. Mr. Chairman, I offer an amendment in the nature of a substitute.

The Clerk read as follows:

Amendment in the nature of a substitute offered by Mr. Hamilton: Strike out all after the resolving clause and insert in lieu thereof the following:

UNITED STATES POLICY IN CENTRAL AMERICA

Section 1. (a) The primary objectives of United States policy in Central America should be—

(1) to preserve the security of the United States;

(2) to prevent the Soviet Union and its allies from seeking to destabilize the region or to develop or deploy an offensive military capability which directly threatens the United States;

(3) to achieve peace and reconciliation;

(4) to promote stability and economic development;

(5) to promote the observance of human rights and the strengthening of democratic processes; and

(6) to live at peace with Nicaragua so long as Nicaragua lives at peace with its neighbors.

(b) United States strategy for achieving the objectives stated in subsection (a) should include—

(1) an emphasis on seeking a negotiated, regional settlement;

(2) respect for the independence and territorial integrity of all nations;

(3) a clear commitment, through appropriate types and levels of military and economic assistance, to assist the nations of Central America in building and sustaining viable, democratic societies capable of withstanding aggression and subversion and of providing

their people with an opportunity for better lives; and

(4) consistent diplomatic support on behalf of the observance of human rights by groups and governments, and support for democratic institutions throughout the region, in recognition of the fact that subversion feeds on repression.

(c) In furtherance of the objectives stated in subsection (a), United States policy with respect to Nicaragua should include the following:

(1) A commitment to preserve the security of the United States by preventing the Soviet Union and its allies from developing or deploying an offensive military capability in Central America that directly threatens the United States.

(2) A commitment to protect the security and territorial integrity of any nation of Central America from unlawful actions by Nicaragua, in conformance with the Charter of the Organization of American States and the Inter-American Treaty of Reciprocal Assistance, which provide for collective action.

(3) Pursuit of a regional settlement through all diplomatic avenues, including—

(A) effective support for the Contadora process, which is addressing the questions of peace and security (including mechanisms for verification and enforcement) and internal reconciliation and political pluralism;

(B) giving priority to obtaining a ceasefire in Nicaragua;

(C) renewing bilateral talks with Nicaragua; and

(D) encouraging direct talks among the parties to the conflict in Nicaragua.

(4) The provision of incentives to Nicaragua if, over the long term, the Government of Nicaragua improves its conduct, including by agreeing to a ceasefire and to negotiate with its opponents, removing foreign military advisors, agreeing not to provide material support for insurgencies and agreeing to appropriate monitoring procedures under Contadora auspices to verify such agreement, respecting human rights and the independence of the media, and making progress toward national reconciliation and a pluralistic democratic system. Incentives should be structured to enable the United States to respond to positive steps by Nicaragua. These incentives could include—

(A) the suspension of United States military exercises in the region;

(B) the resumption of normal trade, including the resumption of nondiscriminatory trade treatment (MFN status), the restoration of benefits under the Generalized System of Preferences, and the restoration of Nicaragua's sugar quota;

(C) supporting bilateral and multilateral assistance for Nicaragua and providing technical assistance, help in agriculture and health, and volunteer services; and

(D) the creation of a Central American Development Organization (in accordance with section 464 of the Foreign Assistance Act of 1961) in which Nicaragua could participate.

(5) The imposition of further sanctions against Nicaragua should it intensify or expand activities hostile to United States interests and to peace and security within Central America. Such sanctions could include obtaining the cooperation of our allies in Western Europe and Japan, now Nicaragua's largest trading partners, in—

(A) cutting trade with Nicaragua;

(B) stopping bilateral assistance and blocking multilateral assistance to Nicaragua;

(C) imposing comprehensive economic sanctions against Nicaragua;

(D) breaking diplomatic relations with Nicaragua; and

(E) working with our Latin America allies, especially those in Central America, to isolate Nicaragua in regional affairs.

Such sanctions can only be effective if taken together with our allies. Unilateral sanctions have not and will not be effective.

ASSISTANCE FOR HUMANITARIAN NEEDS

Sec. 2. (a) Of the funds authorized to be transferred by section 4, up to $27,000,000 may be used by the President to provide food, medicine, or other assistance for the humanitarian needs of those who have been displaced by conflict in Nicaragua, regardless of whether they have been associated with the Nicaraguan opposition forces.

(b) Assistance under this section may be provided only through the International Committee of the Red Cross or the United Nations High Commissioner for Refugees, and only upon that organization's determination that such assistance is necessary to meet humanitarian needs.

ASSISTANCE IN SUPPORT OF THE CONTADORA PROCESS

Sec. 3. (a) The Congress reaffirms its support for the Contadora initiatives and is prepared to support the regional peace process with financial assistance. Accordingly, the President may use up to $5,000,000—

(1) to provide assistance to the Contadora nations of Mexico, Panama, Venezuela, and Colombia, and the Contadora Support Group nations of Argentina, Peru, Uruguay, and Brazil, to assist those nations in reaching agreement among the nations of Central America based on the Contadora Document of Objectives of September 9, 1983, including assistance for peacekeeping, verification, and monitoring systems; and

(2) to help implement any joint border commission agreement between Nicaragua and Costa Rica, or between Nicaragua and Honduras, which those nations enter into in furtherance of the purposes of the Contadora Document of Objectives.

(b) In addition to funds transferred pursuant to section 4, the $2,000,000 appropriated under the heading "ASSISTANCE FOR IMPLEMENTATION OF A CONTADORA AGREEMENT" by the Supplemental Appropriations Act, 1985, may be used to carry out this section.

TRANSFER OF DOD FUNDS

Sec. 4. The President may transfer up to $30,000,000 of the funds appropriated by the Department of Defense Appropriations Act, 1986 (as contained in Public Law 99-190), for use in carrying out sections 2 and 3. The funds transferred under this section may include funds that have been made available for obligation beyond September 30, 1986, as provided by law.

REPORTS ON USE OF FUNDS

Sec. 5. No less frequently than once every 3 months, the President shall submit to the Congress a written report containing an accounting of any funds used pursuant to section 2 or section 3.

NATIONAL COMMISSION ON CONTADORA

Sec. 6. (a) There is hereby established the National Commission on Contadora (hereafter in this section referred to as the "Commission"). The Commission shall—

(1) monitor and review the efforts of the Contadora nations to achieve a political resolution to the conflicts in Central America; and

(2) make recommendations with a view to building a consensus on United States policy toward Nicaragua.

(b) The Commission shall consist of an even number of members, such number to be determined jointly by the Speaker of the House of Representatives and the Majority Leader of the Senate, who shall each appoint half of the members of the Commission. A vacancy in the membership of the Commission shall be filled in the same manner as the original appointment.

(c) Not later than September 1, 1986, the Commission shall submit a report to the President and to the Congress with respect to its findings and recommendations. This report shall include—

(1) a detailed review of the status of the Contadora negotiations and United States support for those negotiations;

(2) a determination by the Commission of whether the Government of Nicaragua and the Nicaraguan opposition are facilitating the Contadora process;

(3) a recommendation on policies toward Nicaragua which the Commission believes represent a consensus that is sustainable and is supportable by the American people; and

(4) a recommendation by the Commission on whether the United States should furnish military assistance to the Nicaraguan opposition forces, including an estimate of the likely impact that furnishing such assistance would have on the Government of Nicaragua and on United States policy throughout the region.

(d) Members of the Commission shall receive no compensation on account of their service on the Commission, but while away from their homes or regular places of business in the performance of their duties on the Commission, shall be allowed travel expenses, including per diem in lieu of subsistance, in the same manner as persons employed intermittently in the Government service are allowed expenses under section 5703 of title 5 of the United States Code.

(e)(1) The Commission may employ experts and consultants in accordance with section 3109 of title 5, United States Code.

(2) Upon a request by the Commission, the head of any Federal agency may temporarily assign employees of that agency to the Commission to assist the Commission in carrying out this section.

(f) The Administrator of General Services shall provide to the Commission, on a reimburseable basis, such administrative support services as the Commission may request.

(g) Funds for the expenses incurred by the Commission in carrying out this section, including travel expenses, shall be provided by Secretary of State.

PRESIDENTIAL REQUEST FOR ADDITIONAL AUTHORITY WITH RESPECT TO NICARAGUA

Sec. 7. (a) After considering the recommendations of the National Commission on Contadora contained in the report submitted pursuant to section 6(c), the President may submit to the Congress on or after September 1, 1986, a request for authority to take specified actions with respect to Nicaragua. The request must be accompanied by—

(1) the President's assurance that he has consulted with the Contadora nations and the Contadora Support Group nations concerning the proposed actions; and

(2) a description of the response of the Contadora nations and the Contadora Support Group nations to the proposed actions.

(b)(1) The provisions of this subsection apply, during the 99th Congress, to the consideration in the House of Representatives of a joint resolution with respect to the request submitted by the President pursuant to subsection (a).

(2) For purposes of this subsection, the term "joint resolution" means only a joint resolution introduced within 3 legislative days after the Congress receives the request submitted by the President pursuant to subsection (a)—

(A) the matter after the resolving clause of which is as follows: "That the Congress hererby authorizes the President, notwithstanding any other provision of law, to take those actions with respect to Nicaragua which are specified in the request submitted to the Congress pursuant to the joint resolution entitled 'Joint Resolution relating to Central America pursuant to the International Security and Development Cooperation Act of 1985'.";

(B) which does not have a preamble; and

(C) the title of which is as follows: "Joint Resolution relating to Nicaragua pursuant to the joint resolution entitled 'Joint Resolution relating to Central America pursuant to the International Security and Development Cooperation Act of 1985'.".

(3) A joint resolution shall, upon introduction, be referred to the appropriate committee or committees of the House of Representatives.

(4) If all the committees of the House to which a joint resolution has been referred have not reported the same joint resolution by the end of 15 legislative days after the first joint resolution was introduced, any committee which has not reported the first joint resolution introduced shall be discharged from further consideration of that joint resolution and that joint resolution shall be placed on the appropriate calendar of the House.

(5)(A) At any time after the first joint resolution placed on the appropriate calendar has been on that calendar for a period of 5 legislative days, it is in order for any Member of the House (after consultation with the Speaker as to the most appropriate time for the consideration of that joint resolution) to move that the House resolve itself into the Committee of the Whole House on the State of the Union for the consideration of that joint resolution. The motion is highly privileged and is in order even though a previous motion to the same effect has been disagreed to. All points of order against the joint resolution under clauses 2 and 6 of Rule XXI of the Rules of the House are waived. If the motion is agreed to, the resolution shall remain the unfinished business of the House until disposed of. A motion to reconsider the vote by which the motion is disagreed to shall not be in order.

(B) Debate on the joint resolution shall not exceed ten hours, which shall be divided equally between a Member favoring and a Member opposing the joint resolution. A motion to limit debate is in order at any time in the House or in the Committee of the Whole and is not debatable.

(C) An amendment to the joint resolution is not in order.

(D) At the conclusion of the debate on the joint resolution, the Committee of the Whole shall rise and report the joint resolution back to the House, and the previous question shall be considered as ordered on the joint resolution to final passage without intervening motion.

(6) As used in this subsection, the term "legislative day" means a day on which the House is in session.

(7) This subsection is enacted—

(A) as an exercise of the rulemaking power of the House of Representatives, and as such it is deemed a part of the Rules of the House, but applicable only with respect to the procedure to be followed in the House in the case of a joint resolution, and it supersedes other rules only to the extent that it is inconsistent with such rules; and

(B) with full recognition of the constitutional right of the House to change its rules at any time, in the same manner, and to the same extent as in the case of any other rule of the House, and of the right of the Committee on Rules to report a resolution for the consideration of any measure.

Mr. HAMILTON (during the reading). Mr. Chairman, I ask unanimous consent that the amendment be considered as read and printed in the RECORD.

The CHAIRMAN. Is there objection to the request of the gentleman from Indiana?

There was no objection.

The CHAIRMAN. Under the rule, the gentleman from Indiana [Mr. HAMILTON] will be recognized for 1 hour and a Member opposed will be recognized for 1 hour.

The Chair recognizes the gentleman from Indiana [Mr. HAMILTON].

Mr. HAMILTON. Mr. Chairman, I yield myself 10 minutes.

Mr. Chairman, I rise in support of this substitute amendment.

This substitute has five parts:

First, it sets out the primary objectives of United States policy toward Central America and spells out a strategy for achieving those objectives. It gives specific suggestions as to what should be the elements of United States policy toward Nicaragua. That policy should include:

A commitment to prevent the Soviet Union and its allies from deploying an offensive military capability in Central America that directly threatens the United States;

A commitment to protect Central American nations from attack;

Pursuit of a regional settlement through all diplomatic channels; and

A willingness to use, over the long term, incentives and penalties to respond to Nicaragua's behavior.

Second, this substitute makes $27 million available for those who have been displaced by conflict in Nicaragua, to be provided by the International Committee of the Red Cross or the U.N. High Commissioner for refugees upon that organization's determination of need for food, medicine or other humanitarian assistance. The amendment calls for a written report from the President every 90 days containing an accounting of the funds.

Third, this substitute makes available $5 million, including the $2 million appropriated by the 1985 Supplemental Appropriations Act, for assistance to the Contadora nations to help them in reaching a regional peace settlement. It also makes available this assistance to help implement any joint border agreement between Nicaragua and Costa Rica, or Nicaragua and Honduras.

Fourth, the amendment creates a national Commission on Contadora to be appointed jointly by the Speaker of the House of Representatives and the majority leader of the Senate. The Commission shall report not later than September 1, 1986, with respect to its findings on the status of the Contadora negotiations, and shall make recommendations on policies toward Nicaragua which the Commission believes represents a sustainable consensus on policy toward Nicaragua, including a recommendation on whether the United States should furnish military assistance.

In the final section of the amendment the President may, on or after September 1, 1986, request of Congress authorization to take further actions with respect to Nicaragua. A joint resolution authorizing the President to take action would be considered under expedited procedures.

WHAT ARE THE AREAS OF AGREEMENT AND DISAGREEMENT BETWEEN SUPPORTERS AND OPPONENTS OF THIS SUBSTITUTE?

A. AREAS OF AGREEMENT

Mr. Chairman, it is worth noting in this debate that there are significant and expanding areas of agreement between the Congress and the President on broad questions of Central American policy and even United States policy toward Nicaragua.

The policy language in this substitute would find wide, even unanimous, approval in this House.

We all share the goal of:

Protecting the security and territorial integrity of democracies in Central America from unlawful actions by Nicaragua;

Working together with our allies and friends to develop incentives and penalties to influence Nicaragua's behavior;

Creating a commission to follow Central American negotiations in the coming months;

Providing funds to help implement a regional peace agreement;

Pursuing a regional settlement through effective diplomacy;

Trying to isolate and contain Nicaragua's harmful external behavior;

Preserving the security of the United States by preventing the Soviet Union and its allies from developing or deploying an offensive military capability in Central America that directly threatens the United States; and

Preserving our right to use unilateral military force, if necessary, to protect United States vital interests in Central America.

B. AREAS OF DISAGREEMENT

The crux of the debate today is not about goals we do share but about means to achieve those goals and it is here that there are differences.

First, we disagree on the narrow question of United States financial support to provide military aid for a group of exiles who seek to invade Nicaragua.

The substitute does not renounce military action. It supports military action to repel Nicaraguan aggression against its neighbors, to prevent the introduction of advanced weapons in the area, or to prevent the use of Nicaragua as a Soviet or Cuban base. It says that military aid to the Contras for the purpose of invading Nicaragua has not pressured the Sandinistas to make fundamental reforms—and will not.

We firmly believe that while United States goals in Nicaragua are valid, a unilateral United States military strategy will fail:

We believe that military force should not be used for the purpose of trying to overthrow the Sandinista government or for trying to pressure internal reform. Neither of these goals can be achieved with the proposed $100 million;

We believe that military force has an important role to play. It can and should be used to stop subversion or efforts by Nicaragua to undermine its neighbors; and

To assure that Nicaragua does not become a strategic threat to the United States. We must allow no Soviet bases, no Mig's, no submarines, no missiles, no weapons to threaten the region, and no military probes or incursions into the territory of Nicaragua's neighbors.

We are prepared to take whatever steps are necessary to block or to defeat such moves.

Second, we disagree with supporters of the Michel amendment about whether diplomacy and negotiation can better achieve our goals.

We must not be timid in our assessment of what diplomacy can achieve. Since the end of World War II, we have had many important successes in negotiations with Communist governments:

In the Austrian State Treaty of 1955 the Soviets surrendered territory occupied by their troops and an independent and neutral state was created;

The Berlin Quadrapartite Agreement of 1971 successfully normalized Berlin's status;

The Test-Ban Treaty of 1963, the Nuclear Non-Proliferation Treaty of 1970, the ABM Treaty of 1972, SALT I and SALT II each represent important steps forward in the limitation of nuclear arms;

The United States opening to China, with all of its great importance for our geostrategic position, was achieved by diplomacy, not by the force of arms;

Far more has been achieved by U.S. diplomacy than by force of arms in the postwar era.

We can achieve success in our negotiations with Nicaragua if we use the strong cards we hold in our hand:

Nicaragua is not an island. It depends on its neighbors. It cannot survive on its own. It cannot develop without trade, without normal economic relations with its neighbors and without investment from Europe, Japan, and the United States;

Nicaragua is far away from Moscow. The Soviets have not, cannot and will not guarantee Nicaragua's security. The Soviet-bloc economic organization Comecon even refused membership for Nicaragua because it does not want to support another economic basket case;

Nicaragua still has important elements in the country devoted to the betterment of its people, including the church, the private sector, and domestic political opponents, all of whom speak out with great courage;

There is a historical tide of democracy sweeping through Latin America. Virtually every country in Central America, save Nicaragua, has held free elections and experienced a peaceful transition of government in the past 2 years.

We should put our diplomacy on the side of these central realities at work in Central America and have confidence that diplomacy can succeed:

The administration wants the Sandinistas to negotiate away their power. They have not done it, and they will not do it;

The President argues that diplomacy will not work without the pressure from the Contras. But the record shows that the diplomacy has not worked with the pressure of the Contras;

Every good negotiator knows that you have to give some incentives to the other party if you want a successful negotiation;

We should address security issues before trying to pressure the Sandinistas into being more democratic. Such a strategy offers the Sandinistas a way out and offers diplomacy a real chance;

Diplomacy cannot succeed as long as the United States insists on fundamental changes in the Sandinista regime as a prior condition to an agreement;

Negotiations cannot and will not succeed if the objective is to apply military pressure to try to cause the Sandinista government to commit political suicide;

The more promising approach is that in exchange for a guarantee by the Sandinistas not to threaten United States or Central American security—no Soviet bases and no export of revolution—the United States would stop military help for the Contras;

We can complete a treaty with Nicaragua limiting Nicaragua's military reach, and its Soviet and Cuban ties. Then, with our friends in the region we can start pressing the Sandinistas along a better internal path;

Our incentive to the Sandinistas is that we let them survive, if they change their external behavior;

Over the long term, we can have confidence that Nicaragua will be unable to resist the tide of democracy in Latin America.

WHAT HAS HAPPENED SINCE THE RESUMPTION OF AID TO THE CONTRAS?

Last year this body voted to resume aid to the Contras. At the time of the debate we warned what would happen if the assistance were approved. What we said would happen, did happen:

We said that aid would lead to more bloodshed. And it has;

We said that aid would only lead to a continued stalemate. And it has;

We said that aid to the Contras would make regional support for U.S. policy harder to obtain. Latin governments are now more outspoken in criticism of U.S. policy;

We said aid to the Contras would confirm the Communist leanings of the Sandinista government. The President himself now refers to them as Communists;

We said aid to the Contras would increase tensions between Nicaragua and Honduras. News of border incursions now fill the headlines;

We said aid to the Contras would lead to deeper American involvement. United States helicopters last month ferried Honduran troops to the war zones along the Nicaraguan border;

We said aid to the Contras was a military solution to a problem that must be solved politically. Can anyone now doubt this? We have seen escalation, more bloodshed and continuing stalemate;

We said aid to the Contras would make negotiations more remote. No progress has been made in negotiations. The lesson of the past year is that Contadora negotiations cannot succeed while Contra war continues.

WHAT NEXT

There is an important question which all supporters of military assistance for the Contras must try to answer when they vote for military assistance: What happens if this military aid package for the Contras fails and does not accomplish the purposes its supporters suggest it will achieve? What next?

The Reagan administration will not answer that question. It does not want to address it.

I do not know the answer, but I can give three hints of what is likely to happen based on the words of the President and on recent history.

First, our adversaries in Nicaragua will react to United States military assistance. When the United States steps up its aid to the Contras, the Soviet Union and Cuba will step up their aid to the Sandinistas. The administration

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assumes that our move will be the last move. But it will not be the last move. There will be further ratcheting upward of the conflict.

Second, even with this $100 million, the Contra force simply is not a suitable instrument for protecting the U.S. national interest.

One of the clearest points in all this discussion is the inadequacy of the President's program to accomplish his objectives. The Contras, even with aid, have no chance of victory, and a stalemate will not pressure the Sandinistas to make fundamental reforms. The administration demands victory, but is unwilling to commit the resources to achieve it. It sets forth ambitious goals, and provides only modest means.

Gen. Paul Gorman, before retiring as commander of the U.S. Southern Command, stated in February 1985 that a Contra overthrow of the Sandinista government was not "feasible in the near future" with U.S. financial assistance, and that such military pressure would take "years" to produce results. Senior military officers attest to the inadequacy of the President's military program to accomplish any realistic military objectives;

After listening to the testimony of many witnesses, my judgment is that the Contras cannot overthrow the Sandinistas, even with $100 million in aid; and that it will take the intervention of U.S. forces to topple the Sandinistas. I have every reason to believe that the intelligence community agrees with that judgment;

The President accurately states much of his and our criticism of the Sandinista government. But he is blind to the weaknesses and faults of the Contras;

We have provided to date some $100 million to the Contras. But in 4 years they have yet to demonstrate their military effectiveness. Their force of 20,000 does not control a single town or village. They control less territory than ever before. They stay primarily in safe haven in Honduras, and wage war largely against civilian targets;

Some of their leaders have democratic credentials, but they are commanded primarily by former Somoza national guardsmen;

Their tactics of terror and human rights abuses have been repeatedly documented by independent groups;

In short, there are too many questions about the Contras relating to their political viability, adherence to democracy, military performance, respect to human rights, and regional support for the United States to invest heavily in them;

This $100 million is only the downpayment on a war, the first payment on a long-term debt. Many more payments will come due if we expand the current war by providing military assistance to the Contras.

Third, we see what can be down the road if the Michel amendment is approved by examining carefully the words of the President. He is quoted in his report of April 1985 as follows:

> Direct application of United States military force * * * must realistically be recognized as an eventual option, given our stakes in the region, if other policy alternatives fail.

That statement has never been denied or retracted.

The Michel amendment will lift restrictions on CIA and DOD participation in the Contra war and will bring American military advisors into Central America to train the Contras. It will put American soldiers shoulder to shoulder with the Contras;

The President has said that he does not plan to send United States troops to Nicaragua, and I have no doubt that he does not intend to do so. But, I submit, the announced goals of the President, his commitment to those goals, the predictable response of our adversaries, the chances of accident and miscalculation all raise the risks of deeper American military involvement. The logic inexorably points in that direction;

Nicaragua has become the acid test of the Reagan doctrine. If the Contras cannot achieve the President's goals, and I share the assessment that they cannot for the foreseeable future, then the United States will have to face the question of military intervention.

Present policy sets us on a course of no win and high risk. Present policy has demonstrably failed to achieve its goals. We need a better policy.

Mr. Chairman, I urge support of this substitute amendment.

☐ 1255

The CHAIRMAN pro tempore (Mr. LEVIN of Michigan). The gentleman from Indiana [Mr. HAMILTON] has consumed 13 minutes.

Mr. SOLOMON. Mr. Chairman, I yield 7 minutes to one of the outstanding Members of this House and a veteran member of the Committee on Foreign Affairs, the gentleman from Illinois [Mr. HYDE].

Mr. HYDE. I thank the gentleman for yielding this time to me.

Mr. Chairman and my friends, Members of the House, I listened earlier to the majority whip talk about how the American people are against this. I suppose he knows that by the polls we have seen published, and I will concede the figures do not indicate a lot of support for supporting the democratic resistance in Nicaragua. We all can read the numbers.

I suggest, however, we know how polls are taken and we know that in formulating the question we can almost elicit the answer we are looking for.

Do you support the counterrevolutionaries in their effort to overturn the Government of Nicaragua, which we recognize? One cannot be an outlaw, of course, if you do not support that.

Do you support the freedom fighters, who are indigenous Nicaraguans seeking to reestablish a democracy and have free elections and freedom of the press against the Marxist-Leninist government? Of course we are for that.

It depends upon how one asks the question. In your career as a legislator, sometimes you are called upon to be a thermostat and not a thermometer. Sometimes you are called upon to do some leadership and not some followship. That takes guts. That takes courage. And sometimes it is in short supply.

One of the great fallacies of this entire argument is repeated again and again and again by the gentlemen on the left who oppose negotiating from strength with the Communist Sandinistas, and that is, the Contras cannot win a military victory. If you get in an argument, he who defines it has it half won, and they choose to set up this straw man of a military victory and saying the Contras cannot win one; ergo, we should not support them. There will just be a lot of empty, needless bloodletting.

I am going to try to say it as clearly and as simply as I can. Nobody is looking for a military victory. What we are looking for is a combination of pressures, a triad if you will: Military pressure from the Contras; economic pressure hopefully from ourselves and other countries who will learn, if we will ever get some backbone and support the Contras, that we are in there for the long haul. We are on the side of freedom. We are not on the side of surrender and capitulation and temporizing and appeasement.

☐ 1305

We are there to support Nicaraguans who are fighting for freedom in their own country, not as our proxies. They are willing to fight and die. They have been doing it. We have not sent them a rifle. We have not sent them a slingshot. They are in there dying right now. They are not our proxies.

The proxies are the Bulgarians, the North Koreans, the Libyans, the PLO, the Russians, and the Cubans. The Sandinistas are their proxies. So let us get our terminology straight.

Military victory, no. By military pressure, combined with economic pressure, combined with diplomatic pressure, that is what got Somoza out of there. There was no big military victory. The OAS finally saw where we were. Finally we stopped vacillating and we said he has got to go, just like we said Marcos has to go, and that is why Somoza left. There was no mili-

tary victory, but a combination of military pressure.

Now you take that element off the table and what are you left with? Resolutions from Contradora?

You negotiate from strength and you negotiate from weakness, and that is the choice.

The problem with your proposals of negotiating is you want us to stop supporting the Contras, and God knows I wish we were supporting the Contras, and trust the Sandinistas. Why, they even lied about the incursion into Honduras. They denied they even went over the border.

Now if there was some reciprocity, if the Sandinistas say you stop funding the Contras and we will get the Cubans out, we will get the Bulgarians out, we will reduce our military services, that would make some sense. But what you are proposing is unilateral disarmament in a place where you have expansionist aggressive Marxist/Leninists who, by definition, have to subvert everyplace around there.

Diplomacy has not worked with pressure from the Contras. What pressure from the Contras? They have been fighting there with nothing, with nothing. Let us see how diplomacy works with pressure from the Contras. If you think taking the Contras out of the equation is going to help the side of freedom, you are a raving optimist.

I suggest that if this was such a popular government in Nicaragua on October 15, instead of taking away the civil rights of the whole country, they would have rallied the country behind them. If the Contras are so ineffective, why on October 15 did they have to take away the civil rights of the whole country and have a state of emergency? If they are so beloved and represent the aspirations of the compesinos, they should not have to shut the church, confiscate the presses, turn off the church radio station, give La Prensa nothing to print by censorship, and draft kids into their party army—that is not even the Nicaraguan Army, that is the party of the Sandinistas, it is their army drafting seminarians in there. How do you tolerate that? And you want to do nothing, nothing.

God, you are the party of Ramsey Clark and George McGovern.

Containment, that is a great idea. Boy, if the Soviets move in there, we will be down there. Yes. you will be down there like we were in Cuba.

What will happen is they built Puenta Huerte, and they have all of the heavy Soviet aircraft, and we will argue up here whether those are really just in for training or not. Then they build a deepwater seaport at El Bluff, and we will argue among ourselves as to whether that is for "Love Boat" to dock conveniently. And then if anybody wants to do anything with it, we will have the War Powers Act all over the lot.

Containment is a great idea. Let them go Communist and we will contain them, just like we did in Afghanistan, and in Camranh Bay and everything else.

No, if you want to have a Soviet base down there, as we have in Cuba, then continue to do nothing.

I say we cannot tolerate another Soviet base in this hemisphere, and the time to do something is while we have got some people down there willing to fight and die for their freedom.

The Hamilton amendment says if you want to eat, leave home, cross the border, and become a refugee.

Mr. HAMILTON. Mr. Chairman, I yield 5 minutes to the gentleman from New Mexico [Mr. RICHARDSON] one of the cosponsors of this amendment.

Mr. RICHARDSON. Mr. Chairman, I thank the gentleman for allowing me to offer this amendment with him. It is an honor to do so.

I think reciting the arguments in support of the Hamilton/Richardson amendment, as many have done, is not the way to go. I think it is best when you deal with an issue like this to speak from your own experience. And the experience, the most recent one that I had with this issue, was attending the Contadora meetings in Panama.

I feel very strongly after having come back from that meeting that this is the best way to go. I say so because I think I share, I do not know if it is a distinct honor, of having been with about 50 other Members having voted against aid to the Contras in the early stages, having then proceeded to support humanitarian aid to the Contras, and now moving into a position where I firmly believe that the approach the gentleman from Indiana [Mr. HAMILTON] is taking is the correct one.

I feel very strongly in looking at some of the Contadora foreign ministers that we have to have faith in their commitment toward peace. I saw four men, foreign ministers, committed to a peace process. I saw them asking us for more time. I heard them tell us please give us an opportunity for more discussion and more deliberation.

I say that if there is this commitment from these men, and these nations for peace, I would say that if we give them more time, it is possible that we can proceed with peace.

The Sandinistas were heavily involved in hurting those talks in Panama, there is no question about it. But I think undermining the process was our policy of aiding the Contras.

In the same vein, I feel very strongly that the Contadora peace process is the last chance for peace. It is the last chance to avoid war, and I feel it should be given this last breath of hope.

Mr. ALEXANDER. Mr. Chairman, will the gentleman yield?

Mr. RICHARDSON. I yield to my colleague from Arkansas.

Mr. ALEXANDER. Mr. Chairman, I thank the gentleman for yielding. I publicly endorse and support the pending amendment. I would like to be shown as a cosponsor of the amendment.

The centerpiece of Mr. Reagan's foreign policy is the administration's strategy in Central America. It is a policy of U.S. support for movements of national liberation against incompatible governments, both Communist and non-Communist. That is to say, that the Reagan administration has adopted a policy of overthrowing governments that it can not get along with.

The direction of United States policy in Latin America will affect United States relations in the Western Hemisphere well into the next decade. What have we achieved over the last 4 years. The current policy has cost us $3.4 billion in Central America. The United States has associated itself and even sponsored criminals who have killed thousands of innocent people. We have reports of defection, corruption, and failure from the Contras that we have sponsored. Why have the Contras failed? Because these Contras are not freedom fighters; the Contras are not fighting for a cause; they are working for the Yankee dollar.

Mr. Reagan's policy is wrong today for the same reasons it was wrong a year ago. My reasons for opposition to this policy have been stated before and need not be recited again. On April 10, 1985, I addressed the School of Latin American Affairs of Stanford University at Palo Alto, CA, on this subject. For the RECORD I submit my remarks. My objections are the same today as a year ago:

U.S. POLICY IN CENTRAL AMERICA: AN ALTERNATIVE TO WAR

(Address by Hon. William Alexander)

(Stanford University Palo Alto, California
April 10, 1985)

Dr. Wirth, Ladies and Gentlemen, before the end of the month, Congress will vote on a request by President Reagan for $14 million in aid for the guerrilla army fighting to overthrow the government of Nicaragua.

While the amount of the aid request may seem relatively insignificant, this vote is in reality a vote on the overall direction of American foreign policy in Latin America for well into the next decade.

During a recent trip to Central America. I had dinner with one of Mr. Reagan's most ideological ambassadors. At one point I asked him what Latin America would look like if the Reagan Administration were 100 percent successful in pursuing its foreign policy objectives. What kind of society . . . what kind of an economy . . . what kind of government would we see in that part of the world if Mr. Reagan's vision became a reality.

The Ambassador thought for a moment—almost as if he had never even considered the question—and he said, "Congressman, it

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would be like things were down here in the 1950's—commerce was flourishing, the people loved and respected Americans, and there was a general sense of contentment with things."

After spending most of my life in or around politics, I am not astounded at anything very often. But this response was astounding.

To me it seems that it was the social and economic condition in Latin America in the 1950's that gave rise to the political upheaval of the 1960's and 1970's. The vestiges of that period are still having their impact today. The 50's were years marked by extraordinary repression and deprivation for most Latin peoples. There was rampant poverty and disease for most, while economic prosperity and political power resided in the hands of a relative handful of fortunate families.

The governments of these nations could be described variously as "tin horn dictatorships" and "banana republics . . ." most bought and paid for through outside forces—mostly in the United States.

For many years, we in this country enjoyed a comfortable, paternalistic relationship with these nations. However, slowly we began to see a threat to that relationship spawned by a growing restlessness. We Americans saw a threat to our security in Latin America—and we focused our fears on the appearance of Marxism.

It would be easy to let the story end there. It would be far more simple to adopt the view—as has been adopted by the Reagan Administration—that Marxism is the cause of all evil in Central and South America . . . and if we could just contain that movement all would be right again.

That is a convenient view but not one firmly rooted in reality.

Latin America—and especially those nations in Central America—is a series of unique nations undergoing an inevitable transition. In every one of those countries there is a process underway in which an old order is failing, and a new order is coming to power.

In Central America the symbol of this process of transition is Nicaragua. Somoza and his loyalists stayed well beyond their time, lost touch with the public, undercut the moderate opposition, allowed the center to be destroyed, and created conditions that permitted revolution by extremists to dominate the opposition. When Somoza ultimately fled, there was no popular-based moderate force to fill the void.

Other nations in Central America are undergoing a similar process of change. The traditional alliances between the landed oligarchy, political elites and military commanders are encountering greater and greater difficulty in controlling events.

The questions are what new alliances and systems will take over, whether they will be consistent with the interests and values of the United States, and what policies will best serve those interests and values under these conditions of change.

Basically, the nations of Central America are members of the Western rather than the Eastern world, and should be more open to the Western than Eastern models. There is no reason that the United States cannot successfully help these nations along this course.

The challenge faced by the United States is to develop policies which carefully define and effectively protect U.S. national interests in the long term, and work comprehensively to support pluralistic and stable new structures in Central America.

Given the strategic and psychological importance of Central America to the United States, we must clearly define these goals and objectives.

The essential institutional requirements will differ somewhat from one nation to another, but will include:

1. Development of respect for the rule of law and human rights.

2. Creation of political institutions that allow and encourage citizen participation.

3. Emphasis on building-up human resources through education, training and other means.

4. Development of region-wide cooperation.

The most practical way to achieve U.S. objectives is to help Central American nations deal with one another, and to help them solve internal problems through negotiations rather than militarism and violence. We should support change through democratization and peace through diplomacy, seeking a region-wide system of economic cooperation and open trading markets.

Progressive policy-makers in this country must realize that monolithic communism in Latin America has failed. Cuba is a virtual economic client state of the Eastern bloc countries.

The real enemies of the United States' interests in Latin America are disease, hunger and poverty. These are the forces that could well defeat our most well-intentioned initiative.

Last Thursday afternoon, President Reagan was doing what he does best as he stood before a national television audience and attempted to sell a peace plan. The President argued his case for increasing aid to the guerrillas in Nicaragua by conjuring up a world view completely at odds with reality. He recast the situation in Central America in such a way as to argue that—in Orwell's words—"war is peace."

Mr. Reagan reiterated his support for peace and democracy in Central America. He repeated his opposition to the spread of communism . . . and I speak for all in my party when I applaud these goals.

Unfortunately, we cannot support the means by which the President hopes to achieve these goals. His thinking is rooted deep in the world of the 1950's. Instead of providing an incentive for peace, his proposal is an invitation to greater violence and a further step away from the processes of change taking place in Latin America today.

There is nothing new in what the President said last week. The essential realities remain the same. The President wants Congress to give its approval to his war against the Nicaraguan government. It is a new face on an old horror.

This new proposal for negotiations is a very sophisticated subterfuge. Do not be fooled . . . it is a ploy . . . a ploy designed to give Mr. Reagan what he wants, and that is official sanction from Congress to fight a war in Nicaragua.

Mr. Reagan wants Congress to approve $14 million for the "Reaganistas," which he says will only be used initially for "humanitarian support." The leadership of the House has been advised that the Administration defines "humanitarian" as inclusive of trucks, uniforms and other logistical support short of actual guns and bullets.

Mr. Reagan says that only if the negotiations break down will he convert the so-called "humanitarian aid" to military assistance.

This proposal insults the intelligence of Members of Congress and the American people—under the Reagan plan, the Reaganistas are guaranteed $14 million if they walk away from the negotiations table. They have no incentive to try to achieve some sort of settlement. Clearly, Mr. Reagan developed this plan as a roundabout way of getting his aid request through Congress—a request he was told by leaders of his own party on Wednesday ". . . was dead in the water."

Mr. Reagan would have Americans take their eyes off the ball. He would divert our attention away from the real issues. Mr. Reagan does not want peaceful solution in Nicaragua. He will not tolerate the presence of the Sandinistas in a government there. He is using a suggestion of peace to induce support for a policy of war.

The real question here is "Why is the United States involved militarily in Nicaragua in the first place?" Mr. Reagan has given us the answer time and time again—we are there to overthrow the Sandinista Government. Mr. Reagan has repeatedly said that he will not tolerate "another Cuba" in Latin America. On several occasions, including his speech last Thursday, he referred to the Sandinistas as thugs or murderers. Are we to believe that he has changed his position? That he is now willing to tolerate their continued presence there?

Mr. Reagan—in that speech last week—tried to pass himself off as the compassionate peacemaker in a war which he has helped create. The Reaganistas army exists largely because Mr. Reagan has provided it with the means to fight a war of bedevilment against the Sandinista government. The Reaganistas are essentially an American mercenary army—and Mr. Reagan is asking the Congress and the American people to give their official support to that cause.

Mr. Reagan and his supporters suggest that gunboat diplomacy will bring democracy to Latin America. However, history does not support that conclusion. Instead, history demonstrates that democracy in Latin America has taken hold only when democratic structures offered real hope for coming to terms with poverty, disease and despair that plagues Latin societies. Mr. Reagan should understand that no amount of military aid, that no increase in arms will be big enough to make democracy work in Latin America. Our foreign policy in Latin America will only succeed when we align our objectives with those of the people of the region. Then there can be hope. Then there can be true progress.

Contrary to the claims of the President, U.S. policy in Central America is out of control—lacking in direction and substance. We are wasting millions upon millions of dollars, while needlessly placing at risk the lives of brave American soldiers along with countless other Latin civilians.

Mr. Reagan is transfixed by an antiquated view of Latin America, wholly inconsistent with modern realities. His policies make it more likely that we Americans will repeat the mistakes of the past than to learn from them. Gunboat diplomacy did not work in the 1950's—it is not likely to succeed today.

Is the United States going to fulfill the fear of Simon Bolivar, the George Washington of Latin America, who worried that:

"Los Estados Unidos paracen destinados . . . plagar a las Americas de miseriea e nombre de la libertad.

"The United States appears destined . . . to plague the Americas with misery in the name of freedom."

Or, are we going to provide the leadership which is the mark of a great nation?

I urge those in my party to look at the constructive, positive alternatives available to our nation. Mr. Reagan would have us resort to a policy which substitutes military action for diplomacy. I cannot endorse that. The opportunities for a comprehensive diplomatic settlement in Central America are real and available. Let us offer words of hope rather than threats of war.

To achieve a long term settlement in this region, I suggest the following:

1. The full force and power of the United States should be placed in support of the Contradora negotiations. There should remain no doubt in the minds of the leaders of the Contradora nations, and others throughout Latin America that the United States is taking every possible step and using all possible leverage in support of an end to the bloodshed through the use of diplomacy.

The example of President Bellisario Bettancur of Colombia is important. Through diplomatic leadership, personal courage and good faith, President Bettancur has begun to bring peace to Colombia by negotiating with his opponents. The United States should fully support his efforts and other similar efforts, to negotiate an end to the region-wide violence.

2. The Administration should work with Congress in a bi-partisan effort to devise a significant foreign assistance program, directed toward the following objectives:

a. To support the creation or improvement of institutions designed to strengthen the administration of justice and the democratic process.

b. To improve education and training programs including projects within Central American nations and student exchange programs between those nations and the United States.

c. To improve local infrastructure (e.g., transportation) as an aid to economic development.

d. To improve local health care.

e. To support economic cooperation projects, movements toward inter-American economic integration, and a more open regional trading system.

f. To support local agricultural projects, and to promote export of American agricultural products.

g. To improve training of armed forces, respect for human rights by military personnel, and defensive military capabilities.

3. The Administration might approach friends and allies in Latin America and Europe to propose that the above program involve joint funding as part of an international "democratic initiative."

The policy stated above could be implemented by taking the following steps:

1. The United States should put its full force and power behind the Contradora initiative undertaken by Mexico, Panama, Colombia, and Venezuela.

2. The United States should offer to support, promote, or organize a general hemispheric peace conference, which would focus on the major disputed questions of the Americas, should the Contadora heads of state conclude that such a conference would contribute to the search for peace.

3. The United States should express a willingness to work with any nation, through Contadora, a hemispheric peace conference, or any other appropriate forum that professes an interest in pursuing non-violent solutions to the crises in Central America. The United States, working with and through the Contadora nations, should test the sincerity of claims by Cuban President Fidel Castro that he will take strong action in support of the Contadora process. U.S. policy towards Cuba should avoid the mistaken extremes of naive optimism or blind paranoia and instead should offer a willingness to pursue careful, realistic and tough-minded diplomacy in search of gradual lessening of U.S.-Cuban tensions.

In 1945 the Soviet Union emerged from World War II as a superpower in sole competition with the United States for influence among the developing nations. The Soviets were eager to demonstrate the merits of communism as an economic system. During the forty years that have elapsed, Marxism is failing and has succeeded only as a process of distribution, unable to compete with capitalism in production. Committed Marxists continue to flirt with the U.S. and the Western World:

The Peoples Republic of China (PRC) turned to the West in 1978, adapting capitalistic methods in order to increase productivity;

Cuba's Fidel Castro, a disciple of Marxism, describes the "China Model" as a goal for future Cuban-U.S. relations;

North Korea hints a coming to terms with South Korea in exchange for economic ties with the U.S. and Japan;

Vietnam increases its cooperation with the U.S. to discover and return MIA's lost in the conflict;

Ethiopia turns to the U.S. and Europe for food to relieve famine;

And, Mozambique and Angola look to the U.S. to broker deals with South Africa.

Indeed, the United States has a unique opportunity to lure Third World States away from the influence of the Soviet Union to the capitalist orbit. But, we must seize the initiative to take advantage of the opportunity that exists at this time of generational change within the Kremlin.

Democratic capitalism can compete ideologically in the Third World with Marxist Communism. Militaristic competition between the U.S. and U.S.S.R. appears inevitable; however, armed conflict need not be a solution when dealing with Soviet client states. The success of capitalism as a superior system of productivity demonstrates that the Marxist ideology of the Soviet Union is not, per se, a threat to the United States.

The triumph of capitalism continues simultaneously with the tragic lessons learned by the failure of militarism. This week marks the tenth year of the defeat of militarism as a policy in Vietnam. We must develop a policy that is not rooted in the brute force of militarism but instead builds upon the sucess of capitalism.

"To live bravely by convictions in which the free peoples of this world can take heart, the American people must put their faith in stable, long range policies—political, economic, and military—programs that will not be heated and cooled with the brightening and waning of tension.

"The United States has matured to world leadership; it is time we steered by the stars, not by the lights of each passing ship." (General Omar Bradley, 1945).

President Reagan's position on Central America is not a policy—it is a tactic. Moreover, it is outmoded because of the heavy reliance upon militarism.

Most knowledgable observers agree that militarism is not a solution in Central America inasmuch as it does not address the problems of poverty, disease, malnutrition, social injustice and political corruption.

A long-term solution requires a long-term policy that addresses the aspirations of the people of the Central American region. A return to the military dictatorships of the past ignores the problems and prolongs the conflict. And, a U.S. policy is bound to fail which violates American traditions and values.

"In the great struggle against Communism, we must find our strength by developing and applying our own principles, not in abandoning them." (Walter Lippmann, 1962).

It is time to stop squandering billions of dollars; needlessly wasting lives, and alienating our allies; and to gain control of U.S. foreign policy in a positive and meaningful way that serves America's best interest—peace through Democracy.

Thank you.

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Mr. RICHARDSON. Mr. Chairman, I yield to the gentleman from Indiana [Mr. Burton].

Mr. BURTON of Indiana. When the gentleman was at Contadora, as I recall from reading a newspaper account, the Cubans were advising the Nicaraguans, and because the Nicaraguans did not get what they wanted, they left Contadora; they walked out of the meeting; is that correct?

Mr. RICHARDSON. That is correct. The Cubans were there.

Mr. BURTON of Indiana. They were there.

Mr. RICHARDSON. I think in the same vein, I feel very strongly that there are two elements there; the Cubans' proxy forces and our support for the Contras that doomed the talks; but the gentleman is correct.

Mr. BURTON of Indiana. The Cubans were advising them and they did leave the talks?

Mr. RICHARDSON. Yes.

Mr. SOLOMON. Mr. Chairman, I yield 4 minutes to the distinguished gentleman from Indiana [Mr. Burton], a member of the Committee on Foreign Affairs.

Mr. BURTON of Indiana. Mr. Chairman, the Hamilton substitute says—he will offer an amendment in the nature of a substitute that provides $27 million for programs to assist refugees—and make no mistake about it, if there is no military assistance for the Contras, there will be many more refugees, and we are going to have to appropriate a lot more than $27 million to help them. We will probably have to erect road signs, directing them north toward the United States to freedom; and second, it will appropriate $2 million for continuing the Contadora process.

The gentleman from New Mexico [Mr. Richardson], who just spoke on this floor, acknowledged the fact that when he was at a Contadora meeting, the Cubans were advising the Nicaraguans, and because the Nicaraguans did not get what they wanted out of Contadora, they got up and left.

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We are going to provide $2 million more for that process? It makes no sense to me. The only thing that Communists down in Nicaragua understand is power. They are not going to negotiate away their power voluntarily. We are going to have to put pressure on them both diplomatically and militarily, and that is what President Reagan wants to do with his two-track approach.

Let us look at the facts. The facts are there are 19 countries south of the Mexican-American border; 12 of those countries have either terrorists or guerrillas trained in Managua or weapons that came through Managua, or both. There is a cancer in Central America and it is called the Communist Nicaraguan Government.

If they really wanted to negotiate, if they were really concerned, they would show good faith by cutting off aid to the Communist guerrillas in these 12 countries; but they are not doing that. What they are doing is continuing to support them and continuing to export revolution, even though they are getting some pressure from the Contras right now.

I submit to my colleagues that if we do not give any assistance to the freedom fighters, the Communists will prevail, and this exportation of revolution that is taking place right now in 12 of the 19 countries in Central and Latin America will turn into a tidal wave of Communist subversion. They will be subverting these governments, undermining these fledgling democracies to such an extent that we will have to be involved not only in the Nicaraguan problem, but in a myriad of problems throughout Central and all of Latin America.

My colleagues, I cannot believe we are adopting or trying to adopt this head-in-the-sand approach. The Communists have told us time and again what their objectives are. Thomas Borge, Umberto Ortega, Daniel Ortega have said time and again, "We want revolution without borders. Our revolution has always been international.

I do not understand why my colleagues cannot see that. I was in Chalatenango Province in northern El Salvador, and I talked to a captured Communist guerrilla, and he told me face to face that the training for his people was coming out of Managua that the weapons were coming out of Managua. I walked outside and I saw the weapons.

There is no doubt that they are exporting revolution. Now, the only pressure that we can exert upon them is by helping the freedom fighters put pressure on them internally. In addition to that, those freedom fighters deserve the opportunity; the opportunity to have freedom restored in their country.

Mr. Chairman, I would like to summarize by saying that, "Don't just take my word for these things." Mr. Baldizon, whom I talked about earlier today, the right hand man of Thomas Borge, has talked about time and again the disinformation tactics of the Communist Sandinista government. They are doing everything they can to mold public opinion within the confines of the United States; and I think they have been somewhat successful.

Because of that, we have a real problem here. My colleague from Illinois [Mr. HYDE] said a few moments ago: "Sometimes we have to lead, instead of following public opinion," and I think this is one of those times.

We have to tell our friends in Central America who are fighting for fledgling democracies we are going to support them. We have to tell the freedom fighters in Nicaragua we are going to give them the tools that are necessary to bring about the promises, to realize the promises that were made by the Communist Sandinistas in 1979 when they took power. They promised free elections, freedom of religion, freedom of assembly, and freedom of the press.

We owe those fighting for freedom in Central America a chance to realize those promises. we must not turn our back on them.

Mr. HAMILTON. Mr. Chairman, I yield 5 minutes to the gentleman from Massachusetts [Mr. BOLAND].

Mr. BOLAND. Mr. Chairman, I rise in strong support of the Hamilton-Richardson amendment.

We have debated the Nicaraguan issue over and over again during the last 3 years—the last time, only 3 weeks ago. In those debates, and the votes which have followed, we have made our differences on this issue quite clear. But it is important to emphasize that we differ not over what our policy goals should be in Nicaragua and Central America but in the way those goals should be achieved.

On March 20, this House rejected President Reagan's request to provide military assistance to the Contras. In my judgment, that was the proper course of action for us to take. Today, we reconsider that vote. Has there been a material change in the situation in Nicaragua since March 20 that necessitates a reversal of our position? I would suggest that there has not. Some have argued that the Sandinista incursion into Honduras, and the inability of the Contadora nations to agree on a peace plan make a compelling case for American military aid to the Contras. The Sandinista military operation in Honduras was nothing new. Sandinista forces have pursued the Contras in Honduras before and without an agreement insuring the integrity of the Honduras-Nicaragua border may very well do so again. Rather that justifying American military aid perhaps this incident should cause us to consider whether the presence of the United States backed Contras in Honduras brings us closer to war, or closer to peace, in Central America.

It is true that the Contadora process has not as yet yielded a peace agreement. It is also true that that process is not over, it might very well benefit from the perception among its participants that the United States is acting in a way which will facilitate rather than impede its work. Our allies among the Contadora group and the support group have made it quite clear that our assistance to the Contras does not help their efforts to negotiate with the Sandinistas.

Negotiation or an assuredly escalating level of fighting is our choice today. The Hamilton-Richardson amendment seeks to remove an impediment to a negotiated settlement while recognizing our responsibilities to those made refugees by the fighting. It seeks to provide the Contadora process with the moral and material support it needs to fairly test its ability as a vehicle for a political solution to the varied concerns of our Latin American neighbors. I do not believe that our current Nicaraguan policy gives that kind of test. We have nothing to lose and everything to gain by giving Contadora a real chance to work, and I believe that the Hamilton-Richardson amendment best provides that opportunity.

The Contras are our other choice, and the alternatives to Hamilton-Richardson in varying degrees embody that selection. Let us be clear about the Contras. They cannot, for $100 million or any sum remotely close to it, accomplish what I believe most would agree are our policy objectives in Nicaragua. They cannot keep Nicaragua from becoming a base for advanced Soviet weapons or prevent the Sandinistas from exporting their revolution to their neighbors. Those jobs can only be done by the United States and our Latin American allies. No surrogates can do them for us and experience forcefully suggests that the Contras even fortified by $100 million in U.S. assistance, can neither alter the repressive aspects of Sandinista rule nor coerce Daniel Ortega to the bargaining table. If anything, the Contras make those goals less achievable. No, $100 million does not buy a Contra victory. It buys continued fighting to no apparent conclusion. It represents not the end but merely the first installment of the U.S. aid that will be necessary to sustain the Contras as a fighting force. And most ominous of all it binds the Contras to us with ties of dependence so strong as to, in my judgment, assure the use of American forces if the Contras are at some point in the future faced with certain defeat. We have traveled that road before, Mr. Chairman, and I for one do not propose to travel it again.

And so we must choose between assisting Contadora and assisting the Contras. The evidence is clear that we cannot do both. We must decide which is most likely to further our interests and the interests of the Central and South American democracies with whom we are allied. I believe that the overwhelming sentiment among the leaders of those countries is for Contadora and negotiations rather than for the Contras. That should be our choice as well. The Hamilton-Richardson amendment gives us the opportunity to effect that choice and I urge its adoption.

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Mr. SOLOMON. Mr. Chairman, I yield 10 minutes to the distinguished and veteran Member of the Committee on Foreign Affairs, the gentleman from California [Mr. DORNAN].

Mr. DORNAN of California. I thank the Chairman.

The President of the United States told our Nation the day before yesterday that if this House engages in subterfuge or back-room deals to thwart a straight clean up-or-down vote on this issue, that this body would be responsible for getting freedom fighters killed in Central America. And I agree with the President's analysis. That is what makes this discussion here today so very serious.

Now there were very few single issues in this House that would cause the defeat of Members on both sides of the aisle, no matter what side of the issue they take, and this is such an issue.

I characterized this vote earlier today as basically a human rights discussion. I stick by that characterization.

My distinguished colleagues on the other side who try at every turn, even through political intrigue here in the House via parliamentary procedures to thwart the President's policy, I think they led with their best efforts saying that the people the President and I call freedom fighters were guilty of human rights violations.

However, they have never been able to effectively develop that case with hard evidence. I just have not seen it, as hard as they have tried.

But on the other side, the prison system in Nicaragua alone, not just suppression of the press and religious persecution of the Jewish community, the Protestant fundamentalists or the evangelicals and of my own Catholic Church, severe, grievous persecution, that alone is not what makes this a human rights issue. It is this massive prison system, this Communist mini-Gulag system mirroring the prison camps of eastern Europe and Siberia, should be enough to make those opposing Contra aid, rethink their views.

This map is too small for my colleagues visiting up in the higher seats of our Chamber or in the back of the Chamber to see and I know that our camerawork is somewhat limited. But suffice it to say that the camps start up in the northeast corner of the country at Puerto Cabezas, run all the way over to Chinandega, in the northwest corner of the country, Esteli which has a major camp, an area which was the scene of Soviet helicopters flown by Castro's pilots, first made their combat moves on the continent of North America. The square footage of prison space since Somoza fled that country has increased five- to six-fold. Here now I begin the ignominious litany that for the life of me I cannot understand does not shift dozens of votes of my well-meaning distinguished colleagues on the other side of the aisle.

The first prison is Puerto Cabezas. Please bear in mind that these are United States-garnered intelligence images that I swear by my life are correct. They were classified top secret only a few weeks ago. And because of the importance of this debate, Members, not of the other body, but of this Chamber literally almost begged on our knees for the administration to declassify this or they would have a defeat on their hands knowing we did not try to convince the 62 percent of our fellow Americans who do not even understand which side we are on.

The next one is in Esteli. That camp was formed before the Soviet-manufactured, Castro-pilot-flown gunships began to kill young men and women fighting in the name of freedom, closer to my home in California than we are right now.

This prison did not exist at Waswali while Somoza was raping his country of a not-so-small part of its treasure. Club Hipico, this is no Club Med for vacationing Americans, my friends. This is another camp where people, naked in solitary confinement, are tortured because they tried to develop in Nicaragua what we simply call our first amendment, that government should make no law restricting their freedom of speech, of the right of the people to assemble in the private sector, or the right of people to freely practice their religion.

Here is that Chinandega prison. I do not have two of the prisons.

Here is Palo Alto prison. This is not a photograph, my distinguished colleagues on the majority side, of the campus of Stanford in middle California. This is another prison of a large chain of prisons, which were built and now hold 11,000 people. Keep in mind that the sources you most quote, Amnesty International and America's Watch, have told me to my face that at the high-water mark Somoza had 500 prisoners, not 11,000 to 13,000.

Here is La Palmera, a prison near Grenada, one of the three largest cities in Nicaragua.

Nobody even in the city of Grenada is allowed within 100 yards of that prison. And here is the one I find most interesting because this is the one that is in the flight pattern at Sandino Airport. I cannot emphasize how many dozens of American Congressmen have been flown over this prison, enlarged five times just in the last 4 years. In this prison people are held in solitary confinement cells, naked, only for speaking out for the promises of the original Sandinista revolution. Despite this our planes continue to bring American Congressmen to this country, overflying these prisons.

They wonder in the Zona Franca Prison, as they wonder in Tipjtapa, which was Somoza's only federal penitentiary for his political prisoners, which has four or five times as many people languishing in these Communist cells, which would be the flight of a key American, bringing a key Member of Congress from the majority side, who could stand as a noble American before this body and say that the evidence is now overwhelming "I was wrong. I do not ask you for forgiveness because my main motivating drive was to protect human rights. I thought the Contras were the main violators but I found out that these Sandinista Communists, these commandantes make Somoza truly look like a tin-hat dictator. These people are serious and deadly Communist brothers of Mu'ammar Qadhafi in Libya."

Mr. HYDE. Mr. Chairman, will the gentleman yield?

Mr. DORNAN of California. Yes; I yield to my colleague.

Mr. HYDE. The gentleman must admit, though, there is a sort of logic to the Hamilton-Barnes-Richardson amendment because it recognizes that once we cut the legs out from the Contra military effort there will be a flood of refugees and we are now moving into the refugee business under the aegis of the U.N. You have heard of the U.N., that outfit in New York that is so balanced and fair.

Mr. DORNAN of California. The U.N. hates refugees.

Mr. HYDE. Now the rule of thumb on Communist countries is that 10 percent of the people flee. That is what we got out of Cuba in the Mariel boatlift. So 10 percent of 3 million people is 300,000 people. Have we consulted Honduras and Costa Rica about how they are going to absorb the flood of refugees that this magnet will attract? Does the gentleman know of any efforts that have been made, say, by the House Permanent Select Committee on Intelligence or the Democratic leadership?

Mr. DORNAN of California. None whatsoever.

Mr. HYDE. Does the gentleman know whether they have inquired of Honduras whether they can absorb, let us say, half of the 300,000, 150,000 refugees from Nicaragua and Costa Rica? Does the gentleman know of any exploration along those lines?

Mr. DORNAN of California. No; none whatsoever.

Mr. HYDE. What if Honduras says "Look, they are not a fighting force anymore, going to protect us and make the Sandinistas look inward, but now they are free to look outward and we do not want Nicaraguan refugees." Then what? Would we have new boat-people maybe?

Mr. DORNAN of California. Of course, we are going to have feetpeople by the thousands.

But let me comment on how fast the debate is changing here and how resilient the arguments are on the other side defying all logic. Here is one of America's three major newspapers, the Los Angeles Times. The headline story is "Contras Seen as Ineffectual Force."

Mr. HYDE. Now wait a minute. Is that why the Sandinista government put the emergency decree in October 15 because the Contras are an ineffective force?

Mr. DORNAN of California. Marjorie Miller, the Times staff writer, tells us the Sandinistas grow stronger. Listen to how they adapt to this headline that only 5 weeks ago now looks ridiculous after the incursion began the night of March 22.

It says, "The Nicaraguan rebels backed by the United States are a rudimentary and ineffectual force, unable to mount a real military threat to their well-trained and well-equipped opponents, diplomats and military analysis here say," off the record.

These unnamed U.S. observers who are supposedly supporting the President say that "the Sandinistas, on the other hand, have become an experienced professional force." They describe the Contras as "an almost defeated army" and raise questions about how much pressure the rebels could put on the Sandinistas. They say, "The Sandinistas' confidence tends to reinforce this view." I would submit to my colleagues that after the events in Tripoli over the last few days, Mr. Ortega's confidence is not flying too high, particularly if the rumors we hear about Colonel Qadhafi turn out to be true later today.

Then it says in April, "when Congress was considering a request for $14 million in military aid to the Contras" last year, "the Sandinistas and their supporters were in a state of near panic." Then when we approved $27 million in nonlethal aid after Nicaraguan President Ortega traveled to the Soviet Union, to Moscow, the Soviet helicopters were cut loose. It says, "The public mood today is matter of fact and Ortega apparently is untroubled." I can tell you they are in their Communist bunker down there right now analyzing what we do carefully here; right, Mr. Robinson? And weighing the fate of Mr. Qadhafi. I beg you to get on the side of the real defense of human rights in our hemsiphere and support the Michael amendment.

Mr. McHUGH. Mr. Chairman, I yield 5 minutes to the gentleman from Vermont [Mr. Jeffords].

Mr. JEFFORDS. Mr. Chairman, I am here because I fear also that we will lose to the Communists. But my fear is generated fom a different line of reasoning and from a disparate result on what we should do on this particular amendment.

The policy of this administration, and that of most of its predecessors, toward Central America has been based on the premise that communism is bad; that Soviet expansionism is particularly bad; and that Soviet expansionism onto our own continental soil—in whatever form—is a threat to our national security and totally unacceptable.

There are few, if any, in this room that would disagree with that premise. Where we do disagree is on the question of how we prevent such Soviet and Cuban incursions and what policies will ensure the stability and freedom of the hemisphere.

The administration believes that since the Sandinistas in Nicaragua are backed by the Soviet Union, they must be removed, and that the way to remove them is by supporting the Contra forces in order to force a change in government.

I, too, would rather see a democratic government in Nicaragua. I do not want to live with the threat of a Communist regime on our southern border. I continue to serve today as a Naval reservist because of my distrust of the Soviets. I was an officer in the 6th Fleet when Khrushchev beat his shoe on the podium at the United Nations, referring to my ship as a "coffin of steel." I was in the Lebanon landing in 1958, and later served on ships playing "navigational chicken" with Soviet ships in the Red Sea and the Persian Gulf.

I also vividly remember my exchange of letters with a Czech family that abruptly ended when the family lost its freedom and fell behind the iron curtain after World War II. And no one can read Gulag Archipelago or talk with Alexandr Solzhenitzyn and not feel deeply about the Soviet threat.

In short, I completely agree with the administration that we cannot ignore the Communist threat as we deal with the situation in our hemisphere. And, under certain circumstances where there is a direct threat to our national security, such as the location of missles, or in response to treaty obligations, I believe that military action might be justified. Years ago, I volunteered to serve during the Cuban missile crisis. More recently, I strongly backed the President's swift action in Grenada.

Yet military confrontation is frequently not the wisest course. We have plenty of examples in our history of what has happened when we have pursued military solutions that backfired and ultimately produced the very thing we sought to prevent.

I am reminded of Cuba and the Bay of Pigs. Or Vietnam. They are both examples of flawed thinking and policies that assumed the only way to prevent communism from gaining a toehold was through a military response.

In 1961, the Kennedy administration seemed to believe that all we had to provide was the military catalyst to oust Fidel Castro; that if we landed a group of Cuban exiles inside the country, the people would surge to greet them, tossing out the Communists. We assumed that every manifestation of Marxist doctrine resembled Stalinism, and was equally hated by the people.

Or so we thought. Instead, the invasion met with failure. While military planning mistakes were made which most likely prevented the success of the initial landing, there were other important factors that, in my mind, would have prevented any chance of success inside Cuba. The Cubans who led the invasion were primarily military men who had served under President Batista. They had few ties with the struggling democratic opposition. The mutual distrust between these two groups was so great that they were unable to join forces. There was no popular uprising. Nor was Castro scared into moderating his behavior. To the contrary, the Bay of Pigs solidified his dependency on the Soviet Union and his own hold on the people.

Vietnam was a country long subject to control by a colonial power. Not only were the people unable to develop their own government, they were prevented from providing for their own economic well-being. Then we launched a devastating war in an attempt to establish our system of government and to eradicate the Vietcong influence in the countryside.

What we overlooked was that the people in Vietnam were war-weary. They wanted peace. They wanted food for themselves and their children. They wanted only the opportunity to be left alone so they could provide for themselves. And it was Ho Chi Minh who appeared to offer the only things that really mattered to these peasants. This, combined with the mounting popular opposition to the war here at home, eventually led to the withdrawal of our troops and to the very thing we fought to prevent—a Communist regime in Vietnam.

The same thinking that prevailed in the Bay of Pigs and in Vietnam is dictating our response to Nicaragua today. And that is a tragic mistake. These historic parallels should make that quite clear. We have never won the hearts and minds of people through a purely military approach. And without the hearts and minds of the people, there can be no democracy.

The problems of Nicaragua are in many respects the problems of all of Central and South America. Poverty, illiteracy, disease, and economic oppression are undermining the fragile democracies in the region and fueling Communist-style revolutions throughout the hemisphere. If our policy toward the region does not address these conditions and provide support for our allies' attempts to eradicate these ills, then we will make very little headway at containing Nicaraguan-style revolutions.

One incident that forcefully brought that point home to me was a discussion I had with an Salvadoran peasant whom the Salvadoran Government introduced as an example of people fleeing rebel-controlled areas. When I asked the man what it was he really wanted, he replied, simply but eloquently: "All I want is a piece of ground to plant my corn."

What solutions to these problems do our Western European allies support? And how do our allies feel about our policy toward Nicaragua? After all, they are confronted daily with the threat of Communist proximity and must always be on the alert against Soviet expansionism. Yet their response to our policy has been nearly universal—they have opposed our aid to the Contras.

While we heard a lot about Daniel Ortega's trip to Moscow in April 1985, few people realize that his swing home through Western Europe provided him with $190 million in aid—only $12 million less than he was promised by the Eastern bloc nations. Additionally, the Europeans doubled their exports to Nicaragua from 1980 to 1984. As the Europeans stepped up their trade with the Sandinistas, Nicaraguan imports from the Eastern bloc countries amounted to only 26 percent in 1984.

As a personal aside, I recently received a note from 68 members of the Austrian Parliament representing all three politicial parties. They wrote to support my opposition to further aid to the Contras. The letter noted that 40 Austrian development assistants currently are working in Nicaragua, and that their "lives are menaced day after day by the indiscriminate acts of the 'Contras.'" Our Austrian counterparts urged us to withdraw aid to the Contras "in the spirit of all those humanitarian and democratic principles which unite the free nations on both sides of the Atlantic."

It is important to remember that this letter came from leaders of a country bordered on three sides by Communist governments. Surely we can learn from this attitude.

We aren't so far down the military path that we cannot reverse the policies of our Government in Nicaragua, although given the repressive actions by the Sandinistas recently, this may be difficult. What we certainly should be doing is pursuing more appropriate and effective policies in all Central American countries, and no repeating our mistakes.

My deep concern is that the administration has become so obsessed with military solutions that it is turning its back on the needs of our friends in Central America. The $100 million requested by the administration could make a real difference in improving conditions in Honduras, El Salvador, and Costa Rica—countries whose fragile democracies need our support. This is especially true if we learn from the Cubans, who outmaneuvered us very successfully in the early days after Somoza by providing Nicaragua with much-needed human resources—technical assistants in crucial areas such as agriculture, health and education.

We, too, could be providing that kind of valued assistance. We have many Americans—especially Hispanic Americans—who understand the culture, the people and the problems of Nicaragua and would be willing to help that country. They could do so if we had a program that would utilize their abilities on a long-term basis.

A good example of this kind of need—and the desire for our presence—was relayed to me by a Vermont veterinarian who traveled to rural Nicaragua. The Vermonter had asked a Nicaraguan colleague why there were Cuban vets in the area. He was told that the people would much prefer to have American vets, but that their animals were dying from disease, and the Cubans were the only ones offering help. The Vermonter was, in fact, the first American veterinarian the man had ever seen.

We must not underestimate the power of our presence in such underdeveloped countries. If we change our policy to address the most important needs of the people—and in a visible and human way—we can't help but lessen Nicaraguan dependency upon the Eastern bloc. Moreover, Ortega is finding the Eastern bloc increasingly reluctant to provide much-needed developmental assistance. The Soviet Union is facing its own extreme economic problems, and clearly neither it nor its allies are anxious to take on another drain upon its economy similar to that of Cuba.

A successful policy in Central America will take a firm commitment on our part, combined with a sensitivity to the unique problems of our southern neighbors. Through such a policy, we can and must show that democracy offers a brighter future for the people of Central America than does Marxism-Leninism. Unfortunately, we have ignored many of the positive suggestions for development contained in the Kissinger Commission report that would do just that.

I hate the idea of losing to communism. And this time, within our own hemisphere, winning is especially important. I have no doubt that we could successfully overthrow the Sandinistas if we threw ourselves into a total military effort. But it we did, we would find ourselves in a position of occupation that would quickly become untenable for us and unacceptable to our allies. I also am convinced that unless we adopt the policy outlined above, the cost will be painfully high. If we remain preoccupied with the Sandinistas, we will find out democratic friends in the region falling around us, succumbing to right- or left-wing dictorships or other forces of instability.

The stakes are now very high. And we can no longer afford to fail.

□ 1545

The CHAIRMAN. The time of the gentleman from Vermont [Mr. Jeffords] has expired.

Mr. SOLOMON. Mr. Chairman, I yield 1 minutes to the gentleman in the well.

Mr. JEFFORDS. Mr. Chairman, I thank the gentleman for yielding this additional time to me.

Mr. Chairman, just let me say one more phrase. I am afraid that we will lose again. And when we turn around, those fragile democracies which, if we were supporting now will succeed, will disappear off into rightwing dictatorships, leftwing dictatorships, and we will be back worse than we were when we started—even if we do succeed on the policies of conquering Nicaragua.

Mr. HYDE. Mr. Chairman, will the gentleman yield?

Mr. JEFFORDS. I yield to the gentleman.

Mr. HYDE. Mr. Chairman, I have two points I would like to make.

I wish the gentleman would talk to Mr. Aspin, who just returned from Nicaragua, and he was in the company of a man named Bernard Aaronson, a very liberal Democrat. Ask him what he found about the support for the Sandinistas and the Contras within the country. Just ask him.

Second, if hunger is the problem there—and we should be taking care of that, not Communist subversion—why did President Carter halt our aid, the aid that I voted for and the gentleman voted for? Was he not concerned about subversion in El Salvador and the building of a Communist dictatorship?

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How do you deal with that? If it was not good enough for Carter, why should it be good enough for the gentleman?

Mr. JEFFORDS. Mr. Chairman, let me say, first of all, I have talked to many people from Nicaragua and Americans who have been to Nicaragua.

Mr. HYDE. Talk to Mr. Aspin.

Mr. JEFFORDS. I have talked to Mr. Aspin. I talked more recently to someone I also have confidence in. As I said before, I talked to a Vermont veterinarian who was down there working in Nicaragua. That veterinarian told me in his discussion with people there he had asked, "Why do you have Cuban and Soviet advisers?" They said, "Because we do not have Americans here. We would prefer Americans. Why don't they come?"

Mr. HYDE. They refused to take the Peace Corps. We asked to submit the Peace Corps. They wanted Cuba, not the Peace Corps. Does not the gentleman know that?

Mr. JEFFORDS. That may have been the decision of the Sandinistas, certainly not of the Nicaraguan people. I do not agree with the Sandinistas. Many Vermonters have been to Nicaragua and have worked with the Nicaraguan people.

I would add that when I was in El Salvador, I interviewed a farming family that fled from the guerrillas there. As I mentioned above I asked them what they wanted. Their response has stuck in my mind. I asked them "What are you looking for? Why did you leave?" They said all they want is a piece of ground to put their corn in.

That is the basic issue we are dealing with here, the needs of poor people to have a better life. We are not dealing in the countryside with Communist philosophy versus the democratic philosophy. We are dealing with who is going to help the people, and will their next day be better. If we don't offer them the better answer they will support those who do.

Mr. HYDE. When has communism ever given anybody anything but misery and hell on Earth?

Mr. SOLOMON. Mr. Chairman, may I inquire of the Chair how much time each side has? According to my record, we have 34 minutes left on this side.

The CHAIRMAN. The gentleman is correct. The minority side has 34 minutes remaining and 31½ minutes remains on the majority side.

Mr. SOLOMON. Mr. Chairman, I yield 4 minutes to the distinguished gentleman from Florida [Mr. Bilirakis].

Mr. BILIRAKIS. First, Mr. Chairman, I, too, wish to express disappointment with those of my colleagues who are engaging in parliamentary maneuvers here today. The inclusion of the Contra aid package in this supplemental appropriations bill is merely a tit-for-tat demand on the part of the majority leadership.

The leadership is saying: If you want your Contra aid package, we get our spending bills.

Mr. Chairman, in a time when we face several critical issues of foreign and domestic significance, this linkage in defiance of budgetary limits is unconscionable.

These issues deserve to be considered separately, and on their individual merits: To combine them is irresponsible and dangerous.

I regret that we are forced to consider legislation that is a Pandora's box and not an objective analysis of the Nation's priorities. The Nation deserves better than that.

As for the issue of aid to the Contra freedom fighters in Nicaragua, you know, we here in Congress must heed the words of one of history's great philosophers. It was Hegel who pointed out that—

> What experience and history teach us is this: That people and governments have never learned anything from history.

Today, we will have a second chance to prove Hegel wrong. We must not waste that chance. And what should we have learned?

We should have learned that relying on the Sandinista government in Managua to negotiate freely and openly without pressure is a waste of time. We have fresh evidence of that, don't we?

On March 20, this House voted down the President's aid request for the Contras. Did this inspire the Sandinistas to moderate their actions? No, it did not. What they did was initiate the largest cross-border incident ever with their neighbor, Honduras.

And this incident was roundly condemned by Members of this body, from the Speaker of the House and the majority whip right on down.

The Sandinistas followed that by scuttling the Contadora talks. This has been laid at their feet, not only by us, but by virtually all parties involved.

Diplomacy alone has failed again and again to move the Sandinistas away from their oppressive ways and toward a pluralistic form of government.

Special Envoy Philip Habib's mission to Latin America was the 50th U.S. diplomatic mission in 3 years seeking a negotiated settlement. He is the third special Presidential envoy, and we are no closer to a negotiated settlement today than we were all those years and lives ago.

Not one Communist dictatorship on Earth—ever—has voluntarily become a democracy or even moved in that direction. We cannot afford to abandon Central America to the Sandinistas, who have admitted they are conducting a revolution without borders. The freedom fighters are fighting to take their country back from a Soviet-Cuban-PLO-Libyan sponsored minority who betrayed their country's revolution and stole the only election they have agreed to hold. We cannot abandon these valiant freedom fighters either.

Today, let all of us prove Hegel wrong at last—for the sake of peace. Let's send the Contras the aid they so desperately need in their struggle to be free. Thank you.

Mr. HAMILTON. Mr. Chairman, I yield 3 minutes to the gentleman from Ohio [Mr. Traficant].

Mr. TRAFICANT. Mr. Chairman, I thank the gentleman for yielding me this time.

Mr. Chairman, I think we are all still considering the most recent incident of the so-called Sandinistas moving over into Honduras to enter the Contra camps.

Be advised that the Honduran Government never admitted or never would lay claim to the fact that the Contras were located in Honduras. In fact, about the time of these dynamic events, the President of Honduras, I believe, went on vacation.

We look back in history and we look at Cuba, and really we ask now, "Who is responsible for Fidel Castro being in Cuba? Who is ultimately responsible for the Ayatollah Khomeini in Iran?" We supported Somoza, and the people of Nicaragua could not stand Somoza, a ruthless dictator, and it was a very popular revolution to rid themselves of the most ruthless dictator in Central America.

But now I want to focus on another particular area. In 1983, Federal agents sized over 400 pounds of cocaine at San Francisco. As a result of this bust, the biggest ever in west coast history, two Nicaraguan nationals were convicted and sent to prison. These Nicaraguans have stated this drug deal and other deals were made to raise money for the Contras.

In addition, during the bust, $36,000 was seized by these Federal agents. However, this money was returned to these Nicaraguans when it was revealed that the money was not "drug money," and then a letter was shown to the Federal agents by the Nicaraguans, a letter from Contra leaders stating that the cash was really "political money for the reinstatement of democracy in Nicaragua."

In addition to this Contra connection in drug trafficking, sealed documents on this incident obtained by the San Francisco Examiner pointed to alleged cognizance of the CIA into this matter.

On April 12, 1986, an edition of the Washington Post reported that Federal investigators directed from Miami are examining allegations that Nicaraguan Contras and some private American backers have engaged in gunrunning, drug trafficking, and violations of the Neutrality Act.

These allegations, along with the serious allegations made in the San Francisco case, should start making us wonder who these Contras really are. Are these freedom fighters who are attempting to stop communism in Central America when the Honduran Government denies the existence of these Contras camps across the border?

□ 1355

Are we now moving forward to an area that is sacred in the American Constitution, one of self-determination?

We may not like what government is emanating from Nicaragua, but our Constitution affords America the most sacred right, one of self-determination, and we cannot project something different and continue to meddle in the internal affairs of these countries. Nicaragua has to do something with Mr. Ortega, that is true; but America cannot go in and fight everybody's battles. Let us get the Organization of American States and let the Contadora peace process work and give it an opportunity to work. These are either gunrunners, drug traffickers, or freedom fighters. People are going to have to make up their minds here in the House.

Mr. Chairman, once again we are considering whether or not to fund the Contras in Nicaragua. Since my time is limited, I want to ask my colleagues, before making their final decision on this vote, to consider just who the Contras are, and—more importantly—what they have been doing in recent years.

We have all heard about the human rights abuses, the fact that despite being termed "freedom fighters" the leadership of the Contras is not democratically elected—in fact, a large number of the Contra leaders are former officers in Somoza's dreaded National Guard—and it is obvious that the Contras have not won the hearts of the Nicaraguan people.

Aside from these very disturbing facts, I want to focus on allegations that the Contras have been involved in drug trafficking in the United States to raise money for their war. One incident is particularly disturbing.

In 1983, Federal agents seized 430 pounds of cocaine at a San Francisco seaport. As a result of this drug bust—the biggest ever in west coast history—two Nicaraguan nationals were convicted and sent to prison. These Nicaraguans have stated that this drug deal and other deals were made to raise money for the Contras. In addition, during the bust, $36,020 was seized by Federal agents. However, this money was returned to the Nicaraguans when it was revealed that the money was not drug money, and a letter was shown to Federal agents by the Nicaraguans—a letter from Contra leaders stating that the cash was really political money for the "reinstatement of democracy in Nicaragua." In addition to the Contra connection to drug trafficking, sealed documents on this incident—obtained by the San Francisco Examiner—point to alleged CIA involvement in this, and other drug deals to raise money for the Contras.

Allegations of Contra involvement in drug trafficking and possible CIA complicity in such nefarious action is cause for great concern. Before we send millions of U.S. dollars to the Contras, the American people should know, for certain, just what type of movement we are supporting. Anyone who would bring 430 pounds of cocaine into this country is a dangerous criminal and a threat to our society. No cause—no matter how just—warrants the poisoning of our youth with dangerous narcotic drugs. Before we cast our vote to aid the Contras, a full congressional investigation should be conducted to examine the allegations that have been made about Contra drug dealing in this country and possible CIA complicity in these dealings. We have a right to know.

I, along with my esteemed colleague from California, Congresswoman Barbara Boxer, have written to the House Judiciary Committee requesting that these allegations be fully investigated. And the allegations are not limited to the San Francisco incident I alluded to earlier.

The April 12, 1986 edition of the Washington Post reported that Federal investigators, directed from Miami, are examining allegations that Nicaraguan Contras and some private American backers have engaged in gunrunning, drug trafficking, and violations of the Neutrality Act. These allegations, along with the serious allegations made in the San Francisco case, raise legitimate questions about what the Contra leadership has been doing to fund and carry on its war against the Nicaraguan people.

I once again point to the fact that this "leadership" is not democratically elected and they include ex-Somozistas. While the incident I have mentioned involve allegations that have not yet been proven to be fact, these allegations of Contra involvement in drug trafficking are serious enough to warrant a thorough re-thinking of whether or not to aid the Contra effort.

I urge my colleagues to consider this information and think twice before voting or whether or not to fund the Contra war.

Mr. HYDE. Mr. Chairman, I yield 5 minutes to the gentleman from Ohio [Mr. Regula].

Mr. REGULA. Mr. Chairman, we are facing once again another crucial vote which will shape future United States policy toward Nicaragua. The ramifications of this vote will be felt in all of Latin America for the rest of this century.

We in Congress have been studying and debating this issue with each other, with the administration and with our Latin allies for several years. Our continued debate of this issue is testimony to its importance. I believe we have all come to the conclusion that the Sandinistas are not the Social Democrats they promised to be. They are in fact dangerous to the peace and solidarity of our hemisphere. The fledgling democracies of Central and South America are put at risk. We must remember the Sandinista statement: "Ours is a revolution without borders."

We as a body, our constituents and our Latin American allies have not as yet reached a consensus on what the proper U.S. response will be. The lack of a consensus is what makes this issue so difficult for us.

I propose to approach this matter from a different perspective. First we must make a judgment if this is a U.S. problem alone or a hemispheric problem. Clearly we have come to the conclusion that the presence of the Sandinistas and their Marxist philosophy affect the entire hemisphere. Why then do we not have a consensus within Latin America as to how to respond to the presence of the Sandinista regime?

I believe the answer to that is that we have not worked hard enough with our allies in the region to form a consensus. Having just visited with leaders of three Latin American countries—Brazil, Argentina, and Venezuela—I know that those leaders have no illusions as to the character of the Sandinistas. There is unanimity of opinion that the Sandinistas have perverted the promises of the revolution.

However, my questions to these leaders as to what our policy should be were met with ambiguity. If they are truly opposed to U.S. policy, then they must take on the responsibility for solving this problem. Their efforts with Contadora have truly been beneficial, even if a treaty is never signed. They now better understand the character of the Sandinistas and have come to the realization that negotiations are not going to work unless all are dedicated to them—a dedication that the Sandinistas lack.

There is a growing consensus in the hemisphere that the problem is great and the moment is historic. I believe that during the delay as provided in both the Michel and McCurdy proposals, the Organization of American States should be utilized to its full capacity.

The OAS if the oldest regional organization in the world. It was created

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for conflicts such as this. It has over the years been a forum for consensus-building and conflict resolution, both of which are needed now.

In 1978, Venezuela invoked article 59 of the OAS Charter to call for a Meeting of Consultation of Ministers of Foreign Affairs to respond to events in Central America, in particular Nicaragua. This meeting is still officially open, although inactive. It is the forum that should be used to make our case against the Sandinistas and to build a consensus with our Latin American allies.

This option clearly would share the Nicaraguan problem with the Latin American leadership, while demonstrating our commitment to negotiations. In the meantime, we need to continue providing the Contras with a defensive capability.

The Sandinistas are dragging their feet in negotiations because they believe they can militarily beat the Contras. If any nation is seeking a purely military solution—it is the Sandinistas. They hope to destroy the Contras and therefore make the issue of U.S. aid to them irrelevant.

The Contras are Nicaraguans. The initial release of $30 million must be made while other diplomatic options are pursued.

And finally, the Contadora countries and the United States must give serious consideration to the Organization of American States. It is the best way to build a consensus, and perhaps even to resolve the conflicts that are paralyzing Central America.

Mr. HAMILTON. Mr. Chairman, I yield 4 minutes to the gentleman from California [Mr. Panetta].

Mr. PANETTA. Mr. Chairman, the President is asking us for $100 million in aid to the Contras. Before we vote on this request, I think it is important for us to ask the same questions that we would ask about any other request for $100 million: What is our policy that we are seeking to support with that $100 million? Is it working? How much does it cost? How much will it cost?

Those are legitimate questions, the same kinds of questions we would ask if this were a program in education or in housing, or whatever. We have a responsibility to ask questions whether or not these funds are going to a policy that is working.

With regards to the policy question, I think the American people are very confused about what exactly our policy is in Central America today. Is it to overthrow the government? Is it to negotiate with the Government of Nicaragua? Is it to interdict arms shipments from Nicaragua to other countries? Let us, for the moment, agree that there is at least some consensus that we wish to encourage changes with regard to the Nicaraguan Government. Is this policy working to accomplish that goal?

Clearly, the answer is no. After 5 years of fighting, the Contras still have no perceptible popular support. They have a great deal of trouble recruiting additional new members. Most military and intelligence experts agree that $100 million is not going to change the Contras into a serious military and political threat to the Sandinistas.

So aid to the Contras, at least to this point, simply has not worked.

So what are we asked to do? We are asked to throw more money at the problem. That is a common response we have to other programs. But we are getting the same thing being asked here: Let's put more money into a program that is not working.

And the problem is that it results in what generally happens in other similar programs. It results in sloppiness and fiscal irresponsibility. We to this date do not know how $7 million was handled of the $27 million we provided in humanitarian aid. We have asked the GAO to look at it. They cannot tell us where it went.

We have now received from the State Department, as a result of a motion of inquiry, all of the documents they have. We have looked at it. The staff of the Foreign Affairs Committee has looked at it. They have been very cooperative. But the problem is, based on the documents they have we do not know where that money went, except that it went into a Miami bank account, and from there we do not know.

Surely, regardless of the position you have with regard to support for or against aid to the Contras, we have a responsibility to the taxpayers to be able to determine where those funds went.

In short, the policy makes no sense. Our allies and friends have told us that it makes no sense. Our allies and friends have told us that is the case. It is not a policy that is bringing us closer to achieving the goals that we seek to achieve.

The Hamilton substitute tries to offer a positive formula to help us break out of the bonds that we now have. Right now, the only thing that is resulting from this policy is the killing of people. And when push comes to shove, with regard to the people of Central America, they are being asked to pay the highest price of all. This is not the kind of policy we should be supporting, because the end result will be a waste of time, a waste of money and a waste of lives. The time has come to change that kind of policy.

I urge an "aye" vote on the Hamilton substitute.

Mr. HYDE. Mr. Chairman, I yield 5 minutes to the gentleman from Pennsylvania [Mr. Walker].

Mr. WALKER. Mr. Chairman, I thought maybe I might take a few minutes here to deal with some of the questions that have been raised and some of the points that have been raised by the opposition, because it seems to me that sometimes this debate gets tangled up in a lot of things that prove to be confusing within that debate.

For example, we had the gentleman from Ohio out here a few minutes ago bringing up the drug dealing of the Contras again. A little while ago in the debate it was shown that the person who raised that charge was a Colombian who later said that he lied with regard to that drug-dealing charge. And yet time and time again the people have come to the floor in opposition and raised this phony issue out on the floor. It seems to me that once you put it to bed, it ought to be left there, and we ought to get away from arguments that have proven to be patently false.

We also had a discussion out here a little while ago about this question of: How are we spending the taxpayer money?

And I raised the issue with one of the Members of the other side of: How was he going to vote when it comes to the issue that is also contained in this bill of money to go to Ireland? We are concerned about people in this country. How are we going to vote when it comes to the question of excising from this bill the money that is now supposed to go to Ireland? And I could not get an answer from him. It is always amazing, to me, what we find when we raised those kinds of questions.

If you are dealing with anti-Communists, if you are dealing with an anti-Communist kind of issue, then there is, all of a sudden, questions about sending money overseas. However, if there is no real threat to freedom, then we are perfectly willing to send money everywhere and anywhere. So it will be interesting to see the dichotomy that results here between people who have come to the floor and talked about our farmers and talked about housing and talked about all of these things, with regard to spending foreign-aid money, how they will vote when the issue is, do we send $50 million to Ireland, and whether or not their rhetoric on $100 million to fight communism in Central America is real.

The question was raised by the gentleman from Indiana a little while ago: What happens if military aid fails?

That is indeed a very important question. It seems to me there is an answer, and that is: If military aid fails, at the very least we will have at that point kept the Nicaraguan Communists from coalescing their power there. As long as they are faced with some kind of internal pressure, they

are not going to coalesce their power, and that that is indeed as important a goal for our policy in Central America. On the other hand, the question needs to be raised about the policy of capitulation. What happens if the leftist capitulation policy fails? Well, it seems to me that there are a couple of things that happen at that point. If in fact they have established Soviet bases in their country, which they are in the process of doing, it seems to me then the United States might have to make the choice of a deeper military involvement by our own country. That is the real danger. The real danger of Americans having to fight in Central America is: if the policy of capitulation allows the Sandinistas to coalesce their power there in a way that it becomes a pro-Soviet base similar to Cuba, then we have got a problem.

Right now all of the people in this Congress say, "Well, there is nothing we can do about Cuba." Why? Well, because we have allowed Cuba to coalesce its power. It would be foolhardy at the present time to send a force against Cuba. So we simply have to accept that nation, which is subverting democracy and freedom all over the world, not just in Central America. We accept it today. And that is wrong. That is wrong, but it was brought on by a leftist policy of capitulation before. That is what we are proceeding toward again.

And if the capitulation policy fails, then what about those millions of refugees? What are we going to do about them, because we are certainly going to be faced with them. If we are not faced with them, our allies in Honduras and Costa Rica and some of those nations that are struggling to survive, anyhow, are going to be faced with them. A capitulation policy that fails is very dangerous to struggling democracies in Central America. We have had the argument out here on the floor that the Contras are not credible. If the Contras are not credible, given the definition of what credibility is, I would submit, then, that the Afghan rebels are not credible either. I wonder whether or not we are willing to say that we are going to withdraw our aid based upon the definitions here of those people who are struggling to fight against Soviet aggression in their own country. That seems to me to be the kinds of choices that we are being asked to make here. If you accept the definition of credibility that has been put on the Contras, then I would submit that we are probably not going to be able to aid freedom fighters anywhere, and maybe that is what the left of this country really wants—no help for freedom fighters anywhere. It is not what I think most of the American people want.

□ 1410

We have also had the argument here that we cannot go along with the President's policy anymore because the policy has not worked. Good heavens, I say to my friends, we have not allowed it to work. The Contras cannot be blistered on the House floor for having had an ineffective military; they have not gotten any military help for 18 months.

The CHAIRMAN. The time of the gentleman from Pennsylvania [Mr. Walker] has expired.

Mr. LAGOMARSINO. Mr. Chairman, I yield 1 additional minute to the gentleman from Pennsylvania [Mr. Walker].

Mr. WALKER. Mr. Chairman, we have had a policy that this Congress has prevented from working, and so the Contras are in fact the victims of what this House of Representatives has decided time and time again to do to them instead of doing something for them, and no amount of evidence seems to be available that would convince the left in this country that they have been wrong. It does not convince them when Ortega goes to Moscow, it does not convince them when the Nicaraguan Communists invade their neighbors, nothing convinces them. They allow the policy not to work.

The bottom line is, I think, that the policy we are being asked to accept here on the House floor here today by the left wing in this country is the policy of trusting the Sandinista Communists. It is a blame-America-first policy of the first order. It seems to me it is not really a policy; it is a fantasyland scenario, and it has nothing to do with the real world.

Mr. Chairman, I think we ought to stick with the real world, vote for the Michel amendment, and let us have a policy that is real in Central America.

Mr. HAMILTON. Mr. Chairman, I yield 3 minutes to the gentleman from New York [Mr. Weiss].

Mr. WEISS. Mr. Chairman, here we go again. We are being asked once again to put money and people's lives—this time it is Nicaraguans' lives—into an endless war.

Last week Mr. Elliott Abrams spoke before the Western Hemisphere Subcommittee, and he told us in his testimony that, in his judgment, the Nicaraguan Government's military forces could give the Mexican military a good match. Now, the Nicaraguans have under 3 million people, and the Mexicans have 20 times that number of people.

So I asked the question: "How are those, at most, 20,000 Contras going to stand up against the Nicaraguan military?"

His answer was that there would be such disaffection among the Nicaraguan people that they will eventually turn the government out.

The subcommittee then had three witnesses, two of whom oppose aid to the Contras and one of whom supports it. I asked them, "How much do you think it would take to give the Contras a fighting chance to defeat the Nicaraguan military?"

And they each said, "At least $500 million, and that is assuming that the people of Nicaragua were to rise up in support of the Contras." But Mr. Chairman, there is no indication at all that the Contras, because of their policies of mayhem and torture and murder and rape and pillage, have any chance at all of picking up the support of the Nicaraguan people.

But here we are being told by the President that if only we give them $100 million, something significant is going to happen. Nothing is going to happen, except that the administration will come back for at least $400 million more and then maybe ask for some direct American military support through advisers and trainers and finally combat troops to try to bail out the Contras. The American people do not want that.

There was some mention here earlier that the American people support the President. Every poll that has been taken, some as recently as this past week, indicates that the American people overwhelmingly oppose the President's policy of support for the Contras.

By a margin of 62 to 25 percent, respondents to the CBS/NYT poll said they oppose giving "military and other aid to the Contras trying to overthrow the Government of Nicaragua. "A year ago, 53 percent of those responding to a similar CBS/NYT poll opposed helping "the people trying to overthrow the Government of Nicaragua" while 32 percent favored such help.

The depth of public opposition to aiding the Contras is underscored by the fact that 59 percent of those polled believe the Nicaraguan Government will provide bases for the Soviet Union while 56 percent agreed that Nicaragua constitutes a threat to the security of other Central American countries. Nonetheless, 62 percent oppose aid to the Contras.

The degree of public opposition can also be seen in the fact that aiding the Contras is opposed by a clear majority of Republicans (51 percent to 36 percent opposed) as well as Democrats (74 percent to 16 percent) and Independents (60 percent to 26 percent), and by overwhelming majorities from every section of the country: the Northeast (61 percent to 27 percent opposed), the Midwest (67 percent to 42 percent), the South (59 percent to 27 percent), and the West (64 percent to 24 percent).

Other recent polls also reflect an increase in the level of public opposition to aiding the Contras. For example, a

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Gallup poll taken last month before House rejection of the President's request for $100 million in Contra aid showed 52 percent opposed and 35 percent in favor.

Following House rejection of the Reagan request, an ABC/Washington Post poll found 60 percent approving the House action and 34 percent disapproving. A new Harris poll taken over last weekend shows a similar division with 62 percent opposing aid to the Contras and 33 percent in favor.

Mr: Chairman, for 5 years we have debated this war and for 5 years it has been our President's leading obsession. What have we got to show for this treasure and these efforts? The Contras have killed thousands of Nicaraguans, including many innocent civilians, and they control not an inch of territory.

I got a letter recently which brings home the destructiveness and futility of this war. It was from a group of citizens in Switzerland. They were writing, in sadness and in anger, to protest the killing of Maurice Demierre in Nicaragua on February 16, 1986. Mr. Demierre was a Swiss citizen, an agricultural specialist. He worked with a Christian group called Brothers Without Borders, which assists in development projects in various areas in the Third World.

Mr. Demierre had worked for the last 4 years on farm projects in a district of Nicaragua close to the Honduran border. He was well liked and respected in the area, and his wife worked with him there. On February 16, he was riding with a group of Nicaraguan civilians in a jeep which hit a mine placed by the Contras. The mine disabled the jeep, and Mr. Demierre and four Nicaraguan women were then killed by Contras who raked the area with automatic weapons fire. Our tax dollars were helping to keep his killers in the field.

Many newspapers in Europe prominently carried the story and editorialized against the policy that resulted in his death. It is events like this which explain why the United States stands almost completely isolated in the entire world on the issue of Nicaragua. The policy is not a way to preserve U.S. influence or credibility in the world; it is a sure formula for uniting other nations against us.

The Hamilton amendment will at long last turn our policy in a constructive direction. I urge its adoption today.

Mr. BROOMFIELD. Mr. Chairman, I yield 3 minutes to the gentleman from California [Mr. Dornan].

Mr. DORNAN of California. Mr. Chairman, in order to keep the record straight, we have a list of pithy sayings made by majority Members, that is being kept on our leadership desk on this side so we can track the record of the last several years' debate.

Here is a statement by my good friend and distinguished colleague, the gentleman from New York [Mr. Weiss], made on April 23 of last year, almost a year ago. Mr. Weiss said, "If you are a citizen of El Salvador, you have nowhere near the capacity to openly criticize your government as you do if you are a citizen of Nicaragua."

Well, that certainly is not true now, not when there are 11,000 people in political prisons in Nicaragua.

Mr. Chairman, the Chinese proverb, going back a few thousand years, that one picture is worth a thousand words is certainly true, and this picture should be shown every hour on the hour. Here is the suspended priest, Miguel D'Escoto, holding up the Marxist fist of death, the Communist fist. And it is a disgrace for even a suspended priest to call his cardinal a CIA agent and a traitor, marking him for assassination, as D'Escoto has.

Here is Danny Ortega with his one campaign ribbon. That is for shooting two milk truck delivery men and crippling them. They are both still in wheelchairs in Nicaragua, unable even to become a land person and escape on foot. That is his only combat mission. You remember when Ortega robbed the bank, got caught and was sent to prison? It was Eden Pastora who sprung him from prison. Eden Pastora is now back in the hills. He wrote me a great letter last week begging some of the Democrats to wake up.

And here is Qadhafi. Let me tell you what his combat ribbons are for. This one here is for little Natasha Simpson dying in her father's arms in the airport in Rome. This ribbon here is for Kenneth Ford. That is a brand new one. It is for killing our Army sergeant in that disco in Berlin.

Here is a ribbon for little Demetra Klug, who was blown out of an airplane with three other Americans, one of them pregnant.

Here is a ribbon where the colors are indistinct because it is for the one that caused the garbage trucks to be parked around Capitol Hill here at night. He never got to pull off that bombing here at the Capitol.

And here is one for sending $400 million to Nicaragua. That is four times what we are debating. This is just one radical leftist. That $400 million, of course, helped to murder Greg Webber, Tom Handwork, Bobby Dickson, and Patrick Kwiatkowski, four young marines, in San Salvador at Chilli's Cafe.

On and on it goes, his five rows—six across—of ribbons earned for engaging in death and mayhem and terrorism against this country. Qadhafi; of course, holds up the Marxist salute, as does Danny O.—that is the affectionate name for Ortega used by an Irish-American Congressman from New England. I am sorry, fellows, he is not Irish. Danny Ortega is a killer, a Communist cut out of the mold of Qadhafi.

To see this suspended priest D'Escoto, whose doctors took him off his diet when he gained 3 pounds last July—remember, he went on a diet which some of the leftist clergy here in America joined him in—well, he never got too far because he started gaining weight. It is called a lemonade diet. And that is a true story.

This is a disgraceful trio here, and the only thing wrong with this picture is that D'Escoto—he was known as Mike Brockman when he went to school in Hollywood—should have been excommunicated, not just suspended, for bringing a threat of assassination against his cardinal and the other bishops in Nicaragua.

Mr. Chairman, I yield back the balance of my time.

Mr. HAMILTON. Mr. Chairman, I yield 3 minutes to the gentlewoman from Connecticut [Mrs. Kennelly].

Mrs. KENNELLY. Mr. Chairman, I rise in support of the Hamilton-Richardson proposal to bar any kind of aid to the Contras until September 1, 1986.

Mr. Chairman, I have been a consistent opponent of aid to the Contras and a hopeful Member of the Congress to think that we could find a peaceful solution to this problem in Central America. I have also been consistent in my support of the Contadora process. Yet every time I have talked about it, I felt that something was missing, and as this situation has become more serious and as I see us coming closer to a military solution and see us coming closer to going down a road that is going to be heartbreaking as well as expensive, I beg once more that my colleagues consider negotiation through the Hamilton-Richardson proposal.

The missing link in the Contadora process, I believe, has been us. I think so many of us look at the Contadora process, not realizing that we have to be a true partner in this process. Whenever we talk to the leaders of the Contadora countries, they look to us and say, "What can we do? You have already decided that it is going to be a military solution."

These are people who are very interested in their trade deficit, what they owe the United States, and they are very interested in their economic futures. They have no illusions about Ortega and Nicaragua, and they know that $100 million cannot overthrow Ortega and the Sandinistas. They know that if we have a military solution and we get involved in Nicaragua, the next thing will be that all those extreme elements in their countries will come forward. They are very familiar with not having democracy.

They know what it is like to live under a military rule. They know if we bring unrest to the Central American area, unrest will come to these countries, too.

□ 1420

So, I urge my colleagues to support the Hamilton-Richardson process, because for one more time we can try to be a partner with the Contadoras, insist that they not only express moral outrage, insist that they come up with some concrete solutions, that we will work with them, whether it be isolating Nicaragua, whether it be a peacekeeping force, but at least once more, Mr. Chairman, let us try the peaceful solution of negotiations, once more to say that we tried to do it without war.

Mr. BROOMFIELD. Mr. Chairman, I yield 2 minutes to the gentleman from Arkansas [Mr. Robinson].

Mr. ROBINSON. Mr. Chairman, I rise in opposition to the Hamilton amendment, in opposition to the McCurdy amendment, in opposition to the Mrazek amendment, and for Senate Joint Resolution 283.

In our cloakroom on the Democratic side we have a handout, an overview of the Lou Harris poll. As I read this, a poll that consisted of surveying 1,254 Americans out of a population of 250 million, I was outraged to read the way the poll was prefaced to those being polled. Not once in the Lou Harris poll did they ask the person that they were asking to respond, "Are you for or against communism?"

Not once did they ask the individuals in the poll, "Did you know that the money that we are asking for has been appropriated for DOD use and it would not be used for farmers or other domestic programs?"

Not once did they ask the person being surveyed, "Do you want another Cuba in this hemisphere?"

Not once did they ask the person surveyed, "Did you know that Daniel Ortega has refused to participate in the Contadora process?"

Not once did they ask, "Did you know that Daniel Ortega promised free elections?"

"Did you know that he promised not to censor the press?"

"Did you know that he promised not to commit acts that were barbaric against his own citizens?"

Not once did they ask, "Do you know that the Contras are Nicaraguan citizens? They are not Libyans. They are not Communists. They are not Algerians."

The purpose of my brief remarks today is simply to say this poll is bogus. The American people elected Ronald Reagan to forge foreign policy. They did not elect Lou Harris. We now have 435 Secretaries of State in the House of Representatives and 435 Presidents, and fellows, you are making a mess out of foreign policy.

Mr. HAMILTON. Mr. Chairman, I yield 3 minutes to the gentleman from California [Mr. Miller].

Mr. MILLER of California. Mr. Chairman, I rise in support of the Hamilton amendment. It truly is an alternative to the current policy of this administration, which is seeking to provide military aid, in the past has provided military aid, to the Contras in an effort to destabilize and overthrow the Government of Nicaragua.

This policy has not worked. And the fact of the matter is that this policy will not work, even if $100 million is provided, and hundreds of millions of dollars are provided in the future, as the logic of this policy dictates.

More importantly, this policy will not allow a democracy to flower in Nicaragua. In fact, it will continue to be the pretext for stifling democracy in Nicaragua. It will continue to be the pretext for repression in Nicaragua.

I say to those who have risen time and again in support of the emerging democracies in Latin America, that the heads of states of many of those emerging democracies say that this administration's policy threatens those very democracies. An election does not make a strong democracy. An election starts a country down the road to a democracy.

As we know, the countries of Costa Rica, Guatemala, Honduras, El Salvdor, Colombia, Venezuela, Brazil, and Argentina, are beset with a whole series of problems that must be resolved if the roots of democracy are to go anywhere below the surface; but those roots can only take hold with our help and encouragement.

But rather than make an example of the Latin American democracies, rather than show what happens when you move to a democracy, in terms of our friendship, and economic power, we have chosen to do something else. We have chosen to make ourselves the issue.

What we were told on our recent trip to Latin America by the heads of those democratic countries was that they felt that a continuation of our policy toward Nicaragua threatened them. Even though in many instances they were thousands of miles away, they were concerned that continued and increased American intervention in Nicaragua would threaten the foundations of their countries.

The question really is whether or not those who support administration policy have as much faith in the positive aspects of our democratic tradition that we bring to Latin America as they have faith in communism. The fact of the matter is that the tide is running against the Sandinistras. The tide is running against Nicaragua. The tide in Latin America and South America today is for democracy.

The question will be whether or not the United States of America puts its energies into fostering those democracies, fostering those economies, so that we can establish the strength of those democracies and never again go back to dictators of the right or the left.

Unfortunately, we are now seeking to squander a valuable $100 million in fostering repression in the state of Nicaragua.

Mr. BROOMFIELD. Mr. Chairman, I yield 2 minutes and 45 seconds to the gentleman from California [Mr. Dornan].

Mr. DORNAN of California. Mr. Chairman, I was reading some of your thoughts. I did not identify the bottom row of ribbons on Mu'ammar's chest. The first one is for the rifle slaughter of the British constable, Yvonne Fletcher, on the streets of London. Shot in the stomach, she died a very painful death.

This one was a public relations award for praising the Soviet fighter pilot who killed Larry McDonald, one of our great colleagues of 10 years' standing, and 267 other grandparents, men, women, children, and infants.

This ribbon was for supplying the wherewithal, the financial sustenance, $400 million, to murder our naval attache, Lt. Com. Al Schauffelburger, as he sat in his car in San Salvador.

This last one is particularly odious. It is another public relations award, earned by Qadhafi and his friends at Radio Vinceramos in Nicaragua, for broadcasting from El Salvador that two Americans who had been killed in the explosion of the space shuttle *Challenger* were war criminals.

That is just a little reminder done in a spirit of good-naturedness, that, let us face it, those awards were not won in combat. They are for the kind of ugly rhetoric, the praising of these heinous deeds for which Qadhafi has become justifiably infamous. And it is that connection between the terrorist training camps and Nicaragua that we have carefully tried to lay out before you today. Well, let me close with the words from one of the distinguished prelates of my faith, and the Speaker's faith, in this hemisphere, Cardinal Migel Obando y Bravo. While our delegation of nine was visiting the gentleman from Pennsylvania [Mr. Walker] asked the question, "Who is here in this country, assisting the Sandinistas given that Americans are trying to help the freedom fighters?"

I close with this quote of the boss of Mike Brockman (Miguel O'Escoto), Obando y Bravo, who I have said in this well is the bravest man in this hemisphere, a man marked for execution by the Communist Sandinistas, turned to our group of nine Congressmen and said, "Well, you know who is here? The Tupamaros, the Montoneros, the ETA, the radical Marxist IRA terrorists, the Bulgarians, all the other East German countries, the

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Libyans," and he closed I think on the PLO.

Our translator said, "The PLO, Bulgarians and all the rest"—and I stopped and said, "Please, let us get the whole litany translated," and we went through them all again with this great prince of the Catholic Church, Cardinal Obando y Bravo.

So that is why I think it is tragic that the religious left in this country has intimidated so many Members of our House, when only 38 percent of our country even knows what side any of us are on in this debate, when what we are supposed to do here is win our profile in courage and lead.

Mr. Chairman, in truth, it is a human rights issue concerning 11,000 political prisoners, that we are voting on today.

Mr. HAMILTON. Mr. Chairman, I yield 3 minutes to the gentleman from Michigan [Mr. Hertel].

Mr. HERTEL of Michigan. Mr. Chairman, I thank the gentleman for yielding.

Mr. Chairman, we are all opposed to the Sandinistas denying freedom to the people of Nicaragua. What we are talking about in this lengthy debate is what should our policy be.

I want to quote from the doctrine enunciated in November 1984 by our Secretary of Defense, Mr. Weinberger. I want to quote him specifically as to when military forces should be used.

Mr. Weinberger said:

> If we do decide to commit forces to combat of overseas, we should have clearly defined political and military objectives and we should know precisely how our forces can accomplish those clearly defined objectives and we should have and send the forces needed to do just that.

Mr. Weinberger, our Secretary of Defense, also said in that speech:

> Before the United States commits combat forces abroad, there must be some reasonable assurance that we will have the support of the American people and their elected Representatives in Congress.

So then just a few months ago, Mr. Weinberger came to spend a day before the House Armed Services Committee, of which I am a member. I asked him in regard to the administration's policy in Nicaragua how much money was he going to ask for in the future, how long would it take? I asked if American trainers would be used. I asked him about the possibility of American forces involvement.

Mr. Weinberger's answer to me was:

> I don't have my crystal ball with me, Mr. Hertel, and I can't tell you all the answers to all of those questions.

Let me cite further Mr. Weinberger's own statement of when Armed Forces should be used:

> The point we must keep uppermost in our minds if we ever decide to commit forces to combat, we must support those forces to the fullest to show our national will for so long as it takes to win. We must have in mind objectives that are clearly defined and understood and supported by the widest possible number of our citizens.

Let me tell the Members of the House that before I asked the questions about specifics, I cited Mr. Weinberger's own doctrine to him and again when I asked how much money, how long, and what about American trainers and American forces, he could not give me an answer to those questions, just as no one else in the administration has given us an answer to those questions; but clearly when he points out that we need the long-lasting support of the Congress and the American people, we see that test has not already been met in the Senate and by a very narrow margin his policy with an amendment was approved, because you see, Mr. Weinberger is ignoring and going against his own doctrine.

He quoted in that same November 1984, speech the historian, the military historian Klauswitz. He quoted him as saying:

> No one in his senses ought to do so without first being clear in his mind what he intends to achieve by that war and how he intends to conduct it.

Clearly, Mr. Weinberger has not met the test of his own doctrine. His policy is ill-thought out. It is openended and that is why it is going to be defeated by the House. That is why the American people do oppose it.

Mr. HAMILTON. Mr. Chairman, I yield 2 minutes to the gentleman from Kansas [Mr. Glickman].

Mr. GLICKMAN. Mr. Chairman, I rise in support of the Hamilton amendment, but I would just like for a moment to say to my colleagues that I think there are good arguments and bad arguments to be against aid to the Contras. One of the bad arguments is that folks at home need money and it is a mistake to send money overseas. I happen to be one of those Members who believe that there are certain parts of this world that we should send perhaps defense aid and food aid overseas. I do not want to get to see us locked into a trap when we have future foreign aid measures before this House that will be brought up before us and say that we should not support this because we did not support aid to the Nicaraguan Contras.

The fact of the matter is there are reasons on the merits not to support aid to the Nicaraguan Contras. The issue is troubling. There are no clear cut answers.

□ 1435

We obviously do not want another Cuba in this hemisphere. But as my colleague, the gentleman from Michigan [Mr. Hertel] said, we have to decide what our goals are in connection with this policy, and until we decide what those goals are, I do not want to commit the potentiality of U.S. troop loss of life and a major land war in Central America because we did not know what we were trying to accomplish.

Are we trying to overthrow the Government of Nicaragua? Are we trying to preserve internal freedoms in Nicaragua such as freedom of the press and democracy? Are we trying to stop interference of Nicaragua into other countries? Are we trying to get the Soviets and Cubans out? Are we trying to enhance Latin influence?

Each one of these things demands a different response, and demands a response targeted to what we are trying to achieve. Aiding the Contras may achieve some of these, but certainly not all of these, and it certainly will not achieve the overthrow of the government and it currently will not achieve the preservation of internal freedom.

It certainly will achieve a greater likelihood that the United States will involve troops in that region of the world.

We need to know what our goals are before we go ahead. In the words of H.L. Mencken, for every complicated problem there is a simple and a wrong solution. I fear that we are following that simple and wrong solution in this case, and I urge my colleagues to support the amendment in the nature of a substitute offered by the gentleman from Indiana [Mr. Hamilton].

Mr. BROOMFIELD. Mr. Chairman, may I inquire as to how many speakers the majority side has?

Mr. HAMILTON. Mr. Chairman, we have one remaining speaker for 5 minutes.

Mr. BROOMFIELD. Mr. Chairman, I would suggest, then, after that, that we will reserve the balance of our time, and after the gentleman from New York [Mr. McHugh] has finished, we may go directly to the vote.

Mr. HAMILTON. Mr. Chairman, I yield 7 minutes to the gentleman from New York [Mr. McHugh].

Mr. McHUGH. I thank the gentleman for yielding this time to me.

Mr. Chairman and members of the Committee, we are clearly facing once again a critical choice on our policy in Central America. This is not a choice between withdrawal and engagement; it is fundamentally a choice between alternative forms of engagement.

Both alternatives before us today recognize that we have legitimate interests in Central America, and that withdrawal and isolation do not constitute a viable policy. However, the two alternatives before us do indeed present us with different ways of actively pursuing our interests in that region.

One alternative is embodied in the President's current policy, a policy which is presented today by the distinguished minority leader, the gentleman from Illinois [Mr. Michel]. That

policy focuses on military force, and specifically on military aid to the Contras whose avowed purpose is the overthrow of the Nicaraguan Government.

I realize that some proponents of this aid, and the President himself at times, suggest that the purpose of the aid is to promote negotiations. But this is not the stated goal of the Contras themselves, and many of the proponents have candidly admitted here today, as they have in the past, that the purpose of the aid and the purpose of the policy is the total elimination of the Sandinista government, the cancer, as they call it, in Central America.

If Members support the Michel proposal, make no mistake about it, it is that policy and that goal to which Members are committed, regardless of the circumstances and implications down the road.

The second alternative is presented to us once again by the distinguished chairman of the Subcommittee on the Middle East and Europe, the gentleman from Indiana [Mr. Hamilton]. This alternative does not embrace the Sandinista regime; it recognizes that we have legitimate concerns and differences with the direction the Sandinistas are taking. Indeed, it suggests and affirms that we will defend our interests with military force if necessary when we are threatened, and we will defend our friends if they are threatened.

This alternative does not disengage the United States from Central America But, rather, it proposes a more affirmative and I believe a more effective alternative for pursuing our interests in Central America. It proposes to work with our friends in the region, and specifically supports the Contadora effort, an effort which has been given lip service by the President but, which, in truth, has never been given a real commitment. The Hamilton alternative proposes to reach out and help the people who are suffering in Central America, our neighbors, about whom we are truly concerned, by providing refugee assistance while the political process is given a fair and meaningful opportunity.

Will this alternative policy succeed? Is there any guarantee that it will be effective? No; no one can provide any guarantees here today. But what we do know is that the Hamilton alternative will enjoy much broader public support than the President's policy currently does.

We do know, moreover, that public support both here and in Central America is absolutely essential to an effective policy. Why is it that the people of our country in poll after poll do not support the President's current policy? Is it because they are opposed to military force under any circumstances? I think not. Recent days have shown that the American people will rally behind the President in the use of military force if they believe we have been threatened, as we have in the case of Libya and Qadhafi in particular. American citizens not only have been threatened but they have been killed, and there is sufficient evidence to tie Qadhafi to those killings. They will support military force by the President in such a case so long as they believe that the President has first tried other means of resolving the problem. As the President has said, he did try other means in dealing with Libya. He tried economic sanctions. He tried political persuasion. He tried an initial demonstration in the Gulf of Sidra that we were serious, even in the use of military force, and nothing worked.

When there is no other alternative and when we are in fact threatened, most Americans will support the ultimate use of force, as they have this week in Libya. But they are not convinced, in the case of Nicaragua and Central America, that the President has tried other means. And when they are not convinced, they will not support a policy of military intervention; and when they do not support the policy, it cannot be an effective policy.

So, if the President is sincere, as I believe he is, in attempting to protect our interests in Central America, he should look again at the means he is using because those means are not broadly supported, and therefore are not sustainable as effective policy.

I believe that the Hamilton alternative embodies a more effective, a more popular approach to the active pursuit of American interests in Central America. It proposes to meaningfully pursue negotiations, to try political dialogue, while at the same time affirming that we will defend our interests if they are threatened directly, and will defend our friends if they are threatened directly. The Hamilton alternative enunciates a principle and a policy which the American people can support, and indeed do support if all of the polls are any indication.

I, therefore, urge my colleagues, at this time of critical choice when perhaps we have the last opportunity before military escalation gets out of hand, to support the Hamilton approach as an alternative to the military approach embodied in the Michel proposal.

If we go down the road of military escalation which is embraced by the Michel proposal, there is no doubt that the Sandinistas will respond in kind. Advisers of the U.S. military will be in place under the Michel proposal. Inevitably the escalation will involve U.S. military advisers, even though I am sure the President does not intend to directly involve U.S. forces in the military engagements.

This may in fact be our last opportunity to turn back, or at least pause in the pursuit of military escalation as a U.S. policy in Central America. The Hamilton alternative affords us that opportunity to pause and try negotiations.

I urge my colleagues on both sides of the aisle to make that choice, and to support the Hamilton alternative.

Mr. BROOMFIELD. Mr. Chairman, I would inquire of the majority side if that was the last speaker for them?

Mr. HAMILTON. Mr. Chairman, I have no further requests for time.

Mr. BROOMFIELD. Mr. Chairman, I yield back the balance of my time.

Mr. HAMILTON. Mr. Chairman, I yield back the balance of my time.

The CHAIRMAN. The question is on the amendment in the nature of a substitute offered by the gentleman from Indiana [Mr. Hamilton].

The question was taken; and the Chairman announced that the ayes appeared to have it.

RECORDED VOTE

Mr. HAMILTON. Mr. Chairman, I demand a recorded vote.

A recorded vote was ordered.

The vote was taken by electronic device, and there were—ayes 361, noes 66, not voting 6, as follows:

[Roll No. 81]

AYES—361

Ackerman
Akaka
Alexander
Anderson
Annunzio
Anthony
Applegate
Archer
Armey
Atkins
AuCoin
Badham
Barnes
Bartlett
Barton
Bateman
Bates
Bedell
Beilenson
Bentley
Bereuter
Berman
Biaggi
Bilirakis
Bliley
Boehlert
Boggs
Boland
Boner (TN)
Bonior (MI)
Bonker
Borski
Bosco
Boucher
Boulter
Boxer
Breaux
Brooks
Broomfield
Brown (CA)
Brown (CO)
Broyhill
Bruce
Bryant
Burton (CA)
Burton (IN)
Callahan
Campbell
Carney
Carper
Carr
Chandler
Chapple
Cheney
Clay
Clinger
Coats
Cobey
Coble
Coelho
Coleman (MO)
Coleman (TX)
Collins
Combest
Conte
Conyers
Cooper
Coughlin
Courter
Coyne
Craig
Crane
Crockett
Dannemeyer
Daschle
Daub
Davis
de la Garza
DeLay
Dellums
Derrick
DeWine
Dickinson
Dicks
Dingell
DioGuardi
Dixon
Donnelly
Dorgan (ND)
Dornan (CA)
Downey
Dreier
Duncan
Durbin
Dwyer
Dymally
Early
Eckart (OH)
Edgar
Edwards (CA)
Edwards (OK)
Emerson
Evans (IA)
Evans (IL)
Fawell
Fazio
Feighan
Fiedler
Fields
Fish
Foglietta
Foley
Ford (MI)
Ford (TN)
Fowler
Frank
Franklin
Frenzel
Frost
Gallo
Garcia
Gejdenson
Gekas
Gephardt
Gilman
Gingrich
Glickman
Gonzalez
Goodling
Gordon
Gray (IL)
Gray (PA)
Green
Gregg
Guarini
Gunderson
Hamilton
Hammerschmidt
Hansen
Hartnett
Hawkins
Hayes
Hefner
Hendon
Henry
Hertel
Hiler
Hillis
Holt
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Horton
Howard
Hoyer
Hubbard
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Jones (TN)
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Kennelly
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Kindness
Kleczka
Kolbe
Kostmayer
Kramer
LaFalce
Lagomarsino
Lantos
Latta
Leach (IA)
Lehman (CA)
Lehman (FL)
Leland
Lent
Levin (MI)
Levine (CA)
Lewis (CA)
Lewis (FL)
Lightfoot
Livingston
Loeffler
Long
Lott
Lowery (CA)
Lowry (WA)
Luken
Lundine
Lungren
Mack
Madigan
Manton
Markey
Marlenee
Martin (IL)
Martin (NY)
Martinez
Matsui
Mavroules
McCain
McCandless
McCloskey
McCollum
McDade
McEwen
McGrath
McHugh
McKernan
McKinney
McMillan
Meyers
Michel
Mikulski
Miller (CA)
Miller (OH)
Miller (WA)
Mineta
Mitchell
Moakley
Molinari
Monson
Moody
Moore
Moorhead
Morrison (CT)
Morrison (WA)
Mrazek
Myers
Natcher
Neal
Nielson
Nowak
Oakar
Oberstar
Obey
Olin
Owens
Oxley
Packard
Panetta
Parris
Pashayan
Pease
Penny
Petri
Porter
Price
Pursell
Quillen
Rangel
Regula
Reid
Richardson
Ridge
Rinaldo
Ritter
Roberts
Rodino
Roe
Rogers
Rose
Rostenkowski
Roth
Roukema
Rowland (CT)
Roybal
Rudd
Russo
Sabo
Savage
Saxton
Schaefer
Scheuer
Schneider
Schroeder
Schuette
Schulze
Schumer
Seiberling
Sensenbrenner
Sharp
Shaw
Shelby
Shumway
Shuster
Sikorski
Siljander
Skeen
Slattery
Slaughter
Smith (NE)
Smith (NJ)
Smith, Denny (OR)
Smith, Robert (NH)
Smith, Robert (OR)
Snowe
Snyder
Solarz
Solomon
Spence
St Germain
Staggers
Stallings
Stangeland
Stark
Stokes
Strang
Stratton
Studds
Stump
Sundquist
Sweeney
Swift
Swindall
Synar
Tauke
Taylor
Thomas (CA)
Torres
Torricelli
Towns
Traficant
Traxler
Udall
Vander Jagt
Vento
Visclosky
Volkmer
Vucanovich
Walker
Waxman
Weaver
Weber
Weiss
Wheat
Whitehurst
Whittaker
Williams
Wirth
Wise
Wolf
Wolpe
Wortley
Wright
Wyden
Wylie
Yates
Yatron
Young (AK)
Young (FL)
Young (MO)
Zschau

NOES—66

Andrews
Aspin
Barnard
Bennett
Bevill
Bustamante
Byron
Chapman
Chappell
Daniel
Darden
Dowdy
Dyson
English
Erdreich
Fascell
Flippo
Florio
Fuqua
Gaydos
Gibbons
Gradison
Hall (OH)
Hall, Ralph
Hatcher
Hefner
Huckaby
Hutto
Jenkins
Jones (OK)
Kolter
Leath (TX)
Lipinski
Lloyd
MacKay
Mazzoli
McCurdy
Mica
Mollohan
Montgomery
Murphy
Murtha
Nelson
Ortiz
Pepper
Perkins
Pickle
Ray
Robinson
Roemer
Rowland (GA)
Sisisky
Skelton
Smith (FL)
Smith (IA)
Spratt
Stenholm
Tallon
Tauzin
Thomas (GA)
Valentine
Walgren
Watkins
Whitley
Whitten
Wilson

NOT VOTING—6

Eckert (NY)
Grotberg
Lujan
Nichols
O'Brien
Rahall

□ 1500

Messrs. PERKINS, MICA, ASPIN, and WHITTEN changed their votes from "aye" to "no."

Messrs. COLEMAN of Missouri, IRELAND, DORNAN of California, GREGG, KASICH, DAVIS, BROOKS, MOORE, and STRATTON changed their votes from "no" to "aye."

So, the amendment in the nature of a substitute was agreed to.

The result of the vote was announced as above recorded.

The CHAIRMAN. The Chair advises that under the rule the gentleman from Illinois [Mr. Michel] will be recognized for 15 minutes and the gentleman from Washington [Mr. Foley] will be recognized for 15 minutes.

The Chair recognizes the gentleman from Illinois [Mr. Michel].

PARLIAMENTARY INQUIRY

Mr. FOLEY. Mr. Chairman, I have a parliamentary inquiry.

The CHAIRMAN. The gentleman will state it.

Mr. FOLEY. Mr. Chairman, is additional debate time still pending?

The CHAIRMAN. The Chair will advise that under the rule there is 30 minutes of additional debate time, allocated 15 minutes to the gentleman from Washington, and 15 minutes to the gentleman from Illinois.

Mr. FOLEY. I thank the Chair.

Mr. MICHEL. Mr. Chairman, it might be of interest to be informed as to why this action was taken. It may come as a shock to some of you to see the Republican leader and other Republicans vote for the amendment offered by the gentleman from Indiana [Mr. Hamilton] and the gentleman from Maryland [Mr. Barnes].

Let me explain why we did it. When you have a rotten rule to play by, we are forced to be somewhat unconventional in our approach to the process. Our vote was the only way we had of telling the majority of the American public that we will not be a party to a procedure that debases the legislative process and demeans the ideals of comity and civility that lie at the heart of that process.

This procedure under which we are forced to debate is a variation of the old con game "heads I win, tails you lose." We refuse to play the roles assigned to us by the directors of this farce.

We have been forced to introduce a rule that will eventually give the House a real chance to debate and vote on this very important issue, standing alone without being married up to a proposition that it frankly, as I said weeks ago, is going nowhere.

But in order for this strategy to become successful, we need 218 votes for a discharge petition. Monday Mr. Lott and I introduced a rule, House Resolution 419, which will make in order House Joint Resolution 283, introduced by the gentleman from Oklahoma [Mr. McCurdy] last year, that has to do with funding the freedom fighters in Nicaragua.

It would be our intention under that rule as so enunciated in the rule, to make in order three substantial amendments: Mr. McCurdy himself would be permitted to introduce his own amendment to his previous resolution. Mr. Barnes and Mr. Hamilton will be allowed to have their own amendment, and then it would be expected naturally that Bob Michel would have his own amendment that pretty closely tracks with the President's proposal here.

By the middle of next week, after the required 7 legislative days have expired, we will file a discharge petition and begin selecting Member's signatures on that discharge petition.

□ 1510

If we get the required number of signatures, it will then be our intention to call up this rule on May 12, the first date under the rules on which it would be eligible to be called up.

But even at that late date that appears to be now, when I see what will happen with the supplemental appropriation bill, we are going to be ahead of our time if we honor that kind of proposition. And in my judgment we ought to take that course.

In last month's debate, our distinguished colleague, the chairman of the Committee on Foreign Affairs, Mr. Fascell, said this issue is not going to go away. The issue is will we have democracy in Nicaragua? That indeed is the issue, Mr. Chairman, as you reflect the great and glorious tradition of your party and having said so that day in debate on the floor of this House. Now for those of you in the majority leadership who thought you could ignore the flight of democracy from Nicaragua by turning this debate into one in which we have to choose between aid to the Contras and a supplemental appropriation bill loaded with goodies, I have to say again we just cannot play that game.

Frankly, it is just inconceivable that serious leaders would deal with a grave foreign policy issue in this way. So I do not know that there is any need for any further explanation. That was the reason for our doing what we did today, and we hope that there would be those reasonable rational people out there who likewise see it our way, that when the time comes for signing the discharge petition to give us a mechanism by which we could bring this up as a freestanding proposition

and being fair about giving your side two substantial amendments to do anything you want to, I just happen to feel that my position is one that is shared by a majority of this House and given a clean shot at it, will win notwithstanding your two efforts to try and beat us down.

Just give us that chance.

And finally, my friends, I think the President deserves better treatment than what we would propose to be giving him here today by this sham charade.

The CHAIRMAN. The gentleman from Washington [Mr. Foley] is recognized for 15 minutes.

Mr. FOLEY. Mr. Chairman, as I said this morning, there is no person I respect in this House more than the distinguished leader of the Republican Party, the gentleman from Illinois. I think that is an opinion that is very broadly shared on our side of the aisle from the Speaker to the newest Member of the Democratic Party. We have a deep division on this question, that has nothing to do with whether we are Democrats or Republicans. There are Democrats who are for Contra aid, as well as Republicans who are against it. There is no question of patriotism involved here. There is a deep question of what our country's policy should be for the future in Central America, and it is a long and very important decision that is being made today. What we are deciding goes beyond whether we will provide $100 million in 18 months. It goes many years ahead, for better or worse.

Today I heard my friend, the distinguished Republican leader, say something very surprising. He came to the floor and said it was because the American people do not understand this issue that the President and the administration have been unable to get even a bare majority of support from any region of the country for this proposal.

In fact, the American people disapprove the policy enunciated in the Michel amendment. While some would lay the blame for this on the public and what they believe to be its lack of understanding of the issue, I in fact think they understand it very well. By 2 to 1, 3 to 1, and 4 to 1, and even greater percentage in every region of this country and, in every poll or survey that has been taken, and however the question is stated, they have come back again and again saying that they do not want a war in Nicaragua, they do not want a proxy war, they do not want an American war.

That does not mean that they approve of what is going on in Nicaragua or that they want to see Soviet or other influence brought into this hemisphere in a way that endangers our liberty—I did the gentleman the courtesy of being attentive during his remarks, and I hope he will do the same courtesy for me.

Mr. HYDE. Mr. Chairman, will the gentleman yield?

Mr. FOLEY. I will in a moment.

We had an opportunity today to vote on a compromise. While the President's original proposal was given in an up or down, all or nothing way, it seems to be the determination of some here to have the House deny that same consideration to others. We think it would be in the American people's interest to have a decision about whether there should be some compromise, some intermediate position. That, however, is not going to be permitted by this tactic. Make no mistake about it, it is a tactic, one which the gentleman from Illinois himself confessed and stated he was unfortunately forced to make. Let us have no mistake either about the fact that frustration and difficulty here have nothing to do with one procedure or another. They arise from the fact that the American people cannot and will not be brought along to a policy of headlong, reckless intervention in Latin America that could eventually bring us to the brink of a war they do not want and that they reject. That is the issue and the problem. The rest of it is just debate.

Mr. Chairman, I yield to the gentleman from Illinois briefly.

Mr. HYDE. I thank the gentleman for yielding.

Mr. Chairman, if the gentleman is so sure that the American public is so overwhelmingly behind his position, why the reluctance to give us a freestanding vote on this important issue?

Mr. FOLEY. If the gentleman is so convinced of his own position why not permit Mr. McCurdy to offer his amendment and let us have a vote on that?

Mr. HYDE. We will, we will.

Mr. FOLEY. We can do that today. We can do it right now. In fact, we would have done so.

Let us not have a misunderstanding over what the issue is.

With the best effort and with sincere commitment, the President and the administration have tried to persuade the American people of this policy. Because they have not been able to do that, I think that as much as anything else, this is an effort to have a little more time for persuasion. There should be no question about fairness.

The House of Representatives rejected the President's proposal when it came before this House on an expedited procedure. We said then that we would offer another opportunity on the supplemental appropriations bill, and that is what we did. Now it is suddenly contended that that was unfair.

In fact, it went beyond the original commitment in offering fairness. If normal procedure had been followed any such proposal would have been referred to committee.

If the gentleman will permit, Mr. Chairman, I would move at this time that the Committee do now rise.

The CHAIRMAN. The question is on the motion to rise.

PARLIAMENTARY INQUIRY

Mr. LOTT. Mr. Chairman, I have a parliamentary inquiry.

The CHAIRMAN. The gentleman will state it.

Mr. LOTT. Does this mean that we will not resolve, that there will not be a vote on this issue today?

Mr. CHAIRMAN. It is a straight motion to rise.

Mr. O'NEILL. Mr. Chairman, will the gentleman yield?

The CHAIRMAN. Does the gentleman from Washington [Mr. Foley] withdraw his motion temporarily?

Does the gentleman yield to the distinguished Speaker?

Mr. O'NEILL. Mr. Chairman, may I be recognized for 5 minutes?

The CHAIRMAN. Does the gentleman from Washington yield?

Mr. FOLEY. Mr. Chairman, I yield such time as he may consume to the distinguished Speaker, the gentleman from Massachusetts [Mr. O'Neill].

Mr. O'NEILL. Mr. Chairman, may I say when this bill came to the House and the Congress accomplished its will, during the time previous to the debate I talked with the members of my party. Many of them were very much concerned that the McCurdy amendment have an opportunity. I guaranteed them at that time that this bill would be up on the Tuesday after the week we came back, April 15. And I also said that any other Member who had an amendment that they want to offer, they would be able to offer it. That meant Democrats and Republicans.

Now let me say this: In the discussion "how do we get a vehicle, how do we get a vehicle?" do we file the legislation? If we do, it goes to the appropriate committees, it is assigned to a subcommittee, then to the full committee. There is no way possible I could fulfill the commitment that I gave to those people who had asked for the McCurdy amendment or any other amendment if we want that process.

It was clearly understood to them, clearly understood to them.

The minority leader called me and asked me, he hoped they would get a fair shot. I said, let me look and see what we could do.

There was no vehicle out there. Only one vehicle that we knew that was coming along, the supplementary appropriation budget. So we attached it to the supplementary appropriation budget, and anybody that came and asked me for an amendment I said "Go to the Rules Committee. If you

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can convince the Committee on Rules, then fine."

I have made a commitment that there is going to be a vote on that day.

Now let me say I think that we did everything humanly possible so I could keep my word. And it was done. I understand, of course, last Monday that you placed a bill before the House. I believe you, Mr. Republican Leader, and your Republican whip, Mr. Lott, filed a rule. I think you have something like 7 days before you can get the signatures. Then under the call of the discharge calendar you may bring it up. If you can go that process, that is the rule of the House. No way am I going to stop you. No way can I stop you.

You must get 218 signatures to discharge. You understand that. Where are we now? Where are we now?

The gentleman from Washington has offered a motion to rise. We will rise and that means that we will not bring the bill up again. Fine, we will go back to the Rules Committee and we will get a clean rule on the supplemental, nothing to do with Central America whatsoever.

If on the prescribed day your bill comes up it will be brought to the floor, and we will go through the process as provided in that rule.

So with that, the schedule for the remainder of the week would be that we would rise, we would go back to the Rules Committee and bring a supplementary appropriations bill up next week, possibly Tuesday because we only meet until Wednesday of next week, Thursday and Friday being off because of the religious holidays. On Thursday, tomorrow, I believe there is a labor bill. We would hope to complete that bill tomorrow, and that would finish the session for the week.

So I wonder if the gentleman from Washington would make a motion at this time that the Committee do now rise.

Mr. FOLEY. I will yield for a parliamentary inquiry from the gentleman from Oklahoma.

Mr. O'NEILL. The chairman should recognize the gentleman from Oklahoma.

A little levity is good for the House.

PARLIAMENTARY INQUIRY

Mr. McCURDY. Mr. Chairman, I have a parliamentary inquiry.

The CHAIRMAN. The gentleman will state it.

Mr. McCURDY. Mr. Chairman, under the procedure here might I inquire as to the Chair's understanding as to the status of the amendment that is offered by this gentleman and seven other Members of this body, under the procedure as outlined by the minority leader?

The CHAIRMAN. The Chair will advise the gentleman that under the rule his amendment could be considered today only if the Hamilton amendment was rejected in the Committee of the Whole. But the Hamilton amendment in the nature of a substitute having been adopted, the gentleman's amendment cannot be considered in the Committee of the Whole, whether or not the Committee rises.

Does that answer the gentleman's question?

Mr. McCURDY. I would yield to the gentleman from Wisconsin [Mr. Aspin].

□ 1525

PARLIAMENTARY INQUIRY

Mr. ASPIN. Mr. Chairman, I have a parliamentary inquiry.

The CHAIRMAN. The gentleman will state it.

Mr. ASPIN. Mr. Chairman, the question is, if we do not rise and we continue with amendments today, I am asking what would happen on the votes? For example, if the Committee rises, we would then have a vote on the Hamilton amendment in the House; is that what would happen?

The CHAIRMAN. If the Committee rises in regular form, under the rule form, the Hamilton amendment would be put to a vote in the House.

Mr. ASPIN. If the Hamilton amendment is voted down at that point, what is before the House at that point?

The CHAIRMAN. The original House Joint Resolution 601. A straight motion to recommit would be in order before the question is put on passage.

Mr. FOLEY. Mr. Chairman, I renew my motion. I move that the Committee do now rise.

PARLIAMENTARY INQUIRY

Mr. MICHEL. Mr. Chairman, I have a parliamentary inquiry.

The CHAIRMAN. The gentleman will state it.

Mr. MICHEL. Mr. Chairman, is it not true that under the rule, had we gone through the amendment process on the Contra aid proposition and the rule would not have foreclosed our messaging that issue over to the other body, we could have had, in effect, a freestanding proposition here? But it was the rule itself that dictated those two together?

The CHAIRMAN. The gentleman is not stating a parliamentary inquiry that the Chairman of Committee of the Whole can answer.

Mr. FOLEY. Mr. Chairman, I move that the Committee do now rise.

The motion was agreed to.

Accordingly the Committee rose; and the Speaker having resumed the chair, Mr. Whitley, Chairman of the Committee of the Whole House on the State of the Union, reported that that Committee, having had under consideration the joint resolution (H.J. Res. 601) relating to Central America pursuant to the International Security and Development Cooperation Act of 1985, had come to no resolution thereon.

PARLIAMENTARY INQUIRY

Mr. LOTT. Mr. Speaker, I have a parliamentary inquiry.

The SPEAKER. The gentleman will state it.

Mr. LOTT. Mr. Speaker, what is the present status? The committee has risen, so there will be no further consideration of the Contra aid or the supplemental today; is that correct?

The SPEAKER. The gentleman is correct.

Mr. LOTT. Mr. Speaker, could the Chair then advise the Members as to what the schedule would be for the balance of the day.

The SPEAKER. There is no legislation for the balance of the day. Tomorrow the labor legislation will be considered.

GENERAL LEAVE

Mr. BILIRAKIS. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks and to include extraneous material on the subject of the special order today by the gentleman from California [Mr. Dannemeyer].

The SPEAKER. Is there objection to the request of the gentleman from Florida?

There was no objection.

GENERAL LEAVE

Mr. CHAPMAN. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks and to include therein extraneous material on the subject of the special order today by the gentleman from the District of Columbia [Mr. Fauntroy].

The SPEAKER. Is there objection to the request of the gentleman from Texas?

There was no objection.

REPORT ON RESOLUTION PROVIDING FOR CONSIDERATION OF H.R. 4420, MILITARY RETIREMENT REFORM ACT OF 1986

Mr. WHEAT, from the Committee on Rules, submitted a privileged report (Rept. No. 99-537) on the resolution (H. Res. 421) providing for the consideration of the bill (H.R. 4420) to amend title 10, United States Code, to revise the retirement system for new members of the uniformed services, and for other purposes, which was referred to the House Calendar and ordered to be printed.

IN MEMORY OF H. CARL MOULTRIE I

The SPEAKER. Under a previous order of the House the Delegate from

the District of Columbia [Mr. Fauntroy] is recognized for 5 minutes.

Mr. FAUNTROY. Mr. Speaker, I and other Members would like to pay tribute to the late H. Carl Moultrie I, who served as chief judge of the D.C. Superior Court.

In his lifetime, Carl Moultrie received many awards and honors, all of them, richly deserved. He was actively involved in community service since the beginning of his career. Noteworthy among his activities in this respect are: president, D.C. branch NAACP; member, board of directors, Council of Churches, Washington, DC; chairman, D.C. Commission on Human Rights; Chair, nominating committee, American Lung Association; member, board of directors, Pretrial Services Agency, Washington, DC; vice president, Bloomingdale Civic Association, Washington, DC; chairman, D.C. Housing Committee, Inter-Boundary Neighborhood Council; member, board of directors and executive committee, D.C. Citizens for Better Public Education, just to name a few.

As chief judge of the D.C. Superior Court, Carl Moultrie brought many far-reaching reforms to that system. He instituted an innovative Child Support Enforcement Program in 1983 through which child support orders are routinely monitored for compliance. He convinced the American Bar Association to select the District of Columbia to run a national model program in dispute resolution that in just 1 year has attracted the attention of judges and criminal justice experts. Another important judicial contribution is the District's experimental multidoor courthouse which provides a growing number of District residents with alternatives in litigation.

In addressing a group of dignitaries gathered to launch the multidoor program, Chief Justice Warren E. Burger applauded Judge Moultrie's leadership and vision—so do I.

Chief Judge Moultrie increased public access to the court in other ways as well. He brought special services to the city's Spanish-speaking community by the translation of frequently used court forms into Spanish and the display of bilingual information signs in the court. His work with the small claims court pioneered the needs of cases otherwise neglected.

Carl Moultrie's energy and commitment to mankind will be missed. To his family I extend my deepest sympathy upon their loss of husband and father, for the rest of us, the memory of the important contributions of this great man will serve as an inspiration in our lives.

Mr. DELLUMS. Mr. Speaker, amidst the important House affairs fixed on today's agenda, I have designated as one of my top priorities a few moments to reflect upon the death, but more importantly, the life work of a great man, H. Carl Moultrie I.

Coming from a small town in Charleston, SC, among other notable achievements, he went forward to become a lawyer, president of the D.C. NAACP, an associate judge for 6 years and eventually to serve in the capacity as chief judge of the Superior Court of the District of Columbia, a position which he held from 1978 until the time of his death. Although he is well known for the many outstanding, significant contributions which he made to society, he is most recognized for the achievements he made while serving as chief judge.

Without a doubt, he met the pledges he made to the commission in 1978, and to the citizens of the District of Columbia as he was appointed chief judge. He implemented a number of far-reaching reforms that have increased the access of District residents to justice and improved the overall administration of the court system in the District of Columbia.

Judge Moultrie forced the D.C. Superior Court to the forefront of judicial reform by addressing the needs of families and children who are put to risk by the nonpayment of court-ordered child support, instituting an innovative Child Support Enforcement Program in 1983.

As Langston Hughes forever lives through the continuous reading of his magnificent poetry, so lives H. Carl Moultrie through the constant reflection upon the outstanding contributions which he made to society, as well as through the impressions he placed on the hearts and minds of so many. H. Carl Moultrie, a man who gave a new meaning to commitment and excellence will be sorely missed.

Mr. McKINNEY. Mr. Speaker, it is my privilege to join my colleagues in paying tribute today to H. Carl Moultrie I, chief judge of the District of Columbia Superior Court. Judge Moultrie fell victim to cancer only weeks after publicly announcing his condition. His loss is a great one to every resident of the District of Columbia, for his accomplishments in their behalf are incalculable.

His entire adult life was characterized by service to others, and he brought his unique leadership qualities to everything he touched. Characteristically, he labored until the very end. But it was a labor of love, and I am certain that when he realized that the end was near, he felt saddened by goals not yet achieved. With no thoughts of self, he would have regretted not having spent more time at improving a judicial system that under his stewardship went from an uncertain infancy to become in many respects a model for the rest of the country.

Typically, Judge Moultrie would counter praise with a frank assessment of how much better some accomplishment could have been had he only done one additional thing or another. Not one to bask in the glory of achievement, Judge Moultrie would be discussing plans for the next step while others celebrated the achievement of the first step. Yet he did not seek change for the sake of change.

Countless times, in the face of congressional indifference or opposition, he was able to steer a steady course, all the while quietly and effectively convincing our colleagues that certain reforms were prudent and justified. It is to his personal credit that many innovative programs are now hallmarks of the local judiciary. During his tenure, he managed to maintain and improve the courts, oftentimes a very difficult task with the competing demands and suggestions of the council, the mayor, and assorted personalities in Congress. Yet he managed to balance and satisfy these demands, and in the process improve the situation not for himself, not for his colleagues on the bench, but for the residents of this city.

He was, in the truest sense of the term, a gentleman. His style was aggressive, but never abrasive or confrontational. Although devoid of political ambition, he possessed the knowledge that through compromise, accord is achieved. He had the ability to shepard together those with radically different aims, and perhaps more significant, to make all interests feel appeased. It was not through strict adherence to his position that he made such accomplishments, but through quiet diplomacy and the sincere belief that he, too, could be wrong. Seldom if ever did he accept credit for what was clearly his personal accomplishment.

To his family and friends, I express my deepest sympathy. And to those who did not know him well, I would end my comments with something I believe Judge Moultrie himself would say. Do not dwell on today, for there is much more to be done. Carl would wish that those in Congress and on the bench not spend that precious commodity of time singing his praises, but rather on striving to achieve the goals he set toward the betterment of life for all citizens of this city. I hope that we can honor his memory by doing just that.

Mr. BARNES. Mr. Speaker, the metropolitan area owes a debt of gratitude to an exemplary public servant who distinguished himself over the years as a civic leader, advocate, and jurist. The death of Judge H. Carl Moultrie I, chief judge of the D.C. Superior Court, will be mourned by all who were aware of his service and contributions to the community.

Many in this area knew Judge Moultrie best in his role as jurist, but the range of his activities prior to his appointment to the bench say a lot about the man and his compassion for humanity. As a young man he was a journalist, social worker, executive director of a Boys Club, probation officer, housing project manager, executive secretary of Omega Psi Phi, civil rights leader, and lawyer for the poor. All of these roles prepared him well for his work on the D.C. Superior Court.

As chief judge he rose to the challenges of the job with skill and sensitivity. He encouraged innovation and put reforms in place that leave his clear imprint on the work of the court. He instituted a court Child Support Enforcement Program to monitor and enforce child support orders, he established a sentencing guidelines commission to reduce disparate criminal sentences, and instituted arbitration and mediation facilities to encourage use of those measures as an easier and less expensive means of dispute resolution.

The city has lost an impressive and compassionate jurist who will not be easily replaced. We were fortunate to have an individual of his caliber serving the community.

□ 1535

CAPITAL PUNISHMENT

The SPEAKER. Under a previous order of the House, the gentleman from California [Mr. Lungren] is recognized for 60 minutes.

Mr. LUNGREN. Mr. Speaker, the subject of my special order this evening—actually, this afternoon, since we stopped business so abruptly—is going to be on the question of capital punishment and the necessity of our enacting legislation in the very near future.

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But before I get into that, I would like to discuss, just for a few moments, with some of my colleagues what has occurred here today, because I think, in fact, it is extemely important for us to discuss it for a few moments, at least.

On our side of the aisle, Mr. Speaker, many Members felt that, although we had the opportunity to go to the Rules Committee, oftentimes the die is already cast. Perhaps that has something to do with the markup of the Rules Committee being 9 to 4, 9 Democrats to 4 Republicans, and anybody who has any idea of mathematics can figure out the odds of attempting to get a rule in our favor.

But, nonetheless, at least on our side of the aisle we had expected an opportunity to have a free-standing vote on the President's package. We understand the separation of powers, the executive branch and the legislative branch; we understand that we are required to legislate here and that we have the opportunity to set our own rules. But those on our side of the aisle, in keeping with the notion that politics ends at the water's edge, thought that at least the President of the United States should have the opportunity to have an important issue debated, at least given a chance to be debated on his terms.

We happen to have a predominant, an overwhelming support for the President's position on that issue on our side, and yet, despite our attempts to get a free-standing vote, that was denied us.

It is a very difficult decision for Members of Congress to vote for the Barnes-Hamilton amendment when in fact we think it does not meet the needs of Central America. It is particularly difficult for those of us from the Southwest portion of the United States who perhaps most acutely feel the effects of the instability of Central America to vote in that way. But as our distinguished leader, the gentleman from Illinois [Mr. Michel], said, when you have been given a stacked rule, when you have been given an unconventional rule, you have to respond in unconventional fashion. We responded in an unconventional fashion today. And I think, Mr. Speaker, you have made it very clear as to what the terms of the game are now. I think you very clearly stated that if the President is to have his opportunity for a free-standing vote on a question of major concern to the American people, he will have to do it by means of a discharge petition. Quoting you in earlier session, Mr. Speaker, when we had the ERA up, you said it was your prerogative to establish the calendar, it is your prerogative to bring bills to the floor. You have now made it clear that if we are to get a free-standing vote for the President of the United States on an issue of central importance to Central America, we will be required to go the discharge petition route.

So I hope all the Members will heed your words and recognize that if we are to respond to a very important issue we are going to have to do that, because, as you have said, there is no other way.

Mr. HUNTER. Mr. Speaker, will the gentleman yield?

Mr. LUNGREN. I will be happy to yield to the gentleman from California.

Mr. HUNTER. I thank the gentleman for yielding.

Mr. Speaker, I hope that an important precedent has been established today, and that is the rule that in very important foreign matters, whether they be issues in which we think the Democrat side of the aisle is going to prevail or the Republican side of the aisle, those issues should not be framed in a manner which bogs them down procedurally, and procedural mechanisms should not be utilized to prevent the President of the United States from at least having his shot at an important issue. I think that is restating, to some degree, Sam Rayburn's statement that politics ends at the water's edge.

I would like to say, as a Member of the Republican Party on this side of the aisle—and I think this is a clear feeling over here—as a Republican, it is my intention and I think the intention of many Members on this side of the aisle, that this same rule will be applied when there is a Democrat President, that he will have a fair shot at getting a vote on his issues which he deems to be of great national importance in the public affairs area. I think it is reasonable, it comports with our tradition in the past, and I think what the Republican leader, Robert Michel, did today was completely in keeping with that tradition.

Mr. LUNGREN. I thank the gentleman.

I would be happy to yield to the gentleman from Pennsylvania [Mr. Walker].

Mr. WALKER. I thank the gentleman for yielding.

Mr. Speaker, I think it is important to point out that what we saw this afternoon is an example of the frustration that the minority often feels, with the kind of arrogance of power we see demonstrated by the majority party in this body.

What has happened with regard to the Rules Committee—and the gentleman from California rightfully points out—with a 2 to 1 plus 1 majority that exists on the Rules Committee, literally the rules are being written, and particularly important rules of this type, in the Democratic caucus. The Republicans are not even being consulted. The Republicans are being told what the rule is. We have no chance for input. Legitimate amendments that are wanting to be offered by even the minority leader of the House are rejected out of hand. The minority is stuck with procedures that we had no hand in developing, and we are being told, "Take it or leave it."

Well, today what we are faced with was an absolutely fraudulent procedure. It was a procedure that by virtually unanimous feeling on this side of the aisle was a procedure without merit. So it was decided on this side of the aisle to use the majority's own procedure against them, because they designed it and so, therefore, if there were a way that the minority could exact a penalty for that design, we were determined to do it.

It is a shame that the merits of an issue have to get lost in that kind of process. But the fact is that the processes of this House are tied up in the rules that the majority, first of all, foist upon this body on the opening day and then continues to change, at will, as we go through the process. That is changed, then, by overwhelming majorities in key committees, such as the Appropriations Committee that was bringing the whole bill to the floor, and the Rules Committee that designed this particular bad rule. And we saw the venting of a minority opinion today that the majority simply has taken an arrogance of power unto itself, which is totally unacceptable. Perhaps the message was so clear today that, ultimately, we will get some fairness in this body. We are a little sick and tired, in all honesty, of hearing everything described from that side being talked about as fair when in fact we know that it is fundamentally unfair. Perhaps we will achieve some true fairness at some point here.

Mr. LUNGREN. I appreciate the gentleman's remarks.

Mr. Speaker, the point I would like to underscore is that this is an issue of major significance. There was debate on both sides, talking about how it is a controversial issue, how the decisions made on this issue will not only affect us in the next 18 months but the next 5 years and the next 10 years. And I agree with that. It does appear to me that if it is that important, then it really merits being dealt with on its own, standing alone, and the President of the United States ought to be accorded the courtesy of at least having his view voted on singly—if it is that important. And so if in fact it is not mere rhetoric to describe this issue in the terms that it was described on both sides, we do a disservice to the seriousness of the issue by, as our friend, the gentleman from Illinois [Mr. Hyde], said, trivializing it with this type of a rule.

I will be happy to yield to the gentleman from Texas [Mr. Armey].

Mr. ARMEY. I would like to talk for a moment about that rule, because I watched that rule being made. Of course, as I went through my civics classes as a youngster, I heard a great deal of what we do in this country to protect against the tyranny of the majority. As we know, there is about a 2-to-1 majority of the Democrat Party versus the Republican Party on the Rules Committee. I stayed very late last Thursday afternoon, while most of the Members had gotten on their way back to their districts, to testify, on behalf of myself and 70 other cosigners of a letter that I had, against the rule that would waive the rules of the House that prohibit legislation in appropriations bills. As I sat through the process and watched person after person go before this committee and ask for further waivers of the prohibition against legislation so they could make even additional legislation in this appropriation bill, and watched the gentlewoman from Colorado asking for a rule that would allow her to include legislation that would prohibit further nuclear tests, we had an interruption in the proceedings as Congressman Lott, one of our leaders on our side, the minority whip and a member of the Committee on Rules, inquired regarding the continued process and when the rule would be completed.

I was, frankly, appalled to see the gentleman from Michigan [Mr. Bonior], a majority member of that committee, tell Mr. Lott that they had a rule.

Now, this was during the time when the proceedings were going on and the testimony and the requests were coming in. The gentleman from Michigan [Mr. Bonior], told the gentleman from Mississippi [Mr. Lott], a member of the committee, "We have a rule, and when we finish the proceedings here we will be happy to tell you what that rule is."

The gentleman from Mississippi [Mr. Lott], was, obviously, taken aback and asked if Mr. Bonior thought he might like that. Mr. Bonior said—and, I might add, quite smugly—"We believe there will be some things in the rule we have that you will like."

Further discussion of the matter was ruled out.

It became clear to me at that point, after I had canceled my travel arrangements twice already on that day, was preparing to do it again so that I could stay and make my request on behalf of myself and 70 other Members of the House who had signed my letter, that that would be a futile effort because, as the majority Member reported during the proceedings, they had the rule and they would tell us what it was after the proceedings were over.

Mr. LUNGREN. If I might recapture my time, I suppose the gentleman's feelings on that matter were colored somewhat—your feelings, that is—by the makeup of the committee, that is, 9-to-4 majority to minority, that is, you go in there figuring your chances are not very good to begin with.

Mr. ARMEY. Well, certainly we had that concern; but we did feel that with the strength of a letter signed by 70 Members of Congress, an ability to try to make that case, as clearly a bipartisan request from Members of both sides of the aisle, that we would get consideration.

Mr. LUNGREN. As I understand it, the gentleman got every bit as much consideration as the President of the United States did.

Mr. ARMEY. I might point out that in Texas, in the old days, we used to give them a fair trial and then hang them. But in this case the hanging took place before the trial. I think that is what disturbed me.

Mr. LUNGREN. I think there is an old description of it. It is called: Ready, shoot, aim.

It is one of the ways we do business around here if you have got the votes in your favor.

I yield to the gentleman from Pennsylvania [Mr. Ritter].

Mr. RITTER. I thank the gentleman from California for yielding.

Mr. Speaker, just for the record, I would like to correct some impressions.

The gentleman from Washington, before this House at the end of the last vote, implied that the gentleman from Illinois, the minority leader, was ignoring the will of the American people and felt that the American people really did not know what was going on in Nicaragua.

What the gentleman from Illinois was doing was quoting from a poll done by the New York Times-CBS News. And in that poll, I think it is instructive to repeat, only 38 percent of those polled know that the administration is supporting the Contras and not the Government in Nicaragua.

So a minority of the American citizens polled knew whose side we were on. A majority did not know who the United States was backing.

As to the nature of the Sandinista regime, just 20 percent of the people polled think it is Communist. Approximately an equal number, 19 percent, think it is a right wing dictatorship. Forty-nine percent have not the slightest idea of what ideology the Sandinistas have.

This is an astounding fact, but the minority leader was not stating that the American people are not being listened to, but he was stating that this issue is not the best understood issue to come along.

□ 1550

Mr. LUNGREN. I appreciate the gentleman's remarks. I think to underscore what the gentleman said, it is a fact that we have not had the debate that is necessary to move the country toward a full appreciation of what the stakes are in Central America. We are just beginning that debate.

One of the things we have done in terms of the President's speeches, the debate that has gone on within the White House, the debate that has gone on here, is just to initiate the debate. In fact, it seems to me we do a disservice to the American people by cloaking the debate with this kind of a rule, that instead of allowing you to get to the issue and having it free standing, hides the rules behind the supplemental that is as full of pork as our minority leader said yesterday as a film festival on Porky Pig.

I mean, it is astounding that an issue this important, that is not as fully understood in this body as well as in the public at large would be hidden behind the doors of a supplemental on things that have absolutely nothing to do with this issue at all.

Mr. RITTER. If the gentleman would just yield back for a moment, I would appreciate it.

Mr. LUNGREN. Certainly.

Mr. RITTER. It would be interesting if the American people were presented with the fact before the question was asked, if they were presented with the fact that Libya and Qadhafi work hand in glove with Nicaragua and the Sandinista Communists, what would their response be?

How many of the American people would know that Qadhafi and Ortega and D'Escoto raised their fists in solidarity, while Qadhafi makes the statement that, "We fight with the Nicaraguans because they fight the United States on their own grounds."

How many Americans if they knew the Libya-Sandinista connection would oppose the President's policies in Central America?

Mr. LUNGREN. I would say to the gentleman, knowing the intelligence of the American people, I think that question answers itself. I think the American people would strongly support it.

Mr. LEWIS of California. Mr. Speaker, will the gentleman yield?

Mr. LUNGREN. I am happy to yield.

Mr. LEWIS of California. I appreciate my colleague from California yielding.

I wonder if the gentleman would continue a colloquy with me. I have followed the Nicaraguan issue with great care and spent a good deal of time on it since 1979 when we arrived here in this body. As I remember at that point in time, the debate that we watched as new Members involved a discussion that suggested that Amer-

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ica had joined forces to pressure change in Nicaragua. We pressured Somoza out and that the Sandinistas were making this great promise, that is, they were going to bring about a democratic process, democratic institutions, free press, no oppression of the church, et cetera, et cetera.

Others said, "Wait a minute. That change looks to us that there could be some problems."

Some suggested that maybe even some Communists had an interest there. The debate raged here.

The House made a decision to go with hope and so they decided to give a good deal of money over there, that is quite a few years ago, some $120 million to that new Sandinista group.

I guess we know that some of our Members actually believe that somehow we walked away from the Sandinistas.

Mr. RITTER. Mr. Speaker, if the gentleman will yield, could I ask the gentleman from California a question?

Mr. LUNGREN. I am happy to yield.

Mr. RITTER. Let me ask the gentleman from California a question. Did the gentleman vote for that assistance to the newly emerging revolutionary government, I know I did. I know the gentleman from Illinois, Mr. HENRY HYDE, did. We had hope.

We tried to work with them. Our Government gave them significant development loans, probably more than in the entire history of the Somoza regime; so it is not as if those of us who are standing here promoting aid to the Contras were not on the side of a good democratic revolution in Nicaragua when it happened.

Mr. LEWIS of California. Mr. Speaker, will the gentleman yield further?

Mr. LUNGREN. I am happy to yield.

Mr. LEWIS of California. The gentleman makes a very good point. Of course, we came together in a bipartisan way in the House and said it looks as though there is a chance for pluralism. It looks as though there is a chance for democracy and expanded economic opportunity within Nicaragua. There was bipartisan support to help this promise succeed, but the warnings were real as well. We made the decision to vote for hope, but then at the next step we found ourselves in a circumstance where a few within that new organization had plans of their own. The Ortega brothers and their friends who now we call the Commandantes had been laying the foundation to capture the democratic people's revolution and take it over.

Mr. RITTER. Mr. Speaker, will the gentleman yield on that particular point?

Mr. LUNGREN. I am happy to yield for just a short time.

Mr. RITTER. We know that 6 months after the Sandinistas took power in Managua, Nicaragua, 6 months after, there was a training group of some 600 Salvadorans who transmitted illegally through Nicaragua, got their papers, got their air fare, got their safe house preparations and went to Cuba to study terrorism and warfare, to make war back in their home country of El Salvador; so it really does seem that from the outset the Sandinistas had these kinds of terrorist aims in mind.

I might add that today when I and others brought up the Sandinistas-Libya connection, the intimacy of that connection, the intimacy of the terrorist relationship, the intimacy of the arms transfers from Libya to Nicaragua, no one on the other side of the aisle, no one denied that connection. I thought that was interesting.

What they tried to say was Libya was different from Nicaragua. Yes, it is in a different place in the world. Nicaragua is a lot closer to home. What they tried to say was that Libya exports terrorism and Nicaragua does not. This is patently untrue. It is patently in denial of objective reality.

Mr. RITTER. Mr. Speaker, would the gentleman just let me complete my last sentence?

Mr. LUNGREN. Yes.

Mr. RITTER. The Sandinistas do export terrorism, as we know from the M-19 assault on the Palace of Justice which was with arms supplied by the Sandinistas and a memorial mass was held with Thomas Borge himself present in Managua.

They also said this morning that we have tried negotiations with the Libyans before, but we did not do this with the Sandinistas.

Again, nothing could be further from objective reality. We have negotiated far, far more before these actions with the Sandinistas than we have with the Libyans, so there really was not any counter whatsoever to the danger of the Libyan-Nicaraguan connection to the region and to the citizens of the United States of America.

I thank the gentleman from California.

Mr. LEWIS of California. Mr. Speaker, will the gentleman yield again?

Mr. LUNGREN. I yield to the gentleman from California one last time.

Mr. LEWIS of California. I appreciate my colleague yielding.

I think the gentleman from Pennsylvania has been very helpful to me in this debate in this sense. I have been very, very much aware of the disappointment of my colleagues who for long standing have been supporting the hope for democracy in the Central American region. They have been not just disappointed, but embarrassed by the Sandinistas robbing the people of their revolution, of Ortega and his Commandantes committing themselves publicly to a Marxist-Leninist regime, indicating clearly that their revolution no longer was a Nicaraguan revolution, but one without borders in the region; indeed threatening Mexico and eventually the United States.

It is very clear that they immediately began to suppress a free expression. The press is endlessly censored. The church has been humiliated. It is obvious the slaughter that has been the experience of the Miskito Indians is evidence of their lack of care for humanity.

I had not known of the deep connection with Libya. The American people are reacting strongly enough as it is in my judgment when they learned that Ortega is trying to consolidate a Communist Cuba like state in our hemisphere, but to learn of this linkage to Qadhafi and Libya just compounds that.

If the American people ever in depth get the message of what is happening in our hemisphere, clearly they will ask us to do an awful lot more than we are suggesting by this aid to the freedom fighters, the Nicaraguan democrats who want to recapture their revolution. They are about to recapture that hope which they held so high, a hope for freedom and democracy and the elimination of political oppression in Nicaragua.

I really appreciate my colleague taking this time and yielding so much of it to me and to my colleague from Pennsylvania.

Mr. LUNGREN. I thank the gentleman for his comments.

I might just mention that there is no doubt about the fact that the Sandinistas have violated the terms of their own revolution.

It is not Ronald Reagan that came to this conclusion. Let us recall it was President Jimmy Carter who made the decision to suspend aid after the United States had made sure that more aid went to the Sandinista regime in its first 2 years of existence than had gone in all the previous 18 years to the Somoza regime.

Mr. Speaker, after that brief interlude on discussing what occurred here today and the ramifications, I would like to get into the topic of my discussion on capital punishment.

Mr. Speaker, last November, the Gallup organization released a startling survey of American attitudes toward the death penalty. Three out of every four Americans, Gallup estimates, now favor capital punishment for murderers—the highest total in the poll's history. Despite these figures, and despite the present ability of terrorists and assassins to escape the ultimate punishment, Congress has largely remained silent on the issue.

Today, my colleagues and I hope to demonstrate that the cause of justice and the safety of Americans, mandate legislative action on behalf of capital punishment. Public opinion is plainly at odds with the consequences of the Supreme Court's decisions on this subject, decisions that have brought into question the constitutionality of all but two of the Federal death penalty statutes. But the role of capital punishment as a deterrent, as an instrument of societal protection, as an answer to espionage and terrorism, and as a guideline for the relative gravity of crimes, is also at odds with the ramifications of those decisions. The inescapable need for these functions of capital punishment makes legislation permitting it not just important, but urgent.

In 1972, the Supreme Court shattered a nationwide consensus on capital punishment by issuing its famous decision, Furman versus Georgia. While the Court declared only the death penalties of Georgia and—in a companion case—Texas, unconstitutional, its decision had the effect of invalidating capital punishment in 37 States and the District of Columbia. At that time many commentators felt that the Court provided no specific rationale for its ruling. But the majority appeared to agree that the death penalty must not be left to the unbridled discretion of a judge or jury. Only Justices Brennan and Marshall contended that the death penalty itself constituted cruel and unusual punishment. And Chief Justice Burger made the following observation in his dissenting opinion: "* * * legislative bodies may seek to bring their laws into compliance with the Court's ruling by providing standards for juries to follow in determining the sentence in capital cases or by more narrowly defining the crimes for which the penalty is to be imposed." Though the Court closed the door on capital punishment, it left a window open through which reformed statutes could reappear.

Subsequently, the Supreme Court considered additional State death penalty laws. In these cases, the Court has clearly held that the death penalty is constitutional if it avoids the arbitrary and capricious application cited in Furman versus Georgia. Since that decision, 38 States have revised their laws to provide for the death penalty under the requirements of that decision and other decisions of the Supreme Court which followed it. In other words, over 75 percent of the States have concluded that the death penalty should be available as a punishment for certain offenses. Even the State of Oregon, often viewed as a haven of liberal opinions in the West, joined the emerging consensus in favor of the death penalty in 1984, when the State legislature approved its use for the crime of aggravated murder.

But, at the same time, the Federal Government lags behind. Thanks to the labors of our colleague BILL MCCOLLUM of Florida, this body recently approved capital punishment for members of our Armed Forces convicted of espionage during peacetime. In 1974, the Congress passed a bill which provided for the death penalty for persons convicted of air piracy. Yet that's the sum and substance of Congress' actions. It has consistently refused to move beyond these narrow parameters. As Assistant Attorney General Stephen Trott has noted, "Incredibly, the maximum punishment that can be imposed by a Federal court for the murder of the President, of a Member of Congress, or of an ordinary citizen committed on some Federal property is less than could be imposed by most State courts if they had jurisdiction or were free to exercise it."

Such limits or shortcomings on punishment for deadly crimes plainly lack the support of the American people. I have already observed that 75 percent of the American people support the death penalty for individuals convicted of murder. But this is only part of the story. Only 17 percent of the poll respondents opposed the death penalty for murder, a stunning contrast with the 47 percent who opposed it in 1966. The poll indicated that 75 percent of Americans support capital punishment for persons convicted of murdering the President, while 57 percent support the death penalty for those who attempt to assassinate the President.

□ 1605

It is an irony, a paradox in this country, that had John Hinckley committed a murder in the course of skyjacking an aircraft in order to get to Washington, DC, to assassinate the President, and had he been successful in assassinating the President, he could have gotten the death penalty for the skyjacking offense, the murder involved in the skyjacking, but he could not have gotten the death penalty for successfully assassinating the President of the United States.

How in the world, I must ask, can we explain this disjunction between the views of the American people and the actions of their Representatives in Washington? Are the Members of Congress somehow possessed of wisdom that surpasses that of their constituents in this matter? Is this one of those rare, actual examples of national statesmanship where a courageous stand against the prevailing public sentiment is, in fact, the correct one?

I would argue, Mr. Speaker, this is not the case; that in fact the American people have a better understanding of the usefulness and the moral underpinnings of the death penalty. They are aware, for example, that the death example does in fact function as a deterrent.

Some of my colleagues may recall a recent episode of "60 Minutes" that featured the police chief in Charleston, SC. This police chief, who has a Ph.D. in sociology, was asked how he felt about the death penalty. He observed that in the inner cities of America, mobsters sometimes employ so-called bag ladies to transport their illicit cash. This might seem to some a rather risky method of transporting hundreds of dollars in profits, even thousands of dollars in profits. Any young gang member could easily overcome one of these frail, elderly individuals, but the chief emphasized that nobody does. Why? The answer is that the mob has made it perfectly clear that anyone who harms these seemingly helpless couriers will not survive the escapade. In other words, the mob in America has supplied an effective deterrent to the victimization of its servants through the threat of "capital punishment." Of course, this is not offered as an example of the moral equivalent situation, that is, that somehow we should mimic organized crime; rather, I cite it as evidence of the fact of deterence provided by capital punishment.

If the mobsters can recognize this, if they can use a potential death penalty to protect their fellow criminals, why can we not use it to protect the hardworking, law-abiding citizens of the United States? Yet, in spite of this clearcut example and others, we should note that some would still deny the possible deterrent effect of the death penalty.

Opponents of the death penalty often argue that criminals are so generically distinct from other people, so irrational, that they would slay someone without considering that such an act would cost them their own lives. Frankly, I find it impossible to believe that all putative murderers lack intelligence and that all putative murderers commit their acts without substantial precognition.

Jack Abbott, the convicted murderer who was pronounced a literary wunderkind by no less than Norman Mailer, gives the lie to such generalizations. So, too, does an incident related to me recently by a member of my staff. He recalls that during his senior year in high school, a State prison rehabilitation program brought three convicts to his civics class to discuss the woes of prison life. One student asked the convicts how they felt about the death penalty. Not suprisingly, two of them replied that they opposed it. But the third convict, the one who had committed murder, said that he felt the death penalty did function as a deterrent. An insurance agent before his crime, he stated that the existence of the death penalty in California at that time might have prevented him from taking a life.

I also recall, Mr. Speaker, hearing from Vincent Bugliosi. He was the assistant district attorney in Los Ange-

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les, who successfully convicted Charles Manson and his crowd. He happened to interview a number of criminals as they sat in incarceration, and these were people who had committed their crimes before the death penalty was declared unconstitutional in California. These were people who, based on the description of the crime, he was able to surmise probably could have gotten away with the crime if they had killed the only witnesses to their crime, and they had ample opportunity to kill the witnesses. He asked them, "Why did you not kill the witnesses to your crime when you knew that killing them would basically make it very difficult if not impossible for you to be prosecuted?"

These people sitting in incarceration told Vincent Bugliosi, assistant district attorney of Los Angeles County, that they refrained from killing the witnesses because they feared the chamber. What is "the chamber?" It is the gas chamber in California. These are people who have been there, who had ample opportunity. Even worse than that now is the fact that you can talk with police officers around this country who will tell you when they have interviewed folks who have killed the only individuals who were, they thought, available to testify later on as to the crime, that they did it specifically because they thought it would make it impossible to be prosecuted. We have instance after instance in State after State in which people, after being victimized, who offered no resistance to a crime, are killed by the perpetrators of the crime, and the only logical reason that exists for them doing that is so that they rub out the witnesses and they know they do not have to fear the death penalty.

If anybody has looked at the recent review done by the Department of Justice of the average sentence served by someone in the United States convicted of murder and given life imprisonment, they know that life imprisonment means a couple of years, maybe a decade at most.

In an April 1985 issue of the New Republic, Mayor Ed Koch illustrated the power of the death penalty in an equally concrete manner. "Consider the tragic death of Rosa Velez, who happened to be home when a man named Luis Vera burglarized her apartment in Brooklyn. 'Yeah, I shot her,' Vera admitted, 'She knew me, and I knew I wouldn't go to the chair.'" The absence of the death penalty, it seems, may not only permit more murders, but murders with impunity and the arrogance manifested by Mr. Vera.

The question of deterrence has special relevance for a group long neglected by the U.S. Congress, that is, the officers of our Federal prisons. Stephen Trott, the Assistant Attorney General for the Criminal Division of the Justice Department, addressed this issue in a letter to the editor he composed in 1984. The letter responded to a Los Angeles Times editorial which condemned the death penalty as "morally impermissible." Trott noted the "serious problem of protecting prison officers and prison inmates from dangerous prisoners who are serving life sentences for murder without the possibility of parole. Five Federal prison officers have been killed during the last 14 months by inmates serving natural life sentences for the crime of murder. Is it a just result that no additional punishment be imposed for such heinous crimes, leaving such inmates to murder with impunity? Is it morally permissible to leave inmates and prison officers at the 'mercy' of such savage killers?

"Rather than print literary quotes from William Styron to support your opinion, I would like to see instead what you would offer to the families of prison officers killed in the line of duty about what is and is not 'morally permissible.'

"Styron's words, as repeated by you, serve as no comfort whatsoever to widows and children deprived of their husbands and fathers. What kind of obligation do we have to them and those officers against whom prisoners have not yet exacted the death penalty? I submit that it is an obligation to protect them to the constitutional limit of our capacity by imposing the death penalty as a sanction against such hideous behavior."

Trott's observations have been supported by the U.S. attorney for the District of Columbia, Joseph DiGenova. In a 1984 interview with the Washington Times, DiGenova commented: "The thing I find most disturbing about the lack of capital punishment is the increasing number of prison guards who are being murdered. There is no other way to deter that behavior. Inmates who are in prison for a long period of time can essentially get a free ride. They are in jail already and can kill guards with impunity."

Finally, we cannot forget the brutal murders carried out within the maximum security section of the Federal penitentiary at Marion, IL. The first incident at Marion involved an inmate who used a knife to inflict over 40 stab wounds on a correctional officer. This senseless act was committed in full view of other staff and inmates. The second incident in that same day involved an inmate who apparently slipped out of his handcuffs and stabbed an officer with a homemade knife. As other staff members rushed to assist the officer, one of them was wounded and another stabbed to death. As one can imagine, this has not only been a tragedy for the families of the slain officers but for the entire Federal law enforcement system as well.

In my opinion, Members of Congress have a moral responsibility to consider whether they can continue to ask prison guards to perform their functions. Those men not only provide essential services in the most grim of settings, but they do so at serious risk to their lives. The death penalty is the only sanction available to us to help dissuade long-term convicts from additional brutality in prison. And yet we in the Congress have refused to do what we can to deter hardened felons from maiming and murdering these public servants.

But the death penalty serves an even more elemental function than the deterrence of criminals from committing heinous acts. It protects society from its most dangerous members. When the death penalty is imposed upon murderers, it preserves the lives of individuals from those murderers who might otherwise have been released on parole, only to kill again. Some doubt that such horrible things can happen. Surely, they say, our Government officials would not permit highly dangerous people, people who have killed and are perfectly capable of killing again, from roaming the streets. But Government officials can in fact permit such developments. Two weeks ago, the Bureau of Justice Statistics, a division of the Department of Justice, released a report that outlined a significant pattern of leniency in State prisons. The report indicated that over 50 percent of the convicted murderers freed from prison in 1983 had served terms of less than 7 years. Over 700 people with life sentences were released from prison in 1983—and those only in the 21 States examined by the bureau. According to a Washington Post account of the report, "The survey of more than 300,000 criminal cases . . . also found that 18 percent of those sentenced to life imprisonment served 3 years or less before being released." Finally, the study noted that the median time for a life sentence is less than 9 years. Speaking frankly, I can only surmise from such statistics that in certain localities the term "life sentence" has lost its meaning.

One may recall the case of Theodore Streleski, a graduate student at Stanford who clubbed his professor to death with a hammer. Streleski said that he was frustrated with his professor over not being awarded a doctorate, and that his act was "morally correct." He refused to undergo pyschotherapy in prison because such actions would be "indicative of remorse." When this obviously dangerous individual became eligible for parole after just 5½ years, he opted to serve the full—albeit lenient—8 years of his term. Calling prison "a sort of utopia with constraints," he said he was happy to stay there until he could be released without any sort of constraints.

In his essay in the New Republic, Mayor Ed Koch described what can happen when this sort of individual is released. Louisiana authorities, he recounts, executed Robert Lee Willie in December 1984. He was punished for raping and then murdering an 18-year-old woman. It may be shocking to learn of such a crime. But it is astounding to discover that Willie had previously been convicted of aggravated rape, aggravated kidnaping, the murder of a Louisiana deputy and the murder of another man from Missouri.

Assistant Attorney General Stephen Trott provided an equally disturbing instance of peril in his 1984 letter to the Los Angeles Times. Replying to the editors' arguments about the death penalty, he states:

> You falsely assume that one consideration—vengeance—is served by the death penalty. Not true. The real end served by the death penalty is the protection of innocent life. Eddie Simon Wein, for example, was sentenced to death in Los Angeles Superior Court in 1957. Instead of being executed, he was released from prison in 1975 to live in West Los Angeles, without any warning to his neighbors. Within months, he began to attack and kill women in the area. Fortunately for the other potential victims, his apprehension was—relatively—swift. He was convicted in 1976 of first degree murder of one woman, attempted murder of another, and numerous sexual offenses. The woman who was killed by Wein and the woman who was scarred by him for life would not have been the victims of his crimes if Eddie Wein had been executed as originally decreed. This is a situation where the death penalty would have spared a life.

In light of these observations, it seems clear to me that Government officials cannot claim that they have acted responsibly when they have refused to take the requisite actions to prevent deadly criminals from killing again and again.

One must not forget, however, that there are criminals far more fearsome than the domestic murderer. The activities of international terrorists have spread like a wave across the entire globe, and now require legislative responses appropriate to the gravity of the terrorist threat. From the point of view of justice, it boggles the mind to consider that even if the murderers of Leon Klinghoffer were caught, brought to trial and convicted of their despicable acts, even if the judges and juries were fully aware of the cold-blooded manner in which Mr. Klinghoffer was executed, these terrorists could not suffer the maximum punishment they so richly deserve. Instead, the courts would confine them to prison, a "solution" that might bring about the worst of all possible worlds. One has only to recall the heyday of the Italian Red Brigade and the German Baader-Meinhof units to remember that the imprisonment of key terrorists only incites those still free to try to liberate their comrades. Only last year, key leaders of the deadly Japanese Red Army were released by their Israeli captors in exchange for captured Israeli soldiers. While the imprisonment of terrorists may seem to some a humane alternative to execution, it in fact only engenders additional terrorism even as the eventual freedom of such criminals remains a distinct possibility. Speaking for myself, I find nothing "humane" about such consequences.

While we must recognize the danger posed to American citizens and our national will by terrorists, we must also perceive that our national security is being vigorously assaulted by espionage. As I noted earlier, the Congress has acted to ensure that members of the Armed Forces engaging in espionage are subject to capital punishment. But civilians and employees of nonmilitary government agencies can still betray their country with only the prospect of a prison term to darken their consciences. John Walker will probably serve about 20 years in a Federal penitentiary, and he may still believe that his betrayal of sensitive command-and-control data to Moscow proved a justifiable gamble, given the lucrative financial and material rewards he received from his Soviet benefactors. Someone about to die in the electric chair could harbor no such illusions.

In an article in the June 28, 1985 edition of the Los Angeles Times, Paul Johnson, author of Modern Times, formerly editor of the New Statesman, illustrated both the seriousness of the crime of espionage and the reasons why capital punishment must be a possibility for those who commit it.

> For a citizen of a democracy under the rule of law to spy for an expansionist, totalitarian enemy falls into the most serious category of offenses that a human being is capable of committing.
>
> Even within this category, however, there are degrees of atrocity. The offense is more grave if the guilty man or woman is a member of the Armed Forces or other Government agency and thus is in a breach of oath and trust. The worst case of all is where the offender's position in the State service gives access to information of the highest secrecy and importance, and where this is the subject of treason.
>
> We have in such a case a crime of unique depravity. It is worse than mass murder, for one has to assume—and the offender, in committing it made the assumption—that the information could, in the event of war, lead to the deaths of hundreds—perhaps thousands, perhaps even millions—of compatriots, a slaughter far beyond the capacity of a single assassin.

Johnson then places espionage in the context of our own time, with its particular moral and strategic gridlocks. "In the peculiar circumstances of the Cold War, the crime acquires an added degree of wickedness. It is well known that the United States forms the only real barrier to Soviet expansion, and that if this barrier were removed, free institutions and people everywhere would be in jeopardy. It is also well known that the United States maintains this barrier largely by its technological superiority in certain arcane areas of military science.

> The original act of treason, then, would be a crime * * * against humanity, against all those who choose to live in societies based on consent and the process of law. Indeed, it would be a crime against posterity, too, for its consequences might well commit unborn generations to live their lives in servitude.

Johnson then asks, "How can a crime of this magnitude be punished adequately? It seems to me that to deprive the convicted felon of his or her life is the only way a civilized society can repond both prudently and justly.

> Prudently for two reasons: First, deterrence. The age of the ideological traitor is over, the age of the mercenary traitor has begun. For spies who convey secrets not from conviction, but for money, who are motivated by a rational calculation of greed, the death penalty is an undoubted deterrent.
>
> The second utilitarian calculation is that the Soviet spymasters have repeatedly taken advantage of the West's unwillingness to execute spies. Some, like British master spy George Blake, they have actually sprung from jail. They have negotiated the release of others, sometimes by arresting Western citizens on trumped-up charges. There is thus no absolute guarantee that a spy sentenced to life imprisonment will serve it. It is a comfort to actual spies and an encouragement to would-be spies that, even in the worst possible circumstances, the most they will face is prison, and that even there they are under the long, protective arm of the KGB.

□ 1615

It just seems to me, Mr. Speaker, that we have compelling evidence to suggest that the death penalty is morally justified, politically justifiable and, in fact, more than that, in some circumstances morally required if we are to remain a free society, if we are to properly punish those who would victimize innocent members of the U.S. civilization.

Mr. Speaker, it does us a disservice, it does the American people a disservice for us, the people's House, to ignore this question. There is a large debate on it and there are sincere beliefs on both sides, but we owe it to the American people to have the issue debated, and I would suggest to have the issue voted on and passed on to the President for his signature.

Mr. **GEKAS**. Mr. Speaker, will the gentleman yield?

Mr. **LUNGREN**. I am happy to yield to the gentleman from Pennsylvania, the ranking Republican member of the Subcommittee on Crime of the Judiciary Committee, the committee that, in fact, has jurisdiction over this question.

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Mr. GEKAS. I thank the gentleman for yielding and want to commend him on the excellent statement and review of the compellingness of bringing the death penalty legislation to the floor for a final vote by the House of Representatives.

As the gentleman well knows, the reason that today we do not have the opportunity in the near future to debate this on the floor of the House is because of the staunch oppostion to it by a mere handful of the members of the Judiciary Committee. So we have had to resort over the past few years to parliamentary maneuvers and amendments on and off the floor of the House to get the message across that the majority of the House, reflecting the majority of the American people, want to lodge into the American jurisprudence a carefully crafted death penalty procedure to accompany the death penalty that is already on the books.

In that regard, I want to also commend the gentleman for participating in that dramatic moment when in subcommittee, we were able to append the death penalty, for the first stage of the proceedings at least, to the terrorism to which the gentleman alluded in his fine remarks. That means to me that we have a possibility, a good chance in the full Judiciary Committee, to revive the debate and then bring that to the floor.

But can you imagine, to add to your woes, your complaints about the absence of the death penalty, that at this very moment, God forbid if the President of the United States were the target of an assassination attempt. The death penalty would not apply. Why? Because this handful of people have chosen, for their philosophical, personal beliefs, or for other reasons, to keep it from coming to the floor.

We are going to persevere, I say to the gentleman from California, and will have a full vote one day, and because of the rationale that the gentleman espouses, and which he projected during this special order, I venture to say that we are going to succeed in having the death penalty restored to the Federal jurisdiction.

Mr. LUNGREN. I thank the gentleman for his comments. I should suggest that the gentleman is one of the leaders in the House on this question. The gentleman has legislation, has pursued legislation on this matter for some time. I am hopeful, as he is, that we will have the opportunity to deal with this legislation.

But, faced with what I think is an obvious and convincing case for sanction of life against violent criminals, that is, with taking their life from violent criminals, and faced with the immediate availability of appropriate legislation, the gentleman has legislation, the gentleman from New York [Mr. Solomon] has legislation, the gentleman from Florida [Mr. McCollum] has legislation, and there is other legislation that has been introduced, I wonder how people can justify the continued procrastination on the critical issue.

Apparently some of our more liberal Members in this House can and do. Some of them proclaim that the death penalty is barbaric. They say it is discriminatory, and they point to a lack of capital punishment in other democracies.

It was interesting that Mayor Koch responded to this very argument recently and he said this:

> Opponents of the death penalty frequently cite the sixth of the Ten Commandments in an attempt to prove that capital punishment for a variety of offenses. The biblical viewpoint has been upheld by philosophers throughout history. The greatest thinkers of the 19th century—Kant, Locke, Hobbes, Rousseau, Montesquieu, and Mill—agreed that natural law properly authorizes the sovereign to take life in order to vindicate justice. Only Jeremy Bentham was ambivalent. Washington, Jefferson, and Franklin endorsed it. Abraham Lincoln authorized executions for deserters in wartime. Alexis de Tocqueville, who expressed profound respect for American institutions, believed that the death penalty was indispensable to the support of social order.

☐ 1630

Mayor Koch also dismisses charges that racial discrimination takes place in the assessment of capital punishment.

> The appeals process for a condemned prisoner is lengthy and painstaking. Every effort is made to see that the verdict and sentence were fairly arrived at. However, assertions of discrimination are not an argument for ending the death penalty but for extending it. It is not justice to exclude everyone from the penalty of the law if a few are found to be so favored. Justice requires that the law to be applied equally to all.

Recently, the Washington Legal Foundation prepared a position paper entitled "Capital Punishment 1986: Last Lines of Defense." The paper addressed itself to several topics, among which was the issue of race discrimination in capital punishment. The paper cited a Department of Justice report which indicated that, in fact, the death penalty has been meted out more readily to white defendants. While 12 out of every 1,000 blacks convicted of murder or manslaughter were sentenced to death, 16 out of every 1,000 whites were given the death penalty; 1.1 percent of black inmates on death row were executed; 1.7 percent of white death row inmates were executed. Finally, court rulings released a larger percentage of black death row inmates (37 percent) than of white (35 percent).

Now, to many of the blacks who are victimized in the inner city—and they are victimized by murderers to a far greater extent than people who live in the suburbs and of the majority population in this country, I do not think that is very comforting.

In fact, to them, this whole argument about discrimination is moot. They are being killed at an unbelievable rate in this country. The leading cause of death to black men between ages 18 and 24 in the United States today is not to cancer, is not to heart disease, it is to murder.

It seems to me we owe consideration of this to members of the minority community as well as other citizens.

As for the comparison with other democracies, Koch comments:

> No other major democracy—in fact, few other countries of any description—are plagued by a murder rate such as that in the United States. Fewer and fewer Americans can remember the days when unlocked doors were the norm and murder was a rare and terrible offense. In America the murder rate climbed 122 percent between 1963 and 1980. During the same period, the murder rate in New York City increased by almost 400 percent, and the statistics are even worse in many other cities. A study at the Massachusetts Institute of Technology showed that based on 1970 homicide rates a person who lived in a large American city ran a greater risk of being murdered than an American soldier in World War II ran of being killed in combat. It is not surprising that the laws of each country differ according to differing conditions and traditions. If other countries had our murder problem, the cry for capital punishment would be just as loud as it is here. And I daresay that any other democracy where 75 percent of the people supported the death penalty would soon enact it into law.

Mr. Speaker, Mayor Koch is exactly right. It is no wonder that many Americans feel frustrated about law enforcement. When they know that the death penalty can deter criminals, when they know that it can make the streets of our cities safer, and when they know it can provide just sanctions against the spies and terrorists who threaten the foundations of our society, and yet the Congress remains silent, who can blame them for losing faith in our criminal justice system? Let us consider the lives and even freedoms that may be lost as a result of continued inaction. Let us consider the effect of continued ignorance of the popular will on the compact that exists between the Government and the governed. When we do so, it becomes clear that capital punishment legislation is not merely important, but urgent. We must enact it, and we must enact it in 1986.

Mr. Speaker, I now yield to the gentleman from Arizona [Mr. Rudd].

Mr. RUDD. Mr. Speaker, I appreciate the fact that the gentleman from California [Mr. Lungren] has taken out a special order on this very important subject, and I take great pleasure in joining him in this special order.

Mr. Speaker, currently, the death penalty is already available under a limited number of provisions in Federal law.

Opponents to capital punishment contend that it fails to serve as a viable deterrent to criminal activity and that it constitutes cruel and unusual punishment for those convicted of certain offenses.

As we examine a criminal justice system that breeds repeat offenders and that makes it a practice to afford shorter periods of actual hard time for convicts, Congress must act in order to effectively reduce crimes against the person.

The only reason capital punishment is not the deterrent it can be is because of the knowledge that it takes extended periods of time to review a death sentence in the court system. The time, effort and money that is expended during this process makes it less likely to be pursued except in rare cases. The only effective deterrence is swift and certain punishment upon conviction. Antisocial behavior resulting in the death of innocent victims needs to be severely dealt with. By its very design, our penal system is set up to rehabilitate and not deter. Capital punishment legislation fills this void.

I ask my colleagues to consider the following: What obligation does society have to feed, clothe, house, educate, job train and provide medical care to repeat convicted felons who have raped, murdered and robbed and ravaged their fellow citizens? We take better care of our criminal population than we do the victims of their activity. Is that logical? Is it morally responsive? I think not.

The argument that capital punishment is cruel and unusual never ceases to amaze me. I maintain that incarceration for extended periods of time—15, 25, 35 years—is a fate worse than death. Opponents of this legislation fool themselves by thinking that caging up human beings for life is somehow more humane than capital punishment. We live and thrive on our freedom, and without it we perish.

Punishment must fit the crime if deterrence is to be achieved. I ask my colleagues to support capital punishment legislation. The choice is one between more victims, more social ills, more prisons, increased costs of safer streets and neighborhoods.

Mr. LUNGREN. I thank the gentleman for his comments, and I yield to the gentleman from California [Mr. Lagomarsino].

Mr. LAGOMARSINO. Mr. Speaker, I would like to join in this special order in the House on the need for action on capital punishment legislation. As a former trial attorney, I have seen firsthand the deterrent effect that the death penalty can have. And as you know, a recent Gallup poll shows that 72 percent of the American public favors the death penalty for persons convicted of murder. We have seen the effects of a society without it—violent and senseless criminal acts and a dramatic and threatening increase in espionage-related activities. These crimes must be deterred or punished by a death penalty statute.

We in thg Congress have a special duty to show support for the imposition of the death penalty in certain cases and to affirm one of our Nation's basic beliefs that society's primary responsibility is to protect its members so they might live in safety. The American public wants the Congress to pass a death penalty statue and I believe it's time for us to take action.

Mr. LUNGREN. I thank you for your comments.

I would like to conclude by saying, just give us a chance, Mr. Speaker, and the leadership of the House, to deal with this issue. That is all we ask; that is all the American people ask.

MESSAGE FROM THE SENATE

A message from the Senate, by Mr. Hallen, one of its clerks, announced that the Senate had passed a bill and concurrent resolution of the following titles, in which the concurrence of the House is requested:

S. 1017. An act to provide for the transfer of the Metropolitan Washington Airports to an independent airport authority; and

S. Con. Res. 128. Concurrent resolution to commemorate the bicentennial of Australia and to honor the April 1986 visit of Australian Prime Minister Robert Hawke to the United States.

ORDER OF BUSINESS

Mr. SKELTON. Mr. Speaker, I ask unanimous consent that my special order precede the special order of the gentlewoman from Louisiana [Mrs. Boggs].

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Missouri?

There was no objection.

RECOGNIZING THE FRIENDSHIP AND ASSISTANCE OF THE GOVERNMENT AND PEOPLE OF GREAT BRITAIN

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Missouri [Mr. Skelton] is recognized for 5 minutes.

Mr. SKELTON. Mr. Speaker, during times of difficulty and trial, nations as well as individuals learn who their friends are and those upon whom you can count.

In the recent episode regarding Libya, regarding the need to put an end to the terrorist formentation in Libya, the United States sought cooperation, help and assistance from our European allies.

Today I am introducing a resolution to express the gratitude of the American people for the assistance provided by the Government and by the people of the United Kingdom during our defensive operations carried out against Libya on April 14.

Mr. Speaker, I am also troubled that other allies, given the opportunity to assist us, such as allowing our fighter bombers to overfly their territory were not as cooperative.

In this resolution I am introducing, I state that there is a rising tide of State-sponsored international terrorism and that this constitutes a direct threat to the security of our country as well as to our European allies, and that the American and European civilians and military personnel have been victims of these terrorist acts that have been directed by the Government and individuals in Libya, and that our Government is possessed of hard evidence that further Libyan-planned and supported terrorist acts against American nations and our installations are emminent, and that, Mr. Speaker, under article 51 of the U.N. Charter, which unequivocally sanctions the use of military force in self-defense, that we did take these acts on April 14.

Then on that day, the naval and air forces of our country did conduct defensive operations against Libya, and that the Government of the United Kingdom did allow, at the request of the United States, the U.S. Air Force FB-111s, fighter bombers, stationed in Great Britain, to be used against the Libyans to put an end to this terrorist situation.

Mr. Speaker, my resolution today states that we as a people in the United States are deeply grateful to the Government and the people of the United Kingdom who assisted us in our trial and need and also that this resolution, House resolution, once it passes, be delivered to the Ambassador of Great Britain, here in Washington, DC.

It is this that I wish to commend a friend and ally through the years; they stood with us.

I am proud of the people of Great Britain, I am proud of their friendship, I commend them for standing fast.

The resolution follows:

H.J. Res. —

A resolution to express the gratitude of the American people for the assistance provided by the government and people of the United Kingdom during defensive operations carried out against Libya on April 14, 1986

Whereas the rising tide of state-sponsored international terrorism constitutes a direct threat to the security of the United States and its European allies; and

Whereas American and European civilians and military personnel have recently been victims of terrorist acts directed by the government of Libya; and

Whereas the government of the United States possessed incontrovertible evidence that further Libyan-planned and supported terrorist acts against American nationals and installations were imminent; and

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Whereas Article 51 of the United Nations Charter unequivocally sanctions the use of military force in self-defense, collectively as well as by individual members; and

Whereas on April 14, 1986, naval and air forces of the United States conducted defensive operations against Libyan military bases and terrorists training facilities in order to prevent those imminent terrorist attacks; and

Whereas the government of the United States sought the permission of the government of the United Kingdom to allow U.S. Air Force F-111 bombers stationed in Great Britain to participate in those defensive operations; and

Whereas the Prime Minister of the United Kingdom granted that permission; and

Whereas the use of the F-111 bombers substantially reduced the risk to American servicemen and significantly contributed to the success of their mission; and

Whereas such exemplary cooperation as that extended by the government of the United Kingdom in this instance is necessary to effectively combat terrorism: Now, therefore, be it

Resolved, That the House of Representatives—

(1) on behalf of the people of the United States expresses gratitude to the government and people of the United Kingdom who resolutely assisted the United States in the legitimate exercise of self-defense and the fight against state-sponsored international terrorism; and

(2) directs the Clerk of the House to transmit a copy of this resolution to the United Kingdom's ambassador to the United States.

☐ 1640

ELDERLY HOUSING PROGRAM UNDER SECTION 202 HIGHLIGHTS

The SPEAKER pro tempore. Under previous order of the House, the gentlewoman from Louisiana [Mrs. Boggs] is recognized for 10 minutes.

Mrs. BOGGS. I thank the Speaker so much.

As the House of Representatives prepares to consider the supplemental appropriations bill and the disapproval of a number of proposed deferrals, many related to housing assistance for low- and moderate-income Americans, I thought it a most appropriate time to call our colleagues' attention to the very real success story of HUD's Section 202 Loan Program, which assists nonprofit organizations or sponsors in providing housing for the elderly and handicapped who are of low or moderate income.

I am deeply concerned that the administration has requested rescission of funds for the Section 202 Program in fiscal year 1986 and has requested no funds for the program in fiscal year 1987. Along with many of our colleagues, I continue to subscribe to the goal, first expressed in the Housing Act of 1949, of decent, safe and sanitary housing for all Americans. Good quality, affordable housing for our growing elderly population is in short supply, yet the kind of housing provided through the Section 202 Program has often been found to help the elderly live independent lives, avoiding the need for confinement in nursing homes.

There are many 202 projects throughout the Nation that deserve our praise. I should especially like to compliment the initiative and leadership of the archdiocese of New Orleans in making use of the Section 202 Program to provide fine housing for over 1,800 elderly and handicapped area residents. The kinds of projects developed in the New Orleans area and operated by the Sisters of the Holy Family and other religious orders and nonprofit organizations offer inspiring examples of the great gains that can be made with a little Federal help and encouragement.

I would like to share with you some excerpts from an article which appeared in the March 8, 1986 issue of America Magazine written by Joseph H. Fichter, S.J., a sociologist at Loyola University in New Orleans. Father Fichter tells the story of the successful archdiocesan effort to provide housing for the elderly and handicapped in the New Orleans area through the Section 202 Program. He highlights a residential community known as St. John Berchmans Manor, operated by the Sisters of the Holy Family.

In addition, I would like to share with our colleagues a letter to the editor of America submitted by our esteemed colleague, the gentleman from Texas [Mr. Gonzalez] chairman of the Banking Committee's Housing Subcommittee. Chairman Gonzalez notes the many accomplishments of the Section 202 Program and urges that we as a nation make certain that we can provide more St. John Berchmans Manors for Americans. I certainly share his views.

St. John Berchmans Manor in New Orleans, La., is a high-rise, 150-unit residence for elderly persons of low income, built with a Department of Housing and Urban Development (H.U.D.) loan and managed by the sisters of the Holy Family. The tenants must be at least 62 years of age and have an annual income of no more than $9,650. The sisters have been approved for another 40-year Federal H.U.D. loan, this time to build a 50-unit high-rise next door to their Lafon Nursing Home. All plans and blueprints have been completed, but the specific allocation of funds has been delayed. The proportion of needy elderly is increasing in the New Orleans population, while the Federal commitment to such housing appears to be gradually eroding.

The 1971 White House Conference on Aging had recommended the construction of 120,000 units of housing for the elderly annually. In no single year since then has Congress appropriated sufficient funds to provide more than 30,000 such housing units. In 1984, the Federal Government approved only 12,000 units of Section 202 housing for the elderly. For 1986, the allocations across the country are for only 14,000 units of elderly housing, but there was included on the agenda of the Appropriations Committee an item to freeze all section 202 allocations. While the need is immense and growing, the Federal retrenchment of funds for elderly housing is exacerbating the problem. Nevertheless, the long-term loans and rental subsidies from H.U.D. made possible 10 archdiocesan housing projects providing 1,835 apartments for the elderly poor and handicapped in the New Orleans area. The Archdiocese now boasts one of the largest privately sponsored housing programs in the United States.

The sisters undertook this venture into congregate housing for the elderly poor at the inspiration of Archbishop Philip M. Hannan, who was alerted to the shortage of housing from his first days in New Orleans. On his arrival in 1965, he was greeted with the devastation wrought by Hurricane Betsy, especially on the homes of the poor. He was met by Eugene McManus, S.S.J., a trained sociologist with long experience among the local black parishes, who urged application for Federal loans under Section 202 of the 1959 Housing Act. Father McManus, a member of the Mayor's Housing Committee and local chapter president of the Urban League, contacted Michael O'Keefe, William Guste, Clarence Jupiter, Louis Reed and others to organize Christopher Homes, Inc., a nonprofit corporation to develop housing for low-income people.

The residents of St. John Berchmans Manor are among the fortunate minority of low-income senior citizens able to obtain such housing accommodations. Sister Rose de Lima Hazeur, S.S.F., manager of the Manor, reports increasing numbers of frustrated applicants. St. John Berchmans Manor exemplifies the ingenuity and courage of the Holy Family Sisters who own and staff the facility that was built on land belonging to their religious community. All the other Federally financed projects under diocesan sponsorship were built on land acquired by the Archbishop for this purpose. Assuming the administration of these housing complexes constituted a new and additional apostolate for the religious sisters of six different communities.

The residents of St. John Berchmans Manor are among the fortunate minority of low-income senior citizens able to obtain such affordable housing accommodations. They are the envy of thousands of similarly qualified "outsiders" looking for similar housing that simply does not exist.

There are positive benefits that accrue beyond the routine of moving into safe, comfortable, affordable living quarters. James Broder points out that such nonprofit housing for the elderly can increase healthy lifespans. He states: "Because of social involvement, emotional and physical security, and the services that can be provided, people occupying such housing tend not to deteriorate in many of the ways associated with aging. Residents of such housing tend to live more active, healthier lives and require less institutionalization."

The promotion of this expanding social ministry may provide apostolic opportunities for other Catholic dioceses and religious communities.

In response to this splendid article, Mr. Gonzalez wrote the following letter to the editor of America.

Congressional Voice for the Poor

I wish to commend Father Joseph H. Fichter, S.J., and America for presenting in his fine article "Shelter for the Elderly Poor" (2/1) the story of a very successful housing project sponsored by the Archdiocese of New Orleans, assisted by the Federal Government and managed by the Sisters of the Holy Family.

Under the President's budget submitted to the Congress this week, funds Congress already appropriated for the Section 202 elderly-housing program are proposed to be rescinded, and no funds would be made available in F.Y. 1987. In October 1984, just a month before the November elections, President Reagan presided over the opening of a Section 202 project in Buffalo, N.Y., sponsored by the Diocese of Buffalo and managed by a religious community in a way similar to that of the St. John Berchmans Manor project.

The Administration sought to end the Section 202 program last January but was unable to convince the Congress. Again this year we are being confronted, under the budget-cutting mania brought upon us by the Gramm-Rudman Act, with proposals to terminate all of the Federal Government's efforts to provide housing for low- and moderate-income people.

Those of us in Congress who support this 50-year commitment on the part of the Federal Government to provide decent, safe and suitable housing for our low- and moderate-income people have been fighting a lonely and essentially rear-guard battle against a popular President who dismisses the Section 202 elderly and all of our housing programs as not being part of the Government's responsibility. The Subcommittee on Housing and Community Development has heard testimony throughout the country on the success of other Federally assisted housing projects and has heard testimony from members of church-related groups, including that of Cardinal John O'Connor of New York City, that have cleverly and industriously found ways to assist low-income people, albeit in very small increments. Unfortunately, too little of this effort has been brought forth in the public media. Whether this is a reflection of the fact that housing for our citizens is no longer a priority on the social agenda of our country or that the media have been more enamored with the issues that the President has presented is difficult for me to determine.

If the President's agenda is adopted by the Congress and the American people, there will be no additional units of low-income housing for the growing number of poor families and no further commitment by the Federal Government to housing as an essential element in the traditional values of family life in our country.

If the church communities do not speak out loudly in protest of this direction of policy, then no one will. We will have submitted to the propaganda that Federally assisted low-income housing has been a failure. But it has not failed, as Father Fichter has demonstrated in his article. There are hundreds of such projects throughout this country.

I believe that we could strengthen and enhance the viability of Federally assisted low-income housing by having more St. John Berchmans Manors where church-related groups are working together in a supportive role with low-income tenants in managing and operating projects, providing various counseling services and encouraging the political support necessary to continue the Federal Government's financial commitment to low-income people in need of housing.

Mr. Henry B. Gonzalez,
U.S. House of Representatives.
Washington, DC.

ORDER OF BUSINESS

Mr. WYLIE. Mr. Speaker, I ask unanimous consent to proceed for 5 minutes ahead of any special orders heretofore granted.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Ohio?

There was no objection.

CREDIT LIMITS FROM GNMA AND FHA

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Ohio [Mr. Wylie] is recognized for 5 minutes.

Mr. WYLIE. I thank the Speaker.

I take this time to respond to an inquiry from many of my colleagues as to what we are doing about the credit limits for Ginnie Mae and FHA. I have had calls from mortgage lenders, home builders, and realtors, too.

May I say to the gentlewomen from Louisiana who just preceded me in the well that the section 202 elderly housing program is healthy and is here to stay, and I would not have too much apprehension about it.

But I would like to say that yesterday I introduced legislation along with the distinguished chairman of the Committee on Banking, Mr. St Germain, and the distinguished chairman of the Housing Subcommittee, Mr. Gonzalez, and the distinguished ranking minority member of the Housing Subcommittee, Mr. McKinney.

The bill to which I refer is H.R. 4602, the FHA/GNMA Credit Assistance Act of 1986.

This is a measure which is critical to the Nation's home buyers. Last week we were advised that the Federal Government had reached the legal limit on the amount of mortgages it can guarantee in this fiscal year. The Government National Mortgage Association, which is popularly known as Ginnie Mae, has a statutorily established credit limit of $65.3 billion.

☐ 1655

Ginnie Mae acts as a secondary mortgage market for FHA and VA loans by guaranteeing securities backed by privately issued mortgages which are underwritten by the Federal Government. Through its Mortgage-Backed Securities Program, Ginnie Mae channels funds from the Nation's securities markets into the housing market.

Ginnie Mae's Mortgage Backed Securities Program has not only increased the overall supply of mortgage credit for housing, but has accomplished this while at the same time assuring that credit is available at reasonable rates.

Due to the unprecedented heavy activity in FHA home mortgages, it is clear the FHA credit limit will soon be depleted for this fiscal year also.

Since the latter part of 1984, the housing industry has experienced a spectacular and unprecedented surge in home sales activity. This substantial increase in housing sales has been largely attributable to a steady decline in long-term interest rates. As long-term interest rates have declined, home ownership opportunities have increased dramatically. For example, since the fourth quarter of calendar year 1984—when the current surge began—interest rates have dropped by approximately 3.5 percent and now are under 10 percent for the first time in almost 8 years. At these current low rates, the number of households which would qualify to purchase the median priced home has increased by approximately 8.1 million. The success of this administration's efforts to foster a healthy rate of economic growth with reduced rates of unemployment and a largely inflation free environment is clearly in evidence in the housing sector of the American economy.

The Department of Housing and Urban Development reports that single-family unit applications at the end of February totaled 547,740 and are double last year's activity for the comparable period. At the current pace, HUD conservatively estimates that single-family unit applications could exceed 1.5 million compared with the 1986 budget projections for 900,000 units. These statistics are staggering and are a tribute to the economic recovery in the housing industry. It now appears virtually certain that, short of a dramatic rise in interest rates, demand for FHA mortgage insurance this year will be the highest in the FHA's 52-year existence.

In view of this unprecedented demand for home credit, our legislation would increase the limitation of the amount of FHA commitments to insure mortgages and loans from $57.4 billion up to $95 billion. Also, the limitation on commitments to guarantee Ginnie Mae mortgage-backed securities would be increased from $65.3 billion up to $100 billion.

I believe it is important to remind my colleagues that these figures represent credit limits and are not disbursements from the U.S. Treasury.

It is important to note that the Federal Housing Insurance Funds are on an actuarially sound footing. In fact, I should emphasize that the increased applications for mortgage insurance during this fiscal year can be expected to generate an estimated $948 million in additional receipts in 1986 and 1987 from prepaid premiums collection.

Mr. St Germain, Mr. Gonzalez, and Mr. McKinney and I have sent around a "Dear Colleague" letter. I hope that Members of the House will join us in

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acting immediately on this legislation. There are thousands of would-be homeowners who have waited for interest rates to fall to a level that would allow them to fulfill their dream of an affordable home. With FHA insurance, that is possible now; without FHA insurance, it may not be possible.

Mr. Speaker, the dollar limits set forth in H.R. 4602 legislation are based on data provided by HUD as of the end of March. I firmly believe we must act now and correct this rapidly escalating problem.

Mrs. BOGGS. Mr. Speaker, will the gentleman yield?

Mr. WYLIE. I would be glad to yield to the gentlewoman.

Mrs. BOGGS. Mr. Speaker, I thank the gentleman for yielding.

Mr. Speaker, I commend the gentleman for bringing forth the legislation in a very timely fashion to assure all the people who have such concern and worry that they will indeed have their difficulties taken care of.

I also wish to commend the gentleman for standing stalwartly behind the 202 Program. I had the pleasure of serving with the gentleman in the well in the Banking Currency Committee and the Housing Subcommittee before I went over to the sister Committee on Appropriations, and I have always found the gentleman to be one of the stalwarts in support of housing for all of the American people, clean, safe, decent, and affordable housing.

Mr. WYLIE. Mr. Speaker, I thank the gentlewoman for that compliment and for her contribution. It was indeed a pleasure to serve with the gentlewoman on the Banking Committee. The gentlewoman did perform a distinguished service.

What I meant to do when I got up here, and I do appreciate the statements the gentlewoman made with reference to the elderly 202 Housing Program, it has been a good program. It has served its purpose well. I want the gentlewoman to know of my commitment to continue the 202 Elderly Housing Program. I think that there is little reason for apprehension, that it will be continued at least through this fiscal year and into the next.

I do hope the gentlewoman will sign on the bill which we introduced today.

THERE YOU GO AGAIN

The **SPEAKER** pro tempore. Under a previous order of the House, the gentleman from Georgia [Mr. GINGRICH] is recognized for 60 minutes.

Mr. GINGRICH. Mr. Speaker, "There you go again" is the title of this particular special order. I want to use that phrase to refer to what I think are three very different problems that affect us here in the U.S. House of Representatives and that we need to look at as they relate to the American people and where we are at today.

Many Americans will remember that "There you go again" was the phrase that then candidate Ronald Reagan used in his debates with President Jimmy Carter when President Carter would exaggerate a particular position or would state about Ronald Reagan's position things that then Governor Reagan thought were not accurate. The way he would respond is by saying, "There you go again."

I gave a special order, I guess, 2 weeks ago, a 5-minute special order about the way in which the House had suddenly been adjourned one night, the reasons that were given for that adjournment. And I wish at the time I had thought of saying, "There you go again," because it just was not, in my judgment, an accurate statement of what happened.

Today we had a debate where I think the Republican Party communicated as decisively as it could how deeply upset it is, how deeply offended it is, by the way in which the Democratic leadership structured this particular opportunity to vote on aid to the freedom fighters.

While I am going to talk some about the Democratic leaders of the House, I want to make clear that on a number of these problems, it is not purely a partisan disagreement. I think the gentleman from Washington [Mr. FOLEY] was right today when he said that we face a bipartisan problem on the issue of how we defend freedom and how we deal with the transnational strategies of the Soviet empire attempting to extend tyranny.

Clearly there are some Republicans who would vote against aid to the freedom fighters. There are many courageous Democrats who spoke and worked and argued for and voted for aid to the freedom fighters. It is not purely a partisan issue, but it becomes an issue of the Democratic leadership, because the Democratic leadership runs the House. It sets the rules. It decides on the committee structures. It ultimately decides on the calendar. In effect, it makes up the rules of the game.

When every Republican but one voted today for the Hamilton-Barnes amendment, something we would not normally have expected, they did so because their leader, BOB MICHEL, had told them it was the only strategy he could see to get across the message that we as a party were fundamentally offended by the way the House is being run, that we thought it was fundamentally unfair, and that we thought it was not fair to the American people, it was not fair to the minority party, it was not fair to the major issue of freedom in Central America.

But it goes deeper than just today's vote, just this situation.

There was something wrong a couple of weeks ago when we brought a major bill about gun control to the floor of the House only by having signed a discharge petition, only by having 218 Members walk up right here and sign their name to bring that bill out, because the committee chairman and the Democratic leadership would not bring it to the floor.

Now we find ourselves in a similar situation. Congressman MICHEL and Congressman LOTT have filed a rule which would bring a bill to the floor.

□ 1705

Next week they will file a discharge petition to bring that rule up. It is a cumbersome, clumsy, inadequate process, but it is the only way allowed to us to have a clean, straight vote on helping the freedom fighters so that that vote, if it passes, can send a bill across to the Senate, to the other body, so that it can then go to the President.

What was being tried today by the Democratic leadership was just plain wrong. It was an effort to say that even if we could find the votes on the floor to pass aid to the freedom fighters, all those votes would do would put that proposal on a supplemental appropriations bill which, at best, would take several months to go through the other body and through conference and to final passage and, at worst, would actually be vetoed by the President, therefore going nowhere. In other words, the liberal Democratic leadership had set up a game in which, even, when those of us who favor help to the freedom fighters won, we would lose, by in effect blowing up that game, by voting for Barnes-Hamilton, in order to force the Democratic leadership to recognize that it could not possibly win on final passage.

Those of us who favor aid to the freedom fighters were trying to say, "Enough is enough. Let's look at things fairly."

This is a constant, recurring problem. We find again and again that rules are made to suit the liberal Democratic leadership, rules are changed to suit the liberal Democratic leadership, things are written as the liberal Democratic leadership wants them to be.

We were told today, for example, that it would have been impossible to have introduced a free-standing bill and brought it up in the time allotted. "There you go again" is probably the correct answer, because the fact is we could introduce a bill this evening and if the Speaker wanted to instruct the Rules Committee to bring it out, they could meet tomorrow and we could be voting on that bill by Monday. In fact, if we wanted to bring the bill to the House—and this has happened in my experience here—if the House would vote by a large enough majority, I believe it is two-thirds, we could actually go to the Rules Committee in the morning and report that bill out by tomorrow afternoon.

It is simply not correct to say, as some Members of the liberal Democratic leadership said today, that they were technically stopped. And, in fact, members of the liberal Democratic leadership have been quite candid in the past that they could bring up bills when they wanted to, they could basically set the calendar as they wanted to, that they are the majority and they have the right to run this place the way they want to.

So they set up the game today so that the side that favored helping the freedom fighters could not win. And then, when they found they had outsmarted themselves, they tried to explain it was not their fault.

We face a similar problem on the budget. Under Gramm-Rudman, we should have passed a budget I believe it was yesterday. Under Gramm-Rudman we should have done our job. I have been told today—and this is hearsay because I have only talked to one Republican member of the Budget Committee—but that member told me they have not had an official meeting of the Budget Committee since March 13.

Surely, one would wonder why we are not following the law, why we are not in fact passing a budget when we are supposed to.

The problem is, from the standpoint of liberalism in America, that both in foreign policy and defense policy, on the one hand, and on domestic policy and the budget, on the other hand, there are no good answers if you are a liberal.

Consider, for example, the relationship between Qadhafi, the Libyan terrorist leader, and Nicaraguan communism. The fact is that Qadhafi and Libya have given $400 million in economic aid to Nicaraguan Communists. The fact is that the Libyan Government has sent over 100 military advisers to the Nicaraguan Communist Government. The fact is that the Libyan Government sent 2 helicopters to the Nicaraguan Communists. The fact is that the Libyan terrorists sent antiaircraft machineguns to the Nicaraguan Communists. The fact is that the Libyans sent SA-7 shoulder-fired rockets to the Nicaraguan Communists. The fact is the Libyan terrorists sent small arms and ammunition to the Nicaraguan Communists. The fact is that there were 4 planeloads of Libyan weapons that landed in Brazil labeled as medical supplies but that in fact turned out to have 2 dismantled fighter planes, 600 light rockets and literally tons of weapons for the Nicaraguan Communists.

Now, none of these facts are in dispute. Yet as recently as yesterday, one member of the liberal Democratic leadership told the press that he just did not believe that the Libyans had done anything like that.

Now, that poses, I think, a real problem for the American people at two levels. In the first place, liberal foreign policy would make great sense if we lived in Epcot Center or Disney World, if there was a fantasyland of nice people in which there was no violence. The problem with liberal Democratic foreign policy is that we live in a real world where there are people like Qadhafi and Ortega, where terrorists and Communists dine together, where there are active enemies of America.

Faced with that reality, liberal Democrats all too often rush into fantasyland and then are shocked when the fantasyland blows up in their face.

For example, when the United States, led by President Reagan, decided that enough Americans had been killed, that we had proof, for example, that Sgt. Kenneth T. Ford of Detroit, an infantry sergeant, 21 years old, had been killed by Libyans, when we knew that the National Security Agency had intercepted the radio messages and had interpreted them, the United States decided to retaliate.

When we decided to retaliate, we asked France for permission to fly over its territory. Yesterday France declined that permission.

I stood on the floor of the House and I listened as several liberals got up and said, "Oh, this is terrible of the French. How could they deny us flying over their territory?"

One of the reactions of liberalism, when suddenly its fantasyland is invaded by reality, is to blame somebody else. There is always somebody else who is responsible.

And it suddenly hit me: If you were France and you had watched the U.S. House of Representatives over the years and you had watched America leave Vietnam and you had watched American leave Cambodia and you had watched America leave Laos and you had watched America cut off aid to Angola and Mozambique, with the effect that the Soviet Empire and the Communist Cuban colonial moved in, and you had watched America be ineffective in Afghanistan and you had looked at the debate after debate in the U.S. House of Representatives, in which the American left again and again was against doing anything militarily effective, how big a gamble would you want to take?

And I was struck by an article in the Washington Times, an article about precisely that phenomena, an article which quoted Hondurans, entitled, "Contra 'Ghost' Materializes as Honduras Mentions Rebels."

Let me read a couple of paragraphs about why the Hondurans have been very, very careful about talking openly about their support for the Contras:

> "It's still very difficult for us," the official said. "If we say the Contras are here, we will be in trouble with the international community and international law. We remember exactly what happened with Cambodia."

"What happened with Cambodia?" you might ask.

Well, there was a government of Cambodia that was pro-American, that was trying to stop the Communists, that was openly for us. And in the House of Representatives, we cut off aid to that government, and a few weeks later it fell and the horrors of Cambodia began, and the Communists killed over 1 million people.

The official goes on:

> The official also noted that if Honduras gave a public blessing to the rebels, "then we are exposed to the revenge of the Sandinistas openly." And, he added, the Honduran government cannot be certain that American policy won't suddenly shift and leave Hondurans dangling on a branch.
>
> This week's vote in Congress on U.S. aid to the rebels, for instance, has Hondurans deeply worried.

And I think every American should listen carefully to this next statement:

> "It's hard to be a close friend or ally of the United States," the official said. "With the Soviet Union they have no strings attached to their aid. They have no Congress to satisfy . . . . But with the United States, you have to get—

And he cited two liberal Democrats—

> to give permission for everything. Mr. Reagan has good intentions, but he doesn't have the ability to act by himself . . . .
>
> "But we have to live with the consequences. Many people don't have sympathy for the United States. They can't say publicly to the United States. 'We hate you.' But they can say it to Honduras. It is very easy to make accusations against Honduras."

In other words, if you were a government in Central America, how much would you trust the U.S. Congress? If you were a government in Europe and you knew Ronald Reagan was firm or you read the debate in the U.S. Congress, how much would you risk on trusting the United States?

Let me give you some quotes. I went back and studied the debate in March on Nicaragua. I am not going to quote anybody by name. These are all liberals. All but one are Democrats. But I want you to listen to these quotes and ask yourselves if you were in Belgium or France or Italy and you had seen elected officials in the United States taking these positions, how ready would you be to get involved?

"All the guns in the world cannot win."

"There is no military solution. There is no military answer."

"War is an anachronism."

"National reconciliation is ordered by diplomacy, not by guns."

"I am concerned about us. Do we believe that the ways we should try to settle arguments is to grab our guns?

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Does it matter whether we grab guns or whether we try to settle our problems?"

"The notion that our only option is war betrays a lack of imagination and an absence of confidence in our country's moral, economic, political and cultural strength."

Now, my point is, if you were a European country and you were asking, "Well, why are the Americans mad at Qadhafi? He is a lot further away than Nicaragua. Why are they picking on him? He has not killed more Americans than the Nicaraguan-supported El Salvadoran guerrillas have. Why are they picking on him? Why not negotiate? Why not sit down?"

Now, you and I may understand that in fact there comes a time when you have warned a person who is willing to use terrorism, when you have told him again and again not to do it, when you have absolute proof that he is deliberately killing Americans, there comes a time when you use force. But are we really prepared to be all that angry at our European allies when they have watched the last 15 years of vacillation and confusion and uncertainty in our system? Are we really all that prepared to say to the Hondurans, "Oh, you ought to stand up and be counted because you can really trust us, we won't leave"? I am not so sure.

And let me cite one personal example. In 1977, I visited with one of the senior leaders of the West German Army. At that time we had just moved a brigade up near Bremerhaven, on the German coast, in order to reinforce the northern flank of the central front. The way it had been presented to the news media came off very badly, and it looked as though we were trying to take a port so that we could protect ourselves.

☐ 1720

And the German general said, "You know, it looked to many people"—this, remember, is 2 years after we had pulled out of Vietnam, pulled out of Laos, pulled out of Cambodia, it was 2 years after we had cut off aid in Angola and in Mozambique in order to have a negotiated settlement, followed immediately by 35,000 Cubans being flown in by the Soviets. The German general said to me, "It looks as though you're trying to protect a port of evacuation."

I, being naive, said, "You mean like Dunkirk?"

He said with a withering look, "No, I mean like Saigon."

Faced with that history and faced with unreliability of this Congress, would you really recommend to the Hondurans or the French to gamble on the American card that we are reliable and we are stable. And as you listened to the debate yesterday and today, would you really say that American liberalism has learned anything about the Soviet empire, the dangers of military force, or the nature of dictatorships? I am not so sure.

Mr. DORGAN of North Dakota. Mr. Speaker, will the gentleman yield?

Mr. GINGRICH. I am glad to yield to my good friend, the gentleman from North Dakota [Mr. DORGAN].

Mr. DORGAN of North Dakota. I appreciate the gentleman's yielding to me.

Mr. Speaker, I would like to clear up something that I was confused about in listening to the gentleman just a moment ago. He seemed to wonder whether we should not be doing the same thing to Nicaragua that we are doing to Libya, at least that is what I seemed to get from the parallel he was trying to draw between Libya and Nicaragua. I happen to believe that the President had no choice the other day. I think the evidence of Libyan terrorism was incontrovertible from all that I know, and he did the right thing. I have said that I support the President in the air attack on Libya, and I hope that we can convince Qadhafi and others that they are victims of their own grotesque terrorist acts in the long run.

Notwithstanding that, I assume the gentleman also supports the President in what he has done in Libya. Is he suggesting that there is a parallel with respect to Nicaragua and that we ought to be launching air attacks in Nicaragua, and the absence of doing that is what is confusing our European allies?

Mr. GINGRICH. No, I am suggesting we must have the willingness to be sophisticated about the nature of our enemies, and the willingness to recognize that our enemies are linked together, and the willingness to take the most effective steps currently available. There is, for example, in Libya, no active anti-Qadhafi domestic effort that we could be supporting. Frankly, if tomorrow morning there was a Libyan freedom movement that emerged and that was willing to tackle Qadhafi, I would be in favor of supporting it.

Mr. DORGAN of North Dakota. Is it a Communist monolith that we are concerned about here, and if so, how do we deal with the People's Republic of China?

Mr. GINGRICH. The gentleman asks exactly the right question. There is a Soviet empire. It is not purely ideological.

Mr. DORGAN of North Dakota. It is not necessarily just Leninist-Marxist, it is Soviet as opposed to Leninist-Marxist?

Mr. GINGRICH. I think the primary intellectual doctrine is Leninism. Marx is essentially, I think, irrelevant in terms of power. Marxism is a 19th century intellectual analysis, but I do not think that it relates much to this. I do think there is, if you will, a Soviet empire which believes at least as much in Leninism as we believe in the Constitution. I think that it is the nature of that Soviet empire that should frighten most Americans.

I happen to see Nicaragua in the context of the Soviet empire. I think Nicaragua in isolation is a nonissue. It is by definition not a threat to America. But Nicaragua as an additional building block in which the Soviet empire uses Communist Cuban colonial troops and establishes an additional set of bases and an additional set of resources, I think that is something legitimately that Americans can worry about and should worry about.

Mr. DORGAN of North Dakota. I do not disagree with the gentleman that certainly we need to worry about the Soviet bloc and the Soviet sphere of influence, and we need to be concerned about the Soviets in this hemisphere; we share that common concern.

One of the things that I was most interested in was that I feel the gentleman is being too kind to our allies in seeming to make excuses for them for not being supportive of our efforts to attempt to deal with Qadhafi. My feeling is that given the evidence that we have of Quadhafi's reign of terror around this world—a reign of terror, incidentally, which has substantial impact on Western Europe as well—it seems to me that it would be incumbent upon our allies in Europe to be very supportive of this country's efforts to deal with Qadhafi.

Frankly, I am very disappointed and also somewhat angry that some of those who we should count on as strong supporters in this instance seem not to be supportive at all. The gentleman knows what we are spending for 300,000 troops in Europe.

Mr. GINGRICH. Sure. I wish, I could say to my good friend, that they were more supportive. But I found it ironic that yesterday some people who have given impassioned speeches against force were suddenly outraged that the French and the Belgians had listened to their speeches, that people in this Congress who had voted year after year after year not to oppose effectively the Soviet empire should suddenly, on our terms on the day we decide to do it, decide that the French have to do what we think is right.

Mr. DORGAN of North Dakota. Mr. Speaker, if the gentleman will yield, I wonder if the failing here is not the gentleman's suggestion that the way to deal with the Soviet empire is always force. It seems to me that force——

Mr. GINGRICH. I did not say that.

Mr. DORGAN of North Dakota. But the gentleman is suggesting that those who have not previously supported the use of force are somehow inconsistent when they see an application

for force that they believe is appropriate.

Mr. GINGRICH. What I am suggesting is, and I think the gentleman has raised a very legitimate point here, that if for 15 years the systematic lecture of the American left has been not to be too aggressively anti-Communist, not to be too militaristic, not to use force, then when we finally begin to turn and say, "Ah, here is a case where we should use force," it seems to me a bit much to now condemn the Belgians and the French for not having learned our lesson. This is particularly the case in the light of a situation where, as I just read into the Record, as recently as last month many of our good friends on the left were once again preaching what is in effect that force never works, violence is never good, the military never solves anything.

All I was saying was that if I were the French Ambassador reading the American left's speeches last month on Nicaragua, I would advise my government to be very careful about trusting this Congress to back Ronald Reagan for more than 96 hours.

Mr. DORGAN of North Dakota. I think it mischaracterizes the debate to suggest that it is just the American left. The gentleman has members of his own party who have consistently opposed the use of force.

Mr. GINGRICH. That is why I did not say "Democrat." There are Republicans who belong to the American left.

Mr. DORGAN of North Dakota. I think that is too simple an analogy. It seems to me the gentleman characterized those who do not agree with the use of force in Nicaragua as people who are unwilling to use force in any instance where this country is threatened.

Mr. GINGRICH. No, no, I did not say that. I never said that. What I said was, and I say it is a consistent pattern, we cut off aid in South Vietnam, and it fell. We cut off aid in Cambodia, and it fell. We pulled out, and Laos fell. We refused to support anybody in Angola and Mozambique, and the Soviets used Cubans to take over. We have been ineffective in Afghanistan. We are indecisive in Nicaragua. We failed in Lebanon. And we were very passive in Iran.

All I am saying is, if you have that 15-year history of American confusion behind you and you were a foreign government, you might be a little careful, and it is a bit much for some of our friends on the left to suddenly get angry at the French, because the French have been watching and reading the speeches of our friends on the left.

Mr. DORGAN of North Dakota. I think the gentleman is too charitable to our allies. Why be that charitable? Why not ask our allies and expect our allies to look at the solid evidence that exists with respect to the need to deal with Libya, and ask them to make their judgments on that basis. We are not dealing with history lessons here.

Mr. GINGRICH. If he would, I would like the gentleman to give me one example in the last 16 years where the U.S. Congress has consistently supported the use of force anywhere.

Mr. DORGAN of North Dakota. In Nicaragua.

Mr. GINGRICH. We have not consistently supported the use of force.

Mr. DORGAN of North Dakota. Of course we have. How does the gentleman think Somoza left? This country supported the Sandinistas.

Mr. GINGRICH. No, no, we did not support the use of force there.

Mr. DORGAN of North Dakota. Did we support the Sandinistas in Nicaragua, or did we not?

Mr. GINGRICH. No, we withdrew recognition and aid from Somoza.

Mr. DORGAN of North Dakota. If the gentleman believes that, if he believes that that is all that happened with the withdrawal of Somoza, then I think——

Mr. GINGRICH. We never voted to give money to the guerrillas while they were in the field.

Mr. DORGAN of North Dakota. Aha! But did we not support the Sandinistas' revolutionary movement?

Mr. GINGRICH. The gentleman is not hearing me.

Mr. DORGAN of North Dakota. I am asking a question.

Mr. GINGRICH. Yes, there was a period that lasted less than a year when we helped evict Somoza and we helped get the Communists in.

Mr. DORGAN of North Dakota. That is my point. My point is that Somoza was thrown out of Nicaragua, regardless of the merits.

Mr. GINGRICH. Right; it took less than a year.

Mr. DORGAN of North Dakota. All right. When Somoza was thrown out of Nicaragua, in the end of that process, when the Sandinistas were marching on Managua, the question I am asking is, "Was this country a party to that removal of that government, which was removed incidentally through force?"

Mr. GINGRICH. Yes, we were, very indirectly and nonmilitarily.

Mr. DORGAN of North Dakota. All right, and the gentleman has asked—and so I have answered the question—he has asked, "Have we been willing to use force around this Earth?" Of course we have, in selected instances.

Mr. GINGRICH. Wait a second.

Mr. DORGAN of North Dakota. The difference is that some people want to use force in every instance.

Mr. GINGRICH. That is not fair. Wait a second. The French, when asked by us to go into Lebanon, went into Lebanon. There were Frenchmen killed the very same day the U.S. marines were killed. But if you are sitting in France and you are right across the ocean from the Libyans, and you say to yourself, "All right, Ronald Reagan is mad this week, and this week Ronald Reagan is going to be able to launch an air strike. How long do I think the news media in America and the intellectual left in America and the politicians in America are going to let Ronald Reagan be that decisive?"

All I am saying is—and I am not apologizing for the French—I wish they had supported us.

Mr. DORGAN of North Dakota. It sounds like the gentleman is.

Mr. GINGRICH. What I am saying is that I think that there is an awful lot in our behavior over the last 16 years that is—and I quoted a Honduran official talking to a Washington Times reporter yesterday about how scary it is to rely on the United States, knowing that this Congress at any moment can vote to cut and run.

☐ 1730

Mr. DORGAN of North Dakota. Let me suggest this. I think if you are going to rely on anybody in this world, you ought to be able to rely on this country. The United States is the most reliable, bar none, in this world. You show me trouble in this world and I will show you who has gone there first with the most and generally speaking, it has been us.

Mr. GINGRICH. I can give five examples: Cambodia, Vietnam, Laos, Angola, and Mozambique.

Mr. DORGAN of North Dakota. What did we first deliver to Cambodia?

Mr. GINGRICH. No, no. What I am saying is we voted to pull out in each of those countries. We voted to allow a vacuum of power for the Soviets.

Now, all I am saying is that if you or anybody else in the world watching that, would that not scare you? Given what the gentleman just said, and I agree, if you love freedom, we are the best hope on this planet; but for the last 16 years we have been pretty scary.

Mr. DORGAN of North Dakota. Oh, see; I guess I do not share that view. I mean, I asked about Cambodia because I rue the day when we decided to chase into Cambodia and begin dropping the bombs there.

Mr. GINGRICH. The gentleman does rue the day?

Mr. DORGAN of North Dakota. Yes, I do, because we began dropping those bombs in Cambodia illegally, incidentally, and I think there is a lot of evidence of that.

Mr. GINGRICH. Sure, because they had allowed the North Vietnamese in there illegally.

Mr. DORGAN of North Dakota. Well, the point is we went in seeking

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those bases with a substantial bombing of Cambodia, which eventually led to the horrors that we now have discovered about that country.

My point is this: In the last 15 years, which is a period in history where the gentleman feels we apparently have not used force enough——

Mr. GINGRICH. Where we have withdrawn and allowed the Soviet empire to win.

Mr. DORGAN of North Dakota. Well, but I think there is substantial evidence in this hemisphere and I think around the world that democracy in many respects is succeeding.

Let me give the gentleman some examples in this hemisphere. The gentleman knows the examples. We have a gem of a democracy in Costa Rica. We have a new democratic government in Honduras. We have a new democratic government in Guatemala.

It is interesting to me, moving from democracies to other parts of this world, that in the last 15 years we have opened up China, and I pay homage to Richard Nixon for doing that, without arms.

China somehow is now open to the West, and in fact becoming a friend of the West.

I was amazed the other day to discover that this administration wants to send them some military airplane technology on the heels of the nuclear power technology they also wanted to share with them, al la George Bush.

Mr. GINGRICH. I would say explicitly in the context that China discovered in the late fifties that it did not want to be a part of the Soviet empire and that for all practical purposes we are the allies of almost anybody who does not want to be part of the Soviet empire.

Mr. DORGAN of North Dakota. Oh, but part of the Vietnam experience and part of the judgment that went into that was that the Chinese and the Soviets represented a Communist monolith. Would the gentleman not agree with that? That was the assessment here in this country and in Washington, DC.

Mr. GINGRICH. No. I do not think that was true by 1963 or 1964. I think there was a general feeling that the fighting—remember, there was a very severe split in 1958-59 and by 1964, I think it was, there was actually fighting on the Sino-Soviet border.

Mr. DORGAN of North Dakota. Well, I guess everything I have read suggests——

Mr. GINGRICH. I would be glad to get to the documents. I used to teach that stuff.

Mr. DORGAN of North Dakota. Well, I was not here in Washington, DC, at the time; but the documents are also available that I have read that suggest that the underpinnings of the Vietnam experience was a belief there was a monolith of communism between the Red Chinese and the Soviet Union.

But be that as it may, I guess the point where the gentleman and I part company is the gentleman's notion that somehow in the last 16 years we have become a weak sister internationally and that other countries should view us that way.

Mr. GINGRICH. I did not say they should. I said do.

Mr. DORGAN of North Dakota. The gentleman said they do.

Mr. GINGRICH. I quoted a Honduran who said flatly he does. I quoted a West German who said that he was scared that we would pull a Saigon.

All I am sayng, there are reasonable grounds for other countries, particularly looking at this House of Representatives in the U.S. Congress, to be very confused and very uncertain about America's commitment to a firm, consistent, long-range policy.

Mr. DORGAN of North Dakota. Well, I do not think Hondurans should be confused at all. I mean, I think this country's commitment to Honduras, particularly in recent years, has been substantial. The people I have visited with in Tegucigalpa, Honduras, do not reflect the person the gentleman quoted from.

I guess the point I wanted to make is that I do not see the gentleman's rather dark view of where we have been and where we are going. I think we must use power responsibly. I think the gentleman would probably agree with me that we are probably the most powerful country in the world. I happen to feel that way.

Mr. GINGRICH. I think we are.

Mr. DORGAN of North Dakota. And the Chairman of the Joint Chiefs would probably believe that. You know, one of the responsibilities of power is to know when to use it and to know when not to use it.

I think if we look over a continuum of time that this country has been doing pretty well. We can look back and see some mistakes and I would be willing to admit to those mistakes; but I would sooner err on the side that we have erred on perhaps than the other side.

Mr. GINGRICH. I think it depends in part, if you went back and took a snapshot of the world, certainly as late as 1959 and certainly maybe as late as 1966 or 1967, and you took a snapshot of the world today, let me cite the changes for just a second:

South Vietnam is now Communist. Laos is now Communist. Cambodia is now Communist, meaning there is a Soviet naval base in Camranh Bay.

Ethiopia is now Communist. South Yemen is now Communist, meaning that there are Soviet troops and Cuban troops there.

Mr. DORGAN of North Dakota. But the gentleman is not just concerned about Communists.

Mr. GINGRICH. I am talking about part of the Soviet empire.

Mr. DORGAN of North Dakota. The gentleman is saying that Ethiopia is now part of the Soviet empire.

Mr. GINGRICH. Sure.

Mr. DORGAN of North Dakota. We want to distinguish between Communists and Communists.

Mr. GINGRICH. I appreciate the gentleman's point.

Mr. DORGAN of North Dakota. The administration's view with respect to China has been confused. I want to make that distinction.

Mr. GINGRICH. I think the gentleman is exactly right, and I think frankly it is one of the reasons over the last 2 years, in trying to listen to the debate in the House that I have had to think through, what is it we failed to explain?

Let us talk about the Soviet empire and let us see the world for a minute from the standpoint of gaining and losing ground.

The Soviet empire, as I said, gained resources in South Vietnam, which is now part of the Vietnamese Communist government and the Soviet empire now has a big naval base a Camranh Bay.

The Soviet empire gained assets and facilities in Ethiopia and in South Yemen, using, interestingly enough, both Cuban and colonial troops and is now in a position where it is on both sides of the mouth of the Red Sea.

The Soviet empire gained considerable advantage in Angola and Mozambique, both of which have Cuban and colonial troops and has advantages there.

The Soviet empire was on the verge of gaining an air field in Grenada and when we liberated the island, they lost that.

The Soviet empire is in the process of gaining a Pacific port and a 10,000-foot runway and other facilities in Nicaragua by making it in effect a colony of the Soviet empire.

The Soviet empire has something like 11 air bases in Cuba, its largest spy station at Lourdes listening to us, and in the Cuban Navy has a set of assets about the size of Nazi Germany's submarines in World War II in the Caribbean.

All I am suggesting is not that we are in desperate straits, but first of all, that we are up against an active adversary in the Soviet empire that systematically seeks to extend tyranny, that has invented two kinds of conflicts that we are not used to yet.

One is what I would call transnational conflict, where they have the right to cheat, as the gentleman himself said about Cambodia. They get to cheat, but if we do anything that is wrong—and I would say again in Nicaragua we have at least as much evidence about Nicaraguan support of terrorists and guerrillas as we have about Qadhafi.

There is plenty of evidence, for example, about El Salvadoran Communists getting aid directly from Nicaragua. We have tons of evidence.

Mr. DORGAN of North Dakota. Well, that is not quite the case. We have had a secret session of the House and we have seen evidence from pictures.

Mr. GINGRICH. Would the gentleman seriously dispute factually whether or not there is a flow of weapons and other resources through Nicaragua into El Salvador?

Mr. DORGAN of North Dakota. No; I would not dispute that. I am saying there may be some weapons flowing there.

The gentleman is saying there is a flood of weapons.

Mr. GINGRICH. OK. We can argue about flood.

Mr. DORGAN of North Dakota. The gentleman tells me if they send a few guns somewhere, that is a flood.

Mr. GINGRICH. Well, what is a flood in most of North Dakota?

Mr. DORGAN of North Dakota. Well, let us talk about it for a second. The gentleman knows of the Gulf of Fonseca, which is the gulf around Honduras, El Salvador, and Nicaragua. On the Gulf of Fonseca we have provided money for the fast boats. These are the fast little boats with machine guns and you have got the Hondurans patrolling the Gulf of Fonseca, because the Gulf of Fonseca, frankly, is where there is supposed to be the major amount of a cache of guns being moved from Nicaragua to El Salvador.

I was on the Gulf of Fonseca. I went to the naval station that deals with these fast boats. We had a briefing from the colonel. Every colonel, of course, has a slide projector, so we saw the slide projector presentation first and heard how great the fast boats were and how they patrolled the Gulf of Fonseca for 18 months and how many more boats they have now than then and so forth.

Then I asked the operative question: How many guns have you interdicted here?

"Well, none."

"None, in 18 months?"

"Now we think we have stopped it."

The point is, I am not suggesting there are not some guns being moved, but the gentleman is suggesting that there is overwhelming evidence that it is a massive shipment of guns from Nicaragua to El Salvador, which is not supported by the facts.

Mr. GINGRICH. I did not say that. The gentleman is exaggerating what I said. What I said was there is overwhelming evidence that the Nicaraguans directly supply the El Salvadoran Communists. There is overwhelming evidence the command and control for the El Salvadoran Communist is based in Nicaragua.

When we had the famous incident in the early 1980's in which two El Salvadoran Communists killed each other in a Nicaraguan hotel, that was pretty good evidence that they were spending time in Nicaragua.

Now, all I am saying, if you have absolute proof that Nicaragua is guilty, at least as guilty as Libya, and we have I think absolute proof. We have absolute ties of the Nicaraguans with other Communists.

We had an Ecuadoran terrorist picked up in El Salvador who was carrying money out of Nicaragua to the guerrillas and terrorists in Costa Rica. She was arrested in Costa Rica on her way to Ecuador.

We have absolute proof of tying them into the M-19 guerrillas in Columbia. I mean, nobody seriously disputes that, do they?

Mr. DORGAN of North Dakota. Well, I guess I do not quite understand. The gentleman is saying that Nicaragua is as terrorist a state as Libya and the evidence exists that the gentleman has available to him and to me to support that. Is that what the gentleman is saying?

Mr. GINGRICH. Sure. Does the gentleman dispute that the Nicaraguan Communists have been systematically helping guerrillas and terrorists in parts of South and Central America?

Mr. DORGAN of North Dakota. No. It is my judgment that there has been some of that help. It is also my judgment that when the gentleman comes to the floor and says that there has been a flood of that sort of thing going on, that the gentleman does not have the evidence to support that.

Now, the problem is——

Mr. GINGRICH. Now, wait a second. Now, hold it. There you go again.

I am suggesting to the gentleman that the evidence is incontrovertible that Nicaragua systematically supports terrorism in countries in South and Central America.

Now, I want to focus on that, because if the gentleman agrees that they do, that is clearly illegal and against the rules of the game and makes them an outlaw regime, makes them like Libya. Now, does the gentleman agree with that or not?

Mr. DORGAN of North Dakota. Well, what the gentleman suggests is that there is all sorts of evidence that is equated with the kind of evidence that most of us know exists about Libya. I do not know that for a fact.

I do not doubt for a moment, incidentially, that the Sandinistas, for whom I have no admiration, I have met them, I do not like them——

Mr. GINGRICH. This is not an admiration society.

Mr. DORGAN of North Dakota. I do not doubt for a moment that they are supportive and are soulmates of those who seek revolution in El Salvador; but what makes me uncomfortable is that those of us who do not want to send explosives to the hills are somehow painted as people who really enjoy the Sandinistas. I do not.

Mr. GINGRICH. I did not say that.

Mr. DORGAN of North Dakota. I hope the Sandinistas leave one of these days and I think there are ways to persuade them to do that.

Mr. GINGRICH. Let me make clear, because I do not want to suggest that it is a question of like or dislike. This is not a dating society.

We have, and I will be glad to meet any reasonable standard the gentleman wants to offer, we have evidence in the form of captured prisoners, in the form of intercepts by radio, in the form of actual weapons, we have evidence that the guerrillas and terrorists in at least three or four countries are directly overtly helped right now from Nicaragua.

Mr. DORGAN of North Dakota. Well, look, the gentleman's evidence, the evidence that the gentleman purports to represent is the same kind of evidence that we see here on the floor that in my judgment grotesquely distorts what we have to deal with.

Mr. GINGRICH. The gentleman is saying that we could educate the French and I am saying the same National Security Agency, the same Central Intelligence Agency, the same Defense Intelligence Agency that would have educated the French are trying to educate the gentleman.

I will guarantee, we can go down tomorrow morning and I can get the gentleman more, as the gentleman well knows, more briefings on more data and more secret material than the gentleman could possibly want to spend time on.

Now, the gentleman is angry at the French because they do not believe the Agency about Libya that the gentleman does not want to believe about Nicaragua.

Mr. DORGAN of North Dakota. No, no; I do not believe them about Nicaragua because they have not made a persuasive case about the extent to which the Sandinistas are exporting revolution successfully. Let me give the gentleman an example. I do not know whether the gentleman said it on the floor——

Mr. GINGRICH. Who is wrong, the Central Intelligence Agency, the Defense Intelligence Agency or the National Security Agency?

Mr. DORGAN of North Dakota. But permit me for a minute to give the gentleman an example. Let us describe precisely why the gentleman is wrong and where the administration is wrong.

One of the threats, obstensibly, the terrorist threat, is the 120,000 or 130,000 man army in Nicaragua, right?

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That is the official line. I heard it in Nicaragua. I have heard it on this floor. I have heard it from the administration and I have heard it from intelligence sources. It is in the papers. It is in the periodicals. if there are 120,000 or 130,000 people in Nicaragua under arms and if the gentleman really believes that, then obviously the gentleman probably will pursue the course or advocate the course that the gentleman suggests on the floor of the House, but that is preposterous. That is no where near the truth. It does not nearly represent the empirical facts. The gentleman knows there are not that many men under arms in Nicaragua. All you have to do is visit Nicaragua and see for yourself.

When the gentleman says those things and the gentleman says he has evidence, that does not make them true or not true. While I oppose the Sandinistas I don't want to overinflate their military capability

Mr. GINGRICH. I just want to point out to my good friend, the gentleman is now doing precisely what I said earlier. The gentleman is saying that of the American intelligence government agencies——

Mr. DORGAN of North Dakota. No; that is not the case.

Mr. GINGRICH. Exactly what the gentleman said when the French were saying it.

Mr. DORGAN of North Dakota. That is not the case. In fact, if we pin the intelligence agencies down about the troop strength in Nicaragua, eventually they will get off this nonsense that they try to sell to all of us about 120,000 people under arms in Nicaragua and eventually they will admit that that is not the case.

☐ 1745

But that is the official line. That is what they are trying to tell us.

Mr. GINGRICH. Let me yield to my friend from Pennsylvania.

Mr. WALKER. I thank the gentleman for yielding. It all depends on how you want to interpret the information.

What I think nearly anybody who observes Nicaragua today will say is that the number of people actually under arms in the Nicaraguan Army is 70,000 people. They have a 70,000-man army as such. There are about another 50,000 of trained people that they now regard as reserves that are available to them. So, in fact, if you put the two together, you have got that, but you can make the case that they do not have 120,000 men under arms at any particular time. They do have about 70,000 men under arms at any given time, and that is, in fact, the army that is there, that is their drafted army that is extremely unpopular in Nicaragua. And even if the army were half that size, even if it were half that size, it would still be twice the size of the army that Somoza had at his peak. He never had more than 15,000 people under arms in Nicaragua, and by anybody's estimate. I know you cannot possibly come up with an estimate lower than that for the Sandinistas.

So, in fact, the Communists have put more people under arms. They have approximately 70,000 people, and I thank the gentleman for yielding.

Mr. GINGRICH. I know our friend from Pennsylvania was not here earlier when I was trying to make my case, and I want to repeat it because I think it is important to keep this focused. All I was saying earlier was before the gentleman gets too angry at our European allies, we should recognize that the American left has for 16 years taught two principles. One is to always underestimate the threat, and the other is to always be inconsistent in sustaining our policies. And if you were Honduras, or you were Belgium, or you were France, you would worry about whether or not the U.S. House of Representatives would sustain Ronald Reagan's policies long enough to make them effective.

Mr. DORGAN of North Dakota. If the gentleman will yield, are you suggesting that the French support the policy you advocate?

Mr. GINGRICH. No, I am not.

Mr. DORGAN of North Dakota. Or Reagan's policy in Nicaragua? In fact, they oppose it.

Mr. GINGRICH. Wait a second. There you go again. I am trying to say to you that I have a very clear case to make, and my case is that simply there is a Soviet empire. It does use Communist Cuban colonial troops. There are 2,500 Cuban colonial troops in Nicaragua. They are helping prop up the Soviet colony in Nicaragua, which is actively helping terrorists today, and we can talk all we want about negotiations, but today we have evidence. The agencies that you want the French to believe are willing to say in secret briefings, and I think in public, and it is not just the administration line, because after all, even you are formulating the sentences the French Ambassador could use. He could say, well, the administration line was Qadhafi was really dangerous, but why should we believe the Central Intelligence Agency anymore than the American left believes the Central Intelligence Agency. And you are making my point for me, which is that I can give you absolutely incontrovertible proof that the Sandinista Communist Government, with the help of Cuban colonial troops, is advising, training and equipping terrorists today.

That is a military problem, and the least expensive and least risky military answer is to help the freedom fighters.

Mr. DORGAN of North Dakota. You are suggesting somehow that the reason our allies have been so recalcitrant is that they do not believe the evidence. I do not think that is the case at all.

Mr. GINGRICH. No; they do not believe the Congress of this country has the firmness to stay the course. They are scared to death we will cut and run.

Mr. DORGAN of North Dakota. But you have just changed course yourself.

Mr. GINGRICH. No.

Mr. DORGAN of North Dakota. Yes, you have. You suggested that our allies have not supported us because they do not believe the intelligence agencies' information. I am saying I do not think is the case at all.

I think the case is that our allies are not prepared to do what we want them to do in supporting us against Qadhafi. That is an entirely different prospect, and the question is why.

Mr. GINGRICH. Wait a second. Our allies are more prepared or as prepared to support America and Ronald Reagan against Qadhafi as the American left is to support Ronald Reagan against Nicaragua.

Mr. DORGAN of North Dakota. That is completely irrelevant.

Mr. GINGRICH. Why?

Mr. DORGAN of North Dakota. Because it has no relationship at all to our operations against Qadhafi and whether our allies should or will support us. I do not understand what that has to do with it.

Mr. GINGRICH. Of course they are tied at two levels. In the first place, as I said earlier, there is a direct relationship between Libya and Nicaragua. I mean, Qadhafi sent $400 million in economic assistance. As you know, there were four planeloads of assistance.

Mr. DORGAN of North Dakota. There is a relationship between Libya and the French, but so what?

Mr. GINGRICH. In the case of Libya and Nicaragua, there were no French officials at Qadhafi's 15th anniversary. There have been no French officials praising the Nicaraguans for killing freedom fighters and for fighting in America's backyard. There is an active anti-American alliance on the planet, and I would say the difference between China and Russia is that the Soviet empire is based in Moscow and is actively anti-American and the Chinese are now sufficiently afraid of the Russians that they are actively pro-American against that empire.

Mr. DORGAN of North Dakota. Let me just, if I might, say this: I think you far too easily excuse our allies in our dealings with Libya.

Mr. GINGRICH. I think you are far too easily excusing the left.

Mr. DORGAN of North Dakota. I understand what you are doing and what you are saying. But I am saying that in my judgment, this country ought to be able to expect our allies to help us in the kind of operation we committed against Libya for very good purpose. As you said, the evidence was incontrovertible. We should be able to expect the help of the Italians, the Germans and others in dealing with Qadhafi.

Now what you are doing is using that to develop some other case for how the left or how the right ought to deal with this or that.

Mr. GINGRICH. No, no.

Mr. DORGAN of North Dakota. But I am disappointed in our allies, and I would hope that you would be as well.

Mr. GINGRICH. I am disappointed, let me say, I am disappointed in our allies, but I fully understand why watching 16 years of a very confused America would make our allies a little cautious about following this Government and following the U.S. Congress. All I am saying, and I do not see how you can really disagree with this——

Mr. DORGAN of North Dakota. Well, I do.

Mr. GINGRICH. There has been a huge gap between promise and performance in America's foreign policy for the last 16 years. And there are reasonable grounds for people who love freedom, but are a little worried about the Soviet empire, to sort of keep looking over their shoulder at this Chamber and wondering whether or not we are going to cut them off. I mean, Duarte, I think will tell you that it was a long, hard fight to get aid for El Salvador. I think all the freedom fighters in Nicaragua will tell you it is real hard to get aid, and I think the Hondurans will tell you, and again, I will be glad to arrange the briefings, although the gentleman clearly can get his own, they worry a great deal about now reliable an ally we are. You talked about how much money we put into Honduras. We put a lot more money into Vietnam, and we pulled out.

All I am saying is I think there are very practical reasons, based on the history of the U.S. House of Representatives since 1970, to worry if you are anyone else in the world relying on the United States, and I think the debate last month, and the intellectual pattern—I talk about the left, not Democrats, I talk about the left because there are some Republicans on the left intellectually, and there are a number of Democrats on the left intellectually. It is a world view which does not deal with the Soviet empire. It does not deal with Leninism, it does not deal with transnational conflict. Then it says, almost as though we were at EPCOT Center or Disneyworld, "Gosh, why don't we sit down and talk with these nice guys."

I will guarantee you that there are folks in this House who, if the Qadhafi situation is not cured in 2 weeks, there will be people getting up here saying, well, you know, we should be reasonable.

Mr. DORGAN of North Dakota. Can I just tell you that I taught economics very briefly in college, but was able to overcome that experience. You have to learn to overcome this history background as well, it seems to me.

Mr. GINGRICH. But it is real. It is not just history, it is real, and it is the world that we have lived through for several years.

Mr. DORGAN of North Dakota. It is your view of that world. All I am saying is there is a gap between performance and promise in European foreign policy, country by country, in the last 15 years.

Mr. GINGRICH. Would you deny that history?

Mr. DORGAN of North Dakota. But all I am saying is I think we should expect more from our allies.

Mr. GINGRICH. Let me ask you a factual question. Did the U.S. Congress vote to cut off aid before the North Vietnamese attacked in 1975?

Mr. DORGAN of North Dakota. Just ask rhetorical questions.

Mr. GINGRICH. You say we are talking about history, but this is real. I mean, we know the historical facts. We have General Giap's memoirs which stated flatly that as head of the North Vietnamese army, they were shocked.

Mr. DORGAN of North Dakota. I think blame-America-first is wrong. It seems to me that we are reliable anyplace in the world that there has been trouble, and we have been there.

Mr. GINGRICH. But we do not always stay.

Mr. DORGAN of North Dakota. Well, we have sure been there, and we have been there first with the most in most cases. And I think it is too quick to blame America for all of these things now which we are dealing with.

Mr. GINGRICH. I am not blaming America. I am blaming the left, and I am blaming the U.S. House of Representatives. It is very precise, very small, defined.

Let me yield to the gentleman from Pennsylvania [Mr. WALKER].

Mr. WALKER. I thank the gentleman for yielding, because I think to just emphasize the point, we had to fight with everything we could against the American left in this body to get enough money and aid going to El Salvador to allow a democracy to flourish there. It was not more than 5 or 6 years ago that this body was lined up with daily speeches much like we heard on Nicaragua today down in this well suggesting that we ought not be doing anything in El Salvador that would support American policy there.

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That somehow we were to blame, and we ought to let nature take its course, and if that ended up causing a Communist overthrow of the El Salvadoran Government, well, that is the way the world is.

We had those arguments out here, and we had to fight with everything we had in order to overcome that in order to give Duarte and his government a chance.

Today I heard people down here talking about this miracle of democracy that is taking place in Central America, and including in that El Salvador as one of the success stories. They were some of the very people who fought the hardest on this floor to cut off all aid to El Salvador and continue—some of the religious left in this country continues to have documentation out calling Duarte a fascist; that we ought to withdrawn support from.

So it seems to me that it is very clear that the gentleman is absolutely right, this is not something that is historical; this is happening now, and the problem is that the left cannot bring itself to support any of our allies anywhere, and so therefore they have reason to distrust us.

I just want to say, that I guess to build from what my friend from Pennsylvania said, there are a number of folks in this House who seem eager to take credit but are not too eager to do the work; and I would cite the number of Members who voted against building aircraft carriers who are delighted that we happen to have aircraft carriers available.

Frankly, there is a continuity in behavior.

I yield to the gentleman from North Dakota.

Mr. DORGAN of North Dakota. Or people who go to Head Start Centers who voted against the Head Start appropriation. I mean, it is the same on all sides.

The only point I wanted to make is that the issue today in this country is Libya. It is one of the reasons you came to the floor, I think, is to draw a parallel.

With respect to Libya, the President took some action; he asserted power. In my judgment, the present facts show he did that correctly. The point I was trying to make to the gentleman from Georgia is that I think that the disappointment some of us have of what we feel our allies are responsible for and ought to be able to do for us in actions against Libya, are disappointments that are hard to get over.

I think we should—the Europeans are very capable of explaining why they will or will not do something; and you do not need to explain for France why it is confused.

Mr. GINGRICH. No, I am not explaining for France. I am trying, if I might say to my friend, first of all the issue is not Libya. The issue is the survival of freedom, the issue is the phys-

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ical safety of Americans, the issue of our capacity in dealing not—you know, he is not a madman. He is a fanatic who believes sincerely in his views who is aided dramatically by the Soviet empire, who is the largest single purchaser of Soviet equipment, who sponsors terrorists, many of whom are trained by the Cubans and the Soviets, and I think it is precisely because—many of our good friends on the left are eager to rush and join the bandwagon against Qadhafi when in fact it is a much deeper, much more serious issue, and Qadhafi is the tip of the iceberg. It is the beginning of the problem.

Then we turn around—I will say to the gentleman, I lived in France as an Army brat when De Gaulle pulled out of NATO. I share, I understand. I lived personally through the experience of French nationalism.

The French were willing to die in Lebanon with us and did; the French, I suspect, if they were convinced we were going to be decisive and committed against Qadhafi will stay with us; they have been pretty good allies for a long time, but I suspect they have a certain fear of this Congress.

All I was saying earlier was, given the language I could cite from as recently as a month ago of the American left, I find it a little hard to have some of the Members of that very same movement getting up and attacking the French for acting out in reality what that movement preaches in Central America.

I will yield to my friend from Pennsylvania.

Mr. WALKER. I thank the gentleman for yielding. I guess my point in response to the gentleman would be that I am appalled by the behavior of allies. I think the gentleman in the well is appalled by the behavior of our allies.

They seem to swim in a fantasy land that will not admit the fact that there is a Soviet colonial empire that seeks to subvert freedom in their countries as well as in ours as well as in Third World countries.

I am appalled that they could not bring themselves to help us with Libya; in diplomatic ways, in economic ways, or ultimately in military ways, or at least endorsing what we determined to do militarily. I am appalled. I think it is disgusting.

My problem is that I see precisely the same behavior on the House floor, and I think that is what the gentleman is saying. I see the same crowd who, like our European allies, are willing to blame America first; I see the same crowd here who are willing to ignore the Soviet colonial empire; and my problem is that as appalled as I am with our allies, I have got to be just as appalled with politicians in this country who will not learn those lessons, either.

That is our problem. I condemn the allies, and in condemning the allies, I am also willing to condemn those politicians in this country who are just as blind as our allies are.

Mr. DORGAN of North Dakota. Will the gentleman yield just for a moment.

Mr. GINGRICH. I yield.

Mr. DORGAN of North Dakota. I think the issue finally is not just for the left or the right and even the center; and yes there is a center. The issue is the use of power. When and how.

Mr. GINGRICH. Precisely.

Mr. DORGAN of North Dakota. And we have deep disagreement in the U.S. Congress about that——

Mr. GINGRICH. That is exactly correct.

Mr. DORGAN of North Dakota. And that is where we ought to have the disagreements, because we are the representatives of the American people to help control that use of power.

Mr. GINGRICH. All I was saying was, that if we do not have our act together as the leader of the free world, and in many ways on many occasions we do not; it should not surprise us that members of our alliance who are weaker and smaller and more vulnerable find it difficult to get their act together.

The United States desperately needs a calm, consistent, sustainable policy that contains the Soviet empire, that defeats the Cuban colonial forces and particularly defeats them by helping local freedom fighters who are willing to risk their lives to defeat Soviet imperialism.

When you have people with the courage of the Afghans and the Angolans and the Ethiopians and the Nicaraguans and the Cambodians, and they are begging for America to help so that they can have a fair chance to defeat the Soviet empire, then we are very foolish not to provide that help and not to make sure that the Soviet empire is contained before it endangers America.

I will be glad to yield to my friend.

Mr. WALKER. Would it not be nice if we got some Poles and some Hungarians and Czechoslovakians and some Lithuanians and a lot of people like that who would also follow suit, knowing that America supported freedom fighters elsewhere, that would provide the kind of incentive that was needed to destroy the colonial empire other places.

REPORT ON RESOLUTION PROVIDING FOR CONSIDERATION OF H.R. 1116, GARRISON DIVERSION UNIT REFORMULATION ACT OF 1986

Mr. WHEAT, from the Committee on Rules, submitted a privileged report (Rept. No. 99-538) on the resolution (H. Res. 422) providing for the consideration of the bill (H.R. 1116) to implement certain recommendations made pursuant to Public Law 98-360, which was referred to the House Calendar and ordered to be printed.

MONEY LAUNDERING PREVENTION ACT OF 1986

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Texas [Mr. PICKLE] is recognized for 5 minutes.

Mr. PICKLE. Mr. Speaker, yesterday I introduced H.R. 4573, the Money Laundering Prevention Act of 1986 with my colleague, the Honorable RICHARD SCHULZE.

For the benefit of the Members, I wish to include a section-by-section analysis of this bill at this point in the RECORD:

EXPLANATIONS OF PROPOSED AMENDMENTS

The general purposes of the proposed amendments are (1) to subject a person who launders money to potential civil and criminal penalties for certain money laundering activity, *i.e.*, causing a financial institution not to file a required report or to file an incorrect report and structuring or assisting in structuring a transaction to evade the reporting requirements, (2) to add an "attempt" provision, and (3) to create a program for forfeiting monetary instruments, or property interests traceable to those instruments, involved in violations of 31 U.S.C. § 5313 by persons other than financial institutions.

SECTION 1

Under present law, money launderers are successfully prosecuted in some judicial circuits for causing financial institutions not to file reports on multiple currency transactions totaling more than $10,000 or causing financial institutions to file incorrect reports. In such cases, defendants are charged with violations of 18 U.S.C. § 2 (aiding and abetting or causing another to commit an offense) and § 1001 (concealing from the government a material fact by a trick, scheme, or device). For example, in *United States* v. *Tobon-Builes*, 706 F.2d 1092 (11th Cir. 1983), the Eleventh Circuit Court of Appeals upheld a conviction under 18 U.S.C. § 1001 where the defendants had engaged in a money laundering scheme in which they had structured a series of currency transactions, each one less than $10,000 but totaling more than $10,000, to evade the reporting requirements. See also *United States* v. *Massa*, 740 F.2d 629, 645 (8th Cir. 1984), *cert. denied sub nom Skinner* v. *United States*, U.S. , 105 S. Ct. 2357 (1985); *United States* v. *Sanchez Vazquez*, 585 F.Supp. 990, 993 (N.D. Ga. 1984); *United States* v. *Konefal*, 566 F.Supp. 698 (N.D.N.Y. 1983) (prosecution for structuring upheld under Title 31). In contrast, the First Circuit Court of Appeals, in *United States* v. *Anzalone*, 766 F.2d 676 (1st Cir. 1985), the Eleventh Circuit Court of Appeals in *United States* v. *Denemark*, 779 F.2d 1559 (11th Cir. 1986), and the Ninth Circuit Court of Appeals in *United States* v. *Varbel*, 780 F.2d 758 (9th Cir., 1986) have held that structuring currency transactions to avoid the reporting requirements did not violate 18 U.S.C. § 1001.

The proposed amendment to 31 U.S.C. § 5313(a) would codify Toubon-Bulles and like cases and would negate the effect of

Anzalone, Varbel and Denemark. The proposed amendment would expressly subject to potential liability a person who causes or attempts to cause a financial institution to fail to file a required report or who causes a financial institution to file a required report that contains material omissions or misstatements of fact. In addition, the proposed amendment would create the offense of structuring a transaction to evade the reporting requirements, without regard for whether an individual transaction is, itself, reportable under the Bank Secrecy Act. For example, a person who converts $18,000 in currency to cashier's checks by purchasing two $9,000 cashier's checks at two different banks or on two different days with the specific intent that the participating bank or banks not be required to file Currency Transaction Reports for those transactions, would be subject to potential civil and criminal liability and the currency (or such monetary instruments as the Secretary prescribes) or property traceable to the currency would be subject to seizure and forfeiture under the proposed amendment in section 2. A person conducting the same transactions for any other reasons or a person splitting up an amount of currency that would not be reportable if the full amount were involved in a single transaction, *e.g.*, splitting $2,000 in currency into four transactions of $500 each, would not be subject to liability under the proposed amendment.

The proposed amendment to 31 U.S.C. § 5313(a) would also add a much-needed attempt provision to the Bank Secrecy Act. Under current law, a financial institution is not required to report a currency transaction until 15 days after the transaction has taken place; therefore, a reporting violation does not occur until (1) 15 days have passed since the time of the transaction and (2) the financial institution has failed to file a report. This situation creates two problems for prosecutions of persons who have structured their transactions to avoid the reporting requirements of the Bank Secrecy Act. First, after 15 days the money launderers may have fled, and the investigative trail may be cold. Second, an individual who has attempted to avoid the reporting requirements may escape liability if the financial institution, despite the efforts of the money launderer, files a timely, correct report. The proposed attempt provision would cure these present flaws by: (1) authorizing an earlier seizure of individuals and funds, and (2) subjecting individuals who attempt to frustrate the reporting requirements of the Act to potential criminal liability at the time of their attempt and not 15 days later.

SECTION 2

31 U.S.C. § 5317 would be amended to add a new subsection (d), which would, for the first time, allow property related to a violation of section 5313, to be seized and forfeited. This new subsection would be directed primarily at a person who launders money or attempts to launder money in collusion with a financial institution, who intentionally subverts or who attempts to subvert the reporting requirements by causing or attempting to cause an "innocent" or otherwise unwitting financial institution to fail to file a report or to file a materially incomplete or inaccurate report, or a person who structures or assists in structuring a transaction for the purpose of evading the reporting requirements, where a report would, but for its artificial structure, be required under section 5313(a). For example, a person may engage in a pattern of cash deposits at a financial institution where each deposit involves less than $10,000 in currency and where the total of the deposits equals substantially more than $10,000. If the activity were performed in an attempt to cause the financial institution to fail to file a report required by section 5313(a), or if the activity is a transaction structured for the purpose of evading the reporting requirements of section 5313(a), the currency used or intended to be used, or the interest in the property traceable to such currency would be subject to seizure and forfeiture. The fact that the violation was not willful would be a defense to the forfeiture. Willfulness in a forfeiture case would be determined under the civil, reckless disregard standard in this, a civil, in rem forfeiture action.

This forfeiture provision is intended to reach interests in property which can be clearly traced to the currency that gave rise to the section 5313(a) violation. It would reach monies deposited in bank accounts or other types of financial accounts, e.g., checking accounts, money market accounts, and certificates of deposit, and would apply to real and personal property that had been purchased by a violator with a monetary instrument that gave rise to a section 5313(a) violation. However, the provision is not intended to apply to the property interests of innocent third parties. It would not apply to cash received by an innocent bank, in which the money launderer no longer had any property interest, that a money launderer had used in the purchase of a cashier's check, but it would apply to the cashier's check in the hands of the money launderer or in the hands of the person on whose behalf the money launderer was acting. The fact that a person was a bona fide purchaser for value without knowledge of the violation would be a defense to forfeiture.

The amendment is needed because current forfeiture authority is an inadequate tool against money laundering. For example, forfeiture authority under federal drug laws, 21 U.S.C. § 881, requires a finding of probable cause to believe that the money was used in connection with a violation of the drug laws. Laundered money is frequently connected to violations of drug laws; however, money laundering is also used for non-drug criminal activity and, even where the operation is part of a drug trafficking organization, the money laundering can be arranged so that it is difficult, if not impossible, to prove such a connection.

Section 5317(c) is amended to provide express authority to seize assets clearly traceable to a monetary instrument being transported or which has been transported in violation of section 5316. The violation of section 5316 need not be willful in order for an unreported monetary instrument to be subject to seizure and forfeiture. Customs law relating to seizure, forfeiture and disposition of property continue to apply, to the extent not inconsistent with the Bank Secrecy Act, to forfeitures under this subsection.

Current tax assessment and collection statutes, 26 U.S.C. §§ 6851 and 6861, are also an inadequate tool against money laundering. Tax assessment and collection under such statutes requires proof that a Title 26 tax deficiency is in jeopardy. This involves a computation of taxable income, which is a difficult computation with respect to illegal activity. Furthermore, since only the tax deficiency is collectable under such authority, much of the laundered money is unreachable.

Tax assessment and collection authority under 26 U.S.C. § 6867 is also an inadequate tool against money laundering. That authority permits a jeopardy/termination assessment against a person "in physical possession" of cash (or equivalent) who does not claim ownership or who claims that an unknown third person owns the money but permits seizure of only fifty percent of the cash, as income tax due. The balance is available to a person who comes forward to claim ownership. The launderer or actual owner of the money may be able to regain half of it.

In contrast, the proposed forfeiture authority is likely to be a very valuable tool against money laundering. As evidence of the usefulness of such forfeiture authority, one can look to current forfeiture authority under the Bank Secrecy Act. Under such authority, large amounts of currency, i.e., more than $10,000, that a money launderer moves into or out of the country may be seized and forfeited to the United States if he fails to report it. This forfeiture authority has been used often and effectively as an important weapon in Treasury's war against money launderers.

Numerous case examples demonstrate how effective the proposed forfeiture authority can be. Following are three situations involving reporting violations where the proposed forfeiture authority would have enhanced law enforcement capabilities. The fourth example is a non-willful violation where no forfeiture would occur.

Case No. 1

An investigation developed evidence that a group of suspected narcotic traffickers had willfully caused domestic financial institutions not to file required Currency Transaction Reports on transactions totaling more than $50 million. However, the investigation did not develop sufficient admissible evidence to connect the laundered money to violations of the drug laws. Therefore, the money was not forfeitable under the current forfeiture authority at 21 U.S.C. § 881. Under the proposed forfeiture authority, the entire $50 million, or assets traceable to it, would have been forfeitable. Note that such assets in the hands of a bona fide purchaser for value would not have been forfeitable.

Case No. 2

A South Florida money laundering specialist laundered $57 million over 18 months through various Miami bank accounts. He deposited duffel bags and boxes filled with cash into accounts at Miami banks in collusion with certain bank officials; the banks filed no reports. The funds were transferred from the Miami accounts to other accounts and ultimately to Colombia. The admissible evidence in this case did not tie the $57 million to narcotics activity; therefore, the Government was unable to seize any of the funds under 21 U.S.C. § 881. Under the proposed forfeiture authority, the funds might have been seized prior to their leaving the United States. Furthermore, even if law enforcement officers had been unable to seize the money before it left the country, the proposed amendments would have authorized a civil penalty equal to the amount of the unreported currency.

Case No. 3

An individual represented to numerous financial institutions that he was conducting business as a bullion dealer and that he would be depositing large amounts of currency with those institutions. He opened business accounts, using his true name and the name of a bullion-dealer organization.

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He was not, in fact, a bullion dealer but was a money launderer. The bullion-dealer organization was strictly a shell corporation he used to launder money for his clients.

Over a 12-month period he deposited about $10 million in currency into 40 different accounts with 25 financial institutions in Florida and California. He drew checks on the accounts, payable to nominee names, which were then given to his clients. The check amounts were slightly less than the deposit amounts and the difference represented his money laundering commission.

The individual filed Federal tax returns, showing his occupation as a bullion dealer. Gross receipts on the tax returns approximated the amounts deposited into the bank accounts. Cost of goods sold (expenses) shown on the returns approximated the amount of the checks drawn on the accounts. The profit on the returns resulted from the commissions.

Although the banks filed reports on the individual's transactions, the individual would have violated amended 31 U.S.C. § 5313 (he did violate 18 U.S.C. § 1001) because he made a material misstatement of fact, i.e., a false occupation and a false business name, which caused the bank to file a form containing a material misstatement of fact. Current statutes do not allow for seizure of any of the funds deposited in the bank accounts. The proposed amendment to 31 U.S.C. §§ 5313(a) adding 5317(d) would subject these deposited funds to seizure and forfeiture.

Case No. 4

A person has saved money to purchase a home, and, according to the real estate broker, needed a $9,000 down payment. On the day of the closing, she went to her bank and withdrew $9,000 in currency. When she arrived at the closing, her broker revealed that he had made an error in his calculations and that she needed $11,000, not $9,000, for the down payment. She returned to her bank and withdrew another $2,000 in currency. Because she withdrew the $11,000 in currency in two transactions, the bank filed no report, despite the requirement on the report form that multiple transactions within a 24-hour period be aggregated and treated as a single transaction. Her withdrawal of the $11,000 in currency in two transactions presumably caused the bank to fail to file a required Currency Transaction Report; however, she would not have been criminally liable and her interest in the house would not have been subject to forfeiture under the proposed amendments because she had not willfully caused the bank to fail to file a required report and her transactions were not structured for the purpose of evading the reporting requirements.

Finally, it should be noted that the forfeiture provision proposed at 31 U.S.C. § 5317(d) for use with respect to domestic currency transactions is more limited in scope than most forfeiture provisions including the one already existing at 26 U.S.C. § 7302 for use with respect to violations of the internal revenue laws. Under 26 U.S.C. § 7302 any property used or intended for use in violation of the internal revenue laws may be forfeited. Under the proposed legislation for domestic currency transactions, the basic types of property subject to forfeiture are very limited. Only coins, currency, and certain other monetary instruments and property traceable to such monetary instruments may be seized and forfeited. Further restrictions exclude property from forfeiture if (1) the person violating the domestic currency transactions requirements is a domestic financial institutional examined by a federal bank supervisory agency or a financial institution regulated by the Securities and Exchange Commission, (2) the owner is a bona fide purchaser for value who took without notice of the violation, and (3) if the violation or attempted violation was not willful.

SECTION 3

31 U.S.C. § 5321 would be amended by adding a new subsection (a)(4) authorizing a civil penalty against a person who willfully violates section 5313(a). No amendment is necessary to 31 U.S.C. § 5322 for imposition of criminal penalties for violations of section 5313(a). Civil penalties can be imposed where a person had specific intent to violate the law or acted with reckless disregard for the law. This standard for willfulness is consistent with case law construing willfulness in civil penalty contexts and with Treasury's interpretation of willfullness under the Bank Secrecy Act.

The proposed civil penalty would complement the proposed forfeiture provision authorizing a civil penalty sufficient to fill the gap between the value of the property seized under proposed section 5317(d) and the value of the financial instruments involved in the unlawful transactions. This mirrors current treatment of forfeiture of monetary instruments seized under section 5317 and civil penalties imposed under section 5321(a)(2) (for violations of Bank Secrecy Act reporting requirements regarding transporting currency into or out of the United States).

SECTION 4

The authority of the Internal Revenue Service to forfeit property is currently set forth in 26 U.S.C. § 7302 and is limited to property used or intended to be used in violating the internal revenue laws. IRS agents enforce and administer laws in Title 31 of the United States Code (the currency transaction reporting provisions) in addition to the internal revenue laws. The proposed amendment to 26 U.S.C. § 7302 would allow the IRS to use the procedures under this provision to forfeit property under proposed 31 U.S.C. § 5317(d).

It should be clearly understood that the forfeiture authority under section 7302 of Title 26 and the procedures relating to the administration and disposition of forfeited property are entirely separate and distinct from the provisions for the seizure of property for the collection of taxes provided under subchapter D of chapter 64 of Title 26.

SECTION 5

Those with an interest in property seized for forfeiture by the Internal Revenue Service may file a petition for remission or mitigation. The Internal Revenue Service applies the customs laws relating to remission or mitigation (26 U.S.C. § 7327). The authority to remit forfeitures under the Bank Secrecy Act rests with the Secretary of the Treasury under 31 U.S.C. § 5321(c).

Petitions for remission or mitigation are expected to be rare. Seizures will only be made by trained law enforcement personnel. Seizures will normally be reviewed by legal counsel before they are made. The vast majority of seizures will be made under a search warrant obtained from a United States magistrate after a review of the circumstances to determine if there is probable cause.

It is anticipated that the procedures for remission or mitigation will be similar to the current IRS procedures for property subject to administrative forfeiture. A petition must be filed with the Internal Revenue Service District Director for the district in which the property was seized. The requirements and rules concerning the contents of such a petition under the internal revenue laws are set forth in the Internal Revenue Service's regulations at 26 C.F.R. §§ 403.35-403.45. A petition must be filed not later than three months after the sale or other disposition of the property. The petition must (1) contain a description of the property, (2) indicate the nature and amount of the petitioner's interest in the property, (3) show that the petitioner was not willfully negligent and did not intend that the property be used in violation of the law, (4) set forth documents supporting the claims made in the petition (such as contracts and bills of sale), (5) indicate that costs (such as those relating to seizure and storage) assessed as a condition of allowance of the petition will be paid by the claimant, and (6) state how the property came into the possession of the person whose act caused the seizure, and that the petitioner had no knowledge or reason to believe that the property would be used in violations of the law where the petitioner did not commit the act which caused the seizure of the property. The assessment of costs is discretionary with those allowing a petition and therefore may be waived.

In reviewing petitions, consideration is given to factors such as (1) whether the petitioner had a recognizable, good-faith interest in the property, (2) whether the petitioner played any part in or had knowledge of the violation or should have had knowledge of the violation, (3) the petitioner's criminal record, and (4) whether the petition was timely filed.

Finally, it should be noted that provision is made in the law and regulations for consideration of petitions for mitigation where a forfeiture would cause undue hardship. This authority may be exercised where the petitioner has not or cannot meet the conditions for remission but where other extenuating circumstances are present indicating that some relief should be granted to avoid hardship. Basically, the contents and procedures for petitions for mitigation are the same as those for remission.

Normally, petitions for remission or mitigation of our types of IRS forfeitures have been granted in around two months. However, in certain instances where a petitioner's noninvolvement, innocence, and ownership is clear, property can be returned more quickly.

Additionally, seized property may be returned to its owner if it was seized in error or if there is insufficient evidence to support the forfeiture. This can be done in a few days whether or not a petition has been filed.

All remission and mitigation determinations relating to property over a certain dollar amount, e.g., $100,000, would be approved by the Assistant Secretary (Enforcement).

SECTIONS 6 AND 7

Current law limits IRS agents' seizure authority to "property subject to forfeiture under the internal revenue laws". The amended language is required to authorize IRS officers to seize property subject to forfeiture under Title 31. The changes coordinate with the change in section 7302.

DECONTROL NATURAL GAS NOW

The **SPEAKER** pro tempore. Under a previous order of the House, the gentleman from California [Mr. DANNEMEYER] is recognized for 60 minutes.

Mr. **DANNEMEYER**. Mr. Speaker, today 20 colleagues and I, Democrats and Republicans alike, introduced legislation to promote competition in the natural gas market, to provide consumers and producers with access to transportation and to make available ample supplies of natural gas at the lowest reasonable price. This legislation, the Natural Gas Policy Act Amendments of 1986, has been submitted to the Congress by the Department of Energy. It is an excellent bill that would do much to improve our Nation's energy security and would expand the use of a clean-burning and abundant domestic fuel.

The Department of Energy estimates that if this bill were passed, natural gas prices would be lower by 10 to 20 cents per thousand cubic feet per year between 1987 and 1995. Allowing producers of gas from old fields to get market prices for that gas would result in the production of 30 to 34 trillion cubic feet over the next 40 years. This is equivalent to nearly 2 years of domestic natural gas consumption. Without legislation decontrolling old natural gas, this 2-year supply of gas will never be produced.

Passage of this bill will not be easy. It will take political courage to overcome the inertia, bogymen, and partisan politics that have blocked good natural gas legislation. The Secretary of Energy is serious about this legislation. The President is serious about natural gas decontrol. He said so in his State of the Union Address. The other body held a hearing on this bill and other natural gas legislation this week. I and those cosponsoring this legislation are serious about it and we plan to work for it.

I urge my colleagues on both sides of the aisle to look at this legislation. Let's work together to get it passed. A section-by-section analysis, a fact sheet on the bill and an editorial from the April 7 oil and gas journal follows:

FACTSHEET—NATURAL GAS POLICY ACT AMENDMENTS OF 1986

SUMMARY

The Administration bill will promote competition in the natural gas market and will ensure that consumers receive adequate supplies of natural gas at reasonable prices.

The Administration bill will result in lower average gas prices, increased domestic gas production and consumption, reduced payments for imported oil and gas supplies, and an improved balance-of-trade.

Reduced prices for high cost supplies and increased production of low-cost old gas supplies will lower gas prices by an average of about $0.10 to $0.20 per thousand cubic feet per year between 1987 and 1995.

Market prices for old gas will result in increased production from existing old gas reserves of about 30 to 34 tcf over the next 40 years, including about 12 to 14 tcf from delayed abandonment, 15.5 tcf from infill drilling, and 2.5 to 4.5 tcf from production enhancement.

The Administration bill will result in net economic benefits of about $16 billion (1984 dollars) over the next ten years relative to current regulations.

PROVISIONS OF THE ADMINISTRATION BILL

The Administration bill includes "open access" provisions that require interstate pipelines to provide transportation on a nondiscriminatory basis and to the fullest extent practicable.

Upon enactment, the Administration bill decontrols all natural gas wellhead prices subject to new or renegotiated contracts. All remaining Federal wellhead price controls are to be removed on April 1, 1987.

The Administration bill will prevent contracts containing an area rate clause, with no other indefinite price escalator clause, from reverting to extemely low fixed prices.

Provisions in current law that arbitrarily restrain the demand for natural gas, including certain provisions of the Fuel Use Act and the incremental pricing provision of the NGPA, are repealed.

BENEFITS OF THE ADMINISTRATION BILL

The Administration bill will open access to available interstate pipeline transportation capacity.

Open access will increase the competition between pipelines and producers and thereby ensure least-cost gas supplies to consumers.

Open access will ensure that the benefits of increased competition in the natural gas market extend to all consumers.

The Administration bill will result in lower average natural gas prices and increased gas market flexibility.

After partial decontrol, average wellhead prices declined by about 5 percent in real terms during 1985. Under full decontrol, average prices are projected to fall by about 14 to 17 percent in the first year after enactment, or by about $0.25 to $0.45 per mcf.

Decontrol of all gas prices will result in the production of 30 to 34 tcf of old gas reserves that would not be produced under current regulations. This additional production will occur at the rate of about 750 to 850 bcf per year for the next 40 years.

Increased production of old gas reserves will lower gas prices and encourage renegotiation of contracts that hold high-cost gas prices above market-clearing levels.

Lower gas prices, increased consumption and production of old gas reserves, and renegotiation of high-cost contracts will rapidly dissipate the inefficient surplus of deliverable gas supplies.

Lower domestic gas prices will also force prices for imported gas to decline, reducing payments for imported gas by about $3 billion to $5 billion between 1987 and 1995.

Lower prices for natural gas will also reduce oil imports by about 300 to 350 thousand barrels per day on average from 1987 to 1995, resulting in an annual reduction of $1.6 billion to $3.2 billion in the U.S. balance-of-payments deficit.

Repeal of demand restraints will allow all consumers to choose the least-costly fuel available.

SECTION-BY-SECTION ANALYSIS—NATURAL GAS POLICY ACT AMENDMENTS OF 1986

TITLE I—OPEN ACCESS TO TRANSPORTATION

Section 101 would revise Natural Gas Policy Act [NGPA] section 311(a) to expand voluntary transactions for gas transportation. This, and the following section on "Open Access Carriage," are intended to open the transportation system to competition. As a result, all gas supplies, including low-cost gas now shut-in, would become available at prices that reflect the highly competitive nature of the wellhead and burner-tip markets for natural gas.

NGPA section 311(a) currently permits the Federal Energy Regulatory Commission to authorize transportation by interstate pipelines on behalf of an intrastate pipeline or local distribution company, and by an intrastate pipeline on behalf of any interstate pipeline or local distribution company served by an interstate pipeline. Section 101 would expand NGPA section 311(a) to permit the Commission to authorize any pipeline to transport gas on behalf of any person. The use of the phrase "any person" is not intended to reflect any view concerning the persons on whose behalf gas currently can be transported under section 311(a), but rather to indicate the broadest application of section 311(a).

Section 101 also would add a new paragraph (4) to NGPA section 311(a) to make clear transportation under that section must be non-discriminatory. There is no legitimate reason to discrimination in an open, market-oriented system. Discrimination hinders competition, and thus is at cross purposes with the Congressional determination in the NGPA that the wellhead market is competitive and that consumers are best served by letting competitive forces work.

In addition, new paragraph (4) would require any natural gas company which received gas pursuant to section 311(a) to offer section 311(a) transportation service. It is intended that those who benefit from section 311(a) transportation services must offer the same service to others.

These changes would not affect the basic thrust of the Commission's recent action in Order No. 436. Rather, these changes are intended to codify the spirit of that action and to reinforce the Commission's generic authority to promote and provide for voluntary transportation arrangements, and thereby to increase the competitive flow of gas in commerce at market-sensitive prices.

Section 102 would add a new section 316 to the NGPA providing for "Open Access Carriage." Section 316 would provide that, upon application by any person, the Commission shall direct an interstate pipeline to transport gas unless the pipeline demonstrates to the Commission it is incapable of rendering the service. This section is intended to open the natural gas market to the operation of the laws of supply and demand to the fullest extent. It would remove barriers to open transportation that now exist, and would allow willing buyers and sellers to deal directly to bring low cost, currently shut-in gas to market. This section responds to the failure of most interstate pipelines to participate in Order No. 436, and to the conditions that precipitated Order No. 436 in the first place: the inability of consumers to obtain transportation for gas purchased directly from producers.

In determining whether a pipeline is "incapable" of rendering service the Commission, it is intended, would avoid interpretations that prevent carriage. The Commission should consider such factors as full pipeline utilization, full use of pipeline interconnections and compression, and displacement or other ways of facilitating transportation. The primary concern of the Commission, in making this determination,

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must be to ensure competition in the marketplace through the utilization of pipeline capacity to the fullest extent practicable.

The Commission is given the option to implement this section either by rule or order. This is intended to give the Commission the flexibility to act on applications as circumstances vary while preventing abuse of its processes that would delay open carriage. This section makes clear it shall operate without discrimination. Finally, the charge for transportation under this section must be just and reasonable, as that term has been defined under the Natural Gas Act.

TITLE II—REMOVAL OF WELLHEAD PRICE CONTROLS AND REPEAL OF JURISDICTION OVER CERTAIN FIRST SALES

Section 201 would amend NGPA section 121 to provide for the ultimate elimination of all price controls on first sales of natural gas. New subsection (f) would provide that natural gas sold under contracts executed or renegotiated after March 1, 1986, would be free from any NGPA price controls. This provision Section 315(c) permits the Commission to require the filing of contracts for the first sale of natural gas. The repeal of the existing NGPA section 315, along with the elimination of the Commission's NGA jurisdiction over first sales (*see* section 202(a)), would remove all non-price regulation of first sales of natural gas.

Section 203 would add a new section 315 to the NGPA providing for "the effect of area rate clauses" following decontrol. For a certain, limited number of contracts, the section would treat the last price paid for NGPA section 104 or 106(a) gas before decontrol on April 1, 1987, as a Federally-established rate or charge for purposes of area rate clauses. The contracts involved are those containing an area rate clause and no other indefinite price escalator clause, and only if the contract was entered into when the Federal Government prohibited an indefinite escalator provision other than an area rate clause. The intent of this section is to deal with situations where the Federal Government in effect dictated the price terms to the commercial parties. It would prevent a roll-back to extremely low fixed prices in contracts where the parties were unable to deal with this eventuality because of Federal interference with contract terms. This section thus would continue the status-quo, and would prevent both uncertainty over the applicable pricing terms and litigation that might result from that uncertainty.

TITLE III—REPEAL OF CERTAIN RESTRICTIONS ON NATURAL GAS AND PETROLEUM USE AND PRICING

Sections 301 and 302 would repeal several sections of the Powerplant and Industrial Fuel Use Act of 1978 [FUA].

The bill would repeal (1) the prohibitions on the use of natural gas and petroleum as a primary energy source in new electric powerplants (FUA § 201) and new major fuel-burning installations (FUA § 202), (2) the prohibition on the construction of new powerplants without alternate fuel capability (FUA § 201), and (3) the discretionary authority of the Secretary of Energy to prohibit nonboiler installations from using natural gas and petroleum as a primary energy source (FUA § 202).

The bill would repeal section 302 of FUA which authorizes the Secretary of Energy to prohibit the use of natural gas or petroleum as a primary energy source where coal or alternate fuel capability exists in existing major fuel-burning installations.

The Secretary of Energy's authority under section 401 of FUA to prohibit the use of natural gas as a primary energy source in certain boilers would be repealed.

The bill would repeal section 402 of FUA which prohibits certain installations of new outdoors lighting fixtures that use natural gas and certain uses of natural gas therein.

The bill would repeal section 405 of FUA which authorizes the Secretary of Energy to restrict, by rule, increases in the use of petroleum as a primary energy source in existing powerplants that used coal or another alternate fuel in 1977.

The bill would repeal subsections 103(a)(16), (a)(18), (a)(19) and (a)(29) of the Powerplant and Industrial Fuel Use Act of 1978, which provide certain definitions for general reference that are no longer necessary due to the proposed repeal of many statutory provisions.

Section 303 would repeal title II of the NGPA, which provides for an incremental pricing system whereby low priority users of natural gas pay a larger share of the first sale acquisition costs for natural gas, and thus would end this regulatory system. Acquisition costs incurred prior to the enactment of this bill would be passed through to users on the basis of the existing Commission regulations for incremental pricing. Any acquisition costs incurred after the enactment of this bill would be dealt with without regard to incremental pricing requirements.

[From the Oil & Gas Journal]

TAKE OR PAY ISSUE MUST NOT BLOCK NEEDED GAS INDUSTRY ACTION

The U.S. Federal Energy Regulatory Commission acted correctly late last month in refusing to grant interstate natural gas pipelines across-the-board relief from troublesome take or pay contracts with producers.

There's no denying that, for some pipelines, take or pay liabilities are major problems. Existence of contract problems for some pipelines, however, is insufficient reason for the government to intervene in contracts industrywide. And it is no reason at all for the government to refrain from doing what the market needs most: moving to free market pricing for gas the quickest way possible.

Pipelines have a reasonable concern over what happened—or didn't happen—to take or pay in FERC's landmark Orders 436 and 436-A last year dealing with natural gas transportation. The orders offer expedited certification to pipelines agreeing to provide transportation service on a nondiscriminatory basis. Pipelines accepting the orders' terms subject themselves to loss of firm contract demand. While they lose contract customers, however, they gain no compensating relief from their contract purchase obligations to producers under high-cost and take or pay contracts. And the bind is complicated by an earlier order that limited pipelines' abilities to recover variable costs through minimum commodity bills.

Critical to the issue, however, is a point that FERC acknowledged in rejecting pipelines' requests for reconsideration of Orders 436 and 436-A. The pipelines wanted the commission to tie nondiscriminatory transportation service to blanket take or pay relief. Pipeline groups similarly are trying to make such relief a condition of the Department of Energy's proposed end to old gas vintaging. The point FERC acknowledged in the Order 436/436-A case—and it's point that applies as well to the DOE proposal—is that take or pay isn't an industrywide problem. Therefore, government abrogation of private contracts industrywide is unwarranted.

A 1984 Foster Associates Inc. study for Natural Gas Supply Association, a producers group with an obvious interest in preserving take or pay contracts, found that only four out of 36 major interstate pipelines had historically high take or pay liabilities during the study period. Since then, moreover, negotiations have eased the difficulties in at least some cases. Pipelines bristle at the suggestion that take or pay is anything other than a daunting problem, and for specific pipelines it is precisely that. for many others, however, it is not.

To the extent Orders 436 and 436-A unfairly tip the contract balance in pipelines' disfavor, the remedy may lie in amending the provisions that allow pipelines' firm customers to phase out their contract purchase obligations. It certainly should not be in allowing all pipelines to walk away from their take obligations with producers.

Neither should the take or pay issue prevent FERC from seriously considering DOE's stop-gap move to rationalize gas prices. The gas market's core problem is the lingering volume of gas subject to price controls. Contractual snags, supply/demand imbalances, and regulatory uncertainties all stem from the government's bungled manipulation of gas prices and uses. There will be no order in the gas market until all price and market controls are removed. Congress won't do what's right, so DOE is offering a second-best alternative. An end to vintaging would mean pipelines would lose access to artificially cheap gas, which is why they object to the DOE plan. But their objections are far less compelling than the prospect of a gas industry made less subject to the uncertainties and distortions of government meddling.

Slowly but surely, the gas industry is becoming less a creature of government and more a creature of the market. The evolution has its hazards, among them fluctuation of supply and demand. The current deliverability surplus is aggravated by demand loss due to falling oil prices and rising U.S. imports of Canadian gas. The industry is suffering, but producers—who have lost both markets and margins—are hurting most. Pipelines ought to look more to their suppliers—whose needs to move gas are at least as urgent as their own—and less to FERC for solutions to take or pay problems. It's how business increasingly will be done as deregulation progresses, slowly or otherwise. Producers and pipelines might find they have significant mutual interests—such as the future health of their industry.

□ 1805

One of the biggest problems facing the country today is the fact that we Americans are energy dependent on other nations of the world. We use today in this country about 15,000,000 barrels of oil per day, and we import a little better than one-third of those, in excess of 5,000,000 barrels of oil per day. It is important that this country have a policy which will produce the most energy at a reasonable price for the foundation of the industry of this country. For some reason over the years a policy position of Congress relating to natural gas legislation has

been encumbered by regulations which go back over 30 years, specifically to 1954 and even before that.

In 1978 Congress passed the Natural Gas Policy Act, which constructively did much to ease some regulations with respect to the production of natural gas for the country.

As a result of that legislation, about one-half of the natural gas in the country became deregulated on January 1, 1985. The other one-half of the natural gas is still regulated and will continue in that status until Congress takes some action to do otherwise. Historially this question of deregulation of natural gas prices has a tendency to have one section of the country interface and be in contest with another. Specifically the States of the Union that produce the most natural gas such as Louisiana, Texas, Oklahoma, Kansas, and we produce a lot of it in California as well, have been perceived by those States in the Union that do not produce energy, natural gas or otherwise, as being in the catbird's seat.

This results unfortunately in Members of Congress coming from non-energy-producing States to, as they see the light, have a tendency to vote in such a way as to place restriction on the price of the energy this country needs. This has resulted in the controls on natural gas that exist at the present time relating to about one-half of the natural gas produced in the country. We have another very fundamental problem and a solution that this legislation offers to resolve; namely how do we clean up the air that is polluted in America? Of all the energy sources that we could use, coal, nuclear, oil, geothermal, and natural gas, the one that is the least polluting is natural gas. We have 29 nonattainment areas in the country under the Clean Air Act, and these areas are required by Federal law to take action to improve the air quality of their regions in order that the people who happen to live there will be able to breathe clean air and live a better life. All Americans support that goal.

My area in southern California is one of the nonattainment areas of the country. We would rather burn natural gas than any other fuel to fire the boilers to run the generators of electricity and produce the energy with it, without which our country cannot survive.

It is interesting to note today that just recently legislation was introduced by many Members of the House relating to placing a huge tax burden on the production of coal in this country and, indeed, a tax burden on all energy produced in the country in the form of electricity rates so that we could develop a huge fund to clean up coal that is being burned in energy producing plants, powerplants around the country.

A good number of these are in the Middle West of the United States and are said to be responsible for the creation of acid rain that is plaguing much of the country today, not only in the United States but in Canada as well. So when you look at it, what we are going about is creating a fund by taxing the production of energy, all forms of energy in order to clean up coal being produced so that it does not produce sulfides and oxides of nitrogen into the atmosphere, which is a constructive goal. But we should also understand that natural gas is an energy that can be used in these powerplants around the country without the necessity of engaging in an expensive means of cleaning up the production of the power when the natural gas is used as the energy source.

The main reason that this Member from California is supporting the deregulation of natural gas is not because I am solicitous of the welfare of the owners of the natural gas in the ground, whether they are located in Kansas or Texas or Louisiana or Oklahoma or California; those people can take care of themselves very well. But the reason that this policymaker is very much interested in deregulating the price of that gas is very simple. Whenever the Government sets a maximum price below the market, you get a shortage, and whenever the Government sets a minimum price above the market, you get a surplus. That explains why we have a surplus of teenage labor in America. That also explains why in those communities in the country where we put price controls on rental housing we have a shortage of rental housing for some reason. Similarly, this price control practice of the Federal Government on natural gas is primarily responsible for the shortage of natural gas that this country experienced in the 1970's.

It is in the interest of increasing the production of natural gas that we deregulate the price and let the market force determine what price will be available to the producers of that gas in the marketplace. And there is a great deal of common sense that any layman can easily understand with respect to this whole issue of natural gas pricing. Put yourself in the shoes of the owners of the gas field. And if the Federal Government today is saying that you are going to get 20 cents per unit, per mcf, or 40 cents or $1 or $1.25, depending on when that particular field came into production and the market clearing price is somewhere around $2.25, which is where it is today, are you going to want to produce gas from that field?

I do not think so. You are going to use every method within the law to keep that gas in the ground with the idea that someday reality will come to the regulators in Washington, DC, and you will be able to get a market price for that gas, bring it out of the ground and put it in the energy supply system of this country. That is the very point of this legislation. Numerous experts testified before our Subcommittee on Fossil and Synthetic Fuels, on which I serve, to the effect that if we deregulate the price of old gas we will bring into the production stream of America between 20 and 40 trillion cubic feet of the gas that we would otherwise never achieve.

Now how do we do that? Bear in mind we use about 18 to 20 trillion cubic feet of gas per year. So that is about a 1- to 2-year supply of natural gas which we otherwise will never get if we do not regulate the price as I indicated.

The reason that that statement is true is because of three factors. If the price of old gas is deregulated, there are incentives in the economic sense that come into existence which cause the producer of gas from an old field to produce more gas from that field. Specifically they have an economic incentive to produce more wells in that field, infield drilling it is called, and this results in more production from the field. They also have an incentive to improve the productivity of wells. You can invest money in rehabilitation of a well if the market price you get for that gas is at a level with market levels.

Third, the abandonment pressure in a producing gas field is a very important factor. If the price you receive for the gas coming out of the ground is at one level, that determines what the abandonment pressure for that field will be. Of course, the higher the price for the gas that comes out of the field, the lower the abandonment pressure can be, and that results in more gas being produced from that field.

These three factors are responsible for what I have stated, namely that by deregulating natural gas prices we have the very good assurance from experts on all sides of the equation that we can bring into the energy supply of the country between 20 and 40 trillion cubic feet of natural gas which we otherwise will not receive.

By increasing the supply of natural gas to the energy base of the Nation, we back out of the energy usage equation of our energy system oil that is currently being used. That certainly is in the interest of this country. The largest single item of foreign purchases is oil for the economy of this country. Of the $150 billion negative trade balance with the rest of the world in 1985, better than $50 billion of it came from the purchase of oil. To the extent that we decrease the purchase of oil from foreign nations, to that extent we are improving the economic situation of the Nation in terms of its balance of trade.

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Bear in mind also that for every $1 billion that we do not send to other countries for the purchase of energy means the production of about 25,000 jobs for the people in America. In other words, we can produce jobs for the people in this Nation by decreasing our dependence on foreign-supplied oil.

The recent decline in the price of oil presents us, I believe, with a sterling opportunity for deregulation of natural gas. This issue, of course, has been infected with partisan politics, regional politics, and I am happy to say that this legislation that is being introduced today enjoys the bipartisan support of Democrats and Republicans in this House, and I hope we can continue that bipartisan support because it is obvious that that is the only way we are going to be able to process this legislation to conclusion and place it on the President's desk for his signature.

The decline in oil prices has been facilitated because of an increased supply of oil. We have actually a surplus of natural gas on the market today. And because there is a surplus of natural gas, there is no crisis that compels us to do something or do nothing. And in this atmosphere today, I believe this is the best opportunity for moving forward with this legislation.

Mr. Speaker, I yield to my colleague from Louisiana if he has a comment he would like to share with respect to this issue.

Mr. MOORE. I thank the gentleman for yielding. I am very proud to coauthor this bill with the gentleman. This bill is the administration's bill. They have asked us to introduce it at their request. I am pleased to do so. I think this shows the administration is very concerned about the consumer, about national defense, and about the oil and gas industry, all three.

This bill also is somewhat of a victory as 2 weeks ago Congressman ARCHER of Texas and I introduced H.R. 4476, the Emergency Energy Act. This bill we are talking about here tonight that we introduced today does some of the same things that bill does. So I am pleased that the administration is supporting many of the same things.

Three of the things that this bill does, the main three things: first, as the gentleman has been describing, is that it has immediate decontrol of all new and renegotiated contracts for natural gas with a total lifting of all remaining price controls by April 1, 1987, including incremental pricing.

Second, it has open access to transportation through mandatory contract carriage by pipelines.

Third, it repeals the Fuel Use Act, which currently restricts the use of natural gas.

I happened to be in Congress and served on the committee the gentleman is now serving on, the Committee on Energy and Commerce, back in 1978 when the Carter administration had the Congress pass the Fuel Use Act. It was a mistake then. Many of us knew it. The industry knew it. Consumers now know it. It has been a mistake ever since. It needs to be repealed. This bill will do that.

Second, the deregulation bill that was passed in 1978 by the Carter administration, the Natural Gas Pricing and Policy Act, maintains, and people need to understand this, it really does not decontrol all of natural gas. About 50 percent of it remains with price controls on it forever. That is something not in the best interest of the consumer or certainly the industry itself. So what we are doing here is moving to remove two things passed during the Carter administration and do a third thing, and that is to provide for accessibility of gas.

□ 1820

This bill is important. We now know of the great difficulties that we are finding in the oil and gas industry, and I want to touch on a different slant. I agree with everything the gentleman said about the impact of this bill on consumers and the impact on jobs. The gentleman is totally correct. I want to take a little bit different slant and add a little bit to it.

Everybody understands the difficulty of the oil and gas industry today. Everybody understands that we do not want to get back into a position like we were in 1973, when we were totally dependent, or too much dependent, on foreign suppliers of our energy resources. That is what is going to happen if something is not done to be of some benefit to that industry as we are losing wells, we are losing companies, we are losing employees, we are losing facilities daily.

Gas is very important, and doing what this bill does to help gas will help preserve that industry. Better than 50 percent of the energy industry revenue, at least in Louisiana and in most parts of the country, is from natural gas. Fifty percent of the energy industry's revenue comes from gas.

Over 75 percent of the independent energy producers in Louisiana produce both gas and oil. Many times when you are out there exploring for one you find the other. That is why it is that way. Some of the most productive fields in the State of Louisiana are purely gas production fields. Therefore, when you realize how much revenue is coming into this industry from gas, anything we can do to improve the marketability of gas certainly will help that industry and help that industry's cash flow without any necessary increase in prices at all to the consumer.

New markets need to be opened up. As demand for natural gas drops, we are losing proven reserves. As an example, in 1983, Louisiana had better than 2 trillion cubic feet in proven reserves. That is more than the total production this year. As the price of oil drops, gas is becoming less competitive in limited markets available under current law. The industry estimates say that repeal of the Fuel Use Act, doing away with the current controls on natural gas, and increasing the accessibility for the transportation of natural gas will improve the marketability of natural gas from 20 to 25 percent. I want to repeat that. We can improve the marketability of natural gas, from the estimates I am getting, from 20 to 25 percent by simply doing the three things this bill does.

Gas is marginally profitable today. Industries are finding it more economical to switch to oil. This bill will help find new markets, transport to those markets and increase the value or the profit in going out and getting old gas back on stream that would be under regulation forever if this bill does not pass.

Louisiana produces 31 percent of all the domestic gas produced in this country, more than any other State in the Nation. Seventy-five percent of the gas produced in Louisiana is used outside the State of Louisiana. So producers can make this gas more available to 75 percent of the people outside of Louisiana who are using our gas if we can have that improved access to pipelines this bill gives, if we can repeal the Fuel Use Act so we can sell them gas for purposes that they want to use, that they cannot use it now except for the artificial provisions of the current law on the books.

Decontrol is also totally necessary. As I said earlier, 50 percent of all gas will stay regulated, and at the price it is regulated at, those wells need servicing, those wells need reworking, and you cannot do it at the price of gas that is being regulated today. So if that happens, those wells just stop producing gas and may be forever shut it, meaning we have that natural gas available for consumers that will never be made available for consumers. Consumers need to understand this. Decontrol does not necessarily mean higher prices for them. If we can produce more of that old gas, that will bring down the total market value somewhat. If we cannot produce that old gas because it is not profitable to do so, then the only gas they can buy is some of that newer gas decontrolled at a higher price.

So we believe, as does the administration, that decontrol of gas prices, plus opening up the access and transportation will, in fact, probably keep the prices stable with increased supply, and maybe even reduce the price somewhat to consumers.

We know what it will do for the industry. We had one source in Louisiana of independent producers that tells us they use the term, it will be of "unbelievable assistance" to natural gas producers in Louisiana at a time they need it the most.

Limited decontrol we have already seen will not work. It will not, but it has also not resulted in the skyrocketing prices to consumers, just like decontrol of oil did not result in skyrocketing prices to consumers. So I submit consumers have nothing to fear, while producers have everything to gain and hope for by the provisions of this bill.

As oil and gas companies can increase their natural gas production and exploration activities, this puts people to work in the oil and gas industry, as the gentleman has mentioned before. It also includes their cash-flow at a time they need it, putting them in a stronger financial position at present, and a stronger financial position to be able to last through the existing hard times through low oil prices.

It also has a positive effect on the petrochemical industries, something that has not been discussed. Petrochemical companies use natural gas as a feedstock. They would like to use it as a boiler fuel once again, so the repeal of the Fuel Use Act will allow them to do that.

We are about to lose many of these natural gas feedstock petrochemical companies overseas. They are moving to Saudi Arabia. We can help prolong that or prevent that by the activities of repealing the Fuel Use Act. It will allow them to use natural gas as a boiler fuel, which is important to them, but it also will prevent them from having their contracts abrogated when they buy natural gas as a feedstock by the existing laws which this bill repeals. It means when they sign a contract with a natural gas producer for natural gas to use as a feedstock to make chemicals from, there is no chance that is going to be abrogated, as it is under existing law, and take that gas away from them and take it somewhere else in the country in case of a shortage. So this will help the petrochemical industry as well.

We believe also, as indicated earlier, that any lower prices enjoyed by consumers would likewise be enjoyed by manufacturers, such as the petrochemical industry, keeping people to work, keeping us producing chemicals to sell in foreign trade to improve our deficit in foreign trade.

Mr. Speaker, I want to conclude by simply saying this bill does some very necessary things to help consumers, to help the oil and gas industry which needs help, to help our national defense by keeping us energy independent; and also it certainly helps the economy of my State, which now, unfortunately, has achieved the status of being the highest unemployed State in the Union. This will help put people back to work in my State.

So I think that this is something that we need to do.

Mr. Speaker, let me just say to my good friend from California, who is the lead author on this bill, and I appreciate the gentleman working with me and having me with him on this bill, we have seen in the attack on Libya that there are a lot of allies in this world we cannot depend on; as a matter of fact, very darn few. Now, are we going to depend on those same people to help us get oil when we run out of oil or natural gas? I think we have learned a very valuable lesson. This Nation can never depend on anybody other than ourselves for national defense, and this Nation cannot ever depend on anybody but ourselves for production of energy. We have learned that, if nothing else, in that raid on Libya.

This bill will help us remain energy independent by repealing two totally worthless laws, the Fuel Use Act and the remaining provisions of natural gas price controls and, at the same time, clear up a third problem of not being able to have ready access to pipelines by natural gas producers to get their natural gas to market.

Mr. Speaker, I commend the gentleman. I am glad to join the gentleman. This bill is most worthwhile.

Mr. DANNEMEYER. Mr. Speaker, I thank the gentleman from Louisiana [Mr. MOORE] for those comments. I appreciate the gentleman's participation in this special order.

Mr. Speaker, I have just some concluding comments that I would like to make.

The proponents of price control have told us that if we deregulated the price of oil, we consumers would expect to have a flareup in the price; that is, those producing the oil in the world and in the country would take advantage of the consumers of this Nation and stick it to them.

The facts have proved that to be just the opposite. In 1979, when Jimmy Carter was our President, he wisely began the deregulation of oil prices in America. The first thing President Reagan did when he was elected and began to serve as our President in 1981 was to complete at one time, in the beginning of 1981, the deregulation of all oil prices in this Nation.

We Americans now see what that wise policy decision has produced. We have decreased the quantity of oil this Nation is importing from foreign sources in 1986 as compared with what quantity we were importing in the late 1970's.

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And, also, we have, actually as a result of the recent price decline in oil, witnessed the deregulation of oil prices. Rather than driving up oil prices for all consumers in this country, it has had the effect, along with other factors that could be a part of the monetary instability of our Nation and the Western World, but at least oil prices are significantly lower today, in 1986, than they were in 1981 or 1982 or 1983 or 1984 or indeed even in 1985.

The reason I mention this is because it has relevance with respect to the policy on natural gas. We were told again that if we deregulated natural gas prices to the extent that one-half of them by the National Gas Policy Act adopted in 1978, whereby about half of the prices of gas were deregulated effective January 1, 1985, that we would have a flareup of gas prices and we consumers would have to pay that. That did not prove to be the case. On January 1, 1985, we did not experience a flareup of gas prices in this Nation, nor do I think we would experience a flareup of gas prices in this Nation if we have the political courage to deregulate that gas in this Nation that is currently under price control, basically, 104 gas.

I think any layman—you do not have to be an economist to figure this out—knows that when you increase the supply of a product and the market is relatively the same, you are going to have a decline in price. It follows as night follows day. That is the very essence of this legislation. If we bring into the natural gas supply of this Nation an additional 20 to 40 trillion cubic feet, 1 to 2 years of additional supply that we will never get otherwise, I think it follows, as night follows day, that we are going to significantly drive down the price that we consumers have to pay for natural gas because the market force out there, that mysterious method by which automatically when buyers and sellers through the multimillion transactions that take place every day determine the price, we consumers have the best product at the lowest price and availability that can possibly be achieved. That is what the market system has done for the mystery and the benefit of the American consumer, and I submit that it is in the interest of all of us in this country to adopt the same policy with respect to natural gas prices.

Mr. Speaker, I yield back the balance of my time.

AGRICULTURAL CREDIT ACT OF 1986

The **SPEAKER** pro tempore. Under a previous order of the House, the gentleman from California [Mr. PANETTA] is recognized for 5 minutes.

Mr. PANETTA. Mr. Speaker, today the financial difficulties of many farm borrowers and their lenders are more severe than any

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encounted since the Great Depression. More than one-third of our Nation's commercial-sized family farms continue to experience serious financial problems. If we do not deal with the farm debt crisis now, we will continue resolving it through foreclosures, bankruptcies, and bank failures. If the agriculture economy sees a cascading rate of failures due to overburdened credit, the taxpayer and the Nation will be assessed in many ways—not the least of which will be through FDIC guarantees.

Last year, the administration vetoed legislation initiated by our committee on immediate farm credit relief. The problems that our farmers have been struggling with for the last 5 years have not disappeared. The magnitude of the crisis has only grown worse and has had rippling affects on other sectors of our economy. Many communities are faced with a loss of population, declining property values, tax revenue, and public services. The outlook appears worse instead of bettter. Time is of the essence and inaction is clearly not the solution.

The new farm bill was designed to make U.S. farm products more competitive on world markets by making sharp reductions in loan rates. But, the results have been less than encouraging. Little improvement is expected in the export market. This year, agricultural revenues are projected to hit their lowest level in 8 years—over a 34-percent decline since their peak. The problems facing U.S. farmers are compounded by the fact that world grain reserves are at record levels and bumper crop harvests have kept commodity prices low.

To make matters worse, the value of the farmland that farmers use as collateral for their loans has continued to decline—compounding farmers' financial problems. Many farmers already burdened with high debt loads are being turned down for new operating loans by lenders worried about the prospects for recovery. Turned down by commercial lenders, many farmers have sought relief from the Farmers Home Administration, as the lender of last resort. But, the Agency has been unable to fulfill the flood of loan applications and reported in March that it ran out of money for new direct planting loans this year. As an interim measure, the Agency shifted limited funds into the direct loan program, but only through drawing down other FmHA loan accounts.

Not only are our farmers in for another dismal year, but farm banks are increasingly more vulnerable—as thousands of farmers will be unable to service their debt. Scores of agricultural banks are already in grim shape. The FDIC reported that net loan losses at agricultural banks nearly tripled over the past 2 years and that about 40 percent of the problem banks are farm banks. Sixty-two farm banks failed last year—the highest number of failures since the depression. This year, another 60 farm banks are expected to fail. Farm bank problems and failures will continue, unless immediate action is taken.

I was encouraged to learn of the recommendations that the three bank regulatory agencies recently proposed in bank accounting rules to allow banks to deal with losses incurred by troubled farm and energy loans. While this action is a step in the right direction, I am concerned that there is no mechanism to translate assistance down to the farm borrower.

We in Congress have a responsibility to deal with these problems now. That is why the bill that I am offering today is so important. This bill would establish a 3-year program of financial incentives for banks, other commercial lenders, and the Farm Credit System to reduce the interest rates and principal on existing loans to financially troubled farmers. This bill encourages lenders to use these liberalized accounting rules to restructure troubled farm debt by providing a matching interest subsidy program to lenders that reduce principal by a least 15 percent. The interest subsidy would be up to 6 percent—2 percent from the Federal Government, 2 percent from individual States, whose participation would be optional, and 2 percent from the lender.

Borrowers, lenders, and the Government must share the responsibility for fixing the present credit problems. Banks and other lenders can do much on their own to lighten the debt burden of their customers—and lenders have indicated a willingness to do this. But, many banks have been reluctant to write down loans or grant other concessions to borrowers because of the effect this might have on their capital levels. Federal assistance is needed to provide the mechanisms and incentives to lenders to work with borrowers to effect long-term restructuring of problem debt.

This bill also addresses the problem where the availability of new accounting rules does not necessarily ensure that they will be utilized. A case in point involves the Financial Accounting Standards Board Statement (known as the FASB No. 15 program). Although the FASB No. 15 program is now on the books, adequate notice was not provided to lenders—as evidenced by the fact that the majority were unaware that such a mechanism exists. we must act to ensure that lenders, examiners, and farm borrowers are fully aware of all available restructuring options. This bill would require lenders to develop debt restructuring guidelines and give borrowers an opportunity to participate in such a plan before action could be taken on defaulted loans.

My goals are simple. We need a program that is a solution for our farmers—not simply a bailout of an institution or a bank. This bill is designed to give farmers and their lenders an opportunity to restructure their debts and to stay in business. It is a reasonable and fair approach. It does not "bail out" anyone; instead it gives farmers and their lenders an opportunity to walk together out of a problem they entered into together. We must act now to prevent huge loan defaults that could shake confidence in the Nation's financial system, causing interest rates to rise and slowing the growth of income and jobs. This bill would help to restore the confidence on the main streets and among the farmers of rural America.

Mr. Speaker, I include the section-by-section analysis in the RECORD, along with the text of the bill:

AGRICULTURAL CREDIT ACT OF 1986—SECTION-BY-SECTION SUMMARY

TITLE I: INTEREST SUBSIDY INCENTIVES FOR RESTRUCTURED LOANS

Section 101: General provisions

To encourage farm debt restructuring, this Act provides a matching interest subsidy program to lenders that reduce principal on troubled farm loans by at least 15%. As an added benefit, such debt restructuring would also allow lenders to participate in FmHA's Debt Adjustment Program (DAP). Under the DAP, loans that are restructured by at least 10% are eligible for a 90% FmHA guarantee.

From the date Act is enacted, borrowers have a one-year period in which they can apply to their lenders to participate in this three-year program. Loans that lenders have restructured during a six month period prior to enactment of this act would also be eligible for the interest subsidy.

Section 102: State and Federal interest rate payments

Interest rate subsidies would be provided to qualified lenders through the Farmers Home Administration (FmHA). State participation is optional.

Section 103: Principal and interest rate reduction

Up to 6 points of interest could be written down for those loans in which principal is reduced by at least 15%. The interest subsidy consists of 2% Federal, 2% State (participation is optional), and 2% Lender. For each additional 5% reduction in principal, one point of interest subsidy would be waived. The following table illustrates the incentive program:

Principal reduction [1]	Interest subsidy contribution			Total interest write-down (percent)
	Federal (percent)	State [2] (percent)	Lender (percent)	
10 percent	([3])	([3])	([3])	([3])
15 percent	2	2	2	6
15 percent to 20 percent	2	2	1	5
20 percent to 25 percent	2	2	0	4

[1] In lieu of a principal reduction, lenders could reduce interest on fixed rate loans to acheive a comparable payment reduction over the life of the loan.

[2] State participation is optional. If State does not participate, total interest write-down would be reduced by 2 percent.

[3] Qualifies for 90 percent FmHA guarantees under DAP.

Section 104: Duration of interest rate reductions

At the end of this 3 year program, the interest rate charged on the restructured loan cannot exceed the standard rate charged by the lender for a comparable loan.

Section 105: Recapture provisions

In the event of non-monetary default (violation of non-monetary terms of loan agreement without lender's consent), the lender may enforce the terms of the loan as they existed before restructuring occurred.

Section 106: Limitation on foreclosure

Requires lender to develop debt restructuring guidelines for farm borrowers and give them the opportunity to participate in debt restructuring program before taking action on a defaulted loan. This would not apply to loans under jurisdiction of bankruptcy court.

If a lender should foreclose on a participating borrower, the federal and state interest subsidy would be cancelled.

Section 107: Use of certain funds

Authorizes the Secretary to use the Agricultural Credit Insurance Fund to carry out

this Act. Provides the Secretary with discretionary authority to use funds authorized under the interest subsidy program in the Farm Bill.

TITLE II: CONSERVATION PROVISIONS

Amends Section 1211 and 1212 of Food Security Act of 1985 to provide that any producer that cultivates highly erodible lands and wetlands will be ineligible for assistance under this Act.

TITLE III: ACCOUNTING PROVISIONS

Section 301: Federal regulation of the accounting for restructured agricultural loans

Subsections(j)(1-5) Agricultural Loan Restructuring

Amends the Federal Deposit Insurance Act to provide lenders with more flexibility to restructure troubled agricultural debt—by minimizing effects of capital erosion and lending limitations. The following amendments are consistent with those proposed by the bank regulatory agencies in March:

(A) FASB #15—encourages banks to utilize a little-used accounting rule that allows banks to restructure loans *without* having to take a loss against capital if the restructuring results in payments that at least equal the original loan principal. FASB #15 (Financial Accounting Standards Board Statement No. 15) applies when "the creditor's objective is to make the best of a difficult situation . . . the creditor expects to obtain more . . . value from the debtor, or to increase the probability of receipt, by granting the concession than by not granting it."

(B) Capitol Forbearance—requires each Federal banking agency to establish a capital forbearance program for banks that have experienced a reduction in capital which is largely attributable to problems in the agricultural sector. Under such a program, a bank would be allowed to operate under relaxed capital requirements, provided they can demonstrate capacity to restore capital within five years. Currently, banks falling below the minimum 6% capital level are subject to stringent enforcement action by bank examiners.

(C) "Call Report" Modifications—requires the Federal banking agencies to amend description of the status of restructured "troubled" loans in the Reports of Condition and Income (call reports). This requirement allows banks to distinguish loans that, although restructured (as under FASB #15), are in compliance with modified terms. Those loans would no longer need to be included in the category of nonperforming loans but could be disclosed in the call report as "Restructured and in Compliance With Modified Terms" or a similar description.

Subsection (j)(6) Limitation on Foreclosure

Requires lenders to develop debt restructuring guidelines for farm borrowers and given them the opportunity to participate in debt restructuring program before taking action on a defaulted loan. This would not apply to loans under jurisdiction of bankruptcy court.

Subsection (j)(7) Recapture Provisions

In the event of non-monetary default (violation of non-monetary terms of loan agreement without lenders' consent), the lender may enforce the terms of the loan as they existed before restructuring occurred.

Subsection (j)(8) Definitions

With the exception that this Section only applies to banks that have their deposits insured by the FDIC, the definitions are basically the same as those listed under Section 404.

Section 302: Modification of lending limitations for lenders that restructure agricultural loans

Amends regulations that establish lending limits for national banks so that a temporary reduction in capital would not reduce banks' lending authority. Currently, a decline in capital results in a parallel decline in the bank's maximum lending limit. By establishing an increased lending limit, a bank participating in the capital forbearance program who suffers moderate losses on agricultural loans could maintain its current dollar lending limits.

Section 303: Regulation of the accounting for restructured agricultural loans by State insured depository institutions

Requires appropriate State banking agency to amend State regulations to conform to amendments in Section 301.

Section 304: Adjusting real estate holding periods for a National Banking Association

Increases the number of years that national banks can hold real estate, from 5 to 10 years. Currently, a bank must dispose of farmland it acquired through foreclosures within five years unless the Comptroller of the Currency approves the possession for an extended period not to exceed an additional five years. This provision is intended to relieve any further downward pressure on already depressed farmland values.

TITLE IV: MISCELLANEOUS PROVISIONS

Section 401—Authorizes the Secretary to issue regulations to implement this Act within 30 days after the date of enactment.

Section 402—This section clarifies that the requirement for fixed rate mortgages in any restructured loan supersedes any state law.

Section 403—Provides for penalties under 18 U.S.C. 3623 or imprisonment for up to five years for those who steal, forge, misapply, etc., under this act.

Section 404: Definitions

"Agricultural Loan"—any loan made to finance production of agricultural products or livestock; or secured by agricultural property.

"Debt Restructuring"—loans restructured by any combination of: repayment period extension, interest rate reduction, principal reduction, or asset restructuring that would be accomplished over a ten year period.

"Qualified Agricultural Debt"—borrowers are limited to a $500,000 aggregate loan participation in the case of an individual and $600,000 in all other agricultural operations.

"Qualified Borrower"—is any person that has made at least 50 percent of its gross income from farming in four of the past five years; has gross annual sales of at least $30,000 during three of the previous five years, and total net income not to exceed $100,000; is delinquent in the payment of principal or interest on agricultural loan; can demonstrate an ability to repay loan if debt is restructured.

"Qualified Lender"—any commercial bank, savings and loan association, credit union, insurance company, or farm credit institution.

"Qualified State Institution"—any State chartered depository institution that has deposits insured or guaranteed under State law.

H.R. 4609

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the "Agricultural Credit Act of 1986".

TITLE I—INTEREST SUBSIDY INCENTIVES FOR RESTRUCTURING LOANS

SEC. 101. IN GENERAL.

(a) REQUIREMENTS FOR RECEIVING PAYMENTS.—If a qualified lender agrees to reduce principal and interest rates under this title with respect to an agricultural loan to a qualified borrower, the Secretary, and appropriate State authorities (if so authorized under State law), shall make payments to that lender as described in section 102.

(b) LIMITATION ON LOAN AMOUNTS.—A reduction of principal and interest rates under this title may be made only with respect to loan amounts of a borrower totaling, in the aggregate, not more than—

(1) $500,000 in the case of a qualified borrower who is an individual; and

(2) $700,000 in the case of a qualified borrower who is a person other than an individual.

(c) PERIOD FOR INITIATING REDUCTIONS OF PRINCIPAL AND INTEREST.—

(1) Except as provided in paragraph (2), a reduction of principal and interest rates under this title may be made only within 90 days after the lender has received an application for such reduction submitted by the borrower within one year after the date of enactment of this Act.

(2) Paragraph (1) does not apply to a reduction of principal and interest rates made during the period beginning six months before the date of enactment of this Act and ending on the date of enactment.

SEC. 102. STATE AND FEDERAL INTEREST RATE PAYMENTS.

(a) PAYMENTS BY THE SECRETARY.—The Secretary, through the Farmers Home Administration, shall pay to a qualified lender making a reduction of principal and interest under section 103—

(1) an amount equal to two percentage points of the interest accruing on such loan throughout the period that an interest rate reduction remains in effect under section 104(a); and

(2) any amount received by the Secretary under subsection (b).

(b) PAYMENTS BY APPROPRIATE STATE AUTHORITIES.—With respect to a loan for which a reduction of principal or interest is made under section 103, the appropriate State authorities (if so authorized under State law), shall pay to the Secretary an amount equal to two percentage points of the interest accruing on such loan throughout the period that such reduction remains in effect under section 104(a).

SEC. 103. AMOUNTS OF PRINCIPAL AND INTEREST RATE REDUCTION.

(a) TABLE.—Except as provided in subsection (b), the reductions referred to in section 102 are as follows:

If the amount of principal on the loan is reduced by:	In States in which State payments are authorized under section 102(b), the interest rate on the loan shall be reduced, from the rate charged on the last loan payment due before the date of enactment of this Act, by:	In States in which State payments are not authorized under section 102(b), the interest rate on the loan shall be reduced, from the rate charged on the last loan payment due before the date of enactment of this Act, by:

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At least 15 percent but less than 20 percent.	Six percentage points	Four percentage points.
At least 20 percent but less than 25 percent.	Five percentage points	Three percentage points.
25 percent or more	Four percentage points	Two percentage points.

(b) Exception in the Case of Fixed Rate Loans.—In lieu of a principal reduction described under the first column of the table in paragraph (1), a lender may reduce the interest on a fixed rate loan by an amount which will yield loan payments by the borrower comparable to loan payments which would be due under such principal reduction. An interest rate reduction under this paragraph shall be in addition to any interest rate reduction described in the second or third column of the table in paragraph (1).

SEC. 104. REDUCTION PERIOD.

(a) Duration of Interest Rate Reductions.—Except as provided in subsection (c), interest rate reductions made under section 103 shall be in effect for the duration of the loan or for a period of three years from the date of enactment of this Act, whichever is less.

(b) Interest Rates Following Reduction Period.—At the end of the period described in subsection (a) any interest rate charged on the balance of principal outstanding on a loan cannot exceed the standard rate charged by the lender for a comparable loan.

(c) Exception in the Case of Interest Rate Reductions Made in Lieu of Principal Reductions.—Interest rate reductions made under section 103 in lieu of principal reduction shall remain in effect for the duration of the loan.

SEC. 105. RECAPTURE IN THE EVENT OF NONMONETARY DEFAULT.

In the event of nonmonetary default by a qualified borrower on the terms of a loan whose terms are modified under this title, without consent by the lender, a qualified lender may enforce the terms of such loan as they existed before such modification.

SEC. 106. LIMITATION ON FORECLOSURE OF AGRICULTURAL LOANS.

(a) In General.—Except as provided in subsection (b), a lender may not compel the forfeiture, by a borrower, of any security for an agricultural loan unless the lender first makes a good faith effort to reduce the principal or interest due on such loan in compliance with any applicable guidelines established under subsection (c).

(b) Exemption for Loans Under the Jurisdiction of a Bankruptcy Court.—Subsection (a) does not apply to a loan of a borrower with respect to whom a case is pending in a bankruptcy court.

(c) Development of Guidelines.—Each lender receiving a payment under section 102 shall develop guidelines for determining which borrowers shall receive interest and principal reductions under this title.

(d) Termination of State and Federal Payments Upon Foreclosure.—No payment under section 102 shall be made with respect to a loan after a lender compels the forfeiture by a borrower of any security for such loan.

SEC. 107. USE OF CERTAIN FUNDS.

(a) Use of Agricultural Credit Insurance Fund to Make Payments.—The Secretary shall use the Agricultural Credit Insurance Fund established under section 309 of the Consolidated Farm and Rural Development Act to make payments under section 102(a)(1).

(b) Discretionary Use of Certain Funds.—The Secretary, at the Secretary's discretion, may use, to make payments under section 102(a)(1) funds which would otherwise be available to the Secretary under section 351(e)(2) of the Consolidated Farm and Rural Development Act.

TITLE II—CONSERVATION PROVISIONS

SEC. 201. PROHIBITING ASSISTANCE TO BORROWERS WHO PRODUCE COMMODITIES ON ERODIBLE LAND.

Section 1211 of the Food Security Act of 1985 is amended—

(1) by striking "or" where it appears after the semicolon in paragraph (1)(E);

(2) by striking the period at the end of paragraph (2) and inserting "; or"; and

(3) by adding at the end the following new paragraph:

"(3) treatment as a qualified borrower for purposes of title I of the Agriculture Credit Act of 1986.".

SEC. 202. PROHIBITING ASSISTANCE TO BORROWERS WHO PRODUCE COMMODITIES ON CONVERTED WETLANDS.

Section 1211 of the Food Security Act of 1985 is amended—

(1) by striking "or" where it appears after the semicolon in paragraph (1)(E);

(2) by striking the period at the end of paragraph (2) and inserting "; or"; and

(3) by adding at the end the following new paragraph:

"(3) treatment as a qualified borrower for purposes of title I of the Agriculture Credit Act of 1986.".

TITLE III—ACCOUNTING PROVISIONS

SEC. 301. FEDERAL REGULATION OF THE ACCOUNTING FOR RESTRUCTURED AGRICULTURAL LOANS.

Section 13 of the Federal Deposit Insurance Act (12 U.S.C. 1823) is amended by adding at the end the following new subsection:

"(j)(1) In General.—The appropriate Federal banking agency shall—

"(A) permit an insured bank to account for qualified agricultural debt restructuring under paragraph (2);

"(B) establish a program of capital forbearance under paragraph (3) for an insured bank engaging in qualified agricultural debt restructuring; and

"(C) implement call report requirements under paragraph (4) with respect to qualified agricultural debt restructuring.

"(2) Accounting of Restructured Loans.—Consistent with generally accepted accounting principals, an insured bank engaging in qualified agricultural debt restructuring involving only modification of terms may account for the effects of the restructuring prospectively and will not be required to change the recorded investment at the time of the restructuring unless the recorded investment exceeds the total future cash receipts that can be reasonably anticipated given the new terms of the loan.

"(3) Capital Forbearance Program.—

"(A) Under a capital forbearance program under this paragraph the appropriate Federal banking agency shall permit the capital of an insured bank qualifying under this paragraph to fall below any applicable minimum capital requirement established by such agency to the extent that the reduction in such capital is attributable to qualified agricultural debt restructuring.

"(B) In order for an insured bank to qualify under subparagraph (A) such bank shall, before December 31, 1987, submit to the appropriate Federal banking agency an application containing a plan acceptable to such agency which details the insured bank's program to restore primary capital to levels at or above the regulatory minimum not later than January 1, 1993.

"(C) The appropriate Federal banking agency may establish additional specific requirements consistent with the requirements of this Act which any insured bank must meet in order to qualify under subparagraph (A), including requirements that such an insured bank—

"(i) demonstrate that its weakened capital position is not due to mismanagement, excessive operating expenses, excessive dividends, or action taken solely for the purpose of qualifying for capital forbearance;

"(ii) adopt and adhere to its plan for restoring capital to the required minimums; and

(iii) report periodically to the appropriate Federal banking agency on its progress in complying with the plan submitted under clause (ii).

"(4) Call Reports.—Each Federal banking agency shall implement call report requirements for loans restructured under qualified agricultural debt restructuring, providing an accurate description of their status. Such loans may be disclosed as 'Restructured and in Compliance With Modified Terms' or similar description.

"(5) Implementation Deadline.—Each Federal banking agency shall issue its program on capital forbearance and call report requirements for renegotiated loans not later than three days after the date of enactment of this subsection.

"(6) Limitation on Foreclosure.—

"(A) Except as provided in subparagraph (B) an insured bank may not compel the forfeiture, by a qualified borrower, of any security for an agricultural loan unless the bank first makes a good faith effort to reduce the principal or interest due on such debt in compliance with any applicable guidelines established under subparagraph (C).

"(B) Subparagraph (A) does not apply to a loan of a borrower with respect to whom a case is pending in a bankruptcy court.

"(C) Each insured bank shall develop guidelines for determining which borrowers shall receive qualified agricultural debt restructuring.

"(7) Recapture in the Event of Non-Monetary Default.—In the event of non-monetary default by a qualified borrower on the terms of a loan modified by qualified agricultural debt restructuring without, consent by the lender, an insured bank may enforce the terms of such loan as they existed before such restructuring occurred.

"(8) Definitions.—For purposes of this subsection—

"(A) terms defined for purposes of the Agricultural Credit Act of 1986 shall apply to this subsection; and

"(B) the term 'capital forbearance' means refraining from taking administrative actions to enforce capital standards."

SEC. 302. MODIFICATION OF LENDING LIMITATIONS FOR LENDERS THAT RESTRUCTURE AGRICULTURAL LOANS.

Section 5200(a) of the Revised Statutes (12 U.S.C. 84) is amended—

(1) by redesignating paragraph (2) as paragraph (3);

(2) by inserting after paragraph (1) the following:

"(2) If the Comptroller of the Currency establishes a capital forbearance program pursuant to section 13(j) of the Federal Deposit Insurance Act, the Comptroller of the Currency shall, without public notice and comment, amend the regulations under this section to establish new lending limits for

insured banks covered by the forbearance program, individually or as a class, to compensate for the effects on such insured banks for losses attributable to qualified agricultural debt restructuring. A lending limitation established pursuant to this paragraph in lieu of the limitation established in paragraph (1) shall not exceed 20 percent of the unimpaired capital and unimpaired surplus of an association."; and

(3) by striking, in the paragraph redesignated as paragraph (3) by this section, "paragraph (1)", and inserting "paragraphs (1) and (2)".

SEC. 303. REGULATION OF THE ACCOUNTING FOR RESTRUCTURED AGRICULTURAL LOANS BY STATE INSURED DEPOSITORY INSTITUTIONS.

Notwithstanding any provision of the laws or constitution of any State, each appropriate State banking agency shall—

(1) permit qualified State institutions to account for qualified agricultural debt restructuring in the manner described in section 13(j)(2) of the Federal Deposit Insurance Act;

(2) establish a program of capital forbearance in the manner described in section 13(j)(3) of such Act for qualified State institutions engaging in qualified agricultural debt restructuring; and

(3) implement call report requirements of the kind described in section 13(j)(3) of such Act with respect to qualified agricultural debt restructuring by qualified State Institutions.

SEC. 304. ADJUSTING REAL ESTATE HOLDING PERIODS FOR A NATIONAL BANKING ASSOCIATION.

Section 5137 of the Revised Statutes (12 U.S.C. 29) is amended—

(1) by striking "five years" in the paragraph following the fourth designated paragraph and inserting "ten years";

(2) by striking the second paragraph following the fourth designated paragraph; and

(3) by striking "five-year" in the last paragraph and inserting "ten-year".

TITLE IV—MISCELLANEOUS

SEC. 401. REGULATIONS.

The Secretary shall prescribe regulations to implement this Act within 30 days after the date of enactment of this Act.

SEC. 402. LIMITATIONS ON STATE LAWS RESPECTING FIXED RATE LOANS.

Any provision of the laws or constitution of any State which prohibits fixed rate loans shall not apply to extensions of credit made under this Act.

SEC. 403. PENALTY FOR MISUSE OF FUNDS.

Whoever embezzles, misapplies, steals, or obtains by fraud, false statements, or forgery, any funds, assets or property provided or financed under this Act shall be fined under title 18, United States Code, or imprisoned for not more than five years, or both.

SEC. 404. DEFINITIONS.

As used in this Act—

(1) the term "agricultural loan" means a loan made to finance the production of agricultural products or livestock in the United States or a loan secured by agricultural property;

(2) the term "agricultural property" means land in the United States that is in regular use for the production of agricultural commodities for sale and any personal property used on such land in the production of agricultural commodities;

(3) the term "qualified agricultural debt restructuring"—

(A) means any combination of—

(i) a reduction in the principal due on an agricultural loan to a qualified borrower for the duration of the loan;

(ii) a reduction in the interest due on such loan for the duration of the loan;

(iii) an extension of the term to maturity of such loan; or

(iv) an asset restructuring plan entered into between the borrower and lender, the terms of which shall, within ten years of the date on which such plan is made, accomplish the purposes of the Agricultural Credit Act of 1986 and the amendments made by such Act; but

(B) does not include any such combination which—

(i) reduces the term to maturity of a loan; or

(ii) is made with respect to loan amounts of a qualified borrower totaling, in the aggregate more than—

(I) $500,000 in the case of a qualified borrower who is an individual; and

(II) $700,000 in the case of a qualified borrower who is a person other than an individual;

(4) the term "qualified borrower" means, with respect to an agricultural loan, a person who—

(A) has derived at least 50 percent of the person's gross income during at least four of the previous five years from the production of agricultural commodities, including livestock, poultry, and the products of aquaculture;

(B) has gross annual sales of agricultural commodities of at least $30,000 during three of the last five taxable years ending before the date of enactment of this Act;

(C) has as average net income of less than $100,000 during the last five taxable years before the date of enactment of this Act;

(D) is delinquent in the payment of principal or interest on such loan; and

(E) enters into a restructuring and asset liquidation plan acceptable to the lender which—

(i) demonstrates a reasonable likelihood that the borrower will be able to repay the amount of the loan if debt restructuring is made;

(ii) contains a schedule for the liquidation by the borrower of such assets as the lender may require as a condition for such restructuring; and

(iii) provides for annual review by the lender to ensure that the borrower is making a good faith effort to carry out the plan.

(5) The term "qualified lender" means a—

(A) commercial bank;

(B) savings and loan association;

(C) credit union;

(D) insurance company; or

(E) institution of the Farm Credit System.

(6) The term "qualified State institution" means a State chartered depository institution, the deposits of which are insured or guaranteed under the laws of a State.

(7) The term "Secretary" means the Secretary of Agriculture.

(8) The term "State" means each of the several States, the District of Columbia, the Commonwealth of Puerto Rico, the Virgin Islands, Guam, American Samoa, the Northern Mariana Islands, the Trust Territory of the Pacific Islands, and any other territory or possession of the United States.

THE McCURDY PROPOSAL

The **SPEAKER** pro tempore. Under a previous order of the House, the gentleman from Florida [Mr. MacKay] is recognized for 5 minutes.

Mr. MACKAY. Mr. Speaker, I am greatly disappointed in the action of the House today in not allowing us the opportunity to vote on the McCurdy proposal. I believe all sides should put the political rhetoric behind us and work toward a tough but thoughtful policy that says—to firend and foe alike—that America will not compromise our security or our principles.

Last year, I joined the McCurdy group in supporting nonmilitary aid to the Contras. Essentially, we felt it wasn't sufficient for Democrats simply to be against everything—we felt we had an obligation to say what we were for!

What we were for last year—and what we are still for—is a two-track policy toward the Sandinistas—a policy which recognizes the sovereignty of Nicaragua—a country with whom we are not at war—and commits America to peaceful settlements of our differences.

But a policy which also makes it clear that we choose to walk softly because we are a government of laws. But we also carry a big stick! And we are prepared to use it if an adversary refuses to agree to conditions essential to peace and security.

By the way, this two-track proposal is not original with the McCurdy group. It originated 2 years ago with President Reagan's own Bi-Partisan Blue Ribbon Commission on Central America.

During last summer's debate on aid to the Contras, our group broke with the Democratic leadership and made an offer to the White House. We said: "If you will commit to walk softly, seeking a negotiated settlement with Nicaragua, we will commit to making the necessary votes available, so you've got the big stick, if diplomatic efforts fail."

That offer was accepted. We were given a written commitment, signed by President Reagan, that a negotiated settlement would be given priority over a military solution, and that the United States would be an active partner in the Contadora regional peace effort. Relying on that written commitment, our group provided the swing vote for the aid to the Contras.

Unfortunately, no serious effort was made to honor that commitment, and we are now back at the same point as last summer, except the stakes are higher.

Our group's position today is basically the same as last summer. We insist that priority be given to an effort at a negotiated settlement. But if it becomes clear that the Sandinistas won't negotiate, we'll provide the votes for military aid to the Contras.

But there is one difference. Based on last year's experience, we want to see the negotiations take place before we vote the military aid.

None of us thinks the Sandinistas will negotiate themselves out of office.

But we can negotiate conditions which will assure a pluralistic society—in which the Sandinistas will be required to compete in free elections with other political parties whose platforms are based on free enterprise and traditional religious values.

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And we can negotiate conditions which assure peaceful relations with neighboring countries.

And we can negotiate onsite verification by an international observer team stationed in Nicaragua.

We believe that when Marxism has to compete with free enterprise in free elections, the people of Nicaragua will reject it, just as people have rejected it in numerous other countries.

One final point: America's biggest advantage over the Soviets is not military; it is a moral advantage.

We are a government of laws—we have a tradition of respecting the rights and sovereignty of other nations. We don't have to explain a Czechoslovakia or a Hungary.

President Reagan himself made this point in his radio address on March 29:

> American power, so long as it is used wisely and justly, is an undying symbol of hope to oppressed peoples around the world.

But this moral advantage carries with it a corresponding burden. When we disregard another nation's sovereignty, or support an unjust war, the rest of the world notices. And we lose more, in terms of integrity, than we gain, in terms of military advantage.

That's what the Contadora Group is telling us, and that's what our own Bi-Partisan Commission on Central America told us 2 years ago.

The McCurdy amendment assures the American people and the rest of the world that if American military power is used in Nicaragua, that will only happen after all peaceful alternatives have been explored!

If we go forward with military aid without the McCurdy amendment, we will be adopting a dual standard—walk softly when dealing with people with power, but use the big stick to crush disargeement from people without power. As this standard becomes clear. America's moral advantage will be lost—along with our integrity.

Sooner or later, the House will get back to the question of militrary aid to the Contras. When it does, I urge both parties to take a second look at the McCurdy compromise. It is not a dispute over a minor technicality: its point is central to what this country stands for.

LEAVE OF ABSENCE

By unanimous consent, leave of absence was granted to:

Mr. Sensenbrenner (at the request of Mr. Michel), until 1 p.m. today, on account of illness in the family.

SPECIAL ORDERS GRANTED

By unanimous consent, permission to address the House, following the legislative program and any special orders heretofore entered, was granted to:

(The following Members (at the request of Mr. Bilirakis) to revise and extend their remarks and include extraneous material:)

Mr. Gingrich, for 60 minutes, today.

Mr. Dannemeyer, for 60 minutes, today.

Mr. Dreier of California, for 60 minutes, today.

Mr. Burton of Indiana, for 60 minutes, today.

Mr. Bereuter, for 10 minutes, today.

Mr. Gingrich, for 60 minutes, on April 17.

Mr. Dornan of California, for 60 minutes, on April 17.

Mrs. Bentley, for 5 minutes, on April 17.

Mr. Slaughter, for 60 minutes, on April 17.

(The following Members (at the request of Mr. Chapman) to revise and extend their remarks and include extraneous material:)

Mr. Fauntroy, for 5 minutes, today.

Mr. Annunzio, for 5 minutes, today.

Mr. Stratton, for 60 minutes, on April 22.

(The following Members (at the request of Mr. Skelton) to revise and extend their remarks and include extraneous material:)

Mrs. Boggs, for 10 minutes, today.

Mr. Pickle, for 5 minutes, today.

Mr. Skelton, for 5 minutes, today.

(The following Members (at the request of Mr. Dannemeyer) to revise and extend their remarks and include extraneous material:)

Mr. Panetta, for 5 minutes, today.

Mr. McKay, for 5 minutes, today.

Mrs. Meyers of Kansas, for 30 minutes, on April 17.

EXTENSION OF REMARKS

By unanimous consent, permission to revise and extend remarks was granted to:

Mr. Broomfield, and to include extraneous material following Mr. Michel, on House Joint Resolution 601, in the Committee of the Whole, today.

Mr. Lewis of California, following the remarks of Mr. Barnes, on House Joint Resolution 601, in the Committee of the Whole, today.

Mr. Dreier of California, during general debate on House Joint Resolution 601, in the Committee of the Whole, today.

(The following Members (at the request of Mr. Bilirakis) and to include extraneous matter:)

Mr. Burton of Indiana.

Mr. Miller of Ohio in three instances.

Mr. Broomfield.

Mr. Gekas in three instances.

Mr. Gallo.

Mr. Kindness.

Mrs. Schneider.

Mr. Green in two instances

Mr. Shumway.

Mr. Gregg.

Mr. Saxton.

Mr. O'Brien.

Mr. Gilman in two instances.

Mr. Coleman of Missouri.

Mr. Schulze.

Mr. Dreier of California.

Mr. Gilman.

(The following Members (at the request of Mr. Chapman) and to include extraneous matter:)

Mr. Rangel.

Mr. Fuster.

Mr. Downey of New York.

Mr. Yatron.

Mr. Clay.

Mr. Coelho.

Mr. Hayes.

Mrs. Burton of California.

Mr. Kildee.

Mrs. Boggs.

Mr. Lundine.

Mr. Hoyer.

Mrs. Kennelly.

SENATE BILL REFERRED

A bill of the Senate of the following title was taken from the Speaker's table and, under the rule, referred as follows:

S. 1017. An Act to provide for the transfer of the Metropolitan Washington Airports to an independent airport authority; to the Committee on Public Works and Transportation.

ADJOURNMENT

Mr. DANNEMEYER. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 6 o'clock and 34 minutes p.m.), the House adjourned until tomorrow, Thursday, April 17, 1986, at 11 a.m.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

3322. A letter from the Acting Secretary of the Air Force, transmitting additional information on the Space Defense and Operations (ASAT) and T-46A programs, which have exceeded their baseline unit costs by more than 25 percent, pursuant to 10 U.S.C. 139b(e)(1); to the Committee on Armed Services.

3323. A communication from the President of the United States, transmitting notification of the employment of United States Armed Forces in Libya, pursuant to 50 U.S.C. 1543(a) (H. Doc. No. 99-201); to the Committee on Foreign Affairs and ordered to be printed.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. JONES of North Carolina: Committee on Merchant Marine and Fisheries. H.R. 3358. A bill to reauthorize the Atlantic Striped Bass Conservation Act, and for other purposes; with amendments (Rept. 99-532). Referred to the Committee of the Whole House on the State of the Union.

Mr. JONES of North Carolina: Committee on Merchant Marine and Fisheries. H.R. 3133. A bill to authorize appropriations to carry out the Atlantic Tunas Convention Act of 1975 during fiscal years 1987, 1988, and 1989. Rept. 99-533. Referred to the Committee of the Whole House on the State of the Union.

Mr. JONES of North Carolina: Committee on Merchant Marine and Fisheries. H.R. 4353. A bill to authorize appropriations for the operations of the Office of Environmental Quality and the Council on Environmental Quality during fiscal years 1987, 1988, and 1989 (Rept. 99-534). Referred to the Committee of the Whole House on the State of the Union.

Mr. JONES of North Carolina: Committee on Merchant Marine and Fisheries. H.R. 1438. A bill to change the name of the Loxahatchee National Wildlife Refuge, FL, to the Arthur R. Marshall Loxahatchee National Wildlife Refuge. Rept. 99-535. Referred to the Committee of the Whole House on the State of the Union.

Mr. JONES of North Carolina: Committee on Merchant Marine and Fisheries. H.R. 4409. A bill to authorize appropriations for fiscal year 1987 for the operation and maintenance of the Panama Canal, and for other purposes; with an amendment (Rept. 99-536). Referred to the Committee of the Whole House on the State of the Union.

Mr. FROST: Committee on Rules. House Resolution 421. Resolution providing for the consideration of H.R. 4420, a bill to amend title 10, United States Code, to revise the retirement system for new members of the uniformed services, and for other purposes. (Rept. 99-537). Referred to the House Calendar.

Mr. HALL of Ohio: Committee on Rules. House Resolution 422. Resolution providing for the consideration of H.R. 1116, a bill to implement certain recommendations made pursuant to Public Law 98-360 (Rept. 99-538). Referred to the House Calendar.

Mr. HAWKINS: Committee on Education and Labor. H.R. 3247. A bill to amend the Native American Programs Act of 1974 to authorize appropriations for fiscal years 1987 through 1990; with an amendment (Rept. 99-539). Referred to the Committee of the Whole House on the State of the Union.

Mr. UDALL: Committee on Interior and Insular Affairs. H.R. 4022. A bill to direct release of restrictions, conditions, and limitations on the use or conveyance of certain real property located in Calcasieu Parish, LA; with amendments (Rept. 99-540). Referred to the Committee of the Whole House.

PUBLIC BILLS AND RESOLUTIONS

Under clause 5 of rule X and clause 4 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. HUBBARD:

H.R. 4603. A bill to provide that certain costs of a private foundation in removing hazardous substances shall be treated as qualifying distributions under section 4942 of the Internal Revenue Code of 1954; to the Committee on Ways and Means.

By Mr. DANNEMEYER (for himself, Mr. Moore, Mr. Bartlett, Mr. Barton of Texas, Mr. Boulter, Mr. Combest, Mr. DeLay, Mr. Dowdy of Mississippi, Mr. Edwards of Oklahoma, Mr. Fields, Mr. Ralph M. Hall, Mr. Hyde, Mr. Lagomarsino, Mr. Livingston, Mr. Lott, Mr. Lungren, Mr. Moorhead, Mr. Oxley, Mr. Schaefer, Mr. Shumway, and Mr. Thomas of California):

H.R. 4604. A bill to promote competition in the natural gas market, to ensure open access to transportation service, to encourage production of natural gas, to provide natural gas consumers with adequate supplies at reasonable prices, to eliminate demand restraints, and for other purposes; to the Committee on Energy and Commerce.

By Mr. EVANS of Iowa (for himself and Mr. Penny):

H.R. 4605. A bill to amend the Grain Standards Act of 1916 to provide for authority of the Administrator of the Federal Grain Inspection Service to refuse to certify export cargos under certain circumstances and for other purposes; to the Committee on Agriculture.

By Mr. FISH:

H.R. 4606. A bill to provide for seabed boundary agreements between the United States and any coastal State; to the Committee on the Judiciary.

By Mr. KILDEE:

H.R. 4607. A bill to amend the Domestic Volunteer Service Act of 1973 to authorize appropriations for fiscal years 1987, 1988, and 1989 for Older American Volunteer Programs; to the Committee on Education and Labor.

By Mr. PANETTA:

H.R. 4608. A bill to authorize the Secretary of the Army, acting through the Chief of Engineers, to carry out a project for flood control in the Felton Grove area, Santa Cruz County, CA.; to the Committee on Public Works and Transportation.

By Mr. PANETTA:

H.R. 4609. A bill to provide interest subsidy incentives for lenders restructuring agricultural loans, and for other purposes; jointly, to the Committees on Agriculture, and Banking, Finance and Urban Affairs.

By Mr. STANGELAND:

H.R. 4610. A bill to amend the Food Security Improvements Act of 1986 to mandate the Secretary of Agriculture to provide advance recourse loans to producers of commodities; to the Committee on Agriculture.

By Mr. HOYER (for himself and Mr. Mollohan):

H.J. Res. 602. Joint resolution to designate the month of November 1986 as "National Diabetes Month"; to the Committee on Post Office and Civil Service.

By Mr. SOLARZ (for himself, Mr. Leach of Iowa, Mr. Fascell, Mr. Hamilton, Mr. Yatron, Mr. Wolpe, Mr. Gejdenson, Mr. Dymally, Mr. Kostmayer, Mr. Torricelli, Mr. Smith of Florida, Mr. Berman, Mr. Reid, Mr. Ackerman, Mr. Udall, Mr. Garcia, Mr. Lagomarsino, Mr. Solomon, Mr. Siljander, Mr. Dornan of California, Mr. DeWine, Mr. Burton of Indiana, Mr. McCain, Mr. Barnes, Mr. Levine of California, and Mr. Gilman):

H. Con. Res. 319. Concurrent resolution to commemorate the bicentennial of Australia and to honor the April 1986 visit of Australian Prime Minister Robert Hawke to the United States; to the Committee on Foreign Affairs.

By Mr. VENTO (for himself, Mr. Frenzel, Mr. Oberstar, Mr. Sabo, Mr. Penny, Mr. Stangeland, Mr. Sikorski, Mr. Weber, Mr. Visclosky, Mr. Levin of Michigan, Mr. Evans of Illinois, Mr. Conyers, Mr. Martinez, Mr. Matsui, and Mr. Berman):

H. Res. 423. Resolution expressing the House of Representatives' opposition to the proposed closing of the Veterans' Administration Insurance Center at Fort Snelling, MN; to the Committee on Veterans' Affairs.

JOINT RESOLUTION ON CENTRAL AMERICA

Pursuant to House Resolution 415, the following joint resolution was considered:

H.J. Res. 601. Joint resolution relating to Central America pursuant to the International Security and Development Cooperation Act of 1985.

ADDITIONAL SPONSORS

Under clause 4 of rule XXII, sponsors were added to public bills and resolutions as follows:

H.R. 128: Mr. Stangeland.

H.R. 526: Mr. Weaver and Mr. Coleman of Texas.

H.R. 585: Mr. DioGuardi.

H.R. 2952: Mr. Rose and Mr. Sabo.

H.R. 2999: Mr. Barton of Texas and Mr. Akaka.

H.R. 3040: Mr. Murphy and Mr. Conyers.

H.R. 3070: Mr. Gilman.

H.R. 3268: Mr. Coats.

H.R. 3357: Mr. Archer.

H.R. 3793: Mr. Clay and Mr. McCollum.

H.R. 3799: Mr. Kostmayer, Mr. Gephardt, and Mr. Sikorski.

H.R. 3845: Mr. Crockett, Mr. Weaver, and Mr. AuCoin.

H.R. 3886: Mr. Shaw, Mr. Lightfoot, Mr. Bates, Mr. Garcia, Mr. Stark, Mr. Denny Smith, Mr. MacKay, Mr. Ackerman, Mr. Chandler, Mr. Oberstar, Mr. Neal, and Mr. Durbin.

H.R. 3906: Mr. Gingrich and Mr. Henry.

H.R. 3989: Mr. Burton of Indiana, Mr. Huckaby, Mr. Martin of New York, Ms. Snowe, and Mr. Tauke.

H.R. 4003: Mr. Pease, Mr. Kildee, and Mr. Richardson.

H.R. 4030: Mr. Fuster, Mr. Towns, Mr. Matsui, Mr. Kildee, Mrs. Boxer, Mr. Sunia, Mr. Berman, and Mr. Mineta.

H.R. 4075: Mr. Reid, Mr. Skelton, Mr. Fuster, Mr. Hughes, Mr. Garcia, and Mr. Hendon.

H.R. 4119: Mr. Barnes and Mr. Torres.

H.R. 4155: Mr. Smith of Florida, Mr. Wortley, Mr. Fuster, Mr. Lipinski, Mr. Savage, Mr. Dellums, Mr. Matsui, Mr. Bonior of Michigan, Mr. Levine of California, Mr. Lantos, Mr. Addabbo, Mr. Owens, Mr. Carper, Mr. de Lugo, Mr. Moakley, Mr. Weiss, Mr. Morrison of Connecticut, Mr. Levin of Michigan, Mr. Gejdenson, Mrs. Bentley, Mr. Mitchell, Mr. Feighan, Mr. Roe, Mrs. Boxer, and Mr. Dixon.

H.R. 4175: Mr. Vander Jagt.

H.R. 4179: Mr. Andrews, Mr. Bryant, Mr. Bustamante, Mr. Coleman of Texas, Mr. de la Garza, Mr. Frank, Mr. Martinez, Mr. Rangel, Mr. Towns, and Mr. Udall.

H.R. 4194: Mr. DioGuardi, Mr. Edwards of Oklahoma, Mr. Manton, and Mr. Bedell.

H.R. 4228: Mr. Mica.

H.R. 4275: Mr. Biaggi, Ms. Kaptur, Mr. Frank, Mr. Donnelly, Mr. Henry, Mr. Chapman, Mr. Wortley, Mr. Hefner, Mr.

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Evans of Illinois, Mr. Stenholm, Mr. Owens, Mr. Bedell, and Mr. Saxton.

H.R. 4295: Mr. Rodino, Mr. Ackerman, Mr. Jacobs, Mr. Bates, Mr. Savage, Mr. Richardson, Mr. Hutto, Mr. Fauntroy, Mr. Kleczka, Mr. Roe, Mr. Frank, Mr. Towns, Mr. Coleman of Texas, Mr. Yatron, Mr. Saxton, Mr. Whitehurst, Mr. Brown of California, Mr. Morrison of Connecticut, Mr. Penny, Mr. Barnes, Mr. Edgar, Mr. Evans of Illinois, Mr. Skelton, Mr. Mitchell, Mr. Conyers, Mrs. Holt, Mr. Wheat, Mr. Wolf, Mr. Howard, Mr. Williams, Mr. Parris, Mr. Daschle, Mrs. Byron, Mr. Hayes, Mrs. Boxer, Mr. Staggers, Mr. Hawkins, Mr. Fazio, Mr. Kostmayer, Mr. Matsui, Mr. Oberstar, Mr. Hoyer, and Mr. Thomas of Georgia.

H.R. 4311: Mr. Mineta, Mr. Morrison of Connecticut, Mr. Moody, Mr. Towns, Mr. Wilson, Mr. Lantos, Mrs. Byron, Mr. Levine of California, Mr. Seiberling, Mr. Hughes, Mr. Ford of Michigan, Ms. Oakar, Mr. Davis, Mrs. Boxer, Mr. Dwyer of New Jersey, Mr. Mavroules, Mr. Manton, Mr. Kildee, Mrs. Burton of California, Mr. LaFalce, Mr. Miller of Washington, Mr. Rangel, Mr. Stokes, Mr. Bustamante, Mr. Owens, and Mr. Jeffords.

H.R. 4333: Mr. Edgar.

H.R. 4338: Mr. Morrison of Connecticut, Mr. Lloyd, Mr. Guarini, Mr. Wyden, Mr. Rangel, Mr. Nowak, Mr. Hughes, and Mr. Saxton.

H.R. 4391: Mr. Glickman, Mr. Jones of Oklahoma, and Mr. Hutto.

H.R. 4421: Mr. LaFalce, Mr. Berman, Mr. Scheuer, and Mr. Studds.

H.R. 4422: Mr. Levine of California, Mr. McKernan, Mr. Florio, Mr. Mineta, and Mr. Green.

H.R. 4437: Mr. Jeffords.

H.R. 4512: Mr. Kolter and Mr. Solomon.

H.R. 4513: Mr. Jones of North Carolina, Mr. Emerson, and Mr. Madigan.

H.J. Res. 133: Mr. Fuqua.

H.J. Res. 381: Mr. Tauke, Mr. Lundine, Mr. Fish, and Mr. Burton of Indiana.

H.J. Res. 417: Mrs. Schroeder, Mr. Weiss, Mr. Howard, Mr. Garcia, Mr. Downey of New York, Mr. Fazio, Mr. Dellums, Mrs. Schneider, and Mr. Lantos.

H.J. Res. 427: Mr. Murphy, Mr. Robert F. Smith, Mr. Perkins, Mr. Rinaldo, Mr. Ritter, Mr. Tauke, Mr. Rowland of Georgia, Mr. Schumer, Mr. Traficant, Mr. Siljander, Mr. Addabbo, Mr. Bennett, Mr. Berman, Mr. Biaggi, Mr. Bliley, Mr. Boner of Tennessee, Mr. Brooks, Mr. Broomfield, Mr. Brown of Colorado, Mr. Bustamante, Mrs. Byron, Mr. Carper, Mr. Coats, Mr. Conte, Mr. Conyers, Mr. Daniel, Mr. Darden, Mr. Daub, Mr. Dellums, Mr. Dixon, Mr. Fauntroy, Mr. Gunderson, Mr. Ralph M. Hall, Mr. Hall of Ohio, Mr. Hughes, Mr. Hyde, Mr. Jacobs, Mr. Kemp, Mrs. Kennelly, Mr. Kolter, Mr. Richardson, Mr. Roberts, Mr. Mrazek, Mr. Kasich, Mr. Towns, Mr. Davis, Mr. Edgar, Mr. Gilman, Mr. Hatcher, Mr. Vento, Mr. Lewis of Florida, Mr. Bryant, Mr. Franklin, Mr. Bruce, Mr. Roybal, Mr. Bonior of Michigan, Mr. Walker, Mr. English, Mr. Volkmer, Mr. Torricelli, Mr. Hubbard, Mr. Michel, Mr. DeLay, Mr. Hartnett, Mrs. Bentley, Mr. Bevill, Mr. Callahan, Mr. Daschle, Mrs. Lloyd, Mr. Lewis of California, Mr. Lowry of Washington, Mr. Jenkins, Mr. McCloskey, Mr. Scheuer, Mr. Thomas of Georgia, Mr. Manton, Mr. Markey, Mr. Henry, Mr. Moorhead, Mr. Murtha, Mr. Lantos, Mr. Lehman of Florida, Mr. McKernan, Mr. Monson, Mr. Rowland of Connecticut, Mr. Savage, Mr. Denny Smith, Mr. Smith of Florida, Mr. Smith of New Hampshire, Ms. Snowe, Mr. Snyder, Mr. Stokes, Mr. Stratton, Mr. Tallon, Mr. Waxman, Mr. Wilson, Mr. Yatron, Mr. Young of Alaska, Mr. Wylie, Mr. Coelho, Mr. Hansen, Mr. Pashayan, Mr. Fuqua, Mr. Kramer, Mr. Ackerman, Mr. Evans of Illinois, and Mr. Whittaker.

H.J. Res. 475: Mr. Spratt, Mr. Thomas of Georgia, Mr. Price, Mr. Young of Alaska, Mr. Florio, Mr. Mineta, Mr. Franklin, Mr. Hall of Ohio, Mr. Hutto, Mr. Reid, Mr. Boland, Mr. Early, Mr. Gekas, Mr. Panetta, Mr. LaFalce, Mrs. Byron, Mr. Wylie, Mr. Alexander, Mr. Biaggi, Mrs. Collins, Mr. Waxman, Mr. Kasich, Mr. Daschle, Mr. Frank, Mr. Miller of Washington, Mr. Lehman of Florida, Mr. Shelby, Mr. Wirth, Mr. St Germain, Mr. Yatron, Mr. Wheat, Mr. Skelton, Mr. Wyden, Mr. Markey, Mr. Staggers, Mr. Smith of New Jersey, Mr. Morrison of Washington, Mr. Neal, and Mr. Weber.

H.J. Res. 514. Mr. Scheuer, Mr. Levin of Michigan, Mr. Kanjorski, Mr. McGrath, Mr. Evans of Illinois, Mr. Brooks, Mr. Bonior of Michigan, Mr. Roybal, Mr. Fazio, Mrs. Collins, Mr. Roe, Mr. Clinger, Mr. Emerson, Mr. Spratt, Mr. Wise, Mr. Wyden, Mr. Martinez, Mr. Biaggi, Mr. Hughes, Mr. Guarini, Mr. Traxler, Mr. Monson, Mr. Neal, Mr. Conte, Mr. Shumway, Mr. Berman, Mr. Young of Missouri, Ms. Snowe, Mr. Pursell, Mr. Kolter, Mrs. Schroeder, Mr. Biliraksi, Mr. Hall of Ohio, Mr. Porter, Mr. Kasich, Mr. Hoyer, Mr. Oberstar, Mr. Gilman, Mr. Weaver, and Mrs. Lloyd.

H.J. Res. 522: Mr. Pepper, Mr. LaFalce, and Mr. Ritter.

H.J. Res. 529: Mr. Hendon, Mr. Montgomery, Mr. Nowak, Mr. Lent, and Mr. Gilman.

H.J. Res. 532: Mr. Ortiz, Mr. Ford of Michigan, Mr. Rodino, Mr. Foglietta, Mr. Edgar, Mr. Natcher, Mr. Shumway, Mr. Barnes, and Mr. Bosco.

H.J. Res. 536: Mr. Gingrich, Mr. Campbell, Mr. Coelho, Mr. Clay, Mr. Skeen, Mr. Petri, Mr. Bryant, Mr. Skelton, Mr. Coble, Mr. Volkmer, Mr. Mineta, Mr. Hubbard, and Mr. Dingell.

H.J. Res. 538: Mr. Bryant, Mr. Edgar, Mr. Young of Florida, Mr. Crockett, Mr. Lehman of California, Mr. Vento, Mr. Weiss, Mr. Monson, Mr. Latta, Mr. Owens, Mr. Hughes, Ms. Kaptur, Mr. Schuette, Mr. Biaggi, Mr. Coleman of Missouri, Mr. Coats, Mr. Dornan of California, Mr. Fish, Mr. Waxman, Mr. Daub, Mr. Kasich, Mr. Yatron, Mr. Wolf, Mrs. Johnson, Mr. Carper, Mr. Spratt, Mr. McDade, Mr. Hendon, Mr. St Germain, Mr. Boland, Mr. Archer, Mr. Dannemeyer, Mr. Quillen, Mr. Jacobs, Mr. Schumer, Mr. LaFalce, Mr. Richardson, Mr. Pickle, Mr. Stratton, Mr. Perkins, Mr. Cheney, Mr. Saxton, Mr. Sunia, Mr. Stangeland, Mr. Jeffords, Mr. Watkins, Mr. Sisisky, Mr. Bustamante, Mr. Shelby, Mr. Foley, Mr. Rowland of Connecticut, Mr. Gray of Pennsylvania, Mr. Solomon, Mr. Campbell, Mr. Rangel, and Mr. Gejdenson.

H.J. Res. 547: Mr. Frank, Mr. Stratton, Mr. Gray of Pennsylvania, Mrs. Kennelly, Mr. Fascell, Mr. Ackerman, Mr. Waxman, and Mr. Pursell.

H.J. Res. 549: Mr. O'Brien, Mr. Annunzio, Mr. Hall of Ohio, Mr. Guarini, Mr. Solarz, and Mr. Sabo.

H.J. Res. 551: Mr. Horton, Mr. Seiberling, Mr. Roe, and Mr. Shuster.

H.J. Res. 560: Mr. Fazio, Mrs. Boxer, Mr. Bates, Mr. Brooks, Mr. Carr, Mr. Hertel of Michigan; Mr. Roemer, Mr. Leland, Mr. Ford of Tennessee, Mr. Daschle, Mr. Lantos, Mr. Dannemeyer, Mr. Kanjorski, Mr. Conyers, Mr. Lehman of Florida, Mr. Mavroules, Mr. Dicks, Mr. Kildee, Mr. Kastenmeier, Mr. Kleczka, Mr. Nelson of Florida, Mr. Wyden, Mr. Wolf, Mr. Moody, Mr. Bedell, Mr. Gray of Pennsylvania, Mr. Wolpe, Mr. Sisisky, Mr. DioGuardi, Mr. Lundine, Mr. Boner of Tennessee, Mr. Hefner, Mr. McHugh, Mr. Mica, Mr. Florio, Mr. Feighan, Mr. Leach of Iowa, Mr. Donnelly, Mr. Archer, Mr. Scheuer, Mr. Anderson, Mr. Seiberling, Mr. Edwards of California, Mr. Moakley, Mr. Markey, Mr. Stratton, Mr. Alexander, Mr. Kostmayer, Mr. Torricelli, Mr. Studds, and Mr. Smith of New Jersey.

H.J. Res. 561: Mrs. Kennelly.

H. Con. Res. 15: Mr. Roe.

H. Con. Res. 287: Mr. Monson and Mr. Armey.

H. Con. Res. 295: Mr. Packard.

H. Con. Res. 299: Mrs. Bentley, Mr. Dornan of California, and Mr. Hillis.

H. Con. Res. 307: Mr. Hillis.

H. Res. 373: Mr. Martinez, Mr. Berman, Mr. Clay, Mr. Clinger, Mr. Coyne, Mr. Downey of New York, Mr. Hoyer, Mr. Lowry of Washington, Mr. Mavroules, Mr. Walgren, Mr. Oberstar, Mr. Levine of California, Mr. Frenzel, and Mr. Dwyer of New Jersey.

H. Res. 404: Mr. Smith of New Hampshire, Mr. Brown of Colorado, Mr. Jones of North Carolina, Mr. Hendon, Mr. Rose, Mr. Bonior of Michigan, Mr. McCurdy, Mr. Gordon, Mr. Lowry of Washington, Mr. McCloskey, Mr. Andrews, Mr. Coleman of Texas, Mr. Price, Mr. Gray of Illinois, Mr. Murtha, Mr. Leath of Texas, Mr. Combest, Mr. Lott, Mr. Durbin, Mr. Bustamante, Mr. Slattery, Mr. Matsui, Mr. Carper, and Mr. MacKay.

H. Res. 408: Mr. Lent, Mr. Matsui, Mr. Frank, and Mr. Lehman of Florida.

H. Res. 412: Ms. Mikulski, Mr. Daub, and Mr. Lehman of California.

AMENDMENTS

Under clause 6 of rule XXIII, proposed amendments were submitted as follows:

H.R. 281

By Mr. ARMEY:

—Page 3, line 14, strike out "the agreement." and insert in lieu thereof the following: "the agreement, except that an agreement between an employer and a labor organization which would require compulsory employee support of a labor organization (including the irrevocable authorization of dues or fees to be withheld from wages and paid to a labor organization) shall be applicable only to the employees of the business entity which is the formal party to such agreement and not to the employees of any other business entity comprising such single employee.".

SENATE—*Wednesday, April 16, 1986*

(Legislative day of Tuesday, April 8, 1986)

The Senate met at 10 a.m., on the expiration of the recess, and was called to order by the President pro tempore [Mr. Thurmond].

PRAYER

The Chaplain, the Reverend Richard C. Halverson, D.D., offered the following prayer:

Let us pray.

O Lord, You have searched me and known me.
You know my sitting down and my rising up;
You understand my thought afar off.
You comprehend my path and my lying down,
And are acquainted with all my ways.
For there is not a word on my tongue,
But behold, O Lord, You know it altogether.
You have hedged me behind and before,
And laid Your hand upon me.
Such knowledge is too wonderful for me;
It is high, I cannot attain it.
—Psalm 139:1-6.

Loving Father, in days like these, we reach our extremity easily. With the wisest and strongest there is ambivalence, second-guessing, uncertainty, even confusion. Some cover their ambivalence with strong language, and often it seems that the only ones who are cocksure and dogmatic are those who do not bear the burden of decision. Lord God, manifest Your wisdom, power, grace, and love in this place today. In the private sanctuary of each heart and mind, make Yourself known, lead us individually and collectively in Your way. To the glory of Your name we pray. Amen.

RECOGNITION OF THE MAJORITY LEADER

The PRESIDENT pro tempore. The able majority leader, Senator Dole, is recognized.

SCHEDULE

Mr. DOLE. Mr. President, under the standing order, the leaders have 10 minutes each, followed by special orders for Senators Hawkins, Cranston, Specter, Biden, McConnell, Chiles, Proxmire, and Metzenbaum for not to exceed 5 minutes each.

At 11 o'clock, under the provisions of rule XXII, a live quorum will begin, to be immediately followed by a cloture vote on the motion to proceed to S. 1774, the Hobbs Act. If cloture is invoked, it will be the intention of the majority leader to remain on the motion to proceed for the remainder of the day.

If cloture is not invoked, the Senate could turn to any of the following items: S. 1236, technical amendments to the crime bill; S. 2231, Federal Deposit Insurance Act, or its companion, H.R. 4551; S. 1923, the bankruptcy judges bill; and any Executive Calendar nominations that appear on the calendar. We can also expect to resume consideration of S. 426, the hydroelectric relicensing bill.

So I would suggest that there will be rollcall votes today, the first one will come sometime after 11 o'clock, between 11 and 11:30. There will be rollcall votes throughout the day. Hopefully we can dispose of the hydroelectric relicensing bill.

I indicate to those who have concerns about the budget that we are having a meeting today on the budget to see whether or not there is some way to at least get started on the budget process. We know that we have missed the deadline. We know that the deadline is important. We hope that the House would respond and would at least report out a budget resolution from the Budget Committee.

But, in any event, we certainly have not lost sight of the importance of the budget resolution. I advise all of my colleagues on either side of the issue that it is still our hope to move as quickly as we can on that very important matter.

Mr. President, I reserve the balance of my time.

RECOGNITION OF THE MINORITY LEADER

The PRESIDENT pro tempore. The able Democratic leader is recognized.

Mr. BYRD. Mr. President, I thank the Chair.

(Mr. COCHRAN assumed the chair.)

THE BUDGET RESOLUTION

Mr. BYRD. Mr. President, I simply want to state again that I hope the distinguished majority leader will call up the budget resolution very, very soon. Yesterday was the deadline, I believe, the April 15 deadline, when all the work on the resolution was to have been finished, including the conference and the subsequent actions by both Houses.

CONTINUED SALT II COMPLIANCE

Mr. BYRD. Mr. President, I wrote President Reagan last week outlining my position on the question of continued adherence by the United States to the terms of the unratified SALT II accords. May I say that I have some mixed feelings on this matter. Where treaties are entered into between or among nations, with our own country having agreed to a treaty, I feel that the constitutional role of the Senate should not be averted or avoided.

In this particular instance, with SALT II, I have joined with others on both sides of the aisle in supporting a no-undercut policy up to this time, but, as I said in discussing this with other Senators, and very recently, especially, with Senator Nunn, I am concerned that we have set a precedent which, in the future, could come back to haunt us. Because if treaties can be agreed to by the Executive and the Senate's constitutional role be circumvented, then I think that the Senate will have been recreant in its duties and responsibilities in not insisting that such treaties be sent to the Senate, hearings be conducted thereon, and action one way or the other be taken by the Senate, to approve or disapprove the resolution of ratification. Many treaties have been retained by the Senate over a period of many years with no action having been taken thereon.

I believe that, normally, it is not a good thing for the Senate to urge compliance with the provisions of any treaty which has not had the Senate's formal approval by a two-thirds vote. That road can lead to the surrender of the Senate's constitutional role in the treaty-making process.

And so it does give me pause and it troubles me to advocate that our Government should live up to a treaty which has never been acted upon by the Senate. Yet, I have been urging a no-undercut policy.

I have indicated to the President that I believe continuation of the so-called no-undercut policy by his administration, through the end of this calendar year 1986, is in our national security interests.

In this instance, I feel that there is justification for our continuation of a no-undercut policy.

At this time, I think it is in the security interests of the United States that we adhere to the treaty's provisions until the end of this year. But I must

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● This "bullet" symbol identifies statements or insertions which are not spoken by the Member on the floor.

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say, and I say again, that I am troubled by the failure of the Senate to insist upon fulfilling its constitutional role in regard to treaties.

This reflects a consistent position on my part, as well as on the part of a majority of my colleagues, since the Senate voted to support the no-undercut policy last June by a vote of 90 to 5.

In supporting the no-undercut policy, I and others endorse the proposition that the United States should not exceed the SALT II limits on ballistic missiles carrying multiple warheads [MIRV's] and bombers carrying cruise missiles. Thus, as new Trident submarines are placed into service, equivalent launchers from older systems, be they land based or sea based, would have to be dismantled.

Last year, President Reagan chose to dismantle an older Poseidon submarine to honor those limits when a new Trident boat, the U.S.S. *Alaska*, began sea trials.

Similar action would be required when the eighth Trident boat, the U.S.S. *Nevada*, undergoes sea trials next month.

Many of my colleagues, led by Senator BUMPERS, Senator LEAHY, and Senator CRANSTON, signed a letter of support for the no-undercut policy. In doing so, my colleagues advocated the dismantlement of two additional Poseidon boats to comply with the SALT II limits this spring.

Others of my colleagues prefer the dismantlement of more vulnerable land-based Minuteman missiles. I, myself, reserve judgment on the appropriate method of complying, but I think it is important to note that there is a clear bipartisan majority in the Senate at this time which supports continued U.S. compliance with the SALT II limits.

Before explaining my reasons for this decision, I wish to set the record straight on a matter related to the history of the SALT II treaty. On February 26, 1982, President Reagan delivered a televised address—or it may have been in a news conference. My memory is not entirely clear on this point. In any event, he made a statement, which has since been quoted frequently, that "President Carter had to abandon the treaty"—meaning the SALT II treaty—"because Senate leaders of his own party wouldn't support it * * *"

Mr. President, that statement by the President is absolutely, positively, and incontrovertibly not correct—not correct. It is entirely incorrect. As the majority leader at that time, I examined the provisions of the SALT II treaty very carefully after it was submitted to the Senate for its advice and consent. I was not wholly satisfied with everything in it but, on balance, I felt it would enhance our national security. I publicly announced my support for it.

I read every line of the hearings that were conducted by both the Armed Services Committee and the Foreign Relations Committee. This was not one of those instances of lesser moment in which I might ask my staff to read a printed copy of committee hearings and give me a memorandum summarizing the contents. I personally read every word just as I read every word in the case of the Panama Canal treaties.

I was not greatly impressed by the SALT II treaty. It gave me a great deal of difficulty to make a decision. But, finally, I came down on the side of going forward with the SALT II treaty, taking it up, debating it in the Senate, and I think I may have said on one or two occasions, well, it is about a 49–51 ratio with me. The scale is tipped in the direction of its being in our own country's best interests overall.

If I could have written it, it would have been much different, of course, as any Senator probably would say and certainly could say.

But I came down on the side of the treaty, stated so publicly, and worked toward having the treaty approved in this body.

It was only when the Soviet Union invaded Afghanistan in late December 1979 that I talked to President Carter and told him it would be impossible to secure Senate approval.

As majority leader, may I say to my very distinguished friend, Mr. BIDEN of Delaware, to my equally distinguished friend, Mr. CRANSTON, and the distinguished Senator from Mississippi who is presiding over the Senate, I went to Moscow, went down to the Crimea, and talked to President Brezhnev on that occasion. I was allowed to have one aide with me. That aide was Hoyt Pervis, who is now teaching at the Universtiy of Texas. President Brezhnev had one aide, and each of us had an interpreter.

Upon that occasion, may I say to the distinguished Senator from California, I went alone, I had 1½ hours or 2 hours of discussion with President Brezhnev. I told him of my support for the treaty, and I told him the reason for my mission to the Soviet Union; that was, to urge Soviet leaders and the Soviet press to stop making threats in an attempt to intimidate the United States Senate, saying, in essence, that if the Senate does not approve this treaty, this will happen or that will happen—dire threats.

I said to Mr. Brezhnev:

> The Senate will not be intimidated, and the Senate is not a rubber stamp for any President of the United States. And I urge that such critical statements be discontinued lest they destroy the very, very slim chance of the U.S. Senate's voting to approve the ratification of the treaty.

So there should be no question but that I supported that treaty.

It was when the Soviet Union invaded Afghanistan in December 1979 that I then talked to President Carter and told him that it would be impossible to secure Senate approval in the atmosphere that then prevailed; namely, the holding of hostages by the Iranians and the invasion of Afghanistan by the Soviets.

I said to Mr. Carter, there was not the slightest chance that the Senate would approve the ratification of that treaty—not the slightest chance, with invasion of Afghanistan by Soviet military forces, we could not hope to get the two-thirds vote. I suggested that we stop our efforts in that direction. The President agreed, and said he would write a letter to me for the RECORD so stating.

Mr. President, my fundamental reason for advocating a continuation of adherence to the SALT limits for at least the remainder of 1986 is simple but critical. It would redound more to the advantage of the Soviet Union than the United States if we broke through the launcher limits.

It seems likely to me that the Soviet Union would use that event as a pretext to break through the SALT II limits on central strategic systems, particularly land-based MIRV'ed ICBM's.

Because of the size of the Soviet inventory of these menacing weapons, and the capability of the Soviet production base to add to that inventory, it is quite clear that the Soviets are more capable of expanding their operational strategic weapons inventory far more quickly than we are. Therefore, for the United States to give the Soviets a rationale and a justification for ignoring the SALT II limits would result in a quantitative shift in the balance of forces against the United States in the near future.

Second, Mr. President, at the same time that the Soviet Union could outstrip us in deploying new strategic weapons, they could argue that it was the fault of the United States that the arms race had taken a new turn. I beleive that this inevitable aggressive Soviet public relations campaign would place us on the defensive in the ongoing competition for supportive world opinion for our arms control proposals.

Mr. President, the United States, together with our NATO allies, has had a very notable success in meeting the challenge thrown down by the Soviet Union as a result of its deployment of intermediate-range ballistic missiles in the European theater. The resulting NATO decision to respond with a two-track approach, encompassing both a NATO Euromissile deployment schedule and negotiations with the Soviets aimed at withdrawing the SS-20's, has

been extremely successful. NATO has hung together in weathering difficult political opposition to our Euromissile deployment and this demonstration of resolve is a key reason why the Soviets are now back at the negotiating table in Geneva.

Mr. President, recent proposals and counterproposals by both superpowers on the matter of medium-range missiles in Europe have raised hopes that progress might be made on this matter this year. I hope that the firm outlines of an equitable agreement on the Euromissile question can be developed as a result of the administration's latest offer in Geneva in this area. But it should be borne in mind by my colleagues that, if a successful arms control agreement is achieved on Euromissiles, it will have been because NATO stood together.

It appears obvious to me, Mr. President, that the views of our NATO partners on arms control matters must be accorded significant weight in our decisionmaking process. Therefore, I asked the Congressional Research Service to undertake a fresh assessment of the specific views of our allies so as to help guide the Senate in this matter. That assessment is now ready, and I ask unanimous consent that it appear in its entirety in the RECORD at the end of my address.

The PRESIDING OFFICER. Without objection, it is so ordered.

[See exhibit No. 1.]

Mr. BYRD. Mr. President, in summary, the assessment finds that: First, NATO governments believe that abandoning the SALT II limits would be more advantageous to the Soviets than to the United States, in terms of relative potential to add nuclear weapons systems and with regard to international political reactions; second, NATO governments still strongly favor continued U.S. compliance with SALT II and remain unconvinced that Soviet violations cited by the administration warrant suspending that compliance. They believe questionable Soviet practices should not be ignored, but the United States should continue compliance so long as western security is not prejudiced; third, NATO governments oppose adoption of gray-area noncompliance formulas, such as drydocking Poseidon submarines, instead of dismantling them, when new U.S. Trident boats begin sea trials; and, fourth, NATO governments are concerned that a U.S. move away from SALT II would sour the political climate for a summit meeting, and compound the damage to U.S. prestige before world opinion which the allies believe has been caused by the nuclear testing controversy.

The United States has legitimate concerns over Soviet compliance with the provisions of existing arms control agreements, including the ABM Treaty, as well as limits of the unratified SALT II accords. I indicated in very clear terms to Mr. Gorbachev last September, when I led a Senate delegation to Moscow, that the U.S. Senate is very serious over compliance with the spirit, as well as the specific provisions, of arms control treaties.

I agree completely with the statements in the Bumpers-Leahy letter to the President in this regard, that in "order to maintain the integrity of those agreements and facilitate reaching a new agreement, the Soviets should be pressed to take positive steps to resolve our concerns." However, these concerns should not cause us to overlook the benefits to our overall national security of continuing the "no undercut" of SALT II policy in 1986.

It is because of these benefits to our security that I support this continuation.

Mr. President, I ask unanimous consent that my letter to the President last week be printed in the RECORD.

The PRESIDING OFFICER. Without objection, it is so ordered.

[See exhibit No. 2.]

EXHIBIT No. 1

CONGRESSIONAL RESEARCH SERVICE,
THE LIBRARY OF CONGRESS,
Washington, DC, April 4, 1986.

To: The Honorable Robert C. Byrd, U.S. Senate, Attn.: Peter Lennon.

From: Stanley R. Sloan, Specialist in U.S. Alliance Relations, Foreign Affairs and National Defense Division.

Subject: The NATO Allies and the Issue of Continued U.S. Observance of SALT II Limits.

Last year at your request I prepared an assessment of the attitude of NATO governments toward continued U.S. compliance with SALT II constraints. This memorandum is in response to your recent request to examine this issue again, and to highlight any new or changed considerations, in view of the forthcoming U.S. decision on continued SALT II compliance prompted by the scheduled sea trials in May 1986 of the eighth Trident submarine, Nevada. As with last year's assessment, this analysis reflects the results of discussions with officials in the embassies of principal NATO allies in Washington, D.C.; these consultations occurred during the period April 1–3, 1986.

THE NATO ALLIES AND THE ISSUE OF CONTINUED U.S. OBSERVANCE OF SALT II LIMITS [1]

Allies still favor compliance

Discussions in April 1986 with authoritative representatives of major NATO governments in Washington lead to the conclusion that the NATO allies still strongly favor continued U.S. compliance with the terms of the SALT II accord. The spokesmen say their governments would deeply regret steps by the United States that could be interpreted as violating or undermining that U.S.-Soviet understanding. According to these officials, the following generalizations describe their national positions.

The NATO allies hope that the United States and the Soviet Union will observe some restraint in their nuclear weapons programs while negotiations aimed at achieving a new limitations accord are underway.

The allies remain unconvinced that Soviet violations of arms control accords cited by the Reagan Administration warrant suspending observance of SALT II constraints. They believe that questionable Soviet practices should not be ignored, but they feel that the United States should hold the high moral ground on this issue by continuing to observe treaty constraints, so long as this posture does not prejudice Western security interests.

NATO governments therefore oppose adoption of gray-area non-compliance formulas, such as simply dry-docking Poseidon submarines (which they would regard as a breach of SALT II obligations) instead of disabling them as SALT-countable nuclear delivery systems when the next Trident submarine begins sea trials in May 1986.

In any case, NATO governments believe that dispensing with SALT II constraints would be more advantageous to the Soviet Union than to the United States, both in terms of relative potential over the next several years to add nuclear delivery vehicles to current inventories and with regard to international political reactions.

Specific sources of concern

Last year, the NATO governments feared that a U.S. decision to undercut SALT II constraints would reduce prospects for a U.S.-Soviet arms control agreement in Geneva. This year, they are similarly concerned that a U.S. move away from SALT II would sour the political climate for a U.S.-Soviet summit meeting in 1986 as well as close the door to any nuclear arms control agreement for the remainder of the Reagan Administration. In addition, they believe that the Soviet Union has taken the high ground on the issue of nuclear weapons testing with its unilateral testing moratorium, and that a U.S. decision to undercut the SALT II regime would compound the damage to U.S. prestige before world public opinion.

Some European governments may also be concerned about the internal political repercussions of the U.S. decision. The Christian Democratic government in Bonn and the Conservative government in London both face formidable political challenges from opposition parties in elections scheduled next year. Arms control positions will not likely be the major issues in those elections—economic issues and personal popularity may be the big factors in both cases. And, the British and West German governments do not disagree with the major opposition parties about the importance of maintaining the SALT II framework. But in a close contest, the opposition parties may get some political mileage from accusing the incumbents of not effectively representing their national views to Washington. Both German Chancellor Helmut Kohl and British Prime Minister Margaret Thatcher have made much out of their influence with the Reagan administration, and a decision by the United States to undercut the SALT II regime would tarnish this image of influence for the current West German and British governments.

In the nearer term, the Dutch government, having moved toward deployment of new intermediate-range nuclear systems (ground-launched cruise missiles) over substantial popular and parliamentary opposition, faces a strong electoral challenge from the opposition Labor Party in elections to be held this May. A U.S. retreat from SALT

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[1] Prepared by Stanley R. Sloan, Specialist in U.S. Alliance Relations, Foreign Affairs and National Defense Division, April 4, 1986.

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II could be used by Labor to argue that the current center-right coalition's policy of cooperation with Reagan Administration policies has undermined arms control prospects and fueled the arms race.

European restraint

As was noted last year, in spite of their strong concerns, the European allies will not intrude openly in the U.S. decisionmaking process. They are making their views known to the administration through official channels, hoping to encourage continued U.S. compliance with the SALT II regime. And, as was also noted last year, should the United States decide to suspend or modify SALT II compliance, NATO governments probably would attempt to minimize the political impact on the alliance, moderating their critique in public statements and masking the true depth of their concern about the domestic political impact and the consequences for the arms control process as well as for overall East-West relations.

EXHIBIT NO. 2

U.S. SENATE,
OFFICE OF THE DEMOCRATIC LEADER,
Washington, DC.

THE PRESIDENT,
The White House, Washington, DC.

DEAR MR. PRESIDENT: As you consider the national security issues raised by the impending sea trials of our newest Trident submarine, *USS Nevada*, I want to urge you to continue, through 1986, U.S. policy refraining from actions undercutting existing strategic arms agreements, if the Soviets show similar restraint.

I am making this recommendation because of the compelling evidence demonstrating that continuation of this policy clearly is in our overall national security interests because:

First, it constrains Soviet strategic weapons programs more than U.S. programs, thus limiting the Soviet nuclear threat to America and its allies;

Second, it promotes your efforts to achieve mutual and verifiable arms control agreements; and

Third, it reinforces U.S. leadership within the NATO Alliance, and allied support for that leadership in this area. Our allies strongly supported your decision last June to continue U.S. compliance with SALT II, and they favor a continuation of that policy now.

The Senate twice last June voted overwhelmingly to endorse continued U.S. compliance with SALT constraints. Since then, there has been no major change in the strategic nuclear relationship between the U.S. and the U.S.S.R. which would warrant abandoning that policy. In addition, U.S. abandonment of SALT II compliance would give the Soviets a pretext to take advantage of a superior strategic weapons production base to add many more new warheads to their arsenal than we could add to ours in the near future. At the same time, the Soviets undoubtedly would mount an aggressive propaganda campaign based on the claim that the U.S. is responsible for an accelerated arms race, placing us on the defensive in the ongoing competition for supportive world opinion for our arms control proposals.

Many of my Senate colleagues on both sides of the aisle have reached this same conclusion and have sent you a letter organized by Senators Leahy and Bumpers and signed by 52 Senators. This letter is a thoughtful and cogent expression of why it is in the overall military and arms control interests of the United States not to discard SALT constraints in 1986, and I know you will consider carefully the views expressed in it.

Finally, I wish to emphasize the particular importance placed by the NATO allies on our continuing to comply *unambiguously* with the provisions of SALT II when the *USS Nevada* begins sea trials. The Library of Congress, at my request, has prepared a new, objective assessment of allied perspectives on this issue, and the strength of our allies' sentiments on this matter is unmistakable in this special report. I am attaching a copy of this report for your consideration.

Please accept my appreciation in advance for your consideration of my views on this important national security issue.

Sincerely,

ROBERT C. BYRD.

Mr. BYRD. Mr. President, I yield the floor.

SENATOR HAWKINS' SPECIAL ORDER

Mr. SIMPSON. Mr. President, this morning I shall read a statement by Senator HAWKINS relating to the drug problem. The statement reads as follows:

ANOTHER CHANCE FOR MEXICO TO MAKE GOOD ON ITS DRUG PROMISES

Mrs. HAWKINS. Mr. President, every weekend there is a strange ritual that takes place at the San Miguel Gate on the U.S.-Mexican border. The San Miguel Gate is a border crossing from Mexico into the Papago Indian Reservation in southern Arizona. From Friday afternoon to Sunday afternoon, the gate turns into a commercial "no-man's land" as Mexicans and Papago Indians gather for the "flea market," where food and clothing are sold, and jewelry, trinkets, and household items are traded in a fiesta atmosphere with music, singing, and dancing. There is strict obedience to the law of supply and demand and the principle of free enterprise is in full evidence. There is, however, a fly in the ointment; drugs and alcohol are openly traded with little restraint.

In February, the corrosive influence of drugs exploded in a violent manner. Glenn Miles, a U.S. Customs Service patrol officer and a Papago Indian, was gunned down as he tried to intercept three drug smugglers who were returning to Mexico. The 44-year-old Miles was on the 4 p.m.-to-midnight shift. He was part of a three-man patrol that normally worked together, but on this particular evening his two partners were in a separate car—they could cover more territory that way.

Miles radioed his partners that he had spotted three backpackers who he suspected were carrying drugs. Backpackers on the reservation are almost inherently suspect, particularly if their movements draw attention in any way. The reason for this cloak of suspicion is that backpackers can earn between $200 and $250 to lug a cargo of 60 to 100 pounds of marijuana across the border into the U.S. The marijuana is picked up on the American side and transported by car or truck to "stash houses" in Tucson, Arizona for shipment elsewhere in the U.S. About 15 minutes after Miles' first radio signal to his partners, he called again and was told that they were speeding to his aid. When the partners arrived, they found Miles' empty truck hidden behind a clump of bushes on a desolate stretch of the border, covered with dust, scrub brush, cactus, and tumbleweeds. One hundred yards away they found a light shining. It turned out to be Miles' flashlight, which had fallen to the ground beside his body. Miles had been hit several times with bullets from two different guns.

Commissioner William von Raab, of the Customs Service, believes that Miles was a victim of a new wave of drug trafficking along the border of the southwestern United States. The surge in trafficking there has occurred as cocaine and marijuana smugglers try new routes to bypass increased law enforcement in Florida and the Gulf Coast.

Officials say Colombians have moved into the southwest on both sides of the border and are involved in drug trafficking and smuggling illegal aliens into the U.S. Miles was gunned down about a mile from the San Miguel Gate on a Friday night in February and officials speculate that his slayers could easily have melted into the crowd at the "flea market" without attracting any attention.

The Customs Service has offered a $100,000 reward for information on the killers, and Commissioner von Raab says he is determined to find out who committed the dastardly act and bring them to justice.

One promising lead in the case has been three sets of tracks found by Miles' fellow Papago Customs officers, who employed the same tactics and skills their ancestors did in bygone years to hunt game and to track raiders from other Indian tribes. The tracks crossed near the San Miguel Gate at a point where a waist-high, barbed-wire fence separates the U.S. side of the Papago Reservation and Mexico. The Customs Service is being deliberately vague about the investigation except to give assurances that the leads are promising.

In the Miles case, marijuana smuggling by backpackers is thought to have been involved. The bulk of the cocaine trafficking in that area is done with low-flying planes. And the Customs Service is interested in ways to keep closer tabs on private aircraft flying back and forth between the U.S. and Mexico. One proposal, now under study by the Federal Aviation Administration, would limit the number of corridors through which small planes could fly. That, von Raab points out, would have the effect of banning light planes from routes preferred by drug runners and enable the Customs Service to concentrate its resources on suspect planes crossing the border.

Meanwhile, American and Mexican authorities are working together to solve the murder of Glenn Miles, a dedicated Customs official who worked hard and long hours to make this a better and safer world to live in. It is hoped that the level of cooperation we receive with the Mexican officials is greater than in the case of Enrique Camarena Salazar, the American DEA agent kidnaped, tortured, and killed more than a year ago. Several suspects are in custody, but not a single person has been brought to trial yet.

RECOGNITION OF SENATOR CRANSTON

The PRESIDING OFFICER. Under the previous order, the Senator from California [Mr. CRANSTON] is recognized for not to exceed 5 minutes.

U.S. ACTION IN LIBYA

Mr. CRANSTON. Mr. President, Congress was not advised about the

Libyan action until it was underway. I have withheld comment on this very serious matter until I could be more thoroughly informed.

Terrorism is as despicable as war and it must be stopped. Failure to act after we had proof of Libyan terrorism would have given credence to the view that America lacks the will to stand up and fight against terrorism.

We sought economic and diplomatic action against Libya but our European allies refused to cooperate. The United States then had to act alone, and President Reagan chose to fight terrorism with military action.

I hope and pray that the President has embarked America on a course of action which will succeed in quelling terrorism. Unfortunately, we cannot expect that result soon. We must anticipate more violence.

I deeply regret that Americans—including Capt. Paul F. Lorence of San Francisco—are missing in action, and that Libyan civilians reportedly have been wounded and killed.

But let us not forget that Libyan terrorists have deliberately wounded and killed innocent civilians. They have done so purposely. We have sought to avoid doing so.

RECOGNITION OF SENATOR BIDEN

The PRESIDING OFFICER. Under the previous order, the Senator from Delaware [Mr. BIDEN] is recognized for not to exceed 5 minutes.

Mr. BYRD. Mr. President, I ask unanimous consent that the time that was set aside for Mr. CHILES earlier be vitiated and given to the distinguished Senator from Delaware. I do this at the request of Mr. CHILES as far as vitiating the order.

The PRESIDING OFFICER. Without objection, it is so ordered.

THE SALT II TREATY COMPLIANCE

Mr. BIDEN. Mr. President, as we have heard from the majority leader and the Democratic leader, the President will be meeting today with his top national security advisers to make a decision that will have a very significant impact on prospects for arms control. At stake is the survival of not only the unratified SALT Treaty, which has placed limits on United States and Soviet strategic forces since 1979, but, in fact, prospects for a necessary and critical arms control agreement in the next several years.

The SALT II Treaty has contributed to U.S. security since 1979, notwithstanding the fact we never formally ratified it. It has done that by substantially constraining the buildup of Soviet strategic offensive forces.

Since 1972 the Soviets have had to remove more than 1,000 land-based and 200 submarine-based ballistic missiles from their active forces. They have had to dismantle 13 *Yankee*-class ballistic-missile-carrying submarines. By contrast, the United States has had to remove fewer than half that number of land-based and submarine-based missiles, and only 11 submarines have been dismantled thus far.

Until now, the President has prudently chosen to abide by a policy of "interim restraint" as he referred to it. The Senate strongly endorsed that policy by a vote of 90 to 5 last June. But now some of the President's advisors are urging him to abandon that wise policy, arguing that Soviet violations of arms-control agreements cannot be ignored.

I agree that Soviet violations should not be ignored. But SALT II should not be expected to carry the baggage for all of arms control. And that is precisely the burden opponents of the SALT "no-undercut" policy are trying to impose on the agreement. They are focusing on the issue of violations because they want to break down existing arms control agreements and avoid being bound by any new ones.

The President should not give in to these pressures. The policy of not undercutting the existing arms control agreements sustains the vitally important process of arms control, which I must acknowledge is barely limping along. But, in fact, it is still a process.

In an unconstrained world the Soviets would be in a far better position to increase not only their missile totals but also their warhead totals.

We seem to forget about that here on the floor. My dear grandmother used to have an expression that I am sure we have all heard in various forms. She used to say, "Joey Joey, don't bite your nose off to spite your face."

Well, if we focus on what SALT II imposes on the Soviets and on what a no-SALT world allows the Soviets and allows us, we quickly come to the inescapable conclusion that an unconstrained nuclear situation would at this moment better serve the Soviet Union than it would the United States of America.

Not only would it allow, as I said, the Soviets to increase their missile totals, but also their warhead totals. That is what kills people.

Whether SALT II is perfect or imperfect—and I agree there is some imperfection—we could find ourselves in a far more imperfect world than we now live in without it.

Mr. BYRD. Mr. President, will the distinguished Senator yield?

Mr. BIDEN. I certainly will.

Mr. BYRD. I thank the distinguished Senator for his statement.

It is not true that the Soviets have a production base, in other words a hot line, prepared, in the case of breakthrough, to proceed more rapidly than we could proceed at the present time with the production of additional ballistic missiles with MIRV's? Are the Soviets not in a better position than we to quickly expand production in the event this treaty were to be cast aside?

Mr. BIDEN. The Democratic leader is correct. Yes, not only are they able to do that, but to put it in very simple terms for all of us to understand, and I know the Democratic leades understands this and all its sophisticated aspects very well, they have bigger missiles, they can add more warheads on top more quickly than we can, which means that they can add to their firepower, their destructive power, more rapidly and with more accuracy and with more consistency than we can now.

Mr. BYRD. Mr. President, I thank the distinguished Senator. May I ask one other question?

Mr. BIDEN. Yes.

Mr. BYRD. I apologize for injecting myself.

Mr. BIDEN. I am delighted to hear the distinguished minority leader.

Mr. BYRD. Would the distinguished Senator not agree with me that the political repercussions of undercutting this treaty by the United States at this time would cast a chill upon a future summit between the President and General Secretary Gorbachev and the negotiations toward an arms control accord?

Would it not give the Soviets an excuse to walk away from the summit as well as the negotiations which are being carried on in Geneva?

Mr. BIDEN. Mr. President, let me say that I think the Senator from West Virginia has put his finger on the single most significant aspsect of this whole discussion.

It is my view, as the Senator from West Virginia implied, that in concert with our refusal to stop testing of nuclear weapons, in concert with the overwhelming skepticism among friends and foe alike, that we, in fact, are not committed to arms control, this action would be read by the Soviets and others as a clear signal that the forces in this administration that have for 7 years argued against any arms contol agreement had prevailed.

It is no secret to any Member of this body, Democrat or Republican, liberal or conservative, that, not unlike the last administration, there has been a battle going on internally within the administration between those who support a strong, independently verifiable arms control agreement, and those who do not want an arms control at all.

I say to my friend from West Virginia that I believe one of the most damaging aspects in a political sense to reneging on the "no undercut" policy would be that it would be read by the

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Soviets and other analysts that the forces within the administration who oppose any arms control agreement had prevailed.

That would be very damaging.

Mr. President, let me say to the distinguished Senator from West Virginia that I have no objection to its appearing as an interruption. It is an addition. It indicates that the minority leader has taken seriously my statement. I would be flattered to have it appear in the middle of my statement. It does not diminish it; it enhances it.

Let me take a few more minutes, if I may.

Mr. President, I once again submit that the President should not give in to the pressures as I have characterized them. The policy of not undercutting the arms control agreements sustains, as I indicated, the vitally important process of arms control.

While the Soviets have by and large abided by the quantitative limits of SALT II, the administration has charged them with violations in other areas, including the deployment of a second "new type" of land-based missile and the encryption of telemetry in missile tests. The administration has also repeatedly raised the issue of the construction of the Krasnoyarsk radar installation.

This construction at that location is one of some great concern to us, with good reason. It is not, however, relevant to the terms of the SALT II treaty.

I, and many of my colleagues, support a policy of "proportionate response" to instances of noncompliance.

Simply stated, if, in fact, the Soviets would in any way alter a specific provision of the treaty which is otherwise very much in our interest, it seems to me the wiser course is to respond in kind rather than vitiate the entire document. That is what I mean by proportionate response.

A proportionate response would allow the United States to develop the Midgetman missile as its second new system, but it would also allow us to fully comply otherwise unless the Soviets do not.

The telemetry encryption problem—simply stated, the way by which they prevent us from being able to know what they are doing in their testing—should be addressed through the Standing Consultative Commission. We all know that is the Commission established under SALT whereby we argue with one another about whether or not each side is keeping the letter and the spirit of the agreement. High-level diplomacy is another channel for dealing with such violations.

The Soviets must understand, however, that if they significantly impede our ability to verify their compliance with arms control agreements, it will not only make continued adherence to SALT II impossible, but will call into question all future arms control prospects, which would be extremely dangerous for the whole world.

When our eighth Trident submarine begins sea trials in late May, the United States will exceed the SALT II ceiling on launchers of MIRV'd ballistic missiles. Abandoning the treaty limits will endanger American national security. Abandoning two aging Poseidon submarines to comply with the treaty—which is the price we pay for compliance with the treaty—will not endanger American national security.

Therefore, Mr. President, I urge President Reagan to continue the course he has wisely set out on and to dismantle the Poseidon submarines, put the Trident to sea, which I support, continue to comply with the SALT II agreement, and get about the business of an arms control agreement.

I thank my colleagues and I thank Senator CHILES for allowing me the extra time.

RECOGNITION OF SENATOR PROXMIRE

The PRESIDING OFFICER. Under the previous order, the Senator from Wisconsin [Mr. PROXMIRE] is recognized for not to exceed 5 minutes.

PROPORTIONAL RESPONSE: THE WRONG WAY TO GO

Mr. PROXMIRE. Mr. President, before the Senator from Delaware leaves the floor, let me say I greatly admire him. He is a wonderful Senator, would make a great President of the United States, but he is wrong on proportional response. This would gut the treaty and is the wrong way to go.

THE LESSON FROM LIBYA: CRACKDOWN ON THE SPREAD OF NUCLEAR WEAPONS

Mr. PROXMIRE. Mr. President, there has always been a powerful case for an all-out effort by this country to stop the spread of nuclear weapons. But now this country is virtually at war with Libya. We know Libya is led by an unpredictable, erratic tyrant. We know from sad experience that Colonel Qadhafi will use whatever military force he has at hand regardless of its terrible consequences for innocent civilians. Now, stop for a minute, and think of this situation. Suppose Qadhafi had nuclear weapons. Not strategic nuclear weapons, just small tactical nuclear weapons. Suppose Qadhafi had within his control a couple of hundred nuclear weapons small enough and light enough for terrorists to carry around in briefcases. A single terrorist could destroy a hundred thousand Americans at a football game, or at a busy intersection during the rush hour in any major American city.

One Libyan fanatic with a nuclear bomb in a suitcase a block away from the U.S. Capitol in Washington when the President of the United States is delivering his State of the Union Message could, at one stroke, destroy the President, the Vice President, the Supreme Court, the Joint Chiefs of Staff of our Armed Forces, the entire Cabinet of the President, the entire U.S. Senate, the House of Representatives, and the diplomatic corps. And the country would be decapitated. Every leader of our Federal Government would be gone. Does anyone really think that a person like Qadhafi on the basis of his record could resist such a tempting target, if he had the means at hand?

The President was right to order the strike against Libya that he ordered. There may have to be more such strikes. Will they end terrorism? No. Will they begin to reduce terrorism? That depends on whether this country can make the price of terroristic actions so high that states directing terrorism will recognize they are in a losing game.

Confronted with the possibility of using nuclear weapons to blow the head off the most powerful country in the world, the price might seem well worthwhile. But would not the sure retaliation, the devastating retaliation, from this country in response for such a terrible act assure that no Libya or Syria or Iran or any other country would initiate such an action?

Mr. President, the answer to this question is very important. Stop and consider it. If the spread of nuclear weapons continues, if the present 5 nuclear powers expands to 10 and then to 20 or 30, and if those powers include Syria, Iraq, Iran, North Korea, and Vietnam, we might have a very difficult, perhaps an impossible time determining whence came the nuclear explosion.

Colonel Qadhafi's threat and boasting are irritants. His open training of terrorists insults people throughout the world. But it greatly diminishes his force and effect. We can respond to the terrorist actions of this braggart with the approval of our country and of much of the world. But in a world with a number of nuclear armed countries directing terrorists, we might never have any clear and convincing proof which one was destroying our cities or wiping out our Government leadership.

Fortunately, the Soviet Union sees this problem much the way we do. They have been more consistently and effectively opposed to nuclear weapons proliferation than we have been. This country's recent careless agreement to sell nuclear powerplants to the People's Republic of China is precisely the kind of proliferation policy that we must stop. That agreement would permit the transfer to China of American nuclear powerplants that produce processed uranium of nuclear weapons grade.

Oh, sure it's true that China is already a nuclear weapons state. It already has ample sources of weapons grade plutonium and uranium. But we will now be selling a technology to China that they in turn can sell elsewhere, wherever they wish in the world. China has frequently assisted other countries interested in developing a nuclear arsenal. She has stated her opposition to the present exclusive monopoly on nuclear weapons by the United States, Russia, the United Kingdom, France, as well as China. China will not submit to international inspection or control by the International Atomic Energy Commission. Her leaders have refused to commit themselves either orally or in writing to desist from the resale of this nuclear technology that produces the essential raw material nuclear weapons.

Meanwhile, this country continues in its refusal to even try to negotiate an end to nuclear weapons testing. That testing seems certain to develop weapons that are smaller, lighter, cheaper, and more devastating than any nuclear weapon is now. This will be precisely what the Libyas of the world want and will find a way to secure once we have developed it.

Mr. President, this Senator is not talking theory. Colonel Qadhafi has reportedly attempted to purchase a nuclear weapon from various sources. He has, in fact, offered to fund development of a Moslem bomb.

So the Libyan experience should convince us that the time has come not only to crack down on Libya—the President is precisely right in doing this—the time has also come when we should crack down even harder on nuclear proliferation. It is no exaggeration to say that the survival of our country is at stake.

MYTH OF THE DAY

Mr. PROXMIRE. Mr. President, my myth of the day is that we have made substantial progress in reducing unemployment since the spring of 1984.

Nothing could be further from the truth. It is surprising and unsettling to note that in spite of reports of economic growth over the past 3 years, March's unemployment figure of 7.2 percent is precisely the same as that in June 1984. With the growth in the labor force over the past 2 years, the actual number of unemployed persons has risen by 200,000. In the last year alone, manufacturing employment has fallen by 130,000.

Clearly, while the stock market traders may be getting rich, close to 8½ million Americans still cannot find jobs during this so-called economic expansion.

In addition, another 1.1 million Americans are so discouraged about finding work that they have given up and dropped out of the labor force. Still another 5.5 million Americans are working part time because full-time jobs are unavailable. Many of these people formerly were employed full time in high-paying jobs in our Nation's factories.

In other words, the poor performance of our Nation's labor markets since June 1984 has left 15 million American workers deeply disappointed.

Perhaps lower interest rates, cheaper oil, and a lower dollar will eventually result in an economic boom, but most labor market statistics have remained stuck at recession levels for close to 2 years.

Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER (Mr. McCLURE). The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. SPECTER. Mr. President, I ask unanimous consent that further proceedings on the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

RECOGNITION OF SENATOR SPECTER

The PRESIDING OFFICER. Under the previous order, the Senator from Pennsylvania [Mr. SPECTER] is recognized for not to exceed 5 minutes.

Mr. SPECTER. I thank the Chair.

S. 2312—ARMED CAREER CRIMINAL ACT AMENDMENTS

Mr. SPECTER. Mr. President, I introduce today a bill to broaden the scope of the Armed Career Criminal Act, which was signed into law as an integral part of the Comprehensive Crime Control Act of 1984. The Armed Career Criminal Act provides for enhanced penalities for persons convicted of possessing firearms and who already have three previous convictions for robbery or burglary. Conviction under the statute results in a mandatory minimum 15-year term of imprisonment, with no possibility of probation or parole.

The armed career criminal bill for the first time brings the Federal Government into the fight against street crime by making it a Federal offense for career criminal to possess a firearm. In the 1½ years since the career criminal bill was enacted into law, it has been very effective in dealing with violent crime throughout the country. We have found, however, that there is a need to broaden the so-called predicate crimes to include drug violations and certain other serious violent acts. This amendment would change the law by broadening the prior convictions which lead to the classification of being a "career criminal."

I introduced the original career criminal bill to provide prosecutors nationwide with a new tool to be used against the most dangerous criminals—that small percentage of criminals who are responsible for as much as 70 percent of all crimes. Since its enactment, the statute has resulted in numerous convictions of this country's most hardened felons. If Congress expands the scope of this act, as I propose today, Federal prosecutors can prosecute and convict an even broader range of these career criminals.

When the bill was first introduced in 1981, a more restrictive definition of career criminal was then incorporated by this Senator in the concept of the bill because of difficulty in involving the Federal Government in the fight against street crime and the concern of States' rights on this issue. But now that the bill has been in effect for a year and a half and has been successful with the basic classification of robberies and burglaries as the definition for "career criminal," the time has come to broaden that definition so that we may have a greater sweep and more effective use of this important statute.

The matter has had hearings in the Judiciary Committee. The matter has been examined by the Attorney General's Office. The Department of Justice and the Attorney General agree that this amendment is desirable. I submit that we will vastly strengthen law enforcement in this country by having a broader definition of "career criminal."

The career criminal statute has worked precisely as planned and deserves to be expanded. Local prosecutors use the law in two ways. First, district attorneys refer these toughest criminals to the U.S. attorney for prosecution in Federal courts, which can provide more swift and certain trial and sentencing. Second, district attorneys use the mere prospect of such referral and the extremely stiff penalties to get a favorable guilty plea at a local level. I believe that this "leveraging" effect is one of the most important aspects of the statute. We have seen major cases in which local prosecutors have obtained guilty pleas and stiff sentences simply by raising the possibility of referring the case to Federal authorities for prosecution under the armed career criminal statute.

In a recent Pennsylvania case, the defendant was arrested for armed robbery of a small grocery store. The district attorney gave the defendant, who qualified as a "career criminal" under the statute, a simple choice: cooperate with the police, by acting as an informant and pleading guilty to a State firearms felony; or be referred to the U.S. attorney for Federal prosecution under the Armed Career Criminal Act, with its 15-year minimum sentence. The defendant's eager cooperation with the police resulted in the arrest of numerous drug dealers, and the defendant still will serve a 5-year prison sentence.

The U.S. Department of Justice expects prosecutions of career criminals under the statute to increase significantly as a result of special cooperative programs between Federal and local authorities, which already have been established in over 40 districts. Officials of the joint program in Detroit, for example, estimate that they will prosecute 100 career criminals in 1986. As more of these cooperative agreements are reached between local prosecutors and U.S. attorneys, the statute's effect will multiply exponentially.

Here, in Washington, DC, the first defendant convicted under the Armed Career Criminal Act was sentenced on January 27, 1986, to 35 years in prison. The felon, who had four previous armed robbery convictions, was sentenced to a 15-year mandatory minimum sentence for use of a firearm in commission of a crime. The two mandatory minimum sentences—during which there is no possibility of parole—must run consecutively. On March 11, 1986, the second career criminal conviction in Washington, DC, was announced. The defendant was convicted of illegal possession of a firearm, carrying a pistol without a license, possession of an unregistered firearm, and unlawful possession of unregistered ammunition. These offenses, when combined with the mandatory minimum 15-year sentence under the career criminal statute, carry a maximum penalty of 27 years in prison.

All of this has been achieved using the present statute, which is narrowly limited to cases where the predicate prior convictions are for robbery or burglary. Obviously, the statute can be greatly more effective if it is amended—as the Department of Justice urges—to apply to career criminals whose prior offenses may be murder, rape, or heroin smuggling.

As a member of the Senate Judiciary Committee, I have held hearings in many of the country's largest cities in order to encourage prosecution of career criminals. Based on the testimony presented at these Senate hearings by victims, sheriffs, U.S. attorneys, police, local prosecutors, and other criminal justice officials, and in light of the initial success of the statute, I am convinced that we must expand the law to apply to these additional classes of career criminals if we are to win the battle against violent street crime.

Mr. President, the time has come for a more vigorous attack on violent crime in the United States. Increasing the effectiveness of the Armed Career Criminal Act is a significant step toward that goal.

Mr. President, I ask unanimous consent that the full text of the amendment be printed in the Record, together with a copy of a letter from the Assistant Attorney General, John R. Bolton, stating the administration's agreement with this amendment.

There being no objection, the bill and letter were ordered to be printed in the Record, as follows:

S. 2312

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That (a) the second sentence of subsection (a) of section 1202 of title VII of the Omnibus Crime Control and Safe Streets Act of 1968 (18 U.S.C. App. 1202(a)) is amended by striking out "for robbery or burglary, or both," and inserting in lieu thereof "for a crime of violence or a serious drug offense, or both,"

(b) Subsection (c) of section 1202 of title VII of such Act is amended by striking out paragraphs (8) and (9) and inserting in lieu thereof the following:

"(8) 'serious drug offense' means an offense for which a maximum term of imprisonment of ten years or more is prescribed in the Controlled Substances Act (21 U.S.C. 951 et seq.), or section 1 of the Act of September 15, 1980 (21 U.S.C. 955a); and

"(9) 'crime of violence' means—

"(A) an offense that has as an element the use, attempted use, or threatened use of physical force against the person or property of another; or

"(B) any other offense that is a felony and that, by its nature, involves a substantial risk that physical force against the person or property of another may be used in the course of committing the offense.".

U.S. Department of Justice,
Washington, DC, March 18, 1986.

Hon. Arlen Specter,
U.S. Senate,
Washington, DC.

Dear Senator Specter: This letter is in response to your letter of January 27, 1986, to the Deputy Attorney General requesting the views of the Department of Justice on expanding the coverage of the Armed Career Criminal Act of 1984, codified at 18 U.S.C. App. § 1202(a). In your letter you suggest two possible ways to expand the coverage of the Act.

As you note in your letter the Act is applicable to any person who is convicted of illegally possessing a firearm and who has three or more prior convictions for robbery or burglary or both. Your first suggestion would expand the Act's coverage by adding to the predicate crimes of robbery and burglary the predicate crime of "serious drug offense." "Serious drug offense" would be defined as "an offense for which a maximum term of imprisonment of ten years or more is prescribed [for violations of various sections of title 21]." Your second suggestion would expand the Act's coverage by adding to the predicate crimes of robbery and burglary the predicate crime of "crime of violence."

We think the most efficacious way to expand the Act's coverage is to remove from the Act the terms "robbery" and "burglary," and to replace them with the terms "crime of violence" and "serious drug offense." The term "crime of violence" would encompass robbery and burglary since both are felonies that "by [their] nature, [involve] a substantial risk that physical force against the person or property of another may be used in the course of committing [them]." See 18 U.S.C. § 16(b). To include serious narcotics offenses within the Act's coverage it will be necessary to explicitly make a "serious drug offense" a predicate crime, because the term "crime of violence"—defined in 18 U.S.C. § 16—has been interpreted by several courts to exclude narcotics offenses. See e.g., *United States* v. *Diaz,* 778 F.2d 86 (2d Cir. 1985) ("narcotics offenses do not constitute crimes of violence within the meaning of [18 U.S.C.] § 924(c)"). This could be accomplished by including in your proposed amendment to the Act the definition of "serious drug offense" contained in your first suggestion.

We trust our reply is responsive to your request. If we can be of any further assistance please feel free to contact us.

Sincerely,

John R. Bolton,
Assistant Attorney General.

HOBBS ACT AMENDMENT

Mr. SPECTER. Mr. President, at 11 o'clock we will be turning to consideration of the Hobbs Act and to a cloture vote seeking to bring debate to an end on the motion to proceed. This Senator objected to proceeding on the bill by unanimous consent because it was my view the amendment to the Hobbs Act poses a very fundamental change in the law of the United States which requires the attention of the Senate before we move ahead with consideration of the bill.

The majority leader then filed a cloture motion on Monday, which is scheduled for a vote today. I should like to speak briefly about the matter as I did on Monday, to call to my colleagues' attention the various provisions of the amendment to the Hobbs Act.

It is a serious matter because it will bring the Federal Government into what is, essentially speaking, an assault and battery case on a picket line, and it serves in sharp contradistinction to the amendment which I have just introduced on the career criminal bill, where it is vitally necessary for the Federal Government to play a very important role in dealing with violent crime in this country.

Contrast that, Mr. President, to an amendment to the Hobbs Act which would make it a Federal offense to have a fistfight on the picket line.

The experience I have had as district attorney of the city of Philadelphia and as an assistant district attorney in that office for some 12 years, has demonstrated to me that local law enforcement is able to handle this kind of problem. As an assistant district attorney I prosecuted the case of Commonwealth of Virginia versus Local 107 of the Teamsters, a matter which arose

out of the investigation of the McClellan committee where union violence was an issue, where the case was presented in State court. Six defendants were charged with conspiracy to cheat and defraud local 107, and as part of that action union activities involved violence. All of the defendants were convicted. All six went to jail. I cite that as illustrative of the proposition that local law enforcement is fully able to deal with problems involving union violence in assault and battery cases.

Mr. President, if there is a concern that some local prosecutors will not discharge their duty, let it be known that there are other remedies available.

In Pennsylvania, for example, as is the situation in most States—and I do not want to make representations as to the law of all 50 States—the practice is that the State attorneys general have the power to supersede a district attorney where the district attorney fails or refuses to act or a local prosecutor would be unwilling to proceed where he should.

In Pennsylvania and in many other States there are supplementary remedies available for a private party to petition the presiding judge. Where a prosecuting attorney fails to act, a judge may appoint a private attorney to supersede the district attorney.

So there are ample remedies available to handle the issue of prosecution of union violence—first, by the local prosecutor; second, by the State attorney general; and third, if both those officials fail or refuse to act, by private counsel.

Mr. President, I am concerned that the effort to amend the Hobbs Act in this respect may have a chilling effect on fundamental rights. The first amendment right of freedom of speech is one of the most cherished rights we enjoy as American citizens. The right to peaceful picketing is a part of the right of freedom of speech under the first amendment. There cannot be mass picketing, there cannot be violence, there cannot be abuse of the right of picketing within the first amendment protections; but in terms of peaceful picketing and the right to convey an expression, that is guarded and protected by the first amendment. To bring the U.S. marshals or the U.S. attorneys or the Department of Justice into these cases, I submit, would have a chilling effect on the legitimate exercise of the right to peacefully picket.

Therefore, in the context of the adequacy of existing procedures, I submit that there is no need to amend the Hobbs Act to make a fistfight on a picket line a matter of Federal prosecution. In fact, it may have a very harmful, chilling effect, as I have described.

Mr. President, I yield the floor, and I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. QUAYLE. Mr. President, I ask unanimous consent that the order of the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

ROUTINE MORNING BUSINESS

The PRESIDING OFFICER. Under the previous order, there will now be a period for the transaction of routine morning business, not to extend beyond 11 a.m., with statements therein limited to 5 minutes each.

WHY REAGAN WAS RIGHT IN STRIKING LIBYA

Mr. QUAYLE. Mr. President, I rise this morning to state why I believe the President was right in striking at Libya.

Shortly after ordering last Monday's air attacks against Libya, President Reagan leveled with the American people. As he noted in his TV address Monday night, the strike against Libya will not necessarily end Qadhafi's reign of terror; other actions may be necessary.

Because of this and because other actions may have to be taken, it is critical that we understand why the strike Monday night was itself required and correct. There are three reasons.

First, by his words and deeds, Qadhafi has in effect declared war against the United States. In a speech made last September, he claimed he had "the right to fight America, and * * * the right to export terrorism to them." More recently, he threatened to "pursue United States citizens in their country and streets" if the United States responded to Libya's involvement in the Rome and Vienna terrorist attacks.

As the Berlin attack demonstrated, Qadhafi meant what he said. But, then, given the legacy of terror Qadhafi has established over the last 3 years, there should have been no doubt about this. Indeed, we now have compelling evidence of Libyan involvement in planned attacks against the United States:

France expelled two members of the Libyan People's Bureau for their involvement in a planned operation against our Embassy to have been executed March 28.

A week later, France expelled two Palestinian terrorists recruited by Libya to conduct another operation against the United States in Paris.

On April 6, a Libyan plot to attack the United States Embassy in Beirut with rockets resulted in a near-miss.

In late March, Turkish police arrested two Tunisians in Istanbul hired by Libya to conduct a series of terrorists operations against United States in Turkey.

Libyan operatives are suspected of tracking United States personnel and facilities in at least 35 reported instances this year.

What Qadhafi is doing here is not to be confused with random crime. Americans have been murdered by Libya, but the intent of these killings has been to single America out rather than the particular victims of Libyan terror per se.

Indeed, what Qadhafi is attempting to achieve by his acts of terror is the sort of political submission normally gained only through victory in declared war. Through terror, he is attempting to establish a recognized right to hold any American's life at risk at any time and at any place. His hope is that by depriving Americans of the protection of their own Government, he can undermine their support of it and so force our officials to appease Libya and his will. In short, Qadhafi has declared war on America.

Second, President Reagan's action against Libya was correct and legal. The United States took military action only after repeated warnings to Qadhafi to desist in his terrorist actions. Economic sanctions were tried with our allies. But these proved to be inadequate. Finally, we tried quiet diplomacy and military demonstrations, but Qadhafi persisted in his efforts to hold American lives at risk.

Under the U.N. Charter, each nation has the inherent right to act in its own self-defense. The only qualification international law and, specifically the Geneva Convention, make is that any action taken for self-defense must be proportionate to the threat and necessary to deter further aggression—military actions must avoid unnecessary loss of civilian life.

The Joint Chiefs of Staff were careful to select only targets directly related to terrorism—military bases associated with terrorist activities or air defenses that had to be suppressed to hit these bases. Whatever collateral damage occurred was unintended and was a result of the need to make the attack at night. Economic targets and urban centers were clearly avoided.

Finally, President Reagan took care to follow both the letter and the spirit of the War Powers Act. Consultations with Members of Congress were made with all of the congressional leadership before the attack itself was executed. Indeed, if congressional support was insufficient, the President made provision to call the attack off. After sharing all of the evidence concerning Libya's terrorist actions, however, a majority of the leadership sustained the President's judgment. The raid went ahead, and formal notice was issued to Congress publicly within 48 hours.

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Finally, the raid itself was appropriate. It demonstrated to Qadhafi that he can no longer count on America to be passive to his campaign of terror, that he, in fact, will have to pay a price if he persists. Our Government is not about to ignore its duty to defend and protect the Constitution and the American people. It is ready and able to defend both. Indeed, it and the American people have made it clear to Qadhafi that if he persists in holding American life at risk, he must risk his own continued rule over his own nation.

Mr. President, I yield the floor.

The PRESIDING OFFICER. The Senator from Massachusetts.

THE HOBBS ACT (S. 1774)

Mr. KENNEDY. Mr. President, today we are writing another chapter of the never ending saga of this body's failure to subscribe to an orderly legislative process, a process by which this Chamber, as a whole body, is supposed to consider proposed legislation which has been carefully studied, crafted, and fine tuned by a committee or committees of proper jurisdiction and expertise, and favorably reported out for this body's deliberation and consideration, a process which is to be bypassed only under extraordinary circumstances, marked by urgent need for Federal legislation, and an absence of adequate State legislation to handle a situation of crisis proportions.

There are no extraordinary circumstances addressed by this legislation. And there are, in every State, adequate statutes and enforcement mechanisms to address the problem this bill purports to address.

What we have here is a group, unhappy with the results in the Judiciary Committee, attempting to bypass the proper legislative process and to achieve on the floor what they failed to achieve in committee, this Congress or in any previous Congress. This objective and strategy is made all the worse when it is an attempt to pass poor legislation.

Mr. President, in just about 1 minute the Senate will go to a quorum call and then go to the issue about whether we are going to impose cloture on a motion to take up legislation dealing with the Hobbs Act.

I would hope, Mr. President, that the Senate would not acquiesce in the request to take that legislation up.

The legislation was considered in the Judiciary Committee. It failed to be reported out of the Judiciary Committee. Should we just now be willing to circumvent the whole legislative process by effectively ignoring the committee structure I think that we open a wide, vast process and procedure which I think runs completely contrary to the whole structure and institution of the Senate.

I will speak to the issue of the Hobbs Act should we have the opportunity to debate that issue in the future as I have in the past. But it seems to me that there is none of the required urgency to take the time of this body at this time to deliberate that legislation. We have other matters, such as the budget, other issues of foreign policy that should take our attention.

I would hope that the request of the majority leader would be rejected at this time.

THREE INTERESTING ARTICLES

Mr. THURMOND. Mr. President, I would like to bring to the attention of my colleagues three recent articles concerning topics of interest to all Americans. The first article is an editorial that appeared in the April 6, 1986, edition of the Washington Post. It is titled "SALT II: Renounce It," and was written by Ambassador Jeanne Kirkpatrick. The editorial is a very thoughtful analysis of the reasons why the United States should discontinue adherence to SALT II. As Ambassador Kirkpatrick points out, the Soviets are violating previous strategic arms agreements with impunity, and failure to address these violations in any substantive way is a grave mistake on the part of the United States. Ambassador Kirkpatrick's editorial recommends that the United States renounce compliance with SALT II, and I commend her editorial to the attention of all my colleagues.

The second article appeared in the Officer magazine, which is a publication of the Reserve Officer's Association of the United States. The article is entitled "Latin America's Democracies Need Us," and was written by the Honorable Robert K. Dornan of California. Congressman Dornan addresses the critics of U.S. Latin American policy who claim that democratic governments are not really emerging in Latin America. His analysis of the development of democracy in Latin America is very cogent and demonstrates that the growth of democracy in Latin America, although slow, is increasing.

The third article appeared in the April 13, 1986, issue of Parade magazine and was written by Gen. William C. Westmoreland, former Chief of Staff of the U.S. Army and former commander of U.S. forces in Vietnam. The title of the article is "It Takes More Than Strength." In the article, General Westmoreland reflects on the meaning of liberty and the role of the officer and the citizen in a democracy. As he points out, liberty is not preserved by military strength alone. It is nurtured and protected by a responsible, duty conscious citizenry and the public will to bear the hardships that often accompany the protection of freedom.

Mr. President, I urge all of my colleagues to read these three important articles, and I ask unanimous consent that they be printed in the Record.

There being no objection, the articles were ordered to be printed in the Record, as follows:

SALT II: Renounce It

(By Jeane Kirkpatrick)

Once upon a time—when he was a candidate rather than a president—Ronald Reagan found it easy to reach conclusions about the SALT II treaty. Candidate Reagan pronounced it "fatally flawed" and "unequal," incapable of restraining the growth of Soviet strategic capabilities.

But, like most Americans, Ronald Reagan longs to slow the arms race with the Soviet Union—if he cannot end it entirely. Therefore, desiring to maintain a good climate and believing that some limits are better than hone, President Reagan decided that the U.S. government should honor the SALT II treaty on an interim basis while he tried to negotiate something better.

Five years later there is nothing better on the horizon, the evidence of treaty violations by the Soviets has accumulated, and the cost of "interim restraint" is rising sharply.

Now the president faces a treaty deadline and must make a crucial decision. To continue in compliance with SALT II limits, the United States must dismantle two Poseidon submarines when the new Trident submarine begins sea trials on May 20.

The president must decide what to do about the Poseidons, and more broadly, what to do about the SALT II agreement. Since the agreement, negotiated by the Carter administration, was never ratified by the Senate, compliance is a matter of executive policy—not of law.

It is up to Ronald Reagan. He and his principal advisers are currently deliberating the pros and cons of continuing compliance, abandoning the treaty, or possibly setting a course that would systematically link United States and Soviet compliance, thus taking account of Soviet violations.

Those who advocate continued compliance emphasize the military disadvantages to the United States of abandoning the agreement. The chairman of the House Armed Services Committee, Les Aspin, has emphasized that ending the present restraints on production of new weapons systems would give the Soviets an advantage because they have greater capacity than the United States to produce strategic weapons systems and missiles with larger payloads.

Opponents of continued compliance counter that the United States pays too high a price for these limited and uncertain constraints. Abiding by SALT II, they say, will inhibit modernization of U.S. military forces (including Midgetman testing and deployment), prevent the United States from retaining needed weapons systems, raise American defense costs in this year of Gramm-Rudman and diminish our already reduced margin of security.

Both sides acknowledge that the political consequences of a decision on SALT II are at least as important as its military effects. Supporters worry that U.S. failure to comply would damage prospects for future arms control negotiations and offend our allies—who are enthusiastic about all United States/Soviet arms agreements that will not affect British and French arms or decouple American and European defense.

Even the supporters of SALT II agree that some account must be taken of Soviet violations. Certainly, the president is not free to ignore them. His report to Congress on Soviet noncompliance with arms control agreements (December 1985) described deployment of the SS-25 missile as a "clear and irreversible violation" and noted that the Soviet policy of deliberate concealment was contrary to both the letter and the spirit of SALT II.

The latest Department of Defense report, "Soviet Military Power," cites several additional SALT violations and makes it clear they are part of a broader pattern of selective Soviet noncompliance with existing arms control agreements.

So far the United States has charged the Soviets with important violations of SALT I and II, the ABM Treaty, the Threshold Test Ban Treaty, the Biological and Toxin Weapons Convention and the Geneva Protocol.

Because the Reagan administration has chosen to make Soviet violations a matter of public record, the decision on SALT II must be made in the light of that record.

Will Ronald Reagan commit the United States to compliance with an agreement the Soviets violate? Or will he decide that Soviet noncompliance has effectively—if informally—already vitiated the agreement?

Reaffirming the SALT II treaty in the face of violations would send a clear signal that the United States is ready to settle for less than we say we will. Such a message is hardly conducive to negotiating new meaningful, verifiable arms control agreements.

What would be the domestic political fallout of renouncing U.S. compliance with a flawed treaty that the Soviets are violating? Polls conducted in the last six months indicate that a majority of Americans want our government to negotiate arms control agreements, but do not believe we should honor agreements that are being violated by the Soviet Union.

The president's realism and common sense should lead him to the same conclusion.

Latin America's Democracies Need Us

(By Robert K. Dornan)

The year 1986 began on an optimistic note for U.S. foreign policy in Latin America and the Caribbean. A democratic revolution has been sweeping through the region, displacing "traditional" military dictatorships and oligarchies.

Over the last five years elected civilian presidents have replaced military rulers in nine countries: Argentina, Bolivia, Brazil, Ecuador, El Salvador, Guatemala, Honduras, Peru and Uruguay. In contrast, only six years ago two-thirds of our Latin neighbors lived under military-dominated governments.

Numerous factors have contributed to the region-wide upsurge in democratic politics. Throughout the electoral process, international observers have consistently reported that voters were responding to a desire to repudiate both leftist revolutionary alternatives as well as military obligarchies.

For most Latin Americans the uncertainties of representative democracy are far more preferable than the violence and abuse of the far left or the far right.

As a member of the House Foreign Affairs Committee, I have observed that voter participation originates from internal dynamics and is not solely a response to U.S. prompting. In many countries the atmosphere underlying the electoral process has been hopeful about the democratic potential to facilitate long-term development. It is generally recognized throughout Latin America that democracy builds confidence in the private sector, and creates a stable environment essential to the attraction of international capital. It is also acknowledged that the general populace throughout Latin America recognizes that governmental accountability to the electorate is the best guarantor of basic human rights and internal stability.

To my disappointment though, many have expressed the view that democracy in Latin America, and particularly in Central America, is not a reality. This simplistic and short-sighted perspective does not give proper credit to our neighbors in their struggle to implement truly representative democratic institutions. Pessimistic regional observers contend that the armed forces are only allowing power-sharing with civilian politicians in order to facilitate a flow of funds from the United States.

To these analysts, elections in El Salvador, Honduras and Guatemala only constitute a cosmetic facade of democracy which merits little long-term attention or respect. That is a cynical and unfair analysis.

It is true that long historical traditions of military interventionism and "caudillo" politics makes it naive to assume that a comprehensive change will occur overnight. Nor can we expect the electoral process to be perfect.

The growth of democracy is inherently evolutionary in nature and must be adapted to the peculiar circumstances of individual nations. With many exceptions and nuances of development, Latin American politics follows a general step-wise progression.

Wars and revolutions of independence.

"Caudillo" or Personalist Authoritarianism.

Limited democratic participation.

Democracy with enlarged participation.

Total participation democracy.

The northern tier states of South America, such as Venezuela and Ecuador are concrete examples of just such an evolution. Venezuela has made a successful transition to democracy in which constitutional institutions have survived for nearly 30 years. In Ecuador, it was in fact the military that set the stage for a successful transition to democracy.

Even the forefathers of authoritarian Latin American politics, the Spaniards, have just recently celebrated the 10th anniversary of uninterrupted democratic rule—a nation where just a decade ago a viable democracy was considered only a dream.

The separation of the military from politics will occur as political parties consolidate and legitimate forms of expression become institutionalized. At present, many of these countries do not have any convenient democratic tradition upon which to model themselves. Decades of military rule have left the political process fragmented.

As Latin democracies establish themselves as problem-solving mechanisms and instruments of equitable development they will ensure their own survival. The role of the United States in this process should be to provide development assistance which can buy the necessary time to allow a fledgling democracy to consolidate and to help ease the pains of strict austerity measures.

Nicaragua stands in stark contrast to the democratic trends in the region. The Leninist Sandinista Directorate has been able to consolidate the reigms of political power and is committed to undermining neighboring democracies through subversion.

Most recently the Colombian government has presented evidence that the November M-19 commando raid of the Palace of Justice in Bogota was substantially aided by the Sandinistas. At least half of the weapons seized after the terrorist attack can be traced unequivocally to the Managua regime.

Less well recognized, however, is the threat Nicaragua poses to democracies by encouraging the intervention of the military into the political process in the name of state security.

Although internal dynamics have been the primary factor driving Latin American support for democracy, the United States has rightfully acted as the catalyst for democratic evolution. We North Americans must consider the implications that derive from self-defeating attitudes of doubt and despair so characteristic of our foreign policy in the early post Vietnam years.

The United States is the leader of the western hemisphere and as such has a responsibility to encourage democratic solidarity with our Latin neighbors. We cannot expect the leaders of Latin American nations to give full support to democracy and resist the short-sighted attractions of violent revolution when our own commitment to political liberty is faltering and inconsistent.

Hopefully, the key architects of U.S. foreign policy will see the critical connection between the leadership role this country has taken and the support for fragile democracies throughout Latin America.

I am encouraged by a much more confident U.S. policy in the region which is taking the initiative with increasing confidence to assist our neighbors to fulfill their own aspirations. Behind much of the rhetoric voiced by Latin American leaders today, one finds solid encouragement for decisive U.S. actions.

The challenges to democracy in Latin America are great but we should be encouraged by the democratic transitions that have already taken place.

The United States must take the offensive politically and economically rather than become mired in handwringing, pessimistic despair. The fact of the matter is that an assertive U.S. foreign policy will never be popular anywhere. The United States is simply too large a presence, too successful economically and too diverse a culture to ever be cuddly or loveable as a nation. Respect though, will always exist for the United States of America when we follow through on principle and support.

I believe that the world will follow a strong leadership role of our great country. It is beyond any doubt that the world will never support defeatist American policies.

It Takes More Than Strength

(By Gen. William C. Westmoreland)

Almost 24 years ago, at the United States Military Academy, I was host for Gen. Douglas MacArthur when he made his historic farewell address to the corps of cadets at West Point, NY. He distilled how he felt about his life in the Army, its principles and its unique relationship to our civilian government.

I was impressed—as was the country—by the old soldier's idealism, pride in service to our country and dedication to the Army he fought with in three wars. He counseled the cadets, "A soldier above all prays for peace, for he must suffer and bear the deepest wounds and scars of war." At the time, the American people also were inspired by the idealistic words of a new, young President,

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John F. Kennedy, who had dedicated a nation to "pay any price, bear any burden, meet any hardship, support any friend, oppose any foe, to assure the survival and the success of liberty."

Almost a half century has passed since I graduated from the U.S. Military Academy, and this has remained my view of the soldier's role in a democracy: to guarantee, as a professional, the survival and success of liberty. To me, the symbol of Lady Liberty is far more profound than that of the cartoon-like Uncle Sam—a figure dressed in red, white and blue and a funny hat, demanding: "I want you." He is asking you to join the Army but does not tell you why. The Statue of Liberty, on the other hand, tells you why. She represents individual and national freedom, the ideals upon which our nation was founded. She conveys warmth and a love of country.

These ideals have always inspired those serving in the military. Today, as an old soldier myself, I look over a career of proud memories. The years have been eventful ones for me—and for the United States. When I was commissioned, our country was inward-looking and militarily weak by current standards. World War II came to our shores before we were ready. Unified as never before by the flames of Pearl Harbor, we gained new responsibilities and status as a world power. During those years, the U.S. inherited the mantle of leadership of the free world.

In that role, we became the international champions of liberty, which put us on a collision course with Communist designs—first in Korea and then in Vietnam. Our initiatives were applauded by our people. I think most believed we were on the right course, both in the interest of liberty and in our own self-interest. At the same time, public attitudes toward the military began to shift drastically. In many cases, the Army was portrayed as a negative force. Many forgot the vital connection between the survival of our nation's fundamental ideals and those privileged to serve her.

Under our cherished Constitution, civilian leadership must be supreme in decisions involving the national interest—though our military leadership does have an obligation to make known any threat to our welfare and to appraise our preparedness to defend ourselves. In the end, however, it is the soldier who must fight our battles. For the morale of that soldier, it is important that his role be understood and appreciated in our society.

I believe that our leadership in strength is the best guarantee of peace and justice in the world—and of our own liberty at home. But leadership of true quality, that which is noble and inspiring, involves more than strength. To be legitimate, it must be grounded not on personal ambition but on our great democratic principles: due process and equal justice under the law, equality of opportunity, loyalty to our nation and to those carrying responsibility, and fairness in human and governmental relations, all a part of the end product—liberty. Throughout our history, only a very few military officers have violated those standards.

It is in the context of these broad challenges to our democratic society that the officers of our armed forces must be prepared to serve the nation. It requires a special type of leadership and a special type of organization. It is a trust, founded on idealism and love of country. President Reagan has said, "Who else but an idealist would choose to become a member of the armed forces?"

Indeed, nothing is more important to the future of our nation than the inculcation of our soldiers, our youth, our future citizens, with the virtues that have made America great. The Army, with its institutional idealism, has always strived to do just that. Not only does it prepare soldiers to deter aggression but it is also a great teacher of patriotism. The soldier understands only one system of rank. It is not the rank of bars and leaves. It is the rank of dedication, of duty, of care and concern for his mission and his men, of integrity of character, willingness to learn, readiness to admit error and devotion to principle. Soldiers may not be articulate on these principles, but they fully expect their officers to live and act by them.

However, in our open, free-for-all society, the swings in public attitude—particularly regarding the military—can be dismaying. It is often difficult for our young citizens to separate the facts from the propaganda. During the hectic years of the war in Vietnam, with the increase in drug abuse and campus protests, many seemed to lose confidence in our traditional institutions. And currently, fears of a nuclear holocaust or another Vietnam, threaten to weaken our defenses and, paradoxically, to increase the very danger we fear.

We all share a concern for our nation's future. And, indeed, it is frightening to contemplate that we might, in our confusion, cast aside the ideals, ethics and standards that have made our country great.

America is great because it is a land of liberty, endless challenge and unbounded opportunity. We have overcome foreign and domestic strife and staggering social, economic and political problems, and by doing so have become the most powerful nation on earth. We added to the challenges that confronted us one of our own choosing: to be, by our example, a beacon to other people in the world for individual liberty. No other nation has done that.

Never before in history has a nation so freely shared the treasure of its hard work; never before has a nation provided others with so much security: never before has a nation so responsibly shouldered the burden of world leadership or combined the material and human aspirations of man to such a reality.

Yes, we have faltered. We've made mistakes. We have not been perfect. But when one weighs the good and bad, there can only be one conclusion: The vision of our founding fathers has become a reality.

We should think about that. We should think about it when cynical, petty people mock our ideals and sneer at our sacrifices; when they seek to diminish the bedrock values of our society by calling them clichés.

Unlike the many college students in the late 1960s and early 1970s who wished to change our system, today's campus generation apparently has chosen to work within it, respecting the limitations that are a necessary part of freedom. Dostoyevski, the great Russian writer of a century ago, wrote: "No man or nation can exist without a sublime ideal." Such an ideal is necessary to weld together individuals and social efforts. We are fortunate in America that such a unifying ideal has always been in view. In practice, that ideal has embodied respect for God and country and involves dedication to the principles of the American Constitution, made explicit in our laws and public documents. That dedication travels under another name: patriotism.

I remember, in the mid-1970s, after I had retired from the Army, I visited one of the Army basic training centers and talked to the command sergeant major, the senior noncommissioned officer of the base, a fellow paratrooper with whom I had served in Vietnam. He expressed to me concern about the attitude of many of the young men in training. He told me that his final charge to those new recruits after several weeks of intensive training was: "Men, in the past several years, we in our country sadly have destroyed the tall towers. Now, I want you men to work with me to rebuild the first one." The first of those tall towers was patriotism. The name of the sergeant major was Antonio Torres, a man born outside the continental United States in a family that spoke no English.

Patriotism demands commitment to the principle that for every right there is a duty. Without the practice of that precept by our citizens and institutions, our democracy simply cannot survive.

As a proud old soldier, I was pleased and honored when I was asked to be a member of the Statue of Liberty-Ellis Island Centennial Commission, but I wondered why. Perhaps it was because I have fought in three wars for the principle of liberty. And perhaps it was because I commanded in Vietnam for more than four years the cream of our American youth and saw them give their all in support of that idealism personified by Lady Liberty.

Yes, it seems our nation has rebuilt the first tall tower, to be symbolized by the rededication of our beloved Statue of Liberty.

THE NATIONAL STRATEGY ACT

Mr. DeCONCINI. Mr. President, I want to take this opportunity to enthusiastically support S. 2064. Introduced by my esteemed colleague, Senator WARNER of Virginia, this bill would require the President to make an annual report on the national strategy of the United States to certain committees of Congress and require joint committee meetings to be held on such report.

The National Strategy Act not only supports a more logical budget planning process but also encourages a more thoughtful and considered decisionmaking process. Although it may not bring consensus, it will certainly go a long way in preventing reactive decisions that address short-term problems but fail to evaluate the long-term impact of our decisions.

I would also like to take this opportunity to commend my senior colleague and friend from Arizona, Senator BARRY GOLDWATER. He has worked diligently with Senator NUNN to reform the defense establishment to ensure better military readiness and cost effective weapons procurement policies. Senator GOLDWATER, commenting on this issue, said: "We need a grand strategy and we need it now. . . . It must be sufficient to deter our enemies and protect our friends. And it must be understood by the American people and have their support." I am confident that this National Strategy Act will have the support of Arizonans as well as make important steps toward accomplishing the broader goals articulated by Senator GOLDWATER.

Since becoming a member of the Senate, I have noted the difficulty that Congress has in maintaining a clear view of our Nation's strategic objectives and the support required to reach those objectives. Seldom do we get the complete picture, the strategic overview that defines where the administration wants to go, how it's going to get there, and what the expected results of these policies should be. Certainly, the Packard Commission would endorse the wisdom of this legislation. The Commission, appointed by the President, noted "there is no rational system whereby the executive branch and the Congress reach coherent and enduring agreement on national military strategy, the forces to carry it out, and the funding that should be provided in light of the overall economy and competing claims on national resources. The absence of such a system contributes substantially to the instability and uncertainty that plague our defense program. These cause imbalances in our military forces and capabilities, and increase the costs of procuring military equipment." The Commission goes on to articulate a comprehensive statement on national security objectives and priorities.

Over the years, I have observed information coming to us on a wide range of strategic issues in bits and pieces, in different versions, and from a variety of sources. We sort through the information, read posture statements, listen to addresses from the administration, conduct hearings, ask questions and evaluate responses. After all of this is done, I'm still not convinced we have the big picture and, more importantly, I don't think the people of this country have the kind of overview they need to know where our Nation's strategy is taking us. This becomes particularly critical in these times when so much national attention is paid to how Congress allocates funds in an era of increased budgetary austerity.

The time has passed when we can afford to provide funding without examining the overall value of individual programs and how they support the attainment of larger national objectives. Developing a comprehensive, unified national strategy is a strong step in the right direction. Both Chambers of Congress will be better prepared and equipped to study, evaluate, and decide on the best way to carry out national strategy with this bill. This is an outstanding example of farsighted law-making and I am pleased to cosponsor this legislation.

JOSEPH FACCI

Mr. CRANSTON. Mr. President, I rise to commemorate the life of Joseph Facci, a life devoted to a selfless crusade against human misery.

I met Joseph Facci during my years as chief of the Foreign Language Division of the Office of War Information in World War II. A Dante-like character in appearance, and a refugee from the Mussolini regime, he was in charge of working with the Italian-American community in my division.

Facci played a creative and decisive part in getting Italian aliens exempted from the enemy alien classification in 1944, in pushing for a separate peace with the Italian people, and in helping to bring our two great countries together.

When America entered the war, aliens from Italy and Germany were officially labeled "enemies." They could not travel freely and could not take certain jobs. Loyal native-born and naturalized Americans of these ancestries, as well as the aliens, resented these restrictions. As the Rome-Berlin axis began to falter and Italians became unhappy with their alliance with the Nazis, Facci came up with an idea designed to impose greater strains on the alliance and to solve the problems of these Italian-Americans. He proposed that President Roosevelt issue a proclamation ending the enemy alien certification for Italians living in America. He convinced me, and I took on the task of selling the idea. I sold it inside OWI all the way to its top—to Elmer Davis. Then Davis and I sold it all the way to the top in the Department of Justice to Attorney General Francis Biddle. Then Biddle and Davis sold it to Secretary of State Cordell Hull and to President Roosevelt. All the while Facci was pressing me, and I was pushing Davis.

In his Columbus Day speech in 1943, Roosevelt announced that Italians were no longer enemy aliens. I will never forget Joe's joy and pride the day FDR made this announcement. Restrictions on Italians in the United States were lifted. And leaflets were dropped from planes flying over Italy just before we invaded that country, announcing that Americans now considered them friends.

Bruno Foa, director of the Bureau of Latin American Research, wrote to me: "It was certainly an enormous step forward in the grand strategy of political warfare."

Count Carlo Sforza, Italy's first postwar Foreign Minister, declared then that this act, establishing that we were "friends not enemies," saved the lives of countless American soldiers—and Italians, too—when the Allies landed in Italy to drive out the Nazis.

Incidentally, Randolpho Pacciardi, the leader of the refugee anti-Fascist Italians in America during the war, and Italy's postwar Minister of Defense, arranged for me to be awarded the Star of Solidarity by the Italian Government in 1946. The award should have gone to Joe Facci.

No one could have done all this better than a man who had been an Italian soldier in World War I and a prisoner of war, and who was then one of the first to take up the struggle against the Fascists. Joe Facci loved his Italy, and its people, just as he came to love America, and its people. And he joined in the effort to restore the freedom of Italians and to preserve the freedom of Americans in World War II.

Facci died in Maryland in May 1979, at the age of 85. It seems to me that the passage of time has added a perspective to the remarkable events of his life.

His story is unique in that he was able to spend more than 50 years fighting against human misery in causes of national and international importance, that cut across the whole fabric of society.

Despite his great eloquence and pragmatism, he never reached a vast audience with his own words and personality, yet his successful life reminds us of the supremacy of moral courage and of our obligation to fight as he did, whenever he could, against injustice, intolerance, and cruelty.

Joe was born in northern Italy in August 1893, the eldest son in a large family of well-to-do millers. He gave up training for the priesthood because he decided that his life would be more effective if he devoted it to direct efforts to ameliorate the misery of the people. For the same reasons he refused to go into the prosperous family milling business. He married Catherine (Nella) Marta, from his native village, and served in Italy's Alpine troops in the bitter fighting on the Austrian front in World War I. He became a prisoner of war and failed twice in attempts to escape. After his second effort he was placed in solitary confinement in the dungeons of the prison-fortress of Komaron.

He gained his law degree at the University of Padua in 1919. He then served the Italian Government in Austria and Italy, in increasingly responsible posts, where he acquired experience in economics and foreign affairs, especially foreign trade. He rose to director of a vital trade unit.

Meanwhile he had begun to fight the oppressive Fascist system, which he thought represented a gross travesty of the spirit of the Italian people, and was a blueprint for eventual national disaster. Without joining any party or group, he spoke against it openly. He saw his friends persecuted and jailed, and he decided he must save his family by leaving Italy. He

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also felt that his crusade would be stronger fought from abroad.

In America he found what he most fervently needed, a free, dynamic society. His appreciation and love for this country lasted the rest of his life.

He became Secretary of the Italian Chamber of Commerce in San Francisco, an association of northern California merchants concerned with Italian trade. There he fought for free trade and against the Smoot-Hawley Tariff Act, and he was widely quoted in the press. When his growing anti-Fascist activities became irreconcilable with his position, he left and worked as a freelance writer and lecturer. He established and published the Italian language monthly Cultura Populare, a vehicle for his fight against fascism, and for help to working men and women and the small farmers of northern California during the Depression. He stirred opposition to Mussolini and his regime among Bay Area Italians.

Facci became a U.S. citizen in May 1935. In 1940 he moved to Washington, hoping to find a place where his ideas and talents might be more influential. After a stint with the Department of Agriculture, he came to work for me at OWI, where he made his extraordinary contribution to the war effort.

After the war he passed up opportunities to return to Italy in the new government, and went to work for Unesco in CREFAL, the joint Unesco-Mexican Government-Latin American center in Patzcuaro Michoacan, Mexico. CREFAL's mission was to teach selected schoolteachers from Latin American countries the special skills needed for adult education, community development, and self-help. There he promoted the agricultural cooperative, not state ownership, as the vehicle for land reform in the near-feudal systems. He retired at 65 and devoted himself to helping the region's peasant-farmers, the campesinos. He obtained money from bankers, contributions of farm tractors from Ford and International Harvester, service from the phone company, and road improvement from the state of Michoacan. He and his Nella then obtained assistance from local contractors and wealthy families to build a vitally needed primary school in Patzcuaro. He continued to write and devote himself to local projects for the campesinos and their families until 1970, when he returned to Alexandria, VA, to spend the rest of his life there.

In sum, Joe Facci was highly intelligent and remarkably brave, unafraid to move into new fields, a voracious reader, talented in language, and a prolific writer and orator in Italian, English, and Spanish. In the best sense of the word he was a polemicist, and in the best tradition, a reformer.

He was gregarious. He loved good food and wine in moderation, good stories, and the out-of-doors. Politically progressive, he was personally conservative, unconcerned about clothes or luxuries. Since the family was, to him, the basic unit of society, he believed its healthy survival was worth the sacrifice of individual desires. Although his frenetic work habits caused him to neglect some family matters, he found the time to know his children well and to contribute to their development.

Throughout their more than 60 years of marriage, his wife Nella, who is still living, shared his ideals and helped him. With great personal sacrifice, she managed the affairs of the family, contributing to a good life and education for their devoted children, Hugo Facci and Mary Marton.

Facci believed that the greatness of the American Constitution was that it stated only the barest principles to guide its people and their political associations. It demanded that its people constantly reapply those principles in new laws and contracts in order to avoid abuses growing out of social and environmental changes. He felt that impartial, balanced dissemination of information was second only to basic education for the survival of a democratic society.

Change was not to be feared in a free society because, if imperfect, it could always be corrected. Abuses, imperfections, and injustices were everywhere, and the greatest danger was to tolerate and entrench them. Thus he admired FDR, knowing that the New Deal's flaws could be corrected later, but that human misery of the Depression was a permanent drain on people's lives. And so it was with human misery everywhere. It had to be fought at all costs in the interest of the individuals and their societies. There was no overall, simplistic, unalterable doctrine. There was only free information and knowledge, free and open dialog, and the free democratic process.

His philosophy could best be expressed as a belief in the inviolability of the individual, and of the human spirit, and the need to care for and respect one another.

Joseph Facci's life symbolizes in a very substantive way the fact that our country's richness comes not only from its natural wealth but from the spirit of its citizens, native and naturalized, representing every corner of our Earth.

MOUNT HOLYOKE INTERNSHIP PROGRAM

Mr. STAFFORD. Mr. President, as chairman of the Senate Education, Arts, and Humanities Subcommittee, I want to bring to the attention of my colleagues an event which begins tomorrow, Thursday, April 17, and ends this Saturday, April 19, which will celebrate 35 years of the Washington Internship Program of Mount Holyoke College.

As many Members already know, Mount Holyoke, located in South Hadley, MA, is the oldest women's college in the United States, and will be celebrating its 150th anniversary next year. In 1950, Victoria Schuck, then a professor of political science at Mount Holyoke, created the Washington Internship Program, which has allowed more than a thousand young women to gain their first working experience in Washington, and awakened their interest in politics. In fact, the internship program was so successful at Mount Holyoke that it has been used as a model by many other institutions of higher learning for their own students.

Following my remarks, I ask unanimous consent that two statements on the internship program and its founder be included in the RECORD. However, I would first like to point out what the real success of Vicky Schuck's program has been that it illustrates the importance of the influence of teachers in all our lives. Dr. Schuck has dedicated her life to seeing that young women have the same opportunities and receive the same quality education available to young men in this country. She has devoted countless hours of personal counseling, arranged thousands of unique adventures for her students and been totally supportive of and accessible to her many students at Mount Holyoke over the years. The number of now accomplished, successful women who return for this conference is a testament to their respect, admiration, gratitude, and love for their former teacher and mentor. To have touched so many people's lives by encouraging their ambitions is surely a great accomplishment, and I want to acknowledge Vicky Schuck's work as teacher today. I wish those who attend the conference over the next 3 days good luck and am sure they will learn much in their meetings and exchanges.

There being no objection, the statements were ordered to be printed in the RECORD, as follows:

MOUNT HOLYOKE COLLEGE WASHINGTON INTERNSHIP PROGRAM

Mount Holyoke College's Washington Internship Program has since its beginnings brought hundreds of Mount Holyoke women to the halls of Congress, the White House, federal agencies and lobbying organizations in the nation's capital, giving students the opportunity to witness politics in action and to participate in policy-making decisions.

When Victoria Schuck, professor of political science at Mount Holyoke, inaugurated the internship program by placing early interns in the offices of Washington politicians whom she knew personally, students were given an opportunity to add hands-on experience to their classroom studies. In the

years since those first interns arrived in Washington, campuses nationwide have adopted internship programs as an invaluable learning resource.

The early placements paved the way for an expanded program at Mount Holyoke, as students found themselves spending summers in executive and legislative offices of federal, state and local governments; in newspaper offices and television newsrooms; in national party headquarters and in foundations for the arts, humanities and education. A widening network of contacts in Washington gave the program a solid footing in its early years, and officials who agreed to sponsor the first interns became its strongest advocates, requesting additional interns in succeeding years. Thus, an institution was born.

The list of names of internship sponsors forms a roster of the political and the powerful in post-war Washington. Mike Mansfield, Edward P. Kennedy, Thomas P. O'Neill, Silvio Conte, Bella Abzug, Gerald Ford, Edmund Muskie, Shirley Chisholm, John F. Kennedy, Edward W. Brooke, Lyndon Johnson, Andrew Young, Martha Griffiths, Birch Bayh, Richard Nixon, Clifford Case, Jimmy Carter and Charles Percy are among the politicians whose offices benefited from the work of interns and who offered those interns a close-up view of the political process. Interns wrote speeches, researched legislation and compiled reports; they published articles and participated in decision-making. The inner workings of Washington offices, from the ground up, were made available to them, and the interns seized their opportunity for an invaluable enhancement of the classroom experience.

Victoria Schuck's goal in creating the Washington Internship Program was to make internships "a significant part of the liberal arts education' and to allow Mount Holyoke women to pursue their own interests within the political framework. They learned to ask questions: "How are decisions made?" "How does party leadership function?" "What is the relationship between local and national organizations?" "What tools are used to measure public opinion?" And they learned how to find answers: as participant observers in political campaigns, as survey researchers, as speechwriters and as planning assistants, the interns discovered that they could apply political reality to their classroom learning.

The program offers personal as well as political discovery to its participants, and for many interns career decisions have been an important outgrowth of their summer experiences. Many Mount Holyoke students returned to Washington and to their state capitals, to continue the work they had begun or to enter politics themselves. The Washington Internship Program brought politics to Mount Holyoke and assured that Mount Holyoke became a part of the national political scene.

VICTORIA SCHUCK

Victoria Schuck, who created Mount Holyoke's Washington Internship Program, is a political scientist whose career exemplifies her credo of combining scholarly excellence with political experience.

She was graduated with great distinction from Stanford University, where she received her M.A. and Ph.D., and she taught there before joining the Mount Holyoke College faculty in 1940. By the time she left Mount Holyoke in 1974, Victoria Schuck had written scores of articles and monographs, served on the boards of federal, state and local commissions and created the landmark Washington Internship Program, which has sent legions of Mount Holyoke women to the nation's capital for a first-hand look at the political processes and policy-making they had studied in the classroom.

Leaving Mount Holyoke hardly brought a change of pace for Victoria Schuck as she moved on to assume the presidency of Mount Vernon College in Washington, D.C., subsequently becoming a guest scholar at the Woodrow Wilson International Center and, currently, the visiting scholar in the political science department at Stanford University.

It has long been a maxim that Victoria Schuck "knew everybody" in Washington. Certainly, the names of the senators, members of congress and other officials who took part in the internship program at its beginning and who joined later form a "Who's Who" list of Washington leaders during the past 40 years.

Victoria Schuck continues to be a forceful presence in politics and political science. She was coeditor of the 1979 anthology Women Organizing and the 1981 volume New England Politics, also serving as contributor on the latter. She has contributed to the Notable American Women series with a biography of Republican member of the House Edith Nourse Rogers and is currently examining issues in mobile government and reorganization of the White House. While at Mount Vernon she was a member of the District of Columbia Commission on Postsecondary Education and was an educator consultant on a panel of the United States General Accounting Office. She continues to serve on the editorial board of the Social Science Quarterly and to contribute to the National Municipal Review, the Wilson Quarterly and Phi Beta Kappa's The Key Reporter.

In 1985, Victoria Schuck represented the American Political Science Association at the Forum of the United Nations World Conference on the Decade of Women, held at Nairobi, Kenya, where she organized a panel on women in local government. She went from there to Paris to serve on panels at the meeting of the World Congress of Political Scientists held there in July.

Victoria Schuck's interest and participation in government and community affairs dates to her early days at Mount Holyoke. She was a member of the United Nations Conference at San Francisco and was appointed by President Kennedy to the President's Commission on Registration and Voting Participation. Regionally, Victoria Schuck served as a member of the Board of Trustees of the University of Massachusetts, the Massachusetts Building Authority and the Massachusetts Advisory Committee on the U.S. Commission of Civil Rights. She was also chair of the Town of South Hadley Planning Board.

Her professional affiliations during her years at Mount Holyoke include president of the New England Political Science Association, secretary and vice-president of the Northeastern Political Science Association. She was also president of the state division of the American Association of University Women.

She is a member of Phi Beta Kappa and researched the White House staff as a scholar of the Brookings Institution; she was also a grantee of the Asia Society, doing research in Vietnam in the late 1960's.

Victoria Schuck's influence continues today through the Washington Internship Program, which helped open the doors of politics to women. Her work and efforts are felt in the national and state capitals, by the women who arrived there for one summer and returned to pursue their careers. Victoria Schuck helped to bring women and politics together.

MAY THE GOOD LORD BLESS YOU, STEPHEN B. ROMAN

Mr. PELL. Mr. President, there are times when we wish to recognize someone whom we admire and appreciate. This is the case regarding Stephen B. Roman, a Canadian citizen who on April 17 attains the ripe young age of 65.

Stephen's biography is replete with one basic theme: He has done it mostly all by himself. Emigrating from Czechoslovakia, a country I know so well, because I served there as a Foreign Service Officer in the late 1940's, Stephen changed his destiny from being an ordinary farmer to becoming one of Canada's most enterprising and successful business leaders as Chairman and CEO of Denison Mines, a multi-billion dollar multi-venture corporation with worldwide investments, including in the United States.

How did he do it—to accomplish so much in such a relatively short time? Stephen says "By faith and good farmer's common sense," which he still practices. "If you treat people as though they were the most important people in the world * * * they, too, will respond positively," is Stephen B. Roman's motto.

And, he has proved his motto over and over. Most recently during the Canadian Papal visit, he prevailed in getting Pope John Paul II to come and bless the cornerstone of a Slovak Byzantine Rite Catholic cathedral, while Canadian hierarchs sought to prevent such a side trip. It was no easy task to overcome such an obstacle.

He has a great passion for his Slovak ethnic roots. He was primarily responsible for unifying all the various small emigre groups into one cohesive Slovak World Congress headquartered in Toronto. The Communist government in Czechoslovakia has been ceaselessly trying with all kinds of underhanded maneuvers to embarrass Stephen Roman and those who work for the Congress. Despite that, in the United States alone, some half million members of fraternal, civic and social associations belong to and support the Slovak World Congress, which he founded 15 years ago.

Since we have not forgotten our brethren who are still suffering religious persecution and denied their basic human and civil rights, we get together periodically to bring to world public opinion a record of those abuses. And it is a sorry record for the once most progressive country of Czechoslovakia, to deny their own peoples—the Slovaks and Czechs—the basic freedoms which are so

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elemental and essential to us living in our adopted homes.

The SWC meets and holds a conference every 6 months somewhere in the free world to press would public opinion on these issues.

"It is Czechoslovakia that has lost the genius outflow, when our people had to flee for their lives because of the inhuman persecution; Czechoslovakia is the loser. If I had the wisdom to develop economic power in Canada—in a free environment—perhaps I could have done a similar thing in my own native Slovakia," says Stephen B. Roman. He was actively involved in negotiations with the Dubcek government and investing in Slovakia, but then Soviet tanks moved in.

As the ranking minority member of the Foreign Relations Committee, I had the privilege to encourage hearings on "Religious Persecution in Communist Bloc Countries of Eastern Europe" recently, and I was disturbed by the testimony of the persecution still practiced by the Prague government in Czechoslovakia.

Stephen B. Roman is also an active promoter of good Canadian-American relations, which are so essential in this hemisphere. I look forward to seeing his name associated with other outstanding Canadians representing his country in heart-to-heart negotiations on vital issues of concern to both our countries.

My Dear Friend, Stephen B. Roman, Happy Birthday.

TEST BAN RESOLUTION

Mr. PELL. Mr. President, on December 18, 1985 the Senator from Missouri [Mr. DANFORTH] and I introduced a joint resolution (S.J. Res. 252) requesting the President of the United States to negotiate controls upon and the early prohibition of nuclear explosions.

I ask that the Senators from Delaware [Mr. BIDEN], Vermont [Mr. LEAHY], Maryland [Mr. SARBANES], Wisconsin [Mr. PROXMIRE], Oregon [Mr. HATFIELD], and [Mr. PACKWOOD] be added as cosponsors, for a current total of 21.

We hope other Senators will join us in cosponsoring this legislation, which we intend to pursue vigorously this year. In this connection, I should note that we expect to hold hearings on test ban issues in the Foreign Relations Committee early next month.

THE FUTURE OF HUMAN SERVICE PROGRAMS

Mr. PELL. Mr. President, the administration's budget proposals for the 1987 fiscal year, combined with enactment of the Gramm-Rudman-Hollings Deficit Reduction Act, have caused deep concern in many communities over the future of human service programs that help meet the needs of the poor, the elderly, young people and others who urgently need assistance.

Recently in the city of Warwick, RI, the agencies and organizations that provide this assistance joined together as the Human Service Providers of Warwick to compile a comprehensive assessment of the impact that proposed budget cuts and the Gramm-Rudman-Hollings Act would have on their programs and services.

Their assessment concluded that because of the breadth and severity of potential budget cuts, the funding reductions would "weaken the foundation of core services, thereby threatening the quality of life for the entire community".

Among the programs and activities in Warwick that would be seriously affected by administration or Gramm-Rudman-Hollings funding reductions are programs that provide food and shelter, substance abuse prevention and education, delinquency prevention, senior citizen transportation and meal programs, alcoholism and mental health treatment, health care for the elderly, day care assistance, emergency housing, weatherization, fuel assistance and youth employment.

I believe the human service agencies and organizations in the city of Warwick have provided a fine public service by compiling this assessment of the potential impact of Federal budget cuts. I have no doubt that many other communities in Rhode Island, and indeed across the Nation, would be confronted with similar problems if these proposed funding reductions take place.

It is exactly because of this kind of indiscriminate, unthinking reductions in Federal funding that I voted against enactment of the Gramm-Rudman-Hollings legislation. And it is because of the demonstrated importance and effectiveness of many of these community human services programs that I oppose the deep budget cuts proposed by the administration in programs that have already been subjected to funding reductions.

Because the proposed budget reductions would have an impact on other communities much like the impact on Warwick, RI, I believe this assessment would be of interest to Members of the Senate, and I ask that it be printed in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

WARWICK HUMAN SERVICE PROVIDERS

We, the Human Service Providers of Warwick, have joined together out of common concern for the potential effects of the Gramm-Rudman-Hollings Legislation and President Reagan's proposed FY '87 budget. To substantiate the reasons for our concern, we have prepared an Impact Statement detailing the effects of cuts in local and federal funds. To voice our concerns, we have invited the members of Rhode Island's Congressional Delegation to attend and participate in today's informational session. It is our hope that information gained through visits to selected sites and from the Impact Statement will provide a basis for knowledgeable and sensitive discussion of the importance of continued funding for domestic programs.

As a group, Warwick Human Service Agencies participating in the Human Services Project offer programs to thousands of residents. Many of these people, particularly the youth, the elderly, the low and moderate-income residents, and those with special needs, may experience loss or reduction of some services as a result of the anticipated funding cuts. In all, $2,288,779 in federal and local funds is jeopardized. The imperiled funds support programs that provide food and shelter, substance abuse prevention and education programs, delinquency prevention programs, transportation and meal programs for senior citizens, alcoholism and mental health treatment programs, subsidized health care for the elderly, day care assistance, emergency housing, weatherization, fuel assistance, and youth employment programs, among others.

Of primary concern to the Human Service Providers is the impression that the proposed cuts will affect the entire spectrum of human services, whereby those with the greatest need will suffer the most. The federal budget cuts do not appear to be aimed at any particular special interest group, but rather weaken the foundation of core services, thereby threatening the quality of life for the entire community.

Proposed cuts will affect agencies and services both directly and indirectly. Among the directly funded programs, agencies will experience specific reductions for targeted services. Included in this category are: Community Service Block Grants, Medicare reimbursement, housing assistance for the poor, and funds channeled through the state government, such as the Governor's Justice Commission. Indirect effects occur as follows: the City of Warwick will lose $2 million in revenue sharing, which it uses for public safety programs. As a result, discretionary funds which were once distributed to human service agencies and other groups in the form of Contributive Support dollars may have to be reallocated to cover the deficit created by the loss of revenue sharing. Additionally, the City of Warwick expects to lose $250,000 of its $750,000 in Community Development funds, which are passed on to the community through many of the Human Service Providers.

Warwick's Human Service Providers are not asking for special treatment, but rather to be considered fairly in the budget consideration and decision making process. We ask that the federal budget not be balanced at the expense of the elderly, the low and moderate-income families, those with special needs, and the children in our community. We ask that, after reviewing the Impact Statement and participating in today's program, the members of the Congressional Delegation re-assess the priorities and defend the safety of human services and domestic programs.

REPORT FROM PRESIDENT REAGAN REGARDING USE OF AIR AND NAVAL FORCES IN LIBYA

Mr. THURMOND. Mr. President, as President pro tempore, I have just received from the President his report consistent with the War Powers Resolution regarding use of air and naval forces in Libya.

I am submitting this report to the Senate for its review and I ask unanimous consent that it be placed in the RECORD at this time.

There being no objection, the report was ordered to be printed in the RECORD, as follows:

THE WHITE HOUSE,
Washington, April 16, 1986.

Hon. STROM THURMOND,
President pro tempore of the Senate,
Washington, DC

DEAR MR. PRESIDENT: Commencing at about 7:00 p.m. (EST) on April 14, air and naval forces of the United States conducted simultaneous bombing strikes on headquarters, terrorist facilities and military installations that support Libyan subversive activities. These strikes were completed by approximately 7:30 p.m. (EST).

The United States Air Force element, which launched from bases in the United Kingdom, struck targets at Tripoli Military Air Field, Tarabulus (Aziziyah) Barracks, and Sidi Bilal Terrorist Training Camp. The United States Navy element, which launched from the USS Coral Sea and the USS America, struck targets at Benina Military Air Field and Benghazi Military Barracks. One F-111 with its two crew members is missing. These targets were carefully chosen, both for their direct linkage to Libyan support of terrorist activities and for the purpose of minimizing collateral damage and injury to innocent civilians.

These strikes were conducted in the exercise of our right of self-defense under Article 51 of the United Nations Charter. This necessary and appropriate action was a preemptive strike, directed against the Libyan terrorist infrastructure and designed to deter acts of terrrorism by Libya, such as the Libyan-ordered bombing of a discotheque in West Berlin on April 5. Libya's cowardly and murderous act resulted in the death of two innocent people—an American soldier and a young Turkish woman—and the wounding of 50 United States Armed Forces personnel and 180 other innocent persons. This was the latest in a long series of terrorist attacks against United States installations, diplomats and citizens carried out or attempted with the support and direction of Mu'ammar Qadhafi.

Should Libyan-sponsored terrorist attacks against United States citizens not cease, we will take appropriate measures necessary to protect United States citizens in the exercise of our right of self-defense.

In accordance with my desire that Congress be informed on this matter, and consistent with the War Powers Resolution, I am providing this report on the employment of the United States Armed Forces. These self-defense measures were undertaken pursuant to my authority under the Constitution, including my authority as Commander in Chief of United States Armed Forces.

Sincerely,

RONALD REAGAN.

CONCLUSION OF MORNING BUSINESS

The PRESIDING OFFICER. The hour of 11 o'clock having arrived, morning business is closed.

ANTIVIOLENCE AMENDMENT TO THE HOBBS ACT

The PRESIDING OFFICER. One hour having passed since the Senate convened, the clerk will report the motion to invoke cloture.

The legislative clerk read as follows:

CLOTURE MOTION

We, the undersigned Senators, in accordance with the provisions of rule XXII of the Standing Rules of the Senate, hereby move to bring to a close debate on the *motion to proceed* to the consideration of S. 1774, a bill to amend section 1951 of title 18 of the United States Code, and for other purposes.

Bob Dole, Jesse Helms, Malcolm Wallop, Gordon Humphrey, Paul Laxalt, Don Nickles, Mack Mattingly, Phil Gramm, Steve Symms, Thad Cochran, J. Denton, Al Simpson, Chuck Grassley, Jake Garn, Mitch McConnell and Orrin Hatch.

CALL OF THE ROLL

The PRESIDING OFFICER. Pursuant to rule XXII, the Chair now directs the clerk to call the roll to ascertain the presence of a quorum.

The legislative clerk called the roll, and the following Senators answered to their names:

[Quorum No. 5 Leg.]

Byrd
DeConcini
Ford
Grassley
Kasten
Kennedy
McClure
Quayle

The PRESIDING OFFICER [Mr. KASTEN]. A quorum is not present.

The clerk will call the names of the absent Senators.

The legislative clerk resumed to call the roll and the following Senators entered the Chamber and answered to their names:

Bentsen
Biden
Bingaman
Boschwitz
Bumpers
Burdick
Chiles
Cochran
Cohen
Cranston
D'Amato
Denton
Dixon
Dole
Domenici
Exon
Gorton
Harkin
Hart
Hatfield
Heflin
Humphrey
Inouye
Kassebaum
Leahy
Long
Mathias
Mattingly
McConnell
Melcher
Metzenbaum
Nickles
Riegle
Rockefeller
Rudman
Simon
Specter
Stevens
Thurmond
Warner
Weicker
Wilson
Zorinsky

The PRESIDING OFFICER. A quorum is present.

VOTE

The PRESIDING OFFICER. The question is, "Is it the sense of the Senate that debate on the motion to proceed to the consideration of S. 1774, a bill to amend section 1951 of title 18 of the United States Code, and for other purposes, shall be brought to a close?" The yeas and nays are automatic under the rule. The clerk will call the roll.

The legislative clerk called the roll.

Mr. SIMPSON. I announce that the Senator from Florida [Mrs. HAWKINS] is necessarily absent.

I also announce that the Senator from Arizona [Mr. GOLDWATER] is absent due to illness.

The PRESIDING OFFICER. Are there any other Senators in the Chamber desiring to vote?

The result was announced—yeas 44, nays 54, as follows:

[Rollcall Vote No. 67 Leg.]

YEAS—44

Abdnor
Armstrong
Bentsen
Boren
Boschwitz
Bumpers
Chafee
Chiles
Cochran
Cohen
DeConcini
Denton
Dole
Domenici
East
Garn
Gramm
Grassley
Hatch
Hecht
Helms
Humphrey
Kassebaum
Kasten
Laxalt
Lugar
Mattingly
McClure
McConnell
Nickles
Pell
Pressler
Pryor
Quayle
Roth
Rudman
Simpson
Symms
Thurmond
Trible
Wallop
Warner
Wilson
Zorinsky

NAYS—54

Andrews
Baucus
Biden
Bingaman
Bradley
Burdick
Byrd
Cranston
D'Amato
Danforth
Dixon
Dodd
Durenberger
Eagleton
Evans
Exon
Ford
Glenn
Gore
Gorton
Harkin
Hart
Hatfield
Heflin
Heinz
Hollings
Inouye
Johnston
Kennedy
Kerry
Lautenberg
Leahy
Levin
Long
Mathias
Matsunaga
Melcher
Metzenbaum
Mitchell
Moynihan
Murkowski
Nunn
Packwood
Proxmire
Riegle
Rockefeller
Sarbanes
Sasser
Simon
Specter
Stafford
Stennis
Stevens
Weicker

NOT VOTING—2

Goldwater
Hawkins

The PRESIDING OFFICER. On this vote, the yeas are 44, the nays are 54. Three-fifths of the Senators duly chosen and sworn not having voted in the affirmative, the motion is not agreed to.

Mr. BYRD, Mr. President, I move to reconsider the vote by which the motion was rejected.

Mr. KENNEDY. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

SCHEDULE

Mr. BYRD. Mr. President, I take the floor now to ask the distinguished majority leader what the program is for the remainder of the day; what the situation may be, as he sees it, with respect to rollcall votes; how late the Senate will be in session today; the schedule for tomorrow; and, finally, with reference to Friday, whether he anticipates a session with votes and, if so, on what legislation.

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Mr. DOLE. Mr. President, what we would liked to do now, if we can get an agreement, is this: A number of Senators wanted to make statements on the pending motion to proceed. As I understand it, the distinguished Senator from Iowa wanted 1 hour.

Does the Senator from Iowa want 1 hour on S. 1774?

Mr. GRASSLEY. I would rather not have a time limit, because we would like to speak to the point that we thought we were going to do the day before and did not get an opportunity to do. So I would rather not have any limit at this point.

Mr. BYRD. Mr. President, I say to the distinguished majority leader that on this side, I think we have cleared a unanimous-consent agreement that there be 2 hours of debate.

Mr. METZENBAUM. One hour.

Mr. BYRD. I am reading the memorandum.

There would be 2 hours of debate only in relation to S. 1774, to be equally divided between the Senator from Iowa [Mr. GRASSLEY] and the Senator from Ohio [Mr. METZENBAUM] or their designees; and that during the 2 hours, it not be in order to file a cloture motion with respect to S. 1774 or the motion to proceed thereto.

Mr. DOLE. I hope we can have that agreement. Without that agreement, as I understand it, the pending business is the hydrolicensing bill, and no debate would be in order.

The PRESIDING OFFICER (Mr. SPECTER). The Senator is correct.

Mr. DOLE. I think 2 hours would be adequate. I do not know how many Members are going to speak.

Can we go ahead and make the request—that there be 2 hours of debate only in relation to S. 1774, the Hobbs Act, to be equally divided between the Senator from Iowa [Mr. GRASSLEY] and the Senator from Ohio [Mr. METZENBAUM]?

Mr. McCLURE. Mr. President, reserving the right to object—and I will not object—under the current position, we would have returned automatically to the hydrorelicensing bill. Is it the intention that it be temporarily set aside and that we will return to the hydrorelicensing bill upon the expiration of this time?

Mr. DOLE. That is correct.

Mr. McCLURE. I have no objection.

The PRESIDING OFFICER (Mr. KASTEN). Is there objection? The Chair hears none, and it is so ordered.

Mr. BYRD. As I understand it, there would be 2 hours on the measure, but 1 hour would be equally controlled by Mr. METZENBAUM and Mr. GRASSLEY.

Mr. DOLE. Mr. GRASSLEY would have 1 hour, and Mr. METZENBAUM and Mr. SPECTER would have the other hour.

Mr. METZENBAUM. That will be fine.

The PRESIDING OFFICER. Is there objection? The Chair hears none, and it is so ordered.

Mr. DOLE. That would include that there would be no cloture motion filed during that period.

Prior to doing that, I would like to ask unanimous consent that the Senator from Florida may proceed for 5 minutes as in morning business.

Mr. BYRD. Mr. President, if the distinguished Senator from Florida will indulge us, could we get a response from the majority leader, if he is ready to respond to my unquiry?

Mr. DOLE. Following the debate on S. 1774, we will return to the hydrorelicensing bill, unless we can get some agreement that we will finally have a vote.

It seems to me that we have been on this bill now for some time. It is very important to about 99 Members in this body and apparently not so important to 1.

If we can reach some agreement to vote at a time certain on the Melcher amendment, whether it is Friday or Monday, then we could do it. Otherwise, I do not have any recourse except to go back on that bill and proceed as long as necessary. If we can get some agreement on the pending amendments to the crime bill and if we can complete action on Federal Deposit Insurance Act and the bankruptcy judges bill, it may be that we could avoid a Friday session.

We are in the process of working with the distinguished minority leader trying to clear these bills on each side.

Mr. BYRD. Is the majority leader in position to indicate what he foresees by way of rollcall votes today and the clock running as to whether we are having rollcall votes, say, after 6 o'clock, whatever?

Mr. DOLE. I think it may depend on the conversations taking place near here between the distinguished Senator from Idaho and the distinguished Senator from Montana. I do not want any rollcall votes if they are not necessary. I would like not to stay late this evening. But, on the other hand, if we do not complete action on the hydro bill, if we start on the budget fairly soon, it is going to be out of the picture for probably 2 or 3 weeks.

I just hope we could go ahead and work our will on that legislation.

Mr. BYRD. Then, do I understand the distinguished majority leader to indicate there is not likely to be any rollcall votes after, say, 6 o'clock today?

Mr. DOLE. If I could visit with my colleagues here, I will maybe make that statement by 2 o'clock.

Mr. BYRD. Sure.

I thank the distinguished majority leader.

THE BUDGET RESOLUTION

Mr. CHILES. Mr. President, we are 1 day past the date for action on a budget resolution. Although the resolution has been reported, it has not yet been brought to the floor for debate.

What that means, Mr. President, is that the time of budget temptation has begun. The longer we wait, the greater the temptation to persuade ourselves nothing at all needs to be done.

Already, we have heard claims that lower oil prices and lower interest rates will take care of the Federal deficit. Outside events, some argue, will make the hard choices unnecessary, a budget irrelevant, and time a luxury we can use without worry.

The facts are exactly the opposite.

CBO's baseline, published in February, shows the deficit for fiscal year 1987 to be $183 billion.

Since that time we have passed last year's reconciliation bill which will save $9 billion in 1987 reducing the deficit to $174 billion.

However, the $174 billion deficit is not the base that will be used to see if a sequester is necessary.

The Gramm-Rudman base assumes that last year's appropriations levels would remain in force in 1987 if no appropriation bills have been passed at the time the sequester snapshot is taken.

This would mean that budget authority for defense would start at $287 billion and then be cut below that level by the sequester.

CBO has just estimated that the 1987 deficit in the August snapshot would be $162 billion.

However, CBO indicates that this estimate is based on the economic forecast it constructed in February.

Suggestions have been made that lower inflation, lower interest rates, and lower oil prices that were in the CBO forecast will reduce fiscal year 1987 spending so much that a sequester will no longer be triggered.

However, this is not the whole picture. While it is true that these changes would reduce the spending forecast for 1987, they ignore the major changes in the economic factors which lower revenues and raise the deficit.

Lower revenues are already projected in 1987 because of lower real economic growth to date. Lower 1987 revenues also result from the same lower inflation projections which reduce the spending forecast.

In addition, lower oil prices will mean less windfall profits taxes on oil and less royalties from Outer Continental Shelf leases.

Together these re-estimates indicate that the deficit is likely to be between $166 and $174 billion in fiscal year

1987, well above the $154 billion trigger level.

Mr. President, the gist of all this is that even with falling oil prices, even with the current lower inflation, we are still looking at a sequester of between $22 billion and $30 billion. We simply must act on a budget.

A sequester of this magnitude would lead to a defense budget authority level of between $267 and $273 billion. This is about $25 billion below the budget resolution level and $50 billion below the President's request.

Under a sequester, civilian, military, and tier II railroad retirement benefits would have COLA's frozen for a second year in a row.

Nondefense budget authority would probably be cut by at least $20 to $25 billion.

Some programs, such as dislocated workers training and summer youth employment would be hit much harder than that.

Tomorrow, the Commerce Department will release the growth rate of the economy for the first quarter of 1986, and most analysts expect around 2 percent growth even though the CBO forecast assumes 4.4 percent.

If this spread of 2.4 percent is indeed correct, the deficit projection would rise by about another $2 billion.

We must act on the budget. If we have economic improvement it is based on at least in major part on the perception that Congress is serious about cutting deficits.

We made a promise to cut deficits, and interest rates have stayed down. We made a promise to cut deficits and the stock market has taken off. If we break that promise now, we can turn all our good work into nothing more than a nice try.

Mr. President, I wish to include in the RECORD a table which will show what I have been talking about and will give us a projection or show that, in effect, we could see a defense cut anywhere from approximately $50 billion below the President's request, $25 billion below the joint budget resolution that we now have before us, and the other problems that could occur in many of our other programs such as dislocated worker training programs would be cut by 48 percent, summer youth employment cut by 23 percent.

So the reestimate takes into account lower inflation on both the spending and the revenue side. But since Gramm-Rudman sequester baseline assumes no inflation increases other than COLA's, the major impact of lower inflation is going to be a loss of income.

Mr. President, I think that people should take this into consideration when they think they can enjoy the luxury of thinking there will be no sequester and they can escape that because the employment looks like it is going to get better.

Figures tomorrow will probably tell us that we are not having the kind of growth that was projected by the administration or CBO, and all of this indicates to me that the Senate should be about its business in taking up the budget resolution and we should be debating that right now and not waiting or delaying on that.

I ask unanimous consent that the tables that I referred to be printed in the RECORD.

There being no objection, the tables were ordered to be printed in the RECORD, as follows:

No budget resolution: sequester potential re-estimated

[Outlays, in billions of dollars]

Fiscal year 1987 CBO baseline deficit	183
Adjustments to yield sequester base:	
COBRA	−9
Defense at $287 billion in BA	−8
Domestic frozen in fiscal year 1986 post-sequester budget authority	−3
Other	−1
Gramm-Rudman base deficit	162
Lower interests rates	−10
Social Security, other COLA's at 2.4 percent	−2
Subtotal	150
Lower windfall profits, offshore (Continental Shelf and naval petroleum reserve revenues)	+2
Lower revenues (lower inflation in 1986-87; CBO baseline real growth adjusted for lower growth to date)	+14 to +22
Sequester base deficit	166 to 174
Sequester trigger deficit	154
Maximum deficit amount	144
Sequestered outlays amount	22 to 30
Outlay reductions under sequestration:	
1. COLA freeze for second year for civilian, military, railroad retirees	1
2. Defense outlays	10 to 15
3. Domestic outlays	10 to 15

Prepared by minority staff, Senate Budget Committee, Apr. 16, 1986.

Effects of sequester:

1. Civilian, military, railroad retirees (tier II): Second Consecutive year of COLA freeze.

2. Defense: Budget authority reduced by $14-$20 billion below $287, that is, budget authority equals $267 to $273 which is $22 to $28 billion below budget resolution, and $47 to $53 billion below President's request. Outlays cut $10 to $14 billion below $277, that is $263 to 267 billion.

3. Nondefense cut by $11 to $15 billion in outlays and at least $20 to $25 billion in budget authority.

Certain programs would be cut even more severely:

Dislocated workers training program cut by 48 percent below fiscal year 1986 program level.

Summer youth employment program cut by 23 percent below fiscal year 1986 program level.

These cuts occur because the 1986 program level was funded from carryover moneys as well as new budget authority. The 1987 sequester base is only equal to the 1986 new budget authority level. The sequester then cuts even below this very low base level.

Mr. CHILES. I thank the distinguished Senator from Iowa for yielding me time.

ANTIVIOLENCE AMENDMENT TO THE HOBBS ACT

Mr. GRASSLEY. I yield 10 minutes to the Senator from Alabama.

Mr. DENTON. I thank my friend, the distinguished Senator from Iowa.

Mr. President, the content of this bill has been widely misrepresented in this country. I have had what I considered to be a very significant meeting with some labor union leaders in Birmingham, AL, not long ago in which their concept of this bill, a concept ingrained by a Washington AFL-CIO representative, was clearly erroneous. They had letters from lawyers saying some outrageous things about the intent of this bill. When I showed them the bill they were dumbstruck.

I really cannot understand how anyone who reads this bill, understanding the context of present law in which it is offered, can oppose it.

I have joined Senator GRASSLEY happily as a cosponsor. I have been an original cosponsor of similar legislation in the 97th and 98th Congresses.

The crux of the matter, Mr. President, is that in 1973 a closely divided Supreme Court ruled that the Hobbs Act did not reach all violence but only violence that is "wrongful" in the sense that the extortionist did not have a lawful claim to the property that he sought to obtain.

This was in addressing union violence and prosecution therefor.

That misrepresentation, Mr. President, prevents the Hobbs Act from reaching actual or threatened use of violence directed at obtaining legitimate labor objectives or economic benefits. In other words, if higher wages are considered and should be considered a legitimate labor objective, present law permits violence to be used in pursuit of that legitimate objective.

As a result of Enmons, the Hobbs Act does not reach extortion, however, violent, in those instances where the union can claim that its demand for property is a "legitimate union activity."

Mr. President, the growth of violence on the picket lines has reached dramatic proportions. According to Armand J. Thieblot, Jr., of the University of Maryland, and Thomas R. Haggard, of the University of South Carolina, "Labor violence is substantial, systematically applied, not diminishing, and the law tacitly allows unions wide latitude to use coercive techniques."

I am in no way implying that all unions would take advantage of this situation. I am saying that some have and that rank-and-file members, as I will develop later, can be victimized by the loopholes resulting from Enmons.

Statistics published by the Industrial Research Unit of the Wharton School of Business of the University of Pennsylvania revealed that there were at least 5,114 documented acts of violence committed on picket lines from 1975 to 1985. Those acts of violence were not isolated to any one area of the country but have been nationwide in scope. In fact, every State represented has experienced incidents of violence.

Mr. President, I ask unanimous consent that a State-by-State breakdown of the incidents of documented union violence be placed in the RECORD at this point.

There being no objection, the breakdown was ordered to be printed in the RECORD, as follows:

Since 1975 there have been:
27 documented incidents in Alaska.
68 documented incidents in Alabama.
44 documented incidents in Arkansas.
109 documented incidents in Arizona.
636 documented incidents in California.
48 documented incidents in Colorado.
108 documented incidents in Connecticut.
16 documented incidents in the District of Columbia.
13 documented incidents in Delaware.
85 documented incidents in Florida.
38 documented incidents in Georgia.
25 documented incidents in Hawaii.
46 documented incidents in Iowa.
31 documented incidents in Idaho.
137 documented incidents in Illinois.
128 documented incidents in Indiana.
18 documented incidents in Kansas.
249 documented incidents in Kentucky.
63 documented incidents in Louisiana.
91 documented incidents in Massachusetts.
43 documented incidents in Maryland.
21 documented incidents in Maine.
179 documented incidents in Michigan.
66 documented incidents in Minnesota.
215 documented incidents in Missouri.
28 documented incidents in Mississippi.
80 documented incidents in Montana.
40 documented incidents in North Carolina.
4 documented incidents in North Dakota.
65 documented incidents in Nebraska.
12 documented incidents in New Hampshire.
183 documented incidents in New Jersey.
15 documented incidents in New Mexico.
70 documented incidents in Nevada.
264 documented incidents in New York.
289 documented incidents in Ohio.
118 documented incidents in Oklahoma.
68 documented incidents in Oregon.
488 documented incidents in Pennsylvania.
55 documented incidents in Rhode Island.
13 documented incidents in South Carolina.
5 documented incidents in South Dakota.
219 documented incidents in Tennessee.
119 documented incidents in Texas.
8 documented incidents in Utah.
10 documented incidents in Vermont.
95 documented incidents in Virginia.
95 documented incidents in Washington.
123 documented incidents in West Virginia.
114 documented incidents in Wisconsin.
2 documented incidents in Wyoming.
8 incidents which could not be classified into one particular state.

Mr. DENTON. Incidentally, the list includes hundreds of instances in some States, 249 documented in Kentucky, 215 in Missouri, 264 in New York, 289 in Ohio, 488 in Pennsylvania, and I could go on, but the list will speak for itself.

Mr. President, this is not an antilabor union bill. This legislation is made necessary because of the loophole created in the Hobbs Act by the Supreme Court, by which violence is permitted, and also because organized crime figures have been allowed to obtain, under the guise of "legitimate union activities," personal gains through extortion of employees. Additionally, a corrupt union, under the direction of organized crime associates, could be used to commit violent acts against a nonunion business competitor. The organized crime-dominated union could simply claim that the violence took place in pursuit of a legitimate, nonprosecutable labor objective, such as a union organizing effort, when the actual purpose was to eliminate unwanted business competition for the syndicate. In such a case, the Government would find it nearly impossible to prove the absence of a legitimate goal, such as union organizing, that is protected by the Enmons decision.

Of course, the Enmons decision does not preclude charging racketeers under other Federal criminal statutes such as the RICO statutes but it does leave an unnecessary and unwelcome loophole in the Federal law of great significance. In some cases, there may be no interstate nexus to engender Federal jurisdiction. Federal prosecutors must then defer to prosecutions under State law, where penalties may be more lenient than those provided under the Hobbs Act. Additionally, in isolated cases local prosecutors may hesitate to file charges against powerful union or business leaders in their local communities.

Mr. President, S. 1774 would close that loophole by allowing criminal prosecution of individuals involved in violent, extortionate labor union tactics. And, in this case, it is union tactics since management is already prosecutable under the Hobbs Act. This would simply cover both sides. It would allow for the punishment of any individuals who use or threaten the use of force or violence or similar activities. It would retain the feature of keeping management prosecutable, creating a situation in which no distinction exists between management and employers, on the one hand, and labor union and employees, on the other. Accordingly, it is clear that the legislation applies to both acts of violence by labor union members if committed with the purpose of inducing the employer to pay higher wages for actual work, and to similar acts of violence by employers or their agents, intended to induce employees to abandon their bargaining demands. Moreover, the bill would disclaim any intent by Congress to exclude Federal jurisdiction in cases involving violent conduct "in the course of a legitimate business or labor dispute or in pursuit of a legitimate business or labor objective."

Moreover, passage of the bill would correct the clear implication of the Enmons decision that the legitimacy of the ends sought by union agents—contract concessions—exempts them from prosecution under the Hobbs Act for the use of wanton destruction as a means to force employers to accede to their demands. If we follow the "ends justifies the means" rationale of Enmons, we in effect condone the systematic destruction of property and the maiming or killing of innocent individuals in order to obtain higher wages or better fringe benefits for union members. And there are examples of just that having occurred.

The bill would not interfere in any legitimate fashion with the right of workers to strike for higher wages. Its provisions would come into effect only if a strike goes beyond the mere withholding of labor to include activities such as shooting, dynamiting, or arson directed against employers and nonstriking workers. The bill explicitly exempts minor incidental incursions. If a man in a picket line gets a couple of beers in him and takes a swing and smacks somebody on the nose and makes his nose bleed, no problem. That is not what this bill is addressing. The fact that the actions of a defendent caused only a minor bodily injury, or minor damage to property not exceeding $2,500, would be a bar to a prosecution under the bill. Additionally, the bill specifically provides that it is not intended to chill legitimate labor activity occurring during a labor dispute that does not involve extortion.

Mr. President, I believe that the legislation, which was recently endorsed by the President's Commission on Organized Crime, is of paramount importance. We need to treat all violence and extortion the same, without regard to who commits the crimes and without special exemptions and privileges for either business or labor. This

legislation will accomplish this purpose.

I commend Senator GRASSLEY and the other Members of Congress who are endeavoring to free the workplaces of our Nation from violence.

We need the peacefulness that the bill would bring. We need the teamwork and cooperation I see developing between management and labor, perhaps for the first time, blossoming the way it is, with such an important payoff to the American public.

I urge my colleagues to vote in favor of S. 1774.

The PRESIDING OFFICER. The Senator's time has expired.

Mr. GRASSLEY. Mr. President, the question before the Senate is a straightforward one—should extortionate violence be illegal under Federal law when committed by labor unions as it is when committed by anyone else? For me, the answer is obvious, if we are to have a nation of equal application of the criminal law.

This bill—S. 1774—would finally overturn the Supreme Court's misguided Enmons decisions of 13 years ago. By the narrowest of margins, the Enmons case held that extortionate means are justified by the legitimate collective bargaining end of better wages and benefits. In so doing, the 5-justice-majority stood the concept of a uniform criminal code on its head.

You will recall that the Enmons case centered around charges of sabotage and wanton destruction of property by a group of striking employees. Yet the Supreme Court incredibly held that while blowing up transformers and committing other acts of sabotage might have been Federal crimes under other circumstances, such acts were not Federal crimes if the employees were on strike for legitimate demands.

The decision centered on the Hobbs Act, the Federal antiextortion statute which has been on the books for about 40 years. Under the act, extortion is defined as the use of violence or the threat of violence to coerce someone into giving up property. In one form or another, such acts have been outlawed since 1934 by Federal law. Yet in the Enmons case, the narrowest of majorities suddenly decided that the use of violence as a means of coercing management is not extortion at all, but a perfectly legitimate bargaining tool in the eyes of the Federal courts.

I would like to point out to the Members of this body that no less a supporter of organized labor than William O. Douglas wrote the dissenting opinion in the Enmons case. He said: "Seeking higher wages is certainly not unlawful. But using violence to obtain them seems plainly within the scope of extortion."

Justice Douglas went on to say "Violence, whatever its precise objective, is a common device of extortion and is condemned by the Hobbs Act."

I do not see how anyone could disagree with Justice Douglas in this commonsense reasoning.

This latest effort on Hobbs Act reform is the culmination of many years of effort since the Enmons case was decided. Many bills have been introduced, and numerous hearings have been held. Often featuring shocking tales of extortionate labor violence.

We have heard testimony similar to the reign of terror directed against the A.T. Massey Coal Co. of West Virginia, which I detailed on this floor in a statement of October 18, 1985. After 5 years, the scorecard reads: 745 windshields broken, 1,677 truck tires destroyed, 178 coal trucks and other company vehicles burned or destroyed, 4 dynamitings destroying company equipment, 27 homes shot at or damaged, 86 employees hospitalized or injured, 1 person permanently disabled and 1 person, a truck driver, murdered by ambush of 27 high powered rifle shots through the cab of his truck.

Where was the sheriff or prosecuting attorney during all of this?

The shocking fact is that although the A.T. Massey Co. was able to obtain 23 Federal and State injunctions citing the United Mine Workers for numerous acts of violence and extortion, not one union member has been found guilty or fined for his actions. No more than a handful have been brought forward for prosecution.

I think its time we ask every Member of this Chamber this very simple question: Do they believe the ends justify the means under our criminal law? Or do they believe in the equal application of the criminal law across all segments of our society?

We know the arguments of our opponents. And we can dispose of most of them right at the outset.

We start by conceding that not all strike-related violence constitutes extortion. Not all strike-related violence is part of a plan nor serious enough to warrant a felony charge. Neither do I believe that someone who loses his temper and throws a punch or breaks a window during picketing should be treated as an extortionist, for purposes of Federal law.

My bill makes clear that this commonsense interpretation will be followed, and that exceptions will be made, and that minor acts of picket line violence are left to the States to handle.

This is not an antiunion measure. It is not even antistrike or antipicket. It is simply a law enforcement matter. And I would ask those that would oppose this amendment: Does any Member of this body honestly believe that the average rank-and-file union member thinks he can resort to violence in the streets as a mean of getting his way at the bargaining table?

Mr. President, this bill is no cause for concern on the part of the overwhelming bulk of union members who refuse to have any part of the type of violence in the Enmons case. This bill deals solely with willful destruction of property which reaches serious proportions.

Mr. President, I would like to add a personal note at this point. For 10 years between 1961 and 1971, I ran a drill press at the Waterloo Register Co. in Cedar Falls, IA. I was a card-carrying and dues-paying member of the International Association of Machinists. When my union went out on strike, I went out on strike with it. But the men and women that I worked with, and went out on strike with, did not believe that they had a right to use violence to get what they wanted, and I do not believe that the vast majority of America's working men and women union members do either. But we also know that there are some "bad apples" out there.

When these "bad apples" do decide to use violence to get their way at the bargaining table, there is little or nothing that can be done about it. If people being beaten up or having their property destroyed call for help from the local authorities, they are likely to find an elected county sheriff, and elected prosecutor, or the city police under the control of the elected mayor, unwilling to get involved in the controversy in a fair manner. And if they call the FBI, they will be told that the Federal Government's hands are tied because of the Enmons decision.

Mr. President, we are not talking about isolated incidents either. According to a 540-page study published by the industrial research unit of the prestigious Wharton School of the University of Pennsylvania, there were at least 4,350 acts of violence committed by union members from 1975 to 1984. Every State represented in this body has experienced incidents of union violence—violence that too often goes unpunished.

Mr. President, there are new developments on the outcry to overturn the Enmons decision. The President's Commission on Organized Crime recently reported to the President and the Attorney General on how the Enmons decision has aided the cancer of organized crime in this country. I would like to quote from the report:

> Under *Enmons* the result has been that the Hobbs Act provides a loophole that allows organized crime figures to obtain, under the guise of legitimate union activities, personal gains through the extortion of employees. Beyond this a union, under the direction of organized crime associates, could be used to commit violent acts against a nonunion business competitor. The organized crime-dominated union could claim that the violence took place in pursuit of a legitimate, nonprosecutable labor objective such as a union organizing effort, when the actual purpose was to eliminate unwanted business competition for the syndicate. In

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> such a case, the Government would find it virtually impossible to prove the absence of a legitimate goal, i.e., union organizing, that is protected under *Enmons.*

Without this amendment, our citizens can continue to be victims of violence for economic gain, with no one there to protect them. I do not believe that is what Congress intended when it enacted the Hobbs Act. But that is what is happening today.

We have to return the meaning of the Hobbs Act to what it was intended to mean when it was enacted. As the author of the law—Congressman Hobbs—simply stated in 1943:

> This bill is grounded on the bedrock principle that crime is crime, no matter who commits it; and that robbery is robbery and extortion is extortion, whether or not the perpetrator has a union card.

Mr. President, I would suggest that Congressman Hobbs knew what he intended when he authored the law that bears his name, and its high time we followed that intent.

One final note, Mr. President, I know some in this body will misinterpret the motivations and objectives of this legislation. They will brand it as merely a club for the open-shop movement to employ in beating unions. I have tried to allay those concerns today. But if Members view it that way, I am afraid it will be a sorry day for organized labor within this country.

Mr. President, the Department of Justice in a letter dated April 11, 1986, said that they strongly support this legislation. I have a copy of that letter. It was received by Senator Thurmond on Friday last. It was signed by Assistant Attorney General Bolton. A copy of this letter is on each Member's desk. I would hope that they would read the letter.

I would like to read parts of this letter.

> Dear Mr. Chairman: This is a comment by the Department of Justice on S. 1774, a bill "[t]o amend section 1951 of title 18 of the United States Code, and for other purposes."
>
> RECOMMENDATION
>
> The Department of Justice recommends enactment of this legislation with a suggested amendment. This bill and the amendment would nullify the effect of *United States v. Enmons,* 410 U.S. 396 (1973). The legislation makes clear that the Hobbs Act punishes the actual or threatened use of force or violence to obtain property without regard to the legitimacy of the extortionist's claim to such property as part of a labor-management dispute. It also adopts the recommendation made by the Department of Justice in its comments on S. 462 in the 98th Congress, namely, that the statutory exception for minor violence which is incidental to peaceful picketing and not intended to obtain property be litigated as a bar to prosecution rather than an affirmative defense.

I would go on to quote elsewhere in the letter a second point that the assistant attorney general makes.

> The Court held in Enmons that the Hobbs Act does not proscribe violence committed during a lawful strike for the purpose of achieving legitimate collective-bargaining objectives, such as higher wages for genuine services that the employer seeks. By its focus on the objectives of the property claimant who uses force or violence to achieve his goals, the Enmons decision has had several unfortunate results which make legislation overturning it necessary. First, it has deprived the federal government of the ability to punish significant acts of extortionate violence when they occur in a labor-management context. Although other federal statutes proscribe the use of specific devices or the use of the channels of commerce in accomplishing the underlying act of extortionate violence, only the Hobbs Act proscribes a localized act of extortionate violence whose economic effect is to disrupt the channels of commerce. The Justice Department does not view other federal statutes as adequate vehicles for avoiding the full effect of the Enmons decision. Although the Comprehensive Crime Control Act of 1984 added new offenses which can reach violence in labor disputes in certain cases, the Hobbs Act continues to be the statute of most general application to labor-management violence.
>
> Although we support the efforts of State and local law enforcement authorities in their attempt to punish labor-management violence by the means which are available to them, we think that the federal government has a responsibility to assist State and local authorities in those instances of serious, extortionate violence which disrupt the collective bargaining process just as the federal government is able to provide assistance in other situations where the underlying acts of violence are also violations of State law.
>
> Second, the rationale of the Enmons decision is not consistent with federal labor law. Although Enmons states that the "wrongful" use of force, violence, or fear under the Hobbs Act is judged by the standard of "wrongful" goals, the use of force or violence itself, apart from the user's ultimate objectives, is "wrongful" under federal labor law.

Quoting elsewhere, a third point:

> Third, the Enmons decision forces prosecutors to consider fine questions of whether or not the labor goals sought by those persons making property demands are otherwise legitimate under federal labor law.

Quoting further:

> Finally, parties to labor-management disputes are afforded an exemption from the statute's broad proscription against violence which is not available to any other group in society.
>
> The proposed amendment of 18 U.S.C. 1951 would make clear that the Hobbs Act punishes the actual or threatened use of force and violence which is calculated to obtain property without regard to whether or not the extortionist has a colorable claim to such property and without regard to his status as a labor representative, businessman, or private citizen.
>
> The proposed definition of extortion in subsection (b)(2) of 18 U.S.C. 1951 clearly distinguishes the "use of actual or threatened force, violence, or fear thereof" from the "wrongful use of fear not involving force or violence" as independent predicates of prosecution. Economic coercion by labor unions in the form of strikes and work stoppages during the course of otherwise peaceful labor disputes is recognized as an appropriate means of achieving legitimate labor objectives. The proposed definition of extortion makes clear that property demands in the form of wages for necessary labor and legitimate employment benefits could never become the subject of a Hobbs Act prosecution when such demands were backed only by peaceful strikes, work stoppages and picketing.
>
> The bar to prosecution in proposed subsection (d) of 18 U.S.C. 1951 is consistent with the view of the Department of Justice that minor, incidental violence which sometimes occurs in the course of a labor dispute among those at a picket line is not ordinarily designed for extortive purposes, * * * but generally arises from the emotional intensity of the participants to the dispute. Therefore, although it may be redundant as a technical matter to state the position that minor, incidental picket line violence is not subject to the Hobbs Act, the Department agrees with the drafters of the bill that this position should be expressed in the statute in order to allay the concerns of those who may feel that the statute might otherwise be applied to incidents of picket line violence and not just to clear cases of extortion.
>
> By formulation of the defense as a bar to prosecution rather than as an affirmative defense, the issues relevant to these criteria can be disposed of at an earlier stage of prosecution—preferably, through pre-trial motions. The earlier resolution of these issues would benefit defendants who have a valid claim that the Hobbs Act is inapplicable to their case.

That letter from which I have quoted excerpts is signed by John R. Bolton, Assistant Attorney General.

The President's Commission on Organized Crime, in its comprehensive report to the President and the Attorney General, very recently came out in favor of overturning the Enmons decision.

I would like, Mr. President, at this time to read from the report, which sees amending the Hobbs Act as a key to its battle against organized crime.

The third point that the report makes:

> Congress should amend the Federal antiextortion statute (Hobbs Act) to authorize prosecutions for the actual or threatened use of violence irrespective of whether such conduct is in furtherance of a legitimate labor objective.
>
> In 1973, in *U.S.* v. *Enmons,* a Hobbs Act prosecution for violent conduct during the course of a labor dispute, a closely divided Supreme Court held that the Hobbs Act did not reach all violence, but only violence that is wrongful in the sense that the extortionist did not have a lawful claim to the property he sought to obtain. Under this interpretation, the Hobbs Act does not reach the actual or threatened use of violence directed at obtaining a legitimate labor objective or economic benefits that can otherwise be lawfully obtained by collective bargaining. As a result of Enmons, the Hobbs Act does not reach extortion, however violent, in those instances where the union can claim that its demand for property is a legitimate union activity. The commission rejects the view that such violence should be exempted from the scope of Federal prosecutive authority.

I think we need to emphasize that, Mr. President, because this is the President's Commission on Organized Crime, entitled "The Edge: Organized Crime, Business, and Labor Unions."

Let me repeat:

> The Commission rejects the view that such violence—

which was OK'd by the Enmons case in a 5 to 4 decision in 1972—

> should be exempted from the scope of Federal prosecutive authority.

During hearings before the Committee on the Judiciary of the U.S. Senate on proposed Hobbs Act revisions in 1984, the FBI's Deputy Assistant Director of Criminal Investigations, Floyd I. Clark, testified about the impact of the Enmons case on Federal law enforcement.

I quote from Mr. Clark:

> The increased demands for the employer to pay money to the union or to its associated funds provides the organized crime figure with an increased power or financial base which can be used by the organized crime figures who might have access to those union funds through embezzlement. And they provide jobs to organized crime figures despite the fact that they do not work, sometimes referred to as "no shows." In many instances, the union official extorts the employer for alleged legitimate union demands and then through some of his previously described methods, uses these payments for this own personal benefit.

I want to emphasize at this point, quoting again from the President's commission report:

> Under Enmons, the result has been that the Hobbs Act provides a loophole that allows organized crime figures to obtain, under the guise of legitimate union activities, personal gains through the extortion of employees. Beyond this, a union, under the direction of organized crime associates, could be used to commit violent acts against a nonunion business competitor.

Mr. SPECTER. Mr. President, will the Senator yield for a question?

Mr. GRASSLEY. No. I shall be glad to when I have done with my statement, because I do not want to be interrupted.

> The organized crime-dominated union could claim that the violence took place in pursuit of a legitimate nonprosecutable effort such as a legitimate organizing effort when the actual purpose was to eliminate unwanted business. In such a case, the Government could find it virtually impossible to prove the absence of a legitimate goal—that is, union organizing—that is protected under Enmons. Enmons does not, of course, preclude charging racketeers under other Federal laws, but it does leave a unnecessary and unwelcome gap in Federal law.
>
> In some cases, there may be no interstate nexus to provide Federal intervention. Federal prosecutors must defer to prosecutors under State law, where penalties may be more lenient than those under the Hobbs Act. In isolated cases, local prosecutors may hesitate to file charges against powerful union or business leaders in their own community. There is a strong Federal interest, recognized by Congress, which would be served by the Commission's proposed revisions of the Hobbs Act. The possibility of Federal prosecution ensures that organized crime cases in the labor area will, in fact, be investigated.

The President's Commission on Organized Crime has documented the pervasive influence of organized crime. The Commission has recommended that the Enmons loophole be closed as one way to fight back. It would be a shame if we, in the Senate, let this opportunity to actually do something slip away. Here is a chance to do something beyond mere rhetoric. I would say, let us give the FBI a tool that they can use to fight organized crime.

Mr. President, at this point in the debate, I ask unanimous consent to have printed in the Record a paper that the U.S. Chamber of Commerce has prepared on Hobbs Act reform, entitled "Labor Violence—Setting the Record Straight."

There being no objection, the material was ordered to be printed in the Record, as follows:

HOBBS ACT REFORM—S. 1774—LABOR VIOLENCE SETTING THE RECORD STRAIGHT

S. 1774 would amend the Hobbs Anti-Extortion Act of 1946, 18 U.S.C. Sec. 1951, to restore coverage to union members who intentionally commit or threaten violence for the purpose of extortion. Thus, S. 1774 would reverse legislatively the U.S. Supreme Court's decision in *United States* v. *Enmons,* 410 U.S. 396 (1973), which exempts union members from the Hobbs Act provided their extortionate violence or threats are intended to further "legitimate union objectives" such as higher wages.

(1) Labor violence is a major problem:

Labor violence is a major problem in American society, one that annually is growing in frequency and severity. In the last ten years, 5,100 recorded incidents of labor violence have occurred during labor disputes, including more than 2,300 physical assaults and 86 murders. While strike activity is decreasing, labor violence is increasing. Significantly, labor violence has increased dramatically since the 1973 Enmons decision, a decision which exempted labor unions—and only labor unions—from the federal criminal statute on extortion, the Hobbs Act. A 1983 study of labor violence published by the Wharton School of Business at the University of Pennsylvania found that "violence in labor disputes is a peruasive, widespread and continuing problem." More importantly, the Wharton study concluded that for some unions labor violence has become an integral part of their collective bargaining strategy.

(2) Local police are not controlling picket line violence:

(a) Cannot—Local authorities often cannot take the steps necessary to prevent union violence and extortion. Local police often lack the personnel, equipment, or training and experience in crowd control to protect people and property from labor violence. Disputes often occur at remote locations where local authorities simply are too understaffed to keep the peace when faced with hundreds of strikers in an explosive atmosphere. Local authorities sometimes are prevented from apprehending and prosecuting criminals in labor disputes because of jurisdictional limitations. For example, union members may cross a state line late at night, destroy 20 company trucks, and slip back across the state line again, thus assuring immunity from both state and federal prosecution.

(b) Will not—Beyond when they cannot, local authorities often will not get involved in a labor dispute to protect individuals and property or to investigate crimes. Local sheriffs and prosecutors are most often elected officials. The political ramifications of being perceived to favor one side or the other in a labor dispute dissuade some authorities from upholding the law—even criminal law. One witness at the Senate hearings stated that he was told by the police that "the rule of thumb" for local police was not to become "involved" in labor violence unless a murder occurs. This tacit approval of labor union violence only serves to guarantee its recurrence. For local authorities to accord special deference to union violence, in conjunction with federal authorities being forced to accord complete priviledge and legal immunity to union violence, encourages more violence and perpetuation of the assumption that labor violence—no matter how injurious or destructive—is justified. Local police also often are unionized and their philosophical sympathies for union strikers may overcome their responsibilities to uphold the law. Furthermore, in all but one state, state authorities, more likely to have the manpower, equipment and training to keep the peace and less likely to allow political judgments to interfere, can only be summoned to help in a labor dispute by local police authorities and in one state—Montana—are prohibited by law from ever getting involved. As a practical matter, protection by state policy is seldom accorded.

(c) Are not—While S. 1774's opponents contend that local authorities can "handle" labor disturbances, the issue as to whether they can is somewhat moot. The real issue is whether local authorities are handling the labor violence problem in light of the dramatic annual increases in labor violence. Can local authorities handle picket line violence? Some can and some do. But most do not. No state and virtually no industry is immune from the growing problem of labor violence.

(3) Organized crime is a prime force behind labor violence:

Organized crime dominates at least four major international unions, is integrally involved in strategies for widespread and intentional use of labor violence and intimidation, and use the union exemption from the Hobbs Act as a shield from federal investigation and prosecution of its criminal activities. The President's Commission on Organized Crime reported that the Enmons decision has resulted in a Hobbs Act "loophole" that permits organized crime figures to extort employees and businesses "under the guide of legitimate union activities" without any chance of federal prosecution. Floyd Clark, Deputy Assistant Director of Criminal Investigations at the Federal Bureau of Investigation testified in 1984 that the Hobbs Act exemption effectively "provides the organized crime figure with an increased power or financial base." While most unions do not engage in labor violence and most union members are law-abiding, some unions are engaged in a deliberate program of labor violence and extortion in an unholy marriage of organized labor and organized crime which denies federal prosecution and shrouds the vilest criminal activity in a cloak of "legitimate" union objectives.

(4) There is a broad spectrum of victims of union violence including union members:

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Labor violence often is directed at company property, the destruction of which is intended to keep the employer from operating during a strike and to intimidate the employer into settling the strike on the union's terms. More often extortionate acts are directed at individuals: managers, supervisors, and foremen; security personnel; replacement workers lawfully hired in accordance with the more than fifty-year old National Labor Relations Act; and union members crossing the picket line to return to work. The focus of collective bargaining in the 1980's has shifted from wages and benefits to job security. Employers have an almost absolute right to hire and retain replacement workers during an economic strike—a strike over wage and benefit issues rather than one regarding an allegation of an unfair labor practice. Workers for any number of reasons—they may feel they are treated fairly and paid well, may be close to retirement or vesting in a pension, may be up for promotion or in need of health benefits or may wish to preserve their job—may oppose a strike and wish to return to work. Crossing the picket line—their legal right—often becomes an invitation to harassment, threats, damage to their vehicles and homes, and assault of themselves and their families. Unlike management employees and property, these workers are not protected by security personnel most of the time. Because of their vulnerability, these workers become the targets of labor violence. The Wharton School study found that the amount of labor violence was inversely proportionate to the amount of support a strike or organizing drive had among employees. Thus, labor violence escalates when rank-and-file workers resist the union's demands.

(5) Hobbs Act reform is necessary to assure equal application of the law to business and labor:

Employers are subject to the Hobbs Act's prohibitions—and rightfully so. So are non-union employees. The exemption carved out by the Court in Enmons—the only coverage exemption—applies only to union members. Management has, is and will continue to be subject to federal investigation and prosecution for any violent or extortionate behavior in or out of the collective bargaining process. S. 1774 seeks to restore the same coverage to union members as is applied to all other citizens and, in so doing, would accord equal application of—and protection by—our laws.

(6) S. 1774 merely restores the Hobbs Act to its original intent:

"Crime is crime no matter who commits it; and robbery is robbery and extortion, extortion, whether or not the perpetrator has a union card," stated Congressman Samuel Hobbs in sponsoring the Anti-Extortion Act of 1946. With passage of the Hobbs Act, crime was crime and extortion was extortion—regardless of who committed it—from 1946 until 1973. The Hobbs Act was not even a legislative issue. However, the Enmons decision, by a 5–4 vote based on a strict constructionist view of the law which focused on the Hobbs Act's prohibition of extortion for "wrongful purposes," created a judicial loophole in contradiction of legislative intent. The Court failed to distinguish between legal and illegal efforts to obtain "legitimate" labor objectives such as higher wages. Thus acts illegal under federal law became legal, and violent acts or threats became legitimized. S. 1774 is a restorative measure, intended merely to return the Hobbs Act to its 1946–1973 status, restoring the law to Congress' original intent, and closing a unique exemption from a federal criminal statute.

(7) The Enmons decision is contrary to our national labor policies:

The federal government—through the National Labor Relations Board, the Federal Mediation and Conciliation Service, the National Mediation Board, and the federal courts—has long been the principal regulator, arbitrator and judge of labor-management relations practices and procedures. To cede responsibility over those labor disputes involving labor violence—and only those labor disputes—to state law and local authorities is unprecedented and contrary to our long-standing and oft reaffirmed national labor policy of federal jurisdiction. Furthermore, the primary purpose of our nation's federal labor laws is to insure industrial peace and stability. The Enmons decision contradicts this national policy. Its effect since 1973 has been to escalate labor violence. The union exemption from the Hobbs Act in many instances has shifted the balance of power to organized labor during the negotiations and organizing drives by permitting acts or threats of violence without fear of federal investigation or prosecution. Provided a shield of immunity, unions increasingly have used extortion, rather than legitimate economic pressures, to create—without reprisal—an unlawful imbalance in labor-management relations. Among the victims of labor violence is our national policy of industrial peace and stability.

(8) There are safeguards in S. 1774 to ensure that legitimate union rights are preserved:

S. 1774 would not have a "chilling" effect on the legitimate exercise of union rights, interfere with lawful strike activity, single out union members for special treatment under federal law, penalize workers in minor picket line scuffles or destruction of property, or penalize impulsive acts of animal exuberance on the picket line.

A union member's violation of the Hobbs Act would require an intent to extort and a minimum of $2500 worth of damage or serious bodily injury. The restriction of coverage to intentional acts excludes the spontaneous picket line incident. The threshold dollar limitation excludes the slashed tire or smashed window. The bill specifically reaffirms Hobbs Act coverage for employers, twice asserting coverage when violence occurs during pursuit of a "legitimate business or labor objective." Furthermore, the concept of "property" which is obtained through extortion under the Hobbs Act has been interpreted in a broad sense by the courts, is not limited to physical or tangible property, does not require a direct benefit to the extortionist, and includes such management "benefits" as the ability to continue production or shipments, to solicit business, to maintain customer goodwill, or to obtain concessions in bargaining. Thus, coverage under the Hobbs Act truly would be uniform, and all parties to a labor dispute—employers, employees and labor organizations—would be held equally accountable under the law for injuries or destruction of property intentionally perpetrated.

(9) Reversal of the Enmons decision has been advocated by a broad range of neutral judicial bodies:

The Federal Bureau of Investigation, the U.S. Department of Justice, the President's Commission on Organized Crime, and every U.S. Attorney General since the Supreme Court's decision in 1973 have advocated reversal of Enmons decision. The 5–4 Court decision included a dissent by Justice William O. Douglas that stated that "seeking higher wages is certainly not unlawful. But using violence to obtain them seems plainly within the scope of 'extortion' as used in the Act." A concurrence by Justice Blackmun stated, "If Congress wishes acts of that kind to be encompassed by a federal statute, it has the constitutional power in the interstate context to effect that result."

Congress should effect that result.

Mr. DOLE. Mr. President, I am pleased to rise in support of S. 1774, a bill to overturn the Enmons case. In this case, the Supreme Court held that acts of labor union violence may not be prosecuted under the Hobbs Act if committed in furtherance of "legitimate labor objectives." S. 1774 would enable Federal enforcement authorities to investigate and prosecute major acts of labor union violence under the Federal anti-extortion law.

A solid record has been established to document the need for this legislation. For instance, during hearings before the Senate Judiciary Committee in 1984, the FBI's Deputy Assistant Director of Criminal Investigations, Floyd I. Clark, testified that the Enmons decision had hampered law enforcement efforts to combat labor union violence. Studies have shown that instances of labor violence have increased dramatically as a result of the decision. Statistics compiled by the Wharton School of the University of Pennsylvania indicate that there were at least 4,350 acts of violence committed by labor unions from 1975 to 1984. In addition, the President's Commission on Organized Crime has recommended overturning Enmons, finding that labor violence is often instigated by organized crime.

Over the past several weeks, I have had the opportunity to meet with a number of victims of acts of labor-related violence which were not prosecuted because of the Enmons loophole. Perhaps even more than congressional hearings, studies, and reports, the tragic stories of these individuals provide strong justification for the legislation before us today.

I have listened to the concerns of labor unions opposed to the bill, but believe their fears are unfounded. This bill will not enable Federal law enforcement to weigh in against unions during labor negotiations every time a rock or bottle is thrown by a union member. What it will do is permit Federal prosecution when serious acts of violence are committed or threatened for the purpose of extorting some benefit from management. Indeed, pursuant to amendments approved by the Senate Judiciary Committee, Federal officials are completely barred from prosecuting minor picket-line violence.

Mr. President, this is the first time this legislation has been debated on the Senate floor, though it should be noted that the issue has been the subject of extensive consideration by the Senate Judiciary Committee. Indeed, in 1977, under the chairmanship of the distinguished Senator from Massachusetts, Senator KENNEDY, the Judiciary Committee reported a comprehensive Criminal Code reform bill which included a provision overturning the Enmons decision. The committee found in its report that "an employer who blows up a union office or causes a union official to be assaulted in order to instill fear and thereby obtain property of the union ought to be guilty under the act irrespective of whether the property could have been obtained lawfully through collective bargaining. And the same should be true in the reverse situation."

So there are already clear precedents for approving the legislation before us. It was in the legislation reported by the committee under the chairmanship of Senator KENNEDY, who is one of the leaders today in opposition. It seemed to me nothing has changed except his position.

I regret that the cloture vote failed, but am pleased to have been able to facilitate the issue's consideration. I am a cosponsor of this bill, as I was in the last Congress. If we had come within striking distance of invoking cloture, I would have supported staying on the motion to proceed and trying again. Unfortunately, supporters of the bill knew when it was scheduled that the chances of garnering 60 votes were remote.

I think that was the known factor but in any event we thought we should proceed. Had we had 55 votes instead of 45 votes, I would suggest that we pursue it further.

But I do believe it is important that the issue has been placed on the Senate's agenda to help make the public aware of the issue and the arguments and to give Senators an opportunity to state their positions and to be on record at least insofar as the motion to proceed is concerned.

Mr. President, I ask unanimous consent that the portion of the Senate Judiciary Committee's 1977 report which deals with the Hobbs Act be printed in the CONGRESSIONAL RECORD. The material appears on pages 621–625 of the report.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

CRIMINAL CODE REFORM ACT OF 1977

(Report of the Committee on the Judiciary)

2. PRESENT FEDERAL LAW

A. The Hobbs Act

Perhaps the single most important extortion provision in current Federal law is the Hobbs Act, 18 U.S.C. 1951. The statute penalizes by up to twenty years in prison whoever "in any way or degree obstructs, delays, or affects commerce or the movement of any article or commodity in commerce, by . . . extortion or attempts or conspires so to do, or commits or threatens physical violence to any person or property in furtherance of a plan or purpose to do anything in violation of this section." The term "extortion" is defined to mean the "obtaining of property from another, with his consent, induced by wrongful use of actual or threatened force, violence, or fear, or under color of official right."

The statute has in the main been construed broadly. Thus, the Supreme Court has held that, in using the language "in any way or degree . . . affects commerce," the Hobbs Act manifested a "purpose to use all the constitutional power Congress has to punish interference with interstate commerce by extortion, robbery, or physical violence." [31] Similarly the courts have held that the term "fear" encompasses not only fear of violence but also fear of economic harm to the victim's property;[32] and the term "property" has been interpreted expansively to include a threat of interference with a potential right to solicit business.[33] Likewise, it is settled that one need receive no personal benefit from the conduct to be guilty under this section (for example, a union officer may be guilty if he uses extortionate means to secure benefits for his union).[34] The Hobbs Act has also been held applicable to a bank extortion offense, notwithstanding that the conduct was also punishable under the bank robbery statute, 18 U.S.C. 2113.[35]

With respect to the branch of the statute defining extortion as the "obtaining of property from another, with his consent, . . . under color of official right," the courts have held that this proscribes a distinct crime, applicable only to public officials or potential public officials (i.e., candidates), requiring no proof of the wrongful use of actual or threatened force, violence, or fear.[36] In recent years, this branch of the statute has been increasingly utilized, with considerable success, in rooting out and punishing instances of official corruption.[37] However, as a practical matter, where a public official receives property to which neither he nor his office is entitled [38] from persons who pay, e.g., because of an understanding or custom that every person doing business with the city has to pay, it can usually be shown that the payment was made unwillingly because an implicit threat of force or fear. Where threats *are* used by a public official to extort money, it does not matter that the official action threatened was action that the official could legally take or even was duty-bound to take; the threat itself was wrongful and constituted extortion, since it deprived the victim of the right to an impartial determination of the issue on the merits.[39]

There is one area, however, in which the courts have narrowly construed the reach of the Hobbs Act. Despite the acknowledgment that a principal purpose of the Act is to reach labor racketeering.[40] the Supreme Court has held that it does not proscribe extortionate activities by employees or union officials in the course of a collective bargaining dispute where the objective of the extortion is to secure a benefit that legitimately could have been attained through collective bargaining.[41]

Some historical perspective and discussion is necessary to better understand the background and effect of this decision, which the Committee proposes to overturn. The Federal Anti-Racketeering Act of 1934 proscribed substantially the same conduct as does the present Hobbs act with one notable exception. The original statute excepted from its coverage "the payment of wages by a bona fide employer to a bona fide employee." The Supreme court in *United States* v. *Local 807* [42] construed this exception to preclude punishment of members of a city truck-drivers union who had sought by threat of violance to procure wages from their employers for superfluous services.

In response, Congress enacted the present Hobbs Act, with a specific purpose, *inter alia*, to overrule the *Local 807* case and to "eliminate any grounds for future judicial conclusions that Congress did not intend to cover the employer-employee relationship." [43] The legislative history of the Act makes clear that the measure was not intended to interfere with labor's right to strike and picket peacefully or to take any other legitimate concerted action.[44] Congress' intent was rather to protect interstate commerce from robbery and extortion perpetrated by anyone—including union members. As stated by the author of the Act, Representative Hobbs.[45]

This bill is grounded on the bedrock principle that crime is crime, no matter who commits it; and that robbery is robbery and extortion extortion, whether or not the perpetrator has a union card. It covers whoever in any way or degree interferes with interstate or foreign commerce by robbery or extortion.

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[31] *Stirone* v. *United States*, 361 U.S. 212, 215 (1960): see also *United States* v. *Spagnolo*, 546 F.2d 1117 (4th Cir. 1976); *United States* v. *Pranno*, 385 F.2d 387 (7th Cir. 1967), cert. denied, 390 U.S. 944 (1968).

[32] The fear, however, must be reasonable and not the product of a particularly timid heart. See *Carbo* v. *United States*, 314 F.2d 718, 740–741 (9th Cir. 1963), cert. denied, 377 U.S. 953 (1964); *United States* v. *Critchley*, 353 2d 358 (3d Cir. 1965).

[33] See, e.g., *United States* v. *Tropiano*, 418 F.2d 1069, 1075–1076 (2d Cir. 1969), cert. denied, 397 U.S. 1021 (1970); *United States* v. *Pranno*, *supra* note 31.

[34] See *United States* v. *Green*, 350 U.S. 415 (1956); *United States* v. *Hyde*, 448 F.2d 815, 843 (5th Cir. 1971), cert. denied, 404 U.S. 1058 (1972).

[35] *United States* v. *Golay*, *supra* note 28; *contra*, *United States* v. *Beck*, 511 F.2d 997 (6th Cir. 1975). But in *United States* v. *Culbert*, *supra* note 28, petition for writ of certiorari pending, the Ninth Circuit narrowly construed the Hobbs Act in a bank extortion context as requiring that the extortionate conduct constitute "racketeering" in order to come within 18 U.S.C. 1951.

[36] See *United States* v. *Kenny*, 462 F.2d 1205, 1229 (3d Cir. 1972), cert. denied, 409 U.S. 914 (1973); *United States* v. *Meyers*, 529 F.2d 1033 (7th Cir. 1976).

[37] See, e.g., *United States* v. *Braasch*, 505 F.2d 139 (7th Cir. 1974), cert. denied, 421 U.S. 910 (1975); *United States* v. *Crowley*, 504 F.2d 992 (7th Cir. 1974); *United States* v. *Staszcuk*, 517 F.2d 53 (7th Cir.) (*en banc*), cert. denied 423 U.S. 837 (1975); *United States* v. *Mazzei*, 521 F.2d 639 (3rd Cir.) (*en banc*), cert. denied, 423 U.S. 1014 (1975); *United States* v. *Hall*, 536 F.2d 313 (8th Cir.), cert. denied, 428 U.S. 919 (1976); *United States* v. *Hathaway*, 534 F.2d 386 (1st Cir.), cert. denied, 428 U.S. 819 (1976); *United States* v. *Price*, 507 F.2d 1349 (4th Cir. 1974).

[38] This has been held to the common law definition of the offense, which 18 U.S.C. 1951 adopts. See *United States* v. *Kenny*, *supra* note 36, at 1229; *United States* v. *Nardello*, 393 U.S. 286, 289 (1969).

[39] See *Carbo* v. *United States*, *supra* note 32; *United States* v. *Howe*, 353 F. Supp. 419, 424 (W.D. Mo. 1973).

[40] *United States* v. *Hyde*, *supra* note 30, at 832–833.

[41] See *United States* v. *Enmons*, 410 U.S. 396 (1973).

[42] 315 U.S. 521 (1942).

[43] See *United States* v. *Green*, *supra* note 34.

[44] 91 Cong. Rec. 11900–11922 (1945).

[45] 89 Cong. Rec. 3217 (1943).

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Subsequently, the Supreme Court held that Congress in the Hobbs Act had accomplished its purpose of overruling the result in the *Local 807* case and upheld an indictment which charged a local union and its members with acts of extortion against an employer in an attempt to force him to consent to a union contract for certain maintenance work and thereby obtain his money, "in the form of wages to be paid for imposed, unwanted, superfluous and fictitious services of laborers."[46]

However, until recently no case had been prosecuted involving extortionate activities by unions, in the course of a dispute with an employer, designed to obtain property which could legitimately have been sought through the collective bargaining mechanism (e.g., higher wages for desired work). *United States* v. *Enmons*[47] was such a case. It involved acts of violence (including shooting weapons at transformers and blowing up a transformer station) committed by union officers in the course of a labor dispute with the company as to the terms of a new contract for genuine and desired services. The Supreme Court, dividing 5 to 4, held that the Hobbs Act did not reach such activity, on the ground that, since the objectives of the labor activity were lawful (albeit the means to accomplish them were not), the extortion did not constitute "wrongful" use of actual or threatened force, violence, or fear.

This holding, which was based on the majority's reading of the legislative history concerning the extent of the Act's intended application to unions (a reading strongly disputed by the minority),[48] is apparently to be read as confined solely to the employer-employee context. It is at odds with the otherwise uniform construction of the statute as proscribing extortionate means, whether or not the end sought to be attained is legitimate (e.g., public official's demand for money to take lawful official action or to refrain from taking official action where he has discretion whether to do so).[49]

Apparently in part what motivated the Court in *Enmons* was the desire to avoid Federal Hobbs Act coverage over unlawful picket-line violence—usually the product of short tempers—in which minor but intentional damage is done to the property of the employer.[50] However, in the Committee's view such acts do not fall within the purview of the Hobbs Act (nor should they be Federally punishable) since there is no intent thereby to obtain the employer's property through the use of force and the acts do not in fact cause the employer to part with his property; in short, such isolated acts of violence do not partake of the nature of extortion.

As a result of the Supreme Court's holding in *Enmons*, the opportunity is created for unions or employers to cloak extortionate demands in the guise of an objective which could be legitimately sought through collective bargaining. For instance, rather than violate the Act (under *Green*) by seeking wages for superfluous services, unions may (under *Enmons*) demand and obtain with impunity inordinately high wages for the performance of existing and desired services through fear instilled by violence. Such a situation is, of course, highly undesirable. The thrust of an extortion statute should be to punish violent extortionate means to obtain the property of another regardless of the legality of the ends sought, and this principle should apply in the collective bargaining context as well as elsewhere. Thus, an employer who blows up a union office or causes a union official to be assaulted in order to instill fear and thereby obtain property of the union ought to be guilty under the Act irrespective of whether the property could have been obtained lawfully through collective bargaining. And the same should be true in the reverse situation. Accordingly, the Committee has proposed in effect to overturn the *Enmons* result by treating the parties engaged in a labor dispute no differently from other persons in terms of the applicable prohibitions under this section, which is limited to extortionate means involving actual or threatened violence.

Mr. DOLE. Mr. President, so there is no doubt about the matter. I would indicate again that we will not make any additional effort at this time to proceed to the consideration of S. 1774. I would think that the debate we had will at least raise the public impressions or at least their knowledge of what is at stake here, what the issues are, and if at some appropriate time later this year, if support should grow for the legislation, we will consider it again. But we plan to take no additional action at this time.

Mr. GRASSLEY. Mr. President, I suggest the absence of a quorum.

Mr. SIMON. Mr. President, I ask unanimous consent that I may speak for 15 minutes to be charged against the time under the control of the Senator from Iowa.

The PRESIDING OFFICER. Without objection, it is so ordered.

The Senator is recognized.

Mr. SIMON. Mr. President, I have great respect for the Senator from Iowa and I appreciate what he is trying to do. The issue is not who favors violence in labor-management activities. We all oppose violence. The Senator from Pennsylvania, who made the motion, is opposed to violence. I am opposed to violence; the Senator from Iowa is opposed to violence. The 54-44 vote was not on the issue of violence in labor-management relations. The question is how do we effectively deal with this problem and are we effectively dealing with it now?

Justice Stewart, in the Enmons decision that is the basis for much of this discussion, noted that if the act were broadly interpreted, then, "The worker who threw a punch on a picket line or the striker who deflated the tires on his employer's truck would be subject to a Hobbs Act prosecution and the possibility of 20 years imprisonment and a $10,000 fine."

He denied that the language of the statute placed the Federal Government "in the business of policing the orderly conduct of restriction."

The reality is we do not have a serious problem in this country. It is not as good as we would like it to be. I am pleased to say that labor-management relations have moved in a constructive direction in this country. There is less and less violence. We meet around the table much more. That is what ought to be encouraged. We do not need a one-edged sword that comes in and intervenes in this process. Let me cite two experiences from Massac County, IL.

One was a case where we had violence, where some striking coal miners came to a coal loading dock and caused problems. I was called, and I called the superintendent of the State police and very shortly we had the State police there to calm things down. That is the way these things work ordinarily. I know of no instance that has been cited where that kind of State and local law enforcement is not adequate.

The second involved a hearing that we held in the Labor and Human Resources Committee on a strike in Massac County. I think some of those who called for the hearings felt it would show a pattern of labor violence. In fact it showed a labor union that was bending over backwards to avoid any difficulty.

State and local law enforcement people consider strike-related violence a nonissue. Ninety-eight percent, I am amazed to say, of all contract negotiations are settled without that kind of formal dispute. Of the remaining 2 percent—and I wish it were 1 percent of a half of 1 percent, but of the remaining 2 percent where you do have a strike, the overwhelming percentage is that they are peaceful and settled without any form of violence. So we are talking about a very, very small number.

Incidents of labor violence are so rare that the FBI does not publish statistics under this or any other related category in its annual crime report. The Justice Department declared in recent time, "By and large we simply have not found a reluctance" on the part of local officials to prosecute instances of labor-related violence.

In a survey taken in 1981 of law enforcement officials in this Nation, asking them what they thought the serious problems were, 68 percent considered burglary a top priority; 47 percent wished they could pursue the drug enforcement more aggressively. Robbery, rape, white-collar crime, fraud, child abuse, prostitution, and traffic violations all received some

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[46] *United States* v. *Green*, *supra* note 34, at 417.

[47] *Supra* note 41.

[48] Indeed one member of the majority in *Enmons* expressly indicated his belief that the conduct prosecuted therein "deserve" (d) to be dignified as (a) federal crime" and noted that Congress had the power to achieve that result. See 410 U.S., at 412 (Blackmun, J. concurring).

[49] See also, e.g., *Battaglia* v. *United States*, 383 F. 2d 303 (9th Cir. 1967), cert. denied, 390 U.S. 907 (1968) (demand to use victim's establishment as a location for defendant's pool table): *United States* v. *Tropiano*, *supra* note 29 (wrongful use of threats to obtain right to solicit business). Compare *United States* v. *Pignatelli*, 125 F.2d 643 (2d Cir. 1942). disallowing a "claim of right" defense for extortion threats transmitted through the mails.

[50] See *United States* v. *Caldes*, 457 F. 2d 74 (9th Cir. 1972).

small ratings but not even 1 percent of State and local law enforcement officials mentioned strike-related violence as a problem needing additional resources.

So we are talking about something that is not a major problem in this country. The question is, if we do not have something that is a major problem, is there any necessity for the Federal Government to move in? I think the answer is fairly clear that it is not.

The other thing which this does that concerns me is that it gives an administration a one-edged sword that is used against labor but not against management. Frankly, we already have things out of balance. The appointees to the National Labor Relations Board, the OSHA Commissioners, some of the others, clearly have not had the sense of balance that we have had from an administration of either political party in the past. I am not just talking about the Johnson administration or the Kennedy administration or the Carter administration. I am talking also about the Eisenhower administration, the Nixon administration—Republican administrations. That lack of balance is not a healthy thing. That lack of balance is important.

Now, there is another problem here, and that is the problem of how far the Federal Government gets involved in these things. Particularly that is important in police work. In any other field we can get into a dispute about States rights, whether it is helpful for handicapped young people who need education, but where we draw the line there, while it is important in the lives of those young people, is not going to create some kind of monster. When you put more and more and more police authority in the Federal Government, then you have the potential of creating something that is not healthy at all. That I think we ought to be avoiding.

In addition to everything else, I would add as a final note we have passed Gramm-Rudman-Hollings. I voted for it. I think I did the right thing because we have to control Federal expenditures. But if we are saying to the FBI and law enforcement people and the Justice Department, "We are going to limit your resources but we are going to give you additional duties," that means they will spend less time on organized crime and other problems that come before Federal officials. So this just is not the direction we ought to be going.

Again, I have great respect for my colleague from Iowa. He is completely sincere in doing this. It is a judgment call, but my judgment is there is no necessity for this. There is no evidence that State and local law enforcement officials cannot handle the problem now. It gives the administration an imbalanced tool, a tool that will be used against labor, not against management, and it takes away from the FBI and Federal law enforcement officials the ability that they now have to deal with other problems. It just adds another burden without adding additional resources. And so I was pleased, frankly, with the vote we just had. I hope this settles this issue, and I hope we do not move in this direction.

Mr. President, I am pleased to yield to the Senator from Pennsylvania.

Mr. SPECTER addressed the Chair.

The PRESIDING OFFICER. The Senator from Pennsylvania.

Mr. SPECTER. Mr. President, I had asked the distinguished Senator from Iowa [Mr. GRASSLEY] to yield for a question, and he had expressed his preference to finish his prepared text before doing so. I thank the distinguished Senator from Iowa for staying on the floor for a brief question and discussion.

Mr. SIMON. Mr. President, if my colleague will yield, since I am going to have to get to another meeting, if I may ask, how much time do I have remaining?

The PRESIDING OFFICER. The Senator from Illinois has 5 minutes remaining.

Mr. SIMON. Is 5 minutes adequate or would the Senator from Pennsylvania like more time than that?

Mr. SPECTER. I would prefer to take the floor in my own right if the Senator is finished.

Mr. SIMON. Let me yield my 5 minutes to the Senator from Pennsylvania and proceed from there.

Mr. SPECTER. I thank the Senator from Illinois.

Mr. President, I had objected to the motion to proceed by the distinguished Senator from Kansas, the majority leader, when that motion was made on Monday of this week, because of my concern about the very important issues posed in this amendment to the Hobbs Act. Following my objection to the majority leader's unanimous-consent request to proceed, the cloture motion was filed and earlier today was defeated by a vote of 44 in favor and 54 opposed.

On Monday and earlier today in morning business, I had expressed my concerns about this amendment on grounds that there were adequate remedies for prosecuting attorneys to handle cases involving union violence, and referred at some length to the prosecution which I handled as an assistant district attorney in the Commonwealth of Pennsylvania versus Local 107 of the Teamsters, a case involving union violence in which six union officials were tried, convicted, and sent to jail. I made further reference to the opportunity, if a district attorney failed to act, to pursue the matter with the State attorney general or if the State attorney general and the district attorney refused to act, private counsel could petition the presiding judge under the law of Pennsylvania and many States and take over the prosecution of the case. I further expressed my concern about the chilling effect on legitimate first amendment rights. Peaceful picketing is protected under the first amendment, a very fundamental right.

Then I sought to ask the Senator from Iowa a question, when he came to the floor, about organized crime. The question I now pose to Senator GRASSLEY is this: Does not this bill apply to conduct which does not involve organized crime?

Mr. GRASSLEY. I yield to the Senator.

Mr. SPECTER. The question is: Does not this bill apply to violence which does not involve organized crime?

Mr. GRASSLEY. Yes.

Mr. SPECTER. While Senator SIMON was speaking, Senator GRASSLEY and I engaged in an informal discussion—and I think this reduces the bill to its very rudimentary form, not that it is necessary to do so, because I think this body has already said, with 54 Senators voting "no" on cloture, that we are not going to take up the bill. But since the debate is proceeding, it is my concern that this bill makes it a Federal offense to have an assault and battery case on a picket line.

My question to Senator GRASSLEY is this: Is it not true that if you have a case of assault and battery on a picket line, it is a violation of this bill?

Mr. GRASSLEY. I hope I have made that very clear, not only in my statement but also as I read the supporting letter from the Attorney General, as they made it very clear that we did not intend to do that. We went that extra mile to guarantee that incidents like that would not be subject to the Federal statute. So I do not know how much more clear I can make it.

Mr. SPECTER. The difficulty is that the statement by the Attorney General does not state the law. The law is stated in the bill language. Even if the Senator from Iowa says that, as do the principal sponsors of the bill as a matter of legislative history, that does not contravene the clear-cut statement of the bill.

In our informal discussion, we talked about the provisions which were set forth, that "nothing in this section shall be construed as indicating an intent on the part of the Congress"; then, in subsection (3), "to chill legitimate labor activity by authorizing Federal prosecution for offenses occurring during a labor dispute which do not involve extortion. This intent would preclude prosecution, under this section, of conduct which is incidental to peaceful picketing in the course of a legitimate labor dispute."

The difficulty is that as soon as you have assault and battery, someone will say it is not peaceful picketing, and the prosecution can be brought.

Then, subsection (d) says "It is a bar to a prosecution under this section that the conduct of the defendant—first, was incidental to peaceful picketing; second, consisted solely of minor bodily injury; third, was not intended to obtain property."

The difficulty is that under this language, if you are seeking property in a labor dispute as part of a settlement, which is a customary reason why there is picketing, you have to have all three of those items; and it is certainly within the purview of the language of this bill to include a simple assault and battery case, a fistfight, is it not?

Mr. GRASSLEY. The statute is very clear that it has to be wrongful.

Mr. SPECTER. Is not a punch in the nose wrongful?

Mr. GRASSLEY. I could take the Senator's question more seriously—and I know that it is a serious question from his point of view—if he were willing to admit that we have a problem when confronted with the facts of the Enmons case. That case involved a terrific amount of damage and harm done to individuals, yet the Supreme Court said that was all right—if the goals that were behind the extortion activity at that particular time were all right. The Supreme Court said that.

If the Senator from Pennsylvania were willing to tell me that he thinks that those instances should be prosecuted by Federal law, then I would say that he would make a case for the points he is bringing up. But he does not accept the premise that the Enmons case was wrongly decided.

Mr. SPECTER. The Supreme Court did not condone the conduct in that case. The Supreme Court said it did not fall under the provisions of the Federal statute. This Senator does not condone that conduct. This Senator is very much opposed to it. My long record as assistant district attorney in Pennsylvania, in the convictions in labor violence cases, supports what I am saying.

The issue is whether this language would permit prosecution of a simple assault and battery case, and I submit to the Senator that it does.

Mr. GRASSLEY. I do not know how I can make it any more clear cut. It does not.

Mr. SPECTER. What in the language of the statute precludes Federal prosecution, under this bill, of simple assault and battery?

Mr. GRASSLEY. Because it does not have extortion intent.

Mr. SPECTER. That is a jury question. That is a question to be decided by a jury, as to what is intended. That subjects somebody who engages in a fistfight on a picket line to a prosecution in the Federal court, arrest by the U.S. marshal, for a jury to decide the question of intent. That is a fact question.

Mr. GRASSLEY. There is a bar to prosecution in those instances.

Mr. SPECTER. But the bars to prosecution do not bar a fistfight. It says in subsection (c)(3) that it is peaceful picketing. But if you have a fistfight, that is not peaceful picketing.

If you look at subsection (d), you have to have all three. Again, you refer to peaceful picketing, so a fistfight is not peaceful picketing.

The gravamen of this bill amends the term "extortion," saying:

> "The term 'extortion' means the obtaining of property from another, with his or her consent, induced by use of actual or threatened force, violence, or fear thereof, or wrongful use of fear not involving force or violence, or under color of official right.".

That language says directly that extortion covers the use of actual force. A fistfight constitutes actual force, and that is the concern I have, and that is my objection.

If this bill went to organized crime—and I have started to ask the Senator the question about organized crime—if you have a limitation in this bill to organized crime, this Senator would take a very different view, as I said during the course of the hearings.

I compliment the Senator from Iowa for his tenacity in bringing the measure forward and for the hearings he has held. But I raise this point in this manner to put on the record what is the essence of this bill, and that is that it makes subject to Federal prosecution a fistfight on a union picket line, and I believe that is unwise.

Mr. GRASSLEY. I suggest to the Senator from Pennsylvania that at this point we will have to part company. He has his point of view, and I have expressed my point of view. I have expressed the point that the Attorney General agrees with my point of view, and I have expressed the point that the President's Commission on Organized Crime agrees with my point of view. And from that point there just has to be honest disagreement of opinion. I do not know how else to handle it.

Mr. SPECTER. I will not take the time to go into the opinions of the Attorney General and the Commission on Crime, except that those views do not control in the face of clear statutory language to the contrary which is expressed in S. 1774.

I thank the Senator for remaining on the floor and engaging in this dialog because I think it sets the parameter, and certainly establishes the reasons, that I have objection to this bill and refuse to go along with the motion to proceed.

In essence, when the bill in its language says, "the term 'extortion' means force" period, an assault and battery case is force and the bars on prosecution do not preclude unpeaceful picketing. A fistfight is not peaceful picketing, and this bill would make it a violation of Federal law to have a fistfight. That is what the bill says and no amount of interpretation by the Attorney General or legislative history, even of the author of the bill, in the face of that language would change it.

If you want to amend this language to say that it does not cover assault and battery, simple assault and battery, that would do it. But this bill just makes it a Federal offense to have a fistfight, and I do not think that is an appropriate Federal case.

I thank the Chair and I yield the floor.

Mr. GRASSLEY. Mr. President, at this point I yield to Senator Thurmond, chairman of the Senate Judiciary Committee who is in support of the legislation and happens to be a cosponsor of it as well.

Mr. THURMOND. Mr. President, I rise in support of S. 1774, a bill to amend the Hobbs Act. This particular measure was sponsored by Senator Grassley and introduced on October 18, 1985; however, this issue has been the subject of several bills and received extensive review during the last few Congresses. In the 97th Congress, I introduced an almost identical measure, S. 2189. In the 98th Congress Senator Grassley introduced S. 462 on which three hearings were held. Earlier in this Congress, Senator Grassley introduced S. 300.

S. 1774 is necessary to undo the effects of the 1973 Supreme Court decision, United States versus Enmons, which drastically limited the application of the extortion provisions in the Hobbs Act with respect to violence which occurs during the course of a labor dispute. Violence or intimidation, regardless of its source, should never be used to disrupt commerce. The Hobbs Act, as originally written, was meant to apply to everyone; there was never any congressional intent to provide an exception for any group or individual. As Samuel Hobbs, the author of the act, stated at the time the bill was passed, "Crime is crime, no matter who commits it: robbery is robbery, and extortion extortion, whether or not the perpetrator has a union card." S. 1774 would ensure that those union officials and their agents, who are not lawabiding, are subject to the same laws that apply to every other American.

Of course, the Federal Government should not become involved in relatively minor physical altercations and vandalism that may occur during a labor dispute in the wake of charged emotions or flared tempers. Where such action is insignificant to the overall coercive effect of the legitimate

strike, it is not extortion. If, however, violence becomes a significant or overriding factor in settling commerce-related disputes, some governmental entity should step in to remedy the situation. If the State or local government fails to provide the remedy in these cases; or, where there is a clear Federal interest, then, the Federal Government should be empowered to act.

I feel that S. 1774, of which I am an original cosponsor, is an evenhanded approach, covering only the conduct legitimately within the Federal interest.

I urge my colleagues to support this legislation.

Mr. GRASSLEY. I also take this opportunity to thank Senator Thurmond for his help in this bill reaching the floor of the Senate for discussion.

I suggest the absence of a quorum.

The PRESIDING OFFICER. On whose time? We are under time control.

Mr. GRASSLEY. To be equally divided. The reason I am asking for it is that Senator Metzenbaum, who is hoping to be back to the floor to speak, asked that I put in a quorum call pending his return to the floor.

The PRESIDING OFFICER. Without objection, the clerk will call the roll and the time will be equally divided.

The legislative clerk proceeded to call the roll.

Mr. GRASSLEY. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. GRASSLEY. Mr. President, I yield 5 minutes to the Senator from California.

Mr. WILSON. Thank you, Mr. President.

Mr. President, I rise to commend my friend from Iowa. I think that we are in his debt for his courage and tenacity in bringing to the floor this important piece of legislation. It is incredible to me that it should ever have been necessary for him to undertake this effort.

But in this democracy, perhaps the most hopeful aspect of our form of Government is that when one branch makes mistakes either that branch or another can correct those mistakes and the ultimate remedy lies with the people. The people can be heard through their elective representatives, taking action to correct inequities where they do exist, and no greater inequity can exist than where, as a matter of public policy, the United States has exempted from punishment violence that would otherwise be not only deplored but prosecuted simply on the basis that it is pursued and accomplished in pursuit of what is sought as a legitimate goal in the course of collective bargaining or of some labor dispute.

Mr. President, this is a nation in which we prize freedom. It is a nation in which we prize the ability of all segments of our society to be heard and if possible accomodated insofar as their just grievances and legitimate aims can be accommodated.

But in no place have we ever accorded to violence the dignity of legitimacy. To try to legitimize violence, for whatever end, as being legitimate, if it is in pursuit of collective bargaining goals, is to make a mockery of justice; and to say that if someone has a legitimate goal, any course of conduct, any means will be permitted in order to achieve it; that criminal activity, and criminal violence amounting to extortion within the commonly common law understood definition of that term, will be permitted and those who engage in it will be exonerated from criminal prosecution simply because what they seek to do has what we think to be a legitimate goal, the securing of better working conditions or higher wages.

Mr. President, That is not only nonsense, it is dangerous nonsense. It is to create a special exception for a special interest. And there is no justification for violence, not for the kind of deliberate violence that seeks to extort, not for any supposed legitimacy of purpose.

The fact that the Senator from Iowa is compelled to take this step to cure this inequity in our law is something of which we should be ashamed. But, more to the point, it is something that needs not only his attention but the active suport of all us who think that justice should be equal justice for all and that there is no justice if we allow some, under the color of legitimate labor aims, to escape justice and to engage in extortion.

It is really a very simply issue, Mr. President. Lawyers can entertain themselves with respect to the niceties that often cloud criminal prosecutions, but the fact is our law should be clear that no one will be permitted to engage in lawful extortion, a contradiction in terms.

So, Mr. President, I hope that this glaring defect, this really disgraceful exception to the kind of guarantee that our State laws and that our Federal laws should give to citizens, that they will not be subjected to violence for any purpose, that they will be protected against violence, I hope that this provision is swiftly removed from the law as the Senator from Iowa seeks to do. He has not only my support, but my earnest admiration. I hope that we will lose no time in seeing to it that his efforts are rewarded, as they should be. The existence of this provision, I think, is truly a blot on the American legal system.

Mr. President, I yield the floor and thank the Chair.

Mr. GRASSLEY. Mr. President, I wish to thank the Senator from California for his kind remarks about me, but I also want to thank him very much for his support of this legislation and his taking time from his busy schedule to speak those supporting words on the floor of the Senate.

Mr. President, I yield back the balance of my time.

The PRESIDING OFFICER (Mr. Hatfield). Time has been yielded back.

Who seeks recognition?

Does the Senator from Iowa wish to have a quorum call?

Mr. GRASSLEY. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. SIMPSON. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER (Mr. Hatfield). Without objection, it is so ordered.

Mr. SIMPSON. Mr. President, I ask unanimous consent that I may avail myself of 5 mintues of the time yielded back on this side of the issue.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. SIMPSON. Mr. President, I want to express my continued support for S. 1774, an amendment to the Hobbs Anti-Extortion Act of 1946 that would restore the coverage of that act to extortionate acts or threats of violence by labor unions.

I think—and I have been studying it for a bit since I have been a member of the Judiciary Committee—that it is necessary because of the Supreme Court's decision in the 1973 case of United States against Enmons. That decision has allowed some union members to engage in, even though most have perhaps no intent to do so, to engage in violence and threats of violence under this guise of pursuing "legitimate" union goals.

So I want to commend Senator Grassley, in particular, for his efforts in bringing this measure to the floor. This legislation, I think, is important to close the loophole in the Hobbs Act which leaves Federal remedies for dealing with union violence, I think, inadequate.

Statistics show us that in the past decade more than 5,000 acts of violence have occurred during labor disputes. Many have been violent physical assaults, including 66 murders. All of those, of course, are not attributed to this decision or the correction of it. Most recently in Austin, MN, we have seen violence of harsh proportion. Certainly it has not been isolated in any

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one area of the country but is nationwide in scope.

The Federal Government, I believe, has the responsibility to assist State and local governments in those instances of serious extortion and violence just as the Federal Government is able to provide assistance in other situations where the underlying acts of violence are also violations of State law.

The entire area of labor law has been preempted by the Federal Government because of the importance of labor peace, and all of us share that goal of having labor peace in interstate commerce. It certainly does affect interstate commerce. The laws on that are so complete in our history.

The Court in the Enmons decision effectively applied an ends-justifies-the-means test in finding the labor unions' goals—and laudatory goals they are: higher wages and better working conditions—were not "wrongful purposes."

Therefore, Federal law did not apply to labor violence regardless of how destructive.

If we follow that rationale, in effect, we condone the systematic destruction of property, and the maiming and injury of innocent people in order to attain the very clear union goals of high wages or more adequate benefits for union members.

It is my view, Mr. President, that there is simply no place for violence or threats of violence in labor disputes by any party or on any side, that all people should be equal in the eyes of the law and the union employees should have the same standard applied to them as to nonunion employees. That should be the same in right-to-work States or nonright-to-work States. That is not the issue.

So this bill would restore equal coverage to all citizens.

I think it is so important that we realize the bill would not interfere in any way with the workers' right to strike. Minor acts of force or violence that do not involve extortion would not be subject to Federal prosecution under the Hobbs Act if we were to enact S. 1774 into law.

I want to share those things with my colleagues. I would urge support of S. 1774 having to do with Hobbs Act reform.

I yield back the balance of my time.

Mr. HATCH. Mr. President, during the past 10 years there have been more than 5,100 incidents of violence during labor disputes, including more than 2,300 physical assaults and 66 murders. Noticeably, the violence has increased since 1973 when the Supreme Court, in United States against Enmons, exempted labor unions, and labor unions only, from the Federal criminal statute on extortion known as the Hobbs Act.

The Enmons decision was based upon a literal interpretation of the Hobbs Act's prohibition against the use of violence or threats of violence to export "for wrongful purposes" something of value from someone else. The Court found that because such goals of labor unions as higher wages and improved working conditions were not "wrongful purposes" and were "legitimate labor objectives," Federal law was not applicable to threats of violence or actual violence, no matter how injurious or ruinous.

As a result of Enmons, labor union violence is now shielded from Federal investigation and prosecution. This means that union members who may have chosen not to strike, management and security personnel, and replacement employees are denied Federal protection. Company property and assets must also go unprotected.

Nearly everyone agrees that labor disputes should be settled in an atmosphere of negotiation. Violence and threats of violence have no place at the bargaining table or near it. In addition, union members should be held to the same standards which are applied to nonunion employers and employees.

Senator GRASSLEY and a number of my distinguished colleagues have prepared an amendment to the Hobbs Anti-Extortion Act of 1946 which merits the support of this body. S. 1774 would restore equal coverage for all people by removing the union members exemption from the Hobbs Act.

S. 1774 also restores the original congressional intent, which, in my opinion, was interpreted correctly from 1946 through 1973. By reversing the Enmons decision, S. 1774 corresponds with recommendations made by the Federal Bureau of Investigation, the Department of Justice, and the President's Commission on Original Crime.

It is vital that Congress adopt S. 1774. We must prevent members of organized crime from invoking the Hobbs Act exemption argument to cover their criminal activity. I urge my colleagues to vote in favor of this bill.

Mr. GORTON. Mr. President, the issue before the Senate today is whether we should make assault and battery on a union picket line a Federal offense allowing a criminal prosecution in the Federal courts. Although I abhor criminal violence, whether it is a part of a labor dispute or otherwise, I cannot support cloture on S. 1774.

Certainly I am opposed to the use of criminal violence or coercion by anyone, including union officials. The question before this body, however, is not whether battery, assault and willful destruction of property during a labor dispute are crimes that should be punished. They are already crimes punishable under State law. There is no dispute that these wrongs should be promptly investigated, prosecuted, and their perpetrators given a proper sentence. Instead, we are focusing on whether the Federal Government should be intruding upon the historical responsibility of States and local governments to keep the peace.

The vast majority of labor disputes, over 98 percent, are settled without a strike. In the relatively few cases where a union member uses actual or threatened violence during a strike, the facts show that States and local officials make arrests and prosecute the perpetrators. S. 1774 amounts to Federal intrusion into the jurisdiction of our State and local governments, and I do not believe a convincing case has been made to justify such a major change in Federal-State jurisdiction.

I would remind my colleagues that there are many areas of law enforcement that have been left to the States. The 50 States now prosecute murderers, rapists, and robbers. Criminals who use guns to force the owner of a local convenience store to hand over his or her hard-earned money with rare exception are brought to justice by local law enforcement officials. In most cases, investigating and prosecuting these types of crimes is much more complex than pursuing the wrongs arising from labor disputes. The Federal Government, however, has recognized the interest of the States in keeping the peace and refrained from enacting laws that would bring most of these crimes before the Federal courts.

During my five terms in the Washington State house of representatives, I took part in many successful efforts to strengthen State laws limiting violent and criminal activity. In my 12 years as attorney general for the State of Washington, I had an opportunity to observe State law enforcement officers and local prosecutors enforcing statutes aimed at precluding incidents of violence, including labor-related violence. I can report to this body that State officials professionally and diligently handled their responsibilities in this area. My experience as a State legislator and attorney general has shown me that our State and local prosecutors are fully equipped to handle labor violence and have done an admirable job in this area of law enforcement.

Mr. President, let us be clear that union leaders are not now immune from Federal prosecution when the Federal Government does have an extraordinary interest in their activities. The U.S. Supreme Court has noted that the Hobbs Act presently reaches violence or threats of violence by union officials trying to obtain personal payoffs or to force an employer to put "ghost" workers on the payroll. Such acts would subject the union member to Federal prosecution, 20 years in prison, and a $10,000 fine.

The Federal Government also can bring an action against those who engage in serious union violence under a panoply of other Federal statutes. If there is evidence of a union or management conspiracy to conduct affairs through a pattern of racketeering, a Federal indictment can be brought under the Racketeer Influenced and Corrupt Organization Act (RICO). If a union or management official uses explosives to injure people or destroy property, the Federal Government can prosecute under Federal criminal laws. Similarly, travel in interstate commerce to destroy property by fire is covered by the Travel Act. These types of violence now are covered by Federal laws, and a Federal indictment can be brought without regard as to whether the violence took place during the course of legitimate labor activities.

The activities addressed by the measure before us are the scuffles and property damage arising out of the emotion surrounding legitimate labor disputes—disputes over wage levels and benefits. These are assaults, batteries, breaches of the peace, and property crimes that are thoroughly addressed by State statutes. There have been suggestions by sources such as the President's Commission on Organized Crime that "(I)n isolated cases local prosecutors may hesitate to file charges against powerful union or business leaders in their legal communities." I would remind my colleagues, however, that most States have established procedures that allow the State attorney general to supercede the district attorney in cases where the district attorney fails or refuses to act. If the attorney general will not act, many States allow State courts to appoint "private prosecutors" to pursue those who use violence to obtain their ends.

Mr. President, given the generally admirable job local and State officials are doing enforcing State laws in this area, the Federal Government simply should not be in the business of policing the orderly conduct of labor disputes. The record is not sufficient for an extraordinary shift in Federal labor law or an unprecedented incursion by the Federal Government into the criminal jurisdiction of States and localities.

Mr. LEAHY. Mr. President, the Senate Judiciary Committee rejected similar legislation last fall when it considered Senator GRASSLEY's bill, S. 300.

As I did last year and in previous years when the committee considered this proposal, I oppose S. 1774's proposed expansion of Federal criminal jurisdiction in an area where it is not needed. I also oppose the subversion of the committee process that the introduction of this bill and its consideration here today represent.

First, let me say that violence should be prosecuted no matter who commits it. If an assault and battery, destruction of property or unlawful trespass occurs during a labor dispute, that action should be investigated promptly, it should be prosecuted, and if the elements of the crime are established, the perpetrator or perpetrators should be punished.

The proponents of this legislation act as though picket-line violence is not prosecuted. This is not true.

As a State's attorney, I prosecuted both labor and management as a result of incidents arising out of labor disputes. Based on that experience, I am convinced that State and local prosecutors are not only able, but better equipped than Federal prosecutors to handle picket-line violence.

It is ridiculous to ask Federal law enforcement agencies to take on responsibility for prosecuting crimes like assault and battery at a time when we are already asking those Federal agencies to stretch their law enforcement budget as far as they can.

The Hobbs Act establishes substantial penalties for Federal criminal extortion—up to 20 years imprisonment and up to $10,000 in fines. In 1973, the Supreme Court held in its decision in United States against Enmons that the Hobbs Act's prohibition against extortion does not extend to the use of physical violence or the threatened use of force in connection with an attempt, during a labor dispute, to achieve such legitimate objectives as better wages, better hours, and improved job conditions. The purpose of this bill is to overturn that decision by classifying such conduct as "extortion."

In the context of a labor dispute, violence or wrongdoing may be precipitated by either side—by a worker or union member seeking better wages or improved working conditions, or by an employer or supervisor seeking to extract concessions from the union.

It is a fundamental concept of law in this country that the law will be applied uniformly. Similarly, it is a fundamental tenet of labor law in this country that the Federal Government will not come down on the side of the labor union or of the employer during a labor dispute. This bill would turn both of those principles on their heads.

S. 1774 purports to be even handed. Its proponents argue that it will apply equally to management and to labor, and that it will not chill legitimate labor activity. These arguments ignore both the key to the legislation and the nature of a labor dispute. The bill defines extortion as the "obtaining of property from another . . . Because in a labor dispute an employer does not demand or obtain the property of his employees, the employer would not be subject to prosecution even if he, or others acting on his behalf, engaged in violent activities. Thus, in practice, if enacted, this bill would really only apply to unions and the working men and women they represent. If management engaged in the same conduct, in the same labor dispute, it would be presecuted under State and local laws, not under the Federal criminal extortion statute.

All such prosecutions should be left where they are now—in the capable hands of our State and local prosecutors.

S. 1774 proposes an unwarranted intrusion by the Federal Government on the prosecutorial authority of State and local Governments. As such, it should be rejected.

Mr. HELMS. Mr. President, with all due respect to Senators who oppose the pending legislation, I am obliged to say that I have tried by best to find one scintilla of rationale for their opposition to amending the Hobbs Act—and I have been unable to do so.

What does this bill propose, Mr. President? It simply proposes that Congress take action to put an end to the senseless violence perpetrated under the pretense of legitimate union activity. Passage of this bill would be a step in that direction by making it clear—to the courts and to the unions—that the Hobbs Act covers any extortionate force or violence that obstructs interstate commerce, regardless of whether that violence is committed in pursuit of so-called legitimate union objectives.

I find it impossible to comprehend how any Senator, no matter how much support he has received from labor union bosses, could oppose this civilized proposition. Mr. President, as my colleagues have pointed out, it was the Supreme Court's 1973 decision in United States versus Enmons that led to the tremendous amount of union violence over the past 13 years. In my state of North Carolina, where workers have the right to choose whether they wish to join a union, and where law and order are vigorously pursued, there have been more than 40 documented incidents of union violence during the past 10 years. In many other States there have been hundreds of incidents. In the country as a whole, there have been more than 5,000 incidents of union violence in the past decade.

Mr. President, I could stand here and describe in detail some of the more outrageous incidents that have occurred in North Carolina, but they are a matter of record, and I will not prolong the debate. They are identical to incidents in Alabama, in Alaska, in Arkansas—right down the alphabetical line—in all 50 States. There are episodes involving shotgun blasts into homes, knifings, arson, even murders.

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Mr. President, these are criminal acts. No other face can be upon it. But the Supreme Court declared in a nonsensical ruling, that this criminality is somehow not covered by the Hobbs Act. The violent lawbreakers cannot be prosecuted under that act—according to the Court—because the crimes were committed in what the Court foolishly declared was the pursuit of "legitimate union objectives."

What an absurdity, Mr. President.

Mr. Justice Douglas understood the clear purpose of the Hobbs Act. He stated it in his dissent in the Enmons case:

> Seeking higher wages is certainly not unlawful. But using violence to obtain them seems plainly within the scope of "extortion" as used in the Act, just as is the use of violence to exact payment for no work or the use of violence to get a sham substitution for no work. The regime of violence, whatever its precise objective, is a common device of extortion and is condemned by the Act.

Congressman Hobbs also expressed the basis of the original act when it was introduced:

> This bill is grounded on the bedrock principle that crime is crime, no matter who commits it; and that robbery is robbery, and extortion is extortion, whether or not the perpetrator has a union card. It covers whoever in any way or degree interferes with interstate or foreign commerce by robbery or extortion.

Hooray for Mr. Justice Douglas.

Mr. President, the pending bill would reverse the Supreme Court's absurd interpretation of the Hobbs Act and restore its true intent. Law-abiding citizens across America have a right to demand that Congress do precisely that.

Mr. President, my record as a Senator will show that I am unalterably opposed to the unnecessary Federal intervention into State and local matters. It has become apparent, however, that local politics can stand in the way of prosecution of labor-related violence. In its support of the bill, the President's Commission on Organized Crime found that "local prosecutors may hesitate to file charges against powerful union or business leaders in their local community." The Commission went on to state that "there is a strong Federal interest, recognized by Congress, which would be served by the Commission's proposed revision of the Hobbs Act." The FBI and Justice Department officials have observed that many local law enforcement official have observed that many local law enforcement officials are unevenly matched against a huge international union and lack the resources to bring to justice. Thus perpetrators of coercive union violence often go unpunished.

I suppose we will be hearing oratory from born-again States righters about the dangers of the Federal Government intruding into an area where it doesn't belong. We seldom if ever hear a defense of States rights from these orators. But when union bosses say jump, these orators ask only, how high? And then they jump. The fact is that most of the cosponsors of this bill are consistently and genuinely opposed to unnecessary Federal intervention in the private sector, but the key word is "unnecessary." Isn't it interesting that so many who so strongly support the plethora of Federal regulation of the private sector are suddenly so loathe to see the Federal Government step in to fight a nationwide problem of unchecked violence?

Mr. President, the statistical evidence demonstrate that the problem of extortionate labor violence is a serious national tragedy that has hit every State. All workers, both union and nonunion, are adversely affected by violent labor disputes. This amendment to the Hobbs Act is an antiviolence effort. It is designed to protect all workers.

The Department of Justice, the FBI, and the President's Commission on Organized Crime have expressed their support for an amendment to the Hobbs Act. I urge Senators who are truly concerned about the workers in their States to vote for this bill.

Thank you, Mr. President.

Mr. HECHT. Mr. President, I would like to take this opportunity to express my support for Senate bill 1774, which seeks to amend the Hobbs Anti-Extortion Act so as to overturn a narrow 1973 Supreme Court interpretation and return authority over labor disputes involving extortionate force to this act's jurisdiction. I have been a cosponsor and supporter of this and similar legislation since coming to the Senate in 1983.

The President's Commission on Organized Crime recently recommended that Congress amend the Hobbs Act as this legislation would do. Moreover, the Federal Bureau of Investigation, the Department of Justice, and every U.S. Attorney General to serve subsequent to the aforementioned Supreme Court decision, has supported amending the Hobbs Act as S. 1774 would.

As a consequence of the Supreme Court's 1973 Enmons decision, the use of force and violence by labor unions is not presently considered to be extortion under the Hobbs Act if such actions are undertaken in the furtherance of "legitimate" collective bargaining objectives. Similar extortionate actions are, however, illegal under Federal law in all other contexts. I, quite frankly, cannot see the justification for such a select exemption from Federal law, and further, believe there is a demonstrable need for congressional action to remedy this inequity, to preclude unwarranted and unlawful interference in the free flow of interstate commerce.

Currently State and local statutes are the only avenue available to address illegal strike-related activities, as the Enmons decision effectively removed these crimes from Federal purview. Consequently, problems arise in instances where the ability of these jurisdictions is not sufficient to satisfactorily deal with the illegal conduct of large, well-funded, well-organized labor unions. S. 1774 would remedy this situation by returning Federal authority over these occurrences—as was the standard prior to 1973.

I would also like to add, Mr. President, that actions incidental to the conduct of a legitimate labor dispute consisting solely of minor bodily injury, minor property damage, or the threat thereof, which are not intended to obtain property, would not be subjected to Federal prosecution with the passage of this legislation.

In conclusion, let me simply reiterate my support for S. 1774, support for returning the Hobbs Act to its intended role as a Federal prohibition against extortionate force and violence, and ultimately, support for a safer environment in which the resolution of legitimate labor disputes may be undertaken.

Mr. McCONNELL. Mr. President, I would like to take this opportunity to urge my colleagues to vote for S. 1774 to revise the Supreme Court's erroneous interpretation of the Hobbs Act in the 1973 Enmons decision. Five of the nine Justices ruled in Enmons that union officials committing extortionate violence in pursuit of legitimate union objectives are exempt from prosecution under the Hobbs Act.

As a cosponsor of S. 1774, I have sought to eliminate this exemption, which I strongly believe has contributed to an unnecessarily high incidence of life-threatening assaults against American workers.

The Enmons case stemmed from a violent strike in Louisiana during which union agents shot up and dynamited electrical transformers and substations. The Federal Government attempted to prosecute the perpetrators under the Hobbs Act.

The basic issue before the High Court was whether severe acts of violence during the course of that strike could be construed as extortion, since wages, the object of the strike, were the property of the employer. Union attorneys argued that enforcement of the Hobbs Act would curtail their legitimate objectives to strike for better wages and working conditions.

Until Enmons, no one questioned the purpose of the Hobbs Act. Enacted in 1946 to curb a rising tide of violent labor-management disputes, the Hobbs Act was intended to make clear that taking another's property by force should be a crime, no matter what the objective. The overriding concern of Congress was to protect interstate commerce from violent labor-management disputes.

The Hobbs Act was designed to apply to all Americans. Congressman Samual Hobbs, the author of the bill, summed it up best with the words, "crime is crime no matter who commits it; and that robbery is robbery, and extortion is extortion, whether or not the perpetrator has a union card."

Thus, prior to Enmons, it was commonly held that any actual or threatened use of force or violence to obtain property was a wrongful use of force or violence and therefore constituted extortion.

But in Enmons the Supreme Court radically departed from the intent of Congress, and took the position that the legitimacy of the ends sought by the union agents—namely, contract concessions—fully justified the use of wanton destruction as a means to force employers to accede to the demands. Thus, the Supreme Court's rationale in Enmons boiled down to an "ends justifies the means" philosophy.

I want to make it perfectly clear that legislation to correct the Enmons decision would not interfere with the right of workers to strike for higher wages. However, strikes which go beyond the mere withholding of labor to encompass shootings, dynamitings, and other terrorist tactics against employers and workers constitute extortion by any normal definition, and should be addressed by the Hobbs Act.

It has been argued here today and in our committee deliberation that strike-related crimes are punishable under numerous State and local laws. Also, many born-again States rights advocates argue that government should not be in the business of policing strikes. However, I find it ironic that many who support Federal regulation of so many aspects of American lives—including the regulation of private sector labor relations within the sovereign States through the National Labor Relations Act—should have a problem with making the Hobbs Act equally applicable to all Americans.

This peculiar blind spot with regard to labor violence has caused much needless suffering in my home State of Kentucky. The most recent coal strike in the eastern United States is a classic example. Last year, riflemen and saboteurs turned the coal-hauling roads into shooting galleries in the coal producing regions of Kentucky, Pennsylvania, West Virginia, and Virginia. The violence—violence fueled by the Enmons way of thinking—reached its awful zenith on May 29, when Hayes West, a 35 year old resident of Racoon, KY, and the father of two, was shot to death while driving his coal truck. Many local lawmen have been overwhelmed by the scope of the violence. Others, fearing political retaliation, have been slow to respond.

Of course, there are many other well-documented cases of such unpunished extortion, and of such senseless violence.

Ultimately, it is the overwhelming majority of American working men and women who pay the price of labor violence, either as consumers, or as actual victims.

I hope my distinguished colleagues will give the American public some relief from this national tragedy by voting in favor of S. 1774.

Mr. SYMMS. Mr. President, I am pleased to join my distinguished colleague, Senator Grassley, as an original cosponsor of S. 1774, and I want to thank the majority leader, who is also a cosponsor, for allowing the full Senate an opportunity to consider this badly needed legislation.

Let us be clear at the outset, Mr. President. S. 1774 is intended to overturn the 1973 Supreme Court decision in United States against Enmons, in which a five-member majority of the Court ruled that the Hobbs Act does not proscribe extortion undertaken in pursuit of "legitimate union objectives." S. 1774 makes clear Congress intent to treat extortionate acts equally under the law, whether or not such acts are perpetrated by union members and whether or not those union members are participating in a strike or other legitimate union activity.

Passage of this legislation is essential if we are to reduce the incidence of union violence. During hearings in the Senate Judiciary Committee, committee members heard testimony on a dozen incidents in as many States where small groups of union activists used violence to force compliance with their demands. One of the witnesses, Mike Ashby of Boundary County, ID, told the committee of firebombings, gun shots, rocks, and bottles being hurled at him and other nonstriking workers at the Louisiana Pacific Co. Moreover, the statistics which Senator Denton listed in the Record last year indicate that between 1975 and 1984 there were at least 4,350 acts of violence committed by union members, with documented incidents occurring in every State in the Nation.

It was this kind of lawlessness, perpetrated by a few "bad apples" among the union members on strike at a Louisiana utility company, which the Supreme Court was asked to address in the Enmons case. In that case, the employees were out on strike seeking a new contract with the company. Some of the strikers fired high powered rifles at three company transformers, drained the oil from a company transformer, and blew up a transformer substation owned by the company. Under any other circumstances, destroying another's property to force compliance with demands for financial or other benefits would fall under the definition of extortion and may be punishable under Federal law.

In the Enmons case, however, the court ruled that the anti-extortion provisions of the Hobbs Act do not extend to cases in which violence is used "to achieve legitimate union objectives, such as higher wages . . ." The Court's majority looked closely at the statutory language and legislative history of the Hobbs Act and relied heavily on remakrs made by Representative Hobbs to support its ruling that the act was not intended to proscribe violence committed in the course of a strike.

I believe the brief exchange between Representatives Hobbs and Marcantonio, cited by the Court from the 1943 Congressional Record, does not reflect accurately the intent of most proponents of the legislation with regard to the extent of the act's coverage. Most supporters of the Hobbs Act undoubtedly thought they were voting to eliminate the judicially created legal distinction between union and nonunion individuals who obstruct interstate commerce through extortionate acts. Unfortunately, the legislative history is clouded sufficiently to leave one confused about the sponsors' intentions with respect to the act's applicability to violence committed in the course of a strike.

Mr. President, it is time for Congress to make itself perfectly clear on this point. While S. 1774 is not intended to interfere with labor's right to strike and picket peacefully, it will extend Hobbs Act coverage to reach violence threatened or committed during a strike. It is intended to protect interstate commerce from robbery or extortion perpetrated by anyone, including union members.

Some will argue that the criminal activities which this bill addresses are best handled by State and local authorities and should not fall within the purview of Federal law enforcement officials of the Federal courts. While I strongly believe that law enforcement is the primary responsibility of State and local governments, I do not believe that the court's distinction between union and nonunion perpetrators of extortion should be allowed to stand any longer. Clearly, the Federal Government has a role to play in the prosecution of violent acts which disrupt interstate commerce, and individuals should not be able to claim immunity from such prosecution solely because they were involved in a labor-management dispute at the time the violence was committed.

It is important to note that this is not the first time the Senate has given serious consideration to Hobbs Act reform that would overturn the Enmons decision. In 1977, the Judiciary Committee reported out the "Criminal Code Reform Act," which

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included a provision similar to the bill we have before us today. I want to quote briefly from passages in that 1977 committee report concerning the need to overturn the Enmons decision:

> This [Enmons] holding, which was based on the majority's reading of the legislative history . . . is at odds with the otherwise uniform construction of the statute as proscribing extortionate means, whether or not the end sought to be attained is legitimate.

And the report continues:

> As a result of the Supreme Court's holding in Enmons, the opportunity is created for unions or employers to cloak extortionate demands in the guise of an objective which could be legitimately sought through collective-bargaining . . . The thrust of an extortion statute should be to punish violent extortionate means to obtain the property of another regardless of the legality of the ends sought, and this principle should apply in the collective-bargaining context as well as elsewhere.

And with regard to the effect of the committee's amendment, the report reads as follows:

> Accordingly, the Committee has proposed in effect to overturn the Enmons result by treating the parties engaged in a labor dispute no differently from other persons in terms of the applicable prohibitions under this section, which is limited to extortionate means involving actual or threatened violence.

Mr. President, I believe the report makes clear the position of a majority of the Judiciary Committee members in 1977 with respect to the proper application of Federal extortion laws. I urge my colleagues to review this committee report because it spells out clearly the problem with the Court's interpretation of the Hobbs Act and includes strong, persuasive arguments in support of the legislative solution which is proposed in S. 1774.

Before closing, I want to reemphasize a very important point, Mr. President. The legislation we're considering today is not intended to, and would not, interfere with the right of union members to strike and picket peacefully in the course of a labor-management dispute. I know that many false and misleading charges will be made about the ramifications of this bill, and I want to be very clear on that point.

I have many good friends and supporters in Idaho who are proud of their membership in a strong and effective labor union. I value their support and will always work to protect their right to strike and picket peacefully as part of a concerted effort to obtain higher wages, better working conditions, or any other legitimate union objective. These people are hard working, law-abiding citizens who do not participate in or condone the strike-related violence we seek to proscribe today. I am confident that they would support the passage of this legislation because they realize that these acts of union violence are damaging to the interests and objectives of most union members.

Again, Mr. President, I want to congratulate Senator GRASSLEY for his leadership and perseverance on such an important issue. I also want to thank Senator THURMOND, the distinguished chairman of the Judiciary Committee, for supporting S. 1774 and cooperating with Senator GRASSLEY to get the bill to the Senate floor. Without the commitment of these Senators and the leadership and support of Senator DOLE, the majority leader, we wouldn't be here today considering this legislation, and I applaud them for their efforts.

Mr. KENNEDY. Mr. President, today we are writing another chapter of the never ending saga of this body's failure to subscribe to an orderly legislative process. A process by which this Chamber, as a whole body, is supposed to consider proposed legislation which has been carefully studied, crafted, and fine tuned by a committee or committees of proper jurisdiction and expertise, and favorably reported out for this body's deliberation and consideration. A process which is to be bypassed only under extraordinary circumstances, marked by urgent need for Federal legislation, and an absence of adequate State legislation to handle a situation of crisis proportions.

There are no extraordinary circumstances addressed by this legislation. And there are, in every State, adequate statutes and enforcement mechanisms to address the problem this bill purports to address.

What we have here is a group, unhappy with the results in the Judiciary Committee, attempting to bypass the proper legislative process and to achieve on the floor what they failed to achieve in committee, this Congress or in any previous Congress. This objective is made all the worse when it is an attempt to pass poor legislation.

This legislation was defeated in the Judiciary Committee last September. It is totally inappropriate to consider it now on the Senate floor, particularly in an amended form not considered by the committee. Aside from its procedure weaknesses, the bill is unnecessary, unfair, and unwise. It is unnecessary because not a single wrong that would be made a Federal crime under this bill is not already subject to Federal, State, or local prosecution. It is unnecessary because the collective-bargaining process works in achieving peaceful resolution of collective-bargaining differences. Ninety-eight percent of contracts are agreed to without a strike. In the rare situation of a strike, an overwhelming percent of those are not accompanied by any violence.

In fact, instances of strike-related violence are so rare the FBI's annual crime report does not even list strike-related violence as a separate category of crime. The Treasury Department's report on all bombing incidents shows less than 2½ percent of such instances were "labor-related"—and that includes acts against workers and all allegations, even based on unverified reports.

The bill is unnecessary because there is no "wave of labor violence" that might justify this vast expansion of Federal criminal jurisdiction. In fact, the number of strikes and strike-related violence have decreased in the 13 years since the Enmons decision. Moreover, there is absolutely no evidence that State and local authorities are incapable of handling any and all strike-related violent situations. An examination of even the "worst case" scenarios cited by the backers of this bill proves that State and local authorities handle the situation—those guilty of acts of violence are arrested, prosecuted, and convicted by local authorities. And Federal authority is already available where it is needed. Labor officials are already prosecutable under the Hobbs Act when they commit extortionate acts—even when related to the collective-bargaining process, and they are being sent to jail under the Hobbs Act, as well as under a plethora of State statutes.

Not only is this legislation unnecessary—it is substantively unfair. Section 1 of the National Labor Relations Act flatly declares our national policy to be: "Encouraging the practice and procedure of collective bargaining and protecting the exercise by workers of full freedom of association, self-organization, and designation of representatives of their own choosing, for the purpose of negotiating the terms and conditions of their employment or other mutual aid or protection." Passage of this bill would take the Government out of encouraging collective bargaining and even take the Government out of the role of being neutral, and for the first time place the Government squarely on the side of management in labor disputes. By greatly expanding the definition of extortion to include incidental strike-related violence—even if provoked by management—the Federal Government under this legislation would weigh into the bargaining process against only one side—labor. That relates to the legal definition of extortion, and is at the crux of why this legislation is patently unfair. An employer—and his agents—could not be construed as "obtaining" property from employees during collective bargaining or a strike. They could never be subject to Hobbs Act prosecution, even if they deliberately provoked or engaged in violence. The sad fact is, sometimes companies engage in violence, sometimes unions engage in violence. But it makes no sense to amend the law so only one kind of violence is punishable by Federal law.

A good example of company sponsored violence is the case of George Johns, an ex-employee of a security firm which specialized in breaking strikes by provoking violence. Here is what he had to say about what his job entailed:

> Our purpose was to break strikes. We knew how to provoke violence on the picket line. We tapped phones and conducted surveillance, we destroyed property. One time we destroyed $148,000 worth of lumber to break a strike. "We guaranteed our clients that we could get an injunction against the union in two weeks, and we never failed. "We used video cameras 24 hours a day, then we set about provoking violence from the strikers and getting it on film for the judge. For example, one of our guys would walk up to a striker—especially if he had on a wedding band—and say he had gone to bed with the guy's wife.

The point is not that since violence is used by both sides, it is tolerable—it is not. The point is that the solution to the rare instances of strike-related violence is not to amend a statute that will result in prosecuting only one party to the violence.

The legislation is not only unnecessary, and unfair, it is unwise. States and localities historically have had the responsibility of keeping the peace. Local violence is appropriately addressed and prosecuted at the local level. There is a total absence of any evidence that State and local law enforcement officials need additional Federal involvement—or that they even want it. Today, most judicial reformists urge a reduction in Federal causes of action. Our Federal courts are straining to meet current caseloads, and budget cuts jeopardize adequate delivery of judicial services. Nearly 60 percent of all cases filed by U.S. attorneys are dropped because the prosecutors do not have the time or the resources to handle them. Expanding this Federal cause of action, when our resources are already stretched to the breaking point and when all the evidence indicates the States are more than adequately handling strike-related violence hardly seems a prudent allocation of resources. Our Federal judicial resources would be better spent on uniquely Federal demands, adequately enforcing our already existing Federal statutes.

Some claim that S. 1774 is identical to the extortion provision contained in the Criminal Code Reform Act of 1979 that I supported. That claim is false: It is not the same language, not the same intent, not the same context, and would not have the same results.

The 1979 Criminal Code Reform was a sweeping overhaul of the Criminal Code, an ambitious attempt to reform the Code which fell short of the votes necessary for completed action. It was not a one-shot bill intended by its authors to be an antilabor prosecutorial weapon. The language in the crime package was substantially and significantly different. There had to be clear proof the violent conduct was engaged in for the purpose of causing death or severe bodily injury—a far different standard than S. 1774's exemption for only "minor" injury or damage. The most fundamental difference is that under the 1979 crime package, there would be a bar to prosecution unless the Attorney General proved the State was unable or unwilling to proceed with any equivalent prosecution. Under S. 1774, there is no such requirement. There is no concern with whether or not a State has acted. It would allow the Federal prosecutor to wade into the labor dispute irrespective of any need to intercede in the local dispute; he would be capable of prosecuting only one side—labor.

The provisions of the crime package were strictly intended to be a backup—if and only if a State was unwilling or unable to proceed with punishing acts of violence in a labor dispute. It was intended only to fill a potential void in law enforcement, not, as this bill would do, to create unnecessary duplication of effort and a waste of scarce judicial resources.

The imbalance of this "reform" is evident to those who know how work-site violence sometimes comes to pass. There is a fundamental problem with amending our laws to enable the Federal Government to prosecute only labor violence. Many instances of violence are intentionally committed by management. Why? Because if violence is committed, especially against company property, the public—and particularly a judge before whom the company goes to seek an injunction—will think it is labor instigated. The proponents of this legislation have seen fit to use anecdotal evidence of rare examples of union violence. I think it appropriate to include in the RECORD some of the equally rare—yet unreachable under the current Hobbs Act, or the amended revision before us—acts of management violence in a strike. The following information appeared in the October 1985 issue of the *United Mine Workers Journal:*

> On Tuesday, March 15, 1985, over 1,000 United Mine Workers Association supporters stood near the gates of A. T. Massey Coal Company's strikebound Sprouse Creek Processing Plant, peacefully demonstrating against the company's use of strikebreakers.
>
> Suddenly, a non-union truck driver raced down the road and slammed his 50-ton rig into a staggered blockade of parked trucks owned by United Mine Workers Association members. Ten vehicles were demolished.
>
> A Massey spokesman "explained" the incident by saying the driver panicked after seeing United Mine Workers Association members brandishing guns—although reporters and state police on the scene denied seeing any union member carrying weapons.
>
> The next day, four United Mine Workers Association members left the picket line to travel to a nearby community church.
>
> As they drove up the road in a ford Escort, they found themselves "sandwiched" between two massive coal trucks. As the front driver slowed down, the driver in the rear rode the small car's bumper.
>
> Then the rear driver rammed into the Escort, destroying the subcompact car and sending all four passengers to the hospital.
>
> Later, a Massey spokesman again blamed the victims, claiming that the car's passengers had attacked the driver of the giant coal truck from the back seat of the tiny Escort.
>
> The same day, with the four injured United Mine Workers Association members still in the hospital, the National Labor Relations Board obtained an injunction against the United Mine Workers Association.
>
> Incidents like these are familiar to union members, who have seen the pattern repeated in strikes throughout the United States. Time after time, companies have found violence to be one of their most effective weapons in any strikebreaking campaign.
>
> "Companies are able to reap enormous benefits from the use of violence," said President Richard Trumka.
>
> "They can hire armed mercenaries to establish an atmosphere of violence."
>
> "They also use the issue of violence to craft orchestrated Public-relations campaigns against unions in the media. "And, once they've established the image of unions as 'violent' organizations, they can escalate their campaign of terror and intimidation."
>
> "There have even been cases of companies destroying their own equipment and casting the blame on union members, who want nothing more than to return to work with a fair and just contract."

Many retired miners remember the "mine wars" of the early 1900's, when coal companies imported hired armies of "gun thugs" who roamed the coalfields, hunting down union organizers and terrorizing mining communities. Mrs. Bertha Damron of North Matewan, WV, recalled:

> My father had to stay in the hills to keep from getting shot by gun thugs while he was helping to organize the union.
>
> The judges got unfair injunctions against us then, just like they do now. And the company kicked us out of our houses, so we lived in tents. It got so bad at the "Battle of Blair Mountain" that the company dropped bombs out of airplanes on the union men.

Union members have seen a resurgence of company violence in recent years.

While the tactics of intimidation and provocation aren't new, companies are investing big money in the lastest union-busting technology: Helicopters, surveillance equipment, searchlights, and even armored personnel carriers like the one found hidden in Massey's Sprouse Creek compound. "It makes you think about how it was in Vietnam," said Local Union 1440 member Larry "Mo" Mounts, who served in the U.S. Army in Vietnam.

> I never thought I would see this happen here, with all the helicopters coming in.

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> What it boils down to is that the company is going to war with us because we want to keep our jobs.

Some of the guard companies that are using military hardware to break union strikes are routinely violating State laws.

Southeastern Securities and Investigation, Inc., was ordered out of West Virginia after a State investigation revealed that some of its employees patrolling A.T. Massey operations were convicted felons.

The same company is under investigation by authorities in New York State for possible illegal activities associated with strikebreaking efforts at a zinc mine owned by St. Joe Minerals Corp. St. Joe is a Flour Corp. subsidiary which manages Flour's interest in another subsidiary, A.T. Massey.

"It's clear the companies are working together to send their SWAT teams to break strikes" said Dick Corcoran of the United Steelworkers of America, which represents the workers at St. Joe's zinc mine in Balmat, NY. "That's why the unions have to get together to share information, so we can combat their tactics more effectively. And one way we can fight them is with political pressure."

Clayton Hafield of Local Union 1440 agrees. "We've got to keep the legal and political pressure on," he said. "They kicked Southeastern Securities out of West Virginia, but Massey just sent them over the river into Kentucky."

Even more than physical violence, companies wage a different kind of war against striking union members, especially if the strike is a long one.

That warfare is psychological, and its hardest hit victims are often those least able to defend themselves—the children and the elderly of the community, who find themselves caught in the middle of a combat zone. In school, children have been kept inside during recess because of the proximity of armed guards. They live in fear of speeding nonunion coal trucks, and sleep with their parents away from windows, afraid of sniper fire. "It's scary, real scary," said 12-year-old Charlie Dixon. "They shot up our house one night. We didn't get hurt because we'd gone over to my grandmothers.

"And last night, somebody shot up the union tent, and I was right across the road. It was awful, because my cousin and my uncle and my friends were over there." For elderly residents living near Massey's Sprouse Creek operation, the activities of the company's "security" guards leave them feeling much less secure.

"Those guards forced the Government to close our Post Office," said Mrs. Virginia Cantrell of Lobata, WV.

"It was in a company building and Massey built a fence around it, with barbed wire, and put guards there. They filmed us and demanded identification. They even searched my son's mail."

The purposes of company violence are the same now as they always have been—to break the morale of the community and begin a reign of terror that companies then blame on union members trying to hold onto their jobs.

"It's not the first time we've seen these tactics, and it won't be the last," said William Pruitt of Local Union 1803.

"We know what these companies are up to. They're out to break this union and the whole labor movement.

"One way we can fight them is to stay out of the traps they try to set for us. We've got to show violence for what it is—the company's tactics for breaking a strike."

During the course of this particular coal strike, the following is a short list of some of the examples of specific instances of management instigated violence:

> March 14, 1985—A non-union coal truck slams into mine worker vehicles parked on West Virginia Route 49, destroying 10 personal vehicles.
>
> March 15, 1985—A non-union coal truck rams into the rear of a Ford Escort driving along West Virginia Route 49, injuring four mine worker members.
>
> May 25, 1985—Unknown attackers fired into the home of mine worker member Coty Miller while his wife and four-year old daughter are in the living room.
>
> June 3, 1985—Nine shots are fired into the home and vehicle of Local Union President Bill Davis while his wife and three children are at home.
>
> June 4, 1985—A non-union truck driver shoots at a group of mine worker supporters at B & G Market on Blackberry Creek in Pike County, Kentucky.
>
> August 14, 1985—Mine Worker District 30 headquarters in Pike County, Kentucky is bombed, causing extensive structural damage.

Now, what were the State and local authorities doing during this timeframe? Was there an unwillingness or inability to act? Was there a need for yet another prosecutorial weapon from the Federal Government—a weapon which by definition could only be used to prosecute the labor side of the dispute? No. The State authorities were willing and able to investigate and prosecute violent acts by both sides of this strike:

> February 18, 1985—Several hundred demonstrators are arrested at a rally protesting the company's use of strikebreakers brought in from out of state.
>
> February 27, 1985—Truck drivers are arrested for possession of unlicensed weapons, including Uzi assault rifles.
>
> March 15, 1985—West Virginia Secretary of State begins an investigation into the illegal activities of a Massey guard company.
>
> March 18, 1985—Over 100 Kentucky state police dressed in full riot gear arrive to keep the peace in Pike County, Kentucky.
>
> March 27, 1985—Mingo County Judge fines the mine workers $200,000 for violative picketing.
>
> April 13, 1985—An undercover agent arrests a non-union coal operator for soliciting the agent to "break the arms and legs" of a mine worker member of Raleigh County, West Virginia.
>
> May 2, 1985—Non-union truck drivers connected with the company are charged with illegal possession of deadly weapons. One of the drivers is revealed to be a convicted murderer.
>
> August 20, 1985—West Virginia officials revoke the license of Southeastern Securities and Investigations Inc.—and ordered the withdrawal of the mercenaries from one of the processing plants.

Again, I want to emphasize that in no circumstances is violence—whether by management or labor—justified or in anyway condoned. Partially because of the violence and upheaval of labor relations in the 1930's, we passed our basic labor law in 1935. And that framework, by and large, results in the peaceful settlement of disputes through the collective bargaining process.

Over 98 percent of all contract negotiations are settled without a strike. And most strikes are peacefully conducted, with no instances of violence—by either party.

But in those rare instances where violence does accompany a strike—whether instigated by management or labor—the State and local authorities have been fully capable of discharging their duties of maintaining law and order, and restoring the peace. From a law enforcement standpoint, it makes absolutely no sense to expand Federal prosecutorial power capable of prosecuting only one side of a labor dispute—the unions.

From a union-busting perspective, this amendment makes a lot of sense. Bring in Federal law enforcement, with the threat of 20 years in jail and $10,000 in fines, and union-busting mercenaries will have a field day, intentionally destroying $2,500 worth of company property—and subjecting only the union to Federal prosecution. This would be prosecution by an administration, I might add, whose chief law enforcement officer stated last year during an interview with a national magazine that "There are no innocent suspects—if you are a suspect, you are not innocent."

I am truly amazed that the proponents of this bill are—on every other issue—the biggest proponents of State's rights and State autonomy in handling local problems, particularly in local criminal matters.

Local violence—by either management or labor—is a matter best handled—and adequately handled—by local authorities.

Even more one sided than this bill is the Wharton School of Business study on union violence: The record and the response by the courts, legislatures, and the NLRB. The statistics in the Wharton study raises some interesting points. First, let's look at the principal author. Mr. Thieblot has candidly admitted that his is not an unbiased view. In an interview in April 1975, Mr. Theiblot bluntly stated that he is promanagement. Second, let's look at the source of funding for the study. The money came exclusively from conservative, antiunion foundations, and major corporations. Are we to be surprised that such a funding source yields a study, written by a self-proclaimed promanagement author, that lays blame for strike-related violence exclusively on labors unions, exonerating the business community entirely? A study funded by an advisory group of 95 corporations can hardly be expected to be an unbiased analysis of labor-management relations.

Third, let's look at the source of the bulk of the information utilized in the study. The authors admit the National Right to Work Legal Defense Fund data base is the source of most of their data.

Let's be clear about the lack of objectivity of the National Right to Work Committee, by reading an excerpt from their newsletter for this month:

> The Hobbs Act amendment * * * is aimed at curbing domestic terrorism and violence orchestrated by union kingpins to bend independent minded workers to their will. Unlike other Americans, union chieftains are immune from federal prosecution * * *.

The Right to Work Committee continues their biased analysis:

> This unique license to destroy the lives of innocent workers and families through beatings, bombings and shootings was granted to union officials in the Supreme Court's 5-4 ruling in *United States* v. *Enmons* in 1973. The Hobbs Act amendment would reverse this divisive decision, and close the loophole in federal law that encourages union officials to employ violence as a matter of policy to spread compulsory unionism.

The author of this study apparently not only shared in the Right to Work Committee's funding and scholarly analysis—he apparently shares their views about the source of strike-related violence.

In the course of this debate we have heard numerous instances of strike related violence—some instigated by management, some by labor, all subject to State and local prosecution. Yet Mr. Thieblot's very title of his study of strike-related violence indicates the overwhelming bias of the whole effort—it's called union violence: No mention of management violence at all. From the title, we are to believe there is only one source of violence—but that is understandable, given his funding and information sources.

The authors do acknowledge in their introduction that:

> It is not our intention to lay all of the blame for labor violence at the feet of the unionists, nor to apologize for the sometimes brutal and often brutish actions of the mineowners, industrialists, sheriffs, or militiamen of previous generations. Little would be gained from such an exercise, for a complete reading of the history of the period shows that there were excesses and brutishness on both sides.

But the authors conclude:

> Lacking clear evidence to the contrary, the aggressors—in the case of labor disputes, typically the unionists—must bear the greatest responsibility.

In their view, this is the assumption that guides their study: the authors assume the union is guilty—the presumption of innocence is only for those who pay wages, not for those who earn them: The authors go on to outline what in their minds, and for the purpose of the study, is the definition of violence:

> Violence is the nonprivileged physical interference with the person or property of another, or the threat, express or implied, of such interference.

This definition is intended to include such physical acts as beatings or sabotage and also the objectional aspects of mass picketing such as blocking ingress or egress to a struck plant, prohibiting nonstriking or nonunion employees from exercising their right to work, and such nonphysical violence as threats, intimidation, and moral coercion. It excludes the consequences of refusals by striking employees to work or perform services, even if those services might be considered important or critical. Such actions, though they might be morally reprehensible, are not of themselves violent, in our view.

So the authors define "moral coercion" as violence. They count as an act of violence the use of moral argument, and conclude that striking "important services" is morally reprehensible. These authors have lost their own moral compass, but that often is the fate of those who sell their scholarship for silver. With these admissions, definitions, and moral judgments fresh in mind, the authors proceed to outline their goals.

They candidly admit their first goal is to, I quote: "Demonstrate the pervasiveness of labor violence and evaluate its apparently deliberate use during strikes." Note that it is not to review, study. or analyze, strike-related violence—their first goal is to prove the pervasiveness of labor violence. Given the 100 percent management funding, the Right to Work Committee information source, the admitted promanagement bias of the authors, and the stated goals of the authors at the outset of the study, we should not be surprised at the results reached, the conclusions drawn, and the recommendations made?

While admitting in their introduction that the term violence is an elusive one and is not subject to a neat definition, the authors acknowledge, and I quote: "What is meant by the term violence is complicated by the fact that perceptions of violence are colored by attitudes and conventions which are not fully definable." Yet, in the face of these ambiguities, the authors conclude that there were exactly 2,598 instances of labor violence between 1975–81. Exactly 2,598 instances of violence, not 2,597, or 2,599—but exactly 2,598. They precisely break it down by year: 1975, exactly 386; 1976, exactly 230; 1977, exactly 234; 1978, exactly 248; 1979, exactly 483; 1980, exactly 442; and 1981, exactly 575.

The authors even provide the form used for this empirical research, a form with 15 items of information to be recorded on each incident. But how did the authors ever find the time to research and compile this impressive data base? They didn't. Did a room full of poor graduate students tediously pour through thousands of police reports and investigate these thousands of violent incidents? They didn't. How did these authors come up with such an impressive and extensive data base on labor violence? Why, the Right to Work Legal Defense Fund gave it to them! That sure saved the Wharton authors a lot of research, and probably spared many graduate students thousands of hours of tedious academic investigation. But it calls into question the validity of the entire study. The empirical foundation of this is built of sand. It is composed exclusively of examples of union incidents, and the source of these incident reports are suspect, at best.

The authors describe the National Right to Work Legal Defense Foundation "violence data base" in the following manner:

> The violence data base is a series of records of violence events involving labor union members or labor union officials. Each individual record summarizes a separate incident or a related series of incidents from information found in magazine articles, newspapers, television news program transcripts, or trade association journals.

Even the authors of the Wharton study admit to some of the problems of the Right to Work Legal Defense Fund magazine clipping data base: I quote:

> One of the weaknesses of this or any catalog of violent events is the determination of what constitutes a separate event or incident. If two men on a picket line each throw a rock, one might argue with equal logic that a single violent event has occurred or that two violent events have occurred. The same problem exists with respect to one picket throwing two different rocks, or with respect to a thrown rock that both breaks a window and injures a person: How many violent events have occurred in each situation?
>
> The counting task in the violence data base is further complicated by the fact that the information used is from secondary sources—that is, newspaper accounts and similar reports—which may not consistently decide these questions, and which may describe the same activity from different perspectives using different words, or may describe it on different days.

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One brick thrown twice? How many times is that to be counted? I don't mean to trivialize the seriousness of strike-related violence, because in the rare instance that it does occur, it is a serious matter, to be seriously dealt with. But it should be dealt with by the State and local authorities who are there, best equipped to handle and prosecute the perpetrators. I do mean to trivalize this Wharton study. The authors take conservative foundation and corporate money, conduct a study based almost entirely on magazine clippings and expect us to rely on their figures and conclusions to greatly expand the Federal prosecution of unions by expanding the definition of extortion to include labor violence—but not touching management violence.

The Wharton study takes no account of management violence in "empirical analysis" and I use the term empirical very loosely, the methodology much more closely resembling ancedotal manipulation—and takes into account each brick thrown in each strike, while admitting to significant overcounting of these incidents.

The Wharton study in and of itself does violence—violence to the integrity of academic research, violence to the notions of academic objectivity and fairness, and violence to the concepts of unbiased, fair research by our institutions of higher education.

The Hobbs Act was designed simply to prevent both union members and nonunion people from making use of robbery and extortion under the guise of obtaining wages in the obstruction of interstate commerce. The Hobbs Act is not intended to reach violence during a strike to achieve legitimate collective-bargaining objectives. From the time of the act's passage in 1946, the courts of this country have consistently recognized this intent and have held as such.

Proponents of the Hobbs Act defended it as not encroaching on the legitimate activities of labor unions on the grounds that the act incorporated New York's definition of extortion, that is "the obtaining of property from another * * * with his consent, induced by a wrongful use of force or fear, or under color of official right." Construing this language back in 1960, the New York Court of Appeals held that when the object of a lawful activity is the personal enrichment of the actor rather than the economic betterment of the worker, it is extortion. On the other hand, where the end is attainment of a legitimate labor objective, there is no extortion because there is no intent to misappropriate property. (*People* v. *Dioguardi*, 8 N.Y. 2d 260, 168 N.E. 2d 683, 203 N.Y. 2d 870 (1960).) This principle has been followed by many of the circuit courts. In *United States* v. *Kramer*, 355 F. 2d 891 (7th Cir. 1966), the seventh circuit found a Hobbs Act violation where a union leader threatened an employee with labor trouble if he was not paid a sum of money. Likewise, in *United States* v. *Kemble*, 198 F. 2d 899 (3rd Cir. 1952) the third circuit found a Hobbs Act violation when a union business representative forcibly insisted that a nonunion truckdriver employ a helper referred by his Local to unload the trucks because of the truckdriver's nonunion status. The list goes on. In 1956 the Supreme Court held that union representatives violated the Hobbs Act as the extortionate acts consisted of attempts to obtain from an employer "his money, in the form of wages to be paid for imposed, unwanted, superfluous and fictitious services of laborers commonly known as swampers induced by threats of force or violence." *United States* v. *Green*, 350 U.S. 415 (1956).

The fifth circuit has followed these cases in its interpretation of the Hobbs Act. In *United States* v. *Quinn* 514 F. 2d 1250 (5th Cir. 1975) the Court upheld the Hobbs Act conviction of an individual who had received a payoff from an employer in return for calling off a picket line at the employer's premises. Even though there was no threat of violence, the lack of a legitimate labor objective made this threat of economic harm a Hobbs Act violation.

My colleagues should also note that the Hobbs Act in its current state is highly effective in reaching a wide range of conduct that falls short of violence. In *United States* v. *Nell*, 570 F. 2d 1257 (5th Cir. 1978), for example, the defendant had received money from three contractors after their cranes and heavy equipment had been vandalized and destroyed. The Court ruled that guilt did not depend on whether the defendant was in fact responsible for the damage to the equipment. In order to convict under the Hobbs Act, the government need only show that the person receiving the money had no lawful claim to it and the person doing business in interstate commerce made the payment out of fear. The contractors had testified that they made the payments because of the defendant's reputation, but they could not specifically link him to the equipment damage. One contractor testified that he feared the defendant economically, but not physically. Similarly, the 11th circuit in *United States* v. *Kopituk*, 690 F. 2d 1289 (11th Cir. 1982), found that the defendants obtained money and other articles of value—cruise tickets—from the employer through extortionate means. There was, in fact, an implicit threat of economic injury underlying the entire conspiracy. The employer's weekly "peace payments" were for the purpose of ensuring continued labor peace.

Two years ago, the first circuit upheld a Hobbs Act conviction of a union local's business manager who extorted a co-owner of a Massachusetts roofing company for using nonunion labor. More specifically, the court said:

> Guilderson (the co-owner) understood Gibson's offer to solve his company's "problem" for a consideration as a threat of violence to himself and to company property . . . we think . . . that Gibson's use of the word "problem" plus his demand for a payoff to solve the problem was deliberately calculated to raise the specter of violence. *United States* v. *Gibson*, 726 F. 2d 869, 872 (1st Cir. 1984), Cert. denied, 104 S. Ct. 2174.

And in 1983, the eight circuit in *United States* v. *Wilford* affirmed a jury finding that union officials were guilty of demanding and accepting an unloading fee in violation of the Hobbs Act.

This case-law confirms my strong belief that the Hobbs Act in its current state serves the purpose intended by Congress. The act reaches extortionate labor conduct. It does not and should not reach incidental violence committed during a lawful strike or other lawful conduct in pursuit of their statutory right to reach agreement on legitimate collective-bargaining demands.

The bill's proponents have suggested that the bill applies to management violence, too. That claim is absurd. What we are dealing with is a very narrow, very specific, very serious crime—extortion. Extortion has been defined within the current Hobbs Act as: "The obtaining of property from another, with his consent, induced by wrongful use of actual or threatened force, violence, or fear, or under color of official right." S. 1774 would expand that definition to: "The obtaining of property from another, with his or her consent, induced by case of actual or threatened force, violence or fear thereof, or wrongful use of fear not involving force or violence, or under color of official right."

As interpreted by the Supreme Court, the use of the word "wrongful" means that the extortionist must seek to obtain property to which he has no legal right.

What property does an employer seek to obtain when he hires agents to beat up strikers? None! What property is at stake?

WAGES

Whose wages are they? The employer's. How could an employer ever be prosecuted for wrongfully obtaining property already his? He could not.

But under this expanded definition of extortion, which includes even fear not involving force or violence, unions and their members would be subject to Hobbs Act prosecution. Even when no force or violence was involved, if the employer has fear of economic harm flowing from the strike—even when

there are legitimate labor objectives pursued by the statutorily protected right to engage in a strike. Twenty years in jail, if an employer alleges the union threatened adverse economic consequences would result if a strike occurred. If the employer alleges he was afraid of the economic harm—and every strike involves obvious economic harm to both sides—the union may be brought up on Hobbs Act charges, and face 20 years in jail.

Current case law has upheld that the threat of economic harm, without violence, may constitute extortion under the Hobbs Act—where there is no legitimate labor objective. *United States* v. *Arambosich* 597 F. 2d 609 (7th Cir. 1979)

S. 1774 removes that qualification.

The word "property" in the Hobbs Act probably does not extend to statutory or contractual rights of employees under Federal labor law.

As S. 1774 defines extortion as the obtaining of property from another, with his or her consent, induced by use of actual or threatened force, violence, or fear there of, or wrongful use of fear not involving force or violence, or under color of official right.

During the past two decades, the courts in this country have occasionally construed the word "property" in the Hobbs Act to include intangible property rights or any valuable right considered as a source or element of wealth. None of these cases involved legitimate labor disputes.

In *United States* v. *Tropiano*, 418 F. 2d 1069 (2d Cir. 1969), several rubbish collectors used threats of violence to induce a rival collector to abandon customers and to refrain from soliciting additional customers. The defendants challenged their convictions on the ground that the prosecution's evidence indicated that no property had been extorted, asserting that nothing more than the right to do business had been surrendered by the victim, and that such a right was not property obtained by the defendants, as those terms are used in the Hobbs Act. While conceding that actual rubbish removal accounts, which may be purchased and sold, were probably property, the defendants argued that the right to solicit business was amorphous and could not be squared with the congressional expression in the act of obtaining property.

The Court responded that the Hobbs Act "speaks in broad language, manifesting a purpose to use all the constitutional power Congress had to punish interference with interstate commerce by extortion, robbery or physical violence." 418 F. 2d 1075, quoting *Stirone* v. *United States*, 361 U.S. 212, 215 (1960). The Court found that the concept of property under the Hobbs Act, as devolved from its legislative history and numerous decisions, was not limited to physical or tangible property or things, but included, in a broad sense, any valuable right considered as a source or element of wealth, and did not depend upon a direct benefit being conferred on the person who obtained the property. The Court found that the victim had an obvious right to solicit business from anyone in any area without any territorial restrictions by the defendants, and that only by exercise of such a right could customers be obtained whose accounts were admittedly valuable. The courts thus ruled that the right to pursue a lawful business, including the solicitation of customers necessary to the conduct of such business, has long been recognized as a property right within the protection of the fifth and fourteenth amendments to the Constitution, and that the victim's right to solicit accounts constituted property within the Hobbs Act definition.

In *United States* v. *Zemek*, 634 F. 2d 1159 (9th Cir. 1980), the defendants were convicted of extortion to obtain the good-will and customer revenue of a competing tavern by forceful acts, including damage to the tavern with a molotov cocktail, destroying the tavern by fire, tailing the owners, breaking into the owners' home and threatening the occupants, and plotting to blow up the tavern. The Court held that the concept of property under the Hobbs Act is not limited to physical or tangible things, and that the right to make business decisions free from wrongful coercion is a protected property right. The Court sustained a jury instruction by the trial court that property includes "any valuable right considered as a source of element of wealth." 634 F. 2d at 1147, quoting *United States* v. *Tropiano*, *supra*, 418 F. 2d at 1075. The Court concluded that tavern owner's right to solicit business free from threatened destruction and physical harm falls within the scope of protected property rights under the Hobbs Act. (Idem). Another court held that extortion under the Hobbs Act does not require a direct benefit to the extortionist, that the gravamen of the offense is loss to the victim, and that such loss includes intangible as well as tangible property. *United States* v. *Santoni*, 585 F. 2d 667, 673 (4th Cir. 1978) property extorted was the right of victim to make a business decision free from outside pressure wrongfully imposed. Similarly, the Court in *United States* v. *Nadaline*, 471 F. 2d 340 (5th Cir. 1973) held that intangible property, such as business accounts and unrealized profits from those accounts, is included within those rights protected by the extortion provisions of the Hobbs Act, 471 F. 2d at 344.

Despite this case law, no court has ever held that the intangible concept of property extends to statutory or contractual rights of employees under Federal labor law. I believe the intent of this bill is not to extend to such intangible property rights, and employers could not be prosecuted under the Hobbs Act for wrongfully denying those rights—even if it is by use of extreme violence.

It is also claimed that the amendment exempts minor acts of violence and minor property damage.

Let's take a look at the "bar to prosecution" within S. 1774. Section (d) provides:

> (d) it is a bar to a prosecution under this section that the conduct of the defendant—
>
> (1) was incidental to peaceful picketing in the course of a legitimate labor dispute, as defined in Section 2(9) of the National Labor Relations Act, as amended (29 U.S.C. 152(9));
>
> (2) consisted solely of minor bodily injury, or minor damage to property not exceeding a value of $2,500, or a threat of such minor injury or damage; and
>
> (3) was not intended to obtain property.

So a prosecution can't be brought under the Hobbs Act if three conditions are all met:

First, if it is incidental to peaceful picketing in the course of a legitimate labor dispute.

Second, it also must consist solely of minor bodily injury, or minor damage to property not exceeding $2,500, or a threat of minor injury or damage.

And most important, the third requirement to be met before Hobbs Act prosecution would be barred the harm or threat must not have been intended to obtain property.

There's the clincher! Do you know of any strike which was not intended to obtain property, in the form of wages?

What section (d) is saying is that minor incidents will be exempt from Hobbs Act prosecution—unless done by workers in the course of a strike to obtain wages!

The bar to prosecution in reality is no bar at all.

Proponents also allege that this bill is supported by the Justice Department, and that these changes were recommended by the Commission on Organized Crime.

Frankly, the Justice Department's position on amending the Hobbs Act seems to swing with the right-wing winds. Let me give you some excerpts from the testimony of the Reagan administration Justice Department on almost identical legislation.

On December 10, before the Judiciary Subcommittee on criminal law, Assistant Attorney General Jonathan Rose made the following statement:

> Incidents of violence occurring during labor disputes are today prosecuted by state and local authorities, and we believe those incidents should in the future continue to be prosecuted.
>
> The Justice Department believes that these provisions would result in an extremely broad expansion of federal criminal enforcement responsibilities, which is not jus-

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tified and which could severely tax the resources of the department.

> The Federal Government could be called upon to prosecute such crimes which are now more appropriately handled by local authorities.
>
> First, the Department has neither the investigative nor prosecutorial manpower to pursue every alleged violation which could arise under the statutory language.
>
> Second, although we do not question the authority of Congress to create such crimes under its power to regulate commerce, there are delicate questions of federalism involved here so that Federal investigation and prosecution of every alleged violation would not be appropriate.
>
> Third, enactment of these new crimes is not necessary to remedy the specific kinds of problems raised by the Enmons decision.

Mr. Rose went on to state:

> Here you simply would be holding out the promise of federal enforcement where we believe it is not realistic or appropriate. We simply are not in the foreseeable future going to have the resources to handle this kind of vastly increased jurisdiction and we do not think it necessary because we do believe the States and localities have been handling the matters effectively.

Mr. Rose concluded:

> As a general matter, we simply have not found it a matter, with regard to violence alone in labor disputes that there ought to be a general federal jurisdiction to deal with that issue. We simply have not found the reluctance, if it exists at all, to reach any such extent that the kind of expansion of jurisdiction in this bill that would be provided is necessary or justified.

Now, we are told the Justice Department has changed its mind, and supports this amendment expanding Federal authority into the most traditional of all local matters—keeping the peace.

Let me last address the proponent's claim that labor violence escapes punishment. Flaring tempers by labor and management may sometimes lead to bodily harm or property damage. But it should not be the job of the Hobbs Act to prosecute those individuals who cause such damage. It is the job of the States to keep the peace—and they are doing it—pursuant to their police power. Since the passage of the Wagner Act in 1935, the States have retained and exercised effectively their authority to enjoin violent labor activity pursuant to their police power.

It is highly hypocritical that the proponents of S. 1774, who allegedly seek to carry out the current administration's New Federalism by returning power from the Federal Government to the States, are now standing behind a measure that will undermine State power.

This measure is unnecessary, because the States have the authority to prosecute perpetrators of violent labor activity, and because there are other Federal statutes that address the problem of labor-management violence without chilling the rights that employees are guaranteed by the National Labor Relations Act.

In 1981, the ninth circuit, in *United States* v. *Thordarson*, 646, F. 2d 1322 (9th Cir. 1981), held that the doctrine of the Enmons case applies only to prosecutions under the Hobbs Act.

In Thordarson, the defendants were charged with the use of explosives to damage vehicles used in interstate commerce, in violation of 18 U.S.C. sec. 844(i); travel in interstate commerce to commit arson, in violation of the Travel Act, 18 U.S.C. 1952; and conspiracy of conduct the affairs of an enterprise through a pattern of racketeering activity, in Violation of the Racketeer Influenced and Corrupt Organization [RICO] Act, 18 U.S.C. 1962(d).

All these prosecutions can be pursued when violence is used in labor situations. In 1947 Congress passed the Labor-Management Relations Act, which made it an unfair labor practice for a labor organization or its agents "to cause or attempt to cause an employer to pay or deliver or agree to pay or deliver any money or other things of value, the nature of an exaction, for services which are not peformed or not to be performed." Labor-Management Relations Act, 29 U.S.C. 158(b)(6) (1947). The meaning of this language is clear and unambiguous. Congress intended to make demands for unwanted services and unfair labor practice. Case law, State authority to prosecute perpetrators of labor-management violence, other criminal Federal statutes like the Racketeer Influenced and Corrupt Oganization [RICO] Act and the National Labor Relations Act itself all give great weight to the conclusion that S. 1774, is an unnecessary, antilabor prosecutorial excess.

We are also told the Commission on Organized Crime supports these proposed changes.

But that support is pulled completely out of context in the Commission's report. The Commission made a package recommendation for a comprehensive approach to organized crime, an entire restructuring of our national approach. As to specific statutory recommendations, the Commission cautioned:

> Their true value lies in their use as part of the overall national strategy or plan.

To snatch one specific out of the package proposal distorts the intentions and findings of the Commission.

Furthermore, the example used by the Commission as a reason why the law should be changed already is prosecutable under the Hobbs Act! Use of violence to eliminate a business competitor is a violation under current law. There are labor officials in jail for violating the Hobbs Act, for using force for wrongful purposes. They all probably alleged legitimate union activities—but prosecutors easily rebut this allegation where union aims are not legitimate

Finally, the specific language recommended by the Commission is significantly different from that which is before us now. To take the findings of the Commission, pull them out of context, and try to make that an endorsement for specific legislation which materially differs from the language they put forward is very misleading.

Mr. DURENBERGER. Mr. President, I rise today in opposition to S. 1774, a bill to amend the Hobbs Act to make labor union violence a Federal crime. And, I have voted against ending debate on the motion to proceed to consideration of this measure.

First, S. 1777 would unnecessarily expand Federal jurisdiction into an area which has traditionally been effectively covered by State and local law. Supporters argue that State and local law enforcement officials may be unwilling or unable to arrest and prosecute union members accused of illegal acts. They claim that if union violence were made a Federal crime, Federal law enforcement officials would prosecute without hesitation or fear. Mr. President, I have not seen sufficient evidence to support this argument.

In my home State of Minnesota, one finds an excellent example of a situation where Federal law would only intrude upon State and local governance. I am certain that many of my colleagues have seen media accounts of the prolonged labor dispute taking place at the George A. Hormel packinghouse in Austin. In the past, violence has erupted on the picket line; however, the Governor of Minnesota has taken steps to control that violence. Furthermore, the State and local law enforcement officials have prosecuted and jailed numerous union members convicted of committing crimes. These officials are fulfilling their law enforcement responsibilities. Why should the Federal Government intervene?

Second, the State of Minnesota has sufficient procedures to ensure that justice is carried out in cases where a local prosecutor does not wish to try a case against his own citizens. If such a situation were to arise, the Governor could request that the State attorney general take over the case.

Third, I do not believe that the Federal Government should be in the business of policing picket lines. This is an inefficient use of our resources at a time when budgetary pressures are forcing deep spending cuts in all Federal programs.

Finally, the intervention of the Federal Government into union protests can greatly interfere with the collective bargaining process, thus slowing rather than speeding up a resolution to the strike.

My vote against S. 1774 does not mean I condone labor union violence. To the contrary, I firmly believe that anyone who commits a crime, regardless of affiliations or motivation, should be properly prosecuted and punished. However, in this situation, I do not think that Federal law would be more effective than State or local law at eliminating or deterring labor union crimes. In fact, it could be detrimental to the resolution of labor disputes.

Mr. METZENBAUM. Mr. President, I yield myself such time as I may need.

Mr. President, today was a major moment in the history of the effort to repeal the Hobbs Act. Just repealing the Hobbs Act is probably not exactly the right phraseology, but actually to reverse the exemption which is provided in the Hobbs Act. It is a major day because, in an effort to move forward in connection with the bill, I myself confess that I would have thought there would be more votes than there were.

But I think that the fact that there were only 44 votes in the affirmative indicates that the Senate has a concern both about the substance of the bill as well as the manner in which it was called up.

The manner in which it was called up is shocking. I was on the floor the other day when somebody talked about prerogatives of the leadership, which I would always be prepared to respect. But there are also prerogatives of the U.S. Senate. I also respect those.

This bill was voted on in committee and the committee failed to report it out. Yet the sponsor of the bill put it on the calendar and the majority leader called it up.

That totally undercuts the committee system. I think when it does, it certainly creates problems for the body and we all have to question the use of that procedure.

As a matter of fact, I am told that the chairman of the Judiciary Committee, who is unable to move forward in connection with another bill, is following a similar procedure in order to try to get that measure to the calendar.

Why should the Senate spend time on a bill that has already been defeated in committee? Would anybody suggest that this is a matter of national importance compared to other issues we need to debate such as the budget, tax reform? Those are the issues that ought to be on the floor of the U.S. Senate, not the Hobbs Act.

This is not the first example of ignoring the committee system during this Congress. One of the worst bills this Senate has acted upon, the McClure-Volkmer bill gutting our country's gun control laws, was put on the calendar without going through committee. The budget resolution, which went through the committee, and which, under the law, was to be on the calendar and disposed of as of yesterday, has not as yet been put on the calendar. We proceed backward. We travel in reverse.

What about the bill itself? This bill will not do anything about stopping violence. This is just a fun-and-games bill for some to try to force through and claim that they are prepared to provide some protection against violence.

First of all, I have been in tune with what has been happening in labor matters over the course of many years. Certainly, there have been times when there have been confrontations on the picket lines, as happened in the Hormel strike. But this bill is not going to stop violence if it were to pass. It will not do anything about strengthening law enforcement. This bill is packaging. It is packaging only. It sounds good, but it does nothing.

The kind of conduct the proponents of this bill say they want to stop is already illegal under State law. If a worker in a picket line shoots out a window during a strike, that is a crime under State law. Since when do we need the Federal Government to prosecute shooting out windows?

If there is a fistfight that breaks out during a strike, that may or may not be a crime under State law. But if it is a crime at all, then it is a crime under State law. If there is any type of violence during a strike that rises to the level of criminal conduct, the local law enforcement officials can already prosecute, under the law.

The supporters of this bill are quick to support States rights, and that is a subject I would like to talk about for a moment.

Every single one of those who voted to invoke cloture and who are supporters of this bill—every single one of them—is in that crowd in the Senate that bleats as loudly and as clearly as they possibly can, claiming States rights, "the Federal Government ought to get out of the State's business."

But when it comes to the State, this bill, the Hobbs Act, then they say, "No, no, we need the Federal Government to get in. We ought to make it a Federal crime to have violence on the picket line." They want to turn things back over to State and local governments.

I think that somewhat indicates the absurdity and ridiculousness of this position taken by those who are promoting this bill.

They believe that the State ought to have more responsibility in all other areas, so why not with respect to violence on the picket line? But here they want to throw the book at them under Federal law.

The fact is that the dispute over the Hobbs Act application to labor violence is a tempest in a teapot. There is no general exemption for labor unions under the Federal extortion criminal statute. Labor unions can be prosecuted just like anyone else.

The whole debate about the Hobbs Act arises because the statute only covers attempts to obtain property to which the defendant has no lawful claim. The Supreme Court held 13 years ago in the Enmons decision that the Government could not expand the meaning of the statute to cover cases where the defendant had a lawful claim to the property.

The Court said:

> The Government's broad concept of extortion—the "wrongful" use of force to obtain even the legitimate union demands of higher wages—is not easily restricted. It would cover all overtly coercive economic conduct in the course of an economic strike, obstructing, delaying or affecting commerce. The worker who threw a punch on a picket line, or the striker who deflated the tires of his employer's truck would be subject to a Hobbs Act prosecution and the possibility of 20 years' imprisonment and a $10,000 fine.

In other words, the Hobbs Act could not be used to bootstrap the jurisdiction of the Federal criminal law to ordinary assault or vandalism just because it took place in the context of a strike and the strike affected interstate commerce.

Yet we have the proponents of this bill anxious to expand the long arm of the Federal law.

The bill says it is not intended to chill legitimate labor activity and that Federal prosecution is not authorized for minor bodily injury or minor damage to property. But—and it is a big but—there is a qualification. It does not cover minor injury or damage only if it is not intended to obtain property. But the Hobbs Act itself requires an intent to obtain property. So this exemption means nothing. If an act of violence is not intended to obtain property it is not covered anyway.

And that language raises another problem. What are "minor bodily injury" and "minor damage to property"? These are vague terms to set a standard for a criminal violation. And if it turns out that the court decides someone has violated the law, he or she is subject to a $10,000 fine and imprisonment up to 20 years.

Much is made of the fact that this bill is going to stop labor unions from using violence to force payoffs of ghost employees or to obtain bribes. The truth is that the Hobbs Act already prohibits that kind of activity under Federal law.

Here is what the Supreme Court said in the Enmons opinion:

> . . . the Hobbs Act has properly been held to reach instances where union officials threatened force or violence against an employer in order to obtain personal payoffs, and where unions used the proscribed

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means to exact "wage" payments from employers in return for imposed, unwanted, superfluous and fictitious services of workers.

Another phony argument is made in support of this bill. The proponents say that the bill is necessary to stop organized crime activities. The President's Commission on Organized Crime identified the Hobbs Act as a problem in depriving Federal prosecutors of a tool to use against an organized crime-infiltrated labor union.

The hypothetical example cited by the Commission is an organized-crime dominated labor union which engages in violence in order to eliminate an unwanted business competitor. However, the Hobbs Act would not preclude prosecution of the union in this case because destroying a competitor is not a legitimate union activity.

The fact is that any type of labor union activity which is really the result of domination by organized crime is not going to be in pursuit of a lawful objective. Consequently, this kind of activity may still be prosecuted under the current law.

Another point the Commission overlooks is that other Federal statutes allow prosecution of labor unions if they become involved with organized crime. The RICO statute, prohibiting a pattern of racketeering, allows prosecutions of labor unions and others if they have engaged in two or more instances of criminal conduct in pursuit of a pattern of racketeering. This statute was passed expressly for the purpose of stopping organized crime and organizations involved with organized crime. There is no exemption for labor unions.

The proponents of this bill would have you believe that there is a cry coming from State and local police officials for Federal help. This just is not so. That is not factual. Listen to 1,000 enforcement officials in 500 of this country's largest cities. When asked about strike-related violence in their communities, 96 percent of those surveyed found it to be "not very serious" or "not at all serious."

These same 1,000 officials were asked what enforcement programs they would spend money on if it was readily available and abundant. Not even 1 percent said they would like to use this money toward aiding local police in combating strike-related violence. Other programs needed money more they said.

The fact is that this bill has nothing to do with organized crime. It has nothing to do with bribes and payoffs. It is simply a way to extend Federal jurisdiction into local affairs. It is a way to allow the FBI and U.S. attorneys to get involved in labor-management relations at the local level. Let's face it. It's a way to give some overly aggressive U.S. attorney a tool for breaking a strike.

Let us face it: If the FBI and all the U.S. attorneys did all that they should be doing now with respect to crime and drugs and some other areas of a similar nature, the country would be better served. I think we can hardly afford to use their time in broadening their jurisdiction in the manner suggested by this legislation.

Nobody in the United States is going to be safer if this bill is passed. Nobody is going to be protected who is not protected now. This is not a law enforcement bill. This is an antiworker bill. I oppose it.

The Senate has acted wisely in refusing to invoke cloture with respect to the motion to proceed.

Mr. **McCLURE**. Mr. President, I regret the action of the Senate in failing to invoke cloture on the motion to proceed to S. 1774, the Hobbs Act bill. I would have hoped, at the very least, that the Senate could have an opportunity to consider the bill on its merits, vote on amendments, and, finally, work its will on the bill, without being sidetracked on a procedural point.

The Enmons decision represented what, I believe, is a perversion of the intent of Congress when it enacted the Hobbs Act. By a narrow 5 to 4 margin, the Supreme Court made the unfortunate move of completely exempting one area—and only one area—from Federal law governing extortionate activity. I do not believe that is good law or good jurisprudence. Associate Justice Douglas, on behalf of himself, the Chief Justice, and Justices Powell and Rehnquist, summarized the issue when he stated:

> The Court today achieves by interpretation what those who were opposed to the Hobbs Act were unable to get Congress to do.

Mr. President, I ask unanimous consent that the dissenting opinion by Justice Douglas be printed in the RECORD:

There being no objection, the opinion was ordered to be printed in the RECORD, as follows:

> Mr. Justice Douglas, with whom the Chief Justice, Mr. Justice Powell, and Mr. Justice Rehnquist concur, dissenting.
>
> The Court today achieves by interpretation what those who were opposed to the Hobbs Act were unable to get Congress to do. The Court considers primarily the legislative history of a predecessor bill considered by the 78th Congress. The bill before us was considered and enacted by the 79th Congress; and, as I read the debates, the opposition lost in the 79th Congress what they win today. All of which makes pertinent Mr. Justice Holmes' admonition in Missouri, K. & T. R. Co. v. May, 194 U.S. 267, 270, 24 S.Ct. 638, 639, 48 L.Ed. 971, that "it must be remembered that legislatures are ultimate guardians of the liberties and welfare of the people in quite as great a degree as the courts."
>
> In United States v. Local 807, 315 U.S. 521, 62 S.Ct. 642, 86 L.Ed. 1004, we had before us the Anti-Racketeering Act of 1934, 48 Stat. 979, which made it a crime to use violence respecting interstate trade or commerce to obtain the "payment of money or other valuable considerations," excluding "the payment of wages by a bona-fide employer to a bona-fide employee." We held that the exception included demands for unwanted or superfluous services and covered those who wanted jobs, not only those who presently had them.
>
> Congress in the Hobbs Act changed the law. The critical change was the exclusion of the employer-employee clause. The Court said in the United States v. Green, 350 U.S. 415, 419, 76 S.Ct. 522, 525, 100 L.Ed. 494: "In the Hobbs Act, 60 Stat. 420, carried forward as 18 U.S.C. § 1951, which amended the Anti-Racketeering Act, the exclusion clause involved in the *Local 807* decision was dropped. The legislative history makes clear that the new Act was meant to eliminate any grounds for future judicial conclusions that Congress did not intend to cover the employer-employee relationship. The words were defined to avoid any misunderstanding."
>
> In *Green*, the Court held that it was an extortion within the meaning of the Act to use force to obtain payment of wages for unwanted and superfluous services. *Id.*, at 417, 76 S.Ct., at 524.
>
> Here, the services were not unwanted or superfluous; they were services being negotiated under a collective-bargaining agreement.
>
> The Court relies mostly on the legislative history of a measure covering the same topic which was passed by the previous House but on which the Senate did not act. Two years later, the bill in its present form was enacted. It was a differently constituted House that debated it and the year was 1945 rather than 1943. So the most relevant legislative history, in my view, concerns the 79th Congress, not the 78th.
>
> The fear was expressed in the House that the elimination of the Exception Clause would open up the prospect of labor's being prosecuted.[1] As a consequence, Congressman Celler sought to amend the measure so as to exempt the use of violence to exact "wages paid by a bona fide employer to a bona fide employee."[2] His precise amendment in that regard would define "property" in the Act as not including "wages paid by a bona fide employer to a bona fide employee."[3] Those who objected said that it would substantially restore the 1934 Act.[4]
>
> Congressman Biemiller, in speaking for the Celler Amendment said:
>
> "We fear, for example, under the bill as it now stands, that a simple, unfortunate altercation on a picket line—and we all know that human beings are frail and when tempers are hot some trouble may develop—under such a situation you may send a man to jail for 20 years or fine him $10,000."[5]
>
> The Celler amendment was rejected.[6]

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[1] 91 Cong. Rec. 11914 (remarks of Rep. Marcantonio).

[2] *Id.*, at 11913.

[3] *Ibid.*

[4] *Id.*, at 11914; 11914-11915; 11918.

[5] *Id.*, at 11916.

[6] *Id.*, at 11917.

> As I read the Congressional Record, Congressman Baldwin spoke for the concensus when he said:
>
> "This bill would not have been presented to the House if organized labor had recognized law and order in striking and in establishing their rights, as they have a right to do. Everyone can remember the taxicab strike in the city of Baltimore, which does not pertain to this bill, where cabs were overturned, bricks thrown through the windows endangering the lives of people, innocent victims. Those were the tactics of organized labor which you people support outright and which organized labor sanctioned. The leaders were locked up and put in jail for participating in those activities. Yet you stand here on the floor of this House and say they did not do it or they did not know anything about it.
>
> "Mr. Chairman, labor has a right to strike, but when labor perpetrates that sort of thing, they are going far beyond the bounds of reason. Certainly, I do not take the position that labor has not the right to organize or to strike, but when they do so they should abide by the laws of the land and the laws of decency. If they had done that, we would not have this legislation before the House today."[7]
>
> Congressman Whittington voiced the same sentiments:
>
> "The pending bill will provide for punishing racketeers who rob or extort. There is no justification for labor unions opposing the bill as it constitutes no invasion of the legitimate rights of labor. Robbery and extortion by members of labor unions must be punished. Labor unions owe that much to the public. In demanding the protection of laws, labor unions should urge that those engaged in legitimate interstate commerce be protected from robbery and extortion."[8]
>
> Congressman Celler offered another amendment which would give as a defense to a charge under the Hobbs Act that the employee "did not violate the provisions of the Norris-LaGuardia Act, the Clayton Act, or the Railway Labor Act, or the National Labor Relations Act."[9] But that amendment was also voted down;[10] the only provision of the Hobbs Act which touched on that problem was 18 U.S.C. § 1951(c), which stated that this section "shall not be construed to repeal, modify or affect" those laws. References were made in the House debates to the trucking problem in New York, where farmers bringing their produce to market in trucks were held up and money was extorted "from the drivers in order that the shipments might enter the Holland Tunnel and be delivered to their respective destinations in New York."[11]
>
> Congressman LaFollette offered an amendment which would keep the 1934 Act intact but would bar the use of violence by a person not a bona fide employee to obtain property from a bona fide employer.[12] That, too, was defeated.[13]
>
> In the present case, violence was used during the bargaining—five acts of violence involving the shooting and sabotage of the employer's transformers and the blowing up of a company transformer substation. The violence was used to obtain higher wages and other benefits for union members. The acts literally fit the definition of extortion used in the Hobbs Act, 18 U.S.C. § 1951. The term "extortion" means the use of violence to obtain "property" from another § 1951(b)(2). The crime is the use of "extortion" in furtherance of a plan to do anything in violation of the section. § 1951(a). The prior exception covering those who seek "the payment of wages by a bona-fide employer to a bona-fide employee" was taken out of the Act by Congress. Hence, the use of violence to obtain higher wages is plainly a method of obtaining "property from another" within the meaning of § 1951(b)(2).
>
> Seeking higher wages is certainly not unlawful. But using violence to obtain them seems plainly within the scope of "extortion" as used in the Act, just as is the use of violence to exact payment for no work or the use of violence to get a sham substitution for no work. The regime of violence, whatever its precise objective, is a common device of extortion and is condemned by the Act.
>
> Congressman Lemke said in the House debates on the Hobbs Act which he opposed, "The minority is generally right."[14]
>
> Whatever may be thought of the policy which the Court today embroiders into the Act, it was the minority view in the House and clearly did not represent the consensus of the House. No light is thrown on the matter by the Senate, for it summarily approved the House version of the bill.[15]
>
> It is easy in these insulated chambers to put an attractive gloss on an Act of Congress if five votes can be obtained. At times, the legislative history of a measure is so clouded or obscure that we must perforce give some meaning to vague words.[16] But where, as here, the consensus of the House is so clear, we should carry out its purpose no matter how distasteful or undesirable that policy may be to us,[17] unless of course the Act oversteps constitutional boundaries. But none has been so hardy as even to suggest that.
>
> While we said in Kirschbaum C. v. Walling, 316 U.S. 517, 522, 62 S.Ct. 1116, 1119, 86 L.Ed. 1638, that it is "retrospective expansion of meaning which properly deserves the stigma of judicial legislation," the same is true of retrospective contraction of meaning.
>
> I would reverse.

Mr. **McCLURE**. Mr. President, numerous congressional investigations and "think tank" studies have been undertaken with respect to the Enmons case. Although, as the vote suggests, there is strong disagreement on the policy surrounding the Enmons case, I think the better view is that Enmons thwarted the congressional intent in enacting the Hobbs Act, and did so in a way that laid the groundwork for bizarre and unjust results. The House Republican Study Committee, in its 1984 hearings on the subject, heard from a New Jersey janitor who had his house vandalized and was threatened with a knife pursuant to labor-union-related violence, a Philadelphia contractor who was hospitalized for spinal surgery during a labor dispute, and a construction business owner who had to be placed in the witness protection program as a result of union violence. These cases should be subject to Federal purview and prosecution.

Mr. President, I ask unanimous consent that the report of the House Republican Study Committee be printed in the RECORD at this point:

There being no objection, the report was ordered to be printed in the RECORD, as follows:

REPORT ON RSC HEARINGS ON LABOR VIOLENCE

On February 8, 1984, the RSC held hearings on the subject of labor violence. These hearings stemmed from continuing frustration on the part of conservatives in the House: the widespread nature of this type of violence has not been adequately aired, and legislation to discourage this violence has been stalled by the Democratic leadership.

The Focus: The hearings focused on an injustice in current federal law. The Hobbs Act addresses the crime of extortion, described as the taking of property from another by using force or violence to obtain another's consent. However, in a 1973 Supreme Court decision known as the *Enmons* decision, this law was held not to apply where the extortion had a legitimate labor

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[7] *Id.*, at 11918.

[8] *Id.*, at 11913.

[9] *Id.*, at 11919.

[10] *Ibid.*

[11] *Id.*, at 11917.

[12] *Id.*, at 11919. The proposed amendment read as follows:

"(a) The term 'the payment of wages by a bona fide employer to a bona fide employee' shall not be construed so as to include the payment of money or the transfer of a thing of value by a person to another when the latter shall use or attempt to use or threaten to use force or violence against the body or to the physical property (as distinguished from intangible property) of the former or against the body of anyone having the possession, custody, or control of the physical property of the former, in attempting to obtain or obtaining such payment or transfer.

"(b) The term 'the rights of a bona fide labor organization in lawfully carrying out the legitimate objects thereof, as such rights are expressed in existing statutes of the United States' shall not be construed so as to ignore, void, set aside, or nullify the definitions set out or the words used in or the plain meaning of subsection (a) hereof."

[13] *Id.*, at 11922.

[14] *Ibid.*

[15] 92 Cong. Rec. 7308.

[16] See, *e.g.*, Addision v. Holly Hill, 322 U.S. 607, 615-616, 64 S.Ct. 1215, 1220-1221, 88 L.Ed. 1488, for the use by Congress of the rather opaque phrase "area of production."

[17] The fear was expressed in the House debates by opponents of the measure that a fistfight on a picket line during a strike could bring down on the offender a $10,000 fine and 20 years in jail or both. See 91 Cong. Rec. 11916; *supra*, at 1017. And the Government actually argued in one case, *United States v. Caldes*, 9 Cir., 457 F.2d 74, 78, that a union and its members were guilty of extortion if they used the coercion of a strike to obtain economic benefits from the employer. That, however, is nonsense, as these court in *Caldes* ruled, *id.*, at 79, for the Hobbs Act specifically does not touch collective bargaining of which the strike is a component part. 18 U.S.C. § 1951(c). Moreover, the court in *Caldes* held that "mischievous" conduct during a strike and actions which are "the by-product of frustration engendered by a prolonged, bona fide collective bargaining negotiation," *id.*, at 78, are often only low-level acts of violence that may be unfair labor practices or at best, subject to state, not federal, prosecution. That is my view.

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objective as a goal. Thus, although the rest of us could be prosecuted under the Hobbs Act for extortion as described above, a special exemption for labor is allowed for example when this tactic is used in a press for higher wages or benefits.

Corrective legislation: There are two bills in the House and one in the Senate amending the Hobbs Act in a way that would restore equity, making sure that labor violence is treated no differently than any other violence falling within the federal realm. These bills eliminate the special exemption now enjoyed by labor, clarifying Congressional intent so that the law cannot be again misinterpreted by the courts.

H.R. 287 (J. Kenneth Robinson) and H.R. 1514 (P.M. Crane) are pending in the Judiciary Committee, Subcommittee on Criminal Justice, with no action pending.

S. 462 (Grassley) had hearings last October in the Subcommittee on Separation of Powers in the Judiciary Committee, and full Committee hearings are expected in mid-March.

WITNESSES

Four witnesses testified at these hearings, appearing before the committee despite some personal risk. All had already suffered greatly—from destruction of property, from intimidation and threats, from physical violence, and from the emotional effects of such lawlessness.

To further point up the magnitude of the problem of unchecked labor violence, we note that three of the seven witnesses originally invited to testify later declined to appear before our committee because they said they had received further threats of violence and were afraid to appear, or they were fearful of further violent acts if they dared to testify at the hearing.

FEDERAL LAW NEEDED

There are numerous factors which make local or state prosecution and conviction of labor violence less than certain. Individual states are limited in effectively dealing with labor violence affecting interstate commerce. Indeed, in some cases labor tacticians from out of state are sent into a locality expressely to plan or manage a local or statewide strike.

Labor violence can exert tremendous pressure on authorities and institutions of a community which in some cases are clearly beyond its resources to contain equitably.

Local and state public officials are sometimes hesitant to pursue a case of labor violence because of the labor union's political or financial clout. Law enforcement agencies have been known to decline to step in because they themselves are unionized and are therefore reluctant to interfer with the union responsible for the violence.

It cannot be assumed that individuals willing to bomb, sabotage equipment, destroy private property, and physically assault another would not also continue this behavior to exert further pressure in order to avoid prosecution and conviction by local or state authorities. Prosecution under such circumstances can sometimes be understandably lax. Further, in cases of strikes by public officials (police or firemen, for example) there may be no local law enforcement or government to speak of.

Further, for fifty years labor management relations have been widely presumed to affect interstate commerce. The national organization structure of most unions, with jurisdiction that covers many states, supports this view, and violence of the unions certainly impact collective bargaining and in turn, interstate commerce.

> It clearly is an area of legitimate Federal jurisdiction, because these unions do cross State borders, and normally, I would harbor a great respect for local law enforcement, but you are dealing with entities here that are not just national—they are international, and as a result, that is a legitimate basis for getting the national law enforcement authorities to go to work in your behalf, especially in areas where local law enforcement authorities have broken down. (Rep. Philip Crane, RSC hearings on labor violence, 2/8/84)

TESTIMONY

The witnesses' testimony illustrated graphically the inadequacy of local remedies and the need for federal legislation to restore equity in the law.

HORACE GUYTON, A NEW JERSEY JANITOR

His union struck Wheaton Industries May '83. He went back to work after union stonewalled him on reasons. House vandalized, threatened with knife, told he was on 'Hit List', Guyton moved. Threats kept up. Knows his photo, phone and license numbers are displayed at union headquarters. Strike is over, persecution isn't.

Mr. Guyton has received no cooperation from law enforcement officials in his town:

> The local law enforcement, they're not doing anything. I have had a knife waved in my face, my life threatened. I called the police. They referred me to the sheriff's department. The sheriff's department came after staying out in the picket line with the strikers for about 45 minutes, they come up to the building and they tell me that if the strikers call and say I am saying anything to them, they are going to come back and lock me up. That was it. Nothing else was done or anything.
>
> . . . who can I call? I can't call the local police. I can't call the sheriff's department. They have already shown they won't do anything. I am on my own.

The witness made an eloquent plea for passage of the legislation to amend the Hobbs Act in order to restore order in the law:

> So I am going to keep working like this, in fear. I don't know how long I can take this. . . . Something has to be done. I don't know if Congress will pass this Hobbs Act [amendments], but I am praying they will, and I wish everybody else gives you a prayer to get through this before something bad comes out of this, not only in this part of the country, but other parts where it is worse than this.

CHER MUNGOVAN, WIFE OF PROTECTED WITNESS

Husband Walter had $2 million-a-year construction business in Hawaii, paid his people union scale plus. Testified in federal probe about illegal union actions against his company. Repeatedly threatened, Walter now under federal witness protection program. Wife Cher doesn't know who or where he is. There life's work is ruined.

This witness continues to receive threats on her life for her courage in pursuing the injustices done to her family. She and her 12 year old son still live in constant fear and continue to receive death threats. They are victims of unchecked union intimidation and violence, and they are virtually unprotected by the law.

The only consequence for the union which vowed to break Walter Mungovan for his refusal to force his employees into a union (the employees had voted in a federally-supervised election to remain non-union) has seen several perjury convictions. Mrs. Mungovan illustrated the problems that many victims find when forced to turn to local or state government for help, and her testimony reinforces the need for federal legislation to fight this type of violence and lawlessness:

> The thing that bothers me over the sentencing of Kapau[1] is he is a convicted felon with a prior criminal record. He produced for a sentencing report letters of support and admiration from Hawaii members of Congress and the local state legislators, and endorsements like that, which are obviously politically motivated, I don't know how we can ever hope to live in a society free of union violence.

Regarding the need to amend the Hobbs Act, Mrs. Mungovan impressed upon those present the need for equity.

> We only ask for equal rights under the law and that the unions and members or people that they might hire be liable for their actions just the same as you or I are. We don't think that is too much to ask for considering what we have gone through and are still going through today. . . .
>
> We only ask that the law be amended so that we stand a fighting chance in this thing.
>
> I don't understand how, in effect, any member of Congress can condone the kind of activity that has destroyed my family, taken my husband from me, and is still refusing to vote for an amendment to the Hobbs Act.

SIGMUND KAYE, PHILADELPHIA CONTRACTOR

Was renovating a house with non-union workers. They were driven off and house wrecked by 15 burly men in gray union-owned bus. Kaye beat up by same men same day, resulting in hospitalization for spinal surgery. Same bus linked to other scenes of intimidation and violence.

As in the case of many other victims of this type of union violence, Mr. Kaye received virtually no assistance from police or other local law enforcement agencies:

> I have worked with the Philadelphia police department, the DA's office, the United States Attorney. No one has made any efforts to bring about any restitution.
>
> The police have done absolutely nothing. They have made . . . the linkage with the union . . . and that's as far as they've gone. They will not go any further. The FBI cannot get involved because it's not a Federal crime. The United States Attorney won't go near it . . . We cannot get cooperation from the authorities.

Mr. Kaye emphasized the need for federal legislation in order to combat this type of criminal behavior:

> I'm hoping my testimony here along with other people here can try and get some Federal jurisdiction in combatting these crimes, because nothing is being done on a local level. Nothing is being done.

And again,

> I just feel as though it's a hopeless case as far as any prosecution is concerned, because the Philadelphia Police Department are not willing to do anything. So I'm hoping that Federally we can do something . . . .

BOB WOHLSEN, PENNSYLVANIA CONTRACTOR

Company had contract to expand museum in Chadds Ford, Pennsylvania. Union activists blocked site and museum too. On 6-8-83 Wohlsen and 4 others videotaped it for anti-picketing injunction. They were beaten.

Wohlsen's head, stomach and back were kicked and punched. Needed brain surgery.

Mr. Wohlsen's testimony supported what our committee found to be frequently the case: it is not always a simple matter for law enforcement authorities to contain violence in these situations:

> Right in the presence of state police being there, they punctured our tires and beat up our cars and cut our hydraulic lines on our trailers, right there.
>
> Those policemen had a heck of a time in that violent situation . . .. Every time we call the police we are told 'there is nothing we can do.'

Mr. Wohlsen urged the Congress to act against such lawlessness:

> "I would not pretend to know more about organized labor and this country's labor laws than what this distinguished committee knows. But I do know that I have never seen or experienced such a total and blatant disregard for the law and for the most basic of all human rights. No union, no individual, no matter how politically strong they may be, should have the power to be above the law. No one should be allowed to hurt another human being or to disrupt or attempt to destroy another person's business. If I committed a crime I would expect to be punished. Furthermore, I would in fact be punished. Why should a labor organization, its leadership and its members be any different.
>
> . . . violence, vandalism, extortion and sheer terrorism are allowed to continue. If federal law created the various rights for the unions then the same body of law should also regulate labor's behavior and punish its misconduct. As a citizen and as a businessman I should be free from the type of problem that occurred on June 8, 1983. It is obvious that something needs to be done to further protect our rights.

BACKGROUND

Federal legislative attempts to control union violence began with the Anti-Racketeering Act of 1934, which was one of a number of bills resulting from investigations into racketeering, conducted in 1933 by a subcommittee of the Senate Committee on Interstate Commerce. With this legislation the Congress recognized that labor violence was a problem which state and local governments could not effectively control.

The Anti-Racketeering Act of 1934 set penalties for those who use or threaten to use force, violence or coercion to obtain money or property or other valuable consideration, or the purchase or rental of property, or protective services. However, this prohibition specifically did not include "the payment of wages by a bona fide employer to a bona fide employee." In short, extortion against employers was illegal except in the case of wages.

This exemption led to a Supreme Court ruling in *U.S.* v. *Local 807* (118 F. 2d 684 (2d Cir. 1941), *aff'd*, 315 U.S. 521, (1942)) that under the federal Anti-Racketeering Act of New York City Teamsters local could stop trucks as they came into the city and use violence and threats of violence to obtain from the truck owners the equivalent of a day's pay either to allow the teamsters to take the trucks into the city or in many instances for simply allowing the trucks to enter the city with their regular drivers. The statute did not include a prohibition against force or violence to obtain "the payment of wages by a bona fide employer to a bona fide employees," and in the *U.S.* v. *Local 807* situation, the court oddly decided that there *was* a bona-fide employer-employee situation as long as the person who extorted the payments offered to do the work. This statute then did not protect the out-of-town drivers nor punish the behavior of the Teamster local.

This holding further indicated the court's preoccupation with the notion that if the objective were "traditionally legitimate . . . from labor's perspective" then the means to achieve the objective would not be viewed as extortion, no matter how violent.

Congress later acted to assure that such an interpretation would no longer be held valid by the courts by passing the Hobbs Act.

In 1946 the Hobbs Act was passed to eliminate the wage exemption. The debate on the Hobbs Act indicated that the Congress felt the Supreme Court wrongly decided the *Local 807* case, and that the decision was a "distortion of the intent of Congress." (Congressman Halleck, see 91 Cong. Rec. 11900, 1945; also 88 Cong. Rec. 2071, 5334-35, 1942; 89 Cong. Rec. 3193, 3201-2, 3206-7, 3220, 1943.) In an effort to be sure that a future similar case would not be similarly decided, the Congress rewrote the 1934 Anti-Racketeering Act and took care to completely eliminate the exemption on which the decision in the *Local 807* case was based. The Hobbs Act read as follows:

> Whoever in any way or degree obstructs, delays, or affects commerce or the movement of any article or commodity in Commerce, by robbery or extortion or attempts or conspires so to do, or commits or threatens physical violence to any person or property in furtherance of a plan or purpose to do anything in violation of this section shall be fined not more than $10,000 or imprisoned not more than twenty years, or both.

Congressman Hobbs indicated during debate that his bill, while eliminating the wage exemption, was in fact designed to correct the deficiency in the 1934 federal law. The Congress was intent on making sure that a decision such as in the *Local 807* case would not be repeated. Extortion this time was defined to include the obtaining of property from another, with his consent, induced by *wrongful* use of actual or threatened force, violence or fear. (emphasis added)

The inclusion of the word "wrongful" is a key to continuing problems with decisions regarding union violence based on the Supreme Court interpretation of the Hobbs Act. The Supreme Court decided in 1973 in *United States* v. *Enmons* (335 F. Supp. 641 (E.D. La. 1971) *aff'd*, 410 U.S. 396, (1973)) that acts of violence could not be considered extortion under the Hobbs Act when perpetrated in furtherance of a legitimate labor objective. The Court felt that the word "wrongful" would not have been included in the definition of extortion if the Hobbs Act had been meant to apply to all labor violence.

A further look at legislative history, however, would show convincingly that the *Enmons* decision reached by the Supreme Court is in error, and that "wrongful" applies to all but legitimate labor activity, such as allowable peaceful striking and picketing.

In fact, Congressman Hobbs made it very clear during debate that a simple threat to go on strike would not be viewed as extortion under the Act, and stated that the word "wrongful" applied to the entire relevant section of the Act. Thus a strike is not "wrongful force" unless accompanied by violence. (See *Nebraska Law Review* vol. 59, No. 4 (1980) p. 893).

It is reasonable to assume that the insertion of the word "wrongful" was meant to assure the opponents that the Hobbs Act was not meant to restrict legitimate activity, and even if a strike were to be considered an application of force, it would not be wrongful force, unless violence were to be involved. This interpretation is certainly compatible with the legislative history as brought out by debate and is, in addition, compatible with the desire of the Congress to overrule the *Local 807* decision.

COMMITTEE FINDINGS AND RECOMMENDATIONS

The testimony developed at this hearing reinforced findings made by the Senate Judiciary Committee's Subcommittee on Separation of Powers, at its hearings held October, 1983, and by studies such as the Wharton School's comprehensive study on union violence published in 1983. In short, labor violence is all too frequently attributable to union strike tactics whch include premeditated efforts at intimidation through fear and violence, and such violence is not prosecutable under the Hobbs Act due to a misinterpretation of Congressional intent made in a 1973 Supreme Court case. Further, this type of violence is part of a widespread pattern serious enough to be a national problem.

The Anti-Racketeering Act, and later the Hobbs Act, were passed in an effort to curb labor violence. Unfortunately, federal laws passed to prohibit such violence have been virtually nullified through inadequate court interpretations of Congressional intent and legislative history. Yet the Congress never intended to make the distinction between union workers and other Americans.

In other words, as brokers of employee services, labor unions were to be limited in the use of force to the same extent as were other brokers or sellers of commodities; in either instance, the effectuation of the exchange through the use of force was to be prohibited as extortion. (Wharton Study, No. 25 (1983)).

H.R. 287 and H.R. 1514 are the most recent in a continuing effort to tighten up the Anti-Racketeering Act (later the Hobbs Act) in order to clarify Congressional intent and correct the interpretation of the Court.

These bills do not interfere with the legal right to strike or picket. They are aimed solely at restoring equity by making sure that labor violence is treated no differently than any other violence.

The legislation would amend the Hobbs Act so that violence or threats of violence "in the course of a legitimate labor dispute or in pursuit of legitimate union or labor ends or objectives" would be a violation of the Act and would be subject to federal prosecution. It would close the legal loophole in the law created by the Supreme Court interpretation of the Act in the *Enmons* case.

It is unfortunate that the Democratic leadership in the Congress has seen fit to ignore what is a serious nationwide problem, and has refused to allow these bills to be considered in the House. In the face of this deliberate inaction, cosponsorship of H.R. 287 and H.R. 1514 is particularly important as a part of the effort to force the leadership to allow consideration of this legislation.

This committee promises that the effort to rectify the current injustice will not stop with these hearings, and that our members will do all that is possible to achieve passage of H.R. 287, H.R. 1514 or similar legislation.

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[1] Head of Hawaii carpenters union, sentenced only for perjury in the Mungovan case; vowed to break Walter Mungovan.

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Mr. McCLURE. Finally, Mr. President, the U.S. Chamber of Commerce has done an excellent study of S. 1774. The chamber concluded that, first, labor violence is a major problem, second, local police are not controlling picket line violence, third, organized crime use a prime force behind labor violence, fourth, there is a broad spectrum of victims of union violence, including union members, and fifth, S. 1774, which merely restores the original intent of the Hobbs Act, is necessary to assure equal application of the law, ensure the preservation of legitimate rights, and being Federal extortion laws in consonance with other Federal labor policies. Mr. President, I ask unanimous consent that the study by the chamber of commerce be printed in the RECORD.

(The study is printed earlier in today's RECORD.)

In sum, Mr. President, I am saddened by the outcome of our earlier vote. I suspect it will set the stage for increasing violence, and that, following some major tragedy involving extensive injury and loss of life, we will be back to the same point we are now, but with a different result.

Mr. METZENBAUM. Mr. President, I do not see anybody else on the floor seeking recognition. That being the case, and it being my understanding that the Senator from Iowa has yielded back all his time——

The PRESIDING OFFICER. The Senator is correct.

Mr. METZENBAUM. I therefore yield back the remainder of my time.

The PRESIDING OFFICER. All time has been yielded back on this particular subject.

ELECTRIC CONSUMER PROTECTION ACT

The PRESIDING OFFICER. The Senate will now return to consideration of S. 426, which the clerk will state by title.

The assistant legislative clerk read as follows:

> A bill (S. 426) to amend the Federal Power Act to provide for more protection for electric consumers.

The Senate continued with the consideration of the bill.

Pending:

Melcher Amendment No. 1785, to provide specific authority for wheeling of power under sections 211 and 212 of the Public Utilities Regulatory Policy Act.

Mr. METZENBAUM. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. DOLE. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER (Mr. QUAYLE). Without objection, it is so ordered.

SCHEDULE

Mr. DOLE. Mr. President, earlier in the day the distinguished minority leader asked what we might expect for the remainder of the day. I am still hopeful that we can complete action on S. 426. It seems to me that this bill is not a major piece of legislation. It is important. I did not want it misunderstood. Again, we find ourselves spending several days on items that should be cleared up in several hours. We just finished one bill, the Airport Transfer Act, which took a couple of weeks. Now we are on the hydrorelicensing bill which should take a couple of hours. It has been 4 days.

I hope to complete action on that today and also the technical amendments to the crime bill, if not today, tomorrow; the Federal Deposit Insurance Act, S. 2231, or its companion bill H.R. 4451; S. 1923, the bankruptcy judges bill; and any Executive Calendar nominations that appear on the Calendar.

If we can complete action on this legislation, the items just mentioned, between now and tomorrow evening, I would suggest that if there were a Friday session, there would not be any votes. If we cannot do that, then I think we would have to indicate we would want to complete action. It may be that by Friday we will be prepared to proceed to the budget resolution and, if that were the case, that would probably be opening statement but no votes.

I must advise the distinguished minority leader and others that I just cannot indicate at this time with any certainty what the schedule would be on Friday or how late we might be here this evening or whether or not there would be votes into the evening.

AMENDMENT NO. 1785

Mr. JOHNSTON. Mr. President, this bill has been pending now for some months. We had long proceedings before the Energy Committee. There were long hearings, and many long markups. It has been pending on the calendar for a long time.

We have been put on notice, by the distinguished Senator from Montana, as to his interest in the question of wheeling, and we know from the public power people that they have an interest in wheeling. We have yet to determine exactly what it is that they want, Mr. President.

Even if we were willing to say, "Yes," we don't know what is it that they want.

They put in an amendment yesterday and, as we were about to vote on that amendment the amendment was withdrawn. Apparently, today's amendment is not the amendment of yesterday.

One thing seems absolutely clear, Mr. President, that the representatives of public power are not willing to put their issues up before the Senate, and the reason is that those issues do not pass muster. They are not logical. They are not good for the country. They will not pass the Senate, and they know that. They would get defeated overwhelmingly.

Every time we ask "What is it you want," they say it is not what we said yesterday, it is something else.

Mr. President, this body works under a principle of unlimited debate, and I as much as any one here want to preserve that principle. I understand that that is a great right and indeed I stood on this floor to protest television in the Senate because I thought it might interefere with that.

I do not for 1 minute imply that the principle of unlimited debate and the right to filibuster is wrong. I think it is basic to this country. I think it is basic to the U.S. Senate.

The reason the principle of filibuster has been followed here for over a century, Mr. President, is that this is the body where very controversial issues are supposed to be allowed to be cooled and fully debated and fully considered, and the passions of the day taken out of those issues while you slow legislation down long enough to consider it deliberately. That is what we mean when we say the world's greatest deliberative body. Some people laugh when we say that. Maybe we have pretensions in trying to claim that. But that is what it is supposed to be, a deliberative body where we discuss things at some length.

But, Mr. President, that right to filibuster can also be abused. And it is abused when you take a bill which is overwhelmingly favored and well understood and because of the inability to come to a decision, the inability to be willing to risk anything on the floor of this Senate, they use that right inappropriately.

I do not want to say that they do not have the right, because the right is there to be used properly or improperly. But, Mr. President, when the public power people will not even tell us what they want or having presented the outrageously and illogical amendment of yesterday they are not willing to put that to a vote, I think that is a misuse of the power.

Mr. President, the public power people may think that they can abuse the Senate day after day, hour after hour, and not pay a price. But I want to tell you, as far as this Senator is concerned, I feel that they have abused the process, abused this bill, and if they expect the Senate seriously to consider what they have on their agenda, they better think again because they are abusing this Senate and

abusing the process and I, for one, do not appreciate it.

Mr. President, if they will tell us what they want, if they will put out here on the Senate floor an amendment which we can debate and discuss on its merits one way or the other, I say that is fine. We do not claim that every jot and tittle of our legislation is not capable of change. But at least tell us what you want. At least say, "We want this or that," but do not just say we want something else besides that which is pending.

Mr. President, I ask for the yeas and nays on the pending amendment.

The PRESIDING OFFICER. Is there a sufficient second? There appears to be a sufficient second.

The yeas and nays were ordered.

Mr. DOLE. Mr. President, I do hope that my colleagues can work this out. As I understand it, there may be a legitimate controversy involved but, again, there are a number of Senators and other interests in the country, not special interests, that would like to see this bill passsed.

I must indicate to my colleagues, maybe the Senator from Montana wants to kill it, and he may be able to do that, because once we get on the budget, then we have a full plate from then on. We have the defense reorganization bill, we are going to have the budget resolution, we will have the supplemental appropriations within the next week or so, and we will revisit Contra aid. So this bill will not see the light of day for some time.

But, it is leverage time around here. Everybody else is ready to pass it but one Senator. He wants something, and maybe he is being spurred by others who want something. That is the way it works. I do not quarrel with the system.

But I do suggest if we do have the amendments to offer, it does not serve any purpose to say, "Well, we don't want to take it up today; we want to take it up next week or the week after that."

If there are amendments, let us offer the amendments and vote on the amendments and see what happens and find out where the will of the Senate is. But we cannot determine what the will of the Senate is if nothing is offered.

So I hope my friend from Montana would offer an amendment, offer two amendments, offer three amendments, offer four amendments, and then let us act on the amendments and then finally dispose of this bill today.

I hope the managers of the bill are prepared to continue work on this bill into the evening.

Mr. McCLURE addressed the Chair.

The PRESIDING OFFICER. The Senator from Idaho is recognized.

Mr. MELCHER. Will the majority leader yield?

The PRESIDING OFFICER. The Senator from Idaho has the floor.

Mr. McCLURE. Mr. President, it is my intention, without relinguishing my right to the floor, to move to table the pending amendment. I do not unduly wish to restrict the opportunity to ask questions, but, I think, under the circumstances, perhaps, while I have the floor, I better make that motion.

I am happy to yield to the Senator from Montana for a question, without losing my right to the floor.

Mr. MELCHER. Well, I hesitate to say anything because it is so obvious it is not a question. But while the majority leader is here on the floor, let me explain my position on this.

Under the unanimous consent request, there must be an amendment at the desk. My purpose is just to save votes. If we have a useless amendment out there that cannot be acceptable, there is no reason to even vote.

We were able last evening to meet immediately after we finished discussing this bill, we were not quite adjourned, and I met with about 11 or so attorneys representing both sides of the issue, and included in that 11 was about 4 or 5, perhaps 6, of the committee staff attorneys. We were able to narrow down the points of contention. Staff attorneys of the committee were very timely in providing some proposals for alternative language that might be beneficial for both sides.

Representing the public power interests, on the other side, their attorneys provided some language that they thought might be beneficial and we would exchange those two sets of proposals.

I have had some opportunity during the past hour to discuss the proposals made by the public power attorneys to both the managers of the bill and the committee attorneys, and they are not acceptable. That is clear. On the other side, I have not had an opportunity to get back to the public power attorneys to see if they found any merit in what the committee staff attorneys propose. I suspect they will find some merit, but I think what usually happens is they will want to jiggle this or jiggle that. I do not know. But I simply have not had that opportunity.

It is nobody's fault. The fact is that we met until about 10 o'clock last night and broke up. The attorneys were gracious enough of their time and were industrious enough to provide some alternative language this morning and we have not had the benefit of letting each side digest it.

Now, there is an amendment pending at the desk and we can have a vote. It is not much of an amendment, as both sides know, both managers know. I just think it is a wasted vote. We would be better off spending our time getting to something else. We could continue the discussion of the issue—I do not mind doing that—after we have the vote, if we find that wise.

Mr. McCLURE. Mr. President, I think the Senator from Montana is in good faith trying to find a solution to a problem, but nobody has yet been able to define or point to an area of compromise that is likely to satisfy people on both sides. I cannot see how the negotiations, unless the parties on one side or the other move away from their preconceived positions, that we are going to get to that agreement. So far there has been no such sign of accommodation, absolutely no such sign of accommodation. I do not say that of the Senator from Montana. I say that of the people whose interests he is trying to protect here in this process.

I agree with the Senator from Louisiana and his statement. While I regret to do it while there is still a good faith effort on the part of the Senator from Montana, that good faith effort simply is not producing anything in the current climate. I, therefore, move to table the amendment pending and ask for the yeas and nays.

The PRESIDING OFFICER. Is there a sufficient second? There is a sufficient second.

The yeas and nays were ordered.

The PRESIDING OFFICER. The question is on agreeing to the motion of the Senator from Idaho [Mr. McCLURE] to table the amendment of the Senator from Montana [Mr. MELCHER]. The yeas and nays have been ordered and the clerk will call the roll.

The legislative clerk called the roll.

Mr. SIMPSON. I announce that the Senator from Florida [Mrs. HAWKINS] is necessarily absent.

I also announce that the Senator from Arizona [Mr. GOLDWATER] is absent due to illness.

The PRESIDING OFFICER (Mrs. KASSEBAUM). Are there any other Senators in the Chamber who desire to vote?

The result was announced—yeas 77, nays 21, as follows:

[Rollcall Vote No. 68 Leg.]

YEAS—77

Armstrong
Bentsen
Biden
Bingaman
Boren
Boschwitz
Bumpers
Byrd
Chafee
Cochran
Cohen
Cranston
D'Amato
Danforth
DeConcini
Denton
Dixon
Dole
Domenici
Durenberger
Eagleton
East
Evans
Ford
Garn
Glenn
Gorton
Gramm
Grassley
Hatch
Hatfield
Hecht
Heflin
Heinz
Helms
Hollings
Humphrey
Inouye
Johnston
Kassebaum
Kasten
Kerry
Laxalt
Leahy
Levin
Long
Lugar
Mathias
Matsunaga
Mattingly
McClure
McConnell
Mitchell
Moynihan
Murkowski
Nickles
Nunn
Packwood
Pryor
Quayle
Riegle
Rockefeller
Roth
Rudman
Sasser
Simon
Simpson
Specter
Stafford
Stevens
Symms
Thurmond
Trible
Wallop
Warner
Weicker
Wilson

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NAYS—21

Abdnor
Andrews
Baucus
Bradley
Burdick
Chiles
Dodd
Exon
Gore
Harkin
Hart
Kennedy
Lautenberg
Melcher
Metzenbaum
Pell
Pressler
Proxmire
Sarbanes
Stennis
Zorinsky

NOT VOTING—2

Goldwater
Hawkins

So the motion to lay on the table amendment No. 1785 was agreed to.

Mr. McCLURE. Madam President, I move to reconsider the vote by which the motion was agreed to.

Mr. JOHNSTON. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. MELCHER. Madam President, I suggest the absence of a quorum.

The **PRESIDING OFFICER.** The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. MELCHER. Madam President, I ask unanimous consent that further proceedings under the quorum call be dispensed with.

The **PRESIDING OFFICER.** Without objection, it is so ordered.

AMENDMENT NO 1787

Mr. MELCHER. Madam President, I send an amendment to the desk and ask for its immediate consideration.

The **PRESIDING OFFICER.** The amendment will be stated.

The legislative clerk read as follows:

The Senator from Montana [Mr. Melcher] proposes an amendment numbered 1787:

At the appropriate place, insert the following:

"Sec.——.

a. Sec. 211(c)(1) of the Federal Power Act, as amended is amended by striking the period and adding the following:

"*Provided* That the Commission in making its determination under this paragraph need only consider the existing retail customers and the current level of service to such customers of the utility potentially subject to the order and of the applicant." "

Mr. MELCHER. Madam President, the parliamentary procedure that is in effect now, because of the unanimous-consent agreement, is this: Only wheeling amendments can be offered—I have to offer them—and that language is subject to a second-degree amendment by the Senator from Ohio [Mr. Metzenbaum]. Under these circumstances, an amendment must always be at the desk, and I would like to describe my purpose in sending these amendments to the desk.

The last vote we had was on an amendment that I do not think was in good order. While it was a symbolic vote on whether or not you wanted to broaden wheeling, the amendment itself had flaws.

This bill, S. 426, is a very good bill, I believe. I think it is a desirable and needed bill. The relicensing of hydrofacilities is proper, and it is a continuation of licensing in most instances, but not necessarily all, for the present utility company that has a license for the particular hydrofacility.

Some will argue that that is too generous. However, in my State, we have some hydrofacilities that would be affected by this bill; and if the utility that has that license should be relicensed, there would be a great deal of confusion, which I do not think would be worth the effort and probably would not be in the public interest.

So, all in all, I think the bill is good. But from the standpoint of the utility companies that are privately owned, it is a particularly fine bill, for obvious reasons. Some of the public power people say it is too good a bill for them; and, in a restrained manner, they have said: "If we do not really have preference in the relicensing procedure, we at least hope we would see some progress in another important area"—in two important areas, perhaps, but the primary area they are concerned in would be wheeling, I believe.

When the bill was in committee, two issues were raised, not immediately resolved in the bill before it was reported by the committee.

Senator Metzenbaum raised the issue of antitrust provisions. He thought the bill should carry with it an antitrust provision. I thought so, too. I had concerns about that.

However, nothing was done in committee, with the understanding that perhaps on the floor there would be consideration of an antitrust amendment. To the credit of the managers of the bill and the committee as a whole and Senator Metzenbaum, the antitrust provisions were worked out, an amendment was accepted, and it is now part of the bill.

On the question of wheeling, I reserved the right—I did not have to reserve the right; I described in the committee that I had some concern about wheeling and would attempt to provide some language for an amendment on the floor that would broaden wheeling somewhat. That is exactly where we are at now.

The point is, why is wheeling necessary? Why is any wheeling modification necessary? I am going to describe an instance that exists in a number of cases, in a number of areas, and then perhaps we can narrow the issue down as to what we are really describing as a necessary improvement in the bill.

If a municipality which has its own utility company is completely surrounded by a public utility, privately owned, and needs to have additional power, the municipality may seek, not from the public utility which surrounds it but from some other sources, the purchase of power, which would then have to be on a transmission line and brought to the municipality. That is the only way it could get additional power without going to the private utility company that surrounds it. There are two different examples of that one instance.

The private utility company that surrounds it may not have the capability of providing from its present generating sources, its own generation, any additional power. Therefore, if it were going to sell to the municipality, it would have to purchase it somewhere else, just as the municipality would, and have it carried into its area, and then on to the municipality.

The other example—and it easily could be the case—is that the private utility company did indeed have additional power to sell right there, but the municipality itself, a public utility, might care to have some competition—in other words, not just be a captured purchaser—and be able to look elsewhere to see whether the price was fair and, if it got a better price, perhaps to buy it from the other source, maybe even the same source from which the privately owned utility company would purchase it for itself.

Madam President, in that instance, getting what is called wheeling—that is, the transmission of the power into the municipality—into that captured municipality is something that obviously is in the public interest.

What about from the side of the privately owned utility? Are they somehow disadvantaged?

In the case where it is additional power needed and has to come into the area, they are not disadvantaged.

If the case is such that they do have power available to be sold to the municipality, they may be able to say they are disadvantaged. That might be the case.

What would be the procedure?

In either case, the municipality in a captured market would ask for a wheeling provision, perhaps from the privately owned public utility that surrounds it. If they make an agreement, fine. It is voluntary.

The other side of that is, what if the agreement that is offered, the best agreement they can get out of that particular private utility, is not satisfactory? In that instance, then, they could seek to go to FERC, the Federal Energy Regulatory Commission, and say: "We cannot get a voluntary agreement on wheeling that is satisfactory. We seek to have one ordered."

PURPA was designed, it was passed in 1978, to resolve that difficulty, to allow this captured municipal utility to go before FERC, make their case to see whether a wheeling order under decent circumstances, decent costs, because, remember, it will be paid for, could be arranged.

Since the passage of PURPA in 1978, PURPA has not ordered one wheeling contract. So, it remains an unsolved problem. PURPA was designed to give a narrow window of opportunity to

that municipality, this captured public utility, an opportunity to go before FERC and have a proper, fair, decent, wheeling order issued.

What I have described in this case in no way fits in with anyone's definition of pirating. I want to go to that point first.

Pirating is generally described as a utility company taking away a retail customer of another utility company.

This is not a case even of retail customers. This is a wholesale deal and it is one public utility versus another public utility, one of them publicly owned and one of them privately owned.

If the case were to be, and this is a different situation and should not be considered under the term "pirating," but if the case would be that the municipality felt that they were paying too much to the private utility that was surrounding them and they wanted an opportunity not to purchase power from them, because the price was too high, and wanted to go somewhere else and than needed a wheeling order to have it in there because they have no transmission lines, that is a different instance than I earlier described.

But many municipalities feel that that also should enable them to go before FERC and ask for a wheeling order.

What prevents FERC from giving the wheeling order because courts have narrowly interpreted the purpose and really the intention, the congressional intention, of PURPA when it was passed and said that under any circumstances when it can be shown at all that the private utility company that surrounds them, this captured market, would be of less value, the wheeling order cannot be issued, that PURPA hoped to open a narrow window of opportunity for the public utilities that were in such circumstances. But it failed. It has failed since the language itself in one of the sections has been interpreted to make it impossible to ever determine that the private utility company involved was disadvantaged.

What does disadvantaged mean? It means that their income will not be the same after the wheeling order was issued.

It could be greater. Obviously, if the captured market was going to buy more power for them or even had to get the power from outside because there was not any more power available, just the fact that they would not be wheeled over the private utility company's transmission lines, it is easy to see that they would not have as much revenue coming in. So it is a catch-22.

What was designed to be an opportunity, a narrow opportunity for the public utility that needed a wheeling order, cannot get it.

The argument is made that there has been a lot of voluntary agreements for wheeling and, of course, there have, and I applaud that and I think that is very good.

But a captured public utility says, "Well, in those instances we might have gotten a better wheeling contract. If there was some indication that it would be possible as a last resort to go to FERC, we might have gotten a better contract on wheeling," that is the price they paid for the power being transmitted to them would be on better terms, more acceptable to them from the standpoint of their consumers.

I mentioned consumers, I think erroneously some of the debate has centered against any broadening of wheeling at all on the basis, well, consumers would have to pay more. No; in the case of where any wheeling or before any wheeling order could be granted, it had to be demonstrated to the satisfaction of the Federal Energy Regulatory Commission that the consumers of the public utility that was going to do the wheeling were not adversely affected. That is taken care of and that would not be disturbed.

From the public power standpoint, they hasten to point out, "Well, we are also talking about the consumers of these public utilities and when they are captured when they cannot get a decent wheeling order or decent voluntary wheeling contract, then their consumers are hurt."

It is on balancing out one side versus the other and to the extent that wheeling contracts are higher than they should be or to the extent that a public utility cannot get a wheeling order, their consumers are hurt.

As far as the privately owned utility company consumers are concerned, nothing in this amendment I am now proposing or any that I would seriously offer and ask the managers of the bill to accept would I want to see that altered. I do not want pirating. I do not want cancellation of contracts. I do not want to hurt one set of consumers just to try to balance out another set of consumers. I do not want the ratepayers of a private utility company burdened.

PURPA, the Federal Power Act, does not allow that. I do not want to change that.

Maybe the question is in your mind, Is there any room to change anything? I believe there is. In good faith I believe this can be worked out. We have not satisfactorily worked it out now, but I have offered an amendment and I want to describe that amendment.

This adds to the one section of the Federal Power Act as amended by PURPA. It is something that would provide a narrow, limited opportunity for public utilities to be able to get before FERC and have FERC rule on the case whether or not a wheeling order under all the conditions of FERC could be granted.

This language was developed after a 3-hour session last night with the staff attorneys and some of the attorneys representing public power and some of the attorneys respresenting private utility companies. It is language that would attempt to satisfy a narrow opportunity.

Now the language itself actually came from the committee, except for one word that is charged. And everybody that has a copy of the amendment, both of the managers and their staffs, and the amendment at the desk shows that there is one word added. The Commission, that is the Federal Energy Regulatory Commission, in making its determination need only consider the existing retail customers.

What is a retail customer? A retail customer is anyone that is a customer, any business, any home, anyone that buys electricity to use it for their own purposes. Is that different from some other customers? Yes, it is different from some other customers. The other customers are called wholesale customers. They are customers that generate electricity and sell it to somebody else.

So what this amendment does is allow one more opportunity for FERC to look at a wheeling request put to it by a public utility. The public utility is a wholesaler. They sell the electricity they have to consumers.

This amendment would give a very narrow, limited opportunity for public utilities to come to FERC and say, "We want to see, under all the constraints and all the provisions of the Federal Power Act, as amended by PURPA, whether or not we can get a wheeling order."

Now, there is not anything that the Federal Energy Regulatory Commission must do. By the way, it is an adjudicatory process. Both sides present their arguments. Both sides say how the provisions of the Federal Power Act and PURPA will be satisfied by their application in the case. If it is a public utility and if it is resisted by the other private utility, they present their side and say. "You cannot grant it." One side says, "Can you grant it?" The other one says, "You can't grant it." And under all of the constraints of the body of law that has developed since 1935 under the Federal Power Act and particularly those amendments that were added by Congress in 1978 under PURPA, the Federal Energy Regulatory Commission must make a decision.

Since 1978, there have not been any wheeling orders out of FERC. It is on that basis that I sincerely believe that the public power utilities, the rural electric companies, they have a right, a legitimate right, to approach the Congress and say:

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Well, we would like some relief. We would like a chance. We want to progress too. We want to protect our consumers. And in wheeling, we are not always able to get a voluntary agreement for wheeling. Sometimes when we sign a voluntary agreement for wheeling, we think the terms are a little bit harsh, the costs are a little bit too much. But that is the best we can get. We felt under PURPA and the 1978 amendments to the Federal Power Act we might have a better shot, but it really has not worked out that way. So we are coming to you now and asking for some adjustment in a very narrow, limited way.

Now, Madam President, what about this whole deal? Why was it not resolved in committee? The whole argument in committee was over the relicensing of hydrodams. And, rightly or wrongly, public power made their case and their big pitch on holding in the law a preference, a preference that many of us felt really was a somewhat broader concept than what I had previously viewed as preference. In other words, the public power advocates, their leaders, in their approach to me was only on the issue of preference. They wanted a preference on the question of relicensing. Preference on a new dam, they could get that if it was a Federal dam. But on the relicensing of an existing hydrofacility, the committee rejected—and I do not argue with the committee on this point—rejected a preference to a public power entity to get the license of an existing hydrofacility instead of the current operator which, in most instances, in the larger ones at least, is the private utility company. So they lost on that. So, I guess, to put it in a phrase that might be easily understood, in their efforts in the committee, they shot there wad on that one and did not pursue vigorously this question of wheeling.

Now, it is fairly asked by the managers of the bill—and I concede they have some questions to ask of me—"Well, why wasn't it pursued more vigorously in committee?"

And I will say to the managers of the bill and say to the rest of my colleagues, that, in my judgment, it probably should have been pursued more vigorously in committee, but it was not. But having not done it then, that does not mean they should be foreclosed now. And that is my motivation for offering these amendments.

I believe that it is both in the public interest and fairness to broaden out in this very narrow gap the opportunity for wheeling.

I have only been speaking about public utility companies that want a wheeling order. Let me address something else that I feel is just as essential. There are some privately owned utilities, operated in the same way as the largest of the privately owned utilities, the United States. But they are small. They operate in the same way; exactly the same fashion.

And some small privately owned utilities can have the same set of circumstances facing them as I have described in this concept of a public utility, perhaps a municipal utility, completely surrounded by one privately owned utility, or in some cases more than one. But completely surrounded, in order to give wheeling it has to be done by the larger utility company. I think in fairness to them they ought to have some consideration in this bill.

Why the change? Why the one-word change in this language in the amendment? Why "retail"? They have added the word "retail" to it. I repeat. The word "retail" comes in this context, in this phraseology, that the Commission in making its determination under this paragraph need only consider the existing retail customers.

That is too narrow, very much too narrow, and to clearly make it fit with the rest of the Federal Power Act, and the purposes of PURPA, the amended Federal Power Act.

There is a very good solid argument to be made that to protect the ratepayers, the consumers of one group against the other, by adding the word "retail" we make sure that it is clear that it cannot be misinterpreted in any way, and that it would not be in conflict with any other part of the existing law that FERC must administer.

Madam President, I really believe what we have before us comes close to satisfying my purposes, and comes close to satisfying the purposes of the managers of the bill. I am not going to prejudge what their comments will be on this. But I can say that I have brought this matter up to clearly identify that with the retail customers. The answer I received back was that by just adding that one word would change the meaning of the amendment or go further than they are willing to go.

Well, that would seem to say to everybody, well, why even offer it? If it is going to be rejected, why burden the Senate with another vote if it goes to a vote?

There is only one purpose; that is, because it is necessary for an amendment to be at the desk to be discussed. That is the purpose. Under the procedures that we are under, if there is not an amendment at the desk, that forecloses and precludes any further amendments to be offered.

I would like to conscientiously persist for today, or tomorrow, if necessary, to reach an agreement where we have made some progress in wheeling. And, having been told by the managers of the bill that the amendment is not agreeable, it might indicate, well, we are just wasting the time of the Senate, or at least those of us who are here, and the staffs. That is true.

My preference would be to see if we can pursue this further, to reach and to solve all of the disagreements that are now here between the managers and myself, between the public power interests and some of the smaller privately owned utilities and the larger utilities to see whether we could not reach that.

But perhaps we have made some progress. At least I believe we have made some progress in identifying exactly what I am trying to accomplish, and what the problems are that are now burdening the public utilities and some of the very smaller privately owned utilities to see whether we cannot do as PURPA thought it would do in 1978—provide for that narrow window of opportunity to see whether or not a wheeling order could be made by the Federal Energy Regulatory Commission.

I am strongly motivated by that one fact: that none—none—not one wheeling order has ever been made by the Federal Energy Regulatory Commission since 1978.

I strongly have to admit that I am also encouraged by the fact that there have been since 1975 about 1,400 wheeling agreements voluntarily entered into. But I do also recognize the lament and the plea of public utilities that some of these wheeling agreements, although entered into voluntarily, were done as a last resort when we could not get an agreement out of FERC.

So wheeling is in the public interest. We can agree on that. Wheeling should be voluntary. It should be between both sides agreeing to it. All of us can agree to that. That is good business. The only one unresolved question is when they are not so good for the public utilities, can they have a little gap to get before the Federal Energy Regulatory Commission, and therefore see whether all the conditions and all the circumstances—that have to be met in the adjudicatory process under a Federal Energy Regulatory Commission wheeling order—will permit a wheeling contract to be ordered under their authority.

I do not believe that is too much. That, Madam President, is why I offered the amendment. I seek in good faith to continue the process to see whether we cannot arrive at a satisfactory conclusion.

Mr. JOHNSTON addressed the Chair.

The PRESIDING OFFICER (Mr. EVANS). The Senator from Louisiana.

Mr. JOHNSTON. Mr. President, this is the same song, second verse. What we are dealing with here is the so-called antipirating provision of the existing law. The antipirating provision of the existing law was put in to prevent wheeling from being used to defeat or to take away a utility's own customers, or, as I think the legislative history showed at the time, I think the phrase we used is to prevent a utility from having to use its own rope to hang itself.

Wheeling, as my colleagues know, is using somebody else's wires to carry electricity to another customer. What we did back in PURPA is to put in a provision that said you cannot use another guy's wires to steal your customers, or if steal is too strong a word, to purloin your own customers, or to entice your own customers, whatever word you want to use, and if piracy is too strong, then let us say to take your own customers.

In any event, Mr. President, it is very clear that should not be allowed to happen. And the Senate just overwhelmingly defeated a provision because it provided in large part for this antipiracy provision.

Now we have a new iteration of the same verse, because now we say that it is all right to pirate wholesale customers, but not retail customers.

What is the practical effect of that, Mr. President? Nothing at all because when you are talking about piracy, you are always talking about wholesale customers. I mean, let us say PEPCO serves the District of Columbia, which it does, and VEPCO serves outside of the District of Columbia. If VEPCO wants to use PEPCO's wires to get a customer, who do they want to get? Do they want to get my family? We use too much electricity, it is true.

But, Mr. President, they are not going to make a special contract for a retail customer. They are going after the wholesale customer, the big customer. They want to serve the whole U.S. Capital, or they want to serve some big industry here in the District of Columbia. A wholesale customer. That is what it is all about.

So here under the guise of a new amendment we have exactly the same tune that we had before.

Mr. President, I think the matter ought to be tabled. Before I yield to my committee chairman, I ask for the yeas and nays on the amendment.

The PRESIDNG OFFICER. Is there a sufficient second? There is a sufficient second.

The yeas and nays were ordered.

The PRESIDING OFFICER. The Senator from Idaho.

Mr. McCLURE. Mr. President, I thank the Senator from Louisiana for the statement he has made and I will agree with him totally. I will take a few brief moments to add a little bit to the record because although we may be in kind of a holding pattern, I think it is important to demonstrate to the other Members of the Senate that indeed we are in that position of not seriously trying to amend but seriously trying to find a way to amend. Therefore, the object is not a current amendment but time.

I will take just a moment because I want to illustrate that we are tying to find that ground even if we take the time.

I will not belabor the subject, but it seems to me that we need to understand that the fundamental motive behind this amendment and the past amendment was not what the Senator from Montana says, regardless of his own concern in saying it, and I do not question the sincerity; but the fundamental change that is sought is to change the application of PURPA under the Federal Power Act. It is not to gain access before FERC. It is to change the way FERC would judge things if, indeed, they are before FERC.

The Senator from Montana has indicated a time or two that nobody can get before FERC and yet nobody has really felt the necessity to get before FERC under the Federal Power Act and the PURPA amendments because there have been 1,380 wheeling agreements filed before FERC which were the result of voluntary arrangements, which was the whole theory behind the statute. It is working.

During the same period of time in the last decade, there have only been five who even attempted to get before FERC by filing an application. One of those five cases in a decade that have even tried to get before FERC, two of them were resolved and settled between the parties, one was rejected and two are pending.

So it is not a question of whether or not there is access to FERC. It is obvious that it is there. The ones who have sought to are before FERC. Only five have sought to while 1,380 resolved it without having to go before FERC.

I have absolutely no evidence on the record or by whispers in the corridor, by surreptitious phone calls or other comments, that anybody who really wanted to get before FERC could not.

I think the real attempt by those who are pushing these amendments is to change the rules by which FERC judges whether or not wheeling should be ordered. The only real case that I have seen which causes that motivation is the one which was decided by FERC in the Southeastern Power Administration versus Kentucky Utilities Co., in which certain communities in Kentucky sought to get a wheeling order so that they could purchase from Southeastern Power. That matter was resolved before the Commission as the Commission applied the tests in the law to the very narrow issue which is now before us in this amendment.

This amendment is clearly designed to set aside the test that was used by the Federal Energy Regulatory Commission in that case and come up with a different result under the remaining criteria under the law.

Remember, this case was the case in which the Southeastern Power Administration was the applicant, the petitioner before the Commission. Southeastern Power Administration lost that case before FERC.

I have today received from the Administrator of Southeastern Power Administration a letter addressed to me as chairman of the committee. That letter is dated April 16, 1986. It says this:

> It has been brought to my attention that the Southeastern Power Administration (SEPA) and its inability to convince Kentucky Utilities Company (KU) to wheel 62 million MW of Cumberland power to the 12 municipal customers in its service area is being used as an example of why the law should be changed to allow the Federal Energy Regulatory Commission to mandate wheeling.
>
> With the exception of the KU case, SEPA has had little difficulty in its other systems negotiating wheeling arrangements satisfactory to the private and public utilities involved.

The petitioner, the applicant, in the case which they lost, which now other interests are trying to have completely supplanted by a process that does not just reverse that but removes the criteria by which it was decided, that petitioner who lost the case says they do not have any problem, that this is not necessary.

There is not any fix required, according to the petitioner who lost. They lost that case, but they have been successful in every other instance.

The Administrator concludes the letter by saying:

> I only hope that Congress in its wisdom will not further encumber the power marketing process by adding another layer of Federal regulation.

Mr. President, I ask unanimous consent that that letter appear in the RECORD in full at this point.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

> DEPARTMENT OF ENERGY,
> SOUTHEASTERN POWER ADMINISTRATION,
> *Elberton, GA, April 16, 1986.*
>
> Hon. JAMES A. MCCLURE,
> *Chairman, Committee on Energy and Natural Resources, U.S. Senate, Washington, DC.*
>
> DEAR MR. CHAIRMAN: It has been brought to my attention that the Southeastern Power Administration (SEPA) and its inability to convince Kentucky Utilities Company (KU) to wheel 62 MW of Cumberland power to the 12 municipal customers in its service area is being used as an example of why the law should be changed to allow the Federal Energy Regulatory Commission to mandate wheeling.
>
> With the exception of the KU case, SEPA has had little difficulty in its other systems negotiating wheeling arrangements satisfactory to the private and public utilities involved.
>
> To mandate wheeling without assuring a benefit to the wheeling party would be a step backward. When enforceable law is not available, wheeling arrangements will only

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work when it is beneficial to both parties. In the case of KU, the municipals have not pressed for the benefits of the 62 MW and KU has failed to recognize the value that scheduling the 62 MW will have on its system.

I only hope that Congress in its wisdom will not further encumber the power marketing process by adding another layer of Federal regulation.

Sincerely,

HARRY C. GEISINGER,
Administrator.

Mr. McCLURE. Mr. President, the amendment addresses section 211(c)(1) of the Federal Power Act which requires FERC to reasonably preserve existing competitive relationships. That section was designed to prevent pirating. That section has been subject to a decision by FERC, the one to which I just referred.

At issue in that case, as I indicated, were the eight municipals who were seeking access by wheeling arrangements to SEPA power.

Whether the competitive relationship was limited to the eight recipients or involved all the wholesale customers of Kentucky Utilities was the issue. FERC decided it was the former.

This amendment would do more than simply reverse that decision; it would effectively prohibit any consideration of wholesale customers by restricting such considerations to retail.

Of course, section 211(c)(4) prohibits wheeling to ultimate consumers. The effect of the amendment is not to encourage wheeling in the public interest, but wholesale piracy.

Moreover, the losing party in the SEPA decision, as I stated a moment ago, has stated that there is no problem that needs to be fixed, in their opinion.

What this amendment seeks to do is not to fix the question of access but to change the terms, the conditions, and the pricing of wheeling and of power—not access, not competitive arrangements except as affected by terms, conditions, and pricing.

The Senator from Montana has said that he does not want to change the existing arrangement but his amendment does change the existing arrangement.

Mr. MELCHER. Will the Senator yield?

Mr. McCLURE. I would be happy to yield to the Senator without losing my right to the floor.

Mr. MELCHER. This term "pirating" has been used by both managers of the bill, just recently, in the last 15 minutes. So perhaps we have a different understanding of what "pirating" means. Pirating is clearly forbidden in PURPA. Pirating means the taking of retail customers within established franchise areas. To take this amendment lightly and not describe it accurately is not a very productive thing to do. Maybe we understand pirating differently.

Mr. McCLURE. The Senator's definition of pirating is only one and a very narrow limitation of what pirating is, because you can also pirate wholesale. You do not have to pirate retail in order for it to be pirating. It can be wholesale pirating and that is exactly what the amendment would permit—in my judgment.

Mr. MELCHER. Will the Senator yield once more on that point?

Mr. McCLURE. I shall be happy to yield for a question without losing my right to the floor.

Mr. MELCHER. Mr. President, it is my understanding that the term "pirating" is used when one utility loses its customer, the same customer, to another, when dealing between just two utilities. So, since that cannot happen under my amendment, I wonder if we are not talking at cross purposes here.

Mr. JOHNSTON. Mr. President, would the distinguished Senator from Idaho yield so I may respond on this question?

Mr. McCLURE. I would be happy to yield to the Senator without losing my right to the floor.

Mr. JOHNSTON. Mr. President, when we confected this provision back during the consideration of PURPA, I had occasion, as the floor manager at that time, to explain what we meant by this "piracy." I would like to quote what I said at the time.

> The committee did not want to use the power of the Federal Government, at least not on the basis of the RECORD and the hearings we have had, to permit what some utilities regard as piracy. That is to require a utility to wheel the power from some other utility's generating plant to one of its wholesale customers; in effect, to require a utility to furnish the rope to hang itself or to risk losing some of its retail or wholesale customers.

That is from 123 CONGRESSIONAL RECORD, 16496, of October 6, 1977.

Also, Mr. President, in conference, the House conferees agreed with the Senate conferees that the wheeling utilities should be protected against the loss of its wholesale customers. Representative DINGELL, who was chairman of the House conferees at the time, said as follows:

> I have no objection whatsoever in protecting a utility in a reasonable fashion against what has been termed "piracy." Again, that is a utility within the boundaries of another utility being able to enforce the wheeling and being used to wheel in power from without.

That is from the joint conference proceedings at 2745 to 2746.

So, Mr. President, that word "piracy" was used at the time this provision was born, was originally put in the law. It was well understood. It meant principally wholesale, because that is where the main thrust comes. It also, as I read, meant retail, but principally wholesale.

So what we are talking about in this amendment flies right in the face of what we intended in that amendment at that time.

Mr. MELCHER. Would the Senator yield once more?

Mr. McCLURE. In just a moment, if I may. I do not mean to cut off the dialog, because I think it is instructive.

The Senator's amendment would amend section 211(c)(1), which deals with what the Commission must consider when they are looking at such a wheeling request. It attempts to inject in that criteria a provision that says that the Commission need only consider the existing retail customers and other things, and I shall get back to the other things in a moment.

At the same time, the existing section 211(c)(4) says:

> No order may be issued under subsection (a) or (b) which provides for the transmission of electric energy directly to a utility consumer.

Why would you want to say to the Commission that you can only consider one class of transmission when, in another case, they are prohibited from entering an order to serve it? That is nonsense on its face. I think if you analyze the southeastern case, as you must in order to understand the thrust of this amendment, it is clear that the criteria of looking at what kind of markets should be served and what they should consider in determining whether or not the wheeling should be entered turned on that definition. If you can change that definition, as this amendment seeks to do, you have removed the basis upon which FERC made the decision in the Southeastern case. That is obviously its intent.

Second, I would like to point, in addition to that, to another flaw in the existing amendment—not just that. That by itself is sufficient to ask for its rejection and I shall move to table in just a moment.

The Senator from Montana, I think, had asked that I yield with respect to this question of piracy. If I may yield to the Senator without losing my right to the floor, I shall be happy to do so.

Mr. MELCHER. First, Mr. President, I want to thank both the managers of the bill, the Senator from Louisiana for the statement he has just made and the Senator from Idaho, on this term "pirating." It has baffled me why something dealing only—putting aside the end consumer, who ought to be perfectly protected, not to be stolen, not to be pirated under the terms of PURPA and under the terms of the amendment—why the reference was made that the amendment was pirating. I see now there is a different interpretation.

Pirating, which has commonly been thought only to refer to the retail customers, has been adequately described to be broader, at least after the adoption of the PURPA, that no matter how the people out in the field use the term, for purposes of PURPA, piracy or pirating referred to both wholesale and retail customers. That clarifies the point. I thank the Senators very much.

It also brings up the question if this narrow case that we are considering would be to allow only FERC to consider those cases where the public utility company seeking the wheeling order was only going to use it for their own consumers, does that change the viewpoint of either of the managers? That is my primary purpose in this.

Mr. McCLURE. Will the Senator repeat the question? I am not certain that I understood what he was getting at.

Mr. MELCHER. If the circumstances of the public utility asking FERC for a wheeling order were such that they were only going to use the power, under the wheeling order, to satisfy their own consumers, their own end consumers—they are not looking at anything. They have a territory. They have their own consumers—does that change the attitude?

Mr. McCLURE. Let me respond to the Senator in this way, because I think again it illustrates the difficulty we are having in coming to a meeting of the minds.

Mr. MELCHER. Yes.

Mr. McCLURE. It is just not an interpretation of the term piracy. The Senator from Montana seems to believe that this is a relatively uncomplicated issue, a relatively uncomplicated relationship can be found.

This is an extremely complex issue with a tremendous number of very closely intertwined relationships defined in statute and interpreted by the courts. It is almost impossible for me to answer a question that is——

Mr. MELCHER. I understand.

Mr. McCLURE. Based upon the assumption that we can rather easily change one relationship without changing a host of others. That is precisely the point that is made in the Southeastern case and that is precisely the point for my concern about an amendment to the criteria, because in spite of the fact that the Senator from Montana talks about access to FERC, this is not an access question. All you have to do, if you want to get a matter before FERC, is file an application and you are there, bang. It is not hard. It is easy. Give me 35 bucks and a mimeograph machine, and I will get you there. I might not do much in terms of——

Mr. MELCHER. Getting anywhere.

Mr. McCLURE. What I get after I get there, but I can get you there. It is not a question of standing. It is a question of criteria upon which it will be decided once it gets there.

The second fallacy, I believe, in the pending amendment—and again a sign of the difficulty of dealing in this very complex area—it says in the face of the amendment that the Commission need only consider existing retail customers and the current level of service.

It is a much more complex computation than that under existing law and regulations because you must not look only at current levels of service to existing customers. You have to look at the potential.

For instance, any unused capacity in a transmission line might indeed be unused today under current service, but very predictably 2 years from now there will be no excess capacity. Under the terms of this amendment, if it were adopted—and it should not be adopted—you would then immediately be foreclosed from looking at the growth of service and the growth of demand upon that power line by the entity that owns the power line.

Now, this is not just a public entity versus private entity conflict, because such power transmission lines can also be owned by public entities. And the amount of capacity on that line is of vital concern to them not only in terms of their future marketing but also their current cost and also whether or not they have to immediately start making plans for the construction of other transmission lines. So there are a complex set of interrelated economic considerations as well as technical considerations in the determination of any issue concerning wheeling.

Mr. President——

Mr. MELCHER. Might I just impose on the generosity of the manager, the chairman of the committee, one more time?

Mr. McCLURE. I will be happy to yield to the Senator without losing my right to the floor.

Mr. MELCHER. I think I understood correctly that a tabling motion would be made at this point. I do so only to clarify the term "pirating" as understood by myself and as commonly used by the industry.

The red flag of "pirating" has been raised continually throughout this debate. Let me be clear. My amendment does nothing to permit "pirating," of end-use consumers no matter the size or amount of electricity they use which is clearly forbidden in PURPA.

As I use the term, "pirating" means the taking of retail customers within established franchise areas. For example, if a large factory is located within PG&E's service territory and wishes to seek an independent power supply, nothing in PURPA would permit it to seek such service from a different utility. Nothing in my amendment would permit it to do so, either.

My amendment goes to transactions between wholesale customers, who are also utilities, and their power suppliers like PG&E, who are also utilities. There has been some loose talk on the floor that permitting a small utility to purchase economy power and requesting wheeling through PURPA would result in "pirating." That is incorrect. PURPA was intended to permit small utilities to seek the most economic power supplies, within the constraints of their existing contracts and the capability of existing transmission systems. My amendment only corrects an interpretation that would preclude what was a chief purpose of the PURPA legislation.

The privately owned utilities have sometimes characterized sales to their smaller wholesale customers from other utilities and suppliers as "pirating." This assumes that wholesale customers—which are utilities, too—are viewed as captives forever by their present utility suppliers. PURPA was never intended to sanctify such bondage; it was intended to permit only whatever little extra flexibility the present contracts of small utilities gave to them to purchase more economic power supplies. That's what my amendment does.

SECTION 211 (C) (2) (A) AND (b)

The present version of PURPA forbids the issuance of a wheeling order by the Federal Energy Regulatory Commission if the utility requested to do the wheeling would transmit any amount of energy required to be provided to an applicant pursuant to a contract or as currently provided by a rate schedule on file at the FERC. The first provision—section 211(C)(2)(A)—simply preserves existing contractual obligations agreed to by all concerned, and is not controversial. The real question is whether the second provision—section 211(C)(2)(B)—effectively bars any wheeling under PURPA. As presently stated, I believe it does.

My amendment would permit the implementation of the PURPA wheeling conditions subject to contract provisions, and all the other restrictions in PURPA. The filing of rate schedules at FERC covers both contracts and other schedules that are unilaterally filed by the private utility, and which can be changed at any time by the filing by that utility of an amendment or replacement by a new tariff. Thus I wish to avoid the situation where a utility can, merely by filing unilaterally at the FERC, impose new restrictions never agreed to by the party needing transmission and which the FERC may take years to resolve. The FERC, which oversees these schedules, has the duty to see to it that the utility is compensated at a just and reasonable rate. PURPA provides that the transmitting utility is compensated at a just and reasonable rate. What more does the transmitting utility need, want, or expect?

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I cannot view any opposition to my amendment in this regard as anything but a desire to undercut the very purpose of PURPA: to permit wheeling that will permit an existing utility to improve the economics of its power supply.

Mr. McCLURE. I want the record to be very clear that the Senator's understanding of the term pirating may not be our understanding of the term.

Mr. President, I move to table the amendment and ask for the yeas and nays.

The PRESIDING OFFICER. Is there a sufficient second? There is a sufficient second.

The yeas and nays were ordered.

Mr. MELCHER. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. MELCHER. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

The question is on agreeing to the motion to table the amendment. On this question the yeas and nays have been ordered, and the clerk will call the roll.

The assistant legislative clerk called the roll.

Mr. SIMPSON. I announce that the Senator from Florida [Mrs. HAWKINS] is necessarily absent.

I also announce that the Senator from Arizona [Mr. GOLDWATER] is absent due to illness.

Mr. CRANSTON. I announce that the Senator from New Jersey [Mr. BRADLEY] is necessarily absent.

The PRESIDING OFFICER (Mr. HATCH). Are there any other Senators in the Chamber who desire to vote?

The result was announced—yeas 75, nays 22, as follows:

[Rollcall Vote No. 69 Leg.]

YEAS—75

Armstrong
Bentsen
Bingaman
Boren
Boschwitz
Bumpers
Byrd
Chafee
Chiles
Cochran
Cohen
Cranston
D'Amato
Danforth
DeConcini
Denton
Dixon
Dodd
Dole
Domenici
Durenberger
Eagleton
East
Evans
Ford
Garn
Glenn
Gorton
Gramm
Grassley
Hatch
Hatfield
Hecht
Heflin
Heinz
Helms
Hollings
Humphrey
Johnston
Kassebaum
Kasten
Laxalt
Leahy
Levin
Long
Lugar
Mathias
Matsunaga
Mattingly
McClure
McConnell
Mitchell
Moynihan
Murkowski
Nickles
Nunn
Packwood
Pryor
Quayle
Riegle
Rockefeller
Roth
Rudman
Simon
Simpson
Specter
Stafford
Stevens
Symms
Thurmond
Trible
Wallop
Warner
Weicker
Wilson

NAYS—22

Abdnor
Andrews
Baucus
Biden
Burdick
Exon
Gore
Harkin
Hart
Inouye
Kennedy
Kerry
Lautenberg
Melcher
Metzenbaum
Pell
Pressler
Proxmire
Sarbanes
Sasser
Stennis
Zorinsky

NOT VOTING—3

Bradley
Goldwater
Hawkins

So the motion to table the amendment was agreed to.

Mr. MELCHER. Mr. President, I suggest the absence of a quorum.

Mr. McCLURE. Mr. President, a quorum has been established.

The PRESIDING OFFICER. The Senator is correct.

Mr. MELCHER. Mr. President, parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state his inquiry.

Mr. MELCHER. I could not hear what was said.

The PRESIDING OFFICER. The Senator is correct; a quorum has been established.

Mr. MELCHER. A quorum call is not in order?

The PRESIDING OFFICER. It is not in order at this time until further business is transacted.

Mr. MELCHER. Have we moved to reconsider, Mr. President?

The PRESIDING OFFICER. We have not.

Mr. MELCHER. Mr. President, I move to reconsider the vote by which the motion was agreed to.

Mr. JOHNSTON. I move to lay that motion on the table.

Mr. McCLURE. Mr. President, I ask for the yeas and nays.

The PRESIDING OFFICER. Is there a sufficient second? There is a sufficient second.

The yeas and nays were ordered.

The PRESIDING OFFICER. The question is on agreeing to the motion to table the motion to reconsider. The yeas and nays have been ordered, and the clerk will call the roll.

The legislative clerk called the roll.

Mr. SIMPSON. I announce that the Senator from Florida [Mrs. HAWKINS] and the Senator from Connecticut [Mr. WEICKER], are necessarily absent.

I also announce that the Senator from Arizona [Mr. GOLDWATER] is absent due to illness.

The PRESIDING OFFICER. Are there any other Senators in the Chamber who desire to vote?

The result was announced—yeas 83, nays 14, as follows:

[Rollcall Vote No. 70 Leg.]

YEAS—83

Andrews
Armstrong
Bentsen
Biden
Bingaman
Boren
Boschwitz
Bumpers
Byrd
Chafee
Chiles
Cochran
Cohen
Cranston
D'Amato
Danforth
DeConcini
Denton
Dixon
Dodd
Dole
Domenici
Durenberger
Eagleton
East
Evans
Ford
Garn
Glenn
Gorton
Gramm
Grassley
Hart
Hatch
Hatfield
Hecht
Heflin
Heinz
Helms
Hollings
Humphrey
Inouye
Johnston
Kassebaum
Kasten
Kerry
Laxalt
Leahy
Levin
Long
Lugar
Mathias
Matsunaga
Mattingly
McClure
McConnell
Metzenbaum
Mitchell
Moynihan
Murkowski
Nickles
Nunn
Packwood
Pell
Pressler
Pryor
Quayle
Riegle
Rockefeller
Roth
Rudman
Sasser
Simon
Simpson
Specter
Stafford
Stevens
Symms
Thurmond
Trible
Wallop
Warner
Wilson

NAYS—14

Abdnor
Baucus
Bradley
Burdick
Exon
Gore
Harkin
Kennedy
Lautenberg
Melcher
Proxmire
Sarbanes
Stennis
Zorinsky

NOT VOTING—3

Goldwater
Hawkins
Weicker

So the motion was agreed to.

Mr. MELCHER addressed the Chair.

The PRESIDING OFFICER. The Senator from Montana.

AMENDMENT NO. 1788

Mr. MELCHER. Mr. President, I send an amendment to the desk and ask for its immediate consideration.

The PRESIDING OFFICER. The clerk will report.

The bill clerk read as follows:

The Senator from Montana [Mr. MELCHER] proposes an amendment numbered 1788.

Mr. MELCHER. Mr. President, I ask unanimous consent that further reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

S. 426 is hereby amended by adding the following new section:

"SEC. . WHEELING OF POWER.

(a) Subsection 212(a)(1) of the Federal Power Act (16 U.S.C. section 824K(a)(1)) is amended as follows:

(1) Strike out 'electric utility,';

(2) Insert ', or, in the case of any electric utility affected by the order, is not likely to unduly affect the cost of service provided to its customers,' after 'order'."

(b) Nothing in this amendment should be construed to alter any of the other requirements of section 824K of this title.

Mr. McCLURE. Mr. President, I move to table the amendment and I ask for the yeas and nays.

The PRESIDING OFFICER. Is there a sufficient second? There is a sufficient second.

The yeas and nays were ordered.

The PRESIDING OFFICER. The Senator from Montana.

CALL OF THE ROLL

Mr. MELCHER. Mr. President, I suggest the absence of a quorum.

Mr. JOHNSTON. Mr. President, a point of order. A quorum has been established.

The PRESIDING OFFICER. The point of order was that a quorum has been established. The Senator has offered an amendment that constitutes new business. Therefore, the suggestion of the absence of a quorum is proper. The point of order is not well taken.

The clerk will call the roll.

The bill clerk proceeded to call the roll.

The bill clerk called the roll and the following Senators entered the Chamber and answered to their names.

[Quorum No. 6 Leg.]

D'Amato
Danforth
DeConcini
Dixon
East
Exon
Garn
Gore
Hatch
Hatfield
Johnston
Long
Mathias
McConnell
Melcher
Rockefeller
Roth
Thurmond

The PRESIDING OFFICER. A quorum is not present.

Mr. McCLURE. Mr. President, I move that the Sergeant at Arms be instructed to request the attendance of absent Senators. I ask for the yeas and nays.

The PRESIDING OFFICER. Is there a sufficient second? There is a sufficient second.

The yeas and nays were ordered.

The PRESIDING OFFICER. The question is on agreeing to the motion of the Senator from Idaho. The yeas and nays have been ordered. The clerk will call the roll.

The legislative clerk called the roll.

Mr. SIMPSON. I announce that the Senator from Florida [Mrs. HAWKINS] and the Senator from Connecticut [Mr. WEICKER] are necessarily absent.

I also announce that the Senator from Arizona [Mr. GOLDWATER] is absent due to illness.

Mr. CRANSTON. I announce that the Senator from Massachusetts [Mr. KENNEDY] and the the Senator from Mississippi [Mr. STENNIS] are necessarily absent.

The PRESIDING OFFICER [Mr. PRESSLER]. Are there any other Senators in the Chamber desiring to vote?

The result was announced—yeas 92, nays 3—as follows:

[Rollcall Vote No. 71 Leg.]

YEAS—92

Abdnor
Andrews
Armstrong
Baucus
Bentsen
Bingaman
Boren
Boschwitz
Bradley
Bumpers
Burdick
Byrd
Chafee
Chiles
Cochran
Cohen
Cranston
D'Amato
Danforth
DeConcini
Denton
Dixon
Dodd
Dole
Domenici
Durenberger
Eagleton
East
Evans
Exon
Ford
Garn
Glenn
Gore
Gorton
Gramm
Grassley
Harkin
Hart
Hatch
Hatfield
Hecht
Heflin
Heinz
Helms
Hollings
Humphrey
Inouye
Johnston
Kassebaum
Kasten
Kerry
Lautenberg
Laxalt
Leahy
Levin
Long
Lugar
Mathias
Matsunaga
Mattingly
McClure
McConnell
Melcher
Metzenbaum
Mitchell
Moynihan
Murkowski
Nickles
Nunn
Packwood
Pell
Pressler
Pryor
Riegle
Rockefeller
Roth
Rudman
Sarbanes
Sasser
Simon
Simpson
Specter
Stafford
Stevens
Symms
Thurmond
Trible
Wallop
Warner
Wilson
Zorinsky

NAYS—3

Biden
Proxmire
Quayle

NOT VOTING—5

Goldwater
Hawkins
Kennedy
Stennis
Weicker

So the motion was agreed to.

The PRESIDING OFFICER. With the addition of Senators voting who did not answer the quorum call, a quorum is present.

Mr. McCLURE. Mr. President, I ask for the yeas and nays on Amendment No. 1788.

The PRESIDING OFFICER. The amendment is not pending for the purpose of the yeas and nays. The motion to table is pending. On this question, the yeas and nays have been ordered, and the clerk will call the roll.

The bill clerk called the roll.

Mr. SIMPSON. I announce that the Senator from Florida [Mrs. HAWKINS] and the Senator from Connecticut [Mr. WEICKER] are necessarily absent.

I also announce that the Senator from Arizona [Mr. GOLDWATER] is absent due to illness.

Mr. CRANSTON. I announce that the Senator from Illinois [Mr. DIXON], the Senator from Massachusetts [Mr. KERRY], and the Senator from Mississippi [Mr. STENNIS] are necessarily absent.

The PRESIDING OFFICER. Are there any other Senators in the Chamber who desire to vote?

The result was announced—yeas 78, nays 16, as follows:

[Rollcall Vote No. 72 Leg.]

YEAS—78

Abdnor
Andrews
Armstrong
Bentsen
Biden
Bingaman
Boren
Boschwitz
Byrd
Chafee
Chiles
Cochran
Cohen
Cranston
D'Amato
Danforth
DeConcini
Denton
Dodd
Dole
Domenici
Durenberger
Eagleton
East
Evans
Ford
Garn
Glenn
Gorton
Gramm
Grassley
Hatch
Hatfield
Hecht
Heflin
Heinz
Helms
Hollings
Humphrey
Inouye
Johnston
Kassebaum
Kasten
Kennedy
Laxalt
Leahy
Levin
Long
Lugar
Mathias
Matsunaga
Mattingly
McClure
McConnell
Mitchell
Moynihan
Murkowski
Nickles
Nunn
Packwood
Pressler
Pryor
Quayle
Riegle
Rockefeller
Roth
Rudman
Simon
Simpson
Specter
Stafford
Stevens
Symms
Thurmond
Trible
Wallop
Warner
Wilson

NAYS—16

Baucus
Bradley
Bumpers
Burdick
Exon
Gore
Harkin
Hart
Lautenberg
Melcher
Metzenbaum
Pell
Proxmire
Sarbanes
Sasser
Zorinsky

NOT VOTING—6

Dixon
Goldwater
Hawkins
Kerry
Stennis
Weicker

So the motion to lay on the table the amendment (No. 1788) was agreed to.

AMENDMENT NO. 1789

(Purpose: To amend sections 211 and 212 of the Federal Power Act of 1978)

Mr. MELCHER. Mr. President, I send an amendment to the desk and ask for its immediate consideration.

The PRESIDING OFFICER. The clerk will report.

The assistant legislative clerk read as follows:

The Senator from Montana [Mr. MELCHER] proposes an amendment numbered 1789.

S. 426 is hereby amended by adding the following new section:

"SEC. . WHEELING OF POWER.

(a) Section 211 of the Federal Power Act of 1978 (16 U.S.C. Section 824J) is amended as follows—

(1) Amend subsection (c)(1) by adding the words "between the electric utility subject to the order to transmit and its retail customers at the end of the subsection; and would not significantly alter existing competitive relationships between the electric utility subject to the order to transmit and its wholesale customers"

Mr. McCLURE addressed the Chair.

The PRESIDING OFFICER. The Senator from Idaho.

Mr. McCLURE. Mr. President, I consulted with the author of the amendment. I would like to withhold the motion to table the amendment. I wonder if the Senator from Montana and others would agree to a time limit on this amendment of one-half hour to be equally divided between the Senator from Montana and the manager of the bill.

Mr. President, I make that unanimous-consent request.

The PRESIDING OFFICER. Is there objection? The Chair hears none. It is so ordered.

Mr. MELCHER addressed the Chair.

The PRESIDING OFFICER. The Senator from Montana.

Mr. MELCHER. Mr. President, I want to thank the distinguished Senator from Idaho for making the unanimous-consent request because it was within his power, within his rules, and within his rights to immediately after the amendment was stated to do as he did with the last amendment, just to move, seek recognition, he would get recognition over myself, and to move to table it. Of course that is a nondebatable motion.

Mr. President, that is not very good business for the Senate to be about, to send an amendment to the desk on an important matter, and not even have it discussed. These are not amendments that should be taken lightly. These are amendments now that we are attempting to arrive at a point of agreement, the discussion of what are

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the contents of the amendment, the purpose, the intention of the amendment, and how it would change existing law is very pertinent.

There is a case to be made, a case that I have been trying to make, and so far unsuccessfully—that it is so difficult for a public utility or a small utility to get a wheeling order, and to even approach FERC and file an application for such a wheeling order is not undertaken.

It is true as was earlier stated in the debate—for a small amount of money you could write out a paper, and ask to be heard on a wheeling order before FERC. That would get you standing. The whole process could start. But the facts are it is an adjudicatory process, and to approach it without detailed briefs, without being prepared to spend a great deal of time preparing those briefs, and meeting the requirements of the law is just wasted motion.

So since 1968 there has not been a successful application for a wheeling order yet for FERC. That was not the purpose of the 1978 amendments which we called PURPA. Those were amendments of the Federal Power Act. Those amendments were sought to give a narrow window, a narrow opportunity for the public utilities and the smaller utilities to go to FERC, and meet all the conditions that were required for satisfying the law to apply for a wheeling order.

I think that should be altered, particularly this bill. I think there should be some consideration given to their problems. While I have no desire to inconvenience my colleagues and to prolong the discussion on this question, I sincerely hope and I have faith that we can still resolve some language that will provide that opportunity. It will be narrow. It will be very limited. This is an amendment that would seek to do that.

If you read this amendment, and rather than ask unanimous consent that reading of the amendment be dispensed with, I let it run so the clerk would read the whole amendment.

What this amendment simply does under the conditions that an electric utility that was going to transmit—that is, do the wheeling—there could be no disturbance of its retail customers, and the order could not be granted by FERC if it would significantly alter existing competitive relationships between the electric utility subject to the order—that is the one that would do the wheeling—to transmit, and also could not alter the existing competitive relationships to its wholesale customers.

I think we are prudent. I think we are a considerate body in the Senate. I believe this language is prudent, considerate, constructive, and in the public interest. I do not believe it does economic injury of any consequence to the utility company that would be ordered to wheel.

I think it would be a fine means of following the public interest, and enhancing the public interest.

Mr. President, I reserve the balance of my time.

Mr. McCLURE addressed the Chair.

The PRESIDING OFFICER. The Senator from Idaho.

Mr. McCLURE. Mr. President, I regret this amendment is no more satisfactory than the others that the Senator has offered. As a matter of fact, it attempts to do in a different way exactly what the Senator from Montana has been attempting to do in every other amendment that has been offered. It is just a different approach to the same problem. Because we have a little time and because our friends are probably out getting a bowl of soup in anticipation that we will be here much later, which anticipation is perhaps correct, we will take a little of the time that is allotted for the debate of this amendment even though there is not much new to debate.

But I want to read from the decision of the Federal Energy Regulatory Commission in dealing with this question of a decision that we have made reference to before which is Southeastern Power Administration versus Kentucky Utilities Company. The decision recites the finding of the trial judge, the law judge who heard the case and made the decision and the interpretation of section 211(c)(1). I will not read all of the opinion. But I think it will illustrate some of the difficulty we are dealing with. I quote from that opinion.

> What subsection 211(c)(1) directs us to consider is not clear. To be sure, it is certain that this subsection directs us to consider the changes the proposed wheeling would make in the competitive relationships of SEPA and Kentucky in a particular market. But the particular market we are to examine is not certain. The key phrase, "existing competitive relationships", is ambiguous. It can be interpreted in two ways. According to Kentucky, the phrase means the competitive relationships SEPA and Kentucky have towards the eight municipals to whom SEPA wants to sell. Thus, Kentucky argues that the market subsection 211(c)(1) directs us to consider is small. According to the Cities, however, the relevant market is broad. They argue that the phrase "existing competitive relationships" means the competitive relationships SEPA and Kentucky have towards all the wholesale customers for whose business both can compete.
>
> If Kentucky's interpretation is correct, the factual analysis is simple. All we need to do is to compare what Kentucky and SEPA now provide the municipals and what they would provide if wheeling is ordered. Kentucky now provides almost all the power and energy the municipals require. And, because the 25 MW of power and 36,000 MWH of energy SEPA wants to sell is less than the municipals' total requirements, Kentucky would continue to provide substantial amounts of power and energy to them. But it would provide less. According to figures in SEPA's application, Kentucky would provide about 18 percent less of the municipals' power requirements and about 6 percent less of the municipals' energy requirements. SEPA, on the other hand, now provides nothing to the eight municipals. Hence if wheeling is ordered, SEPA would provide 18 percent of the municipals' power requirements and 8 percent of their energy requirements.
>
> If the Cities' interpretation is correct, the factual analysis is much more complicated. As is done in antitrust cases, the product and geographic markets in which SEPA and Kentucky compete must be defined, market shares computed, and the changes examined.
>
> The Cities defined one product market. They say that this is the market for wholesale sales of electricity. But they defined alternative geographic markets. Their preferred geographic market is the overlapping areas SEPA and Kentucky consider to be their marketing areas. This market consists of Kentucky's service area and the service areas of the utilities in Tennessee, Illinois, and Indiana with which Kentucky is interconnected. Wheeling SEPA's power and energy to the eight municipals will make no change in SEPA's share of this market and no perceptible change in Kentucky's share.
>
> The Cities' other geographic market is smaller. It is defined by Kentucky's service area because Kentucky said that it did not seek to make sales beyond this area. The Cities include in this market Kentucky's wholesale sales to its distribution customers. They also include Kentucky's sales at retail. They do so on the theory that the communities now served by Kentucky at retail can always form a distribution system for whose business SEPA could compete. Kentucky currently provides almost all of the power and energy in this market. If SEPA were to sell power and energy to the municipals, Kentucky would, based on 1978 figures, provide about 1.3% less of the market's power requirements. The decline in Kentucky's energy sales in this market would be even smaller.
>
> The changes in competitive relationships that are to be prohibited by subsection 211(c)(1) are also uncertain. The phrase "reasonably preserve" is not precise. But the statute's imprecision has not created much controversy in this case. Kentucky contends that an order whose effect is to transfer the supply of 18% of a market's power requirements and 6% of its energy requirements from one utility to another is not an order that reasonably preserves existing competitive relationships. No one disputes this contention if Kentucky has correctly interpreted the phrase "existing competitive relationships." The Cities, on the other hand, contend that a wheeling order that makes no perceptible change in one market and only a slightly noticeable change in another is an order that reasonably preserves existing competitive relationships. Kentucky does not dispute this contention if the Cities have correctly defined the markets. Thus, the resolution of this case turns on whether Kentucky's or the Cities' interpretation of "existing competitive relationships" is correct.

I could go on and read more of the decision, but the Commission ultimately decided in favor of Kentucky and against SEPA and what this series of amendments seem to do is to set aside that result.

I would again refer to the letter that we received earlier today from SEPA that said in spite of the fact that they lost the case in *SEPA* versus *Kentucky*, that indeed they did not see any reason why that fact should be reason to amend the law and make it more complex than it already is. Indeed, they said they have had no problem in negotiating wheeling somewhere else.

So all we have here is an attempt to overturn a decision or remove the basis of the decision where the affected party who was aggrieved by the decision in the first place says there is no problem and no reason to amend the statute.

Mr. President, in my judgment, this amendment is nothing more than another variation of the same theme seeking to get to the same objective that the Senate has rejected by tabling the amendments of the Senator from Montana in the past.

I have not accused the Senator from Montana of offering frivolous amendments, but I think he is trying in a variety of different ways to accomplish the same end—when that same end has been rejected by the Senate on several occasions, to attempt further to achieve the same ends by a different means begins to be abusive of this body. I will, at the appropriate time, make a motion to table this amendment also.

Mr. President, I reserve the remainder of my time.

Mr. MELCHER addressed the Chair.

The PRESIDING OFFICER. The Senator from Montana.

Mr. MELCHER. How much time have I remaining?

The PRESIDING OFFICER. Nine minutes and 10 seconds.

Mr. MELCHER. I thank the Chair.

Mr. President, I want to say at the outset that I am very pleased that the Senator from Idaho read a very pertinent part of the decision. I would think that the amendment really answers some of the questions that were weighed in balance in that particular decision and would clarify just what this particular section of the Federal Power Act and PURPA seek to do. I shall read the entire subsection, which is very short.

> No order may be issued unless the Commission determines that such order would reasonably preserve the existing competitive relationship between the electric utility subject to the order to transmit and its retail customers and would not significantly alter existing competitive relationships between the electric utility subject to the order to transmit and its wholesale customers.

I think that protects exactly what was being weighed in balance in the particular decision that the distinguished chairman of the Senate Energy Committee just read.

I am not trying to be frivolous. The distinguished Senator did not accuse me of it, of course. But I do not believe these amendments should be taken lightly. They are sincere, diligent efforts to get beyond the point where a public utility is constrained from getting a favorable decision out of the Federal Energy Regulatory Commission, which it is entitled to—entitled to on the basis of fairness, entitled to on the basis of good business, entitled to on the basis of competitiveness.

Those are all points that add up to what is in the public interest.

PURPA has been described to me by those who were very diligent in its passage as attempting to give some relief on the question of wheeling to these very encumbered, presently encumbered and were encumbered before, public utilities and small utilities that were not able to get wheeling agreements by voluntary means.

The case that was decided is a case in point, all right, but I do not believe that this amendment would be anything buy helpful in that particular decision. Therefore, it is constructive.

Mr. President, I will yield the floor. I do not want to force somebody else to take it, but I will reserve the remainder of my time.

Mr. McCLURE. Mr. President, how much time remains in opposition?

The PRESIDING OFFICER. The Senator from Idaho has 6 minutes and 56 seconds.

Mr. McCLURE. Mr. President, I yield myself 3 minutes.

The Senator from Montana has more clearly stated at this juncture than ever before in debate in the hours we have had this measure before us that the objective is to change the statute with respect to wheeling in a way that increases the opportunities to enforce wheeling orders through FERC. We have been kind of hedging around the edges of that with the assurances that somehow, if we would just sit down and negotiate, we could find some language that would accommodate the necessities of parties on both sides. As long as the objective of that negotiation was relatively ambiguous, it was relatively impossible to make a clear answer.

But if, indeed, the objective is as the Senator from Montana has just stated, that the focus of his efforts today is to enshrine in the bill access to FERC to order wheeling for the sake of wheeling, then I think it is obvious that there is no compromise possible. If that is the objective, and I believe that it is, then this entire exercise is one that is dedicated to forcing one side to make concessions which that side cannot make. It is a classic case in which there are simply disagreements.

It is not a question of good faith and motive. It is simply disagreement. One side wants to do something and the other side does not.

I do not know how many times the Senate has to vote on that proposition. I have in my years here, as has the Senator from Montana, sometimes been on the winning side and sometimes I have been on the losing side. When a vote is held and I have lost, that generally is the end of it. I suggest that that is the only appropriate end of this.

Mr. President, I reserve the remainder of my time.

The PRESIDING OFFICER. Who yields time?

Mr. MELCHER. Mr. President, I have sought rather diligently, from my point of view, in discussion with the staff and attorneys and managers of the bill, to narrow exactly what we are attempting to say would be an opportunity for captive utilities to be given a wheeling contract by involuntary means that is acceptable to them, or if not, at least to have their day in court before there is some opportunity for FERC to weigh all the pros and cons and all the complexities of the adjudicatory process that FERC has, to either come up with a granting of a wheeling order or denial.

The wheeling orders that are involuntary are somewhat affected by whether or not FERC might, under the law, grant a wheeling order. The overall constraint is that none have been issued since 1978 and therefore, the contention of some of the public utilities and some of the smaller privately owned utilities is that they are being burdened somewhat. That means their consumers' rates, because they have voluntarily agreed to wheeling orders, would have been somewhat less and their returns, in some manner, means it is less costly for them. That somehow has not been the case.

The very able and distinguished chairman [Mr. McClure] simply has not had any type of proposal that he believes is constructive. That sounds rather dismal after a day or two of discussing this. I believe it was Friday afternoon that we started talking about it and then yesterday and today. But I still continue to believe that there is a chance.

I do not really prefer at all to continue to offer amendments. My continuing proposal is that we should be sitting down and trying to determine, utilizing the sage advice of the staff attorneys, whether there can be something done here. We are not doing that now. I have hopes that we will, but under the situation as we have it, about all I can do is get that opportunity to attempt to do that in good faith, to continue to offer amendments. I would prefer to do otherwise.

Mr. McCLURE. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state the parliamentary inquiry.

Mr. McCLURE. How much time remains on both sides?

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The PRESIDING OFFICER. The Senator from Montana has 28 seconds. The Senator from Idaho has 4 minutes, 15 seconds.

Mr. McCLURE. Mr. President, in response to the Senator from Montana, I can only repeat what we have said repeatedly. The Senator construes the fact that wheeling orders have not been granted as evidence of the failure of the system, a fault in the law. I think the statistics are quite the contrary. The facts are not in dispute; the interpretation of the facts is different.

In the last decade, there have been 1,380 voluntary wheeling agreements entered into by FERC. During that same period of time when there were 1,380 voluntary arrangements, there have been five applications filed for involuntary orders. Out of those five, two have been compromised and agreed to, one has been denied, and two are pending.

In the last decade, then, there have been 1,385 wheeling arrangements settled or contested in proceedings that FERC has looked at or approved in wheeling orders.

Out of that 1,385, one has been denied and two are pending. The Senator from Montana contends that that is a failure of the process, which simply strains my imagination beyond any possible other response. It is such a bizarre interpretation of facts as to defy any kind of logical response.

The law is working. The law has worked. It has not always produced the results that some parties wished. That is the crux of the issue and as long as that is the crux of the issue and the Senator from Montana seeks to change the existing law by the extortion of the time of the Senate, I hope the Senate will stay consistently with its position that indeed, the majority should rule, that we should vote, and that we should abide by the majority vote.

Mr. President, I am prepared to yield back the remainder of my time if the Senator from Montana is prepared to yield back the remainder of his time.

Mr. MELCHER. Mr. President, I shall just briefly state that this process of determining whether or not there can be language that can be helpful and constructive and agreeable is entirely within the hands of the distinguished chairman and the ranking member of the committee. They are managers. Whether or not we have faith that anything can be arrived at is entirely under their control, because under the parliamentary procedure, all I can do is offer an amendment and I am always subject to a tabling motion. I may not even be able to describe what the amendment is or talk about it or advocate it simply by a tabling motion as was done with the previous amendment.

On this one we have had a little discussion. I believe that it is meritorious, and I believe it might lead us to finding a proper solution. But I have to repeat while we are here on the floor and tying up the staff, that is not likely to happen. I regret it, but I am just constrained to say, believing as I do that there is a chance to reach an accommodation between all of us, my only way of keeping that opportunity open is by just continuing to offer amendments. But I do believe, Mr. President, that this amendment goes in the direction that we are seeking to go.

The PRESIDING OFFICER. The Senator's time has expired. The Senator from Idaho.

Mr. McCLURE. Mr. President, how much time is remaining?

The PRESIDING OFFICER. One minute remains.

Mr. JOHNSTON. Mr. President, will the Senator yield 30 seconds?

Mr. McCLURE. I yield the Senator 30 seconds.

Mr. JOHNSTON. Mr. President, we keep rehashing the same ground over and over and over and over again. There is no chance of settling this thing on the same basis. All we can do is sit here all night, and we may well do it, and vote over and over again. It is a nongermane amendment. It is not even germane to this legislation. Yet we keep voting over and over again on it, and I am prepared to do so.

Mr. McCLURE addressed the Chair.

The PRESIDING OFFICER. The Senator from Idaho.

Mr. McCLURE. In my remaining 30 seconds, I just want to remind the body that this is extremely complex legislation. We took some time on this amendment because the amendment as offered to us was complex enough that we wanted to make certain it did what I have since concluded it did before we made a motion to table. It was plain on the previous one and it may be plain on the next one that it is just one in a series which seek to achieve the same objective and, if so, I will continue to offer the motion to table the amendments as rapidly as they can be offered.

Mr. President, we have also suggested that since it is complex, it is subject to hearings and indeed have offered that this be made a matter of hearings so that we can develop both the actual and technical basis upon which we might make a judgment as to whether an amendment should be adopted and, if so, what kind of amendment should be adopted to existing law.

Mr. DOLE. Will the Senator from Idaho yield?

Mr. McCLURE. I will be happy to yield to the majority leader.

Mr. DOLE. Is it the intention of the managers to pursue this matter on into the evening?

Mr. McCLURE. Yes; it is.

Mr. DOLE. And morning if necessary?

Mr. McCLURE. There does not seem to be any way to resolve the issue except just to continue in that fashion.

Mr. DOLE. I think all Members ought to be on notice that that is the plan of the managers. I certainly agree that we cannot make it easy for one person who wants to hold up the bill. If we are going to punish the other Senators, they ought to know that we are going to be here late, late in the evening, and I hope that they will make their plans accordingly. But I am perfectly willing to stay all night if necessary.

Mr. McCLURE. I hope it is not, but I am prepared to do the same.

Mr. President, I ask for the yeas and nays on the amendment.

The PRESIDING OFFICER. Is there a sufficient second? There is a sufficient second.

The yeas and nays were ordered.

Mr. McCLURE. Mr. President, I move to table the amendment and ask for the yeas and nays on the motion to table.

The PRESIDING OFFICER. Is there a sufficient second? There is a sufficient second.

The yeas and nays were ordered.

The PRESIDING OFFICER. The clerk will call the roll.

Mr. MELCHER addressed the Chair.

The PRESIDING OFFICER. The Senator from Montana.

CALL OF THE ROLL

Mr. MELCHER. I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll to ascertain the presence of a quorum.

The legislative clerk proceeded to call the roll and the following Senators entered the Chamber and answered to their names:

[Quorum No. 7 Leg.]

Abdnor
Boren
Chiles
DeConcini
Dole
Hecht
Johnston
Kasten
Matsunaga
McClure
Melcher
Pressler
Proxmire
Quayle
Rockefeller
Rudman

The PRESIDING OFFICER. A quorum is not present. The clerk will call the names of the absent Senators.

Mr. McCLURE. Mr. President, I move that the Sergeant at Arms be instructed to request the attendance of absent Members, and I ask for the yeas and nays.

The PRESIDING OFFICER. Is there a sufficient second? There is a sufficient second.

The yeas and nays were ordered.

The PRESIDING OFFICER. The clerk will call the roll.

Mr. SIMPSON. I announce that the Senator from Oregon [Mr. HATFIELD] and the Senator from Florida [Mrs. HAWKINS] are necessarily absent.

I also announce that the Senator from Arizona [Mr. GOLDWATER] is absent due to illness.

Mr. CRANSTON. I announce that the Senator from Florida [Mr. CHILES], the Senator from Massachusetts [Mr. KERRY], and the Senator from Mississippi [Mr. STENNIS] are necessarily absent.

The PRESIDING OFFICER (Mr. HECHT). Are there any other Senators in the Chamber who desire to vote?

The result was announced—yeas 91, nays 3, as follows:

[Rollcall Vote No. 73 Leg.]

YEAS—91

Abdnor
Andrews
Armstrong
Baucus
Bentsen
Biden
Bingaman
Boren
Boschwitz
Bradley
Bumpers
Burdick
Byrd
Chafee
Cochran
Cohen
Cranston
D'Amato
Danforth
DeConcini
Denton
Dixon
Dodd
Dole
Domenici
Durenberger
Eagleton
East
Evans
Exon
Ford
Garn
Glenn
Gore
Gorton
Gramm
Grassley
Harkin
Hart
Hatch
Hecht
Heflin
Heinz
Helms
Hollings
Humphrey
Inouye
Johnston
Kassebaum
Kasten
Kennedy
Lautenberg
Laxalt
Leahy
Levin
Long
Lugar
Mathias
Matsunaga
Mattingly
McClure
McConnell
Melcher
Metzenbaum
Mitchell
Moynihan
Murkowski
Nickles
Nunn
Packwood
Pell
Pressler
Pryor
Riegle
Rockefeller
Roth
Rudman
Sarbanes
Sasser
Simon
Simpson
Specter
Stafford
Symms
Thurmond
Trible
Wallop
Warner
Weicker
Wilson
Zorinsky

NAYS—3

Proxmire
Quayle
Stevens

NOT VOTING—6

Chiles
Goldwater
Hatfield
Hawkins
Kerry
Stennis

So the motion was agreed to.

The PRESIDING OFFICER. With the addition of Senators voting who did not answer the quorum call, a quorum is now present.

AMENDMENT NO. 1789

The PRESIDING OFFICER. The question is on agreeing to the motion of the Senator from Idaho to lay on the table the amendment of the Senator from Montana.

On this question, the yeas and nays have been ordered, and the clerk will call the roll.

The bill clerk called the roll.

Mr. SIMPSON. I announce that the Senator from Oregon [Mr. HATFIELD] and the Senator from Florida [Mrs. HAWKINS], are necessarily absent.

I also announce that the Senator from Arizona [Mr. GOLDWATER], is absent due to illness.

Mr. CRANSTON. I announce that the Senator from Massachusetts [Mr. KERRY] and the Senator from Mississippi [Mr. STENNIS], are necessarily absent.

The PRESIDING OFFICER. Are there any other Senators in the Chamber who desire to vote?

The result was announced—yeas 82, nays 13, as follows:

[Rollcall Vote No. 74 Leg.]

YEAS—82

Abdnor
Andrews
Armstrong
Bentsen
Bingaman
Boren
Boschwitz
Bumpers
Byrd
Chafee
Chiles
Cochran
Cohen
Cranston
D'Amato
Danforth
DeConcini
Denton
Dixon
Dodd
Dole
Domenici
Durenberger
Eagleton
East
Evans
Ford
Garn
Glenn
Gore
Gorton
Gramm
Grassley
Hatch
Hecht
Heflin
Heinz
Helms
Hollings
Humphrey
Inouye
Johnston
Kassebaum
Kasten
Kennedy
Laxalt
Leahy
Levin
Long
Lugar
Mathias
Matsunaga
Mattingly
McClure
McConnell
Mitchell
Moynihan
Murkowski
Nickles
Nunn
Packwood
Pell
Pressler
Pryor
Quayle
Riegle
Rockefeller
Roth
Rudman
Sasser
Simon
Simpson
Specter
Stafford
Stevens
Symms
Thurmond
Trible
Wallop
Warner
Weicker
Wilson

NAYS—13

Baucus
Biden
Bradley
Burdick
Exon
Harkin
Hart
Lautenberg
Melcher
Metzenbaum
Proxmire
Sarbanes
Zorinsky

NOT VOTING—5

Goldwater
Hatfield
Hawkins
Kerry
Stennis

So the motion to table amendment No. 1789 was agreed to.

The PRESIDING OFFICER. Are there further amendments?

AMENDMENT NO. 1790

Mr. MELCHER. Mr. President, I have an amendment at the desk, and I ask for its immediate consideration.

The PRESIDING OFFICER. The clerk will report.

The legislative clerk read as follows:

The Senator from Montana [Mr. MELCHER], proposes an amendment numbered 1790.

S. 426 is hereby amended by adding the following new section at the end thereof.

"SEC.

Section 211(c)(2)(B) of the Federal Power Act is amended to read as follows:

" '(B) required to be provided to such applicant pursuant to a rate schedule on file, the existing terms of which have previously been agreed to by the applicant.' "

Mr. McCLURE. Mr. President, I move to table the amendment, and I ask for the yeas and nays.

The PRESIDING OFFICER. Is there a sufficient second? There is a sufficient second.

The yeas and nays were ordered.

Mr. MELCHER addressed the Chair.

The PRESIDING OFFICER. The Senator from Montana.

Mr. MELCHER. I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The bill clerk proceeded to call the roll.

Mr. SYMMS. Mr. President, I ask unanimous-consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. SYMMS. Mr. President, I ask unanimous consent to proceed for 1 minute.

The PRESIDING OFFICER. Is there objection? Without objection, it is so ordered.

Mr. SYMMS. Mr. President, I rise to speak in support of the Electric Consumers Protection Act. This legislation will result, over time, in lower power rates for consumers. I think this is very important. My constituents think it is very important. Support of this act has generated a surprising volume of mail. Like any piece of legislation, the final product is not exactly as I wanted it. I doubt if any Senator in this Chamber is completely satisfied with this piece of legislation.

That, of course, is the heart of our system. We all know that we must together arrive at a position that is acceptable to the majority of the Members of the Senate. I think we have accomplished this and that the Election Consumers Protection Act will be passed by the Senate.

When that happens it will be due, in large part, to the dedicated work and fine judgment of my respected colleague, Senator JIM McCLURE, the Senior Senator from the State of Idaho and the Chairman of the Energy and Natural Resources Committee. Without Senator McCLURE's strong leadership I am not sure that this legislation would be enacted. I want Senator McCLURE to know how much he is appreciated and that his contributions to this body are well recognized.

WHEELING ISSUE

Mr. BUMPERS. Mr. President, the wheeling issue is indeed a complicated one, and I wanted to make my position clear. For me, the only questions are these: Will wheeling increase the likelihood of cheaper power being made available to electric consumers in Arkansas and the Nation as a whole? And if changes in current wheeling law will benefit consumers, what particular changes should be made?

As has been pointed out on the floor several times during the debate on this bill, it has been difficult to evaluate the various wheeling proposals we have voted on today. I voted to table most of the wheeling proposals presented today out of concern for the ratepayers served by the utility companies that would be forced to wheel. I think I would favor some changes in the law to force unwilling utility companies to wheel power, but only if the customers of the utility being forced to wheel are protected. In Arkansas,

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for example, if AP&L is forced to wheel, I want to make sure that the rates for AP&L's retail customers do not increase, and I have weighed the various amendments against this standard.

I appreciate the position the Senator from Montana is in. Many a good legislative proposal is withdrawn from consideration on the Senate floor in return for a promise of hearings, never to surface again. But having attempted during the last few days to research the wheeling issue in some detail, I have been surprised at how difficult it is to come up with reliable information about how wheeling would affect utility customers in my State and across the Nation. It is difficult to determine the winners and losers on the wheeling issue. For this reason, I really do believe this is a matter that could benefit greatly from hearings before the Energy Committee. I fear that it is too complicated a subject to be dealt with through floor amendments that have been only perfunctorily scrutinized.

As I said, I think some well thought-out wheeling amendments would benefit electric consumers as floor amendments without the benefit of fairly sophisticated hearings.

Mr. SYMMS. I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The bill clerk proceeded to call the roll.

Mr. DOLE. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

ROUTINE MORNING BUSINESS

Mr. DOLE. Mr. President, I ask unanimous consent that there be a brief period for the transaction of routine morning business not to extend beyond the hour of 9:30 p.m.

The PRESIDING OFFICER. Without objection, it is so ordered.

MOTION TO PROCEED TO CONSIDERATION OF S. 1774 WITHDRAWN

Mr. DOLE. Mr. President, I think this matter has been cleared earlier with the distinguished minority leader. I ask unanimous consent to withdraw my motion to proceed to consider S. 1774, the Hobbs Act.

The PRESIDING OFFICER. Without objection, it is so ordered.

AUTHORIZATION OF TESTIMONY BY FORMER SENATE STAFF

Mr. DOLE. Mr. President, I send to the desk a resolution on behalf of myself and the distinguished minority leader (Mr. Byrd) and ask unanimous consent for its immediate consideration.

The PRESIDING OFFICER. Is there objection? The Chair hears none. Without objection, it is so ordered.

The Clerk will state the resolution by title.

The legislative clerk read as follows:

A Senate resolution (S. Res. 384) to direct the Senate Legal Counsel to represent, and to authorize the testimony of, former Senator Hansen and his past staff assistant in the case of *Dow Chemical Company* v. *United States*.

The Senate proceeded to consider the resolution.

Mr. DOLE. Mr. President, the plaintiff in a patent-infringement case against the Department of the Interior, now pending in the claims court, has subpoenaed a past employee of retired Wyoming Senator Cliff Hansen for deposition testimony in Washington this coming Friday morning. They have done so in the belief that that former staff assistant, Patty Howe, can provide information about early 1970's dealings between Senator Hansen's office and the Bureau of Mines important to plaintiff's contention that an abandoned mine backfilling process was entitled to royalties as a new technique.

This resolution would direct the Senate Legal Counsel to represent Senator Hansen, Pat Howe, and any other former staff assistant who may be asked to testify in the matter. It would also authorize their testimony to the extent required, except for anything privileged, but would not provide for the production of documents since none in the possession of the Senate are considered crucial to the case. If the deposition of Senator Hansen himself were to become necessary, it would take place in his home community without involving any travel.

Mr. President, I move adoption of the resolution.

The PRESIDING OFFICER. The question is on agreeing to the resolution.

The resolution (S. Res. 384) was agreed to.

The preamble was agreed to.

The resolution, with its preamble, is as follows:

S. Res. 384

Whereas, in the case of *Dow Chemical Company* v. *United States*, No. 19-83C, pending in the United States Claims Court, the plaintiff has obtained a subpoena for the deposition testimony of Patricia Howe, past staff assistant to former Wyoming Senator Clifford Hansen;

Whereas, pursuant to sections 703(a) and 704(a)(2) of the Ethics in Government Act of 1978, 2 U.S.C. 288b(a) and 288c(a)(2) (1982), the Senate may direct its counsel to represent former Members or employees of the Senate with respect to subpoenas issued to them in their previous official capacity;

Whereas, by the privileges of the United States Senate and Rule XI of the Standing Rules of the Senate, no evidence under the control or in the possession of the Senate can, by the judicial process, be taken from such control or possession but by permission of the Senate;

Whereas, when it appears that testimony of former Members and employees of the Senate is or may be needful for use in any court for the promotion of justice, the Senate will take such action as will promote the ends of justice consistent with the privileges and rights of the Senate: Now, therefore, be it

Resolved, That the Senate Legal Counsel is directed to represent former Senator Clifford P. Hansen, Patricia Joanne Howe, and any other past staff assistant of Senator Hansen who may be asked to testify in the case of *Dow Chemical Company* v. *United States*.

Sec. 2. That Senator Hansen, Patricia Howe, and any other staff assistant of Senator Hansen who may be asked, are authorized to testify in the case of *Dow Chemical Company* v. *United States*, except concerning matters which may be privileged.

Mr. DOLE. Mr. President, I move to reconsider the vote by which the resolution was agreed to.

Mr. FORD. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

EXECUTIVE SESSION

Mr. DOLE. Mr. President, I inquire of the distinguished minority leader if he is in a position to consider the following nomination on the Executive Calendar: Daniel Oliver, of Connecticut, to be a Federal Trade Commissioner and, if so, I would ask unanimous consent that the Senate go into executive session to consider the nomination.

Mr. BYRD. Mr. President, reserving the right to object, that nomination has been cleared on this side. There is no objection.

There being no objection, the Senate proceeded to the consideration of executive business.

The PRESIDING OFFICER. The nomination will be stated.

FEDERAL TRADE COMMISSION

The legislative clerk read the nomination of Daniel Oliver, of Connecticut, to be a Federal Trade Commissioner.

The PRESIDING OFFICER. The nomination is considered and confirmed.

Mr. DOLE. Mr. President, I move to reconsider the vote by which the nomination was confirmed.

Mr. BYRD. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. DOLE. Mr. President, I ask unanimous consent that the President be immediately notified of this nomination.

The PRESIDING OFFICER. Without objection, it is so ordered.

LEGISLATIVE SESSION

Mr. DOLE. Mr. President, I ask unanimous consent that the Senate return to legislative session.

The PRESIDING OFFICER. Without objection, it is so ordered.

ORDER OF PROCEDURE

Mr. DOLE. Mr. President, I do not know of any other business we can take care of now, but it is my hope that before we recess this evening we might be able to take care of the Federal Deposit Insurance Act, either the Senate bill or its companion House bill, H.R. 4551. I know the Senator from Illinois [Mr. Dixon] has an interest in that, along with the chairman of the Banking Committee, and I know both Oklahoma Senators have an interest. It is rather critical, as I understand it, to a number of banks in that State. So it is our hope that, if we cannot pass the extension with amendments, at least we could pass the 90-day extension this evening. But I understand the distinguished Senator from Illiniois would like to visit with the chairman of the committee, and he will be present momentarily.

I would also indicate that if we can complete action on the pending legislation and tomorrow do the technical amendments to the crime bill and the FDIC amendments, it would probably be possible to assure Members there will be no votes on Friday, but I cannot do that yet. I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. GARN. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. GARN. Mr. President, I ask unanimous consent to proceed as if in morning business.

The PRESIDING OFFICER. Without objection, it is so ordered.

EXTENSION OF CERTAIN PROVISIONS OF THE GARN-ST GERMAIN DEPOSITORY INSTITUTIONS ACT

Mr. GARN. Mr. President, I ask unanimous consent that the Senate now turn to H.R. 4551, received from the House today, which is to extend for 3 months certain provisions of the Garn-St Germain bill.

The PRESIDING OFFICER. Is there objection?

Mr. DIXON. Mr. President, reserving the right to object, and I shall not object, I wonder if my colleague would be kind enough to enter into a short discussion with me about this request he has just made.

Mr. GARN. I shall be happy to.

Mr. DIXON. As you know, may I say to my distinguished friend from Utah, we have a bill on the calendar, S. 2231, upon which he and I appear as principal cosponsors, which was unanimously voted out of the Banking Committee, after a short markup recently, that would address the problem of agricultural banks and problems on the farms around America. That has been pending for some time. It had been my hope that that bill, which also extends the 90-day extension, could be brought up tonight. There have been objections on my side, although it has been cleared on your side.

I understand in our discussion with the majority leader that he has indicated that, sometime before Memorial Day, that bill, S. 2231, would be called up for consideration in the Senate. Is that the Senator's understanding of what procedure will take place?

Mr. GARN. I say to the Senator from Illinois, that is correct. I would like to give a little more background so our colleagues know exactly what has taken place.

Last December, when the Farm Credit Administration amendments were on the floor, a very large bill, I very vigorously objected to including commercial, particularly agricultural, banks in with that jurisdiction, which was under the Agriculture Committee, and was successful at that time in defeating an amendment by the distinguished Senator from Illinois to add commercial banks into that bill. At that time I made the commitment that if that amendment were defeated, I would hold hearings—because we had not held hearings on this matter—that I would hold hearings expeditiously and that the committee would attempt to come up in our area of jurisdiction with a bill. I kept that commitment.

We did exactly that. The Senate Banking Committee passed a bill unanimously and we brought it to the floor and hoped to pass it the very day that we had approved it because we thought it was next to motherhood. Unfortunately, at various times we have had objections on both sides of the aisle over the last 2 or 3 weeks.

We have finally reached a point where it is impossible to bring it up. But we have another situation where title 1 and title 2 of Garn-St Germain that was passed in 1982 have expired yesterday, and there is some controversy over those provisions. But, nevertheless, I feel it is not responsible to not extend those, and I cannot hold those extensions for 90 days only hostage to these other provisions.

That is a brief summary of the background. The Senator is correct. We have talked to the Senator from Kansas, the distinguished majority leader, and he has agreed that he will make every effort to bring up the Garn-Dixon or Dixon-Garn bill, which still remains on the calendar with those other provisions in before the Memorial Day recess, so that we will have an opportunity to pass those provisions.

In the meantime, what I am asking to be called up now is a House-passed bill. It is a simple extension of title 1 and title 2 of Garn-St Germain until July 15.

Mr. DIXON. I thank my distinguished friend from Utah.

On that basis, I would have no objection to the unanimous-consent request.

The PRESIDING OFFICER. The clerk will report.

The assistant legislative clerk read as follows:

A bill (H.R. 4551) to extend for 3 months the emergency acquisition and net worth guarantee provisions of the Garn-St Germain Depository Institutions Act of 1982.

The PRESIDING OFFICER. Is there objection to the request of the Senator from Utah?

There being no objection, the Senate proceeded to consider the bill.

Mr. PROXMIRE. Mr. President, this bill would extend for 90 days the emergency interstate bank acquisition authority and the Net Worth Certificate Program first enacted in 1982 under the Garn-St Germain Act. This authority expired last October and was extended to April 15 of this year. At the time, I had some misgivings to an extension in the absence of a comprehensive banking bill. However, I was given to understand that the extension would give us more time to deal with all the banking issues before the committee. Unfortunately, the 6-month extension has expired and we still do not yet have a comprehensive banking bill.

I am somewhat reluctant to agree to another short-term extension of these authorities. There is always the danger that the additional time will remove some of the pressure for dealing with the numerous banking issues before the Banking Committee including the closing of the nonbank bank and other loopholes, new powers for bank holding companies, restrictions on check holds, deposit insurance reform, a recapitalization of the Federal Savings and Loan Insurance Corporation, and whether or not to permit the interstate acquisition of failing banks. Nonetheless, I have been assured by the chairman that he has no intention to delay the consideration of these issues and that he will schedule a markup of the Banking Committee on these issues, hopefully prior to the Memorial Day recess, but in no event, later than June 15.

I encourage the chairman to begin marking up a banking bill as soon as possible and I will be pleased to work with him in bringing a bill to the Senate. I would also like to serve

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notice that this is the last short-term extension of the Garn-St Germain emergency authorities that I intend to agree to. If the committee has not acted before the next extension I will offer an amendment to close the nonbank bank loophole as provided in S. 2851 which passed the Senate on September 13, 1984, but without the new securities powers for bank holding companies. While I continue to support these new powers, there is no credible prospect of getting them through the Senate and the House if the Senate Banking Committee has not acted definitively on the issue well in advance of the July 15, expiration date. In fact, given the lateness of the session, it may already be too late.

In order to send this extension promptly to the President, I have agreed not to offer the 90-day moratorium on nonbank banks contained in S. 2231. Nonetheless, the record should reflect the fact that this moratorium passed the Banking Committee unanimously and in my view accurately reflects the view of the committee on the nonbank bank issue.

Mr. President, the Senate has already acted to close the nonbank bank loophole when it passed S. 2851 by an overwhelming vote in September 1984. Unfortunately, the House took no action and the legislation died in the last Congress. However, our intention to close the nonbank bank loophole in this Congress with a July 1, 1983, grandfather date was clearly reaffirmed in a joint statement of Senator Garn, Congressman St Germain, Congressman Wylie, and myself on October 8, 1984. There should be no confusion that this is still our intent. As a matter of fact, I am opposed to any grandfather date and will do my best to eliminate the limited grandfather rights contained in the 1984 legislation that passed the Senate. Whatever the date, there is, in my view, no sentiment on the committee for the Treasury position that the nonbank bank loophole should be made legitimate.

Mr. METZENBAUM. Mr. President, I have serious reservations about the pending bill. It permits the regulatory agencies to continue the net worth certificate program authorized by the Garn-St Germain Act and to extend the emergency acquisition authority contained in that act.

I have no problem at this time with the emergency acquisition provision, but I have grave concerns about the net worth certificate program. I believe that program is the worst kind of bookkeeping gimmickry.

Now let me describe how this program works. If a bank has $20 million in net worth, it issues a certificate to the bank board. At this point the board issues a promissory note for $20 million to the thrift. Now, what happens? The thrift is able to report net worth of $40 million, not $20 million.

Now, obviously, the institution's net worth has not doubled. There has been no additional equity put into the bank. It is a paper transaction, and all of a sudden the bank is in a position to say now its net worth is $40 million, not $20 million. No matter how you slice it, that is false reporting.

A November 1984 General Accounting Office report noted that the Federal Home Loan Bank Board counts appraised equity capital in determining a thrift's net worth.

Among other things, appraised equity capital includes the unrealized and unrecorded equity in office land, buildings and improvements owned by the institution.

The GAO also noted that the accounting community does not believe that the promissory notes given to institutions by the bank agencies can be recorded as assets. Incredibly, these notes are the heart and soul of the program. They are the vehicle used to boost an institution's net worth. Yet, accounting professionals say the whole deal is bogus.

The GAO report flatly stated that the use of the appraised equity capital and net worth certificates is deceptive:

> The bank board and the FDIC release financial reports submitted by thrift institutions that could be misleading or confusing to the general public . . . these reports contain financial information reported in a manner that is not recognized under generally accepted accounting principles for general purpose reporting to the public . . .
>
> Without proper disclosure, the public could inadvertently rely upon such reports to make business and investment decisions.

The job of regulators is not to keep insolvent institutions open through smoke and mirrors accounting like net worth certificates. Indeed, such regulatory shenanigans disguise the real problems facing our financial system and will only make the coming shakeout that much more traumatic.

The argument has been made that this procedure that has been in effect since 1982 has made it possible for a number of institutions to be saved, and to put their own house in order. True and good, and well enough. That was in an era of good times, sort of boom times, stronger economy, less inflation, and as a consequence, I can understand what has occurred.

But let us take the other side of the coin. The other side of the coin is we could have gone in reverse. There could have been a negative reaction. The net worth could have gone down. There is an old point of view and philosophy that in some business deals the first loss is the cheapest loss. If some of these institutions have to fold up because they are insolvent or because they do not meet the regulatory requirements, maybe that is the way it should be rather than fooling the American people, the depositors and those who do business with the institution; that is, the institution is truly solvent or the institution is more financially stable than is the reality.

I am pleased that the bill before us does not include provisions regarding energy and agricultural banks. But I am terribly disturbed that the agencies themselves are proceeding with plans to permit bank capital to fall below regulatory minimums, and to allow loan restructuring that is nothing more than flim-flam.

Mr. President, I believe that it would be far better to let some banks fail now than to engage in artificial, misleading, and dangerous accounting games that will inevitably result in far greater outlays in the future. We are not helping anyone with these kinds of accounting games, least of all the farmers, the oil men, the banking, and the investing public.

I share the concern of my colleagues in the Senate with respect to each of those groups but I believe that we should not create an illusion of soundness and safety when in fact we know that the institutions we purport to help are neither sound nor safe.

I intended to object to consideration of this bill but I will not do so. But I want to make it clear that in the next 90 days I believe the Senate should get down to the job of really addressing our banking problems. The Senator is tired of delay and Band-Aid solutions. I will oppose with all my energy any further extension of the net worth certificate program as well as any other legislation that includes dubious financial and accounting procedures.

I might say that I have inquired of the regulators with respect to the observations that I have made on the floor here this evening. They do not challenge the accuracy of my representation. They say as a matter of fact I am exactly on target. But they also say that there are circumstances in which they are bound by the legislative requirements, and also with respect to other considerations where they have felt it advisable not to insist upon conformity with their previously prescribed regulatory procedures.

I wanted for some time to offer some consumer banking amendments as well as some corporate takeover amendments. I have waited patiently in order that there might be an opportunity to offer such amendments. I intend to do so on the next banking bill that comes to the floor. I will not do so with respect to this legislation because there is some timeliness and some need for prompt action.

Having said that, Mr. President, I yield the floor.

Mr. GARN addressed the Chair.

The PRESIDING OFFICER. The Senator from Utah.

Mr. GARN. Mr. President I will certainly not take the time of the Senate this evening to debate this issue with the Senator from Ohio.

There are a couple of observations which I think need to be made, however. I do not necessarily agree with the Senator's characterization of the legislation. But it is easy to be a critic when you are not involved in the problem. I was one of those critics who opposed the House provisions that were much more severe as far as capital maintenance guaranteeing that institutions should stay in business. Senator Proxmire and I proposed modified provisions of title 1 and title 2 of Garn-St Germain, and insisted on that in the conference with the House.

You can call it flim-flam, if you want. It worked. Sitting in the position of responsibility as we did in the Banking Committee in 1982 it was not boom times. The highest of troubled institutions on the list were both banks and savings and loans, and more failures were handled in 1982 than any year in the history of the Federal Home Loan Bank Board combined—all of them combined. They handled more.

So let us not characterize 1982 as a year of low interest rates and boom times. We were in the middle of a depression with the banking industry, and particularly with the thrifts on their back. So this worked. It is not desirable theoretically. I agree with the Senator from Ohio.

Sometimes when you have the responsibility, you are sitting on that kind of a problem, and most of the Senate does not know about it, and we have saved a lot of institutions. Maybe there was a better way to do it. But we saved a lot of institutions. If we had not had these provisions, you would have then given the FSLIC and the FDIC the only alternative of simply allowing these institutions to fail and saying OK, I will let your depositors with $100,000 get their money back—with vastly depleted funds those over $100,000 would have lost.

The assisted merger route has solved some very difficult problems. And we still are in the situations with very large troubled institutions which under the circumstances the regulatory institutions of this country have handled very well.

I also suggest that if the Senator from Ohio is impatient about banking legislation, he does not know what it is like to be frustrated and impatient as one who has tried for 5 years to push comprehensive legislation, and has not been able to do so since 1982. Even when in 1984 on the floor of this Senate we passed by a vote of 89 to 5 a comprehensive banking bill, the House of Representatives would not go to conference with me. I was ready to produce a bill again last year, and the House would not produce anything to even go to conference on.

The problem is in the House of Representatives. This body has been ready, willing, and able with the help of my distinguished ranking minority member for the last 3½ years to pass additional legislation.

So I suggest to the Senator from Ohio before we get into this battle in 90 days, because we will, and then we will debate it fully, but I would like him to make his speech on impatience on the House of Representatives floor or the House Banking Committee because Senator Proxmire and I are just as impatient if not far more so than the Senator from Ohio. But we will continue this debate at a later date.

I ask that we proceed to third reading and pass the bill.

Mr. METZENBAUM addressed the Chair.

The PRESIDING OFFICER. The Senator from Ohio.

Mr. METZENBAUM. Mr. President, I respect the fact that the chairman of the committee and ranking minority member have made a serious effort to provide banking legislation that moves us in the right direction. I appreciate the fact that we passed legislation in the Senate, and the House has not acted. I am not quite willing to go over, and make a speech on the floor of the House because I guess that would mean I would have to be a Member of the body. And I am quite happy where I am.

Mr. GARN. By unanimous consent they will let the Senator do anything.

Mr. METZENBAUM. Having said that, let me say that the Senator from Utah is right, that in 1982 we were not in boom times. I think what I meant to say was that since that time the economy has improved considerably. It is a fact that a number of institutions that might have gone under have not gone under. But that does not mean that it will always be that way.

I am trying to suggest to the Senator from Utah, and the ranking minority member, my good friend, that I think we have to take another look at this whole issue of net worth certificates. I think to do less than that might possibly provide a day in the future when we all regret the fact that we have not been more concerned about those net worth certificates.

I look forward to working with the Senator from Utah and the Senator from Wisconsin.

I have no objection to proceeding forward with the passage of the legislation this evening.

Mr. GARN. Mr. President, I thank the Senator from Ohio for not objecting this evening. I ask for third reading.

Mr. BOREN. Mr. President, I appreciate the speed at which the distinguished majority leader has moved to proceed to the consideration of this most important piece of legislation.

Given the nature of the economy in Oklahoma and throughout the Southwest, it is important that we in Congress provide the flexibility necessary for the banking industry to survive these turbulent times. I remain hopeful that this legislation will address those very concerns.

The PRESIDING OFFICER. The bill is before the Senate and open to amendment. If there be no amendment to be offered, the question is on the third reading of the bill.

The bill (H.R. 4551) was read the third time, and passed.

Mr. GARN. Mr. President, I move to reconsider the vote by which the bill was passed.

Mr. PROXMIRE. Mr. President, I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. BOSCHWITZ. Mr. President, I would like to thank the Senator from Utah, the chairman of the Banking Committee, and also Senator Helms, the chairman of the Agriculture Committee. Some of us had an amendment that we wanted to put on this bill. We were able to work it out together with their help, particularly with the help of the distinguished Senator from North Carolina and George Dunlop of the Agriculture Committee. So I think that we will be able to make some helpful moves with respect to the Farm Credit System in the near future. I thank my colleagues.

I also thank the Senator from Illinois, Senator Dixon, as well as Senator Nickles, who is particularly active in our effort.

So I think we have made some progress with the Farm Credit System which will become apparent soon.

Mr. STAFFORD. Mr. President, a parliamentary inquiry. I understand that we are now in morning business.

The PRESIDING OFFICER [Mr. Domenici]. The Senator is correct.

THE INTER-PARLIAMENTARY UNION

Mr. STAFFORD. Mr. President, last week I had the privilege of being in Mexico City for a week as part of our delegation to a meeting of the Inter-Parliamentary Union, which was held in that city.

The other member of our delegation was Mr. Louis Stokes, a Congressman from Ohio, who served this Nation very well in the period of the week we were representing the United States.

I would remind my colleagues that the Inter-Parliamentary Union began in 1899, and that the United States has been a member of that union for a great many years. At the present time some 104 nations belong to it and more than 80 nations were represented by delegations at Mexico City.

Let me further remind my colleagues, Mr. President, that the aims of the Inter-Parliamentary Union are to promote personal contacts between members of all parliaments and to unite them in common action to

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secure and maintain the full participation of their respective states in the firm establishments and development of representative institutions in the advancement of the work of international peace and corporation, particularly by supporting the objectives of the United Nations.

Mr. President, as I said, some 80 nations were present in Mexico City. We had a series of vigorous debates on the subjects which were assigned to the two so-called study committees of the Inter-Parliamentary Union. Additionally, on a supplemental matter that the conference agreed to make up, I would note that the initial matter which the conference had to dispose of was an attempt on the part of the Syrian delegation to inject into the deliberations of the conference the following emergency supplemental question:

> The aggression against Libya by the American Armed Forces constitutes an eminent danger for the security of the Mediterranean basin and for world peace.

This, mind you, was with reference to the Gulf of Sidra incident and not to the events which have occurred this week.

I am pleased to be able to report to my colleagues that we were able to defeat the Syrian effort to inject this as a supplemental matter for the Inter-Parliamentary Conference to consider, and that the speech made on behalf of the United States was made by Congressman LOUIS STOKES. He did a very good job.

I ask unanimous consent, Mr. President, that the text of the sppech delivered by Mr. STOKES at that time be made a part of the RECORD at this point.

There being no objection, the remarks were ordered to be printed in the RECORD, as follows:

REMARKS MADE BY THE HONORABLE LOUIS STOKES

Mr. President, the U.S. delegation would like to register its strong opposition to the adoption by this body of an emergency supplementary item on a recent event in the Gulf of Sidra as proposed by the delegation of Syria.

The situation to which the request refers does not constitute either an emergency or an imminent danger to world peace or Mediterranean security as stated in the Syrian proposal. The incident is over. There have been no U.S. armed forces in the area referred to in the proposal for more than two weeks. Moreover, the event to which they refer occurred in internationally-recognized waters.

At the time, the United States was merely exercising its right of free navigation in international waters, as recognized in international law, and as exercised by other maritime powers. Additionally, there was no aggression against Libya. The U.S. Naval Forces returned fire, only when attacked in international waters by Libyan forces, as was our right under international law.

I would like to emphasize that it is not the United States which constitutes a threat to world peace and to the security of the Mediterranean. The real threat in that part of the world and to world peace comes not from this brief encounter in the Gulf of Sidra, but from the current, ongoing, policy of state-supported terrorism which has resulted in the deaths of so many innocent civilians. I refer to the most recent terrible loss of life and limb in airport and plane bombings in Rome and Vienna. When the threat of terrorism is so imminent as to cause fear of travel around the world, this is the danger to world peace.

Mr. Chairman, this conference and this Interparliamentary Union has on its agenda some very important world issues. It would seem that our work as parliamentarians would be greatly enhanced if we were to concentrate our time and efforts, not on divisive issues, but on those issues which were stressed by each of the speakers at our opening session this morning. I submit that our time would be better served on issues of substance such as combatting world hunger, helping the undeveloped and under-developed nations of the world, furthering the cause of nuclear disarmament, combatting the rising tide of terrorism, and fostering world peace.

The proposal before us is divisive; it is not relevant to any presently existing situation; and it is not in furtherance of the principle of fostering world peace. I urge my fellow parliamentarians to vote against the adoption of this proposal.

Mr. STAFFORD. Mr. President, in the course of deliberating upon the regularly assigned subjects in front of the conference, with respect to one of them which had to do with the halting of the arms race and effective disarmament with special regard to the militarization of outer space, nuclear weapons and chemical weapons, and to the effective combating of international terrorism, and to the elimination of hotbeds of tension in the world and in particular to the efforts of the Contadora Group in Latin America, it was my privilege to make a statement on behalf of the United States in connection with our views about handling the problems of terrorism in the world.

Mr. President, I ask unanimous consent that a copy of that speech appear in the RECORD at this point.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

STATEMENT OF THE HONORABLE ROBERT T. STAFFORD

Mr. President, my fellow delegates, permit me to begin by expressing the deep appreciation of the U.S. delegation to our Mexican hosts. We convey our congratulations to Senator Riva Palacio Lopez on his ascendancy to the presidency of this conference. Our delegation looks forward to strengthening the warm ties with our neighbor state of Mexico.

Today's agenda item encompasses a multitude of issues—each important, pressing, and complex. In the limited time available, little could be accomplished by attempting to address them all. I will confine my remarks, therefore, to an issue which at this very hour threatens to damage irreparably an already fragile international order. I refer to the scourge of international terrorism. Until the world community of nations cooperates on combating terrorists our collective capacity to compose our differences on other issues will remain in serious doubt. Cooperation on combating terrorism is a minimum requirement if the phrase "community of nations" is to retain any meaning.

Trends in international terrorism in recent years have grown steadily worse. Since 1977 the number of terrorist incidents resulting in fatalities has risen each year. In 1985 alone, according to U.S. Government figures, 812 incidents of international terrorism occurred, a marked jump from the 597 incidents in 1984. Of the 2,223 casualties in 1985, 926 were fatal.

This increase in fatalities is linked directly to the fact that state sponsorship of terrorism has become more prevalent. State-sponsored terrorist organizations enjoy many advantages. Funds, training, arms, explosives, and communications become readily available. The organization can concentrate less on maintaining itself and more on committing its terroristic crimes. According to one study, state-sponsored terrorist incidents are likely to be eight times more lethal than non-state-supported incidents.

As gruesome as this bloody calculus may be, it fails to convey the truly reprehensible nature of the slaughter of innocents. An Air India jet explodes over Ireland and 329 lives are simply snuffed out. The families are left to grieve, unable to place the theft of their loved ones from them within any rational context. A U.S. Navy diver is mechanistically executed on the tarmac in Beirut. A wheelchair-ridden elderly American, enjoying a sea cruise in his last years, is shot aboard the *Achile Lauro* and dumped in the Mediterranean. His murderers laugh about it while cynically denying their crime to the world media. A 9-year-old girl is gunned down in Vienna and dies in her father's arms.

Within the last week, two explosions in Europe continue the slaughter. Four innocent passengers were sucked out of an airplane after a bomb ripped a hole in its side. But for the grace of God, the bomb, targeted to murder everyone aboard, took only a limited number of lives. And just this last weekend, an explosion ripped through a Berlin nightclub, killing two and maiming dozens of others. Human limbs were scattered throughout the room.

Yet, unbelievably, not only do states equivocate in the face of this carnage—the perpetrators of these terrorist crimes are actually publicly excused. Rather than meeting swift condemnation and sanction, state sponsors of terrorists meet silence, accommodation, and—let's call it for what it is—appeasement.

No amount of rhetoric about failing to address the so-called "root causes of terrorism" can justify this kind of wanton violence. The Secretary General of the United Nations has spoken out repeatedly on this issue, constantly stressing that nothing can justify terrorism. Numerous resolutions of the Security Council and the United Nations General Assembly have affirmed this fundamental principle.

Time and again those who excuse terrorist acts refer to political conflicts needing resolution. They never admit that those committing these heinous crimes—almost without exception—have no interest in resolving conflicts. Their interest is in exacerbating conflict. Possessed by a pathological nihilism, they pursue their bloody work. In the Middle East, for instance, how else does one explain that terrorism invariably rises when hints are made of progress in the peace progress? For those who doubt it, one need only speak to the family members of Zafer

Al Mazri, the slain mayor of Nablus in the occupied territories.

For its part, the United States' policy on international terrorism is unambiguous: We condemn terrorism in all its forms no matter where it occurs. The United States does not negotiate with terrorists, we will not pay ransoms, nor will we alter our policies to meet terrorist demands.

United States citizens have suffered a disproportionate share of terrorist attacks, and most of those attacks have occurred overseas. We naturally prefer that countries in which terrorist incidents take place apprehend and punish those responsible. But the United States has the right under international law to employ the means necessary to defend its citizens. This is true in those cases where countries prove unwilling or unable to perform their obligations under international law. In recent days the American public understandably has been clamoring that their Government exercise this right vigorously.

No easy solutions exist to combat terrorism. One thing is clear: Combating terrorism is a collective responsibility of the international community. The U.S. Congress has recognized that multilateral approaches must characterize American diplomacy in the fight against terrorism. The U.S. Senate gave prompt approval to ratification of international conventions which criminalized aircraft hijacking, the taking of hostages, and violent acts against internationally protected persons. Both bodies of Congress have supported United States antiterrorism assistance to a wide spectrum of countries. In last year's foreign assistance legislation, these funds increased substantially.

Congress has also passed legislation granting broad authority to the executive branch to impose economic sanctions against state supporters of terrorism. Frequently criticized for being ineffective, economic sanctions are effective only when they receive the requisite degree of international collaboration. We have no illusions that unilateral economic sanctions can work over the long term; multilateral sanctions can. At a minimum, economic and military assistance should be cut off for countries which aid and abet terrorism. Such a provision has existed for years in U.S. law, and the authority granted to the executive branch was expanded in 1985.

Parliaments can help create the formal mechanisms to combat terrorism, but the legal instruments will only be as effective as the willingness of governments to execute them.

The aim of collective effort should be to deny terrorists safe haven so they may be apprehended, prosecuted, and punished. Nations which provide safe haven for terrorist criminals merit the sternest censure of the international community.

The American people have difficulty understanding why this achievable goal eludes the world community of nations. Americans suffer from no illusion terorrism can be eliminated, but they do believe that with the cooperation of nations it can be reduced markedly. Failure to pursue this task vigorously threatens to damage irreparably an already weak faith in the ability of multilateral institutions to address pressing world problems. The terrorists will then have won. They will have converted the world citizenry to their own nihilistic vision: We live not in a world where nations, with effort, can compose their difference; we live, rather, in a hobbesian world, a lawless world, a world where no one can be trusted, a world where everyone is sentenced to a perpetual war of all against all.

(Mr. GRAMM assumed the Chair.)

Mr. STAFFORD. Later on, in connection with a second matter before the Conference under the heading of constitutional problems with acceleration of economic advancement of developing countries by the improvement in the terms of international trade by using science and technology to advance the welfare of mankind in general and particularly the health and well being of the elderly, Mr. Stokes made a speech on behalf of the United States on that subject.

I ask unanimous consent that that speech be made a part of the RECORD at this point.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

STATEMENT OF HON. LOUIS STOKES—UNITED STATES OF AMERICA INTERPARLIAMENTARY UNION PLENARY SESSION, APRIL 10, 1986

MR. PRESIDENT, FELLOW DELEGATES: The economic advancement of the developing world through improvements in science and technology and the terms of international trade is a goal towards which we all are striving. It is a problem to which the Interparliamentary Union has devoted much attention. Most recently at our last conference in Ottawa we debated and adopted resolutions on how best to deal with the increasingly onerous debt burden of the developing countries. Today I would like to turn your attention to one area of the overall problem of the economic advancement of the developing world which has not received the attention it deserves—the care and well-being of the aging. This is a problem confronting not only the developing world, but the developed world as well, and it is a problem which the application of science and technology can do much to alleviate.

I advance this cause to you today on behalf of our esteemed member of the United States delegation, CLAUDE PEPPER, a renown advocate of the elderly. For many years, Representative Pepper was chairman of the Select Committee on Aging in the U.S. House of Representatives of the U.S. Congress, a committee which has done much to bring the problems of the elderly to national attention and to initiate programs to effectively deal with this pressing issue.

We are currently witnessing an unprecedented increase in longevity, brought about, in large part by the achievements of science and technology. Medical advancements, in particular, have nearly doubled life expectancy in my country in the past eighty years. In the less developed countries it is projected that there will be an increase in those age sixty or over of nearly 475 million between 1980 and the year 2020 and that in those years, worldwide, the population of those over sixty will more than double, to almost one billion. By the year 2000, it is estimated that more than sixty percent of the world's sixty and over population will be living in the developing world as a whole. And it is the population of those age eighty and over which is increasing most rapidly, particularly in the developing countries.

These drastic demographic changes must not be viewed as a liability but as an asset. History tells us repeatedly that age associated with wisdom and experience has always been a benefit to mankind, whether in the developed or the developing world. Yet, the rising numbers of aging people worldwide poses significant challenges to those in our societies, including parliamentarians who are most concerned with improving the quality of life of their citizens and providing them with the basic prerequisites for a productive life of well-being and self-respect. The modernization process, with its accelerating urbanization and social atomization, has placed great strains on the ability of many developing countries to deal with their rapidly increasing populations and particularly with the vast increase of those over sixty five years of age. The living conditions of the elderly in many of the large cities of the world provides a grim picture of poverty, lost hope, and neglect.

While they could do much to improve the lot of their own growing numbers of elderly persons, the more developed countries can and must contribute to the well-being of the elderly in developing societies. Forms of assistance in ths area would include provision for increased manpower training, research, services and information-sharing, or, in other words, putting the advances in science and technology to work in providing better living conditions and more productive roles for the elderly. Unfortunately, significant obstacles remain to making these advancements readily available to the developing countries, including the lack of financial resources in those countries and the scarcity of trained manpower to adapt them to the special circumstances and traditions of the various nations of the developing world.

It is here in this vital area that parliaments can play a more positive and productive role. They must ensure that the question of aging becomes an integral part of their country's national development plans and guarantee that multilateral efforts already undertaken within the context of the United Nations are effectively implemented. An important catalyst for the increased national awareness of the problems of the elderly has been provided by the World Assembly on Aging conducted by the United Nations in 1982. This assembly adopted a comprehensive plan of action entitled "The International Plan of Action on Aging" which identified and defined many of the vital questions concerning the rapidly aging world population.Unfortunately, implementation of the plan—which depended primarily on action undertaken at the national level—has not progressed sufficiently, and the United Nations aging unit in Vienna responsible for coordination of this international plan has suffered a significant budget cut.

It is the duty of parliamentarians, direct representatives of all strata of their populations, to focus the attention of their governments on these shortcomings and to suggest improvements. The need for continuing dialogue between parliamentarians of developed and developing countries is, therefore, critical. It is here that the Interparliamentary Union, a unique assembly of parliamentarians from all over the world, can play a special, relevant role. Through its biannual conferences and its periodic specialized meetings, the Interparliamentary Union provides a useful and convenient framework for fostering international dialogue regarding the problems of the aging. These problems are inherent in the fact that all individuals have a variety of minimum needs, of which the physiological demands of food, shelter and health care are only the most

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elemental sustenance of life. There are also requirements for safety, security, and self-respect achieved in part through engagement in society, job participation, and the ability to control one's physical destiny. The elderly are no exception to this notion and parliaments as well as governments must strive to meet these requirements.

The United States delegation believes that the Committee on Economic, Social, Cultural, and Environmental Questions constitutes the logical forum within the Interparliamentary Union for discussions of the aging problem. We would welcome all proposals or resolutions concerning the well-being of the elderly, as a promising first step in the Interparliamentary Union's consideration of this issue.

For its part, my delegation has proposed a resolution calling upon the Interparliamentary Union to give regular and serious consideration to the health and well-being of the elderly at its future meetings. Specifically, it proposes the establishment of an ad hoc committee which would regularly consider and report to the economic and social committee and to the IPU conference on the status of various initiatives to improve the well-being of the elderly and to make recommendations on how parliamentarians in general, and the Interparliamentary Union in particular, can play a useful and relevant role. Through the establishment of such an ad hoc committee, my delegation believes that the Interparliamentary Union can eventually make an effective contribution to advancing the welfare of an often neglected segment of our societies. Universal, international concern for the aging of the world is an investment in the future of us all.

Mr. STAFFORD. Mr. President, there followed these plenary session speeches efforts in three different drafting committees, two drafting committees working for the so-called political committee on the questions of halting the arms race and the other items I mentioned in connection with it, and a second drafting committee in connection with the situation in the Mideast, with a third drafting committee working under the economic committee, the committee which I just mentioned with respect to economic advancement, and so on.

Mr. Stokes served on the drafting committee for the economic committee. It was my assignment to serve on the drafting committee on the arms race, terrorism, and hotbeds of tension in the world, particularly the Contadora group.

I am pleased to be able to tell my colleagues that with respect to the arms race, terrorism and the Contadora group, the drafting committee was able to agree on the text of a resolution which was unanimously approved by the drafting committee and subsequently by its parent, the political committee, and, subsequently, by the entire conference of delegates representing more than 80 nations. It was unanimously adopted.

I ask unanimous consent that it be printed in the RECORD at this point.

There being no objection, the resolution was ordered to be printed in the RECORD, as follows:

FINAL EDITION

75TH INTER-PARLIAMENTARY CONFERENCE—ADOPTED BY ACCLAMATION 12 APRIL 1986.

The Contribution of Parliaments:

(a) To the halting of the arms race and to effective disarmament with special regard to the militarization of outer space, nuclear and conventional weapons and chemical weapons

(b) To the effective combating of international terrorism

(c) To the elimination of hotbeds of tension in the world and, in particular, to the efforts of the Contadora group

Draft resolution adopted without a vote by the 1st Committee Rapporteur: Mr. L. Moreau (Argentina)

A. AS REGARDS DISARMAMENT

The 75th Inter-Parliamentary Conference,

Expressing grave concern over the danger of nuclear catastrophe threatening mankind, which can lead to the end of civilization on earth,

Guided by a desire to save mankind from the threat of nuclear and conventional war and to clear the way for the phasing out of the nuclear and conventional arms race on earth and its prevention in outer space for an overall reduction of the danger of war and for the establishment of trust as an integral component of relations between States,

Gravely concerned at the danger posed to all mankind by an arms race in outer space, and emphasizing that outer space should be used for the benefit of mankind for peaceful purposes,

Supporting ongoing efforts aimed at eliminating nuclear and chemical weapons and taking note of recent important proposals made in this area by the United States of America and the USSR, including a programme for the elimination of those weapons by the year 2000,

Expressing great satisfaction at the results of the Soviet-American Summit Meeting in Geneva and the accords reached there to accelerate work at the Geneva negotiations on nuclear and space arms with a view to preventing an arms race in outer space and to ending it on earth, and to give new impetus to the efforts made in other areas of arms limitation and reduction, and at strengthening strategic stability.

Taking note of the Joint Declaration issued on 22 May 1984 and reiterated on 28 January 1985 by the Heads of State or Government of Argentina, Greece, India, Mexico, Sweden and the United Republic of Tanzania addressed to the nuclear-weapon States, urging the end of nuclear weapon testing and the end of the nuclear arms race,

Reaffirming previous resolutions to the effect that the establishment of nuclear-weapon-free zones, such as established by the Treaty of Tlatelolco, could contribute to the security of States in such zones, to the prevention of the proliferation of nuclear weapons and to the goals of general and complete disarmament,

Taking note of the recent signature by the majority of States of the South Pacific region of the South Pacific Nuclear-Free Zone Treaty, adopted at Raratonga (Cook Islands) on 6 August 1985,

Welcoming the adoption by the United States General Assembly at its jubilee 40th Session of a resolution on the prevention of an arms race in outer space,

Stressing the responsibility of Parliaments and parliamentarians for the prevention of war, including nuclear war, the halting of the arms race and the preservation of peace,

Reaffirming the provisions of the final document of the Tenth Special Session of the General Assembly of the United Nations, the first Special Session devoted to disarmament, according to which the gradual reduction of military budgets on a mutually agreed basis, particularly by nuclear weapon States and other militarily significant States, would contribute to curbing the arms race and would increase the possibilities for the reallocation of resources now being used for military purposes to economic and social development, particularly for the benefit of developing countries,

Regarding vigorous assistance to nations' striving for peace and international security as its special duty in accordance with Article 1 of the Statutes of the Inter-Parliamentary Union,

Conscious of the responsibility imposed on the parliamentarians in all countries as the elected representatives of the people in relation to the safeguarding of international peace and security,

Emphasizing the obligation of all United Nations member States, in accordance with Article 2 of the United Nations Charter and the Helsinki Final Act, to renounce the threat and use of force against the territorial integrity or political independence of any State, and recognizing the right of all States to individual and collective self-defense as laid down in Article 51 of the UN Charter,

1. Expresses its determination to assist in every way in the taking of important and effective decisions at the existing negotiations that would bring about the prevention of an arms race in outer space and its termination on earth, thereby freeing billions of dollars of funds for the realization of constructive aims and assistance to peoples seeking to promote their economic and social development;

2. Welcomes the results of the Soviet-American Summit Meeting in Geneva, the understanding reached by the President of the United States of America and the General Secretary of the Central Committee of the Communist Party of the Soviet Union that a nuclear war should never be fought and cannot be won, and the agreement to accelerate work at the Geneva negotiations on nuclear and space arms, and expresses the hope that further meetings of such a kind will follow;

3. Appeals to the Parliaments of all States to support the earliest possible verifiable elimination of nuclear and chemical weapons, and the reduction of conventional armaments, and urges all States to reconfirm their commitment to the 1925 Geneva Protocol in view of the recent UN reports on the use of chemical weapons;

4. Emphasizes the importance of regional efforts towards the creation in the world of nuclear-weapon-free zones, aimed at the final objective of general and complete disarmament, on the basis of arrangements freely arrived at among the States of the region concerned;

5. Calls all States and their Parliaments to contribute to the earliest possible conclusion of a fully verifiable comprehensive nuclear test ban treaty, this treaty to be understood as being part of a broader process of nuclear disarmament and by no means as a substitute for drastic reductions in nuclear weaponry;

6. Urges Parliaments vigorously to promote the objectives of the peaceful use of

outer space in the interests of the keeping of international peace, as well as the observance of existing international space treaties;

7. Urges the Parliaments of the countries participating in the Geneva Conference on Disarmament to help to increase the efficiency of the conference and to start early negotiations within its framework to promote nuclear disarmament, ban nuclear weapon tests—an effective verifiable ban which would encompass all nuclear Powers—and prevent nuclear war;

8. Calls upon the Parliaments of the countries participating in the Vienna negotiations on the mutual balanced reduction of military forces and armaments in Central Europe to make a contribution to carry out the agreed reductions in the conventional arms and military forces and to expediting the achievement of mutually acceptable agreements at the Vienna negotiations to this effect;

9. Urges the Parliaments of the countries participating in the Stockholm Conference on Confidence and Security-Building Measures and Disarmament in Europe to facilitate its early conclusion and the adoption of a document which would include concrete, mutually acceptable and verifiable confidence-building measures, as well as a reaffirmation of the principle of the non-use of force;

10. Urges all Parliaments and National Groups to take steps aimed at encouraging effective decisions which promote worldwide disarmament on earth and peaceful use of outer space.

B. AS REGARDS INTERNATIONAL TERRORISM

The 75th Inter-Parliamentary Conference,

Recalling resolution 40/61 of the General Assembly of thee United Nations on terrorism adopted on 9 December 1985,

Recalling the existing international conventions relating to various aspects of the problem of international terrorism, inter alia, the Convention on Offences and Certain Other Acts Committed on Board Aircraft, (Tokyo, 14 September 1963), the Convention for the Suppression of Unlawful Seizure of Aircraft (The Hague, 16 December 1970), the Convention for the Suppression of Unlawful Acts against the Safety of Civil Aviation (Montreal, 23 September 1971), the Convention on the prevention and Punishment of Crimes against Internationally Protected Persons, including Diplomatic agents (New York, 14 December 1973), and the International Convention against the Taking of Hostages (New York, 17 December 1979),

Deeply concerned by the acts and practice of international terrorism in all its manifestations, which threaten the lives of people and lead to their death,

Convinced that widespread international cooperation is likely to prove most effective in dealing with the problem,

Reaffirming the principle of self-determination of peoples as enshrined in the Charter of the United Nations,

Reaffirming the inalienable right to self-determination and independence of all peoples under colonial and racist régimes and other forms of alien domination, and upholding the legitimacy of their struggle, in conformity with the purposes and principles of the Charter and of the Declaration on Principles of International Law Concerning Friendly Relations and Cooperation among States in accordance with the Charter of the United Nations,

Reaffirming the principle that everyone has the right to life, liberty and security of person as stipulated in the Universal Declaration of Human Rights,

Convinced of the importance of expanding and improving international cooperation among States, on a bilateral and multilateral basis, which will contribute to the elimination of acts of international terrorism and their underlying causes and to the prevention and elimination of this criminal scourge,

Convinced that Parliaments must play an important role in the search for solutions to the problem of international terrorism,

Considering that the taking of hostages and abductions are offences of grave concern to the international community, having severe adverse consequences for the rights of the victims and for the promotion of friendly relations and cooperation among States,

1. Unequivocally condemns any terrorist acts, manifestations and practices, regardless of the place where they are committed or their author;

2. Deeply deplores the loss of innocent human lives which results from such acts of terrorism;

3. Further deplores the pernicious impact of acts of international terrorism on relations of cooperation among States, including cooperation for development;

4. Appeals to all States to recognize the importance of a policy opposing the making of concessions to terrorists as the international community cannot succumb to the blackmail of terrorists, and appeals to all Parliaments to implement such a policy;

5. Affirms the obligation of all States in whose territory hostages or abducted persons are held urgently to take all appropriate measures to secure their safe release and to prevent the commission of acts of hostage-taking and abduction in the future;

6. Appeals to all States that have not yet done so to consider becoming party to the existing international conventions relating to various aspects of international terrorism;

7. Requests the States which have signed the relevant Conventions to promote full and strict implementation of their provisions;

8. Calls on all Parliaments and Governments to take all appropriate measures at the national level with a view to the speedy and final elimination of the problem of international terrorism, such as the harmonization of domestic legislation with existing international conventions, the fulfilment of assumed international obligations and the prevention of the preparation and organization in their respective territories of acts directed against other States;

9. Strongly demands that Governments and Parliaments adopt all necessary measures—without excluding a boycott of the airports concerned—in order to prevent terrorist acts and to punish perpetrators of acts of terrorism;

10. Calls upon all States to fulfil their obligations under international law to refrain from organizing, financing, instigating, assisting or participating in terrorist acts in other States, or acquiescing in activities within their territory directed towards the commission of such acts,

11. Urges all Parliaments to ensure that their countries are not used as safe havens for those who resort to terrorism and that terrorists are brought to justice in accordance with the provisions of the relevant international conventions;

12. Requests the Parliaments and Governments of all States to strengthen international collaboration in order to find ways and means of action which are most adequate in fighting acts of international terrorism,

13. Further urges all States to co-operate with one another more closely, especially through the exchange of relevant information concerning the prevention and combating of terrorism, apprehension and prosecution or extradition of the perpetrators of such acts, the conclusion of special treaties and/or the incorporation into appropriate bilateral treaties of special clauses, in particular regarding the extradition or prosecution of terrorists;

14. Calls on all Parliaments to urge their respective Governments, unilaterally and in co-operation with other Governments, as well as relevant United Nations organs, to contribute to the progressive elimination of the causes underlying international terrorism and to pay special attention to all situations, including, inter alia, colonialism, racism and situations involving mass and flagrant violations of human rights and fundamental freedoms and those involving alien occupation, that may give rise to international terrorism and may endanger international peace and security;

15. Emphasizes the necessity for Governments and Parliaments to work towards the full and effective application by national authorities of the security regulations for the suppression of attacks drawn up by various international organizations in the field of civil aviation, in particular the International Civil Aviation Organization (ICAO);

16. Encourages the appropriate international organizations to work towards the achievement of further enhancing the security of air travel, as well as the elimination of terrorism on the seas;

17. Requests the Parliaments of the nations represented in the Inter-Parliamentary Union to work towards the implementation of this resolution.

C. AS REGARDS HOTBEDS OF TENSION

I. As regards hotbeds of tension in general

The 75th Inter-Parliamentary Conference,

Convinced of the urgent need to eliminate hotbeds of tension in the world not only to avoid regional conflicts but because of the danger that such conflicts could evolve into a world-wide confrontation,

Aware that urgent action should be taken by all States to end colonialism, interference in internal affairs, apartheid, racial and other discriminations and all forms of aggression and occupation which constitute a grave threat to international peace and security, particularly in Africa, Asia and the American continent,

Emphasizing the importance of the adoption, by consensus, by the United Nations General Assembly in November 1985, of a solemn appeal to States in conflict to put an immediate end to hostilities and to settle their problems through negotiations, as well as of the obligation of member States of the United Nations to solve situations of tension and conflict and existing disputes by political means, to refrain from the threat or use of force and from any intervention in the internal affairs of other States,

1. Recommends that the Inter-Parliamentary Council study the possibility of organizing Inter-Parliamentary meetings on questions of peace and security in the regions and areas concerned, with a view to the elimination of hotbeds of tension in different parts of the world and the promotion of closer co-operation among nations, taking

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into account the proposals of some National Groups for such a meeting in Asia;

2. Urges Parliaments and Governments to support all moves to strengthen, on a permanent basis, democratic, representative and pluralistic systems and to promote national reconciliation, human rights, and fundamental freedoms, such as respect for personal integrity, freedom of the press and freedom to establish trade unions, and in particular affirm the importance of upholding and implementing the principles of the Universal Declaration of Human Rights and the two International Covenants on human rights;

3. Urges Parliaments and parliamentarians to recommend that their respective Governments rigorously apply the relevant resolutions of the United Nations and other international organizations with a view to the final elimination of the hotbeds of tension in Africa, Asia and the American continent;

II. As regards support to the efforts of the Contadora Group

Gravely concerned about the situation in Central America which is characterized, as mentioned in the Preamble of the Contadora Act on Peace and Co-operation in Central America, "by a serious decline in political confidence and by frontier incidents, an arms build-up, arms traffic, the presence of foreign advisers and other forms of foreign military presence, and the use by irregular forces of the territories of certain States to carry out destabilizing operations against other States in the region",

Convinced that the signing of the Contadora Act on Peace and Co-operation in Central America by all States of the region and also those having ties and interests in the region should provide the necessary framework for eliminating tensions and providing peace and security in Central America and encouraging co-operation and economic integration,

Emphasizing that all Central American countries have the right to live in peace and security, free from outside influence from any source and that military action will not solve the problems of Central America,

Considering also that the action carried out by the Contadora Group on behalf of Peace constitutes an example of the search for a peaceful and regional solution to a regional conflict,

Noting with satisfaction that the countries co-operating in the Contadora Group, i.e. Colombia, Mexico, Panama and Venezuela, are being supported by Argentina, Brazil, Peru and Uruguay in their initiative to bring about a negotiating process intended to lead to a peaceful settlement of the tensions in Central America,

Considering that the Caraballeda meeting recommended the implementation of a package of concrete actions which are aimed at the consolidation of peace in the region and must be carried out simultaneously, and that it also adopted the proposal of the President of Guatemala for initiating a process of consultations which could lead to the establishment of a Central American Parliament and that such an initiative would contribute to better understanding of the problems of the region,

1. Urges all the parties to the conflict to sign the Contadora Act on Peace and Co-operation in Central America, taking into account the last appeal made by the Governments of the countries of the Contadora Group and the Support Group at their meeting in Panama;

2. Urges all States which have ties in the region to facilitate the signature of the Contadora Act on Peace and Co-operation respect the undertakings given under the Act, and subscribe to the documents of accession and support to the Contadora Act, provided for that purpose;

3. Reaffirms the right of all countries of the region to live in peace and security without foreign interference;

4. Supports initiatives for regional integration in Central America, such as the creation of a Central American Parliament and any other forms of co-operation and agreement;

5. Supports Costa Rica's policy of active, perpetual and unarmed neutrality;

6. Reaffirms of the inalienable right of the nations of Latin America to join development, within a framework of effective regional peace, democracy, co-operation and solidarity;

7. Takes note of the latest declaration of the Latin American Parliament on the occasion of its meeting in Guatemala, which reasserts "its will of emancipation and defends self-determination, non-interference in the internal affairs of other States, pluralistic democracy, the exclusion of foreign bases or advisers and full respect for human rights";

8. Rejects any economic and military assistance which has as its objective aggression against or destabilization of States in the region.

Mr. STAFFORD. Second, the drafting committee for the economic questions, particularly involving those of the health and wellbeing of the elderly, on which Mr. Stokes served, was also able to formulate a resolution which was unanimously accepted by the full economic committee and then unanimously adopted by the entire conference of the Inter-Parliamentary Union. Much good work was done there by Mr. Stokes.

The chairman of the House delegation, Mr. Claude Pepper, was unable to attend the conference because of a minor illness. I think he should be gratified to know that his hope that the economic committee might create an ad hoc committee with respect to the problems of the elderly was granted by that committee. The ad hoc committee under the economic committee is coming into existence just as Congressman Pepper had hoped it might.

Mr. President, I ask unanimouns consent that that resolution be printed in the Record at this point.

There being no objection, the resolution was ordered to be printed in the Record, as follows:

75th Inter-Parliamentary Conference, Mexico City, 7–12 April 1986

ITEM 4

(The contribution of Parliaments to the acceleration of the economic advancement of developing countries by the improvement in the terms of international trade and by using science and technology to advance the welfare of mankind in general and, in particular, the health and well-being of the elderly.)

DRAFT RESOLUTION ADOPTED BY THE COMMITTEE ON ECONOMIC, SOCIAL, CULTURAL AND ENVIRONMENTAL QUESTIONS BY 31 VOTES TO 0 AND 2 ABSTENTIONS

(Rapporteur: Mr. M. Borge Martin (Mexico))

The 75th Inter-Parliamentary Conference,

Recognizing that the Governments and Parliaments of developing and industrialized countries alike have a shared responsibility in fostering constructive international economic co-operation with a view to strengthening the global economy and advancing the welfare of mankind,

Emphasizing the important role which Parliaments can play in creating a greater public awareness of the fact that the fate of the countries of the North is intimately bound up wih the fate of the countries of the South,

Aware of the continuing threats to the global economy caused by economic stagnation in many countries, particularly in the Third World, their growing external debt burden, high unemployment rates aggravated by unstable or falling commodity prices, increasing protectionist pressures and international monetary instability,

Confirming the views contained in the resolutions of the 73rd and 74th Inter-Parliamentary Conferences on "The role of Parliaments and their contribution toward the elimination of poverty by alleviating the burden of international debt" and "The contribution of Parliaments to the search for measures and actions aimed at removing the burden of foreign debt that weighs on the developing countries",

Considering that in conditions characterized by unbalanced and unstable economic deveopment in the world, the causes of which lie in the structural disproportions and rigidities of the world economy, the burden of adjustment is unevenly distributed and lies primarily on the shoulders of the developing countries, thus jeopardizing their normal economic progress, in particular that of the least developed among them whose position is continuing to deteriorate,

Considering that, even in conditions of economic recovery in the developed countries, the position of the developing countries is not improving and is particularly influenced by growing protectionism, lower prices of raw materials, less favorable terms of trade, great exchange rate fluctuations, high real interest rates, a growing debt burden, and the reduction of official development assistance in real terms,

Considering that development policies should give greater priority to the development of human resources, to the reduction of illiteracy, to the integration of women in the development process, and to health, nutrition and population policies with a view to strengthening self-reliant and self-sustaining socio-economic development,

Emphasizing the importance of technical assistance as an often neglected but critical component of development co-operation and the indispensability of education and the expansion of human skills for the effective use of capital investment and for self-reliance,

Deeply concerned by the fact that a large share of mankind—especially in sub-Saharan Africa—is suffering from starvation and under-nourishment, resulting in an appalling human tragedy, life-long impairment to the health of children in particular and the uprooting of entire populations,

Recalling UN General Assembly resolution 3281 (XXIX) of 12 December 1974

which acknowledges that the developing countries have the right to benefit from the advantages of science and technology to accelerate their economic and social development,

Recalling UN General Assembly resolution 37/207 entitled "Development aspects of the reverse transfer of technology" as well as the Conclusions and Recommendations of the Meeting of Governmental Experts on Reverse Transfer of Technology, adopted on 7 September 1983,

Convinced that the application of science and the continuing transfer of technology on acceptable terms are essential for raising the people's standard of living and improving the quality of life in the Third World and for ensuring better access to world markets for their products,

Recognizing the importance of co-operation between Parliaments of developed and developing countries in exchanging their perceptions and experiences in addressing the socio-economic issues surrounding the health and well-being of the elderly,

Recalling the endorsement by the world community of the International Plan of Action on Aging adopted at the World Assembly on Aging, held in Vienna from 26 July to 6 August 1982, and recognizing that the Plan of Action should be considered an integral component of the major international, regional and national strategies and programmes formulated in response to important world social and economic problems and needs,

Recalling further the resolutions on aging passed by the United Nations General Assembly at successive recent sessions (in particular resolution 40/30 of 29 November 1985 on the implementation of the International Plan of Action on Aging),

1. Supports the efforts made by the United Nations and its Specialized Agencies in favour of the drought-stricken areas in Africa, and calls on countries which are in a position to do so to increase their contributions to the Emergency Operations conducted under the responsibility of the Secretary-General of the United Nations as well as to the Special Programme and Facility for sub-Saharan Africa of the World Bank;

2. Invites the Governments and Parliaments of the industrialized nations:

(a) To improve further their generalized systems of preferences or most-favoured-nation treatment for products of particular importance to developing countries;

(b) To take measures to eliminate protectionism and discrimination in international trade, as well as other measures which do not obstruct or prevent exports from the developing countries under equitable conditions;

(c) To strengthen co-operation with developing countries in the field of trade promotion and to refrain from subsidizing exports, especially those of an agricultural nature competing with the exports of developing countries and also of other manufactured and semi-manufactured goods, including textiles and clothing;

(d) To help the developing countries to improve the quality and increase the production of various commodities, by means of the transfer of technology, as well as by raising the standard of living in these countries;

(e) To work for the stabilization and increase of revenues from commodities by adopting constructive attitudes in the negotiations on international commodity agreements, by promoting the speedy implementation of the integrated programme and the Common Fund for Commodities of UNCTAD, and by working for the strengthening of such international mechanisms as the Compensatory Financing Facility of the IMF;

(f) To adopt an overall strategy for co-operation designed to deal jointly with trade, debt and financing problems, conceived with a view to finding a lasting and stable solution that will assure the growth of the developing economies;

3. Calls upon the Governments and Parliaments of the GATT member countries to exert efforts in relation to the new multilateral trade negotiations within the framework of GATT with a view to the following:

(a) The provision and effective application in all fields of negotiations of the principle of a differentiated and more favourable treatment of the developing countries, including the non-reciprocity on their part for concessions given to them by the developed countries;

(b) The giving of priority in the negotiations to the unsolved problems from the Tokyo Round, mentioned in the 1982 GATT work programme, especially the seeking of solutions for the long-term open problem of a safeguard system based on GATT rules which should be applied in all sectors of international trade;

4. Considers that the World Bank should have a greater capacity to finance development projects so as to keep pace with expansion, needs and opportunities in the developing countries and, for this purpose, invites all Governments to support an increased lending capacity for the World Bank by means of a substantial capital increase;

5. Calls upon the industrialized countries to make a joint effort to provide the International Development Association with a total replenishment of $12 billion and to support the regional development banks so that they may pursue and expand their important role in the social and economic development of Africa, Asia and Latin America;

6. Recommends that the IMF become more effective through access to increased resources and a more flexible, varied and sensitive approach to the policy advice it gives to Governments of developing countries, giving greater weight to output, growth and employment as well as to the control of inflation and payment deficits;

7. Stresses the importance and urgency of reform in the international monetary system and, in this context, draws attention to the proposal of the Non-Aligned Summit of 1983 for the convening of an International Conference on Money and Finance for Development at an early stage;

8. Calls upon the IMF and other creditors to adopt a system for the repayment of foreign debts by developing countries which takes into consideration the balance of payments and the economic growth of the debtor as well as the resolutions adopted by the "Consensus of Cartagena";

9. Urges all States to work towards the full implementation of the World Plan of Action for the Application of Science and Technology to Development and of the Lagos Plan;

10. Calls upon industrialized countries:

(a) To ensure that developing countries have access to objective and unbiased sources of technical assistance and industrial co-operation geared to their particular needs and, to this end, to sustain the United Nations Development Programme [UNDP] and the United Nations Industrial Development Organization [UNIDO] as central organs of the United Nations system for technical and industrial co-operation;

(b) To help developing countries to strengthen their own capacity in the fields of training and scientific and technical research;

(c) To co-operate with developing countries in using advanced technologies, notably in agriculture, energy and space (for earth observation and resource management);

11. Calls upon developing countries:

(a) To strengthen their efforts to implement scientific and technological policies and to apply science and technology to research and development;

(b) To develop and popularize the use of scientific and technological processes suited to their circumstances and to increase innovation in this area, so as to accelerate their economic and social progress;

(c) To develop effectively North-South co-operation, in particular in relation to science, technology and trade;

12. Urges Parliaments and Governments to adopt constructive attitudes in relation to the preparation by the United Nations of an International Code of Conduct on the Transfer of Technology and of a Code of Conduct on Transnational Corporations, with a view to the speedy completion of the formulation of these codes;

13. Calls on Parliaments and Governments:

(a) To ensure that the question of aging is incorporated into their countries' national development plans, in accordance with their culture and traditions;

(b) To continue to make efforts to implement the principles and recommendations contained in the Vienna International Plan of Action on Aging;

(c) To continue to promote the exchange of information and experience in order to stimulate progress on the question of aging, to encourage the adoption of measures to respond to the economic and social implications of aging and to meet the needs of older persons;

(d) To consider convening regional and sub-regional meetings on the applicability of the recommendations of the International Plan of Aging to their particular needs and conditions;

14. Recommends that the Inter-Parliamentary Council establish, in accordance with Article 22(f) of the Statutes, a representative ad hoc committee to meet at each of the subsequent sessions to consider and report on steps Parliaments may take to improve the health and well-being of the elderly;

15. Recommends that both developing and developed countries launch, within an appropriate framework and in a spirit of solidarity and understanding, new North-South negotiations with a view to reforming the international trade system and to establishing a new international economic order which is more just and better balanced in accordance with the principles laid down in the programme of action adopted by the United Nations General Assembly in 1974.

Mr. STAFFORD. Finally, Mr. President, the second resolution which was produced in the political committee by another drafting group was adopted by the conference, but neither Mr. Stokes nor myself was able to serve on it because there were but two of us there trying to do the work normally

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carried on by five or six Members of the U.S. Congress.

I would have to say that even had we been there, the resolution probably would not have been satisfactory from the standpoint of the United States. We voted against it, but it was adopted. So that any Member of the Senate who might wish to examine it may see it, I ask unanimous consent that it also may be printed in the RECORD.

There being no objection, the resolution was ordered to be printed in the RECORD, as follows:

75TH INTER-PARLIAMENTARY CONFERENCE, MEXICO CITY, 7-12 APRIL 1986

(The implementation of the resolutions adopted by the United Nations General Assembly and Security Council and by the Inter-Parliamentary Union on the Palestinian Question, Lebanon, the occupied Arab territories, and the Iraq-Iran War, as a means of strengthening international peace and security.)

Draft resolution adopted by the Committee on political questions, international security and disarmament by 30 votes to 7, with 1 abstention.

Rapporteur: Mr. H. Van Wambeke (Belgium).

The 75th Inter-Parliamentary Conference—

Recalling all the relevant resolutions adopted by the UN General Assembly and Security Council and the Inter-Parliamentary Union;

Recalling also the statements and efforts of the Security Council and the Secretary-General of the United Nations;

Convinced that a comprehensive, just and lasting settlement of conflicts can only be achieved by collective efforts, with the participation of all those concerned;

Convinced that continued occupation of Arab territories by Israel and the denial of the inalienable rights of the Palestinian people, including their right to return to their homeland and to self-determination, constitute the most serious problem in the Middle East yet to be resolved,

Recognizing the rights of all States in the region to existence and security, as well as the inalienable right of the Palestinian people to return to their homeland and to self-determination,

Noting that Israel has not, to date, complied with UN Security Council resolutions 425 and 426 (1978), 501, 508 and 509 (1982) concerning Lebanon, and is stubbornly insisting on maintaining a military presence, directly through the stationing of troops and indirectly through allied armed groups on the pretext of protecting its security, and, *stressing* that Israel has failed to achieve this aim and has on the contrary only maintained and exacerbated tension in South Lebanon, added legitimacy to the national resistance and inflamed the internal situation in Lebanon in spite of the universal desire for the elimination of the hotbed of tension in the Middle East and for the return of peace, security and sovereignty to Lebanon,

Regretting the decision by the US Congress to cut back by half the US contribution to the funding of the United Nations Interim Force in Lebanon (UNIFIL), and *noting* that the decisions of a military, political and financial nature which might hinder UNIFIL's mission may discourage the States which are participating in UNIFIL in their humanitarian and pacific mission, thereby leading to a worsening of the situation in the area,

Deploring the initial acts which gave rise to the conflict between Iran and Iraq and *expressing* deep regret and concern at the continuation of the conflict, which causes great human and material loss for both countries, destabilizes the security of and disrupts navigation in the region,

Profoundly concerned by numerous UN reports of violations of international humanitarian law and in particular the 17 June 1925 Geneva Protocol regarding the use of chemical weapons and the 12 August 1949 Geneva Convention for the protection of war victims,

A. As regards the Middle East—

1. *Calls again* for a just and lasting peace in the Middle East;

2. *Considers* that this aim should be pursued through the implementation of the resolutions and decisions adopted by the General Assembly and the Security Council of the United Nations relating to the Palestinian question and the Middle East conflict;

3. *Demands* the full, immediate and unconditional withdrawal of Israel from all occupied Arab territory, affirms the inalienable rights of the Arab Palestinian people to recover their entire territory, to return to their homeland, to self-determination, and to the establishment of their independent State under the leadership of the sole and legitimate representatives, the Palestine Liberation Organization (PLO), *denounces* the oppressive measures taken by the Israeli occupation authorities against the Palestinian people, and *condemns* the policy of annexation and settlement in occupied Arab territory, as well as attempts to change the population structure and democratic and cultural features;

4. *Condemns* Israel's violation, by its air raid, of Tunisian sovereignty, which caused the death of innocent people and *calls for* the implementation of UN Security Council resolution 573 (1985) in this regard;

5. *Strongly condemns* any actions which pose a threat of civil aviation security and endanger passenger safety;

6. *Calls on* Parliaments and Governments to support all efforts towards the early convening of the International Peace Conference on the Middle East, in accordance with UN General Assembly resolution 38/58C with the participation of all concerned parties including the PLO, the United States of America, the USSR and the other permanent membrs of the Security Council;

B. As regards Lebanon—

7. *Demands once again* that Israel implement the resolutions adopted by the Inter-Parliamentary Union on Lebanon and *urges* that it comply with the Security Council resolutions 425, 426 (1978), 501, 508 and 509 (1982) by withdrawing definitively from Lebanon and letting UNIFIL fulfill its mission;

8. *Hopes* that the member states of the UN Security Council will accept once again Lebanon's request for the renewal of the mandate of UNIFIL, which is set for 17 April 1986, and that the US Congress will reverse its decision to reduce by half the US share in the funding of UNIFIL;

9. *Calls on* all Parliaments and Governments to support Lebanon and the legitimate authority in order to establish security, stability and national unity over Lebanese territory, to respect Lebanese sovereignty and independence and to contribute to the reconstruction of Lebanon;

C. As regards the Iran-Iraq war—

10. *Strongly supports* the efforts by the United Nations, the Non-Aligned Movement and the Organization of the Islamic Conference (OIC) to achieve a peaceful, comprehensive and just settlement between Iran and Iraq through mediation or any other means of peaceful settlement of disputes based on resolutions and statements of the Security Council, General Assembly resolutions, and efforts and proposals of the Secretary-General of the United Nations;

11. *Deplores* the violations of international humanitarian law and *calls on* the parties strictly to observe and implement these laws, in particular the 1925 Geneva Protocol and the 1949 Geneva Conventions;

12. *Urges* all States, in particular the States in the region, to exercise the utmost restraint and to refrain from any act which may escalate the level of tension or endanger neutral shipping or civil aviation in the region.

Mr. STAFFORD. Mr. President, with only two of us there, it was particularly difficult for Mr. STOKES and myself to cover all the various duties that fall upon a U.S. delegation at a meeting of the Inter-Parliamentary Union. The Inter-Parliamentary Union can be distinguished from the United Nations because a country, to belong, has to have at least some kind of parliamentary organization to get there. So the union is made up of members of parliaments rather than diplomats. There is always the possibility that parliamentarians, after a meeting of this kind, can return to their countries and adopt some legislation reflecting the efforts of the conference itself.

It affords a great opportunity for members of parliaments of the world to know something about each other and frequently, if you go to a few of the sessions, to get on a first-name basis with delegates from another part of the world.

It is also, in my opinion, after having served on our delegation for most of 14 years, an unusual opportunity to get a realistic appraisal of how much of the rest of the world reacts to the United States. Anybody who wants to really understand how the rest of the world feels about us and how we can impact on the rest of the world, in my opinion, ought to make a couple of trips with an IPU delegation and experience this firsthand instead of reading about it in the press or hearing about it on the electronic media. It is quite an experience. To some of us from time to time, it may come as something of a shock.

Mr. STOKES and I could not have possibly carried out as much work as we did in Mexico City had it not been for the outstanding work of some of the professional staff that were with us. I have particular reference to Mr. Claude Allen, who is from the Senate Foreign Relations Committee, Mr. Ryan Malarkey, professional staff member of the Senate Foreign Relations Committee, Mr. Marty Sletzinger, staff consultant to the House Foreign Affairs Committee, and Mr. Ernest Grigg from the State Department.

Those men worked above and beyond the call of duty, night after night as well as through long days, to help Mr. STOKES and myself on the various duties we were carrying out, particularly the drafting of the resolutions in which we played a part.

Mr. Edward Derwinski, counselor at the Department of State, former Member of Congress, was particularly helpful at all times. Of special help to Mr. STOKES and myself was Robert McClory, former Member of Congress, who is an honorary member of the Inter-Parliamentary Union from the United States. In view of his long service in that body he was invaluable.

I have not mentioned others of the staff, but there were many who worked hard to see that we were able to carry out the job assigned to us and, over 6 hard days, get as much done that was favorable to the United States as we could.

Mr. President, I hope that when we make another trip—I might point out that there will be a meeting of the Inter-parliamentary Union in Argentina, in Buenos Aires, on the 6th to 11th of October 1986 That will be the 76th Inter-Parliamentary Conference. The two committees that will be meeting at that time will be the Committee on Parliamentary, Juridical and Human Rights questions, and the subject will be the contribution of parliaments to the application and progress of humanitarian international law applicable in cases of armed conflict.

The other is the Committee on Non-self Governing Territories and Ethnic questions. The subject will be the contribution of parliaments to the elimination of the remnants of colonialism in the world, in particular to promoting the independence of the media and the eradication of apartheid and racial discrimination in South Africa and to pursuing the political, economic, and social advancement and peaceful development of the so-called small territories.

It is my earnest hope that this body would be willing to have some additional members to the Senator from Vermont attend that particular meeting. We shall have to defend ourselves on that second committee from the usual charges, I might say, that we are a neocolonial power. We hope we will have enough Members going to what should be an interesting place so that there will be enough to cover the various subjects that have to be taken care of. That again is Buenos Aires, October 6 to 11 of 1986. We will correspond with our colleagues further and hope some people will be interested.

Mr. President, I am prepared to yield the floor.

EUROPEAN COOPERATION IN THE STRUGGLE AGAINST LIBYAN TERRORISM

Mr. DOMENICI. Mr. President, with the notable exception of the United Kingdom, under the steady leadership of Prime Minister Thatcher, most of our European NATO allies have indeed flinced in the face of terrorism.

As former Secretary of State Kissinger said recently, we all recognize that Sovereign states often disagree, even when they are allies. But it is inconceivable that our European allies should disagree with us 100 percent of the time, and still except to be treated as allies. Is there any step the United States could have taken against the terrorist nests in Libya that would have escaped the opposition of France and Italy?

In the case of France, a nation which is not shy about defending its interests in Africa or the South Pacific though any and all means availble, I am at a loss to understand their motivation. French airmen have frequently gone into combat against Colonel Qadhafi's forces in the country of Chad. This has happened in the past few months. French peacekeeping troops in Lebanon have been killed by Lebanese forces paid by Qadhafi and the Iranians. French citizens have been killed on French soil by terrorists allied with Qadhafi.

Just presently, we learned that Qadhafi's terrorists planned a daytime grenade and machine-gun attack on the American Embassy visa office in Paris. That could have killed dozens of people. The terrorists would not, in this insance, have been killing Americans. Americans don't need to stand in line for visas in Paris. The Qadhafi terrorists would have been killing Frenchmen and Frenchwomen. We stopped that.

What were the consequences of the French refusal to allow our F111's to overfly France, and reduce their long journey by 1,200 miles? For one thing, it increased the flying time for our brave pilots and weapons officers by 6 or 7 hours. That meant 14 hours sitting in confined space, unable to stretch or rest. Some might say that is a fault of the design of the F111, but our 36 officers and our 18 aircraft would have been in much better shape—much fresher and able to perform their mission with accuracy and safety—if they had been able to overfly France. Perhaps the French embassy in Tripoli would have remained undamaged, and we regret the damage that did occur, if our American pilots had arrived less fatigued.

I also regret the strange behavior of Italy, the land of my own ancestors, in the matter of Qadhafi's terrorists. Italy has a special connection with Libya, a former colony. Thousands of Italians were born and raised in Libya between the two world wars. Under Qadhafi's rule of terror, many of them lost everything they owned and had built up over the years. Churches were closed, and the economy was ruined, requiring the importation of thousands of other foreign nationals. Unlike the Libyans of Italian ancestry, they had no stake in the country. Yet we never hear much about this self-destructive anti-Italian behavior. We just hear about how the Italians do not want to risk their current, rather transitory, investments and job opportunities in Libya.

Has the Italian prime minister forgotten the winter's events at the airport in Rome? The pictures of visitors to Italy slaughtered like sheep, and Italian citizens falling in the crossfire? Is this the same brave Italian government that rescued the American, General Frazier, from local terrorists several years ago? The same brave Italian government that brought under control the Red Brigades which killed former Prime Minister Moro, one of the great western statesmen of the post-war period? The same Italian government whose judges fearlessly probe into international criminal groups and local mobsters? There is no question that Italy is on the front line already in the fight against terrorism, yet the Italian government will not agree to joint sanctions against Qadhafi's economy.

Mr. President, I should like to express our appreciation to the British people for their cooperation, and respectfully request the French and Italians reconsider their refusal to cooperate in the struggle against Qadhafi.

Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. CHAFEE. Mr. President, I ask unanimous consent that further proceedings under the quorum call be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

THATCHER SUPPORT OF U.S. ACTION

Mr. CHAFEE. Mr. President, I should like to express my appreciation to Margaret Thatcher and her government for the support they have given the United States in this situation in Europe. I have been listening to a lot of criticism by our European allies, but there is one exception to all of that, the Government of Great Britain. Margaret Thatcher deserves the support and the commendation of everybody in this Senate who has supported the action of the United States. But for what she did, those F-111's of course could not have taken off from Lakenheath.

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Mr. President, I know it has been a great political cost to her and to her government; her government has suffered some setbacks recently, particularly in an election that just took place and yet she went out on the end of a limb. It was not necessary for her to do this. Nobody else amongst our European allies was supporting what we did. I want to tip my hat to Margaret Thatcher and to her government. I think it is wonderful that we have an ally that really is an ally, and it was not in her particular interest, clearly it was against her political interests to support us as she did.

Mr. President, we are fortunate to have as loyal a person as Margaret Thatcher as head of the Government of the United Kingdom, and we want to pay tribute and our respect to her for what she did.

MESSAGES FROM THE PRESIDENT

Messages from the President of the United States were communicated to the Senate by Mr. Saunders, one of his secretaries.

EXECUTIVE MESSAGES REFERRED

As in executive session, the presiding officer laid before the Senate messages from the President of the United States submitting a nomination which was referred to the Committee on Commerce, Science, and Transportation.

(The nominations received today are printed at the end of the Senate proceedings.)

EXECUTIVE AND OTHER COMMUNICATIONS

The following communications were laid before the Senate, together with accompanying papers, reports, and documents, which were referred as indicated:

EC-2972. A communication from the Senior Associate Director of GAO transmitting, pursuant to law, a report entitled "School Meal Programs—Options for Improving the Verification of Student Eligibility"; to the Committee on Agriculture, Nutrition, and Forestry.

EC-2973. A communication from the Acting Secretary of the Air Force transmitting, pursuant to law, a report on two weapons systems whose unit baseline cost .as increased by more than 15 percent (ASAT & T-46A); to the Committee on Armed Services.

EC-2974. A communication from the Acting Comptroller General of the U.S. transmitting, pursuant to law, a report entitled "Financial Audit—Panama Canal Commission's Financial Statements FY 1984 and 1983"; to the Committee on Armed Services.

EC-2975. A communication from the General Counsel of the Department of Defense transmitting a draft of proposed legislation to authorize payment of increased per diem in lieu of subsistence; to the Committee on Armed Services.

EC-2976. A communication from the Acting Secretary of the Army transmitting, pursuant to law, a report that the Pershing II program has exceeded its baseline unit cost by more than 25 percent; to the Committee on Armed Services.

EC-2977. A communication from the Acting Secretary of the Army transmitting, pursuant to law, a report that the Army Helicopter Improvement Program has exceeded its baseline unit cost by more than 25 percent; to the Committee on Armed Services.

EC-2978. A communication from the Acting Secretary of the Army transmitting, pursuant to law, a report that the Remotely Piloted Vehicle Program has exceeded its baseline unit cost by more than 25 percent; to the Committee on Armed Services.

EC-2979. A communication from .the President of the United States transmitting, pursuant to law, a report that the authority available to the Export-Import Bank for fiscal year 1986 loans and guarantees is sufficient but should remain unchanged; to the Committee on Banking, Housing, and Urban Development.

EC-2980. A communication from the Secretary of the Interior transmitting, pursuant to law, the 1985 Annual Report of the National Park Foundation; to the Committee on Energy and Natural Resources.

EC-2981. A communication from the Director of the Office of Alcohol Fuels transmitting, pursuant to law, notice of a delay of several weeks in the transmitting of the Annual Report on the Use of Alcohol Fuels; to the Committee on Energy and Natural Resources.

EC-2982. A communication from the President of the United States transmitting, pursuant to law, notice of his designation of Aruba as a beneficiary of the Generalized System of Preferences program; to the Committee on Finance.

EC-2983. A communication from the Assistant Secretary of Labor transmitting, pursuant to law, comments of the Members of the Advisory Committee to the Department of Labor on Short-time Compensation; to the Committee on Finance.

EC-2984. A communication from the Secretary of Health and Human Services transmitting, pursuant to law, the final report of the National Hospice Study; to the Committee on Finance.

EC-2985. A communication from the Administrator of the Agency for International Development transmitting, pursuant to law, the Agency's Annual Report on Competition; to the Committee on Governmental Affairs.

REPORTS OF COMMITTEES

The following reports of committees were submitted:

By Mr. Thurmond, from the Committee on the Judiciary, with amendments:

S. 239. A bill to establish constitutional procedures for the imposition of the sentence of death, and for other purposes (with additional, minority, and supplemental views) (Rept. No. 99-282).

EXECUTIVE REPORTS OF COMMITTEES

The following executive reports of committees were submitted:

By Mr. LUGAR, from the Committee on Foreign Relations:

Richard Thomas McCormack, of Pennsylvania, to be a Member of the Board of Directors of the Inter-American Foundation for the remainder of the term expiring September 20, 1988.

(The above nomination was reported with the recommendation that it be confirmed, subject to the nominee's commitment to appear and testify before any duly constituted committee of the Senate.)

By Mr. LUGAR, from the Committee on Foreign Relations, without amendment:

Treaty Doc. 99-4. Protocol to the 1966 International Convention for the Conservation of Atlantic Tunas, agreed upon July 10, 1984, by the Conference on Plenipotentiaries of the Contracting Parties to the 1966 Convention, and signed by the United States on September 10, 1984 (Exec. Rept. No. 99-12).

Mr. LUGAR. Mr. President, for the Committee on Foreign Relations, I also report favorably a nomination list in the Foreign Service which was printed in its entirety in the Congressional Record of March 12, 1986, and, to save the expense of reprinting it on the executive calendar, I ask that these nominations lie at the Secretary's desk for the information of Senators.

INTRODUCTION OF BILLS AND JOINT RESOLUTIONS

The following bills and joint resolutions were introduced, read the first and second time by unanimous consent, and referred as indicated:

By Mr. SPECTER:

S. 2312. A bill to amend title VII of the Omnibus Crime Control and Safe Streets Act of 1986, relating to armed career criminals, to include a serious drug offense and any crime of violence as an offense subject to enhanced penalties; to the Committee on the Judiciary.

By Mr. GORTON:

S. 2313. A bill to provide a credit against Federal income tax in an amount equal to the taxpayer's B-stock losses resulting from the failure of a production credit association; to the Committee on Finance.

By Mr. HATCH (for himself, Mr. Garn and Mr. Inouye):

S. 2314. A bill to amend the Newspaper Preservation Act; to the Committee on the Judiciary.

By Mr. CRANSTON:

S. 2315. A bill to provide for the restructuring of agricultural loans, and for other purposes; to the Committee on Agriculture, Nutrition, and Forestry.

By Mr. HEINZ:

S. 2316. A bill to amend the Tariff Act of 1930 to specify information which is to be included in manifests submitted for vessels and vehicles arriving in the United States from a contiguous country; to the Committee on Finance.

By Mr. GRASSLEY:

S. 2317. A bill to amend the Agricultural Act of 1949 to require the Secretary of Agriculture to make deficiency payments for the 1986 crops of wheat and feed grains not later than the end of the fifth month of the marketing years for such crops; to the Committee on Agriculture, Nutrition, and Forestry.

By Mr. McCLURE (by request):

S.J. Res. 325. A joint resolution to approve the "Compact of Free Association" between the United States and the Government of Palau, and for other purposes; to the Committee on Energy and Natural Resources.

By Mr. WALLOP:

S.J. Res. 326. A joint resolution to proclaim May 21, 1986, as "Andrei Sakharov Honor and Freedom Day"; to the Committee on the Judiciary.

SUBMISSION OF CONCURRENT AND SENATE RESOLUTIONS

The following concurrent resolutions and Senate resolutions were read, and referred (or acted upon), as indicated:

By Mr. DOLE (for himself and Mr. Byrd):

S. Res. 384. A resolution to direct the Senate Legal Counsel to represent, and to authorize the testimony of, former Senator Hansen and his past staff assistant in the case of Dow Chemical Co. against United States; considered and agreed to.

STATEMENTS ON INTRODUCED BILLS AND JOINT RESOLUTIONS

By Mr. SPECTER:

S. 2312. A bill to amend title VII of the Omnibus Crime Control and Safe Streets Act of 1968, relating to armed career criminals, to include a serious drug offense and any crime of violence as an offense subject to enhanced penalties; to the Committee on the Judiciary.

(The remarks of Mr. Specter and the text of the legislation appear earlier in today's Record.)

By Mr. GORTON:

S. 2313. A bill to provide a credit against Federal income tax in an amount equal to the taxpayer's B-stock losses resulting from the failure of a production credit association; to the Committee on Finance.

CREDIT AGAINST INCOME TAX FOR B-STOCK LOSSES

● Mr. GORTON. Mr. President, today I am introducing legislation that would provide farmers who suffered the loss of their B-stock due to the failure of production credit associations a fair shake under the tax laws. This bill would give those farmers the option of taking a tax credit for their payments for worthless B-stock.

The Farm Credit System accounts for about 32 percent of all farm debt in 1985. Organized through Federal land banks and production credit associations [PCA's], the Farm Credit System has helped provide millions of farmers the financial resources they must have to produce a crop. Production credit associations are cooperatively organized lending institutions wholly owned by its member borrowers, operating under Federal law and regulated by the Farm Credit Administration.

In order to borrow from a PCA, the borrower must acquire stock in the system, and this stock becomes part of the loan package. An amount equal to 10 percent of the loan disbursement becomes a contingent stock liability to the PCA. If the PCA remained solvent for the life of the loan, the liability for B-stock would be retired or canceled as the loan was repaid.

During the early 1980's, loan officers at PCA's usually referred to B-stock as a simple formality in securing a loan. Farmers were told that it was a small percentage of the loan package and that no one had ever been called on to pay off the B-stock portion of their loan—it was required by Federal law, but nothing to be concerned about.

In recent years, however, PCA's have faced increasing problems with their borrowers experiencing serious debt repayment problems and increasing levels of loan losses. Thirty-nine PCA's that experienced large losses or other problems were merged with neighboring PCA's during the January–September 1984 period. The passage of the Farm Credit Amendments Act of 1985, Public Law 99-205, will protect the B-stock investment of the farmers who are a part of these merged PCA's and help troubled PCA's from being forced into liquidation.

Congressional action came too late, however, for PCA's. Prior to enactment of the Farm Credit Amendments Act, these 11 PCA's were forced to liquidate as a result of severe loan losses. The farmers who put their trust in the Farm Credit System by taking out loans from these PCA's are the unwitting losers in our legislative relief package. They have had the bad luck of having their PCA close too soon, before Congress stepped in to protect the system. As a result, they are having to make payments on worthless B-stock as they pay off their loans. This is simply unfair.

Mr. President, the bill I am introducing today is a small step in correcting the unfairness of this situation. It gives the farmer the option of taking a tax credit for the amount that he or she is paying or paid for B-stock that has been made worthless due to the failure of a PCA. I ask unanimous consent that the bill be reprinted in the Record at this point.

There being no objection the bill was ordered to be printed in the Record, as follows:

S. 2313

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. CREDIT AGAINST INCOME TAX FOR B-STOCK LOSSES.

(a) Allowance of Credit.—Notwithstanding any other provision of law, at the election of the taxpayer for any taxable year, there shall be allowed as a credit against the tax imposed by chapter 1 of the Internal Revenue Code of 1954 an amount equal to the taxpayer's payment (not including interest) during such year for B-stock which becomes on has become worthless due to the failure of a production credit association.

(b) Limitation Based on Amount of Tax.—

(1) In general.—The credit allowed by subsection (a) for a taxable year shall not exceed the taxpayer's tax liability for such year, reduced by the sum of the credits allowable under subpart A of part IV of subchapter A of chapter 1 of the Internal Revenue Code of 1954.

(2) Tax liability defined.—For purposes of this subsection, the term "tax liability" has the meaning given to such term by section 26(b) of such Code.

(c) Definitions.—For purposes of this section—

(1) B-stock.—The term "B-stock" means stock or participation certificates issued under subsections (f) and (h) of section 2.13 of the Farm Credit Act of 1971 (12 U.S.C. 2094).

(2) Production credit association.—The term "production credit association" means any production credit association described under section 2.10 of the Farm Credit Act of 1971 (12 U.S.C. 2091).

(d) Election.—An election under subsection (a) shall identify the B-stock for which the credit is allowed. An election may be made at any time before the expiration of the period for making a claim for refund or credit of the tax imposed by chapter 1 of the Internal Revenue Code of 1954 for the taxable year in which the payment for worthless B-stock occurred, and shall be made in such manner as the Secretary of the Treasury or the Secretary's delegate shall by regulations prescribe.

(e) Denial of double benefit.—No deduction or credit shall be allowed under the Internal Revenue Code of 1954 with respect to any amount for which a credit is allowed under subsection (a).

(f) Effective Date; Special Rule.—

(1) Effective date.—The provisions of this section shall apply to any payment made for worthless B-stock, if such stock becomes worthless due to the failure of any production credit association during any taxable year beginning after December 31, 1982, and ending before January 1, 1986.

(2) Statute of limitations.—If refund or credit of any overpayment of tax resulting from the application of this section is prevented by the operation of any law or rule of law (including res judicata), refund or credit of such overpayment (to the extent attributable to the application of this section) may, nevertheless, be made or allowed if claim for such refund or credit is filed before the close of the period ending with the date which is 1 year after the date of the enactment of this Act.●

By Mr. CRANSTON:

S. 2315. A bill to provide for the restructuring of agricultural loans, and for other purposes; to the Committee on Agriculture, Nutrition, and Forestry.

AGRICULTURAL CREDIT ACT

Mr. CRANSTON: Mr. President, today I am introducing a bill that provides for principal and/or interest payment buy downs on agricultural loans held by farm borrowers that can demonstrate a reasonable possibility of repayment. Under the program the Fed-

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eral Government, the State government if it chooses to participate, and the lender would share the cost of reducing the debt service on an agricultural loan to an amount the borrower is capable of managing. This amendment is designed to help the small- and medium-size farmer.

The three bank regulatory agencies recently proposed modifications in the bank accounting rules to allow banks more flexibility to deal with losses incurred from troubled farm and energy loans similar to the language in the pending bill. While this action is a step in the right direction and gives relief primarily to banks, I am concerned that there is no mechanism to encourage banks to restructure loans deeply enough and stretch out the debt burden of farmers who have a reasonable possibility of returning to profitability if their monthly debt burben is reduced. Under the pending agricultural bill S. 2231, flexible loan restructuring is permitted for banks that meet the definition of an "agricultural bank"—those that have 25 percent or more of their portfolio in agricultural loans and their capital is impaired—while, other nonagricultural banks could apply only on a case-by-case basis. California banks hold about 9 percent of the agricultural loans nationwide—more than any other State. None is defined as an agricultural bank.

Under this program the principal and interest rate reductions on restructured loans would be accomplished by the lender reducing the amount of the loan principal by 10 percent or more with the Federal and/or State government each contributing a matching 2 percent subsidy on interest write downs.

My goal is to develop a debt restructuring plan to aid financially stressed farmers who would, under the right circumstances, have a chance to survive. Farm operators with the greatest debt problems have substantial amounts of nonworking debt which after the servicing of principal and interest leaves little cash-flow available to continue to operate the farm business. For these farmers a substantial reduction in the debt that has to be serviced out of current income is absolutely the only way to bring about long-lasting financial relief.

Commercial banks currently face substantial regulatory impediments if they want to help farm operators with debt restructuring. Any debt that makes a portion of the loan a nonearning asset for the bank results in a nonearning portion of the loan immediately being written off against capital, even if the loan could be repaid in the future. Banks are also under pressure to require that loans be fully collateralized while at the same time collateral values securing existing loans continue to devalue causing the farm debt to escalate.

While this bill and other regulations recently issued have liberalized bank lending and forebearance ability, these liberalized lending and restructuring requirements do not apply to many large banks that have enormous portfolios of agricultural loans which do not meet the agricultural bank definition in S. 2231 of having 25 percent or more farm loans. For instance five large banks in California hold 88 percent of the commercial bank agricultural loans in California, yet these banks are not qualified as agricultural banks because of their size even though they may hold more agricultural loans than an average size agricultural bank that specializes in only farm loans. They have no program under which to provide liberalized loan relief for their farm borrowers.

Heretofore, most programs have encouraged banks to work out strategies with their farm borrowers, knowing that lenders experiencing difficulties would have a difficult time participating because of capital impairment problems. However, in this program, direct financial assistance will be provided to the farm borrower to encourage the lenders to participate actively in restructuring farm debt. The expansion of the $490 million interest rate buydown program in the 1985 farm bill to include funding for the interest subsidy in this bill will provide much needed cash-flow assistance to agricultural borrowers at no additional cost to the Government.

A recent analysis by the Congressional Budget Office indicates that this interest rate subsidy program will not cost over $35 million in 1986 and no more than $210 million a year over 3 years.

The Congress has previously passed legislation, S. 1844, the Farm Credit System Restructuring and Regulatory Relief Act of 1985, that ameliorates the financial pressures on the Farm Credit System borrowers. Equal benefits should be available to nonfarm credit system borrowers.

The pressures on the farm economy are not expected to change significantly in the near future. However, most individual farm operators continue to show reasonable levels of cash-flow and income, nonetheless, the problems are immediate and serious for producers who sharply increased their debt during the high profit period in the late 1970's and others who have been borrowing extensively in recent years to ride out what was expected to be a brief period of low profits. Because many outside factors contributed to the seriousness of the problem and because communities and financial institutions may be seriously impaired as well as farmers, the solution calls for some type of Government assistance that can stabilize land values, and provide a targeted program of debt restructuring because:

First, 55 percent of the farms with negative margins—232,046—would not have had negative cash-flow except for debt service on which a debt restructuring program could have a significant impact on their chances of survival, according to a study done by the Center for National Policy.

Second, the farmers are rushing to sell land to pay current debts; further depressing land prices at the same time lenders rush to market to sell forclosed property. The bill provides for an extension of the 5-year real estate holding period by banks. This will permit banks to hold foreclosed properties up to 10 years. Hopefully, this will slow down bank sales on farm properties and help to stabilize farm land values.

Third, in the Senate bill, S. 2231, emphasis has been placed on stabilizing the capital base of lending institutions and finding mechanisms for doing so which permit loan losses to continue to be realized. The primary objective of these approaches is to prevent deterioration of the financial system.

Stretching out loans, whether accompanied by lower interest are not, reduces the value of the lenders asset—collateral. Forebearance in loan service treatment cannot continue indefinitely without jeopardizing either the lenders interest or the borrowers solvency. Further, for some borrowers, relief which reasonably might be provided by the lender is not adequate to allow them to achieve a stable cash-flow position over time.

According to the American Farm Bureau Federation in testimony before the Banking, Housing, and Urban Affairs Committee on March 11, 1986:

> For 1986, the agricultural finance policy debate will be focused on the immediate problems of the one-third of commercial agricultural operators that hold two-thirds of the debt held by farm operators. About half of this group, 100,000 to 125,000 farm operators, are at the point where substantial debt restructuring will be needed over the next two years to avoid liquidation, either voluntary or forced.
>
> A substantial reduction in debt loan or a reduction in the debt that has to be serviced out of current income is absolutely essential. Only this will bring long-lasting financial relief to stressed farm operators.

Recent reports from California, the Nation's leading agricultural State, indicate that farmers there are in worse trouble than previously recognized.

According to one estimate, 15 percent of California's 135,000 full-time farmers are in serious trouble and nearly 10 percent more are having difficulty in making payments on their debts.

According to Jim Cothern, agricultural economist in charge of the farm

crisis project in California, California farmers owed more than $9 billion in real estate loans in 1984. In 1986 their debt is expected to exceed $10 billion.

In 1984 California farmers owed $8.5 billion in nonreal estate loans. This will top $10 billion in 1986 for a combined debt of $20 billion in 1986.

Clair Berryhill, director of the California Department of Food and Agriculture, and Henry Voss, president of the California Farm Bureau, also predict that 25 percent of the farms in California will go out of business in the near future.

The San Francisco examiner reports that as many as 33 percent of California farm borrowers have net worths that have slipped below zero.

Bank of America and Wells Fargo Bank, according to the examiner, have foreclosed or accepted voluntary take backs on property worth more than $210 million.

While California net farm income held between $2 and $4 billion from 1977 to 1984, total farm debt in the State rose from $8 billion to nearly $18 billion.

The Bank of America last year reported agricultural loan losses of $150 million. The bank's loan loss ratio, the average outstanding loans divided into the loss amount, was 9.42 percent. According to Cornelius Gallagher, vice president for agribusiness at the bank, this is probably five times as high as the Midwest and at least two times as high as the Midwest.

With commercial banks providing 50 percent of the agricultural loans in the State, this is an alarming situation.

A program providing incentives for restructuring such as my bill is a realistic approach to turning the debt problem around, for farmers and stabilizing farm debt so fewer farmers will be forced out of business and banks will benefit from stronger loan portfolios.

There is a growing public concern about the viability of the family farm. The adjustment process to deflation in agriculture has weakened some farmers and banks and also the communities they serve. These farmers and banks and their surrounding communities can be expected to survive, but only if they are given more time to adjust to the massive changes now going on in agriculture.

Mr. President, I ask unanimous consent to have the full text of my bill and section-by-section printed in the Record and several select news articles on the plight of farmers in California.

There being no objection, the material was ordered to be printed in the Record, as follows:

S. 2315

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the "Agricultural Credit Act of 1986".

TITLE I—DEFERRALS

SEC. 101. IN GENERAL.

(a) Requirements for Receiving Payments.—If a qualified lender agrees to defer principal or interest payments under this title with respect to an agricultural loan to a qualified borrower, the Secretary, and appropriate State authorities (if so authorized under State law), shall make payments to that lender as described in section 102.

(b) Limitation on Loan Amounts.—A deferral of principal and interest payments under this title may be made only with respect to loan amounts of a borrower totaling, in the aggregate, not more than—

(1) $500,000 in the case of a qualified borrower who is an individual; and

(2) $700,000 in the case of a qualified borrower who is a person other than an individual.

(c) Period for Initiating Referrals of Principal and Interest.—

(1) Except as provided in paragraph (2), a deferral of principal and interest payments under this title may be made only within 90 days after the lender has received an application for such deferral submitted by the borrower within one year after the date of enactment of this Act.

(2) Paragraph (1) does not apply to a deferral of principal and interest payments made during the period beginning six months before the date of enactment of this Act and ending on the date of enactment.

SEC. 102. STATE AND FEDERAL INTEREST RATE PAYMENTS.

(a) Payments by the Secretary.—If the lender defers the principal or interest accruing on a loan throughout the period that an interest deferral remains in effect under section 104(a) by (1) 2 percent of the interest and 10 percent of the principal; (2) 1 percent of the interest and 15 percent of the principal; or (3) 20 percent or more of the principal, the Secretary, through the Farmers Home Administration, shall pay to the qualified lender making a deferral of principal and interest under section 103—

(1) an amount equal to the amount of the deferral by the lender but not to exceed 2 percentage points of the interest accruing on such loan throughout the period that an interest deferral remains in effect under section 104(a); and

(2) any amount received by the Secretary under subsection (b).

Any payment under this subsection shall be passed on to the borrower.

(b) Payments by Appropriate State Authorities.—With respect to a loan for which a deferral of principal or interest is made under section 104, the appropriate State authorities (if so authorized under State law), shall pay to the Secretary an amount equal to 2 percentage points of the interest accruing on such loan throughout the period that such deferral remains in effect under section 104(a).

SEC. 103. AMOUNTS OF PRINCIPAL AND INTEREST RATE DEFERRAL.

(a) Table.—Except as provided in subsection (b), the deferrals referred to in section 102 are as follows:

Bank		Federal contribution	State contribution	Total deferral in States authorizing payments	Total deferral in States not authorizing payments
Interest deferral	Principal deferral				
2%	10%	2%	2%	6% interest 10% principal	4% interest 10% principal
1%	15%	2%	2%	5% interest 15% principal	3% interest 15% principal
0%	20%	2%	2%	4% interest 20% principal	2% interest 20% principal

(b) Exception in the Case of Fixed Rate Loans.—In lieu of a principal deferral described under the second column of the table in subsection (a), a lender may defer the interest on a loan by an amount which will yield loan payments by the borrower comparable to loan payments which would be due under such principal deferral. An interest rate deferral under this subsection shall be in addition to any interest rate deferral described in the table in subsection (a).

SEC. 104. DEFERRAL PERIOD.

(a) Duration of Interest Rate Deferrals.—Except as provided in subsection (c), interest rate deferrals made under section 103 shall be in effect for the duration of the loan or for a period of three years from the date of enactment of this Act, whichever is less.

(b) Interest Rates Following Deferral Period.—At the end of the period described in subsection (a) any interest rate charged on the balance of principal outstanding on a loan cannot exceed the standard rate charged by the lender for a comparable loan.

(c) Exception in the Case of Interest Rate Deferrals Made in Lieu of Principal Deferrals.—Interest rate deferrals made under section 103 in lieu of principal deferrals shall remain in effect for the duration of the loan.

SEC. 105. RECAPTURE IN THE EVENT OF NON-MONETARY DEFAULT.

In the event of non-monetary default by a qualified borrower on the terms of a loan whose terms are modified under this title, without consent by the lender, a qualified lender may enforce the terms of such loan as they existed before such modification.

SEC. 106. GUIDELINES.

(a) Development of Guidelines.—Each lender receiving a payment under section 102 shall develop guidelines for determining which borrowers shall receive interest or principal deferrals under this title.

(b) Termination of State and Federal Payments Upon Foreclosure.—No payment under section 102 shall be made with respect to a loan after a lender compels the forfeiture by a borrower of any security for such loan.

SEC. 107. USE OF CERTAIN FUNDS.

(a) Use of Agricultural Credit Insurance Fund To Make Payments.—The Secretary shall use the Agricultural Credit Insurance Fund established under section 309 of the Consolidated Farm and Rural Development Act to make payments under section 102(a).

(b) Discretionary Use of Certain Funds.—The Secretary, at the Secretary's discretion, may use, to make payments under section 102(a) during fiscal years 1986, 1987, 1988, and 1989 funds which would otherwise be available to the Secretary during such years under section 351(e)(2) of the Consolidated Farm and Rural Development Act.

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SEC. 108. REGULATIONS.

The Secretary shall prescribe regulations to implement this title within 30 days after the date of enactment of this title.

SEC. 109. LIMITATIONS ON STATE LAWS RESPECTING FIXED RATE LOANS.

Any provision of the laws or constitution of any State which prohibits fixed rate loans shall not apply to extensions of credit made under this title or title III.

SEC. 110. PENALTY FOR MISUSE OF FUNDS.

Whoever embezzles, misapplies, steals, or obtains by fraud, false statements, or forgery, any funds, assets, or property provided or financed under this title shall be fined under title 18, United States Code, or imprisoned for not more than five years, or both.

SEC. 111. DEFINITIONS.

As used in this title and title III—

(1) the term "agricultural loan" means a loan made to finance the production of agricultural products or livestock in the United States or a loan secured by agricultural property;

(2) the term "agricultural property" means land in the United States that is in regular use for the production of agricultural commodities for sale and any personal property used on such land in the production of agricultural commodities;

(3) the term "qualified agricultural debt restructuring"—

(A) means any combination of—

(i) a deferral in the principal due on an agricultural loan to a qualified borrower for the duration of the loan;

(ii) a deferral in the interest due on such loan for the duration of the loan;

(iii) an extension of the term to maturity of such loan; or

(iv) an asset restructuring plan entered into between the borrower and lender, the terms of which shall, within ten years of the date on which such plan is made, accomplish the purposes of the Agricultural Credit Act of 1986 and the amendments made by such Act; but

(B) does not include any such combination which—

(i) reduces the term to maturity of a loan; or

(ii) is made with respect to loan amounts of a qualified borrower totaling, in the aggregate, more than—

(I) $500,000 in the case of a qualified borrower who is an individual; and

(II) $700,000 in the case of a qualified borrower who is a person other than an individual;

(4) the term "qualified borrower" means, with respect to an agricultural loan, a person who—

(A) has derived at least 50 percent of the person's gross income during at least four of the previous five years from the production of agricultural commodities, including livestock, poultry, and the products of aquaculture;

(B) has gross annual sales of agricultural commodities of at least $30,000 during three of the last five taxable years ending before the date of enactment of this Act;

(C) has as average net income of less than $100,000 during the last 3 taxable years before the date of enactment of this Act;

(D) is delinquent in the payment of principal or interest on such loan; and

(E) enters into a restructuring and asset liquidation plan acceptable to the lender which—

(i) demonstrates a reasonable likelihood that the borrower will be able to repay the amount of the loan if debt restructuring is made;

(ii) contains a schedule for the liquidation by the borrower of such assets as the lender may require as a condition for such restructuring; and

(iii) provides for annual review by the lender to ensure that the borrower is making a good faith effort to carry out the plan;

(5) the term "qualified lender" means a—

(A) commercial bank;

(B) savings and loan association;

(C) credit union;

(D) insurance company; or

(E) institution of the Farm Credit System;

(6) the term "qualified State institution" means a State chartered depository institution, the deposits of which are insured or guaranteed under the laws of a State;

(7) the term "Secretary" means the Secretary of Agriculture;

(8) the term "State" means each of the several States, the District of Columbia, the Commonwealth of Puerto Rico, the Virgin Islands, Guam, American Samoa, the Northern Mariana Islands, the Trust Territory of the Pacific Islands, and any other territory or possession of the United States; and

(9) the term "deferral" means a postponement of payment until the borrower can demonstrate an ability to repay. The Secretary shall determine the rate of repayment and shall apportion repayments among the lender, the State, and the Secretary.

TITLE II—CONSERVATION PROVISIONS

SEC. 201. PROHIBITING ASSISTANCE TO BORROWERS WHO PRODUCE COMMODITIES ON ERODIBLE LAND.

Section 1211 of the Food Security Act of 1985 is amended—

(1) by striking out "or" where it appears after the semicolon in paragraph (1)(E);

(2) by striking out the period at the end of paragraph (2) and inserting in lieu thereof "; or "; and

(3) by adding at the end the following new paragraph:

"(3) treatment as a qualified borrower for purposes of title I of the Agricultural Credit Act of 1986.".

SEC. 202. PROHIBITING ASSISTANCE TO BORROWERS WHO PRODUCE COMMODITIES ON CONVERTED WETLANDS.

Section 1221 of the Food Security Act of 1985 is amended—

(1) by striking out "or" where it appears after the semicolon in paragraph (1)(E);

(2) by striking out the period at the end of paragraph (2) and inserting in lieu thereof "; or"; and

(3) by adding at the end the following new paragraph:

"(3) treatment as a qualified borrower for purposes of title I of the Agricultural Credit Act of 1986.".

TITLE III—ACCOUNTING PROVISIONS

SEC. 301. FEDERAL REGULATION OF THE ACCOUNTING FOR RESTRUCTURED AGRICULTURAL LOANS.

Section 13 of the Federal Deposit Insurance Act (12 U.S.C. 1823) is amended by adding at the end the following new subsection:

"(k)(1) In General.—The appropriate Federal banking agency shall—

"(A) permit an insured bank to account for qualified agricultural debt restructuring under paragraph (2);

"(B) establish a program of capital forbearance under paragraph (3) for an insured bank engaging in qualified agricultural debt restructuring; and

"(C) implement call report requirements under paragraph (4) with respect to qualified agricultural debt restructuring.

"(2) Accounting of restructured loans.—Consistent with generally accepted accounting principles, an insured bank engaging in qualified agricultural debt restructuring involving only modification of terms may account for the effects of the restructuring prospectively and will not be required to change the recorded investment at the time of the restructuring unless the recorded investment exceeds the total future cash receipts that can be reasonably anticipated given the new terms of the loan.

"(3) Capital forbearance program.—

"(A) Under a capital forbearance program under this paragraph the appropriate Federal banking agency shall permit the capital of an insured bank qualifying under this paragraph to fall below any applicable minimum capital requirement established by such agency to the extent that the reduction in such capital is attributable to qualified agricultural debt restructuring.

"(B) In order for an insured bank to qualify under subparagraph (A) such bank shall, before December 31, 1987, submit to the appropriate Federal banking agency an application containing a plan acceptable to such agency which details the insured bank's program to restore primary capital to levels at or above the regulatory minimum not later than January 1, 1993.

"(C) The appropriate Federal banking agency may establish additional specific requirements consistent with the requirements of this Act which any insured bank must meet in order to qualify under subparagraph (A), including requirements that such an insured bank—

"(i) demonstrate that its weakened capital position is not due to mismanagement, excessive operating expenses, excessive dividends, or action taken solely for the purpose of qualifying for capital forbearance;

"(ii) adopt and adhere to its plan for restoring capital to the required minimums; and

"(iii) report periodically to the appropriate Federal banking agency on its progress in complying with the plan submitted under clause (ii).

"(4) Call reports.—Each Federal banking agency shall implement call report requirements for loans restructured under qualified agricultural debt restructuring, providing an accurate description of their status. Such loans may be disclosed as 'Restructured and in Compliance With Modified Terms' or similar description.

"(5) Implementation deadline.—Each Federal banking agency shall issue its program on capital forbearance and call report requirements for renegotiated loans not later than three days after the date of enactment of this subsection.

"(6) Guidelines.—Each insured bank shall develop guidelines for determining which borrowers shall receive qualified agricultural debt restructuring.

"(7) Recapture in the event of non-military default.—In the event of non-monetary default by a qualified borrower or the terms of a loan modified by qualified agricultural debt restructuring without, consent by the lender, an insured bank may enforce the terms of such loan as they existed before such restructuring occurred.

"(8) Definitions.—For purpose of this subsection—

"(A) terms defined for purposes of the Agricultural Credit Act of 1986 shall apply to this subsection;

"(B) the term 'insured bank' means an insured bank which is not an agricultural bank or energy bank as defined in subsection (j)(6); and

"(C) the term 'capital forbearance' means refraining from taking administrative actions to enforce capital standards.".

SEC. 302. MODIFICATION OF LENDING LIMITATIONS FOR LENDERS THAT RESTRUCTURE AGRICULTURAL LOANS.

Section 5200(a) of the Revised Statutes (12 U.S.C. 84(a)) is amended—

(1) by redesignating paragraph (3) as paragraph (4);

(2) by inserting after paragraph (2) the following:

"(3) If the Comptroller of the Currency establishes a capital forbearance program pursuant to section 13(k) of the Federal Deposit Insurance Act, the Comptroller of the Currency shall, without public notice and comment, amend the regulations under this section to establish new lending limits for insured banks covered by the forbearance program, individually or as a class, to compensate for the effects on such insured banks for losses attributable to qualified agricultural debt restructuring. A lending limitation established pursuant to this paragraph in lieu of the limitation established in paragraph (1) shall not exceed 20 percent of the unimpaired capital and unimpaired surplus of an association."; and

(3) by striking out, in the paragraph redesignated as paragraph (4) by this section "paragraphs (1) and (2)", and inserting in lieu thereof "paragraphs (1), (2), and (3)".

SEC. 303. REGULATION OF THE ACCOUNTING FOR RESTRUCTURED AGRICULTURAL LOANS BY STATE INSURED DEPOSITORY INSTITUTIONS.

Notwithstanding any provision of the laws or constitution of any State, each appropriate State banking agency shall—

(1) permit qualified State institutions to account for qualified agricultural debt restructuring in the manner described in section 13(k) of the Federal Deposit Insurance Act;

(2) establish a program of capital forbearance in the manner described in section 13(k) of such Act for qualified State institutions engaging in qualified agricultural debt restructuring; and

(3) implement call report requirements of the kind described in section 13(k) of such Act with respect to qualified agricultural debt restructuring by qualified State institutions.

SEC. 304. ADJUSTING REAL ESTATE HOLDING PERIODS FOR A NATIONAL BANKING ASSOCIATION.

Section 5137 of the Revised Statutes (12 U.S.C. 29) is amended—

(1) by striking out "five years" in the paragraph following the fourth designated paragraph and inserting in lieu thereof "ten years";

(2) by striking out the second paragraph following the fourth designated paragraph; and

(3) by striking out "five-year" in the last paragraph and inserting in lieu thereof "ten-year".

AGRICULTURAL CREDIT ACT OF 1986—SECTION-BY-SECTION

TITLE I: PRINCIPAL AND INTEREST SUBSIDY DEFERRAL

Section 101: General Provisions

To encourage farm debt restructuring, this Act provides a matching interest subsidy program to lenders that reduce principal on troubled farm loans by at least 10 percent. As an added benefit, such debt restructuring would also allow lenders to participate in FmHA's Debt Adjustment Program (DAP). Under the DAP, loans that are restructured by at least 10 percent are eligible for a 90 percent FmHA guarantee.

From the date the Act is enacted, borrowers have a one-year period in which they can apply to their lenders to participate in this three-year program. Loans that lenders have restructured during a six month period prior to enactment of this act would also be eligible for the interest subsidy. Qualifying individual borrowers debt cannot exceed $500,000, other than an individual qualified debt can't exceed $700,000.

Section 102: State and Federal Interest Rate Payments

Interest rate subsidies would be provided to qualified lenders through the Farmers Home Administration (FmHA). State participation is optional.

Section 103: Principal and Interest Rate Deferral

Up to 6 points of interest could be written down for those loans in which principal is reduced by at least 10 percent. The interest subsidy consists of 2 percent Federal, 2 percent State (participation is optional), and 2 percent Lender.

[In percent]

Principal reduction [1]	Interest subsidy contribution			Total interest write-down
	Federal	State [2]	Lender	
10 [3]				
15	2	2	2	6
15	2	2	1	5
20 or more	2	2	0	4

[1] In lieu of a principal reduction, lenders could reduce interest on loans to achieve a comparable payment reduction over the life of the loan.

[2] State participation is optional. If State does not participate, total interest write-down would be reduced by 2 percent.

[3] Qualifies for 90 percent FmHA Guarantees under DAP.

Section 104: Duration of Interest Rate Deferral

At the end of this 3 year program, the interest rate charged on the restructured loan cannot exceed the standard rate charged by the lender for a comparable loan.

Section 105: Recapture Provision

In the event of non-monetary default (violation of non-monetary terms of loan agreement without lenders' consent), the lender may enforce the terms of the loan as they existed before restructuring occurred.

Section 106: Development of Guidelines

(a) Requires lender to develop debt restructuring guidelines for farm borrowers.

(b) If a lender should foreclose on a participating borrower, the federal and state interest subsidy would be cancelled.

Section 107: Use of Certain Funds

Authorizes the Secretary to use the Agricultural Credit Insurance Fund to carry out this Act. Provides the Secretary with discretionary authority to use funds authorized in FY86, FY87, FY88, and FY89 under the interest subsidy program in the Farm Bill. Section 309, 203(u)(1) Section 351(e)(2) of the consolidated Farm and Rural Development Act.

Section 108: Guidelines

Authorizes the Secretary to issue regulations to implement this Act within 30 days after the date of enactment.

Section 109: Limitations on State Laws

This section clarifies that the requirement for fixed rate mortgages in any restructured loan supersedes any state law.

Section 110: Penalty for Misuse of Funds

Provides for penalties under 18 U.S.C. 3623 or imprisonment for up to five years for those who steal, forge, misapply, etc., under this act.

Section 111: Definitions

"Agricultural Loan"—any loan made to finance production of agricultural products or livestock; or secured by agricultural property.

"Debt Restructuring"—loans restructured by any combination of: repayment period extenstion, interest rate reduction, principal reduction, or asset restructuring that would be accomplished over a ten year period.

"Qualified Agricultural Debt"—borrowers are limited to a $500,000 aggregate loan participation in the case of an individual and $800,000 in all other agricultural operations.

"Qualified Borrower":

Is any person that has made at least 50 percent of its gross income from farming in four of the past five years;

Has gross annual sales of at least $30,000 during three of the previous three years, and total net income not to exceed $100,000;

Is delinquent in the payment of principal or interest on agricultural loan;

Can demonstrate an ability to repay loan if debt is restructured.

"Qualified Lender"—any commercial bank, savings and loan association, credit union, insurance company, or farm credit institution.

"Qualified State Institution"—any State chartered depository institution that has deposits insured or guaranteed under State law.

TITLE II: CONSERVATION PROVISIONS

Amends Section 1211 and 1212 of Food Security Act of 1985 to provide that any producer that cultivates highly erodible lands and wetlands will be ineligible for assistance under this Act.

TITLE III: ACCOUNTING PROVISIONS

Section 201: Federal Regulation of the Accounting for Restructured Agricultural Loans

Subsections (k)(1 thru 5) Agricultural Loan Restructuring

Amends the Federal Deposit Insurance Act to provide lenders with more flexibility to restructure troubled agricultural debt—by minimizing effects of capital erosion and lending limitations. The following amendments are consistent with those proposed by the bank regulatory agencies in March, 1986 and in S. 2231.

(A) FASB #15—encourages banks to utilize a little-used accounting rule that allows banks to restructure loans without having to take a loss against capital if the restructuring results in payments that at least equal the original loan principal. FASB #15 (Financial Accounting Standards Board Statement No. 15) applies when "the creditor's objective is to make the best of a difficult situation . . . the creditor expects to obtain more . . . value from the debtor, or to increase the probability of receipt, by

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granting the concession than by not granting it."

(B) Capital Forbearance—requires each Federal banking agency to establish a capital forbearance program for banks that have experienced a reduction in capital which is largely attributable to problems in the agriculture sector. Under such a program, a bank would be allowed to operate under relaxed capital requirements, provided they can demonstrate capacity to restore capital within five years. Currently, banks falling below the minimum 6% capital level are subject to stringent enforcement action by bank examiners.

(C) "Call Report" Modifications—requires the Federal banking agencies to amend description of the status of restructured "troubled" loans in the Reports of Condition and Income (call reports). This requirement allows banks to distinguish loans that, although restructured (as under FASB #15), are in compliance with modified terms. Those loans would no longer need to be included in the category of nonperforming loans but could be disclosed in the call report as "Restructured and in Compliance with Modified Terms" or a similar description.

Subsection (k)(6) Guidelines

Requires participating lenders to reestablish guidelines to determine which borrowers qualify for restructuring.

Subsection (k)(7) Recapture Provisions

In the event of non-monetary default (violation of non-monetary terms of loan agreement without lenders' consent), the lender may enforce the terms of the loan as they existed before restructuring occurred.

Subsection (k)(8) Definitions

With the exception that this Section only applies to banks that have their deposits insured by the FDIC, the definitions are basically the same as those listed under Section 212.

Section 302: Modification of Lending Limitations for Lenders That Restructure Agricultural Loans

Amends regulations that establish lending limits for national banks so that a temporary reduction in capital would not reduce banks' lending authority. Currently, a decline in capital results in a parallel decline in the bank's maximum lending limit. By establishing an increased lending limit, a bank participating in the capital forbearance program who suffers moderate losses on agricultural loans could maintain its current dollar lending limits.

Section 303: Regulation of the Accounting for Restructured Agricultural Loans by State Insured Depository Institutions

Requires appropriate State banking agency to amend State regulations to conform to amendments in Section 401.

Section 304: Real Estate Holding Period

Amends 12 U.S.C Section 29, which establishes the limited purposes for which national banks may purchase, hold and convey real property mortgaged, conveyed or otherwise acquired as security for or in satisfaction of a debt previously contracted. Currently, a bank must dispose of such property within five years unless the Comptroller of the Currency approves the possession for an extended period not to exceed an additional five years. This amendment would allow any national bank to hold such real property for a 10-year period without the Comptroller's approval. The amendment is intended to prevent further depressed farmland values which could result from agricultural banks' disposal of such real estate.

UNHAPPY BANKS REAP CROP OF UNPROFITABLE LAND

(By Sally Lehrman)

FRESNO.—The white banner draped outside the Bank of America branch office cheerily invites, "Have a loan!"

But farmers throughout the state wonder just who the bank is inviting. This winter, loyal bank customers are encountering a reception as cool as the weather, and often walking away without even the warmth of a promise.

Farmers already feeling the crush of plummeting land values, sinking commodities and swamped markets now must face their banker's stony countenance.

As in other farm states, California lenders are moving quickly to cut their losses, and shore up portfolios sagging under the weight of the agriculture industry's problems. Loaded with acres of acquired property, millions of dollars written off as losses and millions more not accruing interest, they are demanding hard proof of future payment, and cutting off customers who can't provide it.

Bank of America, Wells Fargo and Crocker Bank are taking back properties in numbers not seen since the Great Depression. Their reluctance to lend to operators who can't show a sure profit is forcing many more farmers to sell off their property or shut down the ranch. Strict rules enforced by checklists and computer work sheets often eliminate the good farmer who's not all that good at filling out forms.

"(Banks) started tightening up in the summer of '85," said Dan Buser, a former official at the American Bankers Association. "They had to.

"You don't want to keep extending, if you've got to foreclose; that's no fun," Buser said. "At the same time, you want to keep your customers. It's difficult."

Agricultural loan losses last year reached $150 million for Bank of America and $36.7 million for Wells Fargo, the state's two biggest farm lenders. In 1984, the two banks lost $82 million and $45.9 million, respectively, on farm loans. The 1985 total helped push Bank of America to a staggering $337 million overall loss for last year.

Bank of America reported $188 million in loans not accruing interest out of a total agriculture loan portfolio of $1.7 billion last year. Wells Fargo was unable to collect interest on loans worth $180 million out of a farm loan portfolio of $825 million. (The Wells Fargo portfolio includes loans made by Wells Fargo Ag Credit, a Colorado subsidiary.)

Cornelius Gallagher, vice president in charge of agribusiness for the Bank of America, calls the bank's agriculture loan losses "significant," even though the farm portion of the bank's portfolio is only about 3 percent of total loans. As banks toughen up on lending policies, some critics accuse them of pulling out of agriculture altogether. But Bank of America's investment in agriculture remains strong, even though it dropped from $2.1 billion in 1984 to $1.7 billion last year. Wells Fargo's loans to the industry increased slightly from $802 million in 1984.

Lenders assure farmers that they plan to stand by them. They are quick to add, however, that they must protect against their own losses.

"We're in a risk business," Gallagher said. "We have to manage that risk."

George Beitzel, executive vice president of the Farm Credit Banks of Sacramento, said the bank is still "making lots of agriculture loans every day. But we are scrutinizing loans, making sure there is a means to repay them and a constructive purpose to the loans."

Ken Billings, president of the Federal Land Bank in Fresno, said the farmer-owned farm credit system feels a special responsibility to growers.

"If they have a fighting chance at all, we'll keep the loan in default," Billings said. "If they can service the interest, we'll stay with them, even if they're one or two payments behind.

"If we can be criticized for anything, it's staying with them too long."

Wells Fargo and Bank of America officials also say they aren't asking farmers to turn their fortunes around overnight.

However, five months into the crop year, Lars Swanson still is begging for funding from First Interstate Bank and the Federal Home Loan Mortgage Association. His commercial spray business has brought in just enough to barely maintain his 200 acres of alfalfa, walnuts and almonds in Los Banos—with a little left over to live on.

Water and taxes were due in December. Swanson (who asked that his real name not be used) has sold his house and his houseboat, and has tried to sell his ranch.

"We're already four months without living expenses," Swanson said recently, musing about his future while he watched an auction preview at his next-door neighbor's ranch. "Seems like every year they get slower."

Swanson went to FmHA, the farm lender of last resort, because his regular lender had decided to foreclose. He said his application has been at FmHA for eight months, and First Interstate won't sign a check for operating money until FmHA gives him the OK.

"I said to my banker, 'You get a guy down, then you keep kicking him and kicking him,' " he said. "Instead of helping, they're just tightening the screws harder."

Farmers also complain that as the crisis has grown, bankers have stopped making decisions on their own and instead are depending on manuals and check lists to make their choices.

City folks in pin-stripe suits are replacing the local banker who knew farming and knew his customers, they say. The loan officer who worked with families and their farms for years has been isolated to a special task force on problem loans, replaced by a newcomer with a computer.

Bank of America has a 20-point list it uses to evaluate farm loans. One wrong check and you're out of luck.

The loan gets bumped up to a higher authority and possibly into limbo. "Even the smallest loan is subject to the highest scrutiny," said Ronald Brase, president of Crop Care Services Inc., a consulting service in Fresno. Despite his excellent loan history, Brase recently had to wait nearly a month to get about $20,000 to grow Thompson grapes on his small family farm.

BofA's Gallagher defends the check list as a streamlined version of the same questions bankers always have asked. The bank's checklist asks for basic financial facts and a general business plan, he said. And with real estate values rapidly diminishing, banks that once would base hefty loans on the value of a farmer's land now are carefully examining the operation's cash flow.

"Back in the good old days, there were farmers who were so financially strong . . .

that you would loan to them without asking questions," Gallagher said. But things have changed. Farmers now find it nearly impossible to project a cash flow, because they have little ability to predict the cost of production or what a crop will bring in.

"We're just asking, 'How are you going to repay the loan?' " Gallagher said. "That's a very basic question. I'm sorry it's tougher to answer."

Flow charts and documentation have become just as vital as a good crop. Because Brase reported higher than average crop yields, he was required to bring in a land appraisal or receipts proving the delivery of his crop.

"Banks have been extremely stringent," he said—so stringent, he said, that they're forcing many good farmers to become marginal ones.

"You start cutting costs too much, you start hurting your income, that's what to a large extent is happening," he said. "In the last two or three months, because financing institutions have come down so hard on growers, I've seen several good growers move into a survival mode."

Farmers who have cut costs and improved production in the last couple of years may find lenders unmoved by their efforts, because the institutions usually base their decisions on a four-year average.

Most banks also are demanding that farms show a 25 percent profit margin. But, Brase said, "with current commodity prices, there ain't no one who can get that 25 percent margin."

While insisting that BofA holds no absolutes, Gallagher defends the concept of a wide profit margin. According to the bank's logic, farmers need a larger margin for error because it's so hard to predict how they will fare in today's constantly changing commodities market.

"We're just saying, balance your budget," he said. "But because of the uncertainty, you better have a margin there."

While banks say the more stringent paper work helps weed out poor managers, others argue that the strict guidelines eliminate both the innovator and the experienced grower who knows where his costs are, but not how to put them down on paper. The farmer who can grow an outstanding stand of wheat, but is flustered by a pile of forms won't get a loan.

FARM LOANS: LOSSES AND IN LIMBO

[Figures for the four largest agricultural lenders in California. Shown in millions]

Bank	Agricultural portfolio	Loan losses	Loans not earning interest
Bank of America	$1,700	$150	$188
Wells Fargo	825	36.7	204
Security Pacific	652.7	12.1	108.8
Crocker Bank	277	19	64

Note.—Figures for yearend 1986.

Source: Individual banks.

"Many bankers are overly conservative in how they're viewing lending practices in agriculture," said Henry Voss, president of the California Farm Bureau Federation in Sacramento. "I think what will happen is some people who are good managers and probably have sufficient assets . . . will be questioned or denied credit because these people don't fit into that computer mold."

Gallagher said it is not the attitude of the banks that has changed—just the structure of agriculture. "The way you look at it hasn't changed—what's changed is what you're looking at," he said. Farmers are struggling to reduce their debt at the same time their asset value is falling sharply. They work to reduce costs, but can't keep up with dropping commodity prices. To survive, they need to be keenly aware of the marketplace and their own financial position, Gallagher said.

BofA, Wells Fargo and other banks stress their willingness to assist the farmer—to a point.

"We'll work with them and make suggestions in the financial area," said Billings. "We'll help them restructure their debt; make suggestions like don't buy new equipment, instead pay a little higher repair bill.

"But most farmers are good farmers, you don't need to advise them how to farm."

Billings said the Land Bank has increased its staff by 20 percent in the last year to work with problem loans.

Wells Fargo's James Kirk said most of the farmers who have been able to survive are good farmers. "The farmer who's not the great manager may not have lasted this long anyway," he said. So Wells Fargo tries to structure a program that will help them stay in business.

Banks are shutting the door on scores of marginal businessmen.

"Ultimately, the solution is not to throw money, continually year after year, at a losing situation," said Roger Cruzen, a spokesman for Wells Fargo.

Bank of America recently isolated many of its problem loans into "strategic analysis groups." While Gallagher would not describe the exact purpose of such a category, he said the arrangement is designed to give growers personal help in solving their debt problems. "I call it trying to minimize the loss to their estate," he said.

Such gentle words may bring a harsh reality for farmers, however. "In some cases, you may just say, 'I'm sorry, we can't go any further,' " Gallagher said. "Because it's gone."

PROFITS? STATE FARMERS SEEK SURVIVAL

(By Sally Lehrman)

SALINAS.—The question haunting every California farmer this year is not whether he will make a living, but whether he will survive.

The answer is not easy.

The harsh economic realities battering the state's farm industry don't seem to be letting up. Land values remain flat and growers' debt continues to soar. And analysts predict that the 1986 Reagan farm bill will drop the net income of U.S. farms 18 percent lower than its current rate.

See-sawing prices have plagued farmers for years. Growers tired of battling the world market on their own have asked for the government's help.

For some, 70 percent parity, or government-guaranteed prices equal to their cost of production, is the only solution. They say it will be impossible for them ever to make a living as long as they have to compete with unpredictable world prices.

The American Agriculture Movement advocates increasing the amount of government loans made against stored crops to cover the rising costs of production. Farmers who can't get a decent price for their crop are allowed to store it in exchange for a government loan. But support prices and loan rates are just 49 percent of parity right now, according to Wayne Meyer, president of the California chapter of the American Agriculture Movement.

"We've got to at least get some prices where we can cover our costs of production," he says. "Otherwise, nobody's going to stay in business. It's like standing out on the street corner selling dollar bills for 49 cents."

Meyer says that if loan rates for U.S. crops go up to 70 percent of parity, the world price will rise to match them. If it doesn't, the government should tack on protective tariffs or quotas, he says.

For example, a Sacramento grower now has a rough time finding someone to buy his rice for $6.50 to $7 per hundredweight when warehouses are filled with rice shipped in from Thailand at $4 a hundredweight.

"If we've got more rice than we know what to do with, why are we importing rice?" Meyer asks.

He says the containers shoppers carry to the grocery counter should show clearly where the food was grown, so consumers know when they are buying from American farmers.

Tim Wallace, an agriculture economist for the University of California, agrees that a parity program would encourage shoppers to buy domestic foods. But even though the money would go directly into U.S. government coffers, possibly to be doled out for commodity programs, such a policy could eventually hurt farmers, he warns.

"Foreign nations would retaliate, probably, by saying, 'You put a tariff on us, we'll put a tariff on you,' " he says.

Meyer argues that the nation is already engaged in a trade war and is losing it pretty badly. "They're already slapping tariffs on us, and we're not doing a thing," he says.

The American Farm Bureau Federation is hoping to help struggling farmers stay in business with a debt-restructuring plan. According to the proposal, a grower would divide his debt into two parts. He would continue to pay regular interest and principal on a manageable portion, and pay 3 percent interest but no principal on the rest of the amount owed.

Banks would be able to avoid classifying restructured loans as "non-performing" and would temporarily be allowed to operate at a lower capital base.

Bankers like the idea and have come up with their own recommendations. The American Bankers Association has proposed a three-part relief package for farmers. The goal is to stabilize three components of the farm crisis: bank capital, borrowers' cash-flow ability and farm asset value, according to Michael Fitch, chairman of the association.

The bankers advocate new accounting procedures to help banks bear the strain by spreading losses over a longer period. An interest rate buydown would assist cash-strapped borrowers by allowing them to pay back their loans at a lower rate under certain conditions. And asset values could stabilize if banks were allowed to put troubled farm loans in a quasi-governmental financial corporation that would hold farm land off the market until the economy improves.

California banks would like to be able to hold repossessed farm land for longer than the current five-year limit. They also suggest an institutional secondary market for farm real estate loans that could resell guaranteed loans to investors as mortgage-backed securities.

But to the farmer going over this season's budget, such solutions seem terribly distant.

While the dollar's strength has faltered a bit and sinking oil prices have helped boost

Third World economies, California farmers continue to combat a strengthening foreign presence in their formerly exclusive markets.

Bankers are making trips to Washington in alarm. Legislators are approving emergency measures to help growers keep their farms, and are proposing revisions to the farm bill.

But as the powerful hammer out policy, the farmer must pull on his boots, walk out to a muddy barren field and make a decision.

Most California farmers have cut costs beyond the point where they might hurt an acre's yield. They have gone back repeatedly to their bankers to ask for money. They have sold some of their land and canceled leases on nearby property they used to farm.

They know that only the most conservative, only the most savvy, will make it this year.

Ed Boutonnet unfolds sheet after sheet of numbers. The Castroville grower says he hasn't made a profit in four years. This year, he had hoped to break the jinx. But cold weather recently swept through his fields and burned the tips of rows of healthy artichokes.

It's a fact of life for a farmer that a little blister on a leaf can destroy his income.

Boutonnet and his partners run the state's largest artichoke operation. The 175 acres he once farmed have swelled to 5,500 acres and a packing and shipping company. But even Boutonnet, with a master's degree in soil science and vegetable production from Cornell University, is worried.

After the cold spell, his price for a carton of artichokes plunged to $5 from $15.

"We need $10 a carton, on average, to break even," he says. "Unless we can get up to $10 to $12 a carton, we're in serious trouble."

Boutonnet has broken out every little cost that goes into growing an artichoke. His list of numbers includes power, planting, sprinkler pipe, insecticide, rodent control and hoeing. Checking the figures over and over, he has finally found room for improvement.

"We've got a permanent drip irrigation trial in," he says. "If it works, we're going to eliminate our labor. You can irrigate six to seven hundred acres with one man."

In this way, Boutonnet thinks he can cut irrigation labor costs three-quarters and possibly reduce his power bill by one-third.

Boutonnet is one of the few farmers who has the funds to make an investment in order to save money in the long run. But he refuses to borrow to do it. His caution may keep him in business.

"We finance our own farming operations," he says. "We do not have any operational loans. We've never expanded on credit.

"That's basically a very conservative philosophy. That's not the philosophy they teach you in school."

The growers who followed their textbooks and fattened their farms are now drowning in debt. The farm crisis may finally winnow the industry to those like Boutonnet, who won't borrow a cent.

"Maybe we were a little slow in the '60s," he says, "but we're still in business.

"Most of our land is paid for and we will not borrow against our property to operate," he says. "A lot of farmers get into trouble that way—I'll quit before I do that."

Today, Boutonnet is moving quickly. He pulled 450 acres out of artichoke production last year. He says he'd rather invest money in unused ground than put cash into a crop that may not bring in anything. He's working on marketing ideas and will pore over his brown folder of budget breakdowns several more times. But he says it's unlikely he'll find a place to make additional cuts.

"We're not switching crops, we're not going to alternate crops," he says. "We've run a tight operation and we continue."

Farmers throughout the state will have a tough time cutting production costs this year, according to Ronald Brase, president of Crop Care Services Inc., a Fresno consulting firm. The growers have already shaved them to the minimum.

That leaves yield—the measure of how much produce comes off an acre of land.

"The only thing they can do is work with yield," Brase says. He argues that farmers should boost their production expenses in strategic places in order to increase yield. In other words, they should look for the factor, like insects or disease, that's limiting the amount their fields can produce—and correct it.

An improved yield can dramatically cut the cost per head of lettuce or bunch of spinach. But most growers don't have money to spare and can't get their banks to forward the cash for such a project, he says. So their only hope is to consider growing an unusual mix of crops or to try to get a contract in advance. That way a cotton or wheat grower can be sure of a certain price for his goods, and thus will know how much he can spend.

[From the San Francisco Examiner, Mar. 16, 1986]

State Farming Goes to Seed—More Foreclosures Than at Any Time Since Great Depression

(By Sally Lehrman)

Quietly and mercilessly, despair is sweeping through California's ravaged agricultural economy.

It once seemed the state's fertile hillsides and valleys would blossom with prosperity forever. But now farms from one end of California to the other are folding too quickly to count.

"I've never seen it like this," said Ken Billings, president of the Federal Land Bank in Fresno.

News of farm failures in the Midwest continues to stun the nation. But few outside the industry realize that the crisis also has devoured the vitality of the nation's largest farm state—California.

California growers are staggering under a debt load five times the amount of their net income, according to government statistics. Foreclosures of farm property in the state have reached a number unseen since the Great Depression.

The California farmer has been hit all at once by subsidized world competition, high interest rates, a strong dollar and eroding land values. Not only has it become nearly impossible to make a living, but most farmers can't make payments on their debt. To make things worse, recent heavy storms crushed any hope farmers may have had for a better year in 1986.

From the conservative old-timer to the eager graduate of the University of California at Davis, nearly every grower is struggling to survive just one more season.

"They have cut production costs as much as they can, 10 percent to 20 percent, but their costs keep going up," Billings said. "They're letting more weeds grow, not fertilizing as much as they should. They're using bailing wire to hold their equipment together." They're also hedging on the water bill, trying to renegotiate the rent and going to work part time in the city.

One Los Banos almond and walnut grower and his wife sold their house and are raising their two young boys on just $300 a month—the precious bit left over after buying the fertilizer, the water and the labor vital to their orchards.

Their neighbor, George Lindemann, a once-prosperous beef, dairy and vegetable grower, sold one operation after another in a four-year race to keep up with his mounting losses. Last month, in desperation, he auctioned off every tractor and hand tool that wasn't essential.

Even Ed Boutonnet, a partner in Castroville-based California Artichoke, the nation's largest artichoke growing and packing operation, has cut costs everywhere it seems possible. He hasn't made a profit since 1981 and is helplessly watching the price of artichokes fall below cost once again this year.

"They're doing some dramatic cost-cutting and selling off some land," Billings said. "But the problem is, they can't continue doing that. You can buy a little time—but if this thing continues for five or six years, we may lose quite a few farmers." The toll, he said, may be as many as one-third of the state's growers.

The state's top two commercial farm lenders, Bank of America and Wells Fargo Bank, have foreclosed or accepted voluntary takebacks on property worth more than $210 million. Insurance companies, unable to extract payments from farmers, also have snatched up land. New Jersey-based Prudential Insurance Co. of America, for example, holds about 45,600 acres in foreclosed properties in its Western region, a 13-fold increase from its 1984 holdings of 3,400 acres.

But the astounding rate of foreclosures reflects only a tiny portion of the California farmers who have had to give up their only security—land. Pleading with their bankers to grant one more year's operating credit, most are selling bits of acreage just to meet their interest payments.

Estimates vary on just how many farmers are teetering on the edge of bankruptcy. The American Bankers Association in Washington, D.C., figures that 15 percent of California's 35,000 full-time growers are in serious trouble and nearly 10 percent more are finding it difficult to make payments on their debt. Cornelius Gallagher, vice president for agribusiness at Bank of America, estimates the number of farmers whose net worth is slipping below zero to be as high as 33 percent.

Cattle ranchers, cotton farmers and rice growers have taken the worst beating, according to Henry Voss, president of the California Farm Bureau Federation. Even the giant cotton and grain grower J.G. Boswell has been stricken. The half-century-old company recently announced that it was slicing its work force by about a quarter, bracing for at least another year of poor revenue.

"We've got a whale of a supply of cotton out there, and that's causing tremendously depressed prices," said Ed Giermann, corporate counsel for the Kings County-based operation.

"We have growers who are just as distressed as growers in the Mid-west," said Tom Smith, president of Calcot Ltd. a Bakersfield cotton marketing cooperative. "They're going into a survival mode, making sure they can pay their bills."

Farming competes with tourism as California's largest industry. The state's more than 200 crops brought in an estimated $14.3 billion in 1985, the highest farming income in the nation. According to the California Crop and Livestock Reporting Service, agriculture directly employed 500,000 people and contributed $50 billion to the gross state product of $500 billion in 1984.

Agricultural specialists have always said California was immune to a farm crisis. Fertile soil, good weather and a bountiful selection of crops shielded growers here from the whims of the market, they said. But the wave of misfortune devastating the Midwest has arrived in the Golden State.

California's rural backbone is buckling under its worst financial stress in more than 50 years, with net annual farm income from 1982 to 1984 below the level of every year from 1972 to 1981 after discounting for inflation.

Agriculture specialists often point to exports as the root of the disaster here. California's farm exports slid to $2.9 billion in 1984, a 31 percent drop from a peak of $4.2 billion in 1981. The strength of the dollar has made California products more expensive to foreign buyers. And many nations subsidize their agriculture, making it possible to undercut U.S. prices.

Nations that once depended on California for commodities now grow their own and even export to this country. South Korea, which once bought the bulk of its rice from the state, has become self-sufficent. China, long a hungry market for California cotton, has grown into a tough competitor on the world market.

"We lost a lot of the international market," Voss said. "We have a mature market in this country and we can't absorb much more. If we could improve the world market, things would improve pretty quickly in California."

Imports exert the other half of the world pressure on California farming. The state once worried little about competition from foreign fruits and vegetables. Now products such as wine and canned fruit are bumping local goods off the grocery shelves.

"We've exported all of our knowledge, and they have on top of that a very cheap, cheap labor situation," said Dorothy Mortensen, spokeswoman for several fruit and vegetable growers' cooperatives.

Almost no fruit products were shipped into the United States until 1984. This year, however, the California Peach Association predicts that about 2 million cases of peaches, pears and other fruits will pour in from Europe, Australia, South Africa and South America.

The imports already have pushed many growers out of business and prompted discouraged survivors to dig up one-third of their trees in five years. Acreage planted in peaches plummeted to 27,000 in 1985 from 40,000 five years earlier.

The intense price competition and a shrinking world market have pushed prices for foods from cauliflower to cotton well below the cost to grow them.

"There's no crop that you can clearly see a profit on," said Ronald Brase, president of Crop Care Services, Inc., a consulting service in Fresno. For example, Thompson seedless grapes cost about $870 an acre to grow. At $70 a ton and an average yield of 9.1 tons, they bring in just $637 an acre. In one season, the farmer loses $233 an acre.

Eroding land prices add the last straw to the fiscal weight breaking farmers' backs across the state. The average farm value in California plunged to $1,726 an acre in 1985 from $1,918 an acre the year before. That 10 percent drop compares with a 13 percent slide across the nation to $679 an acre from $782, according to California Department of Agriculture statistics.

Pockets of the state have seen land values plunge more quickly than have others. Wayne Zoller, an appraiser for the Colusa County assessor's office, says that in just one year, rice lands there halved in value to $1,400 an acre in 1985 from $2,800 an acre in 1984.

Farmers' ability to borrow has disappeared in tandem with their land's worth. They have little to offer as a guarantee against default on loans for this year's growing season. At the same time, banks are reminding farmers that their land's value as security is shrinking and are asking for more collateral on existing loans.

The change in the value bloats farmers' debt-to-asset ratios dramatically. Combined with a little bad luck and a few missed loan payments, it can push even the best growers over the edge.

"I think that's happening to people, and just shocking them," said BofA's Gallagher. "This thing's gone well beyond people who mismanage.

In fact, it's often the "good" managers who go out of business first—the young men and women who left their family farms to study at the University of California and returned with the gospel of agribusiness expansion. These ambitious achievers bought more land, upgraded with new equipment and diversified into a variety of crops. When the bottom fell out of commodity prices, their debt load crushed them.

At the other end of the spectrum fall the leather-skinned old hands who have always farmed by experience and sixth sense. Unable to come up with a detailed budget and a charted cash-flow projection, they are finding it more difficult to get a loan for spring planting from bankers grown stingy.

Though farmers tend to be naturally optimistic, the outlook this year isn't good. Recent storms wiped out the hopes of almond growers whose peak blossoms crumpled in the rain. Bees spooked by the rain failed to pollinate fruit trees, and many an asparagus field was washed out in the Delta Acres of mud have prevented farmers from planting cotton and canning tomatoes, a crop many thought would be able to bring in a profit this year.

The recent disaster only aggravates the pressure of high interest rates, increased foreign agricultural production and weak world economic growth. These factors led Bank of America to predict "continued stagnation at low-income levels" for the 1986 farm economy. Only the most savvy and the most conservative may survive.

Farmers who took no chances, stuck to the homestead and refused to borrow a cent still have that land and may be able to make it through another bad year. And there are pockets of plenty in the grim outlook. California oranges are selling well and land value has held. Some say avocados are making a turnaround.

But for the rest of California this may be the last year many farmers put food on their families tables by tilling the soil their fathers worked.

By Mr. HEINZ:

S. 2316. A bill to amend the Tariff Act of 1930 to specify information which is to be included in manifests submitted for vessels and vehicles arriving in the United States from a contiguous country; to the Committee on Finance.

MANIFESTS FOR VESSELS AND VEHICLES FROM A CONTIGUOUS COUNTRY

● Mr. HEINZ. Mr. President, today I am introducing legislation to remedy a loophole in the laws governing the disclosure of information concerning goods imported into the United States.

In 1984, I introduced legislation, enacted by Congress as part of Public Law 98-573, which explicitly provided for the disclosure of basic information concerning goods imported into the United States. That law also contained specific mechanisms to protect confidential business information. For example, under Public Law 98-573 the identity of any importer/consignee and the identity of the foreign shipper to such importer/consignee may be kept confidential as the result of a biennial certification request of the American importer/consignee.

Under that legislation, U.S. manufacturers, transportation companies, port authorities, and others have been able to better plan, promote domestic enterprise, and compete in world markets. In addition, the information made available under the legislation has assisted Government agencies in monitoring our international trade flows.

However, the Customs Service has interpreted Public Law 98-573 to apply only to information concerning goods imported by ocean vessels. They have excluded information on manifests submitted for vehicles—for example, trucks and rail—and nonocean vessels of less than 5 net tons. Thus, no information is made available concerning overland importations from Canada and Mexico. There is no logical reason why overland importations from Canada and Mexico should be kept secret.

My bill would apply the disclosure provisions and protections we enacted in Public Law 98-573 to truck, rail and small barge importations from Mexico and Canada. As a result, it would equalize the treatment of all importations, whether by land or by sea, and eliminate the distinctions that have been applied solely on the basis of the mode of transportation utilized to bring goods into the United States. I continue to believe that the full disclosure of import and export data helps U.S. industries better compete. It also allows our transportation companies to develop and plan more effectively.

Mr. President, I ask that the text of the bill be printed in the Record.

There being no objection, the bill was ordered to be printed in the Record, as follows:

S. 2316

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. MANIFESTS FOR VESSELS AND VEHICLES FROM A CONTIGUOUS COUNTRY.

Section 459 of the Tariff Act of 1930 (19 U.S.C. 1459) is amended—

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(1) by striking out "The Master" and inserting in lieu thereof "(a) The Master",

(2) by striking out "as required by law," in the first sentence and inserting in lieu thereof "containing the information required by subsection (b),", and

(3) by adding at the end thereof the following new subsections:

"(b) The following information shall be included in any manifest submitted under subsection (a):

"(1) The identity of the vessel or vehicle.

"(2) The port of arrival, the port of lading, and the United States port of destination.

"(3) A description of the merchandise.

"(4) The marks and number of packages of the merchandise and the gross weight of the merchandise.

"(5) A copy of the bill of lading for the merchandise or the addresses of the consignees of the merchandise.

"(6) The names and addresses of the shippers of the merchandise.

"(7) The names of the consignees of the merchandise.

"(c)(1) Except as provided in paragraph (2), the following information, when contained in a manifest submitted under subsection (a), shall be available for public disclosure:

"(A) The name and address of each importer or consignee and the name and address of the shipper to such importer or consignee, unless the importer or consignee has made a biennial certification, in accordance with procedures adopted by the Secretary of the Treasury, claiming confidential treatment of such information.

"(B) The description of the merchandise.

"(C) The number of packages of the merchandise and the gross weight of the merchandise.

"(D) The name of the vessel or the license number of the vehicle.

"(E) The port of lading.

"(F) The port of destination.

"(G) The country of origin of the shipment.

"(2) The information listed in paragraph (1) shall not be available for public disclosure if—

"(A) the Secretary of the Treasury makes an affirmative finding on a shipment-by-shipment basis that disclosure is likely to pose a threat of personal injury or property damage, or

"(B) the information is exempt under the provisions of section 552(b)(1) of title 5.

"(3) The Secretary of the Treasury, in order to allow for the timely dissemination and publication of the information listed in paragraph (1), shall establish procedures to provide access to manifests submitted under subsection (a). Such procedures shall include provisions for adequate protection against the public disclosure of information not available for public disclosure from such manifest.".

SEC. 2. EFFECTIVE DATE.

The amendments made by this Act shall apply with respect to arrivals in the United States after the date that is 15 days after the date of enactment of this Act.●

By Mr. GRASSLEY:

S. 2317. A bill to amend the Agricultural Act of 1949 to require the Secretary of Agriculture to make deficiency payments for the 1986 crops of wheat and feed grains not later than the end of the fifth month of the marketing years for such crops; to the Committee on Agriculture, Nutrition, and Forestry.

AGRICULTURAL DEFICIENCY PAYMENTS

● Mr. GRASSLEY. Mr. President, the bill I am introducing today will require deficiency payments for the 1986 wheat and feed grains farm programs be paid at the same time as they have in previous years. This bill is simple and to the point. All we will be saying by passing this legislation is that farmers will get paid for their production the same year they produce it.

The farm bill, as it stands now, would not allow farmers to be paid their final deficiency payment for their 1986 crop until October 1987, 1½ years after they planted it and 1 year after harvest. This would be the same as asking some one who works in the city to work today even though he won't get his pay check until next year.

This problem is even more severe because of the severe cash-flow problems being experienced by our Nation's farmers. In previous years farmers have been given both their deficiency payment and their Commodity Credit Corporation loan by the spring of the marketing year. This cash-flow situation was very helpful to both farmers and lenders in estimating cash-flows for both that marketing year and the previous year. With the farm bill postponing that final payment until October 1987 many lenders are throwing it out of the cash-flow projections all together. As a result of this late payment, farmers who would have attained credit under the formula and time table used in previous year's farm programs are now being turned down. Because of this cash-flow problem established in the farm bill many farmers, who have survived all the other hurdles established under this farm program, are going to be forced out of business because of a lack of credit.

There is another hidden penalty that exists for our farmers as a result of the way this farm program calculates the final deficiency payment. This final payment is estimated on a 12-month average rather than a 5-month average. The result of this calculation is that farmers may end up getting less because the 12-month average may move up the national average price and therefore lower the total deficiency payment.

The net effect of the way these deficiency payments are being calculated and paid, is that farmers will receive less money at a later date then they would in previous programs. Farmers cannot afford these policies that pick away at the safety net they so desperately need.

I strongly encourage my colleagues to support this bill and help farmers with this credit and income problem.●

By Mr. McCLURE (by request):

S.J. Res. 325. Joint resolution to approve the "Compact of Free Association" between the United States and the Government of Palau, and for other purposes; to the Committee on Energy and Natural Resources.

UNITED STATES-PALAU "COMPACT OF FREE ASSOCIATION"

● Mr. McCLURE. Mr. President, pursuant to a Presidential message referred to the Committee on Energy and Natural Resources, at the request of the President I send to the desk a joint resolution to approve the "Compact of Free Association" between the United States and the Government of Palau, and for other purposes.

Mr. President, this draft legislation was submitted and recommended by the President, and I ask unanimous consent that the joint resolution, a section-by-section analysis of it, and the Presidential message which accompanied the proposal from the President be printed in the Record.

There being no objection, the materials were ordered to be printed in the Record, as follows:

S.J. Res. 325

Whereas the United States is the administering authority of the Trust Territory of the Pacific Islands under the terms of the Trusteeship Agreement for the former Japanese Mandated Islands entered into by the United States with the Security Council of the United Nations on April 2, 1947, and approved by the United States on July 18, 1947; and

Whereas the United States, in accordance with the Trusteeship Agreement, the Charter of the United Nations and the objectives of the international trusteeship system, has promoted the development of the peoples of the Trust Territory toward self-government or independence as appropriate to the particular circumstances of the Trust Territory and its peoples and the freely expressed wishes of the peoples concerned; and

Whereas the United States, in response to the desires of the people of Palau expressed through their freely-elected representatives and by the official pronouncements and enactments of their lawfully constituted government, and in consideration of its own obligations under the Trusteeship Agreement to promote self-determination, entered into political status negotiations with representatives of the people of Palau; and

Whereas these negotiations resulted in the "Compact of Free Association" between the United States and Palau which, together with its related agreements, was signed by the United States and by Palau on January 10, 1986; and

Whereas the Compact of Free Association was approved by a majority of the people of Palau in a United Nations-observed referendum conducted on February 21, 1986; and

Whereas the Compact of Free Association has been approved by the Government of Palau in accordance with its constitutional processes, thus completing fully for Palau its domestic approval processes with respect to the Compact as contemplated in Compact Section 411: Now be it

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled, That the Compact of Free Association, the text of which follows, is hereby approved and the President is authorized to agree to an effective date for and thereafter to implement the Compact of Free Association, having taken into account any procedures with respect to the United Nations for termination of the Trusteeship Agreement.

Sec. 1.

COMPACT OF FREE ASSOCIATION PREAMBLE THE GOVERNMENT OF THE UNITED STATES OF AMERICA AND THE GOVERNMENT OF PALAU

Affirming that their Governments and the relationship between their Governments are founded upon respect for human rights and fundamental freedoms for all; and

Affirming the common interest of the United States of America and the people of Palau in creating close and mutually beneficial relationships through a free and voluntary association of their Governments; and

Affirming the interest of the Government of the United States in promoting the economic advancement and self-sufficiency of the people of Palau; and

Recognizing that their previous relationship has been based upon the International Trusteeship System of the United Nations Charter; and that pursuant to Article 76 of the Charter, the peoples of the Trust Territory have progressively developed their institutions of self-government, and that in the exercise of their sovereign right to self-determination they have, through their freely-expressed wishes, adopted a Constitution appropriate to their particular circumstances; and

Recognizing their common desire to terminate the Trusteeship and establish a new government-to-government relationship in accordance with a new political status based on the freely-expressed wishes of the people of Palau and appropriate to their particular circumstances; and

Recognizing That the people of Palau have and retain their sovereignty and their sovereign right to self-determination and the inherent right to adopt and amend their own Constitution and from of government and that the approval of the entry of their Government into this Compact of Free Association by the people of Palau constitutes an exercise of their sovereign right to self-determination;

Now, therefore, agree to enter into a relationship of free association which provides a full measure of self-government for the people of Palua; and

Further agree that the relationship of free association derives from and is as set forth in this Compact; and that, during such relationship of free association, the respective rights and responsibilities of the Government of the United States and the Government of the freely associated state of Palau in regard to this relationship of free association derives from and is as set forth in this Compact.

TITLE I—GOVERNMENT RELATIONS

Article I—Self-government

Sec. 111. The people of Palau, acting through their duly elected goverment established under their constitution, are self-governing.

Article II—Foreign Affairs

Sec. 121. (a) The Republic of Palau has the capacity to conduct foreign affairs in its own name and right, except as otherwise provided in this Compact and the Government of the United States recognizes that the Government of Palau, in the exercise of this capacity, may enter into, in its own name and right, treaties and other international agreements with governments and regional and international organizations.

(b) In the conduct of its foreign affairs the Government of Palau confirms that it shall act in accordance with principles of international law and shall settle its international disputes by peaceful means.

Sec. 122. The Government of the United States shall support application by the Government of Palau for membership or other participation in regional or international organizations as may be mutually agreed. The Government of the United States agrees to accept citizens of Palau for training and instruction at the United States Foreign Service Institute, established under 22 U.S.C. 4021, or similar training under terms and conditions to be mutually agreed.

Sec. 123. In recognition of the authority and responsibility of the Government of the United States under Title Three, the Government of Palau shall consult with the Government of the United States. The Government of the United States, in the conduct of its foreign affairs, shall consult with the Government of Palau on matters which the Government of the United States regards as relating to or affecting the Government of Palau, and shall provide, on a regular basis, information on regional foreign policy matters.

Sec. 124. (a) The Government of Palau has authority to conduct its foreign affairs relating to law of the sea and marine resources matters, including the harvesting, conservation, exploration or exploitation of living and nonliving resources from the sea, seabed or subsoil to the full extent recognized under international law.

(b) The Government of Palau has jurisdiction and sovereignty over its territory, including its land and internal waters, territorial seas, the airspace superjacent thereto only to the extent recognized under international law.

Sec. 125. Except as otherwise provided in this Compact or its related agreements, all obligations, responsibilities, rights and benefits of the Government of the United States as administering authority which have resulted from the application pursuant to the Trusteeship Agreement or any treaty or other international agreement to the Trust Territory of the Pacific Islands on the day preceding the effective date of this Compact are no longer assumed and enjoyed by the Government of the United States.

Sec. 126. The Government of the United States shall accept responsibility for those actions taken by the Government of Palau in the area of foreign affairs, only as may from time to time be expressly and mutually agreed.

Sec. 127. The Government of the United States may assist or act on behalf of the Government of Palau in the area of foreign affairs as may be requested and mutually agreed from time to time. The Government of the United States shall not be responsible to third parties for the actions of the Government of Palau undertaken with the assistance or through the agency of the Government of the United States pursuant to this Section unless expressly agreed.

Sec. 128. At the request of the Government of Palau and subject to the consent of the receiving state, the Government of the United States shall extend consular assistance on the same basis as for citizens of the United States to citizens of Palau for travel outside of Palau, the Marshall Islands, the Federated States of Micronesia, the United States and its territories and possessions.

Article III—Communications

Sec. 131. (a) The Government of Palau has full authority and responsibility to regulate its domestic and foreign communications, and the Government of the United States shall provide communication assistance in accordance with the terms of a related agreement which shall come into effect simultaneously with this Compact, and such agreement shall remain in effect until such time as any election is made pursuant to Section 131(b) and which shall provide for the following:

(1) the Government of the United States remains the sole administration entitled to make notification to the International Frequency Registration Board of the International Telecommunications Union of frequency assignments to radio communications stations in Palau; and to submit to the International Frequency Registration Board seasonal schedules for the broadcasting stations in Palau in the bands allocated exclusively to the broadcasting service between 5,950 and 26,100 kHz and in any other additional frequency bands that may be allocated to use by high frequency broadcasting stations; and

(2) the United States Federal Communications Act of 1934, 47 U.S.C. 151 *et seq.*, and the Communications Satellite Act of 1962, 47 U.S.C. 721 *et seq.*, over all domestic and foreign communications services furnished by means of satellite earth terminal stations where such stations are owned or operated by United States common carriers and are located in Palau.

(b) The Government of Palau may elect at any time to undertake the functions enumerated in Section 131(a) and previously performed by the Government of the United States. Upon such election, the Government of the United States shall so notify the International Frequency Registration Board and shall take such other actions as may be necessary to transfer to the Government of Palau the notification authority referred to in Section 131(a) and all rights deriving from the previous exercise of any such notification authority by the Government of the United States.

Sec. 132. The Government of Palau shall permit the Government of the United States to operate telecommunications services in Palau to the extent necessary to fulfill the obligations of the Government of the United States under this Compact in accordance with the terms of related agreements which shall come into effect simultaneously with this Compact.

Article IV—Immigration

Sec. 141. (a) Any person in the following categories may enter into, lawfully engage in occupations, and establish residence as a non-immigrant in the United States and its territories and possessions without regard to paragraphs (14), (20), and (26) of Section 212(a) of the Immigration and Nationality Act, 8 U.S.C. 1182(a) (14), (20), and (26):

(1) a person who, on the day preceding the effective date of this Compact, is a citizen of the Trust Territory of the Pacific Islands, as defined in Title 53 of the Trust Territory Code in force on January 1, 1979, and has become a citizen of Palau;

(2) a person who acquires the citizenship of Palau, at birth, on or after the effective date of the Constitution of Palau; or

(3) a naturalized citizen of Palau, who has been an actual resident there for not less than five years after attaining such naturalization and who holds a certificate of actual residence.

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Such persons shall be considered to have the permission of the Attorney General of the United States to accept employment in the United States.

(b) The right of such persons to establish habitual residence in a territory or possession of the United States may, however, be subjected to non-discriminatory limitations provided for:

(1) in statutes or regulations of the United States; or

(2) in those statutes or regulations of the territory or possession concerned which are authorized by the laws of the United States.

(c) Section 141(a) does not confer on a citizen of Palau the right to establish the residence necessary for naturalization under the Immigration and Nationality Act, or to petition for benefits for alien relatives under that Act. Section 141(a), however, shall not prevent a citizen of Palau from otherwise acquiring such rights or lawful permanent resident alien status in the United States.

Sec. 142. (a) Any citizen or national of the United States may enter into, lawfully engage in occupations, and reside in Palau, subject to the right of that Government to deny entry to or deport any such citizen or national as an undesirable alien. A citizen or national of the United States may establish habitual residence or domicile in Palau only in accordance with the laws of Palau. This subsection is without prejudice to the right of the Government of Palau to regulate occupations in Palau in a non-discriminatory manner.

(b) With respect to the subject matter of this Section, the Government of Palau shall accord to citizens and nationals of the United States treatment no less favorable than that accorded to citizens of other countries; any denial of entry to or deportation of a citizen or national of the United States as an undesirable alien must be pursuant to reasonable statutory grounds.

Sec. 143. (a) The privileges set forth in Section 141 shall not apply to any person who takes an affirmative step to preserve or acquire a citizenship or nationality other than that of Palau.

(b) Every person having the privileges set forth in sections 141 and 142 who possesses a citizenship or nationality other than that of Palau or the United States ceases to have these privileges two years after the effective date of this Compact, or within six months after becoming 21 years of age, whichever comes later, unless such person executes an oath of renunciation of that other citizenship or nationality.

Sec. 144. (a) A citizen or national of the United States who, after notification to the Government of the United States of an intention to employ such person by the Government of Palau, commences employment with that Government shall not be deprived of his United States nationality pursuant to Section 349 (a)(2) and (a)(4) of the Immigration and Nationality Act, 8 U.S.C. 1481 (a)(2) and (a)(4).

(b) Upon such notification by the Government of Palau, the Government of the United States may consult with or provide information to the notifying Government concerning the prospective employee, subject to the provisions of the Privacy Act, 5 U.S.C. 552a.

(c) The requirement of prior notification shall not apply to those citizens or nationals of the United States who are employed by the Government of Palau on the effective date of this Compact with respect to the positions held by them at that time.

Article V—Representation

Sec. 151. The Government of the United States and the Government of Palau may establish and maintain representative offices in the capitals of the other.

Sec. 152. (a) The premises of such representative offices, and their archives wherever located, shall be inviolable. The property and assets of such representative offices shall be immune from search, requisition, attachment and any form of seizure unless such immunity is expressly waived. Official communications in transit shall be inviolable and accorded the freedom and protections accorded by recognized principles of international law to official communications of a diplomatic mission.

(b) Persons designated by the sending Government may serve in the capacity of its resident representatives with the consent of the receiving Government. Such designated persons shall be immune from civil and criminal process relating to words spoken or written and all acts performed by them in their official capacity and falling within their functions as such representatives, except insofar as such immunity may be expressly waived by the sending Government. While serving in a resident representative capacity, such designated persons shall not be liable to arrest or detention pending trial, except in the case of a grave crime and pursuant to a decision by a competent judicial authority, and such persons shall enjoy immunity from seizure of personal property, immigration restrictions, and laws relating to alien registration, fingerprinting, and the registration of foreign agents.

(c) The sending Governments and their respective assets, income and other property shall be exempt from all direct taxes, except those direct taxes representing payment for specific goods and services, and shall be exempt from all customs duties and restrictions on the import or export of articles required for the official functions and personal use of their representatives and representative offices.

(d) Persons designated by the sending Government to serve in the capacity of its resident representatives shall enjoy the same taxation exemptions as are set forth in Article 34 of the Vienna Convention on Diplomatic Relations.

(e) The privileges, exemptions and immunities accorded under this Section are not for the personal benefit of the individuals concerned but are to safeguard the independent exercise of their official functions. Without prejudice to those privileges, exemptions and immunities, it is the duty of all such persons to respect the laws and regulations of the Government to which they are assigned.

Article VI—Environmental Protection

Sec. 161. The Government of the United States and the Government of Palau declare that it is their policy to promote efforts to prevent or eliminate damage to the environment and biosphere and to enrich understanding of the natural resources of Palau.

Sec. 162. The Government of the United States and the Government of Palau agree with respect to the activities of the Government of the United States in Palau, and with respect to substantively equivalent activities of the Government of Palau, each of the Governments shall be bound by such environmental protection standards as may be mutually agreed for the purpose of carrying out the policy set forth in this Compact.

Sec. 163. In order to carry out the policy set forth in this Article, the Government of the United States and the Government of Palau agree to the following undertakings.

(a) The Government of the United States:

(1) shall apply environmental standards substantively similar to those in effect on the day preceding the effective date of this Compact to any activity requiring the preparation of an Environmental Impact Statement under the provisions of the National Environmental Policy Act of 1969, 83 Stat. 852, 42 U.S.C. 4321 *et seq.;*

(2) shall develop, prior to conducting any activity included within the category described in this Section, appropriate mechanisms, including regulations or other standards and procedures, to regulate such activity in Palau in a manner appropriate to the special governmental relationship set forth in this Compact. The Government of the United States shall provide the Government of Palau with the opportunity to comment formally during the development of such mechanisms.

(b) The Government of Palau shall develop standards and procedures to protect the environment of Palau. As a reciprocal obligation to the undertakings of the Government of the United States under this Article, the Government of Palau, taking into account the particular environment of Palau, shall develop standards for environmental protection substantively similar to those required of the Government of the United States by Section 163(a)(1) prior to conducting activities in Palau substantively equivalent to activities conducted there by the Government of the United States and, as a further reciprocal obligation, shall enforce those standards.

(c) Section 163(a), including any standard or procedure applicable thereunder, and Section 163(b) may be modified or superseded in whole or in part by agreement of the Government of the United States and the Government of Palau.

(d) Disputes arising under this Article, except for Section 163(e), shall be resolved exclusively in accordance with Article II of Title Four.

(e) The President of the United States may exempt any of the activities of the Government of the United States under this Compact and its related agreements from any environmental standard or procedure which may be applicable under this Article if the President determines it to be in the paramount interest of the Government of the United States to do so, consistent with Title Three of this Compact and the obligations of the Government of the United States under international law. Prior to any decision pursuant to this subsection, the views of the Government of Palau shall be sought and considered to the extent practicable. If the President grants such an exemption, to the extent practicable, a report with his reasons for granting such exemption shall be given promptly to the Government of Palau.

Article VII—General Legal Provisions

Sec. 171. Except as provided in this Compact or its related agreements, the application of the laws of the United States to the Trust Territory of the Pacific Islands by virtue of the Trusteeship Agreement ceases with respect to Palau as of the effective date of this Compact.

Sec. 172. (a) Every citizen of Palau who is not a resident of the United States shall enjoy the rights and remedies under the laws of the United States enjoyed by any nonresident alien.

(b) The Government and every citizen of Palau shall be considered a "person" within the meaning of the Freedom of Information Act, 5 U.S.C. 552, and of the judicial review provisions of the Administrative Procedure Act, 5 U.S.C. 701-706.

Sec. 173. The Government of the United States and the Government of Palau; agree to adopt and enforce such measures, consistent with this Compact and its related agreements, as may be necessary to protect the personnel, property, installations, services, programs and official archives and documents maintained by the Government of the United States in Palau pursuant to this Compact and its related agreements and by that Government in the United States pursuant to this Compact and its related agreements.

Sec. 174. Except as otherwise provided in this Compact and its related agreements:

(a) The Government of Palau shall be immune from the jurisdiction of the courts of the United States, and the Government of the United States shall be immune from the jurisdiction of the courts of Palau.

(b) The Government of the United States accepts responsibility for and shall pay:

(1) any unpaid money judgment rendered by the High Court of the Trust Territory of the Pacific Islands against the Government of the Trust Territory of the Pacific Islands or the Government of the United States with regard to any cause of action arising as a result of acts or omissions of the Government of the Trust Territory of the Pacific Islands or the Government of the United States prior to the effective date of this Compact;

(2) any claim settled by the claimant and the Government of the Trust Terrritory of the Pacific Islands but not paid as of the effective date of this Compact; and

(3) settlement of any administrative claim or of any action before a court of the Trust Territory of the Pacific Islands, pending as of the effective date of this Compact, against the Government of the Trust Territory of the Pacific Islands or the Government of the United States, arising as a result of acts or omissions of the Government of the Trust Territory of the Pacific Islands or the Government of the United States.

(c) Any claim not referred to in Section 174(b) and arising from an act or omission of the Government of the Trust Territory of the Pacific Islands or the Government of the United States prior to the effective date of this Compact shall be adjudicated in the same manner as a claim adjudicated according to Section 174(d). In any claim against the Government of the Trust Territory of the Pacific Islands, the Government of the United States shall stand in the place of the Government of the Trust Territory of the Pacific Islands. A judgment on any claim referred to in Section 174(b) or this subsection, not otherwise satisfied by the Government of the United States, may be presented for certification to the United States Court of Appeals for the Federal Circuit, or its successor court, which shall have jurisdiction therefor, notwithstanding the provisions of 28 U.S.C. 1502, and which court's decisions shall be reviewable as provided by the laws of the United States. The United States Court of Appeals for the Federal Circuit shall certify such judgment, and order payment thereof, unless it finds, after a hearing, that such judgment is manifestly erroneous as to law or fact, or manifestly excessive. In either of such cases the United States Court of Appeals for the Federal Circuit shall have jurisdiction to modify such judgment.

(d) The Government of Palau, shall not be immune from the jurisdiction of the courts of the United States, and the Government of the United States shall not be immune from the jurisdiction of the courts of Palau in any case in which the action is based on a commercial activity of the defendent Government carried out where the action is brought, or in a case in which damages are sought for personal injury or death or damage to or loss of property occurring where the action is brought. This subsection shall apply only to actions based on commercial activities entered into or injuries or losses suffered on or after the effective date of this Compact.

Sec. 175. A separate agreement, which shall come into effect simultaneously with this Compact, shall be concluded between the Government of the United States and the Government of Palau regarding mutual assistance and cooperation in law enforcement matters including the pursuit, capture, imprisonment and extradition of fugitives from justice and the transfer to prisoners. The separate agreement shall have the force of law. In the United States, the laws of the United States governing international extradition, including 18 U.S.C. 3184, 3186 and 3188-3195, shall be applicable to the extradition of fugitives under the separate agreement, and the laws of the United States governing the transfer of prisoners, including 18 U.S.C. 4100-4115, shall be applicable to the transfer of prisoners under the separate agreement.

Sec. 176. The Government of Palau confirms that final judgments in civil cases rendered by any court of the Trust Territory of the Pacific Islands shall continue in full force and effect, subject to the constitutional power of the courts of Palau to grant relief from judgments in appropriate cases.

Sec. 177. (a) Federal agencies of the Government of the United States which provide services and related programs in Palau are authorized to settle and pay tort claims arising in Palau from the activities of such agencies or from the acts or omissions of the employees of such agencies. Except as provided in Section 177(b), the provisions of 28 U.S.C. 2672 and 31 U.S.C. 1304 shall apply exclusively to such administrative settlements and payments.

(b) Claims under Section 177(a) which cannot be settled under Section 177(a) shall be disposed of exclusively in accordance with Article II of Title Four. Arbitration awards rendered pursuant to this subsection shall be paid out of funds under 31 U.S.C. 1304.

(c) The Government of the United States and the Government of Palau shall provide for:

(1) the administrative settlement of claims referred to in Section 177(a), including designation of local agents in Palau, such agents to be empowered to accept, investigate and settle such claims, in a timely manner, as provided in such related agreements; and

(2) arbitration, referred to in Section 177(b), in a timely manner, at a site convenient to the claimant, in the event a claim is not otherwise settled pursuant to Section 177(a).

(d) The provisions of Section 174(d) shall not apply to claims covered by this Section.

TITLE II— ECONOMIC RELATIONS

Article I—Grant Assistance

Sec. 211. In order to assist the Government of Palau in its efforts to advance the well-being of the people of Palau and in recognition of the special relationship that exists between the United States and Palau, the Government of the United States shall provide to the Government of Palau on a grant basis the following amounts:

(a) $12 million annually for ten years commencing on the effective date of this Compact, and $11 million annually for five years commencing on the tenth anniversary of the effective date of this Compact, for current account operations and maintenance purposes, which amounts commencing on the fourth anniversary of the effective date of this Compact shall include a minimum annual distribution of $5 million from the fund specified in Section 211(f).

(b) $2 million annually for fourteen years commencing on the first anniversary of the effective date of this Compact as a contribution to efforts aimed at achieving increased self-sufficiency in energy production, of which annual amounts not less than $500,000 shall be devoted to the energy needs of those parts of Palau not served by its central power-generating facility.

(c) $150,000 annually for fifteen years commencing on the effective date of this Compact as a contribution to current account operations and maintenance of communications systems, and the sum of $1.5 million, to be made available concurrently with the grant assistance provided during the first year after the effective date of this Compact, for the purpose of acquiring such communications hardware as may be located within Palau or for such other current or capital account activity as the Government of Palau may select.

(d) $631,000 annually on a current account basis for fifteen years commencing on the effective date of this Compact for the purposes set forth below:

(1) for the surveillance and enforcement by Government of Palau of its maritime zone;

(2) for health and medical programs, including referrals to hospital and treatment centers; and

(3) for a scholarship fund to support the post-secondary education of citizens of Palau attending United States accredited, post-secondary institutions in Palau, the United States, its territories and possessions, and states in free association with the United States. The curricular criteria for the award of scholarships shall be designed to advance the purposes of the plan referred to in Section 231.

(e) The sum of $666,800 as a contribution to the commencement of activities pursuant to Section 211(d)(1).

(f) The sum of $66 million on the effective date of this Compact, and the sum of $4 million concurrently with the grant assistance to be made available during the third year after the effective date on this Compact, to create a fund to be invested by the Government of Palau in issues of bonds, notes or other redeemable instruments of the Government of the United States or other qualified instruments which may be identified by mutual agreement of the Government of the United States and the Government of Palau. Investment of the fund in qualified instruments of United States nationality, and the distribution of sums derived from such investment to the Government of Palau, shall not be subject to any form of taxation by the United States or its political subdivisions. The Government of the United States and the Government of Palau shall set forth in a separate agreement, which shall come into effect simultaneously with

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this Compact, provisions for the investment, management and review of the fund so as to allow for an agreed minimum annual distribution from its accrued principal and interest commencing upon the effective date of this Compact for fifty years. The objective of this sum is to produce an average annual distribution of $15 million commencing on the fifteenth anniversary of this Compact for thirty five years. Any excess or variance from the agreed minimum annual distributions which may be produced form these sums shall accrue to or be absorbed by the Government of Palau unless otherwise mutually agreed in accordance with the provisions of the separate agreement referred to in this paragraph. The annual distributions produced from these sums are not subject to Sections 215 and 236.

Sec. 212. In order to assist the Government of Palau in its efforts to advance the economic development and self-sufficiency of the people of Palau and in recognition of the special relationship that exists between the United States and Palau, the Government of the United States shall provide:

(a) To the people of Palau, a road system in accordance with mutually agreed specifications, the construction of which shall be completed prior to the sixth anniversary of the effective date of this Compact; and

(b) To the Government of Palau, the sum of $36 million, during the first year after the effective date of this Compact, for capital account purposes.

Sec. 213. The Government of the United States shall provide on a grant basis to the Government of Palau the sum of $5.5 million in conjunction with Article II of Title Three. This sum shall be made available concurrently with the grant assistance provided pursuant to this Article during the first year after the effective date of this Compact. The Government of Palau, in its use of such funds, shall take into account the impact of the activities of the Government of the United States in Palau.

Sec. 214. All funds previously appropriated to the Trust Territory of the Pacific Islands for the Government of Palau which are unobligated by the Government of the Trust Territory as of the effective date of this Compact shall accrue to the Government of Palau for the purposes for which such funds were originally appropriated as determined by the Government of the United States.

Sec. 215. Except as otherwise provided, the amounts stated in Sections 211(a), 211(b), 211(c) and 212(b) shall be adjusted for each fiscal year by the percent which equals two-thirds of the percentage change in the United States Gross National Product Implicit Price Deflator, or seven percent, whichever is less in any one year, using the beginning of Fiscal Year 1981 as the base.

Article II—Program Assistance

Sec. 211. (a) The Government of the United States shall make available to Palau, in accordance with and to the extent provided in the separate agreement referred to in Section 232, without compensation and at the levels equivalent to those available to the Trust Territory of the Pacific Islands during the year prior to the effective date of this Compact, the services and related programs:

(1) of the United States Weather Service;

(2) provided pursuant to the Postal Reorganization Act, 39 U.S.C. 101 *et seq.;*

(3) of the United States Federal Aviation Administration; and

(4) of the United States Civil Aeronautics Board of its successor agencies which have the authority to implement the provisions of paragraph 5 of Article IX of such related agreements, the language of which is incorporated into this Compact.

(b) The Government of the United States, recognizing the special needs of Palau particularly in the fields of education and health care, shall make available, as provided by the laws of the United States,

(1) the annual amount of $2 million which shall be allocated in accordance with the provisions of the separate agreement referred to in Section 232; and

(2) the sums of $4.3 milllion, $2.9 million and $1.5 million, respectively, during the first, second and third years after the effective date of this Compact, which sums shall be used by the Government of Palau as current account funds to finance programs similar to those programs of the United States that applied to Palau prior to the effective date of this Compact and that provided financial assistance for education to any institution, agency, organization or permanent resident of Palau or to the College of Micronesia.

(c) The Government of the United States shall make available to Palau such alternate energy development projects, studies and conservation measures as are applicable to the Trust Territory of the Pacific Islands on the day preceding the effective date of this Compact, for the purposes and duration provided in the laws of the United States.

(d) The Government of the United States shall have and exercise such authority as is necessary for the purpose of this Article and as is set forth in the related agreements referred to in Section 232, which shall also set forth the extent to which services and programs shall be provided to Palau.

Sec. 222. The Government of Palau may request, from time to time, technical assistance from the Federal agencies and institutions of the Government of the United States, which are authorized to grant such technical assistance in accordance with its laws and which shall grant such technical assistance in a manner which gives priority consideration to Palau over other recipients not a part of the United States, its territories or possessions and equivalent consideration to Palau with respect to other states in Free Association with the United States.

Sec. 223. The citizens of Palau who are receiving post-secondary education assistance from the Government of the United States on the day preceding the effective date of this Compact shall continue to be eligible, if otherwise qualified, to receive such assistance to complete their academic programs for a maximum of four years after the effective date of this Compact.

Sec. 224. The Government of the United States and the Government of Palau may agree from time to time to the extension to Palau of additional United States grant assistance and of United States services and programs as provided by the laws of the United States.

Article III—Administrative Provisions

Sec. 231. (a) The annual expenditure by the Government of Palau of the grant amounts specified in Article I of this Title shall be in accordance with an official national development plan promulgated by the Government of Palau and concurred in by the Government of the United States prior to the effective date of this Compact. This plan may be amended from time to time by the Government of Palau.

(b) The Government of the United States and the Government of Palau recognize that the achievement of the goals of the plan referred to in this Section depends upon the availability of adequate internal revenue as well as economic assistance from sources outside of Palau, including the Government of the United States, and may, in addition, be affected by the impact of exceptional, economically adverse circumstances. The Government of Palau shall therefore report annually to the President of the United States and to the Congress of the United States on the implementation of this plan and on its use of the funds specified in this Article. This report shall outline the achievements of the plan to date and the need, if any, for an additional authorization and appropriation of economic assistance for that year to account for any exceptional, economically adverse circumstances. The availability of such additional economic assistance from the Government of the United States shall be subject to the authorization and appropriation of funds by the Government of the United States.

Sec. 232. The specific nature, extent and contractual arrangements of the services and programs provided for in Section 221 as well as the legal status of agencies of the Government of the United States, their civilian employees and contractors, and the dependents of such personnel while present in Palau, and other arrangements in connection with a service or program furnished by the Government of the United States, are set forth in related agreements which shall come into affect simultaneously with this Compact.

Sec. 233. The Government of the United States, in consultation with the Government of Palau, shall determine and implement procedures for the periodic audit of all grants and other assistance made under this Title. Such audits shall be conducted at no cost to the Government of Palau.

Sec. 234. Title to the property of the Government of the United States situated in the Trust Territory of the Pacific Islands and in Palau or acquired for or used by the Government of the Trust Territory of the Pacific Islands on or before the day preceding the effective date of this Compact shall, without reimbursement or transfer of funds, vest in the Government of Palau as set forth in a separate agreement which shall come into effect simultaneously with this Compact. The provisions of this Section shall not apply to the personal property of the Government of the United States for which the Government of the United States determines a continuing requirement.

Sec. 235. (a) Funds held in trust by the High Commissioner of the Trust Territory of the Pacific Islands, in his official capacity, as of the effective date of this Compact shall remain available as trust funds to their designated beneficiaries. The Government of the United States, in consultation with the Government of Palau, shall appoint a new trustee who shall exercise the functions formerly exercised by the High Commissioner of the Trust Territory of the Pacific Islands.

(b) To provide for the continuity of administration, and to assure the Government of Palau that the purposes of the laws of the United States are carried out and that the funds of any other trust fund in which the High Commissioner of the Trust Territory of the Pacific Islands has authority of a statutory or customary nature shall remain available as trust funds to their designated beneficiaries, the Government of the United States agrees to assume the authority formerly vested in the High Commissioner of the Trust Territory of the Pacific Islands.

Sec. 236. Except as otherwise provided, approval of this Compact by the Government of the United States shall constitute a pledge of the full faith and credit of the United States for the full payment of the sums and amounts specified in Article I of this Title. The obligation of the Government of the United States under Article I of this Title shall be enforceable in the United States Claims Court, or its successor court, which shall have jurisdiction in cases arising under this Section, notwithstanding the provisions of 28 U.S.C. 1502, and which court's decisions shall be reviewable as provided by the laws of the United States.

Article IV—Trade

Sec. 241. Palau is not included in the customs territory of the United States.

Sec. 242. The President of the United States shall proclaim the following tariff treatment for articles imported from Palau which shall apply during the period of effectiveness of this Title:

(a) Unless otherwise excluded, articles imported from Palau, subject to the limitations imposed under sections 503(b) and 504(c) of title 5 of the Trade Act of 1974 (19 USC 2463(b): 2464(c)), shall be exempt from duty.

(b) Only canned tuna provided for in item 112.30 of the Tariff Schedules of the United States that is imported from the Federated States of Micronesia, the Marshall Islands and Palau during any calendar year not to exceed 10 percent of the United States consumption of canned tuna during the immediately preceding calendar year, as reported by the National Marine Fisheries Service, shall be exempt from duty; but the quantity of tuna given duty free treatment under this paragraph for any calendar year shall be counted against the aggregate quantity of canned tuna that is dutiable under rate column numbered 1 of such item 112.30 for that calendar year.

(c) The duty-free treatment provided under paragraph (1) shall not apply to:

(1) watches, clocks, and timing apparatus provided for in sub-part E of part 2 of schedule 7 of the Tariff Schedules of the United States;

(2) buttons (whether finished or not finished) provided for in item 745.32 of such Schedules;

(3) textile and apparel articles which are subject to textile agreements; and

(4) footwear, handbags, luggage, flat goods, work gloves, and leather wearing apparel which were not eligible articles for purposes of chapter V of the Trade Act of 1974 (19 USC 2461 et seq.) on April 1, 1984.

(d) If the cost or value of materials produced in the customs territory of the United States is included with respect to an eligible article which is a product of Palau, an appraised value of the article at the time it is entered that is attributable to such United States cost or value may be applied for duty assessment purposes toward determining the percentage referred to in section 503(b)(2) of title V of the Trade Act of 1974.

Sec. 243. Articles imported from Palau which are not exempt from any duty under paragraphs (a), (b), (c) and (d) of Section 242 shall be subject to the rates of duty set forth in column numbered 1 of the Tariff Schedules of the United States and all products of the United States imported into Palau shall receive treatment no less favorable that that accorded like products of any foreign country with respect to customs duties or charges of a similar nature and with respect to laws and regulations relating to importation, exportation, taxation, sale, distribution, storage, or use.

Article V—Finance and Taxation

Sec. 251. The currency of the United States is the official circulating legal tender of Palau. Should the Government of Palau act to institute another currency, the terms of an appropriate currency transitional period shall be as agreed with the Government of the United States.

Sec. 252. The Government of Palau may, with respect to United States persons, tax income derived from sources within its respective jurisdiction, property situated therein, including transfers of such property by gift or at death, and products consumed therein, in such manner as such government deems appropriate. The determination of the source of any income, or the situs of any property, shall for purposes of this Compact, be made according to the United States Internal Revenue Code.

Sec. 253. A citizen of Palau, domiciled therein and who is a nonresident and not a citizen of the United States, shall be exempt from estate, gift, and generation-skipping transfer taxes imposed by the Government of the United States.

Sec. 254. (a) In determining any income tax imposed by the Government of Palau, the Government of Palau shall have authority to impose tax upon income derived by a resident of Palau from sources without Palau in the same manner and to the same extent as the Government of Palau imposes tax upon income derived from within its jurisdiction. If the Government of Palau exercises such authority as provided in this subsection, any individual resident of Palau who is subject to tax by the Government of the United States on income which is also taxed by the Government of Palau shall be relieved of liability to the Government of the United States for the tax which, but for this subsection, would otherwise be imposed by the Government of the United States on such income. For purposes of this Section, the term "resident of Palau" shall be deemed to include any person who was physically present in Palau for a period of 183 or more days during any taxable year. The relief from liability referred to in this subsection means only

(1) relief in the form of the foreign tax credit (or deduction in lieu thereof) available with respect to the income taxes of a possession of the United States, and

(2) relief in the form of the exclusion under section 911 of the United States Internal Revenue Code of 1954.

(b) If the Government of Palau subjects income to taxation substantially similar to that imposed by the Trust Territory Code in effect on January 1, 1980, such Government shall be deemed to have exercised the authority described in Section 254 (a).

Sec. 255. (a) For purposes of section 936 of the Internal Revenue Code of 1954 Palau shall be treated as if it was a possession of the United States.

(b) Subsection (a) of this Section shall not apply to Palau for any period after December 31, 1986, during which there is not in effect between Palau and the United States an exchange of information agreement of the kind described in section 274(h)(6)(C) (other than clause (ii) thereof) of the Internal Revenue Code of 1954.

(c) If the tax incentives extended to Palau under subsection (a) of this Section are, at any time during which the Compact is in effect, reduced, the United States Secretary of the Treasury shall negotiate an agreement with the Government of Palau under which, when such agreement is approved by law, Palau will be provided with benefits substantially equivalent to such reduction in benefits. If within the 1-year period after the date of the enactment of the Act making the reduction in benefits, an agreement negotiated under the preceding sentence is not approved by law, the matter shall be submitted to the Arbitration Board established pursuant to Section 424. For purposes of Article V of this Title, the Secretary of the Treasury or his delegate shall be the member of such Board representing the Government of the United States. Any decision of such Board in the matter when approved by law shall be binding on the United States, except that such decision rendered is binding only as to whether the United States has provided the substantially equivalent benefits referred to in this subsection.

(d) For purposes of section 274(h)(3)(A) of the Internal Revenue Code of 1954, the term "North American area" shall include Palau.

Sec. 256. This Article shall apply to income earned, and transactions occurring, after September 30, 1985, in taxable years ending after such date.

TITLE III—SECURITY AND DEFENSE RELATIONS

Article I—Authority and Responsibility

Sec. 311. The territorial jurisdiction of the Republic of Palau shall be completely foreclosed to the military forces and personnel or for the military purposes of any nation except the United States of America, and as provided for in Section 312.

Sec. 312. The Government of the United States has full authority and responsibility for security and defense matters in or relating to Palau. Subject to the terms of any agreements negotiated pursuant to Article II of this Title, the Government of the United States may conduct within the lands, water and airspace of Palau the activities and operations necessary for the exercise of its authority and responsibility under this Title. The Government of the United States may invite the armed forces of other nations to use military areas and facilities in Palau in conjunction with and under the control of United States Armed Forces.

Sec. 313. The Government of Palau shall refrain from actions which the Government of the United States determines, after consultation with that Government, to be incompatible with its authority and responsibility for security and defense matters in or relating to Palau.

Article II—Defense Sites and Operating Rights

Sec. 321. The Government of the United States may establish and use defense sites in Palau, and may designate for this purpose land and water areas and improvements in accordance with the provisions of a separate agreement which shall come into force simultaneously with this Compact.

Sec. 322. (a) When the Government of the United States desires to establish or use such a defense site specifically identified in the separate agreement referred to in Section 321, it shall so inform the Government of Palau which shall make the designated site available to the Government of the United States for the duration and level of use specified.

(b) With respect to any site not specifically identified in the separate agreement referred to in Section 321, the Government of

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the United States shall inform the Government of Palau, which shall make the designated site available to the Government of the United States for the duration and level of use specified, or shall make available one alternative site acceptable to the Government of the United States. If such alternative site is unacceptable to the Government of the United States, the site first designated shall be made available after such determination.

(c) Compensation in full for designation, establishment or use of defense sites is provided in Title Two of this Compact.

Sec. 323. The military operating rights of the Government of the United States and the legal status and contractual arrangements of the United States Armed Forces, their members, and associated civilians, while present in Palau, are set forth in related agreements which shall come into effect simultaneously with this Compact.

Sec. 324. In the exercise in Palau of its authority and responsibility under this Title, the Government of the United States shall not use, test, store or dispose of nuclear, toxic chemical, gas or biological weapons intended for use in warfare and the Government of Palau assures the Government of the United States that in carrying out its security and defense responsibilities under this Title, the Government of the United States has the right to operate nuclear capable or nuclear propelled vessels and aircraft within the jurisdiction of Palau without either confirming or denying the presence or absence of such weapons within the jurisdiction of Palau.

Article III—Defense Treaties and International Security Agreements

Sec. 331. Subject to the terms of this Compact and its related agreements, the Government of the United States, exclusively, shall assume and enjoy, as to Palau, all obligations, responsibilities, rights and benefits of:

(a) Any defense treaty or other international security agreement applied by the Government of the United States as administering authority of the Trust Territory of the Pacific Islands as of the day preceding the effective date of this Compact; and

(b) Any defense treaty or other international security agreement to which the Government of the United States is or may become a party which it determines to be applicable in Palau. Such a determination by the Government of the United States shall be preceded by appropriate consultation with the Government of Palau.

Article IV—Service in the Armed Forces of the United States

Sec. 341. Any citizen of Palau entitled to the privileges of Section 131 of this Compact shall be eligible to volunteer for service in the Armed Forces of the United States, but shall not be subject to involuntary induction into military service of the United States so long as such person does not establish habitual residence in the United States, its territories or possessions.

Sec. 342. The Government of the United States shall have enrolled, at any one time, at least one qualified student from Palau as may be nominated by the Government of Palau, in each of:

(a) The United States Coast Guard Academy pursuant to 14 U.S.C. 195; and

(b) The United States Merchant Marine Academy pursuant to 46 U.S.C. 1295b(b)(6), provided that the provisions of 46 U.S.C. 1295b(b)(6)(C) shall not apply to the enrollment of students pursuant to Section 342(b) of this Compact.

Article V-General Provisions

Sec. 351. (a) The Government of the United States and the Government of Palau shall establish a joint committee empowered to consider disputes which may arise under the implementation of this Title and its related agreements.

(b) The membership of the joint committee shall comprise selected senior officials of each of the participating Governments. The senior United States military commander in the Pacific area shall be the senior United States member of the joint committee. For the meetings of the joint committee, each of the Governments may designate additional or alternate representatives as appropriate for the subject matter under consideration.

(c) Unless otherwise mutually agreed, the joint committee shall meet semi-annually at a time and place to be designated, after appropriate consultation, by the Government of the United States. The joint committee also shall meet promptly upon request of either of its members. Upon notification by the Government of the United States, the joint committee shall meet promptly in combined session with other such joint committees so notified. The joint committee shall follow such procedures, including the establishment of functional subcommittees, as the members may from time to time agree.

(d) Unresolved issues in the joint committee shall be referred to the Government of the United States and the Government of Palau for resolution, and the Government of Palau shall be afforded, on an expeditious basis, an opportunity to raise its concerns with the United States Secretary of Defense personally regarding any unresolved issue which threatens its continued association with the Government of the United States.

Sec. 352. In the exercise of its authority and responsibility under this Compact, the Government of the United States shall accord due respect to the authority and responsibility of the Government of Palau under this Compact and to the responsibility of the Government of Palau assure the well-being of Palau and its people. The Government of the United States and the Goyernment of Palau agree that the authority and responsibility of the United States set forth in this Title and exercised for the mutual security and benefit of Palau and the United States, and that any attack on Palau would constitute a threat to the peace and security of the entire region and a danger to the United States. In the event of such an attack, or threat thereof, the Government of the United States would take action to meet the danger to the United States and Palau in accordance with its constitutional processes.

Sec. 353. (a) The Government of the United States shall not include the Government of Palau as a named party to a formal declaration of war, without the consent of the Government of Palau.

(b) Absent such consent, this Compact is without prejudice, on the ground of belligerence or the existence of a state of war, to any claims for damages which are advanced by the citizens, nationals or Government of Palau which arise out of armed conflict subsequent to the effective date of this Compact and which are:

(1) petitions to the Government of the United States for redress; or

(2) claims in any manner against the government citizens, nationals or entities of any third country.

(c) Petitions under Section 353(b)(1) shall be treated as if they were made by citizens of the United States.

TITLE IV—GENERAL PROVISIONS

Article I—Approval and Effective Date

Sec. 411. This Compact shall come into effect upon mutual agreement between the Government of the United States, acting in fulfillment of its responsibilities as Administering Authority of the Trust Territory of the Pacific Islands, and the Government of Palau, subsequent to completion of the following:

(a) Approval by the Government of Palau in accordance with its constitutional processes;

(b) Approval by the people of Palau in a referendum called on this Compact; and

(c) Approval by the Government of the United States in accordance with its constitutional processes.

Article II—Conference and Dispute Resolution

Sec. 421. The Government of the United States and the Government of Palau shall confer promptly at the request of the other on matters relating to the provisions of this Compact or of its related agreements.

Sec. 422. In the event the Government of the United States or the Government of Palau, after conferring pursuant to Section 421, determines that there is a dispute and gives written notice thereof, the Governments shall make a good faith effort to resolve the dispute among themselves.

Sec. 423. If a dispute between the Government of the United States and the Government of Palau cannot be resolved within 90 days of written notification in the manner provided in Section 422, either party to the dispute may refer it to arbitration in accordance with Section 424.

Sec. 424. Should a dispute be referred to arbitration as provided for in Section 423, an arbitration board shall be established for the purpose of hearing the dispute and rendering a decision which shall be binding upon the two parties to the dispute unless the two parties mutually agree that the decision shall be advisory. Arbitration shall occur according to the following terms:

(a) An arbitration board shall consist of a chairman and two other members, each of whom shall be a citizen of a party to the dispute and each of the two parties to the dispute shall appoint one member to the arbitration board. If either party to the dispute does not fulfill the appointment requirements of this Section within 30 days of referral of the dispute to arbitration pursuant to Section 423, its member on the arbitration board shall be selected from its own standing list by the other party to the dispute. Each government shall maintain a standing list of 10 candidates. The parties to the dispute shall jointly appoint a chairman within 15 days after selection of the other members of the arbitration board. Failing agreement on a chairman, the chairman shall be chosen by lot from the standing lists of the parties to the dispute within 5 days after such failure.

(b) The arbitration board shall have jurisdiction to hear and render its final determination on all disputes arising exclusively under Articles, I, II, III, IV, and VI of Title One, Title Two, Title Four and their related agreements.

(c) Each member of the arbitration board shall have one vote. Each decision of the arbitration board shall be reached by majority vote.

(d) In determining any legal issue, the arbitration board may have reference to international law and, in such reference, shall apply as guidelines the provisions set forth in Article 38 of the statute of the International Court of Justice.

(e) The arbitration board shall adopt such rules for its proceedings as it may deem appropriate and necessary, but such rules shall not contravene the provisions of this Compact. Unless the parties provide otherwise by mutual agreement, the arbitration board shall endeavor to render its decision within 30 days after the conclusion of arguments. The arbitration board shall make findings of fact and conclusions of law and its members may issue dissenting or individual opinions. Except as may be otherwise decided by the arbitration board, one-half of all costs of the arbitration shall be borne by the Government of the United States and the remainder shall be borne by the Government of Palau.

Article III—Amendment and Review

Sec. 431. The provisions of this Compact may be amended at any time by mutual agreement of the Government of the United States and the Government of Palau in accordance with their respective constitutional processes.

Sec. 432. Upon the fifteenth and thirtieth and fortieth anniveraries of the effective date of this Compact, the Government of the United States and the Government of Palau shall formally review the terms of this Compact and its related agreements and shall consider the overall nature and development of their relationship. In these formal reviews, the governments shall consider the operating requirements of the Government of Palau and its progress in meeting the development objectives set forth in the plan referred to in Section 231(a). The governments commit themselves to take specific measures in relation to the findings of conclusions resulting from the review. Any alteration to the terms of this Compact or its related agreements shall be made by mutual agreement, the terms of this Compact and its related agreements shall remain in force until otherwise amended or terminated pursuant to Title Four of this Compact.

Article IV—Termination

Sec. 441. This Compact may be terminated by mutual agreement and subject to Section 451.

Sec. 442. This Compact may be terminated by the Government of the United States subject to Section 452, such termination to be effective on the date specified in the notice of termination by the Government of the United States but not earlier than six months following delivery of such notice. The time specified in the notice of termination may be extended.

Sec. 443. This Compact shall be terminated, pursuant to its constitutional processes, by the Government of Palau subject to Section 452 if the people of Palau vote in a plebiscite to terminate. The Government of Palau shall notify the Government of the United States of its intention to call such a plebiscite which shall take place not earlier than three months after delivery of such notice. The plebiscite shall be administered by such government in accordance with its constitutional and legislative processes, but the Government of the United States may send its own observers and invite observers from a mutually agreed party. If a majority of the valid ballots cast in the plebiscite favors termination, such government shall, upon certification of the results of the plebiscite, give notice of termination to the Government of the United States, such termination to be effective on the date specified in such notice but not earlier than three months following the date of delivery of such notice. The time specified in the notice of termination may be extended.

Article V—Survivability

Sec. 451. Should termination occur pursuant to Section 441, economic assistance by the Government of the United States shall continue on mutually agreed terms.

Sec. 452. Should termination occur pursuant to Section 442 or 443, the following provisions of this Compact shall remain in full force and effect until the fiftieth anniversary of the effective date of this Compact and thereafter as mutually agreed:

(a) Article I and Section 233 of Title Two;

(b) Title Three; and

(c) Article II, III, V, and VI of Title Four.

Sec. 453. Notwithstanding any other provisions of this Compact:

(a) The provisions of Section 311, even if Title Three should terminate, are binding and shall remain in effect for a period of 50 years and thereafter until terminated or otherwise amended by mutual consent;

(b) The related agreements referred to in Article II of Title Three shall remain in effect in accordance with their terms; and

(c) The Government of the United States reaffirms its continuing interest in promoting the long-term economic advancement and self-sufficiency of the people of Palau.

Sec. 454. Any provision of this Compact which remains in effect by operation of section 452 shall be construed and implemented in the same manner as prior to any termination of this Compact pursuant to Section 442 or 443.

Article VI—Definition of Terms

Sec. 461. For the purpose of this Compact the following terms shall have the following meanings:

(a) "Trust Territory of the Pacific Islands" means the area established in the Trusteeship Agreement consisting of the administrative districts of Kosrae, Yap, Palau, Ponape, the Marshall Islands and Truk as described in Title One, Trust Territory Code, Section 1, in force on January 1, 1979. This term does not include the area of the Northern Mariana Islands.

(b) "Trusteeship Agreement" means the agreement setting forth the terms of trusteeship for the Trust Territory of the Pacific Islands, approved by the Security Council of the United Nations April 2, 1947, and by the United States July 18, 1947, entered into force July 18, 1947, 61 Stat. 3301, T.I.A.S. 1665, 8 U.N.T.S. 189.

(c) "Palau" is used in a geographic sense and includes the land and water areas to the outer limits of the territorial sea and the air space above such areas as now or hereafter recognized by the Government of the United States consistent with the Compact and its related agreements.

(d) "Government of Palau" means the Government established and organized by the Constitution of Palau including all the political subdivisions and entities comprising that Government.

(e) "Habitual Residence" means a place of general abode or a principal, actual dwelling place of a continuing or lasting nature; provided, however, that this term shall not apply to the residence of any person who entered the United States for the purpose of full time studies as long as such person maintains that status, or who has been physically present in the United States or Palau for less than one year, or who is a dependent of a resident representative, as described in Section 152.

(f) For the purposes of Article IV of Title One of this Compact:

(1) "Actual Residence" means physical presence in Palau during eighty-five percent of the period of residency required by Section 141(a)(3); and

(2) "Certificate of Actual Residence" means a certificate issued to a naturalized citizen by the Government which has naturalized him stating that the citizen has complied with the actual residence requirement of Section 141(a)(3).

(g) "Defense Sites" means those land and water areas and improvements thereon in Palau reserved or acquired by the Government of Palau for use by the Government of the United States, as set forth in the related agreements referred to in Section 321.

(h) "Capital Account" means, for each year of the Compact, those portions of the total grant assistance provided in Article I of Title Two, which are to be obligated for:

(1) the construction or major repair of capital infrastructure; or

(2) public and private sector projects identified in the official overall economic development plan.

(i) "Current Account" means, for each year of the Compact, those portions of the total grant assistance provided in Article I of Title Two, which are to be obligated for recurring operational activities including infrastructure maintenance as identified in the annual budget justifications submitted yearly to the Government of the United States.

(j) "Official National Development Plan" means the documented program of annual development which identifies the specific policy and project activities necessary to achieve a specified set of economic goals and objectives during the period of free association, consistent with the economic assistance authority in Title Two. Such a document should include an analysis of population trends, manpower requirements, social needs, gross national product estimates, resource utilization, infrastructure needs and expenditures, and the specific private sector projects required to develop the local economy of Palau. Project identification should include initial cost estimates, with project purposes related to specific development goals and objectives.

(k) "Tariff Schedules of the United States" means the Tariff Schedules of the United States as amended from time to time and as promulgated pursuant to United States law and includes the Tariff Schedules of the United States Annotated (TSUSA), as amended.

(l) "Vienna Convention on Diplomatic Relations" means the Vienna Convention on Diplomatic Relations, done April 18, 1961, 23 U.S.T. 3227, T.I.A.S. 7502 500 U.N.T.S. 95.

Sec. 462. The Government of the United States and the Government of Palau shall conclude related agreements which shall come into effect and shall survive in accordance with their terms, and which shall be construed and implemented in a manner consistent with this Compact, as follows:

(a) Agreement regarding the Provision of Telecommunication Services by the Government of the United States to Palau Concluded Pursuant to Section 131 of the Compact of Free Association;

(b) Agreement Regarding the Operation of Telecommunication Services of the Government of the United States in Palau, Con-

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cluded Pursuant to Section 132 of the Compact of Free Association;

(c) Agreement on Extradition, Mutual Assistance in Law Enforcement Matters and Penal Sanctions Concluded Pursuant to Section 175 of the Compact of Free Association;

(d) Agreement Regarding United States Economic Assistance to the Government of Palau Concluded Pursuant to Section 211(f) of the Compact of Free Association;

(e) Agreement Regarding Construction Projects in Palau Concluded Pursuant to Section 212(a) of the Compact of Free Association;

(f) Agreement Regarding Federal Programs and Services, Concluded Pursuant to Article II of Title Two and Section 232 of the Compact of Free Association;

(g) Agreement Regarding Property Turnover, Concluded Pursuant to Section 234 of the Compact of Free Association;

(h) Agreement Regarding the Military Use and Operating Rights of the Government of the United States in Palau Concluded Pursuant to Sections 321 and 322 of the Compact of Free Association; and

(i) Status of Forces Agreement Concluded Pursuant to Section 323 of the Compact of Free Association.

(j) Agreement Regarding the Jurisdiction and Sovereignty of the Republic of Palau over its Territory and the Living and Nonliving Resources of the Sea.

Article VII—Concluding Provisions

SEC. 471. (a) The Government of the United States and the Government of Palau agree that they have full authority under their respective constitutions to enter into this Compact and its related agreements and to fulfill all of their respective responsibilities in accordance with the terms of this Compact and its related agreements. The Governments pledge that they are so committed.

(b) The Government of the United States and the Government of Palau shall take all necessary steps, of a general or particular character, to ensure, not later than the effective date of this Compact, that their laws, regulations and administrative procedures are such as to effect the commitments referred to in Section 471(a).

(c) Without prejudice to the effects of this Compact under international law, this Compact has the force and effect of a statute under the laws of the United States.

SEC. 472. This Compact may be accepted, by signature or otherwise, by the Government of the United States and the Government of Palau. Each government shall possess an original English language version.

In Witness thereof, the undersigned, duly authorized, have signed this Compact of Free Association which shall come into effect in accordance with its terms between the Government of the United States and the Government of Palau.

Done at ———, this —— day of ——, One Thousand Nine Hundred Eighty-five for the Government of the United States of America.

Done at ———, this —— day of ——, One Thousand Nine Hundred Eighty-five for the Government of the Republic of Palau.

SEC. 2. (a) With respect to Section 321 of the Compact of Free Association and its related agreements, the jurisdictional provisions set forth in subsection (b) of this section shall apply only to the citizens and nationals of the United States for permanent residence who are in Palau.

(b) The defense sites of the United States established in Palau in accordance with the Compact of Free Association and its related agreements are within the special maritime and territorial jurisdiction of the United States as set forth in Section 7, Title 18, United States Code.

(i) Any person referred to in subsection (a) of this section who within or upon such defense sites is guilty of any act or omission which, although not made punishable by any enactment of Congress, would be punishable if committed or omitted within the jurisdiction of the Territory of Guam by the laws thereof, in force at the time of such act or omission, shall be guilty of a like offense and subject to a like punishment.

(ii) The District Court of Guam shall have jurisdiction to try all criminal offenses against the United States, including the laws of Guam made applicable to the defense sites in Palau by virtue of subsection (b)(i) of this section, committed by any person referred to in subsection (a) of this section.

(iii) The District Court of Guam may appoint one or more magistrates for the defense sites in Palau. Such Magistrates shall have the power and the status of Magistrates appointed pursuant to chapter 43, title 28, United States Code, provided, however that such Magistrates shall have the power to try persons accused of and sentence persons convicted of petty offenses, as defined in section 1(3), title 18, United States Code, including violations of regulations for the maintenance of peace, order, and health issued by the Commanding Officer on such defense sites, without being subject to the restrictions provided for in section 3401(b), title 18, United States Code.

SECTION-BY-SECTION ANALYSIS OF THE COMPANY OF FREE ASSOCIATION BETWEEN THE UNITED STATES AND PALAU

The Compact of Free Association with Palau is divided into a preamble and four titles: Governmental Relations; Economic Relations; Security and Defense Relations; and General Provisions.

[Preamble]

The Preamble states that the relationship which will exist between the United States and emergent state of Palau is "Free Association."

The Preamble recognizes that the agreement is concluded on a government-to-government basis; that the peoples of Palau, as inhabitants of the Trust Territory, have and retain sovereignty and their sovereign right to self-determination; that, as a Freely Associated State (FAS), Palau will be self-governing under its constitution; and that the political and legal relationship between Palau and the United States is fully described and governed by the Compact. The Preamble recognizes the competence of the constitutional government to enter into the Compat.

TITLE ONE: GOVERNMENTAL RELATIONS

Article I, Self-Government.

Section 111. This section recognizes that the people of Palau, acting through their constitutional government, are self-governing. This recognition is the foundation of the government-to-government agreement and is consistent with the international political status of free association.

Article II, Foreign Affairs.

Section 121. The United States, in this section, recognizes the capacity of Palau, as a FAS, to conduct foreign affairs in its own name and right. This includes the capacity to enter into treaties and other international agreements with other governments or international organizations, as appropriate. This recognition of foreign affairs capacity by the United States acknowledges the international legal personality of the FAS. Thus, for example, while the United States will provide certain services under the Compact, these activities will take place on a government-to-government basis through an international agreement, rather than by the direct extension of U.S. domestic programs as was done during Trusteeship pursuant to Article 3 of the Trusteeship Agreement. Palau agrees in this section to conduct affairs of state in accordance with international law and settle disputes by peaceful means.

Section 122. In this section, the United States agrees to support Palau's participation and membership in regional and international organizations as may be mutually agreed from time to time.

This section also obligates the United States to accept qualified Palauan citizens for training in the Foreign Service Institute. This program will contribute to Palau's capabilities to meet the demands of the new political status and promote inter-governmental cooperation between Palau and the United States.

Section 123. In this section, Palau agrees to consult with the United States in foreign affairs matters in recognition of the authority and responsibility of the United States under Title Three (security and defense relations).

This section also provides that the United States will consult with Palau on foreign affairs matters which relate to or affect Palau.

Section 124. This section describes the foreign affairs authority of the Government of Palau, which extends to marine resources, and its territorial jurisdiction and sovereignty as recognized by international law. Under this provision Palau would have the same basic attributes of governmental authority, sovereignty and jurisdiction as other members of the international community, subject to applicable international law, including the provisions of the Compact which place certain limitations on Palau's authority.

Section 125. This section provides for termination of all obligations, responsibilities, rights and benefits of the United States under any treaty made applicable to the Trust Territory during the Trusteeship. The continued application of such treaties to Palau will be determined in accordance with international law, and will thus depend upon the relations between Palau and other signatories of such agreements. However, under Title III and the separate agreements concluded pursuant thereto, defense treaties and international security agreements will continue in force.

Section 126. This section is a disclaimer by the United States of responsibility for actions taken by the Government of Palau in the exercise of its foreign affairs capacity, except where the United States agrees to accept such responsibility.

Section 127. This section authorizes the United States, upon request, to assist Palau in foreign affairs matters, and includes a disclaimer of United States responsibility for actions of the FAS taken with the assistance or through the agency of the United States Government.

Article III, Communication.

Section 131. This section recognizes Palau's authority and responsibility to control domestic and foreign communications, and enables the United States to provide

such assistance as representing Palau before the International Telecommunications Union with respect to frequency registration and broadcast scheduling until Palau chooses to undertake that function. The specific types of assistance are set forth in the separate agreement referred to in this section. This section also extends Federal Communications Commission jurisdiction to Palau as regards the operations of satellite earth terminal stations operated by U.S. common carriers. Under this arrangement, Palau will be included in the United States telecommunications system for rate-making and other operational aspects relating to United States common carriers.

Section 132. This section ensures United States ability to operate telecommunications systems in Palau in connection with its obligations under the Compact.

Article IV, Immigration.

Section 141. This section effectively exempts Palauan citizens meeting specified criteria from certain United States passport, visa and work permit requirements and enables them to enter, reside, be employed, attend school or remain as visitors in the United States. Section 141 also recognizes the ability of the United States Congress to promulgate, or authorize the legislatures of United States territories to promulgate, non-discriminatory immigration laws or regulations applicable to FAS citizens who wish to establish "habitual residence" in those U.S. territories. Habitual residence is defined as establishment of a place of general abode or principal, actual dwelling place of a continuing or lasting nature and of at least one year duration.

Finally, entry into the United States under the authority of Section 141(a) does not confer the right of Palauan citizens to establish residency necessary for naturalization. Section 141(a), however, does not preclude Palauan citizens from acquiring lawful permanent resident status by other means.

Section 142. Palauan reciprocity for the open immigration arrangement provided under Section 141 is set forth in this section, under which United States citizens will be able to enter, reside and be employed in Palau, subject only to Palauan law providing for exclusion of undesirable aliens and statutes regulating occupations on a non-discriminatory basis. Establishment of "habitual residence" in Palau by United States citizens would also be subject to Palauan law. This section also confers most favored nation status in immigration matters on United States citizens.

Section 143. The privileges of Palauan citizens set forth in Sections 141 and 142 will be lost to a citizen of Palau who takes an affirmative step to preserve or acquire a citizenship or nationality other than that of Palau or fails to renounce such an existing citizenship or nationality within two years after the effective date of the Compact.

Section 144. This section enables United States citizens to accept employment by the Government of Palau without losing their U.S. citizenship.

Article V, Representation.

Section 151-152. These sections provide for the establishment of resident representatives in the capitals of the United States and Palau. Designated representatives are entitled to limited or functional immunity, exemptions and privileges in connection with the performance of official duties.

Article VI, Environmental Protection.

Section 161-162. The sections within this article establish an environmental protection policy based upon reciprocity and mutual agreement in the establishment of procedures and requirements for activities of both governments. Existing environmental standards will provide the base line for regulating governmental activities except as otherwise mutually agreed, and disputes will be subject to arbitration. Palauan environmental protection law will govern private sector activities.

Article VII, General Legal Provisions.

Section 171. Because the United States has extended United States laws to the Trust Territory of the Pacific Islands only by virtue of the Trusteeship Agreement, with the exception of laws of general extraterritorial applicability, this section operates to terminate the application of Palau of any laws of the United States whenever made applicable to the Trust Territory of the Pacific Islands or any part thereof, unless they are specifically made applicable by the Compact or are of general extraterritorial applicability.

Section 172. This section provides that citizens of Palau not residing in the United States shall be entitled to the same rights and privileges as any other non-resident aliens and that they shall be treated as "persons" within the meaning of the Administrative Procedures Act and of the Freedom of Information Act. It should also be noted that a United States citizen who becomes a citizen of Palau and who does not renounce his United States citizenship would retain his United States citizenship and continue to be entitled to the same rights and privileges as any other United States citizen.

Section 173. The United States and Palau undertake positive obligations to protect the programs, personnel, property and facilities of the other which are connected with public and official functions specified in the Compact or its related agreements.

Section 174. Subsections (a) and (d), taken together, provide that the Government of Palau will be immune from jurisdiction of the courts of the United States, and vice versa, except when the defendant government is sued in connection with commerical activities, personal injury, death or damage to or loss of property.

Subsections (b) and (c) of this section set forth the procedure for payment of claims against the Trust Territory Government or the United States arising from acts or omissions of either such government prior to the effective date of the Compact. All unpaid judgments against the Trust Territory Government or the United States entered prior to the effective date of the Compact, or settlements reached, will be paid by the United States. All claims against the Trust Territory or United States which are not resolved prior to the effective date of the Compact or which arise afterwards, will be adjudicated in the courts of Palau, but any judgment of those courts will be presented for certification to the United States Court of Appeals for the Federal Circuit which shall order payment of such judgment, unless it is manifestly erroneous in law or fact, or is manifestly excessive. In this latter situation, that court shall have jurisdiction to modify the judgment.

Section 175. This section provides for the negotiation of separate agreements regarding extradition, mutual assistance in law enforcement and transfer of prisoners. These agreements shall have the force of law and shall be similar to arrangements which the United States has with other nations.

Section 176. This section preserves judgments established in civil litigation during the Trusteeship by the courts of the Trust Territory, subject to the power of the courts of Palau derived from their respective constitutions to modify judgments in appropriate cases.

Section 177. This section enables federal agencies providing services and programs in Palau to settle and pay tort claims arising from their activities pursuant to the administrative procedures set forth at 28 U.S.C. 2672. Claims not resolved through that procedure will be referred to arbitration under the conference and dispute resolution process set forth in Title Four, Article II, of the Compact. In both cases, payment shall be made pursuant to 31 U.S.C. 1304. The United States will be immune from suits based on claims covered by the provisions of this section.

TITLE TWO: ECONOMIC RELATIONS

(The chart attached as Appendix A displays the amounts and schedule for payment of grant funding and assistance set forth in the Compact and discussed in the following analysis.)

Article I, Grant Assistance.

Sections 211-212. These sections set forth the basic grant assistance constituting the economic foundation of free association. The fundamental concept underlying the grant assistance is that Palau will be provided with the resources to plan and implement long-term development programs and provide public services appropriate to conditions and needs as determined by the Government of Palau in accordance with its constitutional processes. A capital account and a current account will be established from grant funds, to be used for economic development and government operations, respectively.

In order to enable Palau to undertake economic development programs at the outset of the initial fifteen years of free association, the grant assistance package was structured to provide maximum "front-end loading" of grant and special purpose funding, while at the same time spreading out funding levels over the entire fifty-year period to ensure that minimum needs can be satisfied and that economic stability can be preserved throughout the entire period of free association. Thus, at the tenth anniversary of the effective date of the Compact, the amounts of grant will be reduced from the higher levels provided during the first years, and in years sixteen through fifty funding will be obtained from the proceeds of the sixty-six million dollar fund to be established under Section 211(f).

Section 212 provides for road construction and payment of the capital account funding for basic capital improvement programs to support economic development objectives.

Section 213. This section provides for a payment in conjunction with the exercise of rights to defense sites under Article II of Title Three.

Section 214. This section transfers existing Trust Territory funding for Palau to Palau, for use in accordance with the purposes for which Congress appropriated the funds. The United States will make the determination as to the purposes which the funds can be used.

Section 215. This section provides for an annual adjustment of the designated grants provided under this article by two-thirds of the percentage annual change in the United States Gross National Product Implicit Price Deflator, or seven percent, whichever is less.

Article II, Program Assistance.

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Section 221. While Palau will fund the basic functions of government from grant assistance and general revenues, performance of certain activities will be beyond the technical capability of the new governments at the outset of free association. Thus, the United States has agreed in Section 221(a) to continue to provide services of the United States Weather Service, the United States Federal Emergency Management Agency, the United States Postal Service, the Federal Aviation Administration and the Civil Aeronautics Board or its successor agencies. (Since the CAB has been abolished, this provision of the Compact refers to services provided by the CAB's successor agencies). Enactment of Section 221(a) by Congress provides the legislative authority for provision of these services. The specific arrangements for provisions of these services are set forth in a separate agreement. The United States commitment is expressly limited to continuation of the essential services specified at levels equivalent to the last year prior to the effective date of the Compact. This will establish a ceiling on the nature and extent of United States programs.

Subsection (b)(1) provides a $2 million annual grant to be coupled with the scholarship and health service funding set forth in Section 211(d) in order to enable Palau to augment current account expenditures in the field of education and health services and tailor such activities as scholarship programs and medical referral activities to local needs. Subsection (b)(2) provides an additional $8.7 million for education programs similar to those Federal educational programs to be phased out under the Compact.

Subsection (c) provides that alternate energy development progams which were extended to the Trust Territory will continue after the effective date of the Compact and be available subject to the terms set forth in United States law with respect to the scope and duration of such programs.

Subsection (d) defines United States authority incident to implementing program assistance.

Section 222. Under this section, United States Government agencies which have statutory authority to provide technical assistance on an intergovernmental or international basis, or to territories or possessions of the United States, will be able to provide such technical assistance to Palau upon request. In light of the free association relationship, Palauan requests for technical assistance will be given priority consideration over request of other nations eligible for such assistance.

Section 223. This section ensures that those Trust Territory students embarked upon a course of study at a United States-accredited post-secondary institution and who receive Federal student financial assistance will be able to continue to receive such assistance for the duration of the individual academic programs up to four years following the effective date of the Compact.

Section 224. This section provides that the United States and Palau may agree on the extension of federal programs, assistance, or services in addition to those specified in the Compact. While the grant assistance and services provided by Title Two constitute a negotiated and agreed package, this section enables the United States and Palau to adjust to changing conditions and needs by establishing such additional programs as may be authorized by United States law.

Article III, Administrative Provisions.

Section 231. This section requires that prior to the effective date of the Compact Palau submit and that the United States concur in a national economic development plan which shall provide for the manner in which Article I, Title Two grant funds shall be expended. This section also requires that the Government of Palau submit an annual report to the President and Congress on the expenditure of Compact grant assistance.

Section 232. This section provides that the program assistance to be made available under Section 221 be defined in separate agreements. The levels and duration of such assitance, and the legal parameters within which federal agencies will operate—including the legal status of their employees, payment of claims, entry and departure of employees and other similar matters—are dealt with in the comprehensive agreement negotiated pursuant to this section. Under that agreement, federal agency civilian employees will enjoy certain privileges, exemptions and limited immunity from Palauan laws, including tax laws, and federal agencies are assured the operational freedom necessary to carry out their responsibilities.

Section 233. This section authorizes the United States to conduct audits of grant and program assistance provided to Palau under Title Two. These audits will enable the United States to determine if Palau has met the requirements set forth in the Compact and its separate agreements regarding the purposes for which funds and program assistance are to be used and the propriety of their financial transactions. The procedures for conduct of the audits will be the subject of consultation to ensure that institutional integrity is preserved, and that the United States will have full access to financial information relating to Compact funding. The procedures for conducting the audit and obtaining annual reports and other financial information as required by the Compact are the subject of a separate agreement on fiscal procedures between the United States and Palau.

Section 234. This section provides for the transfer to Palau at no cost United States property located in the Trust Territory for which there is no continuing U.S. need. This transfer process is largely complete. Transfer of federal property began in the Trust Territory in 1980, pursuant to Section 402 of United States Public Law 96-597.

Section 235. During the Trusteeship, trust funds have been established for the benefit of various groups of Trust Territory citizens, such as those affected by the United States nuclear testing programs in the Marshall Islands. This section provides for appointment by the United States of a new trustee to replace the High Commissioner as trustee of such funds, so that the initial legislative intent in creating the funds can be carried out. The United States also agrees to carry out such functions of government formerly exercised by the High Commissioner as are necessary to implement the provisions of a particular trust. For instance, the High Commissioner is currently required to make certain determinations and exercise certain administrative functions in connection with trust funds. Under the Compact, this will be undertaken by the United States.

Section 236. This section pledges the full faith and credit of the United States for payment of the amounts provided for under Article I of Title Two. A similar pledge is contained in the Covenant to Establish a Commonwealth of the Northern Mariana Islands in Political Union with the United States. This pledge is intended to create an enforceable obligation of the United States to pay the amounts provided for in Article I. While this obligation will be discharged in the same manner as other financial obligations incurred through international agreements requiring an act of appropriation, Palau is provided with a judicial remedy before the United States Claims Court in the event payments owing under the Compact are not made. Because the Compact will be both an international agreement and public law, this is a valid grant of jurisdiction which contains an express exception from the restriction contained in 28 U.S.C. 1502 relating to actions arising from treaties with foreign nations. Any judgments resulting from an action by Palau under this section would be paid under 31 U.S.C. 1304.

Article IV, Trade.

Sections 241-243. These sections provide that Palau will not be within the customs territory of the United States, and will be able to export products to the United States duty free, provided that less than 70% of the products' value derives from foreign sources. This treatment of Palauan articles is tied to and will remain the same as the treatment which United States insular possessions receive under General Headnote 3(a) of the United States Tariff Schedule. There is a cap on duty free tuna imports and certain other articles are expressly excluded from duty free treatment. Palauan articles not covered by General Headnote 3(a) and United States articles imported into Palau will be entitled to generally applicable most favored treatment.

Article V, Finance and Taxation.

Section 251. This section establishes United States currency as the legal tender of Palau, but gives Palau the option to issue its own currency; in which case appropriate transitional arrangements would be agreed upon.

Section 252. This section recognizes Palua's jurisdiction to tax any United States persons income which is derived from sources in Palau, and applies United States tax laws to determine income source.

Section 253. Palauan citizens domiciled in Palau who are nonresident in the United States and who are not also United States citizens will be exempt from United States estate gift and generation-skipping transfer taxes. It is intended that questions of citizenship and domicile for such individual persons in Palau will be determined under the laws of Palau (see Section 142(a) of the Compact).

Section 254. Persons who meet bona fide residency requirements in Palau will not have to pay any otherwise applicable United States tax on income which is taxed by Palau, including where such income is derived from sources outside Palau.

Section 255. While Sections 253 and 254 are intended to provide incentives for investment in Palau for individuals, this section provides incentives for investments primarily by corporations. Thus, Palau will receive treatment as a possession of the United States for purposes of Section 936 of the United States Internal Revenue Code, which is intended to generate United States investment in developing areas that enjoy a special relationship with the United States. If the provisions of the Internal Revenue Code applicable to Palau under this section are amended, alternative but substantially equivalent beneficial arrangements will be negotiated.

Section 256. This Section makes Article V applicable after September 30, 1985.

TITLE THREE: SECURITY AND DEFENSE RELATIONS

Article I, Authority and Responsibility.

Section 311. This section, in accordance with Section 312, forecloses the territory of Palau to third country military forces.

Section 312. This section establishes as part of the free association relationship defined in the Compact the full authority and responsibility of the United States for security and defense matters in or relating to Palau. This United States authority and responsibility includes the ability to conduct military operations as required to carry out the United States security and defense role.

Section 313. To ensure that the actions of the Government of Palau do not impair the ability of the United States to exercise its authority and fulfill its responsibility in security and defense matters, Palau agrees in this section to refrain from actions which the United States determines to be incompatible with the United States security and defense role defined in the Compact. The purpose of this provision is to preserve the allocation of authority and responsibility for domestic and foreign affairs to Palau, and for security and defense to the United States.

To ensure that any U.S. determination requiring Palau to refrain from a particular action is made on the basis of full information, the United States will consult with Palau prior to making any final determination. The Government of Palau will be entitled to raise with the Secretaries of State and Defense, personally and on an expeditious basis, any concerns which might arise from a United States action under this provision.

Article II, Defense Facilities and Operating Rights.

Section 321. This section provides for a separate agreement to be concluded between the United States and Palau for the establishment and use of military areas and facilities by the United States in Palau.

Section 322. This section enables the United States to designate and requires the Government of Palau to provide sites for the activities and operations authorized under Section 321 and the separate agreement concluded pursuant thereto. This section establishes that compensation in full for all defense sites at the designated duration and level of use is provided in Title Two of the Compact.

Section 323. Pursuant to this section, the United States and Palau have concluded comprehensive agreements on military use and operating rights (MUORA) and status of forces (SOFA). These agreements are modeled on similar arrangements the United States has entered into with other countries.

The SOFA is a multilateral agreement which defines the rights and obligations of United States Armed Forces and their personnel in Palau. Specifically, the SOFA defines the protections afforded to personnel under the SOFA and addresses such issues as entry and exit requirements, use of contractors and employment of labor, tax and customs relief, criminal jurisdiction, applicability of local law, payment of claims, medical and postal services, telecommunications, and other related matters.

Section 324. This section ensures compatibility between the Compact, particularly Title Three, and Article II, Section 3 of Palau's constitution. By agreeing not to use, test, store or dispose of nuclear, toxic chemical, gas or biological weapons in Palau, the United States and Palau have eliminated any need for 75% approval of the Compact under Article II, Section 3. In order to ensure that the United States will be able to carry out its defense responsibilities this section also states the United States will be able to operate nuclear capable and nuclear propelled vessels and aircraft without confirming or denying the presence or absence of such weapons in Palau.

Article III, Defense Treaties and International Security Agreement.

Section 331. In keeping with United States responsibility and authority for security and defense matters in Palau, this section provides that security and defense agreements or treaties to which the United States is a party, and which have applied to the Trust Territory during the Trusteeship, will continue in force and be applied by the United States in the exercise of its security and defense role in Palau. In addition, the United States retains the authority to extend to Palau any security or defense agreements or treaties it may determine to be applicable, after appropriate consultation with the Government of Palau. This arrangement is necessary in light of United States treaty obligations in the region.

Article IV, Service in the Armed Forces.

Sections 341 and 342. Palau citizens will be entitled under these sections to serve voluntarily in the armed forces of the United States, but cannot involuntarily be inducted into such service unless habitual residence in the United States is established. In addition, upon nomination by their governments and if otherwise qualified, Palau citizens will be enrolled in the United States Coast Guard Academy and in the United States Merchant Marine Academy. The service and training available in the armed forces and the designated academies will provide educational opportunities not available in Palau.

Article V, General Provisions.

Section 351. Under this section, a Joint Committee will be established for the purpose of resolving disputes arising from implementation of Title Three and the separate agreements concluded pursuant to sections within Title Three. The purpose of the Joint Committee is to provide a forum for consultation regarding issues related to Title Three. Any matter which the Committee cannot resolve is referred back to the governments concerned for resolution.

Section 352. This section contains a U.S. assurance that in fulfilling its security and defense role, and in making the specific determinations incident to its authority under Title Three of the Compact, the United States will accord due respect to the authority and responsibility of the Governments of Palau as defined in the Compact.

Section 353. This section requires Palauan consent to be included in a declaration of war, and preserves future war claims by the Palauan people.

TITLE FOUR: GENERAL PROVISIONS

Article I, Approval and Effective Date.

Section 411. Under this section there is established a four-step process for approval and entry into force of the Compact. This process includes approval by the Government of Palau in accordance with its constitutional processes and approval of the Compact by the people of Palau.

The approval process also requires approval of the Compact by the United States, and agreement between the United States and the Government of Palau on its effective date. Once so approved, the United States, as administering authority of the Trusteeship, will make appropriate arrangements for termination of the Trusteeship Agreement with the United Nations.

Article II, Conference and Dispute Resolution.

Sections 421-424. These sections establish the method for settlement of disputes arising in connection with the implementation and enforcement of the provisions of the Compact except for matters arising out of Title Three, which will be handled as provided for in Section 351. The procedure for dispute resolution requires that upon notification of a dispute, the parties confer on the matter. After a 90-day period, if the issue has not been resolved, the matter is referred to a three-person Arbitration Board consisting of one member appointed by each of the parties and a chairman jointly appointed by the parties or selected by lot from standing lists if mutual agreement cannot be reached. Decisions will be by majority vote and shall be binding on the parties unless it is agreed that the decision shall be advisory. The Board will also not have jurisdiction in matters arising under the general legal provisions of Article VII, Title One, except for Section 178.

Article III, Amendment.

Sections 431-433. These sections provide for bilateral and multilateral amendment of the Compact by mutual agreement of the parties affected by such amendments, as well as a review of the relationship after thirteen years.

Article IV, Termination.

Sections 441-443. The Compact provides three avenues for its termination. Under Section 441, the Compact may be terminated by mutual agreement of the United States and Palau.

Section 442 provides for unilateral termination initiated by the United States, in which case prior notice of no less than six months is required before termination is effective.

Termination by unilateral action of Palau is provided for in Section 443, which requires Palau to conduct a plebiscite on termination in accordance with its constitutional processes. A majority vote in favor of termination is required for termination to occur. The plebiscite can be conducted only upon three months' prior notice to the United States, and termination pursuant to an affirmative vote to end the agreement would not become effective until at least three months after certification of the result to the United States and notification that termination will occur.

Article V, Survivability.

Sections 451-453. These sections identify which portions of the Compact would survive, and for how long, under the different termination procedures described in Article IV of Title Four.

Should the Compact be terminated by mutual agreement pursuant to Section 441, the continuation of economic relations between the United States and Palau would be as mutually agreed.

Should termination occur at United States or Palauan initiative under Section 442 or 443, the provisions listed in section 452 of the Compact would remain in effect until the fiftieth anniversary of the effective date of the Compact, or longer if mutually agreed.

Under Section 453 the foreclosure of Palau to third country forces would continue for fifty years and therefore until terminated or amended by mutual consent, and separate agreements under Article II of Title Two will continue in accordance with

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their terms, notwithstanding termination or other provisions of the Compact.

Article VI, Definition of Terms.

Sections 461-462. These sections define various terms used in the Compact, and list the separate agreements concluded pursuant to the Compact.

Article VII, Concluding Provisions.

Section 471. Under this section, the signatory governments agree that they are authorized by their constitutions and laws to enter into and implement the Compact and its related agreements. This section also provides that Palau and the United States will conform their laws to the Compact prior to its effective date, so that they will be able to implement the Compact in a manner consistent with their domestic laws. Finally, in fulfillment of the obligations of the Government of the United States under paragraph (b) of this section to ensure that its laws conform with the provisions of the Compact, paragraph (c) of this section provides that the Compact will have the force and effect of a statute under the laws of the United States.

Section 472. This section provides for acceptance of the Compact by the signature of each government party to the agreement.

Sec. 2. of Joint Resolution approving Palau Compact.

This section provides for United States court jurisdiction in criminal cases over which the United States acquires the primary right to exercise criminal jurisdiction under the provisions of the Status of Forces Agreement concluded pursuant to Section 323 of the Compact.

April 9, 1986.

To the Congress of the United States:

There is enclosed a draft of a Joint Resolution to approve the "Compact of Free Association," the negotiated instrument setting forth the future political relationship between the United States and Palau, a political jurisdiction of the Trust Territory of the Pacific Islands.

This Compact of Free Association is the result of more than sixteen years of continuous and comprehensive negotiations, spanning the administrations of four Presidents. The transmission of the proposed Joint Resolution today, and congressional enactment of it, marks the last step in the process for approval of the Compact.

The full text of the Compact is part of the draft Joint Resolution, which I request be introduced, referred to the appropriate committees, and enacted. I also request that the Congress note the agreements subsidiary to the Compact. Also enclosed is a section-by-section analysis to facilitate your consideration of the Compact.

On March 30, 1984, and again on February 20, 1985, I submitted to Congress a Compact of Free Association relating to the Marshall Islands and the Federated States of Micronesia, two other jurisdictions of the Trust Territory. That Compact was approved as House Joint Resolution 187 by Congress on December 13, 1985, and with my signature on January 14, 1986, became Public Law 99-239. The people of the fourth jurisdiction of the Trust Territory—the Northern Mariana Islands—have voted to become a United States territory when the Trusteeship is terminated. The Congress approved their political status instrument as Public Law 94-241.

The defense and land use provisions of the Compact with Palau, and the right of the United States to foreclose access to the area for military purposes of third countries, are of great importance to our strategic position in the Pacific and enable us to continue preserving regional security and peace. Under the Palau Compact, the minimum term of United States defense authority and responsibility will be fifty years; otherwise, the Palau Compact is very similar to the Compact that the Congress approved for the Marshall Islands and the Federated States of Micronesia.

For almost four decades, the Trust Territory has been administered under a Trusteeship Agreement with the United Nations Security Council, which the United States entered into pursuant to the Joint Resolution of July 18, 1947. This Compact of Free Association with the government of Palau fulfills our commitment under that Agreement to bring about self-government in accordance with the freely expressed wishes of the Palauan people. Termination of the Trusteeship Agreement and the formal assumption of freely chosen political status arrangements by all parts of the present Trust Territory are important foreign policy objectives of the United States.

The Compact with Palau was signed for the United States by Ambassador Fred M. Zeder II and the President of the Republic of Palau on January 10, 1986. It was approved on January 24, 1986, by both houses of the Palau National Congress. On February 21, 1986, the Compact was approved by the Palauan people in a United Nations observed plebiscite. The President of Palau has certified that the approval process has been completed in full compliance with Palau's constitutional requirements.

Enactment of this draft Joint Resolution approving the Compact of Free Association for Palau will complete the enterprise of self-government we began with the peoples of the Trust Territory many years ago. It is the final step preceding full termination of the Trusteeship Agreement. Therefore, I urge the Congress to approve the Compact of Free Association for Palau.

Ronald Reagan.

The White House, *April 9, 1986.*●

ADDITIONAL COSPONSORS

S. 1525

At the request of Mr. Pell, the name of the Senator from Maryland [Mr. Sarbanes] was added as a cosponsor of S. 1525, a bill to amend the Elementary and Secondary Education Act of 1965 to provide grants to local educational agencies for dropout prevention demonstration projects.

S. 1696

At the request of Mr. Goldwater, the name of the Senator from Utah [Mr. Hatch] was added as a cosponsor of S. 1696, a bill to establish a federally declared Floodway for the Colorado River below Davis Dam.

S. 1747

At the request of Mr. Roth, the name of the Senator from Montana [Mr. Baucus] was added as a cosponsor of S. 1747, a bill to amend the Foreign Assistance Act of 1961 to protect tropical forests in developing countries.

S. 1748

At the request of Mr. Roth, the name of the Senator from Montana [Mr. Baucus] was added as a cosponsor of S. 1748, a bill to amend the Foreign Assistance Act of 1961 to protect biological diversity in developing countries.

S. 1941

At the request of Mr. Denton, the name of the Senator from Georgia [Mr. Mattingly] was added as a cosponsor of S. 1941, a bill to protect the security of the United States by providing for sanctions against any country that provides support for perpetrators of acts of international terrorism.

S. 2067

At the request of Mr. Lautenberg, the name of the Senator from Vermont [Mr. Leahy] was added as a cosponsor of S. 2067, a bill to overturn the deferral of the Fiscal Year 1986 Urban Development Action Grant and Community Development Block Grant Program.

S. 2075

At the request of Mr. Lautenberg, the name of the Senator from Vermont [Mr. Leahy] was added as a cosponsor of S. 2075, a bill to overturn the deferral of Urban Development Action Grant funds.

S. 2166

At the request of Mr. Durenberger, the name of the Senator from Minnesota [Mr. Boschwitz] was added as a cosponsor of S. 2166, a bill to amend the Internal Revenue Code of 1954 to modify the tax treatment of tax-exempt municipal bonds, and for other purposes.

S. 2181

At the request of Mr. D'Amato, the name of the Senator from Michigan [Mr. Riegle] was added as a cosponsor of S. 2181, a bill entitled the "Construction Industry Labor Law Amendments of 1986".

S. 2244

At the request of Mr. Grassley, the names of the Senator from Oklahoma [Mr. Nickles], and the Senator from Mississippi [Mr. Cochran] was added as cosponsors of S. 2244, a bill to amend the Tariff Act of 1930 with respect to the definition of industry in antidumping and countervailing duty investigations involving certain processed agricultural products.

S. 2261

At the request of Mr. Humphrey, the name of the Senator from Colorado [Mr. Armstrong] was added as a cosponsor of S. 2261, a bill to amend the Service Contract Act of 1965 to reform the administration of such act, and for other purposes.

S. 2273

At the request of Mr. Kasten, the name of the Senator from Vermont [Mr. Leahy] was added as a cosponsor of S. 2273, a bill to amend the Internal Revenue Code of 1954 to deny the tax exemption for interest on industrial development bonds used to finance acquisition of farm property by foreign persons.

S. 2288

At the request of Mr. Chiles, the names of the Senator from North Dakota [Mr. Andrews], the Senator from Louisiana [Mr. Johnston], the Senator from Rhode Island [Mr. Chafee], the Senator from Mississippi [Mr. Stennis], the Senator from Arizona [Mr. DeConcini], the Senator from Ohio [Mr. Metzenbaum], the Senator from Michigan [Mr. Riegle], and the Senator from Delaware [Mr. Biden] were added as cosponsors of S. 2288, a bill to amend title XIX of the Social Security Act to permit States the option of providing prenatal, delivery, and postpartum care to low-income pregnant women and of providing medical assistance to low-income infants under one year of age.

S. 2301

At the request of Mr. Thurmond, the name of the Senator from Florida [Mr. Chiles] was added as cosponsor of S. 2301, a bill to reform procedures for collateral review of criminal judgments, and for other purposes.

S. 2310

At the request of Mr. Pressler, the name of the Senator from West Virginia [Mr. Byrd] was added as cosponsor of S. 2310, a bill to make foreign nationals ineligible for certain agricultural program loans, payments or benefits.

SENATE JOINT RESOLUTION 252

At the request of Mr. Pell, the names of the Senator from Delaware [Mr. Biden], the Senator from Vermont [Mr. Leahy], the Senator from Maryland [Mr. Sarbanes], the Senator from Wisconsin [Mr. Proxmire], the Senator from Oregon [Mr. Hatfield], and the Senator from Oregon [Mr. Packwood] were added as cosponsors of Senate Joint Resolution 252, a joint resolution requesting the President of the United States to negotiate controls upon and the early prohibition of nuclear explosions.

SENATE JOINT RESOLUTION 282

At the request of Mr. Moynihan, the name of the Senator from Nebraska [Mr. Zorinsky] was added as cosponsor of Senate Joint Resolution 282, a joint resolution to express the disapproval of the Congress with respect to the proposed rescission of budget authority for the general revenue sharing program.

SENATE JOINT RESOLUTION 310

At the request of Mr. Helms, the names of the Senator from Iowa [Mr. Grassley], and the Senator from Virgina [Mr. Trible] were added as cosponsors of Senate Joint Resolution 310, a joint resolution to proclaim June 15, 1986, through June 21, 1986, as "National Agricultural Export Week."

SENATE JOINT RESOLUTION 312

At the request of Mr. D'Amato, the name of the Senator from Utah [Mr. Garn] was added as a cosponsor of Senate Joint Resolution 312, a joint resolution designating the week beginning April 13, 1986, as "National Medical Laboratory Week."

SENATE CONCURRENT RESOLUTION 117

At the request of Mr. Simon, the name of the Senator from Massachusetts [Mr. Kerry] was added as a cosponsor of Senate Concurrent Resolution 117, a concurrent resolution expressing the sense of the Congress in support of RIAS, the radio in the American Sector of Berlin.

SENATE CONCURRENT RESOLUTION 122

At the request of Mr. Nickles, the name of the Senator from Colorado [Mr. Armstrong] was added as a cosponsor of Senate Concurrent Resolution 122, a concurrent resolution to express the sense of Congress with respect to agricultural loan restructuring.

SENATE CONCURRENT RESOLUTION 125

At the request of Mr. Heinz, the names of the Senator from California [Mr. Wilson], the Senator from Massachusetts [Mr. Kerry], and the Senator from Utah [Mr. Hatch] were added as cosponsors of Senate Concurrent Resolution 125, a concurrent resolution recognizing the achievements of the Ireland Fund and its founder, Dr. Anthony J.F. O'Reilly.

SENATE RESOLUTION 333

At the request of Mr. Lautenberg, the name of the Senator from Vermont [Mr. Leahy] was added as a cosponsor of Senate Resolution 333, a resolution to express the sense of the Senate regarding the Urban Development Action Grant Program.

SENATE RESOLUTION 374

At the request of Mr. Ford, the name of the Senator from North Carolina [Mr. Helms] was added as a cosponsor of Senate Resolution 374, a resolution limiting the amount that may be expended by Senators for mass mailings during the remainder of fiscal year 1986.

SENATE RESOLUTION 384—AUTHORIZING REPRESENTATION BY THE SENATE LEGAL COUNSEL

Mr. DOLE (for himself and Mr. Byrd) submitted the following resolution; which was considered and agreed to:

S. Res. 384

Whereas, in the case of *Dow Chemical Company* v. *United States*, No. 19-83C, pending in the United States Claims Court, the plaintiff has obtained a subpoena for the deposition testimony of Patricia Howe, past staff assistant to former Wyoming Senator Clifford Hansen;

Whereas, pursuant to sections 703(a) and 704(a)(2) of the Ethics in Government Act of 1978, 2 U.S.C. 288b(a) and 288c(a)(2) (1982), the Senate may direct its counsel to represent former Members or employees of the Senate with respect to subpoenas issued to them in their previous official capacity;

Whereas, by the privileges of the United States Senate and Rule XI of the Standing Rules of the Senate, no evidence under the control or in the possession of the Senate can, by the judicial process, be taken from such control or possession but by permission of the Senate;

Whereas, when it appears that testimony of former Members and employees of the Senate is or may be needful for use in any court for the promotion of justice, the Senate will take such action as will promote the ends of justice consistent with the privileges and rights of the Senate: Now, therefore, be it

Resolved, That the Senate Legal Counsel is directed to represent former Senator Clifford P. Hansen, Patricia Joanne Howe, and any other past staff assistant of Senator Hansen who may be asked to testify in the case of *Dow Chemical Company* v. *United States*.

Sec. 2. That Senator Hansen, Patricia Howe, and any other staff assistant of Senator Hansen who may be asked, are authorized to testify in the case of *Dow Chemical Company* v. *United States*, except concerning matters which may be privileged.

AMENDMENTS SUBMITTED

PROTECTION FOR ELECTRIC CONSUMERS

MELCHER AMENDMENT NOS. 1787 THROUGH 1790

Mr. MELCHER proposed four amendments to the bill (S. 426) to amend the Federal Power Act to provide for more protection to electric consumers; as follows:

Amendment No. 1787

S. 426 is hereby amended by adding the following new section:

At the appropriate place, insert the following:

"Sec. .

a. Sec. 211(c)(1) of the Federal Power Act, as amended is amended by striking the period and adding the following:

"Provided that the Commission in making its determination under this paragraph need only consider the existing retail customers and the current level of service to such customers of the utility potentially subject to the order and of the applicant."

Amendment No. 1788

S. 426 is hereby amended by adding the following new section:

"Sec. . Wheeling of Power

(a) Subsection 212(a)(1) of the Federal Power Act (16 U.S.C. section 824K(a)(1) is amended as follows:

(1) Strike out 'electric utility,';

(2) Insert ', or, in the case of any electric utility affected by the order, is not likely to unduly affect the cost of service provided to its customers,' after 'order'."

(b) Nothing in this amendment should be construed to alter any of the other requirements of section 824K of this title.

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AMENDMENT No. 1789

S. 426 is hereby amended by adding the following new section :

"SEC. . WHEELING OF POWER.

(a) Section 211 of the Federal Power Act of 1978 (16 U.S.C. Section 824J) is amended as follows—

(1) Amend subsection (c)(1) by adding the words "between the electric utility subject to the order to transmit and its retail customers and would not significantly alter existing competitive relationships between the electric utility subject to the order to transmit and its wholesale customers" at the end of the subsection;

AMENDMENT 1790

S. 426 is hereby amended by adding the following new section at the end thereof.

"SEC. .

Section 211(c)(2)(B) of the Federal Power Act is amended to read as follows:

'(B) required to be provided to such applicant pursuant to a rate schedule on file, the existing terms of which have previously been agreed to by the applicant.' "

ADDITIONAL BANKRUPTCY JUDGES

DENTON (AND SIMON) AMENDMENT NO. 1791

(Ordered to lie on the table)

Mr. DENTON (for himself and Mr. SIMON) submitted an amendment intended to be proposed by them to the bill (S. 1923) to provide for additional bankruptcy judges; as follows:

At an appropriate place in the bill, add the following:

"Sec. .

Section 523(a)(5) of title 11, United States Code, is amended by inserting after "or other order of a court of record or" the following: "any order, rule, or determination made pursuant to a State administrative process for obtaining and enforcing support orders, or".

PROTECTION FOR ELECTRIC CONSUMERS

MELCHER AMENDMENT NO. 1792

Mr. MELCHER proposed an amendment to the bill S. 426, supra; as follows:

Add the following new section to S. 426 at the end thereof:

SEC. . Section 211(c)(2)(B) of the Federal Power Act is amended by adding before the period the following: "provided, nothing in this subparagraph shall prevent an application for an order hereunder to be filed prior to termination or modification of an existing rate schedule, provided that such order shall not become effective until termination of such rate schedule or the modification becomes effective."

AUTHORITY FOR COMMITTEES TO MEET

COMMITTEE ON THE JUDICIARY

Mr. GRASSLEY. Mr. President, I ask unanimous consent that the Committee on the Judiciary be authorized to meet during the session of the Senate on Wednesday, April 16, 1986, in order to receive testimony concerning the nomination of James Larry Edmondson, to be U.S. Circuit Judge for the Eleventh Circuit.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. GRASSLEY. Mr. President, I ask unanimous consent that the Committee on the Judiciary be authorized to meet during the session of the Senate on Wednesday, April 16, 1986, in order to receive testimony concerning computer crime legislation.

The PRESIDING OFFICER. Without objection, it is so ordered.

COMMITTEE ON ARMED SERVICES

Mr. GRASSLEY. Mr. President, I ask unanimous consent that the Committee on Armed Services be authorized to meet during the session of the Senate on Wednesday, April 16, 1986, in closed executive session, in order to markup an original bill to reform military retirement.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. GRASSLEY. Mr. President, I ask unanimous consent that the Committee on Armed Services be authorized to meet during the session of the Senate on Wednesday, April 16, 1986, in open, later to become closed session, in order to conduct a hearing on the Navy and Marine Corps posture statements, in review of S. 2199.

The PRESIDING OFFICER. Without objection, it is so ordered.

COMMITTEE ON RULES AND ADMINISTRATION

Mr. GRASSLEY. Mr. President, I ask unanimous consent that the Committee on Rules and Administration, be authorized to meet during the session of the Senate on Wednesday, April 16, 1986, in order S. 2059, S. 2272, S. 2255, and Senate Resolution 374, relating to official mail costs.

The PRESIDING OFFICER. Without objection, it is so ordered.

SUBCOMMITTEE ON SCIENCE, TECHNOLOGY, AND SPACE

Mr. GRASSLEY. Mr. President, I ask unanimous consent that the Subcommittee on Science, Technology and Space of the Committee on Commerce, Science, and Transportation, be authorized to meet during the session of the Senate on Wednesday, April 16, to conduct a hearing on the National Aeronautics and Space Administration.

The PRESIDING OFFICER. Without objection, it is so ordered.

ADDITIONAL STATEMENTS

THE CANCER RESEARCH ACT OF 1986

● Mr. KENNEDY. Mr. President, I introduce today the Cancer Research Act of 1986. The bill I introduce today stands as a tangible hope for hundreds of cancer victims. A revolution has occurred in medical science, allowing understanding, treatment, even cure of disease on the molecular level where it occurs. Today, I introduce a measure seeking immediate support for a promising breakthrough in cancer therapy: Adoptive immunotherapy.

Adoptive immunotherapy, a cancer therapy developed by Dr. Stephen Rosenberg, chief of surgery at the National Cancer Institute, has been heralded by physicians, scientists, and lay leaders as one of the most significant cancer advances of our time. The process activated the body's own immune system to attack malignant cells, using a blood protein, Interleukin 2, genetically engineered in large amounts.

To date, 71 patients, all of them with extensive disease and with failures after other therapies, have been treated with this Interleukin 2 therapy. There have been highly encouraging response rates. The responses have been especially promising because they have occurred in some cancers which have been particularly difficult to treat. Kidney cancer, malignant melanoma, and colon cancer have responded at rates of 100 percent, 50 percent, and 30 percent, respectively. These should not be confused with cures. But they are unusually encouraging responses.

The history of this struggle is a long, often frustrating one. In the 1970's, we turned money and muscle to the "War on Cancer" expecting to conquer it as we had the Moon. The answers did not spring forth, and there was frustration in American homes. Today, fully 3 of 4 American families can expect at some point to face the diagnoses of cancer. Fortunately, the slow arduous process of research was not new to our scientists. It has been neessary to take years of small steps and to lay a foundation in basic medical science research. The scientists persisted in their work as we did in our support of them. The war continued against an oppressive, unrelenting foe. Thanks to breakthroughs like Dr. Rosenberg's work, the future for families who face cancer is less bleak than it once was.

Though six centers have been selected by the National Cancer Institute to receive a half million dollars for the treatment of 40 patients each, clearly this exciting new breakthrough deserves wider testing. Many questions must be answered. We must accelerate the development of this treatment into a therapy that could benefit millions of Americans.

When Dr. Rosenberg's cautious words on IL 2/LAK therapy appeared in the New England Journal of Medicine, the National Cancer Institute began receiving over 1,000 calls a day, the largest number in its history, from patients seeking placement in the program. Disease knows no prejudice.

These calls were from your constituents and mine, people rich and poor, black and white, mothers and fathers, sons and daughters, Americans from all across the land. All were desperate for the treatment their tax dollars helped to discover. Their calls were answered but their pleas for help went unfulfilled. No funds nor mechanisms existed to extend the program.

The legislation I am introducing today will provide for 12 treatment and research sites. It will double the rate at which scientists can answer the many questions that need to be answered before this immunotherapy can surpass the experimental stage. Each center designated will receive a half million dollars.

The expansion of research on this therapy has been endorsed by the President's Cancer Panel. They asserted in their most recent report there would be an "almost immediate benefit from expanding the clinical trials of Steven Rosenberg's (sic)." They recommended $20 million to this end.

The proposal I introduce today is a modest one. It will cost only $6 million. But it will double the number of cancer centers which can begin work on this therapy and the number of patients who are hopeful of receiving benefit from it.

Mr. President, there are those who would scoff at an old man who digs in the soil to plant a sapling, wasting effort on a tree whose fruit he will not live to taste, whose shade he will never enjoy. And yet that old man continues to toil, for he has vision. He labors, not just for himself, but for his children, for their fruit, for their shade. The Congress has shown vision through tireless support for basic science research since the very inception of the National Institutes of Health. While many of us do not fully understand the intricacies of biological science, we suffer ourselves and through family and friends when those biological processes go awry. At times, we have yearned for more direct results, for more practical research. But we have held fast to our faith in scientists at the helm supported by public revenues. Small steps lead to large ones. Years of small steps and vision have contributed to the larger step we are on the verge of making today.

I submit the text of the bill for the RECORD.

The text follows:

S. 2305

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "Cancer Research Act of 1986".

FINDINGS AND PURPOSE

SEC. 2. (a) The Congress finds that—

(1) in the last decade—

(A) there were in excess of 6,500,000 cases of cancer;

(B) more than 10,000,000 people were under medical care for cancer; and

(C) more than 3,500,000 people died from cancer;

(2) in 1986, one out of every five deaths in the United States will be due to cancer;

(3) three of the more common, most difficult to treat, and most fatal cancers are malignant melanoma, cancer of the colon, and cancer of the kidney; and

(4) adoptive immunotherapy, in the form of interleukin 2 lymphocyte activated killer cell therapy, has been shown to be unusually effective in the treatment of cancer of the kidney and has shown great promise in the treatment of malignant melanoma and cancer of the colon.

(b) It is the purpose of this Act—

(1) to provide means through which interleukin 2 lymphocyte activated killer cell therapy can be made more available to the thousands of Americans who suffer from cancer; and

(2) to foster expanded research efforts concerning methods to apply and improve interleukin 2 lymphocyte activated killer cell therapy as both a primary and an adjunctive therapy for cancer.

GRANTS AND CONTRACTS FOR RESEARCH

SEC. 3. (a) Subpart 1 of part C of title IV of the Public Health Service Act is amended by adding at the end thereof the following new section:

"RESEARCH ON ADOPTIVE IMMUNOTHERAPY

"SEC. 417. (a) The Director of the Institute shall make grants to, and enter into contracts with, 12 of the centers supported under section 414 for the conduct of clinical research on interleukin 2 lymphocyte activated killer cell therapy which has demonstrated particular promise for the treatment and cure of cancer.

"(b) The total amount of any grant or contract under this section for any fiscal year may not exceed $500,000.".

(b) Section 408(a)(1) of such Act is amended—

(1) by striking out "section 412" in subparagraph (A) and inserting in lieu thereof "sections 412 and 417"; and

(2) by adding at the end thereof the following new subparagraph:

"(C) To carry out section 417, there are authorized to be appropriated $6,000,000 for each of the fiscal years 1987, 1988, and 1989.".●

FORMER SENATOR J.W. FULBRIGHT'S ARTICLE ON PEACE

● Mr. PRYOR. Mr. President, I am pleased to note today that former Senator J.W. Fulbright of Arkansas has recently published in a national publication his thoughts on our prospects for peace and how we might best achieve it. The thrust of his argument is that we need to pursue a series of joint ventures on a wide range of cooperative levels.

It strikes me that, at a time when our country faces renewed interest in discussions with Soviet leaders, we should listen to a former Senator whose voice was always on the side of reason and good sense. I find it encouraging that Senator Fulbright continues to speak up for what he believes. For example:

"The way to prevent nuclear disaster," he writes, "is not through futile, mechanistic efforts to reduce Soviet military capabilities but through realistic attempts to influence political intentions and convictions. That is the purpose of joint ventures in various fields."

Let me commend my fellow Arkansan, Senator Fulbright, and ask that my colleagues in the Senate pay close attention to this recent article. I ask that it be printed in the RECORD.

The article follows:

OUTLOOK FOR PEACE—A DISTINGUISHED OBSERVER ASSESSES THE PROSPECTS FOR EAST—WEST COOPERATION

(By J. William Fulbright)

Now that there appears to be a thaw in East-West relations following the Geneva summit meeting between President Reagan and the Soviet Union's leader Mikhail Gorbachev, what are the prospects for peace and cooperation between our two countries? For an overview on what might lie ahead, and some suggestions on how the two nations could get along better, we invited the opinions of former U.S. Senator J. William Fulbright, who for 15 years served as chairman of the Senate Foreign Relations Committee—Ed.)

In dramatic contrast to his hostile criticism of the Soviet Union five years ago, President Ronald Reagan has now engaged Soviet leader Mikhail S. Gorbachev in an amiable and extended discussion of their respective national interests. And the two followed up their Geneva talks with New Year's Day addresses to each other's nations. It's certainly a "fresh start"—the start, we may hope, of an era of continuing dialogue and cooperation in a variety of joint ventures, and the beginning of the end of the era of confrontation.

Many commentators—most, in fact—have expressed disappointment at the lack of any substantive agreements regarding arms control at the Geneva summit. My own view is that this disappointment is not justified, because it is unrealistic to expect significant arms control agreements in the atmosphere of antagonism and suspicion brought about by five years of name-calling. With the "fresh start" at Geneva, the process of reestablishing civil communication between the parties can begin; and as the proposals for the resumption of exchanges, trade, and other confidence-building joint ventures are pursued, a climate sympathetic to substantive agreements can be created.

Pacts affecting the military forces of America and Russia are the most sensitive and unlikely to be achieved until the overall climate is improved. Negotiations for the S.A.L.T. II treaty were carried on over a period of some seven years without final approval, and the negotiations of Mutual and Balanced Reduction of Forces in Central Europe have been fruitless after more than 10 years of meetings in Vienna. These experiences should teach us that our priorities are wrong, that we have put the proverbial cart before the horse and that it is now time to put the horse in front and start to move toward our objective of a peaceful world. We are wasting our time, our resources and our patience in seeking arms control agreements when both parties are obsessed by suspicion and distrust and lack even a modicum of empathy for each other.

But it should not be beyond our capacity to find the means to reduce the suspicion and distrust that has, until now, obstructed progress toward the resumption of more

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normal relations. To achieve this we do not have to give moral sanction to the totalitarian aspects of the Soviet system. That, I should think, would be quite impossible for people with our tradition of democracy and individual liberty. But I do think it is possible for us to think about the Russians as human beings like ourselves. We do not have to admire the Soviet system to allow the possibility that the Soviet leaders, like our own, genuinely fear for their nation's security.

In the course of my 15-year tenure as chairman of the Senate Foreign Relations Committee, I conducted hundreds of hearings on a wide variety of topics. In retrospect, those that had the greatest impact on my own thinking were two separate series—in 1966 and 1969—on the psychological aspects of foreign policy. A number of themes emerged from those hearings that seem pertinent to our present circumstances.

The most obvious—and perhaps most important—is that it is not reality itself that shapes our political behavior but our perception of reality, and these are not necessarily the same thing. Another theme that emerged is that antagonism between hostile groups can be either aggravated by insult and epithet or alleviated by carefully planned activities requiring cooperation and human contact.

It is in this last category—planned cooperation in chosen areas—that we may discern some hope for the future of Soviet-American relations, and therefore for world peace.

At the present time, and in the wake of last year's summit, the most dramatic and effective confidence-building measures I can think of would be a joint research program with the Russians on the "Star Wars," or Strategic Defense Initiative, advocated by President Reagan. The President has on several occasions suggested that, if the project should prove feasible, he would be prepared to share the technology with the Russians, or as he put it more recently, sell it to them "at cost."

Instead of this rather casual and condescending promise for the future, it would be far more credible and useful if the research on "Star Wars" were conducted jointly from the outset. Such a venture would enhance the likelihood of success, reduce the cost to each party, and, of far greater importance, remove the destabilizing effects of a unilateral program while contributing substantially to the development of trust and confidence in each other's intentions. President Reagan insists that his Strategic Defense Initiative is solely for defensive purposes, but the Russians obviously are not convinced.

Another important confidence-building measure would be the revival of the Soviet-American trade agreement of 1972. It is tragic that, for unrelated reasons, this agreement was breached and abandoned. It provided not only for normal tariff treatment of trade with Russia, but also for payment by the Russians of the balance of the old lend-lease account of World War II amounting to approximately $700 million. (The payment of a long overdue debt always improves one's opinion of the debtor.)

Discussions took place soon after the agreement was concluded with a view to spending part of the funds from the lend-lease settlement on a large increase in the exchange of students and teachers, an area in which the United States has almost 40 years' experience. And a record of success.

At first funded by the United States alone, cultural exchanges now receive financial support from 29 other countries. Among these nations mutual understanding and trust has been strengthened by shared, cooperative activities.

Two of our former enemies—Japan and Germany—have become prominent supporters of this venture; a more recent antagonist, the People's Republic of China, now sends its students in impressive numbers to American universities.

In view of Reagan's recent speech and his negotiation with Gorbachev at Geneva for an expansion of cultural exchanges with the Soviet Union, we may anticipate that our relations with the Russians can be changed in a similar manner.

There are many other possibilities for cooperative joint ventures that would be both cost efficient and effective in finding solutions to problems that affect all countries. We might consider, for example, cooperation in medical research; better methods to control environmental pollution; cooperative procedures to prevent the extinction of endangered species; research on the problem of more and cheaper energy; and the broad area of increasing our understanding of the natural phenomena that are of interest to all peoples.

Beyond the direct results of any research, the more important achievement would be the effect collaborative activity has on the attitudes of the Russians and Americans involved.

Can there be any doubt that a well-designed and successful joint enterprise would reduce mistrust in the minds of the participants and increase their understanding of each other's purposes?

Having worked together and shared the tribulation inherent in the solving of difficult problems, Russians and Americans could develop a sense of comradeship and trust that now seems all but inconceivable. Under these conditions—experience shows—ideology loses much of its impact and old antagonisms abate

"Stars Wars" notwithstanding, we are well past the time when either side can hope to neutralize the other's capacity to inflict nuclear cataclysm.

The way to prevent nuclear disaster is not through futile, mechanistic efforts to reduce Soviet military capabilities but through realistic attempts to influence political intentions and convictions. That is the purpose of joint ventures in various fields. With our present rough parity of nuclear power there is little risk involved in pursuing joint ventures, which also offer a much better prospect of providing for our security and preserving our solvency than we can hope to gain by expanding the arms race into space.

Unabated, the arms race eventually will result in either a nuclear war or the impoverishment of both nations. It will not—and cannot—validate the ideology of either party. All it can prove, if it has not done so already, is the compulsion of superpowers for suicidal irrationality.

Leaders of powerful nations since the beginning of history have sought to increase their power and prestige by force and violence, hoping thereby to win profit and fame. More often than not the fame obtained has been short-lived. Victors beget rivals, who then form combinations to deprive the victor of his gains, and who then go on to seek their own fame and profit through further conflicts and conquests. The cycle of victory and defeat goes on—a temporary glory followed by more lasting degradation in pursuit of the phantom of some elusive prize in an empty system of power.

Irrational and absurd though all this may have been, it did not until recent times pose a definitive threat to the survival of our species. With the coming of the nuclear age, as Albert Einstein suggested in 1945, we came to a profound break in the thread of human history. What we could at least endure in the past we can no longer even consider. Thus the need for a "new manner of thinking" if humanity is to survive.

The fundamental challenge is one of psychology and education in the field of human relations. It is not the kind of problem that is likely to be resolved by expertise—even the sophisticated expertise of our most gifted military thinkers, who delight in exotic weapons systems and strategic doctrines well beyond the comprehension of ordinary citizens. A distinguished professor once commented that there is no such thing as an expert on the subject of wisdom in human affairs. The attributes upon which we must draw are the human attributes—of compassion and common sense, of intellect and creative imagination, and of empathy and understanding between cultures.

The central issue in relations between the U.S. and the U.S.S.R. is the latter's conviction that the U.S. is unwilling to recognize the legitimacy of the U.S.S.R.'s political and social system and is committed to thwarting it in every way and ultimately to changing it. The counterpart of that conviction is the belief by the U.S. that the Russians are determined to communize the world by force if the U.S. does not confront it with superior force. These beliefs, nurtured by harsh rhetoric and communication and trade boycotts, increase fear and hatred and the likelihood of a conflict. The only way to prevent such a disaster is to change these intentions and convictions: To this end, joint ventures are well designed.

Even though we do not recognize its legitimacy, the truth is that the Soviet Union is a fact of life to be dealt with and it is futile to think it will go away, that it can be intimidated by more and more nuclear arms or that it will collapse from internal weakness. Russia has so much nuclear- and manpower that there is no way the U.S. can neutralize it or deprive it of the power to do great damage to us.

The competition to militarize space should be transferred to a competition to improve the quality of life of all people. With only a fraction of the annual cost of armaments, enormous progress could be made in the eradication of poverty, of slums, of contaminated air and water, of ignorance and all the other afflictions of our people. The resources devoted to military preparations by both superpowers are so enormous that none of us can really grasp their significance and how they could transform the ordinary life of the people. We have become so traumatized by the apprehension of a nuclear war that we have forgotten the beauty and satisfaction of an ordinary way of life under peaceful conditions.

Is it unreasonable to believe that the Russian people and their government share the usual aspirations of other people for the good life, for food and shelter, and for all the amenities that make life more enjoyable and ensure a future for our children? The main difference between us is they believe they have a better system for the attainment of those blessings, a better system than ours.

Although it is no insignificant difference, the validity of each nation's views cannot be proved by a nuclear war. The value of each country's social and political system can be demonstrated only by peaceful competition, free of the distortion of life caused by the heavy burden of the arms race.

INDIANA AWARD WINNERS

● **Mr. LUGAR.** Mr. President, I wish to enter into today's Record the 1985 winning essays of a contest which I cosponsor annually with the Indiana Farm Bureau. The two winners, Amber Shoultz of Petersburg, IN, and Brian Stwalley of Fillmore, IN, traveled to Washington this spring to visit the Senate as part of their award. Their time and effort to become academic achievers should be commended and recognized. Amber and Brian are two examples of this country's continuing commitment to sound fundamentals in American education.

Mr. President, I ask that their essays on nutrition and Indiana's food production be printed in the Record.

The essays follow:

Good Food From Indiana: From Our Farms to Our Tables

(Amber Shoultz, Pike Central, Petersburg, IN)

I am only one kernel of corn in millions in this field. I am sad because when I mature, I am divided from all of my family and friends. The farmer picks me and many others. We are taken to market and sold. We are then shipped to many different places in the country. Some of us will be used as feed for livestock. Others will end up on the dinner table.

I have heard that Indiana has a large variety of nutritious foods grown within its borders. Melons, peaches, tomatoes, strawberries, and cabbage are some of the fruits and vegetables grown in Indiana. Some of the most common crops are corn, wheat, oats and soybeans. Cattle are plentiful also. The milk and meat that we get from this animal is very important in a diet.

Indiana produces most everything needed to begin and maintain a good diet. A proper diet consists of these major food groups: breads and cereals, fruits and vegetables, meat, and milk. Without the proper nutrients, you could grow weak. Your body might not function correctly. As a kernel of corn, I know. I have seen many kernels die from a lack of water and minerals. If you eat right, you will stay healthy.

Eating right not only helps you when you are young, but it also helps you to be stronger when you become old. Everyone needs nutrients, vitamins and proteins to stay alive.

Maybe it is not so bad being a kernel of corn. I get to travel through the country. I am also the most important crop in my state and one of the most important crops raised in the United States. I am high in nutrition and whoa—the farmer just picked me, so I have to go.

Good Food From Indiana: From Our Farms to Our Tables

(Brian Stwalley, Greencastle Middle School, Fillmore, IN)

Many plant and animal food products are grown in Indiana. Meat is one of Indiana's biggest agricultural industries. Meat contains protein, iron, and fat, three essential nutrients. Hoosiers enjoy getting their meat through beef, veal, lamb, poultry, pork, and various wild game.

One of the most important foods of Indiana is milk. Milk contains calcium and is considered a "nearly perfect food." There are quite a few dairy farmers and independent dairies in this state. If you don't like to drink milk, you may choose ice cream, cheese, butter, or yogurt.

Indiana's corn, wheat, and oat farmers help supply the nation with flour and meal as well as many varieties of cereal. Bread products contain carbohydrates, thiamin, and niacin. Hoosiers enjoy fresh baked bread anytime.

From asparagus to zucchini and everything in between, Hoosiers enjoy gardens. Various types of squash along with beans, peas, corn, cabbage, and other vegetables are raised. Fruits such as strawberries, raspberries, apples, peaches, and other fruits are plentiful. There are about 250 fresh produce markets spread throughout the state to obtain these products. Fruits and vegetables are plentiful in vitamins A, B, and C, so Hoosiers should have good eyesight.

People need to maintain a good diet in order to stay healthy and live longer, more productive lives. The food you eat affects your appearance. Your skin and hair are made from the food you eat, so it's important that you eat the right food to keep your complexion and hair healthy.

The food you eat also affects your personality and performance at your job or school. It's important to eat good food to maintain peak performance and to keep a friendly personality. Hoosiers grow and eat some of the most nutritious foods found anywhere.●

HAPPY BIRTHDAY TO DOREL CATARAMA

● **Mr. SIMON.** Mr. President, today marks the 35th birthday of Dorel Catarama.

Earlier this week, I met with officials of the Romanian Parliament and Embassy. It was a fine visit. It was my sense in this meeting that there is a keen interest in preserving the United States-Romanian relationship. There is concern with continued dialog and understanding, with Romania's ability to act independently, with most-favored-nation status and with the United States interest in human rights.

I communicated clearly in our meeting my strong concern for Dorel Catarama. I believe we have seen some success in the past with regard to these specific cases. It is my hope that we can work together toward that same kind of success with regard to Dorel Catarama.

His family in Chicago is quietly commemorating Dorel's birthday today. I join them on this occasion with the hope that they may be rejoined with their brother and son. I urge my colleagues to join us in this effort.●

NOTICE OF DETERMINATIONS BY THE SELECT COMMITTEE ON ETHICS

● **Mr. RUDMAN.** Mr. President, it is required by paragraph 4 of rule 35 that I place in the Congressional Record notices of Senate employees who participate in programs, the principal objective of which is educational, sponsored by a foreign government or a foreign educational or charitable organization involving travel to a foreign country paid for by that foreign government or organization.

The select committee has received a request for a determination under rule 35, for Mr. Charles N. Andreae, a member of the staff of Senator Richard G. Lugar, to participate in a program in Saudi Arabia, Kuwait, and Jordan, sponsored by the Union of Saudi Arabian Chambers of Commerce and Industry, from March 28–April 8, 1986.

The committee has determined that participation by Mr. Andreae in the program in Saudi Arabia, Kuwait, and Jordan, at the expense of the Union of Saudi Arabian Chambers of Commerce and Industry, is in the interest of the Senate and the United States.

The select committee has received a request for a determination under rule 35, for Mr. Andrew Wahlquist, a member of the staff of Senator John Warner, and Mr. Daryl H. Owen, a member of the staff of Senator J. Bennett Johnston, to participate in a program in Saudi Arabia, Kuwait, and Jordan, sponsored by the Union of Saudi Arabian Chambers of Commerce and Industry and the National Council on United States-Arab Relations, from March 28–April 8, 1986.

The committee has determined that participation by Messrs. Wahlquist and Owen in the program in Saudi Arabia, Kuwait, and Jordan, at the expense of the Union of Saudi Arabian Chambers of Commerce and Industry and the National Council on United States-Arab Relations, was in the interest of the Senate and the United States.●

NATIONAL ANDREI SAKHAROV DAY

● **Mr. D'AMATO.** Mr. President, yesterday I introduced a resolution, now numbered Senate Joint Resolution 323, to designate May 21, 1986, as "National Andrei Sakharov Day." Since there are so many Americans concerned with the fate of Mr. Sakharov, I have been asked to have this resolution printed in the Congressional Record in its entirety so that copies of it will be available to all congressional offices for easy distribution.

Therefore, Mr. President, I ask that the full text of Senate Joint Resolution 323 be printed in the Record.

The joint resolution follows:

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S.J. Res. 323

Whereas Andrei Sakharov has earned world-wide admiration and respect for his courageous and energetic efforts to secure fundamental human freedoms for the peoples of the Soviet Union, including those rights guaranteed in the Final Act of the Conference on Security and Cooperation in Europe signed at Helsinki, Finland on August 1, 1975; and

Whereas Andrei Sakharov has been awarded the 1975 Nobel Peace Prize for "his love of truth and strong belief in the inviolability of human beings . . . his courageous defense of the human spirit . . ." and for his life which has made him "the conscience of mankind"; and

Whereas Andrei Sakharov, due to his selfless work for human rights and world peace, has been illegally banished by the government of the Union of Soviet Socialist Republics to the closed city of Gorky, where on May 31, 1986, he will spend his sixty-fifth birthday in almost total isolation; and

Whereas Andrei Sakharov has been subjected to cruel and unusual medical procedures by the Soviet authorities when he conducted hunger strikes to protest repeated denials of his wife's, Elena Bonner's, request to be permitted to go to the West for medical treatment; and

Whereas the government of the Union of Soviet Socialist Republics has undertaken extraordinary measures, including confiscation of personal and professional correspondence and intensive physical and electronic surveillance, to isolate Andrei Sakharov and Elena Bonner in Gorky; and

Whereas the Soviet Union as signatory to the Universal Declaration of Human Rights has committed itself to respect the rights to freedom of movement and of residence within the borders of each state as well as the right to leave one's own country and return to it;

Whereas the Soviet Union and other signatories of the Helsinki Final Act stated their desire "to contribute to the strengthening of peace and understanding among peoples and to the spiritual enrichment of the human personality" and were "conscious that . . . contacts between people, and the solution of humanitarian problems will contribute to the attainment of these aims," further made it their objective "to facilitate freer movement and contacts, individually and collectively, whether privately or officially, among persons, institutions and organizations of the participating States, and to contribute to the solution of the humanitarian problems that arise in that connexion;" and

Whereas the participating States of the Helsinki Final Act are convened in Bern, Switzerland at the Human Contacts Experts Meeting inter alia to discuss implementation of those Helsinki Final Act provisions concerning the resolution in a positive and humanitarian spirit questions related to family visits, the reunification of families, binational marriage and promotion of other personal and professional contacts between people and between organizations; and

Whereas Andrei Sakharov continues to advocate full compliance by all signatory states with the provisions of the Helsinki Final Act and the Universal Declaration of Human Rights; now therefore, be it

Resolved by the House of Representatives (and the Senate) of the United States of America in Congress assembled, That May 21, 1985 is designated "National Andrei Sakharov Day" and that the President of the United States is authorized and requested to issue a proclamation calling upon the people of the United States to observe that day with appropriate ceremonies and activities, and be it further

Resolved, That the President of the United States is authorized and requested to urge the Government of the Union of Soviet Socialist Republics to permit Andrei Sakharov and Elena Bonner freely to choose their place of residence.●

SURVIVORS OF ABORTION: THE DREADED COMPLICATION

● Mr. HUMPHREY. Mr. President, once each day in the United States a tiny infant survives an abortion. Contrary to what many Americans assume, late-term, third-trimester abortions are permitted by Roe against Wade. In 1973, viability was estimated to be about 28 weeks gestation, but today it is known to be between 20 and 22 weeks in 1986. And yet, today, many hospitals and clinics allow abortions to be performed after the 20th week of pregnancy.

The result is babies who occasionally survive this cruel ordeal. I call upon the Supreme Court to seriously reconsider its carte blanche endorsement of late-term abortion. I call upon this body to exercise some moral leadership in considering new ways to protect these defenseless human children who can in fact live outside the womb.

I ask that the first half of an article which appeared in the Philadelphia Inquirer and which won a Pulitzer Prize in 1981, be printed in the Congressional Record. Tomorrow, I will ask unanimous consent that the second half of the article be printed.

The material follows:

[From the Philadelphia Inquirer, Aug. 2, 1981]

Abortion

Although abortions remain one of the major ethical controversies of our time, the fact is that an abortion has become the most common medical procedure performed on adults in the United States. More than a million and a half fetuses are aborted annually, and the number has increased about 50 percent from five years ago. At present, approximately one out of every four pregnancies is terminated by an abortion. American doctors remove more fetuses than tonsils.

But despite the intense attention the subject has received and the frequency with which the procedure is performed, something happens in a very small number of abortions, performed relatively late in the pregnancy, that no one wants to talk about. It horrifies many of the medical personnel who have encountered it.

What happens is that about once a day, somewhere in the U.S., something goes wrong and an abortion results in a live baby.

[Reprinted by permission of the Philadelphia Inquirer, Aug. 2, 1981, and co-author, Liz Jeffries]

The Dreaded Complication

(By Liz Jeffries and Rick Edmonds)

A woman's scream broke the late-night quiet and brought two young obstetrical nurses rushing to Room 4456 of the University of Nebraska Medical Center. The patient, admitted for an abortion, had been injected 30 hours earlier with a salt solution, which normally kills the fetus and causes the patient to deliver a mass of lifeless tissue, in a process similar to a miscarriage.

This time, though, something had gone wrong. When nurse Marilyn Wilson flicked on the lights and pulled back the covers, she found, instead of the stillborn fetus she'd expected, a live 2½-pound baby boy, crying and moving his arms and legs there on the bed.

Dismayed, the second nurse, Joanie Fuchs, gathered the squirming infant in loose bedcovers, dashed down the corridor and called to the other nurses for help. She did not take the baby to an intensive care nursery, but deposited it instead on the stainless steel drainboard of a sink in the maternity unit's dirty utility room—a large closet where bedpans are emptied and dirty linens stored. Other nurses and a resident doctor gathered and gaped.

Finally, a head nurse telephoned the patient's physician, Dr. C.J. LaBenz, at home, apparently waking him.

"He told me to leave it where it was," the head nurse testified later, "just to watch it for a few minutes, that it would probably die in a few minutes."

This was in Omaha, in September 1979. It was nothing new. Hundreds of times a year in the United States, an aborted fetus emerges from the womb kicking and alive. Some survive. A baby girl in Florida, rescued by nurses who found her laying in a bedpan, is 5 years old now and doing well. Most die. The Omaha baby lasted barely 2½ hours after he was put in the closet with the dirty linen.

Always, their arrival is met with shock, dismay and confusion.

When such a baby is allowed to die and the incident becomes known, the authorities often try to prosecute the doctor. This has happened several dozen times in the past eight years, most recently in the case of Dr. LaBenz, who is to go on trial in Omaha this fall on two counts of criminal abortion. But interviews with nurses, some of them visibly anguished, uncovered dozens of similar cases that never reached public attention.

In fact, for every case that does become known, a hundred probably go unreported. Dr. Willard Cates, an expert on medical statistics who is chief of abortion surveillance for the Center for Disease Control in Atlanta, estimates that 400 to 500 abortion live births occur every year in the United States. That is only a tiny fraction of the nation's 1.5 million annual abortions. Still, it means that these unintended live births are literally an everyday occurrence.

They are little known because organized medicine, from fear of public clamor and legal action, treats them more as an embarrassment to be hushed up than a problem to be solved. "It's like turning yourself in to the IRS for an audit," Cates said. "What is there to gain? The tendency is not to report because there are only negative incentives."

One result of the medical community's failure to openly acknowledge the problem is that many hospitals and clinics give their staffs no guidelines for dealing with abortion live births. Even where guidelines exist, they may not be followed. The doctor is seldom present when a live birth occurs, because most late abortions—those done later than the midpoint of pregnancy—are performed by the injection of a solution (the method used in the Omaha case) that slowly induces delivery of the fetus many hours later. Crucial decisions therefore fall to nurses and physician residents with secondary authority over the case.

Signs of life in the baby may or may not be recognized. At some hospitals a live-born abortion baby is presumed dead unless it conspicuously demonstrates otherwise, by crying or waving its arms and legs. Even then, the medical personnel on the scene may let the baby die rather than try to save it.

Because they are premature, these infants need immediate care, including machine support, in order to live. Given such care, many can survive in good health, as did a pair of abortion babies born in separate incidents in Wilmington, Del., in the spring of 1979 and since adopted. Others are too premature to be saved even with the best care.

Whether they live or die, these abortion live births—and even successful, routine abortions of late-term, highly developed fetuses—are taking a heavy emotional toll on medical staffs across the country. Some physicians say they have "burned out" and have stopped doing abortions altogether. Nursing staffs at hospitals in Cleveland, Grand Rapids, Fort Lauderdale and elsewhere have rebelled at late abortions and have stopped their hospitals from performing any abortions later than the midpoint of pregnancy. Some staff members who regularly perform late abortions report having nightmares about fetuses, including recurring dreams in which they frantically seek to hide fetuses from others.

In legalizing abortion in 1973, the Supreme Court said it was reserving the right to protect the life of a viable fetus—that is, one with the potential to survive outside the womb. But the court never directly acknowledged the chance of an aborted fetus' being born alive. And it therefore never gave a clear guideline for dealing with what Dr. Thomas Kerenyi, a leading New York expert on abortions, has called "the dreaded complication."

Twenty states (including Pennsylvania, New Jersey and Delaware) have no laws limiting late abortions or mandating care for live-born abortion babies. Even where such state laws exist, they have usually been found unenforceable in practice or unconstitutional.

"Everyone—doctors, attorneys, state legislators—is looking for some clear guidelines concerning disposition of these infants," said Newman Flanagan, district attorney for the City of Boston. "If a baby has rejected an abortion and lives, then it is a person under the Constitution. As such, it has a basic right to life. Unfortunately, it is difficult to protect that right, because there are no guidelines addressed to this specific issue."

Medical trends indicate that abortion live births will continue. They may even become more frequent. For one thing, demand for late-term abortions is undiminished, and with the growing popularity of genetic testing to screen for fetal defects midway through pregnancy, educated and affluent women are now joining the young, the poor and the uninformed who have been, until now, the main groups seeking late abortions.

Furthermore, estimating the gestational age of a fetus in the womb—a crucial aspect of a successful abortion—remains an inexact art. In March, doctors at the Valley Abortion Clinic in Phoenix estimated that one woman was 19 to 20 weeks pregnant; days after she delivered not an aborted fetus but a 2½-pound, 32-week baby. It survived after two months of intensive care at a Phoenix hospital.

Finally, medical science in the past 10 years has greatly improved its ability to care for premature babies. Infants are becoming viable earlier and earlier. Those with a gestational age of 24 weeks and weighing as little as 1½ pounds can now survive if given the best of care.

So long as doctors perform abortions up to the 24th week of pregnancy (as is legal everywhere in the United States under the 1973 Supreme Court ruling), it is statistically certain that some of these borderline cases will turn out to be viable babies, born alive. It happened again last May in Chicago—a 19-to-20-week estimate, a live-born 2-pound baby boy.

By ignoring the problem of abortion live births, the courts and the medical establishment are choosing to overlook a long, well-documented history of cases: *January 1969,* Stobhill Hospital, Glasgow, Scotland: A custodian heard a cry from a paper bag in the snow beside an incinerator. He found a live baby. It was taken inside and cared for in the hospital's operating theater but died nine hours later. The infant's gestational age had been estimated at 26 weeks by the physician performing the abortion. It was actually closer to 32 weeks. No efforts were made to check for signs of life before the aborted baby was discarded. No charges were filed. Because the case had been written about in British medical journals, it was a matter of record—before abortion was legalized in this country—that such things could happen.

April 1973, Greater Bakersfield Hospital, Bakersfield, Calif.: A 4½-pound infant was born live following a saline abortion (induced by an injection of salt solution) performed by Dr. Xavier Hall Ramirez. Informed by phone, Dr. Ramirez ordered two nurses to discontinue administering oxygen to the baby. His instructions were countermanded by another doctor; the baby survived and later was placed for adoption. Ramirez was indicted for solicitation to commit murder. His attorney argued that a medical order based on medical opinion, no matter how mistaken, is privileged. Dr. Irvin M. Cushner of the University of California at Los Angeles, later to become a top health policy official in the Carter administration, testified that it was normal for Ramirez to expect the delivery of a dead or certain-to-die infant as the result of a saline abortion.

July 1974, West Penn Hospital, Pittsburgh: Dr. Leonard Laufe performed an abortion on a woman who contended she had been raped—though that and her account of when she became pregnant were later disputed. She had been turned down for an abortion at another hospital, where the term of her pregnancy was estimated at 26 to 31 weeks. Laufe put it at 20 to 22. The abortion, induced by an injection of prostaglandin, a substance that stimulates muscle contraction and delivery of the fetus, was filmed for use as an instructional film. The film showed the three-pound infant moving and gasping. Also, a nurse and a medical student testified that they had noticed signs of life. No charges were filed, however, after a coroner's inquest at which Laufe testified that the infant sustained fatal damage during delivery.

February 1975, Boston: Dr. Kenneth Edelin was convicted of manslaughter for neglecting to give care to a 24-week infant after a 1973 abortion at Boston City Hospital. Witnesses said Edelin held the infant down, constricting the flow of oxygen through the umbilical cord and smothering it. He was the first and only American doctor ever convicted on charges of failing to care for an infant born during an abortion. The conviction was overturned by the Massachusetts Supreme Court on the ground that improper instructions had been given to the jury. Edelin and his lawyer argued that he had taken no steps to care for the infant because it was never alive outside the womb.

March 1977, Westminster Community Hospital, Westminster, Calif: A seven-month baby girl was born live after a saline abortion performed by Dr. William Waddill. A nurse testified that Waddill, when he got to the hospital, interrupted her efforts to help the baby's breathing. A fellow physician testified that he had seen Waddill choke the infant. "I saw him put his hand on this baby's neck and push down," said Dr. Ronald Cornelson. "He said, 'I can't find the —— trachea,' and 'This baby won't stop breathing.'" Two juries, finding Cornelson an emotional and unconvincing witness, deadlocked in two separate trials. Charges against Waddill were then dismissed. He had contended the infant was dying of natural causes by the time he got to the hospital.

July 1979, Cedars-Sinai Medical Center, Los Angeles: Dr. Boyd Cooper delivered an apparently stillborn infant, after having ended a problem pregnancy of 23 weeks. Half an hour later the baby made gasping attempts to breathe, but no efforts were made to resuscitate it because of its size (1 pound 2 ounces) and the wishes of the parents. The baby was taken to a small utility room that was used, among other things, as an infant morgue. Told of the continued gasping, Cooper instructed a nurse, "Leave the baby there—it will die." Twelve hours later, according to testimony of the nurse, Laura VanArsdale, she returned to work and found the infant still in the closet, still gasping.

Cooper then agreed to have the baby boy transferred to an intensive care unit, where he died four days later. A coroner's jury ruled the death "accidental" rather than natural but found nothing in Cooper's conduct to warrant criminal action.

A common thread in all these incidents is that life was recognized and the episode brought to light by someone other than the doctor. Indeed, there is evidence that doctors tend to ignore all but the most obvious signs of life in an abortion baby.

In the November 1974 newsletter of the International Correspondence Society of Obstetricians and Gynecologists, several doctors addressed a question from a practitioner who had written in an earlier issue that he was troubled by what to do when an aborted infant showed signs of life.

One was Dr. Ronald Bolognese, an obstetrician at Pennsylvania Hospital in Philadelphia, who replied:

"At the time of delivery, it has been our policy to wrap the fetus in a towel. The fetus is then moved to another room while our attention is turned to the care of [the woman]. She is examined to determine whether complete placental expulsion has occurred and the extent of vaginal bleeding. Once we are sure that her condition is stable, the fetus is evaluated. Almost invariably all signs of life have ceased."

(Bolognese recanted that statement in a 1979 interview. "That's not what we do now," he said. "We would transport it to the intensive care nursery.")

In addition, Dr. William Brenner of the University of North Carolina Medical School suggested that if breathing and

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movement persist for several minutes, "the patient's physician, if he is not in attendance should probably be contacted and informed of the situation. The pediatrician on call should probably be apprised of the situation if signs of life continue."

Dr. Warren Pearse, executive director of the American College of Obstetrics and Gynecology, was asked in a 1979 interview what doctors do, as standard practice, to check whether an aborted fetus is alive.

"What you would do next [after expulsion] is nothing," Pearse said. "You assume the infant is dead unless it shows signs of life. You're dealing with a dead fetus unless there is sustained cardiac action or sustained respiration—it's not enough if there's a single heartbeat or an occasional gasp."

These seemingly callous policies are based on the assumption that abortion babies are too small or too damaged by the abortion process to survive and live meaningful lives. That is not necessarily the case, though, even for babies set aside and neglected in the minutes after delivery.

A nursing supervisor who asked not to be identified told of an abortion live birth in the mid-70's in a Florida hospital. The infant was dumped in a bedpan without examination, as was standard practice. "It did not die," the nurse said. "It was left in the bedpan for an hour before signs of life were noticed. It weighed slightly over a pound.

The baby remained in critical condition for several months, but excellent care in a unit for premature infants enabled it to survive. The child, now 5 years old, was put up for adoption. The nursing supervisor, who has followed its progress, said she has pictures of the youngster "riding a bicycle and playing a little piano."

In the spring of 1979 two babies were born live, five weeks apart, after saline abortions at the Wilmington Medical Center. They were given vigorous care, survived and were later adopted. One had been discovered by a nurse, struggling for breath and with a faint heartbeat, after having been placed in a plastic specimen jar. The second was judged to be a live delivery and was given immediate help breathing.

A baby girl, weighing 1 pound 11 ounces, was born in February 1979 after a saline abortion at Inglewood (Calif.) Hospital. Harbor General Hospital, which is associated with UCLA and is fully equipped to care for premature babies, was called for help, but the neonatal rescue team did not respond. The infant died after three hours.

The Los Angeles Department of Health Services investigated and was told that there had been confusion over the baby's weight and that it reportedly showed poor vital signs. It was "very unusual for them not to pick up [an infant] of this size," Dr. Rosemary Leake of Harbor General told investigators.

The administrator of the New York abortion unit, asked what would be done for a live-born abortion baby, said, "The nurses have been trained in how to handle this. I'd like to think we would do everything to save it. But honestly I'm not sure."

These incidents together suggest that life in an aborted infant may or may not be recognized. If it is, supportive treatment may or may not be ordered.

Such incidents, when discovered, often provoke prosecutions. A few may seem something like murder at first blush. But on closer inspection the doctors' actions have been judged, time and again, not quite to fit the definition of a crime.

Nowhere was this more vividly shown than in the case of Dr. Jesse J. Floyd, who was indicted on charges of murder and criminal abortion by a grand jury in Columbia, S.C., in August 1975. The charges were the result of an abortion a year earlier of a baby that appeared to have a gestational age of 27 to 28 weeks. It weighed 2 pounds 5 ounces and lived for 20 days.

In October 1979 the state dropped its case against Floyd. County prosecutor James C. Anders later conceded in an interview that South Carolina's abortion law was of dubious constitutionality. "In the second place," he said, "I had a reluctant witness [the infant's mother]. That and the passage of time worked against me."

A detailed record was developed in the case, as part of a federal suit that Floyd brought against Anders in which he sought to block the state prosecution. The 20-year-old mother, Louise A., lived in the small town of Hopkins, worked at a military-base commissary and had plans to enroll in a technical college. Those plans made her unwilling to have the baby she was carrying, so she presented herself for an abortion at Floyd's office in July 1974. Court records indicate that she had been told erroneously by her hometown doctor's nurse that she was not pregnant, and that she only slowly realized that she was.

Floyd found her to be past the first trimester of pregnancy, and under South Carolina law that meant an in-hospital abortion would be required. There were delays in her raising $450 for the abortion and more delays in admitting her to Richland Memorial Hospital. She was injected with prostaglandin on Sept. 4 and expelled the live baby early on the morning of Sept. 6.

"I started having real bad labor pains again," Louise recalled in her deposition, "and finally my baby was born. I called the nurse. Then about four or five of them came in the room at the time. The head nurse came in the same time the other nurses came in and she told me did I know that the baby was a seven-month baby. I told her no.

"One of the nurses said that the baby was alive. They took the baby out of the room. He never did cry, he just made some kind of a noise.

The first doctor on the scene, paged from the cafeteria, was a young resident. She did not hesitate. On detecting a heartbeat of 100, she clamped and severed the umbilical cord and had the baby sent to the hospital's intensive care unit.

"It was a shock, a totally unique emergency situation, very upsetting to all of us," the doctor, who now practices in California, said in an interview. "Some people have disagreed with me [about ordering intensive care for an abortion live birth] but that seems to me the only way you can go.

"It's like watching a drowning. You act. You don't have the luxury of calling around and consulting. You institute life-preserving measures first and decide about viability later on."

Ten days after birth, the baby had improved markedly and was given a 50-50 chance of survival. Then he developed a tear in the small intestine and died of that and other complications on Sept. 26.

Louise A. never saw the child. She checked out of the hospital two days after the abortion and did not return. But she did show a passing interest in the baby's progress.

"I kept calling this nurse," Louise said in her deposition. "I would call . . . and get information from them about the baby, and they told me he was doing fine. They told me he had picked up two or three pounds. I started going to school, and one afternoon I called home and they told me the baby had died, but no one told me the cause of his death."

Floyd never saw the infant either. On the day of the abortion, his hospital privileges at Richland were withdrawn, and they have never been restored.

These circumstances presented prosecutor Anders with a difficult case. Floyd had had no physical contact with the live-born infant, nor was he issuing orders concerning its care. Nonetheless, Anders thought the doctor could be held responsible for the infant's death.

Anders pressed his murder charge using an old English common-law theory. Under this theory, willfully doing damage to a "vital" infant in the womb could be considered a crime against the fetus as a person. The abortion itself, Anders alleged, was an assault.

This line of argument is not entirely far-fetched. For instance, a Camden, N.J., man was convicted of murder in 1975 after he shot a woman in the abdomen late in her pregnancy, causing the death of the twins she was carrying. But application of the theory to abortion had never been tested—in South Carolina or anywhere else.

South Carolina law in the mid-1970s prohibited third-trimester abortion unless two other doctors certified that the abortion was essential to protect the life or health of the mother. No such certifications were made for Louise. However, various Supreme Court rulings suggested that both the requirement of consultation with other doctors and the explicit definition of viability (as beginning in the third trimester) would make that law unconstitutional

Floyd's lawyers, George Kosko of Columbia. S.C., and Roy Lucas of Washington, also filed voluminous expert affidavits on the difficulty of estimating gestational age accurately. At worst, they argued, Floyd had made a mistaken diagnosis. What proof was there that he had intentionally aborted a viable baby?

District Court Judge Robert Chapman and the Fourth Circuit Court of Appeals agreed that the prosecution was based on flimsy evidence and should be blocked. However, the Supreme Court disagreed, in a ruling in March 1979, and suggested that judgment should be withheld on constitutional matters until the state prosecution had run its course. The way was thus cleared for Anders to proceed, but with witnesses dispersed, memories fading and the legal basis for prosecution still doubtful, Anders chose to drop the case.

Floyd, 49, continues performing first-trimester abortions at his Ladies Clinic, but the loss of hospital privileges and the damage to his reputation caused his surgical practice to collapse, he said.

The long legal proceeding also seems to have had a chilling effect on abortion practice throughout South Carolina, which Anders concedes was one of his intentions.

"The main thing is the dilemma it puts the other physicians in," Floyd said in an interview. "It's just about dried up second-trimester abortions in this state. I have to send mine to Atlanta, Washington or New York."

Asked about late abortions and the risk of live births, Floyd said he thought abortions performed through the sixth month of pregnancy create "a problem to which there isn't an answer. We probably need to move

back to 20 weeks. I would be reluctant to do one now after 20 weeks."

A similar case occurred about the same time in South Carolina, when Anders obtained a criminal indictment charging Dr. Herbert Schreiber of Camden, S.C., with first-degree murder and illegal abortion.

On July 18, 1976, a month after the charges had been filed, the 60-year-old doctor was found dead in a motel room in Asheville, N.C. A motel maid discovered the body slumped in a chair. Several bottles of prescription drugs were recovered from the room. Two days later the Buncombe County medical examiner ruled the death a suicide from a drug overdose.

Schreiber, who left no note, had pleaded not guilty to the charge of having killed a live baby girl after an abortion by choking or smothering her to death.

Comparing the Floyd and Schreiber cases, Anders found an irony: Schreiber "just reached in and strangled the baby," the prosecutor said his evidence showed. "I charged him with murder, and he committed suicide. If he had been willing to wait, he probably would have been OK too."●

ED DOWNEY HONORED BY THE ESSEX COUNTY, NJ GOVERNMENT

● Mr. **LAUTENBERG**. Mr. President, I am pleased today to recognize the accomplishments of Essex County, NJ, clerk of the Board of Elections for 25 years of service to Essex County.

Starting as an investigator, commissioner of registration and superintendent of elections, Mr. Downey advanced through the ranks to eventually become the commissioner of registration and superintendent of elections for the county of Essex, NJ. More recently, Ed was chosen to be the clerk of the Board of Elections for Essex County.

In these days when loyalty, diligence and job performance are not highlighted as often as needed, I want to cite Mr. Downey as an inspiration to young people who are about to enter the work force. Because of his outstanding service, the Essex County government is sponsoring a reception in his honor on Wednesday, April 16, 1986.

Mr. President, I am proud to join in honoring Ed Downey for his considerable accomplishments which have benefited many persons throughout the State of New Jersey. His efforts over the last 25 years stand as a testament to government which is both fiscally and socially responsible; government which works for the average American.●

NAUM AND INNA MEIMAN: SPEAKING OUT

● Mr. **SIMON**. Mr. President, today, I sent copies of past floor statements on Naum and Inna Meiman to the Soviet Embassy. It is essential that the Soviets understand the level of concern that we in the Congress express.

Yesterday's news conference with Olga Plam, Naum's daughter, Lisa Paul, the Meimans' young American friend and a number of Senators and Congressmen demonstrates the importance of the Meimans' case.

As Olga pleaded with the world to not forget those she left behind, I could not help but look around the room to see that Olga had moved us all. Lisa, the young women who went on a hunger strike to protest the Meimans' situation, made a brief statement which focused on the vitality of the Meimans. She broke into tears and could not continue.

The Meimans are beloved, old people who pose no threat to the Soviet state.

I urge the Soviets to grant the Meimans permission to emigrate to Israel.●

DAVID H. MALIN

● Mr. **MATHIAS**. Mr. President, leaders in every form of human endeavor are very rare. When their leadership is exercised in new fields and pioneering endeavors their loss is keenly felt.

This is certainly true of David Malin who died in Baltimore last Thursday. He was both a leader and a pioneer in the education of children with learning disabilities. He fully understood the great potential of such children and the necessity of recognizing their problems at an early age.

David Malin put his belief in children with learning disabilities to the test when he joined in the founding of Jemicy School. He was serving as director of the school at the time of his death.

Many young Americans who might have been shunted aside by the education system can now look forward to successful and fulfilling lives because of David Malin's work.

Mrs. Mathias and I share the sense of loss that is felt by all who know Jemicy School. We extend our sympathy to Mrs. Malin and to their son Michael.

I ask that an obituary that appeared in the Baltimore Sun on April 11, 1986 be printed in the RECORD.

The obituary follows:

DAVID H. MALIN DIES AT 45; WAS JEMICY SCHOOL DIRECTOR

A memorial service for David H. Malin, the director and one of the founders of the Jemicy School, will be at 11 a.m. Friday at the school, 11 Celadon Road in Owings Mills.

Mr. Malin, who was 45, died Thursday of cancer at his home in the 300 block of Northway. Graveside services were held yesterday at Beth Tfiloh Congregation cemetery.

In 1973, Mr. Malin was one of the founders of the school for children with dyslexia, an impairment of the ability to read. Originally called the School at Jemicy Farm, it moved from the farm to the quarters of the old Valley School shortly after its formation.

Earlier, he taught exceptional children in the Baltimore County school system, directed a model program for children with dyslexia in Prince George's County and taught in the Loyola College graduate program in addition to tutoring children privately.

He also served on the Governor's Commission for Dyslexia.

In 1983, he received the International Reading Association's Celebration of Literacy Award, and in 1973 was named an Outstanding Young Man of the year by the Baltimore Junior Chamber of Commerce.

Born in Baltimore, he was educated at the Talmudical Academy and City College. He earned a bachelor's degree at Towson State University and a master's degree at Loyola College.

He is survived by his wife, the former Judith Ann George; a son, Michael Malin, of Baltimore, and a brother, Jerald A. Malin, of Baltimore.

The family suggested that memorial donations could be made to the Jemicy School.●

THE TARGETED JOBS TAX CREDIT PROGRAM

● Mr. **DOMENICI**. Mr. President, I would like to bring to your attention the support and praise many New Mexicans have expressed for the Targeted Jobs Tax Credit Program. During a period of unprecedented Federal fiscal imbalance and consequent need to reduce spending, this job creation program is unique and welcomed. No expensive Government agency runs it. No excessive redtape lessens its effectiveness. Rather, the TJTC offers financial incentives in the form of tax credits to employers who hire a selected group of people who because of their age, education or other circumstances have a hard time getting a chance at a job. Let me say that I am an enthusiastic supporter of this job placement program.

The Targeted Jobs Tax Credit Program was implemented in 1978 to focus employment opportunities for groups in need of special incentives in order to be considered for employment, groups whose unemployment rates are traditionally above the national average.

The TJTC Program targets for employment of individuals from nine targeted groups. These groups are first, vocational rehabilitation referrals; second, economically disadvantaged youths age 18 through 24; third, economically disadvantaged Vietnam-era veterans; fourth, SSI recipients; fifth, general assistance recipients; sixth, economically disadvantaged cooperative education students age 16 through 19; seventh, economically disadvantaged former convicts; eighth, AFDC recipients and WIN registrants; ninth, economically disadvantaged summer youth employees age 16 or 17.

The credit generally equals 50 percent of the first $6,000 of qualified first year wages and 25 percent of the first $6,000 of qualified second year wages paid to a member of a target

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group. Thus, the maximum credit is $3,000 per individual in the first year of employment and $1,500 per individual in the second year of employment, or a maximum credit of $4,500 over a 2-year period. With respect to economically disadvantaged summer youth employees, however, the credit is equal to 85 percent of up to $3,000 of wages, for a maxium credit of $2,000. The employer's deduction for wages must be reduced by the amount of credit.

New Mexico placed 4,121 of its citizens in jobs in 1985 through the targeted jobs tax credit and 3,766 in 1984. The largest percentage of these placements have been in the categories of disadvantaged youth enrolled in cooperative education programs, disadvantaged youth age 18 to 24, AFDC recipients and exconvicts. In addition, the TJTC has been particularly effective in providing summer employment for disadvantaged youth.

In 1981, the Senate voted 95 to 3 to extend the TJTC Program for 1 year as a result of a Senate floor amendment offered by myself and my distinguished colleagues Senator Heinz, Senator Dole, Senator Long, and 29 others. The program was extended again for 2 years under the Tax Equity and Fiscal Responsibility Act of 1984 [TEFRA] and for an additional year by the Deficit Reduction Act of 1984.

I have been a cosponsor and active supporter of the targeted jobs tax credit each time it has been considered for authorization. This includes the Economic Recovery Tax Act of 1981, the Tax Equity and Fiscal Responsibility Act of 1982, and the Deficit Reduction Act of 1984.

The targeted jobs tax credit expired on December 31, 1985. A 2-year extension was included in the Tax Reform Act, H.R. 3838, which has passed the House and now the Senate Finance Committee is considering tax reform. Since drafting major tax legislation is time consuming, this period of uncertainty must be eliminated in the interest of maintaining continuity for the taxpayer.

This credit must be extended because the TJTC is simple, effective, and an easily understood private enterprise stimulus that works to reduce structural unemployment. Employers under the program will take a chance on the target groups regardless of the associated higher training costs and employment risks, thus the program operates effectively to create preferential hiring practices. Small businesses have used TJTC because of its simplicity. State employment agencies in almost every State support TJTC, and in certain States, 50 percent of the Job Services' placements are related to TJTC.

The program is cost effective, because it drastically reduces welfare assistance and unemployment compensation to targeted groups. Since people are leaving welfare roles to become taxpayers, the TJTC benefits society without increasing Government spending.

The TJTC is an outstanding jobs program, but is dying a slow death. It has been in a state of limbo since December 31, 1985. It is different from other programs in similar situations because it is more sensitive to this loss of time. Businesses and community agencies who have become used to using it as a placement tool for the handicapped and disadvantaged are losing interest and confidence. The State employment agencies are dismantling their TJTC vouchering and certification structure and laying off or transferring TJTC personnel. TJTC, one of very few successful, cost efficient partnerships between business and Government, is in danger of extinction. Therefore, I suggest that immediate action be taken.●

THE "IMPACT '86" SPEECH OF SENATOR CHILES

● Mr. NUNN. Mr. President, on April 14, Senator Chiles delivered a major policy speech to the National Conference of the American Academy of Pediatrics. His topic was infant mortality and what needs to be done to conquer a threat still so common in the United States, that we rank 16th in the world in the number of children who die in infancy.

It was a hard-hitting talk, laced with facts and remarkable for the plan of action it proposes to reduce our infant mortality rate. Senator Chiles described his bill, S. 2288, entitled "IMPACT '86, the Infant Mortality Prevention Act of 1986." The bill would allow States, through Medicaid, to provide prenatal care to pregnant women with incomes below the poverty level and to their infants.

It was Senator Chiles who made sure $100 million was included in the Senate's version of the first concurrent budget resolution to provide room for this legislation itself.

It's clear from these actions and others that Lawton Chiles has become one of the Nation's authentic leaders in the fight against infant mortality. His speech is both a comprehensive assessment of the problem, and a strategic blueprint for action.

I commend it to my colleagues as the best statement I've read on one of the Nation's most damaging problems. I ask that it be printed in the Record.

The address follows:

Remarks of Senator Lawton Chiles at the National Conference of the American Academy of Pediatrics

Thank you for your invitation. I'm very pleased to be with you today.

Some years ago, I was blessed with a miraculous grandson.

He was more than five months early, and weighed less than two pounds. Today, he's strong and healthy. And my family and I will always be thankful for the pediatricians and neonatologists who watched over him.

Still, I know in my heart—and his doctors agreed—there was something more in that boy that saved him. He came back to us even when his doctors told us his chances were all but gone.

We were fortunate to have the doctors with us. And we were fortunate for the unseen hand that saved him.

Yet others have met tragedy.

Today, we still hear—much too often—the echoes of this ancient Greek question: "Can you find in human life any greater suffering than to see your children dead?"

I know those are stark words. But they have been asked so often in this country by people from all walks of life.

Abraham Lincoln—murdered this day in 1865—lost an 11-year-old son to diptheria. Calvin Coolidge lost his son to a blood infection. And John Kennedy's son, Patrick, lived just 48 hours.

Even today in the United States—the richest and most advanced nation on earth—at least ten births out of every 1000 leave parents asking that same painful question: Is there any greater suffering?

Those stricken parents must live with the answer all their lives. But the rest of us have other questions to answer.

For example, why is it that the United States still ranks 18th on the list of infant mortality—on a par with Singapore?

Why is it that newborn black children are twice as likely to die in infancy as white children?

And why is it that despite improvements over the years, death rates for babies who survive the first month of life are rising?

Maybe it will never be possible to isolate a single cause. Certainly the evidence suggests that prenatal care for more mothers needs serious improvement. But for the third year in a row, the percentage of women not getting that care has increased.

And when the figures show that American infants of low-birthweight are 40 times more likely to die in the neonatal period than normal infants, we can't help but be alarmed by the persistently high number of low-birthweight infants born in the United States.

The physicians of this country have been able to work wonders over the last 25 years. The rate of infant mortality has fallen dramatically. Right here in Florida, we have gone from nearly 30 deaths per 1000 births in 1960 down to less than 11 in 1984.

The downward trend must continue. It seems to me that the path to follow is to bring the medical genius of the nation to more and more people. But around the nation, we seem to have run into a barrier that keeps proper care during pregnancy from the reach of too many women.

If we can't penetrate that barrier, the nation will pay a cruel price in lost lives and limited futures. The mothers without care will pay a price. The children who survive a difficult birth without access to good neonatal care will pay a price of their own.

And the nation will pay as well.

Children without proper nutrition and health care begin life with restrictions. Schooling becomes hard. Many drop out. The cycle of poverty takes over, leaving them out of the mainstream of American life. There seem to be more opportunities to go wrong than to move ahead. And the nation loses twice—in remedial, welfare, and

correctional costs—and in squandered minds.

I'm not saying there's a universal link between children who fail and the lack of good care for infants and mothers. But I do suggest that the more healthy children we can bring to life in this nation, the better the nation's life can be.

Last September, I proposed legislation in the Senate to create a National Commission to Prevent Infant Mortality. It would serve for just one year. And it would not try to reinvent the wheel.

The Commission's aim would be to review current state and federal efforts to prevent infant mortality. It would be charged to report legislative steps, to coordinate and improve on what's been done so far.

Medicine in this nation has worked wonders for so many. What we face now is the question of what can be done to help reach others in need.

In Washington, I serve as the ranking Democrat on the Senate Budget Committee. So, better than most, I recognize the limits the federal deficit imposes on spending choices.

The Administration's budget request for Maternal and Child Health would not even provide enough for the current level of service. Community health and migrant health programs would vanish into block grants at lower levels of funding. And the National Institute for Child Health would end up with $11 million less next year than it received last year.

Deficits forced those choices. And they are the wrong choices.

Poor families with meager resources try and make choices that will save them money in the future. They try and plan ahead—to put something away for the hardest times—but also to invest what they have to keep those hard times away.

The high level of infant mortality demands we make those same choices. We must act now to give our children and their mothers a better chance.

So as a parent, a grandparent, and as a member of the Budget Committee it's clear to me that preventive investment is essential at both the humane level, and at the financial level.

In March, we reported a budget in the Senate that includes room for a $100 million initiative in the Medicaid program. It would be used to target preventive health care service to low-income pregnant women and their infants.

The budget itself does not make the necessary changes in federal law to achieve the goal. But it would fence off the funds to help us begin.

In this time of budget austerity, we've got to work even harder to find ways to achieve long-range savings. Putting aside money for pregnant women and newborn children is that kind of investment. Inattention to these needs in the past has been costly. What we need is the small dose of prevention to avoid major spending on cures later—the kind of cures that would be necessary to help children damaged in infancy because they had no access to proper care.

I have seen compelling figures from right here in my own state about the value of investing in prevention.

On average, the cost of prenatal care in a normal pregnancy is around $600. But the cost of intensive care for a low-birthweight infant can be as much as $120,000.

Pediatricians do incredible work saving the newborn. But it seems to me there's a great deal more that must be done to safeguard the unborn. We must reach more and more pregnant women with better and better care to help them bring healthier babies into the world.

Last week, I introduced legislation to put the flesh on the bones of the budget initiative.

Let me tell you something about it.

I want to strengthen the Medicaid program so all low-income, pregnant women can have decent prenatal care. And their children—through the first year of their life—can have decent health care. Even if they aren't covered by health insurance. And even if they have incomes lower than necessary to pay for it. Our goal is to make this special maternity benefit available to all women with family incomes below the Federal poverty standard—a standard now set at about $8,800 for a family of three. We may have to start out on a smaller scale—targeting those with family incomes only one-half that amount.

If a state chooses to implement maternity coverage for this special group, the federal government would match their expenses at the same overall Medicaid rate, somewhere between 50 and 80 percent of the total cost.

Right now, Medicaid coverage is tied to state eligibility standards for AFDC. If an individual's income is low enough to qualify for AFDC, Medicaid's also provided.

In many states, however, the payment standard for AFDC is too low to bring health care insurance to the thousands of women and children who need it. And many of those are the same states with the highest levels of infant mortality. It's incredible when you realize that 20 States now do not even have a standard high enough to provide health care to pregnant women with incomes at half the poverty level.

The bill would require all health insurance coverage through Medicaid to be available solely on the basis of need, rather than tied to welfare.

Beyond that, the coverage wouldn't be dependent on accumulating large medical bills to qualify for Medicaid. As things stand now, a low-income woman has to show huge medical bills to qualify for the Medicaid program. This in itself discourages the woman from seeking crucial prenatal care because she can't afford the bill in the first place. The preventive guidance so important in early pregnancy never reaches her.

So those are the basic contours of what the plan would do. But no one knows better than you do that one bill or a specified amount of money will not solve all the problems.

It won't solve the problems of complicated pregnancies. It won't take care of the mother's pre-existing health conditions. It's not a cure all. But it's a firm step forward.

Obviously medicine can do only so much. Unwanted pregnancies among the young and unmarried, nutrition problems, and the prevalence of drugs are all threats to the life of the unborn child.

Nothing the federal government can do alone—nothing the state governments can do alone—can solve all the problems.

But the one thing that's clear is that no matter what we do, you're the ones who will make the difference. Your skills and lifetime dedication to giving children the best chance is the critical factor.

For 56 years, the American Academy of Pediatrics has held fast to its founding ideals: helping children attain their full potential for physical, emotional and social health.

During my 15 years in the Senate, you have worked hard to push forward research and learning on maternal and child health, biomedical research and child nutrition.

Your advice has helped children make progress. Your initiative has made policy makers see the light. And your imagination and persistence can help us all see the future. I am grateful to all of you—to our own pediatricians in Florida and those of you from all throughout the country—for your leadership.

So, I'm not here to lecture. I only want to make it clear that the work you do has willing allies throughout society.

Louis Pasteur once described two contrary laws he saw at work in the world. One was the "law" of the battlefield and death. The other was the law of peace and health.

Of the second law, Pasteur wrote that science must try, "by obeying the law of humanity, to extend the frontiers of life."

It is this law you have sworn to uphold. It is the law of the children. And it is the law of hope for all of us.

Thank you very much.●

CONGRESSIONAL CALL TO CONSCIENCE

● Mr. NICKLES. Mr. President, I am proud to be a participant in the 1986 Congressional Call to Conscience. This program highlights the plight of Soviet Jews. Today, I would like to call attention to one woman's plight. It is the case of Nadezhda Fradkova.

Nadezhda, who is now 39, first applied for permission to emigrate to Israel in 1978. The reasons given for her denial reveal the lack of good faith on the part of the Soviet authorities. They maintained that she could not be allowed to emigrate because her father had access to State secrets. In reality, her parents divorced when she was an infant, and Nadezha has never met her father.

To protest the continued denial of her right to emigrate, Nadezhda resorted to the only weapon at her disposal, the hunger strike. She began several during 1983 and 1984. However, each time she began a hunger strike, she was forcibly taken to a hospital where she was force-fed.

Despite her advanced science degrees, Nadezhda was refused all but the most menial work. In 1984, she was arrested and charged with parasitism although she had tried unsuccessfully to find employment. She was harassed by the police and the KGB in the process. The subsequent treatment she received was horrendous.

Nadezhda was checked in and out of psychiatric institutions. Whenever she tried to register complaints about her treatment by waging hunger strikes, she was force-fed. She spent periods in complete isolation. To break her spirit, she was injected with massive dosages of drugs which left her paralyzed and barely conscious.

Following her stay in the psychiatric hospital, Nadezhda was transferred directly to a labor camp. She has been denied visitation rights. No word has

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been received from her since she was taken there.

As Americans, we must stand up and take notice of the injustice that is being perpetrated against our fellow human beings. We must not turn our backs on the suffering of countless Soviet Jews. Anatoly Shcharansky is free, but there are many like him who were left behind. This country was founded on the premise that no one should be oppressed or persecuted because of his or her religion. I call on the Soviet Union to give religious freedom to its Jews and other religious denominations, and to let Nadezhda Fradkova go free.●

Mr. DOLE. I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. MELCHER. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

CONCLUSION OF MORNING BUSINESS

The PRESIDING OFFICER. We are still in morning business.

Mr. MELCHER. Mr. President, I ask unanimous consent that morning business end.

The PRESIDING OFFICER. Morning business is closed.

ELECTRIC CONSUMERS PROTECTION ACT

The PRESIDING OFFICER. The clerk will report.

The assistant legislative clerk read as follows:

A bill (S. 426) to amend the Federal Power Act to provide for more protection to electric consumers.

The Senate resumed consideration of the bill.

AMENDMENT NO. 1790

Mr. MELCHER. Mr. President, I withdraw my amendment.

The PRESIDING OFFICER. The amendment is withdrawn.

AMENDMENT NO. 1792

Mr. MELCHER. Mr. President, I send an amendment to the desk and ask for its immediate consideration.

The PRESIDING OFFICER. The clerk will report.

The assistant legislative clerk read as follows:

The Senator from Montana [Mr. Melcher] proposes an amendment numbered 1792.

Add the following new section to S. 426 at the end thereof:

Sec. (—.) Section 211(c)(2)(B) of the Federal Power Act is amended by adding before the period the following: "provided, nothing in this subparagraph shall prevent an application for an order hereunder to be filed prior to termination or modification of an existing rate schedule, provided that such order shall not become effective until termination of such rate schedule or the modification becomes effective."

Mr. MELCHER. Mr. President, I thank the distinguished manager of the bill, the Senator from Idaho, the chairman of the Energy Committee, and the distinguished Senator from Louisiana, the ranking member of the Energy Committee, for their patience and cooperation.

I think with this amendment we have taken a step forward, to partially correct the inadequacies that some of the public utilities and small privately owned utilities find themselves in on dealing with the opportunity for applying for wheeling orders.

That was my goal and without the cooperation of the two distinguished Senators it would have been very difficult, probably impossible, to obtain.

I appreciate the cooperation of the distinguished Senator from Kentucky in examining the amendment and participating in its drafting.

I hope the amendment can be accepted.

Mr. FORD. Mr. President, I wish to ask the distinguished chairman of the Energy Committee and manager of the bill a question or two. Will the Senator yield?

Mr. McCLURE. I am happy to yield.

Mr. FORD. It is my understanding that this amendment deals only—and I repeat, only—with the ability of a utility to file an application for wheeling prior to the termination of a rate schedule. It does not authorize any wheeling order to be issued and go into effect in violation of section 211(c)(2)(B). It does not provide a basis for termination of a rate schedule.

The only thing this does is clarify that an applicant does not have to wait until a rate schedule actually terminates before filing.

Mr. McCLURE. Will the Senator yield?

Mr. FORD. Yes.

Mr. McCLURE. The Senator is perfectly and absolutely correct. This is only a procedural clarification that an application can be filed prior to a rate schedule terminating. No wheeling order could go into effect until the rate schedule on file is terminated pursuant to its terms and by order of FERC. This is not an opportunity to abrogate contracts and rate schedules.

Mr. FORD. Mr. President, I would like to ask the distinguished floor manager an additional question. May I inquire as to whether this provides any modification or change to the standards under section 206 or 205?

Mr. McCLURE. Will the Senator yield?

Mr. FORD. Yes.

Mr. McCLURE. Absolutely not. The same standards and criteria which apply now would continue to apply.

Mr. FORD. I thank the distinguished Senator for answering my questions and entering into the colloquy. I have been able to learn how to count tonight.

Mr. McCLURE. Mr. President, I want to underscore what was just said. The standards, the criteria, the procedure by which a termination is sought or a modification of a rate schedule under section 205 or 206 are changed in absolutely no way, with the single exception of it being in order to file application for wheeling before the termination or modification of a rate schedule. It does not affect the substance, it affects the time.

Second, it should also be clarified absolutely in the Record at this point that this amendment does not change the standards, the process, the criteria, by which a wheeling order is judged or processed. Those are absolutely unaffected and would go in every respect as existing law, with the single exception that a wheeling order could be applied for while a rate schedule was in effect and prior to the termination or modification of that rate schedule. But there is no interrelationship between the wheeling and the modification or termination which are separate issues under separate provisions of the law.

I am happy to yield to the Senator from Louisiana.

Mr. JOHNSTON. Mr. President, let me say I agree totally with my colleague, the distinguished chairman of the Senate Energy Committee. He is right that this makes no substantive change. The rules of the road, in effect, are not changed at all. Indeed, I wonder, there must be some hidden significance of this amendment, because it seems as though it is much ado about nothing for this many hours of working with the Senate. Nevertheless, we will not object to it largely because we think it has very little effect. It simply allows you to make the application a little earlier than you otherwise could and that is, I believe, all that it does. The wheeling order, if it were granted, could not take effect until after the termination took effect or until the modification was ordered. So, Mr. President, we will not object to the amendment.

Mr. McCLURE. Mr. President, I certainly agree with the statement of the Senator from Louisiana with respect to the effect of this amendment. And I also want to add further that a utility can request a wheeling order which is contingent upon obtaining a modification of a rate schedule. The fact that the modification is requested and granted, however, only would permit a wheeling order for the amount of power which was freed up by the modification. In effect, section 211(c)2(b) would no longer apply to that increment, although it would continue to apply to any energy which continues to be provided under the modified rate schedule on file.

Mr. President, I would ask the Senator from Montana if it is not his understanding that the discussion that we have here with respect to the effects of the amendment are correct.

Mr. MELCHER. Yes, the discussion which I have listened to with attention between the Senator from Kentucky, Senator Ford, and the distinguished chairman and Senator Johnston from Louisiana is my understanding of the purpose of the amendment.

I might say that, in the narrow context that we sought some relief for the captive public utilities or the captive small utilities, it is a small step forward. And that is what we sought to do. And while it may appear to have been only a small step, that is exactly what it is. It is a small step. But I am very pleased we were able to reach this agreement and I thank again my colleague.

Mr. McCLURE. Mr. President, I would say the amendment is acceptable to the manager of the bill on this side of the aisle and I think the Senator from Louisiana has indicated it is acceptable to him as well. I move the adoption of the amendment.

The PRESIDING OFFICER. The question is on agreeing to the amendment.

The amendment (No. 1792) was agreed to.

Mr. McCLURE. Mr. President, I move to reconsider the vote by which the amendment was agreed to.

Mr. JOHNSTON. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. McCLURE. Mr. President, it is my understanding the Senator from Montana has no further amendments to offer to the bill.

Mr. MELCHER. If the Senator will yield to me, the Senator is absolutely correct. I have no further amendments to offer.

Mr. McCLURE. Then I will say to all Members that there are no further amendments to be offered or considered. There are a couple of procedural matters and some colloquys to put in the Record at this time. It will be my intention, then, if it is agreeable with the majority leader, to complete all action up to the third reading of the bill and the rollcall for the third reading of the bill and ask that the rollcall occur tomorrow.

Mr. HATFIELD. Mr. President, I have serious concerns about the environmental consequences of an amendment adopted last Friday. In an attempt to mitigate the effects of the PURPA provisions of the bill on those individuals or groups who have made substantial financial investments and commitments in small hydro projects, the language grandfathers many projects that could create problems for the rivers of this country. It could affect fisheries, water and stream flows, animal habitats and certain plant species. This is an unfortunate result from a noble gesture. We must find a solution. Does the manager agree that the language adopted to section 10, grandfathering applications, creates potential difficulties for the environmental community?

Mr. McCLURE. Yes; I do.

Mr. HATFIELD. Given the lateness of the hour and the press of the legislative schedule, it appears impossible to craft an acceptable amendment to resolve this issue. I would ask the assurances of the managers of this legislation that this specific problem can be addressed during conference. So I ask: Is it your understanding that reasonable efforts will be made to correct this perceived problem in conference?

Mr. McCLURE. That is correct.

Mr. HATFIELD. It is this Senator's opinion that we should work toward a resolution which would limit the grandfather to, first, those projects that have been accepted for filing prior to the enactment of this legislation, or second, those that the license applicant has demonstrated to the satisfaction of FERC that the requirements under the second stage of consultation set forth in FERC's prefiling consultation requirements have been adequately met. This, of course, assumes that there is an understanding that certain accommodations must be made for applications submitted prior to the implementation of FERC's new prefiling consultation requirements. Is it the manager's belief that such a structure may be a possible resolution to this controversy?

Mr. McCLURE. Yes, every effort will be made to resolve this issue; and I will work with you in the conferences to address the legitimate environmental concerns which have been raised.

Mr. MURKOWSKI. Mr. President, I would like to clarify the intent of the amendment made by section 3 of the pending bill to section 10(a) of the Federal Power Act by directing an inquiry to a principal sponsor of the bill, the distinguished Senator from Wyoming, and to my distinguished colleague from Washington State who has been of great assistance in develeoping this bill. I raise this inquiry because I believe there will be situations, including many in my own State where there has not yet been a lot of hydroelectric or other river development, where enhancement measures may not be appropriate. I am simply seeking assurance that this amendment cannot be read to require enhancement measures in every case without exception; but rather that the intent is simply to assure that enhancement measures are considered when such measures are appropriate and justified taking into account all of the site-specific economic and environmental circumstances.

Mr. WALLOP. I would like to give the Senator from Alaska those assurances since it is also my understanding that the intent of this provision is to ensure that the FERC considers fish and wildlife enhancement measures, adopting them where appropriate when they can be environmentally and economically justified given the scope of the project and the nature of the affected environment.

Mr. MURKOWSKI. Senator Evans, can you confirm my understanding that the adjective "adequate" as used in the amendment made by section 3(a) qualifies the terms "mitigation" and "enhancement" as well as the term "protection," so that revised section 10(a) of the Federal Power Act will ensure that a license issued under the act will provide for adequate protection, adequate mitigation, and when appropriate and justified, adequate enhancement of fish and wildlife, given the scope of the project and the nature of the affected environment.

Mr. EVANS. The Senator from Alaska is correct. In pertinent part, section 10(a) of the Federal Power Act, as amended by S. 426, requires an applicant to include such provisions as, in the judgment of the Commission, are best adapted to the comprehensive development of water resources, including the adequate protection, mitigation, and enhancement of fish and wildlife. The provision imposes on a project applicant responsibility to protect, mitigate, and enhance fish and wildlife only to the extent these resources are affected by the development and operation of the project or projects in question.

Mr. McCLURE. Mr. President, parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state his parliamentary inquiry.

Mr. McCLURE. Mr. President, I believe, before we are ready to go to final passage, the committee amendment, as amended, must be adopted.

The PRESIDING OFFICER. The Senator is correct.

Mr. McCLURE. I move the committee amendment, as amended.

The PRESIDING OFFICER. The question is on agreeing to the committee amendment, as amended.

The committee amendment, as amended, was agreed to.

Mr. McCLURE. Mr. President, I ask unanimous consent that the rollcall vote on final passage of S. 426, the hydroelectric bill, occur at 11:30 a.m., on tomorrow, and that paragraph 4 of rule XII be waived.

The PRESIDING OFFICER. Without objection, it is so ordered.

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Mr. McCLURE. Mr. President, I ask for the yeas and nays on final passage of S. 426.

The PRESIDING OFFICER. Is there a sufficient second? There is a sufficient second.

The yeas and nays were ordered.

ORDERS FOR THURSDAY

RECESS UNTIL 10 A.M.

Mr. DOLE. Mr. President, I ask unanimous consent that once the Senate completes its business today, it stand in recess until the hour of 10 a.m., on Thursday, April 17, 1986.

The PRESIDING OFFICER. Without objection, it is so ordered.

RECOGNITION OF CERTAIN SENATORS

Mr. DOLE. Following the recognition of the two leaders under the standing order, I ask unanimous consent that the following Senators be recognized for not to exceed 5 minutes each for special orders: Senator HAWKINS, Senator CRANSTON, Senator WILSON, Senator DIXON, Senator ROCKEFELLER, Senator BINGAMAN, Senator CHILES, Senator LEVIN, Senator RIEGLE, Senator BAUCUS, Senator GORE, and Senator PROXMIRE.

The PRESIDING OFFICER. Without objection, it is so ordered.

ROUTINE MORNING BUSINESS

Mr. DOLE. Mr. President, following the special orders just identified, I ask unanimous consent that there be a period for the transaction of routine morning business, not to extend beyond the hour of 11:30 a.m., with Senators permitted to speak therein for not more than 5 minutes each.

The PRESIDING OFFICER. Without objection, it is so ordered.

PROGRAM

Mr. DOLE. Mr. President, as just agreed to, the vote on final passage will occur at 11:30 a.m. Immediately following the vote it will be the intention of the majority leader to turn to S. 1923, the Bankruptcy Judges bill.

I understand that might be completed in 2 or 3 hours. There are amendments. I understand there are no objections to taking it up.

We have completed action on the Federal Deposit Insurance Act; on the extensions.

Mr. BYRD. Mr. President, may we have order in the Senate?

The PRESIDING OFFICER. The Senator is quite right in his request.

The majority leader.

Mr. DOLE. I thank the Chair.

Following the bankruptcy bill, I hope we can complete action on the technical amendments to the crime bill.

So there will be rollcall votes tomorrow. I hope we are not in too late tomorrow evening.

If we can complete action on these items, I think I can assure Members there will be no votes on Friday. If we are in session, maybe we can lay down the budget resolution, or lay something down, and have opening statements.

Mr. BYRD. Mr. President, will the distinguished majority leader yield?

I hope that the Senate can complete action on the measures which have been identified by the distinguished majority leader.

I hope we would then be able to call up the budget for opening statements, at least..

Mr. DOLE. Mr. President, I say to the minority leader that I am not certain we will call up the budget. We have a meeting scheduled for, I think, around noon on Friday with the Speaker to discuss the budget.

I have written a letter to the Speaker, for myself and Congressman MICHEL, and asked him to meet with the two of us, along with Senator DOMENICI, and Senator HATFIELD.

That meeting probably will not take too long. But in any event, I think there are a number of Members asking about votes on Friday.

We are almost certain that there will be no votes. I think we will be in a position, hopefully, by 1 o'clock tomorrow to affirm that.

Mr. BYRD. Mr. President, I thank the majority leader.

Mr. DOLE. Mr. President, I apologize to the Member on this side who indicated earlier that he would not be available for the 11:30 vote. He will not be available until around noon. It may be that tomorrow morning, if nobody else objects, we might slip that vote to 11:45, or to 12 noon. But I will wait until tomorrow morning.

Mr. BYRD. I thank the majority leader.

RECESS UNTIL 10 A.M. TOMORROW

Mr. DOLE. Mr. President, there being no further business to come before the Senate, I move, in accordance with the order just entered, that the Senate stand in recess until 10 a.m. tomorrow.

The motion was agreed to, and at 11:03 p.m., the Senate recessed until tomorrow, Thursday, April 17, 1986, at 10 a.m.

NOMINATIONS

Executive nominations received by the Senate April 16, 1986:

NATIONAL AERONAUTICS AND SPACE ADMINISTRATION

James C. Fletcher, of Virginia, to be Administrator of the National Aeronautics and Space Administration, vice James Montgomery Beggs, resigned.

CONFIRMATION

Executive nomination confirmed by the Senate April 16, 1986:

FEDERAL TRADE COMMISSION

Daniel Oliver, of Connecticut, to be a Federal Trade Commissioner for the unexpired term of 7 years from September 26, 1981.

The above nomination was approved subject to the nominee's commitment to respond to requests to appear and testify before any duly constituted committee of the Senate.

EXTENSIONS OF REMARKS

KILDEE HONORS CALVARYMEN QUARTET'S 30TH ANNIVERSARY

HON. DALE E. KILDEE

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Wednesday, April 16, 1986

Mr. KILDEE. Mr. Speaker, today I would like to bring to the attention of my colleagues and the Nation a recognition ceremony that will be held Saturday, April 19, in Flint, MI, honoring the Calvarymen Quartet. The nationally renowned gospel group is being honored in conjunction with the celebration of its 30th anniversary at Flint's beautiful Whiting Auditorium.

The Calvarymen Quartet, also known as "Michigan's Ambassadors of Goodwill," began their career in 1956. Since that time they have recorded over 30 albums and have traveled almost 2 million miles singing and performing in 42 States and in three different countries. The group, consisting of Mr. Chuck Glasco, Mr. Jim Glasco, Mr. Dan Grimshaw, Mr. John Grimshaw, Mr. Bruce Hooker, and Mr. Irv Waddlington, has been extremely generous in donating their time and talents for special causes. They have benevolently performed in prisons, high schools, telethons, and in many other charity programs. Through the international language of music, the Calvarymen have spread joy and goodwill to many different audiences of greatly diverse backgrounds and nationalities. The group has given freely of their talents and has served to inspire and uplift the human spirit of those who have witnessed their finely tuned skills. The people of the Seventh Congressional District of Michigan are very proud and honored to claim the Calvarymen as their own.

Mr. Speaker, I would urge my colleagues to join me in paying tribute to the Calvarymen in recognition of 30 outstanding years of dynamic community leadership. I would like to congratulate these ambassadors of goodwill and offer my sincere best wishes for future success.

A TRIBUTE TO HAROLD A. HAUTER

HON. MARCY KAPTUR

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Wednesday, April 16, 1986

Ms. KAPTUR. Mr. Speaker, as a Member of Congress, I have the privilege of representing nearly one-half million people. This job has many challenges and many rewards. One of the greatest pleasures is knowing people like Harold A. Hauter.

Next week in my district, Harold Hauter is being honored at a State of Israel Bonds Tribute Dinner. Beyond the work Harold has done for the State of Israel, he is also being recognized for a long and distinguished career in the labor movement.

Harold is retiring this year as executive secretary and treasurer of the Maumee Valley District Council of Carpenters. But Harold has been more than just a respected and influential labor leader in northwest Ohio, as is evidenced by this Israeli Bonds Dinner. For me, Harold has always been an adviser, supporter, and above all, a friend. His word has always been his bond. Throughout my time as a public official, I have been fortunate to have the steady, insightful, and reassuring counsel of Harold Hauter.

Though I know our community will miss him as an active union official, I am certain his wisdom will still be heard even in retirement. I know that I will always rely on Harold when I need a straightforward, honest assessment of a particular concern facing our area or the Nation. Because of Harold's dedication to his trade union, I am confident he has layed a solid foundation for an even brighter future for our local carpenters. He has built his union with the same skills and pride he utilized on the job site.

To Helen, his lovely wife of 39 years, his children and grandchildren, I say on behalf of the entire Ninth District, thank you for sharing Harold with us. He has made a difference in his union. his church, his community, his State, and his Nation. Harold has helped make life better for others at home and abroad. What greater tribute can be made.

I know my colleagues in the House of Representatives join me in congratulating Harold on being recognized by the State of Israel and wish him well in retirement. Harold Hauter deserves only the best.

A HIBAKUSHA'S PLEA

HON. BILL GREEN

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, April 16, 1986

Mr. GREEN. Mr. Speaker, yesterday I was honored by the visit of Mr. Senji Yamaguchi, a survivor of the bomb dropped by the United States on Nagasaki.

Mr. Yamaguchi, though scarred by the effects of the bomb, did not come to speak about himself; he came to speak out for a comprehensive test ban. It is a message he has carried around the world, including the Soviet Union. Since we will soon be debating and voting on an amendment to cut off funds for nuclear testing, thereby imposing a comprehensive test ban, I would like to enter into the RECORD a copy of a statement brought by Mr. Yamaguchi.

This statement, drafted by the primary advocacy organization for Hibakusha—atomic bomb survivors—calls on the United States to stop nuclear testing and take this important step toward insuring "no more Hibakusha." It is a message I strongly endorse and I urge my colleagues to read the following statement:

STATEMENT ON THE NUCLEAR TEST AT NEVADA

(By Nihon Hidankyo)

On April 10, in Nevada, USA, a nuclear test was purposefully carried out, contrary to world public opinion which has demanded the abolishment of nuclear weapons. We "Hibakusha (Atomic Bomb Survivors)," cannot help having profound grief and anger about this test.

The United Nations has proclaimed this year the "Year of Peace" and world public opinion has sincerely asked for the prevention of nuclear war and the elimination of atomic weapons.

Last year, on the 40th anniversary of Hiroshima and Nagasaki, Nihon Hidankyo (Japan Confederation of A- and H-bomb Sufferers Organizations) set delegations to five nuclear power nations, and requested each leader to abolish nuclear weapons. Since then Mr. Gorbachev, Secretary General of the Soviet Union, has proposed the elimination of atomic weapons. A U.S.-Soviet summit meeting was fulfillment of the Hibakusha's hope of "no more 'Hibakusha.'"

This U.S. resolve to test nuclear weapons crushes our hope.

Today, upon the departure of a "Hibakusha" delegation to speak in various U.S. cities, we strongly urge that the U.S. government deeply reflect upon this nuclear test, and begin making every effort to conclude an international agreement abolishing nuclear weapons.

Furthermore, we also request the Soviet Union not to resume their nuclear testing as a reaction to the irrational U.S. nuclear test.

NATIONAL DIABETES MONTH

HON. STENY H. HOYER

OF MARYLAND

IN THE HOUSE OF REPRESENTATIVES

Wednesday, April 16, 1986

Mr. HOYER. Mr. Speaker, my colleague, Congressman ALAN B. MOLLOHAN of West Virginia, and I are introducing a joint resolution to designate the month of November 1986 as National Diabetes Month. I am greatly pleased by the opportunity to introduce this laudable resolution for the fourth consecutive year.

The continuing battle against diabetes has yielded significant and impressive advances in basic and clinical research aimed at prevention, diagnosis, and treatment of those who have this disease. However, much more remains to be done.

Eleven million Americans suffer from diabetes. It is most distressing that a sizable portion of the victims of diabetes do not even know of their illness. The friends and families of those with this disease—literally tens of millions of Americans—are personally and often tragically affected by the consequences of diabetes on

● This "bullet" symbol identifies statements or insertions which are not spoken by a Member of the Senate on the floor.

Matter set in this typeface indicates words inserted or appended, rather than spoken, by a Member of the House on the floor.

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their loved ones. As a result of diabetes, we spend more than $14 billion each year on health care, disability payments, and premature mortality costs.

Diabetes and related health complications affect many bodily functions and organs. The lasting effects of such complications are quite severe. Among the problems detailed by the National Diabetes Report Groups are:

Diabetes causes almost 50 percent of foot and leg amputations among adults;

Diabetes is a leading cause of new cases of adult blindness and of kidney failure;

Diabetes is a major cause of birth defects and infant mortality;

The United States ranks among the five nations with the highest incidence of diabetes-related mortality;

Diabetes is a major cause of cardiovascular disease;

Persons with diabetes spend twice as many days in hospitals as persons without this disease;

Diabetes, which is the fourth leading cause of visits to general and family practice physicians, places a severe drain on our Nation's health resources;

And insulin-dependent diabetes afflicts 1 in every 600 children.

Diabetes is particularly prevalent among Hispanic-Americans, native Americans, black Americans, and women. Indeed, women are victims twice as often as men and blacks are victims twice as often as whites.

Mr. Speaker, by designating November 1986 as National Diabetes Month, this Congress can focus the attention on the American people on the human and economic costs of diabetes. I am personally aware of the consequences of diabetes, in general, and, sadly, juvenile diabetes, in particular. An increased understanding of this disease—by those directly affected and by others—might lead to greater research efforts, improved methods of preventing serious complications, new methods of treatment, and general awareness of the challenge we must face in treating and finally eliminating diabetes.

I sincerely urge the speedy adoption of this joint resolution. In addition, I would like to acknowledge the superb role performed by the American Diabetes Association in seeking the prevention, detection, and treatment of diabetes.

H.J. Res. 602

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled,

Whereas diabetes with its complications kills more people than any other disease cancer and cardiovascular disease;

Whereas diabetes afflicts 11,000,000 Americans, of whom 5,000,000 are not aware of their illness;

Whereas diabetes costs the Nation more than $14,000,000,000 annually in health care costs, disability payments, and premature mortality costs;

Whereas up to 85 percent of all cases of non-insulin dependent diabetes may be prevented through greater public understanding, awareness, and education;

Whereas diabetes is particularly prevalent among black Americans, Hispanic Americans, native Americans, and women; and

Whereas diabetes is a leading cause of blindness, kidney disease, heart disease, stroke, birth defects, and lower life expectancy, incidences of which may be reduced through greater patient and public education about diabetes: Now, therefore, be it

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled, That the month of November 1986 is designated as "National Diabetes Month". The President is authorized and requested to issue a proclamation calling upon the people of the United States to observe such month with appropriate ceremonies and activities.

TOWARD A STRONGER DEFENSE

HON. LEE H. HAMILTON

OF INDIANA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, April 16, 1986

Mr. HAMILTON. Mr. Speaker, I would like to insert my Washington Report for Wednesday, April 15, 1986 into the CONGRESSIONAL RECORD:

TOWARD A STRONGER DEFENSE

Most Members of Congress would agree that major improvements are needed in the way we formulate our national security objectives, organize our military establishment and acquire our weapons. The U.S. defense effort is an enormous and complex enterprise, which poses unique challenges in planning for an uncertain future in a dangerous world, responding to security threats, and applying our technological and industrial capabilities and resources. Several reforms are needed for a stronger defense.

DEFINING SECURITY OBJECTIVES

The national debate on defense usually centers on how much should be spent, rather than on what is purchased, why it is needed, and how well funds are spent. There is no sound system whereby the President and Congress agree on strategic objectives, a military strategy to carry out the objectives, and necessary funding in the context of our overall economy and other competing claims for resources.

A root cause of our defense spending problems is the absence of clear guidance from the top about where and how America should be prepared to fight. If we don't know what we want to do, we can't plan how to do it. The task is to get the defense debate, which is always lively and sometimes acrimonious, to focus more on strategy, operations and force structure needed for the national security. Defense planning should begin with a comprehensive statement of objectives and priorities. Multi-year budgets should reflect a clear military strategy to achieve the objectives. The temptation has been to embrace an ambitious, global strategy that amounts to little more than the total demands of all of the armed services. My sense is that our military forces are asked to do too much in too many places with too little. U.S. forces are simply stretched too thin.

The defense debate in recent years has been less about defense than about the size of the defense budget. We have avoided tough choices among strategies and weapons, seeking to have them all. I am encouraged that, with budgets getting tighter, the terms of the debate are changing. Both those who favor more money for defense and those who favor less must speak precisely to the strategic consequences of their views.

MILITARY ORGANIZATIONS

There is growing doubt in the Congress whether our military forces, as currently structured, can adequately respond to a broad spectrum of threats, ranging from low level warfare to an extended war. The problem is not funding, but organization. My view is that the Defense Department's present organization is not well adapted to the challenges that confront us.

The integrated battlefield is a military reality. Modern warfare requires cooperation among the services and integration of command. The President needs military advice that better integrates the views of the nation's combat commanders. A former Defense Secretary complains that Joint Chiefs of Staff (JCS) recommendations are "designed to protect the institutional interests of each of the separate services." The JCS chairman lacks authority to mediate service rivalries or to articulate a national strategy. He does not even control the joint staff. Today he has only the power of persuasion, and disputes are often left unsettled. If the Navy wants one plane and the Army wants another, the Joint Chiefs are apt to approve both. One proposed reform would designate the JCS chairman as the principal military advisor to the President. Another would give our warfighting commanders a greater say in military planning and resource allocation. I favor both reforms.

DEFENSE ACQUISITION

The defense acquisition system is the largest business enterprise in the world, with annual purchases by the Defense Department of almost $170 billion, and 165,000 employees to manage it. It involves 15 million contract actions each year. This system has basic and severe problems. Our weapons cost too much, take too long to develop, and are often obsolete by the time they are in the field. A spate of horror stories—overpriced spare parts, test failures, cost and schedule overruns—has prompted Members of Congress to ask what can be done to end these practices. They point out, for example, that private industry can develop a multi-billion dollar program, such as a satellite or a transport airplane, in half the time and at less cost than it takes the Pentagon to develop a comparable military system. The public has been deeply distressed that billions of defense dollars have been wasted. Fundamental changes are needed at all levels of the weapons procurement process.

Common sense is the key element in a successful acquisition system. Under the present system, it appears that no one is in charge. One official, should be appointed with full responsibility for all acquisitions. Extensive testing must be done well before production decisions are made, and those who design a new weapon should not be responsible for testing it. Weapons that appear too costly should be stopped outright. Where commercial items are available, the Pentagon should not insist on customized products. The Pentagon should follow the buying practices of major private corporations, stressing quality and proven performance as well as price. The costs of weapons must be determined accurately. Today contractors are allowed to obtain long-term procurements with unrealistic price projections. Contractors should also bear some financial responsibility for cost overruns. Competitive bidding should be used whenever possible. I am impressed by the relentless consistency with which the Pentagon and industry resist competition. Awarding contracts to at least two compa-

nies, known as dual sourcing, could also save money. The Pentagon's buying process is overstaffed; many of them could be released without any apparent risk to national security.

The real challenge is to reform the way the military spends its billions. If the Pentagon squanders money on expensive weapons, it will squander the public support that is crucial for defense. If we can dispel the climate of waste and mismanagement, defense will not only have more money, but it will also have more fighting strength.

KNOW YOUR COUNTRY

HON. GEORGE W. GEKAS

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, April 16, 1986

Mr. GEKAS. Mr. Speaker, members of the Pennsylvania International Heritage Society have been part of the national effort over the past few years to raise funds to refurbish the Statue of Liberty. On Saturday, April 19, 1986, the society will host a fundraising dinner at St. Ann's Church in Steelton, PA. The theme for the dinner is "Know Your Country." Proceeds from the dinner will go to the Statute of Liberty Fund.

Mr. Speaker, I bring this to the attention of my colleagues not only because I want to shed light on the hard work and efforts of the Pennsylvania International Heritage Society on behalf of our lady of liberty, but also to recognize another very special lady for whom the dinner has been dedicated—Mary Barnum Bush Hauck.

Mary Barnum Bush Hauck has dedicated her entire life to the music world as an educator, instructor, piano manual writer, and organizer of folk festivals for the Harrisburg area. Mrs. Hauck received her musical education from both private instructors and from Miss Thomas' School of Public School Music in Detroit, MI. She went on to teach music in public schools at Mechanicsburg and Hershey, PA, specializing in class piano methods.

Over the years, Mrs. Hauck gave demonstrations and acted as a musical consultant in 28 States for the Theodore Presser Music Publishing Co. in Philadelphia. Also during her distinguished music career, she wrote a class piano manual and conducted piano studies in the Lancaster and Harrisburg areas. She was appointed State supervisor of music, director of folk festivals, education and recreation program, work projects administration.

Accomplishing all of these activities would seem to be enough to satisfy most of us in a lifetime, but for Mrs. Hauck the list continues. Her extensive work with folk festivals is equally noteworthy. She conducted folk festivals throughout Pennsylvania since 1938 and was the originator of the Dauphin County Folk Council, conducting annual folk festivals from 1936 through the early 1960's. Her work also included compiling written material on the origin of American holidays, American folk tunes, and Pennsylvania folklore.

I would like the record to reflect my own personal pride in the accomplishments of Mary Barnum Bush Hauck, our constituent and lifelong friend from Harrisburg, PA.

ONE HUNDRED AND TWENTY YEARS IN DEFENSE OF ANIMALS

HON. BILL GREEN

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, April 16, 1986

Mr. GREEN. Mr. Speaker, the 120th anniversary of the American Society for the Prevention of Cruelty to Animals is being celebrated this month. I would like to bring to the attention of my colleagues the fine work that this organization has done by including in the RECORD an article by ASPCA president, John Kullberg.

The article follows:

ONE HUNDRED AND TWENTY YEARS IN DEFENSE OF ANIMALS

In the mid 1800s an American diplomat on assignment in Russia witnessed a cruel beating of a horse. The poor creature had fallen while trying to pull a heavily loaded cart up a steep, cobblestone grade. Rather than show compassion, the driver became enraged and repeatedly and forcefully whipped the helpless animal. The witness to this not-too-unusual occurrence was Henry Bergh, then America's legate to the Czar's court at St. Petersburg. Overwhelmed at how insensitive basically decent people can be to captive animal suffering, Bergh was determined to awaken in society a humane ethic that would encompass all creatures. Abruptly resigning his ambassadorial assignment, he returned to his home in New York City and, on April 10, 1866, founded the first humane society in America, aptly named The American Society for the Prevention of Cruelty to Animals [ASPCA].

The ASPCA is most commonly identified as a principal caretaker of New York City dogs and cats. And for good reason: Through its New York City animal shelters, adoption centers, pet registration efforts, lost and found offices, hospitals, spay/neuter clinics and pet behavioral consultation programs, the ASPCA directly cares for more dogs and cats each year than any other humane Society in the country.

But the ASPCA was founded as a national animal protection organization, and its earliest efforts were more typically directed toward remedying the mistreatment of nineteenth century horses. In contrast to today, the Society's first annual report made no reference to companion animals at all. Rather, the ASPCA of 1866 was involved with nationwide legislative efforts, sheep and calves, poultry, sea turtles, horse and cattle grain adulteration, horse-drawn carriages, animal transport, animal fighting and animals used for laboratory research.

Henry Bergh spoke glowingly of the rights of animals long before that term became fashionable in the last decade. Among other noteworthy attributes, a study of Henry Bergh's early writings shows him to be an antivivisectionist, a vegetarian and a pre-cursor of Schweitzer in his reverence for all life. By any measure Bergh is the patron saint of those committed to aggressive leadership in defense of animals.

Since the ASPCA was in its earliest days so strongly identified with horses, and is today so much identified with dogs and cats, a look at recent ASPCA efforts with regard to these three great species is helpful in demonstrating how much further we still have to go before ethical values benefiting all species become socially prevalent.

Wild horses: The ASPCA's historic efforts in defense of horses is today principally waged on two fronts: Action to stop federal legislation threatening America's dwindling wild horse herds and continued vigilance to assure that carriage and riding horses are not mistreated.

In 1971 Congress passed the Wild and Free Roaming Horse and Burro Act, legislation which protects wild horses on public lands. But western cattle interests, whose animals also graze on public lands, do not want to share their grazing areas and have lobbied to have the law revoked, amended and even declared unconstitutional. More than 310 million acres of federal lands are now being used by cattle ranchers. In support of this special interest group, Sen. James A. McClure (Idaho) has repeatedly introduced Congressional amendments to the Act which would, in effect, allow government to get into the horse meat business by selling at public auction large segments of wild horse herds to canneries.

To date, McClure has been unsuccessful. Undaunted, however, he asked for, and received, $17 million last year to finance the round-up of almost one-third of the nation's wild horses on the pretext that there is sufficient public interest in adopting them. In reality, however, these massive removals are intended to cripple federal Adopt-A-Horse programs by removing horses from the range faster than adoptive homes can be found. His all-too-obvious long-term plan? Sell at public auction the unadopted wild horses to canneries since no other alternatives acceptable to the cattle ranchers will exist. According to a spokesperson from McClure's office, this exorbitant funding and massive gathering of horses is designed to wear down opponents to this sale-to-slaughter legislation.

The ASPCA, particularly through its legislative office in Washington, D.C., is now actively working with Sen. Thomas Eagleton (Missouri), Congressman Bill Green (New York), and other concerned congressional leaders and humane groups to protect the Wild and Free Roaming Horse and Burro Act from increasingly aggressive efforts to weaken its humane provisions.

Captive horses: Many horses inhabit the less hospitable asphalt jungles of New York and other major American cities. The ASPCA has been trying through legislative initiatives and its own law enforcement powers to protect carriage and other city rental horses from drivers and owners who overwork or mistreat their charges.

Carriage horse drivers are the worst offenders. Many carriage drivers, as they relentlessly pursue tourist dollars, will employ every evasive tactic they can to avoid the ASPCA, and in New York they have an entire city at their disposal in which to be evasive. New York City law, which the ASPCA originally drafted and for which it effectively lobbied, requires that carriage and rental horse owners provide quarters which are clean, dry, heated and ventilated, and food that is sufficient and appropriate.

Horses must not be out in severe weather and cannot work for more than 10 hours in a 24-hour period; the driving pace is restricted and equipment in carriages regulated. The enforcement of this city law, however, is with very few exceptions left entirely to the ASPCA. Last year the ASPCA's 9 humane law enforcement officers assigned to New York City cited 210 carriage horse violations among more than 1,300 New York City animal-related summonses/appearance tickets they issued overall. But nine officers

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cannot cover all of the city during periods of peak stress to these animals, and most infractions inevitably go unchecked.

Many of those who are concerned about the welfare of the carriage horse would like to see an end to the "carriage trade" altogether. Others, including New York City Councilman Bob Dryfoos, have called for restricting carriages to New York City's Central Park so that they are not so extensively exposed to city traffic and exhaust fumes and their drivers are more available for monitoring. If now pending legislative reforms fail, the ASPCA will do everything it can to end an industry that increasingly proves itself to be ethically untenable.

Dogs and cats: The American Veterinary Medical Association (AVMA) recently updated a 1972 American Animal Hospital Association dog/cat population study and the results should be receiving more attention from concerned citizens and, particularly, city planners.

From 1972-1983, the number of cats in American households increased by 104 percent (from 25.5 million to 52.1 million). Dogs increased by 54 percent (from 36.1 million to 55.6 million). Combined, these figures represent a 75-percent increase over 11 years in the dog/cat population in America (61.6 million in 1972; 107.7 million in 1983).

But studies also show that at the very time more and more Americans are sharing their lives with dogs and cats, two-thirds of all pets are eventually abandoned. Most Americans are, it would appear, far from comprehending what responsible pet stewardship means. Last year, of the 130,000 animals brought to ASPCA shelters and hospitals in New York City, some 80,000 were unwanted.

Among major American cities, New York is alone in referring all of its unwanted pet problems to a private humane society. New York City has never fully addressed its responsibility to remedy pet overpopulation problems. As a consequence the ASPCA, the private humane society that functions as the city's pet problem referral agency, annually loses more than $1 million caring for unwanted New York City pets.

The ASPCA appeals for funds nationally to meet this loss. The ASPCA would prefer to spend more of these nationally raised monies on legislative and educational efforts aimed at eradicating the cause of animal overpopulation—public policies that encourage the breeding and merchandising of animals—rather than on the overwhelming and unabated consequences of pet mismanagement.

Pet overpopulation problems are far from being a New York City phenomenon. Nationally, more than 10 million unwanted pets are being killed by city pounds and, paradoxically, humane societies every year. An additional 10 million pets annually abandoned to the streets experience the agonies of disease, starvation, or worse, until they die. Unless public attitudes change this immense annual carnage will probably increase.

A funding remedy: City and state remedies to existing pet genocide practices are readily available. The traditional funding source for city animal control programs is dog license fees. But were New York City to rely on this discriminatory source for funding animal shelter and spay/neuter clinic programs, the yearly dog license fee would exceed $50.

A tax on pet foods and supplies would provide a much more equitable source of funding for animal shelters and spay/neuter clinics. The $5 billion-a-year American pet food industry, for obvious self-serving reasons, encourages pet breeding and pet marketing. A state-operated pet food and pet supply tax program modeled on existing cigarette, liquor and gasoline tax legislation would help state and city governments to more fully and effectively respond to the daily tragedies created by the pet overpopulation problems that the pet food industry's extraordinarily successful marketing efforts in large part create.

Success in overcoming the pet overpopulation tragedy in New York City or any other major American city through a fair and dependable funding base for animal shelters, spay/neuter clinics and education programs focusing on pet overpopulation issues would establish a national model for overcoming what is now a national disgrace. Legislative efforts to bring about such a model are currently underway in California, Texas and Illinois, as well as in New York.

In the 120 Years that have passed since the ASPCA's founding much good has come through its efforts and the efforts of the thousands of similar societies it has spawned. But clearly the battle against cruelty, neglect and irresponsibility is far from over. One need only review what is happening to America's horses, dogs and cats as well as to many other victimized species worldwide to dispel any doubts to the contrary.

NEW HORIZONS FOR AMERICA'S YOUTH

HON. JUDD GREGG

OF NEW HAMPSHIRE

IN THE HOUSE OF REPRESENTATIVES

Wednesday, April 16, 1986

Mr. GREGG. Mr. Speaker, I rise today to enter into the RECORD an essay from a young lady who represents the finest in scholarship from the State of New Hampshire. Blessed with vision, ambition, and a sense of citizenship, Miss Jill Sible is the New Hampshire winner of the VFW Voice of Democracy Scholarship Program. It is my pleasure to share with my colleagues this award-winning work from a young person bursting with aspiration, and who seems destined to fulfill many of them.

NEW HORIZONS FOR AMERICA'S YOUTH

(By Jill Sible)

Caught up in the rush of my senior year, I often wonder what lies ahead in my future. With the proximity of entering college comes the realization that I will also be entering a whole new world of adulthood. What will I do with my life? Who will I become? What new horizons are there for America's youth? The members of my parents' generation have made incredible breakthroughs in every field, yet a generation is a relatively short period of time, and much of their work remains unfinished. This leaves my generation to build upon the foundations they have set and to make further progress socially, politically, medically, and technologically in an effort to better this nation and the world. Our opportunity to do this is limited only by our own degree of concern and willingness to try.

Many social barriers have been broken which bring America's youth even closer to that horizon called social equality. Women, blacks, and other minority groups are now given a chance in professional fields and given a voice in the political world. However, America still harbors some prejudice from which the new generation must breach. Much of the difficult work has already been done by activists such as Martin Luther King Jr., and Gloria Steinem, and today's youth can concentrate its energy more on bettering life for all people once they are accepted as equal.

For the first time in decades, there is tangible hope for world peace if America's next leaders are willing to continue the work their predecessors have begun. The meeting of President Reagan and Prime Minister Gorbachev has created a new line of Communication, a line which should be used with increasing frequency. This new horizon of world peace is perhaps the sunniest new horizon there is.

Even if space is attained, however, America and the world will always have a common enemy: disease. Recent advancements in the medical field may lead to the discovery of cures for many killing illnesses. Although many die yearly of diseases such as cancer and AIDS, scientists are learning more daily about these killers, and America's new generation of doctors will be able to use this information to develop treatments and even find cures for these deadly illnesses.

The last new horizon for America's youth and perhaps the most exciting is the opportunity available to even further develop American technology. With computers which can do almost anything and a space program on the brink of creating a passenger shuttle, the advancements that can be made by the next generation seem unlimited. There is such a strong foundation of technological knowledge that the researchers and developers of the future can conceivably create new machines which supply the world with an inexhaustible and inexpensive supply of energy. They may develop a method to mine valuable resources from other planets. They may even advance agricultural technology and end world hunger.

In technology as well as medicine, politics, and society, there are endless new horizons for America's youth, yet these horizons lead to roads both rocky and steep. They are challenges to me and my entire generation to work a little harder and strive a little farther than our predecessors did in order to preserve and implement our American ideals.

NORTH CAROLINA WINNER OF VOICE OF DEMOCRACY CONTEST

HON. WALTER B. JONES

OF NORTH CAROLINA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, April 16, 1986

Mr. JONES of North Carolina. Mr. Speaker, each year the Veterans of Foreign Wars of the United States and its ladies auxiliary conduct the voice of democracy scriptwriting contest. This year more than 250,000 secondary school students participated in the contest, and I am most honored that one of my constituents, Kelly Margaret Jones of Greenville, NC, was the contestant winner from North Carolina. Kelly is a senior from J.H. Rose High School in Greenville, and I respectfully request permission to have her script, the subject of which was, "New Horizons for America's Youth," reprinted in the CONGRESSIONAL RECORD.

NEW HORIZONS FOR AMERICA'S YOUTH

(By Kelly Jones)

The world today is vastly different from the world of our forefathers. The paths of pioneers have widened into broad highways. We live in a world of high technology—a world in which computers operate bakeries; diagnose diseases; control air and auto traffic; help design, produce, and market new products; read and write—even play cupid.

We, America's youth, are presented with boundless opportunities to broaden our horizons, to seek whatever tomorrow we choose. To pursue these opportunities, however, entails a sense of responsibility to something beyond ourselves. We must grow to the full measure of our capacity and utilize individual achievement for the common good. When we realize the responsibility which comes with our opportunities, we shall strive to learn all we can, to become all we can, and to do all we can.

The first horizon open to us is the pursuit of knowledge. Learning everything in an age of knowledge exploration is impossible, but learning all that we can is not only a challenge but a necessity. Even in our technically competent world, there is a serious flaw in education that is too practical, for it implies a final note to the business of learning. Education is never done, only begun. He who knows all for today will be ignorant tomorrow. As youth, we want to cultivate a sincere desire to learn, to become not just highly trained, but truly educated in the knowledge that lends color to the personality and vitality to the mind. To borrow the words of David Truman, what good is it to give the chemical structure of a delightful odor, if one cannot appreciate the beauty of the rose that produced it?

If we succeed in our pursuit of learning, opportunities are endless for what we may become. As the world becomes more complex and the people who inhabit it become more creative, there evolve an increasing range and variety of vocations from which we can make our livelihood. We are the products of mobile people and, therefore, are constantly exposed to new culture which can broaden our concept of life to reflect, not only our material wealth, but a standard of life measured in terms of our basic beliefs in man and his role in this world of atoms—a standard that reflects the heritage of America and shows the world what it is that makes us what we are. We have the freedom to grow like the tree; every tree must have a trunk, but it can put out branches in profusion, and the branches will spread and intertwine with one another to produce the whole specimen.

The final horizon open to us, America's youth, is the privilege to act on our convictions. Individual conduct multiplies itself a million fold in chain reactions among other individuals. We have the opportunity to show our faith in the merits of the individual and our allegiance to the principles of democracy; we have the opportunity to put our beliefs into practice. If we want our ideas to conquer, we must dedicate ourselves to them as faithfully as did the first small band of men who came to establish a foothold on this continent.

America has given to us, its youth, a rich birthright—a birthright founded on freedom. If we accept the challenges which this freedom brings, we shall explore the new horizons open to us and make visible our faith in the democratic tradition. We will learn all we can, be all we can, and, ultimately, do all we can. Our correlative obligation will be to convert the freedom we have been given into power which will work for human betterment and enhance freedom, dignity and integrity among people and nations.

SUMMARY OF 1985 TAX RETURN DATA

HON. THOMAS J. DOWNEY

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, April 16, 1986

Mr. DOWNEY of New York. Mr. Speaker, again this year, I am making a summary of my tax return public because I believe that Federal officeholders should be forthcoming about the sources of their income. Therefore, I ask that the following summary be printed in the official RECORD of the day's proceedings.

Salary—U.S. House of Representatives	$74,892
Interest income	384
State and local income tax refunds	None
Rental loss	(1,524)
Business income—honoraria (net of expenses)	22,200
Total income	95,952
Less:	
Nonreimbursed employee business expenses	3,275
Payments to IRA	2,250
Payments to Keogh retirement plan	3,548
Adjusted gross income	86,879
Itemized deductions:	
Taxes	8,858
Interest expense	3,353
Contributions	554
Miscellaneous deductions	1,554
Total itemized deductions	14,119
Less: Zero bracket amount	3,540
Excess itemized deductions	10,579
Tax table income	76,300
Less: Personal exemptions	4,160
1985 taxable income	72,140
Federal income tax	19,858
New York State income tax	6,708
New Jersey income tax	37

SHOULD WE LEARN FROM HISTORY OR MERELY REPEAT IT?

HON. WILLIAM E. DANNEMEYER

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, April 16, 1986

Mr. DANNEMEYER. Mr. Speaker, history is the chronicle of mankind's collective experience. Our past is the fountainhead from whence our future springs. We move from what was to what will be. It is a cyclical ritual, a perpetual motion distinguished by infinite variations on a central theme. The theme is human behavior; the variations are successive improvements. Or so it goes in theory: We are supposed to learn from our mistakes. Tragically, we are all too often inclined to repeat them.

We are witnessing a replay of history as we consider once again the issue of providing aid to the Contra forces in Nicaragua. We have traversed this route before, only to find ourselves mired in the mud of intransigence. We are infrequently offered the opportunity to undo our mistakes; fate has now bestowed upon us a second chance.

As irony would have it, this was the month—11 years ago—in which we confronted the impending Communist occupation of Southeast Asia by ignominiously abandoning our allies, our tails between our legs and our heads in the sand. Assuredly, the situation then was not identical to the current one in Central America: We have not been fighting an unpopular war for 10 years, we have not lost 50,000 of our sons, we have not spent $140 billion on a losing proposition.

What is comparable, however, is the alacrity with which we relinquish our responsibilities to friends and our adherence to principles. Faced with imminent disaster in South Vietnam and the de facto loss of Cambodia, President Ford, on April 10, 1975, appealed for $722 million in emergency military aid and an additional $250 million in humanitarian and economic assistance. At the very least, we needed to buy time in order to allow the South Vietnamese to evacuate from hopeless positions. Congress, in its finite wisdom, chose to let the body hang and twist slowly in the wind, a macabre and grisly finale to a long and frustrating period of U.S. involvement in Southeast Asia.

That choice is again before us. Shall we once more choose expediency and evidence, as Alexander Solzhenitsyn observed, "the Western world has lost its civil courage?" There are many who chose to cut and run in 1975 who were subsequently made uneasy by the genocide which followed. Chagrined, perhaps, but not contrite.

The President has requested $100 million in military assistance for the Contra forces who are waging a life-and-death struggle for their homeland. There are several valid reasons why I believe it is vitally important to provide this aid.

First, the present Nicaraguan Government is a force for evil in the Western Hemisphere and the world. Documents captured on Grenada incontrovertibly reveal the extent to which Soviet and Cuban plans to infiltrate and exploit the Sandinista regime have succeeded. The intention is clear: Promote, train, and export terrorism, revolution, and communism throughout Latin America. The myth that the Sandinistas are nothing more than a ragtag bunch of agrarian reformers can be dispelled forthwith; they take their marching orders from Moscow and Havana, and they intend to provide the Warsaw Pact with a vital outpost in the U.S. backyard.

Second, Nicaragua threatens to destabilize the succeeding but fragile democracies in Central America. Costa Rica, Honduras, El Salvador, and Guatemala have all shed their despots and adopted democratically elected governments. The dictators of years past have been consigned to the history books. And

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even Panama has, in the past few years, been inclined to more moderate ways since the reforms of 1983. But Nicaragua threatens to undermine these advances. Efforts to form stable governments, promote economic and social progress, and allow the benefits of democracy to be enjoyed by the people are all confronted by Nicaraguan meddling, terrorist activity, and guerrilla attacks. Once Central America is destabilized, Mexico will be next. At what point do we take a stand? It is important to note that not once has a Communist government—whether elected or imposed—voluntarily given up control of a nation. When popular discontent led to overt attempts to reform or change Communist rule in Hungary (1956) and Czechoslovakia (1968), the patriot uprisings were brutally suppressed. Totalitarian government plus Soviet expansion: This was the reason for the invasion of Grenada. The citizens there had no choice. Neither will the people of Central America.

Third, negotiations have not succeeded. It is erroneously charged that the President is seeking a military solution instead of a diplomatic one. This argument is a not-so-benign ruse, part of the disinformation campaign designed to malign and subvert American policy. In fact, we have pursued diplomatic negotiations, attempting since 1981 to achieve a peaceful political solution. Since 1983, three special envoys—Philip Habib being the most recent—have made 48 trips to the region. High-level bilateral talks between the United States and Nicaraguan officials have taken place nine times since June 1984 alone. On the other hand, Nicaragua terminated its participation in the Contadora talks in the fall of 1985, and in December, voted against an Organization of American States resolution calling for accelerated negotiations. The Ortega government has rejected repeated overtures to negotiate a settlement following the 1984 cutoff of U.S. military aid. It has, instead, imported $350 million worth of Soviet arms, of dubious value in improving the lot of Nicaraguan peasants. Last May, Congress voted against providing military aid to the Contras, part of the reasoning being that we needed to show "good faith" and provide an incentive for Ortega to sit down at the negotiating table. What he did was fly to Moscow and proclaim his solidarity with international communism. We held out our hand; he spit in our face.

Fourth, Nicaragua has become a training ground and haven for terrorists of all nations. The PLO maintains a presence there as do other extremist groups spreading hatred and violence throughout the world, such as the Red Brigade of Italy and the Baader-Meinhof radicals in West Germany. We, as all decent people everywhere, have been shocked by the escalation of terrorism and hostage-taking, piracy on the high seas, and the hijacking of airplanes, murder, and destruction. From the massacre of the Israeli Olympic team in Munich in 1972 to the Achille Lauro episode, outrage has been piled upon outrage. And there is no end in sight. And these fanatics are attending school in Nicaragua with the blessing—indeed, cooperation and encouragement—of the Sandinista government.

Fifth, it is alleged that the Contras are merely former adherents of the despised Somoza regime and that we are indirectly funding a reimposition of an antidemocratic dictatorship. Contrary to this canard, only 2 percent of the 20,000 Contra rebels were in the old National Guard. A far higher percentage of Contra leaders are actually former Sandinistas who helped overthrow Somoza, and who have broken with Ortega once they realized the true nature of his rule. Anti-Somoza leaders Arturo Cruz, Alfonso Robelo, and Adolfo Calero initially helped the Sandinista revolution; they now lead the Contras. Fully 40 percent of all Contra forces are former Sandinistas. Their crime? They believe in Nicaragua, not in the Soviet Union.

Sixth, opponents of aid are quick to point out that we have no allies on this isue, especially among Latin American nations. This is a false assertion. Most Latin heads of government publicly oppose U.S. aid for the Contras; privately, they plead for it as the only way to maintain pressure on the Nicaraguan government. Direct U.S. intervention will not succeed because it will only serve to inflame anti-American sentiment in the entire region. But the Ortega regime must be stopped before it undermines all of its neighbors. (Incidentally, Interior Minister Tomas Borge has publicly proclaimed that the goal of the Sandinistas is to foment revolution and death up to and into U.S. territory). Even the socialist President of Spain, where voters wary of Soviet intentions recently supported Spanish participation in NATO, privately informed American officials that everything must be done to stop the cancer of Nicaragua from spreading to other Latin American nations. A Gallup poll published over March 2–3 this year indicated that Nicaragua was perceived as a military threat by 92 percent in Costa Rica, 89 percent in Honduras, 63 percent in El Salvador, and 48 percent in Guatemala. Moreover, Nicaragua was viewed as a Soviet agent by 93 percent in Honduras, 92 percent in Costa Rica, 80 percent in Guatemala, and 74 percent in El Salvador. Nine democratic Latin American prime ministers have informed President Reagan that they fully support his initiative to provide military aid to the Contra forces.

Seventh, we are faced with a potential refugee problem of catastrophic proportions if we allow the Sandinistas to export revolution and terrorism. The loss of democratic governments through destabilization of its Central American neighbors is bad enough. But we face an onslaught of refugees—10 to 20 million of them—should the Sandinistas succeed. In fact, the Government of Mexico has already secretly requested information from the administration as to how many landing ships, personnel carriers, and other seaborne and airborne craft our military could provide to assist them in ferrying those refugees to our borders. We can not and must not allow this to happen. Disaster will strike if we do nothing.

Eighth, an assertion heard all too often is that the Contras are just as bad as the Sandinistas. Reports of atrocities, murders, rape and pillaging, roving bands of cutthroats, and terrorist campaigns permeate the debate. Recently obtained information proves otherwise. Many religious and humanitarian groups operating in Nicaragua have been led to believe in these Contra atrocities; they have been victimized by a highly successful disinformation campaign. Alvaro Jose Baldizon Aviles was a former chief investigator of the special investigation committee of the Nicaraguan Ministry of Interior, where he worked under the infamous Tomas Borge. He was essentially the chief of internal security. Baldizon was also an avowed Marxist-Leninist who joined the Sandinistas out of idealism and received part of his education in the Soviet Union. But in the 6 years he served the Sandinistas, he learned that theory and reality are not the same. In July of last year, he fled to Honduras and has provided an insider's view of what has been going on in the Nicaraguan Government. Among his revelations is that there have been at least three platoons—one in 1981, two in late 1982—of troops trained in East Germany for special duty in Nicaragua. They returned well-versed in the use of NATO weapons and dressed as Contra rebels. Their mission: Commit acts of terrorism and atrocities for which the Contras would be blamed.

Fifteen, twenty years ago, many opponents of the war in Vietnam were asked, "Where would you draw the line against Communist aggression, if not in Southeast Asia?" Although there were some genuinely opposed to war of any sort in any place, the response was largely "we have no business getting involved overseas; we should be concerned only with our own hemisphere, on our own doorstep." Well, Central America is in our hemisphere, and the knocking is getting awfully close to our own door.

These are the reasons I am backing the President and support giving aid to the Contras. If not here, where do we draw the line?

DAYS OF REMEMBRANCE

HON. DEAN A. GALLO

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Wednesday, April 16, 1986

Mr. GALLO. Mr. Speaker, I am today calling on all Americans to join in an effort to remember the events of our recent past, as a reminder that we must never allow these atrocities to be repeated.

The annual official observance of the "Days of Remembrance," commemorating the victims of the Holocaust, is a necessary reminder to every American that we must continually rededicate ourselves to the principle of equal justice for all people.

In the spring of 1945, our American GI's and the Armed Forces of other free nations discovered the full horror of a decade-long campaign of death and destruction on the European Continent. Now, 41 years later, we are still unable to grasp the total horror of the series of events that we call the Holocaust.

The events of the Holocaust are well documented. The death camps had their own photographers and filmmakers, who recorded hours of horrible activities in graphic detail. Allied forces took their own photos and reporters were on hand to report the findings of our forces during the liberation of the death camps.

Survivors have told about their personal suffering and the suffering of others who did not survive. I have spoken with survivors of the

death camps, now living in my district. After hearing their words, I have a real, personal understanding of their strong commitment to remembrance as the only preventive medicine available to mankind. They feel committed to telling their stories so that mankind will not forget that even civilized, industrialized nations can allow inhumanities to occur on a massive scale.

No other series of events in the 20th century has been examined and reexamined more than these events, because no other series of events in this century is as barbaric on such a massive scale.

As incredible as these well-documented events were to us 41 years ago—as incredible as they remain to us today—the truly unbelievable part of this long story of suffering is the public declaration by a small group of people who claim that these events never occurred.

In spite of all the evidence. In spite of the personal accounts and the documentation. In spite of the fact that some of these camps have been preserved as reminders, we are asked by this small group to believe that these events were somehow manufactured.

And, that is why we need "Days of Remembrance," to tell this story to a new generation, born after World War II, and to pass along the warning that such acts of horror can occur in any nation that singles out one group of its citizens and blames that group exclusively for all of that nation's troubles.

The message of history is clear. It has happened before and it can happen again, if we forget, or worse yet deny, the past.

A SALUTE TO CONCERNED BLACK MEN

HON. WALTER E. FAUNTROY

OF THE DISTRICT OF COLUMBIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, April 16, 1986

Mr. FAUNTROY. Mr. Speaker, there has been much said in the last several weeks regarding the deterioration of the black family in America. Further, there has been a conspicuous absence of the images and work product of positive black men. Today, I rise to respond to this evidentiary void and to salute the Washington, DC, chapter of Concerned Black Men [CBM] Inc., a group of men here in the Nation's Capital, who are moving in their own quiet way to help make a difference for black youth. Adopting as its motto "Caring for Our Youth," the Washington, DC, chapter of CBM began functioning in February 1983, after having studied the successful efforts of the Philadelphia chapter of CBM—now in its 11th year. CBM's goal is to organize concerned black men who are willing to devote time and energy, regardless of professional status and schedule demands, toward the development of positive self esteem and meaningful adult-youth communications. They do this by sponsoring various programs, and at the same time, creatively exposing youth to positive black male role models.

Led by attorney Donald Temple, its first president, and a core group of 15 black men, the Washington chapter's first major program was the Martin Luther King, Jr., Oratory Contest for area junior and senior high school students. With approximately 65 students participating and 15 judges from the political, business, and educational communities, the program was an overwhelming success.

Under the committed leadership of Temple and Attorney Clarence Daniels, its second president, CBM continued to expand its membership and programs.

To date CBM has:

First. Sponsored its first annual Black Youth Recognition Dinner for area youth at the National Press Club and will be hosting its second annual dinner on May 2, 1986;

Second. Sponsored three Annual Martin Luther King, Jr. Oratory Contests;

Third. Sponsored three award banquets for contest participants and three trips to the Philadelphia CBM award banquet;

Fourth. Conducted three all-day workshops on "Job Interviewing and Preparation Techniques" and participated in several high school career programs;

Fifth. Conducted 30 teenage pregnancy or sexual awareness workshops for junior high and elementary school students;

Sixth. Adopted Staton Elementary School in southeast Washington for targeted attention and effort;

Seventh. Conducted its second annual Black History Bee;

Eighth. Sponsored an oratory contest for the Lorton Prison Youth Center on "The Responsibility of Black Men";

Ninth. Implemented a career black shadow program which allows youth to interact with CBM members and other individuals on their jobs;

Tenth. Sponsored several luncheons for the student body leadership of various District of Columbia high schools; and

Eleventh. Sponsored two citywide programs for black male youths "On Becoming a Man."

While many of CBM's original members and officers are attorneys, its membership base now includes physicians, economists, educators, journalists, policemen, photographers, business executives, and others.

Mr. Speaker, CBM's record of action speaks highly of their concern for black youth. It is no wonder that President Reagan awarded their national organization the 1985 Presidential Volunteer Service Award.

I am proud, Mr. Speaker, to salute the Washington, DC, chapter of Concerned Black Men, its current president, Mr. Anthony Williams and all of those Concerned Black Men who send that needed and special message to black youth, not through words, but deeds: "We care and we love you."

To epitomize their contribution to black youth, I bring the following letter to your attention:

WASHINGTON, DC,
May 23, 1984.

DEAR CONCERNED BLACK MEN: I praise your name and the works of your hands, and I pay homage to the depth and expanse of spirit from which your work is brought forth.

I thank you, further, for the process orientation of the Martin Luther King, Jr. oratory contest. All of my students learned a great deal from Dr. Boyd and from seeing how the skills I teach every day lead to self actualization.

Your compassionate aid to my student (William Bryant Frazier), who lost his speech before his oratory presentation, was most remarkable. The roles you model are indeed, worthy of emulation! Your warmth, professional manner, brotherhood, and relaxed dignity bear witness to the spirit that moves among you before it suffuses the youth whom you touch. The fruit of your labor must be growing each day! May it and you and all of us continue to thrive.

Sincerely,
CONSTANCE THOMAS RAZZA.

MEETING OUR DEADLINES

HON. DAVID DREIER

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, April 16, 1986

Mr. DREIER of California. Mr. Speaker, yesterday, April 15, was an important deadline for taxpaying Americans, one which most of them made every effort to meet. Yesterday was also an important deadline for Congress—but ours went unmet and virtually unremarked.

Since we passed the Gramm-Rudman-Hollings legislation, much time has been spent decrying how setting an orderly schedule of deficit reduction would bring untold devastation to our society. Well, society need not worry—we have yet to meet a single target date.

Yesterday, Congress was to have completed action on a fiscal 1987 budget resolution. Instead, we have barely begun, and are instead once again considering a new spending bill.

If taxpayers miss their April 15 deadline, they know they will suffer the consequences. Unfortunately, when Congress misses its deadline, it is again the taxpayers who suffer the consequences.

Instead of a budget, today we are talking about spending about $7 billion more than would have been spent otherwise, and taking away the President's 65-year-old authority to defer spending he finds excessive. To accomplish this, we had to first pass a special rule allowing us to waive standing House rules prohibiting us from legislating in spending bills and exceeding subcommittee ceilings.

Members of the Appropriations Committee have worked hard on this bill, which contains funding for many programs that, considered separately, are reasonable and important. The bottom line, however, is $7 billion we would not be spending otherwise, putting us $7 billion further from reaching the fiscal 1987 deficit target.

At some point, we are going to have to begin making some choice on spending priorities, and start meeting targets and deadlines. I am sorry that this is not that time.

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PLEASURE ENDEAVORS

HON. SALA BURTON

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, April 16, 1986

Mrs. BURTON of California. Mr. Speaker, I would like to bring to your attention and the attention of our colleagues a very special organization in my congressional district, San Francisco, which, for nearly a decade, has actually acted on the principle that our senior citizens have a vast reserve of creative energy and talent which can be cultivated to improve both their personal lives and environments.

In 1987, Pleasure Endeavors Projects, Inc., will celebrate a decade of service to frail elders and other residents of long-term care facilities. It is the only organization of its kind that provides indepth, action art programs with very real avenues by which those under care may find ways to break the bonds of institutionalization. It is about real goals, personal relationships, and individual dignity.

This project began as a grassroots endeavor—to decorate the largest geriatric hospital in the United States through the efforts of the elderly and disabled residents who live there. Currently, a magnificent elder art gallery is being completed on the third floor of the huge facility and there are plans for exhibits to include many elders there and throughout the community.

The Artist-Development Project—the nucleus activity which backed this endeavor—continues to offer support for artistic exploration and skills development for residents of Laguna Honda and several other convalescent homes in San Francisco.

A team of well trained artists, recreation professionals, reentry seniors, and community volunteers join together to provide person-to-person support for aspiring artists. Those who come to the Artist-Development activities find that teaching is primarily a function of acknowledgement, confirmation, and close personal interest. In this regard, the term "art therapy" is redundant.

Exhibits are held regularly; paintings do not end up in drawers. It is not about making a bunch of bowls and ashtrays and selling them in the annual bazaar for a nickel or a dime. Artworks are sold for a fair price and the artists get all the money—less direct expenses. The artists get acknowledgement and confirmation through their presence at the art show, announcements and personal public contact that, again, confirms and raises self-esteem through public appreciation of their efforts.

Other projects include reproductions of artworks; calendars, cards, and other artifacts. Recently, a universal communication board was developed for those who have hearing or speech loss. It is a pointer board of unique design which features the artwork of a participant of Artist-Development activities, and it is receiving a tremendous response nationwide from the professional and private sector while helping those who could not otherwise be able to communicate.

Pleasure Endeavors Projects is a charitable, nonprofit organization supported by the San Francisco Commission on the Aging, the Senior Community Service Project [E.O.C.], Laguna Honda Hospital, The California Arts Council, Pacific Bell, Levi Strauss, Project 20, the Telephone Pioneers, the San Francisco Volunteer Center, the National Center on Arts and Aging of the National Council on Aging and Coming of Age, Inc.

I urge all my colleagues to contact my office to review the materials and the art work produced by the seniors involved in Pleasure Endeavors. I think you will be genuinely surprised and may want to encourage the development of a similar project in your congressional district.

THE FOURTH PILLAR OF SOUND MONEY

HON. WILLIAM E. DANNEMEYER

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, April 16, 1986

Mr. DANNEMEYER. Mr. Speaker, the fourth of 10 pillars of sound money and credit is the principle of monetary policy. These are troubled times insofar as monetary policy is concerned, as witnessed by the Secretary of the Treasury, Mr. Baker, and the Chairman of the Federal Reserve Board, Mr. Volcker. Mr. Baker publicly advocates further depreciation of the dollar in terms of foreign exchange, while Mr. Volcker is on record as saying that such a path is strewn with dangers, and may trigger a run on the dollar. We are like the passengers of an aircraft watching the pilot and the copilot fight over the flight course in mid air.

It would be far safer for the Nation and the world if the Congress discharged its constitutional duties in fixing a monetary standard. This would then set the course for both the pilot, Mr. Baker, and the copilot, Mr. Volcker, and a crash could be avoided.

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THE FOURTH PILLAR OF SOUND MONEY AND CREDIT: THE PRINCIPLE OF MONETARY POLICY

(By Antal E. Fekete)

A CHINESE TALE

Once upon a time the Treasury of the Celestial Empire was found empty. The Emperor instructed Hwa, the Chairman of the Heavenly Research Council, to work out a plan to meet the emergency.

Hwa suggested that the Emperor assume the title "The Son of Heaven", thereby laying claim to supernatural powers. The Emperor would then inject words and phrases such as "targeting the money supply", "clean versus dirty floating", "the crawling peg", "semi-fixed standard", "snake in the tunnel", "softening the bands of hard currencies", and so forth, into the public debate on money, thereby endowing these meaningless words with sacramental effects. The purpose of the exercise would be to induce men to give up actual goods and services in exchange for fictitious ones.

The Emperor went along with these proposals and debased the silver coins of the Empire, while retaining the coins' outward appearance. But the people refused to be duped, and they accepted the debased coins only at a discount. Hwa threw himself at the feet of the Emperor. "Son of Heaven, it is not enough for you to claim absolute power over the value of coins and over the destiny of the people. You must also forbid any examination of your claims. You must outlaw logic. All questions about currency depreciation must be tabooed. To ask them, to answer them, even to think of them must be declared an act of sacrilege, and unpardonable sin. Only then will people believe that coin-clipping is no self-mutilation but, rather, the mutilation of their competitors. Only then will the coolie stop cursing, and start blessing, his yoke.

The Emperor was not impressed. "Hwa, you talk like a fool. Even a child can see through your theocratic fraud. All he need ask is whether the priest is the instrument of religion, or religion is the instrument of the priest. The proof that the people have been duped is that the priest is rich and powerful. He can taboo questions, he can adjust moral principles to suit himself. So your studied gestures and poses, your hieroglyphic messages are losing their effects because people observe your simony, the trafficking in relics. Seek as one may, there is no substitute for an informed and enlightened public opinion. It is the only remedy."

Then the Emperor recalled the debased coinage, and let it be known that hard times can be overcome if everybody worked, and saved, even harder. Before twelve moons have passed, the Treasury was once more replete with full-bodied silver coins.

THE BIGGEST HUMAN EXPLOITATION

Today people take it for granted that "targeting the money supply" is a legitimate objective of monetary policy. It wasn't always like that. In 1932, the Canadian economist and humorist, Stephen Leacock, could joke:

"The gold standard has fallen into opprobrium. A while ago it looked as safe as the rock of ages, and now it is being relegated to the age of rocks. We have been learning some new economic truths. Consider the control of the money supply. What does it mean? A lot of flowery words have grown up around this. But if that means anything at all, it means that there will be a board, a committee of people who will, when they like, expand money or contract money, and boost prices up or boost prices down. There will be three men in a room somewhere who will do that. If that time ever comes, I want to be one of the three, or at least a warm personal friend of all three."

"Now I say this in all sincerity that the three-men-in-a-room stuff will do for the Soviets; it will not do for us. You cannot have a system of social controls dependent upon the will of three men in a room. You cannot have prices which can be moved up by a group in control. You cannot have wages which can be shifted down in their purchasing power by the good will of the men of the monetary caste. You must weigh that very, very carefully. The board, when it boosts prices up or down would follow, or be tempted to follow, all sorts of self-seeking ends. You cannot run society like that. If you try to have a money standard based on human interest or opinion, you have started the biggest human exploitation one can possibly imagine."

THE GREATEST VIRTUE OF THE GOLD STANDARD

The concept of the money supply is a spurious one, and the idea of targeting the money supply by open market operations of the Fed is a modern theocratic fraud, establishing the biggest scheme of human exploitation in history. The extent to which this method of plunder is practiced is in inverse proportion to the perspicacity of the people. It is in the nature of abuses to go as far as they can. Plunderers conform to the Malthusian law: they multiply in direct proportion with the means of existence—and the means of existence for knaves is the credulity of their dupes.

If God had made man a solitary animal, everyone would labor for himself, and individual wealth would be in proportion to the services that each man performed for himself. But since man is a social creature, services are exchanged for services. Moreover, to provide for certain needs such as security, the members of society organize governments and agree to tax themselves in order to cover these needs. The government too is subject to the Malthusian law. It tends to expand in proportion to its means of existence which, in the last analysis, is nothing but the substance of the people. So when the government runs out of real services, it will continue to expand by offering fictitious services to the taxpayer. Targeting the money supply is one of the most reprehensible of these fictitious services.

In private transactions each party remains the sole judge of both values: the value of services rendered, and that of services received. The individual is perfectly free either to decline the exchange or to make it elsewhere. The greatest virtue of the gold standard is that the medium through which these services are exchanged is left outside of the political arena, and hence individual valuations remain as free of distortion as possible.

But when the government starts targeting the money supply, it interposes between the exchanging parties a medium which cannot be valued because it has, by design, not definable value. In combination with that fatal disposition, that one man could always be persuaded to live at the expense of others, this interposition by the government creates enormous disparities between the exchanging parties, while plundering both. The people are astonished to find that, while they hear of wonderful inventions that are supposed to save labor and multiply output without end, they are working as hard as ever and are still no better off than before. Meanwhile, things go from bad to worse and, at last, people open their eyes, not to the remedy (for they have not yet progressed that far), but to the evil.

MONETARY POLICY UNDER LIMITED GOVERNMENT

Targeting the money supply is an arbitrary and unlimited power, which is at variance with our Constitution and with the principles on which our government is based. Constitutionally, the government has a carefully circumscribed responsibility in the realm of money. This is to see to it that the value of every kind of money in circulation, namely, coins, bank notes, bank drafts, bank deposits, etc., rigidly conforms to the standard unit of value. The government is charged with the responsibility of stabilizing and value of currency, and it must not aggrandize its powers by destabilizing it.

THE VIETNAM WAR AS VIEWED BY A TEENAGER TODAY

HON. TONY COELHO

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, April 16, 1986

Mr. COELHO. Mr. Speaker, I thought my colleagues might be interested in the work of Megan Furth, a 13-year-old from San Francisco, CA, who recently wrote on the Vietnam war. Being a congressional staff member at the time of the war, I was very involved in the debate and still have my own strong beliefs about the war. But it is interesting to see how our young people today, who did not grow up during the war, view it after researching it and talking to veterans who were there. I am encouraged that so many of our young people are interested and willing to learn from our past and I am pleased to share one such analysis with my colleagues:

STATEMENT BY MEGAN FURTH

This report is trying to give all those who were not alive during, or did not understand, the Vietnam War an understanding of it. Before I started this report, I did not even know where Vietnam was, but even greater I did not know that it was, as Newsweek termed it, the "longest, saddest, baddest war America ever fought." ("The Legacy of Vietnam," Newsweek, April 15, 1985, p. 32.)

HISTORY: PRE-1946

It could be said that the Vietnam War began with the invasion of the French in 1858. During the 1800's the French took over such cities as Hanoi, Saigon, and Da Nang. They imposed colonial rule throughout Indochina in 1884. The Vietnamese were treated like slaves, and the resources of their country were exploited. The Vietnamese people were unhappy in this oppressed state.

Ho Chi Minh was perhaps the most important person in the history of Vietnam. He was born in 1890 in Vietnam and grew up hating the French because they controlled his homeland. His life-long goal was to make Vietnam a free and independent country. Although Ho Chi Minh was a devoted communist, he was less concerned with political system than that Vietnam be free. He was a man of action rather than ideas. It has been said that he was first and foremost a Vietnamese nationalist.

In 1919 Ho petitioned the members of the Peace Conference at Versailles for the emancipation of the Vietnamese people. In 1927 he founded the Vietnam Nationalist Party. In 1930, because of instructions from Moscow, he developed the first Vietnamese communist party called "Dang Cong San Dong Duong" (Indochinese Communist Party). In 1940 he started to train revolutionary troops. In 1941 the Viet Minh Party, dedicated to the independence of Vietnam was founded.

1945 was one of the most important years in the Vietnam War. On March 9 the Japanese dissolved the French government in Indochina and declared Vietnam "independent." In April of that year, President Roosevelt died, and President Truman was sworn in. In July of 1945 President Truman approved the military decision to divide Vietnam at the 16th parallel. In August of that year Japan surrendered in World War II. In October of 1945 the British and the French signed an agreement that the French could again rule South Vietnam.

THE INDOCHINA WAR

Ho Chi Minh and the French signed an agreement in September of 1946 giving the French unlimited power in Vietnam. In October of that year the Viet Minh attacked the Saigon Airport and made a last stand before retreating to guerrilla warfare. At the end of 1946 French ships shelled Haiphong, killing 6,000 civilians. In December of 1946 the French demanded the disarmament of the Vietnamese army, and the Vietnamese refused. Large-scale conflict broke out.

This first year of the Indochina War was a period of power struggles and shifting alliances. The Viet Minh insisted upon full recognition of their party and full independence for Vietnam. The French chose a policy of military victory and did not negotiate with Ho Chi Minh. The French advanced that the Vietnamese emperor could lead the nation; this was the "Bao Dai solution." In June of 1948 the French signed an agreement granting the independence of Vietnam, but no authority was actually transferred to the Vietnamese. In June, Ho denounced the new government as a puppet of France. Also in June of 1948 the Emperor, Bao Dai, arrived in Saigon and took power as head of state. There now were two Vietnamese states: that of Ho Chi Minh and that of Bao Dai in 1950, the United States recognized the Republic of Vietnam (Dao Dai); in that same year, the U.S.S.R. and China recognized the Democratic Republic of Vietnam (D.R.V.N., run by Ho Chi Minh).

In February of 1950 the Bao Dai government asked the United States for economic aid in prosecuting the Indochina War. In May of that year President Truman approved a 10-million-dollar grant for assistance in the Indochina War, to be administered through the French. Also in 1950, the Korean War broke out. At the end of 1950 Truman ordered increased military aid to the French in Indochina and send a Military Assistance Advisory Group (M.A.A.G.) to Indochina. The United States was now committed to the Bao Dai government.

In November of 1951, then Senator John Kennedy visited Vietnam and stated that there was little support for the pro-French, Bao Dai government among the people of Indochina; however, our commitment had already been made. By 1952 the United States had already borne one-third of the war's cost.

In October of 1952, his political support declining, Bao Dai withdrew from politics. President Eisenhower was sworn in shortly thereafter and stressed the need to block communist aggression "to save the rest of Asia." This was the "domino theory," which stated that if Vietnam fell to communism, it would trigger a whole row of dominoes which would also fall to communism. Indochina, Thailand, and the Malay Peninsula would fall, then Indonesia, and eventually we would be fighting off communists in Hawaii.

In December of 1953 Ho Chi Minh had offered for the last time to negotiate a truce with the French. He was turned down. At that point the French dug in at Dien Bien Phu, and the Viet Minh began their famous seige—which ended in the military defeat of the French in April of 1954. In the meanwhile, in January of 1954, at the Berlin Conference, the United States, France, the United Kingdom, and the U.S.S.R. agreed to convene in Geneva to seek a resolution to

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the Indochina War. In May 1954, after the French were defeated, the Geneva Accords were signed, dividing Vietnam at the 11th parallel. By October of that year the last French troops had left Vietnam. They had lost a war that they had been fighting for almost a hundred years. Very soon after, President Eisenhower offered South Vietnam direct economic aid.

THE HEART OF THE VIETNAM WAR AND UNITED STATES INVOLVEMENT

If we backtrack ten years, we learn some interesting things. In 1945 Ho Chi Minh asked for America's support in freeing Vietnam. He was turned down. President Roosevelt had intended to suggest that (1) Vietnam become an independent country and that (2) the United Nations supervise the development of this country. He intended to do this after World War II. Unfortunately President Roosevelt died in April of 1945, and President Truman did not carry out his intentions. If Roosevelt's plan had been carried out, history might have been very different. The United States got involved because of the domino theory (explained on page 4), which was based on a fear of communism. In truth, Ho Chi Minh and his cadres, although they were communists, just wanted their country to be free and independent. If is significant, for example, that the first lines of the declaration of Vietnamese independence, which was written by Ho Chi Minh, are the same as ours: "We hold these truths to be self-evidence: that all men are created equal . . . ."

As it was, President Eisenhower pledged economic aid to South Vietnam shortly after he was sworn into office. In 1955 the United States took over the training of the South Vietnam Armed Forces. In 1955, the elections promised by the Geneva Accords failed to materialize; and in 1957 the International Control Commission reported that neither North nor South Vietnam had lived up to their obligations under the Geneva Accords. Problems were bound to develop.

At the end of 1957 the United States' installations in Saigon were bombed by communists, and in 1958 guerrilla warfare tactics began in South Vietnam. By 1950 the number of American advisors in Vietnam increased to 685. Ho Chi Minh's government, in North Vietnam, and the U.S.S.R. protested against the increased American involvement. Also in 1960, the National Front for the Liberation of South Vietnam, known as the NFL or Viet Cong, was organized.

1961 was a turning point in the war; this was when the Americans increased their support dramatically. In this year President Kennedy pledged more help to South Vietnam. There were now 3,200 military aids in Vietnam.

At this point the United States set up the Military Assistance Command, Vietnam. Robert Kennedy announced that United States troops would remain until the Viet Cong had been defeated. On a radio show in Peking, China, it was stated that the United States was waging an "undeclared war" in South Vietnam. At this point, United States forces had increased to 11,300 men.

In 1963, Diem, the leader of South Vietnam who had been supported by the United States government, was murdered along with his brother, Ngu. Nguyen Ngoc Tho took over South Vietnam. President Kennedy was also assassinated that year, and the new President, Lyndon Johnson, promised more support of Vietnam.

During the terms of Johnson we dramatically increased our military assistance of South Vietnam. In 1964 our troops level reached 21,000. There were also several direct attacks on the United States by the Viet Cong; they sunk an American aircraft transport, and they bombed American installations in Saigon. In 1965 President Johnson ordered around-the-clock retaliatory bombing strikes on North Vietnam. The number of U.S. troops reached 27,000. In mid-April the U.S.S.R. and North Vietnam proposed a four-point program for negotiations, which included the withdrawal of foreign troops and the reunification of both Vietnams through free elections. The United States responded by increasing its troop strength to 46,500. The U.S. also continued to bomb North Vietnam. Then, by October and November of that year, the U.S. troop strength was increased to 148,300.

In 1966 Ho Chi Minh declared that the Hanoi peace plan must be accepted by the United States if war was to end. A week later, President Johnson announced the resumption of bombing after a 37-day pause over the Christmas holidays. In March of 1966 215,000 American troops were in Vietnam, and in April of that year we initiated B-52 bombing raids over North Vietnam. At that point U.S. forces were said to be at 245,000, plus 50,000 naval people offshore. In December 1966 there were raids by the United States around Hanoi.

In early 1967, General Westmoreland, who headed our forces in South Vietnam, requested additional United States troops there. His request was granted, and President Johnson, in his State of the Union Message, defended our involvement there, stating that he would persevere in the war despite "more cost, more loss, and more agony." So as you can see, Johnson was taking this "undeclared" war very seriously. He was again demonstrating the intensity of this war. He then ordered a new type of military action, to hasten the end of the war; he authorized the bombing of North Vietnamese industrial targets, which had previously been restricted. In June of 1967, U.S. military strength was at 463,000. In October of 1967, Generals Thieu and Ky were inaugurated as president and vice-president of South Vietnam.

In 1968, the North Vietnamese offered to meet with the United States in peace talks; the offer was accepted. Also in 1968, Richard Nixon was elected, promising peace in Vietnam. In 1969 the Viet Cong launched a general offensive in South Vietnam. At this time, U.S. forces had reached 541,000 men, which was the peak of our involvement.

Shortly thereafter, in 1969, Nixon met with President Thieu and announced the withdrawal of 25,000 American troops from Vietnam. This was the first withdrawal from the war. In the second half of this year Nixon also announced the "Nixon Doctrine," which states that the United States will avoid situations like Vietnam in the future by limiting its assistance to economic and military aid rather than active combat involvement. Also in 1969, a "defeat" in some ways for the communists was the death of Ho Chi Minh, on September 3 of that year. Near the end of the year, Nixon withdrew another 35,000 men, and the American troop level was at 479,500.

In the first part of 1970, Prince Sihanouk was overthrown as head of Cambodia. In April, Nixon withdrew another 50,000 men, and the number of American soldiers was down to 429,000. In October Nixon proposed a cease-fire plan. In July of 1971 the North Vietnamese presented a peace proposal to Secretary of State Henry Kissinger in a secret meeting in Paris, calling for a withdrawal of U.S. forces within six months, release of prisoners of war, and free elections. The United States forces were then at 160,000.

In 1972 Nixon was relected. Peace talks broke down, and Nixon ordered the renewal of the bombing—which had been called off in late 1968, after peace talks were agreed upon. On January 8, 1973, however, the peace talks were reconvened, and all offensives operations in North Vietnam were ordered stopped. Accords were signed in late January, 1973, and a cease fire began on January 28. Five hundred American prisoners of war were then released by the North Vietnamese.

In 1974 the cease-fire of January 1973 broke down, but the conflict did not overtly involve any American troops. Then in 1975 Hanoi launched an all-out offensive to take Saigon. They captured several cities which were the key to taking Saigon. General Thieu resigned as president in April 1975, and the South Vietnam Assembly elected General Van Minh as president with instructions to find a way to peace. On April 30, 1975, President Minh surrendered unconditionally to the Viet Cong, who entered and occupied Saigon. The United States military evacuated the remaining one thousand Americans began the evacuation of 130,000 Vietnamese. It was the end, for the Americans, of a very depressing war.

When the United States retreated from Vietnam, we did it quickly. The whole collapse of South Vietnam had taken only 55 days. Some of our officers left on helicopters from the roofs of building.

In 1976 Vietnam formally declared its reunification as the Socialist Republic of Vietnam, with its capital at Hanoi.

WHY THE NORTH VIETNAMESE WON

There are many reasons why the North Vietnamese won the war; however, several are worth mentioning. First, back in 1968, the North Vietnamese had gained an important psychological victory with the "Tet Offensive." Beginning on January 21, 1968, they launched an 11-week seige to take over Saigon by attacking other American bases. The first was Khe Sanh. This base held up against the seige, but diverted our attention from the cities in the south which were the prime targets for the Tet Offensive. The date chosen for the attack, for maximum surprise, was the sacred holiday of Tet, of the lunar New Year, which, in 1968, fell on January 29. For the offensive, all available Vietnamese communists were used. Children would throw grenades at soldiers. Everyone was out to kill. On that night, the North Vietnamese attacked in eight different locations, and one thousand troops entered Saigon. By February 1, the communists controlled 30 provincial capitals, 60 district capitals, and many bases. Although most of these were recaptured and the North lost 32,000 men in this fight, they had a new perspective on the war.

Another characteristic of the war which made it difficult for the Americans was that it was "frustrating." The enemy was everywhere. Children and old women were soldiers, as much as men in uniform; and there was no way of telling one Vietnamese from another, which was a communist and which was not. Also it was not a war fought with conventional tactics. It was a war of guerrilla tactics.

Another problem for the U.S. was the lack of public support at home. There were massive peace demonstrations. The soldiers

were fighting a war that people at home did not support. The American public did not suffer during the Vietnam War; there were no war taxes and no rationing, as in World War II. This was true even though we were deeply involved. We dropped more ammunition in the Vietnam War than in World War II and the Korean War combined.

AFTERMATH

The general feeling about the Vietnam War was that we should not have gone. Vietnam veterans say that they may have gone to the wrong war, but they went for the right reasons—that is, the blood and guts of this war were no less horrifying for the men who were there. A lieutenant in Vietnam once saw one of his men's legs blown off. The lieutenant said, "I will never forget the boy's face and or his words: 'Lieutenant, will you please tell 'em that I gave it all I got ?' "

It is said today that Americans are still feeling the "Vietnam syndrome," which is to rule out all use of military force in every foreign conflict, even one where the chances of success are good.

The Vietnam War was the first war that the United States ever lost, but the loss itself was not as traumatic for the Americans as the way we left there. We went to Vietnam to stop communism. But Vietnam could have been a democratic country. Ho Chi Minh asked for American support in 1945. He was turned down. Americans have had to face the fact that they have been wrong. For once the clean-cut guys from Virginia had destroyed unnecessarily.

The war also had many political effects. Lyndon Johnson did not run for a second term because of the war. Reagan's views in some ways have come from the effects of Vietnam. Nixon was elected President because he promised peace in Vietnam.

But the biggest effect has been on the Vietnamese themselves. The North Vietnamese have imposed a grim, repressive regime throughout the country. It is one of the poorest nations in the world, but invests its best minds in its military. The Vietnamese are quiet people as it is; but, with the communists there, they have become silenced even more and are always on the defensive. Vietnam has returned to being an oppressed nation.

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PELHAM PARKWAY CITIZENS COUNCIL CELEBRATES 25TH ANNIVERSARY

HON. JAMES H. SCHEUER

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, April 16, 1986

Mr. SCHEUER. Mr. Speaker, this week the Pelham Parkway Citizens Council celebrates an important milestone—its 25th anniversary as the umbrella organization for 16 organizations representing the diverse neighborhoods that comprise the Pelham Parkway area of the Bronx.

Since it was formed a quarter century ago, the Pelham Parkway Citizens Council and the fine fraternal, civic, religious, political, educational, and professional organizations it represents have been a major catalyst in stabilizing the Pelham Parkway area and making it a great place to live.

As the Congressman who represents Pelham Parkway, I am proud of the determination, perseverance, and community spirit of those citizens who serve on the council and work to provide the 80,000 residents of Pelham Parkway with improved physical, cultural, educational, and recreational facilities and activities.

Many talented and creative people serve or have served on the Pelham Parkway Citizens Council. One of those citizens is Mr. Henry Yuspeh, who has been a catalyst for community improvement through his position as president of the council. Through patience and hard work, Mr. Yuspeh and his colleagues on the council have overcome bureaucratic redtape time after time to rack up a long string of success stories that have contributed greatly to the quality of life in the Pelham Parkway community.

Soon after it was formed, the council joined forces with Public School No. 105 to push for a new centrally located library for the area. That building now stands as a symbol of what organized community action can accomplish.

The council currently is fighting to force major changes in the conditions at the Bronx Psychiatric Center. So far, the council has succeeded in seeing a new director appointed and improvements in the center's facilities.

In other areas, the council: serves as a liaison between the community and the police force; is a driving force behind cultural offerings in the area; and has been responsible for numerous neighborhood cleanup and graffiti removal campaigns. On a far-reaching level, the council is the catalyst behind a letter writing campaign to insure that our Nation's prisoners of war and those missing in action are accounted for and not forgotten.

The Pelham Parkway Citizens Council is a wonderful example of civic responsibility that should serve as a model for other grassroots community organizations throughout our Nation.

I congratulate the Pelham Parkway Citizens Council for their 25 years of outstanding service to their community and I know I speak for all Bronx residents when I offer my support and admiration for the indispensable services they have provided over the years.

INTRODUCTION OF THE INTERNATIONAL DEBT, TRADE, AND FINANCIAL STABILIZATION ACT

HON. STAN LUNDINE

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, April 16, 1986

Mr. LUNDINE. Mr. Speaker, yesterday I introduced on behalf of the majority of the members of the International Development Institutions Subcommittee, which I chair, legislation to address the serious problem of developing country debt. This legislation has evolved after detailed oversight and legislative hearings on the ideas contained in the bill. Our proposal is aimed at strengthening and expanding the Baker initiative on debt launched last October in Seoul, South Korea. We have taken timely action on this matter so that it can become part of the Speaker's trade bill scheduled to go to the House floor the week of May 12.

The effect of the debt crisis on the U.S. trade deficit is clear. Since the onset of the debt crisis in 1982, in order to earn badly needed foreign exchange to pay their international debt, debt ridden developing countries have closed their economies to imports and concentrated on boosting their exports. Over one-third of the 1985 U.S. trade deficit was with developing countries. The United States has experienced a 32 percent decline in exports and a 13 percent increase in imports since 1981 with the key 15 debtor countries recently identified in the Baker debt initiative. The trade deficit with these same countries has grown from $3.3 billion in 1981 to $21.3 billion in 1985. The Overseas Development Council has estimated that 1.4 million U.S. jobs have been lost due to the trade ramifications of the debt crisis.

The United States also has other reasons to seek a solution to the debt crisis. Our banks are dangerously overexposed to developing countries who will continue to have serious difficulties paying their debts unless they can secure some breathing room from their debt burdens. Effectively addressing the debt crisis is critically important to preserving United States foreign policy and security interests around the world, particularly in Latin America where infant democracies are struggling to maintain the support of their people.

The bill proposes steps to increase the effectiveness of the World Bank and other multilateral development institutions. It is our belief that the World Bank must play the key catalytic role in bringing about a satisfactory resolution to the debt crisis. The World Bank must help increase the flow of capital into developing countries. To help achieve this we urge the World Bank to propose that a temporary adjustment be made in its disbursement practices to forward World Bank capital to developing countries in an accelerated, but still responsibly monitored, fashion. In addition, we call for steps to help developing countries

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boost domestic savings rates and minimize the capital flight from their countries. Finally, the bill proposes ways which the World Bank can increase its capital base without involving direct appropriation by the Congress during this difficult budgetary environment.

The World Bank must also help bring about important economic policy reforms in developing countries. To help achieve this, we call for an increase in structural adjustment lending by the World Bank. The bill makes particular reference to the need to have as a goal the gradual liberalization of trade and investment policies of developing countries. An essential ingredient in providing expanded resources to developing countries to deal with their debt burdens must be future access to their markets. This not only will strengthen the world trading system, but also contributed to making the economies of the developing countries more efficient and competitive.

To help improve the investment climate in developing countries, the bill endorses the Multilateral Investment Guarantee Agency [MIGA] recently negotiated and endorsed by the administration. This new multilateral agency will provide political risk insurance to private investors in the developing countries. Because of the serious budgetary situation facing us presently, the bill defers authorization of any new funds for this purpose until next fiscal year.

As a means of promoting U.S. interests, the bill directs the Secretary of the Treasury to take steps to keep U.S. firms fully informed of bidding opportunities in countries receiving loans from the multilateral development organizations. In many instances, the United States is losing valuable export business associated with multilateral development bank loans to our trading partners simply because we are not aggressive enough.

The proposed legislation also calls upon our industrialized trading partners to assume a larger share of the burden of developing country imports. Last year, the United States imported 62 percent of the manufacturing exports of developing countries. In contrast, the Europeans only imported 23 percent and Japan 8 percent, respectively. Both the Japanese and Europeans can do much more to help solve this debt crisis through adjustments in their trade and investment policies.

The final section of this proposed legislation attempts to improve the stability of the international financial system. It requires the Secretary of the Treasury, in conjunction with the Chairman of the Federal Reserve Board and Comptroller of the Currency, to explore changes in the structure of U.S. capital markets and regulation of private financial institutions to help address the debt crisis. Any lasting solution to the problem of developing country debt must involve the participation and cooperation of private banks both in dealing with existing debt and insuring that adequate new resources flow to these countries.

The Baker initiative was an important policy reversal by the administration. It correctly identified the widespread economic consequences of Third World debt. The legislation we propose today is an effort to sustain this initiative for our long term economic interests, both for the well-being of developing nations and the United States.

THIS WAS GWEN

HON. WILLIAM (BILL) CLAY

OF MISSOURI

IN THE HOUSE OF REPRESENTATIVES

Wednesday, April 16, 1986

Mr. CLAY. Mr. Speaker, on Wednesday, March 26, 1986, Mrs. Gwen B. Giles, the assessor for the city of St. Louis and a very dear friend of mine, departed this life. She left behind a legacy that will be difficult for anyone to follow or to forget. Her death must be viewed as a dark and deep tragedy.

She was that very special kind of person who touched our lives in a very special way and one whose memory will last forever.

I would like to share the following information with my colleagues on Mrs. Gwen B. Giles, which appeared in the St. Louis Post Dispatch on April 1, 1986.

GWEN GILES EULOGIZED AS A BRIDGE-BUILDER

Gwen B. Giles was eulogized Monday as a community bridge-builder who "was as comfortable in the streets as she was in government suites."

Mrs. Giles, 53, who died Wednesday of cancer, was St. Louis assessor after having served as the first black woman in the Missouri Senate. Several speakers at her funeral recalled also her earlier work as a civil rights fighter and community leader in the West End.

The burial in St. Peter's Cemetery followed the two-hour funeral Mass and ecumenical service at St. Rose Catholic Church, 1001 Goodfellow Boulevard. About 400 people attended the funeral.

The Rev. C. Garnett Henning Sr., pastor of St. Paul African Methodist Episcopal Church, who gave the eulogy, said: "I come not to mourn the passing of Gwen, but to celebrate her life. She achieves in death what she had sought in life—bringing us here together today—black and white, Catholic, Protestant and Jew."

Michael E. Newmark, a representative of Jewish groups, recalled that he had first worked with Mrs. Giles in a program sponsored by the National Council of Christians and Jews. He said they had worked together again in recent years when she became concerned about relations between blacks and Jews.

"She dreamed of building solid bridges between our religious and ethnic groups that would indeed make a better community," Newmark said.

The funeral Mass was concelebrated by the Rev. James Moll, pastor of St. Rose, and Monsignor John Shocklee, executive director of the Archdiocesan Office of Human Rights.

Moll stepped down from the altar to the closed casket, where he said: "We all know a bit more peace, a bit more strength, a bit more life because of Gwen Giles."

Several public officials who attended also spoke in a series of farewell remarks.

Lt. Gov. Harriett Woods recalled that she had preceded Mrs. Giles in the state Senate, "and when Gwen came, I never stood alone again." Mrs. Giles represented the 4th District on the North Side from 1977 to 1981.

Mayor Vincent C. Schoemehl Jr., who then appointed her as city assessor, said she had brought energy and enthusiasm to every job she undertook.. "Her vision and hope touched as all," he said.

Rep. William L. Clay, D-St. Louis, alluded to her role as manager of his first congressional election campaign. "Many of us here today would not be who we are if not for the contributions of this very special lady," Clay said.

Margaret Bush Wilson, former president of the National Association for the Advancement of Colored People. said: "She had the serenity to accept what she could not change, the courage to change what she could and the wisdom to know the difference."

WORLD FOOD DAY

HON. BENJAMIN A. GILMAN

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, April 16, 1986

Mr. GILMAN. Mr. Speaker, today I am introducing House Joint Resolution 595 which would designate October 16, 1986, as "World Food Day." World Food Day celebrates the founding of the food and agriculture organization of the United Nations in 1945. For the past 5 years Congress has supported this commemorative day which has been an effective tool in increasing the public's awareness of the global problems of hunger and malnutrition.

As public concern about world hunger grows, the importance of special days like World Food Day increases. Hundreds of colleges, universities, and other local organizations participated in various activities to help educate their communities on the problem of hunger last year. These individual activities add up to the huge worldwide movement that will give the hungry the support they need to succeed. Public concern has already created enormous resources for Africa and is stimulating the political commitment needed to achieve long-term success.

By designating October 16, "World Hunger Day," Congress will join these communities and initiatives in a committed national effort to alleviate hunger in the world.

Mr. Speaker, at this point in the RECORD, I am inserting the full text of the House Joint Resolution 595 to designate October 16, 1986, as "World Food Day."

H.J. RES. 595

Whereas hunger and chronic malnutrition remain daily facts of life for hundreds of millions of people throughout the world and famine is again affecting so many of the countries of Africa;

Whereas the children of the world suffer the most serious effects of hunger and malnutrition, with millions of children dying each year from hunger-related illness and disease, and many others suffering permanent physical or mental impairment, including blindness, because of vitamin and protein deficiencies;

Whereas Congress is particularly concerned by the rise of hunger, recurring natural catastrophes, and inadequate food production and distribution now affecting a large number of African countries and the need for an appropriate United States response to emergency and long-term food needs of that continent;

Whereas there is growing recognition that improved agricultural policies, including farmer incentives, are necessary in many developing countries to increase food production and national economic growth;

Whereas there is a need to increase the involvement of the private voluntary and business sectors, working with governments and the international community, in the search for solutions to food and hunger problems;

Whereas although progress has been made in reducing the incidence of hunger and malnutrition in the United States, certain groups, notably Native Americans, migrant workers, the elderly, and children, remain vulnerable to malnutrition and related diseases;

Whereas national policies concerning food, farmland, and nutrition require continuing evaluation and should consider and strive for the well-being and protection of all residents of the United States and particularly those most at health risk;

Whereas there is widespread concern that the use and conservation of land and water resources required for food production throughout the United States ensure care for the national patrimony we bequeath to future generations;

Whereas the United States has always supported the principle that the health of a nation depends on a strong agriculture based on private enterprise and the primacy of the independent family farm;

Whereas the United States, as the world's largest producer and trader of food, has a key role to play in efforts to assist countries and people to improve their ability to feed themselves;

Whereas the United States has a long tradition of demonstrating its humanitarian concern for helping the hungry and malnourished;

Whereas efforts to resolve the world hunger problem are critical to the maintenance of world peace and therefore to the security of the United States;

Whereas Congress is acutely aware of the paradox of immense farm surpluses and rising farm foreclosures in the United States despite the desperate need for food by hundreds of millions of people around the world;

Whereas a key recommendation contained in the 1980 report of the Presidential Commission on World Hunger is that efforts be undertaken to increase public awareness of the world hunger problem;

Whereas the member nations of the Food and Agriculture Organization of the United Nations designated October 16 of each year as World Food Day because of the need to alert the public to the increasingly dangerous world food situation;

Whereas the Food and Agriculture Organization was conceived at a conference in Hot Springs, Virginia, with a goal of freedom from hunger and 1985 marks the 40th anniversary of the organization's existence;

Whereas past observances of World Food Day have been supported by proclamations of the 50 States, the District of Columbia, the Commonwealth of Puerto Rico, and the territories and possessions of the United States, by resolutions of Congress, by Presidential proclamations, by programs of the United States Department of Agriculture and other Government departments and agencies, and by the governments and peoples of many other nations; and

Whereas more than 330 private and voluntary organizations and many thousands of community leaders are participating in the planning of World Food Day observances for 1986: Now, therefore, be it

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled, That October 16, 1986, is hereby designated as "World Food Day". The President is authorized and requested to issue a proclamation calling on the people of the United States to observe that day with appropriate activities to explore ways in which our Nation can further contribute to the elimination of hunger in the world.

THE CASE AGAINST FURTHER AID TO THE CONTRAS

HON. TED WEISS

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, April 16, 1986

Mr. WEISS. Mr. Speaker, a distinguished New York attorney, Mr. Robert L. Boehm, has cogently stated the case against any further aid to the Contras in Nicaragua. I commend the attached letter to the attention of all Members of the House.

APRIL 7, 1986.

DEAR MEMBER OF CONGRESS: President Reagan, fighting desperately to get $100,000,000 for "his" Contras, paints dire pictures of despair if Congress does not support his demand. Yet he says nothing about what will happen if he does get his $100,000,000.

This is an area into which neither he nor his supporters have ventured. Why not? Because he cannot explore this possibility without exposing the weakness of his position.

Does he or anyone else suppose that $100,000,000 to the Contras will end the war in Nicaragua? The Contras have failed to hold a single town or for that matter a blade of grass for even a few days. They can do no more than run for refuge in Honduras when the going gets rough. Headed by a mixed bag of former Somocistas and young soldiers of fortune, they have very little popular support in Nicaragua. They have not even been able to agree on their own political aims.

What must happen after the $100,000,000 is spent? Will the President then agree that their mission is a failure and that we must withdraw our support? A most unlikely scenario. Instead the Reagan program will call for more aid—this time $200,000,000 to $300,000,000—with greater emphasis on more offensive weapons, like armed helicopters, high-powered gunships, etc., and more "advisers" and "trainers."

On the third try the President will ask for American troops, or at least the Marines . . . a replay of the Vietnam fiasco.

This is the real question behind the facade of "only $100,000,000." Must Congress grant this request? Arm twisting and political deals have become the order of the day. But Congress can have its own program . . . not more arms but a political settlement for Nicaragua with the United States and with its own Latin American neighbors.

The assumption that Congress must give in and allow the President some of what he wants is without foundation. If the separation of powers means anything at all, it must mean that legislative powers must be independently exercised—not subject to domination by the Executive. Compromise is all very well, but it cannot work when in effect compromise means surrender.

The Administration has already seen the failure of its military approach. The only realistic alternative is political and diplomatic . . . the reconvening of the Contadora nations and the United States in a genuine effort to resolve the issues. Such an approach is totally incompatible with more dollars for the military. Only if the military approach is rejected will it be possible to place a diplomatic effort on the agenda. Our present military approach—the funding of the Contras—not only is leading us toward all out war, but in fact violates basic rules of international law embodied in the Charters of the UN and the OAS, as well as fundamental principles of U.S. constitutional law. Let us think clearly before we rush into the misguided Reagan "policy."

Respectfully yours,

ROBERT BOEHM.

MASS STARVATION: A SOVIET POLICY

HON. RICHARD T. SCHULZE

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, April 16, 1986

Mr. SCHULZE. Mr. Speaker, on a recent trip to Arizona, I picked up a copy of the Arizona Republic which contained a truly excellent editorial on the use of starvation by the Soviet Union as a tool for achieving population subservience. It comes as no surprise to most of us that the Soviet Union and its puppets violate individual human rights—but it should concern and shock all of us that mass starvation is practiced in this day and age as a means of overpowering and controlling those who defend themselves against Communist rule. Mr. Speaker, I ask that this editorial be printed in the CONGRESSIONAL RECORD and commend it to the attention of each of my colleagues.

THE ARIZONA REPUBLIC,
April 12, 1986.

SOVIETS: STARVATION AS A POLICY TOOL

Communists regularly use famine—planned, deliberate, premeditated, state-sponsored mass starvation—as a means of executing foreign and domestic policy.

This is little known in the West for the simple reason that it is usually carried out under ideal totalitarian conditions with the borders of affected areas sealed off to outside journalists and diplomats.

Millions have been starved to death deliberately in the Ukraine, China, Cambodia, Ethiopia and Afghanistan while the world went on la-di-da in blessed ignorance.

There is, however, a sinister side to this lack of awareness: Western self-censorship.

By 1932, Josef Stalin had run out of patience trying to collectivize and bring a stubborn Ukraine under Soviet control. He sealed the borders of the region, stripped it of foodstuffs down to killing the cats and dogs, and in a year had murdered at least 7 million, and perhaps as many as 15 million, Ukrainians.

The tragedy was hidden from the West by Stalin's ironclad censorship and by a conniving Western press sympathetic to socialism.

New York Times correspondent Walter Duranty, a Pulitzer Prize winner and dean of Western reporters in Moscow, toured the afflicted area and denied in print the existence of the famine, an act for which Stalin awarded him the Order of Lenin. It is now universally recognized that Duranty lied.

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Malcolm Muggeridge, an idealistic young communist reporter for the British Guardian, in 1933 secretly got into the Ukraine and reported the famine only to have all his stories "spiked." Muggeridge left Russia disillusioned and repulsed by "one of the most monstrous crimes in human history."

All this would be of purely historical interest except for the fact that the "spiking" of the Ukrainian famine story continues in 1986.

The Ukrainian Studies Fund of Harvard University, completing a massive three-year study of Stalin's planned famine to be published in October, has been unable to interest any major news organization in its work.

And don't look for the award-winning documentary film Harvest of Despair on television. The commercial networks, the Public Broadcasting System and most local stations have refused to air the film documenting Stalin's deliberate mass murder despite its having been awarded a gold medal over 837 entries from 44 countries at the 1985 International Film & TV Festival.

Why this resistance to airing the film? Because it isn't chic to criticize the Soviet Union in an era of summit meetings and cultural exchanges; it isn't wise to risk Russian reprisals against your Moscow news bureau; because the film isn't "balanced" with the Soviet side.

The Soviet side? Do documentaries on Hitler's Holocaust give "the Nazi side," as if there is a "side" in favor of genocide? Anyway, the Soviet response is self-contradictory: (a) The famine never happened; (b) the famine happened but was an accident of nature.

The Kremlin threatens and blusters every time the subject is broached. When Canadian Prime Minister Brian Mulroney mentioned it in a speech last year, the Kremlin charged he was trying to overthrow the Soviet government!

How does the West deal with a government that starved its own people by the millions to gain its ideological ends? The idea is so monstrous and so cuts through our more comforting images of the Soviet Union that most would rather assent to the Russian view of reality than challenge it.

And it continues. An article in the April *Commentary* magazine details how the Ethiopian Marxist government is using a Stalinesque famine to collectivize agriculture. In Afghanistan, the Soviets have destroyed the agricultural infrastructure to break the will of the freedom fighters. More people per capita face starvation in Afghanistan than in Africa.

While the West prattles on endlessly about the Nazi Holocaust and makes insincere protestations of "never again," communists systematically carry out genocide by famine, hidden safely behind the barbed wire of their gulag states and Western self-willed blindness.

FELTON GROVE FLOOD CONTROL PROJECT

HON. LEON E. PANETTA

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, April 16, 1986

Mr. PANETTA. Mr. Speaker, today I am introducing legislation that would authorize a flood control project in the Felton Grove area of Santa Cruz County, CA. The severe storms this year have once again caused extensive flood damage in the Felton Grove vicinity. This area has suffered significant flood damage year after year, causing a public safety hazard and a direct threat to homes immediately adjacent to the river bank and necessitating the evacuation of area residents. The sooner a permanent solution can be put in place, the less the danger to the lives and property of area residents.

Mr. Speaker, the text of the bill follows:

H.R. 4608

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the Secretary of the Army, acting through the Chief of Engineers, is authorized to carry out a project for flood control in the Felton Grove area, Santa Cruz County, California. There are authorized to be appropriated such sums as may be necessary to carry out this Act.

ILLINOIS SUPPORT FOR SET-ASIDE PROGRAM

HON. CHARLES A. HAYES

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, April 16, 1986

Mr. HAYES. Mr. Speaker, while the Reagan administration attempts to bury the Small Business Administration in the Department of Commerce and the Civil Rights Commission and the Office of Management and Budget attempt to roll back the gains of the Federal Government's set-aside program, my home State of Illinois is attempting to get a bigger share of Federal contracts for the State's small businesses. The Government Assisted Industry Network [GAIN] is a bipartisan, statewide organization of business executives working to bolster existing efforts to help get a bigger share of Federal contracts for the State's small businesses.

Recently, this organization sent a letter to the 24 Members of the Illinois congressional delegation urging opposition to the proposed procurement rules changes which would virtually eliminate the set-aside program.

Mr. Speaker, the GAIN letter is but one more illustration of the broad-based support that this popular program enjoys. While the set-aside program still needs to be improved and expanded, it is a worthwhile and necessary example of how the Federal Government can assist small and minority businesses obtain their fair share in our Nation's economic system.

The GAIN letter follows:

Government Assisted
Industry Network,
Springfield, IL, March 15, 1985.

Memorandum

Re Small Business Set-Aside Program.
To: Illinois Congressional Delegation.
From: House Speaker Michael J. Madigan and House Minority Leader Lee A. Daniel.

Members of the Government Assisted Industry Network (GAIN) are asking your help in preventing proposed procurement rules changes which would virtually eliminate the set-aside program for small businesses.

The changes proposed by the Office of Management and Budget (OMB) would require procurement officers in the Department of Defense, National Aeronautics and Space Administration and General Services Administration to "demonstrate that a sufficient number of responsible small business concerns will respond" to an invitation to bid "at the lowest reasonable cost."

The previous standard for set-aside contracts required only that "at least two responsible small businesses offering reasonable prices" demonstrate an interest in bidding.

Small business leaders, procurement officials and the Small Business Administration all agree that the new standard, if adopted, would sharply reduce, if not actually eliminate, small business set-aside contracts. Set-aside contracts account for nearly half of the procurement contracts won by small business on the national level. It would clearly harm Illinois, which already has far less than its share of all federal contracts. According to the most recent figures provided by the Small Business Administration, Illinois small businesses received 22% of the federal contracts awarded the state in comparison with an average of 14% won by small business in other states. Clearly a reduction in small business contracts would undermine our state's economy.

On behalf of the members of GAIN we urge your strong bi-partisan support for HR 4097 sponsored by Representative Esteban Torres (D–California) or similar legislation which would preserve the current rules for procurement officers establishing set-aside contracts.

With your timely assistance, we can prevent a step backward in the effort and develop a fair procurement system which offers a reasonable share of contracts for small businesses.

H.R. 4515

HON. BILL FRENZEL

OF MINNESOTA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, April 16, 1986

Mr. FRENZEL. Mr. Speaker, I voted against the rule on H.R. 4515, the urgent supplemental appropriations bill, because it linked two nongermane items, the Contra issue, and repeal of the President's deferral policy, with the supplemental appropriation. Neither of those items should have been joined to the bill.

The distorted rule, which is contrary to the regular procedures of the House, was the reason for my positive vote on the Hamilton amendment. My original inclination was to vote against the Hamilton amendment, but when an affirmative vote offered the opportunity to sever the Contra issue from the appropriations bill, I took advantage of that opportunity.

Incidentally, I will still vote against the next rule on the supplemental, because it will still include legislative langauge repealing the deferral authority along with the appropriations. The vote for the Hamilton amendment only cured one-half of the problem.

What infuriated the Republican minority today was the fact that the Speaker, in providing a vote on the President's proposal, provided one under which success was impossible. The President was sworn to veto the supplemental. Even if his Contra proposal had been passed, he would have had to veto it along with the rest of the supplemental.

That procedure is an affront to our system. I voted against the President's proposal, but I strongly believe he, or any other President of any party, deserves an honest chance to present his policy to the Congress.

Unfortunately, the Democratic majority, uses the combination approach on an increasing number of important spending bills. Our continuing resolutions are a national disgrace, but they are used repeatedly to drag poor spending programs along with essential ones.

Today's confrontation is only the beginning. Long after today's issue is forgotten, legislators will still be trying to add nongermane amendments to bills of one kind or another.

When they are aided by congressional leadership, as was the case today, the whole process becomes more of an exercise in cronyism, and less representative, and less working of the people's confidence.

The House, and its Democratic leadership, suffered a real embarrassment today. No wonder H.R. 4515 was abruptly pulled from the schedule.

EL LAGARTILLO

HON. TED WEISS

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, April 16, 1986

Mr. WEISS. Mr. Speaker, before we vote to spend another dime to expand our war against the Nicaraguans, let us ponder what our policy has meant to the small farm cooperative known as El Lagartillo. For in essence, the Contra war is simply El Lagartillo writ large.

I commend the attached letter, which I recently received from a group of Americans studying in England, to the attention of all Members of the House:

Oxford, England, March 1, 1986.

Dear Representative: Last March, you and your colleagues received a letter from ourselves and 43 other American students then living in Oxford (*CR*, 25 April 1985, E1768). In that letter we urged you to vote against funding for the Contras fighting to overthrow the government of Nicaragua. We are writing you now to tell you of an event in Oxford last May which we believe helps illustrate the absurdity of our current policy toward Nicaragua, and once again to urge you to vote against the renewal of any aid—including so-called "non-lethal" aid—to the Contras.

Last May, students in Oxford held a sponsored fast to raise money for El Lagartillo, a small farming cooperative in Nicaragua which had been attacked by the Contras. We raised £7000 (about $10,000), which is now being held by the Dominican priest in the village. According to an explicit agreement between ourselves and the priest, the villagers are using the money to do the following:

Roof and stock a school; construct a food storehouse and supply center; construct new homes for several families; install a system of potable water; purchase farming tools; purchase tools and other essentials for the village women; provide secondary-school scholarships for the area children; purchase preschool supplies; purchase 80 acres of land for ten landless families; and provide a discretionary fund for neighboring villages.

We know where our $10,000 has gone. Do you know where the $27 million Congress gave the Contras last year went? We can report it went to support people who did the following to El Lagartillo:

Burned the school and several homes (est. value: $1,600); burned a grainstore and farm tools (est. value: $2,700); burned a number of personal possessions (est. value: $2,900); and killed six villagers—three adult men, one 20-year-old woman, and two 14-year-old boys—as they were working in the fields.

[Source: The Catholic Institute for International Relations, 22 Coleman Fields, London N1 7AF, U.K.]

As Oxford residents, we are proud that we have been able to help one community cope with life in a war zone. As United States citizens, we are deeply disturbed that our government is funding that war and assisting those who perpetrate cruel attacks on innocent Nicaraguans. President Reagan, in the wake of the attacks at the Rome and Vienna airports in December, said he does not speak "with men who kill 11-year-old girls." But he favors giving $100 million to people who kill 14-year-old boys. Many of the estimated 8,000 civilians the Contras have killed have been children. These crimes are not anecdotal: they are pervasive and ongoing, and they have been documented ad nauseam by Americas Watch, Amnesty International, the Washington Office on Latin America, and many others.

That is why this year we are helping organize the International Fast for Peace in Nicaragua, which will consist of scores of local fasts like Oxford's in Europe, Britain, Canada and the United States. This is more than a symbolic act—fasters will raise money for a variety of relief efforts to ease the effects of the war on the people of Nicaragua. We will be working through Oxfam, the American Friends Service Committee, and other reputable groups to see that our money does go to truly humanitarian efforts in Nicaragua.

The fast in the United States will take place in a number of congressional districts in early March. The underlying premise is that our government's funding of the Contras is immoral and counterproductive.

Once more, we urge you in the strongest terms to vote against any further funding of the Contras in Nicaragua, and to pursue instead constructive policies which address the real problems and needs of Central Americans.

Respectfully yours,
Sarah Sewall,
Bremen, Maine.
John W. Fanestil,
La Jolla, California.
Wade B. Buchanan,
Boulder, Colorado.

SPACE POLICY NEEDS FURTHER GUIDANCE

HON. GEORGE E. BROWN, JR.

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, April 16, 1986

Mr. BROWN of California. Mr. Speaker, one of the obvious results of the space shuttle *Challenger* tragedy has been a revival of national interest in America's space program. Not since the 1960's have so many of our citizens focused their attention on NASA's policies and programs. It is sad, but true, that many Americans have not looked closely at our space activities since the Apollo flights to the Moon.

Much has happened in the U.S. space program over the past 15 years. Despite the recent disaster, the shuttle program has represented an historic achievement. There have been many other major triumphs for NASA as well, including the Pioneer missions to Jupiter in the early 1970's, the Viking landings on Mars in 1976, and the Voyager visits to Saturn in 1981 and Uranus in January 1986. NASA's exploration of the solar system has resulted in revolutionary advances in our knowledge of our sister planets. NASA's scientific programs have expanded our understanding of the physical dynamics and characteristics of our planet, and of Earth's history and heritage in the universe.

But there have also been disturbing trends in the U.S. space program since the momentous Moon landings of the late 1960's. Specifically, the Defense Department has come to control an ever-increasing, and now domineering, portion of the Federal space budget. In the 1960's, NASA was receiving 60 to 70 percent of the Nation's space budget, with the Pentagon controlling most of the rest. This relationship has now been reversed, with the Pentagon now commanding 60 to 70 percent of total Federal space expenditures. Compared to this year's NASA request of $7.6 billion, the Pentagon's request of nearly $17 billion for space and space-related activities is a symbol of the increasing militarization of the Federal space budget.

The Pentagon's growing control over U.S. space policy might come as a surprise to many people, and it should, for it has not been the result of public debate over national space priorities. Rather, it has resulted from the lack of such debate, combined with the Pentagon's incredible ability to direct national spending patterns.

The Pentagon's growing control over our space program may not have come about if there had been an institutional mechanism for reviewing and directing overall national space policy, and for weighing civilian space priorities against those of the Defense Department. But we do not have such a mechanism. The comparative size of our civilian versus military space programs has been the result of a haphazard and incoherent process which has had little oversight.

In my opinion, we need a new organizational entity established for the explicit purpose of developing national space policy.

The Pentagon is now proceeding with a think tank of its own that, in my view, will generate an even greater appetite at the Defense Department for space dollars. I refer here to the Strategic Defense Initiative Institute that has been requested by the Director of the SDI and authorized by the Secretary of Defense. Although not yet created, this institution would lead to an even further domination of military space programs over those of NASA and other civilian agencies.

The Nation's rekindled interest in space programs should be given expression through the establishment of an institutional entity that

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directs overall national space policy. The Nation once had such a body—the National Aeronautics and Space Council. The NAS Council was originally formed under the 1958 NASA Act, but was abolished during the Nixon administration. Tomorrow during markup of the NASA authorization bill by the Science and Technology Committee's Subcommittee on Space Science and Applications, I will propose that the United States develop a better method of developing its space policies. Reestablishment of the NAS Council would be an obvious and sound beginning. I will also, however, be looking into the possibility of creating a new National Space Policy Institute along the lines of the Defense Department's Rand Corp.

Given the uncertainties facing our national space program, combined with the resurgence of interest in it, I feel we simply cannot move forward into space without a coherent policy directed by a group of individuals specifically dedicated to such a mission. Such a group would help insure that America moves into the 21st century with a bold space program that reflects all our national interests.

NEW HORIZONS FOR AMERICA'S YOUTH

HON. CLAUDINE SCHNEIDER

OF RHODE ISLAND

IN THE HOUSE OF REPRESENTATIVES

Wednesday, April 16, 1986

Mrs. SCHNEIDER. Mr. Speaker, I would like to commend to my colleagues an upbeat essay written by a high school student in my district for the Veterans of Foreign Wars' annual essay contest. Anne Marie Roberti is a senior at Classical High School in Providence and the winner of the Voice of Democracy contest for the State of Rhode Island. Her optimistic outlook gives me great hope for the future of our Nation.

The essay follows:

NEW HORIZONS FOR AMERICA'S YOUTH

America's youth—what could be a more interesting topic than this one. The future of society—the future of the world, even, depends on America's youth. "You will be the leaders of tomorrow" we have all been told ever since we have been able to walk. I believe this. I believe that we can do anything we want, and we will. I'm sure of it!

Today's teenagers are very much aware of society and keep abreast of current events. No longer can we be sterotyped as the giddy, mini-skirted school girls and the no-minded jocks of previous generations. We fight and protest for what we believe in but usually in a civilized, nonviolent way. Recently, at Brown University, female students picketed against the sexual harassment that they felt they were getting from certain male students. No riots occurred, no one got hurt, and the females' cause was heard and helped.

I believe that today's youths are ready to love and accept each other; thus, establishing a receptive and open-minded nation. We know that society's norms are being broadened and that we aren't as restricted as our parents were when they were growing up. This knowledge gives us an incentive to achieve our goals, and it gives us the feeling of power, that tells us we can do whatever we want. "Do your own thing" sound the voices of the eighties.

Because we aren't sheltered, we can experience the evil of society as well as the good of it. We aren't shielded from death, wars, hostage crises, bombings, or airplane crashes. They are all too common for them not to be a part of our lives. The growing threat of nuclear war and of deteriorating foreign relations are talked about constantly; consequently, we don't enter adulthood with very many false expectations of life. We aren't as artless as the generations before us who were pushed out of their security into a cold hard world to fend for themselves. We are looking forward to the time, with increasing excitement, when we can make a difference. The youth of America is eager to jump into the middle of life and be counted. We want to do what people say can't be done and then rejoice in our accomplishment. We want world peace. We are striving for a world free of nuclear weapons. We want the South African nation freed from apartheid. We want our children to grow up in a safe and stable environment. America's youths' view of life is one with which Kyle Crishton would agree; for he states:

"Life's a pretty precious and wonderful thing. You can't sit down and let it lap around you. You have to plunge into it; you have to dive through it! You can't save it. You can't store it up; you can't board it in a vault. You've got to taste it; you've got to use it. The more you use, the more you have . . . that's the miracle of it."

We are ambitious. We desire to educate ourselves. We are excited about the future and our lives. We want to live, and we won't settle to just exist. Youth wants to be challenged. We are encouraged push ourselves harder and harder to learn. We can be doctors, astronauts, actors absolutely anything we want to be. There's no stopping us now; for, "we are what we risk—what we dare to tackle and attempt to solve."

A young girl from Maine at only twelve years of age, wrote to the Soviet Union about her fear of a nuclear war between the Soviet Union and the United States. She made world news and eased relations between the two great powers for a short period of time. She was tragically killed this year. She was a success, though, according to her classmates' definition of the word. She was always optimistic and cheerful. She truly lived! She enjoyed life and made a difference in the quality of it for others. She accomplished so much in her short lifetime.

Lately, I have become much more aware of myself than I have ever been before. I'm thrilled to experience life and to broaden my horizons. There's so much to learn, and I want to learn it all. I want to meet people and truly listen to them and have them truly listen to me. I want to encourage people to take advantage of the wondrous gift we have, called life. I want to give them the push that they may need to get involved and help the community. I've realized that today's youth can truly accomplish anything it wants, and I'm ecstatic about my realization.

We are ready to live, in the present, to explore, and to open our minds. We want to experience life without any boundaries or limits. We are free to do anything we want. Buckminster Fuller sums this philospohy up when he states, "I have great hope for tomorrow and my hope lies in the following three things—truth, youth, and love."

PRAIRIE STATE COLLEGE WEEK

HON. GEORGE M. O'BRIEN

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, April 16, 1986

Mr. O'BRIEN. Mr. Speaker, I'm pleased to announce that the week of May 1, 1986, has been designated as "Prairie State College Week" within the Fourth District of Illinois, a recognition well-deserved by this fine community college.

Located in Chicago Heights, IL, Prairie State College has remained a valued and respected place of learning in our community since its establishment in 1958. Nearly 5,000 residents representing 15 municipalities from the far southern suburbs of Cook County and eastern Will County are enrolled at Prairie State. The college offers more than 50 areas of study in the associate of arts degree program for the student seeking transfer to a 4-year college or university, 30 associate of applied science (2-year degree) programs in occupational and technical areas, and nearly 30 1-year certificate programs.

The college's philosophy of striving to provide educational opportunities to all who seek them in the community embodies what is surely the goal of community colleges across our Nation—the enhancement of the lives of its students through education, thereby enriching America itself. After all, bright and innovative individuals have and always will be the fabric of the progress for which our country is known.

"Prairie State College Week" will be highlighted by a "Special Event" fundraising dinner dance where the guest speaker will be Chicago television hostess and Academy Award nominee Oprah Winfrey with entertainment provided by the Dick Judson Orchestra. Proceeds from the event will benefit the Prairie State College Foundation's Permanent Scholarship Fund and Learning Center project.

I know my fellow colleagues in the House join me in wishing Prairie State College all the best for a successful future.

THE NASA FISCAL YEAR 1987 BUDGET

HON. GEORGE E. BROWN, JR.

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, April 16, 1986

Mr. BROWN of California. Mr. Speaker, as the Subcommittee on Space Science and Applications of the House Science and Technology Committee prepares to mark up the fiscal year 1987 NASA authorization bill, I feel it appropriate to make a few remarks about the future of the American space program.

NASA is at a critical juncture of its existence. Several key developments are likely to result in fundamental changes. The most profound impact, of course, was the tragic loss of the Space Shuttle *Challenger*. The Gramm-Rudman-Hollings Emergency Deficit Control Act is also a dark cloud hanging over the

entire Federal budget this year, and NASA will be expected to do its share of trimming. On a more promising note is the soon-to-be-released report of the National Commission on Space, with its visionary blueprint for the next 50 years in space. After all is said and done, I hope we will see a stronger NASA, more capable of meeting the challenges of the new frontier, and I believe that a majority of the public and the U.S. Congress shares that hope.

On January 28, the Space Shuttle *Challenger* accident sent NASA's budgetary process into a tailspin from which it has yet to recover. Since that time, the administration and Congress have been closely examining numerous options about how to proceed. The process has been complex, and much credit must be given to those involved. The Senior Interagency Group for Space [Sig-Space] for weeks has been debating how to replace the lost launch capacity. The Rogers Commission's report on the shuttle accident is also nearing completion. Only after these executive groups arrive at a decision can Congress begin serious consideration of NASA's budget.

With so many uncertainties about NASA's future, the Space Science and Applications Subcommittee of the House Science and Technology Committee plans to markup an authorizing bill tomorrow. Clearly, my colleagues and I on the subcommittee have a particularly difficult job before us. We face this task knowing that any bill reported out of subcommittee may be irrelevent once the administration presents its revised NASA budget reflecting the full impact of the *Challenger* accident. The bill we report out of committee, to a large extent, will be a message to the administration, rather than a working budget.

I am confident that the President will come forth with a comprehensive proposal to replace the lost shuttle launch capacity. It is my hope the President's plan, once unveiled, will include a supplemental appropriations bill to fund a mix of at least one more shuttle orbiter and complimentary expendable launch vehicles [ELV's].

At markup, however, the Space Subcommittee will be forced to make some assumptions about expected launch capability. In my opinion, those assumptions should be as optimistic as possible, and include the launch vehicle mix mentioned above. If more restrictive budgetary realities present themselves later, then the authorized funds can be adjusted either in full committee, in the Appropriations Committee, or on the House floor.

Despite so many unknowns in the NASA budget, I am confident that under the leadership of Chairman NELSON, the Space Science and Applications Subcommittee will mark up the NASA authorizing bill to reflect what is best for the Nation's Space Program and our continued global leadership in space.

The President's proposed fiscal year 1987 NASA budget was, on the whole, a good program. Funding for the space station will allow the program to proceed to the development phase in early 1987. The development of the orbital maneuvering vehicle will continue on schedule. The ocean topography experiment [Topex], a new start in the NASA fiscal year 1987 request, is a joint United States-French initiative. Topex is an exciting experiment which will give a better understanding of the oceans' general circulation. Space exploration development is progressing on the Magellan Venus radar mapper and the Mars observer mission. I am also excited about funding for the transatmospheric vehicle research and technology development. I am pleased that these elements were included in the President's fiscal year 1987 budget, and I plan to support their full funding throughout this budget cycle.

Mr. Speaker, the heart of the space program is embodied in NASA's R&D function, and in particular the Office of Space Science and Application [OSSA]. The Associate Administrator of OSSA, Dr. Burton I. Edelson, heads the program, which, despite its critical importance, takes only 20 percent of the NASA budget. In Dr. Edelson's testimony to the House Subcommittee on Space Science and Applications he said, "The benefits we have realized from space science and applications in the past have been enormous. Mankind now has a new view of the Universe." The space scientists and engineers conduct basic research into the nature of the "entire universe, with efforts ranging from the most distant galaxies to the neighboring worlds of the solar system, and finally to the land, oceans, and atmosphere of the planet Earth."

Unfortunately, despite the achievements in space science and space applications, there has developed a feeling of frustration and disappointment in the scientific and technical community because many projects have been delayed or canceled due to congressional or executive shortsightedness. In 1981, for example, NASA was forced to make broad, sweeping cuts in the space science program to provide necessary funds for the space shuttle development. Clearly, as a matter of national security, the shuttle had to be completed, but it was counterproductive to force cuts in space R&D as a result. The Nation has consistently used the space science and applications program as the arena for cuts when budget tightening was required. The 1981 decision resulted in postponements and cancellations of dozens of programs. For example, the mission to encounter Comet Halley was dashed; the International Polar orbiter mission was postponed; the advanced communication technology satellite was postponed; and data reception from the Pioneer space probe was terminated—later rescinded.

We may see a similar series of cutbacks in space science and applications programs as a result of the *Challenger* explosion. The Congressional Budget Office, in a report on the impact of the shuttle accident, suggests that one "area in which to reduce NASA spending over the next 2 to 3 years is the research and development [R&D] function, since the loss of shuttle capacity will lead to a dramatic reduction in shuttle flights available to launch R&D payloads during this period." I strongly urge my colleagues not to be swayed by this argument. To significantly cut this critical Space Science Program would result in the discontinuation of vital research, disbanding of irreplaceable research teams, and a general weakening of America's lead in cutting-edge technology in the world market. We seriously run the risk of gutting the space science and application effort; the result will be inadequate programs to meet the science and applications needs in the 1990's.

Last week, Thomas Donahue, Chairman of the Space Science Board of the National Academy of Science, in testimony before the Senate Science, Technology, and Space Subcommittee, observed that:

> This nation has been trying to carry out a highly visible, prestigious national enterprise on the frontier of technology, with a resource level so meager that one tragic accident has crippled the entire program, civil and military * * * I would urge that you resolve to turn the space program around and to either carry on a space program at a level that makes sense for a flagship program for our nation or get out of it altogether and leave it to the Russians.

I think Mr. Donahue makes a convincing case for support for the space program, even in face of the shuttle disaster and Gramm-Rudman-Hollings. Now is the time when Congress and the administration must show greater support for NASA and fund it appropriately. Most importantly, we must begin building—or rebuilding—a program now which will lead toward "a flagship" program in the 1990's, as Mr. Donahue suggests.

I am concerned, for example, about those programs in the fiscal year 1987 NASA budget that have been unjustifiably canceled, postponed, or severely cut. In addition to the recommendations contained in the President's NASA budget request, I believe that there are other important areas of the budget that require funding. After consulting with individuals in the major national professional associations and reviewing their testimony before the Space Subcommittee, I have identified a number of programs which I believe require budget enhancement. I will outline those programs in brief below:

ADVANCED COMMUNICATION TECHNOLOGY SATELLITE [ACTS]

ACTS is the latest in a series of NASA experimental communications satellites. The decision to delete this program from the fiscal year 1987 request was irrational. ACTS represents the cutting edge capabilities that will revolutionize future satellite telecommunications. The investment necessary for the technology development of ACTS is not within the R&D means of the communication satellite industry. The payback in hardware sales alone from a $350 million investment by the United States in ACTS is expected to be over 100 to 1. If the United States doesn't follow through on its commitment to the ACTS Program, the private sector will be forced to continue the research at a greatly reduced pace, allowing foreign competitors such as Europe and Japan to develop the technology first.

SOLAR OPTICAL TELESCOPE [SOT]

SOT has been a priority mission of solar physics scientists for a number of years, but, due to congressional and other criticism, the program was dropped. Originally, the SOT proposal was a project requiring several trips on the shuttle and designed so that it would eventually be mounted to the space station. NASA, however, is working on an alternative proposal aimed at keeping the essence of the solar physics, but at much lower cost. I think it would be in the Nation's interest to help

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NASA proceed with development of a modified SOT.

ORBITAL TRANSFER VEHICLE [OTV]

There is a clear need for a versatile, cost-effective OTV to exploit space orbits beyond those the shuttle and the space station will be able to reach. The planned OTV will be reusable, space-based, and able to deliver 15,000 pounds of payload to geosynchronous orbit. The OTV will contribute greatly to the efficiency of the space infrastructure, and more emphasis on the program at this time is justified.

MICROGRAVITY RESEARCH

In the rush to commercialize microgravity products, we have, to some extent, ignored basic research in microgravity. Instrumentation in many research labs is obsolete and no longer capable of reaching technology frontiers. Plans for anticipated activities aboard the space station should begin in fiscal year 1987 if the facilities are going to be ready for initial operation capability. Projects such as the automated protein crystal growth facility, the advanced levitation device and the high temperature directional solidification facility should be funded to proceed at a more vigorous pace.

INTERNATIONAL SOLAR-TERRESTIAL PHYSICS PROGRAM [ISTP]

ISTP is an effort to draw on the resources of a worldwide scientific community to make a concentrated and coordinated study of the interaction in the Sun-Earth system, and to extrapolate this knowledge to the other planets and to the universe beyond. The program would be a multinational effort, with participation from NASA (United States), ISA (Japan) and ESA (Europe). The President has only requested $5 million for ESA and ISAS instrumentation. This is an important program that is ready and should be allowed to begin as a new start. It would also demonstrate to our allies that the United States is a reliable space science partner.

COMET RENDEZVOUS AND ASTEROID FLYBY [CRAF]

CRAF is the first in a series of planetary explorers to be flown aboard Mariner Mark II spacecrafts. CRAF is a priority mission of NASA's Solar System Exploration Committee [SSEC]. The SSEC has outlined a series of low-cost planetary missions. CRAF will give us a better understanding of the nature of comets, a valuable followup mission to the Comet Halley rendezvous. If CRAF does not start in fiscal year 1987, the United States will miss the opportunity to study the comet Wild 2—a highly desirable comet because of its pristine qualities. CRAF is a window through which we can see the mysteries of the solar system.

LIFE SCIENCES

During the current fiscal year, the activities in life sciences were significantly cut back. In order to maintain ongoing activities related to near term space flight schedules, the cuts were made in life science research relating to the space station. Crucial work needs to begin in the space station's health care facilities; in bioregenerative life support systems; and in radiation protection for crew members.

I urge my colleagues not to be timid about supporting a more aggressive space program. Whether we have a barely viable American space program or a true "flagship program" depends on the decisions we make in this Congress.

THE COMPUTER FRAUD AND ABUSE ACT OF 1986 (H.R. 4582)

HON. WILLIAM J. HUGHES

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Wednesday, April 16, 1986

Mr. HUGHES. Mr. Speaker, on April 10, 1986, I introduced the Computer Fraud and Abuse Act of 1986 (H.R. 4562) along with Congressmen McCOLLUM and NELSON in the House of Representatives. An identical bill was introduced by Senators TRIBLE and LAXALT in the Senate (S. 2281). This bill is the culmination of 3 years of hearings in the Congress and we believe it meets the problem created by the misuse of our rapidly expanding computer technology.

Our investigation in this area indicates that the computer has become an integral part of our everyday lives. Computers are critical to our national defense, financial institutions, and information transmission. By 1990, in addition to the vast commercial use of computers, it is projected that 80 million home computers will be in use.

Computer technology has brought us a long way in the past decade. However, computer technology—with all its gains—has left us with a new breed of criminal: the technologically sophisticated criminal who breaks into computerized data files. One element of this expanding group of electronic trespassers—the so-called "hacker"—is frequently glamorized by the media, perhaps because the image of the hacker is that of a bright, intellectually curious, and rebellious youth—a modern-day Huck Finn. The fact is these young thrill seekers are trespassers, just as much as if they broke a window and crawled into a home while the occupants were away. The hacker of today can become the white-collar crime superstar of tomorrow, and we must not glamorize our Huck Finns into John Dillingers.

While we need to be concerned about youthful hackers, they pale in significance in comparison to the computer sophisticated criminal who combines his technological skill with old-fashioned greed and criminal intent to rob banks or destroy business records or steal trade secrets. The tools of the trade are not Smith and Wesson, but IBM and Apple. However, in today's world of instant electronic transfer of funds, the result can be more far-reaching—and harder for law enforcement to reach.

What can be done about these crimes? We believe government and industry have a dual responsibility: industry must work to prevent such crimes, and government must be willing and able to prosecute when crimes occur.

The legislation we introduced will expand in an appropriate but limited manner the types of criminal misconduct involving computers that will be subject to Federal jurisdiction. However, we intend that the Federal role be expanded only to those areas where there is a compelling Federal interest in the prevention and punishment of computer crimes. To that end, this bill provides additional protection against computer crimes affecting the Federal Government itself and those activities in which there is a unique Federal interest.

AMENDMENTS TO PRESENT LAW

At present, 18 U.S.C. 1030(a)(1) provides for punishment of thefts by computer of national security-related information. This bill will alter that provision of law only to the extent necessary to simplify the language pertaining to those who "exceed authorized access" to a particular computer system.

The same clarification on "exceed authorized access" will be made in 18 U.S.C. 1030(a)(2) in regard trespass of financial institutions. In addition, 1030(a)(2) will be altered by changing the state of mind requirement from "knowingly" to "intentionally." We are concerned that a "knowingly" standard when applied to computer use and computer technology, might not be sufficient to preclude liability on the part of those who inadvertently "stumble into" someone else's computer file. This is particularly true with respect to those who are authorized to use a particular computer, but subsequently exceed their authorized access by entering another's computer file. It is not difficult to envision a situation in which an authorized computer user will mistakenly enter someone else's computer file because the user had "knowingly" signed onto the computer in the first place. The danger exists that he might incur liability for his mistaken access to another file. The substitution of an "intentional" standard is meant to focus Federal criminal prosecutions under this paragraph on those who evince a clear intent to enter, without authorization, computer files belonging to another.

The premise of 18 U.S.C. 1030(a) (2) in existing law remains the protection, for privacy purposes, of computerized information relating to a customer's relationships with a financial recordkeeper. We believe strongly that the protection offered consumer reporting agency's in the 1984 computer crime legislation must be preserved. This bill will also extend those privacy protections to information on any customer's (including corporations and small businesses) financial records.

This legislation will also clarify the present 18 U.S.C. 1030(a)(3), making clear that it applies to acts of simple computer trespass against computers belonging to, or being used by or for, the Federal Government. To alleviate those concerns, this legislation will make clear that 18 U.S.C. 1030(a)(3) is a trespass offense by "outsiders." "Authorized users" of Federal computers will no longer be covered under this subsection but such misconduct is presently covered by administrative sanction and such laws as the Privacy Act, trade secrets laws, 18 U.S.C. 1361, et cetera. This should also alleviate concerns that first arose in 1984 about disclosures of Government/related information by "whistleblowers" that was stored in a computer. The intentional modification or destruction of computerized information belonging to the Government by outsiders will be covered by a different felony provision of this proposal. As with 18 U.S.C. 1030(a)(2), the state of mind requirement in this paragraph will be changed from "knowingly" to "intentionally."

While the provision of present law relating to attempted offenses will remain unchanged, the provision relating to conspiracies (18 U.S.C. 1030(b) (2)) will be deleted. Conspiracies to commit computer crimes would be covered under the general Federal conspiracy statute, 18 U.S.C. 371.

NEW OFFENSES

The new paragraph section 1030(a) (4) to be created by this bill is aimed at penalizing thefts of property via computer trespass that occur as part of an intent to defraud. It will require a showing that the use of the computer or computers in question was directly related to the intended fraud, and was not merely incidental. To trigger this provision the property obtained by the offender in wrongfully accessing a particualr computer must further the intended fraud, and not be superfluous to it. The mere use of a computer, without obtaining property that furthers the fraud, is not meant to constitute an offense under this provision. This subsection is designed, in part, to help distinguish between acts of theft via computer and acts of computer trespass. In intentionally trespassing into someone else's computer files, the offender obtains at the very least information as to how to break into that computer system. If that is all he obtains, the offense should properly be treated as a simple trespass. But because the offender has obtained the small bit of information needed to get into the computer system, the danger exists that his and every other computer trespass could be treated as a theft, punishable as a felony. We do not believe this is a proper approach to this problem. There must be a clear distinction between computer theft, punishable as a felony, and computer trespass, punishable as a misdemeanor. The element in the new subsection 1030(a)(4), requiring a showing of an intent to defraud, is meant to preserve that distinction, as is the requirement that the property wrongfully obtained via computer furthera the intended fraud.

The new subsection 1030(a)(5) is a malicious mischief provision, and is designed to provide penalties for those who intentionally damage or destroy computerized data belonging to another. Such damage may include an act intended to alter another's computer password, thereby denying him access to his own computerized information. It will be necessary, in proving this offense, that the Government demonstrate that a loss has been incurred by the victim totaling at least $1,000 in a single year. This is necessary to prevent the bringing of felony-level malicious mischief charges against every individual who modifies another's computer data. Some modifications, while constituting "damage" in a sense, do not warrant felony-level punishment, particularly when they require almost no effort [illegible] expense to repair. The $1,000 valuation is reasonably calculated to facilitate felony punishment in cases involving more serious damage or destruction. In instances where the requisite dollar amount cannot be shown, misdemeanor-level penalties will remain available against the offender under the trespass subsection. Thus, the valuation will not exist for determining the presence or absence of Federal jurisdiction; it will serve instead to help determine whether the act constituting the offense is punishable as a felony or a misdemeanor.

In addition, the concept of "loss" embodied in this paragraph will not be limited solely to the cost of actual repairs. The Justice Department has suggested that other costs, including the cost of lost computer time necessitated while repairs are being made, be permitted to count toward the $1,000 valuation. I and the other sponsors of this bill agree.

Finally, in new subsection 1030(a)(6), this bill provides a misdemeanor penalty for those who, through what is called "pirate bulletin boards," knowingly and with an intent to defraud, traffic in computer passwords belonging to others. If those elements are present—and if the password in question would enable unauthorized access to a Government computer, or if the trafficking affects interstate or foreign commerce—this provision could be invoked.

Having worked with experts on computer crime over the past several years, we believe the legislation passed last year along with the bill now being considered by the Congress—combined with active efforts of industry to safeguard their property—will address the emergency of the computer criminal in our society.

Protections—both through law and technology—can and must be developed for the intangible property—information—which is the life blood of computer systems.

Unless we act now to secure the "locks" and provide the laws, computer crime will be the crime wave of the next decade.

THE MILLS OF GOD GRIND SLOWLY—BULGARIA AND ITS JEWISH CITIZENS DURING WORLD WAR II

HON. TOM LANTOS

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, April 16, 1986

Mr. LANTOS. Mr. Speaker, the roll of countries which, at great risk, helped their Jewish citizens during World War II is very small, but worthy of honor. Denmark has received fitting tribute for the successful rescue mission of the Danish Jews. But few people realize that Bulgaria, too, saved its large Jewish community consisting of 50,000 people from the horrors of deportation and murder at the hands of the Nazis.

On a recent private visit to Bulgaria, my wife and I had the opportuntity to check out at first hand. the Bulgarian record of resistance to Nazi atrocities against the Jewish community. I spoke to members of the government ranging from Deputy Foreign Minister Lyuben Gotsev to Chairman of the Parliament Stanko Todorov, to officials in local governments, to the president of the Bulgarian Jewish community Josiff Levi, as well as to private citizens. They added details to the story and they all agreed that the moral courage manifested by the people of Bulgaria during the dark depraved days of Nazi power was truly extraordinary. Unfortunately, these deeds have been overlooked by the world community.

Although the Axis-allied government of Bulgaria, which was an ally of Hitler's Germany, acquiesced to some degree in the anti-Jewish policies of the Nazis, the Bulgarian people—partisans, representatives in parliament, members of municipal councils, union and church leaders—manifested their opposition to the Nazis. The first abortive attempt to deport Bulgarian Jews aroused a storm of protest. When finally, as a result of constant German pressure, the Bulgarian Government agreed to send the Jews to labor camps, the people sabotaged the effort. On the day the first group of Jews were to be sent away, the partisans crowded into the railroad station and interfered with the deportation.

Other rescue operations included the denial of Jewish origins of their neighbors suspected by the Nazis. One impressive woman I met, Margarita Delina, the vice chairwoman of the district of Plovdiv, told us that when she was a girl, her parents protected several Jews. When Nazi SS troops came to their house and asked the names of their neighbors, her mother changed the Jewish-sounding names to protect them. "I couldn't understand it at the time," she told us, "I asked my mother afterward why she gave the wrong name, but she didn't answer. I found out only after the war."

The efforts on behalf of the Bulgarian Jews took many and varied forms. Mass "mercy-baptisms" took place with both parties knowing that the "convert" would later renounce his vows. There were mixed marriages on a gigantic scale. Josiff Levi, the president of the Jewish community in Bulgaria, remembers Rabbi David Tsion, who organized large rallies at which Bulgarian Jews and non-Jews demonstrated against the transportation of Greek Jews through Bulgaria to "work camps."

In view of the fact that Hitler found eager collaborators in almost all countries allied with or occupied by the Nazis, it is indeed a miracle that in a few places he ran into unified and outraged resistance. Bulgaria was one of those countries. The Bulgarians chose not to become passive bystanders or depraved collaborators. Instead they decided, as a people, to come to the aid of their Jewish neighbors.

The mills of God may grind slowly but they do grind justly. Just as 40 years after the war we are still discovering Nazis who hid their disgraceful past, so we are also discovering, sometimes in the most unexpected places, compassion, sympathy, and bravery on the part of a whole nation who befriended the Jewish people in their moment of greatest danger and abandonment. This is a story that must be told to get a true picture of the nature of the Bulgarian people, in whose homeland the Nazis also tried to perform their infamous atrocities but failed.

Because the Bulgarian public wholeheartedly supported and cooperated with all rescue efforts, Bulgaria has a record second to none in its successful salvation of its entire Jewish population—45,000 of whom returned to Israel after the war, taking with them the warm friendship and farewell of the Bulgarian people among whom they were welcomed and respected during the many years of their exile.

Bulgaria's acts illustrate to me once more that Nazi Germany was not as powerful as the world tried to pretend and that moral courage and determination, whether from an individual

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like Raoul Wallenberg, or from a small country like Denmark or Bulgaria, could successfully thwart "the final solution."

This is a story that must also be told. As Sholem Ash said:

> It is of the highest importance not only to record and recount—both for ourselves and for the future—the evidences of human degradation, but side by side with them to set forth the evidences of human nobility and brotherhood. Let the epic of heroic deeds of courage and caring as opposed by those of hatred, of rescue as opposed to destruction bear equal witness to unborn generations.

PHIL PERLMUTTER ON ISRAEL

HON. BARNEY FRANK

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, April 16, 1986

Mr. FRANK. Mr. Speaker, one of the happier aspects of American politics, in my judgment, is the broad and deep support which exists in the electorate at large, and in our governmental institutions, for an American policy which is strongly supportive of the independence and integrity of the State of Israel.

I believe that this broad support is based essentially on the recognition in this country that the State of Israel is both the nation in the Middle East which most nearly carries out in its governance the ideals which Americans believe ought to be followed, and is also the nation in that area which has been most willing to ally itself with America on important strategic issues. Many people in our country make their foreign policy decisions based largely on moral grounds; others use strategic and geopolitical basis as the foundation of their foreign policy judgments. Given both its strong democratic system and its goal in the world, Israel stands out as a worthy friend of America on both counts.

There are some who try to explain away strong American support for Israel by claiming that a conspiracy of a small number of Jewish Americans somehow exerts a disproportionate financial and media influence, and that this results in American policy being as supportive as it is of Israel. Strangely, some Americans who are among Israel's strongest friends inadvertently give comfort to this argument by exaggerating the extent to which financial contributions must flow to Members of Congress to assure reasonable levels of American foreign assistance for Israel. America provides substantial foreign aid to Israel largely because it makes sense in terms of both America's interest and America's values. The support which many friends of Israel give in this country is helpful, but I do not believe that this support would stand for a great deal if the majority of Americans perceived Israel to be hostile to American interests, either in terms of values or its policies.

This debate is an important one, both with regard to American/Israel relations, and for those who would like to understand American foreign policy in general. For it is not only with regard to Israel that critics of a particular foreign policy relationship like to exaggerate the role played by domestic supporters of a particular country. And ethnic groups—Jewish Americans, black Americans, Greek Americans, Portuguese Americans, and so forth—are often singled out for unfair and inaccurate criticism for their role in foreign policy decisions.

An excellent article was recently published in Present Tense magazine by Philip Perlmutter, executive director of the Jewish Community Relations Council of Metropolitan Boston. Mr. Perlmutter is not only a leader in the Jewish community, he is also a scholar of American politics in general, and I believe his thoughtful, cogent, and well-documented essay makes a very important contribution to understanding how American foreign policy in general is formulated, and also why there has been and will continue to be such strong American support for a free and independent Israel.

[From Present Times, Winter 1985-86]

WHAT'S A SPECIAL INTEREST?

(By Philip Perlmutter)

Explaining why he was a nervous wreck, a patient told his psychiatrist he had been attending anti-Defamation League meetings where he had heard reports that anti-Semites were desecrating synagogues; American Jewish Committee meetings where he had learned that Jews were excluded from executive suites of corporations; American Jewish Congress meetings where it was predicted that the wall of church-state separation would be breached by people who wanted to Christianize America, and Jewish federation meetings where there were warnings of Israel's imminent economic collapse.

The psychiatrist urged him to change his way of life and report back in a few weeks. This time, the patient flowed with confidence, exclaiming: "I'm a different person! Now, I attend Ku Klux Klan meetings and hear that Jews control corporate America and the banks. At Christian fundamentalist meetings, I am told that Jerusalem will not fall again. At Arab meetings, I discover that Jews control not only the White House and Congress, but the press as well. And, at a new historical society, I learned that the Holocaust never took place."

"Power, power, who's got the power? One of the most intriguing questions about American minority groups—particularly Jews—has been: How much do they influence American foreign policy? For all the charges and accusations over the years, the historical facts are that ethnic, religious and racial groups never possessed either the political power or the unity ascribed to them, and that when their interests conflicted with those of government, they lost out. More precisely: though ethnic groups often claimed—or others alleged—they successfully influenced foreign policy, the truth was that the Government had decided on policies that generally corresponded with those supported by the ethnic groups—or public opinion. Without such similarities in views, the President or Congress or both have denied loans, grants, sales, agreements and treaties, no matter how strongly minority advocates supported them.

This is not to say that minority groups have little or no influence, because at times they do—particularly before an election, when they can usually have their concerns included in political platforms, and can obtain statements of support and praise. Also, they can trigger public debate and discussion, organize protests and demonstrations, attract media and public attention, and occasionally help achieve but not determine a candidate's election victory. They are weakest when they are the *sole* advocates of statewide, national or international causes.

Actually, ethnicity is only one factor in political behavior. Others, including age, education, socioeconomic position and—usually most important—issues of the day, also play a part. Moreover, there is a problem of members of ethnic groups differing on domestic and foreign policies.

The history of ethnic petitions, pressures and politics contains many examples of frustrations and failures. The Irish could not prevent an American-British rapprochement at the turn of the century. German-Americans could not keep this country out of World War I. In the early 1920s, Armenian-Americans and their non-Armenian supporters did not prevent the Allies and the United States from signing treaties with Turkey omitting a provision for an independent Armenia; nor could Korea-Americans convince President Wilson to support Korean independence or a League of Nations trusteeship for that country. During World War I and afterward. Ukrainian-Americans could not move the Government to support an independent Ukrainia; nor could Italian-Americans prevent President Roosevelt from stopping exports to Italy when that country invaded Ethiopia. German-Americans and Italian-Americans on the one hand, and Americans of English and French descent on the other, could not keep us out, or bring us into, World War II. Americans of Polish, Czech, Slovak, Lithuanian, Latvian, Slovene, Estonian and Finnish descent could not persuade the United States to liberate their homelands from Soviet influence or domination, nor could they keep America from signing the Helsinki agreements, which, in effect, legitmated post-World War II Soviet expansionism. Cuban-Americans did not succeed in getting President Kennedy to remain committed to unseating Fidel Castro or to maintain support of their secret military forces in Miami. Greek- and Armenian-Americans did not sway Presidents Ford, Carter and Reagan from opposing a Congressional arms embargo on Turkey. Similarly, neither Chinese, Turkish, Lebanese, African nor other groups of Americans could move the American Government to take actions that were not considered in this country's best interests.

In the case of American Jews, who are frequently credited with having the strongest ethnic lobby, Professor Nadav Safran of Harvard University has pointed out that while the United States Government has extended much economic and military aid to Israel, it has also denied aid on many occasions. Thus, before the 1967 Six-Day War, Jewish as well as public sympathy for Israel could not induce the Government to support an alliance guaranteeing Israel's security. Nor were American Jews able, for many years, to move the Government to pressure Arab countries to cease their economic boycott of Israel, and to stop barring Israeli shipping through the Suez Canal. They were unable to dissuade the Government from providing Arab countries with military and economic aid, and they could not get Secretary of State John Foster Dulles to support arms sales to Israel to counter Arab military threats.

Subsequently, increased American support for Israel was not, in Safran's words, "so much due to any reassertion of Jewish influence or changes of Administration as it was to changes of circumstances in the Middle East which altered the conception of the United States' interest in the area and Israel's role in relation to it." This also helps explain the Carter Administration's massive sale of warplanes to Saudi Arabia and Egypt in 1978, ignoring Israeli and American Jewish opposition.

All the same during Congressional debate on the sale, charges of dual loyalty and ethnic politics were directed against Jews. (It is too early to tell whether the recent espionage cases involving ethnic Americans—Larry Wu-Tai Chin, a Chinese-American accused of spying for Communist China, and Jonathan Jay Pollard, an American Jew accused of passing secrets to Israel—will reignite such charges of dual loyalty.) Sensitive to the odious implications of these accusations, Republican Senator Robert Packwood of Oregan upheld the right of all citizens and members of Congress to oppose certain policies without being called "a Polish lobby or a Czechoslovakian lobby or a Bulgarian lobby . . ."

Moreover, he said, "I have not heard anyone in this country accusing the Americans of Greek ancestry in this country of being disloyal Americans because they are upset with the Turkish invasion of Cyprus. Nor has anyone accused the blacks in this country of disloyalty because of their natural affinity for the cause of human liberties in Africa. Nor did anyone criticize those of Hungarian extraction in this country who were quite upset about the return of the Crown of St. Stephen to Hungary. All of those groups are loyal Americans who put America first, but they have an understandable interest in the homeland of their forefathers."

Three years later, in a replay of the 1978 sale, the Reagan Administration decided to sell five AWACS radar planes and other sophisticated military equipment to Saudi Arabia. Again, Jewish organizations strongly opposed the sale and, again, some political leaders accused them of unfair lobbying, while remaining silent about strong pro-Saudi lobbying by military-industrial-oil pressure groups. "It is not the business of other nations to make American foreign policy," said President Reagan, alluding to Israel. Moved to anger, Democratic Senator Alan Cranston of California charged that Israel was being made a "scapegoat" for the Reagan Administration's mistakes in promoting the sale. "By accusing the Israeli Government of interfering in American politics, by raising the specter of domestic anti-Semitism, by impugning the motives and patriotism of members of the U.S. Senate, the Reagan Administration is doing a gross disservice to our democratic institutions, to the freedom of speech and debate, to our constitutional process—and to our country."

Former President Nixon also stirred up much comment when he asserted: "We know, the Saudis know and everyone in the Middle East knows that if it were not for the intense opposition by [Prime Minister Menachem] Begin and part of the American Jewish community, the sale would go through." American Jews and many others were outraged.

Though it supported the sale, The Washington Post editorialized that "Other nations make American foreign policy every day of the week, just as we, by our actions, make theirs . . . . Does anyone think the wishes of the People's Republic of China, the Government of Taiwan, the South Africans, the Japanese or—to take a not-so-random case—the Saudi Arabians have not, in some very important respects, 'made' American foreign policy?"

Months later, stung by Jewish and public criticism for having introduced ethnic prejudice in the AWACS debate, Reagan retreated, proclaiming every American's "full right and obligation to participate" in shaping Government policy. He added: "Every citizen and every citizen's group is guaranteed the right to speak out—and must be encouraged to do so without fear of reprisal or defamation. No group should be bullied into silence by racial or ethnic slurs, or the fear of them. The language of hate—the obscenity of anti-Semitism and racism—must have no part in our national dialogue."

Even so, innuendos and accusations of massive Jewish political influence persisted. Yet such influence was denied by various experts. Then Under Secretary of State Lawrence Eagleburger commented that it was "insane" to claim that a "pro-Israel lobby" in Washington is responsible for American support of Israel. Further, he explained, "There are many reasons why the United States has an interest in having the right kind of relationship with Israel . . . . Our strategic interest is well served by a strong, self-reliant Israel. It provides us with an anchor in the Middle East, which we would not otherwise have."

Even so vehement a critic of Israel as Professor Noam Chomsky of the Massachusetts Institute of Technology noted: "Had it not been for Israel's perceived geopolitical role—primarily in the Middle East, but elsewhere as well—it is doubtful that the various pro-Israeli lobbies in the U.S. would have had much influence."

And recently, Earl Raab, executive director of the Jewish Community Relations Council in San Francisco, and sociologist Seymour Martin Lipset of Stanford University argued in "The Political Future of American Jews" that, at best, "Jewish political influence is marginal" in affecting "the concordance of American values and Jewish values, despite Jewish political contributions and activism, strong voting patterns, and involvement in business and community life."

Whatever the ethnic group, it is not surprising that its leaders seek to influence American foreign policy, wrote the political scientist Louis Gerson in 1964 in his brilliant study. "The Hyphenate in Recent American Politics and Diplomacy," covering the years 1890 to 1958. What was astonishing, he added, was that they had not been "more effective, more active, and more decisive in their attempts to involve or implicate the United States in non-American affairs." As the political scientist G. Lowell Field described the situation in the introduction to Gerson's book: "When the chips are down, no President or Secretary of State will risk national survival in an effort to honor a campaign pledge to an ethnic minority. . . . No more than any other power do we involve ourselves in major conflicts on purely sentimental considerations. Thus appeals to ethnic groups are likely to turn out to be insincere. Not policy but the mere promise of policy was traded for votes. The ethnic whose effective weight in American politics seems to be assured by a success in influencing the phrasing of policy in favor of his foreign sympathies thus finds himself a dupe."

Three cases in recent years illustrate such behavior: In December 1978, many Chinese-Americans were disappointed when President Carter established diplomatic relations with the People's Republic of China, thereby weakening American ties with the Nationalist Chinese Government in Taiwan. In an open letter published in The New York Times, they reminded the President of his 1976 election campaign promise: "We are bound by a treaty to guarantee the freedom of Formosa, Taiwan, the Republic of China. I wouldn't go back on the commitment that we have had to assure that Taiwan is protected from military takeover."

In 1979, the Coalition of Mexican-Americans stated in a full-page ad in The Los Angeles Times: "We are Mexican-Americans to whom you made many promises when you were campaigning for the Presidency in 1976. In our view, you have kept none of those promises." And the same year, at the convention of the American Hellenic Educational Program Association, George Christopher, a prominent Greek-American and former Mayor of San Francisco, criticized President Carter for allegedly not living up to his preelection promises about Cyprus. Christopher said he had told the President that some people were questioning Greek-Americans' patriotism because they had criticized him, and that he had said: "Mr. President, perhaps you too are not a good American, because up until a few days ago you were with us."

There is no doubt that such ethnic group disenchantment with President Carter helped produce Ronald Reagan's landslide victory in 1980. The disenchantment involved foreign as well as domestic policy, and was even more evident in the 1984 election, when Reagan won a clear plurality of votes from all major ethnic groups except Jews, who were more concerned by Reagan's church-state views than his stand on Israel.

Yet, no matter how ethnic groups voted, each, invariably, will be disappointed should the Administration (and/or Congress) define the national interest in terms contrary to the interests of that particular group. And, as history has shown, that has often been the case, regardless of pressures from ethnic groups.

JASON MUSSER RECEIVES EAGLE SCOUT AWARD

HON. GEORGE W. GEKAS

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, April 16, 1986

Mr. GEKAS. Mr. Speaker, I would like to take this time to express my congratulations to Jason Matthew Musser of Grantville, PA, who will receive the Boy Scout Eagle Award on Saturday, April 26, 1986. This event is always a special time for the family and friends of a man who receives such an award because it is a recognition of his dedication to his community and country.

Jason, a junior honor student at Lower Dauphin High, is a member of Boy Scout Troop 27. He began the scouting program as a Cub Scout and has worked his way through Webelos and Boy Scouts. At Lower Dauphin High School he is an active member of the track team. Jason also serves as the treasurer of the youth group at Grantville's Shell Lutheran Church, where he is also a lay reader and has been the church custodian since age 13.

Jason Musser has shown excellent service and leadership capabilities in his work with the Scouts and should be congratulated for earning this very distinguished achievement. I wish

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him good luck and great success in his future endeavors.

ILLEGAL ALIENS CAN BE TERRORISTS OR SPIES

HON. WM. S. BROOMFIELD

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Wednesday, April 16, 1986

Mr. BROOMFIELD. Mr. Speaker, all of us are aware of the massive influx of illegal aliens into this country. Few or us think of the alien community as a possible source of terrorists and spies. Obviously, we must act quickly before those who want to bring terrorism to our country succeed.

While much has been said about terrorism directed against Americans overseas, little has been said about the likelihood of terrorist acts here in the United States in retaliation for United States military operations against Libyan terrorist camps and military targets.

The huge illegal alien community undoubtedly has a number of foreign terrorists who have been sent to this country for reasons other than finding economic opportunity and escaping from political oppression. In the event of a clash between the United States and a terrorist-supporting state, instructions could be sent to these terrorists and they could be quickly mobilized to undertake domestic terrorist operations.

Spies masquerading as illegal aliens are an equal threat. They, too, could be called upon by their foreign masters to work against America's security interests.

While illegal immigration to this country is in itself a critical problem, the fact that this alien community probably contains spies and terrorists adds another dimension to the problem.

Fortunately, the administration has begun to focus on the possible threat of domestic terrorism. The FBI and other concerned agencies have mobilized resources and have undertaken appropriate contingency planning should this domestic terrorist threat materialize. Now is clearly the time to do something about illegal immigration to the United States.

With these concerns in mind, I commend the following Christian Science Monitor article to my colleagues in the Congress.

ILLEGAL ALIENS CAN BE TERRORISTS OR SPIES

(By John Dillin)

A number of US officials are quietly warning that America's porous borders have become an open invitation to world terrorists and spies.

Officials are particularly troubled by the growing number of aliens filtering illegally into the United States from radical or communist nations, including Iran, China, Cuba, and Poland.

"We are worried about the national-security aspects," particularly communist infiltration, a federal intelligence specialist says.

Officials also warn that radical nations that support terrorism could easily slip saboteurs and assassins past the thinly guarded borders with either Mexico or Canada.

Not all intelligence experts share these worries.

William E. Colby, former director of the Central Intelligence Agency, says America's very openness is a protection and a strength against spies. As for terrorism, he says, there is a basic rule: "If it gets serious, it gets suppressed—either decently, or indecently."

While terrorism could cause some disruption in the US, Mr. Colby says, he doubts that it poses a basic threat to the nature of American society.

Still, several developments have added to the anxiety being expressed here by some government sources:

"Thousands and thousands" of official American passports have been stolen over a period of months from US embassies in the Mideast, Africa, and East Asia. Presumably, most of these passports will be sold on the black market to people who wish to work in the US. But many could be used to smuggle terrorists and spies into this country. "It's frightening," a federal intelligence official says.

Illegal immigration from Mexico has surged by 50 percent in the past few months. Resources of the US Border Patrol are being severely strained.

"Narco-terrorism" is increasing. The recent assassination of a US drug informant in Baton Rouge, La., by a Colombian hit squad that entered this country illegally could signal stepped-up criminal terror. The killers slipped into the US at the Mexico-California border.

Document forgery has become more sophisticated. Recently, two heroin smugglers arrested in Miami were found to possess phony security badges, complete with photos and validation, for Miami International Airport.

Sen. Barry Goldwater (R) of Arizona, chairman of the Armed Services Committee, says the evidence causes him "concern." Sen. Alan K. Simpson (R) of Wyoming says: "You could take a crack outfit of 100 people, sprinkle them in through the borders . . . and they could meet at some predetermined point. [They could] pick up their equipment on this side of the border. . . . We wouldn't even know what was going on."

Amitai Etzioni, director of the Center for Policy Research at George Washington University, says Americans seem asleep to the threat that "able-bodied spies" can cross the Rio Grande as easily as maids seeking work in Texas border towns.

"We still haven't adapted from the 18th-century notion that we are safe, and nobody can lay a glove on us—that the oceans will protect us," says Dr. Etzioni.

US Customs Commissioner William von Raab warns that Mexican law-enforcement officials are being corrupted by drug smugglers. He adds that Mexican "law enforcement . . . can just as easily be bought by terrorists." He calls the breakdown of law enforcement a "serious national-security concern." And he observes: "This is a terrorist threat by every definition."

Sen. Malcolm Wallop (R) of Wyoming notes: "The border is indefensible against deliberate peasants who simply want a better life. . . . Think what happens when the PLO trains little teams to come into this country, like they have in Israel, and destroy a schoolbus full of children, or senior citizens on holiday, or blow up a bridge." He warns that eventually, terrorism could undermine "the freedoms that we take for granted."

There are no easy answers to all of this, the experts say. Dr. Etzioni says the immediate need is to educate the American public to the threats of the late 20th century, when jet travel and other modern devices shrink the time it takes to move around the world.

Senator Simpson, at a breakfast meeting with reporters, fretted that it may take some terrible terrorist attack to awaken the US.

Patrick Burns, a researcher for the Federation for American Immigration Reform, says the terrorist and spy problem defies easily solution. Immigration reform will help, but it's not the complete answer.

Alan Nelson, commissioner of the US Immigration and Naturalization Service (INS), says there has been some talk about "building a wall" along the 2,000-mile southern border with Mexico to counter terrorism. "I don't think that's very wise, or very practical," he says. But he considers the situation serious. US intelligence agents report that aliens from 82 nations have been detected crossing the Mexican border in the past year.

"We have been working closely with the other agencies in this whole antiterrorism campaign," Mr. Nelson says. "Clearly, the ability of terrorists to get through the southern border is a fact we have to be alert to."

Immigration officials say the Federal Bureau of Investigation, the Central Intelligence Agency, and Interpol issue alerts to INS border guards when it is known that specific terrorists are trying to slip into the country.

But a federal intelligence expert asks: "How many of them come in under their own names, with their own legitimate passports? It obviously doesn't always work."

The issue of spies and terrorism is complicated by the millions of people who attempt to enter the US illegally for jobs each year.

An immigration official in Los Angeles says federal agents are so busy (1.8 million arrests are predicted this year along the Mexican border) that "the chances of checking people out in any detail is almost impossible." The problem appears to be worsening. The smuggling of people into the US has become a booming business in Asia, Europe, and Latin America. For a charge of $4,000 to $5,000, smugglers arrange illegal visas and other documents necessary for entry.

A telegram sent last year from INS headquarters to its field offices around the world illustrates the sophistication of the smugglers. The telegram said a Philippine smuggling syndicate had begun to move Filipinos through Europe, and then into East Coast US cities, rather than the traditional West Coast entry points. It explained that the syndicate "is using East Coast ports of entry for its clients because INS on the East Coast, particularly New York, is allegedly less vigilant against fraudulent Philippine travel documents."

Gary Imhoff, who writes on immigration matters, cautions that the US displays an "arrogant assumption of our own invulnerability." He then adds: "Guarding a nation's border is a single, seamless job. The borders cannot remain open to illegal immigration and still be guarded against smuggling and terrorists."

PRISONER OF CONSCIENCE IOSIF BERENSHTEIN

HON. THOMAS J. MANTON

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, April 16, 1986

Mr. MANTON. Mr. Speaker, I rise today as part of the congressional call to conscience to again bring to the attention of my colleagues the plight of Iosif Berenshtein, who has been imprisoned in the Soviet Union for over 14 months. In fact, it is a little over 1 year ago today that I first adopted Iosif Berenshtein and sent a letter cosigned by 70 of my colleagues to Secretary Gorbachev asking that he and his family be allowed to emigrate to Israel and join their family there.

I would like to review Mr. Berenshtein's story for my colleagues. Iosif Berenshtein, his wife Fanya and their daughter Yanna, applied for an exit visa to Israel in 1979. After being subjected to a campaign of harassment, Mr. Berenshtein was arrested and sentenced to 4 years in a labor camp. Iosif was put into a prison cell with two hardened criminals and was attacked by them with a piece of broken glass. Mrs. Berenshtein believes this attack was encouraged by Soviet authorities.

As a result of the attack, and because the prison authorities refused Mr. Berenshtein to receive timely medical treatment, Iosif has totally lost his vision in one eye. At the beginning of 1985, Mr. Berenshtein was transferred to Zheltie Vody prison camp in Donetsk. Mr. Berenshtein's health is deteriorating. Fanya Berenshtein recently visited her husband in prison. This visit had finally occurred after months of broken promises. Although Mr. Berenshtein is a diabetic, the prison authorities did not allow his wife to bring him medication for his diabetes.

Mr. Berenshtein has now completed one-third of his sentence. After a prisoner has completed the first third of his or her sentence, it is common in the Soviet Union to allow the prisoner to work for the national economy. Usually this work is of a less physically demanding nature. However, the prison officials told Fanya that even if the courts were to approve such a transfer in Iosif's case, they would never allow it.

Mr. Speaker, Jewish people around the world will soon be celebrating Passover, a festival of freedom. It is traditional that the end of the seder all present say "Next Year in Jerusalem." But for the Jews in the Soviet Union, this is all but a hopeless prayer, if it can even be uttered at all. The Soviet Union's closed emigration policies and their harassment of human rights activists continue. The Congress must continue its vigilance and its commitment to work for freedom for Soviet Jews. We have had some important successes, but our job is far from over. I urge my colleagues to join me in pledging their time and their effort to securing freedom for Soviet Jewry and urging the leaders of the Soviet Union to honor the Universal Declaration on Human Rights to which they are a signatory.

ANOTHER HONOR FOR DESMOND TUTU

HON. CHARLES B. RANGEL

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, April 16, 1986

Mr. RANGEL. Mr. Speaker, the news we hear from South Africa is usually that of continuing strife, repression, and potential revolution. Young blacks have increased their demands for equality, and many segments of the white community have begun to accept the notion of reform to varying degrees. Unfortunately, the whites who hold real power have consistently refused to yield to internal or external pressures.

It was therefore with great pleasure that I became aware of the election of Bishop Desmond Tutu to the position of Archbishop of Cape Town. This office is one which gives him authority over the Anglican Church in all of southern Africa.

Bishop Tutu last year became Johannesburg's first black bishop, quite an honor in the world's most racist country. His investment was a signal to South African authorities that the influential Anglican Church would no longer remain neutral in the fight against apartheid. Clergy and lay members are now at the forefront of the freedom movement, laying the groundwork for a peaceful transfer of power.

Mr. Speaker, the new Archbishop will certainly be heard at the highest levels of the South African Government. His influence will be enhanced, and he will be more able to pursue his agenda of peaceful change in South Africa.

I commend him, and wish him Godspeed.

CONGRESSIONAL ARTS CAUCUS HONORS JACK LEMMON

HON. THOMAS J. DOWNEY

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, April 16, 1986

Mr. DOWNEY of New York. Mr. Speaker, today the Congressional Arts Caucus paid tribute to Jack Lemmon. We honored him on a day we were debating the grave issues of war and peace, when we were surrounded by unsettling world events—and it was most appropriate.

We spend a lot of time here, worrying about the affairs of State and of Nations. Sometimes we get so buried in our rhetoric that we forget who we govern. All of us represent millions of American citizens, and all of them are Jack Lemmon. Jack Lemmon has made a career of portraying Everyman—the hilarious, yet determined, musician in "Some Like It Hot," the harassed, confused businessman in "Save the Tiger," the fastidious Felix in "The Odd Couple," the tormented advertising executive in "Days of Wine and Roses," and the brooding James Tyrone in "Long Day's Journey Into the Night."

Jack Lemmon has shown us the beauty and simple majesty that is inside every man and woman. For every dollar we spend on defense, there is an Ensign Pulver, with this own heroes and villains. For every speech we make about textile trade, there is a clothing merchant in Los Angeles who wonders whether to save his business or save the tiger. For every prisoner in a Soviet gulag, there is a prisoner on Second Avenue.

The point is, Jack Lemmon is all of us, and that makes him special. He is a gifted man, and a uniquely gifted actor. His film credits alone read like everybody's list of their favorite movies. He has received Academy Awards, Emmy Awards, The Broadway Drama Guild Award, and I think we can assume the only reason he never won the Heisman Trophy is because he decided not to. He is in Washington at the National Theatre doing Eugene O'Neill's "Long Day's Journey into the Night," an incredibly powerful drama, and, again, a story of a man and his family.

Jack Lemmon has held a mirror up in front of us and shown us what we look like with love and affection. It was only right that we took time from more weighty or pressing issues to honor the man who has shown us America and Americans, with all their fears and foibles, and their prides and passions. He has shown us that nobody's triumph is minor, and nobody's defeat is insignificant.

Thanks to Jack Lemmon we will never forget that America is made up of millions of people whose happiness depends on crosstown traffic and whose biggest victory is throwing a palm tree overboard. And therefore, we honored all of those characters as we honored Jack Lemmon, and thanked him for giving them to us.

CORRECTION OF THE RECORD

HON. DAN BURTON

OF INDIANA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, April 16, 1986

Mr. BURTON of Indiana. Mr. Speaker, I ask that a correction be made to my statement in the CONGRESSIONAL RECORD concerning the centennial year of the gasoline-powered automobile. I stated in error that a U.S. patent was issued which is incorrect, the patent was issued in Germany. Also, I would like to express my appreciation to UMI Productions of Santa Barbara, CA, for its help and special interest in this legislation.

BERT KAUFMAN: THE "PERSON OF THE YEAR"

HON. BENJAMIN A. GILMAN

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, April 16, 1986

Mr. GILMAN. Mr. Speaker, I wish to call to the attention of my colleagues one of our outstanding citizens of Westchester County, NY.

In fact, Bert Kaufman has become such a pillar of the community that this Friday night the Eastchester Chamber of Commerce is honoring him as "Person of the Year" at their 1986 dinner dance.

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Bert Kaufman owns and operates "Mr. Burt's Cleaners" in Eastchester, and is affectionately known as "Mr. Burt" throughout the region.

"Mr. Burt" is the type of man who can be called upon in a moment's notice whenever a kind heart or busy hands are needed. For instance, he dropped everything to play Santa Claus for area children, without a word of complaint about how busy the Christmas season is for his business. His devotion to veteran's groups has become legendary. His employees are under orders to clean the flags of any veterans post that requests it, free of charge.

Burt Kaufman is active in the B'nai B'rith of Westchester County, and is the bulwark of their scholarship fund for deserving students.

Burt Kaufman is not any flamboyant character garnering a lot of headlines but accomplishes little. He is a quiet, determined community leader who works behind the scenes for a better community and a better world.

To Burt, his wife Sylvia, and his son, Steven and his many friends and admirers who will gather to honor him, I invite my colleagues to join me in extending our heartiest greetings and gratitude for a job well done.

TRIBUTE TO HAROLD HOLT

HON. GEORGE W. GEKAS

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, April 16, 1986

Mr. GEKAS. Mr. Speaker, on April 19, 1986, the Snyder County Extension Service will pay tribute to a man who has served as director of the service for the past 18 years. Harold A. Holt began his career with the extension service in May 1959 as a county agent for Huntingdon County. In October 1968 Harold became the director of the Snyder County Extension Service where he specialized in dairy production. He served the dairymen of Snyder and Union Counties as the DHIA adviser, adviser to the Holstein Association, adviser to the 4-H Clubs in Snyder and Union Counties and conducted numerous classes and short courses for dairymen.

Mr. Holt was honored in 1982 by the National Association of County Agents with the Outstanding Service Award for his work in the service. Harold Holt has been a vital member of the extension service for more than 18 years and will be missed greatly by all those associated with the service. I would like to join with all those involved in the extension service in thanking Mr. Holt for his dedication and service to the people of Snyder and Union Counties and wishing him good health and happiness in his retirement.

NATIONAL FOOD BANK WEEK

HON. TONY P. HALL

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Wednesday, April 16, 1986

Mr. HALL of Ohio. Mr. Speaker, I am pleased that the House of Representatives passed House Joint Resolution 234, a resolution I introduced designating the week of May 18 as National Food Bank Week.

This resolution, which commemorates food banks across the country, could not have been possible without the help of my distinguished colleagues on the House Post Office and Civil Service Committee: Chairman BILL FORD and Chairman ROBERT GARCIA as well as the distinguished Representatives, the Honorable GENE TAYLOR and the Honorable JAMES HANSEN. I would also like to point out that my office received countless hours of support and hard work from Mr. Scott Broock, during his service as a Washington Workshops student intern. Scott did an outstanding job in helping us sign up over 220 cosponsors of House Joint Resolution 234.

Mr. Speaker, House Joint Resolution 234 designates May 18 to 24, 1986 as "National Food Bank Week." These dates coincide with the National Conference to be held by Second Harvest, Inc., the largest food bank network in the country.

Food banks play an increasingly important role in our communities across the country. Food banks collect surplus food that would otherwise be wasted and distribute it to soup kitchens, day care centers, homes for the elderly, halfway houses, church-operated food programs, and needy individuals. These are nonprofit organizations who obtain their food primarily from private-sector sources.

In recent years, we have witnessed an appalling increase in poverty and hunger in this country. Over 35.5 million people are poor, and estimates are that over 20 million people in our country periodically go hungry.

Food banks work with private-sector companies, including our food and transportation industries, to respond to that need. In 1985, the Second Harvest network worked with over 250 private-sector companies to distribute over 100 million pounds of food products. This is an excellent example of private sector response to a serious need.

Mr. Speaker, I believe that these nonprofit food banks deserve to be commended. They work quietly in communities across the country to eradicate hunger and poverty. I am pleased that my colleagues in the House of Representatives joined me in passing National Food Bank Week.

THE LOSS OF CAPT. FERNANDO A. RIBAS

HON. JAIME B. FUSTER

OF PUERTO RICO

IN THE HOUSE OF REPRESENTATIVES

Wednesday, April 16, 1986

Mr. FUSTER. Mr. Speaker, on behalf of the 3.5 million citizens of Puerto Rico I represent, I would like to express our sorrow at the apparent loss of the airplane piloted by Capt. Fernando A. Ribas Dominicci, a native of Utuado, Puerto Rico in the incidents in Lybia on April 15.

Mr. Speaker, as we mourn for the loss of a fellow patriotic American citizen of Puerto Rico, we are justly proud of his service. Puerto Ricans, as always, since the days of World War II have been in the forefront of our national defense, giving their lives in disproportionate numbers to defend our democratic system.

The people of Puerto Rico, Mr. Speaker, offer their condolences to the bereaved family of our hero, Capt. Fernando A. Ribas, and share this sad loss with our fellow American citizens.

A CONGRESSIONAL SALUTE TO THE 15TH STREET ELEMENTARY SCHOOL

HON. GLENN M. ANDERSON

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, April 16, 1986

Mr. ANDERSON. Mr. Speaker, I rise today to pay tribute to the 15th Street Elementary School in San Pedro, CA, which will be celebrating its 85th year of continuous service to the community at a luncheon on April 25, 1986. Coincidentally, the observance also falls during the Public School Month celebrations.

Built at a cost of just $25,000 on the original site of the San Pedro High School, the 15th Street Public School has achieved a number of tremendous successes in its 85 years. The San Pedro community is indebted to this great school for the fine work it has done in educating its children. The school, which is the second largest of the 13 elementary schools in San Pedro, however, has done more than merely educate our young people. The 15th Street Elementary School has the oldest existing parents-teachers association in California, which is the second oldest such organization in the entire country. Additionally, the school, through its various programs, brings about $500,000 in State and Federal funds into the community.

My wife, Lee, joins me in recognizing the achievements of the 15th Street Elementary School on its 85th anniversary, and in recognizing the many contributions that its students, staff and graduates have made to San Pedro and other southern California communities. I would also like to take a moment to recognize the staff and faculty of the 15th Street Elementary School on the fine work they are doing under the leadership of their principal, Stanley Bunyan.

BIOMEDICAL ENGINEERING

HON. THOMAS N. KINDNESS

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Wednesday, April 16, 1986

Mr. KINDNESS. Mr. Speaker, the miracles of modern medicine have advanced to a degree that many of us never expected in our lifetimes. There are medications to relieve pain and cure illness; vaccines have virtually eradicated most dangerous childhood diseases; healthy organs can be transplanted to replace certain diseased organs.

But for the thousands of Americans who are paralyzed as result of spinal chord injuries and who bravely face life confined to beds and wheelchairs, the outlook for walking again has never looked promising. Mr. Speaker, today there is hope that paralyzed individuals will someday be able to walk.

I am proud to bring to the attention of my colleagues the work of Dr. Chandler Phillips of Tipp City, OH. Dr. Phillips and his partner, Dr. Gerald Petrofsky of Dayton, OH, were recently nominated for the Nobel Peace Prize in medicine for their work in restoring ambulation to paralytics.

Dr. Phillips has worked for many years at Wright State University in Dayton to help develop a portable computerized walking system for the paralyzed. This effort has already yielded remarkable results.

Last summer, Wright State University student Nan Davis was able to walk a few steps toward her diploma aided by a portable computer unit which controlled electrical stimulation to her paralyzed legs muscles. Another student, Susan Steele, has become the first quadriplegic to walk with the Petrofsky-Phillips system.

Dr. Phillips and Dr. Petrofsky are continuing their work with unique forms of physical therapy designed to improve muscle size, strength, and endurance. This system, aided by continuing research into computer miniaturization and implants, is bringing the miracle of walking to those who are presently paralyzed.

I invite my colleagues to join me in congratulating Dr. Chandler Phillips and Dr. Gerald Petrofsky on their incredible breakthrough in the new field of biomedical engineering and wishing them continued success in their work.

UNITED STATES RESPONSE TO LIBYA WAS APPROPRIATE

HON. NORMAN D. SHUMWAY

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, April 16, 1986

Mr. SHUMWAY. Mr. Speaker, the United States has made it clear that, as the leader of the free we will not tolerate outrageous terrorism. We cannot allow vicious and mindless terrorism to threaten American lives, nor can we allow a climate of fear to prevail at home or in free nations abroad. The administration has definite evidence that Libya is responsible for American deaths, and that numerous similar terrorist acts have been planned. In retaliating against Libya as we did last night, we have given fair warning that attacks against Americans will be met with strong, self-defensive action. There is no place for terrorism in today's civilized world. I regret that it was necessary for such serious steps to be taken, but it is obvious that Qadhafi will not respond to diplomatic negotiations. Under the circumstances, I believe that the United States response to Libya was entirely appropriate.

BUEFORD FOEGE RETIRES FROM ITHACA BOARD OF EDUCATION

HON. ROBERT W. KASTENMEIER

OF WISCONSIN

IN THE HOUSE OF REPRESENTATIVES

Wednesday, April 16, 1986

Mr. KASTENMEIER. Mr. Speaker, Bueford Foege, president of the Ithaca Board of Education of Richland Center, WI, and a school board member for the past 50 years, has announced his retirement with the expiration of his present term.

Mr. Foege began his school board tenure in 1936 as a member of the Smyth Hollow Board, serving the district continuously for the next 20 years. In 1956 he was named to the old Ithaca Union High School Board; and when the district disbanded and reorganized as a K-12 unit in 1965, Foege was elected president. Except for a 3-year period when he was slowed by a heart condition, he has been president ever since. Bueford Foege was the driving force in the reorganization of the Ithaca district as it presently stands.

Bueford Foege has served education in many capacities. He was elected to the Cesa 14—now Cesa 3—Board of Control in 1965, retiring from that position in 1985 after 20 years of service, several of which were spent as agency president. Foege also served a 3-year term on the district boundaries appeals board. Bueford Foege is highly recognized throughout the State of Wisconsin for his lifelong contribution to education and youth. He and his wife Helena will be feted at a retirement dinner at Arthur's in Spring Green on April 18.

We will all miss him but wish him the best in his retirement.

THE IMPORTANCE OF ADOPTION

HON. H. JAMES SAXTON

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Wednesday, April 16, 1986

Mr. SAXTON. Mr. Speaker, I would like to take this opportunity to discuss the importance of adoption.

It is an unfortunate fact that in today's society thousands of young women from all walks of life become unwillingly pregnant. Many of these women, because of economic, social, and emotional pressures, become desperate and unhappy, and grab the first solution that comes along.

However, there is another solution, which not only frees the mother from the responsibilities of parenting, but brings job to those who cannot have children of their own. This solution is adoption. There are a multitude of people in this country who ache to give one or more children a home and love.

Unfortunately for these people, the availability and advantages of adoption have not received the widespread attention they deserve. I myself have witnessed the roadblocks and lack of information in this area. My sister and her husband wanted to adopt a child badly. However, a host of questions awaited them once they reached their decision. Among these were: Who should they contact? How could they learn more about adoption? What were the laws? and Why were the waiting lists so long? All of these questions were hard to find the answers to, as there was such a dearth of helpful information.

It is my hope that through efforts by groups such as the Congressional Coalition on Adoption, of which I am a member, that the American public can become better informed about the advantages of adoption. Perhaps when prospective mothers learn more about adoption, and the happiness it brings, they will be more willing to choose this route instead of the tragedy of abortion. And, as prospective parents become better informed adoption, they will actively pursue this choice and homes will be found for many of the "special needs" children still waiting.

CONFERENCE ON HEALTH CARE AND CATASTROPHIC INSURANCE

HON. GUS YATRON

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, April 16, 1986

Mr. YATRON. Mr. Speaker, I would like to bring to the attention of my colleagues a forum being held in my congressional district on an important and timely national issue. On May 3, 1986, the United Labor Council of Reading and Berks County and the United Steelworkers of America will conduct an all-day conference on our health care system and the urgent need for a national catastrophic insurance plan. Cochairmen of the meeting will be Charles C. Husson, chairman of the Community Services Committee of the United Labor Council, and Jack R. Unangst, chairman of the Legislative Education Committee of the United Steelworkers Local 3733.

The issue of affordable health care is vital to Americans and I want to commend Mr. Husson and Mr. Unangst for their leadership in bringing together the knowledge and insight of their organizations to help formulate policy recommendations on a national catastrophic health insurance plan.

The need for catastrophic insurance is well-established. When a person's entire financial base and life savings, earned through hard work and sacrifice, can be destroyed because of a long hospital stay or a protracted illness, we can only conclude that an important component of our social insurance system is missing.

The President acknowledged this absence in his last State of the Union message when he called on Secretary of Health and Human Services, Dr. Otis R. Bowen, to determine by the end of this year "how the private sector and Government can work together to address the problems of affordable insurance for those whose life savings would otherwise be threatened when catastrophic illness strikes."

We in the Congress support the creation of catastrophic health insurance and several legislative proposals have been introduced. While there is bipartisan agreement on the need and merit for a catastrophic support system, we

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are still debating how the system should be structured: Should it be a private sector initiative; should it be administered by the Federal Government, through Medicare; or should it be a joint Federal-State effort. These questions remain the basis of the public policy debate on this crucial issue.

I look forward to this conference. As the leadership and membership of these two important organizations discuss the details and the complexities of health care reform, I am certain many valuable recommendations and proposals will be forthcoming. I commend this forum and anticipate that it will make a valuable contribution to our ongoing effort to develop a comprehensive national catastrophic health insurance plan.

JOSEPH H. KANTER JOGGING AND FITNESS CENTER ON THE MALL

HON. WILLIAM LEHMAN

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, April 16, 1986

Mr. LEHMAN of Florida. Mr. Speaker, for many decades my constituents have seen one of Miami's foremost businessmen pounding the pavement and the beaches. Long before it was fashionable, Joe Kanter was an exercise enthusiast and a jogger. In over 40 years, his cumulative mileage now totals the circumference of the Earth.

Joe Kanter is chairman of one of our local bank holding companies. He was one of the first major developers of the "new town" concept. More recently, he has become a film producer, and we are hopeful that some of the benefit that Miami has realized from television production will be mirrored in the movies.

He is also a respected philanthropist, and 2 years ago, he offered to donate a fitness facility, on the U.S. Mall, to the people of America. This exercise installation, with equipment manufactured by Parcourse, Ltd., has been specially designed and built to accommodate the handicapped.

The new fitness center will be dedicated at 11 a.m. on Wednesday, April 23, 1986, at the site, which is located at the intersection of Fourth Street and Independence Avenue, SW. Many of our colleagues are already using the facility, and I hope to see you there.

SENATE COMMITTEE MEETINGS

Title IV of Senate Resolution 4, agreed to by the Senate on February 4, 1977, calls for establishment of a system for a computerized schedule of all meetings and hearings of Senate committees, subcommittees, joint committees, and committees of conference. This title requires all such committees to notify the Office of the Senate Daily Digest—designated by the Rules Committee—of the time, place, and purpose of the meetings, when scheduled, and any cancellations or changes in the meetings as they occur.

As an additional procedure along with the computerization of this information, the Office of the Senate Daily Digest will prepare this information for printing in the Extensions of Remarks section of the CONGRESSIONAL RECORD on Monday and Wednesday of each week.

Any changes in committee scheduling will be indicated by placement of an asterisk to the left of the name of the unit conducting such meetings.

Meetings scheduled for Wednesday, April 26, 1986, may be found in the Daily Digest of today's RECORD.

MEETINGS SCHEDULED

APRIL 18

9:00 a.m.
Armed Services
Strategic and Theater Nuclear Forces Subcommittee
To resume open and closed hearings on S. 2199, authorizing funds for fiscal year 1987 for the Department of Defense, focusing on Navy nuclear and reactor programs.
SR-232A

9:30 a.m.
Commerce, Science, and Transportation
Business, Trade, and Tourism Subcommittee
To hold hearings on S. 2307, authorizing funds for fiscal years 1987-1989 for the U.S. Travel and Tourism Administration.
SR-253

Finance
Business meeting, to mark up proposed legislation providing for revisions in Federal tax laws.
SD-215

2:00 p.m.
Finance
Business meeting, to continue markup of proposed legislation providing for revisions in Federal tax laws.
SD-215

APRIL 21

9:30 a.m.
Finance
To hold hearings on the federal excise tax provisions of H.R. 3838, proposed Tax Reform Act of 1985.
SD-215

Foreign Relations
To hold oversight hearings on activities of the Agency for International Development.
SD-419

10:00 a.m.
Judiciary
Immigration and Refugee Policy Subcommittee
To hold hearings on proposed legislation authorizing funds for fiscal year 1987 for the Immigration and Naturalization Service, Department of Justice.
SD-226

2:00 p.m.
Foreign Relations
Western Hemisphere Affairs Subcommittee
To resume hearings to review the situation in Panama.
SD-419

APRIL 22

9:30 a.m.
Agriculture, Nutrition, and Forestry
To hold hearings on proposed legislation authorizing funds for programs of the Federal Insecticide, Fungicide, and Rodenticide Act.
SR-332

Appropriations
Agriculture, Rural Development and Related Agencies Subcommittee
To resume hearings on proposed budget estimates for fiscal year 1987 for the Department of Agriculture, focusing on the Soil Conservation Service, Agricultural Stabilization and Conservation Service, Office of the General Sales Manager, Foreign Agricultural Service, Office of International Cooperation and Development, and the Food for Peace program (Pub. L. 480).
SD-138

Appropriations
Labor, Health and Human Services, Education, and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1987 for the Soldiers' and Airmen's Home, Prospective Payment Commission, Railroad Retirement Board, National Labor Relations Board, National Mediation Board, Occupational Safety and Health Review Commission, Federal Mediation and Conciliation Service, and the United States Institute of Peace.
SD-116

Finance
Business meeting, to mark up proposed legislation providing for revisions in Federal tax laws.
SD-215

Foreign Relations
To continue oversight hearings on activities of the Agency for International Development.
SD-419

Judiciary
To hold hearings to examine the constitutionality of certain penalties imposed on individuals or companies which submit certain false claims to the government.
SD-226

10:00 a.m.
Appropriations
Commerce, Justice, State, the Judiciary, and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1987 for the Federal Bureau of Investigation and Drug Enforcement Administration, Department of Justice, and the Equal Employment Opportunity Commission.
S-146, Capitol

Energy and Natural Resources
To hold hearings on S. 2073, to require the Nuclear Regulatory Commission to establish procedures, standards, and criteria for preapproved sites and standardized designs for nuclear powerplants and to revise the procedures for issuing construction and operating licenses.
SD-366

Select on Indian Affairs
To hold hearings on S. 1991, to authorize funds for fiscal years 1987-1990 for Native American programs.
SR-385

2:00 p.m.
Agriculture, Nutrition, and Forestry
To continue hearings on proposed legislation authorizing funds for programs of the Federal Insecticide, Fungicide, and Rodenticide Act.
SR-332

Appropriations
Foreign Operations Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1987 for the Department of State, focusing on international narcotics control, migration and refugee assistance, and antiterrorism programs.
S-126, Capitol

Appropriations
Interior and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1987 for the Navajo-Hopi Indian Relocation Commission, and the Office of Surface Mining, Reclamation and Enforcement, Department of the Interior.
SD-192

Environment and Public Works
Water Resources Subcommittee
To hold hearings on S. 1696, to establish a federally declared floodway for the Colorado River.
SD-406

Finance
Business meeting, to mark up proposed legislation providing for revisions in Federal tax laws.
SD-215

Small Business
To hold oversight hearings on the implementation of Title XVIII, authorizing funds for the Small Business Administration, of the Reconciliation Act (P.L. 99-272).
SR-428A

3:00 p.m.
Rules and Administration
Business meeting, to consider the schedule for the receipt of vendor responses to the amended request for a proposal for the procurement of a new telephone system for the Senate, to review the status of the present procurement process, and to consider alternatives to a Congress-wide system, and other pending committee business.
SR-301

APRIL 23

9:30 a.m.
Appropriations
Labor, Health and Human Services, Education, and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1987 for ACTION (domestic programs), Corporation for Public Broadcasting, National Council on the Handicapped, Mine Safety and Health Review Commission, and the National Commission Libraries and Information Science
SD-116

Commerce, Science, and Transportation
Science, Technology, and Space Subcommittee
To resume hearings on proposed legislation authorizing funds for fiscal year 1987 for the National Aeronautics and Space Administration, focusing on the space station program.
SR-253

Finance
Business meeting, to mark up proposed legislation providing for revisions in Federal tax laws.
SD-215

Labor and Human Resources
To hold hearings on S. 1815, to prohibit any employer from using any lie detector test or examination in the work place, either for preemployment testing or testing in the course of employment.
SD-430

Rules and Administration
To hold hearings on proposed legislation authorizing funds for fiscal year 1987 for the Federal Election Commission.
SR-301

Select on Intelligence
To resume closed hearings on proposed legislation authorizing funds for fiscal year 1987 for the intelligence community
SH-219

10:00 a.m.
Appropriations
Defense Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1987 for Navy aircraft procurement programs.
SD-192

Appropriations
Transportation and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1987 for the U.S. Railway Association and Conrail.
SD-138

Armed Services
Defense Acquisition Policy Subcommittee
Business meeting, to mark up S. 2082, to improve the management of major defense acquisition programs, to establish a Defense Acquisition Service, and to limit employment contracts between senior officials of the Department of Defense and defense contractors, S. 2151, to establish within the Office of the Secretary of Defense an Office of Defense Acquisition for the centralized procurement of all property and services for the Department of Defense and to provide for an Under Secretary of Defense Acquisition, S. 2196, to improve procedures for the acquisition of spare and repair parts for the Department of Defense, and related proposals.
SR-222

Energy and Natural Resources
Business meeting, to consider pending calendar business.
SD-366

Foreign Relations
Business meeting, to consider pending calendar business.
SD-419

Judiciary
To hold hearings on pending nominations.
SD-226

Judiciary
Security and Terrorism Subcommittee
To hold hearings to examine legal mechanisms to combat terrorism.
SD-226

1:30 p.m.
Foreign Relations
To continue oversight hearings on activities of the Agency for International Development.
SD-419

2:00 p.m.
Appropriations
Energy and Water Development Subcommittee
To hold closed hearings to review atomic energy activities of the Department of Defense.
Room to be announced

Environment and Public Works
To hold hearings on the nomination of Frank H. Dunkle, of Montana, to be Director of the U.S. Fish and Wildlife Service, Department of the Interior.
SD-406

Finance
Business meeting, to mark up proposed legislation providing for revisions in Federal tax laws.
SD-215

3:00 p.m.
Armed Services
Military Construction Subcommittee
Closed business meeting, to discuss the Navy's strategic homeporting initiative.
SR-222

APRIL 24

9:30 a.m.
Agriculture, Nutrition, and Forestry
Rural Development, Oversight, and Investigations Subcommittee
To hold hearings on S. 1121, to encourage foreign agricultural trade by improving the quality of grain shipped from U.S. export elevator facilities.
SR-332

Appropriations
To hold hearings on proposed budget estimates for fiscal year 1987 for the Departments of Labor, Health and Human Services, and Education, and certain related agencies.
SD-116

Finance
Business meeting, to mark up proposed legislation providing for revisions in Federal tax laws.
SD-215

Foreign Relations
To continue oversight hearings on activities on the Agency for International Development.
SD-419

Labor and Human Resources
Labor Subcommittee
To hold hearings on S. 1018, to clarify the meaning of the term "guard" for the purpose of permitting certain labor organizations to be certified by the National Labor Relations Board as representatives of employees other than plant guards.
SD-430

10:00 a.m.
Appropriations
Business meeting, to mark up provisions of H.R. 4515, making urgent supplemental appropriations for the fiscal year ending September 30, 1986.
SD-192

Appropriations
Defense Subcommittee
To hold closed hearings on proposed budget estimates for fiscal year 1987 for intellegence programs.
S-407, Capitol

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Energy and Natural Resources
Natural Resources Development and Production Subcommittee
To hold hearings on S. 1322, proposed Geothermal Steam Act Amendments of 1985.
SD-366

Labor and Human Resources
Education, Arts, and Humanities Subcommittee
To hold hearings on S. 1662, proposed Training Technology Transfer Act of 1985.
SD-628

2:00 p.m.
Appropriations
Interior and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1987 for the Energy Information Administration and the Economic Regulatory Administration, Department of Energy.
SD-192

Finance
Business meeting, to mark up proposed legislation providing for revisions in Federal tax laws.
SD-215

4:00 p.m.
Select on Intelligence
To hold closed hearings on intelligence matters.
SH-219

APRIL 25

10:00 a.m.
Governmental Affairs
Civil Service, Post Office, and General Services Subcommittee
To resume hearings on S. 1327, to establish higher minimum rates of basic pay in geographic areas where the Federal Government is experiencing significant recruitment and retention problems, S. 1727, to establish alternative personnel management systems for scientific and technical employees, and provisions of S. 2082, to improve the management of major defense acquisition programs, to establish a Defense Acquisition Service, and to limit employment contacts between senior officials of the Department of Defense and defense contractors.
SD-342

2:00 p.m.
Finance
Business meeting, to mark up proposed legislation providing for revisions in Federal tax laws.
SD-215

APRIL 28

10:30 a.m.
Finance
Business meeting, to mark up proposed legislation providing for revisions in Federal tax laws.
SD-215

2:00 p.m.
Finance
Business meeting, to mark up proposed legislation providing for revisions in Federal tax laws.
SD-215

APRIL 29

9:00 a.m.
Appropriations
Agriculture, Rural Development and Related Agencies Subcommittee
To resume hearings on proposed budget estimates for fiscal year 1987 for the Department of Agriculture, focusing on the Farmers Home Administration.
SD-138

9:30 a.m.
Appropriations
Labor, Health and Human Services, Education, and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1987 for the Departments of Labor, Health and Human Services, and Education, and certain related agencies.
SD-116

Finance
Business meeting, to mark up proposed legislation providing for revisions in Federal tax laws.
SD-215

10:00 a.m.
Appropriations
Defense Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1987 for certain defense programs.
SD-192

Appropriations
HUD-Independent Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1987 for the Department of Housing and Urban Development and certain independent agencies.
SD-124

Energy and Natural Resources
Energy Research and Development Subcommittee
To hold oversight hearings on proposed budget requests for fiscal year 1987 for the Department of Energy, focusing on nuclear activities.
SD-366

Select on Indian Affairs
To hold hearings on S. 2105, S. 2106, and S. 2107, bills to provide for the settlement of certain claims of the Papago Tribe of Arizona.
SR-385

2:00 p.m.
Appropriations
Interior and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1987 for the Bureau of Indian Affairs, Department of the Interior.
SD-192

Environment and Public Works
To hold hearings on domestic and international oil pollution issues.
SD-406

Finance
Business meeting, to mark up proposed legislation providing for revisions in Federal tax laws.
SD-215

Governmental Affairs
Oversight of Government Management Subcommittee
To hold hearings on S. 2214, to prohibit criminal penalties for violations of the financial disclosure provisions of the Ethics in Government Act of 1978.
SD-342

APRIL 30

9:30 a.m.
Appropriations
Commerce, Justice, State, the Judiciary, and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1987 for the Office of U.S. Trade Representative, and the Federal Communications Commission.
S-146, Capitol

Commerce, Science, and Transportation
Science, Technology, and Space Subcommittee
To hold hearings on the findings of the Presidential Commission on the Space Shuttle Challenger Accident.
SR-253

Finance
Business meeting, to mark up proposed legislation providing for revisions in Federal tax laws.
SD-215

Labor and Human Resources
To hold oversight hearings on the human resources impact of reentry of women into the labor force.
SD-430

Select on Intelligence
To hold closed hearings on intelligence matters.
SH-219

10:00 a.m.
Agriculture, Nutrition, and Forestry
To resume hearings on proposed legislation authorizing funds for programs of the Federal Insecticide, Fungicide, and Rodenticide Act.
SR-332

Appropriations
HUD-Independent Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1987 for the Department of Housing and Urban Development and certain independent agencies.
SD-124

Energy and Natural Resources
Business meeting, to consider pending calendar business.
SD-366

Foreign Relations
To hold hearings on embassy security enhancement.
SD-419

Governmental Affairs
Civil Service, Post Office, and General Services Subcommittee
To resume hearings on S. 1327, to establish higher minimum rates of basic pay in geographic areas where the Federal Government is experiencing significant recruitment and retention problems, S. 1727, to establish alternative personnel management systems for scientific and technical employees, and provisions of S. 2082, to improve the management of major defense acquisition programs, to establish a Defense Acquisition Service, and to limit employment contacts between senior officials of the Department of Defense and defense contractors.
SD-342

Judiciary
Security and Terrorism Subcommittee
To resume oversight hearings on certain activities of the Federal Bureau of Investigation, Department of Justice.
SD-226

2:00 p.m.
Agriculture, Nutrition, and Forestry
To continue hearings on proposed legislation authorizing funds for programs of the Federal Insecticide, Fungicide, and Rodenticide Act.
SR-332

Appropriations
Agriculture, Rural Development and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1987 for the Food and Drug Administration of the Department of Health and Human Services, and the Commodity Futures Trading Commission.
SD-138

Finance
Business meeting, to mark up proposed legislation providing for revisions in Federal tax laws.
SD-215

MAY 1

9:30 a.m.
Appropriations
Labor, Health and Human Services, Education, and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1987 for the Departments of Labor, Health and Human Services, and Education, and certain related agencies.
SD-116

Finance
Business meeting, to mark up proposed legislation providing for revisions in Federal tax laws.
SD-215

Labor and Human Resources
Labor Subcommittee
To hold oversight hearings on employee benefit and pension policy implications contained in proposed tax reform legislation.
SD-430

10:00 a.m.
Appropriations
Defense Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1987 for certain defense programs.
SD-192

Appropriations
Foreign Operations Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1987, focusing on environmental implications of Multilateral Development Bank lending policies.
SD-124

Energy and Natural Resources
Natural Resources Development and Production Subcommittee
To hold oversight hearings on the impact of coal and electricity imports on the domestic coal industry.
SD-366

10:30 a.m.
Banking, Housing, and Urban Affairs
To hold hearings on S. 571, proposed Drug Money Seizure Act.
SD-538

2:00 p.m.
Appropriations
Interior and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1987 for territorial affairs, Department of the Interior.
SD-192

Finance
Business meeting, to mark up proposed legislation providing for revisions in Federal tax laws.
SD-215

MAY 2

9:30 a.m.
Finance
Business meeting, to mark up proposed legislation providing for revisions in Federal tax laws.
SD-215

2:00 p.m.
Finance
Business meeting, to mark up proposed legislation providing for revisions in Federal tax laws.
SD-215

MAY 5

1:30 p.m.
Finance
International Trade Subcommittee
To hold hearings on miscellaneous tariff bills.
SD-215

2:00 p.m.
Energy and Natural Resources
Energy Research and Development Subcommittee
To hold hearings to review the Department of Energy nuclear research and development program policy.
SD-366

MAY 6

9:30 a.m.
Appropriations
Labor, Health and Human Services, Education, and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1987 for the Departments of Labor, Health and Human Services, and Education, and certain related agencies.
SD-116

10:00 a.m.
Appropriations
Defense Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1987 for Air Force aircraft procurement programs.
SD-192

MAY 7

9:30 a.m.
Appropriations
Commerce, Justice, State, the Judiciary, and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1987 for the Supreme Court of the United States, U.S. District Courts/Courts of Appeals, and the Commission on the Bicentennial of the U.S. Constitution.
S-146, Capitol

Labor and Human Resources
To hold oversight hearings on medical malpractice.
SD-430

10:00 a.m.
Appropriations
Transportation and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1987 for the Urban Mass Transportation Administration, Department of Transportation, and the Washington Metropolitan Area Transit Authority.
SD-138

Energy and Natural Resources
Business meeting, to consider pending calendar business.
SD-366

MAY 8

9:30 a.m.
Appropriations
Labor, Health and Human Services, Education, and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1987 for the Departments of Labor, Health and Human Services, and Education, and certain related agencies.
SD-116

Commerce, Science, and Transportation
Science, Technology, and Space Subcommittee
To resume hearings on proposed legislation authorizing funds for fiscal year 1987 for the National Aeronautics and Space Administration, focusing on the space transportation system.
SR-253

10:00 a.m.
Appropriations
Defense Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1987 for strategic systems.
SD-192

Appropriations
Transportation and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1987 for the Federal Aviation Administration, Department of Transportation.
SD-138

2:00 p.m.
Appropriations
Interior and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1987 for the Holocaust Memorial Council and the Smithsonian Institution.
SD-192

MAY 9

9:30 a.m.
Finance
Health Subcommittee
To hold hearings to examine the condition of rural hospitals under the Medicare program.
SD-215

MAY 13

9:00 a.m.
Office of Technology Assessment
The Board, to meet to consider pending business items.
EF-100, Capitol

9:30 a.m.
Appropriations
Labor, Health and Human Services, Education, and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1987 for the Departments of Labor, Health and Human Services, and Education, and certain related agencies.
SD-116

MAY 14

9:30 a.m.
Appropriations
Labor, Health and Human Services, Education, and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1987 for the Health Resources and Services Admin-

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istration, Department of Health and Human Services.
SD-116

Appropriations
Commerce, Justice, State, the Judiciary, and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1987 for the Legal Services Corporation, and the Securities and Exchange Commission.
S-146, Capitol

Labor and Human Resources
Business meeting, to consider pending calendar business.
SD-430

10:00 a.m.
Appropriations
Transportation and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1987 for the Department of Transportation and certain related agencies.
SD-138

Governmental Affairs
Energy, Nuclear Proliferation and Government Processes Subcommittee
To hold hearings on S. 525, to provide for the transfer to the Secretary of Health and Human Services the authority of the Secretary of Energy to conduct epidemiological studies of radiation effects.
SD-342

MAY 15

9:30 a.m.
Appropriations
Labor, Health and Human Services, Education, and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1987 for the Departments of Labor, Health and Human Services, and Education, and certain related agencies.
SD-116

Labor and Human Resources
Labor Subcommittee
To hold hearings on S. 2050, to notify workers who are at risk of occupational disease in order to establish a system for identifying and preventing illness and death of such workers.
SD-430

10:00 a.m.
Appropriations
Foreign Operations Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1987 for the Department of State, focusing on voluntary contributions to international organizations programs, and for the Office of the U.S. Representative to the United Nations.
SD-124

Energy and Natural Resources
Natural Resources Development and Production Subcommittee
To hold oversight hearings on the prospects for exporting American coal.
SD-366

1:00 p.m.
Judiciary
Security and Terrorism Subcommittee
To resume oversight hearings in closed session on activities of the Drug Enforcement Administration, Department of Justice.
S-407, Capitol

2:30 p.m.
Appropriations
Interior and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1987 for fossil and clean coal technology.
SD-192

MAY 20

2:00 p.m.
Appropriations
Interior and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1987 for the Indian Health Service, Department of Health and Human Services.
SD-192

MAY 21

9:30 a.m.
Appropriations
Commerce, Justice, State, the Judiciary, and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1987 for the U.S. Information Agency, and the National Endowment for Democracy.
S-146, Capitol

Labor and Human Resources
To hold oversight hearings on strategies to reduce hunger in America.
SD-430

MAY 29

2:00 p.m.
Appropriations
Interior and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1987 for the Office of the Secretary and Office of the Solicitor, Department of the Interior.
SD-192

JUNE 3

10:00 a.m.
Governmental Affairs
Energy, Nuclear Proliferation and Government Processes Subcomittee
To hold hearings on statistical policy for an aging America.
SD-342

JUNE 4

9:30 a.m.
Appropriations
Commerce, Justice, State, the Judiciary, and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1987 for the Departments of Commerce, Justice, and State, the Judiciary, and certain related agencies.
S-146, Capitol

Labor and Human Resources
To hold oversight hearings to review the imposition of user fees in FDA approval procedures for new drugs.
SD-430

JUNE 11

9:30 a.m.
Labor and Human Resources
To hold hearings on pending nominations to the National Advisory Council on Women's Educational Programs.
SD-430

JUNE 17

9:30 a.m.
Energy and Natural Resources
Public Lands, Reserved Water and Resource Conservation Subcommittee
To hold hearings on S. 2055, to establish the Columbia Gorge National Scenic Area.
SD-366

Labor and Human Resources
To resume oversight hearings on medical malpractice.
SD-430

JUNE 18

9:30 a.m.
Labor and Human Resources
Business meeting, to consider pending calendar business.
SD-430

JUNE 25

9:30 a.m.
Labor and Human Resources
To hold hearings on the administration of the Mine Safety and Health Review Commission.
SD-430

JULY 16

9:30 a.m.
Labor and Human Resources
To hold hearings on measures to improve the health of children.
SD-430

JULY 30

9:30 a.m.
Labor and Human Resources
Business meeting, to consider pending calendar business.
SD-430

AUGUST 13

9:30 a.m.
Labor and Human Resources
To hold hearings to review the private sector initiatives in human services.
SD-430

SEPTEMBER 10

9:30 a.m.
Labor and Human Resources
To hold hearings to review the human resources impact on drug research and space technology.
SD-430

SEPTEMBER 16

9:30 a.m.
Labor and Human Resources
To hold hearings on pending nominations.
SD-430

SEPTEMBER 24

9:30 a.m.
Labor and Human Resources
Business meeting, to consider pending calendar business.
SD-430

CANCELLATIONS

APRIL 17

2:00 p.m.
Commerce, Science, and Transportation
Science, Technology, and Space Subcommittee
To hold hearings on information provided by NASA's 51-L Data and Design Analysis Task Force to the Presidential Commission on the Space Shuttle Challenger Accident.
SR-253

APRIL 18

10:00 a.m.
Judiciary
To hold hearings on attorney fees forfeiture.
SD-226

APRIL 23

10:00 a.m.
Governmental Affairs
Energy, Nuclear Proliferation and Government Processes Subcommittee
To hold hearings on S. 2009, to require that Federal employees be paid by electronic funds transfer or any other economical or effective method.
SD-342

APRIL 25

9:30 a.m.
Appropriations
Labor, Health and Human Services, Education, and Related Agencies Subcommittee
To hold hearings on the impact of proposed budget estimates on health research programs.
SD-138

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HOUSE OF REPRESENTATIVES—*Thursday, April 17, 1986*

The House met at 11 a.m.

The Chaplain, Rev. James David Ford, D.D., offered the following prayer:

Let us pray in the words of John Greenleaf Whittier:

"Dear Lord and Father of mankind,
Forgive our foolish ways;
Reclothe us in our rightful mind,
In purer lives Thy service find,
In deeper reverence praise.

"Drop Thy still dews of quietness,
Till all our strivings cease;
Take from our souls the strain and stress,
And let our ordered lives confess
The beauty of Thy peace."

Amen.

THE JOURNAL

The SPEAKER. The Chair has examined the Journal of the last day's proceedings and announces to the House his approval thereof.

Pursuant to clause 1, rule I, the Journal stands approved.

Mr. CLAY. Mr. Speaker, I demand a vote on agreeing to the Speaker's approval of the Journal.

The SPEAKER. The question is on the Chair's approval of the Journal.

The question was taken; and the Speaker announced that the ayes appeared to have it.

Mr. CLAY. Mr. Speaker, I object to the vote on the ground that a quorum is not present and make the point of order that a quorum is not present.

The SPEAKER. Evidently a quorum is not present.

The Sergeant at Arms will notify absent Members.

The vote was taken by electronic device, and there were—yeas 281, nays, 116, answered "present" 3, not voting 33, as follows:

[Roll No. 82]

YEAS—281

Ackerman
Akaka
Alexander
Anderson
Andrews
Annunzio
Anthony
Applegate
Archer
Armey
Aspin
AuCoin
Badham
Barnard
Barnes
Bateman
Bates
Bedell
Beilenson
Bennett
Berman
Bevill
Biaggi
Boggs
Boland
Boner (TN)
Bonior (MI)
Bonker
Borski
Bosco
Boucher
Boxer
Breaux
Brooks
Brown (CA)
Broyhill
Bruce
Bryant
Burton (CA)
Bustamante
Byron
Callahan
Carper
Carr
Chapman
Chappell
Coelho
Coleman (TX)
Collins
Combest
Conyers
Cooper
Coyne
Crockett
Daniel
Darden
Daschle
de la Garza
DeLay
Dellums
Derrick
Dicks
DioGuardi
Donnelly
Dorgan (ND)
Dowdy
Downey
Durbin
Dwyer
Dymally
Dyson
Early
Eckart (OH)
Eckert (NY)
Edwards (CA)
Edwards (OK)
English
Erdreich
Evans (IL)
Fascell
Fazio
Feighan
Fish
Flippo
Florio
Foglietta
Foley
Ford (MI)
Ford (TN)
Fowler
Frank
Franklin
Frost
Fuqua
Garcia
Gaydos
Gejdenson
Gibbons
Gilman
Glickman
Gonzalez
Gordon
Gradison
Green
Guarini
Hall (OH)
Hall, Ralph
Hamilton
Hammerschmidt
Hansen
Hartnett
Hatcher
Hayes
Hefner
Henry
Hertel
Hiler
Hillis
Holt
Hopkins
Horton
Howard
Hoyer
Hubbard
Huckaby
Hughes
Hutto
Hyde
Jeffords
Jenkins
Johnson
Jones (NC)
Jones (OK)
Jones (TN)
Kanjorski
Kaptur
Kasich
Kastenmeier
Kemp
Kennelly
Kleczka
Kolter
Kostmayer
LaFalce
Lantos
Lehman (CA)
Lehman (FL)
Levin (MI)
Levine (CA)
Lipinski
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Lowry (WA)
Lundine
Manton
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McCurdy
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McEwen
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Michel
Mikulski
Miller (CA)
Miller (WA)
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Moakley
Mollohan
Montgomery
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Morrison (CT)
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Murphy
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Obey
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Ortiz
Owens
Packard
Panetta
Pease
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Perkins
Petri
Pickle
Price
Pursell
Quillen
Rahall
Rangel
Ray
Regula
Reid
Richardson
Rinaldo
Robinson
Roe
Rogers
Rose
Rostenkowski
Rowland (CT)
Rowland (GA)
Roybal
Rudd
Russo
Sabo
Scheuer
Schneider
Schulze
Schumer
Seiberling
Sharp
Shaw
Shelby
Shumway
Sisisky
Skelton
Slattery
Smith (FL)
Smith (IA)
Smith (NE)
Smith (NJ)
Smith, Denny (OR)
Snyder
Solarz
Spratt
St Germain
Staggers
Stallings
Stark
Stenholm
Stokes
Strang
Stratton
Studds
Sweeney
Swift
Synar
Tallon
Tauzin
Taylor
Thomas (GA)
Torres
Torricelli
Towns
Traficant
Traxler
Udall
Valentine
Visclosky
Volkmer
Walgren
Waxman
Weaver
Weiss
Wheat
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Whitten
Williams
Wirth
Wise
Wolpe
Wortley
Wright
Wyden
Wylie
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Young (MO)

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Bartlett
Barton
Bentley
Bereuter
Bilirakis
Bliley
Boehlert
Boulter
Brown (CO)
Burton (IN)
Campbell
Carney
Chandler
Chappie
Cheney
Clay
Clinger
Coats
Cobey
Coble
Coleman (MO)
Conte
Coughlin
Courter
Craig
Crane
Dannemeyer
Daub
Davis
DeWine
Dickinson
Dornan (CA)
Dreier
Emerson
Fawell
Fiedler
Fields
Frenzel
Gallo
Gekas
Goodling
Gregg
Gunderson
Hawkins
Hendon
Hunter
Ireland
Jacobs
Kolbe
Kramer
Lagomarsino
Latta
Leach (IA)
Lent
Lewis (CA)
Lewis (FL)
Lightfoot
Livingston
Lloyd
Lowery (CA)
Lungren
Mack
Madigan
Marlenee
Martin (NY)
McCandless
McCollum
McGrath
Meyers
Miller (OH)
Molinari
Monson
Moorhead
Nielson
Oxley
Parris
Pashayan
Penny
Porter
Ridge
Roberts
Roemer
Roth
Roukema
Saxton
Schaefer
Schroeder
Schuette
Sensenbrenner
Shuster
Sikorski
Siljander
Skeen
Slaughter
Smith, Robert (NH)
Smith, Robert (OR)
Snowe
Solomon
Spence
Stangeland
Stump
Sundquist
Swindall
Tauke
Thomas (CA)
Vander Jagt
Vucanovich
Walker
Watkins
Weber
Whitehurst
Whittaker
Wolf
Young (AK)
Young (FL)
Zschau

ANSWERED "PRESENT"—3

Kildee
Luken
McMillan

NOT VOTING—33

Atkins
Broomfield
Dingell
Dixon
Duncan
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Gephardt
Gingrich
Gray (IL)
Gray (PA)
Grotberg
Heftel
Kindness
Leath (TX)
Leland
Loeffler
Lujan
MacKay
Markey
Martin (IL)
McCloskey
McKernan
McKinney
Mitchell
Mrazek
Nichols
O'Brien
Ritter
Rodino
Savage
Vento
Wilson

□ 1110

So the Journal was approved.

The result of the vote was announced as above recorded.

MESSAGE FROM THE SENATE

A message from the Senate by Mr. Hallen, one of its clerks, announced that the Senate had passed without amendment a bill of the House of the following title:

H.R. 4551. An act to extend for 3 months the emergency acquisition and net worth guarantee provisions of the Garn-St Germain Depository Institutions Act of 1982.

□ 1125

BEN WEST

(Mr. MICHEL asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. MICHEL. Mr. Speaker, this week will mark the passing of an era in the Press Gallery as the House marks the retirement of Benjamin C. West as Superintendent of that office.

Ben came to work here as an electrician's helper at age 15 in 1942. For the past 44 years he has established a reputation for knowledge of the House, honesty, and dedication to excellence. Throughout a career of helping reporters understand and cover the House, he has never forgotten his loyalty to the House as an institution.

He has witnessed many notable events in his career, such as the Pumpkin Papers and Hollywood hearings of an Un-American Activities Committee in the 1940's; General MacArthur's farewell speech in 1951; the shooting in the House by Puerto Rican nationalists in 1954; and the impeachment hearings of 1974.

We in the House wish Ben well as he no doubt will go on to other achievements. According to rumor, if he can take time off from the golf course, he might write a book about the House. We hope he will stay on the fairways.

From the House to you, Ben, thanks for a long and dedicated career. We wish you the very best of retirement years.

INTRODUCTION OF HAZARDOUS MATERIALS TRANSPORTATION SAFETY AMENDMENTS OF 1986

(Mr. WIRTH asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. WIRTH. Mr. Speaker, today I am introducing the Hazardous Materials Transportation Safety Amendments Act of 1986. This legislation is a comprehensive package of proposals designed to strengthen and coordinate hazardous materials transportation laws at the Federal, State, and local level.

Mr. Speaker, our current laws governing hazardous materials transportation are a mess. They are uncoordinated, confusing, and give little guidance in some areas to industry, States, and localities. Nearly every day we hear about a transportation accident involving hazardous materials somewhere in the country. Yet, we have not devoted necessary resources to ensuring the safe transportation of dangerous materials. Thus far, we have avoided a major mobile-Bhopal not because we have been smart, but because we have been lucky.

The bill I am introducing today will put some teeth into our truck safety laws. It will significantly beef up Federal and State safety inspection and audit capabilities. It will give guidance and incentives to States to designate routes and safe havens for trucks carrying hazardous materials. It will require drivers of dangerous materials to have proper training, to have only one license, and to maintain a safe driving record. It will provide critical emergency response training for local police and firefighters, who are often first on the scene of an accident.

Mr. Speaker, our Federal hazardous materials transportation laws are an accident waiting to happen. We cannot afford to wait any longer to give attention to this extremely important issue.

A MILD FORM OF LUNACY

(Mr. DANNEMEYER asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. DANNEMEYER. Mr. Speaker, John Sherman was among our ablest Secretaries of the Treasury. He was the author and architect of the 1879 resumption, following the greenback episode during the Civil War. He had also served long years in this House and in the Senate, before he served in the Cabinet. I wish to pay homage to this great statesman with the following quotation:

> There is a large class of people who believe that paper can be, and ought to be, made into money without any promise or hope of redemption; that is to say, a note should be printed: "This is a dollar", and be made into a legal tender.
>
> I regard this as a mild form of lunacy, and have no disposition to debate with men who indulge in such delusions, which have prevailed to some extent, at different times, in all countries, but whose life has been brief, and which have ever shared the fate of other popular delusions.
>
> I therefore dismiss such wild theories, and speak only to those who are willing to assume, as an axiom, that gold, or coined money, have been proven by all human experience to be the best possible standard of value, and that paper money is simply a promise to pay such coined money, and should be made and kept equal to coined money, by being convertible on demand. Why ought not anyone who issued a promise to pay on demand be made to pay it when demanded? (Recollections of Forty Years in the House, Senate, and Cabinet, by John Sherman, New York, 1895, pp. 589-591.)

A NEW DEFENSE FOR DRUG PUSHERS

(Mrs. BOXER asked and was given permission to address the House for 1 minute and to revise and extend her remarks.)

Mrs. BOXER. Mr. Speaker, by now we all know that the administration, in a three-page report to one of our colleagues, admits that the Contras have dealt in drugs as recently as 5 months ago when quote, and I am quoting from the report: "The rebel movement was particularly hard-pressed for financial support."

I ask you: Is this a new court defense for drug pushers? They could fight with "the Contra drug defense" every time: "I was financially desperate, so I had to push drugs on your children." This is a scandalous situation. The administration making excuses for drug dealers.

Today I invite my colleagues to join me in legislation prohibiting the sending of U.S. tax dollars to countries, groups, or organizations who are certified to be drug dealers.

Let us assure all Americans that their hard-earned tax dollars will be kept out of the hands of the drug underworld.

THE 25TH ANNIVERSARY OF BAY OF PIGS INVASION

(Mr. McCOLLUM asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. McCOLLUM. Mr. Speaker, today, our country and especially our Cuban-American citizens, will observe the 25th anniversary of the Bay of Pigs invasion. The failure of the U.S. Government to support the 1,453 men or Brigade 2506 who led the charge onto the swampy, southwestern coast of Cuba 25 years ago, signed the fate of the thousands of freedom loving Cubans and also had major U.S. foreign policy implications which are sadly, still very much alive today.

In remembering the Bay of Pigs, our initial thoughts are for those 274 men who gave their lives in battle with Castro's Communist forces. Their bravery was exemplary and their cause was worthy of the highest praise. These men and their surviving families represent the Cuban people's resolve against the Communist oppression Fidel Castro has brought to their proud island nation.

But we should also take this occasion, to review our Government's failure in the Bay of Pigs operation, not to find fault with those decisionmakers of 25 years ago, but to learn from it and not to make the same mistakes again.

On April 17, 1961, the United States had the opportunity to end a Communist presence in our backyard by simply giving minimal support to Cuban freedom fighters willing to give their lives to win freedom for their homeland. We had encouraged the Cuban Contras, but when the chips were down, we failed to give the promised support. Those who argued for appeasement and negotiation carried the day. Twenty-five years later, Fidel Castro and his Communist government remain a major threat to our national security and the people of Cuba are slaves to this totalitarian government. With assistance from the Soviet Union, Castro's Cuba not only survives but it trains and advises thousands of Communist revolutionaries in Latin America and Africa. Castro has never once been serious about negotiating any end to his tyranny or his activities to spread communism. Communists never give up their revolution.

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On April 17, 1986, do we have the will to stop the spread of communism which we did not have 25 years ago? This time will we support freedom fighters willing to give their lives for a free Nicaragua or will we yield once more to the voices of appeasement and negotiation? Will we let freedom fail once again or will America wake up and say "no more" to communism's cruel hoax on the people of our hemisphere? That is the message and the challenge of the Bay of Pigs.

ECONOMIC GROWTH POOR DURING REAGAN YEARS

(Mr. OBEY asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. OBEY. Mr. Speaker, Commerce Department economic growth estimates issued today are lower than the level projected in the President's budget and if the growth does not improve over the next 12 months, we could end up with $13 billion less in Federal revenues than was projected in the President's fiscal 1987 budget.

I suppose this can be viewed as good news in one sense, because the 3.2 rate of growth is only the eighth time in the full 20 quarters since President Reagan became President that the economy has grown at a rate equaling or exceeding the historical average; but economic growth under this administration, is still averaging only 2.1 percent a year, one-third slower than normal. It is the weakest record for economic growth for any administration during the last quarter century.

Today's $4.1 trillion estimated by the Commerce Department for the current level of gross national product leaves the economy about $200 billion smaller than it would have been if we had seen the historical average for growth between 1981 and the present.

That adds up to more than $2,000 a year in lost income for the typical American family. The cumulative economic loss to the economy because of slow growth since 1981 is more than $850 billion, and that means that if we were to sustain the higher growth levels being predicted by the administration for the remainder of the President's term, it would still be doubtful that the economy at this point would be able to match the pre-Reagan average for growth in the postwar era.

TOURISTS: VISIT ENGLAND INSTEAD

(Mr. MOORE asked and was given permission to address the House for 1 minute and revise and extend his remarks.)

Mr. MOORE. Mr. Speaker, the refusal of France and Spain to allow American F-111 fighter bombers to enter their airspace to retaliate against Libyan terrorism concerns me as to whether they are dependable allies. Great Britain stood tall when it was time to get tough with terrorism, but they didn't.

Because of the decision by France and Spain, our F-111 pilots had to fly an additional 2,400 miles and 8 hours to carry out their mission. Those air crews were subjected to unnecessary fatigue, discomfort and peril due to their lack of cooperation from our supposed allies. Well, I'm mad and I hope all Americans are, too. So let's do something about it.

Therefore, I urge American tourists making plans to travel in Europe to boycott France and Spain and thank Margaret Thatcher by spending time and money in England.

The battle against terrorism cannot be compromised by the availability of a nearby barrel of Libyan oil, or by selling goods to Libya.

The battle against terrorism cannot be won by looking the other way in fear.

The battle against terrorism will be won by the brave and courageous who are willing to confront the source of terrorism directly and to take whatever action is necessary to bring it to its knees.

Mr. Speaker, I urge any tourist now planning on a vacation in France or Spain to change plans. Visit England instead.

□ 1135

MR. PRESIDENT, MAKE THESE TWO PHONE CALLS, PLEASE

(Mr. ROEMER asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. ROEMER. Mr. Speaker, conflict in this world seems inevitable, although regrettable. I would like to ask the President of the United States to make two phone calls today if he would. One, to follow up on my colleague, could be to the President of France, Mr. Mitterrand reminding him of 200 years of closeness between our two countries. The picture that hangs in this hall, General Lafayette, the Statue of Liberty, France has given us much and we have given in return; Argonne woods, Normandy, the Marshall Plan, forgiveness of war debts.

We ought to be closer, not further apart. The President ought to say that man to man. He should remind President Mitterrand that we expected more from France, and, frankly we deserved better.

The second call is tougher. It ought to be to Colonel Qadhafi. The President ought to call the colonel and say, "It breaks my heart to have killing on both sides, babies dead, men and women, innocent dead, American citizens dead."

He ought to make that call, and he ought to tell the colonel that "two men can stop it, you and me, and we ought to."

In a world grown smaller and tougher, the President ought to stand for peace, make the calls. Maybe they will not work, but why not try?

THE FREE TRADE AGREEMENT TALKS

(Mr. FRENZEL asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. FRENZEL. Mr. Speaker, last Friday the Trade Subcommittee of the other body announced that a majority of its members were willing to vote not to begin the Free Trade Agreement talks with our neighboring state of Canada. Again yesterday that subcommittee expressed its displeasure and it will vote on whether to go ahead with those talks or, rather, to stop them, on Tuesday next.

Understandably, there is frustration on the part of the members of that subcommittee. Some of their frustrations have, of course, no relation to trade with our neighbor to the north. I would urge caution on possible disruption of Canadian-United States relations. We have the longest unguarded border and the largest two-way trade between our nations. But that is really not important compared to the close relationship that we have achieved over the years. Killing this Free Trade Agreement aborning is not a way to call attention to the problem. That agreement may never be completed. It may not prevail, but we ought to try to complete it.

If we have to let it go, we can abandon it at any time. But we should not spoil our good relations with our neighbor to the north in a fit of pique.

ENCOURAGING DEVELOPMENTS SUPPORTIVE OF THE EFFORT TO END APARTHEID IN SOUTH AFRICA

(Mr. CROCKETT asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. CROCKETT. Mr. Speaker, in the face of the current violent and repressive realities in South Africa there emerged this week two developments which are both encouraging and supportive of the effort to end apartheid.

One action occurring here at home is the American Telephone and Telegraph Co.'s decision to terminate its investments, its sales and purchases, its long distance and data transmission services, and sever virtually all business ties in South Africa. This is the most comprehensive divestment movement of any American firm doing business in South Africa and significantly increases the pressure on the South African Government to end apartheid.

The second positive development is the election of Bishop Desmond Tutu to be the archbishop of Cape Town, a post which elevates him to head the Anglican Church in all of southern Africa. This honor comes at a time when Bishop Desmond Tutu, at the risk of being sent to jail on a charge of treason, has called on the World community to enact punitive economic sanctions against South Africa. His election signals a growing unity of black and white churchgoers in the continuing struggle to end apartheid by peaceful means.

Mr. Speaker, let us hope now that the next positive news from South Africa will be the release of Nelson Mandela and the start of meaningful political negotiations with that country's black majority.

WE MUST KEEP THE PROCESS GOING ON THE FREE TRADE AGREEMENT

(Mr. SCHULZE asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. SCHULZE. Mr. Speaker, our Founding Fathers in their wisdom decided on a bicameral legislature with differing terms; short term for the House, the people's body so that we would be responsive to the issues of the day, and a longer term for our colleagues in the other body.

I think were the Founding Fathers here today, they would walk these Halls and shake their heads because it is not working. Our relationship with our neighbor to the north, Canada, is of vital importance. They are our largest single trading partner in all the world. What the other body is doing with the Free Trade Agreement is despicable. We must keep the process going. We must initiate this process and work it through to its resolution.

If we think, or anyone thinks that it would be easier for our trade relations in the long run to negotiate such a treaty with the European Community or with the Pacific nations, they are absolutely wrong. We must do everything in our power to start negotiations with our neighbor, Canada.

LET'S RESTORE CONSUMER CONFIDENCE IN PRESCRIPTION DRUGS

(Mr. LUKEN asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. LUKEN. Mr. Speaker, many Members have asked me about my bill H.R. 4428, which is a disclosure bill for health agencies such as nonprofit hospitals and other dispensers of prescription drugs. There is no doubt today that in our Nation's economy consumers have access to a variety of prescription drugs with proven safety and efficacy which is unmatched by any country in the world.

However, this is being undermined by a drug diversion market, a subtrade whereby inferior, ineffective, and contaminated pharmaceuticals make their way out of the pharmacy shelves and into the hands of consumers. These schemes have been uncovered by a series of undercover law enforcement operations and have been discussed in our Investigations Subcommittee.

They involve substandard, mislabled and counterfeit birth control pills, heart medications, ulcer drugs, among others. These are illegal drugs which have made their way into the legal marketplace. It appears that a great many of these potentially dangerous pharmaceuticals originate from health care institutions such as hospitals who purchase them because of their nonprofit exemption under the two-tier purchasing system of pharmaceuticals, purchase them at sometimes one-tenth of the cost which is charged to our pharmacies, to our retail or small pharmacies and also the chain store pharmacies. So because of this distribution system the nonprofits are unwitting accomplices, and this would require disclosure, what they buy and what they sell.

H.R. 281 INTERFERES WITH THE FUNDAMENTAL RIGHTS OF FREEDOM OF ASSOCIATION AND OF SPEECH OF THE AMERICAN WORKING MAN AND WOMAN

(Mr. ARMEY asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. ARMEY. Mr. Speaker, this body is an exciting place to work, and the excitement comes all so often in the passion that our Members express for things we believe in dearly. I do not believe the passion is ever greater nor more sincere than when we speak on behalf of the protection of fundamental human rights. I dare say there is not a Member here who does not feel that passion in his heart and work very hard to protect human rights. Yet we have to be wise and we have to be diligent because those who would violate human rights might do so under the guise of the least harmless of legislation.

Today we will entertain H.R. 281, the Construction Industry Labor Law Amendment Act. It seems to be a relatively harmless piece of legislation designed to do nothing but promote union membership. But if you look beneath the surface, if you look deep, you can see that it will do that if it passes by interfering with the fundamental rights of freedom of association and freedom of speech of the American working man and woman.

I do not believe this body is prepared to deny those basic rights to the working people of America in an effort to promote the lagging enrollment of union membership in the construction industry.

WE ARE VICTORIOUS

(Mr. OWENS asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. OWENS. Mr. Speaker, many people are confused about yesterday's activity on the floor of the House. They want to know did the people, the Members who are in favor of ending the folly in Central America, win a defeat or did they lose a victory?

I think it is clear there is no doubt in my mind that those of us who want to stop the escalation toward a wider war in Central American won a victory for the taxpayers of America yesterday.

One hundred million dollars, it means, will not go immediately down the drain. It may be postponed but certainly we will bide our time and wait. It will not go down the drain into a bottomless pit, and it will not end up where the $27 million already has gone, $7 million of which is not accounted for at all.

It means $100 million we possibly could spend on Head Start Programs, $100 million we could possibly spend on community health clinics, $100 million that might go for the Job Corps.

We have won a victory and most of all I think it is important that we postpone that process which many unfortunately want to start which will probably escalate us into a war in Central America which might end with the deaths of large numbers of American boys.

It was clearly a victory yesterday.

THE ANTITERRORIST ACT OF 1986

(Mr. BARTON of Texas asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. BARTON of Texas. Mr. Speaker, today I, Congressmen DUNCAN HUNTER, and BOB LIVINGSTON, together are introducing in the House of Representatives the Antiterrorist Act of 1986. Senator DOLE and Senator DENTON are introducing identical legislation in the other body. This legislation is one part of a long-term strategy to deal with terrorism.

As signaled earlier this week, our President has decided to fight back against terrorists, and we need to give him the explicit authority to do so.

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There is some question that under the existing War Powers Act our President may have to consult with Congress before he initiates any counterterrorism activities. Doing so may make it much more difficult to fight back against terrorism.

Our act does two things specifically. It redefines terrorism as an act of aggression against the United States of America, its citizens, and American corporations. Number two, it explicitly excludes antiterrorism activities from the jurisdiction of the War Powers Act.

Terrorists do not have to conduct committee meetings before they decide to strike; we should not require our President to do so either, as he attempts to fight back.

Every American citizen is a potential victim of terrorism. Let us give our President the authority to effectively fight back and prevent, if possible, any more Americans from becoming actual victims of terrorism.

IN SUPPORT OF H.R. 281

(Mr. SIKORSKI asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. SIKORSKI. Mr. Speaker, I rise to speak in support of H.R. 281, the so-called double-breasting legislation and in opposition to weakening amendments.

The opponents of H.R. 281 are using some unpoetic poetic license in their debate, and I would like to take this opportunity to set the record straight.

H.R. 281 does not expand labor law into new areas. It does not deny workers freedom of choice. It is not a power-grabbing attempt by unions to give them undue influence in the industry marketplace. Its only purpose is to define already existing provisions of labor law that deal with prehire agreements which have been subverted by antiworker members of the current National Labor Relations Board.

H.R. 281 is needed to end these abuses and to restore to labor relations the original intent of Congress when it passed the Landrum-Griffin Act in 1959.

□ 1150

THE FBI: FIDELITY, BRAVERY, AND INTEGRITY

(Mr. OXLEY asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. OXLEY. Mr. Speaker, I want to take this opportunity to express my deep sorrow to the families of the two FBI agents, Benjamin P. Grogan and Jerry Dove, who were killed in a bloody gun battle in Miami on April 11. In the same incident, five agents were wounded during an attempted arrest of suspected bank robbers. This is a great and tragic loss to the Bureau and to the entire law enforcement community.

These agents were performing routine surveillance when they spotted a stolen car with a license plate matching one suspected of being used in recent Miami-area holdups. Special Agent Joseph V. Corless, a former colleague and supervisor of the bank robbery squad when I was an agent in New York, stated that the agents radioed for backup and, when they had sufficient assistance, attempted to pull the car over. It was at that point that the agents were fired upon by machineguns from the suspects' vehicle.

These agents were professionals. They followed the proper procedures and reacted wisely and competently. They knew the risks, but they unfortunately lost their lives in the performance of their duty. As a former FBI special agent, I also am aware of the dangers involved in the line of duty, the risks that agents take everyday, and the selfless behavior they display when confronted with a life-or-death situation. While it is difficult to express the proper sentiments in a 1-minute statement, I again offer my condolences to the families of the two slain FBI agents and commend their bravery and that of their wounded colleagues.

Fidelity, bravery, integrity, that is what the FBI is all about.

LAFAYETTE, WHERE ARE YOU?

(Mr. SCHUMER asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. SCHUMER. Mr. Speaker, in 1917, Gen. Blackjack Pershing arrived on the shores of France and told a war-torn Europe, "Lafayette, we are here."

Today America asks, "Lafayette, where are you?"

The American people are perplexed and vexed to see pictures nightly on their TV screens of Europeans demonstrating against the American action in Libya. Congress is concerned and confused when the foreign ministers of France and Germany and Italy condemn American actions, but give us no alternative in its place. After all, Kenneth Ford, the brave sergeant killed by Libyan terrorism a week ago, was not just defending American interests, he was defending European interests as well. And our European allies have told us we ought to resort to diplomacy.

It is their failure to join us in economic sanctions and in evicting the Libyan embassies from the face of Europe that forced upon America this action, the least desirable, but only available alternative.

To our European allies I say, we are ashamed of you. You should, at the very least, be quiet and, in fact, be doing more than that by backing up our action. Until you have a better way, please be silent.

In 1917, "Lafayette, we are here;" in 1986, "Lafayette, where are you?"

LIBYA-NICARAGUA CONNECTION IN CENTRAL AMERICA

(Mr. BILIRAKIS asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. BILIRAKIS. Mr. Speaker, I would like to share with this House, Mr. Speaker, a news item on television this morning. Film reports from Managua showed Libyan soldiers marching in solidarity with their Nicaraguan counterparts and denouncing the United States.

I think it is important to note that this is the very first time that the presence of Libyan troops has been openly displayed by the Sandinista government.

This should be a lesson to those critics who misplace their naive faith in the empty words of good will from the Sandinistas. In this case, Mr. Speaker, actions speak much louder than words.

I find it hard to believe that these Libyan troops are emissaries of peace or are there to encourage the Contadora process. However, perhaps they are there to share their expertise in agriculture and irrigation with the agrarian reformers in Managua.

After all, the green revolution in Libya has made private ownership of land illegal, and the Sandinistas have demonstrated that they are eager to follow this same path.

I point this incident out, Mr. Speaker, even as we in this House continue to debate the true intentions of the Nicaraguan Government in Central America. As Managua echoes with the boots of Libya—a nation engaged in active terrorist warfare against the United States—let us fix in our minds the picture of those soldiers marching. Can a Libya-Nicaragua connection be the hope for the future of Central America? The hope for our hemisphere?

I say no, Mr. Speaker, and I say the best way to stop such a connection is to grant the freedom fighters the wherewithal to oppose this disturbing alliance. Thank you.

REPUBLICANS DUCK CONTRA VOTE

(Mr. FRANK asked and was given permission to address the House for 1 minute.)

Mr. FRANK. Mr. Speaker, history gets rewritten very promptly these days. We are being told that the

reason the Republican Members of the House voted for the Hamilton substitute yesterday was because of their sense of outrage at a procedure which would have tied one piece of legislation to another. That is the least plausible explanation I have heard for anything in a long time.

They did that yesterday for one simple reason. They were going to lose on the McCurdy amendment. The American people will not support the President's right to wage war by proxy in an unlimited way down there. So they knocked over the table because they did not like the way the cards were being dealt.

Before anyone believes that they were upset at the notion of tying one thing to something not fully related, remember that this is the party which gave us this year with their overwhelming vote a new subsidy for tobacco farmers as part of the reconciliation bill. These are the people who gave us the Gramm-Rudman mistake as part of a bill to extend the debt limit. These are the people, many of them who were here then, who voted for Gramm-Latta, which took a whole range of unrelated things and made them into one very inconsistent whole. There has not been a time since I have been here that the Republican Party has objected to the tactic of tying one thing to another.

They were going to lose the vote yesterday, so they kicked over the table, and now they are pretending to be procedurally outraged. They are a very unlikely set of candidates for that particular vestment.

GREAT BRITAIN DESERVES OUR ENDURING GRATITUDE

(Mr. ROWLAND of Connecticut asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. ROWLAND of Connecticut. Mr. Speaker, my colleague from Missouri [Mr. SKELTON] and I have introduced a resolution today putting Congress on record as giving its highest praise and thanks to Great Britain and Prime Minister Margaret Thatcher for aiding the United States against Libyan terrorism.

When the time came to confront ruthless terrorists, Britain stood with us. No other ally wears that badge of courage.

Mrs. Thatcher took enormous personal political risks to do what was right. By taking a stand in support of free people everywhere, Mrs. Thatcher risked criticism from political opponents. She chose a courageous moral path rather than political expediency. Her actions will fortify and inspire us to continue our fight against terrorism.

The United States and the United Kingdom have long been allied in the great World Wars against tyranny and are joined in the North Atlantic alliance to deter aggression.

A loyal ally understands that countries have interests beyond their own borders, and our British friends recognize this. And for that, they have America's enduring gratitude.

Mr. Speaker, I urge all my colleagues to join us in cosponsoring this very important resolution.

AMERICA NEEDS A SENSIBLE OIL IMPORT POLICY

(Mr. TAUZIN asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. TAUZIN. Mr. Speaker, following the United States air strikes against Libya, Colonel Qadhafi sent his minister to the OPEC meeting in Geneva demanding an oil embargo against the United States of America.

It is, of course, history now that the Geneva meeting denied and, in fact, ignored that request We should not be surprised by that.

The fact is that the United States is only about 10-percent dependent upon OPEC oil today. We should, however, be reminded that in the late 1970's, when we were approximately 30-percent dependent upon OPEC oil, a similar request for a U.S. oil embargo was not only heeded, but adopted, with awful effects on this economy.

Now my father when I was very young gave me a good piece of advice. He assured me that through my life I would make a number of mistakes, but he cautioned me not to make the same mistake more than once. We in America ought to consider my father's good advice as we approach the end of this decade. Should we allow ourselves to become so dependent upon OPEC oil that the next request by the minister from Libya for an oil embargo against the United States would not only go unignored, but in fact heeded, and the United States might find itself in that same awful position

It is time now, America, to wake up, to guard against that type of dependcnce on foreign oil. It is time now to adopt a sensible oil import policy for America.

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ELDERLY VETERANS CARE ACT OF 1986

(Mr. RIDGE asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. RIDGE. Mr. Speaker, ensuring adequate health care for our elderly veterans is fast becoming one of the most critical issues of the decade. With the average age of the veteran population steadily rising, steps must be taken now to prepare the VA health care delivery system for the increasing demand for services. Consequently, I am introducing the Elderly Veterans Care Act of 1986.

This legislation provides a tax credit to the families of elderly veterans who need home-based health care. The credit covers such expenses as home health aids, adult day care, respite care, nursing care, and medical or health-related equipment and supplies.

Credit amounts will be determined by a sliding scale based on annual income, similar to the dependent care tax adopted by Congress in the Economic Recovery Tax Act of 1981. Families with $10,000 or less in income will receive a credit for 30 percent of the home health care expenses they incur, up to a maximum credit of $1,050. Low-income families who do not pay enough taxes will have any unusable credit refunded directly to them. The maximum amount of credit would be gradually reduced based on income over $10,000, with families having $50,000 or more in adjusted gross income ineligible for credit. Consequently, the most needy families receive the greatest relief.

This legislation is important because it represents a practical solution to the VA health care problem without forsaking our longstanding commitment to the men and women who have served this country. This measure promotes a compassionate alternative to institutionalized medical services by providing for care in the most natural environment—the veteran's own home. Moreover, by granting the tax credit directly to the family, the proposal recognizes the temendous sacrifices they make as the primary caregiver to elderly veterans. It also recognizes the need for Congress to relieve the continuing financial pressure on the health care delivery system of Medicare and Medicaid.

The Veterans' Administration predicts that there will be more than 7 million veterans over the age of 65 by 1990. The VA itself has recommended the creative development of program initiatives to help meet the health-care needs of our maturing veteran population. My bill meets this challenge by providing more flexible care for veterans, while making more hospital beds available for critically ill patients.

Mr. Speaker, I'm pleased to introduce this important legislation, and I invite my colleagues to join in support of the Elderly Veterans Care Act.

CONSTRUCTION INDUSTRY LABOR LAW AMENDMENTS OF 1985

(Mr. ACKERMAN asked and was given permission to address the House

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for 1 minute and to revise and extend his remarks.)

Mr. ACKERMAN. Mr. Speaker, the right of employees to form and join labor organizations and to bargain collectively is a fundamental tenet of democratic society. Most of us rightly pointed to Poland's denial of workers' rights to form their own organizations, as an indication of the repressive and undemocratic nature of that government. That is why so many of us took hope in the solidarity labor movement.

In the United States, the National Labor Relations Board is charged with protecting the right of workers to engage in collective bargaining, usually by a representative election.

Because of the short-term nature of construction work, a different procedure was spelled out by the National Labor Relations Act, allowing prehire agreements in the industry. However, employers after signing prehire agreements are simply voiding them at will. Rulings by the NLRB and Federal courts have sanctioned a practice which, in essence, has denied employees the right to representation. We must restore to construction workers their basic rights under our Nation's labor laws. That would be done by H.R. 281, which we have before us today.

Either we believe in collective bargaining and employees' rights to union representation, or we don't. If we do believe in these principles, we need to do something about current practices in the construction industry which undermine free collective bargaining.

I, therefore, urge my colleagues to support H.R. 281, before we leave here this afternoon.

VICTIMS OF TERRORISTS

(Mrs. HOLT asked and was given permission to address the House for 1 minute and to revise and extend her remarks.)

Mrs. HOLT. Mr. Speaker, when a terrorist planted a bomb aboard a TWA airliner on a flight to Greece, the incident had a special impact on my district because three of the victims were members of my community. They were a mother, Demetra Stylian, 52; her daughter, Maria Klug, 24; and granddaughter, Demetra Kristina Klug, 8 months old.

As you know, the explosion blasted a hole in the side of the aircraft and the victims were blown out and fell to earth near the small Greek village of Argos, where their bodies were found by shepherds.

From this vile crime that showed a total disregard for humanity and international law has come a beautiful gesture of love and caring. Warren Klug, Jr., the husband of Maria and the father or the infant, Demetra Kristina, was so moved by the poverty and pitiful condition of the children of Argos that he established the Argos Fund, the name of the town upon which his loved ones fell from the heavens.

He said:

> My daughter's life ended before it started and we wanted to direct your expressions of sympathy to the fund for needy children.

Mr. Klug also said that:

> We recognize that our personal tragedy is also an American tragedy. We are grateful that more people were not hurt by this crime, and our love and prayers are with the family of Mr. Ospino (the fourth victim). We are weakened by the loss of our loved ones, but we remain strong in our belief in God and our country.
>
> Andreas Stylian my father-in-law, emigrated to America, as so many before him, to build a better life for his family. He was proud that he and his family were Americans, and now our family has been murdered because they were American.
>
> To those responsible for this cowardly act, you have succeeded in devastating our family, but you will never destroy the heart and spirit of America. We anxiously await your judgment day before Americans who are not defenseless and, more importantly, before God.

I pay tribute to this generous move.

AN ISSUE OF INTERNATIONAL SIGNIFICANCE

(Mr. LUNGREN asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. LUNGREN. Mr. Speaker, for anyone who is uncertain as to who the winners and who the losers were yesterday, one only has to listen to some of the 1-minute speeches. Those who are protesting what happened yesterday seem to come all from one side of the aisle. That may suggest who won and who lost.

But beyond that, Mr. Speaker, I would say I was pained to hear some of the responses of leadership on the other side, to hear the majority leader on television talk about yesterday's action by the Republicans being cynical, to hear Mr. Barnes refer to it as cynicism on our side.

That is not cynicism. Cynicism is a stacked Rules Committee. Cynicism is an unfair rule. Cynicism is not allowing the President of the United States a free shot on his proposal on an issue of international significance. Let us have no more doses of cynicism. Let us have a fair up or down vote, then we will see who has the votes here, without all of this political jockeying.

MARINE SAFETY

(Mr. SMITH of New Jersey asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. SMITH of New Jersey. Mr. Speaker, later today, two of my constituents, Rosemary and Roderick Hofer of Brielle, NJ, will testify before two House subcommittees on marine safety.

Mr. Speaker, tragedy struck the Hofer family last summer when their youngest son, Christopher, was lost in a fishing boat accident off the coast of Marmot Bay, AK. As the Hofers will tell the subcommittees today, the craft which carried their son lacked basic survival equipment. In fact, it is quite apparent that the 48-foot vessel, a wood vessel, the *Western Sea*, should never have been allowed to leave port.

Christopher Hofer's loss on board the *Western Sea* was a tragic but not isolated incident. Coast Guard statistics indicate that an average of 250 fishing boats sank each year from 1981 to 1983. I find it disturbing and shocking that the death rate of fishermen is seven times the national average for all industry groups, and twice that of the next most hazardous profession, mining.

There is no doubt that many of the dangers stem from natural causes such as unpredictable winds and high seas, but it is also very clear to me that an industry that is riddled with natural hazards should be governed by strict safety regulations. Today's hearing, I am sure, will focus attention on this need for reform in this area.

SOCIAL SECURITY—A VESTED FUNDED SYSTEM

(Mr. PORTER asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. PORTER. Mr. Speaker, young people in America have no faith that Social Security will provide adequately for their retirement and unfortunately, they're probably right.

Seniors today are receiving back on average $3 for every $1 they and their employers paid in, and that's wonderful and has largely eliminated senior poverty. But demographics indicate that this will fall back to less than $1 for each dollar by the mid-2030's, although surpluses will occur in the meantime.

I don't want to see Social Security become a welfare program, Mr. Speaker, or have FICA taxes, already a large burden on productive workers and small business, go any higher.

Let's begin thinking now about how we can, over the next 50 years, move to a Social Security System that will be just as good to seniors then as this one is now. A vested, funded system where each worker owns his or her own individual retirement account and invests it and watches it grow is the ideal we should begin to work toward now. It's not too early to start thinking of the future, even one 50 years away.

TRADE UNIONS

(Mr. COBEY asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. COBEY. Mr. Speaker, the proponents of the so-called Construction Industry Labor Law Amendments of 1985 claim that the law as it stands inadequately protects the ability of trade-union officials to enforce collective bargaining contracts.

As a solution, they have proposed H.R. 281, which would virtually stamp out freedom of association by construction workers.

Before we discuss the sweeping new organizing powers for trade union officials, we must first consider the special powers enjoyed by these trade unions which no other unions in our society share.

I suggest that the answer to trade unions' problems with declining membership isn't to heap on more compulsory unionism powers.

The solution to their problem is to win the hearts and minds of construction workers by providing decent, professional representation at the bargaining table, rather than squandering the workers' dues on salaries and political schemes.

I urge my colleagues to do all in their power to defeat H.R. 281.

PROVIDING FOR REAPPOINTMENT OF CARLISLE H. HUMELSINE AS CITIZEN REGENT OF BOARD OF REGENTS OF SMITHSONIAN INSTITUTION

Ms. OAKAR. Mr. Speaker, I ask unanimous consent that the Committee on House Administration be discharged from further consideration of the Senate joint resolution (S.J. Res. 214) to provide for the reappointment of Carlisle H. Humelsine as a citizen regent of the Board of Regents of the Smithsonian Institution, and ask for its immediate consideration.

The Clerk read the title of the Senate joint resolution.

The SPEAKER pro tempore (Mr. Frank). Is there objection to the request of the gentlewoman from Ohio?

Mr. FRENZEL. Mr. Speaker, reserving the right to object, I yield to the distinguished gentlewoman from Ohio [Ms. Oakar] for an explanation of her bill.

Ms. OAKAR. I thank the gentleman for yielding.

Mr. Speaker, this resolution and the one which follows are reappointment resolutions for citizen regents serving on the Board of Regents of the Smithsonian Institution. Mr. Humelsine and Mr. Bowen have filled their appointments, to date, with professionalism, sincerity, and an unquestionable commitment to the Smithsonian Institution. Through my task force, I have dealt with both gentlemen on several occasions. They have always been responsive and helpful to my concerns. The Committee on House Administration's Task Force on Libraries and Memorials, which I chair, has reviewed and favorably recommends these reappointments.

If the gentleman will withdraw his reservation, I will offer a perfecting amendment in the nature of a substitute which will provide for continuity in the service of Mr. Humelsine's appointment. In other words, his term will be unquestionably continuous.

Mr. BOLAND. Mr. Speaker, I strongly support Senate Joint Resolution 214 and Senate Joint Resolution 215 and urge their adoption by the House.

These measures would reappoint Carlisle H. Humelsine and William G. Bowen as citizen regents of the Smithsonian Institution. Their current terms expired in March and, as the Board of Regents next meets in May, timely action on these measures is critical. I want to thank the chairwoman of the House Administration Committee's Task Force on Libraries and Memorials, Ms. Oakar, and the ranking minority member, Mr. Gingrich for insuring that these measures could be considered on the floor before the next Board meeting.

I have the privilege of serving as a congressional regent on the Smithsonian's Board of Regents. In that capacity I have had an opportunity to work closely with Mr. Humelsine and Dr. Bowen. I want my colleagues to know that through their exceptional abilities and uncommon dedication, they have made innumerable contributions to the work of the Smithsonian Institution. The Institution, and all whose lives it touches, are fortunate that Mr. Humelsine and Dr. Bowen are willing to serve another term as regents. I have no doubt that they will continue to discharge their responsibilities as regents in the exemplary manner which has characterized their past service, and in so doing, further enhance the reputation of the Smithsonian as one of the world's foremost educational institutions. I urge the House to give an overwhelming vote of approval to their reappointments.

Mr. FRENZEL. Mr. Speaker, because the minority on the committee is in full support of the gentlewoman's resolution and amendment, I withdraw my reservation of objection.

The SPEAKER pro tempore. Is there objection to the request of the gentlewoman from Ohio?

There was no objection.

The Clerk read the Senate joint resolution, as follows:

S.J. Res. 214

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled, That the vacancy in the Board of Regents of the Smithsonian Institution, of the class other than Members of Congress, which will occur by the expiration of the term of Carlisle H. Humelsine of Virginia on March 13, 1986, be filled by the reappointment of the present incumbent. The appointment is for a term of six years and shall take effect on the day after the current term expires.

AMENDMENT IN THE NATURE OF A SUBSTITUTE OFFERED BY MS. OAKAR

Ms. OAKAR. Mr. Speaker, I offer an amendment in the nature of a substitute.

The Clerk read as follows:

Amendment in the nature of a substitute offered by Ms. Oakar: Strike out all after the resolving clause and insert in lieu thereof the following:

That, in accordance with section 5581 of the Revised Statutes of the United States (20 U.S.C. 43), the vacancy on the Board of Regents of the Smithsonian Institution, in the class other than Members of Congress, occurring by reason of the expiration of the term of Carlisle H. Humelsine of Virginia, is filled by reappointment of the incumbent for a term of six years, effective March 13, 1986.

Mr. FRENZEL (during the reading). Mr. Speaker, I ask unanimous consent that the amendment in the nature of a substitute be considered as read and printed in the Record.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Minnesota?

There was no objection.

The SPEAKER pro tempore. The question is on the amendment in the nature of a substitute offered by the gentlewoman from Ohio [Ms. Oakar].

The amendment in the nature of a substitute was agreed to.

The Senate joint resolution was ordered to be read a third time, was read the third time, and passed.

TITLE AMENDMENT OFFERED BY MS. OAKAR

Ms. OAKAR. Mr. Speaker, I offer an amendment to the title.

The Clerk read as follows:

Title amendment offered by Ms. Oakar: Amend the title so as to read: "Joint resolution providing for reappointment of Carlisle H. Hummelsine as a citizen regent of the Board of Regents of the Smithsonian Institution.".

The title amendment was agreed to.

A motion to reconsider was laid on the table.

PROVIDING FOR REAPPOINTMENT OF WILLIAM G. BOWEN AS CITIZEN REGENT OF BOARD OF REGENTS OF SMITHSONIAN INSTITUTION

Ms. OAKAR. Mr. Speaker, I ask unanimous consent that the Committee on House Administration be discharged from further consideration of the Senate joint resolution (S.J. Res. 215) to provide for the reappointment of William G. Bowen as a citizen regent of the Board of Regents of the Smithsonian Institution, and ask for its immediate consideration.

The Clerk read the title of the Senate joint resolution.

The SPEAKER pro tempore. Is there objection to the request of the gentlewoman from Ohio?

Mr. FRENZEL. Mr. Speaker, reserving the right to object, I yield to the

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distinguished gentlewoman from Ohio [Ms. Oakar] for an explanation.

Ms. OAKAR. I thank the gentleman for yielding.

Mr. Speaker, this resolution, along with the previous one, is a reappointment resolution for a citizen regent currently serving on the board of Regents of the Smithsonian Institution. The Committee on House Administration's Task Force on Libraries and Memorials have reviewed and recommends favorably the reappointment of Mr. Bowen.

If the gentleman will withdraw his reservation, I will offer a perfecting amendment in the nature of a substitute which will provide for continuity in the service of Mr. Bowen's appointment.

Mr. FRENZEL. Mr. Speaker, further reserving the right to object, the minority believes that both of these regents are splendid ones, richly deserving reappointment. We support the gentlewoman's requests in all respects.

Mr. Speaker, I withdraw my reservation of objection.

The SPEAKER pro tempore. Is there objection to the request of the gentlewoman from Ohio?

There was no objection.

The Clerk read the Senate joint resolution, as follows:

S. J. Res. 215

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled, That the vacancy in the Board of Regents of the Smithsonian Institution, of the class other than Members of Congress, which will occur by the expiration of the term of William G. Bowen of New Jersey on March 13, 1986, be filled by the reappointment of the present incumbent. The appointment is for a term of six years and shall take effect on the day after the current term expires.

AMENDMENT IN THE NATURE OF A SUBSTITUTE OFFERED BY MS. OAKAR

Ms. OAKAR. Mr. Speaker, I offer an amendment in the nature of a substitute.

The Clerk read as follows:

Amendment in the nature of a substitute offered by Ms. Oakar: Strike out all after the resolving clause and insert in lieu thereof the following:

That, in accordance with section 5581 of the Revised Statutes of the United States (20 U.S.C. 43), the vacancy on the Board of Regents of the Smithsonian Institution, in the class other than Members of Congress, occurring by reason of the expiration of the term of William G. Bowen of New Jersey, is filled by reappointment of the incumbent for a term of six years, effective March 13, 1986.

Ms. OAKAR (during the reading). Mr. Speaker, I ask unanimous consent that the amendment in the nature of a substitute be considered as read and printed in the Record.

The SPEAKER pro tempore. Is there objection to the request of the gentlewoman from Ohio?

There was no objection.

Ms. OAKAR. Mr. Speaker, let me just comment on the amendment and the spirit of these appointments, just very briefly, for the benefit of the Members.

Mr. Speaker, I think the Members should know that Mr. Humelsine, in particular, and the Smithsonian Board of Trustees several months ago did decide to divest their holdings in South Africa. I thought that this was a very, very positive step. Besides all of the other reasons mentioned, I hope that we will approve these appointments. But I wanted, for those Members who had concerns about the Smithsonian and its investment practices, to know that they no longer have investments in the international portfolio that relate to South Africa investments.

The SPEAKER pro tempore. The question is on the amendment in the nature of a substitute offered by the gentlewoman from Ohio [Ms. Oakar].

The amendment in the nature of a substitute was agreed to.

The Senate joint resolution was ordered to be read a third time, was read the third time, and passed.

TITLE AMENDMENT OFFERED BY MS. OAKAR

Ms. OAKAR. Mr. Speaker, I offer an amendment to the title.

The Clerk read as follows:

Title amendment offered by Mr. Oakar: Amend the title so as to read: "Joint resolution providing for reappointment of William G. Bowen as a citizen regent of the Board of Regents of the Smithsonian Institution.".

The title amendment was agreed to.

A motion to reconsider was laid on the table.

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GENERAL LEAVE

Ms. OAKAR. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks on Senate Joint Resolution 214 and Senate Joint Resolution 215, the Senate joint resolutions just passed.

The SPEAKER pro tempore. Is there objection to the request of the gentlewoman from Ohio?

There was no objection.

COMMEMORATING 25TH ANNIVERSARY OF BAY OF PIGS INVASION

Mr. GARCIA. Mr. Speaker, I ask unanimous consent that the Committee on Post Office and Civil Service be discharged from further consideration of the joint resolution (H.J. Res. 599) commemorating the 25th anniversary of the Bay of Pigs invasion to liberate Cuba from Communist tyranny, and ask for its immediate consideration.

The Clerk read the title of the joint resolution.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from New York?

Mr. HANSEN. Mr. Speaker, reserving the right to object, I do not object, but I simply would like to inform the House that the minority has no objection to the legislation now being considered.

Mr. Speaker, I yield to the chairman of the committee, the distinguished gentleman from New York [Mr. Garcia].

Mr. GARCIA. I thank my colleague for yielding.

Mr. Speaker, I would just like to state that this resolution has been introduced by one of the senior Members of this House, the gentleman from Florida, Senator Pepper, and another good colleague of ours, the gentleman from Florida [Mr. Fascell], as well.

Mr. Speaker, as you know, today is the 25th anniversary of the Bay of Pigs invasion, and both the gentleman from Florida [Mr. Fascell] and the gentleman from Florida [Mr. Pepper] have long been involved in this commemorative dealing with the Bay of Pigs, and I would just like to take this opportunity to commend both Congressman Pepper and Congressman Fascell on the work that they have done on this resolution.

Mr. HANSEN. Mr. Speaker, I withdraw my reservation of objection.

The SPEAKER. Is there objection to the request of the gentleman from New York?

There was no objection.

The Clerk read the joint resolution, as follows:

H.J. Res. 599

Whereas April 17, 1986, marks the twenty-fifth anniversary of the first day of the Bay of Pigs attempted liberation of Cuba by the heroic 2506 Brigade, a battle which entailed three days of fighting at a narrow strand of mangrove, bunch grass, coral head, and sand lying thirty miles from the towns of Giron and Playa Larga and bounded by the Bay of Pigs and the Cienaga de Zapata swamp;

Whereas on April 17, 1961, the fourteen hundred gallant and intrepid men who made up the brave 2506 Brigade were ill-equipped but possessing immeasurable spirit, courage, and determination, sought in the tradition of the great liberators Jose Marti and Simon Bolivar to liberate from Communist tyranny the beautiful isle of Cuba and reestablish freedom and democracy for the people of Cuba, that great island lying so close to the United States;

Whereas the patriotic, noble, and sacrificial effort of the 2506 Brigade to liberate Cuba as in the same patriotic spirit that prompted other courageous and intrepid men to liberate the American colonies from a foreign monarch and establish freedom and democracy in America; and

Whereas the people of the United States proudly commend those courageous warriors who fight for the cause of freedom and justice anywhere in the world and the Congress wishes to express the commendation of the American people to the gallant warriors of the 2506 Brigade who made such an historic effort to establish freedom and democracy in Cuba: Now, therefore, be it

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled, That April 17, 1986, be commemorated as the twenty-fifth anniversary of the Bay of Pigs invasion to liberate Cuba from Communist tyranny.

The joint resolution was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

FAIR HOUSING MONTH

Mr. GARCIA. Mr. Speaker, I ask unanimous consent that the Committee on Post Office and Civil Service be discharged from further consideration of the Senate joint resolution (S.J. Res. 303) to designate April 1986, as "Fair Housing Month," and ask for its immediate consideration.

The Clerk read the title of the Senate joint resolution.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from New York?

Mr. HANSEN. Mr. Speaker, reserving the right to object, I do not object, but I simply would like to inform the House that the minority has no objection to the legislation now being considered.

Mr. Speaker, under my reservation, I yield to the gentleman from New York [Mr. Fish] who is the chief sponsor of House Joint Resolution 561, to designate April 1986 as "Fair Housing Month."

Mr. FISH. I thank the gentleman for yielding to me.

Mr. Speaker, first I want to express my sincere appreciation and personal thanks to the subcommittee chairman, Bob Garcia, and the ranking Republican, Jim Hansen, for their assistance in promptly bringing this legislation to the House floor.

On March 11, I introduced House Joint Resolution 561 to designate this April as "Fair Housing Month." Since that time, 226 Members of this House—Republicans and Democrats alike—have joined as cosponsors of House Joint Resolution 561. This is a clear reflection of a bipartisan commitment to the principles embodied in the Federal fair housing law.

Mr. Speaker, April 1986 marks the 18th anniversary of the enactment of a Federal fair housing law, as title VIII of the Civil Rights Act of 1968. This landmark legislative action symbolized a legal and policy commitment on the part of the Federal Government to the goal of equal opportunity in housing for all Americans. It remains a cornerstone of our civil rights protection in this country.

Title VIII prohibits discrimination in the sale, rental, or financing of housing based upon race, color, religion, national origin, or sex. Since its enactment, the right of free choice in housing has undeniably expanded. However, despite these advances, discriminatory housing practices still remain an unfortunate fact of life for many Americans—racial and ethnic minorities, handicapped persons, and others. The fact is that the goal of equal opportunity in housing choice for all Americans has still yet to be fully realized.

Few can deny the central role housing plays in the quality of life of every American. It is commonly perceived that of all the services, facilities and other amenities a community provides, few matter more to the individual and his or her family than the kind of housing in which he or she lives—and the kind of neighborhood of which that housing is a part. But for some of our citizens, the dual barriers of prejudice and fear have, for too long, obstructed their fair chance to move into better housing.

The Department of Housing and Urban Development, which has the authority and responsibility to accept and investigate title VIII housing discrimination complaints, continues to receive thousands of such complaints each year. Census data tends to indicate that racial concentration in many of our communities is increasing. To the extent that this situation results from racial discrimination, rather than from free choices by members of all races, there is cause for alarm and remedial action.

Recently, Senator Mathias and I introduced our version of comprehensive legislation to amend and strengthen title VIII, H.R. 4119; S. 2040. My good friend, HUD Secretary Sam Pierce, is personally dedicated to a stronger and more effective title VIII, and has been an ardent advocate to that end on Capitol Hill. We in Congress are continuing to explore the possibility of obtaining a consensus on a compromise bill that can be enacted this year. I remain hopeful that substantive fair housing legislation can be passed this year.

Again, I am most appreciative of the assistance of my colleagues in this legislative commemoration of the 18th anniversary of the Federal Fair Housing Act. The other body has already passed this resolution as Senate Joint Resolution 303, and I urge my colleagues in the House to take the same favorable action. Dedication to providing equal opportunities for all and to the elimination of racial discrimination runs deep in the American spirit.

Mr. GILMAN. Mr. Speaker, I rise today in support of House Joint Resolution 561, to commemorate the 18th anniversary of the enactment of the Federal Fair Housing Act. I commend the gentleman from New York [Mr. Fish] for providing this opportunity to proclaim April 1986 as "Fair Housing Month," which comes in the wake of the steady, and praiseworthy advances that have been made in eliminating discriminatory housing practices.

In 1968, when Congress adopted the Federal Fair Housing Act as title VIII of the Civil Rights Act, we could not even begin to understand the multitude of ways in which the housing industry would be transformed so as to provide all Americans equal housing opportunities. When we consider the pervasiveness of housing discrimination in the 1950's and 1960's, it is not difficult to see how far we have come in providing all people, irrespective of their race, color, religion, or national origin, the house of their dreams.

If I may pause for a moment to comment on the admirable work being done in my own district, by the Rockland County Board of Realtors, you will recognize that we have entered an era where there is a high level of attention to ensuring fair housing oportunities for all Americans, regardless of their economic or racial status. I am pleased to say that the Rockland County Human Rights Commission recently commended the Rockland County Board of Realtors for its tireless efforts to fulfull the needs of Let us reinforce that dedication today. each and every client. I know that the other realtors throughout my district in Orange, Westchester, and Sullivan Counties work equally as diligently to uphold the Fair Housing Act to the letter of the law. Indeed, I believe that this award is symbolic of a greater trend in this country to enforce our fair housing laws.

As a cosponsor of House Joint Resolution 561, I am proud to say that we have come a long way in the struggle against discrimination in the housing industry and urge our continued vigilence in building upon this fine work. I feel strongly that we should all join in and support this measure, voicing our thanks to every man and woman who has worked, either as a concerned consumer, a realtor, or civil rights advocate, to make certain that each individual finds himself in the home, or office of his choice. Accordingly, I urge my colleagues to support House Joint Resolution 561, and to join in all of the events being sponsored in our communities celebrating this designation. By doing so, we will be enthusiastically voicing our continued dedication to ensuring fair housing oportunities for every American.

Mr. HANSEN. Mr. Speaker, I withdraw my reservation of objection.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from New York?

There was no objection.

The Clerk read the Senate joint resolution, as follows:

S.J. Res. 303

Whereas the year 1986 marks the eighteenth anniversary of the passage of title VIII of the Civil Rights Act of 1968, commonly referred to as the "Federal Fair Housing Act", declaring a national policy to provide fair housing throughout the United States;

Whereas the Federal Fair Housing Act prohibits discrimination in housing on the basis of race, color, religion, sex, or national origin;

Whereas fairness is the foundation of our way of life and reflects the best of our traditional American values;

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Whereas invidious discriminatory housing practices undermine the strength and vitality of America and the American people; and

Whereas in this eighteenth year since the passage of the Fair Housing Act, all Americans must work to continue to improve the Fair Housing Act by strengthening enforcement provisions, by extending the protections of the Act to all our citizens, by assuring there are no victims of discriminatory housing practices, and by making the ideal of fair housing a reality: Now, therefore, be it

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled, That the President is authorized and requested to issue a proclamation designating April as "Fair Housing Month" and to invite the Governors of the several States, the chief officials of local governments, and the people of the United States to observe the month with appropriate ceremonies and activities.

The Senate joint resolution was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

GENERAL LEAVE

Mr. GARCIA. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks on the two joint resolutions just passed.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from New York?

There was no objection.

APPOINTMENT OF CONFEREES ON S. 410, CONSERVATION SERVICE REFORM ACT OF 1985

Mr. MARKEY. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the Senate bill (S. 410) to repeal the Commercial and Apartment Conservation Service, and for other purposes, with the House amendments thereto, insist on the House amendments, and agree to the conference requested by the Senate.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Massachusetts? The Chair hears none, and, without objection, appoints the following conferees: Messrs. Dingell, Markey, Ralph M. Hall, Broyhill, and Moorhead.

There was no objection.

COMMEMORATING BICENTENNIAL OF AUSTRALIA AND HONORING VISIT OF AUSTRALIAN PRIME MINISTER ROBERT HAWKE

Mr. SOLARZ. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the Senate concurrent resolution (S. Con. Res. 128) to commemorate the bicentennial of Australia and to honor the April 1986 visit of Australian Prime Minister Robert Hawke to the United States, and ask for its immediate consideration.

The Clerk read the title of the Senate concurrent resolution.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from New York?

Mr. LEACH of Iowa. Mr. Speaker, reserving the right to object, I take this time to ask the gentleman from New York to explain this resolution.

Mr. SOLARZ. Mr. Speaker, I will be happy to explain it.

Mr. Speaker, the resolution before us offers Members of the House a unique opportunity to pay tribute to one of our staunchest allies, Australia, and to welcome an outstanding man, the Honorable Robert Hawke, the Prime Minister of Australial who is now visiting the United States.

Australian and American military forces have fought together in defense of freedom in four wars. A mutual defense treaty has closely allied our two nations since 1954, and Australia has resolutely accepted the responsibilities and costs necessary to maintain this alliance.

The United States and Australia are linked with a common history, a common language and cultural background, and a common respect for international law and human rights. We have worked together in seeking to aid developing nations increase their economic growth and to foster the growth of democratic institutions that would ensure the stability of the region.

Both Australia and the United States have recognized the importance in recent years of keeping the doors open to those men, women, and children forced to flee persecution in their homelands and longing to rebuild their lives in freedom. Australia has resettled over 100,000 refugees from Indochina and thousands more who have fled the repression and brutal regimes in Poland and Eastern Europe.

About 15,000 Australians married American servicemen after World War II, and thus guaranteed that United States and Australian ties would grow even closer in the important years following World War II. Australian films, opera stars, and television programs have enjoyed wide audiences in the United States, though I must say that much as I enjoy the Quantas ads, we do intend to win the Americas Cup and bring it home to the New York Yacht Club in the not too distant future. Then Pan Am will be able to run ads on Australian TV inviting the residents of Sydney to come to New York, the Empire State, and the home of the Americas Cup.

But in all seriousness, the close and warm ties that mark United States-Australian relations are remarkable. We are Australia's second largest trading partner, and we now enjoy a 2-to-1 trading advantage with that nation. Recent changes in our agricultural and trading policies have led some Australians to wonder if our policymakers realized the possible adverse impact which these changes could have on our close friend in the South Pacific. I, for one, hope that the visit of Australia's most able and articulate Prime Minister will help to alleviate these problems and to strengthen the close ties between our two great nations.

Mr. Speaker, during our own bicentennial celebration, Australians contributed generously to the many cultural, civic, and educational programs mounted by our Government and private organizations to commemorate that historic event. Australia is now preparing for its own bicentennial celebration, a year-long observation in 1988. I sincerely hope that given the close people-to-people ties of friendship, shared commitment to democratic values, and our joint efforts to secure peace in the world, that our Government and the American people will accept Australia's invitation to participate in their 200 year celebration in a fitting and full manner.

Mr. Speaker, I urge the House to adopt this resolution commemorating the warm and close ties between the people of Australia and the people of the United States.

Mr. LEACH of Iowa. Mr. Speaker, further reserving the right to object, I share the assessment of the gentleman from New York [Mr. Solarz] both of the Prime Minister and the importance of Australian-American relations.

Mr. Speaker, I rise in support of Senate Concurrent Resolution 128 to honor the visit to the United States this week of the Prime Minister of Australia, the Honorable Robert J.L. Hawke, and to express the sense of the Congress that the United States should join in celebrating the upcoming 1988 bicentennial of the founding of Australia with appropriate activities and ceremonies.

Over the last two centuries, our two pioneer-spirited peoples have developed strong ties of friendship and mutual respect, rooted in common historical experiences, shared democratic ideals, and shared culture.

The United States-Australian relationship began in the 1790's when American ships first began to dock at the port in Sydney and bilateral trade was initiated. Those ties continued to grow and flourish in the following years. At the time the Australian Constitution was being drafted, our American Constitution and Federal system of government was a model on which Australian leaders of the time drew. In the past half century our relations were cemented in the shared experiences of World War II, the Korean war, and the Vietnam conflict. As partners today in the ANZUS alliance, we continue to pledge our common commitment to the protection and preservation of our shared democratic freedoms.

In the face of such strong and abiding ties the wide expanse of the blue Pacific has proven no barrier.

As we approach the 1988 Australian bicentennial, the President has noted the appropriateness of United States participation in the celebration and has expressed his hope that that can be done in essentially people-to-people ways.

On the occasion of the visit this week to the United States of Prime Minister Hawke, it is fitting for us to extend a warm personal welcome and to reflect on our relations with the people of Australia. As the 1988 bicentennial draws nearer, all Americans join in congratulating our Australian friends on 200 years of magnificent accomplishment.

I urge my colleagues to lend Senate Concurrent Resolution 128 their unanimous support.

Mr. Speaker, I withdraw my reservation of objection.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from New York?

There was no objection.

The Clerk read the Senate concurrent resolution, as follows:

S. Con. Res. 128

Whereas the United States and Australia enjoy a special and close relationship based on our shared history, cultural heritage, similar political values, and mutual respect for individual liberties;

Whereas our two nations enjoy thriving trade and business relationships and a broad range of people-to-people programs;

Whereas that close relationship has assured an alliance between our two nations in defense of freedom during four wars;

Whereas Australia and the United States are linked in a mutual defense treaty and readily accept the costs involved in preserving international peace;

Whereas Australia participated in the celebration of the bicentennial anniversary of American independence in 1976;

Whereas the Prime Minister of Australia, the Honorable Robert J.L. Hawke, will be visiting the United States in April 1986;

Whereas the Government and people of Australia have invited the Government and people of the United States to join in celebrating the forthcoming 1988 bicentennial of Australia; and

Whereas it is most fitting that this historic event be recognized in a manner which will commemorate Australian-American friendship and strengthen the many ties which link our two great nations together: Now, therefore, be it

Resolved by the Senate (the House of Representatives concurring), That the Congress declares its deep and abiding respect and friendship for the people of Australia and salutes Australia in its preparations for the celebration of its bicentennial.

Sec. 2. It is the sense of the Congress that the United States Government should help Australia observe its bicentennial year with appropriate activities and ceremonies that would indicate the high regard and deep affection which the people of the United States hold toward the Government and people of Australia during their celebration.

The Senate concurrent resolution was concurred in.

A motion to reconsider was laid on the table.

GENERAL LEAVE

Mr. SOLARZ. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks on the Senate concurrent resolution just adopted.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from New York?

There was no objection.

CONSTRUCTION INDUSTRY LABOR LAW AMENDMENTS OF 1985

Mr. MOAKLEY. Mr. Speaker, by direction of the Committee on Rules, I call up House Resolution 324 and ask for its immediate consideration.

The Clerk read the resolution, as follows:

H. Res. 324

Resolved, That at any time after the adoption of this resolution the Speaker may, pursuant to clause 1(b) of Rule XXIII, declare the House resolved into the Committee of the Whole House on the State of the Union for the consideration of the bill (H.R. 281) to amend the National Labor Relations Act to increase the stability of collective bargaining in the building and construction industry, and the first reading of the bill shall be dispensed with. After general debate, which shall be confined to the bill and shall continue not to exceed one hour, to be equally divided and controlled by the chairman and ranking minority member of the Committee on Education and Labor, the bill shall be considered for amendment under the five-minute rule, and each section shall be considered as having been read. At the conclusion of the consideration of the bill for amendment, the Committee shall rise and report the bill to the House with such amendments as may have been adopted, and the previous question shall be considered as ordered on the bill and amendments thereto to final passage without intervening motion except one motion to recommit.

□ 1225

The SPEAKER pro tempore. The gentleman from Massachusetts [Mr. Moakley] is recognized for 1 hour.

Mr. MOAKLEY. Mr. Speaker, I yield the customary 30 minutes to the gentleman from Missouri [Mr. Taylor], for the purposes of debate only, and pending that, I yield myself such time as I may use.

Mr. Speaker, House Resolution 324 is the rule providing for the consideration of the bill H.R. 281, the Construction Industry Labor Law Amendments of 1985.

Mr. Speaker, H.R. 324 is a completely open rule that provides 1 hour of general debate, equally divided between the chairman and ranking minority member of the Committee on Education and Labor. The rule also makes in order one motion to recommit.

Mr. Speaker, H.R. 281, the Construction Industry Labor Law Amendments of 1985, is a bill that would amend the National Labor Relations Act to increase the stability of collective bargaining in the building and construction industry.

The bill is basically limited to correcting two specific provisions in the National Labor Relations Act. The first provision in the bill would eliminate a practice known as double-breasted contracting. This practice is used by construction industry employers who wish to evade the obligations stated in collective bargaining agreements.

Under a typical arrangement a company which has negotiated an agreement with a construction union would establish a related company which is operated on a nonunion basis. The nonunion affiliate then would base its bids for construction jobs on low, nonunion wage levels and hire employees who would not be entitled to wages and benefits negotiated in the collective bargaining agreement of the original union shop company.

Mr. Speaker, House Resolution 281 is also intended to eliminate the problems which occur when employers attempt to negate commitments made under section 8(f) of the National Labor Relations Act, which allows construction unions to enter into prehire agreements. Currently, employers can place the burden on the unions to prove that their members favor a prehire agreement. Under this bill a company could only void its prehire agreement after the National Labor Relations Board conducts an election and certifies that a majority of the employees select another union or choose not to be represented by any labor organization at all.

Mr. Speaker, as I stated earlier in my statement, this is an open rule that allows all Members to offer their amendments to provisions of the bill that they may oppose. I urge my colleagues to vote for the adoption of the resolution.

Mr. TAYLOR. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I thank the gentleman for yielding.

Mr. Speaker, House Resolution 324 brings to the House floor legislation designed to change longstanding labor law and overturn recent Supreme Court decisions upholding the right of the National Labor Relations Board to apply a single employer test.

The rule itself is not so much the problem here today, but the bill it makes in order is highly controversial

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among thousands of small and mid-sized construction firms in this Nation.

The rule is an open rule and the bill will be open to all germane amendments. The rule does not waive any points of order. It simply provides for 1 hour of general debate and for an open amendment process.

Mr. Speaker, at the very least, I am glad to report that this is an open rule, since the bill will need considerable work on the floor if it is to ever be put into any kind of shape for final passage.

As reported from the Committee on Education and Labor, the bill extends the terms and conditions of a collective-bargaining agreement, a labor union contract, that covers employees of one union shop to the nonunion employees of another shop, if there is direct or indirect ownership of the two unrelated shops.

The bill overrules the National Labor Relations Board doctrine and provides a new congressionally sanctioned test for determining single employer status. This is an attack upon the ability of the National Labor Relations Board and the courts to decide these matters of labor relations policy.

Mr. Speaker, the bill also includes a provision relating to prehire agreements, a provision which imposes by law a collective-bargaining agreement upon individuals who have not chosen such an agreement for themselves.

The prehire agreement provision of this bill also prevents these employees who would be forced to work under an agreement they did not vote upon to remove themselves except through a long and difficult formal proceeding.

Mr. Speaker, there are several substantial amendments to H.R. 281 that will be offered. It is an open rule. I do not believe that there is any controversy over the rule because it is open and provides an opportunity for the House to work its will; however, I do expect several amendments to be offered in order to try to clarify and to clear up some of the controversial provisions of this legislation.

Mr. Speaker, I yield 5 minutes to the gentleman from Texas [Mr. ARMEY].

Mr. ARMEY. Mr. Speaker, I would like to thank the gentleman from Missouri for yielding to me. I suppose it seems a little strange that I would take the well to speak against an open rule. The point is that it is an open rule. It does give us a chance to air out the issue and debate the issue, but my objection to approving this rule is that the rule would allow us to use the time and the resources of this body to give even further consideration to a potential piece of legislation that should not be passed by this House.

H.R. 281, the Construction Industry Labor Law Amendments Act, is unnecessary legislation. It is unnecessary because the alleged grievances to which it is directed have ample provision to be compensated for or corrected within existing law.

This is a very difficult area I suppose for many of us, but I for one see no reason to extend the law and especially to extend the law where it threatens fundamental rights of individual men and women in America in order to deal with grievances that can be and should be corrected within existing law.

Part of the allegation is that the National Labor Relations Board does not properly enforce existing law. If that were the case, and I have my own doubts regarding that, but if it were the case, then it would seem to me the better alternative would be to go perhaps to a committee like the Government Operations Committee, ask that committee to investigate, bring a report to the House and take action to cause the Federal agency to do its job. After all, that is a consideration that the American people have, a doubt they have, a question they raise. Do the Federal agencies that do now exist and are paid for with their tax dollars perform their functions with diligence and thoroughness, fairness and equity, and if not, perhaps we could better spend the resources of this Nation's Government and this Nation's taxpayers' money seeing to it that they get fair value for their dollar.

The legislation, I fear, is flawed. The language in the legislation is not only ambiguous, but inconsistent. We will be discussing that as we go along.

The legislation is untimely. Not only do I have to ask myself the question, why would this body bring up this kind of legislation that does indeed threaten the basic rights of American men and women, but why now?

You may recall that it was scheduled last December to be on the calendar and was taken off. We wondered when it migth come to the calendar. I, for one, was surprised to find it coming up now.

I got the answer to my question, why now, when I got on the elevator last Tuesday. As I got on the elevator I saw some people joining me on the elevator who were very big in size and all wearing a little button that said, "Vote yes on H.R. 281."

One of my colleagues on the elevator looked at a mountain of a man and told me, "This guy isn't going to like you."

I want to tell you, it is hard to be trapped in the back of an elevator under those circumstances, but it brought it home to me that we put this bill on this calendar at this time because the interested parties, the unions who support and promote the bill, were in town to have their convention and it would be very convenient for them to drop by our elevators and our offices and persuade us to give consideration to their bill.

I understand the purpose of lobbying. I appreciate lobbying, but I really frankly do not think that we should adjust the calendar of the House to the lobbyists' convention schedules, and that is what was done in this case, I have no doubt.

So I am going to ask the Members of this body to vote no on the rule, not because it is a bad rule, but that would be the most efficient way for this body to dispatch with insidious legislation, unnecessary legislation, flawed legislation, and allow us to turn our time to more important things.

Mr. TAYLOR. Mr. Speaker, I yield 5 minutes to the gentleman from Texas [Mr. BARTLETT].

Mr. BARTLETT. Mr. Speaker, I thank the gentleman for yielding.

Mr. Speaker, I rise in support of the open rule and the rule that is presented by the Rules Committee.

I take special note that the Rules Committee had been asked to provide a modified rule which would have limited the rule or amendments to only those amendments that have been printed in the RECORD. After extending this week, that has gotten perhaps more partisan than we all wish it had, I have to extend my appreciation to the Rules Committee for not adopting that and saying that only under extraordinary circumstances should we require that amendments be printed in the RECORD.

I also take this time to urge a no vote on a bad bill on the underlying bill itself, H.R. 281. It is a bad bill. It is an unfair bill. It is in fact unfair primarily to the workers themselves, both the union workers and the nonunion workers.

I also take a minute to make certain that my colleagues in the House understand that this is not an insignificant piece of legislation. This may well be the most unfair and significant labor law suggestion that has come before this House floor since common situs in the last decade.

It is unfair in a number of ways. First, let me recite what present law does. Under present law, if one employer or one company owns or is affiliated with two or more subsidiaries and if those subsidiaries are clearly separate, that is, they are at arm's length from one another, and one then can be union and one can be an open shop; in fact, others could have other union agreements and they could all operate in the marketplace.

Now, that adapts the law to the present marketplace in which in many geographical areas there is not just one, but two markets; one open shop construction and one union shop construction.

This bill represents a fundamental change, a change of some unfairness and some substantial significance in that it is very straightforward.

This bill would force that company that has two or more subsidiaries to choose between those subsidiaries. If he has a union subsidiary and a nonunion subsidiary and an open-shop subsidiary, and if that union subsidiary has a prehire agreement with a union security clause, which most do, then he would be required to cover all his employees within his entire company with the terms and conditions of their union agreement, of which those employees have never had the opportunity to have any input whatsoever, much less a vote.

I will be offering two amendments today which would improve the bill, if adopted. The first would be to redefine the definition of a single employer so as to take substantially out of the committee report, so as to restore present law in that definition, to restore the concept of arm's-length transactions.

Second, an amendment that says that if H.R. 281 passes and if it were to force the employees of an open shop to be covered by the terms and conditions of a union agreement, that cannot happen unless they first have the opportunity for a secret ballot election.

Mr. Speaker, I again commend the Rules Committee for adopting an open rule, a fully open rule and giving the House the opportunity to work its way fully. I urge my colleagues to vote no on final passage, and I think more importantly to consider each amendment on its own merits and consider those amendments as ways to improve a bad piece of legislation.

□ 1240

Mr. MOAKLEY. Mr. Speaker, I yield 2 minutes, for purposes of debate only, to the gentleman from Missouri [Mr. CLAY].

Mr. CLAY. I thank the gentleman for yielding this time to me.

Mr. Speaker, I urge my colleagues to support the rule we have before us which would allow for consideration of H.R. 281, the Construction Industry Labor Law Amendments. The rule is an open one, with 1 hour of general debate.

H.R. 281 is intended to restore fairness and stability to labor relations in the construction industy. It is needed because of the rapid spread of double-breasting throughout the construction industy. Double-breasting has stacked the deck against construction workers and their unions when it comes to collective bargaining.

The Subcommittee on Labor-Management Relations first began to study this problem more than 3 years ago. In March 1983, we held the first hearing on this important subject. In September 1983, a subsequent hearing was held. H.R. 281 was introduced at the beginning of this Congress. A hearing on the bill was held again last May. The bill cleared the subcommittee and full committee last summer. We have given all sides every opportunity to participate in the consideration of this bill. We have heard from experts on labor law in the construction industry, as well as from advocates on all sides of the issue. The process has been a fair one and a deliberative one.

Today, we are seeking a fully open rule so that again all sides will have a fair chance. Even those who might have problems with the bill, and I certainly hope there are not many, should vote for this rule, because the process of consideration has and continues to be open and fair I urge your support for the rule.

Mr. TAYLOR. Mr. Speaker, I yield 2 minutes to the gentlewoman from New Jersey [Mrs. ROUKEMA].

Mrs. ROUKEMA. I thank the ranking member on the Committee on Rules for yielding this time to me.

Mr. Speaker, I want to rise as the ranking member of the Labor-Management Relations Subcommittee in support of the rule. I think it is an eminently fair rule. As this body knows, I oppose the bill and will be prepared to speak against that bill today, but I do want this issue to have a full and complete airing.

If amendments cannot be passed to improve the bill, I shall unalterably oppose it, thinking that it would be better to go back to committee for a compromise. But this rule is fair and I think the committee should have an open hearing on the bill today, so I urge a "yes" vote.

Mr. TAYLOR. Mr. Speaker, I have no further requests for time, and I yield back the balance of my time.

Mr. MOAKLEY. Mr. Speaker, I have no further requests for time, and I move the previous question on the resolution.

The previous question was ordered.

The SPEAKER pro tempore. The question is on the resolution.

The question was taken; and the Speaker pro tempore announced that the ayes appeared to have it.

Mr. BROOMFIELD. Mr. Speaker, I object to the vote on the ground that a quorum is not present and make the point of order that a quorum is not present.

The SPEAKER pro tempore. Evidently a quorum is not present.

The Sergeant at Arms will notify absent Members.

The vote was taken by electronic device, and there were—yeas 379, nays 38, not voting 16, as follows:

[Roll No. 83]

YEAS—379

Ackerman
Akaka
Alexander
Anderson
Andrews
Annunzio
Anthony
Applegate
Aspin
Atkins
AuCoin
Barnard
Barnes
Bartlett
Bateman
Bates
Bedell
Beilenson
Bennett
Bentley
Bereuter
Berman
Bevill
Biaggi
Bilirakis
Bliley
Boehlert
Boggs
Boland
Boner (TN)
Bonior (MI)
Bonker
Borski
Bosco
Boucher
Boxer
Breaux
Brooks
Brown (CA)
Bruce
Bryant
Burton (CA)
Byron
Callahan
Carney
Carper
Carr
Chandler
Chapman
Chappell
Chapple
Cheney
Clay
Clinger
Coats
Coelho
Coleman (MO)
Coleman (TX)
Collins
Combest
Conte
Conyers
Cooper
Coughlin
Courter
Coyne
Craig
Crane
Crockett
Daniel
Dannemeyer
Darden
Daschle
Daub
Davis
de la Garza
Dellums
Derrick
DeWine
Dicks
Dingell
DioGuardi
Dixon
Donnelly
Dorgan (ND)
Dornan (CA)
Dowdy
Downey
Duncan
Durbin
Dwyer
Dymally
Dyson
Early
Eckart (OH)
Eckert (NY)
Edgar
Edwards (CA)
Edwards (OK)
Emerson
English
Erdreich
Evans (IA)
Evans (IL)
Fascell
Fawell
Fazio
Feighan
Fiedler
Fish
Flippo
Florio
Foglietta
Foley
Ford (MI)
Ford (TN)
Fowler
Frank
Franklin
Frenzel
Frost
Fuqua
Gallo
Garcia
Gaydos
Gejdenson
Gekas
Gibbons
Gilman
Gingrich
Glickman
Gonzales
Goodling
Gordon
Gradison
Gray (IL)
Gray (PA)
Green
Gregg
Guarini
Gunderson
Hall (OH)
Hamilton
Hammerschmidt
Hatcher
Hawkins
Hayes
Hefner
Heftel
Henry
Hertel
Hiler
Holt
Hopkins
Horton
Howard
Hoyer
Hubbard
Huckaby
Hughes
Hyde
Jacobs
Jeffords
Jenkins
Johnson
Jones (NC)
Jones (TN)
Kanjorski
Kaptur
Kasich
Kastenmeier
Kemp
Kennelly
Kildee
Kleczka
Kolbe
Kolter
Kostmayer
LaFalce
Lagomarsino
Lantos
Latta
Leach (IA)
Lehman (CA)
Lehman (FL)
Leland
Lent
Levin (MI)
Levine (CA)
Lewis (FL)
Lightfoot
Lipinski
Livingston
Lloyd
Long
Lott
Lowry (WA)
Luken
Lundine
Lungren
Mack
MacKay
Madigan
Manton
Markey
Martin (IL)
Martin (NY)
Martinez
Matsui
Mavroules
Mazzoli
McCain
McCloskey
McCurdy
McDade
McEwen
McGrath
McHugh
McKinney
Meyers
Mica
Michel
Mikulski
Miller (CA)
Miller (OH)
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Nichols
O'Brien
Rose
Stark

☐ 1250

Mr. COBLE changed his vote from "yea" to "nay."

Mr. McEWEN and Mr. DORNAN of California changed their votes from "nay" to "yea."

So the resolution was agreed to.

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

The SPEAKER pro tempore. Pursuant to House Resolution 324 and rule XXIII, the Chair declares the House in the Committee of the Whole House on the State of the Union for the consideration of the bill, H.R. 281.

☐ 1302

IN THE COMMITTEE OF THE WHOLE

Accordingly the House resolved itself into the Committee of the Whole House on the State of the Union for the consideration of the bill (H.R. 281), to amend the National Labor Relations Act to increase the stability of collective bargaining in the building and construction industry, with Mr. Bonior of Michigan in the chair.

The Clerk read the title of the bill.

The CHAIRMAN. Pursuant to the rule, the first reading of the bill is dispensed with.

Under the rule, the gentleman from Missouri [Mr. Clay] will be recognized for 30 minutes and the gentlewoman from New Jersey [Mrs. Roukema] will be recognized for 30 minutes.

The Chair recognizes the gentleman from Missouri [Mr. Clay].

Mr. CLAY. Mr. Chairman, I yield myself such time as I may consume.

Workers in the construction industry are being subjected to harsh and unfair treatment as the result of a recent turn of events in labor-management relations. Twenty-five years ago, the Congress enacted legislation promising them a fair opportunity to collective bargaining if that was their choice. What we see today is an ever increasing recital of broken promises. A fair chance at organizing for the purpose of protecting their job interests, does not exist. Agreements, which are voluntarily entered into by contractors, are routinely ignored. When workers turn to the Labor Board or the courts for relief, the problems are further exacerbated.

This bill before us today merely states that construction workers deserve the same protection under the law as other workers. It says that when a contractor and a union arrive at an agreement both sides are bound by the terms of that agreement. Congress thought it had resolved this problem in 1959 by enacting section 8(f) of the National Labor Relations Act which authorizes prehire agreements. This provision recognized the special characteristics of the construction industry and accommodated the longstanding practices of the industry. What we did in 1959 was sound policy that unfortunately has been undermined by decisions of the Labor Board and the courts. They have mistakenly overruled the intent of Congress. Enactment of H.R. 281 is necessary to restore to workers in that industry a meaningful right to collective bargaining and the protection of our labor laws.

Specifically, H.R. 281 will restrict "double-breasting" which is a legal loophole that has substantially undermined the right of construction workers to organize and bargain collectively. Decisions of the Labor Board and the courts allow a construction contractor who has signed a union agreement to establish a second operation that differs only from the original in the sense that it is not covered by a union contract. The employer then transfers work from its union company to its nonunion company. This unjust scheme of double-breasting flourishes because of the new interpretation of the law permitting employers to escape contractual obligations to their work force.

The sanctity of the bargaining agreement has been eroded in other ways as well. Section 8(f) authorizes a contractor and union to enter into a prehire agreement. A prehire agreement is one voluntarily reached by an employer and a union prior to the hiring of a full complement of employees. Such a provision is needed because employment in the construction industry is necessarily short term and transitory. In return for access to a pool of skilled employees, a contractor agrees that the work will be performed in accordance with a union contract. Today an employer can literally walk away from an otherwise legally binding contract unless the union can meet the impossible burden of proving majority support at all worksites, regardless of the duration of the projects. The very nature of construction work is one of brief, limited time spans. Three to 6 months is the average for work on a project. It is insane to require union members to vote every 3 months in order to prove they constitute a majority, as the Congress recognized in 1959.

H.R. 281 corrects these abuses by providing that prehire agreements are binding unless there is a vote by workers to decertify the union. It eliminates the use of double-breasting as a means of avoiding the requirements of collective bargaining agreements by making such agreements applicable to all businesses operated by a single employer within a specific geographical area. H.R. 281 seeks only to restore to construction workers the rights which Congress recognized and guaranteed in 1959.

Unique problems in the construction industry have not changed, neither should Congress' commitment to the collective bargaining rights of construction workers. H.R. 281 provides those workers with a fair chance to engage in collective bargaining. It does not force workers to join unions, it does not force contractors to sign prehire agreements, it does not affect State laws where union shop agreements are prohibited. This bill simply requires that parties live up to the commitments previously made in collective bargaining agreements. I urge you to vote for passasge of H.R. 281.

☐ 1305

The CHAIRMAN. The gentleman from Missouri [Mr. Clay] has consumed 5 of his 30 minutes.

Mrs. ROUKEMA. Mr. Chairman, I yield such time as he may consume to the distinguished ranking member of the committee, the gentleman from Vermont [Mr. Jeffords].

Mr. JEFFORDS. I rise in opposition to the bill.

Mr. Chairman, I could support this bill if it were limited simply to those provisions concerning prehire agreements with some modifications. However, I cannot support this bill because of its more far-reaching provisions regarding the practice of double-breasting.

Mr. Chairman, this bill is being offered today as a remedy to alleged

abuses in the construction industry. Let me read from a factsheet in support of the legislation:

> Under "double-breasting", contractors with established collective bargaining agreements establish a second nonunion operation which is indistinguishable from the union shop except that it is not covered by a union contract. The employer then transfers work from its union alter ego to its nonunion half—hence, the term "double-breasted" contractor.

Mr. Chairman, such conduct is indeed an outrage and should most definitely be prohibited. The truth is that it already is. To prove this, I submit for the record the citations of 30 such cases where the National Labor Relations Board found a violation.

Let's take a look at the current law. Where double-breasting occurs, the NLRB currently finds an unfair labor practice if either of two situations exists.

First, a violation exists where a sham corporation is formed simply to avoid the union contract. The result is an unfair labor practice and the collective bargaining agreement still applies to the new company.

Second, where two viable enterprises exist with common ownership the NLRB examines a variety of factors to see whether the companies form a "single integrated enterprise." If so, the NLRB then determines whether the employees of the companies have a "community of interests"—a determination which is made in collective bargaining in every industry. If the answer to both these inquiries is "yes," the collective bargaining agreement applies to the employees of both companies.

Now let's consider two cases. First the case of Samuel Kosoff & Sons, Inc. Company A operated as a unionized general contractor employing unionized carpenters and subcontracting all other work to unionized firms.

In 1981, when business slowed, company B was formed as an open shop general contracting company by the same three owners along with an employee of company A. The owners of company A openly acknowledged that their purpose in establishing company B was to become more competitive in a market which they had been priced out of.

The operations of company B were maintained separately from those of company A. In addition, instead of being limited to carpentry, company B's employees were utilitymen engaged in whatever work was needed under the contract. Frequently, company B did perform subcontracting work for company A, which was what aroused the interest and concern of company A's unions.

Were company A and company B a single employer? Clearly, under H.R. 281 they would be and indeed the current NLRB—sometimes called the Reagan Board because of its alleged proemployer bias—determined that company B was an alter ego of company A and therefore bound by the agreement with the union. It based its finding upon the intent of the owners of company A to avoid their union contract obligations.

Now let's look at another case—the Central New Mexico Chapter case. Five years after company C—a union shop electrical company—was formed, its three owners formed company D and served in the same capacity as officers, directors and stockholders. However, company C's work was almost exclusively commercial and industrial electrical contracting. Company D was exclusively engaged in residential contracting work, an area which company C had abandoned, finding it impractical to compete with nonunion contractors.

The National Labor Relations Board found that company C and company D did constitute a "single employer" but refused to apply the collective bargaining agreement to both companies because of a lack of a "community of interest" among the employees of the two companies. In reaching this conclusion, the NLRB noted that the labor relations policies of the two companies were based on their entirely different markets—commercial/industrial as opposed to residential.

These decisions demonstrate the need for a case-by-case analysis of each stitution. The issue is not whether the two companies share the same ownership. The issue is whether an employer is simply using a device to evade collective bargaining obligations, with a loss of work for his unionized employees. If the latter is his purpose, the employer should be restricted under the law—and, indeed, he already is. The bill fails to make these distinctions.

I would be remiss if I did not discuss the prehire agreement aspect of the bill which I do generally support. Under current law, the construction industry is the only industry in which an employer can actually sit down with a union and strike a deal before anyone is hired. This is allowed in the construction industry because, in most instances, the employer hires different workers for each job and jobs last only a few weeks or months.

This situation makes a representation election, which can take several months, totally impractical. Moreover, prehire agreements provide the company with predictable labor costs and a source of skilled workers. It is for these practical reasons that the Congress amended the National Labor Relations Act in 1959 to permit prehire agreements in the construction industry.

However, the statute is silent as to whether an employer can sign such an agreement and then turn right around and ignore it. Fifteen years ago, the NLRB held that an employer can repudiate a prehire agreement at any time up until the union has the support of a majority of the workers. The Supreme Court upheld this interpretation in the Higdon case in 1978.

Obviously, the turning point under these cases is whether "majority status" has been achieved. This is dependent upon a variety of factors and a number of presumptions. Suffice it to say that, with most construction contractors, majority status is achieved very quickly.

However, there are some employers who are only bound on a project-by-project basis, depending upon whether majority status exists on each project. A prehire agreement almost always requires hiring through the union hiring hall. But an employer could avoid the agreement by simply hiring nonunion workers, and never have to worry about majority status being established at a particular site.

I believe that the law should ensure that parties are bound to their agreements. Given the rather limited number of situations where they are not, I fail to understand the hyperbole and controversy which has been generated over this issue. If that were all that were in this bill, it would certainly enjoy my support.

Let me emphasize that my opposition to this bill does not reflect a lack of support for union construction. Indeed, only this week, the Construction Labor Research Council predicted the development of a new stability in the market share between the open shop and the union shop companies. Union shop companies are becoming more competitive through stronger cooperation with their unions. Right here in the Washington, DC area, local union members are enjoying full employment as a result of this cooperative spirit.

This rebound occured in the District of Columbia without the help of this bill. And I believe it can happen elsewhere as well. Union shop construction does not need artificial devices like the "single employer" provisions of this bill to achieve what is already being achieved under current law. I urge defeat of the bill.

CONSTRUCTION INDUSTRY CASES FINDING SINGLE INTEGRATED EMPLOYER AND/OR ALTER EGO AND VIOLATIONS OF SECTION 8(a)(5)

1. *Advance Electric, Inc.*, 268 NLRB 1001, 1004 (1984).
2. *Samuel Kosott & Sons, Inc.*, 269 NLRB 424 (1984).
3. *Nabco Corp.*, 266 NLRB 687 (1983).
4. *NLRB v. Campbell-Harris Electric, Inc.*, 114 LRRM 2881 (8th Cir. 1983), *enforced*, 263 NLRB No. 167.
5. *American Pacific Concrete Pipe Co.*, 262 NLRB 1223, 1226 (1982).
6. *F & F Construction Co.*, 262 NLRB 735 (1982).

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7. *J. M. Tanaka Construction, Inc. v. NLRB*, 675 F.2d 1029 (9th Cir. 1982).

8. *NLRB v. Blake Construction Co.*, 663 F.2d 272, 278, 285 (D.C. Cir. 1981).

9. *Soule Glass and Glazing Co. v. NLRB*, 652 F.2d 1055, 1075 (1st Cir. 1981).

10. *Angelus Block Co., Inc.*, 250 NLRB 868, 876 (1980.

11. *Farmingdale Iron Works, Inc.*, 249 NLRB 98, 106–07 (1980).

12. *Hageman Underground Construction*, 253 NLRB 60 (1980).

13. *NLRB v. Associated General Contractors*, 633 F.2d 766 (9th Cir. 1980), *cert. denied*, 452 U.S. 915 (1981).

14. *NLRB v. Michigan Drywall Corp.*, 616 F.2d 968 (6th Cir. 1980).

15. *SFS Painting and Drywall, Inc.*, 249 NLRB 111, 115 (1980).

16. *Ellsworth Sheet Metal, Inc.*, 235 NLRB 1273, *enforced*, 603 F.2d 214 (2d Cir. 1979).

17. *NLRB v. Don Burgess Construction Corp.*, 596 F.2d 378, 384 (9th Cir.). *cert. denied*, 444 U.S. 940 (1979).

18. *Shield-Pacific, Ltd.*, 245 NLRB 409 (1979).

19. *Appalachian Construction, Inc.*, 235 NLRB 685 (1978).

20. *Naccarato Construction Co.*, 233 NLRB 1394 (1977).

21. *The Bell Company*, 225 NLRB 474, 481 (1976).

22. *Crawford Door Sales Co.*, 226 NLRB 1144 (1976).

23. *H. S. Brooks, Inc.*, 233 NLRB 889 (1977).

24. *P. A. Hayes, Inc.*, 226 NLRB 230, 236 (1976).

25. *Wayne Electric Inc.*, 226 NLRB 409, 417 (1976).

28. *Local No. 627, International Union of Operating Engineers v. NLRB*, 518 F.2d 1040, 1047 (D.C. Cir. 1975).

27. *Rushton & Mercier Woodworking Co., Inc.*, 203 NLRB 123 (1973).

28. *Schultz Painting & Decorating Co.*, 202 NLRB 111, 115 (1973).

29. *Sakrete of Northern California, Inc. v. NLRB*, 332 F.2d 902 (9th Cir. 1964), *cert. denied*, 379 U.S. 961 (1965).

30. *Davis Industries, Inc.*, 232 NLRB 946 (1977).

□ 1315

The CHAIRMAN. The gentleman from Vermont [Mr. JEFFORDS] has consumed 10 minutes.

Mr. CLAY. Mr. Chairman, I yield 2 minutes to the gentleman from New York [Mr. LUNDINE].

Mr. LUNDINE. Mr. Chairman, I am here today to express my strong support for H.R. 281, the Construction Industry Labor Law Amendments of 1985.

Congress passed the National Labor Relations Act in 1935 to protect the right of employees to bargain collectively. The act was amended in 1959 because Congress believed there was a need to accommodate the unique conditions in the construction industry. Today, we are debating H.R. 281, in order to restore the original intent of Congress when it enacted section 8(f) of the National Labor Relations Act [NLRA] in 1959.

As you know, the construction industry is characterized by a work force constantly in flux, changing from employer to employer and geographic area to geographic area, depending upon where work opportunities present themselves. Employment is often seasonal and intermittent.

Because the employment relationship in construction is transitory, representation elections are inappropriate if not impossible. Moreover contractors need to know labor costs when submitting a bid for a project—even though they may not have any employees at the time.

To address the unique characteristics of the construction industry, section 8(f) of the National Labor Relations Act allows contractors and unions to enter into prehire agreements before the contractor has hired a full complement of workers. These agreements generally provide that a contractor will hire its work force through a union hiring hall and pay agreed upon wages and benefits, while the union guarantees that the employer will have access to skilled workers when needed. Neither the contractor nor the union is obligated to sign such as agreement. Once a project is underway, the workers have the right to decertify a union by a simple majority.

Unfortunately, prehire agreements have been eroded substantially by the National Labor Relations Board and the courts, Today, under the Board's view of prehire agreements, an employer is, in many circumstances, free to repudiate a prehire agreement of any duration and the union is powerless to enforce the agreement unless it can prove that, at some previous time, it had established majority support among a stable complement of the employer's workers.

In addition, the NLRB has allowed employers to avoid these obligations by permitting them to establish double-breasted operations. A double-breated company is one which has two separate corporate identities—one will operate under a unon agreement, the other will be an open shop. Both companies will be owned, controlled, and/or managed by the same interests and the decision as to which company will bid on a project will be determined by whether the project will be union or not. A contractor who has signed a prehire agreement simply establishes a second operation to perform the same work under essentially the same management and control as the original operation.

H.R. 281 has a narrow and specific focus and is intended only to require contractors to live up to their agreements. To curtail the practice of double breasting, two or more related business entities in the construction industry under common control and performing the same or similar work would be considered a single employer for purposes of labor law. In addition a labor agreement entered into by such an employer would cover all operations of the employer within the geographic area specified in the agreement.

The legislation also would require that prehire agreements in the construction industry have the same binding effect as other collective-bargaining agreements. They would be enforceable for the period specified in the agreement and could be repudicated only if the affected workers voted to decertify.

In my view, H.R. 281 will restore basic fairness to labor relations in the construction industry and is necessary to reverse the erosion of the rights of construction workers that we have seen in recent years. We should no longer permit the NLRB to deprive workers in this industry of the rights which Congress expressly granted to them and I urge my colleages to join me in support of this important measure.

Mrs. ROUKEMA. Mr. Chairman, I yield myself such time as I may consume.

Mr. Chairman, I rise in opposition to this bill. I know it is a complicated bill, one that many of my colleagues do not understand because of the complicated technical nature of the vocabulary, as well as the technicalities of the bill, but I will try to explain it as best I can and my reasons for opposition.

Mr. Chairman, first and foremost, these proposed changes to the National Labor Relations Act are totally inconsistent with the act's basic premise—that is, that there will only be union representation when a majority of the employees want it. Second, there are already mechanisms in the law that deal with employers who commit the type of abuses addressed by the bill. And third, in the long run, I believe these proposed changes would actually pressure more contractors to go totally non-union, thus denying them needed flexibility to employ both union and nonunion employees, as well as thwarting employee choice.

The bill address two issues affecting collective bargaining in the construction industry—dual shop operations—double breasting—and prehire agreements. Let me take each of these issues in turn.

Operating dual shops is the practice by some construction contractors who have a contract with a union of setting up a separate company to operate on a nonunion basis for some projects in order to successfully compete with nonunion companies. In the last few years, more and more employers have begun operating on a dual shop basis in response to the competition from nonunion contractors. The problem with H.R. 281 is that it would completely prohibit double breasting—dual shop—whenever an employer has even one small entity that is unionized. It would automatically impose

the union upon all of the companies performing the same or similar work in which a contractor has the least bit of common ownership, management, or control. Not only does this all-union requirement completely ignore employee choice—a choice which the statute has guaranteed for 50 years—but it would prevent many contractors from being able to compete in the open market.

Further, we do not need to amend the law in this sweeping manner because there are already legal mechanisms to prevent employer abuses. The National Labor Relations Board, with court approval, has fashioned two legal doctrines which prevent employers who set up separate operations from avoiding the contractual obligations they have with a union. Under the "alter ego" doctrine, an employer is required to apply the collective-bargaining agreement to all its operations if it transferred a substantial portion of its assets, customers, management, and/or employees for the purpose of avoiding its union contract. Under the single employer doctrine, there will be the same result if certain specific factors indicate that different operations are in fact run by a single employer as a single integrated enterprise and that the nonunion employees have interests sufficiently similar to the union employees.

In short, there is already a body of case law which deals with those employers whose purpose in setting up a doublebreasted operation is to shirk their obligations under a union contract. We should not enact amendments which would impose these same rules upon employers whose sole purpose in setting up such an operation is to remain competitive with open shop employers.

There is another important reason why we should not enact a blanket prohibition against dual shop operations. Completely prohibiting these operations will present employers with the choice of operating either all union shop or all open shop. Faced with such a choice, it would only be natural for most employers to go totally nonunion in response to their nonunion competition, because they know that if they sign a contract with a union, their entire business will have to be unionized. Thus, in the long run, these amendments would be harmful to employees' exercise of free choice regarding union representation because it encourages employers to operate completely on a nonunion basis. Again, the basic principle of the statute is violated.

Now I turn to the second important issue the bill addresses—prehire agreements. Prehire agreements are collective bargaining agreements entered into by a union and contractor before any employees have been hired. Although illegal in all other industries, due to the unique nature of the construction industry, such agreements are permitted as a special exception to the statute. But to protect employee free choice, they do not become binding until the union can show that it has the support of a majority of the employees.

The problem with H.R. 281 is that it would make these prehire agreements automatically and immediately enforceable without ever requiring any evidence of majority support. This imposition of union representation on the employees is totally contrary to the rest of the statute.

There is only one provision in the bill which at all takes into account employee choice. Employees could remove union representation or obtain representation by a different union only by petitioning the NLRB for an election—a decertification election. Unfortunately, this would operate more in theory than in reality. Because employees in the construction industry often work for a particular employer for very short time periods—as little as a few days or a few weeks—they are frequently gone before an election can be held. This unique feature of construction industry employment is one of the main reasons why prehire agreements were permitted in that industry in the first place. Thus, practically speaking, decertifying a union is usually an impossibility.

In sum, this bill is seriously flawed. It would enact far too sweeping changes in the National Labor Relations Act—changes which are not only inadvisable for practical reasons, but which reverse the act's basic goal of giving employees the decision whether or not to be represented by a union.

Finally, before closing I would like to mention that I would have preferred to introduce a compromise bill which would tighten up current law where necessary, avoid lengthy proceedings before the NLRB and courts, and adequately deal with the objections I have just mentioned. For example, I believe that the definition of "single employer" in current law could be made more clear to prevent abuse and unnecessary litigation. I believe that there could be an initial period in which an employer must adhere to a prehire agreement in order to allow the union a chance to secure majority support—by majority support I do not mean that an election must be conducted. Mr. JEFFORDS' amendments address the issue of enforcing prehire agreements. And I believe that a way could be found to provide employee choice. However, because of uncompromising positions on both sides and because of the complexity of these issues, I have concluded that the only course of action presently is to defeat this bill and send it back to committee to find a workable compromise that both prevents employer abuses and guarantees employee choice.

□ 1330

Mr. CLAY. Mr. Chairman, I yield 2 minutes to the gentleman from New York [Mr. BIAGGI] a member of the committee.

Mr. BIAGGI. Mr. Chairman, I thank the gentleman for yielding me this time. I want to commend the gentleman for his efforts in this undertaking.

Mr. Chairman, I heard the gentleman from Vermont [Mr. JEFFORDS] state that there is no reason for this legislation, and I would be inclined to agree, but only under the supposition that the law that the Congress passed in 1959 still prevailed.

It is amazing how with the passage of time the congressional intent is eroded, the disregard for the clear concern of the Members of Congress at that time, in order to protect the laboring forces of our Nation, the passages of time the courts, as well as the NLRB, have eroded the intent of the Congress, clearly countermanding the impact of the law.

That is why this bill is necessary today. We are familiar with the repudiation of pre-hiring as well as the double-breasting. Those areas are an abrogation on the part of the management, on the part of industry, references made to the stability that exists in the building industry today. We know all of the problems, and we know how it was at another time: instability, labor strife, difficulties, unemployment, management losing money.

Stability came at a price. Congress recognized what was necessary in order to establish and preserve that stability, stability we have today.

But notwithstanding the stability, we are threatened with the spector of a continued effort on the part of industry to emasculate the provisions of law that have protected the interests of the working man.

This bill is necessary in order to reaffirm the congressional intent of 1959 and to maintain a moral commitment that was established in this period.

Mrs. ROUKEMA. Mr. Chairman, I yield 3 minutes to the gentleman from Texas [Mr. BARTLETT], a member of the committee.

Mr. BARTLETT. Mr. Chairman, I thank the gentlewoman for yielding me this time. I commend the gentlewoman, the ranking member of the subcommittee, for her statement and her eloquence against this unfair legislation.

Mr. Chairman, I would like to take a minute to go through some of the terms of the bill to review what is wrong with it, and how it adversely affects the lives of very real people who live in your district and in mine.

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First and most basically, the bill, this legislation, would deny freedom of choice to employees to decide whether or not they want to be represented by a union.

Now, reduced to its basics, the bill automatically applies the terms of a union contract to nonunion entities of a dual shop employer. In fact, it could well apply the terms and conditions of a union contract to other union employees of a dual shop employer. The employees of a nonunion entity would be required to pay union dues, abide by union work rules, and could be subject to fines without the opportunity to vote on whether or not they want to be subject to that contract.

If the contract has a union security clause and the employee refuses to pay union dues, the employee could be fired with no means of redress.

Second, and I think it was eloquently stated by the gentlewoman from New Jersey, the bill attempts to resolve a problem that does not exist, a so-called problem that has already been dealt with by present law. The fact is, there is no problem here that needs to be fixed. H.R. 281 would merely outlaw dual shop operations in the construction industry, based on the myth that somehow in dual shop operations, one subsidiary can take the contract of another subsidiary. In case after case after, the NLRB has ruled those operations to be illegal and cannot be operated and, in fact, the law says very, very clearly under the court decisions that dual shop operations have to be at arm's length.

The bill provides a windfall in dues to construction unions, who have been steadily losing market share over the past years. Maybe that is the real reason for this bill. I say that, understanding that what has happened in the marketplace is the marketplace has changed. In 1967, 44 percent of construction workers were unionized; by 1984, that percentage dropped to less than 25 percent.

In fact is we ought to allow the marketplace to set the marketplace conditions. In most markets today in construction, there is not one, but two markets. So, by adopting this legislation, it is not going to change that. It would just simply make many companies noncompetitive and drive many employees of open shops for the short term into a union contract; but for the long term, it would force those same employees to choose between the two markets and many of the employers will choose the open shop market and thus compound the problem of construction unions.

The bill forces construction companies, and the basis of it is, to operate either totally union or totally nonunion without regard to the market, without regard to freedom of choice.

Mr. CLAY. Mr. Chairman, I yield 5 minutes to the gentleman from Alabama [Mr. Shelby].

Mr. SHELBY. Mr. Chairman, I rise in support of H.R. 281, and in support of basic fairness to American workers. I am a free market proponent, and I believe in unfettered competition within the marketplace. It's the engine that drives our economy. If I felt this legislation would somehow inhibit the ability of employers to compete, I could not support it. If I thought the bill would harm the employees it is intended to protect, I would be equally moved to oppose it. The fact is, the bill neither hinders flexibility nor denies freedom of choice. It simply restores equity to employee relations in the construction industry, and brings stability to its rightful place in labor law.

All we are talking about here is fair treatment for employees who have bargained in good faith. We are talking about obligations on both sides to abide by contractural agreements. There is a unique employment situation in the construction industry. Employment is characterized by constantly shifting jobsites—it's transitory. Congress recognized this uniqueness in 1959. Prehire agreements between a union and a contractor may be entered into prior to the hiring of a full complement of employees. This ensures employers access to a supply of skilled workers. Neither the contractor or the union is obligated to sign such an agreement, but once it is done, both sides should remain committed to it.

However, in recent years, many employers, after agreeing to a contract, have simply ignored it. If for some reason, the terms of the agreement were no longer satisfactory, or other problems arose, the employer walks away from the contract. Instead of holding up to this commitment, and working with the union to overcome the problem, a contractor could merely establish a new, nonunion entity to perform the same work. This is what double breasting is all about. And this is the heart of the unfairness we are attempting to address.

Union employees, and all employees, are entitled to an opportunity to preserve their jobs through collectively bargained modifications. This is basic labor law. Unfortunately, administrative-agency rulings have created a double standard in this area. Contracting employers in the construction industry have been given the blessing to evade the obligations of collective-bargaining agreements by establishing double-breasted companies. These employers establish their own rules to fit their convenience and in so doing subvert the will of Congress in fundamental labor law.

Nobody wants to lose his job. No contractor wants to lose access to a skilled work force to complete a project. Union employees, like anyone else, will do what it takes to preserve their livelihood—they only want the chance to do this. They don't want to deny an employer his ability to remain competitive. Everyone loses in that scenario. H.R. 281 is intended solely to ensure that everyone has a fair opportunity to achieve their mutual goals. It's a policy that Congress should be promoting. I urge my colleagues' support for the bill.

□ 1340

Mrs. ROUKEMA. Mr. Chairman, I yield 3½ minutes to the gentleman from Texas [Mr. Armey].

Mr. ARMEY. I thank the gentlewoman for yielding. I appreciate her courtesy and her consideration and leadership on the committee.

Mr. Chairman, we have a very complex piece of legislation here, and it is particularly important because it deals with what many of us consider to be fundamental human rights.

We cherish in our country the right to freedom of association. It is a rather interesting freedom to be cherished by Americans because a characteristic of the American spirit is a fierce sense of independence and autonomy. Yet even within the context of that fiercest realization that we have been given the right to be our own person by our Lord and Maker, and that right is honored by our Constitution and we cherish that right and will not give it up, we also recognize there are times when associations are important to us.

In labor law this right was honored. I quote from the National Labor Relations Act:

> Employees shall have the right to self-organization, to form, join or assist labor organizations, to bargain collectively through representatives of their choosing.

Further quoting:

> They shall also have the right to refrain from any and all such activities.

We have to understand that there are people who would prefer either side of that coin in this country. In recent years, we have seen that that sense of fierce independence and self-autonomy has reflected itself in the choice made by worker after worker in this country, to say, "I choose not to associate, I choose to go it alone, based on my own merits, my own skills, my own abilities, and my own powers to negotiate for myself."

I think this body needs to respect that right to that choice and to do honor by not passing legislation that even would prevent the risk of having that right denied through the imposition of compulsory unionism.

Indeed, Samuel Gompers, a man whom I believe to have been one of the most important leaders of the early labor movement in America, made the point well when he said, "A good union doesn't need compulsion, and a bad union doesn't deserve it."

Now, I do not mean to say that I believe we have here a bad union. We have a very special and difficult circumstance, a peculiar circumstance unique to the industry that makes the juggling of these balls of individuals versus associate liberties and rights on both the side of the employer and the employee and all of the complex issues that we must deal with very difficult because of the nature of the industry.

I will come back to that point later as I offer an amendment to this bill to protect that vital important right of the individual working man and woman in America to be free to not choose to associate.

Mr. CLAY. Mr. Chairman, I yield 2½ minutes to the gentleman from Oregon [Mr. AuCoin].

Mr. AuCOIN. I thank the chairman for yielding time to me.

Mr. Chairman, H.R. 281, the Construction Industry Contract Security Act, introduced by the Honorable William Clay, is a very specific and, I feel, necessary piece of legislation.

Its goals are simple, and just. The bill seeks to curtail the ability of construction employers to evade their union contractual obligations; and it seeks to maintain the construction workers-rights under collective-bargaining agreements unless the work force freely, democratically, under an NLRB sanctioned election, chooses to no longer be represented by a union.

When you think about it, this is a very modest proposal. All it does is require employers in the construction industry to live by the same contract law that employers in every other industry must live by.

The construction industry is fluid and transient. By its very nature, collective-bargaining in the industry is difficult. Lacking a steady relationship with a single employer, the construction worker faces an uncertain future. The next job may come in a few days, or a few weeks. It may require traveling to a distant city.

With a collective-bargaining agreement, much of this uncertainty is eliminated. The wages are consistent, due to the collective-bargaining process. And perhaps more important, the health and pension benefits that American workers deserve and rightfully expect, can be maintained while the worker moves from employer to employer.

Workers in every industry must be free to choose—or to choose not—to be represented by a union. However, having established such a preference, and having the relationship bound in a collective-bargaining agreement, it is only fair to the workers that the labor agreement carry the force of law.

Unfortunately, in the construction industry today, that is often not the case. Signitory construction firms are free to form associate companies, and to use these associate companies to bid on work without regard to the provisions contained in their signed, freely negotiated, collective-bargaining agreement.

I fail to see how this body, steeped in the tradition of American contract law, can sanction such unproper behavior.

I urge passage of H.R. 281 so that American construction workers may share in the same legal protections afforded workers of other industries.

Mr. CLAY. Mr. Chairman, I yield 3 minutes to the gentlewoman from Ohio [Ms. Oakar].

Mrs. BURTON of California. Mr. Chairman, will the gentlewoman yield?

Ms. OAKAR. I yield to the gentlewoman from California.

Mrs. BURTON of California. I thank the gentlewoman for yielding.

Mr. Chairman, I just want to ask my colleagues to vote for this bill. It is a good bill. The statements that the gentleman from Oregon [Mr. AuCoin] made are correct. I join him in his statement. I urge all of the Members to vote for H.R. 281.

Ms. OAKAR. Mr. Chairman, I want to first of all commend the gentleman from Missouri [Mr. Clay], and others, for this very important piece of legislation.

It is interesting to me that whenever you talk about fairness, there are usually statements made that will distort the truth. I wanted to just try to clarify a few things that I heard in the debate here that I thought were inaccurate.

First of all, H.R. 281 is necessary to reverse the erosion of construction workers' rights. These are the rights of people who are responsible for building our Nation. And it restores ability to labor relations in the construction industry.

Now, here is one distortion: I heard that it will supposedly force construction companies to be either completely union or completely nonunion. That is a distortion. Nothing in H.R. 281 will force such a choice. Construction firms would still be able to own dual shops if they choose to do so. But if they voluntarily sign a collective-bargaining agreement which requires it to operate a union in a particular area, a firm will not be able to dodge its obligations by setting up subsidiaries or related firms in that area. But they have the responsibility of deciding whether or not they want collective bargaining. So let us not distort that element.

Another distortion I heard was that it would supposedly prohibit a company which has a union contract at just one of its sites from operating nonunion anywhere else ever again.

First, H.R. 281 does not change the current law which says that any company, even a union company, is free to operate nonunion after its collective-bargaining agreement expires; and, second, if the union contract applies by its terms at only a single site, nothing, nothing, nothing in H.R. 281 would extend the contract to or impose the contract on any other site of that employer or any other employer however closely related.

Those are just two of the distortions I heard.

What we are talking about is treating workers fairly in adhering to the law, and this particular bill reinforces existing law no more, no less. So let us not deal with qualified untruths. Let us deal with the truth and say we are talking about fairness and we are talking about not being able to skirt the law, and we hope that we will be able to reverse this erosion of construction workers' rights.

Mr. CLAY. Mr. Chairman, I yield 2 minutes to the gentleman from Texas [Mr. Brooks].

Mr. KILDEE. Mr. Chairman, will the gentleman yield?

Mr. BROOKS. I yield to the gentleman from Michigan.

Mr. KILDEE. Mr. Chairman, the need for this legislation has been well documented by the committee. In 1959, Congress granted construction industry unions and employers special rights, in order to tailor their collective-bargaining agreements to the unique characteristics of this industry. The National Labor Relations Board, however, has permitted employers, through a series of decisions over the last 10 or 15 years, to avoid those very agreements by the simple device of setting up a second company to do the same work, in the same area, but on a nonunion basis. This practice of contract avoidance by double breasting has become endemic in the construction industry and runs contrary to the most basic notions of good faith and fair dealing which are the cornerstone of our system of doing business.

In addition to being indefensible from a moral standpoint, this practice of double breasting has proven disruptive to the conduct of labor relations in this industry, and therefore runs directly counter to Congress' effort to stabilize labor relations in the industry through the 1959 amendments.

Sections 2(a) and 2(b) of this bill would reverse the erroneous line of NLRB decisions, misapplying the concept of "single employer" and using bargaining unit concepts which Congress recognized 25 years ago do not work in the construction industry.

I do not agree with some opponents of this bill that it would impose collective-bargaining agreements on independent or separate business entities in the construction industry. This bill is aimed specifically at related—and not independent—business entities. Nor is it true that purchasing a single share of stock in a company, or holding a position on the board of directors of a bank which provides construction loans to a company, would satisfy the definition of single employer in section 2(a) of this bill.

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In short, the reasons for supporting this bill are many, and the legitimate reasons for opposing it have yet to be advanced. Rhetorical arguments are not a good substitute for facts or reasoned argument. I urge my colleagues to join me in supporting H.R. 281.

Mr. BROOKS. Mr. Chairman, I rise in support of H.R. 281, the Construction Industry Labor Law Amendments of 1985. This bill will restore to the construction industry the treatment that Congress intended to accord that industry through enactment of section 8(f) of the Landrum-Griffin Act of 1959.

Decisions of the National Labor Relations Board and the courts have diluted the protections that the 1959 act was supposed to provide in the unique circumstances of the construction industry. These decisions permit employers to avoid bargaining agreements that they have entered into voluntarily and have led to an expansion of the practice of double breasting, in which a union construction company and a nonunion company, both of which are commonly owned and controlled, are established in an effort to avoid collective-bargaining agreements.

Mr. Chairman, H.R. 281 would ensure that construction industry collective-bargaining agreements—so-called prehire or 8(f) agreements—would have the binding effect of other collective-bargaining agreements. It would not impose collective-bargaining agreements on independent or separate business entities in that industry. Rather, it is clearly aimed at related business entities.

In summary, Mr. Chairman, H.R. 281 is a reasonable and logical means of clarifying congressional intent as to application of Federal labor statutes to the construction industry. I urge my colleagues to join me in supporting this measure.

Mr. CLAY. Mr. Chairman, I yield 2 minutes to the gentleman from Illinois [Mr. Hayes], a member of the committee.

Mr. HAYES. Mr. Chairman, I rise in support of H.R. 281. The bill serves two commendable purposes: To render effective prehire agreements, to resurrect something Congress thought it had accomplished 25 years ago, and to end the dishonest tactic of double breasting as a means of avoiding contractual obligations.

Double breasted operations were relatively unknown until the early 1970's. The beginning of the trend can be traced directly to the NLRB and its 1973 decision in the Peter Kiewit case. That case is discussed in detail in the committee report accompanying H.R. 281 and I will not burden the record by retracing its history. Essentially, however, Kiewit simply shifted the work which was previously performed by employees of its union company to its nonunion company. The nonunion company had become operational in the State for the first time for the specific purpose of avoiding the wages and working conditions required by the collective-bargaining agreement Kiewit had entered.

It is obvious to me that a system that permits an employer to evade its written agreement merely by setting up a new company in order to perform the same work in contravention of that agreement is just plain wrong. That is not what Congress had in mind in 1935 when it sought to promote and encourage the practice of collective bargaining and it is not what Congress had in mind in 1959 when it sought to strengthen and stablize collective bargaining in the construction industry.

Nor is double breasting a practice that is necessary in order for employers to remain competitive. It is vertually impossible to compel an employer in the construction industry to engage in collective bargaining. Even where it is possible, the law requires only that they bargain in good faith; it does not specify the terms or conditions of the contract to be reached or even that there eventually be an agreement. The contracts signed by contractors in the industry are contracts they have freely entered. If they wish to remain nonunion or seek to negotiate a contract covering only a part of their operations they are free to do so. Finally, construction industry unions have as strong commitment and interest in the ability of building construction trade employers to win jobs as the employers do. The ability of the union to provide work for its members is directly dependent upon the ability of contractors who have to recognize the union to win jobs. Where economic conditions render it more difficult for union employers to compete, our national labor policy and the unions' own self-interest require that the employer and the union sit down at the bargaining table to seek a mutually satisfactory solution.

In other words, double bresting is not necessary to the collective bargaining process, it is simply a means of destroying the process. So long as double breasting is permitted, an employer is free to unilaterally walk away from contractual commitments to its workers. Rather than adhering to its contract or negotiating with its workers, the employer simply establishes a second company to do the same work on a nonunion basis. Under such a system an employer may unilaterally determine on a job-by-job basis whether or not workers may enjoy the benefits of collective bargaining. If collective bargaining is to exist only when it is convenient to employers, it will not be long before workers find they have no rights at all. I cannot sanction a system so inherently unjust and I believe that H.R. 281 offers a fair and effective remedy to the problem. I am pleased, therefore, to support H.R. 281.

□ 1355

Mrs. ROUKEMA. Mr. Chairman, I yield 2 minutes to the gentleman from Michigan [Mr. Henry], a member of the committee.

Mr. HENRY. Mr. Chairman, I rise in opposition to the bill for a number of reasons. First of all, I fail to see the problem that has been described. To the extent that the abuses, the violation of the law of contract, do take place against existing law, the remedy should rest then not in new law, but in better enforcement, even-handed enforcement from the NLRB.

Second, the remedy proposed does not really address the problem which has been brought to the attention of this House.

I would suspect in those areas in which the preponderance of construction work takes place in open shops, contractors will simply go to a completely open shop methodology. For those in which most of the work is done in union shops, they will simply go that route.

It is like a little problem I have in my local supermarkets in west Michigan. West Michigan happens to be the apple juice concentrate capital of the Nation. In our supermarkets we are particularly sensitive to see that apple juice gets equal display with orange juice in the frozen fruit section or the fresh fruit section.

Now, what should happen if the orange juice growers coming from Florida should come to this body and ask for a law which suggests that if apple juice is given equal prominence or fair treatment with orange juice, then they will no longer allow the marketing of their goods into those supermarkets, or vice versa.

Well, what would happen is that in west Michigan we would pull out the orange juice and keep the apple juice. Perhaps down in Florida they would keep the orange juice and pull out the apple juice. I am not sure which way it would go, but quite frankly, I think that is what this bill does. It lessens the choice for the contractor. It lessens the choice for the consumer and really in no way gives true remedy to the problem we are seeking to address.

Mr. CLAY. Mr. Chairman, I yield 2 minutes to the gentleman from New York [Mr. Owens), a member of the committee.

Mr. OWENS. Mr. Chairman, I rise in support of H.R. 281 and urge my colleagues to join me in voting to restore fairness and integrity to construction industry labor law.

Perhaps the best indication of the merit of H.R. 281 is the fact that throughout today's debate, the bill's opponents have steadfastly avoided debating its actual provisions, regaling us instead with a series of ominous and frequently contradictory prophecies that seem to have very little to do with the substance of H.R. 281 itself. From one set of opponents, we hear that this legislation would

impose unions on every construction contractor and worker in America; from another set, we hear that the enactment of H.R. 281 would in fact be a deadly blow to unions, setting off an explosion of new, nonunion construction shops. Still farther off the track, others have intoned darkly about inflation and recession, apparently proceeding from the peculiar idea that anything good for workers must somehow be bad for the economy.

All these prophecies have been very interesting, but they have also been completely beside the point.

There is nothing complicated about H.R. 281, nothing that is so terribly hard to understand. It is a simple piece of legislation, designed soley to shut down two glaring loopholes in American labor law. For more than 50 years, the Congress has sought to ensure that negotiations between labor and management in our economy take place on a level playing field, taking great care not to give either side an unfair advantage. Today, however, as a result of a series of ill-founded decisions by the National Labor Relations Board and the Federal courts, that level playing field has all but vanished in the construction industry, supplanted now by a new, much uglier game that is rigged from beginning to end to favor employers.

Across the country, construction workers have discovered to their dismay that the collective bargaining agreements they negotiated in good faith with their employers are no longer worth the paper they are printed on. Though the employees themselves remain bound by the terms of their contracts, their employers have been given free reign by the union-busters at the NLRB to unilaterally terminate bargaining agreements at any time they so desire. To worm out of an existing contract, an unscrupulous construction firm need do nothing more than set up a second, nonunion but otherwise identical firm and proceed to use it to usurp the work of the original union shop. Or, for those too greedy to spend a few dollars to file new incorporation papers, the NLRB has cooked up another recipe for breaking an agreement that is even less trouble: simply ignore the contract and walk away. Both maneuvers, insists the NLRB, are completely within the law, and with both, the results are always the same: once-binding legal commitments are evaded, unions are busted, and workers are tossed out on the street.

H.R. 281 would seal off the loopholes that have permitted these creative, union-busting schemes to proliferate and would restore the level playing field for labor-management relations that Congress has long sought in the construction industry. It would not compel construction firms to recognize unions; it would, however, compel them to fulfill their legal obligations to workers with whom they have signed collective bargaining agreements. It would not rewrite labor law to create any new rights for construction workers; it would, however, require that existing rights already in the law be adequately protected. H.R. 281 merely reestablishes evenhandedness in construction industry labor relations—nothing more and nothing less than that.

It is well understood by most Members of this body that American labor law is in a shambles. Ravaged by time, abused and manipulated by slick union-busting consultants, and maimed by a partisan NLRB, it is in urgent need of a dramatic overhaul. Since it now seems unlikely that we will be taking on that necessary but enormous task anytime soon, it is imperative that we at least move forward with those small, commonsense changes that will go a long way toward making current laws work as they were originally intended. By closing two outrageously unfair loopholes in construction industry labor law, H.R. 281 is one such small, effective change for the better and it deserves the full and enthusiastic support of the Congress.

Mrs. ROUKEMA. Mr. Chairman, I yield 1½ minutes to the gentlewoman from Nevada [Mrs. Vucanovich].

Mrs. VUCANOVICH. Mr. Chairman, I thank the gentlewoman for yielding time to me.

Mr. Chairman, I rise in opposition to H.R. 281, the Construction Industry Labor Law Amendments of 1985.

The question before us today is whether Congress is going to restrict the rights of workers in the construction industry. Because I believe individual workers have the right to choose whether or not to belong to a union, I am opposed to any action by Congress which will eliminate this freedom.

By forcing a construction company that has a unionized subsidiary to operate all of its nonunion operations according to the collective-bargaining agreement with that one subsidiary, the bill will bring all of the contractor's workers under that agreement. The only choice the workers will have at that point is to choose between the union or their job.

Present law provides protection against an employer who attempts to avoid obligations under a union operation to the nonunion operation, the collective-bargaining agreement of the union will be imposed on the nonunion operation. It is unnecessary to change this fair and balanced approach.

In addition, this legislation will effectively eliminate the choice of the owner of a construction business to invest in more than one construction firm. There is no other area of business where citizens are prohibited to invest and conduct business in this manner. Yet another problem with this bill is found in the prehire provisions. Under present law, prehire agreements—which would be illegal in other industries—are not binding on either party in absence of majority status by the union. Once the majority status has been established, the agreement is binding. This allows employees to make their own determination as to whether they will be represented and by whom.

H.R. 281 would make prehire agreements immediately binding. There simply is no reason to elevate a prehire agreement to the status of a formal collective bargaining agreement. This process once again bypasses the workers, forcing them to be bound to an agreement without the opportunity to approve it.

I urge my colleagues to support the rights of the workers and the rights of citizens to conduct business in a fair and reasonable manner. Vote against H.R. 281.

Mr. CLAY. Mr. Chairman, I yield 2 minutes to the gentleman from California [Mr. Hawkins], the chairman of the full committee.

Mr. HAWKINS. Mr. Chairman, I rise in support of H.R. 281, the Construction Industry Labor Law Amendments of 1985, and as chairman of the committee, I wish to commend the gentleman from Missouri [Mr. Clay] and Members on both sides for the manner in which this legislation was brought before the House. I think they have been very deliberate. I think they have been very fair.

Mr. Chairman, the National Labor Relations Act was originally enacted to ensure that our country's national labor policy not only fairly protected the rights of both employees and employers but also brought stability to an otherwise unstable and threatening labor-management relationship. The essence of why we have a national labor policy, and why it is worth reviewing, is best stated in the declaration of policy, accompanying the 1947 enactment and I quote:

> It is the purpose and policy of this act, in order to promote the full flow of commerce, to prescribe the legitimate rights of both employees and employers in their relations affecting commerce, to provide orderly and peaceful procedures for preventing the interference by either with the legitimate rights of the other, to protect the rights or individual employees in their relations with labor organizations whose activities affect commerce, to define and proscribe practices on the part of labor and management which affect commerce and are inimical to the general welfare, and to protect the rights of the public in connection with labor disputes affecting commerce.

This statement of purpose talks about legitimate rights, orderly and peaceful procedures and reflects a desire for fairness, dependability and straightforwardness in the dealings be-

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tween employers and employees; this too is what H.R. 281 is all about.

When the National Labor Relations Act was originally passed, however, it was procedurely designed to deal primarily with the process for establishing collective bargaining in industrial fixed site locations. The construction industry by its temporary and mobile nature is quite different than the typical fixed site industrial plant. Over those first years, we found that the act failed to adequately deal with this unique industry. Therefore, cognizant of these real structural differences, and faced with a miserable track record of applicability to the construction industry, and with the very real fear that construction workers would be left without a viable method of establishing union representation, the Congress in 1959, statutorily created and thereby sanctioned what are known as "prehire agreements" in the construction industry. A perhire agreement simply means, in return for access to a stable skilled work force, a contractor will commit to abide by negotiated wages and conditions on specific jobs for a specific period of time. It is the principal means by which construction workers establish and maintain their right to engage in collective bargaining.

No contractor is in any way forced to sign an agreement; it is a voluntary act by the contractor. However, having signed a labor agreement, decency, as well as common sense, argue that the parties abide by their agreement.

Two sets of decisions by the NLRB have worked to undermine the rights construction workers thought they had gained by the 1959 enactment. The first allows unilateral repudiation of prehire agreements, while the other allows the so-called practice of double breasting, the establishment of parallel companies who have common management or ownership but who operate separately so as to negate established collective-bargaining agreements.

These methods of contract avoidance would not be possible in other industries. That is why this legislation, specific to the construction industry, is sorely needed.

In the first line of cases, the NLRB has allowed construction contractors to abrogate their prehire agreements at will, unless the union can demonstrate that the contractor has a stable work force and majority support of that work force. Failing this, the union must demonstrate majority support on every separate job site.

A large contractor may be working on a dozen or more job sites at the same time. He may employ up to a dozen different trades. The different trades may work at different job sites, at different stages of the construction, and at different times. For these reasons, few contractors have "a stable and constant work force," not because of some evil but due to the characters of the industry itself. Just as the unique characteristics of the industry prevent a stable work force, they also, in practice, make the burden of establishing majority support on each job site unreasonable and practically impossible. As an example, a large project may have but a few carpenters employed at the outset. At peak employment, there may be scores of carpenters needed. Later, as the project progresses, the need for carpenters may decline, then increase again as the interior work begins.

I fail to see how, in all fairness, the union in this case could be told they must pursue an NLRB certification election, which can take months and even years. When is the election to take place? When there are a handful of carpenters on the job or at peak employment? I raise these questions only to illustrate, that maybe the real purpose of these decisions is to insure that no election can practically be held—and thus no uniop be recognized in spite of the clear wishes of the workers.

The prehire agreement brings stability to an industry that is highly unstable. Once signed, a labor agreement, as any other contract, must have the force of law. The parties must be able to rely on its binding nature and hence its dependability.

Imagine what would happen if a union had the same right to unilaterally abrogate a labor agreement. No-strike provisions, included in most contracts, would become meaningless. A union would be free to halt work at any time to pursue changes in wages and other conditions. Clearly, this would result in chaos.

The second method of trying to avoid labor contracts in the industry involves double breasting. A company establishes an alter ego, if you will, another construction arm which operates nonunion. Generally, the nonunion breast is in competition with the arm that is a signatory to the collective-bargaining agreement. There is no diminution of the company's role in the industry, only the unilateral termination of its employees rights to union representation.

In effect, these double-breasted firms want to have their cake and eat it too. It is similar to registering to vote as both a Democrat and a Republican so as to vote in both primaries.

Currently, workers are defenseless against this sort of corporate shell game, and when one employer succeeds in undermining wages by such a strategy, competitive pressures force other employers to follow suit.

The intent of Congress 25 years ago was to bring stability and fairness to labor relations in the construction industry. That intent has been frustrated both by the actions of certain members in the industry, and by the rulings of NLRB.

Legislative action is needed to restore the original congressional intent. H.R. 281 is a very simple and direct bill aimed at a very obvious problem. It would restore the enforceability of section 8(f) of the Wagner Act by elevating prehire agreements to the same status as other collective-bargaining agreements. Prehire agreements would be subject to the same provisions as labor agreements in other industries.

In addition, it would eliminate the sham of double breasting.

In sum, H.R. 281 would restore fair and reasonable rights to organize and collective bargain to construction workers.

It is necessary, specific, and well intended piece of legislation. I urge its passage.

Mrs. ROUKEMA. Mr. Chairman, I yield myself such time as I may consume.

Mr. Chairman, I would like to make a point in concluding this debate that Secretary of Labor Brock has written a letter indicating his strong opposition to the legislation:

U.S. Department of Labor,
Secretary of Labor,
Washington, DC, April 14, 1986.

Hon. Robert H. Michel,
U.S. House of Representatives,
Washington, DC.

Dear Bob: This week the House will consider H.R. 281, the Construction Industry Labor Law Amendments of 1986 (the "double-breasting bill"). The Administration is strongly opposed to this bill, and I urge you to vote no.

We oppose the bill primarily because of its interference with employee free choice and the collective bargaining process. The National Labor Relations Act has established a precise method by which employees can decide their collective bargaining representation. This process contains safeguards for all parties to ensure that neither employers nor employees evade their statutory or contractual obligations under a collective bargaining agreement. This bill would alter this careful process. The bill would also fundamentally alter a central tenet of our labor laws—protecting an individual's right to choose whether one wishes to join a particular union or any union.

The bill consists of two provisions: the first would prevent a contractor from operating both a union and a nonunion operation; the second would broaden the existing pre-hire construction exemption now found in the National Labor Relations Act.

With respect to the first provision under H.R. 281, a union representing the employees of one company would be imposed on the employees of another company who will not have the opportunity to first decide whether they wish to be represented. The employees of this second company would be subject to this decision made by employees of the first company as well as to the decision to accept the work rules, wages and other conditions of employment in the union's collective bargaining agreement.

With respect to the second portion of H.R. 281, a union which has a pre-hire agreement with an employer (setting the terms of employment on a construction site) could

become the exclusive bargaining agent of the employees on that site, notwithstanding that a majority of workers may not want to be represented by that union or any union. This means a minority of workers would control the job conditions of a majority of workers.

Proponents of H.R. 281 assert that employers can evade their contractual obligations under a collective bargaining agreement by shifting work to a non-unionized entity. Our experience has shown this not to be the case. Current law sets a strict test in this regard, and National Labor Relations Board actions and court decisions protect workers against such an illegal practice. The balance struck by the Board and the courts under present law recognizes the basic principles of fairness while at the same time taking into account the transient nature of the construction industry.

The underlying principle of our labor laws, and which H.R. 281 would weaken, is grounded in respect for the decisions of individual workers and of assuring workers control over their own economic destinies through the collective bargaining process. Our labor laws guarantee that the choice of whether to join a union is the employee's, not the employer's and not the union's.

In recent years the construction industry has experienced rapid growth and with it, change. Response to that change needs to take the form of closer cooperation between labor and management. Our skilled trades are still the world's most productive. Industry and labor need to continue their dialogue to ensure that this productivity continues. We believe the Act *as is* provides a proper and adequate framework for that dialogue and therefore strongly oppose H.R. 281.

Enactment of H.R. 281 would mark a significant departure in labor-management relations policy. The ultimate question is whether the shorter term gains to one segment of the construction industry justify the consequences to employee protections under the National Labor Relations Act.

I urge you to oppose H.R. 281.

The Office of Management and Budget advises that there is no objection to submission of this report from the standpoint of the Administration's program.

Very truly yours,

William E. Brock.

I want to again stress that I am urging a no vote on this bill. I would admit that there is need for an improved definition on single employer. I would think this committee and this body could have come to some kind of compromise on that, but unfortunately, we were not able to. There was an uncompromising position by the interest groups on both sides of this issue. They would not agree to a compromise.

Second, regarding the union, I do think that there should be a revision in terms of how majority support is defined. I would be prepared to work with the chairman of the committee to that extent. That does not mean elections. I agree with the chairman and probably the labor unions who believe that the election route process is unfeasible, but there are several ways available under current law that allow a showing of majority support even without an election. I think we could have come to an agreement.

The absence of such an agreement and such compromise, I must strongly oppose this bill and urge my colleagues to vote against it, with the expectation that this committee can do better.

Mr. CLAY. Mr. Chairman, I yield 30 seconds to the gentleman from Texas [Mr. Coleman].

Mr. COLEMAN of Texas. Mr. Chairman, I have had a great deal of material on this. If I could just ask a couple questions.

First of all, would a typical contract between a general contractor and an independent subcontractor establish a single employer status as envisioned by section 2(A) of H.R. 281?

I yield to the gentleman from Missouri.

Mr. CLAY. The answer is no.

Mr. COLEMAN of Texas. Mr. Chairman, I thank the gentleman for that answer.

Mr. Chairman, therefore, this bill does not provide for common situs picketing; am I correct?

Mr. CLAY. That is correct.

Mr. COLEMAN of Texas. I thank the gentleman very much for answering these questions.

Mr. CLAY. Mr. Chairman, I yield 4 minutes to the gentleman from Pennsylvania [Mr. Murphy], a member of the committee.

Mr. MURPHY. Mr. Chairman, I thank the chairman of the subcommittee.

Mr. Chairman, I rise today in support of H.R. 281, the Construction Industry Contract Security Act.

Once again, the basic right of construction workers to gain collective bargaining protection is under attack. Specific construction industry provisions of the Federal labor law, intended to assure protection of these rights, are being ignored through decisions of the National Labor Relations Board.

As a result, contractors today can freely ignore prehire agreements which allow a union to negotiate proper wages and conditions of employment. In addition, the NLRB has given sanction to the practice of double breasting wherein a contractor who has signed a prehire agreement establishes a second operation to perform the same work under essentially the same management and control as the original operation. Through the Board's decisions, contractors are now legally protected when they decide to walk away from their collective bargaining obligations.

Under current law, a prehire agreement between union and contractor is a one-sided agreement. Even when the union has lived up to its side of the agreement the contractor can easily avoid its obligation through double breasting or by simply walking away from the agreement.

H.R. 281 restricts double breasting by preventing employers from establishing second companies and transferring work from their union half to their nonunion half in order to avoid their collective bargaining agreements and obligations. Moreover, this legislation will prevent employers from repudiating prehire agreements they have voluntarily entered.

Mr. Chairman, H.R. 281 will restore basic fairness to labor relations in the construction industry by requiring that collective bargaining agreements have a binding effect. And in fact, this was the original intent of Congress when the Landrum-Griffin Act was passed in 1959. H.R. 281 merely restores these rights.

Mr. Chairman, I urge the adoption of H.R. 281 to ensure stability in the construction industry, to reverse the erosion of construction worker's rights and to uphold the tradition of basic fairness in labor relations.

Mr. FORD of Michigan. Mr. Chairman, I rise in strong support of H.R. 281, the construction industry labor law amendments. This bill has been called a bill to prohibit double breasting in the construction industry, but what it's really about is double dealing.

The problem H.R. 281 would remedy is the destruction of collective bargaining in the construction industry. Collective bargaining cannot work if only one side is bound to keep its word. A system that depends on mutual respect cannot work if one party to the system is free to lie, free to renege on its promises, free to enjoy the benefits of collective bargaining without ever meeting its side of the bargain.

Sadly, that is what collective bargaining in the construction industry has come to. The unions keep their promises. They refer skilled trades people in a timely fashion, both union and nonunion. They abide by their no-strike pledges. And their members give a full day's work for a full day's pay.

But management, the contractors, have been given a license by the courts to renege on their end of the bargain. When they've gotten what they want from the unions and their members a great many firms simply turn their backs on them, repudiate the contracts they've given their word of honor to abide by, and leave the union's members jobless and bitter. It's double dealing, it's immoral, but through a perversion of the National Labor Relations Act, it's legal.

There are two ways this double dealing is accomplished—through the repudiation of prehire contracts and by the legal shell game called double breasting. For a quarter of a century since the Landrum-Griffin Act of 1959, the vast majority of construction industry contracts have been prehire agreements, where the union promises

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to provide skilled workers to the employer and the employer agrees to pay union wages and benefits and to hire exclusively through the union hiring hall as long as qualified workers are referred in a timely way. Typically, such contracts are for a term of 3 years.

In section 8(f) of the act, Congress explicitly protected prehire contracts from attack on the grounds that no election had been conducted to determine majority support for the union. Representation elections take so long to conduct and to certify that in most cases a construction project and each craft's participation in the project would end before an election were held. Moreover, if the employer abides by its agreement to hire through the union hiring hall, most of the employees are likely to be union members satisfied with what their representation has won them. In the rare case where a majority didn't want the union or the obligation to pay dues, a decertification election or a deauthorization election could be conducted.

Section 8(f) was intended to legitimize and thereby encourage the adoption of prehire contracts. Congress was not so absurd and duplicitous as to make prehire agreements legal while simultaneously making them unenforceable. Nothing in section 8(f) says that such agreements are less binding than other labor agreements.

Nothing in section 8(f) says the courts should not enforce them.

The only provisos in section 8(f) concern discrimination and the contract bar rule regarding elections. Yet, first the NLRB and then the courts have perverted the intent of section 8(f) and robbed it of its force.

In R.J. Smith Construction Co. and Higdon Construction Co., the NLRB gave the employer the right to repudiate the prehire contract, to unilaterally stop abiding by the terms and conditions the employer agreed to, unless the union could show, at each new construction site, that it represented a majority of the employees.

An August 1984 decision of the NLRB in Acme Marble & Granite Co. shows just how unfair and pernicious this new rule is. The company signed an agreement with the Laborers Union in Western Missouri that within the union's geographic area, it would hire through the union's hiring hall and pay union wages and benefits. For 2 years, it did so. A majority of workers at the company's projects were union members.

In the third year of its contract, however, the company reneged on its agreement, bypassed the hiring hall, and deliberately hired all nonunion employees for its only project.

Naturally, the union could not show majority support since the company had deliberately hired a nonunion work force. When the union filed unfair labor practice charges, the NLRB dismissed them and rewarded the company for breaking its agreement. In a triumph of doubletalk and circular logic, the NLRB held that as long as the company breaks its word and refuses to use the hiring hall it has promised to use, thereby avoiding hiring union workers, it cannot be held to the terms of its contract.

Mr. Chairman, that is the kind of doubledealing H.R. 281 would make illegal.

The second technique the NLRB created to permit doubledealing in construction industry collective bargaining is double breasting. A unionized employer who has signed an agreement that specifies it will hire through the union hiring hall and pay union wages for all work done within the union's geographic and craft jurisdiction simply sets up a second company to do the same work in the same area in violation of the agreement. If the employer is careful to ensure that the companies have separate foremen, and its workers are hired off the street, rather than through the hiring hall, so there is no interchange of union and nonunion employees, it can completely escape its obligations to the union and its members.

The NLRB will say "Yes, obviously these two companies are a sham; they're really a single employer. But—because the employer violated its contract and bypassed the union hiring hall—all the workers at the second company are nonunion, so we won't apply the contract to them. They are nonunion employees and have no community of interest with union employees, so we'll deem the second company a separate bargaining unit."

Once again, the NLRB rewards doubledealing and duplicity. Once again the employer's violation of its agreement is used by the NLRB to justify its violation of the collective-bargaining agreement, regardless of the employees' wishes.

The Chamber of Commerce says that the unions' market share of construction has been cut in half during the last 25 years. Is it any wonder? When the Government treats union contracts with such contempt and disrepect and encourages employers to break their word and cheat union members of the jobs and benefits they have earned it's a wonder the unions have survived at all. The employer lobbyists say Congress should not intervene to upset the "delicate balance" of labor relations in the construction industry. The truth is that there's no balance at all—the NLRB has tipped the scales toward management and left the unions defenseless.

You'll hear speeches today that call these problems a matter of market economics, or something that should be worked out through collective bargaining rather than by legislation. But the law and its misinterpretation by the NLRB caused these problems, not the market, and no collective bargaining solution is possible.

Twisting its perverse logic even more, the NLRB has recently said it's illegal for a union even to try to protect itself against double breasting. The new general counsel has ruled that a union may not insist on contract clauses that require an employer to pay damages if it sets up subsidiaries or shell corporations to do work covered by its collective bargaining agreement with the union.

The NLRB has handcuffed the unions' hands behind their backs and given unethical employers a license to take advantage of them. H.R. 281 is designed to do no more than to remove those handcuffs and to give the unions a fair chance to protect themselves.

This bill has nothing to do with compulsory unionism or employee free choice. It has everything to do with doubledealing and vicious antiunionism. I urge my colleagues to vote against doubledealing and for H.R. 281. Let's make both parties to construction industry contracts as good as their word.

Mr. RINALDO. Mr. Chairman, I rise in strong support of this legislation, which would ensure the enforcement of collective-bargaining agreements in the construction industry.

This measure is absolutely necessary in order to close loopholes in Federal labor laws. Under the 1959 law, construction unions were allowed to enter into prehire agreements with an employer prior to the hiring of workers on a project. In return for the assurance of a skilled work force for the duration of the project, the employer agreed to working conditions set out in the contract. Employers now may repudiate these contracts once a full complement of workers has been hired, unless the union can prove majority status at all worksites.

Another loophole exists in decisions of the courts and the National Labor Relations Board which have allowed a construction contractor who has signed a collective-bargaining agreement with a union to establish a second, parallel company that is nonunion. This practice, known as double breasting, enables the employer to transfer work from the union operation to the nonunion company. The legislation now before us would eliminate this practice by making collective-bargaining agreements applicable to all businesses operated by a single employer within the geographic area covered by the agreement.

This bill does not expand the rights of organized labor under the Federal labor laws. It simply eliminates unfair labor practices that have been allowed to develop outside the scope of our existing laws. Our labor laws were established in order to ensure that employees who wish to organize and bargain collectively are able to do so without interference from an employer. Double breasting and the abrogation of prehire agreements unfairly penalize union workers and deny them working conditions for which they had bargained in good faith. These practices must be eliminated in order to ensure fair dealing between employers and workers in the construction industry. I therefore urge my colleagues to join me in passing this bill.

Mr. HOWARD. Mr. Chairman, H.R. 281 serves two commendable purposes: to render effective prehire agreements in the construction industry, which Congress sought to do a quarter of a century ago but has since been thwarted by rulings of the National Labor Relations Board; and to end the dishonest tactic of double breasting as a means of avoiding contractural obligations.

Double-breasted operations were relatively unknown until the early 1970's. The beginning of this trend toward contract evasion can be traced directly to the NLRB decision in the Peter Kiewit case of 1973, 206 NLRB 562. That case is described in the committee's report, and I will not burden the record by retracing its history. Essentially, however, Kiewit simply shifted the work which has previously been performed by employees of its union company to a nonunion company which became operational within the State for the first time expressly for that purpose. It is obvious to me that a system that permits an employer to evade his written agreement merely by setting up a new company to perform the same work outside the scope of that agreement is just plain wrong. That is not what Congress had in mind in 1935 when it guaranteed workers the right to bargain collectively, or in 1959 when it sought to strengthen and stabilize collective bargaining in the construction industry.

Nevertheless, the Labor Board allowed Kiewit to evade its collective bargaining agreement, primarily because the two companies separately controlled their day-to-day labor relations policy, and later because the Board determined that the employees of each company constituted a separate bargaining unit.

The Kiewit case has become a virtual roadmap for employers who seek to escape their collective bargaining agreements by setting up nonunion operations. The Board's 1973 decision contained a statement which has become a self-fulfiling prophecy. The Board said: "It is not uncommon in the construction industry for the same interests to have two separate organizations; one to handle contracts performed under union conditions, and other under nonunion conditions." Today, double breasting has become common and is openly acknowledged way of doing business. To permit this trend to continue would be injurious to the stability of labor relations in this vital industry and grossly unfair to the employees protected under the very collective bargaining agreements which Congress sanctioned in 1959.

Nor am I sympathetic to the argument that in many instances companies cannot remain competitive under a union agreement. Where economic conditions adversely affect the competitive position of a company with a collective bargaining agreement, our national labor policy requires that the union and employer sit down at the bargaining table to seek a mutually satisfactory solution. In other words, the problem is to be addressed through the collective bargaining process. Under the practice of double breasting, however, an employer decides on its own, unilaterally, if it is no longer competitive, and is free to walk away from its bargaining obligation simply by setting up another company which will do the same kind of work nonunion. I cannot sanction that practice, and I believe that H.R. 281 supplies an effective and just rememdy for it. I am pleased, therefore, to support H.R. 281.

Mr. EDWARDS of California. Mr. Chairman, I rise in strong support of the Construction Industry Labor Law Amendments of 1985. Critics of H.R. 281 also claim that they are concerned with the right of workers to choose whether or not they want to be represented by a union. This is simply not the case. More accurately, opponents of this legislation are not concerned with fairness and are not concerned with the rights of workers.

Congress had envisioned stability and fairness in the construction industry when it enacted the Landrum-Griffin Act in 1959. Today we face the practice of double breasting, which is nothing more than a means for unprincipled contractors to bypass contracts ratified through the collective-bargaining process. I call upon my colleageus to support H.R. 281 in order to eliminate this practice.

Mr. Speaker, for too long Federal labor law has allowed contractors to set up nonunion subsidiaries to evade their commitments to pay union wages and benefits. The point of H.R. 281 is to end these abuses and restore a fair set of guidelines for collective bargaining in the construction industry.

Mr. FAZIO. Mr. Chairman, I rise in strong support of H.R. 281, the Construction Industry Labor Law Amendments of 1985.

H.R. 281 seeks to reverse the erosion of construction workers' rights as a result of recent hostile decisions by the National Labor Relations Board [NLRB] and restore stability to labor relations in the construction industry.

As my colleagues are aware, union certification election procedures, which are used in other industries covered by the NLRA, are usually impractical in the construction industry. They are impractical because the work is often completed before the representation question is settled. For this reason, current law permits employers and unions to enter into "prehire" agreements prior to construction and the hiring of workers.

Recent decisions by the courts and the NLRB have made it easier for some construction industry employers to aviod obligations contained in collective-bargaining agreements through the practice referred to as double breasting. Furthermore, the NLRB has ruled, and the Supreme Court has affirmed, that employers may repudiate prehire agreements with a union when a union does not represent a majority of the work force covered by the agreement on a particular project.

H.R. 281 does not call for a comprehensive overhaul of existing practice. It seeks to make the current situation more equitable and restore the original intent of Congress when, in 1959, it adopted the section 8(f) amendment of the National Labor Relations Act [NLRA]. For example, the measure would restrict the use of double breasting. H.R. 281 specifies that multiple firms should be considered a single employer if there is a direct or indirect common ownership, management, or control among the nominally separate businesses engaged in the same or similar work in the construction industry. Further, it requires such employers in the construction industry to apply the terms of a collective bargaining agreement to all their related entities within the geographical area covered by the agreement.

A second feature of H.R. 281 provides that a construction industry employer who has a prehire agreement will be obliged to comply with the terms of the agreement, regardless of whether the majority of workers on the specific job are represented by the union. The repudiation of such agreements would be allowed only after the NLRB conducts an election and determines that a majority of employees in an appropriate bargaining unit have selected another union to represent them or have chosen not to be represented by a union. Thus H.R. 281 would prevent employers from abrogating legitimate prehire agreements or setting up new companies for the specific purpose of evading the terms of existing collective-bargaining agreements.

This bill will not impose a union or a collective-bargaining agreement on employers against their will. And it will not impose a union contract on any of the genuinely independent and truly separate business entities in the construction industry.

H.R. 281 simply seeks to prevent the exploitation of workers and their unions by employers who voluntarily enter into contracts, obtain valuable services, and then evade their contractual obligations. This bill will help stem the bad-faith evasion of contracts and restore stability to collective bargaining in the construction trades.

I urge my colleagues to support the bill.

Mr. GUNDERSON. Mr. Chairman, today the House is considering H.R. 281, the construction industry labor law amendments. If enacted, this legislation would result in two basic outcomes: That of forcing construction companies to choose between operating as either all union or all nonunion, and denying construction workers the right to officially choose whether or not they want to be represented by a union. In my mind, this does not constitute either sound or fair public policy for workers.

Because the construction industry has become so competitive in recent years, many of its companies operate both union and open shops, where an employer with one or more union subsidiaries also operates one or more separate companies on a nonunion basis, the practice known as double breasting. Under current law, these dual shops are permitted under two conditions, first, if the two entities are operated independently of one another, and second, if they have not been created for the purpose of evading union contracts. At present, the NLRB determines whether or not such collective-bargaining agreements are binding on the nonunion firms on a case by case basis.

If enacted, H.R. 281 would require that the collective-bargaining agreement covering the employees of the unionized construction firm be imposed upon the employees of all other nonunion firms within the same geographical area covered by the agreement where there is "direct or indirect common ownership, management or control," and where the firms perform or otherwise conduct or supervise same or similar work, even if none of the employees of the nonunion subsidiary want to adhere to the decisions made by the union firm.

The second major provision of H.R. 281 would elevate prehire agreements to the same status as enforceable collective-bargaining agreements without regard to the majority status of the union. Generally, it is considered an unfair labor practice for an employer to recognize and enter into a collective-bargaining agreement with a union that does not represent a majority of the employees. However, in the construction industry, due to its temporary nature, the National Labor Relations Act

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allows employers to enter into prehire agreements with a union notwithstanding the undetermined majority status of the union. This agreement, may require union membership as a condition of employment, where not prohibited by State law and may also provide for union hall referral. While the union could not discriminate against nonunion members in providing such referral, those employees may be required to become union members after 7 days of employment.

In 1978, however, the Supreme Court affirmed an NLRB ruling that prehire agreements are allowed, but not binding in the absence of a majority status by the union. H.R. 281 would overturn this ruling and could result in a union with which a construction company holds a prehire agreement becoming the exclusive bargaining agent of the employees on that site, notwithstanding that a majority of workers may not want to represented by that union. This means that a minority of workers could control the job conditions of a majority of workers.

Many of the proponents of the bill argue that employers can evade their contractual obligations under a collective bargaining agreement by shifting work to nonunionized entities. However, according to the Department of Labor, this has not been the case. In fact, according to the Department, current law sets a strict test in this regard, and the National Labor Relations Board actions in combination with court decisions protect workers against such illegal practices.

While I am a strong believer and supporter of the right of workers to organize and particularly their right to bargain collectively, I would be quite concerned over enactment of any legislation that would deny construction workers or any other workers for that matter, the freedom of choice to determine whether or not their majority want to be represented by a specific union. Further, this bill would overturn past court and NLRB decisions made over the past 10 years which reflect the needs and realities of the current labor marketplace. Probably the biggest concern that I have however over the possible enactment of H.R. 281 would be that the bill might actually backfire on union workers. With the open shop market at 60 to 70 percent of the labor market, and growing, this bill could actually result in reduced numbers of union workers being hired, due to the threat that employers would be forced to decide whether to become all union or all nonunion.

In summary, I feel that my voting record reflects my support for legislation that realistically benefits workers. I do not however, feel that H.R. 281 is a proworker bill. Quite the contrary, I feel that H.R. 281 would weaken the underlying principle of our labor laws, that of assuring workers the right to make individual decisions through the collective bargaining process. Therefore, I am opposed to the enactment of H.R. 281 and must vote against its passage.

Mr. MOORE. Mr. Chairman, the passage of H.R. 281, the construction industry labor law amendments, would not be in the best interest of workers, businesses, and Louisiana, and hence I am opposing the bill's passage. Louisiana is suffering with the highest unemployment rate in the Nation, and she vitally needs jobs to put her people back to work. She does not need legislation which would have the effect not only of discouraging future business investment that means more jobs but also of hampering the free choice of workers whether or not to be represented by a union.

I believe the bill would require essentially a choice between an entirely nonunion or entirely unionized shop which would be detrimental to both business and workers, resulting in questions as to the survival of union shops and in fewer jobs. If Louisiana employers under this bill, if it became law, chose to be entirely unionized, they would then lose contracts to out-of-State nonunion contractors and Louisiana workers would lose jobs. If Louisiana employers went the other direction and chose to be entirely nonunion, then union workers would lose their unions. That choice forced by the bill is unnecessary and harmful.

We should not impose on business legislation with which there are questions and concerns as to the impact and costs, and it is an inopportune time for Louisiana to be saddled with legislation which could cause the lose of jobs and business investment.

H.R. 281 would force union coverage on construction employees who do not have an opportunity to make their own decision whether they want to be represented by a union. Additionally, prehire agreements which set the terms of employment on a construction site would be immediately binding without employees having a say on the agreement or the union, and workers would be prevented from removing them except through a long proceeding.

Current law creates a balance which considers the shifting employment patterns in the construction industry and still preserves the basic right of workers to make their own choice on union representation.

Louisianians are as independent individuals as you will find—whether we are talking about an employee or a businessman—and they want to be free to make their own decisions and not be dictated to by the Federal Government through misguided legislation.

I cannot support legislation which is not good for the workers and businesses of Louisiana. Louisiana needs business dollars, construction dollars—dollars which would go for new jobs for Louisiana workers and for revenues to the cities and communities which know that Louisiana is fighting for her life.

I'll fight for economic development, business investment, and expansion and other positive approaches to ensure jobs rather than questionable labor reform legislation which could restrict job opportunities for Louisiana.

I'll fight for the freedom of choice—for workers and for business, but H.R. 281 does not do this.

For Louisiana's employment future, I cast my vote against H.R. 281.

Mr. DREIER of California. Mr. Chairman, our labor laws are grounded in respect for the decisions of the individual workers and we have worked hard to ensure that the choice of whether to join a union is the employee's, not the employer's, and not the union's. H.R. 281 denies this freedom of choice that we, as Americans, have prided ourselves on.

In 1959, Congress upheld the legality of prehire agreements to accommodate the unique characteristics of the construction industry. A union and a contractor can now set the terms of employment before any workers are hired. That agreement, however, is not—and should not be—binding until a majority of workers at the site support it. Until that time, a contractor can repudiate the agreement.

Under this bill, a prehire agreement would be binding; workers would not have the opportunity to choose their own representation or terms of employment. Clearly, this is compulsory unionism.

Furthermore, this bill would extend the collective bargaining contracts of a construction company's unionized subsidiary to all of its nonunion operations because the bill mandates that collective bargaining contracts made with a single employer be applied to all of the business entities of that single employer within the geographical area covered by the collective bargaining agreement. This too is compulsory unionism.

If this bill becomes law, a labor dispute with a general contractor could spread to all subcontractors on a job site who are subjected to a contractor's control. Or, a union could shut down an entire project because of a dispute with one subcontractor—forcing innocent workers out of work and subjecting neutral subcontractors to labor disputes over which they have no recourse. This is called common situs picketing and it is illegal. Congress—and the public—have repeatedly rejected this.

This bill is antibusiness and antiworker. It denies freedom of choice, threatens to send construction costs soaring, jeopardizes construction employment, and upsets the balance in labor-management relations. It is a dangerous precedent with far-reaching consequences.

Mr. FOGLIETTA. Mr. Chairman, I rise today in support of H.R. 281, the Construction Industry Labor Law Amendments of 1986.

We in the Congress have a responsibility to insure that workers' rights are adequately addressed. This legislation is but a simple tenent to protect those basic rights. The construction industry needs more clearly defined protection regulations due to the uniqueness of its business. Unlike industrial workers who report to a fixed site for several years, construction workers face shifting job sites and modified work periods. A prehire agreement insures the construction worker that he or she will work once a job is completed. This brings continuity and stability to their employment status. Unfortunately, through double-breasting employers have been able to renege on this commitment. Instead of giving the work to those it has been promised to under the prehire agreement, construction employers have been setting up related companies which operate on a nonunion basis and allow this second company to perform the work. This is in direct violation of section 8(f) of the 1959 National Labor Relations Act. H.R. 281 will prohibit this practice. The Federal labor laws in the 1930's gave workers the right to join a union and bargain with their employer. The special nature of the construction industry often abridges those rights. Through H.R. 281 we are reaffirming the commitment made through Federal labor laws. I call upon the Members of this body to recognize the importance of this bill and support its passage.

Ms. MIKULSKI. Mr. Chairman, I rise in strong support of H.R. 281. This bill has my support because of what it does for the people who work in the construction trades. They aren't asking for the Sun, the Moon, and the stars. All they want is a fair deal when it comes to how our labor laws are being interpreted by the National Labor Relations Board.

Saying good things about the construction worker is the "in" thing to do these days. It should be. We now have television commercials that salute American workers "for all you do"; and others that want to reward the construction people "when the day is done."

Those are terrific images: The mighty building project being brought in on time by our workers. But there is something wrong with the picture. The employers on these construction projects have convinced the National Labor Board that they don't have to live up to the contracts they have signed with their employee representatives. Instead of salutes, the construction workers are getting a lot of fancy footwork from the Board.

We have had an excellent presentation of the provisions of this bill from the distinguished chairman of the Labor Management Subcommittee. Let me give you an example of how the construction workers are treated in the real world. Let us say two construction workers ride to work together, one works for the Sam Construction Co. and the other works for the Son of Sam Construction Co. Except for their names, there is no difference between these two companies. Same management; same offices; same everything. But one has signed a contract to build projects with union help—that is Tom—and the other—Tom, Jr., is nonunion.

The first worker is employed by Tom and is paid and works under a union contract. The second worker is not covered by the contract and is paid far less. How could this happen? It happened because the Labor Board said Tom, Jr., was "independent" of Tom. That is not fair.

We are not talking about a construction employer who is nonunion. We are talking about an employer who has signed a contract and has found a cute way to avoid it.

More to the point, this bill is not a extreme or even a mild change in congressional policies on labor management relations in the construction industry. It is a return to what we did in the 1959 amendments to the National Labor Relations Act. This bill stops the Labor Board from turning our policy on its head.

The employers are trying to scare us into believing that we are giving the workers a blank check at the bargaining table. Nothing could be further from the truth. Tom, Jr., can still come to the Labor Board and show that his company is truly independent of Tom, if it is. This bill provides a level playing field to do that on.

H.R. 281 is a good bill. It takes the "con" out of construction industry labor relations. It gives the workers and the employers an even chance to show that a contract has meaning. That is how this system is supposed to work.

Thank you.

Mr. FRENZEL. Mr. Chairman, I rise today in opposition to H.R. 281, the "Construction Industry Labor Law Amendments of 1985." H.R. 281 is a damaging piece of legislation which adversely impacts employees and employers alike. While the proponents of this bill say that its purpose is to increase the stability of collective bargaining in the building and construction industry, what I believe it represents is another effort to "reunionize" the construction industry without regard to the feelings of the employees.

If enacted, H.R. 281 would impose collective bargaining agreements on workers who have not been allowed the freedom to choose which union, if any, should represent them. This legislation would further restrict the freedom of employees by giving any prehire agreement, setting terms of employment, the same binding status as a collective bargaining agreement. Consequently, H.R. 281 does not promote stability, but instead encourages the destabilization of current labor relations.

The construction industry is now protected by fair procedures established by the National Labor Relations Board and court precedent, and understood by the industry. The sponsors of H.R. 281 may intend to give further protection to employees, but I would characterize the bill as an exercise in Government sponsored compulsory unionism.

What mystifies me is that the bill has been considered at all. It is not expected to be enacted even if the House should, in error, happen to pass it.

I urge my colleagues to vote against H.R. 281.

Mr. DAVIS. Mr. Chairman, because of a previous engagement, I will not be able to cast my vote on final passage of H.R. 281. I had hoped that consideration of this legislation would have been completed before I left the floor, however this was not the case. I have attempted to pair myself on the key amendment to this bill and on final passage. If this cannot be accomplished, I would like the RECORD to show that had I been present I would have voted no on the Jeffords substitute amendment and yes on final passage.

Thank you for this opportunity to make my position on this bill known.

Mr. DASCHLE. Mr. Chairman, I am prepared to vote in favor of the Construction Industry Labor Law Amendments of 1986 only after receiving the explicit assurances offered in the report on this legislation, in the statements of the floor manager and in the AuCoin amendment that legitimate subcontracting arrangements are in no way affected by this legislation.

I am proud to say that, in my own State of South Dakota, the practice of double breasting at which this legislation is properly aimed, is extremely rare. What is not rare, though, is the use of legitimate subcontracting arrangements between independent parties. Contractors in my State are extremely concerned that the provisions of this legislation not be extended to cover the legitimate, independent relationships upon which they depend.

Should the construction industry labor law amendment somehow clear the other body and the President's desk and become law, and should the very firm guarantees we have received concerning the nonapplicability of this law to business relationships between independent contractors and subcontractors be violated in any way, I would immediately author and would enthusiastically support legislation to repeal this amendment.

Mr. RODINO. Mr. Chairman, I rise in support of H.R. 281, the Construction Industry Labor Law Amendments of 1986. I have carefully weighed the arguments made for and against the bill, and I have endeavored to be particularly sensitive to the arguments made by employers to the effect that this legislation will somehow adversely affect their ability to compete. If I felt that this bill unfairly or unjustly limited the ability of employers to compete, I would not and could not support it. I am convinced, however, that H.R. 281 does not inhibit the ability of employers in the construction industry to compete. It simply requires employers to live up to contractual arrangements that the employers, themselves, have voluntarily entered.

The most serious argument that has been raised against the bill is that double breasting is necessary if a construction company is to maintain needed flexibility in the marketplace. Specifically, it is contended that union companies compete in different market segments and should not be deprived of the opportunity of also competing for open shop contracts. In fact, H.R. 281 does not impair the ability of a contractor to compete for open shop contracts in other market sectors. For example, under the provisions of H.R. 281 a contractor subject to a collective bargaining agreement covering industrial construction would be free to pursue residential construction on a nonunion basis; also, a contractor subject to a collective bargaining agreement covering carpentry work is free to pursue masonry work on a nonunion basis; and a contractor subject to an agreement covering the District of Columbia is free to pursue nonunion work in Virginia, Maryland, or anywhere outside the District of Columbia. The provisions of H.R. 281 are applicable only where a contractor seeks to avoid obligations he voluntarily incurred by performing work on a nonunion basis that is otherwise subject to a collective bargaining agreement.

Opponents of the bill have also contended that if we bind a construction company to contractual promises it has voluntarily made it will lose contracts if it has to depend exclusively on union labor. In point of fact, because of the nature of the industry the building trades unions are also directly subjected to the same market pressures. Very simply, if union contractors cannot win contracts, union workers do not work. Further, since the short-term nature of construction employment forces the unions to rely upon voluntary prehire agreements with employers, the building trades are also under long-term incentives to ensure that their contracts are competitive. Employers do not voluntarily commit themselves to contracts that are not competitive. Double breasting is not a necessary response to competitive pressures, it is simply a means of avoiding collective bargaining.

Finally, there is nothing in H.R. 281 that requires employers to enter into collective bargaining or prehire agreements with a union in the first place. If an employer decides that his

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interests are better served by proceeding on a nonunion basis, there is nothing in the bill that would prevent the employer from refusing to enter such agreements. There is nothing in this measure that would unfairly inhibit an employer's ability to compete, nor does the legislation unduly mitigate the competitive pressures of the marketplace on construction unions.

Mr. Chairman, H.R. 281 is intended solely to ensure that employers live up to those contracts they have voluntarily entered. That, I submit, is good policy in any context and I urge you to vote for this bill.

Mr. BROWN of California. Mr. Chairman, we have before us today the Construction Industry Labor Law Amendments, H.R. 281, which will remedy certain adverse decisions of the National Labor Relations Board [NLRB] with regard to the construction industry. From the earliest days of the Wagner Act in 1935, it was recognized that union election procedures designed for the industrial workplace could not be directly transferred to the construction industry. A 1959 amendment to the act, the Landrum-Griffin Act, permitted prehire agreements and was intended to provide workers in the construction industry with an effective opportunity to secure union representation.

Union certification procedures, which are used in other industries covered by the National Labor Relations Act, are usually impractical in the construction industry because workers are constantly working at different job sites, and projects may be completed before a certification election can be held. For this reason, current law permits employers and unions to enter into "prehire" agreements prior to construction and the hiring of employees. Under these agreements, an employer and a union agree that work will be performed in accordance with a union contract.

In recent years, however, two separate sets of NLRB decisions have developed which erode the ability of construction workers to secure and retain the protections of collective bargaining. One set of cases has permitted the wholesale repudiation of lawful prehire collective bargaining agreements. The other set allows the avoidance of collective bargaining agreements through corporate shell games.

Under one set of cases, the Board held that employers may repudiate valid prehire agreements at will unless the union can prove that the employer has a stable work force in which it has established a majority support, or can demonstrate majority support on each separate job site. But stable work forces are a rarity in this industry, which was the reason for the original prehire amendment in 1959.

In the second set of cases, the Board permits the avoidance of lawful collective bargaining agreements through the use of double-breasted companies. A typical example is company A, which has a collective bargaining agreement with a union, sets up a related company—company B—which it operates on a nonunion basis. In some cases, most of the work formerly done by company A is now done by company B. In other situations, company A may go out of business altogether.

The Board placed its imprimatur on this double-breasting device, which then spawned an ever-growing use of this technique for avoiding lawful contracts. The structural characteristics of the construction industry leaves workers defenseless to such corporate manipulations. The project-by-project ebb and flow of the employment relationship allows for corporate restructuring schemes and disappearing acts with the greatest of ease.

To remedy these problems, the construction industry labor law amendments specify that multiple construction firms should be considered a single employer if there is a direct or indirect common ownership, management, or control among the nominally separate businesses engaged in the same or similar work. It requires such employers to apply the terms of a collective bargaining agreement to all of their related entities within the geographical area covered by the agreement.

Collective bargaining agreements will not be imposed on truly separate or independent companies. Instead, the bill requires that common ownership, management and control be considered in determining whether two or more companies should be considered a single employer. The bill would apply only to companies that perform similar work in the construction industry. The fact that one company has a small interest in another, or that an individual company has dealings with the other company would not be sufficient to declare two companies a single employer. The bill will, however, prevent a company with union workers from setting up another nonunion company to perform the same work.

The bill merely prohibits employers or unions from repudiating agreements, which both have agreed to, before their expiration. It does not expand the existing authority to make prehire agreements in the construction industry, and it does not impose a union on employees against their will. Employees would be allowed to decertify a union which represents them, but neither they nor the employer would be permitted to break an agreement into which both entered freely. The bill guarantees that after both parties have already reached agreement, a company cannot break prehire agreements at will, and force the unions to demonstrate majority support through a union certification election on every job site.

I believe this legislation addresses the unique collective bargaining complications inherent in the construction industry. The unusual nature of collective bargaining in the construction industry is no different today than it was 27 years ago. Yet, this bill does not grant new or expanded considerations to construction workers, but merely returns us—and the NRLB—to the original intent of Congress when it passed the Landrum-Griffin Act of 1959. I urge my colleagues to join me in support of this long overdue legislation.

Mr. FIELDS. Mr. Chairman, I rise in opposition to H.R. 281, the Construction Industry Labor Law Amendments of 1985.

Before I state my reason for opposing H.R. 281, I want to say that I am not antiunion, but I do support choice in the decision for union representation. Unions historically have played an important role throughout the world in improving working conditions. I do recognize the tremendous contributions the members of our skilled trades have made toward the high productivity and quality found in the construction industry in the United States. By my actions, I aim to ensure that the high productivity and quality continue unabated.

Supporters of H.R. 281 claim that employers can avoid contractual obligations under a collective bargaining agreement by establishing nonunion entities. This assertion is false. The record of cases heard before the National Labor Relations Board substantiates that current law already protects against such abuses. The delicate balance which has been achieved by the NLRB and the courts under current law accounts for fairness while simultaneously recognizing the transient and increasingly competitive nature of the construction industry.

I fear that enactment of H.R. 281 would seriously upset this delicate balance. The construction industry in recent years has grown and changed substantially due to natural responses to internal and external conditions. Instead of imposing further disorienting change, I believe the response should be greater cooperation within the framework of present law.

In Texas particularly, this is not the time to impose unsubstantiated changes with profound economic implications on a major industry. Present law allows for the optimum situation for both employers and employees. It should not be changed.

I received numerous letters from construction industry employees and employers alike urging me to vote against this bill. Employees said they did not want their right to choose whether to work union or nonunion to be taken away from them. Moreover, employers said enactment of H.R. 281 would increase their cost considerably and harm their competitiveness, undermining further productivity gains and development. These are more than adequate reasons for not making an unfounded, fundamental change in our labor laws.

Therefore, I must oppose H.R. 281 in the interests of ensuring the individual's right to choose his or her representation and of maintaining the delicate balance in construction industry labor relations which has facilitated growth and economic development. Both of these aspects I am striving to protect are fundamental to the continued individual and collective prosperity of the United States.

□ 1410

Mr. CLAY. Mr. Chairman, I yield back the balance of my time.

The CHAIRMAN. Pursuant to the rule, each section of the bill is considered as having been read under the 5-minute rule.

The Clerk will designate section 1.

Mr. CLAY. Mr. Chairman, I ask unanimous consent that the bill be printed in the Record and open to amendment at any point.

The CHAIRMAN. Is there objection to the request of the gentleman from Missouri?

There was no objection.

The text of H.R. 281 is as follows:

H.R. 281

Be it enacted by the Senate and House of Representatives of the United States of

America in Congress assembled, That this Act may be referred to as the "Construction Industry Labor Law Amendments of 1985".

Sec. 2. (a) Section 2(2) of the National Labor Relations Act (29 U.S.C. 151(2)) is amended by adding at the end thereof the following new sentence: "In the construction industry, any two or more business entities performing or otherwise conducting or supervising the same or similar work, in the same or in different geographical areas, and having any direct or indirect common ownership, management or control, shall be deemed a single employer.".

(b) Section 8(d) of such Act (29 U.S.C. 158(d)) is amended by adding at the end thereof the following new sentence:

"Whenever the collective bargaining involves employees of a business entity comprising part of a single employer in the construction industry, as defined in section 2(2) of this Act, the duty to bargain collectively, for the purposes of this section, shall include the duty to apply the terms of a collective bargaining agreement between such business entity and a labor organization to all other business entities comprising the single employer within the geographical area covered by the agreement.".

(c) Section 8(f) of such Act (29 U.S.C. 158(f)) is amended—

(1) by striking out "geographical area:" in clause (4) and inserting in lieu thereof the following: "geographic area. An agreement lawfully made pursuant to this subsection shall impose the same obligations under this Act as an agreement made with a majority representative pursuant to section 9(a):"; and

(2) by inserting before the period at the end of such section and the following new proviso: ": *Provided further,* That any agreement lawfully made pursuant to this subsection may be repudiated only after the Board certifies the results of an election conducted pursuant to section 9(c), in which a majority of employees in an appropriate bargaining unit selects a bargaining representative other than the labor organization with which such agreement was made or chooses not to be represented by a labor organization".

COMMITTEE AMENDMENT

The CHAIRMAN. The Clerk will report the committee amendment.

The Clerk read as follows:

Committee amendment: page 2, line 6, strike out "151(2))" and insert in lieu thereof "152(2))".

The CHAIRMAN. The question is on the committee amendment.

The committee amendment was agreed to.

AMENDMENT OFFERED BY MR. CLAY

Mr. CLAY. Mr. Chairman, I offer an amendment on behalf of myself and the gentleman from Oregon [Mr. AuCoin].

The Clerk read as follows:

Amendment offered by Mr. Clay: Page 3, strike out lines 1 and 2 and insert in lieu thereof the following:

having, directly or indirectly—
"(a) substantial common ownership,
"(b) common management, or
"(c) common control,
shall be deemed a single employer.".

Mr. AuCOIN. Mr. Chairman, will the gentleman yield?

Mr. CLAY. I yield to the gentleman from Oregon.

Mr. AuCOIN. I thank the gentleman for yielding.

Mr. Chairman and colleagues, I join Mr. Clay in offering this amendment because of concerns that have been expressed to me and to others over one particular aspect of this bill. I have heard it said that the present definition of "single employer" could lead to the result that the holding of a single share of stock in another construction company, or that a miniscule investment in that second company could in some way satisfy the "single employer" test.

Such contentions are in clear contradiction with legislative history. The committee report, I think, is explicit that it is not the intention or the effect of the bill, and with that in mind, I offer this amendment to insure that the statute language comports with the legislative history.

This amendment offered by the gentleman from Missouri [Mr. Clay] and I would require a substantial degree of common ownership before two business entities may be considered a single employer for the purposes of H.R. 281.

My amendment should be adopted. It puts to rest any concern that H.R. 281 reaches beyond what we know to be double-breasting. No two separate business entities would be bound by an agreement signed by one if their only connection was some small degree of common ownership. The language of my amendment, instead, makes it very clear that to meet the ownership test the degree of common ownership must be substantial.

Mr. Chairman, in seeking to address this issue, I thought of a number of different alternatives, including requiring a specific percentage of ownership in a second company. However, I concluded after thinking that through, and other alternatives, that no one figure could be appropriate in all situations, and for that reason this test of substantiality will meet the concerns that have been expressed, while not binding the courts in any way to some arbitrary figure that may have no relevance to the specific facts of a case at hand.

It is clear what the intention of the amendment is. It should remove any ambiguity that any Member might think exists. It does comport, as I say, with the committee report language, and I hope the sponsors of the bill and Members of the House will join me in supporting this amendment.

I thank the chairman of the committee for joining me in sponsoring this amendment.

Mrs. ROUKEMA. Mr. Chairman, will the gentleman yield?

Mr. CLAY. I yield to the gentlewoman from New Jersey.

Mrs. ROUKEMA. I thank the gentleman for yielding.

Mr. Chairman, I think this is a good amendment as far as it goes. At least it is a step in the right direction.

I would just ask the gentleman if his definition of "single employer" could include the statement of the single employer being a single integrated enterprise, which I think is what (a), (b), and (c) here in the gentleman's amendment are directed at, but "single integrated enterprise", I think, would remove all ambiguity and correct the problems in the definition of the bill.

Mr. CLAY. I believe that the amendment does correct all ambiguities. As I interpret the amendment, it says it does not impose single employer status simply because the owner of a construction company also owns a small share of stock in some independent, nonunion construction company.

I do not see any ambiguity. Maybe we ought to refer it to the principal sponsor for his comment.

Mrs. ROUKEMA. If I could just respond to the gentleman, I think he has an "or" in there rather than "and".

Mr. CLAY. Yes. That is one of the components.

Mrs. ROUKEMA. Therefore, I think that the single integrated enterprise makes the point that we want to make.

Mr. CHAIRMAN. The time of the gentleman from Missouri [Mr. Clay] has expired.

(On request of Mr. Bartlett and by unanimous consent, Mr. Clay was allowed to proceed for 5 additional minutes.)

□ 1420

Mr. BARTLETT. Mr. Chairman, will the gentleman yield?

Mr. CLAY. I yield to the gentleman from Texas.

Mr. BARTLETT. Mr. Chairman, I have two questions about the gentleman's amendment. The first one, and I am trying to understand it, I am looking at the terms of the bill, the first one, and this is the bill itself, on page 2 of the committee print, line 10, as I see the committee print, it provides for any two or more business entities in the same or in different geographical areas would still be a single employer if it meets the other tests. Is the gentleman saying under this amendment, and I would ask both gentleman, under this amendment, it does not correct that in the sense that if there are still different geographic areas, that stays in the bill, the term 'different geographical areas"?

Mr. CLAY. Yes, that is correct.

Mr. BARTLETT. If the gentleman will yield further, is it the gentleman's intention that if there are two or more business entities that have met the

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test under the gentleman's amendment, substantial common ownership or so forth, that are in two different geographical areas, that they would be deemed to be a single employer even though they are in different geographical areas? I am trying to understand the gentleman's intention.

Mr. CLAY. Yes, I would agree with the gentleman's interpretation.

Mr. BARTLETT. So if the gentleman will yield further, then the first part of my question is that different geographical areas, even though two entities are in different geographical areas, west coast, east coast, perhaps, they would still be a single employer in this amendment?

Mr. CLAY. No.

Mr. BERMAN. Mr. Chairman, will the gentleman yield?

Mr. CLAY. I yield to the gentleman from California.

Mr. BERMAN. Mr. Chairman, the gentleman's point really does not point to any substantive problem. In the contract and all of the contracts in this area cover a limited a specific geographic area, if identical ownership, identical management, but in a different geographical area not covered by that contract, for instance, not the District of Columbia metropolitan area, or not the six southern California counties, if the employer's other site is outside of that geographic area, he is not bound by the agreement. Nothing in this bill, before the amendment or after the amendment, would make him bound. So I think the gentleman's point, while technically correct, has no meaning as to the thrust of the legislation.

Mr. CLAY. I think the gentleman has explained it precisely. The terms of the contract will determine what the geographical area is, and the two parties have to agree on that. So you cannot leave that geographical area that is written into the contract and go someplace else with it.

Mr. BARTLETT. If the gentleman would yield further, I understand.

Mr. CLAY. I yield to the gentleman from Texas.

Mr. BARTLETT. Mr. Chairman, I understand that the geographical area is not the difference of opinion, is not covered by this amendment to the committee bill.

Mr. CLAY. That is correct.

Mr. BARTLETT. My second question is this, and it revolves around one word in the gentleman's amendment, and that word is "or." As I understand, any of these three tests, substantial, common ownership, common management or common control, if any one of those three are met, then it would be termed to be a single employer; is that the gentleman's understanding?

Mr. CLAY. That is my interpretation.

Mr. BARTLETT. If the gentleman will yield further, I am reading from the committee report on page 7 which seems to indicate that the opposite is true, and I wonder if the gentleman would clarify it. Under section 1, under the section entitled "Summary: The Limited Scope of H.R. 281," and I apologize, but I had not seen the gentleman's amendment until just now when he offered it, about halfway down the paragraph, it states:

> The bill provides that several factors, such as common ownership, common management, and common control are to be viewed in the aggregate to determine single-employer status.

The gentleman intends to say it could be any one of the three and not all three, as the report would seem to indicate.

Mr. CLAY. I am not attempting to change any meaning that is in the report. It is precisely as it is presented in this amendment, and it is my feeling that if there is any disagreement, the courts are free to determine what this legislation does or does not say.

Mr. AuCOIN. Mr. Chairman, will the gentleman yield to me?

Mr. CLAY. I yield to the gentleman from Oregon.

Mr. AuCOIN. I appreciate the gentleman yielding.

One of the reasons for this change in the use of the word "or," if you are looking at the text of the amendment, I say to the gentleman from Texas [Mr. Bartlett] is that the purpose of the amendment is to make use of the term "substantial" in only one instance, and that is with regard to common ownership, and not with regard to common management or common control. Therefore, you see a slightly different construction and that is where that involves the use of the word "or." Substantial, if the gentleman would yield to me, pertains to common ownership.

Mr. BARTLETT. Mr. Chairman, I rise in opposition to the amendment.

Mr. Chairman, I do so having a great deal of respect for the two gentlemen who have offered it. I would comment that it is an improvement over the present bill.

However, the amendment still provides, as we have discussed, the terminology of different geographical areas. But more importantly, it still provides a single employer to be any employer, as I understand it, having directly or indirectly common ownership, common management, or common control. So therefore, I assume if someone had indirectly substantial ownership or indirectly, let us say, common management, then I would be afraid that the courts could interpret that indirect common management to say if two companies had one manager that worked sometimes for one and sometimes the other that was not involved in the bidding process, perhaps just in the construction process, perhaps just a foreman, then it would be regarded as a single employer. And my opposition is that that is still not fair to the employees who are employed by that other subsidiary and those employees have chosen not to be bound by the terms and conditions of a union prehire agreement.

All I am asking for essentially is fairness. My point is, and I will later have and have prepared and will share with the other side an amendment that I think does what the gentleman is attempting to do. But it does it much more tightly. That would be taking the language of the committee report which was offered by the majority and using that language to provide a requirement of an interrelationship of operations and common ownership, management or control, so it requires the interrelationship and to specify that it would be not found to be an arm's length relationship existing among integrated companies.

I supposed our difference is that it is my judgment that in the current marketplace that construction employees are better off if they are able to choose between an open shop and a union shop, and if indeed that employer or that entity is able to have two different kinds of companies, with some relationships, but they have to bid separately, they have to be at arm's length, they cannot take one contract and fulfill it with the other contract, as the NLRB has ruled from time to time, then my amendment, I think, which I will offer in a moment, would be much more clear in terms of accomplishing the gentleman's objective.

Mr. AuCOIN. Mr. Chairman, will the gentleman yield?

Mr. BARTLETT. I yield to the gentleman from Oregon.

Mr. AuCOIN. Mr. Chairman, I appreciate the gentleman yielding. But I would have to say to the gentleman that I do not think there is any lack of clarity in the amendment that I offered. The bill, as written, does not refer to substantial common ownership.

My amendment inserts the term "substantial" which makes it very clear that we are talking about substantial common ownership. That is an improvement, and I appreciate the gentleman having recognized that.

With regard to common management or common control, the bill states that any direct, any direct or any indirect common management or common control shall be deemed a single employer. This amendment drops the word "any", and it clearly comports with what we were achieving by the insertion of the term "substantial" in the case of common ownership, making it clear that miniscule common management or a degree is not what we are trying to bar, but only a direct, very direct and clearly indirect but still nevertheless clearly indirect common management of common control shall be deemed a single employer. It is an improvement over the bill. It does, I think, without impinging on the rights of workers, meet any concern one might have that the definition reaches too far.

So I would have to say to the gentleman I think my amendment should solve his concerns, and I think it is tightly drafted and very clear.

Mr. BARTLETT. I thank the gentleman for his comments. I do think the gentleman has made an improvement by removing the word "any" and including the word "substantial", at least with regard to substantial common ownership.

Mr. AuCOIN. Then I invite my friend's support for my amendment.

Mr. BARTLETT. However, the gentleman did not include the word "substantial" in management.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Missouri [Mr. Clay].

The amendment was agreed to.

AMENDMENT OFFERED BY MR. CLAY

Mr. CLAY. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

> Amendment offered by Mr. Clay: At the end of the bill, add the following new section:
>
> Sec. 3. (a) Except as provided in subsection (b), the amendments made by section 2 shall take effect upon the date of the enactment of this Act.
>
> (b) The requirement imposed by the amendment made by section 2(b) shall take effect—
>
> (1) one year after such date of enactment with respect to any building and construction project for which the contract was entered into by an employer before the date of the enactment of this Act; and
>
> (2) on the date on which the contract is entered into with respect to any new building or contruction project for which the contract is entered into by employer on or after the date of the enactment of this Act.

Mr. CLAY (during the reading). Mr. Chairman, I ask unanimous consent that the amendment be considered as read and printed in the Record.

The CHAIRMAN. Is there objection to the request of the gentleman from Missouri?

Mr. JEFFORDS. Mr. Chairman, reserving the right to object, I do so for the purpose of inquiring of the Chair at this point, or perhaps the author, as to whether or not this is a new section 3, or whether this would preclude further amendments to section 2 of the bill if this amendment is adopted?

Mr. CHAIRMAN. The Chair would point out to the gentleman from Vermont that the bill is now open for amendment at any point, as was requested by the gentleman from Missouri [Mr. Clay] a little while earlier.

Mr. JEFFORDS. I thank the Chair for that clarification.

Mr. CHAIRMAN. Is there objection to the request of the gentleman from Missouri?

There was no objection.

Mr. CLAY. Mr. Chairman, I yield to the gentleman from Alabama [Mr. Shelby].

Mr. SHELBY. Mr. Chairman, I join with the chairman of the subcommittee, the gentleman from Missouri, in asking the Members to support this amendment that he is offering on behalf of himself and me.

Mr. Chairman, the amendment addresses a concern that enactment of H.R. 281 might be unfair to contractors with construction projects already underway. The amendment assures that contractors involved in ongoing projects have a year before the act takes effect.

H.R. 281 is basically a sound bill because it would put an end to the unfair practice of double-breasting that has plagued the construction industry. There is no reason that consenting parties to a contract should be allowed to wiggle out of their agreements. Nevertheless double-breasting has flourished and construction workers no longer have the assurance that contractors have to live by their agreements. It seems to me unfair that all other employers, once they sign a collective-bargaining agreement, are required by law to live up to it, while in the construction industry contractors can take advantage of a huge loophole in the law that lets them walk away from signed contracts to which they voluntarily agreed. When people voluntarily promise in writing to do something, the law shouldn't let them ignore the promise. H.R. 281 simply closes the loophole that has let double-breasting spread.

There has been a concern raised that the bill would unfairly catch unsuspecting contractors that are already at work on a project. I have sympathy with this concern and that is why I offer my amendment. The amendment gives everyone fair notice before the bill takes affect. If enacted H.R. 281 would apply to all projects not yet in progress. The effective date would be delayed however to accommodate already existing contractual obligations. If the construction has started and the contractors had relied on interpretations of the law in effect when the project began, it is only fair to allow sufficient time to adjust to the change in the law. One year from date of enactment gives everyone ample time to adjust.

I believe my amendment improves a good bill.

Mr. CLAY. I thank the gentleman and I support the amendment. I think his point is well made in that it is not my intention to entrap those who may be unable to make such adjustments as may be required by this bill.

The amendment is well crafted, and I think it protects the legitimate rights of workers as well as contractors, and certainly does not conflict with the intent of the legislation under consideration.

Therefore, I urge adoption of the amendment.

□ 1435

Mr. JEFFORDS. Will the gentleman yield?

Mr. CLAY. I yield to the gentleman.

Mr. JEFFORDS. I would say that I have reviewed the amendment and I would say at least personally, I have no objection to it, as I think it is an improvement in the bill; although it certainly has not removed my objections to the bill.

Mr. BARTLETT. Mr. Chairman, I rise in support of the amendment.

Mr. Chairman, I rise in support of the amendment, and I have commented to my good friend, the chairman of the subcommittee, the gentleman from Missouri, that he does appear to be making some progress which we were not able to make in committee, of cleaning up the bill, at least in piecemeal. I would comment that he has chosen, I think, some of the least offensive parts about the bill so far, but I do commend him for making progress.

I would comment that similar amendments and attempts to reach agreements on what should be in the bill were not able to be made in committee, and I regret that, and I know that the ranking member of the full committee and the ranking member of the subcommittee had tried at that time, and have tried diligently since to obtain some adjustment in the bill to cause him to be much more of a commonsense bill.

The bill, however, even with this rather marginal amendment which talks about date of enactment, still does not make any sense, because what is essentially wrong with the legislation is that it is unfair legislation both to union employees and to nonunion employees.

Let me go in for a minute as to why it is unfair to union employees. Because if we pass legislation as radical as this is, if we pass legislation such as this which in effect requires every contractor in America to choose between having a union shop subsidiary or an open shop subsidiary, then over a period of time the marketplace may well cause those contractors to close down their union shops. I think that would be a regrettable result of this legislation.

I think it would be an inevitable result of this legislation because the contractors will follow the marketplace. I think there is a clear and a good market today for union construction, and I think that if we pass this

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legislation—whether we pass it today and make it effective 1 year from now or whether we make it effective immediately, it is still going to have the effect of putting a lot of people out of work.

Some of them are going to be your constituents. Some of them are going to be my constituents; and that is not fair to them.

I will be offering in a moment, Mr. Chairman, two amendments. The first one would be to I think meet the intent of a requirement of substantial common ownership and management and require interrelation between those before we define someone as a single employer.

After that I will be offering an amendment that I think will go to the heart of this bill, and that will be called the secret ballot amendment, which will provide that, regardless of anything else, that before a group of employees in an open shop subsidiary that have previously not been bound by a prehire agreement, before they can be bound by that prehire agreement, they will have the right, one time only—they will have the right prior to that requirement to have a secret ballot election to determine if they want to be bound by the terms and conditions of that agreement.

I think that is a fair amendment. I think that after all is said and done this afternoon, that requirement for a secret ballot will determine the outcome of this legislation, determine whether this Congress is willing to speak for the rights of employees.

So I will support the gentleman's amendment as drafted, but say that it is still only nibbling around the edges.

I yield to my colleague from Texas [Mr. Armey].

Mr. ARMEY. I would like to ask the gentleman a question to refresh my memory. Was the gentleman's amendment offered in the committee?

Mr. BARTLETT. The gentleman is correct. I offered not one, but I believe two different versions of a secret ballot amendment; they were broader amendments than will be offered today, and they were rejected or the chairman of the subcommittee correctly, I think, called a point of order in their rule to be nongermane.

In the meantime, I have narrowed the focus of the amendments to provide that they would only apply to this industry and to this section, and only to those employees that are thrown into a prehire agreement without their will under this bill.

So the amendment, as presently drafted, will be clearly germane.

Mr. ARMEY. I thank the gentleman. It is nice to see that we can get secret ballot elections germane to the labor law.

Mr. BARTLETT. I thank the gentleman for his comments and yield back the balance of my time.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Missouri [Mr. Clay].

The amendment was agreed to.

AMENDMENT OFFERED BY MR. BARTLETT

Mr. BARTLETT. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

> Amendment offered by Mr. Bartlett: Page 2, line 8, strike out "performing" and all that follows through line 2 on page 3 and insert in lieu thereof the following: that—
>
> "(a) perform or otherwise conduct or supervise the same or similar work, in the same or in different geographical areas; and
>
> "(b) upon viewing the totality of the relevant circumstances in the aggregate, have a substantial qualitative degree of interrelationship of operations and common ownership, management, or control which would not be found in an arm's length relationship existing among unintegarated companies,
>
> shall be deemed single employer.".

Mr. BARTLETT. Mr. Chairman, the purpose of this amendment is to clarify the definition of a single employer that is contained in H.R. 281. I would comment that this amendment further improves on an amendment that had been made earlier by the gentleman from Missouri [Mr. Clay] in combination with the gentleman from Oregon, but the amendment made earlier did not go far enough and did not completely clarify the situation.

I have drawn most of the text of the amendment from indeed the committee report, written by the majority. The report states that:

> A single employer relationship will only be found when all of the relevant circumstances viewed in the aggregate show that the relationship between the entities is not an arm's length one.

I refer to both the bill and to the amended version of the bill and conclude that there is no comment about the aggregate or the arm's length.

It further states that:

> The mere fact that one company may have a "miniscule investment" in a second company, will not be sufficient to make those entities a "single employer" within the meaning of the bill.

The test that would be applied in making such determinations under H.R. 281, according to the report, would be the: "Test for determining single employer status stated in the D.C. Circuit's Kiewit opinion."

The test as stated in that opinion is whether there is, "A substantial qualitative degree of interrelationship of operations and common management."

I will stop at that point. "* * * commented that the bill as drafted does not mention interrelationship of operations at all."

The D.C. Circuit's opinion goes on to say that "one that we are satisfied would not be found at arm's length or arm's length relationship existing among unintegrated companies."

That is from Operating Engineers Local 627 versus NLRB.

Any reading of the bill would indicate a substantial difference between the actual language of section 2(a) in the bill and the description of that language articulated in the committee report.

The bill states that business entities having any direct or indirect common ownership, management or control—and the gentleman has taken out the word any—shall be deemed a single employer; but the word "or" clearly bars a weighing of circumstances in the aggregate as an absolute test.

Indeed, no room whatsoever would be permitted for a flexible approach to making single employer determinations.

The amendment that I am offering would bring the language of section 2(a) in line with the description of that language contained in the committee report. A weighing of all the relevant circumstances would be permitted under my amendment. The very type of weighing that is contemplated in the D.C. circuit's Kiewit decision and the National Labor Relations Board would be given the flexibility that the sponsors want to be a part of H.R. 281.

To accomplish that end, the amendment directly incorporates key phrases from the committee report and from the Kiewit decision, sided with the approval in the committee report.

Adoption of the amendment will provide labor employees and management with a more consistent statement of the intent of section 2(a).

Does this make the bill perfect? No; it does not. It does at least make the bill do what the sponsors say they want it to do, and I would refer the House to page 5 of the committee report where they cite the Kiewit decision:

> That court concluded that the proper test is whether there is "a substantial qualitative degree of interrelation of operations and common management—one that—would not be found in the arm's length relationship existing among unintegrated companies."

The committee bill, as amended, speaks nothing of that, but would say that if there is common ownership, substantial ownership, then those two companies can, even with an arm's length, nevertheless, would be deemed a single employer.

The committee report goes on to say on page 7 that the bill provides that several factors such as common ownership, common management and common control—I remind the House that the committee bill speaks of every one of those factors—are to be viewed in the aggregate to determine single employer status and with the totality of the relevant circumstances show that the relationship between two or more companies is not an arm's length one; the single factor of

common control of day-to-day labor relations is to be given weight.

The difference between this amendment and the committee bill, as amended, is this: This amendment would say that so long as those subsidiaries are at arm's length, independent companies, then they can operate in two different marketplaces and the employees can choose which one to work for.

□ 1445

The committee bill says no, that so long as the company has substantial common ownership it cannot operate two independent arms's-length companies as current law now provides and as the sponsors of the bill seem to have supported in the committee report.

So I urge adoption of this amendment.

Mr. Chairman, I yield back the balance of my time.

Mr. CLAY. Mr. Chairman, I move to strike the last word, and I rise in opposition to the amendment.

Mr. Chairman, this is a codification of the existing standard applied by the NLRB to determine single employer status. And as experience has demonstrated, this standard is not sufficient to close the loopholes that permit employers to walk away from their contractual obligations. If the board had propely performed its duties in the first instance, this legislation would not be necessary.

Instead, the Board using the very standard we are being asked to adopt by the gentleman, has sanctioned the ability of an emloyer to unilaterally walk away from its commitments to workers. In the Kiewit case that the gentleman referred to, it was stipulated on the record that the Kiewit Co. was subject to a collective bargaining agreement and that it brought in a wholly owned, nonunion subsidiary for the express purpose of avoiding the requirements of the agreement.

There no question of common ownership or control. Despite this, the NLRB found that since the day-to-day labor relations of each company were handled separately, the contract did not apply.

Now the amendment before us does not ensure that the Board or the courts will make their determination of single employer status on the basis of all relevant facts. Rather, it permits the Board to apply the same reasoning it used previously. By so doing, it recreates a means by which employers will continue to escape the obligations of their agreements.

As I have stated in committee, in the report and on the floor, section 2(a) is intended to apply only to related businesses and not to truly independent businesses.

If the gentleman remains concerned that section 2(a) as reported may still apply too broadly, then I say to the gentleman that the amendment offered by the gentleman from Oregon [Mr. AuCoin], should have addressed that concern. H.R. 281 is not intended and will not result in truly independent businesses being deemed to be single employers.

The amendment that is before us, however, poses the very real likelihood of undoing all this legislation seeks to accomplish by insuring the ability of employers to unilaterally abrogate collective bargaining agreements.

Mr. Chairman, I urge that the amendment be defeated.

Mr. BERMAN. Mr. Chairman, I move to strike the requisite number of words, and I rise in opposition to the amendment.

Mr. BERMAN. Mr. Chairman, if this amendment is adopted we are actually worse off than under existing law in the effort to try to deal with what I feel is the pernicious practice of double breasting, of allowing an employer to unilaterally abrogate a collective bargaining agreement by settling up a shell operation. If you examine the language of the amendment, two operations which have absolutely identical common ownership, common management and control but are not found to have a substantial qualitative degree of interelationship of operations because the common ownership has decided, looking at this amendment, that that is the way they avoid coming within the scope of this amendment, those are not found to be a single employer.

We are worse off than under existing law where at least the National Labor Relations Board and the courts in interpreting them can on a case-by-case basis look at the situation and all the facts surrounding it and determine whether in fact an effort to avoid the obligations of section 8f of the National Labor Relations Act are being complied with.

The amendment adopted earlier, by Mr. AuCoin, deals with the problem of some identity of management or ownership which is not intended to be and is not in reality a double breasting situation.

This amendment adds a level of a test that provides simply a blueprint for the construction employer who wants to get out of a contract that he has signed before the term of that contract has expired; it just shows him the way.

Mr. AuCOIN. Mr. Chairman, will the gentleman yield?

Mr. BERMAN. I yield to the gentleman from Oregon [Mr. AuCoin].

Mr. AuCOIN. I thank the gentleman for yielding.

The gentleman from Texas seems to make a new definition of what a single employer is. Under the amendment that the Committee of the Whole just adopted we have accomplished the definition that mets many of the objections and concerns of the gentleman from Texas.

Under the terms of that adopted amendment, a substantial degree of common ownership would have to be in place before any two business entities could be considered a single entity. No two separate entities would be bound by an agreement signed by one if their only connection was some small degree of common ownership. So I think that the Committee has worked its will, it has defined what a single employer ought to be. It is not painted, this definition, with a large brush. It has been very refined. It has made clear what we intend.

Mr. Chairman, I appreciate the gentleman yielding, and I urge defeat of the Bartlett amendment.

Mr. BERMAN. I thank the gentleman for his comments. I agree with them completely. I only want to reiterate, under the gentleman's amendment, if it is adopted, you can have an absolute, complete and total common ownership, management and control, but if they have organized their operations to not have the substantial qualitative degree of interrelationship, which will be obviously their incentive to do under this provision, they are not a single employer.

So any of the criticisms of any other amendment that has been offered and accepted to this bill are not met by this amendment. This goes far beyond that.

Mr. BARTLETT. Mr. Chairman, will the gentleman yield?

Mr. BERMAN. If I still have time, I yield to the gentleman from Texas.

Mr. BARTLETT. I thank the gentleman for yielding.

The gentleman is saying what is in the committee report and I think what should be in the law. The only difficulty is the committee bill, even as amended, does not say that. The committee bill does not provide for, as the gentleman has stated, for several factors with an interrelationship. The committee bill as amended says you are a single employer if you are having directly or indirectly substantial common ownership, common management or common control. So if you do not have common ownership but you have common management, then therefore you are a single employer. If you are owned by two different companies but you have some common mangement, you are a single company, single employer.

Could the gentleman reconcile what he is saying and what the bill says?

Mr. BERMAN. Under the amendment that the gentleman from Texas is offering if company A, with owners and management, dissolves even though they are obilgated for several more years a under a collective bargaining agreement, and company B, same ownership, same managment, takes over those operations, where is the substantial qualitative degree of interrelationship with the company that is dissolved and a company that is now starting operations? The gentleman is adding a test that I think goes far beyond his criticisms of the language of this bill.

The CHAIRMAN. The time of the gentleman from California [Mr. Berman] has expired.

(On request of Mr. Bartlett and by unanimous consent, Mr. Berman was allowed to proceed for 2 additional minutes.)

Mr. BARTLETT. Mr. Chairman, will the gentleman continue to yield?

Mr. BERMAN. I yield to the gentleman.

Mr. BARTLETT. I thank the gentleman for yielding further.

What this amendment says, and it says it directly, is that upon viewing the totality of the circumstances in the aggregate, have a substantial qualitative degree of interrelationship of operations and common ownership, management or control. This amendment says what the gentleman is saying. But as I understand the gentleman, and I respect him a great deal, he is knowledgeable in these areas. But the difficulty is, what the gentleman is saying is not what would result from the bill as it is currently drafted.

Mr. BERMAN. Not to beat this horse too much, if I may reclaim my time, but if the gentleman could answer one question: The NLRB or the circuit court reviewing an NLRB decision in this area, looking at the totality of the relevant circumstances, how could they possibly find that a company that has gone out of existence but has the exact same ownership and management as a company that has sprung up in order to avoid a collective bargaining contract, has a substantial qualitative degree of interrelationship of operations?

They cannot find it because a company that is no longer in existence has no interrelationship with the new company. Perhaps unintentionally the gentleman has drafted an amendment that I think creates an impossible situation and is truly worse than the existing laws in this area.

Mr. BARTLETT. Mr. Chairman, will the gentleman yield on that point?

Mr. BERMAN. I yield to the gentleman.

Mr. BARTLETT. I suppose what I am saying is, if under current law or under my amendment, if a company shifted all of its control and all of its contracts over to another company simply to avoid, as an alter ego, to avoid its legitimate prehire agreement, that is already illegal, and we do not need a bill to solve that. My amendment continues that, that would be illegal. The committee bill, unamended, goes far beyond that and says that if a company has two independent subsidiaries at arm's length, it is, necessarily, nevertheless a single employer even though they are two completely separate entities, separate employees, separate management, separate contracts, but it would be deemed under labor law, but under no other law, under labor law to be a single employer.

My only purpose in offering this amendment is that the committee report says it should not be, current law says it should not be, the employees do not want it, only the sponsors of this legislation would want it to be.

I thank the gentleman.

Mr. BERMAN. I appreciate the comments of the gentleman.

I would just suggest that an examination of this language would indicate an effort to go far beyond the criticisms the gentleman has of the existing bill.

Mr. STENHOLM. Mr. Chairman, I move to strike the requisite number of words, and I rise in support of the amendment.

Mr. STENHOLM. Mr. Chairman, I rise in support of the amendment.

This amendment should certainly be acceptable to the committee which reported H.R. 281, because it does no more than reconcile the rather vague and very broad language of one portion of the bill with what the authors have said they intended in the committee report.

I am referring, of course, to the provision that defines what constitutes a "single employer."

By its own terms, the bill would have the NLRB and the courts find single ownership when there is "any direct or indirect common ownership, management or control." I particularly note with concern the words "any"—which does not seem to establish any quantitative standard—and "indirect"—which leaves uncertain just how far apart two firms really have to be before they are considered separate businesses.

The amendment solves this significant problem by simply replacing the bill's overbroad definition with one right out of the committee report, one that very much reflects the commonsense approach that has developed under a good deal of case law.

Mr. Chairman, I have always believed it is the best policy not to explain what you mean to say but to simply say what you mean. That is the simple, but substantial, improvement the Bartlett amendment makes in this bill.

I support it and I hope everyone else will, too.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Texas [Mr. Bartlett].

The question was taken; and the Chairman announced that the noes appeared to have it.

RECORDED VOTE

Mr. BARTLETT. Mr. Chairman, I demand a recorded vote.

A recorded vote was ordered.

The vote was taken by electronic device, and there were—ayes 165, noes 247, not voting 21, as follows:

[Roll No. 84]

AYES—165

Archer
Armey
Badham
Bartlett
Barton
Bateman
Bereuter
Bilirakis
Bliley
Boulter
Broomfield
Brown (CO)
Broyhill
Burton (IN)
Byron
Callahan
Carney
Chandler
Chappell
Chappie
Cheney
Coats
Cobey
Coble
Coleman (MO)
Combest
Cooper
Craig
Crane
Daniel
Dannemeyer
Darden
Daub
DeLay
DeWine
Dickinson
Dreier
Duncan
Eckert (NY)
Edwards (OK)
Emerson
English
Evans (IA)
Fawell
Fiedler
Fields
Franklin
Frenzel
Gekas
Gibbons
Gingrich
Goodling
Gradison
Green
Gregg
Gunderson
Hall, Ralph
Hammerschmidt
Hansen
Hartnett
Hatcher
Hefner
Hendon
Henry
Hiler
Hillis
Holt
Hopkins
Huckaby
Hunter
Hutto
Hyde
Ireland
Jeffords
Jenkins
Kasich
Kemp
Kindness
Kolbe
Lagomarsino
Latta
Leach (IA)
Leath (TX)
Lewis (CA)
Lewis (FL)
Lightfoot
Livingston
Lott
Lungren
Mack
Marlenee
Martin (IL)
Martin (NY)
Mazzoli
McCain
McCandless
McCollum
McCurdy
McEwen
McKernan
McMillan
Meyers
Michel
Miller (OH)
Monson
Montgomery
Moore
Moorhead
Morrison (WA)
Myers
Neal
Nelson
Nielson
Oxley
Packard
Parris
Pashayan
Porter
Pursell
Quillen
Ray
Roberts
Rogers
Roth
Roukema
Rowland (GA)
Rudd
Schuette
Schulze
Sensenbrenner
Shaw
Shumway
Shuster
Siljander
Skeen
Slaughter
Smith (NE)
Smith, Denny (OR)
Smith, Robert (NH)
Smith, Robert (OR)
Snowe
Snyder
Solomon
Spence
Stangeland
Stenholm
Strang
Stump
Sundquist
Sweeney
Tauke
Tauzin
Taylor
Thomas (CA)
Valentine
Vander Jagt
Vucanovich
Walker
Watkins
Weber
Whitley
Whittaker
Whitten
Wolf
Zschau

NOES—247

Ackerman
Akaka
Alexander
Anderson
Andrews
Annunzio
Anthony
Applegate
Aspin
Atkins
AuCoin
Barnard
Barnes
Bates
Bedell
Beilenson
Bennett
Bentley
Berman
Bevill
Biaggi
Boehlert
Boggs
Boland
Boner (TN)
Bonior (MI)
Bonker
Borski
Bosco
Boucher
Boxer
Breaux
Brooks
Brown (CA)
Bruce
Bryant
Burton (CA)
Carper
Carr
Chapman
Clay
Clinger
Coelho
Coleman (TX)
Collins
Conte
Conyers
Coughlin
Courter
Coyne
Crockett
Daschle
de la Garza
Dellums
Derrick
Dicks
Dingell
DioGuardi
Dixon
Donnelly
Dorgan (ND)
Dowdy
Downey
Durbin
Dwyer
Dymally
Dyson
Early
Eckart (OH)
Edgar
Edwards (CA)
Erdreich
Evans (IL)
Fascell
Fazio

Feighan
Fish
Flippo
Florio
Foglietta
Foley
Ford (MI)
Fowler
Frank
Frost
Fuqua
Gallo
Garcia
Gaydos
Gejdenson
Gilman
Glickman
Gonzalez
Gordon
Gray (IL)
Gray (PA)
Guarini
Hall (OH)
Hamilton
Hawkins
Hayes
Heftel
Hertel
Horton
Howard
Hoyer
Hubbard
Hughes
Jacobs
Johnson
Jones (NC)
Kanjorski
Kaptur
Kastenmeier
Kennelly
Kildee
Kleczka
Kolter
Kostmayer
LaFalce
Lantos
Lehman (CA)
Lehman (FL)
Leland
Lent
Levin (MI)
Levine (CA)
Lipinski
Long
Lowry (WA)
Luken
Lundine
MacKay
Manton
Markey
Martinez
Matsui
Mavroules
McCloskey
McDade
McGrath
McHugh
McKinney
Mica
Mikulski
Miller (CA)
Miller (WA)
Mineta
Mitchell
Moakley
Molinari
Mollohan
Moody
Morrison (CT)
Mrazek
Murphy
Murtha
Natcher
Nowak
Oakar
Oberstar
Obey
Olin
Ortiz
Owens
Panetta
Pease
Penny
Pepper
Perkins
Petri
Pickle
Price
Rahall
Rangel
Regula
Reid
Richardson
Ridge
Rinaldo
Ritter
Robinson
Rodino
Roe
Roemer
Rose
Rostenkowski
Rowland (CT)
Roybal
Russo
Sabo
Savage
Saxton
Schaefer
Scheuer
Schneider
Schroeder
Schumer
Seiberling
Sharp
Shelby
Sikorski
Skelton
Slattery
Smith (FL)
Smith (IA)
Smith (NJ)
Solarz
Spratt
St Germain
Staggers
Stallings
Stark
Stokes
Stratton
Studds
Swift
Synar
Tallon
Thomas (GA)
Torres
Torricelli
Towns
Traficant
Traxler
Udall
Vento
Visclosky
Volkmer
Walgren
Waxman
Weaver
Weiss
Wheat
Williams
Wilson
Wirth
Wise
Wolpe
Wortley
Wright
Wyden
Wylie
Yates
Yatron
Young (AK)
Young (MO)

NOT VOTING—21

Bustamante
Campbell
Davis
Dornan (CA)
Ford (TN)
Gephardt
Grotberg
Jones (OK)
Jones (TN)
Kramer
Lloyd
Loeffler
Lowery (CA)
Lujan
Madigan
Nichols
O'Brien
Sisisky
Swindall
Whitehurst
Young (FL)

□ 1510

The Clerk announced the following pair:

On this vote:

Mr. Campbell for, with Mr. Ford of Tennessee against.

Mr. BOLAND and Mr. THOMAS of Georgia changed their votes from "aye" to "no."

Mr. KASICH and Mr. WHITTEN changed their votes from "no" to "aye."

So the amendment was rejected.

The result of the vote was announced as above recorded.

Mr. SABO. Mr. Chairman, I move to strike the last word.

Mr. SABO. Mr. Chairman, I rise in strong support of H.R. 281, the Construction Industry Labor Law Amendments.

Labor-management relations in the construction industry are unique. Work sites shift, manpower requirements are continually in flux, and much of the labor force is transient. Contractors often do not hire a full complement of workers until their bid is accepted. Certifying a union is a long process. If traditional union election procedures were required for the construction industry, the work might well be completed before the election.

Congress recognized the unique nature of the construction industry when, in 1959, it added section 8(f) to the National Labor Relations Act. That important amendment permits contractors and unions in the construction industry to enter into prehire agreements wherein the contractor agrees to hire at the union hall at agreed wages and benefits and the union agrees to make skilled workers available. There is no obligation for either the contractor or the union to sign prehire agreements and workers have the right to decertify the union once work is under way.

Unfortunately, a recent line of National Labor Relations Board and court decisions have eroded the effect of prehire agreements. The Board and court decisions have given contractors two avenues to avoid the bargaining agreement. First, they can ignore the agreement when beginning a new project—even if the agreement is for a term of years—unless the union can prove that a majority of the contractor's stable work force or a majority of workers on each job site support the union. Shifting work sites and changing work forces make that difficult.

The other option available to contractors is double breasting. There, the contractor sets up a second, nonunion company which performs the same type of work in the same area under basically the same management and control. The effect is to defeat the terms of existing prehire agreements.

Mr. Chairman, H.R. 281 does not impose an unfair burden on the contractor. It does not expand the law passed 27 years ago—it only restores the intent of that law. Under this bill, prehire agreements would have the same binding effect as other collective-bargaining agreements for the period specified in the agreement. Workers would still be entitled to decertify the union. The bill also provides that related business entities in the construction industry under common control and performing the same or similar work would be considered a single employer for the purposes of labor law and would cover all operations of that employer within the geographic area specified in the agreement. It does not impose collective-bargaining agreements on companies that are truly independent.

This legislation is fair and reasonable and, once again, reasserts congressional intent. I believe that it deserves support.

Mr. JEFFORDS. Mr. Chairman, I move to strike the last word.

Mr. JEFFORDS. Mr. Chairman, I had originally intended to offer a substitute to this bill. But I have taken note of the vote on the last amendment, which I believe was a good amendment, because it would merely have clarified what the majority and the authors of this bill said they intended to do. It is obvious that I would be less than likely to succeed in an attempt to get an amendment which would take care of an even more egregious part of the bill dealing with appropriate bargaining units. Thus, I will not ask Members on this very divisive and difficult issue to again vote on something which I know will not prevail.

I would just point out that we do have some very difficult amendments, on philosophic issues, which we must deal with; and, therefore, I will not take the time of the committee to deal with the substitute, which I believe would have been excellent help and assistance to the people who desire to pass this legislation.

Meanwhile, unlike H.R. 281, my substitute would also have retained an additional protection under current law for the workers: For the collective bargaining agreement to apply to both companies, the NLRB would have to determine that the workers of the two companies have a "community of interests." This requirement applies to all collective-bargaining agreements in all industries and is based upon the fundamental premise that workers with different needs should not be bound together under collective-bargaining agreements.

In addition, my amendment would have strengthened the union's hand at the bargaining table by specifically permitting antidouble breasting clauses in collective bargaining agreements in the construction industry. Some agreements in the industry already include such clauses, but they are currently being challenged by the National Labor Relations Board as constituting unlawful activity against separate employers. In my view, if we are to retain the current definition of "single employer," we should at least give the unions the tools they need to acquire additional protection at the bargaining table.

AMENDMENT OFFERED BY MR. BARTLETT

Mr. BARTLETT. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. Bartlett: Page 3, line 20, after the word "shall" insert a comma and the following new language: "upon ratification by a majority of the employees in the bargaining unit covered by the agreement (in a secret ballot election conducted under section 9(c)),".

□ 1525

Mr. BARTLETT. Mr. Chairman, I think this amendment is the key amendment to the bill. It is one that goes to the heart of the unfairness that is in the current bill.

This amendment, entitled "Secret Ballot Amendment," preserves the free choice of employees who have not been given the opportunity to decide if they want to be bound by the terms of a union contract, including paying

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union dues and having to work by union work rules. It guarantees the right of these employees to vote by secret-ballot election, on whether or not they want to be represented by a labor union before they are automatically subject to the terms of a union agreement that was negotiated without their knowledge or without their consent or without their participation.

Mr. Chairman, under H.R. 281, the difficulty with the bill is that the union contract of a single employer would be automatically—automatically—applied to any nonunion entity of that employer if, under the definition we have previously adopted, the entity has any operations within the same geographical area.

It does not matter if the employees of the nonunion operation are perfectly happy with their current jobs and wages, and prefer to be working open shop. H.R. 281 arbitrarily requires that the collective-bargaining agreement of the unionized contractor would be extended to those nonunion employees. In other words, employees who may have willingly worked for years in a nonunion setting are going to suddenly find themselves bound by a union contract, and may have to pay dues to a union which they never got a chance to vote on.

This bill without this amendment would turn on its head the fundamental tenet of freedom of choice, which has been part of our national labor law since 1935. Instead of giving these employees the right to decide on whether or not they want to be represented by a union before they have to pay union dues and work according to the work rules and abide by the terms and conditions, the bill instead says that they must go through complicated NLRB procedures, so the employees themselves would have to go through a decertification process to repudiate the union contract after the fact. In so many words, they are being told without this amendment that they are going to work union, and if they do not like it, too bad; they will just have to quit.

Furthermore, if the contract has a union-security clause, the employees will have to pay union dues and abide by work conditions set by the union or they will lose their job with no right of appeal.

My amendment does not alter the basic purpose of H.R. 281. I think we have resolved that in the definition of "single employer." It will not prevent a union contract from being extended to all operations of a dual-shop employer. I wish it did, I wish it could, but the House has worked its will. It simply says that before the contract goes into effect on the employees of a company who have chosen to work nonunion, that they will have the opportunity through an NLRB-supervised secret-ballot election to decide whether they want to be represented by the union.

Mr. Chairman, we have in current law in section 9(c) of labor law a whole body of law regarding the conduct of secret-ballot elections. We also provide that the NLRB could set new rules and regulations for the conduct of elections within the context of a prehire agreement. This would be one election one time. It would not provide for a project-by-project or site-by-site kind of election. It merely says that the employees of that open shop would be given one opportunity to cast a vote. It does not preclude those employees from later coming back, if they vote no, indicating majority support and joining either that union or another union at a later time.

There is some comment that I have heard over the last 6 months that this—frankly, as we have tried different drafts to get to the purpose—somehow is not a perfect draft. I would suggest that the bill is so flawed, that the bill is so imperfect, that this draft is a perfect draft in the sense that it restores a fundamental right of employees to vote on whether or not they want to belong to a union and abide by the terms and conditions of a union contract.

H.R. 281 without this amendment takes that right away. Make no mistake about it—this vote will be purely a vote for democracy in unions. I understand that is what they want. I understand that is the goal. It merely says that, without regard to everything else, the employees themselves have a choice.

Amendments had previously been opposed by some organizations—the Department of Labor, the AGC, and others. I would report to the House that today, as of now, those organizations are supporting this amendment as a way to restore some degree of democracy and some degree of rights to employees from the results of an unfair bill.

I urge my colleagues to think fairness, to think about being fair to those individual men and women who are doing the work, who are paying the dues, and who are in the contracting and construction business and who are building this country.

The CHAIRMAN. The time of the gentleman from Texas [Mr. Bartlett] has expired.

(On request of Mr. Roemer, and by unanimous consent, Mr. Bartlett was allowed to proceed for 1 additional minute).

Mr. ROEMER. Mr. Chairman, will the gentleman yield?

Mr. BARTLETT. I yield to the gentleman from Louisiana.

Mr. ROEMER. Mr. Chairman, I did not support the past amendment of the gentleman from Texas, and I am questioning this one. If the gentleman would yield to me for that purpose, I would ask a question.

Mr. BARTLETT. I yield to the gentleman from Louisiana.

Mr. ROEMER. What is the current law? Is the gentleman correcting a wrong in the current law with this amendment, or does the bill address this issue at all?

Mr. BARTLETT. Mr. Chairman, I thank the gentleman for his question.

The current law does not have an ill in it. The ill is created by the bill. So my amendment is related only to the difficulties that the bill would provide. The current law says that if you belong to a company and you indicate majority support, then you can get an election, or then you can have, with majority support, that union contract negotiated on your behalf.

This bill would turn that on its head and say that the employees of the previously open shop would have none of those rights. That would just restore current law, the rights to a vote.

Mr. ROEMER. If the gentleman would yield further, if you are employed and are nonunion under current law, and you would like to have an election to join a union, can you do that immediately?

The CHAIRMAN. The time of the gentleman from Texas [Mr. Bartlett] has expired.

(On request of Mr. Roemer, and by unanimous consent, Mr. Bartlett was allowed to proceed for 1 additional minute.)

Mr. BARTLETT. Mr. Chairman, first let me say that yes, under current law if you are an employee and you want to organize or show some majority support to create a union, you can do that. My amendment would not affect that. You still could do that.

Mr. BERMAN. Mr. Chairman, will the gentleman yield further on that point?

Mr. BARTLETT. I yield to the gentleman from California [Mr. Berman].

Mr. BERMAN. Mr. Chairman, I believe the gentleman from Texas [Mr. Bartlett] has inadvertently but inaccurately stated the situation. Current law has section 8(f) and other sections of the National Labor Relations Act which in the construction industry authorize prehiring collective-bargaining contracts between the employer and the union without that kind of an election. The gentleman's amendment seeks to fundamentally change the structure of existing law, and later on in the course of the debate on this amendment I will speak to it. There is a germ of logic in what the gentleman is saying. Unfortunately I do not think this amendment deals with the problem in anywhere near a correct fashion.

I think the question of the gentleman from Louisiana [Mr. Roemer] is still before the House. This issue that the gentleman from Texas [Mr. Bartlett] is seeking to address is a problem that he has with existing law on collective bargaining and elections in the construction area; it is not a problem that the bill is creating.

The CHAIRMAN. The time of the gentleman from Texas [Mr. Bartlett] has expired.

Mr. CLAY. Mr. Chairman, I rise in opposition to the amendment.

Mr. Chairman, this amendment would require a secret ballot vote for the selection of a bargaining representative. It goes well beyond the scope of H.R. 281, which addresses two narrow and specific problems with the current interpretation of the National Labor Relations Act as it applies to the construction industry to alter current practices of voluntary recognition in all industries. The amendment is totally unwarranted and deserves defeat.

Under the current law, as it applies outside the construction industry, unions can achieve the status of collective-bargaining representative in one of two ways: Either the employer recognizes the union as the representative of the majority of its employees or the union wins an election conducted by the National Labor Relations Board. This amendment would eliminate the first method. The amendment's sponsors have made no showing, nor could they, that employer recognition based on evidence of majority support is not a legitimate means for unions to achieve the status of bargaining representative. In fact, given all of the union-busting consultants and coercion which unscrupulous employees now use in NLRB election campaigns, a check of authorization cards may well result in a more accurate reflection of employee sentiment than the totals in a Board-run election. To do away with voluntary recognition would place an enormous administrative burden on the NLRB, as now all organizing campaigns would result in Board elections. It would also severely limit unions in their ability to organize and represent employees.

Certainly, in the construction industry, requiring representation elections is the surest way to assure that employees will never receive the benefits of union representation. Because of the peculiar nature of the construction industry, with jobs of short duration and employees working for many different employers, representation elections simply aren't feasible. This amendment would do away with prehire agreements completely and effectively preclude workers in the construction industry from ever being represented by a union.

☐ 1535

Mr. AuCOIN. Mr. Chairman, will the gentleman yield?

Mr. CLAY. Yes.

Mr. AuCOIN. Mr. Chairman, I appreciate the gentleman yielding.

I think the gentleman is making an important point. On the surface the gentleman's amendment seems reasonable, but if Members will take just a moment to think about the nature of the construction industry and the workers who find their livelihood there, they will stop and pause and realize that imposing an election in each one of these cases for certification would mean that you would have an election process at each construction project and the practical effect of that by eliminating prehire agreements would be that an election would have to be held and the project would probably be completed before the election could be held; so that is even worse than current law. It imposes an industrial union model standard on the construction industry. I think history has shown that is simply inappropriate for the particular nature of the construction industry. Would the gentleman agree with that.

Mr. CLAY. I certainly agree with it. In fact, the history of representation elections now shows that some of them can take as long as 5 years to be completed. These projects usually average between 3 months and 6 months. You would never have an election within that time frame in order to determine who has a majority of the workers.

Mr. BERMAN. Mr. Chairman, will the gentleman yield?

Mr. CLAY. Yes; I certainly will.

Mr. BERMAN. Mr. Chairman, I think both the gentleman from Missouri and the gentleman from Oregon have put their finger on it; but I think the problem is much worse than has even been illustrated up to now.

Under existing labor law and if this amendment would apply this process to the construction industry, your typical scenario is that the employees, a majority of whom seek to be represented for purposes of collective bargaining, file a petition. The employer then has the right to challenge the bargaining unit that that election is supposed to take place in.

There is then an NLRB examiner's hearing on the issue of what is the appropriate bargaining unit, with evidence presented on both sides and hearings that have gone on for months and months in many cases, but certainly for at least a week. A transcript is printed.

The CHAIRMAN. The time of the gentleman from Missouri has expired.

(At the request of Mr. Bartlett, and by unanimous consent, Mr. Clay was allowed to proceed for an additional 5 minutes.)

Mr. CLAY. I yield to the gentleman from California [Mr. Berman].

Mr. BERMAN. After the hearing, briefs are filed. They go before the National Labor Relations Board. The Board considers them, makes a ruling on the appropriate bargaining unit, which the employer, if he does not like the result, or the union, can seek to have a review in the circuit court of appeals for the appropriate district, either the District of Columbia or the area of the construction site, and then with potential appeal to the Supreme Court. That is only one part of the problem.

You are now down the road a number of months and years from the time the petition is filed.

After the election, either party can file objections to who is voting, claiming that person was not entitled, was not a member of the bargaining unit, was not an employee at the appropriate time, and the objections to certain ballots are also litigated in a manner somewhat similar to the one for the bargaining unit.

Even at that point, either side can file unfair labor practices. First a charge is filed. The Board investigates. Their agent in that particular area investigates. Then a complaint, then litigation.

The problem, the fundamental problem of the National Labor Relations Act right now is the procedural obstacles thwart the will of the employees. To impose this on a seasonal industry of transitory nature with many different sites without protections for quick elections, for immediate certifications of the employees to vote that way or insuring that bargaining rights will be observed, ends up making a greater mockery of the process than the problem the gentleman is seeking to correct.

Mrs. ROUKEMA. Mr. Chairman, will the gentleman yield?

Mr. CLAY. I yield to the gentlewoman.

Mrs. ROUKEMA. Mr. Chairman, I thank the gentleman, the chairman of the committee.

Mr. Chairman, I rise to express my agreement with what the chairman of the committee has said.

I reluctantly must disagree with my friend and colleague, the gentleman from Texas, and let me tell you why. As this body knows, I am against this bill, but I am not intent on destroying the fundamental purpose of prehire agreements, which I am afraid would be the consequence of this well-intended, but I think ill-advised amendment.

I tussled with this problem of prehire agreements and the choice question myself in trying to devise a substitute. As you know, in the committee we tried to work on that.

We must not forget the history of prehire agreements and the fact that in the 1950's secret ballots did not work because of the peculiar and unique nature of the industry which made it necessary to permit prehire

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agreements under section 8(f). That is why we have section 8(f).

Now, to propose a secret ballot would destroy prehire agreements, literally destroy them. There are other ways, I might say to the gentleman from Texas——

Mr. BARTLETT. Mr. Chairman, will the gentlewoman yield?

Mrs. ROUKEMA. No, I will yield in a moment, but I must get this point across.

There are other ways to show majority support and give employees a choice that do not involve secret ballots.

So if our concern is for employee choice, there are many ways recognized under existing case law and under NLRB decisions to do that. I will not go into that and take the time for it now, but believe me, there are at least three or four other ways that are feasible. Secret ballots are not feasible because of the length of time. They would literally destroy prehire agreements.

Now, there is a second reason why I cannot support my friend, the gentleman from Texas, and that is the whole question of mixing the choice of the bargaining unit with that of the negotiated contract.

Under the words of the gentleman's amendment, the two are confused. The gentleman makes almost synonymous the vote on majority support for the union with majority support for the contract. I suggest that that cannot be done. It should not be done. It is an administrative nightmare and it is totally impractical.

Mr. BARTLETT. Mr. Chairman, will the gentleman yield?

Mr. CLAY. I yield to the gentleman from Texas.

Mr. BARTLETT. Mr. Chairman, I thank the gentleman for yielding.

I respect the gentlewoman from New Jersey a great deal and the gentleman from Missouri, but I would just ask them to reread the amendment. The fact is what they have said all along is that they are in favor of showing majority support, but they do not want under this bill for the employees of an open shop to be able to demonstrate majority support, because they have not provided any procedure for majority support indications for those employees who would have the terms and conditions of a prehire agreement applied to them.

I would suggest that the secret ballot election, one ballot, one time, is the best way to demonstrate that.

The CHAIRMAN. The time of the gentleman from Missouri has again expired.

(At the request of Mr. BARTLETT, and by unanimous consent, Mr. CLAY was allowed to proceed for an additional 2 minutes.)

Mr. BARTLETT. Mr. Chairman, will the gentleman yield?

Mr. CLAY. Yes.

Mr. BARTLETT. If the gentlewoman from New Jersey or the gentleman from Missouri would offer one of those attempts to allow majority support or any indication of that employee to have any voice at all in the process, than I would support it; but it is not in the bill and it is not in any of the amendments that have been proposed, except this one. This one says very clearly, and I just invite the Members to reread it, that the application of those terms and conditions, the union terms and conditions, only applies upon the ratification by a majority of the employees in the bargaining agreement. That is all it says.

It allows the NLRB to set up an election. An uncontested election in fact generally takes less than 30 days.

Is it a site-by-site election, as the gentleman from Oregon suggested? No, it is not. It is one election. It is one opportunity for the employees to indicate their will. In fact, other procedures allow those employees if they vote down a union one time, they can come back under the regular procedures. This would be a simple election, one election, that would be mandated by law.

Mr. CLAY. Let me reclaim my time. Mr. Chairman, just to answer briefly.

There is no need for us to put any stipulations into this, because existing law provides a mechanism for union members to decertify that union, so it would be redundant for us to put it back into this bill that we are now passing.

Mr. BARTLETT. Mr. Chairman, will the gentleman yield briefly?

Mr. CLAY. Yes, I will.

Mr. BARTLETT. I agree that current law does provide for an indication of majority support, but H.R. 281 takes away that provision of majority support and would say that on day one the open shop employees would be bound by the terms and conditions of a prehire agreement that someone else negotiated.

Mr. ARMEY. Mr. Chairman, I move to strike the requisite number of words.

I guess I would like to make an announcement before I begin. I am a junior member of the committee and given the protocol and conventions of the House, the junior members of the committee must wait and then, of course, noncommittee members wait longer. That being the case and my having demonstrated all this patience, I will ask, please do not ask me to yield until I have given the statement that I have waited so long to give.

I want to make that point because I want to also recognize that there is something in the amendment of the gentleman from Texas [Mr. BARTLETT] that goes beyond the letter of the law, and that is the fact that all of our businesses are conducted not only within the terms of the letter of law, but in terms of the conventions and the practices of the environment in which we carry that out.

Now, I cannot help but also observe, you know, we live in a culture that has held out the hope for hundreds of years now that someday the lion will lay down with the lamb. I suppose we might get some very real evidence that that day is soon to be here when we find that the union member may be willing to go to work on the same site as the nonunion worker. I do not understand why that is so difficult. I have done that. I have worked right along side nonunion workers. We managed to get along fine; but that is so much a part of the problem.

Let me go to the issue that the gentleman from Texas [Mr. BARTLETT] is addressing here. Because of the nature of the business, the seasonal nature of it and the shortness of duration of many of the jobs, we cannot go through the normal process of certifying a union. The elections take too long and it is because of that that we developed the prehire arrangement.

Frankly, it has worked pretty well. The construction industry in America has done very well over the past 20 years. Construction workers have done very well, but within the context of this and given the geographic locations we move to and from, the different conventions in those different locations, the different natures of work forces, we have found in this industry that it has worked very well for those workers who chose not to be union members. There has been a decline in membership. It has not worked well for the union and its membership and I really fear that that is the big reason we have this impetus for this legislation. One reason I fear that is because I read about it in an AFL–CIO publication.

Certainly every organization wants to build its clientele and its constituency. We should not expect the union organizations to be any different; but looking then at this process, what we find here is a piece of legislation that would make the prehire agreement binding on those employees of the part of the firm or the firm or whatever that made the agreement; but then also binding on employees in another operation that is nonunion where the workers are happy to abide by them.

Now, what we find happening, given the condition that we could not go through the normal certification because of the nature of the employment, we provide for their right, the workers' right to express their will through the opportunity for a decertification election; that is to say, once we have got the unionization status, we are now saying that if there is time within the context of this contract, you can decertify that.

□ 1550

If this is not time to certify, there is not time to decertify. That is part of the problem. But the gentleman from Texas [Mr. BARTLETT] is saying that workers in a plant in a community 30 miles away from those in a plant or on a job site that have negotiated and accepted the prehire agreement should not be bound by that without some opportunity to express their fundamental right.

It is an absolutely, totally accepted tenet of a democratic system that the people living under the jurisdiction of that system have the right to an election with a secret ballot. It is hard for me to imagine that anybody would want to deny anyone of the right to do that.

How much of the debate that we have had with respect to foreign policy has been centered around whether or not this country should deal in questions of the right of people to have free elections with secret ballots in other parts of the world, and yet we are talking about people here, with respect to that dimension of their lives that is so near and dear to their ability to provide.

I might also point out that part of the problem is complicated because of the question of free riders, and there is a question. Is it fair for the union to be compelled to exclusive representation, to give that representation to members who do not pay dues or join the union? I say no, it is not fair, and I would like to make a point at this time, for anybody here willing to join with me. I am perfectly willing to take legislation into this body that relieves that unfair burden of exclusive representation from the union. They should not be required to represent workers who do not pay dues.

The worker who decides he does not want to, declines membership, does not pay the dues, should not be required to live under the burden of the representation he said he did not want.

Mr. WILSON. Mr. Chairman, I move to strike the requisite number of words.

I will take less than 5 minutes. I want to thank my colleague, the gentleman from Texas, for helping me there with the parliamentary procedure. Unlike him, however, I do not think I will yield at all because I want to get this over with.

First of all, I want to make a couple of points that are not technical in nature but have to do with general philosophy. I would also like to say to the gentlewoman from New Jersey, in her reference to the gentleman from Dallas, that he may be well intentioned but he is never ill-advised. He knows exactly what he is doing, and he always does, and he does it very well.

Everyone in here knows that his amendment is an amendment that basically is a union-busting amendment; that it provides for elections on construction sites that simply will not work; that we cannot apply the industrial norm to the construction norm. I think that is very important and I am firmly convinced that my good colleague from Dallas knows that exactly.

Finally, I would like to say that in relation to what was just said by my other colleague from north Texas, we do live in a multicultured society. One of the things that holds our society together is that we share power in this society. Everybody has something to say about the society.

During the last few years, I believe that the balance of power has shifted dramatically away from those who represent organized workers. I do not believe that is necessarily a healthy thing. I think this would be a trend ever further in that direction, which I do not think would be healthy for the United States.

I would like to remind all of my colleagues that in the United States we have only substantial trade union movement in the world that is not Socialist or worse, and I think we should try to keep it that way.

Mr. STENHOLM. Mr. Chairman, I move to strike the requisite number of words.

Mr. STENHOLM. Mr. Chairman, I rise in support of the amendment offered by the gentleman from Texas [Mr. BARTLETT], and I am indeed considerably puzzled by particularly the last statement of my friend, the gentleman from Texas.

I would call the attention of each of my colleagues to the bill, page 3, starting at line 6 through line 14, and I would appreciate the chairman or any member of the committee to educate me if what I am about to say is wrong, because I believe by colleague from Texas was totally wrong in his interpretation to this House of what this bill says. If I am wrong, I want somebody to prove it to this House right now.

Mr. Chairman, this amendment, I believe, addresses one of the most glaring flaws in H.R. 281, that of depriving the workers in shop A of any say in whether they are represented and by whom, just because shop B is a union shop and there is some vague, tenuous relation between the two.

The Bartlett amendment reaffirms a central tenet of our labor laws; namely, that union representation should always be based on the consent of the majority of workers being represented. Simple fairness demands that the workers at shop A should not be subject to a given employment contract simply because another group of workers, somewhere, voted for that contract.

Besides protecting the right of workers to vote on the issues most intimately affecting their jobs and livelihood, this amendment includes the additional safeguard that any such vote is fully supervised by the NLRB.

A fundamental principle of our form of government has always been that the right to govern is derived from the consent of the people. This amendment simply continues the venerable tradition of applying that same principle to those who represent and negotiate for their fellow employees.

I urge adoption of the amendment.

This is not a "gutting" amendment, as my colleague from Texas said. Let us read the law in case we have not stopped to look at it:

> Whenever the collective bargaining involves employees of a business entity comprising part of a single employer in the construction, as defined in section 2(2) of this Act, the duty to bargain collectively, for the purposes of this section, shall include the duty to apply the terms of a collective bargaining agreement between such business entity and a labor organization to all other business entities comprising the single employer within the geographical area covered by the agreement.

That is very clear. That is why the amendment offered by the gentleman from Texas is very clear. We should not have shop A superseding or passing on their union contract to shop B without allowing the workers in shop B to vote. That is all this amendment says, and I urge the Members to read and not be deceived.

I am reminded of the late Will Rogers famous quote, and I think it is very apropos at this time:

> It ain't people's ignorance that bothers me so much. It's them knowing so much that ain't so is the problem.

I think we are arguing about some things here that just are not so. The amendment offered by the gentleman from Texas is trying to collect it in saying if this bill passes, if it passes in its current form, and if double breasting is in fact outlawed, then at least let those employees who will be covered have a vote in deciding the form and shape of that contract that will affect them. That is all it does.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Texas [Mr. BARTLETT].

The question was taken; and the Chairman announced that the noes appeared to have it.

RECORDED VOTE

Mr. BARTLETT. Mr. Chairman, I demand a recorded vote.

A recorded vote was ordered.

The vote was taken by electronic device, and there were—ayes 123, noes 286, not voting 24, as follows:

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[Roll No. 85]

AYES—123

Anthony
Archer
Armey
Badham
Bartlett
Barton
Bateman
Bereuter
Bilirakis
Bliley
Boulter
Brown (CO)
Broyhill
Burton (IN)
Byron
Callahan
Chandler
Chappell
Chapple
Cheney
Coats
Cobey
Coble
Coleman (MO)
Combest
Craig
Daniel
Dannemeyer
DeLay
DeWine
Dickinson
Dornan (CA)
Dreier
Eckert (NY)
Edwards (OK)
Emerson
Fawell
Fiedler
Fields
Franklin
Frenzel
Gekas
Gingrich
Gradison
Hall, Ralph
Hammerschmidt
Hansen
Hartnett
Hefner
Hendon
Hiler
Hillis
Holt
Hopkins
Huckaby
Hunter
Hutto
Hyde
Ireland
Kasich
Kindness
Latta
Leath (TX)
Lewis (CA)
Lewis (FL)
Lightfoot
Livingston
Lott
Lungren
Mack
Marlenee
McCandless
McCollum
McMillan
Meyers
Michel
Monson
Montgomery
Moore
Myers
Nielson
Oxley
Packard
Parris
Porter
Quillen
Roberts
Roemer
Rogers
Roth
Schaefer
Schulze
Shaw
Shumway
Shuster
Siljander
Skeen
Slaughter
Smith (NE)
Smith, Denny (OR)
Smith, Robert (NH)
Smith, Robert (OR)
Snyder
Solomon
Spence
Stangeland
Stenholm
Strang
Stump
Sweeney
Swindall
Tauzin
Taylor
Thomas (CA)
Valentine
Vucanovich
Walker
Weber
Whitley
Whittaker
Whitten
Wolf
Zschau

NOES—286

Ackerman
Akaka
Alexander
Anderson
Andrews
Annunzio
Applegate
Aspin
Atkins
AuCoin
Barnard
Barnes
Bates
Bedell
Beilenson
Bennett
Berman
Bevill
Biaggi
Boehlert
Boggs
Boland
Boner (TN)
Bonior (MI)
Bonker
Borski
Bosco
Boucher
Boxer
Breaux
Brooks
Broomfield
Brown (CA)
Bruce
Bryant
Burton (CA)
Bustamante
Carney
Carper
Carr
Chapman
Clay
Clinger
Coelho
Coleman (TX)
Collins
Conte
Conyers
Cooper
Coughlin
Courter
Coyne
Crockett
Darden
Daschle
Daub
de la Garza
Dellums
Derrick
Dicks
Dingell
DioGuardi
Dixon
Donnelly
Dorgan (ND)
Dowdy
Downey
Duncan
Durbin
Dwyer
Dymally
Dyson
Early
Eckart (OH)
Edgar
Edwards (CA)
English
Erdreich
Evans (IL)
Fascell
Fazio
Feighan
Fish
Flippo
Florio
Foglietta
Foley
Ford (MI)
Fowler
Frank
Frost
Fuqua
Gallo
Garcia
Gaydos
Gejdenson
Gibbons
Gilman
Glickman
Gonzalez
Goodling
Gordon
Gray (IL)
Gray (PA)
Green
Gregg
Guarini
Gunderson
Hall (OH)
Hamilton
Hawkins
Hayes
Heftel
Henry
Hertel
Horton
Howard
Hoyer
Hubbard
Hughes
Jacobs
Jeffords
Jenkins
Johnson
Jones (NC)
Kanjorski
Kaptur
Kastenmeier
Kemp
Kennelly
Kildee
Kleczka
Kolbe
Kolter
Kostmayer
LaFalce
Lagomarsino
Lantos
Leach (IA)
Lehman (CA)
Lehman (FL)
Leland
Lent
Levin (MI)
Levine (CA)
Lipinski
Long
Lowry (WA)
Luken
Lundine
MacKay
Madigan
Manton
Markey
Martin (IL)
Martin (NY)
Martinez
Matsui
Mavroules
Mazzoli
McCain
McCloskey
McCurdy
McDade
McEwen
McGrath
McHugh
McKinney
Mica
Mikulski
Miller (CA)
Miller (OH)
Miller (WA)
Mineta
Mitchell
Moakley
Molinari
Mollohan
Moody
Moorhead
Morrison (CT)
Morrison (WA)
Mrazek
Murphy
Murtha
Natcher
Neal
Nelson
Nowak
Oakar
Oberstar
Obey
Olin
Ortiz
Owens
Panetta
Pease
Penny
Pepper
Perkins
Petri
Pickle
Price
Pursell
Rahall
Rangel
Ray
Regula
Reid
Richardson
Ridge
Rinaldo
Ritter
Robinson
Rodino
Roe
Rose
Rostenkowski
Roukema
Rowland (CT)
Rowland (GA)
Roybal
Russo
Sabo
Savage
Saxton
Scheuer
Schneider
Schroeder
Schuette
Schumer
Seiberling
Sensenbrenner
Sharp
Shelby
Sikorski
Skelton
Slattery
Smith (FL)
Smith (IA)
Smith (NJ)
Snowe
Solarz
Spratt
St Germain
Staggers
Stallings
Stark
Stokes
Stratton
Studds
Sundquist
Swift
Synar
Tallon
Tauke
Thomas (GA)
Torres
Torricelli
Towns
Traficant
Traxler
Udall
Vander Jagt
Vento
Visclosky
Volkmer
Walgren
Watkins
Waxman
Weaver
Weiss
Wheat
Williams
Wilson
Wirth
Wise
Wolpe
Wortley
Wright
Wyden
Wylie
Yates
Yatron
Young (AK)
Young (MO)

NOT VOTING—24

Bentley
Campbell
Crane
Davis
Evans (IA)
Ford (TN)
Gephardt
Grotberg
Hatcher
Jones (OK)
Jones (TN)
Kramer
Lloyd
Loeffler
Lowery (CA)
Lujan
McKernan
Nichols
O'Brien
Pashayan
Rudd
Sisisky
Whitehurst
Young (FL)

☐ 1615

Mr. SMITH of Iowa changed his vote from "aye" to "no."

Messrs. McCANDLESS, ROTH, HUCKABY, and SOLOMON changed their votes from "no" to "aye."

So the amendment was rejected.

The result of the vote was announced as above recorded.

Mr. WEISS. Mr. Chairman, I rise in strong support of H.R. 281, the construction industry labor law amendments.

American labor laws are designed to give workers the right to join a union and engage in collective bargaining when they want to. But because of the mushrooming practice of double breasting, workers in the building trades are being denied this fundamental right.

U.S. law has long recognized the unique position of workers in the construction industry by permitting prehire agreements—agreements which are entered into before an employer has hired all of its employees. Prehire agreements are necessary because the construction industry is characterized by constantly shifting worksites and a fluctuating level of employment.

The approval of prehire agreements made the basic right of union representation available to a group of employees who otherwise would not be able to share in its benefits.

It worked well—until recent decisions by the National Labor Relations Board began to undermine the law. The NLRB has held that employers may repudiate prehire agreements unless the union can demonstrate majority support at every worksite. The NLRB has also held that employers may avoid their prehire agreements by setting up a related company which is nonunion to accomplish the same work.

The result has been the birth of double breasting, which is nothing less than a modern and legal method of busting the union.

H.R. 281 is a simple measure to reassert the fundamental rights of workers in the building trades to union representation. The bill would accomplish three essential tasks. It stipulates that businesses with direct or indirect common ownership, management, or control will be treated as a single employer. It mandates that when an employer has a collective-bargaining agreement, that agreement will apply to all business entities that make up that single employer within the geographical area covered by the agreement. And it reestablishes the legality of prehire agreements between unions and management unless a majority of employees in the union elect another representative or choose not to be represented.

It is apparent that unions are under attack in this country from an administration that is openly hostile and from employers who are willing to use scurrilous tactics to undermine union activities. But it is difficult to imagine that the House of Representatives—the people's body—would stand idly by while an entire group of workers is denied the fundamental right of bargaining in good faith with their employers.

H.R. 281 will right this wrong. It is fair, it is simple, and it is just. I urge all my colleagues to join in approving this bill intact and without weakening amendments.

SUBCOMMITTEE RECOMMENDATION ON REVENUE SHARING—ANNOUNCEMENT OF DEATH OF THE LATE HONORABLE ROBERT R. (BOB) CASEY

(By unanimous consent, Mr. BROOKS was allowed to speak out of order.)

Mr. BROOKS. Mr. Chairman, I have two news items, both of which are bad.

First, Mr. Chairman, I have taken this time to advise the Members of the House of the status of one of our more controversial programs; general revenue sharing. As the Members know, the administration has recommended the elimination of this budget busting program when it expires this year. On the contrary, the Intergovernmental Relations and Human Resources Subcommittee of the Government Operations Committee has recommended that it be extended for an additional 3 years at its current level. They have agreed, however, to make it subject to appropriations rather than to continue the present entitlement status it now enjoys.

I, of course, am continuing the opposition I have had to this program since it was first enacted in 1972, but I want the Members to know that I have scheduled the bill for full committee action next Tuesday, April 22. I want you to be prepared for the barrage of lobbying activity you can probably expect to be generated by this announcement.

The second item of bad news is that our distinguished and beloved colleague, Bob Casey, who represented the 22d District in Houston has passed away. Many of you knew him and recall his wife, Hazel. He served here from 1959 to 1976 and was primarily on the Committee on Appropriations. Services will be held at the First Christian Church in Houston at 10:30 a.m. next Monday, and interment will be in Houston.

I wanted the House to know this, and I regret that I have to bring the Members that information.

AMENDMENT OFFERED BY MR. WALKER

Mr. WALKER. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. WALKER: On Page 4, after line 7, insert the following new section:

SEC. 2(d). It is the sense of the Congress that, under the requirements set forth in this bill, violence and coercion are inimicable to the collective bargaining process and that employers and labor organizations in the building and construction industry in fulfilling the objectives of this bill should never use or condone the use of violence.

Mr. WALKER (during the reading). Mr. Chairman, I ask unanimous consent that the amendment be considered as read and printed in the RECORD.

The CHAIRMAN. Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

Mr. WALKER. Mr. Chairman, this amendment deals with a real problem in a very modest way. It simply says that we believe that violence in the construction industry by either employers or unions is wrong and could never be condoned. One wishes that such a statement were not even necessary, but violence in this industry is an appalling reality, it has led to serious injuries and even deaths.

I urge the adoption of the amendment, and I would be glad to yield to the gentleman from Missouri [Mr. CLAY].

☐ 1625

Mr. CLAY. Mr. Chairman, in accepting this amendment the Committee does so with the understanding that the amendment is intended to express our sense and in no way is intended to substantively amend either the National Labor Relations Act or any other statute. We recognize that a pervasive structure of State and Federal law presently regulates this area and that any modification of that structure should only be undertaken with great care and thorough deliberation.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Pennsylvania [Mr. WALKER].

The amendment was agreed to.

Mr. CLAY. Mr. Chairman, I ask unanimous consent that debate on all remaining amendments be limited to 20 minutes.

The CHAIRMAN. Is there objection to the request of the gentleman from Missouri [Mr. CLAY]?

There was no objection.

The CHAIRMAN. The Chair will divide the time, 10 minutes to be apportioned by the gentleman from Missouri [Mr. CLAY] and 10 minutes to be apportioned by the gentlewoman from New Jersey [Mrs. ROUKEMA].

AMENDMENT OFFERED BY MR. ARMEY

Mr. ARMEY. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. ARMEY: Page 3, line 14, strike out "the agreement." and insert in lieu thereof the following: "the agreement, except that an agreement between an employer and a labor organization which would require compulsory employee support of a labor organization (including the irrevocable authorization of dues or fees to be withheld from wages and paid to a labor organization) shall be applicable only to the employees of the business entity which is the formal party to such agreement and not to the employees of any other business entity comprising such single employer.".

Mr. ARMEY (during the reading.) Mr. Chairman, I ask unanimous consent that the amendment be considered as read and printed in the RECORD.

The CHAIRMAN. Is there objection to the request of the gentleman from Texas?

There was no objection.

Mrs. ROUKEMA. Mr. Chairman, I yield such time as he may consume to the gentleman from Texas, a member of the committee.

Mr. ARMEY. Mr. Chairman, I think it is fairly clear that prudence will dictate that I be brief at this point. It seems to me the will of the House is fairly evident. But I would like to discuss this amendment.

One of the things that I have been talking about today and indeed what everybody in this room has been talking about today has been the fundamental rights of the American working man and working woman. There seems to be, I think, a very clear and uniform devotion and concern by all parties regarding those rights. We have different ideas as to where the rights are best found, under what procedures, and so forth. I disagree with this legislation.

I feel as though it responds too much to the rights of the labor leaders and not enough to the rights and the preferences of the workers. There are many problems I have with the legislation. The biggest problem I have is the danger it poses to that worker in America who would have an honest preference and desire to not be a member of a union, to not be represented by a union. That is understandable to me, Mr. Chairman. I have worked on construction and I had good reasons for not wanting to be a member of a union.

I had good reasons to prefer not to have union membership. Certainly some of them just put down as a cussed orneriness, independent cuss, that is my nature. But there were practical reasons, too.

One, for example, was the safety rules of the union. I honestly believed that I was safer using my own judgment in all the circumstances one encounters out there in the field of work than I would if I abided by the strict rules of safety. One of the things that I experienced though, and I always enjoy remembering this, is that those members of my crew who preferred membership worked right alongside us, those of us who did not. We really had no problem. I was never called a scab, I was never insulted. We worked together. Sometimes they sat down for coffee and I kept right on working. They did call me a company man a time or two, but it was all in good kidding. I regret the fact that that cannot continue in the world of work today.

I have to tell you quite frankly I believe that one of the big reasons it cannot is the militant nature of many of our union leaders. I do not think that is found in the hearts of the workers. We have had a good debate here today. I think there has been fairness and respect on both sides of this issue. Only once did we find any harsh language. I recall the word unscrupulous being raised. Yes, we do have a problem sometimes of unscrupulous behavior by employers, and the National Labor Relations Board does respond. We do have provisions to respond to double breasting sham tactics. There is no agreement that the response has been adequate, but the response is there. I still believe the law is not necessary.

The fact of the matter is, Mr. Chairman, as I go back to the point I made earlier about the difference between the law and practices and conventions, there are practices on both sides of employment, both by the employer and by the union and "unscrupulous" may unfortunately be a word by which we could describe that.

When we move to this question of forced compulsory unionism, we take away the choice of the individual worker. In two regards: One, he may be mandated to associate with a union that he does not want to make an association with and, two, there is a certain abridgment by the practices of unions, of his freedom of expression.

I had a union worker talk to me in 1984, and he said that he was a devote supporter of President Reagan and he resented that part of his union dues went into a fund that supported the opposition point of view. He should not have had that trespass against his freedom of expression. He should not have been required by the membership to subscribe to that funding of the alternative point of view. He should have had the right to choose to disavow his membership and to continue working there, side by side with those who chose to stay. I do not think that is too much to ask in a common, civilized, democratic community like ours.

Why must the right of the person who prefers to be an independent agent be taken away?

My amendment asks for a redefinition of the language so that the union agreement, the prehire agreement will be binding only on those parties that sign the agreement so that workers in another work location who have not been a party to that agreement will not be brought under that agreement unless they should choose to do so.

I do this in regard to the rights of workers to be their own free, independent, perhaps ornery, autonomous people, subscribing to union membership or not based on their free will to do so and their decisions regarding what they believe is the best way to gain negotiation in the world of work, to make that deal that is most comfortable for them on the job and most rewarding to their families when they bring their paychecks home.

I ask that the Members of this body vote for that worker's right to be what he is guaranteed to be in this free land, his own man, associating only with those organizations to which he makes a choice for association.

Mrs. ROUKEMA. Would the gentleman yield?

Mr. ARMEY. I yield to the gentlelady from New Jersey [Mrs. Roukema].

Mrs. ROUKEMA. Mr. Chairman, I would like to ask the author of the amendment a question as to how far reaching his proposal is. The description refers only to compulsory union dues payment. However, the language is more open than that. Could the gentleman describe any other condition under which this language would be applicable?

Mr. ARMEY. No; I did try to relate to that. I think it is an important point. I had hoped I would infer that in giving the example of my own experience.

The amendment would cover the payment of union dues but also abiding by the union regulations. Obviously to some extent one has to conform to the pattern in the workplace but there should be some greater room for autonomy for the individual member.

Mrs. ROUKEMA. But the question of negotiation of contract, itself, is not in doubt.

Mr. ARMEY. No, not at all.

Mr. BARTON of Texas. Mr. Chairman, will the gentleman yield?

Mr. ARMEY. I yield to the gentleman from Texas [Mr. Barton].

Mr. BARTON of Texas. I thank the gentleman for yielding.

Mr. Chairman, I rise in support of the gentleman's amendment. I have reviewed it. I think it is very definitely a positive amendment. As the gentleman knows, in our State of Texas we are a right-to-work State. We feel that it should not be required that those workers who do not officially choose to join a union or who work for affiliates of companies that are not unionized, that they should be required in any shape, form, or fashion to have part of their wages withheld in the form of an equivalent dues or anything like that, and I think this is an amendment that would go forward to prohibiting that event from ever taking place.

So I do support the gentleman in his amendment.

Mr. ARMEY. I thank the gentleman for his comments.

I again reiterate the offer I made earlier: I agree that exclusive representation is an unfair burden for us to impose on the unions of America. Insofar as anybody in the House, in a position of leadership, who would enable legislation to be moved swiftly, would like to sponsor or cosponsor with me legislation relieving the unions of that unnecessary burden so that they do not face the unfair free rider circumstance, I would be more than happy to cosponsor any legislation that would bring that freedom and autonomy to those members who choose to join the union.

Mrs. ROUKEMA. Mr. Chairman, I reserve the balance of my time.

The CHAIRMAN. The gentlewoman has consumed 9 minutes.

Mr. CLAY. Mr. Chairman, I yield 1 minute to the gentleman from Oregon [Mr. Weaver].

Mr. WEAVER. I thank the gentleman for yielding.

I compliment the gentleman on his legislation. My congressional district, the workers in my congressional district in Oregon badly need this legislation without crippling amendments. They need it in such places as Coos Bay, where other companies, subsidiaries are coming in and employing workers for as low as $4 and $5 per hour. A vicious cycle is setting in now that if we have minimum-wage workers on one hand, other workers are going to be driven down to the level of wage all throughout our Nation until the great work force of this Nation is reduced without purchasing power and without sufficient livelihood.

Even in the mills in my district this is occurring, when mills are being sold out to lessees or promoters who go nonunion, workers are deprived of their rights and reduced to levels of $4 and $5 an hour employment for prime manufacturing jobs.

We must stop this in this Nation, or we will not have the great work force that we have had in the past.

Mr. CLAY. Mr. Chairman, I yield myself such time as I may consume.

This amendment is defective for several reasons. First and foremost, it injects a wholly new issue of union security which is in no way related to the scope of this bill. In the 20 existing right-to-work States the amendment is superfluous since collective-bargaining agreements may not contain union security agreements.

With respect to the rest of these States, Congress had the good sense 40 years ago in enacting Taft-Hartley Act to leave the subject to the informed judgment of individual States.

There is no reason now to depart from that course and to enact a national right-to-work law.

Therefore, the amendment is totally unacceptable on this side.

Mr. Chairman, I yield back the balance of my time.

The CHAIRMAN. The gentlewoman from New Jersey [Mrs. Roukema] has 1 minute left.

Mrs. ROUKEMA. Mr. Chairman, I yield the remainder of that time to the gentleman from Texas [Mr. Armey].

□ 1640

Mr. ARMEY. Mr. Chairman, I have a clear understanding we are reaching the end of the day. Earlier, I made the comment that we live in a community and a culture that lives with the abiding hope that the lion shall soon lay down with the lamb.

I certainly want to say that the congeniality of this House today has given us hope that we will reach that point some day. In this work world that has happened.

Mr. Chairman, I will be calling for a recorded vote on this measure. I want the Members of this House to know that. Then I suspect we will all be on our way before long.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Texas [Mr. Armey].

The question was taken; and the Chairman announced that the noes appeared to have it.

RECORDED VOTE

Mr. ARMEY. Mr. Chairman, I demand a recorded vote.

A recorded vote was ordered.

The vote was taken by electronic device, and there were—ayes 121, noes 283, not voting 29, as follows:

[Roll No. 86]

AYES—121

Archer
Armey
Badham
Bartlett
Barton
Bateman
Bereuter
Bilirakis
Bliley
Boulter
Broomfield
Brown (CO)
Broyhill
Byron
Callahan
Chappell
Chapple
Cheney
Cobey
Coble
Coleman (MO)
Combest
Craig
Daniel
Dannemeyer
Daub
DeLay
DeWine
Dreier
Duncan
Eckert (NY)
Edwards (OK)
Emerson
English
Fawell
Fiedler
Fields
Franklin
Frenzel
Gekas
Gingrich
Hall, Ralph
Hammerschmidt
Hansen
Hartnett
Hendon
Hillis
Holt
Hopkins
Hunter
Hutto
Hyde
Ireland
Jenkins
Kindness
Kolbe
Lagomarsino
Leach (IA)
Leath (TX)
Lewis (FL)
Lightfoot
Livingston
Lott
Lungren
Mack
MacKay
Madigan
Marlenee
Martin (IL)
McCain
McCandless
McCollum
McEwen
McMillan
Meyers
Miller (OH)
Monson
Montgomery
Moore
Moorhead
Olin
Oxley
Packard
Parris
Porter
Quillen
Ray
Roberts
Rogers
Schaefer
Schulze
Shaw
Shumway
Shuster
Siljander
Skeen
Slaughter
Smith (NE)
Smith, Robert (NH)
Smith, Robert (OR)
Snyder
Spence
Stangeland
Stenholm
Strang
Stump
Sundquist
Sweeney
Swindall
Tauke
Taylor
Thomas (CA)
Valentine
Vander Jagt
Vucanovich
Walker
Weber
Whitley
Whittaker
Wolf
Zschau

NOES—283

Ackerman
Akaka
Alexander
Anderson
Andrews
Annunzio
Anthony
Applegate
Aspin
Atkins
AuCoin
Barnard
Barnes
Bates
Bedell
Beilenson
Bennett
Bentley
Berman
Bevill
Biaggi
Boehlert
Boggs
Boland
Boner (TN)
Bonior (MI)
Bonker
Borski
Boucher
Boxer
Breaux
Brooks
Brown (CA)
Bruce
Bryant
Burton (CA)
Burton (IN)
Bustamante
Carney
Carper
Carr
Chandler
Chapman
Clay
Clinger
Coats
Coelho
Coleman (TX)
Collins
Conte
Conyers
Cooper
Coughlin
Courter
Coyne
Crockett
Daschle
de la Garza
Dellums
Derrick
Dicks
Dingell
DioGuardi
Dixon
Donnelly
Dorgan (ND)
Dornan (CA)
Dowdy
Downey
Durbin
Dwyer
Dymally
Dyson
Early
Eckart (OH)
Edgar
Edwards (CA)
Erdreich
Evans (IL)
Fascell
Fazio
Feighan
Fish
Flippo
Foglietta
Foley
Ford (MI)
Fowler
Frank
Frost
Fuqua
Gallo
Garcia
Gaydos
Gejdenson
Gibbons
Gilman
Glickman
Gonzalez
Goodling
Gordon
Gradison
Gray (IL)
Gray (PA)
Green
Gregg
Guarini
Gunderson
Hall (OH)
Hamilton
Hawkins
Hayes
Hefner
Heftel
Henry
Hertel
Hiler
Horton
Howard
Hoyer
Hubbard
Huckaby
Hughes
Jacobs
Jeffords
Johnson
Kanjorski
Kaptur
Kasich
Kastenmeier
Kemp
Kennelly
Kildee
Kleczka
Kolter
Kostmayer
LaFalce
Lantos
Latta
Lehman (CA)
Lehman (FL)
Leland
Lent
Levin (MI)
Lewis (CA)
Lipinski
Long
Lowry (WA)
Luken
Lundine
Manton
Markey
Martin (NY)
Martinez
Matsui
Mavroules
Mazzoli
McCloskey
McCurdy
McDade
McGrath
McHugh
McKernan
McKinney
Mica
Michel
Mikulski
Miller (CA)
Miller (WA)
Mineta
Mitchell
Moakley
Molinari
Mollohan
Moody
Morrison (CT)
Morrison (WA)
Mrazek
Murphy
Murtha
Myers
Natcher
Neal
Nelson
Nielson
Nowak
Oakar
Oberstar
Obey
Ortiz
Owens
Panetta
Pashayan
Pease
Penny
Pepper
Perkins
Petri
Pickle
Price
Pursell
Rahall
Rangel
Regula
Reid
Richardson
Ridge
Rinaldo
Ritter
Robinson
Rodino
Roe
Roemer
Rose
Rostenkowski
Roth
Roukema
Rowland (CT)
Rowland (GA)
Roybal
Russo
Sabo
Savage
Saxton
Scheuer
Schneider
Schroeder
Schuette
Schumer
Seiberling
Sensenbrenner
Sharp
Shelby
Sikorski
Skelton
Slattery
Smith (FL)
Smith (IA)
Smith (NJ)
Snowe
Solarz
Spratt
St Germain
Staggers
Stallings
Stark
Stokes
Stratton
Studds
Swift
Synar
Tallon
Tauzin
Thomas (GA)
Torres
Torricelli
Towns
Traficant
Traxler
Udall
Vento
Visclosky
Volkmer
Walgren
Watkins
Waxman
Weaver
Weiss
Wheat
Whitten
Williams
Wilson
Wirth
Wise
Wolpe
Wortley
Wright
Wyden
Wylie
Yates
Yatron
Young (AK)
Young (MO)

NOT VOTING—29

Bosco
Campbell
Crane
Darden
Davis
Dickinson
Evans (IA)
Florio
Ford (TN)
Gephardt
Grotberg
Hatcher
Jones (NC)
Jones (OK)
Jones (TN)
Kramer
Levine (CA)
Lloyd
Loeffler
Lowery (CA)
Lujan
Nichols
O'Brien
Rudd
Sisisky
Smith, Denny (OR)
Solomon
Whitehurst
Young (FL)

□ 1650

Mr. UDALL and Mr. KASICH changed their votes from "aye" to "no."

Mr. EDWARDS of Oklahoma, Mr. TAUKE, Mrs. MARTIN of Illinois, and Mr. RAY changed their votes from "no" to "aye."

So the amendment was rejected.

The result of the vote was announced as above recorded.

Mr. DICKS. Mr. Chairman, I move to strike the last word.

Mr. Chairman, most of us have heard the story about the company that offers prospective buyers an opportunity to purchase scenic waterfront vacation property at an incredibly low price. Based on the guarantees made by the company the buyer enters into an agreement with the company only to find afterward that the property doesn't even exist.

Now lets change this scenario a little: A construction company enters into a prehire agreement with the local union. Under the agreement both the construction company and the union agree that all work performed by the employees will be in accordance with a union contract. Based on the guarantees of the company the employees show up for work only to find the job doesn't really exist. The construction company has established a second company, operated on a nonunion basis, to perform the work of the first company.

While most of us would agree that the activities described in each case are basically illegal it is ironic that the latter situation, referred to as double breasting, has not only become general practice in the construction industry, but has the approval of the National Labor Relations Board.

Since passage of the 1959 Landrum-Griffin Act, Congress has recognized the unique nature of collective bargaining in the construction industry. Union certification procedures, used by other industries covered under the National Labor Relations Act, are virtually impossible to implement in the construction industry. Employees frequently change job sites and projects are usually completed before certification elections can be held. Landrum-Griffin took these special characteristics into account and provided that employers and unions could enter into prehire agreements prior to construction and the hiring of employees. Under these agreements, an employer and a union agree that the work will be performed in accordance with a union contract. Recent decisions by the National Labor Relations Board however, have enabled construction companies to circumvent these prehire arrangements and ignore their collective bargaining agreements through the use of double breasting.

Mr. Chairman, we have an opportunity today to rectify this situation. H.R. 281, the construction industry labor law amendments, requires employers to apply the terms of their collective bargaining agreements to all commonly owned businesses within the geographic area covered by the prehire agreement. This requirement will not impose collective bargaining agreements on separate or independent companies. It applies only to companies that perform similar work in the construction industry.

H.R. 281 also requires that prehire agreements will be binding in all cases except when a union has been decertified. The bill does not expand existing authority to make prehire agreements nor does it impose a union on employees against their will. It merely guarantees that a company cannot abrogate a legitimate prehire arrangement.

H.R. 281 seeks to protect the longstanding practice of prehire agreements and ensure the right of construction workers to have union representation. As a cosponsor of H.R 281, I urge my colleagues to support this legislation.

Mr. STENHOLM. Mr. Chairman, I move to strike the last word.

Mr. Chairman, I rise in strong opposition to H.R. 281.

The bill purports to address abuses already prohibited under current law, drastically restricts workers' rights to decide if, and by whom, they will be represented, and prevents employees and employers from reacting with flexibility to marketplace conditions.

Specifically, H.R. 281 prohibits the legal and reasonable operation of dual shop construction companies—also known as double breasting—and elevates prehire agreements

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to the status of collective-bargaining contracts in a way that virtually denies workers the opportunity to ever even vote on their own representation by a union.

DOUBLE BREASTING

Supporters of H.R. 281 claim it is needed because of widespread abuses by employers seeking to evade obligations under a union shop contract or to siphon off business from a unionized subsidiary and transferring it to an open shop in which workers' rights are less protected.

In point of fact, current law already prohibits such unscrupulous practices. For 10 years, the NLRB and the courts have defined the limited conditions under which double breasting is permitted.

Dual shop firms are allowed only if their day-to-day operations, labor relations, and general management are separate. Even if two firms are found to be a single employer the union contract of one will not, and should not, be imposed on the other unless the second firm is a sham entity or the alter ego of the first, or the employees of both are found to have a community of interest.

Current law thus prevents employers from evading their labor contract obligations, while separate enterprises are allowed to operate separately and employee rights to select or reject union representation are recognized and preserved. Dual shop operations are expressly prohibited if they are set up for the purpose of evading union contracts. In fact, numerous NLRB and court cases have been decided in favor of unions when such abuses have been shown.

While seeking to treat a problem for which remedies are already available, H.R. 281 goes far beyond the fair, neutral approach taken under present law by forcing employers to decide whether to go all union or all open, regardless of market structure, employee preferences, substantial differences in the way each shop operates, and only tenuous common ownership.

PREHIRE AGREEMENTS

In any industry except construction, prehire agreements would be unlawful. However, this exception, in section 8(f) of the NLRA, recognizes the unique characteristics of the industry, such as seasonal work and transient job sites. These agreements allow both labor and employers flexibility in the hiring of workers and setting of labor standards. Thus, present law already treats construction unions more favorably then those in any other industry.

Currently, before a union may enforce a prehire agreement as a full-fledged collective-bargaining contract, it must demonstrate that it has the support of a majority of workers on that job site.

Proponents of H.R. 281 argue that, having taken advantage of the hiring hall to put a work force in place, an employer can literally walk away from an otherwise binding contract unless the union meets the difficult burden of proving its majority status. As a practical matter, however, since the union has obtained the jobs for these workers, proving majority support tends to be routine and swiftly achieved, sometimes within a matter of hours.

On the other hand, elevating a prehire agreement to the status of a collective-bargaining contract without any showing of majority support, as under H.R. 281, would summarily impose union membership, regardless of the wishes of the majority. The only way the workers could then reject or change their representation would be through a cumbersome, formal NLRB decertification election. Typically, such procedures election cannot be completed until near the expiration of the contract, which is often up to 3 years later.

In effect, under H.R. 281, most workers hired under a prehire agreement would never have the chance to vote on who, if anyone, should represent them, since their jobs would be completed before an NLRB election could be held.

SUMMARY

Current law fully and adequately protects the rights of construction workers to collectively bargain, while permitting both employees and employers to adapt to changing markets. It simplifies hiring and setting labor standards, while preserving the rights of the employer, the employees, and the union to disavow any arrangement that does not have the support of a majority of the employees.

This well-reasoned balance is gutted by H.R. 281, through a tail-that-wags-the-dog approach. The bill's real goal is to achieve by statutory fiat what has not been achieved in the competitive marketplace: A reversal of the precipitous decline in dues-paying union membership. While this might not be achieved even if H.R. 281 became law, one result would be certain: The economic options and opportunities now open to workers, employers, and customers of construction services, would be severely restricted.

For all the good reasons we are hearing here today, I urge my colleagues to defeat a bad bill.

Mr. OBERSTAR. Mr. Chairman, I move to strike the last word, and I rise in strong support of H.R. 281.

Mr. OBERSTAR. Mr. Chairman, the purpose of labor laws of this Nation is to ensure that the safety and fair treatment of each American worker are priorities of every employer. These laws did not arise arbitrarily, but were, rather, the result of decades of exposure of workers to hazardous workplace conditions, oppressive working hours and scant wages.

Many in my northeastern Minnesota congressional district can still remember the tales told by iron ore miners who placed their lives in jeopardy each day they entered the mines during the earlier decades of this century. Our region of the country faced the growing pains shared by every expanding region of the country; we recognized the need to develop our manufacturing and mining industries as quickly as possible, but in doing so, issues such as safety, compensation, and workcodes were given minimal consideration.

But, as this Nation became more developed, we learned to give higher priority to the rights of our workers, that fair treatment of the workforce is also good business.

It was a proud time in this Nation, and a good indication of our priorities, when the Congress adopted measures to regulate the treatment and compensation of labor. The Davis-Bacon Act, the Fair Labor Standards Act, and the National Labor Standards Act have become measuring sticks by which progress is judged, and constant reminders of how far we have come.

But when these laws were adopted, certain segments of the workforce and of industry were overlooked, which now deserve attention. I refer specifically to the construction industry.

The very nature of the construction industry makes its workers different from other types of labor. Construction workers generally move from job to job, and may not remain in one position long enough to fulfill a contractual agreement with any single employer. That, however, does not minimize the need for these individuals to be protected and given the same rights as other workers.

But that is not happening, and that is why it is so important that we pass H.R. 281, the Construction Industry Labor Law Amendments of 1986, to end the practice of double breasting, by which contractors can avoid union requirements in their labor contracts.

Under current law, a contractor who has signed a collective-bargaining agreement can establish a second, nonunion operation to perform work usually performed by the union operation. This has been occurring because the law has been interpreted to allow employers to escape contractual obligations to their workforce.

Employers are also able to circumvent the intent of prehire agreements, which contractors sign, promising to adhere to union contract guidelines in exchange for access to skilled workers. But, employers can walk away from these contracts unless the union can prove to have a majority at all worksites, regardless of the duration of the project.

This practice clearly undermines the integrity of the labor movement, while simultaneously denying nonunion workers the rights of union workers.

H.R. 281 addresses each of these issues in an appropriate manner. Employers would be required to apply the terms of collective-bargaining agreements to all employees performing the work described in the contract within the geographic area described in the contract.

The bill also prohibits double breasting, a practice which is an embarrassment to a nation which prides itself on fairness.

H.R. 281 embodies rights which should be integral to the construction industry in this Nation. It is an extension and a clarification of existing labor law, and deserves the support of this House.

Mr. VENTO. Mr. Chairman, I move to strike the last word.

Mr. Chairman, I rise in strong support of H.R. 281, the Construction Industry Labor Law Amendments of 1985. This legislation is essential in assuring the stability of labor relations for the thousands of Americans who work in the construction trades.

In 1935, Congress passed the landmark legislation, known as the Wagner Act or National Labor Relations Act. This law is the "Magna Carta" for working Americans which promises collective bargaining to assure workers fair wages, safe working conditions, and job opportunities. The construction industry is not exempt from the provisions of the Wagner Act. Nevertheless, over the years between 1935 and 1947, the National Labor Relations

Board refused to assert its jurisdiction in cases involving the construction trades. In 1959, Congress enacted section 8(f) of the National Labor Relations Act in an effort to face the realities of the situation then existing in the construction industry.

Section 8(f) allows a union and contractor to enter into a prehire agreement before a contractor has hired a full complement of workers. Typically, the contractor agrees to hire his work force through a union hiring hall and pay agreed upon wages and benefits, while the union assures the contractor access to a pool of skilled, qualified workers. Neither the contractor nor the union is obligated to sign such an agreement and once a project is under way, the workers retain the right under the act to decertify a union by a simple majority vote.

But despite this attempt to balance the competing interests of workers and their employers, in recent years, the National Labor Relations Board [NLRB] and the courts have substantially eroded the effect of these section 8(f) prehire agreements. Indeed, many contractors simply walk away from these agreements as if they had never been negotiated and agreed upon. Such actions are antithetical to the entire intent and thrust of our basic labor law.

The only conditions under which prehire contracts are treated like other collective-bargaining agreements and endure for the specified period of the contract is where the union can affirmatively prove that a majority of workers support the union shop. The short duration of many construction projects and the often transient nature of such work creates an obstacle which many construction unions cannot possibily overcome, even when a clear majority of workers may in fact support representation.

Another option which some contractors have availed themselves of is the so-called double-breasted shop where a contractor who has already signed a prehire agreement establishes a second operation to perform the same work under the same management and control as the original operation. This is a clever way for contractors to avoid outright disavowal of a contract which has previously been agreed upon and which should have the full force of law behind it.

H.R. 281, the measure before us today, would curtail this practice of double-breasting and would strengthen the enforcement of prehire contracts for the duration of the period of time which the contractor and the union have agreed upon. This premise of this legislation is actually quite simple; it says that when you give your word to abide by a labor agreeement with particular terms, you must abide by it. In any other contractual arrangement, we would expect nothing less than full compliance with the letter of the contract once the deal is made. We should certainly expect no less of a negotiated labor contract.

Congress recognized in 1959 that certain protections were necessary to protect the legal rights of workers in the construction industry. This is not special legislation which establishes special privileges for those in the construction industry. Indeed, it is no less than an effort to ensure equal treatment for those thousands of Americans who work in the construction trades.

H.R. 281 would restrict double breasting by preventing employers from establishing a second company and transferring work from its union company to its nonunion company in order to avoid the mutual obligations under a collective-bargaining agreement. It would also prevent the unilateral repudiation by a contractor or employer of a prehire agreement which has been voluntarily entered into.

Mr. Chairman, unfortunately over the past 5 years, we have witnessed a massive, large-scale assault by this administration upon the most cherished and basic legal rights of all working Americans. The National Labor Relations Board [NLRB] has become a biased forum for undoing the legal protections which America's workers expect and deserve. Had there been some basic fairness in this administration's attitudes toward working Americans and had the performance of the NLRB and our courts been less partial toward employers and the business sector, it might not have been necessary for us to pursue this legislative remedy. Nevertheless, we are here today to deal with this legislation because those who work in the construction industry cannot afford to continue to allow their rights to be trampled on.

I hope that my colleagues will join me in passing this urgently needed legislation today so that we can get about restoring some fairness in the construction industry.

The CHAIRMAN. If there are no further amendments, under the rule, the Committee rises.

Accordingly the Committee rose; and the Speaker pro tempore [Mr. Murtha] having assumed the chair, Mr. Bonior of Michigan, Chairman of the Committee of the Whole House on the State of the Union, reported that that Committee, having had under consideration the bill (H.R. 281) to amend the National Labor Relations Act to increase the stability of collective bargaining in the building and construction industry, pursuant to House Resolution 324, he reported the bill back to the House with sundry amendments adopted by the Committee of the Whole.

The SPEAKER pro tempore. Under the rule, the previous question is ordered.

Is a separate vote demanded on any amendment? If not, the Chair will put them en gros.

The amendments were agreed to.

The SPEAKER pro tempore. The question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed and read a third time, and was read the third time.

The SPEAKER pro tempore. The question is on the passage of the bill.

The question was taken; and the Speaker pro tempore being in doubt, the House divided, and there were—ayes 187, noes 121.

Mrs. ROUKEMA. Mr. Speaker, on that I demand the yeas and nays.

The yeas and nays were ordered.

The vote was taken by electronic device, and there were—yeas 229, nays 173, not voting 31, as follows:

[Roll No. 87]

YEAS—229

Ackerman
Akaka
Alexander
Anderson
Andrews
Annunzio
Applegate
Aspin
Atkins
AuCoin
Barnes
Bates
Bedell
Beilenson
Bennett
Berman
Bevill
Biaggi
Boggs
Boland
Boner (TN)
Bonior (MI)
Bonker
Borski
Bosco
Boucher
Boxer
Breaux
Brooks
Brown (CA)
Bruce
Bryant
Burton (CA)
Bustamante
Carper
Carr
Chapman
Clay
Clinger
Coelho
Coleman (TX)
Collins
Conte
Conyers
Courter
Coyne
Crockett
Daschle
de la Garza
Dellums
Dicks
Dingell
DioGuardi
Dixon
Donnelly
Dorgan (ND)
Dowdy
Downey
Durbin
Dwyer
Dymally
Dyson
Early
Eckart (OH)
Edgar
Edwards (CA)
Erdreich
Evans (IL)
Fascell
Fazio
Feighan
Fish
Flippo
Foglietta
Foley
Ford (MI)
Frank
Frost
Gallo
Garcia
Gaydos
Gejdenson
Gilman
Glickman
Gonzalez
Gordon
Gray (IL)
Green
Guarini
Hall (OH)
Hawkins
Hayes
Heftel
Hertel
Horton
Howard
Hoyer
Hubbard
Hughes
Jacobs
Johnson
Jones (NC)
Kanjorski
Kaptur
Kastenmeier
Kemp
Kennelly
Kildee
Kleczka
Kolter
Kostmayer
LaFalce
Lantos
Lehman (CA)
Lehman (FL)
Leland
Lent
Levin (MI)
Lipinski
Long
Lowry (WA)
Luken
Lundine
Manton
Markey
Martin (NY)
Martinez
Matsui
Mavroules
McCloskey
McDade
McGrath
McHugh
McKinney
Mikulski
Miller (CA)
Miller (WA)
Mineta
Mitchell
Moakley
Molinari
Mollohan
Moody
Morrison (CT)
Mrazek
Murphy
Murtha
Natcher
Nowak
Oakar
Oberstar
Obey
Ortiz
Owens
Panetta
Pashayan
Pease
Penny
Pepper
Perkins
Pickle
Price
Rahall
Rangel
Regula
Richardson
Ridge
Rinaldo
Robinson
Rodino
Roe
Rostenkowski
Rowland (CT)
Roybal
Russo
Sabo
Savage
Saxton
Scheuer
Schneider
Schroeder
Schumer
Seiberling
Sharp
Shelby
Sikorski
Skelton
Slattery
Smith (FL)
Smith (IA)
Smith (NJ)
Solarz
St Germain
Staggers
Stallings
Stark
Stokes
Stratton
Studds
Swift
Tallon
Torres
Torricelli
Towns
Traficant
Traxler
Udall
Vento
Visclosky
Volkmer
Walgren
Waxman
Weaver
Weiss
Wheat
Whitten
Williams
Wilson
Wirth
Wise
Wolpe
Wortley
Wright
Wyden
Wylie
Yates
Yatron
Young (AK)
Young (MO)

NAYS—173

Anthony
Archer
Armey
Badham
Barnard
Bartlett
Barton
Bateman
Bereuter
Bilirakis
Bliley
Boehlert
Boulter
Broomfield
Brown (CO)
Broyhill
Burton (IN)
Byron
Callahan
Carney
Chandler
Chappell
Chappie
Cheney
Coats
Cobey
Coble

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Coleman (MO)
Combest
Cooper
Coughlin
Craig
Daniel
Dannemeyer
Daub
DeLay
Derrick
DeWine
Dornan (CA)
Dreier
Duncan
Eckert (NY)
Edwards (OK)
Emerson
English
Fawell
Fiedler
Fields
Fowler
Franklin
Frenzel
Fuqua
Gekas
Gibbons
Gingrich
Goodling
Gradison
Gregg
Gunderson
Hall, Ralph
Hamilton
Hammerschmidt
Hansen
Hartnett
Hefner
Hendon
Henry
Hiler
Hillis
Holt
Hopkins
Huckaby
Hunter
Hutto
Ireland
Jeffords
Jenkins

Kasich
Kindness
Kolbe
Lagomarsino
Latta
Leach (IA)
Leath (TX)
Lewis (CA)
Lewis (FL)
Lightfoot
Livingston
Lott
Lungren
Mack
MacKay
Madigan
Marlenee
Martin (IL)
Mazzoli
McCain
McCandless
McCollum
McCurdy
McEwen
McKernan
McMillan
Meyers
Mica
Michel
Miller (OH)
Monson
Montgomery
Moore
Moorhead
Morrison (WA)
Myers
Neal
Nelson
Nielson
Olin
Oxley
Packard
Petri
Porter
Pursell
Quillen
Ray
Reid
Ritter
Roberts

Roemer
Rogers
Rose
Roth
Roukema
Rowland (GA)
Schuette
Schulze
Sensenbrenner
Shaw
Shumway
Shuster
Siljander
Skeen
Slaughter
Smith (NE)
Smith, Robert (NH)
Smith, Robert (OR)
Snowe
Snyder
Solomon
Spence
Spratt
Stangeland
Stenholm
Strang
Stump
Sundquist
Sweeney
Swindall
Synar
Tauke
Tauzin
Taylor
Thomas (CA)
Thomas (GA)
Valentine
Vander Jagt
Vucanovich
Walker
Watkins
Weber
Whitley
Whittaker
Wolf
Zschau

NOT VOTING—31

Bentley
Campbell
Crane
Darden
Davis
Dickinson
Evans (IA)
Florio
Ford (TN)
Gephardt
Gray (PA)

Grotberg
Hatcher
Hyde
Jones (OK)
Jones (TN)
Kramer
Levine (CA)
Lloyd
Loeffler
Lowery (CA)
Lujan

Nichols
O'Brien
Parris
Rudd
Schaefer
Sisisky
Smith, Denny (OR)
Whitehurst
Young (FL)

☐ 1720

The Clerk announced the following pairs:

On this vote:

Mr. Gephardt for, with Mr. Hatcher against.

Mr. Sisisky for, with Mr. Campbell against.

Mr. Ford of Tennessee for, Mr. Hyde against.

Mr. Davis for, with Mr. Loeffler against.

Mr. Florio for, with Mr. O'Brien against.

Mr. Levine of California for, with Mr. Rudd against.

So the bill was passed.

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

REMOVAL OF NAME OF MEMBER AS COSPONSOR OF H.R. 994

Mr. STOKES. Mr. Speaker, I ask unanimous consent to remove my name as a cosponsor of H.R. 994.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Ohio?

There was no objection.

AUTHORIZING THE CLERK TO MAKE CORRECTIONS IN ENGROSSMENT OF H.R. 281, CONSTRUCTION INDUSTRY LABOR LAW AMENDMENTS OF 1985

Mr. FORD of Michigan. Mr. Speaker, I ask unanimous consent that in the engrossment of the bill, H.R. 281, the Clerk be authorized to make corrections in section numbers, punctuation, and cross-references and to make such other technical and conforming changes as may be necessary to reflect the actions of the House in amending the bill, H.R. 281, the Construction Industry Labor Law Amendments of 1985.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Michigan?

There was no objection.

GENERAL LEAVE

Mr. FORD of Michigan. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks on H.R. 281, the bill just adopted.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Michigan?

There was no objection.

PROVIDING FOR THE CONSIDERATION OF H.R. 1116, GARRISON DIVERSION UNIT REFORMULATION ACT OF 1986

Mr. HALL of Ohio. Mr. Speaker, by direction of the Committee on Rules, I call up House Resolution 422 and ask for its immediate consideration.

The Clerk read the resolution, as follows:

H. Res. 422

Resolved, That at any time after the adoption of this resolution the Speaker may, pursuant to clause 1(b) of rule XXIII, declare the House resolved into the Committee of the Whole House on the State of the Union for the consideration of the bill (H.R. 1116) to implement certain recommendations made pursuant to Public Law 98-360, and the first reading of the bill shall be dispensed with. After general debate, which shall be confined to the bill and shall continue not to exceed one hour, to be equally divided and controlled by the chairman and ranking minority member of the Committee on Interior and Insular Affairs, the bill shall be considered for amendment under the five-minute rule. It shall be in order to consider the amendment in the nature of a substitute recommended by the Committee on Interior and Insular Affairs now printed in the bill as an original bill for the purpose of amendment under the five-minute rule, each section of said substitute shall be considered as having been read, and all points of order against said substitute for failure to comply with the provisions of clause 5(a) of rule XXI are hereby waived. At the conclusion of the consideration of the bill for amendment, the Committee shall rise and report the bill to the House with such amendments as may have been adopted, and any Member may demand a separate vote in the House on any amendment adopted in the Committee of the Whole to the bill or to the committee amendment in the nature of a substitute. The previous question shall be considered as ordered on the bill and amendments thereto to final passage without intervening motion except one motion to recommit with or without instructions.

The SPEAKER pro tempore. The gentleman from Ohio [Mr. Hall] is recognized for 1 hour.

Mr. HALL of Ohio. Mr. Speaker, I yield such time as he may consume to the gentleman from Pennsylvania [Mr. Gray].

PERSONAL EXPLANATION

Mr. GRAY of Pennsylvania. I thank the gentleman for yielding time to me.

Mr. Speaker, I just arrived on the floor and, therefore, missed the final passage of H.R. 281.

Had I been present I would have voted in favor of H.R. 281.

Mr. HALL of Ohio. Mr. Speaker, I yield the customary 30 minutes to the gentleman from Tennessee [Mr. Quillen], pending which I yield myself such time as I may consume.

Mr. MICHEL. Mr. Speaker, will the gentleman yield so that I might speak out of order?

Mr. HALL of Ohio. I would be glad to yield to the gentleman from Illinois.

LEGISLATIVE PROGRAM

Mr. MICHEL. I thank the gentleman for yielding.

Mr. Speaker, I take this time for the purpose of inquiring of my distinguished friend, the gentleman from Washington [Mr. Foley], the majority whip, if he might elaborate on the program for next week.

Mr. FOLEY. Mr. Speaker, will the distinguished gentleman from Illinois yield to me?

Mr. MICHEL. I am primed to do so.

Mr. FOLEY. Mr. Speaker, the business of the House will be concluded with the adoption of the rule now under consideration. It is then the intention to have a pro forma session tomorrow, and, at the conclusion of that pro forma session, to adjourn until Monday at noon, when we would consider nine bills under suspension of the rules. The suspensions to be considered are:

H.R. 2998, Victims of Crime Act amendments;

H.R. 3826, sexual molestation of minors on Indian reservations;

H.R. 4392, financial assistance for control of plague;

H.R. 44, Electric Consumers Protection Act;

H.R. 4600, Indian health bill;

H.R. 1920, Indian gaming;

H.R. 3247, amendments to Native American Programs Act;

S. 140, the Children's Justice Act; and

H.R. 4602, Federal Housing Administration and GNMA to make additional loans, and for other purposes.

We would also consider the general debate on the Garrison Diversion Unit Reformulation Act of 1986, with an open rule and 1 hour of debate, and the rule will have already been adopted. There will be general debate only on Monday.

The votes on the suspensions will be postponed until Tuesday.

On Tuesday, the House will meet at noon and, as I say, take up any recorded votes ordered on the suspensions debated on Monday.

We will then consider on Tuesday H.R. 4515, the supplemental appropriations for fiscal year 1986, subject to a rule being granted;

H.R. 4420, United States Code, title X amendments, to revise military retirement system for new members of the armed services, with an open rule and 2 hours to debate; and

H.R. 1116, the Garrison Diversion Unit Reformulation Act of 1986, to complete consideration.

At approximately 4 p.m. on Wednesday, April 23, the House will adjourn for Passover and will reconvene at noon on Monday, April 28.

Of course, conference reports may be brought up at any time and there is the usual reservation about later announcements of the program included in this announcement.

Mr. MICHEL. If I might inquire of the distinguished gentleman, I do not see anything here about a budget resolution. It would not miraculously appear, by any chance, would it, next week?

Mr. FOLEY. I do not see anything here either about a budget resolution, but there is going to be a meeting, which the gentleman may be aware of, of the joint leadership of both parties.

Mr. MICHEL. Hopefully Monday?

Mr. FOLEY. Yes, that will be on Monday, and it is hoped that from that meeting we can gain some additional guidance on the schedule for budget consideration.

Mr. MICHEL. I thank the gentleman.

Mr. FOLEY. I thank the gentleman from Ohio [Mr. Hall] for yielding and would ask him to yield further.

Mr. HALL of Ohio. I yield to the gentleman from Washington.

ADJOURNMENT FROM FRIDAY, APRIL 18, 1986, TO MONDAY, APRIL 21, 1986

Mr. FOLEY. Mr. Speaker, I ask unanimous consent that when the House adjourns on Friday, it adjourn to meet at noon on Monday next.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Washington?

There was no objection.

DISPENSING WITH CALENDAR WEDNESDAY BUSINESS ON WEDNESDAY NEXT

Mr. FOLEY. Mr. Speaker, I ask unanimous consent that business under the Calendar Wednesday rule be dispensed with on Wednesday next.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Washington?

There was no objection.

HOUR OF MEETING ON WEDNESDAY, APRIL 23, 1986

Mr. FOLEY. Mr. Speaker, I ask unanimous consent that when the House adjourns on Tuesday next, it adjourn to meet at 10 a.m. on Wednesday next.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Washington?

There was no objection.

Mr. HALL of Ohio. Mr. Speaker, before us today is House Resolution 422. This is an open rule providing for the consideration of H.R. 1116, the Garrison Diversion Unit Reformulation Act of 1986.

The rule provides for 1 hour of general debate to be equally divided and controlled by the chairman and ranking minority member of the Committee on Interior and Insular Affairs.

The rule makes in order the Interior and Insular Affairs Committee amendment in the nature of a substitute now printed in the bill as original text for the purpose of amendment under the 5-minute rule. Each section of the substitute shall be considered as having been read.

It should be noted that the rule waives all points of order against the substitute for failure to comply with the provisions of clause 5(a) of rule XXI. This is the prohibition against appropriations in a legislative bill. A provision of section 8 of the substitute permits previously appropriated funds for the Garrison Diversion Unit to be expended to carry out any of the provisions of the act. This would technically be considered an appropriation in a legislative bill, so the waiver is necessary.

Finally, the rule provides one motion to recommit with or without instructions.

Mr. Speaker, H.R. 1116 is based upon the findings of the Garrison Diversion Unit Commission. It seeks to implement a series of delicate compromises negotiated by the State of North Dakota, the Garrison Water Conservation District, environmental organizations, the Interior Department, and other interested parties. The bill makes several important changes in the makeup, scope, and cost of this project.

I am not aware of any opposition to this open rule, and I urge my colleagues to adopt it.

Mr. QUILLEN. Mr. Speaker, I yield myself such time as I may consume.

☐ 1730

Mr. Speaker, the rule has been ably explained.

Members will recall that last year we agreed that further spending on the Garrison Diversion Unit project was contingent on achieving a settlement of the longstanding controversies that have surrounded the project since its inception in 1944. It has been kicking around a long time.

I feel that it is time now for action, and Mr. Speaker, I urge the adoption of the rule. Although we know this has been a controversial issue, this legislation will allow the House to finally settle the issue.

Mr. Speaker, I urge the adoption of the rule.

I have no requests for time, and I yield back the balance of my time.

Mr. HALL of Ohio. Mr. Speaker, I move the previous question on the resolution.

The previous question was ordered.

The resolution was agreed to.

A motion to reconsider was laid on the table.

REPORT ON RESOLUTION WAIVING CERTAIN POINTS OF ORDER AGAINST CONSIDERATION OF H.R. 4515, URGENT SUPPLEMENTAL APPROPRIATIONS, FISCAL YEAR 1986

Mr. HALL of Ohio, from the Committee on Rules, submitted a privileged report (99-546) on the resolution (H. Res. 425) waiving certain points of order against consideration of the bill (H.R. 4515) making urgent supplemental appropriations for the fiscal year ending September 30, 1986, and for other purposes, which was referred to the House Calendar and ordered to be printed.

COMMUNICATION FROM THE HONORABLE WILLIAM HILL BONER, MEMBER OF CONGRESS

The SPEAKER pro tempore laid before the House the following communication from Hon. William Hill Boner:

House of Representatives,
Washington, DC, April 15, 1986.

Hon. Thomas P. O'Neill, Jr.,
Office of the Speaker, House of Representatives, Washington, DC.

Dear Mr. Speaker: This is to inform you, pursuant to the provisions of House Rule L (50), cl. 2, that Howard "Butch" Eley, an employee of mine on the clerk-hire rolls of the House, has been subpoenaed to testify before a federal grand jury in Nashville, Tennessee. At this time, I have no reason to believe that the subpoena does not satisfy clause 3 of the rule. Of course, should a judicial determination be necessary I will so advise you.

Sincerely,

Bill Boner,
Member of Congress.

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ANNUAL REPORT OF THE DEPARTMENT OF ENERGY—MESSAGE FROM THE PRESIDENT OF THE UNITED STATES

The SPEAKER pro tempore laid before the House the following message from the President of the United States; which was read and, together with the accompanying papers, without objection, referred to the Committee on Armed Services, the Committee on Energy and Commerce, the Committee on Foreign Affairs, the Committee on Interior and Insular Affairs, and the Committee on Science and Technology:

(For message, see proceedings of the Senate of today, April 17, 1986.)

ANNUAL REPORT ON THE STATUS OF THE NATIONAL WILDERNESS PRESERVATION SYSTEM—MESSAGE FROM THE PRESIDENT OF THE UNITED STATES

The SPEAKER pro tempore laid before the House the following message from the President of the United States; which was read and, together with the accompanying papers, without objection, referred to the Committee on Interior and Insular Affairs:

(For message, see proceedings of the Senate of today, April 17, 1986.)

CRACKING DOWN ON DRUGS

(Mr. WYDEN asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. WYDEN. Mr. Speaker, today I am introducing legislation to help rid our streets and neighborhoods of some of the most insidious and violent criminals—career drug offenders.

In 1984, Congress passed the Armed Career Criminal Act to allow Federal prosecution of persons who illegally possess firearms and who have three or more prior convictions for robbery or burglary. Conviction of the firearms offense carries with it a 15-year mandatory minimum sentence in a Federal penitentiary without probation or parole.

The Armed Career Criminal Act, of which I was the House sponsor, has worked very well. According to the Bureau of Alcohol, Tobacco and Firearms, there have been 90-some indictments nationwide since this law was enacted 1½ years ago.

But the Career Criminal Act might have even a greater impact on armed career criminals if it were expanded to include Federal drug felonies, BATF officials and law enforcement officials in my State say.

And for good reason. Statistics show that drugs and violence go hand in hand. According to BATF, nearly 30 percent of the persons apprehended by its agents for firearms violations during fiscal year 1985 were drug traffickers. In addition, more than 50 percent of those apprehended had prior felony convictions.

Statistics compiled by the National Institute of Justice support these findings. According to the institute, almost one-third of all inmates of State prisons were under the influence of an illegal drug or had drunk very heavily just before they committed the crimes for which they were incarcerated.

The National Institute of Justice report also indicated that:

> One-quarter or more of homicides in several cities were related to drug-trafficking, and;
>
> Seventy-five percent of all robberies reported by a national sample of juveniles and 50 percent of the felony assaults were committed by a small, but highly criminal group, comprising less than three percent of all youth who had committed three of more offenses and were pill or cocaine/heroin users.

The legislation I am introducing today, the Armed Career Criminal Act Amendments, will not singlehandedly solve all our drug trafficking problems. But by doing what BATF suggests would be helpful—extending the provisions and penalties of the Career Criminal Act to persons who have been convicted three or more times of serious drug offenses, crimes of violence or both—it should move us much further down that path. Like the Career Criminal Act it will not require local prosecutors to turn these criminals over to Federal authorities. It merely gives them one more tool with which to work.

Mr. Speaker, the U.S. attorney from Oregon, Charles Turner, and Multnomah County District Attorney Michael Schrunk, strongly support the legislation I am introducing today. The bill will give us another opportunity to zero in on the worst criminal offenders in our society, and I think law enforcement officials throughout the country will find it a valuable resource.

Mr. Speaker, my bill is a companion to legislation introduced yesterday in the other body by Senator Specter of Pennsylvania. I urge my colleagues to give this measure their support so that it can be passed by both bodies and enacted into law before the end of this Congress.

H.R. 4639

A bill to amend title VII of the Omnibus Crime Control and Safe Streets Act of 1968, relating to armed career criminals, to include a serious drug offense and any crime of violence as an offense subject to enhanced penalties

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That (a) the second sentence of section 1202(a) of title VII of the Omnibus Crime Control and Safe Streets Act of 1968 (18 U.S.C. App. 1202(a)) is amended by striking out "for robbery or burglary, or both," and inserting in lieu thereof "for a crime of violence or a serious drug offense, or both,".

(b) Subsection (c) of section 1202 of title VII of such Act is amended by striking out paragraphs (8) and (9) and inserting in lieu thereof the following:

"(8) 'serious drug offense' means an offense for which a maximum term of imprisonment of ten years or more is required by the Controlled Substances Act (21 U.S.C. 801 et seq.), or the first section of Public Law 96-350 (21 U.S.C. 955a); and

"(9) 'crime of violence' means—

"(A) an offense that has as an element the use, attempted use, or threatened use of physical force against the person or property of another; or

"(B) any felony which, by its nature, involves a substantial risk that physical force against the person or property of another may be used in the course of committing the offense.".

AMERICANS UNDERSTAND OUR CENTRAL AMERICAN POLICY

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Minnesota [Mr. Penny] is recognized for 5 minutes.

Mr. PENNY. Mr. Speaker, in yesterday's debate over our policy in Nicaragua, someone on the other side of the aisle made the comment that the American public does not understand what is happening in Central America. The comment was made in response to polls that show the majority of the American people oppose military aid to the Contras—sometimes by margins of greater than 2 to 1.

I believe the American people understand a great deal about what is happening in the debate over Central America:

They understand that this administration has shown little concern for the Central America between the Rockies and the Appalachians and the problems confronting our farm economy but instead focuses its attention on the Central America between North and South America where the President insists on spending millions to finance a war.

They understand that the administration wants to cut programs for education, health care, and housing in an attempt to reduce the budget deficit but easily finds $100 million to finance a flawed military policy in Central America.

They understand that our allies in the region and the people with the most at stake in the conflict—the people the administration claims it wants to protect—have asked us not to continue funding the Contras.

They understand that military aid is not a policy—it should be a last resort not our only resort. They object to the millions we are spending in an unproductive way and the negative impact this military approach has on negotiations for a peaceful settlement in the region.

Even if the American people do not understand the details of the debate over United States policy in Central America, they understand these basic principles. On that basis they believe that more military aid for the Contras is wrong.

MEDICARE QUALITY PROTECTION ACT OF 1986

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from California [Mr. Stark] is recognized for 5 minutes.

Mr. STARK. Mr. Speaker, today, I am joining with Senator John Heinz to introduce the Medicare Quality Protection Act of 1986. In recent years, attention has focused on cost control. While these efforts are important, there's no excuse for compromising quality. The patient still comes first. The Medicare Quality Protection Act contains a number of important measures to assure quality of care and to ensure access to appropriate post hospital care.

The supporters of this legislation are an impressive bipartisan and bicameral combination. This support will ensure that the bill progresses rapidly through the legislative process. I plan to get the process started in a hearing that the Subcommittee on Health of the Committee on Ways and Means will hold next week.

I include the bill summary at this point:

The Medicare Quality Protection Act of 1986—Bill Summary April 17, 1986

Medicare has undergone a number of major changes over the past several years. Cost containment measures have intensified. While these efforts have been successful in budgetary terms, concern has arisen as to the possible effects of reimbursement policy on quality of care. Particular attention has focused on the problem of premature discharge of beneficiaries from hospitals. Concern has also arisen as to the adequacy and availability of appropriate post-hospital care in view of the earlier stage at which beneficiaries are now being discharged.

The Medicare Quality Protection Act of 1986 is intended as an effective and fiscally prudent response to these concerns. The major provisions of the bill are—

QUALITY ASSURANCE IN INPATIENT HOSPITAL SETTINGS

The Department of Health and Human Services ("HHS") would be required to develop a legislative recommendation by January 1, 1988 to refuse the prospective payment system for hospitals to better account for variations in severity of illness and case complexity.

Hospitals would be required to give a written statement of rights with regard to hospital and post-hospital care under Title XVIII soon after admission.

Beneficiaries would have a right to appeal a continued stay denial to a peer review organization ("PRO") if the hospital serves a notice that continued stay is no longer medically necessary. Under current regulations, there is a window of time during which a beneficiary who appeals a continued stay denial can be liable for hospital charges for continued stay. This window would be closed to remove any unfair barriers to appeals.

Hospital incentive plans that involve payment to physicians for meeting specific length-of-stay or per-case cost targets for individual patients would be prohibited subject to civil monetary penalties. HHS would be required to develop recommendations regarding other types of incentive plans by July 1, 1987.

HHS would be required to study the adequacy of quality assurance standards for hospitals in light of changes in reimbursement policy since 1982.

HHS would be required to study the need for a separate payment to hospitals (in addition to the basic prospective payment amount) for continued inpatient stay necessitated by delays in obtaining placement of beneficiaries in appropriate post-hospital extended care facilities.

ACCESS TO APPROPRIATE POST-HOSPITAL CARE

Discharge planning would be required as a condition of participation for hospitals.

The waiver of liability for home health services would be extended to coverage denials based on homebound or intermittent care requirements.

HHS would be required to develop a uniform needs assessment instrument that could be used to assist discharge planners, providers, and fiscal intermediaries in determining whether beneficiaries are eligible for post-hospital extended care and home health services.

HHS would be required to develop an expedited review process for initial claims submitted by skilled nursing facilities and home health agencies.

HHS would be required to respond within 24 hours to inquiries concerning whether an individual's entitlement to covered post-hospital extended care has been exhausted.

Providers would be allowed to bring appeals on behalf of beneficiaries. Appeals of "technical" denials would be allowed.

IMPROVED REVIEW OF QUALITY BY PEER REVIEW ORGANIZATIONS

Hospitals would be required to submit data directly to PROs to facilitate the performance of required utilization and quality of care reviews on a timely basis.

PRO review of early readmission cases would be expanded.

PROs would be required to appoint a consumer representative to their executive boards.

PROs would be required to investigate written complaints about quality of care filed by beneficiaries.

Subject to appropriate safeguards, confidential information obtained by PROs could be shared with national accreditation bodies and with long-term care ombudsman coordinators and state protection and advocacy officials.

STUDY TO ASSIST IN THE DEVELOPMENT OF A LONG-TERM STRATEGY FOR QUALITY ASSURANCE

A major study would be commissioned to assist in the development of a long-term strategy for quality assurance. The study would be submitted to Congress within 2 years of enactment.

CODIFICATION OF TITLE 25, UNITED STATES CODE, "INDIANS"

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from New Jersey [Mr. The SPEAKER pro tempore. Under a previous order of the House, the gentleman from New Jersey [Mr. Rodino] is recognized for 5 minutes.

Mr. RODINO. Mr. Speaker, the Office of the Law Revision Counsel of the House of Representatives has prepared a committee print of a draft bill to revise, codify, and enact without substantive change certain general and permanent laws, related to Indians, as title 25, United States Code. The Office has also prepared a committee print of a draft report explaining the bill.

This draft bill and report were prepared for the Committee on the Judiciary of the House of Representatives by the Office of the Law Revision Counsel under its statutory requirement (2 U.S.C. 285b) to prepare and submit to the committee, for enactment into positive law, all titles of the United States Code.

Anyone interested in obtaining a copy of the committee print of the bill and a copy of the committee print of the draft report should contact: Edward F. Willett, Jr., Law Revision Counsel, U.S. House of Representatives, Room H2-304, HOB Annex 2, Washington, DC 20515.

Persons wishing to comment on the draft bill and report should submit those comments to the Office of the Law Revision Counsel not later than August 1, 1986.

FARM CREDIT ASSISTANCE ACT OF 1986

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Oklahoma [Mr. Jones] is recognized for 5 minutes.

Mr. JONES of Oklahoma. Mr. Speaker, I am introducing today the Farm Credit Assistance Act of 1986. This bill is aimed at relieving some of the pressure put on debt-strapped farmers, not by offering them more credit and therefore increasing their debts, but by bringing interest farmers must pay more into line with the low interest rates the rest of our economy is enjoying.

Mr. Speaker, our bill and its Senate companion, introduced by Senators Boschwitz and Boren, provides for an interest rate buy down program, administered by the States, as well as a possible principal write down by participating agricultural lenders.

We must regrettably face up to the fact that until the current administration changes its policies, which have depressed farm prices and income to new lows, more and more American farmers are going to have problems servicing their debts.

Rather than stringing our farmers along by creating more debt for them, we need to guarantee them a higher price for their crops. Until the administration changes its policies, we can provide assistance to American farmers through an interest rate and principal buy down plan.

By bringing the debt service of our farmers to an affordable level, we ensure that productive farmers, many of them young men and women just starting out, who are facing foreclosure of their farms not because of their own mistakes but because of government advice and policies, will be given the chance to become profitable.

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Unfortunately, Mr. Speaker, some of our farmers are beyond help, but others can and should be given the opportunity to bring their debt service to manageable levels.

The Department of Agriculture has not properly implemented the interest rate buy down provisions of the 1985 farm bill, and this bill is, in effect, a sort of perfecting amendment to the farm bill.

We must look at the farm situation in many ways. This credit plan is part, but not all, of the solution. We must continue to put pressure on the administration to implement the export enhancement provisions of the farm bill to restore to our farmers the foreign markets which have eroded from under them. We must take steps aimed at ensuring our farmers a fair price for their product, thus increasing their income.

Steps can be taken now toward easing the credit crunch facing our farmers, and the effects of this will be seen over the short term. The other steps which must be taken are more long term in nature, but we must begin somewhere. This is a good place to start.

Mr. Speaker, I encourage my colleagues who have not done so to join us as cosponsors of this legislation.

LYNDON LAROUCHE PARTY

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Illinois [Mr. DURBIN] is recognized for 60 minutes.

Mr. DURBIN. Mr. Speaker, this evening, I have asked for 60 minutes for a special order which is of particular significance in this election year.

It is a special order which will attempt, through the testimony of my colleagues and statements that have been made on the record, to establish the basis for the LaRouche party in the United States of America.

I am hoping that those who read the RECORD and witness this special order will stop and reflect on what this party stands for. It is basic to our democratic form of government that diversity of opinion be allowed and encouraged. We believe in this United States of America, that political ideas must be subjected to the public marketplace.

As a Nation, we trust in the collective wisdom of the American people to consider political ideas proffered and to choose the right ideas and the right course for our Nation. This legislative body, the House of Representatives, meets on a regular basis, Democrats and Republicans, locked in debate, in bitter disagreement.

I am sure that America and those particularly who watch our proceedings, are well aware of the differences of opinion. But those ideas are brought forth in this Chamber for the consideration of the American people.

This American democratic process requires more than anything that the American people be informed. Apathy and ignorance are the Achilles' heel of Democracy.

On March 18, in my home State of Illinois, we had a primary election contest which has drawn a great deal of national attention. The reason for it, of course, is that two Statewide candidates were nominated in the Democratic primary who aspire to the beliefs of the LaRouche party. There have been many reasons offered as to why this took place. I would like to suggest my analysis of the facts indicate that the candidates who prospered in that primary under the LaRouche label were not known to the voters of Illinois as being disciples of Lyndon LaRouche.

In fact, both candidates, one for Lieutenant Governor and another for secretary of State, were running against first-time candidates in the Democratic primary. In addition, there was a factor, which is known in Illinois, I guess, as having the right name.

In our primary, in the Democratic primary, our candidate for Lieutenant Governor was a State senator by the name of George Sangmeister, an extraordinary individual, who has made a great contribution to the State of Illinois.

His opponent, a LaRouchean candidate, was named Mark Fairchild.

On the race for secretary of State, our candidate was the daughter of a former Member of the U.S. House of Representatives. Her name: Aurelia Marie Pucinski. Her opponent: Janice Hart.

When the votes were counted, the two candidates with the easier-sounding names were nominated. The LaRouchean party officials came forward and suggested it was a great victory for their party. But I can tell you as one who witnessed the Illinois primary election, that little or no attention was paid to the LaRouchean candidates, either by the Democratic political Party or by the media in the State of Illinois.

I can recall an incident in February when I went to the press room in the Illinois State capitol building and I followed some members of the LaRouchean party who had just had a press conference. Members of the press corps were standing around still laughing about the press release that they had left because they called for statewide testing of every individual in Illinois to determine whether or not they had AIDS.

Unfortunately, that laughter and mirth translated into very few of those reporteres writing stories. So the people of this State did not realize that the LaRouchean candidates stood for those ideas.

Because of this ignorance, because of their fair-sounding names and the fact that the Democratic candidates for all offices paid little or no money on their campaigns in the primary, the two LaRouchean candidates prevailed.

I believe that the Lyndon LaRouche party and their ideas are weeds that wither in sunlight. We have found in Illinois an overwhelming revulsion to the LaRouchean candidates and their platform. Unfortunately, we have found it after the fact.

Tonight we will address the LaRouche party platform and their candidates across this country.

Mr. FAZIO. Mr. Speaker, will the gentleman yield?

Mr. DURBIN. I yield to the gentleman from California [Mr. FAZIO].

☐ 1745

Mr. FAZIO. Mr. Speaker, I want to thank my friend and colleague from Illinois, Mr. DURBIN, who has taken valuable time, from a busy schedule, to organize this special order on the political cult of Lyndon LaRouche. Thank you Dick for giving us this opportunity to join you this evening.

It is well worth asking why any of us here should devote any time at all to discuss a fringe political movement which has at its core bizarre conspiracy theories of the strangest type.

We have seen by the events in Illinois what effect ignoring this cult can have. On March 18, LaRouche-backed candidates won the primaries for two statewide offices. The press and our party had worked on the assumption that the LaRouche cult was so far out of the mainstream that to provide them any attention would be to bestow on them needless publicity. And it is only Monday morning quarterbacking that found this to be wrong. Over the years, hundreds of LaRouche candidates, and LaRouche himself, have run for office with virtually no success. We have ignored them for years but now conditions have changed and we must expose them for the antidemocratic neo-Nazis that they are.

Some organisms grow better in the dark, and when the light is cast upon them they dry up and blow away. It is time to focus the lights on the LaRouche cult and bring them out of the dark corner of political action into the sunshine.

Their silly beliefs are the easiest to deal with. On repeated occasions LaRouche and his various publications have claimed that the Queen of England is the head of an international drug ring. As late as a week ago, two LaRouche spokesmen interviewed on national television did not deny, but actually attempted to defend this ludicrous charge. When pressed on the point the cult members sought to link 20th century problems with the opium war of the 19th century.

History and analysis are not their strong suite.

It should be noted, under the silly category, that defamation of character is not limited to the royal family but

heaped upon patriotic Americans of all stripes. Former Secretary of State Henry Kissinger is a favorite target of this cult. He is accused not only of being a KGB dupe but also of having engineered the terrible famine that has gripped Africa. As a member of the Select Committee on Hunger, I can recall at no time the former Secretary being mentioned at all, but then again the committee relied on facts rather than twisted imagination. Other Americans who have been accused of assisting the KGB are William F. Buckley and former Vice President Walter Mondale, both of whom would be intrigued to find themselves working for the same boss much less the Soviets.

Last week, LaRouche himself charged Chief of the White House Staff, Don Regan, with assisting the illicit drug traffic before becoming a public servant. While Regan has come in for a lot of abuse since he assumed his White House post he does not deserve this.

David Rockefeller is accused of having a program of world domination designed after the plans of Hitler's finance minister. What can one say?

As we move from the silly to the sick LaRouche's true colors come to the fore. As recently as this month, there was an article on the Justice Department Office of Special Investigations in a LaRouche paper. This office was set up to bring the criminals of Hitler's genocidal policies to justice. Rather than praise this effort, LaRouche's "New Solidarity" came to the aid of the accused Nazi's and stated as a matter of fact that this office was set up to assist the Soviet Union track down the enemies of Moscow.

If this smacks the listener of anti-Semitism, would be correct because the cult has often made anti-Semitic charges in its publications.

The Anti-Defamation League is referred to as the American drug lobby.

In his article in the "Campaigner", another cult publication, LaRouche puts forward a twisted theory which claims the British and Jews have developed into a seperate, nonhuman, species. We have seen this kind of thinking in Nazi Germany and I had hoped it had perished in the rubble of the Berlin bunker.

Some have said that LaRouche and his followers have toned down the anti-Semitism in their rhetoric but I do not believe that such hateful ideas are changed as one would change one's socks.

Not only have they advocated anti-Semitism in their writings but they have formed political alliances with the Ku Klux Klan and the Liberty Lobby, a group which claims the Holocaust was a hoax.

As we reveal the beliefs of this cult it becomes clear that the LaRouchers pose a threat not to the Democratic Party but to our political system. In my region of California, a LaRouche supported candidate is running in the Republican primary for a State assembly seat. Statewide, there are five LaRouche candidates running in Republican primaries. As the Democratic Party had done in Illinois the Republican Party in California has done: They have disowned these cult candidates.

LaRouche candidates are running under the Republican banner in Oregon and in Ohio, and as a Member of this Congress I sincerely hope the Republican Party is successful in defeating these cult members. It will provide no partisan joy to see honorable men of the other party soiled by this bizarre band.

I want to take a few moments to comment on the press coverage of the LaRouche organization. It takes a news organization with a strong committment to bringing the facts to the American people to risk the harassment law suits that the LaRouche organizations often resort to. Freelance journalist Dennis King has contributed a wealth of information on the arcane history of .this cult. John Mintz, of the Washington Post, has maintained a steady flow of articles on the cult and its various operations. The "McNeil-Lehrer News hour" devoted a long segment exploring the ideology of this cult. And NBC, which is now referred to by the cult papers as the National Bolshevik Co., has done the Nation a great service by revealing the cult for what it is. Of particular note, NBC's recent series pointed out the illegal fund raising tactics, involving credit card fraud, the LaRouchers have resorted to.

We know that LaRouche has resorted to violence, as he did when he launched "Operation Mop Up", which resulted in street fighting between rival fringe groups. We know the cult is anti-Semitic by the countless writings and publications. We know LaRouche organizations have attempted to infiltrate both political parties. And we know he has supported such antidemocratic groups as the KKK.

And we know that once all this is revealed to the American people they will reject LaRouche and his followers. It is as simple as telling the truth.

Thank you, Mr. DURBIN, for seeing that the truth is told.

Mr. DURBIN. I thank my colleague from California for joining in this special order, and his remarks will be amplified during the course of our testimony this evening. I especially appreciate the contributions made.

At this time, Mr. Speaker, I yield to my colleague from Michigan [Mr. LEVIN].

Mr. LEVIN of Michigan. I thank the gentleman for yielding, and I congratulate the gentleman from Illinois and also the gentleman from California, while he is on the floor, for his leadership in discussing this vital matter on television and otherwise.

Again, to my friend from Illinois, I want to say: You've taken a lead on many issues, and your leadership is important.

Some people think the best way to handle extremism is to forget it; to let it die of its own weight; but sometimes it is important to tell the public what is really involved here.

I first came across the supporters of Mr. LaRouche in the late sixties, when I was in the State Senate of Michigan and later on when I was running for Governor.

In those days, Mr. LaRouche was on the far, far left. The important point to remember is, wherever they are, it is an extreme. His supporters used to come in to the meetings and disrupt them and yell out: "It's Rockefeller." Regardless of what the issue was, "It was Rockefeller."

There is always a devil within their array, always a devil. In those days, the focus was on Rockefeller.

Mr. LaRouche, according to the article in the New Republic—Mr. LaRouche was known around that time as Lynn Marcus, after Lenin and Marks, and the group that he had formed, the New York Labor Committee, had become a faction of Students for a Democratic Society.

☐ 1755

The Students for a Democratic Society, an extremist group that had engaged for a number of years, on many occasions, in violence, violence. He was later expelled, according to this article by SDS, but they stayed within the extremes, within the shadows of American political life. Well, he more or less remained there with his supporters until more recently when because of the results in Illinois they burst into public attention once again. It is important for us to recognize them as the extremists that they are.

Mr. DURBIN. I think the gentleman makes an excellent point about the political ideology we are dealing with here. When you consider an individual like Mr. LaRouche, who has moved so far across the political spectrum and always ends up, as the gentleman has said, at the extreme end, it raises some serious questions. I have had the opportunity in preparation for this special order to read some of the writings of the LaRouche party, and it is an item which I will go into in the special order a little later.

I can tell you they almost defy description. On the one hand he would take a position which sounds almost progressive and then follow it up very quickly with a very conservative position. People who have walked through airports and seen the posters are as puzzled as I am as to where he fits on

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the political spectrum. But no matter where the issue is, you can find his interpretation of it moving him far off to the edge, far off on the corners of the marketplace where we exchange ideas in this political system.

Mr. LEVIN of Michigan. Absolutely. I think what is correct is, if there is any button of fear to push, they will push it. If there is any button of hate, they are likely to find it; if there is any button of bigotry, their hand is more likely than not to be on it.

You know, this Chamber some months ago, you and I debated Gramm-Rudman with all of our colleagues. There were some very acrimonious words. I do not quite remember if we voted the same way, but there were some deep differences. But they were differences with respect.

But here is a recent publication, undated but obviously recent. Here is a recent publication of the LaRouche forces within the State of Michigan. Let me just briefly refer to their description of Gramm-Rudman: It is an unconstitutional arrangement that, and now I quote, "that might suit a Benito Mussolini or a Lee Iacocca. There is nothing American about it."

Now within those 15 words or so, you can see what is being done here. There is an appeal to bigotry, lumping together Benito Mussolini and Lee Iacocca.

Then further on they say "Cheer up, SANDY and CARL." That is my brother, Senator LEVIN, and myself, "and you, too, Congressman HERTEL." That is DENNIS HERTEL of Michigan, "You can always tell the Nuremberg judges that you were 'only following orders.' "

The three of us voted for the Gramm-Rudman bill. Well, in our country we fortunately have the right to say anything at any time as long as it does not induce rioting, as long as it is not tied to violence. But people also have a right to say about expressions that they are extreme, they are filled with hatred, that they are the antithesis of what is best in the American tradition.

Mr. DURBIN. There was an analyst, I think, who captured the basis for the mentality that would follow the Lyndon LaRouche line. That mentality suggests that nothing happens in the world by random nature and nothing happens by chance; that whatever happens, if it is a negative or a positive result, that behind it is some conspiracy, some plot. There are people who are moving behind the scenes unknown to most people to cause these things to occur.

You and I in dealing with our constituency know that there is a mindset within every society that looks for that. I have farmers, for example, in downstate Illinois who are convinced that they can pinpoint the real problem of the farm crisis and usually can identify one business, one bank, one person. They have it all put together in their minds. It must be a comforting feeling, but we know how simplistic it is, with the complexity of the world as we face it day to day, the issues that we face. It is never simple that you can find one group behind it.

Mr. LaRouche and his followers are always quick with an answer, quick with a reason, and quick with a conspiracy.

That is the reason why they have managed to vilify so many different people in American society and across the world.

Mr. LEVIN of Michigan. The gentleman is so right. I am so proud and privileged to stand here today with the gentleman and others of my colleagues who will be joining with the gentleman to say to America that we are going to insist on appealing to the best of people, to their hopes, not their fears, to what they prize, not what might be hated.

This group deserves the rays of sunshine, of truth and good will, and that is what the gentleman is doing here today, and I am glad to be a small part of it.

Mr. DURBIN. I thank the gentleman from Michigan. At this point I would say many people do not understand the scope of the LaRouche party organization within the United States and around the world. As we stand and speak this evening, there are some 750 LaRouchian candidates running nationwide, mostly I am sorry to say as Democrats, in 29 different States.

The group that was formerly known as the U.S. Labor Party, the LaRouche operation is officially called the National Democratic Policy Committee.

I will tell those listening and for the record that many Democrats like myself have been tricked into believing that when someone knocks on your door and announces they are with the National Democratic Party that they share my same political beliefs or at least my same partisan line. In fact, I have been surprised to find, and so have my colleagues, that oftentimes the LaRouche candidates and supporters will elbow their way into your office claiming to be part of the National Democratic Committee.

Once they sit down and open their mouths and start speaking about the issues, you quickly realize that they are far from the mainstream.

Our friends in organized labor have also found that the LaRouche party has attempted to undermine their efforts.

In 1980 Al Barkan, who was head of the AFL-CIO COPE in Washington, identified and described the Lyndon LaRouche campaign for President, and I quote, "as antilabor, anti-Catholic, anti-Semitic, and antiminorities." He formally warned working families across America not to be duped by the LaRouche party claims that they speak for the working people. This organization has been denounced from right to left, including denunciations by the Heritage Foundation, the New York Times.

In a recent article in the New Republic quoted from earlier also. Overseas the Lyndon LaRouche operation is substantial. In 1971 Lyndon LaRouche and his followers began to establish offices around the world. Former LaRoucheans who have now defected and speak to the press claim there are about 6,000 followers of Lyndon LaRouche outside the United States. They have European headquarters in Wiesbaden, Germany, and other offices in Belgium, France, Italy, Denmark, Sweden, Latin America, and the Far East.

Mr. LaRouche claims all of his offices form a worldwide network that gathers secret information from foreign governments. I will address the publications of the LaRouche operation next, but at this time I would like to yield to my colleague and friend, a leader in the Democratic Party in the U.S. House of Representatives, the gentlewoman from Ohio, MARY ROSE OAKAR.

Ms. OAKAR. I want to thank the gentleman for taking up this special order. I think it is especially appropriate not only because it affects a number of States like my own, the gentleman's, which have undergone a primary election or will be in the process of having primaries; which is interesting is that the mainstream political parties, namely the Democratic Party and the Republican Party, have both denounced any association with the LaRouche candidates. Ironically, the LaRouche candidates, I guess what I think is most offensive, among other problems, is that they have chosen to run under the banner of the Democratic Party. They do not have the courage to let people know outwardly that they are LaRouche candidates. So in the first place they try to hide under the guise of our political party, the Democratic Party.

Now one of the values that the Democratic Party believes in, and I believe Franklin Roosevelt reiterated many, many times, was that the Democratic Party was the party that brought the greatest good to the greatest number of people. And it is interesting to me that the LaRouche party is the party of exclusion. The Democratic Party is the party of inclusion. It does not matter if you are rich or poor or middle class, white or black, male or female, anyone who wants to become a Democrat, who believes in the goodness of the American people and the values of our country certainly can become one.

So our party is the party of inclusion. But when you take a look, as the gentleman has mentioned in his leadership in this area, take a look at what their values are, the party of exclusion, the party of exclusion is the party that has an anti-Catholic agenda, as witnessed by the type of violence where I believe the lieutenant governor-candidate, the LaRouche candidate in Illinois now being accused of throwing liver or something at one of the bishops of the Catholic Church, which in fact could have injured the bishop substantially.

We know that they are suspected of having possibly something to do with the distinguished dignitary from Sweden's assassination. There are some suspicions there. There are allegations, in any event.

We know beyond the anti-Catholic and anti-Christian motif there is certainly a very real agenda. All you have to do is read their material. Also, an anti-Semitic agenda, antiminority ideology.

Interestingly enough, they are now being investigated for all the collections they have made at these airports. If you ever wonder who these people are who have banners talking about nuclear energy or nuclear warfare or nuclear weapons, they look like most people, mostly young people, kind of fresh looking, neat looking. They are trying to solicit some money from you for giving out their propagandist literature.

The fact is that they are now being investigated for this whole operation as well. No one knows where they get their money, no one knows how Lyndon LaRouche, himself, supports himself on this multiacreage in Virginia.

Mr. DURBIN. I think it is important to note Mr. LaRouche was recently queried by the press about his own source of income, and he disclosed that he does not file an income tax return in the United States because he has no source of income and no visible means of support. He says that his friends move him from one safe house to another. They take care of him and they provide for him.

That kind of mystery is surrounding a man who claims he is a viable candidate for President of the United States. It suggests to me that those again who get to know what is really behind the LaRouche party will have more questions than they have answers.

Ms. OAKAR. That is right. I would suggest to my colleague that Mr. LaRouche and many of his followers live substantially better in terms of monetary wealth than the average American does.

So I think my basic problem among other problems with the philosophy is that they tend to attempt to defraud the American people by running as members of the Democratic Party, the party of values. It is interesting when you take a look at many of the Ohio Democratic candidates running for Congress, and the so-called LaRouche candidates, they are not running on the LaRouche banner, they are running as Democrats in our Democratic Party. I suppose I would feel equally offended, I might add, if they were running as Republicans in a Republican primary because the Republicans do not share this philosphy either.

One of the things, if you look at the voter registration cards of the people running, very often they will have just moved into the community, and very often they have not voted in the United States of America, let alone in the district.

□ 1810

So the whole thing has a resemblance of trying to put one over on the American people.

My own feeling is they do have a right to run, even though the philosophy, in my judgment, is one of great hostility and hatred. But they have a right to run in this country. But if they want to run on the ballot, they ought to have the courage to run under their own banner, and I would suggest that it is very simple to run in this country as an independent, and then tell the American people that indeed they are followers of LaRouche, and spell out what this philosophy is. Then I think we would have more honesty, and intellectual honesty at that, in these kinds of races.

So I want to commend the gentleman.

I have several articles that I would submit with this special order that have appeared.

The articles follow:

[From the New York Times, Apr. 1, 1986]

THE LINKS BETWEEN LAROUCHE AND NEW YORK CORRUPTION

(By Daniel Patrick Moynihan)

WASHINGTON.—With a third of a century of political work behind me, I am presumably one of the senior Democrats in New York. It ought then to be expected that I should have something to say about two events that just now have our local and our national party reeling.

The events are the wrenching revelations of corruption in the Democratic administration of New York City, and the seemingly equally sudden emergence of the neo-fascist followers of Lyndon H. LaRouche in Democratic primary contests across the nation—dramatized most visibly by their victories in important primary races in Illinois.

To attempt to explain these events, and indeed to suggest some links between them, is in no way to excuse them. On March 12, I spoke to the annual dinner of the New York State Democratic Committee on the first matter—the matter of corruption. For those in attendance who might not have known what senators do, it was time to be a bit more explicit. For one thing, senators choose United States attorneys and district judges. One such prosecutor I had chosen had sent Joseph Margiotta of Nassau County, among the most powerful local Republican Party leaders of this century, to prison. It should be understood, I said, that "the same will be the fate of figures in our party if that is their due."

Indeed, I went on, "let the grifters and the boodlers and those who were merely playing a piano downstairs hear this: Pray God you do not appear before one of the judges I have chosen for the Federal bench, for almost the first of their convictions is that public corruption is more than crime, it is betrayal, and is contemptible and unforgivable.".

Then, on March 23, I spoke on the subject of the LaRouchites at the Jewish Community Council of Washington Heights and Inwood. In 1983, that community had faced a genuine assault by these totalitarian, anti-Semitic (and once Trotskyite) candidates in the school board elections. The community had fought back and won.

It was an honorable victory, I said, but not all that surprising. When it is made clear to the electorate who these people are, support for them becomes very thin. Not thin enough, but still. . . .

I was challenged in the 1982 Senate primary by a follower of Mr. LaRouche. He went on to win only 15 percent of the vote, but we worried about him, and ended up spending twice as much in the primary as in the general election.

However, neither event broke the LaRouche momentum, which began in New York City's 1981 Democratic mayoralty campaign, when the LaRouche candidate was not challenged. To the contrary, he was treated as a legitimate candidate in our party for one of the highest offices we customarily control. Soon the movement metastasized and spread coast-to-coast.

What is common to these events is a great weakening of the Democratic Party as a political institution, brought about by the rise of primary elections and the way we choose candidates for public office. (Republicans have been affected also, but they don't have our tasks such as governing cities the like of New York and Chicago.)

It comes to this. The only reason serious people will give serious time to work for a political party is that by doing so, they have some say as to whom their party nominates, and with luck, elects to office. Reduce that possibility—as the primary system does by rewarding candidates who have lots of cash, and thus exposure, or who have extremist views, and thus fanatically dedicated followers—and the uses of a political party are reduced to two: debating practice or plunder. New York City provides a mix of both.

Distrust of political parties is perhaps the oldest of our political traditions. Witness James Madison's doubts in The Federalist Papers. As an expression of that distrust, the direct primary emerged at the turn of the century as part of the Progressive assault on the Republican machines of the farm states.

But it has become a dominant political mode only in the past few decades, first as a means of choosing Presidential nominees, and thence down through the system. Mostly, television did this by making plebiscitary choices more interesting and feasible than organizational ones.

All to the good, it might seem. Until some of the bad appears.

The primary system makes money the primary arbiter of political outcomes. Not the only. But from a third of a century of encounters with both plebiscitary and organizational arrangements, I would say the main. A discernible advantage also goes to

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fanatic, single-minded, single-issue campaigns.

In this setting, political organizations are easily ignored or readily penetrated. As a matter of principle, Richard J. Daley would never have allowed LaRouchites into his party councils. He avoided contests. As a matter of, well, policy, Carmine DeSapio would have been equally resistant. But no one fought them in the Chicago of 1986 or the New York of 1981. It was no one's duty and evidently no one's perceived interest. (Would you like a sample from the "humor" column of the LaRouche publication, New Soldiarity? Q.: What's the meaning of the "gay rights movement?" A.: A Nazi faggot dancing the hora.)

There will continue to be much talk of limiting the influence of money in politics, and this will come mostly from people who have lots of it. (By my calculation, more than half the Senate is now made up of millionaires.) I doubt that much will happen, not least because we are beginning to sense the class advantage that campaign laws confer on the already rich. But it is possible to hope that election laws can be changed to give party conventions more of a say in the effective choice of candidates, and to give parties powers to resist intrusion by elements wholly at odds with their own principles.

John LoCicero, a principal political strategist in the 1981 New York mayoral primary, has recently been quoted as saying that "we didn't challenge anyone's signatures" because "it's not part of the democratic process." That is a perfectly honorable statement but calamitously wrong. The democratic process is not abetted by admitting neo-fascists to the Democratic Party. Let them have their own party if they like, but keep them out of ours.

Nor is the interest in honest government served by allowing the Democratic Party in the city to lapse into desuetude save as an instrument of low-grade larceny that true buccaneers won't be bothered with and true citizens won't touch.

Something like the future of the oldest political party on earth is at stake in these matters and that has something to do with the future of this Republic.

[From the New York Times, Apr. 3, 1986]

How New Yorkers Defeated LaRouche

(By Stanley E. Michels and Franz S. Leichter)

The startling victory in the Illinois Democratic primary of candidates associated with Lyndon LaRouche's neo-Nazi organization has generated the question, "How could it have happened?" It would be a mistake to consider the victory a freak event that cannot be repeated. In fact, LaRouche adherents have won large vote totals in numerous races around the country since 1982.

Our northern Manhattan community, Washington Heights and Inwood, faced a determined effort in 1983 by LaRouche candidates to win control of the local school board, the local Democratic Party and the Area Policy Board (which recommends allocation of antipoverty monies). We resoundingly defeated them in all three elections within eight months.

Our experience is that Mr. LaRouche commands numerous volunteers who work with robot-like persistence in unswerving devotion to him and his conspiracy theories. His candidates are well-financed and will say and do almost anything to win, including smearing opponents with wild charges. On one occasion, LaRouche followers burst into our offices and abused staff workers. As the Democrats in Illinois learned, it is an extremely serious mistake to laugh off the group as right-wing nuts not worthy of campaigning against.

School board elections would seem easy to win because nine posts are available, the election is nonpartisan and by proportional representation, and it historically attracts very few voters. In 1983, the LaRouche organization was known because of a visible effort in the 1981 mayoralty primary and for having fielded a candidate who got 15 percent of the primary vote against Senator Daniel Patrick Moynihan in 1982. While a large number of LaRouche followers lived in our area, they had maintained a fairly low profile.

In 1983, the organization made an all-out effort to win control of the District 6 school board. It spent substantial sums promoting candidates and distributing campaign literature with facile slogans for "classical education," "Star Wars" weapons and saving the economy from depression. It was apparent to all who listened and read carefully that the real agenda was an anti-Semitic, anti-Catholic and anti-minority ideology designed to gain influence and ultimately political power for Mr. LaRouche.

With other elected officials from the area, especially Assemblymen Brian Murtaugh and Herman D. Farrell Jr., we mobilized virtually the entire community, not just the Democrats. We educated voters about what Mr. LaRouche really stands for. We identifed all the LaRouche candidates in order to steer voters away from them. We convinced voters who usually ignore school board elections that something crucial was at stake.

In short, we made Mr. LaRouche the issue. Using findings of the B'nai B'rith Anti-Defamation League, A.F.L.-C.I.O. and the writer Dennis King, an expert on Mr. LaRouche—that the LaRouche group is extremist and anti-Semitic—we challenged LaRouche candidates at meetings, outside subway stations and on the streets. With the support of District Council 37 (American Federation of State, County and Municipal Employees) and the United Federation of Teachers, which otherwise were backing opposing slates, we flooded the community with leaflets, held numerous public meetings and sent volunteers door-to-door. Parents groups, fraternal organizations and block associations organized. Priests, rabbis and Protestant ministers supported this effort.

On election day, almost 15,000 turned out—some voters in wheelchairs and with walkers. Volunteers and local elected officials competed outside every polling place with LaRouche minions that had been imported from around the country. The highest vote any LaRouche candidate received was a mere 340.

Bolstered by this victory, the community easily fended off LaRouche attempts to capture Democratic district leadership races and seats on the antipoverty board. In 1984, Mr. LaRouche began to move his followers out of our neighborhood, to try to fool voters elsewhere. Unfortunately, he succeeded in Illinois. As we learned in Washington Heights and Inwood, the only way to deal with Mr. LaRouche is to relentlessly expose him.

[From the Washington Post, Apr. 2, 1986]

LaRouche Is Not a Conservative

(By Richard A. Viguerie)

In the news coverage of the Illinois Democratic primary, in which supporters of Lyndon LaRouche were nominated for lieutenant governor and secretary of state, almost all reports identified LaRouche as "rightwing" or "ultraconservative." This makes no sense at all, except as evidence of media bias.

The LaRouche supporters call for the repeal of Gramm-Rudman-Hollings, claim that Ferdinand Marcos actually won the Philippine election and demand that farm foreclosures be prevented by having the government confiscate the property. They support government subsidies for nuclear power plants and seem to be saying that most bankers are involved in drug trafficking. They say they are fighting a worldwide conspiracy that includes Nobel Prize-winning economist Milton Friedman, the Jewish organization B'nai B'rith and the queen of England. Their nominee for secretary of state in Illinois has pledged to put Washington Post staffers "on trial for Nuremberg crimes."

The lead story on the front page of the latest issue of New Solidarity, the LaRouche newspaper, is an attack on Sen. Jesse Helms, R-N.C., accusing Helms of trying to install a Nazi as the ruler of Panama. On page two, a story about the nation's leading conservative broadcaster is headlined, "Pat Robertson Peddling Snake Oil for the KGB." Page six has a cartoon showing a demonic version of Sen. Phil Gramm, R-Texas, wielding an ax, and an article on page eight attacks Sen. Barry Goldwater, R-Ariz.

The anti-conservative tilt of the LaRouche organization is not surprising. Lyndon LaRouche first became well-known when he was associated with Students for a Democratic Society, the radical group founded by Tom Hayden and others. Under the name "Lyn Marcus" (taken from Lenin and Marx), LaRouche tried to take over the Socialist Workers Party; when he failed, he founded the U.S. Labor Party. LaRouche, who called himself "the American Lenin," was a Trotskyite—that is, his complaint with the Soviets was that they weren't Communist enough.

According to a 1974 FBI report, the LaRouche group known as the National Caucus for Labor Committees described itself as an "organization of revolutionary socialists." In a series of lectures published in 1976, LaRouche said his organization was "allied" with certain "Communist forces" that are "working overnight, constantly, to bring into being a new Marxist International throughout the capitalist sector."

And if the LaRouche followers are conservatives, why are almost all of the hundreds of them this year running in the primaries of the more liberal party, the Democratic Party?

LaRouche and his group are said by the media to have swung from the far left to the far right in recent years—mainly, it seems, because of their anti-Soviet position. But, in our view, this is fully consistent with his background as a Trotskyite (that is, anti-Soviet) Communist.

Despite the difficulty of pinning him somewhere on the political spectrum, the Chicago Tribune's stories on the Illinois election called the primary winners "rightwing extemists" and "ultraconservative." The Washington Post headline called them "far-right." One USA Today headline referred to LaRouche as a "rightist," and the story called him "hard right" and "ultraconservative."

It's a pattern we've seen before. The New York Times recently listed a racist, anti-Semitic newspaper as one of the "organs of the conservative movement," and Newsweek described the newspaper's little-known publisher as one of the "apostles of conservatism." The characterizations are absurd, laughable, the stuff of which cocktail party conversation is made—so why did The Times and Newsweek sink so low?

Why do the media associate LaRouche and other bizarre-types with conservatism? Why do they lump together (as "conservatives," "ultraconservatives" or "the far-right") people who have nothing in common and whose philosophies are diametrically opposed? Why do they link libertarians like Milton Friedman, traditionalists like Pat Robertson, white supremacists like the Ku Klux Klan, anti-Communist socialists like Salvadoran President Jose Napoleon Duarte, cruel authoritarians like South Africa's P.W. Botha, totalitarians like Adolf Hitler, crooks like Ferdinand Marcos, aggressive Communists like the "hard-liners" in Moscow and weirdos like Lyndon LaRouche? All of them are referred to by the media as "conservatives," although in fact only Friedman and Robertson are conservatives.

Why do the media refer to them all the same way? What could they all possibly have in common—except that they are not liberals? Aha! That's the answer! Throughout history, many a primitive tribe has called itself by a name that means, simply, "human beings." In that view, the world is divdied into two groups: 1) "us" and 2) everybody else.

That's how the national news media classify people. A liberal is a person who agrees with them. And a conservative? A conservative is anybody else.

Ms. OAKAR. They have appeared not only in the New York City papers, but they have appeared indeed throughout the country.

Our country is a country that believes in basic ideas of freedom of expression and we believe in the values of human values toward one another. I for one really believe that if the LaRouche people who have changed their political philosophy apparently from the Marxist philosophy to the some other kinds of insidious views and want to run as candidates, they should have the courage to run under their own banner and not attempt to deceive the American people. That is really what it is all about.

I just want to close by saying that we ought not to call attention to them. I know in my own case and in some of the cases of my colleagues from Ohio, they say you will just bury that individual in terms of the election, and you will win by a landslide in the Democratic primary.

I do not believe we should take this lightly. I think that we have an obligation. If they do not want to tell the American people what they really stand for and who they really are, I think somebody should do that, because very often people are not as informed about political philosophies as we would like to see happen. They are certainly not going to get a handle on the LaRouche philosophy from those people running under the Democratic Party's banner.

So again, I want to commend the gentleman. I want to challenge the LaRouche candidates to in the next election, run under your own banner. Run as independents as LaRouche candidates. And then you lay it all out to the American people and tell them what you stand for. I really suspect, because of my great belief in the wisdom and the values of our American people, they will reject this kind of insidious philosophy soundly.

Mr. DURBIN. Mr. Speaker, I thank the gentlewoman from Ohio for joining. I know the gentlewoman has had firsthand experience with LaRouche candidates in the State of Ohio. Unfortunately, those of us in Illinois have learned the hard way that they cannot be ignored and written off as kooks. They must be taken seriously.

Mr. Speaker, one of the things that I was surprised to learn after the primary in the State of Illinois in attending a meeting with Democratic Party officials was that one of the leading labor leaders in my own congressional district had been receiving a LaRouche party publication for some months. He was not aware of the fact that it was a publication from the LaRouche party.

This evening I would like to comment, if I can, on the publications of the LaRouche party, so that those who will read these words and hear this statement may take a look in their own mailboxes, and many may be surprised.

The LaRouche party publishes a twice weekly newspaper entitled New Solidarity. They publish magazines entitled Campaigner, Fusion, the International Journal of Fusion Energy, War on Drugs, Young Scientist, the American Labor Beacon, which I understand they have discontinued recently.

They publish books through a company in New York known as the New Benjamin Franklin House Publishing Co. Two of their more popular titles are "Dope Incorporated," and the other is "The Power of Reason," which we may find hard to imagine is the Lyndon LaRouche autobiography.

But far and away the most lucrative publication of the LaRouche party is this weekly magazine known as the "Executive Intelligence Review." It is directed toward the security concerns of business and government. It claims 7,000 subscribers.

In Lyndon LaRouche's own words, "* * * chiefly those among political, financial, industrial, and trade association clients internationally."

To subscribe to this magazine that is published on a weekly basis, it costs $400 a year. Over-the-counter sales are estimated at between $600 and $1,000. If the figures are accurate that are provided by the LaRouche party, they generate about $3 million in annual revenues from this publication. They claim to have international bureaus in 16 cities in the United States and around the world.

Their articles in various publications, and particularly in this one, have included charges that former Ambassador Averell Harriman was a liberal fascist. I have a certain fixation with Mr. Harriman and his family, and I found throughout their publications continuing reference to him. In fact, when the senior Senator from the other body from New York recently ran against a LaRouche candidate in the primary, that candidate made a big controversy of the fact that the candidate he was opposing had a wife who formerly worked for Governor Harriman, as if this in and of itself was some condemnation.

They have also claimed in their publications that organized crime engineered the selection of Chuck Manatt as head of the Democratic National Committee. Keeping in mind that Chuck Manatt, originally an Iowa farm boy, went on to his fortune in business in California and eventually headed the Democratic National Committee, the real Democratic Party, it is hard for me to imagine that anyone who has met or worked with Mr. Manatt would fall for that type of a charge. But imagine, if you will, how few people actually meet him or work with him, and how many people, unfortunately, would be easy prey for this kind of hatred and vile comment.

This issue of the Executive Intelligence Review which I have in my hand is one of the most recent. I have to tell you that I did not subscribe to this. What I have here is a mailing label, "To Representative Richard Durbin from a Concerned Constituent." Someone, somewhere paid some money so that I might receive this magazine. I hope to use the magazine to let people around the Nation and those of my colleagues in Congress know what kind of hate-filled accusations are made by the LaRouche party. We have statements in here that are incredible in reference to the Illinois Democratic scene.

They have claimed, of course, a great victory in the March 18 primary. As I said in my opening remarks, I believe that victory was occasioned by the lack of information being given to voters rather than a conscious choice on behalf of the LaRouchians.

They seem to be able to tie everything together. They have said that the one reason why Adlai Stevenson, the Democratic nominee for Governor, does not choose to run with a LaRouche candidate, Mr. Mark Fair-

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child, was that he is running the risk, Mr. Stevenson is running the risk, "of being driven out of the party by the elite crowd of Gold Coast," which is a reference to an area in Chicago, "cocaine-sniffing liberals."

This is not the only rash statement made by the LaRouchians in our area.

We, unfortunately, in the Democratic Party for the time being are saddled with a candidate whom we will have nothing to do with by the name of Janice Hart. She is our Democratic nominee for Secretary of State and a LaRouchian. I want to read some of the comment she made in a press conference after her nomination.

She said in the report that appeared in Newsweek magazine. "In the flat tones of a military commander at a press conference in Springfield, she said, 'We will roll our tanks down State Street in Chicago and make sure every citizen is armed with reason and beauty. We will hang traitors and hang people who are responsible for feeding our children drugs. He [Lyndon LaRouche] will put the fear of God in people like Henry Kissinger and the State Department.' "

And then she called our State Department "the biggest hot bed of treason in this Nation since Aaron Burr killed Alexander Hamilton."

I have been a member of the Democratic Party in the State of Illinois now for over 20 years. I have run as a candidate for Lieutenant Governor across the State of Illinois.

□ 1820

I am familiar with my colleagues who share that party label.

Ladies and gentleman and colleagues, I can tell you that none of them share any belief with Mrs. Hart in reference to what this Nation is made of and where it is going. We, unfortunately, in Illinois are saddled with the responsibility of ridding ourselves of what has become a very serious interloper on our ballot.

Reference was made earlier to some of the more outrageous charges made by the LaRouche party. The one that puzzles me the most, because I find it hard to believe that even the LaRouchians can take it seriously, is the suggestion that the Queen of England is a dope dealer.

I quote Mr. LaRouche, who appeared on NBC television on March 4, 1984, on a program known as "First Camera." When he was asked, "Do you really believe the Queen of England is a dope pusher?" he said, "Of course she's pushing drugs * * * that is in a sense of a responsibility: the head of a gang that is pushing drugs; she knows it's happening and she isn't stopping it."

They have also charged that the National Broadcasting Corp. [NBC] is infiltrated by agents of the Soviet security agency, the KGB.

References were made earlier to statements which have been made continually since 1978 by the LaRouche party, anti-Semitic statements. In fact, at one point, when Lyndon LaRouche was accused of being anti-Semitic, he sued the Anti-Defamation League for libel because they called him anti-Semitic. After the evidence was presented at his trial, the libel charges against the ADL by Mr. LaRouche were dismissed.

At this point I would like to read to you what the justice of the New York State Supreme Court said in October 1980, in dismissing Mr. LaRouche's charges. Supreme Court Justice Michael Dontzin held that the Anti-Defamation League's characterization of a LaRouche group as anti-Semitic constituted, in his words, "fair comment" and that the facts presented in the case "reasonably gave rise" to such characterization.

Lyndon LaRouche is the same individual who has dismissed the Holocaust which claimed the lives of 6 millions Jews as merely mythical, in his words.

And they have an unusual view of the Soviet Union. Here is a man who started off as a Marxist or a Trotskyite, came full circle through the left and over to the right. But if you read his publications, it is hard to escape and to miss the fact that within that publication he called the idea that the Soviets have ambition of world domination a delusion. He criticizes the Solidarity movement in Poland. And there are several articles that I have read where he has praised to the high heavens the Soviet educational system.

Statements have been made earlier by my colleagues about why the LaRouchians decided to pick on the Democratic Party. I do not know. When I read Mr. LaRouche's own comments and his newsletter of his organization of March 1982 he says:

> The difference between Republican and Democratic kooks is that the Democrats are outright Fascists.

This is the party where he is trying to find a home.

I can recall at the convention which our party held during the last Presidential campaign that we were assaulted continually on the streets by those who wanted us to a sign petitions so Lyndon LaRouche could address the Democratic National Convention. He never received that opportunity. Although I would defend his right to speak to any group, he no more belongs with the Democratic Party than I belong with any other political party than the one I claim.

Mr. LaRouche has also some unusual phobias. One of them is the phobia of assassination. He believes that he is an assassination target. In fact, he believes the plot that is out to get him involves European Fascists, the British intelligence network, the Russian order spinoff of the Order of the Malta, Hinckley himself, the would-be assassin of President Reagan. And Mr. LaRouche goes on to say that he is not the only target, that this worldwide conspiracy has fingered not only him but President Reagan and Pope John Paul II.

Mr. LaRouche was asked what his four-point program was to revitalize the American economy. Here is what he said:

> His first point was to restore the United States to the gold standard; second, federalize the Federal Reserve, making it the Third National Bank; and then he came in with a public works project; and he closed with one of his favorite topics, an energy policy based on nuclear power.

Another favorite target of the LaRouche operation is the National Education Association. Those of us who work with members of the National Education Association on a day-to-day basis know them to be dedicated teachers who work in our classrooms, working as hard as they can to educate our children, to make certain that the next generation of Americans has the skills to be able to compete.

Here is what Lyndon LaRouche says of the National Education Association:

> If we were to ask what institution has been most responsible for the destruction of education in the United States, the answer unequivocably is the National Education Association.

And he goes on to say—and again here comes the conspiracy—that the NEA serves the interests of those who would allow the Soviets to achieve world hegemony.

Henry Kissinger has been a favorite target of the LaRouche party. They have called him one of the leading Soviet moles.

If you will take a look sometimes at the publications of the LaRouche party, you will find some outrageous comments in reference to former Secretary Kissinger. In fact, I will not submit this one for the record because the libelous and slanderous statements included in there about Mr. Kissinger do not deserve to be part of this Congressional Record.

But it is interesting, to me, within months after this publication from Mr. LaRouche, which I have in my mind, lambasting Kissinger, hit the stands, that an incident occurred. You may remember it. It was in 1982. At that time former Secretary of State Henry Kissinger and his wife Nancy were walking through the airport in Newark, and they chanced to pass by one of those ubiquitous card tables where the Fusion Energy Foundation had an information booth set up. It was manned by a 6-year LaRouche veteran and a colleague. As Mr. Kissinger and his wife passed by, one of them who recognized him jumped up and, despite the fact that Mr. Kissinger

was on his way to Boston, where 3 days later he was to undergo a triple bypass operation, this individual confronted Mr. Kissinger and asked him why he prolonged the Vietnam war. And then he made a comment to his wife, an insulting comment, and she stepped forward and grabbed the person. That LaRouchian then filed suit against Mrs. Kissinger. Sometime later, commenting on the obscene suggestion that was made by the LaRouchian, the interviewer was asking the person who assaulted them, "Why did you do it? Why did you grab him in the airport?" And he said, "Boy, these people, these Kissinger folks are really touchy people."

I would suggest that goes far beyond ordinary political comment. What we have here is not the statement of expression of an opinion but instead we have acts of violence engendered again by this conspiracy theory.

Another frequent target was our former candidate for President in the Democratic Party, Walter Mondale, who was claimed to be by the LaRouchians a Soviet agent of influence.

My colleagues, what I have found in Illinois since the election is that we have learned an awful lot about the LaRouchian party. In a recent poll in my own congressional district, fewer than 5 percent of the voters believed that the Illinois Democrats who voted for the LaRouchian candidate had any idea who they were voting for.

In fact, in one poll that was taken after the election by our gubernatorial candidate, Adlai Stevenson, they asked for a public-esteem rating, an approval rating. That is a common question in polls, where names are given of prominent public figures and, of course, the person queried is asked whether he holds him in high esteem or not. And those who are very popular score high. It may be of interest for those listening to know that Lyndon LaRouche scored 1 point below in public esteem an individual by the name of Mikhail Gorbachev, the General Secretary of the Soviet Union.

There are additional concerns which we have about the impact of the LaRouchian organization. A recent publication of the New Republic, in November 1984, contained an article written by Dennis King and Ronald Radosh, entitled "The LaRouche Connection." It raises serious questions about what the LaRouche party is up to in terms of providing information to elected officials. They turn up unannounced and uninvited many times to testify at hearings, oftentimes embarrassing candidates that they might come in to endorse for nomination to various Cabinet posts and high-level positions.

Dr. Norman Bailey had resigned in December 1983 from his posts as a special assistant to the President and as the National Security Council's senior Director of International Economic Affairs. The National Security Council is one of the most sensitive agencies of the Federal Government. It is empowered to consider highly classified information and make important decisions about the future national security needs of our Nation. He justified his meeting with the LaRouchian people, saying that they offered "one of the best private intelligence services in the world."

I find this incredible that a person who is rational, working for this administration or any administration, if they know even the very least about the LaRouchian party, what they stand for and what they have said, would claim that they have one of the best private intelligence services in the world.

There is also evidence of a gentleman by the name of Dr. Ray Pollock in this same article that is quoted, who works with the National Security Council, and one of the chief architects of President Reagan's star wars policy. Mr. Pollock, who resigned from the administration, has said that he met on several different occasions with the LaRouchian officials. He said that he was intrigued by LaRouche's talented followers, and he said that some of the statements they made spoke well for their intelligence network.

I think, with all the resources of the United States of America, we do not need to rely on Lyndon LaRouche for information. The kind of twist and bent that he gives to facts is something that our country certainly has no need of.

I would like to close this special order by commenting that there are many who have cautioned over the years that we should ignore people like Lyndon LaRouche and they will go away. We found on March 18 in the State of Illinois that ignoring Lyndon LaRouche ended in the nomination of two of his disciples on the Democratic Party ballot. It was a source of great embarrassment and humiliation to the Illinois Democratic Party. We are working hard now to clear up this problem so that the voters in November will not be faced with the choice of seeing only LaRouchian candidates holding the Democratic banners for Lieutenant Governor or secretary of state.

But in this process we have learned a lot. I hope it is a lesson that is shared with the rest of the Nation. I hope that those who are voters and who are interested in this process will take the time to ask important questions, to ask of candidates claiming to be part of one party or another what they really stand for. And if they identify themselves as followers of Mr. LaRouche, I hope that you will follow through with questions along the lines we suggested today.

As was stated earlier, the ideas of the LaRouchian party are like weeds that wither in sunlight. I hope during the course of this special order we have shed some light on those ideas and that my colleagues and those listening will take the time to inquire and become informed voters. When they do, if they choose the LaRouche party platform, that is part of being American, and I would of course defend their right to do so; but I hope that choice is an informed choice.

Mr. Speaker, I yield back the balance of my time.

JOSEPH AND RALPH BERNSTEIN

The **SPEAKER** pro tempore. Under a previous order of the House, the gentleman from New York [Mr. Solarz] is recognized for 60 minutes.

Mr. **SOLARZ**. Mr. Speaker, on February 26, as you may recall, the House voted in favor of two resolutions citing Joseph and Ralph Bernstein, the directors and managers of the New York Land Co. in New York, for contempt of Congress as a result of their refusal to cooperate with the Subcommittee on Asian and Pacific Affairs, which was then in the process of conducting an investigation into the hidden wealth of Ferdinand and Imelda Marcos, of the Philippines, here in the United States. Those resolutions were adopted, in the case of Ralph Bernstein, by a margin of 352 to 34 and, in the case of Joseph Bernstein, by a margin of 343 to 50.

The Bernstein brothers had refused to answer a whole series of questions put to them by myself and other members of the subcommittee on the grounds that it would require them to violate the attorney-client privilege if they were to divulge the information we were seeking.

It was the opinion of the House counsel and the minority counsel of the House, whose judgment we solicited, that in fact the attorney-client privilege was not being properly invoked.

For that reason, the subcommittee voted to cite the Bernstein brothers for contempt. The full Foreign Affairs Committee then voted overwhelmingly to cite them for contempt and, as I just indicated, the full House voted to cite them for contempt as well.

A few months later, after the restoration of democracy in the Philippines and the flight of Mr. Marcos and his wife, Imelda, from Manila to Honolulu, documents were discovered at Malacanang Palace clearly linking Joseph Bernstein, at least, to President Marcos and some of the real estate owned by the Marcoses in New York, which our subcommittee was investigating. A grand jury, under the direction of the U.S. attorney, began proceedings pursuant to the adoption of

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the contempt of Congress citation. The Bernstein brothers, through their attorneys, contacted me as chairman of the Subcommittee on Asian and Pacific Affairs and indicated that they were now prepared to cooperate with our subcommittee and wanted to know, if they did cooperate with the subcommittee, whether we would be prepared to communicate that fact to the U.S. attorney.

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We indicated that we would be. I met personally with the Bernstein brothers for several hours. Our subcommittee staff met with them for many more hours and the Bernsteins then appeared before the Subcommittee on Asian and Pacific Affairs a few weeks ago in public session and, testifying under oath, answered without exception all the questions we put to them. Their testimony was indeed very helpful. It demonstrated very clearly that the Marcoses were the owners of about $350 million of prime real estate in the New York area. They provided our subcommittee with a number of details and some very relevant information which we did not previously have.

In view of the fact, Mr. Speaker, that the primary interest all along was not in sending the Bernstein brothers to jail as a result of their contempt of Congress, but in obtaining the information which they alone had, which was directly relevant to the investigation of our subcommittee, I felt it was appropriate to seek the authority and the mandate of the Subcommittee on Asian and Pacific Affairs for a letter to be sent to the U.S. attorney indicating that the Bernstein brothers have now cooperated with the subcommittee.

That motion was adopted by a vote of 5 to 1 in the subcommittee earlier today, and pursuant to the motion, I am now bringing it to the attention of the House in order to give any of our colleagues who may have any questions or concerns about our intent to send such a letter, the opportunity to raise those questions or concerns with me or with my very good friend who is in the House at this point, the very distinguished ranking minority member, the gentleman from Iowa [Mr. Leach].

In the absence of a direction from the House not to proceed with such a letter, inasmuch as it was the full House which voted to cite the Bernsteins for contempt, it would be our intention to send a letter to the U.S. attorney indicating that the Bernsteins have cooperated with us and have answered without exception all the questions we have put to them. Based on my discussion with the U.S. attorney, it is my impression that upon receiving such a letter, together with a transcript of the subcommittee hearing at which they testified, that the U.S. attorney will drop the grand jury proceedings against the Bernsteins.

Let me just say, Mr. Speaker, before yielding to my good friend, the gentleman from Iowa, that I genuinely regret the fact that the Bernsteins did not cooperate with us back in December when we originally called them before us. If they had been willing to do so, it would have saved the members of our subcommittee and the staff literally hundreds of hours of work. We would have been able to complete our investigations in a far more timely and expeditious action. They chose instead to stonewall the committee. As a consequence, we felt we had no alternative but to cite them for contempt; but I am pleased that the rights of our subcommittee and the Congress have ultimately been vindicated. We received at the end of the day the information we were seeking. We were able to demonstrate, with the help of the Bernstein brothers, that the Marcoses, as we suspected from the beginning, are, in fact, the owners of hundreds of millions of dollars worth of real estate in New York.

In view of the fact that we have obtained the information we were seeking at the time, I think it would be appropriate for us to send such a letter to the U.S. attorney.

I am now happy to yield to my very good friend, the gentleman from Iowa [Mr. Leach], whose cooperation throughout the course of this investigation has made it possible for us to proceed in a genuine bipartisan fashion.

May I say here also that I have a particularly high regard and genuine appreciation for the extent to which the gentleman from Iowa throughout the course of our investigation consistently sought to protect the interests of the various witnesses and to make sure that the investigation was conducted in a way which would be compatible with the highest standards of due process and fairness for all of the individuals involved. I think the timely representations in that regard were without exception extraordinarily constructive and I think they were a critical factor in enabling our subcommittee to maintain the support not of other members of the committee, but the respect and confidence of the Congress as a whole and of the people of our country.

I think we can be proud not only of what we were able to uncover throughout the course of this investigation, but of the way in which the investigation itself was conducted. I truly believe it was a model for congressional investigations of this character and a larger part of the credit is due to the gentleman from Iowa, who played such a responsible role throughout the investigation.

I am now happy to yield to my good friend for whatever comments he would like to make.

Mr. LEACH of Iowa. Mr. Speaker, I thank the gentleman for his kind comments.

Mr. Speaker, as Members of this body will recall, the House voted on February 27, 1986, to approve House Resolution 384, calling for certification to the U.S. attorney for the District of Columbia of a report from the House Foreign Affairs Committee citing Joseph and Ralph Bernstein for refusing to answer certain questions of the Subcommittee on Asian and Pacific Affairs pertaining to allegations of Marcos family investments in the United States.

In concluding my remarks on the contempt resolution brought before the House, I noted that Joseph and Ralph Bernstein held in their own pockets the keys to their potential incarceration. I expressed, along with the gentleman from New York [Mr. Solarz] the continued hope that in the wake of House action, Joseph and Ralph Bernstein would reconsider cooperation with the subcommittee in its quest for the truth in this investigation.

Subsequent to House approval of House Resolution 384, Joseph and Ralph Bernstein came to the subcommittee and presented information and material which had every indication of being forthright and which provided a perspective to the committee which bore direct relevance to its investigation.

Precedents of the House in matters of contempt are important. While the model established of allowing a witness to be legally unaccountable for noncooperation with a committee investigation until the House itself acts and a court proceeding is instituted is imperfect, I nevertheless believe, as a general proposition, that the House should go to great lengths to accommodate witnesses who wish to cure, through voluntary cooperation, their prior intransigence.

The investigatory powers of the House are so extraordinary that committees of this body have an obligation to bend over backward not to be coercive. Congressional investigations should be governed by the desire for information, not retribution. A request from the House to the Justice Department to seek legal redress should only be made with the greatest reluctance. Punitive measures should always be the last resort after all means for obtaining desired information have been exhausted.

Mr. Speaker, contempt citations should be judged on a case-by-case basis. In the Bernsteins' case, little would appear to be served by pressing legal action at this point.

Accordingly, unless this notification to the House of intent to proceed produces substantial objections of a nature that this Member is not currently aware, I intend to join with the gentleman from Florida [Mr. Fascell], the gentleman from New York [Mr. Solarz], and the gentleman from Michigan [Mr. Broomfield] in writing the Justice Department pursuant to the direction of the Subcommittee on Asian and Pacific Affairs, urging that the record demonstrating cooperation by Joseph and Ralph Bernstein be provided to the U.S. attorney for the District of Columbia. In view of their belated cooperation with the committee of jurisdiction, I believe the legal proceedings against the Bernsteins should be dropped.

Finally, let me just conclude with a footnote that relates to the gentleman from New York [Mr. Solarz]. I know of no investigation from a committee of the Congress that reflected greater judgment of a committee chairman, nor greater personal courage, in the sense that it brought before this House legal proceedings for two individuals who reside in the same town as the gentleman from New York. That is a very difficult thing to consider doing. It implies taking on political and social liabilities of an extraordinary nature, but it became very clear to me that the gentleman from New York's desire to protect the Congress was more important than any political ramifications that might unfold in New York.

Mr. SOLARZ. Mr. Speaker, I want to thank the gentleman from Iowa [Mr. Leach] for his remarks. I deeply appreciate them.

Mr. Speaker, I hope this brings to an end the episode of the Bernsteins and this Congress and that this will enable us to close the book on at least their role in this investigation. I have no further comments to make.

GENERAL LEAVE

Mr. SOLARZ. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks on the subject of this special order.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from New York?

There was no objection.

PERSONAL EXPLANATION

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Tennessee [Mr. Ford] is recognized for 5 minutes.

Mr. FORD of Tennessee. Mr. Speaker, I would like to express my regrets for missing an important vote before the House this afternoon. Due to death in my family, I was unavoidably absent.

Mr. Speaker, the vote I am referring to concerns H.R. 281—the double breasting bill. I am strongly in favor of this bill and had I been present for the vote I would have answered in the affirmative.

H.R. 281 will increase the stability of collective bargaining in the building and construction industry. This bill will tighten the standards limiting dual shop operations and will in effect bring about greater employee security.

The legislation is needed more than ever since the provisions of the National Labor Relations Act enacted by Congress in 1959 have been largely negated by recent decisions of the National Labor Relations Board.

Mr. Speaker, I feel H.R. 281 is necessary to reverse the effect of the Board's decisions and will achieve what Congress sought through its enactment of the National Labor Relations Act.

For these reasons Mr. Speaker, I lend my support to the passage of the bill.

SPECIAL ORDERS GRANTED

By unanimous consent, permission to address the House, following the legislative program and any special orders heretofore entered, was granted to:

(The following Members (at the request of Mr. Blaz) to revise and extend their remarks and include extraneous material:)

Mr. Cobey, for 60 minutes, on April 23.

Mr. Burton of Indiana, for 60 minutes, today.

Mr. Bereuter, for 60 minutes, on April 22.

Mr. Ritter, for 60 minutes, today.

Mr. Gingrich, for 60 minutes, on April 18.

Mr. Gingrich, for 60 minutes, on April 21.

(The following Members (at the request of Mr. Penny) to revise and extend their remarks and include extraneous material:)

Mr. Penny, for 5 minutes, today.

Mr. Stark, for 5 minutes, today.

Mr. Annunzio, for 5 minutes, today.

Mr. Rodino, for 5 minutes, today.

Mr. Jones of Oklahoma, for 5 minutes, today.

Mr. Gonzalez, for 60 minutes, on April 18.

Mr. Coleman of Texas, for 60 minutes, on May 14.

(The following Member (at the request of Mr. Durbin) to revise and extend his remarks and include extraneous material:)

Mr. Ford of Tennessee, for 5 minutes, today.

EXTENSION OF REMARKS

By unanimous consent, permission to revise and extend remarks was granted to:

Mr. Ford of Michigan, in support of H.R. 281, preceding consideration of the bill for amendment, in the Committee of the Whole, today.

Mr. Rinaldo, on H.R. 281, in the Committee of the Whole, today.

Mr. Fazio, on H.R. 281, in the Committee of the Whole, today.

Mr. Edwards of California, on H.R. 281, in the Committee of the Whole, today.

(The following Members (at the request of Mr. Blaz) and to include extraneous matter:)

Mr. McKernan in two instances.

Mrs. Smith of Nebraska.

Mr. Jeffords.

Mr. Fawell.

Mr. Chappie in two instances.

Mrs. Martin of Illinois.

Mr. DeWine.

Mr. Kemp in three instances.

Mr. Dornan of California in two instances.

Mr. Bereuter.

Mr. Broomfield.

Mr. Dreier of California.

Mr. Hyde.

Mr. Ritter.

Mr. Tauke.

Mr. Gunderson.

Mr. Sensenbrenner.

Mr. Dannemeyer.

Mr. Schaefer.

Mr. Rudd.

Mr. Gilman in two instances.

Mr. Bliley.

Mr. Gekas.

Mr. Moore in two instances.

Mr. Swindall in two instances.

Mr. Daub.

Mr. Frenzel.

(The following Members (at the request of Mr. Penny) and to include extraneous matter:)

Mr. Florio.

Mr. Rose in two instances.

Mr. Rahall.

Mr. LaFalce.

Mr. Applegate in two instances.

Mr. Montgomery.

Mr. Torricelli.

Ms. Mikulski in two instances.

Mr. Kanjorski.

Mr. Hertel of Michigan.

Mr. Walgren.

Mr. Lehman of California.

Mr. Garcia in two instances.

Mr. Lantos.

Mr. Rodino.

Mr. Roybal.

Mr. Morrison of Connecticut.

Mr. Hoyer.

Mr. Penny.

Mr. Wirth.

Mr. Rangel.

Mrs. Collins.

Mr. Donnelly.

Mr. Oberstar.

Mr. Fascell.

Mr. Lowry of Washington.

Mr. Boland.

Mr. Leland.

ENROLLED BILL SIGNED

Mr. ANNUNZIO, from the Committee on House Administration, reported that that committee had examined and found truly enrolled a bill of the

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House of the following title, which was thereupon signed by the Speaker:

H.R. 4551. An act to extend for 3 months the emergence acquisition and net worth guarantee provisions of the Garn-St Germain Depository Institutions Act of 1982.

ADJOURNMENT

Mr. SOLARZ. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 6 o'clock and 46 minutes p.m.), the House adjourned until tomorrow, Friday, April 18, 1986, at 11 a.m.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

3324. A letter from the Secretary of Agriculture, transmitting a draft of proposed legislation to reduce the cost and improve the administration of the Food Stamp Program and for other purposes; to the Committee on Agriculture.

3325. A letter from the Acting Comptroller General of the United States, transmitting a report of the status of budget authority made available to the Department of Housing and Urban Development for community development grants, reported as deferred in the President's third special message, February 5, 1986, pursuant to 2 U.S.C. 685 (H. Doc. No. 99-202); to the Committee on Appropriations and ordered to be printed.

3326. A letter from the Acting Comptroller General of the United States, transmitting a report of the status of budget authority made available to the Department of Energy for the development, operation and maintenance of the Strategic Petroleum Reserve [SPR] and deferred by the President in his third special message dated February 5, 1986, pursuant to 2 U.S.C. 685 (H. Doc. No. 99-203); to the Committee on Appropriations and ordered to be printed.

3327. A letter from the Chairman, U.S. Advisory Commission on Public Diplomacy, transmitting its 1986 report on the U.S. Information Agency, pursuant to Reorganization Plan No. 2 of 1977, section 8(b); to the Committee on Foreign Affairs.

3328. A letter from the Acting Comptroller General, transmitting a list of all reports issued by GAO during the month of March 1986, pursuant to 31 U.S.C. 719(h); to the Committee on Government Operations.

3329. A letter from the Chairman, Board of Directors, Tennessee Valley Authority, transmitting the agency's annual report of its activities under the Government in the Sunshine Act during calendar year 1985, pursuant to 5 U.S.C. 552b(j); to the Committee on Government Operations.

3330. A letter from the Commissioner, Bureau of Reclamation, Department of the Interior, transmitting a report on the necessity to construct modifications to Soldiers Meadow Dam, Lewiston Orchards Project, ID, pursuant to 43 U.S.C. 509; to the Committee on Interior and Insular Affairs.

3331. A letter from the Director, Office of Management and Budget, Executive Office of the President, transmitting a copy of the supplement to Special Analysis D, which provides projections of Federal investment spending and a review of recent public civilian investment needs assessments, pursuant to 31 U.S.C. 1105(a); jointly, to the Committees on Government Operations and Public Works and Transportation.

3332. A letter from the Comptroller General of the United States, transmitting a report entitled, "Improved Management Processes Would Enhance Justice's Operations" (GAO/GGD-86-12); jointly, to the Committees on Government Operations and the Judiciary.

3333. A letter from the Secretary, Department of Health and Human Services, transmitting the annual report, covering fiscal year 1984, of actions taken to recruit and train Indians to qualify for positions which are subject to preference under Indian preference laws, pursuant to 25 U.S.C. 472a(d); jointly, to the Committees on Interior and Insular Affairs and Post Office and Civil Service.

3334. A letter from the Secretary, Department of Health and Human Services, transmitting a report entitled, "Study of Registered Dietitians' Services in Home Care", pursuant to 42 U.S.C. 139511 nt.; jointly, to the Committees on Ways and Means and Energy and Commerce.

3335. A letter from the Secretary of Health and Human Services, transmitting the final report of the National Hospice Study and the evaluation of the Medicare hospice demonstration project, pursuant to 42 U.S.C. 1395f nt., 1395x nt.; jointly, to the Committees on Ways and Means and Energy and Commerce.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. GLICKMAN: Committee on the Judiciary. H.R. 2987. A bill for the relief of Whiteworth Incorporated of Gardena, CA (Report No. 99-541). Referred to the Committee of the Whole House.

Mr. GLICKMAN: Committee on the Judiciary. H.R. 1389. A bill for the relief of Beulah C. Shifflett; with an amendment (Report No. 99-542). Referred to the Committee of the Whole House.

Mr. GLICKMAN: Committee on the Judiciary. H.R. 1260. A bill for the relief of Joe Herring; with an amendment (Report No. 99-543). Referred to the Committee of the Whole House.

Mr. GLICKMAN: Committee on the Judiciary. H.R. 529. A bill for the relief of the heirs of Master Sergeant Nathaniel Scott, United States Army, retired, deceased; with amendments (Report No. 99-544). Referred to the Committee of the Whole House.

Mr. HAWKINS: Committee on Education and Labor. H.R. 4421. A bill to authorize appropriations for fiscal years 1987, 1988, 1989, and 1990 to carry out the Head Start, Follow Through, dependent care, community services block grant, and community food and nutrition programs, and for other purposes; with an amendment (Report No. 99-545). Referred to the Committee of the Whole House on the State of the Union.

Mr. PEPPER: Committee on Rules. H. Res. 425. A resolution waving certain points of order against H.R. 4515, making urgent supplemental appropriations for the fiscal year ending September 30, 1986, and for other purposes (Report No. 99-546). Referred to the House Calendar.

PUBLIC BILLS AND RESOLUTIONS

Under clause 5 of rule X and clause 4 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. BARTON of Texas (for himself, Mr. Hunter, and Mr. Livingston):

H.R. 4611. A bill to protect United States citizens from terrorism; jointly, to the Committees on the Judiciary, and Foreign Affairs.

By Mr. WIRTH (for himself, Mrs. Collins, Mr. Markey, Mr. Waxman, Mr. Scheuer, Mr. LeLand Mr. Kleczka, Mr. Synar, Mr. Bryant, and Mr. Bates):

H.R. 4612. A bill to amend title 49, United States Code, to centralize motor carrier safety responsibilities within the National Highway Traffic Safety Administration, to improve hazardous materials transportation enforcement, and for other purposes; jointly, to the Committees on Public Works, and Transportation, and Energy and Commerce.

By Mr. de la GARZA (for himself, Mr. Madigan, Mr. Jones of Tennessee, and Mr. Coleman of Missouri):

H.R. 4613. A bill to reauthorize appropriations to carry out the Commodity Exchange Act, and to make technical improvements to that act; to the Committee on Agriculture.

By Mr. AKAKA for himself and Mr. Heftel of Hawaii):

H.R. 4614. A bill to amend an act to add certain lands on the Island of Hawaii to Hawaii Volcanoes National Park, and for other purposes; to the Committee on Interior and Insular Affairs.

By Mr. AuCOIN (for himself and Mr. Durbin):

H.R. 4615. A bill to prohibit the furnishing of Stinger air defense guided missiles to foreign paramilitary forces; to the Committee on Foreign Affairs.

By Mr. BATES:

H.R. 4616. A bill to amend title 10, United States Code, to authorize the inclusion of amounts for interport differential as an evaluation factor for award of contracts for the overhaul, repair, or maintenance of naval vessels; to the Committee on Armed Services.

By Mr. DAUB (for himself and Mr. Dorgan of North Dakota);

H.R. 4617. A bill to extend the period for filing a claim for credit or refund of Federal income taxes with respect to certain changes made by the Consolidated Omnibus Budget Reconciliation Act of 1985 with respect to insolvent farmers; to the Committee on Ways and Means.

By Mr. DORNAN of California:

H.R. 4618. A bill to amend the Impoundment Control Act of 1974 to provide that any deferral of budget authority proposed by the President shall take effect unless within 45 legislative days Congress completes action on an impoundment bill disapproving such proposed deferral, and for other purposes; jointly, to the Committee on Government Operations, and Rules.

By Mr. DREIER of California:

H.R. 4619. A bill to establish a commission to study and report on the crisis in the availability and affordability of liability insurance; to the Committee on Energy and Commerce.

By Mr. ROYBAL:

H.R. 4620. A bill to amend part A of title XVIII of the Social Security Act to limit the rate of increase in the inpatient hospital deductible and to change the extended care coinsurance amount; to the Committee on Ways and Means.

By Mr. DREIER of California (for himself, Mr. Lott, Mr. Chappie, Mr. Zschau, Mr. McCandless, Mr. Hunter, Mr. Barton of Texas, Mr. Lungren, Mr. Rudd, Mr. Lewis of California, Mr. Hartnett, Mr. Crane, Mr. Burton of Indiana, Mr. Courter, Mr. DeLay, Mr. Armey, Mr. Nielson of Utah, and Mr. Badham):

H.R. 4621. A bill to establish within the Department of Commerce a Small Business Administration, to terminate certain functions of the present Small Business Administration, to transfer certain functions of the present Small Business Administration to the Secretaries of Commerce and the Treasury, and for other purposes; to the Committee on Small Business.

By Mr. EARLY:

H.R. 4622. A bill to establish the Blackstone River Valley National Heritage Corridor in the States of Massachusetts and Rhode Island; to the Committee on Interior and Insular Affairs.

By Mr. EDGAR (for himself, Mr. Edwards of California, Mr. Daschle, Mr. Evans of Illinois, Ms. Kaptur, Mr. Florio, and Mr. Bonior of Michigan):

H.R. 4623. A bill to amend title 38, United States Code, to improve readjustment counseling for Vietnam-era veterans; to the Committee on Veterans' Affairs.

By Mr. FISH:

H.R. 4624. A bill to authorize appropriations for the purpose of carrying out the activities of the Department of Justice for fiscal year 1987, and for other purposes; to the Committee on the Judiciary.

By Mr. FOWLER:

H.R. 4625. A bill to amend the Federal Aviation Act of 1958 to authorize law enforcement officials to search passengers and property to be transported in commercial air transportation; to the Committee on Public Works and Transportation.

By Mr. JONES of Oklahoma (for himself, Mr. English, Mr. Edwards of Oklahoma, Mr. Watkins, Mr. Synar, Mr. McCurdy, and Mr. Weber):

H.R. 4626. A bill to provide credit assistance to borrowers of loans made by commercial lending institutions, Farm Credit System institutions, and the Farmers Home Administration, and for other purposes; to the Committee on Agriculture.

By Mr. KASTENMEIER (for himself and Mr. Obey):

H.R. 4627. A bill to authorize the Secretary of Agriculture to issue a nationwide marketing order applicable to milk and milk products, and for other purposes; to the Committee on Agriculture.

By Mr. KEMP (for himself, Mr. Fauntroy, Mr. Coats, Mr. Siljander, Mr. Hiler, Mr. Dornan of California, Mr. Courter, and Mr. McCain):

H.R. 4628. A bill to amend the United States Housing Act of 1937 to provide additional homeownership and resident management opportunities for families residing in public housing projects; to the Committee on Banking, Finance and Urban Affairs.

By Mr. LEHMAN of California (for himself, Mr. Miller of California, Mr. Coelho, Mr. Fazio, Mr. Seiberling, Mr. Kildee, Mr. Visclosky, Mr. Weaver, Mr. Richardson, Mr. Fuster, Mr. Rahall, Mr. Sunia, Mr. Levine of California, Mr. Moody, Mr. Gejdenson, Mr. Murphy, Mr. Mollohan, Mr. Markey, Mr. Sharp, Mr. Kostmayer, Mr. Edwards of California, Mrs. Boxer, Mr. Brown of California, Mr. Bosco, Mrs. Burton of California, Mr. Berman, Mr. Torres, Mr. Matsui, Mr. Martinez, Mr. Dymally, Mr. Schumer, Mr. Bates, Mr. Downey of New York, Mr. Mrazek, Mr. Sikorski, Mr. Russo, Mr. Dellums, Mr. Waxman, Mr. Hawkins, Mr. Beilenson, Mr. Roybal, Mr. Stark, Mr. Mineta, Mr. Panetta, Mr. Sabo, Mr. Lowry of Washington, Mr. Bonior of Michigan, Mr. Levin of Michigan, Mr. Carper, Mr. Smith of Florida, Mr. Wise, Mr. Dixon, Mr. Lantos, Mr. Gordon, Mr. Wyden, Mr. Staggers, Mr. Perkins, Mr. Kleczka, Mr. Wirth, Mr. Morrison of Connecticut, Mr. AuCoin, Mr. Hoyer, Mr. Jacobs, Mr. Ackerman, Mr. Coleman of Texas, Mr. Durbin, Mr. Erdreich, Mr. Frank, and Mr. Studds):

H.R. 4629. A bill to amend the Wild and Scenic Rivers Act by designating a segment of the Kings River in California as a component of the National Wild and Scenic Rivers System; to the Committee on Interior and Insular Affairs.

By Mr. LELAND (for himself, Mr. Hyde, Mr. Waxman, Mr. Miller of California, Mr. Coats, Mr. Bates, Mr. Bilirakis, Mr. Bliley, Mr. Broyhill, Mr. Campbell, Mrs. Collins, Mr. Derrick, Mr. Ford of Tennessee, Mr. Florio, Mr. Frost, Mr. Luken, Mr. MacKay, Ms. Mikulski, Mr. Richardson, Mr. Rowland of Georgia, Mr. Scheuer, Mr. Shelby, Mr. Sikorski, Mr. Slattery, Mr. Walgren, Mr. Wirth, and Mr. Wyden):

H.R. 4630. A bill to amend title XIX of the Social Security Act to permit States the option of providing under their medicaid plans prenatal, delivery, and postpartum care to low-income pregnant women and medical assistance to low-income infants under one year of age; to the Committee on Energy and Commerce.

By Mr. LIGHTFOOT (for himself, Mr. Towns, and Mrs. Bentley):

H.R. 4631. A bill to amend the Farm Credit Act of 1971 to provide additional protection to farmers participating in the Farm Credit System, and for other purposes; to the Committee on Agriculture.

By Mr. MITCHELL:

H.R. 4632. A bill to clarify and expand the functions of the Associate Administrator for Minority Small Business and Capital Ownership Development of the Small Business Administration, to transfer resources to the Administration to promote the execution of such functions and to eliminate duplicative functions of the Minority Business Development Agency; to the Committee on Small Business.

By Mr. PEPPER:

H.R. 4633. A bill to amend title II of the Social Security Act to eliminate the 3-percent trigger for cost-of-living increases in social security benefits; to the Committee on Ways and Means.

By Mr. SCHEUER:

H.R. 4634. A bill to authorize appropriations for environmental research, development, and demonstration activities at the Environmental Protection Agency for fiscal years 1987 and 1988, and for other purposes; to the Committee on Science and Technology.

By Mr. SHAW:

H.R. 4635. A bill to amend title 23, United States Code, relating to the control of outdoor advertising along the Federal-aid primary and Interstate Highway Systems; to the Committee on Public Works and Transportation.

H.R. 4636. A bill to provide for controlled substances testing programs for personnel of the United States having access to classified information, and for other purposes; jointly, to the Committees on Armed Services, Post Office and Civil Service, and House Administration.

By Mr. STANGELAND

H.R. 4637. A bill to amend the Nuclear Waste Policy Act of 1982 to provide for the disposal of high-level radioactive waste and spent nuclear fuel in a single repository, and for other purposes; jointly, to the Committees on Energy and Commerce, and Interior and Insular Affairs.

By Mr. STARK (for himself, Mr. Gradison, Mr. Waxman, Mr. Roybal, Mr. Pepper, Mr. Jacobs, Mr. Rangel, Mr. Donnelly, Mr. Coyne, Mr. Pickle, Mr. Daub, Mr. Gregg, Mr. Rinaldo, and Mr. Regula):

H.R. 4638. A bill to amend title XVIII of the Social Security Act to assure the quality of inpatient hospital services and posthospital services furnished under the medicare program, and for other purposes; jointly, to the Committees on Ways and Means, and Energy and Commerce.

By Mr. WYDEN:

H.R. 4639. A bill to amend title VII of the Omnibus Crime Control and Safe Streets Act of 1968, relating to armed career criminals, to include a serious drug offense and any crime of violence as an offense subject to enhanced penalties; to the Committee on the Judiciary.

By Mr. ZSCHAU:

H.R. 4640. A bill to amend the Export Administraiton Act of 1979 with respect to exports to countries other than controlled countries; to the Committee on Foreign Affairs.

By Mr. JACOBS:

H.J. Res. 603. Joint resolution proposing an amendment to the Constitution of the United States to repeal clause 11, of section 6, of article I of the Constitution of the United States; to the Committee on the Judiciary.

By Mr. MICHEL:

H. Con. Res. 320. Concurrent resolution establishing a temporary joint committee on the budget; to the Committee on Rules.

By Mr. SKELTON (for himself and Mr. Rowland of Connecticut):

H. Res. 424. Resolution to express the gratitude of the American people for the assistance provided by the government and people of the United Kingdom during defensive operations carried out against Libya on April 14, 1986; to the Committee on Foreign Affairs.

PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of rule XXII,

Mr. DONNELLY introduced a bill (H.R. 4641) for the relief of Richard F. Walsh; to the Committee on Armed Services.

ADDITIONAL SPONSORS

Under clause 4 of rule XXII, sponsors were added to public bills and resolutions as follows:

H.R. 147: Mr. Brown of Colorado and Mr. Rodino.

H.R. 893: Mrs. Schroeder and Mr. Berman.

H.R. 979: Mr. Gordon, Mr. Scheuer, Mr. Kleczka, Mr. Bryant, Mr. Reid, Mr. Hutto, Mr. Neal, and Mr. Saxton.

H.R. 1089: Mr. Tallon.

H.R. 1140: Mr. Gephardt.

H.R. 1479: Mr. Young of Alaska.

H.R. 1950: Mr. Seiberling and Mr. Kanjorski.

H.R. 2061: Mr. Smith of New Hampshire.

H.R. 2361: Mr. Wolpe.

H.R. 2364: Mr. LaFalce.

H.R. 2371: Mrs. Johnson.

H.R. 2451: Mr. Fuqua, Mr. Jones of North Carolina, Mr. Huckaby, Mr. Dickinson, Mr. Callahan, and Mr. Ray.

H.R. 2543: Mr. Lewis of Florida, Mr. Udall, Mr. Penny, Mr. Roberts, Mr. Rahall, Mr. Smith of Florida, Mr. Martinez, Mr. Seiberling, Mrs. Boxer, and Mr. Gejdenson.

H.R. 2793: Mr. Hutto and Mr. Henry.

H.R. 2852: Mr. Blaz, Mr. Goodling, Mr. Edwards of Oklahoma, Mr. Torricelli, Mr. Martinez, Mr. Pursell, Mr. Traficant, and Mr. Cobey.

H.R. 2870: Mr. Breaux.

H.R. 2897: Mr. Boulter, Mr. Kolbe, Mr. Stangeland, Mr. Shumway, Mr. Lagomarsino, and Mr. Edwards of Oklahoma.

H.R. 2902: Mr. Foley, Mr. Guarini, Mr. Howard, and Mr. Mavroules.

H.R. 2977: Mr. Dreier of California, Mr. Bartlett, Mr. Gilman, Mr. Pickle, and Mr. Rangel.

H.R. 3042: Mr. Hawkins, Mr. Roemer, Mrs. Boxer, and Mr. Manton.

H.R. 3048: Mr. Mineta.

H.R. 3136: Mr. Lagomarsino.

H.R. 3465: Mr. Boland, Mr. Robinson, Mr. Perkins, Mr. McHugh, Mr. Torricelli, and Mr. Lantos.

H.R. 3594: Mr. Ford of Michigan and Mr. Rangel.

H.R. 3799: Mr. Cooper, Mr. Edwards of California, Mr. Morrison of Connecticut, and Mr. Wise.

H.R. 3876: Mr. Towns.

H.R. 3968: Mr. Conyers, Mr. Heftel of Hawaii, Mr. Kildee, Mr. McHugh, Mr. Murphy, Mr. Sikorski, Mr. Owens, and Mr. Wolpe.

H.R. 3995: Mr. Torricelli, Mr. Lott, and Mr. Jacobs.

H.R. 4068: Mr. Gallo and Mr. Cobey.

H.R. 4097: Mr. Frank, Mr. Roybal, Mr. Towns, Mr. de la Garza, Mr. Dellums, Mr. Hughes, Mr. Bruce, Mr. Foglietta, and Mr. Whittaker.

H.R. 4195: Mr. Rangel.

H.R. 4197: Mr. Frank, Mr. Fuster, Mr. Manton, Mr. Roemer, Mr. Nelson of Florida, and Mr. Fauntroy.

H.R. 4233: Mr. Kramer, Mr. Brown of Colorado, and Mr. Schaefer.

H.R. 4273: Mr. Boland, Mr. Bryant, Mr. Dorgan of North Dakota, Mr. Edwards of Oklahoma, Mr. Gilman, Mr. Hayes, Mr. Horton, Mr. Jacobs, Mr. Manton, Mr. Mineta, Mr. Ritter, Mr. Smith of Florida, Mr. Tauke, Mr. Valentine, Mr. Wortley, Mr. McCloskey, and Mr. Dornan of California.

H.R. 4300: Mr. Manton, Mr. Richardson, Mr. Sikorski, and Mr. Stark.

H.R. 4325: Mr. AuCoin, Mr. de Lugo, Mr. Frank, Mr. Mrazek, Mr. Crockett, Mr. Mitchell, Mr. Towns, Mr. Hughes, Mr. Fazio, Mrs. Boxer, and Ms. Kaptur.

H.R. 4326: Mr. AuCoin, Mr. de Lugo, Mr. Frank, Mr. Crockett, Mr. Mitchell, Mr. Towns, Mr. Hughes, Mr. Fazio, Mrs. Boxer, and Ms: Kaptur.

H.R. 4327: Mr. AuCoin, Mr. de Lugo, Mr. Frank, Mr. Mrazek, Mr. Crockett, Mr. Mitchell, Mr. Towns, Mr. Hughes, Mr. Fazio, Mr. Gingrich, Mrs. Boxer, Ms. Kaptur.

H.R. 4333: Mr. Obey.

H.R. 4344: Mr. Siljander, Mr. Horton, Mrs. Vucanovich, Mr. Packard, Mr. Jones of North Carolina, Mr. Gingrich, Mr. Chandler.

H.R. 4391: Mr. Young of Florida.

H.R. 4412: Mr. Morrison of Connecticut.

H.R. 4421: Ms. Kaptur.

H.R. 4422: Mr. Rangel and Mr. Coats.

H.R. 4462: Mr. Volkmer.

H.R. 4463: Mr. Rahall, Mr. Edwards of California, Mr. Fazio, Mr. Chappie, Mr. Mineta, Mrs. Lloyd, Mr. Rodino, Mr. Savage, Mr. Torres, Mr. Scheuer, Mr. Horton, Mr. Lehman of Florida, Mr. Hoyer, Mr. Lagomarsino, Mr. Coleman of Missouri, and Mrs. Johnson.

H.R. 4482: Mr. Dwyer of New Jersey, Mr. Hubbard, and Mr. Weaver.

H.R. 4528: Mr. Garcia, Mr. Fuster, Mr. Fauntroy, Mrs. Burton of California, Mr. Reid, and Mr. Dixon.

H.R. 4545: Mr. Pickle.

H.R. 4593: Mr. Fuster, Mr. Kostmayer, Mr. Nelson of Florida, Mr. Hutto, and Mr. Morrison of Connecticut.

H.J. Res. 133: Mr. Cobey.

H.J. Res. 244: Mr. Bruce, Mr. Yatron, Mr. Moorhead, Mr. Anthony, and Mr. Courter.

H.J. Res. 266: Mr. Nowak, Mr. Young of Alaska, Mrs. Byron, Mr. Synar, and Mr. Roth.

H.J. Res. 297: Mr. Mavroules and Mr. Murtha.

H.J. Res. 316: Mr. Martinez, Mr. Kindness, Mr. Fascell, Mr. Olin, Mr. DeWine, Mr. Jacobs, Mr. Weaver, and Mr. Sharp.

H.J. Res. 385: Mr. Sharp, Mr. Erdreich, Mr. Olin, Mr. Sundquist, Mr. Courter, Mr. Quillen, Mr. Edgar, Mr. DeWine, Mr. Duncan, Mr. Bilirakis, Mr. Slattery, Mr. Miller of Washington, Mr. Kanjorski, Mr. Lowry of Washington, Mr. Lagomarsino, Mr. Ray, Mr. Hatcher, Mr. Ortiz, Mr. Dannemeyer, Mr. Pursell, Mr. Broyhill, Mr. Chappie, Mr. Carr, Mr. Hubbard, Mr. Oberstar, Mr. Roberts, Mr. Wortley, Mr. Young of Florida, Mr. Boland, Mr. Mollohan, and Mr. Boner of Tennessee.

H.J. Res. 427: Mr. Fascell and Mr. Levine of California.

H.J. Res. 435: Mr. Kasich, Mrs. Holt, Mr. Roe, and Mr. Weiss.

H.J. Res. 470: Mr. Fuqua, Mr. Gonzalez, Mr. Morrison of Washington, Mr. Rose, Mr. Pepper, Mr. Ireland, Mr. Snyder, Mr. Courter, Mr. Boehlert, Mr. Boland, Mr. Franklin, Mr. Gekas, Mr. Hammerschmidt, Mr. McCollum, Mr. Mollohan, Mr. Downey of New York, Mr. Levine of California, Mr. Dyson, Mr. Gilman, and Mr. Petri.

H.J. Res. 480: Mr. Daniel, Mr. Barnes, Mr. Fauntroy, and Mr. Morrison of Connecticut.

H.J. Res. 502: Mr. Blaz, Mr. Annunzio, Mrs. Boggs, Mrs. Boxer, Mr. Brown of Colorado, Mrs. Byron, Mr. Callahan, Mr. Campbell, Mr. Carney, Mr. Chappell, Mr. Chapman, Mr. Chappie, Mr. Cheney, Mr. Clay, Mr. Cobey, Mrs. Collins, Mr. Courter, Mr. Daniel, Mr. Dannemeyer, Mr. Darden, Mr. Dowdy of Mississippi, Mr. Edgar, Mr. Franklin, Mr. Frenzel, Mr. Gekas, Mr. Hansen, Mr. Hawkins, Mr. Hertel of Michigan, Mr. Jeffords, Mr. Kindness, Mr. Mavroules, Mr. Mollohan, Mr. Nowak, Mr. Rose, Mr. Rowland of Georgia, Mr. Sabo, Mr. Shaw, Mr. Spratt, Mr. Staggers, Mr. Traficant, Mr. Volkmer, Mr. Whitten, Mr. Young of Florida, Mr. Cooper, Mr. Hutto, Mr. Molinari, Mr. Morrison of Connecticut, Mr. Regula, Mr. Ritter, Mr. Gonzalez, Mr. Bevill, Mr. Wylie, Mr. Porter, Mr. Dyson, and Mr. Bennett.

H.J. Res. 504: Mr. Kramer, Mr. McKernan, Mr. Nielson of Utah, Mr. Shumway, and Mr. Erdreich.

H.J. Res. 516: Mr. Boehlert, and Mr. Monson.

H.J. Res. 526: Mr. Crockett, Mr. Traficant, Mr. Carper, Mr. Coughlin, Mr. Pashayan, Mr. Pepper, Mr. Fazio, Mr. Wyden, Mr. Weber, Mr. Morrison of Connecticut, Mr. Henry, Mr. Tauke, Mr. Manton, Mr. Wheat, Mr. Dornan of California, Mr. Barnes, Mr. Rowland, of Georgia, Mr. Breaux, Mr. Whittaker, Mr. Markey, Mr. Brown of California, Mr. Jones of Tennessee, Mr. Fish, Mr. DioGuardi, Mr. Schuette, Mr. Hoyer, Mr. Valentine, Mr. Reid, Mr. Biaggi, Mr. Mrazek, Mr. Fuqua, Mr. Boner of Tennessee, Mr. Ritter, Mr. McCain, Mr. Horton, Mr. Ackerman, Mr. Rose, Mr. Hiler, Mr. Dixon, and Mr. Dowdy of Mississippi.

H.J. Res. 531: Mr. Broomfield, Mr. Sundquist, Mr. Jeffords, Mr. Foglietta, Mr. Rose, Mrs. Roukema, Mr. Young of Florida, and Mrs. Long.

H.J. Res. 544: Mr. Armey, Mr. Siljander, Mr. DeLay, Mr. DioGuardi, Mr. Walker, Mr. Swindall, Mr. Cobey, Mr. Shaw, Mr. Moorhead, Mr. Spence, Mr. Broomfield, Mr. Gilman, Mr. Strang, Mr. Weber, Mr. Clinger, Mr. Hyde, Mr. Wise, Mr. Cheney, Mr. Pepper, Mr. Roemer, Mr. Whitten, Mr. Denny Smith, Mr. Parris, Mr. Henry, Mr. Taylor, Mr. Gekas, Mr. Thomas of California, Mr. Green, Mr. Tauke, Mr. Pursell, Mr. Coleman of Missouri, Mr. Ireland, Mr. Ritter, Mr. Roberts, Mr. Coughlin, Ms. Snowe, Mr. McKernan, Mr. Gallo, Mr. Saxton, Mrs. Johnson, Mr. Kindness, Mr. Kemp, Mr. Bilirakis, Mr. Roth, Mr. Boulter, Mr. Broyhill, Mrs. Roukema, Mr. Sweeney, Mr. Rudd, Ms. Fiedler, Mr. Frenzel, Mr. Burton of Indiana, Mr. Lewis of California, Mr. Dreier of California, Mr. Spratt, Mr. McCandless, Mr. Bliley, Mr. Coble, Mr. Vander Jagt, Mrs. Martin of Illinois, Mr. Smith of New Hampshire, Mr. Rogers, Mr. Miller of Ohio, Mr. Moore, Mr. Carney, Mr. Dellums, Mr. Gregg, Mr. Edwards of Oklahoma, Mr. Franklin, Mr. Whittaker, Mr. Jeffords, Mr. Coleman of Texas, Mr. Hopkins, Mr. Ralph M. Hall, Mr. Jenkins, Mr. Barnard, Mr. Moody, Mr. Coats, Mr. Packard, Mr. Carper, Mr. Lent, Mrs. Meyers of Kansas, Mr. Snyder, Mr. Madigan, Mr. Tauzin, Mr. Stenholm, Mr. Michel, Mr. Wirth, Mr. Hendon, Mr. Kolter, Mr. Morrison of Washington, Mr. Fawell, Mr. Conte, Mr. Biaggi, Mr. Donnelly, Mr. Molinari, Mr. Regula, Mr. Mavroules, Mr. Gibbons, Mr. Young of Alaska, Mr. Hansen, Mr. Sundquist, Mr. Young of Florida, Mr. Slaughter, Mr. Leach of Iowa, Mr. Frank, Mr. Martin, of New York, Mr.

Oxley, Mr. Robert F. Smith; Mr. Courter, Mr. Solomon, and Mr. Duncan.

H.J. Res. 561: Mr. Conte and Mr. Dwyer of New Jersey.

H.J. Res. 562: Mr. Roe, Mr. Mavroules, Mr. Kolbe, Mrs. Boxer, Mr. Wolf, Mr. Fish, Mr. Lightfoot, Mr. Bustamante, Mr. Edwards of Oklahoma, Mr. de Lugo, Mr. Conte, Mr. Weiss, Mr. Young of Florida, Mr. Crockett, Mr. Fazio, Mr. Schaefer, Mr. Dowdy of Mississippi, Mr. Dornan of California, Mr. Hall of Ohio, Mrs. Vucanovich, Mr. O'Brien, Mrs. Lloyd, Mr. Bryant, Mr. Kolter, Mr. McDade, Mr. Mineta, Mr. Luken, Mr. LaFalce, Mr. Blaz, Mr. Coyne, Mr. Thomas of Georgia, Mr. Smith of Florida, Mr. Boner of Tennessee, Mr. Rose, Mr. Coats, Mr. Towns, Mr. Quillen, and Mr. Fuqua.

H.J. Res. 564: Mr. Brown of California, Mr. Hiler, Mr. Roe, Mr. Martinez, Mr. McCain, Mr. Cobey, Mr. Wirth, Mr. Monson, Mr. Shelby, Mr. Torres, Ms. Kaptur, Mr. Dornan of California, Mr. Fuster, Mr. McDade, Mr. Chandler, Mr. Edwards of Oklahoma, Mr. Fazio, Mr. Lungren, Mr. Kindness, Mr. O'Brien, Mr. Coleman of Missouri, Mrs. Meyers of Kansas, Mr. Mack, Mr. Lewis of Florida, Mr. Shumway, Mr. Burton of Indiana, Mr. Conte, and Mr. Towns.

H.J. Res. 574: Mr. Hunter, Mr. Kindness, Mr. Morrison of Washington, Mrs. Long, Mr. Valentine, Mrs. Vucanovich, Mr. Thomas of Georgia, Mr. Lantos, Mr. Frost, Mr. Jeffords, Mr. Hatcher, and Mr. Strang.

H.J. Res. 580: Mr. Murphy, Mr. Wirth, and Mr. Guarini.

H.J. Res. 600: Mr. Conte, Mr. Reid, and Mr. Mollohan.

H. Con. Res. 221: Mr. Saxton.

H. Con. Res. 299: Mr. Rangel and Mr. Nowak.

H. Con. Res. 307: Mr. Rangel and Mr. Nowak.

H. Con. Res. 308: Mr. English, Mr. Gunderson, Mr. Gray of Illinois, Mr. Kastenmeier, Mr. Slattery, Mr. Synar, Mr. Marlenee, Mr. Richardson, Mr. Young of Missouri, and Mr. McCurdy.

H. Con. Res. 313: Mr. Lowery of California, Mr. Livingston, Mr. Wylie, Mr. Shaw, Mr. Lantos, Mr. Rudd, Mr. Roth, Mr. Hartnett, Mrs. Vucanovich, Mr. McMillan, Mr. Lott, Mr. Sundquist, Mr. Ray, Mr. Young of Florida, Mr. Cobey, Mr. Chappie, and Mrs. Bentley.

H. Con Res. 315: Mr. Leach of Iowa, Mr. Levine of California, Mr. Bedell, Mr. Evans of Illinois, Mr. Towns, Mr. Manton, Mr. Jacobs, Mr. McEwen, Mr. Huckaby, Mr. Lantos, and Mr. Coleman of Texas.

H. Con. Res. 319: Mr. Mica, and Mr. Crockett.

H. Res. 180: Mr. Courter, Mr. Kindness, Mr. Wolf, Mr. Archer, Mr. Robinson, Mr. Broyhill, Mr. Franklin, and Mr. Hansen.

H. Res. 340: Mr. Gingrich and Mr. Feighan.

H. Res. 365: Mr. Gallo, Mr. Hopkins, and Mr. Cobey.

H. Res. 379: Mr. Morrison of Connecticut, Mr. Rangel, Mr. Cobey, Mr. Frost, Mr. DioGuardi, Mr. Monson, Mr. Walker, Mr. Barton of Texas, Mr. Tauke, Mr. Siljander, Mrs. Martin of Illinois, and Mr. Martinez.

H. Res. 404: Mr. Levine of California, Mr. Hatcher, Mr. Schumer, Mr. Ortiz, Mr. Dannemeyer, Mr. Coelho, Mr. Montgomery, Mr. Wilson, and Mr. Aspin.

DELETIONS OF SPONSORS FROM PUBLIC BILLS AND RESOLUTIONS

Under clause 4 of rule XXII, sponsors were deleted from public bills and resolutions as follows:

H.R. 994: Mr. Stokes.

PETITIONS, ETC.

Under clause 1 of rule XXII, petitions and papers were laid on the Clerk's desk and referred as follows:

307. By the SPEAKER: Petition of the city council, Boston, MA, relative to South African slave labor camps; to the Committee on Foreign Affairs.

308. Also, petition of the mayor and council of the borough of Ocean Gate, NJ, relative to proposed legislation to license recreational salt water fishermen; to the Committee on Merchant Marine and Fisheries.

AMENDMENTS

Under clause 6 of rule XXIII, proposed amendments were submitted as follows:

H.R. 4515

By Mrs. SCHROEDER:

—Page 34, after line 18, insert the following new section:

Sec. 208. Funds appropriated by this or any other Act for the Department of Defense or the Department of Energy may not be obligated or expended before January 1, 1987, to carry out an explosive test of a nuclear device until the President certifies to Congress that he has reason to believe that the Soviet Union has conducted, after April 17, 1986, an explosive test of a nuclear device.

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SENATE—*Thursday, April 17, 1986*

(Legislative day of Tuesday, April 8, 1986)

The Senate met at 10 a.m., on the expiration of the recess, and was called to order by the President pro tempore [Mr. Thurmond].

PRAYER

The Chaplain, the Reverend Richard C. Halverson, D.D., offered the following prayer:

Let us pray.

Righteous God, trouble comes in like a flood—like an avalanche threatening to bury us: Libya and the Middle East, Nicaragua and Central America—oil crisis and farm crisis, with chain reactions exploding in many different directions—budget deadline and deadlock like an irresistible force meeting an immovable object—an incomprehensible national debt—unfavorable balance of trade with potential trade wars seething—and a host of other intransigent domestic and international issues that challenge and provoke—and the Senate right in the middle of all of it. Help us to see, wise Father, that God alone is big enough to handle this cosmic mess and He is ready to enable those who bear the burden to find resolution. In His name Who is the way, the truth, the life. Amen.

RECOGNITION OF THE MAJORITY LEADER

The PRESIDENT pro tempore. The distinguished majority leader, Senator Dole, is recognized.

Mr. DOLE. I thank the President pro tempore, Senator Thurmond.

SCHEDULE

Mr. DOLE. Mr. President, under the standing order, the leaders have 10 minutes each, to be followed by special orders for not to exceed 5 minutes each for Senators Hawkins, Cranston, Wilson, Dixon, Rockefeller, Bingaman, Chiles, Levin, Riegle, Baucus, Gore, and Proxmire.

Mr. President, I would indicate that the list for special orders seems to be growing on a daily basis. I would hope sometime in the next few weeks we can reach some agreement for dividing special orders for the morning and afternoon, or limiting the amount of time for special orders. Special orders today will require 1 hour and 5 minutes.

Following the execution of the special orders, there will be a period for the transaction of routine morning business, not to extend beyond the hour of 11:30 a.m.

Mr. President, we are hoping we can move the rollcall vote from 11:30 to 12 noon. I will make that request, if the minority leader has no objection.

Mr. President, I ask unanimous consent that the vote on the hydrorelicensing bill occur at 12 noon rather than 11:30 a.m.

The PRESIDING OFFICER (Mr. Cochran). Without objection, it is so ordered.

Mr. DOLE. Mr. President, as soon as we complete action on the hydrorelicensing bill, which will just be the vote, we will move to S. 1923, the bankruptcy judges bill. It is my understanding that that will not take more than a couple of hours.

We have completed action on the Federal Deposit Insurance Act. That will leave the technical amendments to the crime bill. I think I am in a position to say there will be no votes tomorrow. Maybe we will lay something down today and there might be some debate tomorrow, but I think this is a particularly bad week for Members on both sides who want to visit their home States.

Mr. President, I hope Members will cooperate and try to clean up these minor bills that are on the calendar.

I want to thank the Senator from Illinois [Mr. Dixon] for his cooperation on the Federal Deposit Insurance Act last night. That action will be helpful to Senator Boren and others with particular problems in their States.

Mr. President, I see no reason why we could not complete our work fairly early this evening. However, there will be rollcall votes today.

S. 2335—ANTI-TERRORISM ACT OF 1986

Mr. DOLE. Mr. President, I will introduce later today a bill that will clarify Presidential authority and strengthen the President's hand in dealing with international terrorism directed at our country and our citizens. I am honored to be joined as an original cosponsor of this bill by the distinguished Senator from Alabama and chairman of the Judiciary's Subcommittee on Security and Terrorism, Jeremiah Denton. In addition to his work on this bill, Senator Denton has a number of other important legislative initiatives on the matter of terrorism.

I would also note that I have worked closely in developing this legislation with three distinguished Members of the House of Representatives: Congressman Joe Barton of Texas, who first suggested a bill and came up with the basic concepts we have included in it; and Congressmen Duncan Hunter of California, and Bob Livingston of Louisiana, each of whom has made valuable contributions to the final product. Those three Congressmen will be introducing the bill in the House today.

NOT A "QUICK FIX"

In light of ongoing events involving Libya, this is obviously an appropriate time for the Senate to consider legislation related to terrorism. And, as my remarks will indicate, the substance of this bill will have direct bearing on situations such as the one we see unfolding in Libya.

But it is important to emphasize that this bill is not any kind of "quick fix" reaction of the Libyan situation. I and my cosponsors have been considering terrorism legislation for several months and have been working on this bill for several weeks. It deals with an issue broader than Libya and more enduring than Qadhafi. Terrorism is a long-term problem and requires a long-term solution. Passage of the bill will provide one more important tool to help find that solution.

REAFFIRMING THE PRESIDENT'S AUTHORITY

Let me briefly outline the contents of the bill. As I noted, its central purpose is clarifying the extent of the President's authority to deal with terrorism, thereby strengthening his hand as he copes with this problem.

Personally, I do not believe this bill gives the President any new authority. In my view, the President's constitutional role as Commander in Chief, his clear obligation and authority to defend the United States and its citizens and our country's right of self-defense embodied in the Constitution and specifically included in the United Nations Charter already endows the President with decisive, independent power to respond to terrorist acts and to the threat of terror against America and Americans.

But I am aware that some dispute that view. Certainly, our current debate—an unfortunate debate, in my opinion—over whether the President adequately consulted the Congress prior to the recent air strikes on Libya and whether and how the War Powers Resolution of 1973 applies to the current situation reflects the fact that there is honest disagreement on this issue.

● This "bullet" symbol identifies statements or insertions which are not spoken by the Member on the floor.

Harry Truman is famous for saying that the "buck stops" in the Oval Office. Maybe that was true in Truman's day. But today every Senator seemingly insists on putting in his 2 cents' worth on that buck. This is no way to make or implement policies on terrorism.

So it is very important to make clear in law—and equally important to make clear to the world, including the world's terrorists—that the President does have extensive, flexible authority to do what is necessary to strike back against terrorists and to preempt planned terrorist attacks against the United States and its citizens. By passing this legislation, we will cement the authority in law and send a strong message around the globe: The President has the power to act and has the political backing of the American Congress in doing what he must. And if that message is sent now, through passage of this bill, perhaps in the future, the President will not have to send as many of the kind of messages our F-111's delivered to Qadhafi this week.

DEFINITIONS OF "TERRORISM" AND "TERRORIST"

What, exactly, does the bill do? It defines terrorism as a "form of aggression" against the United States. As such, it broadens the conception of terrorism from being just another kind of criminal act and calls it what it is—an attack on our country and our national interests. In that way, the bill will underscore that the President's powers as Commander in Chief come directly and automatically into play when terrorism occurs or is being planned.

The bill defines "terrorist" and "terrorist organization" to include all of those people and groups which can be shown to be directly involved in the planning or conduct of terrorist acts or which directly support such planning or acts. It is not only the bombthrowers we have to deal with; it is everyone in the network, up to and including governments like Libya's, which openly and aggressively espouse state-sponsored terrorism as an instrument of policy, and people like Qadhafi, who masquerade as legitimate national leaders.

USE OF ALL APPROPRIATE MEASURES

When such groups or people engage in specific acts of terror aimed at Americans, or when the President has clear evidence that they intend to, the bill reaffirms his authority, notwithstanding the provisions of any other law, to "use all such antiterrorism and counterterrorism measures as may be necessary to prevent the loss of lives of U.S. citizens," including use of "deadly force."

Should the President utilize the authority affirmed in the bill, he would be required to report to the Congress within 10 days, specifying "in detail the terrorist threat or terrorist act which justified" his action.

AUTHORITY LIMITED TO TERRORISM SITUATIONS

Perhaps the best summation of the bill is that it affirms the President's very broad authority but only in the relatively narrow—but, of course, critical—field of dealing with terrorism. The bill has no application—and makes no judgment, one way or the other—on the question of Presidential authority to deal with other threats to our Nation or other international situations. The bill does not seek to expand, or in fact expand, any Presidential authority in these broader national security or foreign policy fields.

I have my own views about what the President can do in those areas, and each Senator undoubtedly has his or her own views, too. But this bill purposely avoids those issues. The question of terrorism and our ability to deal with it is too urgent to get bogged down in an endless redebate of the War Powers Resolution of 1973.

PARTIALLY SUPERSEDES WAR POWERS RESOLUTION

Having said that, though, let me make clear that this bill would supersede the War Powers Resolution in those instances—but only in those instances—when the President might use, or contemplate the use of, American military forces to deal with terrorism.

NO SPECIFIC REQUIREMENT FOR CONSULTATIONS

In such circumstances, the bill would eliminate the near requirement—and I say "near requirement" because even the War Powers Resolution qualifies it by saying "in every possible instance"—for prior consultations with Congress before using American forces.

Let me also stress here that, in eliminating the legal requirement for the consultations, I am not suggesting there should be no consultations. On the contrary, such consultations are very desirable and helpful, to both the President and the Congress, whenever they are feasible and can be conducted in a manner consistent with the President's overriding need to avoid jeopardizing the safety of our armed forces.

But this is an age when madmen like Qadhafi have sophisticated weapons which can instantly annihilate large numbers of American military personnel and, regrettably, when almost every word uttered in the deepest secrecy on Capitol Hill ends up shortly thereafter on the evening news and in the morning paper. In this environment, like it or not, we simply cannot undermine the President's ability to act against terrorism by requiring him in every case to thrash out with some or all of 535 Congressmen the details of sensitive antiterrorist military operations before they are underway.

EXTENDS PERIOD FOR PRESIDENTIAL REPORT

The bill would also supersede the War Powers Resolution in a second way—but, again, only when the issue at hand is terrorism—by extending to 10 days—from the resolution's 48 hours—the time during which the President would have to report to Congress on action taken pursuant to the authority outlined in the bill. That additional time would provide the opportunity for a more comprehensive, useful report.

NO ARBITRARY TIME LIMITS

Finally, contrary to the 60- and 90-day limits of the War Powers Resolution, the bill would not put any time limit on the President's use of forces in a terrorist situation. It would be my presumption that use of this authority, in situations such as we have just seen in Libya, would almost always be for operations of very short duration, well under any 60- or 90-day timeframe. But prudence dictates, to me at least, that we not build in any artificial limits on the President's flexibility to do what is necessary, when it is necessary.

THE CHALLENGE OF TERRORISM

Mr. President, international terrorism is one of the most serious challenges which confronts our Nation and our President. To deal effectively with it, the President needs two things above all else. First, he needs the clear and indisputable authority to strike at terrorism and terrorists with his full powers as Commander in Chief. This bill will reaffirm unequivocally that he has that authority.

Second, he needs the political support of the Congress and the people of the United States in doing what must be done. Passage of this bill will make it clear to everyone, everywhere—friend and foe alike—that our President has that political support.

Mr. President, I urge all of my colleagues to join with Senator Denton and me in passing this bill promptly and decisively.

Mr. President, as an original cosponsor of the War Powers Act of 1970, with Senator Javits, I ask my colleagues to take a look at the debates and report on the War Powers Act. I do not think we ever dealt with state international terrorism. In 1970 and 1973 when the War Powers Act was passed, that was not a matter of great concern. Terrorism had been around for a long time but it was not concentrated, widespread, or state sponsored.

Mr. President, in effect what we seek to do, is to clarify the President's authority to make certain the President will be able to respond to an act of terrorism without a long consultation with Members of Congress, and that it will not in any way compromise our efforts or compromise the security of the American forces.

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Earlier in my statement, I outlined what I believe to be a number of areas of concern. We are not trying to give the President new authority. The authority is limited to acts of international terrorism. The bill will outline what an act of terrorism is. It defines who may be participating in terrorism, whether it is a group, whether it is an individual, or whether it may be a government that is involved.

So I hope my colleagues on both sides of the aisle will have an opportunity to take a look at this bill. It is not partisan. It is nonpartisan; and I hope that we could have a number of cosponsors, Republicans and Democrats. I will be joining Senator DENTON in writing my colleagues a note to outline the provisions.

I am hoping that later today the bill can be introduced and jointly referred to Foreign Relations and Judiciary but that has not been cleared by the distinguished minority leader. I will do that later.

Mr. President, I ask unanimous consent that the bill be printed in the RECORD at this point, followed by a fact sheet.

There being no objection, the bill and fact sheet were ordered to be printed in the RECORD, as follows:

S. 2335

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the "Anti-Terrorism Act of 1986".

SEC. 2. FINDINGS AND PURPOSES.

(a) FINDINGS.— The Congress finds and declares that terrorsim is—

(1) a form of aggression which results in the killing of innocent persons, the loss of civil liberties through intimidation and coercion, or the loss of property;

(2) a form of aggression that has as its goal the furtherance of a political or ideological objective by violent means;

(3) directed against the orderly and democratic conduct and security of all people;

(4) a threat to the national security and national interests of the United States;

(5) a threat to the safety of all United States persons; and

(6) a threat to the continued and effective operation of the Government of the United States.

(b) PURPOSES.—It is the purpose of this Act—

(1) to protect United States persons from terrorism; and

(2) to grant the President under appropriate circumstances the authority to punish terrorists or terrorist organizations for acts committed against United States persons.

SEC. 3. DEFINITIONS.

For purposes of this Act—

(1) the term "terrorism" means activity, directed against United States persons, which—

(A) is committed by an individual who is not a national or permanent resident alien of the United States;

(B) involves violent acts or acts dangerous to human life which would be a criminal violation if committed within the jurisdiction of the United States; and

(C) is intended—

(i) to intimidate or coerce a civilian population;

(ii) to influence the policy of a government by intimidation or coercion; or

(iii) to affect the conduct of a government by assassination or kidnaping;

(2) the terms "terrorist" and "terrorist organization" mean an individual, group, or any combination thereof which are involved in an act of terrorism;

(3) the term "national of the United States" means—

(A) a natural person who is a citizen of the United States or a natural person (other than an alien) who, though not a citizen of the United States, owes permanent allegiance to the United States; or

(B) a corporation or other entity which is organized under the laws of the United States, if natural persons (described in subparagraph (A)) own, directly or indirectly, more than 50 percent of the outstanding capital stock or other beneficial interest in such legal entity;

(4) the term "United States" means the several States, the District of Columbia, the Commonwealth of Puerto Rico, the Commonwealth of the Northern Mariana Islands, the Virgin Islands, Guam, American Samoa, and any other territory or possession of the United States; and

(5) the term "United States person" means any individual, organization, corporation, or entity which is either a permanent resident alien or national of the United States or subject to its domestic jurisdiction.

SEC. 4. OFFENSE OF TERORISM.

(a) OFFENSE.—Notwithstanding any other provision of law, whoever organizes, attempts, commits, procures, or supports the commission of an act of terrorism shall be considered to have committed an act of aggression against the United States and may be pursued with deadly force.

(b) AUTHORIZATION OF PRESIDENTIAL ACTION.—Notwithstanding any other provision of law and except as provided in subsection (d), the President is authorized to undertake actions to protect United States persons against terrorists and terrorist activity through the use of all such anti-terrorism and counter-terrorism measures as he deems necessary.

(c) DURATION OF AUTHORITY.—Notwithstanding any other provision of law, subsection (b) shall apply—

(1) to all terrorists wherever they may be; and

(2) until such time as the President determines that no terrorist poses a threat to United States persons.

(d) CONSTITUTIONAL LIMITATION.—The authority granted to the President under this Act may be exercised in the United States only in accordance with the provisions of the United States Constitution.

(e) INTERPRETATION.—Nothing in this Act may be construed as granting any authority to use deadly force within the United States which authority would not exist in the absence of this Act.

SEC. 5. REPORT.

The President shall submit a report to the Congress not later than 10 days after the President takes any action under section 4(b). The report shall describe in detail the terrorist threat or terrorist act which justified such action.

FACT SHEET ON TERRORISM BILL

ELEMENTS OF THE BILL

Defines terrorism as an act of aggression by a foreigner, aimed at U.S. citizens and corporations, with the purpose of influencing our policy.

Gives the President clear-cut authority to deal with specific acts of terrorism with all appropriate means, including deadly force.

Gives the President authority to act to preempt as well as respond to specific acts of terrorism.

Makes clear terrorists include not only actual "bomb throwers" but also those who organize, lead, fund and support terrorists.

Requires the President to report to Congress within ten days of utilizing his authority, specifying in detail the terrorist threat or terrorist act that justified his action.

Supercedes the War Powers Resolution by: (1) imposing no time limit, such as the 60 and 90 day time limits in the resolution, on the President's use of force in a terrorist situation; (2) requiring no prior consultation with Congress; (3) and extending the reporting period from 48 hours to 10 days.

PROTECTIONS IN THE BILL

Limits the authority to terrorist situations.

Insures, through the reporting requirement, that the authority will be used only to combat specific acts of terror.

Does not expand the President's traditional powers to conduct foreign policy—only to react to terrorism.

Applies only to acts by foreigners and has no impact on the rights of Americans.

Mr. DENTON. Mr. President, I rise today to voice my strong support for the "Anti-Terrorism Act of 1986," which I am pleased to cosponsor together with the distinguished majority leader from Kansas. I congratulate Senator DOLE for his leadership in introducing this important legislation, which I believe is an essential factor in the continuing development of a comprehensive U.S. policy to combat international terrorism.

Mr. President, a consistent thrust of mine as a Senator has been to develop improvements in the credibility of the United States ability to act promptly against terrorism with unity of resolve and proper regard for the separation of powers within our Government. Terrorism can be discouraged only if would-be terrorists believe that the President of the United States has the power to take appropriate action promptly, with the backing of the Congress, irrespective of the political party of the President or the party in majority in either House of Congress.

In this regard, I believe that this bill is one of the most important introduced since I have been in the Senate. The bill defines terrorism as an act of aggression against the United States, thereby triggering the President's authority as Commander in Chief of the Armed Forces, to pursue terrorists with deadly force, if necessary. As such, the bill does not create new authority for the President, but rather, as Senator DOLE has so eloquently stated, clarifies the extent of the President's authority to deal with terrorism.

Such clarification is absolutely necessary in view of the second guessing frequently engaged in by some Members of Congress and the media which clouds the President's existing authority to order military strikes when necessary to prevent terrorist attacks on Americans. Even now, in the wake of the strike conducted against Libya this week, we hear expressions of doubt about the President's authority to take such action. The bill introduced today will ensure that the President does not speak with an empty voice in acting against terrorism. This unfortunately has been the practice in the past on occasion when 535 Secretaries of State undercut foreign policy decisions which the Chief Executive sought to implement.

I believe that prompt enactment of the "Anti-Terrorism Act of 1986" will demonstrate that we are finally on the road to developing an effective policy against terrorism. For far too long, United States policy toward terrorism has been fragmented, reactive, defensive and ad hoc, dealing with each incident as though it were an isolated occurrence, entirely unrelated to other terrorist acts. This approach has ignored the voluminous record developed by the Senate Judiciary Subcommittee on Security and Terrorism.

Over the past 5 years, the subcommittee has held numerous hearings on terrorism which have yielded abundant and conclusive evidence of a network, a global unity, in the sources of support, strategy, tactics, and goals of international terrorists. The thrust and power of this network amounts to a new, highly effective form of low intensity warfare which is being waged by various nation-states—including, particularly, Libya, Iran, Syria, North Korea, and Cuba—to erode the influence and strategic position of the United States and Western democracies, in general, and to enhance the power of the Soviet Union, its client states and allies, in particular.

This reservoir of information regarding the global and interrelated nature of terrorist activities has not been tapped sufficiently by the Congress, the public or the executive branch. Thus, our spasmodic and ad hoc policy toward international terrorism has persisted, despite the publicly declared policies and intentions of terrorist groups and the states, such as Libya, which support them.

However, the events of the last several weeks have focused American and European attention as never before on the strategic and operational coordination of international terrorists. Despite protestations to the contrary by Qadhafi, United States and European intelligence services were able to confirm that the terrorist attack on the West Berlin disco received support, encouragement, and direction from Libya and other sponsors of international terrorism outside Germany.

Presented with such intelligence, the President must be able to act quickly to prevent a terrorist attack, if possible. If prevention is not possible in a given case, the President must act to punish, while the gun is still smoking, the terrorist group or groups involved and the nation-states which have facilitated their criminal acts. The bill introduced today will make it clear that the President is authorized to take such actions, and that we in the Congress stand behind him.

In addition to defining terrorism and clarifying the President's powers to deal with terrorists, the bill's definition of "terrorists" and "terrorist organizations" would cover not only the individuals and groups who actually perpetrate an act of terrorism, but also the leaders of a state which organizes or supports the act. The bill makes any offense of terrorism committed against a U.S. person an act of aggression against the United States, itself, which may be pursued with deadly force.

Finally, in order to protect Congress' oversight responsibility, the bill requires the President to submit a report to the Congress within 10 days after the President takes any action under the bill against terrorists or terrorist activity.

The "Anti-Terrorism Act of 1986" is landmark legislation which could at least cause the tide of terrorism to ebb. Its enactment will demonstrate to terrorists that Congress and the American people are solidly united in supporting prompt action by the President to prevent terrorist acts and punish terrorists. The act will evidence, as well, the growing consensus in this country which is helping to develop a sound and consistent U.S. policy against terrorism.

I urge my colleagues to support prompt consideration and passage of this legislation.

ORDER OF BUSINESS

Mr. BYRD. Mr. President, on this side we ran the hot line about changing the time for the vote and there were no responses. I took that to mean that there would not be any problems. I now learn that a Senator has called to say he can be here and vote at 11 or 1, but cannot be here at 12. Will the distinguished majority leader review this matter and see if that vote could be changed?

Mr. DOLE. Yes.

Mr. BYRD. Mr. President, I thank the distinguished majority leader.

Mr. President, before the distinguished majority leader leaves the floor, I think his statement earlier was clear enough but I want to be sure that I understood it. I believe the distinguished majority leader indicated there definitely would not be any rollcall votes tomorrow. Am I correct?

Mr. DOLE. That is correct.

Mr. BYRD. Does the distinguished majority leader contemplate a session tomorrow?

Mr. DOLE. I am not certain of that, but I will give that information. I am certain there will be no rollcall votes tomorrow.

Mr. BYRD. I thank the majority leader.

RECOGNITION OF THE MINORITY LEADER

The **PRESIDING OFFICER.** Under the previous order, the minority leader is recognized.

ACTION ON THE BUDGET RESOLUTION

Mr. BYRD. On several occasions I have stated the feeling that the budget resolution should be called up and debated on this floor and that there should not be further delay.

There are many reasons, Mr. President, for avoiding further delay. One important consideration has been brought to my attention. I had the opportunity to meet on Tuesday with a group of presidents from colleges and universities around the country, including one or more in my own State. These were both large and small institutions. They warned me of the concerns which delay in acting on the budget will occasion.

Mr. Joseph Murphy of the City University of New York put it to me succinctly: "While nothing happens, something bad happens." That "something bad" is the uncertainty in which students all around the country are finding themselves because they do not know what to plan in terms of student aid.

This is the time of the year when students make decisions about attending colleges and universities next fall. Delay in making decisions about the level of Federal support for student aid programs could affect hundreds of thousands of students nationwide. Some students, faced with this uncertainty, may plan a course of part-time instruction rather than full time. Worst of all, some students may decide to forgo college entirely because of the lack of certainty that aid will even be available. And this is true for many students who will need to depend on a Pell grant.

It is not only the students who are put into this state of uncertainty by failure to produce a budget; counselors in high schools are also unable to advise students on the wise course of action concerning their college plans, and financial aid officers in the colleges and universities are unable to plan for the coming term.

We know that the President's draconian budget cuts in higher education

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programs are dead. The President's budget was rejected in the House. In the Senate it was rejected in the committee. But what do we do? I was told in this meeting to which I have referred that 70 percent of the Pell grants in West Virginia, indeed a similar amount nationwide I was told, have been affected by the Gramm-Rudman legislation.

If the Senate does not get to work on a responsible budget, we may see even deeper cuts for next year. Students in West Virginia and around the country need to know what the Senate and the House will do about the student aid on which they desperately depend for their education.

The bipartisan budget reported by the Budget Committee is more responsible in the area of education than the President's budget—which has already been rejected—or the Gramm-Rudman language. But I believe even more can be done. I will support amendments to achieve a proper funding level because I believe that education is an integral component of our national defense. But until the Senate begins work on the budget, we cannot offer such amendments, and the students of West Virginia and the Nation will continue to be left in the dark.

ORDER OF PROCEDURE

Mr. BYRD. Mr. President, how much time do I have remaining?

The PRESIDING OFFICER. The Senator has 4 minutes remaining.

Mr. BYRD. I thank the distinguished Presiding Officer.

Does the Senator from Illinois wish to have additional time?

Mr. DIXON. I thank the minority leader.

Mr. BYRD. Mr. President, I yield the remaining 4 minutes to Mr. DIXON which, if he does not use, if he would in turn yield it to another Senator. I thank the Chair.

The PRESIDING OFFICER. Without objection, it is so ordered.

RECOGNITION OF SENATOR DIXON

The PRESIDING OFFICER. Under the previous order, the Senator from Illinois [Mr. DIXON] is recognized for not to exceed 9 minutes.

Mr. DIXON. Mr. President, I thank the distinguished minority leader for his generosity and hope to not use the entire amount of time allotted to me.

THE IMPENDING READINESS AND SUSTAINABILITY GAP

Mr. DIXON. Mr. President, the Preparedness Subcommittee of the Armed Services Committee has been holding hearings on the fiscal year 1987 Defense budget. As the ranking member of this subcommittee, I felt that certain information regarding the military services readiness and the effects of the administration's 1987 budget should be brought to the attention of my colleagues.

There is no doubt that we have significantly improved the readiness and sustainability of our military forces over the last 5 years. Flying hours and steaming days are up. Backlogs of equipment overdue for overhaul have shrunk. Ammunition stocks have increased. Perhaps most importantly, recruitment and retention of high quality personnel in the military services have reached extremely high levels.

Mr. President, these gains are being placed in jeopardy by this year's budget. My overall conclusion is that the fiscal year 1987 Defense budget submitted by the President is seriously out of balance. It disproportionately emphasizes procurement of new weapons systems and seriously underfunds the spare parts, repair parts, and munitions necessary to make these new weapons capable of sustained operations in time of war. No one wants to return to the days when a lack of spare parts and ammunition reduced our overall military capability, but that is where we are headed if we enact this budget.

Let me take a few moments to show why I think this is the case.

The fiscal year 1987 Defense budget before us today is $42.4 billion below the level anticipated for fiscal year 1987 last year when the President submitted his fiscal year 1986 budget. At the same time, however, we must remember that today the administration's fiscal year 1987 Defense budget still represents significant real growth over the fiscal year 1986 level enacted by Congress last year—4 percent growth over the fiscal year 1986 enacted level, and approximately 8 percent real growth over the fiscal year 1986 sequester level.

I think it is important to look at how the Pentagon cut this $42.4 billion from the fiscal year 1987 level projected in last year's fiscal year 1986 budget to the fiscal year 1987 budget we have before us today.

Almost two-thirds of this $42.4 billion—$26.6 billion, or 63 percent—came out of the procurement accounts. Some of us have been saying for a number of years that we have been spending too much on modernization in the procurement accounts and not enough on readiness and sustainability in the Operations and Maintenance accounts. But it is important to remember that the procurement accounts make a very critical contribution to readiness and sustainability through the funding of spare parts and ammunition.

Now, how did DOD cut the fiscal year 1987 procurement budget by $26.6 billion from what they were projecting last year? The answer, unfortunately, is by going right to those areas of the procurement budget that make a direct and immediate contribution to readiness and sustainability.

Major combat systems—combat aircraft, tanks, surface combatants, and submarines—were not cut from the fiscal year 1987 column of the fiscal year 1986 budget to the fiscal year 1987 budget request. For example, even with a $42.4 billion reduction from the projected fiscal year 1987 level last year to the fiscal year 1987 budget request this year, including a $26.6 billion or 22 percent reduction in the procurement accounts, DOD is still requesting 7 percent more combat aircraft in fiscal year 1987 than they projected for fiscal year 1987 last year. Comparing combat aircraft scheduled for procurement in 1986 and 1987, there is nearly a 11-percent increase over last year.

What was cut in this fiscal year 1987 budget from the fiscal year 1987 level projected last year were trainer aircraft, spare parts, repair parts, and munitions, both high technical "smart" munitions like air-to-air and air-to-ground missiles and conventional munitions like artillery rounds.

Almost $11 billion of the $26.6 billion cut in the fiscal year 1987 procurement accounts from last year's projected level to this year's budget request were in spare parts and support equipment and conventional ammunition. The result, Mr. Chairman, is that in many of the critical readiness and sustainability areas, the fiscal year 1987 budget request is below the fiscal year 1986 enacted level, despite the fact that the fiscal year 1987 defense budget represents 4 percent real growth, and 8 percent total growth, over the fiscal year 1986 enacted level.

Let me briefly focus on two areas.

SPARE PARTS

I have included a chart which shows three columns of spare parts funding in each of the military services: The fiscal year 1986 enacted level; the fiscal year 1987 level projected last year; and the current fiscal year 1987 request. I ask unanimous consent that this chart be printed in the RECORD at this point.

There being no objection, the chart was ordered to be printed in the RECORD, as follows:

AIRCRAFT SPARE PARTS FUNDING

[In millions of dollars]

	Fiscal year 1986 enacted	Fiscal year 1987 column of fiscal year 1986 request	Fiscal year 1987 request
Army	814.3	1,198.3	710.5
Navy	1,259.1	2,273.3	1,856.1
Air Force	3,811.1	6,035.7	3,477.9

Mr. DIXON. Mr. President, in all three services there is a very substantial reduction from what they said last year they would need in fiscal year 1987, to what they are requesting this year for fiscal year 1987. The fiscal year 1987 spare parts budget requests for the Army and Air Force are actually below the fiscal year 1986 enacted level, despite the fact that aircraft flying hours in these two services are projected to increase from fiscal year 1986 to 1987.

Next, I want to discuss an Air Force funding chart for aircraft replenishment spare parts. According to this chart, which I ask unanimous consent be printed at this point in the RECORD, we funded 100 percent of the Air Force's replenishment spare parts requirements in fiscal year 1985, and 71 percent in fiscal year 1986. But the current budget request meets only 56 percent of the Air Force fiscal year 1987 replenishment spare parts requirement and 58 percent of the fiscal year 1988 requirement. The Air Force will never be able to sustain air combat operations in wartime if we keep this up.

There being no objection, the chart was ordered to be printed in the RECORD, as follows:

AIR FORCE REPLENISH SPARE PARTS

[Dollar amounts in millions]

	Fiscal year					
	1983	1984	1985	1986	1987	1988
Requirement	$5,215	$4,531	$3,907	$4,052	$4,542	$6,096
Program	$2,587	$3,304	$3,907			
1987 Parts budget				$2,873	$2,550	$3,547
Percent	50	73	100	71	56	58

MUNITIONS

Mr. DIXON. Mr. President, I also want to touch on ammunition, both conventional munitions and high-tech, "smart" munitions.

I have a chart showing trends in Army ammunition procurement. This chart compares the fiscal year 1986-90 and fiscal year 1987-91 5-year defense plan figures for the procurement of ammunition, Army account, and I ask unanimous consent that it be printed in the RECORD at this point.

There being no objection, the chart was ordered to be printed in the RECORD, as follows:

PROCUREMENT OF AMMUNITION ARMY ACCOUNT

[In millions of dollars]

	Fiscal year—						
	1985	1986	1987	1988	1989	1990	1991
Fiscal year 1986-90: President's budget	2,646.3	2,635.0	3,051.1	4,483.3	4,772.5	5,457.9	
Fiscal year 1987-91: President's budget	2,500.3	2,497.2	2,254.0	2,424.0	2,289.9	2,337.4	2,398.7
Difference		−137.8	−797.1	−2,059.3	−2,482.6	−3,120.5	

Mr. DIXON. Mr. President, last year, the 5-year defense plan projected a steady growth in this account through fiscal year 1990. This year, however, the fiscal year 1987 request is $800 million below last year's fiscal year 1987 projection, and $243 million, or 10 percent, below the fiscal year 1986 enacted level. The current 5-year funding line is flat—we do not even get back to the fiscal year 1985 level by fiscal year 1991, despite the fact that the current 5-year defense plan includes an average of 3 percent real growth after inflation for each year of the next 5 years for the defense budget as a whole.

I have another chart which summarizes war reserve munitions funding in the military services from fiscal years 1984 to 1987, which I ask unanimous consent to have printed in the RECORD at this point. In two services, the Army and the Navy, the fiscal year 1987 budget requests less funding for war reserve munitions than was enacted in fiscal year 1986. We are buying more combat aircraft than we planned, and less munitions than we planned.

There being no objection, the chart is ordered to be printed in the RECORD, as follows:

FUNDING FOR WAR RESERVE MUNITIONS.

[In millions of dollars]

	Fiscal year—			
	1984	1985	1986	1987
Army	1,198	1,702	1,376	1,313
Navy	2,770	3,507	3,622	2,982
Marine Corps	575	614	518	608
Air Force	1,423	1,771	2,172	3,320

Mr. DIXON. Mr. President, in our hearings with the commanders of the Unified and Specified Commands this year, all of the CINC's emphasized that improving their ammunition sustainability remains one of their top priorities. Mr. President, I was shocked last week to hear Army officials testify that under the current 5-year defense plan, the Army's days of supply of modern conventional ammunition would increase for the next 2 fiscal years and then drop by fiscal year 1991 almost back to where we are today.

The news in the area of sophisticated "smart" munitions is not much better. I ask unanimous consent that a table on funding for these munitions be printed in the RECORD.

There being no objection, the table was ordered to be printed in the RECORD, as follows:

SOPHISTICATED MUNITIONS

[Missiles, torpedoes, etc., comparison of procurement plans, last year's 5-year plan versus this year's 5-year plan, fiscal year 1987-90]

	Fiscal year—		Reduction	Percent reduction
	1986 plan	1987 plan		
Army	127,301	91,405	−35,896	−28
Navy	49,721	37,238	−12,483	−25
Air Force	54,715	42,681	−12,034	−22
Total	231,737	171,324	−60,413	−26

Mr. DIXON. Mr. President, comparing the fiscal year 1986 5-year defense plan submitted last year with the fiscal year 1987 plan before us this year, the number of smart munitions to be purchased over the 4 common years of the two plans has been cut by 28 percent in the Army, 25 percent in the Navy, and 22 percent in the Air Force. These are the munitions we are relying on to give our forces the qualitative edge to offset the numerical advantages the Soviet Union and Warsaw Pact nations have in areas such as tanks and aircraft. Stretchouts of this magnitude clearly increase the risk we face should war come anytime in the next 5 years.

Mr. President, funding for spare parts and for ammunition are two of the most critical areas of our readiness and sustainability. All of the material I have cited this afternoon comes from DOD's own budget justification materials.

There is no question in my mind that the fiscal year 1987 budget as

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submitted has a strong bias against readiness and sustainability. If the imbalances in this budget are not corrected, we will soon begin to see readiness indicators turning down as a result of spare parts shortages.

In conclusion, the cold, hard reality is that Congress is not going to provide the full level of funding for the Defense Department that the President has requested in his fiscal year 1987 budget. Whatever level of funding for the Defense Department is provided in fiscal year 1987, it is absolutely critical that it maintain the appropriate balance between funding for new weapons and funding for readiness and sustainability. The challenge we face over the next several months in the Congress is to restore this balance, while still bringing down the overall level of defense spending in fiscal year 1987.

I thank the President and I yield the remainder of whatever time I have remaining to my distinguished friend from New Mexico.

How much time do we have remaining, Mr. President?

The PRESIDING OFFICER. The Senator has no time remaining.

RECOGNITION OF SENATOR ROCKEFELLER

The PRESIDING OFFICER. Under the previous order, the Senator from West Virginia [Mr. ROCKEFELLER] is recognized for not to exceed 5 minutes.

Mr. ROCKEFELLER. I thank the Chair.

COMMISSION ON INDUSTRIAL COMPETITIVENESS REPORT

Mr. ROCKEFELLER. Mr. President, today, along with 30 Democratic and Republican cosponsors, I am introducing a joint resolution requiring the President to report to Congress on his response to the recommendations of his Commission on Industrial Competitiveness, sometimes known as the Young Commission.

We offer this vital resolution because the Young Commission did some vital work for this Nation of ours, the importance of which has been basically unrecognized by both the President and Congress. And we offer this resolution to help provide a catalyst for a serious national debate on the competitiveness of our economy, which is fundamental to our country's future economic prosperity.

President Reagan appointed the Young Commission in June 1983, calling attention to the new reality of global competition faced by American industry at home and abroad. He called for recommendations on ways to improve the Nation's ability to compete, and he selected a commission of 30 distinguished Americans from business, labor, government, academia, and the public. He selected John Young, chairman of Hewlett-Packard, one of our premier industrialists, to chair the Commission.

The Young Commission studied the global economy for 15 months and reported unanimously in January 1985, just over a year ago. The Commission has given us an unflinching picture of where we are and where we must go. Their report can be a focal point for a national debate and the foundation on which to build a new consensus for needed policies. The report is persuasive because it is the work of a blue-ribbon commission, representing a diversity of interests, with no partisan ax to grind. And it is persuasive because it irrefutably summarizes and reaffirms the evidence with which we are becoming so familiar:

The American economy has become fully integrated in a world economy. Fully 70 percent of the goods we produce compete with merchandise from abroad. We, however, have not adjusted to the new world economy as effectively as some of our competitors, most notably Japan and the other Pacific Rim nations.

Our problems are not confined to one region, or to only our basic industries. Our productivity growth has been outstripped by virtually all our competitors across the full board. Fully half the jobs in the U.S. steel industry have disappeared since 1979. People know that. But we also have lost market share in all the high technology or "sunrise" industries. Our electronics trade deficit with Japan approached the magnitude of our deficit in autos; we fell into deficit in telecommunications where we have always been the world's pacesetter.

While macroeconomic problems, notably an overvalued dollar, bear some of the blame for America's competitive problems, they don't explain everything. The dollar was lower valued in the 1970's, but our trade deficit increased. The value of the dollar cannot be blamed for our slow productivity growth, stagnant wages, or high capital costs.

Nor can the deterioration in American manufacturing be comfortably dismissed by the claim that we are becoming a service economy. Services and manufacturing are often inextricably linked. If the United States loses competitiveness in manufactured goods, it risks losing position in supporting services. If other companies, notably Japanese, dominate complex manufacturing, it is naive to believe that they will rely on our financial services, lawyers, or advertising agencies.

We have neglected investments in areas fundamental to our economic future: The education and training crucial for a skilled and adaptable work force, and the requisite level of science and technology needed to keep us at the cutting edge of competition.

In short, the Young Commission concluded:

> Our ability to compete internationally faces unprecedented challenge from abroad. Our world leadership is at stake, and so is our ability to provide for our people the standard of living and opportunities to which they aspire.

The Young Commission then offered a series of thoughtful proposals for government and private action: To better create, apply, and protect new technology; increase the supply of productive capital; develop a more skilled, flexible, and motivated work force and make trade a national priority.

In my view, meeting the challenge of a competitive world is the central economic issue of our time. The economic dominance that produced the prosperity of the 1950's and 1960's for our country is gone, and it will not be returning. We have to build our future prosperity in a world where many talented nations compete effectively. The old habits and old policies will not suffice for our new situation.

President Reagan points with understandable pride to the long-running recovery coupled with low inflation. But the fundamental measure of our economic condition in a world economy is our trade picture. Our trade deficit hit $148 billion last year. We can't go on like that. A nation that buys $3 billion more from abroad each week than it sells is draining its economic strength.

Some may argue that the recent run of economic good news—particularly the sharp decline in oil prices and the dollar—have made any competitiveness problems our country might have a thing of the past. They are wrong. I certainly agree that the drop in oil prices should have the effect of stimulating economic growth, and that the reduction of the value of the dollar is welcome—indeed, long overdue—and indispensable for our industries to compete at home and abroad. Treasury Secretary Baker deserves great credit for reversing the administration's policy of stunning indifference to the damage that the overvalued dollar was doing to our industries, and for taking the lead in international efforts to bring the dollar down to earth.

Since the overvalued dollar has been a major factor in driving American manufacturers offshore, keeping the dollar at a reasonable level should help keep American manufacturing and jobs here at home. If interest rates stay relatively low, it should provide an attractive incentive for investment in plant and equipment that will make our industries more productive. All of us hope that the good economic news can help produce what the U.S. News & World Report has euphorically described as "the brave new economy." My State of West Virginia, still not recovered from the recession of 1981-82, desperately needs the economic recovery to continue, and extend its impact to some of our hard-hit basic industries.

But if our country is fortunate enough to be in a period where the macroeconomic news is good, we should be wise enough to make this a period of opportunity, not complacency. It is a period of time for recognizing the scope of the competitive challenge and for building consensus behind policies that will allow us to secure our competitive future. Lower interest rates, oil prices, and the price of the dollar do not make up for the way we have neglected crucial investments in education and training, research and development, science and technology.

The quality of our education system is fundamental to our economic destiny. We will not long sustain a world-class economy without a world-class education system, and at the elementary and secondary school levels, we have fallen behind, not only Japan, but many nations—friend and foe. In my State, there is a teacher shortage in math and science in 30 of the 55 counties.

Because of demographics, the next few years are the critical window of opportunity for revitalizing our education system. Within the next decade, nearly 800,000 new teachers will be needed. Will those retiring be replaced by the best and the brightest, drawn to an exciting and rewarding profession that our country esteems—and pays—the way it should? Many of our States and localities are making great efforts to lift their education systems. The policies we enact in Washington; the critical investments we make; and the message we are prepared to send about the importance of education—these can all play a fundamental part in determining if we have a surge of excellence in education, rather than succumbing to the "tide of mediocrity" which the President's Education Commission identified in 1982.

For years, we have led the world in science and technology, but fallen short in translating our breakthroughs into new products and advances in manufacturing. The VCR and robotics were invented in the United States; today not a single VCR is manufactured here, and we are far behind Japan in robotics. But even as we wrestle with that problem, which is fundamental to our industrial competitiveness, a National Science Board report recently noted that our leadership in science and technology was in severe jeopardy, owing to inadequate laboratory instruction and equipment, shortages of qualified faculty, and outdated curriculum.

Finally, we have to make a concerted effort to put in place the policies—tax, trade, investment—that can keep the United States a country where it is possible to manufacture competitively. The recent Business Week feature entitled, "The Hollow Corporation," paints a stunning picture of just how much of our manufacturing base has been liquidated in the past few years. In many cases, American companies have gone abroad in search of cheap labor to compete; in some cases, they have been in search of skilled labor no longer available here. To a shocking degree, many of our corporations—including names like RCA, Kodak, Caterpillar and Hewlett-Packard—have begun to operate, not by competing with Japan or Korea, but by distributing sophisticated products made in those countries.

It may be sound strategy for each of the corporations involved, but taken collectively, it risks disaster for our country's economic future. World economic leadership will reside in the countries that have the science and engineering, the technology, and the skilled and educated work force to make advances in manufacturing: new products and new processes. We are not going to be prosperous very long as the advertisers, retailers, and consumers of sophisticated products made overseas.

Mr. President, I am convinced that the people of our country understand the competitiveness challenge—and the stakes—far better than our political leadership does. State governments are working to improve schools; corporations are restructuring to compete; labor and management are pulling together to improve productivity. I find understanding, recognition, and deep concern whenever I speak about these issues—whether the audience is the successful entrepreneurs of the American Business Conference, or the cross section of interested West Virginians at one of my town meetings back home. We owe it to our people to level with them about the full nature of the challenge, the costs of meeting it, and the consequences of failing.

The resolution we offer today is intended to help spur the debate. Some have said that as a nation, we are incapable of acting in response to the competitiveness challenge until we hit a crisis. Frankly, I do not believe that is true. If the President, with his great communications skills and popularity, chose to speak to the Nation about the competitiveness challenge, he could make it a national priority overnight. Because he has not, the rest of us in leadership positions will have to work much harder to get the message out.

We should recognize that there will never be a day when the crisis arrives. It does not work that way. There was no one day when Great Britain awoke to discover that its competitiveness and its standard of living were declining. Rather, it was a gradual deterioration over many years, eventually resulting in second-rate economic status for the nation. Some of that deterioration has taken place here already; it will continue to take place unless we dedicate ourselves to reversing it. But we have great assets as a nation, and with a concerted effort, we can insure a bright economic future for our country and our people.

Mr. President, I ask unanimous consent that the full text of the resolution be printed in the RECORD.

There being no objection, the joint resolution was ordered to be printed in the RECORD, as follows:

S.J. RES. 327

To provide for the President to report on the status and implementation of the recommendations of the President's Commission on Industrial Competitiveness.

Whereas the President has relied upon nonpartisan commissions in an effort to inform or build a national consensus on such diverse issues as Central American policy, Social Security, strategic missile basing, waste and abuse in defense purchasing, and a host of other national priorities;

Whereas in June 1983, to help build public awareness and a consensus about the policies needed to secure the future economic prosperity of the Nation, the President appointed a Commission on Industrial Competitiveness, composed of distinguished representatives of business, labor, government, academia, and the public;

Whereas in January 1985, the Commission reported and unanimously found that the ability of the United States to compete internationally faces unprecedented challenge from abroad;

Whereas the Commission unanimously found that the United States productivity growth lags far behind that of foreign competitors, real hourly compensation of the national work force is no longer improving, United States leadership in world trade is declining, and pre-tax return on assets invested in manufacturing discourage investment in this vital core of the economy;

Whereas the Commission unanimously recommended an economic agenda for the Nation for this decade and beyond, including policies and practices that seek to strengthen the national competitive performance in the creation application and protection of technology, the reduction in the cost of capital to United States industry, the development of a more skilled, flexible, and motivated work force, and the better coordination of trade policy;

Whereas the Commission unanimously found that the United States must take on the challenge of competitiveness as the economic agenda for the next decade;

Whereas the Commission unanimously found that the government should take the lead in highlighting the importance of competitiveness and should nurture an effective consensus-building dialogue among leaders in industry, labor, government, and academia; and

Whereas the Commission unanimously found that the United States world leadership is at stake, including the ability to provide for the standard of living and opportunity which is aspired to by the people of the Nation: Now, therefore, be it

Resolved by the Senate and the House of Representatives of the United States of America in Congress assembled, That the President shall report to the Congress on

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the status of the recommendations of the President's Commission on Industrial Competitiveness and future plans for implementation, no later than the later of August 1, 1986, or sixty days after the date of enactment of this joint resolution.

RECOGNITION OF SENATOR BINGAMAN

The PRESIDING OFFICER. Under the previous order, the Senator from New Mexico [Mr. Bingaman] is recognized for not to exceed 5 minutes.

Mr. BINGAMAN. Thank you, Mr. President.

COMMISSION ON INDUSTRIAL COMPETITIVENESS REPORT

Mr. BINGAMAN. Mr. President, I am happy to speak this morning in support of Senate Joint Resolution 327. And I commend the distinguished junior Senator from West Virginia for his leadership in introducing this joint resolution today.

At a time when we are especially concerned for our national military security, this legislation focuses on an equally important threat to our national economic security.

President Reagan's Commission on Industrial Competitiveness, which was chaired by John Young of Hewlett Packard and comprised of distinguished leaders from business, labor, education, and Government, reported over 15 months ago that "our world leadership is at stake, and so is our ability to provide for our people the standard of living and opportunity to which they aspire." The threat, according to the President's Commission, comes from the unprecedented emergence of strong foreign economic competition.

The President has done virtually nothing in the 15 months since the Commission unanimously called on America to grasp the challenge of this competition and to make it the primary economic agenda for the next decade. Despite a declining dollar, the United States has posted another world record annual trade deficit which continues to worsen month by month. To pay for these foreign made products, the United States has become a net debtor for the first time since we emerged as a major world power in 1914. Borrowing at a rate of over $120 billion year, the United States has already become the world's largest debtor. We have saddled ourselves and our children with enormous future obligations.

Wage rates and living standards are stagnant in real terms and we have 8 million people actively looking for work. U.S. productivity growth is only a fraction of that of our competitors. Business investment in new, commercially productive plant and equipment is extremely low, as 20 percent of our industrial capacity remains idle. Business Week magazine on March 3 issued a lengthy report, which the Senator from West Virginia referred to, entitled "The Hollow Corporation," detailing the long-term damage that is beng done to U.S. economic well-being in the face of the increasingly sophisticated foreign competition.

Clearly, we have a severe, national economic problem which we need to address in a responsible, bipartisan manner. This has been the message of the President's Commission on Industrial Competitiveness and at least 20 other recent, blue-ribbon panels of leaders from business, labor, academia, and Government. Just as clearly, however, President Reagan has not given us the national leadership this challenge requires. As Michael E. Porter of the Harvard Business School and member of the President's Commission, states in the current Fortune magazine, "The President received the Commission's report politely and turned to other business." I ask that a copy of this article be inserted in the Record following my remarks.

The PRESIDING OFFICER. Without objection, it is so ordered.

(See exhibit 1.)

Mr. BINGAMAN. Mr. President, our resolution will help focus administration attention and lay the groundwork for a useful dialog with Congress. The resolution requires the President to report to the Congress on activities he has taken and intends to take on the recommendations of the Commission.

The resolution introduced here today is the first of what I hope will be many important initiatives growing out of the efforts of the recently created Senate Democratic Working Group on Economic Competitiveness. In late December last year, Senate Democratic Leader Robert Byrd appointed the working group, on which I am proud to serve as chairman. The other members of the group are Senators Baucus, Byrd, Kerry, Levin, Matsunaga, Moynihan, Riegle, and Rockefeller.

Over the past few months, in consultation with numerous outside experts, we have examined the competitiveness problem and the hundreds of recommendations that have been proposed by the President's Commission and the 20 other prestigious panels that have looked at this problem. The American character is ideally suited to meet the challenge these reports have spelled out for us. It is Government's unique capability and responsibility, however, to assure that American firms and workers have the tools of education, technology, and capital necessary to get the job done.

Our working group is developing consensus legislation and a leadership strategy which, hopefully with bipartisan and Presidential support, can assure increasing prosperity and economic security for all Americans. Today's legislation is an important step toward the goal.

Exhibit 1

(By Michael E. Porter)

Why U.S. Business is Falling Behind

America's inability to compete in world markets, as President Reagan's Commission on Industrial Competitiveness reported just over a year ago, is the most serious challenge facing the U.S. The President received the commission's report politely and then turned to other business. Instead of making international competitiveness the new challenge for America, he has been celebrating the country's supposed comeback.

Yet much evidence leads to the disturbing conclusion that we are in a hollow recovery in which the foundation of future economic growth is being undermined instead of fortified. If one looks beyond the shortest run, the inescapable conclusion is that competitiveness may well be the pivotal economic issue for the rest of this century.

The sustained economic recovery, nine million new jobs, low inflation, and falling interest rates certainly seem encouraging. But a closer look at the performance of the economy suggests a strikingly different conclusion. Measures of underlying competitiveness are getting worse, not better, and the trend is not new.

The U.S. did not have a trade deficit in this century until 1972. The trade deficit has climbed with few interruptions ever since, even when the dollar was widely viewed as undervalued in the late Seventies. Low inflation is a symptom of the competitiveness problem, not a sign of success. Inflation is low because oil prices are falling and because of competitive pressure on U.S. industry. Price increases have become an endangered species.

Is job creation a good indicator of economic health? Some 168,000 jobs were lost in manufacturing last year. The vast majority of the new jobs in the U.S. have been in construction and in services such as retailing, wholesaling, finance, and government. These jobs, in areas not exposed to international competition, provide little comfort.

Interest rates have been cut in half since the recovery began, another contributor to the feeling of well-being. Falling interest rates have led to rising corporate indebtedness, but not to the sustained capital investment they were supposed to foster. Over 90% of the growth in capital spending since 1979 went for automobiles and office machinery, not production equipment. Orders for plants and equipment have been falling since last September.

Instead of investing at home, U.S. companies are stampeding offshore. Caterpillar, for example, now makes or buys well over 50% of its components and finished products abroad. U.S. companies are becoming second-class manufacturers and many are giving up instead of doing something about it.

Among the most straightforward measures of U.S. industrial competitiveness is inflation-adjusted wages. Real wages grew steadily from World War II until 1973. Since then they have fallen and the trend is still downward. In real terms average gross weekly earnings are at 1962 levels.

Most ominous of all, productivity growth has come to a halt. Productivity has risen less in this recovery than in any other since World War II, and it declined last year. Productivity growth is vital because it ultimately determines wages, profits, and living

standards. The U.S. no longer is the world's most productive nation in several industries, including autos and machine tools, and the productivity gap is widening rapidly.

Unfortunately, the competitiveness problem does not fit the President's economic vision. The Administration seems to believe that U.S. industry is still preeminent. It preaches that current difficulties will be solved simply by getting government off the back of business and making a few adjustments in interest rates and the exchange value of the dollar.

The Administration also seems to believe that the mere acknowledgement of a problem is the first step to greater government intervention in the economy, something it vehemently opposes. It seems convinced that even a discussion of the issue will open the door to an avalanche of wrong-headed policies.

Congress, meanwhile, votes for protectionist measures as the way to help businesses and workers that are losing out to foreign competitors. But Congress also has missed the point. The U.S. cannot solve its problems through protectionism or by opening up the Japanese market. Americans buy Japanese goods not just because they are cheap, but because many are more advanced and better made. The almost pathetic efforts of Japanese buying delegations to find U.S. products to take home illustrates the real problem. What did the Japanese come up with after scouring the U.S.? Oranges, wine, fondue sets, and air fresheners.

Timber, coal, and agricultural products may respond to the falling dollar. But important exports and imports such as machine tools, consumer electronics, and automobiles are much less price sensitive. A low dollar is not going to cover up lagging technology and inferior quality.

The U.S. will not solve the competitiveness problem until it again becomes the place where the most advanced, highest quality goods and services are produced by the most skilled workers using the most advanced methods. This is the reason the U.S. was the greatest economic power in the Forties, Fifties, and Sixties. The U.S. has no inherent right to the world's highest standard of living. A society must earn what it consumes. I believe that most American consumers, workers, and managers know in their guts that this is true.

Many of the remedies to these problems lie squarely in the private sector. U.S. companies have a lot of catching up to do in training, labor relations, quality control, and the introduction of new technology. Recent efforts are a start but are far from enough. Corporate research and development spending has risen, but spending by Japanese and German companies has risen more. Every manager, every employee, every trade association, and every labor union has a vital role in helping industry become preeminent again in productivity and technology. Business and labor have done themselves a disservice by blaming their troubles on outside forces and asking government to bail them out.

But government also has a role in solving the competitiveness problem. Getting off the back of business is not enough. Companies cannot succeed without the basic tools, the most educated work force, and the premier technological base. These require a social investment in the primary and secondary education system, in universities, in research institutes, and in the scientific establishment. No company or individual can afford to create these things. Government must do so.

The Reagan Administration's greatest failure has been in investing too little in America's future prosperity. It does not recognize that some parts of the social agenda are vital to the economic agenda, just as Democrats often forget that economic success is vital to achieving the social agenda.

Cutting back on education and training to reduce budget deficits is like tearing down the house for firewood. The result is that America does not make the first team compared with other countries in terms of math and science skills. The number of engineering graduates in the U.S. is inadequate. Even the facilities in U.S. schools and universities are subpar.

Federal civilian research has fallen in real terms since 1981, just as America has lost its technological lead in many areas. Total federal spending on research, including military outlays, was only 1.2% of GNP last year vs. 2.2% in 1964. Other nations spend a much higher percentage of GNP on civilian technology. We cannot forgo investment in human resources and technology in the name of budget cutting without sacrificing long-term economic growth.

The Federal Government also has lost its focus on capital investment, the third key ingredient of competitiveness. The tax reform legislation before the Senate will penalize investment when it is more vital than ever. Washington's ideas about tax reform seem to rest on the shaky hope that companies losing to foreign competitors can somehow pay a larger tax bill without slipping even further behind.

The Federal Government also has proved incapable of making real progress toward unsnarling the international trading system. Both Congress and the executive branch are plagued by overlapping authority and responsibilities in the trade area, the legacy of an era when trade was unimportant and U.S. companies had a commanding lead.

Finally, the U.S. must regain its will to be the best economically. The public and many corporations have developed a bunker mentality. The sense of economic opportunity has been lost, as if all the new products and services have already been invented and all human needs satisfied. Since the Japanese and Koreans make things cheaper, runs this despairing train of thought, America is doomed to a falling standard of living.

The truth is that the U.S. is in a period of unprecedented opportunity driven by technological change that is reshaping old industries and creating new ones. The long-term health of the U.S. economy depends on its ability to lead these developments instead of playing catch-up. The American dream will continue if the country equips itself with the skills and technology it needs and recaptures the will to achieve.

RECOGNITION OF SENATOR CHILES

The PRESIDING OFFICER. Under the previous order, the Senator from Florida Mr. [Chiles] is recognized for not to exceed 5 minutes.

ANNIVERSARY OF YOUNG COMMISSION REPORT

Mr. CHILES. Mr. President, I rise today to join with my distinguished colleagues from West Virginia and New Mexico, and others, in introducing what I think is an important initiative. I congratulate them for the work that they have done, the Senator from West Virginia, in being the prime sponsor of this, and the Senator from New Mexico, in the work that he is doing on productivity, with the task force that he chairs, with a number of important meetings, and the people that he has been bringing in to talk with a number of us in the Senate from business, from academia, and from many areas in trying to focus on this tremendously important problem.

Over a year has passed since the "Young Commission's Report on Industrial Competitiveness."

In that year, the administration has greeted the report with a resounding silence.

We have seen another passive response by this administration to what is becoming a national economic emergency.

I guess we are getting accustomed to this lack of leadership and action.

We see it in the administration's response to the International Trade Commission's unanimous rulings on our industries damaged by imports.

We see it when the administration fails to enforce existing trade laws against unfair foreign trade barriers.

And now we see it when the President's own blue ribbon panel issues a report which tells us that the very basis for our prosperity is at risk.

Let me remind you how severe our competitive problem has become.

In the first term of this administration, the United States experienced a 27-percent decline in its ability to compete in the world economy.

The fundamental causes of this decline are right here at home. Our productivity growth is lower than that of our trading partners. Our real interest rates are higher than abroad. We invest a smaller proportion of our resources in research and development than our trading partners.

And if anyone thinks things are getting better—just consider that U.S. productivity actually declined in 1985. This is not the path leading to a higher standard of living. This is the path toward the impoverishment of the American people.

Finally, consider that our apparent prosperity of the last few years has been brought with a mountain of debt. In the last 5 years we have gone from the world's largest creditor to its largest debtor. The bottom line is that we are losing our ability to earn our way in the world economy.

As this forum today indicates, we really cannot expect a passive administration to lead the way toward reversing our competitive decline. We in Congress must take the lead—and I am glad to see this is a bipartisan approach—and we know that we must go forward.

The President must be given less discretion to ignore our trade laws.

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We must invest in economic growth. Senator HART, myself, and several other Senators will offer a growth and investment initiative as an amendment to the budget resolution.

We will not shirk our responsibility to invest in future economic growth. Unless we invest in basic science, technological development, education, training, and trade promotion—our prosperity will not endure.

With or without the President's leadership, it is time to act.

So I look forward to joining with my colleagues today. I feel this is an important first initiative and we will need to continue to work with that as we go forward.

Mr. BAUCUS. Mr. President, Senators ROCKEFELLER and BINGAMAN have spoken about the resolution that they are introducing calling for the President to respond to the Young Commission recommendations. I support their efforts. I join in their efforts because I think that the administration's failure to respond to the Young Commission's recommendations is a gross disservice to this country.

The resolution which I am cosponsoring along with Senators ROCKEFELLER and BINGAMAN serves two important purposes: First, it underscores that we need to focus increased attention on the problem underlying our declining international competitiveness.

For too long we have relied on quick fixes to shore up our industrial and technological strength, and quite frankly we are not succeeding.

Second, the resolution points to the bald fact that the administration's "good intentions" have been just that and no more.

The Young Commission—unquestionably a blue-ribbon panel—was assembled almost 3 years ago. In January 1985, the group submitted over 400 pages of recommendations and findings to the President.

And those 400 pages have been ignored by this administration.

OVERVIEW OF THE PROBLEMS

This resolution is valuable because it makes us focus on competitiveness. Because the first step in becoming more competitive is to change our attitude.

We still do not think internationally.

We will not forgo current consumption for long-term savings and investment.

We are not trying to learn from the Japanese.

We are not promoting our children's education, particularly in science and technology.

And our business leaders will not sacrifice short-term balance sheet profits for long-term productivity.

The results of this problem are showing.

Take trade, for example. Last year, our trade deficit with Japan alone was 50 percent higher than our 1980 deficit with the entire world.

We as a nation do not put a high priority on exports.

In 1985, U.S. exports accounted for a mere 5.3 percent of GNP. By contrast, Japanese exports accounted for over 10 percent of GNP and West Germany's exports for almost 30 percent of GNP.

Our productivity is slipping.

U.S. productivity grew by only 1.2 percent annually between 1960 and 1983, compared with the substantially better performances of Great Britain, 2.3 percent; Germany, 3.4 percent; and Japan, 5.9 percent.

Our savings rate is much lower than that of any other industrialized country, and this deprives our companies of a pool of cheap capital for investment.

We are not doing enough on education. The average American child watches over 1,000 hours of television a year. It is no wonder that the average 17-year-old American knows half as much math as the average 17-year-old Japanese student.

OUTLINE OF THE BILL

To address these problems, I will be introducing a bill that is designed to complement the Rockefeller-Bingaman resolution and take it one step further.

On trade, the bill instructs the Secretary of Commerce to develop a proposal to establish a semiprivate, nonprofit U.S. export promotion organization similar to those used successfully by Japan, Korea, and others.

It will also instruct our Ambassadors worldwide to prepare annual reports cataloging the measures they have taken to promote exports of U.S. goods and services and to eliminate trade barriers. We simply have to place a much higher priority on exporting.

On R&D the key to our ability to compete over the long run will be the development of a highly skilled, highly trained core of engineers and scientists. The first step will be to improve the quality of scientific and technological education offered by our colleges and universities.

My bill would provide corporations with a 20-percent nonincremental tax credit for the wage costs of loaning their scientists and engineers to colleges and universities, to teach or perform basic research in the sciences.

My bill also incorporates a proposal which passed this body last year which would make available to our companies and research institutions more translations of Japanese technical literature.

Finally, the bill would amend the FOIA to make it more difficult for competitors to secure proprietary information.

I do not pretend that these modest measures will restore us to our position as an unchallenged economic giant. But as Samuel Johnson said, "The future is purchased by the present." Quite simply, we have to act now.

RESTORING AMERICA'S COMPETITIVENESS

Mr. LEVIN. Mr. President, almost 3 years ago President Reagan and his advisers realized that the United States and his administration had a major problem. The American economy was in trouble. Our trade deficit was beginning to grow. We were only slowly climbing out of the worst recession in decades. Our most basic industries were closing factories as foreign producers captured growing shares of our markets with high quality, attractively priced goods. Our traditional edge in high technology was slipping away to countries on the rim of the Pacific Basin. The American standard of living was growing more slowly than all the Western industrialized states except Great Britain. All of these problems and trends were combining to present the administration with a political problem as well. Democrats in Congress and on the Presidential campaign trail were beginning to talk about the need for a new industrial strategy to restore lost vigor to the American economy. Something had to be done.

So what did the President do? He appointed a commission to study the problem. Now, Mr. President, there is nothing necessarily wrong with appointing a commission. It is a traditional Government response when national problems are so complicated or the suggested remedies so diverse that there is a need for creative research and coalition building. What is wrong with appointing a commission, if the problem they are directed to study is a serious one, is a failure to act in some way on the recommendations the commission develops.

That, unfortunately, is what has occurred in this case. The 30 members of the President's Commission on Industrial Competitiveness, chartered by President Reagan on June 28, 1983, spent 18 months documenting the problems confronting American industry in the face of new global pressures and released the traditional well-documented two volume report in January 1985. The Commission concluded the problem of declining American competitiveness was real and serious, and challenged the American Government to—

> Recognize the challenge and its significance. We must equip ourselves with the skills required in the workplace of the future, adopt a flexible attitude toward changing markets and technology, and work together to strengthen the competitive performance of American industry.

The President's Commission crafted a series of recommended Government

actions that formed a program which the Commission proudly pointed out—

> Does not require any major increases in Federal spending * * * (with) minimal outlays that represent a prudent investment in the future.

The final report said the challenge of competitiveness must be the economic agenda for the next decade.

But that report and that agenda are gathering dust. In contrast to Presidential Commissions that call for new spending on weapons programs the Competitiveness Commission prompted no response from the Reagan administration. There is no sense of urgency, no repeated Presidential press conference endorsements, no high-level interagency implementation procedure, no legislative strategy to address the critical problems the Commission identified.

That is why our colleague, the distinguished Senator from West Virginia [Mr. ROCKEFELLER], has introduced a resolution calling on the President to report to the Congress on what, if any, plans he has to implement the Commission's recommendations. I commend my colleague for this initiative, and I hope it helps to prod this administration into action.

THE PRESIDENT'S COMMISSION ON INDUSTRIAL COMPETITIVENESS

Mr. CHAFEE. Mr. President, I am pleased to cosponsor this joint resolution seeking implementation of the recommendations of the President's Commission on Industrial Competitiveness. Our ability to compete internationally faces unprecedented challenge from abroad. To investigate this new reality of global competition, the President convened this blue ribbon Commission of 30 leaders from business, labor and academia. This resolution would urge the President to analyze these fine recommendations and to inform the Congress of the administration's plans for their implementation.

For the past two decades the United States has exhibited a declining ability to compete. Our productivity growth has been dismal—outstripped by almost all our trading partners. We are still the world's strongest economy. Yet, the question we must answer is where we will be tomorrow.

We cannot blame all our competitiveness problems on foreign trade and the dollar. The deterioration of our trade balance began more than a decade ago, when the dollar was widely thought to be weak. Some suggest that the best way to preserve American jobs is for Government to erect protectionist fences to limit foreign competition in the United States. I strongly disagree. A far better alternative to protectionism is a policy that encourages American workers and industries to rise up and meet the competitive challenge.

Our primary problem is not the surge of imports, which always rise with strong U.S. economic growth. It's a lack of growth in American exports. We must examine the ways in which the Government hampers competitiveness through unilateral impediments to growth—tax laws, securities laws, and other policies laws which inhibit research and development into new technologies and innovative areas. This is what we want to receive from the administration—it's overall strategy for reinstating the competitiveness of American industry, in order to increase jobs and exports.

Mr. KERRY. Mr. President, I am pleased to join Senator ROCKEFELLER and others in supporting this resolution requiring the President to report on the status and implementation of the recommendations of the President's Commission on Industrial Competitiveness. But I must emphasize that while I strongly support this resolution, I am extremely sorry that it is necessary—but unquestionably, it is.

Responding to the growing concern among economists in academia, industry, and in government that the United States was facing a growing competitiveness problem, almost 3 years ago, in June 1983, President Reagan appointed a distinguished panel of experts to study the problem and make recommendations. Headed by John Young, the distinguished leader of the Hewlett-Packard Co., and staffed with some of the very best talent available, the Commission worked for more than 1 year to study the problems of American business.

The panel considered the full range of factors affecting the American manufacturing economy: productivity; capital formation, management-labor relations, human resource development; international trade; and the industrial policies of other nations. The commissioners' work was bipartisan and nonpolitical. Its goal was simple—to give the President of the United States the very best advice available on the state of the American economy, and to determine whether problems existed which could be corrected with national policy measures.

The Commission issued a report in March 1985 which found that indeed, the American economy faced serious competitive problems; low productivity, high cost of capital, and the growing threat of international competition. The report received a quiet reception in the media and from business, Government, and academic economists not because it was not respected or well executed, but rather because it simply confirmed a basic consensus which had been palpable since the late 1970's.

To most analysts, the major significance of the report was simply that it had, in fact, taken so long for such a consensus to develop at the highest level of government in our country, and the fact that such a respected group of business leaders chosen by the President had acknowledged that our economic future was not unclouded.

Unfortunately, President Reagan has chosen to ignore the Young Commission report, and to ignore the fundamental and growing threat to America's economic future. Our trade deficit continues to grow month by month to a level unimaginable at the time the Young Commission began its work. Our technological lead is increasingly in danger, our labor market continues to be undertrained and underprepared for the demands of the modern workplace, and our corporations are responding to the new realities of the global marketplace not beyinvesting in new American facilities and production, but by becoming in Businessweek's words, "hollow corporations" which rearrange financial assets, market foreign goods, and ignore the fundamentals of production that is essential for continued increases in the American standard of living.

Mr. President, this problem is too big for any individual business, or any one trade organization, or any single congressional committee or executive agency to attack. No matter how patriotic, concerned, or aware of the problem any of us are, it is not enough. Without a national commitment to the problem, it cannot be solved. This is what the Young Commission recommended.

Unfortunately, the President has chosen not only to ignore the plea for a national commitment to the problem, he has chosen to ignore the advice of his own panel, and deny that a problem exists at all. By this resolution, we in Congress can make known our commitment to acknowledge the problem, and to get on with the difficult process of addressing it through national policy before it is too late.

Mr. BYRD. Mr. President, my colleague from West Virginia, Senator ROCKEFELLER, has proposed an excellent—and timely—resolution. The resolution simply calls on the President to provide Congress with a progress report on implementation of the recommendations of the President's own Commission on Industrial Competitiveness, the so-called Young Commission.

No one disputes the fact that this Nation must improve the competitiveness of its industries if it is going to prosper and raise its standard of living in the years ahead. In response to growing concerns about our competitiveness, President Reagan appointed this Commission in late 1983. The President handpicked each Commis-

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sion member, primarily from the ranks of business.

The Commission labored for over 1 year and submitted its report in January 1985. While not perfect, the recommendations of this Commission provide a constructive starting point for changing U.S. policies to enhance the competitiveness of industry.

Soon after the Commission completed its report last year, I invited its Chairman, John Young, the chief executive of Hewlett-Packard, to attend a retreat of Democratic Senators in Shepherdstown, WV. There was a discussion of many of the proposals made by the Commission and many Senators expressed the hope that the President would act expeditiously upon them.

Unfortunately, more than 1 year has passed and there is precious little evidence that this administration has taken the recommendations of its own Commission to heart. The work of this Commission is too important to the Nation's future to allow its recommendations to go the way of those from many other commissions. The future of our Nation's competitiveness deserves better than that. For that reason, I urge that my colleagues join in supporting this resolution.

RECOGNITION OF SENATOR WILSON

The PRESIDING OFFICER. Under the previous order, the Senator from California [Mr. Wilson] is recognized for not to exceed 5 minutes.

Mr. WILSON. Thank you, Mr. President.

SENATOR PAULA HAWKINS' SPECIAL ORDER

Mr. WILSON. Mr. President, I rise today on behalf of our distinguished colleague from the State of Florida, Senator Paula Hawkins, to insert into the Record a floor statement that Senator Hawkins would make were she able to be present. She is, of course, convalescing from back surgery. We wish her well and a speedy recovery. In order to assist in the flow of business from her office during her involuntary absence. I am making the following statement for her. It is a statement which she has entitled "America's Drugs Problem: Fighting the Demand Side."

And I quote:

AMERICA'S DRUGS PROBLEM: FIGHTING THE DEMAND SIDE

Mrs. Hawkins. Mr. President, it is now 374 days since one of the suspected murderers of DEA agent Enrique Camarena was indicted in a Mexican court. Another day has passed and still no word of action by the Mexican authorities. Mr. President, this lack of action is disturbing enough in-and-of itself. But it becomes even more glaring as part of a larger picture—a picture of corruption which allows drugs to flow across our borders and threaten our way of life.

The economic, social, and human costs of substance abuse are devastating to our society. We have all seen estimates of the dollar cost to our society, especially the cost of illegal drug abuse. Each year we lose millions of dollars in reduced productivity, health care, crime, and motor vehicle crashes.

But concerns over substance abuse cannot be easily reduced to dollars and cents. Think in human terms and the staggering effect of drug and alcohol abuse upon the emotional and physical health of our society as a whole becomes clear and frightening.

The illegal drug corporations fight for the control of our society through the most basic principle of economics—supply and demand. To be truly effective, the war on drugs must take the same approach. I have long fought for stiff penalties for drug pushers who would profit from destroying young minds. I have pushed for reduced aid for countries that permit the influx of drugs into America. That is the supply side.

But Mr. President, we must concentrate just as hard on the demand side. Fighting drug abuse here at home.

The Senate Subcommittee on Children, Family, Drugs and Alcoholism, which I chair, is responsible for authorizing the National Institute of Drug Abuse (NIDA). NIDA is the Federal government's strong right-arm in our demand side battle. Earlier this year, at the NIDA reauthorization hearing, I learned about one important piece of NIDA research on cocaine that is going on in Florida.

Dr. Jose Szapocznik (pronounced "Suppose-nick") testified at the hearing. He works out of the University of Miami with Hispanic adolescent drug abusers and their families.

Dr. Szapocznik testified that at his center, the family has always been the cornerstone of research.

While there are important moral reasons for maintaining the family as the essential building block of our social fabric, the doctor has also learned of compelling theoretical and scientific reasons for using the family strength in treatment and prevention of cocaine addiction.

Dr. Szapocznik uses the family to stop drug abuse. And it's working. His approach has been shown to eliminate drug abuse with incredible efficiency and in a remarkable short time. In Dr. Szapocznik's latest research group, of the teenagers who came to him for help, every-single-teenager . . . one hundred percent had given up all cocaine use at the time that they finished treatment. In an average of 12 outpatient sessions. These are mind-boggling statistics. Some of the first good news we have had in the drug war in years. And this is not just pie-in-the-sky. This remarkable success rate has been documented extensively.

And the price tag for this remarkable success? Dr. Szapocznik's receives a little over 200-thousand dollars in NIDA research money for this work. Clearly, this is tax money well spent.

Mr. WILSON. I thank the Chair, and I yield the floor.

RECOGNITION OF SENATOR PROXMIRE

The PRESIDING OFFICER (Mr. Pressler). Under the previous order, the Senator from Wisconsin [Mr. Proxmire] is recognized for not to exceed 5 minutes.

DON'T TAKE AWAY THE RIGHT OF SENATORS TO SPEAK FREELY ON THE SENATE FLOOR

Mr. PROXMIRE. Mr. President, as a Senator who has taken aggressive advantage of the opportunity to speak on the floor of this body every day the Senate has been in session for many years, I was concerned by the statement by the majority leader today that rank and file Members of the Senate are taking too much time in speaking daily in special orders during morning business. The leader indicated that the time for those of us who wish to speak on the floor may have to be aborted, denied, postponed until later in the day, or pushed aside in some other manner.

Now, keep in mind that only a few weeks ago the leadership slashed the time a Senator may speak during morning business from 15 to 5 minutes.

Mr. President, one of the most important distinctions of this body—the Senate of the United States—is that Senators will have a chance to speak their minds freely and fully. More than any parliamentary body in the world, that has been true for nearly 200 years of the U.S. Senate. In the past 60 years that distinction has gradually left this body.

After World War I, the Senate adopted a cloture rule that permitted, at that time, two-thirds of the Senate to cut off debate. Then, 20 years or so ago, Senator John Pastore, of Rhode Island, succeeded in winning adoption of the so-called Pastore rule that limited any one Senator to speak only on the subject before the Senate on any matter that had been pending before the Senate for less than 3 hours. Since most legislation before the Senate takes far less than 3 hours to debate and discuss, the Pastore rule effectively limited Senators who wished to speak on subjects that might have significant national or international import to periods when the Senate was not discussing legislation, and that generally meant during the so-called morning business.

Senators were, up until a few weeks ago, permitted to speak any morning on the floor of this body for 15 minutes. Then came the advent of radio broadcasts—gavel-to-gavel—of Senate proceedings. The leadership, as I have said, decided to slash the time of any Senator who wanted to speak during morning business to 5 minutes. Now we are being warned that 5 minutes may be too much. Senators may be permitted to speak some other time during the day, provided such time became available. Perhaps a time

would be reserved at the end of the day if the Senator could not come to the floor at a scheduled and prearranged time. With this unscheduled and unpredictable time, too bad and tough luck—no freedom to speak on that day.

Possibly Senators would be allowed to speak at a scheduled and prearranged time only twice a week or perhaps once a week or maybe once a month for 5 minutes.

Mr. President, this Senator is not being facetious. Television has not hit this body yet. It will in a relatively few days. In view of the rush to the floor by Members to take advantage of the radio exposure, we can expect an even greater surge when Senate proceedings go to a potential audience of millions on television.

Mr. President, this is one of the many reasons this Senator has consistently and strongly opposed putting this body's regular daily proceedings on television. It will sharply curtail the opportunity of Senators who wish to speak out on significant matters of national importance, to do so, unless that particular subject happened to be before the Senate in legislative form on that particular day.

So what should we do? How do we accommodate television and the desires of a very large proportion of the Members of this body to reach a television audience within the limited time available, without further restrictions on the freedom of Senators to speak their minds freely and fully on the floor of this body?

Mr. President, this Senator's suggestion is that all Senators be allowed to speak during morning business every day by coming in however early is necessary to accommodate this objective. That might be 9 o'clock or 8 o'clock or 7 o'clock or even earlier. This Senator will gladly come in at 5 o'clock in the morning if necessary. Obviously, those of us who are anxious to take advantage of the great tradition of this body to be allowed to speak fully and freely should be ready to make sacrifices, if it is necessary. We will get up early; we will come to work early. But do not take our right to speak our mind every day at a reasonably predictable time away from us.

Mr. President, I realize the convening of the Senate regularly at 8 o'clock or earlier would, under present practices, cruelly penalize the leadership. This is because the Senate leadership under present practice starts the Senate proceedings every day. But why is this necessary? Why could not the Senate convene at whatever time is necessary to accommodate Senators who wanted to speak? The leadership could come to the floor regularly at a later time—say 10 or 11 o'clock, or noon—to transact leadership business.

Mr. President, as I look at the distinguished and able people who do such a fine job of policing the Senate in so many ways, the Parliamentarian and his colleagues, I recognize that this would impose a sacrifice on them, too. I regret that. That is the price I guess we have to pay under the circumstances.

ADD QUALITY OF MILITARY PERSONNEL TO U.S. MILITARY EDGE OVER SOVIETS

Mr. PROXMIRE. Mr. President, in considering the U.S. military status versus the Soviets, what should we look for as the single most significant indicator of success or failure of either military capability? Is it military technology? Is it the economic strength that can produce the necessary military weapons? Is it the strength of the alliances the Nation may enjoy? All of these elements certainly contribute to military power and success. But, Mr. President, there is another frequently neglected element that is most important of all. It is the skill, the training, the morale, the discipline of the personnel that makes up the military forces. We learned that lesson in Vietnam. The Soviets are learing it in Afghanistan.

So how does the United States compare with our great superpower adversary in the quality of our personnel? First, there is no question the Soviets enjoy some advantages. Their population is larger. Their standing military forces are about twice as numerous. Their reserve military forces include every male citizen between the ages of 20 and 55 who is not on active duty. And virtually all the able-bodied Soviet population between 20 and 55 have served in the armed forces, a large proportion of them within the last 10 years. Soviet military personnel also showed impressive effectiveness in fighting Hitler's forces in World War II. The Soviets not only displayed great courage and endurance; they also demonstrated impressive military skill.

These are critical Soviet advantages, but today's Soviet military man also suffers some very serious weaknesses. In fact, the weaknesses are so severe compared to the military strength of American personnel that they constitute a serious Soviet disadvantage. A few weeks ago, the Secretaries of this Nation's Army, Navy, and Air Force testified over several days before the Defense Appropriations Subcommittee of the Senate. They were accompanied by the Chiefs of Staff of the three services and the Marine Corps.

As so often happens to good news in this country, the story did not get on the front page of the newspapers or in the big television network prime time evening news. But the news was not just good, it was terrific. Take the indicators of discipline in the U.S. Army. Violent crime by army personnel has been cut in half in the past 10 years. Since 1974, crimes against property have dropped to one-fifth of their rate 10 years ago. One-fifth, Mr. President. Desertion is down to a bare 25 percent of its level in 1974. How about absence without leave? That has dropped by a remarkable 80 percent.

Now, Mr. President, these are objective criteria. This is not hype. It is not self-praise. It is not rhetoric. These are cold, hard facts. This is the record. In every case, the objective measures of morale and discipline are by far the best of any time they have been in 10 years or more. The records of the Navy, the Air Force, and the Marine Corps show a similar astonishing improvement. Alcohol and drug abuse have both dropped spectacularly; and in all services. So our military personnel meets the first requirement of military behavior; that is, discipline far better than before and very possibly better than ever.

How about the capability of our military personnel as measured by their educational level? Mr. President, the educational level of U.S. soldiers, sailors, marines, and airmen has never been as high as it is today. Consider this: The total has risen from 61 percent with high school diplomas in 1980 to 93 percent today!

Compare this with the Soviet military personnel. Secretary Gorbachev, like his predecessors, has been trying to reduce the alcoholism problem in the Soviet society and, of course, in the Soviet military forces. He has a very formidable challenge. In a recent article in "Military Review," Prof. Richard Gabriel, who has been on duty with the Foreign Intelligence Directorate, has written that "Russian soldiers have at least the same high rates of alcoholism and alcohol-associated pathologies as the society at large and probably considerably higher." He quotes Victor Belenko, a recent Soviet Air Force defector, that his brother officers and his ground crew were drunk virtually all the time. Gabriel reports "a staggering number of assaults on officers by enlisted men who were drunk—a phenomenon virtually unknown in the American Army."

How about the training of Soviet military personnel? Joshua Epstein is a defense analyst at the Brookings Institution. He recently compared U.S. maintenance crews with their Soviet counterparts. He found that U.S. maintenance crews are 40 percent larger than similar Russian crews and receive twice the training time as their Soviet counterparts. A study of the Soviet Air Force prepared for the CIA in 1981 concluded training was "surprisingly 'pro forma' with little continuing effort to enhance skills under realistic conditions. Many of their sorties appear to be rather canned 'once around the flagpole and back' "

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According to intelligence analysis, Soviet fighter pilots receive less than half the flying time that U.S. pilots do—7 hours per month compared with 19. Sally Stoeker, a Soviet specialist for the Rand Corp., reports that "many Soviet sailors are not trained to handle weapons or fight at night."

How about the awesome advantage for the Soviets in the size of the reserves compared to American reserves? Here is what Andrew Cockburn writes in his book, "The Threat Inside the Soviet Military Machine": "Soviet reservists, unlike those in Western armies, receive no training or weekend duty calls after they leave the active force. Furthermore, only about 1 percent of the U.S.S.R's active soldiers reenlist once their conscription ends." The actual de facto manning table for Soviet forces is even worse, according to the U.S. Defense Department. Fifty-five percent of the Soviet Army's estimated 190 divisions have less than half of their required personnel and equipment on hand: 20 percent have between half and three quarters. Rated by U.S. standards, this would mean that these Soviet divisions would be classified as not ready.

How do we explain this dramatic improvement in the morale and discipline of American military personnel? Two factors stand out. First, over the last 10 years, the pay of military personnel has consistently and sharply improved. As anyone who has ever hired employees to do a job in this American society can tell you, you get what you pay for. Higher pay has brought in personnel with better educational backgrounds. Recruiters can be choosers instead of beggars. They can take the pick of the litter, not the runt. In view of the supreme importance of personnel in military achievement, we should keep this firmly in mind while we determine our military priorities under the intense pressure of Gramm-Rudman.

Second, this remarkable 10-year improvement in morale and discipline of the American military dates roughly from the end of the draft and the beginning of the All-Volunteer Armed Forces. This Senator served in the peacetime draft Army for 9 months before Pearl Harbor in World War II. From that experience, I am positive that soldiers who are in the Army against their will may have talent but they do not have the motivation. They do not have the morale. They do not have the espirit de corps. They do not have the pride and enthusiasm in their unit. Volunteers are far more likely to have all of that. The Soviets have a drafted armed force. Ours is all volunteer. That is why AWOL, desertion, "gold-bricking" and low level of performance permeates the Soviet Armed Forces. It is why the U.S. Armed Forces have on the record improved so dramatically during the past 10 years.

Unquestionably the Soviets have an advantage over the American military force in sheer size. Just as the Chinese have a size advantage over the Soviet forces. But in the crucial military ingredients of morale, discipline, training, readiness, and the skills that come from actual flying time, sailing time, and maneuver time, the United States has a personnel advantage that ranks with U.S. superiority with respect to technology, economic strength, weapons superiority, the military strength of allies, and geographic position. The Russians certainly are not 10 feet tall. They are not 3 feet tall, either. But if ever it could be said that a great nation enjoyed the military power that permitted it to negotiate arms control from strength, it is the United States versus the Soviet Union in 1986.

Mr. President, some of the material in this speech came from an excellent article written by Fred Kaplan in the Boston Globe.

I yield the floor.

Mr. JOHNSTON. Mr. President, first of all, I congratulate and commend the distinguished Senator from Wisconsin for another one of his very thoughtful and very incisive statements on military power.

I think he contributes a great deal to the quality of the Senate's debate as well as the knowledge of the Senate and the country on matters involving the Armed Forces, our relative military posture as well as arms control.

I, for one, am very grateful to him for the thoughtful and in-depth research that he has provided for us in this and other speeches.

MYTH OF THE DAY: HIGHER SPENDING EQUALS HIGHER QUALITY SERVICES

Mr. PROXMIRE. Mr. President, the myth of the day is that higher spending equals higher quality services.

You would think that we had learned our lesson that throwing money at problems does not solve them. But this myth blooms like a hardy perennial every spring in Washington and State capitals across the country. Curiously, it blooms at budget season, fertilized by a host of lobbyists, special interest groups, and corporations who stand to benefit at the taxpayers' expense.

But we often find evidence that money, by itself, does not solve our social problems, nor our national security problems.

A case in point is a recent report by the Health Research Group here in Washington, a project affiliated with Ralph Nader's Public Citizen organization.

In a report entitled "Care of the Seriously Mentally Ill," Drs. Fuller Torrey and Sidney Wolfe, came to a heretical conclusion in their review of State programs dealing with the very serious and tragic problems of the seriously mentally ill.

What did they find? Drs. Torrey and Wolfe found no correlation between a State's wealth, its per capita mental health expenditures, or its Federal allocation of supplemental security income [SSI] funds or Social Security disability income [SSDI] funds and the quality of services provided to these deserving Americans.

That is right, Mr. President. No correlation between dollars and quality.

In fact, overall State expenditures averaged $30.27 per capita while Wisconsin, the State with the highest ranking for its quality programs, spent one-third less per capita—$20.32.

And what is more, the next highest four States similarly spent an average or less than average amount of funds per capita.

Mr. President, my point is simple. Money is vital to these programs. Many of these individuals are unintended victims of well-intentioned efforts to deinstitutionalize the mentally ill over the last two decades and they desperately deserve our full support. In fact, we may well not be doing enough.

But as Wisconsin, Rhode Island, Colorado, and other States have proven, money is not the sole answer. It is leadership. Creativity. An awareness of how to integrate incentives for efficient management into programs. And most of all, it is heart.

The badger State has proven that conclusively in this area. And we need to spend a little more time helping States to learn from successful examples and, thereby, increasing the efficiency of our programs. And we need to spend a little less time debating percentage increases in programs. It is clear that the answer does not lie with budgets alone.

Mr. President, I ask unanimous consent that an article from the American Psychiatric News summarizing this study be reprinted in the Record.

There being no objection, the article was ordered to be printed in the Record, as follows:

STUDY RATES MH CARE QUALITY BY STATE

The quality of state mental health services for the severely mentally ill is not determined by the amount of money poured into such services, according to a study released at a March press conference at the Health Research Group (HRG) in Washington, D.C. Internist Sidney M. Wolfe serves as director, and psychiatrist E. Fuller Torrey led the study. HRG is a component of the Public Citizen, a nonprofit organization founded by Ralph Nader.

Torrey and Wolfe described the study as the first state-by-state comparison of inpatient and outpatient programs for the approximately 2 million seriously mentally ill persons in the United States. Torrey told the press the study was designed to answer one major question—"If I had a mentally ill

relative, in which states would he or she be better off?"

The states emerging with the highest combined rating for inpatient and outpatient services were Wisconsin, Rhode Island, Colorado, Maine, Oregon, Iowa, and New Hampshire. The states with the lowest ratings were West Virginia, South Carolina, Montana, Texas, Delaware, Mississippi, New Mexico, and Hawaii.

Torrey and Wolfe found no correlation between the quality of services and the state's wealth, its per capita mental health expenditure, or its Federal allocation of SSI/SSDI funds. For instance, the study observed, states spend an average of $30.27 per capita on mental health programs for the seriously mentally ill; however, Wisconsin, the highest ranked state, spends only $20.32 per capita. The next four highest ranked states also spend "an average or below average amount of money" on mental health programs, Torrey said.

In contrast, the District of Columbia spends more than any state on mental health programs—$176.17 per capita—yet the study ranked the city 43rd.

After Washington, D.C., New York comes in as the second biggest spender, allocating $74 per capita. Despite this large expenditure, the study slated New York 26th among the states.

Arizona spends less than any other state—$9.51 per capita—and was ranked 33rd by the study.

The study also considered the progress states are making toward improving their programs. "The states moving ahead most strongly are Colorado, Florida, Maine, Ohio, Oregon, and Rhode Island," the study maintained. States beset by "major problems" that impede reform are Alaska, Arizona, Arkansas, Louisiana, Minnesota, South Dakota, and Wyoming.

Torrey and Wolfe conceded that their methodology was flawed by the subjective nature of some of their data and the varying amounts of information available for each state.

The ratings were based on surveys of state psychiatric hospitals conducted by HCFA, JCAH, and state departments of mental health, and on NIMH investigations of community mental health centers, states' handliing of mental health block grants, and community support projects.

In addition, the authors interviewed about 20 mental health professionals who had extensive experience with several state delivery systems. They also asked each state affiliate of the National Alliance for the Mentally Ill (NAMI) and a network of expatient groups to assess state services.

Torrey and Wolfe concluded that "only a handful" of local and state programs are "providing high-quality services for the seriously mentally ill." Because mental health planners failed to assure that resources would follow patients into the community, deinstitutionalization was simply "put on automatic pilot," they wrote.

The authors further maintained there is no correlation between the quality of state programs and the per capita number of psychiatrists and psychologists practicing in the state. According to their study, programs in states with the highest number of psychiatrists and psychologists per capita (D.C., New York, Massachusetts, Maryland, and Connecticut) "are only slightly, but not significantly, better" than those states with the fewest psychiatrists and psychologists (Mississippi, Idaho, Arkansas, Alabama, and Louisiana).

Torrey and Wolfe criticized APA, the American Psychological Association, and the National Association of Social Workers, charging that the groups are not truly concerned with the needs of the seriously mentally ill. Torrey acknowledged John Talbott, M.D., immediate past president of APA, as "a rare exception" among mental health professionals because of his unflagging support for patients in the public sector.

CONSUMER GROUPS LAUDED

In contrast, the study saluted the work of religious groups, consumer groups such as NAIM, and expatient groups such as Maryland's On Our Own. Strong leadership and active consumer groups "are the two most important factors in improving services," the study said.

NAIM President Jim Howe told *Psychiatric News* that he would like to see state-by-state comparisons of mental health services become "an annual affair." When questioned about the study's assertion that consumer groups must bear the primary responsibility for public education and lobbying, Howe said he hoped the authors "don't mean to exclude providers, both profit and nonprofit, from acting as advocates for the mentally ill." He noted that many providers are already advocating "very successfully."

Among the study's specific recommendations were making block grants of SSI/SSDI funds to eliminate conflicts between Federal and state governments; decentralizing services to a regional or county level; and encouraging consumer groups to meet with HCFA and JCAH survey teams. (NAMI President Howe said NAMI has recently begun exploring this possibility with the JCAH Board in Chicago.)

"Right Direction"

"As painful as it might be for some states, I think it's a step in the right direction to force public mental health systems to consider how they provide services for the seriously mentally ill," said former APA president John Talbott, M.D., reacting to Torrey and Wolfe's analysis of mental health services by states.

Talbott added that he had some reservations about the study's methodology, which he believes may not have given enough weight to demographic and geographic differences between the states.

Talbott, who is professor and chair of the department of psychiatry at the University of Maryland School of Medicine in Baltimore, also discussed the problem of recruiting psychiatrists into the public sector. He pointed to the accomplishments of the Maryland Plan, which has recruited young pyschiatrists to the state's facilities and established strong links between state hospitals and the University of Maryland School of Medicine. "In 10 years, 155 university-trained psychiatrists have entered the public system," Talbott said. "It's terrific evidence that . . . you can attract top-flight professionals."

Torrey and Wolfe also praised the Maryland Plan in their report. They suggested that states with severe shortages of mental health professionals, such as Mississippi, Idaho, and Arkansas, might launch scholarship or loan programs requiring recipients to repay their debts by serving for a specified time in the state mental health system.

Mr. GORE addressed the Chair.

The PRESIDING OFFICER. The Senator from Tennessee is recognized.

Mr. GORE. Mr. President, I would be delighted to yield 4 of my 5 minutes to the Senator from Wisconsin if he wishes to use it.

Mr. PROXMIRE. Mr. President, I appreciate very much the gracious and generous offer of my friend from Tennessee. But I am sure that what he has to say is at least or more valuable than what I have to say. I have spoken so many times that I like to listen to him.

Mr. GORE. I appreciate my colleague's warm words.

Mr. President, I would like to defer my remarks until the Senator from Washington arrives on the floor. I will take my 5 minutes after he presents his remarks.

Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. GORE. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

RECOGNITION OF SENATOR GORE

The PRESIDING OFFICER. Under the previous order, the Senator from Tennessee [Mr. Gore] is recognized for not to exceed 5 minutes.

Mr. GORE. I thank the Chair.

Mr. President, I ask unanimous consent that the remarks I am about to make appear in the Record after the remarks of the distinguished Senator from Washington [Mr. Evans].

The PRESIDING OFFICER. Without objection, it is so ordered.

S. 2328—A BILL TO PREVENT PRIVATIZATION OF POWER MARKETING ADMINISTRATIONS AND TVA

Mr. EVANS. Mr. President, I am introducing a bill today to prevent the administration from carrying out a foolish and ill-conceived idea—the privatization of the power marketing administrations. In its fiscal year 1987 budget documents, the administration has proposed to initiate a process leading to the privatization of the five power marketing administrations by the end of 1991. The rationale and process for carrying out such a far-reaching proposal are not explained. It merely states that such a process will be guided by three very general principals, including "seeking a fair return to the Federal taxpayers" and "recognized the benefits currently enjoyed by existing customers." Nobody in the administration appears to know what these words actually mean and no administration official I have discussed this with so far has been able to explain and justify adequately this initi-

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ative. They show a remarkable lack of knowledge about electric power systems and the regions that these PMA's serve, including the economy of the Pacific Northwest that the Bonneville Power Administration serves.

The administration seems to be confused between two different and competing motivations for such an initiative: budgetary and ideological. Do they expect to extract a huge amount of money out of the PMA's to reduce the Federal budget deficit over the next 5 years? If so, how do they intend to account for the forgone revenues, both from principal and interest, that the Federal Government is receiving from these very same PMA's? For example, Bonneville paid more than $670 million in principal and interest to the Federal Government in fiscal year 1985. Or, as it appears more likely, is the administration proceeding from primarily ideological reasons to get the Federal Government out of the business of producing and transmitting electricity? The indications thus far are that the administration is proceeding from the latter motivation. It is only in that context that we might understand the double whammy that the PMA's are receiving from the administration's fiscal year 1987 budget: A proposal to accelerate repayments of the Federal investment and, at the same time, a proposal to privatize that investment. In any case, most of the analysis and study behind the privatization proposals seems to be coming from think tanks such as the Heritage Foundation, which demonstrate a fundamental lack of knowledge and misunderstanding about the role the PMA's play in the economies of different regions of the country.

The reason I am introducing this bill now is that I believe the privatization proposal is causing substantial uncertainty among businesses and individuals in the Pacific Northwest and other areas of the country. The proposal has caused especially adverse results in the Pacific Northwest because the Bonneville Power Administration plays such a major role in our region's economy. Businesses and industries were built on the basis of cheap, reliable hydropower distributed uniformly to all entities in our region. Thus the Pacific Northwest is much more dependent on electric energy than other areas of the country. There are already clear signs of uncertainty in our region. New companies which may decide to invest in the region are expressing uncertainty about the future of electric power supply at reasonable rates. Existing companies delaying back from additional investments due to this uncertainty. For example, Alcoa Aluminum has announced publicly that it plans to shut down permanently 25 percent of its smelting capacity by the end of 1986. It has two large smelters that are at risk in my State. With that type of uncertainty in the Pacific Northwest now, corporate planners could easily decide to make those cuts in our area. Additional production capacity, when and if it occurs, will probably go overseas. This would undermine the genuine efforts that Bonneville has made over the last year to keep aluminum production operating within the region through short-term incentives rates and other proposals.

In any privatization scenario, rates will go up. Various groups have done preliminary studies on the rate impact, with differing results. Such estimates, of course, depend greatly on the assumptions on the sales prices, interest rates, ability to use tax-exempt financing, and so forth. I believe that it is unrealistic to assume a sales price less than the $8.9 billion for Bonneville that the administration has published as its starting point for privatization discussions. Anything less is dreaming, in my view. The Northwest Power Planning Council, of which I was formerly chairman, recently carried out a study of the rate impact of such a sales price, assuming a sale to a private corporation using taxable bonds with an AA rating. I believe that auctioning off to the highest bidder, with no preference for tax-exempt financing, is the likely scenario. The council found that such a sale would result in a 71-percent rate impact.

The administration somehow believes that ratepayers in the Pacific Northwest pay too little for electricity. However, the aluminum companies are already seeking rate relief and account for 20 percent of the region's load. The California utilities are refusing to buy surplus Northwest nonfirm power at current rates since oil-fired generation is now cheaper. British Columbia Hydo seeks to market hydropower to Northwest utilities at rates below some current charges.

It is obvious, therefore, that the administration cannot succeed in raising rates necessary to justify the sales price they suggest. They have proposed a classic catch-22 proposition. Sell at a high price, which would raise rates, which would reduce electric sales drastically, which would make a high sales price impossible.

My bill is short and quite simple:

First, it prevents the administration from the "sale, lease, transfer, or other disposition" of any of the multipurpose dams or transmission facilities for a period of 10 years upon the date of enactment;

Second, the prohibition covers all the essential activities of the PMA's—the generation and transmission of electric power. It does, however, allow the sale of property and assets under various statutes that are necessary in carrying out the normal business of operating a utility of the size and complexity of the PMA's;

Third, the bill applies to the Bonneville Power Administration, the Tennessee Valley Authority, the Western Power Administration, the Southeastern Power Administration, the Southwestern Power Administration. It, however, does not apply to the Alaska Power Administration since there are current discussions between the State of Alaska and the DOE over the transfer of these assets. It must be emphasized that the Alaska Power Administration's hydroelectric assets are very small and simple compared to the assets of the other PMA's.

Mr. President, I ask unanimous consent that the bill be printed in the Record and that several articles and editorials attached be included in the Record.

There being no objection, the material was ordered to be printed in the Record, as follows:

S. 2328

Be it enacted by the Senate and the House of Representatives of the United States of America in Congress assembled, That for a period of ten years from the date of enactment of this Act, no federal official may solicit proposals or accept offers for the sale, lease, transfer, or other disposition, either in whole or in part, of any power production or transmission facilities located in the conterminous forty-eight states which are owned or operated by any federal agency and whose electric energy is transmitted for sale by a federal power marketing administration or by the Tennessee Valley Authority; *Provided,* That this provision shall not apply to: (1) the authority granted under Section 2(e) of the Bonneville Project Act of 1937; (ii) to the authority of the Tennessee Valley Authority pursuant to any law under which it may dispose of property in the normal course of business in carrying out the purposes of the Tennessee Valley Authority Act of 1933, as amended; (iii) to any business transactions involving the production and transmission of electric power among federal officials that may occur in the normal course of business; (iv) to the authority of the Administrator of the General Services Administration pursuant to the Federal Property and Administration Services Act of 1949, as amended, and the Surplus Property Act of 1944 to sell or otherwise dispose of surplus property.

Statement of Richard K. Pelz [1]

I have retired from government service at this time because I am opposed to the Administration proposal to sell the Bonneville Power Administration and the other power marketing administrations of the Department of Energy. I cannot in good conscience work to implement this proposal because I believe it is economically disruptive, fiscally irresponsible, administratively harmful, and intellectually dishonest.

The Bonneville Power Administration is the foundation of the bulk power supply arrangements in the Pacific Northwest. It supplies 65 percent of the power and has built and operates 80 percent of the high voltage transmission system. It has contracts for power or transmission services with all of the utilities and most of the heavy industry in the region, and with numerous utilities outside of the region. After raising rates more than 600 percent in six years, it has pledged a period of rate stability so the region can catch its economic breath. To help the aluminum industry through the serious economic difficulties it is facing and to keep it operating in the region, Bonneville has proposed a variable rate pegged to the world price of aluminum.

The Administration proposal fundamentally to alter the ownership and operations of Bonneville and to further raise its rates will seriously disrupt the business arrangements upon which the economic health of the region depends. Plans for power supply have to be made years in advance. The uncertainty created by the Administration proposal may well drive the aluminum industry to leave the region and certainly will cause other disorder in the industrial and commercial life systems of the Pacific Northwest.

The Administration proposal is fiscally irresponsible because fire sales of government assets do nothing to solve the underlying fiscal problems that are leading to steadily growing budget deficits. In fact, such sales will probably make the fiscal situation even worse in the years to come. Bonneville pays more money into the Treasury than it take out. Last year it made a payment of $600 million—$374 million for imputed interest on unamortized investment and $226 million to repay a portion of that investment. If Bonneville is sold, not only will this annual income stop, but there are at least four kinds of hidden costs that almost surely will not be fully passed on to the buyer. First, Bonneville performs a combination of proprietary functions—such as the sale and transmission of power—and governmental function—such as conservation, fisheries development, environmental protection, and negotiations with the Canadian and British Columbia governments. Today, revenues from the proprietary operations pay the cost of the governmental function. If the two are split, the taxpayers will have to start paying for the governmental operations. Second, the sale of Bonneville will engender litigation that will be costly to the United States. Third, the new buyer will insist on placing a limit on Bonneville's existing open-ended obligation to subsidize future irrigation development. Fourth, in order to obtain agreement from a reluctant Congress to pass legislation authorizing the sale, the Administration inevitably will be forced to make deals that will diminish the monetary returns to the Treasury initially and over time.

The Bonneville Power Administration is the finest federal agency that I have encountered in my 34 years in federal service. It is lean, productive, efficient; everybody works hard and morale is high. The Administration proposal will divert scarce resources of time and skill away from more constructive efforts to help the region and the Treasury. More importantly, it will seriously harm the organization. The committed people who work for Bonneville do so in significant part because of a conviction they are serving the public interest. To tell them their only motivation should be private gain will undermine morale, disillusion many of the best people and cause them to leave, and disrupt the smooth functioning of this outstanding agency.

It is intellectually dishonest for the Administration to submit a budget to Congress that shows any significant revenues from the sale of Bonneville and the other power marketing administrations (PMAs) in near future years. The legal, technical, financial, administrative, and political problems to be resolved before a transfer can be consummated are enormous. For example: What do you do with the federal dams, which are operated by the Army Corps of Engineers and the Bureau of Reclamation for many purposes besides power, such as navigation, flood control, municipal and industrial water supply, irrigation, fish and wildlife and recreation? Do you transfer just the right to the power output, the powerhouse, or the complete dam and reservoir including the powerhouse? How is the buyer going to finance the transaction? If the buyer is a public agency, will it be permitted to issue tax-exempt bonds, which will reduce the returns to the Treasury? To what extent will the buyer assume responsibility for fish end wildlife programs, for conservation programs, for compliance with the Columbia River Treaty with Canada, for reimbursing the Treasury for the costs of past and future irrigation projects, etc? On what basis will price be determined? What happens to the Pacific Northwest Planning Council? Will the buyer be bound by the long-standing federal principles of preference in the sale of power to public bodies and cooperatives and of rates based on the recovery of costs without making a profit? What happens to the employees of the PMAs and the other affected federal agencies?

These problems and many more would take years to resolve even if there were a consensus in favor of the transfer, which there is not. The Administration's proposal to sell the PMAs popped up a month or so ago as somebody's bright idea about how to temporarily reduce the budget embarrassment and meet the Gramm-Rudman-Hollings targets. No serious staff work had been done in the Department of Energy to analyze or support it. The Administration proposed last year in the FY 1986 Budget to raise the rates of the PMAs through measures labeled repayment reform. This proposal was stopped dead in its tracks by Congress. Yet the proposed sale of the power administrations would lead to much higher rates. The Administration also proposed last year that the Alaska Power Administration be sold. This is a far simpler and far less controversial transfer to accomplish than transferring any of the other PMAs—it involves only two small single-purpose power projects, each with a radial line serving only one isolated market area; and the Alaska Power Authority, a state agency newly entering the power industry, is a logical customer. Yet the Administration a year later still has not submitted a bill to Congress to implement the proposed transfer because of a lack of interest and a lack of agreement on details. In view of this record, no assumption as to an early sale of any PMA other than Alaska can possibly be justified.

I have focused on Bonneville because it is the largest power marketing administration, but the same analysis applies to the other PMAs as well. They have raised their rates substantially in recent years. They pay back to the Treasury each year more than they spend. They have entered into power supply arrangements that are important to the regions they serve and would be seriously disrupted by the sale of the agency. They perform governmental functions as well as proprietary ones. They sell power from multiple-purpose dams operated by other federal agencies, the best known of which is Hoover Dam on the Colorado River. They are staffed by competent people committed to serving the public interest. There are hidden costs that would not be covered in the transfer. There is no political support for selling them, and there is a great deal of political opposition to a sale. Congress should reject the proposal to sell them—as well as the proposal to sell Bonneville—out of hand.

[From the Seattle (WA) Times, Feb. 27, 1986]

I'd Buy It Myself and Turn Out Lights

(By David S. Broder)

Washington.—The word is an atrocity, but the most appealing notion in President Reagan's 1986 program is "privatization." Selling off some of the government's facilities or functions to private enterprise or individuals is a jimdandy idea.

I am attracted to it in part because one of the things Reagan has in mind selling soon is the Bonneville Power Administration on the Columbia River, and I have been a Bonneville freak since I was 16.

That summer, two buddies and I celebrated the end of the war and our escape from home by bumming around the West. Bonneville Dam was the biggest thing I'd ever seen—a marvel to behold.

In the summer of 1969, when my own family was on the mandatory Western trip, I dragged my four sons off to see the dam for themselves. They complained bitterly on the drive over that they hadn't had time enough to gallivant around on Mount Hood. But when we descended into the great dam and felt the pounding of its power-plant turbines, they were as awed as I had been almost a quarter-century before.

The sale, to be honest, does not come up at a convenient time. I have some unexpected expenses around the house, and the car has not been running smoothly. But if there is a chance to buy Bonneville, I'm going to buy it.

In megalomaniacal moments, I think what fun it would be just to stand there with my hand on the switch and say, "Goodnight, now, Portland," and turn out the lights.

But what I really covet is the fish ladder. It would be great to go down to the dam at the end of a trying day and just watch the salmon go by. My salmon climbing my fish ladder. Feel like some salmon for dinner? Well, sure. How about that one? Help yourself.

Sen. Mark Hatfield, R-Ore., was quoted as saying that Bonneville would be sold "over my dead body." But you know that in politics, money talks, and I figure Hatfield just wants to be sure Reagan gets a good price.

It did bother me some that Fortune magazine, which might have been thought likely to understand the attractiveness of privatization, had an article by Lee Smith saying, "The administration's plan to sell off the government is a political, not an economic, measure."

But as I thought about it, Smith's proposition became less offensive and more accurate.

Indeed, nothing so clarifies the question as to whether something should be done by

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[1] Richard K. Pelz has been the senior power marketing attorney with the Department of Energy in Washington, D.C., and with the Department of the Interior before the power marketing program was transferred, for 19 years. He is the editor of a three-volume reference work on federal water and power law entitled "Federal Reclamation and Related Laws Annotated." He is Vice President of the Federal Executive and Professional Association. He has retired after 34 years of federal service.

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the government as to ask: Is it something you'd want if the government were offering it for sale?

There are many things beyond Bonneville I'd like to buy from the government, but "nonlethal aid" to the contras would not be among them. Far more appealing to me are a couple of lighthouses in northern Michigan or that underwater national park off St. John's in the Virgin Islands.

If the notion catches on, it could produce some healthy competition among Cabinet members. Suppose that Reagan establishes an incentive program in which the more a department sells, the more money it will have to buy some new things. Cap Weinberger would have funds for the Strategic Defense Initiative lasers only if he could peddle several hundred of his Bradley Fighting Vehicles as being for freeway and RV use in California.

Similarly, on the domestic side there is much to recommend the privatization strategy. If you were running the Department of Agriculture, would you give out food stamps to good customers? I suspect that in order to keep the farmers going in these tough times, I would, and not grudgingly, either.

I know it would be great to have clinics for expectant mothers and premature infants operting under my name, to say nothing of having an aircraft carrier or two at one's call. No mugger is going to give you any trouble when he understands you have your own aircraft carrier, just over the horizon.

If the Department of Transportation underwent privatization, there might still be subsidies for mass transit—but not for any city with so little pride that it tolerated graffiti on its subway cars or Mayor Koch at the controls.

The Treasury Department would give out toaster ovens to those patriotic enough to buy bonds, and if you made a really big purchase to help refinance the debt, you might get a compact-disc player.

The Department of Justice could sell its own brand of affirmative-action certificates, in gold or silver, reading: "I'm so sincere in my belief in equality, I don't have to prove it."

There really is no limit to the privatization strategy—except at the White House fence. I don't think we should sell the White House, no matter what complaints we may have about the way Donald Regan runs it. There has to be someone in America tough enough to fire Lee Iacocca, and Regan just proved he is the man.

Any week that liberates Ananoly Shcharansky from the Soviets' grip and the Statue of Liberty from Iacocca's embrace is a great week for privatization.

[From the Seattle Times/Seattle Post-Intelligencer, Feb. 16, 1986]

SALE OF BPA THREAT TO NW

The future of the federal Bonneville Power Administration is an issue of increasing concern in the Pacific Northwest as well as in Washington, D.C. It results from the Reagan administration's proposed sale of the agency within the next few years and, in the meantime, accelerated payments on the region's BPA debt to the U.S. Treasury.

Both of these proposals would be damaging, perhaps even devastating, to the Northwest economy which is so heavily dependent on relatively low electric-power rates.

One possible means of dealing with this threat, under discussion, is regional, four-state purchase of the BPA system and its hydro-electric power assets to enable the Northwest to gain control of its own economic destiny. That could be an ultimate answer, but it's far from a problem-free solution. The best outcome would be for the BPA's current status, including its regional debt repayment structure, to be maintained. It's to that end that the region's efforts in Congress must be addressed.

Sen. Dan Evans, R-Wash., former chairman of the Northwest Power Planning Council and member of the Senate Energy Committee, has become a leading spokesman on behalf of maintaining BPA's status quo.

In arguing against accelerated Northwest payments on the BPA debt, which would raise electric rates accordingly, Evans notes that higher rates would not necessarily produce more federal revenue because they would be accompanied by a decline in regional economic growth and stability.

As for sale to the highest bidder, the most likely prospect would be BPA's purchase by California utilities which drool at the thought of diverting Northwest power to the Southwest.

"This is clearly the option that we must fight most strongly," notes Evans.

As for a regional BPA buyout, problems would include the need to renegotiate some 10,000 existing BPA contracts, the fact that public utilities could lose their priority rights to regionally generated power, and the danger that a regional entity could have less authority to prevent a California power grab than the federal BPA.

A regional buyout remains a possible option worthy of further study, but maintenance of BPA's existing status clearly should be the Northwest's goal for now.

[From the Puget Sound Business Journal, Feb. 17, 1986]

SALE OF BPA SYSTEM WOULD CAUSE CHAOS

The only beneficiaries of the Reagan administration's proposal to sell the Bonneville Power Administration likely will be attorneys.

That's the only clear conclusion people can draw from the state of near chaos into which the Northwest's energy planning has been thrown by the administration's desire to "defederalize" the region's federally controlled power grid.

Before any sale takes place, a thicket of practical and legal questions needs to be addressed.

What, specifically, is for sale? The BPA owns the major electrical grids in Washington, Oregon, Idaho and western Montana and the huge intertie line connecting the region with California. But it doesn't own any of the 30 dams from which it obtains power—they're owned by the U.S. Army Corps of Engineers and the U.S. Bureau of Reclamation.

What happens to preference? Under current law, Bonneville must give first priority to power customers in the Northwest, especially municipal utilities or public utility districts. In any sale, if preference is maintained, investor-owned utilities likely will object in court. But if preference is eliminated, public utilities are bound to moan before the bench.

What happens to BPA's antitrust immunity? As a federal agency, Bonneville is exempt from provisions of the Sherman and Clayton Antitrust Acts. But that wouldn't be the case if a private entity took over the agency.

What happens to the separate contracts Bonneville has with some 10,000 parties? Those contracts can't be changed without the consent of both parties, so all likely would have to be renegotiated.

How will the sale affect Bonneville's WPPSS liabilities? Bonneville has acquired the power produced by WPPSS plants Nos. 1, 2 and 3. But if the federal agency is no longer a party to the power agreements, bondholders of those projects might fear that the security of their investment has been jeopardized. They could go to court arguing that the sale has brought their bonds into technical default and demand immediate payment of principal and accrued interest on their investment.

Only lawyers can get excited about these questions. But they should make the rest of us shudder.

During the 1980s, energy and securities attorneys have turned WPPSS litigation into a professional welfare trough. The Reagan administration's BPA proposal looks like it would perpetuate that welfare system well into the next decade.

[From the Idaho Statesman, Mar. 26, 1986]

SELLING BPA: IT AIN'T BROKE, SO WHY FIX IT?

For nearly 50 years, the Bonneville Power Administration has been as integral to the economy of the Pacific Northwest as the high-voltage power lines that crisscross the Cascades. Selling the BPA could unravel all that.

Born of the Reagan administration's philosophy that government shouldn't do what private industry can, the president has proposed selling the electrical giant. As a practical benefit, the $8.85 billion sale price would help reduce the federal deficit.

How deeply ingrained the BPA has become in the Northwest is measured by the nearly unanimous opposition of regional politicians to its sale. It's one issue on which Idaho's conservative Republican Sen. Steve Symms and moderate Democratic Gov. John Evans—who are running against each other for the Senate this year—agree.

First off, the $8.85 billion asking price is all wrong. The BPA values its worth at $22 billion. The Heritage Foundation think tank suggests $38.8 billion as a price tag. The president's figure would only dent the deficit.

Secondly, there's not evidence that the BPA could be better run by private enterprise. Its customers—about half the electricity users in the Northwest, including 200,000 Idahoans—seem happy with the service. A big reason is that its electric rates are the nation's lowest. Under Administrator Peter Johnson, a former Trust Joist Corp. president, the BPA's financial picture has stabilized and the utility is again paying back principal on its federal loans.

Most importantly, since its Depression-era creation in 1937, the BPA has become as essential to the Northwest economy as timber on the Cascade slopes. The BPA has 3.7 million customers, 14,000 miles of transmission lines and operating revenues of $2.8 billion; it is crucial to Northwest businesses employing 400,000 people.

Selling the BPA surely would mean higher power rates. One study predicted that rates would jump a third if the BPA were sold at the government's $8.85 billion price. If the BPA were sold for $22 billion, rates might skyrocket 218 percent. That could mean a loss of 100,000 Northwest jobs and cost the government more in lost taxes than it earned from the sale.

Even speculation about selling the BPA jeopardizes the economic health of a four-

state region. It's unthinkable to place the Pacific Northwest's future in the hands of a few profit-minded out-of-staters.

The BPA has worked well these 49 years, ain't broke, and needs no fixing. In Mr. Johnson's words: "Whatever we do, don't destroy what we have in search of something that is just a vision."

AN INTERNAL MEMORANDUM OF SEATTLE CITY LIGHT

In recent months, a number of proposals have surfaced in the Northwest and in Washington, D.C. relating to the possible sale of the Bonneville Power Administration (BPA or Bonneville) by the federal government.

Threshold questions which arise in this connection are as follows:

A. *What is to be sold?*

BPA itself owns and operates only the regional electric transmission system. By law, it markets the power from generating facilities at dams owned and operated by the Bureau of Reclamation and from the Army Corps of Engineers. By separate Acts of Congress it has also acquired through exchange and net billing arrangements, the project output of the Hanford Generating Project owned by the Washington Public Power Supply System together with the output of Supply System Plants 1, 2, and 3. (WNP 1/2/3). As a result of the default by the Supply System on revenue bonds issued to finance the construction of Supply System's plant 4 and 5, Bonneville is also still involved, despite a recent district court ruling favorable to it, in securities litigation relating to those plants. Thus, any such proposal must address in detail all the various facets of Bonneville's activity and make clear what it is that is being sold.

As a practical matter, it would seem likely that the obligation of BPA with respect to all the WPPSS plants would have to be assigned along with the transmission facilities of Bonneville itself. It might be possible, however, to separately dispose of the actual generating plants owned by the Corps and by the Bureau.

B. *Who will be the Buyer?*

It has been suggested on one hand that the sale should be to the highest bidder. In such case California entities, private power companies and/or Canadian interests would certainly be potential purchasers. On the other hand it has been suggested that the sale should be made to a consortium of public agencies or an interstate compact in the Northwest. The outcome of this basic question promises to be a heated policy struggle that would dramatically affect the nature and type of sale arrangements.

C. *What will be the price?*

Suggested Sale prices have ranged from a debt-based $3-5 billion to a value-based $25 billion. The answer to these questions lie primarily not with economic analyses, but with policy determinations.

This memorandum of course does not answer these ultimate questions of sales price, subject matter, or possible purchasers. Its purpose is to identify certain general factors which must be taken into account in any proposed arrangement.

1. Existing BPA Contracts:

Virtually all BPA contracts—about 10,000 in all—preclude assignment or amendment of the rights and obligations of Bonneville except to another government agency without the consent of the other parties. These agreements, in turn, refer to and are predicated upon the statutory and administrative structure of federal regulatory processes by which BPA rates and policies are established. This being the case, any disposition of Bonneville assets would have to satisfy all existing parties to Bonneville contracts. A unilateral assignment of Bonneville contracts detrimental to any nonfederal party would surely be the subject of serious challenge.

One example of the degree to which Bonneville's actions are tied to the federal regulatory process serves to illustrate the difficulty of disentangling these ties. FERC has recently held that, while under the Northwest Power Planning and Conservation Act it lacks authority to review and determine the reasonableness of rate design, it nevertheless has a statutory and contractual obligation to review cost based rate levels, predicated upon federal treasury repayment levels. Thus, any purchaser of Bonneville's rights and obligations could be limited to those rates now charged by Bonneville, absent clear Congressional action to the contrary, which itself would be subject to court challenge. The outcome of a dispute over rate flexibility by a purchaser is unpredictable, and contributes to the continuing uncertainty regarding what really would happen if Bonneville were sold.

2. The Pacific Northwest Preference Act (PL 88-552):

The Pacific Northwest Preference Act mandates that Bonneville must give first priority in the sale of electricity to Northwest entities. Any sale arrangements would have to take into account existing contract elements which have implemented terms and provisions of this regional preference. However, what Congress can do in one session it can undo in another. Any sale to the highest bidder could eliminate any future regional sale restrictions, especially if bids from California entities are invited. Thus, Pacific Northwest preference would be placed at high risk during any sale process. Any change in regional preference would likely result in a substantial transfer of economic benefits presently enjoyed by the Northwest to California entities.

3. Antitrust Provisions:

At present Bonneville, as an agency of the United States Government, enjoys immunity from the provisions of the Sherman and Clayton Antitrust Acts. Any sale of Bonneville assets, either to private parties or a regional consortium, could hardly be expected to carry with it such general or even limited immunity. It is, therefore, to be expected that future operations of any purchaser would be considerably more constrained by antitrust considerations than is Bonneville.

4. Intertie Access Policy:

Bonneville's intertie access policy which regulates access to the intertie in a manner favorable to the Northwest (and which has been recently upheld by the Ninth Circuit against a California challenge) would certainly be jeopardized. The Ninth Circuit decision focused primarily on the board, regulatory powers of Bonneville as a federal agency. Removing Bonneville's status as a federal agency removes the underpinning for the preservation of the intertie access policy. There is little question that in any sale, questions relating to intertie access from the Canadian Border to California would be the subject of both scrutiny and substantial pressures for change. As in the case of regional preference, any change in the intertie access policy would probably produce a transfer of economic benefits from the Northwest to California.

5. Washington Power Supply System Contract:

All contracts to which Bonneville is a party can not be unilaterally abrogated. Thus, the provisions of all exchange and net billing arrangements would have to be taken into account, as well as continuing contingent liabilities resulting from Projects 4 and 5. If BPA's obligations under the WNP 1, 2, and 3 net billing agreements are transferred, the bondholders and bond trustee could regard this as an impairment of underlying security, giving rise to an asserted event of default, which in turn could trigger the entire principal and accrued interest on the WNP 1, 2, and 3 bonds to become due and payable immediately.

6. Bonneville's Supply System Liabilities:

Any sale of BPA would still mean that BPA would remain liable for contingent Supply System liabilities for actions which had taken place prior to the sale. To meet this problem, the government could either eliminate such liability by settling the litigation, or indemnify the buyer from and against any such liability. The absence of federal indemnification could seriously inhibit a sale, however, since the potential buyer would have no way of knowing the extent of its exposure.

7. Pacific Northwest Power Planning and Conservation Act:

An elaborate administrative process has now been set in place dealing with regional power planning, conservation, and fish and wildlife matters. In the event of sale of the federal power system, there is little reason to believe that these matters would not again be the subject of renewed public inquiry and probable change. Thus, all existing arrangements relating to power planning, conservation, and fish and wildlife protection which are only now achieving some stability would again be thrown into flux.

8. Pacific Northwest Coordination Agreement of 1964:

The Coordination Agreement provides basic ground rules under which the coordinated hydroelectric and steam generating plants of the Pacific Northwest are operated. Bonneville is a party to this contract. Without question any sale arrangement would have to take this "charter-type" contract into consideration. No amendment of the Coordination Agreement is possible without the consent of all parties and any unilateral violation of its terms by Bonneville, would amount to an impairment of a contractual obligation and possible lawsuits in the Courts of Claims and lawsuits under the due process clause of the Fifth Amendment. In addition, the United States Constitution specifically prohibits states from acting to impair the obligation of contracts. Consequently, any interstate compact arrangement or any other type of sale based an individual state legislation could be challenged under the U.S. Constitution.

9. Public Agency Preference-And Beyond:

Finally, and perhaps most importantly, a basic and fundamental provision of the existing Bonneville Project Act and the Northwest Power Planning and Conservation Act is and has been the preference in power sales accorded to public agencies. We have recently seen, in the development of sweeping amendments to federal hydroelectric relicensing legislation, that Congressional support for public preference has weakened substantially. It is therefore reasonable to project that any legislation relating to the sale of Bonneville could result in the elimination or reduction of preference, all to the disadvantage of Seattle and every other public power system in the Northwest. The

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results of such weakening of preference would become even more impalpable after expiration of the existing power sales contracts since contractual protection would then disappear.

TO PROHIBIT SALE OF PMA'S/ TVA/BPA

Mr. GORE. Mr. President, today I join my distinguished colleague from Washington, Senator Evans, in introducing legislation to prohibit the selloff of the Federal power marketing administrations and the Tennessee Valley Authority.

The administration has been floating this idea for 5 years, so the current proposal to dump the power marketing agencies—part of the President's budget—is no surprise. But Mr. President, this is an idea whose time has still not yet come, and in my view, will never come. And I am confident that, for the foreseeable future, it is an idea that the Congress will forcefully reject. That is the intention of the bill we introduce today, and we urge our colleagues to join us in sending the administration that message loudly and clearly.

Let me take a moment to note some of the implications of such a fire sale of United States' assets.

Although the administration now says it does not intend to auction off the Tennessee Valley Authority, there is no secret that officials at OMB have been studying this idea. Without question, such a plan would devastate the entire Tennessee Valley region, wreak economic chaos, eliminate vital fertilizer research, demonstration, conservation, and environmental quality programs. A half century of success in one of this country's most important public programs would be tossed on the heap like surplus GSA office furniture.

Instead of producing an alleged windfall for the Treasury, the process of disposing of one of our most valuable public assets would carry enormous costs in itself, produce nominal Treasury revenues at best, yet drive up electricity rates for millions of Americans, all to satisfy the current obsession with the concept of "privatization."

If the news of the administration's early plan to sell off TVA was a trial balloon, then let us put the pin to it without delay. It deserves to burst before leaving the ground.

The proposal to sell off the power marketing administrations, on the other hand, is no trial balloon. The administration is deadly serious about this proposal and committed to what I believe is an equally flawed proposition.

The Department of Energy operates five PMA's which sell electric power produced from hydropower resources on public waterways. The five PMA's are Bonneville in the Northwest, and Western, Southeastern—which has corps dams on the Tennessee River—Southwestern, and Alaska. These facilities include dams built by the Corps of Engineers and the Bureau of Reclamation.

The PMA's wholesale this hydropower under contracts to utilities at cost of production and transmission. PMA's repay the Federal Treasury for the public investment in these facilities. It costs the taxpayers not one penny.

The President's fiscal year 1987 budget proposes to sell all PMA-operated transmission facilities. The selloff would occur by auction or direct negotiation with "regional and private interests." The administration claims a total deficit reduction of $12.7 billion over the next 5 years. Mr. President, I believe that savings is pure illusion. In fact, I believe it is not deficit reduction that the administration seeks in this fire sale but simple ideological purity in the pursuit of privatization for its own sake.

Let me take a moment to describe how the PMA fire sale would affect Tennessee.

TVA and other public and private utilities throughout the Southeast have long-term contracts to purchase hydropower from the Southeastern Power Administration [SEPA]. TVA then resells this hydropower to local distributors for their residential customers under provisions of the TVA Act restricting low-cost hydropower to residential users.

In 1984, TVA purchased from SEPA, and resold to valley distributors, approximately 3.2 billion kilowatt hours of electricity from SEPA dams, or 4.5 percent of all of TVA's sales. TVA paid SEPA approximately $14 million for that power.

If SEPA assets were sold to the highest bidder, its new charges for power would be, at minimum, the estimated market cost of replacement power. Even if the high bidder would agree to continue selling that power to TVA ratepayers, TVA would then be forced to pay approximately $125 million for power now costing $14 million.

A $110 million increase in TVA electricity costs would force an overnight rate increase for TVA ratepayers of about 7 percent. Those increases would be mirrored throughout the country as utilities face greatly increased costs for PMA-marketed hydropower. In addition to skyrocketing ratepayer increases, the administration's plan is flawed in other ways:

First, the purported Treasury windfall from a selloff of the PMA's is highly speculative. Not a single administration study has been presented to credibly support the revenue levels anticipated from such a sale. Whatever did come would be from the pockets of electricity ratepayers. There has never been a similar selloff from which to analyze transaction costs, market participation, and so forth. For example, the DOT's plan to sell Conrail, at $1.2 billion, is the largest such effort ever undertaken by the U.S. Government.

Second, even if these assets could be sold, the price would be so high as to force either a breakup of the systems involved, or such a degree of financial leverage as to endanger the very solvency of the power distribution systems.

For example, if unguaranteed bonds were issued to finance a purchase of Corps of Engineers or Bureau of Reclamation dams, billions of dollars of new capital would be needed, at interest rates sufficiently high to attract investors. Those costs would necessarily be passed on to utilities, who then might be forced to build new capacity from nuclear or coal-fired facilities. In any event, utility planning would be disrupted, directly affecting their customers.

Third, the administration has not taken into account the legal commitments that currently exist between the PMA's and the utilities. TVA's contract, for example, is in place through 1994.

Fourth, these corps and land reclamation dams were built to provide public benefits and produce economic growth for the regions they serve—not to create a corporate windfall opportunity for investors taking advantage of a Government fire sale.

Fifth, the public investment in PMA facilities is being paid back. Mr. President, it is being paid back with interest. There is no taxpayer subsidy involved. Yet, if private investors purchase these assets, it is certain that huge tax deductions or credits would subsidize the sale—in other words, the selloff itself would be subsidized by the taxpayer. That, in fact, has been one of the major criticisms of the Conrail sale, although there are many differences between the two cases.

Mr. President, the list of reasons to oppose the selloff of TVA and PMA goes on and on. In fact, there are simply no credible reasons to support the administration plan. The bill Senator Evans and I and others will introduce today would foreclose the administration from advancing such a wrongheaded proposal disguised as a deficit reduction move. I urge my colleagues to support this legislation

PROHIBITING THE SALE OF POWER MARKETING ADMINISTRATIONS FOR A 10-YEAR PERIOD

Mr. BAUCUS. Mr. President, I am pleased to join my distinguished colleague from Washington [Mr. Evans] and others in sponsoring legislation to prohibit the transfer or sale of Federal Power Marketing Administrations [PMA's] or the Tennessee Valley Authority.

The Reagan administration has advocated the sale of a number of government assets including the five power marketing administrations. The administration has proposed the sale in order to get the Government out of activities that it believes the private sector could perform more efficiently. In addition, the administration argues that the sale of the PMA's will reduce the Federal budget deficit and contribute to fiscal restraint.

Selling the PMA's in the name of budget savings and deficit reduction is short-sighted at best. It is false and dishonest at worst.

Sale of the PMA's would be fiscally irresponsible, and would lead to a breakdown of the delicate but effective balance between public and private utilities.

A quick sale of the PMA's would do nothing to solve the underlying fiscal problems that have led to steadily growing budget deficits. Government asset sales generally result in only temporary reduction in the Federal budget deficit. In fact, such sales would probably make the situation worse in years to come.

Unfortunately, in its efforts to cut the deficit the Reagan administration has identified a target that pays more money into the Treasury than it takes out. For example, last year the Bonneville Power Administration made a payment of $600 million to the Treasury—$374 million for imputed interest on unamortized investment, and $226 million to repay a portion of that investment. This payment meets the repayment obligations to the Treasury under current law.

I question the validity of the Reagan administration's claim that privatizing government assets leads to an improvement in the quality of service at a lower cost in the case of PMA's.

If the Government sells an asset to the private sector, the sale should be arranged in a way that ensures the support of the employees, management, and customers alike. The goal should not be to squeeze every dime possible out of the sale. Unfortunately, the Reagan administration's proposal to privatize Federal Power Marketing Administrations is driven by ideology rather than by sound business judgment.

The effect of privatization would certainly be higher electric rates for millions of consumers. Refinancing costs would have to be passed on to consumers. This would be catastrophic for regions that receive a substantial portion of their electricity from a Federal power program.

In the Northwest, a significant increase in electric rates would send more of the struggling aluminum industry overseas, where foreign governments who believe in fostering industry would provide reasonably priced hydropower.

This would lead to an enormous power surplus. Homeowners and businesses would be forced to pick up the Bonneville Power Administration's operating costs abandoned by the aluminum industry.

In recent years, all five PMA's have raised their rates substantially. Each year they pay back to the Treasury more than they spend.

All five PMA's have entered into power supply agreements that are vitally important to the regions they serve. These agreements would be seriously disrupted by a sale.

The PMA's perform proprietary functions as well as government functions. A sale would force the transfer of governmental functions such as conservation, fisheries development, and environmental protection to another Federal agency. Today, revenues from the proprietary operations pay the costs of the governmental function. A sale would force taxpayers to pay for the governmental operations.

Privatizing the five Federal Power Marketing Administrations would penalize millions of consumers by unnecessarily driving up rates.

The American people should continue to benefit from the services provided by the five PMA's. Selling them would be a great disservice to all utility customers.

I urge my colleagues to support this crucial legislation.

ROUTINE MORNING BUSINESS

The PRESIDING OFFICER. There will now be a period for morning business.

OPPOSITION TO CERTAIN IMPORT RESTRICTIONS IMPOSED BY EUROPEAN COMMUNITY ADVERSELY AFFECTING U.S. AGRICULTURAL EXPORTS

Mr. DOLE. Mr. President, I send a concurrent resolution to the desk on behalf of Senator Helms, Senator Zorinsky, and others, and ask for its immediate consideration.

The PRESIDING OFFICER. The clerk will report.

The assistant legislative clerk read as follows:

> A concurrent resolution (S. Con. Res. 129) expressing the sense of Congress in opposition to certain import restrictions imposed by the European Community that adversely affect United States agricultural exports and urging the President to use to the fullest extent his authority to respond to these practices.

The PRESIDING OFFICER. Is there objection to the request of the Senator from Kansas?

Mr. BYRD. No objection.

There being no objection, the Senate proceeded to consider the concurrent resolution.

EUROPEAN COMMUNITY CONCURRENT RESOLUTION

Mr. HELMS. Mr. President, today I am joined by the majority leader, the distinguished ranking minority member of the Committee on Agriculture, Senator Zorinsky, Senator Wilson, Senator Boren, Senator Boschwitz, and Senator Danforth, among others, in bringing to the Senate floor a concurrent resolution expressing the sense of Congress in opposition to the European Community's latest round of restrictions on U.S. agricultural exports and urging the President to use to the fullest extent his authority to respond to these practices.

When the European Community was expanded to include Spain and Portugal in January of this year, additional restrictions were placed on American agricultural exports that could affect as much as $1 billion in U.S. farm exports annually.

As the language of the resolution points out, the oilseed, oilseed product, and grain purchase quotas imposed by the EC, effective March 1, 1986, are in violation of the GATT. Moreover, the replacement of GATT-bound 20 percent tariffs on corn and grain sorghum imports entering Spain with the EC's variable levy system, which is currently equivalent to a tariff of more than 100 percent, is in violation of previous agreements and international trade rules.

On March 31, President Reagan announced his intention to use existing authority to retaliate against these illegal, trade-restrictive practices of the EC by imposing quotas and tariffs on an equivalent value of EC products entering the United States, including white wine, mineral water, fruit juices, vegetables, and cheese.

I fully endorse the action of the administration to get tough with the Europeans. It exemplifies the President's pronounced "free but fair" trade policy.

Mr. President, I have long urged a more aggressive policy in dealing with the predatory trading practices of our friends across the Atlantic, the European Community. The EC's Common Agricultural Policy has had an extremely detrimental effect on our agricultural exports—to the extent that many international agricultural experts suggest that much of the blame for our current surpluses can be laid at the feet of artificially induced overproduction in the EC.

I sponsored the inclusion of funds in the 1981 farm bill to provide targeted export assistance, expressedly to combat the unfair, predatory trading practices of the European Community. Funding for similar activities was included as part of the 1985 farm bill. In my opinion, this is money well-spent, to reopen international markets where the EC has unfairly closed the door on our exports.

Some senators have noted concern that supporting this resolution would place one on record as opposed to the EC's accession of Spain and Portugal. This is not the case. This resolution is intended to clarify the position of the Congress in this matter and to strengthen the hand of the administration in negotiating a favorable resolution—including Secretary Lyng and Ambassador Yeutter, who will depart for negotiations in Europe tomorrow.

I urge the Senate's support of the resolution.

CONCURRENT RESOLUTION ON EEC TRADE PRACTICES

Mr. WILSON. Mr. President, I am pleased to cosponsor this resolution whose enactment is critical to all sectors of American agriculture, both now and in the future.

This resolution urges the President to use his full authority to retaliate against the new restrictions on grains and oilseeds in Spain and Portugal which adversely affect U.S. exports, unless the United States receives prompt and complete compensation for any loss of trade resulting from the enlargement of the European Community.

In addition, it expresses congressional opposition to the unjustified threat of the European Community to counterretaliate against additional American agricultural products. I applaud the President's courageous and proper decision to stand up for the rights of the American farmer. As noted in the resolution, the EC on March 1 put into place the first transition measures to bring Spanish and Portuguese agricultural policies in line with the Common Agricultural Policy. Some of you may recall the remarks I made on this subject 2 months ago before these new import restrictions went into effect. Many of us subsequently sent a letter to the President last month to urge him to pursue to the fullest extent the American right to compensation under the rules of international trade by preparing and using a comprehensive list of items for retaliation against the European Community.

I am encouraged that the Administration, by announcing possible retaliatory measures, has elected to demonstrate that we will no longer stand idly by and let the American farmer pay the price when the EC decides to add new members. When Secretary Lyng and United States Trade Representative Yeutter go to Brussels this week for 11 hour negotiations, I certainly hope that they will stand firm in their defense of American agriculture. I believe that the passage of this supportive resolution will assist them in their meetings.

No doubt some of my colleagues who are familiar with this issue may wonder why Pete Wilson, a Senator from California, is actively involved in the fight on a grain and soybean issue. There are a number of reasons why. We must support the resolution being offered today because the new EC restrictions immediately threaten $1 billion in American exports—not just grain and soybeans. Ultimately, because the enlargement of the community will affect all sectors of American agriculture, we must support this resolution as a matter of principle: for far too long the EC has abused international agricultural trade rules and American goodwill and gotten away with it.

California knows too well the wrath of EC unfair trade practices aimed at its citrus, canned fruit, and raisin exporters. California walnut and lemon producers were the most recent victims of unjustified EC trade retaliation during last year's pasta war.

Not surprisingly, the EC has again targeted many of California's lucrative products for counterretaliation. This time, wine, prunes, fruit juices, and California's $185 million worth of almond exports to Europe are on the EC's hit list. Although California producers ask nothing more than a fair market in which to compete, once again, they might be the victims of unfair agricultural trade practices by other governments.

In spite of today's resolution, the greatest danger posed to California by the accession of Spain and Portugal is not the quotas on soybeans and the variable levies on grain. California's danger is long-term. Thanks to the subsidies of the Common Agricultural Policy, Spain and Portugal will become the "Californias of Europe," producing and exporting abundant supplies of fruits, nuts and vegetables. But unlike California, Spain and Portugal do not seek a fair market in which to compete. They seek what other EC agricultural producers already receive: open-ended subsidies to grow, process, market and export their fruits, nuts, and vegetables. And as those subsidies flow, Spain and Portugal threaten to strip California exporters of their hard-earned markets in Europe and abroad.

That explains why I feel so strongly about this confrontation which, for now, harms our grain and soybean producers. But unless the EC knows that we do not intend to let our farmers pay the price for the enlargement of the community, our agricultural producers of numerous other commodities may lose many export markets forever.

For these reasons, I urge my colleagues in the Senate to cosponsor this resolution and to vote overwhelmingly for its prompt adoption.

The PRESIDING OFFICER. The question is on agreeing to the concurrent resolution.

The concurrent resolution (S. Con. Res. 129) was considered and agreed to.

The preamble was agreed to.

The concurrent resolution, with its preamble, reads as follows:

S. Con. Res. 129

A concurrent resolution expressing the sense of Congress in opposition to certain import restrictions imposed by the European Community that adversely affect United States agricultural exports and urging the President to use to the fullest extent his authority to respond to these practices.

Whereas, as part of the terms under which Spain and Portugal joined the European Community in January of this year, the European Community has imposed quotas on oilseeds and oilseed products in Portugal, in violation of the General Agreement on Tariffs and Trade (GATT);

Whereas the European Community has imposed a quota requiring that Portugal purchase at least 15.5 percent of its grain from other European Community countries, in violation of the GATT;

Whereas the European Community has replaced GATT-bound 20 percent tariffs on corn and grain sorghum imports entering Spain with the European Community's variable levy system, which is currently equivalent to a tariff of more than 100 percent, before negotiating compensation as agreed to previously and directed by international trade rules;

Whereas the restrictions imposed by the European Community will impair access for a much as $1 billion worth of United States agricultural products to markets in Portugal and Spain and adversely affect the economic livelihood of United States farmers and related industries;

Whereas, despite Cabinet-level approaches to the European Community in recent months, the European Community has been unwilling to rescind the illegal quotas or to compensate the United States for the damage caused by the higher tariffs;

Whereas prior enlargements of the European Community in 1973 and 1981 have adversely affected United States agricultural exports to the Community;

Whereas the President on March 31 announced his intention to use existing authority to respond to the restrictions of the European Community by imposing quotas and tariff increases or by withdrawing tariff bindings to produce equivalent restrictive effects or comparable loss trade on European Community imports into the United States; and

Whereas the President's proposed actions to defend legitimate United States trade interests are consistent with his belief in a free but fair trade policy: Now, therefore, be it

Resolved by the Senate (the House of Representatives concurring), That it is the sense of Congress that—

(1) the Administration should continue to firmly oppose actions by the European Community to (A) impose quotas on oilseeds and oilseed products in Portugal, (B) impose a grain purchase requirement quota on Portugal, and (C) place variable levies on corn and grain sorghum entering Spain before negotiating compensation; and

(2) unless the European Community rescinds the trade-restrictive measures referred to in clause (1) or the United States receives prompt and complete compensation for any loss of trade resulting from the enlargement of the European Community, the Administration should take actions, such as the President has announced, to impose trade restrictions on a sufficient value of exports of the European Community to the United States to reestablish the balance of concessions under the GATT and other international trade agreements.

Sec. 2. The Secretary of the Senate shall transmit copies of this resolution to the President, the Secretary of State, the Secretary of agriculture, the Secretary of Commerce, the Secretary of the Treasury, the United States Trade Representative, the Head of the Delegation of the European Community to the United States, and the Ambassdors to the United States for each of the member states of the European Community.

Mr. DOLE. Mr. President, I move to reconsider the vote by which the concurrent resolution was passed.

Mr. BYRD. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

ELECTRIC CONSUMER PROTECTION ACT

Mr. JOHNSTON. Mr. President, I am delighted that the Senate is about to pass S. 426. It has taken us a long time to get to this point—at times I wondered whether we ever would—and although the House of Representatives still must act on the bill reported by the House Committee on Energy and Commerce, and we will undoubtedly have a number of challenging issues to resolve in conference committee, Senate approval of the bill is a great big first step toward enactment this year.

Mr. President, I commend Senator McClure, the distinguished chairman of the Energy and Natural Resources Committee, for his leadership, dedication, and unflagging patience, which have been essential to the success of this measure.

It has passed virtually unscathed in the form that it left the committee and, as I have stated here on the floor many times, I think it is a very excellent solution to a very difficult problem.

It is largely a Western problem, but it is a Western problem involving billions of dollars and hundreds of thousands of electric consumers. I think we resolved that in a way consistent with the national interest or, to be more precise, the public interest and those very words "public interest" are used as the principal measure of determining who gets the power from a hydroelectric dam when the license expires.

I think the key, the centerpiece of this legislation, is a very carefully drawn, fair, workable matrix of rules that settle who gets the power or gives a test by which you can measure who should get the power on the expiration of one of these hydroelectric licenses.

I also thank and commend the committee staff members who have worked so long and hard on this bill—Gary Ellsworth, Russ Brown, Jim Beirne of the majority staff, and Mike Harvey and Bill Conway of the minority staff. I point out that Bill Conway joined the minority staff almost exactly 1 year ago. Since that time, he has been "in charge" of S. 426.

I particularly commend Bill for an excellent job for his first time out on a major piece of legislation. I think it is remarkable the excellent job that he has done.

Mr. BAUCUS. Mr. President, I rise to support this legislation. I plan to vote for this bill because I believe this bill, with the addition of the wheeling amendment that has been agreed to, takes an important step to assure a fair balance between public and private power interests.

I continue to have reservations that the bill is an unwarranted departure from a public policy hammered out in the early 1900's after years of debate.

Then, President Theodore Roosevelt vetoed the companies' attempts to secure the benefits of our country's rivers solely for their own profit.

In 1920 the Congress agreed with this principle, passing the Federal Power Act.

That law, embraced by a bipartisan coalition of Democrats and Republicans, struck a balance between private and public interests.

It established a tie-breaker policy which favored public institutions in the utilization of our waterways. It set the stage for competition in the electric utility industry.

This tie-breaker, which some call hydrolicensing preference, stated that the Federal Government would favor licensing public institutions over private companies if their applications were otherwise equal.

At the time the Federal Power Act was passed, the investor-owned utilities agreed that upon relicensing, States and public institutions would have the opportunity to take over stewardship of these resources so long as their project applications were at least as good as the plans of the investor-owned utility.

Now we are about to undo a 65-year-old policy developed after years of debate.

The policy has not even been tested. To date the Federal Energy Regulatory Commission has relicensed something over 130 hydroelectric projects. Only 11 have been contested by public institutions; and those cases are still pending before FERC.

We do not even know if the preference tie-breaker will be used by FERC in deciding these cases.

The preference tie-breaker was established to ensure adequate competition in the electric utility industry. Then, the electric utility industry was in its infancy.

Large parts of the country had yet to enjoy the benefits of electricity.

Municipal electric systems and other public agencies had only begun to organize to provide electric power for their citizenry.

Rural electric cooperatives were not even in existence. It would be another 15 years before Congress created them.

The electric utility industry, by its nature, has an inherently monopolistic character. In passing the Federal Power Act, the Congress and the President wanted to ensure that there would be a hospitable climate for growth.

Our country has always prided itself on its diversity. Diversity is one of our greatest strengths.

It is a concept strongly embraced by the public. A recent poll showed that 59 percent of the public favored a mix of ownership of electric utilities—some public, some private.

The dynamic relationship between the two groups fostered competition. That competition, in turn, meant that consumers would be getting the best possible deal. No company could use its position in the marketplace to gouge consumers.

Now, at a time when we are in a position to see that competition works to benefit all consumers, we are about to dismantle it. Why?

Private owner companies will tell you that this preference tie-breaker in relicensing proceedings will mean a wholesale transfer of hydroelectric licenses from private utilities to municipalities.

The history of relicensing applications shows that simply isn't true.

This fact was recognized in an interview with the Wall Street Transcript. The chief executive officer of the company holding the largest number of private hydroelectric licenses stated as much. He stated that his company expected to prevail in their relicensing hearings.

Why? Because they would propose superior utilization of their hydroelectric sites. I applaud his commitment to providing the best possible use of our rivers' capabilities.

The preference tie-breaker has fostered competition which has benefited all consumers. It is a public policy we need to maintain, not destroy, if we wish to see a healthy electric utility industry.

Then, as now, we need to do everything we can to foster a competitive atmosphere in that sector of our economy.

If anything, the need for this competition is greater now than it was then. Over the last 65 years, there has been a dramatic decrease in the number of private companies serving the public.

There has been a decrease because there is increasing concentration of power among fewer and fewer companies.

Only a few companies control more and more of our country's generating capacity and transmission lines.

This concentration makes it harder for municipalities, public agencies, and rural electric cooperatives to find a competitive power supply and transmission market.

Now, we are about to turn over our Nation's private hydroelectric resources to one sector of the industry and virtually preclude municipalities and public agencies from competing for these resources.

The licensing provisions of the Federal Power Act are working. Both the public interest and the holders of FERC licenses are protected.

No one objected to the 30-year extension of more than 130 licenses.

Only 11 have been challenged and none have changed hands.

While I plan to vote for this legislation, I continue to be concerned about whether or not a fair balance overall is being maintained.

Mr. MITCHELL. Mr. President, I rise to support passage of S. 426, the Electric Consumers Protection Act of 1985.

At issue in S. 426 is the long-standing Federal policy of public preference. Under preference, when a public and private utility compete for a hydroelectric license, the license goes to the public utility if the applications are otherwise equal. The reason for the public policy is simple: Public resources should be reserved for the public good.

Public preference in licensing of new hydroelectric projects would not be changed under S. 426. When the Federal Power Act was passed in 1920, public preference applied to applications to build dams.

In 1980, FERC, in the Bountiful case, ruled that preference also should be taken into consideration upon the expiration of original licenses. In 1983, however, a new FERC overruled Bountiful and held that preference did not apply to relicensing in the Merwin case. Last October, the D.C. Court of Appeals overturned FERC's decision. The three-judge panel's Merwin decision has been vacated by the full court of appeals.

The bill, as reported by the Energy Committee, gives existing hydroelectric licensees a tie-breaking preference in Federal Energy Regulatory Commission [FERC] hydro relicensing decisions. Under the bill, FERC would be required to renew the expiring licenses unless the Commission determined that a competing application, including one from a public utility, would better serve the public interest.

I want to make it clear that I do not believe that passage of this legislation will prevent a large changeover of private hydro licenses to public utilities in Maine or nationally.

Preference applies only when two competing applications are otherwise equal. In other words, when a case cannot be made that one applicant will do a better job, or more deserves to retain the license than another.

That happens very rarely. As of last month, FERC had issued 96 relicenses, with 10 contested cases and 49 uncontested cases still pending.

Even without this legislation, it appears likely that private utilities will retain 145 of 155 hydro license renewals without a challenge from a private. It is the infrequent hydro license that will be affected by this legislation.

Nonetheless, it is the infrequent license transfer, with its associated costs to the overwhelming majority of electric consumers that concerns me.

Maine's three private utilities, which serve 95 percent of the State's electric consumers, have 32 licensed facilities due to come up for relicensing before 1994. Hydroelectric generation accounts for 20 percent of the State's need, which is about twice the national averge.

It's important to note that no one doubts that economic dislocation will occur from a license transfer; the argument is only over the size of the economic dislocation which will occur. A large percentage of electric consumers will pay; a small minority will benefit.

I do not think that good public policy benefits a small minority at the expense of a large majority in relicensing decisions when no clear benefit can be seen from a license transfer.

The standard that should be used to judge the issuing of hydro licenses is the determination of who will utilize the public resource in a manner that provides the greatest good to the public.

If a change in ownership of a licensed facility would increase the public benefit to be had from a site, that should be apparent before the preference consideration comes into play. If a clear determination cannot be made, it makes economic sense to leave the license in the hands of the original licensee.

The debate in the Senate on this legislation has centered, as it should, on the issue of public preference in relicensing cases. I think it's important to point out the significant improvements made by the committee in its deliberations.

Those include: the new environmental requirement for FERC to consider in all new license and relicensing applications and the requirements for FERC to examine how proposed hydroprojects would mesh with comprehensive river-basin plans drawn up by State and regional authorities. I have twice introduced legislation addressing FERC's present inadequate efforts in licensing projects according to comprehensive plans so that I believe this is a particularly good addition to the bill.

I am concerned, however, that amendments added to the legislation during floor debate last week have seriously undermined the bill's environmental requirements. I am hopeful that stronger language that clearly protects these valuable resources will be added in conference with the House.

I believe the leadership of the Energy Committee, Senator McClure and Senator Johnston, share that concern with me and other Senators. I look forward to seeing those improvements made in an otherwise very good piece of legislation.

Mr. DOLE. Mr. President, first of all I would like to thank the members of the Committee on Energy and Natural Resources for their hard work on S. 426, the Electric Consumers Protection Act of 1985. The distinguished chairman of the committee, Senator McClure, and the ranking minority member, Senator Johnston, are to be commended for their efforts in bringing this piece of legislation to the floor.

CLARIFYING THE AMBIGUITIES

The passage of this legislation helps put an end to the uncertainty that has existed as to the interpretation of the Federal Power Act of 1920. The ambiguity as to whether or not States and municipalities have a preference in the relicensing of hydroelectric facilities has created uncertainty, both in the minds of Board members of the Federal Energy Regulatory Commission and members of the judiciary. This bill will allow those who presently receive the benefits of low-cost hydropower to continue to receive those benefits unless a competing application is proven to be better. It will also give some consideration to the economic disruption that would occur should a license suddenly be transferred to a new entity.

INVESTOR-OWNED UTILITIES SERVE THE PUBLIC

I know there are some who claim that we are giving away public resources to the investor-owned utilities. However, Mr. President, let's not lose sight of the fact that the customers of these investor-owned utilities deserve the right to benefit from low electric rates just as much as those served by municipally owned utilities. These investor-owned utilities competed against the States and municipalities to attain their initial licenses. Yanking the licenses now, because of a legislatively mandated preference for the States and municipalities, would certainly result in higher rates being paid by those currently being served by the investor-owned utilities.

CONCLUSION

Mr. President, this is not an issue of municipalities versus those who receive their service from investor-owned facilities. This legislation simply gives investor-owned utilities the chance to compete in an open market without establishing any preference for either party. It gives those customers being served by investor-owned utilities a fair chance to keep their current utility rates.

Mr. President, I urge my colleagues to adopt S. 426 in an effort to clarify Federal policies governing the licensing of hydroelectric facilities.

Mr. EVANS. Mr. President, I would like to make a few closing remarks upon the passage of S. 426, as amended, by the Senate. In my opening remarks, I stated my belief that this bill should address the broader questions of the optimal use of a valuable public resource—water. I think that we have made some progress toward addressing such broader concerns, in both the amendments adopted in the Energy and Natural Resources Committee and on the floor. But we still have quite a way to go.

On the whole, I think this bill is the best package that we can get out of the Energy Committee and the Senate at this time. But the House has taken quite a different approach in its bill, H.R. 44, that was reported out of the Energy and Commerce Committee toward many key elements in hydro relicensing. We head into a difficult but important conference committee. I'm not going to predict how long such a conference will take and what the likely outcome will be. But I think it's fair to state that it will be a lively and contentious conference. I am supporting this bill based on the recognition of such a conference and the likelihood that key elements of the bill will probably be modified at that time. Thus I have refrained from offering several amendments that I had prepared for consideration on the floor.

Let me summarize what positive things I believe that S. 426 has accomplished:

Clarification of the contentious issue of municipal preference in relicensing proceedings in section 15 of the Federal Power Act, which is an issue that we, as responsible Members of Congress, have to address squarely and resolve;

Reduction of the statutory license term, in principle, from 50 to 30 years, allowing each generation the chance to review the project's use of water as a valuable public resource;

Explicit reference of adequate protection, mitigation, and enhancement of fish and wildlife in the section 10(a) public interest standard;

Obligation of FERC to consider seriously:

Consistency of the project with State or regional comprehensive plans, such as the Northwest Power Council's 20-Year Power Plan and the Columbia River Fish and Wildlife Program; recommendations of the relevant Federal and State agencies regarding the project, as well as those of the affected Indian tribes; the plans of a utility applicant for energy conservation programs.

On the other hand, I believe the bill has shortcomings in the following areas. These are subjects that I would hope the conference committee would seriously address and make improvements:

First, PURPA benefits: In general, I would have preferred stronger language that would have denied the generous PURPA 210 benefits to all new small hydro projects. I introduced an amendment to that effect on the floor, No. 1777, but withdrew it after consulting with Chairman McClure. I am concerned with both the environmental harm caused by the explosion of applications for licenses and preliminary permits in the Pacific Northwest, as well as the economic aspects of requiring utilities to purchase power from qualified small power producers under all circumstances.

More specifically, I am quite concerned that the PURPA grandfather clause that we adopted—amendment No. 1775—is too broad. This could exempt as many as 500 projects from the provisions of this legislation. I am sympathetic to the notion that the rules shouldn't be changed in midstream to investors who relied on them in developing certain projects. But, as I stated for the Record on April 11, I believe that providing an exception for preliminary permits allows many applicants who have spent next to nothing to escape the purview of the provisions in S. 426. Furthermore, it is important to keep in mind that S. 426 doesn't deny the PURPA 210 benefits to small hydro projects; it merely requires that applicants meet the terms and conditions established by fish and wildlife agencies. But I am satisfied with the assurances from Chairman McClure that we went too far with this grandfather amendment and that it will be resolved in the conference committee.

Second, regional nature of certain projects. Chairman McClure and I engaged in a colloquy on April 11, also, which stressed the need to consider the regional aspects of certain hydroelectric projects in the Pacific Northwest. Specifically, these refer to certain large hydroelectric dams on the mid-Columbia River that were developed in the 1950's with non-Federal financing when the Federal Government decided not to appropriate further moneys to build Columbia River dams. Certain public utilities, with the assistance long-term purchase contracts from private utilities, took great financial risks in developing these huge projects. They have become vital to the economic prosperity of the region they serve. Due to the reference to relative economic impact on each applicant in section 15(b) of the bill, I want to ensure that adequate protection is given to the region in which such projects are located by the FERC during a relicensing proceeding.

Third, fish and wildlife protection: Generally, I think we have made a good start with the provisions adopted in S. 426. Explicit reference of adequate protection, mitigation, and enhancement in section 10(a) was a good step forward. In some cases, however, the House has gone further and has differed in emphasis. This is one area where the conference committee will need to work hard to resolve the House and Senate differences.

Fourth, replacement power: This is a vague concept that can be subject to a great deal of misinterpretation. The larger issue of compensation to an existing licensee who loses its license in a relicensing proceeding is a very difficult one. I struggled with this issue for a long time before introducing one concept in my bill, S. 1260. We should keep in mind, however, that the issue of replacement power must be considered in the context of the overall bill. In this sense, S. 426, as amended, provides the incumbent licensee with a strong preference in relicensing but doesn't provide any level of compensation, in the event the incumbent loses its license, beyond the level of net depreciated investment plus severance damages. My concern here is that the existing licensee will try to raise its estimate of its replacement power to an artificially high level in order to protect its license.

In summary, I wish to thank the floor managers of the bill, Chairman McClure and Senator Johnston, for their courtesies to me during consideration of this bill in committee and on the floor. I have taken a strong interest in this bill due to its enormous impact on the State of Washington. I look forward to working with them and their staffs as S. 426 and H.R. 44 now go to the conference committee.

Mr. WALLOP. Mr. President, last night the Senate agreed to an amendment offered by the Senator from Montana which would clarify that the provisions of section 211(c)(2)(B) do not prevent an applicant from filing for a wheeling order prior to the time at which a rate on file with the Commission actually terminates. Given the hour, I thought that I would not join in the discussion since all parties were in agreement as to the intent and effect of the amendment. As the sponsor of this legislation, I do want the record to reflect that I fully agree with the analysis given last night and especially with the comments of the Senator from Louisiana who also in-

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troduced legislation on this subject and who I worked closely with to develop the particular approach which the committee brought to the floor.

I want the record to be absolutely clear that the only thing the amendment does is clarify that an application can be filed prior to the termination of a rate schedule pursuant to the term of the schedule and by order of the Commission. It only clarifies that an applicant does not have to go "cold turkey" before he can even file. The amendment does not, and I want to repeat, not, make any substantive change in the requirements of sections 211 or 212 which must be satisfied before a wheeling order can issue. It also does not in any way affect, lessen, or modify the standards, criteria, restrictions, requirements, procedures, or practices under sections 205 or 206 for modifications or termination of a rate schedule.

If a utility has a rate schedule on file, which would expire 10 years from now, the utility which is receiving energy can file for a wheeling order tomorrow which, if granted, would go into effect 10 years from now. Section 211(c)(2)(B) does not act as a bar to the filing of such a request. Section 211(c)(2)(B) does continue to act as a bar to such an order being issued and going into effect however prior to termination in 10 years in accordance with the terms of the rate and by order of the Commission. It seems to me that such a filing is premature and the Commission probably has better things to do than considering wheeling orders for 10 years from now, but I see no reason why a utility should not be able to simply file.

Such a filing does not in any way serve as a basis for contract abrogation, modification, cancellation, or termination. The provisions of sections 205 and 206 are unaffected by this amendment or any action taken pursuant to it. The timing of filing has absolutely nothing to do with whether an order will meet the requirements of the Federal Power Act.

Mr. McCLURE. Mr. President, before passage of S. 426, I wish to express my appreciation to those who are responsible for resolving this issue. Although I fully support this measure and am pleased to be able to manage it, this legislation is properly credited to both Senator Wallop and Senator Johnston. They began this process with two different approaches to the issue of relicensing, but they devoted the time and their considerable skills to develope this legislation.

I also wish to express my appreciation to Senator Murkowski, the chairman of the Subcommittee on Water and Power, who brought the legislation to the full committee with an exceptional hearing record. Senator Metzenbaum has also been extremely cooperative. I still believe that his amendment is irrelevant to the issue at hand, but I am grateful for the time and effort which he and his staff, especially Doug Lowenstein and Eddie Correia, devoted to resolve their concerns in a way which would not impede passage of this legislation.

Finally, I thank the members of the staff who worked on this legislation; Mike Harvey, our committee's minority counsel; Bill Conway of the minority staff; Frank Cushing, Gary Ellsworth, Jim Beirne, Dave Doane, Howard Useem, and Russ Brown of the committee staff. Their time and effort greatly assisted the committee and the Senate in reaching this point. I also thank Lynn Monroe of Senator Wallop's staff and Art Noonan of Senator Melcher's staff for their valuable contributions.

ROLE OF STATE WATER LAW IN FERC LICENSES

Mr. BAUCUS. Mr. President, I was prepared to offer amendments to S. 426 to require FERC licensees to conform to State water law. My amendments would have provided that prospective water power projects must obtain water rights under State law before obtaining a FERC license; that FERC cannot authorize exercise of eminent domain powers to obtain water rights; and that FERC license terms cannot be inconsistent with terms of the State water use authorization.

I believe that section 27 of the original Federal Power Act articulated Congress' intent not to preempt State water law. Instead, under the Supreme Court's current interpretation of the law, FERC is only required to consider State resource plans and the recommendations of appropriate State agencies when evaluating license applications.

With the recent proliferation of applications for FERC licenses, there is growing concern about how new water projects could affect State resource plans and existing water rights. My amendments would require FERC licensees to obtain water rights under State laws and State procedures, and would prevent situations where FERC licensees might deprive a rancher or other water user, either upstream or downstream, of his established water rights.

For example, under current law FERC could grant a license to site a project on a river which has been fully adjudicated among current users. The FERC license would upset the State adjudication, and the licensee could force a rancher or other water user to sell his water right. In addition, it is unclear how interstate compacts and compacts with Indian tribes could be affected by FERC licensing decisions; based on Supreme Court interpretations of current law, it appears that a FERC licensing decision could affect such compact agreements. These possibilities are critically important to many States, tribes, and individual water users; they raise serious questions about States' rights and the appropriate role of FERC, and I think they warrant immediate investigations.

I am aware, Mr. President, of the controversial nature of these amendments. This is a complicated area of law. I have discussed my proposals with the distinguished chairman of the Energy Committee, and he has agreed to hold a hearing on this matter during this Congress so that the committee can consider the proper role of State water law in FERC licensing procedures.

Mr. McCLURE. Mr. President, the Senator from Montana is correct. I share his concerns about how these power projects affect State resource planning. I agree that the committee should examine his proposals and the effects of preemption on State resource planning and existing water compacts.

I appreciate the Senator's cooperation in not offering his amendments for full Senate consideration at this time, and I can assure him that I will work with him and schedule a hearing at an appropriate time during this Congress.

Mr. BAUCUS. I thank the Senator. With that understanding, I will not offer my amendments today to S. 426. I look forward to working with the chairman and with other members of the Energy Committee in exploring these important issues.

Mr. President, these amendments are supported by the Western States Water Council. I ask unanimous consent that a resolution adopted by the council appear in the Record.

There being no objection, the resolution was ordered to be printed in the Record, as follows:

Position of the Western States Water Council Concerning Amendment of the Federal Power Act

Whereas, needless controversy has been caused by conflicts between the licensing procedures of the Federal Energy Regulatory Commission (FERC) and established principles of Western States water law; and

Whereas, FERC has been unwilling to modify its procedures to relieve these conflicts:

Now, therefore, be it resolved by the Western States Water Council that the Federal Power Act (16 U.S.C. 791(a) *et seq.*) be amended as follows:

1. Strike from subsection ((b) the following language ". . . and to the appropriation, diversion, and use of water for power purposes . . ." Add the following new subsection after subsection (c):

"(d) Notwithstanding any other provisions of law, the commission is prohibited from issuing an original or new license, amendment to license, or exemption from licensing under this Part, unless the applicant proves acquisition, in accordance with applicable substantive and procedural provisions of state law, of the necessary rights established pursuant to state law to appropriate, divert, and use water for power purposes."

2. To Section 21 add the following new sentence:

"The commission is not empowered to authorize a licensee to exercise the right of eminent domain pursuant to this section for the purpose of acquiring water rights."

3. In Section 27 designate the existing sentence as subsection (a) and add the following additional subsections:

"(b) Nothing in this Part shall be construed as conferring upon the United States, its agents, permittees, or licensees any right to acquire rights to appropriate, divert, or use water.

(c) Appropriation of water for power purposes subject to this Part shall be pursuant to substantive and procedural provisions of State statutory law, decisional law, and regulations governing appropriation, diversion and use of water.

(d) Establishment of, and compliance with, pursuant to State law, terms or conditions, including licenses, or other entitlements for appropriation, diversion or use of water for power purposes, shall not be deemed to constitute a burden on interstate commerce.

(e) Nothing in this Part shall alter in any way any provision of State statutory law, decisional law, or regulation, or of any interstate compact, governing the appropriation, diversion, or use of water."

4. To Section 6 add the following provision after the second sentence:

"The commission is not empowered to impose any terms or conditions in any original or new license or amendment to license which are inconsistent with the terms and conditions established pursuant to State law in any permit, license, or other entitlement for appropriation, diversion, or use of water for the project authorized by the license or amendment."

Mr. JOHNSTON. Mr. President, I ask unanimous consent that any Senator may put a statement in the Record with respect to S. 426 during the balance of the day, and that it be entered in the Record immediately prior to the vote.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. SPECTER. Mr. President, the Electric Consumers Protection Act presents problems for municipal and rural electric cooperative consumers in Pennsylvania. I support S. 426, but I do so with some wariness about the future effect of its passage.

I am concerned that the alteration of the relicensing preference may provide the impetus for the elimination of all preferencing, especially as it applies to the marketing of hydroelectric power under various statutes. This would not be in the best interests of Pennsylvania's electric consumers.

Since 1966, for instance, Pennsylvania's rural electric cooperatives have benefited from low-cost hydroelectic power generated by the Power Authority of New York under the Federal license granted to it in the Niagara Redevelopment Act, drafted among others by Pennsylvania Senator Joe Clark. That license provides that a percentage of the power generated at the project must be sold to out-of-State preference customers. Since 1966, this low-cost power has saved rural electric cooperative members $175 million over what they would otherwise have had to pay for power. This arrangement serves as a fine example of the preference clause in action, granting the public customer the first right of refusal.

I also have reservations about the anticompetitive aspects of this legislation. In a circumstance similar to this one, under the Atomic Energy Act, municipalities have a right to bring their antitrust concerns to the attention of the Federal Government. For this reason, I am today cosponsoring Senator Metzenbaum's amendment, which will provide for a review of the anticompetitive effects of an investor-owned utility's assumption of a hydroelectric license.

The impact of this legislation on the preference clause and the competitiveness of hydroelectric relicensing are two issues which will continue to command my attention. I am hopeful that my colleagues will share my concern, and I look forward to working with them to ensure that the interests of electric consumers continue to be protected.

Mr. LAUTENBERG. Mr. President, S. 426, the Electric Consumers Protection Act, clarifies Federal regulation of hydroelectric development. It also strengthens protection of fish and wildlife resources which can be adversely affected by hydroelectric development. I believe that these are valid reasons for passing this bill.

Last Friday, however, the Senate passed an amendment, with virtually no debate, which undermined one of the important improvements in the bill. Section 10 of the committee bill established a new requirement that power production facilities at new hydroelectric dams meet terms and conditions established by fish and wildlife agencies if they are to receive financial benefits under section 210 of the Public Utility Regulatory Policies Act. Section 10, then, would eliminate Federal incentives which have been resulting in an adverse impact on our Nation's rivers and the important fish and wildlife resources which utilize these rivers for habitat.

The Senate voted last Friday, however, to exempt projects from the requirement to comply with fish and wildlife agency conditions to protect fish and wildlife when an application for a hydroelectric facility had been filed prior to April 11, 1986. This amendment, which grandfathered numerous projects from the new section 10 requirement, significantly weakens the environmental protections contained in the bill.

I understand that both Senators Evans and Hatfield have received assurances from Senator McClure, chairman of the Committee on Energy and Natural Resources, that he will work to narrow the scope of the grandfather provision during the conference committee deliberations on this bill. I am voting for S. 426 based on these assurances.

AMENDMENT NO. 1792, S. 426

Mr. MELCHER. Mr. President, last night, the Senate agree to my amendment No. 1792. As the author, I want to clearly state the purpose and intent of amendment No. 1792. The purpose of my amendment is to clarify the intent of a particularly ambiguous provision of PURPA. Section 211(c)(2)(B) of PURPA was confusing and in need of clarification. The amendment makes clear that a wheeling application may be filed prior to termination or modification of an existing rate schedule at the Federal Energy Regulatory Commission [FERC] and that wheeling under this section becomes effective at the time of the termination or modification of the rate schedule. The amendment permits FERC to issue a wheeling order which would become effective at the time of the modification or termination of a rate schedule. Thus, the fact that a rate schedule is on file at FERC would not preclude FERC action on a wheeling application. Moreover, nothing in this amendment or section is intended to alter in any way the existing law as to sections 205 and 206 of the Federal Power Act.

Mr. DOLE. Mr. President, we do have a vote set at noon. I know there is at least one Member on each side that would rather have it later, but I do not know what we can do about it because there is objection to doing it later.

I do wish to thank the managers of the bill and the committee staff who have worked so hard. I thank the distinguished chairman of the committee, Senator McClure, and the distinguished manager on the Democratic side, Senator Johnston, for their patience and their effort.

We had a number of votes yesterday which I believe strengthened their hand in conference. Not being an expert on this bill, I am not certain what the issue ever was, if there was an issue. I know there were votes.

It is good that we will finish the bill today because we are getting into sort of heavy water here in the Legislative Calendar. Had we not been able to conclude it today, it may have been some time before we would have been able to return to it.

But, in any event, I thank my colleagues for their patience. I believe they were able to satisfy, to some degree, the concerns expressed by the Senator from Montana, Senator Melcher.

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CONCLUSION OF MORNING BUSINESS

The PRESIDING OFFICER. Morning business is closed.

ELECTRIC CONSUMERS PROTECTION ACT

The PRESIDING OFFICER. The clerk will report the pending bill.

The assistant legislative clerk read as follows:

A bill (S. 426) to amend the Federal Power Act to provide for more protection to electric consumers.

The Senate resumed consideration of the bill.

The PRESIDING OFFICER. The bill is open to further amendment. If there be no further amendment to be proposed, the question is on the engrossment and the third reading of the bill.

The bill was ordered to be engrossed for a third reading and was read the third time.

The PRESIDING OFFICER. The bill having been read the third time, the question is, Shall it pass? On this question, the yeas and nays have been ordered, and the clerk will call the roll.

The legislative clerk called the roll.

Mr. SIMPSON. Announced that the Senator from South Dakota [Mr. ABDNOR] and the Senator from Florida [Mrs. HAWKINS] are necessarily absent.

I also announced that the Senator from Arizona [Mr. GOLDWATER] is absent due to illness.

On this vote, the Senator from Florida [Mrs. HAWKINS] is paired with the Senator from South Dakota [Mr. ABDNOR].

If present and voting, the Senator from Florida would vote "yea" and the Senator from South Dakota would vote "nay."

The PRESIDING OFFICER. (Mr. WILSON). Are there any other Senators in the Chamber who desire to vote?

The result was announced—yeas 83, nays 14, as follows:

[Rollcall Vote No. 75 Leg.]

YEAS—83

Andrews
Armstrong
Baucus
Bentsen
Bingaman
Boren
Boschwitz
Bradley
Bumpers
Burdick
Byrd
Chafee
Chiles
Cochran
Cohen
Cranston
D'Amato
Danforth
Denton
Dixon
Dodd
Dole
Domenici
Durenberger
Eagleton
East
Evans
Ford
Garn
Glenn
Gorton
Gramm
Grassley
Hatch
Hatfield
Hecht
Heflin
Heinz
Helms
Hollings
Humphrey
Inouye
Johnston
Kassebaum
Kasten
Kennedy
Kerry
Lautenberg
Laxalt
Levin
Long
Lugar
Mathias
Matsunaga
Mattingly
McClure
McConnell
Melcher
Mitchell
Moynihan
Murkowski
Nickles
Nunn
Packwood
Pell
Proxmire
Pryor
Quayle
Riegle
Rockefeller
Roth
Rudman
Simpson
Specter
Stennis
Stevens
Symms
Thurmond
Trible
Wallop
Warner
Weicker
Wilson

NAYS—14

Biden
DeConcini
Exon
Gore
Harkin
Hart
Leahy
Metzenbaum
Pressler
Sarbanes
Sasser
Simon
Stafford
Zorinsky

NOT VOTING—3

Abdnor
Goldwater
Hawkins

So the bill (S. 426), as amended was passed, as follows:

S. 426

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be referred to as the "Electric Consumers Protection Act of 1985".

SEC. 2. Section 7(a) of the Federal Power Act (16 U.S.C. 800(a)), as amended, is further amended—

(a) by inserting "original" after "hereunder or"; and

(b) by striking "and in issuing licenses to new licensees under section 15 hereof".

SEC. 3. Section 10 of the Federal Power Act (16 U.S.C. 803), as amended, is further amended—

(a) in existing subsection (a) after "water power development,", by inserting "for the adequate protection, mitigation, and enhancement of fish and wildlife,";

(b) in existing subsection (a) after "including", by inserting "irrigation, flood control, water supply and"; and

(c) by redesignating existing subsection (a) as paragraph (a)(1) and by inserting the following new paragraphs:

"(2) In order to ensure that the project adopted will be best adapted to the comprehensive plan described in paragraph (a)(1), the Commission shall consider:

"(A) the extent to which the project is consistent with a comprehensive plan (where one exists) for improving, developing, or conserving a waterway or waterways affected by the project that is prepared by—

"(i) an agency established pursuant to Federal law that has the authority to prepare such a plan; and

"(ii) the State in which the facility is or will be located; and

"(B) the recommendations of Federal and State agencies exercising administration over fish and wildlife, flood control, navigation, irrigation, recreation, and cultural resources of the State in which the project is located, and the recommendations of Indian tribes affected by the project; and

"(C) if the applicant is an electric utility, its plans for energy conservation through energy efficiency programs.

"(3)(A) Upon receipt of an application for a license, the Commission shall solicit recommendations from the agencies and Indian tribes identified in paragraph (a)(2) of this section for proposed terms and conditions for the Commission's consideration for inclusion in the license;

"(B) If any recommendation for a proposed term or condition is received by the Commission within one hundred and twenty days of the public notice of any license application under this section, the Commission shall explain in writing its reasons for adopting, rejecting or modifying any such proposed term or condition.".

SEC. 4. Section 15 of the Federal Power Act (16 U.S.C. 808), as amended, is further amended—

(a) by striking subsection (a) through "terms and conditions to a new licensee," and inserting in lieu thereof:

"SEC. 15(a). If the United States does not, at the expiration of the existing license, exercise its right to take over, maintain and operate any project or projects of the licensee, as provided in section 14 of this Act, the Commission may issue a new license to the existing licensee upon such terms and conditions, taking into account existing structures and facilities, as may be authorized or required under the then existing laws and regulations, or to another applicant under said terms and conditions. If the existing licensee applies for a new license, the Commission shall issue a new license to such existing licensee unless the Commission determines that the plans of another applicant are better adopted to serve the public interest. If the existing licensee does not apply for a new license, the Commission shall issue a new license to the applicant the plans of which are best adapted to serve the public interest. In either case, the Commission shall not issue a license unless it is satisfied that (1) the applicant is able to carry out such plans and (2) the plans represent a cost effective approach to achieving the benefits to be derived therefrom.

"(b) The Commission shall make its determination of which plans are best adopted to serve the public interest on the basis of—

"(1) how each plan would develop, conserve, and utilize the water resources of the region in accordance with the provisions of section 10(a) of this Act;

"(2) the relative economic impact upon customers served by each applicant upon the failure of such applicant to receive the license, including an assessment of the economic impact upon the customers of an applicant that is the existing licensee that would result from the difference between the compensation to be paid under subsection (c) of this section and the cost of replacement power;

"(3) the economic impact, in the case of a nonutility license holder, upon the operation and efficiency of the dependent industrial facility or related activity, its existing employees, and the surrounding community, if the existing licensee fails to receive the new license;

"(4) the ability of each applicant to operate and maintain the project in a manner most likely to provide efficient, reliable electric service; and

"(5) the need of each applicant for the electricity generated by the project or projects to serve its existing customers including customers served by any electric utility which receives power from the existing licensee.";

(b) by redesignating the remainder of subsection (a) as subsection (c);

(c) by striking "which license" and inserting in lieu thereof "A license issued under this section";

(d) by redesignating existing subsection (b) as subsection (d);

(e) by adding a new subsection:

"(e) A new license may only be issued for a period not to exceed thirty years unless the Commission determines that a longer period is necessary due to substantial new construction or significant redevelopment of the project in question. In no case shall a new license be issued for a period of more than fifty years."; and

(f) by adding a new subsection:

"(f) Notwithstanding any other provision of this section, for projects using tribal lands embraced within Indian reservations, the original license for which was issued prior to October 1, 1985 and for which a new license has not yet become effective by such date, the Commission shall not consider the factors set forth in sections 15(b)(2) and 15(b)(5) in evaluating the plans of Indian tribes to which such lands belong that apply for a new license.".

SEC. 5. The amendments made by this Act shall not apply to any relicensing proceeding in which the Federal Energy Regulatory Commission has issued an order awarding a new license on or before July 31, 1985, regardless of whether such order is subject to judicial review, nor shall they operate to diminish the amount of the annual charge to be paid pursuant to section 10(e) of the Federal Power Act to Indian tribes for the use of their lands within Indian reservations.

SEC. 6. Section 30 of the Federal Power Act (16 U.S.C. 824), as amended, is further amended by striking subsection (b) and inserting in lieu thereof the following new subsection:

"(b) Exemptions granted under subsection (a) of this section shall be granted for a period not to exceed thirty years unless the Commission determines that a longer period is necessary due to substantial new construction or significant redevelopment of the project in questions. In no case shall an exemption be granted for a period of more than fifty years. The Commission may not grant any such exemption to any facility the installed capacity of which exceeds 15 megawatts.".

SEC. 7. Section 405 of the Public Utility Regulatory Policies Act of 1978 (16 U.S.C. 2705), as amended, is further amended in subsection (d) by inserting at the end thereof: "Exemptions shall be granted for a period not to exceed thirty years unless the Commission determines that a longer period is necessary due to substantial new construction or significant redevelopment of the project in question. In no case shall an exemption be issued for a period of more than fifty years."

SEC. 8. Section 6 of the Federal Power Act (16 U.S.C. 799), as amended, is further amended after "fifty years" by inserting "unless the Commission determines a shorter period is desirable".

SEC. 9. The amendments made by sections 6 and 7 of this Act shall apply only to exemptions granted after the date of enactment of this Act.

SEC. 10. Section 3(17) of the Federal Power Act (16 U.S.C. 796(17)), as amended, is further amended—

(a) by adding a new paragraph (B) as follows:

"(B) Notwithstanding paragraph (A), no hydroelectric project shall be considered a small power production facility (other than for purposes of section 210(e) of the Public Utility Regulatory Policies Act of 1978) if such project impounds or diverts the water of a natural watercourse other than by means of an existing dam or diversion, unless:

"(i) such project is located at a Government dam; or

"(ii) such project meets terms and conditions set by fish and wildlife agencies under the same procedure as provided for under section 30(c) of the Federal Power Act;

"(iii) for the purposes of this paragraph, the term 'existing dam or diversion' means any dam or diversion that is part of a project for which a license has been issued on or before the enactment of this paragraph, or which the Commission determines does not require any construction or enlargement of impound structures (other than repairs or reconstruction) except for the addition of flashboards (or similar adjustable devices);"; and

(b) by redesignating the existing paragraphs.

SEC. 11. The amendments made by section 10 of this Act shall not apply to any hydroelectric project for which an application for a license or preliminary permit was filed with the Federal Energy Regulatory Commission on or before April 11, 1986.

SEC. 12. Section 26 of the Federal Power Act (16 U.S.C. 820), as amended, is further amended—

(a) by redesignating existing section 26 as "section 26(a)"; and

(b) by adding the following new subsections:

"(b) The Commission may—

"(1) after opportunity for a hearing on the record revoke for significant violation of its terms any permit, license, or exemption issued pursuant to this Act, whether granted under this Act or another provision of law;

"(2) issue such other orders as it deems necessary to ensure compliance with the provisions of this part, or of any lawful regulation or order promulgated thereunder, or of any permit, license, or exemption issued pursuant to this Act, whether granted under this Act or another provision of law.

"(c) The Commission may institute proceedings in the district court of the United States in the district in which the project or part thereof is situated for the purpose of enforcing an order of the Commission under subsection (b) of this section. The court shall have the same powers as provided for under subsection (a) of this section.".

(c) Section 13 of the Federal Power Act, as amended, is further amended by striking the final sentence thereof.

(d) Section 26(a) of the Federal Power Act, as amended, is further amended—

(1) by striking the first sentence and inserting in lieu thereof the following sentence: "The Commission, or the Attorney General on request of the Commission or of the Secretary of the Army, may institute proceedings in equity in the district court of the United States in the district in which any project or part thereof is situated for the purpose of revoking for significant violation of its terms any permit or license issued hereunder or any exemption from any requirement of this Act, whether granted under this Act or another provision of law, or for the purpose of remedying or correcting by injunction, mandamus, or other process any act of commission or omission in violation of the provisions of this Act or of any lawful regulation or order promulgated hereunder."; and

(2) by adding at the end thereof the following new sentence: "In the case of revocation of an exemption from any requirement of this Act, whether granted under this Act or another provision of law, the courts may exercise the same powers as they have under this section with respect to revocation of a license.".

(e) Section 402(a)(2)(A) of the Department of Energy Organization Act, as amended, is further amended by inserting between "4," and "301" the following: "5, 13, 26, 30,".

(f) The amendments made by this section shall apply to licenses, permits, exemptions, rules, regulations, and orders issued before, on, or after the date of enactment of this Act.

SEC. 13. Nothing in this Act shall be construed as authorizing the appropriation of water by any Federal, State, or local agency, Indian tribe, or any other entity or individual. Nor shall any provision of this Act—

(a) affect the rights or jurisdictions of the United States, the States, Indian tribes, or other entities over waters of any river or stream or over any groundwater resource,

(b) alter, amend, repeal, interpret, modify, or be in conflict with any interstate compact made by the States, or

(c) otherwise be construed to alter or establish the respective rights of States, the United States, Indian tribes, or any person with respect to any water or water-related right.

SEC. 14. Section 10(h) of the Federal Power Act (16 U.S.C. 803(h)) is amended by redesignating section 10(h) as 10(h)(1) and adding a new section 10(h)(2) as follows:

"(2) That conduct under the license that: A) results in the contravention of the policies expressed in the antitrust laws; and B) is not otherwise justified by the public interest considering regulatory policies expressed in other applicable law (including but not limited to those contained in Part II of this Act) shall be prevented or adequately minimized by means of conditions included in the license prior to its issuance. In the event it is impossible to prevent or adequately minimize the contravention, the Commission shall refuse to issue the license to the applicant."

SEC. 15. Section 4(e) of the Federal Power Act (16 U.S.C. 797(e)) is amended—

(a) by striking "And provided further" and inserting in lieu thereof "Provided further"; and

(b) by striking the final period "." and inserting in lieu thereof the following: ": And provided further, That upon the filing of any application for a license the Commission shall seek to notify by certified mail the owner or owners of the property within the bounds of the project, and any State, municipality or other local governmental entity likely to be interested in or affected by such application.".

SEC. 16. Section 211(c)(2)(B) of the Federal Power Act is amended by adding before the period the following: ": Provided, That nothing in this subparagraph shall prevent an application for an order hereunder to be filed prior to termination or modification of an existing rate schedule: Provided, That such order shall not become effective until termination of such rate schedule or the modification becomes effective".

Mr. McCLURE. Mr. President, I move to reconsider the vote by which the bill was passed.

Mr. DOLE. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. McCLURE. Mr. President, I think it is obvious from the nature of the controversy that surrounded this measure not only in committee but on the floor that staff has done an extraordinary job. That is true of staff on the minority side as well as the majority staff for the Committee on Energy and Natural Resources. I very much appreciate the cooperation particularly of both Senators WALLOP and the distinguished ranking minority Member, the Senator from Louisiana [Mr. JOHNSTON]. Both Senator WALLOP

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and Senator JOHNSTON were principal sponsors of legislation that was merged to bring this bill to the floor at this time. I very much appreciate their cooperation.

Mr. DOLE. Mr. President, the distinguished Senator from South Dakota [Mr. ABDNOR] would have voted "no" had he been here, but his plane, as happens to some of us from time to time, was unable to land. He should have been here about 11:45, but bad weather is sometimes a nemesis. In this case it was for Senator ABDNOR. He will have a statement for the record.

ORDER OF PROCEDURE

Mr. DOLE. Mr. President, it is my hope now that we can move to the consideration—I will not make that motion yet—of technical amendments to the crime bill. I have discussed this with the distinguished chairman of the Judiciary Committee. Senator HELMS has an interest in it also. He would like to offer one amendment. There is information on the way to the floor for certain principals involved in that particular action. So, as soon as the information is available and Senator THURMOND and Senator BIDEN are here, I would hope we might move to that bill. As I understand it, it will not take any length of time.

I am advised by the chairman of the Judiciary Committee that he is not prepared to move to the bankruptcy judges bill, which means that bill may not be seen again for 60 or 90 days. In any event, there are objections to bringing that bill up from at least two Senators on the committee.

Mr. BYRD. Mr. President, will the distinguished majority leader yield? I believe the majority leader indicated earlier this morning he was going to have a meeting on the other side of the Capitol around 1 o'clock. Will he be able to state upon his return as to whether or not the budget resolution will be laid down?

Mr. DOLE. That meeting is scheduled for tomorrow, Friday, at 12 o'clock.

Mr. BYRD. Could the distinguished majority leader indicate whether or not there is a good possibility that he will lay the budget resolution down tomorrow? He had indicated earlier that he might, and I hope he can do that.

Also, I will ask one further question: What does he see in store for Monday, if he is able to state it at this point? He indicated earlier that there would be no rollcall votes tomorrow. Senators may base their programming for the weekend in their home States according, therefore, and it would be helpful if we could be told whether or not there will be rollcall votes on Monday. So, would votes be before 3 o'clock or after 4 o'clock, or whatever?

Mr. DOLE. Mr. President, we are trying to put together a schedule for Monday that would not require rollcall votes. Obviously, we do not want a rollcall just to have a rollcall.

There are two or three minor bills we may be able to do early Monday, and I will contact the minority leader about those. I am not yet prepared to say that there will be no votes; but if there were votes, I assume they would come sometime after 2:30.

Mr. BYRD. Would the majority leader be in a better position to discuss this a little later today, so that those who may be making their reservations to leave this evening can take advantage of the opportunity to be in their States tomorrow, so that they could plan their Monday schedule?

Mr. DOLE. I do not know which Senators may be involved in the bills we are looking at. If they can help us, unless there is some strong reason why they cannot let it go by a voice vote, that would be helpful and would make our decision much easier.

Mr. BYRD. I thank the distinguished majority leader.

I will inquire further this afternoon as to the prospects for Monday, if the distinguished leader will be prepared to respond at that time.

MARTIN LUTHER KING, JR., FEDERAL HOLIDAY COMMISSION

Mr. DOLE. Mr. President, it is my understanding that the bill extending the Martin Luther King Commission has been cleared on the other side, and it is now cleared on this side. On behalf of myself, and Senators KENNEDY, D'AMATO, MATHIAS, and HOLLINGS, I send the bill to the desk and ask for its immediate consideration.

The PRESIDING OFFICER. The bill will be stated by title.

The assistant legislative clerk read as follows:

A bill (S. 2319) to provide for the continuation of the Martin Luther King, Jr., Holiday Commission until 1989, and for other purposes.

The PRESIDING OFFICER. Is there objection to the present consideration of the bill?

Mr. BYRD. There is no objection, Mr. President.

There being no objection, the Senate proceeded to consider the bill.

Mr. DOLE. Mr. President, I am pleased to join in cosponsoring this legislation which would extend the life of the Martin Luther King, Jr., Federal Holiday Commission for 3 years. I have been pleased to serve on this Commission over the past year during the historic first celebration of the King Federal holiday. The Commission has done much good work, but more can be done to promote the spirit of equality and justice which our new holiday represents.

It should be emphasized that no Federal money is appropriated for the Commission; rather, it operates entirely on donated funds. Over the past year, a number of businesses and organizations have contributed money to the work of the Commission and under the extension legislation, the Commission would continue to be funded from these sources.

In addition to extending the life of the Commission for 3 years, this bill would expand the number of Commission members to enable a broader range of the populace to be represented. Expanding the size of the Commission should also enhance its ability to raise private sector funds.

Mr. President, I have very much enjoyed working with Mrs. King and members of the King family on this worthwhile cause. I believe last January's celebration was a fine success and demonstrates that the Holiday Commission deserves to be continued.

Mr. KENNEDY. Mr. President, it is a privilege for me to introduce this legislation, cosponsored by Senators D'AMATO, DOLE, MATHIAS, and HOLLINGS, to extend the Martin Luther King, Jr. Federal Holiday Commission for 3 additional years.

We do so because, despite the extraordinary nationwide success of the first King celebration last January, there is still much to be done.

Let us remember again why we honor Dr. King. With this national holiday, he took his place as the founding father of the second American revolution, the revolution of civil rights.

At a time when our Nation was paying lipservice to liberty but ignoring ingrained generations of injustice—Martin Luther King's simple irresistible message of "Freedom Now" called America to witness the discrimination in our midst, and to embrace the enduring principle of equality—not just in the promise of the Constitution, but in the reality of our daily lives. He stripped the scales of racism from our eyes, and showed us the scales of justice.

The urgency and the power of his message of peaceful change could not be denied. He awakened the dormant conscience of our country. Now is the time, he said, for civil rights. Now is the time for the right to vote. Now is the time for human rights in this land—and in every place on Earth.

Because Martin Luther King lived, millions of Americans were set free at last from the cruel iron shackles of centuries of segregation. Because he dreamed, millions found that their own dream of a better life could be achieved.

He liberated whites as well as blacks—for in the end, racism always imprisons those on both sides of the color bar.

The meaning of the first Martin Luther King holiday is clear. The dream is still on the march. The faith of Dr. King is still moving the mountains of injustice and discrimination.

In celebrating his birthday as a national holiday, we are also mindful of the tragic circumstances that took Dr. King from us so young, when he still had so much to do. We are mindful of the difficulty of the journey that lies ahead—and the courage that each of us must summon anew, to put aside complacency and appeals to narrow interest, and complete for our time and for all time the pilgrimage that he began.

President Kennedy, in his inaugural address in 1961, proclaimed that the torch of leadership had passed to a new generation of Americans, unwilling to permit the slow undoing of those human rights to which this Nation has always been committed. And Martin Luther King, Jr. became America's greatest leader in that cause.

The Martin Luther King, Jr. Holiday Commission, created in 1983, performed a valuable service to the Nation in laying the groundwork for the first observance of the holiday this year. Its success can be measured in many ways: 37 States and 3 territories established their own holiday commissions to commemorate Dr. King in their jurisdictions; 40 States and 4 territories enacted an official State or territorial holiday, parallel to the Federal holiday; over 1 million Americans signed "I have a Dream" pledge cards, recommitting themselves to Dr. King's dream; and over 30 million Americans viewed the NBC entertainment tribute to Dr. King last January 20.

The Commission, so ably chaired by Coretta Scott King, who has done so much to keep Dr. King's dream alive, deserves great credit for the success of this year's celebration. But the larger work of the Commission is not yet finished. This legislation will permit the Commission to carry on its effective work for the next 3 years, and in doing so, we will enable the Commission to continue to spread Dr. King's message of justice and hope, and bring us all to a deeper understanding of his life and his remarkable contributions that made this a better land for all Americans. I urge the Senate approve this measure, so that the Commission may continue its essential work.

Mr. MATHIAS. Mr. President, I am pleased to join my colleagues, Senators D'AMATO, KENNEDY, DOLE, and HOLLINGS, in sponsoring legislation to change the termination date of the Martin Luther King, Jr. Federal Holiday Commission.

The Holiday Commission was established in August 1984 by Public Law 98-399 to assist in the first observance of the Federal legal holiday honoring Martin Luther King, Jr. Under the able leadership of Coretta Scott King, and with no appropriation from the Federal Treasury, the Commission established the theme for the holiday, planned and coordinated ceremonies and activities in keeping with the observance, and generally set the tone which made the first holiday observance a success.

To build on this success, we introduce this legislation to extend the life of the Commission from April 1986 to April 1989. With the extension, the Commission can keep up the momentum established by the first observance and pay particular attention to institutionalizing the holiday and assuring its future success through guidance and assistance to the various State holiday commissions.

As we observe Dr. Martin Luther King, Jr.'s birth as a natonal holiday, we do more than simply honor Dr. King. We also promote the spirit of reconciliation and peacemaking that is Dr. King's legacy to us. The enactment of this bill will advance this broad concept of our new national holiday.

Mr. HOLLINGS. Mr. President, today, I join in cosponsoring legislation to extend the life of the Martin Luther King, Jr., Federal Holiday Commission for 3 additional years, and to increase the number of Commissioners from 14 to 23. No Federal funds would be required, and the activities of the Commission will continue to be supported by private donations.

Few people in our history have done more to change America than Martin Luther King, Jr. His vision for America—his dream—has come to symbolize the ideals of our most heralded forefathers. At a time when the soul of this great Nation was nearly torn apart by hate and fear, the perseverance and eloquence of this one great man inspired a people and a world to search souls and right civil wrongs.

And we, in Congress, had the knowledge and wisdom to recognize and commemorate this great man and his accomplishments by establishing a holiday—the Martin Luther King, Jr., Federal Holiday. It is a day set aside to reflect on the continuing struggle for a more perfect society where freedom, opportunity, and equal justice under the law are not just ideals but actualities for all.

To help our Nation celebrate this day in the appropriate spirit and manner, Congress also established the Martin Luther King, Jr., Federal Holiday Commission. The Commission was charged with the duty of coordinating efforts with Federal, State, and local governments to encourage appropriate ceremonies and activities, and to provide advice and assistance to both the public and private sectors for planning and participating the first celebration of this holiday.

For the first time in history, this country shared Martin Luther King's dream by celebrating his birthday on January 20, 1986. I had the opportunity to participate in some of the activities and ceremonies symbolic of Dr. King's dream, as did many other citizens across the Nation. The Martin Luther King, Jr., Federal Holiday was a success, and the Commission was, to a large degree, responsible for this great achievement.

Now, we must ask ourselves, "what next?" How should Americans celebrate this holiday for years to come? Will future generations associate Dr. King's birthday with long weekends and departments store sales? I would hope not. The great challenge facing this country is to ensure that our descendants honor Dr. King on his birthday by confronting their own consciences, reflecting on democratic ideals and the King legacy, and working to fulfill his dream.

The legislation before us today helps to achieve that very purpose. On April 20, the Martin Luther King, Jr., Federal Holiday Commission is scheduled to expire. By extending the life of the Commission for 3 additional years, more work can be done to bring individuals together from all races, religions, and stations in life, who can join in the spirit of togetherness as a family, a community, and a Nation on this holiday. To achieve a task so great also calls for the dedication and hard work of individuals representing a larger segment of our society, who can bring to the Commission new ideas and creative talents.

If we continue to strive toward this goal—if we are able to impart to our children the message that Dr. King brought us—then it is my belief that in days to come, all Americans will celebrate this holiday by commemorating not only the dream articulated, but the dream fulfilled.

Mr. D'AMATO. Mr. President, I rise today, with the distinguished Senator from Massachusetts, Mr. KENNEDY, and the distinguished majority leader, Senator DOLE, to introduce a bill to amend Public Law 98-399, which established the Martin Luther King, Jr., Federal Holiday Commission. The purpose of our bill is to enable this Commission to continue its work with respect to our annual celebration of Mr. King's birthday, to remind America and the world of those ideals for which Mr. King marched, preached, and finally died.

Since 1984, the Martin Luther King, Jr., Federal Holiday Commission, with great success, has encouraged and coordinated efforts with Americans from all walks of life in the observance of the first Federal legal holiday honoring Martin Luther King, Jr. The Com-

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mission has assisted organizations and institutions from all segments of our society, from religious and educational to business, labor, and government.

The first observance, which took place this January, was a momentous success, but it was ony the first. We must make certain that this holiday will ignite Mr. King's spirit in all of us for years to come.

Unfortunately, the Martin Luther King, Jr., Federal Holiday Commission will expire on April 20, 1986, unless we act quickly. Our bill extends the mandate of this Commission through April 20, 1989. Passage of our bill does not cost the Federal Government a single penny, but gives this Commission new life and the opportunity to continue uninterrupted in its effort, indeed, our effort, to carry the legacy of Dr. King into the future.

The celebration of Martin Luther King's birthday is not just a celebration of a man and his life, or even of black people, but of a triumph of all people, black and white, over the chains of racial conflict that have bound the American people for years. It is a time for serious reflection on a dream for national unity. It is a day in which every American is involved in the celebration of Dr. King's life, legacy, and dream.

The Commission we established in 1984 assists us in this effort. This Commission has asked for, and received the cooperation of Governors and U.S. territories to establish their own holiday commissions. I know of 37 States and 3 territories which already have done so. Hopefully, this trend will continue. With passage of our bill, it will.

We must not stop now when we have just begun to make real, lasting progress. I believe there are many Members of this Congress who believe, as I do, in "bridge building," and that just as many realize that the bridge we have been building over the chasm of racial bigotry and conflict has taken the better part of our Nation's history. We must make certain that each celebration of Dr. King's birthday is a renewing of our commitment to make his dream come true.

I urge my colleagues to join us in a commitment we all share. I urge support and passage of this bill.

The PRESIDING OFFICER. The bill is open to amendment. If there be no amendment to be proposed, the question is on the engrossment and third reading of the bill.

The bill (S. 2319) was ordered to be engrossed for a third reading, was read the third time, and passed, as follows:

S. 2319

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. CONTINUATION OF COMMISSION.

(a) PURPOSE.—Section 3(1) of the Act of August 27, 1984 (98 Stat. 1473), is amended—

(1) by striking out "first"; and

(2) by inserting "first" before "occurs".

(b) ANNUAL REPORT.—Section 8 of the Act of August 27, 1984 (98 Stat. 1475), is amended by striking out ", 1986" and inserting in lieu thereof "of each year".

(c) TERMINATION.—Section 9 of the Act of August 27, 1984 (98 Stat. 1475), is amended by striking out "submitting its report under section 8" and inserting in lieu thereof "April 20, 1989".

SEC. 2. COMPOSITION OF COMMISSION.

Section 4(a)(6) of the Act of August 27, 1984 (98 Stat. 1473), is amended by striking out "fourteen" and inserting in lieu thereof "twenty-three".

Mr. HELMS. Mr. President, I move to reconsider the vote by which the bill was passed.

Mr. DOLE. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

CRIME BILL

Mr. HELMS. Mr. President, I inquire of the two distinguished leaders if my understanding is correct that there will be no problem about calling up the crime bill if there is no amendment proposed. Is that the general situation?

Mr. DOLE. It is my understanding that if there is no amendment, there is no objection to calling up the bill. I am not certain, though, that those who may have objected understand precisely what the amendment might be.

Mr. HELMS. Let me say to my two very good friends that I do not believe any Senator will oppose this highly appropriate legislation contained in my amendment. It is to eliminate a moral scourge that is building in this country, and I do not say that lightly. It is this thing called "Dial-a-Porn," whereby children can dial a number, and it is charged to their parents' telephone bill, and then they listen for a few minutes, as I understand it, to the worst sort of garbage imaginable.

This amendment is very simple, and I will share copies of it with the leaders on both sides. I hope the Senate might agree to accept this amendment on a voice vote. I think that after the amendment is examined, there will be no problem about it. I understand that Senator BRADLEY, for example, is in favor of it, as are others. I will be glad to make a copy of the amendment and other documentation available to all Senators.

I did not know that the proposal to call up this amendment was going to be made today. The information is on the way over here. I ask both leaders if they will check and see if there is any objection to that amendment.

I might say that the Commission on Pornography will reportedly recommend this amendment. This was published in the paper yesterday. So I would appreciate the cooperation of both leaders on this, if possible. Otherwise, we could talk about freestanding consideration of the legislation, or whatever. But I do want the Senate to move on this piece of legislation.

Mr. DOLE. I certainly share the views just expressed by Senator HELMS. I do not know of any opposition to the particular amendment. I think the opposition was that if we start amendments, we may trigger a string of amendments. Maybe we could deal with it in a freestanding way or this way, if there is no objection.

On TV last week, they were giving some of the horror stories because of this kind of program and how it would expose very young children to a lot of, as the Senator from North Carolina has said, garbage; that they can just dial a number and someone there is willing to provide a service.

I have not looked at the amendment, but I hope we can deal directly with that kind of conduct. To shut it off would be the way to deal with it.

Mr. HELMS. That is precisely what the amendment would do—to put an end to this.

Mr. DECONCINI. Mr. President, I thank the Senator from North Carolina for trying to bring up that amendment at this time. I will support that amendment, and I hope he will continue to persist in bringing it up.

WHERE ARE OUR ALLIES?

Mr. DECONCINI. Mr. President, in 1962 when President Kennedy asked French President Charles De Gaulle to cooperate in the blockade of Cuba, the French leader replied with the loyalty of an ally; "If there is a war, I will be with you." He remembered that 4 million brave Americans served in World War I. He remembered that 116,708 Americans died in this defense of Europe. He remembered the dedication of 16 million Americans who served and the 407,298 who died in World War II. He had visited the American graves in Normandy. "Those Were the Days, My Friend," as the song goes.

The night before last, on the news, I watched as some European allies burned the American flag. As I painfully viewed the "Stars and Stripes" in flames, I thought about the missing F-111 and the French decision to deny overflight rights to these brave men. This only complicated the dangers of this rigorous mission, increasing the length by more than 1,200 miles. General De Gaulle would apologize for this cowardly abdication of responsibility and friendship by the French Government.

I am not proud of the conduct of the country of my ancestors in this affair. Italians as well as West Germans burned the American Flag that has twice liberated their peoples from a similar terror imposed by Adolph Hitler. Mr. Qadhafi utilizes the identical tactics and rhetoric that was used then. I feel a great sense of dismay, disappointment, and shame with this general practice of appeasement toward terrorists by our allies.

Mr. President, I looked up the word "alliance" and found as synonyms such words as "coalition," "union," "partnership," "cooperation," "affiliation." and "concern." I find these terms conspicuously absent in our alliance with France, Italy, and West Germany. I would like to thank Prime Minister Thatcher, who had carefully examined United States and British evidence against Libyan leader Qadhafi and found it conclusive, and supported the attack against Libya. She remembered. She remembered Churchill's words: "Never in the field of human conflict was so much owed by so many to so few."

After the fall of France in July of 1940, Charles De Gaulle broadcast from London to the French people the following message:

> Since those whose duty it was to hold the sword of France have let it fall, I have picked up its broken point.

Those were the days, my friends! Charles De Gaulle was a friend to the United States. He remembered. How quickly others have forgotten!

QADHAFI, TERRORISM, AND THE STINGER

Mr. DECONCINI. Mr. President, the previous sale of Stinger missiles to Saudi Arabia contained tight security measures that were conditional to the sale. We cannot guarantee that such safety measures can or even will be taken by the rebels fighting in Angola or Afghanistan. There is no need to give these freedom fighters the best that our military has to offer without full faith and knowledge that these missiles will be stored under the same conditions outlined for Saudi Arabia. I wish to reiterate what has been stated in the past: "Not a single airplane or airport in the civilized world will be safe if these weapons fall into the wrong hands."

Today, we are assaulted by a terrible war. Not a war of conventional means, however, but a subversive, insane war. A war that has no rules, no set battleground and no clear warriors. Terrorism, Mr. President, is a cancer—springing up in isolated incidences, killing without reason, direction or justice.

Recently, the United States has been under attack by this cowardly siege. A TWA airplane, flying over the Mediterranean, had a hole ripped through it in which four innocent victims plummeted to their death. All of these victims were Americans. One was a 4-month-old child. The bomb was allegedly planted by a known international terrorist who boarded in Cairo and debarked in Athens. This terrorist is associated with the Arab Revolutionary Brigades, which is linked with the Abu Nidal group, the group responsible for the Rome and Vienna airport bombings last December.

Recently, a bomb exploded in a Berlin discotheque killing 21-year-old Army sergeant Kenneth Terrance Ford and injuring 64 other GI's. There is no one in custody, but there is strong belief that Libyan leader Qadhafi is responsible for this brutal murder.

In addition to the terrorist threat, delivering the Stinger to Savimbi in Angola will escalate regional conflict and seriously impair United States efforts to negotiate a peaceful settlement between Angola, Namibia and South Africa. This will also increase the tension between the United States Government and the Soviet Union in the South African region and globally.

Providing these Stinger missiles to Mr. Savimbi raises many questions in this Senator's mind. He has claimed to have shot down commercial/civilian airliners on four occasions. The State Department verifies that at least twice he has successfully shot down Diamond Mine Co. commercial aircraft carrying employees.

The U.S. Department of State, in its publication "Patterns of Global Terrorism: 1984," described Savimbi's UNITA by stating that "* * * with increasing frequency in 1984 UNITA's tactics have verged on terrorism." In 1983 a UNITA spokesman claimed to have shot down a plane which carried 126 civilians. Do we want UNITA to have Stingers?

We have been slow reacting to terrorism in the past. I support the President's action to strike in preemptive fashion against Libya even though it certainly is not pleasant to have to do something like this. I have been critical of President Reagan and past Presidents when they have talked tough and not acted. I am glad that in this instance specific and strong action has been taken. This was a high risk response, but I see no alternative when faced with such a radical leader as Mr. Qadhafi.

Mr. Qadhafi, has virtually stated, "We have the right to fight America, and we have the right to export terrorism to them." From my training and experience as an attorney, statements such as this connected with the evidence in the Berlin disco and TWA bombing give the United States the right to use self-defense as justification for this action. The United Nations legally recognizes this right in article 51. Democracies have a right and duty to defend their citizens.

We also need to think long and hard about preventive actions before terrorists strike. The transfer of the Stinger missiles to rebel forces in Afghanistan and Angola is irresponsible and hasty. Having these weapons available in areas where we are unable to monitor them or ensure that regulations are adhered to appears to be inviting terrorist organizations to advance to a new level of terrorism. In 1985 we had 13 significant terrorist attacks involving U.S. citizens. It is difficult enough to combat these murders without the Stingers. The Stinger missile is the wild card in Colonel Qadhafi's deck of terrorist cards. In this volatile conflict with Libya we are virtually at war over terrorism. The "mad dog" of the Middle East does not need U.S. weapons to further escalate this battle.

Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. WILSON. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER (Mr. DENTON). Without objection, it is so ordered.

Mr. WILSON. Mr. President, I ask unanimous consent that I may proceed for 5 minutes or a shorter period as if in morning business.

The PRESIDING OFFICER. Without objection, it is so ordered.

THE SOVIETS' SALT ADVANTAGE

Mr. WILSON. Mr. President, recently two of our colleagues, Senators QUAYLE and HOLLINGS, sent a Dear Colleague letter dated the 10th of April of this year, the subject of which was the SALT II agreement, and the decision as to whether or not we should continue to be bound or act as though we are bound by this agreement which was, of course, never ratified by the U.S. Senate.

Mr. President, one of the key arguments made by those who would have us continue to adhere to the SALT II limits is that without continued adherence, the Soviets would be free to build considerably more weapons than they now have. In an important Dear Colleague letter, I think that Senators QUAYLE and HOLLINGS have brought this argument before us, and challenged it in a way that deserves our attention.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

U.S. SENATE,
Washington, DC, April 10, 1986.

DEAR COLLEAGUE: Despite the Soviets' continued violation of the limits contained in the unratified, expired SALT II agreement,

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Congressional appeals are being made to have the President uphold these limits this May by dismantling two operational Poseidon submarines. The dismantling of these submarines clearly raises the question of whether or not continued adherence to SALT II is in our best interest even if the Soviets do choose to fully comply.

Ironically, the key argument made in favor of continuing adherence to SALT II is that without it, the Soviets would be free to build considerably more weapons than they now have. Yet, as the attached sheets demonstrate, even under SALT II limits—which apply primarily to missile launchers, not their specific payloads—the Soviets could add over 6,400 ballistic missile warheads to their arsenal within the next 6 to 7 years. At the same time, because planned U.S. strategic modernization emphasizes the deployment of missiles with fewer warheads than existing systems, SALT during the same period will require that the U.S. reduce its strategic arsenal by between 211 and 736 warheads.

Whether or not the Soviets would actually choose to make such additions, of course, is open to question given that they already have more than enough prompt warheads to destroy virtually all fixed U.S. targets of interest. Still, if we continue to adhere to SALT II, it will only codify our acceptance of a worsening and already destabilizing asymmetry. Certainly, if we are serious at all about arms control, we can do much better than build on this.

Sincerely,

Dan Quayle,
Ernest F. Hollings,
U.S. Senators.

SOVIET ICBM RV INCREASES POSSIBLE UNDER SALT I AND II

[Next 6 to 7 years]

Missile	Carrying	Will replace	Missile	Carrying	For a net increase in the number of prompt warheads of
SS-24	[1] 10	150	SS-17's	[1] 4	900
SS-26 (follow-on to SS-24)	[1] 10	360	SS-19's	[1] 6	1,440
SS-25 [2]	([5])	500+	SS-11's	[1] 1	[3] 0 to 1,000
SS-27 [2] (follow-on to SS-18)S	([4])	308	SS-18's	[1] 10 to 12	616 to 1,232
Total					+2,956 to 4,072

[1] Warheads each.
[2] The size and payloads of these two missiles is a matter of dispute.
[3] With a potential to carry three warheads each.
[4] At least 14 warheads each.
[5] Potential.

SOVIET SLBM RV INCREASES POSSIBLE UNDER SALT I AND II LIMITS

[Next 6 to 7 years]

Missile	Carrying	Will replace	Missile	Carrying	For a net RV increase
SS-N-23	[1] 8 to 9	80	SS-N-6's & SS-N-17's	[1]	560 to 640
SS-N-23	[1] 8 to 9	240	SS-N-18's	[1] 3 to 7	480 to 1,200
Total					+1,040 to 1,840

[1] Warheads each.

U.S. SLBM RV REDUCTIONS REQUIRED UNDER SALT I AND II LIMITS

[Next 6 to 7 years]

Missile	Carrying	Will replace	Missile	Carrying	Net decrease in RV's
C-4	[1] 8	168	C-3	[1] 10	−336

[1] Warheads each.

[One Trident/year replaces 1.5 Poseidon/year]

U.S. Poseidon or MM III RV Reductions Required Under SALT I & II

(Next 6 to 7 years)

To compensate for the 75 ALCM bombers U.S. will deploy over 120 allowed under SALT II. (Each over 120 requires party to dismantle a MIRV'ed launcher [1]). 75 Poseidon equals −750 RV's; 75 MM III's equals −225 RV's.

Actual decrease likely to be between these 2 numbers.

U.S. RV Increases Likely Under SALT I & II Limits

(Next 6 to 7 years)

50 MX (500 RV's)—50 MM III (150 RV's) equals +350. If we deploy 50.

SICBM will have no impact on RV count since it will replace MM II's (450 of them) 1 for 1 several years into late 1990's.

(Tables reflect adjustments to correct SS-25 and SS-N-23 tabulation errors made in the original charts).

Mr. WILSON. I thank the Chair.

I yield the floor.

I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. PRESSLER. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER (Mr. Gorton). Without objection, it is so ordered.

VISIT TO THE SENATE BY MEMBERS OF THE BRITISH PARLIAMENT

Mr. PRESSLER. Mr. President, I wish to notify the Senate that a very distinguished group representing the Conservative Backbench Tourism Committee of the British Parliament is visiting the Senate at this moment, for the benefit of those Senators who may be listening. I have explained to my colleagues from Great Britain that many of my Senate colleagues are in committee meetings this Thursday afternoon preparing legislation that may come to the floor this evening.

We are indeed honored to have these distinguished guests with us today. They are here on a mission to look into the tourism questions, as well as foreign relations questions, that exist between our two nations. They are guests of mine, the Senate, and the Secretary of the Senate, Jo-Anne Coe. I am proud to note that one of the Members of Parliament, Simon Coombs, is the Secretary's son-in-law. They are meeting with Members of the House and Senate and the executive branch in an effort to promote tourism between our two countries.

I believe it is particularly appropriate at this time to extend our thanks to our guests, to their Prime Minister, and their Government, for the support that Great Britain has given to the United States on the current Libyan problem.

Mr. President, I would like to say that we are pleased that the chairman of the British Conservative Backbench Tourism Committee, David Gilroy Bevan, who represents Birmingham Yardley, is here and has spoken to a luncheon earlier, which was attended by Senator Dole, Congressman Badham, and many leaders of the tourism industry in the United States.

I would like to take this opportunity to introduce the other members of the committee as well. John Butterfill, a Member of Parliament, is representing Bournemouth West, the vice chairman; Conal Gregory, a Member of Parliament representing York, is the joint vice chairman; Roger Gale representing Thanet North, a Member of Parliament, is the secretary; Roger King, a Member of Parliament representing Birmingham Northfield, is the joint secretary; Richard Alexander is a Member of Parliament representing Newark; Simon Coombs is a Member of Parliament representing Swindon, who has a special relation with our Secretary; and David Lightbown is a Member of Parliament representing Staffordshire.

Mr. President, the current situation with terrorism and tourism is something that has interested all of us. As chairman of the Business, Trade, and Tourism Subcommittee of the Senate Commerce, Science, and Transportation Committee, I have taken a particular interest. It has been said that the current round of terrorism may well result in less Americans traveling to Europe. I do not know if that is true, but I do think that we should all work together to end terrorism, and to carefully analyze our current situation because the shoe could be on the other foot in the future.

I think it is very appropriate that we are listening to our friends and colleagues, recognizing that problems with safe travel have not existed for the most part in Great Britain and, indeed, as I am quick to point out, that Great Britain has been the only country that has stood with us in our current difficult situation with Libya.

Mr. President, I am very proud to present these Members to the U.S. Senate.

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[1] 99 ALCM bombers now deployed; 195 will be deployed by 1992.

Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. DOLE. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

SCHEDULE

Mr. DOLE. Mr. President, I have had some inquiries from both sides on what we may do the remainder of the day.

One matter we thought we had before the Senate at this moment, the Bankruptcy Court Judges Act, has been delayed because of some area of dispute that we hope can be worked out and the bill taken up later.

I do believe that we will be able to complete action this afternoon on S. 1236, technical amendments to the crime bill. It is a matter that has been worked out on both sides. I have been advised that it took about 30 days to do that, so we hope we can dispose of that matter at 4 o'clock.

The Senator from North Carolina (Mr. Helms) wants to propose an amendment to that bill, and it is now in the process of being circulated. It is called the antidial-a-porn amendment. In effect, it would prohibit that service being offered particularly to young people, who apparently dial a number and get a lot of garbage on the telephone. If that amendment can be offered to S. 1236, it is my hope that the Senator from North Carolina will let us proceed to the bill and perhaps bring up his proposal now or at a later time as a freestanding measure.

It is also my hope that this afternoon we can lay before the Senate a message from the House on S. 49, the gun control bill. I see no reason why we cannot dispose of that this afternoon. It is a major piece of legislation that passed the House with an overwhelming majority. It is my intention to do that.

I am also contemplating the drug export bill. There may be some difficulty in proceeding to that bill. I hope not. It came out of the committee, I think, with only two dissenting votes, one of those being a proxy. It is a matter of some importance, and I hope we can complete action on that bill this afternoon, though I doubt that is going to happen. If not, it is possible that we will move to proceed to the drug export bill within a day or so, file a cloture motion and have a cloture vote next week.

On Monday, also, we believe we can get a time agreement on the nomination of Donald M. Newman to be Under Secretary of the Department of Health and Human Services. There is some opposition to the nomination, but I hope we can work out a time agreement which may result in a vote, perhaps not a rollcall, on Monday.

So we have a number of items we can probably take care of today.

I alert my colleagues that if we do complete action on S. 1236 very quickly after 4—I urge those who are responsible for that proposal to be here at 4; we should have done this at 1, and it is now 10 after 3—then we would ask the Chair to lay before the Senate a message from the House on S. 49, the gun control bill, unless there is some reason not to do that. I hope we can dispose of that this afternoon and anything else that Members on either side would like to bring before the Senate.

There will be no rollcall votes tomorrow. It is possible that there will not be a session tomorrow, but I will be able to announce that later.

As to Monday, I am not yet prepared to indicate whether or not there will be rollcall votes; but, in any event, there will be no rollcall votes after 6 o'clock on Monday.

RECESS UNTIL 4 P.M.

Mr. DOLE. Mr. President, I have consulted indirectly with the distinguished minority leader, Senator Byrd. Since there are a number of conferences going on and since some of the Members who have these various bills will not be available until 4 o'clock, I move that the Senate stand in recess until 4 p.m.

The motion was agreed to, and at 3:12 p.m., the Senate recessed until 4 p.m.

Whereupon, the Senate reassembled when called to order by the Presiding Officer (Mr. Evans).

Mr. EXON. I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The bill clerk proceeded to call the roll.

Mr. DOLE. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

MARINE SECURITY GUARD LETTER ON TERRORISM

Mr. DOLE. Mr. President, this morning, I announced I would join Senator Denton in introducing a bill clarifying the President's authority and strengthening his hand in dealing with international terrorism, and I have already inserted that statement in the Record.

Quite by coincidence, when I returned to my office from the floor, I found on top of my mail a letter written to me by one of the U.S. marine security guards at our Embassy in Luxembourg.

The young man who wrote me, Sgt. Paul Duquette, a native of Lowell, MA, has a very personal connection to the terrorism problem. He was on duty at our Embassy in Beirut the first time it was attacked. He's also served in Damascus, Syria. And, of course, he remains very much on the firing line in his current duty station in Europe, protecting our personnel and facilities. This gives Sergeant Duquette credentials that almost none of the rest of us can match to comment on this issue.

Let me just quote one part of his letter:

> Like all marines I take pride in my duty serving my country but it isn't getting any easier. I feel that Congress hasn't been moving quickly enough on this problem area. Please let me know if I'm right or wrong. Please get Congress moving in the right direction.

Mr. President, Sergeant Duquette has the right—he has earned that right in Beirut and elsewhere—to make this request. In moving quickly and affirmatively to enact the bill I introduce today, we can help fulfill our responsibility to Sergeant Duquette, and to all his military and civilian colleagues, serving our country faithfully and courageously around the world.

Mr. President, I ask unanimous consent that the full text of Sergeant Duquette's letter be printed in the Record.

There being no objection, the letter was ordered to be printed in the Record, as follows:

Embassy of the
United States of America,
Luxembourg, April 11, 1986.

S. Sgt. Paul A. Duquette, USMC,
American Embassy, Luxembourg,
APO New York, NY 09132
To Hon. Robert J. Dole:

Dear Senator Dole: I am writing you this letter in regard to the overwhelming number of terrorist attacks against our nation and its people, at home and abroad. In the last twelve months alone terrorist attacks against our beautiful country and its citizens have caused a lot (to many) of deaths and hardships for our country and it doesn't seem to be getting any better. I am in the military and serve in the world's finest fighting force, "The Marines". Although I am from Lowell, MA, I am writing you because you are the Majority Leader of the Senate, and one of the jobs of any leader is to influence his men to do the right thing and work together as a team. I have been in the Marines for five years now and have spent most of my time serving my country overseas. I was a victim of a terrorist attack, at which our Embassy in Beirut was blown up (first time). Needless to say we are all victims when something like this happens.

My last two duty assignments were in Beirut, Lebanon and Damascus, Syria guarding our Embassies against these barbaric acts. I am currently serving in Luxembourg now and like all Marines I take pride in my duty "serving my country" but it isn't getting any easier. To tell you the truth, just open a newspaper or turn on the radio.

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The time is now to concentrate all our efforts to combat this problem (threat). I applaud the President (and so should everyone else) for putting the 6th fleet into action against a commonly known terrorist. But, I feel that Congress hasn't been moving quickly enough on this problem area, please let me know if I'm right or wrong. Please get Congress moving in the right direction.

In closing, I hope to hear from you in the near future informing me on what Congress is doing to assist in fighting terrorism. I would also like to take this time and personally "thank you" for the support you have given the military. All of us in the military especially the Marines appreciate it, and hope you continue to support us in every way possible.

Thank you for your time, a Marine "on duty."

S. Sgt. PAUL A. DUQUETTE, USMC,
American Embassy, Luxembourg.

SCHEDULE

Mr. CHILES. Mr. President, I wonder if the majority leader will yield?

Mr. DOLE. I am happy to yield the floor.

Mr. CHILES. I was going to ask him if he could tell us something about our schedule tomorrow. I am hoping we will get a chance to maybe take up the budget tomorrow or lay it down and start on that.

Mr. DOLE. There is a remote possibility, I say to my friend from Florida.

We had a meeting scheduled at noon tomorrow with the Speaker, myself, Congressman MICHEL, Senator DOMENICI, Senator HATFIELD, and Congressman LOTT. But I understand that Congressman MICHEL may not be available tomorrow.

I would hope to have had that meeting before making a final judgment, seeing if the House would cooperate, I guess may be the right words, so we could both commence work on the budget. They have not, as the Senator knows, marked up their bill yet.

But I would assume if the budget is laid down tomorrow it would be debate only. I would not think you would want to get into the amendment process. I have already indicated there would be no votes on tomorrow. But I am not trying to be evasive. I am just not certain whether it will happen tomorrow but it is going to happen quite soon.

I know the Senator from Florida really wants to get at it. So does my good friend from New Mexico, Senator DOMENICI, and, of course, as the chairman and ranking Democrat on the Budget Committee, he has a lot of time invested, a lot of work, and I am not trying to frustrate those good intentions.

Mr. CHILES. We understand that maybe if it is not total unanimity in the product that we produced so far that it may take us a little time on the floor. So, obviously, if we could lay it down tomorrow, even if there could not be any votes on amendments or anything, we would be starting the process and then I think Members would well know that that would be something that we would be dealing with next week.

Mr. DOLE. Right, and it would be my intention once we are on it we are on it, unless something happened and we got bogged down. I am not the expert on rules, as is my colleague, the Senator from West Virginia, Senator BYRD, but I understand the only way to get off would be either to recommit the budget or to move to some other privileged matter. As soon as we finish that we would be back on the budget, so I am trying to—I do not disagree with the Senator from Florida. I guess that is my point.

Mr. CHILES. Does the Senator know when we might have some reading as to whether we could start on it tomorrow or not?

Mr. DOLE. I guess it is fair to say I have a meeting at 4:30 p.m. with the Office of Management and Budget Director, Mr. Miller, and a bit later than that, with Mr. Miller, Mr. DOMENICI, and Mr. GRAMM. There seems to be a split on our side. It may not have been observed yet by the Senator from Florida.

Mr. CHILES. I have not observed it.

Mr. DOLE. But I think there is a split here. There are about 25 one way and 25 the other way and three are undecided. So we are working on it.

Mr. CHILES. Then would the majority leader think that maybe after those meetings we might have some word as to whether we could lay it down tomorrow?

Mr. DOLE. That is correct.

Mr. CHILES. I urge again the majority leader to try to get started on it tomorrow. I think it is very important that we lay it down.

MATERIALS PROCESSING IN SPACE—THE PROMISE AND THE CHALLENGE

Mr. HEFLIN. Mr. President, routine access to space creates great opportunity for the development and manufacture of materials of types and purities heretofore unavailable. Advanced high speed computers, lifesaving drugs, environment cleaning catalysts, new metals and glasses, and much more, are literally just beyond the horizon. This, largely, is made possible through the almost total escape from the Earth's gravitational forces into what is known as a microgravity environment. Here, warm air does not rise and liquids freeze uniformly instead of first from the surface. A constant and nearly perfect vacuum is readily available.

The potential of manufacturing materials in space is immense. Just as the rockets and spacecraft of the 1960's led to the multibillion-dollar telecommunications industry of today, manned space laboratories promise to engender an equally rewarding revolution in materials processing. The development of new materials in space will lead to an era of technological leadership for the Nation which opens this frontier. In fact, international competition has already begun. The United States, Japan, European nations and the Soviet Union have begun vigorous pursuit of these rewards. The challenge is there and we must meet it.

In pursuing this challenge there are several factors which must be examined including potential products, elements of the competition and the need.

POTENTIAL PRODUCTS

A. SEMICONDUCTORS

Semiconductor materials have been at the very heart of the many products which have driven the current technological revolution. They are used for computing and data processing applications, for telecommunications, for sensor materials for military and medical usage, and for a wide variety of other electronic applications. In fact, millions of new careers have resulted from our ability to produce better and better semiconductor materials for communications and data processing components. And many now believe that we are approaching a second revolution in information processing through the utilization of light rather than electrons to communicate and store data.

The ability of semiconductors to process and store this information is dependent on the quality of the crystals from which the semiconductors are made. Large, uniform crystals free of contaminates provide the best materials for electronic and optical use.

Although materials scientists have succeeded in producing very high quality silicon for current applications, the gravitational effect known as thermal convection has limited their ability to produce more advanced materials capable of faster switching over a wider temperature range and which allow optical rather than electronic processing. The microgravity environment of space with its absence of thermal convection is expected to effectively eliminate previous uncontrolled variations in crystals made from such advanced semiconductor materials as gallium arsenide, indium antimony and mercury caldium telluride. In turn, these tremendous improvements in crystal quality should lead to revolutionary new applications in advanced computers, optical microcircuits and in sensors capable of responding to a very broad spectrum of light, ranging from microwaves and heat to x-rays and gamma rays.

B. PHARMACEUTICALS

Pharmaceuticals already are being developed commercially in space. In

the last decade, biomedical researchers have uncovered a myriad of hormones, enzymes, and other substances which have had beneficial effects on people.

Because of sedimentation and buoyancy, both effects of Earth's gravity, many of these potentially lifesaving chemicals cannot be purified or produced in quantities allowing their routine use in the treatment of common illnesses. Other pharmaceuticals are totally impossible to formulate on Earth. However, all can become available in the microgravity of space laboratories.

Among the medical problems for which space-produced pharmaceuticals hold promise are cancer, diabetes, anemia, dwarfism, and hemophilia. Additionally, current research indicates the possibility of producing drugs which may reduce the need for blood transfusions during surgery.

C. NEW GLASSES

Escape from Earth's gravity also eliminates the need to process materials within a container. This freedom allows production of glasses that cannot be duplicated on Earth where materials first freeze at the points of contact with the walls of the vessels in which they are contained. Also, most glasses are cooled from a very molten state which readily dissolves the materials from which glass crucibles are made. This introduces impurities which compromise the clarity and uniformity of the glass produced.

Containerless processing in microgravity laboratories will allow purer, more uniform glasses of new materials. This should lead to new applications for optical fiber materials which need fewer repeated stations. These could be used, for example, for new laser host materials.

D. NEW METAL ALLOYS.

Microgravity processing of metals will enable metallurgists to develop new alloys and establish reference standards against which to apply Earth-based research and development. This may lead to new forms of lightweight structures for aircraft and rockets, to new high strength cast iron and steel, to new superconducting magnetic alloys and, indeed, to new understanding of fundamental metal properties.

Manufacturers of such traditional products as automobiles and farm implements already are conducting space-based research into new alloys

E. AND MORE

Additional products for which new applications are being investigated include uniform calibration standards, molecular sieves and new nylon-like polymers. The first commercial cell of a space-based material was of monodisperse latex spheres which are used as a calibration standard for filters.

Molecular sieves produced under microgravity conditions promise to open new applications of gas separations, membranes for medical uses and purification of environmental pollutants and radioactive waste. Ultra high strength nylon fibers produced in microgravity are now being investigated by American industry.

THE COMPETITORS

Materials processing in space is being vigorously pursued by many nations. The nation which opens this new frontier will be the leader of a new technological era. Those nations already active in this area are:

A. UNITED STATES

The United States performed a few simple experiments during the Skylab Program in 1973–74 and in the Apollo-Soyuz Text Program in 1975. This was followed by a long period of relative inactivity restricted to tests on a few very brief sounding rocket flights.

For the United States, the development of materials processing in space did not reach an appreciable level of activity until the introduction of the space shuttle in 1981. Since then, microgravity processing experiments have been carried aboard shuttle orbitors in almost every flight.

Several dozen American companies now have taken steps to secure a role in microgravity materials processing. Those which have invested their own resources to develop commercial opportunities in space range from some of the Nation's largest corporations to small entrepreneurs. They include industries involved in chemicals, metals, communications, aerospace and automotive products, farm machinery, and pharmaceuticals. Within the last year, a total of 24 companies and 12 universities have established 4 consortia to perform joint research in microgravity processing.

B. SOVIET UNION

The Russians flew their first microgravity processing experiment in 1975 during the Apollo-Soyuz Test Program. They then embarked on a long-range experimental development program aboard the SALYUT manned space stations, and have had materials processing equipment in space continuously since 1978.

In contrast to the American program of sporadic, independent experiments, the Soviets have demonstrated a remarkable capacity for performing extended, directed research. It has been estimated that the Russians, in total, have performed more than 1,600 materials processing experiments in the SALYUT space stations with international cosmonaut crews which have included East Germans, Poles, Hungarians, Cubans, Czechs, and Vietnamese.

Most of the Soviet Union's attention appears to have been directed at three semiconductor materials; gallium arsenide, indium antimonide and mercury cadmium telluride. Semiconductors using these materials are extremely valuable for military systems. They can be used for high speed computing and the development of radiation resistant signal processors and infrared sensors used for military applications. Any advantage that the Soviets gain in the ability to produce semiconductors of these high quality materials would readily translate to a strategic advantage in developing high speed, radiation resistant, high quality radars, sensors and missile guidance and navigation systems. The Soviets claim to have already manufactured and used for medical purposes infrared sensor devices which were made with mercury cadmium teluride produced aboard SALYUT.

In 1983 the Russians incorporated into the SALYUT system an unmanned re-entry module which can return up to 500 kilograms (1,100 pounds) of materials to Earth between crew visits to the station. Earlier this year, the Soviets stated that they will assemble and orbit large production complexes with semiconductor-materials production facilities, research laboratories and hothouses.

C. EUROPE AND JAPAN

The Europeans and Japanese are expected to fly repeated missions aboard the space shuttle. The Europeans have already carried out a number of materials processing experiments in the space shuttle's spacelab, operated by American and European scientists. West Germany flew a spacelab mission in 1985 which focused on microgravity processing. The crew included two scientists from West Germany and one from Holland.

Recently, West German companies have established a new consortium, named IntoSpace, chartered to market its space processing opportunities to European industry, particularly those currently not involved in aerospace activities. The Japanese are scheduled to fly a spacelab mission in 1988, focusing their attention on microgravity processing.

There seems little doubt as to the seriousness with which our allies—and others—intend to compete in this new commercial arena made possible by routine access to space.

THE NEED

Materials processing work will continue aboard the space shuttle once shuttle flights are restored. However, the shuttle will be flying only about once a month, and even then, it is in orbit for only about a week at a time. This is hardly long enough to perform the needed detailed development program. The key need is the permanently orbiting, manned space station now planned by NASA.

The space station will contain a laboratory for microgravity processing with the capability to perform the whole range of materials development necessary, from basic research

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through process development, technology advancement, commercial process prototyping, and commercial production of materials. Once in orbit in the 1990's, the space station will provide American science and industry the opportunity to gain and maintain a position of technological leadership in the applications of advanced materials into the 21st century. This leadership will be manifested in new forms of lifesaving drugs, in advanced computers, fluid processes, and in a new understanding of metals and glasses. It will lead to prosperity and to military strength and security.

Mr. President, just as the development of orbital satellites has led to new jobs and economic growth in the telecommunications industry and as improved processing of silicon materials has led to great gains in the computer industry, advanced materials processing in space will bring about economic growth, security and improved medical care to our generation and those to follow.

Thank you, Mr. President.

AUBURN SESQUICENTENNIAL ANNIVERSARY

Mr. HEFLIN. Mr. President, I am pleased to rise today to congratulate the citizens of Auburn, AL on their sesquicentennial anniversary. On the weekend of April 25, 1986, they will join together to celebrate their 150th anniversary with parades, dances, athletic events, and community gatherings. I am certain that it will be a weekend to remember.

Although the city was founded in 1836, settlers from Georgia actually colonized the town site between 1833 and 1835. They came with their families to build homes after having heard favorable accounts about the area from a Reverend Morgan Terertine, who was a missionary to the Indians. Indeed, that part of Alabama was still Indian country, and after a long journey on the night of their arrival, these brave new Alabamians were attacked by Indians who still inhabited the area. However, the settlers were stubborn in the face of adversity. With true Alabama spirit, great resolve, and determination, they worked together to transform this harsh wilderness into a flourishing town, a civilized community.

In 1836 it seems that the town leaders faced a dilemma of a different sort from the Indian attacks and the ravages of the frontier. In just a short period of time their town had prospered to the point that the settlers decided to find a name with which to grace this special place where they had made their homes. Yet, a consensus could not be reached—the perfect name could not be found. Finally, Tom Harper, the son of town father Judge Harper, returned to Georgia for supplies. There, his future bride, Miss Lizzie Taylor, a schoolgirl, had been reading Goldsmith's "Deserted Village." When she heard that the town needed a name, she promptly exclaimed, "Name it Auburn, Sweet Auburn, loveliest village of the plain!" It was, and has been, indeed, the perfect name for this wonderful city. It embodies the beautiful countryside, the handsome surroundings, the graceful homes and hospitality of its people that adorn the town.

Since its origins, the city of Auburn has always been closely linked with education. The town leaders had placed great emphasis on religion, education, and culture when settling their new town. The first school was built in 1838, and Simeon Yancey was recruited as the first instructor. In 1856, Auburn had two fine schools, William F. Slaton's Male Academy, and the Auburn Masonic Female College. By this time, Auburn was a bustling town, a cultural and social center for eastern Alabama and western Georgia as well as a commercial center. It was said that, "The social life of Auburn in those days was as fine as could be found in the whole land." One of three railroads in operation in Alabama passed through it, and there were numerous business and cultural advantages. The citizens took an active part in the arts and in political debates. It was the ideal environment for an institute of higher learning. After great efforts, Auburn town leaders were finally successful in their attempt to attract a college for their sons. On February 1, 1856, the legislature of Alabama passed an act incorporating the East Alabama Male College. Thus, the town of Auburn was inextricably linked with higher education. Without the founding of this small school Auburn University would not exist today, for in February 1872, this small college became the Agricultural and Mechanical College of Alabama, the precursor of Auburn University, the school we now treasure.

One cannot examine the accomplishments of the citizens of Auburn without also considering the contributions of Auburn University. Through the years, each has benefited the other in their great work together. The interests of town and college have been mutual. These joint efforts have benefited the State of Alabama and the people of this Nation as well as those in the city and the institution. The shared triumphs of the city and the university are of a greater magnitude than any singular advances could hope to be. Thus, greater goals are accomplished in this unique spirit of the Auburn community where citizens and school officials work together. Past achievements are indicative of the great aid that Auburn University has already provided to mankind. Advances in agriculture have helped farmers to increase crop yields. Veterinary research has helped both commercial livestock owners and small children who own pets. Furthermore, research into space power and laser technology helps to prepare America for the future. The strong commitment that Auburn town leaders made to education in 1838 has certainly paid off. These great accomplishments in education and technology have resulted in an improvement in the condition of life for countless Alabamians and Americans. I must stress that these gains would not be possible without the joint interaction and shared effort that exists in Auburn between the city and the university. Without the unique spirit of this great community we would all be at a loss.

For 150 years, Auburn has been devoted to the enrichment, and fulfillment of human life and society by encouraging culture, education, and religous worship. This sesquicentennial anniversary it not merely a birthday celebration. Rather, it offers the citizens of Auburn an opportunity to look into their past and to realize all that they have accomplished. Those successes and rewards which are reaching fruition today were actually initiated by the many great citizens who labored in the past to make Auburn a better place. Now is the time to remember those whose efforts have culminated in all that Auburn has to offer.

Now, also, is the time to think of the future. The children of today will be planning for Auburn's bicentennial in just 50 short years. The dreams of today will grow, take shape and mature in time to benefit them. In the years to come, I am certain that Auburn will make even greater advances—that it will offer even more to its citizens, its State, and its country. I am delighted to congratulate Auburn on its sesquicentennial. I am very proud to represent the citizens of Auburn and am pleased to serve them in every way I can. Thank you Mr. President.

THE CRIME BILL

Mr. HEFLIN. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. HELMS. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

ORDER OF PROCEDURE

Mr. HELMS. Mr. President, I wonder if I could inquire of the distinguished majority leader and the distinguished chairman of the Judiciary Committee about what the plans are with respect to the crime bill.

Mr. DOLE. It would be my hope, if the Senator would yield, that we could take up S. 1236 and again I will indicate that it is a matter that I am not fully versed on, but I understand the committee has worked for about, they were telling me earlier, 30 days on a lot of very technical amendments—they are not major amendments, but they are technical amendments—to the major crime package we passed here about a year or two ago. The Justice Department is very anxious to have these amendments. They think they are necessary.

I happen to agree with the Senator from North Carolina that there is a good amendment floating around; it is called anti-Dial-a-Porn, and I support the Senator in that.

I have just discussed this matter with the chairman of the Constitution Subcommittee who also indicates his support. It is our hope that we can satisfy the Senator from North Carolina so it will not be necessary for him to offer the amendment to this bill.

Mr. THURMOND. Mr. President, will the Senator yield?

Mr. HELMS. I yield to the Senator.

The PRESIDING OFFICER. The Senator from South Carolina.

Mr. THURMOND. Mr. President, we are ready to go forward with these amendments to the omnibus crime bill, entitled Minor and Technical Amendments to the Comprehensive Crime Control Act of 1984. These are very important amendments. We have been working on them now for several months. The Justice Department is insisting we rush them, if at all possible, because it could affect some cases they are trying.

The able Senator from North Carolina spoke to us about a pornography amendment, which I favor and have no objection to it being added to this bill. But the distinguished Senator from Ohio [Mr. Metzenbaum,] indicated he will oppose it. The able Senator from North Carolina has talked with him and I have talked with him and he has told me, in the last 20 minutes, that he is opposed to these amendments and that he will filibuster them, if necessary. And he says there are others who will filibuster them.

In view of that, I hope that the distinguished Senator from North Carolina would not insist on offering them at this time. He has a bill in the Judiciary Committee now on which a hearing has been held in the Criminal Law Subcommittee. It is back to the full committee and it is ready to go on the agenda. I can assure him it will go on the agenda and will be reached as soon as we can get to it.

In view of that, I hope that he would be kind enough not to offer the amendment at this time.

Mr. HELMS. Mr. President, I thank the distinguished Senator from South Carolina. I assure him and the distinguished majority leader that it is not my intent to hold up the passage of the pending bill or the bill which will shortly be pending.

I am just mystified that any Senator would oppose doing away with the scourge in this country called Dial-a-Porn. I may be naive—I have been around this place about 14 years now—but this is one amendment which I felt that all Senators would welcome, because it will be recommended by the Commission on Pornography. It is sorely needed to put an end to children all over America using the long distance telephone service of their parents to dial a number—a 1-900 number; I understand many of the machines are in New York—for a fee. And, bear in mind, Mr. President, that the people—the entrepreneurs, if you want to call them that; that is too nice a word for me to use for them—but the people who are doing this dirty business are making millions out of it at 50 cents a clip off of parents whose telephone bills are charged with calls to New York City and elsewhere to listen to, as I understand it, 4 to 5 minutes of garbage, sewer talk.

I am perfectly willing not to offer the amendment to this legislation provided I can have some assurance from the distinguished chairman of the Judiciary Committee and the distinguished majority leader. As I understand it, I say to Senator Thurmond, he has said that, inasmuch as the bill has been the subject of a hearing by the Subcommittee of the Judiciary, the Criminal Law Subcommittee, it is now subject to be put on the agenda.

Mr. THURMOND. It is ready to be put on the agenda of the full committee, and it will be placed on that agenda and we will reach it in due time.

Mr. HELMS. Well, of course, nobody knows what "due time" is around this place, if you have a Senator who is going to filibuster, because it is possible to filibuster in committee, as well as on the floor.

Mr. THURMOND. If there are filibusters in the committee, I will get back in touch with the Senator. And if there is a filibuster and there is no way to get it out, then the Senator can place it on the calendar over here.

Mr. HELMS. I think I am going to do that, in any case.

I would ask the distinguished majority leader, If Senator Thurmond encounters a filibuster in his committee reporting the bill which would abolish "Dial-a-Porn," could I have the assurance of the majority leader that he would endeavor to call up the bill from the calendar?

Mr. DOLE. Yes; I can give the distinguished Senator that assurance. I do not understand why anybody would object to it, unless it be some big corporation that may be profiting from the telephone calls. I cannot believe anybody else would have any problem with a bill of that kind.

Mr. HELMS. With that assurance, I say to my friends, the distinguished majority leader and the distinguished chairman of the Judiciary Committee, I will withhold offering the amendment which, as I said earlier, I had anticipated that the entire Senate would be willing to approve forthwith on a voice vote. Because, if anything is clear in this world, it is that we have to stop stuff like this.

I thank the distinguished majority leader and I thank the distinguished chairman of the Judiciary Committee.

Mr. DOLE. Mr. President, first let me thank the distinguished Senator from North Carolina and the chairman of the Judiciary Committee, Senator Thurmond from South Carolina. It would be my hope that there would not be an effort to tie this bill up in the committee. But, if so, as I have indicated, we will try to work it out some other way.

I think additional hearings before the Subcommittee on the Constitution in the Judiciary Committee would be very helpful and if there are any problems they could be resolved.

Mr. THURMOND. Mr. President, hearings have already been held in the Criminal Law Subcommittee and it is now ready to be put on the agenda of the full committee. If the distinguished Senator from North Carolina wants to go to another subcommittee for another hearing, I have no objection, but that would just take more time.

Mr. HELMS. That is correct. I do not believe further hearings are needed.

Mr. DOLE. Yes, that would take more time.

Mr. President, I understand the distinguished minority leader would like to be present. We are ready to proceed.

REPORT TO THE SENATE CONCERNING THE STRIKE IN LIBYA

Mr. DOLE. Mr. President, while we are waiting for the distinguished minority leader, I would like to include in the Record at this point a letter addressed to the distinguished President pro tempore, Senator Thurmond, from the President, dated April 16, 1986. This letter is a report to the Senate concerning the strike in Libya.

Mr. THURMOND. Mr. President, I already put that in last night.

Mr. DOLE. Mr. President, I am advised by the distinguished President pro tempore it has been included in the Record, so I will not ask it be included again.

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But I would state that the President has indicated in this letter, which is in the Record, that it does meet the requirements and is a precise summary of the events to date in Libya.

ROUTINE MORNING BUSINESS

Mr. DOLE. Mr. President, I ask unanimous consent that there be a period for the transaction of routine morning business not to extend beyond the hour of 4:45 p.m. with statements limited to 5 minutes each.

The PRESIDING OFFICER. Without objection, it is so ordered.

DIAL-A-PORN AMENDMENT

Mr. HELMS addressed the Chair.

The PRESIDING OFFICER. The Senator from North Carolina.

Mr. HELMS. Mr. President, while we have a few moments, if the distinguished minority leader will bear with me, let me discuss very briefly the amendment that I would have proposed to the crime bill. We call it the Dial-a-Porn amendment, and the purpose of it is to eliminate completely the "Dial-a-Porn" operations by repealing a few words in section 223(b) of the Communications Act of 1934. The amendment adds no substantive language of any kind to current law. It—purely and simply—removes a gaping loophole in existing law.

Mr. President, American parents have enough to contend with in 1986 without having to worry about whether their children will be able to pick up the phone, dial a number, and then hear an obscene recorded message. Yet since Congress first addressed the problem of dial-a-porn in December 1983, the dial-a-porn industry has flourished, and our children in particular and American society in general have been the losers.

The loophole in existing law is that it affirmatively authorizes dial-a-porn for consenting adults. Thus, dial-a-porn operators are given a green light to go into business, and then the practical problem arises—and it arises in thousands of cases every day—as to how to keep children from calling the dial-a-porn numbers. That practical problem, Mr. President, has proven to be totally insoluble. Moreover, there is no good reason for Congress to authorize our interstate telephone system to be used for the communication of pornographic messages—even to adults, for that matter. These are recorded messages. These are not conversations. These are recorded filth.

Mr. President, the prohibitions currently in place under section 223(b) of the Communications Act of 1934 are sufficient to shut down the dial-a-porn industry, if we simply eliminate the loophole. The loophole has two parts.

The first part of the loophole is that portion of section 223(b)(1)(A) which makes dial-a-porn criminal only if it goes to a person under 18 years of age or to a person who has not consented to receiving the message. My amendment eliminates this crippling qualification to the prohibition against dial-a-porn. Thus, the prohibition against dial-a-porn would apply to everyone—not just minors and nonconsenting adults, as is currently the case.

The second part of the loophole is all of section 223(b)(2) which provides: "It is a defense to a prosecution under this section that the defendant restricted access to the prohibited communication to persons 18 years of age or older in accordance with procedures which the Commission (the FCC) shall prescribe by regulation." My amendment—which I would have offered to this legislation I contend is the most appropriate vehicle for this—would remove this complete, affirmative defense to prosecution under section 223(b), and it would make the current penalties for dial-a-porn under section 223(b) meaningful for the first time.

Mr. President, I have heard from parents all over this country about this matter. Many constituents have contacted me time and time again on this problem of dial-a-porn. Most recently, I received a letter from the father of a 9-year-old boy. This is typical of what I am hearing. The father sent me a copy of his telephone bill and underlined three long distance calls to a "900" number. "While questioning my son about these calls," the father wrote, "I discovered that the long distance calls were placed to a service which provides sexually explicit messages. Apparently, some older children told my son that this number was the number of 'Teddy Ruxpin,' the talking teddy bear. The joke was not very funny when one considers the fact that the morals of young children are being corrupted in the process."

Mr. President, the need for this legislation, I believe, is completely evident in this father's letter. We, in Congress, owe the parents of America better than what they now have to contend with on this matter of dial-a-porn.

I urge that we move as quickly as possible and Senator Thurmond and Senator Dole have assured me that they will cooperate fully. Therefore, I do not intend to offer the amendment.

I yield the floor. I thank the majority leader.

Mr. THURMOND addressed the Chair.

The PRESIDING OFFICER. The Senator from South Carolina.

COMPREHENSIVE CRIME CONTROL ACT AMENDMENTS

Mr. THURMOND. I would like to inquire of the distinguished Democratic leader if he has cleared Calendar 596, S. 1236, minor and technical amendments to the crime bill.

Mr. BYRD. Yes.

Mr. THURMOND. Senator Biden had a statement in favor of it, and Senator Metzenbaum does not oppose it. I have heard of no opposition on the part of anyone.

Mr. BYRD. It is my understanding that there will only be two amendments offered to the measure, and those two amendments will be offered by the distinguished Senator from South Carolina, Mr. Thurmond.

Mr. THURMOND. Mr. President, that is correct.

Mr. BYRD. There is no objection on this side.

Mr. THURMOND. Mr. President, I ask unanimous consent that the Senate now turn to Calendar 596, S. 1236, minor and technical amendments to the crime bill.

The PRESIDING OFFICER. Without objection, it is so ordered.

The clerk will report.

The assistant legislative clerk read as follows:

A bill, (S. 1236), to amend title 18 of the United States Code and other laws to make minor or technical amendments to provisions enacted by the Comprehensive Crime Control Act of 1984, and for other purposes.

The Senate proceeded to consider the bill (S. 1236) to amend title 18 of the United States Code and other laws to make minor or technical amendments to provisions enacted by the Comprehensive Crime Control Act of 1984, and for other purposes, which had been reported from the Committee on the Judiciary, with an amendment to strike out all after the enacting clause, and insert the following:

BAIL (CHAPTER I)

Section 1. (a) Subparagraph (D) of section 3142(f)(1) of title 18 of the United States Code is amended by—

(1) striking out the words "any felony committed after the person had been convicted of two or more prior offenses" and inserting in lieu thereof "any felony if the person has been convicted of two or more offenses"; and

(2) inserting before the semicolon ", or a combination of such offenses".

(b) Subparagraph (A) of section 3142(f)(2) of title 18 of the United States Code is amended by inserting the word "or" after the semicolon.

(c) Subsection (f) of section 3142 of title 18 of the United States Code is amended by adding at the end thereof the following: "The hearing may be reopened, before or after a determination by the judicial officer, at any time prior to trial if the judicial officer finds that information exists that was not known to the movant at the time of the hearing and that has a material bearing on the issue whether there are conditions of release that will reasonably assure the appearance of the person as required and the safety of any other person and the community.".

OTHER SENTENCING AMENDMENTS

Sec. 2. (a) Section 4216 of title 18 of the United States Code is repealed.

(b) The item relating to section 4216 in the sectional analysis of chapter 311 of title 18 of the United States Code is amended to read as follows:

"4216. Repealed."

Sec. 3. Section 992 of title 28 of the United States Code is amended—

(1) in subsection (c) by striking out "section 225(a)(1)(B)(ii) of the Sentencing Reform Act of 1983" and inserting in lieu thereof "section 235(a)(1)(B)(ii) of the Sentencing Reform Act of 1984"; and

(2) by adding at the end thereof the following new subsection:

"(d) The provisions of sections 44(c) and 134(b) of this title, regarding the residence of judges, shall not apply to any judge holding a full-time position on the Commission pursuant to subsection (c) of this section.".

Sec. 4. Section 994 of title 28 of the United States Code is amended—

(1) in subsection (a)(2)(C) by making it read as follows:

"(C) the sentence modification provisions set forth in sections 3563(c), 3564, 3573, 3582(c), and 3583(e) of title 18;";

(2) in subsection (a)(3) by making it read as follows:

"(3) guidelines or general policy statements regarding the appropriate use of the provisions for revocation of probation and supervised release set forth in sections 3565 and 3583(e) of title 18, and the provisions for modification of the term or conditions of probation and supervised release set forth in sections 3563(c), 3564, and 3583(e) of title 18.";

(3) in subsection (b) by inserting before the period in the second sentence ", except that if the maximum of the range is life imprisonment, the minimum shall not be less than thirty-years' imprisonment";

(4) in subsection (h) by striking out "by section 3581(b) of title 18, United States Code,"; and

(5) in subsection (t) by inserting the words "in what circumstances and" after the word "specify" and by deleting the words "that are outside the applicable guideline ranges".

Sec. 5. Subsection (a) of section 212 of the Comprehensive Crime Control Act of 1984 is amended—

(1) in subsection (b) of section 3552 of title 18 of the United States Code by striking out the word "take" in the third sentence and inserting in lieu thereof the word "be";

(2) in subsection (b) of section 3552 of title 18 of the United States Code by inserting the words ", if the defendant is in custody," after the words "the United States Marshal shall" in the eighth sentence; and

(3) in subsection (c) of section 3552 of title 18 of the United States Code by striking out "4247" and inserting in lieu thereof "4244".

Sec. 6. Subsection (a) of section 212 of the Comprehensive Crime Control Act of 1984 is amended—

(1) in subsection (a) section 3553 of title 18 of the United States Code by striking out the words "of this subsection" in the first sentence; and

(2) in subsection (b) of section 3553 of title 18 of the United States Code by adding the following sentence at the end thereof: "In the absence of an applicable sentencing guideline, the court shall impose an appropriate sentence, having due regard for its relationship to sentences prescribed by guidelines applicable to similar offenses and offenders and the purposes of sentencing set forth in subsection (a)(2).".

Sec. 7. Subsection (a) of section 212 of the Comprehensive Crime Control Act of 1984 is amended in subsection (c) of section 3553 of title 18 of the United States Code by inserting "or if it includes an order of only partial restitution," after "If the sentence does not include an order of restitution,".

Sec. 8. Subsection (a) of section 212 of the Comprehensive Crime Control Act of 1984 is amended in subsection (a) of section 3561 of title 18 of the United States Code by striking out the second sentence.

Sec. 9. Subsection (a) section 212 of the Comprehensive Crime Control Act of 1984 is amended in paragraph (11) of section 3563(b) of title 18 of the United States Code by striking out "in section 3581(b)".

Sec. 10. (a) Subsection (a) of section 212 of the Comprehensive Crime Control Act of 1984 is amended in subsection (c) of section 3563 of title 18 of the United States Code by—

(1) striking out the phrase ", after a hearing,"; and

(2) inserting the phrase "the provisions of Rule 32.1 of the Federal Rules of Criminal Procedure and" after the words "pursuant to".

(b) Subdivision (b) of Rule 32.1 of the Federal Rules of Criminal Procedure is amended by—

(1) inserting the words "to be" after the word "relief"; and

(2) striking out the period at the end and inserting in lieu thereof ", and the attorney for the government, after having been given notice of the proposed relief and a reasonable opportunity to object, has not objected.".

Sec. 11. Subsection (a) of section 212 of the Comprehensive Crime Control Act of 1984 is amended in subsection (b) of section 3564 of title 18 of the United States Code by striking out the second sentence and inserting in lieu thereof the following: "A term of probation runs concurrently with any Federal, State, or local term of probation, supervised release, or parole for another offense to which the defendant is subject or becomes subject during the term of probation. A term of probation does not run while the defendant is imprisoned in connection with a conviction for a Federal, State, or local crime unless the imprisonment is for a period of less than thirty consecutive days.".

Sec. 12. Subsection (a) of section 212 of the Comprehensive Crime Control Act of 1984 is amended in subsection (f) of section 3603 of title 18 of the United States Code by striking out the word "supervise" and inserting in lieu thereof "assist in the supervision of," and by inserting a comma after the word "about".

Sec. 13. Subsection (a) of section 212 of the Comprehensive Crime Control Act of 1984 is amended in subsection (b) of section 3624 of title 18 of the United States Code by striking out "beginning after the first year of the term" in the first sentence and inserting in lieu thereof "beginning at the end of the first year of the term".

Sec. 14. Subsection (a) section 212 of the Comprehensive Crime Control Act of 1984 is amended in subsection (e) of section 3624 of title 18 of the United States Code by striking out the third sentence and inserting in lieu thereof the following: "The term runs concurrently with any Federal, State, or local term of probation, supervised release, or parole for another offense to which the person is subject or becomes subject during the term of supervised release. A term of supervised release does not run while the person is imprisoned in connection with a conviction for a Federal, State, or local crime unless the imprisonment is for a period of less than thirty consecutive days.".

Sec. 15. Subsection (a) of section 212 of the Comprehensive Crime Control Act of 1984 is amended in section 3663 (formerly section 3579) of title 18 of the United States Code by—

(1) striking out "or in lieu of" in subsection (a)(1); and

(2) striking out "sections 3812 and 3813" in subsection (h) and inserting in lieu thereof "sections 3612 and 3613".

Sec. 16. Subsection (a) of section 212 of the Comprehensive Crime Control Act of 1984 is amended in section 3672 (formerly section 3656) of title 18 of the United States Code by adding at the end thereof:

"He shall have the authority to contract with any appropriate public or private agency or person for the detection of and care in the community of an offender who is an addict or a drug-dependent person within the meaning of section 2 of the Public Health Service Act (42 U.S.C. 201). This authority shall include, but not be limited to, providing equipment and supplies; testing; medical, educational, social, psychological, and vocational services; corrective and preventive guidance and training; and other rehabilitative services designed to protect the public and benefit the addict by eliminating his dependence on addicting drugs, or by controlling his dependence and his susceptibility to addiction. He may negotiate and award such contracts without regard to section 3709 of the Revised Statutes (41 U.S.C. 5).

"He shall pay for presentence studies and reports by qualified consultants and presentence examinations and reports by psychiatric or psychological examiners ordered by the court under section 3552 (b) or (c) except for studies conducted by the Bureau of Prisons.".

Sec. 17. Section 214 of the Comprehensive Crime Control Act of 1984 is amended—

(1) in subsection (a) of section 5037 of title 18 of the United States Code by striking out "(e)" and inserting in lieu thereof "(d)";

(2) in subparagraph (B) of section 5037(c)(1) of title 18 of the United States Code by striking out "by section 3581(b)";

(3) in subparagraph (B) of section 5037(c)(2) of title 18 of the United States Code by striking out "by section 3581(b)"; and

(4) in subsection (c) of section 5037 of title 18 of the United States Code by adding the following new paragraph at the end thereof:

"The provisions of section 3624 are applicable to an order placing a juvenile under detention.".

Sec. 18. Section 215(a)(5) of the Comprehensive Crime Control Act of 1984 is amended in subdivision (c)(2)(B) of Rule 32 of the Fedeal Rules of Criminal Procedure by striking out the word "than" and inserting in lieu thereof the word "from".

Sec. 19. Section 215(f) of the Comprehensive Crime Control Act of 1984 is amended in Rule 6 of the Federal Rules of Criminal Procedure by—

(1) striking out the word "or" in subdivision (e)(3)(C)(ii); and

(2) striking out the period at the end of subdivision (e)(3)(C)(iii) and inserting in lieu thereof "; or".

Sec. 20. (a) Subsection (a) of section 224 of the Comprehensive Crime Control Act of 1984 is amended—

(1) in paragraph (1) to read, "in subsection (b)(1)(A), by deleting the sentence which begins 'Any sentence imposing a term of imprisonment under this paragraph';";

(2) in paragraph (2) to read, "in subsection (b)(1)(B), by deleting the sentence which begins 'Any sentence imposing a term of imprisonment under this paragraph';";

(3) by inserting the following new paragraph after paragraph (2):

"(3) in subsection (b)(1)(C), by deleting the sentence which begins 'Any sentence imposing a term of imprisonment under this paragraph';";

(4) by adding the word "and" at the end of paragraph (4);

(5) by deleting paragraph (5); and

(6) by redesignating paragraphs (3) and (4) as (4) and (5), respectively.

(b) Section 224 of the Comprehensive Crime Control Act of 1984 is amended by redesignating subsection (c) as subsection (d) and by inserting after subsection (b) the following:

"(c) Section 405A (21 U.S.C. 845A) is amended—

"(1) in subsection (a) by deleting '(1)' after the word 'punishable', and by deleting the semicolon and all that follows and inserting in lieu thereof a period;

"(2) in subsection (b) by deleting '(1)' after the word 'punishable', and by deleting 'and (2) at least three times any special parole term' and all that follows and by inserting in lieu thereof a period; and

"(3) in subsection (c) by deleting the second sentence.".

SEC. 21. Subsection (a) of section 225 of the Comprehensive Crime Control Act of 1984 is amended—

(1) in paragraph (1) to read, "in subsection (b)(1), by deleting the sentence which begins 'If a sentence under this paragraph provides for imprisonment';";

(2) in paragraph (2) to read, "in subsection (b)(2), by deleting the sentence which begins 'If a sentence under this paragraph provides for imprisonment';";

(3) by redesignating paragraph (3) as (4); and

(4) by inserting the following new paragraph after paragraph (2):

"(3) in subsection (b)(3), by deleting the sentence which begins 'If a sentence under this paragraph provides for imprisonment'; and".

SEC. 22. Subsection (a) of section 232 of the Comprehensive Crime Control Act of 1984 is amended by—

(1) striking out the word "and" the second time it appears and inserting in lieu thereof a comma; and

(2) inserting before the period ", and 'and who are not sentenced to treatment under the Narcotic Addict Rehabilitation Act of 1966' ".

SEC. 23. (a) Section 235(a)(1)(B)(i) of the Comprehensive Crime Control Act of 1984 is amended by striking out "eighteen" and inserting "thirty" in lieu thereof.

(b) TECHNICAL AMENDMENT.—Section 235(a)(1)(B)(i) of the Comprehensive Crime Control Act of 1984 is amended by striking out "to section" and inserting "under section" in lieu thereof.

(c) Section 994(q) of title 28, United States Code, is amended by striking out "within three years" and all that follows through "Act of 1983" and inserting in lieu thereof "not later than one year after the initial set of sentencing guidelines promulgated under subsection (a) goes into effect."

(d) Section 235(a)(1) of the Comprehensive Crime Control Act of 1984 is amended by striking out "twenty-four" and inserting "thirty-six" in lieu thereof.

FORFEITURE (CHAPTERS III AND XXIII)

SEC. 24. Section 1963 of title 18 of the United States Code is amended—

(1) in subsection (c) by striking out "(m)" and inserting in lieu thereof "(l)";

(2) in subsection (j) by striking out "(m)" and inserting in lieu thereof "(l)"; and

(3) by redesignating subsections (e), (f), (g), (h), (i), (j), (k), (l), and (m), as subsections (d), (e), (f), (g), (h), (i), (j), (k), and (l), respectively.

SEC. 25. Section 608 of the Tariff Act of 1930 (19 U.S.C. 1608) is amended in the sentence beginning "Upon the filing", by striking out "$2,500" and inserting in lieu thereof "$5,000".

SEC. 26. (a) Subsection (c) of section 616 of the Tariff Act of 1930 (19 U.S.C. 1616(c)) as enacted by Public Law 98-573 is amended by inserting "any other Federal agency or to" after "property forfeited under this Act to".

(b) Section 616 of the Tariff Act of 1930 (19 U.S.C. 1616) as enacted by Public Law 98-473 is repealed.

SEC. 27. Section 413 of title II of the Comprehensive Drug Abuse Prevention and Control Act of 1970 (21 U.S.C. 853) is amended—

(1) in subsection (c) by striking out "(o)" and inserting in lieu thereof "(n)";

(2) in subsection (f) by striking out "subsection (f)" and inserting in lieu thereof "subsection (e)"; and

(3) in subsection (k) by striking out "(o)" and inserting in lieu thereof "(n)".

SEC. 28. (a) Subsection (b) of section 511 of the Comprehensive Drug Abuse Prevention and Control Act of 1970 (21 U.S.C. 881(b)) is amended—

(1) by striking out "or criminal" after "Any property subject to civil";

(2) in paragraph (4) by striking out "or criminal" after "is subject to civil"; and

(3) by adding the following at the end thereof:

"The Government may request the issuance of a warrant authorizing the seizure of property subject to forfeiture under this section in the same manner as provided for a search warrant under the Federal Rules of Criminal Procedure.".

(b) Subsection (i) of section 511 of the Comprehensive Drug Abuse Prevention and Control Act of 1970 (21 U.S.C. 881(i)) is amended by inserting ", or a violation of State or local law that could have been charged under this title or title III," after "title III".

SEC. 29. (a) Subparagraph (E) of section 524(c)(1) of title 28 of the United States Code is amended by inserting "the Federal Bureau of Investigation, the United States Marshals Service," after the words "for official use by", and by inserting a comma before the word "or".

(b) Paragraph (4) of section 524(c) of title 28 of the United States Code is amended by striking out "remaining after the payment of expenses for forfeiture and sale authorized by law" and inserting in lieu thereof ", except all proceeds of forfeitures available for use by the Secretary of the Treasury or the Secretary of the Interior pursuant to section 11(d) of the Endangered Species Act (16 U.S.C. 1540(d)) or section 6(d) of the Lacey Act Amendments of 1981 (16 U.S.C. 3375(d))".

OFFENDERS WITH MENTAL DISEASE OR DEFECT

(CHAPTER IV)

SEC. 30. Subdivision (c) of Rule 12.2 of the Federal Rules of Criminal Procedure is amended by inserting "4241 or" before "4242".

DRUG ENFORCEMENT AMENDMENTS

(CHAPTER V)

SEC. 31. Paragraph (14) of section 102 of the Controlled Substances Act (21 U.S.C. 802(14)) is amended in the second and third sentences by striking out the word "the" after the words "the term 'isomer' means" and inserting in lieu thereof "any".

SEC. 32. Paragraph (4) of subsection (a) of schedule II of the Controlled Substances Act (21 U.S.C. 812) is amended to read as follows:

"(4) coca leaves, except coca leaves and extracts of coca leaves from which cocaine, ecgonine, and derivatives of ecgonine or their salts have been removed; cocaine, its salts, optical and geometric isomers, and salts of isomers; ecgonine, its derivatives, their salts, isomers, and salts of isomers; or any compound, mixture, or preparation which contains any quantity of any of the substances referred to in this paragraph.".

SEC. 33. (a) Subparagraph (A) of section 401(b)(1) of the Controlled Substances Act (21 U.S.C. 841(b)(1)(A)) is amended—

(1) in clause (i) to read as follows:

"(i) 100 grams or more of a mixture or substance containing a detectable amount of a narcotic drug in schedule I or II other than a narcotic drug consisting of—

"(I) coca leaves, except coca leaves and extracts of coca leaves from which cocaine, ecgonine, and derivatives of ecgonine or their salts have been removed;

"(II) cocaine, its salts, optical and geometric isomers, and salts of isomers;

"(III) ecgonine, its derivatives, their salts, isomers, and salts of isomers; or

"(IV) any compound, mixture, or preparation which contains any quantity of any of the substances referred to in subclauses (I) through (III);";

(2) in clause (ii) by adding "a mixture or substance containing a detectable amount of" after "a kilogram or more of";

(3) in clause (iii) by adding "a mixture or substance containing a detectable amount of" after "500 grams or more of";

(4) in clause (iv) by adding "a mixture or substance containing a detectable amount of" after "5 grams or more of"; and

(5) by adding at the end thereof, "Any sentence imposing a term of imprisonment under this paragraph shall, in the absence of such a prior conviction, impose a special parole term of at least 4 years in addition to such term of imprisonment and shall, if there was such a prior conviction, impose a special parole term of at least 8 years in addition to such term of imprisonment.".

(b) Paragraph (5) of section 401(b) of the Controlled Substances Act (21 U.S.C. 841(b)(5)) is amended by adding the words "the fines provided in" after the word "Notwithstanding".

SEC. 34. Subsection (b) of section 405A of the Controlled Substances Act (21 U.S.C. 845a(b)) is amended by inserting "parole" after "(2) at least three times any special".

SEC. 35. Section 503(a) of the Controlled Substances Act (21 U.S.C. 873(a)) is amended by—

(1) striking out "and" at the end of paragraph (5);

(2) striking out the period at the end of paragraph (6) and inserting in lieu thereof "; and"; and

(3) adding at the end thereof the following:

"(7) notwithstanding any other provision of law, enter into contractual agreements with State and local law enforcement agencies to provide for cooperative enforcement and regulatory activities under this Act.".

SEC. 36. Section 508 of the Controlled Substances Act (21 U.S.C. 878) is amended by—

(1) inserting "(a)" before "Any officer or employee";

(2) inserting after "Drug Enforcement Administration" the following: "or any State or local law enforcement officer"; and

(3) adding at the end thereof the following new subsection:

"(b) State and local law enforcement officers performing functions under this section shall not be deemed Federal employees and shall not be subject to provisions of law relating to Federal employees, except that such officers shall be subject to section 3374(c) of title 5, United States Code.".

SEC. 37. (a) Paragraph (1) of section 1010(b) of the Controlled Substances Import and Export Act (21 U.S.C. 960(b)(1)) is amended—

(1) in subparagraph (A) by striking out clauses (i), (ii), and (iii) and inserting in lieu thereof the following:

"(i) coca leaves, except coca leaves and extracts of coca leaves from which cocaine, ecgonine, and derivatives of ecgonine or their salts have been removed;

"(ii) cocaine, its salts, optical and geometric isomers, and salts of isomers;

"(iii) ecgonine, its derivatives, their salts, isomers, and salts of isomers; or

"(iv) any compound, mixture, or preparation which contains any quantity of any of the substances referred to in clauses (i) through (iii);";

(2) in subparagraph (B) by inserting "a mixture or substance containing a detectable amount of" after "a kilogram or more of";

(3) in subparagraph (C) by inserting "a mixture or substance containing a detectable amount of" after "500 grams or more of";

(4) in subparagraph (D) by inserting "a mixture or substance containing a detectable amount of" after "5 grams or more of"; and

(5) by adding at the end thereof, "If a sentence under this paragraph provides for imprisonment, the sentence shall include a special parole term of not less than four years in addition to such term of imprisonment.".

(b) Paragraph (3) of section 1010(b) of the Controlled Substances Import and Export Act (21 U.S.C. 960(b)(3)) is amended by striking out ", except as provided in paragraph (4)".

LABOR RACKETEERING AMENDMENT (CHAPTER VIII)

SEC. 38. Paragraph (2) of section 411(a) of title I of the Employee Retirement Income Security Act of 1974 (29 U.S.C. 1111(a)(2)) is amended by striking out "entity" and inserting in lieu thereof "person".

CURRENCY AND FOREIGN TRANSACTIONS REPORTING ACT AMENDMENTS (CHAPTER IX)

SEC. 39. Paragraph (2) of section 5318(a) of title 31 of the United States Code is amended by striking out "$5,000" and inserting in lieu thereof "$10,000".

MISCELLANEOUS VIOLENT CRIME AMENDMENTS (CHAPTER X)

SEC. 40. Subsection (a) of section 373 of title 18 of the United States Code is amended by—

(1) inserting after the words "the person or property of another" the words ", or against such person's own property,"; and

(2) inserting before the word "death" the words "life imprisonment or".

SEC. 41. Subsection (c) of section 924 of title 18 of the United States Code is amended by—

(1) adding after the words "during and in relation to any" the words "felony described in the Controlled Substances Act (21 U.S.C. 801 et seq.), the Controlled Substances Import and Export Act (21 U.S.C. 951 et seq.), or section 1 of the Act of September 15, 1980 (21 U.S.C. 955a) or any";

(2) adding after the words "in addition to the punishment provided for such" the words "felony or"; and

(3) adding after the words "term of imprisonment including that imposed for the" the words "felony or".

SEC. 42. Subsection (a) of section 929 of title 18 of the United States Code is amended by—

(1) adding after the words "during and in relation to the commission of a" the words "felony described in the Controlled Substances Act (21 U.S.C. 801 et seq.), the Controlled Substances Import and Export Act (21 U.S.C. 951 et seq.), or section 1 of the Act of September 15, 1980 (21 U.S.C. 855a), or a";

(2) adding after the words "in addition to the punishment provided for the commission of such" the words "felony or"; and

(3) adding after the words "term of imprisonment including that imposed for the felony" the words "or crime of violence".

SEC. 43. (a) Subsection (d) of section 1201 of title 18 of the United States Code is amended by adding the words "or (a)(5)" after the words "subsection (a)(4)".

(b) Paragraph (2) of section 115(b) of title 18 of the United States Code is amended to read as follows:

"(2) A kidnaping or attempted kidnaping in violation of this section shall be punished as provided in section 1201 of this title for the kidnaping or attempted kidnaping of a person described in section 1201(a)(5) of this title.".

SEC. 44.(a) Chapter 65 of title 18 of the United States Code is amended by redesignating section 1365 as enacted by Public Law 98-473 as section 1366.

(b) The analysis at the beginning of chapter 65 of title 18 of the United States Code is amended by striking out "1365" the second time it appears and inserting in lieu thereof "1366".

SERIOUS NONVIOLENT OFFENSES

(CHAPTER XI)

SEC. 45. Section 215 of title 18 of the United States Code is amended—

(1) in subsections (a) and (b) by inserting the words ", bank holding company, or savings and loan holding company" after the words "financial institution" the second and third place in which they appear;

(2) in subsection (c)(1)(D) by striking out "Administrator of the"; and

(3) in subsection (d) by inserting the words ", bank holding company, or savings and loan holding company" after the words "financial institution" each place in which they appear.

SEC. 46. Section 219 of title 18 of the United States Code is amended—

(1) in the first paragraph to read:

"Whoever, being a public official, is or acts as an agent of a foreign principal required to register under the Foreign Agents Registration Act of 1938, as amended, shall be fined not more than $10,000 or imprisoned for not more than two years, or both."; and

(2) in the last paragraph by striking out "the Delegate from the District of Columbia" and inserting in lieu thereof "Delegate", and by striking out ", or a juror".

SEC. 47. (a) Chapter 25 of title 18 of the United States Code is amended by redesignating section 510 as enacted by Public Law 98-473 as section 513.

(b) The analysis at the beginning of chapter 25 of title 18 of the United States Code is amended by striking out "510. Securities of the State and private entities.", and by adding at the end thereof "513. Securities of the States and private entities.".

SEC. 48. (a) Sections 1791 and 1792 of title 18 of the United States Code are amended by striking out the phrase "Federal penal or correctional facility" each time it appears and inserting in lieu thereof "Federal penal, detention, or correctional facility".

(b) Section 1791 of title 18 of the United States Code is further amended—

(1) in subparagraph (a)(1)(B) by adding the words "ammunition or" before "any other weapon";

(2) in subparagraph (a)(1)(C) by adding before the semicolon the words ", lysergic acid diethylamide, or phencyclidine";

(3) in subparagraph (a)(1)(D) by striking out "other than a narcotic drug, as defined in section 102 of the Controlled Substances Act (21 U.S.C. 802)" and inserting in lieu thereof "other than a controlled substance described in subparagraph (C)"; and

(4) by making subsection (c) read as follows:

"(c) DEFINITIONS.—As used in this section, 'ammunition', 'firearm', and 'destructive device' have the meaning given those terms, respectively, in section 921 of title 18 the United States Code.".

PROCEDURAL AMENDMENTS (CHAPTER XII)

SEC. 49. Subsection (e) of section 1028 of title 18 of the United States Code is amended by striking out "title V of the Organized Crime Control Act of 1970 (18 U.S.C. note prec. 3481)" and inserting in lieu thereof "chapter 224 of this title".

SEC. 50. Subsection (f) of section 1029 of title 18 of the United States Code is amended by striking out "title V of the Organized Crime Control Act of 1970 (18 U.S.C. note prec. 3481)" and inserting in lieu thereof "chapter 224 of this title".

SEC. 51. Section 3076 of title 18 of the United States Code is amended by striking out "title V of the Organized Crime Control Act of 1970" and inserting in lieu thereof "chapter 224 of this title".

SEC. 52. Section 3522 of title 18 of the United States Code is amended—

(1) in subsection (a) by striking out the word "parolees" in the second sentence and inserting in lieu thereof "probationers or parolees, as the case may be";

(2) in subsection (b)—

(A) by striking out "subsection (a)" and inserting in lieu thereof "probation or parole"; and

(B) by striking out the word "shall" and inserting in lieu thereof "may";

(3) by striking out subsection (c); and

(4) by redesignating subsection (d) as subsection (c).

SEC. 53. Section 1921 of title 28 of the United States Code is amended by adding the following new paragraph at the end thereof:

"Notwithstanding the provisions of section 3302 of title 31, the United States Marshals Service is authorized, to the extent provided in appropriations acts, to credit to its appropriation account all fees, commissions, and expenses collected for—

"(1) the service of civil process, including complaints, summonses, subpenas, and similar process; and

"(2) seizures, levies, and sales associated with judicial orders of execution,

by the United States Marshals Service and to use such credited amounts for the purpose of carrying out such activities.".

VICTIM COMPENSATION AND ASSISTANCE (CHAPTER XIV)

SEC. 54. Section 3013 of title 18 of the United States Code is amended by adding the following new subsection at the end thereof:

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"(c) No assessment shall be imposed on any person convicted of an offense for which local rules of the district court, or other Federal law, establishes that collateral may be posted in lieu of appearance in court.".

SEC. 55. Subsection (a) of section 3671 of title 18 of the United States Code, as enacted by section 1406(a) of the Comprehensive Crime Control Act of 1984, is amended by striking out "chapter 227 or 231 of" after the words "an order of restitution under".

SEC. 56. (a) Sections 3671 and 3672 of title 18 of the United States Code, as enacted by section 1406(a) of the Comprehensive Crime Control Act of 1984, are redesignated as sections 3681 and 3682, respectively.

(b) The sectional analysis of chapter 232 of title 18 of the United States Code, as added by section 1406(a) of the Comprehensive Crime Control Act of 1984, is amended by striking out "3671" and "3672" and inserting in lieu thereof "3681" and "3682", respectively.

SEC. 57. (a) Chapter 232 of title 18 of the United States Code, as enacted by section 1406(a) of the Comprehensive Crime Control Act of 1984, is redesignated as chapter 232A.

(b) The chapter analysis of part II of title 18 of the United States Code is amended by striking out the item relating to chapter 232, as added by section 1406(b) of the Comprehensive Crime Control Act of 1984, and inserting in lieu thereof the following:

"232A. Special forfeiture of collateral profits of crime 3681".

SEC. 58. Subsection (e) of section 1402 of the Comprehensive Crime Control Act of 1984 is amended by—

(1) striking out "the next succeeding fiscal year" and inserting in lieu thereof "the next two succeeding fiscal years"; and

(2) striking out "year" after "at the end of which".

SEC. 59. Section 1407 of the Comprehensive Crime Control Act of 1984 is amended—

(1) in subsection (h) by striking out "1302" and inserting in lieu thereof "1402"; and

(2) by redesignating subsection (h) as subsection (g).

SEC. 60. Chapter XIV of the Comprehensive Crime Control Act of 1984 is amended by striking out section 1410.

TRADEMARK COUNTERFEITING
(CHAPTER XV)

SEC. 61. (a) Chapter 113 of the title 18 of the United States Code is amended by redesignating section 2320 as enacted by Public Law 98-473 as section 2321.

(b) The analysis at the beginning of chapter 113 of title 18 of the United States Code is amended by striking out

"2320. Trafficking in counterfeit goods or services."

and by adding at the end thereof

"2321. Trafficking in counterfeit goods or services.".

ACCESS DEVICES AND COMPUTER
(CHAPTER XXI)

SEC. 62. (a) Section 1030 of title 18 of the United States Code is amended by adding the following new paragraph at the end thereof:

"(f) This section does not prohibit any lawfully authorized investigative, protective, or intelligence activity of a law enforcement agency of the United States, a State, or a political subdivision of a State, or of an intelligence agency of the United States.".

(b) Delete paragraph (3) of subsection (a) of section 1030 of title 18 of the United States Code.

(c) Delete "or" after the semicolon at the end of paragraph (2) of subsection (a) of section 1030 of title 18 of the United States Code, and insert "or" after the semicolon at the end of paragraph (1) of subsection (a) of section 1030 of title 18 of the United States Code.

MISCELLANEOUS AMENDMENTS

SEC. 63. Section 3 of title 18 of the United States Code is amended by inserting before the word "death" the words "life imprisonment or".

SEC. 64. (a) Chapter 1 of title 18 of the United States Code is amended by adding a new section 17 as follows:

"§ 17. Organization defined

"For purposes of this title, the term 'organization' means a person other than an individual.".

(b) The sectional analysis for chapter 1 of title 18 of the United States Code is amended by adding after the item relating to section 16 the following:

"17. Organization defined.".

SEC. 65. Subsection (a) of section 201 of title 18 of the United States Code is amended by striking out "the Delegate from the District of Columbia" and inserting in lieu thereof "Delegate".

SEC. 66. Paragraph (1) of section 203(a) of title 18 of the United States Code is amended by striking out "Delegate from the District of Columbia, Delegate Elect from the District of Columbia" and inserting in lieu thereof "Delegate, Delegate Elect".

SEC. 67. Subsection (h) of section 844 of title 18 of the United States Code is amended to read as follows:

"(h) Whoever uses fire or an explosive to commit, or carries an explosive during the commission of, any felony which may be prosecuted in a court of the United States, including a felony which provides for an enhanced punishment if committed by the use of a deadly or dangerous weapon or device, shall, in addition to the punishment provided for such felony, be sentenced to imprisonment for five years. In the case of his second or subsequent conviction under this subsection, such person shall be sentenced to imprisonment for ten years. Notwithstanding any other provision of law, the court shall not place on probation or suspend the sentence of any person convicted of a violation of this subsection, nor shall the term of imprisonment imposed under this subsection run concurrently with any other term of imprisonment including that imposed for the felony in which the fire or explosive was used or the explosive was carried. No person sentenced under this subsection shall be eligible for parole during the term of imprisonment imposed herein.".

SEC. 68. Section 1961(a) of title 18 of the United States Code is amended by adding, after the words "section 1511 (relating to the obstruction of State or local law enforcement)," the words "section 1512 (relating to tampering with a witness, victim, or an informant), section 1513 (relating to retaliating against a witness, victim, or an informant),".

SEC. 69. The first and second paragraphs of section 2315 of title 18 of the United States Code are amended by—

(1) inserting "possesses," after "receives,"; and

(2) striking out "moving as, or which are a part of, or which constitute interstate or foreign commerce," and inserting in lieu thereof "which have crossed a State or United States boundary after being stolen, unlawfully converted, or taken,".

SEC. 70. Subsection (m) of section 223 of the Comprehensive Crime Control Act of 1984 is amended in paragraph (3)(B) to read as follows:

"(B) by amending subsection (b) to read as follows:

" '(b) An offender transferred to the United States to serve a sentence of imprisonment that is longer than the maximum period of time specified in the applicable sentencing guideline promulgated pursuant to section 994(a)(1) of title 28, United States Code, as determined by the Bureau of Prisons, shall serve in an official detention facility the maximum period of time specified in the applicable sentencing guideline and shall serve the remainder of the term imposed as a term of supervised release. To the extent permitted by the applicable treaty, a determination by the Bureau of Prisons as to whether the transferred offender shall serve a term of supervised release and the length of such term to be served may be appealed to the United States court of appeals for the district in which the offender is imprisoned after transfer to the United States, and the court of appeals shall decide and dispose of the appeal in accordance with section 3742 as though the determination appealed had been imposed by the United States district court. A determination by the Bureau of Prisons shall be made only after affording the transferred offender an opportunity (1) to submit evidence or information as the applicable sentencing guideline, and (2) for an appeal within the Bureau of Prisons of such detemination by a reviewing authority established by the Director pursuant to regulations.'; and".

SEC. 71. Section 3142(c)(2)(J) of title 18 of the United States Code is amended by inserting ", psychological," after "medical".

SEC. 72. Paragraphs (3) of subsections (d), (g), and (h) of section 922 of title 18 of the United States Code are amended by deleting the words "marihuana or any depressant or stimulant drug (as defined in section 201(v) of the Federal Food, Drug, and Cosmetic Act) or narcotic drug (as defined in section 4731(a) of the Internal Revenue Code of 1954)" and inserting in lieu thereof the words "marihuana or any depressant or stimulant substance or narcotic drug (as those terms are defined in section 102 of the Controlled Substances Act, 21 U.S.C. 802)".

SEC. 73. Section 875 of title 18 of the United States Code is amended by striking the phrase "transmits in interstate commerce" each place where it appears and inserting in lieu thereof the words, "transmits in interstate or foreign commerce".

SEC. 74. Section 351 of title 18 of the United States Code is amended—

(a) in subsection (a) by adding after "Deputy Director of Central Intelligence," the words "a major candidate for the office of President or Vice-President, as defined in subsection (a)(7) of section 3056 of this title", and

(b) in subsection (h) by deleting the words "an official" and inserting in lieu thereof "a person".

Mr. THURMOND. Mr. President, today, I rise in support of S. 1236—a bill that would make minor and technical corrections to the Comprehensive Crime Control Act of 1984.

As most of you are aware, the Comprehensive Crime Control Act of 1984 embodied the most significant series of changes in the Federal criminal justice system ever enacted at one time. I was pleased to have been able to lead the effort, along with several of my distinguished colleagues, in securing passage of that legislation in the 98th Congress. The act was passed during the final weeks of the 98th Congress under demanding time constraints, and inevitably some ambiguities and technical defects found their way into the legislation.

On June 4, 1985, I introduced S. 1236, along with my colleagues Senator Biden, ranking minority member of the Judiciary Committee, Senator Laxalt, and Senator Kennedy to correct those defects. This bill was referred to the Judiciary Committee, of which I am chairman. S. 1236, as originally introduced, included 85 provisions covering all areas of the Federal criminal law. To expedite consideration of this legislation, the committee formulated a compromise containing those sections of S. 1236 which the members of the Judiciary Committee unanimously supported and it was offered as an amendment in the nature of a substitute.

The committee unanimously approved this substitute at its executive committee meeting on December 12, 1985, and it was reported on April 4, 1986 (S. Rep. 99-278).

AMENDMENT NO. 1794

(Purpose: To clarify certain fine and sentencing guideline provisions)

Mr. THURMOND. Mr. President, I now send an amendment to the desk on behalf of myself, Senator Biden, Senator Laxalt, Senator Kennedy, Senator Hatch, Senator Grassley, Senator Specter, and Senator East, to the committee substitute, and I ask for its immediate consideration.

The PRESIDING OFFICER. The clerk will report.

The assistant legislative clerk read as follows:

The Senator from South Carolina [Mr. Thurmond], for himself, and Mr. Biden, Mr. Laxalt, Mr. Kennedy, Mr. Hatch, Mr. Grassley, Mr. Specter, and Mr. East, proposes an amendment numbered 1794.

Mr. THURMOND. Mr. President, I ask unanimous consent that further reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

On page 61, strike out lines 22 through 3 on page 62 and insert in lieu thereof the following:

(1) in subsection (a)(2) by—

(A) redesignating subparagraphs (D) and (E) as subparagraphs (E) and (F), respectively;

(B) amending subparagraph (C) to read as follows:

"(C) the sentence modification provisions set forth in sections 3563(c), 3564, 3573, 3582(c), and 3583(e) of title 18;"; and

(C) adding after subparagraph (C) the following new subparagraph:

"(D) the fine imposition provision set forth in section 3572 of title 18;";

On page 62, strike out lines 13 through 16 and insert in lieu thereof the following:

(3) in subsection (b) by—

(A) inserting "(1)" after "(b)"; and

(B) designating the second sentence as paragraph (2) and inserting before the period in such paragraph (2) the following: "except that—

"(A) if the maximum term of the range is life imprisonment, the minimum shall not be less than 25 years imprisonment; or

"(B) it the maximum term of the range is one year or less, the maximum shall not exceed the minimum of that range by more than 50 per centum or 60 days, whichever is greater.";

On page 68, between lines 4 and 5, insert the following:

SEC. 16A. Section 213 of the Comprehensive Crime Control Act of 1984 is amended in section 3742 of title 18, United States Code—

(1) in subsections (a)(2), (b)(2), (d)(2), and (e)(1) by striking out "an incorrect" and inserting in lieu thereof "a clearly erroneous construction or"; and

(2) in subsection (e) by—

(A) striking out subparagraph (B) of paragraph (1) and inserting in lieu thereof the following:

"(B) designate the appropriate guideline category and remand the case for imposition of a sentence consistent with its decision;"; and

(B) striking out subparagraphs (A) and (B) of paragraph (2) and inserting in lieu thereof the following:

"(A) if it determines that the sentence is too high and the appeal has been filed under subsection (a), it shall set aside the sentence and remand the case for imposition of a sentence consistent with its decision;

"(B) if it determines that the sentence is too low and the appeal has been filed under subsection (b), it shall set aside the sentence and remand the case for imposition of a sentence consistent with its decision; or".

Mr. THURMOND. Mr. President, today I am offering an amendment to S. 1236 to make several changes in the sentencing provisions of the Comprehensive Crime Control Act of 1984.

I am pleased to be joined in offering this legislation by several of my distinguished colleagues on the Judiciary Committee—Senator Biden of Delaware, ranking minority member, as well as Senators Laxalt, Kennedy, Hatch, Grassley, Specter, and East.

This amendment would make changes with regard to the duties of the U.S. Sentencing Commission and the appellate review of sentences imposed by district courts.

First, the Commission's authority would be expanded to authorize it to promulgate policy statements regarding the imposition of fines in accordance with the applicable provision of Title 18 of the United States Code. This change would be consistent with the Commission's present authority to issue policy statements with regard to matters such as the application of sentencing guidelines, the sanctions of forfeiture, and plea agreements. In addition, this change would enhance the usefulness of the Commission's work to the Federal judicial system.

Second, the amendment modifies the requirement for sentencing guidelines that provides for ranges in the term of imprisonment. Currently, the maximum of the range may not exceed the minimum of that range by more than 25 percent. S. 1236, as reported by the committee, provides that when the maximum of the range is life imprisonment, the minimum of that range would be 30 years. This amendment would change that number to 25 years and would also provide that when the maximum term of the range is 1 year or less, the maximum shall not exceed the minimum of that range by more than 50 percent, or 60 days, whichever is greater. When the maximum term of the range is 1 year or less, a 25-percent variance would not allow the Commission sufficient flexibility to develop meaningful guidelines for relatively minor crimes. In this instance, the difference in the range would only amount to a small number of days which could possibly encourage defendants to stand trial rather than plead guilty. This change would enable the commission to draft meaningful, realistic guidelines with regard to the lower end of the imprisonment sentencing scale.

The amendment would also amend certain provisions pertaining to the appellate review of sentences. Currently, an appellate court may overturn a sentence if it determines that the sentence was imposed as a result of an "incorrect application" of the sentencing guidelines. This amendment would change the standard of review to require the court to determine that the sentence was the result of a "clearly erroneous construction" of the sentencing guidelines. This modified standard, unlike the current standard, is well defined in current law, more familiar to potential appellate litigants, and gives more appropriate weight to the sentencing decisions of Federal district court judges.

Finally, this amendment would modify the current law which permits the appellate court to resentence a defendant. The responsibility for sentencing and resentencing has traditionally been reserved for the district court in that the presence of the defendant gives the sentencing judge the opportunity to observe the demeanor and attitude of the defendant. As well, the presence of the victim, prosecutor, and defense attorney, and any other relevant witnesses gives the district court insight into the sentencing process that an appellate judge could not realize from a record alone. This bill would, therefore, require an appellate court that finds in favor of the defendant, to remand the case with appropriate instruction to the district court for further sentencing procedures.

Judge William W. Wilkins, Jr., Chairman of the U.S. Sentencing

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Commission, has indicated that these changes are necessary in order to ensure the meaningful development and implementation of the sentencing guidelines which the Commission will submit to Congress by April 13, 1987, and the Department of Justice concurs. I urge my colleagues to support this legislation. This legislation needs to be enacted as soon as possible because some of the provisions relate directly to the drafting of the sentencing guidelines. I strongly urge my colleagues to accept this amendment by unanimous consent.

Mr. BIDEN. Mr. President, as an original cosponsor of the Comprehensive Crime Control Act that was passed in 1984, I join with Senators THURMOND, KENNEDY, and LAXALT in moving these technical corrections and minor amendments. I introduced these changes in the same bipartisan spirit that carried through our efforts last Congress to pass the most encompassing changes to our Federal Criminal Code in decades.

In the wee hours of the morning when the comprehensive crime control bill passed the Senate, all of us most actively involved recognized that minor and technical amendments would be needed in the future. As my colleagues may recall, the components of the comprehensive crime bill were expanded by 11 titles and in the limited time available before the end of the 98th Congress, drafting and conforming changes in the legislation were extremely difficult.

As with past legislation I have introduced by request with the chairman, it was recognized that careful review and scrutiny of these changes would need to be done in committee.

In considering this bill in committee, the approach taken was reflective of how we all worked together on passing the original crime bill. In that spirit, we agreed to set aside any section of this bill that any Senator believed was expansive in scope and more than technical. For that reason, 21 sections of the original bill were removed and will be the subject of future hearings.

In the spirit of the cooperation shown in moving the original crime bill in 1984, I ask my colleagues to support final passage of this bill.

Mr. THURMOND. Mr. President, I move adoption of the amendment.

The PRESIDING OFFICER. If there is no further debate on the amendment, the question is on agreeing to the amendment.

The amendment (No. 1794) was agreed to.

AMENDMENT NO. 1795

(Purpose: To clarify the budget effect of the contract authority granted to the Director of Administrative Office of the United States Courts)

Mr. THURMOND. Mr. President, I now send to the desk another amendment to the committee substitute and ask for its immediate consideration.

The PRESIDING OFFICER. The clerk will report.

The assistant legislative clerk read as follows:

The Senator from South Carolina [Mr. THURMOND] proposes an amendment numbered 1795.

On page 67, line 8, after "contract" insert ", subject to appropriations,".

Mr. THURMOND. Mr. President, section 16 of S. 1236 would restore the authority of the Administrative Office of the U.S. courts to contract for the care of addicted or drug dependent offenders. Today, I am offering a technical amendment to this section which simply adds "subject to appropriation."

The Budget Committee advises us that this amendment is necessary in order to avoid a conflict with section 401 of the Congressional Budget Act of 1974.

Mr. President, I move adoption of the amendment.

The PRESIDING OFFICER. Is there further debate on the amendment? If not, the question is on agreeing to the amendment.

The amendment (No. 1795) was agreed to.

Mr. METZENBAUM. Mr. President, would the chairman of the committee yield for a number of questions?

Mr. THURMOND. I would be pleased to yield.

Mr. METZENBAUM. S. 1236, as the Judiciary Committee reported it, does not include several changes proposed by the Department of Justice in S. 1236 as introduced. Now, it is my understanding the the committee intends to revisit these proposals. Its failure to adopt certain proposals should not necessarily be read as a rejection of those proposals. The committee simply has postponed consideration of them. Am I correct?

Mr. THURMOND. The Senator is correct.

Mr. METZENBAUM. As my colleague is aware, among the proposals not acted on was the proposal, in section 37 of S. 1236 as introduced, to amend section 235(b)(3) of the Sentencing Reform Act. Section 235(b)(3), as enacted addresses how the Parole Commission should deal with individuals who are slated to be in its jurisdiction 5 years after the new sentencing guidelines become effective. Section 235(b)(3) says the Commission must set release dates for each such person within the range of the applicable parole guideline.

The Sentencing Reform Act was intended to respond to the lack of predictability and the disparity of treatment that went with the parole system and the Parole Commission's decisionmaking. The Sentencing Reform Act limits the Commission's discretion before putting it out of business entirely.

As the statement accompanying the introduction of S. 1236 explained, section 37 was intended to let the Commission apply its guidelines with the discretion to go above or below them. Indeed, the explanation stated that under the current section 235(b)(3) "All release dates must be within the applicable guideline ranges" but this would not be the case if section 37 were adopted.

Is that the Senator's understanding of the proposed change?

Mr. THURMOND. Yes it is, however, I want to add that section 235(b)(3) as enacted provides an unjustified windfall to some of the most dangerous prisoners. The prisoners to whom this provision applies will be those who are serving the longest terms. This is the group most likely to have aggravating case factors warranting decisions above the applicable parole guideline range.

On the other hand, 235(b)(3) doesn't allow setting a release date below the guideline range in any circumstances.

Section 235(b), as enacted, establishes an absolute cut off of the administrative parole determination function. By contrast, under section 37 of S. 1236, as introduced, release dates and conditions of release are set by the Parole Commision and may be adjusted by the Bureau of Prisons after the demise of the Commission with the possibility that release could be ultimately set at an earlier date than the date set under section 235(b)(3), as enacted.

Mr. METZENBAUM. I disagree with your evaluation of this section. The Parole Commission guidelines already provide sufficient flexibility to address different degrees of seriousness in criminal offenses. The intent of this section is to reduce arbitrariness and inequities in setting release dates.

However, I do not want to imply that the committee has expressed a view on that proposal. I just want to be clear as to the issue the committee has decided to defer.

Under the Comprehensive Crime Control Act of 1984, the Parole Commission is required to set a "release date for an individual who will be in its jurisdiction the day before the expiration of 5 years after the effective date of this act that is within the range that applies to the prisoner under the applicable parole guidelines." This provision becomes effective on November 1, 1987. In addition, the Senate report accompanying the bill states that "the committee intends that, in the final setting of release dates under this provision, the Parole Commission give the prisoner the benefit of the applicable new sentencing guideline if it is lower than the minimum parole guideline."

Consequently, under current law, the Commission must stay within the guidelines for persons whose sentence extends beyond November 1, 1992, and who come before the Commission for a release date after the Sentencing Reform Act becomes effective on November 1, 1987. Consideration of amending this provision has been deferred.

Mr. THURMOND. Your statement of the committee's decision is correct.

Mr. METZENBAUM. I thank the chairman.

Mr. THURMOND. Mr. President, I now move adoption of the committee amendment in the nature of a substitute as amended.

The PRESIDING OFFICER. Without objection, the committee amendment in the nature of a substitute, as amended, is agreed to.

Mr. BUMPERS. Mr. President, I would like to commend the Judiciary Committee for reporting S. 1236, which would make several important technical amendments to provisions enacted by the Comprehensive Crime Control Act of 1984. The Judiciary Committee and the Justice Department have worked diligently to produce this legislation and as a strong supporter of the Comprehensive Crime Control Act, I am glad to support the amendments in S. 1236.

The Comprehensive Crime Control Act of 1984 was the product of long deliberation and effort by all three branches of Government, going back to the days when Senator John McClellan served as chairman of the Judiciary Committee. As finally passed, it included two tough provisions relating to bail reform and minimum mandatory sentencing for firearm crimes which I had sponsored in the Senate. In 1981, I introduced S. 494, which created a minimum 5-year sentence for the use of a firearm during the commission of a felonious Federal offense, to be imposed in addition to the penalty for the underlying felony. This bill increased the minimum penalty for first offenders from 2 to 5 years, and increased from 2 to 10 years the penalty for second and subsequent offenders. The bill also made such offenders ineligible for parole until that minimum sentence was served. It was a tough proposal. I am glad to say that language almost identical to S. 494 was included in the President's crime package 2 years later and eventually became part of Public Law 98-473, the Comprehensive Crime Control Act of 1984.

I also introduced in the Bail Reform Act Amendments of 1981, S. 482, which required judges making bail determinations to keep in jail until trial those persons who could not be released without endangering the safety of other citizens. Bail reform was long overdue. Reforms strikingly similar to mine were recommended in 1981 by Chief Justice Burger and were also included in the 1984 act, now codified in 18 U.S.C. 3142.

Last December, I wrote Attorney General Meese to inquire into the effectiveness and utilization of the bail and firearms provisions of the 1984 act. In his response, Assistant Attorney General Bolton explained that the Department of Justice believes the bail provisions are proving to be a very effective tool of Federal law enforcement and are already working to keep many dangerous defendants off the streets while awaiting trial. In regard to the firearms provisions, Assistant Attorney General Bolton told me that they would become an effective law enforcement tool. He said, however, that legislation was needed if the minimum mandatory penalty for firearms crimes was to be made applicable to felonies involving the sale and distribution of narcotics. A group of Federal court decisions handed down in 1985, ending with *United States* v. *Diaz*, No. 85-1276, slip op. (2d Cir. Nov. 21, 1985), has made it apparent that the courts will not rule that felonies involving the sale and distribution of narcotics are to be covered by this provision unless Congress amends it to include narcotics offenses. The court in Diaz pointed out that criminals involved in drug trafficking may often carry or use firearms during the commission of drug-related felonies, and the current language of the provision does not apply to that type of felony. Mr. President, I ask unanimous consent that the letter from the Attorney General's office be included in the RECORD.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

U.S. DEPARTMENT OF JUSTICE,
Washington, DC, February 24, 1986.

Hon. DALE BUMPERS,
U.S. Senate,
Washington, DC.

DEAR SENATOR BUMPERS: This letter is in response to your letter of December 20, 1985 to the Attorney General asking several questions about the utilization and efficaciousness of one of the bail provisions (18 U.S.C. § 3142), and one of the firearms provisions (18 U.S.C. § 924(c)) of the Comprehensive Crime Control Act of 1984. For the reasons stated below, the Department of Justice unequivocally believes that § 3142 and § 924(c) constitute sound public policy.

Since its enactment in October 1984, United States Attorneys have regularly utilized § 3142. As of January 10, 1986 Criminal Division statistics[1] show that 2,146 pretrial detention hearings have been held pursuant to § 3142. In 1,739 instances the courts ordered pretrial detention. In 1,303 of these instances the dangerousness of the defendant to others was an important consideration in the decision to order pretrial detention. These figures clearly indicate that § 3142 is regularly being utilized, and is proving to be an efficacious tool of federal criminal law enforcement. To the extent § 3142 denies pretrial release to those defendants who constitute a danger to others, the Department of Justice believes § 3142 will have a significant impact on criminal activity in that it will keep large numbers of judicially-determined dangerous defendants off the streets while they are awaiting trial on serious criminal charges.

With respect to § 924(c), it appears that United States Attorneys have been regularly utilizing this provision since its passage. While the Criminal Division has no statistics on the frequency of use of § 924(c), the Criminal Division has received numerous telephone calls from United States Attorneys seeking advice on whether to use § 924(c) in given fact situations. While it is too early to determine the efficacy of § 924(c), the Department of Justice has every reason to believe that § 924(c) will have a significant impact on criminal activity because it provides for longer periods of incarceration for those who use a firearm during the commission of a crime of violence. One problem that has arisen with respect to § 924(c) is that several district courts, and one court of appeals, have held that § 924(c) was not intended to apply to narcotics offenses. See *United States* v. *Dias*, No. 85-1276, slip op. (2d Cir. Nov. 21, 1985). In Diaz the court of appeals stated that "narcotics offenses do not constitute crime of violence within the meaning of § 924(c). If felonies involving the sale and distribution of narcotics are to be deemed crimes of violence for the purpose of Section 924(c), we believe that this should be done by Congress amending the Comprehensive Crime Control Act of 1984." Id. at 367. The Department of Justice has asked the Congress to amend § 924(c) so as to make it applicable to the sale and distribution of narcotics.

We trust this reply addresses the concerns raised in your letter.

Sincerely,

JOHN R. BOLTON,
Assistant Attorney General, Office of Legislative and Intergovernmental Affairs.

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[1] The Criminal Division's statistics on pretrial detention hearings and pretrial detention orders are derived from figures sent to the Criminal Division by United States Attorneys. A copy of the Criminal Division's compilation of these figures is attached.

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PRETRIAL DETENTION HEARING REPORTS

[Cumulative fiscal year 1986 through January 10]

District	Initial motions		Results		Basis for rulings			Reviews (by government) results		Reviews (by defense) results	
	By gov't	Court	Granted	Denied	Flight	Dangerous	Both	Detained	Not detained	Released	Not released
Alabama, Northern	5	0	5	0	0	5	0	0	0	0	0
Alabama, Middle	0	0	0	0	0	0	0	0	0	0	0
Alabama, Southern	19	0	15	4	13	2	0	3	0	0	0
Alaska	2	0	2	0	0	0	2	0	0	0	0
Arizona											
Arkansas, Eastern	6	1	6	1	4	0	2	0	0	0	0
Arkansas, Western	1	0	1	0	0	0	1	0	0	0	0
California, Northern	51	0	33	18	19	4	10	0	0	1	1
California, Eastern											
California, Central	40	2	28	14	12	10	6	3	0	0	0
California, Southern	10	1	9	2	5	0	4	0	0	0	0
Colorado	5	1	4	2	1	0	3	0	0	0	0
Connecticut											
Deleware	5	1	6	0	2	2	2	0	0	1	1
District of Columbia											
Florida, Northern	12	0	10	2	1	1	8	0	0	1	1
Florida, Middle	20	0	17	3	5	1	11	0	0	0	0
Florida, Southern	6	0	2	4	1	0	1	0	0	0	0
Georgia, Northern	12	0	12	0	2	4	6	3	0	0	0
Georgia, Middle	0	0	0	0	0	0	0	0	0	0	0
Georgia, Southern	0	0	0	0	0	0	0	0			0
Guam											
Hawaii	8	0	7	1	2	0	5	0	0	0	1
Idaho	2	0	1	1	1	0	0	0	0	0	0
Illinois, Northern											
Illinois, Central	14	0	11	3	1	2	8	0	0	0	0
Illinois, Southern	5	0	4	1	2	1	1	0	0	0	0
Indiana, Northern	8	0	8	0	4	1	3	0	0	0	0
Indiana, Southern	5	0	4	1	0	1	3	0	0	0	0
Iowa, Northern	0	0	0	0	0	0	0	0	0	0	0
Iowa, Southern	1	0	1	0	1	0	0	0	0	0	0
Kansas	6	0	6	0	0	5	1	0	0	0	5
Kentucky, Eastern	2	0	1	1	0	0	1	0	0	0	0
Kentucky, Western	15	0	12	3	3	8	1	0	0	0	1
Louisiana	36	0	35	1	28	2	5	0	0	0	0
Louisiana, Middle	4	0	2	2	1	0	1	0	0	0	0
Louisiana, Western	5	0	5	0	4	0	1	0	0	0	0
Maine	3	0	2	1	2	0	0	0	0	0	0
Maryland											
Massachusetts	19	0	17	2	7	0	10	0	0	0	1
Michigan, Eastern	26	5	22	9	3	15	4	0	2	0	7
Michigan, Western											
Minnesota	0	0	0	0	0	0	0	0	0	0	0
Mississippi, Northern	3	1	3	1	2	0	1	0	0	0	0
Mississippi, Southern	3	0	2	1	0	0	2	0	0	0	0
Missouri, Eastern	30	1	23	8	9	3	11	4	3	3	4
Missouri, Western	13	0	10	3	5	0	5	0	2	1	6
Montana	0	0	0	0	0	0	0	0	0	0	0
Nebraska	1	0	0	1	0	0	0	0	0	0	0
Nevada											
New Hampshire											
New Jersey	32	0	23	9	13	0	10	2	2	2	2
New Mexico											
New York, Northern	3	0	2	1	0	1	1	0	0	0	0
New York, Southern											
New York, Eastern											
New York, Western											
North Carolina, Eastern											
North Carolina, Middle	10	0	10	0	9	1	0	2	1	0	0
North Carolina, Western	7	0	3	4	2	1	0	0	0	0	0
North Dakota	4	1	1	4	1	0	0	0	0	0	0
Ohio, Northern											
Ohio, Southern	7	0	5	2	4	1	0	0	0	0	0
Oklahoma, Northern											
Oklahoma, Eastern	4	0	1	3	0	0	1	0	0	0	0
Oklahoma, Western	18	0	10	8	0	0	10	0	0	0	0
Oregon	10	1	11	0	4	3	4	0	0	0	0
Pennsylvania, Eastern	11	0	9	2	3	0	6	1	1	0	0
Pennsylvania, Middle	1	0	0	1	0	0	0	0	0	0	0
Pennsylvania, Western	23	0	17	6	0	11	6	0	0	0	1
Puerto Rico											
Rhode Island	6	0	6	0	5	0	1	0	0	0	5
South Carolina	10	0	10	0	3	2	5	0	0	0	0
South Dakota	4	0	4	0	1	3	0	0	0	1	0
Tennessee, Eastern	3	0	3	0	3	0	0	0	0	0	0
Tennessee, Middle	0	0	7	1	3	1	3	0	0	0	0
Tennessee, Western	1	0	1	0	0	0	1	0	0	0	0
Texas, Northern	10	1	3	8	3	0	0	0	0	0	0
Texas, Southern	0	0	0	0	0	0	0	0	0	0	0
Texas, Eastern	0	0	0	0	0	0	0	0	0	0	0
Texas, Western	32	0	32	0	12	1	19	0	0	0	0
Utah											
Vermont											
Virgin Islands	2	0	1	1	0	0	1	1	1	1	1
Virginia, Eastern											
Virginia, Western	5	0	3	2	1	2	0	0	0	0	0
Washington, Eastern	14	0	13	1	8	0	5	0	0	0	0
Washington, Western	30	0	25	5	15	5	5	0	0	0	0
West Virginia, Northern											
West Virginia, Southern	1	0	1	0	0	0	1	0	0	0	
Wisconsin, Eastern	1	0	1	0	0	0	1	0	0	0	0
Wisconsin, Western	1	0	1	0	0	1	0	0	0	0	0
Wyoming	2	0	2	0	0	0	2	0	0	0	2
OCRS, Criminal division	4	0	4	0	0		4	0	0	6	0
Totals	667	16	535	148	230	100	205	19	12	24	48

PRETRIAL DETENTION HEARING REPORTS

[Cumulative Fiscal Year 1986 by month]

Month	Initial motions by		Results		Basis for rulings			Reviews by Government result		Reviews (by defense) result	
	Government	Court	Granted	Denied	Flight	Dangerous	Both	Detained	Not detained	Released	Not released
October 1985	188	5	154	39	64	24	66	5	2	2	7
November 1985	310	7	242	75	105	45	92	7	5	17	21
December 1985	169	4	139	34	61	31	47	7	5	5	20
January 1986											
February 1986											
March 1986											
April 1986											
May 1986											
June 1986											
July 1986											
August 1986											
September 1986											
Total	667	16	535	148	230	100	205	19	12	24	48

Mr. BUMPERS. Let me say, however, that I disagree with the court's failure to apply the minimum mandatory penalties of the 1984 act to narcotics offenses. As one of the chief sponsors of the 1984 minimum penalty provisions, I certainly intended that they apply to such offenses. In the event, because of adverse court opinions, congressional intent needs to be clarifed, and I had drafted legislation of my own to do so. I am very pleased to see that Senator THURMOND has included such an amendment in the bill we are passing today and also has made several necessary changes in the bail provisions.

I have long been an advocate of tough bail provisions which act to keep dangerous criminals off the streets, and minimum sentencing for drug-related crimes committed with a firearm appears to me to be absolutely necessary. I believe that there is not enough we can do in our efforts to deter violent crime and drug crime in this country. According to 1984 statistics, one violent crime occurs every 25 seconds in the United States. In Arkansas, violent crime including homicide, rape, robbery, and aggravated assault increased by 9 percent from 1984 to 1985. As the court in Diaz recognized, traffic in drugs is often accompanied by violence. Illicit drug use is spreading to persons of all walks of life and is victimizing children of all ages. I hope that applying a stiffer penalty to drug dealers who use firearms will establish a more effective deterrent to drug trafficking and bring us closer to a safe and civilized society for our children and future generations. I urge the immediate adoption of this legislation.

The PRESIDING OFFICER. The bill is before the Senate and open to further amendment. If there be no further amendment to be proposed, the question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed for a third reading and was read the third time.

The PRESIDING OFFICER. The bill having been read the third time, the question is, Shall it pass?

So the bill (S. 1236), as amended, was passed as follows:

S. 1236

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

BAIL (CHAPTER I)

SECTION 1. (a) Subparagraph (D) of sectioin 3142(f)(1) of title 18 of the United States Code is amended by—

(1) striking out the words "any felony committed after the person had been convicted of two or more prior offenses" and inserting in lieu thereof "any felony if the person has been convicted of two or more offenses"; and

(2) inserting before the semicolon ", or a combination of such offenses".

(b) Subparagrph (A) of section 3142(f)(2) of title 18 of the United States Code is amended by inserting the word "or" after the semicolon.

(c) Subsection (f) of section 3142 of title 18 of the United States Code is amended by adding at the end thereof the following: "The hearing may be reopened, before or after a determination by the judicial officer, at any time prior to trial if the judicial officer finds that information exists that was not known to the movant at the time of the hearing and that has a material bearing on the issue whether there are conditions of release that will reasonably assure the appearance of the person as required and the safety of any other person and the community.".

OTHER SENTENCING AMENDMENTS

SEC. 2. (a) Section 4216 of title 18 of the United States Code is repealed.

(b) The item relating to section 4216 in the sectional analysis of chapter 311 of title 18 of the United States Code is amended to read as follows:

"4216. Repealed."

SEC. 3. Section 992 of title 28 of the United States Code is amended—

(1) in subsection (c) by striking out "section 225(a)(1)(B)(ii) of the Sentencing Reform Act of 1983" and inserting in lieu thereof "section 235(a)(1)(B)(ii) of the Sentencing Reform Act of 1984"; and

(2) by adding at the end thereof the following new subsection:

"(d) The provisions of sections 44(c) and 134(b) of this title, regarding the residence of judges, shall not apply to any judge holding a full-time position on the Commission pursuant to subsection (c) of this section.".

SEC. 4. Section 994 of title 28 of the United States Code is amended—

(1) in subsection (a)(2) by—

(A) redesignating subparagraphs (D) and (E) as subparagraphs (E) and (F), respectively;

(B) amending subparagraph (C) to read as follows:

"(C) the sentence modification provisions set forth in sections 3563(c), 3564, 3573, 3582(c), and 3583(e) of title 18;"; and

(C) adding after subparagraph (C) the following new subparagraph:

"(D) the fine imposition provision set forth in section 3572 of title 18;";

(2) in subsection (a)(3) by making it read as follows:

"(3) guidelines or general policy statements regarding the appropriate use of the provisions for revocation of probation and supervised release set forth in sections 3656 and 3583(e) of title 18, and the provisions for modification of the term or conditions of probation and supervised release set forth in sections 3563(c), 3564, and 3583(e) of title 18.";

(3) in subsecton (b) by—

(A) inserting "(1)" after "(b)"; and

(B) designating the second sentence as paragraph (2) and inserting before the period in such paragraph (2) the following: "except that—

"(A) if the maximum term of the range is life imprisonment, the minimum shall not be less than 25 years imprisonment; or

"(B) if the maximum term of the range is one year or less, the maximum shall not exceed the minimum of that range by more than 50 per centum or 60 days, whichever is greater.";

(4) in subsection (h) by striking out "by section 3581(b) of title 18, United States Code,"; and

(5) in subsection (t) by inserting the words "in what circumstances and" after the word "specify" and by deleting the words "that are outside the applicable guideline ranges".

SEC. 5. Subsection (a) of section 212 of the Comprehensive Crime Control Act of 1984 is amended—

(1) in subsection (b) of section 3552 of title 18 of the United States Code by striking out the word "take" in the third sentence and inserting in lieu thereof the word "be";

(2) in subsection (b) of section 3552 of title 18 of the United States Code by inserting the words ", if the defendant is in custody," after the words "the United States Marshal shall" in the eighth sentence; and

(3) in subsection (c) of section 3552 of title 18 of the United States Code by striking out "4247" and inserting in lieu thereof "4244".

SEC. 6. Subsection (a) of section 213 of the Comprehensive Crime Control Act of 1984 is amended—

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(1) in subsection (a) of section 3553 of title 18 of the United States Code by striking out the words "of this subsection" in the first sentence; and

(2) in subsection (b) of section 3553 of title 18 of the United States Code by adding the following sentence at the end thereof: "In the absence of an applicable sentencing guideline, the court shall impose an appropriate sentence, having due regard for its relationship to sentences prescribed by guidelines applicable to similar offenses and offenders and the purposes of sentencing set forth in subsection (a)(2).".

SEC. 7. Subsection (a) of section 212 of the Comprehensive Crime Control Act of 1984 is amended in subsection (c) of section 3553 of title 18 of the United States Code by inserting "or if it includes an order of only partial restitution," after "If the sentence does not include an order of restitution,".

SEC. 8. Subsection (a) of section 212 of the Comprehensive Crime Control Act of 1984 is amended in subsection (a) of section 3561 of title 18 of the United States Code by striking out the second sentence.

SEC. 9. Subsection (a) of section 212 of the Comprehensive Crime Control Act of 1984 is amended in paragraph (11) of section 3563(b) of title 18 of the United States Code by striking out "in section 3581(b)".

SEC. 10. (a) Subsection (a) of section 212 of the Comprehensive Crime Control Act of 1984 is amended in subsection (c) of section 3563 of title 18 of the United States Code by—

(1) striking out the phrase ", after a hearing,"; and

(2) inserting the phrase "the provisions of Rule 32.1 of the Federal Rules of Criminal Procedure and" after the words "pursuant to".

(b) Subdivision (b) of Rule 32.1 of the Federal Rules of Criminal Procedure is amended by—

(1) inserting the words "to be" after the word "relief"; and

(2) striking out the period at the end and inserting in lieu thereof ", and the attorney for the government, after having been given notice of the proposed relief and a reasonable opportunity to object, has not objected.".

SEC. 11. Subsection (a) of section 212 of the Comprehensive Crime Control Act of 1984 is amended in subsection (b) of section 3564 of title 18 of the United States Code by striking out the second sentence and inserting in lieu thereof the following: "A term of probation runs concurrently with any Federal, State, or local term of probation, supervised release, or parole for another offense to which the defendant is subject or becomes subject during the term of probation. A term of probation does not run while the defendant is imprisoned in connection with a conviction for a Federal, State, or local crime unless the imprisonment is for a period of less than thirty consecutive days.".

SEC. 12. Subsection (a) of section 212 of the Comprehensive Crime Control Act of 1984 is amended in subsection (f) of section 3603 of title 18 of the United States Code by striking out the word "supervise" and inserting in lieu thereof "assist in the supervision of," and by inserting a comma after the word "about".

SEC. 13. Subsection (a) of section 212 of the Comprehensive Crime Control Act of 1984 is amended in subsection (b) of section 3624 of title 18 of the United States Code by striking out "beginning after the first year of the term" in the first sentence and inserting in lieu thereof "beginning at the end of the first year of the term".

SEC. 14. Subsection (a) of section 212 of the Comprehensive Crime Control Act of 1984 is amended in subsection (e) of section 3624 of title 18 of the United States Code by striking out the third sentence and inserting in lieu thereof the following: "The term runs concurrently with any Federal, State, or local term of probation, supervised release, or parole for another offense to which the person is subject or becomes subject during the term of supervised release. A term of supervised release does not run while the person is imprisoned in connection with a conviction for a Federal, State, or local crime unless the imprisonment is for a period of less than thirty consecutive days.".

SEC. 15. Subsection (a) of section 212 of the Comprehensive Crime Control Act of 1984 is amended in section 3663 (formerly section 3579) of title 18 of the United States Code by—

(1) striking out "or in lieu of" in subsection (a)(1); and

(2) striking out "sections 3812 and 3813" in subsection (h) and inserting in lieu thereof "sections 3612 and 3613".

SEC. 16. Subsection (a) of section 212 of the Comprehensive Crime Control Act of 1984 is amended in section 3672 (formerly section 3656) of title 18 of the United States Code by adding at the end thereof:

"He shall have the authority to contract, subject to appropriations, with any appropriate public or private agency or person for the detection of and care in the community of an offender who is an addict or a drug-dependent person within the meaning of section 2 of the Public Health Service Act (42 U.S.C. 201). This authority shall include, but not be limited to, providing equipment and supplies; testing; medical, educational, social, psychological, and vocational services; corrective and preventive guidance and training; and other rehabilitative services designed to protect the public and benefit the addict by eliminating his dependence on addicting drugs, or by controlling his dependence and his susceptibility to addiction. He may negotiate and award such contracts without regard to section 3709 of the Revised Statutes (41 U.S.C. 5).

"He shall pay for presentence studies and reports by qualified consultants and presentence examinations and reports by psychiatric or psychological examiners ordered by the court under section 3552 (b) or (c) except for studies conducted by the Bureau of Prisons.".

SEC. 16A. Section 213 of the Comprehensive Crime Control Act of 1984 is amended in section 3742 of title 18, United States Code—

(1) in subsections (a)(2), (b)(2), (d)(2), and (e)(1) by striking out "an incorrect" and inserting in lieu thereof "a clearly erroneous construction or"; and

(2) in subsection (e) by—

(A) striking out subparagraph (B) of paragraph (1) and inserting in lieu thereof the following:

"(B) designate the appropriate guideline category and remand the case for imposition of a sentence consistent with its decision;"; and

(B) striking out subparagraphs (A) and (B) of paragraph (2) and inserting in lieu thereof the following:

"(A) if it determines that the sentence is too high and the appeal has been filed under subsection (a), it shall set aside the sentence and remand the case for imposition of a sentence consistent with its decision;

"(B) if it determines that the sentence is too low and the appeal has been filed under subsection (b), it shall set aside the sentence and remand the case for imposition of a sentence consistent with its decision; or".

SEC. 17. Section 214 of the Comprehensive Crime Control Act of 1984 is amended—

(1) in subsection (a) of section 5037 of title 18 of the United States Code by striking out "(e)" and inserting in lieu thereof "(d)";

(2) in subparagraph (B) of section 5037(c)(1) of title 18 of the United States Code by striking out "by section 3581(b)";

(3) in subparagraph (B) of section 5037(c)(2) of title 18 of the United States Code by striking out "by section 3581(b)"; and

(4) in subsection (c) of section 5037 of title 18 of the United States Code by adding the following new paragraph at the end thereof:

"The provisions of section 3624 are applicable to an order placing a juvenile under detention.".

SEC. 18. Section 215(a)(5) of the Comprehensive Crime Control Act of 1984 is amended in subdivision (c)(2)(B) of Rule 32 of the Federal Rules of Criminal Procedure by striking out the word "than" and inserting in lieu thereof the word "from".

SEC. 19. Section 215(f) of the Comprehensive Crime Control Act of 1984 is amended in Rule 6 of the Federal Rules of Criminal Procedure by—

(1) striking out the word "or" in subdivision (e)(3)(C)(ii); and

(2) striking out the period at the end of subdivision (e)(3)(C)(iii) and inserting in lieu thereof "; or".

SEC. 20. (a) Subsection (a) of section 224 of the Comprehensive Crime Control Act of 1984 is amended—

(1) in paragraph (1) to read, "in subsection (b)(1)(A), by deleting the sentence which begins 'Any sentence imposing a term of imprisonment under this paragraph';";

(2) in paragraph (2) to read, "in subsection (b)(1)(B), by deleting the sentence which begins 'Any sentence imposing a term of imprisonment under this paragraph';";

(3) by inserting the following new paragraph after paragraph (2):

"(3) in subsection (b)(1)(C), by deleting the sentence which begins 'Any sentence imposing a term of imprisonment under this paragraph';";

(4) by adding the word "and" at the end of paragraph (4);

(5) by deleting paragraph (5); and

(6) by redesignating paragraphs (3) and (4) as (4) and (5), respectively.

(b) Section 224 of the Comprehensive Crime Control Act of 1984 is amended by redesignating subsection (c) as subsection (d) and by inserting after subsection (b) the following:

"(c) Section 405A (21 U.S.C. 845A) is amended—

"(1) in subsection (a) by deleting '(1)' after the word 'punishable', and by deleting the semicolon and all that follows and inserting in lieu thereof a period;

"(2) in subsection (b) by deleting '(1)' after the word 'punishable', and by deleting 'and (2) at least three times any special parole term' and all that follows and by inserting in lieu thereof a period; and

"(3) in subsection (c) by deleting the second sentence.".

SEC. 21. Subsection (a) of section 225 of the Comprehensive Crime Control Act of 1984 is amended—

(1) in paragraph (1) to read, "in subsection (b)(1), by deleting the sentence which begins 'If a sentence under this paragraph provides for imprisonment';";

(2) in paragraph (2) to read, "in subsection (b)(2), by deleting the sentence which begins 'If a sentence under this paragraph provides for imprisonment';";

(3) by redesignating paragraph (3) as (4); and

(4) by inserting the following new paragraph after paragraph (2):

"(3) in subsection (b)(3), by deleting the sentence which begins 'If a sentence under this paragraph provides for imprisonment'; and".

SEC. 22. Subsection (a) of section 232 of the Comprehensive Crime Control Act of 1984 is amended by—

(1) striking out the word "and" the second time it appears and inserting in lieu thereof a comma; and

(2) inserting before the period ", and 'and who are not sentenced to treatment under the Narcotic Addict Rehabilitation Act of 1966' ".

SEC. 23. (a) Section 235(a)(1)(B)(i) of the Comprehensive Crime Control Act of 1984 is amended by striking out "eighteen" and inserting "thirty" in lieu thereof.

(b) TECHNICAL AMENDMENT.—Section 235(a)(1)(B)(i) of the Comprehensive Crime Control Act of 1984 is amended by striking out "to section" and inserting "under section" in lieu thereof.

(c) Section 994(q) of title 28, United States Code, is amended by striking out "within three years" and all that follows through "Act of 1983" and inserting in lieu thereof "not later than one year after the initial set of sentencing guidelines promulgated under subsection (a) goes into effect."

(d) Section 235(a)(1) of the Comprehensive Crime Control Act of 1984 is amended by striking out "twenty-four" and inserting "thirty-six" in lieu thereof.

FORFEITURE (CHAPTERS III AND XXIII)

SEC. 24. Section 1963 of title 18 of the United States Code is amended—

(1) in subsection (c) by striking out "(m)" and inserting in lieu thereof "(l)";

(2) in subsection (j) by striking out "(m)" and inserting in lieu thereof "(l)"; and

(3) by redesignating subsections (e), (f), (g), (h), (i), (j), (k), (l), and (m), as subsections (d), (e), (f), (g), (h), (i), (j), (k), and (l), respectively.

SEC. 25. Section 608 of the Tariff Act of 1930 (19 U.S.C. 1608) is amended in the sentence beginning "Upon the filing", by striking out "$2,500" and inserting in lieu thereof "$5,000".

SEC. 26. (a) Subsection (c) of section 616 of the Tariff Act of 1930 (19 U.S.C. 1616(c)) as enacted by Public Law 98-573 is amended by inserting "any other Federal agency or to" after "property forfeited under this Act to".

(b) Section 616 of the Tariff Act of 1930 (19 U.S.C. 1616) as enacted by Public Law 98-473 is repealed.

SEC. 27. Section 413 of title II of the Comprehensive Drug Abuse Prevention and Control Act of 1970 (21 U.S.C. 853) is amended—

(1) in subsection (c) by striking out "(o)" and inserting in lieu thereof "(n)";

(2) in subsection (f) by striking out "subsection (f)" and inserting in lieu thereof "subsection (e)"; and

(3) in subsection (k) by striking out "(o)" and inserting in lieu thereof "(n)".

SEC. 28. (a) Subsection (b) of section 511 of the Comprehensive Drug Abuse Prevention and Control Act of 1970 (21 U.S.C. 881(b)) is amended—

(1) by striking out "or criminal" after "Any property subject to civil";

(2) in paragraph (4) by striking out "or criminal" after "is subject to civil"; and

(3) by adding the following at the end thereof:

"The Government may request the issuance of a warrant authorizing the seizure of property subject to forfeiture under this section in the same manner as provided for a search warrant under the Federal Rules of Criminal Procedure.".

(b) Subsection (i) of section 511 of the Comprehensive Drug Abuse Prevention and Control Act of 1970 (21 U.S.C. 881(i)) is amended by inserting ", or a violation of State or local law that could have been charged under this title or title III," after "title III".

SEC. 29. (a) Subparagraph (E) of section 524(c)(1) of title 28 of the United States Code is amended by inserting "the Federal Bureau of Investigation, the United States Marshals Service," after the words "for official use by", and by inserting a comma before the word "or".

(b) Paragraph (4) of section 524(c) of title 28 of the United States Code is amended by striking out "remaining after the payment of expenses for forfeiture and sale authorized by law" and inserting in lieu thereof ", except all proceeds of forfeitures available for use by the Secretary of the Treasury or the Secretary of the Interior pursuant to section 11(d) of the Endangered Species Act (16 U.S.C. 1540(d)) or section 6(d) of the Lacey Act Amendments of 1981 (16 U.S.C. 3375(d))".

OFFENDERS WITH MENTAL DISEASE OR DEFECT

(CHAPTER IV)

SEC. 30. Subdivision (c) of Rule 12.2 of the Federal Rules of Criminal Procedure is amended by inserting "4241 or" before "4242".

DRUG ENFORCEMENT AMENDMENTS

(CHAPTER V)

SEC. 31. Paragraph (14) of section 102 of the Controlled Substances Act (21 U.S.C. 802(14)) is amended in the second and third sentences by striking out the word "the" after the words "the term 'isomer' means" and inserting in lieu thereof "any".

SEC. 32. Paragraph (4) of subsection (a) of schedule II of the Controlled Substances Act (21 U.S.C. 812) is amended to read as follows:

"(4) coca leaves, except coca leaves and extracts of coca leaves from which cocaine, ecgonine, and derivatives of ecgonine or their salts have been removed; cocaine, its salts, optical and geometric isomers, and salts of isomers; ecgonine, its derivatives, their salts, isomers, and salts of isomers; or any compound, mixture, or preparation which contains any quantity of any of the substances referred to in this paragraph.".

SEC. 33. (a) Subparagraph (A) of section 401(b)(1) of the Controlled Substances Act (21 U.S.C. 841(b)(1)(A)) is amended—

(1) in clause (i) to read as follows:

"(i) 100 grams or more of a mixture or substance containing a detectable amount of a narcotic drug in schedule I or II other than a narcotic drug consisting of—

"(I) coca leaves, except coca leaves and extracts of coca leaves from which cocaine, ecgonine, and derivatives of ecgonine or their salts have been removed;

"(II) cocaine, its salts, optical and geometric isomers, and salts of isomers;

"(III) ecgonine, its derivatives, their salts, isomers, and salts of isomers; or

"(IV) any compound, mixture, or preparation which contains any quantity of any of the substances referred to in subclauses (I) through (III);";

(2) in clause (ii) by adding "a mixture or substance containing a detectable amount of" after "a kilogram or more of";

(3) in clause (iii) by adding "a mixture or substance containing a detectable amount of" after "500 grams or more of";

(4) in clause (iv) by adding "a mixture or substance containing a detectable amount of" after "5 grams or more of"; and

(5) by adding at the end thereof, "Any sentence imposing a term of imprisonment under this paragraph shall, in the absence of such a prior conviction, impose a special parole term of at least 4 years in addition to such term of imprisonment and shall, if there was such a prior conviction, impose a special parole term of at least 8 years in addition to such term of imprisonment.".

(b) Paragraph (5) of section 401(b) of the Controlled Substances Act (21 U.S.C. 841(b)(5)) is amended by adding the words "the fines provided in" after the word "Notwithstanding".

SEC. 34. Subsection (b) of section 405A of the Controlled Substances Act (21 U.S.C. 845a(b)) is amended by inserting "parole" after "(2) at least three times any special".

SEC. 35. Section 503(a) of the Controlled Substances Act (21 U.S.C. 873(a)) is amended by—

(1) striking out "and" at the end of paragraph (5);

(2) striking out the period at the end of paragraph (6) and inserting in lieu thereof "; and"; and

(3) adding at the end thereof the following:

"(7) notwithstanding any other provision of law, enter into contractual agreements with State and local law enforcement agencies to provide for cooperative enforcement and regulatory activities under this Act.".

SEC. 36. Section 508 of the Controlled Substances Act (21 U.S.C. 878) is amended by—

(1) inserting "(a)" before "Any officer or employee";

(2) inserting after "Drug Enforcement Administration" the following: "or any State or local law enforcement officer"; and

(3) adding at the end thereof the following new subsection:

"(b) State and local law enforcement officers performing functions under this section shall not be deemed Federal employees and shall not be subject to provisions of law relating to Federal employees, except that such officers shall be subject to section 3374(c) of title 5, United States Code.".

SEC. 37. (a) Paragraph (1) of section 1010(b) of the Controlled Substances Import and Export Act (21 U.S.C. 960(b)(1)) is amended—

(1) in subparagraph (A) by striking out clauses (i), (ii), and (iii) and inserting in lieu thereof the following:

"(i) coca leaves, except coca leaves and extracts of coca leaves from which cocaine, ecgonine, and derivatives of ecgonine or their salts have been removed;

"(ii) cocaine, its salts, optical and geometric isomers, and salts of isomers;

"(iii) ecgonine, its derivatives, their salts, isomers, and salts of isomers; or

"(iv) any compound, mixture, or preparation which contains any quantity of any of the substances referred to in clauses (i) through (iii);";

(2) in subparagraph (B) by inserting "a mixture or substance containing a detectable amount of" after "a kilogram or more of";

(3) in subparagraph (C) by inserting "a mixture or substance containing a detectable amount of" after "500 grams or more of";

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(4) in subparagraph (D) by inserting "a mixture or substance containing a detectable amount of" after "5 grams or more of"; and

(5) by adding at the end thereof, "If a sentence under this paragraph provides for imprisonment, the sentence shall include a special parole term of not less than four years in addition to such term of imprisonment.".

(b) Paragraph (3) of section 1010(b) of the Controlled Substances Import and Export Act (21 U.S.C. 960(b)(3)) is amended by striking out ", except as provided in paragraph (4)".

LABOR RACKETEERING AMENDMENT (CHAPTER VIII)

Sec. 38. Paragraph (2) of section 411(a) of title I of the Employee Retirement Income Security Act of 1974 (29 U.S.C. 1111(a)(2)) is amended by striking out "entity" and inserting in lieu thereof "person".

CURRENCY AND FOREIGN TRANSACTIONS REPORTING ACT AMENDMENTS (CHAPTER IX)

Sec. 39. Paragraph (2) of section 5316(a) of title 31 of the United States Code is amended by striking out "$5,000" and inserting in lieu thereof "$10,000".

MISCELLANEOUS VIOLENT CRIME AMENDMENTS (CHAPTER X)

Sec. 40. Subsection (a) of section 373 of title 18 of the United States Code is amended by—

(1) inserting after the words "the person or property of another" the words ", or against such person's own property,"; and

(2) inserting before the word "death" the words "life imprisonment or".

Sec. 41. Subsection (c) of section 924 of title 18 of the United States Code is amended by—

(1) adding after the words "during and in relation to any" the words "felony described in the Controlled Substances Act (21 U.S.C. 801 et seq.), the Controlled Substances Import and Export Act (21 U.S.C. 951 et seq.), or section 1 of the Act of September 15, 1980 (21 U.S.C. 955a) or any";

(2) adding after the words "in addition to the punishment provided for such" the words "felony or"; and

(3) adding after the words "term of imprisonment including that imposed for the" the words "felony or".

Sec. 42. Subsection (a) of section 929 of title 18 of the United States Code is amended by—

(1) adding after the words "during and in relation to the commission of a" the words "felony described in the Controlled Substances Act (21 U.S.C. 801 et seq.), the Controlled Substances Import and Export Act (21 U.S.C. 951 et seq.), or section 1 of the Act of September 15, 1980 (21 U.S.C. 855a), or a";

(2) adding after the words "in addition to the punishment provided for the commission of such" the words "felony or"; and

(3) adding after the words "term of imprisonment including that imposed for the felony" the words "or crime of violence".

Sec. 43. (a) Subsection (d) of section 1201 of title 18 of the United States Code is amended by adding the words "or (a)(5)" after the words "subsection (a)(4)".

(b) Paragraph (2) of section 115(b) of title 18 of the United States Code is amended to read as follows:

"(2) A kidnaping or attempted kidnaping in violation of this section shall be punished as provided in section 1201 of this title for the kidnaping or attempted kidnaping of a person described in section 1201(a)(5) of this title.".

Sec. 44. (a) Chapter 65 of title 18 of the United States Code is amended by redesignating section 1365 as enacted by Public Law 98-473 as section 1366.

(b) The analysis at the beginning of chapter 65 of title 18 of the United States Code is amended by striking out "1365" the second time it appears and inserting in lieu thereof "1366".

SERIOUS NONVIOLENT OFFENSES (CHAPTER XI)

Sec. 45. Section 215 of title 18 of the United States Code is amended—

(1) in subsections (a) and (b) by inserting the words ", bank holding company, or savings and loan holding company" after the words "financial institution" the second and third place in which they appear;

(2) in subsection (c)(1)(D) by striking out "Administrator of the"; and

(3) in subsection (d) by inserting the words ", bank holding company, or savings and loan holding company" after the words "financial institution" each place in which they appear.

Sec. 46. Section 219 of title 18 of the United States Code is amended—

(1) in the first paragraph to read:

"Whoever, being a public official, is or acts as an agent of a foreign principal required to register under the Foreign Agents Registration Act of 1938, as amended, shall be fined not more than $10,000 or imprisoned for not more than two years, or both."; and

(2) in the last paragraph by striking out "the Delegate from the District of Columbia" and inserting in lieu thereof "Delegate", and by striking out ", or a juror".

Sec. 47. (a) Chapter 25 of title 18 of the United States Code is amended by redesignating section 510 as enacted by Public Law 98-473 as section 513.

(b) The analysis at the beginning of chapter 25 of title 18 of the United States Code is amended by striking out "510. Securities of the State and private entities.", and by adding at the end thereof "513. Securities of the States and private entities.".

Sec. 48. (a) Sections 1791 and 1792 of title 18 of the United States Code are amended by striking out the phrase "Federal penal or correctional facility" each time it appears and inserting in lieu thereof "Federal penal, detention, or correctional facility".

(b) Section 1791 of title 18 of the United States Code is further amended—

(1) in subparagraph (a)(1)(B) by adding the words "ammunition or" before "any other weapon";

(2) in subparagraph (a)(1)(C) by adding before the semicolon the words ", lysergic acid diethylamide, or phencyclidine";

(3) in subparagraph (a)(1)(D) by striking out "other than a narcotic drug, as defined in section 102 of the Controlled Substances Act (21 U.S.C. 802)" and inserting in lieu thereof "other than a controlled substance described in subparagraph (C)"; and

(4) by making subsection (c) read as follows:

"(c) Definitions.—As used in this section, 'ammunition', 'firearm', and 'destructive device' have the meaning given those terms, respectively, in section 921 of title 18 of the United States Code.".

PROCEDURAL AMENDMENTS (CHAPTER XII)

Sec. 49. Subsection (e) of section 1028 of title 18 of the United States Code is amended by striking out "title V of the Organized Crime Control Act of 1970 (18 U.S.C. note prec. 3481)" and inserting in lieu thereof "chapter 224 of this title".

Sec. 50. Subsection (f) of section 1029 of title 18 of the United States Code is amended by striking out "title V of the Organized Crime Control Act of 1970 (18 U.S.C. note prec. 3481)" and inserting in lieu thereof "chapter 224 of this title".

Sec. 51. Section 3076 of title 18 of the United States Code is amended by striking out "title V of the Organized Crime Control Act of 1970" and inserting in lieu thereof "chapter 224 of this title".

Sec. 52. Section 3522 of title 18 of the United States Code is amended—

(1) in subsection (a) by striking out the word "parolees" in the second sentence and inserting in lieu thereof "probationers or parolees, as the case may be";

(2) in subsection (b)—

(A) by striking out "subsection (a)" and inserting in lieu thereof "probation or parole"; and

(B) by striking out the word "shall" and inserting in lieu thereof "may";

(3) by striking out subsection (c); and

(4) by redesignating subsection (d) as subsection (c).

Sec. 53. Section 1921 of title 28 of the United States Code is amended by adding the following new paragraph at the end thereof:

"Notwithstanding the provisions of section 3302 of title 31, the United States Marshals Service is authorized, to the extent provided in appropriations acts, to credit to its appropriation account all fees, commissions, and expenses collected for—

"(1) the service of civil process, including complaints, summonses, subpenas, and similar process; and

"(2) seizures, levies, and sales associated with judicial orders of execution,

by the United States Marshals Service and to use such credited amounts for the purpose of carrying out such activities.".

VICTIM COMPENSATION AND ASSISTANCE (CHAPTER XIV)

Sec. 54. Section 3013 of title 18 of the United States Code is amended by adding the following new subsection at the end thereof:

"(c) No assessment shall be imposed on any person convicted of an offense for which local rules of the district court, or other Federal law, establishes that collateral may be posted in lieu of appearance in court.".

Sec. 55. Subsection (a) of section 3671 of title 18 of the United States Code, as enacted by section 1406(a) of the Comprehensive Crime Control Act of 1984, is amended by striking out "chapter 227 or 231 of" after the words "an order of restitution under".

Sec. 56. (a) Sections 3671 and 3672 of title 18 of the United States Code, as enacted by section 1406(a) of the Comprehensive Crime Control Act of 1984, are redesignated as sections 3681 and 3682, respectively.

(b) The sectional analysis of chapter 232 of title 18 of the United States Code, as added by section 1406(a) of the Comprehensive Crime Control Act of 1984, is amended by striking out "3671" and "3672" and inserting in lieu thereof "3681" and "3682", respectively.

Sec. 57. (a) Chapter 232 of title 18 of the United States Code, as enacted by section 1406(a) of the Comprehensive Crime Control Act of 1984, is redesignated as chapter 232A.

(b) The chapter analysis of part II of title 18 of the United States Code is amended by striking out the item relating to chapter 232, as added by section 1406(b) of the Comprehensive Crime Control Act of 1984, and inserting in lieu thereof the following:

"232A. Special forfeiture of collateral profits of crime.............................. 3681".

Sec. 58. Subsection (e) of section 1402 of the Comprehensive Crime Control Act of 1984 is amended by—

(1) striking out "the next succeeding fiscal year" and inserting in lieu thereof "the next two succeeding fiscal years"; and

(2) striking out "year" after "at the end of which".

Sec. 59. Section 1407 of the Comprehensive Crime Control Act of 1984 is amended—

(1) in subsection (h) by striking out "1302" and inserting in lieu thereof "1402"; and

(2) by redesignating subsection (h) as subsection (g).

Sec. 60. Chapter XIV of the Comprehensive Crime Control Act of 1984 is amended by striking out section 1410.

TRADEMARK COUNTERFEITING (CHAPTER XV)

Sec. 61. (a) Chapter 113 of the title 18 of the United States Code is amended by redesignating section 2320 as enacted by Public Law 98-473 as section 2321.

(b) The analysis at the beginning of chapter 113 of title 18 of the United States Code is amended by striking out

"2320. Trafficking in counterfeit goods or services."

and by adding at the end thereof

"2321. Trafficking in counterfeit goods or services.".

ACCESS DEVICES AND COMPUTER (CHAPTER XXI)

Sec. 62. (a) Section 1030 of title 18 of the United States Code is amended by adding the following new paragraph at the end thereof:

"(f) This section does not prohibit any lawfully authorized investigative, protective, or intelligence activity of a law enforcement agency of the United States, a State, or a political subdivision of a State, or of an intelligence agency of the United States.".

(b) Delete paragraph (3) of subsection (a) of section 1030 of title 18 of the United States Code.

(c) Delete "or" after the semicolon at the end of paragraph (2) of subsection (a) of section 1030 of title 18 of the United States Code, and insert "or" after the semicolon at the end of paragraph (1) of subsection (a) of section 1030 of title 18 of the United States Code.

MISCELLANEOUS AMENDMENTS

Sec. 63. Section 3 of title 18 of the United States Code is amended by inserting before the word "death" the words "life imprisonment or".

Sec. 64. (a) Chapter 1 of title 18 of the United States Code is amended by adding a new section 17 as follows:

"§ 17. Organization defined

"For purposes of this title, the term 'organization' means a person other than an individual.".

(b) The sectional analysis for chapter 1 of title 18 of the United States Code is amended by adding after the item relating to section 16 the following:

"17. Organization defined.".

Sec. 65. Subsection (a) of section 201 of title 18 of the United States Code is amended by striking out "the Delegate from the District of Columbia" and inserting in lieu thereof "Delegate".

Sec. 66. Paragraph (1) of section 203(a) of title 18 of the United States Code is amended by striking out "Delegate from the District of Columbia, Delegate Elect from the District of Columbia" and inserting in lieu thereof "Delegate, Delegate Elect".

Sec. 67. Subsection (h) of section 844 of title 18 of the United States Code is amended to read as follows:

"(h) Whoever uses fire or an explosive to commit, or carries an explosive during the commission of, any felony which may be prosecuted in a court of the United States, including a felony which provides for an enhanced punishment if committed by the use of a deadly or dangerous weapon or device, shall, in addition to the punishment provided for such felony, be sentenced to imprisonment for five years. In the case of his second or subsequent conviction under this subsection, such person shall be sentenced to imprisonment for ten years. Notwithstanding any other provision of law, the court shall not place on probation or suspend the sentence of any person convicted of a violation of this subsection, nor shall the term of imprisonment imposed under this subsection run concurrently with any other term of imprisonment including that imposed for the felony in which the fire or explosive was used or the explosive was carried. No person sentenced under this subsection shall be eligible for parole during the term of imprisonment imposed herein.".

Sec. 68. Section 1961(a) of title 18 of the United States Code is amended by adding, after the words "section 1511 (relating to the obstruction of State or local law enforcement)," the words "section 1512 (relating to tampering with a witness, victim, or an informant), section 1513 (relating to retaliating against a witness, victim, or an informant),".

Sec. 69. The first and second paragraphs of section 2315 of title 18 of the United States Code are amended by—

(1) inserting "possesses," after "receives,"; and

(2) striking out "moving as, or which are a part of, or which constitute interstate or foreign commerce," and inserting in lieu thereof "which have crossed a State or United States boundary after being stolen, unlawfully converted, or taken,".

Sec. 70. Subsection (m) of section 223 of the Comprehensive Crime Control Act of 1984 is amended in paragraph (3)(B) to read as follows:

"(B) by amending subsection (b) to read as follows:

"'(b) An offender transferred to the United States to serve a sentence of imprisonment that is longer than the maximum period of time specified in the applicable sentencing guideline promulgated pursuant to section 994(a)(1) of title 28, United States Code, as determined by the Bureau of Prisons, shall serve in an official detention facility the maximum period of time specified in the applicable sentencing guideline and shall serve the remainder of the term imposed as a term of supervised release. To the extent permitted by the applicable treaty, a determination by the Bureau of Prisons as to whether the transferred offender shall serve a term of supervised release and the length of such term to be served may be appealed to the United States court of appeals for the district in which the offender is imprisoned after transfer to the United States, and the court of appeals shall decide and dispose of the appeal in accordance with section 3742 as though the determination appealed had been imposed by the United States district court. A determination by the Bureau of Prisons shall be made only after affording the transferred offender an opportunity (1) to submit evidence or information as the applicable sentencing guideline, and (2) for an appeal within the Bureau of Prisons of such determination by a reviewing authority established by the Director pursuant to regulations.'; and".

Sec. 71. Section 3142(c)(2)(J) of title 18 of the United States Code is amended by inserting ", psychological," after "medical".

Sec. 72. Paragraphs (3) of subsections (d), (g), and (h) of section 922 of title 18 of the United States Code are amended by deleting the words "marihuana or any depressant or stimulant drug (as defined in section 201(v) of the Federal Food, Drug, and Cosmetic Act) or narcotic drug (as defined in section 4731(a) of the Internal Revenue Code of 1954)" and inserting in lieu thereof the words "marihuana or any depressant or stimulant substance or narcotic drug (as those terms are defined in section 102 of the Controlled Substances Act, 21 U.S.C. 802)".

Sec. 73. Section 875 of title 18 of the United States Code is amended by striking the phrase "transmits in interstate commerce" each place where it appears and inserting in lieu thereof the words, "transmits in interstate or foreign commerce".

Sec. 74. Section 351 of title 18 of the United States Code is amended—

(a) in subsection (a) by adding after "Deputy Director of Central Intelligence," the words "a major candidate for the office of President or Vice-President, as defined in subsection (a)(7) of section 3056 of this title", and

(b) in subsection (h) by deleting the words "an official" and inserting in lieu thereof "a person".

Mr. THURMOND. Mr. President, I move to reconsider the vote by which the bill was passed.

Mr. BYRD. Mr. President, I move to lay that motion to reconsider on the table.

The motion to lay on the table was agreed to.

Mr. THURMOND. Mr. President, I wish to thank the able majority leader and the able Democratic leader for their cooperation in this matter. This is a very important piece of legislation. I feel it is going to make benefical improvements to the criminal procedures in this Nation.

Mr. BYRD. Mr. President, I thank the distinguished chairman of the committee (Mr. Thurmond).

Mr. EVANS. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER (Mr. Pressler). The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. THURMOND. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

The Senator from South Carolina.

THE LIBYAN THREAT TO TUNISIA

Mr. THURMOND. Mr. President, in the last few days, Americans have closely followed events in Libya. I have previously stated my support for

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the President, and wholeheartedly agree with our Commander in Chief, that repeated acts of Qadhafi-sponsored international terrorism ultimately forced our armed response.

Fortunately, the United States has the ability to organize and equip the type of self-defense mission which was launched on Monday. However, we have allies in that troubled region who are outmanned and outgunned by Colonel Qadhafi. I specifically refer to Tunisia and the threat Colonel Qadhafi poses to our friends in that country. Last June, Tunisian President Bourguiba visited the United States. I had the opportunity to meet with him. He is a fine man, and a true friend of our Nation. During that visit, President Reagan told President Bourguiba that the United States was committed to the sanctity of Tunisia's borders, and that Tunisia could rely on the continued support and friendship of our Nation. Based on present events in that region, the proximity of Tunisia to Libya, and recent history of aggressive acts Qadhafi has directed at Tunisia, I believe that we must now demonstrate strong support for our Tunisian ally. The basis for this view can be clearly shown by a brief overview of recent Tunisian-Libyan relations.

In 1976, Libya expelled almost 7,000 Tunisians. In 1978, it was strongly suspected that Qadhafi covertly organized riots in Tunis. In 1980, Libyan-trained commandos seized the town of Gafsa and unsuccessfully attempted to launch a coup against the Bourguiba government. Since 1976, 26,000 more Tunisians have been expelled from Libya. In the last year, Libya has violated Tunisian airspace on at least four occasions. Libyan military jets can fly from Libyan airfields, to the center of Tunisia and return to base in less than 10 minutes. Qadhafi has also attempted to discourage tourism in Tunisia, which is her second largest revenue producer. Qadhafi agents have attempted to smuggle letter bombs into Tunisia. He has tried to ruin the Tunisian economy by banning all imports from Tunisia and barring all Libyan travel to Tunisia. Libyan broadcasts into Tunisia have called on Tunisian soldiers to rebel against the Bourguiba government. In August 1985, relations between Libya and Tunisia further deteriorated when Qadhafi amassed 25,000 Libyan troops on the Tunisian border. Also that month, Tunisian Security Police intercepted a three-man Libyan hit-squad carrying explosives with the express intent of executing terrorist attacks against civilian targets in Tunisia. On September 1, 1985, Colonel Qadhafi clearly expressed Libya's position on the sanctity of the Tunisian border. He said:

> We are one nation from the ocean to the Gulf and we do not at all recognize borders which the colonial powers have created in order to divide the Arab nation. From now on, we are going to support the achievement of Arab unity by force . . . . Arab unity can only be achieved either through revolution, something that we are promoting day and night, and by force, the use of which has become necessary. . . .

Because of numerous acts of Libyan aggression and threats, Tunisia broke all diplomatic relations with Libya on September 26, 1985.

Yesterday, Libyan radio once again appealed to Tunisians to overthrow the Bourguiba government. Libya claimed that President Bourguiba had allowed United States aircraft to fly over Tunisian airspace on Monday. Tunisia is the only Arab country that has failed to denounce our mission to Libya.

It is very clear that prior to this week Qadhafi's goals included either the overthrow of the present Tunisian government and the installation of pro-Qadhafi regime, or an invasion of Tunisia by Libya. Today Qadhafi is calling on all Arab nations to condemn the United States. Tunisia has already been the victim of Qadhafi's aggressions. It will certainly be even more vulnerable to Qadhafi-endorsed terror due to the friendship which exists between our Nations.

Libya has a 20 to 1 advantage over Tunisia in troops and in military equipment. This statistic is especially significant in terms of Libyan aircraft advantage. Last June, the President spoke of our commitment to Tunisia. Although it is my hope that the security of Tunisia will not be threatened in the coming weeks, I am not optimistic about the possibilities of such an outcome. Accordingly, we must be prepared to support our friends in Tunisia, and allow that nation the opportunity to defend herself against the Qadhafi menace.

Mr. President, I yield the floor and suggest the absence of a quorum.

The PRESIDING OFFICER. (Mr. GORTON). The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. THURMOND. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

TASK FORCE ON TERRORISM

Mr. THURMOND. Mr. President, last July, President Reagan directed the formation of a task force on terrorism. Its purpose was to study and analyze national priorities, policies, and programs to combat terrorism. Adm. James L. Holloway III, former Chief of Naval Operations, served as Chairman of the task force. Admiral Holloway recently wrote an interesting article for The Officer, a publication of the Reserve Officers Association of the United States, regarding the findings and recommendations of the task force.

Mr. President, I ask unanimous consent that the text of this article be printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

FEAR OF TERRORISM RANKS HIGH IN PUBLIC CONCERNS

In late July the president directed the formation of a governmentwide terrorism task force, chaired by Vice President Bush. Its purpose was to review the national priorities, policies and programs to combat terrorism. The President requested that a report with appropriate recommendations be forwarded to him by the end of 1985.

On December 20, a classified report was submitted to the President. President Reagan approved the task force recommendations on January 20 and directed their implementation. One of the recommendations included a report to the American people. The public report of the Vice President's Task Force on Combating Terrorism was presented to the President on March 6.

The Task Force was made up of 14 senior administration officials. As a result, the report reflects the considered position of the executive branch.

During our deliberations we reviewed the significant literature on the subject, consulted with more than 100 experts on terrorism, toured appropriate government facilities, and received briefings from all government agencies concerned with terrorism. Additionally, the Vice President met personally with members of Congress, airline and media executives, distinguished diplomats, and former cabinet officials. Representatives of the task force traveled to 12 foreign countries and conferred with officials from many others.

The facts show that most international terrorism occurs in the Middle East and Western Europe. However, more terrorist acts were directed at US citizens in Latin America last year than in any other region. Both Nicaragua and Cuba have been implicated in terrorist activity in Latin America.

The task force found that terrorism has a substantial public impact far disproportionate to the numbers of Americans killed or wounded by terrorists. For example, last year there were 23 Americans killed in terrorist incidents overseas, and two Americans killed by terrorists within the United States. This contrasts to approximately 40,000 highway deaths and 18,000 homicides nationwide in an average year.

Yet, terrorism emerges as one of the things that most deeply bothers Americans. Terrorism, according to public opinion surveys, ranks near the top of their concerns, along with strategic arms control, the federal deficit and unemployment.

The principal conclusion of the task force is that US policies and priorities for combating terrorism are sound, well-conceived, and properly organized. We did, however, make a series of recommendations designed to enhance our efforts to combat the terrorist threat.

These recommendations do not purport to be a cure-all, but do represent some pragmatic and prudent measures that we believe will improve the efficiency of our organization and the effectiveness of our efforts.

Here are some of our principal recommendations.

In the area of National Policy and Programs, we propose:

A national programming document, designed to collect the many elements of the program into an integrated management system.

A realistic policy framework for senior decisionmakers, designed to provide consistency when dealing with terrorist incidents.

A full-time National Security Council position and support staff to strengthen coordination of the national program.

In the area of International Cooperation, we concluded that agreements with like-minded governments are critical to long-term success and can be achieved through multilateral and bilateral cooperation. We recommended that the State Department continue to seek this coordination through:

General resolutions from the United Nations and other specialized organizations.

Binding conventions on subjects such as hijacking and hostage-taking.

Revision of extradition treaties to close existing loopholes and ensure that terrorists are brought to justice.

In the area of Intelligence, we recognized from the outset of the Task Force deliberations the critical role played by intelligence in the national effort to combat terrorism. We concluded that the current intelligence produced on terrorism should be more predictive, with greater emphasis on the type of information needed by senior decisionmakers. We have therefore recommended:

Formation of a consolidated intelligence center specialized in terrorism, where a cadre of experts from various government departments and agencies would routinely and continuously analyze and process intelligence related to the terrorist threat.

Expansion of our effort in the area of human intelligence collection, which is essential if we are to be successful in penetrating terrorist groups and their support systems.

Enhancement of intelligence exchanges with like-minded foreign governments, with international law enforcement agencies and national police organizations.

In the area of Legislation, the Task Force observed that terrorism is a bipartisan issue. As the threat has increased, so has the resolve of Congress and the executive branch to ensure appropriate punishment of terrorists. Our recommendations concentrated on closing existing statutory loopholes in our ability to prosecute terrorists and reduce their sources of support. Some of our specific recommendations included:

Expand federal criminal jurisdiciton to allow prosecution of terrorists involved in assault upon U.S. citizens overseas.

Pursue legislation making terrorists found guilty of murdering an American during a hostage-taking situation, subject to the death penalty.

Limit the scope of the political offense exception to our extradition treaties, beginning with the US-UK agreement currently pending in the Senate.

Support the formation of a Congressional Joint Committee on Intelligence to streamline notification procedures in time-sensitive terrorist situations and reduce access to highly classified information.

In the area of Communication, we found that terrorism deeply troubles the American people. Americans believe terrorism affects the credibility of the United States as a powerful country and world leader. Americans want their government to do more to combat terrorism. Task Force recommendations were:

Increase the existing efforts to inform the American people about terrorism, emphasizing constraints imposed by the sovereignty of foreign nations and our own concern for human lives and the role of law. We think it important to carefully explain that the United States is prepared to respond to terrorists or sponsors of terrorism with force in a manner consistent with our democratic principles.

Cooperate more closely with the media during terrorist incidents.

Finally, I would like to emphasize that the very nature of terrorism makes precise assessment difficult. While terrorism poses no serious challenge to the national will or national survival, it remains a complex, dangerous threat for which there is no quick or easy solution. As Vice President Bush stated in the introduction to the report: ". . . I believe that the recommendations of our Task Force will significantly improve America's capability for combating terrorism. As long as vicious attacks continue, terrorism will remain a top priority of this Administration."

Mr. THURMOND. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

EDUCATION DAY, USA

Mr. DOLE. Mr. President, I ask unanimous consent that the Senate proceed to the consideration of House Joint Resolution 582, Education Day.

The PRESIDING OFFICER. The joint resolution will be stated by title.

The assistant legislative clerk read as follows:

> A joint resolution (H.J. Res. 582) to designate April 20, 1986, as "Education Day, USA."

The PRESIDING OFFICER. Is there objection to the present consideration of the joint resolution?

There being no objection, the joint resolution was considered, ordered to a third reading, read the third time, and passed.

Mr. DOLE. Mr. President, I move to reconsider the vote by which the joint resolution was passed.

The preamble was agreed to.

Mr. BYRD. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

ANNIVERSARY OF BAY OF PIGS INVASION

Mr. DOLE. Mr. President, I ask unanimous consent that the Senate proceed to the consideration of House Joint Resolution 599, commemorating the 25th anniversary of the Bay of Pigs invasion, which has just been received from the House.

The PRESIDING OFFICER. The joint resolution will be stated by title.

The assistant legislative clerk read as follows:

> A joint resolution (H.J. Res. 599) commemorating the 25th anniversary of the Bay of Pigs invasion to liberate Cuba from Communist tyranny.

The PRESIDING OFFICER. Is there objection to the present consideration of the joint resolution?

There being no objection, the Senate proceeded to consider the joint resolution.

Mr. CHILES. Mr. President, House Joint Resolution 599, introduced by Senator PEPPER on the House side, is a companion bill to Senate Joint Resolution 319, a resolution I have introduced in the Senate. This resolution commemorates the 25th anniversary of the Bay of Pigs liberation effort. I am glad the House has acted to approve this resolution. Both Senator PEPPER and I intend this resolution to be a special and appropriate acknowledgement in honor of the men of the 2506 Brigade. Their bravery and unhesitating response to the call of duty is to be admired by all.

We must not allow time to dim our memory of the heroes of the 2506 Brigade. They stand as shining examples of the Cuban people's love for freedom, their willingness to fight for democratic principles, and their vow to restore liberty to their homeland. Twenty-five years after the Bay of Pigs attempted liberation, the desire is just as strong, the resolve as profound, the yearning as sincere that Cuba should be free.

As lovers of freedom, as defenders of democracy, we do not rest while liberty is denied in Cuba, in Nicaragua, in Afghanistan, and Angola. The fight will continue against injustice, against oppression and tyranny so long as freedom loving people remain in chains.

I share with my constituents in the Cuban-American community the pride in the heroes of Playa Giron. In commemorating this attempt to liberate Cuba from Communist tyranny, we remember the brave men who fought and died in the battle to preserve freedom.

● Mrs. HAWKINS. Mr. President, today marks the 25th anniversary of the Bay of Pigs operation. I believe that it is important that we remember the ill-fated Bay of Pigs operation because the lessons of the this episode are important for this country to understand.

Twenty-five years ago, over 1,400 Cuban exiles, known as the 2506 Brigade, landed on Cuba to overthrow the government of Fidel Castro. This force was sponsored and supported by the Central Intelligence Agency. Unfortunately, the Cuban Army successfully repelled the exiles in less than 72 hours. It has become clear that this exile force entered into the Bay of Pigs operation with the understanding that it would receive stronger military backing by the United States than it actually received. The effect of the weak backing by the United States was to leave a force of dedicated allies ex-

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posed on a beachhead and vulnerable to devastating fire by Castro's forces; 107 members of the exile force were killed in the operation.

Mr. President, the failure of the Bay of Pigs operation has had a profound effect on the United States and the security of the Western Hemisphere. First, the United States' failure to provide stronger backing to the exile force undermined our credibility as a reliable ally. We should have provided the support for the operation that would have guaranteed its success. No allies of ours should be expected to risk their lives in operations that we support if we are not intent on seeing the operations successfully completed. Our failure to provide strong and unequivocal support for the Contras in Nicaragua will similarly undermine our position in Central America.

Second, the failure of the Bay of Pigs operation has left us with a Communist, totalitarian state just 90 miles off our coast. This presence has caused us serious complications in military planning and represents an ongoing threat to our security. This threat brought this country as close to a direct confrontation with the Soviet Union as we have experienced in postwar history. The Cuban missile crisis was a direct result of the failure at the Bay of Pigs.

Finally, Mr. President the failure at the Bay of Pigs resulted in the consolidation of power by a regime in Havana that is dedicated to the cause of destabilizing the entire Western Hemisphere, that rejects the basic observance of the human rights of its citizens, and serves Soviet interests around the world. The failure to stop the consolidation of power by Fidel Castro with the minimal investment required 25 years ago, has resulted in far more expensive efforts to restrict his freedom of action now.

Mr. President, I salute the bravery of the 2506 Brigade in their stand for the cause of freedom, democracy, and security in the Western Hemisphere. I can assure them that we will not forget the lessons of the tragic history of the Bay of Pigs. These lessons must be remembered and the mistakes not repeated because there is too much at stake in the battle for freedom and democracy in this dangerous world.●

The PRESIDING OFFICER. The joint resolution is open to amendment. If there be no amendment to be proposed, the question is on the engrossment and third reading of the joint resolution.

The joint resolution was ordered to be engrossed for a third reading, was read the third time, and passed.

The preamble was agreed to.

Mr. DOLE. Mr. President, I move to reconsider the vote by which the joint resolution was passed.

Mr. BYRD. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

CONVEYANCE OF PROPERTY TO THE DISTRICT OF COLUMBIA

Mr. DOLE. Mr. President, I ask unanimous consent that the Governmental Affairs Committee be discharged from further consideration of S. 2251, and I ask for its immediate consideration.

Mr. BYRD. Mr. President, there is no objection.

The PRESIDING OFFICER. Without objection, it is so ordered.

The bill will be stated by title.

The assistant legislative clerk read as follows:

A bill (S. 2251) to authorize the Administrator of General Services to convey property to the District of Columbia, and for other purposes.

Mr. METZENBAUM. Mr. President, I rise in support of S. 2251 to authorize the Administrator of General Services to convey to the District of Columbia all rights to the property at 425 Second Street NW.

I visited that property. It is a physically depressed property, desperately in need of rehabilitation. But it is shelter for 900 to 1,000 homeless persons.

Passage of the bill fulfills a promise made by the administration and gives at least a bed and warmth to 1,000. It is a promise we must keep.

Here in our Capital City, as elsewhere in our country, there has been an explosion in the number of homeless persons. Homelessness has assumed proportions of a scale and complexity not seen since the Great Depression. Growing numbers of families, children, and the recently unemployed have become part of the dispossessed. It is a nationwide crisis demanding Federal attention, for the magnitude of the problem has increased beyond the capacity of local efforts.

The U.S. Conference of Mayors surveyed 25 cities whose mayors are members of the Task Force on Hunger and Homelessness. Their survey shows that homelessness has increased by 25 percent. In 60 percent of those cities, emergency shelters cannot accommodate all the people seeking assistance, and shelters routinely turn away people in need. Some 90 percent of the cities indicated that problems of the "new poor" continue.

There is a severe shortage of housing for low-income persons—and yet we cut back on housing subsidies.

Persons with chronic mental illness are among the homeless, but we continue to discharge the mentally ill from institutions without adequate provisions for care and supervision.

Youths who have "aged out" of the foster care system are among the homeless.

Twenty-eight percent of the homeless are families with children.

I have seen estimates as high as 2 million to 3 million homeless persons.

Immediate Federal action is needed to provide a rational, comprehensive initiative. We cannot continue to ignore the ill-housed, ill-fed among us. We must not force our most vulnerable and destitute to bear the burden of deficit reduction.

I intend to look into remedies for this tragic, national scandal.

Over the last few weeks I have been examining how to develop a comprehensive Federal initiative to care for the homeless. I intend to offer legislation in this area shortly.

Meanwhile, this bill is a small step toward better care for the homeless in Washington. But its passage should be viewed as the beginning of a congressional commitment to the homeless across America.

The PRESIDING OFFICER. The bill is open to amendment. If there be no amendment to be proposed, the question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed for a third reading, was read a third time, and passed, as follows:

S. 2251

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the Administrator of General Services is authorized and directed to convey to the District of Columbia, without cost, all rights, title, and interest in the property located at 425 Second Street, Northwest, in the District of Columbia.

Mr. DOLE. Mr. President, I move to reconsider the vote by which the bill was passed.

Mr. BYRD. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

SUBSTITUTION OF CONFEREE ON H.R. 6, WATER RESOURCES BILL

Mr. DOLE. Mr. President, I ask unanimous consent that the Senator of North Dakota [Mr. Burdick] be substituted as a conferee on H.R. 6, water resources bill, in place of the Senator from Montana [Mr. Baucus].

The PRESIDING OFFICER. Without objection, it is so ordered.

ORDER FOR STAR PRINT OF SENATE JOINT RESOLUTION 313

Mr. BYRD. Mr. President, on behalf of Mr. Hollings, I ask unanimous consent that Senate Joint Resolution 313 be star printed to reflect changes which I now send to the desk.

The PRESIDING OFFICER. Without objection, it is so ordered.

The material is as follows:

S.J. Res. 313

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled, That the following article is proposed as an amendment to the Constitution of the United States, to be valid only if ratified by the legislatures of three-fourths of the several States within seven years after the date of final passage of this joint resolution.

"Article —

"Section 1. The Congress may enact laws regulating the amounts of contributions and expenditures intended to affect elections to Federal offices.".

EXECUTIVE SESSION

Mr. DOLE. Mr. President, I ask the distinguished minority leader if he is in a position to consider the nomination of Richard T. McCormack to be a member of the Board of Directors of the Inter-American Foundation. If so, I ask unanimous consent that the Senate go into executive session to consider the nomination.

Mr. BYRD. Mr. President, in response to the inquiry of the distinguished majority leader, I can definitely state this nomination has been cleared on this side of the aisle. We are ready to proceed.

There being no objection, the Senate proceeded to the consideration of executive business.

The PRESIDING OFFICER. The nomination will be stated.

INTER-AMERICAN FOUNDATION

The legislative clerk read the nomination of Richard Thomas McCormack, of Pennsylvania, to be a member of the Board of Directors of the Inter-American Foundation.

The PRESIDING OFFICER. Without objection, the nomination is considered and confirmed.

Mr. DOLE. Mr. President, I move to reconsider the vote by which the nomination was confirmed.

Mr. BYRD. Mr. President, I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. DOLE. Mr. President, I ask unanimous consent that the President be immediately notified of the confirmation of this nomination.

The PRESIDING OFFICER. Without objection, it is so ordered.

LEGISLATIVE SESSION

Mr. DOLE. Mr. President, I ask unanimous consent that the Senate return to the consideration of legislative business.

The PRESIDING OFFICER. Without objection, it is so ordered.

ELECTRIC CONSUMER PROTECTION ACT

Mr. ABDNOR. Mr. President, had I voted today on S. 426, I would have opposed final passage of the bill. I cannot, in good conscience, support this bill or any similar legislation until it can be demonstrated to me that the public will indeed be more efficiently served by such legislation.

Supporters of S. 426 have argued that under current law virtually every project currently held by investor-owned utilities will be turned over to municipal applicants. This is simply not true. The fact is that since 1970 there have been only 11 competitive cases out of more than 130 relicensing applications.

Recently, the CEO of Pacific Gas and Electric Co., acknowledged that, even if the law is not changed, "that doesn't mean ipso facto that municipals get to take over the project because * * * FERC applies the preference only if the two applicants are in equally good standing in what they propose to do with the project * * * We would expect to prevail on that basis by showing that our plans for the future development of these projects are superior to those of our competitors."

Although South Dakota currently is not directly impacted by the legislation, my principal concern is over precedents which may develop. I want to be certain that the implications of this legislation are carefully considered to see that they are in the best interests of the public.

Mr. President, I ask unanimous consent that my remarks be entered in the Record in connection with the vote on final passage of S. 426.

DEATH OF NORMAN L. CAHNERS

Mr. KENNEDY. Mr. President, many people in the Greater Boston area and elsewhere were saddened by the recent death of Norman L. Cahners. Norman Cahners was a creative and omnipresent force in the business, civic, and charitable worlds. His public spirit, generosity and concern for the enrichment of the cultural, intellectual and artistic dimensions of our society were demonstrated time and time again throughout over four decades of service to Greater Boston and New England. The vast diversity of his interests and his energies was reflected in the numerous prestigious awards he received throughout his lifetime.

To name but a few, he won acclaim for developing innovative procedures for materials handling in World War II; for his dedicated involvement with the Boy Scouts of America; and for his outstanding leadership, achievements and ethical standards in business and in the community.

I ask unanimous consent that the Boston Globe article about Mr. Norman L. Cahner be printed in the Record.

There being no objection, the article was ordered to be printed in the Record, as follows:

Norman L. Cahners

Although he knew he was battling a fatal illness, Norman L. Cahners had hoped to join a Museum of Science group now visiting the Amazon and viewing Halley's Comet. The indomitable drive of this business and community leader, who died last Friday, enabled him to live and travel well beyond the limits of most dreams.

Among the many Boston educational, medical and cultural institutions that Cahners served as a trustee, board member and worker, the Museum of Science was a special challenge, because he felt that he could make a contribution to integrating the work of the institution with community life.

Cahners' skill as a leader first became apparent when he was a top sprinter on the 1936 Harvard track team. During World War II, while serving in the Navy, he developed techniques for the rapid handling of war materiel and started a magazine on materiel-handling that dealt with the transport of all kinds of supplies and goods.

Based on that experience, Cahners began to publish industrial magazines in many technical fields. Today, the company has become the largest publisher of industrial magazines in the world.

In his private life, Cahners often counseled talented young people on career decisions, keeping track of them for years to see what turn their lives had taken.

His business success made possible major contributions to many schools and institutions. With his late father-in-law, Sidney Rabb, he established a professorship in psychology at the Harvard Business School.

Creation of a "climate of excellence" in industry, to enable persons to rise as high as their abilities can take them, was a special interest. Too often, Cahners felt, the human element was neglected by industry leaders.

In a lifetime of exploring how things work and ways to build an environment in which people can work better, Cahners set a path worth following.

UNITED STATES SHOULD SUPPORT AIRCRAFT SALES TO TAIWAN

Mr. WALLOP. Mr. President, Senator Goldwater is urging the sale of advanced interceptor aircraft to Taiwan. I agree with him on this issue. I believe the United States must develop a balanced and careful policy for dealing with arms sales to Asia and that the United States has both a legal and moral obligation to support Taiwan.

Mr. President, the administration has a policy of opposing continued Soviet encroachment in Asia. This policy is correct, as far as it goes. However, some factions in the administraton are under the futile illusion that this policy can be implemented by a United States buildup of the mainland Chinese military machine. Some are even attempting to create a strategic alliance with mainland China. This is the very China which just condemned

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the United States for self-defense actions in Libya.

Mr. President, it is crucial that the United States protect and defend Taiwan. Building a mainland Chinese military machine with United States weapons and technology is not the way to do it. It makes no sense at all to attempt to build a military alliance with mainland China while neglecting Taiwan, a long-term ally and proven friend.

Mr. President, my colleague, Senator GOLDWATER, has made a cogent case for a United States sale of F-20 aircraft and modern equipment to Taiwan to enable that ally to patrol and defend the sealanes in the Pacific against a dramatic increase in Soviet air and naval activities in that area. I agree with him absolutely on this matter. Taiwan geographically is in a key position in the center of the sealanes and airlanes used by Soviet forces transiting to and from bases in the Soviet maritime provinces and Vietnam. A credible and coherent United States defense policy in Asia must include Taiwan. I believe that the U.S. Senate must devote careful and serious thought to this subject. For this reason, I ask unanimous consent that an article by Senator GOLDWATER be printed in the RECORD.

[From the Conservative Digest, May 1986]

SENATOR GOLDWATER URGES SALE OF NEW AIRCRAFT TO TAIWAN

(By Barry M. Goldwater)

The Republic of China, now on Taiwan, is one of our oldest and best friends. We fought side by side in China during World War II. After the war, this same Ally was literally forced off the mainland by a Communist regime to which our government, in a rather foolish and stupid move, acquiesced. In doing this, nonetheless, we promised the Taiwanese that we would guarantee their freedom and would keep them supplied with appropriate weapons so that they might defend themselves.

This understanding was in great shape until someone in the State Department started talking in China and in the United States about what amounted to a double-cross of Taivan, and this caught the ear of Henry Kissinger. Henry undoubtedly thought that would be a fine idea, and he convinced President Nixon to take steps to start the derecognition of the Republic of China on Taiwan and the recognition of the People's Republic as the only China by admitting the representatives of Peking to the United Nations.

President Carter carried this a step further by abrogating the mutual defense treaty with Taiwan and closing off our formal recognition. Small as it is, Taiwan has the tenth largest flow of exports in the world. It is an economic wonder, and has one of the most modern economies in all of Asia. Yet, incredibly, its representatives are not even allowed in official places in Washington. As shameful as this is, the worst point is that we, as a nation, broke our solemn word to this true and steadfast Ally.

To show how unpopular that betrayal was with the average American citizen, Congress was forced to pass the Taiwan Relations Act. The question now arises, are we living up to our side of this Act? In my humble opinion, being a frequent visitor to Taiwan, we are not.

For instance, we are not selling them the new aircraft they need and want to buy. True, we do supply them with the parts with which they can make a new version of an old airplane. But I have investigated this matter thoroughly, and I can tell you they need far more than old airplanes. We are not doing anything about that, and we should.

When President Reagan came to office, I thought, "Surely this danger to Taiwan will now vanish," because all through his 1980 campaign for President he kept professing his love for, and great loyalty to, the free Chinese people of Taiwan. It didn't take long, though, for even my friend Ronald Reagan to fall under the spell of whoever concocts that witch's brew in the State Department. He joined his predecessors in non-recognition of Taiwan; and, worse still, in not allowing the proper military assistance to that country.

In other words, we have double-crossed an old friend. This friend could make the difference between our maintaining our strong position in the far Pacific, or losing it altogether. The Russians are now making flights over the far Pacific. Not just once in a while, but in regular patterns. And these flights extend down as far as The Philippines. Indeed, the Soviets now occupy Cam Rahn Bay, a huge facility built with American money during the Vietnam War and now being rapidly improved by occupying Russian forces. All of this is very serious.

What, in effect, we have done by our failure to keep our word to the Republic of China on Taiwan is to allow a potential enemy open access to the far Pacific. And let us remember that the perimeter of the Pacific offers the only future for peace in this world. Not only that, but it holds the economic future of the world as well. Adding to the theat is the fact that if we lose the far Pacific we lose our access to the Indian Ocean through the Straits of Malacca. The Russians would then move to control every ocean strait in the world, assuring them of international economic superiority.

I don't like to make this kind of report, but I have been asked by Conservative Digest what I found on my last visit to Taiwan and that part of the world. I am just reporting it as I saw it. We have been derelict in our duties to an old and proven friend. I don't like it one bit, and I think I am joined in this by many Americans.

A TRIBUTE TO MARION EASTERLING

Mr. DENTON. Mr. President, I bring to the attention of my colleagues an article which appeared on March 5, 1986, in the Independent Advertiser in Clanton, AL, about Marion Wesley Easterling.

The article, written by Advertiser correspondent Madge Mullins Wilbanks, chronicles the life of one of Chilton County and Alabama's most outstanding citizens.

As most of my colleagues know, gospel music has held a special place in southern life for decades. The article titled, "Gospel Legend Lives in Clanton," pays tribute to one of America's most beloved gospel song writers.

The songs composed by Marion Easterling have been recorded by America's most famous gospel quartets and have been published in countless songbooks since 1937 when he composed his first gospel song, "Lord, Lead Me On."

Marion Easterling's contributions to America have contributed to our one nation under God concept.

I ask unanimous consent to insert in the RECORD this beautifully written salute to Marion Easterling.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

[From the Independent Advertiser (Clanton, AL), Mar. 5, 1986]

GOSPEL LEGEND LIVES IN CLANTON

(By Madge Wilbanks)

On October 25, 1973, the Chilton County Chamber of Commerce honored Marion Wesley Easterling "for his accomplishments in the field of gospel music and prestige and dignity brought to our county." The wooden plaque complete with gold mounting is in the home Marion W. Easterling shares with his wife, "Miss Agnes", in Clanton. It is a warm house filled with tributes momentoes of years, pictures of children and the four grandchildren and there is also golden records by the Thrasher Brothers singing songs written by this gospel giant of a song writer who has a part of the Chilton County scene since being born on March 12, 1910, on a farm near the Sunshine Community "Out Refuge Road" to General Francis and Dora Johnson Easterling.

In thinking back over the years, it seems Marion was simply born to gospel music. He attended the public schools in Chilton County and then attended various music schools including the Vaughan School of Music. He studied with a number of famed and excellent private teachers of gospel music schools as Adgar M. Pace, O.L. DeVaughan, W.B. Abert and "Dad Speer" (G.T. Speer) of the famed Speer Family. He also took correspondence courses from New York and Chicago to further his own musical education. With Marion W. Easterling, it was not hard work nor hard study, it was all part of his lifelong goal. . . . to bring gospel music through the media of radio to his beloved Chilton County and to his cherished homefolks . . . and he had done just that in a most exemplary fashion!

He has realized his goal to bring gospel music programming via radio to the people of his home county. He has realized his goal and yet he continues to write and dream . . . an ever-working mind of a composer whom gospel music ranks right up there at the top.

How does he write his songs? "Well, I get a melody or words . . . most often the words first . . . and it may be as long as two years before I write it down, have it copyrighted and send it to the publishers." He is represented by SESAC. Year and years ago he told me that he often sold his songs (all rights and everything!) for as little as $10. I reminded him of that the other day and he remembered. He sold two of his all time big hits for $10 "and I might not even get that" . . . songs like "Standing By the River and Rainbow of Love." Somehow you know however, without him even saying it, that he never has written a song with the hope of making money. He has written songs simply becaue he had the God-given talent to do

this. It is as much as a part of his life as life itself . . . and he, happily, has shared his amazing talent not only with hometown people but his songs are sung "All over the world wherever English is spoken" he says with much just pride all tinged with humility and reverance to the God that gave him the talent in the beginning from life's start on 1910.

Music? All part of life of this man with whom I have personally shared at WKLF Radio most of this time since 1947 when I was there because Joe Phillip Klinner, my best friend, was a disc jockey and since I was hanging around I got on the air playing on that rattling studio piano, "Because", "Ah! Sweet Mystery of Life" and Irving Berlin's beloved, "Always." I was in the ninth grade as was Joe . . . and my days of writing commercials for WKLF Radio was beginning . . . and had begun to continue until this day as has Marion W. Easterling's gospel program . . . how good and kind Marion always was to a little frightened girl who was new at the radio business . . . he was so helpful and I am ever grateful . . . as are many to whom has given so, so much.

His first song to become "a hit" was written in 1937, "Lord Lead Me On." It can be found in all the convention song books. Other "hits" included those especially dear to the heart of this amazing musician: "Standing By the River", "Rainbow of Love", "When He Reached Down His Hand For Me", "When I Wake Up To Sleep No More . . ." the number of songs he guesses he's written "Is around 300 or so I'd say," and he says this with a humbleness that is found in composers of songs that will long outlive their composers . . . songs that, in truth, are timeless and will never cease to be sung by lovers of gospel music, the gospel music of Marion W. Easterling of Clanton, Alabama.

While he was writing all the time, he was also teaching singing schools and doing evangelistic work in Florida as well as in Alabama. At Sunshine Church he had one of the largest Church he had one of the largest singing schools with over 200 students some of the time! The singing schools would be taught every day for seven days in the week. His work has been interdenominational. He has also done editorial work for some leading publishers and, in 1938, was the youngest composer to sign a five year contract with Stamps-Baxter Publishing Company.

Awards? A key to the city of Cleveland, Tennesee in 1969 . . . The Broadcast Media Gospel Award in Nashville in October, 1976. Awards in the hearts of his thousands upon thousands of listeners all these years at WVOK in and later in Clanton at WKLF Radio. For a while he had an early morning show/program of gospel music at WVOK and then would hurry home to do the 11:30 morning gospel show from WKLF Radio! He is in his 39th year of broadcasting with his first radio broadcast coming on WKLF RADIO on Tuesday morning, December 2, 1947 at 11:30 . . . a programming that has continued until the present time . . . unbroken . . . He has done nearly 20,000 radio programs when they are all put together . . . The Guinness Book of Records can find no one to top that number and, after consulting with Marion W. Easterling (upon his request) will wait until he closes out his program to put this verified fact into the Book of Records . . . but the truth is there! As Marion says, with a chuckle, "I'm the worlds oldest D.J.!"

Marion W. Easterling, the composer of gospel songs, shares another life as Marion W. Easterling, husband of Miss Agnes, who was a Hughes before her marriage to Marion. The couple has two sons, Lynn Wesley, a graduate of Samford University teaches in Oak Grove near Hueytown where he lives with his wife, Terry Lynn, and son, Michael Lynn, 15, and daughter Aeryn, 8. As Mrs, Easterling says, "It's a houseful of Lynn's!" And so it is! Lynn Wesley was born in the Chilton County Hospital but that was not the case with second son, Ray Mell, who was born at home and then rushed by the new Martin ambulance to the hospital along with his mother . . . thus the name "Mell" for J. Mell Martin who began Martin's in Clanton in 1921. Ray's wife is named Mary and their daughter, Kim, is a student at the University of Montevallo. She has only 40 percent hearing and was a poster child for the Hearing and Speech Therapy Program under Governor Albert Brewer while he was governor of Alabama. A second daughter, Beth, is 15 years old and a student at Pelham High. Ray went to Troy State and is now employed by Mid-South Company which deals with heavy equipment.

As we are winding down our talking and forth like good and long-time friends will tend to do and with "Miss Agnes" ever near to help take care of this most special composer and credit to Chilton County, he said, "Well I never made to much 'sign', I just wrote my songs." I asked him what he meant by the word 'sign'? He thought a moment and answered, "like making a big name for yourself. . . . I never thought about that. . . . I just wanted to go on writing my songs. . . ." And so he has, and so he has for the world of gospel music to know and cherish and for groups like the Thrasher Brothers, The Florida Boys, The Happy Goodman Family, The Conner Hall Group and Big Jim Waites (dean of bass singers) to make famous as is the name Marion W. Easterling wherever gospel songs are sung and known . . . Yesterday . . . today . . . and tomorrow . . . you know, he has made his very own personal 'sign' after all . . . and what a great, great legacy from "the little man with a million friends, Marion W. Easterling."

SAUDI ARMS SALE

Mr. CRANSTON. Mr. President, earlier today the Senate Foreign Relations Committee heard testimony on Senate Joint Resolution 316, disapproving the sales of arms to Saudi Arabia.

I ask unanimous consent that my statement from this morning's hearing be printed in the RECORD.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

SENATE FOREIGN RELATIONS COMMITTEE HEARING ON SAUDI ARMS SALE

(Statement of Senator Alan Cranston)

Mr. Chairman, as the principal sponsor of the resolution against this sale—a resolution now co-sponsored by 63 of my colleagues—I want to outline briefly my reasons for pressing this issue.

I also want to state again, as I have on previous occasions, that my disagreement with the Administration is over means, not ends. Our dispute is not partisan. I opposed a President of my own party when he proposed an arms sale to the Saudis. Nor is our difference personal. We simply have a fundamental disagreement over how best to purse U.S. interests in our relationship with Saudi Arabia.

Senators oppose this arms sale because we do not believe it serves American national security interests to reward nations which consistently thwart American policies. We believe that the United States should demonstrate resolve and courage in standing up to third world dictators and potentates who scorn our interests. And we believe—given the lack of urgent need for this latest shipment of missiles to the Saudis—that this is a very appropriate time to send this strong signal to Riyadh.

The Administration arguments attempting to justify this sale have been very, very weak. They've asserted that it is needed to counter "the Iranian threat", they've argued that it will have favorable impact on our balance of trade, and they've maintained that we need to "get back to business as usual" in arms sales to the Saudi kingdom.

The one point proponents and opponents agree on is that the debate over this arms sale is, indeed, a signal-sending exercise. And a large number of Senators clearly wish to send a signal that the United States expects some minimal concern for our interests, too, as a condition of our friendship.

Over the past thirty-two years, the United States has sold to Saudi Arabia nearly $50 billion worth of arms and defense services. Each time the Saudis have made these sales a "test" of American friendship. Once again the pending sale of missiles is being characterized as a "test" of American friendship.

I want to ask you in all sincerity, Mr. Secretary; "when does America pass the test? When do we earn the right to ask from the Saudis sensitivity to America's basic concerns?"

The Saudis keep wanting us to prove our friendship.

When do they prove their friendship?

Is it impractical to ask that the Saudis stop funding terrorists and their supporters?

Is it unreasonable to ask that the Saudis stop their public support for Colonel Qadhafi?

Is it unrealistic to ask the Saudis to let up on their boycott of American firms and American workers who choose to do business with our ally Israel?

From the 1981 AWACS sale, to the Reagan Plan, to the Murphy shuttle, to the more recent Bush mission, Administration leaders have met with rejection when they sought Saudi cooperation in pursuing three crucial American interests in the Middle East. Republicans and Democrats, and the legislative and executive Branches are absolutely united on those objectives:

1. We seek to combat terrorism and deny terrorists any support or safe harbor;
2. We seek to expand the peace process begun at Camp David;
3. We seek to enhance the economic and military security of our key allies in the region, Egypt and Israel.

But the Saudis have failed to help us in any meaningful way. Worse yet, they have actively opposed us, they have bankrolled terrorists and their supporters including the PLO and Syria and publicly supported Colonel Qadhafi. They have undermined the peace process. They have expanded the Arab boycott of American firms and American workers who choose to do business with our ally Israel. They punish Egypt for making peace with Israel by refusing to restore diplomatic relations.

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I know, Mr. Secretary, that the Administration asserts that the Saudis are doing a lot "in private." I've read the State Department's White Paper on how "the Saudis, *within the context of the Arab consensus*, have made constructive contributions to the search for peace" (emphasis my own).

That is not good enough. We have a right to expect from the Saudis more than the lowest common denominator of the "Arab consensus" of which you speak—which still calls for the isolation and annihilation of our allies.

Mr. Secretary, I have a number of questions this morning. But let me first add a personal word.

I do not relish the confrontation ahead.

The Administration's confrontation should be with Riyadh, not with American senators.

I am not happy about the necessity of sponsoring resolutions designed to bar an intended Presidential action.

I have urged for two years that the Administration not proceed with this sale—at least until we get some meaningful support from the Saudis on our anti-terrorism efforts or on the peace process (as the President pledged would be the case in his letter to Senator Baker at the time of the September 1981 AWACS debate).

I renew that suggestion once again. Now is not the time to ship lethal arms to those who stand with terrorists in the Middle East.

PROHIBITING SALE OF SOUTHWEST POWER AND OTHER FEDERAL MARKETING ADMINISTRATIONS

Mr. NICKLES. Mr. President, a move has been underway for some time now for the Federal Government to realize short-term financial gains and forsake future revenues by selling off Federal power agencies, including the Southwestern Power Administration headquartered in Tulsa, OK.

I must rise in opposition to proposals to sell off resources of the Southwestern Power Administration due to the impact such a move would have on Oklahoma industry, agriculture, and individual electric consumers.

With this in mind, I join my colleague from Washington, Senator EVANS, in introducing legislation which would, for a period of 10 years, prevent Federal actions aimed at disposing of power production facilities which generates electricity marketed by Federal Power Marketing Administrations.

Mr. President, the Southwestern Power Administration provides electricity generated from 23 dam sites to customers in 7 States, including Oklahoma. In Oklahoma, an estimated 1 million people, or nearly one-third of the population, receive some portion of their power through the Southwestern Power Administration. Twenty-five rural electric cooperative distribution systems market power obtained from the SWPA.

Rural electric utilities and municipalities that purchase SWPA power serve over 900 manufacturing firms with 56,000 employees which add more than $1.3 billion to the region's economy. Additionally, there are nearly half a million farms in counties served by rural electric cooperatives which purchase power from the SWPA and the production from these farms is estimated to reach $19 billion per year. Mr. President, I cite these figures to demonstrate how deep the power marketed by the SWPA cuts into the area economy.

The sale of Federal hydroelectric projects would result in the trading of lower interest rates that were in effect when the projects were built for higher rates that prevail today. Based on projections obtained from the Oklahoma Association of Electric Cooperatives, the refinancing costs associated with the sale of the SWPA would, over the next 5 years, result in a $272-million cost increase to the seven-State region served by the SWPA. The projections assume the SWPA purchase to be financed beginning at 10.5 percent in 1986 dropping to 6 percent in 1990. As my colleagues can see, relatively conservative assumptions were used to make these projections.

Mr. President, I mentioned electric customers in the seven-State region would be asked to bear an estimated $272 million in increased costs if the SWPA is sold. To bring things home for my colleagues, I would like to break this figure down on a State-by-State basis. Arkansas consumers would face a $48.96 million increase; Kansas, $21.76 million; Louisiana, $21.76 million; Missouri, $87.04 million; Texas, $38.08 million; and Oklahoma, a $54.4 million hike in power costs. Again, these figures are based on refinancing costs alone.

The electricity currently produced by Power Marketing Administrations is sold at rates based on cost, not profit. Under the law, agencies such as the Southwestern Power Administration are obligated to return all cost of construction, operation and maintenance for Federal power production and transmission, including principal and interest. Last year, the agencies returned to the Government more than $1 billion in principal and interest.

Mr. President, I urge my colleagues to support this legislation. The permanent loss of these productive assets would cost the Government billions of dollars in future revenues. I suggest we should not act in such a short-sighted manner.

NUCLEAR TEST MORATORIUM

Mr. LEAHY. Mr. President, on Thursday, April 10, the United States conducted its eighth nuclear underground test since Mikhail Gorbachev announced the Soviet Union's moratorium on all nuclear testing in August of 1985.

The significance of the U.S. test in Nevada is that it will trigger a resumption in Soviet nuclear weapons testing. In the process, the United States will have lost both an important opportunity to resume negotiations on achieving a comprehensive test ban and a valuable first step in concluding a mutual and verifiable arms-control treaty.

The administration's position on joining the Soviet moratorium has been clear. It has been willing to forgo its extensive nuclear weapons testing program to advance the cause of arms control. At the same time, the administration has clearly justified its opposition to a testing moratorium on the basis of inadequate verification and jeopardy to the reliability of the U.S. nuclear weapons stockpile.

Mr. President, let me take a moment to examine these arguments:

First, with regard to verification, the administration has long alleged, most recently in the President's February 1986 Soviet noncompliance report that "Soviet nuclear test activities for a number of tests constitute a likely violation of the Threshold Test Ban Treaty of 1974." As my colleagues will recall, the signed but unratified TTB Treaty prohibits underground explosions with yields exceeding 150 kilotons.

Therefore, the administration, according to the logic of its position, had no intention of rewarding Soviet noncompliance with an existing agreement by acquiescing in a nuclear test moratorium for a limited period of time.

Yet Mr. President, according to recent press reports, the Central Intelligence Agency has changed its procedures for estimating the yield of large nuclear tests because its previous estimates were too high. Seismological experts outside the government have long argued for just such a change. As a result, because of the significant ambiguities involved in seismic monitoring, the Soviet Union's likely violations may have never been violations at all. In fact, under the same methodology used to assess the size of Soviet tests, it is entirely possible that some United States nuclear weapons tests may have themselves appeared to the Soviets to exceed the imposed 150-kiloton limit.

There is no doubt that the huge uncertainties involved in seismic monitoring can today be reduced to acceptable levels with readily available technology for on-site monitoring at Soviet and U.S. test facilities. The question, then, is how to proceed to implement such a program of effective monitoring.

The approach I continue to favor is to simply join the Soviet Union in its

proposed moratorium for a limited period of time, or as long as the Soviet Union continued to refrain from testing in order to negotiate and implement more rigorous nuclear testing verification procedures.

Such procedures could set the stage for a comprehensive test ban and further limitations on testing which could be beneficial in negotiating a new strategic arms agreement. Yet it is clear that this administration has no intention of taking any action which would enhance verification at the expense of nuclear weapons development and deployment.

That is why I recently joined my distinguished colleagues, Senators CRANSTON and HATFIELD, in cosponsoring S. 2220, legislation which would prohibit the use of funds for the testing of United States nuclear warheads so long as the Soviet Union showed similar restraint. Our legislation would not prohibit use of funds for preparations for testing, including all necessary steps short of actual tests, so that we would be ready for an immediate resumption of tests if necessary. Funds would be available for the resumption of United States testing immediately upon evidence that the Soviets had violated the moratorium—a fact which could be verified by the United States intelligence community.

Unfortunately, the failure of this administration to join the Soviet Union in a moratorium has made the Soviet resumption of nuclear testing a self-fulfilling prophesy.

Mr. President, the second argument advanced by the administration in justifying opposition to the test moratorium revolves around the reliability of our nuclear weapons stockpile. It is argued that without testing, the United States could not diagnose and remedy serious shortfalls in the safety of our nuclear stockpile or the reliability of our nuclear weapons.

The fact is, few U.S. nuclear tests have ever been dedicated to specifically corrobrating design flaws discovered in the examination of the nonnuclear components of nuclear weapons. Rather, the overwhelming majority of tests are dedicated to validating nuclear weapons designs and testing new concepts for future weapons development. In short, testing for this administration is all about enhancing nuclear warfighting capability and developing nuclear powered star wars lasers and weapons.

Certainly, the safety and reliability of our nuclear stockpile cannot be ingored. However, this issue can be adequately addressed through an arms control agreement which establishes procedures through which specific very low-yield tests could be allowed for purposes of ensuring the safety and reliability of remaining weapons.

But the key again is the will to eliminate nuclear tests dedicated to the development of new weapons—and the existence of a regime of on-site inspection at respective United States and Soviet nuclear test facilities.

By failing to join the Soviets in a testing moratorium, the United States has closed the door on such possibilities and allowed the Soviets to score a huge propaganda gain.

Mr. President, let me close by reiterating that a huge opportunity has been lost to end the nuclear arms race. Our own security would have suffered minimally from taking the risk of joining the Soviets in their proposed moratorium. Many of our questions regarding the Soviets' real motivation in proposing a moratorium will remain unanswered. As a result, the cause of peace will suffer.

MESSAGES FROM THE PRESIDENT

Messages from the President of the United States were communicated to the Senate by Mr. Saunders, one of his secretaries.

ANNUAL REPORT OF THE DEPARTMENT OF ENERGY—MESSAGE FROM THE PRESIDENT—PM 133

The PRESIDING OFFICER laid before the Senate the following message from the President of the United States, together with an accompanying report; which was referred to the Committee on Energy and Natural Resources:

To the Congress of the United States:

In accordance with the requirements of Section 657 of the Department of Energy Organization Act (P.L. 95-91), I hereby transmit the Seventh Annual Report of the Department of Energy.

RONALD REAGAN.

THE WHITE HOUSE, *April 17, 1986.*

ANNUAL REPORT ON THE STATUS OF THE NATIONAL WILDERNESS PRESERVATION SYSTEM—MESSAGE FROM THE PRESIDENT—PM 134

The PRESIDING OFFICER laid before the Senate the following message from the President of the United States, together with an accompanying report; which was referred to the Committee on Energy and Natural Resources:

To the Congress of the United States:

In accordance with the Wilderness Act of 1964 (Public Law 88-577), I herewith transmit the Twenty-first Annual Report on the status of the National Wilderness Preservation System for calendar year 1984.

RONALD REAGAN.

THE WHITE HOUSE, *April 17, 1986.*

MESSAGES FROM THE HOUSE

At 10:48 a.m., a message from the House of Representatives, delivered by Ms. Goetz, one of its reading clerks, announced that the Speaker appoints Mr. HOWARD and Mr. SHUSTER as additional conferees on the conference on the disagreeing votes of the two Houses on the amendments of the House to the bill (S. 1128) to amend the Clean Water Act, and for other purposes.

ENROLLED BILL SIGNED

At 12:00 noon, a message from the House of Representatives, delivered by Ms. Goetz, one of its reading clerks, announced that the Speaker has signed the following enrolled bill:

H.R. 4551. An act to extend for 3 months the emergency acquisition and net worth guarantee provisions of the Garn-St Germain Depository Institutions Act of 1982.

The enrolled bill was subsequently signed by the President pro tempore (Mr. THURMOND).

At 1:49 p.m., a message from the House of Representatives, delivered by Mr. Berry, one of its reading clerks, announced that the House insists upon its amendments to the bill (S. 410) to repeal the Commercial and Apartment Conservation Service, and for other purposes, disagreed to by the Senate; it agrees to the conference asked by the Senate on the disagreeing votes of the two Houses thereon, and appoints Mr. DINGELL, Mr. MARKEY, Mr. HALL of Texas, Mr. BROYHILL, and Mr. MOORHEAD as managers of the conference on the part of the House.

The message also announced that the House has passed the following joint resolution, without amendment:

S.J. Res. 303. Joint resolution to designate April 1986, as "Fair Housing Month".

The message further announced that the House has agreed to the following concurrent resolution, without amendment:

S. Con. Res. 128. Joint resolution to commemorate the bicentennial of Australia and to honor the April 1986 visit of Australian Prime Minister Robert Hawke to the United States.

At 4:12 p.m., a message from the House of Representatives, delivered by Ms. Goetz, one of its reading clerks, announced that the House has passed the following joint resolution, in which it requests the concurrence of the Senate:

H.J. Res. 599. Joint resolution commemorating the twenty-fifth anniversary of the Bay of Pigs invasion to liberate Cuba from Communist tyranny.

EXECUTIVE AND OTHER COMMUNICATIONS

The following communications were laid before the Senate, together with accompanying papers, reports, and

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documents, which were referred as indicated:

EC-2986. A communication from the Chairman of the Council of the District of Columbia, transmitting, pursuant to law, copies of D.C. Act 6-151 adopted by the Council on March 25, 1986; to the Committee on Governmental Affairs.

EC-2987. A communication from the Chairman of the Council of the District of Columbia, transmitting, pursuant to law, copies of D.C. Act 6-150 adopted by the Council on March 25, 1986; to the Committee on Governmental Affairs.

EC-2988. A communication from the Chairman of the Council of the District of Columbia, transmitting, pursuant to law, copies of D.C. Act 6-155 adopted by the Council on March 25, 1986; to the Committee on Governmental Affairs.

EC-2989. A communication from the Chairman of the Council of the District of Columbia, transmitting, pursuant to law, copies of D.C. Act 6-154 adopted by the Council on March 25, 1986; to the Committee on Governmental Affairs.

EC-2990. A communication from the Chairman of the Council of the District of Columbia, transmitting, pursuant to law, copies of D.C. Act 6-153 adopted by the Council on March 25, 1986; to the Committee on Governmental Affairs.

EC-2991. A communication from the Chairman of the Council of the District of Columbia, transmitting, pursuant to law, copies of D.C. Act 6-152 adopted by the Council on March 25, 1986; to the Committee on Governmental Affairs.

EC-2992. A communication from the District of Columbia Auditor, transmitting, pursuant to law, a report entitled "Review of Receipts and Disbursements of the Office of the People's Counsel Agency Fund"; to the Committee on Governmental Affairs.

EC-2993. A communication from the District of Columbia Auditor, transmitting, pursuant to law, a report entitled "Annual Audit of the Washington Convention Center for the Fiscal Years Ended September 30, 1985 and 1984"; to the Committee on Governmental Affairs.

EC-2994. A communication from the Director of the Office of Legislative Affairs, Agency for International Development, transmitting, pursuant to law, the annual report of the Agency under the Freedom of Information Act for calendar year 1985; to the Committee on the Judiciary.

EC-2995. A communication from the Secretary of Education, transmitting, pursuant to law, notice of final funding priorities for HIHR—Research and Demonstration Projects, Knowledge Dissemination and Utilization Projects; to the Committee on Labor and Human Resources.

EC-2996. A communication from the Executive Director of the Committee for Purchase From the Blind and Other Severely Handicapped, transmitting, pursuant to law, the annual report of the committee for fiscal year 1985; to the Committee on Labor and Human Resources.

EC-2997. A communication from the Secretary of Education, transmitting, pursuant to law, notice of final funding priorities for NIHR—Research and Demonstration Projects in Research Training; to the Committee on Labor and Human Resources.

EC-2998. A communication from the Secretary of Education, transmitting, pursuant to law, Final Regulations—College Housing Program; to the Committee on Labor and Human Resources.

EC-2999. A communication from the Secretary of Education, transmitting, pursuant to law, notice of final funding priorities for Special Projects and Demonstrations for Providing Vocational Rehabilitation Services to Severely Disabled Individuals Program; to the Committee on Labor and Human Resources.

EC-3000. A communication from the Secretary of Health and Human Services, transmitting, pursuant to law, the annual report on the implementation of the Age Discrimination Act for fiscal year 1985; to the Committee on Labor and Human Resources.

REPORTS OF COMMITTEES

The following reports of committees were submitted:

By Mr. THURMOND, from the committee on the Judiciary, without amendment and with a preamble:

S.J. Res. 280. Joint resolution designating the month of November 1986 as "National Alzheimer's Disease Month."

S.J. Res. 288. Joint resolution to designate the month of May 1986, as "National Birds of Prey Month."

S.J. Res. 289. Joint resolution to designate 1988 as the "Year of New Sweden" and to recognize the New Sweden '88 American Committee.

S.J. Res. 293. Joint resolution to designate the month of May 1986 as "National Child Safety Month."

S.J. Res. 296. Joint resolution to designate the week of October 5, 1986, through October 11, 1986, as "Mental Illness Awareness Week."

S.J. Res. 310. Joint resolution to proclaim June 15, 1986, through June 21, 1986, as "National Agricultural Export Week."

S.J. Res. 312. Joint resolution designating the week beginning April 13, 1986, as "National Medical Laboratory Week."

S.J. Res. 317. Joint resolution to designate the month of November 1986 as "National Hospice Month."

S.J. Res. 318. Joint resolution designating November 1986 as "National Diabetes Month."

S.J. Res. 321. Joint resolution to designate October 1986 as "National Down Syndrome Month."

S.J. Res. 324. Joint resolution to designate the week beginning May 18, 1986, as "National Digestive Diseases Awareness Week."

EXECUTIVE REPORTS OF COMMITTEES

The following executive reports of committees were submitted:

By Mr. THURMOND, from the Committee on the Judiciary:

Kenneth L. Ryskamp, of Florida, to be U.S. district judge for the southern district of Florida;

Joe D. Whitley, of Georgia, to be U.S. attorney for the middle district of Georgia for the term of 4 years.

INTRODUCTION OF BILLS AND JOINT RESOLUTIONS

The following bills and joint resolutions were introduced, read the first and second time by unanimous consent, and referred as indicated:

By Mr. GORTON:

S. 2318. A bill for the relief of William G. Riplinger; to the Committee on the Judiciary.

By Mr. DOLE (for Mr. Kennedy (for himself, Mr. D'Amato, Mr. Dole, Mr. Mathias, and Mr. Hollings)):

S. 2319. A bill to provide for the continuation of the Martin Luther King, Jr. Federal Holiday Commission until 1989, and for other purposes; considered and passed.

By Mr. INOUYE (for himself and Mr. Matsunaga):

S. 2320. A bill to amend an Act to add certain lands on the Island of Hawaii to Hawaii Volcanoes National Park, and for other purposes; to the Committee on Energy and Natural Resources.

By Mr. ARMSTRONG:

S. 2321. A bill to suspend temporarily the duty on d-6-Methoxy-alpha-methyl-2-naphthaleneacetic and its sodium salt; to the Committee on Energy and Natural Resources.

By Mr. SIMON (for himself, Mr. Thurmond, Mr. Metzenbaum, Mr. Denton, Mr. DeConcini, and Mr. Heflin):

S. 2322. A bill to provide for a study of television programming to consider the matter as to what impact, if any, violence on television has on the health of children and adults; to the Committee on Commerce, Science, and Transportation.

By Mr. SIMON (for himself, Mr. Thurmond, Mr. Metzenbaum, Mr. Denton, Mr. DeConcini, and Mr. Heflin):

S. 2323. A bill to exempt certain activities from provisions of the antitrust laws; to the Committee on the Judiciary.

By Mr. HATCH (for Mrs. Hawkins (for herself, Mr. Hatch, and Mr. Quayle)):

S. 2324. A bill to reauthorize programs under the Domestic Volunteer Service Act of 1973, and for other purposes; to the Committee on Labor and Human Resources.

By Mr. EXON:

S. 2325. A bill to permit a maximum speed limit of 70 miles per hour on any route within the National System of Interstate and Defense Highways; to the Committee on Commerce, Science, and Transportation.

By Mr. HEFLIN:

S. 2326. A bill to protect the name and marks of the Alabama Space Science Exhibit Commission; to the Committee on the Judiciary.

By Mr. GRAMM:

S. 2327. A bill to amend the Low-Income Home Energy Assistance Act of 1981 to specify the method of determining State allotments; to the Committee on Labor and Human Resources.

By Mr. EVANS (for himself, Mr. Gore, Mr. Abdnor, Mr. Baucus, Mr. Bumpers, Mr. Burdick, Mr. Eagleton, Mr. Ford, Mr. Gorton, Mr. Harkin, Mr. Melcher, Mr. Nickles, Mr. Pressler, Mr. Sasser, and Mr. Zorinsky):

S. 2328. A bill to prohibit for a 10-year period the transfer or sale of Federal Power Marketing Administrations or the Tennessee Valley Authority, and for other purposes; to the Committee on Energy and Natural Resources.

By Mr. QUAYLE:

S. 2329. A bill to make technical corrections in the higher education title of the Consolidated Omnibus Budget Reconciliation Act of 1985; to the Committee on Labor and Human Resources.

By Mr. COCHRAN:

S. 2330. A bill to amend the copyright law regarding work made for hire; to the Committee on the Judiciary.

By Mr. HEINZ (for himself, Mr. Glenn, Mr. Durenberger, Mr. Bradley, Mr. Kennedy, Mr. Chafee, Mr. Chiles, Mr. Matsunaga, Mr. Wilson, Mr. Moynihan, Mr. Riegle, and Mr. Dodd):

S. 2331. A bill to amend title XVIII of the Social Security Act to assure the quality of inpatient hospital services and post-hospital services furnished under the medicare program, and for other purposes; to the Committee on Finance.

By Mr. BOSCHWITZ (for himself, Mr. Boren, Mr. Nickles, Mr. Abdnor, and Mr. Grassley):

S. 2332. A bill to provide credit assistance to borrowers of loans made by commercial lending institutions, Farm Credit System institutions, and the Farmers Home Administration, and for other purposes; to the Committee on Agriculture, Nutrition, and Forestry.

By Mr. DURENBERGER (for himself, Mr. Hollings, Mr. Kennedy, Mr. Thurmond, Mr. Chafee, Mr. Bentsen, Mr. Baucus, and Mr. Moynihan):

S. 2333. A bill to amend title XIX of the Social Security Act to strengthen and improve medicaid services to low-income pregnant women and children; to the Committee on Finance.

By Mr. THURMOND:

S. 2334. A bill to amend section 207 of title 18, United States Code, to prohibit Members of Congress and officers and employees of any branch of the U.S. Government from attempting to influence the U.S. Government or from representing or advising a foreign entity for a proscribed period after such officer or employee leaves Government service, and for other purposes; to the Committee on the Judiciary.

By Mr. DOLE (for himself and Mr. Denton):

S. 2335. A bill to protect U.S. citizens from terrorism; to the Committee on Foreign Relations.

By Mr. ABDNOR (for himself, Mr. Burdick, and Mr. Pressler):

S. 2336. A bill to protect U.S. cattlemen from imports of live Canadian cattle, and to require the International Trade Commission to conduct a Section 201 investigation of such imports.

By Mr. BRADLEY:

S. 2337. A bill to extend duty-free treatment to certain chemicals; to the Committee on Finance.

By Mr. ROCKEFELLER (for himself, Mr. Bingaman, Mr. Byrd, Mr. Riegle, Mr. Levin, Mr. Baucus, Mr. Chiles, Mr. Heinz, Mr. DeConcini, Mr. Hart, Mr. Gore, Mr. Cohen, Mr. Danforth, Mr. Pryor, Mr. Inouye, Mr. Gorton, Mr. Lautenberg, Mr. Leahy, Mr. Bumpers, Mr. Metzenbaum, Mr. Mitchell, Mr. Exon, Mr. Cranston, Mr. Eagleton, Mr. Dodd, Mr. Dixon, Mr. Matsunaga, Mr. Kerry, Mr. Kennedy, Mr. Chafee, Mr. Moynihan, Mr. Hollings, Mr. Pell, Mr. Bradley Mr. Ford, and Mr. Proxmire):

S.J. Res. 327. Joint resolution to provide for the President to report on the status and implementation of the recommendations of the President's Commission on Industrial Competitiveness; to the Committee on Finance.

SUBMISSION OF CONCURRENT AND SENATE RESOLUTIONS

The following concurrent resolutions and Senate resolutions were read, and referred (or acted upon), as indicated:

By Mr. DOLE (for Mr. Helms (for himself, Mr. Dole, Mr. Zorinsky, Mr. Wilson, Mr. Boren, Mr. Boschwitz, Mr. Danforth, Mr. Abdnor, Mr. Cochran, Mr. Exon, Mr. Gore, Mr. Harkin, Mr. Riegle, Mr. Symms, Mr. Thurmond, Mr. Gramm, Mr. Mattingly, Mr. Nickles, Mr. Pressler, Mr. Dixon, Mr. Andrews, and Mr. Kasten)):

S. Con. Res. 129. Concurrent resolution expressing the sense of Congress in opposition to certain import restrictions imposed by the European Community that adversely affect U.S. agricultural exports and urging the President to use to the fullest extent his authority to respond to these practices; considered and agreed to.

By Mr. HOLLINGS:

S. Con. Res. 130. Concurrent resolution to recognize the visit by the descendants of the original settlers of Purrysburg, SC, to Neufchatel, Switzerland, in October 1988 as an international gesture of goodwill; to the Committee on the Judiciary.

By Mr. HART (for himself, Mr. Boschwitz, Mr. DeConcini, Mr. Grassley, Mr. Moynihan, and Mr. Mathias):

S. Con. Res. 131. Concurrent resolution expressing the sense of the Congress that the Soviet Union should immediately provide for the release and safe passage of Naum Meiman and Inna Kitrosskaya-Meiman; to the Committee on Foreign Relations.

By Mr. COCHRAN:

S. Con. Res. 132. Concurrent resolution establishing a temporary joint committee on the budget; to the Committee on Rules and Administration.

STATEMENTS ON INTRODUCED BILLS AND JOINT RESOLUTIONS

By Mr. GORTON:

S. 2318. A bill for the relief of William G. Riplinger; to the Committee on the Judiciary.

RELIEF OF WILLIAM G. RIPLINGER

● Mr. GORTON. Mr. President, today I am reintroducing legislation I introduced last Congress for the relief of William G. Riplinger of Seattle, WA.

On November 22, 1977, William G. Riplinger was offered the position of contract price analyst, grade GS-11, step 10, with the U.S. Navy's Supervisor of Shipbuilding, Conversion and Repair (SubShips) in Seattle. He accepted, resigned from a position in private industry, and reported to his new job on December 3, 1977.

On reporting for work, Mr. Riplinger was informed that his actual appointment would be as a grade GS-11, step 1. The U.S. Government admits that, due to administrative error, the Consolidated Civilian Personnel Office [CCPO] of SubShips failed to request authorization to appoint Mr. Riplinger to the 10th step of GS-11. On December 16, 1977, the personnel director of CCPO requested approval from the Seattle regional office, but the request was denied.

On February 8, 1978, the commander of the Naval Sea Systems Command requested approval of the step increase from the Civil Service Commission, which granted approval on March 23, 1978. However, back pay for the period from December 3, 1977 to March 23, 1978 was denied. Mr. Riplinger seeks $1,641.12, which represents the difference between the pay he would have received had he been placed in step 10 of GS-11 as of December 5, 1977, instead of March 23, 1978, and the pay he actually received. He also seeks $182.35 in attorney fees.

Mr. Riplinger initiated litigation to recover this back pay, but was denied relief in Federal court. The Ninth Circuit Court of Appeals noted in its opinion that "all parties admit the correctness of Riplinger's factual recitals, and all should admit the equity of his claim, but it is well-settled that the law provides no relief."

A private relief bill is the only avenue available for Mr. Riplinger to receive the equitable relief he deserves. I therefore urge the prompt and favorable consideration of this legislation.●

By Mr. INOUYE (for himself and Mr. Matsunaga):

S. 2320. A bill to amend an act to add certain lands on the Island of Hawaii to Hawaii Volcanoes National Park, and for other purposes; to the Committee on Energy and Natural Resources.

ADDITIONAL OF CERTAIN LANDS TO HAWAII VOLCANOES NATIONAL PARK

● Mr. INOUYE. Mr. President, my colleague, Senator Spark Matsunaga and I are introducing today a bill that addresses the need to acquire a parcel of land immediately adjacent to Hawaii Volcanoes National Park. A parcel of land long listed as the National Park Service's highest acquisition priority in the Pacific area of the National Park System. The acquisition of this roadless, and presently unused, area of superb native ohia and tree-fern rain forest has been a priority because it has been identified by biologists as an ecosystem not now adequately encompassed and protected in the National Park System. Further, and equally important, it contains the habitat of the critically endangered Hawaiian Hawk and the Hawaiian O'u, as well as several other species indigenous to the Hawaiian Archipelago. Congress identified this same parcel as suitable for "potential wilderness" in 1978 when it was found to possess all the necessary attributes for wilderness designation excepting its non-Federal status.

While these considerations are enough to warrant the inclusion of the tract within the National Park, an-

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other consideration germane to the merits of acquiring this tract is that the growing of marijuana on lands within this tract poses a serious threat to public safety. The need to keep this illegal activity undetected has motivated some growers to booby trap their patches and to physically intimidate anyone who inadvertently might come upon them. National Park Service vigilance has eradicated marijuana growing within the confines of Hawaii Volcanoes National Park and it is expected that the same vigilance will end marijuana growing in this contiguous land area once it is added to the park.

Over the past 5 years this important tract of land has been the focus of other activities which have led to this call for acquisition that Senator MATSUNAGA and I bring to you today. In early 1982, the owner of this tract of land revealed plans for large-scale geothermal development on the land. Approximately 50 geothermal wells were proposed to be sited 1,000 feet from the park boundary. Four proposed power plants were to be located within 4,000 feet of the park boundary. The State of Hawaii recognizes the need to develop alternatives to nonrenewable energy resources and has emphasized this need through State legislation, the State also recognizes the important of maintaining the integrity of Hawaii's largest national park. Adverse impacts resulting from geothermal emissions, surface disturbance, noise, odor, and vista impairment in such close proximity would include deterioration of native plant and animal communities, fragmentation of the ohia-fern forest essential for endangered native bird survival, degradation of the wilderness quality of the east rift and Kalapana extension areas, and degradation of present and future visitors perceptions of the national park.

At the recommendation of the State of Hawaii Board of Land and Natural Resources, the owner was encouraged to consider a land exchange with the State of Hawaii. At the same time, the State encouraged the National Park Service to find a way of acquiring the tract for inclusion into Hawaii Volcanoes National Park. At that time the tract in question was not considered part of the two-party land exchange proposal. As a logical extension of this type of low cost transaction, the State of Hawaii began to explore the possibility of a three-party land exchange with the Federal Government that would effectively allow the National Park Service to acquire this important parcel if the State and the landowner agreed to move forward with their two-party exchange inclusive of this important tract.

Mr. President, my colleague and I, come before the Senate to urge the Congress of the United States to enact legislation to allow the Department of the Interior to become a third party to this exchange initiative.

It is important to note for the purposes of this bill that Congress recognized the need to adjust the boundaries of Hawaii Volcanoes National Park through the addition of adjacent lands early in the park's history. In 1938 Congress passed legislation that allowed the Secretary of the Interior to add adjacent tracts to the park if, in the discretion of the Secretary, they are judged to be "necessary for the proper rounding out" of the boundaries. While the Secretary has had this discretionary power for close to 50 years, he has been restricted by the provision that allowed acquisition of certain tracts through donation only, including the tract that is the subject of this legislation.

The reasons for limiting the acquisition of this adjacent parcel to donation only have long been forgotten. The possibility that they cease to exist is supported by public acceptance of the acquisition proposal. There is consensus among the people of the State of Hawaii, the landowners, and the National Park Service that the time for acquisition is now at hand. Times have changed and it is incumbent upon us to recognize the need to change with the times. The proposed three-party land exchange is the type of change that is appropriate at this time. Further, Mr. President, in his testimony before the Senate Appropriations Committee in fiscal year 1986 budget hearings, the Secretary of the Interior stated the administration's support of exchanges, when he stated the Department's intent to emphasize the acquisition of lands through means other than Federal appropriations, further citing an example of land exchanges for park lands. In all candor, the time for low cost acquisition alternatives are needed in the context of the Federal deficit.

The benefits emanating from this legislative effort are self-evident. First, the 5,650-acre tract of virgin rain forest would become part of the national park, thus offering protection to endangered species and popular visitor attractions, allowing representation of this unique ecosystem in the National Park System, and facilitating national park administrative control over the land for purposes of public safety. Second, geothermal development could proceed in an area well removed from the presence of the park, thus allowing geothermal development to proceed immediately without the onus of continued hearings, protests, appeals, and threats of court actions which have held development to a standstill over the past 4 years. Most importantly, it eliminates the need to seek major appropriations from Congress for land acquisition of the land at a time when budget considerations are on the minds of all of the Members of this body.

Mr. President, the benefits of this piece of legislation are far beyond the normal scope of a bill of this nature. I urge the support and efficient passage of this bill by my colleagues.

Mr. President, I request unanimous consent that the text of this bill be printed in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 2320

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. ADDITION TO HAWAII VOLCANOES NATIONAL PARK.

The Act entitled "An Act to add certain lands on the island of Hawaii to the Hawaii National Park, and for other purposes" (52 Stat. 781; 16 U.S.C. 391b) is amended by adding at the end the following new section:

"SEC. 5. (a) Notwithstanding any other provision of this Act, the Secretary of the Interior (hereinafter referred to as the 'Secretary') is authorized to acquire by purchase with donated or appropriated funds, donation, or exchange the land and interests therein comprising approximately 5,650 acres and identified as tract number 118/22 on the map entitled 'Recommended Land Acquisition', in the Hawaii Volcanoes National Park Land Protection Plan as recommended May 17, 1985, which plan shall be on file and available for public inspection in the office of the Director, National Park Service, Department of the Interior, Washington, D.C. and the Office of the Superintendent, Hawaii Volcanoes National Park, Hawaii.

"(b) In exercising his authority to acquire the real property referred to in subsection (a) by exchange, the Secretary may accept title thereto and in exchange therefor he may convey to the grantor of such real property title to any United States Government real property under his administrative jurisdiction, other than real property within or administered as a part of the National Park System, in the State of Hawaii which he determines is suitable for such exchange. The values of the properties exchanged shall be approximately equal, or if they are not approximately equal, the values shall be equalized by the payment of money to the grantor or to the Secretary as the circumstances require. In no circumstance shall an equalization payment exceed one-fourth (25 percent) the appraised value of the real property referred to in subsection (a). Any money paid to the Secretary shall be deposited as miscellaneous receipts in the Treasury of the United States.

"(c) Real property owned by the State of Hawaii or any political subdivision thereof may be acquired only by donation or exchange.

"(d)(1) In order to facilitate the acquisition of the real property referred to in subsection (a) by exchange, notwithstanding any other provision of law, upon request of the Secretary, the Administrator fo General Services shall transfer to the Secretary, without reimbursement, administrative jurisdiction over any excess or surplus United States Government real property in the State of Hawaii for purposes of such an exchange.

"(2) For purposes of a land exchange with the State of Hawaii, the Secretary shall consult with the State of Hawaii in the process of identifying suitable exchange lands belonging to the United States Government.

"(3) For the purposes of a land exchange with the State of Hawaii, real property owned by the United States Government and selected for use in a land exchange shall not be from among those lands ceded to the United States Government.

"(e) The real property acquired by the Secretary pursuant to this section shall be administered by the Secretary as part of Hawaii Volcanoes National Park, subject to the laws and regulations applicable to the Park.

"(f) There is hereby authorized to be appropriated such sums as may be necessary to carry out the acquisition of real property under this section.".●

Mr. MATSUNAGA. Mr. President, I am today joining my senior Senator from Hawaii, Mr. INOUYE, in introducing S. 2320, a bill providing for authority to exchange Federal lands for State and private lands. In doing so, I am reminded that the ancient Hawaiians were noted for the importance which they placed on working together, a practice called Laulima. The Hawaiian economy was comprised of small communities, each specializing in the cultivation or gathering of a few staple products. Thus, the communities were dependent upon one another for provisions which they did not produce but needed. This interdependence necessitated cooperation on the part of each community. Without it their survival was in jeopardy.

The bill which my distinguished colleague from Hawaii and I are introducing today is a modern example of the kind of cooperation which existed among the ancient Hawaiians. There are three parties involved in the proposed land exchange described in S. 2320, amending an act to add certain lands on the island of Hawaii to Hawaii Volcanoes National Park. These parties include the State of Hawaii, the James Campbell Estate, and the U.S. Government via the National Park Service. All parties involved are supportive of our proposal.

The parcels of land in question include: First, State-owned lands in the Kilauea East Rift Zone; second, James Campbell Estate-owned land at Kahauale'a adjacent to the Hawaii Volcanoes National Park; and third, excess or surplus U.S. Government real property in the State of Hawaii.

Each of the concerned parties in the proposed land exchange has a special interest in a particular parcel of land, but acquisition of that particular parcel is dependent upon the expressed agreement of the other two parties. Just as the ancient Hawaiians found themselves being dependent upon neighboring communities, the parties involved in S. 2320's proposed land exchange find themselves dependent upon the others in order to consummate the exchange—an exchange which should prove to be beneficial to all parties involved.

The State-owned lands in the Kilauea Middle East Rift Zone is of interest to the James Campbell Estate because they have been designated by the State's board of land and natural resources as a geothermal resource subzone and the estate would like to conduct some geothermal exploration and development there.

The Campbell Estate-owned land at Kahauale'a includes a parcel referred to as "tract 22." Tract 22 is a land parcel adjacent to the Hawaii Volcanoes National Park which has been of considerable interest to the National Park Service for some time. The Land is a virgin 'ohi'a and fern rainforest and has been identified by the Park Servie as its No. 1 acquisition priority for protection of the Thurston Lava Tube and Chain of Craters Area. Tract 22 also serves as the natural habitat of at least nine different endangered species, inlcuding the rare Hawaiian 'O'o bird.

The excess or surplus U.S. Government real property in the State of Hawaii which would be included in the proposed three-party exchange has yet to be identified—not because there is none available, but because the State hopes to be able to discuss and identify potential properties with the Federal Government and come to a mutual agreement on them.

To date, the State of Hawaii has consented to exchange its land from the Kilauea Middle East Rift Zone for the Campbell Estate-owned land at Kahauale'a including tract 22. However, this consent was given on the condition that the Federal Government enters into the exchange as a third party. Achieving this, tract 22 would then be transferred to the National Park Service.

The James Campbell Estate has consented to the exchange and has urged the inclusion of tract 22 in order to facilitate its acquisition by the National Park Service. It is important to note here that the enabling legislation for Hawaii Volcanoes National Park specifies that even though the tract is within the authorized boundaries of the park, the land can only be acquired by donation.

Furthermore, it should be understood that in 1983, the State of Hawaii conducted a statewide review of geothermal resource lands and in December of 1984 its board of land and natural resources rendered a decision and order [D/O] giving conditional approval for the designation of a portion of Kahauale'a as a geothermal resource subzone. The D/O also requested that the Campbell Estate investigate and consider a land exchange of State-owned lands to the north of Hawaii Volcanoes National Park and Kahauale'a, pending the outcome of the D/O conditions. Thus, whether or not the land exchange between the estate and the State of Hawaii takes place, a major portion of Kahauale'a will be designated a geothermal resource zone.

Of greater importance, since the State's consent for the land exchange is dependent on the participation of the Federal Government, the integrity of Hawaii Volcanoes National Park is dependent on legislative action that this Congress takes to involve the Federal Government in this land exchange process. Lacking this, the valuable tract 22 will remain in the possession of the Campbell Estate and potential development threats to Hawaii Volcanoes National Park will not have been effectively removed.

Mr. President, earlier I spoke of the virtues of the Hawaiian practice of Laulima, the spirit of cooperation and working together. It is on that note that I urge expeditious approval for Federal involvement in the proposed three-party land exchange. The other two parties are dependent on participation of the Federal Government. Federal law currently prohibits acquisition of certain parcels of land except by donation and all that is lacking here is congressional action to mandate Federal Government participation in what appears to be a mutually beneficial process for all concerned. As we say in Hawaii, "E ho'olaulima kakou"—Let's work together to make it a reality.

By Mr. ARMSTRONG:

S. 2321. A bill to suspend temporarily the duty on d-6-Methoxy-α-methyl-2-naphthaleneacetic acid and its sodium salt; to the Committee on Finance.

TEMPORARY SUSPENSION OF DUTY ON NAPROXEN

● Mr. ARMSTRONG. Mr. President, today I am introducing legislation to temporarily suspend the duty on naproxen and naproxen sodium, chemicals used in prescription drugs here in the United States. The first stages of these chemicals are manufactured in the United States and are then shipped to the Bahamas and Ireland for the final stage of manufacture. The products are finally shipped back to the United States for distribution.

Current importations of these products are duty free under the Generalized System of Preferences and/or the Caribbean Basin Initiative or duty refundable under drawback. Duty paid in 1985 was reported as $1.55 million, however, net duty was less than $400,000 after drawbacks. Considering this fact, a temporary duty suspension will create no appreciable loss of revenue to the Treasury.

The manufacturing process as well as the products affected by this legislation are patented in the United States and the patent will not expire

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until 1992. As drafted, the duty suspension will end in 1989. Therefore, temporarily suspending the duty will harm no other domestic producers since no others exist for these products.

The processes involved in the production of naproxen and naproxen sodium comply fully with all FDA regulations, requirements, and inspections. In addition, these products were granted eligibility for duty free status in the Bahamas in 1981. At the time of ITC's review, no controversy arose with respect to these chemicals.

Currently, duty drawback procedures are time consuming and costly. They necessitate extensive recordkeeping by the importer as well as a significant expenditure of time by U.S. Customs in entry processing and audit procedures. Due to the lack of audit staff at Customs, the backlog of unaudited drawback entries continues to grow. Therefore, the passage of this legislation to temporarily suspend the duty on these noncontroversial products would result in a savings of time and resources both to the Government and the importer without any detriment to domestic interests and little, if any, net loss of revenue.

I urge my colleagues to favorably review this legislation.●

By Mr. SIMON (for himself, Mr. Thurmond, Mr. Metzenbaum, Mr. Denton, Mr. DeConcini, and Mr. Heflin):

S. 2322. A bill to provide for a study of television programming to consider the matter as to what impact, if any, violence on television has on the health of children and adults; to the Committee on Commerce, Science, and Transportation.

S. 2323. A bill to exempt certain activities from provisions of the antitrust laws; to the Committee on the Judiciary.

TELEVISION VIOLENCE

Mr. SIMON. Mr. President, I am introducing today two bills cosponsored by Senators Thurmond, Metzenbaum, Denton, DeConcini, and Heflin, that deal with the problem that is a major problem in our country, and that is television violence. According to the Nielsen index, the average American child watches 18,000 television murders before he or she graduates from high school. We have reports from the Surgeon General of the United States, the National Institute of Mental Health, the American Psychological Association, and American Academy of Pediatrics, all saying we are doing harm to ourselves. Even the Screen Actors Guild has passed a resolution saying we have to do something about violence on television.

I got interested in this, frankly, back a couple of years ago. I checked in a motel—and all of us who are in the U.S. Senate spend more time in motels than we like to spend—I checked in and turned on the television and all of a sudden in front of me, in living color, someone was being sawed in half by a chain saw. And I have to tell you it bothered me that night. I could not help but think what happens to a 12-year-old, what happens to a 10-year-old.

It is clear that we have a problem. All of these studies all show the same thing. The only study that shows television violence does not do any harm is one authorized by NBC. It is a little bit like the Tobacco Institute research showing cigarettes do not do any harm. It is slightly suspect.

The American Academy of Pediatrics' Policy Statement on Children, Adolescents, and Television finds that:

> Repeated exposure to televised violence promotes a proclivity to violence and a passive response to its practice.

In an article in the Pediatrics magazine, Dr. James Holroyd wrote:

> In one study, children who had watched the violent television program were found to be more likely to hurt another child than were those who had watched a nonviolent program. In nonlaboratory settings, children have injured themselves by imitating behaviors viewed on TV. Another study suggested that children may learn to perceive aggressive behavior as normal and acceptable. Other studies have shown that these findings persist even when factors such as family background are taken into account. In a study of 158 elementary school children from a middle-class suburb, children who watched more violent television programs were rated by their teachers as less cooperative; less successful in interpersonal relationships and less happy; these findings were statistically significant regardless of the children's age, sex, social class, IQ or parents' television viewing habits.

In another article some months later in the same magazine, Drs. Robert Wharton and Frederick Mandell, among other things, point this out:

> . . . 35 young men between the ages of 8 to 31 years have killed themselves playing Russian Roulette while imitating a scene from the movie, " 'The Deer Hunter,' which they had seen on television." "The pain of victims and anguish of relatives are rarely portrayed. Thus, the child learns that violence may be a quick and easy solution to conflicts while being deprived of any opportunity to feel empathy for the victim."

While these studies have primarily dealt with what happens to children, there have also been studies of what happens to adults. First of all, when you ask adults who watch television a great deal what they estimate as the incidence of crime, the estimates are way above the reality, so that adults who watch television a great deal end up with a great deal more fear of crime than reality suggests should be the case.

Television could appeal to either the best in us or the worst in us. And when we have too much violence on television, it appeals to the worst in us.

The bills that I have introduced basically permit an exemption from the antitrust laws so that the television networks and cable and the independents can get together to establish guidelines. It does not call for censorship. I am an old civil libertarian. I do not believe in moving in that direction. But I think we have to recognize that we have a serious problem.

What some people have suggested is, "Well, if violence is so bad, then we are going to have to also have some standards on the news." The reality is that violence on the news is a very different thing, because violence on the news shows reality and it shows the good guys as well as the bad guys suffering form violence. What happens on television entertainment is that the heroes and heroines, no matter what they do, they do not suffer greatly, while the villains are the people who suffer. And so, since we all identify ourselves as the good guys, we think, by example, the violence and the problems are going to be on the other side. The reality is if we reduce TV violence we are going to reduce crime in our country. I think that is the clear lesson from the studies that have been made.

I hope this body will consider this bill and move rapidly in this direction. I ask unanimous consent, Mr. President, to have printed into the Record articles from the New York Times and also the Chicago Sun Times on this subject.

There being no objection, the aticles were ordered to be printed in the Record, as follows:

[From the New York Times, June 5, 1985]

VIOLENCE ON TV SPURS INCREASED ADULT SUPERVISION

(By Nadine Brozan)

The show is violent but the children are determined to watch, so what is a parent to do? Turn off the televised beatings, murders, knives, guns, chains, fires, cars hurling off cliffs and victims being thrown out of airplanes, or simply turn away? Although definitive links are hard to establish, psychologists and other authorities in the field generally accept that watching violence on television can affect the way children view the world and the way they relate to others, that it can anesthetize their responses to cruelty and suffering or make them excessively fearful.

Indeed some experts feel the connection is so strong that, as Arnold Kahn, administrative officer for social and ethical responsibility at the American Psychological Association, put it: "The debate over the effects of violence on television watchers is like the debate over cigarette smoking and cancer."

The association is the latest organization to join the National Institute of Mental Health, the Surgeon General, the National Parent-Teacher Association and others in warning parents to monitor their children's viewing habits. Recently, the American Psychological Association issued a resolution asking parents to do just that and asking the broadcasting industry to reduce violence in programs.

Yesterday in Washington, Senators Paul Simon, Democrat of Illinois, and Arlen Specter, Republican of Pennsylvania, suggested to a hearing held by the National Council of Churches several tactics that could be used to protect children from violence and sex in television and movies without abridging Americans' right to free speech. The council, with 31 member churches covering 40 million people, held earlier meetings in New York and Hollywood on the subject and said it will issue a report in the fall on its findings.

Senator Specter said boycotting products advertised on these shows would be a "traditional and nonobjectionable" way to bring about change. He also raised the possibility of improved "lock-boxes" to screen out certain television channels, and tax incentives for producers who design programs especially for children.

Senator Simon proposed that certain shows might carry a warning to steer parents away from programs. Peggy Charren, president of Action for Children's Television, a citizens' group working to improve children's television, said she favors legislation that would require each station to air five hours a week of programming designed to enhance children's education.

"ACT believes it is the responsibility of parents, not lawmakers, to keep their children away from adult programs they find inappropriate," she said. "But parents cannot guide their children to suitable alternatives if those alternatives do not exist."

Still, recognizing the potential harm in television violence is one thing; many parents have found that it is another matter altogether to keep children from watching the shows all their classmates discuss—"Miami Vice," "Airwolf," "A-Team," "Fall Guy," Magnum, P.I." and "Matt Houston," for example, as well as cartoons whose heroes battle and defeat all villains, and wrestling matches, which seem to be particularly popular among youngsters and many adults today.

According to an informal survey of parents in the metropolitan area, responses run the gamut from removing the set from the home to permitting children to be the sole arbiters of what they watch. Most parents seem to take a position somewhere between the two poles, and for each family the line of acceptable television fare falls in a different place.

Thomas Levy, for example, does not subscribe to cable television because it adds to the violence already on the screen. Diane Hockstader lets her 11-year-old daughter watch pretty much what she wants, as long as it does not exceed an hour a day during the week. Randy Gottesman-Smolian once taped a cartoon of "Garfield" the cat, after her 3-year-old son seemed scared of an animated panther, and decided that for him, the "Garfield" show was unsuitable. Meanwhile; Nancy Gallin worries about violence on news programs and in documentaries.

How a family can progress from total abstention from television to a fairly permissive stance is typified by the Reilly family of Manhattan. The parents, T. Gorman and Janice Reilly, did not own a set until their son Justin, now 12½ years old and a student at Hunter College High School, was in first grade. "Then he began to plague us for one because he found that he was literally a social outcast," Mrs. Reilly said. "He had no notion of what the other children were talking about. He could not carry on conversations with them about the 'heroes.' Superman, Batman and the like. He was so adamant that we gave in and got a set for Christmas."

Now, Mrs. Reilly says, she is concerned about the violence witnessed by Justin, and to a lesser degree, by her younger son, Gabriel, 3½. "So many of the programs that Justin likes are violent," she said. "He used to sleep late Saturday mornings, now be makes sure that he's had breakfast and is up in time to watch wrestling. It's a hot commodity at school." Why, she was asked, had she capitulated? "Because he took such a strong stand and because he's cooperative and reasonable," she said. "And, taking the bigger picture, he really doesn't have much time to watch." Still, the doubts linger. "Television hasn't affected his behavior," Mrs. Reilly said, "but sometimes he laughs hysterically at violent actions and that disturbs me."

All the parents interviewed agreed that it takes tenacity to enforce rules and resist imploring. "We've tried to impose a time limit of one hour a day," said Mr. Levy of Pleasantville, N.Y., "but that works better in theory than in practice." Although he does worry about violence on television and has noticed his sons, Arthur, 14, and Douglas, 12, imitating television programs and characters in their play, he said: "We are not all that careful. We don't do any precreening other than reading reviews. We don't censor what they watch, they do see 'A-Team' and Knight Rider,' but we don't have cable because we would lose control even more."

The choices are limited by the boys' bedtimes, 9 and 9:30 P.M. "Most of the worst shows tend to be on later," Mr. Levy said. "Still, we should probably be more assiduous, but there are so many things to get on them about. We do what we can in the context of our lives and our life styles."

Nancy Gallin, who has seven children ranging in age from 16 years to 2 months, said she is more concerned about the news. "The only one of my children who watches anything else objectionable is Joshua, who is almost 15, and he watches 'Miami Vice' as end-of-the week relaxation," she said. "But occasionally during the news, I say the little kids, the ones under 11, must leave the room. You see children dying in fires, and I find myself having to remind them that most people are good parents who love children."

Margaret Howard, mother of a 14-year-old daughter and twin sons, age 8, said: "My greatest claim to fame is that I've never let my younger children watch 'A-Team.' And 'Knight Rider' is their favorite show, but they've only seen it at a friend's house. I sometimes think that the reason they like violent programs is that it's something they don't have to share with adults, the way they do with 'The Cosby Show,' so they can have the programs all to themselves."

"The rule about excessively violent shows is 'In this house, you don't watch it,' " Mrs. Howard said. "I try not to have lots of nos, but the ones I do have are absolutes. I have no shred of doubt that I am doing the right thing."

And yet, even she has given in. "They do watch cartoons Saturday morning and I don't say no because I'm weak," Mrs. Howard said. "They don't watch TV during the week and I can't be totally rigid." She also follows a course advocated by many experts. "I make it clear," she said, "that there are alternatives, that they can watch other programs or rent video films."

Some parents use television violence as an opportunity for family discussions on human relationships, on sensitivity, on the distinctions between reality and fiction.

Rarely do Fred and Joan Bondy allow their 12½-year-old twins, Matthew and Jessica, to watch programs of which they disapprove. When permission is given, however, Mrs. Bondy said: "We say, 'If you must watch, then we'll watch with you,' and we point out the improbabilities. I have told them, for instance, that in the Miami Police Department, the police do not have yachts, sports cars, pet alligators, they do not enjoy the night life. I impress upon them that 'Miami Vice' is simply not reality."

Then there is the approach taken by a Manhattan mother of two children, ages 11½ and 8, who did not want her name divulged. "I figured that once they went to nursery school and found out there was something other than Channel 13 it was all over," she recalled. (Channel 13 is the local public television station in the New York area.) "And sure enough, the first day at nursery school, my daughter ran around screaming, 'Batman, Batman.' It didn't matter what I allowed because other influences would work their way in; I couldn't prevent exposure to nonpositive television."

"I took the tired way out," she said, "the single-parent way out, the path of least resistance."

But she also believes that viewing overt violence is not as harmful as more subtle forms of maltreatment. "How about Archie Bunker as a role model? Does an 8-year-old realize that he is satirical?" she asked. "I would rather have them watch James Bond than 'The Love Boat,' in which three different romances come out perfectly with no effort. I think that's more destructive."

[From the Chicago Sun-Times, Apr. 10, 1986]

PROGRAMMED TO KILL

(By Daniel Ruth)

Leslie Shearer and Richard Clark were buried the other day. They were two unwitting actors in a 36-hour, all-too-true drama starring John Pasch Jr. in the biggest role of his life.

For the last decade, police and neighbors note, the unemployed 57-year-old recluse has lived a lonely existence in his DePaul area apartment. He was a citizen of another world, another reality; a regular customer at the theater of the absurd—television.

One week ago, Pasch allegedly gunned down his landlord—the 45-year-old Shearer—and Chicago policeman Clark, 48, who had arrived to investigate reports of a shooting. Pasch then fled to the apartment of Jean Wiwatowski at 1427 W. Lill and barricaded himself inside with the elderly woman.

As police surrounded the building in what would become the longest hostage crisis Chicago history, the 300-pound Pasch calmly ensconced himself in an easy chair and proceeded to watch television, a friend to the friendless.

By all accounts, Pasch was "addicted" to television, his only source of solace and reality for the last 10 years. And several experts on the psychology of television overexposure, especially violent programming, suggest Pasch subconsciously viewed the Lill Street standoff as a possible extension of the vicarious life he lived through the screen.

"It looked like his whole life was around that TV," said Area 6 Cmdr. Edward Wodnicki.

"He was upset at being disturbed," Wodnicki said, adding Pasch seemed more composed and calm when police called only during commercials.

Indeed, Police Department negotiations timed their contacts with Pasch to commer-

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cial breaks in programs he was watching, which included the movie "Battle of the Bulge" and the series "Miami Vice."

During the course of the 36-hour ordeal, the only demand Pasch made to police was to have the current edition of TV Guide sent into the house.

If not for the loss of life, the standoff with Pasch and his curious indifference to armed police circling the house would seem almost comical.

But the Pasch case sadly speaks to the potential volatile influence that excessive, long-term television viewing can exert on extremely lonely and depressed psyches.

"We're on real thin ice as to whether this guy had any vestige of sanity," said Ken Howard, a clinical psychology professor at Northwestern University. "I would imagine he had a sense of having killed someone in the [same] sense that Don Johnson kills anybody on 'Miami Vice.'

"I think he was honestly shocked [after the shootings of Shearer and Clark] that there wasn't a commercial.

"Obviously he's got serious emotional problems." Howard said, adding that the stability of characters Pasch viewed on television may have become reference points for his own stability. "That became his reality—the people he was watching. He knew what was there [on television] and he could depend upon it and it overwhelmed whatever sense he had," Howard said.

In 1972 and in an updated 1982 report, the U.S. surgeon general's office concluded there is a link between excessive exposure to television violence and aggressive behavior. The average viewer is exposed to 13 acts of violence and hour on television, ranging from murder and rape to pushing and shoving, said Thomas Radecki, a psychiatrist and chairman of the National Coalition On Television Violence, based in Champaign.

Radecki said a recent California study indicated that when normally aggressive adult males reduced their exposure to television violence to between 10 and 15 hours a week, they also experienced a 35 percent decline in the times they lose their tempers.

The average American child witnesses 18,000 television murders before he graduates from high school, said Sen. Paul Simon (D-Ill.), who next week will introduce a bill to reduce the level of violence on television.

"There's no question that we, through constantly watching violence on television, accept the fact of violence in our lives much more easily," Simon said.

"Television is a permit for murder," Radecki said. "It makes it look easy." At the same time, he said the profusion of violence on television "teaches us to deal with conflict—with violence," thus creating "a culture of violence" in American society.

In 1977, Miami attorney Ellis Rubin attempted to defend 15-year-old Ronnie Zamora against murder charges by arguing Zamora was induced to kill his next-door neighbor because the boy was addicted to television.

Called the "Kojak defense," Rubin argued that Zamora, a fan of "Kojak," saw himself as the TV detective when he fantasized his neighbor's house was being broken into. Zamora entered the house and when the neighbor unexpectedly returned, Rubin argued, Zamora then assumed the identity of the intruder and shot the neighbor. He stood over the body and told her it was all right to stand up, Rubin said.

Rubin lost the case and Zamora was sentenced to life imprisonment. But since then, the "Kojak defense" has become a more common legal tactic.

"My defense was a certain element of insanity can be induced by excessive viewing," Rubin said.

Simon's proposed legislation would attempt to reduce those excesses, by permitting a waiver in antitrust laws to allow the three television networks, cable networks and independent television stations to collaborate on a code of standards to regulate violence in programming.

"If the networks can get together and adopt a common code, then in fact we can reduce violence on our television screens and reduce the violence in our society," Simon said.

Radecki is not so sure. "Violence segregates the viewing public," he said, adding violence attracts predominantly male viewers, who then can be targeted for specific advertising messages. "We've taught the males in our society to be violent so we can sell them beer and automobiles."

At the time of the Zamora trial, Miami psychologist Arthur Stillman was hired by the state to refute Rubin's defense. But now, Stillman believes excessive television viewing can influence behavior.

"If a person sits that way [watching television for long periods of time], his whole life becomes what he sees on television," Stillman said. "I'm sure what he [Pasch] went through, he saw [on television].

"They've lost the ability to discern between fantasy and reality," he said.

Excessive exposure to anything, including watching television, ultimately will affect a person's perception of reality, said George Gerbner, a nationally recognized expert on the influence of television on American society.

But Gerbner was less inclined than his colleagues to suggest that excessive viewing of violence can directly beget violence.

Instead, Gerbner argued that people who isolate themselves through their televisions tend to grow more insecure and distrustful of others.

And when that insecurity is threatened, the person may lash out because of fear, he said.

During the Lill Street siege, a neighbor from the same apartment building told Sun-Times columnist Tom Fitzpatrick that Pasch "almost panicked when I tried to build a darkroom in the other half of the basement. He was afraid I was going to cut off his escape route in case of a fire. I don't know what the technical term is for being afraid to go outside, but that's what is wrong with him."

For 36 hours Pasch sat and watched television, while the police outside sat and watched Pasch. The screen "Kept his [Pasch's] mind off what was going on," Cmdr. Wodnicki said.

At last, after a lonely existence in a filthy apartment, John Pasch was a leading man as local television news accounts chronicled the standoff. "He loved every minute of it." Wodnicki said. "He got attention. He got something he never got for a long, long time.

"We were giving him exactly what he wanted," Wodnicki said.

The irony of the Pasch case is that he likely will spend the rest of life in a mental institution or a prison cell, places where days turn into nights with unending monotony. Places were there is little to do, except watch television.

Mr. SIMON. Mr. President, I also urge my colleagues in this body to take a look at these bills to see if they would maybe want to add their names as cosponsors. I am pleased the Presiding Officer, Senator DENTON, is one of the sponsors, along with Senators THURMOND, METZENBAUM, HEFLIN, and DECONCINI. I think we show a broad spectrum of interest in this problem.

Mr. President, I ask unanimous consent that the bills be printed in the RECORD.

There being no objection, the bills were ordered to be printed in the RECORD, as follows:

S. 2322

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the Federal Communications Commission shall conduct a study for the purpose of determining the impact, if any, that violence on television, including cable, has on the mental or physical health, or both, of children and adults. The Commission shall report the results of such study, together with its comments and recommendations, to the Congress prior to the expiration of the twelve-month period following the date of this resolution becomes law.

S. 2323

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That (a) actions specified in section 2 shall be exempt from certain provisions of the antitrust laws of the United States.

(b) FOR PURPOSES OF THIS ACT—

(1) "antitrust laws" has the meaning given such term in the first section of the Clayton Act, and the Federal Trade Commission Act;

(2) "broadcast station" means a television broadcast station or a cable system.

(3) "person in the television broadcasting industry" means a person who is the chief executive officer of a television network, and the presidents of the National Cable Television Association and the Association of Independent Television Stations, Inc., or their designees; and

(4) "television broadcast" means any program broadcast by a broadcast station.

SEC. 2. The antitrust laws shall not apply to any joint agreement by or among persons in the television broadcasting industry, or to any joint action in reviewing, considering, evaluating, or taking action with respect to any television broadcast or any material intended for any television broadcast if the purpose of such agreement or action is to determine or alleviate the negative impact, if any, of violence in such television broadcast material.

SEC. 3. The exemption provided in section 2 shall not apply to any joint agreement, understanding, or action which is intended to result in a boycott of any other person in such industry.

Mr. DENTON. Mr. President, I rise in support of the legislation introduced by my distinguished colleague from Illinois [Mr. SIMON], to address the serious problem of television violence. I commend the good Senator for his leadership in this area and am pleased to join as an original cosponsor of this effort.

Mr. President, the National Institute of Mental Health, the Surgeon General of the United States, the American Psychological Association, the American College of Pediatrics, as well as other groups, have all demonstrated a causal connection between violence on television and an increase in behavior disorder and greater violence on the part of the viewers. The problem is particularly troublesome in the case of juveniles.

In fact, in a hearing conducted by the Senate Judiciary Subcommittee on Juvenile Justice in 1983, testimony was received from the juvenile leader of the Guardian Angels, a New York City youth gang, that the increase in youth crime was directly related to the lack of role models or to the presence of negative role models on television and the movies. The juveniles found themselves emulating the antisocial and violent behavior of the television characters. They also found themselves becoming desensitized to violence.

Mr. President, while the legislation offered by Senator SIMON will not be a cure-all for the complex problem of television violence, it does represent a very important positive step in the right direction. The legislation will permit the television networks, the independents, and cable television companies to meet and take action to determine and alleviate the negative impact of violence in television broadcast, without violating Federal antitrust laws. Federal antitrust laws will remain in effect for all other activity.

The legislation also provides that the Federal Communications Commission shall conduct a study of television programming to consider as to what impact, if any, violence on television has on the health of children and adults. I fully expect that this study could collect, review, and update past studies which attempted to address this complex issue.

Mr. President, this legislation represents a reasonable approach toward addressing the serious problem of television violence. I urge my colleagues to support the legislation.

Mr. HATCH for Mrs. HAWKINS (for herself, Mr. HATCH, and Mr. QUAYLE):

S. 2324. A bill to reauthorize programs under the Domestic Volunteer Service Act of 1973, and for other purposes; to the Committee on Labor and Human Resources.

DOMESTIC VOLUNTEER SERVICE ACT AMENDMENTS

● Mrs. HAWKINS. Mr. President, I rise today to introduce legislation that will reauthorize an agency that is in the forefront of tapping the vast resources of our Nation's volunteers.

ACTION is the Federal agency charged with the mission of fostering and expanding voluntary citizen service and public and private organizations in solving vital problems confronting the poor, the disabled, the elderly and young with special needs. The most widely known of ACTION's programs are VISTA, Volunteers in Service to America, and the Foster Grandparent Program.

Since its inception in 1973, more than 80,000 VISTA volunteers have aided in the solution of poverty-related problems through helping low-income individuals achieve self-sufficiency through meaningful and constructive volunteer service. In Florida, VISTA volunteers work in food banks, with drug abuse prevention programs, and with child abuse programs. In the early part of this decade, in the midst of the Marielito boat lift, VISTA volunteers provided invaluable assistance to Cuban and Haitian refugees by soliciting donations, placing refugees in jobs, attracting community volunteers and producing a Creole-English handbook for Haitian refugees.

VISTA's programming efforts have focused on the problems of hunger, homelessness, illiteracy, unemployment, drug and alcohol abuse, domestic violence, child abuse, the special needs of low-income seniors, the handicapped, migrant farm workers, and native Americans.

Foster Grandparents are low-income seniors who serve 20 hours per week working with children who have mental, physical, and emotional handicaps. Daisy Martin, a foster grandparent from Fort Lauderdale, FL testified before my Subcommittee on Children, Family, Drugs, and Alcoholism in behalf of the reauthorization of this program. Mrs. Martin spoke for all foster grandparents when she described the special importance that this program serves in her life.

> We like to be useful. We like to feel needed. We like to go out and share our love with humans, mankind. And that is the total source of the Foster Grandparent program—helping themselves and helping others to help themselves. We have Foster Grandparents working in child abuse shelters, drug abuse shelters, daycare nurseries, and women in distress shelters. We have Foster Grandparents working in all those shelters, giving themselves and giving their time and their love, sharing their love and their time and their energy with mankind.

Senior Companion and Retired Senior Volunteer Program [RSVP] are the other two older American volunteer programs. While they are perhaps not as well known as the Foster Grandparent Program, they provide equally important services to those in need. Senior Companions are also low-income individuals who serve 20 hours a week providing assistance to elderly persons in order to prevent or delay their institutionalization. Senior Companions play a crucial role in assisting the frail elderly to overcome mental, emotional, and physical impairments to achieve their fullest potential, to maintain their health and independence.

Retired Senior Volunteers are composed of elderly volunteers from all income levels who serve without stipend to address a variety of community needs such as youth services, literacy enhancement, in-home care, crime prevention, housing rehabilitation, as well as offering their years of vast experience to nonprofit service organizations to improve the organization's management and operational practices.

Other ACTION volunteer programs include the Service Learning Program, whose purpose is to link the needs of the poor with the students interest in community service, citizen participation and volunteer demonstration programs which are designed to mobilize citizens for voluntary action to change the conditions that deny fulfillment of human potential and to demonstrate and replicate innovative volunteer efforts.

Testimony presented to my Subcommittee on Children, Family, Drugs and Alcoholism on February 6 clearly demonstrated the worth and value of the Federal funds expended to foster these volunteer activities. Therefore, today I am introducing legislation to reauthorize this program for an additional 3 years at a level of authorized appropriations which will permit this program to expend its efforts to reach those in need.

I am recommending authorization of appropriations for fiscal year 1987 at or near the level of authorized for the previous fiscal year. In most cases this is close to the appropriated levels. The two exceptions are VISTA and Senior Companion Program which have never been appropriated at their full authorized levels, I believe that programs are cost-effective methods of reducing poverty and assisting our frail elderly. I hope that the Budget and Appropriations Committee will consider funding all of the ACTION programs at their authorized levels.

The modifications contained in this reauthorization legislation are designed to improve the agencies ability to foster and expand voluntary citizen service, utilizing public and private sector resources and coordinate this effort with other Federal agencies.

The provisions include a statement of volunteerism policy which is intended to tie together the specific statements of purpose for individual programs already contained in the act and create a general mission statement. This volunteerism policy reiterates ACTION's goal of stimulating the tremendous potential of Americans to volunteer and the agency's role in directing these volunteer efforts to activities designed to serve the poor, the disadvantaged and the vulnerable.

The reauthorization legislation contains several modifications designed to enhance the ability of ACTION to utilize the generosity and resources of public and private sector resources.

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The National Voluntary Service Advisory Council is reestablished, with a mandate for a smaller more manageable membership, the Director's authority to accept and distribute private sector contributions is expanded to specifically authorize the Director to conduct fundraising in behalf of ACTION programs.

In addition, the Director is authorized to develop regulations to provide an opportunity for senior citizens who are anxious to volunteer, but are currently ineligible to become foster grandparents or senior companions because of their incomes. Provisions in the reauthorization legislation would permit the enrollment of elderly volunteers who don't meet the income eligibility standards, but only if they serve without stipend, do not utilize federal financial resources meant for low-income stipended volunteers and under no circumstances substitute or supplant the low income stipend volunteer.

Mr. President, this legislation was developed with the cooperation and input of other members of the Subcommittee on Children, Family, Drugs and Alcoholism. It is my understanding that some of my colleagues on the full Committee have proposals that they wish considered. Senator SIMON in particular has informed me of his desire to expand VISTA's literacy initiatives and Senator METZENBAUM has indicated his interest in the subject of the National Voluntary Service Advisory Council. I plan to consider this legislative proposal at the full committee.

Mr. President, I ask unanimous consent that a copy of the reauthorization legislation and a section-by-section analysis of the bill be printed in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

S. 2324

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "Domestic Volunteer Service Act Amendments of 1986".

VOLUNTEERISM POLICY

SEC. 2. (a) The Domestic Volunteer Service Act of 1973 (hereafter in this Act referred to as the "Act") is amended by inserting immediately after the table of contents the following new section:

"VOLUNTEERISM POLICY

"SEC. 2. (a) Because of the long-standing importance of volunteerism throughout American history, it is the policy of the Congress to foster the tradition of volunteerism through greater involvement on the part of both young and older citizens.

"(b) It is the intention of the Congress, through ACTION, the Federal domestic volunteer agency, to foster and expand voluntary citizen service, and coordinate its efforts with other Federal agencies. The ACTION Agency shall utilize to the fullest extent the energy, innovative spirit, experience, and skills of all Americans to serve local communities designed to help the poor, the disadvantaged, and the vulnerable through the application of volunteer service.".

(b) The table of contents of the Act is amended by inserting before title I the following new item:

"Sec. 2. Volunteerism policy.".

FOSTER GRANDPARENT PROGRAMS

SEC. 3. Section 211 of the Act is amended by redesignating subsection (e) as subsection (f) and by inserting after subsection (d) the following new subsection:

"(e)(1) Pursuant to regulations which the Director may prescribe, individuals may serve as foster grandparents under this part who are not low-income persons if the individuals serve without stipend or reimbursement for expenses other than transportation, meals, and out-of-pocket expenses incident to the provision of services under this part.

"(2)(A) Each nonstipend volunteer shall comply with requirements of this part, including the 20-hour-per-week service schedule.

"(B) No appropriated funds may be diverted from direct volunteer benefits for low-income stipend volunteers to direct volunteer benefits for nonstipend volunteers under this part.

"(C) Volunteers not in the low-income category serving without stipend under this part shall not replace low-income volunteers serving with stipend.".

SENIOR COMPANION PROGRAM

SEC. 4. Section 213 of the Act is amended by adding at the end thereof the following new subsection:

"(d)(1) Pursuant to regulations which the Director may prescribe, individuals may serve as senior companions under this part who are not low-income persons if such individuals serve without stipend or reimbursement of expenses other than for transportation, meals, and out-of-pocket expenses incident to the provision of services under this part.

"(2)(A) Each nonstipend volunteer shall comply with requirements of this part, including the 20-hour-per-week service schedule.

"(B) No appropriated funds may be diverted from direct volunteer benefits for low-income stipend volunteers to direct volunteer benefits for nonstipend volunteers under this part.

"(C) Volunteers not in the low-income category serving without stipend under this part shall not replace low-income volunteers serving with stipend.".

AUTHORITY OF THE DIRECTOR

SEC. 5. Section 402 of the Act is amended—

(1) by inserting "(a)" after the section designation; and

(2) by adding at the end thereof the following:

"(b)(1) The Director is authorized to accept in the name of the ACTION Agency funds received through solicitation of profit and nonprofit entities and to employ or dispose of the funds in furtherance of the purposes of this Act, or of any title thereof. Consistent with the provisions of clause (5) of subsection (a) of this section, all funds so received shall become part of the gift fund account of the ACTION Agency and shall remain available until expended.

"(2) The Director shall assure that a majority of the aggregate amount in each fiscal year of all unrestricted gifts to the ACTION Agency will be spent to support volunteer projects carried out at the community level.".

ADMINISTRATION AND COORDINATION; ADVISORY COUNCIL

SEC. 6. (a) Title IV of the Act is amended by inserting after section 404 the following new section:

"NATIONAL VOLUNTARY SERVICE ADVISORY COUNCIL

"SEC. 405. (a) There is hereby established in the ACTION Agency a National Voluntary Service Advisory Council (hereinafter referred to as the 'Council') to be composed of not more than 25 members appointed, not later than ninety days after the date of the enactment of the Domestic Volunteer Service Act Amendments of 1986, by and serving at the pleasure of the President. Such members shall be representative of public and private organizations, groups and individuals interested in serving programs and benefited by programs carried out under this Act. The President shall designate a temporary chairperson from such members and shall call the initial meeting of the Council within thirty days after appointment of such Council. Members of the Council shall designate a permanent chairperson from such members and shall meet at the call of such chairperson. The Director and Deputy Director of the ACTION Agency shall be ex officio members of the Council.

"(b) The Council shall—

"(1) advise the Director with respect to policy matters arising in the administration of this Act; and

"(2) upon the request of the Director, review and effectiveness and the operation of programs under this Act and make recommendations (including such proposals for changes in this Act as the Council deems appropriate) concerning (A) the improvement of such programs, (B) the elimination of duplication of effort, and (C) the coordination of such programs with other Federal programs designed to assist the beneficiaries of this Act.

"(c) Members of the Council, other than individuals regularly employed by the Federal Government shall, while away from their homes or regular places of business, be paid travel expenses (including per diem in lieu of subsistance) as authorized by section 5703 of title 5, United States Code, for persons in the Government service employed intermittently.

"(d) Not later than January 1 of each calendar year, the Council shall make an annual report of its findings and recommendations to the President for transmittal by the President to the Congress, together with his comments and recommendations.".

(b) Title IV of the table of contents of the Act is amended by inserting after item "Sec. 404." the following new item:

"Sec. 405. National Voluntary Service Advisory Council.".

EVALUATION

SEC. 7. Section 416(a) of the Act is amended to read as follows:

"(a) The Director shall measure and evaluate the impact of all programs authorized by this Act, their effectiveness in achieving stated goals, in general, and in relation to their cost, their impact on related programs, and their structure and mechanism for delivery of services. Each program shall be evaluated at least once every four years. Evaluations shall be conducted by persons not immediately involved in the administration of the program or project evaluated.".

NATIONAL VOLUNTEER ANTIPOVERTY PROGRAMS AUTHORIZATION

SEC. 8. Section 501 of the Act is amended to read as follows:

"NATIONAL VOLUNTEER ANTIPOVERTY PROGRAMS AUTHORIZATION

"SEC. 501. (a) There is authorized to be appropriated to carry out part A of title I of this Act $25,000,000 for fiscal year 1987, $25,750,000 for fiscal year 1988, and $26,522,500 for fiscal year 1989.

"(b) There is authorized to be appropriated to carry out part B of title I of this Act $1,800,000 for each of the fiscal years 1987, 1988, and 1989.

"(c) There is authorized to be appropriated to carry out part C of title I of this Act $1,984,000 for each of the fiscal years 1987, 1988, and 1989.".

NATIONAL OLDER AMERICANS VOLUNTEER PROGRAMS AUTHORIZATION

SEC. 9. Section 502 of the Act is amended to read as follows:

"NATIONAL OLDER AMERICANS VOLUNTEER PROGRAMS AUTHORIZATION

"SEC. 502. (a) There is authorized to be appropriated to carry out programs under part A of title II of this Act $31,100,000 for fiscal year 1987, $32,033,000 for fiscal year 1988, and $32,990,000 for fiscal year 1989.

"(b) There is authorized to be appropriated to carry out programs under part B of title II of this Act $58,700,000 for fiscal year 1987, $60,461,000 for fiscal year 1988, and $62,274,830 for fiscal year 1989.

"(c) There is authorized to be appropriated to carry out programs under part C of title II of this Act $28,600,000 for fiscal year 1987, $29,458,000 for fiscal year 1988, and $30,341,740 for fiscal year 1989.".

ADMINISTRATION AND COORDINATION

SEC. 10. Section 504 of the Act is amended to read as follows:

"ADMINISTRATION AND COORDINATION

"SEC. 504. There is authorized to be appropriated for the administration of this Act, as authorized in title IV of this Act, $25,312,000 for fiscal year 1987 and for each fiscal year ending prior to October 1, 1989.".

TECHNICAL AMENDMENTS

SEC. 11. (a)(1) The heading of part C of title II of the Act is amended to read as follows:

"PART C—SENIOR COMPANION PROGRAM"

(2) The item for part C of title II in the table of contents of the Act is amended to read as follows:

"PART C—SENIOR COMPANION PROGRAM".

(b)(1) Secton 16(a) of the Domestic Volunteer Service Act Amendments of 1984 is amended by striking out "Part C" and inserting in lieu thereof "Part D".

(2) Section 16(b) of such Act is amended by striking out "part C" and inserting in lieu thereof "part D".

(c)(1) The heading of section 213 of the Act is amended by striking out "THE PROGRAM" and inserting in lieu thereof "VOLUNTEER SERVICE PROJECTS".

(2) The item for section 213 in the table of contents of the Act is amended by striking out "the program" and inserting in lieu thereof "volunteer service projects".

(d) Section 122(a)(1) of the Act is amended by striking out a semicolon each place it appears and inserting in lieu thereof a comma.

(e) The fifth sentence of section 401 of the Act is amended by striking out "level 5" and inserting in lieu thereof "level V".

(f) Section 402(a)(1) of the Act (as redesignated by section 5(1) of this Act) is amended by inserting a comma immediately before "except" the second time it appears.

(g) Section 419 of the Act is amended by striking out "to this Act" and inserting in lieu thereof "to this Act)".

(h) Section 421(1) of the Act is amended by striking out "agency" and inserting in lieu thereof "Agency".

(i)(1) Section 105(b) of the Act is amended by striking out "he" and inserting in lieu thereof "the Director".

(2) Section 112 of the Act is amended by striking out "he" and inserting in lieu thereof "the Director".

(3) Section 114(c) of the Act is amended by striking out "he" each time it appears and inserting in lieu thereof "the Director".

(4) Section 122(b) of the Act is amended by striking out "he" and inserting in lieu thereof "the Director".

(5)(A) Section 402(a) of the Act (as redesignating by section 5(1) of this Act) is amended by striking out "him" and inserting in lieu thereof "the Director".

(B) Section 402(a)(3) of the Act is amended by striking out "his functions" and inserting in lieu thereof "the functions of the Director".

(C) Section 402(a)(7) of the Act is amended by striking out "he" and inserting in lieu thereof "the Director".

(D) Section 402(a)(8) of the Act is amended by striking out "he" and inserting in lieu thereof "the Director".

(E) Section 402(a)(10) of the Act is amended by striking out "him" each time it appears and inserting in lieu thereof "the Director".

(F)(i) Section 402(a)(11)(B) of the Act is amended by striking out "him" and inserting in lieu thereof "the Director".

(ii) Section 402(a)(11(B)(ii) of the Act is amended by striking out "his intention" and inserting in lieu thereof "the intention of the Director".

(G) Section 402(a)(14) is amended by striking out "he" and inserting in lieu thereof "the Director".

(6) Section 403(a) of the Act is amended by striking out "his official capacity" and inserting in lieu thereof "an official capacity".

(7) Section 404(e) of the Act is amended by striking out "he" and inserting in lieu thereof "the Director".

(8) Section 412(a) of the Act is amended by striking out "he" and inserting in lieu thereof "the Director".

(9) Section 415(d) of the Act is amended by striking out "he" and inserting in lieu thereof "the Director".

(10)(A) Section 601(c) of the Act is amended by striking out "his designee" and inserting in lieu thereof "the designee of the Director".

(B) Section 601(e) of the Act is amended by striking out "his official capacity" and inserting in lieu thereof "an official capacity".

SECTION-BY-SECTION ANALYSIS OF THE DOMESTIC VOLUNTEER SERVICE ACT AMENDMENTS OF 1986

Section 1 of the bill cites the Act as the "Domestic Volunteer Service Act of 1986."

Section 2 of the bill adds a new section immediately after the table of contents stating that the policy of the Congress is to foster the tradition of volunteerism through greater involvement of both young and elder citizens. The section also states that it is the intention of Congress, through the ACTION agency to foster and expand voluntary citizen services and coordinate efforts within other Federal agencies. ACTION is required to utilize the energy, innovative spirit, experience, and skills of all Americans to serve local communities in activities designed to help the poor, disadvantaged, and vulnerable through volunteer service.

Section 3 of the bill amends section 211 of the Act regarding the foster grandparent program to add a new subsection authorizing the Director to develop regulations permitting the enrollment of individuals who do not meet the low-income criteria if such individuals are willing to serve without a stipend or reimbursement for expenses other than for transportation, meals, and out-of-pocket expenses incident to providing foster grandparent services. Non-stipend volunteers must work 20 hours a week and comply with other foster grandparent requirements. The section further prohibits appropriated funds from being diverted from direct volunteer benefits for low-income stipend volunteers to non-stipend volunteers. It also prohibits non-stipend volunteers from replacing low-income volunteers serving with stipend.

Section 4 of the bill amends section 213 of the Act regarding the Senior Companion program by adding a new subsection authorizing the Director to develop regulations permitting the enrollment of volunteers who do not meet the low-income criteria if such volunteers are willing to serve without stipend or reimbursement for expenses other than for transportation, meals, or out-of-pocket expenses incident to providing senior companion services. Non-stipend volunteers must work 20 hours a week and comply with other senior companion requirements. The section further prohibits appropriated funds from being diverted from direct volunteer benefits for low-income stipend volunteers to non-stipend volunteers serving without stipend.

Section 5 of the bill amends section 402 of the Act to add a new subsection regarding authorized duties of the Director. It authorizes the Director to accept solicited funds from profit and non-profit entities, and to use the funds in accordance with the purposes and the activities authorized by the Act. The bill requires, consistent with section 402(5) of the Act, that all funds shall become part of the gift fund account of ACTION and shall remain available until expended. The subsection also requires the Director to assure that a majority of the amount of all unrestricted gifts to ACTION each fiscal year will be spent to support volunteer projects at the community level.

Section 6 of the bill amends Title IV of the Act by inserting a new section 405 to establish a National Voluntary Service Advisory Council. The Council is to be composed of not more than twelve members appointed by and serving at the pleasure of the President, and appointed no later than 90 days after enactment of this bill. The members are to be representative of public and private organizations, and groups and individuals interested in serving programs and benefited by programs carried out under this Act. Designation of chairpersons, ex-officio members, and the initial meeting date are also set forth. The Council shall advise the Director on policy matters arising in the administration of the Act. Upon the request of the Director, the Council shall review the effectiveness and the operation of programs

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under the Act and make recommendations concerning the improvement of such programs, the elimination of duplication of effort, and the coordination of such program with other Federal programs designed to assist the beneficiaries of this Act. Council members, other than Federal employees, are to have their travel and per diem expenses reimbursed for the time they serve on the Council. The Council shall make annual reports of its fundings and recommendations by January 1st of each year. The reports are to be sent to the President who is required to send them to Congress with his comments and recommendations.

Section 7 of the bill restates and also amends part of section 416(a) of the Act regarding evaluations. It specifies that the Director shall measure and evaluate the impact of all programs authorized by this Act in terms of their effectiveness in achieving stated goals, and in relation to their cost, their impact on related programs, and their structure and mechanism for delivery of services. Each program shall be evaluated at least once every four years. Evaluations shall be conducted by persons not immediately involved in the administration of the program or project evaluated.

Section 8 of the bill amends section 501(a) of the Act to authorize the following appropriations for fiscal years 1987, 1988, and 1989:

	Fiscal year—		
	1987	1988	1989
Volunteers in Service to America (VISTA)	$25,000,000	$25,750,000	$26,522,500
Service-learning programs	1,800,000	1,800,000	1,800,000
Special volunteer projects	1,984,000	1,984,000	1,984,000

Section 9 of the bill amends section 502(a) of the Act to authorize the following appropriations for fiscal years 1987, 1988, and 1989:

	Fiscal year—		
	1987	1988	1989
Retired Senior Volunteer Program	$31,100,000	$32,033,000	$32,990,000
Foster Grandparent Program	58,700,000	60,461,000	62,274,830
Senior Companion Program	28,600,000	29,458,000	30,341,740

Section 10 of the bill amends section 504 of the Act to authorize for title IV program administration $25,312,000 for each of fiscal years 1987, 1988, and 1989.

Section 11 of the bill makes various technical amendments, including the following. Section 11(b) corrects an amendment in the "domestic Volunteer Service Act Amendments of 1984" which refers to "Part C" instead of "Part D, General Provisions."

Section 11(c) changes the heading for section 213 of the Act (containing provisions for the Senior Companion Program) to "Grants and Contracts for Volunteer Service Projects." This subsection also makes the change in the Table of Contents.

The remaining subsections eliminate references to the gender of the Director of the ACTION agency, or make punctuation changes in the Act.

By Mr. EXON:

S. 2325. A bill to permit a maximum speed limit of 70 miles per hour on any route within the National System of Interstate and Defense Highways; to the Committee on Commerce, Science, and Transportation.

SEVENTY-MILE-PER-HOUR SPEED LIMIT

Mr. EXON. Mr. President, I am introducing legislation which will give the States the authority to increase the maximum speed on interstate highways to 70 miles per hour.

It is very important to note that this bill applies to the Interstate Highway System only. This legislation in no way will allow States to increase the speed limits on primary or secondary roadways over the current limit of 55 miles per hour.

It has become increasingly apparent that the motoring public is systemically ignoring the current national requirement of a 55-miles-per-hour maximum on the interstate.

When this law was enacted in 1974, it was done so in response to an energy crisis. Today, we have a different situation. If we subsequently encounter energy shortage problems we may have to cut back again as a result of falling energy costs, our motorists, on the whole, are ignoring the 55-miles-per-hour limit on the Interstate System as are most of the enforcement agencies. This is especially true in States, like Nebraska, which have large sparsely populated geographical areas of limited congestion. In addition, State enforcement of the 55-miles-per-hour limit on the Interstate System is lax. I need only cite Nebraska's law regarding interstate speed in which one can drive up to 65 miles per hour and, if ticketed, will only pay a maximum fine of $10 and lose no points off of one's driver license. As a result of this law, enforcement of 55 miles per hour on the interstate actually begins at 65 miles per hour. I know that other States also are experiencing lax enforcement of the 55-mile-per-hour speed similar to that in Nebraska.

Mr. President, a recent review of Nebraska's accident statistics show that of the 207 fatal accidents which occurred in Nebraska in 1985, only 7 took place on the Interstate System. That is only 3.4 percent. It is also interesting to note that not one of these seven fatal accidents cited excessive speed as the cause.

Nationally, of the 39,622 fatal accidents occurring during 1984, only 3,749 or 9.4 percent occurred on the Nation's Interstate System. While contributing factor statistics are not available on these accidents obtained from the National Highway Traffic Safety Administration. I would not hesitate to assume that the large majority of these accidents were also caused by factors other than excessive speeds.

Mr. President, I want to stress that this legislation will only apply to the Interstate System. In addition, the States will continue to have broad authority to set lower speed limits on any portion of or all of an interstate they believe unsuitable for a 70-mile-per-hour maximum. The States set whatever limit they want under 70-mile-per-hour maximum.

Finally, during my years as Governor of Nebraska I was deeply involved in highway safety and established a sound record. I do not believe the measure I am introducing today is contrary to or inconsistent with that record.

Mr. President, I have always believed that an unenforceable law is a bad law. I truly believe this applies to the 55-mile-per-hour speed limit on our Nation's Interstate Highway System under today's circumstances.

During the 1980 President campaign, President Reagan expressed his opposition to the current 55-mile-per-hour speed limit. Knowing of his feelings on this matter, I have written the President requesting his support for this legislation. In my letter, I requested suggestions for any improvements or amendments which he may require for his support. I ask unanimous consent that the bill and a copy of my letter to President Reagan be printed in the Record.

There being no objection, the material was ordered to be printed in the Record, as follows:

S. 2325

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That section 154 of title 23, United States Code, is amended by adding at the end thereof the following:

"(i) Notwithstanding any other provision of law, the maximum speed limit permitted on any route within the Interstate System shall be seventy miles per hour.".

United States Senate,
Washington, DC, April 17, 1986.

The President,
The White House,
Washington, DC.

Dear Mr. President: Public compliance with the current federal law regarding the 55 mph speed limit on our nation's highways has been decreasing steadily since its enactment during the energy crisis in 1974. This is particularly true on our interstate system which was designed for higher speeds without compromising safety.

Today, more and more of our nation's motorists are traveling on our interstate system at speeds considerably over the 55 mph limit. They do so with full knowledge of the law but also with full knowledge that the enforcement of this limit has also become increasingly lax.

During the 1980 presidential campaign, you opposed the 55 mph speed limit. The 1980 Republican Platform, which you also embraced, stated; "We believe the federal 55 mile per hour speed limit is counterproductive and contributes to higher costs of goods and services to all communities, particularly in rural America. The most effective, no-cost federal assistance program available would be for each state to set its own speed limit."

I have introduced legislation which would follow exactly your stated opinion and allow states to set the speed limit on their interstate systems up to a top limit of 70 mph. This bill will not change the current maximum federal speed limit on primary and secondary highways nor will it change the states' authority to set lower limits on certain segments of interstate highway not suitable for the 70 mph limit.

Mr. President, I believe this legislation is a positive step toward giving the states more flexibility in setting speed limits on their interstate systems without compromising the overall issue of safety. I also believe this legislation is consistent with your philosophy on this matter. I would, therefore, ask for your support of this legislation.

If there are any adjustments that you believe may improve this legislation, I would be pleased to consider any amendment you believe would be required for your support.

Sincerely,

J. James Exon,
U.S. Senator.

By Mr. HEFLIN:

S. 2326. A bill to protect the name and marks of the Alabama Space Science Exhibit Commission; to the Committee on the Judiciary.

ALABAMA SPACE SCIENCE EXHIBIT COMMISSION

● Mr. HEFLIN. Mr. President, in 1965 the Alabama Legislature established the Alabama Space Science Exhibit Commission as a nonprofit educational agency to operate a space and rocket museum in Huntsville, AL. In 1982, this commission began the Youth Camp Science Program in Huntsville to stimulate young people's interest in space, science, and math through extensive hands-on experience with the space program. The huge success of the space camp program has been the subject of numerous articles in national magazines and newspapers as well as network news programs.

Space camp is the only supplemental educational program in the Nation specifically intended to motivate youngsters to prepare for high technology and scientific careers. The space camp program influences its young participants to study science and technology so they will be adequately qualified to become the scientists and engineers of tomorrow.

The youngsters, ranging from ages 11 t0 16, spend 5 days at the Space and Rocket Center's museum complex in closely structured programs involving rocketry, equipment design, astronaut training, computers and career guidance. They work with sophisticated equipment and converse with engineers and scientists involved in aerospace technology. Children from varied ethic and social backgrounds work side-by-side each day.

At the request of the program's graduates for continuing studies between trips to Huntsville, a package of home study material is being developed for distribution by its Space Camp Club. Also, youngsters' education will be carried to higher levels with the creation of the Space Academy Science Program.

This season, some 4,000 boys and girls from all 50 States and at least 18 foreign countries will participate in this remarkable educational program. This will raise the 5-year total to more than 12,000 participants.

Inspired by the late Dr. Wernher von Braun, the space camp is self-supported and depends on its funding from a number of sources including the Huntsville, AL aerospace community, the U.S. Army Missile Command, and the Marshall Space Flight Center of the National Aeronautics and Space Administration. Just as Dr. Von Braun founded the Space and Rocket Museum on a self-funded basis, so have the educational programs continued on that philosophy.

Financial support from the Nation's high technology industry is growing each year. Funds for construction of permanent facilities are being raised from a number of leading corporations. Among them are Coca-Cola, McDonnell Douglas, Rockwell International, Morton Thiokol, IBM, Teledyne, Eastern Airlines, United Technologies, Lockheed, Boeing, Texas Instruments, Essex Corp., Controlled Data Corp., TRW, South Central Bell, Martin Marietta, Goldstar, Owens-Corning, Raytheon, PPG Industries, Polaroid, Chesebrough Ponds, 3M, First Alabama Bank, J.T. Schrimsher Co., Hercules, Wyle, Proctor and Gamble, Atlanta Research, Colonial Bank of North Alabama, GTE, Bendix, and Finalco.

In my many trips to the Space and Rocket Museum I have been impressed with the enthusiasm and interest demonstrated by the fine young people that participate in this program as well as its highly qualified staff. I firmly believe that this young generation being trained to staff our aerospace and other high tech programs in the 21st century will be able to accomplish even greater successes than we have to date.

Today I am introducing legislation which would protect the use of the official names which have been created by the Alabama Space Science Exhibit Commission. Through its unique and excellent educational programs the space camp is now recognized the world over. My bill would simply give the Commission the exclusive rights to the continued use of the names it created, such as space camp and space academy, and which have become synonymous with these programs. I urge my colleagues to support me in this effort.●

By Mr. EVANS (for himself, Mr. Gore, Mr. Abdnor, Mr. Baucus, Mr. Bumpers, Mr. Burdick, Mr. Eagleton, Mr. Ford, Mr. Gorton, Mr. Harkin, Mr. Melcher, Mr. Nickles, Mr. Pressler, Mr. Sasser, and Mr. Zorinsky):

S. 2328. A bill to prohibit for a ten-year period the transfer or sale of Federal Power Marketing Administrations or the Tennessee Valley Authority, and for other purposes; to the Committee on Energy and Natural Resources.

(The remarks of Mr. Evans and others, and the text of the legislation appear earlier in today's Record.)

By Mr. COCHRAN:

S. 2330. A bill to amend the copyright law regarding work made for hire; to the Committee on the Judiciary.

TO AMEND THE COPYRIGHT LAW REGARDING WORK FOR HIRE

Mr. COCHRAN. Mr. President, today I am introducing legislation to amend the copyright laws to protect more effectively the work product of writers, artists, photographers, composers, and other such creators of works of art.

During the 97th and 98th Congresses, I introduced similar legislation after learning that some artists in my State of Mississippi had found themselves to be the victims of work-for-hire laws that were unfair to them.

The Senate Judiciary Committee held hearings in 1982 to review this legislation and to examine industry practices. Representatives of the Graphic Artists Guild, the Authors League of America, and the American Society of Journalists and Authors testified, as did representatives of the publishing industry.

Since that time, I have continued to work with members of the Graphic Artists Guild, the American Society of Magazine Photographers, and others to develop a better proposal for consideration by the Congress. Supporting the reform effort is a coalition of over 40 artist and writer groups representing more than 40,000 creators. I ask unanimous consent that a list of those organizations be printed in the Record at the conclusion of my remarks.

Under present law, a work may be deemed a work made for hire if it is first, a work prepared by an employee within the scope of his or her employment; or second, a certain type of work specially commissioned if the parties expressly agree in a written instrument signed by them that the work will be considered a work made for hire. Specially commissioned works are limited to those enumerated in the definition which includes contributions to collective works, parts of motion pictures and audiovisuals, instructional texts, and others.

If a creator prepares a work made for hire, he or she is no longer the author for copyright purposes; rather, the employer or the commissioning party is the author and receives all future income that may be derived from any use of the work in any medium.

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This presents less of a problem for employees who may lose authorship of their work but are deemed to be rewarded by the terms of their employment, which may include a salary and fringe benefits, or provision of a workplace, and tools and materials.

Freelance creators enjoy none of the security and benefits associated with employee status, are compensated only for the intended use of the copyrighted work, and are further cut off from any other income generated by the subsequent use of their work. Because publishes enjoy a superior bargaining position, they are able to demand a work-for-hire contract as a condition of publication.

The theory of the work-for-hire doctrine is that the employer or commissioning party is entitled to authorship of the work because he conceives, directs, and controls the production of the work and bears the financial risks of development. While this argument is a strong one for works prepared by an employee in the course of his employment, it is not always applicable to freelancers who often conceive and develop a work in their own studios.

Yet, artists, writers, and others complain that work-for-hire contracts are forced upon them even when the publisher exercises little or no control over the production of the work. And, in many instances, work-for-hire agreements are demanded after a work has already been created, sometimes by use of a restrictive endorsement on a payment check, a practice clearly outside the intent of the work-for-hire laws.

Conflicting court decisions have also undermined the clear intent of Congress that commissioned work be considered work-for-hire only if a written contract so provides. In *Aldon Accessories* v. *Spiegel Ltd.*, 738 F. 2nd 548 (2nd Cir.), cert. denied, 105 S. Ct. 387 (1984), the Second Circuit Court of Appeals used a "control and supervision" test in finding that freelance artists working on commission are employees under the work-for-hire definition.

The legislation I am introducing attempts to address these inequities. Under my bill, the copyright law's definition of employee is changed to exclude freelancers. The bill deletes from current law all types of works which may be subject to work-for-hire contracts, except motion pictures. Most categories of works would be subject to standard all rights contracts.

Other categories, including contributions to collective works, parts of audiovisuals, other than motion pictures, supplementary works, and instructional texts, would be subject to the section of the copyright law providing for the transfer of limited rights to reproduce or distribute an author's work. Rights which are granted but are not exercised within 3 years would be subject to termination by the artist.

In order to close another potential loophole in the work-for-hire laws, the bill clarifies the definition of joint work by requiring that, for a specially ordered or commissioned work to be considered a joint work, the parties must expressly so agree in a written instrument prior to commencement of the work.

Additionally, the bill provides that ownership of original art is deemed to remain with the creator unless transferred by a written instrument. Aside from the value of copyright, a photograph, illustration, manuscript, or other creation may be valuable in itself and may represent another source of income for its creator.

Mr. President, there is considerable support throughout the country for Congress to address the rights of artists and the inequities of work-for-hire. The States of New York and California have enacted moral rights legislation, designed to prohibit the alteration or mutilation of artwork and to recognize the artist's interest in his work after its sale. Fair practices legislation enacted in New York, California, and Oregon involves the transfer of ownership in the physical object, and, like my bill, requires a written instrument to effect such a transfer.

The State of California has also enacted work-for-hire legislation that entitles a creator working under a work-for-hire agreement to employee benefits.

Despite the States attempts to deal with the problem, the Federal copyright law is preemptive. True reform requires Federal legislation. Resolutions adopted by the New York City Council and the Detroit and Providence, RI, city councils have called upon the U.S. Congress to take action on the issue.

Mr. President, our copyright laws were enacted to promote and protect the creation of literary, artistic, musical and other works. Yet, our work-for-hire laws are depriving all artists, not only the new, young creators, of much of the income generated by their work. In many cases, they are being forced to abandon their careers.

I hope my friends on the Judiciary Committee will give prompt consideration to this bill and recommend its passage to the Senate at an early date.

I ask unanimous consent that a copy of this bill be printed in the Record.

There being no objection, the material was ordered to be printed in the Record, as follows:

S. 2330

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That section 101 of title 17, United States Code, is amended—

(1) by amending the definition of "work made for hire"—

(A) in clause (1) by inserting before the semicolon the following: "if the employee receives all employment benefits due under applicable State and Federal law and the employer withholds taxes from such payments to the employee and remits such taxes to the Internal Revenue Service";

(B) by amending clause (2) to read as follows:

"(2) a work specially ordered or commissioned for use as a part of a motion picture, if for each such work the parties expressly agree in a separate written instrument signed by them prior to the commencement of any work pursuant to such an order or commission that the work shall be considered a work made for hire."; and

(C) by adding at the end thereof the following: "Unless the work falls within either clause (1) or clause (2), it cannot be work made for hire.";

(2) by adding at the end of the definition of "joint work" the following: "For a specially ordered or commissioned work to be a joint work, the work must meet the foregoing definition and for each such work the parties must expressly agree in a separate written instrument signed by them prior to the commencement of any work that the work shall be considered a joint work.".

Sec. 2. Section 201 of title 17, United States Code, is amended by amending subsection (c) to read as follows:

"(c) Contributions to Collective Works, Contributions to Compilations, Supplementary Works, Instructional Texts, and Parts of Audiovisual Works Other Than Motion Pictures.—Copyright in each separate contribution to a collective work, in any supplementary work, in any instructional text, and in any part of an audiovisual work other than a motion picture, is distinct from the copyright in the larger or revised work as a whole, and vests initially with the author who created the work which is to be incorporated into the larger or revised work. In the absence of an express transfer of the copyright or of any rights under it, the owner of the copyright in such larger or revised work is pressure to have acquired only the privilege of reproducing and distributing the author's work as part of such particular larger or revised work, any revision of such larger or revised work, and any later larger or revised work in the same series. If an express transfer is made with respect to an author's work in one of these categories, such transfer shall not exceed the rights which the transferee reasonably anticipates exercising. For purposes of this subsection—

"(1) an 'instructional text' means a literary, pictorial, or graphic work prepared for publication and with the purpose of use in systematic instructional activities; and

"(2) a 'supplementary work' is a work prepared for publication as a secondary adjunct to a work by another author for the purpose of introducing, concluding, illustrating, explaining, revising, commenting upon, or assisting in the use of the other work, such as forwards, afterwords, pictorial illustrations, or appendixes.".

Sec. 3. Section 202 of title 17, United States Code, is amended by striking out all after the semicolon in the second sentence and inserting in lieu thereof the following: "nor, in the absence of a written agreement expressly conveying property rights in a material object, does transfer of ownership of a copyright or of any exclusive rights under a copyright or the entering into a work made for hire definition convey property rights in any material object.".

Sec. 4. Section 203 of title 17, United States Code, is amended by inserting at the end of subsection (a)(3) the following: "As to categories of works covered by section 201(c), a partial termination may be effected at any time during a period of five years beginning at the end of the period of three years after the date of the execution of the grant. The termination shall apply to any usage permitted under the grant which has not been exercised by publication, except that any title published within such three-year period may be republished in its original form or in a revised version of that particular title. For purposes of the foregoing sentence, a title shall be deemed revised if in its new form two-thirds of the content is retained from the original version. Neither the effectuation of such a partial termination nor the failure to effect such a partial termination shall in any way restrict the effectuation of a complete termination of any grant pursuant to this clause.".

Organizations Supporting the Work-for-Hire Bill

Advertising Photographers Association.
American Federation of Television and Radio Artists.
American Society of Magazine Photographers
Art Directors Club of New York.
Art Directors Club of Salt Lake City.
Artists Equity Association of New York.
Artists in Print.
Association of American Editorial Cartoonists.
Association of Medical Illustrators.
Association of Science Fiction Artists.
Boston Visual Artists Union.
Cartoonists Guild.
Comic Book Creators Guild.
Council of Writers Organizations.
American Society of Journalists and Authors.
Aviation/Space Writers Association.
Eastern Ski Writers.
Editorial Freelancers Association.
Garden Writers Association of America.
The I.B.W.
International Motor Press Association.
Media Alliance.
National Association of Science Writers.
National Book Critics Circle.
Outdoor Writers Association of America.
Science Fiction Writers of America.
Society of American Travel Writers.
Travel Journalists Guild.
Washington Independent Writers.
Foundation for the Community of Artists.
Graphic Artists Guild.
Association of Children's Book Artists and Authors.
Illustrators Discipline.
Graphic Designers Discipline.
Needleart Designers Discipline.
Independent Literary Agents Association.
Joint Ethics Committee.
National Artists Equity Association.
National Cartoonists Society.
National Writers Union.
PEN.
Screen Actors Guild.
Society of Authors Representatives.
Society of Illustrators of Los Angeles.
Society of Illustrators of New York.
Society of Illustrators of San Francisco.
Society of Photographers and Artists Representatives.

Mr. HEINZ (for himself, Mr. Glenn, Mr. Durenberger, Mr. Bradley, Mr. Kennedy, Mr. Chafee, Mr. Chiles, Mr. Matsunaga, Mr. Wilson, Mr. Moynihan, Mr. Riegle, and Mr. Dodd):

S. 2331. A bill to amend title XVIII of the Social Security Act to assure the quality of inpatient hospital services and posthospital services furnished under the Medicare Program, and for other purposes; to the Committee on Finance.

MEDICARE QUALITY PROTECTION ACT

● Mr. HEINZ. Mr. President, today I am introducing along with my colleagues, Senators Glenn, Durenberger, Kennedy, Bradley, Chafee, Matsunaga, Chiles, Wilson, Riegle, Moynihan, and Dodd, the Medicare Quality Protection Act of 1986, to improve quality and access to care under the Medicare Program. I am extremely pleased that Representative Pete Stark, chairman of the Ways and Means Committee's Subcommittee on Health, and Representative Bill Gradison, the ranking minority member, are introducing the identical bill today in the House. They are joined by the chairman of the Energy and Commerce Committee Subcommittee on Health and the Environment, Representative Waxman, and Representatives Roybal, Rinaldo, Pepper, and Regula.

The legislation I am introducing today is aimed largely at improving quality in hospital and posthospital settings and ensuring greater access to posthospital services. Shortly, I will be introducing a second bill which will focus on quality of care and patients' rights in nursing homes.

The Medicare Quality Protection Act responds to the many problems uncovered during the Senate Aging Committee's yearlong investigation into quality of care under Medicare's prospective payment system [PPS]. The bill does not seek to dismantle PPS; nor does it impose a new layer of redtape and burdensome regulation on providers. On the contrary, it darns holes and repairs flaws in existing Medicare and Medicaid laws, strengthening quality and access to care while continuing to provide for effective Medicare cost containment.

WHY IS THE MEDICARE QUALITY PROTECTION ACT NECESSARY?

In 1983, Congress acted to save a financially strapped Medicare Program with the prospective payment system. We had confidence that this new reimbursement method could halt spiralling hospital costs and restore solvency. The good news is that our confidence has been rewarded. Hospital costs in 1985 increased by only 6 percent—the lowest rate of increase in the past 20 years.

But Congress also recognized that PPS contained certain inherent incentives to cut back on the level and quality of care provided patients. So Congress charged the peer review organizations with the responsibility of monitoring for quality and sanctioning those providers who would place high profits above good medical practice.

The bad news is that within 1 year of implementation, many physicians and consumers expressed concern that PPS did indeed pose a serious threat to quality of care for Medicare beneficiaries, and might be eroding access to care for the sickest and oldest beneficiaries.

In early December 1984, the American Medical Association published the results of an informal survey of its members. A large majority of those responding said quality of care had already deteriorated, or would deteriorate as a result of PPS. Hospital administrators were reportedly pressuring doctors to violate their own medical judgment in treating patients by discharging patients for a primary conditon and readmitting them for a second, releasing patients prematurely, and taking a more critical look at tests and procedures they ordered.

This AMA study sketched only the basic outlines of what has become a widespread national dilemma of care.

In February 1985, the General Accounting Office released preliminary findings of a study it was conducting at my request on the impact of PPS on posthospital care. Summarizing testimony from hospital, nursing home, and home health agency representatives from six communities around the Nation, the GAO concluded patients were being discharged from hospitals "sicker and quicker" than before PPS and that in too many cases, were being discharged to inappropriate levels of care or no care at all. These findings were echoed in a joint hearing of the House Select Committee on Aging and the Task Force on Rural Elderly on February 26, 1985.

From the beginning, the administration, through the Health Care Financing Administration, chose to deny any deep flaws in the DRG system. I quote from HCFA Administrator Carolyne Davis' own testimony before Congress that "while there have been isolated instances of premature discharge and inappropriate transfer, there has been no evidence of systemic abuse." HCFA argued that the watchdogs of quality, the PRO's, were doing their jobs and that no major problems were developing.

As the agency with administrative and rulemaking responsibility for Medicare, HCFA is critical to the success or failure of the PRO program, the collection of data on quality and access under PPS and the overall operation of prospective reimbursement. But despite well-documented evidence of program abuse, HCFA repeatedly referred to "anecdotal episodes" and failed to make necessary reforms.

In February 1985, the Senate Special Committee on Aging launched its own

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investigation into quality of care under PPS. Committee staff visited and collected data from five peer review organizations, and several community and university hospitals. The inquiry involved scores of interviews with Medicare beneficiaries, practicing physicians and nurses, university researchers, personnel from the Health Care Financing Administration, and the Department of Health and Human Services Office of Inspector General. In addition, committee staff gathered and analyzed volumes of records obtained from these organizations and individuals.

The committee's investigation led to three hearings in the fall of 1985: September 26, October 24, and November 12. The committee looked at quality of care issues in hospital and posthospital settings and heard witnesses from 14 States detail a large variety of problems with quality and access. We also heard from a wide-ranging set of experts on ways to respond to the various problems developing under PPS.

The committee found that quality of care problems are widespread. Our most disturbing evidence showed:

Hospitals are pressuring doctors to keep ill people out of the hospital and to discharge others in an unstable condition;

Patients and their families often receive false and incomplete information regarding their rights under the new payment system;

PRO's have only a snapshot picture of quality and feel hamstrung by a "restrictive, underfunded, inflexible, and narrowly focused" review program; and

Too often, patients are discharged to an inappropriate setting for followup care.

The Aging Committee's findings have since been reinforced by the Inspector General of the Department of Health and Human Services. In a new study of premature discharges and inappropriate transfers, Inspector General Richard Kusserow found substantial evidence of premature discharges and inappropriate transfers. He also found that the PRO's had not been effectively using their enforcement powers to address instances of poor quality care. During the period reviewed, October 1, 1983 through May 5, 1985, 14 of the PRO's studied were not reporting premature discharges or inappropriate transfers. The IG concluded that, "therefore, the overall extent of the problem is still not fully known." Quality issues ranged from minor to gross and flagrant violations. Further, Mr. Kusserow placed blame for this problem on the doorstep of HCFA for failing to give clear and consistent guidance to the PRO's as to their quality assurance responsibilities.

The quality abuses documented under the DRG system cannot be halted without a comprehensive strategy for reform. We in the Congress have but one priority in this effort: To restore public confidence in the system and assure quality health care. The Medicare Quality Protection Act is designed with this priority in mind.

The Congressional Budget Office has put a preliminary price tag of $200 million over 3 years on this legislation. Over that same time period we're likely to spend over $200 billion on the Medicare Program. Especially since the prospective payment system is saving the Medicare Program between $3 billion and $4 billion every year, we think less than $70 million a year is a small price to pay for protecting the quality of care under that system.

We introduce the Medicare Quality Protection Act today with the full support of the American Association of Retired Persons, the American Society of Internal Medicine, the National Association of Home Care, the National Council of Senior Citizens, and the American Nurses Association.

A summary of the major findings of the committee and the key provisions of the Medicare Quality Protection Act follow:

I. PROTECTING QUALITY IN ACUTE CARE SETTINGS

(1) Refining the DRGs: Under PPS, patients deemed "DRG losers" by doctors and hospitals—patients with multiple serious conditions—are being prematurely discharged, inappropriately transferred, or refused admission for care. The problem is that DRGs reimburse based on average cost for a principle diagnosis, with no flexibility in payment to account for so-called differences in "severity of illness" among patients with the same diagnosis. Such an inequitable standard for payemnt encourages treatment of the straightforward case and the younger patient over treatment of the heavy care and older patient.

The Heinz-Stark bill requires HHS by January 1, 1988, to develop a PPS patient classification system that reflects variations in severity of illness and case complexity among patients within each diagnosis related group (DRG). HHS would also be required to consider possible changes in outlier policy as an alternative method of accounting for variations in severity and complexity.

2. Inadequate Rights of Appeal: The Aging Committee's investigation revealed that many patients who may wish to present evidence of substandard care or challenge a hospital discharge decision are unaware of their right of appeal, or are given false or incomplete information regarding this right. ProPAC also identified this as a problem in its 1986 Report to HHS and Congress.

At a hearing last fall of the Committee, one witness spoke of the anguish of having to watch her 85-year-old mother be discharged to a substandard nursing home against the doctor's orders and the family's wishes after a 12-day stay in the hospital for two heart attacks and a stroke. Carol Mahla's mother died within a day of being transferred. Two days later, the family received a letter informing them of their rights to appeal the discharge.

Mrs. Mahla' story is not unique. Under pressure from the Senate Aging Committee and consumer organizations, HHS recently improved patient notification procedures by requiring hospitals to provide notice of rights upon admission. But this notice stops short of ensuring that patients will be informed of their rights in a way that is clear and understandable. Current regulations, moreover, give hospitalized patients 48 hours to appeal a discharge before they can be held legally liable for any additional billings. Yet the PROs have three working days to respond to the appeal. This leaves the beneficiary at financial risk of having to pay out-of-pocket for one or more days of hospital care while awaiting a decision from the PRO.

The Medicare Quality Protection Act both improves patient notification and reduces the risk of accumulating out-of-pocket costs for hospital care while awaiting a decision from the PRO. First, HCFA would be required to grant beneficiaries 3 calendar days for appeal after receiving written notification of discharge before they begin to incur liability for a continued stay. Second, PROs would be required to decide appeals of continued stay denials within the same time-frame—3 calendar days.

Finally, in cases where the hospital serves a written notice of discharge but does not express intent to bill for a continued stay, the patient will be granted this same right to appeal. This extension of the appeal right plugs a loophole in the law which often results in the hospital telling patients to leave without informing them they can appeal the discharge decision.

3. Prohibit Incentives or *"Kickbacks" that Potentially Lead to Reduced Care:* At seven hospitals operated by the Paracelsus Health Care Corporation of Pasadena, California, doctors receive bonuses if costs are kept within DRG range. Similar programs elsewhere in the country also provide a one-to-one compensation of the physician for discharging a patient early. By creating a direct monetary incentive to reduce care, this new form of kickback threatens the well-being of Medicare patients. Current Medicare fraud and abuse law does not address this problem.

The Heinz-Stark bill specifically prohibits physician incentive plans that involve a payment for meeting specific per-case length-of-stay or cost targets. Violators of this provision would be subject to a civil monetary penalty. Additionally, the bill requires HHS to develop legislative recommendations by July 1, 1987 to prohibit or regulate other plans that have the effect of pressuring physicians to discharge patients prematurely or to reduce medically appropriate services.

4. Preserving Existing Quality Protections: The Aging Committee's investigation revealed substantial shortcomings in the existing quality assurance standards under both the Joint Commission for Accreditation of Hospitals and the Medicare Conditions of Participation. Yet even these limited protections face dilution by HHS' proposed revisions of the hospital "Conditions of Participation."

This bill requires that within two years of its enactment, HHS must submit to Congress a study concerning the adequacy of existing quality assurance standards for participating hospitals, including but not limited to consideration of the effect of changes in reimbursement policy since 1982. This provision would send a strong signal to HHS to hold off any regulations that might significantly weaken quality assurance requirements, while the Department examines

ways to improve these requirements in the future.

II. IMPROVING ACCESS TO POST-HOSPITAL CARE

DRGs drive patients out of hospitals quicker and sicker. This finding is not dangerous in and of itself, since days-of-stay often exceeded what was medically necessary under the old system. But sicker and quicker can be hazardous when combined with the fact that post-hospital services are strained by the burden of more patients needing greater levels of care. For some Medicare beneficiaries, post-hospital care is unavailable or substandard.

The fact that the stress on post-hospital services is substantially increasing was confirmed by the General Accounting Office and by dozens of post-hospital care providers interviewed by the Senate Aging Committee's staff. These witnesses testified that more and sicker patients are being released into the community, often to the care of families who are not prepared or able to adequately care for them. One 65-year-old woman, a bilateral amputee with renal failure, with a colostomy, was sent home to an apartment with no running water, to the care of an unreliable 19-year-old grandchild. A 79-year-old woman hospitalized for a complete hip replacement, unable to walk or feed herself, was sent home alone where she was found several days later by a family member.

The Committee also learned that given the shorter length of stay and reduced staff in many hospitals, patients often are too sick to respond positively to educational efforts and nurses are too shorthanded to spend the extra time needed to train the patient or family for home care.

Shortages in home health and nursing home care are aggravated by widespread illegal discrimination against Medicare and Medicaid eligible patients, witnesses told the Committee. Nursing homes prefer the more profitable private-pay patients and those for whom care is less costly.

HCFA has denied that demand for home health and skilled nursing care has significantly increased under PPS. Nevertheless, the Aging Committee's investigation confirmed with data from HCFA internal reports a nearly 40 percent increase in discharges to skilled-nursing and home health care since October 1983.

Options for community services narrow further when quality becomes part of the supply equation. HCFA cites more than 970 nursing homes as chronically substandard. Mrs. Mahla's mother was forced into such a home, where she died after 14 hours. For too many it is a choice of no bed, or a substandard one.

Access to home health and skilled nursing care is also restricted through the administration of the Medicare home health and SNF benefit. William Dombi, attorney from Legal Assistance for Medicare Patients in Connecticut, testified at the Committee's October, 1985 hearing that HCFA has "circumvented the law and subverted the intent of Congress. . . . through oral and written policy directives, all designed to curtail home health and skilled nursing facility coverage." Mr. Dombi went further to assert that "there are two Medicare programs, the one that is on the books under 42 USC Section 1395 [and the one based upon the] directives of the Health Care Financing Administration." Other witnesses from the long-term-care provider community confirmed that "patients cannot be admitted for care because of restrictive HCFA guidelines".

All of these factors contribute to reduced access to post-hospital care for Medicare patients. While some of these problems existed prior to the implementation of PPS, they clearly are magnified by the increased numbers of sicker patients being discharged from our Nation's hospitals. The Medicare Quality Protection Act addresses this problem in the following ways:

1. Require Discharge Planning: Under current law, only hospitals that voluntarily choose to have a Department of Social Work are required to meet Federal rules for discharge planning (and these rules have been criticized as inadequate by health care professionals). HCFA plans to do away with even these lax rules. Existing hospital discharge planning programs—important mechanisms for assuring that patients are placed in appropriate community settings—are seriously overtaxed under PPS, with the result that Medicare patients often receive inadequate post-hospital care.

Take the case of Mrs. S, a 71-year-old woman who was sent home after a six-day hospitalization. She is legally blind, wears a pacemaker, is a diabetic, and has had a stroke and kidney failure. A home health nurse was not called by the discharge planner for four days. When the nurse arrived, she found the patient alone, with no food, taking the wrong medication dosage. This kind of tragedy should not happen.

The Medicare Quality Protection Act would make discharge planning a condition of participation for hospitals in the Medicare program, and for those hospitals deemed "certified" as a result of JCAH accreditation. Hospitals would also be required to have an effective discharge planning process. The bill spells out procedures to be followed when discharging a patient that were recommended by the American Association for Continuity of Care. Upon request of the patient, the attending physician, or someone acting on the patient's behalf, the hospital would be required to provide an initial discharge planning evaluation. Implementation of a final discharge plan would require approval of the attending physician.

2. Require HHS to study the need for Administratively Necessary Days: Many communities have a severe shortage of skilled nursing beds. Hospital patients in need of skilled nursing care in such a community are placed in a life threatening state of limbo. The hospital that keeps the patient ends up either absorbing the cost for the patient's sub-acute days of stay (Medicare covers only acute days of hospital care) or attempting to recover the loss from the patient. Alternatively, the hospital will send the patient home, with or without the necessary medical and social support services. Too often the latter scenario prevails. And as Medicare continues to ratchet down DRG payments to hospitals, making losses on sub-acute patients even less attractive, the number of elderly being discharged to inappropriate settings will rise.

Prior to PPS, Medicare paid for sub-acute care at a reduced rate until the patient could be transferred to a skilled nursing facility. These were referred to as payments for "administratively necessary days." Given the circumstances outlined above, it may be necessary to reinstate these payments. Under the Heinz-Stark bill, HHS is required to conduct a study to determine whether a separate payment should again be made to a hospital for "administratively necessary days," or days of care provided for skilled nursing patients who cannot be promptly discharged to skilled nursing care. The Secretary is required to report back to Congress not later than January 1, 1988.

3. Eliminate Unpredictable Retrospective Denials of Payment for Post-Hospital Care:

Currently, there is a great deal of ambiguity and uncertainty about what Medicare covers for home health or skilled nursing care. This uncertainty is the result of unclear guidelines and vague definitions by HCFA and wide variations in decisions by the fiscal intermediaries (FIs) regarding payment for services needed.

Since the FI makes the coverage decision *after* services have begun, providers can be left without payment for care already delivered. If a potential patient's coverage under Medicare is in doubt, the facility may decide against providing that patient with services.

The Medicare waiver of liability was designed to give limited financial protection to health care providers who accept patients they have good reason to believe are eligible for coverage, but whose claims are denied after care has begun.

Obviously, elimination of this waiver might discourage health care providers from participating in the Medicare home health and skilled nursing program. But just last year, HCFA proposed that Congress do just that. Strong opposition by Members of Congress, providers, and beneficiaries resulted in Senate language in the Reconciliation Bill to extend the waivers. These provisions were agreed to by both Houses in conference on the Consolidated Omnibus Budget Reconciliation Act, and are now part of P.L. 99-272.

The Medicare Quality Protection Act would make permanent the waiver of liability for SNFs and HHAs. In addition, the waiver of liability would be extended to include denials made because it was determined that the patient failed to meet the homebound or intermittency requirements for home health coverage under Medicare. The bill also provides for an expedited retrospective review process, ensuring that the waiver will continue until the review determination is made by the fiscal intermediary. Finally, the bill enables providers to appeal denials of home health and SNF coverage on behalf of beneficiaries.

4. HHS to develop a Uniform Needs Assessment Instrument:

Currently, there is no basis for judging how effectively health care services meet the needs of long term care patients or of ensuring that long term care patients are given the appropriate types or levels of care. A needs assessment tool can help providers to: 1) objectively and consistently evaluate the health care needs of long term care patients and 2) match those needs with appropriate available long term care services. In this way, we can ensure that long term care patients have access to needed health care services and that the long term care system can be wisely developed based on actual patient needs.

The Medicare Quality Protection Act requires HHS to develop, within one year of enactment, a uniform needs assessment instrument that evaluates: 1) the functional capacity of an individual; 2) the nursing and other care requirements of the individual to meet health care needs and to assist with functional incapacities; and 3) the social and familial resources available to the individual to meet those requirements. This instrument shall be developed for the use of discharge planners, hospital and post-hospital providers, and fiscal intermediaries in evaluating an individual's need for post-hospital

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extended care, home health, and other long-term care services.

III. IMPROVING FOR QUALITY ASSURANCE

HCFA has focused the PROs on a very narrow and incomplete set of quality issues; therefore HCFA's assessment of quality of care is grossly deficient. When the Aging Committee began its investigation in February, 1985, the quality assurance activities of the PROs were extremely limited. Hampered by HCFA's inconsistent and often unreasonable instructions, the PROs were only identifying the tip of the iceberg of quality problems developing under PPS. I am pleased to report that progress has been made in improving the ability of the PROs to monitor quality of care, and to exclude unfit providers and hospitals from delivering care to Medicare beneficiaries. But there are miles to go before the PROs are able to fully and effectively carry out their mandate as the watchdogs of quality under the Medicare program.

Under the new round of PRO contracts, now being negotiated with HCFA, the PROs' scope of review for premature discharges will be limited to those cases where the patient is readmitted to a hospital within fifteen days, and to those instances of possible substandard care that can be detected from using generic quality screens. This means that cases of readmission after fifteen days or to hospitals outside the PRO area, deaths after premature or inappropriate discharge, denials of admission, inappropriate placement out of the hospital and lack of adequate care in the community will still not be reviewed by a PRO.

Thomas Dehn, M.D., President of the American Medical Peer Review Association, testified to the Aging Committee that HCFA primarily wants data from the PROs on utilization of stay—i.e., number of admissions, costs per admission etc.—and is less concerned with quality review. AMPRA's report, "PROs: The Future Agenda", dated September 1985 and prepared by their Task Force on PRO Implementation, states that "The present quality assurance system required under PRO contracts is limited, restrictive, and lacks the innovation needed at a time when the incentives of PPS raise the potential for compromised care. The imposition of quality objectives presupposes baseline data that can validate the existence of quality problems. Given the advent of prospective payment, no such data is available across a wide spectrum of in-patient care to the elderly. Only now are quality care concerns surfacing."

The PROs would thus like to broaden their quality review activities, and to review on a sample basis, quality problems beyond the hospital door. They can only do this, however, if they are given adequate funding and consistent guidelines from HCFA. In reviewing PRO performance, HCFA should give at least equal weight to quality assurance activities as is given to utilization review. In addition, HCFA must establish workable data transfers from the hospital to the PROs that will facilitate timely and efficient quality review.

The Aging Committee also heard from Medicare beneficiaries that PROs often are slow or completely fail to respond to their complaints about quality problems. Nor is there a mechanism to provide for beneficiary participation in decisions affecting PRO activity.

The Medicare Quality Protection Act takes a number of steps to address these problems:

1. Expand PRO Review of Quality of Care: Under the Heinz-Stark bill, PROs will be required to review selected samples of readmissions to hospitals within 30 days. They will also be required to review quality of care in selected home health, nursing, board and care homes, and outpatient hospital settings where they have identified potential quality problems. Finally, the bill requires hospitals to submit monthly data to enable PROs to perform reviews on a timely basis.

2. Allocate PRO Funds to Ensure Increased Quality Care Review: The Medicare Quality Protection Act requires that each PRO provide that a reasonable proportion of its activities are involved with reviewing the quality of services provided in cases and settings for which potential problems of quality have been identified.

3. Improve PRO Accountability to Medicare Beneficiaries: The Heinz-Stark bill would require each PRO to appoint a consumer representative to its board. In addition, PROs would be required to investigate all written complaints about quality of care filed by a beneficiary (or a person acting on behalf of a beneficiary). HHS would develop appropriate procedures for investigating and responding to these complaints. These procedures would provide protection of the confidentiality of the complainant and provide that the PRO's report their findings to the complainant.

IV. IMPROVING DATA ON QUALITY OF CARE UNDER PPS

According to the GAO, HHS lacks any statistically valid basis to confirm or deny the effect of DRGs on the quality of health care older Americans need or receive upon discharge from the hospital. According to GAO testimony, HHS does not have the necessary data to evaluate whether PPS has either increased or decreased the quality, access, demand, use or cost of post-hospital care for Medicare beneficiaries. Furthermore, HHS is not planning to do the types of evaluations that are necessary to determine whether PPS is the cause of changes in these five areas.

1. HHS to Develop a Long-Term Quality Assurance and Review Strategy: The Heinz-Stark bill requires HHS to provide for a study to serve as the basis for establishing a strategy for reviewing and assuring the quality of care under Medicare. In developing this study, HHS shall consult with consumer groups, PROs, the Joint Commission on Accreditation of Hospitals, professional societies and private purchasers of health care with experience and expertise in monitoring the quality of care.

2. Extend HHS reporting requirements on quality in post-hospital settings: HHS is currently required to report on an annual basis on the impact of PPS. For these reports to be useful, they need to cover PPS effects on both hospital and post-hospital care. Under the Quality Assurance Act, HHS would be required to provide three annual impact reports providing (1) an evaluation of quality assessment and assurance is the "continuum of care"; (2) an assessment of access problems of special beneficiary populations; and (3) data on Part A and Part B beneficiary appeals.

3. Sharing of Confidential Information Regarding Quality of Care: There is a woeful lack of information exchanged about problem health care facilities. Thus, hospital discharge planners are sometimes unaware that they are sending a patient to a substandard nursing home. Under the Medicare Quality Protection Act, instances of gross and flagrant patient neglect as well as patterns of poor quality care, could be shared with selected federally-funded quality assurance officials, provided that adequate assurance of confidentiality can be provided.

Mr. President, I ask unanimous consent that the text of the bill be printed in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 2331

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE; TABLE OF CONTENTS.

(a) SHORT TITLE.—This Act may be cited as the "Medicare Quality Protection Act of 1986".

(b) TABLE OF CONTENTS.—The table of contents of this Act is as follows:

Sec. 1. Short title; table of contents.

TITLE I—QUALITY ASSURANCE IN INPATIENT HOSPITAL SETTINGS

Sec. 101. Refinement of prospective payment system.
Sec. 102. Requiring notice of hospital discharge rights.
Sec. 103. PRO review of hospital denial notices.
Sec. 104. Prohibition of certain physician incentive plans.
Sec. 105. Review of standards for medicare conditions of participation for assuring quality of inpatient hospital services.
Sec. 106. Study of payment for administratively necessary days.

TITLE II—ACCESS TO APPROPRIATE POST-HOSPITAL CARE

Sec. 201. Requiring hospitals to provide discharge planning process.
Sec. 202. Extension of waiver of liability provisions to certain coverage denials for home health services.
Sec. 203. Continuing favorable presumption of waiver of liability for skilled nursing facilities and home health agencies.
Sec. 204. Development of uniform needs assessment instrument.
Sec. 205. Expedited review by fiscal intermediaries.
Sec. 206. Prompt response to inquiries concerning exhaustion of medicare skilled nursing facility benefit.
Sec. 207. Provider representation of beneficiaries on appeals and permitting appeal of certain technical denials.
Sec. 208. Including in annual reports on prospective payment system information on quality of post-hospital care.

TITLE III—IMPROVED REVIEW OF QUALITY BY PEER REVIEW ORGANIZATIONS

Sec. 301. PRO review of inpatient hospital services and early readmission cases.
Sec. 302. Requiring PRO review of quality of care.
Sec. 303. Requiring consumer representative on peer review boards.
Sec. 304. Improving peer review responsiveness to beneficiary complaints.
Sec. 305. Sharing of information by peer review organizations.

TITLE IV—STUDY TO DEVELOP A STRATEGY FOR QUALITY REVIEW AND ASSURANCE

Sec. 401. Study to develop a strategy for quality review and assurance.

TITLE I—QUALITY ASSURANCE IN INPATIENT HOSPITAL SETTINGS

SEC. 101. REFINEMENT OF PROSPECTIVE PAYMENT SYSTEM.

(a) DEVELOPMENT OF LEGISLATIVE PROPOSAL.—The Secretary of Health and Human Services shall develop and submit to Congress a specific legislative proposal to improve the classification and payment system under section 1886(d) of the Social Security Act (and, as appropriate, the system for payment of outliers under section 1886(d)(5)(A) of such Act) in order to assure that the amount of payment per discharge approximates the cost of medically necessary care provided in an efficient manner for individual patients or classes of patients with similar conditions.

(b) ACCOUNTING FOR SEVERITY OF ILLNESS.—In developing the proposal, the Secretary shall account for variations in severity of illness and case complexity which are not adequately accounted for by the current classification and payment system.

(c) DEADLINE.—The proposal shall be submitted to Congress by not later than January 1, 1988.

SEC. 102. REQUIRING NOTICE OF HOSPITAL DISCHARGE RIGHTS.

(a) REQUIREMENT FOR HOSPITALS TO PROVIDE STATEMENT.—Section 1866(a)(1) of the Social Security Act (42 U.S.C. 1395cc(a)(1)), as amended by sections 9121(a), 9122(a), and 9403(b) of the Consolidated Omnibus Budget Reconciliation Act of 1985, is amended—

(1) by striking "and" at the end of the subparagraph (I) inserted by section 9121(a) of such Act,

(2) by striking the period at the end of subparagraph (J) and inserting a comma,

(3) by redesignating the subparagraph (I) inserted by section 9403(b) of such Act as subparagraph (K) and by inserting it after subparagraph (J), and

(4) by inserting after subparagraph (K) the following new subparagraph:

"(L) in the case of hospitals, to provide to each individual who is entitled to benefits under part A (or to a legally responsible person or persons acting on the individual's behalf), at or about the time of the individual's admission as an inpatient to the hospital, a written statement (containing such language as the Secretary prescribes consistent with this paragraph) which explains—

"(i) the individual's rights to benefits for inpatient hospital services and for post-hospital services under this title,

"(ii) the circumstances under which such an individual will and will not be liable for charges for continued stay in the hospital,

"(iii) the individual's right to appeal denials of benefits for continued inpatient hospital services, including the practical steps to initiate such an appeal, and

"(iv) the individual's liability for payment for services if such a denial of benefits is upheld on appeal."

(b) EFFECTIVE DATE.—The Secretary of Health and Human Services shall first prescribe the language required under section 1866(a)(1)(L) of the Social Security Act not later than six months after the date of the enactment of this Act. The requirement of such section shall apply to admissions to hospitals occurring on such date (not later than 60 days after the date such language is first prescribed) as the Secretary shall provide.

SEC. 103. PRO REVIEW OF HOSPITAL DENIAL OVER NOTICES.

(a) IN GENERAL.—Section 1154 of the Social Security Act (42 U.S.C. 1320c-3) is amended by adding at the end the following new subsection:

"(d)(1) If—

"(A) a hospital has determined that a patient no longer requires inpatient hospital care, and

"(B) the attending physician has agreed with the hospital's determination,

the hospital may provide the patient (or the patient's representative) with a notice (meeting conditions prescribed by the Secretary under section 1879) of the determination.

"(2) If—

"(A) a hospital has determined that a patient no longer requires inpatient hospital care, but

"(B) the attending physician has not agreed with the hospital's determination,

the hospital may request the appropriate peer review organization to review under subsection (a) the validity of the hospital's determination.

"(3) If a patient (or a patient's representative)—

"(A) has received a notice under paragraph (1), and

"(B) while the patient is still an inpatient in the hospital, requests the appropriate peer review organization to review the determination,

then, the organization shall conduct a review under subsection (a) of the validity of the hospital's determination and shall provide notice (by telephone and in writing) to the patient or representative of the results of the review not later than 2 calendar days after the date the organization receives the request. Such review shall be conducted regardless of whether or not the hospital will charge for continued hospital care or the patient will be liable for payment for such continued care.

"(4) If—

"(A) a request is made under paragraph (3) not later than 1 day after the date the patient (or patient's representative) receives the notice under paragraph (1), and

"(B) the conditions described in section 1879(a)(2) with respect to the patient or representative are met,

the hospital may not charge the patient for inpatient hospital services furnished on a day before the fourth day that begins after the date of receipt of the notice under paragraph (1).

"(5) In any review conducted under paragraph (2) or (3), the organization shall solicit the views of the patient involved (or the patient's representative)."

(b) EFFECTIVE DATE.—(1) Except as provided in paragraph (2), the amendment made by subsection (a) shall apply to denial notices furnished by hospitals to individuals on and after the first day of the first month that begins more than 30 days after the date of the enactment of this Act.

(2) Section 1154(d)(4) of the Social Security Act (as added by the amendment made by subsection (a)) shall take effect on the date of the enactment of this Act.

SEC. 104. PROHIBITION OF CERTAIN PHYSICIAN INCENTIVE PLANS.

(a) MAKING CERTAIN PLANS SUBJECT TO CIVIL MONETARY PENALTIES.—Section 1128A of the Social Security Act (42 U.S.C. 1320a-7a) is amended—

(1) by striking "subsection (a)" each place it appears and inserting "subsection (a) or (b)",

(2) in subsection (f), by striking "subsection (d)" and inserting "subsection (e)",

(3) by redesignating subsections (b) through (h) as subsection (c) through (i), respectively, and

(4) by inserting after subsection (a) the following new subsection:

"(b)(1) If—

"(A) a hospital makes a payment, directly or indirectly, to a physician as an inducement to reduce the length of stay or services provided with respect to an identifiable patient (who is entitled to benefits under part A of title XVIII), and

"(B) the payment is based on a specific length of stay or targeted amount of services with respect to the patient,

the hospital shall be subject, in addition to any other penalties that may be prescribed by law, to a civil money penalty of twice the amount of the payment plus an amount of not more than $2,000 for each patient with respect to which the payment is made.

"(2) Any physician who knowingly accepts receipt of a payment described in paragraph (1) shall be subject, in addition to any other penalties that may be prescribed by law, to a civil money penalty of twice the amount of the payment plus an amount of not more than $2,000 for each patient with respect to which the payment is made."

(b) STUDY OF ADDITIONAL SANCTIONS.—The Secretary of Health and Human Services shall develop and report to Congress, not later than July 1, 1987, on specific legislative changes that should be made to prohibit other physician incentive plans that have the effect of pressuring physicians improperly to discharge patients from hospitals before their discharge is medically appropriate or to reduce medically appropriate services.

SEC. 105. REVIEW OF STANDARDS FOR MEDICARE CONDITIONS OF PARTICIPATION FOR ASSURING QUALITY OF INPATIENT HOSPITAL SERVICES.

The Secretary of Health and Human Services shall arrange for a study the adequacy of the standards used for hospitals, for purposes of meeting the conditions of participation under title XVIII of the Social Security Act, in assuring the quality of services furnished in the hospitals. The Secretary shall report to Congress on the results of the study by not later than 2 years after the date of the enactment of this Act.

SEC. 106. STUDY OF PAYMENT FOR ADMINISTRATIVELY NECESSARY DAYS.

(a) IN GENERAL.—The Secretary of Health and Human Services shall conduct a study—

(1) to determine—

(A) the extent to which costs of hospitals attributable to administratively necessary days have been incorporated into payments under section 1886(d) of the Social Security Act, and

(B) to the extent they have been, the extent to which the distribution among hospitals of payments under such section relating to such costs actually reflects such hospitals' costs for administratively necessary days; and

(2) to determine whether a payment should be made (in a budget-neutral manner under title XVIII of such Act to hospitals receiving payments under section 1886(d) of such Act) to a hospital for administratively necessary days, separate from the per-discharge and outlier payments made under such section.

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(b) Administratively Necessary Days Defined.—In this section, an "administratively necessary day" is a day of continued inpatient hospital stay, for an individual entitled to benefits under part A of title XVIII of the Social Security Act, necessitated by a delay in obtaining placement for the individual in a skilled nursing facility.

(c) Considerations in Conducting Study.—In conducting the study, the Secretary shall consider—

(1) the need for such a payment in order to minimize—

(A) the disproportionate financial impact of current law on certain hospitals (or hospitals in certain locations) due to difficulties in arranging for appropriate post-hospital care, such as difficulties resulting from a shortage of beds in skilled nursing facilities where those hospitals are located and from the source of payment for such care, and

(B) the risk of inappropriate discharge to a non-institutional or inappropriate institutional setting of individuals who need post-hospital services in a skilled nursing facility, and

(2) the administrative mechanisms that can be used to prevent inappropriate payments for administratively necessary days.

(d) Report on Study.—The Secretary shall report to Congress on the results of the study not later than January 1, 1988.

TITLE II—ACCESS TO APPROPRIATE POST-HOSPITAL CARE

SEC. 201. REQUIRING HOSPITALS TO PROVIDE DISCHARGE PLANNING PROCESS.

(a) Requirement as Condition of Participation.—Section 1861(e)(6) of the Social Security Act (42 U.S.C. 1395x(e)(6)) is amended—

(1) by inserting "(A)" after "(6)", and

(2) by inserting before the semicolon at the end the following: "and (B) has in place a discharge planning process that meets the requirements of subsection (ee)".

(b) Discharge Planning Process.—Section 1861 of such Act is further amended by adding at the end the following new subsection:

"Discharge Planning Process

"(ee)(1) A discharge planning process of a hospital shall be considered sufficient if it is applicable to services furnished by the hospital to individuals entitled to insurance benefits under this title and if it meets the guidelines and standards established by the Secretary under paragraph (2).

"(2) The Secretary shall develop guidelines and standards for the discharge planning process in order to ensure a timely and smooth transition to the most appropriate type of and setting for post-hospital or rehabilitative care. The guidelines and standards shall include the following:

"(A) The hospital must identify, at an early stage of hospitalization, those patients who are likely to suffer adverse health consequences upon discharge in the absence of adequate discharge planning.

"(B) Hospitals must provide a discharge planning evaluation for patients identified under subparagraph (A) and for other patients upon the request of the patient, patient's representative, or patient's physician.

"(C) Any discharge planning evaluation must be made on a timely basis to ensure that appropriate arrangements for post-hospital care will be made before discharge and to avoid unnecessary delays in discharge.

"(D) A discharge planning evaluation must include an evaluation of a patient's likely need for appropriate post-hospital services and the availability of those services.

"(E) The results of a discharge planning evaluation must be made available to the patient (or the patient's representative) and the patient's physician for use in establishing an appropriate discharge plan.

"(F) Upon the request of a patient's physician, the hospital must arrange for the development and initial implementation of a discharge plan for the patient.

"(G) Any discharge planning evaluation or discharge plan required under this paragraph must be developed by, or under the supervision of, a registered professional nurse, social worker, or other appropriately qualified personnel."

(c) Effect of Accreditation.—The second sentence of section 1865(a) of such Act (42 U.S.C. 1395bb(a)) is amended—

(1) by inserting ", requires a discharge planning process (or imposes another requirement which services substantially the same purpose)," after "the same purpose)", and

(2) by inserting "clause (A) or (B) of" after "comply also with".

(d) Effective Date.—The requirements of section 1861(ee) of the Social Security Act shall apply to agreements entered into with hospitals, under section 1866 of the Social Security Act, on or after one year after the date of the enactment of this Act.

SEC. 202. EXTENSION OF WAIVER OF LIABILITY PROVISIONS TO CERTAIN COVERAGE DENIALS FOR HOME HEALTH SERVICES.

(a) In General.—Section 1879 of the Social Security Act (42 U.S.C. 1395pp) is amended—

(1) in subsection (a)(1), by inserting "or by reason of a coverage denial described in subsection (f)" after "section 1862(a)(1) or (9)";

(2) in the first sentence of subsection (a), by inserting "and as though the coverage denial described in subsection (f) had not occurred" before the period at the end;

(3) in the third sentence, by inserting "or by reason of a coverage denial described in subsection (f)" after "section 1862(a)(1) or (9)";

(4) in subsection (c), by inserting "or by reason of a coverage denial described in subsection (f)" after "section 1862(a)(1) or (9)"; and

(5) by adding at the end the following new subsection:

"(f) The coverage denial described in this subsection is, with respect to the provision of home health services to an individual, a failure to meet the requirements of section 1814(a)(2)(C) or 1835(a)(2)(A) in that the individual—

"(1) is or was not confined to his home, or

"(2) does or did not need skilled nursing care on an intermittent basis or physical, speech, or occupational therapy."

(b) Effective Date.—The amendments made by subsection (a) shall apply to coverage denials occurring on or after the first day of the first month that begins more than 90 days after the date of the enactment of this Act.

SEC. 203. CONTINUING OF FAVORABLE PRESUMPTION OF WAIVER OF LIABILITY FOR SKILLED NURSING FACILITIES AND HOME HEALTH AGENCIES.

(a) In General.—Section 1879 of the Social Security Act (42 U.S.C. 1395pp), as amended by section 202, is further amended by adding at the end the following new subsection:

"(g)(1)(A) A skilled nursing facility which meets the applicable requirements of paragraphs (3) and (4) shall be presumed to meet the requirement of subsection (a)(2) with respect to denials of coverage by reason of section 1862(a)(1) or (9).

"(B) A home health agency which meets the applicable requirements—

"(i) of paragraphs (3) and (4) shall be presumed to meet the requirement of subsection (a)(2) with respect to denials of coverage by reason of section 1862(a)(1) or (9), and

"(ii) of paragraphs (3) and (5) shall be presumed to meet the requirement of subsection (a)(2) with respect to any coverage denial described in subsection (f).

"(2) The presumption of paragraph (1) with respect to specific services may be rebutted by actual or imputed knowledge of the facts described in subsection (a)(2), including any of the following:

"(A) Notice by the fiscal intermediary of the fact that payment may not be made under this title with respect to the services.

"(B) In the case of a skilled nursing facility, the committee or group responsible for the conduct of utilization review for the facility has informed the facility that payment may not be made under this title with respect to the services.

"(C) It is clear and obvious that the provider should have known at the time the services were furnished that they were excluded from coverage.

"(3) The requirements of this paragraph are as follows:

"(A) The facility or agency complies with requirements of the Secretary under this title respecting timely submittal of bills for payment and medical documentation.

"(B) The facility or agency has reasonable procedures to notify promptly each patient (and the patient's physician) where it is determined that a patient is being or will be furnished items or services which are excluded from coverage under this title.

"(4) The requirement of this paragraph is that, on the basis of bills submitted by the facility or agency during the previous quarter, the rate of denial of bills by reason of section 1862(a)(1) or (9) for the facility or agency does not exceed—

"(A) 5 percent, in the case of skilled nursing facilities computed based on days of post-hospital extended care services care covered, or

"(B) 2.5 percent, in the case of home health agencies computed based on visits for home health services covered.

"(5) The requirement of this paragraph is that, on the basis of bills submitted by a home health agency during the previous quarter, the rate of denial of bills for the agency by reason of a coverage denial described in subsection (f) does not exceed 2.5 percent, computed based on visits for home health services covered.

"(6) The Secretary, annually, shall report to Congress—

"(A) information on the frequency and distribution (by types of providers) of denials referred to in paragraphs (4) and (5), including—

"(i) the reasons for such denials,

"(ii) the extent to which payments were nonetheless made because of this section, and

"(iii) the rate of reversals of such denials, and

"(B) such other information as may be appropriate to evaluate the appropriateness of the percentage standards established under such paragraphs (4) and (5).

"(7) In this subsection, the term 'fiscal intermediary' means, with respect to a skilled nursing facility or home health agency, an agency or organization with an agreement under section 1816 with respect to the facility or agency and includes, with respect to a home health agency, a carrier with a contract under section 1842 with respect to the agency."

(b) Repealing Duplicative Provisions.—Section 9205 of the Consolidated Omnibus Budget Reconciliation Act of 1985, and subsection (c) of section 9126 of such Act, are repealed.

(c) Effective Date.—The amendments made by subsections (a) and (b) shall apply to services for which a notice of coverage denial (described in section 1879(f) of the Social Security Act) is made on or after the first day of the first calendar quarter that begins at least 90 days after the date of the enactment of this Act.

SEC. 204. DEVELOPMENT OF UNIFORM NEEDS ASSESSMENT INSTRUMENT.

(a) Development.—The Secretary of Health and Human Services shall develop a uniform needs assessment instrument that—

(1) evaluates—

(A) the functional capacity of an individual,

(B) the nursing and other care requirements of the individual to meet health care needs and to assist with functional incapacities, and

(C) the social and familial resources available to the individual to meet those requirements; and

(2) can be used by discharge planners, hospitals, nursing facilities, other health care providers, and fiscal intermediaries in evaluating an individual's need for post-hospital extended care services, home health services, and long-term care services of a health-related or supportive nature.

(b) Advisory Panel.—The Secretary shall develop the instrument in consultation with an advisory panel, appointed by the Secretary, that includes experts in the delivery of post-hospital extended care services, home health services, and long-term care services and representatives of skilled nursing facilities, of home health agencies, of long-term care providers, of fiscal intermediaries, and of medicare beneficiaries.

(c) Report on Instrument.—The Secretary shall report to Congress, not later than 1 year after the date of the enactment of this Act, on the instrument developed under this section. The report shall include an evaluation of the advantages and disadvantages of using the instrument as the basis for determining whether payment should be made for post-hospital extended care services and home health services provided to individuals entitled to benefits under part A of title XVIII of the Social Security Act.

SEC. 205. EXPEDITED REVIEW BY FISCAL INTERMEDIARIES.

(a) In General.—Section 1879 of the Social Security Act (42 U.S.C. 1395pp), as amended by sections 202 and 203 of this title, is further amended by adding at the end the following new subsection:

"(h) The Secretary shall develop procedures to expedite the determination of whether initial claims submitted for post-hospital extended care services and home health services provided (or to be provided) to an individual may be reimbursed under this title, so as to minimize the time between (1) when the provider first provides the services to the individual, and (2) when the provider first receives notice of an initial determination on whether or not payment may be made under this title for some or all of the services provided the individual."

(b) Effective Date.—The Secretary of Health and Human Services shall provide for the expedited procedures described in section 1879(h) of the Social Security Act not later than one year after the date of the enactment of this Act.

SEC. 206. PROMPT RESPONSE TO INQUIRIES CONCERNING EXHAUSTION OF MEDICARE SKILLED NURSING FACILITY BENEFIT.

The Secretary of Health and Human Services shall provide, in the administration of part A of title XVIII of the Social Security Act and by not later than 9 months after the date of the enactment of this Act, for a response within 24 hours to any inquiry by a beneficiary (and to any inquiry by a hospital or skilled nursing facility with the beneficiary's consent) to the Secretary concerning whether the beneficiary's benefits under section 1812(a)(2) of such Act (relating to post-hospital extended care services) have been exhausted.

SEC. 207. PROVIDER REPRESENTATION OF BENEFICIARIES ON APPEALS AND PERMITTING APPEAL OF CERTAIN TECHNICAL DENIALS.

(a) Permitting Provider Representation of Beneficiaries.—Section 1869(b)(1) of the Social Security Act (42 U.S.C. 1395ff(b)(1)) is amended by adding at the end the following new sentence: "Sections 206(a), 1102, and 1871 shall not be construed as authorizing the Secretary to prohibit an individual from being represented under this subsection by a person that furnishes or supplies the individual, directly or indirectly, with services or items solely on the basis that the person furnishes or supplies the individual with such a service or item.".

(b) Permitting Review of Technical Denials.—Section 1869 of such Act is further amended—

(1) in subsection (a), by inserting ", the amount of benefits with respect to home health services under part B, and any other determination with respect to a claim for benefits under part A" after "part A,", and

(2) in subsection (b)(1)—

(A) by striking "or" at the end of subparagraph (B),

(B) by inserting ", or" at the end of subparagraph (C), and

(C) by inserting after subparagraph (C) the following new subparagraph:

"(D) any other denial (other than under part B of title XI) of a claim for benefits under part A or a claim for benefits with respect to home health services under part B,".

(c) Effective Date.—The amendment made by this section take effect on the date of the enactment of this Act.

SEC. 208. INCLUDING IN ANNUAL REPORTS ON PROSPECTIVE PAYMENT SYSTEM INFORMATION ON QUALITY OF POST-HOSPITAL CARE.

(a) In General.—Section 603(a)(2) of the Social Security Amendments of 1983 is amended—

(1) by striking "1987" in subparagraph (A) and inserting "1989", and

(2) by adding at the end the following new subparagraph:

"(E) In each annual report to Congress under subparagraph (A), the Secretary shall include—

"(i) an evaluation of the adequacy of the procedures for assuring quality of post-hospital services furnished under title XVIII of the Social Security Act,

"(ii) an assessment of problems that have prevented groups of medicare beneficiaries (including those eligible for medical assistance under title XIX of such Act) from receiving appropriate post-hospital services covered under such title, and

"(iii) information on reconsiderations and appeals taken under title XVIII of such Act with respect to payment for post-hospital services."

(b) Effective Date.—The amendment made by subsection (a)(2) shall apply to reports for years beginning with 1986.

TITLE III—IMPROVED REVIEW OF QUALITY BY PEER REVIEW ORGANIZATIONS

SEC. 301. PRO REVIEW OF INPATIENT HOSPITAL SERVICES AND EARLY READMISSION CASES.

(a) Timely Provision of Hospital Information.—Section 1153 of the Social Security Act (42 U.S.C. 1320c-2) is amended by adding at the end the following new subsection:

"(g) The Secretary shall provide that peer review organizations receive, each month on a timely basis, data from hospitals necessary to initiate the review process under section 1154(a) on a timely basis."

(b) Requiring Review of Early Readmission Cases.—Section 1154(a) of such Act (42 U.S.C. 1320c-3(a)), as amended by section 9401(a) of the Consolidated Omnibus Budget Reconciliation Act of 1985, is amended by adding at the end the following new paragraph:

"(13) Notwithstanding paragraph (4), the organization shall perform the review described in paragraph (1) with respect to early readmission cases to determine if the previous inpatient hospital services and the post-hospital services met professionally recognized standards of health care. Such reviews may be performed on a sample basis if the organization and the Secretary determine it to be appropriate. In this paragraph, an 'early readmission case' is a case in which an individual, after discharge from a hospital, is readmitted to a hospital less than 31 days after the date of the most recent previous discharge."

(c) Effective Dates.—(1) The Secretary shall implement the amendment made by subsection (a) not later than 6 months after the date of the enactment of this Act.

(2) The amendment made by subsection (b) shall apply to contracts entered into or renewed on or after January 1, 1987.

SEC. 302. REQUIRING PRO REVIEW OF QUALITY OF CARE.

(a) Allocation of Funds for Quality Care Review.—Section 1154(a)(4) of the Social Security Act (42 U.S.C. 1320c-3(a)(4)) is amended by adding at the end the following: "Each peer review organization shall provide that a reasonable proportion of its activities are involved with reviewing, under paragraph (1)(B), the quality of services and that a reasonable allocation of such activities is made among the different cases and settings (including post-acute-care settings, ambulatory settings, and health maintenance organizations) for which potential problems of quality have been identified.".

(b) Identification of Methods for Identifying Cases of Substandard Care.—Section 1154 of such Act (42 U.S.C. 1320c-3), as amended by section 103(a) of this Act is amended by adding at the end the following new subsection:

"(e) The Secretary, in consultation with appropriate experts, shall identify methods that would be available to assist peer review organizations (under subsection (a)(4)) in identifying those cases which are more likely than others to be associated with a quality of services which does not meet pro-

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fessionally recognized standards of health care."

(c) Effective Dates.—(1) The amendment made by subsection (a) shall apply to contracts entered into or renewed on or after January 1, 1987.

(2) The amendment made by the subsection (b) becomes effective on the date of the enactment of this Act.

SEC. 303. REQUIRING CONSUMER REPRESENTATIVE ON PEER REVIEW BOARDS.

(a) In General.—Section 1152 of the Social Security Act (42 U.S.C. 1320c-1) is amended—

(1) by striking "and" at the end of paragraph (1),

(2) by striking the period at the end of paragraph (2) and inserting "; and", and

(3) by adding at the end the following new paragraph:

"(3) has at least one individual who is a representative of consumers on its board of directors."

(b) Effective Date.—The amendment made by subsection (a) shall apply to contracts entered into or renewed on or after January 1, 1987.

SEC. 304. IMPROVING PEER REVIEW RESPONSIVENESS TO BENEFICIARY COMPLAINTS.

(a) Appropriate Investigation of Complaints Required.—Section 1154(a) of the Social Security Act (42 U.S.C. 1320c-3(a)), as amended by section 301(a) of this title, is further amended by adding at the end the following new paragraph:

"(14) The organization shall conduct an appropriate investigation of all written complaints about the quality of services (for which payment may otherwise be made under title XVIII) not meeting professionally recognized standards of health care, if the complaint is filed with the organization by a individual entitled to benefits for such services under such title (or a person acting on the individual's behalf). The fact that such a complaint is made and the name of the complainant shall be treated as confidential. The organization shall inform the individual (or representative) of the organization's findings respecting the complaint."

(b) Effective Date.—The amendment made by subsection (a) shall apply to complaints received on or after the first day of the first month that begins at least 9 months after the date of the enactment of this Act.

SEC. 305. SHARING OF INFORMATION BY PEER REVIEW ORGANIZATIONS.

(a) In General.—Section 1160(b)(1) of the Social Security Act (42 U.S.C. 1320c-9(b)(1)) is amended—

(1) in subparagraph (C), by striking "is required" and inserting "are required",

(2) by striking "and" at the end of subparagraph (B), and

(3) by adding at the end the following new subparagraph:

"(D) to assist—

"(i) national accreditation bodies which are acting, pursuant to section 1865, in accrediting providers for purposes of meeting the conditions described in provisions in title XVIII, and

"(ii) State ombudsmen and State protection and advocacy officials who the Secretary identifies as having responsibility for assuring the quality of care furnished by providers or practitioners,

which data and information shall be provided by the peer review organization to any such body, ombudsman, or official upon request relating to a specific provider or practitioner, but only to the extent that such data and information are related to the quality of care furnished by a provider or practitioner and only if the peer review organization determines that the data and information may reflect a failure in a substantial number of cases or a gross and flagrant failure in one or more instances to provide services of a quality which meets professionally recognized standards of health care, and that the data and information are needed by the body, ombudsman, or official in carrying out official duties;".

(b) Effective Date.—The amendments made by subsection (a) shall apply to requests for data and information made on and after the end of the 6-month period beginning on the date of the enactment of this Act.

TITLE IV—STUDY TO DEVELOP A STRATEGY FOR QUALITY REVIEW AND ASSURANCE

SEC. 401. STUDY TO DEVELOP A STRATEGY FOR QUALITY REVIEW AND ASSURANCE.

(a) In General.—The Secretary of Health and Human Services shall arrange for a study to serve as the basis for establishing a strategy for reviewing and assuring the quality of care for which payment may be made under title XVIII of the Social Security Act (the medicare program).

(b) Items Included in Study.—Among other items, the study shall—

(1) identify the appropriate considerations which should be used in defining "quality of care";

(2) evaluate the relative roles of structure, process, and outcome standards in assuring quality of care;

(3) consider whether criteria and standards for defining and measuring quality of care should be developed and, if so, how this should be done;

(4) evaluate the adequacy and focus of the current methods for measuring, reviewing, and assuring quality of care;

(5) evaluate the current research on methodologies for measuring quality of care, and suggest areas of research needed for further progress;

(6) evaluate the adequacy and range of methods available to correct or prevent identified problems with quality of care;

(7) review mechanisms available for coordinating and supervising at the national level quality review and assurance activities; and

(8) develop general criteria which may be used in establishing priorities in the allocation of funds and personnel in reviewing and assuring quality of care.

(c) Report.—The Secretary shall submit to Congress, not later than 2 years after the date of the enactment of this Act, a report on the study. Such report shall address the items described in subsection (b) and shall include recommendations with respect to strengthening quality assurance and review activities for services furnished under the medicare program.

(d) Consultation in Study.—In developing plans for the conduct of the study, the Secretary shall assure that consumer and provider groups, peer review organizations, the Joint Commission on Accreditation of Hospitals, professional societies, and private purchasers of care with experience and expertise in the monitoring of the quality of care are consulted.●

● Mr. **GLENN**. Mr. President, as ranking Democratic member of the Senate Special Committee on Aging, I am pleased to be an original cosponsor of the Medicare Quality Protection Act of 1986—a major Aging Committee initiative.

With the enactment of the prospective payment system [PPS] based on diagnosis-related groups [DRG's], we dramatically changed the nature of Medicare reimbursement to hospitals. We knew then that with these major changes, we would need to guard against new forms of program abuse and/or misunderstandings that might crop up, in addition to shortcomings of the payment system itself. This past fall, the Aging Committee held three hearings to examine the Medicare program, in terms of quality and access to care in the hospital setting and following discharge from a hospital. The legislation which we are introducing today reflects the findings of that series of hearings.

The Medicare Quality Protection Act includes many desirable and good policy objectives that should result in fairer reimbursement rates to hospitals and better patient care. Under current law, DRG payments are packaged by the average cost of a single diagnosis, with "outlier" payments for exceptional cases. However, as our hearings pointed out, this arrangement is biased against recognizing the cost of caring for patients with multiple conditions and diagnoses. The legislation would require the Department of Health and Human Services [DHHS] to work to refine the prospective payment system to better account for variations in the severity of illness and case mix complexity within each DRG. In addition to developing a legislative proposal on this kind of adjustment, DHHS would be required to consider possible changes in current outlier policy as an alternative method of accounting for differences in severity.

The Aging Committee's hearings highlighted circumstances of Medicare beneficiaries leaving hospitals still in need of serious medical care and attention. The Medicare Quality Protection Act would require DHHS to provide Medicare patients with more explicit notice of their rights to hospital care under DRG's including their right to appeal denials of continued hospitalization. It would also provide for expedited review of these appeals. This legislation would mandate a discharge planning service as a condition for participation for hospitals under Medicare. Finally, it would prohibit hospitals from offering "kickbacks" or other incentives to physicians for reducing hospital days of care for Medicare patients, and would provide for penalties for physicians who accepted such "kickbacks."

Our hearings underscored the fact that access to skilled nursing benefits and home health services is essential when Medicare patients are leaving hospitals quicker and sicker under DRG's. "Quicker and sicker" in and of itself is not a problem if acute hospital

care is no longer needed. However, alternative forms of appropriate posthospital care must be available to Medicare beneficiaries. The committee's hearings demonstrated that when quality postacute services are available, too often Medicare will not pay for them as a result of administration-initiated changes in skilled nursing and home health benefits and coverage criteria. Moreover, in some communities, suitable postacute care is in short supply and has long waiting lines.

The Medicare Quality Protection Act would help maintain beneficiary access to postacute nursing home and home health care by making the Medicare waiver of liability permanent and by broadening its applicability. Through regulation, the administration attempted to eliminate the waiver of liability, which provides limited financial protection to skilled nursing and home health providers who accept patients whom they have good reason to believe are eligible for Medicare coverage, but whose claims are subsequently denied. Fortunately, the recently enacted reconciliation bill blunted the administration's efforts by extending the waiver and today's legislation will make it permanent. The applicability of the waiver would be broadened to include denials related to the homebound and intermittency requirements, which have created major difficulties for beneficiaries and providers.

This legislation would require the Secretary of DHHS to develop a uniform needs assessment instrument to assist in evaluating the individual beneficiary's need for posthospital nursing home, home health, and other long-term care services. The instrument would be used by discharge planners, health care providers and the fiscal intermediaries to identify the appropriate services needed by individuals after their period of acute hospitalization.

The Medicare Quality Protection Act would expand the responsibilities of the peer review organizations [PRO's] to strengthen quality of care review within the hospital setting and then extend it, for the first time, beyond the hospital doors. Witness after witness testified before the committee that skilled nursing homes and home health agencies are seeing a significant increase in Medicare patients who require more intensive care, thus straining the ability of these facilities to provide adequate services. Under the bill, PRO's would begin evaluating care in selected home health, nursing, board and care homes, health maintenance organizations [HMO's], and other outpatient hospital settings where they have identified potential problems. They would also be required to investigate all written beneficiary complaints regarding substandard medical care, and to do sample quality of care assessments of Medicare hospital readmissions within 30 days of discharge.

When the Congress enacted the prospective payment system, it intended for the peer review organizations to be the quality of care "watch dogs" under DRG's. Clearly, however, as our hearings highlighted, the PRO's have not been given the budget or directives to do this job. We are saving billions of dollars annually with the new prospective payment system and if we want PPS to keep on working and saving us this money, we must commit some Federal dollars to quality assessment and assurances. The Congressional Budget Office estimates that this legislation will cost $200 million over the next 3 years. I believe that this is a modest cost to pay to make the system work better and more fairly than it has been working.

As my colleagues well know, ultimately, the Medicare program's success is only as good as the quality of care it delivers. I hope that others will join us in cosponsoring this measure.●

● Mr. **BRADLEY**. Mr. President, I rise to join my colleagues from Pennsylvania [Mr. Heinz] and Ohio [Mr. Glenn] in introducing the Medicare Quality Protection Act. This bill is aimed at ensuring that the elderly receive the quality health services to which they are entitled.

Mr. President, in an attempt to control rapidly increasing hospital costs, in 1983 the Congress enacted a new prospective method for reimbursing hospitals for their Medicare patients utilizing diagnosis related groupings, or DRG's. The DRG system has helped to contain hospital costs, but with unintended consequences; there is growing evidence that, in some cases, Medicare patients are being turned away from hospitals, sent home too soon, or released needing home care that is often unavailable. This problem, which is national in scope, needs to be addressed.

The DRG system provides an incentive for hospitals to reduce the length of a hospital stay to only that period of time where acute care is absolutely required for a patient. This means that some people leave the hospital "sicker and quicker." And as Gramm-Rudman puts further limits on inhospital reimbursement rates, it is natural to assume that hospitals will be under increasing pressure to reduce hospital costs, thereby discharging patients earlier and earlier. If Medicare continues to be cut back, as projected under Gramm-Rudman, we must question whether traditional standards of quality care can be maintained.

Mr. President, when services in hospitals are cut back, there is an obvious need to increase the availability of home care services to fill the gap; and that is what we have seen over the past few years. But what we are witnessing in New Jersey is an actual reduction in the number of patients being admitted to home care and a significant increase in the number of patients being denied Medicare coverage for home care services. Why? This administration, through massive bureaucratic redtape and ambiguous rulings, is doing everything in its power to cut home care for people discharged from the hospital.

We need to act—today—before this problem worsens. This legislation is aimed at ensuring that the elderly receive quality health care services—both in the hospital and after they are discharged from the hospital. The three central provisions of the bill are as follows:

First, hospitals would be required to develop a "discharge plan" for each Medicare recipient prior to release from a hospital. The discharge plan allows for proper planning for the care of patients in their home following a hospital stay. I am pleased to report that New Jersey already requires its hospitals to establish discharge plans; I believe that this is one reason there is little evidence that New Jersey patients are being sent home too soon.

Second, the bill expands peer review. The primary role of peer review organizations currently is to police overutilizations of services. The bill requires that peer review organizations also sanction health care providers for a failure to provide medically necessary services. In addition, peer review organizations, which now review hospital admissions for their medical necessity, would also be required to review home care cases as well.

Third, the bill allows health care providers to appeal HCFA's decision to deny benefits to patients.

Mr. President, these are not the only steps that are needed to ensure that the elderly receive the services that they need. Indeed, I am working on legislation to establish standards to guide decisions about eligibility to home care services. But this legislation is a good step. I believe it will help to ensure that the elderly receive quality medical care—both in hospitals and, where required, in their homes after they are discharged.●

● Mr. **CHILES**. Mr. President, I am pleased to join the distinguished chairman of the Senate Aging Committee, and others in introducing the Medicare Quality Protection Act.

This is much needed legislation. Almost not a day goes by that my office doesn't receive a plea for help from one or more Floridians who have been affected by the impact of DRG's on the Medicare Program. Additionally, I was privileged to participate in a series of hearings over the last few months by the Aging Committee that documented clearly that while we

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have been successful in lowering the rapidly escalating costs of Medicare, we may have done this at the expense of quality health care.

The issues addressed in this legislation, in some cases, are not new to Members. About 2 months ago, a number of us sent a letter to Secretary of Health and Human Services Bowen requesting that he move immediately to ensure that beneficiaries of Medicare were informed of their rights. He took action and has assured us that this information is not routinely being made available. But more needs to be done, and this bill would move toward further correction of these problems.

I am particularly incensed that certain providers are giving "kickbacks' and pressuring doctors to discharge patients early, many times against their better medical judgment. This legislation would provide civil penalties for such practices.

In many instances it may be permissible to discharge patients in order that they can recuperate at home, or in other more appropriate levels of care. But such discharges, however medically appropriate, should not be forced on individuals who have nowhere to turn, and no one at home to look after them. This legislation would make the provision of discharge planning a condition of participation for hospitals in the Medicare Program. Hopefully, this would assure that we would not hear more stories of tragedies caused by inappropriate discharges.

While I am in no way spelling out all the provisions in this legislation that are important, I do want to say one more thing to my colleagues. Over the years, I have been more and more concerned about the amount of money being spent by the Federal Government that we did not have. I have supported different measures to make our Government programs more cost efficient, but never did I do so with the intent of providing substandard care for those whom the programs were designed to serve. In this instance, the DRG system may have been a step in the right direction, and it has produced measurable results. But the time has come to make crucial improvements to the program, before the "solution" tears down the program it was supposed to rescue. We need to enact the Medicare Quality Protection Act and restore the confidence of the public in our Medicare Program. I hope that others will join us in this endeavor.●

● Mr. RIEGLE. Mr. President, I am pleased to join with Senator Heinz, Senator Glenn and several other of my colleagues in being an original cosponsor of S. 2331, the Medicare Quality Protection Act of 1986. It is absolutely essential, during this transitional period in the health care field, that we work to maintain and improve the quality of health care for all Americans.

Over the past several years, we have instituted major changes in the Medicare Program. Most of those changes were motivated by our desire to control the rapidly spiraling cost of providing care for the 37 million Americans eligible to receive benefits under the Medicare Program. Medicare spending has been cut every year over the last 6, contributing more than $30 billion to deficit reduction. As part of those reductions and modifications in health care payments, reimbursement for inpatient hospital services is now made prospectively according to diagnoses; a system of payments known as DRG's. Hospitals and other health care providers have been forced to undertake cost containment measures, and a significant amount of waste has been trimmed from the health care system. Length of hospital stays have been reduced and admissions have not increased. In addition to the Federal Government saving billions of dollars, the forced increase in efficiency has resulted in record profits for a majority of hospitals across the country.

However, Mr. President, this is only part of the story. While the Federal Government and many hospitals might be benefiting under our new Medicare Program, it is unclear that the experience of our Nation's elderly and disabled persons has been as positive. The House Select Committee on Aging has recently completed an analysis of the dollars America's senior citizens pay for health care and concluded that they are significantly worse off in terms of health care costs than they were in the late seventies. During the earlier period, health care consumed about 12 percent of senior citizens' income. In 1986, this had jumped to just over 16 percent or an average of $1,850 per person. What's worse is that this figure is anticipated to climb to 18.5 percent of income by 1991, or $2,633 per person. This compares to only $712 in 1977, $966 in 1980, and $1,526 in 1984. In fact, it was recently announced that the Medicare hospital deductible will increase a whopping $80 in 1987, after jumping $92 this year—the biggest increase in the history of the program. What is ironic is that these recent increases in the hospital deductible are directly related to the reduction in the average Medicare length of stay and per admissions costs.

Unfortunately, the increase in costs for seniors and disabled beneficiaries has not resulted in an increase in quality of care. I am increasingly alarmed by suggestions that hospitals and physicians may be sacrificing patient care in an effort to contain costs under this new system. It is appalling that we are hearing reports of such unethical practices as prematurely discharging patients and reedmitting them later, and failing to hospitalize patients with complex medical problems. Actions like these, in an attempt to squeeze a few extra dollars out of the DRG system are disgraceful and must be stopped. I believe S. 2331 is an important step in our efforts to assure that our Nation's strong tradition of providing quality health services to our Medicare beneficiaries will not be jeopardized.

I hope all of my colleagues will join with us in supporting S. 2331 and in other efforts to guarantee that our Nation's Medicare beneficiaries receive the best possible care that is available.●

Mr. DURENBERGER. Mr. President, I am pleased to join my distinguished colleague, Senator Heinz, and several other Members from both sides of the aisle in introducing the "Medicare Quality Protection Act of 1986." Just as prospective payment was a critical safeguard for the fiscal integrity of the Medicare Program, the bill we are introducing today will be an important step toward improving safeguards of the quality of care that is delivered under that program.

The aspect of the bill that I am most pleased with is that it mandates explicity that the Secretary of Health and Human Services thoroughly assess the effects of PPS on access and quality of care for Medicare beneficiaries.

It's time to stop talking about "anecdotal evidence" of problems under PPS and get the data. The General Accounting Office reported a lack of data on quality and access under PPS that cannot be ignored. This bill sets up the mechanisms we need to find out what is really happening.

Every new payment reform may have side effects. Retrospective cost-based reimbursement had inherent incentives to provide more and more services, perhaps even to the detriment of patients. Prospective payment has the opposite incentive—it may lead to underservice if not appropriately administered.

In order to set up quality safeguards which are tailored for a changing payment environment, I led a push to restructure the PSRO program to create Peer Review Organizations, or PRO's. This program has more flexibility to respond to the monitoring needs that arise under PPS.

PRO's are trying, but they're going to need help. We will have to go further than to call for expansions in their contractual responsibilities in S. 2331. We also must see that they get more timely cooperation from the Department of Health and Human Services in issuing regulations and sharing nationwide data essential to PRO operations. And we must see that they get sufficient funding to meet their scope of work. The PRO contract must be reasonable, not HCFA's wish list.

Those are concerns that I will be pursuing in the coming months.

What else can we do to assure that quality care is provided under PPS? Set appropriate payment rates. The bill we are introducing will require the HHS Secretary to report to Congress with a severity-of-illness adjustment. This will improve the accuracy and adequacy of DRG payments to hospitals, and this is essential.

But the most important piece of this bill is its plan for providing beneficiaries with better information about rights under PPS and easier access to PRO's when they feel those rights have been violated.

I am concerned with the reports we've received of hospital administrators telling beneficiaries that after so many days per DRG, their Medicare coverage is up. Hospitals have a responsibility to provide appropriate treatment whether that takes the average length of stay per DRG or 10 days longer. The best way to protect beneficiaries from this kind of abuse of the system is to arm them with the facts about their Medicare coverage. This bill will do that.

I am also concerned, however, with all the negative, dramatic press which characterizes PPS as a social experiment that is hurting the seniors. PPS has contributed to the solvency of the health insurance trust fund, it has encouraged better management, and that is no experiment. It is characterizations like that which do a real disservice to Medicare beneficiaries. The best protection a Medicare beneficiary—or any health care consumer—can have is full information about his health care program and his rights under that program.

The goal of the prospective payment system, and of the health care reform still to come, is to introduce competition and consumer choice into the health care market, to have providers compete for patients by offering economical, quality care.

This will require health care consumers to get involved, to become fully informed about their options for health care, and to take responsibility for demanding value at a fair price. This is the only way to make sure they get both economy and quality.

Medicare beneficiaries do not have to feel helpless and victimized. If they have the information, they can make decisions.

I believe this bill is a step toward halting that counterproductive hysteria. It is a step toward recognizing that well-informed health care consumers are the best police of the quality of care provided. For that reason, I have given it my support.

By Mr. BOSCHWITZ (for himself, Mr. Boren, Mr. Nickles, Mr. Abdnor, and Mr. Grassley):

S. 2332. A bill to provide credit assistance to borrowers of loans made by commercial lending institutions, and the Farmers Home Administration, and for other purposes; to the Committee on Agriculture, Nutrition, and Forestry.

FARM CREDIT ASSISTANCE ACT

● Mr. BOREN. Mr. President, I am pleased to join the distinguished Senator from Minnesota [Mr. Boschwitz], in introducing today the Farm Credit Assistance Act of 1986. This legislation is a revised version of a bill Senator Boschwitz and I introduced last fall and attempted to include in the Farm Credit Act Amendments of 1985. Since December, we have been working on our bill in an attempt to make it more acceptable to all parties concerned.

In addition to making the interest rate buy-down provisions of the bill more palatable, we have also incorporated provisions of a bill introduced by Senator Nickles which requires the Farm Credit System to restructure loans when it is cheaper to restructure than to foreclose.

There is no question that the farmers and ranchers of this country are facing difficult times. During 1985, farm income fell approximately 20 percent. After adjusting for inflation, net farm income in 1985 was $11 billion. Ten years ago, net farm income was over $20 billion. Net farm income is expected to decline again this year by about 8 percent in 1986, bringing the 1981–86 decline in inflation-adjusted net farm income to about 33 percent. On average, Oklahoma farmers did not generate enough income from the farm in the past 2 years to cover operating expenses.

Nominal land values fell an unprecedented 13 percent in 1984 and approximately 8 percent in 1985, the fourth consecutive year of declining land values. From 1981 to 1986, farm real estate values, in real terms, will have dropped by approximately 34 percent. In some counties, land values have fallen more than 50 percent in the past 3 or 4 years. By the end of 1986, it is estimated that cumulative farm sector equity losses since 1981 could exceed $250 billion—more than a fourth of peak values.

Low income combined with falling land values have placed many farmers in a difficult financial position; 20 percent of all farms are experiencing financial stress and an additional 10 percent are considered potentially at risk because of high debt loads; 123,000 farms are highly leveraged and technically insolvent and 51,000 operators had debt-to-asset ratios over 100 percent. Approximately 62 percent of all farm debt, amounting to $123 billion, is held by borrowers with debt-to-asset ratios over 40 percent.

The farm situation has deteriorated to the point that the survival of many banks in the Nation is being questioned. Agricultural banks accounted for more than one-half of the 118 commercial banks that failed in 1985. The percentage of bank failures that are agricultural increased dramatically from 15.9 percent in 1983 to 59.5 percent in the first 10 months of 1985. The number of potentially vulnerable commercial agricultural banks rose from 96 to 302 during the past 3 years. In June 1983, there were 106 problem agricultural banks; by October 1985, there were 413.

Mr. President, the condition of the agricultural economy does not merely affect farmers and their lenders. Agriculture is the largest sector of the American economy. Agriculture accounts for 20 percent of the Nation's gross national product, with $610 billion of business activity yearly. Each additional $1 billion of farm demand creates 35,000 jobs and adds a total of $2 billion to the Nation's gross national product.

In 1981, there were 1.1 million full-time jobs in the United States related to agricultural exports alone; 151,680 jobs in the printing and publishing industry is dependent upon agriculture; 543,480 jobs in the transportation and warehousing industry are dependent upon agriculture. The meat and poultry industry, alone, employs 347,000 people. Farmers annually spend $10 billion for tractors and other equipment; $7 billion for fuel and oil; and $9 billion for fertilizer and lime. In iron and steel manufacturing 93,176 jobs are dependent upon agriculture; 37 percent of all jobs in the glass and glass products industry are dependent upon agriculture; and 69 percent of all jobs the metal containers industry are dependent upon agriculture.

As should be obvious, everyone in this country has a stake in agriculture and retaining its viability. The legislation we are introducing today is not going to save every American farmer. It is not a complete solution by any means. Yet, it does take a step in the right direction.

Our legislation establishes an interest rate buy-down program that will help many American farmers by reducing their interest cost. Interest payments, alone, make up approximately 20 percent of farmers total production cost. The Agricultural Loan Interest Subsidy Program [AGLIS] will reduce the interest rate on agricultural loans by 3 to 5 percent; 2 percentage points will be paid by the Federal Government; an optional 1 to 2 percentage points may be paid by the States; and 1 percentage point by the lender. The lender can write off 15 percent of the principal of the loan in lieu of paying 1 percent of the interest.

In addition to establishing an interest rate buy-down program, the Farm Credit Assistance Act requires the

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Farm Credit System and the Farmers Home Admninistration to restructure loans instead of foreclosing on them in instances where it is actually cheaper to restructure than to foreclose. I want to point out that this will not mean that everyone who has a Farm Credit System [FCS] or FmHA loan will be able to avoid foreclosure. Restructuring is required only when it is actually cheaper for the FCS or the FmHA. In this way, losses for the FCS and the FmHA will be minimized. For the FCS, this should result in lower interest cost for all borrowers of the system.

Our legislation also encourages the Farm Credit System to allow borrowers who will be foreclosed on to retain possession and occupancy of the principal residence of the borrower. Presently, the FCS has not been very willing at all to allow a borrower to continue to reside, even on a temporary basis, in the borrower's residence.

At the present time, there are no regulations for the disposition of property acquired by the Farm Credit System. The FCS, in essence, can do about anything with the land. In fact, a current policy of the Wichita Farm Credit district is to not allow a previous owner of the land to purchase his homestead. A couple of months ago, a farmer in Oklahoma was foreclosed on by the Farm Credit System. The Farm Credit System held an auction of the farmer's land. The farmer was able to raise enough money from his friends and neighbors to make a bid to purchase his homestead. While the bid was higher than the actual market value of the land and was the only bid, the Farm Credit System would not permit the farmer to pay cash for the land. I enquired of the officials of the Wichita Farm Credit banks about this matter. I was informed that the bank had a policy of not permitting a previous owner to purchase the land. I was shocked. The legislation we are introducing today will change this policy and will require the Farm Credit System to give special consideration to previous owners in the selling or leasing of land acquired by the System.

Another problem we have encountered in the past couple of years is the Farm Credit System's refusal to provide borrowers copies of the appraisals of the assets of the borrowers. In one case, a farmer was told that the System had cut the value of his assets in half but would not provide him with a copy of the appraisals. It is certainly hard to argue that the appraisals were too low or inaccurate if one does not have a copy of the appraisal. Our legislation requires the Farm Credit System to provide copies of the appraisals to the borrowers.

The Farm Credit Assistance Act also prevents the Farm Credit System from requiring additional collateral or foreclosing on a borrower for failure to provide additional collateral if the borrower is current in the payment of interest or principal. Right now, the Farm Credit System is foreclosing on borrowers who are completely current on their payments. Though it seems ridiculous, the FCS is doing this. A couple of months ago, the FCS called an Oklahoma farmer and told him he would have to provide additional collateral for his loan or else the system would initiate foreclosure proceedings. As with many farmers, this particular farmer did not have any additional collateral to give the FCS. Consequently, even though he was completely current on his payments. The FCS foreclosed on him a couple of weeks ago.

The legislation we are introducing today will also prohibit the Farm Credit System from increasing the interest rate on a loan that has been classified. An anomaly of current FCS policy is to increase the interest rate for a borrower the more he has difficulty meeting his payments. A couple of weeks ago, a farmer called my office to report what had happened to him in this regard. First, he was 10 days late in making his payment to the Federal Land Bank. He made his payment, in full, but because he was 10 days late the Federal Land Bank raised his interest rate by 2 percentage points. When the System raised his interest rate, it resulted in a substantial increase in his payment, to the point that the farmer would barely be able to make his next payment. Because he would now be using a larger percentage of his cashflow for his payment, the System classified his loan as a problem loan and raised his interest rate an additional 2 percent. With the additional 2 percent increase in interest costs, the borrower is completely unable to have full payment and is now being threatened with foreclosure by the System. It does seem illogical, Mr. President, but this is the way the FCS is operating.

Mr. President, we must change the current policies of the Farm Credit System. The current policies are driving down land values and jeopardizing the economic position of every farmer and rancher in this country. In turn, as more and more farmers are going out of business, more banks are going down. The entire economy is beginning to feel the effects of the problems confronting our Nation's farmers and ranchers.

As I have said, this legislation is not going to keep every farmer in business, but it is a beginning. I urge my colleagues to support the timely passage of this legislation.

I ask unanimous consent that an explanation and the text of the Farm Credit Assistance Act of 1986 be included in the Record at this point.

There being no objection, the material was ordered to be printed in the Record, as follows:

S. 2332

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE AND TABLE OF CONTENTS.

(a) Short Title.—This Act may be cited as the "Farm Credit Assistance Act of 1986".

(b) Table of Contents.—The table of contents is as follows:

Page
Sec. 1. Short title and table of contents.
Sec. 2. General definitions.

TITLE I—AGRICULTURAL LOAN INTEREST SUBSIDY PROGRAM

Sec. 101. Definitions.
Sec. 102. Establishment of program.
Sec. 103. Eligibility for assistance.
Sec. 104. Interest subsidies.
Sec. 105. Payments to states.
Sec. 106. State plans.
Sec. 107. Review by Secretary and State agencies.
Sec. 108. Notice and determinations of assistance.
Sec. 109. Assistance of Federal and State agencies.
Sec. 110. Program ineligibility for production on highly erodible land or converted wetland.

TITLE II—FARM CREDIT SYSTEM INSTITUTION BORROWERS

Subtitle A—Farm Credit System Loan Restructuring Program

Sec. 201. Definitions.
Sec. 202. Eligibility for assistance.
Sec. 203. Loan determinations.
Sec. 204. Loan foreclosure and restructuring.
Sec. 205. Additional collateral.
Sec. 206. Appeals.
Sec. 207. Reimbursement for principal reduction.
Sec. 208. Report.

Subtitle B—Farm Credit System Reform

Sec. 211. Access to appraisals.
Sec. 212. Homestead protection.
Sec. 213. Interest rates on classified loans.
Sec. 214. Certification of need for financial assistance.
Sec. 215. Operating expenses of institutions.
Sec. 216. Disposition and leasing of farmland.
Sec. 217. Stock purchase requirements.

TITLE III—FARMERS HOME ADMINISTRATION BORROWERS

Sec. 301. Definitions.
Sec. 302. Eligibility for assistance.
Sec. 303. Loan determinations.
Sec. 304. Loan foreclosure and restructuring.
Sec. 305. Additional collateral.
Sec. 306. Appeals.
Sec. 307. Report.
Sec. 308. Alternative crop loan program.

TITLE IV—MISCELLANEOUS PROVISIONS

Sec. 401. Inter-Agency Agricultural Task Force.
Sec. 402. Regulations.
Sec. 403. Authorization for appropriations.
Sec. 404. Termination date.

SEC. 2. GENERAL DEFINITIONS.

As used in this Act:

(1) Institution.—The term "institution" means an institution of the Farm Credit

System described in section 1.2 of the Farm Credit Act of 1971 (12 U.S.C. 2002).

(2) Interest Subsidy Program.—The term "interest subsidy program" means the Federal-State-Lender cooperative agricultural loan interest subsidy program established under title I.

(3) FCS Loan Restructuring Program.—The term "FCS loan restructuring program" means the restructuring program established under subtitle A of title II for loans made by institutions of the Farm Credit System.

(4) Secretary.—The term "Secretary" means the Secretary of Agriculture.

(5) State.—The term "State" means each of the 50 States, the District of Columbia, the Commonwealth of Puerto Rico, Guam, the Virgin Islands of the United States, American Samoa, the Commonwealth of the Northern Mariana Islands, or (to extent the Secretary determines it is feasible and appropriate) the Trust Territory of the Pacific Islands.

(6) State Agency.—The term "State agency" means the agency designated by a State under section 106(b)(1) to carry out the interest subsidy program in the State.

TITLE I—AGRICULTURAL LOAN INTEREST SUBSIDY PROGRAM

SEC. 101. DEFINITIONS.

As used in this title:

(1) Borrower.—The term "borrower" means a person who meets the eligibility criteria prescribed in section 103.

(2) Lender.—The term "lender" means a commercial bank, savings and loan association, credit union, insurance company, or institution, including a subsidiary or affiliate thereof, that—

(A) has agreed to participate in the interest subsidy program; and

(B) has been approved for participation in the interest subsidy program by the appropriate State agency.

SEC. 102. ESTABLISHMENT OF PROGRAM.

(a) In General.—Subject to subsection (b) and the availability of funds provided pursuant to section 403, the Secretary shall establish a Federal-State-Lender cooperative agricultural loan interest subsidy program under which, at the request of a State, borrowers and lenders within the State may participate in the interest subsidy program in accordance with this title.

(b) Consultation.—The Secretary shall establish the interest subsidy program in consultation and cooperation with the Secretary of the Treasury, the Comptroller of the Currency, the Chairman of the Federal Reserve Board, the Chairman of the Farm Credit Administration, the Chairman of the Federal Deposit Insurance Corporation, and each State agency.

SEC. 103. ELIGIBILITY FOR ASSISTANCE.

To be eligible to receive assistance under this title, a person must—

(1) be an individual, family corporation, or family partnership;

(2) be a borrower of a loan made by a lender for agricultural purposes that is outstanding on April 1, 1986;

(3) during the period beginning on the date of the approval of a State plan under section 106 and ending September 30, 1987—

(A) be delinquent in the payment of principal or interest, or both, on the loan; or

(B) demonstrate to the lender that, due to circumstances beyond the control of the borrower (including depressed land values, high interest rates, and low prices for agricultural commodities), the borrower will be temporarily unable, without assistance provided under this Act, to continue making payments of the principal and interest when due without unduly impairing the standard of living of the borrower;

(4) have derived at least 50 percent of the gross annual income of the borrower from the production of raw agricultural products, including livestock, poultry, or the products of aquaculture, during at least 3 of the 5 preceding taxable years;

(5) have had gross annual sales of agricultural commodities of at least $30,000 during at least 3 of the 5 preceding taxable years;

(6) have a debt to asset ratio of at least 40 percent;

(7) have an ability to repay the loan, based on past performance as a capable producer and assistance to be provided under this Act; and

(8) not produce an agricultural commodity on highly erodible land or converted wetland in violation of section 1211 or 1221 of the Food Security Act of 1985 (16 U.S.C. 3811 or 3821).

SEC. 104. INTEREST SUBSIDIES.

(a) Applications.—During the period beginning on the date of the approval of a State plan by the Secretary under section 106 and ending September 30, 1987, a borrower may apply to a lender for an interest subsidy for any agricultural loan made by the lender to the borrower that is outstanding on April 1, 1986.

(b) Interest Subsidies.—If a borrower of a loan applies to a lender for an interest subsidy in accordance with subsection (a), the lender determines that the borrower meets the eligibility criteria prescribed in section 103, and the lender agrees to participate in the interest subsidy program, subject to this section, not later than 90 days after receipt of the application, the loan shall be restructured in such a manner that the interest rate payable by the borrower shall be fixed for a period of 3 years or the remaining term of the loan, whichever is less, at a rate equal to the interest rate of the loan on April 1, 1986, less up to 5 percentage points.

(c) Payment of Subsidies.—If an interest subsidy is provided for a loan made by a lender to a borrower in a State—

(1) the Secretary shall pay 2 percentage points of the subsidy by making payments through the State agency to the lender;

(2) if the State elects to make such payments, the State may pay not less than 1 percentage point and not more than 2 percentage points of the subsidy by making payments to the lender; and

(3) the lender shall—

(A) pay 1 percentage point of the subsidy; or

(B) cancel at least 15 percent of the principal due on the loan.

(d) Term of Loan.—The term of any loan for which an interest subsidy is provided under this section shall not be less than the term of the loan outstanding before the subsidy is provided.

(e) Schedule of Payments.—The schedule of payments on a restructured loan shall be established in accordance with the ability of the borrower to repay the loan.

(f) Accrued Interest.—Interest accrued on a restructured loan prior to restructuring shall not be capitalized but shall be paid by the borrower to the lender prior to any retirement of principal under the loan as restructured in accordance with this title.

(g) Repayment.—Any balance of principal and interest outstanding on any restructured loan shall be repaid at a rate that is agreed on by the lender and borrower, except that the rate of interest on the loan may not exceed the standard rate charged by the lender on loans with comparable maturities for similar purposes at the time the loan is restructured.

(h) Maximum Amount of Assistance.—The aggregate outstanding amount of loan principal for which an interest subsidy may be provided under this title may not exceed—

(1) in the case of a loan made to an individual, $400,000; and

(2) in the case of a loan made to a family corporation or family partnership, $600,000.

SEC. 105. PAYMENTS TO STATES.

(a) In General.—From sums available pursuant to section 403 and subject to subsection (b) and section 106, the Secretary shall pay to each State for each of the fiscal years ending September 30, 1986, through September 30, 1989, an amount equal to the sum of—

(1) the amount necessary to finance the share of interest subsidies provided to borrowers residing in the State that is required to be paid by the Secretary under section 104(c)(1); and

(2) 100 percent of the administrative expenses that are incurred by the State agency in carrying out this title and are approved by the Secretary.

(b) Maximum Amount of Payments.—The aggregate amount of payments paid by the Secretary to States under subsection (a) for a fiscal year may not exceed $600,000,000.

SEC. 106. STATE PLANS.

(a) In General.—To be eligible to participate in the interest subsidy program during a fiscal year, a State must—

(1) submit a plan to the Secretary for the fiscal year; and

(2) receive the approval of the Secretary for the plan.

(b) Plan Requirements.—To receive the approval of the Secretary for a plan, a State must submit a plan that—

(1) designates a single agency that shall be responsible for the administration, or the supervision of the administration, of the interest subsidy program in the State;

(2) assesses the interest subsidy needs of borrowers residing in the State;

(3) describes the interest subsidy program established in the State (including any agencies designated to provide a subsidy under such program), which program must meet such requirements as the Secretary may prescribe;

(4) estimates the amount of funds necessary to provide interest subsidies under the program and related administrative expenses, except that such amount may not exceed the amount allocated by the Secretary for payment to the State out of the total amount available for payment under section 105;

(5) requires any lender participating in the interest subsidy program to provide to any borrower who is delinquent in the payment of principal or interest, or both, due on a loan during the period referred to in section 104(a) prompt written notice that describes the assistance available under this title and any deadlines for application for the assistance; and

(6) includes such other information as the Secretary may require.

(c) Approval of Plans.—(1) The Secretary shall approve or disapprove a plan submitted by a State under subsection (b) not later than 45 days after the State submits the plan.

(2) The Secretary shall approve any plan that complies with subsection (b).

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(d) AUDITS.—(1) Each State agency shall—

(A) provide for an annual audit of expenditures made by the State agency in carrying out the interest subsidy program, not later than 60 days after the end of each year in which the program is conducted; and

(B) promptly report to the Secretary the findings of such audit.

(2) Not later than 60 days after the end of each year in which a State agency participates in the interest subsidy program, a State agency shall provide the Secretary with a statement that provides—

(A) a description of whether (and, if so, by how much) the payments received under section 105 for such year exceeded the expenditures by the State agency during such year; and

(B) such other information as the Secretary may require.

(e) DENIAL OR WITHHOLDING OF PAYMENTS.—(1) If the Secretary finds that a State has failed to comply with subsection (b) or (d) during a fiscal year, except as provided in paragraph (2), the Secretary shall—

(A) notify the appropriate State agency that payments will not be made to the State agency under section 105 for the year until the Secretary is satisfied that the State is complying with such subsection; and

(B) make no payments under section 105 until the Secretary is satisfied that the State is complying with such subsection.

(2) If the Secretary finds that a State has failed to comply with subsection (b) or (d) during a fiscal year, the Secretary may—

(A) suspend the denial of payments under paragraph (1) for such period as the Secretary determines is appropriate; and

(B) withhold payments of approved State administrative expenses incurred in providing assistance under the plan, in whole or in part, for the year,

until the Secretary is satisfied that the State is complying with such subsection, at which time such withheld payments shall be paid.

(3) If the Secretary finds that a State has substantially failed to comply with subsection (b) or (d), the Secretary may, in addition to or in lieu of any action taken under paragraph (1) or (2), refer the matter to the Attorney General with a request that the Attorney General seek injunctive relief to require compliance by the State. If the Attorney General brings a suit in an appropriate district court of the United States and makes a showing of substantial noncompliance, appropriate injunctive relief shall issue.

SEC. 107. REVIEW BY SECRETARY AND STATE AGENCIES.

(a) REVIEW AND TECHNICAL ASSISTANCE BY SECRETARY.—The Secretary—

(1) shall provide for review, and may provide for an audit, of the manner in which the interest subsidy program is carried out in a State; and

(2) may provide to States technical assistance in carrying out the program.

(b) REVIEW BY STATE AGENCIES.—A State agency may monitor the compliance of a lender with this title. Any lender that violates this title shall be ineligible to receive further payments under this title.

SEC. 108. NOTICE AND DETERMINATIONS OF ASSISTANCE.

A lender in a State participating in the interest subsidy program may not take any action as the result of a borrower defaulting on an outstanding loan made by such lender to a borrower unless the lender has—

(1) provided the borrower with the notice required under section 106(b)(5); and

(2) in the case of a borrower who has applied for assistance under this title, determined that the borrower does not meet the eligibility criteria prescribed in section 103.

SEC. 109. ASSISTANCE OF FEDERAL AND STATE AGENCIES.

(a) IN GENERAL.—To make assistance under this title available expeditiously and in a consistent and uninterrupted manner, the Secretary shall—

(1) use such funds, personnel, and facilities of the Department of Agriculture (including the Commodity Credit Corporation) as the Secretary considers necessary to carry out this title; and

(2) request other Federal or State agency to provide such funds, personnel, and facilities as the Secretary considers necessary to carry out this title.

(b) REIMBURSEMENT.—Any agency that provides advanced funds, personnel, or facilities under subsection (a) shall be fully reimbursed for such assistance as soon as is practicable from subsequent appropriations.

SEC. 110. PROGRAM INELIGIBILITY FOR PRODUCTION ON HIGHLY ERODIBLE LAND OR CONVERTED WETLAND.

(a) HIGHLY ERODIBLE LAND CONSERVATION.—Section 1211 of the Food Security Act of 1985 (16 U.S.C. 3811) is amended—

(1) by striking out "or" at the end of paragraph (1);

(2) by striking out the period at the end of paragraph (2) and inserting in lieu thereof "; or"; and

(3) by adding at the end thereof the following new paragraph:

"(3) an interest subsidy during such crop year under the interest subsidy program established under title I of the Farm Credit Assistance Act of 1986.".

(b) WETLAND CONSERVATION.—Section 1221 of the Food Security Act of 1985 (16 U.S.C. 3821) is amended—

(1) by striking out "or" at the end of paragraph (1);

(2) by striking out the period at the end of paragraph (2) and inserting in lieu thereof "; or"; and

(3) by adding at the end thereof the following new paragraph:

"(3) an interest subsidy during such crop year under the interest subsidy program established under title I of the Farm Credit Assistance Act of 1986.".

TITLE II—FARM CREDIT SYSTEM INSTITUTION BORROWERS

Subtitle A—Farm Credit System Loan Restructuring Program

SEC. 201. DEFINITIONS.

As used in this subtitle:

(1) BORROWER.—The term "borrower" means a borrower of a loan made by an institution.

(2) CAPITAL CORPORATION.—The term "Capital Corporation" means the Farm Credit System Capital Corporation established under section 4.28A of the Farm Credit Act of 1971 (12 U.S.C. 2216).

(3) CHAIRMAN.—The term "Chairman" means the Chairman of the Farm Credit Administration Board designated under section 5.8(a) of the Farm Credit Act of 1971 (12 U.S.C. 2242(a)).

(4) COMMITTEE.—The term "committee" means a credit review committee selected from and by—

(A) the local board of directors of the institution from which a loan originated; or

(B) in the case of consolidated or merged institutions, members of a local advisory board elected by the stockholders served by the merged or consolidated institutions from which a loan originated.

(5) COST OF FORECLOSURE.—The term "cost of foreclosure" includes—

(A) the difference between the outstanding amount of principal due on a loan made by an institution and the value of collateral used to secure the loan, taking into consideration the lien position of the institution;

(B) the estimated cost of maintaining a loan as a nonperforming asset;

(C) the estimated cost of administrative and legal actions necessary to foreclose a loan and dispose of property acquired as the result of the foreclosure;

(D) the estimated, adverse impact of the sale of property acquired as the result of a loan foreclosure on the value of property held by other borrowers of institutions;

(E) the estimated cost of changes in the value of collateral used to secure a loan during the period beginning on the date of the initiation of action to foreclose or liquidate the loan and ending on the date of the disposition of the collateral; and

(F) all other costs incurred as the result of the foreclosure or liquidation of a loan.

(6) LOAN.—The term "loan" means a loan made by an institution under the Farm Credit Act of 1971 (12 U.S.C. 2001 et seq.).

SEC. 202. ELIGIBILITY FOR ASSISTANCE.

To be eligible to receive assistance under this subtitle, a person must—

(1) be an individual, family corporation, or family partnership;

(2) be a borrower of a loan made by, and a stockholder of, an institution who is delinquent in the payment of principal or interest, or both, on the loan on the date of enactment of this Act or during the 3-year period beginning on such date;

(3) demonstrate to the institution that, due to circumstances beyond the control of the borrower (including depressed land values, high interest rates, and low prices for agricultural commodities), the borrower is temporarily unable to continue making payments of the principal and interest when due without unduly impairing the standard of living of the borrower;

(4) have derived at least 50 percent of the gross annual income of the borrower from the production of raw agricultural products, including livestock, poultry, or the products of aquaculture, during at least 3 of the 5 preceding taxable years;

(5) have had gross annual sales of agricultural commodities of at least $30,000 during at least 3 of the 5 preceding taxable years; and

(6) have an ability to repay the loan, based on past performance as a capable producer and assistance provided under this Act.

SEC. 203. LOAN DETERMINATIONS.

Before instituting a proceeding to foreclose a loan made to a borrower, an institution must determine—

(1) the cost of foreclosure; and

(2) the cost of restructuring the loan in accordance with this subtitle.

SEC. 204. LOAN FORECLOSURE AND RESTRUCTURING.

If an institution determines that the cost of foreclosure of a loan made to a borrower is equal to or exceeds the cost of restructuring the loan in accordance with this subtitle, in lieu of foreclosure, the institution shall reduce the principal or interest, or both, due on the loan, or otherwise restructure the loan, in a manner that would enable the borrower to make payments of principal and interest due on the loan without unduly impairing the standard of living of the borrower.

SEC. 205. ADDITIONAL COLLATERAL.

An institution may not—

(1) require any borrower to provide additional collateral to secure a loan if the borrower is current in the payment of principal or interest on the loan; or

(2) bring any action to foreclose on, or otherwise liquidate, any loan as the result of the failure of a borrower to provide additional collateral to secure a loan if the borrower was current in the payment of principal or interest on the loan at the time the additional collateral was required.

SEC. 206. APPEALS.

(a) DETERMINATION OF INELIGIBILITY.—(1) If an institution determines that a person does not meet the eligibility criteria prescribed in section 202, not later than 15 days after such determination, the institution shall provide the person with a written notice of—

(A) the determination and the reasons for the determination; and

(B) the right of the person to appeal the determination before a committee.

(2) If a person makes a written request to a committee not later than 30 days after receipt of a notice to contest a determination referred to in paragraph (1), the person shall have the right to appear before the committee to contest the determination.

(b) DETERMINATION TO NOT RESTRUCTURE.—(1) If an institution determines that the cost of restructuring a loan in accordance with this subtitle exceeds the cost of foreclosure of the loan, not later than 15 days after such determination, the institution shall provide the borrower of the loan with a written notice of—

(A) the determination and the reasons for the determination;

(B) the computations used by the institution to make the determination, including the estimate of the collateral value of the land used to secure the loan; and

(C) the right of the borrower to appeal the determination before a committee.

(2) If a borrower of a loan made by an institution makes a written request to a committee not later than 30 days after receipt of a notice to contest a determination referred to in paragraph (1), the borrower shall have the right to—

(A) request the committee to arrange an independent appraisal of the cost of foreclosure of the loan and the cost of restructuring the loan in accordance with this subtitle; and

(B) appear before the committee to contest the determination.

(3) If a borrower requests a committee to arrange an independent appraisal made under paragraph (2)(A), the committee shall—

(A) arrange the independent appraisal, in accordance with regulations issued by the Farm Credit Administration; and

(B) consider such appraisal when reviewing the determination of the committee.

(4) If an independent appraisal is conducted under this subsection of the cost of foreclosure of a loan made by an institution to a borrower and the cost of restructuring the loan in accordance with this subtitle, the cost of the appraisal shall be borne by—

(A) the institution if the appraised cost of restructuring the loan in accordance with this subtitle is equal to or less than the appraised cost of the foreclosure of the loan; or

(B) the borrower if the appraised cost of restructuring the loan in accordance with this subtitle is greater than the appraised cost of the foreclosure of the loan.

(c) DETERMINATION TO RESTRUCTURE.—(1) If an institution determines that a borrower of a loan meets the eligibility criteria prescribed in section 202 and that the cost of restructuring the loan in accordance with this subtitle is less than or equal to the cost of foreclosure of the loan, not later than 15 days after such determination, the institution shall provide the borrower with a written notice of—

(A) the determination and the reasons for the determination;

(B) the amount of the reduction in principal or interest, or both, or method of restructuring, the institution determines is adequate to enable the borrower to make payments in accordance with section 204; and

(C) the right of the borrower to contest the amount of the reduction, or method of restructuring, before a committee.

(2) If a borrower makes a written request to a committee not later than 30 days after receipt of a notice to contest the amount of the reduction, or method of restructuring, referred to in paragraph (1), the borrower shall have the right to appear before the committee to contest the amount of the reduction or method of restructuring.

(d) VOLUNTARY AGREEMENTS.—A borrower of a loan made by an institution shall have the right to appear before a committee to contest a determination, amount, or action under this subtitle if—

(1) the institution and the borrower enter into an agreement under which the institution agrees to restructure the loan in accordance with this subtitle and the borrower agrees not to contest the determination, amount, or action, as the case may be;

(2) the institution does not restructure the loan in accordance with this subtitle; and

(3) the borrower makes a written request to the committee to contest the determination, amount, or action, as the case may be, not later than 30 days after the date by which the institution agreed to restructure the loan in accordance with this subtitle.

(e) NOTICE OF DECISIONS.—Not later than 15 days after any review conducted by a committee, the committee shall provide the aggrieved person or borrower with written notice of the decision of the committee and the reasons for the decision.

SEC. 207. REIMBURSEMENT FOR PRINCIPAL REDUCTION.

The Capital Corporation shall reimburse an institution for the amount of principal due on loans that is reduced by the institution under section 204 if the Chairman determines that such action is necessary to avoid the liquidation or insolvency of the institution.

SEC. 208. REPORT.

Not later than 270 days after the date of enactment of this Act, the Chairman shall submit a report to Congress on the operation of this subtitle, including—

(1) an analysis of the impact of actions taken under this subtitle on losses suffered by institutions;

(2) an analysis of the impact of the actions on property values;

(3) an analysis of the accuracy of the cost of foreclosure determined by institutions under this subtitle;

(4) the number and amount of loans restructured in accordance with this subtitle;

(5) the number of current and estimated future delinquencies before and after the expiration of this subtitle on loans made to borrowers; and

(6) the recommendations of the Chairman concerning reauthorization of this subtitle.

Subtitle B—Farm Credit System Reform

SEC. 211. ACCESS TO APPRAISALS.

Section 4.13A of the Farm Credit Act of 1971 (12 U.S.C. 2200) is amended to read as follows:

"SEC. 4.13A. ACCESS TO DOCUMENTS AND INFORMATION.—In accordance with regulations of the Farm Credit Administration, a System institution shall provide to each borrower of such institution—

"(1) at the time of execution of a loan, a copy of each document signed by the borrower;

"(2) at any time thereafter, on request, a copy of each document signed or delivered by the borrower;

"(3) at any time, on request, a copy of the articles of incorporation or charter and bylaws of the institution; and

"(4) at the time of execution of a loan and at any time thereafter, on request, a copy of each appraisal of the assets of the borrower.".

SEC. 212. HOMESTEAD PROTECTION.

Part C of title IV of the Farm Credit Act of 1971 is amended by adding after section 4.20 (12 U.S.C. 2208) the following new section:

"SEC. 4.21. HOMESTEAD PROTECTION.—If an institution forecloses a loan made by the institution or a borrower of a loan made by the institution declares bankruptcy or goes into voluntary liquidation to avoid foreclosure or bankruptcy, the institution is encouraged to permit the borrower to retain possession and occupancy of the principal residence of the borrower, and a reasonable amount of adjoining land, to maintain the family of the borrower.".

SEC. 213. INTEREST RATES ON CLASSIFIED LOANS.

Part C of title IV of the Farm Credit Act of 1971 is amended by adding after section 4.22 (as added by section 212) the following new section:

"SEC. 4.22. An institution of the Farm Credit System may not increase the interest rate on a loan made to a borrower that is outstanding on the date of enactment of the Farm Credit Assistance Act of 1986 as the result of the loan been classified as a risk or problem loan.".

SEC. 214. CERTIFICATION OF NEED FOR FINANCIAL ASSISTANCE.

Section 4.28J of the Farm Credit Act of 1971 (12 U.S.C. 2216i) is amended by inserting after "TREASURY.—" the following new sentence: "Not later than 60 days after the date of enactment of the Farm Credit Assistance Act of 1986, and each 90 days thereafter, the Farm Credit Administration shall determine whether the Farm Credit System is in need of financial assistance to address financial stress of System institutions.".

SEC. 215. OPERATING EXPENSES OF INSTITUTIONS.

Part D1 of title IV of the Farm Credit Act of 1971 is amended by adding after section 4.28L (12 U.S.C. 2216k) the following new section:

"SEC. 4.28M. OPERATING EXPENSES OF INSTITUTIONS.—During the period beginning on date of enactment of the the Farm Credit Assistance Act of 1986 and ending the later of September 30, 1990, or such time as the Secretary of the Treasury no longer holds any obligations issued by the Capital Corporation, the operating expenses of an institution of the Farm Credit System may not exceed the average cost of bonds issued by the System, plus 1 percent.".

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SEC. 216. DISPOSITION AND LEASING OF FARMLAND.

Part F of title IV of the Farm Credit Act of 1971 is amended by adding after section 4.36 (12 U.S.C. 2219a) the following new section:

"SEC. 4.37. DISPOSITION AND LEASING OF FARMLAND.—(a) The Farm Credit Administration shall issue regulations for the disposition and leasing of farmland acquired by any institution of the Farm Credit System, including the Capital Corporation, (hereafter in this section referred to as an 'institution') in accordance with this section.

"(b) An institution shall to the extent practicable sell or lease farmland acquired under this Act in the following order of priority:

"(1) Sale of such farmland to operators (as of the time immediately before such sale) of not larger than family-size farms.

"(2) Lease of such farmland to operators (as of the time immediately before such lease is entered into) of not larger than family-size farms.

"(c)(1) An institution shall not offer for sale or sell any such farmland if the placing of such farmland on the market will have a detrimental effect on the value of farmland in the area.

"(2) In selling such land, the institution shall give special consideration to a previous owner or operator of such land.

"(d)(1) An institution shall consider granting, and may grant, to an operator of not larger than a family-size farm, in conjunction with subsection (e), a lease with an option to purchase farmland acquired under this Act.

"(2) The Farm Credit Administration shall issue regulations providing for leasing such land, or leasing such land with an option to purchase, on a fair and equitable basis.

"(3) In leasing such land, the institution shall give special consideration to a previous owner or operator of such land if such owner or operator has financial resources, and farm management skills and experience, that the institution determines are sufficient to assure a reasonable prospect of success in the proposed farming operation.

"(4) To the extent an institution may lease or operate real property under this section, the institution shall, if the institution determines to administer such property through management contracts, offer the contracts on a competitive bid basis, giving preference to persons who will live in, and own and operate qualified small businesses in, the area where the property is located.

"(e)(1) An institution shall offer such land for sale to operators of not larger than family-size farms at a price that reflects the average annual income that may be reasonably anticipated to be generated from farming such land.

"(2) If two or more qualified operators of not larger than family-size farms desire to purchase, or lease with an option to purchase, such land, the local board of the institution shall, by majority vote, select the operator who may purchase such land.

"(f) If farmland is available for disposition under this section, the institution shall—

"(1) publish an announcement of the availability of such farmland in at least one newspaper that is widely circulated in the county in which the farmland is located; and

"(2) post an announcement of the availability of such farmland in a prominent place in the local office of the institution that serves the county in which the farmland is located.".

SEC. 217. STOCK PURCHASE REQUIREMENT.

Part F of title IV of the Farm Credit Act of 1971 is amended by adding after section 4.37 (as added by section 216) the following new section:

"SEC. 4.38. STOCK PURCHASE REQUIREMENT.—A borrower must purchase stock in the Farm Credit System, in accordance with regulations issued by the Farm Credit Administration, to be eligible—

"(1) to obtain a loan from an institution of the Farm Credit System; or

"(2) to enter into an installment contract for the purchase of farmland acquired by the Farm Credit System.".

TITLE III—FARMERS HOME ADMINISTRATION BORROWERS

SEC. 301. DEFINITIONS.

As used in this title

(1) BORROWER.—The term "borrower" means a borrower of a loan who meets the eligibility criteria prescribed in section 302.

(2) COMMITTEE.—The term "committee" means the appropriate county committee established under section 332 of the Consolidated Farm and Rural Development Act (7 U.S.C. 1982).

(3) COST OF FORECLOSURE.—The term "cost of foreclosure" includes—

(A) the difference between the outstanding amount of principal due on a loan and the value of collateral used to secure the loan, taking into consideration the lien position of the Secretary;

(B) the estimated cost of maintaining a loan as a nonperforming asset;

(C) the estimated cost of administrative and legal actions necessary to foreclose a loan and dispose of property acquired as the result of the foreclosure;

(D) the estimated, adverse impact of the sale of property acquired as the result of a loan foreclosure on the value of property held by other borrowers of the Secretary;

(E) the estimated cost of changes in the value of collateral used to secure a loan during the period beginning on the date of the initiation of action to foreclose or liquidate the loan and the ending on the date of the disposition of the collateral; and

(F) all other costs incurred as the result of the foreclosure or liquidation of a loan.

(4) LOAN.—The term "loan" means a loan made by the Secretary under the Consolidated Farm and Rural Development Act (7 U.S.C. 1921 et seq.).

SEC. 302. ELIGIBILITY FOR ASSISTANCE.

To be eligible to receive assistance under this title, a person must—

(1) be an individual, family corporation, or family partnership;

(2) be a borrower of a loan who is delinquent in the payment of principal or interest, or both, on the loan on the date of enactment of this Act or during the 3-year period beginning on such date;

(3) demonstrate to the Secretary that, due to circumstances beyond the control of the borrower (including depressed land values, high interest rates, and low prices for agricultural commodities), the borrower is temporarily unable to continue making payments of the principal and interest when due without unduly impairing the standard of living of the borrower;

(4) have derived at least 50 percent of the gross annual income of the borrower from the production of raw agricultural products, including livestock, poultry, or the products of aquaculture, during at least 3 of the 5 preceding taxable years;

(5) have had gross annual sales of agricultural commodities of at least $30,000 during at least 3 of the 5 preceding taxable years; and

(6) have an ability to repay the loan, based on past performance as a capable producer and assistance provided under this Act.

SEC. 303. LOAN DETERMINATIONS.

Before instituting a proceeding to foreclose a loan made to a borrower, the Secretary must determine—

(1) the cost of foreclosure; and

(2) the cost of restructuring the loan in accordance with this title.

SEC. 304. LOAN FORECLOSURE AND RESTRUCTURING.

If the Secretary determines that the cost of foreclosure of a loan made to a borrower is equal to or exceeds the cost of restructuring the loan in accordance with this title, in lieu of foreclosure, the Secretary shall reduce the principal or interest, or both, due on the loan, or otherwise restructure the loan, in a manner that would enable the borrower to make payments of principal and interest due on the loan without unduly impairing the standard of living of the borrower.

SEC. 305. ADDITIONAL COLLATERAL.

The Secretary may not—

(1) require any borrower to provide additional collateral to secure a loan if the borrower is current in the payment of interest on the loan; or

(2) bring any action to foreclose on, or otherwise liquidate, any loan as the result of the failure of a borrower to provide additional collateral to secure a loan if the borrower was current in the payment of interest on the loan at the time the additional collateral was required.

SEC. 306. APPEALS.

(a) DETERMINATION OF INELIGIBILITY.—(1) If the Secretary determines that a person does not meet the eligibility criteria prescribed in section 302, not later than 15 days after such determination, the Secretary shall provide the person with a written notice of—

(A) the determination and the reasons for the determination; and

(B) the right of the person to appeal the determination before a committee.

(2) If a person makes a written request to a committee not later than 30 days after receipt of a notice to contest a determination referred to in paragraph (1), the person shall have the right to appear before the committee to contest the determination.

(b) DETERMINATION TO NOT RESTRUCTURE.—(1) If the Secretary determines that the cost of restructuring a loan in accordance with this title exceeds the cost of foreclosure of the loan, not later than 15 days after such determination, the Secretary shall provide the borrower of the loan with a written notice of—

(A) the determination and the reasons for the determination;

(B) the computations used by the Secretary to make the determination, including the estimate of the collateral value of the land used to secure the loan; and

(C) the right of the borrower to appeal the determination before a committee.

(2) If a borrower of a loan made by the Secretary makes a written request to a committee not later than 30 days after receipt of a notice to contest a determination referred to in paragraph (1), the borrower shall have the right to—

(A) request the committee to arrange an independent appraisal of the cost of foreclosure of the loan and the cost of restructuring the loan in accordance with this title; and

(B) appear before the committee to contest the determination.

(3) If a borrower requests a committee to arrange an independent appraisal made under paragraph (2)(A), the committee shall—

(A) arrange the independent appraisal, in accordance with regulations issued by the Farm Credit Administration; and

(B) consider such appraisal when reviewing the determination of the committee.

(4) If an independent appraisal is conducted under this subsection of the cost of foreclosure of a loan made by the Secretary to a borrower and the cost of restructuring the loan in accordance with this title, the cost of the appraisal shall be borne by—

(A) the Secretary if the appraised cost of restructuring the loan in accordance with this title is equal to or less than the appraised cost of the foreclosure of the loan; or

(B) the borrower if the appraised cost of restructuring the loan in accordance with this title is greater than the appraised cost of the foreclosure of the loan.

(c) DETERMINATION TO RESTRUCTURE.—(1) If the Secretary determines that a borrower of a loan meets the eligibility criteria prescribed in section 302 and that the cost of restructuring the loan in accordance with this title is less than or equal to the cost of foreclosure of the loan, not later than 15 days after such determination, the Secretary shall provide the borrower with a written notice of—

(A) the determination and the reasons for the determination;

(B) the amount of the reduction in principal or interest, or both, or method of restructuring, the Secretary determines is adequate to enable the borrower to make payments in accordance with section 304; and

(C) the right of the borrower to contest the amount of the reduction, or method of restructuring, before a committee.

(2) If a borrower makes a written request to a committee not later than 30 days after receipt of a notice to contest the amount of the reduction, or the method of restructuring, referred to in paragraph (1), the borrower shall have the right to appear before the committee to contest the amount of the reduction or method of restructuring.

(d) VOLUNTARY AGREEMENTS.—A borrower of a loan made by the Secretary shall have the right to appear before a committee to contest a determination, amount, or action under this title if—

(1) the Secretary and the borrower enter into an agreement under which the Secretary agrees to restructure the loan in accordance with this title and the borrower agrees not to contest the determination, amount, or action, as the case may be;

(2) the Secretary does not restructure the loan in accordance with this title; and

(3) the borrower makes a written request to the committee to contest the determination, amount, or action, as the case may be, not later than 30 days after the date by which the Secretary agreed to restructure the loan in accordance with this title.

(e) NOTICE OF DECISIONS.—Not later than 15 days after any review conducted by a committee, the committee shall provide the aggrieved person or borrower with written notice of the decision of the committee and the reasons for the decision.

SEC. 307. REPORT.

Not later than 270 days after the date of enactment of this Act, the Secretary shall submit a report to Congress on the operation of this title, including—

(1) an analysis of the impact of actions taken under this title on losses suffered by the Secretary;

(2) an analysis of the impact of the actions on property values;

(3) an analysis of the accuracy of the cost of foreclosure determined by the Secretary under this title;

(4) the number and amount of loans restructured in accordance with this title;

(5) the number of current and estimated future delinquencies before and after the expiration of this title on loans made to borrowers; and

(6) the recommendations of the Secretary concerning reauthorization of this title.

SEC. 308. ALTERNATIVE CROP LOAN PROGRAM.

The Consolidated Farm and Rural Development Act is amended by inserting after section 352 (7 U.S.C. 2000) the following new section:

"SEC. 353. (a) For purposes of this section, the term 'alternative crop' means any agricultural operation (including acquaculture and livestock production) conducted by an applicant if—

"(1) there is no substantial history of such operation in the area in which the applicant resides; and

"(2) the applicant has derived from such operation not more than 20 percent of the gross annual income of the applicant during any of the 5 preceding taxable years.

"(b) In addition to the purposes prescribed in sections 303 and 312, the Secretary may make and insure, or guarantee, real estate and operating loans under subtitles A and B, respectively, to farmers and ranchers in the United States for the production of alternative crops.

"(c)(1) Subject to paragraph (2), to be eligible to obtain a loan or loan guarantee for a real estate or operating loan for the production of an alternative crop, a person must—

"(A) meet the eligibility requirements prescribed for a real estate loan under section 302 or an operating loan under section 311, respectively; and

"(B) submit to, and receive the approval of, the Secretary for a 5-year plan of projected production and income from the proposed alternative crop.

"(2) In determining eligibility for a loan or loan guarantee under this section, the Secretary shall consider training or farming experience that the Secretary determines is sufficient to assure reasonable prospects of success in the proposed farming operation, whether or not such training or experience is in the production of an alternative crop.

"(d) The Secretary may enter into a multiyear commitment to provide a loan or loan guarantee under this section for a term, of not to exceed 3 years, that is consistent with the nature of the alternative crop operation.".

TITLE IV—MISCELLANEOUS PROVISIONS

SEC. 401. INTER-AGENCY AGRICULTURAL TASK FORCE.

(a) ESTABLISHMENT.—In light of the severe economic problems confronted by many agricultural banks and the regulatory responsibilities of bank regulatory agencies, not later than 30 days after the date of enactment of this Act, the Federal Deposit Insurance Corporation, the Comptroller of the Currency, and the Federal Reserve System shall develop an Inter-Agency Agricultural Task Force to assist commercial agricultural banks and the borrowers of the banks to resolve present economic problems and to facilitate commercial bank lending to agriculture in the future.

(b) DUTIES.—The Inter-Agency Task Force shall—

(1) review existing regulations and policies to facilitate agricultural lending;

(2) cooperate with field office personnel to avoid conflicts and inconsistencies between the agencies; and

(3) consider meaningful alternatives to assist commercial banks in providing agricultural financing through regulatory or statutory changes, including accounting changes, interest rate buy-downs, or other similar methods for assisting banks.

(c) REPORTS.—Not later than 6 months after the date of enactment of this Act, and semiannually thereafter, the Inter-Agency Task Force shall report its findings and recommendations in carrying out this section to—

(1) the Committee on Agriculture of the House of Representatives;

(2) the Committee on Agriculture, Nutrition, and Forestry of the Senate;

(3) the Committee on Banking, Finance and Urban Affairs of the House of Representatives; and

(4) the Committee on Banking, Housing, and Urban Affairs of the Senate.

SEC. 402. REGULATIONS.

Not later than 90 days after the date of enactment of this Act, the Secretary and the Farm Credit Administration shall issue such regulations as are necessary to carry out provisions of this Act under their jurisdiction.

SEC. 403. AUTHORIZATION FOR APPROPRIATIONS.

(a) AUTHORIZATION.—There are authorized to be appropriated such sums as may be necessary to carry out this Act.

(b) USE OF INTEREST RATE REDUCTION PROGRAM FUNDS.—Notwithstanding the Consolidated Farm and Rural Development Act (7 U.S.C. 1921 et seq.), of the amount of funds used by the Secretary to carry out the interest rate reduction program under section 351(e) of such Act (7 U.S.C. 1999(e)) during the fiscal year ending September 30, 1986, the Secretary shall use not less than $30,000,000, and not more than $35,000,000, to carry out the interest subsidy program established under title I during such fiscal year.

SEC. 404. TERMINATION DATE.

Except as otherwise provided in this Act, the authority granted by this Act shall terminate 3 years after the date of enactment of this Act.

FARM CREDIT ASSISTANCE ACT OF 1986 EXPLANATION

TITLE I. INTEREST RATE BUY-DOWN PROGRAM.

1. Each state would have the option of participating in the program. If a State opted into the program, the state would designate an agency to operate the program. 100 percent of the administrative costs would be reimbursed to the states by U.S.D.A. Each state would be required to develop a plan whereby eligible borrowers and lenders would be determined. The plan must be approved by U.S.D.A.

2. Eligible borrowers are those who:

(a) have an outstanding loan on April 1, 1986;

(b)(1) be delinquent in the payment of principal or interest, or both, or (2) demon-

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strate that the borrower will be unable to make payments of principal or interest;

(c) had gross agricultural sales in excess of $30,000 for three of the past five years;

(d) have derived at least 50 percent of their gross annual income from agriculture in at least 3 of the past 5 taxable years;

(e) have a debt-to-asset ratio in excess of 40 percent;

(f) have repayment ability; and

(g) do not produce an agricultural commodity on highly erodible land or converted wetlands in violation of the sodbuster and swampbuster provisions of the Food Security Act of 1985.

3. Assistance under this program shall be limited to an aggregate amount of principal of not more than $400,000 in the case of an individual, and $600,000 in the case of a family corporation or family partnership.

4. Under the program, for eligible borrowers, the interest rate (or principal as the case may be) will be written down for 3 years as follows:

(a) 2 percentage points will be paid by the federal government;

(b) 1-2 percentage points may be paid by the state; and

(c) 1 percentage point of interest or at least 15 percent of principal by the lender.

5. Eligible lenders under this title are defined as commercial banks and institutions of the farm credit system that have been designated as eligible by the state agency operating the program.

6. Appropriations to carry out the act are authorized as necessary. The CCC can be utilized for carrying out the program.

7. Applications for the interest rate buy-down program will be accepted beginning on the date the U.S.D.A. approves the state plan and ending September 30, 1987.

8. Borrowers who produce on highly erodible land or converted wetlands would be ineligible for benefits under this program.

TITLE II: FARM CREDIT SYSTEM

1. For the period beginning on the date the U.S.D.A. approves a state plan for the interest rate buy-down program and ending September 30, 1987, the Farm Credit System cannot foreclose on a borrower unless the borrower has been determined to be ineligible for the interest rate buy-down program, if one is operational in the state in which the institution or association is located.

2. For the period beginning on the date of enactment of this title and ending three years from the date of enactment, the Farm Credit System cannot foreclose on a borrower—

(a) unless the borrower has been determined to be ineligible for the interest rate buy-down program during the year in which the program is operational in the state; and

(b) unless the borrower has been determined to be ineligible for the principal/interest restructuring program described below.

3. Principal/Interest Restructuring Program:

(a) If the costs associated with foreclosure equal or exceed the cost of restructuring a loan in an amount which will enable the borrower to make payments, the Farm Credit System will be required to restructure the loan in lieu of foreclosing.

(b) Eligible borrowers are those who:

(1) are delinquent in payments of principal or interest during the period beginning on the date of enactment and ending 3 years after such date;

(2) demonstrate that the delinquency is beyond the control of the borrower;

(3) derived not less than 50 percent of their gross annual income for three of the past five years from agriculture; and

(4) had gross agricultural sales in excess of $30,000 for 3 of the past 5 years.

(c) Requires the Capital Corporation to reimburse an institution for the amount of principal due on loans that is reduced by the institution if the chairman determines that such action is necessary to avoid the liquidation or insolvency of the institution.

4. Encourages the Farm Credit System to allow borrowers who will be foreclosed on to retain possession and occupancy of any principal residence of the borrower and a reasonable amount of adjoining land.

5. Disposition of Acquired Property:

(a) Requires the F.C.A. to issue regulations identifying the proper handling of acquired farmland.

(b) Requires the F.C.S. to the extent practicable to sell or lease farmland in the following order of priority—

(1) sale to operators of not larger than family-size farms, and

(2) lease to operators of not larger than family-size farms.

(c) Prohibits the selling of farmland if it will have a detrimental effect on the value of farmland in the area.

(d) Special consideration in the sale or leasing of farmland must would be given to previous owners if such owner has financial resources, and farm management skills and experience sufficient to assure a reasonable prospect of success. Leasing would be based on a competitive bid basis.

6. Requires the Farm Credit System to provide a borrower with copies of the appraisals of the assets of the borrower.

7. Prohibits the Farm Credit System from requiring additional collateral on a loan if the borrower is current in the payment of principal or interest.

8. Prohibits the Farm Credit System from foreclosing on a borrower for failure to provide additional collateral if the borrower is current in the payment of principal or interest.

9. Before providing a new loan to a borrower or entering into an installment contract for the purchase of farmland acquired by the Farm Credit System, the borrower must purchase stock in the farm credit system.

10. Prohibits the Farm Credit System from raising the interest rate on a loan that has been classified.

11. Limits operating expenses of FCS institutions to 1 percent above the average cost of bonds issued by the System.

12. Requires the Farm Credit Administration, within 60 days from the date of enactment and every 90 days thereafter, to determine whether the Farm Credit System is in need of financial assistance.

TITLE III: FARMERS HOME ADMINISTRATION

1. Principal/Interest Restructuring Program:

(a) If the costs associated with foreclosure equal or exceed the cost of restructuring a loan in an amount which will enable the borrower to make payments, the FmHA will be required to restructure the loan in lieu of foreclosing; and

(b) Eligible borrowers are those who:

(1) are delinquent in payments of principal or interest during the period beginning on the date of enactment and ending 3 years after such date;

(2) demonstrate that the delinquency is beyond the control of the borrower;

(3) derived not less than 50 percent of their gross annual income for three of the past five years from agriculture; and

(4) had gross agricultural sales in excess of $30,000 for 3 of the past 5 years.

2. Prohibits the FmHA from requiring additional collateral on a loan if the borrower is current in the payment of principal or interest.

3. Prohibits the FmHA from foreclosing on a borrower for failure to provide additional collateral if borrower is current in the payment of principal or interest.

4. Authorizes the FmHA to make loans to farmers and ranchers for the purpose of producing alternative crops. Alternative crops are those not traditionally produced in the area.

TITLE IV. MISCELLANEOUS PROVISIONS.

1. Establishes an InterAgency Agricultural Task Force to assist commercial agricultural banks and the borrowers of the banks to resolve present economic problems and to facilitate commercial bank lending to agriculture in the future.

2. Requires regulations to be issued within 90 days from the date of enactment.

3. (a) Authorizes appropriations as necessary; and

(b) Requires that no less than $30 million nor more than $35 million of the funds appropriated for the Interest Rate Reduction Program authorized by the 1985 farm bill be used to fund the Interest Rate Buy-Down program authorized by this Act in Fiscal Year 1986.

By Mr. DURENBERGER (for himself, Mr. Hollings, Mr. Kennedy, Mr. Thurmond, Mr. Chafee, Mr. Bentsen, Mr. Baucus, and Mr. Moynihan):

S. 2333. A bill to amend title XIX of the Social Security Act to strengthen and improve medicaid services to low-income pregnant women and children; to the Committee on Finance.

MEDICAID MATERNAL AND INFANT AMENDMENTS

● Mr. DURENBERGER. Mr. President, I am proud to introduce the Medicaid Maternal and Infant Amendments of 1986 today along with my distinguished colleagues from both sides of the aisle. This bill would enable States to expand and target Medicaid prenatal, delivery, and postpartum services to mothers, and medical care to their infants up to age 1.

Health care in America must be judged not only on its ability to cure sickness, but also on its capacity to keep people well. Nowhere is this more important than in the health of mothers and children. Preventive services for them will not only alleviate many deaths and much suffering, but more than pay for itself by giving these babies a fighting chance to grow up healthy and become productive citizens.

LEGISLATIVE HISTORY

In 1985, I sponsored S. 505, the Maternal and Child Health Preventive Care Amendments of 1985, with my colleague from Texas, Senator Bentsen. It is gratifying to me that our colleagues in Congress agreed that by

spending a few cents now so that States can target expanded Medicaid prenatal services, we can save lots of dollars down the road. And at the same time improve the lives of so many Americans. S. 505 was included in the fiscal year 1986 budget reconciliation package that was signed into law by the President last week.

Today's proposal is the next logical step after S. 505 in providing needed health services to pregnant women and their infants.

Also last fall, as chairman of the Intergovernmental Relations Subcommittee of the Governmental Affairs Committee, I conducted a hearing on S. 1209, the National Commission on Infant Mortality which I cosponsored with the ranking minority member of the subcommittee, Senator Chiles. We held the hearing at Providence Hospital here in Washington to focus attention on an institution that has made a commitment to affordable maternity care for poor women. Through its Center for Life, Providence Hospital subsidizes maternity care for about 300 low-income pregnant women each year.

At the hearing, we heard from Sarah Brown of the Institute of Medicine who described IOM's landmark study on infant mortality. She and the others who testified added fuel to the hearing's fire. Infant mortality is a nationwide problem that needs Federal attention, now.

I should add that last week I also cosponsored comparable legislation, S. 2288, the Infant Mortality Prevention Act, along with my colleagues, Senators Chiles and Bentsen. Today's bill goes further than S. 2288. While S. 2288 moves in the right direction, we are taking a bolder leap today.

I endorsed both measures because I will support any and all proposals that would move the Congress in the direction of preventing death or disability for this Nation's infants. As I have said so many times, the best incubator of all is the mother's womb, not the machinery of the neonatal intensive care unit. If we are going to make better lives for our children, we have to assure they have every chance when they enter this world, whether they are rich or poor.

Today's legislation is a logical next step to reduce infant mortality and morbidity in this country.

NEED FOR THIS LEGISLATION

While many States are probably going as far as they can on income security programs like AFDC, this proposal would enable States that choose to expand their Medicaid coverage, to target this high risk group who would otherwise not qualify for Medicaid. This is essential if Government-sponsored health programs are going to make a meaningful contribution to preserving the health of our Nation's children, rather than financing sick care once they become categorically indigent.

The Medicaid Maternal and Infant Amendments of 1986 also has roots in the work of the Southern Governors' Task Force on Infant Mortality, chaired by the Governor of South Carolina, Richard Riley. This able group offered a number of legislative recommendations designed to enable States to expand and target programs aimed at reducing infant deaths and disabilities. Its work has also been endorsed by the National Governors' Association.

This Nation has come a long way in improving the health of infants and children. Since the enactment of Medicaid in 1965, we have reduced the U.S. infant mortality rate by over 50 percent. This is impressive, but a little explanation of how we did this will show that more work needs to be done. The credit for these achievements' survival is due in large part to advances in technology—neonatal intensive care units, NICU's. And the reason why so many infants spend their first few weeks of life in NICU's? Because their birthweight was too low to allow them to survive on their own without the support of fancy and expensive technology—expensive to the tune of about $1,250 a day in a typical NICU in Minneapolis or St. Paul.

These low birthweight babies are 40 times more likely to die during their first month of life and five times more likely to die within their first year of life than plump, normal weight newborns. They are also at a much higher risk of disabilities such as cerebral palsy, mental retardation, and learning disabilities. And the tragedy is that many of these destinies are often preventable for these little babies.

Although we've done a very good job of keeping low birthweight babies alive in NICU's, we have a poor record as a nation in preventing low birthweights in the first place. As a matter of fact, between 1971 and 1981, we reduced the incidence of babies being born at low birthweights by less than 1 percent.

What all this means is that we must write out a check today as an investment in our future. There is little question that this approach not only improves maternal and child health, but it also saves our health care system a substantial amount of money. In the recent study by the Institute of Medicine, it was shown that every $1 spent on prenatal care saved $3.38 in the first year of a child's life.

The Medicaid Maternal and Infant Amendments of 1986 reflects an important national purpose—doing all we can to help moms save healthy babies. My colleagues on the Budget Committee, Senators Domenici, Chiles, and Hollings, set aside $100 million in additional Medicaid spending for a new infant mortality initiative. Today's legislation offers us a wise and prudent way to allocate those funds.

Our bill is another step on the road to prevention and to cost-effective health care spending. I will soon be introducing another bill with Senator Kennedy which will take us even further down that road. I urge my colleagues, when considering these proposals, not to be victimized by those who espouse short-sighted budgeteering. These proposals represent the responsible way to deliver valuable services while containing costs—through far-sighted, humane, and cost-effective health policy. It's not often that a bill is presented which provides health care services to those in need while at the same time saving society the emotional and financial costs of death and disability. This is just such a bill and I urge all my colleagues to support it.

EXPLANATION OF THE BILL

Under current law, States that want to provide essential health care under Medicaid to poor women and infants, generally cannot do so without also providing cash welfare. Our legislation would allow States, at their option, to offer Medicaid to poor pregnant women and their infants whose family income is above the Aid to Families With Dependent Children [AFDC] standards, but below 100 percent of the Federal poverty line. There are currently 3.4 million women of child-bearing age living in households below the Federal poverty line who are not covered by Medicaid. These women have little of any access to prenatal services. It is time to make early prenatal care more widely available.

States could not reduce their AFDC levels in order to expand the Medicaid Program. The existing resources requirements of Medicaid law would still apply. States could set their income threshold at any point up to 100 percent of the Federal poverty level.

The establishment of this new optional categorically needy group would give States the flexibility to target their Medicaid coverage of poor pregnant women and infants who are now ineligible for AFDC due to income or family status without raising the AFDC eligibility levels.

Mr. President, I ask unanimous consent that the bill and the text of my statement from this morning's press conference be printed in the Record at this point.

There being no objection, the material was ordered to be printed in the Record, as follows:

S. 2333

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "Medicaid Maternal and Infant Amendments of 1986"

SEC. 2. MEDICAID ELIGIBILITY OF LOW-INCOME INFANTS AND PREGNANT WOMEN.

(a) In General.—

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(1) Section 1902(a)(10)(A) of the Social Security Act (42 U.S.C. 1396(a)(10)(A) is amended by adding at the end thereof the following new clause:

"(iii) at the option of the State, as provided in subsection (1), to—

"(I) any pregnant woman during the period consisting of her pregnancy and the 60-day period following the last day of the pregnancy, if such woman's resources, including the resources of her family, meet the resources test of eligibility for medical assistance under the State plan approved under this title applicable to a family with dependent children, and such woman's income, including the income of her family, (determined in accordance with subsection (m)) does not exceed the higher of the income test of eligibility for medical assistance under such plan applicable to a family with dependent children or 100 percent of the official poverty line for an individual or for a family of the same size, as appropriate, established and adjusted under section 673(2) of the Community Services Block Grant Act (42 U.S.C. 9902(2)); and

"(II) any individual who has not attained one year of age without limitation as to amount, duration, or scope, if such individual's resources, including the resources of his or her family, are such that the individual meets the resources test of eligibility for medical assistance under the state plan approved under this title applicable to a family with dependent children, and such individual's income, including the income of his or her family (determined in accordance with subsection (m)) does not exceed the higher of the income test of eligibility for medical assistance under such plan applicable to a family with dependent children or 100 percent of the official poverty line for an individual or for a family of the same size, as appropriate, established and adjusted under section 673(2) of the Community Services Block Grant Act (42 U.S.C. 9902(2)); and

"(II) any individual who has not attained one year of age without limitation as to amount, duration, or scope, if such individual's resources, including the higher of the income test of eligibility for medical assistance under such plan applicable to a family with dependent children or 100 percent of the official poverty line for an individual or for a family of the same size, as appropriate, established and adjusted under section 673(2) of the Community Services Block Grant Act (42 U.S.C. 9902(2)).".

(2) Section 1902 of such Act is further amended by adding at the end thereof the following new subsections:

"(1) A State plan may not elect the option of furnishing medical assistance to individuals described in subsection (a)(10)(A)(iii) unless the State has in effect, under its State plan approved under part A of title IV, income and resource tests for eligibility that are no stricter than those in effect on the date of the enactment of this subsection and payment levels that are not less than the payment levels in effect under such plan on such date.

"(m) In applying the income standards established under subsection (a)(10)(A)(iii), each State shall take into consideration the same income and expense (including work-related expenses) and disregard the same items of income in the same manner as they would be taken into account or disregarded under the State's plan under part A of title IV.".

(b) Technical and Conforming Amendments.—

(1) Section 1902(a)(17) of such Act is amended by inserting ", except as provided in paragraph (10)(A)(iii)," after "which" the first place it appears.

(2) Section 1903(f) of such Act (42 U.S.C. 1396(f)) is amended—

(A) in paragraph (1) by striking out "paragraph (4)" and inserting in lieu thereof "paragraphs (4) and (5)"; and

(B) by adding at the end thereof the following new paragraph:

"(5) The limitations on payment imposed by paragraphs (1), (2), and (3) of this subsection shall not apply with respect to any amount expended by a State as medical assistance for any individual eligible for such assistance by reason of section 1902(a)(10)(A)(iii).".

SEC. 3. EFFECTIVE DATE.

(a) In General.—The amendments made by section 2 of this Act shall apply to medical assistance, provided under a State plan approved under title XIX of the Social Security Act, for calendar quarters beginning more than six months after the date of the enactment of this Act.

Remarks of Senator Durenberger—Maternal and Child Health Press Conference, April 17, 1986

Some of you may have been to John Heinz' press conference earlier this morning about preserving the quality of health care for Medicare recipients—an effort that Ted and I and many of our colleagues have been very involved in. And here we are looking at the other end of the spectrum—protecting the health of the unborn and the newborn.

Last week I joined my colleagues Lawton Chiles and Lloyd Bentsen in introducing S. 2288, the Infant Mortality Prevention Act or IMPACT. The bill we are introducing today goes a step further in protecting maternal and child health.

The late Hubert Humphrey once said the moral test of government is how it treats those in the dawn of life, the children; those in the twilight of life, the elderly; and those in the shadows of life—the sick, the needy and the handicapped.

Those words have, in a sense, taken on added meaning in these days of scarce federal resources. The uncontrolled increase in hospital and other acute care services sapped the financial strength of wellness-care and health promotion.

We have made great progress in the past several years in slowing the increase in the cost of health care. But the deficit crunch has led some people to believe there still isn't enough money to go around—that to do all we need to do, we need to "ration" our health care dollars, making decisions on who deserves care and how much. That's baloney.

The health care message for the 80s is not to ration health care, but to improve both the quality and the availability of health care by setting priorities. That is what we are doing today with this legislation. Because there is no greater priority than a newborn life.

This bill will help ensure a healthy entry into this world for millions of American children, by allowing states to offer prenatal, delivery and post-delivery medical care to all women and their infants living at or below the federal poverty level.

What do I mean by priority-setting in health care spending? I mean, for example, stopping our policy of subsidizing some people's unhealthy choices at the expense of those whose health problems are not of their own making. Hundreds of thousands of Americans are smoking themselves into coronaries and lung cancer. The total economic cost of smoking is $41 billion a year, including $4 billion to Medicare and Medicaid.

And yet, some people will tell you we don't have enough money to pay for effective, comprehensive medical care for low-income pregnant women, to give our children a strong fighting chance at a healthy life. That's what I call misplaced priorities.

We're not here this morning to talk about some research program or grand experiment. In large part, it's just plain old common sense in about 10 one-hour doses over a 9-month pregnancy. We know that prenatal care significantly increases the chances of producing a healthy child. For example, prenatal services can drastically reduce the frequency of low-birthweight babies, who are 40 times more likely than other infants to die within the first year, and who tend to suffer a wide range of long-term health problems.

We also know who we need to reach. Women who are poor . . . who are black or Native American . . . who have no health insurance . . . who live in inner-cities or rural areas . . . who live in the southern United States—These women are much more likely to give birth to unhealthy children, simply because they are denied access to proper health care or to the information telling them how to get it.

The Medicaid program can offer these women the help they need—especially now, under a recent change in the program, initiated in my Health Subcommittee, which allows more comprehensive prenatal care services under Medicaid. But as many as 3.4 million women of child-bearing age do not have access to Medicaid because they don't fit the qualifications for AFDC welfare—even though they are living below the poverty line. Our legislation allows states to offer their Medicaid coverage to those women, and it is our sincere hope that the states will do so.

The cost of the loss of newborn life is immeasurable. The cost of caring for infants with permanent disabilities is massive. The annual cost of neonatal intensive care alone exceeds $1.5 billion. And the price of special education and long-term care for the life of each child with chronic disabilities can easily reach $400,000. Compare that figure with the projected cost of the first phase of this program: $100 million. In sheer economic terms, it will pay for itself with the first 250 healthy children it produces.

Of course, we must guarantee all children adequate care after they're born. But it's just good sense to put our money up-front in preventive care to give our kids a healthy start from the moment of birth.

● Mr. HOLLINGS. Mr. President, today we initiate an attack on one of the most challenging problems our Nation faces today: Infant mortality and low birthweight babies. The future of any nation depends on the well-being of its children. Yet, the rate of low birthweight deliveries is higher in the United States than in 12 other developed countries. The legislation we are introducing signals a partnership between the Federal Government and the States to get at the root of these life-threatening problems. Our bill, Mr. President, implements the solution that all studies and our own common sense tells us is the easiest, least costly, most appropriate response to reducing infant mortality and low birthweight; that is, providing adequate prenatal care for women and comprehensive care for the infant. The Federal Government has long supported prenatal care and counseled all women to secure such care early in pregnancy. We are, therefore, uniquely positioned to play an important role in the effort to ensure ready access to these vital services.

To assume this role, we must first remove some existing barriers. Under current legislation, States cannot provide essential health care services to poor women and infants without first raising the cash welfare level to include them. This is a barrier to provision of these services because many States cannot afford to provide both the health services needed and the additional welfare benefits. Also, Medicaid regulations, do not routinely permit States to target only these particular health services. Our bill makes an important change by amending the Medicaid statute to permit States to provide Medicaid coverage for pregnant women and infants whose incomes are above the State AFDC standard of need but within the Federal poverty level without requiring the prior incurrence of medical expenses. Our bill maintains the State's current AFDC match rate and resource requirements and contains a hold-harmless provision requiring States to maintain their current AFDC eligibility level to participate in this option. A minimum benefit period equal to the duration of pregnancy plus 60 days would be established in order to prevent loss of coverage in mid-pregnancy.

Mr. President, as a former Governor of South Carolina, I can say with some authority that no matter what your agenda is, when you take office, the fact of infant mortality and low birthweight demands your attention. When I was Governor, several of my friends insisted that I tour the State to see children with swollen bellies, with worms, with all forms of birth defects; people who were continually hungry; people who had no decent place to live and were literally drinking their own sewage. Since I had jobs and economic development as a priority and was working to convince industry that South Carolina was the ideal place for them to locate, it was not exactly the kind of public relations campaign I was seeking. But mothers and children who were malnourished and had virtually no access to health care of any kind were a fact of life in the State of which I was Governor, and I did see these people and their condition demanded action on my part. There is probably not a Member of this body who has not heard me quote the figures that each dollar spent to provide prenatal care and food supplements to pregnant women through WIC can save $3 by reducing the incidence of high-risk births. This is largely due to the fact that, working with my friend, Hubert Humphrey, WIC was the action I took in response to the hunger I saw as Governor of South Carolina.

It came as no surprise to me that, in 1984, the Southern Governors' Association established the Regional Task Force on Infant Mortality, or to learn that my own Governor, Richard W. Riley, was to be its chairman. The seven States with the highest infant mortality rates were in the South, and South Carolina was the worst. The task force not only did a superb job of bringing national attention to our problems in the South, but it also let the Nation know what we are doing about them and what remains to be done. In July 1985, the task force issued three reports which make realistic, pragmatic recommendations and outline action plans for comprehensive solutions to the problems of infant mortality and low birthweight. Among the recommendations for Federal action was amendment of the Medicaid law to permit States to provide assistance to poor families whose incomes are over the State's AFDC standard of need but below the Federal poverty level. This proposal was subsequently endorsed unanimously by the National Governors' Association in its February 1986 meeting.

Medicaid is the Nation's primary financing source for the health care of poor mothers and children, but current Medicaid criteria have produced obstacles to provision of preventive care in too many instances. It has been suggested by some that the Medically Needy Program could provide these services, but this important program is a catastrophic health program that is not oriented to providing preventive and primary care services. Eligibility for benefits is based on a spend-down feature which requires the incurrence of expenses prior to receiving assistance. The catastrophic design means the program pays for services such as hospitalization, when lower cost treatments, had they been accessible, could have prevented the need for more expensive care. It is in the long-term interest to provide preventive care to childbearing women and young children with incomes below the Federal poverty level—to prevent incidence of costly conditions that may last a lifetime.

Historically, Congress has not done as well as it might in funding preventive care. This has happened, I believe, because of the pressure we are under to be accountable for the expenditure of tax dollars; and, of course, this is proper. But what has evolved is a system of paying for illness instead of wellness. In our efforts to be accountable, it is much easier to prove that we have provided hospitalization for a specific number of patients with heart attacks over a given period, for example, than that expenditure of tax dollars prevented a certain number of heart attacks. We feel much more comfortable quoting the number of neonatal intensive care days paid for with Federal funds than saying how many low-weight births we prevented. Only recently have we paid serious attention to health promotion and disease prevention, and the data is now available which provides us sufficient statistical evidence in aggregate figures to support more preventive measures, such as reduction in infant mortality and low birthweight. The figures prove preventive services are cost-effective.

In 1982, the Institute of Medicine convened a planning group to explore how the Nation might best invest its resources to promote child health and development. The report of the resulting Committee to Study the Prevention of Low Birthweight was reviewed by the National Academy of Sciences, the National Academy of Engineering, and the Institute of Medicine. After extensive study, the report recommends expansion of prenatal services to the existing Medicaid population. The report states:

> Although the neonatal mortality rate in the United States has improved over the past 15 years, there has not been a comparable decrease in low-weight births. Instead, the mortality decline has been accomplished primarily by improving the survival of low birthweight infants through very costly neonatal intensive care. The association of neurodevelopmental handicaps and congenital anomalies with low birthweight has been well established; low birthweight infants also are susceptible to a wide range of other conditions, such as lower respiratory tract infections, learning disorders, behavior problems, and complications of neonatal intensive care interventions.

The Nation is currently spending about $700 million per year just on hospital care for high-risk infants; this does not include the cost of Medicaid of long-term institutionalization of children left permanently disabled by preventable causes or the cost of outpatient care resulting from the chronic problems to which low birthweight babies are prone. It is estimated that for the population currently eligible for Medicaid, each dollar spent to provide comprehensive maternity care could save nearly $2 by reducing prematurity and low birthweight.

Mr. President, I ask unanimous consent to include in the Record a statistical information table from "Preventing Low Birthweight" at the end of my remarks.

The study referenced in this table includes only the population currently Medicaid eligible and reflects only savings from providing more comprehensive prenatal care. Reason dictates

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that if the savings projected here would be realized for a population that is already eligible for and receiving some prenatal services, even larger savings could be expected by providing services for the populations covered by this bill.

Cost comparisons developed by the Southern Regional Task Force on Infant Mortality state the cost of prenatal care, hospital costs for mother and baby, rehospitalization, pediatric health care, and rehabilitative costs for a normal baby are about $2,000 per year. The same costs for a low birthweight baby of 4 pounds is about $54,800 per year. For a low birthweight baby requiring institutionalization, the costs can go as high as $389,800 per child.

Mr. President, I ask unanimous consent to include a table in the RECORD, at the conclusion of my remarks that shows these costs.

Mr. President, we have been losing the battle in the last few years. According to data submitted by the Children's Defense Fund in support of additional funding in the fiscal year 1987 budget, key material and child health indicators are eroding.

Between 1982 and 1983, postneonatal mortality—deaths of infants ages 28 days to 1 year—rose 3 percent nationwide and 5 percent nationwide for black infants. The mortality increase among black babies was the first such recorded increase in 18 years.

In 1983, the percentage of women receiving late or no prenatal care rose for the third consecutive year. The percentage of premature and low-birthweight births also rose in 1983.

Over half of all black preschool children are inadequately immunized against childhood diseases. Between 1983 and 1984, there was a 69-percent increase in measles cases nationwide.

One-third of poor children with family incomes below the Federal poverty level are either completely uninsured or are insured for only a portion of the year. One-third of all poor women of childbearing age are uninsured. Medicaid reached only 46 percent of the poor and near-poor population in 1985, down from 65 percent in 1969. Title V Maternal and Child Health Clinics serve only a fraction of all uninsured mothers and children; clinics throughout the country report enormous waiting lists. In 1985, WIC reached fewer than half the women, infants, and children eligible; 10 States served 30 percent or fewer of their WIC-eligible populations.

Mr. President, the problem we face is well-defined. We know what to do. Study after study has shown that more than any other factor, adequate prenatal and post partum care reduces infant mortality and low birthweight. It is time to act, and the bill we introduce today is a very significant step in the right direction. I urge my colleagues to join with us in cosponsoring this important bill and working for its quick passage.

There being no objection, the material mentioned earlier was ordered to be printed in the RECORD, as follows:

The birth of infants weighing less than 2,500 grams, and particularly those of 1,500 grams or less, imposes a large economic burden on our nation by contributing substantially to neonatal mortality, to disability among surviving infants, and to the cost of health care.

The provision of adequate prenatal services, as currently practiced, to all pregnant women who receive public assistance and who have attained less than a high school education would require increased expenditures, but would decrease the overall fiscal outlays of governmental agencies for the care of the low birthweight infants born to these high-risk women. Savings in the cost of care of low birthweight children would probably more than offset the additional cost for the prenatal services. Similarly, further net savings in overall fiscal outlays for the care of low birthweight children would be likely to result from the provision of appropriate prenatal services to other groups of women who are at high risk of delivering low birthweight infants.

TABLE 10.10.—COST SAVINGS AT DIFFERENT LOW BIRTHWEIGHT [LBW] RATES

LBW rate (percent)	Total LBW infant costs (TC_0)	Reduction in cost of LBW infant care (TC_0)	Outlays for additional prenatal care (TC_1)	Net cost savings (TC_0-TC_1)
11.5	$188,231,351			
10	163,682,681	$24,548,670	$12,107,200	$12,439,470
9	147,318,844	40,912,507	12,107,200	28,805,307

Note.—See Table 10.1 for definitions and formulas.

Source: Preventing Low Birthweight, National Academy Press, 1985.

INFANT MORTALITY RATES IN THE UNITED STATES, 1983 FINAL DATA

Rank and State		Number of live births	Number of infant deaths	Infant mortality rate
1	New Hampshire	13,799	119	8.6
2	Vermont	7,954	69	8.7
3	Maine	16,666	145	8.7
4	Utah	39,474	346	8.8
5	North Dakota	12,380	110	8.9
6	Iowa	43,262	386	8.9
7	Montana	14,063	126	9.0
8	Massachusetts	76,081	690	9.1
9	Hawaii	19,123	180	9.4
10	Arizona	53,785	511	9.5
11	Washington	68,680	653	9.5
12	Oregon	39,977	385	9.6
13	Wisconsin	72,558	698	9.6
14	California	436,143	4,233	9.7
15	Wyoming	10,268	101	9.8
16	New York	248,617	2,872	11.6
17	Minnesota	65,563	644	9.8
18	Nebraska	26,232	259	9.9
19	Delaware	9,230	92	10.0
20	New Mexico	27,617	277	10.0
21	Colorado	54,662	548	10.0
22	Connecticut	41,097	416	10.1
23	Kansas	40,399	416	10.3
24	Nevada	14,312	153	10.7
25	Arkansas	34,996	373	10.7
26	Missouri	75,599	810	10.7
27	South Dakota	12,526	135	10.8
28	Idaho	18,748	203	10.8
29	West Virginia	25,882	283	10.9
30	Oklahoma	56,902	618	10.9
31	Texas	295,249	3,265	11.1
32	Ohio	158,769	1,775	11.2
33	Pennsylvania	158,201	1,784	11.3
34	Indiana	80,814	923	11.4
35	New Jersey	99,194	1,137	11.5
36	Kentucky	54,701	632	11.6
37	Rhode Island	12,595	147	11.7
38	Maryland	63,944	752	11.8
39	Michigan	133,118	1,569	11.8
40	Virginia	80,732	962	11.9

INFANT MORTALITY RATES IN THE UNITED STATES, 1983 FINAL DATA—Continued

Rank and State		Number of live births	Number of infant deaths	Infant mortality rate
41	Florida	149,078	1,816	12.2
42	Alaska	11,998	149	12.4
43	Illinois	178,885	2,224	12.4
44	Tennessee	65,481	836	12.8
45	Alabama	59,061	774	13.1
46	North Carolina	83,884	1,106	13.2
47	Georgia	90,032	1,205	13.4
48	Louisiana	82,514	1,115	13.5
49	South Carolina	50,755	760	15.0
50	Mississippi	44,000	665	15.1
51	District of Columbia	9,333	180	19.3
	U.S. total	3,638,933	40,627	11.2
	White	2,904,250	28,301	9.7
	Nonwhite	1,320,710	23,568	17.8
	South	1,331,373	16,244	12.2
	Non-South	2,307,560	24,383	10.6

Note.—All data is 1983 final data from the National Center for Health Statistics.

SOUTHERN REGIONAL TASK FORCE ON INFANT MORTALITY

[Cost comparisons for low-birthweight infants]

	Normal weight baby (8 pounds)	Low birth weight baby (4 pounds)	Low birth weight baby requiring institutionalization
Prenatal care	$400	0	0
Hospital costs (mother)	800	$800	$800
Hospital costs (baby)	400	[1] 20,000	20,000
Re-hospitalization (first year)	0	[2] 10,000	10,000
Institutional costs (over 20 years)	0	0	359,000
Pediatric health care	[4] 400	[4] 4,000	
Rehabilitative costs	0	[3] [4] 20,000	
Total	[4] 2,000	[4] 54,800	[5] 389,800

[1] Approximately 30 percent of babies born to women with no prenatal care require hospitalization.

[2] Approximately 16 percent of low birth babies require re-hospitalization.

[3] Approximately 20 percent of low birth weight babies incur rehabilitative costs.

[4] Per year.

[5] Per child.●

● Mr. KENNEDY. Mr. President, this year, 287,000 babies will be born with low birthweight causing two-thirds of all infant mortality. A low-birthweight infant is 40 times more likely to die in the first month of life, 5 times more likely in the first year. Over the last decade, there have been solid gains in reducing the number of low-birthweight births. While there are many causes of low birthweight, there is one simple and effective solution: medical care during pregnancy.

Today, I am introducing with my colleagues in both the Senate and the House of Representatives a bill to make medical care more available to women and children. This measure will allow States to extend the Medicaid program to pregnant women and their infants who have poverty-level incomes but who are above the AFDC level for their State. This measure was recommended by the Southern Governors' Task Force on Infant Mortality and unanimously endorsed by the National Governors' Association.

There are 3.4 million women of child-bearing age who may benefit from this step. Medicaid coverage will give them access to prenatal care which has been shown to bring down the rate of low birthweight by one-half to two-thirds. If we can reduce this rate by even 1 percent, we can save $42.5 million.

Countless families will be saved the anxiety of having a hospitalized infant. Thousands of babies will be saved from a lifetime of disability. And many infant lives will be saved. In addition, this measure may allow women who are trying to get off welfare to do so without sacrificing access to health care for themselves when they are pregnant or for their infants.

I believe the step we are taking today is a rational one. Universal access to health care for pregnant women and children should be our goal. This expansion of the Medicaid Program will take us one step closer to it.●

● Mr. BENTSEN. Mr. President, S. 2333 is an important bill, a bill that will take us a long way toward improving access to health services for women and infants at risk. For several years, I and a number of my colleagues have worked to improve targeting of Medicaid services for this population.

I am pleased today to be a part of yet another step in our effort to extend needed care to a vulnerable and often overlooked population. Governor Riley of South Carolina and the Southern Governors Task Force on Infant Mortality are to be congratulated both for developing a set of policy goals and for the educational campaign which they undertook in an effort to improve public understanding of the need for these changes.

It is now general knowledge that significant savings—financial as well as social—are associated with early intervention through good prenatal programs and preventive care for infants. As most of my colleagues are already aware, numerous studies have shown that an expenditure of $1 in prenatal services can yield as much as $12 in savings through reduced costs of intensive neonatal care and the long-term institutional expenditures that often accompany the handicaps associated with premature birth and low birthweight.

As Governor Riley's task force has shown, 10 of the 11 States with the most severe infant mortality rates are in the Southern region of the United States. In the South, it is estimated that 1 of every 15 mothers is likely to have a child with a discernible mental or physical handicap. While the national average is 6.8 percent, 7.6 percent of all babies born in the Southern States are low in birthweight—which is, of course, closely correlated with high rates of infant mortality, and the incidence of lifelong handicapping conditions.

Technically, S. 2333 assumes that States will be offered the option of extending coverage to those women and infants whose incomes exceed the current eligibility threshold for Medicaid, but who, nevertheless, are below 100 percent of the poverty level. While I am hopeful that we will be able to provide services to this entire population on enactment, it may be necessary to adjust eligibility to comply with final Congressional Budget Office cost estimates. However, if such a change is needed, I hope that members of the Finance Committee will join me in support of implementing this change as quickly as costs allow.

In sum, Mr. President, passage of S. 2333 will permit States to improve access to health care by restructuring eligibility and benefits under the Medicaid Program according to local priorities. I invite my colleagues to join with us in support of that goal.●

Mr. THURMOND. Mr. President, today my colleagues and I are introducing legislation which represents a major initiative toward reducing the high infant mortality rate of this Nation.

The United States has a higher infant mortality rate than many other developed countries such as Sweden, Japan, Denmark, Norway, France, Spain, Canada, East Germany, and the United Kingdom. Recent statistics indicate that for every 1,000 live births, approximately 11 babies will die before the age of 1 year. In my home State of South Carolina the problem is greater, with 15 deaths for every 1,000 live births.

Mr. President, two-thirds of infant deaths occur in the neonatal period—the first month of life. The factor most commonly associated with these newborn deaths is low birthweight. The smaller the baby, the poorer the chances of healthy survival. A low-birthweight baby is more likely to need costly special care. In addition, low-birthweight babies also have significantly higher rates of rehospitalization. To address the problem of low-birthweight infants, the Medicaid system needs to be improved. This legislation is designed to accomplish that goal.

Mr. President, Medicaid plays a critical role as the Nation's principal financing source for the health care of mothers and children who are financially unable to help themselves. However, as many as 3.4 million poor pregnant women a year are denied vital prenatal care because they are ineligible for Medicaid. Without proper prenatal care, many unnecessary low-birthweight babies are born who need significant ongoing medical attention. This, of course, means additional medical expenses. In many cases, the high medical expenses associated with low-birthweight babies drain the financial resources of the mother until she then becomes eligible for Medicaid. Medicaid then must pick up the tab for the expensive institutional medical treatment.

Mr. President, what is needed, and what this legislation provides, is an approach geared toward preventative medicine. Under this legislation, the Medicaid law would be amended to allow States, with an Aid to Families With Dependent Children [AFDC] standard of need above 50 percent of the Federal poverty level, to target Medicaid assistance to pregnant women and infants, without the State also being required to raise AFDC payments to this group. This action would be completely optional with the States. The idea behind this change is to remove a financial obstacle for many States that want to provide a compenhensive maternity and infant health-care package to indigent women, but have not done so because of the high cost of State matching requirements for AFDC payments.

Mr. President, the cost of this bill will be $100 million to the Federal Government. This amount has already been added to the Domenici-Chiles budget plan to cover the cost of the expansion, after the Budget Committee gave it careful consideration.

Mr. President, I want to emphasize that these moneys spent now will prove cost-effective over the long run. The American Academy of Pediatrics reported in 1984 that for every dollar spent on prenatal care, $2 to $10 can be saved down the road. "An ounce of prevention is worth a pound of cure." This is the approach of this legislation, and I urge my colleagues to support this bill.

By Mr. THURMOND:

S. 2334. A bill to amend section 207 of title 18, United States Code, to prohibit Members of Congress and officers and employees of any branch of the U.S. Government from attempting to influence the U.S. Government or from representing or advising a foreign entity for a proscribed period after such officer or employee leaves Government service, and for other purposes; to the Committee on the Judiciary.

INTEGRITY IN POSTEMPLOYMENT ACT

Mr. THURMOND. Mr. President, today, I am introducing tough, new legislation that will restrict all Federal employees from lobbying the Federal Government for 1 year, and from working for a foreign entity for 2 years, after they leave Government service.

This legislation also mandates a complete prohibition on certain high-level Federal officials from ever representing, assisting, advising, or lobbying in behalf of a foreign government or entity.

Mr. President, the potency of this legislation is that it applies to all Federal employees, regardless of rank,

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grade, or status, and that it mandates criminal penalties for violations—including fines of up to $250,000 and prison terms of up to 2 years.

It is a proposal whose time has come, and one which seeks to maintain public confidence and integrity in Federal Government service. In its simplest form, it provides a uniform, straightforward, and enforceable way to prevent those who are employed by the Federal Government from leaving public service and marketing their access and influence for private gain. It will also terminate violations of public trust by halting very high-ranking Federal officials, who by the nature of their jobs are privy to some of our Government's most sensitive information about national security and trade, from vending that information to a foreign entity.

There is something very disquieting to me, and I suspect the great majority of Americans, about high-level officials leaving the service of the Federal Government and going to work assisting, advising, lobbying, or in any way representing a foreign power for compensation. The absolute prohibition against this practice would help end the problem of foreign entities gaining knowledge and information, in any way, about such things as our Nation's international trade strategy or defense posture from former officials whose knowledge of those issues could do harm to this country if it is conveyed to others.

The officials affected by a lifelong prohibition would include, among others: Cabinet Secretaries; Director of Central Intelligence Agency; Secretaries of the armed services; U.S. Trade Representative; Director of the Federal Bureau of Investigation; and high-ranking White House officials.

Mr. President, this legislation is a starting place for the Congress to consider much-needed changes to the confusing and oftentimes conflicting laws and regulations now governing former Federal officials who lobby the Federal Government or work for a foreign entity. It is an attempt to restore rationality and effectiveness to the ethics provisions applying to the Federal Government. Toward that end, my bill would apply equally to all branches of the Federal Government and to all Federal employees—including Members of Congress, Government-established corporations, and the military.

The Judiciary Committee has tentatively set a hearing on this bill and other lobbying-related issues on April 29. I look forward to hearing testimony on this issue and to working with my colleagues on this important legislation.

Mr. President, I ask unanimous consent that a copy of this legislation be printed in the Record.

There being no objection, the bill was ordered to be printed in the Record, as follows:

S. 2334

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the "Integrity in Post Employment Act of 1986".

SEC. 2. DISQUALIFICATION OF FORMER MEMBERS, OFFICERS, AND EMPLOYEES FROM ATTEMPTING TO INFLUENCE THE UNITED STATES GOVERNMENT OR REPRESENTING OR ADVISING A FOREIGN ENTITY.

(a) Prohibition.—(1) Section 207 of title 18, United States Code, is amended by striking out subsections (b) through (e) and inserting in lieu thereof the following:

"(b) Whoever, having been a Member of Congress, an officer or employee of the United States, including a special Government employee who has served in excess of sixty days during any period of three hundred and sixty-five consecutive days, in the executive, legislative, or judicial branch of the Government, or in any independent agency of the United States, or an officer or employee of a Government corporation, Government controlled corporation, or an independent establishment as defined in section 104 of title 5—

"(1) Within one year after termination of employment with the intent to influence makes any oral or written communication to any Member of Congress, officer or employee of the United States, including a special Government employee, in the executive, legislative, or judicial branch of the Government, or in any independent agency of the United States on behalf of another person (other than the United States) for compensation, financial gain, or other remuneration; or

"(2) within two years after termination of employment—

"(A) is employed by, or advises, represents, or assists any foreign entity for compensation, financial gain, or other remuneration; or

"(B) with intent to influence makes any oral or written communication to any Member of Congress, officer or employee of the United States, including a special Government employee, in the executive, legislative, or judicial branch of the Government, or in any independent agency of the United States on behalf of any foreign entity for compensation, financial gain, or other remuneration,

shall be fined not more than $250,000 or imprisoned not more than two years, or both.

"(c) Whoever, having been employed in a position listed in section 5312 or 5313 of title 5 or under section 105(a)(2)(A) of title 3, at any time after termination of employment—

"(1) is employed by, or advises, represents, or assists in any way, directly or indirectly, a foreign entity; or

"(2) with intent to influence makes any oral or written communication to any Member of Congress, officer, or employee of the United States, including a special Government employee, in the executive, legislative, or judicial branch of the Government, or in any independent agency of the United States on behalf of any foreign entity,

shall be fined not more than $250,000 or imprisoned not more than two years, or both.

"(d)(1) The prohibitions of subsections (a) through (c) shall not apply to a former Member, officer, or employee who is acting in his official capacity as an elected official of a Federal, State, or local government.

"(2) The prohibition of subsection (b)(1) shall not apply to an attorney appearing in a judicial proceeding before a court of the United States.".

(2) Section 207 of title 18, United States Code, is further amended—

(A) by striking out subsections (h) and (i);

(B) in subsection (f) by designating such subsection as subsection (e) and striking out "subsections (a), (b), and (c)" and inserting in lieu thereof "subsection (a)";

(C) by redesignating subsection (g) as subsection (f);

(D' in subsection (j) by redesignating such subsection as subsection (g) and striking out "subsection (a), (b), or (c)" in the first sentence and inserting in lieu thereof "subsection (a)"; and

(E) by inserting at the end thereof the following:

"(h) For purposes of this section the term 'foreign entity' means—

"(1) a foreign country;

"(2) a foreign political party;

"(3) a person outside of the United States, unless it is established that such person is an individual and a citizen of the United States, or that such person is not an individual and is organized under or created by the laws of the United States or of any State or other place subject to the jurisdiction of the United States and has its principal place of business within the United States; or

"(4) a partnership, association, corporation, organization, or other combination of persons organized under the laws of or having its principal place of business in a foreign country.".

(3) Subsection (a) of section 207 of title 18, United States Code, is amended by striking out "; or" at the end thereof and inserting in lieu thereof a comma and the following:

"shall be fined not more than $250,000 or imprisoned not more than two years, or both.".

(b) Amendment to Caption.—(1) Section 207 of title 18, United States Code, is further amended by striking out the caption for such section and inserting in lieu thereof the following:

"§ 207. Disqualification of former Members and employees and officers of any branch of Government from attempting to influence the United States Government or representing or advising a foreign entity".

(2) The table of sections for chapter 11 of title 18, United States Code, is amended by striking out the item relating to section 207 and inserting in lieu thereof the following:

"207. Disqualification of former Members and employees and officers of any branch of Government from attempting to influence the United States Government or representing or advising a foreign entity.".

SEC. 3. EFFECTIVE DATE.

The amendments made by section 2 of this Act shall be effective upon the date of enactment of this Act.

By Mr. ABDNOR (for himself, Mr. Burdick, and Mr. Pressler):

S. 2336. A bill to protect United States cattlemen from imports of live Canadian cattle, and to require the International Trade Commission to conduct a section 201 investigation of

such imports; to the Committee on Finance.

MORATORIUM ON BEEF IMPORTS FROM CANADA

● Mr. ABDNOR. Mr. President, cattlemen in my home State of South Dakota and all across the United States have been suffering from years of economic stress. High interest rates, natural disasters, and imports of live cattle have left cattlemen without a profit and many are on the verge of bankruptcy.

Let me remind my colleagues that the American cowboy is a noble man who generally believes that little or no Government involvement in his industry is good. Ranchers do not derive any benefits from Federal farm programs and they don't want any. They haven't asked for handouts; instead, they are just asking for a fair shake.

Unfortunately, cattlemen haven't been getting a fair shake. Imports of live cattle have been streaming across our borders. Some of this beef is subsidized and unfairly undercuts in price the healthy, wholesome beef produced by American cattlemen. And while all beef entering the American market possibly isn't subsidized, this beef enjoys a de facto subsidy due to the high value of the U.S. dollar which allows foreign beef to be priced 20 to 30 percent below U.S. beef.

Of major concern to America's cattle industry is beef being imported from Canada. Canadian cattle have been pouring across our northern border. In my home State of South Dakota, semitruck loads of live cattle arrive every day. The reason for this glut of Canadian cattle on United States markets is threefold. First, it is the result of an over-valued U.S. dollar. Canadian beef producers enjoy an effective 20 percent or more subsidy in today's market. Second, imports of Canadian cattle are the result of provincial and national beef stabilization programs which give Canadian producers an unfair competitive advantage. Canada's National Beef Stabilization Program as well as provincial programs injure United States producers since our cattlemen do not benefit from such programs. Third, the herds of Canadian cattle on United States markets are the result of Canada's import policies which result in backdoor brokering. Backdoor brokering results when domestic beef in Canada is displaced by imports and when that domestically produced Canadian beef spills into the United States to make way for the imports. In essence, the United States beef market serves as a safety valve for anything Canada cannot consume.

At the present time Canada is importing subsidized beef from the European Community [EC]. Subsidized beef imports from the European Economic Community to Canada may be displacing domestically-produced Canadian beef to such an extent that Canadian cattle are being imported into the United States in increased quantities. This subsection or backdoor brokering needs immediate attention.

In 1983, Canada imported around 13 to 14 million pounds of beef products from the EC. In 1984, this rose to almost 50 million pounds.

Today I am introducing legislation to stop backdoor brokering from Canada. The legislation places a moratorium on the importation of live Canadian cattle.

The moratorium would remain in place while the International Trade Commission [ITC] undertakes and completes within 6 months a study under section 201 of the Trade Act of 1974 to determine if live cattle from Canada are being imported in such increased quantities as to be a substantial cause of serious injury to the beef industry in those States which serve as the major market areas for Canadian cattle. These States include Washington, Oregon, Idaho, Montana, Wyoming, North Dakota, South Dakota, and Minnesota.

Upon completion of the study, the moratorium would be lifted if the ITC did not find serious injury to the livestock industry. If, however, serious injury was found, the moratorium would remain in effect. The ITC would periodically update the study, not less than twice each year. If, as a result of any study update, the ITC found that the injury is no longer serious, the moratorium would be lifted.

Unless Congress takes action to stop backdoor brokering from Canada and protect United States cattlemen from unfair imports, the demise of the cattle industry and small ranchers and feeders will continue. Cattlemen aren't looking for a handout. They are only asking for a fair shake.●

By Mr. ROCKEFELLER (for himself, Mr. Bingaman, Mr. Byrd, Mr. Riegle, Mr. Levin, Mr. Baucus, Mr. Chiles, Mr. Heinz, Mr. DeConcini, Mr. Hart, Mr. Gore, Mr. Cohen, Mr. Danforth, Mr. Pryor, Mr. Inouye, Mr. Gorton, Mr. Lautenberg, Mr. Leahy, Mr. Bumpers, Mr. Metzenbaum, Mr. Mitchell, Mr. Exon, Mr. Cranston, Mr. Eagleton, Mr. Dodd, Mr. Dixon, Mr. Matsunaga, Mr. Kerry, Mr. Kennedy, Mr. Chafee, Mr. Moynihan, Mr. Hollings, Mr. Ford, Mr. Proxmire, Mr. Pell, and Mr. Bradley.

S.J. Res. 327. Joint resolution to provide for the President to report on the status and implementation of the recommendations of the President's Commission on Industrial Competitiveness; to the Committee on Finance.

(The remarks of Mr. Rockefeller and others, and the text of the legislation appear earlier in today's Record.)

ADDITIONAL COSPONSORS

S. 377

At the request of Mr. DeConcini, the name of the Senator from South Carolina [Mr. Hollings] was added as a cosponsor of S. 377, a bill to provide for a General Accounting Office investigation and report on conditions of displaced Salvadorans, to provide certain rules of the House of Representatives and of the Senate with respect to review of the report, to provide for the temporary stay of detention and deportation of certain Salvadorans, and for other purposes.

S. 1736

At the request of Mr. Pressler, the name of the Senator from Maryland [Mr. Sarbanes] was added as a cosponsor of S. 1736, a bill to amend the Public Health Service Act to provide assistance for education, research, and treatment programs for Alzheimer's disease and related disorders, and for other purposes.

S. 1806

At the request of Mr. Boren, the name of the Senator from Delaware [Mr. Biden] was added as a cosponsor of S. 1806, a bill to amend the Federal Election Campaign Act of 1971 to change certain contribution limits for congressional elections and to amend the Communications Act of 1934 regarding the broadcasting of certain material regarding candidates for Federal elective office, and for other purposes.

S. 2030

At the request of Mr. Pryor, the names of the Senator from Illinois [Mr. Simon], the Senator from Vermont [Mr. Leahy], the Senator from Hawaii [Mr. Matsunaga], and the Senator from Montana [Mr. Baucus] were added as cosponsors of S. 2030, a bill to establish an alternative procedure for the review of bid protests under the Competition in Contracting Act, and for other purposes.

S. 2103

At the request of Mr. McClure, the name of the Senator from Wyoming [Mr. Wallop] was added as a cosponsor of S. 2103, a bill to clarify the application of the Clayton Act with respect to rates, charges, or premiums filed with State insurance departments or agencies.

S. 2176

At the request of Mr. Boren, the names of the Senator from Tennessee [Mr. Gore], the Senator from Colorado [Mr. Hart], the Senator from Vermont [Mr. Leahy], and the Senator from Tennessee [Mr. Sasser] were added as cosponsors of S. 2176, a bill to amend chapter 11 of title 18, United States Code, to prohibit any former high-level Federal civilian officer or employee or high-ranking officer of a uniformed service from representing or advising a foreign principal for a

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period of at least 5 years after leaving Government service.

S. 2187

At the request of Mr. DeConcini, the names of the Senator from North Dakota [Mr. Burdick], and the Senator from Massachusetts [Mr. Kennedy] were added as cosponsors of S. 2187, a bill to amend title 38, United States Code, to exempt from sequestration certain benefits for veterans and dependents and survivors of certain veterans which are paid based on the service-connected disability or death of veterans.

S. 2209

At the request of Mr. Dole, the name of the Senator from California [Mr. Wilson] was added as a cosponsor of S. 2209, a bill to make permanent and improve the provisions of section 1619 of the Social Security Act, which authorizes the continued payment of SSI benefits to individuals who work despite severe medical impairment; to amend such act to require concurrent notification of eligibility for SSI and Medicaid benefits and notification to certain disabled SSI recipients of their potential eligibility for benefits under such section 1619; to provide for a GAO study of the effects of such section's work incentive provisions; and for other purposes.

At the request of Mr. Humphrey, the name of the Senator from Idaho [Mr. Symms] was added as a cosponsor of S. 2261, a bill to amend the Service Contract Act of 1965 to reform the administration of such act, and for other purposes.

S. 2273

At the request of Mr. Kasten, the name of the Senator from Washington [Mr. Gorton] was added as a cosponsor of S. 2273, a bill to amend the Internal Revenue Code of 1954 to deny the tax exemption for interest on industrial development bonds used to finance acquisition of farm property by foreign persons.

S. 2288

At the request of Mr. Chiles, the names of the Senator from Hawaii [Mr. Inouye] and the Senator from Connecticut [Mr. Dodd] were added as cosponsors of S. 2288, a bill to amend title XIX of the Social Security Act to permit States the option of providing prenatal, delivery, and postpartum care to low income pregnant women and of providing medical assistance to low-income infants under 1 year of age.

S. 2295

At the request of Mr. Goldwater, the name of the Senator from Missouri [Mr. Eagleton] was added as a cosponsor of S. 2295, an original bill to amend title 10, United States Code, to reorganize and strengthen certain elements of the Department of Defense, to improve the military advice provided the President, the National Security Council, and the Secretary of Defense, to enhance the effectiveness of military operation, to increase attention to the formulation of strategy and to contingency planning, to provide for the more efficient use of resources, to strengthen civilian authority in the Department of Defense, and for other purposes.

S. 2300

At the request of Mr. Stafford, the name of the Senator from New Hampshire [Mr. Humphrey] was added as a cosponsor of S. 2300, a bill to amend the Toxic Substances Control Act so as to require the Environmental Protection Agency to set standards for identification and abatement of hazardous asbestos in Federal and other buildings, and for other purposes.

SENATE JOINT RESOLUTION 264

At the request of Mr. Pryor, the names of the Senator from Montana [Mr. Baucus] and the Senator from New Jersey [Mr. Lautenberg] were added as cosponsors of Senate Joint Resolution 264, a joint resolution designating April 28, 1986, as "National Nursing Home Residents Day."

SENATE JOINT RESOLUTION 271

At the request of Mr. Riegle, the name of the Senator from Tennessee [Mr. Sasser] was added as a cosponsor of Senate Joint Resolution 271, a joint resolution designating "Baltic Freedom Day."

SENATE JOINT RESOLUTION 318

At the request of Mr. Abdnor, the names of the Senator from West Virginia [Mr. Byrd], the Senator from Arizona [Mr. DeConcini], and the Senator from Nebraska [Mr. Zorinsky] were added as cosponsors of Senate Joint Resolution 318, a joint resolution designating November 1986 as "National Diabetes Month."

SENATE RESOLUTION 369

At the request of Mr. McConnell, the name of the Senator from North Carolina [Mr. Helms] was added as a cosponsor of Senate Resolution 369, a resolution relating to trade between the United States and the Republic of Korea.

SENATE CONCURRENT RESOLUTION 129—EXPRESSING OPPOSITION TO EUROPEAN ECONOMIC COMMUNITY RESTRICTIONS ADVERSELY AFFECTING UNITED STATES AGRICULTURAL EXPORTS

Mr. DOLE (for Mr. Helms, for himself, Mr. Dole, Mr. Zorinsky, Mr. Wilson, Mr. Boren, Mr. Boschwitz, Mr. Danforth, Mr. Abdnor, Mr. Cochran, Mr. Exon, Mr. Gore, Mr. Harkin, Mr. Riegle, Mr. Symms, Mr. Thurmond, Mr. Gramm, Mr. Mattingly, Mr. Nickles, Mr. Pressler, Mr. Dixon, and Mr. Andrews) submitted the following concurrent resolution; which was considered and agreed to:

S. Con. Res. 129

Whereas, as part of the terms under which Spain and Portugal joined the European Community in January of this year, the European Community has imposed quotas on oilseeds and oilseed products in Portugal, in violation of the General Agreement on Tariffs and Trade (GATT);

Whereas the European Community has imposed a quota requiring that Portugal purchase at least 15.5 percent of its grain from other European Community countries, in violation of the GATT;

Whereas the European Community has replaced GATT-bound 20 percent tariffs on corn and grain sorghum imports entering Spain with the European Community's variable levy system, which is currently equivalent to a tariff of more than 100 percent, before negotiating compensation as agreed to previously and directed by international trade rules;

Whereas the restrictions imposed by the European Community will impair access for as much as $1 billion worth of United States agricultural products to markets in Portugal and Spain and adversely affect the economic livelihood of United States farmers and related industries;

Whereas, despite Cabinet-level approaches to the European Community in recent months, the European Community has been unwilling to rescind the illegal quotas or to compensate the United States for the damage caused by the higher tariffs;

Whereas prior enlargements of the European Community in 1973 and 1981 have adversely affected United States agricultural exports to the Community;

Whereas the President on March 31 announced his intention to use existing authority to respond to the restrictions of the European Community by imposing quotas and tariff increases or by withdrawing tariff bindings to produce equivalent restrictive effects or comparable loss of trade on European Community imports into the United States; and

Whereas the President's proposed actions to defend legitimate United States trade interests are consistent with his belief in a free but fair trade policy: Now, therefore, be it

Resolved by the Senate (the House of Representatives concurring), That it is the sense of Congress that—

(1) the Administration should continue to firmly oppose actions by the European Community to (A) impose quotas on oilseeds and oilseed products in Portugal, (B) impose a grain purchase requirement quota on Portugal, and (C) place variable levies on corn and grain sorghum entering Spain before negotiating compensation; and

(2) Unless the European Community rescinds the trade-restrictive measures referred to in clause (1) or the United States receives prompt and complete compensation for any loss of trade resulting from the enlargement of the European Community, the Administration should take actions, such as the President has announced, to impose trade restrictions on a sufficient value of exports of the European Community to the United States to reestablish the balance of concessions under the GATT and other international trade agreements.

Sec. 2. The Secretary of the Senate shall transmit copies of this resolution to the President, the Secretary of State, the Secretary of Agriculture, the Secretary of Commerce, the Secretary of the Treasury, the United States Trade Representative, the Head of the Delegation of the European Community to the United States, and the Ambassadors to the United States for each of the member states of the European Community.

SENATE CONCURRENT RESOLUTION 130—RECOGNIZING A VISIT BY DESCENDANTS OF CERTAIN SETTLERS OF SOUTH CAROLINA TO SWITZERLAND AS AN INTERNATIONAL GESTURE OF GOODWILL

Mr. HOLLINGS submitted the following concurrent resolution; which was referred to the Committee on the Judiciary.

S. Con. Res. 130

Whereas in 1732 Jean Pierre Purry, under the auspices of the British authorities, founded the town of Purrysburg in the lower south eastern portion of South Carolina, on the Savannah River;

Whereas Colonel Purry, a native of Neufchatel, Switzerland, had promoted the colonization of Carolina and gathered a group of settlers from among the industrious and diligent Swiss;

Whereas the town of Purrysburg, South Carolina, was originally chartered as Swiss Quarter and prospered during its early years, boasting strong commercial, civil, religious, and military activities;

Whereas during the Revolutionary War, Purrysburg served as a headquarters for General Benjamin Lincoln;

Whereas President George Washington shared the Huguenot descent of the Purrysburg settlers and visited the town during a tour of the Southern States;

Whereas Purrysburg was abandoned after the Revolutionary War as the result of the growth of coastal cities such as Charleston; and

Whereas the descendents of the original settlers of Purrysburg, South Carolina, are visiting Neufchatel, Switzerland in October of 1986: Now, therefore, be it

Resolved by the Senate (the House of Representatives concurring), That the Congress recognizes the visit by the descendants of the original settlers of Purrysburg, South Carolina, to Neufchatel, Switzerland in October of 1986 as an international gesture of goodwill.

SENATE CONCURRENT RESOLUTION 131—RELATING TO THE RELEASE AND SAFE PASSAGE OF NAUM MEIMAN AND INNA KITROSSKAYA-MEIMAN

Mr. HART (for himself, Mr. Boschwitz, Mr. DeConcini, Mr. Grassley, Mr. Moynihan, and Mr. Mathias) submitted the following concurrent resolution; which was referred to the Committee on Foreign Relations:

S. Con. Res. 131

Whereas the Helsinki Final Act of the Conference on Security and Cooperation in Europe commits the signatory countries to respect human rights and fundamental freedoms;

Whereas the signatory countries have pledged themselves to "fulfill in good faith their obligations under international law";

Whereas the signatory countries to the Final Act have declared their responsibility to "deal in a positive and humanitarian spirit with applications of persons who wish to be reunited with members of their family, with special attention being given to requests of an urgent character such as requests submitted by persons who are ill and old";

Whereas the Concluding Document of the Madrid meeting of the Conference on Security and Cooperation in Europe provides for the signatories to "favorably deal with" and "decide upon" applications for family reunification and to decide on such applications "within six months";

Whereas the Universal Declaration of Human Rights guarantees to all the rights of freedom of thought, conscience, religion, opinion, and expression;

Whereas the Declaration also affirms that "the family is the natural and fundamental group unit in society";

Whereas the International Covenant on Civil and Political Rights guarantees that "everyone shall be free to leave any country, including his own";

Whereas the Soviet Union signed the Helsinki Final Act and the Concluding Document of the Madrid Conference, is obligated to respect the Universal Declaration of Human Rights, and has ratified the International Covenant on Civil and Political Rights;

Whereas Naum Meiman and Inna Kitrosskaya-Meiman have applied for emigration visas for reasons of conscience and family reunification;

Whereas Dr. Meiman's application for emigration has been pending since 1974 and Mrs. Kitrosskaya-Meiman's application has been pending since 1979;

Whereas Dr. Meiman and Mrs Kitrosskaya-Meiman seek to join their daughter, Mrs. Olga Plam, who currently resides in Boulder, Colorado;

Whereas both Dr. Meiman and his wife have been subjected to continual harassment and are in urgent need of medical treatment unavailable in the Soviet Union;

Whereas the departure of Dr. Meiman with his background in advanced science and mathematics would pose no threat to Soviet national security, a fact confirmed by the signed statement of I.V. Chuvilo, director of the Soviet Institute of Theoretical and Experimental Physics, who stated that none of Dr. Meiman's work has been classified; and

Whereas the Soviet Union has shown little willingness to abide by its international obligations to expedite emigration cases which would promote family reunification and the resolution of the urgent medical cases of Dr. Meiman and his wife: Now, therefore, be it

Resolved by the Senate (the House of Representatives concurring), That it is the sense of the Congress that in view of the Helsinki Final Act of the Conference on Security and Cooperation in Europe, the Concluding Document of the Madrid meeting of the Conference on Security and Cooperation in Europe, the Universal Declaration of Human Rights, and the International Covenant on Civil and Political Rights, the Soviet Union—

(1) should immediately approve the exit visa applications of Dr. Naum Meiman and his wife, Mrs. Inna Kitrosskaya-Meiman; and

(2) should, upon approval of their visas, arrange for Dr. Meiman and his wife the appropriate means to facilitate their trip to the country of their choice.

Sec. 2. The Congress urges the President—

(1) to protest the Soviet Government's refusal to consider expeditiously the exit visa applications of Dr. Meiman and his wife;

(2) to call upon all other signatory nations of the Helsinki Final Act of the Conference on Security and Cooperation in Europe to join in such protests; and

(3) to instruct the United States delegation to the meeting of experts on human contacts organized under the auspices of the Conference on Security and Cooperation in Europe in Bern, Switzerland to pursue vigorously the case of Dr. Meiman and his wife.

Sec. 3. The Secretary of the Senate shall transmit a copy of this concurrent resolution to the President with the request that he further transmit a copy of such resolution to the Soviet Ambassador to the United States and to the Chairman of the Presidium of the Supreme Soviet of the Union of Soviet Socialist Republics.

● Mr. HART. Mr. President, once again, on behalf of our good friends Naum and Inna Meiman, my colleagues and I are calling on the Soviet Union to adhere to the principles set forth in the conventions on human and political rights to which that nation is a signatory. Today, however, time has become a crucial factor.

Dr. Naum Meiman and his wife, Inna, have been trying for years to emigrate from the Soviet Union and join their daughter, Olga Plam, who is a constituent of mine in Colorado. Inna Meiman is now critically ill from cancer. But it has become clear that new technology exists in the West which would offer Inna Meiman some hope in curing her cancer. Dr. Douglas Zipes, of the University of Indiana, has offered to treat Inna Meiman and to cover the costs of her travel and medical care.

Yet Inna Meiman is still denied an exist visa. It is beyond my understanding what the Soviet authorities have to gain by continuing to deny exit visas to the Meimans. Last year, I raised the Meimans' case directly with then-Foreign Minister Andrei Gromyko and other Soviet officials when I visited Moscow. My colleagues and I have pursued the case with Ambassador Dobrynin and have written to General Secretary Mikhail Gorbachev asking for his help and intervention.

I am pleased to join colleagues from around the country in offering a concurrent resolution to express the sense of the Congress that the Soviet authorities provide for the release and safe passage of Naum and Inna Meiman. I hope that our colleagues will join with us in using this and every other available opportunity and channel of communication to raise the Meimans' case with Soviet officials and diplomats before it is too late.

Mr. President, when I was in the Soviet Union last year, I visited the war memorials and cemeteries which stand as grim reminders of the price paid by the Soviet Union in World War II. I visited the museums and in-

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stitutions which are the sources of so many of the cultural gifts the Russian people have given the world. Yet the single most emotional and moving experience of my visit was the evening I spent with Naum and Inna Meiman—living examples of the triumph of the human spirit. I will never forget the evening I spent with the Meimans, and I hope they will never forget that they are not alone. The Meimans and other Soviet Jews who wish to emigrate have friends and supporters around the world.

Forty years after the holocaust, 40 years after Leningrad, the world is both a vastly different place and a not-so-different place. A generation which knew the horrors of World War II has been succeeded by a generation which must never know the horrors of nuclear war. Acting in good faith, representatives of the United States and the Soviet Union can take tangible steps to lessen the threat of nuclear war. Permission to let Naum and Inna Meiman—brave people who are threats to no one—leave the Soviet Union would be a small but tangible demonstration of Soviet good faith.

Last week, I joined several of my Senate colleagues in calling on the Reagan administration to consider steps to restrict nuclear testing and to demonstrate leadership in accepting the challenge of negotiations devoted to completing a nuclear test ban. Today, I call on the General Secretary of the Soviet Union to demonstrate leadership and accept a challenge of humanitarianism and hope. I join Dr. Zipes in sending this message: Inna Meiman is dying of cancer. Please expedite visas for Naum and Inna Meiman before it is too late. The world watches and awaits your humane response.●

SENATE CONCURRENT RESOLUTION 132—ESTABLISHING A TEMPORARY JOINT COMMITTEE ON THE BUDGET

Mr. COCHRAN submitted the following concurrent resolution; which was referred to the Committee on Rules and Administration:

S. Con. Res. 132

Resolved by the Senate (the House of Representatives concurring),

SECTION. 1. TEMPORARY JOINT COMMITTEE ON THE BUDGET.

(a) Establishment.—There is established a Temporary Joint Committee on the Budget (hereafter in this concurrent resolution referred to as the "Joint Committee").

(b) Composition.—

(1) The Joint Committee shall be composed of the entire membership of the Committee on the Budget of the House of Representatives and the Committee on the Budget of the Senate.

(2) The chairman of the Committee on the Budget of the House of Representatives and the chairman of the Committee on the Budget of the Senate shall serve as cochairmen of the Joint Committee.

(3) A majority vote of the members of the Joint Committee from each House shall be necessary for the Joint Committee to act.

(4) Vacancies in the membership of the Joint Committee shall not affect the power of the ramaining members to execute the functions of the Joint Committee and shall be filled in the same manner as in the case of the original selection.

(5)(A) There is established within the Joint Committee an executive committee, to be composed of—

(i) 6 members of the Committee on the Budget of the House of Representatives designated by the chairman of such committee;

(ii) 5 members of the Committee on the Budget of the House of Representatives designated by the ranking minority member of such Committee;

(iii) 5 members of the Committee on the Budget of the Senate designated by the chairman of such Committee; and

(iv) 4 members of the Committee on the Budget of the Senate designated by the ranking minority member of such Committee.

(B) A majority of the members of the Executive Committee from each House shall be necessary for the executive committee to act.

(c) Duties.—Notwithstanding any other provision of law, or any provision of the Standing Rules of the Senate or the rules of the House of Representatives, the Joint Committee shall have the duty to report concurrent resolutions on the budget required to be reported under title III of the Congressional Budget and Impoundment Control Act of 1974. It shall do so only after considering the recommendations of the executive committee.

(d) Concurrent Resolutions Reported by the Joint Committee.—Any concurrent resolution reported by the Joint Committee shall be reported to each House of the Congress at the same time, in the same form, and with the same contents.

(e) Duties of the Existing Budget Committees.—Except as provided in subsection (c), the Committees on the Budget of the House of Representatives and the Senate shall have the duties assigned to them by the Congressional Budget and Impoundment Control Act of 1974, by part C of the Balanced Budget and Emergency Deficit Control Act of 1965, and by the Standing Rules of the Senate and the Rules of the House of Representatives.

(f) Hearings and Testimony.—The Joint Committee and any subcommittee thereof is authorized to sit and act at such times and places within the United States (whether the Congress is in session, has recessed, or has adjourned) to hold such hearings, to require the attendance of such witnesses and the production of such books, papers, documents, or vouchers by subpoena or otherwise, and to take such testimony, as it deems advisable. A subpoena may be issued over the signatures of either of the co-chairmen of the Joint Committee, or a designee of either, and may be served by any person designated by the person signing it. An oath may be administered by either the co-chairmen of the Joint Committee, or a designee of either.

(g) Staffing.—The staffs of the Committees on the Budget of the House of Representatives and the Senate shall serve as the staff of the Joint Committee.

(h) Records.—The Joint Committee shall keep a complete record of all committee actions, including a record of the votes on any question on which a record vote is demanded.

(i) Treatment of Membership Under Senate Rules.—For purposes of paragraph 4 of rule XXV of the Standing Rules of the Senate, service of a Senator as a member of the Joint Committee, or as a co-chairman of the Joint Committee, shall not be taken into account.

(j) The Joint Committee shall cease to exist at the close of the second session of the 99th Congress.

(k) Exercise of Rulemaking Power.—The provisions of this section are enacted—

(1) as an exercise of the rulemaking power of the Senate and the House of Representatives, respectively, and as such they shall be considered as part of the rules of each House, respectively, or of that House to which they specifically apply, and such rules shall supersede other rules only to the extent that they are inconsistent therewith; and

(2) with full recognition of the constitutional right of either House to change such rules (so far as relating to such House) at any time, in the same manner and to the same extent as in the case of any other rule of such House.

Mr. COCHRAN. Mr. President, today I am introducing legislation which I feel will assist the Congress in dealing with the budget mandates we face in a more expeditious and effective manner.

This is a concurrent resolution calling for the temporary establishment of a Joint Budget Committee. Congressman Bob Michel, the Republican leader in the House of Representatives has introduced identical legislation today in the House.

As we all know, congressional budget deadlines have been difficult to meet in the past, and may be even more difficult this year under the new Gramm-Rudman-Hollings timetables. We have already missed the April 15 deadline for completing action on a concurrent budget resolution for fiscal year 1987. Clearly, without joint congressional action, it may be impossible to meet other deadlines this year.

The Gramm-Rudman-Hollings law provides that, in the event that the reporting procedures now before the Supreme Court are invalidated, there will be established a "Joint Committee on Deficit Reduction," made up of the entire membership of the Budget Committees of the House of Representatives and the Senate. The purpose of this joint committee is to report and pass a joint resolution requiring the President's signature in order to implement any sequestration.

We believe that Congress should not wait until the Supreme Court rules in this case to establish such a Joint Budget Committee. The immediate establishment of a Joint Committee, and commencement of deliberations on a budget resolution for fiscal year 1987, would ensure the best and most efficient implementation of Gramm-Rudman-Hollings and the congressional budget process.

The temporary joint committee we are proposing would have the duty of

reporting a concurrent budget resolution for fiscal year 1987. It would be composed of the entire membership of the Budget Committees of both Houses. The existing Budget Committee Chairmen would serve as cochairmen of the new Joint Committee.

An executive committee made up of one-third of the membership of each Budget Committee would be established to facilitate the proceedings of the much larger joint committee. The executive committee would make recommendations to the full joint committee for its approval or modification.

Establishment of a Joint Budget Committee on a temporary basis would also provide a trial period for determining the feasibility of a permanent Joint Budget Committee, as well as other needed reforms of our budget process.

I hope my colleagues will be able to support this legislation, which I'm convinced, would allow a reasonable and more efficient alternative for achieving our budget goals.

AMENDMENTS SUBMITTED

FEDERAL FIRE PREVENTION AND CONTROL ACT AUTHORIZATION

GORTON AMENDMENT NO. 1793

(Ordered to lie on the table.)

Mr. GORTON submitted an amendment intended to be proposed by him to the bill S. 2180) to authorize appropriations for activities under the Federal Fire Prevention and Control Act of 1974; as follows:

At the end of the bill, add the following:

Sec. 2. (a) The Congress finds—

(1) that various studies of governmental and non-governmental agencies indicate that daylight saving time over an expanded period would produce a significant energy savings in electrical power consumption;

(2) that daylight saving time may yield energy savings in other areas besides electrical power consumption;

(3) that daylight saving time over an expanded period could serve as an incentive for further energy conservation by individuals, companies, and the various governmental entities at all levels of government, and that such energy conservation efforts could lead to greatly expanded energy savings; and

(4) that the use of daylight saving time over an expanded period could have other beneficial effects on the public interest, including the reduction of crime, improved traffic safety, more daylight outdoor playtime for the children and youth of our Nation, greater utilization of parks and recreation areas, expanded economic opportunity through extension of daylight hours to peak shopping hours and through extension of domestic office hours to periods of greater overlap with the European Economic Community.

(b) Section 3(a) of the Uniform Time Act of 1966 (15 U.S.C. 260a(a)) is amended by striking "last Sunday of April" and inserting in lieu thereof "first Sunday of April".

(c) Any law in effect on the date of the enactment of this Act—

(1) adopted pursuant to section 3(a)(2) of the Uniform Time Act of 1966 by a State with parts thereof in more than one time zone, or

(2) adopted pursuant to section 3(a)(1) of such Act by a State that lies entirely within one time zone,

shall be held and considered to remain in effect as the exercise by that State of the exemption permitted by such Act unless that State, by law, provides that such exemption shall not apply.

(d)(1) Notwithstanding any other law or any regulation issued under any such law, the Federal Communications Commission shall, consistent with any existing treaty or other agreement, make such adjustment by general rules, or by interim action pending such general rules, with respect to hours of operation of daytime standard amplitude modulation broadcast stations, as may be consistent with the public interest, including the public's interest in receiving interference-free service.

(2) Such general rules, or interim action, may include variances with respect to operating power and other technical operating characteristics.

(3) Subsequent to the adoption of such general rules, they may be varied with respect to particular stations and areas because of the exigencies in each case.

(e) This section shall take effect 60 days after the date of enactment of this Act, except that if such effective date occurs in any calendar year after March 1, this section shall take effect on the first day of the following calendar year.

COMPREHENSIVE CRIME CONTROL ACT AMENDMENTS

THURMOND (AND OTHERS) AMENDMENT NO. 1794

Mr. THURMOND (for himself, Mr. Biden, Mr. Laxalt, Mr. Kennedy, Mr. Hatch, Mr. Grassley, Mr. Specter, and Mr. East) proposed an amendment to the bill (S. 1236) to amend title 18 of the United States Code and other laws to make minor or technical amendments to provisions enacted by the Comprehensive Crime Control Act of 1984, and for other purposes; as follows:

On page 61, strike out lines 22 through 3 on page 62 and insert in lieu thereof the following:

(1) In subsection (a)(2) by—

(A) redesignating subparagraphs (D) and (E) as subparagraphs (E) and (F), respectively;

(B) amending subparagraph (C) to read as follows:

"(C) the sentence modification provisions set forth in sections 3563(c), 3564, 3573, 3582(c), and 3583(e) of title 18;"; and

(C) adding after subparagraph (C) the following new subparagraph:

"(D) the fine imposition. provision set forth in section 3572 of title 18:";

On page 62, strike out lines 13 through 16 and insert in lieu thereof the following:

(3) in subsection (b) by—

(A) inserting "(1)" after "(b)"; and

(B) designating the second sentence as paragraph (2) and inserting before the period in such paragraph (2) the following: "except that—

"(A) if the maximum term of the range is life imprisonment, the minimum shall not be less than 25 years imprisonment; or

"(B) if the maximum term of the range is one year or less, the maximum shall not exceed the minimum of that range by more than 50 per centum or 60 days, whichever is greater.";

On page 68, between lines 4 and 5, insert the following:

Sec. 16A. Section 213 of the Comprehensive Crime Control Act of 1984 is amended in section 3742 of title 18, United States Code—

(1) in subsections (a)(2), (b)(2), (d)(2), and (e)(1) by striking out "an incorrect" and inserting in lieu thereof "a clearly erroneous construction or"; and

(2) in subsection (e) by—

(A) striking out subparagraph (B) of paragraph (1) and inserting in lieu thereof the following:

"(B) designate the appropriate guideline category and remand the case for imposition of a sentence consistent with its decision;"; and

(B) striking out subparagraphs (A) and (B) of paragraph (2) and inserting in lieu thereof the following:

"(A) if it determines that the sentence is too high and the appeal has been filed under subsection (a), it shall set aside the sentence and remand the case for imposition of a sentence consistent with its decision;

"(B) if it determines that the sentences is too low and the appeal has been filed under subsection (b), it shall set aside the sentence and remand the case for imposition of a sentence consistent with its decision; or".

THURMOND AMENDMENT NO. 1795

Mr. THURMOND proposed an amendment to the bill S. 1236, supra; as follows:

On page 67, line 8, after "contract" insert ", subject to appropriations,".

NOTICE OF HEARINGS

COMMITTEE ON ENERGY AND NATURAL RESOURCES

Mr. McCLURE. Mr. President I would like to announce, for the information of the Senate and the public, that the Committee on Energy and Natural Resources will hold an oversight hearing on the implementation of the Public Utility Regulatory Policies Act of 1978. The hearing will focus on the growth of cogeneration and small power production since passage of the act, and on the need for any modifications to the act. Testimony will be received on the price paid by utilities for power from qualifying facilities, the effect of such purchases on the operation and reliability of utility systems, and the environmental impacts of construction and operation of qualifying hydroelectric facilities. The committee also invites testimony on other relevant issues.

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The hearing will be held on June 3, 1986 beginning at 10 a.m. in room SD-366 in the Dirksen Senate Office Building in Washington, DC.

Those wishing to testify or to submit written statements should contact the Committee on Energy and Natural Resources, room SD-358 Dirksen Senate Office Building, Washington, DC, 20510. Witnesses may be placed on panels, and are requested to submit 150 copies of their testimony 24 hours in advance of the hearing.

For further information, please contact David Doane or Gerry Hardy at (202) 224-5304.

AUTHORITY FOR COMMITTEES TO MEET

COMMITTEE ON THE JUDICIARY

Mr. **WILSON**. Mr. President, I ask unanimous consent that the Committee on the Judiciary be authorized to meet during the session of the Senate on Thursday, April 17, 1986, in order to conduct a hearing on the issue of white-collar crime, specifically the E.F. Hutton matter.

The **PRESIDING OFFICER**. Without objection, it is so ordered.

COMMITTEE ON FINANCE

Mr. **WILSON**. Mr. President, I ask unanimous consent that the Committee on Finance be authorized to meet during the session of the Senate on Thursday, April 17, 1986, until 4 p.m. in order to markup H.R. 3838, the tax reform bill.

The **PRESIDING OFFICER**. Without objection, it is so ordered.

COMMITTEE ON ARMED SERVICES

Mr. **WILSON**. Mr. President, I ask unanimous consent that the Committee on Armed Services be authorized to meet during the session of the Senate on Thursday, April 17, to receive testimony on the posture of the U.S. Air Force.

The **PRESIDING OFFICER**. Without objection, it is so ordered.

Mr. **WILSON**. Mr. President, I ask unanimous consent that the Committee on Armed Services be authorized to meet during the session of the Senate on Thursday, April 17, 1986, in closed executive session in order to conduct a hearing on special operations airlift forces.

The **PRESIDING OFFICER**. Without objection, it is so ordered.

ADDITIONAL STATEMENTS

UNITED STATES BUILDUP OF MAINLAND CHINA'S MILITARY MACHINE

● Mr. **WALLOP**. Mr. President, I wish to commend Senator Goldwater for two recent statements in the Record on the policy problems we face with the administration's decision to sell sophisticated arms to the People's Republic of China. (See the Record for March 18, 1986 and for April 19, 1986. Senator Goldwater has flagged this important problem for us and has been keeping a watchful eye on a development which should give us all pause.

Mr. President, I am concerned about the turn that our China policy is taking. There is a disturbing trend here and the congressional oversight functions are not being exercised. Before we know it, we will have a brandnew China policy with very little input from the full U.S. Senate or from the responsible Senate committees. The American public has the right to know that there is an apparent trend in our China policy which has not been explained to them. Its implications are far reaching and must be aired properly and not conducted sub rosa behind closed doors at the Pentagon and the State Department and presented to the U.S. Senate as a fait accompli.

Mr. President, last fall we had the United States-China Peaceful Uses Nuclear Cooperation Agreement, which slipped past with barely a ripple. That agreement failed to include sufficient safeguards on United States origin nuclear material to be sold to China despite the fact that the Chinese might be able to reprocess that material and use the resultant plutonium to make bombs and weapons and to enhance the capacity of its nuclear navy. The agreement was full of holes and side promises which failed to comply with the letter of the law and the relevant provisions of the Atomic Energy Act and later legislation governing the sale of U.S. nuclear material abroad. We were told that the agreement complied with the spirit of the law, if not the letter, and that this would suffice. That assumption has yet to be tested.

Mr. President, now we have two proposals for big ticket arms transfers to the People's Republic of China, one a giant avionics sale and the other a sale of advanced naval systems. These planes and naval systems are items which the mainland Chinese could use against Taiwan and we have not assured ourselves against that. Selling $500 million worth of upgraded F-8 jet fighters to mainland China has policy implications which must be examined, especially when it follows on the heels of $98 million worth of munition, artillery, plant, equipment, and technology sales to China.

Mr. President, now we read in the press that there will be transfers of sophisticated naval systems to mainland China. We also hear that the Koreans, Japanese, and the ASEAN nations, close allies of ours in Asia, are very worried indeed about the implications of these sales for mainland China's military buildup. And so is Taiwan, which would be the most likely victim of mainland Chinese aggression. The Taiwan issue burns under the surface of current arms transfers to mainland China. And the administration has not come to grips with it. What does leak out of the China policymaking establishment in the administration is that the President supports these big and potentially dangerous arms sales to mainland China but we are not told why nor does anyone ask where this might lead us.

Mr. President, I urge the Senate to focus on these arms transfers to mainland China so that we are not surprised by any fait accompli. We don't want to wake up one day to find that mainland China has the most powerful nuclear navy in the world, the best military-industrial complex and air fighting force in Asia (all built with our help and technology), and then has turned this against Taiwan or some other of our close Asian allies. I urge the responsible committees of the Senate to examine carefully the path we are on and to ask whether or not we should be headed in that direction.

Please keep in mind that we still have solemn obligations to join in the defense of Taiwan. Are we funding the future confrontation between our ally Taiwan and the People's Republic of China? Will Americans be asked to fight and die confronting sophisticated weapons of American design and manufacture? Surely not if we maintain collateral strength in the Republic of China, but also surely so if we do not.

For these reason, Mr. President, I ask that the following article by Martin Lasater of the Heritage Foundation be printed in the Record.

The article follows:

Wanted: A U.S. Policy for Selling Arms to China

The United States and the People's Republic of China (PRC) appear to be ready to agree on a $500 million arms sale package that would upgrade significantly by the F-8 jet fighter recently developed by Beijing. This pending Foreign Military Sales (FMS) deal may include such advanced avionics as heads-up display targeting panels, navigational instruments, and weapons fire-control systems. Together, the avionics package will give the F-8 the ability to fight in all types of weather. Under the agreement, the advanced U.S. electronic equipment would be sold to the PRC and then integrated and put together in the Chinese fighters by American defense contractors under U.S. Air Force supervision. While there may be good reasons for this sale, it highlights the troubling fact that the U.S. seems to have no guidelines for arms transfers to Beijing. Troubling too is that policymakers seem to be ignoring how the transfers will affect the security of the Republic of China on Taiwan.

The pending avionics sale would come close on the heels of the first FMS transfer to China, a $98 million deal announced last September including plans for an artillery munitions factory and technical specifications for 155mm projectiles. The U.S. already has sold the PRC civilian versions of the Sikorsky Black Hawk helicopter, General Electric LM2500 gas turbine engines for warships, Raytheon DE1167 towed sonar, and Mk 46 Mod 2 torpedoes. Currently under discussion are sales of General Electric F404 jet engines, Light Airborne Multipurpose System (LAMPS) MK-I anti-submarine warfare equipment, Improved Hawk and Standard surface-to-air missiles, and E-2C Hawkeye airborne early warning aircraft.

Strong resistance to the avionics package has come from some within the Administration because the PRC has refused to give assurances that it would not resell the acquired technology to third countries. The main advocates of the avionics sale are Pentagon aides. They argue correctly that the U.S. must help upgrade the equipment of China's People's Liberation Army (PLA) because the gap between China's military capabilities and those of Moscow's Asia-based forces is widening rapidly in the Soviets' favor. Because of this strong feeling in the Pentagon, the U.S. has been taking the lead in arms sales to Beijing. The Chinese apparently are not making weapons transfers fundamental to Sino-American relations.

Thus far, Washington policymakers have not set clear limits on what can be sold to the PRC. As a result, rivalry inside the Pentagon between the Army, Navy, and Air Force over establishing links with the PLA is pushing the quality and quantity of U.S. arms sales to China ever higher. This overlooks key developments. Among them:

(1) China is distancing itself from the U.S. strategically while improving relations with the Soviet Union.

(2) U.S. arms sales to China are opposed by China's noncommunist neighbors such as Japan, South Korea, and the Association of Southeast Asian Nations (ASEAN). These countries fear that the weapons will be used to intimidate them rather than against the Soviet Union.

(3) The avionics sale would upset the delicate military balance in the Tawian Strait, which the U.S. is committed to preserve under the 1979 Taiwan Relations Act. Taiwan's defense depends solely on maintaining qualitative air superiority over the Strait. This would be threatened if China's F-8 fighters gain, as they would under the proposed sale, all-weather capability. Taipei has no modern all-weather fighters.

(4) The sale could threaten Taiwan's security in the long term. For one thing, it would give Beijing greater confidence that it could use military force to "resolve" the Taiwan issue. For another, it would weaken domestic investor confidence in Taiwan's future.

It is time for the Reagan Administration—or Congress—to set some sort of guidelines on arms transfers to the PRC. At the core of these guidelines must be the principle embodied by the Taiwan Relations Act: that the U.S. ensures that the Republic of China on Taiwan has the weapons to protect itself from military attack. This means that if the U.S. upgrades Beijing's offensive capabilities in a way posing a potential threat to Tawian, then Taipei's capabilities similarly must be upgraded. If the U.S. feels that because of China's confrontation with the USSR, it will be necessary to make the pending avionics deal, then Washington should also agree to sell Taipei a modern jet fighter such as the F-20 Tigershark or the F-16. Taipei has been trying to purchase such planes since 1978. Roughly half of Taiwan's fighter inventory are aging F-104's and early model F-5's slated for retirement.

Washington must define more clearly its arms sales policy towards the PRC; parameters, guidelines and ceilings must be set. In this, it would be appropriate for Congress to hold hearings. Without a clearer sense of direction coming from Washington, this issue could undermine the healthy consensus on U.S. China policy that the Administration has built.

Martin L. Lasater,
Director, Asian Studies Center.●

USTTA REAUTHORIZATION BILL

● Mr. **PRESSLER**. Mr. President, earlier this week I introduced S. 2307, a bill to reauthorize the U.S. Travel and Tourism Administration. Although a description of the bill and USTTA's functions appears on page S4291 of Tuesday's Record, the text of the bill was not printed. Because the text of the bill is both brief and informative, I ask that it be printed in the Record.

The bill follows:

S. 2307

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That (a) the Congress finds and declares that—

(1) the travel and tourism industry in the United States is vital to the economy of the Nation, and accounts for more than $240 billion in annual revenues, employs more than 5 million persons, and contributes to the international balance of payments by generating nearly $15 billion as an export; and

(2) the United States Travel and Tourism Administration serves a unique and vital role in the promotion of travel and tourism in the United States, by—

(A) coordinating travel and tourism activities of the Federal Government, State and local governments, and the private sector in order to optimize their contributions to economic prosperity, employment, and the international balance of payments;

(B) ensuring the compatibility of travel and tourism with other national interests, including historical and cultural preservation, energy development and conservation, environmental protection, and the judicious use of natural resources.

(C) eliminating unnecessary trade barriers to international operations of the United States travel and tourism industry;

(D) encouraging the free entry of individuals traveling to the United States in order to enhance international understanding and good will, consistent with immigration laws, laws protecting the public health, and laws governing the importation of goods into the United States;

(E) assisting in the collection, analysis, and dissemination of data which accurately measure the economic and social impacts of travel and tourism to and within the United States, in order to maximize the efficacy of planning in, and cooperative activities between, the public and private sectors; and

(F) harmonizing, to the maximum extent possible, all Federal activities in support of travel and tourism with the needs of the general public, the States, territories, local governments, and the travel and tourism industry, and providing leadership in the areas of travel, tourism, and national heritage preservation within the United States.

(b) It is therefore the purpose of this Act to provide authorization of appropriations for the United States Travel and Tourism Administration, in order that the Administration may continue its activities to promote travel and tourism in and to the United States.

Sec. 2. Section 304 of the International Travel Act of 1961 (22 U.S.C. 2126) is amended by inserting immediately after "1982" the following: ", not to exceed $13,000,000 for the fiscal year ending September 30, 1987, not to exceed $14,000,000 for the fiscal year ending September 30, 1988, and not to exceed $15,000,000 for the fiscal year ending September 30, 1989".●

THE LIABILITY INSURANCE CRISIS

● Mr. **McCONNELL**. Mr. President, the Kentucky Derby is a grand old event dear to the hearts of people across the United States as well as natives of Kentucky. This year the Kentucky Derby Festival, which celebrates this event in Louisville, found its liability insurance yanked away. The director of the festival said, "We had a good claims record, but we were just a victim of what's happening everywhere."

However, at the 11th hour, the festival's long-time insurer reconsidered and agreed to provide coverage for the festival once again. But what will happen next year is anybody's guess.

Mr. President, the problems of the Kentucky Derby Festival are not unique. Festivals and similar special events across the country are scrambling to find insurers. Some are running "bare," that is, without any insurance, or are facing premiums which have jumped up by as much as 1,000 percent in some cases. This year, the lowest bid to provide insurance for Fiesta San Antonio was $85,000. Some festivals even face the prospect of cancellation. A single large civil award could bankrupt a festival.

Another difficulty festival organizers face is finding insurance for their officers and directors. Such coverage is disappearing and people are becoming reluctant to volunteer for positions on civic boards.

These problems are well presented in an article in the publication Business First of Louisville for the week of March 31 through April 6. The article, titled "Kentucky Derby Festival Dodges Bullet," provides the viewpoints of festival officials and insurance industry representatives on this situation.

Mr. President, an article in another publication reminds us that one private civil lawsuit was filed for every 15 Americans last year. Professionals such as pharmicists are feeling the bite of increasing liability rates and even cancellations of coverage despite their excellent insurance history.

People are pointing fingers of blame at excessive litigation, exorbitant judgments against too many individuals and mismanagement by insurance companies. The Small Business Legis-

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lative Council has made liability insurance its top priority. Members of that group recently told a congressional subcommittee, "We believe tort reform is necessary. The size of awards, the contingency fee arrangement, the methodology of class action suits, and probably most important, the causes of action available to plaintiffs, all add to the problem."

This situation is described in the March 1986 issue of NARD Journal, a magazine for independent pharmicists. The article is titled, "The crisis in liability insurance." It helps illustrate the reforms needed in our tort system, reforms which would bring relief to the problems Americans are facing in liability insurance.

These articles explain some of the problems I am attempting to solve in Senate bill 2046, the Litigation Abuse Reform Act of 1986, which I recently introduced. The bill is aimed at reforming our tort system, which directly affects liability insurance. The bill also seeks to bring damage awards back to the point of reason. As the first article points out, a single large award against a festival could wipe out the event forever.

Therefore, Mr. President, I ask that these articles be printed in the RECORD.

The articles follows.

KENTUCKY DERBY FESTIVAL DODGES BULLET

(By Connie Dorval)

The good news: The Kentucky Derby Festival got 11th-hour liability insurance, so the show will go on.

The bad news: Its future hangs by a thread that insurers could yank, unraveling Louisville's popular festival and other special events across the country.

"What happens next year depends on what happens in the insurance industry," said Dan Mangeot, executive director of the Kentucky Derby Festival.

And it's anybody's guess what will happen in that volatile marketplace.

The rug was pulled out from under the Festival earlier this year when its insurer for 25 years canceled coverage. Louisville insurance brokers spent months scouring the country with no success looking for companies that would write the special-events coverage.

Then the Festival's long-time insurer had a change of heart and agreed to underwrite the events—this year.

"We had a good claims record, but we were just a victim of what's happening everywhere," Mangeot said. Although he is optimistic that the insurance will be renewed next year, he conceded that there are no guarantees.

Festivals across the country, unable to get liability protection, are running "bare"—without coverage—or are canceling their programs altogether. Skyrocketing rates—which have jumped as much as 1,000 percent—have eaten away at already-strapped budgets.

Also difficult is procuring insurance for officers and directors of special events, coverage that protects them from suits against their organizations. That coverage is rapidly disappearing, as underwriters refuse to renew policies or write new ones. Board members, understandably reluctant to bear the risks themselves, are forsaking corporate and civic rosters.

"The picture is pretty bleak," said Herb Melleny, executive vice president and managing director of the International Festivals association in St. Petersburg, Fla.

"Rates have absolutely gone out of sight," he said, and that puts another heavy burden on civic events whose budgets have already been trimmed. Insurance premiums have increased from 50 percent to 1,000 percent, he added.

At least one fair in Florida couldn't afford insurance this year and was canceled, and festivals in many other states have done the same, Melleny said.

Mangeot said the Derby Festival's premium this year is "nowhere near what we thought it would be." He expects it to be only about 30 percent higher than last year's—far less than the 500 percent to 600 percent increase he had been told to expect.

Mangeot refused to disclose the festival's premium.

But giant increases have become usual, said Melleny, who gave Fiesta San Antonio as an example. Last month, that festival's lowest bid was $85,000. "Events are having to look to corporate sponsors—any money, in fact, that they can beg, borrow or steal."

Liability affects every aspect of an event, he said, pointing to items such as the Cadillac Sevilles lent as official Derby Festival cars.

"Something has to happen," Melleny said, "the pendulum has to swing the other way if civic events are to survive."

What will happen if the Kentucky Derby Festival can't get insurance for next year?

Mangeot said that it may be possible to get coverage for certain events only, which would mean that some activities would run "bare" or be canceled.

Another lurking possibility is losing all insurance coverage—and that could halt all festivities.

A single large award would bankrupt the festival, said Mangeot. "We're a nonprofit organization and raise our own money." And without general liability insurance, he added, the festival's directors could be sued for any damages arising out of festival events.

The 62-member festival board has directors and officers (D and O) liability coverage through this year that protects them, but Mangeot said he doesn't know if the policy will be renewed next year.

Should both the festival and its directors fail to get insurance, it could signal the demise of the entire Kentucky Derby Festival.

The International Festivals Association, which has about 200 members in the United States, Canada, Australia and England, recently polled members about the liability problem. "All of them say D and O coverage is a problem. Nobody wants to serve without it," said Melleny.

But D and O coverage is scarce, says C.A. Lyles, director of excess and surplus lines at Alexander & Alexander of Kentucky Inc., which writes coverage for the Derby Festival.

Only about a dozen companies write D and O now, he said, compared with about three dozen a year ago. "Two-thirds of them just stopped writing it." Those who remain are so deluged with applications that "anyone with the slightest risk just won't get coverage."

"A director simply shouldn't serve on a board without D and O insurance," said Bill Pryor, vice president of marketing for K&K Insurance in Fort Wayne, Ind.

K&K, a Lloyd's of London correspondent that writes only special-events coverage, declined to insure the Kentucky Derby Festival or Churchill Downs.

"Frankly, underwriters are only interested in the very best risks. Someone who has had an unfortunate loss history won't get insurance," he said:

Underwriters look at the size of a group's losses as well as their frequency. In evaluating the risk, Pryor said, the underwriter throws out the largest loss—"shock loss"—in the last three years. If the loss history has been "clean" for two years, the underwriter is willing to discount the shock loss.

Underwriters look for a loss ratio of under 75 percent, he said, excluding the shock loss. If, for every premium dollar, more than 75 cents is paid out, the loss is considered too high.

Still, there are ways to improve chances of getting liability coverage, said Robert Collins, vice president of Johnson & Higgins of Kentucky Inc.

Groups can demonstrate improved controls to underwriters by identifying where losses have come from, making changes to prevent similar losses, and closely monitoring those changes to ensure against future losses.

"The problem with something like the Kentucky Derby Festival is that it isn't held at the Convention Center. It's held all over town," he said, noting that that makes control far more difficult. "It's going to be tough, real tough," Collins said.

"We go out of our way to make things safe," Mangeot said. "In a way, it's a good thing, because we're all becoming better risk managers. We've always been careful, but now we're even more careful."

Pryor said the insurance industry is cyclical, and he predicts the liability crunch will ease. However, he cautioned that insurance is a lot like mortgage rates.

"Mortgage rates are good now, a whole lot better than they were two years ago. But we'll never see 3½ percent interest rates like our parents did."

THE CRISIS IN LIABILITY INSURANCE

Physicians in some areas of the country are refusing to deliver babies. The reason? They can't get liability insurance. In New York state, a small town that has never been sued had its insurance cancelled. Why? Statistics convinced the insurance company municipalities are bad risks. The town found a new policy—at a 400 percent increase. The Southern California Rapid Transit District had no accidents last year, yet its insurance premium leaped from $67,000 to $3.2 million—a 4,700 percent increase in just one year.

CLOSED DUE TO NO INSURANCE

The United States faces a crisis that is having a devastating impact on businesses and individuals alike. Businesses both large and small, state and local governments, nonprofit organizations, professionals, and others are experiencing skyrocketing liability insurance rates or outright cancellations of coverage even for those with excellent insurance records.

The impact is widespread.

Although the federal government is largely self-insured, the National Park Service has closed down nearly a quarter of Yellowstone Park fearing that people will be mauled by bears. In Denver, sledding has been banned in city parks because the city

cannot obtain liability insurance. Many municipalities are considering cancelling fireworks demonstrations this Fourth of July because liability insurance costs have become prohibitive.

Professionals like pharmacists are also feeling the crunch of increased professional liability rates and even cancellations of coverage. All this comes in spite of the fact that pharmacists overall have an excellent insurance history. The situation is worse for other professionals, notably physicians, who may spend weeks searching for insurance to cover them for only the next few months or pay astronomical premiums for limited protection. Retail pharmacists also face similar problems in obtaining commercial liability insurance for their stores.

The liability insurance crisis is even affecting some insurance agents who find it difficult to obtain "errors and omissions" coverage for their work.

ECONOMIC THREAT

As with most hotly political issues, the finger of blame points in many directions. But the key causes boil down to too much litigation and excessive judgments against too many individuals, and mismanagement by insurance companies.

The crisis has drawn the attention of the House Energy and Commerce Committee's Subcommittee on Commerce, Transportation, and Tourism, chaired by Rep. James Florio (D-NJ), as well as numerous groups representing a broad spectrum of businesses and professionals.

"Insurance is a cost of doing business," the Small Business Legislative Council testified in a recent hearing held by the Commerce and Transportation Subcommittee. "When the cost of insurance doubles, triples, or quadruples, it takes a substantial bite out of the thin layer of income we call profit." The testimony by SBLC, of which NARD is an active member, noted that liability insurance is rapidly rising to the top of the list as a concern for all small firms.

"Premiums are increasing at exponential rates," SBLC testified. "Fifty, 70, and 150 percent increases are not unusual. Of greater concern, many firms are electing to go 'bare' and forgo any coverage. It is difficult to guess how long such a strategy will work."

In December, the SBLC and the Greater Washington Society of Association Executives held a meeting to discuss the issue with legal experts. The meeting underscores the fact that, when an issue touches all trade associations, they turn to the SBLC to help solve the problem. Member associations of the SBLC have contributed data on how the insurance crisis is affecting their respective industries.

"We believe tort reform is necessary," the SBLC told the subcommittee. "The size of the awards, the contingency fee arrangement, the methodology of class action suits, and probably most important, the causes of action available to plaintiffs, all add to the problem. A plaintiff can sue just about anybody remotely involved in a 'negligence' situation in search of a deep pocket."

The SBLC testimony acknowledged that "there are plenty of examples of wrongs made right only because of the system we have in place," but stressed that "the process has outpaced the 'economics' of justice. Society has to balance out individual protection against the need for a working economy." In its recent annual meeting, SBLC made liability insurance its top priority.

DEEP POCKETS

"The tort system is not a comprehensive social insurance plan." said Rep. John Porter (R-IL), testifying before Florio's subcommittee. "Not all wrongs can be righted through the tort system, and certainly not by dragging 'deep pocket' defendants with minimal fault into suits in hopes of large settlements." Porter, who was a key NARD ally in the recent Medicaid earned discounts fight, called for a cap on awards for noneconomic losses such as pain and suffering.

"Without a cap," said Porter, "and without a reasonable relationship between culpability and financial liability, we will soon be living in a world without insurance and full of bankruptcy and taxpayer revolts."

Porter, who is on the House appropriations subcommittee that provides funding for the Department of Health and Human Services, told the subcommittee that "We in Congress are being sought out at every turn by people at home who are shocked and bewildered by the sudden high cost or complete lack of liability coverage. This crisis touches every business, every professional person, every local government official, every consumer, and every taxpayer."

He noted that some small businesses face the Catch-22 of being required by law to carry insurance to operate and yet are unable to afford it.

Excessive litigation isn't the only source of the problem; the insurance industry is also being held accountable.

"We feel the insurance industry has played a role in the current crisis as well," SBLC testified. "Much of our concern is rooted in the belief that the insurance industry might have taken its eye off the ball—the *insurance* business. Mergers, acquisitions, and investments have stretched some companies further than they would like to admit. These problems, coupled with an overreaction to isolated incidents, have pushed premiums to their current level. We do not believe our claims record justifies the current premiums."

HEALTHY COMPETITION

In a recent statement, Senate Small Business Committee member Jim Sasser (D-TN) said that 10 percent of Tennessee businesses responding to a recent survey said they were closing their doors as a result of the liability insurance crisis. Some 50 percent of Sasser's survey respondents said the federal government should undertake "an immediate investigation of increases in commercial liability insurance to determine whether increases in rates have violated federal antitrust laws."

In 1945 Congress passed an amendment that exempted insurance companies from certain antitrust laws. In part, the exemption allows them to share claims data that may be used appropriately to help them determine insurance rates. But some in Congress believe these antitrust exemptions have allowed the insurance industry to operate without the same kind of competitive pressure that keeps other industries healthy.

"It may well be that we will have to reexamine many of the antitrust exemptions currently allowed in the property and casualty insurance industry," said Sasser.

COVERING BAD BETS

The insurance industry counters that part of the large rate increases they are passing along now are the result of strong competition and a bad bet on their part. They had expected that investments they made using insurance premiums during six years of high interest rates would allow them to lower rates to compete for policyholders. But the companies say they underpriced their policies, and now must make up for their losses by raising rates.

Harleyville Mutual Insurance Company President Bradford Mitchell, testifying before Senator John Danforth's (R-MO) Committee on Commerce, Science, and Transportation, argued that net operating losses in the insurance business require rate increases and pointed to abuses of the tort system as the root of the problem. He echoed his industry's assertion that its financial problems are in part caused by "a fiercely competitive marketplace, contrary to our critics who claim there is no competition in the insurance industry."

Mitchell testified that last year there was one private civil lawsuit filed for every 15 Americans, and that inconsistencies in court decisions had destroyed the insurance industry's faith in the legal process. He also criticized current attempts to change tax laws that allow insurance companies to avoid paying taxes on revenues placed into reserve pools.

Trial lawyers, criticized for their role in the tort side of the crisis, in turn accuse the insurance industry of trying to gouge the public with big rate increases and compel legislators to pass laws beneficial to the insurance companies.

SEEKING SOLUTIONS

Senator Mitch McConnell (R-KY) has introduced legislation that, among other provisions, restricts damages that may be awarded in federal courts, requires periodic payments of awards of more than $100,000, and clarifies the standard used for the award of punitive damages.

McConnell, a former Judiciary Committee counsel, Department of Justice assistant attorney general, and county judge, noted that "we are all suffering from a progressively debilitating disease, the disease of hyperlexis—too much litigation. The result of all this litigation is predictable enough: higher prices for insurance, for goods and services, for medical care, and just about everything imaginable."

McConnell described cases where remotely involved individuals were forced to pay legal settlements, and where companies were held liable for unreasonable and unforseeable accidents. Corning Glass, for example, was forced to pay a man injured by a shard of glass $804,892 because a dish broke, said McConnell because the company failed to warn the owner that dishes might fall and shatter if stacked five deep with their lids inverted.

LIMITS ON LIABILITY

The legislation introduced by McConnell, the Litigation Abuse Reform Act of 1986 (S. 2046), is designed to open the debate on tort reform, he says. "The bill seeks to impose rational restrictions on the award of damages by federal courts," says McConnell, "and to impart a significant degree of predictability to the potential liability a defendant faces."

The legislation would accomplish this by capping pain and suffering awards at $100,000. Actual damages are not limited by legislation, but damages in excess of $100,000 would be paid on a periodic schedule determined by the court. The bill would also eliminate the "collateral source rule," which requires that damage awards be reduced by the amount of any other payments, such as insurance or workers compensation.

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The legislation would also clarify the standard used for the award of punitive damages. "Punitive damages were never intended to compensate the plaintiff," said McConnell, "and their effect will be just as great if paid to the court, while removing the incentive for lawyers to pursue large punitive awards."

Two other important provisions of the legislation would limit the amount of contingency fees an attorney may obtain and create sanctions against lawyers who initiate a civil action either without a reasonable belief that there is good grounds for recovery or solely in anticipation of a monetary settlement. "This is perhaps the most egregious abuse of the civil justice system," said McConnell.

Other legislative remedies being discussed include establishing a federal presence in insurance regulation, proscribing mid-term cancellations of coverage except for good cause, determining what constitutes a reasonable limit on total awards for a single occurrence, and specifying that an insuror's total liability cannot extend beyond the limits of coverage for a particular occurrence.

Additional legislation addressing reforms in product liability insurance, including federal involvement, has been introduced by Senator Danforth, Christopher Dodd (D-CT), Bob Kasten (R-WI), and others. Enormous product liability awards are considered an important part of the larger crisis.

The SBLC's House testimony noted that most small business owners shudder at the thought of more federal regulation, and that the tort system and insurance regulation have traditionally been areas of state activity. As such, it pointed to action on the state level to address the crisis. SBLC has urged the president and Congress to establish a commission to develop recommendations for action.

In the meantime, rising liability insurance costs and cancelled or limited coverage will be borne on the shoulders of businesses and consumers in the form of higher prices, the chilling of the entrepreneurial spirit—and even the elimination of certain activities, goods, and services we all take for granted, but that are now too risky to provide.●

1986 CONGRESSIONAL CALL TO CONSCIENCE

Mr. LAUTENBERG. Mr. President, I am pleased to join my colleagues in the 1986 Congressional Call to Conscience. I commend my colleague, Senator MITCHELL, for his leadership role in chairing this year's Congressional Call to Conscience.

Edmund Burke, the 18th century British statesman and philosopher once said, "The only thing necessary for the triumph of evil is for good men to do nothing."

We in Congress have a special obligation to act on the truth of Burke's words and speak out on behalf of the plight of Soviet Jews. Because the Soviet treatment of its Jewish population is evil. And it will not change unless we continue to insist that it must.

We must commit ourselves to continue this fight until every Soviet Jew who wants to leave has gone. We must make it a priority. Because as long as human rights are denied to the citizens of other countries, our freedom is in jeopardy.

By now many are aware of the grim fate the Soviet Union has mapped out for Soviet Jews. The plight of one of my adopted refuseniks, Yuli Edelshtein, is an all too familiar tale of persecution and harassment.

Yuli, as a 27-year-old resident of Moscow, was denied a visa because his father allegedly had access to secret materials. But Yuli had not seen his father in 20 years. To the Soviets, no pretext is too flimsy to be used to deny Jewish emigration.

After his application was denied, the KGB began to harass him, forcing him to leave his job as an English teacher. Yuli refused to be cowed by the KGB. He became an observant Jew, and began to teach Hebrew. The KGB could not tolerate Yuli's Jewish activism. He was convicted on trumped-up drug charges, and sentenced to 3 years at an especially harsh labor camp. Yuli's wife, Tatyana, reports that he is beaten continually, and prohibited from returning to his room to rest after work.

His real crime? The desire to live as a Jew, and to pass his heritage on to others.

Yuli Edelshtein is not an isolated case. My two other adopted refusenik families, the Ostrirovs and the Khassins, have also continually been denied permission to emigrate. Unfortunately, their plights are typical of countless thousands of other Soviet Jews. Forced to remain in the Soviet Union against their will, they cannot celebrate the holidays central to their faith without harassment. They cannot study Hebrew, learn Jewish history, or pass their heritage on to their children without great risk. The struggle to maintain any semblance of Jewish life requires extraordinary courage. And because Jews are prevented from passing along their Jewish traditions to their children, Judiasm risks extinction in the Soviet Union.

Even for nonobservant Jews, hostility and harassment are the daily fare. Many are arrested or imprisoned simply for trying to emigrate. Some lose their jobs, and are then arrested for not working. The doors of higher education are increasingly closed to Soviet Jews. And a quota system has resulted in a dwindling number of Jewish professionals.

But in this grim scenario, there is hope. We can make a difference. We already have. On February 11, Anatoly Shcharansky walked to freedom across the snowy Glienicke Bridge. The efforts of those around the world are partly responsible for his freedom.

But there is so much more to do. So many left to fight for. For Soviet Jews, there is nowhere to turn but to us.

Shcharansky left the Soviet Union not merely alive but free. His spirit was always free, even as the Soviets physically enslaved him. His heroic triumph in the face of incredible adversity should make us proud. It can inspire us to work even harder for those that remain.

This week, I introduced a bill to grant a Congressional Gold Medal to Anatoly "Natan" Shcharansky and his wife, Avital, for their courage and dedication to the cause of human rights. For Anatoly, because he acted to further the cause of Soviet Jews at great risk to himself. And for Avital, because of her tireless efforts to free her husband, and to elevate the cause of Soviet Jewry and human rights to a global concern.

Shcharansky is unusual. He will spend this year in Jerusalem without bitterness. Others may not be so lucky. For every Shcharansky who escapes, a Sakharov, an Edelshstein, an Orlov, remain. And there are thousands more whose names we do not know. Their names form a litany of sorrow. They are a testament to wasted lives, stolen dreams of freedom.

Those brave refuseniks and dissidents—condemned to live at the edge of society, fated to undergo ordeals we can barely imagine, rely on us. They rely on us to be their voice, to plead their case. To remember them. So that some day, some year, they can say, this year in Jerusalem, and really mean it.

Without our support, without our solidarity, that would never come to pass. They could not carry on. They would have no hope. As Elie Wiesel has written, What hurts the victim most is not the cruelty of the oppressor but the silence of the bystander.

We cannot be silent bystanders in this fight for basic human rights. We must speak out at every opportunity, protest the status quo in every forum. We must join Shcharansky, who, on his arrival at the Israeli airport, pledged "I am not going to forget those who I left in the camps, in the prisons, * * * who still continue their struggle for their right to emigrate, for their human rights.

We must raise our voices against Soviet tyranny along with Shcharansky. We must make it clear that continuing Soviet abuse will be met by a continuing outcry in the West.

The pressure must continue. Because Shcharansky's release is only that. The release of one heroic Jew who became more trouble than he was worth to the Soviets.

Some suggest that Shcharansky's release signals a relaxation of the Soviet policy on Jewish emigration. But I'll believe the Soviets have changed their emigration policy when they do. So far, the numbers speak for themselves. Only 1,140 Jews left the Soviet Union

in 1985, compared to an average of 4,250 a month in 1979. And only 79 left in January.

But we can learn something from Shcharansky's release.

We pulled out all the stops for him. The efforts on his behalf were unprecedented in scope and intensity. No stone was left unturned, no argument unuttered. The fuss generated on his behalf indicated to the Soviets he was important to the West. And when they wanted to make a gesture, they chose him.

Shcharansky's case teaches us that we can make a difference. Our vigorous refusal to accept the situation as it is, can pay off. Those released are often people whose cases have been championed most diligently in the West.

The Soviet Union hears us. Would that we could generate an equal effort for every Soviet Jew who yearns to be free. We must keep the plight of Soviet Jewry on the superpower agenda for the next summit. Because as the summit gets closer, other issues may crowd out the human rights agenda. We must continue to make our voices heard in this vein. Early. And often.

I and 54 of my colleagues wrote to the President asking him to continue to put a high priority on raising Soviet Jewry at the summit. We have asked him to raise this issue not only at the next summit, but at the Helsinki Conference on Freedom of Human Contact this April, at the Helsinki Review Conference next November, and in every private forum possible.

We have a responsibility to ourselves and to this country to defy Edmund Burke's prophecy. Good people will not do nothing. We will not let evil triumph. We will overcome it together. For the Nudels, the Orlovs, and the Edelshsteins. For the others, less well known, who are counting on our efforts to bring them to freedom. And for ourselves.

I look forward to the time when we can do nothing, secure in the knowledge that freedom will prevail for Soviet Jews. But until that time, we will return, year after year, to plead the case. We can do no less.

I ask that a copy of the letter to the President be printed in the RECORD.

The letter follows:

U.S. SENATE,
Washington, DC, March 4, 1986.

President RONALD REAGAN,
The White House
Washington, DC.

DEAR MR. PRESIDENT: We applaud your efforts on behalf of Soviet Jewry, and are especially pleased at your success in helping to free Anatoly Shcharansky. We are writing to urge you to continue your efforts to bring freedom to the long suffering Jews of the Soviet Union.

With the Geneva summit behind us, it is not clear that any real change has occurred in the Soviet Union's emigration policy. Despite the release of a few prominent refuseniks, the hopes and prayers of people of good will everywhere for a reversal in that policy have thus far been unfulfilled.

In 1985, only 1,140 Jews were allowed to emigrate, while thousands still wait for permission. Only 79 Jews were allowed to leave the Soviet Union in January, compared to an average of 4,250 a month in 1979.

Forced to remain in the Soviet Union against their will, Soviet Jews face a grim fate. Many lose their jobs and are harassed or imprisoned simply as a result of attempting to leave. The doors of higher education are closed to many of them. Anti-semitism is part of the military indoctrination program in the Soviet Union, and anti-semitic programs have been shown on prime-time television.

Beatings, arrests, and jailings of Jews for attempting to practice their religion continue unabated. Persecution of unofficial Hebrew teachers continues. For example, on January 17, 1986, Leonid and Golda Rochlin of Leningrad, both Jewish teachers, were threatened by the KGB. On that evening, when seven of their pupils gathered to celebrate the Sabbath, the KGB interrupted their meal and two of the young men were beaten by the police. One woman was held overnight in prison. Only one of these seven could be called an activist. This incident, by no means atypical, illustrates that the struggle to maintain any semblance of Jewish social, religious or cultural life in the Soviet Union requires extraordinary courage.

We urge you to continue your efforts to seek freedom for all refuseniks and prisoners of conscience who desire to emigrate, and to seek freedom of cultural and religious expression for Jews and others who remain. We ask you to keep pursuing this goal in every international and private forum possible, including the Helsinki Conference on Freedom of Human Contacts, beginning April 15, the Helsinki Review Conference next November in Vienna, and of course, your next meeting with General Secretary Mikhail Gorbachev.

We believe it is critical that the United States, which has long cherished liberty, continue to reach out to those who remain enslaved.

Sincerely,
FRANK LAUTENBERG,
(With 54 Cosponsoring Senators on this letter)

ANDREI SAKHAROV HONOR AND FREEDOM DAY

● Mr. WALLOP. Mr. President, last night, I introduced legislation to proclaim May 21, 1986, as Andrei Sakharov Honor and Freedom Day. My resolution is Senate Joint Resolution 326. Its intent is to bring to the attention of the entire world the plight of Dr. Sakharov and, more importantly, to take meaningful steps which will register with the Soviet leadership the fact that the United States means business about Dr. Sakharov.

Mr. President, we have had resolutions on Dr. Sakharov for years and years now, all to no avail. My colleague, the distinguished Senator from New York, Mr. D'AMATO, the Chairman of the Helsinki Commission, introduced another such resolution this week. But without teeth. Mr. President, unless we clearly show the Soviets that there will be consequences for their noncompliance with the written promises they made to the world in the Helsinki Final Act which they signed in August 1975, there will be no action. There has been none for 11 years.

Mr. President, my resolution seeks to promote Dr. Sakharov's release from Gorky with a clear signal to Mr. Gorbachev of the areas we are looking at. I want him and the Soviet leadership to know that there will be consequences for their disdain and disregard of the agreements they sign. For that reason, Mr. President, I ask that the text of Senate Joint Resolution 326 be printed in the RECORD.

The text follows:

S.J. RES. 326

Whereas Dr. Andrei Sakharov is a world-reknowned brilliant Soviet physicist, father of Soviet magnetic nuclear fusion research, and winner of the Nobel Prize for Peace;

Whereas Dr. Sakharov is being detained by the KGB under house arrest in Gorky for his activities under legitimate provisions of the Helsinki Final Act and in violation of basic human rights and against all principles which govern civilized man;

Whereas Dr. Sakharov will attain his 65th birthday on May 21, 1986;

Whereas Dr. Sakharov is in need of immediate medical attention and his detention in Gorky has become a threat to his very survival;

Whereas Dr. Sakharov's imprisonment is contrary to the Helsinki Final Act, the Human Rights Convention of the United States, and all generally accepted principles of human rights;

Whereas by continuing Dr. Sakharov's imprisonment the Soviets demonstrate disdain and disregard for agreements they signed, for the opinion of the entire world and for the basic dignity of mankind;

Whereas Soviet willingness to cooperate with the West only in areas of their choosing such as cultural, literary or scientific exchanges does not acquaint them of their immoral failing to keep promises on human rights;

Whereas Dr. Sakharov's release is an objective to be earnestly sought and actively pursued by free men everywhere: Now, therefore, be it

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled, That—

1. May 21, 1986, be officially proclaimed Andrei Sakharov Honor and Freedom Day;

2. the President of the United States mark this day with an appeal to the First Secretary of the Communist Party of the Soviet Union, Mikhail Gorbachev, to grant Dr. Sakharov's release;

3. hereinafter all official correspondence with the Soviet embassy in Washington, D.C. be properly addressed to "No. 1, Andrei Sakharov Plaza" in accordance with U.S. law;

4. the Department of State request that the Mayor of the District of Columbia move the "Andrei Sakharov Plaza" street sign from its current location 100 feet from the 1125 16th Street address to the city property located adjacent to that address, in compliance with the intent of Congress;

5. May 21, 1986, be recognized in the United States as a day to honor Dr. Sak-

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harov by appropriate ceremonies in the Congress, the White House, and throughout our free land.●

DEDICATION OF THE PORTRAIT BUST OF CARL HAYDEN

(By request of Mr. Dole, the following statement was ordered to be printed in the Record:)

● Mr. GOLDWATER. Mr. President, a unique ceremony in the history of the U.S. Congress is taking place today in the Russell Senate Office Building adjacent to the room where the late Carl T. Hayden once had his office. At 4 p.m. today, a ceremony will be held by the Joint Congressional Committee on the Library to dedicate the portrait bust of Carl Hayden which was commissioned pursuant to Senate Concurrent Resolution 7 of the 98th Congress. I had the distinct privilege of authoring that resolution and seeing its approval by passage in the Senate on May 23, 1983, and passage in the House of Representatives on August 1, 1983.

Mr. President, the bust being unveiled today commemorates the truly unique service in the Senate and the Congress and the Nation by the man who for so many years was my senior colleague, Carl Hayden. Carl served in Congress from Arizona for a total of 57 years.

Carl Hayden became the first elected Member of the U.S. House of Representatives from Arizona in 1912 and he served there for the next 15 years. In 1926 he was elected to the Senate and served consecutive terms here for a total of 42 years until he retired in 1968. In fact, Carl Hayden served in the U.S. Congress longer than any other person in history.

Mr. President, the contributions and achievements of Carl Hayden are virtually unparalleled in history, although they are not well known because he always shared the credit and worked for results, not for the publicity. His legislative accomplishments included a joint authorship of the 19th amendment giving women the right to vote and a major role in setting up the original Interstate Highway System.

Carl Hayden's work was done for all practical purposes before legislation ever reached the Senate floor. He did not go in for flowery speeches aimed at the Press Gallery or the evening television news. He accomplished what he set out to accomplish for his State and the Nation and he did his real work in committee and behind the scenes.

Carl Hayden's family was among one of the original settlers who entered the Salt River Valley of Arizona, and he was born in the territory of Arizona 35 years before it became a State. There is no one more qualified to receive this honor than the late Senator Hayden.

Mr. President, I ask that the official program of the ceremonies may appear in the Record.

The program follows:

[The dedication of the portrait bust of The Honorable Carl Trumbull Hayden, United States Representative, 1912 to 1927, United States Senator, 1957 to 1969, President Pro Tempore of the Senate, 1957 to 1969, on Thursday, April 17, 1986, at 4:00 p.m., elevator lobby, Northwest Corner, first floor, Russell Senate Office Building]

PROGRAM

INVOCATION

The Rev. Dr. James D. Ford, Chaplain of the House of Representatives.

INTRODUCTION

The Honorable Charles McC. Mathias, Jr., chairman, Committee on Rules and Administration, vice chairman, Joint Committee on the Library, accompanied by The Honorable Frank Annunzio, chairman, Committee on House Administration, chairman, Joint Committee on the Library.

DISTINGUISHED GUESTS

The Honorable Strom Thurmond, President Pro Tempore of the Senate; The Honorable Robert Dole, Republican Leader of the Senate; The Honorable Robert C. Byrd, Democratic Leader of the Senate; The Honorable Thomas P. O'Neill, Jr., Speaker of the House of Representatives; The Honorable James C. Wright, Jr., Democratic leader of the House of Representatives; The Honorable John J. Rhodes, former minority leader, U.S. House of Representatives.

UNVEILING

Mr. Hayden C. Hayden, nephew of the late Senator Hayden and Mr. Larry Hayden nephew of the late Senator Hayden assisted by The Honorable George M. White, FAIA, Architect of the Capitol and by the sculptor, Stafford Rolph.

REMARKS

The Honorable Barry Goldwater, U.S. Senate; The Honorable Dennis DeConcini, U.S. Senate; The Honorable Morris Udall, U.S. House of Representatives; The Honorable Bob Stump, U.S. House of Representatives.

BENEDICTION

The Rev. Dr. Richard C. Halverson, Chaplain of the Senate.●

ACCOMPLISHMENTS OF RITA STEINBERG

● Mr. McCONNELL. Mr. President, when Rita Steinberg of Louisville, KY, joined the National Council of Jewish Women 20 years ago, she began an impressive record of accomplishments and community service.

As a local council officer, she initiated an annual sale of donated used clothing which grossed $7,500 its first year, 1976. Last year, the event garnered nearly $159,000. When she later became president of the Louisville section of the NCJW, she made membership a priority for the organization. The NCJW consequently saw its ranks jump from 860 members to more than 1,000. Mrs. Steinberg then became a national board member of the NCJW and helped a section in Chicago start its own clothing sale. That section's first sale took in $40,000 its first year.

Mrs. Steinberg has also served her community as commissioner of the Louisville and Jefferson County Human Relations Commission and as a board member of Kentucky Youth Advocates.

Now she works full time as executive director of the Kentucky Art and Craft Foundation, a nonprofit organization providing educational and promotional opportunities for the State's artisans.

Mrs. Steinberg's contributions to her community have not gone unnoticed. Sunday, April 20, I will have the honor of presenting, on behalf of the Louisville section, the Hannah G. Solomon Award to Mrs. Steinberg for her endeavors.

A recent column by Joan Kay of the Louisville Courier-Journal describes Mrs. Steinberg's accomplishments and captures her spirit of service. Mrs. Steinberg says in the article that through her work in NCJW, "I've had a feeling all the time that my life had meaning—that what I was doing was making a difference in the world."

Mr. President, I ask that this article, which tells the story of Mrs. Steinberg's work so well, be printed in its entirety.

The article follows:

[From the Louisville Courier-Journal, Apr. 17, 1986]

COMMITMENT PAYS OFF FOR RITA STEINBERG AND WOMEN'S COUNCIL

(By Joan Kay)

Twenty years ago, nudged by her family, Rita Steinberg joined the National Council of Jewish Women, Louisville Section.

Her aunt, Sylvia Goldstein, was very active in the group and "probably paid for my first membership," said Mrs. Steinberg. "My husband's aunt in St. Louis was a national board member at the time so I was bombarded from all sides."

Mrs. Steinberg had hoped to make new friends. She found those all right and much more. Through working on NCJW projects that benefited the community, "I've had a feeling all the time that my life had meaning—that what I was doing was making a difference in the world."

Sunday the Louisville Section will recognize Mrs. Steinberg's contributions by presenting her with the Hannah G. Solomon Award.

The award is given "to someone who has shown dedication to improving the lives of children, the aging and women," says Renee Loeb, president of the Louisville Section.

Mrs. Steinberg's "devotion to community causes is just incredible. She was able to set a vision and was able to convince people they wanted to be part of it. She strives for the best and lets people know that is the standard."

Mrs. Steinberg remembers that her first volunteer assignment was helping a fifth-grade class put on its first play. At the time the organization sponsored many enrichment programs in public schools.

"It was a lot of fun. That's really what turned me on."

She soon moved to more of an administrative role as assistant treasurer and then treasurer of the section. "You really learn about an organization when you are treasurer because you know everything they are doing. You write all the checks."

One name she wrote on checks was the California Day Care Center, now called the California Area Family Development Center. The section covered the center's operating deficit and in 1971 put up $4,000 as seed money for a federal grant.

"I was impressed because I saw something really great we were doing," said Mrs. Steinberg.

As vice president of ways and means 10 years age, she started what would become a very profitable fund-raising event: Fashion Encore, an annual sale of donated used clothing.

Similar sales had been held with great success by NCJW sections in other cities.

Some Louisville members were leery of the idea, fearing that the sale would compete with the section's Nearly New Shop, a used-clothing store operated year round at 815 E. Market St.

They were also apprehensive that the Louisville group might not have enough members to handle the sale.

It took a year to convince the leadership that the project had promise, and the cash registers first rang in 1978. That sale grossed $7,500. Last fall's Fashion Encore grossed nearly $159,000.

Several years ago operation of the shop and the sale were merged, and nowadays the Louisville Section disburses more than $100,000 a year to community agencies and organizations.

The section's newest commitment to elderly people is NCJW ParkSide, a non-sectarian, adult day center that offers activities from 8 a.m. to 5 p.m. weekdays. It opened in January at 2101 Ellerbe Ave.

The section is the major supporter, but grants have been received from other sources.

As president of the organization in 1979-81. Mrs. Steinberg set a goal of increasing membership. "We were so into public affairs and community services that we had neglected membership.

"I wrote letters to everyone I knew who wasn't a member. People said they hated to see me coming at a party."

During her term, membership jumped from about 860 to more than 1,000. "Now we have over 1,100."

While she was a NCJW national board member, Mrs. Steinberg was sometimes a thrift-shop trouble-shooter and she helped a section in Chicago start a clothing sale, which took in $40,000 its first year.

In community posts outside the section, she has been a commissioner of the Louisville and Jefferson County Human Relations Commission and a board member of Kentucky Youth Advocates.

A native of Louisville, Mrs. Steinberg is the daughter of Mr. and Mrs. Mace Hymson. She and her husband, Larry, a partner in Touche Ross & Co., have a son, Scott, 19, a sophomore at Yale University, and a daughter, Laura, 16, a sophomore at Ballard High School.

Mrs. Steinberg now works full time as executive director of the Kentucky Art and Craft Foundation, a non-profit organization that provides education and promotional opportunities for the state's craftsmen.

At its base at 609 W. Main St., the foundation stages exhibitions and operates a crafts shop.

Mrs. Steinberg's main job is raising money for the foundation from memberships, corporate donations and grants. And she loves her plunge into the creative outpourings of Kentucky's artists, surrounded in her office by pottery, a carved rooster and a fabric hanging.

"It's a whole new world for me. I buy things all the time, particularly jewelry."

The Solomon award will be presented at the Louisville Section's annual meeting at 7:30 p.m. Sunday at The Temple, 5101 Brownsboro Road. The gathering is open to the public, and the presentation will be made by U.S. Sen. Mitch McConnell, R-Ky., a friend of the Steinbergs.

It seems a little strange to Mrs. Steinberg to be receiving as award from an organization "that has done so much for me. I can't imagine any course, any college, where I could have learned what I learned working in the section."

She credits the NCJW for the skills she acquired in management, public relations, dealing with people and budgeting.

"I never loved anything like I loved the section. It's wonderful to be honored by people you love and respect the most."●

TERRORISM

● Mr. WALLOP. Mr. President, in the past few weeks, this Nation's attention has been focused on international terrorism: What it consists of, who is behind it, and what can be done about it.

This week the United States responded forcefully to Libyan terrorism by staging a limited air assault on Libyan facilities that support international terrorism. This, I believe, is the beginning of a policy that will deal effectively with the threat of terrorism. The war on terrorism is not over with this one raid. It has just begun. We as leaders of this Nation must realize from the start that this policy, of not giving in to terrorists and of punishing them for their gratuitous acts of violence, must be sustained over a long period of time if it is to have any chance for success. We are dealing with a determined adversary, one that possesses great resources. But this Nation, and the entire Western World, has greater resources and, I believe, a greater capacity for moral courage than our enemies.

While we are all reflecting on this problem, let me commend to you a superb article on terrorism and how the West can beat it by Israeli Ambassador to the United Nations, Benjamin Netanyahu. He writes from the special perspective not only of an Israeli citizen, whose country has been all too often the victim of terrorist attacks, but with the personal experience of having lost a loved one in the execution of a sound antiterrorist policy that he knows to be right: Ambassador Netanyahu's brother, Jonathan, was the leader and only casualty of the daring Israeli commando force that rescued all but 3 of the more than 100 hostages held captive aboard a hijacked airliner at Entebbe.

This article is full of penetrating insights into the nature of terrorism and compelling arguments, both moral and practical, for continuing the policy that this Government has undertaken in its response to Colonel Gadhafi's murderous attack on a Berlin discotheque.

Mr. President, I ask that this article, from the April 14, 1986, edition of Time magazine, be printed in the Record.

The article follows:

TERRORISM: HOW THE WEST CAN WIN

(By Benjamin Netanyahu)

The realization that wild beasts prowl our airways and waterways, that they can escape retribution by fleeing to countries that respect, indeed worship, the law of the jungle, has steadily been replacing our older conception of justice, order and accountability in international affairs.

So writes Benjamin Netanyahu, Israel's Ambassador to the United Nations, in a forthcoming book whose assertive title sums up its argument—Terrorism: How the West Can Win (Farrar, Straus & Giroux; $18.95). The book grew out of a 1984 meeting of international officials and experts in Washington that explored the question: Just what can be done to stop terrorism?

The West's failure to answer the question was underscored once again last week when a terrorist bomb tore a hole in the fuselage of a TWA 727 en route from Rome to Athens. The explosion killed four American passengers, who were sucked out of the plane and fell 15,000 ft. to their death. Libya's Muammar Gadhafi disclaimed responsibility, but concern remained high that he would attempt to exact revenge—sometime, somewhere—for the U.S. Sixth Fleet's bloodying of his forces.

Netanyahu, a former soldier, businessman and the editor of Terrorism, has a strong personal reason for his concern with the subject. He is the younger brother of Lieut. Colonel Jonathan Netanyahu, leader of the daring Israeli commando force that rescued all but three of the more than 100 hostages held captive aboard a skyjacked airliner at Entabbe, Uganda, in 1976. The Israelis lost only one of their men during the raid, but that was Jonathan Netanyahu, shot dead at the age of 30 by an airport guard. Ambassador Netanyahu, who organized the Jonathan Institute to fight terrorism, sees in the overall results of Entebbe a lesson to be widely applied today. Though some will surely find his prescriptions too tough and will quarrel with his refusal to give undue weight to the root causes of terrorism, the fact remains that no Israeli plane has been seized in the ten years since Entebbe. What follows is excerpts from his introduction and essay, along with a selection of brief quotes from other contributors to the book.

International terrorism is not a sporadic phenomenon born of social misery and frustration. It is rooted in the political ambitions and designs of expansionist states and the groups that serve them. Without the support of such states, international terrorism would be impossible.

Access to the media is also indispensable. First the terrorists seize our attention by committing a brutal act. Only then does the real performance begin: the communiqués, the parading of dazed hostages before the cameras, the endless interviews in which the terrorists are respectfully asked to explain

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their demands and conditions. Slowly, imperceptibly, the initial horror recedes, and in its place comes a readiness to accept the terrorist point of view.

We are asked to shed our normal revulsion for murderous acts and accept the notion, endlessly repeated, that "one man's terrorist is another man's freedom fighter." This is precisely what the terrorist would like us to believe. It is completely untrue. At the risk of belaboring the point, I offer a formal definition: Terrorism is the deliberate and systematic murder, maiming and menacing of the innocent to inspire fear for political ends. This distinction lies at the heart of the matter. For without a clear understanding of terrorism, the problem cannot be tackled.

Terrorists habitually describe themselves as "guerrillas," but guerrillas are not terrorists. They are irregular soldiers who wage war on regular *Military* forces. Terrorists choose to attack weak and defenseless civilians: old men, women and children—anyone in fact *except* soldiers if terrorists can avoid it.

This indeed is one of terrorism's most pernicious effects: it blurs the distinction between combatants and noncombatants, the central tenet of the laws of war. It is not only that the terrorist breaks down this standard but that we begin to accept his standards. With each fresh attack, the public is conditioned—first by the terrorists, then by their complaint interpreters in the press—to equate innocent hostages with jailed terrorists and to accept the notion that the murder of children is a regrettable but understandable expression of the terrorists' purported grievances.

There are those who say that war is war and that any attempt to define ethical limits is futile. But short of the rare and difficult case of total war, such as during World War II, most people would agree that there is a significant difference between waging war on armed combatants and attacking defenseless civilians. None of the resistance movements in Nazi-occupied Europe conducted or even condoned, terrorist attacks against German noncombatants, such as officers' wives or children. Without such distinctions, the concept of war crimes loses any meaning. For if everything is permissible, why not gas innocent people or machine-gun children?

It is here that the terrorist parts company with humanity. He declares a total war on the society he attacks. For him everyone is a legitimate target. A baby is fair game, he may, after all, grow up to be a soldier. So is the baby's mother, she gave birth to this future soldier. No one is spared, ordinary citizens and leaders alike.

Having defined all of society as a field of combat, the terrorist demands that his activity, which would ordinarily be viewed as gangsterism, be treated with the respect given to legitimate warfare. That is why he often takes on all the trappings of a soldier; that is why he issues "communiques" instead of simple statements and why he insists that his jailed accomplices, who are in fact dangerous criminals, be accorded the status of prisoners of war.

Though terrorism as such is not new in history, or even in this century, today's terrorism differs in its extent and its violence; it now attacks the territory and citizens of nearly all the democracies. It began its rapid growth in the 1960s. It was sparked by the early success of two groups of terrorists: the P.L.O., which introduced airline hijackings as an international weapon, and European radical factions, which carried out increasingly bold bombings, kidnapings and assassinations throughout the Continent. Terrorist groups, seemingly independent from one another, soon proliferated throughout Europe, Japan, North and South America and the Middle East. But as the evidence piled up, the Arab P.L.O., the Iranian *mujahedin*, the Armenian A.S.A.L.A., the German Baader-Meinhof gang, the Italian Red Brigades, the Japanese Red Army and others were often found to be linked not only to one another but to the Soviet Union and radical Arab regimes. Only after the P.L.O.'s expulsion from Beirut did captured P.L.O. documents reveal the role of its terrorist ministate in Lebanon as a training center and launching ground for what had become a kind of terrorist international.

This collaboration between Marxist and Muslim radicals is not accidental. Modern terrorism has its roots in two movements that have assumed international prominence in the second half of the 20th century: Communist totalitarianism and Islamic (and Arab) radicalism. These forces have given terrorism its ideological impetus and much of its material support. Both legitimize unbridled violence in the name of a higher cause, both are profoundly hostile to democracy, and both have found in terrorism an ideal weapon for waging war against democracy.

Indeed, international terrorism is overwhelmingly an extension of warfare sustained and supported by the states built on the foundations of Marxism and radical Islam. The Soviet Union, several of its East European satellites, Cuba and North Korea, and Middle Eastern states such as Libya, Iran, Syria, Iraq and South Yemen have given terrorists weapons, training and money. They have also provided sanctuary, safe passage and safe houses—often their very embassies. And they have supported terrorism on the crucial political level, legitimizing it and blocking international measures against it.

Why have certain radical states begun to resort to terrorism? Since the end of World War II and the dawn of the nuclear age, the waging of war has become increasingly expensive and risky. For a superpower like the Soviet Union a direct confrontation with the West entails the unacceptable risks of atomic war. For smaller states, conventional war can also escalate into intolerable conflict or outright defeat. Terrorism is part of the broader trend toward waging war by proxy. It permits regimes to engage in aggression while evading responsibility or retaliation.

As the number of attacks has increased tenfold in the past decade alone, a clear pattern has emerged. The targets of terrorism have been, more and more, Britain and Germany, Spain and Portugal, France and Italy, Israel and Japan, and, above all, the U.S. (whose nation accounted for roughly a third of terrorism's victims since 1968)—in short, the West. A network of professional terrorists seeks to weaken and demoralize democratic societies by attacking their citizens, their leaders, their institutions, thereby disrupting their way of life and sapping their political will. And it is a growing threat. Terrorist attacks now kill and injure not one or two but hundreds at a time. Few doubt that other, more lethal, weapons may be employed in the future.

The terrorist's strategy is premised on the ability to deliver future blows, no matter what. The fear and intimidation that terrorism thrives on are totally dependent on this threat. The primary task in fighting terrorism, then, is to weaken and ultimately destroy the terrorist's ability to launch attacks. This is often presented as a difficult or even impossible task. It is asserted that the clandestine nature of terrorism and the openness of Western societies make terrorism against the West nearly impossible to root out. I would argue the exact opposite. Terrorism can be stopped. The minute you weaken its ability to deliver repeated blows, you have broken its back, and it is well within the means of the West to achieve this.

Condiser, for example, the classic terrorist act, the taking of hostages. More than any other act of terrorist violence, it reveals two underlying characteristics of terrorism. First, it is an unmistakably deliberate assault on the people who are seized, precisely because they are noncombatants. Second, it affords a stage for dramatization and distortion. Hostages taking places a government in a terrible delimma: if it use force to release the hostages, it might end up with more people killed than if it gives in. If it yields, the terrorists emerge victorious. Sometimes the terrorists resolve this delemma by killing a few hostages and threatening to murder the rest if their demands are not met. The government can then argue that since more hostages are about to be killed, it must take action immediately.

But suppose the terrorists have not started killing hostages. Should they not fear a forceable response? The more terrorists believe that military intervention is likely, the less prone they will be to continue their seige. In the hijacking of both the TWA airliner out of Athens last summer and the cruise ship Achille Lauro last fall, a principal reason that the terrorists released their hostages was their belief in imminent intervention—retaliation afterward in the case of the airline and military rescue of the *Achille Lauro* (both American and Italian forces were poised to storm the ship on the day the pirates surrendered).

Terrorists have often escaped because of the sloppiness of the West's thinking about the use of force. America's loss of clarity in the wake of Viet Nam has become a general Western malaise. The rules of engagement have become so rigid that governments often straitjacket themselves in the face of unambiguous aggression. But a fundamental principle must be recognized under no circumstances should a government categorically rule out a military response simply because of the risk of civilian casualties. There is a practical and a moral basis for this position. In practical terms, an inflexible rule against risking civilian casualties would make any military action virtually impossible. In moral terms, an absolute prohibition on civilian casualties today condemns to death or injury many future victims. Terrorism, undeterred, will inevitably increase.

Responsible governments seek to minimize civilian casualties. But they do not grant immunity to an aggressor simply because their response might endanger civilians. If this is true in normal combat, it is truer still in the case of terrorism. An absolute prohibition on civilian casualties provides the terrorist with an invincible shield. This is not only true in cases which he fears retaliation following his attacks (for example, when the terrorist seeks immunity by planting his bases among civilians). It is also true during the taking of hostages, when the terrorist even more brazenly seeks the

authorities to risk the lives of innocent victims by taking action.

Terrorists generally do fear military intervention, and that fear has a tremendous inhibiting effect on hostage taking. This is best demonstrated in the case of Israel. No other nation suffered more from this form of attack. In the 1970s Israel experienced a large number of hostage takings, including the hijacking of planes and the seizing of schools, apartments, hotels and buses. In all these cases, the government refused to capitulate to the terrorists' demands. Soldiers overcame the terrorists and liberated the hostages. This was by no means an easy course to follow. The government painfully recognized that its policy made some civilian casualties unavoidable; in 1974 at Ma'alot, 21 schoolchildren were massacred by the P.L.O. before the terrorists were themselves killed.

But the result of this determined refusal to yield was that hostage taking gradually became a rarity inside Israel. This was not because the P.L.O. was unable to stage such incidents but because it finally realized that there would be no surrender and that the terrorists would fail and probably be killed. Contrary to popular myth, cases of suicidal terrorism are rare; overwhelmingly, terrorists want to live, to escape unpunished.

The P.L.O. sought to overcome Israel's resolve by seizing Israeli planes or hostages outside Israel. But these attempts were defeated as well. In the most celebrated example, the case of Entebbe, Israeli troops flew more than 2,000 miles, liberated the hostages and killed their captors. For a decade afterward, not a single Israeli or Israel-bound plane was hijacked, and virtually no attempts were made to seize Israeli hostages abroad.

The refusal to capitulate and the decision to apply force were adopted in several important instances by other governments. The German government forcibly liberated German hostages on the hijacked Lufthansa airplane in Mogadishu in 1977, the Dutch successfully stormed a train hijacked by the South Moluccans (1977), and the British freed the occupied Iranian embassy in London (1980). For some time afterward, these countries experienced no further hostage takings. Far from endangering a cycle of increased violence, the application of military force or the prospect of such application inhibits terrorist violence.

The only sensible policy for attacked governments, then, is a refusal to yield and a readiness to apply force. This is a policy that says to the terrorist, I will not accept your demands. I demand that you release the hostages. If you do not do so peacefully, I am prepared to use force. I am proposing a simple exchange your life for the lives of the hostages. The only "deal" I am willing to make with you is that if you surrender peacefully, I will not kill you.

Obviously, there can be complicating circumstances. What if military intervention truly does endanger the lives of most or all of the hostages? Ths is not quite as frequent as might at first appear. Many governments have specialized forces trained to overcome terrorists before they kill most of their hostages.

Rescuing hostages requires impressing on military forces the importance of minimizing firepower. In storming a building, the normal military procedure is to shoot first and look later. But in rescuing hostages, the soldiers' job is exactly the opposite: they must look first and shoot later, and even then only when it is absolutely necessary. Sometimes they fail, as in last year's attempt in Malta. But as the experience of Israel, West Germany, Britain and Holland shows, more often than not such specially trained units succeed.

Suppose the terrorists have not merely seized hostages but have hidden them? Perhaps the most celebrated case is the kidnaping of Italy's former Prime Minister Aldo Moro by the Red Brigades. Italy refused to capitulate, and Aldo Moro was murdered. As tragic and painful as the decision was, it was the right one, as was the firm Italian policy in the immediate aftermath of the Moro kidnaping. Unlike the weakness it later showed during the *Achille Lauro* affair, the Italian government mounted a vigorous effort to hunt down the Red Brigades and improve the effectiveness of its security forces. By the time of the next major kidnaping, that of General James Dozier, it was able to apprehend the terrorists and liberate their hostage. Whether or not such rescue is possible governments must persist in refusing to capitulate.

Perhaps the most complicated case of hostage taking is that in which the terrorists find refuge in the territory of a country hostile to the West. Short of declaring war, what can be done? It is often difficult, though by no means impossible, to launch a limited military operation to rescue the hostages. In any case, the principle remains the same—the refusal to yield and the threat of intervention or retaliation. Retaliation can take several forms, against the terrorists themselves and the governments that shelter them. The main point is that both the terrorists and their governmental patrons must believe that they will eventually be punished (preferably sooner rather than later).

What is true of hostage taking is true of other forms of terrorism. The terrorist always considers, and fears, a forceful response from his victims' government. To the extent that he believes he will be tracked down and punished, he will curb them. Deterrence works on terrorists just as it does on anyone else.

Terrorists may at first respond to a government's policy of firmness with an acceleration of violence, but they usually cannot withstand a sustained and resolute policy of resistance and active pursuit. Retaliation and pre-emption against terrorism are thus acts of self-defense. Denying the necessity for such self-defense, and blurring the moral basis for it, is dangerous. It undermines a basic principle on which government authority is based. A government's first obligation is to protect its citizens. Confusion or vacillation fools no one, least of all terrorists.

One point is central: international terrorism as we know it would simply not be possible without the collaboration of governments that have used terrorism to wage hidden war against their adversaries, especially the West. After the *Achille Lauro* piracy, Abul Abbas, its mastermind, skittered from Egypt to Italy to Yugoslavia to Iraq to South Yemen, where he finally found his most suitable haven. Without the collusion or acquiescence of friendly or passive governments, he would have been caught and brought to trial. The support of friendly regimes and the passivity of others are the crucial assumptions under which international terrorism operates.

Just as hostile governments have caused the internationalization of terror, they are also the key to its end. For states are no less susceptible than the terrorists they support to a sober calculation of costs and benefits. The very reason certain regimes rely on terrorists is to be able to wage war without the risks that war entails. As long as they are successful in denying complicity or involvement, they will easily escape retribution.

Once this is understood, the democracies can begin to act effectively in three broad areas against offending states.

POLITICAL PRESSURES

These could range from international condemnation to cutting off diplomatic relations (as the U.S. and Britain did with Libya). Political pressures signal to the terrorist state that the victim not only is unwilling to yield but is prepared to expose the offender to public censure. This could force other states to take a position against the offender, or at least to curb their support for it. Since many states sponsoring terrorism depend on the ability to deny complicity in terrorist crimes, this is not a minor threat. In the severance of diplomatic relations, an added penalty is the shutting down of embassies. Terrorists simply cannot sustain a concerted campaign of attacks in most Western countries without sanctuary or inviolable means of passing funds, arms and intelligence.

The embassies and diplomatic pouches of Syria, Iraq, Iran, Libya, South Yemen and other Middle Eastern states, as well as Soviet bloc embassies, have turned parts of Western Europe into a veritable playground of terrorists. Weapons, passports, money, safe houses have all been made available to terrorists by people hiding behind diplomatic immunity. Without embassies, the effectiveness of terrorism in the West would be sharply diminished.

ECONOMIC PRESSURE

Most of these countries desperately need Western goods, weapons or credit. There are certain sophisticated products, including advanced weapons, that only the West can supply. If the democracies used but a fraction of their enormous economic clout, they could cause regimes supporting terrorism to rethink some of their activities.

Economic pressure could be a combination of boycott and embargo. In the case of Libya, a prime offender, the U.S. has willingly forfeited hundreds of millions of dollars of trade to send an unmistakable and economically painful message to that regime. Another potent sanction that can be readily applied is the denial of landing rights in major Western capitals to the commercial planes of terrorist states. The same could apply to docking rights for the ships of offending states.

MILITARY ACTION

This cannot be ruled out, nor should we be bashful about discussing it. When we talk about using military force, we must first consider unilateral action, one state's taking action against terrorists or a state that shelters them. Obviously, if a terrorist action occurs on a government's own soil, it will take action to protect its own citizens and foil the terrorists.

But what about a terrorist attack on a country's citizens abroad, in embassies, businesses or airlines? In the case of a hijacking, piracy or other hostage taking, the responsibility of securing the release of the hostages is that of the government on whose soil (or ship or plane) the incident takes place. One would hope such governments would adopt a firm policy against the terrorists, but if a government cannot or will not undertake forcibly to end a hostage crisis, it forfeits a

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certain measure of jurisdiction. The country whose nationals (or plane or ship) are held hostage has the right to act when the host country refuses to do so. Take the cae of Entebbe. Uganda had an obligation to intervene and end the hijacking. When it refused to do so, the right to act passed to Israel and France (most of the passengers were Israeli; the plane was French). Since France was not considering any military move (although it helped in gathering intelligence), Israel had a perfect right to act.

This is at odds with a widely held view that national sovereignty is absolute and cannot be violated. But of course it is not absolute. Countries do not have the right to do anything within their borders. They risk the intervention of other states if they fail to live up to elementary international obligations.

Sovereignty does not in any way preclude a government from allowing another government to assist in or carry out a rescue operation, as, for example, the Somalis did when they approved the intervention of West Germany's antiterrorist unit in the Mogadishu incident. In most cases, therefore, even weak or hesitant governments have a choice. Bluntly put, they can either do it themselves or let someone else do it.

What about the use of force in circumstances other than hostage taking? Western governments already possess ample intelligence evidence (such as satellite photos of training camps, interception of communications, reports from agents in the field) of continuous support for terrorists from certain governments. Such a record of complicity is more than strong enough to justify punitive action against these criminal states. Plenty of military or strategic targets can be struck to inflict severe damage, while avoiding excessive, if any, civilian casualties.

Two objections are frequently raised. First, the prospect of reprisals. Libya's Muammar Gaddafi, who clearly harbored the Palestinian terrorist Abu Nidal prior to his attacks on Americans and others in European airports last December, promised to retaliate if the U.S. took any action against him. He went so far as to promise to set the Mediterranean ablaze and even to precipitate global war. Such bluster should be viewed realistically. It emanates from fear. It also at times may be partly realized. We should recognize that a successful war on terrorists will involve a succession of blows and counterblows, and some unavoidable casualties along the way. What is required is a commitment to a continuous campaign against its sponsors, not just erratic responses to individual terrorist acts. There are no "one-shot" solutions. A forceful response against aggression may very well elicit reprisals initially. But over the long run, it is the only way to make governments stop launching terrorist killers. They need to know, they must know, that the West will not sit back and take it.

The second objection raised to military action against states sponsoring terrorism is that it will induce political consequences unfavorable to the West, such as the weakening or collapse of friendly regimes in the Middle East. Actually, these very regimes, despite their public pronouncements, would secretly welcome such action; after all, they too are frequently victims of the terrorist war. Still, what about unfavorable political developments? In many regions of the world, especially the Middle East, anger precedes respect. There may be a lashing out at Western or pro-Western targets following a military action, but there is a concomitant, if grudging, assessment by the terrorists of new limits. A posture of weakness, a repeated refusal to confront and punish the regimes behind the terrorists, not only invites further aggression but ultimately weakens the West's position, and consequently the position of its allies, in these regions and throughout the world.

Terrorists and the states that support them are serious adversaries. They are devious, ruthless and persistent. But the West has worsened the problem by its own disunity. For too long terrorists have succeeded in the strategy of divide and conquer. Governments have made separate deals with terrorists, allowing them, for example, freedom of movement in exchange for promises of immunity. But terrorists, who by their very nature ridicule the notion of law and treaties, always violate their agreements. The Western countries must face up to a simple truth: no deals are possible with terrorists. The success of terrorism in one part of the world encourages terrorists everywhere. Terrorism is an indivisible problem, and the fight against terrorism must be indivisible as well.

This means that you cannot "understand" terrorism when directed against someone else while opposing it when directed against yourself. Terrorism threatens the foundation of lawful and humane existence everywhere. And it thrives on weakness. It is naive to think that the I.R.A. does not take note of periodic British courting of the P.L.O. The same applies to the Red Brigades vis-a-vis the Italian government's dealings with Arab terrorists, and so on.

What is required is a basic realignment of international attitudes toward terrorism. While all governments offer rhetorical opposition to terrorism, including the adoption of a U.N. resolution condemning terrorism in 1985, in practice they fall into one of three categories: a few governments actually oppose terrorism, and do so consistently; others actively support terrorists; but most fall into a third broad category, the neutrals. They either acquiesce in terrorism or refuse to actively oppose it.

The measures against states that support terrorism are essential, but we must also do away with the middle ground of neutrality. Governments must be made to understand that if they acquiesce in terrorism, they are in practice supporting it. The provision of safe passage to foreign terrorists, such as Egypt offered to the hijackers of the *Achille Lauro*, should be considered an act of simple collusion. It is tantamount to offering a foreign army passage through your territory in time of war. Similarly, accepting a hijacked airplane or ship without accepting the concomitant responsibilities of preventing the escape of the terrorists is also an act of collusion; so is the refusal to extradite or punish terrorists.

The provision of sanctuary for terrorists is also an act of collusion. I am not talking about taking in war refugees who have laid down their arms (as France did after the Spanish Civil War). I am talking about permitting armed bands to wage terrorist war against a neighboring state from one's own territory. This is not one of the privileges of sovereignty. It is a clear act of aggression. It can and should be treated as such by the attacked state, which has every right to take action against the terrorists or the government that shelters them. It may do so either in hot pursuit, in retaliation or even in pre-emptive action. The right of self-defense takes precedence over sovereignty.

When a state deliberately employs terrorists, the distinction between striking back at the terrorists themselves or at the governments that shelter them is one of practical consideration, not of principle. There is certainly no moral imperative to confine the retaliation to the actual perpetrators; the terrorists, after all, are merely servants of the government. In war, limiting a counterattack to exactly those soldiers who fired at you would be absurd.

Lesser forms of tolerating terrorism, like lax security safeguards in airports, should be considered a tacit form of collusion with terrorists. It allows them to penetrate air routes and attack civilians from all countries. Offending governments should be told that their airports will be cut off from the international aviation system until they improve security.

The broad assortment of "neutral" states that repeatedly, or as a matter of policy, facilitate the operations of terrorists must be told that they risk being subjected to some or all of the sanctions that outright supporters of terrorists invite upon themselves.

A policy of firmness will make it clear that individual terrorists will be pursued, caught and punished; that the organizations that launch them will be subject to attack; that the governments that shelter them will face political, economic and, ultimately, military retaliation; that other governments that collude less brazenly will also be held accountable.

What, then, has inhibited the widespread adoption of this policy by the West? I believe it is the persistent effects of three vices. One is greed, or heedless promotion of economic self-interest, whatever the political or moral consequences. A second is political cowardice, which means sitting it out while your ally is attacked, or responds to an attack, so as not to invoke the wrath of the terrorists. Both factors played a part in the immediate rejection by several governments of the American initiative for sanctions against Libya following the attacks on the Rome and Vienna airports. Neither cowardice nor greed will easily disappear. If, however, the U.S. persists in its firm stance, I believe that it will eventually succeed in pressuring, even shaming, other Western states into compliance.

But there is a third, even more pernicious impediment that needs to be overcome: a confusion that is both moral and intellectual. We in the West believe in the capacity of politics to mitigate, and resolve, all conflict. We automatically tend to endow an adversary with the same assumptions. These could not be more misplaced than in the case of terrorists, who use political language to destroy the concept of politics altogether. And even when we catch a glimpse of this truth, we fail to grasp its essence. For the West is in awe of fanaticism. It is confused before a supposed willingness to die for a cause, believing that such readiness must be based on a cause that is at least partially just. Even a cursory reading of history tells us how dangerous a notion that is. No people were more prepared to sacrifice their lives for a cause than the Hitler Youth.

But our present notions of terrorism are informed not by history but in large measure by the media. This is why terrorists, in their war against the West, devote so much of their strategy and their effort to capturing the Western press and using it for their own purposes. But this need not succeed. Terrorism's reliance on the press and television of the democracies gives the media tremendous power not only to amplify terrorism's message but also to snuff it out. They can and should refuse to broadcast indiscriminately interviews with terrorists. They can and should expose their grisly acts for what they are.

What the public has a right to demand of journalists is the same scrupulousness and professionalism, no more and no less, that they would show in the case of covering organized crime and its bosses. The proven power of a thorough press investigation to expose and to repudiate such corruption—indeed, to galvanize public opposition against it—is exactly the power that can be harnessed against terrorism. A thoughtful press can turn terrorism's greatest weapon against the terrorists themselves.

This is the responsibility of the West's press. It is second only to the responsibility of its political leadership. For only a determined leadership can make the West overcome the impediments of greed, cowardice and moral confusion.

Which leadership? It can come only from the U.S., which alone has the capacity to align the West's resistance, alone can credibly threaten the offenders and alone can impel the neutrals to shed their neutrality. The U.S. appears to be moving in this direction, albeit sometimes at an uncertain pace. The more the U.S. resorts to action, like punishing terrorists and their backers, the greater the number of states that will join the American efforts to combat terrorism. Allies and adversaries alike, the entire world is waiting to see the depth of the American resolve.

The West can win the war against terrorism, and fairly rapidly. But it must first win the war against its own inner weakness. That will require courage. First, government leaders must have the political courage to present the truth, however unpleasant, to their people. They must be prepared to make difficult decisions, to take measures that may involve great risks, they may even end in failure and subject them to public criticism.

Second, the soldiers who may actually be called upon to combat terrorists will need to show military courage. It will be up to them to decide whether they can or cannot undertake a particular operation that a government is considering. In the special units of the Israeli army, for example, no one has ever simply been told by the political leadership that he must accept a perilous assignment. The commanders are always asked: Is it possible? Do you think you can do it? And if they ever said it could not be done, or even if they expressed doubts, that would have been the end of the matter.

But there is also a third kind of courage: the civic valor that must be shown by an entire people. All citizens in a democracy threatened by terrorism must see themselves, in a certain sense, as soldiers in a common battle. They must not pressure their government to capitulate or to surrender to terrorism. This is especially true of public pressure on government by families of hostages. Such pressure can only be called a dereliction of civic duty. If we seriously want to win the war against terrorism, we must be prepared to endure sacrifice and even, should there be the loss of loved ones, immeasurable pain.

Terrorism is a phenomenon that tries to evoke one feeling: fear. It is understandable that the one virtue most necessary to defeat terrorism is therefore the antithesis of fear: courage.

Courage, said the Romans, is not the only virtue, but it is the single virtue without which all the others are meaningless. The terrorist challenge must be answered. The choice is between a free society based on law and compassion and a rampant barbarism in the service of brute force and tyranny. Confusion and vacillation facilitated the rise of terrorism. Clarity and courage will ensure its defeat.●

NATIONAL MATHEMATICS AWARENESS WEEK

● Mr. RIEGLE. Mr. President, Congress has designated this week of April 14 to 20, 1986, as "National Mathematics Awareness Week." I strongly support this effort to increase public understanding and appreciation of the important role mathematics plays in our lives and which encourages our young people to develop skills in this area.

Without a strong mathematics foundation in the United States, we as a world leader suffer. Mathematics is essential for the economic security and defense of our country. Math skills are fundamental to all aspects of science, ranging from physics and chemistry to behavioral science. Our young scientists today will be developing the technological breakthroughs of tomorrow.

Recent findings have shown that American students are scoring lower in mathematics than those from a dozen other industrial nations. Enrollment in mathematics programs has been declining at all levels. In 1984 only 55 percent of mathematics doctoral graduates from U.S. institutions were U.S. citizens.

America must gain back its competitive edge. For several years we have confronted a severe trade crisis which presses the deficit upward. While the reasons for our decline in competitiveness are varied, part of the problem lies in the need to better educate our labor force in new technologies. Since the 1983 National Commission on Excellence in Education composed its report, "A Nation at Risk" there have been numerous studies that sadly display a declining trend in our Nation's academic performance.

We must take action now to help our children prepare for the job markets of the future. Our ability to maintain and improve our competitiveness in the world economy depends upon the strength of our training in increasingly technical areas requiring strong math skills.

"National Mathematics Awareness Week" must provide an impetus for further scholastic improvements in the field of mathematics and draw attention to the vital role this area of study plays in our country's future and well-being.●

THE BUDGET

● Mr. QUAYLE. Mr. President, I ask that an interesting Wall Street Journal article about Congress appear in the RECORD.

The article follows:

[From the Wall Street Journal, Apr. 16, 1986]

DEMOCRATS ARE THE BUDGET CULPRITS

(By James L. Payne)

There's no doubt that a crime has been committed. We can all see the evidence: Federal spending has increased more than eightfold in the past 20 years, outstripping revenues and leaving us with a staggering deficit. The problem does not stem from increased defense spending. These outlays have increased only modestly overall (thus shrinking defense's share of the budget from about half to one-quarter). Skyrocketing domestic spending is the heart of the problem.

But who did it? Who is to blame for all this increased spending?

The popular view, echoed most recently by David Stockman, is that Republicans are about as much to blame as Democrats. Having spent four years trying to persuade fellow Republicans to vote against spending, Mr. Stockman concludes that "a large share of the problem is us."

The popular theory goes that each party has an ideological commitment to a particular segment of society. The Democrats favor the lower classes, and have therefore pushed for more spending in the welfare-related areas, while the Republicans, representing upper-income groups, have sought higher spending for business and wealthy interests. In this same theory, each party has tended to oppose the spending measures favoring the pet groups of the other. Hence, each party can claim an alibi when it comes to the deficit and point an accusing finger at the other.

Unlike a drawing-room mystery, the crime of runaway federal spending is easy to solve. An extensive public record exists in congressional votes on spending bills. These are the deeds that create the higher spending. By tabulating these votes, we can discover who is to blame.

In selecting spending bills for analysis, certain rules must be observed to avoid misleading results. One avoids using bills with other issues piggybacked on them—called "riders"—because the votes on these bills represent a confusing mixture of motivations. One also avoids using the final votes on spending measures (which embody prior compromises), votes on frivolous proposals, highly lopsided votes, votes with low attendance, and votes on parliamentary issues.

Working within these guidelines, I studied House of Representatives voting patterns on domestic spending during 1984—David Stockman's last full year as budget director. Twelve key votes were selected for analysts, with three votes each in the areas of welfare, agriculture, science and culture, and business.

VOTING ON DOMESTIC SPENDING MEASURES

[House of Representatives, 1984]

	Percentage voting for higher spending	
	Democrat	Republican
Welfare measures:		
Weatherization for low-income homeowners	53	13
Child nutrition	92	28
Grace Commission savings	76	22
Average	73.7	21
Agriculture measures:		
Organic farming/crop rotation subsidies	81	10
Grace Commission savings	78	33

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VOTING ON DOMESTIC SPENDING MEASURES—Continued

[House of Representatives, 1984]

	Percentage voting for higher spending	
	Democrat	Republican
1 percent reduction in Department of Agriculture	58	15
Average	72.3	19.3
Science/culture measures:		
Water resources research (veto override)	99	46
Funding for advanced computers	83	7
Public broadcasting	78	20
Average	86.7	24.3
Business/commercial measures:		
Loans to "non-disadvantaged" businesses	99	56
Deauthorize Cross-Florida Barge Canal	60	35
Synthetic fuels spending	67	42
Average	75.3	44.3
Grand average, all 12 issues	77.0	27.2

Source: Congressional Quarterly Weekly Reports.

The accompanying table shows the results. Looking at the welfare spending votes first, the "ideological" theory seems to hold up. The Democrats are clearly for higher spending, while the Republicans are predominantly opposed. As we turn to agriculture, however, the ideological theory starts to look shaky, for the Democrats are pushing for higher spending in this area—most of which goes to wealthy farmers and agribusiness corporations.

In spending on science and culture we find the contradiction deepens. The Democrats are overwhelmingly in favor of higher spending, even though these funds go to well-heeled scientists, educators and administrators. One bill, for example, allocated $180 million to water research institutes in each of the 50 states. After taking their cut, the managers of these institutes would in turn spread the money around to university personnel. The Republicans differ from the Democrats even more sharply on these issues than on welfare spending.

The biggest surprise, however, comes when we look at the votes on pro-business spending. In direct contradiction to the ideological theory, it is the Democrats who are plunking for spending in this area. On the proposal to eliminate Small Business Administration direct loans, for example, the Democrats voted 242-2 against elimination (for higher spending). Exempted from this proposed elimination were minority, handicapped, and other "economically disadvantaged" groups. So the Democrats were lining up, almost unanimously, to save a federal program of loans to ordinary businessmen. The Florida Barge Canal was opposed not only by the economy-minded but by certain environmentalist groups; nevertheless, most Democrats, including scores of liberals, voted to retain the project. This vote typifies the recent voting pattern on public works: Democrats are almost always more in favor of these projects than are Republicans.

We have to conclude, then, that the ideological theory about federal domestic spending is way off the mark. It is not true that all congressmen are equally in favor of higher spending. The Republicans tend to oppose spending in all domestic categories, including pro-business spending. Tabulations done by the National Taxpayers Union further confirm that Democrats are bigger spenders than Republicans. In the House in 1984, the average Republican pro-savings score was 50% while the average Democratic score was 26%. Of the top 50 penny-pinching members, 49 were Republicans. All 50 of the worst spenders were Democrats. The NTU study, by the way, is based on all 207 House spending roll-call votes in 1984, and includes votes on Pentagon spending.

One might wonder whether my finding is the result of the particular votes selected. These votes were chosen, however, because they seemed most satisfactory for answering my question: Turnout was high, the spending issues was important and clearly drawn, the vote was close, and so on. But even when one goes beyond this collection of particularly suitable votes, the pattern does not change. Democrats are more in favor of higher spending—even on trivial issues that have no ideological or policy importance.

For example, one bill proposed that the 500th anniversary of the discovery of America be celebrated at federal expense through the creation of a $2 million commission whose 20 staffers (not likely to be drawn from the ranks of the poor) would labor for five years tooting the horn of Christopher Columbus. This measure was approved by 83% of the Democrats; only 44% of the Republicans voted for it.

Even the rhetoric reflects the gap between the parties. Consider the following statement made on the floor of the House in 1982. In contention was an item in the NASA budget, a $35 million add-on in the funds for aeronautical research. The speaker urged the increase on the ground that it "may be in some respects the life or death of companies like Boeing, United Technologies, Pratt & Whitney, Rockwell, General Dynamics. . . ." This defender of subsidies for the Fortune 500 was Democrat Dan Glickman of Kansas. His party followed his lead: 83% of the Democrats voted for the expenditure, vs. only 20% of the Republicans.

Is perhaps my analysis faulty because it is based on a special period when it was a Republican president who sought to restrain spending?

If we go back in time we find the same pattern. Although little noticed, it was Democrats, not Republicans, who provided the major support for the 1979 Chrysler loan guarantees—a ballout that favored not only the company's investors but also highly paid auto workers. In the House, 81% of the Democrats voted for the bailout, as opposed to only 41% of the Republicans; in the Senate, 71% of the Democrats supported it while only 31% of the Republicans did.

Another revealing vote occurred when the Carter administration attempted to kill some especially wasteful water projects in 1980. The array of political and ideological interests pressuring Democratic congressmen not to spend the money was unprecedented. President Carter was joined by Interior Secretary Cecil D. Andrus, Common Cause, Americans for Democratic Action and a bevy of environmental groups—including the Sierra Club and the National Wildlife Federation. Nevertheless, when the House vote was taken 71% of the Democrats voted for retaining the questionable projects. The Republicans, with many more members from Western, water-thirsty states, were slightly more willing to save money, even though it meant siding with President Carter and the ADA: 66% voted for the projects.

NOT A CLASSICAL DIVISION

A more contemporary example of this behavior can be found in the congressional vote on the Gramm-Rudman-Hollings budget-balancing measure. By protecting welfare spending from cuts and mandating dramatic reductions in defense spending, G-R-H's effort to trim the size of government was a pill specifically sugarcoated for liberals. Yet it was not Democrats but Republicans who swallowed it. In the House, only 48% of the Democrats voted for Gramm-Rudman, compared with 86% of the Republicans; in the Senate, the corresponding figures were 50% and 81%.

We do not have a classical left-right division in our politics, with one party generally representing the downtrodden and the other representing the well-to-do. The axis of division today is over the size of the state. Democrats in Congress favor a larger role for government in most things, from broadcasting to barge canals, from child nutrition to Christopher Columbus. Mr. Stockman may have been too close to see it, too frustrated by losing budget battles on the margin, but overall, his former GOP colleagues in Congress are less in favor of this trend, and tend to resist the growth of government across the board.●

NAUM AND INNA MEIMAN: THE RIGHT TO CHOOSE

● Mr. SIMON. Mr. President, we, as Americans, are able to choose where we wish to live. Many of us take this right for granted. Naum and Inna Meiman, a couple living in the Soviet Union, have been denied this right.

For over 10 years, the Meimans have been refused permission to emigrate. They are an elderly, ailing couple. They would like to spend their remaining time in Israel, but the Soviet Government continues to deny this right. The Meimans pose no threat to the Soviet Government, and should be allowed to choose their home.

I implore the officials in the Soviet Union to let the Meimans emigrate to Israel.●

THE BUDGET RESOLUTION

● Mr. KERRY. Mr. President, I rise to speak in support of the immediate movement of the budget resolution to the floor of the Senate for debate and subsequent action. This resolution, which is the result of a strong bipartisan effort within the Budget Committee, provides a responsible base upon which a final budget can be constructed.

During the final days of the 1st session of the 99th Congress we passed the Balanced Budget and Emergency Deficit Control Act of 1985 by an overwhelming margin in both Houses of Congress. By passing this legislation we were stating, out loud, that our previous methods of constructing a budget were not working. No one really disagreed with this since the evidence was clear: runaway deficits, a Federal debt that exceeded $2 trillion and had doubled over the past 5 years, and debt service payments that were consuming almost 15 percent of our total outlays. We were moving in the

wrong direction and very rapidly. By passing this legislation we were also stating that we had a new and better method constructing the budget, Gramm-Rudman-Hollings.

Gramm-Rudman-Hollings set forth a series of requirements in order to accomplish our objective of reversing the negative effects of prior budget decisions. In addition to mandating maximum deficit levels and an across-the-board sequestering mechanism, the act established a timetable to provide for the orderly and comprehensive consideration of budget issues. April 15 was designated as the deadline for passage of the budget resolution by both the Senate and the House of Representatives. This date has passed and the resolution has not been brought to the floor of the Senate even though the committee completed its work and reported out a budget resolution over a month ago. Our vote for Gramm-Rudman-Hollings and its requirements represented a commitment to the American people that we would deal with the budget in a different and more responsible manner. By not acting within the established timetable, we are reneging on that commitment.

I have heard that some of my colleagues in the Senate are not satisfied with this resolution and this has caused the delay. If this is true, I suggest that those Members should propose to change it by offering amendments during the 50 hours scheduled on this issue. I look forward to the opportunity to make these hard choices and I plan to play an active role during this time since I believe that certain changes are necessary.

Mr. President, today in his opening statement the distinguished minority leader commented on the Senate's delay in its consideration of this matter. He stated, "While nothing happens, something bad happens." Senator BYRD was correct in his assessment of the effect of delaying action on this crucial issue. We are at a critical point in the development and implementation of a responsible system of determining the Federal budget. It is irresponsible on our part to continue to delay action on the resolution when we agreed to follow a designated timetable for its consideration.

Our constituents have elected us to generate, and hopefully abide by, responsible legislation, not to avoid making difficult decisions. Consequently, I ask that the budget resolution be brought to the floor as expeditiously as possible for our consideration.●

TRANSITION TO DEMOCRACY IN THE PHILIPPINES

● Mr. DURENBERGER. Mr. President, the recent peaceful transfer of power in the Philippines is an event which Americans can reflect on with pride. With the support of a unified U.S. Government and citizenry, the Philippine people have made a strong and very effective statement about the value of democracy.

And, yet, the new opportunities now available to Filipino people are tempered by the realities of a country which has suffered too long under economic, social, and political neglect. Americans, with their short attention spans on matters of this complexity, must realize that the long struggle toward economic prosperity and political and social justice for all Philippine people has just begun.

Through this struggle, it will be important for the United States to continue to play a supportive and positive role. And it will remain essential that Americans continue to be exposed to the evolution of change, and difficult challenges, facing this valued U.S. ally.

Because of the important record that it provides of the continuing struggle for economic and social justice at this time in the Philippines, I ask that the following two-part series of articles by Frank Wright, foreign correspondent for the Minneapolis Star and Tribune, be printed at this point in the RECORD.

The articles referred to follow:

[From the Minneapolis Star and Tribune, Mar. 30, 1986]

EXPECTATIONS RUN HIGH AS AQUINO DEALS WITH THE RICH AND THE POOR

(By Frank Wright)

MANILA, PHILIPPINES.—Serapio Gabriel and Emil Ong were in the streets as part of the Manila people power that helped lift Corazon Aquino to the presidency of the Philippines.

Now they are part of the revamped—but once again elite—establishment that is helping her run the country, Gabriel as an influential businessman and Ong as a ranking government official.

Many others, most of them poor and oppressed, did not celebrate in the streets of Manilia. Fisherman Boy Cuenco, farmer Warlito Gadia, street vendor and mother Juliette Miguel, factory worker Naz Espiriau and 2-year-old Rodolfo Sarsaba are not part of the new establishment.

The challenge for Aquino is how well, and how soon, she can bring them all together, the rich who once again are in control and the poor who once again are not.

A sharp look at the Philippines and the feelings expressed by its people reveals expectations are high:

Economically, a hunger to close the gap between the fewer than 20 percent of the people who receive more than half the income and the 70 percent who live in poverty.

Politically, a growing demand by the underclasses for a share of the government power that always has been reserved for their alleged betters.

Socially, a strong desire for more independence, personally in terms of human rights guarantees and nationally in terms of freedom from overseas influence.

A thoughtful look at the Philippines also raises the questions of what the United States learned from the recent Philippine experience, and of how the United States, which has been the dominant foreign influence in the islands for practically all of this century, will continue its major presence.

By most standards Aquino has made a promising start toward cleaning up the mess left by Ferdinand Marcos, her deposed predecessor.

She has consolidated her power by deft selection of coalition Cabinet ministers; kept the Marcos faction at bay by disbanding the Marcos-controlled National Assembly until a new constitution is implemented and elections held; put the government bureaucracy on notice that corruption no longer will be tolerated; won early tests to bring the military under her civilian control, and at least temporarily blunted the Communist-led insurgency by releasing several of its former leaders and hundreds of other political prisoners.

But in the long run she will be measured by how well she does in solving the basic economic, political and social problems that existed under Marcos and that still exist today.

It will be a difficult task because the leaders, including Aquino, may well not want to go as far as the people want to go.

Aquino is just beginning. If she succeeds in bringing the establishment and the rest of the country together, a truly unified Philippines may emerge. If she doesn't, signs point to renewed unrest.

The new leadership, while avoiding overoptimism, sees a glimmering future.

Gabriel, executive vice president of Philippine Commercial Credit Card, Inc., the biggest plastic money company in the islands, opposed Marcos for a long time. He had said he considered Marcos a crook and despot who was destroying the economy and the country. Gabriel supported Aquino and protected the ballot boxes as a poll watcher on election day.

When the final uprising started Feb. 22, he said, "I got all the kids together and took them out there to see history in the making. Suddenly, you were proud to be a Filipino again."

As a former president of Manila Rotary, a potent organization in the Philippines, and as a prominent corporation executive, Gabriel will be influential in winning support from the business community.

The problems are complex, and solutions will take time, he said. But, he added, business confidence has been restored, prospects are good and "the people will be patient."

Ong, who managed Aquino's campaign on the islands of Leyte and Samar, also was in the Manila crowd during that climactic weekend. He said he spent three nights outside gate 4 at Camp Aguinaldo, one of the two camps where the military defectors barricaded themselves.

"It was really something to see the people protecting (them)," he said. "The people were crying. The soldiers inside the gate were crying. It was really a miracle."

Now Ong, an attorney and senior member of the family's farming and building supply businesses, is a deputy minister of agriculture. He also has been appointed administrator of the National Food Authority.

His primary tasks are to stabilize prices of cereal grains, particularly rice and sweet corn, and equalize their distribution throughout the islands.

His biggest shock, he said, was discovering that his agency's treasury is virtually bare, allegedly stripped by Marcos to help pay for his reelection campaign. That could cause

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serious difficulties, Ong said, because Filipino farmers depend on his agency to buy portions of their crops. He said the government may need additional short-term assistance from lenders such as the International Monetary Fund.

He said he has requested an audit and will tour agency facilities, which include more than 300 offices and warehouses across the country, to assure farmers that the government wants to do well by them. "We need to reach out," he said.

Reaching out will not be simple. Government television recently reported that 23 people were killed in a rebel attack on one of the warehouses in Allacapan, about 250 miles north of Manila. The report said 15 of the dead were guerillas. It was the bloodiest insurgent raid since Aquino took office.

To the Cuencos and others among the poor, most of whom live in the provinces, government changes in Manila can seem far away and of little immediate effect.

Rural and small town people, who comprise almost three-fourths of the population, often are victims of long-standing conditions they did not create, and they are skeptical about improvement even when proposed by people of good will.

Cuenco, 28, an unemployed fisherman in Bula with a wife and two children, remains blacklisted as a troublemaker. He said he was fired last year when he refused his employer's order to charge a fishing crew rent for equipment they had not used.

He and his family live in a shack in a squatters' village next to the shore in southern Mindanao, surviving mostly on rare odd jobs and donations from friends.

"It is hard," he said. "We eat much salted fish. We do not often have delicious food."

Gadia, 24, a farmer driven off his land by fighting between the government and the rebels, still lives in the mud and slop of Alegria Evacuation Center, his family and two others crowded into the same house. About 1,000 families live at the center, a sorry collection of temporary huts near the Mindanao village of Alabel.

Most have come since November, after being ordered from their farms by government soldiers who designated vast areas in the hills as official no-man's lands in order to clear them of suspected rebel supporters.

The farmers now must walk to their farms each day, a trek of two hours each way for some. Time in the fields is shortened because farmers can be out only in daylight lest they be shot as curfew violators and suspected rebels. And they are required to work alone. Crops suffer accordingly. Farmers also sometimes discover that their chickens and hogs have been "liberated" by armed fighters on one side or the other.

Gadia said he came to the center "for the security of my family" after his village suffered two massacres. The residents, he said, "say it was the Marcos military. The military says it was the rebels."

Even at the center, he said, "it is not really safe." Squads of local militia from the Civilian Home Defense Force "prowl at night," Gadia said, and the New Peoples' Army, the Communist-led rebels, once sent in a hit team that shot and killed a "notorious person" suspected of being a government informer.

In addition to security problems, he said, illness is common, health care is virtually nonexistent and the number of children in school is dwindling because fewer parents can afford books and supplies.

Gadia said he had little faith that a change in government will help him, and he has "no idea" when conditions will allow his family to return home.

The nightmares have gone away for Miguel, 45, a mother of nine who was arrested and tortured for three days and nights in 1983 by authorities seeking information about the rebels in central Luzon.

But she still suffers harsh headaches and recurring pain in her neck and shoulders from the blows.

And she has not forgotten, she says, how the military men beat her breasts, battered her knees with rifle butts and three times pointed a gun at her heart and pulled the trigger trying to frighten her into talking.

Or how they strung up her husband with his belt until his tongue hung out and he gasped for air. Because of the torture, Miguel said, he no longer is able to farm. The best he can get is occasional work on a fishing boat.

Espiriau, in his 20s, a factory worker fired for union activities, still lives in Mariveles on the Bataan peninsula, near a memorial garden that marks the starting point of the World War II Death March.

He continues trying to organize fellow workers, three-fourths of them young women in a huge industrial complex where most earn less than the government says they need to feed their families and where employment has dropped 50 percent.

Sarsaba, according to the New York Times, died of malnutrition three weeks ago in the hospital in Bacolod on the island of Negros at the age of 2.

She was the fouth child to die from malnutrition in three weeks in her neighborhood of 350 people. Two others were in the hospital and 23 more were identified by health workers as substantially deficient.

Sometimes as many as 10 children a day die at the hospital for lack of food, doctors said.

Close to 80 percent of school age Filipino children are considered undernourished in a country that has ranked among the top 20 food producing nations in the world.

The important thing to keep in mind about the Philippines is that the real revolution, if there is one, is yet to come.

Getting rid of Marcos was only the first step—and perhaps the easiest—in the transition to the future.

As Aquino and her new government look ahead, they face more questions than answers.

Does she have the will and the vision necessary to reshape the country's foundations, or will she prefer to revise around the margins and retain much of the semi-feudal society that has so bountifully benefitted her family and others among the rich for so long?

If she chooses to make major changes, does she have the skill, perseverance and political support required to succeed?

How long will the people wait before they turn again to the streets in renewed protest over the condition of their lives or turn to the violent solutions offered by the rebel army and the Communists?

The United States also has some sorting out to do:

How much was the U.S. government a part of the problem in the Philippines, which it colonized for the first 40 years of the century and where it either stood by or assisted indirectly as Marcos spent most of the past 20 years ruling and abusing the people with authoritarian power, robbing the economy of estimated billions and helping run what remained into the ground?

What does an analysis of the past say about future military and economic assistance to the Aquino administration, U.S. attitudes toward the large American military bases in the Philippines and other bilateral issues?

What new guidelines for U.S. relations with other developing nations can be drawn from the Philippines, where the United States stayed with a fading ruler unwilling to change and abandoned him only as his own people were pushing him out the door?

The discussion is just starting.

POLICY LESSONS FOR UNITED STATES REMAIN UNCLEAR

(By Frank Wright)

The Philippine episode has reopened an old debate about U.S. foreign policy.

The issue can be put simply: How and when should the United States, as a democratic world power, intervene in the affairs of smaller and less powerful nations, especially those ruled by despots?

Numerous scholars, policymakers, would-be policymakers and advocates with and without portfolio are searching for the broad lessons of those emotional days in which the people of the Philippines, with some help from their church, military defectors and a U.S. president who stayed out of the way, dumped President Ferdinand Marcos and replaced him with Carazon Aquino.

But examination of the post-up-heaval rhetoric makes it clear there is little consensus on what is to be learned from the experience and how it can be applied to other situations.

One sentiment that does come through is that the United States should be more alert to spotting moderate opposition in such countries and more eager to provide early encouragement in the interests of spreading freedom and deterring dictatorships of whatever stripe.

To some extent, that is the message behind President Reagan's post-Haiti and Post-Philippine declaration that the United States henceforth will oppose tyrants of the political right as well as those of the left. Reagan's previous orientation was to destabilize governments on the left while supporting those on the right in the interests of anti-Communism.

Beyond that, however, divergence reigns about the lessons from the Philippines. Some analysts and activists, usually those toward one end of the political spectrum or the other, say it would be good for the sake of consistency to take a single approach to all situations. They seem inclined toward more intervention in despotic countries rather than less.

Others, usually in the middle, are more cautious about interventionist solutions and say the best that can be hoped for is to understand our own interests and to be pragmatic, innovative and knowledgeable about the details of every situation because each will be different.

One of the few underlying themes in the discussion is that the future will be increasingly complicated because the United States probably is going to face the intervention issue with increasing frequency if only because the Third World—and its myriad countries struggling under various forms of government—is forcing its way more and more into the American consciousness.

Individually, these countries become centers of extraordinary attention and significance whenever the United States or the Soviet Union, or both, turn one of them into an East-West battle ground—politically, militarily or economically. As in Angola. Or Nicaragua.

Collectively, they also are hard to ignore, as in the often anti-U.S. majority their growing number sometimes creates at the United Nations.

Lack of consensus about what has happened in the past, in this case in the Philippines, contributes to the lack of consensus about a future course. One's perception of that history depends in part on one's vantage point.

The prevailing American view of the U.S. presence in the Philippines for most of this century is that it was very much a good thing for the Philippines. Emphasis in this version is on a strong education system and high literacy levels, improved health care, the introduction of democratic governmental institutions, economic cooperation and a people-to-people friendship that saw Americans and Filipinos fight side-by-side against the Japanese invaders in World War II and that since has seen about 2 million Filipinos emigrate to the United States.

But there are many Filipinos and some Americans who hold a different view. They accuse the United States of suffering from historical amnesia, contending that most history of the Philippines is written by Americans from a Western view and that it plays down the negative aspects of the U.S. role.

For example, American students often are taught little about the U.S. acquisition of the Philippines other than that the country was ceded to the United States as a result of the U.S. victory in the Spanish-American War. Spain had colonized the Philippines in the 16th century.

All but overlooked is the fact that the United States at the time refused to recognize a Filipino rebellion that virtually had driven the Spaniards out. Instead, the United States spent four years conquering the Philippines. The war killed tens of thousands of U.S. soldiers, killed many times more Filipinos and prompted a Vietnam-like protest in the United States led by the likes of William Jennings Bryan. This view of the history sees the Spanish-American influence as robbing the Filipinos of their Asian heritage and identity and forcing them into a dependency that has left them poor economically and otherwise.

A similar difference in vantage point seems to contribute to the varying views of just who was responsible for what in the recent overthrow.

Reagan, official Washington and journalists in Washington tend to give the United States more credit for engineering Marcos' downfall than it gets from people in the Philippines, including foreign journalists and other foreign observers.

Washington contends that Marcos, in the early days of his 20-year regime, was well-liked by the people and was something of a reformer, remained popular for a time even after declaring martial law in 1972 and had lost support only in the past few years, at which point the United States pressured him to reform and, finally, turned its back on him when he refused.

Many Filipinos and some U.S. experts acknowledge Marcos' early popularity but argue that the United States, by continuing its economic, military and psychological support for Marcos for years after he declared martial law, contributed to the subjugation of the Philippine people, failed to encourage the moderate opposition at crucial early moments and stood by the despot far too long.

Those who hold this view give virtually all of the credit for the overthrow to the throngs that faced down divided and shaky military forces when Marcos ordered them to attack, an event that has to be one of the greatest victories in history for nonviolence. Some credit, especially for critical timing, is given to the military leaders who defected. Some is given to the Roman Catholic church hierarchy for its support of Aquino as the crisis approached. Little credit is given to the United States.

Those who minimize Reagan's role in deposing Marcos tend to doubt his enthusiasm for rocking right-wing boats in the future. They describe his declaration as simply an opportunistic political move to attract support from congressional liberals for his proposal to send $100 million in new aid to the anti-Sandinista rebels in Nicaragua.

Reagan spokesmen acknowledge a certain political motive, but they also say the declaration is sincere.

A key test will come in South Korea, a long-time and heavily supported U.S. ally in Asia run in autocratic fashion similar to the Marcos Philippines. The military has even greater control of the society in South Korea.

Human rights groups have registered protests. A newly developing political opposition that professes to seek greater democracy is taking heart from the Marcos-Aquino episode. The Catholic hierarchy is beginning to speak up. The South Korean government, apparently nervous about what happened in the Philippines, has loosened slightly its restrictions on dissidents.

For some time the United States has been prodding here and there for more democracy but has been unwilling to take drastic actions that might seriously erode the anti-Communist regime of President Chun Doo Hwan.

Elections are scheduled for early 1988.●

DR. JAMES I. McCORD

● Mr. BRADLEY. Mr. President, I am pleased to offer my congratulations to Dr. James I. McCord, who was recently awarded the prestigious Templeton Prize for Progress in Religion for his work as an educator. The prize carries with it a cash award of $250,000, which Dr. McCord has announced will substantially be used to endow the Center of Theological Inquiry at Princeton.

Dr. McCord, who served as president of the Princeton Theological Seminary in New Jersey from 1959-82, is now the chancellor of the Center of Theological Inquiry, a religious advanced research center modeled after Princeton's Institute for Advanced Studies. The center, founded by Dr. McCord in 1982, offers scholars an opportunity to do theological research on a full-time basis.

Dr. McCord has also devoted part of his career toward finding agreement among different religious denominations. He has headed the World Alliance of Reformed Churches and the Consultation on Church Union, whose goal was to merge 10 Protestant denominations.

The award will be presented formally to Dr. McCord on May 13 by Princess Alexandra of Great Britain. The award has been presented to 13 recipients in the past, including Mother Teresa, Reverend Billy Graham, and Alexander Solzhenitsyn.

I extend my very best wishes to Dr. McCord on this special occasion and wish him much continued success in the future. His efforts to establish a dialogue between scientists and theologians is particularly timely.●

ORDERS FOR FRIDAY

RECESS UNTIL 11 A.M.

Mr. DOLE. Mr. President, I ask unanimous consent that once the Senate completes its business today it stand in recess until the hour of 11 a.m. on Friday, April 18, 1986.

The PRESIDING OFFICER. Without objection, it is so ordered.

RECOGNITION OF CERTAIN SENATORS

Mr. DOLE. Mr. President, I further ask unanimous consent that following the recognition of the two leaders under the standing order, there be special orders in favor of the following Senators for not to exceed 5 minutes each:

Senators HAWKINS, PROXMIRE, CRANSTON, and DURENBERGER.

The PRESIDING OFFICER. Without objection, it is so ordered.

ROUTINE MORNING BUSINESS

Mr. DOLE. Mr. President, following the special orders just identified, I ask unanimous consent that there be a period for the transaction of routine morning business not to extend beyond the hour of 12 noon, with Senators permitted to speak therein for not more than 5 minutes each.

The PRESIDING OFFICER. Without objection, it is so ordered.

PROGRAM

Mr. DOLE. Mr. President, at 12 noon, the Senate may be asked to turn to the consideration of any of the following items:

S. 49, the gun control bill; Senate Concurrent Resolution 120, the budget resolution; the motion to proceed to S. 1848, the drug export bill; and the executive nomination of Donald M. Newman, and possibly the daylight savings time amendment to the fire protection bill, S. 2180.

The RECORD is already clear: there will be no votes tomorrow. If anything is brought up it will be for debate only.

I would not expect we would be in session very long tomorrow.

Mr. BYRD. Mr. President, if I may, if the majority leader will yield, is the distinguished majority leader in a position to say what the Senate might expect or what our colleagues might expect with respect to rollcall votes on Monday?

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Mr. DOLE. I think they can expect, in fact, there will be no rollcall votes on Monday. Again, if it is the budget we are on, we will have a lot of debate up front. If it is the gun control bill we are on, I understand we will have a lot of debate up front. I think I indicated earlier to the distinguished minority leader that there would be no votes on Monday.

Mr. BYRD. Mr. President, I thank the distinguished majority leader.

RECESS UNTIL 11 A.M. TOMORROW

Mr. DOLE. Mr. President, there being no further business to come before the Senate, I move that the Senate stand in recess until the hour of 11 a.m. on Friday, April 18, 1986.

The motion was agreed to; and, at 6:46 p.m., the Senate recessed until Friday, April 18, 1986, at 11 a.m.

CONFIRMATION

Executive nomination confirmed by the Senate April 17, 1986:

INTER-AMERICAN FOUNDATION

Richard Thomas McCormack, of Pennsylvania, to be a member of the Board of Directors of the Inter-American Foundation for the remainder of the term expiring September 20, 1988.

The above nomination was approved subject to the nominee's commitment to respond to requests to appear and testify before any duly constituted committee of the Senate.

EXTENSIONS OF REMARKS

ADDITION OF THE KINGS RIVER TO THE NATIONAL WILD AND SCENIC RIVER SYSTEM

HON. RICHARD H. LEHMAN

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, April 17, 1986

Mr. LEHMAN of California. Mr. Speaker, today I am introducing legislation to add 92.5 miles of the Kings River to the National Wild and Scenic River System. Named the "Holy River of Kings" by early explorers, the Kings River continues to live up to its name beginning at its headwaters in Kings Canyon National Park and flowing unimpeded to Pine Flat Reservoir in Fresno County, CA. The Kings River today is still a majestic Sierra Nevada waterway. In the spring, the canyon slopes are blanketed with purple wildflowers, and against this backdrop the Kings River sweeps down through the Sierra. The Kings River, however, is in danger of losing its natural character unless Congress adds it to the National Wild and Scenic River System.

The river is threatened with a dam at Rodgers Crossing above Pine Flat Reservoir If the Kings River is dammed at this point, from 9 to 13 miles of the main fork of the river will be inundated destroying its scenic beauty, diminishing its natural wildlife and devastating its current recreational uses for wild trout fishing, whitewater rafting, and camping. For me, protecting the Kings River is a personal commitment. I have simply walked alongside the Kings for too many years to let her go without a fight—I know her splendor firsthand—the rough and the smooth places alike.

Portions of this mighty river have already been recognized for their special characteristics. The California Department of Fish and Game designated the main and the South Forks of the Kings River as wild trout streams. A designated national recreation trail runs along the Kings from Garnet Dike to Spring Creek, and Kings Canyon National Park takes its name from the river. The California Wilderness Act of 1984 placed the land alongside the Kings River from the confluence of the Middle and South Fork Kings into wilderness and land on both sides of the main fork of the Kings River is being studied for wilderness designation.

In 1985, the Sequoia National Forest as part of its land and resource management plan found that the South Fork of the Kings River was suitable for status as wild in some segments and recreational in other portions. The Sequoia plan then looked at 18 miles of the main fork of the Kings and determined that 5 miles could be classified as wild. On the 13 miles of the Kings directly above Pine Flat Reservoir, the Forest Service simply declined to take a position. The Forest Service did not find this portion of the Kings unsuitable for national designation by virtue of natural characteristrics; rather, it deferred its professional judgment until economic and political decisions are made about the Rodgers Crossing Dam.

The Kings River Conservation District [KRCD] is the primary proponent of a hydroelectric project at Rodgers Crossing and is a group I have great respect for in its sincere and legitimate efforts to secure additional water for agriculture. Currently, a 300,000 acre-feet overdraft exists in the Kings River service area. I agree with KRCD on the problem; I disagree with KRCD only with regard to the solution. If built at its most economical height of 420 feet, the Rodgers Crossing Dam would generate only about 33,000 acre-feet of yield for irrigation. Rodgers Crossing is a hydroelctric generating facility, not a water project. This project was studied in 1972 by the Army Corps of Engineers and determined unsuitable for Federal development because of a negative benefit-cost ratio. Although it can be argued that a more favorable benefit-cost ratio could occur with declining interest rates and more emphasis on electric generation over irrigation, it is also true that the falling prices of oil in today's market act as a counterbalance to decrease the benefit-to-cost ratio.

There are alternatives for water development for the Kings River Conservation District, and I stand ready to work with KRCD to support other options. I have already introduced H.R. 3182 which would authorize the Mid-Valley Canal System to deliver approximately 650,000 acre-feet of additional surface water to the Central San Joaquin Valley. In addition, I am willing to take a hard look at whatever legislation would be necessary to authorize the raising of the existing Pine Flat Dam.

As a longtime proponent of numerous California water projects from New Melones to Auburn Dam, I firmly believe the Kings River provides us with an opportunity to both protect the river and allow new water development. Alternative water development projects are far preferable to damming the Kings River above the Pine Flat Reservoir.

The Kings River stands on its own merits as deserving Federal protection, and I urge my colleagues to join with me in designating the main fork of the Kings River above Pine Flat Reservoir, the Middle Fork and the South Fork of the Kings as part of the national wild and scenic river system.

BREWERY WORKERS WEEK

HON. JIM MOODY

OF WISCONSIN

IN THE HOUSE OF REPRESENTATIVES

Thursday, April 17, 1986

Mr. MOODY. Mr. Speaker, this year, the Brewery Workers Union Local 9 U.A.W. in Milwaukee is celebrating its 100th year of service to the workers and families in our community. The week of April 20 through April 26 has been designated "Brewery Workers Week" in Wisconsin.

Today, I would liked my colleagues to join me in extending our own congratulations to local 9 and its 5,000 active and retired members in this special centennial year.

Although there had been sporadic efforts to organize brewery workers in the 1850's, the first genuine brewery union was founded in Cincinnati in 1879. It, and a similar New York City union formed in 1881, however, were shortlived.

The organization that would come to represent workers in the brewing industry was founded at a Baltimore convention in 1886. Originally called the Brewery Workers National Union, it grew to more than 4,000 members during its first 4 months. On March 4, 1887, an American Federation of Labor charter authorized the new group to "proceed with the organization of the trade."

Over the last century, local 9 has grown larger and stronger. It has always been an effective and important voice for its members. Today, under the leadership of President Ted Witkowski, local 9 members can be proud of their record of service to the brewing industry, to the Milwaukee community, and to the Nation. They have given the city and its people a strong sense of pride.

Because of local 9, Milwaukee and fine beer are synonymous in the minds of all Americans. Today, I am pleased to salute the brewery workers who've made Milwaukee famous.

BOMBING LIBYA WON'T STOP TERRORISM

HON. GEORGE E. BROWN, JR.

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, April 17, 1986

Mr. BROWN of California. Mr. Speaker, Monday's military strike against Libya may have provided emotional satisfaction for those who felt it was time for the United States to retaliate against the wave of terrorism that has occurred over the past few years. But retaliation is not a policy against terrorism. This attack against Libya will not end terrorism; it will not even diminish it. Indeed, I think we all sense that terrorist incidents are likely to increase during the weeks and months ahead and, indeed, we already have evidence of that increase. The military strike showed the Libyans that the United States could respond to violence with violence, but where will this process take us? Where will the spiral end? It will not end, in my view, unless the United States pursues a policy aimed at the roots of terrorism.

● This "bullet" symbol identifies statements or insertions which are not spoken by a Member of the Senate on the floor.
Matter set in this typeface indicates words inserted or appended, rather than spoken, by a Member of the House on the floor.

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I am convinced that our only viable long-term policy to combat terrorism is one that involves diplomatic—and not military—actions. Specifically, I feel we must strike at the root causes of terrorism in the Middle East by redoubling our efforts aimed at reaching a just and lasting settlement between Israel and the Arab nations. Only when such a peace accord is reached will we begin to gain the relief from terrorism that we so desire.

We are mistaken if we think that a single bombing raid on Libya will have a deterrent effect on terrorists. We can already see that radical Palestinian groups throughout the Middle East have been called to arms by our action. We know that Libya's terrorist activites increased after the Gulf of Sidra enagements in late March, and administration officials have already confirmed that Libya is stepping up its planning for attacks in the Middle East and Europe. This morning alone, we have heard of a bombing attempt at Heathrow Airport and the killing of three British citizens in the hills of Lebanon.

In his defense of the Libyan strike, the President said, "We have done what we had to do. If necessary, we shall do it again." Do we really mean this? Are we ready to commit ourselves to repeated bombings? Future retaliatory strikes are likely to be far more difficult and more likely to result in civilian casualties.

This week's attack was against easy targets. Our intelligence services were fortunate to intercept communications between Tripoli and the Libyan People's Bureau in East Berlin, enabling the administration to implicate Qadhafi in the recent nightclub bombing there. A similar mistake by terrorists is unlikely to be repeated. Of greater concern, however, is the likelihood that terrorists will now move their headquarters and training bases closer to populated regions, thus increasing the prospects of heavy civilian casualties in the event of retaliation. If this occurs, how many civilian lives will we be willing to take in connection with our military strikes?

The administration's attitude throughout this episode has been that Qadhafi is the root cause of terrorism in the world. The impression that has been created is that the removal of Qadhafi would bring about an end to terrorist attacks against Americans abroad. This is simply not true. Qadhafi happens to be a convenient target for our outrage, since he is such a brazen supporter of attacks against the United States; but major hotbeds of terrorism exist far beyond Libya's borders. Syria and Iran, for instance, have been actively involved in funding, training and promoting terrorism. If Qadhafi were removed and terrorism continued none the less, would the United States proceed with attacks against President Assad of Syria, the Soviet Union's principal ally in the region, or Ayatollah Khomeini, backed by Islamic fundamentalists ready and willing to become martyrs in the name of their religious fervor and allegiance to their leader?

Having unleashed violence as a means of dealing with terrorism, it may become difficult to turn this violence off. One need only look at the ongoing war between Israel and the Arab World—principally the Palestinian Liberation Organization [PLO] and other Palestinian factions—to see how entrenched the cycle of retaliation can become.

Israelis and Palestinians exchange military reprisals on a continual basis, at a rate difficult to even document. Daily incursions occur of Palestinians into Israeli-occupied territory. There have been bus bombings, air raids, kidnappings and five full-scale wars between Israel and its Arab neighbors over the past four decades, yet none of these actions have brought these parties any closer to a resolution of their conflict. On the contrary, each bombing against the other, each raid resulting in civilian casualties, each and every act of retaliation becomes justified as a response to the previous attack.

The administration has declared that its raid on Libya was an unqualified success. But what standard is appropriate for such a determination? If it is simply that the targets were destroyed, then I am sure that both the PLO and the Israelis have had dozens, perhaps hundreds of such successes. But the outcome has simply been a growing interchange of increasingly violent acts of vengeance. And now the United States, and Britain, have become active participants in this battle.

Many Americans seem to have no idea why the United States has become a target for terrorism. They simply do not realize that the primary target for a large portion of Middle East terrorism is Israel, with the United States being a secondary and sometimes only incidental target because of America's heavy financial and political support for Israel.

Recall that the Rome and Vienna airport bombings occurred simultaneously at the Israeli Airline [El Al] ticket counters. The *Achille Lauro* hijacking was perpetrated by a radical Palestinian group demanding the release of 50 Palestinians held in Israeli jails. This morning, a bomb was intercepted at the El Al ticket counters at Heathrow Airport in Britain. While 23 Americans lost their lives as the result of terrorist incidents overseas last year, the Israelis suffered far greater casualties. Of course, Israel considers itself in a state of war against terrorist attacks. The United States, however, could soon be a party to this war if our military actions continue to escalate.

Despite our preoccupation with Libyan-backed terrorist activity, the real wellspring of terrorism in the Middle East can be found in the Palestinian refugee camps of Lebanon, Syria, Jordan, the West Bank and the Gaza Strip. Nearly 2 million Palestinians reside in these camps in conditions of poverty, despair, and burning resentment against Israel. The only life that many of these Palestinians have ever known has been one of isolation, frustration, and a sense of abandonment. The refugee camps offer no prospect of liberation, except through enlistment in the terrorist ranks that are training themselves to attack Israel and its principal ally, the United States.

As long as the Palestinian refugee camps provide fertile ground for breeding terrorists, attacks against Americans and America will continue. Removing Qadhafi will not diminish the emnity held by Palestinians toward the Israelis, and destroying the refugee camps is obviously out of the question. We are left with little choice but to focus on a resolution of the Palestinian-Israeli problem. In this regard, the attack on Libya was counterproductive.

The Unified Arab condemnation for our strike this week demonstrated that attacks against Libya are viewed by the Arabs as attacks against all Moslems and the Islamic world as a whole. The moderate Arab nations have been forced to distance themselves from the Reagan administration, and the more radical Arab factions have rallied in opposition to the United States. This is not a constructive development in the context of reaching a Middle East peace accord; further American strikes will only make matters worse.

If our objective is to reduce terrorism emanating from the Middle East, and I trust this is our goal, then it is vital that the United States maintain its influence in the region. Military strikes will only further destabilize the area and make it more difficult for moderate Arab nations to participate in the peace process in cooperation with the United States.

The strike against Libya was an expression of rage, it was a statement of revenge. I hope we have now gotten that out of our system and are ready to resume the dialogue aimed at a peaceful settlement of some of the problems which lie at the root of terrorism. This will not be easy; diplomacy is never as easy as military actions. But we are fooling ourselves if we think continued escalation of the violence will make us safer from terrorist attacks.

I urge my colleagues to call for a resumption of the Middle East peace process and dedicate themselves to this vital approach to reducing terrorism.

IMPORTANCE OF MATHEMATICS RESEARCH

HON. DOUG WALGREN

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, April 17, 1986

Mr. WALGREN. Mr. Speaker, Congress has sent to President Reagan House Joint Resolution 519, a bill designating the current week as National Mathematics Awareness Week. As an original cosponsor of this measure and as chairman of the Science Research and Technology Subcommittee, I would like to comment on the importance of mathematics research.

Each field of science is in a continual state of expansion, as our innate curiosity and the demands of technology push foward the frontiers of knowledge. The process of creating or discovering the new ideas and methods is called research. Scientific research is vital to our Nation's progress. This is especially so of mathematics research, because mathematics is a foundation discipline, on which progress in all the other technical disciplines depends.

The Federal Government contributes to the support of basic scientific research for the simple reason that our continued well-being depends on it and other sectors of society cannot fully support the most fundamental parts of research—those with long-term payoffs. Our Government spends about $6.5 billion annually for basic scientific research. The total Federal expenditure on basic mathematics research is about $100 million annually, less than 1.5 percent of our basic research investment.

In 1984, the National Research Council published a report, "Renewing U.S. Mathematics: Critical Resource for the Future" presenting the findings of a panel of distinguished scientists and engineers chaired by Dr. Edward E. David, Jr., former Science Adviser to the President and former president of Exxon research and engineering. The major conclusions of their 3-year study were as follows:

Federal support for mathematics research is, indeed, out of balance with support for related fields of science and engineerng.

Over the 1968–82, span constant dollar support for mathematics has declined by 33 percent.

In the same time period, the field has doubled in size, as have most fields of science.

An additional investment of at least $100 million annually is needed bring things back into balance and provide for the future health of the field, the group recommended.

The National Science Foundation has begun an effort to restore balance; that is, to ensure that sufficient resources are provided to allow mathematics to develop at a pace commensurate with the other branches of science and engineering, which depend so heavily on mathematics.

All concerned should work to assure that the imbalance in allocation for basic mathematics research is not allowed to futher deteriorate.

RODINO OPPOSES AID TO CONTRAS

HON. PETER W. RODINO, JR.

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Thursday, April 17, 1986

Mr. RODINO. Mr. Speaker, I am strongly opposed to the President's request for $100 million for the Contras who seek to overthrow the Sandinista government in Nicaragua. This is a huge, nearly fourfold increase in funding for the Contras since the first request 5 years ago for $19 million. If this request is granted, it will surely not be the last. It will be a downpayment of hundreds on millions more.

There is no doubt that the Sandinista government is repressive and has a dismal record of human rights violations, and I certainly do not want continuation and strengthening of a Marxist-Leninist regime in Central America But the Contras have also committed brutal atrocities and do not represent a viable or acceptable alternative to the Sandinistas. Just yesterday we saw reports on dissension among the top civilian leaders of the Contras amid charges of mishandling of funds, criminal activity, and human rights abuses. They do not inspire a popular, democratic movement inside Nicaragua but instead spread terror and hatred among the innocent campesinos.

I firmly believe that the only effective and realistic solution is through negotiation. Despite the recent setback, the Contadora process is the policy we should pursue. It has not really had a chance to succeed since the administration has given only lip service to supporting it. It is time that we wholeheartedly support it. We would have the support of the rest of Central America to vigorously pressure Nicaragua to reduce its armed forces, expel its foreign advisers, honor its borders and cease support for insurgencies in neighboring countries.

Apart from the need to cease aid to an ineffective group of men who spread violence and terror, it is appalling that aid should be sought at a time when the President is proposing deep cuts in vital programs providing nutrition, health, education, job training and other vital services to our disadvantaged and vulnerable citizens. It is inconceivable to me that we can consider sending funds to support a suspect, no-win terrorist group while contemplating budget reductions that would endanger the health and welfare of so many of our own citizens. Continued funding of the Contras would be counterproductive both to our national security and to the domestic stability of our country.

CONGRATULATIONS CARROLL BEAVER

HON. GENE CHAPPIE

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, April 17, 1986

Mr. CHAPPIE. Mr. Speaker, I'd like to take this opportunity to recognize Mr. Carroll Beaver who will be retiring from the California Department of Forestry. Throughout Carroll's 35 years of service in northern California, he is best known for his leadership as captain of the air attack base in Grass Valley. Due to his spirit of compromise and adaptability, Carroll successfully engineered the merging of the California Department of Forestry with the Grass Valley Fire Attack Base. In doing so, he helped to provide the most effective air attack fire protection service in the State.

In addition to Carroll's active duty with the forestry, he is respected in his community as a model citizen and as a supportive father who has reared 10 children.

As Carroll approaches retirement this May, I congratulate him on his many contributions to northern California and wish him the happiest of years to come.

THE TIDE OF FREEDOM RELIES ON AMERICA'S STRENGTH

HON. JACK F. KEMP

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, April 17, 1986

Mr. KEMP. Mr. Speaker, America's historic destiny has been to raise freedom to its fullest expression not just in the United States but throughout the world. This is the greatest hope of oppressed peoples throughout the world. Thankfully, since 1981, America has experienced a resurgence of confidence in its ideals, and not surprisingly, the tide of freedom is now just beginning to overwhelm and overcome the forces of tyranny and repression in many areas throughout the world.

Yet we are in danger of undercutting the military strength that strengthens and emboldens the new march of freedom. Some are even suggesting that the defense budget experience another famine cycle in the years ahead, threatening, once again, the deterioration of America's defenses and all that means for the cause of freedom-fighters and democracy throughout the world.

The following article warns that America's defense preparedness and combat readiness efforts are beginning to be sacrificed in some significant ways as a short-term expedient to reduce the deficit. I commend the following article to my colleagues, and earnestly urge that this year and beyond Congress provide a defense budget adequate to our weighty responsibilities and historic destiny.

[From the Wall Street Journal, Apr. 8, 1986]

LOGISTICS OFFICERS FRET THAT GRAMM-RUDMAN MAY HINDER U.S. MILITARY COMBAT READINESS

(By Tim Carrington)

TINKER AIR FORCE BASE, OKLA.—This sprawling archipelago of parts warehouses and aircraft workshops is the military's biggest logistics center, keeping thousands of warplanes and related systems ready for combat. But officers here are fretting that Washington will scrimp on the funds needed for military readiness.

The source of apprehension is the Gramm-Rudman deficit-reduction law. The fear is that the Pentagon, as it did during past budget crunches, will squeeze funding for maintenance, repair, training and transportation in order to insulate big-dollar weapons programs from cuts. Already there are some early signs that today's budget pressures will hurt military readiness. Moreover, the threat that the U.S. arsenal will be less ready comes at a time when the president is using the military more often as a diplomatic and political tool around the world.

The fears appear to be well-grounded: Although the overall Air Force budget would grow by 7% under the Reagan administration's request for fiscal 1987, proposed funding for Air Force spare parts would drop 40% from the levels planned a year ago. Lloyd Mosemann, Air Force deputy assistant secretary for logistics, says, "I anticipate that we won't fund spares as completely as we did."

ENGINE EXHAUSTION

"When you have a reduction in logistics money, you can't buy the spare parts to replace fuel controls, etc.," says Maj. Gen. William Bowden, commander of the Tinker logistics operation. "At some point, you end up with engine exhaustion."

Others offer more dire prognoses. "The U.S. faces the real prospect of entering the 1990s with shiny, new, high-technology forces that look impressive but cannot roll or sail or fly to where they might be needed," says the Committee for National Security, an independent research group, in a recent budget study.

Because it takes about two years for parts to be delivered, funding shortfalls today won't create noticeable readiness problems until about 1989. Nonetheless, here are early signs that such problems may be brewing:

The B-1, the Air Force's newest bomber, already faces parts shortages here at Tinker, where the planes will be maintained and overhauled. According to Gen. Bowden, this year's Gramm-Rudman cuts dipped into dollars earmarked for stocking up parts for

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the aircraft. "Gramm-Rudman will have an impact on the B-1," he says. "We still have a lot of parts to buy for it." It's uncertain whether future appropriations will allow the Air Force to catch up on the parts purchases.

At Fort Bragg, N.C., the 82nd Airborne Division absorbed a $10 million cut as a result of the Gramm-Rudman automatic reductions that took effect March 1. The bulk of this came from training for the paratroopers.

According to Air Force Gen. Lawrence Skantze, "Some of the spares have been hit in the Air National Guard and the Air Force Reserve, and they've cut their flying hours."

There is strong congressional pressure to cut or even eliminate the funding program for the C-17, considered to be the primary cargo plane for the 1990s. Although this new aircraft is central to current plans for carrying U.S. troops and equipment to battle, airlift programs have perennially been more vulnerable to budget cuts than submarines and jet fighters.

Funding for the millions of widgets and wrenches that keep the military arsenal running has long followed a cicle of feast and famine. During the slow-growth 1970s, hundreds of planes and ships were essentially out of commission because the Pentagon hadn't bought the parts needed to keep them combat-ready. The Reagan administration then poured money into spare-parts purchases, raising the levels of combat-ready equipment and "mission-capable" aircraft. However, the Reagan administration's parts-buying blitz spawned so-called horror stories of grossly overpriced wrenches and hammers, which in turn helped undermine public support for defense spending. Now, the military appears to be back on the brink of the famine side of the cycle.

CALCULATED GAMBLE

Past compromises of readiness didn't occur inadvertently. Pentagon officials describe high-level meetings in the 1970s in which senior officials called for "rubber on the ramp," a code word for finished weapon systems, rather than the parts and training needed to support them. One Pentagon official characterizes that trade-off as a "calculated gamble" that was premised on an assumption that U.S. troops wouldn't soon be called into action.

Gen. Skantze insists that the Pentagon won't sell readiness short as it did in the 1970s. "Rather than field 40 or 44 wings that aren't fully equipped to do combat missions, we would field 36 that are fully equipped." he says. "The leadership philosophically is committed."

Whether that commitment holds up as program managers begin competing for limited funds remains to be seen, however. Cuts in the Air Force requests for spare-parts funding in fiscal 1987 call it into question already. Moreover, pressure will be particularly acute in coming years with the Air Force planning to move the costly Stealth bomber into full production and to begin building the next generation of jet fighters, known as the advanced tactical fighter.

Some of the funding cuts in readiness actually cost money in the end. For example, cutbacks in spare parts in the 1970s meant the Air Force repair centers had to fly parts in from remote points just to carry out their maintenance work. "In the 1970s, we had accelerated transportation for one out of every two parts," says Gen. Bowden. Moreover, faced with pinched budgets, military buyers end up ordering parts in small quantities, thereby driving up units costs.

Pinched budgets for readiness may also choke off needed improvements in how parts and repairs are managed. Gen. Bowden plans to add a new computer system in a vast workroom where Tinker employees manually record the comings and goings of thousands of aircraft parts that cycle through the facility. Funding for the computer project appears shaky, however. And at the Pentagon, budget planners working on the administration's request for fiscal 1988 have already halved the Air Force's early request for logistics research and development, which involves work on ways to modernize the spare-parts and repair process.

SALE OF CONRAIL

HON. DOUGLAS APPLEGATE

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Thursday, April 17, 1986

Mr. APPLEGATE. Mr. Speaker, a constituent of mine, Mr. Wade S. McGuire, a widely respected retired railroader from Uhrichsville, OH, has written to me about the proposed sale of Conrail to Norfolk-Southern Railroad Co. There are few who know as much about railroads and the importance of rail service, as Mr. McGuire. Even though, I am not in full agreement with his conclusions that Norfolk-Southern's bid is in the best interest of Conrail and those that are dependent on Conrail, I nevertheless, believe that he deserves to have his point heard, and that is why I request that the text of his letter be printed in the CONGRESSIONAL RECORD.

Following is the text of Mr. McGuire's letter:

Congress created Conrail from parts of seven debt-ridden and worn out railroads in the Midwest and Northeast which were the victims of an ongoing "national unbalanced transportation policy", i.e., in order to avoid an economic and industrial catastrophe within the region.

As of January 1, 1976, the projected net liquidation value of all assets transferred to Conrail by the affected railroads was $422 million. (Sources: Final System Plan, dated 7-26-75, prepared by the U.S. Railway Association (Pages 126 and 144—Volume 1).

On February 6, 1984, the U.S. General Accounting Office advised me that at the end of 1983, the federal government had invested $6.955 billion in Conrail. A large part of these tax dollars was spent for labor protection, reconstruction of routes and feeder lines identified in the Final System Plan and to settle mammoth claims of the seven carriers which contributed to the formation of the Corporation on April 1, 1976. Contrary to popular belief, all physical assets of the "seven railroads" were not conveyed to Conrail.

Subsequently, Conrail management proceeded to undermine the intent of the Final System Plan, ostensibly to cut operating costs and the size of the workforce, the latter having been reduced by over 59,000 since 4-1-76. From 1976 through 1985, Conrail's annual freight tonnage had dropped by approximately 115 millions of tons. During this time the Corporation initiated a program of railroad destruction unparalleled in the history of American railroads. To speed up the demolition process, Conrail prevailed upon Congress to enact the Northeast Rail Service Act of 1981, a law that handed management arbitrary authority to destroy or eliminate priceless automatic signals, control towers, transmission lines, yards and thousands of miles of track. Between 1976 and 1984, Conrail had removed 3,754 miles of track while their mentor, Morgan Stanley, proposes to reduce the present 14,000 miles of track to 9,000 or less. Conrail's tear-outs are equivalent to a rail line extending from Washington, D.C. to London, England. In 1985, this Corporation laid off 3,200 employees, nearly 10 percent of its personnel. Conrail also proposes to eliminate 1500 jobs per year through 1989. (Source: Congressional Record—Senate, 99th Congress, dated 1-26-86.) These are some of major factors which brought about a sizeable reduction in the value of Conrail's physical assets as well as a loss of revenue traffic.

For instance, at Cadiz, O., a village and the county seat of Harrison County within the Appalachia Region—the poorhouse of America, was a 1.4-mile industrial track serving two small companies. From 1976 through 1981, these two little industries received 723 long-haul carloads of revenue freight and paid Conrail over $2,513,000 in transportation costs. On November 13, 1981, Conrail served notice that the Corporation intended to destroy the line under the authority vested in the Northeast Rail Service Act. NERSA stripped these small enterprises and county officials of any semblance to the right of due process. This 1.4-mile track, which had been upgraded to meet Federal Railroad Administration standards, was subsequently scrapped and another spike was driven into one more coffin in the Appalachia Region.

Another classic example of Conrail management's lack of sound judgment was the 192-mile Panhandle trunkline which extends from Pittsburgh, Pa. to Columbus, O. This double-track, high speed, automated mainline, the shortest connecting link to the South and Southwest from Pittsburgh, was rebuilt after 1976 at a cost of tens of millions of tax dollars. Prior to 1984, following the reconstruction involving new welded rail, switches, signals, wayside poles, train loads of ballast and tens of thousands of new cross ties, Conrail proceeded to destroy the authomatic signal systems and eliminate one main track, together with most of the passing sidings.

Congressman Douglas Applegate (18th District) became appalled after learning of the unjustified destruction and waste of tax dollars that had taken place on the Panhandle, as well as on other segments of this federally-owned railroad, and he introduced H.R. 3332 (98th Congress—1st Session) into Congress, a Bill having for its purpose to prohibit Conrail from destroying any of its public-owned rail facilities, i.e., until a final disposition of the Corporation was made. H.R. 3332 was blocked in committee with Conrail leading the opposition. Why? Had Congressman Applegate's Bill prevailed, the savings to the U.S. taxpayers would have been measured in hundreds of millions of dollars (based on the Panhandle experience) and today Conrail's physical assets would have been far more valuable on the taxpayers' auction block.

In 1975, a railroads for National Defense Program was initiated whereby a 37,500-mile network of Class A mainlines of the nation's railroads was identified as the Strategic Rail Corridor Network (STRACNET) for national defense.

On January 26, 1982, Major General John D. Bruen, Department of the Army, Mili-

tary Traffic Management Command, addressed a letter to the writer wherein it was revealed that the Panhandle was a part of STRACNET, and important to national defense by tying Ohio, West Virginia and Pennsylvania into this military railroad network. On June 1, 1982, Anne Higgins, Special Assistant to President Reagan, advised in writing that the Panhandle would remain available to handle defense shipments. On August 19, 1982, Conrail management issued a memorandum wherein the carrier proposed to scrap key sections of the Panhandle, which would have rendered the route useless as a connecting freight and/or defense corridor. In other words, to hell with the national defense—full speed ahead for the Conrail wrecking ball.

On May 20, 1983, the U.S. General Accounting Office issued a "Report To The Secretaries of Defense and Transportation" dealing with "Federal Actions Needed To Retain Essential Defense Rail Service" for national defense. This alarming report, describing the Strategic Rail Corridor Network and the Panhandle connection, disclosed that from 1979 through 1982, there were 453 railroad abandonment application filed with the Interstate Commerce Commission and many of these petitions affected defense installations that required rail service. In fiscal years 1980 and 1981, there were 94 military installations with a maintenance backlog of $11.4 million. In September 1981, the U.S. Army revised its estimate to the effect that it would cost $30.1 million to upgrade rail facilities at only 23 military installations, i.e., at a time when Congress is spending hundreds of billions of dollars to upgrade U.S. defenses.

While this G.A.O. report was being prepared, Conrail was busy tearing out millions of dollars worth of good rails, tieplates, angle bars, cross ties and other railroad material, i.e., at a time when rail lines leading to defense installations were deteriorating. There was no mention made in the G.A.O. report that Conrail had offered to provide the U.S. Defense Department any surplus, government-owned track material for use on deteriorated rail lines leading to these defense installations.

It is ironic that certain members of Congress, after the federal government had invested hundreds of billions of tax dollars east of the Mississippi River since World War II to construct and maintain the heaviest concentration of interstate highway and waterway systems within the United States, would oppose the Norfolk Southern's bid to establish for the first time a single-delivery rail network in this same region for the purpose of providing an efficient, cost-competitive, tax-paying rail transportation system. The weighty subsidized interstate highway and waterway systems east of the Mississippi River were a major factor in the railroad bankruptcies which contributed to the birth of Conrail. This railroad has paid no federal income taxes since it was created, and will not do so under Morgan Stanley, i.e., as opposed to Norfolk Southern who paid over $150 million in federal taxes for 1984. (Source: Congressional Record—Senate, 99th Congress, dated 1-22-86).

Perhaps never in the history of modern railroading has an occasion presented itself, in the form of a NS-Conrail merger, for a railroad to challenge the tax-supported competition of the highway carriers, the inland and coastal waterway bargelines and the airlines.

Therefore, under the "equal protection of law doctrine" of the U.S. Constitution, the proposed Norfolk Southern acquisition of Conrail should be approved by the U.S. House of Representatives. This would give NS a clear block to move freight trains to and from the ports on the Great Lakes, the Atlantic Seaboard and the Gulf of Mexico, i.e., to service points east of the Mississippi River just as the trucks and barge operators are now freely able to do. For the first time, the nation would have a single-delivery railroad complex that could make a tremendous contribution to the rebirth of the depressed industrial and economic bases east of the Mississippi River, i.e., whether or not it involves the movement of freight to the North, East, South or West therein. Contrary to the P.D. editorial, which never mentioned the subsidized competitors who are killing off the Iron Horse, the Norfolk Southern proposal doesn't smell, it portends nothing but good for the public, the shippers and the affected employees located east of the Mississippi River.

THE REVEREND DR. CLYDE J. BOWMAN HONORED

HON. BRUCE A. MORRISON

OF CONNECTICUT

IN THE HOUSE OF REPRESENTATIVES

Thursday, April 17, 1986

Mr. MORRISON of Connecticut. Mr. Speaker, on April 26, 1986 St. Paul's Union American Methodist Episcopal Church [UAME] in New Haven, CN will host a luncheon in honor of the Reverend Dr. Clyde J. "Bobo" Bowman. Dr. Bowman is retiring from the active ministry in May of this year after 42 years of service, the last 15 years as the minister at St. Paul's.

A pastor in the UAME church for 39 years, Dr. Bowman has distinguished himself with his dedicated community service. In 1960 he was appointed to the position of pastoral supervisor for the five boroughs of New York City by the late Bishop David Mr. Harmon. Dr. Bowman has also served as district superintendent of the northern New Jersey, New England, and central New York State areas. In 1982 he was elected to the positions of general secretary of the book stores and general secretary of education by the UAME General Conference. In addition, Dr. Bowman has been a member of the faculty at Boulden Academy and Seminary since 1947.

Since coming to New Haven in 1971, Dr. Bowman has been highly active in community work and the city government. He is the Protestant chaplain for the New Haven city Police Department and the former chairman of the city of New Haven's Board of Ethics. In addition, Dr. Bowman is a former member of the Greater New Haven YMCA's Board of Directors and a current member of Chapter 346 of the International Rotary Club. A theologian and teacher of high distinction, he has been a pastor of 10 churches within the United States and has developed 23 ministers, eight while in New Haven.

Mr. Speaker, I am proud to have Dr. Bowman as a constituent and join with his many friends, associates, and loved ones in honoring him for his many accomplishments and thanking him for his long commitment to the people of Connecticut's Third Congressional District.

A CALL TO CONSCIENCE

HON. J.J. PICKLE

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Thursday, April 17, 1986

Mr. PICKLE. Mr. Speaker, on Monday, a special emergency Leadership Conference on Higher Education was held in Washington, DC, to address the current proposals being made by the administration with regard to funding for educational programs.

Present at this meeting were more than 55 university presidents and chancellors from all around the country. The following statement was introduced by Robert L. Hardesty, the president of Southwest Texas State University, in my district. The statement was unanimously adopted as the position of this very representative group of higher education in this country.

In the statement, these educators point out that education is essential in building an economic base to compete in the future international marketplace. In the high-technology, information-oriented world of the future, the most educated nations will come out ahead in every area of endeavor.

I applaud the efforts of Robert L. Hardesty, and the rest of the education leaders who came to Washington to communicate their strong feelings on this subject, and I call on the Congress and the President to continue the commitment we have made to make sure all members of our society have the opportunity to receive a good education. While we all know that we face budgetary restraints, let us hope we can fashion a budget that will recognize the great importance of education.

I am submitting, for the RECORD, a copy of the statement, "A Call to Conscience":

A CALL TO CONSCIENCE

Proposed reductions in federal support seriously threaten American higher education. Its future for decades to come will be affected by the decisions Congress makes in this budget and appropriations cycle. But the issue is greater than the future of higher education; the issue is the future of the nation.

America's best hope for economic prosperity is education. Growing competition in the international market place can only be met through more—not less—educational opportunity. Research and technological developments are needed to produce the jobs of the future, and quality education is needed to develop the talents of all our young people to meet the challenges of the future.

And yet, education is being held accountable for deficits which it did not create. From 1980 to 1986 the federal deficit doubled in constant dollars while education expenditures declined by 16 percent. Reductions in student aid include the elimination of social security education benefits, and the decline of veterans' educational benefits.

We are troubled by the notion that the national defense can be strengthened while weakening education. We remind the nation that education is an essential component of the national defense: there would be no military force without educated manpower, no technical military superiority without engineers and scientists trained on the nation's campuses.

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Proposed federal cutbacks would affect an estimated 3 million out of 5 million students presently receiving aid, forcing them to drop out or change their college plans. Such cuts strike particularly hard at minority enrollments, which already have been losing ground: while more blacks and hispanics are completing high school, fewer are attending college.

Such losses are unacceptable to a nation committed for the last thirty years to making higher education available to every young person who has the ability and desire to pursue it. Such losses are unconscionable for a nation committed to racial equality and equal opportunity. Educational excellence is not possible without equal access: the federal role in guaranteeing that access is paramount, representing 75 percent of total national expenditures for student aid.

As college and university presidents and leaders of higher education, we represent millions of American students whose futures hang in the balance of federal budget and appropriations decisions. It is time we spoke out for them—clearly and forcefully.

It is time, too, that we remind the nation that education is fundamental to the quality of life in our democratic society, as well as to our economic security and our national defense. It is time to bring education back to the forefront of our national priorities.

We call for a reordering of federal responsibilities to recognize education as our best hope for the future.

This is nothing less than a call to conscience.

FLORIO PRAISES SENIOR MEALS PROGRAM

HON. JAMES J. FLORIO

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Thursday, April 17, 1986

Mr. FLORIO. Mr. Speaker, I would like to bring to the attention of my colleagues the efforts of an outstanding services organization in my congressional district, the Senior Citizen Holiday Meal Program, Inc.

The Senior Citizen Holiday Meal Program is an all-volunteer program devoted to serving elderly shutins and the homeless. The organization prepares and delivers more than 3,500 meals on Thanksgiving, Christmas, and Easter to seniors who might otherwise be deprived of food and companionship on these important occasions. Ironically, this program was established in 1981 in response to cutbacks in Federal funding for a country meals program.

Unfortunately, the need for the services of the Senior Citizen Holiday Meal Program continues to grow in south Jersey, as does the need of the program for additional resources and funding. In order to encourage private sector support for its efforts, the Holiday Meal Program has organized a 250-mile, eight-county walk through southern New Jersey. The walk, conducted by Steven DiOrio, executive director of the program, will take place between April 14 and 20, 1986, and is intended to highlight the plight of the elderly, as well as generate funding and volunteers for the program.

PRAISE FOR JOHN McCLELLAND

HON. GENE CHAPPIE

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, April 17, 1986

Mr. CHAPPIE. Mr. Speaker, I'd like to take this opportunity to recognize John McClelland for his dedication to the California Department of Forestry. John will be retiring as fire captain of the El Dorado Fire Station after more than 34 years of service in northern California.

Besides John's involvement with the forestry, he has been instrumental in the Pioneer Fire Protection District, the largest all-volunteer fire protection district in California, functioning as the fire chief. Futhermore, he is an active member of the El Dorado Fire Chiefs Association, as well as the California Conference of Arson Investigations.

Within the community, John has continually volunteered his time. He served two terms on the Pioneer Union School District's Board of Trustees and he is currently a member of the Air Pollution Appeals Board.

John's commitment to fire protection, and to the betterment of his community, have earned him the praise and respect of his peers. I too, join in admiration of his contributions and wish him a happy and healthy retirement.

INCREASED EXCISE TAXES SHOULD BE DELETED FROM TAX REFORM

HON. JACK F. KEMP

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, April 17, 1986

Mr. KEMP. Mr. Speaker, tax reform is supposed to create a level playing field for all industries. Yet increasing discriminatory and deleterious excise taxes only riddle the playing field with large tax differentials that hurt certain industries, their employees, and their customers. I will work to delete these regressive excise tax changes from any final tax reform plan, and I hope my colleagues will join me in this effort. The testimony below by the president of the New York State Wine Grape Growers, John H. Martini, shows that the excise tax increase is a matter of fairness, growth, and jobs. I commend this testimony to my colleagues.

TESTIMONY OF JOHN H. MARTINI, PRESIDENT, NEW YORK STATE WINE GRAPE GROWERS, INC.

I am a farmer. A simple statement but one that I feel has to be made. Together with my wife, Ann, and our four children, I grow grapes in a small vineyard in the Finger Lakes Region of New York. In the national view of things we are certainly small potatoes; but we are real and struggling. I am not here to bemoan the plight of agriculture, either my own or others, but I am here to express our concern that a further burden might be placed on the shoulders of grape growers everywhere.

There is in this Capitol city a perception that, to raise necessary funds and at the same time reduce personal taxes, it would be a good idea to raise the excise tax on wines. It is not to be a nominal increase, mind you, but a whopping 400% increase. The rationale eludes me but I feel it is based on some weak premises. A.—Only the rich drink wine and they'll never notice. and B.—all the increase can be passed through to the consumer with no loss in sales. I will try to address the fallacy of these premises in giving a brief sketch of what such a tax will mean to the grape growers of New York and their communities.

Wine is grapes—directly and succinctly. Juice from grapes natually ferments to produce a like amount of wine. Wine, therefore, is an agricultural crop and was recognized as such before Jesus Christ turned water into wine at Cana. Wine is food and a beverage of moderation that belongs on the dinner table of the American family. It is part of the heritage our ancestors brought with them when they came to these shores in search of the future. I recall Thomas Jefferson's words, "No nation is drunken where wine is cheap; and none sober where the dearness of wine substitutes ardent spirits as the common beverage. It is, in truth, the only antidote to the bane of whiskey."

To be part of that heritage I grow grapes, specifically I grow wine grapes, along with hundreds of other farmers in New York. These grapes we grow have no value other than that which they find in wine. They include American varieties such as Catawba, hybrids such as Seyval Blanc and vinifera such as Chardonnay. The vineyards dot the beautiful scenery of the Finger Lakes, the shores of Lake Erie, along the history rich Hudson Valley and most recently the fertile and gentle tip of Long Island. New York State is grape country. Those grapes produce many and varied wines rich in style and differences. We growers can be and are proud of them.

So how are things down on the farm? As with all agriculture it has not been rosy. The domestic grape and wine industry has been experiencing hard times in recent years. Average returns for grapes in New York have declined for the past five years. In New York we have seen our market share fall from roughly 12% in 1970 to 4% in 1985. Dessert wines, which historically have been a good outlet for our grapes, have gone from a 28% share in 1970 to a 6.8% share in 1984.

In New York alone wine grapes accounted for just shy of 20 million dollars of farm income annually. That income was primarily spent on labor. Grapes are a labor intensive crop, each vine, there are 600–700 per acre, must be touched 3-5 times every year. Cornell University estimates that each 20 acres of vineyard requires a one man-year equivalent. In the Finger Lakes we have lost 1000 acres in the last several years. That's fifty people not earning income dollars. Those dollars once found their way into refrigerators, stoves, clothing and food. The communities in the grape growing regions suffer reduced revenues as vineyard acreage declines. Not only in fewer dollars spent but also in reduced property tax income (vineyards are taxed at a higher rate than is bare farmland).

The factors that affect our livelihood are complex but we are making efforts to surmount them. The State of New York has put up $2,000,000 to fund the New York Wine/Grape Foundation. The State sees the value in retaining an industry that ranks second to California in grape production and that has within its borders the oldest winery in the United States. We have a proud tradition and we want to preserve it. An increase in excise tax will strike another blow at our already wobbly segment of agriculture.

Small estate wineries have blossomed recently in New York and manage to survive but I feel it important to point out that they do not support the grape industry. My "bread and butter" as a grape grower is the Taylor Wine Co. and their Lake Country Series of wines. These wines are called non-premium or popular-priced. Such wines and their counterparts from California and other states account for 79% of domestic production. Call them jug, call them cheap, call them what you want; but do not call for an additional tax on them. They are sold to a very price sensitive segment of our population. Any decline in sales will result in a direct reduction in grapes needed by the vintners. That will mean more vineyards abandoned, bankrupted or foreclosed.

If we assumed that the proposed excise tax will decrease the sales of non-premium wines by 20%, even only briefly, there will be, in New York, no need for approximately 14,000 tons of grapes. That translates into over 3,000 acres, 150 people and 50–75 farms. Grapes are perennial and capital intensive. One does not get in and get out. If the vineyards are abandoned or lost one year they can not be resurrected the next without great financial inputs.

Some will say that rather than increase the retail price the industry should and can absorb the tax and not pass it on to the consumer. As growers we suspect that an attempt will be made to pass part of the tax in our direction. We can not absorb a further decline in the prices we receive for our grapes. The expenses for cultural inputs have increased to the point where it costs over $1100.00 an acre to operate a vineyard in New York. The 5 ton per acre average yield does not cover those costs with $139.00 per ton grapes. (1985 estimate). There is no more blood in this stone; ask our bankers, they may well be the grape farmers of the future.

It seems that the federal government, in its collective wisdom, wishes to sacrifice part of its agricultural heritage in some type of Peter to Paul exchange that they can call tax reform. There will still be wine here, it will pour in from Europe, Argentina, Chile and from nearly everywhere else in the world that grapes are grown. Dollars will pour out into foreign treasuries. Wine imports have already risen to 30% of the domestic market. The juice and wine industry of this country imported 7,512,982 gallons of grape concentrate in 1985. As grape growers we will see more and more of cheap, imported concentrate go into domestic wines at our expense.

Perhaps with the hoped for increase in revenues the federal government might consider a whole vineyard buy out plan and save us all some agony. This tax will be regressive in it's effect on the New York grape industry.

It will cause:

Continued loss of jobs, farms and livelihoods.

A serious erosion of local community tax base.

Increased imports of wines and juices.

It will not cause:

A reduction in the national debt.

Moderation in alcohol consumption.

An improvement in the balance of trade.

Thank you for your time and concern.

PETER BROWN RUFFIN

HON. CHARLES ROSE

OF NORTH CAROLINA

IN THE HOUSE OF REPRESENTATIVES

Thursday, April 17, 1986

Mr. ROSE. Mr. Speaker, the North Carolina World Trade Association will hold its 22d annual conference beginning April 30, in Wilmington, DC, with serious issues on its agenda, and I want to call those issues to the attention of the Members. They have been outlined by Robert J. Mack, a Wilmington businessman and president of the North Carolina World Trade Association, in an article in Carolina Cargo, which I am including with my remarks. The article also mentions a distinguished group of Wilmington business people who will make the meeting a success, including Peter Brown Ruffin, the honorary chairman, who is called, accurately, "one of North Carolina's most distinguished shipping executives."

The article follows:

NORTH CAROLINA WORLD TRADE ASSOCIATION 22D ANNUAL CONFERENCE

WILMINGTON, NC.—Peter B. Ruffin, one of North Carolina's most distinguished shipping executives, will serve as Honorary Chairman of the 1986 Annual North Carolina World Trade Association Conference beginning April 30th in Wilmington, N.C.

The announcement was made on Feb. 10, 1986 by Robert J. Mack, president of the NCWTA, who stated that Mr. Ruffin's acceptance of this role in this year's conference was the "cornerstone to a truly successful meeting here in the Port City."

The N.C. World Trade Association's annual meeting will be held at the Wilmington Hilton Inn, April 30–May 1, 2. This year's theme is "Global Trade—The Hard Choices." Early reservations for the conference can be made by calling Marcy Hege at Associated Services in Raleigh, N.C., (919) 851-2901.

"Since Mr. Ruffin has spent most of his adult life in Wilmington as part of the shipping and maritime community, it is only appropriate that he be the honorary chairman of the 1986 world trade meeting," Mr. Mack said.

Mr. Ruffin serves as chairman of the board of Wilmington Shipping Company. He served as chief executive officer of the company from the time of its founding in 1945, to October 1983.

Wilmington Shipping Company operates a branch in Morehead City, N.C. under the name of Morehead City Shipping Company. Its subsidiary, Southern Overseas Corporation, is a custom house broker and foreign freight forwarder with offices in Wilmington, Morehead City, Charlotte, and Norfolk, Va., Charleston, S.C., and Savannah, Ga.

Other key committees and chair persons were also named by Mr. Mack for this year's conference. They include:

Tim B. Malaney (Lavino Shipping Co., Wilmington) general chairman; Mrs. Marcy Hege (Associated Services, Raleigh) general administrative; William Lassiter (NCWTA, Cape Fear Chapter, Wilmington) programs; Ms. Barbara Blanton (Sea-Land Services, Inc., Wilmington) entertainment/recreation; Mrs. Tim Malaney, spouses' programs; Joseph Augustine (Greater Wilmington Chamber of Commerce) finance; Bill Stover (N.C. State Ports Authority) and Gayle Johnson (Merrill Lynch) publicity and public affairs; John Bauer (City of Wilmington) and Mrs. Fran Willard (Southern Overseas Corporation) logistics and coordination; Mrs. Mary Bruce (L. C. Bruce and Associates, Raleigh) and Mrs. Bonnie Helms (Bonnie Helms, Ltd., Monroe) awards.

"These key individuals will supply the force behind our conference this year," Mr. Mack said.

In explaining this year's conference theme, the NCWTA president noted:

"The character of today's economy dictates a re-evaluation of thinking by the entire international shipping community in regards to global trading. Protectionism, the fluctuation of the dollar, overseas crises, the cost of marketing, the price of 'not' marketing are all issues facing each and every one involved in international commerce.

"Whether it be a custom house broker, a freight forwarder, a steamship agent or a port official, problems arise daily which have to be addressed . . . and sometimes the solutions are not always evident," he said.

"The same is even more true for the shippers themselves or the manufacturer contemplating shipping. It is no longer easy for these companies to compete internationally.

"North Carolina's traditional industries have suffered the consequences more than most in this country. Textile firms are closing and tobacco farmers are having to diversify their crops to survive.

"These are just some of the many issues we hope to cover at this year's North Carolina World Trade Association conference. Our speakers are being asked to address the 'hard choices' facing us and offer some concrete answers as to how to make the 'right' choices when they encounter them," Mr. Mack said.

BLAME FOR THE LIABILITY INSURANCE CRISIS

HON. JOHN J. LaFALCE

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, April 17, 1986

Mr. LAFALCE. Mr. Speaker, the crisis in the liability insurance industry has exploded beyond the ability of States to effectively regulate it. Insurance regulation, traditionally relegated to the States, needs to be critically and objectively examined by this body.

It is imperative that this inquiry be conducted in an objective manner. I fear, however, that the predetermined conclusions of the media and the Reagan administration's own task force on tort reform have prevented this necessary objectivity. Serious investigation into the practices of the insurance industry is essential, and we must not blindly accept the assertions and anecdotes of those who blame the tort system as the lone culprit in creating and proliferating the liability insurance crisis. Many factors have created this crisis, not the least of which is the insurance industry itself.

Congress must not fall into the same trap as have the media and the administration. We cannot abdicate our responsibilities as fact finders, and succumb to the insurance industry's highly effective media campaigns.

Bob Hunter, the widely respected Federal Insurance Administrator under Presidents Ford and Carter, is also deeply concerned about the reluctance of the media and others to look

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beyond the hype and into the facts. Mr. Hunter expresses these views very cogently in a Washington Post article which appeared on April 13. I am inserting this incisive article into the CONGRESSIONAL RECORD for the benefit of my colleagues.

The article appears below:

The Insurance Industry Is To Blame: So Why Change the Legal System?

As a Republican and as federal insurance administrator under President Ford, I am appalled that the Reagan administration has proposed limiting compensation to severely injured people as a "solution" to the insurance crisis.

I am even more appalled that the administration has refused even to consider the possibility that insurance mismanagement and the McCarran-Ferguson Act, which allows insurance companies to fix prices, may be at least partly responsible for skyrocketing insurance rates.

But I am most appalled at the Post's endorsement of the administration's approach [editorial, April 1] and particularly at its lack of analysis in making that endorsement.

For example, the Post calls the following recommendations by the administration "sensible":

Limiting damages for pain and suffering to $100,000. This means that a 17-year-old girl who contracted vaginal cancer and had to undergo a total hysterectomy and vaginectomy because her mother took the cancer-causing drug DES could recover no more than $100,000 for her inability to have children or have normal sexual relations.

Limiting punitive damages to $100,000. (Actually, the administration recommends limiting punitive damages plus damages for pain and suffering to a total of $100,000.) In the Ford Pinto case, Ford deliberately did not make an $11 improvement in the Pinto gas tank because it calculated that the cost of the improvement was greater than the benefit of avoiding the 180 deaths and 180 burns it estimated would occur without the improvement. Ford was held liable for millions in punitive damages, and it fixed the Pinto gas tank. Under the administration's proposal the maximum Ford would have to pay in punitive damages would have been $100,000—less than half what Ford calculated a human life to be worth in doing its cost-benefit analysis.

Eliminating joint and several liability. Under current law, if an asbestos worker dying of mesothelioma (asbestos-caused cancer) worked with asbestos made by more than one manufacturer, he can recover his damages from any of those manufactures, and it is then up to the asbestos makers to settle among themselves. Under the administration's proposal, if the mesothelioma victim cannot establish the degree to which each asbestos manufacturer contributed to his injury, he recovers nothing from any manufacturer.

Limiting contingency fees. Plaintiff's lawyers, who today typically get one-third of the total recovery if they win and nothing if they lose, could receive no more than 10 percent of any verdict above $3,000. Defense lawyers, on the other hand, who are paid by the hour and thus have an incentive to keep their meter running, would not have their fees limited.

Perhaps even more unusual than the Post's conception of what is sensible is the reasoning it uses to conclude that compensation to severely injured people should be limited. Because nurse-midwives can't get insurance, The Post asserts, there must be something wrong with the legal system. Yet only 3 percent of nurse-midwives have ever been sued—exactly what one would expect, because nurse-midwives do only low-risk deliveries. Insurance companies are refusing to insure nurse-midwives not because they are paying out claims against nurse-midwives but because they are trying to "change the widely held perception that there is an insurance crisis to a perception of a lawsuit crisis," as the Insurance Information Institute has candidly put it.

Former GEICO chairman John Byrne has put it even more candidly. "Is it right for the industry to withdraw and let the pressures for reform build in the courts and in the state legislatures," Byrne told an audience of insurance company actuaries last summer, just before insurers stopped writing certain lines and rates began skyrocketing.

The most candid insurance executive of all, however, may be American International Group President Maurice Greenburg, who recently admitted that it was price cutting in the early 1980s "to the point of absurdity"—and not the tort system—that is responsible for the industry's current problems. Greenburg told an industry conference that if insurers had not cut prices but had merely held them constant there would not be "all this hullabaloo" about the tort system.

In creating still more hullabaloo about the tort system, The Post cites a Philadelphia case in which a woman supposedly recovered money for loss of her psychic powers, and a study by the Rand Institute that found that punitive damage awards had risen dramatically. Had The Post bothered to read the case and the study, however, rather than rely on what insurers and the administration say they say, it would have found that the judge in the Philadelphia case specifically prohibited any award for loss of psychic powers, and that the Rand study found that the median jury award, when adjusted for inflation, has remained constant since 1960. The Post might also have found that the punitive awards it criticized were well deserved—particularly in view of the lack of any criminal penalties to deter reckless corporate behavior.

As federal insurance administrator, I was able to persuade both President Ford and President Carter—this time with The Post's editorial support—to support no-fault auto insurance, which was very substantial tort reform. Before deciding to limit the amount people can recover in certain auto-accident cases, however, we got the data, and we provided an alternative compensation system for injured people whose recovery would be limited.

We did this because we found that severely injured people received only about half their out-of-pocket loss under the tort system, while those with relatively slight injuries received five times their out-of-pocket loss. Our recommendation to eliminate the right of people with limited damages to sue but in exchange to guarantee them prompt payment of their economic damages made sense; capping awards, which would limit the amount recoverable by the severely injured—who were already being undercompensated—would have been cruel and nonsensical.

To what extent are victims of business, professional and medical negligence being compensated under the present system? We don't know because the insurance industry has continually refused to disclose how victims fare under the present system and how proposed reforms would affect system costs and victim welfare. The disclosure of such data would allow legislators to decide intelligently what, if any, reforms in the legal system were needed.

Isn't The Post even a little curious about what the data would show?

THE COLQUITT COUNTY ARTS CENTER

HON. CHARLES HATCHER

OF GEORGIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, April 17, 1986

Mr. HATCHER. Mr. Speaker, on Sunday, April 13, I had the privilege to participate in the dedication ceremony for the Colquitt County Arts Center in Moultrie, GA. I mention this today, because the men and women who worked to establish the center deserve special credit for raising over $1 million without the help of local, State, or Federal Government funds. The fund-raising effort was successful because so many citizens and businesses of Colquitt County donated to a cause they felt would bring great benefits to all of the people of Colquitt County. They have set an example for other rural areas throughout our Nation and are to be commended.

I am proud to be a supporter of the arts. Through my work on the congressional arts caucus, I am given the honor of boosting the arts throughout our great Nation. It is especially thrilling to witness accomplishments of the private sector on behalf of the arts in my own district, especially during a time in our Nation when we must reduce Government involvement in our lives in order to sustain financial solvency.

I am hopeful that word of the success of the Colquitt County Arts Center will spread throughout Georgia and our great Nation, and that it will provide inspiration for countless other communities to bring together businesses and families in an effort to promote the arts in rural areas. That goal, I am proud to say, has been realized in Moultrie, GA, and the quality of life there has certainly been enhanced. Thank you.

INTRODUCTION OF FARM CREDIT SYSTEM BORROWERS RIGHTS ACT

HON. JIM ROSS LIGHTFOOT

OF IOWA

IN THE HOUSE OF REPRESENTATIVES

Thursday, April 17, 1986

Mr. LIGHTFOOT. Mr. Speaker, enough time has now elapsed for us to see inadequacies in the Farm Credit System restructuring legislation we passed late last year. In the haste to preserve the Farm Credit System [FCS], I'm afraid Congress may have been more worried about saving the system than about saving the borrowers, even though the legislation was passed with the best of intentions.

The time has come to make some adjustments in that legislation, for the sake of the borrowers who depend on the Farm Credit

System. For that reason, I'm introducing legislation today to better protect FCS borrowers' rights.

The measure will protect borrowers in several ways. It ensures that borrowers have access to information affecting them. Although the Farm Credit System restructuring legislation we passed provided some assurances in this regard, better guidelines are needed.

The bill will also prevent the FCS from foreclosing or accelerating loans if borrowers are able to become current on their loans. I've heard repeated accounts of noncooperative behavior on the part of Farm Credit System institutions in such matters. There is no reason that the Farm Credit System cannot sit down and negotiate with borrowers.

Furthermore, my legislation will guarantee a farm family's right to retain their home and up to 10 adjoining acres for at least 3 years, providing reasonable rent is paid and the farmland remains in operation.

Finally, I've discovered a problem with the use and disposal of FCS-owned land. To ensure fairness, the legislation will require FCS to offer any land they intend to sell through local realtors on a competitive listing basis. It will also require leases to be accepted on a competitive basis. In light of plummeting land values in the Midwest, the bill would also prevent FCS from selling land it holds if those sales would further depress local land values.

Although it is tempting for Congress to view the issue of Farm Credit System legislation as closed, I urge your consideration and cosponsorship of this relatively simple, yet important measure. Farm borrowers of the Farm Credit System still need our help.

THE URBAN HOMESTEAD ACT OF 1986 AND PUBLIC HOUSING RESIDENT MANAGEMENT ACT OF 1986

HON. JACK F. KEMP

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, April 17, 1986

Mr. KEMP. Mr. Speaker, the chance to own a home has long been considered one of the underpinnings in the stability of the democratic system, causing families to aspire and save, and providing equity and new faith in free enterprise.

Today, I am joining together with Congressman FAUNTROY and a group of my colleages to sponsor two bills to extend the dream of homeownership to thousands, perhaps millions, of low-income familites in public housing projects. We share a strong belief that homeownership is not just for higher income Americans. It's a dream shared by all Americans, regardless of income and background. And we believe government should do all it can to facilitate broad ownership of housing to as many Americans as possible, especially low-income families. These families face large financial barriers to owning their home, not the least of which is their inability to deduct mortgage interest and property taxes.

First, Congressman FAUNTROY and I are cosponsoring the Public Housing Resident Management Act of 1986. This bill, which was developed with the guidance of hundreds of tenants and community leaders, gives public housing residents greater control over the management of public housing communities and allows them to set up resident management groups.

Our bill trims regulations, streamlines resident management certification and bonding procedures, and allows public housing resident groups to retain any savings they make in operating and maintaining their communities. This creates a new and powerful incentive for public housing communities to become more efficient, better managed, and more responsive to the needs of the residents themselves.

We know that resident management works because we have seen many examples of how residents reduced costs, improved maintenance and the quality of life, created new jobs and opportunities, and even ameliorated difficult problems such as drug abuse and teenage pregnancy levels.

Once public housing residents have taken control over their communities, perhaps reducing high operating costs and making their communities more desirable, many residents will want to own their homes. Our second bill, the Urban Homestead Act of 1986, lays the foundation for resident management groups who want to own their homes.

Our legislation would give every resident group the guaranteed opportunity to purchase their homes at a 75 percent discount and with no money down. But we also provide assurances and protection for non-buying residents. Our legislation guarantees that no public housing resident may be evicted if he or she does not want to purchase their home. Resident management groups will also be provided with training, and with technical and management assistance, to prepare them for assuming the responsibilities of homeownership.

Both the Urban Homestead Act and the Public Housing Resident Management Act of 1986 are integral parts of one strategy: To empower public housing residents with greater control over their lives, their homes, and their neighborhoods. Both bills could strengthen the ability of millions of renters to become successful homeowners.

But the core purpose of this legislation concerns more than just buildings and homes. Homeownership means bringing some tangible results of the economic recovery to people of modest means. It means giving low-income Americans some hope and a sense of accomplishment. It means fostering the spirit of community in troubled neighborhoods by multiplying those invisible bonds of respect, companionship, and caring among men and women. It means greater stability in home life. It means civic pride, greater security, and a real stake in the free enterprise economy.

This is not the last word in housing policy, and we remain ready and willing to improve and adapt our legislation as necessary. But we have broad, bipartisan support for the goals of this legislation. Liberal and conservative, Democrats and Republicans and independents, blacks, minorities, and whites alike, Congress and the administration—all can join enthusiastically in extending the dream of homeownership to more Americans.

John F. Kennedy was right when he said that:

> One of the greatest challenges of the next decade is the challenge to provide a decent home in a decent neighborhood for every American.

If we pass this legislation, we can begin to meet that challenge and turn some troubled housing communities into pictures of working and living and hope.

A TRIBUTE TO DR. KENNETH B. CLARK

HON. CHARLES B. RANGEL

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, April 17, 1986

Mr. RANGEL. Mr. Speaker, I rise to pay tribute to Dr. Kenneth B. Clark, a truly great educator who has retired from the New York State Board of Regents.

Dr. Clark is best known for his research in 1954 on the damaging psychological effects of the "separate but equal" doctrine. He presented evidence that racially segregated education in and of itself inhibits the intellectual growth of black children. The myth that quality education could be provided in separate facilities was exploded by Dr. Clark. It was his report that was instrumental in persuading the Supreme Court to end racial segregation in the classrooms.

Kenneth Clark later served the New York Board of Regents for 20 years, strengthening education standards for children in New York. He never compromised his belief in academic excellence. His most fundamental belief was that all students, regardless of race or class, should be given an equal chance to achieve. This was his ideal, and this was his goal.

Mr. Speaker, New Yorkers will miss Dr. Clark. I wish him the very best in the future. I submit the following article for inclusion in the CONGRESSIONAL RECORD.

[From the New York Times, Mar. 24, 1986]

A Conscience of Education

Dr. Kenneth B. Clark, the educator, is perhaps best known for a study of the damaging psychological consequences of "separate but equal" schooling, a study that in 1954 helped persuade the Supreme Court to outlaw racial segregation in public schools.

But over the years, New York has benefited mightily from Dr. Clark's 20 years of service on its state Board of Regents. His retirement from the board last week marks the departure of a soft-spoken but effective advocate of quality education for all students.

In debates of educational standards, he never pleaded for relaxing them for the sake of the disadvantaged. Keep standards high, he said, but make sure the underprivileged get the opportunity to achieve them. He is therefore satisfied that the Regents Action Plan, which stiffened high school graduation requirements, puts the state on the right track for educational reform. Disappointed that local school boards have not met the needs of disadvantaged students, he now proposes that "chronically underachieving" schools be placed under the Regent's direct authority.

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Dr. Clark's combination of compassion and unflagging devotion to educational quality led his colleagues to describe him as the "conscience" of the board. He will, no doubt, continue to espouse provocative, controversial and sensible ideas. But his day-to-day involvement in efforts to improve education's equality will be widely missed.

MEDICARE PART A DEDUCTIBLE TO RISE—HERE WE GO AGAIN!

HON. MARIO BIAGGI

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, April 17, 1986

Mr. BIAGGI. Mr. Speaker, as an original member of the House Select Committee on Aging, I am outraged over preliminary reports from the Department of Health and Human Services which indicate that the Medicare part A deductible may jump to $572 from the current $492 on January 1, 1987.

This dramatic increase of almost 17 percent comes as millions of senior citizens are reeling from the effects of the 23-percent increase in the deductible which took effect on January 1 of this year. When you consider the past 2 years and the expected increase for next year, the increase is in excess of 50 percent.

Meanwhile the main source of income for many of these seniors, Social Security, has seen its benefits increase by just over 7 percent. Expectations about the 1987 COLA do not indicate that the rate will be much above 3 to 4 percent based on inflation.

The fact is, we must take steps now to avert a catastrophe which will affect millions of seniors on January 1 if this increase is allowed to take effect. It is time to put a cap on the part A deductible increase—a cap which is based on the comparable percentage of the Social Security COLA for a given year. Last year I cosponsored legislation authored by the distinguished chairman of the House Select Committee on Aging, Mr. ROYBAL, to impose such a limit. Next week I intend to introduce an identical bill to limit the increase to the Social Security COLA. In order to offset the lost revenues, my bill will propose an increase in the Federal cigarette tax with all revenues earmarked to the Medicare hospital trust funds.

According to the Washington Post, one of the reasons given for this projected increase relates to the prospective payment system adopted for Medicare in 1983. As the article states:

> Ironically, the prospective increase results from success in holding down Medicare's preadmission costs and reducing average lengths of stay. Increases in the first day payment are based on the average Medicare costs per hospital stay. A new Medicare system for paying hospitals gives them a flat fee for each stay, providing an incentive to discharge patients quickly. With length of stays declining, but payment per stay remaining constant the first day is now a larger proportion of the total payment. The average hospital stay is under 9 days.

This represents but another in a steady number of examples of how the DRG system has worked to partially solve one problem but create others. Clearly, DRG's have worked to lower costs to the Medicare system which was essential to avert the imminent bankruptcy of the Medicare trust funds which loomed so ominously several years ago. However it is interesting to note the fact that the latest projections of the trustees of the Medicare funds indicate that the date of bankruptcy has suddenly moved forward to 1996 perhaps indicating that the impact of DRG's have run their course.

Meanwhile fundamental issues related to quality of care for seniors continue to be raised. Our Aging Committee has documented a number of cases involving the premature discharge of seniors from hospitals. The so-called quicker and sicker problem appears to be a growing one across the Nation and must be addressed. Now we learn that another quality of care issue, higher out-of-pocket costs to elderly Medicare recipients, may be another outgrowth of DRG's which must be addressed.

I hope on a bipartisan fashion we can work to avert an increase of this type from occurring several months from now. HHS has done its job by warning us about the possibility. Let us do our job for the seniors of our Nation and pass appropriate legislation to protect them from continued financial abuse associated with never ending increases in out-of-pocket costs to participate in Medicare.

LEGISLATION TO PROTECT HAWAII VOLCANOES NATIONAL PARK

HON. DANIEL K. AKAKA

OF HAWAII

IN THE HOUSE OF REPRESENTATIVES

Thursday, April 17, 1986

Mr. AKAKA. Mr. Speaker, today I am introducing legislation to enhance and protect one of the Nation's most unique national treasures and one of my State's greatest visitor attractions—Hawaii Volcanoes National Park. This measure will enable the Hawaii Volcanoes National Park to acquire a 5,650-acre tract adjacent to its present boundaries.

The parcel of land, which is presently unused, has been the National Park Service's acquisition priority in the Pacific area for more than a decade. This tree-fern rainforest, populated with native ohia, contains the habitat of the endangered Hawaiian Hawk and Hawaiian Ou as well as several other species found only in the Hawaiian archipelago. Congress identified the parcel as suitable for "potential wilderness" in 1978. Except for its non-Federal status, the tract possesses all the necessary attributes for wilderness designation.

While these considerations are enough to warrant the inclusion of this tract within the national park, there is a different but equally important concern which should be known. The growing of marijuana on this tract poses a serious threat to public safety. Marijuana growers often booby trap their patches to intimidate anyone who might inadvertently come upon their illegal activity. Park Service vigilance has eradicated manijuana growing within the confines of the Hawaii Volcanoes National Park and that same vigilance will also end marijuana growing on the contiguous land area once it is added to the park.

Over the past 5 years, this important tract of land has also been the focus of other activities. In early 1982, its owner revealed plans for large-scale geothermal development on the land. Approximately 50 geothermal wells were proposed as close as 1,000 feet from the park boundary. Four proposed powerplants were to be located within 4,000 feet of the park. While the State of Hawaii recognizes the need to develop alternatives to nonrenewable energy resources and has emphasized this need through State legislation, we also recognize the importance of maintaining the integrity of Hawaii's largest national park. The adverse effects of geothermal emissions, surface disturbance, noise, odor, and vista impairment in close proximity to the park would have serious consequences. Such development would cause the deterioration of native plant and animal communities, fragmentation of the ohia fern forest essential for endangered native bird survival, degradation of the wilderness quality of the east rift and Kalapana extension areas, and destruction of present and future visitors' perceptions of the park.

After 2 years of searching for a means to satisfy these competing interests, a solution has been found that will allow geothermal development while removing its adverse effects from the immediate vicinity of the park. In December 1984, on the recommendation of the State board of land and natural resources, the owner of this tract was encouraged to consider a land exchange with the State of Hawaii. At the same time, the State encouraged the National Park Service to find a way of acquiring the tract for inclusion into Hawaii Volcanoes National Park. The State of Hawaii then began to consider the possibility of a three-party land exchange with the Federal Government that would allow the National Park Service to acquire this important parcel contingent upon the State and the landowner moving forward with their two-party exchange.

After several meetings among the State, the National Park Service, and the landowner, I come to you today to tell you that such an agreement can be achieved. However, Congress must enact legislation to allow the Department of the Interior to become a third party to this exchange agreement.

We should remember that Congress recognized the need to adjust the boundaries of the Hawaii Volcanoes National Park through the addition of adjacent lands early in the park's history. In 1938, Congress passed legislation that allowed the Secretary of the Interior to add adjacent tracts to the park if, in the discretion of the Secretary, they are judged to be "necessary for the proper rounding out" of the boundaries. While the Secretary has had this discretionary power for nearly 50 years, he has been restricted by the provision that allowed acquisition of certain tracts through donation only.

The reasons for limiting the acquisition of adjacent parcels to donated land have long been forgotten. The public accepta and supports this acquisition proposal. The people of Hawaii, the landowner, and the National Park Service agree that the time for acquisition is

now at hand. Times have changed and we must change with the times. The three party land transfer is the type of change that is appropriate at this time; a time when no or low cost acquisition alternatives are needed in the context of the Federal deficit.

The benefits of this legislation are self-evident. First, the 5,650-acre tract of virgin rainforest would become part of the Hawaii Volcanoes National Park, offering protection to endangered species and popular visitor attractions, allowing representation of this unique ecosystem in the National Park System, and facilitating National Park Service administrative control over the land for the purposes of public safety. Second, and equally important, geothermal development could proceed in an area well removed from the park. Furthermore, geothermal development could proceed immediately without the burden of continued hearings, protests, appeals, and threats of court actions which have held development to a standstill over the past 4 years. Third, there would be no need to seek major appropriations from Congress for the acquisition of the land at a time when budget considerations are on the minds of every Member of Congress. Finally, the more than 2½ million visitors that come to the Hawaii Volcanoes National Park from all parts of our Nation each year will enjoy the benefit of an appropriate expansion of the State's natural treasures.

Mr. Speaker, I hope my colleagues will join me in this effort to preserve the pristine beauty of this wilderness area. With this legislation, we will ensure that future generations can continue to enjoy the splendor of the Hawaii Volcanoes National Park.

SPIRIT OF GIVING?

HON. ROBERT GARCIA

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, April 17, 1986

Mr. GARCIA. Mr. Speaker, in the next several days, the House will consider the supplemental appropriations for fiscal year 1987. One of the topics to be discussed is the Combined Federal Campaign [CFC] which has proven over the years to be highly effective in collecting large amount of contributions from Federal workers for charitable organizations. The Office of Personnel Management has fought to change the regulations governing the Combined Federal Campaign to drastically limit the number of charitable organizations which would be allowed to participate in the CFC.

The CFC has experienced a 50-percent increase in total donations since it opened up to a broader cross section of charities in the early 1980's. The OPM's new regulations would drastically decrease the amount of contributions from the Federal workers. Moreover, the regulations would discriminate against the many organizations that would be excluded. The attached commentary from April 17 issue of the New York Times aptly describes the dilemma CFC is currently facing.

> [From the New York Times, Apr. 17, 1986]
>
> GENEROSITY WASHINGTON CAN AFFORD
>
> Armed with a favorable Supreme Court ruling, the Reagan Administration has finally succeeded in removing groups it doesn't like from the roster of charitable organizations that benefit from annual fund drives among Federal workers. Congress should reverse this narrow-minded policy.
>
> In the annual campaign, Federal employees authorize payroll deductions for charities listed by the Government or written in by themselves. Last year the drive raised $130 million for more than 150 national and many more local charities. About $6 million went to groups serving minority, women's, environmental and other interests that were added to the Government list in 1980 and 1981 at the initiative of the Carter Administration.
>
> The Reagan Administration began at once to try to roll back that policy and limit Federal employees' giving to organizations managing health and welfare programs. In 1983 it ordered the exclusion of organizations that engage in any "advocacy, lobbying or litigation," a ruling promptly challenged on First Amendment grounds. Last July the Supreme Court ruled that the order was constitutional but sent the case back to a lower court to decide whether the executive order excluded groups solely because of their political views.
>
> Meanwhile, the Office of Personnel Management has issued new rules to eliminate all advocacy groups from this fall's campaign and to prohibit write-ins. A measure before the House would restore all charities that participated in the last campaign. Such looser rules would express Government's generosity of spirit at a time when it has chosen not to be particularly generous in spending.

HOUSE CALL TO CONSCIENCE VIGIL: IOSIF BEGUN

HON. TIMOTHY E. WIRTH

OF COLORADO

IN THE HOUSE OF REPRESENTATIVES

Thursday, April 17, 1986

Mr. WIRTH. Mr. Speaker, I welcome this opportunity to light once again the tragic yet heroic case of Soviet prisoner-of-conscience Iosif Begun. To some, such repetitive appeals to the Soviet Government may seem futile. However, the recent release of prisoner-of-conscience Anatoly Shcharansky is evidence that public outcry and political pressure can be effective in forcing the Soviet Union to live up to its obligations under the Helsinki human rights accords.

Mr. Begun has spent 8 of the last 14 years of his life in internal exile and in labor camps, all of this for the crime of applying to emigrate to Israel in 1971. Subsequent to his visa application, Mr. Begun was stripped of his job. The Soviet Government refused to hire him and he was effectively barred from working except in a nongovernment, and thus unofficial, capacity. Mr. Begun gave Hebrew and Jewish culture lessons, an occupation for which he was vilified in the Soviet media. In 1977, he was arrested for being unemployed, a situation which the Soviet Government had made unavoidable. Mr. Begun served 2 years of exile in Siberia. After his release he was arrested again for returning to his home without a residence permit. This time, he was sentenced to 3 years of internal exile. Following a brief period of freedom, Iosif Begun was charged with anti-Soviet agitation and propaganda, and sentenced to 7 years in a labor camp.

Given the number of Soviet Jews who have received similar treatment at the hands of the Soviet Government, it has become obvious that it is the intention of that Government to stamp out Jewish cultural identification. By arresting those who teach Hebrew and Jewish culture to young Jews in the Soviet Union, the Government seeks to prevent the continuation of the Jewish heritage through another generation. The seriousness with which the Soviet Government has sought to suppress Jewish culture is obvious in both its brutal treatment of Soviet Jews—especially those who preserve and teach the proud Jewish tradition—and in the existence of such organizations as the Anti-Zionist Committee of the Soviet Public, which directs the official anti-Jewish propaganda compaign. It is essential for those of us who are in a position to speak out against such a compaign to do so loudly, clearly, and as frequently as possible so that the Soviet Government is aware that its activities are not something which they can hide from the rest of the world.

Last October, I wrote a letter to President Reagan urging him to bring up the case of Mr. Begun in his conversations with General Secretary Gorbachev during their summit in Geneva. My wife, Wren, helped to form the Congressional Spouses Committee of 21 along with the spouses of 20 other U.S. Represantatives. As part of her committee work, Wren adopted Mr. Begun and has corresponded regularly with both him and his family for the past year. She has also written to both President Reagan and General Secretary Gorbachev about the plight of Mr. Begun and his family. These efforts have not yet resulted in success. However, given the recent release of Anatoly Shcharansky, I am encouraged about the potential for gaining Iosif's freedom if we continue to pressure the Soviet Government to respect its citizens' basic human rights.

Mr. Speaker, it is imperative that we convince the Soviet Union that we are serious when we speak about the basic rights of human beings. They must realize that whether we express our concern in terms of appeals to their sense of humanity or in concrete diplomatic, political, and economic policies, their harsh treatment of Soviet Jews will continue to color our perceptions of every activity that they undertake.

SALUTE TO PAST PRESIDENTS OF THE ECONOMIC DEVELOPMENT COUNCIL OF NORTHEASTERN PENNSYLVANIA

HON. PAUL E. KANJORSKI

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, April 17, 1986

Mr. KANJORSKI. Mr. Speaker, the Economic Development Council of Northeastern Pennsylvania (EDCNP) is a regional research, plan-

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ning, and development organization serving the seven counties of Carbon, Lackawanna, Luzerne, Monroe, Pike, Schuylkill, and Wayne in northeastern Pennsylvania. The council has served the region since 1964, as a nonprofit corporation representing the public and private sectors. Its board of directors includes a wide range of dedicated volunteers incluidng elected and appointed officials and private sector representatives who contribute time, energy, advice, technical assistance, and financial resources to help promote and improve the quality of life and sound economic growth within this 4,500-square-mile region of the Commonwealth of Pennsylvania and its 266 local governments, 7 county governments, and 907,000 residents.

The year 1986 marks the 21st anniversary of the Appalachian Regional Commission, an organization representing 13 States of this great Nation who have joined together in an intergovernmental partnership designed to establish a basis for positive economic change. Since the commission's inception in 1965, through the designation of local development districts representing a sound public/private sector partnership of local officials in common unity to achieve economic growth, much has occurred to label the Appalachian Regional Development Program (ARDP) as one of the outstanding intergovernmental and public/private sector programs. The EDCNP has been a designated local development district under the ARDP since the inception of the commission. Through the years, each of the presidents of the EDCNP has contributed greatly to the ability of northeastern Pennsylvania to not only effectively utilize the ARDP, but to constructively integrate the Appalachian Program with other Federal, State, and local incentives to encourage better economic activity, through an innovative grant and loan program which has been the lifeblood of a part of the United States which, for many years, was left behind the rest of the country. The EDCNP has been in the forefront and a leader in the ARDP, and its presidents have strongly helped to direct the way in which these funds have been effectively utilized for the benefit of the region's citizenry.

The EDCNP has successfully utilized some $80 million in ARC funds to leverage $291 million of other financing, thereby creating over 12,000 new jobs in our region. This is truly an outstanding accomplishment and a tribute to the leadership demonstrated by the nine past presidents of the EDCNP.

The EDCNP presidents are being honored tonight, April 17, 1986, at an EDCNP board of directors meeting being held at Pocono Manor, in Monroe County. The presidents have represented the region at Federal and State levels and have managed a staff devoted to providing professional and technical advice to the local public and private sectors, resulting in a wide range of projects and programs crucial to the region's economic stability and growth.

The presidents being honored and their terms of office, include:

Louis G. Feldmann	1964-67
John S. Davidson	1967-70
John B. Hibbard	1970-73
Ernest D. Preate, Sr	1973-76
Thomas P. Shelburne, Sr	1976-78
Paul R. Stewart	1978-79
Vivian P. Edwards, Jr.	1979-81
Roy E. Morgan	1981-83
Sandurn Sutherland (present)	1983-86

The uniqueness of the EDCNP partnership is the combined role of the public and private sectors. The EDCNP has the largest local membership participation program in the Nation with respect to the 600 regional councils serving the United States. Each year, it raises close to $240,000 with a membership which exceeds 450.

It is with great pleasure and honor that I bring the achievements of these people and the Economic Development Council to the attention of my distinguished colleagues. The EDCNP has exempified the outstanding contributions possible from working together in a truly public/private partnership. The presidents of the EDCNP are to be commended and honored for their hard work, dedication, and commitment to improving the economic and social well-being for thousands of residents in northeastern Pennsylvania.

TRIBUTE TO WILLIAM CROSKEY

HON. DOUGLAS APPLEGATE

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Thursday, April 17, 1986

Mr. APPLEGATE. Mr. Speaker, I rise today on behalf of Mr. William Croskey, a distinguished constituent and personal friend of mine who will be retiring from 36 years of service in the teaching profession at Steubenville High School.

Mr. Croskey is a life-long resident of Steubenville and has been educated in the Steubenville public school system. Ever since a very young age, Mr. Croskey has been an active member of his community—his debut beginning at age 7, when he traveled to and entertained in most of the States on the east coast as a member of the Singing Boys of America. During World War II, when he was a high school youth, he participated in a musical group which entertained in the local area U.S.O.'s.

Following Mr. Croskey's graduation from Steubenville High School in 1947, he went on to Kent State University where he pursued his undergraduate and, later, his graduate degree in education, having been inspired from his work as a counselor for the Los Angeles Crippled Children's Society. He subsequently went back to his former high school, Steubenville High School, to begin his first teaching job.

During his 36 years at Steubenville High School, Mr. Croskey has been an extremely active faculty member, serving as an adviser to the Hi-Y Club for 14 years, as chairman of the Bicentennial celebration in 1976, as chairman of the social department, in addition to his most recent position as community arts chairman. He has also been instrumental in instilling the spirit of our Government to groups of students which he has been bringing to visit Washington for many years. Needless to say, his presence will be sorely missed at Steubenville High School.

Mr. Croskey has also been actively involved in community service organizations in and around the Steubenville area including: the local Kiwanis Club, the Elks, the Mason's, the Scottish Rite, and the Knight Templar.

Mr. Croskey is also a world traveler, having visited not only the majority of States in the United States, but also making voyages to Europe, the Middle East, Africa, the Caribbean, and South America. In addition, he is an avid swimmer and he enjoys boating.

Mr. Speaker, Mr Croskey's commitment to education and dedication to civic organizations within his community are truly an inspiration to all who know him. To mark his departure from Steubenville High School, I ask that my colleagues join me in wishing him the best of luck in all of his future endeavors.

LET US RECOGNIZE THE HUMAN SUFFERING CAUSED BY OUR TRADE POLICIES

HON. NICK JOE RAHALL II

OF WEST VIRGINIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, April 17, 1986

Mr. RAHALL. Mr. Speaker, As the House continues its consideration of trade reform legislation, I would like to share with my colleagues several thoughts as expressed by two members of the United Mine Workers of America yesterday before the Subcommittee on Mining and Natural Resources' hearing on imported coal.

I believe these excerpts from their testimony are worth reading and contemplating upon because they emphasize the human factor in the debate on trade. All too often we get bogged down in technical minutia when we discuss foreign trade and fail to recognize the harsh toll being extracted on domestic workers due to unfair foreign trading practices.

As I noted yesterday at the subcommittee hearing, coal imports are on the rise and this trend is attributable primarily due to the lack of health, safety, and environmental requlation and costs in the countries responsible for exporting coal to this Nation—Colombia and South Africa. I do not believe the coal miners of the Appalachian region should have to mortgage their, and their children's future to Colombia and South Africa. I also do not believe the United States should be taking a step backward from its efforts toward more fully utilizing its domestic energy resources.

For these reasons, I have asked the Subcommittee on Trade to approve H.R. 1905, legislation to impose an $8 per ton duty on imported coal and to amend our trade remedy laws so they give consideration to the difference in the cost of complying with Federal health, safety, and environmental standards imposed on the coal industry in this country compared to complying with like standards in a competing country.

Mr. Speaker, the excerpts from the testimony of Mr. Mike Browning, vice president, UMWA District 17, and of Mr. Donald McCamey, vice president, UMWA District 28, follows:

Mr. Browning:

In the past the Government of the United States has never hesitated to call upon their working people to protect them. Yet, when those same workers and their families are in need of protection our cries are often ignored or even worse, belittled.

The American workers and the American workers loved ones have never failed to protect our Nation and the values it represents. Now we call upon America to protect its workers and our values, indeed our way of life. We think its about time that the act of protection became a two-way street.

It is likely that our concerns will not be heard by the current administration. It appears to the working person as though the United States is doing everything it can to assist multinational corporations to the continued detriment of the people it supposedly represents. It is obvious to say that the administration supports free trade rather than fair trade.

Aided by that policy, the American corporations as in the Exxon Colombian case are permitted to move more of our jobs overseas. We therefore plead with you today to take immediate action to protect the jobs of the patriotic working men and women of our country.

Mr. McCamey:

America, you are a giant among Nations and I thank God I have been permitted to live in this land. You are as varied as the fingerprints of the hands of your citizens. And to you, our representatives, who are our leaders at this critical time in our history, I call upon you to not permit this giant to sleep as Gulliver did in Jonathan Swift's novel. I ask you to make this Nation arise to the task of survival, lest we be ensured with the greed of men and multinational corporations.

"Daily I see the hopelessness in the eyes of coal miners in my district, men who once were proud citizens contributing to the Nation's economy and providing for the needs of their families. In 1982, we had 11,000 active union miners in my district. Today there are only 5,300. These miners have cleaned up their act. They have reduced their lost time accidents. The wildcat strike is almost a thing of the past. The production per employee is up about double what it was in 1982. But over half are now unemployed while this Nation and multinational corporations use their tax dollars and the profits from their labor to export their jobs to foreign shores.

I want to leave you with one quote. It is found in I Timothy, the fifth chapter and the eighth verse of the Holy Bible and it reads thus:

"But if any provide not for his own, and specially for those of his own house, he hath denied the faith and is worse than an infidel."

ARTISTS' SPACE CRISIS

HON. TED WEISS

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, April 17, 1986

Mr. WEISS. Mr. Speaker, I would like to bring to the attention of my colleagues a serious crisis currently facing New York City: the lack of space for our artists and arts organizations. I recently testified at a hearing called by New York State Assemblyman Jerrold Nadler on the issue of artists' space. The text of my statement follows:

I wish to commend Assemblyman Nadler for calling this hearing to focus attention on what is fast becoming a major crisis in New York City: lack of space for one of its foremost industries, the arts. For us in New York City, the arts are not only a source of pride and cultural enrichment—they are big business. The arts contribute over $5.6 billion to the economy of the region, generating over 117,000 jobs, enriching hotels, restaurants, real estate, utilities, transportation, medical and education services, and the finance and insurance industries.

I have the good fortune to represent, in the 17th Congressional District, a large number of musicians, writers, painters, dancers, actors and artists of all disciplines who reside and work there. Hardly a week goes by when we do not receive a call from an individual artist or arts organization in desperate need to living, rehearsal, exhibition, or performance space. The problem is compounded by the fact that these artists and arts organizations lack the expertise to enter the world of finance and real estate, which the space chase requires of them.

New York City acts as a magnet to artists from all over the globe. In 1984, of the 4,000 awards made nationwide by the National Endowment for the Arts, 1,000, or 25 percent, went to New York City artists and arts organizations. We are the crucible for new talent and new theatre, music, dance and visual arts. In the past, low rents and an abundance of space enabled us to extend this hospitality to aspiring young artists and struggling arts organizations. Landlords in transitional neighborhoods welcomed them to the frontier areas of Manhattan. But the artists became the victims when the economy boomed, rents escalated, and real estate speculators and developers moved in.

Theatre groups and dance companies have the most serious difficulties because they need large spaces for rehearsal and performance. My office has been in contact with the New York City Department of Cultural Affairs and the Office of Economic Development in behalf of the Dance Artists Nationwide Space Emergency to underscore their need for advice and technical assistance. I find disheartening the results of a national survey of non-profit theaters showing that in spite of improved fund-raising efforts, rising deficits threaten their continued development. What is most distressing is the fact that while corporate and business support grew by 11 percent in 1985, federal support, once the leading source of theatre funding—has grown by less than one percent since 1981.

Visual artists face similar problems because diminishing exhibition space has drastically limited opportunities for them to present their work. In an effort to assist with this problem, my office has contacted a number of corporations and government officials encouraging them to provide wall space for exhibiting arts organizations. This effort resulted in the Regional Administrator of the United States General Services Administration offering exhibition space to the Contemporary Artists Guild for an exhibition at the federal office building at 201 Varick Street.

The Committee for Cultural Facilities, an unusual and exciting consortium of arts groups, has the strong backing of our office in their efforts to lease three floors of the Old United States Custom House. We hope that the Reagan administration will not torpedo these plans by turning over the Customs House to the Indian Museum.

In Clinton, we continue to ask the city to abandon its plans for the Urban Renewal Area Sites 7, 8 and 9C and go back to the drawing boards. The plans do not adequately protect the non-profit groups now on the sites. We are particularly disappointed that the city has not followed the original concept to sell the building on Site 7 to the Women's Interact Center.

The arts are not self-supporting. They cannot live on what they earn. They depend on government and the private sector for support. If they boost prices, they limit their audience; if they minimize risk, they limit their creativity. Government must support the arts and respond to its needs. We must explore ways to shield the arts community from the ravashes of the marketplace. If we care about encouraging our nation's artistic and cultural life, if we care about the economic vitality of our city, we must act quickly or face the irreversible erosion of our priceless cultural resources.

A STATEMENT IN SUPPORT OF REVENUE FOREGONE

HON. ROBERT GARCIA

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, April 17, 1986

Mr. GARCIA. Mr. Speaker, at the request of the chairman of the House Committee on Post Office and Civil Service and the chairman of the Senate Subcommittee on Civil Service, Post Office and General Services, the Postal Rate Commission will be undertaking a study to examine the use of most categories of "preferred rate" mail. The study will be reviewed by the House and the Senate for uses in the fiscal year 1987 budget process. The Postal Rate Commission is currently receiving comments on the subject of preferred rate mail and is holding public hearings across the country to enable interested persons to discuss indepth all of the matters under consideration. Attached are my written comments which I submitted to the Postal Rate Commission for their consideration.

In providing revenue foregone appropriations each year, the Congress has played an important role in allowing the Postal Service to establish a preferred rate mail system for nonprofit organization across the country. Many of our national goals are met because of the diligence of these organizations. Because of the budget cutbacks in many of our domestic programs, our Nation must rely on these nonprofit organizations more than ever to have many of our people's needs addressed.

For several years now the current administration has proposed to eliminate the revenue foregone appropriations thereby threatening the livelihood of many nonprofit organizations. Notwithstanding, we in Congress has successfully fought back to maintain certain levels of the revenue foregone appropriations.

I have been deeply concerned about the cuts in revenue foregone appropriations, and am hoping that the study the Postal Rate Commission will be undertaking will show Congress that truly legitimate organizations must continue to receive their well-deserved subsidy.

STATEMENT SUBMITTED TO THE POSTAL RATE COMMISSION ON PREFERRED POSTAL RATES

I commend the Postal Rate Commission for agreeing to undertake a study on "preferred rate" mail which will greatly assist

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those of us in Congress to make fair and just decisions on FY'87 appropriations for revenue foregone.

I have been a member of the House Committee on Post Office and Civil Service for eight years, and throughout my term with the committee, I have supported revenue foregone appropriations.

What is revenue foregone? To me it is a special partnership between the government and nonprofit organizations that was established even from the beginnings of the American Postal Service to carry out important national goals. There are organizations such as the American Cancer Society, the March of Dimes, the American Heart Association, and so many more who rely on contributions from the American people to carry out critically important missions for our nation. A key function of many of the nonprofit organizations is to keep Americans informed of pertinent issues that affect them and our country. But even more important function is to raise needed funds for just causes. The organizations rely greatly on our nation's mail system to carry out these functions. Our government has provided revenue foregone appropriations which have allowed the Postal Service to provide the nonprofit organizations lower postal rates in order to assist them in carrying out their special missions.

I am baffled by this Administration's insistence for the past six years to eliminate revenue foregone appropriations. It is this same Administration that has been promoting the idea of getting the government off the backs of American people. Subsequently, funds for social welfare and educational programs have been cut. If the American government chooses to take on the burden of addressing problems of the needy, who takes on that burden? It is the multitude of nonprofit organizations across America. By eliminating revenue foregone appropriations, the Administration is proposing to forego the welfare of our American people. I hope that through the study on preferred postal rates, we would be more certain of the absolute necessity of maintaining that special partnership between the government and the nonprofit organizations.

Today, I would like to speak on behalf of the public libraries, the unions, and the minority nonprofit organizations that would be severely impacted by any further reductions in revenue foregone appropriations. Basically, the greatest threat of eliminating or further reducing revenue foregone appropriations is to the freedom of the press. Libraries, unions, and minority nonprofit organization rely much on revenue foregone because a mission of paramount importance to these organizations is distributing information. Libraries send braille and recorded books to users; unions send out important news that affects their members; minority nonprofit organizations keep the minority communities up-to-date with issues that affect them. Certainly, these organizations are not receiving revenue subsidy unnecessarily. We live in a democratic country that places much importance in making sure the citizens are aware of issues that impact them. These nonprofit organizations would not be able to sustain themselves properly if revenue foregone subsidy is eliminated or reduced such that they are forced to keep up with the first class postal rates. Now, if we eliminate or reduce revenue foregone appropriations, are we not restricting distribution of information to the American public?

In light of the fact that Gramm-Rudman-Hollings has already taken effect, it appears that the entire population is currently facing some of the ill-consequences of fiscal restraint. But the Postal Rate Commission's study is timely and absolutely necessary. In midst of fiscal contraint, the study will assist us in making sure that legitimate organizations would continue to receive their well deserved revenue foregone subsidy.

THE FIFTH PILLAR OF SOUND MONEY

HON. WILLIAM E. DANNEMEYER

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, April 17, 1986

Mr. DANNEMEYER. Mr. Speaker, the fifth pillar of sound money is the principle of fiscal policy. It asserts that the credit of the government must be maintained at the highest possible level, and then all other problems will take care of themselves. Just how far the credit of this Government has deteriorated over the years can be measured by the high rate of interest and the shrinking maturity structure of the public debt.

However, the credit of the Federal Government can be restored to its former high level, if we refinance the public debt at 2½ percent interest, by issuing gold bonds with 25 years maturity, as my bill, H.R. 4401, proposes.

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THE FIFTH PILLAR OF SOUND MONEY AND CREDIT: THE PRINCIPLE OF FISCAL POLICY

(Antal E. Fekete)

A Chinese Tale

Once upon a time there were, in China, two great cities: Chin and Chan. They were connected by a magnificent canal. One day the Emperor sent for his chief mandarin, Ching, and said: "Look yonder". Ching opened his eyes and looked. And he saw scores of barges laden with cargo, plying between the ports of Chin and Chan. The Emperor then commanded: "We must stop that traffic, in order to increase employment in the Celestial Empire. You will have huge blocks of stone thrown into the canal to put it out of service." At first Ching did not see the point, and said: "Son of Heaven, you are making a mistake." However, the Emperor's mind was made up, and he said: "Ching, do as you are bid. We are going to stimulate the economy. You come back after three moons have passed, and take another look."

When he came back, the Emperor said: "Look yonder." As he looked, Ching saw thousands of carts and innumerable pedestrians carrying heavy burden on their shoulders, as they were making their way from Chin to Chan, and from Chan to Chin. They looked like a swarm of migrating ants. The Emperor declared: "It was the destruction of the canal that provided jobs for these poor people. We shall make it public policy to stimulate the economy by all available means." Ching remarked in admiration: "I should have never thought that the government could create so many jobs so quickly and so easily."

When the Emperor died, his successor sent for Ching and ordered him to have the canal reopened. Ching prostrated himself nine times and said to the new Emperor: "Son of Heaven, you are making a mistake." But the Emperor was adamant: "Do as you are bid. We must facilitate the movement of people and goods between Chin and Chan, by making transportation less expensive. Then the people may have rice, tea, and silk at a lower cost." Ching thought he was ready with the answer: "But what is the use of lower prices, if no one can pay them, because everyone is unemployed?" The Emperor was losing this patience: "Ching, you are talking like a fool. Come back after three moons have passed, and take another look."

When Ching came back, the Emperor said: "Look yonder". Ching looked and saw more traffic in the canal than anybody had ever seen before. The barges were moving day and night, bumper to bumper. There was no hint of unemployment. The Emperor dismissed Ching with these words: "You can divert and displace labor, but you can never create new employment by erecting obstacles. Remember the wisdom of the old sages, that the secret of good government is to leave people alone." (Adapted from Frederic Bastiat's "Sophismes économiques," Paris, 1845.)

Quality of Credit

The sole aim of fiscal policy is to keep the credit of the government at the highest possible level and above all suspicion. This principle implies that the government borrows only if it can see the revenues which, in the years coming, will be available to retire the debt. If this principle is respected, then the rate of interest will be stable, and it will be the lowest possible rate consistent with economic conditions. Otherwise, the rate of interest will be higher and unstable, moreover, the rise and instability will be commensurate with the extent to which this principle has been compromised. This will make it difficult for some, and impossible for other private producers of wealth, to reinforce their enterprise by borrowing.

The quality of credit in a country cannot be higher than that of the government. Therefore, the deterioration of the government's credit adversely affects every single producer in the country.

The canal carrying the trade between Chin and Chan symbolizes a national economy that respects the principle of fiscal policy. By deviating from this principle, the government puts the canal out of service. The blocks of stone symbolize the higher rate of interest which private producers of wealth pay after all the borrowing needs of the government are satisfied. This would not stifle the national economy, but would certainly render it more inefficient.

A dilution of the principle of fiscal policy is usually couched in a language which would appeal to those susceptible to demagogy. Deficit spending is called "priming the pump", "an essential stimulus to the economy", indispensable to the maintenance of full employment. Yet it is clear that the stimulus of deficit spending is at best dubious in the short run, and completely absent in the long run. The short-term effects have the nature of prestidigitation, as government spending can be targeted to pockets of slow economic activity, in order to produce spectacular results. It is the long run effects where the damage to the economy becomes visible.

Accumulation of Public Debt versus Accumulation of Capital

The accumulation of public debt is a convenient trick through which a temporary

semblance of prosperity may be achieved. In the long run, however, this policy will only aggravate the situation, as it harms the economy by weakening productive capacity. The longer the government succeeds in maintaining false prosperity by increasing public debt, the greater the ultimate damage.

Mainstream economists ridicule this concern about the negative effects of the rising public debt on future economic growth. There is no way—so the argument goes—to shift the economic burden to future generations. You can only consume what has been produced. Under these circumstances, how can a nation live beyond its means? This argument is designed to appeal to simpletons. The basis for all economic growth, rising real per capita income, increased production and consumption, is the result of entrepreneurs investing their own and other people's funds in more and better tools, which permits a steady increase in man-hour productivity. Economic growth, and a rising standard of living, are ultimately dependent upon uninhibited capital accumulation.

Capital accumulation, however, is not an automatic process regulated by mother nature. To produce capital goods—factories and machinery—a corresponding amount of productive facilities must be released from other employment. It is not enough that technology and know-how is available to create new factories and modern machinery. Investors and businessmen must be willing to accumulate capital by doing the necessary investing. Furthermore, the creation of credit must not be confused with capital accumulation. People see idle factories and wonder why they cannot be used to produce the much-needed goods, with the aid of easier credit, if necessary. They fail to understand that the plants have become obsolete because adequate reserves were not set aside for depreciation and replacement. Or, if it is a new plant, people fail to understand that its construction in the first place was based on a miscalculation due to the false signal of easy credit. Rising costs have made a profitable operation impossible. People find it hard to see the thin edge of the wedge between capital accumulation and capital decumulation.

Capital decumulation, therefore, is the result of government action, such as the departure from the principle of fiscal policy. As the government creates more money and credit through deficit spending, prices and wages rise. Operating costs tend to rise faster than revenues, thus reducing profits. The result is idle factories and idle men. In short, the effect of deficit spending is more of the same condition that it was supposed to eliminate in the first place, Thus a vicious circle is put into place: deficit spending creates idle capacity and unemployment, when then call for more deficit spending, to create still more idle capacity and more unemployment.

Kick the Garbage Upstairs

There are those economists who suggest that the process of deficit spending can continue indefinitely. According to them, the public debt need never be repaid. It can go on growing indefinitely, as long as a stable relation between the debt and the gross national product is maintained. In the Ninth Pillar, we shall see why this is a fallacy. Here we may content ourselves with the observation that accumulating debt at the expense of accumulating capital is like dumping garbage in the attic. At one point, the attic is bound to give way, and all the garbage will come crashing down.

THE HUNGER TELECONFERENCE REPORT

HON. BENJAMIN A. GILMAN

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, April 17, 1986

Mr. GILMAN. Mr. Speaker, I would like to bring to my colleagues' attention an excellent report on the world hunger problem, the Executive Summary of the Hunger Teleconference Report. This report offers important information to Members of Congress who wish to better understand the hunger issue and draft legislation to alleviate this problem.

Mr. Speaker, I request that at this point in the RECORD the full text of the Executive Summary of the 1985 Hunger Teleconference Report be inserted:

EXECUTIVE SUMMARY OF THE 1985 HUNGER TELECONFERENCE REPORT

On World Food Day, October 16, over 200 colleges, universities and other institutions participated in the 1985 World Food Day Teleconference. A "North American Town Meeting" on food, hunger and agricultural issues, the three-hour event linked thousands of participants in the U.S. and Canada with a panel of international experts at the studios of George Washington University Television (GWTV) in Washington, DC. While the live, interactive sites were the primary teleconference audience, several million additional viewers saw the program on cable, Educational Television, The Learning Channel and Public Broadcasting Service (PBS) stations.

On the local level, the teleconference linked campus and community; on the national level, participants who might never meet face to face joined one another in a simultaneous exchange through the use of satellite technology to discuss policies and action against hunger. The event's most important results were the following: (1) Citizens from local communities participated in the formulation of local, national and international policies. (2) Participants' recommendations indicated that there is wide consensus on the elements of those policies.

The second annual WFD Teleconference was designed to give sites a hands-on experience in participatory democracy through interaction with local, national and international leaders. Expanding the scope and impact of a prototype teleconference, the sites' recommendations and questions to the panel included in the full Report continued the interaction. The full Report has been circulated to the expert panelists, the United Nations Food and Agriculture Organization (FAO), the U.S. Agency for International Development (AID), members of Congress and to the teleconference sites and other WFD planners in the U.S. and Canada.

Based on the local site reports, the on-air proceedings of the telecast and the panelists' written responses to summary questions, the Report is the final component in the 1985 WFD Teleconference Cycle. This Cycle, funded by AID through a Biden-Pell development education grant, included preparation of the background Study/Action Packet and the teleconference program itself, in addition to assisting local organizers in their plans for activities surrounding the teleconference.

BACKGROUND

World Food Day marks the anniversary of FAO and is observed worldwide to focus attention and action on international food security. 1985 was the 40th anniversary of FAO, the fifth World Food Day and the second WFD Teleconference.

In the U.S., the National Committee for World Food Day is comprised of over 350 member organizations including the major American food, farm, education, religious, nutrition, and relief and development organizations. The National Committee Office, a small resource center in Washington, DC, facilitates WFD planning in the U.S. The Office plays a unique role as a clearinghouse on food/farm/hunger issues by helping to disseminate the collective resoruces and expertise of member groups and local WFD planners to the public at large.

THE STUDY/ACTION PACKET

The WFD Study/Action Packet was compiled by the University of Illinois with assistance from a panel of hunger experts and academicians from 1984 teleconference sites. As an adaptable resource, the Packet contained fact sheets, annotated bibliographies and inserts from National Committee members, AID and the World Bank.

The Packet served as an aid to curriculum building on agricultural development, and as a backgrounder for the issues of WFD 1985. These included:

The relationship between poverty and hunger.

The impact of environmental degradation and resource depletion on food security.

The means to achieving long-term, sustainable agricultural development.

In addition to the teleconference sites, hundreds of other colleges nationwide received the Packet. Numerous community and professional groups as the USDA Extension Service also used this resource for information and training. Based on site reports, the Packet saw wide interdisciplinary use, and strengthened the role of the campus as a community resource center. At the University of Missouri-Columbia, for example, 800 copies of the document were reproduced and distributed to college departments ranging from English to Agriculture, as well as to Extension professionals throughout the state.

PLANNING THE TELECONFERENCE PROGRAM

Planning for the teleconference began in February 1985 and continued throughout the year with assistance from the National University Teleconference Network (NUTN), GWTV, PBS and others. The program format included: live presentations by four international experts in the first hour (one-way audio/one-way video); interruption of the broadcast in the middle hour to permit sites to conduct their own discussions, debates, etc.; return to the satellite broadcast in the third hour for an interactive question and answer period between the sites and panel (two-way audio/one-way video).

The teleconference program, hosted by TV/film star Eddie Albert, featured:

M. Peter McPherson, Administrator of AID.

Senator Paul Sarbanes (D-MD), member of the Senate Foreign Relations Committee.

Barbara Huddleston, Chief of the Food Security and Information Service of FAO.

Marie Savane, President of the Association of African Women for Research on Development in Dakar, Senegal.

Renee Poussaint (moderator), Emmy award-winning news anchorwoman of WJLA-TV, the ABC-TV affiliate in Washington.

LOCAL SITE PROGRAMS

Teleconference sites applied the event for their own institutional and community goals. However, they were encouraged to include local and domestic hunger issues in their mid-hour discussions, as these topics were not a primary focus of the national program. The range of activities at many sites required day-long, week-long, and even month-long programs. Several colleges reported plans to institutionalize WFD activities and curriculum building on a year-round basis.

The diversity of site programs received extensive coverage in the full Report, with particular emphasis on joint planning between campus and community groups to use the event as a community-wide resource; curriculum integration; involvement of off-campus groups; and local media outreach.

The WFD "North American Town Meeting" saw parallels at the local level; some site programs were individual town meetings involving mayors, state and national Representatives and other officials in discussion of local food issues, and several participating institutions broadcast their own mid-hour programs regionally, in at least one case with a local call-in. Sites emphasized the theme of "local-global links" in their activities, and sought to inform participants on similarities among local, domestic and international food issues.

The Teleconference Cycle made significant progress in assisting college faculty with interdisciplinary curriculum development. Although the teleconference remained a "special event" on campus, it was also a component of course work or an extra credit activity at most college sites. Beyond use of the teleconference and Packet as a pedagogic tool, the event provided many students with an opportunity to organize symposia, work with local media and establish contacts with local and national organizations—valuable educational experiences in themselves. In addition, many foreign students served as local panelists at their host institutions, sharing first-hand accounts of conditions and agricultural policies in their own countries.

Non-academic groups frequently provided local program panelists, discussion leaders, and participants to the sites, who responded generously with fundraisers, hunger walks, food drives, and other activities in support of domestic and international hunger organizations. Through off-campus participation and the caliber of local program activities, the teleconference sites themselves ensured wide media coverage of the event, and worked with local stations to carry excerpts of the national program. Many sites invited local television journalists to serve as their mid-hour program moderators, increasing local coverage.

PROGRAM SUMMARY

After a brief introduction by Eddie Albert, the national broadcast began with a videotaped message from the Director-General of FAO, Edouard Saouma, who encouraged participants to renew their efforts against hunger, whether as governments, non-governmental organizations or individuals. Then, throughout the first hour, the moderator questioned each panelist, and invited them to express disagreement with one another or to expand upon points being raised. The following is a summary of the discussion:

M. Peter McPherson: a description of U.S. emergency assistance to Africa in the past year, and ongoing AID development programs undertaken in the Third World with assistance from the Private Voluntary Organizations. Mr. McPherson explained a policy error common in many developing countries of providing cheap food to politicized and potentially volatile urban populations at the expense of poor farmers in the countryside. He emphasized the importance of producer incentives, and the role of AID in providing intermediate-term support to countries undergoing a transition in policy towards pricing reforms. Regarding American public opinion on continuing foreign asssistance during a period of domestic cut-backs, Mr. McPherson stated that the U.S. Government and AID must be more aggressive in promoting foreign assistance as something the American public can buy into, but that African governments must also assume more responsibility for their future.

Paul Sarbanes: a summary of Congressional action on foreign assistance, particularly to Africa, and discussion of the important role of the American public in influencing policy on both domestic and international hunger. Sen. Sarbanes made note of the fact that many problems confronting the American farmer are not due to development programs abroad, but to causes such as the overvalued dollar and competition from other developed countries. Instead, he pointed out that international development has been proven to increase foreign markets for American goods, including foodstuffs, because as countries develop, they are able to finance imports. Mr. Sarbanes also discussed the role of multilateral agencies such as FAO in finding joint solutions to international hunger and agricultural crises, and encouraged participants to observe World Food Day as one means of involving citizens in this process.

Barbara Huddleston: discussion of the importance of policy formulation to ensure proper production, marketing, transport and distribution of food within developing countries. Ms. Huddleston reminded participants of competing interests within all nations, and the difficulty of Third World governments to reconcile these interests within their own often fragile democracies. She explained that in many cases, policies held over from colonial times still direct these young governments, without sufficient flexibility by donors to help beneficiaries undergo the necessary adjustment process. Ms. Huddleston stated that from the standpoint of FAO, more belt-tightening must occur at all levels to make sure that development assistance gets "more mileage for the buck."

Marie Savane: discussion of the fame and conditions in Africa from the African perspective, including observations on often unsuccessful policies and methodologies imposed on beneficiary governments by donors. Mme. Savane was particularly concerned about the Western propensity to "compartmentalize" approaches to development, rather than involving beneficiaries themselves in a wider range of needs assessment and program design, implementation and evaluation. She also discussed the impact of the famine in compelling both Africans and Westerns to recognize global interdependence, and to improve long-range planning. Mme. Savane acknowledged that mismanagement has been a problem in Africa, but that African governments are making positive changes.

RECOMMENDATIONS FOR ACTION

Teleconference sites were asked to share recommendations for action in the following areas: U.S. Government, International Community, Food Crisis Governments, Colleges and Universities and Local Community Action. The following themes recurred:

Criticism of military spending over support for hunger-related programs.

Criticism of politicized aid/development programs and use of food as a "weapon."

The need for increased education and training.

The need for improved food distribution.

The efficiency of small farmers, and the need for technologically and culturally appropriate agricultural programs.

As in 1984, sites charged the U.S. with setting an international example against hunger, but this year, they were much more outspoken in addressing domestic hunger, as well. Sites criticized U.S. Government policies of military expenditures rather than support for domestic and international agriculture and development programs, and condemned politicization of food aid. They voiced strong support for American farmers, and urged the Government to prevent the further demise of the American family farm. Finally, sites urged policy-makers in the U.S. to reorient their planning to the long-term, placing greater emphasis on education and training in development programs more sensitive to appropriate technologies and cultural norms.

Regarding the International Community, the major concern of sites was improved cooperative efforts. Recommendations called for more support of, and involvement in, multilateral agencies by the nations of the world and for a more equitable distribution of resources within the international community. Sites also suggested that a clearinghouse of international proportions be established to coordinate and disseminate agricultural technologies. Other suggestions entailed upgrading international oversight of emergency food distribution and the establishment of international reserves.

For Food Crisis Governments, sites urged the adoption of "food first" policies and a reevaluation of export cropping in nations faced with domestic food shortages. These governments should, in the view of teleconference participants, assume greater responsibility for their own future, and were repeatedly criticized for allowing military/strategic considerations to predominate over feeding their starving populations. Thus, improved distribution of both domestically produced and donated foods was a major theme in this recommendations category, with related discussion of the need to upgrade infrastructure for storing and transporting food in assistance with donors.

Colleges and Universities received the most recommendations, including calls for increased overseas experiences for students and faculty; more appropriate research, greater involvement in local domestic food issues; and the responsibility of higher education to emphasize global interdependence. Many sites indicated that as a result of World Food Day planning, they are already beginning to implement these strategies.

Recommendations for local community action included the following suggestions: increased awareness and involvement; establish links among local/national/international hunger issues; coordinate local action to prevent redundancy of efforts; decrease consumption and waste, and support local food banks; and exercise democratic rights to influence food and hunger policies through correspondence with legislators and policymakers and judicious use of the vote. Again in this category, and often as a result of campus-community contacts through the teleconference, many respondents stated that these recommendations are already guiding their local outreach activities.

THE MEDICAID INFANT MORTALITY AMENDMENTS OF 1986

HON. MICKEY LELAND

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Thursday, April 17, 1986

Mr. LELAND. Mr. Speaker, today I am introducing the Medicaid Infant Mortality Amendments of 1986. I feel strongly that this bill will help to alleviate the tragedy of infant mortality in this prosperous Nation. The Congress is long overdue in taking on this challenge of rising infant mortality rates with the necessary and deliberate action that it deserves. Now is the time for us to act, as a body, on our commitment to the survival of our children.

Infant mortality rates are commonly used as indicators of a population's health status. Overall infant mortality rates in this country are on the decline. Since 1981, however, the decline is slowing and we are in fact able to note a rise in post-neonatal mortality. From 1982 to 1983 the rate of infant death rose by 3 percent, and again by 6 percent in 1984. The Children's Defense Fund, a widely accepted authority on the problem, estimates that rates rose about 9 percent in 1985. Obviously the problem is growing at a phenomenal rate. Our immediate attention to this matter must be mandated by our moral sense as well as our responsibility to our constituents.

For black Americans the reality of infant death is even more devastating. Infant mortality rates for blacks are twice as high as those of whites, and blacks are twice as likely to produce low birth weight babies. Low birth weight accounts for two-thirds of all infant deaths.

Too many women today are facing the hardship of bearing children in the context of unretractable poverty. Women aged 18 to 24 give birth to some 40 percent of all babies born in the United States in a given year. Yet, in 1984, more than 25 percent of these women had no private health insurance or public health coverage such as Medicaid or Medicare. This statistic is particularly disturbing because a high percentage of working women aged 18 to 24 earn less than $10,000 annually. This group of working poor women are simply unable to afford the cost of prenatal care and delivery, especially if they must meet that cost in the absence of public health coverage.

The Health Insurance Association of America estimates that the cost for an uncomplicated pregnancy is at least $5,000, while Federal programs such as Medicaid cover only about 43 percent of women of reproductive age who earn less than $5,000 per year. In all States, Medicaid is tied closely to AFDC payment levels and most payment levels are set at less than 50 percent of the Federal poverty level. In Texas, AFDC payment levels are at 27 percent of the Federal poverty level; this means that presently, only those Texas women with incomes no greater than 27 percent of the poverty level are eligible to receive maternity care at the expense of Medicaid. Those who have incomes which are 28 percent of the poverty level must find their own ways to pay for needed care. As you might imagine, these women simply do without needed care and consequently, many do not give birth to healthy babies.

Currently, Medicaid offers no coverage for postpartum care of complications during pregnancy, in spite of the fact that in more than 56 percent of all pregnancies there is at least one complication. Few States even cover diagnostic services and screening so necessary in cases of suspected high risk. Furthermore, reimbursement policy under Medicaid makes it difficult for covered women to find good health-care providers. Poor women, most likely to lack any insurance coverage, public or private, are faced with an enormous dilemma.

Some of us may argue that infant mortality is a problem, but that we have not yet determined the best way to combat it. But the evidence suggests and the medical community agrees, that the upward trend in infant mortality can be curbed with increased access to prenatal care for pregnant women. This reality is unavoidable. However, receiving this care means having the ability to pay for services. Lack of maternity care, frequently a result of poverty, is the greatest contributor to infant death in this country.

The purpose of the Infant Mortality Reduction Amendments of 1986, is to allow States to exercise an option to provide prenatal care, delivery, and post-partum care to women who survive at or below 100 percent of the Federal poverty level. The bill also provides well-child care for the infant involved up to 1 year of age, without regard to State income eligibility thresholds. This bill also allows States to target Medicaid dollars on care for high-risk pregnant women and infants without regard to family structure and without regard to cash assistance the family may already be receiving under the AFDC Program. This is the logical next step in reforming Medicaid eligibility policy so that Federal funds are invested where they will save the most lives and the most money.

Another admirable quality of this bill is that it is cost-effective, and in the long run will save the Government millions of dollars. The cost of providing the services authorized under this legislation, approximately $125 million for the first year, is far less than the cost of maintaining babies who are born sick and underweight. Poor nutrition and little, late or no prenatal care is typical of the mothers of these children and contributes significantly to the problem. And I might add that this lack of proper nutrition and prenatal care is a direct result of poverty.

Sick and underweight newborns are extremely costly because they require extended hospital stays and continued medical services outside of the hospital, in order to maintain the fragile life. Presently, hospitals have to absorb the costs of care for uninsured mothers and babies. If the baby is sick the cost can be astronomical. The Allan Guttmacher institute has determined that newborns who are sick and underweight can require massive and expensive treatment, and they account for 27 percent of all uncompensated costs to hospitals. In fact, almost half of all unpaid hospital bills of $25,000 and more, are the result of caring for sick newborns. This a growing problem, especially among public and teaching hospitals which invariably shoulder much of the burden.

This is a problem of national significance. The problem is widespread in this country and affects every State, but impacts most heavily in the poorer Southern and Southwestern States. It is our moral obligation to stop the backward trend that less enlightened policy has created in the American health-care system. The administration has been extremely instrumental in ignoring these frightening trends, diverting attention instead to budget deficits and rising health care costs. By providing access to early prenatal care, we can not only save money, but we can also reduce the incidence of morbidity and mortality among America's children.

For many years I have worked to reduce the suffering of people who live in poverty. The Southern Governors' Association Task Force on Infant Mortality, chaired by Governor Riley of South Carolina, and the National Governors' Association as well as the Children's Defense Fund have worked diligently with the subcommittee staff to come up with a remedy for some of the short-comings in the Nation's welfare system. And I firmly believe the Medicaid Infant Mortality Amendments of 1986 is a good first step in the right direction.

NEW HORIZONS FOR AMERICA'S YOUTH

HON. JAMES L. OBERSTAR

OF MINNESOTA

IN THE HOUSE OF REPRESENTATIVES

Thursday, April 17, 1986

Mr. OBERSTAR. Mr. Speaker, each year, the Veterans of Foreign Wars of the United States and its Ladies Auxiliary conduct the Voice of Democracy essay-writing contests. This year more than 250,000 secondary school students competed for six national scholarship prizes. While each participant can be commended for his effort, I would like to bring your attention to one particular script.

The winning script for the State of Minnesota was written by Mr. Robert Carlson of Duluth. Robert is in the 11th grade at Duluth Cathedral High School and hopes to pursue a career in either writing or photography. As the youngest of eight children, it is obvious from Robert's essay that his parents, Charles and Gene Carlson, instilled tremendous virtues of patriotism in their children. I am proud of Robert's accomplishments as I am certain his entire family is.

I want to share "New Horizons for America's Youth" with my colleagues. I urge each Member of Congress to read it, and I hope you will remember the young author's message that the American democracy must be protected and built upon for future generations to enjoy.

The article follows:

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UMI

New Horizons for America's Youth

On the fourth day of July, in the year seventeen hundred and seventy-six, the founding fathers of America shocked and amazed the world with their historic document, the Declaration of Independence. Never before had any group of people so emphatically expressed their need to break away from a government that failed to support the fundamental rights and freedoms of its citizens. Every one of the men who signed the Declaration knew that by doing so he was putting his life in great jeopardy. King George of England had already ruthlessly put down protests of the stamp and tea taxes, and it seemed certain that he would respond to the Declaration of Independence in the same manner. The valor of the original signers in the face of such danger can best be seen in the courage of just one man, Johnathan Hancock. Knowing that his cause was right, Hancock did not care if the whole world was against him in his efforts to gain liberty. In expression of his dedication to his belief in freedom, he boldly penned what has become the most well known signature in the world today. It is fitting that we hold Hancock in as much esteem as we do; he stands as a reminder of our country's original patriotic courage, and of our bold defiance of injustice and oppression. The sculptors of our nation were not afraid to take risks, no matter how enormous, for they were truly guided by the maxim, "One man, in harmony with God, is a majority". With that in mind, how can anyone compromise his values and not stand up for what he knows is right? Those first patriots who gave their lives to win the freedom of this land would never have done so and we, as the youth of America and trustees of our country's future, must never do so either.

Nothing can weaken a nation more effectively than the apathy of its citizens. At one time, the mighty Roman Empire commanded the tribute and respect of all the civilizations that were then known. Rome encompassed all the best ideas and discoveries of the world and molded them together into one great nation—a nation that many people thought would last forever. But it didn't. The Roman people became overconfident, overindulgent, apathetic. And as the people of Rome weakened, so did the structure and might of the Roman Empire itself. The army that had once been the most powerful force on earth began to lose battles . . . the Italian peninsula was invaded . . . the Empire crumbled. The ruins of the Colosseum stand as a silent witness to the fate of a great nation whose people failed to care enough about it to preserve its ideals.

Many years into the future, will people look back upon America as we now look back upon the Roman Empire, and say what a shame it is that such a great civilization ever had to fall from glory? Nowhere else in the world do the citizens of a land have as many opportunities to participate in the democratic process as we do here in America—and nowhere else in the world would it be more tragic for such freedoms to be left unused. Past generations have faithfully preserved the ideals of democracy in our country, but soon it will be time for the torch to be passed down, and the youth of America will be given their chance to prove themselves equal to the spirit of the founding fathers. We are at the threshold of a great decision; in the distance can be seen the horizon of our future. With it come new challenges, new problems, and new goals that even the founding fathers could never have foreseen. Just beyond the horizon, there is a sun, the most brilliant sun that ever shined. Whether that sun is rising or setting upon America depends entirely upon our efforts. If we truly want it, and if we truly work for it, America can outshine even the hopes and dreams of our nation's founders.

THE CALIFORNIA COAST MUST BE PRESERVED FROM OFFSHORE DRILLING

HON. TOM LANTOS

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, April 17, 1986

Mr. LANTOS. Mr. Speaker, once again we are facing a concerted effort by the oil industry and its allies at the Department of the Interior to open up the magnificent California coast to offshore drilling. The new draft leasing program put forth by the Interior Department opens up vast stretches of our fragile coast—despite the fact that an overwhelming majority of the people in our coastal communities strongly object to this policy.

Today, at a hearing of the Interior Subcommittee of the Committee on Appropriations, I requested that the moratorium on offshore leasing along the California coast be imposed again. Mr. Speaker, I would like to place the testimony I presented to the committee in the Record. This is an important issue and my colleagues will hear more about it in the upcoming weeks:

Statement of the Honorable Tom Lantos

Mr. Chairman, I regret that I must appear before you today to urge action again on the controversial issue of drilling off the California coast. Your subcommittee—and you personally, Mr. Chairman—have been most supportive in the past of the legitimate concerns of Californians to protect the unparalleled natural beauty of our magnificent coast from uncontrolled exploitation through oil and gas drilling.

Mr. Chairman, today I most emphatically and urgently request that you again impose a moratorium on oil and gas leasing by the Department of Interior along the California coast. In submitting this request, I know that you are already familiar with my reasons for opposing uncontrolled OCS leasing. Today, however, I would like to acquaint you with the recurrent problems experienced by the California congressional delegation as we have attempted to reach a negotiated solution with the Administration.

When Secretary Watt set about carving up the coastline with a recklessness that could not be curbed, talks were rejected and we resorted to moratoria to protect the coast. That recklessness, it now transpires, cost the government several billion dollars. As you are aware, a recent report from the General Accounting Office states that in Secretary Watt's headlong rush to auction off coastal waters, he sold the leases at bargain prices.

Last year, members of the California congressional delegation and Interior Secretary Donald P. Hodel entered into what we considered to be good-faith negotiations to meet both the needs of the oil industry and environmental concerns. After extensive discussions, we reached a historic agreement that satisfied the concerns to protect certain areas of the coast, but at the same time permitted limited drilling in less sensitive areas. At a public press conference last July, Secretary Hodel stated "I am pleased that our intensive good faith efforts to negotiate with the States on this difficult issue have created the environment in which the Congress has now acted fairly and equitably."

I regret to say, however, that Secretary Watt went back on his word. While we held fast to our side of the bargain, the Secretary has claimed that our agreement is no longer valid.

Although I and many of my colleagues questioned how we could continue to negotiate with an Administration that had so clearly compromised its integrity, we continued—and indeed are still attempting—to reach an agreement following the new leasing proposals released earlier this year. The Department of the Interior, however, has consistently failed to negotiate in good faith. No agreement has been reached and none appears likely.

Time is running out. While making no serious effort to negotiate with the Congress, the Interior Department has issued a new draft leasing program which opens to leasing many sensitive areas of the California coast.

Mr. Chairman, the situation has assumed unprecedented gravity. We are engaged in negotiations with a Secretary who will not negotiate; the Administration is determined to push through its leasing plans in the face of clear opposition from virtually every coastal community in California. We are not engaged in an equal fight—the odds are stacked against us by an Administration that is clearly ignoring the wishes of the people most directly involved. The only way to insure serious negotiations with the Department is to reimpose a one-year moratorium. I respectfully request your support.

MARKET ACCESS PROBLEMS WITH REPUBLIC OF KOREA

HON. BILL FRENZEL

OF MINNESOTA

IN THE HOUSE OF REPRESENTATIVES

Thursday, April 17, 1986

Mr. FRENZEL. Mr. Speaker, business and Government leaders have recently been engaged in discussions designed to ease some of the market access problems we have with the Republic of Korea. I am pleased that the Koreans are willing to discuss our concerns before they become major ones, and have cooperated with our Government in solving the 301 unfair trade practice cases.

There has been a lot of talk about the likelihood of Korea becoming the next Japan as far as a potential closed market for U.S. exports and an aggressive export policy are concerned. While it is true that Korea, as a developing country, has restricted its home market to imports to encourage local industries, there does seem to be an awareness that it must start playing by the same rules as industrialized nations as a major exporter.

It is my hope that Korea will be less interested in achieving industrial self-sufficiency, and home market protection than some of its neighbors. Progress has been made recently and I believe that prospects are better for U.S. exporters. I do not expect that Korea will become "the next Japan," because it is not in its interest to do so. Certainly, the United

States, its largest market, will not tolerate such conduct.

The history of the long, close relationship between the United States and Korea gives me hope that the bilateral discussions will continue to show progress in easing some of the market access problems we now have with Korea.

AN EDITORIAL VIEWPOINT

HON. DOUG BEREUTER

OF NEBRASKA

IN THE HOUSE OF REPRESENTATIVES

Thursday, April 17, 1986

Mr. BEREUTER. Mr. Speaker, I would like to bring to the attention of my colleagues a recent editorial that appeared in the Omaha World Herald on the American attack on Libyan military installations.

The article brilliantly points out that in an age of cultural tolerance, we cannot allow a desert dictator to attack our culture and civilization with violent impunity. Defending ourselves was as the World Herald said, "a moral imperative." I ask permission to have the text of the editorial reprinted in full.

Also, Mr. Speaker, the European Community is engaged in an elaborate con game. Menacing threats of EC retaliation, should the United States restrict several products of importance to the Community, have become standard fare. Yes, it is true that we are considering trade sanctions on several of their products. But this is not some unilateral action on our part.

It is in retaliation for their longstanding practice of agricultural subsidies and for their recent, blatant attempt to use Spanish/Portuguese accession to the Common Market to restrict our sales even further. It is not they, but we, who are the aggrieved party. A recent World Herald editorial, which I commend to my colleagues, put the issue in correct perspective when it urged that we give the European Community a taste of its own medicine.

Again, I request permission to have the text of this editorial reprinted in the Record:

The Action Against Libya in Step With U.S. Heritage

In circles where appeasement is considered chic, the U.S. bombing attacks against military targets near Tripoli and Benghazi are receiving the predictable condemnation. The truth is, however, that the United States has few practical alternatives except to respond to Libyan-sponsored terrorist attacks with limited force.

Negotiations, the 1980s cure-all, would be inappropriate. The behavior of Libyan leader Moammar Khadafy reflects a fanatic's hatred for the United States—and Western civilization in general—that leaves no room for considering him to be a potentially reliable partner in diplomacy. Khadafy has expansionist goals in northern Africa and a commitment to the destruction of Israel, neither of which is a negotiable item. Finally, the United States has a policy of refusing to negotiate with terrorists.

Support for economic and political isolation of Khadafy has been lacking among the nation's European allies. The European Common Market this week seemed to be striving to distance itself from the fray when it adopted a resolution urging "restraint on both sides"—as if it were intellectually possible to take a neutral position between terrorism and anti-terrorism. France even refused to let American warplanes enter French airspace during their Britain-to-Libya flight.

The potential costs of turning the other cheek are unacceptably high. To let terrorism go unchallenged is to condone it. Western Europe might prefer not to confront the problem on Libya sponsored violence, but no evidence suggests that ignoring Khadafy's activities would lead to less terrorism.

Bombing Libya, to be sure, carries a risk for the United States. Nobody wants a general war. European nations that are friendly to the United States have property and people in Libya. The Soviet Union maintains technicians and equipment there. Moderate Arab nations, while wary of Khadafy, often tend to view the confrontation from a Third World perspective. Finally, Khadafy's potential reactions are difficult to predict.

The United States has reduced the risks, however, with its careful selection of targets, its efforts to keep other nations informed and the documentation it has provided for its actions. Evidence linking Libya with the bombing of a West Berlin nightclub in which an American serviceman died strengthened the case for action. So did evidence indicating that Libya had planned to massacre people waiting outside the American consulate in Paris to obtain visas.

The United States can do no less for people such as 11-year-old Natasha Simpson, who was one of the victims gunned down in the Rome airport last December, or 8-month-old Demetra Klug, who fell to her death with her mother and grandmother after a terrorist's bomb blasted a hole in the side of their plane.

Taking a stand against international terrorism is a moral imperative for any nation that is dedicated to freedom and human dignity. The refusal to be intimidated by tyrants and international thugs is an inseparable part of the American character dating from the earliest days of the republic. To continue to sit by while Khadafy runs unchallenged would be contradictory to the kind of nation America has been—and the kind it ought to be.

A Trade Threat From Europe

Ella Krucoff, a representative of the European Economic Community, made it sound as if she believes that the EEC, or Common Market, is about to become an innocent victim of a trade war. If the United States imposes certain trade sanctions, she said, "It is likely that the EEC will be ready to respond in kind."

But the Common Market has used subsidies, tariffs and other protectionist measures for years. Its protectionist policies, particularly in agriculture, are the reason that the United States is considering taking action in an attempt to restore free trade.

Each year, the Common Market fixes prices above market levels for European farm products. The high prices encourage European farmers to overproduce. The surplus grain is dumped on the international market at prices below the cost of production. The policies cost the Common Market about $4.8 billion in 1985.

The European subsidies hurt American farmers. While Common Market food exports have increased in recent years, U.S. agricultural exports have declined from $43.8 billion in 1981 to an estimated $28 billion this year.

American efforts to complete without resorting to protectionist measures have been unsuccessful. The Reagan administration recently suggested that it might be ready to give the Common Market a taste of its own medicine. The United States said it will place quotas and tariffs on products such as European wine, canned hams, cookies and olives unless the Common Market reduces its agricultural subsidies.

The American commitment to free trade shouldn't be abandoned, even temporarily, without serious provocation. But U.S. trade officials have a point when they say that free trade is unlikely to occur with Common Market policies as they are. The decision to give the Common Market additional perspective on protectionism could, if Europe reacts the way Washington hopes it will, lead to a more reasonable trading relationship.

HAZARDOUS MATERIALS TRANSPORTATION SAFETY AMENDMENTS OF 1986

HON. CARDISS COLLINS

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Thursday, April 17, 1986

Mrs. COLLINS. Mr. Speaker, I am pleased to joint with Mr. Wirth in cosponsoring the Hazardous Materials Transportation Safety Amendments of 1986. The importance of the legislation is clear to those who understand the challenges facing us in the transportation of hazardous materials today.

Our bill would:

Unify the motor vehicle transportation safety agencies within the Department of Transportation;

Commit additional resources and staffing to Federal truck safety enforcement;

Require the registration of hazardous material shippers;

Improve Federal standards for training drivers, dockworkers, police, and firemen;

Create a special State drivers license for drivers of chemical and other highly hazardous cargo; and

Require the designation of truck routes for the safest movement of dangerous loads.

Much care has been taken to craft this bill. Let me elaborate on a few of its provisions for a moment.

In 1974, Congress passed the Hazardous Materials Transportation Act. This act was a beginning. Since then, regulations have multiplied to cover all aspects of moving dangerous cargoes. All aspects, that is, except the most important, the human elements. We have regulations on containerization, placarding, equipment, and shipping papers, but regulation covering driver qualifications is vague. Regulations addressing the baseline level of knowledge for dockworkers, loaders, packers, and others associated with the processes of interstate commerce, are so weak as to be unenforceable.

I have three recent studies to support my contention. First, the Congressional Research Service reported in an April 4, 1986, study that 65 percent of all hazardous materials transportation accidents were caused by human failure, not package failure, vehicle accidents, or equipment malfunction. CRS's

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study evaluated DOT regulations and concluded that DOT trucking regulations for dockworkers, warehousemen, and shipping workers are inadequate and have an adverse impact on safe transportation.

A second study is a recent analysis performed for the Federal Highway Administration. The Mandex, Inc., consulting firm reported that 67 percent of all reported truck accidents in 1983 were preventable and 94.5 percent of those accidents were caused by driver failures. Again, this is the human element to which I referred.

The last study is an Office of Technology Assessment report which will be published shortly. It reports that 75 percent of all emergency first-responders such as police, firemen, and first-aid crews, do not have basic training for responding to hazardous materials transportation accidents. This estonishing figure represents the weak link in our Nation's protection of public safety.

The three studies to which I have just referred confirm what my subcommittee's investigative study had discovered earlier: We haven't put a significant amount of attention to the human side of the safety equation. The legislation I am cosponsoring today addresses this issue in three ways: higher licensing requirements for high-level hazard drivers, incentive funding for emergency responder training and improved regulations for worker safety training. These are commonsense provisions.

Mr. Speaker, by emphasizing improved training standards, I don't mean to downplay other provisions of our bill. Shipper registration, mandated in our bill, is long overdue. Improved routing of dangerous cargo, publication of DOT carrier safety ratings, and unification of truck safety enforcement within DOT, all these provisions are also badly needed and widely supported by industry and labor.

Mr. Speaker, I urge speedy consideration of this bill.

IN RECOGNITION OF DAVID LAWRENCE, JR.

HON. DENNIS M. HERTEL

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Thursday, April 17, 1986

Mr. HERTEL of Michigan. Mr. Speaker, this past Tuesday, Mr. David Lawrence, Jr., was honored with the Human Rights Award of the American Jewish Committee's Institute of Human Rights.

Mr. Lawrence is well known to people across the country through past accomplishments, and particularly to us in Detroit for his work at the Detroit Free Press. Recently, he has begun his own weekly column which helps put into perspective the events of the previous week. It enables him to communicate with the public and stay in touch with the problems of the community.

Mr. Lawrence began his career in journalism in 1963 with the St. Petersburg Times. He subsequently worked with the Washington Post, the Palm Beach Post, the Philadelphia Daily News, and was editor of the Charlotte Observer. In 1978 he joined the Detroit Free Press as executive editor, and last year became publisher and chairman of this fine publication.

David Lawrence's illustrious career is complemented by an admirable record of public service.

He is a director of the American Society of Newspaper Editors and serves as chair of its Credibility Committee. He is also director of the Journalism Institute for Minorities at Wayne State University and is a member of the board of directors of Detroit Renaissance, the Greater Detroit Chamber of Commerce, the United Foundation, the Michigan Council for the Arts, the Economic Club of Detroit, and the Michigan Thanksgiving Parade Foundation.

In addition, he is on the advisory committee of the Institute for Journalism Education, and is a trustee of the Foundation for American Communications, the Detroit Institute for Children, Grosse Pointe Academy, Children's Hospital, and is on the board of trustees of the Founders Society/Detroit Institute of Arts.

This incredible list is only the tangible product of David Lawrence's dedication to his cause. The fact that Mr. Lawrence, a Roman Catholic, is receiving this award illustrates his successful attempts at bridging the cross-cultural roadblocks that are often factors in the fight against repression of the human spirit.

In these times of international and intercultural friction, David Lawrence has emerged as a concerned human being who truly cares about human rights. He inspires us all to follow his lead and I ask that my colleagues join me in commending David Lawrence and encourage him to continue his pursuit of these high ideals.

SOVIET JEWRY

HON. ROBERT K. DORNAN

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, April 17, 1986

Mr. DORNAN of California. Mr. Chairman, I rise today to express my continuing outrage about the Soviet authorities gross mistreatment of the Jewish community within the U.S.S.R. The persecution of Soviet Jews is pervasive, systematic and insidious. Having been to the Soviet Union some five times, I am very familiar with the hardships endured by the Soviet Jewish community. Throughout my travels I was able to meet with both Jewish and Christian refusniks in Moscow, Lenigrad and Kiev. The very fact that I even met with these individuals earned me the dubious distinction of "Congressman Dracula"—a comment made by the official communist propaganda organ, Tass. My heart goes out to these courageous people.

Mr. Speaker, most of us agree that the Soviet state is physically strong but morally corrupt. Evidence of this is manifested by the fact that the Soviet Union is a nation which denies blatant anti-Semitism yet continues to implement a harsh policy of state-sponsored intimidation of Jews—a community whose only crime is desire to pursue conscientiously their religion. Given these circumstances, it is no wonder that the world fears the Soviet Union—a nation whose legal system is respected no further than its reach.

Most of us are aware that once a Jewish family applies for an exit visa, one hardship after another predictably follows. Throughout the years the Jewish community in the Soviet Union has courageously confronted rampant anti-Semitism with little hope of ever living freely. The Soviet Jews are the only national group in the Soviet Union which systematically suffers from mass humiliation, the only one whose national language—Hebrew—is forbidden: whose history, religion, national identity are effectively silenced. Reminiscent of the Nazi persecution of the Jews under Hitler, the Jews in the Soviet Union must be identified as Jewish on their identification cards, and are regularly excluded jobs of significant responsibility.

As Moscow continues its campaign to deprive Jews of their past, and their links with Jews throughout the world, a flood of anti-Semitic and racist propaganda has inundated every corner of the Soviet Union. Seeds of hate and distrust have been cultivated by authorities via the press and media. Anti-Semitism continues to be thinly masked as anti-Zionism, and remains directed against Judaism. Never-the-less anti-Semitic articles, books, and phamplets have invaded nearly all segments of Soviet society.

Their courage of Jewish refusniks in the Soviet Union in the face of despair: their determination in the face of fear, their hope in the face of punishment must compel us to demonstrate our solidarity with them until every Jew who wants to leave the Soviet Union can emigrate freely. We cannot remain silent, nor do we have the right to remain silent. Organizations such as the National Council of Jewish Women is characteristic of international human rights and support groups who will not let this issue die. Through the efforts of many organizations like the National Council, over 275,000 Jews have been able to leave the U.S.S.R.

The fact that pressure has been successfully brought to bear on the Soviets tells us that Russia is not totally impervious to international opinion. For this reason we should be spurred to action now, more than ever. Soviet officials would no doubt prefer to that we forget the refusniks, to become discouraged and to ignore the issue. This would plunge Soviet Jewry into immobilizing darkness and the Soviets would then be completely undeterred in their objectives of cultural genocide. These modern Jewish refusniks are heroes who deserve more than a policy of benign neglect. If we do not remember them, fight for them, and rally for them, who will?

In conclusion, Mr. Chairman, I would like to point out that American interests are best served by ensuring the protection of human rights of people currently living under authoritarian and totalitarian governments. To achieve this goal a internationally coordinated, and strategic approach to human rights is absolutely critical to its effectiveness. Toward this end, I would like to recognize and commend the efforts of the National Council of Jewish Women—an organization committed to this approach.

FORMER DEFENSE SECRETARY HAROLD BROWN SAYS SALT AGREEMENTS SHOULD BE PRESERVED

HON. DANTE B. FASCELL

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Thursday, April 17, 1986

Mr. FASCELL. Mr. Speaker, on April 15, 1986, the Subcommittee on Arms Control, International Security and Science conducted an important hearing on "The Implications of Abandoning SALT." The purpose of the hearing was to examine the current debate in the administration on whether to continue complying with the SALT agreements.

Of particular note were the comments made by Dr. Harold Brown, the former Secretary of Defense. Dr. Brown informed the members of the subcommittee that it would be in the best interests of the United States to continue abiding by the SALT agreements.

Among the several options being considered by the administration at this time is the drydocking rather than dismantling of two Poseidon submarines, an action that would put the United States over the SALT numerical limit for MIRV'd, ICBM's and SLBM's. Responding to the drydocking of the submarines, Secretary Brown said that such a move would be detrimental to United States interests since the Soviets are currently better positioned to exploit a "breakout" of the treaty. He said the Soviets have more "hot production" lines for strategic weapons than the United States, more heavy missiles ready to take thousands of additional warheads, and no Gramm-Rudman.

The Secretary said undercutting SALT will also:

Undercut the survivability of two of the three components of the U.S. strategic triad—land-based ICBM's and bombers.

Enable the Soviets to deploy 500 more launchers and approximately 4,000 more warheads.

Fail to constrain Soviet modernization efforts.

Make the Midgetman missile less survivable.

Have a chilling effect on the Geneva arms talks.

And place the onus of blame for the demise of SALT on the United States.

While describing Soviet noncompliance as "troubling" but of marginal military importance, Secretary Brown argues that the United States should not respond "proportionately" but instead "effectively" to Soviet noncompliance. The drydocking of two Poseidon submarines, Brown said, would by no means constitute an effective response. Secretary Brown said he favored moving more quickly on the Midgetman ICBM as part of an effective response rather than taking any action at this time that would breach the treaty limits.

Mr. Speaker, Secretary Brown has succinctly outlined in his testimony why it would be fundamentally contrary to our interests to undercut SALT at this time. I hope that all the President's arms control advisers will find the time to reflect on Secretary Brown's reasoned explanation before making a decision that could possibly determine the path arms control will follow for the remainder of this century.

DuPAGE COUNTY SUPPORTS TERMINATION OF REVENUE SHARING

HON. HARRIS W. FAWELL

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Thursday, April 17, 1986

Mr. FAWELL. Mr. Speaker, I recently received a letter from the DuPage County board chairman, Jack Knuepfer, regarding the General Revenue Sharing Program.

Jack Knuepfer's letter was most welcomed because it expressed the DuPage County government's support for allowing the Revenue Sharing Program to terminate. In fact, DuPage County has planned its budget for next year under the assumption that these funds will not be available.

At a time when most of us are being swamped with correspondence in support of the program's continuation, DuPage County has taken a position on the program with which I identify: If the Federal Government had the revenue to share, the program should be continued. Otherwise, it makes little sense to send borrowed Federal dollars to State and local governments operating with surpluses.

Jack Knuepfer's letter follows:

DuPage County,
April 3, 1986.

Hon. Harris Fawell,
U.S. Representative,
Washington, DC.

Dear Harris: This is the time of year when the National Association of Counties urges us to write you in support of revenue sharing. If you had revenue to share, we would be asking you to do it. Since there is only a deficit at the Federal level, we are not eager to share that.

Again this year DuPage County takes the position that the fiscal solvency of the Federal government is more important than any program or revenue source we can think of. We urge you not to continue our subsidies, but rather to continue your efforts to balance the budget.

Sincerely yours,
Jack T. Knuepfer,
County Board Chairman.

WINNERS OF 1986 WESTCHESTER VOLUNTEER OF THE YEAR AWARD

HON. JOSEPH J. DioGUARDI

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, April 17, 1986

Mr. DioGUARDI. Mr. Speaker, one of the facets of American culture that makes this Nation the best and most caring on Earth is our endless spirit of volunteerism. Throughout our Nation's history, millions of people have given their time, energy, and individual talents to help better the lives of others.

Individuals, churches, businesses, schools, and other organizations have made special contributions to this spirit. Sponsoring activities and other initiatives to promote the welfare of the whole community is to be commended. All too often, many people are unwilling to participate in philanthropic endeavors unless there exists some form of material benefit. This is unfortunate because the sense of helping others and knowing that you have made a contribution to the betterment of society is the greatest award any individual can achieve.

The spirit of volunteerism is especially important today. At a time when we see the Federal Government moving away from many social responsibilities and placing these tasks upon the private sector and the American people, we must make every effort to promote individual initiative on the behalf of others.

Again this year, the Volunteer Services Bureau of Westchester, Inc., an organization which has an outstanding record of community service, honors those individuals and groups that have displayed extraordinary dedication and commitment to the volunteer spirit.

Mr. Speaker, I rise to recognize those special winners of the 1986 Westchester Volunteer of the Year Awards. They are:

Volunteer of the Year, Mrs. Betsy June Bennett;

Group Award, Respite Care Co-op;

Student Award, Jennie Pidel;

R.S.V.P. Award, Mrs. Dorothy Garber;

Corporate Award, "St-Att-Us" Volunteers; and

Agency Award, Children's Village.

I submit for inclusion in the Record, statements which detail the accomplishments of these groups and individuals.

1986 WESTCHESTER VOLUNTEER OF THE YEAR

Mrs. Betsy June Bennett was chosen as the 1986 Westchester Volunteer of the Year because of her dedicated service for many agencies in Yonkers and, in particular, her efforts toward the revitalization of abandoned properties for lower income families.

Although Betsy is a full-time employee at Ciba-Geigy, she is reliable, flexible, and multitalented in her volunteer services. Betsy has been involved in numerous volunteer activities in the Yonkers community such as the Salvation Army South Yonkers Youth Council, Y.W.C.A., Yonkers Employment for Seniors, Bryn Mawr Park Presbyterian Church and its Caring Committee. Mrs. Bennett's commitment and indispensability grew during the S.W.A.P. project. She took part in all the tasks necessary to revitalize abandoned buildings in Yonkers. The S.W.A.P. project has been a marvelous success largely due to her hard work.

Betsy Bennett's volunteer service has made a difference to everyone in the Yonkers community. She approaches each task with dedication that makes her certainly deserving of the 1986

Westchester Volunteer of the Year Award

GROUP VOLUNTEER OF THE YEAR

The founders of the Respite Care Co-op are the award recipients in the Group category for 1986 Westchester Volunteer of the Year. They are: Donna Cofer, Cheryl Baskin, Sue Meyer, Anne Nichols, and Joanne LoPresti.

These women and their families joined together out of their common concern for the needs of preschool mentally retarded children.

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The commonsense solution was to co-op their families.

The co-op currently provides child care services to mentally retarded children who might otherwise not receive proper care. The staff consists of a manager and four adult aides. Families can select from a variety of worry-free and cost-free babysitting services.

The founders of the Respite Care Co-op are to be commended for identifying a problem, finding a solution and seeing it through. Over the years, they have donated their own special talents and have been responsible for providing quality service not offered by other programs. Their involvement has made a real and positive difference in the lives of Yorktown families with mentally retarded children.

STUDENT VOLUNTEER OF THE YEAR

The 1986 Student Volunteer of the Year is Ms. Jennie Pidel, a student at Saunders Trades and Technical High School. Her volunteer activities cover a broad spectrum of interests ranging from a rape crisis counselor to a Little Sister in the Yonkers Big Sister/Big Brother program. Her first volunteer experience was when she served at Montifiori and North Central Hospitals.

I commend Ms. Pidel for sacrificing her spare time to better the Yonkers community. She is a model for all American youths.

RSVP VOLUNTEER OF THE YEAR

The Retired Senior Volunteer Program's (RSVP) Volunteer of the Year is Mrs. Dorothy Garber. RSVP is part of a nationwide network designed for persons 60 years of age and older who wish to use their skills, life experiences, time and energy in serving community needs.

As a volunteer, one of Mrs. Garber's primary interests is the Home for the Aged and Blind in Yonkers, NY. She contributes over 3 days a week to helping individuals in this Yonkers institution. Her warmth and companionship are always welcomed by the residents of the Home for the Aged and Blind.

Mrs. Garber is invaluable as she assists residents with their mail correspondence. She takes residents on walks and helps them with their shopping. She, also, is an assistant in the craft classes held at the home. Mrs. Garber is truly a lady to be admired.

CORPORATE AWARD

The 1986 Corporate Award winner is the "St-Att-Us" Volunteers. "The St-Att-Us" is a volunteer program composed of AT&T employees. These volunteers tutor students from White Plains Middle School, with a particular emphasis on Math and English.

AT&T volunteers, through their tutoring efforts, encourage and motivate these youngsters. AT&T grants these volunteers one hour off a day to tutor these While Plains students. The joint effort of AT&T and its selected employees have proven very effective and has deservedly been awarded this year's Corporate Award.

AGENCY AWARD

The Children's Village is the first recipient of Westchester's Corporate Volunteer Council Award. This award is given to highlight nonprofit agency programs that demonstrate the most creative use of corporate volunteers. The corporate volunteers serve as tutors, consultants, and friends. I congratulate the Children's Village on being the first to receive the Agency Award.

Mr. Speaker, in closing, I would like to say that it gives me great pleasure to know that the spirit of volunteerism is still thriving in America today. The American people are truly this Nation's most valuable asset and I am proud to present the Westchester Volunteer Award winners to my colleagues.

VERMONT'S VOICE OF DEMOCRACY WINNER

HON. JAMES M. JEFFORDS

OF VERMONT

IN THE HOUSE OF REPRESENTATIVES

Thursday, April 17, 1986

Mr. JEFFORDS. Mr. Speaker, more than 250,000 secondary students participated in the "Voice of Democracy" scriptwriting contest, an annual program conducted by the Veterans of Foreign Wars. The theme this year was "New Horizons for America's Youth."

Amy Lynn Shepard is the State winner from Vermont. She is a high school senior at Spaulding High School in Barre, VT. Upon graduation she hopes to attend an institution of higher education in Vermont and pursue a career in the theater.

Amy's winning statement speaks to the "agelessness" of youth, the attitude one has toward life which conveys a hope for the future. I am pleased to have this opportunity to share Amy's statement with all of you. A copy of the text follows:

I had walked that way to school every morning for three years, but this day was different. as I lifted my eyes from the wet pavement, my gaze fell first on the familiar, red building and then above it between two great mountains out from which the bright, orange morning sun was peeking through. In all its newborn glory, it opened the door of morning, and set a warm glow on my path and the large brick school I was appraching. I stopped and stood for a moment and watched. My mind and my heart and my attitude felt different that morning. Through the early mist I saw not only the sun rise, but opportunity rise, strength rise, truth rise, freedom rise; America rise. I witnessed the beginning of a new day, a day in which anything was possible. But I also realized that as an American youth, I had a responsiblity to take part in this new day, to take hold of it and use it. I must make this new day my horizon.

Yes, I am an American youth. But youth is not a stage in one's life or a physical appearance. Youth does not exclude the aged nor only address the young. For youth is an idea—an attitude. Youth is the willingness in our hearts to better ourselves. Youth is exuberance and hard work. Youth is not satisfied with mediocrity, but strives for the best.

Our country was founded on youth. The dreams and aspirations of those first settlers are the cornerstone of this country. Such far strength in those from home, eager to form a community in which men could truly live free, could only have come from the vitality of youth. Those who expanded our country, bringing it west in search of gold, followed their youthful dreams. A young Martin Luther King, Jr., exhausted all of his youthful energies into his cause abolishing racial discrimination and protecting the rights of black Americans everywhere.

Finally, and perhaps most importantly, are those men filled with youth pride and courage, who fought and died for the name of their country in times of war.

American stands for Democracy, and through this democracy, every citizen has the right to take part in his country, to contribute what he has to give.

But, standing right along side America's beautiful freedoms, are America's serious problems. We do have our poor, our illiterate, and our homeless. America has its farmers who raise food for thousands of American families, but cannot make enough money to fee their own.

Like every other country, America has made its mistakes. But the one thing about the United States of America that is unlike any other country in the world is that we, the Youth of America, young or old, black or white, rich or poor have the opportunity, the ability, the freedom and the right to change. Our horizon is clearly in sight. We will resolve these problems, thereby making America the best it can possibly be. And with every new day, every new sunrise we must stop to look, as youthful Americans, to the point where our great land touches the vastness of the sky; our horizon.

IRS REVERSES POLICY ON INDIANS' SALMON-FISHING INCOME

HON. MIKE LOWRY

OF WASHINGTON

IN THE HOUSE OF REPRESENTATIVES

Thursday, April 17, 1986

Mr. LOWRY of Washington. Mr. Speaker, I am submitting an article that appeared in the Washington Post last month entitled "IRS, Reversing Policy, Tries to Net Indians' Salmon-Fishing Income." This informative article discusses recent actions by the Internal Revenue Service that could abrogate the 1855 treaty between the United States and the Lummi Tribal Nation, which is located in Washington State. In a misguided reversal of policy, the IRS has determined that the Lummi Tribe must pay Federal taxes on income from salmon fishing. The action, which could affect all Indian resources, will be decided in court.

The IRS position is a clear violation of the 1855 treaty and a abdication of our Nation's special fiduciary responsibility to American Indian tribes. Moreover, because the Interior Department opposes the IRS position and the Treasury Department supports it, the Justice Department cannot represent either agency. The Lummis must therefore fight this battle in the courts alone.

In making treaties with the United States, American Indian tribes gave away incalculable wealth in land and natural resources. In exchange, they were guaranteed certain rights and were promised protection from non-Indian encroachment. These rights and protections are the cornerstones of the tribes' efforts to become economically independent, a goal supported by the current administration's 1983 Indian Policy Statement. Our Nation has broken faith on Indian treaties far too many times. Action by the IRS must not add to this shameful legacy.

This administration's economic policies have been marked by lavish tax cuts for large corporations and the well-to-do, lower funding for vital domestic programs, and massive increases in military spending. It is no wonder that the administration is looking for new sources of revenue. However, instead of trying to raise revenue by taxing Indian resources that are protected by law, the administration should develop economic policies that make sense.

I urge my colleagues to review the Washington Post article closely and work to oppose the IRS position.

[From the Washington Post, Mar. 16, 1986]

IRS, Reversing Policy, Tries to Net Indians' Salmon-Fishing Income

(By Cass Peterson)

From a spit of a reservation in the extreme northwest tip of Washington state, members of the Lummi Indian tribe set out each summer to dip their salmon nets into the blue waters of Puget Sound.

They go to fish, perchance to catch and then to sell. It is a right reserved to the Lummi by the Treaty of Point Elliott 131 years ago and confirmed by the Supreme Court as recently as 1979.

The historic arrangement is occasionally tested by non-Indian commercial and sports fishermen who covet Lummi salmon and steelhead, but the tribe now faces a different and potentially more threatening adversary: the great white taxman.

In a reversal of policy, the Internal Revenue Service has decided that the Lummi must pay federal taxes on salmon income, which the Lummis contend would effectively abrogate their 1855 treaty and could lead to the loss of their tiny 12,500-acre reservation.

The IRS argues that Lummis must be treated like other American citizens, and that treaties were never intended to let Indians "take advantage" of the U.S. tax code. The Lummis respond that their members are not like any other American citizen and they have a 131-year-old document to prove it.

The spat has attracted the attention of tribes nationwide because while the potential tax take from salmon is small fry, financially speaking, tribal leaders are concerned that it could open the way for the IRS to lay claim to millions of dollars in tax revenue from Indian-owned oil, natural gas, minerals and timber.

"This has nothing to do with salmon," said Jewell James, head of the Lummi Treaty Rights Task Force. "It's a test case to get at the coal, oil and uranium. We're being set up for a domino effect."

"The IRS could use it, and they would," said Suzan Harjo, a lawyer and executive director of the National Congress of American Indians. "There has never been a tax on a reservation-derived resource."

The battle between the Internal Revenue Code and the Treaty of Point Elliott has sharply divided the Reagan administration.

Interior Secretary Donald Hodel, like former secretary James G. Watt before him, backs the Lummis. In letters last year to Attorney General Edwin Meese III and Treasury Secretary James A. Baker III, Hodel warned that IRS pursuit of the Lummis is not only an "attack" on treaty law but an "abrupt departure" from President Reagan's 1983 policy statement confirming the government's trust responsibility toward Indians.

Meese, however, has sided with the IRS. Because the Justice Department cannot represent both agencies, the Lummis must defend themselves.

"I have great sympathy for the tribe's position," said Ross O. Swimmer, assistant Interior secretary for Indian affairs. "I think the tribe has a good argument."

It is also, to hear the Indians tell it, a very well-used argument.

"Every time there's an economic crunch in the government, Treasury tries to tax some Indian resources," Said Joe DeLaCruz, chairman of the Quinault Indian Nation, another Washington state tribe that relies on salmon income. "They're looking around and saying, 'Geez, where can we get some more revenue?' "

Indians, like other Americans, pay federal and state taxes on income earned off the reservation. On-reservation income is taxed if it derives from sources not connected to the land—such as sales of tobacco, gas, groceries or clothing.

But because reservations are sovereign nations—Indians hold dual citizenship, in their nations and in the United States—income derived from their natural resources has long been held exempt from state and federal taxes.

"You must remember that these were nation-to-nation-treaties," said Raymond Field, director of the National Tribal Chairmen's Association.

The exemption makes Indian resources particularly attractive to developers, who can, through joint ventures on reservation land, skirt the oil-windfall tax, coal-severance tax and other brambles of the tax code.

Until a few years ago, the Lummis' salmon, while not technically attached to the land, enjoyed the same exemption. "In the past, some Indians have received forms and filled them out and paid the tax, and, lo and behold, the IRS refunded the tax," tribal official Samuel Cagey said.

In 1982, however, the IRS dunned Roy D. Earl, a Puyallup Indian from Washington state, for nonpayment of taxes on fishing income. IRS lawyers argued that Indians must pay the same taxes as other American citizens "unless an exemption from taxation can be found in the language of a treaty."

Earl argued in vain that Northwest fishing treaties, which predated the federal income tax by more than half a century, could not be expected to contain such language. The Tax Court decided for the IRS.

Since then, the IRS has filed more than 60 identical cases against members of the Lummi tribe, the largest fishing tribe with about $11 million in salmon and steelhead sales each year.

The Interior Department and Indian lawyers argue that the IRS is relying on what they politely term a lousy precedent. Earl was not enrolled in the Puyallup tribe, was not fishing in reserved Indian areas and was not represented by a lawyer who might have pointed out those discrepancies and led the court through the intricacies of treaty law.

The decision also runs contrary to most federal court decisions, which have held that Indian treaties must be interpreted as the Indians understood them when they were signed. Under that rationale, the courts have tossed out most attempts to assess Indians for state taxes, licensing fees and whatnot.

"It is no more likely that the Indians understood that the federal government would tax their fishing right than that they understood that future states would be able to impose a charge upon it," former Interior solicitor William Coldiron wrote in an opinion to Watt two years ago.

The IRS, however, has quite another view.

Treaties or no treaties, the agency told Interior, "as Indians individually attain an economic level comparable to that of other Americans, then it is to be expected that they will be taxed accordingly."

To allow otherwise, the IRS said, would leave the tax code at the mercy of Indians with "business expertise advanced well beyond the more primitive, land-oriented cultural stages."

Indians read that as a broad attack on all treaties and tribal resources, despite assurances to the contrary from Interior officials. "This would never result in Indians losing the fish," Swimmer said. "It's a very pure legal argument."

But on the Lummi reservation, the pure legal argument has a decidedly monetary edge. Unemployment on the reservation runs 85 percent most of the year, dropping to 40 percent during the four-month salmon season.

According to tribal secretary Cagey, one-third of the tribe's 3,000 members are registered to fish. Those who have boats, usually small skiffs, average $8,000 a year in sales. Those who crew on larger boats average $5,600.

Spread over more than 1,000 Lummi members, the $11 million in fishing income for the tribe would bring the treasury about $70,000 a year in tax payments, according to Interior estimates. Together with all the other fishing tribes, the IRS is looking at a potential tax take of $120,000.

"When Justice came in on this, they said, 'We side with the IRS on tribal resources,' " Cagey said. "They didn't say fishing resources. They can only get $70,000 from salmon, but they can get billions out of the natural resources of other tribes."

The IRS has suggested that the Lummis ask Congress for a specific exemption from the law, a move that Harjo and other Indian lawyers contend amounts to an admission that an exemption is needed and could prejudice cases involving other tribes and other resources.

"It doesn't make sense to go to Congress and clarify this because it's clear," she said.

But the Lummis acknowledge concern about what might happen if the tribe members lose. The IRS is seeking back taxes to 1978, and few of the members have cash to satisfy the debt. The taxman may have no recourse but to confiscate the Lummis' fishing boats, which the government helped buy in an effort to strengthen the reservation economy, and their homes on the reservation.

"That's probably the way it will happen," Cagey said glumly.

TERRORISM

HON. LYNN MARTIN

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Thursday, April 17, 1986

Mrs. MARTIN of Illinois. Mr. Speaker, on April 6, I was privileged to address that annual Legislative Policy Conference of the American Israel Political Affairs Committee. At the same session the Ambassador from Israel, Meir Rosenne, addressed the conference on the topic of terrorism. I think his remarks are especially

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timely and wish to include in the RECORD the text of his speech.

ADDRESS BY AMBASSADOR MEIR ROSENNE AT AIPAC CONFERENCE

TERRORISM: WHO IS RESPONSIBLE, WHAT CAN BE DONE

I will speak today on the problem of terrorism—who is responsible for it, and what can be done to combat it.

Whenever I address the problem of terrorism, my mind is assailed by searing images which I cannot escape:

The slaughter of the Israeli athletes at the 1972 Munich Olympics.

The execution of Leon Klinghoffer, shot and pushed into the sea.

The killing of the 11-year-old daughter of the American journalist at Rome airport.

The standing ovation given to Yasser Arafat by the United Nations in 1974, when Secretary General Waldheim greeted him, and he sat with his gun in the chair reserved for Presidents.

The standing ovation at the 1980 World Conference on Women in Copehagen, afforded to the PLO terrorist Leila Haled, who hijacked a plane.

The terrorist holding his hand over the mouth of the pilot of TWA Flight 874 at Beirut airport last year.

The decapitated body of a five-year-old girl in Nahariya, in 1981.

The body of the American (woman) photographer on the beach at Herzlia, when Arafat's men killed a bus-load of 80 Israelis on the road to Haifa.

The freeing of the Entebbe hostages by the Israeli commandos in 1976.

These are the images. Those were the victims. Anyone sitting in this room could have been one of those victims. We have short memories, but the survivors—the sons and daughters, husbands and wives and parents—will live with the trauma for the rest of their lives.

We have become so used to terrorism that we tend to forget that anyone under 20 doesn't even know that there were times when you could board a plane without X-ray screening. Life will soon become unbearable unless we decide immediately to take the steps necessary to put an end to this disease.

Two things are required—political wisdom and moral will.

First comes a proper understanding of terrorism. Then it is a question of the will to act. So we must ask two questions: Who is responsible for the persistence of terrorism, and what can be done to combat it?

(1) The responsibility lies with those democratic states that thought that Israel would be the only victim. Now they see their own innocent citizens victimized.

(2) The responsibility lies with those who make a distinction between terrorists, saying that Abu Nidal is a "bad" terrorist but Arafat is a "good" terrorist.

My friends, there is no such thing as a good terrorist, and anyone who makes such a distinction in effect condones and encourages terrorism. Indeed, such distinctions inevitably paralyze action whenever terrorism rears it ugly head.

(3) The responsibility lies with the West European states of the European Economic Community that, because of oil, adopted a resolution in November 1973, following the invasion of Israel by Syria and Egypt, condemning the victim rather than the aggressors.

(4) The responsibility lies with those who for years refused the extradition of terrorists, but instead let them go free.

I shall never forget that, when I served as Legal Advisor to Israel's Foreign Ministry, Israel requested, jointly with West Germany and in conformity with our extradition treaty, the extradition of Abu Daoud, the terrorist conspirator who organized the Munich killings; he was set free because there was fear of retaliation by the PLO and Arafat.

(5) The responsibility lies with all those Western states that have accorded virtual diplomatic status to the PLO and have permitted PLO offices to function, with respectability and legitimacy, as bases from which to launch their terrorist murder.

(6) The responsibility lies with all those states, in all corners of the world, whose ambassadors accorded a standing ovation to Arafat after he addressed the UN General Assembly.

Let's face it: The hands that applauded there were condoning the atrocities committed by the terrorists before and after that dark day in 1974.

(7) The responsibility lies with those states that regard the terrorist gangs as comradely anti-Western and anti-democratic forces, and permit them to be trained on their territories, and provide them with weapons and ammunition, funds, diplomatic, political, economic, and intelligence and moral support.

It has long since been amply demonstrated—especially in the vast amount of PLO documents captured in the 1982 Lebanon war—that the Soviet Union is at the heart of this enterprise, in league with its East German and other allies. These states are accomplices in the commission of terrorist atrocities.

(8) The responsibility lies with the United Nations which only this year, for the first time in its history, adopted a resolution, in the Security Council, condemning terrorism. But this ignoble, decades-long delay should come as no surprise: This was the same UN that refused to condemn anti-semitism in 1964, and that equated Zionism with Nazism in 1975.

(9) The responsibility lies with states like Syria, Libya, Iraq, Iran, that organize, direct and support proxy terrorist forces, and provide every kind of practical assistance to the terrorists. These are lawless states engaged in lawless actions—they are guilty of state terrorism.

(10) The responsibility lies with those who seek the "root causes" of terrorism, and who seek to "explain" or "understand" the terrorists and their motivations and aspirations. Such explanations function in effect to justify terrorist acts.

This fashionable "understanding" is a form of moral confusion. All over the world there are all sorts of groups with all sorts of grievances. If "understanding" were to be extended to their "root causes," they would have carte blanche to murder, in order to gain "redress". Should they be permitted to run amok with their Kalashnikovs?

Mass murder is mass murder, and no grievance can justify it, nor will "understanding" avert or eliminate terrorism.

(11) The responsibility lies with the countries that condemned Israel for having taken action, at great risk to itself, against PLO headquarters outside Tunis. The UN Security Council resolution condemning the raid was an encouragement to even more terrorism. Instead of punishing the aggressor, the victim was indicted. And now the PLO fighters boast publicly of being back in Beirut, in force.

(12) The responsibility lies with the oil-producing states that exploited their extortionate "oil weapon" to try to impose solutions that would have brought about the end of the State of Israel. And it was a sad moment in European history to see how democratic states were ready to accept the diktat of hoodlums in place of the principles of enlightened diplomacy.

Even though this problem no longer exists, it is worth remembering, for the future . . .

* * * * *

What can be done?

First, we have to realize that terrorism did not begin with the problem of the Palestinian Arabs, and it will not end if and when that problem is resolved.

Terrorism is rooted in the culture of violence in some countries. Internecine Arab terrorism, for example, is a natural part of Mideast politics, and this atmosphere is hospitable to the extension of terrorism beyond the Arab world itself—against Israel, against France, against Britain, etc. It is in the context of that traditional culture of violence that the terrorism perpetrated against Israel by the Arab world is to be understood.

Second, we have to realize that there is no appeasing terrorists, who threaten not only Israel but Western democratic society. Those nations, especially in Western Europe, that have appeased the PLO should have learned from their own bitter historical experience that appeasement only inspires contempt, scorn, and further aggression.

Acting on these basic principles, democratic states have an array of weapons to use against terrorism.

(1) There are enough legal tools available—international conventions against terrorism, hijacking, extradition. Unfortunately, these legal instruments are rarely if ever enforced. All civilized nations must adhere to and implement them.

(2) All offices of terrorist organizations, such as those of the PLO, should be closed and their operations banned.

(3) It should be made clear by the political decisions of democratic governments that there can be no bonus for terrorism. No one should try to pacify a terrorist organization such as the PLO by granting it the privilege of being a party to any political or diplomatic negotiation. Any attempt to compromise, in any shape, manner or form, with terrorist gangs will only encourage terrorism.

(4) There must be a total ban on landing rights in the democratic countries for the airplanes of states—like Libya, Syria, Iran, Iraq—that encourage terrorism.

(5) No commercial exchanges, no economic relations, should be established with countries that provide assistance to terrorist organizations, and sanctions should be taken against such states.

We do not think there is any justification for considering Saudi Arabia a peace-loving country so long as it provides—as it has been doing for years—$250 million a year to the PLO—funds that are used for killing Americans, Israelis, and other innocents.

(6) There must be closer cooperation in the exchange of intelligence information among democratic governments. Fortunately, the framework for a system for such exchange already exists; it should be broadened and strengthened.

(7) The role of the mass media, especially television, in providing instant, intense and wide-ranging attention to acts of international terrorism must be very carefully evaluated. On the one hand, there are the fundamental freedoms of press and speech to be zealously protected. On the other hand, we must recognize that those very freedoms are abused and exploited by the terrorists—for what they seek, above all, is publicity.

The tension between freedom and the requirements of security is not new, nor is it restricted to the area of terrorism. Very possibly, this is a tension that will never be fully resolved, and will always remain a dilemma for democratic societies to grapple with, especially in emergency situations. But in doing so, we should always be keenly aware of the dangers to our freedoms posed by those who would curtail or destroy them.

(8) Finally, a profoundly important moral/intellectual dimension. All too often, people in democratic societies praise, or at least condone, so-called national liberation movements for using terrorist means to gain their ends.

A legitimate movement of freedom fighters for national liberation does not, like the PLO, use violence as a first resort—does not target innocent civilians—does not, like the PLO, aim to annihilate its adversary.

Acceptance of such behavior reflects not only a debasement of language, but a deep moral and intellectual confusion, which must be rigorously clairfied and rejected if we are to be able to act decisively against terrorism.

* * * * *

It has become fashionable to include something on terrorism at every conference on the Middle East. But I did not come here this afternoon to add my bit to this fad.

I came to express my solidarity, and the solidarity of the State of Israel—and, if I may say so, of the Jewish people—with all the victims of terrorism and their families:

With all those who lost their dear ones at airports in Paris, Vienna, Rome, Munich.

With the members of the various diplomatic corps still held in captivity.

With the American Ambassador to the Sudan who was murdered by Arafat's men in 1972.

With Bar Simantov, my Counselor of the Embassy in Paris, who was shot down on Saturday, April 3, 1982, in front of his wife and his eight-year-old daughter.

With the innocent civilian patrons of department stores and cafes in Rome and Paris.

With my dear friend and close colleagues of 30 years—Shlomo Argov—a man of great humanity and a diplomat of unequalled talent and skill who in the 1960s and 1970s served Israel in this city of Washington with distinction, devotion and pride—and subsequently our Ambassador in England, who was gunned down in the streets of London four years ago—and who, now paralyzed, is doomed to spend the rest of his life in a wheel chair in Jerusalem.

We who meet here, at an AIPAC conference, have a solemn moral obligation to remember the fate of Shlomo Argov and all the other victims, to let that memory and those images spur us on to determined and vigorous efforts to battle terrorism to the end.

Thank you very much.

LET'S RENEW OUR COMMITMENT TO MARITIME EDUCATION

HON. BARBARA A. MIKULSKI

OF MARYLAND

IN THE HOUSE OF REPRESENTATIVES

Thursday, April 17, 1986

Ms. MIKULSKI. Mr. Speaker, the House Merchant Marine and Fisheries Committee, on which I serve, recently approved H.R. 4175, the MarAd Authorization for fiscal year 1987.

Contained in this legislation is badly needed funding for the U.S. Merchant Marine Academy in King's Point, NY. In addition, the bill includes assistance for the State maritime academies in California, Maine, Massachusetts, Michigan, New York and Texas.

Many of us were disappointed by the administration's request to eliminate funding for the State maritime academies, and ultimately to force the committee to take some funds for King's Point to offset this shortfall.

We hear frequently about the demise of the U.S. merchant marine. We are told that the administration believes that a strong merchant marine is vital for our Nation's defense. Yet we see administration policies which undermine building a future for this industry by eliminating funds to train young men and women in the maritime profession.

Many of us know graduates from King's Point or the State academies. They serve as senior executives for many maritime companies. They are the officers and mates on ships which sail from Baltimore, New York, Long Beach and New Orleans. They are the men and women whom we call upon first in a national crisis to serve on the ships which carry supplies to our troops in hostile parts of the world.

The schools which trained these individuals serve as the foundation for the U.S. merchant marine of tomorrow. The money we give to these institutions is not just a current expense, but a valuable investment in the future of our merchant fleet.

Even though our U.S.-flag fleet has sunk to historically low levels, I believe that shipping is a business which runs in cycles. The slump of the late 1970's and the 1980's will reverse itself, provided we promote the industry, and train the people necessary to help put it back on its feet.

In fact, a recently completed defense study indicated we will need the equivalent of 75 new handy-size tankers by 1990 if we are to have sufficient sealift capacity. This alone suggests that cutting maritime education is penny-wise today and pound-foolish for tomorrow.

The Merchant Marine and Fisheries Committee has strongly supported maritime education in the past and has taken steps to protect it in the era of Gramm-Rudman. I suggest that the House take seriously the principle that the next generation is our brightest hope for the future and continue to fight the loss of funds for maritime education during the debate on the fiscal year 1987 budget.

MATH EDUCATION IN UNITED STATES IS BOTH SUPERB AND MEDIOCRE

HON. TIMOTHY J. PENNY

OF MINNESOTA

IN THE HOUSE OF REPRESENTATIVES

Thursday, April 17, 1986

Mr. PENNY. Mr. Speaker, as you are aware, the week of April 14 through April 20, 1986, has been designated as "National Mathematics Awareness Week."

The purpose of the designation is to bring about an increased public awareness of the vital importance of mathematics education in America. As the author of the following article recently stated in his testimony before the National Science Board:

> The mathematics community itself has recognized the need for coordinated action to address the basic facts of mathematics and mathematics education: that mathematics is fundamental to science, that it is changing rapidly, and that it is a seamless fabric from grade school to graduate school.

Lynn Arthur Steen, a professor of mathematics at St. Olaf College in Minnesota, also serves as the President of the Mathematical Association of America. In an article which recently appeared in the Minneapolis Star and Tribune, Mr. Steen uses the Minnesota example to point out the inconsistency of mathematics education today. He stresses that the policy that must be followed is one of commitment to excellence. I agree.

Mr. Speaker, I am pleased to share Mr. Steen's fine commentary with my colleagues.

[From the Minneapolis Star and Tribune, Mar. 31, 1986]

MATH EDUCATION IN U.S. IS BOTH SUPERB AND MEDIOCRE

(By Lynn Arthur Steen)

NORTHFIELD, MN.—There are two sides to every story, but frequently only one makes headlines. "U.S. students near bottom in 18-nation math study" was on the front page of the Star and Tribune March 12. "U.S. students near top in International Mathematical Olympiad" was not on the front page—or on any page—of the Star and Tribune last summer.

Such are the vagaries of journalism—bad news captures headlines, good news doesn't. Nevertheless, the headline that was printed and the one that wasn't are both true. That's a paradox worth exploring: How can U.S. students be near both the bottom and the top of international comparisons of mathematical achievement?

Other paradoxes arise when one looks closely at mathematics education in Minnesota. On the one hand, we read regularly about our state's high standing in the SAT scores. On the other hand, Minnesota regularly performs near the bottom of the American High School Mathematics Examination that screens U.S. students for the International Mathematical Olympiad.

One lesson from this is that averages of test scores reflect quality about as reliably as do pronouncements by the proverbial used-car salesman. So many factors can influence average scores—such as which students take the exam or how well the exam matches the curriculum—that one should never jump to conclusions.

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The truth is that U.S. mathematics education is both superb and mediocre. At every educational level, from primary school through graduate school, certain institutions provide mathematics education at a quality unmatched anywhere in the world. But the diversity of education in the United States is greater than in any other industrialized nation. We have the best of schools and the worst of schools.

Many attribute our educational problems to the stress caused by great cultural diversity. Compared with the rest of the United States, Minnesota is relatively homogenous. For this reason, Minneapolis was selected as a comparison city for a recent cross-cultural study of mathematics achievement with young children in China and Japan—to test the hypothesis that the educational strengths of other cultures are due to a more homogenous society with common goals and social climate. This study, reported last month in Science, indicates that Minneapolis children lag behind their peers in Japan and China as early as kindergarten.

Americans want to be internationally competitive, to prepare students for a technological world society. Some academic indicators suggest that we are competitive, others that we are not. Each year the United States regularly places in the top five on the International Mathematical Olympiad. Yet we rank near the bottom on the International Assessment at grades 8 and 12, and U.S. students applying for graduate school in mathematics score 100 points lower than do students from other nations on the Graduate Record Examination in mathematics.

During the past decade, as the need for mathematical methods has increased in various fields, undergraduate mathematics enrollments have doubled. Yet the number who are willing to dig deeply—to major in mathematics—is now less than half what it was 15 years ago. What's worse, nearly three-fourths of post-secondary credits in mathematics are now awarded for courses universally considered to be part of the secondary curriculum.

We should draw from the mixed headlines a very simple conclusion: that we do have the ability and talent to be internationally competitive, but we are not currently achieving that goal. We lack not talent but determination—a commitment to insist on strong mathematical preparation at every step in the educational process.

We live in a world of mathematical models in which robotic control and computer simulation are the keys to industrial productivity. Mathematics is the foundation discipline for this new world: It provides necessary tools for many other disciplines and at the same time helps develop patterns of analytical thinking.

Minnesota has several distinctive resources for mathematics and mathematics education that we should use as a basis for future strength:

The University of Minnesota is host to one of only three advanced mathematics research institutes in the United States. At this institute, researchers from around the world create the new mathematics needed for diverse applications, from economics to medicine, from computer engineering to atmospheric dynamics.

Minnesota has many strong private liberal-arts colleges that as a group have traditionally been unusually productive of science and mathematics graduates. Carleton College, for example, ranked near the top in a recent national survey of undergraduate origins of Ph.D. scientists, while St. Olaf College will graduate nearly 100 mathematics majors this year—about 1 percent of the total national pool.

With support from the National Science Foundation, the University of Minnesota and St. Olaf College have just launched the Minnesota Mathematics Mobilization (M3 for short), a statewide network destined to provide a common forum for education, industry and government leaders to work together to improve mathematics education at all levels, M3 will be one of the first state-level nodes in a national network being established by a new Mathematics Sciences Education Board of the National Research Council.

Children now in school will be our grandchildren's teachers at the beginning of the 21st century. The mathematics they need to learn is not just the mathematics our grandparents learned. The computer revolution is, at its heart, a revolution in applied mathematics. A lot of important new mathematics is developed every year to fuel our nation's scientific and economic progress. Sound educational practice requires that we make this new mathematics visible both in the curriculum (where policy is made) and in the classroom (where students are taught).

The headlines currently reveal that the quality of U.S. mathematics education is uneven. That's true of Minnesota as well as of the nation. In Minnesota at least we have the resources to correct this: good schools, outstanding colleges and universities, strong public support for education, technologically oriented industries. What we need is commitment to the principle that in education we cannot afford any policy that falls short of excellence.

RESPECTED BROOKINGS ECONOMISTS SAY GRAMM-RUDMAN-HOLLINGS GOALS ARE ATTAINABLE

HON. DON RITTER

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, April 17, 1986

Mr. RITTER. Mr. Speaker, as I pointed out last year during the debate on the Gramm-Rudman-Hollings bill, "for the first time, the consensus is there to accomplish a sound fiscal footing for this country, and we intend to take full advantage of it." With a bipartisan effort, we passed the bill.

Now, I was pleased to read in the Washington Post of Friday, April 11, 1986 an article by John Berry concerning the new review by the Brookings Institution," Economic Choices of 1987."

Berry reports that the targets we set "appear to be both politically attainable and economically sound, given the current state of the economy."

We all know that legislation to balance the budget can always run afoul of the spending needs of one group or another. However, if we remain united in our commitment to achieve a common national goal—balancing the budget and keeping it balanced—we can work out the difficult situations without capricious cuts in civilian programs.

Under unanimous consent, I include John Berry's article:

GRAMM-RUDMAN GOALS SAID TO BE ATTAINABLE

BROOKINGS ECONOMISTS CALL TARGETS SOUND

(By John M. Berry)

The federal budget deficit targets set by the Gramm-Rudman-Hollings law over the next three years "appear to be both politically attainable and economically sound, given the current state of the economy," according to a group of prominent Brookings Institution economists.

"The specified downward path of deficits is not likely to be so steep as to precipitate a recession," the economists wrote in a review of the federal budget, which is scheduled for release today. "Indeed, the fall in oil prices and further declines in the value of the dollar and interest rates can be expected to stimulate the economy and offset the restrictive effect of deficit reduction."

Authors of the review, "Economic Choices 1987," include Alice Rivlin, former head of the Congressional Budget Office, and Charles L. Schultze, chairman of the Council of Economic Advisers in the Carter administration. The others are Henry J. Aaron, Harvey Galper, Joseph A. Pechman and George L. Perry. Rivlin is director of economic studies at Brookings and the others are senior fellows there.

Even after the first round of mandatory spending cuts under Gramm-Rudman-Hollings, the deficit for the current fiscal year is forecast to be $200 billion or more, an amount equal to about 5 percent of the gross national product. Gramm-Rudman-Hollings sets a target of $144 billion for the fiscal 1987 deficit, with each succeeding year's target lowered by $36 billion and the budget balanced in 1991.

While the authors endorsed the deficit targets through 1989, they urge that they not be achieved just by spending cuts concentrated in a limited number of nondefense programs, as recommended by President Reagan in his 1987 budget. They also rejected the process of automatic cuts in defense and some nondefense programs required by Gramm-Rudman-Hollings if the targets are missed by more than $10 billion.

Instead, the authors proposed a set of smaller spending cuts supplemented by a tax increase that would raise about $50 billion in fiscal 1989. Whether the deficit should be eliminated after the following two years would depend upon economic developments between now and 1989, they said.

The Gramm-Rudman-Hollings process of automatic cuts is a sort of "doomsday machine" that everyone wants to avoid at all costs, they said, "Slashing defense spending as much as would be required under the package that preserves Gramm-Rudman-Hollings priorities would be risky to national security," they argued.

Similarly, they added, under Gramm-Rudman-Hollings "deep cuts in civilian programs would curtail important government services. Programs that hardly anyone regards as wasteful—scientific research, medical care for low-income people, job training, and maintenance of the nation's highways and bridges—would be cut."

The president has proposed "some sensible cuts and reforms in various programs," the authors said, but "his continued commitment to defense growth and opposition to a tax increase force him to subject social programs to cuts that are both excessive and politically unacceptable."

The economists listed several options for tax increases to raise $50 billion in 1989, including higher excise taxes on gasoline, alcohol and tobacco and a new tax on domestic and imported crude oil, a 4 percent value added tax and higher income taxes.

They said they prefer an increase in corporate and personal income tax rates once this year's tax code overhaul is completed. Either a 2 percentage point increase in personal and corporate rates or a 9 percent surcharge would raise the required amount, they estimated.

The authors also urge consideration of changes in the current budget process, which they said has been severely strained by the impasse on how to deal with the deficit.

Gramm-Rudman-Hollings ought to be repealed and the rest of the budget process greatly simplified, they said, with budgets adopted for two years and the authorization and appropriation functions handled by only one committee.

WHITEVILLE-BEST BASEBALL TOWN IN U.S.A.

HON. CHARLES ROSE

OF NORTH CAROLINA

IN THE HOUSE OF REPRESENTATIVES

Thursday, April 17, 1986

Mr. ROSE. Mr. Speaker, the May issue of Sport magazine has a section called "Sports Towns U.S.A." that features, as the city where baseball is THE GAME, Whiteville, in North Carolina. Mr. Speaker, I can attest to the accuracy of the selection of Whiteville, the county seat of Columbus County, as the city where baseball is baseball. I have the good fortune to represent the citizens of that good community, and I would like to include the article with my remarks, so that the Members of the House can read about real baseball people and a real baseball town. I know that some members represent cities with big league teams, but so often that kind of baseball is as artificial as the grass it is played on. Real baseball can be found at Legion Field in Whiteville, where the infield is dirt, and where Coach Linwood Hedgpath—only Coach Hedgpath—is authorized to rake the infield.

SONS OF THE BASEBALL SOIL

(By David Whitford)

Can't afford to miss a day in February, warm as it is. When we get a pretty one like this we jump on it." Linwood Hedgpeth is standing in front of the grandstand at Legion Field in Whiteville, North Carolina. Whiteville (population 5,565) is on the coastal plain, 50 miles as the alligator swims (through Green Swamp) from Cape Fear. It is sometimes cold in February; folks know what snow is. But there are lots of days like this one, when the clouds bust open, the old Carolina sun burns through and (sigh) it smells like baseball.

Hedgpeth is 46 years old, gray-haired but boyish. He is wearing a blue-satin North Carolina 2A State Championship jacket, one of four he owns for championships won here ('83, '85) and at nearby Hallsboro High ('75, '78). Hedgpeth has another blue-satin jacket for the state American Legion championship Whiteville won last summer.

Over 30 of his former players have gone on to Division I college baseball. Twelve have signed professionally, including the Nixon brothers, Otis (Cleveland Indians) and Donell (Seattle Mariners), and Tommy Greene, the 1985 first-round draft choice of the Atlanta Braves. Patrick Lennon, a senior at Whiteville High, has already been tabbed by pro scouts as a certain first-round pick in the June draft.

They are only the most recent expressions of a proud baseball past. At one time there were more than 40 professional teams in North Carolina. In the golden age after the war, scores of local boys left Whiteville and surrounding parts of Columbus County to play pro ball, but few ever made it out of the low minors. With expansion, minor league baseball faded here and everywhere else. Today there are just 8 teams left in the state. Folks found other distractions; television, stock-car racing and (gasp) softball.

But in Whiteville something endures, a baseball myth. It has to do with long summers and mild winters, with smooth clay infields, with tobacco. It lingers in the living memory of boys who never made it, who came home, who went ahead with their lives, but who still come out to the ballpark to watch the kids. In Whiteville, scouts know they still play country hardball.

Rudy Williams is one of the boys who never made it. He was a 19-year-old right-hander with a 95-mph fastball and home-run power when the Pirates called him to a tryout in Pittsburgh. Thirty-five years later, Williams remembers: "I walked into Branch Rickey's office under the stands there in Forbes Field. He reminded me of old John L. Lewis—big bushy eyebrows. His desk was probably about 10 feet long, loaded with stuff. It was up on a little platform, sort of like in a courtroom.

"So he looked at me under those eyebrows and he says, 'Son,' he says, 'let me say this.' He says, 'You come with the Pirate organization and I think you can come as an outfielder just as easily as a pitcher. But we need pitchers in this organization.'

"I signed with 'em, signed a two-year, no-cut, major-league contract. Then I called Dad. He says, 'Hey.' He says, 'Folks here'd rather you be a water boy with the Yankees than a regular with anybody else. Boy, I want you to catch the next plane.' "

Williams played at Wake Forest and later did sign with the Yankees. He made it as high as Birmingham in Double A before he threw his arm out and came home. "I often think, if I had gone with the Pirates, maybe I'd have never been injured," Williams says. "Hindsight's not worth a damn. But I feel like at that point, had I gone ahead and gotten involved in major league baseball, I'd have been there for 20 years. I really do. I do."

By 4:00, the Whiteville junior varsity is on the field and Hedgpeth is sitting cross-legged in the dugout, holding a cigarette between thumb and forefinger, like a nail. Hedgpeth is married to baseball, that and trout lines. Closest he ever came to getting hitched was right after college. Missed the wedding, though; at the appointed hour he was standing in a third-base coaching box.

Nearby, packing their gear in bags that carry big-league insignia, are the Nixon brothers and Tommy Greene. Donell is coming back from a broken leg suffered last year in the final week of spring training. Otis is working at being more aggressive at the plate. "You can't be a Punch-and-Judy act all your life," Hedgpeth tells him.

This spring, all of Whiteville will be following senior Patrick Lennon, a 6-2, 195-pound speedster who pitches, plays shortstop and hits with power. Lennon, like the Nixons, is black. Before 1969, Whiteville had separate school systems. Today, unlike some other southern towns where all-white academies perpetuate segregation, children in Whiteville—which is about 35 percent black—attend public schools together. "If Patrick had come around 20 years ago," says Tom Lewis, principal of Whiteville High, "he might never have had a chance."

Already, Lennon is being hailed as "the best all-around athlete in Columbus County history." He has major-college or professonal opportunities in all three sports, yet his mind is made up. "When I was a little kid, I used to sit and watch baseball games with my father," Lennon says. "There's nothing like it, watching them boys hit the ball out of the park. I would always say, 'That's what I want to do someday.' " No one doubts that, come June, Lennon will be chosen early in the baseball draft, and he will sign.

The greatest game ever played at Legion Field—"The best game I ever saw and I have seen a World Series or two," says Jiggs Powers, semiretired sports editor of the bi-weekly News Reporter—is still talked about in Whiteville as if it were yesterday. Principal Lewis was there, a boy then, chasing foul balls behind the grandstand. Rudy Williams was on the bench, a 15-year-old hot-shot who gave way to the veteran because this game "was the highest of magnitude."

In the home dugout were the Whiteville Leafs (Or were they still the Red Comets then?), a fast semi-pro team started by Rudy's dad, Clyde R. Williams.

The visitors were a college team from Wake Forest, 20 victories and no losses and on their way to the national championship tournament. "We were fortunate," says Powers. "We had a fellow, local man named Charlie Ripple, pitched for Sacramento in the Pacific Coast League. He had been released and came home the night before the ballgame. Whiteville got their run in the first inning"—single to right, triple to left-center—"and Ripple handled it the rest of the way."

That was 1949. The Leafs hung on another twenty years. Mr. Clyde was manager and played in his last game when he was past 60, even got two hits. He died last June on his way to watch Whiteville in the state finals.

Past 7:00 now, the moon is up, the lights are on and the varsity is still practicing. On this particular patch of burnt-orange Carolina clay, before there was a ballpark, there was a camp for German prisoners from World War II. Today all that remains are some unmarked graves out beyond the rightfield fense, near where the trees begin and the land falls off into swamp. "The graveyard's in the corner of that property," says Lewis. "I don't know whe'er, uh, they bumped off some of those German prisoner-of-war guys and buried them or not."

The frogs are whistling in the swamp. A fog swirls in over the old graveyard, through the chain-link fence, and settles in the outfield, mingling with the breath of the ballplayers running their sprints.

TRIBUTE TO THE LATE TOM HALL

HON. ED JONES

OF TENNESSEE

IN THE HOUSE OF REPRESENTATIVES

Thursday, April 17, 1986

Mr. JONES of Tennessee. Mr. Speaker, I rise today to pay tribute to the late Tom Hall,

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a native of Millington, TN, and the mayor of that city for 24 years. Tom Hall represented all of the best that we strive to be.

He was a small businessman whose interest in his community led him to serve one term as an alderman and then six terms as its mayor. In all of those years, he epitomized what community service ought to be. During his time as mayor, Millington grew from a city of 5,500 people to a city of 22,000. He led the city's effort to cope with that growth without plunging it into debt. In fact, he made sure that the city did not enter into obligations unless it could pay for them first.

Tom Hall earned many accolades and honors as a result of his many years of service. I consider it a privilege to be counted among his many friends. He was a man of great integrity and honesty on whom the people of Millington, placed many responsibilities. He is going to be greatly missed by his community but not nearly so much as by his family and his many friends who held him in such high regard.

In closing, let me just say that I have never known anyone with more knowledge or ability to handle the affairs of municipality, large or small. As one of the men who served as a city alderman during Mr. Hall's 24 years as mayor said, "He was a mayor of a small town, but he was not a small town mayor."

HMO'S

HON. MARIO BIAGGI

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, April 17, 1986

Mr. BIAGGI. Mr. Speaker, as an original member of the House Select Committee on Aging I have a strong interest in the rapid growth of health maintenance organizations in our Nation. HMO's are groups of health care facilities and personnel who provide a comprehensive range of health services to members who enroll voluntarily and pay a fixed prepaid fee.

Consider in the United States today there are now almost 400 HMO's operating in the United States. A 67-percent increase from 1980. The total number of persons enrolled in HMO's now totals 18.9 million—a 100-percent increase since 1980.

Of special interest to me is the fact that of the total number of HMO's in the Nation almost two-thirds are receiving Medicare funds largely aided by recent regulations permitting Medicare coverage for HMO services. A developing trend in the HMO field is new competition between the nonprofit and for profit sectors. The responsibility which we have in Congress is to make sure that the constant that is not varied in this competition is quality of care for the elderly participant.

On February 24 I conducted a hearing of my Subcommittee on Human Services in New York on HMO's. One of the most disturbing information I learned from this hearing were reports that certain HMO's were already engaged in a process of "creaming" those older people seeking to enroll. This involves approval applications of those with fewer problems and more resources. We must continue to monitor all developments with HMO's to make sure that this boon does not become a boondoggle to the taxpayers of our Nation.

EMPLOYMENT DISCRIMINATION

HON. MARIO BIAGGI

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, April 17, 1986

Mr. BIAGGI. Mr. Speaker, today I am introducing legislation, along with 42 of my colleagues, recognizing that employment discrimination against persons who have, or have had, cancer does exist and expressing the sense of Congress in opposition to this terrible injustice. This resolution, House Concurrent Resolution —, expresses the sense of Congress in opposition to this discrimination and urges that these Americans receive fair and equal treatment in our Nation's workplace.

Employment discrimination against cancer survivors is not an isolated or hypothetical problem. It is, in fact, an outrage which victimizes 1 out of every 5 persons with a cancer history—over 1 million Americans. It is a terrible injustice reaching epidemic proportions across our Nation's workplace. Many blame the "death-sentence" myth attached to cancer for employment discrimination. But the death sentence is indeed a myth. We have spent fortunes on cancer research, and it is paying off. In fact, by the year 1990, one out of every 1,000 people will be childhood survivors of this disease. As medical research continues to provide extraordinary breakthroughs in the treatment of cancer—the number of survivors—and job discrimination victims—will continue to dramatically increase. It is imperative that we recognize and address this violation of rights before we have millions of new victims of cancer-based employment discrimination.

Often, when a person hears the words "It's malignant," the fight to conquer cancer begins. But many who have waged that war admit they face an equally tough battle—the fight to receive fair treatment at work. For these people having won the battle against cancer is not enough. They must then fight job denial, wage reduction, exclusion from and reduction in benefits, promotion denial, and in some cases, outright dismissal. We, as a society, must stop this grievous violation of rights and ensure equal protection under the law.

I have long been involved in the fight to eliminate this terrible injustice. I first authored legislation during the 98th session of Congress to outlaw employment discrimination against cancer survivors. At this time, I have a bill, H.R. 1294, to eliminate employment discrimination against persons on the basis of cancer history by amending title VII of the Civil Rights Act of 1964. This bill enjoys the strong, bipartisan support of over 80 House Members. Yet it is obvious that we must continue the fight against this discrimination.

It is my hope that this resolution will increase public awareness and understanding of cancer. Through this public education process, the myths, prejudice, and misconceptions surrounding persons with a cancer history can be shattered—the same myths that often foster cancer-based employment discrimination. Hopefully, this awareness will ultimately increase the employability of cancer survivors.

Equality is the principle upon which this great Nation was founded. We pride ourselves on affording equal opportunity for all Americans. Such opportunity must be extended to the millions of cancer survivors so that we permit, and encourage, these people to remain fully integrated and productive members of society and our workplace. Let us never forget what we are opposing—employment discriminaton against cancer survivors, persons who have endured so much, triumphed over many obstacles, but who continue to be victimized and stigmatized.

For the benefit of my colleagues, I have inserted the full text of the resolution into the RECORD.

Whereas there are more than five million Americans in our nation with a cancer history and an estimated one million of these persons face the terrible injustice of employment discrimination;

Whereas 66 million Americans—one out of every four—will eventually develop cancer in their lifetime;

Whereas one out of every two persons now diagnosed as having cancer is cured, and as a result, the number of survivors will continue to dramatically increase;

Whereas employment discrimination against persons on the basis of cancer history ranges from job denial to wage reduction, exclusion from and reduction in benefits, promotion denial, and in some cases, outright dismissal; and

Whereas we must permit, and encourage, these people to remain fully integrated and productive members of society: Now, therefore, be it

Resolved by the House of Representatives (the Senate concurring), Expressing the sense of Congress in opposition to employment discrimination against persons who have, or have had, cancer based on such individual's cancer history and urges the Congress that these Americans receive fair and equal treatment in the workplace.

NATIONAL COMMITTEE FOR ADOPTION

HON. THOMAS J. BLILEY JR.

OF VIRGINIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, April 17, 1986

Mr. BLILEY. Mr. Speaker, as a cochairman of the Congressional Coalition on Adoption, I would like to commend one organization in particular for its efforts on behalf of children, adoptive parents, and birth-parents.

Yesterday began the National Committee on Adoption's Sixth Annual Maternity Services and Pregnancy Counseling Conference. With a membership of more than 120 voluntary, private adoption agencies, NCFA is dedicated to improving adoption services in this country. The committee keeps its members informed about developments and changes in State and Federal programs and laws, as well as relevant court decisions.

One of NCFA's missions is to ensure that accurate information on adoption exists and is made available. Toward this end, the committee publishes newsletters and holds these annual conferences. Moreover, NCFA has published the "Adoption Factbook," filling a need in the public and private sectors for data and materials relating to adoption.

I wish the National Committee for Adoption success at its annual meeting and thank its members for their efforts on behalf of children and parents.

INTRODUCTION OF H.R. 4617, A BILL TO PROVIDE FOR AN EXTENSION OF TIME FOR FILING CLAIMS FOR CREDITS OR REFUND OF FEDERAL INCOME TAXES WITH RESPECT TO CERTAIN CHANGES INVOLVING INSOLVENT FARMERS

HON. HAL DAUB

OF NEBRASKA

IN THE HOUSE OF REPRESENTATIVES

Thursday, April 17, 1986

Mr. DAUB. Mr. Speaker, the Consolidated Omnibus Budget Reconciliation Act of 1985 was signed into law by the President on April 7, 1986, after considerable delay in the House and in the other body. Section 13208 of that act generally provides that the transfer of farmland by an insolvent farmer to a creditor in cancellation of indebtedness, or to a third party under threat of foreclosure, will not give rise to alternative minimum tax liability. The amendment is effective for transfers of farmland after December 31, 1981.

The normal 3-year statute of limitations for timely filed 1982 calendar year returns expired on April 15, 1986. Insolvent farmers seeking the protection of the new amendment with respect to calendar year 1982 were required, therefore, to file an amended 1982 return on or before April 15, 1986, just 8 days after the Budget Reconciliation Act was signed into law. This obviously was not enough time for those insolvent farmers seeking the protection of the amendment to react to the new law. The repeated delays in passing the Budget Reconciliation Act has, practically speaking, undermined the clear intent of the act to assist insolvent farmers beginning with calendar year 1982 transfers of farmland.

In order to more fully carry out the original intent of the Budget Reconciliation Act, I am introducing a bill that would extend the statute of limitations for a short period for purposes of taking advantage of the insolvent farmer provision in the Budget Reconciliation Act. The bill provides that if a taxpayer is prevented from claiming a refund or credit resulting from the insolvent farmer provision in the Budget Reconciliation Act at any time before October 16, 1986, then the refund or credit will nevertheless be allowed if claim therefor is filed within 6 months of the date of enactment of the bill.

I would urge my colleagues to join with me in supporting this small but important change to the Budget Reconciliation Act. Thank you.

INTERNATIONAL COOPERATION NEEDED TO COMBAT TERRORIST THREAT

HON. WM. S. BROOMFIELD

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Thursday, April 17, 1986

Mr. BROOMFIELD. Mr. Speaker, it is truly regrettable that the French Government refused to allow United States aircraft to overfly that country.

Margaret Thatcher of Britain, however, stood firm. She is to be commended for taking a brave stand. She held out her hand when America needed her help.

In this age of terrorism, international cooperation is needed to combat the terrorist threat. The free world cannot afford to turn and run from terrorist dictators.

Although the French Government had recently indicated a growing resolve to confront terrorism, that Government refused a request for overflight rights for the U.S. bombers. When they were put on the spot, the French blinked.

Their ambiguous attitude caused our pilots to fly an extra 2,500 miles to skirt the coast of Europe on their way to Libya. They were exposed to possible detection by being in the air that long. They arrived on target fatigued and stressed.

No wonder the Libyan Ambassador in Paris congratulated the French Government for turning down America's request. Fortunately, America does have a friend over there.

When the going got tough, Prime Minister Thatcher stood firm. She defended our decision and said that those bombers were needed for the task at hand. Among our European allies, she kept the course.

In the fight against terrorism, there can be no weak hearts or partial commitments. Either we confront this problem together, or we will all pay the price of not acting against a growing threat. We must all shoulder the heavy burden of fighting terrorism.

BUSINESS LIABILITY INSURANCE CRISIS

HON. DAVID DREIER

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, April 17, 1986

Mr. DREIER. Mr. Speaker, today there exists an acute crisis in the availability and affordability of liability insurance for businesses and municipalities throughout the country. In fact, most of the State conferences leading to the 1986 White House Conference on Small Business cited the liability insurance crisis as the most threatening to the continued well-being of our economy. The crisis is so encompassing that it has been the focus of major media coverage in recent months.

The extent to which the lack of available and affordable liability insurance has damaged the economy underlies the need for immediate Government action, both at the State and Federal level. In the last 2 years alone, liability insurance premiums have increased by 50 to 900 percent. Between 1974 and 1984, the number of product liability suits filed in U.S. district courts increased from under 2 million to almost 11 million. The number of million dollar awards for compensatory and punitive damages in liability suits increased from under 50 in 1977 to over 400 in 1984.

As a result, thousands of companies are abandoning their lines of business, operating without insurance, or increasing the prices of their products to cover insurance premium costs. Municipalities fare no better. Many competent and effective city officials are second-guessing their decisions to seek municipal positions out of fear of being sued. In California alone, as many as half of the cities will function without liability insurance coverage should nothing be done to address the current crisis.

Unfortunately, the origin of the current liability insurance crisis is undetermined. Some critics blame the tort justice system, particularly the principle of joint and several liability and the increase, during the last 10 years, in the number of negligence lawsuits and the amount of the awards made in connection with those lawsuits. Others view the accounting and management decisions of insurance companies over the past decade, and the unstable cyclical nature of the industry, as being responsible for the crisis.

In response, Mr. Speaker, to this uncertainty, I am today introducing legislation to establish a commission on the liability insurance crisis. As you know, the collection of data to determine the cause of, and suggest a solution to, the liability insurance dilemma poses significant difficulties. The Commission I am proposing would examine the system of tort law in the United States, and the financial structure of the insurance industry. The commission would consist of representatives of industry, Government, and consumer groups, who would be appointed jointly by the President, the Speaker of the House, and the majority leader of the Senate.

The commission would provide Congress, the President, and State governments with a list of recommendations for resolving the crisis in the availability and affordability of liability insurance. Such a commission would not require any appropriated money from the taxpayers. It would draw upon the existing resources of the Federal Government.

Mr. Speaker, the current liability insurance crisis warrants immediate action. I believe my proposal offers the best vehicle to determine what legitimate actions can be taken at all levels of government to address this crisis. I urge my colleagues to consider the merits of this legislation, and join me in moving forward to solve what is potentially one of the most critical dilemmas to face business and municipalities nationwide.

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TRIBUTE TO J. ELLIS WOOD

HON. GEORGE W. GEKAS

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, April 17, 1986

Mr. GEKAS. Mr. Speaker, I would like to bring to the attention of my colleagues in the U.S. Congress the outstanding achievements of Mr. J. Ellis Wood, who is being honored on June 25, 1986, at a surprise testimonial dinner hosted by his family and friends for his service to the Sunbury Community Hospital and his lifetime of accomplishments.

J. Ellis Wood will soon retire from the Sunbury Community Hospital where he has served as its administrator for more than three decades. Mr. Wood began his hospital service in 1950 on the administrative staff at Good Samaritan Hospital in Lebanon, PA. It was only 2 years later than he came to the Sunbury community to assume the position of hospital administrator; a position he has held to this day.

He has been associated with a number of organizations including the American Hospital Association, the Hospital Association of Pennsylvania, the Central Pennsylvania Health Systems Agency, Blue Cross of Pennsylvania and is a life member of the American College of Hospital Administrators. Mr. Wood has also devoted his time to the SUN Home Health Services, the United Methodist Homes and Danville Area School District School of Practical Nursing.

Accomplishing all of these activities would seem to be enough to satisfy most of us in a lifetime, but for J. Ellis Wood the list of involvement goes beyond his service to the Sunbury Community Hospital. He is also a member of the Sunbury Rotary Club and St. John's Methodist Church.

The Sunbury community has experienced great progress over the years under Mr. Wood's leadership. Aside from keeping Sunbury Community Hospital financially sound during his entire tenure, which he would attribute to Sunbury's strong community support, he has maintained the hospital's accreditation from the Joint Commission on Accreditation of Hospitals since 1954. He also oversaw a $1.3 million expansion of the emergency department and a new three story wing in 1968.

I wish to extend my congratulations to Mr. Wood for his remarkable efforts to the Sunbury Community Hospital and his community. He has truly enriched the lives of all who have been privileged to know him and work with him over the years.

A BILL FOR THE RELIEF OF RICHARD F. WALSH OF QUINCY, MA

HON. BRIAN J. DONNELLY

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Thursday, April 17, 1986

Mr. DONNELLY. Mr. Speaker, I am introducing relief legislation today for a constituent, Richard F. Walsh of Quincy, MA. The bill seeks to remedy an unintended injustice which has prevented Mr. Walsh from receiving military decorations due him for heroic actions in the Army Air Force during World War II. The bill would allow the President to award Mr. Walsh the Distinguished Flying Cross and the Purple Heart. Through no fault of my constituent, records that existed during the war which provided evidence of Mr. Walsh's extraordinary heroism in midair on April 30, 1944, and his combat injury sustained on July 4, 1944, were lost, probably during transport back to the States, Mr. Walsh has exhausted every available procedural evenue to seek redress in this matter. I have been honored to assist Mr. Walsh over the last several years in his communications with various Defense Department and record archive officials and offices. While Mr. Walsh's military personnel files were almost completely lost, he has tirelessly compiled pertinent letters from former crewmates and from the Veterans Administration which corroborate his claims. I know Richard F. Walsh to be an honorable and civic minded citizen. I hope the introduction of this relief legislation will begin the process of gaining for him the World War II medals he sincerely deserves. I urge swift consideraton of this legislation.

MR. AND MRS. HILUTE ERSKINE McKINNEY CELEBRATE THEIR 66TH WEDDING ANNIVERSARY

HON. STENY H. HOYER

OF MARYLAND

IN THE HOUSE OF REPRESENTATIVES

Thursday, April 17, 1986

Mr. HOYER. Mr. Speaker, in these days so much of the news we hear is bad, it is sometimes wise to take time to recognize a happy event. One such event will be taking place next Friday, April 25, when Ellen Everette McKinney and Hilute Erskine McKinney of St. Louis, MO, will celebrate their 66th wedding anniversary. One of Mr. and Mrs. McKinney's 34 granchildren, Sarah McKinney-Ludd, lives in my congressional district. She tells me that Mr. and Mrs. McKinney say they are more in love than they were on the day they were married. What's more, Mr. and Mrs. McKinney have known each other since they were 8 years old.

What is the secret to this long friendship and happy marriage? Not only have the McKinneys raised a famly of 8 children, 34 grandchildren, 46 great-grandchildren and 7 great-great-grandchildren, but they have been very active in their community as well. Both still teach Sunday school regularly. Mr. McKinney has been a Sunday school superintendent and choir director for most of his adult life. Mrs. McKinney is a former public school teacher.

The McKinney's accomplishments have not gone unheralded. They have received recognitions from our colleague, Congressman Bill Clay, from the Missouri House of Delegates, from Mayor Vincent C. Schoemel, and from numerous papers in St. Louis. Mrs. McKinney has been named "Outstanding Mother of the Year." Mr. McKinney has been named "Outstanding Role Model." Jointly they have received the Grandmother and Grandfather of the Year Award.

Mr. Speaker, I know that my colleagues will want to join me in sending our congratulations and best wishes to two fine citizens on this special anniversary.

COMMENDING CALIFORNIA STATE UNIVERSITY, DOMINGUEZ HILLS, UPON ITS 25TH ANNIVERSARY

HON. MERVYN M. DYMALLY

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, April 17, 1986

Mr. DYMALLY. Mr. Speaker, I am submitting for the Record a resolution.

Commending California State University, Dominguez Hills Upon its 25th Anniversary.

Whereas, in 1960 the California State College, Dominguez Hills was authorized; and

Whereas, in 1977 the name of California State College, Dominguez Hills was changed to California State University, Dominguez Hills; and

Whereas, through the years California State, Dominguez Hills has served the needs of the South Bay area, one of the Nation's most diverse socioeconomic and cultural communities; and

Whereas, 1986 marks the 25th Anniversary of California State University, Dominiguez Hills, and so it is appropriate that it receives special congratulations and commendations: Now, therefore, be it

Resolved on this day, April 19, 1986, that California State University, Dominguez Hills receive special congratulations and commendations on such 25th Anniversary.

THE VIETNAM VETERANS READJUSTMENT COUNSELING AMENDMENTS OF 1986

HON. BOB EDGAR

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, April 17, 1986

Mr. EDGAR. Mr. Speaker, I am introducing today a bill with two provisions which would have the effect of improving the Vietnam veteran readjustment counseling program.

The first provision would delete the requirement that, by October 1, 1988, readjustment counseling services be provided in VA medical facilities. As you know, readjustment counseling services are currently being provided in facilities that are separate from other VA medical facilities.

What does this provision really mean? It does not mean that vet centers at separate locations will be permanent. If that were the intent, I would not have acted at this time. What this provision means is that the VA will not have to devote time and energy to planning and executing the closure of all vet centers. It means that the VA can selectively keep open those vet centers that are located in areas of need. It means that the VA can manage more flexibly.

I should note here, Mr. Speaker, that last year the Congress removed the arbitrary limit on when veterans could request counseling. It only makes sense that flexibility should be given the VA to fulfill that mandate.

The recent recommendation by the chief medical director's vet center planning committee has recommended this provision and has also recommended a gradual decline in the number of vet centers. In addition, representatives from the major veterans organizations who serve on the agency's advisory committee on Vietnam veterans have voted support for this proposal and there is no opposition among them.

Let me stress that this provision is only intended as a management tool for the VA to make rational decisions based on needs of the readjustment counseling program and the location of counseling services delivery and in order to avoid arbitrary legislative restrictions.

The second provision related to Vietnam veterans is the establishment of a readjustment counseling professional fellowship program. Eligibility for this program would be for Vietnam era veterans who are accepted for study in a post-baccalaureate program in an accredited educational institution and in a field related to the provision of readjustment counseling services.

In exchange for payment of fellowship support, the veterans would sign a written agreement to accept a position as a readjustment counselor with the Veterans Administration for 2 years after completion of the course of training.

There are several advantages to this program:

First, it would allow current vet center counselors to obtain academic training to augment their experience.

Second, for veterans who have not been directly involved in readjustment counseling, it would be an opportunity to gain knowledge and training.

Third, the "payback" provision would ensure an adequate number of trained Vietnam Veterans to provide readjustment counseling and to reinforce the successes that have been produced by the vet center program in treating readjustment problems.

I am pleased to introduce this legislation and encourage all of my colleagues in this body, especially the members of the veterans' affairs subcommittee on hospitals and health care, which I chair, to support it.

FUTURES TRADING ACT OF 1986

HON. E de la GARZA

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Thursday, April 17, 1986

Mr. de la Garza. Mr. Speaker, today, I along with Mr. Madigan, Mr. Jones of Tennessee, and Mr. Coleman of Missouri introduced the Futures Trading Act of 1986. This bill will reauthorize appropriations to carry out the regulatory program under the Commodity Exchange Act, and make several technical improvements to that act. The text of the bill follows:

H.R. 4613

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "Futures Trading Act of 1986".

FRAUDULENT PRACTICES

Sec. 2. Section 4b of the Commodity Exchange Act (7 U.S.C. 6b) is amended by—

(1) striking out "on or subject to the rules of any contract market," in the first sentence;

(2) designating the first sentence as subsection (a) and the second sentence as subsection (b); and

(3) adding, at the end thereof, the following:

"(c) Nothing in this section shall apply to any activity that occurs on a board of trade, exchange, market, or clearinghouse for such board of trade, exchange, or market located outside the United States, its territories, or its possessions involving any contract of sale of a commodity for future delivery that is made, or to be made, on or subject to the rules of such board of trade, exchange, or market.".

EXTRATERRITORIAL SERVICE OF SUBPENAS

Sec. 3. Section 6(b) of the Commodity Exchange Act (7 U.S.C. 15) is amended by—

(1) inserting "(except as provided in the proviso of the following sentence)" immediately before "may administer oaths and affirmations, subpena witnesses" in the third sentence;

(2) striking out "or any State" in the fourth sentence and inserting in lieu thereof ", any State, or any foreign country or jurisdiction"; and

(3) inserting, immediately before the period at the end of the fourth sentence, a semicolon and "and a subpena issued under this subsection may be served on any person who is not to be found within the territorial jurisdiction of any court of the United States in such manner as the Federal Rules of Civil Procedure prescribe for service of process in a foreign country: *Provided,* That a subpena to be served on a person outside the territorial jurisdiction of any court of the United States may be issued only on the prior approval of the Commission".

EX PARTE APPOINTMENTS OF TEMPORARY RECEIVERS

Sec. 4. The proviso of the first sentence of section 6c of the Commodity Exchange Act (7 U.S.C. 13a-1) is amended by inserting, within the parenthetical phrase immediately before the close parenthesis, a comma and "and other than an order appointing a temporary receiver to administer such restraining order and perform such other duties as the court may consider appropriate".

CERTAIN PROHIBITED TRANSACTIONS

Sec. 5. Section 9(d) of the Commodity Exchange Act (7 U.S.C. 13(d)) is amended by—

(1) inserting, immediately before the period at the end of the first sentence, the following: "if nonpublic information is used in the investment transaction, if the investment transaction is prohibited by rule or regulation of the Commission, or if the investment transaction is effected by means of any instrument regulated by the Commission"; and

(2) striking out the second and third sentences and inserting in lieu thereof the following: "The foregoing prohibitions shall not apply to any transaction or class of transactions that the Commission, by rule or regulation, has determined would not be contrary to the public interest or otherwise inconsistent with the purposes of this section.".

REAUTHORIZATION

Sec. 6. Effective October 1, 1986, Section 12(d) of the Commodity Exchange Act (7 U.S.C. 16(d)) is amended to read as follows:

"(d) There hereby are authorized to be appropriated to carry out the provisions of this Act such sums as may be required for each of the fiscal years during the period beginning October 1, 1986, and ending September 30, 1989.".

REGISTERED FUTURES ASSOCIATION DISCLIPLINARY ACTIONS AND MEMBERSHIP RESTRICTIONS

Sec. 7. Subsections (h) and (i) of section 17 of the Commodity Exchange Act (7 U.S.C. 21 (h) and (i)) are amended to read as follows:

"(h)(1) If any registered futures association takes any final disciplinary action against a member thereof or a person associated with a member, or denies admission to any person seeking membership therein or bars any person from being associated with a member, the association promptly shall file notice thereof with the Commission. The notice shall be in such form and contain such information as the Commission, by rule, may prescribe as necessary or appropriate in furtherance of the purposes of this Act.

"(2) Any action with respect to which a registered futures association is required by paragraph (1) of this subsection to file notice shall be subject to review by the Commission on its motion, or on application by any person aggrieved thereby. Such application must be filed within thirty days after the date such notice was filed with the Commission and received by the aggrieved person, or within such longer period as the Commission may determine.

"(3) Application to the Commission for review, or the institution of review by the Commission on its own motion, shall not operate as a stay of such action unless the Commission otherwise orders, summarily or after notice and opportunity for hearing on the question of a stay (which hearing may consist solely of the submission of affidavits or presentation of oral arguments). The Commission shall establish standards for an expedited procedure for consideration and determination of the question of a stay.

"(i)(1) In a proceeding to review a final disciplinary action taken by a registered futures association against a member thereof or a person associated with a member, after appropriate notice and opportunity for a hearing (which hearing may consist solely of consideration of the record before the association and opportunity for the presentation of supporting reasons to affirm, modify, or set aside the sanction imposed by the association)—

"(A) if the Commission finds that (i) such member or person associated with a member has engaged in the acts or practices, or has omitted the acts, that the association has found the member or person to have engaged in or omitted; (ii) the acts or practices, or omissions to act, are in violation of the rules of the association specified in the determination of the association; and (iii) such rules are, and were applied in a manner, consistent with the purposes of this Act, the Commission, by order, shall so declare and, as appropirate, affirm the sanction imposed by the association, modify the sanction in accordance with paragraph (2) of this subsection, or remand the case to the association for further proceedings; or

"(B) if the Commission does not make any such finding, it shall set aside, by order, the sanction imposed by the association and, if appropriate, remand the case to the association for further proceedings.

"(2) If after a proceeding in accordance with paragraph (1) of this subsection, the Commission finds that any penalty imposed on a member or person associated with a member is excessive or oppressive, having due regard for the public interest, the Commission, by order, shall cancel, reduce, or require the remission of the penalty.

"(3) In any proceeding to review the denial of membership in a registered futures association or the barring of any person from being associated with a member, after appropriate notice and hearing (which hearing may consist solely of consideration of the record before the association and opportunity for the presentation of supporting reasons to affirm, modify, or set aside the sanction imposed by association)—

"(A) if the Commission finds that (i) the specific grounds on which the denial or bar is based exist in fact, (ii) the denial or bar is in accordance with the rules of the association, and (iii) such rules are, and were applied in a manner, consistent with the purposes of this Act, the Commission, by order, shall dismiss the proceeding; or

"(B) if the Commission does not make any such finding, it shall set aside, by order, the sanction imposed by the association and require it to admit the applicant to membership therein, or permit the person to be associated with a member.

"(4) Any person (other than a registered futures association) aggrieved by a final order of the Commission entered under the provisions of this subsection may file a petition for review with a United States court of appeals in accordance with section 6(b) of this Act.".

REGISTERED FUTURES ASSOCIATION RULES

SEC. 8. (a) Section 17(j) of the Commodity Exchange Act (7 U.S.C. 21(j)) is amended by striking out the third sentences.

(b) Section 17(k) of the Commodity Exchange Act (7 U.S.C. 21(k)) is amended by—

(1) striking out "title" in paragraph (1) and inserting in lieu thereof "section"; and

(2) striking out the second sentence of paragraph (2) and inserting in lieu thereof the following: "If such association fails to adopt such alteration or supplement within a reasonable time, the Commission, by order, may alter or supplement the rules of such association in the manner theretofore requested, or with such modification of such alteration or supplement as it deems necessary, if, after appropriate notice and opportunity for hearing, it appears to the Commission that such alteration or supplement is necessary or appropriate in the public interest to ensure fair dealing by the members of such association or to ensure a fair representation of its members in the administration of its affairs, or to effectuate the purposes of this section. Such alterations or supplements may specify changes with respect to such matters as—

"(A) the basis for, and procedure in connection with, the denial of membership or the barring from being associated with a member or the disciplining of members or persons associated with members, or the qualifications required for members or individuals associated with members or any class thereof;

"(B) the method of adoption of any change in or addition to the rules of the association;

"(C) the method of choosing officers and directors;

"(D) safeguards with respect to the financial responsibility of members;

"(E) the manner, method, and place of soliciting business by members, including the content of such solicitations; and

"(F) the form and manner of handling, recording, and accounting for customer orders, transactions, and accounts by members.".

WINNING ESSAYS

HON. HENRY J. HYDE

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Thursday, April 17, 1986

Mr. HYDE. Mr. Speaker, I recently conducted my annual Sixth District Congressional Essay Contest for junior and senior high school students in my district, and I am very pleased to announce the winners today.

The first place winner in the senior high category is Michael Lubelfeld, a resident of Des Plaines, who attends Maine Township High School East in Park Ridge.

The first place winner in the junior high category is Mary Ellen Ford, a resident of Park Ridge who attends Mary, Seat of Wisdom School in Park Ridge.

I congratulate both Mr. Lubelfeld and Miss Ford for their outstanding essays, which are included in the RECORD following my statement. I also want to thank the hundreds of other students who submitted entries; I wish that I could publish them all as there were so many excellent submissions.

I'm most pleased to share the winning essays with my colleagues:

THE EUROPEANIZATION OF AMERICA

(By Michael Lubelfeld)

Our world is diverse in many ways, especially the way in which we govern ourselves. The government of the United States of America has grown and changed throughout the years in many different areas, but its basic foundation has stayed the same: the United States Constitution. The United States, with its republican form of government, has been governed by that document for over two hundred years. Other countries, for example, the democratic countries of Israel, Canada, Japan and those in western Europe, also have constitutions, but they have parliamentary governments. This paper will focus on the differences in democracy between the parliamentary system and the United States system.

Parliamentary government is set up somewhat like the United States government. Both types of government consist of three branches of government; the executive, legislative and judicial. The difference between the two types of government is in how each branch carries out its various duties. Although both types of government are structurally similar, theoretical differences do exist.

In the parliamentary system, the executive branch of government consists of the Prime Minister and the cabinet. The Prime Minister is the head of government and also head of the political party that he belongs to. The head of state is a largely ceremonial position. The head of state in the parliamentary system is comparable to the Vice-President in the United States.

In many of these countries, the Prime Minister is chosen by the head of state. The Prime Minister is not directly elected by the people. The person holding that honored position is selected by the political party in control of the government. The Legislative branch of a Parliamentary government, also similar to the United States, usually has a bicameral legislature. In England, the upper house is not elected by the people, but rather is controlled by families that have had ancestors who made a notable contribution to Britain. Knighthood and feudal tradition still provide a basis of operation among the members of the upperhouse. Our upper house, somewhat more aloof than the House politically, still is based on popular government rather than heriditary rule. However, in almost all of these governments, the lower house members are elected directly by the people.

One exception to a bicameral legislature is Israel. In Israel, its Legislative body, the Knesset, is unicameral. The Knesset is directly elected by secret ballot by the people of Israel.

The Judicial systems in these governments are also similar. Both Parliamentary and United States Judicial systems consist of inferior and superior courts. A significant difference, though, is that the United States Supreme Court has the power of judicial review. This means that the Supreme Court can determine that actions by the other branches of government officials are unconstitutional, thereby null and void. The House of Lords in Britain serves as the equivalent to our Supreme Court.

In the United States, the President and Vice-President are elected indirectly by the Electoral College. The legislative branch, which consists of two houses, is elected directly by the people.

A unique quality of the United States government is its system of checks and balances. This system allows all three branches to work separately, but always able to check one of the others' work and therefore maintain a balance of power within the government. This system is not used in the Parliamentary governments.

The United States government is much more stable than the parliamentary form. Prime Ministers may lose control of the government should parliament fail to provide a vote of confidence in their leadership during a national crisis. A prime minister may hold power for twenty-four hours, twenty-four days or, after several elections, twenty-four years. In other words, a Prime Minister's power to rule depends on constant approval of their policies by Parliament. On the other hand, in the United States, regardless of crisis, the President is in control, still able to exercise his constitutional duties. This system provides stability, greater flexibility, and a more secure government. Just prior to World War II, the government of Neville Chamberlain (in Britain) had a policy of appeasement towards Hitler. Soon after, Hitler was dominating all of Europe, German bombs fell on Britain and so did Chamberlain's government. Chamberlain failed to obtain a vote of confidence from Parliament and he was out of office. Whereas, if President Roosevelt made a questionable decision, there would not have been a

new government, but the President would have had a chance to correct his mistake. Recently in England, Prime Minister Thatcher's government was faced with a very major problem, the nation's coal miners were on strike. Mrs. Thatcher, had she not received support of parliament, could have lost her power from something as mundane as a coal miners' strike. In the United States, with our more stable system, if there is a strike that shuts down a significant supply of important resources to the American people, the government could not collapse—no matter how serious the problem.

Another interesting difference between these two governments, is the role of political parties. Political parties play key roles in government. In the United States, there are two major parties, with many other minor parties. The citizens of the United States elect the people running for office directly, regardless of what party affiliation they have. Whereas in a parliamentary system, the party plays a much larger role. In effect, with the parliament system, political parties, not people, are what is being elected. The people elect a party in the lower house (of Legislature) and whichever party receives the majority of votes, is called the majority party. The prime minister is then selected by the majority party. When the prime minister's party loses majority, the government is dissolved.

A very common question is this: should the United States of America adopt a parliamentary form of government? The United States government is entirely elected by the people, to govern for the people, so the people's directly wishes can and will be carried out at every level of government. The parliamentary government evolved from the old fashioned ideas of monarchy. A parliamentary system would contradict the principles of the United States' constitutional government. The American people pride themselves in the form of government that they have. In the parliamentary form the upper house is made up of elite appointed or hereditary officials who can do whatever they wish and whatever their parties wish. However, in this country, the legislators of both houses represent all of the wishes and ideas of the people who they represent.

Parliamentary government in the United States would be detrimental and contradictory to the principles of the Constitution. The Constitution was set up so that the government would always have to respond to the peoples' needs through the check and balance system. The citizens of the United States of America are very unique and diverse and they have learned to accept and respect this form of government that has been around since the independence of the country. Freedom to elect all public officials, to question policies and to change the policies is every American's right. American people would not accept the idea of the Parliamentary government.

HOW DEMANDING IS LIBERTY?

Is it any more demanding to be a citizen of a country that follows the form of government called Democracy than to be a citizen in a Totalitarian State?

Democracy is a form of government that gains its power directly and indirectly from the people through a system of representation. It is a system that operates "through the consent of the governed".[1]

Totalitarianism is a political concept whereby the citizens of a state are totally subjected to an absolute authority. The rulers have unlimited power.

To be a citizen of a country advocating either democracy or totalitarianism usually means you are a person who resides or inhabits that country and is one who gives allegiance to that country. However, being a good citizen doesn't stop there. Citizenship also brings along responsibilities.

Let's compare a citizen of the Soviet Union who lives with totalitarianism with a citizen of the United States of America who experiences democracy. Both would give allegiance to the country they reside in and would be able to demand protection from their country.

The citizen of the Soviet Union is answerable to someone in higher authority in every aspect of his life. He is dependent on the wishes and whims of the political party and its leaders. His life is determined for him as far as his occupation, his education, and his social affairs. All are coordinated to serve the purpose of the "party".

There is no friendly competition. Everything done is done "for the good of the party".

The Soviet citizen is manipulated through the government's absolute control of mass communication, the secret-police, a monopoly of all weapons, and a certainly controlled economy. This citizen is not asked to question anything. He is praised if he turns in a neighbor, parent, child, or co-worker if he witnesses them acting independently.

Work permits are issued to citizens who behave. If the worker would complain of foul working conditions, the permit would be taken away and that would mean virtual death for the worker and his family.

The responsibility of this citizen of totalitarianism is to obey without question for the sake of the state. The citizen may be compared to a child who is taken care of by a parent. If the child-citizen asks "why", he is told "because I say so". If he would ask "why" too often, the punishment gets to be so severe that he no longer wants to question. It must be a very difficult life to want to ask questions and get no answers.

A citizen of the United States of America is free because many years ago people were told to obey and dared to ask "why". They did something about it. The Constitution of the United States guarantees this citizen freedom to choose. This citizen has rights that the government declares and enforces:

The right to worship as he chooses;

The right to express opinions through voice and media;

The right to live and work where he wishes;

The right to urge the government to correct injustices;

The right to a speedy trial if necessary;

The right to assemble peaceably;

The right to bear arms to protect his belongings;

The right to be free from unlawful searches of his property.

Every American citizen has these rights and the responsibility to be aware and informed of the kind of people he or she elects into government. Every person has the right to choose how they will live as long as they respect the rights of others.

The government of the United States gets its power from the people. The leaders are answerable to the citizens.

The people keep the elected officials honest. Three branches of the government insure that no one person or group has absolute power through a special system of checks and balances.

Obedience through fear as with totalitarianism is not obedience. It is intimidation. Citizens must become very undemanding if they wish to survive in such a place.

Citizens of a totalitarian state must meet the demands of the government.

The government of a democracy must meet the demands of the citizens.

Is it, then, any more demanding to be a citizen of totalitarianism than it is to be a citizen of democracy? I feel this way: No matter which country you live in, no matter which policy you live with, if you are a person of conscience both citizenships can be most demanding.

The United States citizen will try to maintain freedom through being a responsible citizen. The Soviet citizen who has a conscience and wants a better life must live with the demanding pressure of loyalty to his country while maintaining integrity.

However, if you take a person in America who doen't take his civic responsibility to heart and walks through life as a zombie . . . his life is an undemanding as the totalitarian citizen who chooses to walk through life as a zombie.

The answer to the question is as different as each person is different—as each person's conscience is different.

TRIBUTE TO GEORGE W. STRICK

HON. PETER H. KOSTMAYER

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, April 17, 1986

Mr. KOSTMAYER. Mr. Speaker, next week, a very good friend of mine and of working men and women from all over America, George Strick, will retire from his position on the executive board of the Communications Workers of America. He will be ending over a quarter-century of service to the CWA, half of which has been spent as vice president of district 2 in Washington, DC.

George has been a progressive pioneer and union builder for the Communications Workers since serving as CWA representative in Kansas City, his hometown, beginning in 1960.

Before joining the CWA, George worked for Southwestern Bell beginning in 1946 after distinguished service in the U.S. Army during the Second World War.

Since coming to Washington, DC, in 1965, George has been very active in local charities and community activities including service on the board of directors of the United Way.

I first got to know George as a freshman Member of Congress in 1977 and he was kind enough to help guide me around and through the ways of Capitol Hill. Since that time he has been a great friend and a man on whom I could always rely.

Mr. Speaker, on behalf of all my colleagues who know and admire George Strick as I do, I wish him a happy, healthy and well-deserved retirement. The Communications Workers of America, the American labor movement, and the U.S. Congress are all very grateful to George Strick for a job well done.

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[1] Constitution of the United States of America.

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CONGRESS MUST KEEP ORIGINAL GOALS IN MIND

HON. JOHN R. McKERNAN, JR.

OF MAINE

IN THE HOUSE OF REPRESENTATIVES

Thursday, April 17, 1986

Mr. McKERNAN. Mr. Speaker, how can it be that over 4 months have passed since the endorsement and approval of the Gramm-Rudman-Hollings legislation to eliminate Federal deficit spending, and yet the development of the fiscal year 1987 budget remains in its most preliminary stages? The passage of the April 15 deadline for final congressional action of a budget resolution has not gone unnoticed and, in fact, is a warning sign, and a cause for great concern.

As a nation, we carry a tremendous budget deficit and an overwhelming collective debt. Our interest payments alone speak to the magnitude of the problem; we are currently servicing our debt at a rate which consumes 15 percent of our budget. Last December 11, we admitted this problem, and put into place a mechanism to force Congress into making the decisions necessary to reduce deficit spending. And yet, here we are, without a budget plan for next year, despite the threat of automatic spending cuts. I am hearing from many Mainers who rely upon such programs as Meals-on-Wheels, who are struggling to obtain a higher education, who do not have an income sufficient to afford home heating; the message which they send me is that a 4.3-percent cut was quite a burden to bear, but the devastation which deeper, indiscriminate cuts would cause is unthinkable.

With the passage of Tuesday's deadline, I am concerned that we have forgotten the implications of our inaction. I am concerned that we are not making the decisions that we were sent here to make. I urge my colleagues to keep our original goals in mind, and to not lose sight of the consequences which will be set into motion should we fail to meet our responsibilities.

CONGRESS MUST ACT TO INCREASE LIMIT ON FHA AND VA MORTGAGES

HON. THOMAS J. MANTON

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, April 17, 1986

Mr. MANTON. Mr. Speaker, the recent decline in home mortgage rates is a welcome development. Mortgage rates are at their lowest levels since the late seventies. More and more Americans are finding it possible to afford a new home. Furthermore, millions of existing homeowners are rushing to refinance double-digit mortgages at today's lower rates.

This rush of activity has pushed the Government National Mortgage Association [GNMA] to the limit on the volume of mortgage-backed securities it can guarantee. In addition, FHA is nearing the limit on the volume of mortgages it can insure.

Mr. Speaker, FHA and VA mortgages are commonly sold on the secondary mortgage market. In order to generate new mortgage funds, GNMA, created by the Federal Government to facilitate the growth of the secondary market, guarantees privately issued securities backed by pools of FHA and VA loans. However, Ginnie Mae is limited on the volume of securities it can insure. On April 7, Ginnie Mae reached its 1986 limit of $65.3 billion.

Congress must act promptly to extend this limit. In addition, action must be taken to prevent an interruption in FHA mortgage insurance operations. I have cosponsored legislation, H.R. 4602, that increases the limitation on the amount loans FHA can insure from $57.4 billion to $95 billion and increases the limitation on the amount of mortgage-backed securities GNMA can guarantee.

Without action, FHA- and VA-insured mortgages will either disappear or prove too costly for most buyers. Congress must not allow that to happen at a time when millions of young families are finding homeownership affordable for the first time in many years.

Mr. Speaker, I am hopeful that Congress will act soon to resolve this pending crisis. We must make certain all Americans are given an opportunity to reap the benefit of today's falling mortgage rates.

CONGRESSIONAL SALUTE TO JIM NELSON

HON. ROBERT T. MATSUI

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, April 17, 1986

Mr. MATSUI. Mr. Speaker, today I have the distinct honor of congratulating Jim Nelson, the creator and director of Operation Santa Claus in my Sacramento, CA, congressional district. Mr. Nelson's dedicated volunteer service has come to the aid of thousands of needy people in Sacramento and worldwide. For his efforts and profound accomplishments, Mr. Nelson will receive the distinguished President's Volunteer Action Award on April 21, 1986.

Jim Nelson's altruistic Operation Santa Claus began in 1948 when, joined by a few civilian employees at the Sacramento Army Depot, he provided a Christmas dinner for two military families who otherwise would have gone hungry. For 29 years this noble holiday tradition continued and flourished.

Realizing that for some people hunger is a year round condition, Mr. Nelson has expanded his philanthropic organization. For the past 8 years, Operation Santa Claus has served the needy throughout the year by donating over 7,000 boxes of food to the poor each year.

In addition to food, Operation Santa Claus has donated 84 dental units to 22 Arizona Indian reservations, equipment for a community medical center in rural northern California, refurbished bicycles for disadvantaged Sacramento news carriers and provided additional bikes to a southern California orphanage. Their range of services and accomplishments are ever increasing.

Jim Nelson's exemplary organization is not only prepared for day-to-day crisis, but also for unexpected emergencies. For example, when California flood and Mexico earthquake victims needed assistance, Operation Santa Claus was on the spot.

The illustrious achievements of Jim Nelson and his fleet of dedicated volunteers are worthy of praise and admiration. On behalf of the Sacramento community, I commend the dedication and concern of Jim Nelson and his entire staff. Their sincere efforts to aid the needy have earned my highest respect and gratitude.

TRIBUTE TO KYLE "BUCK" MORRIS

HON. W. HENSON MOORE

OF LOUISIANA

IN THE HOUSE OF REPRESENTATIVES

Thursday, April 17, 1986

Mr. MOORE. Mr. Speaker, I would like to take this opportunity to call to your attention a story that not many hear of these days: A story of heroism, a story of a man who gave his own life for the sake and safety of another. This is a story of a private citizen who witnessed a crime and was not going to stand by and let an offender get away. Mr. Kyle "Buck" Morris of Baton Rouge, LA, after witnessing a 14-year-old snatch a purse, chased the youth through the streets of Baton Rouge until the boy stopped, pulled a gun, shot and killed him.

Our President on the occasion of his first inauguration on January 20, 1981, spoke of heroes. He said:

> Those who say we are in a time where there are no heroes: They just don't know where to look . . . they are individuals and families whose taxes support the Government and whose voluntary gifts support church, charity, culture, art and education. Their patriotism is quiet but deep. Their values sustain our national life.

Buck Morris was such a hero as he gave the greatest gift of all because he felt deeply and his values are the highest of our national life.

Mr. Morris leaves a wife, two very young children and an entire city where there is nothing but admiration felt for him. Friends and relatives all remember him as a loyal and honest person who would not tolerate injustice. I admire and commend him for these traits and am heartfully sorry for his death and the loss to his family, friends, and neighbors have endured.

I bring this story to your attention because such extraordinary acts of bravery and our heroes should not go unnoticed. I am certain that the citizens of Baton Rouge will never forget Buck Morris, nor should we.

NEW GI BILL IMPORTANT TO STRONG NATIONAL DEFENSE

HON. G.V. (SONNY) MONTGOMERY

OF MISSISSIPPI

IN THE HOUSE OF REPRESENTATIVES

Thursday, April 17, 1986

Mr. MONTGOMERY. Mr. Speaker, the Director of the Air National Guard, Maj. Gen.

John B. Conaway, is a strong supporter of the new GI bill. He states in the following letter that 75 percent—4,651—of the Air Guardsmen who enlisted or reenlisted for 6 years during the first 5 months of the new GI bill did so because of this education program.

This phenomenal statistic clearly illustrates the power of the new GI bill as a recruitment and retention tool. The new educational assistance program is already an important component of our national defense, and, contrary to the President's recommendation, it must not be terminated. Guard and Reserve representatives have told me that the termination of this education program will have a widespread negative impact on their recruiting and retention efforts thereby making it far more difficult for the Guard and Reserves to meet end strength in future years.

I ask my colleagues to carefully review General Conaway's remarks and remember them if they are asked to support the President's recommendation to terminate the new GI bill:

Departments of the
Army and the Air Force,
National Guard Bureau,
Washington, DC, February 7, 1986.

Congressman G. V. (Sonny) Montgomery,
Federal Building,
Meridian, MS.

Dear Congressman Montgomery: In responding to your inquiry concerning the Report to the House and Senate Committees on Armed Services, I again appreciate the opportunity to convey my sincere appreciation for the excellent support you are providing the Air National Guard through your staunch promotion of recruiting and retention incentives. One of these incentives, the New GI Bill (NGIB), is serving us well in attracting and retaining the men and women we need to maintain a strong force. Unfortunately, when the initial input for the Report to the House and Senate Committee on Armed Services was made, we didn't have sufficient data or experience to attribute the NGIB with the credit it deserves.

As of 30 November 1985, the ANG identified 4,651 members who had either enlisted or reenlisted for six years to become eligible for the NGIB entitlements. This represents 75 percent of the total enlistments/reenlistments during the first five months of the program's existence. The NGIB has become one of the most critical force management tools in light of the projected ANG end strength increase of 4,000 personnel each year for FYs 87 and 88.

Unlike the active forces, the ANG does not have a Veterans Educational Assistance Program to fall back on. Since the Educational Assistance bonus was eliminated with the advent of the NGIB, should we lose the NGIB, the end result would be a major force without one of its largest retention/enlistment inducements. If given the time to mature to its full potential, the NGIB could very well surprise us all. Therefore, I strongly support continuation of the NGIB until at least the previously announced termination date of 30 June 1988. Again, thank you for all you've done.

Sincerely,

John B. Conaway,
Major General, USAF,
Director, Air National Guard.

THE MEDICARE FAIR HOSPITAL DEDUCTIBLE ACT OF 1986

HON. EDWARD R. ROYBAL

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, April 17, 1986

Mr. ROYBAL. Mr. Speaker, today, I rise to introduce the Medicare Fair Hospital Deductible Act of 1988. This bill will limit increases in the hospital deductible and nursing home coinsurance to no more than the increase in Social Security's COLA—an indicator of the elderly's ability to pay for health care. Nursing home coinsurance will be reduced from one-eighth of the hospital deductible to one-twelfth. Finally, full nursing home coverage will be extended by 5 days to give seniors some relief from the "sooner and sicker" problem of early hospital discharges.

Why is this legislation so critical? Today we were all shocked by the upcoming increase in Medicare's hospital deductible and nursing home coinsurance for 1987. While the increase for 1985 was already an unacceptable 12 percent, no one was prepared for the unreasonable increase of 23 percent that was imposed on the elderly in 1986. Now, as reported in today's Washington Post, this deductible will be increased another 16 percent for 1987. This 16-percent increase is even more excessive when you consider that the Social Security COLA for 1987 may be less than 3 percent. This 1987 increase along with the 1986 increase represents a 43-percent jump in 2 years—seven times higher than the increases in elderly income. This situation is intolerable and requires immediate remedy.

Already many congressional offices are receiving mail from senior citizens who are angry about the massive increase that went into effect January 1 of this year. Soon they will realize that this is only the beginning. If Congress does not act soon, senior citizens entering hospitals after january 1 of next year will face a $572 deductible—$80 higher than it is now. As we all know, the mail will begin to flow and with good reason.

In an April study conducted by the Committee on Aging, we documented that the elderly are already spending more of their income today for health care than when Medicare and Medicaid began nearly 20 years ago. Even without this massive increase in the hospital deductible, the situation was going to get much worse. With a hospital deductible of $572, the elderly are projected to spend $2,633 for health care in 1991—about 18.5 percent of their income. This is substantially higher than the already excessive 16 percent they are paying today.

I believe that the vast majority of my colleagues agree that the elderly are already paying too much out of pocket for health care and that these increases in the hospital deductible and nursing home coinsurance are too much for the elderly to absorb. For this reason, I urge my colleagues to throw their support behind the Medicare Fair Hospital Deductible Act of 1988. Only if this legislation is passed quickly can the Congress protect America's elderly and disabled from being hit with the $80 increase starting in January.

The "Medicare Fair Hospital Deductible Act of 1986" follows:

H.R. 4620

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the "Medicare Fair Hospital Deductible Act".

SEC. 2. LIMITING RATE OF INCREASE OF PART A INPATIENT HOSPITAL DEDUCTIBLE AND NURSING HOME COINSURANCE.

(a) Inpatient Hospital Deductible.—Section 1813(b)(2) of the Social Security Act (42 U.S.C. 1395e(b)(2)) is amended—

(1) in the first sentence, by striking "between July 1 and September 15 of 1968, and of each year thereafter" and inserting "not later than November 15 of each year", and

(2) by amending the second sentence to read as follows:

"Such inpatient hospital deductible shall be equal to the lesser of the following:

(A) $45 multiplied by the ratio of (i) the current average per diem rate for inpatient hospital services for the calendar year preceding the promulgation, to (ii) the current average per diem rate for such services for 1966.

(B) The inpatient hospital deductible for services furnished in the preceding year increased by the applicable increase percentage (relating to the annual cost-of-living increase in OASDI benefit payments) determined under section 215(i) in the year of promulgation.".

(b) Extended Care Coinsurance Amount.—

(1) Application beginning on 26th day of extended care services.—Section 1813(a)(3) of the Social Security Act (42 U.S.C. 1395e(a)(3)) is amended by striking "20" and inserting "25".

(2) Reduction to 1/12th of hospital insurance deductible.—Such section is further amended—

(A) by striking "one-eighth" and inserting "1/12th", and

(B) by adding at the end the following new sentence: "any amount determined under preceding sentence which is not a multiple of $1 shall be rounded to the nearest multiple of $1 (or, if it is midway between two multiples of $1, to the next higher multiple of $1).".

(c) Effective Dates.—

(1) In general.—The amendments made by subsections (a) and (b) shall apply to—

(A) inpatient hospital services furnished during a spell of illness beginning on or after January 1, 1987,

(B) extended care services furnished on or after January 1, 1987, and

(C) monthly premiums under section 1818 of the Social Security Act for months beginning with January 1987.

(2) New determination of inpatient hospital deductible and extended care coinsurance amounts.—If this Act is enacted after the date the Secretary of Health and Human Services promulgates, under section 1813(b)(2) of the Social Security Act, an inpatient hospital deductible for 1987, then within 15 days after the date of the enactment of this Act and taking into account the amendments made by this section, the Secretary of Health and Human Services shall redetermine and repromulgate the inpatient hospital deductible (and the extended care coinsurance amount) which will apply for purposes of section 1813(a) of the Social Security Act for inpatient hospital

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services and extended care services furnished during 1986 and the monthly premium that will apply for purposes of section 1818 of the Social Security Act for months in 1986.

SUPPORT FOR PRESIDENT REAGAN

HON. ELDON RUDD

OF ARIZONA

IN THE HOUSE OF REPRESENTATIVES

Thursday, April 17, 1986

Mr. RUDD. Mr. Speaker, according to the polls reported on television most Americans support President Reagan in his military strike against Libyan terrorists.

Apparently the pollsters asked respondents a number of questions and the television anchors somewhat gleefully report that most Americans do not believe this one strike will end terrorist activities.

Of course no one in the administration, certainly not the President, has ever suggested that this first response to Libyan terrorists would immediately stop all terrorist activities,

The public response seems to indicate the American people are sufficiently sophisticated to recognize that, in the President's words, "We may have to do it again and again."

We all understand that terrorism will not be ended until those who sponsor terrorism are made to understand they will be required to pay a high price for their terrorist activities. This first strike against Libyan terrorist training camps is, in my opinion, a good beginning.

The military operation was a long range, sophisticated, highly technical undertaking. We can all feel proud of our ability to neutralize the Russian missiles which Libya had installed to protect their bases against an aerial attack.

We should also make a point to remember that France refused us permission to fly across their air space and thus extended the length of this operation by perhaps as much as 1,800 miles.

Apparently the French would rather appease the terrorists. When I recall what we did in 1917 and 1918 and again in 1941 to 1945 to protect the French and rescue them from the German Imperialist government and second from Hitler's Nazi government, I am offended by the refusal of the present rulers of France to grant us permission to overfly their air space.

I would suggest to my fellow Members of Congress that the next time France comes to us for help, military or economic, we remember their refusal to join with us in this world struggle against terrorism.

This French refusal to cooperate and permit us to shorten the flying route placed a very heavy burden on our pilots and crews, and may have contributed to the failure of our one F-111 to return safely.

We can expect there will be more terrorist attacks on Americans and American interests.

President Reagan has served notice that the sponsors of terrorism can expect an immediate response from the United States and we can believe that the next time more targets will be hit, destruction will be greater.

We have sent a clear message to all our allies that the United States will not appease the terrorists.

APRIL 15 WAS A DAY OF DEADLINES

HON. DAN SCHAEFER

OF COLORADO

IN THE HOUSE OF REPRESENTATIVES

Thursday, April 17, 1986

Mr. SCHAEFER. Mr. Speaker, we in Congress are indeed privileged. Last December, with passage of Gramm-Rudman, we established a series of deadlines for all of America to live by. OMB, CBO, and GAO were forced to abide by the provisions of the law. The President of the United States met his deadline. The American people accepted their March 1 sequestration. Yet Congress, the very body that formulated this timetable, has determined that it is above compliance with the law. The April 15 deadline for a Congressional budget resolution has come and gone without even a proposal from the majority party in the House.

And yes, we'll hear excuses from the other side of the aisle, claiming that the Gramm-Rudman timetable is not realistic. Yet there was more than enough time to criticize the President's budget—both here on the floor and across the country. In fact, there was so much time that the majority party deemed it necessary that the House meet only 27 of the 68 days since the President submitted his budget. But somehow, all this time suddenly ran out. And with it is running the patience of our constituents.

April 15 was a day of deadlines. The vast majority of the American people met theirs—Congress did not. But then, we in this body play by different rules. We make the laws, we don't have to abide by them. Thank you Mr. Speaker.

GO SOUTH YOUNG MAN

HON. PATRICIA SCHROEDER

OF COLORADO

IN THE HOUSE OF REPRESENTATIVES

Thursday, April 17, 1986

Mrs. SCHROEDER. Mr. Speaker, Argentine President Raul Alfonsin delivered a major televised address last night calling for constitutional changes in order to establish a more parliamentary form of government and proposing to move the Nation's capitol from Buenos Aires to northern Patagonia.

While moving the capitol might strike some as needlessly symbolic, I think it would have a positive, catalytic effect on the Argentine people.

The country has suffered from a frontier, Patagonia without a frontier spirit. Moving the capitol south into Patagonia would promote that spirit.

The move of Brazil's capitol from Rio de Janeiro to Brasilia sparked a renewal of frontier spirit in that country.

Likewise with our young country when Congress voted in 1790 to move the capitol to the banks of the Potomac.

I commend President Alfonsin for his vision.

[From the Washington Post, Apr. 16, 1986]

ARGENTINE LEADER PROPOSES MOVING CAPITAL TO PATAGONIA—ALFONSIN ALSO URGES CONSTITUTIONAL REFORMS

(By Bradley Graham)

BUENOS AIRES.—In his most ambitious initiative since leading Argentina's return to democracy more than two years ago, President Raul Alfonsin has proposed moving the nation's capital from Buenos Aires to the vast, sparsely settled region of Patagonia to serve as both symbol and impetus for the creation of "a second republic."

The Argentine leader coupled this startling proposal, delivered in a nationally televised address last night, with a call for constitutional reform that would strenghten congressional powers and establish a new balance between president and parliament patterned more after European models than the U.S. one.

He also spoke of the need to modernize public administration and perfect the judicial system to make it "more efficient, agile and accessible to all sectors of society."

The speech was praised here today as bold and imaginative. But many Argentines also said they doubted the transfer plan ever would take place.

Opposition leaders said the presidential project was meant as a political diversion and called it inopportune given Argentina's weak economic condition and other more urgent concerns.

Alfonsin offered no timetable for the move, which requires congressional approval, nor any suggestion of how Argentina, already struggling to cover a $50 billion foreign debt, would pay for it.

Past Argentine governments have studied the feasibility of relocating the capital to decentralize the nation's political structure and reduce the influence of Buenos Aires. The metropolitan area has a population of more than 10 million and today contains 35 percent of the country's population, consumes 39 percent of its energy and employs 48 percent of all industrial workers and 45 percent of all commerce and service workers.

Nothing came of the earlier studies, the last one of which was commissioned in 1972 under military rule.

Alfonsin said the growth of Buenos Aires into "an excessive megalopolis" has paralyzed and distorted the strength of the whole nation, "destroying the foundations of federalism."

He suggested that a new capital be built at the northern edge of Patagonia in an area currently encompassing two towns—Viedma in the province of Rio Negro and Carmen de Patagones in the province of Buenos Aires.

The two towns, which lie opposite each other across the Rio Negro, have a combined population of about 50,000 and are located about 500 miles south of Buenos Aires.

As for what would become of Buenos Aires, Alfonsin pointed to the example of Rio de Janeiro, which has remained a commercial, cultural and tourist hub of Brazil despite the construction of Brasilia, which became the capital in 1960.

THE COOPERATIVE EXTENSION SERVICE AND THE FUTURE OF AMERICAN FARMING

HON. BILL SCHUETTE

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Thursday, April 17, 1986

Mr. SCHUETTE. Mr. Speaker, I wish to commend to my colleagues, and to all those interested in the future of American agriculture, an article by Mr. Dan Rossman which appeared in the March 26, 1986, issue of the Gratiot County, MI, Herald.

Mr. Rossman, the Gratiot County agriculture agent, reviews some of the factors that have led to the present-day farm crisis—inflation, the grain embargo, the high U.S. dollar, increased interest rates—factors for which the American farmer cannot be blamed.

But more important than Mr. Rossman's review of how American farming arrived at its current crisis situation is his outlook for the future: Efforts to bring down the deficit, falling interest rates, declining oil prices, and a dollar whose value makes U.S. products once again competitive on world markets. All these are good signs for the American farmer. I urge my colleagues to give special attention to Mr. Rossman's discussion of the often vital assistance the Cooperative Extension Service provides to the American farmer in helping him, both financially and emotionally, through the current farming crisis. The Cooperative Extension Service has been helping American farmers and their families and today its services are needed more than ever. I am currently cosponsoring a resolution calling on the administration to give a higher priority in its budget considerations to the Cooperative Extension Service. I ask my colleagues to read Mr. Rossman's article, and join me in supporting the continued funding of the Cooperative Extension Service. The article follows:

[From The Gratiot County (MI) Herald, Mar. 26, 1986]

I BELIEVE IN THE FUTURE OF FARMING . . . OR DO I?

(By Dan Rossman, Gratiot Ag. Agent)

DEVELOPMENT OF A CRISIS

The farm situation is dismal.

Negative attitudes are expressed everywhere. The coffee shops, farm magazines, local newspapers, 6 o'clock news and even the theatres are portraying farm families as down and out, about ready to lose their farms.

Just six years ago argiculture was booming. Farm land was considered to be an excellent investment. Parents could hardly expand their operations fast enough to "make room" for their children to join them. Young people looked forward to prosperous careers in agriculture.

The situation has changed. Farming no longer looks profitable. Both parents and children are questioning whether they really believe in the future of farming. Thorough review of the key events which set the stage for today's farming crisis is needed to accurately assess whether there is a future in farming.

Major changes will take place in agriculture. The Cooperative Extension Serivce will play an increasingly more vital role in helping the farm community and families through the transition. The value of the U.S. dollar, export levels, real interest rates, oil prices, the farm policy, U.S. deficit spending and other administration decision have affected the course of American agriculture.

The value of the U.S. dollar dropped at a steady pace throughout the 1970's. Each year American agricultural commodities cost foreign buyers less; consequently, the volume of United States exports rose from about 63 million metric tons per year to a high of 165 million metric tons in 1980. The world demand for U.S. food seemed endless. Some predicted that production would have a hard time keeping pace with the growing demands of a hungry world.

Real interest rates (interest on borrowed money minus inflation) were between 2 percent and 4 percent throughout the 1950's, 1960's, and early 1970's. In the early 1970's oil prices rose substantially. The U.S. money supply was increased. Inflation sky-rocketed. Real interest rates dropped to zero and even lower levels. During the mid 1970's a farmer could buy a tractor and sell it 4 years later for more than be paid for it. Land was appreciating in value, doubling and even tripling in price in some areas. Net farm income rose steadily in the 1970's to an all time high in 1979.

By 1980 farmers had enjoyed unprecedented borrowing power through their inflated land prices. Many had an excellent cash flow due to their high net incomes. The world was demanding their commodities. Prosperity was at the farm. Farmers responded by going all out. Hills and pastures were torn up and planted. Equipment was traded off and replaced with the biggest and the best. Land was bid up even higher. All the farmer had to do was sign his name, and the debt was his.

However, 1980 was also the turning point. The grain embargo with Russia combined with earlier embargo's in 1973, 1974, and 1975 gave foreign countries the sign that the United States was not a reliable food supplier. Foreign countries took steps to become more self-sufficient. Others invested in and began to buy from new agricultural production areas, such as Brazil. The Reagan administration took measures to tighten the monetary policy to control inflation. Inflation slowed, and the U.S. dollar rose. It was no longer as good a deal for foreign countries to buy U.S. agricultural commodites. Exports dropped 30 million metric tons in the next five years. Production continued at record breaking levels. Surplus and carryover mounted up. Commodity prices fell. High oil prices led to increased manufacturing costs and, in turn, higher costs to the farmers for fertilizer, chemicals, and fuel. High expenses and low prices resulted in a depressed net farm income. The U.S. accumulated an ever increasing trade deficit. Interest rates rose. High interest rates and a low inflation rate added up to a high real interest rate. At a high real interest rate, buying land with borrowed money was no longer appealing. Land prices fell. Lower land values reduced farmers net worth and borrowing power. On paper, debt to asset rates rose to unacceptable (to lenders) levels.

Each year in the 1980's the situation worsened for the farm families. Those with large debt found that with their reduced incomes they could not even pay the interest on their notes. What were wise decisions to expand and produce in the 1970's turned into nightmares in the 1980's.

CRISIS SITUATION

Today the situation many farm families find themselves in is dismal. No longer do they have the net worth they once enjoyed. Projected cash flows for their operation are negative, or at best, close to break even.

Gratiot County Extension Agents estimate that 25 percent of their farm families have negative cash flow projections. 12 percent of the families have serious problems, and it is questionable whether they can endure another year. Some 15-18 percent of the families must make some major changes in their operations and in their lives.

Any change causes a certain amount of stress. The changes that these families will face are among the most stressful. Farm foreclosures lead the list.

The loss of a farm can create an emotional situation very much like the death of a close relative. The stress may be so hard to cope with that marriages and families break up because of it. Career changes will take place. Some, who have never worked anywhere but the farm, face major transitions in their lives. It's this emotional aspect of the current farm situation that too often is left unaddressed. Farm families are left to deal with it on their own.

COOPERATIVE EXTENSION'S CURRENT ROLE

The Cooperative Extension Service is playing an especially critical role in the current agricultural crisis. Agents provide assistance for both the financial and emotional problems farmers face. Farm families can have an individual or a team analysis of their operation. Individual agents in Michigan are currently spending long hours helping farm families develop positive cash flow projections for the coming year. Teams of agents are providing in-depth farm analysis for families.

The teams are called Extension Management Assistance Teams (EMAT). Fourteen teams are currently in operation in the state. Team members are county and regional extension agents. Each team can be tailored to fit the particular situation of the farm families. Agents are available with specialization in farm management, dairy, livestock, crops, and human development. Families who use EMAT teams will get a second view of their farms. They can get a complete financial check up and several possible changes or alternatives. The family can evaluate the options, chose the ones best for them, and take action to make the changes that will improve their situation. One team is made up of M.S.U. specialists and works closely with agricultural related business.

The team also provides the farm family assurance that others do care and they are not alone. Help to get through the situation emotionally is just as important as the financial help. Extension agents are providing additional programs to help the farm families cope with the situation. Networking with rural churches, mental health departments, and social services is taking place throughout the state.

Some farm family members will be forced to seek off farm employment. Several extension agents are offering workshops to give these displaced people the skills and directions they need to find employment. These programs are jointly sponsored with community education departments and community colleges. A state-wide effort is in progress to assist in training and placing these farm family members also.

The farm families are not the only ones affected by the farm situation. Small rural villages are feeling the pinch too. Equip-

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ment dealers and other agri-businesses are also economically troubled. An understanding of how the situation came about is needed by everyone. Nothing is achieved by blaming each other or oneself. Everyone must support and care for one another as rural communities work through their problems.

AGRICULTURE FUTURE

The future of agriculture is beginning to look a little brighter. The trends are turning. The major world factors that affect agriculture are changing direction.

For the last two months the value of the U.S. dollar had been dropping. This means exports could once again pick up. Inflation is predicated to increase. Assets will increase in value, and debt can be paid off with cheaper dollars. Measures are being taken to cut the deficit. Interest rates are slowly coming down.

Oil prices have fallen. Agricultural expenses should, in turn decrease. The new farm bill will keep the gross farm income fairly constant over the next 2-3 years by keeping production down. With a constant gross income and lower expenses, net farm income once again may begin to rise.

Profitability could slowly return to agriculture if these turnarounds continue. The return to profitability will be too slow for a number of farm families, and many will lose their farms. The farmers remaining will see an easy return to prosperity. The early 80's have taken its toll. The farmers that do remain must develop more sophisticated financial skills and must become wiser managers.

Changes and adjustments will have to be made. Over time, agriculture will continue to experience good and bad cycles. As sure as the human race will continue to need food to survive, there is a future in farming.

* * *

FINANCIAL STATEMENT OF F. JAMES SENSENBRENNER, JR.

HON. F. JAMES SENSENBRENNER

OF WISCONSIN

IN THE HOUSE OF REPRESENTATIVES

Thursday, April 17, 1986

Mr. SENSENBRENNER. Mr. Speaker, through the following statement, I am making my financial net worth as of March 31, 1986, a matter of public record. I have filed similar statements for each of the 7 preceding years I have served in Congress.

Assets

Real property

	Value
Single family residence at 609 Fort Willliams Parkway, Alexandria, Virginia, at assessed valuation. (Assessed at $397,600.00 Ratio of assessed to market value—100%). (Encumbered)	$397,600.00
Condominium at N76 W14726 North Point Drive, Village of Menomenee Falls, Waukesha County, Wisconsin, at assessor's estimated market value. (Unencumbered)	70,775.00
Undivided 4/11ths interest in residence at N52 W32654 Maple Lane, Village of Chenequa, Waukesha County, Wisconsin, at 4/11ths of assessor's estimated fair market value of $213,500.00 (Unencumbered)	77,636.36
Total real property	546,011.36

PERSONAL PROPERTY

No. of shares	Common stocks	Value
450	First Interstate Bancorp. at $64.625	$29,081.25
48	Cyprus Minerals Corp. at $23.625	1,134.00
382.405	American Telephone & Telegraph at $22.125	8,460,71
508	Idaho Power Co. at $26.125	13,271.50
37.371	American Information Technologies at $119.50	4,465.83
37.374	Bell Atlantic at $124.25	4,463.72
111.396	Bell South at $55.875	6,224.25
37.683	NYNEX, Inc. at $118.125	4,451.30
36.793	Pacific Telesis, Inc. at $94.50	3,476.94
37.828	Southwest Bell, Inc. at $92.875	3,513.28
37.538	US West, Inc. at $100.375	3,767.88
476.858	Tenneco Corp. at $38.75	18,478.25
284	Nevada Power Co. at $39.25	11,147.00
300	Anchor Hocking Corp. at $29.00	8,700.00
360	General Mills, Inc. at $74.25	26,730.00
800	Kellogg Corp. at $42.75	34,200.00
1,000	Dunn & Bradstreet, Inc. at $105.25	105,250.00
1,000	Halliburton Co. at $22.625	22,625.00
3016	Kimberly-Clark Corp. at $86.00	259,376.00
445	Insilco Corp. at $23.875	10,624.38
200	Minnesota Mining & Manufacturing at $105.25	21,050.00
100	Rank Organization, Ltd. ADR at $8.1875	818.75
616	Exxon Corp. at $55.75	34,342.00
480	Amoco Corp. at $58.625	28,140.00
510	Dart & Kraft, Inc. at $51.50	26,265.00
720	Eastman Kodak Co. at $62.50	45,000.00
200	General Electric Co. at $78.50	15,700.00
204	General Motors Corp. at $86.25	17,595.00
10	General Motors Corp. Series H at $47.625	476.25
600	Merck & Co. Inc. at $174.25	104,550.00
200	Warner Lambert Co. at $55.75	11,150.00
100	Continental Corp. at $52.375	5,237.50
200	Sears Roebuck & Co. at $49.50	9,900.00
232.265	Sperry Corp. at $51.50	11,961.65
455	Ogden Corp. at $31.875	14,503.00
455	OMI Corp. at $4.1875	1,905.31
287	International Business Machines Co. at $151.50	43,480.50
900	Inland Steel Co. at $26.75	24,075.00
108	Kenner Parker Toys, Inc. at $22.375	2,416.50
72	Crystal Brands, Inc. at $23.375	1,683.00
504	Monsanto Corp. at $62.60	31,500.00
26	Wisconsin Securities Corp. of Delaware at $220.00	5,720,00
333	Benton County Mining Co. at no value	nil.
	Total common stocks	1,037,090.75

Face amount	Life insurance policies	Cash surrender value
$12,000	Northwestern Mutual #4378000	$12,099.63
$30,000	Northwestern Mutual #4574061	28,750.31
$10,000	Massachusetts Mutual #4116575	2,896.77
$100,000	Massachusetts Mutual #4228344	47,685.28
$25,000	Old Line Life Insurance Co. #515950	15,263.14
	Total life insurance policies	106,695.13

Bank and savings and loan accounts

	Value
Marine Bank, N.A. of Milwaukee; Checking account no. 4000-9368	$77.98
Marine Bank, N.A. of Milwaukee; Checking account no. 0046-2366	277.96
Marine Bank, N.A. of Milwaukee; Money market account no. 4011-5247	107,319.36
Marine Bank, N.A. of Milwaukee; Savings account no. 497-525	498.86
Freedom Savings & Loan of Menomonee Falls, Wis.; Savings account no. 2-0033206	3,928.80
Sergeant at Arms, U.S. House of Representatives; Checking account no. 748	111.69
Burke & Herbert Bank of Alexandria, VA.; Checking account no. 601-301-5	796.44
Freedom Savings & Loan of Menomonee Falls, Wis.; Individual retirement account	12,408.88
Total bank and savings and loan accounts	125,419.67

Miscellaneous

1985 Pontiac 6000 automobile (at Blue Book wholesale value)	$7,775.00
Office furniture and equipment	1,000.00
Furniture, clothing, and personal property (estimated)	45,000.00
Stamp collection (estimated)	16,000.00
Interest in Wisconsin Retirement Fund	20,955.01
Deposits in Congressional Retirement Fund	37,624.39
Total miscellaneous	128,354.40
Total assets	1,943,571.31

Liabilities

Sovran Mortgage Company of Richmond, VA. (Amount due on mortgage on Alexandria, VA. residence) #564377	187,463.10
Miscellaneous 30 day charge account (estimated)	1,000.00
Total liabilities	188,463.10
Net worth	1,755,108.21

Statement of 1985 taxes paid

Federal income tax	$30,812.00
Wisconsin income tax	10,253.00
Menomonee Falls, Wis. property tax	1,719.63
Alexandria, Va. property tax	2,062.77

I further declare that I am the direct beneficiary of one trust and a contingent beneficiary of one trust. I have no control over the assets of the trust of which I am a direct beneficiary and am a co-trustee of the other trust. My wife, Cheryl Warren Sensenbrenner, and I are trustees of separate trusts established for the benefit of our minor sons, F. James Sensenbrenner III and Robert Alan Sensenbrenner and are also custodians of accounts established for the benefit of each son under the Uniform Gifts to Minors Act.

Also, I am neither an officer nor a director of any corporation organized under the laws of the State of Wisconsin or of any other state or foreign country.

JAMES SENSENBRENNER, Jr.

* * *

MATT SNYDER, NEBRASKA WINNER 1985-86 VFW VOICE OF DEMOCRACY SCHOLARSHIP PROGRAM

HON. VIRGINIA SMITH

OF NEBRASKA

IN THE HOUSE OF REPRESENTATIVES

Thursday, April 17, 1986

Mrs. SMITH of Nebraska. Mr. Speaker, I would like to share with my colleagues the

winning entry in the Nebraska Voice of Democracy contest, sponsored by the Veterans of Foreign Wars and its ladies auxiliary.

The author is Matthew Snyder of Broken Bow, NE, and I am extremely proud of his inspirational thoughts about the future of America. I hope my colleagues will find his essay of interest:

NEW HORIZONS FOR AMERICA'S YOUTH

(By Matt Snyder)

We stand right at the mid-point of the decade. In only fifteen years we will be welcoming a new millennium—the year 2000. As we look toward that horizon—toward the twenty-first century—we realize that it is today's American youth who will determine our nation's course.

How will we do? It is appropriate and timely for use to begin now, preparing for the challenges America and our generation will face.

First, let me backtrack a little to consider how earlier generations of Americans prepared themselves for the coming of a new century. From our nation's very birth, Americans have accepted challenges which seemed to threaten our future. As we approached the nineteenth century, colonial farmers and merchants, trappers and bookkeepers, formed hometown militias and risked their lives in battle against those who would deny basic human rights in this new land.

Midway through that century, Americans again were called to take up arms to preserve the unity of our young country, and our nation came out of this internal struggle a freer and stronger country.

Barely into the twentieth century Americans were called to battle twice, joining free forces all over the world—forces determined that mankind would not be ruled by fascist tyrants. Once again we proved to ourselves and to others, that America was strong and more than willing to protect that invaluable freedom with the strength that is America.

I think it is appropriate, as we consider the new millennium on our horizon, that we remember the lessons yesterday—that they might guide us tomorrow. Consider, for a moment, one of those lessons as described by an American poet, Douglas Mallach, in the first stanza of this poem. He creates an imagery which seems very appropriate here.

The tree that never had to fight
For sun and sky and air and light;
That stood out in the open plain
And always got its share of rain,
Never became a forest king,
But lived and died a shrubby thing.

Facing challenges with optimism and courage has become an American tradition—a tradition we must carry with us into the twenty-first century. If we see a better life on the horizon, we must not be blind to the challenges which lie between us and that dream.

We know that if we are to conquer disease, we must begin our preparation today. If our horizon holds dreams of energy independence, it is today's graduates who will have to find new ways to tap new deposits of oil and coal below the earth's surface. If the very spirit of America is to serve us well into the new era, we must accept the challenge of instilling American values in the next generation.

America is rich in resources—resources beyond minerals and food, beyond medical advances and education. And we are at this moment at the brink of discovering and developing that which I am convinced is our greatest resource of all, our generosity and pride of nation.

It is a unique opportunity for America's youth to lead this exploration and development. And when today's youth reach those horizons which they explored and then developed, they can say.

America fought.
And America will be that forest king.

When we meet those horizons we have set, we must not stop. We must expand them. We must not only find ways to reach below the earth's surface, but we must put our energy resources to work to keep America the industrial giant of the world. We must not only prepare to conquer disease, but we must continue to improve the quality of life. We should not stop at instilling American values in the next generation, but must live so that each new generation has cause to be proud of their country. And after we have expanded and passed those horizons we set, we can say with pride in our voice,

American grew,
America is the forest king,
And America will never die a shrubby thing.

* * *

PERSONAL EXPLANATION

HON. PAT SWINDALL

OF GEORGIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, April 17, 1986

Mr. SWINDALL. Mr. Speaker, due to a mechanical malfunction with the electronic voting device, my vote on rollcall No. 84 was, unfortunately, not recorded. Were my vote recorded on this amendment offered by Congressman BARTLETT, it would have been "Yea."

* * *

NEW HORIZONS FOR AMERICA'S YOUTH

HON. THOMAS J. TAUKE

OF IOWA

IN THE HOUSE OF REPRESENTATIVES

Thursday, April 17, 1986

Mr. TAUKE. Mr. Speaker, each year the Veterans of Foreign Wars of the United States and its ladies auxillary conduct the Voice of Democracy scriptwriting contest. Winners from each State were chosen from more than 250,000 secondary school students who participated in the 1986 contest.

I am pleased to offer to my colleagues the winning script from the State of Iowa. John Hedgecoth, a junior from Cedar Rapids, won the recognition with a thoughful dessertation on the immense challenges facing U.S. youth stemming from rapid growth of knowledge and technology. John, son of Dale and Beverly Hedgecoth, attends College Community School in Cedar Rapids.

NEW HORIZONS FOR AMERICA'S YOUTH

(By John Hedgecoth)

As I awoke in the chilly Colorado air, the song of a bird informed me that the morning had begun without me. As I stepped outside, though, I noticed something missing. There were only red streaks across the sky, no other light.

Eventfully I figured out that because we were located in a valley, the sun had to rise above a mountain to reach us. In so many ways, this is an accurate representation of the situation of America's youth today. Because of the nation's social, political, and economic problems, our horizon lies beyond a peak that we must first attain before reaching it. We can rise above the valley that our nation has slipped into if we understand what's happening in the present and work to correct our problems in the future.

Arguably the most threatening development in the world community in recent years for the United States has been the drastic increase in the amount of knowledge and technology in the world. It will ultimately be the responsibility of my generation to deal with this high-tech revolution and this nation must take control of it if we are to remain a world power. With the advent of the computer age and the development of lasers, robots, and the like, knowledge is exploding, increasing at unbelievable rates.

For most American's, much of the new technology is out of reach, not understood. This new knowledge must be brought under control and grasped by America's youth if we are to move on up the mountain. Gaining control, though, is not the only objective in tackling the high-tech revolution. After grasping it, we must put it to practical use here in America.

During the industrial revolution, thousands of inventions were created in the United States, along with new production methods, and even new marketing strategies. Today, we see the same phenomena, ideas springing up all over the country. But unlike the industrial revolution, many of these ideas are not being kept in the United States. Up and coming nations such as Japan take technology developed here in the United States and harness it for practical use, then market it back here. It seems that everywhere you turn the newest high-tech ideas are foreign made. The best televisions, the most advanced cars, are made outside the United States. It is the responsibility of my generation in the coming years to harness new ideas and produce them here. For the first time the United States is a debtor nation in trade. We have the technology, and the leaders, businessmen, investors, executives, and workers of tomorrow must work to keep American technology harnessed and used at home.

Gaining control of and harnessing technology and knowledge, however, are both relatively easy concepts to visualize, but may be more difficult to implement.

With knowledge and technology comes man's natural drive to try and make life easier. Today the newest inventions make middle class life more plush than it has even been before. More computerized household items and a more automated workplace means life can become very easy for America but—with automation comes what appears to be less of a need for manpower, when in reality, manpower needs to be and must be present in order for our society to function. This is the largest portion of the challenge, the strongest part of the peak.

With more and more jobs becoming automated and those jobs that remain becoming more highly skilled, where is the place for the worker in future society? It is inconceivable that all workers could be employed in service occupations, so the challenge is to improve the quality, but at the same time hang on to the old patterns of American life.

If my generation can gain control of and harness this new influx of knowledge and technology, and at the same time keep a

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stable society, we will have come to the top of the peak, to find the sun shining bright on the new horizon.

POLITICAL DEVELOPMENT IN TAIWAN

HON. ROBERT G. TORRICELLI

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Thursday, April 17, 1986

Mr. TORRICELLI. Mr. Speaker, I commend to the attention of my colleagues an address given before the Formosan Association for Public Affairs by a distinguished member of the other body, Senator Hart of Colorado.

Address of Senator Gary Hart, Formosan Association for Public Affairs, February 27, 1986

It's a pleasure for me to be here today to address this gathering sponsored by the Formosan Association for Public Affairs. Since 1982, FAPA has established itself as a leading organization speaking out on behalf of human rights for the people of Taiwan. The activities of FAPA have been widely recognized within the Congress and among Americans who concern themselves with peace and justice in Asia and beyond.

This day has an historic significance for US-Asian relations; indeed, for relations between East and West as a whole. The signing of the Shanghai Communique fourteen years ago began a transformation of the foundations of the world order, marked by the opening of a relationship with the People's Republic. The so-called normalization of relations between the United States and the People's Republic was widely heralded, bringing forward the possibility of reduced international tensions and a new partnership in Asia.

For the people of Taiwan, however, this new era has been especially challenging, marked by the rupture of diplomatic relations with the United States and an increasingly difficult and hazardous international status.

But the United States has a long historic relationship with the people of Taiwan. Taiwan is clearly recognized as one of Asia's economic miracles, sustaining annual growth rates of ten percent or more in recent years. Taiwan has developed at an unprecedented pace from an agricultural to an industrial economy, an economy in which the United States has invested over $1 billion over the years. Visitors to Taiwan return with deep impressions of the cultural vibrancy, the high rate of literacy and the overall sophistication of Taiwanese society. It is a fact that Taiwan, in spite of the severe adversities it has faced in its recent history, enjoys some of the highest living and educational standards in Asia.

For most Americans, however, there is a cloud which hangs over our relations with the people of Taiwan. The issues are fundamentally political. The perception is widespread that Taiwan's political development has not kept pace with its economic progress. Despite the near universal eco*nomic* enfranchisement of the Taiwanese population, the perception is strong in the United States that the people on Taiwan have not had access to adequate political participation. Thirty seven years of martial law, even during times of challenge to external security, cannot be sanctioned by Americans.

For many in Taiwan, the threat of external invasion is sufficient reason to restrict political activity and free expression. It is understandable, they argue, that a society which lives in a constant state of fear for its survival cannot possibly afford the luxury of domestic political liberties.

These political conditions are not accepted by an American public which equates modernity with freedom. As we have seen in many areas of the world—from Central America, to Haiti, to the Philippines—the American public does not countenance political repression. Some call this view naive. In my judgment, it is both a practical policy and a moral imperative.

Our nation believes from experience that democracy is not only the preferred path to moderization, but a prerequisite for stability and the long-term viability of governments.

The United States policy will continue to be conditioned by what we call "linkage"—the inherent relationship between U.S. involvement in a country and the pattern of its political behavior. If we have linkage in our relations with the Soviet Union—where arms control agreements are impeded by Soviet human rights violations, even when the Soviets have the power to annihilate us—one can be sure this will be the case with other states which hold fewer cards.

I believe Americans and the people of Taiwan share a common vision which enables them to increase their prosperity under genuine democratic rule. We differ not in goals, but in means. I and most Americans strongly support the efforts of those in Taiwan working through legal channels to increase political participation, respect for human rights and freedom of expression. I and most Americans are opposed to martial law—not just for its pernicious effect on individuals, but because of our conviction that this kind of repression ultimately leads to instability.

I applaud the progress that has been made recently in incorporating more native Taiwanese in the political process, including the growth in the number of native Taiwanese in the parliament. I would hope and encourage my Taiwanese friends to continue this progress, and to permit formally constituted opposition parties to participate in a pluralistic system. But it must be recognized that the threat to Taiwan's interests do not reside with its own people—unless they are denied basic human freedoms. Enfranchised, they will work for the common good, united behind the common goals of prosperity and security. Disenfranchised, they may try to express political grievances through insurgency or violence. This is the imperative of political modernization.

It is not for me to spell out the details of Taiwan's future. The United States has pledged under the Taiwan Relations Act to (quote) "make clear that the United States decision to establish diplomatic relations with the People's Republic of China rests upon the expectation that the future of Taiwan will be determined by peaceful means." This is a fundamental commitment. And for now, all indications from the PRC are encouraging. Tensions in the Taiwan Strait are at an historic low. And the government of the PRC continues to pledge for its part that it has no intention of resorting to violence to resolve the disputes over Taiwan's destiny.

It has been my privilege to work with the leaders of FAPA for democracy and human rights on Taiwan since this young organization was formed four years ago. They've fought effectively for Congressional resolutions which focus attention on martial law, and made personal pleas on the behalf of individuals whose human rights have been violated. With your help, we've been able to make a difference in the lives of people whose anguish and repression would not otherwise be known.

ARTS APPROPRIATIONS

HON. TED WEISS

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, April 17, 1986

Mr. WEISS. Mr. Speaker, today, artists across this country are fighting for their lives. In spite of their best efforts to become financially sound, these efforts are being cruely and unnecessarily undermined. Federal funding of our Nation's cultural programs is the cornerstone of a complex and interdependent system of arts fundraising. In order to keep our Nation's cultural activity thriving, this Federal money must continue to be available.

This morning I testified at a hearing of the House Appropriations Committee, Subcommittee on the Interior, in support of funding for the National Endowment for the Arts, the National Endowment for the Humanities, the Institute of Museum Services, and the Historic Preservation Fund. I urge all of my colleagues to weigh the true value of the arts and humanities to our society and to treat those programs fairly when considering the Nation's budget for the coming year. The text of my statement follows:

Mr. Chairman. Thank you for this opportunity to present my views before the distinguished members of the subcommittee regarding President Reagan's fiscal year 1987 budget proposal for the National Endowments for the Arts and Humanities, the Institute of Museum Services, and the Historic Preservation Fund. As an Executive Board member of the Congressional Arts Caucus and representative of a district in which perhaps the greatest number of artists work and reside, I commend the Chairman and Subcommittee for your diligent work and consistent support of our nation's cultural programs.

It is unfortunate that we must meet this year under circumstances no better than those under which we have been meeting for the last five years. The President has again proposed a budget for the arts and humanities that is both inadequate and unjust.

Under the President's latest plan, which is nearly identical to that which we rejected last year, the budget of the National Endowment for the Arts would be reduced by 12.5 percent, from $165.6 million to $144.9 million. Humanities funding would suffer a 9.3 percent cut, from $139.4 million to $126.4 million. And the IMS would be cut by 96 percent, leaving just enough to close down shop.

Special attention must be paid to the plight of the Institute of Museum Services. This is the fourth time Mr. Reagan has proposed the elimination of this program, which provides the only outside operating support available to museums. To annually subject the museum community to a life or death fight for survival is both cruel and unnecessary.

The Congress, with your strong leadership, has steadfastly overcome past administration proposals to gut funding for the arts and humanities. This year, unfortunately, the prospects for similar victories have worsened. Something new has happened in Washington in the past year: adoption of the Gramm-Rudman budget balancing act.

Mr. Reagan claims that programs such as the arts must be sacrificed to ease the deficit crisis. True, our budget is out of balance, but clearly it is not the fault of spending for the arts or any other domestic program. It is the result of an inequitable tax policy and an unprecedented peace-time military buildup. With proposed outlays for cultural programs totaling five one-hundredths of one percent of the total federal budget, how much savings through cuts to these programs can Mr. Reagan possibly hope to achieve?

The government's support of cultural excellence has benefitted the general welfare of this nation far beyond the miniscule financial investment. For us in New York City, the arts are not only a source of pride and cultural enrichment, they are big business. The arts contribute over $5.6 billion to the economy of the region, generating over 117,000 jobs, enriching hotels, restaurants, real estate, utilities, transportation, medical and educational services and the finance and insurance businesses.

While the arts are an economic boon to us, they are not self-supporting. In spite of the efforts of cultural organizations to take on a larger part of the financial burden, their efforts are continually being undermined. The administration's persistent efforts to eliminate postal subsidies for nonprofit organizations have resulted in a 45 percent increase in mailing costs since January 1st, denying many arts organizations one of the most crucial instruments for fundraising. Spiraling real estate costs, especially in New York City, are squeezing artists out of necessary rehearsal and performance space. Insurance costs have become prohibitive, corporate mergers are eliminating corporate arts programs, and proposed changes in the tax code may limit charitable contributions. And with the prospect of Gramm-Rudman taking huge amounts of money from state and local governments, their funding programs will focus more acutely on the needs of the hungry, the homeless, and the unemployed.

It has been the President's intention all along to shift the burden of the arts to private rather than public funding. But the President must realize that even if the private sector could assume all the financial responsibility for the arts, it would not resolve all the problems created by federal cutbacks. Private donors usually avoid supporting unusual or controversial efforts. Corporations risk the least and gain the most by contributing to established cultural institutions and to projects that are likely to have widespread popular support. We risk choking off spontaneity and innovation, which are the lifeblood of artistic creativity, when we depend too heavily on private funding. Our artists on the vanguard of creative development would be hardest hit of all.

Federal support is an essential part of our nation's network of cultural support which includes all levels of government, corporations, foundations, and individuals. Arts organizations, large and small, will attest that when the federal funds come in, other funders show up. We cannot support the administration's attempt to destroy this interdependent system.

Mr. Chairman, your task this year is especially difficult. The pressures under which you are working are tremendous. But I urge the subcommittee to weigh the true value of the arts and treat these programs fairly. If we are going to continue our efforts to encourage and strengthen our nation's artistic and cultural life, then we absolutely must continue our support for these modestly priced federal programs. Funding for the arts is one of the best investments we can make for the future of this nation.

INTRODUCTION OF THE HAZARDOUS MATERIALS TRANSPORTATION SAFETY AMENDMENTS OF 1986

HON. TIMOTHY E. WIRTH

OF COLORADO

IN THE HOUSE OF REPRESENTATIVES

Thursday, April 17, 1986

Mr. WIRTH. Mr. Speaker, today I am introducing the Hazardous Materials Transportation Safety Amendments of 1986. This legislation is a comprehensive package of proposals which, I believe, will go a long way toward making some sense out of our hazardous materials transportation laws.

Over the past several months I have been pleased to work with many of our colleagues including Representative Cardiss Collins on this legislation. Last October, I formed an informal task force in my own State of Colorado comprised of a bipartisan group of State legislators, State and local officials, and community groups to help me draft this bill. We have received input on the legislation from all over the country—from as many as 30 States.

According to the Department of Transportation, in 1984 there were 37,800 accidents involving trucks which resulted in 2,700 fatalities, 2,800 injuries, and $390 million in property damage. As more and more hazardous material is being transported, the risks to all of us increase substantially. Yet, our Federal truck safety and hazardous materials transportation laws are so weak, confusing, and often conflicting that it is no wonder they are rarely enforced.

The Federal Truck Safety and Hazardous Materials Programs are adminstered through at least three different agencies in the Department of Transportation alone. They are rarely coordinated and extremely underfunded in proportion to their public health and safety missions. Because data collection is virtually nonexistent, Federal authorities don't even know who or what they are overseeing. This confusion hampers State enforcement efforts and makes our safety laws an accident waiting to happen.

Federal rules on routing, which require trucks carrying hazardous materials to go around populous areas, have rarely been enforced, and sometimes conflict with local rules. Regulations requiring that trucks carrying explosives are attended at all times by a driver or a qualified representative are unenforceable. Why? Because there are no Federal standards for these parking places, called safe havens. Most States, have not designated special places for the safe parking of hazardous materials. Drivers of trucks with dangerous materials sleep somewhere, but in which neighborhood?

Federal laws governing drivers of trucks carrying hazardous and nuclear materials are extremely weak. In most cases, a driver carrying bombs has no greater experience or qualifications than a driver carrying a load of vegetables. In fact, Federal regulations merely require that a driver of a truck carrying hazardous materials take a general, open-book test that contains only a couple of questions on hazardous materials. Incredibly, the driver only has to take the test, not pass it. Drivers carrying hazardous materials are not required to be familiar with any other aspects of driving—such as how to negotiate a Colorado mountain pass—which obviously could affect safety. This is an intolerable situation.

I was amazed to learn that 64 percent of hazardous materials incidents which occurred in the last 4 years were caused by human error. The National Transportation Safety Board has investigated numerous accidents that may have been prevented by better training of those who load, unload, and handle hazardous materials. Clearly, safety must start at the loading dock.

An Office of Technology Assessment [OTA] report released 2 weeks ago dramatically highlighted serious deficiencies in our emergency response capabilities. In its press statement, OTA concluded that 75 precent of local police and firefighters, often the first to respond to an accident, are unprepared to deal with a hazardous materials disaster. Surely, we can not afford to leave our public safety officials unprepared to deal with hazardous materials incidents.

Nuclear transportation is a critical issue that is becoming more serious with the passage of time. When permanent nuclear waste repositories are finally designated—most likely in the West—Colorado may be seriously affected. Yet, in designating these sites the Department of Energy has given short shift to the impact on the country of transporting nuclear materials.

So what can we do about these problems? As many State legislators know too well, the answers are neither easy nor clear cut. Protecting our citizens involves a partnership of Federal, State, and local governments. Shippers and carriers benefit from the safe transportation of hazardous materials because a good safety record is good business. Everyone must work together toward protecting the public.

The Hazardous Materials Transportation Safety Amendments legislation seeks to foster a constructive partnership between all interested parties. It strives to recognize Federal, State, and local responsibilities. It encourages national standards in some areas to end confusion, while at the same time, it urges States and localities to deal with transportation problems within their jurisdictions.

Let me summarize the major provisions of this legislation:

COORDINATION OF SAFETY PROGRAMS

First, this legislation moves the motor carrier safety functions from the Federal Highway Administration [FHWA], and hazardous materials transportation functions from the Research and Special Programs Administration [RSPA]

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to the National Highway Traffic Safety Administration [NHTSA]. This is more than a shift of acronyms. These changes provide a focal point for truck safety and hazardous materials in the Department of Transportation by combining agencies that issue vehicle standards, enforce in-use regulations, inspect and audit carriers and shippers and set standards for routing, emergency response training, packaging, and placarding. We are creating a sort of one-stop-shopping for hazardous materials transportation which should be of tremendous help to States and localities and will help facilitate better congressional oversight.

INCREASED RESOURCES

Second, the legislation authorizes increased funding for motor carrier safety and for hazardous materials programs conducted by the Federal Government. Currently, there is only one Federal inspector for every 40,000 trucks. In my own State of Colorado, there are only two part-time inspectors and one trainee to audit the 2,600 motor carriers domiciled there. Clearly this is an impossible workload. Thus, this legislation requires the Bureau of Motor Carrier Safety to hire 150 new Federal safety inspectors and auditors over the next 2 years—more than double the current Federal force. I am pleased to see that the Department of Transportation has also recognized this severe problem and has proposed an increase in inspectors.

The legislation also authorizes increased funding for the Motor Carrier Safety Assistance Program [MCSAP], and extends the program through 1989. NCSAP provides grants to States to hire truck safety inspectors and funds other motor carrier safety efforts. This additional funding will come from the Highway Trust Fund which is projected to have a $9 billion balance at the beginning of fiscal year 1987. Thus, increased funding will not result in additional costs to the taxpayers.

ROUTES AND SAFE HAVENS

The legislation provides grants from MCSAP to States and localities to determine the safest routes for transportation to designated routes within and between their jurisdictions. This is a State and local function, as these entities are best able to develop safest route scenarios. What we are providing here are incentive grants to get States and localities talking with industry and neighboring States and jurisdictions to designate sensible routes that provide the greatest protection for citizens. DOT is charged with developing the technical guidelines to help aid this process and to settle disputes, should they arise between States.

DOT is also required to set minimum standards for safe havens for hazardous materials, including explosives and nuclear materials, and to give guidance to States in designating these protected parking spots. A directory of routes and safe havens must also be published so that motor carriers have a directory of where they may travel.

REGISTRATION

This bill requires DOT to annually register shippers, carriers, manufacturers, and others connected with hazardous materials transportation. This provision is extremely important because DOT does not now have accurate data on who or what it is regulating. How can we target enforcement if we do not know what is out there on the roads?

EMERGENCY RESPONSE

Emergency response is primarily a local issue, but, as OTA recently concluded, there is a pressing national need to train first responders—police and firefighters who are often the first on the scene of an accident. Many different training programs exist, but they are not reaching sufficient numbers of first responders. A particularly severe need for training exists in the smaller urban and rural areas of the country. These smaller localities are often those places least able to afford training for their personnel. Moreover, some training programs are simply inadequate.

This section of my legislation requires the Secretary of Transportation to make grants to States and localities to train personnel to make emergency responses. The bill authorities grants from the Highway Trust Fund at $5 million for fiscal year 1987, $10 million for fiscal year 1988, and $15 million for fiscal years 1989, 1990, and 1991 respectively. Any State or locality can apply for a grant to cover up to 75 percent of the cost of a training program. Additionally, DOT is required to establish guidelines for training programs used under the grant. Thus, we're helping to pay the cost of training personnel and ensuring that training is adequate.

DRIVER QUALIFICATIONS

While licensing drivers is, and should remain a function of each individual State, there is a tremendous Federal interest in ensuring that drivers of trucks carrying hazardous materials in interstate commerce have the necessary experience and qualifications to do so. We are only too aware in Colorado that truck drivers are unfamiliar with our mountainous terrain. The very frequent use of runaway truck ramps in our mountains highlights this point. The torpedo accident illustrated how easy it is for a person with little previous experience to drive legally a vehicle carrying explosives.

This legislation requires DOT to conduct a rulemaking to beef up qualifications for drivers of trucks carrying hazardous materials. DOT is required to consult with and take recommendations of States, motor vehicle administrators, carriers, shippers, insurers and drivers of hazardous materials in setting standards. In order to drive a truck carrying hazardous materials, the driver must have successfully completed a written examination, have experience in driving trucks with nonhazardous materials first, have experience in driving over different terrains—the mountains, for example—be familiar with motor carrier safety regulations and hazardous materials transportation regulations and have knowledge of emergency response equipment and procedures.

States would be required to implement these new procedures for licensing drivers of hazardous materials in 2 years' time. If a State has a better idea or additional requirements, we allow that flexibility. If some States do not adopt these new driver qualifications they would be subject to losing 15 percent of their MCSAP grant in each year in which the State does not comply with these standards. While I don't often advocate this type of penalty, the need for uniformity in licensing drivers who transport dangerous materials is clear: Unless all States have similar laws, there will be the tendency for drivers to get licensed in the State with the easiest qualifications. This would clearly undermine the benefits of the program.

This section also requires those who handle hazardous materials in the loading and unloading stages to know how to do so.

NUCLEAR TRANSPORTATION

This section requires the Secretary of Transportation to conduct an analysis of the risks to health, safety, and the environment associated with the transportation of high-level nuclear waste and spent fuel to the five potential geologic repository sites to be nominated under the Nuclear Waste Policy Act, and to and from any monitored retrievable storage site authorized under that Act.

This is an important section for many areas of the country. Although the Secretary of Energy is supposed to be considering transportation of nuclear wastes, this issue has not been addressed with sufficient vigor. For example, it is vitally important to us in Colorado—as we look at the prospect of nearly 6,000 shipments of nuclear waste through our State—that the transportation impact be considered. I believe that DOT, with its expertise in this area, can provide valuable input into this process.

TRUCK BRAKES

When my subcommittee held hearings on truck safety enforcement last summer in Denver, Colorado's Governor Lamm testified that 21 percent of the violations found in recent state truck inspections were brake violations. Obviously, proper maintenance of truck brakes is critical in a State with such mountainous terrain. Yet, I discovered that Federal rules allow front brakes on trucks to be disconnected. In fact, some operators believe that disconnecting truck brakes helps the driver to maneuver their vehicles better. This is absurd. Thus, this legislation abolishes the regulation allowing brakes disconnection and requires DOT to take steps to eduate drivers on the need for front brakes.

Mr. Speaker, I would like to invite our colleagues in the House to cosponsor this legislation and to join me in working to see that it is passed.

The bill follows:

H.R. 4612

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the "Hazardous Materials Transportation Safety Amendments of 1986".

SEC. 2. FINDINGS.

The Congress finds that—

(1) according to data of the Department of Transportation there were 37,800 accidents in 1984 involving regulated motor carriers, which resulted in 2,700 fatalities, 28,000 injuries, and $390,000,000 in property damage;

(2) the ratio of Federal safety inspectors to carriers has worsened substantially, as demonstrated by the fact that in 1975 there was 1 safety inspector for every 1,300 carriers, and in 1984 there was 1 for every 2,200 carriers or approximately 1 inspector for every 40,000 trucks;

(3) motor carrier safety functions of the Department of Transportation have not been carried out efficiently and effectively;

(4) the responsibility for hazardous materials transportation safety and enforcement in the Department of Transportation is not coordinated;

(5) there exists within the Federal Highway Administration the conflicting roles of promoting and regulating the highway transportation industry which have directly affected the ability of the United States Government to protect its citizens and ensure the safety of its system of interstate highway transportation;

(6) the Office of Technology Assessment has concluded that 75 percent of firefighters and police in the United States are inadequately prepared to respond to a hazardous materials transportation accident;

(7) the lack of designated routes for the motor carrier transportation of hazardous materials has hampered enforcement of Federal routing regulations and caused confusion among carriers and shippers;

(8) the Department of Transportation guidance to States and localities has lacked clear and concise methodology of the designation of routes for motor carriers transporting hazardous materials;

(9) since guidelines for the temporary storage of class A and B explosives and highway route controlled quantity radioactive materials are vague, few safe haven sites have been designated, and there is no official inventory of such sites, carriers are induced to improperly store such explosives and materials while they are in transit;

(10) the lack of an effective hazardous materials registration program for shippers and carriers has left the Department of Transportation with an incomplete inventory of those subject to its enforcement and has hampered effective targeting of enforcement;

(11) the Federal Government has not yet adequately assessed either the health, safety, or environmental risks of transporting high level radioactive waste and spent nuclear fuels or the transportation modes or routes that minimize such risks; and

(12) the training regulations of the Secretary of Transportation covering drivers and workers involved in the transportation of hazardous materials are vague and inadequate.

SEC. 3. COORDINATION OF RESPONSIBILITY.

(a) Centralization and Coordination.—Section 105(c) of title 49, United States Code, is amended by striking out "and" at the end of paragraph (1), by redesignating paragraph (2) as paragraph (10), and by inserting after paragraph (1) the following:

"(2) duties and powers vested in the Secretary by chapters 5 and 31 (except those related to rail carriers);

"(3) duties and powers vested in the Secretary by sections 206, 210, and 212 of the Motor Carrier Safety Act of 1984 (49 U.S.C. App. 2505, 2509, and 2511);

"(4) duties and powers vested in the Secretary under the Hazardous Materials Transportation Act (49 U.S.C. App. 1801 and following) to inspect and examine records and properties of persons and enforce regulations with respect to motor vehicles and the transportation or shipment of hazardous materials by motor vehicle;

"(5) duties and powers vested in the Secretary under section 18 of the Noise Control Act of 1972 (42 U.S.C. 4917);

"(6) duties and powers vested in the Secretary under section 30 of the Motor Carrier Act of 1980 (49 U.S.C. 10927 note);

"(7) duties and powers vested in the Secretary under section 18 of the Bus Regulatory Reform Act of 1982 (49 U.S.C. 10927 note);

"(8) duties and powers vested in the Secretary under sections 401 through 404, and section 414, of the Surface Transportation Act of 1982 (49 U.S.C. 2301-2304 and 2314);

"(9) duties and powers vested in the Secretary under the Act of February 23, 1905 (49 U.S.C. App. 1201 and following); and".

(b) Bureau of Motor Carrier Safety.—Section 105 of title 49, United States Code, is amended by inserting after subsection (e) the following:

"(f)(1) There is established in the Administration a bureau to be known as the Bureau of Motor Carrier Safety (hereinafter in this subsection referred to as the 'Bureau').

"(2) The Bureau shall be headed by an Associate Deputy Administrator for Motor Carrier Safety who shall be appointed by the Secretary.

"(3) The Associate Deputy Administrator shall have direct control over employees of the Bureau, and the employees of the Bureau shall report directly to the Associate Deputy Administrator.

"(4) The Administrator shall carry out the following duties and powers through the Associate Deputy Administrator for Motor Carrier Safety:

"(A) Duties and powers vested in or assigned to the Administrator to the extent they pertain to (i) investigations and enforcement operations regarding motor carrier safety conducted by offices and other units which are not located at the site of the principal office of the Administration and (ii) coordination of such operations and those conducted by State and local law enforcement offices.

"(B) Duties and powers under sections 401 through 404, and section 414, of the Surface Transportation Assistance Act of 1982 (49 U.S.C. 2301-2304).

"(C) Such additional duties and powers as may be prescribed by the Administrator.

"(5) Subject to the approval of the administrator, the Associate Deputy Administrator may issue rules and regulations to carry out powers and duties under this subsection.

"(6) The head of the other organizational units within the Administration shall consult with the Associate Deputy Administrator regarding any matters within their organizational units regarding motor carrier safety.

"(7) Notwithstanding any other provision of law, the position held by a motor carrier safety inspector employed by the Administration shall be classified in accordance with chapter 51 of title 5, but at not lower than the grade of the General Schedule at which it was classified on January 1, 1982.".

(c) Office of Hazardous Materials Transportation.—Section 105 of title 49, United States Code (as amended by subsection (b)), is amended by inserting after subsection (f) the following:

"(g)(1) There is established in the Administration an office to be known as the Office of Hazardous Materials Transportation (hereinafter in this subsection referred to as the 'Office').

"(2) The Office shall be headed by an Associate Administrator for Hazardous Materials Transportation who shall be appointed by the Secretary from persons who are technically qualified in hazardous materials transportation.

"(3) The Associate Administrator shall have direct control over employees of the Office, and the employees of the Office shall report directly to the Associate Administrator.

"(4) The Administrator shall carry out the following duties and powers through the Associate Administrator for Hazardous Materials Transportation:

"(A) The duties and powers of the Secretary of Transportation under the Hazardous Materials Transportation Act other than the duties and powers delegated to the Coast Guard (49 C.F.R.§ 1.46(t)), to the Federal Aviation Administration (49 C.F.R.§ 1.47(j)), to the Federal Highway Administration (49 C.F.R.§ 1.48(u)), and to the Federal Railroad Administration (49 C.F.R.§ 1.49(s)).

"(B) The duties and powers of the Secretary of Transportation under section 306(a) of the Comprehensive Environmental Response, Compensation, and Liability Act.

"(C) The duties and powers of the Secretary of Transportation under section 137 of the Nuclear Waste Policy Act of 1982.

(d) Motor Carrier Safety Ratings.—Section 105 of title 49, United States Code (as amended by subsection (c)), is amended by inserting after subsection (g) the following:

"(h) The Associate Deputy Administrator for Motor Carrier Safety shall notify each motor carrier of the safety rating established for the carrier under subsection (f)(4)(A). The carrier shall be notified of such rating upon completion of the investigation or audit conducted to establish such rating. Effective one year after the date of the enactment of this subsection, the Associate Deputy Administrator shall publish annually such safety ratings. The Government Printing Office shall make the publication of such rating available to the public at reasonable cost.".

SEC. 4. AUTHORIZATION OF APPROPRIATIONS.

(a) Motor Carrier Safety.—There is authorized to be appropriated to the Administrator of the National Highway Traffic Safety Administration not to exceed $19,600,000 for fiscal year 1987 and $21,000,000 for fiscal year 1988 to carry out functions relating to motor carrier safety. The Administrator of the National Highway Traffic Safety Administration shall obligate funds appropriated under this subsection to increase by 150 the number of motor carrier safety inspectors employed by the Administration.

(b) Surface Transportation Assistance Act of 1982.—Section 404 of the Surface Transportation Assistance Act of 1982 (49 App. U.S.C. 2304) is amended—

(1) by striking "$40,000,000" and inserting in lieu thereof "$50,000,000";

(2) by striking "and" after "1987";

(3) by striking "$50,000,000" and inserting in lieu thereof "$60,000,000"; and

(4) by striking "1988." and inserting in lieu thereof "1988; not to exceed $70,000,000 in the fiscal year ending September 30, 1989; and not to exceed $80,000,000 in the fiscal year ending September 30, 1990.".

(c) Hazardous Materials Transportation Act.—Section 115 of the Hazardous Materials Transportation Act is amended by striking out "and" after "1985," and by inserting before the period a comma and the following: "$6,750,000 for fiscal year 1987, and $7,000,000 for fiscal year 1988".

SEC. 5. TRANSPORTATION ROUTES AND PARKING SITES.

(a) Grant Program.—Title IV of the Surface Transportation Act of 1982 is amended by adding at the end the following:

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"GRANTS FOR TRANSPORTATION ROUTES AND PARKING SITES

"Sec. 407. (a) The Secretary shall make grants to States and political subdivisions for—

"(1)(A) the designation of routes within and between the States for the safe transportation of hazardous materials,

"(B) determining the relative safety of each of the routes proposed to be designated, and

"(C) enforcement of the use of the designated routes by motor carriers transporting hazardous materials, and

"(2) the designation of sites for the parking of motor vehicles transporting hazardous materials in accordance with regulations established by the Secretary for the designation of such sites.

A State which receives a grant under this subsection shall carry out the designations described in paragraphs (1) and (2) after consultations with the political subdivisions within the State, motor carriers which transport hazardous materials through the State, and adjacent States. Designations by States and political subdivisions shall be completed within 2 years of receiving a grant under this subsection.

"(b) The Secretary shall establish guidelines to assist States and political subdivisions of States in the designation of—

"(1) routes for the safe transportation within and between their jurisdictions of hazardous materials, and

"(2) site for the parking of motor vehicles transporting hazardous materials.

Guidelines under paragraph (2) shall include minimum safety criteria to be taken into account in the designation of parking sites.

"(c) The Secretary shall publish routes and parking sites which are designated by States and political subdivisions under grants under subsection (a) and ensure that such publication is available to motor carriers engaged in the transportation of hazardous materials.

"(d) For purposes of this section, the term 'hazardous materials' means hazardous materials designated under section 104 of the Hazardous Materials Transportation Act.".

(b) Publication of Guidelines.—The Secretary of Transportation shall publish guidelines under sections 407(a)(2) and 407(b) of the Surface Transportation Act of 1982 (as added by subsection (a)) within 180 days of the date of the enactment of this Act.

(c) Authorization.—The first sentence of section 404 of the Surface Transportation Assistance Act of 1982 is amended by striking out "section 402" and inserting in lieu thereof "sections 402 and 407".

SEC. 6. RECORD RETENTION FOR ENFORCEMENT OF ROUTES.

Section 106 of the Hazardous Materials Transportation Act is amended by adding at the end the following:

"(d) Record Retention.—Each person who is registered under subsection (b) shall maintain a description of the routes followed by such person in the transportation of class A or B explosives (as defined by the Secretary), hazardous materials designated under section 104, and highway route control radioactive materials. Each person required to maintain a description shall maintain it at the person's principal place of business for at least 6 months after the completion of the transportation to which the description relates.".

SEC. 7. ANNUAL MANDATORY REGISTRATION.

(a) Annual Registration.—Section 106(b) of the Hazardous Materials Transportation Act is amended—

(1) by striking out "may be required by the Secretary to prepare" and inserting in lieu thereof "shall be required by the Secretary to annually prepare", and

(2) by striking out "not more often than once every 2 years".

(b) Registration Fee.—Section 106(b) of the Hazardous Materials Transportation Act is amended by adding at the end the following: "The Secretary may establish a fee for the annual registration required by this subsection to cover the cost of such registration.

(c) Effective Date.—The Secretary of Transportation shall establish a timetable (not to exceed 3 years from the date of the enactment of this Act) for the registration of persons under section 106(b) of the Hazardous Materials Transportation Act. The timetable shall establish a priority for the registration of persons under such section.

SEC. 8. EMERGENCY RESPONSE.

(a) Training Grants.—Section 116 of the Hazardous Materials Transportation Act is amended to read as follows:

GRANTS FOR EMERGENCY RESPONSE TRAINING

"Sec. 116. (a) Grants.—The Secretary shall make grants in fiscal years 1987 through 1991 to States and political subdivisions to assist in the training of personnel to make such responses. No grant may be made for more than 75 percent of the cost of any training program.

"(b) Applications.—No grant may be made under subsection (a) unless an application therefor is submitted to and approved by the Secretary.

"(c) Guidelines.—the Secretary, shall, in consulation with the Federal Emergency Management Agency, establish guidelines for training programs used under a grant under subsection (a).

"(d) The Authorization.—To make grants under subsection (a) there are authorized to be appropriated out of the Highway Trust Fund $5,000,000 for fiscal year 1987, $10,000,000 for fiscal year 1988, $15,000,000 for fiscal year 1989, $15,000,000 for fiscal year 1990, and $15,000,000 for fiscal year 1991.".

(b) Publication of Guidelines.—The Secretary of Transportation shall publish guidelines under section 116(c) of the Hazardous Materials Transportation Act (as added by subsection (a)) within 180 days of the date of the enactment of this Act.

(c) Emergency Response Information Regulations.—Within one year of the date of enactment of this Act the Secretary of Transportation shall by rule require—

(1) the listing of relevant emergency response telephone numbers on all shipping papers required by the Secretary in connection with the transportation of hazardous materials,

(2) that motor carriers transporting hazardous materials carry the most current publication of the Secretary prescribing emergency response procedures, and

(3) that such publication be located at facilities involved in the transportation of hazardous materials.

SEC. 9. LICENSING AND TRAINING OF DRIVERS.

(a) Qualifications and Guidelines.—Section 106 of the Hazardous Materials Transportation Act, as amended by section 6, is amended by adding at the end the following:

"(e) Qualifications for Licensing.—(1) The Secretary shall by rule establish minimum qualifications for the licensing by the States of drivers of motor vehicles transporting hazardous materials designated under section 104. In establishing such qualifications the Secretary shall consult with and take into account the recommendations of States, administrators of State motor vehicle administrations, carriers and shippers of such materials, insurers, and representatives of drivers.

"(2) Qualifications established under paragraph (1) shall require—

"(A) that a driver be licensed by only one State to transport hazardous materials,

"(B) successful completion of written examinations to test the qualifications of license applicants to drive motor vehicles used for the transportation of such materials and to retest applicants to determine the retention of such qualifications,

"(C) experience in transporting non hazardous materials,

"(D) experience in driving over different terrains,

"(E) experience in the handling of hazardous materials,

"(F) knowledge of the operation of emergency equipment used in responses to emergencies arising out of the transportation of such materials,

"(G) knowledge of the response procedures followed in such emergencies,

"(H) familiarity with Federal motor carrier safety regulations and Federal safety regulations respecting the transportation of such materials, and

"(I) a safe driving record.

"(f) Training Program Guidelines.—The Secretary shall establish guidelines for training and retraining programs for drivers of motor vehicles transporting hazardous materials designated under section 104 and for other personnel, including loaders and handlers of such explosives and materials. The guidelines shall include provisions that require knowledge of—

"(1) the handling of such materials,

"(2) the operation of emergency equipment used in responses to emergencies arising out of the transportation of such materials,

"(3) the appropriate response procedures followed in such emergencies, and

"(4) familiarity with Federal motor carrier safety regulations and Federal safety regulations respecting the transportation of such materials.

"(g) Requirement.—Effective two years after the date of the enactment of this subsection, no person required under subsection (e) to be licensed by a State to transport hazardous materials may transport hazardous materials designated under section 104 or cause to be transported or shipped such materials unless such person has in effect a valid license issued under qualifications established under such subsection.".

(b) Publication of Qualifications and Guidelines.—The Secretary of Transportation shall publish qualifications and guidelines under subsections (e) and (f) of section 106 of the Hazardous Materials Transportation Act (as added by subsection (a)) within 180 days of the date of the enactment of this Act.

(c) Effective Date.—(1) The requirement of section 106(of the Hazardous Materials Transportation Act (as added by subsection (a)) respecting the licensing of drivers of motor vehicles transporting hazardous materials designated under section 104 of the Hazardous Materials Transportation Act shall apply in a State upon the expiration of 2 years after the date of the enactment of

this subsection unless the State has in effect alternate licensing requirements approved by the Secretary. The Secretary may promulgate regulations establishing procedures for the consideration and approval of such alternate requirements.

(2) The Secretary shall approve alternate licensing requirements submitted by a State unless the Secretary determines that such requirements are not consistent with the purpose of the licensing requirements of section 106(e) of the Hazardous Materials Transportation Act.

(3) In any fiscal year in which a State is not in compliance with paragraph (1), the amount available to the State under appropriations made under section 404 of the Surface Transportation Assistance Act of 1982 shall be reduced by 15 percent.

SEC. 10. HAZARDOUS MATERIALS FLOW STUDY.

(a) Continuing Study.—The Secretary of Transportation shall conduct a continuing study of the flow of hazardous materials in the United States which under regulations of the Secretary are required to bear at least two placards (49 C.F.R. Part 172, Subpart F). Such study shall be conducted—

(1) to improve the targeting of Federal enforcement of Department of Transportation requirements respecting the transportation of hazardous materials,

(2) to improve the enforcement by States and localities of their requirements respecting such transportation, and

(3) to assist in the development of emergency response capabilities by States and localities.

The study shall identify the routes followed in the shipment of such materials and the types of accidents and incidents involving the shipment of such materials which have required Federal, State, or local emergency response services. The Secretary shall make a report to the Congress on the results of the study within one year of the date of the enactment of this Act and therafter shall periodically report to the Congress any changes in the flow of hazardous materials identified by the study.

(b) Hazardous Materials Defined.—For purposes of subsection (a), the term "hazardous materials" means a hazardous material designated under section 104 of the Hazardous Materials Transportation Act.

SEC. 11. SHIPMENT OF NUCLEAR MATERIALS.

(a) Analysis.—The Secretary of Transportation, in consultation with the Department of Energy, shall complete an analysis of the risks to health, safety, and the environment associated with transportation of high-level nuclear waste and spent nuclear fuel to (1) the five potential geologic repository sites to be nominated by the Secretary of Energy as suitable for site characterization pursuant to section 112(b) of the Nuclear Waste Policy Act, and (2) to and from any monitored retrievable storage site authorized pursuant to section 141 ot the Nuclear Waste Policy Act. In addition, the Secretary of Transportation shall evaluate and compare routes and transportation modes that entail the least risk to human health, safety, and the environment. In completing such analysis, the Secretary shall provide appropriate opportunity for public comment.

(b) Report.—The Secretary shall complete the analysis within one year of the date of the enactment of this Act and shall report the results of the analysis to the Congress and the Secretary of Energy.

SEC. 12. TRUCK BRAKES.

The regulations of the Administrator of the Federal Highway Administration published as section 393.42 of title 49 of the Code of Federal Regulations shall, effective 90 days after the date of enactment of this Act, be of no force or effect and the Administrator may not issue an regulation having the same effect as such regulation. The Secretary of Transportation shall conduct such public information program as may be necessary to publicize the safety benefits of this section.

SEC. 13. TECHNICAL AND CONFORMING AMENDMENTS.

(a) Section 104(c) of title 49, United States Code, is amended by inserting "and" at the end of paragraph (1), by striking out paragraph (2), and by redesignating paragraph (3) as paragraph (2).

(b) Section 104 of such title is amended by striking out subsection (d).

(c) Section 105(c) of title 49, United States Code, as amended by section 3, is further amended by adding after and below paragraph (10) the following:

"A decision of the Administrator in carrying out a duty or power specified in paragraphs (1) through (10) and involving notice and hearing required by law is administratively final.".

(d) Section 5316 of title 5, United States Code, is amended by adding at the end thereof the following:

"Associate Deputy Administrator for Motor Carrier Safety, National Highway Traffic Safety Administration.

"Associate Administrator for Hazardous Materials Transportation.".

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HOUSE OF REPRESENTATIVES—*Friday, April 18, 1986*

The House met at 11 a.m. and was called to order by the Speaker pro tempore [Mr. WRIGHT].

DESIGNATION OF SPEAKER PRO TEMPORE

The **SPEAKER** pro tempore laid before the House the following communication from the Speaker:

WASHINGTON, DC,
April 17, 1986.

I hereby designate the Honorable JIM WRIGHT to act as Speaker pro tempore on Friday, April 18, 1986.

THOMAS P. O'NEILL, Jr.,
Speaker of the House of Representatives.

PRAYER

The Chaplain, Rev. James David Ford, D.D., offered the following prayer:

Our thoughts and prayers, gracious God, are with the victims of the strife of our world. May Your comfort be with those who are captives and know not the freedoms that we enjoy. May Your spirit be with the families whose anxiety is overwhelming. May the hope and peace that we know in Your Word give comfort, strength, and assurance to all those whose joy is turned to mourning. Amen.

THE JOURNAL

The **SPEAKER** pro tempore. The Chair has examined the Journal of the last day's proceedings and announces to the House his approval thereof.

Pursuant to clause 1, rule I, the Journal stands approved.

MESSAGE FROM THE SENATE

A message from the Senate by Mr. Hallen, one of its clerks, announced that the Senate has passed without amendment joint resolutions of the House of the following titles:

H.J. Res. 582. Joint resolution to designate April 20, 1986, as "Education Day U.S.A."; and

H.J. Res. 599. Joint resolution commemorating the 25th anniversary of the Bay of Pigs invasion to liberate Cuba from Communist tyranny.

The message also announced that Mr. BURDICK be a conferee, on the part of the Senate, on the bill (H.R. 6), "An act to provide for the conservation and development of water and related resources and the improvement and rehabilitation of the Nation's water resources infrastructure," vice Mr. BAUCUS, excused.

SAN JOSE MERCURY-NEWS HONORED WITH PULITZER

(Mr. EDWARDS of California asked and was given permission to address the House for 1 minute.)

Mr EDWARDS of California. Mr. Speaker, I was delighted to learn that the Pulitzer Prize for international reporting has been awarded to the San José Mercury-News. It was the paper's outstanding series on the hidden wealth of ex-Philippine President Marcos that garnered the award for the paper. The work of series authors Pete Carey, Katherine Ellison, and Lewis M. Simons in investigating and documenting Marcos' vast financial interests around the world played a key role in the ousting of Marcos by the Philippine people.

As one of the representatives here in Congress of the city of San José, I must say it is nice to see the Pulitzer judges recognize what those of us from the city of San José have long known—that the Mercury-News is one of our Nation's finest papers. Its reporting and editorial writing are consistently of the highest caliber.

I know my colleagues join me in offering hearty congratulations to reporters Carey, Ellison, and Simons, Mercury News Executive Editor Robert Ingle, and all of the talented people at the San José Mercury-News.

ALLIES' RESPONSE TO UNITED STATES ANTITERRORISM IS THOUGHT-PROVOKING

(Mr. COUGHLIN asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. COUGHLIN. Mr. Speaker, I want to express my admiration and heartfelt thanks to the people and Governments of Great Britain, Israel, and Canada for their support of United States actions to combat terrorism by the Government of Libya. It is heartwarming to have friends of courage when difficult decisions must be made and sparks fly.

I am equally appalled by the actions of other so-called allies, particularly France, who caused our pilots an unduly grueling and difficult mission. I am sending a copy of these remarks to the President of France.

Does France make dark deals to ignore the presence of terrorists on her territory in exchange for protection from terrorist attack? Does she hide behind the defensive shield that American taxpayers and servicemen help provide and at the same time look the other way when American citizens are the targets of terrorist attack?

President Reagan approved a measured, calculated response to dastardly, irrefutable Libyan terrorist actions directed against Americans, but threatening the free world as well. There were extensive warnings to Mr. Qadhafi. Our allies, the Soviets, and the Congress were all notified of the President's view—a correct one—that terrorism must carry with it a heavy price.

Indeed, it is fair to say that our military action might not have been necessary at all if our allies had been more forthcoming in supporting economic sanctions against Libya, which we have long and actively sought to impose.

France had quite a different view when, on November 17, 1983, their Navy jets struck terrorist sites in Lebanon's Bekaa Valley following the bombing of French peacekeeping forces in Lebanon.

We are now being treated to pictures of bandaged children in Libya. The jury is still out on whether those casualties were the result of America's actions, or whether they were brought about by Libyan antiaircraft missiles that missed their mark and plummeted to earth. What is clear, however, is that specific instructions were given to our pilots to avoid damaging collateral targets or injuring civilians, and I am certain every effort was made to avoid doing so.

There appears to be more graphic attention to damage in Libya than there was to the fate of four Americans, including a baby, sucked out of a TWA jet at 15,000 feet 2 weeks ago following the explosion of a randomly placed bomb.

And where are the photos of the dead and hundreds of bandaged Americans and other injured when Libya's bomb devastated a West Berlin nightclub? These were deliberate acts intended to maim and kill Americans.

The facts may be that only the United States and a select few friends have the courage to stand up to terrorist kingpins like Mu'ammar Qadhafi. Given the experiences of so many of our friends, especially France, this is truly sad, if true. But not standing up against the reprehensible terrorist regimes that we condemn, some friends may be, in a sense, abetting them.

I urge those of our allies who have hesitated or failed to support America's response to Libyan terror to reconsider both America's reasons for conducting this raid and their own need to join in a united effort to defeat world terrorism. I urge them, too, to remember the major commitment America makes to world security through the United Nations and to their security every day through our participation in NATO, especially in light of the needs of our citizens here at home.

SPECIAL ORDERS GRANTED

By unanimous consent, permission to address the House, following the legislative program and any special orders heretofore entered, was granted to:

(The following Members (at the request of Mr. SCHUETTE) to revise and extend their remarks and include extraneous material:)

Mr. SLAUGHTER, for 45 minutes, on April 22, 1986.

(The following Members (at the request of Mr. EDWARDS of California) to revise and extend their remarks and include extraneous material:)

Mr. ANNUNZIO, for 5 minutes, today.

EXTENSION OF REMARKS

By unanimous consent, permission to revise and extend remarks was granted to:

(The following Members (at the request of Mr. SCHUETTE) and to include extraneous matter:)

Mr. MCCOLLUM.

Mr. KEMP.

(The following Members (at the request of Mr. EDWARDS of California). and to include extraneous matter:)

Mr. AUCOIN.

Mr. LANTOS in two instances.

ADJOURNMENT

Mr. EDWARDS of California. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 11 o'clock and 6 minutes a.m.) under its previous order, the House adjourned until Monday, April 21, 1986, at 12 o'clock noon.

CONTRACTUAL ACTIONS, CALENDAR YEAR 1985, TO FACILITATE NATIONAL DEFENSE

The Clerk of the House of Representatives submits the following report for printing in the CONGRESSIONAL RECORD pursuant to section 4(b) of Public Law 85-804:

GENERAL SERVICES ADMINISTRATION,
Washington, DC, April 8, 1986.

Hon. THOMAS P. O'NEILL, Jr.,
Speaker of the House of Representatives,
Washington, DC.

DEAR MR. SPEAKER: In accordance with the requirements of Public Law 85-804 as amended by Public Law 93-155 (50 U.S.C. 1431-1435) and Executive Order 10789, the General Services Administration reports that it did not receive any requests for relief under the extraordinary emergency authority provided by 50 U.S.C. 1431-1435 during calendar year 1985.

Sincerely,

TERENCE C. GOLDEN,
Administrator.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

3336. A letter from the Assistant Secretary of Defense for Acquisition and Logistics, transmitting a report on DOD's efforts to increase defense contract awards to Indian-owned businesses during fiscal years 1984 and 1985, pursuant to Public Law 99-145, section 956(a) (99 Stat. 702); to the Committee on Armed Services.

3337. A letter from the Deputy Secretary, Department of Defense, transmitting a report of the salaries paid from Federal funds to officers and employees of Federal contract research centers which exceeded that for Level II of the Executive schedule, pursuant to 10 U.S.C. 2359; to the Committee on Armed Services.

3338. A letter from the Acting Assistant Secretary of State for Legislative and Intergovernmental Affairs, transmitting a report of political contributions for Warren Zimmermann, of Virginia, a nominee for the rank of Ambassador in his capacity as Chief of the United States Delegation to the Vienna Conference on Security and Cooperation in Europe Follow-up Meeting, pursuant to 22 U.S.C. 3944(b)(2); to the Committee on Foreign Affairs.

3339. A letter from the Administrator, General Services Administration, transmitting notification that the agency did not receive any requests for relief under the extraordinary emergency authority provided by 50 U.S.C. 1431-1435 during calendar year 1985, pursuant to 50 U.S.C. 1434; to the Committee on Government Operations.

3340. A letter from the Executive Director, Committee for Purchase From the Blind and Other Severely Handicapped, transmitting a report on the Committee's operations during fiscal year 1985, pursuant to the act of June 25, 1938, chapter 697, section 1(l) (85 Stat. 77); to the Committee on Government Operations.

3341. A letter from the Secretary of the Interior, transmitting the 1985 annual report of the National Park Foundation, pursuant to Public Law 90-209, section 10; to the Committee on Interior and Insular Affairs.

3342. A letter from the Secretary of Commerce, transmitting a draft of proposed legislation to repeal section 10 of the Fishermen's Protective Act of 1967, as amended and for other purposes; to the Committee on Merchant Marine and Fisheries.

3343. A communication from the Assistant Secretary of the Army (Civil Works), transmitting a report dated March 1, 1986, from the Chief of Engineers, Department of the Army, on Black Warrior and Tombigbee Rivers, Alabama, together with other pertinent reports (H. Doc. No. 99-205); to the Committee on Public Works and Transportation and ordered to be printed.

3344. A communication from the Assistant Secretary of the Army (Civil Works), transmitting a report dated August 16, 1984, from the Chief of Engineers, Department of the Army, on Duluth-Superior Harbor, Minnesota and Wisconsin, together with other pertinent reports. These reports are in final response to a resolution adopted December 11, 1969, by the Committee on Public Works of the United States House of Representatives (H. Doc. No. 99-204); to the Committee on Public Works and Transportation and ordered to be printed.

3345. A letter from the Assistant Secretary of Labor, transmitting comments of the advisory committee to the Department of Short-Time Compensation with respect to the Department's recently submitted report entitled, "An Evaluation of Short-Time Compensation Programs" (Executive Communications Nos. 2539 and 2540), pursuant to Public Law 97-248, section 194(g)(2); to the Committee on Ways and Means.

3346. A letter from the Assistant Secretary of Defense for Acquisition and Logistics, transmitting a report on DoD's experience with conversion to contractor operation of commercial functions previously performed by DoD personnel, pursuant to the 1986 Department of Defense Appropriations Act; jointly to the Committees on Armed Services and Appropriations.

3347. A letter from the Director, Office of Civilian Radioactive Waste Management, Department of Energy, transmitting the fourth annual report evaluating whether the revenues collected from waste disposal fees established under the Nuclear Waste Policy Act of 1982 are sufficient to offset program costs, pursuant to Public Law 97-425, section 302(a) (4); jointly to the Committees on Energy and Commerce and Interior and Insular Affairs.

3348. A letter from the Administrator, Agency for International Development, transmitting the Agency's annual report on its activities and progress to foster and implement the representation of minority group members and women in the Foreign Service, pursuant to 22 U.S.C. 3905(d); jointly to the Committees on Foreign Affairs and Post Office and Civil Service.

3349. A letter from the Assistant Attorney General, Department of Justice, transmitting a draft of proposed legislation to authorize appropriations for the purpose of carrying out the activities of the Department of Justice for fiscal year 1987 and for other purposes; jointly to the Committees on the Judiciary and Energy and Commerce.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. HAWKINS: Committee on Education and Labor. H.R. 2110. A bill to make technical corrections related to the Retirement Equity Act of 1984; with an amendment (Rept. 99-526, Pt. II). Referred to the Committee of the Whole House on the State of the Union.

Mr. JONES of North Carolina: Committee on Merchant Marine and Fisheries. H.R. 4208. A bill to authorize appropriations for the Coast Guard for fiscal years 1987 and 1988, and for other purposes; with amendment (Rept. 99-547). Referred to the Committee of the Whole House on the State of the Union.

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PUBLIC BILLS AND RESOLUTIONS

Under clause 5 of rule X and clause 4 of rule XXII,

Mrs. BOXER introduced a resolution (H. Res. 426), expressing the sense of the House of Representatives that Federal aid and assistance to drug traffickers should be eliminated, jointly, to the Committees on Government Operations, and Foreign Affairs.

ADDITIONAL SPONSORS

Under clause 4 of the rule XXII, sponsors were added to public bills and resolutions as follows:

H.R. 442: Mr. Staggers and Mr. McHugh.

H.R. 711: Mr. Mack.

H.R. 4267: Mr. Seiberling and Mr. Wolpe.

H.R. 4602: Mr. Boner of Tennessee, Mrs. Boggs, Mr. Kleczka, Mr. Dicks, Mr. Wortley, Mr. Chandler, Mr. Reid, Mr. Erdreich, Mr. Madigan, Mr. Chappell, Mr. Duncan, Mr. McCollum, Mr. Roth, Mr. Coelho, Mr. Manton, Mr. Kanjorski, Mr. Stallings, Mr. Morrison of Connecticut, Mr. Anderson, Mr. Henry, and Mr. Vento.

H.J. Res. 544: Mr. Daniel.

PETITIONS, ETC.

Under clause 1 of rule XXII, petitions and papers were laid on the Clerk's desk and referred as follows:

309. By the SPEAKER: Petition of the Council of the County of Maui, HI, relative to the funding levels of the Community Development Block Grant Program; to the Committee on Appropriations.

310. Also, petition of the Township Council of Stafford, NJ, relative to requiring a license for recreational salt water fishermen; to the Committee on Merchant Marine and Fisheries.

311. Also, petition of the Borough Council of Stone Harbor, NJ, relative to research burn of toxic chemicals in the ocean; to the Committee on Merchant Marine and Fisheries.

SENATE—*Friday, April 18, 1986*

(Legislative day of Tuesday, April 8, 1986)

The Senate met at 11 a.m., on the expiration of the recess, and was called to order by the Honorable Ted Stevens, a Senator from the State of Alaska.

PRAYER

The Chaplain, the Reverend Richard C. Halverson, D.D., offered the following prayer:

Let us pray.

Our loving Father in Heaven, we feel a strange ambivalence this morning. We are experiencing elation and joy with this beautiful day. We are unspeakably grateful for life and breath and all the gracious gifts You so lavishly bestow upon us. But our hearts are heavy in the tragic loss of Sally Heet. We pray for Senator Evans and those on his staff who have been traumatized by this tragedy. It troubles us, Father in Heaven, to think that such evil can lurk in the shadow of this center of great political power and justice. Comfort all of Sally's loved ones who mourn her loss and remove from the hearts of her peers any apprehension they may feel. We pray in His name Whose love transcends all things. Amen.

APPOINTMENT OF ACTING PRESIDENT PRO TEMPORE

The PRESIDING OFFICER. The clerk will please read a communication to the Senate from the President pro tempore [Mr. Thurmond].

The assistant legislative clerk read the following letter:

U.S. Senate,
President pro tempore,
Washington, DC, April 18, 1986.

To the Senate:

Under the provisions of rule I, section 3, of the Standing Rules of the Senate, I hereby appoint the Honorable Ted Stevens, a Senator from the State of Alaska, to perform the duties of the Chair.

Strom Thurmond,
President pro tempore.

Mr. STEVENS, thereupon assumed the chair as Acting President pro tempore.

RECOGNITION OF THE MAJORITY LEADER

The ACTING PRESIDENT pro tempore. Under the previous order, the distinguished majority leader is recognized.

SCHEDULE

Mr. DOLE. Mr. President, under the standing order, the leaders have 10 minutes each, followed by special orders in favor of Senators Hawkins, Proxmire, and Cranston for not to exceed 5 minutes each.

Mr. President, I ask unanimous consent that the special order in favor of Senator Durenberger be vitiated.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

Mr. DOLE. There will be routine morning business not to extend beyond the hour of 12 noon with statements limited therein to 5 minutes each.

Following morning business, the Senate may be asked to turn to any of the following items: S. 49, the gun control bill. But in this case, about three of the principals are not available today. It is going to be difficult to do that. The motion to proceed to S. 1848, the drug export bill, is a possibility; and the executive nomination of Donald M. Newman. It is my understanding that we can do that perhaps on Monday without a rollcall vote. So that may be disposed of. Also S. 2180, the fire prevention bill, to which a daylight saving time amendment will be offered. However, that is not likely a good candidate today because some of the principals are not available.

I will say that Senate Concurrent Resolution 120, the budget resolution, will not be laid down today.

No votes will occur during today's session or on Monday's session.

Mr. President, I reserve the remainder of my time.

RECOGNITION OF THE MINORITY LEADER

The ACTING PRESIDENT pro tempore. Under the previous order, the minority leader is recognized.

THE BUDGET RESOLUTION

Mr. BYRD. Mr. President, if I can inquire of the distinguished majority leader, yesterday, as he will recall, we again discussed the possibility of laying down the budget resolution. I believe he indicated that he was going to have a meeting about the matter.

Is there anything that he can now state as to what the prospects are for getting started on the budget debate the first of next week?

Mr. DOLE. It also had been my hope after that meeting to meet with the Speaker, and the Republican House leader, Congressman Michel. We requested to meet with the Speaker in a letter.

We have postponed that meeting until Monday or Tuesday.

I think after that meeting we may be able to move forward. I do not anticipate any further—I do not want to use the word "delay" because I hope I am not delayed. We will however certainly continue to meet after the budget is brought up.

One thing I hope we might be able to do is reduce that 50-hour period by some mutual agreement once we start on the budget. But I think until we have been on it a while, I will not make that request.

But to respond to the distinguished minority leader I think we have had meetings with about everyone who might be involved, and as soon as we can touch base with the Speaker—and maybe even before that—I am trying to have that meeting now on Monday. Hopefully we can start on that Monday.

I cannot make an absolute commitment. But I think that would be the case.

Mr. BYRD. Mr. President, I thank the distinguished majority leader.

Mr. President, I ask unanimous consent that I may reserve the balance of my time for later in the day.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

Mr. BYRD. Mr. President, I ask unanimous consent also that any statement I may wish to have appear at this point in the Record so appear.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

RECOGNITION OF SENATOR PROXMIRE

The ACTING PRESIDENT pro tempore. Under the previous order, the Senator from Wisconsin [Mr. Proxmire] is recognized for not to exceed 5 minutes.

THE ZOOMING, BOOMING COST OF STAR WARS MAINTENANCE AND MODERNIZATION

Mr. PROXMIRE. Mr. President, star wars may cost $1 trillion or more for research, development, production and deployment. Will that be it? Once the star wars antimissile defense is in place, will that be the end of the im-

● This "bullet" symbol identifies statements or insertions which are not spoken by the Member on the floor.

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mense burden? No, sir. And no way. Why? Why will not the major cost be behind us once we get this impenetrable defense in the sky in place? The surging trillion-dollar cost will go on and on because the star wars deployment will be just the starter. The deployed system will require constant, immensely expensive maintenance. Every day of every year in perpetuity we will have to lift huge payloads into space, manned with highly skilled experts to keep our legions of satellites and battle stations in reliable working order. Why can we not simply lift this complex hardware into space and forget it, until and unless someone mounts a nuclear attack? Here is why: the deployed system will have to be constantly renewed, refurbished, repaired. And how do we renew, refurbish and repair a galaxy of complex hardware deployed hundreds of miles above the Earth's surface and orbiting out in space? We have to lift in a long journey through space the new parts and new equipment to replace any defective, worn out, or otherwise malfunctioning equipment. We also will have to lift our maintenance experts into the far reaches of space. We have to provide them with the support facilities to keep them alive and functioning for weeks or months. We will have to do much more than that. We will have to lift repair shops, repair garages, in some cases actual factories into space. How much will that cost? Well, just sit down with a pencil and a sheet of paper and figure out the cost at a couple of thousands of dollars per pound to lift something like Andrews Air Force Base or a Boeing factory or a garage big enough to repair a battle station into space. Keep in mind, star wars will require hundreds of battle stations. Keeping these battle stations in top shape will be like maintaining an aircraft carrier at sea, but infinitely more difficult. The oceans are a relatively relaxed, easy, familiar environment. Moving vast cargoes into space shoots up the cost geometrically. The star wars battle stations will require a support fleet much like an aircraft carrier. The support fleet will require its own steady, unremitting stream of maintenance personnel and facilities. What will be the cost of maintaining the whole star wars array of hundreds of battle stations, thousands of satellites and an infinity of other complicated paraphernalia? Certainly hundreds of billions of dollars, perhaps trillions. And I am talking about the annual cost, year after year, every year. Will that cost of maintenance diminish? No. The technology of star wars missile defense is sure to race ahead. With it the complexity will surely increase and the cost of maintenance of the delicate, complex defense weapons will zoom ever upward.

Will maintenance be the biggest annual, continuing cost? No. Not by a long shot. For the biggest continuing cost consider modernization. Let us face it. The Soviet Union is not going to take a challenge to their superpower status without fighting back with an all-out effort to overwhelm it.

Certainly they will multiply the offensive nuclear missiles available to challenge star wars. They will refine and improve decoys designed to fool star wars. They will develop penetrators using much of the same technology star wars uses: x-ray lasers, chemical lasers, and a variety of as yet undreamed of new nuclear advances.

Perhaps in 10 or 20 years, they will perfect an antimatter technology that will make nuclear weapons appear as weak and trivial as bows and arrows are today. No one knows how the offensive nuclear and super nuclear technology will change over the next 25 years before star wars can be fully deployed, but we do know that, absent comprehensive arms control, it will progress, advance probably at breathtaking speed. What the Soviet Union can do in 1986 with their nuclear arsenal to penetrate a star wars fully deployed in 2010 will be as nothing compared to what the Soviet Union of 2010 will be able to use to challenge star wars.

What does that mean? It means that star wars will be pathetically feeble and useless unless we constantly modernize it. We will have to continually modify and change our battle stations and satellites and other deployments to have any chance against the predictable improvement of the Soviet nuclear offense.

Will that be costly? Consider: It will mean continued billions of dollars poured into star wars research every year. It will require a huge cost to produce the new and constantly changing star wars technology. The battle stations and satellites we deploy in 2010 may swiftly become obsolete and useless. All the beautiful and bright new star wars technology of the 1980's and 1990's will swiftly become horse-and-buggy stuff. We will have to lift off into space what is likely to be a much heavier, vaster array of space defenders.

What will the cost of the new hardware be? Will it be even greater than the original star wars? Almost certainly. Will its transportation into space cost more? Very likely. Will its maintenance cost more? Very likely. Will its modernization cost more? Almost certainly.

Mr. President, if Congress continues to insist on pursuing star wars, this ghost of invulnerability, by relying on military technology instead of arms control as our salvation, we will never achieve that invulnerability. Ah, but one end we will achieve for sure: A huge Federal Government burden of debt and taxes that will eventually choke off even our marvelous economy.

MYTH OF THE DAY: WORLD COURT RESERVATION IMPROVES AMERICAN SOVEREIGNTY

Mr. PROXMIRE. Mr. President, the myth of the day is that the World Court reservation to the Genocide Convention will strengthen America's position in ratifying this treaty.

Nothing could be further from the truth.

In many ways it is the ultimate irony of a debate heavy on the evils of Communist despots that those decrying these evils would tie America's hands behind our back in attempting to bring these despots before the bar of justice.

Of course, the reservation was presented as a way of protecting America from the evils of international bullies who might attempt to embarrass and intimidate us with propaganda charges of genocide.

Unfortunately, they were not willing to look at the brave and courageous example of Israel. If ever a state has suffered from political intimidation and harassment it is the State of Israel; yet they have been a party to the Genocide Convention for over three decades without such a cowardly reservation.

Has any such propaganda charge been raised by the enemies of Israel in the World Court? No. Not once.

Is America to act more defensively and timidly than Israel? This reservation puts us in that position.

Curiously, there was a time when the United States stood for the exposure to international scrutiny, a sharp and compelling contrast to the fear of such scrutiny by Communist and totalitarian regimes. A contrast that we should maintain, not blur.

After all, what do we have to fear from the World Court?

Some opponents of the Genocide Convention tried to confuse the American public by implying that the Court hears cases between individuals. That is simply untrue. The Court only hears cases between nations.

And what has been our track record before the Court? Until the Nicaragua case, the United States had prevailed repeatedly before the Court; in fact, we won the Iranian hostage case unanimously. I wonder how we did that if the Court is such a hostile place.

But the reason not to fear decisions by the Court does not rest in past history, the nature of the judges or pie-in-the-sky support for international law. The reason we need not fear the Court is far more concrete. The Court has no enforcement authority for its decisions except to appeal to the U.N.

Security Council, where we possess a permanent veto. Thus, the Court can never enforce an order against us if we choose to exercise our veto.

The saddest aspect of this reservation is that any time that the United States attempts to take a future Pol Pot, Idi Amin, or similar despot before the World Court, we will not be able to do it. Under the "doctrine of reciprocity," which the architects of this reservation knew all too well, they can invoke our reservation against us.

And while the Soviets and other Communist nations have such a cowardly reservation as well, our adoption of a reservation like this lets them off the hook scot-free. We will put them in a position where they can simply argue that we have no legal basis to ask them to go to the Court to defend their actions in Afghanistan.

Why should we do that? If we feel they are violating this treaty, we should force them to invoke their own reservation and embarrass them repeatedly at it. We should not hand them an American reservation as a legal way out of their dilemma. It simply makes no sense.

Billed as one part of a so-called "sovereignty package," it is difficult to see how this reservation protects anyone but the Communist and totalitarian despots who are committing genocide and will do so again in the future. We should untie the bonds of this reservation and come out fighting with all of our diplomatic and political and economic clout to stop them.

Mr. President, I yield the floor.

The **ACTING PRESIDENT** pro tempore. The Senator from South Dakota is recognized.

SENATOR HAWKINS' SPECIAL ORDER

Mr. ABDNOR. Mr. President, we all know my colleague and very good friend, Senator Paula Hawkins, is unable to be with us at this time. We also all know that she is certainly the leader in fighting drugs in this Nation and around the world by the work and time she has put into it. Had she been here today, she would have made for the Record a statement that I am going to read for her at this time.

TERRORISTS AND DRUG SMUGGLERS TAKE NOTE: WE'VE HAD ENOUGH

Mrs. Hawkins. Mr. President, as any person who watches television, listens to radio, or reads newspapers must know by this time, our war of words with Libyan strongman, Muammar Qadhafi, has escalated to something considerably stronger than that. President Reagan has told Americans that the U.S. has irrefutable evidence that Libya was responsible for the recent terrorist bombing of a West Berlin discotheque. One American serviceman was killed and 50 injured in the blast. A Turkish woman was also killed, and 180 persons of various nationalities were injured. Despite the fact that more non-Americans were victims of the explosion than Americans, there is little doubt that American citizens, particularly our off-duty military personnel, were the primary targets of the terrorists. Our intelligence network intercepted messages indicating that an attack would take place in West Berlin on the date involved, April 5, but was unable to pinpoint the exact location of the expected assault. Tragically, as luck would have it, we did receive information about where the bomb might explode, but only minutes before the explosion took place, and there was not enough time to flash a warning.

Qadhafi's brand of terrorism is financed by oil money. Libya is blessed with large quantities of high grade oil, widely sought after on the world market. Qadhafi has been called the Lloyds of London of terrorism. Libya exports terrorism, and terrorism has many tentacles. It is just a hop and skip between terrorism and narcotics trafficking, and down the road lie arms smuggling and subversion. Michael Ledeen, of the Georgetown Center for Strategic and International Studies, a recognized expert on terrorism, once observed: "Running drugs is one sure way to make big money in a hurry. Moreover, the directions of the flow are ideologically attractive. Drugs go to the bourgeois countries, where they corrupt and where they kill, while the arms go to pro-Communist terrorist groups in the Third World."

Americans have learned, in recent months, that terrorism is not something that happens over there to someone else. It is happening to us; Americans are the primary target of terrorist attacks. In 1982, terrorist activity against the U.S. took a sharp upturn. In that year, there were 385 recorded acts of terror against the U.S., including 7 assassinations, 6 kidnappings, and 160 bombings of U.S.-owned property. There was a firebomb attack against an American soft drink plant in Colombia, and an attempted bombing of the U.S. Embassy in the Dominican Republic.

In 1983, the upward trend continued with 500 terrorist attacks worldwide, with Americans being the direct target of 200. Then, in April, there was the bombing of our Embassy in Beirut, in which 49 people died, and in October the horrifying incident where a suicide squad of terrorists rammed through the gates of the Marine compound at Beirut Airport and killed more than 200 American servicemen as they slept. Numerous random terrorist attacks have occurred since that tragic event, capped by the West Berlin bombing earlier this month.

One could fall into the trap of saying these are isolated, individual acts, largely unplanned. But the fact of the matter is, they are meticulously planned, carefully orchestrated, and well-financed. The finances spew from a variety of sources—national governments, organizations, and individuals motivated by a sense of mistaken righteousness, lust for power, or thirst for what they perceive as revenge. Narcotics trafficking swirls around and around inside the vortex of terrorism. Drugs are a ready source of hard cash. A drug network can be used to channel weapons into the hands of terrorists and troublemaking insurgent groups. The end result is corruption in high and low places, economic instability, and wrecked health from the drug traffic and social turbulence, personal horror and suffering from terrorism.

President Reagan has served notice on Qadhafi that terrorism against America and Americans is not going to be tolerated. I hope that in the coming months we send just as clear a signal to the drug runners that narcotics trafficking is just as unacceptable.

Mr. ABDNOR. Mr. President, I suggest the absence of a quorum.

The **ACTING PRESIDENT** pro tempore. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. EVANS. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The **ACTING PRESIDENT** pro tempore. Without objection, it is so ordered.

WE WILL ALWAYS REMEMBER SALLY HEET

Mr. EVANS. Mr. President, our Senate office deeply mourns today. Yesterday in a mindless act of violence, my press secretary, Sally Heet, was brutally murdered. We all feel that something precious has been stolen from our lives. Sally was one of the first staff members I hired after being appointed as U.S. Senator. Immediately before that she had served as vice president for Corporate Communications at Rainier Bank in Seattle. She played a crucial role in establishing our transition office, and I was delighted when she agreed to become my press secretary.

During the past 3 years she has built a broad circle of friends and has earned the growing respect of the political press corps. She was a self-possessed, confident professional whose competence gave all of us an unusual opportunity to communicate our actions to the people of our State.

Far more than that, Sally was an integral part of the closely knit family of our senatorial staff and a personal friend and confidant. We worked together, played together, sang together, and reveled in the demanding and challenging life at Capitol Hill.

Life is made up largely of memories. Some are vague; some can be recalled in vivid detail; some guide us in our future actions; and some act as inspiration for our own lives.

Someone has taken Sally's physical presence from us but no one can steal our memories of her. I know her friends and colleagues will be comforted by their memories of shared experiences. Sally in that way will remain with us, still giving inspiration, advice and a happy chuckle over a funny incident.

Today is not a farewell but a celebration of a short but rich life. We know Sally continues to live for us through our respect, our love, and our memories.

Mr. President, I suggest the absence of a quorum.

The **ACTING PRESIDENT** pro tempore. The Clerk will call the roll.

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The legislative clerk proceeded to call the roll.

Mr. DOLE. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

ROUTINE MORNING BUSINESS

The ACTING PRESIDENT pro tempore. Under the previous order, there will now be a period for the transaction of routine morning business for not to extend beyond the hour of 12 noon with statements limited therein to 5 minutes each.

COMBINED FEDERAL CAMPAIGN PARTICIPATION

Mr. STEVENS. Mr. President, recently the Washington Post editorialized on the need for proper regulations governing charitable fund drives. Specifically, the editorial pointed out the desirability of establishing regulations on the kinds of organizations eligible to participate in the organized charitable collection effort among Federal employees through the Combined Federal Campaign. I applaud the editorial and this administration in their efforts to try to bring some common sense and fairness to the most important fundraising effort for a majority of this Nation's health and welfare charitable groups.

The comments contained in the editorial bear close attention and I recommend that all my friends read it closely. Mr. President, I ask unanimous consent to enclose at the end of my remarks the complete text of the April 14 editorial printed in the Washington Post entitled "Charities, Lobbies, and the CFC."

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

[From the Washington Post, Apr. 14, 1986]

CHARITIES, LOBBIES AND THE CFC

After years of litigation and plenty of acrimony, the Office of Personnel Management has now issued final regulations concerning the federal government's charity fund drive. The Combined Federal Campaign, begun 25 years ago to regularize charitable collections in federal work places, now raises well over $100 million a year. Every federal installation, civil and military, all over the world is involved, and the government subsidizes the effort with personnel, publicity, paper work and payroll deductions.

Traditionally, the beneficiaries of the drive were charitable organizations working in health and welfare areas. But in 1980, advocacy groups—lobbyists and litigators who were nonprofit and tax exempt—were added to the list of participants. That's when the trouble started, for the people who would be happy to give to the Puerto Rican Legal Defense Fund and the Sierra Club, for example, were not as pleased to share the pot with the National Right to Work folks and the NRA's offshoot, the Firearms Civil Rights Legal Defense Fund. The feeling, of course, was mutual. By 1983, unions with more than a third of a million members were boycotting the drive and employee participation had fallen from 70.6 percent to 54.5 percent. President Reagan issued an executive order that year directing OPM to limit participation to health and welfare groups, and that order was contested until the Supreme Court upheld it last July.

The new regulations, which go into effect next month, are fair and make sense. Federal employees, like all citizens, retain the right to contribute to whatever charity they choose, and many excellent advocacy groups deserve their support. The government, however, will only subsidize solicitation and collection at the office or duty station for those charities providing direct assistance to the needy in this country and abroad. Such assistance includes health care and research, aid to the handicapped, rehabilitation services to delinquents, released convicts and addicts, services to victims of crime and abuse, famine and disaster relief, legal aid to the poor and general relief to children, the elderly and those in need. No organization that spends over 15 percent of its funds on lobbying or litigation can participate.

The regulations treat all organizations objectively whether they advocate liberal or conservative causes. They should put an end to resentment over the distribution of funds to controversial groups and benefit those organizations whose work directly benefits the sick, the poor and other afflicted persons. That is what the charity fund drive should be about.

MESSAGES FROM THE PRESIDENT

Messages from the President of the United States were communicated to the Senate by Mr. Saunders, one of his secretaries.

EXECUTIVE MESSAGES REFERRED

As in executive session, the Presiding Officer laid before the Senate messages from the President of the United States submitting sundry nominations which were referred to the appropriate committees.

(The nominations received today are printed at the end of the Senate proceedings.)

PRESIDENTIAL APPROVALS

A message from the President of the United States announced that he had approved and signed the following joint resolutions:

On April 9, 1986:

S.J. Res. 52. Joint resolution to designate the month of April 1986 as "National School Library Month".

On April 17, 1986:

S.J. Res. 261. Joint resolution to designate the week of April 14, 1986 through April 20, 1986, as "National Mathematics Awareness Week".

MESSAGES FROM THE HOUSE

At 11:03 a.m., a message from the House of Representatives, delivered by Ms. Goetz, one of its reading clerks, announced that the House has passed the following joint resolutions, each with amendments, in which it requests the concurrence of the Senate:

S.J. Res. 214. Joint resolution to provide for the reappointment of Carlisle H. Humelsine as a citizen regent of the Board of Regents of the Smithsonian Institution; and

S.J. Res. 215. Joint resolution to provide for the reappointment of William G. Bowen as a citizen regent of the Board of Regents of the Smithsonian Institution.

ENROLLED JOINT RESOLUTIONS SIGNED

At 12:14 p.m., a message from the House of Representatives, delivered by Ms. Goetz, one of its reading clerks, announced that the Speaker has signed the following enrolled joint resolutions:

S.J. Res. 303. Joint resolution to designate April 1986, as "Fair Housing Month";

H.J. Res. 582. Joint resolution to designate April 20, 1986, as "Education Day U.S.A."; and

H.J. Res. 599. Joint resolution commemorating the twenty-fifth anniversary of the Bay of Pigs invasion to liberate Cuba from Communist tyranny.

The enrolled joint resolutions were subsequently signed by the Acting President pro tempore (Mr. STEVENS).

INTRODUCTION OF BILLS AND JOINT RESOLUTIONS

The following bills and joint resolutions were introduced, read the first and second time by unanimous consent, and referred as indicated:

By Mr. DOLE (for Mr. THURMOND):

S. 2338. A bill to amend the Tariff Schedules of the United States to reclassify extracorporeal shock wave lithotripters; to the Committee on Finance.

By Mr. DOLE (for himself, Mr. BYRD, Mr. WILSON and Mr. GRAMM):

S. 2339. A bill to provide for the appointment of Serrandito Ribas-Dominicci and Peter Lorence to the service academy of their choice at the time that they satisfy the requirements for admission to such academy; to the Committee on Armed Services.

By Mr. STAFFORD (for himself, Mr. MITCHELL, Mr. CHAFEE, Mr. BENTSEN, Mr. DURENBERGER, Mr. LAUTENBERG, Mr. BAUCUS, Mr. MOYNIHAN and Mr. HUMPHREY):

S. 2340. A bill entitled the "Oil Pollution Liability and Compensation Act of 1986"; to the Committee on Environment and Public Works.

STATEMENTS ON INTRODUCED BILLS AND JOINT RESOLUTIONS

By Mr. DOLE (for Mr. THURMOND)

S. 2338. A bill to amend the tariff schedules of the United States to reclassify extracorporeal shock wave lithotripters; to the Committee on Finance.

RECLASSIFICATION OF EXTRACORPOREAL SHOCK WAVE LITHOTRIPTERS

● Mr. THURMOND. Mr. President, today I am introducing legislation to remedy an existing inequity in the

tariff schedules of the United States [TSUS] concerning the classsification of extracorporeal shock wave lithotripters.

The extracorporeal shock wave lithotripter is a new invention which generates a shock wave to disintegrate kidney stones without invasive surgery. At present, the only lithotripter manufacturer which has received Food and Drug Administration approval for use in the United States is Dornier Medical Systems, Inc., which is based in West Germany. There are no domestic manufacturers presently producing a lithotripter approved by our Government.

The lithotripter enables patients to avoid surgery and thus relieves pain and suffering, reduces the cost of kidney stone treatment, significantly reduces the length of the hospital stay and reduces the recuperation time dramatically. Many lithotripter procedures are performed on an out-patient basis, compared to the major surgery often associated with kidney stone removal.

There are really only two practical areas under the tariff schedule to place new devices like the lithotripter. These two choices would fall under the category of electro-medical apparatus, and parts thereof:

(A) Electro-surgical apparatus, and parts there of (9.2 percent duty);

(B) Other (4 percent duty).

The tariff duty with respect to "electro-surgical apparatus, and parts thereof" is approximately twice as high as that for "other." At present, the differences between the two categories when applied to the present price of the lithotripter is approximately $100,000. Thus, whether the procedure is "surgical" or "nonsurgical" is crucial.

In 1983, the Customs Service made a determination that the lithotripter should be treated as a surgical apparatus. The decision is surprising since, in fact, no surgery is actually performed with the lithotripter. Indeed, the whole utility of the machine lies in the fact that its use avoids invasion of the body or other surgical techniques. By contrast the Customs Service reasoned that a surgical device is one used by surgeons. Since urologists are surgeons, and since urologists are expected to operate these machines, the Customs Service ruled that the device was a surgical device.

This decision seems to contradict an equally important decision taken by another Federal agency on the same question.

For purposes of Medicare reimbursement, the Federal Government assigns diagnostic related groups [DRG] classifications to each surgical procedure and pays accordingly. The choice for most lithotripter applications is either medical treatment of kidney stones (DRG 324) or surgical treatment of kidney stones (DRG 305).

Presently, Medicare is reimbursing the lithotripter treatment under the medical treatment DRG and not the surgical DRG. The reimbursement is substantially lower than if the surgical DRG was used.

Thus, the Federal Government determines that this is a surgical procedure for customs purposes, and a medical procedure for reimbursement purposes. These inconsistent determinations are neither logical nor fair and make the lithotripter providers financially the least favorable. This is inconsistent with good government policy.

Mr. President, my bill would correct this inequity by reclassifying lithotripters entered, or withdrawn from warehouse for consumption, on or after April 30, 1986 at the 4.4 percent duty rate. A companion bill, H.R. 4533, has been introduced in the House of Representatives by Representative RICHARD A. GEPHARDT, and my colleague from South Carolina, CARROLL A. CAMPBELL, JR.

I strongly encourage my colleagues to favorably support this bill and help patients avoid surgery by making these machines available to them at reasonable costs.

Mr. President, I ask unanimous consent that the text of this bill be included in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 2338

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. EXTRACORPOREAL SHOCK WAVE LITHOTRIPTERS.

Item 709.15 of the Tariff Schedules of the United States is amended by inserting "(other than extracorporeal shock wave lithotripters)" after "Electro-surgical apparatus".

SEC. 2. EFFECTIVE DATE.

(a) IN GENERAL.—The amendment made by this Act shall apply with respect to articles entered, or withdrawn from warehouse, for consumption after the date that is 15 days after the date of enactment of this Act.

(b) RELIQUIDATION.—Notwithstanding section 514 of the Tariff Act of 1930 or any other provision of law, upon a request filed with the appropriate customs officer before the date that is 90 days after the date of enactment of this Act, any entry of extracorporeal shock wave lithotripters that was made—

(1) after April 30, 1986, and

(2) on or before the date that is 15 days after the date of enactment of this Act.

shall be liquidated or reliquidated as though such entry occurred on the day after the date that is 15 days after the date of enactment of this Act.●

By Mr. DOLE (for himself, Mr. BYRD, Mr. WILSON, and Mr. GRAMM):

S. 2339. A bill to provide for the appointment of Serrnandito Ribas-Dominicci and Peter Lorence to the service academy of their choice at the time that they satisfy the requirements for admission to such academy; to the Committee on Armed Services.

APPOINTMENT TO SERVICE ACADEMY OF THEIR CHOICE FOR SERRNANDITO RIBAS-DOMINICCI AND PETER LORENCE

Mr. DOLE. Mr. President, I am pleased to introduce a bill which provides for the appointment of Serrnandito Ribas-Dominicci and Peter Lorence to the service academy of their choice when they come of age.

Serrnandito Ribas-Dominicci is the 4-year-old son of Capt. Fernando Ribas-Dominicci, the pilot whose plane did not return from the U.S. military action taken over Libya. When President Reagan called Fernando's widow, Bianca, to extend his condolences, he asked her whether there was anything the country could do to help repay the enormous debt we own her husband for the ultimate sacrifice he made for our self-defense. She asked for only one thing: That the captain's son be assured an appointment at the Air Force Military Academy when he grows up, for he had already decided that, like his father, he wanted to be a pilot.

Peter Lorence is the 8-month-old son of Capt. Paul F. Lorence, who was the bombardier and navigator on Captain Ribas-Dominicci's plane. Captain Lorence enlisted in the Air Force when he graduated from high school and was well known for his passion for flying, a trait he inherited from his maternal grandfather who was a pilot in Britain's Royal Flying Corps during World War I. This bill will also secure an academy appointment for young Peter, should he decide as he gets older to follow in his family's proud military tradition.

In 1941, President Roosevelt led an effort to secure a military academy appointment for the infant son of Colin P. Kelly, who was the first military pilot to be killed in action in World War II. Republicans don't often quote FDR, but his eloquent letter "To the President of the United States in 1956" in young Colin's behalf I think bears repeating now. Specifically, he said:

> I am writing this letter as an act of faith in the destiny of our country. I desire to make a request which I make in full confidence that we shall achieve a glorious victory in the war we now are waging to preserve our democratic way of life.
>
> My request is that you consider the merits of a young American youth of goodly heritage—Colin P. Kelly III—for appointment as a cadet in the U.S. Military Academy at West Point. I make this appeal in behalf of this youth as a token of the Nation's appreciation of the herioc services of his father, who met death in the line of duty at the very outset of the struggle which was thrust upon us by the perfidy of a professed friend.
>
> In the conviction that the service and example of Capt. Colin P. Kelly, Jr., will be

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long remembered, I ask for this consideration in behalf of Colin P. Kelly III.

Mr. President, Serrnandito and Peter are innocent victims; fatherless because our country was forced to respond to a crazed petty dictator in a far away country who could not resist tormenting this country and other nations with violence, threatened and real. Hopefully, by the time these two boys come of age, the nightmare of terrorism will be no more. But history has taught that violence and aggression cannot be overcome by looking the other way; it must be met head on. Their fathers met the challenge, giving their lives for our peace and safety. For that, this legislation is truly, as FDR said, a mere token of our appreciation.

Mr. President, by proposing this legislation, I do not mean to set a precedent whereby legislation to set aside appointments to military academies would become common place. But this is an extraordinary situation which merits extraordinary legislation—the morally required response to a mother's unique request. To view it otherwise would denigrate its meaning and importance.

Mr. President, I ask unanimous consent that the text of the bill be printed in the Record.

There being no objection, the bill was ordered to be printed in the Record, as follows:

S. 2339

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the President is requested to appoint Serrnandito Ribas-Dominicci and Peter Lorence to the service academy of their choice at such time as each of them respectively satifies the requirements established for admission to such academy.

ADDITIONAL COSPONSORS

S. 1654

At the request of Mr. Stevens, the name of the Senator from Florida [Mrs. Hawkins] was added as a cosponsor of S. 1654, a bill to amend title 18, United States Code, to provide for criminal forfeiture of proceeds derived from espionage activities and rewards for informants providing information leading to arrests in espionage cases.

S. 2134

At the request of Mr. Heflin, the name of the Senator from Arkansas [Mr. Pryor] was added as a cosponsor of S. 2134, a bill to amend title 39, United States Code, to extend to certain officers and employees of the Postal Service the same procedural and appeal rights with respect to certain adverse personnel actions as are to Federal employees under title 5, United States Code.

S. 2144

At the request of Mr. Nickles, the name of the Senator from Wyoming [Mr. Simpson] was added as a cosponsor of S. 2144, a bill to amend the Farm Credit Act of 1971 to provide credit assistance to certain borrowers of loans by institutions of the Farm Credit System, and for other purposes.

S. 2165

At the request of Mr. Gorton, the name of the Senator from Ohio [Mr. Metzenbaum] was added as a cosponsor of S. 2165, a bill to authorize States to determine the level of funds allotted to a State under the Low-Income Home Energy Assistance Act of 1981 to be available for low-cost residential weatherization and other energy-related home repair projects for low-income households.

S. CON. RES. 122

At the request of Mr. Nickles, the name of the Senator from Wyoming [Mr. Simpson] was added as a cosponsor of Senate Conference Resolution 122, a concurrent resolution to express the sense of Congress with respect to agricultural loan restructuring.

AUTHORITY FOR COMMITTEE TO MEET

SUBCOMMITTEE ON STRATEGIC AND THEATER NUCLEAR FORCES

Mr. DOLE. Mr. President, I ask unanimous consent that the Subcommittee on Strategic and Theater Nuclear Forces, of the Committee on Armed Services, be authorized to meet during the session of the Senate on Friday, April 18, 1986, in open, later to become closed executive session, in order to conduct a hearing on Navy nuclear programs, and Navy reactor programs.

The PRESIDING OFFICER. Without objection, it is so ordered.

ADDITIONAL STATEMENTS

COPYRIGHTS AND THE MUSIC INDUSTRY

● Mr. HECHT. Mr. President, the Wednesday, April 9, 1986, edition of the Washington Times contained an article featuring artist Donny Osmond and discussing Senate bill 1980. If passed, S. 1980 would change the way in which music creators and local television stations negotiate payment under copyright law. I ask that this article be included in the Record, for I consider it an excellent account of S. 1980, as told from the artist's perspective.

The article follows:

Donny Joins Songwriter Hill Rally

(By Lou Fournier)

Donny Osmond is your basic optimist, sure his career is really just getting off the ground. But the pop star, late of Utah and teen godhood, now living in Southern California, sees a dark threat facing American creativity, and he's here to do something about it.

"When I heard about the whole issue," he says, "I said, 'Yo, babe! I gotta get involved with this!' "

"The whole issue" "is a bill pending in Congress that has most major songwriters in the country hopping-mad. The bill, brainchild of pennywatching broadcasters, would set compensation for composers of music written for broadcast media at a high, single, flat-rate, one-time fee, rather than paying royalty residuals over long periods of time.

"This is not even a legal issue," Mr. Osmond says, echoing similar sentiments of composer Paul Williams and country writer/performer T.G. Shephard, milling in a room at the Madison Hotel with Mr. Osmond. "This is a moral issue. The thing is, in the long run it would even hurt the producers who are trying to save money with it."

"I'm here because music is essentially property," Mr. Williams says. "When I write a piece of music, it's mine to sell, lease or rent as I choose. This bill is an attempt by the government to assume those rights for itself. It's grossly unfair and morally wrong for the government to tell us how to do our business. This would be a very dangerous precedent if it passed."

"This is wrong," Mr. Shephard agrees. "There's always some greed where money is concerned, and this bill is just trying to save some broadcasters some long-range money. What they don't see is how it'll hurt us all. It'll kill off a lot of creativity."

"The bill would make the one-time fee so expensive," Mr. Osmond says, "that producers would eventually end up having to use public-domain music, or even foreign music. That would hurt their own product. But it would mostly hurt the American songwriter; he's going to have no incentive to write anymore. And I believe that the greatest American product is music.

"I'm an established artist, and I can still make a living. But new artists would have a very tough time if this bill goes through. I'm working with a guy now who's a real genius, he just writes incredible stuff. But I don't know if he could make it if this bill were law."

Mr. Osmond offers a stark illustration of what he sees as another danger of the bill, that of assigning a monetary value to a musical composition that would be far below its true artistic worth. "Imagine," he says, "if Irving Berlin had only been paid once for 'White Christmas.'

"I actually worry about the broadcasters who want this bill. They don't see the long-range situation here; they don't realize this would actually hurt them. They have to realize that it's the artists who keep them in business."

Mr. Osmond is part of a high-visibility team of musicians which spent yesterday going door-to-door through the congressional office buildings trying to convince legislators of the folly of the bill. Other artists included Mr. Williams, Mr. Shephard, Mike Post, Marilyn Bergman, Wayland Holyfield, Richard Leigh and Peter McCaan.

This morning the group will hold a press conference to voice further opposition before a scheduled 9:30 a.m. hearing on the bill by the Senate Subcommittee on Patents, Copyrights and Trademarks. This morning's conference will feature appearances via specially made videos by Quincy Jones, Henry Mancini, Dolly Parton, Lionel Richie, Smoky Robinson, and Stevie Wonder. Two performance-rights organizations, the American Society of Composers,

Authors and Publishers (ASCAP) and Broadcast Music Inc. (BMI), were also involved in the lobbying effort.

Mr. Osmond is chiefly remembered for his popular TV series with his sister, "The Donny and Marie Show," and a series of wildly successful, youth-oriented recordings by the pair.

Last year he took his own production company public, moved with his wife and three children out of Utah, where he had maintained strong ties with the Mormon community, changed his management company and started recording a new album.

"Everybody wants to be a legend," Mr. Osmond says, when asked how he would like to be remembered in, say, another 50 years. "Certainly I've made a dent in the music industry; that's my dream. My best music is yet to be realized."●

CONCLUSION OF MORNING BUSINESS

The ACTING PRESIDENT pro tempore. Is there further morning business? If not, morning business is closed.

ORDER OF PROCEDURE

Mr. DOLE addressed the Chair.

The ACTING PRESIDENT pro tempore. The majority leader.

Mr. DOLE. Mr. President, I will not move to proceed to the drug export bill, and file cloture on the motion to proceed. I just had a discussion with the distinguished Senator from Ohio, Senator Metzenbaum. He has indicated that he has no objection to going to the bill. He will have a number of amendments, and extensive debate on the bill itself if we bring it up after we dispose of the budget resolution.

On that basis, I see no reason to move to that and file cloture, if we do not need do it. It will take some time to be on the bill itself.

I guess with that understanding when we dispose of the budget resolution, at least as far as Senator Metzenbaum is concerned—somebody else might object—there will be no objection to proceeding to S. 1848. It may not come up right after the budget resolution. It may come up later. But that is no problem to Senator Metzenbaum; if it never comes up, it will be soon enough as I understand it.

So I guess we will be able to leave here fairly quickly. Let me check a couple of those items.

Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER (Mr. Gorton). The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. DOLE. Mr. President, I ask unanimous consent that the order for the quorum call be recinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

The majority leader is recognized.

UNANIMOUS-CONSENT AGREEMENT

Mr. DOLE. Mr. President, I ask unanimous consent that when the Senate convenes on Monday, April 21, 1986, the reading of the Journal be dispensed with; that no resolution come over under the rule; that the call of the Calendar be dispensed with; that following the recognition of the two leaders under the standing order, there be special orders in favor of Senators Hawkins, Proxmire, and Cranston for not to exceed 5 minutes each, to be followed by a period for the transaction of routine morning business, not to extend beyond 1 p.m., with Senators permitted to speak therein for not more than 5 minutes each; provided, further, that the morning hour be deemed to have expired.

The PRESIDING OFFICER. Is there objection? The Chair hears none, and it is so ordered.

ORDER FOR ADJOURNMENT UNTIL MONDAY, APRIL 21, 1986

Mr. DOLE. Mr. President, I ask unanimous consent that when the Senate completes its business today, it stand in adjournment until 12 noon on Monday, April 21, 1986.

The PRESIDING OFFICER. Without objection, it is so ordered.

ORDER FOR RECOGNITION OF CERTAIN SENATORS ON MONDAY

Mr. DOLE. Mr. President, I ask unanimous consent that on Monday, following the recognition of the two leaders under the standing order, there be a special order in favor of Senators Hawkins, Proxmire, and Cranston for not to exceed 5 minutes each.

The PRESIDING OFFICER. Without objection, it is so ordered.

ORDER FOR ROUTINE MORNING BUSINESS ON MONDAY

Mr. DOLE. Mr. President, I ask unanimous consent that on Monday, following the special orders just identified, there be a period for the transaction of routine morning business, not to extend beyond 1 p.m., with Senators permitted to speak therein for not more than 5 minutes each.

The PRESIDING OFFICER. Without objection, it is so ordered.

PROGRAM

Mr. DOLE. Mr. President, I indicated earlier that there might be a possibility on Monday of calling up S. 49, the gun control bill. I am advised by the distinguished Senator from Idaho [Mr. McClure], who is the manager of that bill, that he would prefer not to try to do that on Monday; but he is working with Members who have some questions about the bill, and maybe they can work it out later in the week.

There is still a possibility of bringing up the budget resolution on Monday.

I have also indicated that we might move to proceed to the drug export bill, S. 1848. But I have had a discussion with the distinguished Senator from Ohio [Mr. Metzenbaum], and he indicates that he would be willing to let that bill come up after we dispose of the budget resolution, without going through cloture on the motion to proceed.

It is my hope that we can clear the nomination of Donald Newman, and I indicate for the Record that there is no objection on the Democratic side. The objection is coming from this side, the Republican side. I hope that Senator Humphrey and Senator Helms will be able on Monday to let us dispose of that nomination. It is a very important nomination.

It is also my hope that on Monday we can take care of this little concurrent resolution that has been floating around for a couple of weeks. There are 38 cosponsors. In effect, it is a sense of the Senate to indicate that the Farm Credit System should use certain practices to protect American farmers. We believe it is important. We obviously have faith in the regulatory agency, but we believe that by passing this legislation it would underscore the concern Congress has when we are dealing with farmers and credit policies that affect farmers. So I hope that on Monday, without a record vote, we might be able to pass that.

Mr. President, I indicate for the Record that there will be no votes on Monday, as was announced previously. We will do our best to protect some of our colleagues on Wednesday, which is the beginning of Passover, with no votes after a certain hour that afternoon—4 o'clock or 6 o'clock. We will work that out to their satisfaction.

I indicate that there could be late nights on other days, particularly if we get into the budget, because it is a 50-hour process; and I assume that unless there is some agreement to reduce the time, we would need to stay in late, at least to run the clock.

Friday session next week? Again I am not in position to say there will not be one. I guess I just assume that there would be a Friday session next week with votes but if something develops between now and hopefully Tuesday when we have our policy luncheons I will convey that to the distinguished leaders.

ADJOURNMENT TO MONDAY, APRIL 21, 1986

Mr. DOLE. Mr. President, there being no further business to come before the Senate, I move that the Senate stand in adjournment until the hour of 12 noon, Monday, April 21, 1986.

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The motion was agreed to, and, at 12:54 p.m., the Senate adjourned until Monday, April 21, 1986, at 12 noon.

NOMINATIONS

Executive nominations received by the Senate April 18, 1986:

In the Coast Guard

Rear Adm. James C. Irwin, U.S. Coast Guard, to be the vice commandant, U.S. Coast Guard with the grade of vice admiral while so serving.

The following officers of the U.S. Coast Guard for promotion to rear admiral (lower half):

Capt. George D. Passmore, Jr., USCG.
Capt. Ernest B. Acklin, Jr., USCG.

In the Navy

The following-named officer, under the provisions of title 10, United States Code, section 601, to be assigned to a position of importance and responsibility designated by the President under title 10, United States Code, section 601:

To be vice admiral

Vice Adm. Donald S. Jones, 391-22-4694/1310, U.S. Navy.

In the Air Force

The following officer for appointment in the Regular Air Force under the provision of section 531, title 10, United States Code, with a view to designation under the provision of section 8067, title 10, United States Code, to perform duties indicated with grade and date of rank to be determined by the Secretary of the Air Force provided that in no case shall he be appointed in a grade higher than lieutenant colonel:

CHAPLAIN

Stanley E. White, 452-44-0482

In the Air Force

The following-named officers for permanent promotion in the U.S. Air Force, under the provisions of section 628, title 10, United States Code, as amended, with dates of rank to be determined by the Secretary of the Air Force:

JUDGE ADVOCATE

To be major

Fredric L. Bauer, 059-40-4854

CHAPLAIN

To be lieutenant colonel

Stanley E. White, 452-44-0482

In the Air Force

The following officers for appointment in the Regular Air Force under the provision of section 531, title 10, United States Code, provided that in no case shall any of the following officers be appointed in a grade higher than major:

LINE OF THE AIR FORCE

Aguillard, Loren G., 437-68-5837
Andermann, Brian E., 560-70-8615
Beauregard, Rene J., 039-28-0744
Black, Donald C., Jr., 457-80-4303
Bodenheimer, Michael W., 245-84-5683
Bodin, James P., 548-70-1434
Boyd, Jimmie V., 436-76-1447
Brenckman, Emil III., 219-62-2172
Broner, Johnny R., 257-72-8791
Brooks, Robert M., 421-66-9491
Brown, Jeffrey R., 147-40-4256
Bryant, Otis R., 245-78-0702
Carkeet, John L., III, 548-74-3534
Carr, Nathaniel L., 368-50-6895
Chamness, Allen W., 585-52-2491
Cheeseman, Robert J., 102-36-8172
Coleman, Donald C., 453-78-9899
Colliander, Richard J., 038-34-2950
Costa, Nicholas S., 047-48-9685
Daneker, Paul R., Jr., 531-56-0723
Davis, Harold L., 402-72-1784
Davis, Richard D., 438-72-4925
Dodds, Dale I., Jr., 570-64-6878
Doelp, Jonathan E., 166-44-5884
Donahue, Charles F., Jr., 420-72-6569
Durham, Willie E., Jr., 240-88-5615
Flatt, Kevin P., 541-64-1581
Fuzzell, Steven L., 455-98-0466
Gibbs, Curtis R., 246-84-8879
Givens, Darryl A., 223-74-5440
Gladden, Willie J., 241-88-4056
Gonzalez, Rafael., 584-28-9721
Haulman, Larry H., 295-44-1603
Hess, David B., 226-80-1474
Hibbard, Willard J., III, 002-36-2246
Higbee, Terry A., 529-72-0771
Jacobs, Paul P., Jr., 202-38-7677
Keown, Royce E., 432-94-7338
King, Cleo., 428-92-8574
Kokoszki, Joseph J., 110-38-9832
Krehbiel, John S., 085-40-6545
Kupec, John A., 498-60-4170
Lanphear, George W., 346-42-2768
Laurin, Gerald D., 054-46-4325
Leach, Stuart W., 366-52-5540
Lee, Lawrence E., 251-86-3888
Leon, John C., 226-66-0550
Lively, Alvin L., 255-70-4061
Martin, Dennis C., 227-74-6090
Mason, Michael D., 413-92-7696
McCloghry, Thomas M., 160-40-2283
Melton, Joecephus R., Jr., 434-86-9922
Mowrer, Rickey L., 494-56-6282
Payne David W., 422-68-1849
Phillips, William G., 437-68-5983
Procknow, Errin L., 449-88-6747
Robertson, John M., 485-52-3867
Rucker, Raymond I., Jr., 106-42-8510
Skowronski, Raymond, 451-82-6747
Smith, James F., 266-08-2352
Smith, John J., Jr., 214-44-0618
Stevens, John G., 346-42-8099
Sullivan, Timothy L., 352-48-7671
Tricca, Ronald J., 015-36-1930
Tyler, Charles L., Jr., 228-80-1856
Undem, Halvor A., 503-66-2145
Walter, Robert W., 190-36-0744
Ward, Nedwin R., 458-78-1438
Ware, Robert M., 264-80-4653
Wenzel, Nancy J., 301-54-3799
Werremeyer, Kenneth R., 171-40-1464
Wilkes, Jimmy L., 258-80-0700
Williams, Tommie L., Jr., 587-72-5903
Wilson, Thomas E., 184-42-5740
Wright, Sammie L., 227-62-9790
Wrobel, Gary D., 091-40-9923
Young, Jerry M., 515-54-7612

The following officers for appointment in the Regular Air Force under the provisions of section 531, title 10, United States Code, with a view to designation under the provisions of section 8067, title 10, United States Code, to perform the duties indicated, provided that in no case shall any of the following officers be appointed in a grade higher than major:

CHAPLAINS

Brown, Ross C., 528-60-0914
Brown, Thomas O., 421-52-0740
Christenson, Don J., 548-70-3089
Daniels, James W., 424-64-5512
Davenport, Richard B., 555-94-5672
Eason, Louis H., III, 373-44-8037
Flake Layne E., 518-66-0320
Foust, Edward A., 441-54-0900
Funkhouser, Morton L., Jr., 263-66-5805
Geller, Charles A., 328-40-0913
Hanna, Joseph E., 303-44-1401
Hartsfield, Wayland M., 408-72-1002
Hesgard, Randon N., 544-58-1258
Johnson, Dwight D., 045-34-5079
Malinsky, Gregory J., 181-40-9358
Odonnell, Michael R., 291-50-0491
Peterson, Don E., 271-42-2274
Preston, Jerold L., 481-48-4327
Ray, Samuel A., 423-66-5266
Russell, Donald L., 194-36-1274
Saunders, James D., 391-56-0162
Schiffer, James A., 082-32-6248
Stefero, John W., 162-42-3560
Thompson, Lee M., 469-58-3192
Vella, Joseph C., 124-46-0234
Wagner, Joseph R., 503-40-1259
Westall, Thomas G., 137-38-8524
Whitley, John G., 420-56-6208
Wilder, Lewis A., 250-78-8719

JUDGE ADVOCATES

Acklin, Douglas E., 441-56-5123
Arrigo, John A., 328-38-9168
Chostner, Jeffrey E., 524-68-8630
Deavel, Richard P., 574-26-0299
Demaree, Dartt J., 363-48-5026
Duke, Judith Ann, 458-74-3034
Flanagan, Jean M., 263-80-2022
Hanson, Carole W., 414-86-2724
Harding, Richard C., 120-08-9947
Hasskamp, Charles W., 263-74-5480
Heinz, John H., 090-40-4166
Hoard, E. David, 509-46-4695
Hudspeth, Deborah J., 438-92-6353
Jones, Fraser B., Jr., 381-52-2562
Kaszuba, Karl A., 266-11-3359
Kennedy, Katherine M., 517-68-2545
Kistler, Joseph S., 245-66-4968
Kitzmiller, Kenneth C., 454-90-0005
Lauer, Jay A., 485-64-2135
Malloy, Timothy J., 331-46-7308
Mark, Michael I., 098-38-3246
Monahan, Edward J., 242-96-5539
Northup, David A., 036-34-8675
Olsen, Sverre M., Jr., 487-60-6013
Rada, Esther A., 122-46-9001
Rowell, Gary L., 587-10-0142
Stanselliming, Martha, 358-38-5063
Sutton, James O., III., 558-74-4559
Taylor, Kathryn I., 446-56-2985
Vonwald, Conrad M., 471-70-4319

NURSE CORPS

Abalos, Rudolpho E., 585-32-5747
Alger, Constance Marion, 225-64-0967
Anderson, Laurel M., 219-42-4595
Bakasallen, Loretta M., 531-52-7789
Baker, Jill V., 565-94-2686
Ball, Mildred A., 432-86-1792
Barrientez, Rose M., 445-56-0842
Black, Jacqueline D., 277-54-8948
Blackwell, Robert B., 448-50-4850
Carson, Ellen J., 046-42-0323
Cassagnol, Kathy A., 133-44-9963
Collins, Kathleen P., 563-80-9082
Cox, Alice N., 287-48-6375
Cygan, Pamela A., 568-88-3661
Davidsonwhite, Thora S., 193-40-2304
Decker, Kristine Case, 068-40-1349
Diaz, Delizabeth, 123-42-3098
Distel, Mary J., 264-94-7525
Doherty, Janella G., 404-70-3624
Dokes, Fred D., III., 294-50-6360
Draculan, Margarita, 116-46-2082
Ebelacker, Cynthia A., 011-46-0868
Ericksonowens, Debra A., 031-46-7917
Fagerland, Kathleen J., 504-66-4824
Fesel, Frederick, 124-36-6970
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In the Air Force

The following-named officers for permanent promotion in the U.S. Air Force, under the appropriate provisions of section 624, title 10, United States Code, as amended, with dates of rank to be determined by the Secretary of the Air Force:

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Palmer, Ronald J., 493-58-4100
Parnell, Michael J., 516-62-2476
Pulcifer, Donald E., 503-46-8429
Rath, Dale H., 505-58-2020
Ray, Dennis L., 410-92-7245
Riggs, Ernest L., III, 073-40-9488
Rooney, Michael J., 535-40-9867
Sallstrom, John F., 357-42-3610
Sarvaideo, Robert J., 075-38-0549
Savory, Barry L., 438-68-2304
Savoy, Ronald J., 330-40-2151
Schutte, Richard J., 174-38-8102
Scott, Randall E., 445-52-2294
Shelley, Michael L., 419-76-2286
Shelton, Lorraine, 084-46-0360
Shively, Storne L., 262-94-0007
Shonebarger, Paul J., 282-46-7175
Sindelar, Paul J., 283-44-5673
Slusher, Byron C., 456-68-6699

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Snitchler, Lowell L., 357-40-8277
Stoddart, Terry L., 261-78-9004
Strongin, Timothy S., 527-96-4705
Sutay, Rebecca J., 532-60-3139
Tallant, Steven H., 464-90-8184
Tarpley, Alice A., 289-56-2063
Teters, Joyce C., 503-38-1430
Thomas, James E., 381-46-7640
Thomas, William E., 435-66-2820
Thorn, Dale L., 430-80-3506
Thornton, Philip F., 508-66-6016
Trahan, Donald E., 451-92-1644
Utech, Marlon R., 510-56-2927
Wallis, Steven B., 139-46-2402
Ward, Lero J., Jr., 141-40-3790
Ware, Kathy L., 267-96-2455
Werkley, Christopher J., 209-40-4437
Wetzel, Karen C., 167-40-7948
Wiggins, Gayle C., 454-62-2881
Williams, Richard L., 527-76-3596
Winchester, Curtis W., 362-48-7414
Wolf, Randolph S., 263-64-8720
Wolpert, David S., 027-34-1956
Yarwood, John A.N., 108-36-7857

IN THE ARMY

The following-named officers for permanent promotion in the U.S. Army in accordance with the appropriate provisions of title 10, United States Code, sections 624 and 628:

ARMY

To be colonel

Robert H. Johns, 548-48-8533

MEDICAL SERVICE CORPS

To be colonel

Fred Valenti, 261-52-7443

ARMY

To be lieutenant colonel

Carla K. Fisher, 322-34-1218
Joel M. Sauer, 411-72-7223

JUDGE ADVOCATE GENERAL'S CORPS

To be lieutenant colonel

Philip F. Koren, 177-36-4075
Linus Johnson, 132-32-2638

MEDICAL CORPS

To be lieutenant colonel

Sang C. Kim, 213-76-6327
William C. Kirby, 307-52-8589
Romeo P. Perez, 034-52-5135
John W. Uribe, 174-40-6913

CHAPLAIN CORPS

To be major

Joab H. Patton, 313-46-4682
Hillel Smulowitz, 062-38-8958

MEDICAL SERVICE CORPS

To be major

Ronald M. Rosenberg, 465-72-1523

IN THE MARINE CORPS

The following-named officers of the Marine Corps for permanent appointment to the grade of colonel, under title 10, United States Code, section 624:

Admire, John H., 8524
Alonzo, Jose G., 3750
Armstrong, William D., 1478
Bailes, Russell F., Jr., 6452
Bassett, Delbert M., 0649
Berkheiser, Stephen R., 5704
Bettis, Lee H., 7947
Bicknas, John A., 6214
Black, Jerry C., 9150
Blair, Gary A., 3598
Blanchfield, Richard J., 3891
Blenkle, Andrew J., 3891
Brinkley, Randolph H., 3912
Brown, Ross A., 8708
Burns, Kenneth R., 6438
Campbell, Donna M., 7872
Canada, Ray G., 2308
Carlucci, Nicholas F., Jr., 5629
Carr, John D., 4435
Carr, William D., Jr., 3084
Carter, Thomas C., 4560
Church, John C., 1672
Cisneros, Philip C., 4964
Cole, Brascal B., Jr., 9243
Cummings, John D., 0571
Dale, William M., 7089
Dennis, John F., 6194
Dewey, Kenneth W., 2277
Dibello, William J., 0751
Doyle, James J., Jr., 9837
Early, Thomas M., 9079
Edwards, Larry M., 9800
Fitch, Augustus, III, 5637
Fite, William C., III, 9452
Fox, Wesley L., 5280
Gibbons, Wayne M., 5180
Goodrich, Jerome E., 1243
Goody, John B., 5372
Habermacher, David I., Jr., 3205
Harke, Dennis M., 0081
Harris, William H., 9828
Hayes, James M., 9285
Hellbusch, Ronald A., 7664
Hester, Milton J., 1759
Holder, Franklin D., 8424
Hooton, Richard J., Jr., 8748
Ingraham, Charles, H., Jr., 1684
Jenson, Gerald O., 0610
Johnson, Kenneth W., 3113
Jones, David A., 2424
Jones, Thomas L., 2212
Jowers, Harry K., Jr., 9757
Juarez, Luis A., 0966
Karch, Lawrence G., 2736
Kay, William M., 0588
Kelly, Cary, 9789
Kelly, Michael S., 5066
Lange, Robert K., 0886
Larkin, Robert L., 7806
Lawrence, William S., 4835
Leach, Sean K., 8580
Lillie, Jay C., 4375
Lilly, Jasper C., Jr., 9332
Lind, Achim W., 4144
Luckie, Freddie M., 2347
McBride, Robert M., 2796
McClenahan, James E., Jr., 1034
McComb, Stephen R., 3404
McKenney, James B., 6965
McKissock, Gary S., 8973
Moffett, John W., 9995
Mohr, John W., 8454
Moos, Walter H., 9938
Moss, Michael J., 0997
Myers, Lonnie M., 8582
Nunnally, Robert G., 7270
O'Connor, Mark D., 4276
Pankey, Paul A., 2533
Perkins, Peter L., Jr., 4761
Polyascko, Gerald J., 1886
Rapp, James M., 1350
Reed, Henry L., 2950
Rensch, Ronald W., 1450
Richards, Larry D., 5707
Riner, Clarence C., III, 3986
Rippy, Jack W., 5614
Rusthoven, Bernard R., 5661
Schriber, Edward C., 0539
Schumacher, Russell W., Jr., 5971
Schwanda, Bruce A., 4764
Sexton, Merlyn A., 6833
Smith, Alexander G., III, 1913
Staley, Roger F., 0934
Stankosky, Michael A., 3202
Stouffer, Thomas D., 9158
Sullivan, Robert J., 8560
Swarens, William G., 3672
Tomlin, Richard D., 5179
Turner, Frank L., 2080
Vacca, William P., 8493
Vogel, Richard L., 5345
Welch, Edwin, W., 2413
Wickersham, Frank G., III, 3851
Willis, David J., 1873
Wilson, Jeffrey A., 1246
Wilson, Lynn W., 9180
Wischmeyer, William D., 1424
Yeend, Robert E., 5530

IN THE NAVY

The following-named commanders of the Reserve of the U.S. Navy for permanent promotion to the grade of captain in the line, in the competitive category as indicated, pursuant to the provisions of title 10, United States Code, section 5912:

UNRESTRICTED LINE OFFICERS

To be captain

Abel, Arthur P.
Abele, Robert Taylor
Alonge, Sam Joseph, Jr.
Anderson, Rodney Charles
Anderson, Ross Kay, Jr.
Anderson, Walter Eugene, Jr.
Andrews, John Bruce
Anson, Bert, III
Ashworth, David Bliss
Austraw, James D.
Avera, William Edward
Bankerd, John Peter
Barnette, Richard Thomas
Baskerville, James Jay
Beal, James Arthur
Beck, Robert Lee
Becknel, Gerald Paul
Benator, Barry Ivan
Benn, James Joseph, III.
Bernard, Gilbert Cress, Jr.
Berry, Robert Crist
Best, William Eugene
Blake, Robert Dana
Blansit, Griffin Clay, Jr.
Blanton, James Howard
Block, Martin Joel
Bomgaars, David Alan
Boothe, Paul Nicholson
Boyce, Allen Whitney
Boyd, Cecil Archibald K., II
Boyd, Larry Lee
Brady, Joseph Francis
Brennan, James Patrick, Jr.
Bried, Robert Allan
Brooks, Richard Edwin
Brown, David Alan
Brown, John Ollie
Brown, Roy Bernard
Bryan, John Harold
Burnett, Dana Dunning
Burr, David Shepherd
Canavan, Kenneth
Cannon, Thomas Markwood
Carvelli, Albert Bernard, Jr.
Chronic, Joseph Alan
Chubb, Stephen Darrow
Clark, Thomas Francis, Jr.
Closson, Spencer Wayman
Copeland, Larry Mack
Cottrell, Davie Stewart
Crull, Thomas William
Cunningham, Paul Joseph
Curland, James William
Curran, John Patrick
Custodi, George Louis
Darby, Philip Alan
Davis, Frank Lawson, Jr.
Davis, Robert Willard
Degiorgio, Jerry Robert
Delpizzo, Charles William, Jr.
Denninghoff, James Phillip
Depompei, Daniel Albert
Despres, Joseph Atchez
Devine, John Joseph, Jr.
Dixon, Donald Lee
Dodge, Stephen A.

Dostal, Donald Louis
Dovener, Joseph John
Doyle, Thomas E.
Drozdz, Theodore Vincent
Drummer, Jesse Fulton
Dubas, Lawrence Theodore
Dube, George
Dunlap, Steven James
Dunn, Paul Henry
Durham, John Lewis, III
Eastman, Kenneth O., Jr.
Eaves, Beuford Allyn
Edwards, James Thurmon, Jr.
Elzie, Johnny Lee
Engstrom, John Timothy
Fanning, Timothy Onell, Jr.
Farkas, Daniel Paul
Fehrenbacher, Michael Robert
Felger, Thomas Robert
Fennell, Gerald Francis
Ferguson, James Thomas, III
Field, Lawrence Herzog
Fischer, Paul Marshall, Jr.
Fitch, David Atwood
Fitzgerald, Edward Warren
Flaherty, Walter Peter
Flora, Brian Gregory
Foley, Dennis J.
Folgate, Julius Martin
Forbes, Jon Ervin
Fox, James Charles, Jr.
Freitas, John Neil
Fulton, David Samuel
Gaffney, William Thomas
Gardea, David Luis, Jr.
Garmon, Gerald Sutherland
Gervais, Kenneth A.
Gibfried, Carolyn Jean
Gordon, James W.
Gray, Douglas Charles
Greenberg, Samuel Jay
Gregg, Frederick Marion, III
Griffin, Richard Nathan
Grutzius, Charles R.
Guerin, Charles Leo, III
Haberzetle, James Duane
Haller, Robert Kenneth
Halter, Leroy William, II
Hammond, Weldon Woolf, Jr.
Hampton, James Franklin
Harbrecht, Daniel Francis
Hardy, Randall Webster
Hartnett, Timothy Joseph
Haskell, Edwin Richard
Haughney, Charles Joseph
Hawes, Stephen Paul
Heidt, Edward Alan
Herrmann, Dan Richard
Heselton, Leslie Richmond
Higgins, Walter M., III
Hlopak, Edward Jay
Hodge, Walter Oscar
Holler, Eugene Joseph, Jr.
Holmes, John M.
Holmes, Sidney Lawrence, Jr.
Holst, Robert Weigel
Hopkins, John Dickinson
Hubbard, Allan Campbell
Huie, Charles Austin
Hulme, Woodrow Wilson, II
Humphrey, Keith David
Ingwersen, John Lorenz
Ives, Charles Luther, III
Jackson, John Dwight
Jacobsen, Orval Ernest, Jr.
Johnson, Curtiss Dean
Johnson, Pierce Jarvis
Johnston, Robert Milton
Jones, Earl Franklin, Jr.
Jorgensen, William Frits
Kammer, William Nolan
Kavulia, John Michael
Keitel, Gunther Paul
Keysor, Allan Lawrence
Kilgore, Sidney J., III
Kish, John David
Klaviter, Elroy Clarence
Kokoruda, David Joseph
Kopplin, John Fredrick
Kral, Jeffrey Craig
Krup, Leonard Gary
Lah, Raymon Glenn
Lamm, Williams Davis
Lanotot, Roy Charles, Jr.
Lang, William Aloysius, II
Larson, Dean Roy
Lecours, Thomas Edward
Leder, John Edward
Lee, Richard Donald
Leever, George Robert
Lewis, Jeffrey Lee
Libbey, Miles Augustus, III
Lomacchio, Thomas D., Jr.
Lundblad, Kurt D.
Maginn, James Joseph
Maki, Kenneth Harold
Mandich, Joseph
Margeson, Walter Leverne, Jr.
Marshall, Paul Eugene
Martin, Port Robert
Marx, Theodore Raymond
Matt, Harold Alfred, Jr.
Mattson, Donald R.
Maultsby, James Alton
Maurc, Robert David
McCamish, Mickey Leroy
McCleary, Raymond Eugene
McDermott, Richard Allan
McGee, Terry Randall
McGuiness, Brian Michael
McNeill, Michael Francis
Meador, Malvin E.
Mercer, William Edward
Merkel, Daniel George
Merrill, George Dunne, Jr.
Mildfelt, William James
Minton, Tom Lee
Mitchell, Russell John
Montgomery, George Cranwell
Montgomery, Michael Ron
Moore, George Malcolm
Moore, James W., III
Moore, Michael David
Morgenfeld, Thomas Albert
Morrison, Evelyn Maude
Moseir, David Willis, Jr.
Nahr, Ernest Vincent, Jr.
Neal, Joseph Francis
Nettles, James Stevens
Newell, James K., III
Newell, Thomas Lee
Newton, Otto Allen
Nichols, Peter David
Nurko, William Michael
Catley, Donald Francis
O'Brien, Kiap, III
O'Brien, Stephen Paul
O'Brien, William Melvin, Jr.
O'Connor, Jeremiah Patrick
Olsen, Jack Arden
O'Neil, Haines Andrews
O'Reilly, James Arthur, Jr.
Paddock, John Francis, Jr.
Palm, Steven Banker
Parker, Henry Seabury, III
Paschall, Robert Lawrence
Paulson, Duane Leon
Payne, John Thomas
Pearce, Robert William
Peck, Edward Robert, Jr.
Peoples, Philip Murray
Piazza, Robert William
Pickett, Robert David, Jr.
Powers, Michael Eugene
Prettyman, George Daniel
Prickett, Jerry Leroy
Putt, Kenneth Franklin
Randall, Jeffrey Wayne
Regan, Robert Thomas
Renella, Marco S.
Rodriguez, Antonio Jose
Rogers, James Lerocy, Jr.
Rchrkemper, Stephen F.
Rooney, Daniel James
Rousselo, Gary Joseph
Rumbaugh, Richard Lee
Russell, David George
Sand, Lawrence Stuart
Sanderberg, Nils Stephen
Sawyer, William A.
Scholl, John Peter
Sharp, Jane Elizabeth
Shelar, Eugene, Jr.
Shorr, Harold
Shultz, Richard Allard
Siebert, Douglas Allan
Sledd, Melvin Frederick
Smisek, Thomas Joseph
Smith, Franklin Pickard
Smith, James Leonard
Sonksen, John Ray
Soraghan, Thomas Casey
Spangler, Henry Julius, Jr.
Spurck, Danial Noral
Stanfield, Robert Alan
Stella, Joseph W., Jr.
Stoeltzing, Richard Huston
Stone, Gary Nat
Strebel, John Philip
Svalya, Phillip Gordon
Swanberg, John William
Taylor, Anthony Roger
Tersteeg, Douglas John
Therict, Glenn Joseph
Thompson, Joseph R.
Titus, Dale Noel
Toriello, Andrew Norman, Jr.
Tourigny, Clement Gerard
Trautwein, Tom Allen
Tudor, Frederick, Jr.
Vanderhoek, James Storey
Vandriel, James Lercy
Wallschlaeger, Michael John
Walsh, Michael Gifford
Ward, Edward Wesley
Ward, Wayne Lee

Warlick, Thomas Andrew
Waylett, William James, Jr.
Webster, Edward H., III
Wendt, Donald Edward
Whitmore, Robert Camper
Whittaker, Ronald G.
Williams, Herbert Bateman
Winfree, James Robert
Wolff, Leonard Stanley
Wood, Robert Clayton
Wood, Robert Murray, Jr.
Wright, Bruce Curtiss
Wright, Francis D., III
Yap, Melvyn Mei Loong

UNRESTRICTED LINE OFFICERS (TAR)

To be captain

Batwinis, James Edward
Beaty, Robert Allen, Jr.
Book, James Lincoln
Bockelmann, Peter E.
Frunelli, John Francis
Carbary, Forrest R.
Chilton, Robert Eugene
Difilippo, William James
Elliott, Paul Brittain
Fitzgerald, John William
Goff, Robert Arthur
Greathouse, Robert R.
Harris, Joseph W.
Holty, Robert M.
Hunt, Peter C.
James, James Edward
Jewell, Richard Francis

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Kearley, Richard Carlisle
Kiral, Robert Holland
Koster, William Henry
Krouch, Carl Walter
Kuchinski, John G., Jr.
Lyons, Kenneth Glenn
Marsyla, Edward Gene
McGrath, Martin Edward, Jr.
Palmer, Timothy Gale
Ralston, Norman J.
Richardson, Roger Allen
Schultz, Arthur Victor, Jr.
Silk, Brian Alan
Sneath, William E.
Torok, Helmut Alexander
Vincent, Nelson L.
White, Michael C.
Wilson, Earl R., Jr.
Woodfield, Jeffrey R.
Woodrum, Thomas Ray

ENGINEERING DUTY OFFICERS

To be captain

Allman, Stephen Baines
Bitten, Ernest John
Cammill, Jerry Van Dyke,
Daniels, Gerald Everett
Elkhart, Alan Douglas
Hansborough, Lash Devcus
Johnson, Charles Edmund
Kidd, Delbert Ray
Krell, Ronald Matthew
Leonhardt, Richard John
Link, Robert William, Jr.
Metz, Hermann Arnold
Monson, Arthur Carl
Morrill, Philip John
Olshinski, John Albert
Owens, James Thomas, III
Patterson, William James
Peters, Geoffrey Wendell
Rhodes John Mark
Sager, Harlan Raymond
Sibold, Brian Branch
Walker, Niles A.
Walsh, Bartholomew John, Jr.

AERONAUTICAL ENGINEERING DUTY OFFICERS (AERONAUTICAL ENGINEERING)

To be captain

Bain, Jerry Wayne
Keyes, Jesse Hamilton, III
Leboeuf, Herve Joseph, III
Richter, Thomas Anthony

AERONAUTICAL ENGINEERING DUTY OFFICERS (AVIATION MAINTENANCE)

To be captain

Banvard, James Henry
Myles, Wendell Kenneth

SPECIAL DUTY OFFICERS (CRYPTOLOGY)

To be captain

Eurneskis, James Steven
Erbetta, Robert A.
Everson, Robert John
Gibbons, Joseph Melvin
Greenan, Edward Joseph
Hall, Clarence Chilis, Jr.
Ping, Dale Lee
Lamb, George Edwin
Levine, Emil Hillel
Lewallen, Richard Austin
Lindell, John Eric
Long, Raymond A.
Millikin, Charles W., III
Rieber, Christopher
Stocrza, Edwin Lawrence, Jr.
Taylor, Royce Donald
Vinton, Carl Phelps, Jr.

SPECIAL DUTY OFFICERS (MERCHANT MARINE)

To be captain

Bright, Richard G., Jr.
Brocco, William Joseph
McCaffrey, Thomas E.
O'Connor, Joseph Owen, Jr.
Paynter, Ivan Wainscott
Russell, Robert James
Sie, Anthony Ki
Vandergrinten, Helwig Frank

SPECIAL DUTY OFFICERS (INTELLIGENCE)

Alvarez, David Crosby
Anderson, William Andrew
Asrael, Aaron Robert
Baier, Robert Edward
Bledsoe, Charles Felix
Blemaster, Norman Lee
Boyd, Larry Ray
Clarke, Jon Bruce
Connors, William Joseph Jr.,
Conroy, John Patrick
Cowen, Joseph Hamilton
Dauwalder, Robert Hawthorne
Geist, John Michael
Gillenwaters, William E.
Guilfoyle, Joseph Charles
Haakon, Christopher Paul
Hurwitch, John Edward
Johnson, Marion Jack
Jones, Douglas Wayne
Kopper, William Alan
Lattimore, Bertram Gresh, Jr.,
Lerner, Julian
Lininger, Murt K.,
Maguire Jean Frances
Merriman, Edwin, Lawrence
Monroe, Michael Craig
Moore, Merlyn, Douglas
Ota, Roy Tsuneo
Payne, Tommy Everett
Price, Marion Shelly
Purcell, John Barry, Jr.
Redington, Michael Patrick
Runkle, William Auburn Jr.
Sand, Wayne Russell
Shoop, Thomas Victor
Smith, Daryl Kent
Spicer, Kenneth Jerome
Thorneloe, Keith C., II
Timm, Edward
Waldron, James Francis
Weissbach, Albert F., Jr.
Wilson, James Melvin, Jr.
Yates, William Atwood

SPECIAL DUTY OFFICER INTELLIGENCE (TAR)

To be captain

Abel, Joseph Anthony
McClain, Charles Michael

SPECIAL DUTY OFFICERS (PUBLIC AFFAIRS)

To be captain

Jones, Jeanne Renee
Kishiyama, David Nobuyuki
Mancias, Joe, Jr.
McAllister, William H., III
Rosen, Robert Arnold
Thompson, James Edwin, Jr.
Vallitchka, Joseph J.

SPECIAL DUTY OFFICER (OCEANOGRAPHY)

To be captain

Collins, Curtis Allan

IN THE NAVY

The following-named Navy enlisted candidates to be appointed permanent ensign in the Medical Service Corps of the U.S. Navy, pursuant to title 10, United States Code, section 531:

Elmer J. Aguigam
Gracito P. Alegado
Raymond P. Anderson
Fred J. Ashworth
David M. Balmforth
Lynne A. Barber
Edward Boddie
Scott C. Bonning
Victor P. Bosteels
Randal A. Carr
Susan M. Cason
Douglas L. Crispell
Terri J. Davis
Robert A. Edgar
Richard P. Franco
Jack A. Frost
Stephen A. Gregerson
Richard M. Guzman
Curtis G. Hankammer
Brent A. Haynie
Francis L. Held
Randall L. Jacobs
Johnnie F. Johnson
David W. Kern
John R. Knotts
John D. Larnerd, Jr.
Angela M. Muir
Glenn F. Nicholson
Alberto F. Panado, Jr.
Dorka M. Picard
Wayne F. Prescott
Joel D. Rastello
Richard Reed
Joseph M. Richter
Walter P. Ruggles
Wilfredo A. Sarthou
Carl E. Schauppner
Wade R. Wessels
William J. Whoolery
Douglas A. Zaren

EXTENSIONS OF REMARKS

PETER RODINO AND THE ISSUE OF IMMIGRATION

HON. BILL McCOLLUM

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Friday, April 18, 1986

Mr. McCOLLUM. Mr. Speaker, recently I had the privilege of being on a panel with the distinguished chairman of the Judiciary Committee, the Honorable PETER W. RODINO at Seton Hall University. The panel covered the issue of immigration and while there are many disagreements between myself and the chairman on this issue, I feel that my colleagues will find his remarks illuminating:

REMARKS OF THE HONORABLE PETER W. RODINO, JR.

I am delighted to be here with you today, and I welcome this opportunity to participate in your Liberty Centennial Project.

I am particularly pleased that you have asked me to speak at this National Forum on Immigration and to discuss my immigration legislation that is currently being considered by the Congress.

I especially want to commend three of this University's distinguished alumni—Tom Giblin and Adrian (Bud) Foley for their excellent work in organizing this Forum—and Mary Jo McDonough for her tireless efforts in putting together this entire Centennial Project.

I have always felt a special attachment to Seton Hall. I am very proud that my son is an alumnus of your Law School and I will always treasure the Honorary Doctorate I received from this University in 1976.

Immigration has been a matter of deep personal interest to me ever since I first came to Congress in 1948. I truly enjoyed my years of service on the Immigration Subcommittee, and I especially value the two years in the early 70's when I served as Chairman of that Subcommittee.

It is safe to say that, other than civil rights matters no issue has occupied my attention more, during my many years in the Congress.

I find particularly appropriate the theme of your two-year project honoring the Statue of Liberty centennial—Education: The Second Passage to Liberty.

The contributions of immigrants of all nationalities to this great country are legion, and I do not intend to recite an endless litany of immigrant heroes.

Their accomplishments—whether in government, business, the arts, the sciences, or even in sports—were rendered possible by the importance they and their parents attached to education.

The millions of immigrants—the huddled masses—who poured into New York in the late 19th Century were not content with their lot in life in the Old World.

Some sought religious and political freedom. Some fled the pogroms in Russia and Eastern Europe. Others simply wanted a better life for themselves and their children.

All sought new challenges and opportunities and a future for their children, which would include liberty, economic advancement and social enrichment.

In pursuing these objectives, education always played a predominant role.

Education has provided—and continues to provide—the cornerstone in building a strong future not only for immigrants, but for all Americans.

To millions of immigrants, Freedom's Lamp held high by Miss Liberty in New York Harbor meant the end of a long voyage of suffering and hardship and the start of a new life offering freedom of thought and worship and opportunity.

Divine providence must have interceded, along with Emma Lazarus' moving poetry, to transform the Statue of Liberty—originally intended as an expression of "sympathy and affection" between France and the United States—into a beacon of hope and liberty to the new arrivals.

From 1892 to 1954, more than 17 million immigrants—including my own father—passed by the Statue and were later processed through the Great Hall at Ellis Island. Today, 40 percent of all Americans can trace their ancestry through Ellis Island.

The young immigrants who went through Ellis Island, were filled with hopes and dreams of being able to determine their own destinies in a land free of rigid social structures and economic barriers.

How many of us, first generation Americans, remember the constant prodding and almost fanatical determination of our parents in stressing the importance of education. Most of these parents who believed so strongly in educating their children has no more than two or three years of elementary school education themselves.

I am convinced that the United States has become the most educated country in the world because these early immigrants planted the education seed in the hearts and minds of their children and nurtured it so carefully.

For this reason, I am most gratified that the Ellis Island project may be oriented toward training and education, with possible plans for museums, as well as educational and conference facilities. By adopting these uses, the Statue of Liberty/Ellis Island Centennial Commission truly honors those immigrants who came through the "golden door" of Ellis Island dedicated to the work ethic and devoted to education.

[Pause]

Immigration has gone through many changes since Ellis Island. There have been many legal reforms and policy revisions.

Many of our earlier policies, I regret to say, were based on paranoia, xenophobia, and yes, even bigotry.

From 1882 through the middle of World War II, for examaple, federal statutes barred all natives of China from ever becoming U.S. citizens. In 1917, in an effort to exclude Hindus, legislation was enacted declaring inadmissible to the United States all natives of India and Thailand.

And then, of course, came the enactment in 1924 of the infamous National Origins Quota Law—the sole purpose of which, to quote one supporter, was to "keep American stock up to the highest standards."

These "high standards" were to be maintained by encouraging immigration from Northern European countries and by bringing to a virtual halt immigration from Italy, Greece, Russia, Poland, Bulgaria, Armenia, Turkey, Yugoslavia, and Czechoslovakia.

Incredibly, the National Origins Quota Law remained in effect until 1975. For my part, I will always remain proud of the role I played in striking that racist program from our statute books.

I have related these historical facts to demonstrate that American immigration policy has reflected, at different times, the best—and the worst—of human nature. It has been, at various times—open and generous—and—discriminatory and inhumane.

Indeed, no other topic of national debate has that propensity to elicit both our finest and our most vile sentiments toward our fellow man.

Unfortunately, that continues to be the case today.

The restrictionist sentiment now prevalent in the United States is engendered, to a large degree, by the magnitude of illegal migration. And make no mistake about it, illegal immigration into this country is out of control.

Border apprehensions this year will approach two million. Innumerable others will slip through undetected. The undocumented population in the United States is in the millions and growing at the rate of 500,000 per year.

Clearly, this cannot continue. No nation committed to the principles of human dignity, freedom and equality can countenance within its borders the existence of an underground population; a population unable to defend itself against vicious exploitation for fear of being discovered and deported; a population with no legal rights or privileges; in short, a population of second class citizens.

It is precisely for this reason that, for over a decade, I have supported legislation to legalize undocumented aliens already in the United States and to prevent, through employer sanctions, the reemergence of a new undocumented population once that legalization takes place.

Am I calling for a restrictionist policy? Not at all. In fact, I am calling for precisely the opposite. If anything, the number of legal immigrants to the United States should be increased.

I say that because domestic fertility rates have now reached an all-time low in our country, In fact, without immigration, the United States will begin losing population in about 35 years.

Concern in Canada about declining fertility rates and an increasing aged population has caused that country to recently increase its immigration ceiling.

Moreover, there is no empirical evidence that we have reached our immigrant absorption limit. The population density of the United States is only one-tenth that of Great Britain, for example, and only one-fifth that of Italy and France. In my mind,

● This "bullet" symbol identifies statements or insertions which are not spoken by a Member of the Senate on the floor.
Matter set in this typeface indicates words inserted or appended, rather than spoken, by a Member of the House on the floor.

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that creates a presumption that we can accommodate more immigrants.

To understand the emotionalism, the acrimony and the myths that continuously surround the debate on immigration policy, I would like to quote the remarks of a Member of Congress on the House floor. He said:

"While a liberal immigration policy was suited to the needs of the country when it was new and unsettled, now that the United States has reached maturity and is fully populated, all immigration should be stopped."

Believe it not, that comment was made on the House Floor in the year 1797. I suspect nativist comments like this have been made each year since then and likely will continue to be made into the indefinite future.

Too often, advocates of a restrictive immigration policy are prone to blame all of the social and economic ills of this Nation on the newly-arrived immigrant or refuge.

It was exactly this type of attitude that enabled this country to retain the national origins system for almost a half century. And it is this same attitude that is now pressuring some political leaders to call for reduced immigration levels, a moratorium or immigration, or limiting family reunification—long the basic goal of our immigration policy. These pressures must be resisted.

Certainly, Congress should reexamine our system of legal immigration, to evaluate how well it has served us in recent years, but the immediate problem—and therefore the problem my bill addressed—is illegal immigration.

Virtually every industrialized nation of the Western World has enacted legislation penalizing employers who hire undocumented aliens. The notable exception to this rule is the United States.

For fifteen years I have been working for such legislation, and in 1972 and again in 1973 the House of Representatives overwhemingly passed my employer sanctions bills, only to see them die in the Senate. Presidents Ford, Carter and Reagan have all supported employer sanctions, as did a bipartisan "blue ribbon" Commission established by Congress in 1978.

Nonetheless, the concept has remained controversial. Some argue that sanctions will increase paperwork burdens on American employers. Some argue that sanctions will "lead to" a national identity card, with all its Orwellian implications. Some argue that sanctions will result in discrimination against those who "look or sound foreign." Some argue that sanctions will deprive farmers of needed foreign workers. And still others argue that employer sanctions simply will not work.

I have listened to these arguments for well over a decade and I remain convinced that—although they are made with complete sincerity—they are all without merit.

First, with regard to paperwork burdens, my bill merely requires an employer to ask a job applicant for some identifying documentation, such as a social security card or driver's license. When the employer is shown the document, he would check the appropriate box in a form supplied by the Government. He would then sign the form, as would the job applicant, and place it in his files. He is not required to determine the authenticity of the documents. If he has any question about them, he can call the Immigration Service to check them out.

Clearly, this is not the onerous and expensive burden that some members of the business community would have us believe is in this bill.

Does the bill call for a national identity card? No. In fact the bill specifically prohibits the issuance or use of a national identity card.

Will sanctions result in discrimination against minorities? I have always believed that they will not. Yet, I recognize that many individuals in good faith believe they will. Accordingly, it is essential that any sanctions legislation also create some mechanism by which individuals who feel they have been discriminated against can seek redress. My bill does just that by creating a Special Counsel in the Department of Justice to investigate and prosecute discrimination cases.

Will sanctions deprive farm owners of needed workers? I have no reason to believe they will. For years many growers have received a de facto subsidy in that they have had access to a large pool of cheap, foreign undocumented labor. This has kept farm worker wages artificially low and has also resulted in an unemployment rate among domestic migrant farm workers of almost 20 percent.

For this reason, I strongly believe a guestworker program for agriculture should not be adopted.

Will sanctions work? I'm positive they will. In a recent report, the General Accounting Office found that a majority of countries surveyed perceived sanctions as a useful tool in combatting illegal immigration.

We must close off the magnet of jobs which encourages aliens to illegally enter this country in search of employment. Certainly, it is our sovereign duty to control our borders and we must do so by enacting employer sanctions.

I do not pretend that unilateral solutions of this nature will totally solve the problem. I fully believe that bilateral approaches, including not only Mexico but other sending countries, must also be considered. I have continuously stated that we must be prepared to provide the necessary financial assistance to sending countries in order to alleviate the economic "push factors" there.

In addition to sanctions, we must have a generous and humane legalization program. Many Americans instinctively oppose this idea because, in their view, it "rewards law breakers and penalizes those who have waited patiently in line for visas."

While I understand these sentiments, they ignore the practical aspects of the problem. First, we cannot support a policy that allows millions of vulnerable people to reside in this country without the protection of our laws. Second, we cannot round up and deport millions of people, and even if it could be done, it would entail wholesale violations of the civil liberties of aliens and citizens alike. It would also require the expenditure of substantial enforcement resources—which are simply not available during these budget-cutting days.

I am fearful that unless the problem of illegal immigration is addressed by Congress now, in a courageous and straightforward fashion, the restrictionist sentiment in this country will continue to grow.

In the long run, this may have dire consequences for our legal immigration program and for our humanitarian refugee program.

We must remember that as President Kennedy once said "we are a nation of immigrants" and that these immigrants have played an important role in building this great country and in protecting our freedom.

As we celebrate the centennial of the Statue of Liberty, we must ensure that immigrants continue to pursue the American dream and that our country continues to be revitalized and renewed by the admission of immigrants and refugees.

We must continue to welcome people of all races, religions and backgrounds from all parts of the world.

And, we must ensure that the Statue of Liberty remains a monument to our freedom and a symbol of our deep-seated faith in, and commitment to, a just and generous immigration policy.

THE POPE AND ISRAEL

HON. TOM LANTOS

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Friday, April 18, 1986

Mr. LANTOS. Mr. Speaker, the visit of Pope John Paul II to the main synagogue of Rome earlier this week was indeed a historic event. His call for brotherhood and his denunciation of anti-Semitism, were both welcomed and long overdue.

But the key step has yet to be taken. Justice, integrity, and decency call for full diplomatic recognition of the State of Israel by the Vatican. Pope John Paul II is a man of integrity and a man of courage. One hopes that he will not hesitate or delay in taking the only moral and right decision that can be taken in this matter.

I want to call the attention of my colleagues of an important contribution on this issue in a recent article written by Charles Krauthammer:

[From the Washington Post, Apr. 18, 1986]

THE POPE AND THE JEWS

(By Charles Krauthammer)

When Pope John Paul went to the main synagogue in Rome last week, it was the first time in 2,000 years that a Pope had set foot in a synagogue. The visit was a gracious—one might even say a tender—gesture of reconciliation and friendship. The pope spoke of common bonds and mutual respect. He called Jews "our dearly beloved brothers." And he gave a most strenuous denunciation of anti-Semitism.

But something was missing from his speech, something very large. There was not a word about the central reality of Jewish life today: not a single mention of Israel. It is as if an Anglican leader came to a great meeting of reconciliation at the Vatican, spoke at length, and failed to acknowledge the existence of the spiritual focus of the Catholic world, the pope.

John Paul's speech, and particularly its denunciation of anti-Semitism, was timeless. But that is one way of saying that it was anachronistic. Such a speech could have been given, say, in 1936.

In fact, such a speech would have done much good in 1936. But in 1986 it sadly misses the point. The pope's address was fighting what, for Jews, was the last war. Up to World War II, and for a millennium, the threat to Jewish existence did indeed come from religiously borne anti-Semitism in the heart of Christian Europe. After World War II, this is no longer true.

After Auschwitz, the Jewish civilization of Christian Europe is no more. The center of that civilization has moved—once again and for the last time—to its place of origin, Israel. Today, the great threat to Jewish existence is the threat to Israel.

The war against the Jews no longer takes the form of anti-Semitic pogroms in Europe. It takes the form of the vast campaign—led by the Arab world, supported by the Soviet bloc, orchestrated by the United Nations and (apart from the United States) tolerated by the West—to delegitimize and ultimately abolish Israel.

The pope did not mention Israel because it is a touchy subject for the Vatican. It does not recognize Israel, ostensibly because the Vatican wants Jerusalem internationalized and because Israel's borders are not internationally recognized.

But of the 90 countries the Vatican fully recognizes (including, for example, Taiwan), many have disputed borders. And the West, which also has problems with Jerusalem and with Israel's borders, takes the logical position of recognizing Israel within its 1967 frontiers, and declaring the disputed territories subject to negotiation. Alone among West European states, the Vatican rejects this approach and refuses to recognize Israel.

Why? For the Vatican, the existence of a reborn Jewish state is perhaps theologically and certainly politically problematic. In part it is a question of numbers; there are a hundred million Arabs and only 4 million Israelis. The Vatican, to which the practice of *Realpolitik* has never been very foreign, can count. There are 21 Arab states, some with sizable Christian minorities. The Jews have one state only.

That state did not merit a mention at the Rome synagogue. (There is a precedent here, Pope Paul VI visited Israel in 1964, and not once during his stay in the country did he ever pronounce the name Israel.) It was right and good of the pope to denounce anti-Semitism. But anti-Semitism is the "Jewish problem" of yesterday. Anti-Zionism—the threat to the safety and legitimacy of Israel—is the Jewish problem of today.

The pope addressed the wrong Jewish problem because he implicitly took the view in his synagogue speech that Jews are exclusively a religious community. Jews have never thought so. They have always considered themselves a people.

To address Jews purely as a religious community is to deny their peoplehood. The pope obviously does so without malice. But others do so with malice. The charter of the PLO calls for the eradication of Israel and presents (Article 20) as a justification the claim that Jews belong to a religion, not a people. And religions have no claim to territory. (An awkward proposition, by the way, when applied to Vatican City.)

In 1982 the pope received the guardian of that charter, Yasser Arafat, which is bad enough. But ignoring Israel rhetorically and refusing to recognize Israel diplomatically compounds the injury. It gives unfortunate, if inadvertent, reinforcement to the premise that Jewish peoplehood is a fiction and thus Jewish statehood an error or worse.

After nearly 2,000 years of Christian anti-Semitism—the "discrimination, unjustified limitation of religious freedom, oppression" which the pope deplored in his Rome speech—something more is needed than a call for mutual tolerance between Catholic and Jew. That something is recognition of Israel, now the hinge of Jewish life and hope. The least one can do for a "dearly beloved brother" is recognize what is most dear to him.

LEGISLATION PROHIBITING THE TRANSFER OF STINGERS

HON. LES AuCOIN

OF OREGON

IN THE HOUSE OF REPRESENTATIVES

Friday, April 18, 1986

Mr. AUCOIN. Mr. Speaker, Late last month, Congress learned that the Reagan administration had reversed longstanding policy by deciding to furnish highly sophisticated U.S. military equipment as part of covert operations overseas. According to recent news reports, the administration plans to include Stinger missiles in this new "arsenal for democracy."

I adamantly oppose this plan and along with my colleague, Congressman DICK DURAIN, have introduced legislation to prohibit the sale or transfer of Stinger missiles to foreign paramilitary forces.

At a time when the United States is fighting an undeclared war against terrorism, worldwide, we simply cannot afford to embark on a policy that carries a risk that Stinger missiles will fall into the hands of terrorists.

The Stinger is not some outdated weapon cluttering up Pentagon warehouses. It is state-of-the-art U.S. technology, and what's more, it's a valuable weapon our own soldiers could use more of.

The Stinger works so well that when the United States supplies this weapon to Saudi Arabia in 1984, we insisted on setting strict conditions for its use. Yet, with no conditions, news reports indicate that the White House has apparently approved shipment of Stingers to guerrilla groups in Angola and Afghanistan, even though they have concluded that Stingers are too sophisticated for use by the Contras in Nicaragua.

If Congress worried about sending Stingers to a sovereign government, we should be doubly worried about supplying this weapon to guerrilla groups with shifting alliances—and shifting fortunes.

Stingers are small, they're effective and they don't require maintenance. They're a top-flight military weapon—and a perfect tool for terrorists. A Stinger would be worth its weight in gold to a madman like Mu'ammar Qadhafi.

And that's the problem. The new administration policy includes no guarantee that Stingers won't be transferred or taken from a guerrilla group our Government is supporting and given to a terrorist group we abhor. In fact, we doubt that there's any way to guarantee against it, and that's why the administration's plan is so dangerous.

In the past 12 months, we have seen terrorists pick airports, airline offices, and commercial jetliners as targets. Hundreds of people have been killed in these attacks, scores more wounded. With Stingers as part of the equation, we might as well forget about ever being able to protect the freedom of air travel.

Stingers could be easily concealed in urban areas, and because of their long range, used there against commercial airliners. Forget efforts to upgrade airport security. Metal detectors and baggage checks will offer no protection against a terrorist attack with a Stinger.

As a member of the Appropriations Committee, I have heard time and again from administration witnesses about the need to keep U.S. military technology from falling into the wrong hands. I have heard time and again of the need to fund and initiate a more aggressive policy to combat terrorism.

Supplying Stingers to paramilitary groups that could be easily penetrated by agents of the Soviets or of Qadhafi, does not make sense. Sale or transfer of Stingers should only be approved to meet the most vital national security needs of the United States.

By supplying Stingers as part of covert operations, the administration is increasing the chances that the Soviets, or some terrorist group, will steal one of our most effective military weapons.

I am not quarreling, in this bill, with the merits of current United States policy in Angola and Afghanistan. That's a separate issue. My sole concern is that supplying Stingers as part and parcel of these operations poses a terrorist threat to commercial air safety.

To guard against this threat, my legislation prohibits the transfer of Stingers to guerrilla or paramilitary groups. It does not impinge on the authority of the administration to conduct intelligence or military operations overseas. It does not affect current law regarding U.S. arms sales or transfers to sovereign governments. The sole purpose of the bill is to restrict the transfer of Stingers to guerrilla or paramilitary operations where we have no control over who might ultimately gain control of them, and to thwart even more ruthless attacks on passenger airlines than anything we've seen to date.

COOLING ON CHILE

HON. MICHAEL D. BARNES

OF MARYLAND

IN THE HOUSE OF REPRESENTATIVES

Friday, April 18, 1986

Mr. BARNES. Mr. Speaker, the recent change in attitude of the Reagan Administration toward the dictatorship of General Augusto Pinochet in Chile is a welcome and refreshing one. The administration's policy, until recently, has been one of quiet diplomacy, trying to persuade General Pinochet to relinquish power after 13 years with an occasional gentle nudge. As we are all painfully aware, General Pinochet has not only ignored our nudges, but more importantly, he has ignored the cries of his own people for an early return to democratic rule.

Lately, however, the administration has taken some bold steps to illustrate U.S. frustration with the Government of Chile. It introduced a resolution in the United Nations condemning the violation of human rights in Chile, and it listed Chile as one of the few remaining dictatorships in a largely democratic hemisphere. These are clearly signals that General Pinochet can no longer ignore.

I would like to congratulate the administration for its recent moves in Chile, and to encourage it to take this policy even further. The most powerful leverage that we have over General Pinochet is the millions of dollars in loans to his government pending this year in the multilateral development banks. Let's make it clear—with deeds as well as with

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words—that the United States stands with the democrats in Chile, not with the dictatorship.

The Washington Post editorial of April 2, the full text of which follows, makes the most cogent argument for an active U.S. policy in support of a return to democracy in Chile: "It is the smart way to fight communism, too."

[From the Washington Post, Apr. 2, 1986]

COOLING ON CHILE

The Secretary of State now puts Chile on the list of "odd men out," the surviving dictatorships—Paraguay, Cuba and Nicaragua are the others on his list—in a hemisphere otherwise moving briskly toward democracy. It is the latest in a nearly three-year series of nudges meant to convey official American displeasure with President Augusto Pinochet's style of military rule.

Unfortunately, the nudges are necessary. In 1973 Gen. Pinochet ousted an elected president who had brought Chile to civil war by attempting to push a radical program far beyond the bounds that his narrow mandate (36 percent) could sustain. Gen. Pinochet fashioned a system that now bids to keep him in power for almost a full quarter-century. Under his painfully undemocratic constitution of 1980, the 69-year-old ramrod can have himself elected, in a plebiscite without party competition, for a term that would last, if he did, until 1997.

This prospect stirs two different groups of Chileans. Leftists see a continuing dictatorship as an opportunity to get back into revolutionary struggle. Centrists see it as a deadly obstacle to Chile's return to democracy. President Pinochet, in the name of resisting the violent communist left, restrains and oppresses the center. The left profits.

For a while after taking office, President Reagan experimented with soft gestures and quiet persuasion. The results were disappointing, and he has turned to public criticism of the regime's continuing abuses and open encouragement of an accelerated return to democracy. In practical terms, that means legalizing the nonviolent parties and holding real elections under a formula other than the one by which President Pinochet flouts Chile's established democratic traditions now.

The administration had this policy in train well before the changes in Haiti and the Philippines made people aware of the possibilities and benefits of a conservative administration's efforts to democratize right-wing regimes. Recently the administration added a rhetorical flourish to this policy with a brief but eye-catching pledge to "oppose tyranny in whatever form, whether of the left or the right," in a pronouncement on regional security.

Chile is the right country for careful American concern. The United States had at least an indirect hand in the tragedy that befell it in the 1970s; it still enjoys an influence in the 1980s. American favor and acceptance can be put to good use as inducements for Chile's return to the democratic path. It is the smart way to fight communism too.

LAKESHORE RESIDENTS NEED RELIEF NOW FROM HIGH LAKE LEVELS

HON. JACK F. KEMP

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Friday, April 18, 1986

Mr. KEMP. Mr. Speaker, I am sure that we are all aware of the devastation and hardships which have been imposed on residents living near the Great Lakes as a result of the high lake levels. Because every forecast points to continued high levels at least through the summer, with no real relief in sight, our constituents will continue to wonder and worry about when the next storm or strong winds will hit, eating away at their property or destroying their homes and belongings.

My own constituents, living on the shores of Lake Erie, have been trying to cope with rising lake levels for the last several years. Many have seen their yards, piers, and stately old trees slowly, but inexorably, disappear. Then, a storm last December devastated the area. While Lake Erie dropped by eight feet at Toledo, OH, my constituents bore the brunt of an 8-foot rise in the lake at Buffalo.

The December storm caused massive amounts of damage. Homes were destroyed or severely damaged, personal belongings were lost, breakwalls were demolished, and the lake continued to lap ominously close to the peoples' homes. And, perhaps worst of all, is the knowledge that this kind of storm, with the accompanying devastation, could easily strike again. Unless you have lived through such an experience, I am sure most people can only guess at the heartbreak and trauma of such a disaster.

It has been frustrating to all of us to realize that there are few Federal or State programs established to deal with shoreline erosion and the potential flooding caused by high lake levels, combined with these storms. It also has been frustrating to realize that there is no quick, easy solution to the problem of high lake levels. There is no plug at the bottom of the lakes that we can pull so that the lake levels will subside overnight.

But, I am proud of the spirit that the millions of homeowners who live along the lakes have shown in fighting back at the lake level problem. I am also encouraged by the degree of cooperation shown among my colleagues, the U.S. Government, the Canadian Government, and the International Joint Commission in tackling this problem.

Obviously, it is not always easy to move ideas and solutions through so many different governments and agencies. But, I am confident that we have been successful in focusing everyone's attention on coming up with a long-term, permanent solution to the problem of high lake levels.

I have joined with my colleagues in pushing our Government and the Canadian Government to work for a solution to this problem. I intend to continue to work closely with the International Joint Commission in expeditiously finding a plan that will enable us to better control the levels of the Great Lakes. We cannot wait three years for another study that offers no plan of attack in dealing with this problem. Lake levels are an emergency, and the problem demands the energy, persistence, and drive that Americans have always shown in these situations.

We also must focus on developing a response to the immediate problems caused by high lake levels. I intend to continue to work with the local communities, the New York State government, and Federal agencies in helping to repair the damage caused by the December storm and in lessening the potential damage that could be caused by future storms. I have been impressed with the initiative shown by other Great Lakes States in responding to their residents' needs, and I will continue to press for similar action by our officials in the State of New York.

I am confident that by working together we can develop better control over the levels of the Great Lakes. This is a problem that affects millions of Americans who live near the lakes and the millions more who benefit from this country's greatest natural resource. These people deserve immediate action in working to solve the problem of high lake levels.

HONORING A CHAMPION ELLWOOD CITY TEAM

HON. JOE KOLTER

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Friday, April 18, 1986

Mr. KOLTER. Mr. Speaker, today I rise to honor the champion Lincoln High School basketball team for both the achievements it and its individual players made this past season.

The team, coached by Al Campman with assistance from varsity coaches Anthony Pietrcollo and Jeffery Meehan, had a record of 25 wins and five losses. This was the best record of any basketball team in the history of the school. The team, in addition, advanced the farthest it ever has in the State western regionals.

Led by players who broke scoring records and personal scoring records, and backed by unselfish players who contributed to the scoring leaders, the team—the entire team—made the community quite proud, both on the court and in the classroom. As a former teacher, I can greatly appreciate the program at Ellwood City's Lincoln High.

For all these reasons—for the outstanding individual accomplishments of some members of this team—and for the outstanding teamwork of others, for the grace and the glory, I stand before the full House of Representatives today to commend Lincoln High School's basketball team and program for its outstanding accomplishments on its road to victory. The team players are: Dan Aloi, Frank Aloi, John Calabria, Nick Carusone, Brian Esoldo, Mile Esoldo, Paul Fec, Larry Keller, Jim Kosior, John Roth, Doug Tammaro, and Scot Timmerman.

VETERANS WHEELCHAIR GAMES

HON. JIM MOODY

OF WISCONSIN

IN THE HOUSE OF REPRESENTATIVES

Friday, April 18, 1986

Mr. MOODY. Mr. Speaker, on June 24 through 28 approximately 325 athletes, including 20 from the State of Wisconsin, will compete in the Sixth Annual National Veterans Wheelchair Games at the University of Texas at Arlington.

This event is open to all veterans with spinal cord injuries, certain neurological injuries, some orthopedic amputations and other disabilities which necessitate the use of a wheelchair for athletic competition.

During the games, the athletes will compete in track and field events, slalom, archery, bowling, billiards, table tennis, swimming, weightlifting, basketball, and other specialized events.

I would like to commend the Veterans' Administration and the Paralyzed Veterans of America for their hard work in organizing and sponsoring this opportunity for handicapped athletes to compete.

I would also like to encourage my fellow Members to join with me and follow the accomplishments of their local teams. I know that the team from Wisconsin, led by captains Donald Schmidt and Phil Rosenberg, will provide stiff competition to other entrants. I would like to draw particular attention to one Wisconsin entrant, Phil Lindsey, who in the past has qualified for the Boston Marathon.

Mr. Speaker, I ask my colleagues in the House to join with me in congratulating the Paralyzed Veterans of America and the Veterans' Administration for putting on these 1986 games and express our best wishes and good luck to those athletes who will participate.

MEMORY AND IMAGE—AN EXHIBIT IN HONOR OF THE DAY OF REMEMBRANCE

HON. TOM LANTOS

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Friday, April 18, 1986

Mr. LANTOS. Mr. Speaker, May 6 is the "Day of Remembrance"—the time when we in the Congress of the United States and when people throughout our Nation and the world pause to remind ourselves of the potential for destruction and degradation of which humans are capable. On that day we will recall the Holocaust and recommit ourselves to be ever vigilant to insure that this darkest, most horrible tragedy is never repeated.

Many individuals have attempted to convey the unspeakable tragedy of the Holocaust in prose, in poetry, in music, in painting, and in sculpture. Mr. Speaker, we in Congress will be privileged to have available for us a unique collection of contemporary interpretive photography on the Holocaust in the Cannon Rotunda from May 6–16.

I would like to call the attention of my colleagues to this outstanding exhibit, which is being sponsored by the Human Rights Caucus. The exhibit in the Cannon Rotunda will formally be opened on May 6, at 11 a.m. Elie Wiesel, the conscience of the Holocaust, will participate in that opening ceremony.

These striking and memorable images, created by Philadelphia photographer Alvin Gilens, convey a remarkable sense of beauty—as well as the stark drama of the tragedy that has left us all as survivors. This work came to my attention when it was displayed in Jerusalem at Yad Vashem, Israel's museum of the Holocaust. It has become part of their archives, making Mr. Gilens the only American photographer to be so recognized by the museum. Mr. Gilens has reproduced the exhibit for display in our Halls.

This collection of black and white photographs was taken of Holocaust sites and monuments throughout Europe, as they appear today. Mr. Gilens mastery of light and shadow, symbolism, and subject matter makes this exhibit something more than documentation. After all, so many pictures have already been taken of the events and the people, the oppressed and the oppressors, you might ask, what more could be done? Well, I urge my colleagues to see this work to understand how even such sights and objects can be interpreted so as to convey new insights, new understandings, new ways of seeing and meaning.

The exhibit is entitled "Memory and Image." We must approach these photographs with our own memories, study the images, and reenforce our resolve. It is our responsibility to safeguard our Nation and our world to be certain that there is never a repetition of this horror.

BERN EXPERTS MEETING ON HUMAN CONTACTS OPENS

HON. JOHN EDWARD PORTER

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Friday, April 18, 1986

Mr. PORTER. Mr. Speaker, earlier this week the Experts Meeting on Human Contacts convened in Bern, Switzerland, and for the next 6 weeks delegations from the 35 nations, who signed the Helsinki Final Act, will be discussing how closely nations have upheld their international commitments relating to human contacts.

This meeting is one of several meetings that was mandated by the 1980–83 Madrid Conference on Security and Cooperation in Europe [CSCE], which reviewed implementation of the 1975 Helsinki Final Act and it is the last of the Madrid-mandated subsidiary meetings before the next CSCE review conference convenes next November in Vienna.

The Soviet Union and its allies clearly opposed a meeting on human contacts, when it was first discussed in Madrid, and only agreed to a human contacts meeting if it was to be held at the end of the scheduled meeting. The West, however, stressed the importance of maintaining balance between the humanitarian and security aspects of the CSCE process.

The agenda at Bern will focus on the specific human contacts commitments that are outlined in the Madrid Concluding Document and the Helsinki Final Act, including the resolution of individual cases of East-West family reunification and binational marriages, and the allowance for individuals to travel freely between nations.

We, in the Congress are all too familiar with the plight of Jews living in the Soviet Union and the struggle that they are faced with when they express the desire to emigrate, a right they are guaranteed by various international human rights agreements.

I would like to submit to the RECORD four cases that illustrate that the Soviets are not adhering to their international commitments and should be raised by the United States delegation at Bern.

Vladimir and Lifshitz: First applied to emigrate to Israel in 1981. In November 1983, Vladimir was denied work because of his application to emigrate. In January 1986, Vladimir was arrested at work, his home was searched and many items were confiscated, including correspondences from the West. He was charged with "anti-Soviet slander: for letters he wrote to Soviet authorities and to the Israeli Government. Vladimir's trial was held last month. Anna's request to appear as her husband's attorney was refused, but she was told by the judge that she would have to testify against her husband, although this request was later removed. Vladimir was sentenced to 3 years in prison, the maximum sentence for the charges against him.

Tamara Tretyekova and son, Mark Levin: Tamara is married to Mr. Simon Levin of Deerfield, IL. Tamara first applied to emigrate in February 1979 and has since been refused 14 times. Their son, Mark, who is now 7 years old, has never seen his father.

Roald Zelichonek: Roald was sentenced to 3 years in prison in August 1985, under article 190/1 (anti-Soviet slander) for letters that were confiscated from his apartment. He is now hospitalized at the camp at Komi, A.S.S.R. In January, his request for medication and a salt-free diet were denied, there have also been reports that he has been suffering from internal bleeding. Roald and his wife, Galina first applied to emigrate to Israel in 1978.

Zachar and Tatiana Zunshine: The Zunshines first applied to emigrate from the U.S.S.R. in 1981. Zachar was imprisoned on March 6, 1984, although his only crime is that he and his wife want to live in Israel. Zachar's health has been deteriorating since he has been in prison and he has been receiving insufficient medical care. Tatiana is regularly harassed and threatened by the KGB, and earlier this year she was isolated for a period of time from her Western contacts, her travel within the Soviet Union has been restricted and she has also had difficulty obtaining permission to visit her husband in the Bazoi camp.

Mr. Speaker, the Human Contacts Meeting in Bern is a forum, where we can address the flagrant violations of human rights agreements. Hopefully, we will see improved attitudes in Bern when the U.S. delegation addresses individual cases that have violated the human contacts guidelines set forth by international agreements and hopefully, these new attitudes will lead to the resolution of

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many of the cases of individuals who desire to emigrate.

THE COLLEEN GIBLIN FOUNDATION

HON. ROBERT G. TORRICELLI

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Friday, April 18, 1986

Mr. TORRICELLI. Mr. Speaker, our Nation has long been proud of the capabiltiy of our citizens to overcome personal adversity and triumph with an idea which ultimately benefits humanity. Many of our greatest accomplishments have begun by taking a tragic situation and channeling creative energy into achieving a positive result.

A vivid example of this type of spirit has become evident in my district with the creation of the Colleen Giblin Foundation, an organization dedicated to funding research into neurological illnesses suffered by children. The Giblin family has bravely sought to overcome a personal loss by dedicating there energies to raising money in the hope that other families will be spared the grief which they have suffered.

On Sunday, April 13, a very special fund-raising event is being held, with all proceeds going to the Colleen Giblin Foundation. Intending to prove that laughter is indeed the best medicine, a "Toast and Roast" of New York Giant football star George Martin will be the highlight of the evening. Mr. Martin, the popular defensive end, will be toasted and roasted by his teammates, many of whom will take time out of their busy schedules to lend a hand to a most worthwhile cause.

I am honored to pay tribute to the Giblin family, George Martin, the New York Giants, and all of the people dedicated to this important organization. Their selfless devotion to making a difference is truly inspiring. I am proud to bring their efforts to the attention of my colleagues and I wish them overwhelming success in all of their endeavors.

SENATE—*Monday, April 21, 1986*

The Senate met at 12 noon and was called to order by the Honorable Larry Pressler, a Senator from the State of South Dakota.

PRAYER

The Chaplain, the Reverend Richard C. Halverson, D.D., offered the following prayer:

Let us pray.

I will praise thee, O Lord, with my whole heart; I will shew forth all thy marvellous works. I will be glad and rejoice in thee: I will sing praise to thy name, O thou most High.—Psalm 9:1-2.

God of grace and glory, we praise You—we adore You. We add nothing to You when we worship You for You are infinitely and eternally self-sufficient. But we add to ourselves: we deepen our dignity—we enlarge our horizons—we expand our vision—we nourish our souls—we purify our imagination—we heighten our perspective—we increase our hope—we celebrate our humanness—we edify our whole being. Worthy are You to receive all glory and honor and praise. Hallelujah. Amen.

APPOINTMENT OF ACTING PRESIDENT PRO TEMPORE

The PRESIDING OFFICER. The clerk will please read a communication to the Senate from the President pro tempore [Mr. Thurmond].

The assistant legislative clerk read the following letter:

U.S. Senate,
President pro tempore,
Washington, DC, April 21, 1986.

To the Senate:

Under the provisions of rule I, section 3, of the Standing Rules of the Senate, I hereby appoint the Honorable Larry Pressler, a Senator from the State of South Dakota, to perform the duties of the Chair.

Strom Thurmond,
President pro tempore.

Mr. PRESSLER thereupon assumed the chair as Acting President pro tempore.

RECOGNITION OF THE MAJORITY LEADER

The ACTING PRESIDENT pro tempore. The majority leader.

SCHEDULE

Mr. DOLE. Mr. President, under the standing order, the leaders have 10 minutes each, to be followed by special orders not to exceed 5 minutes each for Senator Hawkins—her statement will be read by Senator Cochran today—Senator Proxmire, and Senator Cranston, and then routine morning business not to extend beyond the hour of 1 p.m. with Senators permitted to speak therein for not more than 5 minutes each.

Following morning business, the Senate could be asked to turn to any of the following items:

The executive nomination of Donald Newman. It is my understanding there are still some responses that have not been received from a couple of Senators who have concerns with that nomination. It would be my hope that we could pass the sense-of-the-Senate concurrent resolution on farm credit. I think it would be helpful and it would underscore some of the actions already taken by the regulatory agencies. I cannot believe there would be any opposition to that. Also, any other Legislative or Executive Calendar items cleared for action.

I have indicated earlier, there would be no votes today, but it does not mean we cannot proceed with these matters. There is some likelihood we could begin work on the budget resolution today. If that were the case, that would take several hours.

If we do proceed on the budget, by law there are 50 hours for debate. It would be my hope that, if we do start on it this week, after we are into it for a few days, we could have an agreement to reduce the time. I hope we would not need 50 hours. But, if not, it would be my hope that we could go fairly late in the evenings, except for Wednesday evening, and we would count on a full day on Friday. But I will have additional information on that before the day is out.

THE ROAR OF EUROPEAN HYPOCRISY

Mr. DOLE. Mr. President, I want to call to the attention of the Senate an excellent column by Richard Cohen which appeared in yesterday's Washington Post. I would ask unanimous consent that it be printed in the Record at the conclusion of my statement.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

(See exhibit 1.)

Mr. DOLE. Mr. President, the column, entitled, "The Roar of European Hypocrisy," expresses the deep disappointment and exasperation being felt by many Americans at anti-American demonstrations and marches in several European countries in the aftermath of the Libyan bombing. While acknowledging that Europeans do have a legitimately different perspective on the Libyan question, Cohen also notes:

> . . . . (The demonstrators) cannot treat the bombing as if it were an unprovoked, irrational act—as if it had not been preceded by many bombings, years of carnage, and a constant plea from the United States to the European nations to punish Libya economically. . . . European anti-Americanism is plain to the ear. The sound of silence has been replaced by the roar of hypocrisy.

Mr. President, our alliance with the nations of Western Europe is of fundamental importance to us and to our security. But an alliance is a two-way street. And it should be an alliance against all forms of aggression which threaten us—including international terrorism.

Prime Minister Thatcher's government understands that. Hopefully, the other governments of Western Europe, and those Europeans who have participated in these anti-American demonstrations, will soon open their eyes and realize it, too.

And let them realize this, as well. We hope the risk and sacrifice we have unilaterally undertaken this time will spur them to join us in an effective common front against terrorism. But if it does not, if they continue to close their eyes to the real threat from Qadhafi and others of his ilk, then we are prepared to act again. With as many as will join us. Alone if necessary. That is our right. And that is a responsibility—to our own people and to civilized people everywhere—that we intend to fulfill.

There being no objection, the column was ordered to be printed in the Record, as follows:

Exhibit 1

[From the Washington Post, Apr. 20, 1986]

The Roar of European Hypocrisy

(By Richard Cohen)

On July 10, 1985, the Greenpeace ship Rainbow Warrior threatened to sail into the South Pacific to thwart a French nuclear test. While the ship was in New Zealand waters, France responded. Government agents blew up the ship, killing one person on board.

For this act of murder, the appropriate French officials have been reprimanded and those without high rank or political protection prosecuted. For a more cynical use of state power you would have to look pretty hard. But the Champs Elysées did not swell with roaring chants of indignation, and nowhere else in Europe did people take to the streets. No, Europe saves that for the United States.

Now Europe is in a snit about the U.S. bombing of Libya. President Reagan is once again being caricatured as a shoot-from-the-hip cowboy who, in true Western fashion, reached for his six-shooter when the time came to parley. You would think that

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● This "bullet" symbol identifies statements or insertions which are not spoken by the Member on the floor.

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Reagan had chosen his target by throwing a dart at a map: Bingo! Hit Libya.

The Europeans have their concerns. One of them is economic. Italy, the former colonial power in Libya, does a fair amount of business with it. All the major European countries have citizens who work in Libya, and some of them have substantial construction projects under way. Reagan made sure to warn Americans to get out of Libya; the European countries have issued no such warning to their own citizens.

But the major European concern is terrorism itself. Many Europeans are afraid that retaliating against Mu'ammar Qadhafi is like poking a snake with a stick. This is hardly an irrational fear. In the last year alone, there have been two terrorist incidents in Spain, six in France, three in Greece, four in Germany, three in Italy and one in Austria. Whatever the eventual result of the U.S. bombing might be, in the short term there will be an upsurge of terrorism. Many Americans, quick to condemn European timidity, have themselves canceled plans to travel abroad this summer. For Europeans, things are not so simple. They are already abroad.

Still, those Europeans who are so quick to demonstrate against the United States ought to ask themselves why they did not do the same when the Rome and Vienna airports were littered with the bodies of 16 persons killed by terrorists. Where were they when three members of one American family were blown out of a plane over Greece? Why no widespread European indignation when 18 Spaniards were killed in the Madrid bombing of a restaurant frequented by U.S. servicemen?

Where was the march for the bombing last month that killed two persons in Paris, the one Feb. 5 in a Parisian shopping mall, the bomb that exploded in a crowded Latin Quarter bookstore the day before or the one that exploded Feb. 3 on the Champs Elysées, wounding eight persons? Who marched for the Achillo Lauro and Leon Klinghoffer, for the TWA hijacking and Navy diver Robert Stethem or for the 57 who died when commandos botched an attempt to free the passengers on an Egyptair plane forced to land on Malta? No one, that's who.

It's true that not all these terrorist incidents can be traced to Libya—not even most of them—and it's true also that in both France and Italy there were public protests against terrorism directed against Jewish targets. But by and large those Europeans who are inclined to exhibit their political opinions by marching did not hit the road until U.S. bombs hit Tripoli. Then, as if the event took place in a vacuum, a roar came up from the pavement.

You can argue over the wisdom of the bombing. You can argue over the manner of its execution. You can fear for American standing in the Middle East, for whether the lessons of Libya will be misapplied to Nicaragua. But you cannot treat the bombing as if it were an unprovoked, irrational act—as if it had not been preceded by many bombings, years of carnage and a constant plea from the United States to the European nations to punish Libya economically. The response was a cynical shrug of the shoulders by those same European nations.

There are a thousand concerns to be voiced. But you cannot voice an outrage that does not take into account all that went before—terrorist acts all over the world and, finally, the one that took the life of an American soldier April 5 in West Berlin. European anti-Americanism is plain to the ear. The sound of silence has been replaced by the roar of hypocrisy.

UNITED STATES-EUROPEAN ECONOMIC COMMUNITY AGRICULTURAL TRADE DISPUTE

Mr. DOLE. Mr. President, speaking of some of the European countries, I would only indicate that we have another matter involving the European community, and that is the agricultural trade dispute.

Mr. President, I have not yet had a report on the United States-European Economic Community talks on agricultural trade over the weekend from either Secretary Lyng or Ambassador Yeutter. From the press accounts, however, it looks like little progress was made in defusing tensions over the EEC's announced restrictions on imports of United States soybean products and grain sorghum by Spain and Portugal. Under the circumstances, the administration has stated its intention to impose restrictions on a similar value of EEC farm exports, beginning on or about May 1.

Last week, the Senate passed a resolution fully supporting the administration's position on United States-European Economic Community agricultural trade, and endorsing retaliatory action if the EEC refuses to negotiate compensation prior to imposing these controls. I hope our friends in Western Europe appreciate the great sensitivity of this issue for U.S. farmers and others dependent on farm exports—a concern which has only been heightened by our longstanding dispute over the EEC's uncontrolled use of export subsidies in agricultural trade.

Descending into a trade war at this time of extreme protectionist pressure would undermine our otherwise cordial relations with the EEC. It would also throw another obstacle in front of our efforts to initiate a new round of multilateral trade negotiations under the General Agreement on Tariffs and Trade.

Mr. President, having said that, it is my hope that we will for once demonstrate to our friends in the EEC that we also are plagued by farm problems. We also have great distress in the Farm Belt of this country, and I hope Ambassador Yeutter and Secretary Lyng will stand firm in an effort to protect the American farmer.

RECOGNITION OF THE MINORITY LEADER

The ACTING PRESIDENT pro tempore. Under the previous order, the distinguished minority leader is recognized.

Mr. BYRD. Mr. President, I thank the Chair.

TERRORISM IS NOT AN AMERICAN PROBLEM ALONE

Mr. BYRD. Mr. President, I believe that most Americans have reached a point of outrage over the terrorist acts sponsored or supported by Mr. Qadhafi, the Libyan leader.

We all recognize and acknowledge the debt that we owe to members of our Armed Forces who carried out the President's command, and to the families of the two airmen who sacrificed their lives on that mission.

In talking to West Virginians, I see a strong crosscurrent of concern about the aftermath of our response. We have seen a predictable rise in terrorist incidents against Americans, and against our British allies.

As the President and his advisers have noted, one action will not end the war on terrorism. In the aftermath of our action with Libya, we have to be certain that we have a policy that will serve us for over time. I was concerned at the time of the briefing of the leadership in the old Executive Office Building that the administration consider carefully its plans for the future in regard to acts of terrorism.

I have written to the President to urge that terrorism be given a high priority at the economic summit in May. This is a rare occasion for the leaders of the great industrial democracies to meet, and to take action in areas of shared interest. We should not pass up this opportunity to try to rebuild a consensus on terrorism. The fact that France and Spain barred American aircraft from their air space is, of course, a disappointment. And it is confusing, given that France itself has taken direct military action against Libya.

Last week, German Prime Minister Kohl reversed himself and announced that he agreed with American evidence linking Libya to the bombing in Berlin that killed two persons, one an American serviceman. It is obvious that terrorism is not an American problem alone.

Our European allies were right to be concerned about Libyan and Libyan-provoked retaliation for our raid. They are closer to the threat, and much more likely to be its victims. But I cannot understand how our allies can reject both our military and our nonmilitary forms of actions against the Libyan Government. I am sure that many Americans have been disappointed that our European allies have refused to participate in any meaningful economic sanctions thus far against Libya, and then they decried the military action that the United States was forced to resort to. I say "forced to resort to" because I think the time had come when the President had to take some kind of action. Not to have done so, I think, would have undermined the President's credibility.

I must say, however, that I think there was entirely too much talk, and there is still too much talk by our own leaders about the use of military force. I think it becomes a kind of self-fulfilling prophecy. It would seem to me that, if indications are that military actions should be taken, it might be best and in the interests of minimizing our own losses, if we did not telegraph ahead of time what we intend to do.

Mr. Qadhafi had ample time to make some preparations against the strike even though he did not know precisely when it would occur or precisely how it would unfold. Yet, I think that we came perhaps dangerously close to making it possible for Mr. Qadhafi to take actions not only to reduce his losses but also that would put American lives in particular jeopardy.

In the future, I hope that we can cool a little of the bellicose rhetoric, and do what we have to do—do it and talk about it afterward.

The events of last week may have angered some in Europe but I am hopeful that America's reactions to Libyan terror will inspire some serious rethinking of options in allied capitals.

If our policy is to be effective, we need the support of our allies in isolating Libya.

I hope and trust that the President and the other Tokyo summit participants will reopen the question of how such a policy can best succeed.

Mr. President, I have some suggestions for joint action.

Libya—or any nation which serves as a breeding ground for terrorists—must be convinced that such support has a price in the international community. Thus far, nations that become international outlaws are secure in the belief that Europe and America will not react with joint economic sanctions. In 1978, participants at the Bonn economic summit declared their opposition to terrorism and committed themselves to cooperation, including the cessation of civilian airline traffic to countries where terrorists are given refuge. That declaration was aimed at countries that refuse extradition of hijackers. Why not move at the Tokyo summit to extend this response to nations which sponsor terrorism? If every European airline refused to fly to Libya and Libyan aircraft were denied landing rights in Europe, it would significantly hobble Libyan commerce, and may make the passage of terrorists more difficult.

The same course could be followed in telecommunications and postal cooperation. If Western Europeans refused to transmit telephone messages or handle mail from Libya, the Qadhafi regime would face a significant new isolation, and perhaps an additional barrier in its efforts to coordinate its network of terror. Libya's telecommunications are tied to those of Italy. Is a Libyan missile attack on an Italian island enough to provoke interest in a cutoff of telecommunications privileges?

Beyond these initial steps, the United States should renew efforts to achieve meaningful economic sanctions. We should assure that Europeans hold to their commitment not to "fill in" behind American firms that have left Libya. But beyond that, we need to convince our allies that joint action is not only possible, but necessary. We should work to halt Libyan benefit from its European connections and from the trappings of legitimacy which they confer.

I am not blind to the real economic costs to Europe of a total boycott of Libya. But the economic relationship cannot take place in a moral and political vacuum. Moreover, it must be weighed against the cost of decreased American tourism, increased costs to Europeans in antiterrorism measures, and the incalculable price in human life and suffering—and the quality of life in Europe—that terrorism exacts. Oil remains cheaper now than in the past, so the time is ripe for Europeans to look elsewhere to replace Libyan oil.

If we hope to win against terrorism, we must be prepared to keep up the pressure. Showing resolve is important, but maintaining it even more so. The President has cautioned that there is no quick fix in our war against terrorism, and he is right. We must be prepared to build a convincing policy, and push those who share our values—and benefit from our protection—to join in making it work.

I have written to U.N. Ambassador Vernon Walters to ask that he review Libyan participation in the United Nations and other international organizations to examine the benefits that country receives with a view to action to isolate Libya and deny it those benefits, so long as the Libyan leadership engages in policies that support international terrorism. Libya should be denied the benefits of the international regimes which regulate or establish procedures for airline traffic, post and telecommunications cooperation, health, agriculture, and the concerns of civilized countries. I hope that our Government will work with likeminded nations to achieve that end.

RUSSELL LONG CONSIDERED

Mr. BYRD. Mr. President, for almost 38 years, Senator RUSSELL LONG has represented Louisiana in the U.S. Senate. To the regret of his many friends and admirers here on Capitol Hill and across the country, Senator LONG has announced that he will not seek reelection to the Senate for another term. His retirement will be a loss to the Senate and to America.

Senator LONG's contributions to the Senate throughout his tenure have been many. His greatest contributions, of course, have been in the Senate Finance Committee, of which he was chairman for 15 years, and of which he continues as the respected ranking minority member. As a result of his expertise and skill on the Finance Committee, tribute has often been paid Senator LONG, on both sides of the aisle in this Chamber, and by a wide array of economists and tax authorities as being perhaps the single most knowledgeable man in the country on the subject of taxes.

A recent issue of Congressional Quarterly carried an insightful article on the distinguished senior Senator from Louisiana, entitled, "Russell Long: Tax Master and Senate Mentor." I ask unanimous consent that that article on Senator LONG be printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

[From the Congressional Quarterly, Apr. 12, 1986]

RUSSELL LONG: TAX MASTER AND SENATE MENTOR

(By Pamela Fessler)

Over the past few years, no one fought harder than Russell Long to prevent television coverage of the U.S. Senate. But on Feb. 27, members finally agreed to let the cameras in for a test run that is likely to turn permanent.

The vote heralded one more transformation in the way the Senate does business, one more change in an institution that is becoming barely recognizable to veterans like the 67-year-old Louisiana Democrat, who was first elected in 1948.

Russell B. Long is infinitely more comfortable whispering into a colleague's ear than speaking before TV cameras. He has seldom felt the need to talk to more than one person at a time, and during his lengthy Senate career, he has exerted extraordinary influence through those one-on-one dealings.

Long plans to retire at the end of this year. He will have served longer than all but three past and present members of the Senate, and many of his colleagues lament that when he leaves he will take a unique part of the institution and its history with him.

"We're going to lose a big, big reservoir of knowledge," said Majority Leader Robert Dole, R-Kan. "A lot of people walk over to Russell just to get advice. . . . He knows how this place works as well as anyone."

"I guess what makes me sad is that I don't think there's anyone who's ever going to replace Russell Long," said David L. Boren, D-Okla. "He has the kind of institutional memory and perspective that's in very short supply around here."

Long's influence stems from far more than mere longevity. Like the layers of bark on a tree, it has grown slowly and intricately over time he has built up a virtually inexahaustible store of good will through personal and legislative favors, and a loyalty to the Senate and his colleageus that few can visal.

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More often than not, this good will translated into favorable votes on issues crucial to Long.

HIS MONUMENT: THE TAX CODE

What Long has cared about most is the Internal Revenue Code. A member of the Finance Committee since 1953, he was its chairman from 1965 until Republicans took control of the Senate in 1981.

Some have criticized Long for favoring big business in general, and Louisiana's oil and gas industry in particular. But even his critics conceded that no one in Congress today can match his mastery of the tax code.

For better or worse, Long probably has done more to shape the current tax system than any other past or present member of Congress, with the possible exception of former House Ways and Means Committee Chairman Wilbur D. Mills, D-Ark. (1939–77).

And as the Finance Committee labors this month to "reform" the tax system, the hand of Russell Long will be ever present. In fact, he already has made his mark on the measure likely to emerge from committee.

Even before the panel cast its first vote, Chairman Bob Packwood, R-Ore., produced a working draft that left unscathed just about every tax break Long really cares about. It contained no restrictions on tax advantages enjoyed by the oil and gas industries—Louisiana's economic mainstay—and it retained generous incentives for business investment. Two pet tax code provisions authored by Long, to encourage employee stock ownership plans and individual contributions for presidential campaigns, also remained untouched.

Packwood, well aware that he needs Democratic support to get the controversial bill out of committee and through the Senate, makes no bones about indulging his predecessor.

"I cannot think of anybody I've learned as much from as Long," he said. "There's almost nothing I wouldn't do for him."

LONG AS MENTOR

Packwood is not the only senator who feels that way. If Long is best known outside the Senate for his influence over the tax code, he seems to be most appreciated within it for his role as mentor.

He has earned not only the respect but the affection of his colleagues, often in seemingly little ways that have had a lasting impact in an institution where relationships increasingly tend to be superficial.

One of his aides recalled several occasions when senators came to Long asking for advice on how to vote on a particular issue. Long told them he planned to vote one way, but suggested they might be well advised politically to vote the other way.

"He looked at long-term relations," said the aide. And in the long run, that policy paid off.

Packwood, for example, recalls that when he joined the Finance Committee in 1973 as its most junior minority member, he wanted to draft a major health insurance bill.

The committee had only a small staff, which had to be shared by members of both parties. But Long told two staffers to give Packwood as much time as he needed, even though the legislation had no chance of enactment, and in fact was never adopted.

"They must have spent 50 hours apiece with me," recalls Packwood, adding it was favor he will never forget.

And then there is Spark M. Matsunaga, D-Hawaii. A senior member of Finance, Matsunaga almost always support Long in committee, on the floor and in conference with the House.

The reason is simple. Without Long, Matsunaga says, he might not be in the U.S. Senate.

Matsunaga recalls that his first contact with the Louisiana legislator was in 1950, when he came as a Harvard law student to the senator's office to lobby for Hawaiian statehood. At the time, the movement was blocked by a group of Southern members. Matsunaga says that after he made his pitch, Long put an arm around him and said:

"'Young man [Matsunaga notes that he is a year older than Long], you must remember that a U.S. senator is primarily interested in two things—one, to be elected, and the other, to be re-elected. Go to my constituents. If my constituents tell me I can support Hawaiian statehood, I will.'"

Matsunaga followed Long's advice and found they had a mutual business friend in Louisiana. The two convinced Long he should visit Hawaii and see for himself if the islands were ready for statehood.

Upon his return, Long broke with other Southern senators to argue in favor of statehood for Hawaii, which finally was granted in 1959.

Hawaii might have become the 50th state anyway, but for Matsuaga, Long made the difference. "I, for one, feel indebter to him, and I have always looked to him, well, as a patron," he said.

Boren is another unabashed admirer. He first met Long as a child, when his father, Lyle H. Boren, D-Okla., was in the House (1937–47).

When the younger Boren was elected to the Senate in 1978, Long took him under his wing. He pushed for expansion of the Finance Committee's membership so that Boren could be given a seat.

"He's certainly the closest thing I have to a mentor in the Senate," says the Oklahoma Democrat.

Boren notes that fo the help Long has given him over the years, the older senator has never once asked for a favor in return.

"But what matters is that I want to help him," Boren said. "He doesn't call his chits in because he doesn't have to. He's just so good to people, they don't forget what he's done."

BANKROLLING FAVORS

During the 15 years he chaired the Finance Committee, Long was in a position to do quite a lot for his fellow senators. Year after year, he doled out goodies, not only in tax bills but also in spending programs. Finance has jurisdiction over Social Security, trade, health, welfare and several other social programs—about half of all government spending.

In one of the last big tax bills managed by Long—the Windfall Profit Tax Act of 1980 (PL 96-223)—committee members had a host of special provisions added for their constituents, ranging from a tax exemption for Alaskan oil requested by Mike Gravel, D-Alaska (1969–81), to a credit for wood-burning stoves sought by John H. Chafee, R-R:I.

Not the least of the provisions adopted were those protecting Louisiana's oil interests—a limited windfall tax for newly discovered oil and preferential treatment for independent oil producers.

Long's strategy as chairman was to help all of his colleagues as much as possible, so he could win broad, bipartisan support for his bill in committee and on the floor. Even if their pet provisions ultimately were dropped in conference with the House, senators could boast that their amendments were adopted for a while.

"As chairman, Long tried to accommodate everyone's interests as much as he could," said Gene E. Godley, assistant secretary of the Treasury for legislative affairs during the Carter administration and now a tax lobbyist. "He protected the members of his committee, then he let the votes fall where they would. As a result, if you had a free vote, you tended to vote with him."

Former Sen. Walter F. Mondale, D-Minn. (1964–76), who served on the Finance Committee under Long, admitted once that he did not fight the chairman on tax issues dear to other liberals so he could get his way on social programs he cared most about.

"I have to live in the real world, and I don't want to get isolated on the committee as a lone squeaking mouse," he told a reporter.

CAMPAIGN CLOUT

Long also has been good to Democratic colleagues who sought his help in raising money for their re-election campaigns.

He has held numerous fund-raisers for incumbents, and he has taken the potentially more important step of introducing colleagues to those in the business community whose tax problems he has helped alleviate.

Last November, for example, Long held a weekend fund-raiser in New Orleans for five Democratic senators—Alan J. Dixon, Ill.; Christopher J. Dodd, Conn.; John Glenn, Ohio; Wendell H. Ford, Ky.; and Ernest F. Hollings, S.C. He raised $100,000 for their 1986 campaigns from local contributors and Washington lobbyists.

In 1983, Long raised $1 million in one night for the democratic Senatorial Campaign Committee with a $1,000-a-plate "tribute to Russell Long" dinner in Washington.

"Even those who have philosophical differences of opinion and those who view him as too conservative or have different regional outlooks, they still have to remember that Russell Long time and time again went to bat for them and raised money for them," says Boren.

One former Democratic senator recalls that he was often at odds with Long on tax issues. "But when it was my time to run for re-election, he'd get people who would have liked to slit my throat to give me contributions."

MASTERY AND MYSTIQUE

Part of Long's mystique stems from a combination of charm and inscrutability. Son of the "Kingfish," the fiery Huey P. Long, who served as governor of Louisiana from 1928–32 and senator from 1932–35, Russell Long has a deceptively folksy, chummy manner.

He can regale colleagues for hours with "down-home" stories, then sidle up to someone for a more cozy chat.

"I'll tell you the way he wins your vote," said Matsunaga. "He comes right up and whispers in your ear as if it's just between you and him, and makes you feel that what he's saying is something special and is only for you and your ears."

But colleagues say that behind the humor and the endearing manner is a keen, calculating mind. And Long rarely reveals to anyone what he has on that mind.

Bill Bradley, D-N.J., considers Long "the best legislator in the Senate," even though Bradley's tax philosophy is the antithesis of Long's.

Bradley recounts that in 1979, the year he came to the Senate, he was presiding over floor debate on the windfall-profits tax bill. Long offered an amendment that obviously had little chance of adoption.

"I remember wondering why he was doing it, and why he was not debating it very enthusiastically," says Bradley, adding that the amendment lost by an overwhelming vote.

He said it later dawned on him that Long was trying to discover "his base support, to find out his baseline. It was not to win.

"He understands the different levels of the legislative process, where to make your effort, how to ascertain your strengths, better than anyone. But because he's so creative, it's not easy for the uninitiated to follow what he's doing," he said.

Both Bradley and Boren recall an occasion when Long was chairman of the Finance Committee and the committee was expected to vote on a controversial amendment.

"Russell was presiding and he just kept getting off the subject," said Boren. "He told some of his wonderful Uncle Earl stories, and he just kept rambling about things that had nothing to do with the agenda. [Earl K. Long served as governor of Louisiana from 1939–40, 1948–52 and 1956–60.]

"One by one, members decided they would go off and do something else. It looked like the committee wasn't going to do anything."

But all of a sudden, after four or five members had left, Long banged down the gavel and said, "Well, let's get down to business and vote." The roll was called and Long's side carried.

"He knew exactly who had walked out of the room and which side of the issue they were on, and he knew exactly when to call for the vote," said Boren.

FEW GRUDGES

Perhaps surprisingly, few on the losing side of Long's "creative" legislative techniques hold their defeats against him. Members say he is true to his word, sincere in his beliefs and holds no grudges, qualities highly valued among Senate colleagues.

"He fights his legislative battles hard, but there's never any sense of personal animosity," says John C. Danforth, R-Mo. "I have never seen anything that approaches mean-spiritedness."

Danforth had his first run-in with Long on the windfall-profits tax bill in 1979, when he made an unsuccessful proposal to tax state oil royalties. He fought vehemently, despite Long's opposition. "I kept pushing it," Danforth said. "Of course, it was going nowhere—I mean *nowhere*."

During one closed-door meeting, Danforth recalls, he refused any compromise on his amendment. "At the end of the meeting, Russell came up to me and put his arm on my shoulder and said, kind of chortling, 'You know, sometime, maybe in about 15 years, I think you're going to be a really great senator. As for now, I think you're about the most obnoxious person I've ever seen in the Senate.'"

At the time, says Danforth, he didn't know if that was an insult or a compliment. But he says that he gained from that fight, and from other experiences with Long, some useful lessons about being a senator:

"I've learned that in a body of 100 diverse individuals, you don't accomplish much by just trying to bowl everybody over; that government is a process, and that it is very seldom at the end of any day that you can say, 'Ah, we have finally accomplished this objective.'"

Long has often likened passing a piece of legislation to cooking a stew, something that requires time and patience before all the ingredients come together in the proper mix.

"He's, by example, taught many of us to be patient and let people have their say and try to work something out," said Dole.

NOT EVERYONE ENCHANTED

For all the respect he commands, Long has his critics.

While it is difficult to find anyone now serving in the Senate who speaks ill of him, one former member, who asked not to be named, says Long could get slick at times.

This individual recalls that during one tax debate in the mid 1970s, the only senator with a copy of the bill was Russell Long.

"He was at a great advantage," this source said. "If you didn't know something was in the bill, or the staff didn't know, it just slipped by."

Tax provisions just "slipping by" under Long is one big reason there is a need today to rewrite federal tax law, according to proponents of "reform."

"Long was at the forefront of developments in the late '70s, when inflation pushed taxpayers into higher brackets and Congress used the money to give out special tax breaks," said Robert S. McIntyre, director of federal tax policy for Citizens for Tax Justice, a labor-backed research and lobby group.

"It's fair to say that Russell Long as much as anyone undercut the Democratic Party and set the stage for Ronald Reagan," he added, noting that middle-class Americans eventually realized that their taxes had soared while loopholes for the wealthy and for corporations mulitplied.

Some in Congress, and many outside it, still harbor resentment at Long's resistance earlier in this decade to legislation aimed at stopping the Reagan administration from throwing thousands of people off the Social Security disability rolls.

From 1982–84, Louisiana Democrat almost single-handely blocked the bill, arguing that the program was plagued by deadbeats.

Only when the House passed the legislation 410–1 did Long ease his opposition and begin to work out a compromise.

But to the end, his critics say, he seemed almost oblivious to overwhelming evidence that many genuinely disabled citizens were being strippled of their benefits and left in desperate financial straits. Long, they say, seemed unable to look beyond decade-old stories of program abuses.

INFLUENCE WANING?

Some say that Long's influence has waned since he lost his chairmanship in 1981 and has had less legislative currency with which to deal.

"He's the odd man out on the committee," said one Democratic senator. "I think a lot of the influence has passed on to [Lloyd] Bentsen [D-Texas], Boren, [George J.] Mitchell [D-Maine] and Bradley. They're all independent thinkers."

A Democratic tax staffer agrees that Long has provided little leadership for the panel's nine Democrats: "He really hasn't tried to shape the Democrats into a cohesive minority," the aide said.

But while Long has kept a relatively low profile, when he has felt strongly about an issue, his clout has been unmistakable.

One of the first signs that Long had not retired came in 1983. The year before, the Finance Committee put together a tax bill designed to raise $99 billion over three years to help reduce the federal deficit.

Since it was an election year, few members were eager to work on the legislation, and Dole—who was then chairman—decided the only way he could get a bill through the committee was to have GOP members craft one behind closed doors.

They did so, and after just 17 hours of committee deliberation, the measure was approved by a straight party-line vote of 11–9.

Democrats charged that they had been shut out, and they noted that when Long was chairman, members of both parties always had a say about tax changes.

The bill narrowly passed the Senate and was enacted (PL 97-248), but Dole paid dearly the following year.

One of the provisions in the 1982 law called for the withholding of taxes from interest and dividend income. That met with a storm of protest from banks and other financial institutions around the country. Over the opposition of Dole and the Reagan administration, they mounted a drive to repeal the law with one of the biggest, most intense lobbying campaigns in congressional history. One of their key allies turned out to be Long.

While the fight for repeal was led in the Senate by freshman Bob Kasten, R-Wis., Long helped direct the show, offering parliamentary advice and sitting on the Senate floor through much of the debate.

Long also encouraged the bankers. "My advice was that if they continued to fight, they'd eventually be winners," he said in a recent interview.

He was right. The withholding provision was repealed by overwhelming margins in both chambers.

Long denies he was trying to get back at Dole for the 1982 tax bill markup. He says that he opposed withholding because it was unpopular and had been enacted in such a rush "the opposition never had a chance to organize. . . . I know how that's done; I've been involved in things like that in my life.

"I consider Bob Dole a very good friend," he said, adding with a smile, "but that doesn't mean that just in terms of friendly competition that we can't have a difference of opinion and go to the mat on something once in a while just to see where we stand."

In 1984, when the committee had to put together a deficit-reduction bill, "Dole could not have been nicer to Long," said a former committee aide. The bill was reported unanimously from committee after a month of debate and passed the Senate floor by a vote of 76–5.

RETIREMENT PLANS

As Long prepares to leave the Senate, he says he wants to "see what else life holds." He notes that when he retires, he will have served longer than all but John C., Stennis, D-Miss., who was first elected in 1947, a year before Long; and former Sens. Carl Hayden, D-Ariz. (1927–69), and Richard Russell, D-Ga. (1933–71).

"That's an awfully long time to serve," Long said.

He recalls that a number of his colleagues and other politicians he has known, including his father and uncle, "went out in a casket. . . . So I thought it would be good to walk out of here in good health."

Long will not say what he plans to do next, but there is growing talk in Louisiana about trying to draft him to run for governor in 1987, to replace Democrat Edwin W. Edwards, who faces retrial on racketeering charges.

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Recent polls show that Long could win with a substantial majority, and the senator says he might consider running if he thought he could help his troubled state. Currently, Louisiana has the nation's second-highest unemployment rate, largely because hard times have hit its oil and timber industries.

"The people may need me and if they do, I'd be willing to consider it on that basis, because at this point in life I don't really need that job," he says.

"Understand," he adds with a laugh, "in the event I run, that's not the way I'm going to make my pitch."

But many colleagues find it hard to believe that Long would quit the U.S. Senate to take on the grueling job of governor. They note that Long enjoys his relaxation. He and his second wife, Carolyn, have a mountaintop home in Front Royal, Va., where they like to rest, secluded from the hustle and bustle of politics.

Based on his own conversations with Long, Boren believes the senator has decided to retire in part because he does not "like the kind of campaigns you have to run any more, where you have to sell yourself like a bar of soap, instead of really discussing the substance of government."

In fact, Long had his toughest campaign in his last election in 1980. After winning with 100 percent of the vote in 1974 and 1968, he received only 58 percent amid complaints he had lost touch with the state.

Boren also feels Long is "troubled by what the Senate has become. I don't think he likes to see one-issue people who don't really know how to operate for the good of the country or who don't understand the history of the institution."

He and others note that the Senate has become increasingly partisan and fragmented.

"It seems to me," said Boren, "that the greatest need is for consensus-builders who can overcome this fragmentation . . . all the qualities that Russell Long has. He's been a consensus-builder, the kind of person who can put together bipartisan coalitions. I'm worried about the void I think he will leave."

The Long View on Tax "Reform"

During almost 38 years in the Senate, Russell B. Long has seen a lot of tax legislation come and go.

"Russell's heard so many things labeled 'reform' that that word doesn't impress him much any more," said Lloyd Bentsen, D-Texas, one of the Louisiana Democrat's colleagues on the Senate Finance Committee.

What impressed Long even less is the underlying premise of the tax-overhaul drive now under way on Capitol Hill. That effort, precipitated by President Reagan, is grounded in a conviction that tax rates should be as low as possible and that tax law should not be used to distort the economy by encouraging one activity over another.

But Long argues that the tax system is a tool of government just like spending and should be used as such.

He says that any bill the Finance Committee reports should remove the poorest taxpayers from the rolls and ensure that the very wealthy "pay a reasonable amount of taxes."

"Those two things are necessary to be there. But the rest of it, we should be careful that we're not doing more harm to the economy than we're doing good," Long said in an interview.

The veteran senator has something close to disdain for "tax purists" who think the tax code can be made simple and can treat everyone equally across the board. He notes that Congress has tried to "reform" the federal tax system several times before, but members always have found reasons to keep some special tax incentives.

"Private industry has 50,000 lawyers out there trying to reduce taxes for their clients, while we're trying to find ways to offset the ways they're trying to avoid taxes. So we'll be confronted with inequities no matter what we do," he said.

This year, as in the past, one person's inequity is another's just desserts. Every lobbyist is crying some version of the most famous line ever attributed to Russell Long: "Don't tax you, don't tax me—tax the fellow behind that tree!"

VOTING RECORD OF SENATOR PROXMIRE

Mr. BYRD. Mr. President, 9 years ago, on May 2, 1977, I rose in this Chamber to announce that Senator Proxmire had cast his 5,000th consecutive vote in the Senate. This voting record, I said then, was "sui generis—one of its kind— * * * and unmatched in the history of this body." I went on to say, "I will be looking forward to the 6,000th consecutive vote, which I am sure he fully intends to cast."

I knew that I could count on the senior Senator from Wisconsin to make my words prophetic.

It is with great pleasure that I call the attention of my colleagues to the fact that yesterday was a monumental day in the history of the U.S. Senate and the Senatorial career of our distinguished colleague, the senior Senator from Wisconsin. Yesterday, April 20, 1986, marked 20 years in which Senator Proxmire has not missed a rollcall vote.

During the two decades which began on April 20, 1966, there have been 9,178 votes, and Senator Proxmire has voted on every one—9,178 consecutive rollcall votes.

The tenacity and dedication that Senator Proxmire has applied to the causes in which he believes has made him somewhat of an institution within this institution. His "Golden Fleece Award" and now his "Myth of the Day" have become as much a part of this institution as quorum calls and filibusters.

His tenacity and dedication were also witnessed by his statements over a very long period of time with respect to the Genocide Treaty. On January 11, 1967, Senator Proxmire announced that he would speak every day that the Senate was in session urging this body to ratify the Genocide Treaty until it did. It took 19 years and over 3,000 speeches, but he did it. On the day that this quest became reality, February 19, 1986, the junior Senator from Arkansas [Mr. Pryor] pointed out that, "Morning business will never be the same again," adding: "The treaty will forever be the legacy of the patience, passion, persistence, and persuasion of the Senator from Wisconsin."

For 8 years, he pushed and fought for the passage of the truth-in-lending bill. In 1968, this quest became reality, and he was invited to the White House for the ceremony during which President Johnson would sign the measure into law before the news photographers and television cameras. Senator Proxmire did not make it to that ceremony—a measure had come up to the floor and he remained in his seat to make sure he was there to vote.

Mr. President, what an outstanding feat, 20 years without missing a rollcall vote. There is no more appropriate way to conclude than to say congratulations. I congratulate Senator Proxmire and commend him for his service to the people of Wisconsin and the people of the United States.

Mr. President, I join my colleagues on both sides of the aisle in congratulating Senator Proxmire on this outstanding, unique record which I dare say will not soon be improved upon, not by anyone other than Senator Proxmire himself.

SENATOR HAWKINS' SPECIAL ORDER

Mr. COCHRAN. Mr. President, I ask unanimous consent that I may be permitted to read a statement to the Senate in behalf of Senator Paula Hawkins.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

Mr. COCHRAN. Before I begin, let me say that the majority leader has advised me, and asked me to inform the Senate, that the distinguished Senator from Florida [Mrs. Hawkins] underwent additional back surgery this morning and has made it through the surgical procedure well. It is hoped that this surgical procedure will help alleviate some of the distress, discomfort, and pain she has been experiencing.

The majority leader has talked with the family and wanted me to pass on to the Senate that news of Senator Hawkins.

Mr. President, the statement of Senator Hawkins this morning is on the subject of Inter-American Specialized Conference on Drug Trafficking.

Inter-American Specialized Conference on Drug Trafficking

Mrs. HAWKINS. Mr. President, each day that passes we await some tangible sign that the Mexican Government is serious about bringing to justice the murderers of DEA Special Agent Enrique Camarena. Still there is no sign. Still we wait.

Mr. President, although we are frustrated and disappointed about the unwillingness of the Mexican authorities to tackle the problems of drug trafficking, there are rays of

hope in the war on drugs. One such bright spot is the upcoming Inter-American Specialized Conference on Drug Trafficking being sponsored by the Organization of American States [OAS] in Rio de Janeiro from April 22-26, 1986.

To put this conference in perspective it is necessary to realize that the OAS has never had a conference dedicated solely to the issue of narcotics trafficking. No previous drug conferences have been held in spite of the fact that certain of its member nations are among the largest producers and consumers of illegal narcotics in the world.

Fortunately this is not the only sign of increasing international awareness of the seriousness of the illegal narcotics business, but it is one of the most recent. The United Nations has been working on a new draft convention on narcotics and a ministerial level international conference on illegal narcotics is being scheduled for next year in Vienna. There is no doubt—there is growing momentum in the war on drugs at the international level, and it's about time.

I do not favor conferences simply for the sake of having conferences. Diplomats tend to talk and talk and talk. What we need now is action. There are some positive signs that this OAS conference may start the ball rolling on a series of initiatives that will culminate in a hemispherewide antinarcotics effort.

One of those positive signs is the fact that the conference has not shied away from the politically difficult issues involved in drug trafficking. The agenda reflects a desire to examine the entire aspect of the problem—everything from demand reduction to eradication to money laundering.

Another positive sign is the fact that Brazil, one of the leaders in Latin America, expressed an interest in hosting a conference such as this.

It is too early to tell whether these hopes will be fulfilled or whether they will be dashed amid high-sounding words and deadly inaction. There are pitfalls, to be sure. I am one of the strongest advocates of a demand-oriented strategy to attack the drug problem. As I have said here on the floor before, I fully support domestic efforts in the United States to deal directly with the problem of demand for illicit drugs. And I believe that that issue is a legitimate concern for international fora. I am concerned, however, that some of the major producing or transit countries may use the issue of demand reduction as an excuse to avoid their own actions to deal with the drug trafficking problem. This would be an illegitimate and irresponsible use of the issue. It is something, should it occur, that should be loudly condemned and exposed as a fraud and an effort to avoid responsibility.

I am encouraged that such a conference as the one in Rio is taking place, but I will reserve my judgment until it is over. Conferences such as this should be judged not by their intentions, but by their results. I assure my colleagues that I will be following what goes on in Rio and will provide the Senate will a full report.

Let us hope this will mark an unprecedented effort at hemispheric cooperation on this vital issue.

RECOGNITION OF SENATOR PROXMIRE

The ACTING PRESIDENT pro tempore. Under the previous order, the Senator from Wisconsin [Mr. Proxmire] is recognized for not to exceed 5 minutes.

Mr. PROXMIRE. I thank the Chair.

VULNERABILITY OF SDI HARDWARE MAKES IT A TRILLION DOLLAR LOSER

Mr. PROXMIRE. Mr. President, before the Senate votes 1 additional dollar for the strategic defense initiative [SDI] or star wars, Senators should read a brief analysis prepared by the Union of Concerned Scientists. This study considers the vulnerability of the space-based hardware that would constitute the heart of star wars. Even expert supporters of star wars have admitted that this vulnerability is a serious problem that the strategic defense initiative office must solve if star wars is to work:

The newly appointed head of NASA is Mr. James Fletcher. That is the National Aeronautics and Space Administration and, of course, Mr. Fletcher is an expert in this area. Mr. Fletcher previously served as chairman of the defense technologies study team. In that capacity he stated:

> Survivability is an especially crucial issue whose resolution requires a combination of technologies and tactics that remain to be worked out.

What does this mean? In plain English, it means that one of this country's most respected experts on space technologies believes that as of now we simply do not know whether we can ever develop and deploy the star wars hardware in space that can survive against an adversary attack. There is a very strong case that we cannot. Here is why:

The irony of star wars is that virtually every technological advance for its ballistic missile defense weapons provides a breakthrough that can be applied with equal force for the offense to attack the very star wars defense for which the technology has been developed. Think of it: if both superpowers should deploy star wars systems, the systems could attach each other. Consider the many advantages for the nuclear offense against any star wars defense. First, there is the timing advantage. What does the timing advantage mean? It means the offense can select the time to attack. This is always an advantage for the offense in any kind of a military confrontation.

But in the case of SDI, the advantage is specially crucial because of a second factor. That is position. How will the space-based SDI hardware be deployed? Answer: In a regular, constant, virtually perpetual and unvarying orbit. The adversary will know at all times what position the SDI satellite or battle station will be in at any particular time. It will be sure and predictable. So how could the vulnerability be greater? The offense will know exactly where it has to deliver its attack and precisely when. And the star wars defense? The star wars defense cannot know when the attack will come or where.

It is worse. The SDI battle station will be deployed for years. Its designers must anticipate in advance what kind of attack the offense can launch against it. Whenever in the future star wars designers determine that the offense has developed the capability to penetrate or destroy the deployed battle stations, what alternative do the star wars defenders have? They have to develop, produce, and deploy improved and advanced battle stations that can defeat the offensive threat.

How practical is such a replacement? Just consider the cost. The battle stations will cost hundreds of millions of dollars each. Assume $500 million per copy. The system will require literally thousands of these stations. The initial cost could easily be a trillion dollars for production alone The replacements would, almost certainly, cost more, far more if it is to withstand the potential offensive attack. To replace all the battle stations would take hundreds of billions of dollars more because of the cost of lifting this mammoth cargo into space and into the proper orbit in space. The cost is now $3,000 a pound to lift it into space and these would weight many many thousands of tons. And, once again the battle station would only survive until the offense developed a new capability to penetrate, spoof, or destroy it.

Here is why star wars is almost certainly a loser for the United States. The SDI proponents basically rely on the consistent technological advantage the United States has enjoyed throughout the nuclear age over the Soviet Union in military weapons. Let us make the optimistic assumption that our country could be sure that we could continue to maintain that superiority in our star wars capability.

Will that be enough for SDI hardware survival in space? No. Why not? Because the Soviets could use the established SDI technology, the very weapons star wars is perfecting to destroy it. The Soviets could pick the time to attack. They could select the position to attack. The U.S.S.R. could destroy our star wars system even though the Soviets had a technologically inferior capability. They could destroy it at far less cost than the cost to the United States of building it.

We should ask ourselves over and over again: What is the formula that has kept the superpower nuclear peace for the full 40 years of the nuclear age? The answer: A credible nuclear deterrent. What does that mean? That means our offensive nuclear deterrent can survive any conceivable preemptive attack by the Soviet Union with far more nuclear capability than nec-

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essary to destroy the Soviet Union utterly.

What is the basis for that survivability? Answer: The fact that half of our mammoth deterrent is deployed in a mobile and invisible mode. It is deployed in submarines that move under the ocean, swiftly and quietly. Another 25 percent of the American deterrent is deployed in bombers that move with close to the speed of sound throughout the world's vast air envelope. We can and should deploy the remaining 25 percent of our nuclear deterrent in land-based mobile—and I stress mobile, not stationary—missile launchers.

What additional survivability would star wars, this trillion dollar floating duck, bring? Remember, if only 1 percent of the United States nuclear arsenal reaches Russian cities, the immediate dead would range from 35 million to 50 million people and the Soviet Union would be a radioactive graveyard. What could star wars add to that deterrent? Answer: Nothing.

Mr. President, I ask unanimous consent that the conclusion to the article to which I referred by the Union of Concerned Scientists, entitled "Satellite Vulnerability," be printed in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

SATELLITE VULNERABILITY

CONCLUSIONS

1The satellite vulnerability problem has been widely recognized by SDI proponents and critics alike as fundamental to space-based BMD prospects. Indeed, such a stalwart SDI enthusiast as Edward Teller has repeatedly debunked space-based weapons as unworthy of serious consideration. James Fletcher, speaking for the Defense Technologies Study Team he chaired, has stated: "Survivability is an especially crucial issue whose resolution requires a combination of technologies and tactics that remain to be worked out." A workshop of technical experts, some of whom are pro-SDI, concluded that chemical IR lasers are vulnerable to direct attack by a number of means at highly favorable cost-exchange ratios. We believe that these factors make such laser battle stations in space completely impractical. General Abrahamson has also acknowledged that survivability is a key issue.[18]

Such cautionary statements from SDI supporters are worth noting because they indicate the tip of a very deep vulnerability iceberg. For every survivability action undertaken, there is an equal and opposite reaction available to the offense, usually one that is cheaper. Each layer of countermeasure upon countermeasure merely complicates the task of boost-phase, and mid-course, defense. It is important to note, too, that with every advance in BMD weapons techniques, the countermeasures are bound to improve apace, because those techniques can also be developed as anti-BMD ASAT's.[19] The BMD systems themselves, once deployed bilaterally, can attack each other as well.

In the face of these vulnerabilities—and when coupled with the enormous array of other countermeasures—the hope for high standards of BMD performance diminish to the point of vanishing. The prospects for boost-phase defense degrade quickly in the face of devastating attacks on the space-based assets of even a sophisticated BMD. It is important to note, too, that an early result of the SDI be increased vulnerability of existing U.S. warning, communication, and intelligence satellites.

As this paper has shown, moreover, the advantages of the offense are intrinsic. Technological advances in BMD and survivability are bound to be—at best—transitory, and the current ledger indicates that countermeasures are the more mature. Technological superiority, moreover, is not in itself sufficient to protect BMD satellites, given the offense's advantages in timing, position, singularity of mission, relative imperviousness of components to attack, and other factors. An additional, little-discussed factor is that defense satellites will be orbiting for years; thus, all the possible countermeasures available to the offense must be anticipated well in advance, at the time the BMD system is deployed, with the only alternative being replacement of BMD space assets at enormous cost, especially for those in high orbits.

These inherent advantages will tend to mitigate technical superiority, however lasting, and confer upon the offense the ability to defeat a boost-phase layer, which, given our understanding of ballistic missile defense, would be decisive in defeating an entire multilayered system.

Satellite vulnerability, therefore, is one of several intrinsic problems of space-based ballistic missile defense that render it an imprudent option for the United States and Western military security.

MYTH OF THE DAY: MISSIONARIES WORK WILL BE AFFECTED BY THE GENOCIDE CONVENTION

Mr. PROXMIRE. Mr. President, the myth of the day is that Senate ratification of the Genocide Convention affects in any way the work of religious missionaries.

The opponents of the Genocide Convention have left no stone unturned in their efforts to misrepresent the Genocide Convention. But one of their sorriest steps was to mislead many religious Americans into believing that the work of missionaries in proselytizing for their faith might be construed as genocide because one religious group was somehow being eliminated.

Such a misrepresentation is nothing short of grotesque and shameful. The fact that even today I hear from individuals on this topic is a sad commentary on how far they went to spread this nonsense.

The simple fact is that this treaty is dedicated completely and exclusively to physical genocide: the attempt to exterminate a group by killing them, preventing them from reproducing or turning them into barely living vegetable through mental torture or forcible application of drugs. None of these heinous crimes has anything to do with the work of missionaries.

And it cannot be twisted around, by anyone, to affect the work of missionaries.

How can I be so sure? The reason is that one of the earliest drafts of the Genocide Convention embodied two concepts: physical genocide, which I have just outlined, and cultural genocide. Cultural genocide is characterized by efforts to forcibly eliminate a group's identity by refusing to permit them to speak or write their native language, observe their own customs, traditions and folkways or forbid them to practice their own religion, such as the Soviets have repeatedly done to Ukranian Catholics or some Soviet Jews.

If properly drafted, the concept of cultural genocide would not affect the work of missionaries either; their work does not involve coercion but persuasion. But the delegates drafting the Genocide Convention were concerned that the concept of cultural genocide had not been thoroughly thought out and each and every line relating to cultural genocide was struck from this treaty early in the drafting process.

Thus, the treaty only relates to the attempt to physically annihilate a group and missionaries of all faiths have nothing to fear from such an affirmation of the right of all peoples to live free of fear of annihilation.

Mr. President, I yield the floor.

ROUTINE MORNING BUSINESS

The ACTING PRESIDENT pro tempore. Under the previous order, there will now be a period for the transaction of routine morning business not to extend beyond the hour of 1 p.m., with statements therein limited to 5 minutes each.

RHODE ISLAND: THE UNITED STATES' HIGH SCHOOL HOCKEY KING

Mr. CHAFEE. Mr. President, Rhode Island may be the smallest State in

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[18] Fletcher: Statement before the Subcommittee on Research and Development, Committee on Armed Services, House of Representatives, 98th Congress, 2nd session, March 1, 1984 (typescript), p. 3. The comment reflects the conclusions of the DTST report of October 1983. Workshop: Drell, op. cit., p. 12. Abrahamson: Speech, Conference on World Affairs, University of Colorado, April 8, 1985. Another revealing statement of Gen. Abrahamson: "If there is an easy way of spoofing, destroying, or reducing the effectiveness of the system, you would have a real problem." Air Force Magazine (September 1984). See also Defense/84, p. 8.

[19] A. Carter makes the point well in his OTA paper: "Vulnerability of these [BMD] satellites is a cardinal concern because their orbits are completely predictable (they are in effect fixed targets), they are impractical to harden, conceal, or proliferate to any significant degree, and because successful development of effective directed-energy BMD weapons virtually presupposes development of potent anti-satellite (ASAT) weapons." Directed Energy Missile Defense (Washington, DC: Office of Technology Assessment, 1984), p. 46.

the Union, but it will take a back seat to no other State in the caliber of play and achievements of its schoolboy athletic teams. I rise today to pay tribute to the remarkable accomplishments of one such team, the Mount St. Charles Academy hockey team.

Founded by the Brothers of the Sacred Heart and located in the city of Woonsocket, Mount St. Charles recently won its ninth straight State hockey championship. This represents the longest run of championships in Rhode Island sports history and is believed by knowledgeable sports writers to be one of the longest of any sport in the Nation.

As impressive as this streak is, Mr. President, it doesn't tell half the story, because Mount St. Charles is the preeminent national hockey powerhouse as well. In fact, according to the National Sports News Service, the organization responsible for determining the national high school hockey champ, Mount St. Charles has been the best in the country for the last 6 years.

No other school in the United States has been named No. 1 nationally for even 2 consecutive years. Clearly, this record speaks for itself.

Mr. President, by dispatching archrival Bishop Hendricken High School in the State hockey finals this year, two games to one, the Mounties capped a 27-2 season, numbers that have become routine under the guidance of Coach Bill Belisle. Since taking the reins of the Mount hockey program in 1975, Bill has perpetuated a dynasty and forged records which will very likely never be broken. Coach Belisle's overall mark in his 11 years behind the bench is an astounding 327-19-5, including a string of 94 consecutive Metropolitan "A" victories from 1978 to 1982.

Mount's redoubtable record over the years has not come against powder-puff opponents either, Mr. President, a claim amply supported by the ratings. Both its losses this year came at the sticks of Bishop Hendricken, a top 10 team nationally and a State sports power in its own right.

Moreover, last year Rhode Island placed 3 teams in the top 10 high school programs in the country, and a fourth squad was rated 11th. Mount St. Charles was in its customary niche at No. 1; Hendricken was 5th; LaSalle Academy, 9th; and Cranston East High School, 11th.

Although the News Service's ratings have not yet been released for this hockey season, Rhode Islanders have every reason to believe that the Mounties will once again be crowned the national champion.

Mr. President, none of Mount St. Charles' hockey success would have been conceiveable, let alone possible, were it not for the efforts of Brother Adelard Beaudet, the founder of the program and the man for whom the academy's arena is named.

Born in Canada, Brother Adelard came to Sacred Heart Academy in Central Falls, RI, in 1911. Theretofore, the State had no interscholastic hockey program of which to speak. Assigned to Mount St. Charles some years later, Brother Adelard took on the challenge of building such a program, and thus became the principal architect of one of the best State interscholastic leagues in the country.

Now 102 years old, Brother Adelard may very well be the senior-most leader of any Christian denomination in the world. Yet, as the following anecdote illustrates, he remains spry as ever.

A press luncheon was held at the outset of the Providence Journal-Bulletin Hockey Invitational, at Brown University last year. At the luncheon, Brother Adelard, who was to drop the ceremonial first puck, discussed the upcoming tournament with Dick Reynolds, a retired sports writer for the Journal, generally acknowledged in his tenure there as the dean of Rhode Island sports journalists. Dick was to accompany Brother Adelard on the treacherous walk out to center ice.

"Brother," said Reynolds, "I'm getting up in years. I'm worried that once you drop the puck and the sticks start flying, I might not be quick enough to get enough out of the way."

"You're right to worry, Dick," Brother Adelard said. "I'm still fast, but they will get you."

I might add that in recognition of his lifelong contributions to Rhode Island athletics, Brother Adelard will be inducted to the Rhode Island Heritage Hall of Fame on May 18, 1986. I am sure my Senate colleagues will join me in congratulating Brother Adelard for his tremendous achievements and wishing him well for the future.

On a related sports note, Mr. President, I would also like to recognize today Burriville High School's Tom Eccleston, a State coaching legend in his own right. The oldest high school hockey coach in the Nation, Tom may be one of the best, too. In his 45 years of coaching, Tom's teams have piled up more than 500 wins. This past season—after a 10-year respite from the bench—Tom led Burriville to the State Metropolitan "B" title, an exploit which should place the Broncos in the Nation's top 20 or 30 teams.

In summary, Mr. President, I may hear differently from my colleagues in neighboring Massachusetts, and from those in Minnesota, but there's no doubt in my mind that because of such highly rated teams as Mount St. Charles, Bishop Hendricken, and Burriville; and such outstanding past and present coaches as Brother Adelard, Bill Belisle, and Tom Eccleston, Rhode Island is the Nation's high school hockey king.

Mr. President, I ask unanimous consent that a January 21, 1985, article from Sports Illustrated and a March 28, 1986, piece from USA Today, on the exploits of Mount St. Charles, be inserted into the RECORD at the conclusion of my remarks.

And I ask unanimous consent that an article written by Dick Reynolds for the Providence Journal-Bulletin Hockey Invitational be inserted as if read.

There being no objection, the ordered to be printed in the RECORD, as follows:

ON THE SCENE

(By Robert Sullivan)

Half a century apart, two very different coaches have been instrumental in making the hockey team of a New England parochial school the national high school champion. The first, a whimsical little brother of the Sacred Heart, did it in 1935. The second, a hard-bitten rink rat from just across town, has done it five time in the last five years.

The school is Mount Saint Charles Academy, situated high on a hill in Woonsocket, Rhode Island. Down the road a ways is the rink, a structure that had been an airplane hanger in World War II. When it opened for hockey in 1962, it was the first enclosed rink at any New England high school.

What has gone on recently at that rink has drawn hosannas and cries of "*Mon Dieu!*" for in the area are 16,254 citizens of French-Canadian descent. In 1975 one of that number, Bill Belisle, who had played on Mount Saint Charles's 1947 state championship team, became the coach. Belisle had been a truck driver, construction worker, player for the semi-pro Worcester Warriors and Springfield Indians and finally assistant coach at his alma mater. "When I started coaching, the team was in last place," he says. "It was fortunate for me to take it at the bottom of the heap. Goodness sakes—there was no pressure at all!"

Belisle responded well to no pressure. The Mounties were 29-8-1 in his first season, and from 1976 through '82 they won 94 straight Metropolitan A Division games en route to seven conference titles. Mount Saint Charles has been state champ since 1978 and, according to a poll by the National Sports News Service in Edina, Minn., national champion since 1980. While outscoring opponents 2,037 to 540, Belisle's teams have won 272 games, lost 18 and tied five in nine seasons. Eighteen of his players have made first-team all-state. Five have been drafted by National Hockey League teams in the past two years, including Minnesota North Star Brian Lawton, who in '83 became the first American in NHL history to be picked No. 1 in the draft.

That's the latest news—that's what everyone's talking about. But there's more, and better. Behind the discernible, provable facts of the country's best high school hockey team lies the legend. For this, one has to go way back to 1911. Brother Adelard Beaudet travels south from Quebec. He arrives in Rhode Island with a cross on his chest and a hockey stick over his shoulder. He is a missionary of dual purpose, coming to teach the children the way of the Lord and of the slap shot. Eventually he organizes the country's first interscholastic hockey league, then coaches his youthful Mount Saint Charles team to national championships. Or so the legend goes.

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But as with most legends, only some of it is fact: Adelard did help form one of the nation's first youth leagues. Yes, his Mount Saint Charles teams were as good as any in the country, but they weren't as youthful as you might imagine. The truth is, Brother Adelard was importing Canadian talent to Woonsocket. Adelard will tell you so, and he's still around to do so. Last Feb. 5, his 100th birthday, was Brother Adelard Day throughout Rhode Island, and he received letters from President Reagan and Bobby Orr as well as plaques from Pope John Paul II and Jean Beliveau, patron saint of the Montreal Canadiens.

As a 10-year-old, Adelard had learned to skate on the frozen Saint Lawrence River near his home in Saint Jean Deschaillons, Quebec. In 1904, at 20, he took his vows and seven years later was sent to Sacred Heart Academy in Central Falls, R.I., to spread the Word, not start the Hockey. Nevertheless, "Right away I started it," he says. "They didn't have any sticks. We had to go to woods and get some branches and flatten them. Then we went to a pond near the city. We used rocks on the ice for goals and school books for shin pads. We played one hour without time-outs or penalties, and we had no zones."

Adelard spent 13 years shaping sticks for the boys of Sacred Heart before he was transferred to Mount Saint Charles in neighboring Woonsocket. Switching from the classroom to the front office, Adelard would serve 30 years at the school, most of them as "a treasurer without money, because of the Depression."

When he wasn't balancing the books, Adelard could be found playing hockey with the boys on a rink he'd designed. As Adelard recalls, "We started a little league with La Salle Academy of Providence and Mount Saint Charles and Classical and Central High in Providence. Then hockey took a big growth and there were teams all over."

When the competition stiffened. Adelard expanded his efforts. "So I imported some players from Canada. I had scouts up there," he says. His agents were fellow brethren in Quebec, who told skaters of the wonderful experienece a few years in the U.S. would provide. "Goodness sakes!" says Belisle admiringly. "Those players he brought in—they were pros!"

They even looked like pros:

Their uniforms resembled those worn by the Canadiens. Adelard's first heavily recruited team won the conference title and reached the state finals in 1930-31. From 1932 through '40 his teams won 160 games, tied 15 and lost only seven. In 1934-35 the Flying Frenchmen, as they were unofficially known, went undefeated in 27 games and won the New England and national titles. The Mount was again the national champ in '39. Adelard's teams were indomitable: His '35 squad had 12 straight shutouts; all the starters on his '39 team made the first-team all-state lineup. Mount Saint Charles won 10 straight conference championships.

Problem was, it was evident that the youth of Rhode Island couldn't be rolling up records like that. Three of Adelard's starting five skaters in '35 were from Canada. Even though everyone else in Woonsocket spoke with the same Quebecois lilt as the Mount's players, there was no disguising origin once they laced up their skates.

"They found out [about the imports]—the officials at other schools—and one year they said, 'You are banned from the league,'" Adelard recalls. "That's when I stopped the coaching." He adds with a hint of pride, "A lot of high school regulations pertaining to the hockey were made because of Mount Saint Charles." Those rules, effectively shutting down the Quebec-Woonsocket pipeline, signaled the end of an era.

Brother Adelard faded as a public figure on campus. He continued quietly as treasurer of the school, then in 1954 assumed the same role at Notre Dame High School in Fitchburg, Mass. On the ice of Woonsocket, hockey slid. There were a few good teams in the '40s, including that '47 state championship team, but little that was the stuff of legend.

Then, a decade ago, Bill Belisle reappeared on the scene. Five national championships have made him a larger-than-life figure, but it was something else that conferred near-mythic stature on him. "It was February 21st in 1983, the first practice right after the league playoffs and just before the states," Belisle says. "One of the younger players had borrowed skates and was getting used to them. I was yelling instructions, and from behind the kid knocked me right off my feet. I went six feet up and landed on my head. My skull was cracked open from the top down to the neck. I was pronounced dead at Woonsocket Hospital. But God gave me a second chance."

While Mount Saint Charles skated gamely to its usual championships, Belisle, 53 at the time, slowly mended in the hospital and at home. "For seven months I didn't know who I was, where I was. I was so ashamed," he says. For a person self-described as "not an easy fellow," the instruments of rehabilitation—eyeglasses, hearing aids, CAT scanners—were not easy to take. There was frustration even in life's small pleasures: "The doctor said the only thing that could cause a seizure is alcohol. Now I like a beer, goodness sakes! That night I think, 'Screw him, I'll test myself.' I had two beers, and I was all red and flushed. Unbelievable!"

Eventually Belisle came around to accepting his condition. But he refused to accept the doctors' early prognosis that he was through with coaching. "In September I came back to school. Every day I thought, 'Will I be the same Bill Belisle I was?" Goodness sakes, hockey season was two months away!"

During the first week of November that year, the coach had a private tryout. "Dr. John Guay came with me to the rink. He said, 'I know you hate helmets, but suit up with a helmet.' Now I don't want to brag, but I'm a decent skater. So I'm out there, and I skate two or three times backwards and I'm off balance. The doc says, 'That's your middle ear. Skate in a crouch.' I didn't get dizzy in a crouch." A week later Belisle, hunched over and wearing a helmet, his right leg still paralyzed from knee to ankle, skated to center ice and called his team around him. "You will get sharper day after day," he told them. "And I will get sharper day after day."

But it was difficult for him to be as confident as he tried to appear. The team had lost seven seniors, including Lawton, and Belisle himself was still having fits of forgetfulness. Yet his words were borne out. Fourteen hundred fans a game watched an amazing season unfold at Adelard Arena. A 14-2-2 record wasn't quite good enough to win another Metropolitan championship, but it proved to Belisle that his team could skate with tough schools. "In the playoffs we were the Mount of old," he says. With Adelard, just turned 100, watching from the press box, Mount Saint Charles swept La Salle and Cranston East in three games each and won the state title. In March the national rankings came out, and Mount Saint Charles had edged Matignon of Cambridge, Mass. for the No. 1 spot.

This season the team is continuing its indomitable ways. As the calendar turned, Saint Charles was 5-0 in the conference and had just won its own Christmas tournament. The playoffs start in early March, and the Mount will surely be there. It is hoped Adelard will, too. He's recovering from a hernia operation but is expected to return soon to the rink that bears his name. He'll sit contentedly in the press box, puffing on one of his beloved Dutch Masters cigars as he watches Belisle's team below.

[From USA Today, Mar. 28, 1986]

TITLES ON THE ICE

Year-by-year records of the Mount St. Charles Academy hockey team since Bill Belisle became coach in 1975 (past players include Minnesota North Star Brian Lawton and 1984 Olympian Paul Guay, who has played for the Los Angeles Kings).

Season, Record, Finish:

1975-76, 29-8-1, state semifinalist.
1976-77, 33-4-0, state runner-up.
1977-78, 35-1-0, state New England champion.
1978-79, 30-0-0, state champion.
1979-80, 29-0-0, state N.E., national champion.
1980-81, 30-0-1, state national champion.
1981-82, 32-0-0, state national champion.
1982-83, 31-1-1, state national champion.
1983-84, 24-2-2, state national champion.
1984-85, 27-1-0, state national champion.
1985-86, 27-2-0, state——champion.

RHODE ISLAND POWER EYES ANOTHER CROWN

(By Martin Zabell)

The top high school hockey powerhouse in the USA is not located in the hotbed of Minnesota. It's in Rhode Island.

Mount St. Charles Academy won six consecutive national titles from 1980-1985, beating out Minnesota and Massachusetts teams for the honor.

In May, the Woonsocket team finds out whether its streak continues when the National Sports News Service picks its No. 1 team.

"Too bad I can't tell you they're No. 1 yet," said Art Johlfs, who determines the hockey champion. "It looks like they'll be a top candidate for the top spot this year."

Mount St. Charles won its ninth consecutive state title this season, finishing with a 27-2 record. Both losses were to state finalist Bishop Hendricken of Warwick.

A Rhode Island-Connecticut all-star team with six Mount St. Charles players won last week-end's Hockey Night tournament in Boston. Mounties Dave Capuano, a senior and the state's leading scorer this season with 41 goals and 39 assists, and Matt Schneider, a junior, were named the tournament's offensive and defensive most valuable players.

During the season, Mount St. Charles beat Massachusetts Division I champion Boston Catholic Memorial and Maine champion Lewiston St. Dominic's.

Coach Bill Belisle, 57, literally has picked himself off the ice in order to perpetuate the dynasty. His record: 327-19-5.

The team continued winning after Belisle fractured his skull in a practice accident in 1982. That year his son, Dave, the assistant coach, guided the team to a national title.

Belisle, a former semi-pro player, believes strongly in discipline and the team concept. This season, he benched leading scorer Capuano for not hustling in the first game of the best-of-three state final.

"I don't build around a star," Belisle said. "I emphasize skating."

Belisle concentrates so much on his team he doesn't bother to find out how the USA's top teams have fared. He leaves that to Johlfs.

Johlfs, a 79-year-old Minnesota native who recently moved to Arizona, said he picks the No. 1 team based on reports from teams in 17 states and the analysis of sportswriters, scouts and recruiters.

"I don't bother calling Art Johlfs," said Belisle. "I send my report in and wait to hear from him. That week's the longest week of the year."

HOCKEY THROUGH THE HOCKEY YEARS

(Two Greats of the Game: Brother Adelard and Tom Eccleston)

There will be plenty of young celebrities on Meehan rink throughout the Providence Journal-Bulletin Hockey Invitational December 21 and 22.

There will also be plenty of older celebrities in the stands, including two of the most famous personalities in the history of Rhode Island hockey. So be sure and take a look at who is sitting next to you. Your neighbor may be Brother Adelard or Tom Eccleston unless both decide to exercise their privilege as tournament committee members and park in the press box.

Climbing to the press booth may seem too much for a man in his 102nd year. But not for Brother Adelard who does not even break his stride in mounting to the coop at the Mount Saint Charles arena bearing his name.

For Tom Eccleston, ascending to any press box is a piece of cake. The oldest high school coach in the nation scrimmages every day of his 76th year with his Burrillville bladesmen and he participates in a weekly hockey match with other elder athletes. Eccleston's chief concern is that he does not have sufficient snap in his passes because of an old injury to his right hand. So he is seriously considering an operation which most septugenarians would find entirely unessential.

When invited to be honorary chairman of the Providence Journal-Bulletin Invitational, Brother Adelard responded just as readily as he did to the challenge of building Rhode Island schoolboy hockey when he came from Canada to Sacred Heart Academy, Central Falls, 74 years ago.

Through the years, Brother Adelard has fulfilled both a spiritual and temporal mission by teaching thousands of youngsters the principles of a Christian education and hockey techniques. But in which order? When asked the question, Brother Adelard smiles as enigmatically as Mona Lisa.

On arriving from Canada in 1911, Brother Adelard was surprised to find there was no school hockey hereabouts. As a native of Canada, he had assumed everybody played hockey.

But always resourceful and a make-do marvel, he found a pond near the school, gathered the most suitably shaped tree branches for sticks, selected a few round stones for pucks and larger rocks for goal markers. He even linked athletics and academics by showing his pupils how to use their school books as shin guards.

As equipment improved and interest increased, Brother Adelard spread the gospel of hockey so successfully that his missionary efforts produced a four-team league, soon followed by an explosive expansion of ice activity.

Assigned to Mount Saint Charles just as high school hockey went indoors at the Rhode Island Auditorium, Brother Adelard added a zesty flavor to the Rhode Island skating circuit by annually importing a few crack Canadians to beef up his home forces. Although other members of the local league reluctantly accepted the invasion by their neighbors from the north, the Canadians were credited with raising the level of Rhode Island hockey by compelling local lads to extend extra efforts to meet the competition.

In the meantime, Brother Adelard's super sextets won national and New England titles, captured ten state crowns and all six positions on the 1939 All-State team until he relinquished the rink rein in order to concentrate completely on the duties as treasurer of Mount Saint Charles.

But he has always retained his keen interest in hockey. Not only does he regularly attend Mount Saint Charles matches but he still corresponds with many of his former players, even those who starred for his teams a half century ago. When asked recently about Henri Gauron, one of his celeb skaters in the 1930s, Brother Adelard immediately answered: "I had a letter from him just last week. He always says, 'I'm like you, Brother. I never got married either'."

Not long before Brother Adelard stepped down from the bench, Tom Eccleston launched his equally extraordinary career. Same as Brother Adelard, Eccleston also started from scratch.

When he introduced hockey in Burrillville in 1939, there was not even a hockey stick in town. The first year, his Burrillville team did not win a game. But thereafter the Broncos were the best on Rhode Island rinks with six straight state championships and three berths in the New England finals.

Eccleston, recognized as the most successful three-sport coach in Rhode Island annals, ran up a record of 211-77-12 as Burrillville hockey boss. Not bad for a guy who has always considered himself primarily a football coach. His grid stats certainly do not negate that claim. A glimpse at his grid record shows 11 championships, seven undefeated seasons and 26 straight victories for 149-36-11 overall. His several semipro elevens were 102-16-2 for a grand grid total of 251-52-13.

The story in baseball is the same as his high school nines captured three state titles for an unprecedented run. His baseball coaching extended to several semipro and junior championships. He once coached a Providence Journal team which featured on first base Lou Gorman, general manager of the Boston Red Sox.

Tapped by Providence College, he coached the Friars to the NCAA hockey semifinals in 1964 when he was named national hockey coach of the year.

After retiring as Burrillville superintendent, he coached Hill prep hockey for 12 seasons with a 185-54-5 slate.

Now he is resuming where he started 45 years ago as Burrillville hockey coach, a post he has accepted with one condition—no salary.

He admits being impelled by a selfish motive because he is happiest when he is coaching and that is all there is to it.

His hockey teams have won more than 500 games and yet, for him, the most memorable match was a 1-0 loss to West Haven, Conn. in the New Englands. That night, his Burrillville skaters had 52 shots on goal while West Haven had one which produced the only goal of the game in sudden death.

That amazing outcome made news across the nation and was even featured in Robert Ripley's syndicated cartoons.

The Providence Journal-Bulletin High School Hockey Invitational at Meehan Auditorium, Dec. 21 and 22, will feature not only four top schoolboy sextets but will also revive the once razor-sharp rink rivalry between Massachusetts and Rhode Island.

During the decades when the New England championships provided an exciting and colorful climax to each schoolboy season, Massachusetts and Rhode Island frequently dominated the sectional tourney, played before thousands in Boston, Lewiston and Providence.

Mere mention of the New Englands reawakens memories of Bay State skating sovereigns, such as Arlington, Malden Catholic, Melrose and Walpole locked in stirring struggles with Rhode Island rink rulers, such as Burrillville, La Salle, Cranston or Mount Saint Charles.

With the disappearance of the New Englands, Massachusetts and Rhode Island hockey forces withdrew within their respective borders and thus disappeared the keen, competitive contact between two neighboring states.

But many of the dramatic duels produced by Massachusetts-Rhode Island rivalry are still conversation pieces. Burrillville, for example, has a bittersweet recollection of the 1958 finals when the Broncos held a one-goal margin over Walpole with just 30 seconds remaining. But Walpole made the most of that half minute by tying the score and winning the New England crown in sudden death.

Babe Mousseau, who coached Burrillville to five New England titles, remains everlastingly grateful to Len Ceglarski, Walpole 1958 pilot, for removing some sting from that stunning setback. So impressed was the present Boston College coach with Burrillville superb sportsmanship throughout the tourney that the runners-up were honored guests at the Walpole banquet.

According to Art Johlfs, executive director of The National News Sports Service, Massachusetts is the No. 1 high school hockey state in the nation with more than 200 teams and 7,000 players.

Rhody rooters counter this by stressing Mount Saint Charles' remarkable record of No. 1 national ranking by the National Sports News Service for six straight years. To underline how remarkable the Mount Saint Charles record really is, Rhode Islanders add that no other school in the U.S. has been named No. 1 nationally for even two consecutive years.

For additional evidence on their behalf, Rhode Islanders note that three of their teams were among the top ten last season and fourth among the first 11 in the National Sports News Service ratings. As Mount Saint Charles retained the first rung, Bishop Hendricken was fifth, La Salle, ninth and Cranston East, 11th.

Massachusetts was also well represented in the same rankings with St. John's of Danvers only a notch below Mount Saint Charles.

Johlfs, a retired sportswriter, who now gives full-time to compiling national rankings, contends that no high school hockey is better than the New England brand. Conceding Massachusetts to be the strongest hockey state overall, he adds: "But for such

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a small state, Rhode Island is surprisingly strong as Mount Saint Charles and Bishop Hendricken exemplify with their excellent programs."

Massachusetts and Rhode Island adherents have obviously long been eager for the showdown to be provided by the Providence Journal-Bulletin Invitational with Bishop Hendricken-Catholic Memorial and Mount Saint Charles-Archbishop Williams, pairings Dec. 21.

Bill Belisle, who has coached Mount Saint Charles to eight straight state championships, has not hesitated to put his national rating on the line against formidable Archbishop Williams. Belisle welcomes the interstate test and he has tried in the past to schedule Massachusetts' top teams whose chances of qualifying for the Bay State playoffs may be diminished by a loss to an out-of-state opponent.

Rhode Island teams run no such risk since only interscholastic league records determine playoff qualifers.

CHEMICAL WEAPONS

Mr. WARNER. Mr. President, on April 10, the Committee on Armed Services' Subcommittee on Strategic and Theater Nuclear Forces conducted a hearing on the U.S. chemical deterrent program in review of the fiscal year 1987 defense authorization bill. One focus of this hearing was the relationship between the binary chemical modernization program and U.S. arms control policies and objectives.

Mr. David Emery, the Deputy Director of the U.S. Arms Control and Disarmament Agency, explained that as a result of the congressional action last year providing for the production of modern and safe binary chemical weapons, there has been a perceptible change in the Soviet attitude toward chemical arms control. While he cautioned that we are a long way away from reaching an agreement of any kind, Mr. Emery told the subcommittee that the Soviets are addressing the issue of chemical weapons arms control in a more serious manner than they have in the past. Mr. Emery warned, however, that any indication of reduced support for the binary chemical modernization program in the Congress would undermine U.S. negotiating efforts at this important juncture.

One particularly troubling aspect of this issue is the problem of chemical weapons proliferation. Today, some 15 nations are known to possess chemical weapons and others are known to be seeking these deadly weapons. In addition, the use of chemical weapons is becoming more frequent and the taboo against their use is therefore being eroded. This has been the result of the Soviet use of chemical weapons in Afghanistan, and their sponsorship of their use in Southeast Asia—both in violation of international agreements. In addition, the use of chemical weapons in the war between Iran and Iraq has contributed to a climate more accepting of the use of chemical weapons.

The United States is trying to address these problems through a two track policy of deterrence and arms control. The negotiation of a comprehensive and effectively verifiable multilateral chemical weapons ban remains our ultimate objective. Central to our two track policy is the modernization of the aging and increasingly ineffective U.S. chemical deterrent. A modern and safe retaliatory capability consisting of binary munitions will serve as a deterrent to chemical war—as was the case during World War II—and as an incentive for the Soviets to negotiate seriously.

Mr. President, at this time I would like to ask unanimous consent that an article that appeared in the Christian Science Monitor on March 19, 1986, be included in the RECORD. This article was written by Ambassador Kenneth Adelman, the Director of the U.S. Arms Control and Disarmament Agency. His article focuses on the problems of chemical weapons proliferation and use, and U.S. efforts to address these problems. I would commend this thoughtful piece to the attention of my colleagues.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

[From the Christian Science Monitor, Mar. 19, 1986]

CHEMICAL WEAPONS: RESTORING A CLIMATE OF CONTROL

(By Kenneth L. Adelman)

Recent reports of renewed use of lethal gas by Iraq in the interminable Iran-Iraq war reinforce efforts to clamp down on the use and spread of chemical weapons. Only a decade ago the control of biological and chemical weapons represented an arms-control success story. Now, however, the once seemingly firm taboos against the use of lethal agents appear to be eroding before our eyes.

How has this come about? The problem is twofold: On the one hand, controlling the spread of chemical weaponry has proved difficult technologically; on the other hand, the dangers posed by chemical weaponry have been magnified by a gradual weakening of the international regime prohibiting their use.

Curbing proliferation is complicated by the fact that lethal chemical agents are, by comparison with nuclear armaments, cheap and easy to make. They are in danger of becoming the less developed world's weapon of mass destruction. Technologies for producing less-sophisticated agents like mustard gas are well known among chemists. And the ingredients for many chemical weapons are available in Europe and Asia, as is equipment for their manufacture.

The possession of chemical weaponry has risen from about five nations in 1963 to more than 15 today. More important has been the decline of international norms and standards conducive to stopping their proliferation.

The recent Iraqi actions are but the latest in a series of violations of chemical-weapons prohibitions, beginning in the late 1970s with Vietnam's employment of the deadly agent trichothecene mycotoxin ("yellow rain") against innocent Hmong peoples in Laos and Kampuchea. Doubts about these weapons' use are understandable until one visits Hmong refugee camps in Laos and listens to reports from the relatives of victims. In 1980 Soviet troops used yellow rain in Afghanistan.

Yellow rain incidents almost certainly contributed to an international climate more tolerant of violations.

What can we do about this growing problem?

At the Geneva summit, President Reagan and General Secretary Mikhail Gorbachev agreed to embark on a US-USSR dialogue regarding the spread and use of chemical weapons.

While the Soviets balked at including the "use" question in the joint statement itself, they understood our view that the spread and use are parts of the same problem. We hope these discussions, now under way in Geneva, will reverse the odious trend toward increased use and proliferation.

However, if these discussions—especially those in the Committee on Disarmament where the US proposes banning chemical weapons altogether—are to succeed, we must not forget the lessons of chemical-weapons control. Control of chemical weaponry depends on the combination of arms control and deterrence by the major powers. This combination prevented chemical-weapons use during World War II. While the 1925 Geneva Protocol forbade use of lethal gases, the major belligerents in World War II nonetheless possessed chemical weapons. The understanding that employment of lethal gas would provoke retaliation in kind guaranteed its prohibition. In a war hardly free from atrocities and indiscriminate violence, the taboo against chemical weapons held fast. Arms control alone could not guarantee its nonuse in the 1930s. Despite the Geneva Protocal, Mussolini's troops in Abyssinia and Japanese forces in Manchuria used lethal gases.

These lessons were neglected in the late 1970s. When the Biological and Toxin Weapons Convention was signed in 1972, there was widespread hope that biological and chemical warfare was on the road to extinction. Certainly, American policymakers proceeded on this assumption and ordered the destruction of our stocks of biological weapons. We stopped manufacturing chemical weaponry entirely in 1969 and have added no new chemical weapons to our arsenal since.

The Soviet Union, unfortunately, has done the opposite. Production of chemical weaponry has continued apace. Storage space for lethal chemical agents has steadily expanded. Secret activities on biological weapons also persisted in violation of the 1972 convention. As many American chemical stocks assigned to NATO have grown obsolete, Soviet chemical warfare capabilities have grown, with 80,000 specially trained Warsaw Pact personnel assigned to chemical warfare functions. All this has become especially disturbing given demonstrated Soviet willingness to make battlefield use of lethal gases and even to supply them for use by a client state. Vietnam.

The negotiations hold out hope that these trends might be reversed. But success on banning chemical weapons will depend on the strength of the American bargaining position. This will depend on congressional willingness to approve the administration's request for new binary chemical weapons. These weapons are not intended to match Soviet capabilities, but they will provide a hedge against the massive and growing Soviet chemical threat to Europe as well as an incentive to the Soviet Union to bargain seriously over the comprehensive and verifiable ban we have proposed. They will strengthen our security and improve our ability to deter chemical attacks. The US will do all it can acting unilaterally, on concert with our allies, and in the coming discussions with the Soviets, to institute and enforce export controls designed to prevent the further spread, and especially the use, of these barbaric weapons.

Mr. PROXMIRE. Mr. President, I suggest the absence of a quorum.

The ACTING PRESIDENT pro tempore. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. PRESSLER. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER (Mr. EAST). Without objection, it is so ordered.

AMBASSADOR JOHN ANTHONY GAVIN, U.S. AMBASSADOR TO MEXICO

Mr. PRESSLER. Mr. President, John Anthony Gavin will be leaving his post as United States Ambassador to Mexico on May 15, 1986, and I use this opportunity to honor his achievements. I also thank his fine wife, Constance Mary Towers, and his four children, Christina, Maureen, Maria, and Michael, for their support and encouragement in his role.

Mr. President, I had the great privilege to be a guest in his official residence in Mexico City, and I have had the honor of seeing this fine U.S. Ambassador in action. He speaks fluent Spanish and has, thus, been unusually effective in promoting American concerns in Mexico during a most difficult tenure.

Mr. Gavin's success in Mexico should not come as a surprise because he is uniquely qualified for his role. Ambassador Gavin was born in Los Angeles, CA, attended St. Johns Military Academy and Villanova Preparatory, and Stanford University, where he received senior honors in economics and in the history of Latin America.

Ambassador Gavin served in the Navy during the Korean conflict as an air intelligence officer, in Latin America as a flag lieutenant, and as Pan American affairs officer to the commandant of the 15th Naval District. During his Navy service he received four battle commendations, and two decorations by foreign governments.

Ambassador Gavin's public service career has been in the fields of entertainment and business. From 1961 to 1973, he was special adviser to the Secretary General of the Organization of American States. He also pursued liaison work with the U.S. Department of State while serving in the Executive Office of the President. Mr. Gavin also served as a member of the board of the Screen Actors Guild, and was its president for two terms.

After 1973, Ambassador Gavin resumed his business activities.

Ambassador Gavin was nominated for the post of the Ambassador to Mexico in March 1981, and was confirmed by the Senate in April. He is currently the longest serving U.S. Ambassador in Latin America. He is also chief of one of the largest American delegations abroad, with over 1,000 Americans and Mexican employees representing more than a dozen United States Government agencies.

I am personally regretful that such a fine Ambassador will be leaving such an important post, but I know that Ambassador Gavin has other responsibilities also. I know that many other Senators also wish him well in his new career.

HUNGER IN SOUTH DAKOTA?

Mr. PRESSLER. Mr. President, as one who holds two Harvard graduate degrees, I have the utmost respect for the Harvard faculty. As my colleagues well know, studies conducted by Harvard scientists and researchers are among the best in the Nation. However, as a South Dakotan, I find it necessary to respond to one of Harvard's recent studies which involved South Dakotans.

Harvard's School of Public Health and the "Physician's Task Force on Hunger in America" identified 150 "hunger counties" in the United States which have a high rate of poverty but low rates of food stamp participation. My home State of South Dakota was found to have 28 of the hungriest counties in the Nation. This is quite shocking for a State which produces food for the rest of the Nation and the world.

The results of the study illustrate the severe financial problems in the farm community. The depressed farm prices and continually rising costs of production have put many farmers' and ranchers' incomes below the poverty level. Farm prices are at the lowest level in decades. This depressed farm income also translates into hard times for main street businesses. While food stamps provide greatly needed assistance for many South Dakotans, higher farm prices would help South Dakota residents much more in the long term.

I point out a few factors which apparently were not taken into consideration by the visiting researchers. One indication of nutritional deprivation in infants and children is the infant mortality rate. According to a letter I received from the South Dakota Secretary of Health, South Dakota's 1984 white infant mortality rate was the second lowest in the Nation. South Dakota has already met the Surgeon General's 1990 goal for low birthweight births and infant mortality for whites.

While the Indian population in South Dakota has a considerably higher infant mortality rate, only two of the so-called hunger counties have a significant Indian population. American Indian reservation lands were not included in the study because various commodity programs are available there. Thus, over 60 percent of our Indian population live in counties not designated as hungry.

Another health indicator is longevity. Longevity for South Dakota's men and women is above the national average. In fact, we rank 12th in the Nation. South Dakota women have one of the longest life expectancy rates in the Nation. Here in Washington, DC, life expectancy for women is 73.7, compared to South Dakota's 79.2. Men living in the Nation's Capital can expect to live only 64.6 years, compared to 72.1 in South Dakota. Agricultural accidents in South Dakota contribute to the lower expectancy for men.

South Dakotans are a hard-working and proud people. They take great pride in their livelihood and their families. In South Dakota, there is a strong sense of community. People pull together and help each other through hard times, rather than depending on Government handouts. The Food Stamp Program is a valuable Federal program that assists many South Dakotans. But, a low participation rate does not mean vast numbers of people are hungry or starving. South Dakota farmers have the capability to produce a large share of their own food needs. Large vegetable gardens are often maintained and farm animals are butchered for meat. With hard work, many farm families may enjoy a more nutritional diet than the average American, at a much lower cost to the Government. Therefore, South Dakotans should be commended for effectively using, but not abusing, the Food Stamp Program.

Mr. President, I ask unanimous consent that an editorial on this subject from the March 9, 1986, Aberdeen American News be printed in the RECORD.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

WE AWAIT WITH SOME TREPIDATION THE STUDY ON HUNGER

It was, indeed, something of a shock when it was announced in January that South Dakota has 28 counties where people were going hungry.

It seemed incredible then and it still does.

But a report compiled by the School of Public Health at Harvard University and the Physicians Task Force on Hunger not only listed 28 South Dakota counties on the hunger list but listed South Dakota second

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in the nation, behind only Texas on that hunger list.

The report ranked counties where more than 20 percent of the people live below the federal poverty level of $10,609 a year for a family of four and where fewer than one-third of eligible residents actually get food stamps.

That must account for it, we thought, this business of food stamps. Folks in South Dakota are too proud to accept food stamps if they don't need them. Sure there may be people below the poverty level; but hunger? That's for Ethiopia. That's not Harding County (which was No. 4 in the nation). That's not Campbell County (No. 10 in the nation). There must be some mistake. How can you have hungry people among you and not know about it?

Oh, sure, we know there are poor people among us who need help. We see people using food stamps and we know there is a need for the Salvation Army pantry to provide food help to people. But hunger, the kind of hunger we see on TV, the kind of hunger that never goes away, the kind that haunts the eyes of babies? There must be some mistake. We take care of ourselves and our own don't we?

So we have been waiting with some trepidation as a group, part of the Physicians Task Force on Hunger, came to South Dakota to examine the situation. And we are still waiting, still with some trepidation.

There has been considerable speculation that the combination of poverty-level income and food stamp use, on which the original rankings were made, may be a faulty yardstick in a place like South Dakota where a $10,000 annual income goes farther than it might go elsewhere and where, as we said, people are less apt to apply for food stamps if they don't really need them.

And the task force confirmed some of that along with unique local problems and embarrassment of those applying for food stamps.

A staff member said the task force wants to know why there are so many people who are eligible but are not participating in the food stamp programs. So do we.

She said the task force wants to find out if people's basic nutritional needs are being met. So do we.

We are, most of us, exceedingly uncomfortable being labeled as the kind of folks who would let people go hungry.

If the study is right and something has gone wrong, we want to fix it. After years and years of feeding a large part of the country—of the world—we ought to know something in South Dakota about feeding the hungry.

THE BATTLE AGAINST TERRORISM

Mr. PRESSLER. Mr. President, I call the Senate's attention to the need for a better definition, or perhaps a study or recommendation, on the part of the White House regarding Executive Order 12333 which prohibits any member of the U.S. Government from being involved in assassinations.

Mr. President, in the battle against terrorism, many options must be considered, including the kind of direct military actions we took against Libyan targets last week.

Another option which is prohibited to our Government is the assassination of individual terrorists. That option is precluded by section 2.11 of Executive Order 12333, which reads:

> *Prohibition on Assassination.* No person employed by or acting on behalf of the United States Government shall engage in, or conspire to engage in, assassination.

This order has been in effect since December 4, 1981, but the prohibition against assassination has been in existence since Executive Order 12036 was issued on January 24, 1978.

Although I am not advocating a change in this policy, it is clear that Executive Order 12333 effectively requires military operations against larger targets whenever we decide to use force to combat terrorism. It is virtually impossible for us to single out individual terrorists for extermination or elimination. We could bomb cities or neighborhoods known to harbor specific terrorists, but in the process of doing that there is a risk of killing or injuring other people, too.

An unstated justification for the U.S. prohibition on the use of assassination as an instrument of national policy is that it protects our own leaders from assassination. In the aftermath of alleged assassination attempts against Fidel Castro, and subsequent Cuban plots against high American officials, it was assumed that the renunciation of assassination as a foreign policy tool would reduce possibility of physical violence against U.S. officials.

Mr. President, I do not propose that we revert to the age of Machiavelli, when assassination was a common instrument of state policy. But I do believe we should broaden the President's options for coping with terrorism. The military option, as demonstrated in the Libyan case last week, is a massive tool with which to pursue terrorists. I do not question the propriety of utilizing that option in this case, and I do support the President's action. But we should be considering whether there are other ways to combat terrorists than by aerial or missile bombardment of cities.

We may be in a new era in which warfare is conducted by terrorism. If that is the case, the President and Congress should consider whether new retaliatory options should be developed. If he feels they are necessary, Congress should welcome any Presidential legislative proposals which could broaden the opportunities for effective action against the terrorist menace.

Mr. President, let me cite an example. As I understand our current law, if the President of the United States were to know of one specific terrorist who had murdered several Americans, had documentation on tape of the murders, and knew that the terrorist was living in a country that did not permit extradition, then there would be a justification for bombing a military compound or a village in which that person lived. If our objective were to retaliate, which might endanger many other innocent people, then we could act in that manner. But if this person were living alone in a house, in an open area, it would violate our Executive order to go after him specifically.

I do not know what the future holds in terms of terrorist activities. I hope this dies down, and I do not know if this is an appropriate response.

There was some speculation that part of our objective in Libya was to kill Qadhafi, but we ended up killing his daughter and several other people, which perhaps set our own foreign policy back a bit in terms of our ultimate objective. I do support what the President did.

The point I am making is that this Senator would welcome any legislative proposals which would broaden the opportunities for effective action against the terrorist menace, and the Office of the President, the National Security Council, the Secretary of Defense, State, and the CIA could well make such recommendations.

I know that it is repugnant to our thinking and repugnant in a democracy to even talk of such things, but we may be living in an era in which, to protect the lives of American citizens, we might need to consider changing that Executive order.

Mr. President, I yield back the balance of my time.

LEAVE OF ABSENCE

Mr. MATHIAS. Mr. President, pursuant to the provisions of rule VI of the Senate, I request the consent of the Senate to be absent from April 24 through April 30 for the purpose of discharging the duties of the president of the North Atlantic Assembly, for attending a conference, and for other purposes.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. MATHIAS. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. DANFORTH. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

SENATOR PROXMIRE'S ATTENDANCE RECORD

Mr. DANFORTH. Mr. President, on this day 20 years ago, Lyndon Johnson of Texas occupied the White House. I was a young lawyer in private practice.

My regard for the feelings of my colleagues prevents me from recalling just how young I was in 1966. But my years were few. My esteemed senior colleague, Senator EAGLETON, was the Lieutenant Governor of Missouri and well launched on his illustrious career.

I rise today to honor a Senator who was completing a decade of distinguished service to the State of Wisconsin and to the Nation on April 20, 1966. I refer to our colleague Senator WILLIAM PROXMIRE.

The date April 20, 1966, is significant, Mr. President, because it is the last time that Senator PROXMIRE was absent for a rollcall vote in the Senate. The vote he missed was a rollcall of 63 to 21 in favor of adopting a resolution to authorize the Finance Committee to increase its permanent professional staff by six and to hire six clerical employees on a temporary basis.

I am confident that he still rues having missed a chance to vote against more congressional staff. Since missing that vote, Senator PROXMIRE has cast 9,178 consecutive rollcall votes.

Since 1973, Senator PROXMIRE has held the record for consecutive rollcall votes. Since 1978, he has held the record for consecutive years without a miss. He has cast more votes in the Senate than any other Member, past or present. Truly, he is an amazing person.

To serve for 20 years without missing a rollcall vote is an awesome accomplishment. I consider it a privilege to serve with Senator PROXMIRE and to join in honoring him on this day.

Mr. President, I suggest the absence of a quorum.

The ACTING PRESIDENT pro tempore. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. DOLE. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER (Mr. COCHRAN). Without objection, it is so ordered.

CONCURRENT RESOLUTION ON THE BUDGET

Mr. DOLE. Mr. President, there has just been a meeting with the Speaker of the House, Mr. O'NEILL; myself; the distinguished minority leader; Senator CHILES; Senator DOMENICI; the Republican leader in the House, Representative MICHEL; Representative FOLEY; the majority whip in the House, Representative WRIGHT; and Representative GRAY, to determine whether or not we could work out a timetable for consideration of the budget.

The House has not even had a budget markup. The Senate has been prepared, I think, for 7, 8, or 9 legislative days. It was reported right before the Easter recess.

This Senator, working with the chairman of the Budget Committee, Senator DOMENICI, has been trying to determine which course to follow. As I have indicated to the chairman of the Budget Committee, I think he did an outstanding job. We now have a budget ready for consideration.

I have also indicated to the Senator from New Mexico [Mr. DOMENICI] that at this point I could not support the budget resolution.

In my view, we need to take a look at the revenues, which in my view are too high. I think we can do better in the spending reductions, and I think we do need to add some for defense. I think in some of the areas there is no disagreement. The question is whether or not we have the votes.

Based on the meeting we just attended, it was clear to us—in fact, we were just flat-out told—that the House would not consider the budget until about 72 hours after it passes the Senate.

So now the choice is either do nothing or to proceed and hope that we can work out some bipartisan resolution on this side before sending it to the House.

The complicating factor is the fact, of course, the President leaves Friday for Tokyo and he will be gone for 13 days.

So it would be my hope that we would have some general framework of an agreement with the President or his associates prior to their departure.

Some will say it does not make any difference, the President does not sign the budget resolution, but it does make a difference. The President is a key player, whether he is Ronald Reagan or some other President. Because if the budget resolution passes, that will be followed by reconciliation. And reconciliation will depend on what we had in the budget resolution. So the President is indirectly a very key player and should be.

The President has indicated he will not support the tax increase in the budget resolution reported by the Senate Budget Committee on a bipartisan basis, seven Republicans and six Democrats.

About 25 Republicans have indicated in a letter to me that they will not support the Senate Budget Committee's efforts because of the defense numbers, the revenue numbers, and the fact that the spending reductions are not large enough.

So, it is my opinion, having stated this, that we should move ahead with the budget process. We have 50 hours of debate. Hopefully, we will not use all that time. But hopefully in the interim, there will be amendments that will improve upon the product that is now pending. And I say that without any criticism of anyone in the Budget Committee, particularly the chairman and the ranking minority member, Senator CHILES.

I believe the meeting with the Speaker was helpful. They made it very clear they had no intention of proceeding with the budget until the Senate had completed its action.

The President has said, as recently as his latest press conference, that we ought to proceed with the budget resolution. I do not believe any of us want to see Gramm-Rudman triggered again. It does not make any difference what the Supreme Court may say.

CONCLUSION OF MORNING BUSINESS

The PRESIDING OFFICER. If there be no further morning business, morning business is closed.

CONCURRENT RESOLUTION ON THE BUDGET, FISCAL YEAR 1987

Mr. DOLE. Mr. President, it is my understanding that this is a privileged matter, and I ask the Senate to proceed to the consideration of Senate Concurrent Resolution 120.

The PRESIDING OFFICER. The resolution will be stated by title.

The legislative clerk read as follows:

> A concurrent resolution (S. Con. Res. 120) setting forth the congressional budget for the United States Government for the fiscal years 1987, 1988, and 1989.

The Senate proceeded to the consideration of the concurrent resolution, which had been reported from the Committee on the Budget; as follows:

S. CON. RES. 120

Resolved by the Senate (the House of Representatives concurring), That the Congress hereby determines and declares that the concurrent resolution on the budget for fiscal year 1987 is established and the appropriate budgetary levels for fiscal years 1988 and 1989 are set forth.

(a) The following budgetary levels are appropriate for the fiscal years beginning on October 1, 1986, October 1, 1987, and October 1, 1988:

(1) The recommended levels of Federal revenues are as follows:

Fiscal year 1987: $647,700,000,000.
Fiscal year 1988: $703,900,000,000.
Fiscal year 1989: $754,400,000,000.

and the amounts by which the aggregate levels of Federal revenues should be increased are as follows:

Fiscal year 1987: $18,700,000,000.
Fiscal year 1988: $26,800,000,000.
Fiscal year 1989: $28,800,000,000.

and the amounts for Federal Insurance Contributions Act revenues for hospital insurance within the recommended levels of Federal revenues are as follows:

Fiscal year 1987: $55,500,000,000.
Fiscal year 1988: $59,800,000,000.
Fiscal year 1989: $63,800,000,000.

(2) The appropriate levels of total new budget authority are as follows:

Fiscal year 1987: $882,900,000,000.
Fiscal year 1988: $927,000,000,000.
Fiscal year 1989: $956,400,000,000.

(3) The appropriate levels of total budget outlays are as follows:

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Fiscal year 1987: $809,000,000,000.

Fiscal year 1988: $847,300,000,000.

Fiscal year 1989: $869,200,000,000.

(4) The amounts of the deficits in the budget which are appropriate in the light of economic conditions and all other relevant factors are as follows:

Fiscal year 1987: $161,300,000,000.

Fiscal year 1988: $143,400,000,000.

Fiscal year 1989: $114,800,000,000.

(5) The appropriate levels of the public debt are as follows:

Fiscal year 1987: $2,323,100,000,000.

Fiscal year 1988: $2,523,000,000,000.

Fiscal year 1989: $2,697,700,000,000.

and the amounts by which the statutory limits on such debt should be accordingly increased are as follows:

Fiscal year 1987: $216,900,000,000.

Fiscal year 1988: $199,900,000,000.

Fiscal year 1989: $174,700,000,000.

(6) The appropriate levels of total Federal credit activity for the fiscal years beginning on October 1, 1986, October 1, 1987, and October 1, 1988, are as follows:

Fiscal year 1987:

(A) New direct loan obligations, $34,700,000,000.

(B) New primary loan guarantee commitments, $86,400,000,000.

(C) New secondary loan guarantee commitments, $55,200,000,000.

Fiscal year 1988:

(A) New direct loan obligations, $32,300,000,000.

(B) New primary loan guarantee commitments, $88,500,000,000.

(C) New secondary loan guarantee commitments, $55,200,000,000.

Fiscal year 1989:

(A) New direct loan obligations, $30,200,000,000.

(B) New primary loan guarantee commitments, $89,000,000,000.

(C) New secondary loan guarantee commitments, $55,200,000,000.

(b) The following levels and amounts are set forth for purposes of determining, in accordance with the Congressional Budget and Impoundment Control Act of 1974, as amended by the Balanced Budget and Emergency Deficit Control Act of 1985, whether the maximum deficit amount for a fiscal year has been exceeded, and as set forth in this concurrent resolution, as reported, shall be considered to be mathematically consistent with the other amounts and levels set forth in this concurrent resolution, as reported:

(1) The recommended levels of Federal revenues are as follows:

Fiscal year 1987: $862,700,000,000.

Fiscal year 1988: $947,800,000,000.

Fiscal year 1989: $1,020,100,000,000.

(2) The appropriate levels of total new budget authority are as follows:

Fiscal year 1987: $1,097,300,000,000.

Fiscal year 1988: $1,169,500,000,000.

Fiscal year 1989: $1,220,400,000,000.

(3) The appropriate levels of total budget outlays are as follows:

Fiscal year 1987: $1,006,600,000,000.

Fiscal year 1988: $1,055,700,000,000.

Fiscal year 1989: $1,088,700,000,000.

(4) The amounts by which the levels of total budget outlays set forth in paragraph (3) exceed the corresponding levels of Federal revenues set forth in paragraph (1) are as follows:

Fiscal year 1987: $143,900,000,000.

Fiscal year 1988: $107,900,000,000.

Fiscal year 1989: $68,600,000,000.

(c) The Congress hereby determines and declares the appropriate levels of budget authority and budget outlays, and the appropriate levels of new direct loan obligations, new primary loan guarantee commitments, and new secondary loan guarantee commitments for fiscal years 1987 through 1989 for each major functional category are:

(1) National Defense (050):

Fiscal year 1987:

(A) New budget authority, $295,100,000,000.

(B) Outlays, $280,000,000,000.

(C) New direct loan obligations, $0.

(D) New primary loan guarantee commitments, $0.

(E) New secondary loan guarantee commitments, $0.

Fiscal year 1988:

(A) New budget authority, $309,000,000,000.

(B) Outlays, $290,500,000,000.

(C) New direct loan obligations, $0.

(D) New primary loan guarantee commitments, $0.

(E) New secondary loan guarantee commitments, $0.

Fiscal year 1989:

(A) New budget authority, $323,600,000,000.

(B) Outlays, $303,000,000,000.

(C) New direct loan obligations, $0.

(D) New primary loan guarantee commitments, $0.

(E) New secondary loan guarantee commitments, $0.

(2) International Affairs (150):

Fiscal year 1987:

(A) New budget authority, $18,300,000,000.

(B) Outlays, $14,400,000,000.

(C) New direct loan obligations, $7,400,000,000.

(D) New primary loan guarantee commitments, $11,700,000,000.

(E) New secondary loan guarantee commitments, $200,000,000.

Fiscal year 1988:

(A) New budget authority, $18,100,000,000.

(B) Outlays, $14,200,000,000.

(C) New direct loan obligations, $7,500,000,000.

(D) New primary loan guarantee commitments, $11,700,000,000.

(E) New secondary loan guarantee commitments, $200,000,000.

Fiscal year 1989:

(A) New budget authority, $17,300,000,000.

(B) Outlays, $13,600,000,000.

(C) New direct loan obligations, $7,700,000,000.

(D) New primary loan guarantee commitments, $11,700,000,000.

(E) New secondary loan guarantee commitments, $200,000,000.

(3) General Science, Space, and Technology (250):

Fiscal year 1987:

(A) New budget authority, $10,000,000,000.

(B) Outlays, $9,600,000,000.

(C) New direct loan obligations, $0.

(D) New primary loan guarantee commitments, $0.

(E) New secondary loan guarantee commitments, $0.

Fiscal year 1988:

(A) New budget authority, $10,100,000,000.

(B) Outlays, $9,900,000,000.

(C) New direct loan obligations, $0.

(D) New primary loan guarantee commitments, $0.

(E) New secondary loan guarantee commitments, $0.

Fiscal year 1989:

(A) New budget authority, $10,600,000,000.

(B) Outlays, $10,100,000,000.

(C) New direct loan obligations, $0.

(D) New primary loan guarantee commitments, $0.

(E) New secondary loan guarantee commitments, $0.

(4) Energy (270):

Fiscal year 1987:

(A) New budget authority, $4,900,000,000.

(B) Outlays, $5,000,000,000.

(C) New direct loan obligations, $2,000,000,000.

(D) New primary loan guarantee commitments, $0.

(E) New secondary loan guarantee commitments, $0.

Fiscal year 1988:

(A) New budget authority, $5,700,000,000.

(B) Outlays, $5,400,000,000.

(C) New direct loan obligations, $2,000,000,000.

(D) New primary loan guarantee commitments, $0.

(E) New secondary loan guarantee commitments, $0.

Fiscal year 1989:

(A) New budget authority, $5,500,000,000.

(B) Outlays, $4,900,000,000.

(C) New direct loan obligations, $2,000,000,000.

(D) New primary loan guarantee commitments, $0.

(E) New secondary loan guarantee commitments, $0.

(5) Natural Resources and Environment (300):

Fiscal year 1987:

(A) New budget authority, $12,500,000,000.

(B) Outlays, $12,600,000,000.

(C) New direct loan obligations, $100,000,000.

(D) New primary loan guarantee commitments, $0.

(E) New secondary loan guarantee commitments, $0.

Fiscal year 1988:

(A) New budget authority, $12,600,000,000.

(B) Outlays, $12,600,000,000.

(C) New direct loan obligations, $100,000,000.

(D) New primary loan guarantee commitments, $0.

(E) New secondary loan guarantee commitments, $0.

Fiscal year 1989:

(A) New budget authority, $12,400,000,000.

(B) Outlays, $12,700,000,000.

(C) New direct loan obligations, $100,000,000.

(D) New primary loan guarantee commitments, $0.

(E) New secondary loan guarantee commitments, $0.

(6) Agriculture (350):

Fiscal year 1987:

(A) New budget authority, $23,800,000,000.

(B) Outlays, $23,500,000,000.

(C) New direct loan obligations, $14,300,000,000.

(D) New primary loan guarantee commitments, $8,000,000,000.

(E) New secondary loan guarantee commitments, $0.

Fiscal year 1988:

(A) New budget authority, $26,100,000,000.

(B) Outlays, $24,900,000,000.

(C) New direct loan obligations, $12,100,000,000.

(D) New primary loan guarantee commitments, $8,500,000,000.

(E) New secondary loan guarantee commitments, $0.

Fiscal year 1989:

(A) New budget authority, $25,300,000,000.

(B) Outlays, $21,600,000,000.

(C) New direct loan obligations, $11,300,000,000.

(D) New primary loan guarantee commitments, $8,500,000,000.

(E) New secondary loan guarantee commitments, $0.

(7) Commerce and Housing Credit (370):

Fiscal year 1987:

(A) New budget authority, $10,000,000,000.

(B) Outlays, $4,300,000,000.

(C) New direct loan obligations, $4,500,000,000.

(D) New primary loan guarantee commitments, $39,400,000,000.

(E) New secondary loan guarantee commitments, $55,000,000,000.

Fiscal year 1988:

(A) New budget authority, $10,500,000,000.

(B) Outlays, $6,300,000,000.

(C) New direct loan obligations, $4,300,000,000.

(D) New primary loan guarantee commitments, $40,000,000,000.

(E) New secondary loan guarantee commitments, $55,000,000,000.

Fiscal year 1989:

(A) New budget authority, $7,500,000,000.

(B) Outlays, $1,400,000,000.

(C) New direct loan obligations, $4,500,000,000.

(D) New primary loan guarantee commitments, $39,500,000,000.

(E) New secondary loan guarantee commitments, $55,000,000,000.

(8) Transportation (400):

Fiscal year 1987:

(A) New budget authority, $26,800,000,000.

(B) Outlays, $27,800,000,000.

(C) New direct loan obligations, $500,000,000.

(D) New primary loan guarantee commitments, $100,000,000.

(E) New secondary loan guarantee commitments, $0.

Fiscal year 1988:

(A) New budget authority, $26,500,000,000.

(B) Outlays, $26,700,000,000.

(C) New direct loan obligations, $400,000,000.

(D) New primary loan guarantee commitments, $100,000,000.

(E) New secondary loan guarantee commitments, $0.

Fiscal year 1989:

(A) New budget authority, $26,600,000,000.

(B) Outlays, $26,800,000,000.

(C) New direct loan obligations, $200,000,000.

(D) New primary loan guarantee commitments, $100,000,000.

(E) New secondary loan guarantee commitments, $0.

(9) Community and Regional Development (450):

Fiscal year 1987:

(A) New budget authority, $6,900,000,000.

(B) Outlays, $7,200,000,000.

(C) New direct loan obligations, $1,100,000,000.

(D) New primary loan guarantee commitments, $300,000,000.

(E) New secondary loan guarantee commitments, $0.

Fiscal year 1988:

(A) New budget authority, $7,200,000,000.

(B) Outlays; $7,000,000,000.

(C) New direct loan obligations, $1,300,000,000.

(D) New primary loan guarantee commitments, $300,000,000.

(E) New secondary loan guarantee commitments, $0.

Fiscal year 1989:

(A) New budget authority, $7,100,000,000.

(B) Outlays, $6,800,000,000.

(C) New direct loan obligations, $1,100,000,000.

(D) New primary loan guarantee commitments, $300,000,000.

(E) New secondary loan guarantee commitments, $0.

(10) Education, Training, Employment, and Social Services (500):

Fiscal year 1987:

(A) New budget authority, $30,600,000,000.

(B) Outlays, $30,200,000,000.

(C) New direct loan obligations, $1,500,000,000.

(D) New primary loan guarantee commitments, $10,300,000,000.

(E) New secondary loan guarantee commitments, $0.

Fiscal year 1988:

(A) New budget authority, $30,300,000,000.

(B) Outlays, $30,500,000,000.

(C) New direct loan obligations, $1,400,000,000.

(D) New primary loan guarantee commitments, $10,700,000,000.

(E) New secondary loan guarantee commitments, $0.

Fiscal year 1989:

(A) New budget authority, $30,200,000,000.

(B) Outlays, $30,200,000,000.

(C) New direct loan obligations, $1,300,000,000.

(D) New primary loan guarantee commitments, $11,000,000,000.

(E) New secondary loan guarantee commitments, $0.

(11) Health (550):

Fiscal year 1987:

(A) New budget authority, $37,900,000,000.

(B) Outlays, $37,900,000,000.

(C) New direct loan obligations, $0.

(D) New primary loan guarantee commitments, $300,000,000.

(E) New secondary loan guarantee commitments, $0.

Fiscal year 1988:

(A) New budget authority, $40,000,000,000.

(B) Outlays, $40,100,000,000.

(C) New direct loan obligations, $0.

(D) New primary loan guarantee commitments, $300,000,000.

(E) New secondary loan guarantee commitments, $0.

Fiscal year 1989:

(A) New budget authority, $42,000,000,000.

(B) Outlays, $41,900,000,000.

(C) New direct loan obligations, $0.

(D) New primary loan guarantee commitments, $300,000,000.

(E) New secondary loan guarantee commitments, $0.

(12) Medicare (570):

Fiscal year 1987:

(A) New budget authority, $82,900,000,000.

(B) Outlays, $72,800,000,000.

(C) New direct loan obligations, $0.

(D) New primary loan guarantee commitments, $0.

(E) New secondary loan guarantee commitments, $0.

Fiscal year 1988:

(A) New budget authority, $90,900,000,000.

(B) Outlays, $80,500,000,000.

(C) New direct loan obligations, $0.

(D) New primary loan guarantee commitments, $0.

(E) New secondary loan guarantee commitments, $0.

Fiscal year 1989:

(A) New budget authority, $100,800,000,000.

(B) Outlays, $88,800,000,000.

(C) New direct loan obligations, $0.

(D) New primary loan guarantee commitments, $0.

(E) New secondary loan guarantee commitments, $0.

(13) Income Security (600):

Fiscal year 1987:

(A) New budget authority, $160,900,000,000.

(B) Outlays, $121,500,000,000.

(C) New direct loan obligations, $1,800,000,000.

(D) New primary loan guarantee commitments, $0.

(E) New secondary loan guarantee commitments, $0.

Fiscal year 1988:

(A) New budget authority, $169,200,000,000.

(B) Outlays, $128,200,000,000.

(C) New direct loan obligations, $1,800,000,000.

(D) New primary loan guarantee commitments, $0.

(E) New secondary loan guarantee commitments, $0.

Fiscal year 1989:

(A) New budget authority, $173,200,000,000.

(B) Outlays, $133,100,000,000.

(C) New direct loan obligations, $700,000,000.

(D) New primary loan guarantee commitments, $0.

(E) New secondary loan guarantee commitments, $0.

(14) Social Security (650):

Fiscal year 1987:

(A) New budget authority, $5,500,000,000.

(B) Outlays, $5,500,000,000.

(C) New direct loan obligations, $0.

(D) New primary loan guarantee commitments, $0.

(E) New secondary loan guarantee commitments, $0.

Fiscal year 1988:

(A) New budget authority, $6,100,000,000.

(B) Outlays, $6,100,000,000.

(C) New direct loan obligations, $0.

(D) New primary loan guarantee commitments, $0.

(E) New secondary loan guarantee commitments, $0.

Fiscal year 1989:

(A) New budget authority, $6,900,000,000.

(B) Outlays, $6,900,000,000.

(C) New direct loan obligations, $0.

(D) New primary loan guarantee commitments, $0.

(E) New secondary loan guarantee commitments, $0.

(15) Veterans Benefits and Services (700):

Fiscal year 1987:

(A) New budget authority, $27,300,000,000.

(B) Outlays, $26,600,000,000.

(C) New direct loan obligations, $1,500,000,000.

(D) New primary loan guarantee commitments, $16,300,000,000.

(E) New secondary loan guarantee commitments, $0.

Fiscal year 1988:

(A) New budget authority, $27,500,000,000.

(B) Outlays, $27,100,000,000.

(C) New direct loan obligations, $1,400,000,000.

(D) New primary loan guarantee commitments, $16,900,000,000.

(E) New secondary loan guarantee commitments, $0.

Fiscal year 1989:

(A) New budget authority, $27,600,000,000.

(B) Outlays, $27,300,000,000.

(C) New direct loan obligations, $1,300,000,000.

(D) New primary loan guarantee commitments, $17,600,000,000.

(E) New secondary loan guarantee commitments, $0.

(16) Administration of Justice (750):

Fiscal year 1987:

(A) New budget authority, $7,000,000,000.

(B) Outlays, $7,000,000,000.

(C) New direct loan obligations, $0.

(D) New primary loan guarantee commitments, $0.

(E) New secondary loan guarantee commitments, $0.

Fiscal year 1988:

(A) New budget authority, $7,100,000,000.

(B) Outlays, $7,100,000,000.

(C) New direct loan obligations, $0.

(D) New primary loan guarantee commitments, $0.

(E) New secondary loan guarantee commitments, $0.

Fiscal year 1989:

(A) New budget authority, $7,000,000,000.

(B) Outlays, $7,100,000,000.

(C) New direct loan obligations, $0.

(D) New primary loan guarantee commitments, $0.

(E) New secondary loan guarantee commitments, $0.

(17) General Government (800):

Fiscal year 1987:

(A) New budget authority, $5,700,000,000.

(B) Outlays, $5,600,000,000.

(C) New direct loan obligations, $0.

(D) New primary loan guarantee commitments, $0.

(E) New secondary loan guarantee commitments, $0.

Fiscal year 1988:

(A) New budget authority, $6,100,000,000.

(B) Outlays, $6,100,000,000.

(C) New direct loan obligations, $0.

(D) New primary loan guarantee commitments, $0.

(E) New secondary loan guarantee commitments, $0.

Fiscal year 1989:

(A) New budget authority, $6,200,000,000.

(B) Outlays, $6,200,000,000.

(C) New direct loan obligations, $0.

(D) New primary loan guarantee commitments, $0.

(E) New secondary loan guarantee commitments, $0.

(18) General Purpose Fiscal Assistance (850):

Fiscal year 1987:

(A) New budget authority, $2,000,000,000.

(B) Outlays, $2,800,000,000.

(C) New direct loan obligations, $0.

(D) New primary loan guarantee commitments, $0.

(E) New secondary loan guarantee commitments, $0.

Fiscal year 1988:

(A) New budget authority, $2,000,000,000.

(B) Outlays, $2,000,000,000.

(C) New direct loan obligations, $0.

(D) New primary loan guarantee commitments, $0.

(E) New secondary loan guarantee commitments, $0.

Fiscal year 1989:

(A) New budget authority, $2,100,000,000.

(B) Outlays, $2,100,000,000.

(C) New direct loan obligations, $0.

(D) New primary loan guarantee commitments, $0.

(E) New secondary loan guarantee commitments, $0.

(19) Net Interest (900):

Fiscal year 1987:

(A) New budget authority, $149,300,000,000.

(B) Outlays, $149,300,000,000.

(C) New direct loan obligations, $0.

(D) New primary loan guarantee commitments, $0.

(E) New secondary loan guarantee commitments, $0.

Fiscal year 1988:

(A) New budget authority, $158,100,000,000.

(B) Outlays, $158,100,000,000.

(C) New direct loan obligations, $0.

(D) New primary loan guarantee commitments, $0.

(E) New secondary loan guarantee commitments, $0.

Fiscal year 1989:

(A) New budget authority, $158,500,000,000.

(B) Outlays, $158,500,000,000.

(C) New direct loan obligations, $0.

(D) New primary loan guarantee commitments, $0.

(E) New secondary loan guarantee commitments, $0.

(20) Allowances (920):

Fiscal year 1987:

(A) New budget authority, $1,900,000,000.

(B) Outlays, $1,900,000,000.

(C) New direct loan obligations, $0.

(D) New primary loan guarantee commitments, $0.

(E) New secondary loan guarantee commitments, $0.

Fiscal year 1988:

(A) New budget authority, $4,400,000,000.

(B) Outlays, $4,500,000,000.

(C) New direct loan obligations, $0.

(D) New primary loan guarantee commitments, $0.

(E) New secondary loan guarantee commitments, $0.

Fiscal year 1989:

(A) New budget authority, $6,000,000,000.

(B) Outlays, $6,200,000,000.

(C) New direct loan obligations, $0.

(D) New primary loan guarantee commitments, $0.

(E) New secondary loan guarantee commitments, $0.

(21) Undistributed Offsetting Receipts (950):

Fiscal year 1987:

(A) New budget authority, −$36,500,000,000.

(B) Outlays, −$36,500,000,000.

(C) New direct loan obligations, $0.

(D) New primary loan guarantee commitments, $0.

(E) New secondary loan guarantee commitments, $0.

Fiscal year 1988:

(A) New budget authority, −$40,500,000,000.

(B) Outlays, −$40,500,000,000.

(C) New direct loan obligations, $0.

(D) New primary loan guarantee commitments, $0.

(E) New secondary loan guarantee commitments, $0.

Fiscal year 1989:

(A) New budget authority, −$40,000,000,000.

(B) Outlays, −$40,000,000,000.

(C) New direct loan obligations, $0.

(D) New primary loan guarantee commitments, $0.

(E) New secondary loan guarantee commitments, $0.

RECONCILIATION

SEC. 2. (a) Not later than May 15, 1986, the committees named in subsections (b) through (y) of this section shall submit their recommendations to the Committees on the Budget of their respective Houses. After receiving those recommendations, the Committees on the Budget shall report to the House and Senate a reconciliation bill or resolution or both carrying out all such recommendations without any substantive revision.

SENATE COMMITTEES

(b) The Senate Committee on Agriculture, Nutrition, and Forestry shall report (1) changes in laws within its jurisdiction which provide spending authority as defined in section 401(c)(2)(C) of the Congressional Budget Act of 1974, sufficient to reduce budget authority and outlays, (2) changes in laws within its jurisdiction which provide spending authority other than as defined in section 401(c)(2)(C) of the Act, sufficient to reduce budget authority and outlays, or (3) any combination thereof, as follows: $135,000,000 in budget authority and $135,000,000 in outlays in fiscal year 1987, $291,000,000 in budget authority and $291,000,000 in outlays in fiscal year 1988, and $350,000,000 in budget authority and $350,000,000 in outlays in fiscal year 1989.

(c) The Senate Committee on Armed Services shall report (1) changes in laws within its jurisdiction which provide spending authority as defined in section 401(c)(2)(C) of the Congressional Budget and Impoundment Control Act of 1974, sufficient to reduce budget authority and outlays, (2) changes in laws within its jurisdiction which provide spending authority other than as defined in section 401(c)(2)(C) of the Act, sufficient to reduce budget authority and outlays, or (3) any combination thereof, as follows: $16,000,000 in budget authority and $16,000,000 in outlays in fiscal year 1987, $1,696,000,000 in budget authority and $1,652,000,000 in outlays in fiscal year 1988, and $123,000,000 in budget authority and $123,000,000 in outlays in fiscal year 1989.

(d) The Senate Committee on Banking, Housing, and Urban Affairs shall report (A) changes in laws within its jurisdiction which provide spending authority as defined in section 401(c)(2)(C) of the Congressional Budget and Impoundment Control Act of 1974, sufficient to reduce budget authority and outlays, (B) changes in laws within its jurisdiction which provide spending authority other than as defined in section 401(c)(2)(C) of the Act, sufficient to reduce budget authority and outlays, or (C) any combination thereof, as follows: $852,000,000 in budget authority and $740,000,000 in outlays in fiscal year 1987, $826,000,000 in budget authority and $1,177,000,000 in outlays in fiscal year 1988, and $765,000,000 in budget authority and $617,000,000 in outlays in fiscal year 1989.

(e) The Senate Committee on Commerce, Science, and Transportation shall report (1) changes in laws within its jurisdiction which provide spending authority as defined in section 401(c)(2)(C) of the Congressional Budget and Impoundment Control Act of 1974, sufficient to reduce budget authority and outlays, (2) changes in laws within its jurisdiction which provide spending authority other than as defined in section 401(c)(2)(C) of the Act, sufficient to reduce budget authority and outlays, or (3) any combination thereof, as follows: $58,000,000 in budget authority and $63,000,000 in outlays in fiscal year 1987, $68,000,000 in budget authority and $71,000,000 in outlays in fiscal year 1988, and $68,000,000 in budget authority and $69,000,000 in outlays in fiscal year 1989.

(f) The Senate Committee on Energy and Natural Resources shall report (1) changes in laws within its jurisdiction which provide spending authority as defined in section

401(c)(2)(C) of the Congressional Budget and Impoundment Control Act of 1974, (2) changes in laws within its jurisdiction which provide spending authority other than as defined in section 401(c)(2)(C) of the Act, or (3) any combination thereof, sufficient to increase contributions and reduce budget authority and outlays as follows: $943,000,000 in contributions, $424,000,000 in budget authority and $424,000,000 in outlays in fiscal year 1987, $858,000,000 in contributions, $65,000,000 in budget authority and $86,000,000 in outlays in fiscal year 1988, and $664,000,000 in contributions, $80,000,000 in budget authority and $116,000,000 in outlays in fiscal year 1989.

(g) The Senate Committee on Environment and Public Works shall report (1) changes in laws within its jurisdiction which provide spending authority as defined in section 401(c)(2)(C) of the Congressional Budget and Impoundment Control Act of 1974, sufficient to reduce budget authority and outlays, (2) changes in laws within its jurisdiction which provide spending authority other than as defined in section 401(c)(2)(C) of the Act, sufficient to reduce budget authority and outlays, or (3) any combination thereof, as follows: $2,611,000,000 in budget authority and $81,000,000 in outlays in fiscal year 1987, $3,077,000,000 in budget authority and $862,000,000 in outlays in fiscal year 1988, and $3,562,000,000 in budget authority and $1,242,000,000 in outlays in fiscal year 1989.

(h)(1) The Senate Committee on Finance shall report (A) changes in laws within its jurisdiction which provide spending authority as defined in section 401(c)(2)(C) of the Congressional Budget and Impoundment Control Act of 1974, sufficient to reduce budget authority and outlays, (B) changes in laws within its jurisdiction which provide spending authority other than as defined in section 401(c)(2)(C) of the Act, sufficient to reduce budget authority and outlays, or (C) any combination thereof, as follows: $0 in budget authority and $7,041,000,000 in outlays in fiscal year 1987, $0 in budget authority and $10,248,000,000 in outlays in fiscal year 1988, and $0 in budget authority and $12,393,000,000 in outlays in fiscal year 1989.

(2) The Senate Committee on Finance shall report changes in laws within its jurisdiction sufficient to increase revenues as follows: $19,300,000,000 in fiscal year 1987; $27,600,000,000 in fiscal year 1988; and $29,800,000,000 in fiscal year 1989.

(i) The Senate Committee on Governmental Affairs shall report (1) changes in laws within its jurisdiction which provide spending authority as defined in section 401(c)(2)(C) of the Congressional Budget and Impoundment Control Act of 1974, sufficient to reduce budget authority and outlays, (2) changes in laws within its jurisdiction which provide spending authority other than as defined in section 401(c)(2)(C) of the Act, sufficient to reduce budget authority and outlays, or (3) any combination thereof, as follows: $0 in budget authority and $2,603,000,000 in outlays in fiscal year 1987, $0 in budget authority and $3,771,000,000 in outlays in fiscal year 1988, and $0 in budget authority and $4,375,000,000 in outlays in fiscal year 1989.

(j)(1) The Senate Committee on Labor and Human Resources shall report (A) changes in laws within its jurisdiction which provide spending authority as defined in section 401(c)(2)(C) of the Congressional Budget and Impoundment Control Act of 1974, sufficient to reduce budget authority and outlays, (B) changes in laws within its jurisdiction which provide spending authority other than as defined in section 401(c)(2)(C) of the Act, sufficient to reduce budget authority and outlays, or (C) any combination thereof, as follows: $230,000,000, in budget authority and $205,000,000 in outlays in fiscal year 1987, $480,000,000, in budget authority and $457,000,000 in outlays in fiscal year 1988, and $612,000,000, in budget authority and $611,000,000 in outlays in fiscal year 1989.

(2) The Senate Committee on Labor and Human Resources shall report changes in the laws within its jurisdiction which provide spending authority as defined in section 3(10) of the Congressional Budget and Impoundment Control Act of 1974, sufficient to reduce direct loan obligations by $41,000,000 in fiscal year 1987, $60,000,000 in fiscal year 1988, and $139,000,000 in fiscal year 1989, and sufficient to reduce primary loan guarantee commitments by $235,000,000 in fiscal year 1987, $15,000,000 in fiscal year 1988, and $0 in fiscal year 1989.

(k)(1) The Senate Committee on Small Business shall report (A) changes in laws within its jurisdiction which provide spending authority as defined in section 401(c)(2)(C) of the Congressional Budget and Impoundment Control Act of 1974, sufficient to reduce budget authority and outlays, (B) changes in laws within its jurisdiction which provide spending authority other than as defined in section 401(c)(2)(C) of the Act, sufficient to reduce budget authority and outlays, or (C) any combination thereof, as follows: $735,000,000 in budget authority and $848,000,000 in outlays in fiscal year 1987, $1,066,000,000 in budget authority and $1,131,000,000 in outlays in fiscal year 1988, and $1,328,000,000 in budget authority and $1,474,000,000 in outlays in fiscal year 1989.

(2) The Senate Committee on Small Business shall report changes in the laws within its jurisdiction which provide credit authority as defined in section 3(10) of the Congressional Budget and Impoundment Control Act of 1974, sufficient to reduce direct loan obligations by $1,005,000,000 in fiscal year 1987, $1,491,000,000 in fiscal year 1988, and $1,555,000,000 in fiscal year 1989.

(l) The Senate Committee on Veterans' Affairs shall report (1) changes in laws within its jurisdiction which provide spending authority as defined in section 401(c)(2)(C) of the Congressional Budget and Impoundment Control Act of 1974, sufficient to reduce budget authority and outlays, (2) changes in laws within its jurisdiction which provide spending authority other than as defined in section 401(c)(2)(C) of the Act, sufficient to reduce budget authority and outlays, or (3) any combination thereof, as follows: $356,000,000 in budget authority and $356,000,000 in outlays in fiscal year 1987, $473,000,000 in budget authority and $473,000,000 in outlays in fiscal year 1988, and $512,000,000 in budget authority and $512,000,000 in outlays in fiscal year 1989.

HOUSE COMMITTEES

(m) The House Committee on Agriculture shall report (1) changes in laws within its jurisdiction which provide spending authority as defined in section 401(c)(2)(C) of the Congressional Budget and Impoundment Control Act of 1974, sufficient to reduce budget authority and outlays, (2) changes in laws within its jurisdiction which provide spending authority other than as defined in section 401(c)(2)(C) of the Act, sufficient to reduce budget authority and outlays, or (3) any combination thereof, as follows: $135,000,000 in budget authority and $135,000,000 in outlays in fiscal year 1987, $291,000,000 in budget authority and $291,000,000 in outlays in fiscal year 1988, and $350,000,000 in budget authority and $350,000,000 in outlays in fiscal year 1989.

(n) The House Committee on Armed Services shall report (1) changes in laws within its jurisdiction which provide spending authority as defined in section 401(c)(2)(C) of the Congressional Budget and Impoundment Control Act of 1974, sufficient to reduce budget authority and outlays, (2) changes in laws within its jurisdiction which provide spending authority other than as defined in section 401(c)(2)(C) of the Act, sufficient to reduce budget authority and outlays, or (3) any combination thereof, as follows: $16,000,000, in budget authority and $16,000,000 in outlays in fiscal year 1987, $1,696,000,000 in budget authority and $1,652,000,000 in outlays in fiscal year 1988, and $123,000,000 in budget authority and $123,000,000 in outlays in fiscal year 1989.

(o) The House Committee on Banking, Finance and Urban Affairs shall report (A) changes in laws within its jurisdiction which provide spending authority as defined in section 401(c)(2)(C) of the Congressional Budget and Impoundment Control Act of 1974, sufficient to reduce budget authority and outlays, (B) changes in laws within its jurisdiction which provide spending authority other than as defined in section 401(c)(2)(C) of the Act, sufficient to reduce budget authority and outlays, or (C) any combination thereof, as follows: $852,000,000 in budget authority and $740,000,000 in outlays in fiscal year 1987, $826,000,000 in budget authority and $1,177,000,000 in outlays in fiscal year 1988, and $765,000,000 in budget authority and $617,000,000 in outlays in fiscal year 1989.

(p)(1) The House Committee on Education and Labor shall report (A) changes in laws within its jurisdiction which provide spending authority as defined in section 401(c)(2)(C) of the Congressional Budget and Impoundment Control Act of 1974, sufficient to reduce budget authority and outlays, (B) changes in laws within its jurisdiction which provide spending authority other than as defined in section 401(c)(2)(C) of the Act, sufficient to reduce budget authority and outlays, or (C) any combination thereof, as follows: $230,000,000 in budget authority and $205,000,000 in outlays in fiscal year 1987, $480,000,000 in budget authority and $457,000,000 in outlays in fiscal year 1988, and $612,000,000 in budget authority and $611,000,000 in outlays in fiscal year 1989.

(2) The House Committee on Education and Labor shall report changes in laws within its jurisdiction which provide credit authority as defined in section 3(10) of the Congressional Budget and Impoundment Control Act of 1974, sufficient to reduce direct loan obligations by $41,000,000 in fiscal year 1987, $60,000,000 in fiscal year 1988, and $139,000,000 in fiscal year 1989, and sufficient to reduce primary loan guarantee commitments by $235,000,000 in fiscal year 1987, $15,000,000 in fiscal year 1988, and $0 in fiscal year 1989.

(q) The House Committee on Energy and Commerce shall report (1) changes in laws within its jurisdiction which provide spending authority as defined in section 401(c)(2)(C) of the Congressional Budget and Impoundment Control Act of 1974, (2) changes in laws within its jurisdiction which

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provide spending authority other than as defined in section 401(c)(2)(C) of the Act, or (3) any combination thereof, sufficient to increase contributions and reduce budget authority and outlays as follows: $943,000,000 in contributions, $139,000,000 in budget authority and $2,781,000,000 in outlays in fiscal year 1987, $858,000,000 in contributions, $155,000,000 in budget authority and $4,888,000,000 in outlays in fiscal year 1988, and $664,000,000 in contributions, $160,000,000 in budget authority and $7,128,000,000 in outlays in fiscal year 1989.

(r) The House Committee on Government Operations shall report (1) changes in laws within its jurisdiction which provide spending authority as defined in section 401(c)(2)(C) of the Congressional Budget and Impoundment Control Act of 1974, sufficient to reduce budget authority and outlays, (2) changes in laws within its jurisdiction which provide spending authority other than as defined in section 401(c)(2)(C) of the Act, sufficient to reduce budget authority and outlays, or (3) any combination thereof, as follows: $0 in budget authority and $3,654,000,000 in outlays in fiscal year 1987, $0 in budget authority and $4,572,000,000 in outlays in fiscal year 1988, and $0 in budget authority and $4,667,000,000 in outlays in fiscal year 1989.

(s) The House Committee on Interior and Insular Affairs shall report (1) changes in laws within its jurisdiction which provide spending authority as defined in section 401(c)(2)(C) of the Congressional Budget and Impoundment Control Act of 1974, sufficient to reduce budget authority and outlays, (2) changes in laws within its jurisdiction which provide spending authority other than as defined in section 401(c)(2)(C) of the Act, sufficient to reduce budget authority and outlays, or (3) any combination thereof, as follows: $424,000,000 in budget authority and $424,000,000 in outlays in fiscal year 1987, $65,000,000 in budget authority and $65,000,000 in outlays in fiscal year 1988, and $80,000,000 in budget authority and $80,000,000 in outlays in fiscal year 1989.

(t) The House Committee on Merchant Marine and Fisheries shall report (1) changes in laws within its jurisdiction which provide spending authority as defined in section 401(c)(2)(C) of the Congressional Budget and Impoundment Control Act of 1974, sufficient to reduce budget authority and outlays, (2) changes in laws within its jurisdiction which provide spending authority other than as defined in section 401(c)(2)(C) of the Act, sufficient to reduce budget authority and outlays, or (3) any combination thereof, as follows: $0 in budget authority and $5,000,000 in outlays in fiscal year 1987, $0 in budget authority and $3,000,000 in outlays in fiscal year 1988, and $0 in budget authority and $1,000,000 in outlays in fiscal year 1989.

(u) The House Committee on Post Office and Civil Service shall report (1) changes in laws within its jurisdiction which provide spending authority as defined in section 401(c)(2)(C) of the Congressional Budget and Impoundment Control Act of 1974, sufficient to reduce budget authority and outlays, (2) changes in laws within its jurisdiction which provide spending authority other than as defined in section 401(c)(2)(C) of the Act, sufficient to reduce budget authority and outlays, or (3) any combination thereof, as follows: $0 in budget authority and $2,321,000,000 in outlays in fiscal year 1987, $0 in budget authority and $3,766,000,000 in outlays in fiscal year 1988, and $0 in budget authority and $4,275,000,000 in outlays in fiscal year 1989.

(v) The House Committee on Public Works and Transportation shall report (1) changes in laws within its jurisdiction which provide spending authority as defined in section 401(c)(2)(C) of the Congressional Budget and Impoundment Control Act of 1974, sufficient to reduce budget authority and outlays, (2) changes in laws within its jurisdiction which provide spending authority other than as defined in section 401(c)(2)(C) of the Act, sufficient to reduce budget authority and outlays, or (3) any combination thereof, as follows: $2,538,000,000 in budget authority and $8,000,000 in outlays in fiscal year 1987, $2,998,000,000 in budget authority and $783,000,000 in outlays in fiscal year 1988, and $3,479,000,000 in budget authority and $1,159,000,000 in outlays in fiscal year 1989.

(w)(1) The House Committee on Small Business shall report (A) changes in laws within its jurisdiction which provide spending authority as defined in section 401(c)(2)(C) of the Congressional Budget and Impoundment Control Act of 1974, sufficient to reduce budget authority and outlays, (B) changes in laws within its jurisdiction which provide spending authority other than as defined in section 401(c)(2)(C) of the Act, sufficient to reduce budget authority and outlays, or (C) any combination thereof, as follows: $735,000,000 in budget authority and $848,000,000 in outlays in fiscal year 1987, $1,066,000,000 in budget authority and $1,131,000,000 in outlays in fiscal year 1988, and $1,328,000,000 in budget authority and $1,474,000,000 in outlays in fiscal year 1989.

(2) The House Committee on Small Business shall report changes in laws within its jurisdiction which provide credit authority as defined in section 3(10) of the Congressional Budget and Impoundment Control Act of 1974, sufficient to reduce direct loan obligations by $1,005,000,000 in fiscal year 1987, $1,491,000,000 in fiscal year 1988, and $1,555,000,000 in fiscal year 1989.

(x) The House Committee on Veterans' Affairs shall report (1) changes in laws within its jurisdiction which provide spending authority as defined in section 401(c)(2)(C) of the Congressional Budget and Impoundment Control Act of 1974, sufficient to reduce budget authority and outlays, (2) changes in laws within its jurisdiction which provide spending authority other than as defined in section 401(c)(2)(C) of the Act, sufficient to reduce budget authority and outlays, or (3) any combination thereof, as follows: $356,000,000 in budget authority and $356,000,000 in outlays in fiscal year 1987, $473,000,000 in budget authority and $473,000,000 in outlays in fiscal year 1988, and $512,000,000 in budget authority and $512,000,000 in outlays in fiscal year 1989.

(y)(1) The House Committee on Ways and Means shall report (A) changes in laws within its jurisdiction which provide spending authority as defined in section 401(c)(2)(C) of the Congressional Budget and Impoundment Control Act Act of 1974, sufficient to reduce budget authority and outlays, (B) changes in laws within its jurisdiction which provide spending authority other than as defined in section 401(c)(2)(C) of the Act, sufficient to reduce budget authority and outlays, or (C) any combination thereof, as follows: $0 in budget authority and $3,409,000,000 in outlays in fiscal year 1987, $0 in budget authority and $5,019,000,000 in outlays in fiscal year 1988, and $0 in budget authority and $6,644,000,000 in outlays in fiscal year 1989.

(2) The House Committee on Ways and Means shall report changes in laws within its jurisdiction sufficient to increase revenues as follows: $19,300,000 in fiscal year 1987, $27,600,000 in fiscal year 1988, and $29,800,000 in fiscal year 1989.

GENERAL REVENUE SHARING

SEC. 3. Upon the enactment of legislation authorizing up to $1,800,000,000 for the purpose of funding an extension for General Revenue Sharing in fiscal year 1987, and upon the enactment of legislation increasing revenues in an amount equal to the amount authorized and in addition to amounts of increased revenues required to be reported pursuant to section 2 of this concurrent resolution, the authorized amount of budget authority and outlays shall be allocated to the Senate Committees on Appropriations and Finance, as appropriate, and that same amount will be added to the total amounts of budget authority and outlays provided for in this concurrent resolution.

Mr. BYRD. Mr. President, I compliment the distinguished majority leader on his decision to proceed now with the budget resolution.

I think our manager on this side is in the neighborhood. He was at the meeting with the House leadership to which Mr. DOLE has just referred. I suggest that we have a quorum call so as to allow him and his staff to come to the Senate floor.

I suggest the absence of a quorum.

The PRESIDING OFFICER. Does the Senator wish the quorum call to be equally divided?

Mr. BYRD. I ask unanimous consent that the quorum call be equally divided.

The PRESIDING OFFICER. Without objection, it is so ordered.

The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. DOLE. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. DOLE. Mr. President, I am advised that both the distinguished chairman of the committee, Senator DOMENICI, and the ranking Democrat, Senator CHILES, would like to speak on the budget and they would like to do that at about 4:10 p.m.

RECESS UNTIL 4:10 P.M.

Mr. DOLE. Mr. President, I ask unanimous consent that the Senate stand in recess until 4:10 p.m. today.

There being no objection, the Senate at 3:27 p.m. recessed until 4:10 p.m.; whereupon, the Senate reassembled when called to order by the Presiding Officer [Mr. WARNER].

The PRESIDING OFFICER. The Senator from New Mexico.

Mr. DOMENICI. Mr. President, I yield myself as much time as I need at this point.

Mr. President, I am pleased to begin consideration of Senate Concurrent Resolution 120, the concurrent resolution of the budget for 1987. I should like to begin by complimenting the members of the Budget Committee for their work in reporting a budget resolution in a prompt and expeditious manner. I am also grateful to the majority leader for his continual efforts to see that alternative views had an opportunity to be presented before we began consideration of this resolution.

Mr. President, in my office I have an old print depicting the ancient Greek, Sisyphus, who was destined to spend his afterlife pushing a rock up a mountain, only in this print he is pushing a budget instead of a giant rock. One will recall that every time he reached the top of the mountain, the rock came rolling down over him. I hope we are able to complete the 1987 budget and get it over the mountain, and I hope we will do it in such a way that it will not come rolling back down in August and September. I am very hopeful that it will not come rolling back down next year or in the years to come.

Senate Concurrent Resolution 120 is the first attempt by either House to meet the official goals adopted under the new Gramm-Rudman-Hollings budget procedures just 4 months ago. This resolution meets the targets required under this new budget law not only for 1987 but for the next 3 fiscal years. It meets these targets in a balanced way, a way which requires tremendous compromise and tremendous political courage among the individual members of the Budget Committee who voted for it. This resolution will get that budget rock up and over the mountain for the next 3 years if things go well for America, if the economy continues its robust recovery. If for the next 3 to 5 years, the U.S. economy can grow an average 3.4 to 3.7 percent per year. Even though that is optimistic but from everything we can find out about the American economy today it is credible. And, that is my only caveat in terms of whether the rock will come tumbling back down, indeed, we need to sustain the optimistic outlook for the economy for the next 3 to 5 years.

I should also add that whether we are able to keep that giant budget rock from coming back down upon us, defense will clearly have to be restrained. It certainly will have to go up a little bit but not nearly as much as the President asked for. Modernization and restraint in defense alone will contribute substantially to whether we can make those targets in the out years.

Ultimately, I believe that something very close to this budget will be found to reflect the political consensus of the full Senate.

Now, understand that I have said "very close." Obviously, very few budgets save and except perhaps the very first one under my chairmanship in 1981, have gone all the way through Senate floor consideration without some changes.

The full Senate, with its majority vote, has tremendous latitude to change it in any way it wishes. But as the Senate works its will on this budget there are some important changes to keep in mind under Gramm-Rudman-Hollings.

I am sure there will be some who will say we want more money in this function or that function or more for defense. I think everyone should know the ground rules are substantially different. You cannot just come in and add more money anymore. An amendment is out of order unless in adding more money for one area you subtract an equal amount somewhere else or you add more to the revenue side. Those are the ground rules under Gramm-Rudman-Hollings.

Senate Concurrent Resolution 120 proposes $173 billion in total deficit reduction over the years 1987, 1988, and 1989. That is using the same baseline, for Senators who are wondering, what the President used for his domestic spending, that is current policy as defined by the Congressional Budget Office. The baseline in this budget assumes automatic cost-of-living allowances for all veterans and a full inflation adjustment for most discretionary programs.

This estimate of total budget saving, $173 billion, is not based on the President's baseline on defense, however. In his fiscal year 1987 budget request, the President used last year's congressional budget resolution for defense as the baseline. The CBO baseline for defense, which is the basis for this budget resolution, begins from CBO's current level for defense for fiscal year 1986, $291 billion, and adjusts fiscal year 1987 and the out years fully for inflation. This means that the CBO baseline assumes a full inflation adjustment for defense, similar to its contention for nondefense programs, but no real growth. This is in contrast to the President's baseline that already includes substantial real growth.

What makes up the $173 billion in budget saving? More than half, 57 percent, come from the spending side of the budget. And a vast majority of those spending savings come from nondefense programs. Over the 3-year period, less than 20 percent of the savings come from defense off the baseline which I have just described. The budget does call for new revenues which account for just over 40 percent of the total reductions in this budget.

This is in my opinion a balanced approach. I am quick to say, as I said when I opened the budget markup with the 22 Senators, 12 Republicans and 10 Democrats, it takes a majority of Senators, Republicans and Democrats, to vote out a budget resolution. If this were my budget and mine alone, it would be different than the one we have before us today. But, I am not a dictator in the U.S. Senate, nor even in committee. I do my share of leading. I do my share of proposing. But ultimately, a majority of Senators elected by the American people will vote for this, or a substantially altered budget. The full Senate will work its will on this budget over the next 6 or 7 days. This is the way our political system works and I am glad of that.

This budget is a balanced plan. It seems to me that everyone shares the burden, and yet, most important, national priorities ranging from national defense to programs for the elderly and needy are protected.

I might say right up front, for those who are wondering about the senior citizens of our country, obviously the message has come across loud and clear that Social Security shall not be touched. Social Security recipients shall be entitled to their automatic cost-of-living increase. I might add, however, that, in addition to Social Security, there are two other major pension programs, military retirees and civilian retirees, that receive full COLA's. This year, under the sequester the COLA's in these programs were frozen for a year. I did not support this but it was required by Gramm-Rudman-Hollings. I thought it should be all pension programs or none. That did not prevail, and we selectively froze the pensions I have just described and some minor ones. This budget resolution provides full COLA's for all our retirees.

Furthering, this budget provides full funding for nutrition programs and other programs for the poor. It also provides the full inflation increase for basic research and other high priority programs.

There are some programs which were reduced under Gramm-Rudman, arbitrarily and indiscriminately, that now need add-ons. The NASA program clearly cries out for some additional resources. This resolution adds funding for airport safety; drug enforcement; Embassy security around the world—not as much as was requested, but an increase; and a small amount for a new farm credit program—a total of $100 million, it is my recollection, to start such a credit program, in outlays. The money for NASA is fenced, permitting a new budget authority for related matters if, and only if, Congress votes that program in. Many of these increases I have just stated and a few others, as I have said, were requested by the President.

From the perspective of this Senator, it is precisely because this budget is a consensus budget that colleagues

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have expressed some dissatisfaction with one or another part of it. For some, the defense number is too low, especially on top of last year's sequester. For others, the defense number is still too high, particularly when domestic programs have to be cut or frozen. Still others object to the mix of domestic spending and revenues. Others would say, "We must get where we ought to go without 1 cent of new revenues or new taxes."

Frankly I understand each and every one of those views. I trust that those Senators who feel particularly motivated by any one of these approaches will understand that many of the 13 who voted for this budget resolution would prefer that they had had it totally their way. Some certainly would agree with those who think there should not be any tax increases over that which the President has already requested.

For my part, I have concluded that there is no way to get where we ought to be, where we have committed ourselves to be when we voted overwhelmingly for Gramm-Rudman-Hollings, without some revenues. From the perspective of this Senator, there is no question in my mind that we cannot get where we have to be, where we ordered ourselves to be, where we voted ourselves to be, without some additional revenues over those which the President has asked of us.

Obviously, there are some who, in addition to what I have just said by way of a general description, have other things on their minds. Some would say: "We don't have to do anything. Let's set the budget aside, perhaps getting no appropriation bills, and deal with everything at the end. Let's take a big chance that we can predict what things will look like in August and September, when the triggering mechanism of Gramm-Rudman-Hollings comes into effect." I do not think we voted for Gramm-Rudman-Hollings in order to engage in that kind of legislative draft.

There may even be some who are saying: "We voted for Gramm-Rudman-Hollings. But we don't think the Supreme Court is going to let us enforce it. We think the Court will find some aspect of it unconstitutional, Congress would never vote in the triggering mechanism under Gramm-Rudman-Hollings and we will have avoided all of the difficult choices.

I do not happen to be of that persuasion. First, I think there is better than a 50–50 chance that the Supreme Court will reverse the first court. We here will wait around until August to find that there is a major sequester ordered in by bureaucrats we have given direction to, who will do their job.

I even believe that if one part, say the GAO triggers were held unconstitutional, Congress would not dare go home without voting in that sequester by way of that simple resolution prescribed in the law. I believe, as my good friend from Florida has said, that would be a pox on all of our houses, for us to go home and seek reelection—the entire House and one-third of the Senate—saying that we voted for Gramm-Rudman, we sent all these messages across the country that it was going to fix our national policy, we let the first round of cuts be put in place, but we could not find the courage to vote for a budget resolution this year.

I, for one, believe it is better to do something, even if it is not exactly what you want, than to do nothing and take the chance that I have just described.

To my friends in the Senate, we do not have the luxury of holding fast to our individual preferences as we may have had in past years. Under the backup procedures in Gramm-Rudman-Hollings which now appear to be the likely vehicle for a sequester, we will have to face a budget vote, whether we like it or not. We can either vote now on a balanced plan that has broad-based bipartisan support, a balanced set of priorities, and a good chance for implementation; or we can gamble, as I have just described. Incidentally, if we do that, I am absolutely convinced we will gut national defense, we will freeze civil service and retirement COLA's for the second year running, I might add, and seriously impair a broad range of domestic programs.

In this sense then, the sequester budget is really the appropriate standard against which to gauge a congressional budget. I say that because it is a probable reality and because I believe that the Gramm-Rudman-Hollings sequester should for each and every one of the 5 years of this emergency bill be used as the ultimate standard against which we measure what we ought to do.

I personally would have liked to have set the defense numbers higher than the level contained in this resolution. But I voted for this budget because I wanted to vote for a defense level that is $20 billion above the funding ceiling under a sequester. Might I repeat that. I voted for this budget because I wanted to vote for a defense level that is at least $20 billion above funding ceilings under a sequester.

I believe the $295 billion in defense authority in Senate Concurrent Resolution 120 will turn out in the end to be the best we can get. Indeed, against the prospective $20 billion increase in defense relative to the sequester level, the $18.5 billion in new revenues does not appear very large.

Granted that is my way of measuring it and my way of looking at it, but it had a lot to do with my ultimate conclusion.

If I were writing my own budget, as I said before, I personally could have cut more domestic spending, I could have added to defense, and I would have voted for that. As a matter of fact, I produced such a budget for the consideration of the committee.

While we did not vote on that up-and-down in each respect, it was obvious that I did not have support by way of a majority for those budgets. As a matter of fact, I did not have even a significant majority of the Republicans on my side of the aisle in committee for that kind of budget.

We are not now writing our own budget, although anyone who has a budget that he considers his or her own, may offer it. That is what we are here for. We have plenty of time.

For anyone who has a comprehensive proposal that needs even a little more time than that prescribed in the Budget Act, I will yield time off the resolution to enable them to describe it thoroughly and for us to discuss it thoroughly. I do not know of any such budgets yet. Frankly, I hope for the good of the process and the good of the Senate that there are full substitutes. I hope someone comes up with one that we can debate in its entirety that perhaps moves substantially in a different direction on all fronts, that perhaps provides higher defense, significantly more in domestic cuts and perhaps less in the way of new revenues.

Let me review for a moment the effect of a sequester. I stated in general terms, under CBO February economic assumptions, defense would be cut 8.6 percent in outlays from where they are this year, the CBO current policy base or 4.8 percent from the current post-1986 sequester of $289.2 billion. Nondefense would have to be cut 10 percent from current policy or 6.2 percent from the current post-sequester level in each and every program and activity not exempt in the budget.

I have ask unanimous consent that a table presenting the comparison versus the sequester for 1987 be printed in the RECORD today.

There being no objection, the table was ordered to be printed in the RECORD, as follows:

COMPARISON OF BUDGET PLANS—FISCAL YEAR 1987 CHANGE FROM CBO BASELINE

[Outlays in billions of dollars]

Function	Sequester outlays	SBC budget resolution outlays
050: National defense	−15.8	−4.0
150: International affairs	−.8	−.9
250: General science, space, and technology	−.6	+.5
270: Energy	+.5	−.3
300: National resources and environment	−1.0	−.5
350: Agriculture	−.9	−.2
370: Commerce and housing credit	−1.3	−.4
400: Transportation	−.4	+.4
450: Commerce and regional development	−.8	−.5
500: Education, training, employment and social services	−1.0	−.8
550: Health	−.9	−.6
570: Medicare	−3.0	−2.5
600: Income security	−3.1	−2.6
650: Social Security	−.2	−.1
700: Vets benefits and services	−1.0	−.4
750: Administration of justice	−.7	(1)
800: General government	−.4	−.1
850: General purpose fiscal assistance	−3.5	−3.4
900: Net interest	−.2	−.4
920: Allowances	−.4	+.8
950: Undisclosed offsetting receipts	−.2	−4.4
Total spending:	−35.7	−20.2
Defense	−15.8	−4.0
Nondefense	−19.9	−16.2
Total revenues	+3.1	+18.7
Total deficit	−38.8	−38.9

[1] CBO estimates. Sequester incorporates enactment of COBRA.

Mr. DOMENICI. Mr. President, the comparison is dramatic. In the event of a sequester outlays for defense would be $15.8 billion lower in 1987 than the $269.5 billion projected for this year. This would be the first year-to-year outlay reduction in defense since 1973. Let me also point out that under Gramm-Rudman-Hollings there is no flexibility for manpower or high priority strategic or conventional programs as was permitted in the fiscal year 1986 sequester.

There are few in this body who believe that this is a wise national defense policy or even implementable.

I have the same kind of comparison for nondefense programs. Let me just give you a couple observations. Our civilian and military retirees would be forced to wait 36 months for a cost-of-living adjustment. That is not fair, particularly when you understand that Social Security recipents would receive their cost-of-living adjustment. It would work a real hardship on this particular group of senior citizens.

A veteran GI bill check would be cut by $42 a month. Medicare would pay just 98 cents on the dollar for hospital and physicians' medical bills regardless of the economic status of the recipient.

IRS would be cut by more than 10 percent from this year's level rather than an increase of 12 as contemplated in this budget.

The Social Security Administration would need to reduce its staff by as many as 6,100 workers. I am not sure we would be able to get all the Social Security checks out on time.

There are many more of these. We will debate them at length as we proceed through this process, but this is the kind of devastating action that is clearly not the consensus of Congress. Everyone should know that most of these are what we are voting for if we do nothing.

Let us compare the effect of a sequester to Senate Concurrent Resolution 120 in one important area in which I know there is substantial bipartisan agreement—the FAA. Most in Congress agree that we need to provide adequate resources to improve air safety and security at our Nation's airports. The reported resolution provides the FAA in fiscal year 1987 with $500 million in additional budgetary resources above a freeze to hire additional air traffic controllers and aviation security personnel, and to continue with the planned upgrading of our Air Traffic Control System. In comparison, a sequester would reduce FAA's budget by 6 percent or nearly $300 million below the fiscal year 1986 level, which many feel is substantially low already. A cut of this magnitude would almost surely lead to furloughs of FAA personnel, needlessly imperiling the safety of our Nation's air travelers.

This is just one example. Every Member knows of similar situations in their own State or in their own committee's jurisdiction. Gramm-Rudman-Hollings should not be budgeting by a formula that cuts all programs the same, regardless of their relative importance, it should lead to budgeting by consensus, by policymakers voting to change policy one way or another, picking and choosing as much as a budget resolution permits such to be the case.

There may be some who believe, as I said, that a better economy, lower inflation, and the recently enacted reconciliation bill will do our job for us and that we can achieve the $144 billion without congressional action.

Aside from the fact that in the U.S. Senate and thus in Congress this is a formula for legislative chaos, this would mean that the Congress would defeat by attrition the real intent of Gramm-Rudman-Hollings which was to prompt action and promote us to act rather than create gridlock and inaction.

Moreover, any strategy that depends on the economy making the budget numbers where they want them to be or making them look much, much better, as I indicated a while ago, is a very high risk strategy, at best.

The 1985 "fourth quarter" growth rate and Thursday's report of the first quarter GNP growth for 1986 was well below our current assumption, and the economy currently seems to be either stabilizing or slightly weakening, not strengthening. Housing is strong, but the consumer sector certainly is not. Auto inventories are at historically high levels and the auto companies are announcing progressively larger production cuts. And, as one of many Members who represents an oil producing State, I can tell you that the economy in my State is getting rapidly worse, not better, and such is the case for about 20 percent of the population in States of the Union.

Therefore, I say to my colleagues let us debate the issues. If there is a better mix of policies, let's work to find it. If there are changes we can make to this budget which better reflect the priorities of the Senate, let's make them. But, Mr. President, after we have gone through this debate and have a budget, a budget that undoubtedly will represent compromise among many Members, let us join together to approve a budget resolution here in the Senate this year, and then let's get on quickly with its implementation.

It is my fervent hope that following upon our discussions with the House today, perhaps this action today will cause the House to quickly move their own budget proposal.

I yield the floor at this time.

Mr. CHILES. Mr. President, I want to join the chairman of the Budget Committee in saying I am delighted we are finally starting on the budget resolution. Getting this budget resolution to the floor has been like trying to jump start your car on a winter day. But now that we have got it started, I hope we can keep the engine warm and running until we can pass a budget here.

Without a budget, we have three options: automatic sequester, a congressional sequester, or the ultimate sequester on November 4, with the potential for across-the-board cuts in membership of Congress the people might impose unless we do our work.

The budget we have before us is a bipartisan mix of spending cuts and revenues to achieve the Gramm-Rudman-Hollings target, and avoid a $39 billion sequester.

Now, this, as the chairman has said, is not the budget he would have proposed had the choice been his alone. It is certainly not the budget that I would have proposed had I been able to write the budget on my own. And yet it is one that won a majority of the Republicans on the committee and a majority of the Democratic Members because we realized we did need to meet the targets of Gramm-Rudman-Hollings. We did need to have Congress do its work, and avoid subjecting the budget to the possibility of a sequester.

For fiscal year 1987, military spending is curbed by $4 billion. It adds revenues to reduce the deficit total $18.7 billion. And domestic spending cuts are $14.6 billion. The debt service yields $1.8 billion in savings because of those reduced cuts.

Over 3 years our domestic spending cuts would total $62.1 billion. Defense spending during those same 3 years would decline by $17.8 billion. The deficit reduction included total $73.9 billion over the 3 years.

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It is interesting to note that in 1984, President Reagan proposed a contingency tax that would have raised $63 billion in 1986 alone. Our Domenici-Chiles plan puts revenues at 19.6 percent of GNP. President Reagan's 1984 contingency plan would have put revenues at 19.9 percent of GNP.

Democrats would have preferred to see a budget with more emphasis on investments in the future. We talked about that in the committee. That is something we believe is the long-sighted policy. Even in a time of budget constraints we should be protecting our seed corn. We should be investing in those items that are going to bring us back a return many fold in the future. We are talking about items like investments for research and development; we are talking about job training; we are talking about trade promotion; items with a future return. But we were not able to include that in the budget package we have before us.

Let me compare the reported resolution with the impact of sequester. If you look at defense outlays in 1987, there is a reduction of $4 billion. In the Budget Committee resolution, the sequester would be $15.8 billion if that takes place in defense outlays.

If we look at domestic outlays, the resolution cuts them $14.4 billion. The sequester would cut them $18.5 billion. Mr. President, there is a much larger defense hit, many times larger, $4 billion as opposed to $15.8 billion, than there is in domestic spending where the difference in the sequester is only $4 billion.

If you look at the total outlays, a sequester would take $36.5 billion in total outlays and the Senate budget resolution, $20.1 billion.

If we want to compare our budget to the President's budget our Senate Budget Committee proposal over the 3-year total gives us a $64.8 billion greater deficit reduction than the President's budget. If we compare that to the President's request in total outlays we would be $12.1 billion lower than the President's. I think it is interesting to note, Mr. President, that in the President's budget he missed the Gramm-Rudman-Hollings mark by $16 billion in the first year.

So our budget makes that mark in the first year, and in each one of the years to follow.

The bipartisan budget is not a 1-year effort. It recognizes that Gramm-Rudman-Hollings is a 5-year effort to reduce spending and to reach a balanced budget in 5 years. In Committee discussions we decided not to just propose an election year budget, one that would carry us by the election, but would mean massive cutting next year. So we structured our cuts, and we structured this budget to put us on the glide path to make those Gramm-Rudman-Hollings cuts across each of the next years. It reduces the spending burden by 2.5 percent over 3 years, while it raises the tax burden by only 1 percent. So it puts us on that multiyear approach, and I think that is tremendously important.

Four years ago Milton Friedman said that a deficit is a hidden tax. It is a tax in the form of money borrowed from the public, and he is right. The interest on the national debt this year is going to be approximately $148 billion. We see that is roughly the same level as the budget target we are trying to get to.

In parts of the country we have been predicting a major earthquake for a long time. Since it has not happened, a lot of people are betting that it never will. That is the game same we have been playing with the budget, and these tremendous deficits. The difference is we in the Senate, in the Congress, and the administration have an opportunity to do something and prevent that earthquake from happening.

The problem that we have now is not a partisan problem. The solution therefore has to be a bipartisan solution. And the chairman and I have found there is no single part of the budget you can blame for the deficit. It has been caused by defense spending, by domestic spending, and certainly by the reduction of revenues. Everyone has participated in that. Certainly, the Congress has, and certainly the President has. And everyone needs to participate in the solution.

Mr. President, we have to start some place. Today a meeting was held with the leadership of the Senate and the House. We sat down and talked about the budget and where we are going. There were statements like, "Why are you waiting," and "Why don't you go first; we are waiting on you," "Why don't you go first; we can't move because the President has not done this." Somebody has to start. Thank goodness, Mr. President, that now in the Senate as we lay down the budget today, we are beginning that process.

It is just too important for the country to sit back and let things languish. I hope we will work deligently, in a spirit of bipartisanship knowing we have a job to do. Everyone faces these huge deficits, and the threat of a Gramm-Rudman-Hollings sequester. It will be inevitable unless we act. I agree with the statements and figures the chairman of the Budget Committee has given. We must put aside a little bit of our personal preference, and do what is best for the country as a whole, what is best for the Senate as a whole, and I think that is what we embark upon today.

I am glad to see us start. I join with the chairman in trying to put this together. And I ask anybody with amendments or a plan to come to the floor, and let us not wait until the last minute even in this process. We have 50 hours. We should not need 50 hours to have the Senate work its will, but we are going to need to start rather quickly on assessing what amendments there are, and whether there are additional plans. I hope Members on both sides will recognize it is very important that we begin the process and pass a budget.

I challenge the House, now that we are starting the process, for them to begin their process as well. I challenge the President. He needs to participate. He has a responsibility. He has a share of the blame with the rest of us for the size of these deficits. And we need to go forward from there.

Let me characterize the Senate budget resolution in additional detail.

This budget is a reasonable bipartisan compromise. It is a fair and realistic mix of restraint on both domestic and defense spending, matched with revenues to be applied to deficit reduction.

It does not reflect the individual views of each Member of the Senate, or even each member of the Budget Committee. Few measures ever do. Yet, it achieves the Gramm/Rudman/Hollings deficit target of $144 billion for fiscal 1987, and, if approved by the Congress, will avoid the unthinkable imposition of a $39 billion sequester this summer.

This budget gets the job done on the deficit this year and sets us on the path for what must be done in the next 4 years to achieve a balanced budget.

In fiscal year 1987, the budget plan will accomplish the following:

Reduce the deficit to $144 billion as required by Gramm/Rudman/Hollings.

It will restrain military spending $4 billion, acquire $18.7 billion in deficit reduction revenues, and cut domestic spending $14.6 billion after meeting top priority needs for increases.

These changes, matched to $1.8 billion in debt service savings, amount to an overall fiscal year 1987 reduction in the deficit of $39 billion.

A survey of the compromise budget numbers demonstrates the plan's balance.

DOMESTIC SPENDING

Over the 3-year period fiscal year 1987-89, nondefense spending would be reduced $62.1 billion. Yet even with these sharp cuts, full cost-of-living adjustments [COLA] are allowed for Social Security, Federal civilian and military pensions and other indexed programs.

Full funding is restored for strategic petroleum reserve construction, while cuts are scaled-back in SPR funding.

Superfund is increased consistent with the reauthorization legislation.

Rural housing and postal subsidies remain intact.

Money is added for FAA flight safety and Coast Guard drug interdiction efforts, while transit operating grants are reduced 20 percent rather than the 60 percent planned.

Community development block grants are maintained, while urban development action grants are cut 10 percent rather than terminated.

There are no cuts in student loans below the Senate legislation; funding for Job Corps is restored, and community service block grants are cut 10 percent rather than cancelled.

The budget contains $100 million for an infant mortality initiative, and flexibility to allow increases for NIH research grants.

Cuts proposed in Medicare are restrained by $1.5 billion to prevent increased beneficiary costs.

No rent increases are prescribed for low-income housing, while the 50-percent cut proposed in housing units other than for the elderly and handicapped are scaled back to 25-percent.

There are no cuts in veteran's medical care and no increases in VA mortgage loan fees.

Revenue sharing could be continued for 6 months, subject to enactment of authorizing legislation.

And a 3-percent pay raise is allowed for civilian and military employees.

DEFENSE SPENDING

Military spending would decline $17.8 billion over 3 years, recognizing that while our defenses must not be impaired, spending restraint throughout the budget is essential to genuine deficit reduction.

We have rebuilt the Nation's defenses. In 4 years we have doubled the Department of Defense's investment base. During this period we have purchased almost 3,000 combat aircraft, 45 major warships, 201,000 missiles, and 5,200 tanks.

We have created a funding base which allows us to buy five times as many missiles, and twice as many major warships and tanks as we purchased in 1980.

The funding for advanced technical development is 400 percent higher now than it was in 1980, and the funding for strategic programs and intelligence communications has more than doubled.

Nor have we neglected the operations and maintenance accounts. During the past 6 years we have logged more than 45,000 flying hours and almost 9,000 steaming hours.

These are substantial and necessary gains. The spending restraint in this budget will in no way compromise these gains.

REVENUES

The $73.9 billion increase in revenues over the next 3 years reflects the committee's belief that the size of the deficit means we must do all we can to safeguard national prosperity.

For fiscal 1984 the President had proposed a contingency tax plan to bring revenues to 19.9 percent of GNP. Under that plan, taxes would have been increased $63 billion in fiscal 1986 alone. By contrast, the 3-year revenue increase of $73.9 billion included in this compromise will put revenues at 19.6 percent of GNP.

If we hold to the committment made in this budget, we will have embarked on three of the five annual steps mandated in Gramm-Rudman-Hollings plan. We will have staked out a position that shows we can, must, and will meet the deficit targets in each of the next 3 years.

If the Senate approves this budget, it will have kept the pledge made last year to systematically reduce the deficit as the economy's single biggest threat.

As the Senate starts debate on this budget, Senators may find certain elements at variance with their separate preferences. This plan does not ask Senators to abandon their beliefs. What it does ask—indeed, what the Congress asked of itself when it approved the Gramm-Rudman-Hollings plan—is to focus on the overriding goal. And the goal is a growing, deficit-free economy in 5 years.

Republicans on the committee temporarily set aside worthwhile and dearly held affections for certain economic goals. So did the Democrats. But in each case, we acted because whatever we hope to achieve as a Nation in the future depends on how wise and willing we are to make short-term concessions for long-range improvement.

Democrats are troubled that the budget falls short of the ideal investments we believe critical to our future in a competitive world. It does not include the level of investment in science, education, research, medicine, and trade expansion we believe appropriate to a Nation determined to compete.

Democrats see the need for a comprehensive program that matches deficit reduction with a dynamic investment package. Throughout our history, the generations that prospered were preceded by generations that put something aside for the future.

If Democrats alone made the final decisions on this budget, the deficit would still be smaller, but the investments would be there as well.

It is not ours alone to make the choices. But if we fail to adopt a realistic budget, we could face a sequester that gives away all chances to choose.

I hope the Senate will endorse this budget compromise. It is the best hope we have to apply a firm hand to our economic future.

Mr. President, I yield the floor.

USE OF ELECTRONIC CALCULATORS

Mr. DOMENICI. Mr. President, I ask unanimous consent that the presence and use of small electronic calculators be permitted on the floor during the Senate debate on this resolution.

The PRESIDING OFFICER. Without objection, it is so ordered,.

Mr. DOMENICI. I further ask unanimous consent to obtain floor privileges for the Senate Budget Committee staff, the majority and minority, those members stated on the list which I submit to the Chair for inclusion in the RECORD.

The list of staff members is as follows:

Regular Floor Privileges for Senate Budget Committee Staff

MAJORITY STAFF

Bruce Blanton, Gabriella Carducci, Michael Carozza, Elizabeth Cusick, Charles Flickner,[1] Gail Fosler,[1] Tom Foxwell, Carol Hartwell, Paul Heilig, G. William Hoagland,[1] Bill Hughes, Chuck Konigsberg, Jan Lilja, Deborah Lipman, David Malpass, Carol Baker McGuire,[1] Anne Miller, Margo Miller, Michelle Mrdeza, Sue Nelson,[1] Mary Nell Payne,[1] Virginia Pounds, Cheri Reidy, Austin Smythe, Karla Trujillo, Carolyn Willis, C.G. Nuckols, and Paul Van de Water.

MINORITY STAFF

Dennis Beal, Rick Brandon,[1] James Carr, Barbara Chow, Alan Cohen, Doug Cook, H. Van Daly, Kathy Deignan, Lisa Faulkner, John Hilley, Janet Holtzblatt, Bentley Lipscomb, and Douglas Olin.

Fifteen-Minute Floor Privileges for Budget Committee Staff

MAJORITY STAFF

Elizabeth Beall, Tyrone Cole, Peggy Conrad, Kathryn Hamilton Cummings, Mary Jo Gillen, Stefanie Holmberg, Noreen Kelly, Brain Langdon, Laura O'Shea, Debbie Paul, Elizabeth Strader, Tod Tappert, Laura White, Catherine Woods, and Lynne Zeeger.

MINORITY STAFF

Michelle Adams, Janet Blair-Bourbeau, Sharon Jennings, John Moore, and Vanessa Palmer.

Regular Floor Privileges for Staff of Majority Members

Tony Coppolino on behalf of Senator Armstrong.

Brian Waldman on behalf of Senator Armstrong.

Guy Clough on behalf of Senator Kassebaum.

Dave Bartel on behalf of Senator Kassebaum.

Dan Meyer on behalf of Senator Boschwitz.

Julie Hasbargen on behalf of Senator Boschwitz.

Monica McGuire on behalf of Senator Hatch.

Hayden Bryan on behalf of Senator Hatch.

David Mehl on behalf of Senator Andrews.

Deanna Marlow on behalf of Senator Andrews.

Grant Loebs on behalf of Senator Symms.

David Sullivan on behalf of Senator Symms.

Kris Kolesnik on behalf of Senator Grassley.

Ken Cunningham on behalf of Senator Grassley.

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[1] Admit without a pass.

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Alex Echols on behalf of Senator Kasten.

Dawn Gifford-Martinez on behalf of Senator Kasten.

Dave Juday on behalf of Senator Quayle.

Robert Guttman on behalf of Senator Quayle.

John Wills on behalf of Senator Gorton.

Gwendolyn Van Paasschen on behalf of Senator Gorton.

Reid Detchon on behalf of Senator Danforth.

Susan Schwab on behalf of Senator Danforth.

Regular Floor Privileges for Staff of Minority Members

Barry Strumpf on behalf of Senator Hollings.

Laura Hudson on behalf of Senator Johnston.

Lance Simmens on behalf of Senator Sasser.

Mark Steitz on behalf of Senator Hart.

James Wagoner on behalf of Senator Metzenbaum.

David Krawitz on behalf of Senator Riegle.

Marc Litt on behalf of Senator Moynihan.

Chris McLean on behalf of Senator Exon.

Mitchel Ostrer on behalf of Senator Lautenberg.

The PRESIDING OFFICER. Without objection, it is so ordered.

The PRESIDING OFFICER. Who yields time?

Mr. CHILES. I yield such time to the distinguished Senator from Washington off the majority leader's time.

The PRESIDING OFFICER. Without objection, the Senator from Washington is recognized.

Mr. GORTON. Mr. President, I thank my friend, the Senator from Florida.

At this point, Mr. President, I would simply like to applaud the thoughtful introductory statements of the chairman of the Senate Budget Committee, and of the distinguished ranking minority member of that committee.

Mr. President, I am pleased that the majority leader has called up Senate Concurrent Resolution 120, the budget resolution for fiscal year 1987. I understand he has undertaken arduous and not entirely fruitful discussions both with the administration and Members of this body in search of broader consensus, and I greatly appreciate his tenacity and commitment.

The Senate Budget Committee, under the astute leadership of my good friend, the Senator from New Mexico, worked hard to pass a budget resolution and did so on March 19. The delay in bring it up for consideration has been far too long, and as a consequence, we have already missed the deadline for final congressional action on the 1987 budget resolution, as specified in the Budget Act.

The causes for this delay are many, some more justifiable than others. But there is no cause sufficient to warrant our reneging on our duty to pass a fair and effective budget resolution which meets the Gramm-Rudman-Hollings deficit targets.

Mr. President, I have served as a Member of the Senate Budget Committee for each of the past 5 years. Each year the debate over budget priorities and the need to reduce Federal budget deficits has been more heated and more difficult than the year preceeding it. Each year we assure our constituents that the deficit is the No. 1 priority before Congress. Each year we make promises about the next year's process.

Last year was no different. Although the Senate got off to a constructive and promising start, thanks to the leadership of the distinguished chairman of the Budget Committee and the majority leader, our efforts were ultimately thwarted under the White House oak tree. In the wake of that defeat, and our profound discomfort over increasing the debt limit yet again, we began making our promises for this year—and as a result, Gramm-Rudman-Hollings became the law of the land. Once again we could go home and tell our constituents that we were let down for such-and-such a reason this year—but wait until next year.

Mr. President, this is next year. We have a responsibility to make good last year's promises, and most importantly of all, this is what our constituents demand.

Passing a budget resolution is essential to avoiding a sequester this year. If we do not pass our budget resolution it will be very difficult to take up appropriations bills. It will be very difficult to take up any reconciliation-type package of spending cuts and tax increases. Does any one of us believe that we will be able to avoid a sequester if we don't pass our appropriations bills and a reconciliation measure? Frankly, Mr. President, I believe that it is already too late to avoid at least a preliminary sequester order, and we in this body ought right now to begin thinking of what we will have to do to vitiate such an order in late September of this year. Does any Member really believe that we will be able to avoid sequester because of favorable performance of the economy? To answer either of these questions "yes," Mr. Chairman, is wishful thinking. No deus ex machina is going to save us from the consequences of our inaction—consequences we ourselves put into law—and no deus ex machina is going to save us from the inevitable effects our failures will have on the budget process itself.

The value of the budget process itself is another reason to pull together and carry out our fiscal responsibility. To fail at the task we have before us now will bring into question whether the Congress of the United States can formulate fiscal policy in a coherent fashion. If we fail, our ability to address the central policy problem of our time will be cast in doubt, and this can only have extremely negative effects on the domestic and international economy.

Mr. President, the vast majority of this body and the other body voted for Gramm-Rudman-Hollings. We all had our own reasons. Now we must live with it. Now it is time to follow through and to vote for the budget cuts and tax increases that will lead us to the limits we ourselves supported. This is our primary obligation—and there will be no excuses.

The budget resolution that is not before us is the result of the hard work, commitment, and resolve of the chairman of the Budget Committee, as well as that of the distinguished ranking member. The budget resolution is as fair as it can be, and addresses the concerns of many of us on both sides of the aisle. It is an impressive achievement and a good starting point for the debate which we now undertake. It by far surpasses the budget originally submitted by the Office of Management and Budget. I have heard a lot of criticism of the Budget Committee's proposal, but it takes a plan to beat a plan, Mr. President, and one thing I have not seen is a superior alternative.

Mr. President, none of us wants to take money away from programs we support, nor does any of us want to raise taxes. I myself have some serious reservations about the implications of this budget resolution for programs such as SBA and WIN, both of which are heavily relied upon in the State of Washington. I hope that these will be addressed during the course of the debate. I am certain my colleagues have similar types of concerns. But we are long on concerns and short of options today, and one option we don't have is to delay the debate any longer.

I urge my colleagues, therefore, to prioritize their concerns and to work together to achieve a budget resolution that reaches the goals we have committed ourselves to in the fairest, most effective, and most expeditious manner; and I commend the resolution reported by the Senate Budget Committee as my guess of where we will end up.

In summary, Mr. President, we are in 1986 on different ground than we have been on the last 5 years for two reasons. The first, is that we are operating pursuant to the Gramm-Rudman-Hollings Balanced Budget Act of 1985. That act restricts the nature of this debate, makes it more wholesome, and more pointed.

We are going to finish with a policy relating to the budget which will result in a deficit of $144 billion for fiscal year 1987, and there are several ways we might do so.

We can do that, in theory at least, by adopting the budget which is proposed by the President but which has been vigorously and overwhelmingly rejected by most Members of both parties of this body and in the House of Representatives.

We can do it by doing nothing at all, and allowing the automatic sequestration provisions of Gramm-Rudman-Hollings to take effect in the fall of this year. That would be a dereliction of duty on the part of the President, and the Congress of the United States.

Finally, we can come up with a more balanced and more thoughtful proposal than would result from either the passage of the President's proposed budget or the automatic sequestration which is the penalty for failure. Just such a proposal is the resolution of the Senate Budget Committee.

The second way in which this year's debate differs from those of prior years is that this is truly a bipartisan approach to the challenge presented to us by Gramm-Rudman-Hollings, and by the need to reduce budget deficits. The 7 to 5 favorable vote of the majority party and the 6 to 4 favorable vote of the minority party indicate an extremely carefully crafted bipartisan approach to the challenges with which we are faced.

This resolution is both bipartisan and controversial for three fundamental reasons:

The first is that it does include revenues in a greater amount than those recommended by the President.

The second is that it reduces rather significantly the amount of budget authority requested for the Department of Defense and for related programs by the President. Those programs are still more generously treated than all but a tiny handful of domestic programs by this budget resolution.

Third, it falls into this category of both showing bipartisanship and being controversial because, while it reduces a wide range of domestic spending programs rather significantly, in an equally wide range of domestic spending programs, it is more generous than the proposals of the President.

It is, therefore, truly a balanced approach. It is also an effective approach, as it will meet the strictures of the Balanced Budget Act of 1985.

It is a fair approach in that it asks as widely as possibly can be asked all Americans to bear their fair share in meeting the goal of deficit reduction, doing so by asking something from taxpayers, something from those who are primarily concerned with national defense, and something from a wide range of nondefense discretionary and entitlement programs as well.

This proposal has not met, Mr. President, with overwhelming enthusiasm or approbation in the 4 or 5 weeks since it was reported by the Senate Budget Committee. I repeat that many Members and outside commentators have criticized the efforts of the distinguished Senators from New Mexico and from Florida. Remarkably, however, very few have come up with alternative proposals which are effective in reducing budget deficits, and none has come up with alternative proposals which are as thoughtful, as fair, or as balanced in reaching those budget deficit reduction goals.

As a consequence, Mr. President, this is one proposal which looks better as time passes. I wish it could have been debated at an earlier date, that we could have met the requirements of the law that the process be completed by the 15th of April. Meeting that deadline, however, Mr. President, is not as important as doing the job in a responsible fashion.

This budget resolution proposal is responsible, it is effective, it is fair, and it is more and more attractive as we look at the potential alternatives. Mr. President, I commend it to the Members of this body. I hope fervently that it will be adopted and that it will lead to some action in the House of Representatives, which has been notable thus far by its inaction, and that it will thereafter lead to meaningful negotiations with the President resulting in action on the part of the Congress in the spirit and in the letter of the Gramm-Rudman-Hollings Deficit Reduction Act of 1985.

Mr. DOMENICI addressed the Chair.

The PRESIDING OFFICER (Mr. McConnell). The Senator from New Mexico.

Mr. DOMENICI. Mr. President, I first want to thank my friend from Washington not only for his statement before the Senate, which, in his usual manner, is very thoughtful and very provocative. I also want to thank him for his excellent work on the committee, for the diligence that he exercises in matters budgetary and for the knowledge that he has. I suggest that over the next few days, I say to my friend the senior Senator from Washington, it will be up to people like him and many others here who are so concerned about doing nothing to help see to it that we do the right thing for the country here on the Senate floor.

Mr. President, I suggest the absence of a quorum and ask unanimous consent that the time be charged equally to both sides.

The PRESIDING OFFICER. Without objection, it is so ordered.

The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. GORTON. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

BILLS PLACED ON CALENDAR

S. 2301

Mr. GORTON. Mr. President, I now ask for the second reading of S. 2301.

The PRESIDING OFFICER. The bill will be read the second time by title.

The legislative clerk read as follows:

A bill (S. 2301) to reform procedures for collateral review of criminal judgments, and for other purposes.

Mr. GORTON. Mr. President, I object to further consideration of S. 2301.

The PRESIDING OFFICER. The objection to further consideration at this time has been heard.

The bill will be placed on the calendar.

S. 2302

Mr. GORTON. Mr. President, I ask for the second reading of S. 2302.

The PRESIDING OFFICER. The bill will be read the second time by title.

The legislative clerk read as follows:

A bill (S. 2302) to amend title 18 to limit the application of the exclusionary rule.

Mr. GORTON. Mr. President, I object to further consideration of S. 2302.

The PRESIDING OFFICER. Objection to further consideration at this time has been heard.

The bill will be placed on the calendar.

COLLECTIVE BARGAINING

Mr. BYRD. Mr. President, on behalf of Mr. Kennedy, I ask unanimous consent that a message from the House on H.R. 281 be read for the first time.

The PRESIDING OFFICER. The bill will be read the first time by title.

The legislative clerk read as follows:

A bill (H.R. 281) to amend the National Labor Relations Act to increase the stability of collective bargaining in the building and construction industry.

Mr. BYRD. Mr. President, I ask that the bill be read the second time.

The PRESIDING OFFICER. Is there objection?

Mr. GORTON. Mr. President, I respectfully object.

The PRESIDING OFFICER. Objection is heard. The bill will be held at the desk pending the second reading on the next legislative day.

MESSAGES FROM THE HOUSE

At 4:47 p.m., a message from the House of Representatives, delivered by Mr. Berry, one of its reading clerks, announced that the House has passed the following bill, without amendment:

S. 1684. An act to declare that the United States holds certain Chilocco Indian School lands in trust for the Kaw, Otoe-Missouria, Pawnee, Ponca, and Tonkawa Indian Tribes of Oklahoma.

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The message also announced that the House has passed the following bill, in which it requests the concurrence of the Senate:

H.R. 281. An act to amend the National Labor Relations Act to increase the stability of collective bargaining in the building and construction industry.

The message further announced that pursuant to section 11 of Public Law 99-158, the Speaker appoints as members of the Biomedical Ethics Board the following Members on the part of the House: Mr. Waxman, Mr. Luken, Mr. Rowland of Georgia, Mr. Gradison, Mr. Tauke, and Mr. Bliley.

MEASURE READ THE FIRST TIME

The following bill was read the first time:

H.R. 281. An act to amend the National Labor Relations Act to increase the stability of collective bargaining in the building and construction industry.

MEASURES PLACED ON THE CALENDAR

The following bills were read the second time, and placed on the calendar:

S. 2301. A bill to reform procedures for collateral review of criminal judgments, and for other purposes; and

S. 2302. A bill to amend title 18 to limit the application of the exclusionary rule.

REPORTS OF COMMITTEES

The following reports of committees were submitted:

By Mr. DANFORTH, from the Committee on Commerce, Science, and Transportation, with an amendment in the nature of a substitute:

H.R. 3773. An act to amend the Stevenson-Wydler Technology Innovation Act of 1980 to promote technology transfer by authorizing Government-operated laboratories to enter into cooperative research agreements and by establishing a Federal Laboratory Consortium for Technology Transfer within the National Science Foundation, and for other purposes (Rept. No. 99-283).

INTRODUCTION OF BILLS AND JOINT RESOLUTIONS

The following bills and joint resolutions were introduced, read the first and second time by unanimous consent, and referred as indicated:

By Mr. HEINZ (for himself and Mr. Kennedy):

S. 2341. A bill to amend part A of title XVIII of the Social Security Act to freeze the inpatient hospital deductible and to require the Secretary of Health and Human Services to propose a more equitable method of adjusting such deductible; to the Committee on Finance.

By Mr. KASTEN:

S. 2342. A bill to authorize the Secretary of Agriculture to issue a nationwide marketing order applicable to milk and milk products, and for other purposes; to the Committee on Agriculture, Nutrition, and Forestry.

By Mr. DURENBERGER (for himself and Mr. Bradley):

S. 2343. A bill to authorize the provision of foreign assistance for agricultural activities in Nicaragua; to the Committee on Foreign Relations.

By Mr. EXON:

S. 2344. A bill to amend title 10, United States Code, to authorize limited use of commissary stores by members of the Selected Reserve; to the Committee on Armed Services.

By Mr. KENNEDY (for himself, Mr. Moynihan, Mr. Kerry, Mr. Simon, Mr. Dodd, Mr. Matsunaga, and Mr. Metzenbaum):

S. 2345. A bill to improve counseling, education, and services relating to acquired immune deficiency syndrome; to the Committee on Labor and Human Resources.

By Mr. HELMS:

S. 2346. A bill to amend the Federal Insecticide, Fungicide, and Rodenticide Act to ensure safer pesticides and to better protect the public and the environment, and for other purposes; to the Committee on Agriculture, Nutrition, and Forestry.

SUBMISSION OF CONCURRENT AND SENATE RESOLUTIONS

The following concurrent resolutions and Senate resolutions were read, and referred (or acted upon), as indicated:

By Mr. SASSER (for himself, Mr. Gore, Mr. Sarbanes, Mr. Kennedy, Mr. Bumpers, and Mr. Rockefeller):

S. Res. 385. A resolution to express the sense of the Senate that certain action be taken to end hunger in the United States by 1990; to the Committee on Agriculture, Nutrition, and Forestry.

STATEMENTS ON INTRODUCED BILLS AND JOINT RESOLUTIONS

By Mr. HEINZ (for himself and Mr. Kennedy):

S. 2341. A bill to amend part A of title XVIII of the Social Security Act to freeze the inpatient hospital deductible and to require the Secretary of Health and Human Services to propose a more equitable method of adjusting such deductible; to the Committee on Finance.

MEDICARE DEDUCTIBLE AND COPAYMENT REFORM ACT

● Mr. HEINZ. Mr. President, the Health Care Financing Administration has once again sent a shock to this Nation's 31 million aged and disabled Medicare beneficiaries. HCFA now estimates that on January 1, 1987, the part A deductible—the fee paid out of pocket by Medicare beneficiaries for their first day of hospitalization—will rise an estimated $80, from $492 to $572. This is another whopping 16-percent increase, coming on the back of last year's unprecedented 23-percent jump. While Medicare is saving billions of dollars with each successive year that hospitals are under the prospective payment system, Medicare beneficiaries are being asked to dig ever deeper into their wallets to pay for needed health care.

Today I am introducing, along with my colleague, Senator Kennedy, legislation that will freeze the part A deductible until Congress can enact a change in the outdated formula which drives these enormous annual increases. In addition, the Secretary of HHS will be required to submit to Congress no later than September 15, 1986 one or more legislative proposals for modifying the way in which the part A deductible is calculated so that the adjustment is more nearly comparable to the annual adjustment made to the DRG payments to hospitals. The intent of my bill is to prevent any further increases in the part A deductible until HHS has had an opportunity to advise Congress on ways to replace the existing outmoded formula with one that is more appropriate for calculating first day hospital costs under the prospective payment system. However, no increase will be possible until Congress has enacted such a reform.

Mr. President, there is mounting evidence that Medicare's prospective payment system is resulting in substantial cost shifting onto beneficiaries. In its February, 1986 report to Congress, the Prospective Payment Assessment Commission [ProPAC], indicated that over half of last year's increase in the part A deductible was due to decreases in the average length-of-stay attributed to prospective payment. It also estimated that this factor alone shifted $550 million onto Medicare beneficiaries. In its April 1, 1986 report to the Secretary of HHS, ProPAC concluded that the current formula used to calculate the deductible should be revised so that "it is more consistent with the annual per-case [DRG] increase in Medicare payments to hospitals."

This new wave of cost shifting is especially painful for older Americans living on the margin. The Congressional Budget Office has estimated that about one-fifth of elderly individuals have no protection other than Medicare against health care costs. Nearly 30 percent of the elderly with family incomes under $9,000 have neither private coverage nor Medicaid eligibility. How can we expect these low-income Americans to shoulder another $80 in out-of-pocket costs each time they are hospitalized?

Unfortunately, the added beneficiary cost-sharing that results from increases in the part A deductible does not stop at the hospital door. This is because the copayment for skilled nursing care is directly linked to the part A deductible. This year older Americans needing extended skilled nursing care—21 days or more—will pay $61.50 per day. This amount exceeds the private pay costs for nursing home care in many areas of the country. If the deductible is allowed to go up another 16 percent, beneficiaries

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will have to pay $71.50 for every day beyond 20 that they require skilled nursing care. We are placing beneficiaries in an ever-squeezing vise of higher costs on the front end of a hospital stay and higher out-of-pocket costs for post-hospital care.

Mr. President, I urge my colleagues to join us in cosponsoring this important protection against rising costs for this Nation's elderly and disabled populations. I ask unanimous consent that the text of the bill be printed in the Record.

There being no objection, the bill was ordered to be printed in the Record, as follows:

S. 2341

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. FREEZE IN INPATIENT HOSPITAL DEDUCTIBLE AND COPAYMENTS FOR EXTENDED CARE SERVICES.

Section 1813(b) of the Social Security Act (42 U.S.C. 1395e(b)) is amended to read as follows:

"(b) The inpatient hospital deductible which shall be applicable for purposes of subsection (a) shall be $492 in the case of any spell of illness beginning after 1985.".

SEC. 2 SUBMISSION OF LEGISLATIVE PROPOSALS.

Not later than September 15, 1986, the Secretary of Health and Human Services shall submit to the Committee on Finance of the Senate and the Committee on Ways and Means of the House of Representatives one or more legislative proposals for modifying the manner in the annual adjustment made in the inpatient hospital deductible imposed by section 1813(b) of the Social Security Act in order to make such adjustment more nearly comparable to the annual adjustment made with respect to DRG prospective payment rates under section 1886 of such Act.●

● Mr. KENNEDY. Mr. President, I am pleased to join my colleague, Senator Heinz, in introducing this bill to bring fairer treatment to our senior citizens.

Last year senior citizens were shocked to learn that the Medicare hospital deductible—the amount Medicare beneficiaries must pay out of their own pocket every time they enter the hospital—would increase $92 on January 1, 1986. This whopping 23-percent increase—the largest dollar increase in the history of the Medicare Program—pushed the total deductible to $492 dollars, an amount far in excess of the deductibles typical of private insurance policies.

Now insult has been added to injury. In the last few days, HHS has announced that the deductible for 1987 is likely to rise an additional $80, to a staggering $572. This adds up to a 43-percent increase over the 2 years 1986-87. If the projected 1987 increase is put into effect, the deductible will have grown more over this 2-year period than it did in the first 15 years of the Medicare Program's existence.

The exorbitant increase in the hospital deductible was not intended by anyone. It is an unintended consequence of the new Medicare prospective payment system and of Congress' failure to modify the method of calculating the deductible to reflect the new payment system.

Since the beginning of the Medicare Program, the deductible has been calculated on the basis of the cost of an average day of care.

Increases in the deductible were supposed to reflect increases in the cost to Medicare of a typical hospitalization, and as long as Medicare paid hospitals for services to Medicare beneficiaries on a daily cost basis, the annual increases in the deductible were reasonably fair.

But, today Medicare no longer pays for hospital care on a daily cost basis. Beginning with legislation enacted in 1982, Medicare began to pay a fixed price—set in advance—for each Medicare admission. The fixed price varied depending on the diagnosis that was treated, but the key feature of this prospective payment system was that the price was set in advance and was based on admissions and diagnosis, not days of care.

The prospective payment system has reaped enormous savings for the Federal budget and has had a major impact in slowing the growth in health care costs. In the next 5 years alone, propsective payment will reduce the deficit in excess of $40 billion.

But, while prospective payment has brought relief to the Federal budget, it has created heavy additional costs for senior citizens already burdened with high health care expenses. Prospective payment encourages hospitals to economize by reducing length of stay. Between 1982 and 1985, average hospitalization for Medicare beneficiaries dropped from 10.24 days to a projected 8.75 days. Between 1983 and 1984 alone, length of stay dropped almost a full day, from 9.84 to 9.05.

The result of this drop in length of stay—combined with the fact that hospital occupancy rates are now at historic lows—has been that hospitals' costs are concentrated in fewer days of care. The rate of increase in total costs and costs per admission has slowed dramatically, while the costs of care per day have soared.

Senator Heinz and I introduced an amendment to the continuing resolution last year that was unanimously approved on a voice vote. That amendment expressed the sense of the Senate that the Committee on Finance shall report legislation no later than April 15, 1986, which will reform the calculation of the annual increase of such deductible so that it is more consistent with annual increases in Medicare payments to hospitals. It is further the sense of the Senate that any reforms shall be retroactive to January 1, 1986.

April 15 has now come and gone, and our senior citizens have received no relief. I believe it is the responsibility of the Congress to act now before further damage is done.

The legislation I am introducing today will freeze the hospital deductible at its current level. If the legislation is enacted, no further increases in the hospital deductible could go into effect until the administration has recommended and the Congress has approved legislation reforming the calculation of the deductible so that it is more consistent with actual increases in per admission payments under Medicare.

Our senior citizens deserve to have a fairly calculated deductible. Congress' failure to act when the prospective payment system was first put into law can be excused on the grounds of ignorance; no such excuse is possible now.

I urge prompt passage of this legislation.●

By Mr. DURENBERGER (for himself and Mr. Bradley):

S. 2343. A bill to authorize the provision of foreign assistance for agricultural activities in Nicaragua; to the Committee on Foreign Relations.

AGRICULTURAL ACTIVITIES IN NICARAGUA

Mr. DURENBERGER. Mr. President, I rise today with my colleague from New Jersey [Senator Bradley] to propose legislation which would seek to support Nicaragua's embattled Catholic Church. To those who have closely followed events in Nicaragua, it is clear that the Sandinista regime regards the Nicaraguan Catholic Church as an adversary and as its most import competitor for the support fo the Nicaraguan people.

The Episcopal Conference of Nicaraguan Bishops, under the courageous leadership of Cardinal Miguel Obando y Bravo, has consistently sought to protect the religious rights and personal freedoms of all Nicaraguans. The policies of the Sandinista regime, on the other hand, have been designed to undermine the Catholic Church's traditional influence in Nicaraguan society. As with the other remaining democratic elements in Nicaragua, Sandinista policy has sought to divide and weaken the Catholic Church. These antichurch policies have intensified since the declaration of a state of emergency by the Sandinista government on October 15 of last year. Examples of these policies are numerous and varied:

The seizure of COPROSA, the church's social services agency; the expulsion of foreign priests and nuns; the conscription of seminarians; the banning of the church newspaper, Iglesia; the censorship of Radio Catolica's programs, including masses and other religious events, and its closure on January 1, 1986; numerous instances of harassment, arrest, and mis-

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treatment of Catholic clergymen, including Cardinal Obando.

Despite the hostility of the Sandinista regime, the Nicaraguan Catholic Church has consistently urged peace, national reconciliation, and internal dialog among all of the parties to the Nicaraguan civil conflict.

The issuance of a pastoral letter on April 6 by the Nicaraguan Catholic bishops is only the most recent instance of efforts by the Catholic Church to end the bloodletting in Nicaragua and to act as an agent of peace and reconciliation within Nicaragua. This letter reiterates the themes which were stressed in an earlier Easter pastoral letter on reconciliation issued by the Nicaraguan bishops in 1984.

I believe that it is important that Americans recognize that the Nicaragaun Catholic Church is attempting to play a constructive role to resolve the conflict in Nicaragua peacefully and to establish the bases for a more just and democratic society in Nicaragua. The April 6 pastoral letter stresses three themes: First, the Catholic Church is the agent of peace in Nicaragua; second, the church seeks ecclesiastical reconciliation, particularly among those elements who have affiliated themselves with the so-called Popular Church; the third, the church seeks political reconciliation of all Nicaraguans through dialog. Several passages of this letter are especially worth noting:

> Why is the church, tested from within, also being tested from without? It is sought to muzzle it and hobble it in order to subjugate it in the midst of applause that the institutionalized lie and half-truths evoke from the unwary. It is accused of remaining silent while it is silenced . . . . It is asked to raise its voice in favor of peace, but when it seeks it via reconciliation and dialogue, it is slandered and fought, since what is sought is not a moral orientation, but the manipulation of a pronouncement. When it does make itself heard, those who would like to dictate its words criticize it, not for what it said but for what it supposedly should have said. It is accused of making politics, while simultaneously it is demanded that it pronounce upon the most delicate matters of national and international politics. In this situation, we insist that our Church opt only for man himself, for all Nicaraguans.

And, on the issues of national reconciliation and dialog, the pastoral letter states:

> The church in Nicaragua wants to be the symbol and witness that unity among Nicaraguans is possible and wants, besides, to be an efficacious instrument to achieve it . . . . We are conscious that in order to achieve national reconciliation it will not be enough to have simple arrangements . . . . We are convinced, likewise, that reconciliation will only be possible through dialogue. This dialogue of which we speak is not a truce tactic in order to strengthen positions necessary to the prosecution of the fight, but the sincere effort to respond to anguish, pain, exhaustion, the fatigue of so many who long for peace. So many who want to live, to rise from the ashes, to seek the warmth of children's smiles, far from violence and in a climate of democratic life together.

This letter should serve as a challenge to all of us, Democrats and Republicans, conservatives and liberals, that we can do something positive and constructive to strengthen democracy inside Nicaragua and to assist the Nicaraguan campesino who simply wants to see an end to a seemingly endless war. It also challenges the Sandinista leadership, which has been so resistant to honest dialog with the Catholic Church and with the other elements of the internal democratic opposition.

Senator Bradley and I have therefore chosen to propose legislation which would authorize the provision of up to $10 million in foreign assistance for agricultural activities in Nicaragua. This money would be specifically channeled to the Episcopal Conference of the Roman Catholic Bishops of Nicaragua. Some Members of this body may recall a similar proposal which was offered by Senators Percy and Pell during the 98th Congress to assist agricultural development in Poland. This Polish proposal, of which I was a cosponsor, was the product of lengthy negotiations between the Polish Government and the Polish Catholic Church. These negotiations now appear to be on the verge of success and reflect the willingness of both parties to consider the best interests of the Polish people.

It is with this precedent in mind that Senator Bradley and I have drafted this legislation. This approach is certainly unorthdox, and an internal negotiation process with the Nicaraguan Catholic Church may be rejected out-of-hand by the Sandinista government. But I see no reason why we should not put the Sandinistas to the test.

Briefly, the purpose of this expenditure would be to strengthen private agriculture in Nicaragua, enhance the church's role in the countryside, and increase food supplies. The program would not supplant current Nicaraguan Government domestic or foreign expenditures on agriculture. As with the Polish proposal, a private, multinational foundation could be established to administer the management of the funds. Pilot projects developed in cooperation with the governments and the churches of the United States, Western Europe and Latin America would test the effectiveness and the autonomy of this proposed foundation.

Several safeguards could be established to maintain the autonomy of the foundation. First, the foundation would control the rate at which goods purchased in the West would enter Nicaragua. Second, all imported goods would remain solely the property of the foundation until sold. Third, the foundation alone would determine to whom it sold the goods. Fourth, monitoring units would be established on the level of local communes and cooperatives, utilizing local parish structures, to ensure effective church oversight at the local level. The church could terminate or suspend the program at any time that it deemed such action necessary because of interference by the Sandinista government.

Mr. President, it is my hope that this proposal can attract wide bipartisan support as well as that of the Reagan administration. It is my view that it presents an opportunity to strengthen democratic and private sector elements within Nicaragua at a relatively low cost. At the same time, it offers a positive alternative which can attract the financial and political support of our democratic allies in Europe and Latin America and of the international religious community.

Mr. President, I ask unanimous consent that a copy of this legislation appear in the Record along with two unclassified cables from the U.S. Embassy in Managua, Nicaragua. The first of these cables is a summary of the Nicaraguan Catholic Bishops' Pastoral Letter of April 6, while the second cable offers the Embassy's assessment of the Sandinista government's agricultural policies.

There being no objection, the material was ordered to be printed in the Record as follows:

S. 2343

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That, notwithstanding any other provision of law, up to $10,000,000 of the amount made available to carry out the purposes of chapter 4 of part II of the Foreign Assistance Act of 1961 may be made available for agricultural activities in Nicaragua which are managed by the Episcopal Conference of the Roman Catholic Bishops of Nicaragua.

Department of State

Subject: Nicaraguan Catholic Bishops Issued Pastoral Letter on National Reconciliation.

1. On April 6, the Nicaraguan Catholic Bishops issued a pastoral letter "on the eucharist, source of unity and reconciliation". Addressed to priests, deacons, monks, nuns, Catholics and "men of good will", the letter urged both spiritual reconciliation of religious in Nicaragua and political reconciliation of all Nicaraguans through dialogue. It strongly denounced the "popular church" and opined that "all forms" of foreign aid "that lead to destruction, pain and the death of our families . . . are condemnable".

2. There follows an informal translation of excerpts from the pastoral letter, the Spanish text of which will be sent to ARA/CEN and S/LPD by Septel:

(Begin translation:)

THE CHURCH, SYMBOL AND INSTRUMENT OF UNITY AND RECONCILIATION

The church in Nicaragua wants to be the symbol and witness that unity among Nicaraguans is possible and wants, besides, to be an efficacious instrument to achieve it. We

know that throughout history the church has encountered obstacles in the realization of this mission which are useless to avoid. His Holiness John Paul II, on the occasion of the last Purisima celebration, told us: "You know well, beloved bishops, that specifically to you has been given the ministry and the word of reconciliation (2 Cor. 5, 18 and 19). You, beloved brothers, are particularly conscious of this duty as you have demonstrated, sending to the Catholics of Nicaragua, on April 22, 1984, at Easter, a pastoral letter on reconciliation. I am sure that you will continue undertaking with confident perseverance the mission that Christ has given you."

We are conscious that in order to achieve national reconciliation, it will not be enough to have "simple arrangements—rather, authentic transformations that integrate all the people in the management of their own destiny" are necessary—and that "those rights and aspirations that we want to defend or exalt are of no political group, but of all men and specifically of our Nicaraguan brothers. . . . It is that specific man, our Nicaraguan brother, who is the object of our concern" (see pastoral letter of the Nicaraguan episcopate: "on the principles that direct the political activity of all the church as such." March 19, 1972).

We are convinced, likewise, that reconciliation will only be possible through dialogue. This dialogue of which we speak "is not a truce tactic in order to strengthen positions necessary to the prosecution of the fight, but the sincere effort to respond to anguish, pain, exhaustion, the fatigue of so many who long for peace. So many who want to live, to rise from ashes, to seek the warmth of children's smiles, far from terror and in a climate of democratic life together. . . . It is urgent to bury the violence—enough of violence!—which has cost so many victims in this and other nations" (see John Paul II, visit to San Salvador, Central America, March 6, 1983).

Today we want to inspire Nicaraguans to assume the responsibility which each one has to make possible reconciliation, unity and peace in Nicaragua.

SPIRITUAL UNITY AND RECONCILIATION

A church lives

We recognize with joy the firmness and depth of the faith of our people in general, who remain faithful to their beliefs and religious traditions, who cultivate the love of the eucharist and the Holy Virgin, who acknowledge and accept their legitimate pastors with proven loyalty toward them and toward the person of the Holy Father, in spite of institutionalized ideological attacks and of the scandalous disobedience of some ecclesiastics.

We live in a privileged time in which the Holy Spirit is renewing the church; it strengthens and prepares it for the fulfillment of its universal mission. We verify an increase in priestly and religious vocations, and the existence of a laity which seeks to live its Christianity with greater fullness and responsibility. We recognize an intense life of prayer and the strengthening of many Catholics who testify to their faith and are even disposed to give their lives for Christ and for their church.

For the love and compassion that the Lord has shed on Nicaragua, we raise our thanksgiving to God, and we encourage the faithful to remain strong in the faith.

There coexists, together with this reality nevertheless, a sector of the church, object of our pastoral concern, to which we also direct our call to reconciliation and unity.

A church put to the test

A belligerent group, priests, monks, nuns, and laymen of diverse nationalities, insisting on belonging to the Catholic Church, in reality work actively with their deeds to undermine the same church, collaborating in the destruction of the foundations on which are founded unity in the faith and in the body of Christ.

To this group is added a nucleus of persons, frequently sincere and well-intentioned, but no less mistaken. Together they are known as the "popular church." The Holy Father has pronounced repeatedly concerning its nature and function, pointing out its errors and condemning its positions.

Who makes up this so-called "popular church"

(A) They manipulate the fundamental truths of our faith, arrogating the right to reinterpret and even rewrite the word of God to conform it to their own ideology and use it for their own ends. But, as the Document of Puebla says: "All ideology is partial since no particular group can claim to identify its aspirations with those of the global society" (535). "Ideologies themselves have the tendency to absolutize the interests that they defend, the vision that they propose, and the strategy that they promote. In such case, they are transformed into true 'lay religions.' They are presented as an ultimate explanation sufficient to all, and so is constructed a new idol, from which is accepted, at times without realizing, a totalitarian and obligatory character. In this perspective it should not be strange that ideologies try to use people and institutions to serve the efficacious achievement of their ends. This is the ambiguous and negative side of ideologies" (536).

(B) They try to undermine the unity in the body (of the church), challenging the constituted authorities of the church with acts and postures of frank rebellion, and they protest against the most elemental measures of ecclesiastical discipline.

(C) They try to diminish or remove the confidence and loyalty of the people toward their priests and bishops, toward the church as an institution, and toward the person of the Holy Father, asserting or spreading by various media strongly financed by anti-church groups, or by media which the state itself puts at their disposition, accusations and calumnies of all kinds. With special persistence, they try to present the bishops as persecutors of ecclesiastics and as allies, followers, and supporters of imperialist plans of the United States, and the Holy Father as executor of said plans.

(D) They try to divide the church, its bosom the "class warfare" of Marxist ideology. Therefore, they try to identify the church with the interests of the powerful, while they reserve for themselves the title of "church of the poor." Nevertheless, we note that they applauded the expulsion of priests who gave great parts of their lives to the service and direct coexistence with the most poor and dispossessed.

Ecclesiastical reconciliation

Without any exclusion, we invite these brothers to reconsider their errors and postures, to revise their loyalties and to mend their ways, so that that which today is fragmentation and alienation avoids becoming, one day, total division and schism.

Likewise, we urge all the people of God, priests, monks, nuns, and laymen to congregate in unity with their pastors to celebrate the eucharist and express their communion and love, abhorring negative or indifferent postures that strike at the unity of the church of Christ.

NATIONAL UNITY AND RECONCILIATION

The church opts for man

Why is the church, tested from within, also being tested from without? It is sought to muzzle it and hobble it in order to subjugate it in the midst of the applause that the institutionalized lie and half truths evoke from the unwary. It is accused of remaining silent while it is silenced, depriving it of its only radio station, and all news of aggressions suffered and all words of defense are censored from the communications media. It is asked to raise its voice in favor of peace, but when it seeks it via reconciliation and dialogue it is slandered and fought, since what is sought is not a moral orientation, but the manipulation of a pronouncement. When it does make itself heard, those who would like to dictate its words criticize it, not for what it said but for what it supposedly should have said. It is accused of making politics, while simultaneously it is demanded that it pronounce upon the most delicate matters of national and international politics. In this situation, we insist that our church opt only for man himself, for all Nicaraguans.

The church, agent of peace

It is in favor of this man, and because "we cannot hush that which we have seen and heard" (Acts 3.20), that we lift up our voice to say: enough now, the blood and the death! The blood spilled of so many Nicaraguans shouts to Heaven!

It is urgent and final that Nicaraguans, free of foreign meddling or ideologies, find a way out of the conflictive situation that our fatherland lives.

Today, we reaffirm with renewed emphasis that which already in 1984 we said in our pastoral letter of April 22, Easter. "Foreign powers take advantage of our situation to foment economic exploitation and ideological exploitation. They look at us as objects of support to their power without respect to our person, to our history, to our culture and our right to decide our own destiny. Consequently, the majority of the Nicaraguan people live fearful of the present and insecure in their future, experience deep frustration, cry for peace and liberty; but their voices are not heard, extinguished by the bellicose propaganda of one or another party."

We judge that all forms of aid, what ever be their source, that lead to destruction, pain and the death of our families, or to hate and division among Nicaraguans are condemnable. To opt for the annihilation of the enemy as the only road to peace is to opt inevitably for war. The church is the first to want peace and seeks to build it by means of conversion and penitence.

Telegram

1. Summary and introduction: The GON reports that Nicaraguan peasants are "clamoring" for land. Pictures of noisy peasant rallies appear on the front page of pro-government newspapers. Private landholders are called in for conferences and, in some cases, actually confiscated. But how much land is really changing hands? Are there peasants who are getting new titles? Are peasants really demanding land? The answers to these and other questions are found in a study of the GON's own agrarian reform statistics, such as they are. The final conclusions about how much land is available depend largely upon how hard you

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think people ought to work. The revelation that the GON is not doing what it says it is doing will not come as much of a surprise to anyone. However, the twist in the plot is that 1986 may be a year of real agrarian reform with big confiscations and big land giveways as the GON faces some new challenges and uses agrarian reform as the solution. End summary and introduction.

2. The opposition organization Cosep? (Superior Council of Private Enterprise) has issued an analysis of land use in Nicaragua based on the GON's official figures. (Comment: any figures issued by the GON are naturally suspect, but Econoff has confirmed the consistency if not the validity of these figures by reviewing numerous government publications, by talking to GON and opposition figures, and by going back and adding up numbers from countless newspaper clippings on agrarian reform. End comment) Using these official statistics, Cosep concludes that the GON does not have to confiscate private land in order to supply its Campesino allies.

3. Nicaragua has a total of 16.8 million manzanas of land (1 manzana equals 1.7 acres; that figure includes land of all types not covered by water or occupied by cities. About 10.0 million manzanas are covered by forests, 3.5 million manzanas are devoted to cattle raising, 1.0 manzanas are under cultivation with traditional and export crops, 284,198 manzanas are used to grow other crops such as coconut and palm oil trees, and 1.67 million manzanas are unusable. Therefore, of the 16.8 million manzanas total which make up the territory of Nicaragua, only about 4.7 million are actually in use for productive activities. Ownership of the land is broken down as follows: 52 percent is considered in the "public domain", 38 percent is in private hands, 9 percent is organized into cooperatives, and 9 percent is owned directly by the state. Cosep groups the public lands and the state-owned lands together and asserts that the GON controls 61 percent of the total land area in Nicaragua.

4. The following table shows how the ownership of the land has changed between 1978 and 1985.

[All figures are in thousands of manzanas]

Sector	1978	1983	1984	1985
Individuals	8,073.0	5,232.0	5,125.2	4,983.2
More than 500 mzs	2,920.0	1,132.5	1,025.7	883.7
200 to 500 mzs	1,311.0	1,021.0	1,021.0	1,021.0
50 to 200 mzs	2,431.0	2,391.0	2,391.0	2,391.0
10 to 50 mzs	1,241.0	560.5	560.5	560.5
Less than 10 mzs	170.0	127.0	127.0	127.0
Cooperatives		1,183.5	1,430.9	1,540.4
Credit and service (CCS)		804.3	804.3	804.3
Production co-ops (CAPS)		379.3	626.6	736.1
State owned lands (APP)		1,657.4	1,516.9	1,549.4
Subtotal	8,073.0	8,073.0	8,073.0	8,073.0
Public lands	8,758.7	8,758.7	8,758.7	8,758.7
Total	16,831.7	16,831.7	16,831.7	16,831.7

Source: Midinra.

Thus, in seven years, 18 percent of Nicaragua's total territory has gone from private to public ownership. Individuals now own 29.5 percent of the land as opposed to the 48 percent owned in 1975. Owners of the very smallest farms lost 25 percent of their land: Owners of 10–50 manzana farms lost 55 percent of their land: Owners of the largest farms and ranches (over 500 manzanas) were the biggest losers. The Government taking 70 percent of their total pre-revolution holdings. The GON has opened no new territory as part of its Agrarian reform program. The 8.76 million acres untouched before 1979, mostly tropical forest, remain part of the public domain. Of the 3 million manzanas "lost" by individuals, 50 percent is in the hands of the state and 50 percent now belongs to cooperatives. (Comment: CCS cooperatives did exist before the revolution under the auspices of such groups as the Nicaraguan Development Foundation—FUNDE. Cosep and Midinra both note this fact and state that no figures about the total acreage devoted to these cooperatives is available for the years before 1979. The CCS cooperatives are otherwise private landholders who have joined together for purposes of obtaining credit and for ease of cultivation. Theirs is an economic, rather than a political association. Almost all of the 1.5 million manzanas owned by the GON was seized from the Somoza family and its allies in the immediate post-triumph period. End comment)

5. Cosep maintains that the GON could and should make better use of the land already opened to civilization and could and should open "public" territory to land hungry campesinos. The Cosep study does not discuss the issue of the fertility of these virgin lands or their accessibility. The implication is that anyone who really wants land should be willing to work for it and work hard to farm it. Some of these forest lands no doubt could be cleared and farmed without too much difficulty, especially if the GON made the initial investments. The GON will contend, however, that the population pressures are in other areas of the country. The government has actually offered large landholders in the Carazo area south of Managua huge tracts of land in the north as compensation for property confiscated in the more populous—and fertile—regions. These large landholders, for a variety of political and economic reasons, have turned down the offers.

6. The study does point up the fact that the GON has taken land from the small farmer as well as the large. Despite the limitations imposed by the Agrarian reform law of 1981—protecting farms under 500 manzanas on the west coast and under 1,000 manzanas in the rest of the country—the GON has apparently felt free to take well over 30 percent of the land lost by individuals between 1978 and 1985 from the small landholders, those owning fewer than 500 manzanas. Although the GON would claim that these were lands managed inefficiently or abandoned entirely and therefore subject to confiscation, the statistics rub some of the shine off the "take from the rich to give to the poor" policy.

7. The GON says that it has redistributed a total of 4.0 million manzanas since 1979; in 1985 alone it claims to have given away 648 thousand manzanas. Midinra figures show that in 1985 the land was given away as follows:

Recipient	*Manzanas*
Cooperatives	164,000
Individuals	62,000
Indigenous communities	70,000
"Precaristas"	350,000
Total	646,000

(Comment: "Precaristas" are individual farmers who receive titles to land they already occupy. In most cases, they are people who live in more remote regions and who have farmed the land for many years and consider themselves the owners of the land, without ever having clear legal title to it. End comment). Of the 4.0 million manzanas the GON claimed to have distributed by the end of 1985, 1.5 million manzanas are owned by the government. 1.5 million manzanas have been formed into cooperatives and 1.0 million manzanas have been given to individuals. The midinra figures cited in the table in paragraph 4 show that individuals overall lost only about 3.0 million manzanas. Therefore roughly 1.0 million manzanas appears to have just changed hands—passed from one individual farmer to another.

8. However, the table also shows a very interesting phenomenon: There was no variation in total acreage held by individuals with farms of 500 manzanas or less between 1983 and 1985. That is, after the initial spate of confiscations, holdings by small farmers have not decreased. Nor have they increased or varied in size. Every 10 manzana farm confiscated must have been given as a 10 manzana unit. Every 50 manzana farm confiscated must have been given as a 50 manzana unit. Distributing land in such a manner would seem to defeat the whole purpose of land reform. Thus, the table's figures seem to support the conclusion that most of the land is going to those campesinos who already possess it "precaristas". The data in paragraph seven also confirm that assumption; 54 percent of the land the GON claims to have distributed in 1985 went to "precaristas".

9. The table also shows that CAP cooperatives received all of the land taken from individuals between 1983 and 1985 along with some land originally included in state-owned APPS. The CAP cooperatives are formed by and closely affiliated politically with the GON. Even when it hands out titles under individual names, the agrarian reform law allows the GON to require farmers to participate in a particular cooperative and cultivate certain crops in order to retain title. Cooperatives get credit preference at the National Development Bank and first claim after the APPS on scarce resources like seed, insecticides, and fertilizers. Cooperative members usually are also required to participate in rural political activities. The CAP cooperative structure is regarded by the private sector as another manifestation of government land ownership and is a potent political playing card in the GON hand. The CCS cooperatives, which tend to be less closely connected to the GON, received no new lands after 1983.

10. GON publicity surrounding the agrarian reform issue has taken on a sort of pattern. Peasants are said to be "clamoring" for land in one region or another, new reports appear about the crowding in certain areas, and then the announcement comes that 10 thousand manzanas or so have been distributed, "benefiting" a certain number of families. Chontales (region V) is the area most often in the news in recent months. On February 26, FSLN Daily Barricada reported that over 9 thousand manzanas had been given to 100 families in the Boaco area as part of the "ongoing response to the urgent demands of the thousands of campesinos who have no land to produce." The article went on to add that another 12,000 peasants in the region are still without land. Region V is a strategically important zone (REF. A), perhaps for military, as much as economic reasons, the GON has chosen to concentrate its agrarian reform attentions there. In recent giveaways, campesinos in region V have received AK-47s along with their property titles (REF. B). Many of the clamoring peasants shown in the news have waved placards bearing the GON's own slogan—"Land and a Rifle". Land to "precaristas" may also be considered part of a strategic policy as many of these remote tracts are in the war zones and any move to consolidate pro-government feelings in these regions makes good military sense. Whether these peasants are actually pressuring for land or not does not matter to the GON; security is the issue. There is no doubt that some clamoring is going on in the heavily populated region of Carazo. Although when cosep leader Enrique Bolanos had his cotton farm and gin confiscated in June 1985, there were rumors that the GON had had trouble finding enough names for all the titles it wanted to hand out. The biggest noise makers are probably the peasants who have left the fields and come to Managua. Some displaced by the war, some forcibly removed by the GON from the "Free-Fire" Zones it created in the north, and some simply unable to make ends meet farming, these people have all flocked to the capital and are creating serious strain on the city's resources (REF. C).

11. "Benefit" is a favorite GON term that is used whenvever there is a discussion of land reform. However, families that "benefit" do not necessarily receive titles to land. When the GON says that 23 thousand families have benefited under the agrarian reform plan of 1985, it does not mean to say—and it never does clearly say—that 23 thousand titles have been distributed for 23 manzanas each. These benefiting families are not even necessarily members of cooperatives. In 1984, Midinra figures showed a total of 899 CAP cooperatives in Nicaragua, with 18,253 members. However, Midinra also claimed that 38,000 families had benefited from the formation of those cooperatives. The GON says that, as of the end of 1985, it has distributed 1.0 million manzanas to individual title holders, benefiting 49,000 families. In the five years of agrarian reform since 1981, it says it has distributed a total of 2.5 million manzanas (4.0 million minus the 1.5 million in APP) to benefit 86,565 families. Dividing the families into the land yields an average of between 20 and 30 manzanas per family. Using the 1984 figures cited above and the 626.6 thousand manzanas in CAP cooperatives given in the table for 1984, yields an average of 35 manzanas per cooperative family. Yet private sector sources, together with the few titles emboffs have had the opportunity to examine, indicate that the average individual title recipient is getting three to ten manzanas. Therefore, the cooperative average should be much larger than the overall norm. This confusing data makes it difficult to determine just how many families have "benefited" by actually receiving titles.

12. Thus, despite the extensive propaganda surrounding the agrarian reform program, the GON is not telling the whole story. Most of the land confiscated since 1979 has gone to the state or to cooperatives which are essentially state-controlled. Furthermore, the much-touted program of distributing titles to individuals does not represent a major restructuring of the landholding system. The small farmers who supposedly benefit most from a land reform program have not made any net gais in acreage. In fact, it would appear that these individual titles are given almost exclusively to persons who already occupy and work the land. Finally, it must be concluded that the "benefits" of agrarian reform are very loosely defined and do not necessarily represent titles. It is true that the war and economic hardships have increased the rural noise level and there is some amount of "clamoring" as peasants move to cities and are shifted around the country to avoid the war. The GON would like to see these people go back to productive work and it would like to use the opportunity to settle them in strategic areas to form a buffer zone—what one rancher called "a band of land" filled with armed and loyal Campesinos. The recently announced amendments to the agrarian reform law of 1981 (REF. A) indicate that the GON expects to use agrarian reform in a bigger way in 1986. The latest challenges will meet a newly streamlined set of solutions. The GON could make 1986 the year of real distribution.

13. A final note: The recently enacted amendments to the agrarian reform law now allow the GON to confiscate, at will, landholding of any size. The revised law removes any barriers, however fragile they may have been, to arbitrary confiscation. Although the concept of private property still exists in the Sandinista lexicon, in today's Nicaragua there is no guarantee—the GON can use the agrarian reform law to work its will with friends as well as enemies. Statements made publicly and privately by senior GON officials over the years support the contention of the opposition that in revolutionary Nicaragua no one "owns" his property; he is merely a "custodian" for whatever period of time suits the government and the FSLN.

By Mr. EXON:

S. 2344. A bill to amend title 10, United States Code, to authorize limited use of commissary stores by members of the Selected Reserve; to the Committee on Armed Services.

LIMITED USE OF COMMISSARY STORES BY MEMBERS OF THE SELECTED

Mr. EXXON. Mr. President, today I offer a bill to provide members of the National Guard and Reserve components a more meaningful military commissary benefit.

The Congress has been instrumental in supporting the Guard and Reserves. Building upon the Defense Department's total force approach of managing the Active and Reserve components as one combined military force, the Congress has provided considerable amounts of new equipment and encouraged a greater reliance upon the Reserve Forces. Much remains to be done in the areas of equipment, training, and overall readiness but great progress has been made in integrating the Reserve Forces into our Nation's defense plans.

My bill would focus on the all-important task of recruiting and, more importantly, retaining the qualified and experienced men and women that are the foundation of a sound military structure. Today, that foundation is being challenged by Gramm-Rudman-Hollings reductions and probable reductions in future retirement benefits. Whereas over the past few years we have witnessed record recruiting and retention figures, the signs point to a less bright future.

What my bill would do is to expand the military commissary benefit already available to members of the Reserve components and make it a more tangible and meaningful one. At the present time, the men and women of our Reserve components are eligible to use commissaries only during their annual 2 weeks of active duty training. A significant portion, if not most, of these individuals perform this active duty training overseas or at distant locations away from home and do not truly get the opportunity to personally exercise the benefit. The Defense Department has taken steps to encourage the members' spouses to shop at the commissary during the members absence. But it appears that many spouses, particularly those who are unfamiliar with the active duty military society, are reluctant to venture on their own to the commissary. Dependents who do use the commissary would probably make only one or two visits to do their weekly shopping during that time.. This is somewhat helpful to a family's budget but hardly a very meaningful benefit.

I am proposing instead that members of the Reserve components and their dependents be authorized to use military commissaries a number of days each year equal to the number of days the member performs active duty for training as member of the Selected Reserve in a year, or 14 days, whichever is less. The use of the earned privilege would be good for 1 year after the date of the active duty training performed.

This is not the first time that this expanded benefit has been looked at by the Congress. As a result of an earlier amendment I offered, the Defense Department conducted a test of this expanded benefit in three parts of the country from January 1, 1984 to March 1, 1985. The test revealed several things that support the proposed expanded benefit. First, based upon a questionnaire completed during the commissary visit by the member or their authorized dependent, Reserve personnel in the hard-to-retain intermediate enlisted pay grades of E–4 to E–7 and officer pay grades of 0–2 to 0–4 were more likely to take advantage of the commissary benefit than others. Although they constitute 70 percent of the Selected Reserve population, this intermediate pay group made over 83 percent of the commissary visits. Families of Guard and Reserve members participated in over 70 percent of the commissary visits made as part of this test. For many, it may have been their first opportunity to experience a tangible benefit of Reserve service.

Also noteworthy is the fact that the test revealed the commissaries were not overrun by reservists and were not adversely affected in their ability to serve the active duty and retired communities who are the primary users of the commissaries. The reservists did, on the average, spend $140 per visit as opposed to an average of $40 per trip

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by a full-time patron. Obviously, the benefit was seen as a meaningful one to pursue.

In recognition of this, I was successful in amending the Senate version of the 1986 defense authorization bill to make this test permanent for all members of our Reserve components. Unfortunately, the provision was dropped in the Senate-House conference on the bill. Opposition to the provision was partly centered on the belief that somehow it detracted from the benefits received by the active duty community. However, I do not see this as a legitimate complaint because the expanded benefit is, and should remain, considerably less than that received by the active duty community.

Grocers also strongly opposed the provision because they perceived a loss of business. In reality, very little business would be lost as the benefit really equates to about one shopping trip per month. Furthermore, the test results reveal that those Guard and Reserve families that live more than 50 miles away from a commissary are far less likely to use it for shopping. The 1984 National Guard and Reserve Survey reported that 50 percent of all Selected Reserve members live more than 46 miles from a commissary. Only 10 percent of the Reserve shoppers in the test came from more than 50 miles away. Additionally, only 2 percent of the test participants traveled more than 100 miles. One-fourth of the Selected Reserve population lives that distance from the nearest commissary.

Mr. President, in this time of budget reductions we must look squarely at what the expanded commissary benefit will cost. On April 16, 1985, the Congressional Budget Office reported that it concurred with earlier Defense Department estimates of a similar, but not identical bill, H.R. 1577. That report said unlimited use of commissaries by members of the Selected Reserve "would not result in an increase in sales volume large enough to necessitate an increase in personnel. Based on these findings no significant increase in cost is expected due to this provision of the bill." My bill does not include the second provision of H.R. 1577 which would allow retired reservists who have not reached age 60, the age at which they become eligible to draw retirement pay and benefits, the same unlimited use of commissary and exchange stores as those reservists who have reached age 60. This provision, which I emphasize that I have not included, would cost up to $15 million annually.

According to a recent study by the Rand Corp., over 31 percent of those members of the Guard and Reserves cited "family and leisure time demands" as the reason they decided to leave the service. Clearly, Guard and Reserve duty makes great demands upon the serving members as well as that member's family. Indeed, the weekend warrior is becoming a creature of the past as we place more and more time demands upon the Reserve components. My bill would do something highly visible and meaningful for members of the Selected Reserve and their families. It would especially benefit those members in the experienced but hard to retain category and encourage more members to continue their Reserve affiliation, thereby ensuring higher levels or readiness and easing the high cost of training replacements. And it would do so at no cost to the taxpayer. I urger Senate to support this bill and will pursue it as part of the fiscal year 1987 Defense Authorization Act.

By Mr. KENNEDY (for himself, Mr. Moynihan, Mr. Kerry, Mr. Simon, Mr. Dodd, Mr. Matsunaga, and Mr. Metzenbaum):

S. 2345. A bill to improve counseling, education, and services relating to acquired immune deficiency syndrome; to the Committee on Labor and Human Resources.

ACQUIRED IMMUNE DEFICIENCY SYNDROME COUNSELING, EDUCATION, AND SERVICE ACT

● Mr. KENNEDY. Mr. President, I rise to introduce the Acquired Immune Deficiency Syndrome Education, Counseling, and Services Act of 1986. This legislation which I am introducing with Senators Moynihan, Kerry, Simon, Dodd, Matsunaga, and Metzenbaum will provide additional Federal support to meet this most dreadful challenge that confronts us.

Mr. President, in a few more years, the acquired immune deficiency syndrome will claim more American lives than the war in Vietnam. It is projected that 76,000 Americans will have this disease by the year 1990. There are now 23 American cities, each of which has over 100 cases of AIDS and over 1,000 cases of AIDS related complex.

Beyond these cases which are already identified, somewhere between 1 and 2 million people carry the AIDS antibody and are infected with the AIDS virus. Conservative estimates are that 25 percent of this group will eventually become ill. This terrible disease could easily become the most awful experience faced by our country since the last world war.

As a great nation with tremendous resources, we must rise to meet this crisis with intelligence and determination. The Foundation in Biomedical Research in which the Government has invested over the years has given us a great advantage in confronting this national tragedy. Without the many advances of the last decade, especially recombinant DNA technology, there would be far less hope than we have that we may yet find a cure for AIDS and stop its spread.

But there is reason to hope. Efforts to find an effective vaccine are well under way. Testing on new therapies is being greatly expanded. These efforts must continue to move full spead ahead.

Until we have a vaccine and a cure, a great deal remains to be done. We must prevent further spread by educating those who are at risk. We must inform the public about how the disease is transmitted and allay widespread fears. We must counsel those who are infected whose future is uncertain. And we must treat those who are ill with humaneness and compassion. We must do so rationally and effectively while making the most efficient use of our health dollars and resources.

Mr. President, the bill I am introducing is intended to address these tasks. First it will support counseling of individuals who are found to be antibody positive to the AIDS virus. It will support education and information dissemination amongst high-risk groups about how to prevent further spread of infection. And it will provide education to workers who are in occupations which bring them into contact with people who have AIDS.

Second, this bill will support the establishment of cost-effective networks of coordinated outpatient medical services for AIDS patients. This will provide more rational and humane services to victims of the disease. It will also develop alternatives to long-term hospital inpatient services which are proving inefficient and cost ineffective as an approach to providing medical services for AIDS patients.

Last, this bill will establish in law a coordinating committee at the National Institutes of Health to guide the crucial biomedical research effort.

Mr. President, some will criticize this measure as duplicative of efforts already under way. These critics have little comprehension of the enormity of the problem we face. In recent months I have been visited by city councilmen from around the country. I have received letters from our Nations mayors and from my colleagues in the Congress. All have been unanimous in their alarm about the difficulties presented by the rising number of American citizens suffering with this syndrome. All have been clear about the need for expanded education and counseling and accessible medical services to rationally meet the needs of the population which is ill. With this measure we hope to provide assistance to the cities represented by these figures. We seek to serve notice that the Congress is attentive to the growing danger presented by this epidemic.

My colleague, Senator Hatch, the chairman of the Labor and Human Resources Committee has recently held a hearing on AIDS. Witnesses at

this hearing similarly attested to the importance of education for prevention, and cost effective services. I look forward to working with Senator Hatch and the other members of our committee to report out a bill this year that will contribute to the effort that is needed to face this epidemic. It is my hope that this bill will win broad bipartisan support. I urge my colleagues to join me in rising to the challenge before us.●

● Mr. MOYNIHAN. Mr. President, I rise today to become an original cosponsor of legislation introduced by my distinguished colleague from Massachusetts [Mr. Kennedy] to support efforts to control one of the most virulent diseases of modern times—acquired immune deficiency syndrome, better known by its acronym AIDS. This is a matter of genuine urgency.

Since first identified in this country 7 years ago, the incidence of AIDS has grown at a startling rate. AIDS afflicts men and women, homosexuals and heterosexuals, adults and children. According to the Centers for Disease Control [CDC], as of April 7, 1986, 19,181 Americans had been infected with the virus, and of that number 10,152 have died. The CDC estimates that the number of AIDS cases will double every 13 months.

In New York, the news is particularly troubling. As of April 7, the CDC reports that New York City has 5,946 cases and 3,239 reported deaths. Of these cases at least 1,758 are found among intravenous [IV] drug users.

More than 270 pediatric cases have been reported, with 108 of them in New York City alone.

There is yet no cure for the disease, no proven effective form of treatment. The only way to control this lethal disease is to prevent its further spread, and one way to do that is through public education.

Medical evidence strongly suggests that a person can reduce the risk of contracting AIDS by avoiding certain behavior. Moreover, greater public understanding of this mysterious disease can correct misconceptions and allay public fears.

This legislation would amend the Public Health Service Act to establish a grant program under the Secretary of Health and Human Services to expand existing AIDS public education programs and create new ones.

In addition, the bill would make available grants to public and private organizations for the establishment or expansion of counseling programs serving individuals who have tested positively for the AIDS virus, including medical, mental health, and legal counseling.

The education and counseling programs are authorized for $10 million annually for fiscal years 1987–89, with the Federal share of any program to be 50 percent. A single grant could not exceed $50,000.

It is becoming apparent that the deadly AIDS virus, in addition to attacking the immune system, invades the brain and central nervous system of many of its victims. It is precisely because many AIDS patients suffer demential loss of memory and certain neurological impairments, that there is often a need for long-term care and home care services.

The CDC estimates that the average cost of treating an AIDS patient, from diagnosis until death, is $140,000.

The legislation addresses the cost of treating victims. By creating a program to make grants to public and nonprofit private organizations for the development and establishment of comprehensive outpatient services for AIDS victims, the bill can place individuals in their homes and intermediate facilities instead of keeping them in more expensive hospital settings. The grant program, under the auspices of the Secretary of Health and Human Services, would feature a broad spectrum of services, including the provision of multidisciplinary teams of physicians and nurses with AIDS-related training, ambulatory care services, counseling and psychosocial support services, home healthcare services, and hospice and skilled nursing care.

The 23 metropolitan areas with the highest incidences of AIDS will be eligible to apply for such grants.

In order to be eligible for a grant, an applicant would have to establish a network advisory committee to assist it in developing or expanding the resources of local care providers involved in treating AIDS victims.

The legislation stipulates that projects demonstrating the ability to serve the largest number of persons will receive preference. Applicants that can serve a large number of children with AIDS will also receive preference.

In addition, at least two of the grants for each fiscal year will be reserved for networks which make available comprehensive services to individuals who have AIDS or AIDS-related complex and who are intravenous drug users.

This part of the program is authorized for $15 million for each fiscal year 1987–89, with no grant to exceed $2 million in a single fiscal year.

Finally, the legislation would create within the National Institutes of Health [NIH] a 13-member AIDS Research Coordinating Committee to coordinate research conducted or supported by the NIH, and identify further research needs. Members of the committee would include the directors of the National Institutes involved in AIDS research; three persons conducting NIH-supported AIDS research but who are not affiliated with the NIH; the director of the Centers for Disease Control; a researcher of outstanding ability who is qualified to evaluate such research; and the Assistant Secretary of Health.

Mr. President, this Nation is approaching an unhappy milestone: very shortly, we will see our 20,000th case of AIDS. Every one of those AIDS victims may eventually die from the disease, at unprecedented costs to the Nation and our healthcare systems. We cannot classify it as an affliction affecting only a limited group. It affects all of society, and it must be confronted. I urge all my colleagues to support this important legislation.●

● Mr. DODD. Mr. President, since acquired immune deficiency syndrome was initially recognized by health officials in 1981, hysteria concerning the disease has been fueled by the release of inaccurate and incomplete information concerning its cause and transmission. In the midst of this often confused arena, however, several facts are, unfortunately, quite clear: over 19,000 cases of AIDS have been reported to date and the disease has claimed over 10,000 deaths. In addition, it is estimated that between 500,000 to 1 million Americans have been infected with the AIDS virus and that one-third of those exposed to the virus may eventually develop the disease.

This is a national health problem of enormous magnitude. The disease has afflicted most severely the gay community, whose male members account for 73 percent of AIDS victims. The disease has also been transmitted among heterosexual individuals. It continues to strike intravenous drug users, recipients of blood transfusions, and hemophiliacs. While most AIDS victims are adults, over 240 cases of AIDS in children have been reported. Almost half of those children have now died from the disease.

The maintenance and establishment of health policy in this area, it seems to me, must be guided by several basic objectives. First, we must ensure that comprehensive outpatient services are available to treat, quickly and compassionately, the physical and psychological needs of AIDS victims and individuals who have been tested HTLV-3 antibody positive. Second, we must ensure that facts regarding the disease and its transmission are communicated quickly and accurately to high risk groups and the public at large to prevent further spread of the disease. And, finally, we must continue to fund and coordinate research on AIDS to ensure that a cure and the most effective AIDS test and treatment are developed quickly and efficiently.

I am pleased to be an original cosponsor of a bill, being introduced

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today by my colleague from Massachusetts, Senator Kennedy, which carries out these objectives. The bill authorizes grants for the establishment of outpatient networks to provide, among other things, comprehensive ambulatory care services, physical and mental health counseling, and a full range of psychosocial support services for AIDS and AIDS-related complex victims. The bill also provides grants for full-scale educational programs and establishes a research coordinating committee to guide and coordinate the research efforts at the National Institutes of Health.

Developing and maintaining a rational and compassionate health policy on AIDS treatment, education, and research today undoubtedly presents a challenge to ensure both public health and individual liberty. Irrational proposals abound. This January, William F. Buckley reportedly advocated tattooing AIDS patients with identifying marks. One Harvard Medical School professor recommended that drug addicts who have AIDS be shipped to a former leper colony on an island off the coast of Massachusetts. A proposal revealed in a report by a University of California professor of law would include quarantining all people who have been exposed to AIDS. Getting the health threat posed by AIDS under control is vital; but doing so within the framework of our Constitution and civil rights laws is mandatory. It is my hope that the bill being introduced today goes a long way toward meeting this challenge.●

By Mr. HELMS:

S. 2346. A bill to amend the Federal Insecticide, Fungicide, and Rodenticide Act to ensure safer pesticides and to better protect the public and the environment, and for other purposes; to the Committee on Agriculture, Nutrition, and Forestry.

PESTICIDE REFORM ACT

● Mr. HELMS. Mr. President, I am introducing a bill to amend the Federal Insecticide, Fungicide, and Rodenticide Act [FIFRA], the basic statute governing the production and use of pesticides for agricultural purposes and for many general household purposes. This act is administered by the Environmental Protection Agency, which is charged with responsibility for ensuring that pesticides do not cause unreasonable adverse effects on the environment, taking into account particular costs and benefits associated with the use of each pesticide.

The Pesticide Reform Act of 1986 is the product of months of hard work and compromise by the Chemical Specialty Manufacturers Association and agricultural commodity user groups. In forging this compromise, each participant recognized the need to protect the environment, users, and consumers of pesticide products from unnecessary harm. Everyone involved has had the goal of assuring only safe and effective chemical products make their way into the marketplace, while at the same time balancing these important concerns with the need to maintain the effectiveness of the free enterprise system in a growing economy.

The bill I introduce today is similar in some respects to S. 2215, the Federal Insecticide, Fungicide, and Rodenticide Act Amendments of 1986, introduced by my distinguished colleague, Senator Lugar. S. 2215 was developed in cooperation with the National Agricultural Chemicals Association and a coalition of environmental groups. However, there are significant differences in approach between the two bills. For example, the bill I am introducing would not require the payment of any reregistration fees as would be required by the NACA proposal. In addition, my bill would generally extend the reregistration timetables beyond those established in the NACA bill and would increase the flexibility granted to EPA for administering FIFRA.

Mr. President, in introducing this legislation I do not necessarily endorse every provision. I am well aware that some whose expertise I respect, including the Environmental Protection Agency, have reservations concerning certain aspects of the bill. However, the bill is a framework for working out differences in perspective. I am certainly prepared to evaluate arguments made by all sides as we proceed through the legislative process. I have every expectation that the Committee on Agriculture, Nutrition, and Forestry will reach an agreement on FIFRA legislation and move it forward expeditiously.

Mr. President, I ask unanimous consent that the text of this legislation be printed in the Record at this time, along with a brief summary.

There being no objection, the material was ordered to be printed in the Record, as follows:

S. 2346

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE AND TABLE OF CONTENTS.

(a) Short Title.—This Act may be cited as the "Pesticide Reform Act of 1986".

(b) Table of Contents.—The table of contents is as follows:

Page

Sec. 1. Short title and table of contents.
Sec. 2. References to the Federal Insecticide, Fungicide, and Rodenticide Act.

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Sec. 101. Certified applicator.
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TITLE II—REGISTRATION OF PESTICIDES

Sec. 201. Data in support of registration.
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TITLE III—CERTIFIED APPLICATORS

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TITLE V—REGISTRATION OF ESTABLISHMENTS

Sec. 501. Confidential records and information.
Sec. 502. Material safety data sheets.
Sec. 503. Confidentiality.
Sec. 504. Information requested.

TITLE VI—BOOKS AND RECORDS

Sec. 601. Books and records.

TITLE VII—INSPECTION OF ESTABLISHMENTS

Sec. 701. Authority to enter, inspect, and copy.
Sec. 702. Warrants.
Sec. 703. Procedure.
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TITLE VIII—PROTECTION OF TRADE SECRETS AND OTHER INFORMATION

Sec. 801. Disclosure of inert ingredients permitted.
Sec. 802. Disclosure of intent to market pesticides.
Sec. 803. Methods of disclosing inert ingredients.
Sec. 804. Delay in public notification.
Sec. 805. Data disclosure to contractors.
Sec. 806. Data disclosure to States.
Sec. 807. Notice of request for data disclosure.

TITLE IX—STANDARDS APPLICABLE TO PESTICIDE APPLICATORS

Sec. 901. Standards applicable to pesticide applicators.

TITLE X—UNLAWFUL ACTS

Sec. 1001. Distribution or sale of certain pesticides.
Sec. 1002. Other unlawful acts.

Sec. 1003. Liability for pesticide use damage.
Sec. 1004. Acts of agents.

TITLE XI—PENALTIES

Sec. 1101. Civil penalties.
Sec. 1102. Criminal penalties.
Sec. 1103. Subpoenas.

TITLE XII—ADMINISTRATIVE PROCEDURE; JUDICIAL REVIEW

Sec. 1201. Review of regulations.

TITLE XIII—IMPORTS AND EXPORTS

Sec. 1301. Pesticides and devices intended for export.
Sec. 1302. Cancellation notices furnished to foreign governments.
Sec. 1303. Cooperation in international efforts.

TITLE XIV—RESEARCH AND MONITORING

Sec. 1401. Research.

TITLE XV—DELEGATION AND COOPERATION

Sec. 1501. Effect on certain other laws.

TITLE XVI—STATE COOPERATION, AID, AND TRAINING

Sec. 1601. Authorization for appropriations.

TITLE XVII—AUTHORITY OF STATES

Sec. 1701. Pesticide sale or use.
Sec. 1702. Additional uses.
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TITLE XVIII—AUTHORITY OF ADMINISTRATOR

Sec. 1801. Congressional review of rules and regulations.
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TITLE XIX—STATE PRIMARY ENFORCEMENT RESPONSIBILITY

Sec. 1901. State primary enforcement responsibility.
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TITLE XX—FAILURE BY THE STATE TO ASSURE ENFORCEMENT OF STATE PESTICIDE USE REGULATIONS

Sec. 2001. State enforcement actions.

TITLE XXI—DATA COLLECTION AND RETRIEVAL SYSTEMS

Sec. 2101. Data collection and retrieval systems.

TITLE XXII—AUTHORIZATION OF APPROPRIATIONS

Sec. 2201. Authorization of appropriations.

TITLE XXIII—TECHNICAL AMENDMENTS

Sec. 2301. Table of contents.

TITLE XIV—EFFECTIVE DATE

Sec. 2401. Effective date.

SEC. 2. REFERENCES TO THE FEDERAL INSECTICIDE, FUNGICIDE, AND RODENTICIDE ACT.

Except as otherwise specifically provided, whenever in this Act an amendment or repeal is expressed in terms of an amendment to, or repeal of, a section or other provision, the reference shall be considered to be made to a section or other provision of the Federal Insecticide, Fungicide, and Rodenticide Act (7 U.S.C. 136 et seq.).

TITLE I—DEFINITIONS

SEC. 101. CERTIFIED APPLICATOR.

Section 2(e) (7 U.S.C. 136(e)) is amended—

(1) in paragraph (3), by striking out "which is classified for restricted use" and inserting in lieu thereof "for compensation or hire"; and

(2) by adding at the end the following new paragraphs:

"(5) Noncertified commercial applicator.—Unless otherwise prescribed by the labeling of a pesticide, a pesticide shall be considered to be applied under the direct supervision of a commercial applicator if the pesticide is applied by a person trained and registered under section 4 acting under the instructions and control of a commercial applicator who is available if and when needed, even though such commercial applicator is not physically present at the time and place the pesticide is applied.

"(6) Competent person.—For purposes of paragraph (4), a person shall not be considered 'competent' unless the person—

"(A) has successfully completed the training required under paragraph (7), as verified by the State regulatory authority; and

"(B) is a certified applicator or works under the supervision of a certified applicator.".

SEC. 102. INGREDIENT STATEMENT.

Subsection (n) of section 2 (7 U.S.C. 136(n)) is amended to read as follows:

"(n) Ingredient Statement.—

"(1) In general.—The term 'ingredient statement' means a statement that contains—

"(A) the name and percentage of each active ingredient, the name of each inert ingredient listed under section 3(h)(1), and the total percentage of all inert ingredients, in the pesticide; and

"(B) if the pesticide contains arsenic in any form, a statement of the percentages of total and water soluble arsenic, calculated as elementary arsenic.

"(2) Common name.—An inert ingredient listed under section 3(h)(1) shall be identified by its most common name, instead of its chemical name."

SEC. 103. MISBRANDED.

Section 2(q)(1) (7 U.S.C. 136(q)(1)) is amended—

(1) by striking out "or" at the end of subparagraph (G);

(2) by striking out the period at the end of subparagraph (H) and inserting in lieu thereof "; or"; and

(3) by adding at the end thereof the following new subparagraph:

"(I) in the case of a pesticide intended for export that is substantially similar in composition and use pattern to a pesticide registered under section 3, the label does not contain the same health, safety, and hazard precautions as a pesticide registered under section 3, unless such precautions on the label are in conflict with the law of the importing country.".

SEC. 104. PESTICIDE.

Section 2(u) (7 U.S.C. 136(u)) is amended—

(1) by striking out "and" at the end of clause (1); and

(2) by inserting after "desiccant" the following: ", (3) any substance or mixture of substances intended for use as an antimicrobial, and (4) any pesticide product, unless the context otherwise requires".

SEC. 105. STATE.

Section 2(aa) (7 U.S.C. 136(aa)) is amended by adding at the end thereof the following new sentence: "The term 'State' means a State administered as a whole and not a political subdivision of a State.".

SEC. 106. USE OF ANY REGISTERED PESTICIDE IN A MANNER INCONSISTENT WITH ITS LABELING.

The first proviso of section 2(ee) (7 U.S.C. 136(ee)) is amended—

(1) in clause (1), by inserting "rate" after "dosage"; and

(2) by striking out "or (4)" and all that follows through "by the labeling" and inserting in lieu thereof the following: "(4) mixing a pesticide with a fertilizer or another pesticide if such mixture is not prohibited by the labeling, (5) using a registered pesticide for the formulation of an end use product or repackaging a pesticide that is an end use product, or (6) applying a household cleaning product containing an antimicrobial active ingredient in household or institutional cleaning uses".

SEC. 107. ADDITIONAL DEFINITIONS.

Section 2 (7 U.S.C. 136) is amended by adding at the end the following new subsection:

"(s) Antimicrobial.—The term 'antimicrobial' means—

"(1) disinfectants intended to destroy or irreversibly inactivate bacteria, fungi, or viruses on surfaces or inanimate objects;

"(2) sanitizers intended to reduce the number of living bacteria or viable virus particles on inanimate surfaces or in water or air;

"(3) bacteriostats intended to inhibit the growth of bacteria in the presence of moisture;

"(4) sterilizers intended to destroy viruses and all living bacteria, fungi, and their spores on inanimate surfaces;

"(5) fungicides and fungistats intended to inhibit the growth of, or destroy, fungi (including yeasts) on inanimate surfaces; or

"(6) commodity preservatives and protectants intended to inhibit the growth of, or destroy, bacteria in or on raw materials (such as adhesives and plastics) used in manufacturing or manufactured products (such as fuel, textiles, lubricants, wood products, and paints).

"(gg) Importing Country.—The term 'importing country' means the first country to which a pesticide, device, or active ingredient, subject to the notification requirement of section 17(a), is exported from the United States.

"(hh) Low Volume Nonfood Pesticide Use.—A pesticide use shall be considered a low volume nonfood use if the quantity of potential sales are too small to warrant the cost of complying with a regulation necessary to make such use legal.

"(ii) Material Safety Data Sheets.—The term 'material safety data sheet' means a sheet required under section 3(c)(10).

"(jj) Outstanding Data Requirement.—

"(1) In general.—The term 'outstanding data requirement' means any study, required information, or data necessary to make a determination under section 3(c)(5) that—

"(A) has not been submitted to the Administrator; or

"(B) has been submitted to the Administrator but which the Administrator determines are not valid, complete, or adequate to make a determination under section 3 and the regulations and guidelines issued thereunder.

"(2) Factors.—In making a determination under paragraph (1)(B), the Administrator shall examine, at a minimum, relevant protocols, documentation of the conduct and analysis of the study, and the results of the study to determine whether the study and the results of the study fulfill the data requirement for which the study was submitted to the Administrator.

"(kk) Pesticide Dealer.—The term 'pesticide dealer' means any person who sells a pesticide to a commercial or private applicator, except that such term shall not include

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a retail vendor of an antimicrobial or household nonrestricted use pesticide.

"(ll) Pesticide Product.—The term 'pesticide product' means a pesticide in the particular form (including composition, labeling, and packaging) in which the product is (or is proposed to be) distributed or sold.

"(mm) Pesticide Testing Facility.—The term 'pesticide testing facility' means any person that conducts any test, study, survey, or investigation of the properties, effects, or behavior of any pesticide (or any ingredient, metabolite, or degradation product thereof) for or on behalf of any registrant, applicant for registration, or other person who sells or distributes the pesticide (or contemplates selling or distributing the pesticide), except that such term does not include any person solely on account of the participation of such person as a cooperator in field testing of a pesticide in compliance with an experimental use permit issued under section 5.

"(nn) Political Subdivision of a State.—The term 'political subdivision of a State' means any geographical area within a State over which authority is exercised by an elected or appointed official, including a county, township, city, or town.

"(oo) Terms of Registration.—The term 'terms of registration' means the requirements imposed on a pesticide product under this Act concerning the composition, labeling, packaging, and restrictions on the distribution, sale, and use of the product.

"(pp) To Distribute or Sell.—The term 'to distribute or sell' means to distribute, sell, offer for sale, hold for distribution, hold for sale, hold for shipment, ship, deliver for shipment, release for shipment, or receive and (having so received) deliver or offer to deliver, except that such term shall not include the holding or application of a registered pesticide product or use dilution thereof by any applicator who provides a service of controlling pests without delivering any unapplied pesticide to any persen so served.".

TITLE II—REGISTRATION OF PESTICIDES

SEC. 201. DATA IN SUPPORT OF REGISTRATION.

Subparagraph (A) of section 3(c)(2) is amended to read as follows:

"(A) Data in support of registration.—

"(i) The Administrator shall publish guidelines specifying the kinds of information that would usually be required to support the registration of a pesticide and shall revise such guidelines from time to time.

"(ii) If after such publication the Administrator requires any additional kind of information under subparagraph (B), the Administrator shall permit sufficient time for applicants to obtain such additional information.

"(iii) Any Federal agency may proceed with the use of such pesticide unless the Administrator determines that missing or deficient data is sufficiently important to warrant a suspension or cancellation.

"(iv) The Administrator, in establishing guidelines for data requirements for the registration of pesticides with respect to minor uses and with respect to various types and classes of pesticides, shall make such guidelines commensurate with the anticipated extent of use, pattern of use, and the level and degree of potential exposure of man and the environment to the pesticide. In the development of such guidelines, the Administrator shall consider the economic factors of potential national volume of use, extent of distribution, and the impact of the cost of meeting the guidelines on the incentives for any potential registrant to undertake the development of the required data.

"(v) Analyses in support of registration are equivalent to an environmental impact statement and may be incorporated by reference and relied on in any other Federal or cooperative document developed in compliance with the National Environmental Policy Act of 1969 (42 U.S.C. 4321 et seq.).

"(vi) Such guidelines may not contain a requirement for applicants to perform human epidemiological studies to obtain or support registrations.

"(vii) Guidelines, and modifications thereof, shall be published in the Federal Register. The Administrator shall provide for public comment for guidance in development of such guidelines or modifications.";

SEC. 202. COMPENSATION FOR DATA ON INERT INGREDIENTS.

Subparagraph (D) of section 3(c)(2) (7 U.S.C. 136a(c)(2)(D)) is amended to read as follows:

"(D) Exemption.—

"(i) No applicant for registration of a pesticide who proposes to purchase a registered pesticide or an inert ingredient from another producer in order to formulate such purchased pesticide or an inert ingredient into an end use product shall be required to—

"(I) submit or cite data pertaining to the safety of such purchased product; or

"(II) offer to pay reasonable compensation otherwise required by paragraph (1)(D) for the use of any such data or reregistration fees.

"(ii) No applicant for registration of a pesticide who proposes to purchase an inert ingredient from another producer in order to formulate the pesticide shall be required to offer to pay reasonable compensation otherwise required by paragraph (1)(D) for a study required to be cited or submitted that was generated pursuant to subsection (h)(7) using authority available to the Administrator."

SEC. 203. TIME FOR ACTING WITH RESPECT TO APPLICATION.

Paragraph (3) of section 3(c) is amended to read as follows:

"(3) Time for acting with respect to application.—

"(A) The Administrator shall review the application on receipt and provide notification of any deficiencies of content or form within 90 days of receipt.

"(B) If a registrant receives such a notification, the registrant shall provide the additional information or may elect to withdraw the application.

"(C) On review without such notification (or, in the case of a subsequent submission adequate to satisfy a deficiency of information noted by the Administrator, on the receipt of such submission), the Administrator shall act on the application within 180 days of such receipt, unless the Administrator notifies the registrant in writing, specifying the reason for the delay in the registration process.

"(D) If the Administrator fails to act within 360 days of such receipt—

"(i) the application is deemed to be acted on and approved; and

"(ii) the Administrator shall promptly take all actions resulting from such approval under this Act.".

SEC. 204. NOTICE OF APPLICATION.

Section 3(c)(4) (7 U.S.C. 136a(c)(4)) is amended—

(1) in the first sentence, by striking out "promptly" and inserting in lieu thereof "not later than 30 days"; and

(2) in the second sentence, by striking out "30" and inserting in lieu thereof "60".

SEC. 205. APPROVAL OF REGISTRATION FOR SUBSTITUTED INERT INGREDIENTS.

Paragraph (5) of section 3(c) (7 U.S.C. 136a(c)(5)) is amended to read as follows—

"(5) Approval of registration.—

"(A) The Administrator shall register a pesticide if the Administrator determines that, when considered with any restrictions imposed under subsection (d)—

"(i) its composition is such as to warrant the proposed claims for it;

"(ii) its labeling and other material required to be submitted comply with this Act;

"(iii) it will perform its intended function without unreasonable adverse effects on the environment;

"(iv) when used in accordance with widespread and commonly recognized practice it will not generally cause unreasonable adverse effects on the environment; and

"(v) in the case of an application to amend a registration to substitute an inert ingredient for an inert ingredient listed under subsection (h)(1), that subsection (i)(1) is satisfied.

"(B) The Administrator or any State or State agency shall not make any lack of essentiality a criterion for denying registration of any pesticide.

"(C) If two pesticides meet the requirements of this paragraph, one pesticide shall not be registered in preference to the other pesticide.

"(D) In considering an application for the registration of a pesticide, the Administrator may waive data requirements pertaining to efficacy. If a waiver is granted, the Administrator may register the pesticide without determining that the composition of the pesticide is such as to warrant proposed claims of efficacy.

"(E) If a pesticide is found to be efficacious by any State under section 24(c), a presumption is established that the Administrator shall waive data requirements pertaining to efficacy for use of the pesticide in such State.

"(F) On or after the date specified for submission of a study in subsection (h), an application to register or to amend the registration of an application to register or to amend the registration of a pesticide containing a listed inert ingredient shall be deemed not to satisfy the requirements of this paragraph, unless the application is supported by the study required under paragraph (1)(D).".

SEC. 206. CONDITIONAL REGISTRATION.

Subparagraphs (B) and (C) of section 3(c)(7) (7 U.S.C. 136a(c)(7) (B) and (C)) are amended to read as follows:

"(B)(i) The Administrator may conditionally amend the registration of a pesticide to permit additional uses of such pesticide notwithstanding that data concerning the pesticide may be insufficient to support an unconditional amendment, if the Administrator determines that—

"(I) the applicant has submitted satisfactory data pertaining to the proposed additional use;

"(II) amending the registration in the manner proposed by the applicant would not materially increase the risk of any unreasonable adverse effect on the environment; and

"(III) the additional use is in the public interest.

"(ii) The Administrator or State or State agency shall not make any lack of essentiality a criterion for denying conditional registration of any pesticide.

"(iii) Notwithstanding clause (i), no registration of a pesticide may be amended to permit an additional use of such pesticide if the Administrator has issued a notice stating that such pesticide, or any ingredient thereof, meets or exceeds risk criteria associated in whole or in part with human dietary exposure specified in regulations issued under this Act, and during the pendency of any risk benefit evaluation initiated by such notice, if—

"(I) the additional use of such pesticide involves a major food or feed crop; or

"(II) the additional use of such pesticide involves a minor food or feed crop and the Administrator determines, with the concurrence of the Secretary of Agriculture, that there is available an effective alternative pesticide that does not meet or exceed such risk criteria.

"(iv) An applicant seeking amended registration under this subparagraph shall submit such data as would be required to obtain registration of a similar pesticide under paragraph (5).

"(v) If the applicant is unable to submit an item of data (other than data pertaining to the proposed additional use) because it has not yet been generated, the Administrator may amend the registration of a pesticide under such conditions as will require the submission of such data not later than the time such data are required to be submitted with respect to similar pesticides already registered under this Act.

"(vi) If data concerning chronic toxicity (oncogenicity, reproductive effects, and mutagenicity), neurotoxicity, or teratogenicity are required for registration of an additional use of a pesticide that is not a minor use, and such a data requirement was in effect at the time the studies to obtain the data commenced, a conditional registration for such use shall not be granted under this subparagraph unless such data have been submitted.

"(vii) An amendment to an existing conditional registration may be issued if the registrant has initiated necessary tests to secure such data, even though the data have not been submitted.

"(C)(i) Except as provided in clauses (ii) and (iii), the Administrator may conditionally register a pesticide containing an active ingredient not contained in any registered pesticide for a period reasonably sufficient for generation and submission of required data (that are lacking because a period reasonably sufficient for generation of the data has not elapsed since the Administrator first imposed the data requirement) if—

"(I) by the end of such period the Administrator receives such data;

"(II) such data do not meet or exceed the risk criteria specified in regulations issued under this Act; and

"(III) such other conditions as the Administrator may prescribe are met.

"(ii) A conditional registration under this subparagraph shall be granted only if the Administrator determines that—

"(I) use of the pesticide during such period will not cause any unreasonable adverse effect on the environment; and

"(II) use of the pesticide is in the public interest.

"(iii) If data concerning chronic toxicity (oncogenicity, reproductive effects, and mutagenicity), neurotoxicity, or teratogenicity are required for registration of the pesticide that is not a minor use, and such a data requirement was in effect at the time the studies to obtain the data commenced, a conditional registration shall not be granted under this subparagraph unless such data have been submitted.".

SEC. 207. INTERIM ADMINISTRATIVE REVIEW.

(a) Interim Administrative Review.—Paragraph (8) of section 3(c) (7 U.S.C. 136a(c)(8)) is amended to read as follows:

"(8) Interim administrative review.—

"(A)(i) Notwithstanding any other provision of this Act, the Administrator may not initiate a public interim administrative review process to develop a risk-benefit evaluation of the ingredients of a pesticide or any of its uses prior to initiating a formal action to cancel, suspend, or deny registration of such pesticide under this Act, unless such interim administrative process is based on a validated test or other significant evidence raising prudent concerns of an unreasonable adverse risk to man or to the environment.

"(ii) The Administrator shall publish in the Federal Register notice of the definition of the terms 'validated test' and 'other significant evidence' as used in this subparagraph.

"(B)(i) The Administrator may conduct a special review of a pesticide use if the Administrator determines, based on a validated test or other significant evidence, that the use of the pesticide (taking into account the ingredients, impurities, metabolites, and degradation products of the pesticide)—

"(I) may pose a risk of serious acute injury to humans or domestic animals;

"(II) may pose a risk of inducing in humans an oncogenic, heritable genetic, teratogenic, fetotoxic, reproductive effect, or a chronic or delayed toxic effect, which risk is of concern in terms of either the degree of risk to individual humans or the number of humans at some risk, based on effects demonstrated in humans or experimental animals, known or predicted levels of exposure of various groups of humans, and the use of appropriate methods of evaluating data and relating such data to human risk;

"(III) may result in residues in the environment of nontarget organisms at levels that equal or exceed concentrations acutely or chronically toxic to such organisms or at levels that produce adverse reproductive effects in such organisms, as determined on the basis of tests conducted on representative species or from other appropriate data;

"(IV) may pose a risk to the continued existence of any endangered or threatened species designated by the Secretary of the Interior or the Secretary of Commerce under the Endangered Species Act of 1973 (16 U.S.C. 1531 et seq.);

"(V) may result in the destruction or other adverse modification of any habitat designated by the Secretary of the Interior or the Secretary of Commerce under such Act as a critical habitat for any endangered or threatened species; or

"(VI) may otherwise pose a risk to humans or to the environment that is of sufficient magnitude to merit a determination as to whether the use of the pesticide product offers offsetting social, economic, and environmental benefits that justify initial or continued registration.

"(ii) In making a determination that a pesticide use satisfies one of the criteria for issuance of a special review required under clause (i), the Administrator shall consider available evidence concerning both the adverse effect in question and the magnitude and scope of exposure of humans and nontarget organisms associated with use of the pesticide.

"(iii) The Administrator shall—

"(I) provide for preliminary notification of registrants and applicants if the Administrator has determined that the criteria for issuance of a special review may have been met; and

"(II) afford registrants and applicants an opportunity to respond to the notification prior to issuance of a special review.

"(iv)(I) Before initiating an interim administrative review, the Administrator shall notify all registrants, users of the pesticide, and the public of the intent of the Administrator to initiate a public interim administrative review by publishing such notice in the Federal Register.

"(II) The registrants and users of the pesticide shall have 60 days after receipt of the notice in which to respond.

"(III) Within 60 days after the response period, the Administrator shall determine whether an interim administrative review of the pesticide shall be initiated.

"(C)(i) Notice of an interim administrative review shall be provided to all registrants, pesticide users, and interested members of the public and shall be published in the Federal Register.

"(ii) The notice shall state the basis for the review, indicate the availability of all data on which the position of the Administrator is based, and include a request for any additional data needed for the review.

"(iii) Not later than 90 days after publication of a notice of such review, comments may be submitted on such review.

"(iv) Not later than 90 days after the close of the comment period, the Administrator shall review all comments and additional data submitted and shall publish a proposed regulatory position.

"(v) Not later than 45 days after the close of the initial comment period, additional comments may be submitted to the Administrator to address comments filed by other parties.

"(vi)(I) The proposed regulatory position of the Administrator shall be submitted to the Scientific Advisory Panel established under section 25(d) at the next scheduled meeting of the panel for comment solely on relevant scientific issues. Relevant scientific data also may be submitted to the Scientific Advisory Panel concerning such position.

"(II) Not later than 60 days after such meeting, the Scientific Advisory Panel shall issue a report on such position.

"(III) The Administrator shall review and consider the report of the Scientific Advisory Panel.

"(IV) Not later than 60 days after receipt of such report, the Administrator shall issue a final regulatory decision whether to retain, restrict, or cancel the uses of the pesticide.

"(vii) Not later than 2 years after the initiation of a review, the Administrator shall make such decision.

"(viii) The time limits specified in this subparagraph may not be extended, except in exceptional circumstances in which—

"(I) additional data critical to a fair and accurate determination of risks posed by the pesticide are required; and

"(II) the extension is for a period limited to the time required to obtain and review such data on an expedited basis."

(b) Application of Amendment.—The amendment made by this section shall apply to interim administrative reviews under section 3(c)(8) initiated after the effective date of this Act.

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SEC. 208. PREREGISTRATION ACCESS TO DATA.

Section 3(c) (7 U.S.C. 136a(c)) is amended by adding at the end thereof the following new paragraph:

"(9) PREREGISTRATION ACCESS TO DATA.—

"(A) Prior to the registration of a pesticide, the Administrator shall provide, in accordance with this paragraph, public access to health and safety data that are submitted in support of an initial application for the registration of a new active ingredient or initial food use of a previously registered active ingredient.

"(B) The Administrator shall publish in the Federal Register a notice of such application in accordance with paragraph (4).

"(C) Not later than 30 days after the publication of such notice, to obtain access to the data referred to in subparagraph (A), a person must send by certified mail a request for such access and the affirmation referred to in subparagraph (E) simultaneously to the Administrator and to the applicant for the registration of the pesticide.

"(D) Not later than 15 days after receipt of a request for access to such data and affirmation, the Administrator shall grant or deny such request. The Administrator may not extend the 15-day period for acting on such request.

"(E)(i) Notwithstanding any other provision of law, data referred to in subparagraph (A) may be made available only to a person who provides an affirmation (and such supporting evidence as the Administrator considers necessary) that the person is neither employed by nor acting directly or indirectly on behalf of a person or entity engaged or affiliated with a person engaged in the production, sale, or distribution of a pesticide.

"(ii) For purposes of this subparagraph, an affiliate is a person who directly or indirectly, through one or more intermediates, controls or is controlled by or is under common control with the person specified.

"(iii) The affirmation required under clause (i) shall—

"(I) state that the person is neither employed by nor acting on behalf of any business or entity, or affiliate thereof, engaged in the production, sale, or distribution of a pesticide;

"(II) identify any business, employer, or other entity, if any, on whose behalf the person is requesting access to the data; and

"(III) affirm that the person will not intentionally or recklessly violate this paragraph.

"(iv) Section 1001 of title 18, United States Code, shall apply to an affirmation made under this subparagraph.

"(F)(i) Data relating to a pesticide shall be made available to a person only for the purpose of permitting the person to comment to the Administrator on the application for registration of the pesticide.

"(ii) Except as provided in clauses (iii) and (iv), data obtained under clause (i) may not be—

"(I) published, copied, or transferred to any other individual or entity for use in any manner to obtain approval to sell, manufacture, or distribute a pesticide anywhere in the world; and

"(II) may not be used for any purpose in any court or agency of the United States or any State or political subdivision thereof prior to the decision of the Administrator on the registration of the pesticide or after such decision if the application for registration is denied.

"(iii) Data relating to a pesticide may be reasonably quoted in comments submitted to the Administrator. Such comments may not be made public prior to the decision of the Administrator on the registration of the pesticide or after such decision if the application for registration is denied.

"(iv) Such data and comments may be disclosed consistent with section 10 after registration of the pesticide.

"(G)(i) Data relating to a pesticide may be examined at an office of the Environmental Protection Agency, in accordance with this section, and may not be removed from such office.

"(ii) The Administrator shall maintain a record of the persons who inspect data. A copy of the record entry shall be sent to the data submitter.

"(iii) Once access to the data is granted, the data may be examined and comments on the application shall be filed within 60 days, unless extended an additional 30 days for good cause.

"(iv) If access to the data is denied, comments on the application shall be filed within 60 days from the determination of the Administrator denying access.".

SEC. 209. MATERIAL SAFETY DATA SHEETS.

Section 3(c) (7 U.S.C. 136a(c)) (as amended by section 208 of this Act) is further amended by adding at the end thereof the following new paragraph:

"(10) MATERIAL SAFETY DATA SHEETS.—

"(A) Each pesticide manufacturer or importer shall obtain or develop a material safety data sheet for each pesticide produced or imported. Each affected employee shall have available a material safety data sheet for each pesticide used.

"(B) Each material safety data sheet shall be in English and shall contain at least the following information:

"(i) Except as provided for in clause (vi), the identity used on the label and—

"(I) if the pesticide is a single substance, its chemical and common name;

"(II) if the pesticide is a mixture that has been tested as a whole to determine the hazards of the pesticide, the chemical and common name of the ingredients that contribute to these known hazards, and the common name of the mixture itself; or

"(III) if the pesticide is a mixture that has not been tested as a whole, the chemical and common name of all ingredients that have been determined to be health hazards, and that comprise at least 1 percent of the composition, except that chemicals identified as carcinogens shall be listed in the concentrations that are at least 0.1 percent, and the chemical and common name of all ingredients that have been determined to present a physical hazard when present in the mixture.

"(ii) Physical and chemical characteristics of the hazardous chemical (such as vapor pressure and flash point).

"(iii) The physical hazards of the pesticide, including the potential for fire, explosion, and reactivity.

"(iv) The health hazards of the pesticide, including signs and symptoms of exposure and any medical conditions that are generally recognized as being aggravated by exposure to the chemical.

"(v) The primary route of entry.

"(vi) The permissible exposure limit established by the Secretary of Labor under the Occupational Safety and Health Act of 1970 (29 U.S.C. 651 et seq.), ACGIH Threshold Limit Value, and any other exposure limit used or recommended by the pesticide manufacturer, importer, or employer preparing the material safety data sheet, where available.

"(vii) Whether the pesticide is listed in the National Toxicology Program Annual Report on Carcinogens or has been found to be a potential carcinogen in the International Agency for Research on Cancer Monographs, or by the Secretary of Labor.

"(viii) Any generally applicable precautions for safe handling and use that are known to the pesticide manufacturer, importer, or employer preparing the material safety data sheet, including appropriate hygienic practices, protective measures during repair and maintenance of contaminated equipment, and procedures for clean up of spills and leaks.

"(ix) Any generally applicable control measures that are known to the pesticide manufacturer, importer, or employer preparing the material safety data sheet, such as appropriate engineering controls, work practices, or personal protective equipment.

"(x) Emergency and first aid procedures.

"(xi) The date of preparation of the material safety data sheet or the last change to the sheet.

"(xii) The name, address, and telephone number of the pesticide manufacturer, importer, employer, or other responsible party preparing or distributing the material safety data sheet who can provide additional information on the hazardous chemical and appropriate emergency procedures, if necessary.

"(C) If no relevant information is found for any given category on the material safety data sheet, the pesticide manufacturer, importer, or employer preparing the material safety data sheet shall mark the sheet to indicate that no applicable information was found.

"(D) Where complex mixtures have similar hazards and contents (that is, the pesticide ingredients are essentially the same but the specific composition varies from mixture to mixture) the pesticide manufacturer, importer, or employer may prepare one material safety data sheet to apply to all of these similar mixtures.

"(E) The pesticide manufacturer, importer, or employer preparing the material safety data sheet shall ensure that the information recorded accurately reflects the scientific evidence used in making the hazard determination. If the pesticide manufacturer, importer, or employer becomes newly aware of any significant information regarding the hazards of a pesticide, or ways to protect against the hazards, this new information shall be added to the material safety data sheet within 3 months. If the pesticide is not currently being produced or imported, the pesticide manufacturers or importer shall add the information to the material safety data sheet before the chemical is introduced into the workplace again.

"(F) Pesticide manufacturers or importers shall ensure that distributors and manufacturing purchasers of pesticides are provided an appropriate material safety data sheet with the initial shipment, and with the first shipment after a material safety data sheet is updated. The pesticide manufacturer or importer shall either provide material safety data sheets with the shipped containers or send them to the manufacturing purchaser prior to or at the time of the shipment. If the material safety data sheet is not provided with the shipment, the manufacturing purchaser shall obtain one from the pesticide manufacturer, importer, or distributor as soon as possible.

"(G) Distributors shall ensure that material safety data sheets, and updated information, are provided to other distributors

and manufacturing purchasers of hazardous chemicals.

"(H) Each employer shall maintain copies of the required material safety data sheets for each pesticide in the workplace and shall ensure that the sheets are readily accessible during each work shift to employees when the employees are in their work area.

"(I) Material safety data sheets may be kept in any form, including operating procedures, and may be designed to cover groups of pesticides in a work area where it may be more appropriate to address the hazards of a process rather than individual pesticides, except that each employer shall ensure that the required information is provided for each pesticide and is readily accessible during each work shift to employees when the employees are in their work area.

"(J) On approval of the registration of a pesticide, a material safety data sheet shall be maintained and kept current by the registrant and made available to the public by the State or designated State agency and the registrants upon request.

"(K) Within 120 days of the effective date of the Pesticide Reform Act of 1986, each registrant or producer of a currently registered pesticide active ingredient or pesticide containing an inert ingredient listed under subsection (h)(1) shall submit a material safety data sheet to the appropriate each State or designated State agency.

"(L) Such material safety data sheets shall be—

"(i) maintained and kept current by the registrants; and

"(ii) made available to the public by the State or designated State agency and the registrants on request.

"(M) The State or designated State agency may provide this information to the public, including but not limited to local police, fire, and health authorities, local officials, pesticide users, pesticide applicators, persons at manufacturing and use localities, and other members of the public.

"(N) On approval of the registration of a pesticide, a list of locations where the pesticide active ingredient will be produced in the United States shall be—

"(i) maintained and kept current by the registrant; and

"(ii) made available to the public by the State or designated agency and the registrants on request."

SEC. 210. CLASSIFICATION FOR RESTRICTED USE.

Subparagaph (C) of section 3(d)(1) (7 U.S.C. 136a(d)(1)(C)) is amended to read as follows:

"(C) The Administrator shall classify a pesticide, or the particular use or uses to which the determination applies, for restricted use if the Administrator determines that—

"(i) the pesticide when applied in accordance with—

"(I) its directions for use, warnings, and cautions for the uses for which it is registered or for one or more of such uses; or

"(II) widespread and commonly recognized practices,

may generally cause unreasonable adverse effects on the environment, including injury to the applicator; and

"(ii) such unreasonable adverse effects cannot be adequately addressed by revised or additional warnings and directions for use in the labeling or other regulatory restrictions.".

SEC. 211. REREGISTRATION OF PESTICIDES.

Subsection (g) of section 3 (7 U.S.C. 136a(g)) is amended to read as follows:

"(g) REREGISTRATION OF PESTICIDES.—

"(1) IN GENERAL.—The Administrator shall reregister each pesticide in accordance with this subsection.

"(2) LISTS OF PESTICIDE ACTIVE INGREDIENTS.—

"(A) Not later than 90 days after the effective date of the Pesticide Reform Act of 1986, the Administrator shall publish in the Federal Register a list of 300 pesticide active ingredients not reregistered since September 30, 1978, in the order of their priority, for reregistration under this Act.

"(B) Not later than 180 days after the effective date of the Pesticide Reform Act of 1986, the Administrator shall publish in the Federal Register a list of all pesticide active ingredients remaining after subparagraph (A) that have not been reregistered since September 30, 1978, in the order of their priority, for reregistration under this Act.

"(3) PRIORITY.—In establishing the lists required under paragraph (2), the Administrator shall give the highest priority to pesticides that—

"(A) are in use on or in food or feed;

"(B) will result in detectable residues of verifiable toxicological concern in potable ground water, edible fish, or shellfish; or

"(C) have previously been determined by the Administrator to have the most significant outstanding data requirements.

"(4) REMOVAL.—Not later than 90 days after the publication of a list containing an active ingredient of a pesticide under paragraph (2), the Administrator shall remove such ingredient from the reregistration list if the Administrator is requested by each registrant of each pesticide containing such ingredient that the registration of such pesticide be canceled. Prior to such cancellation, the Administrator shall publish in the Federal Register a notice of intent to cancel to allow public comment within 60 days of the notice.

"(5) NOTIFICATION.—For each pesticide active ingredient listed pursuant to paragraphs (2)(A) and (2)(B), the registrant shall provide written notification to the Administrator of the intent of the registrant to seek reregistration of the pesticide active ingredient. If the registrant or interested parties fails to respond to the Federal Register notice published under paragraph (2)(A) or (2)(B) within 180 days of such notice, the Administrator may issue a notice of intent to cancel such registration and allow 60 days for public comment on the notice.

"(6) JUDICIAL REVIEW.—The establishment of a list by the Administrator under this subsection shall not be subject to judicial review.

"(7) DATA REQUIREMENTS.—

"(A)(i) For each pesticide active ingredient listed in the notice required pursuant to paragraph (2)(A), the Administrator shall request that the registrant submit a list of all outstanding data requirements within 180 days of such notice in the Federal Register.

"(ii) Not later than the end of the 12th, 24th, and 36th month following the effective date of the Pesticide Reform Act of 1986, the Administrator shall—

"(I) identify and publish in the Federal Register a list of all outstanding data requirements based on the priorities of the Administrator; and

"(II) simultaneously notify existing registrants of each pesticide active ingredient pursuant to subsection (c)(2)(B) that, in order to maintain the registration of such pesticide under this Act, such registrants must complete studies to fill such outstanding data requirements within a reasonable time, but not to exceed 4 years, after such notice.

"(iii) The Administrator may extend the period by no more than 3 years if extraordinary circumstances beyond the control of the registrant prevent submission of necessary studies, including nonnegligent loss of laboratory results, destruction of laboratory, unavailability of laboratory facilities, major animal loss, or similar unanticipated catastrophes.

"(B)(i) For each pesticide active ingredient listed in the notice required pursuant to paragraph (2)(B), the Administrator shall request that the registrant submit a list of all outstanding data requirements within 180 days of such notice in the Federal Register.

"(ii) Not later than the end of the 36th month following the effective date of the Pesticide Reform Act of 1986, the Administrator shall—

"(I) identify and publish in the Federal Register a list of all outstanding data requirements; and

"(II) simultaneously notify existing registrants of each pesticide active ingredient pursuant to subsection (c)(2)(B) that, in order to maintain the registration of such pesticide under this Act, such registrants must complete studies to fill such outstanding data requirements within a reasonable time, but not to exceed 4 years, after such notice.

"(iii) The Administrator may extend the period by no more than 3 years if extraordinary circumstances beyond the control of the registrant prevent submission of necessary studies, including nonnegligent loss of laboratory results, destruction of laboratory, unavailability of laboratory facilities, major animal loss, or similar unanticipated catastrophes.

"(iv) If a registrant fails to comply with the requirements of subsection (c)(2)(B) within the required times, the Administrator shall issue a notice of intent to suspend such registration pursuant to subsection (c)(2)(B)(iv).

"(v) If a hearing is requested following such a suspension notice, the registrant may appeal in such hearing whether the Administrator properly classified a study as an outstanding data requirement and other matters identified for resolution in such subsection.

"(8) FILLING DATA REQUIREMENTS.—

"(A) Not later than 6 months after issuance of a notice required under paragraph (7) with respect to a pesticide active ingredient, the Administrator shall determine whether appropriate tests have been committed or contracted to fill the identified outstanding data requirements for such pesticide active ingredient.

"(B) A registrant shall submit annual progress reports to the Administrator that indicate the status of such testing and report interim results.

"(9) SUSPENSION.—

"(A) The Administrator shall provide written notice to a registrant of findings under this subparagraph and allow the registrant to respond within 60 days if the Administrator determines that—

"(i) important tests essential to a determination of whether or not the pesticide may cause unreasonable adverse effects on the environment have not been committed or contracted for within 1 year of the notice required under paragraph (7);

"(ii) progress is insufficient to ensure completion of such tests within the deadlines established in such notice; or

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"(iii) the required test data have not been submitted within the specified deadline.

"(B) Within 30 days of receiving the written comments of a registrant, the Administrator may immediately issue a notice of intent to suspend such registration pursuant to subsection (c)(2)(B)(iv).

"(10) Reregistration.—

"(A) Not later than 2 years after receipt of the data required by this subsection with respect to a pesticide, the Administrator shall complete reregistration of such pesticide by determining whether such pesticide fulfills the requirements of subsection (c)(5). In extraordinary circumstances, the Administrator may extend the limit prescribed by this subparagraph after notifying Congress and publishing such notice in the Federal Register at least 60 days prior to the required deadline.

"(B) Reregistration shall be accomplished by a thorough examination of all health and safety data required by the regulations and guidelines issued pursuant to section 3 or taking other action necessary to make such determination.

"(11) Compensation.—

"(A) On submission of data as required under this subsection, the data submitter shall be entitled to be compensated pursuant to subsection (c)(1)(D).

"(B) If there are two or more registrants for an active ingredient registered under this Act, the compensation shall be apportioned on the basis of the market share of a registrant.

"(12) Lack of Essentiality.—The Administrator shall not make any lack of essentiality a criterion for denying the reregistration of any pesticide.".

SEC. 212. PRIORITY LIST FOR INERT INGREDIENTS.

Section 3 (7 U.S.C. 136a) is amended by adding at the end thereof the following new subsection:

"(h) Priority List for Inert Ingredients.—

"(1) Establishment.—

"(A) The Administrator shall establish a priority list of not more than 50 inert ingredients consisting of—

"(i) inert ingredients that appear to cause a pesticide to meet or exceed a criterion for initiating an interim administrative review established under subsection (c)(8); and

"(ii) inert ingredients for which additional data are reasonably necessary to evaluate whether the inert ingredient may result in a pesticide causing an unreasonable adverse effect on the environment—

"(I) that are similar in molecular structure to a chemical that is oncogenic, mutagenic, teratogenic, or causes another significant adverse effect; and

"(II) from which a significant hazard may exist from use in pesticides and exposure to the pesticide containing the inert ingredient, based on a risk assessment.

"(B) In establishing the priority list, the Administrator shall take into account—

"(i) the differences in concept, usage, and environmental risk between various classes of pesticides; and

"(ii) data for evaluating such risk between agricultural and nonagricultural pesticides.

"(C) The Administrator shall not place on the priority list inert ingredients that are incidental contaminants formed during the production process and that are inextricably linked to the technical grade product.

"(2) Publication of list.—Not later than 90 days after the effective date of the Pesticide Reform Act of 1986, the Administrator shall publish the priority list required under paragraph (1). The Administrator shall publish revisions to such list at least annually.

"(3) Judicial review.—The priority list and any revisions to the priority list shall be subject to judicial review under section 16 at the time an initial or revised priority list is published.

"(4) Removal of ingredients involving administrative reviews.—An inert ingredient listed on the priority list pursuant to paragraph (1)(A)(i) shall be removed from the priority list on—

"(A) a final decision by the Administrator not to initiate an interim administrative review with respect to any pesticide containing the inert ingredient, or final action by the Administrator concluding interim administrative review, and all actions under section 6 resulting therefrom; or

"(B) a final decision by the Administrator under paragraph (6)(E) not to require additional data to be generated, or the receipt and evaluation by the Administrator of all data required to be submitted under paragraph (6), and all actions under section 6 resulting therefrom.

"(5) Removal of ingredients involving additional data.—An inert ingredient listed on the priority list pursuant to paragraph (1)(A)(ii) shall be removed from the priority list on—

"(A) a final decision by the Administrator under paragraph (6)(E) not to require additional data to be generated; or

"(B) the receipt and evaluation by the Administrator of all data required to be generated under this subsection and all actions under section 6 resulting therefrom.

"(6) Additional data.—

"(A) For each inert ingredient in an end use pesticide listed pursuant to paragraph (1), if the Administrator determines that additional data are required under subsection (c)(2)(A), the Administrator shall provide notice of such requirement to all registrants of an end use pesticide containing inert ingredient under subsection (c)(2)(B) and producers of the inert ingredient.

"(B) If the Administrator determines that additional data are required, the Administrator shall consider the following:

"(i) A discussion of the risks and benefits raised by the inert ingredient in the pesticide, the anticipated exposures to man and the environment from the use of the ingredient in pesticides, and the reasoning supporting the need for further testing.

"(ii) In the case of an inert ingredient listed under paragraph (1)(A)(i), the studies that the Administrator proposes to require to address the concerns identified pursuant to clause (i), or, if the Administrator proposes not to require additional studies, a discussion of the reasons for not requiring any additional studies.

"(iii) In the case of an inert ingredient listed under paragraph (1)(A)(ii), the studies that the Administrator proposes to require to address the concerns identified pursuant to clause (i) or, if the Administrator proposes not to require additional studies, a discussion of the reasons for not requiring any additional studies.

"(iv) The regulatory mechanisms or other procedures the Administrator proposes to use to generate the studies.

"(v) The dates for submission of the studies, which shall provide for submission of the studies within a reasonable time, not to exceed 5 years from the promulgation of the final notice under subsection (c)(2). The Administrator may extend this period by no more than 2 years if extraordinary circumstances beyond the control of the registrant prevent submission of necessary studies.

"(C) In preparing a requirement for additional data under subsection (c)(2)(B), the Administrator shall consider—

"(i) the minor use factors specified in subsection (c)(2)(A);

"(ii) the guidelines published pursuant to subsection (c)(2)(A);

"(iii) the use of a tiered testing program, under which the need for long-term studies would be evaluated after receipt of short-term studies;

"(iv) the use of other statutory authorities of the Administrator to require the generation of the identified studies considering nonpesticide uses; and

"(v) data generated or scheduled for generation.

"(D) The Administrator shall allow 90 days for the registrants, inert ingredient producers, pesticide users, and the public to comment on the data requirements.

"(E)(i) Within 180 days after notification, the Administrator shall publish a list of data requirements or make a final decision to require no additional data or studies.

"(ii) The list of data requirements and label requirements shall be subject to judicial review under section 16 at the time of publication. The omission of an inert ingredient from the priority list established under paragraph (1) shall not be subject to judicial review under section 16.

"(iii) If a hearing is requested by a registrant, the registrant may contest whether the Administrator properly considered the factors described in subparagraphs (B) and (C).

"(F) On receipt of the additional data for each inert ingredient submitted pursuant to subparagraph (E), the Administrator shall, within 2 years, evaluate the data and take such steps as are appropriate to prevent unreasonable adverse effects on the environment of pesticides containing such inert ingredient, unless additional time is needed.

"(G) Any study submitted under subsection (c)(2)(B) that was conducted with funds that are not public funds, using another statutory authority of the Administrator, shall be treated, for purposes of subsection (c)(1)(D), as having been submitted in support of registration. The person who submitted the study shall be treated as an original data submitter."

SEC. 213. SUBSTITUTION OF INERT INGREDIENTS.

Section 3 (7 U.S.C. 136a) (as amended by section 212 of this Act) is further amended by adding at the end thereof the following new subsection:

"(i) Substitution of Inert Ingredients.—The Administrator shall approve an application to amend the registration of a pesticide to substitute an inert ingredient for an inert ingredient listed under subsection (h)(1), if the Administrator finds, on the basis of similarity in molecular structure to a chemical known to cause significant adverse effects, existing data, or such short-term tests as the Administrator determines are necessary, that the substitute inert ingredient does not pose the same or similar concerns about unreasonable adverse effects on the environment that resulted in the listing of the listed inert ingredient.".

SEC. 214. LABELING OF INERT INGREDIENTS.

Section 3 (7 U.S.C. 136a) (as amended by section 213 of this Act) is further amended by adding at the end thereof the following new subsection:

"(j) Labeling of Inert Ingredients.—

"(1) Amended label.—

"(A) A risk assessment, based on data required under subsection (c)(2) and other authority of the Administrator, shall be performed to determine whether an end use pesticide presents a potential significant hazard from the use of the inert ingredient in question.

"(B) If the risk assessment shows that a significant hazard may result from the use of the inert ingredient in question, the registrant of end use pesticides containing the listed ingredient, at a level that presents the hazard, shall apply, within 90 days of publication of such hazard finding in the Federal Register, for amended registration to change the label of the pesticide to conform with sections 2(n), 2(p), and 2(q).

"(C) Risk assessments shall be subject to review by a scientific review panel to be established by the Administrator for such purpose.

"(2) Missbranding.—A pesticide, the ingredient statement of which does not satisfy section 2(n) with respect to a listed inert ingredient, shall not be considered misbranded until a date of manufacture that is 360 days after the publication of the risk assessment indicating a significant hazard may exist for the pesticide containing the inert ingredient, or the date on which the Administrator approves a registration amendment providing for a change in the label of the pesticide to satisfy section 2(n), whichever occurs later.".

SEC. 215. FORMULA STATEMENTS.

Section 3 (7 U.S.C. 136a) (as amended by section 214 of this Act) is further amended by adding at the end thereof the following new subsection:

"(k) Formula Statements.—

"(1) Listed inert ingredients.—Within 120 days of the initial publication of the risk assessment conclusions pursuant to subsection (j)(1), each registrant of a pesticide containing such inert ingredient or ingredients that contributes to a significant hazard from use of the end use pesticide shall make any necessary modifications to the formula statement submitted pursuant to subsection 3(c)(1)(E) to satisfy the requirements of the Administrator with respect to such ingredient or ingredients.

"(2) All inert ingredients.—Within 240 days of the initial publication of the risk assessment conclusions pursuant to subsection (j)(1), each registrant of a pesticide containing such inert ingredient or ingredients shall apply for amended registration, to make any necessary modifications to the formula statement submitted pursuant to subsection (c)(1)(E) to satisfy the requirements of the Administrator with respect to such ingredient or ingredients."

TITLE III—CERTIFIED APPLICATORS

SEC. 301. STATE CERTIFICATION.

Section 4(a)(2)(B) (7 U.S.C. 136b(a)(2)(B)) is amended by inserting after "plan" the following: ", including requirements for State enforcement personnel to be certified in the restricted and nonrestricted use pesticide application categories for which the personnel are assigned enforcement responsibility".

SEC. 302. APPLICATOR TRAINING.

Section 4 (7 U.S.C. 136b) is amended by adding at the end thereof the following new subsections:

"(d) Commercial Applicator Certification.—

"(1) Criteria.—Notwithstanding subsection (a), in order to be certified as a commercial applicator, an applicant must, at a minimum—

"(A) have undergone training prescribed and administered by the Administrator and the delegate State agency (including training with the use of updated national core material issued within 9 months after the effective date of the Pesticide Reform Act of 1986) on the use of appropriate application and safety procedures, clothing, and protective equipment, the detection of common symptoms of pesticide poisoning, the means of obtaining emergency medical treatment, and the requirements of laws, regulations, and labeling (including training in hazards posed by pesticides to workers, the public health, and the environment) that is conducted by trainers whose minimum competency requirements and range of expertise shall be prescribed by the Administrator or the delegate State agency; and

"(B) have field or industrial plant experience in pesticide use and application.

"(2) Experience.—The Administrator or the State lead agency shall establish the specific category of use and related minimum length of experience commensurate with potential risks and exposure to the applicator and the environment, except that such minimum length of service requirement may not exceed 2 years.

"(3) Additional test.—To receive certification as a commercial applicator, an applicant must, in addition to the requirements of paragraph (1), pass (with at least 70 percent correct) an exam prescribed by the State delegate agency, including topics addressed in the national core material training.

"(e) Noncertified Commercial Applicator Training and Registration.—To operate as a noncertified commercial applicator working under the direct supervision of a commercial applicator, a person must—

"(1) have undergone basic training prescribed and administered by the Administrator or the delegate State agency (including training with the use of updated national core material issued within 12 months after the effective date of the Pesticide Reform Act of 1986) on the use of appropriate application and safety procedures, clothing, and protective equipment, the detection of common symptoms of pesticide poisoning, the means of obtaining emergency medical treatment, and the requirements of laws, regulations, and labeling (including training in hazards posed by pesticides to workers, the public health, and the environment) that is conducted by trainers whose competency requirements and range of expertise shall be prescribed by the Administrator or the State lead agency; and

"(2) register with the delegate State agency responsible for certifying pesticide applicators by providing to the State agency a signed statement from the trainer and operator stating that the prescribed minimum training standards have been provided to the applicant and received by the operator.

"(f) Certified and Noncertified Private Applicator Training.—To qualify as a certified or noncertified private applicator, other than as an applicator of antimicrobial or nonrestricted use pesticides to their own or rented property, an applicant must, at a minimum—

"(1) have undergone training based on updated national core material and conducted by trainers whose minimum competency requirement and range of expertise are prescribed by the State lead agency; and

"(2) register with the delegate State agency as required by subsection (e)(2).

"(g) Retraining and Recertification.—All applicators, certified or noncertified, must—

"(1) undergo retraining (to be prescribed by the delegate State agency in accordance with updated national core material) on an ongoing basis over a 5-year period; and

"(2) be reaffirmed at the end of the period based on compliance with competency requirements established for each category of applicator in this section.

"(h) Uniform Training.—A person shall be considered to have satisfied this section if the person has completed a uniform nationwide course of training for workers that is approved by the Administrator, applies to more than one State, issues credentials to workers on completion, and is subject to verification.

"(i) Training for Pesticide Applicators and Trainers.—

"(1) In general.—The Administrator, in consultation with interested States, shall prescribe minimum requirements for training programs for pesticide applicators and application trainers.

"(2) State program.—The Administrator shall delegate authority to prescribe and administer a training program under this subsection to any State that has established a program that meets such requirements.

"(3) Private program.—The Administrator or delegate State agency shall approve any privately administered training program under this subsection that the Administrator determines meets such requirements.

"(j) Worker Training.—Each employee who mixes, loads, or applies a pesticide shall be required to receive training in—

"(1) safety and application procedures to be followed;

"(2) worker, public health, and environmental hazards involved;

"(3) clothing and protective equipment to be used;

"(4) common symptoms of pesticide poisoning;

"(5) the location of emergency medical treatment; and

"(6) applicable laws, regulations, and label requirements pertaining to the pesticide uses.".

TITLE IV—ADMINISTRATIVE REVIEW; SUSPENSION

SEC. 401. PUBLIC HEARINGS AND SCIENTIFIC REVIEW.

The tenth sentence of section 6(d) (7 U.S.C. 136d(d)) is amended by striking out "90 days thereafter" and inserting in lieu thereof "18 months after issuance of the notice that gave rise to the hearing, or such shorter time specified in subsection (e)(2),".

SEC. 402. CANCELLATION OF REGISTRATION BASED ON FALSE OR INVALID DATA.

Section 6 (7 U.S.C. 136d) is amended by adding at the end thereof the following new subsection:

"(g) Cancellation of Registration Based on False or Invalid Data.—

"(1) Previously determined invalid data.—

"(A) The Administrator shall immediately issue a notice of intent to suspend and to cancel the registration of a pesticide if—

"(i) prior to the effective date of the Pesticide Reform Act of 1986, the Administrator has previously determined that data submitted by a registrant to the Administrator in support of an existing registration were invalid;

"(ii) the data have not been replaced; and

"(iii) the data are important data essential to the determination of the Administrator of whether or not the pesticide may cause unreasonable adverse effects to the environment.

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"(B) The Administrator shall not issue a notice of intent to suspend and to cancel the registration of a pesticide if the Administrator and registrant have agreed on a plan for replacement studies under paragraph (2).

"(2) New invalid data.—

"(A) If, after the effective date of the Pesticide Reform Act of 1986, the Administrator determines that invalid data have been submitted by a registrant to the Administrator in support of a registration of a pesticide, the Administrator may require either the active ingredient registrant or end use pesticide registrant to submit replacement studies or data on an expedited schedule and with interim progress reports.

"(B) The Administrator shall permit pesticide users to submit replacement studies or data on an expedited schedule and with interim progress reports.

"(C) If no commitment to submit replacement studies or data is forthcoming and the Administrator determines that such action would be in the public interest, taking into account the scope of the invalid data, the Administrator may issue a notice of intent to cancel such registration.

"(3) False data.—If a registrant willfully submits material data known to be false in support of the registration of a pesticide, the Administrator shall immediately issue a notice of intent to suspend and cancel such registration.

"(4) Hearing.—

"(A) Any suspension or cancellation under this subsection shall become final and effective at the end of the 30-day period beginning on receipt by the registrant of a notice issued under this section unless during such period a request for a hearing is made by a person adversely affected.

"(B) A hearing under this paragraph shall be conducted in accordance with subparagraph (C), (D), or (E), as appropriate.

"(C) The only matters for resolution at a hearing conducted with respect to action taken under paragraph (1) shall be whether—

"(i) in response to a notice of the Administrator issued under section 3(c)(2)(B) or other formal notice, data previously determined by the Administrator to be invalid—

"(I) have not been replaced by the registrant on the effective date of the Pesticide Reform Act of 1986; or

"(II) are in the process of being replaced on the effective date of such Act but have not been submitted to the Administrator; and

"(ii) the data are important to the registration.

"(D) The only matters for resolution at a hearing conducted with respect to action taken under paragraph (2) shall be whether data are invalid, important, and necessary to adequately determine whether a pesticide may cause unreasonable adverse effects on the environment.

"(E) The only matters for resolution at a hearing conducted with respect to action taken under paragraph (3) shall be whether a registrant willfully submitted important data known to be false.

"(F) A decision after completion of a hearing conducted under this paragraph shall be final.

"(G) Notwithstanding any other provision of this Act, a hearing shall be held, and a determination made, under this subsection within 75 days after the receipt of a request for such hearing.".

SEC. 403. COMPENSATION FOR DATA.

Section 6 (7 U.S.C. 136d) (as amended by section 402 of this Act) is further amended by adding at the end the following new subsection:

"(h) Compensation for Data.—On submission of data as required under this section, the data submitter shall be entitled to be compensated in accordance with section 3(c)(1)(D).".

SEC. 404. VOLUNTARY CANCELLATION.

Section 6 (7 U.S.C. 136d) (as amended by section 403 of this Act) is further amended by adding at the end thereof the following new subsection:

"(i) Voluntary Cancellation.—

"(1) Requests.—A registrant may at any time request that any of the product registrations of the registration be canceled or be amended to delete one or more uses.

"(2) Notice.—Prior to such cancellation, the Administrator shall publish in the Federal Register a notice of intent to cancel and allow public comment within 60 days of notice.

"(3) Cancellation.—The Administrator shall approve such a request unless—

"(A) the product is the subject of a cancellation proceeding under section 6; and

"(B) the Administrator determines that the public interest would be served by disapproving the request and continuing such cancellation proceeding."

TITLE V—REGISTRATION OF ESTABLISHMENTS

SEC. 501. CONFIDENTIAL RECORDS AND INFORMATION.

Section 7(d) (7 U.S.C. 136e(d)) is amended by inserting "and production locations" after "names".

SEC. 502. MATERIAL SAFETY DATA SHEETS.

Section 7 (7 U.S.C. 136e) is amended by adding at the end the following:

"(e) Material Safety Data Sheets.—Any producer operating a registered establishment shall obtain and make available to the public, on request, a material safety data sheet developed under section 3(c)(10) for each active ingredient and listed inert ingredient used in the establishment.".

SEC. 503. CONFIDENTIALITY.

Section 7 (7 U.S.C. 136e) (as amended by section 502 of this Act) is further amended by adding at the end thereof the following new subsection:

"(f) Confidentiality.—Other than the name of a pesticide or active ingredient used in producing a pesticide or active ingredient used in producing a pesticide produced, sold or distributed at an establishment, any information submitted to the Administrator, State, or designated State agency pursuant to subsection (c) shall be considered confidential and subject to section 10.".

SEC. 504. INFORMATION REQUESTED.

Section 7 (7 U.S.C. 136e) (as amended by section 503 of this Act) is further amended by adding at the end the following:

"(g) Information Requested.—Consistent with section 3507(a)(1) of title 44, United States Code, the Administrator shall make efforts to catalog and retrieve data in a manner that eliminates or reduces additional information requests from registrants, particularly requests that require the submission of duplicate confidential data.".

TITLE VI—BOOKS AND RECORDS

SEC. 601. BOOKS AND RECORDS.

The first sentence of section 8(a) (7 U.S.C. 136f(a)) is amended by inserting ", exporters, and pesticide testing facilities" after "producers".

TITLE VII—INSPECTION OF ESTABLISHMENTS

SEC. 701. AUTHORITY TO ENTER, INSPECT, AND COPY.

Subsection (a) of section 9 (7 U.S.C. 136g(a)) is amended to read as follows:

"(a) Authority To Enter, Inspect, and Copy.—An officer or employee of the United States or of any State, designated by the Administrator, is authorized at reasonable times, as provided by this section—

"(1) to enter any place where any pesticide, active ingredient, or device is distributed or sold, in order to inspect and obtain samples of any pesticide, active ingredient, or device being distributed or sold at such place or of any packaging or labeling of any such pesticide, active ingredient, or device;

"(2) to enter any place where there are located any records required by or under this Act, or any place reported pursuant to section 8(a) as a location where such records are maintained, in order to inspect and obtain copies of such records;

"(3) to enter any pesticide testing facility, in order—

"(A) to inspect the facility and the testing being conducted at the facility; and

"(B) to inspect and obtain copies of any records required by or under the authority of this Act to be maintained by the pesticide testing facility; and

"(4) to enter any place where such officer or employee has probable cause to believe that the Act has been or is being violated by any person other than a person acting in the capacity of a private applicator, in order to inspect such place to obtain evidence of such violation.".

SEC. 702. WARRANTS.

Subsection (b) of section 9 (7 U.S.C. 136g(b)) is amended to read as follows:

"(b) Warrants.—An officer or employee of the United States or of any State, designated by the Administrator, is empowered to obtain and to execute warrants authorizing—

"(1) entry for the purposes of this section;

"(2) inspection and copying of all records required under this Act; and

"(3) seizure of any pesticide or device that is in violation of this Act.".

SEC. 703. PROCEDURE.

Section 9 (7 U.S.C. 136g) is amended by adding at the end the following new subsection:

"(d) Procedure.—

"(1) Credentials and statements.—Before any entry or inspection of any premises not open to the general public is made under this section, the person conducting the inspection shall present to the person in charge of the premises appropriate credentials and a written statement of the reason for the inspection and whether a violation of the law is suspected.

"(2) Promptness.—Each inspection shall be commenced and completed with reasonable promptness.

"(3) Samples.—If the person conducting the inspection obtains any samples of pesticides or devices, prior to leaving the premises, the inspector shall give to the person in charge of the premises a receipt describing the samples and, if requested and practicable, a portion of each such sample equal in volume or weight to the portion retained. If an analysis of any such sample is made, a copy of the results of such analysis shall be furnished to the person in charge of the premises.".

SEC. 704. COORDINATION.

Section 9 (7 U.S.C. 136g) (as amended by section 703 of this Act) is further amended by adding at the end the following new subsection:

"(e) Coordination.—The Administrator shall coordinate actions taken under this section with actions taken under other Federal laws, including the Toxic Substances Control Act (15 U.S.C. 2601 et seq.), Federal Food, Drug, and Cosmetic Act (21 U.S.C. 301 et seq.), and the Resource Conservation and Recovery Act of 1976 (42 U.S.C. 6901 et seq.), for the purpose of avoiding duplication of inspections.".

TITLE VIII—PROTECTION OF TRADE SECRETS AND OTHER INFORMATION

SEC. 801. DISCLOSURE OF INERT INGREDIENTS PERMITTED.

Section 10(d)(1)(C) (7 U.S.C. 136h(d)(1)(C)) is amended by inserting before the period the following: ", except that the identity of an inert ingredient listed under section 3(h)(1) shall be disclosed in accordance with paragraph (4)".

SEC. 802. DISCLOSURE OF INTENT TO MARKET PESTICIDES.

Section 10(d)(1) (7 U.S.C. 136h(d)(1)) is amended—

(1) by striking out "or" at the end of subparagraph (B);

(2) by striking out the period at the end of subparagraph (C) and inserting in lieu thereof ", or"; and

(3) by adding at the end thereof the following new subparagraph:

"(D) discloses any information regarding an intent to market a pesticide prior to the start of sales of the pesticide, unless such disclosure is necessary to protect against a suspected unreasonable risk to health or the environment.".

SEC. 803. METHODS OF DISCLOSING INERT INGREDIENTS.

Section 10(d) (7 U.S.C. 136h(d)) is amended by adding at the end thereof the following new paragraph:

"(4)(A) The identity of an inert ingredient may be disclosed by means of—

"(i) the listing of the ingredient on the priority list required by section 3(h)(1); or

"(ii) release of product labels disclosing the identity of an inert ingredient on the priority list.

"(B) The Administrator may continue to require identification of an inert ingredient on a product label pursuant to section 2(n) after the removal of the ingredient from the priority list pursuant to paragraph (4) or (5) of section 3(h) if the Administrator has issued a notice under section 3(c)(6) or (8)."

SEC. 804. DELAY IN PUBLIC NOTIFICATION.

Section 10(d) (7 U.S.C. 136h(d)) (as amended by section 803 of this Act) is further amended by adding at the end the following new paragraph:

"(5)(A) If a registrant demonstrates a future intention to market a registered product and the intention is not a matter of public record, the Administrator may grant a delay in public notification of a registered label, and documents relating to such registration, until the first date of the commercial disclosure of the product by or on behalf of the registrant.

"(B) The registrant shall provide adequate notice in advance of the commercial disclosure of the product so that the Administrator may thereafter disclose the available data subject to this section.

"(C) This paragraph shall not limit the ability of the Administrator to disclose such information if the Administrator determines that disclosure is necessary to protect against an unreasonable adverse effect on health or the environment.".

SEC. 805. DATA DISCLOSURE TO CONTRACTORS.

Subsection (e) of section 10 (7 U.S.C. 136h(e)) is amended to read as follows:

"(e) Disclosure to Contractors.—

"(1) Information otherwise protected from disclosure to the public in subsection (b) may be disclosed to a contractor with the United States, a State or State agency, or an employee of the contractor, under such conditions as the Administrator may specify, if, in the opinion of the Administrator, such disclosure is necessary for the satisfactory performance by the contractor of a contract with the United States or a State or State agency for the performance of work in connection with this Act.

"(2) The Administrator shall require as a condition of the disclosure of information under this subsection that the person receiving the information take such security precautions respecting the information as the Administrator shall by regulation prescribe.".

SEC. 806. DATA DISCLOSURE TO STATES.

Section 10 (7 U.S.C. 136h) is amended by adding at the end thereof the following new subsection:

"(h) Data Disclosure to States.—

"(1) Notwithstanding any limitation contained in this section or any other provision of law, information reported to or otherwise obtained by the Administrator under this Act shall be made available to any State or State agency that enters into a cooperative agreement with the Administrator in accordance with this subsection.

"(2) At any time, the Governor of a State or the duly authorized head of a State agency may submit a written request to enter into a cooperative agreement with the Administrator for access to specified information obtained under this Act. Such request shall include—

"(A) a description of the types of information for which access is sought;

"(B) an explanation of how the availability of such information relates to protection of health and the environment; and

"(C) proof that no laws or regulations of the State require disclosure of the data to any person, organization, or entity who would not be entitled to obtain the data from the Administrator under this Act.

"(3)(A) Within 90 days of receiving the request, the Administrator shall grant the request if the Administrator determines that the requestor has complied with paragraph (2).

"(B) A denial of a request by the Administrator shall include a written explanation stating the specific reasons for such denial.

"(C) On the granting of a request and the execution or modification of an agreement, the Administrator shall publish a notice in the Federal Register identifying the requestor and the nature of the information sought.

"(D) The agreement shall become effective 30 days after publication in the Federal Register.

"(4)(A) A cooperative agreement under this subsection may be in effect for up to 3 years.

"(B) Not less than 90 days before the expiration of an agreement, a requestor seeking renewal of an agreement shall provide a written certification that reaffirms that the requestor has complied with paragraph (2).

"(C) If a requestor acts in a timely manner, the agreement shall remain in effect until the Administrator renews the agreement.

"(D) Not less than 90 days before the expiration of an agreement, a requestor seeking modification of an agreement must comply with paragraph (2) to modify the agreement.

"(E) The Administrator shall act on a request for modification in accordance with paragraph (3).

"(5)(A)(i) Any current or former officer or employee of the United States or any State or State agency who—

"(I) by virtue of such employment or official position has obtained possession of, or has access to, material the disclosure of which is prohibited by this subsection;

"(II) knowing that disclosure of such material is prohibited by this subsection, willfully discloses the material in any manner to any person not entitled to receive such material; and

"(III) solicits such disclosure or obtains such material knowing that the release is unlawful,

shall be guilty of a misdemeanor and fined not more than $25,000 or imprisoned for not more than 1 year, or both.

"(ii) Section 1905 of title 18, United States Code, shall not apply with respect to the publishing, divulging, disclosure, or making known, or making available, information reported or otherwise obtained under this subsection.

"(B) For purposes of this paragraph—

"(i) any contractor with the United States or State or State agencies who is furnished information as authorized by subsection (a)(2), and any employee of any such contractor, shall be considered to be an employee of the United States; and

"(ii) any employee or any contractor or any employee of any such contractor of any State or State agency who is furnished information under a cooperative agreement with the Administrator, shall be considered to be an employee of the United States.".

SEC. 807. NOTICE OF REQUEST FOR DATA DISCLOSURE.

Section 10 (7 U.S.C. 136h) (as amended by section 806 of this Act) is further amended by adding at the end thereof the following new subsection:

"(i) Notice.—If the Administrator receives a request for data required or submitted under this Act, the Administrator shall provide the data submitter with notice of the request within 7 working days after receipt of the request.".

TITLE IX—STANDARDS APPLICABLE TO PESTICIDE APPLICATORS

SEC. 901. STANDARDS APPLICABLE TO PESTICIDE APPLICATORS.

Section 11 (7 U.S.C. 136i) is amended by adding at the end thereof the following new subsections:

"(c) Records of Commercial Applicators.—

"(1) Pesticide applications.—A commercial applicator shall maintain a record of each pesticide application, including the identify and amount of the pesticides applied and the date and location of the application.

"(2) Duration.—A commercial applicator shall maintain a record required under this subsection for a period of 2 years after the application.

"(d) Records of Pesticide Dealers.—

"(1) Pesticide sales.—A pesticide dealer shall maintain a record of each pesticide sale, other than the sale of an antimicrobial or nonrestricted use pesticide, to a private

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or commercial applicator. Such record shall include the identity of the pesticide, to whom the pesticide was distributed or sold, the date of the distribution or sale, and the amount of distribution or sale.

"(2) Duration.—A pesticide dealer shall maintain the records required under this subsection for a period of 3 years after the sale.

"(e) Inspection of Records.—For purposes of enforcing this Act, on request of the Administrator or an officer or employee of a State, a commercial applicator and a pesticide dealer shall furnish or permit the Administrator, officer, or employee at all reasonable times to have access to, and to copy, records maintained in accordance with subsections (c) and (d).

"(f) Access to Records.—

"(1) In general.—The records required to be kept under subsections (c) and (d) shall be accessible within 30 days after an application or sale.

"(2) Confidential business information.—Information obtained that identifies the location of application sites, customers, types of pesticides used or sold, amounts used or sold, dates and locations of sales, or other information that may provide a competitive advantage if disclosed shall be considered confidential business information under this Act.

"(3) Employee access.—An employee shall have access to information records maintained under this section that directly relate to the employment duties of the employee.

"(4) Customer access.—A customer shall have access to information records maintained under this section that directly relate to pesticide applications for which the customer has contracted.".

TITLE X—UNLAWFUL ACTS

SEC. 1001. DISTRIBUTION OR SALE OF CERTAIN PESTICIDES.

Section 12(a)(1) (7 U.S.C. 136j(a)(1)) is amended—

(1) in the matter preceding clause (A), by striking out "distribute, sell, offer for sale, hold for sale, ship, deliver for shipment, or receive and (having so received) deliver or offer to deliver, to any person" and inserting in lieu thereof "to distribute or sell to any person"; and

(2) by striking out clause (A) and inserting in lieu thereof the following new clause:

"(A) any pesticide product that is not registered under section 3 or whose registration has been canceled or suspended, except to the extent that distribution or sale otherwise has been authorized by the Administrator under this Act;".

SEC. 1002. OTHER UNLAWFUL ACTS.

Section 12(a)(2) (7 U.S.C. 136j(a)(2)) is amended—

(1) by striking out clause (B) and inserting in lieu thereof the following new clause:

"(B) to refuse to—

"(i) prepare, maintain, or submit any records required under this Act;

"(ii) submit any reports required by this Act; or

"(iii) allow any inspection, copying of records, or sampling authorized by this Act;";

(2) in clause (F), by striking out "to make" and inserting in lieu thereof "to distribute, sell, or make";

(3) in clause (J), by striking out "section 6" and inserting in lieu thereof "this Act";

(4) by striking out clause (K) and inserting in lieu thereof the following new clause:

"(K) to violate any cancellation order issued under this Act;";

(5) in clause (M), by striking out "section 6" and inserting in lieu thereof "this Act";

(6) by striking out "or" at the end of clause (O);

(7) by striking out the period at the end of clause (P) and inserting in lieu thereof a semicolon; and

(8) by adding at the end thereof the following new clauses:

"(Q) to willfully falsify all or part of any data submitted pursuant to this Act, or to willfully submit such false data knowing it to be false;

"(R) to violate any regulation prescribed by the Administrator to carry out good laboratory practice standards;

"(S) to distribute or sell, to make available for use, or to use any pesticide product that is the subject of an exemption under section 18 in violation of the terms of the exemption;

"(T) who is a registrant, an applicant for registration, or a pesticide testing facility, to falsify or misrepresent any information relating to the testing of any pesticide (or any ingredient, metabolite, or degradation product thereof), including the nature of any protocol, procedure, substance, organism, or equipment used, observation made, or conclusion, or opinion formed if such representation is made to the Administration, or is made in any document or record that the person making the representation knows will be furnished to the Administrator or will become a part of any records required to be maintained under this Act;

"(U) who is a registrant, an applicant for registration, a pesticide testing facility, a distributor or seller of any pesticide, a commercial applicator, or a hired applicator of any pesticide, to violate any regulation issued under this Act; or

"(V) to apply a pesticide as a commercial or private applicator, certified or uncertified, without receiving training required under this Act.".

SEC. 1003. LIABILITY FOR PESTICIDE USE DAMAGE.

Section 12 (7 U.S.C. 136j) is amended by adding at the end thereof the following new subsection:

"(c) Liability for Pesticide Use Damage.—

"(1) In general.—Notwithstanding any other provision of law, an agricultural producer or applicator shall not be liable in any action brought under this Act or for damages caused by pesticide use unless the producer or applicator acted unreasonably with regard to such pesticide use or application.

"(2) Label application.—Proof that a pesticide application was made in accordance with the label of the pesticide shall be presumptive evidence that the applicator acted reasonably.".

SEC. 1004. ACTS OF AGENTS.

Section 12 (7 U.S.C. 136j) (as amended by section 1003 of this Act) is further amended by adding at the end the following:

"(d) Acts of Agents.—When construing and enforcing this Act, the act, omission, or failure of any officer, employee, agent, or other person acting for or employed by any person shall be considered the act, omission, or failure of such person as well as that of the person employed.".

TITLE XI—PENALTIES

SEC. 1101. CIVIL PENALTIES.

Section 14(a) (7 U.S.C. 136l(a)) is amended—

(1) in paragraph (1)—

(A) by inserting after "commercial applicator," the following: "applicant for restricted use pesticide registration, pesticide testing facility,";

(B) by striking out "distributor" and inserting in lieu thereof "person who distributes or sells any pesticide or device";

(C) by striking out "$5,000" and inserting in lieu thereof "$10,000"; and

(D) by adding at the end thereof "For purposes of this subsection, each day after citation for such a violation that a pesticide registrant or distributor continues to commit such a violation shall constitute a separate offense.";

(2) in paragraph (2)—

(A) by striking out "$1,000" each place it appears and inserting in lieu thereof "$2,000"; and

(B) by striking out "$500" and inserting in lieu thereof "$1,000";

(3) in paragraph (3), by adding at the end thereof the following new sentence: "If the person neither resides nor has a principal place of business in the United States, the Administrator may designate a site for the hearing in the United States that is reasonably convenient for the parties."; and

(4) in the first sentence of paragraph (4), by inserting "any economic benefit resulting from the violation," after "to continue in business,".

SEC. 1102. CRIMINAL PENALTIES.

Section 14(b) (7 U.S.C. 136l(b)) is amended—

(1) in paragraph (1)—

(A) by inserting after "commercial applicator," the following: "applicant for restricted use pesticide registration, pesticide testing facility,";

(B) by striking out "distributor" and inserting in lieu thereof "person who distributes or sells any pesticide or device,"; and

(C) by striking out "one year" and inserting in lieu thereof "2 years";

(2) in paragraph (2)—

(A) by striking out "$1,000" and inserting in lieu thereof "$2,000"; and

(B) by striking out "30 days" and inserting in lieu thereof "1 year";

(3) by striking out paragraph (3) and inserting in lieu thereof the following new paragraph:

"(3) Disclosure of information.—

"(A) Any person who uses or reveals information relative to the formula of a product acquired under section 3, shall be fined not more than $25,000 or imprisoned for not more than 3 years, or both.

"(B) Any person, including any officer, contractor, contractor employee, or employee of the United States or a State or State agency who—

"(i) is granted access to data under section 3(c) (9) or (10); and

"(ii) in furtherance of a commercial purpose involving the production, registration, distribution, or sale of a pesticide—

"(I) knowingly violates such section; or

"(II) knowingly allows data to be made available in violation of such section,

shall be fined not more than $100,000 or imprisoned for not more than 3 years, or both."; and

(4) by striking out paragraph (4).

SEC. 1103. SUBPOENAS.

Section 14 (7 U.S.C. 136l) is amended by adding at the end thereof the following new subsection:

"(c) Subpoenas.—

"(1) Issuance.—The Administrator may—

"(A) in connection with an administrative proceeding under subsection (a), issue a subpoena to compel the attendance and testimony of a witness or a subpoena duces tecum; and

"(B) request the Attorney General to bring an action to enforce any subpoena issued under this subsection.

"(2) Jurisdiction.—A district court of the United States shall have jurisdiction to enforce such subpoena and impose a sanction.".

TITLE XII—ADMINISTRATIVE PROCEDURE; JUDICIAL REVIEW

SEC. 1201. REVIEW OF REGULATIONS.

Section 16 (7 U.S.C. 136n) is amended by adding at the end thereof the following new subsection:

"(e) Review of Regulations.—

"(1) In general.—Any regulation issued under this Act and first published in the Federal Register in final form after the effective date of the Pesticide Reform Act of 1986, or any refusal to modify or rescind such a regulation, shall be reviewable only as provided by this subsection.

"(2) Court.—Any person may obtain judicial review of such a regulation or refusal by filing a petition for review in the United States court of appeals for the circuit in which the person resides or has its principal place of business or in the United States Court of Appeals for the District of Columbia.

"(3) Review of issued regulations.—Any petition under this subsection for review of a regulation shall be filed within 90 days from the date of promulgation of the regulation as determined by the Administrator in the Federal Register.

"(4) Review of refusal to modify or rescind.—Any petition under this subsection for review of a refusal to modify or rescind a regulation shall be filed within 90 days after such refusal.

"(5) Scope of review.—The scope of review shall be as specified in section 706 of title 5, United States Code.

"(6) Stays.—The commencement of proceedings under this paragraph shall not, unless specifically ordered by the court to the contrary, operate as a stay of the regulation.

"(7) Judicial review.—Action of the Administrator with respect to which review could have been obtained under this subsection shall not be subject to judicial review in any suspension, cancellation, or denial proceeding under this Act, or any appeal therefrom, nor in any proceeding under section 13, 14, or 16(c) or any appeal therefrom.".

TITLE XIII—IMPORTS AND EXPORTS

SEC. 1301. PESTICIDES AND DEVICES INTENDED FOR EXPORT.

(a) In General.—Subsection (a) of section 17 (7 U.S.C. 136o(a)) is amended to read as follows:

"(a) Pesticides and Devices Intended for Export.—

"(1) Violations.—Notwithstanding any other provision of this Act, no pesticide or device or active ingredient used in producing a pesticide intended solely for export to any foreign country shall be considered in violation of this Act when prepared or packed according to the specifications or directions of the foreign purchaser, except that producers of such pesticides and devices and active ingredients used in producing pesticides shall be subject to sections 2(p), subparagraphs (A), (C), (D), (E), (G), (H), and (I) of section 2(q)(1), subparagraphs (A), (B), (C)(i), (C)(iii), and (D) of section 2(q)(2), sections 7 and 8, and paragraphs (2), (3), (4), (5), and (6) of section 17(a).

"(2) Exports.—

"(A) This paragraph applies to a pesticide, device, or active ingredient—

"(i) for which a restricted use classification has become effective under section 3;

"(ii) for which a cancellation or suspension has become effective under section 6;

"(iii) the registration of which has been voluntarily withdrawn by the registrant, if such withdrawal was associated with concern over potential adverse public health or environmental effects; or

"(iv) that is not registered under section 3 for any use.

"(B) No pesticide, device, or active ingredient described in subparagraph (A) may be exported to any foreign country by any person unless, at least 30 days prior to the first shipment each year of such pesticide to such country, such person has—

"(i) notified, pursuant to paragraph (3), the person importing the pesticide and the appropriate government regulatory office in the importing country;

"(ii) received written evidence that the notification was delivered to the appropriate government regulatory office; and

"(iii) submitted a copy of the notification in English and evidence of delivery to the Administrator.

"(C) Documents referred to in subparagraph (B) shall be made available to the public, on request.

"(3) Notification.—The notification required pursuant to paragraph (2) shall be made in an appropriate language and shall contain the following information:

"(A) The name of the pesticide and the common and chemical names of the active ingredient.

"(B) The name and address of the person exporting the pesticide.

"(C) The name and address of the person importing the pesticide.

"(D) The name and address of the appropriate government regulatory office in the importing country.

"(E) A statement of the reasons why the pesticide was canceled, suspended, voluntarily withdrawn, is not registered in the United States, or has been classified for restricted use, and the list of restrictions.

"(F) The name and address of the office of the United States Environmental Protection Agency that, on request by the importer or official of the importing country, can provide additional information on the pesticide.

"(4) Labels.—

"(A) The label of pesticides intended for export from the United States shall be written in an appropriate language.

"(B) Except as provided in section 2(q)(1)(H), such label may not refer to compliance with the laws of the United States unless the label also contains or is accompanied by a description of the relevant requirements of such laws.".

(b) Effective Dates.—

(1) Paragraphs (2) and (3) of section 17(a) (as amended by subsection (a) of this section) shall become effective 90 days after the date of enactment of this Act.

(2) Not later than 30 days after the date of enactment of this Act, the Administrator of the Environmental Protection Agency shall publish in the Federal Register a list of the names, addresses, and international telecommunications codes of appropriate regulatory offices required to receive notices under section 17(a)(2)(B).

(3) Not later than 180 days after the date of enactment of this Act, and annually thereafter, the Administrator shall revise the list required under paragraph (2).

(4) Not later than 90 days after the date of enactment of this Act, the Administrator shall publish in the Federal Register preliminary guidelines regarding—

(A) the form of the notification required under section 17(a)(2);

(B) translation of the notification and labels required under such section into the appropriate language;

(C) retention of shipping documents and other pertinent records by exporters under such section; and

(D) procedures for public access to documents submitted by exporters under such section.

(5) Not later than 1 year after the date of enactment of this Act, the Administrator shall issue such regulations as are necessary to carry out section 17(a) (2) and (3) and this subsection.

SEC. 1302. CANCELLATION NOTICES FURNISHED TO FOREIGN GOVERNMENTS.

Subsection (b) of section 17 (7 U.S.C. 136o(b)) is amended to read as follows:

"(b) Cancellation Notices Furnished to Foreign Government.—

"(1) Issuance.—If a registration, or a cancellation or suspension of the registration, of a pesticide becomes effective, or ceases to be effective, or a pesticide is classified for restricted use, the Administrator shall transmit through the State Department notification thereof to the governments of other countries and to appropriate international agencies.

"(2) Contents.—Such notification shall, on request, include the reasons for the cancellation, suspension, or restriction and information concerning other pesticides that are registered under section 3 and that could be used in lieu of such pesticide.".

SEC. 1303. COOPERATION IN INTERNATIONAL EFFORTS.

Subsection (d) of section 17 (7 U.S.C. 136o(d)) is amended to read as follows:

"(d) Cooperation in International Efforts.—The Administrator shall—

"(1) in cooperation with the Department of State, other appropriate Federal agencies, and nongovernmental and international organizations, actively participate in international efforts to develop improved pesticide research; and

"(2) report to Congress annually on the activities conducted to comply with this subsection and the results thereof.".

TITLE XIV—RESEARCH AND MONITORING

SEC. 1401. RESEARCH.

Subsection (a) of section 20 (7 U.S.C. 136r(a)) is amended to read as follows:

"(a) Research.—

"(1) In general.—The Administrator shall undertake such research as may be necessary to carry out this Act, including research by grant or contract with other Federal agencies, universities, or other entities or persons.

"(2) Integrated pest management.—The Administrator shall conduct research into integrated pest management in cooperation with the Secretary of Agriculture.

"(3) Duplication.—The Administrator shall ensure that research conducted under this subsection does not duplicate research being undertaken by any other Federal agency. Such agency may not be required to duplicate or supplement research already reviewed and accepted by the Administrator in the course of registration and the finding of no unreasonable adverse impact resulting from the use of registered material.".

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TITLE XV—DELEGATION AND COOPERATION

SEC. 1501. EFFECT ON CERTAIN OTHER LAWS.

Section 22 (7 U.S.C. 136t) is amended by adding at the end the following new subsection:

"(c) Effect on Certain Other Laws.—

"(1) In general.—In exercising any authority under this Act, the Administrator shall not, for the purposes of section 4(b)(1) of the Occupational Safety and Health Act of 1970 (29 U.S.C. 653(b)(1)), be considered to be exercising statutory authority to prescribe or enforce standards or regulations affecting occupational safety or health.

"(2) Coordination.—The Administrator and the Secretary of Labor shall coordinate efforts to regulate pesticide use in the workplace so as to minimize burdens on regulated persons.".

TITLE XVI—STATE COOPERATION, AID, AND TRAINING

SEC. 1601. AUTHORIZATION FOR APPROPRIATIONS.

(a) In General.—Section 23 (7 U.S.C. 136u) is amended—

(1) in subsection (a), by striking out the second and third sentences; and

(2) by adding at the end thereof the following new subsection:

"(d) Authorization for Appropriations.—

"(1) Certified applicator training.—

"(A) There are authorized to be appropriated for the fiscal year ending September 30, 1987, and each fiscal year thereafter, such sums as may be necessary for the Administrator to provide through cooperative agreements an amount equal to 50 percent of the anticipated cost to each State or Indian tribe, as agreed to under cooperative agreements, of conducting training programs for certification of applicators during such fiscal year.

"(B) Funds shall be distributed among States and Indian tribes on a formula basis, as determined by the Secretary of Agriculture and the Administrator.

"(2) Pesticide certification and licensing programs.—

"(A) There are authorized to be appropriated for the fiscal year ending September 30, 1987, and each fiscal year thereafter, such sums as may be necessary—

"(i) for the Administrator to provide through cooperative agreements an amount equal to 50 percent of the anticipated cost to each State or Indian tribe, as agreed to under cooperative agreements, of conducting pesticide certification and licensing programs during such fiscal year; and

"(ii) in the case of a State, for administering the State plan of each State approved under section 4(a)(2).

"(B) Funds shall be distributed among the States and Indian tribes on a formula basis as determined by the Administrator.

"(3) Appropriated amounts.—

"(A) The total amount authorized to be appropriated under paragraphs (1) and (2) may not be less than $5,000,000 for each fiscal year.

"(B) If funds sufficient to pay 50 percent of the costs under paragraphs (1) and (2) for any year are not appropriated, the share of each State or Indian tribe shall be reduced in a like proportion in allocating available funds.

"(4) Coordination.—States conducting training and certification programs under State plans shall coordinate such programs to assure that standards for certification of applicators of pesticides are attained and maintained and prescribed by the Administrator under section 4.".

(b) Effective Date.—The amendments made by this section shall become effective October 1, 1986.

TITLE XVII—AUTHORITY OF STATES

SEC. 1701. PESTICIDE SALE OR USE.

(a) In General.—Subsection (a) of section 24 (7 U.S.C. 136v(a)) is amended to read as follows:

"(a) Sale or Use.—A State, but not a political subdivision of a State, may regulate the sale or use of any federally registered pesticide or device in the State, but only if and to the extent that the regulation does not permit any sale or use prohibited by this Act, except that—

"(1) a State shall not make any lack of essentiality a criterion for regulating the sale or use of a pesticide; and

"(2) a State shall not establish any tolerance for a pesticide residue that is different from, or in addition to, a tolerance for the residue established under the Federal Food, Drug, and Cosmetic Act (21 U.S.C. 301 et seq.)."

(b) Clerical Amendment.—Section 24(b) is amended by inserting after the subsection designation the following: "Labeling or Packaging.—".

SEC. 1702. ADDITIONAL USES.

(a) In General.—Section 24(c) (7 U.S.C. 136c(v)) is amended by striking out "(c) and all that follows through the end of paragraph (1) and inserting in lieu thereof the following:

"(c) Additional Uses.—

"(1) Special local needs.—

"(A) In addition to regulating the sale or use of federally registered pesticides pursuant to subsection (a), a State may provide registration for additional uses of federally registered pesticides formulated for distribution and use within the State to meet special local needs.

"(B) Such registration shall be considered registration under section 3 for all purposes under this Act, but shall authorize distribution and use only within such State.

"(C) Such registration shall terminate, without further action by the Administrator, on the earlier of—

"(i) the end of any period established by the State for the registration of the use; or

"(ii) 10 days after the date the Administrator publishes in the Federal Register a notice stating that the State that issued the registration has informed the Administrator that the State no longer desires the registration to continue in effect.".

(b) Clerical Amendments.—Section 24(c) is amended—

(1) by making the margins for paragraphs (2) through (4) the same as the margin for paragraph (1) (as amended by subsection (a));

(2) in paragraph (2), by inserting "Disapproval.—" after the paragraph designation;

(3) in paragraph (3), by inserting "Tolerances or exemptions.—" after the paragraph designation; and

(4) in paragraph (4), by inserting "Controls.—" after the paragraph designation.

SEC. 1703. DIFFERENCES IN USAGE AND RISK.

Section 24 (7 U.S.C. 136v) is amended by adding at the end the following new subsection:

"(d) Differences in Usage and Risk.—In promulgating any regulations, policies, or protocols pertaining to the sale or use of pesticides within a State, the State shall take into account the difference in concept and usage between various classes of pesticides and the differences in environmental risk and the appropriate data for evaluating such risk between agricultural and nonagricultural pesticides.".

SEC. 1794. LOW VOLUME NONFOOD PESTICIDE USE.

Section 24 (7 U.S.C. 136v) (as amended by section 1703 of this Act) is further amended by adding at the end the following new subsection:

"(e) Low Volume Nonfood Pesticide Use.—

"(1) In general.—

"(A) Any person may petition the Administrator to conduct a rule making on the record after an opportunity for a hearing in accordance with subchapter II of chapter 5 of title 5, United States Code, to amend requirements, regulations, or policies established under this Act governing low volume nonfood pesticide uses.

"(B) The Administrator shall publish notice of the petition in the Federal Register, and conduct a rule making, on a showing by the petitioner that the potential market for the low volume nonfood pesticide use in question is too small to warrant the cost of complying with the regulation.

"(2) Informal rule making.—Notwithstanding paragraph (1), the Administrator may conduct rule making under paragraph (1) in accordance with the first two sentences of section 553 of title 5, United States Code.

"(3) Criteria.—

"(A) The criteria for granting or denying a request of a petitioner shall be whether or not the proposed amendment will cause an unreasonable risk to man or the environment.

"(B) The Administrator and the petitioner, in consultation with other interested parties, may establish an innovative solution to the problems raised in a petition filed under this subsection (including the amendment or exemption from certain requirements or policies) that is consistent with subparagraph (A).

"(4) Duration.—Unless specified as part of the outcome of the rule making, an amendment to a low volume nonfood use granted under this subsection shall terminate after 2 years. After such termination, the petitioner may re-petition the Administrator in accordance with this subsection.

"(5) Description.—

"(A) If the Administrator decides that an amended use may be permitted under this subsection, the Administrator shall publish a notice of the decision in the Federal Register.

"(B) The Administrator shall prepare a one-page description of the amended use and provide notice of the availability of the description in the notice published under subparagraph (A).

"(C) To maintain an amended use under this subsection, the applicator must make available the description and post a copy of the description at the site of each application of the amended use.".

TITLE XVIII—AUTHORITY OF ADMINISTRATOR

SEC. 1801. CONGRESSIONAL REVIEW OF RULES AND REGULATIONS.

Section 25(a)(4) (7 U.S.C. 136w(a)(4)) is amended—

(1) in the second sentence of subparagraph (A)—

(A) by striking out "both Houses of Congress adopt a concurrent resolution" and inserting in lieu thereof "a joint resolution is enacted";

(B) by striking out "That Congress disapproves the" and inserting in lieu thereof "The"; and

(C) by inserting "is disapproved" before the closed quotation marks; and

(2) in the first sentence of subparagraph (B), by striking out "concurrent resolution" and inserting in lieu thereof "joint resolution".

SEC. 1802. SCIENTIFIC ADVISORY PANEL.

Section 25(d) (7 U.S.C. 136w(d)) is amended—

(1) in the first sentence, by striking out "The" and inserting in lieu thereof "Except when a referral is made pursuant to an interim administrative review in section 3(c)(8)(C) to the Scientific Advisory Panel established by this subsection, the"; and

(2) in the eighteenth sentence, by striking out "1987" and inserting in lieu thereof "1991".

TITLE XIX—STATE PRIMARY ENFORCEMENT RESPONSIBILITY

SEC. 1901. STATE PRIMARY ENFORCEMENT RESPONSIBILITY.

(a) In General.—Subsection (a) of section 26 (7 U.S.C. 136w-1(a)) is amended to read as follows:

"(a) State Responsibility.—

"(1) Criteria.—For purposes of this Act, a State shall have primary enforcement responsibility for pesticide use violations during any period for which the Administrator determines that such State—

"(A) has adopted adequate pesticide use laws and regulations, except that the Administrator may not require a State to have pesticide use laws that are more stringent than this Act;

"(B) has adopted and is implementing adequate procedures for the enforcement of such State laws and regulations;

"(C) will keep records necessary to provide an annual programmatic review showing compliance with clauses (A) and (B);

"(D) will report emergency conditions to the Administrator at the earliest practical date.

"(2) Coordination.—For purposes of this section, the term 'primary enforcement responsibility' shall include primary enforcement responsibility over an action that has been proposed by a State and approved by the Administrator, including the banning, seizure and cancellation of a registered product. The Administrator and the State shall coordinate actions affecting registered products.".

(b) Clerical Amendments.—Section 26 is amended—

(1) in subsection (b), by inserting "State Plans.—" after the subsection designation; and

(2) in subsection (c), by striking out "the" after the subsection designation and inserting in lieu thereof "Administrator Responsibility.—The".

SEC. 1902. CERTIFICATION IN PESTICIDE USE APPLICATIONS.

Section 26 (7 U.S.C. 136w-1) is amended by adding at the end the following new subsection:

"(d) Certification in Pesticide Use Applications.—To enforce requirements of this Act with respect to restricted and nonrestricted use pesticide applications, an employee of the Environmental Protection Agency must be certified in the State for the category of such applications for which the employee is assigned enforcement responsibility.".

SEC. 1903. POLITICAL SUBDIVISIONS.

Section 26 (7 U.S.C. 136w-1) (as amended by section 1902 of this Act) is amended by adding at the end the following new subsection:

"(e) Political Subdivisions.—This section does not extend enforcement authority or responsibility to any political subdivision of a State."

TITLE XX—FAILURE BY THE STATE TO ASSURE ENFORCEMENT OF STATE PESTICIDE USE REGULATIONS

SEC. 2001. STATE ENFORCEMENT ACTIONS.

(a) In General.—Subsection (a) of section 27 (7 U.S.C. 136w-2) is amended to read as follows:

"(a) Complaints.—

"(1) Referral.—On receipt of any complaint or other information alleging or indicating a significant violation of the pesticide use provisions of this Act, the Administrator shall refer the matter to the appropriate State officials for investigation of the matter consistent with this Act.

"(2) Investigation.—As soon as practicable after a complaint is filed and in no event later than 30 days after the filing of the complaint, the State shall commence appropriate investigative action.

"(3) Action by Administrator.—If the State has not commenced appropriate enforcement action within 120 days of the filing of the complaint, the Administrator may act on the complaint or information to the extent authorized under this Act.".

(b) Clerical Amendments.—Section 27 is amended—

(1) in subsection (b), by inserting "Rescission.—" after the subsection designation; and

(2) in subsection (c), by inserting "Emergencies.—" after the subsection designation.

TITLE XXI—DATA COLLECTION AND RETRIEVAL SYSTEMS

SEC. 2101. DATA COLLECTION AND RETRIEVAL SYSTEMS.

The Act is amended—

(1) by redesignating section 31 (7 U.S.C. 136y) as section 32; and

(2) by inserting after section 30 the following new section:

"SEC. 31. DATA COLLECTION AND RETRIEVAL SYSTEMS.

"(a) Data Collection System.—

"(1) In general.—In consultation with a committee established by the Administrator within the Environmental Protection Agency, the Administrator shall design and implement an efficient system within the Agency for the collection, dissemination (to other Federal and State departments and agencies), and use of data submitted to the Administrator under this Act.

"(2) Advisory committee.—The Administrator and the committee established under paragraph (1) shall solicit advice from data users outside the Federal Government by means of an advisory committee that shall consist of representatives from private groups, State governments and organizations, industry, and other appropriate representatives.

"(b) Data Retrieval System.—

"(1) In general.—In consultation and cooperation with the Secretary of Agriculture and the heads of other appropriate Federal and State departments and agencies design, the Administrator shall design and implement an efficient and effective system for the retrieval of pesticidal, toxicological, and other scientific data that could be useful to the Administrator in carrying out this Act.

"(2) Availability.—The Administrator shall make the system available to all Federal and State departments and agencies with responsibilities in the area of regulation or study of pesticides and the effect of pesticides on man and the environment.

"(c) Indexing.—In designing and implementing the systems required by subsections (a) and (b), the Administrator shall ensure that information submitted before or after the effective date of the Pesticide Reform Act of 1986 is indexed by pesticide name, Chemical Abstracts Service registry number, plant sites by State, and submitter, so that such information may be retrieved in a timely and useful manner.

"(d) Confidentiality.—Dissemination of information and data collected under this section to any State or State agencies shall be subject to section 10.

"(e) Report.—Not later than 24 months after the effective date of the Pesticide Reform Act of 1986, the Administrator shall submit a report to Congress on—

"(1) progress in designing and implementing the systems required by subsections (a) and (b); and

"(2) the indexing of information in accordance with subsection (c).

"(f) Completion.—Not later than 36 months after the effective date of the Pesticide Reform Act of 1986, the Administrator shall complete the design and implementation of the system required by this section.".

TITLE XXII—AUTHORIZATION OF APPROPRIATIONS

SEC. 2201. AUTHORIZATION OF APPROPRIATIONS.

(a) In General.—Section 32 (as redesignated by section 2101 of this Act) is amended to read as follows:

"SEC. 32. AUTHORIZATION OF APPROPRIATIONS.

"There are authorized to be appropriated to carry out this Act $69,433,100 for the fiscal year ending September 30, 1987, and such sums as may be necessary for each of the fiscal years September 30, 1988, through September 30, 1991.".

(b) Effective Date.—The amendment made by this section shall become effective on October 1, 1986.

TITLE XXIII—TECHNICAL AMENDMENTS

SEC. 2301. TABLE OF CONTENTS.

The table of contents contained in section 1(b) (7 U.S.C. prec. 121) is amended—

(1) by adding at the end of the items relating to section 2(e) the following:

"(5) Noncertified commercial applicator.
"(6) Competent person.";

(2) by striking out the item relating to section 2(n) and inserting in lieu thereof the following:

"(n) Ingredient statement.
"(1) In general.
"(2) Common name.";

(3) by adding at the end of the items relating to section 2 the following:

"(ff) Antimicrobial.
"(gg) Importing country.
"(hh) Low volume nonfood pesticide use.
"(ii) Material safety data sheets.
"(jj) Outstanding data requirement.
"(1) In general.
"(2) Factors.
"(kk) Pesticide dealer.
"(ll) Pesticide product.
"(mm) Pesticide testing facility.
"(nn) Political subdivision of a State.
"(oo) Terms of registration.
"(pp) To distribute or sell.";

(4) by adding at the end of the items relating to section 3(c) the following:

"(9) Preregistration access to data.
"(10) Material safety data sheets.";

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(5) by striking out the item relating to section 3(g) and inserting in lieu thereof the following:

"(g) Reregistration of pesticides.
"(1) In general.
"(2) Lists of pesticide active ingredients.
"(3) Priority.
"(4) Removal.
"(5) Notification.
"(6) Judicial review.
"(7) Data requirements.
"(8) Filling data requirements.
"(9) Suspension.
"(10) Reregistration.
"(11) Compensation.
"(12) Lack of essentiality.";

(6) by adding at the end of the items relating to section 3 the following:

"(h) Priority list for inert ingredients.
"(1) Establishment.
"(2) Publication of list.
"(3) Judicial review.
"(4) Removal of ingredients involving administrative reviews.
"(5) Removal of ingredients involving additional data.
"(6) Additional data.
"(i) Substitution of inert ingredients.
"(j) Labeling of inert ingredients.
"(1) Amended label.
"(2) Misbranding.
"(k) Formula statements.
"(1) Listed inert ingredients.
"(2) All inert ingredients.";

(7) by adding at the end of the items relating to section 4 the following:

"(d) Commercial applicator certification.
"(1) Criteria.
"(2) Experience.
"(3) Additional test.
"(e) Noncertified commercial applicator training and registration.
"(f) Certified and noncertified private applicator training.
"(g) Retraining and recertification.
"(h) Uniform training.
"(i) Training for pesticide applicators and trainers.
"(1) In general.
"(2) State program.
"(3) Private program.
"(j) Worker training.";

(8) by adding at the end of the items relating to section 6 the following:

"(g) Cancellation of registration based on false or invalid data.
"(1) Previously determined invalid data.
"(2) New invalid data.
"(3) False data.
"(4) Hearing.
"(h) Compensation for data.
"(i) Voluntary cancellation.
"(1) Requests.
"(2) Notice.
"(3) Cancellation.";

(9) by adding at the end of the items relating to section 7 the following:

"(e) Material safety data sheets.
"(f) Confidentiality.
"(g) Information requested.";

(10) by striking out the item relating to section 9(a) and inserting in lieu thereof the following:

"(a) Authority to enter, inspect, and copy.";

(11) by adding at the end of the items relating to section 9 the following:

"(d) Procedure.
"(1) Credentials and statements.
"(2) Promptness.
"(3) Samples.
"(e) Coordination.";

(12) by adding at the end of the items relating to section 10 the following:

"(h) Data disclosure to States.
"(i) Notice.";

(13) by adding at the end of the items relating to section 11 the following:

"(c) Records of commercial applicators.
"(1) Pesticide applications.
"(2) Duration.
"(d) Records of pesticide dealers.
"(1) Pesticide sales.
"(2) Duration.
"(e) Inspection of records.
"(f) Access to records.
"(1) In general.
"(2) Confidential business information.
"(3) Employee access.
"(4) Customer access.";

(14) by adding at the end of the items relating to section 12 the following:

"(c) Liability for pesticide use damage.
"(1) In general.
"(2) Label application.
"(d) Acts of agents.";

(15) by striking out the item relating to section 14(b)(4);

(16) by adding at the end of the items relating to section 14 the following:

"(c) Subpoenas.
"(1) Issuance.
"(2) Jurisdiction.";

(17) by adding at the end of the items relating to section 16 the following:

"(e) Review of regulations.
"(1) In general.
"(2) Court.
"(3) Review of issued regulations.
"(4) Review of refusal to modify or rescind.
"(5) Scope of review.
"(6) Stays.
"(7) Judicial review.";

(18) by striking out the items relating to subsections (a) and (b) of section 17 and inserting in lieu thereof the following:

"(a) Pesticides and devices intended for export.
"(1) Violations.
"(2) Exports.
"(3) Notification.
"(4) Labels.
"(b) Cancellation notices furnished to foreign government.
"(1) Issuance.
"(2) Contents.";

(19) by striking out the item relating to section 20(a) and inserting in lieu thereof the following:

"(a) Research.
"(1) In general.
"(2) Integrated pest management.
"(3) Duplication.";

(20) by adding at the end of the items relating to section 22 the following:

"(c) Effect on certain other laws.
"(1) In general.
"(2) Coordination.";

(21) by adding at the end of the items relating to section 23 the following:

"(d) Authorization for appropriations.
"(1) Certified applicator training.
"(2) Pesticide certification and licensing programs.
"(3) Appropriated amounts.
"(4) Coordination.";

(22) by striking out the item relating to section 24 and inserting in lieu thereof the following:

"Sec. 24. Authority of States.
"(a) Sale or use.
"(b) Labeling or packaging.
"(c) Additional uses.
"(1) Special local needs.
"(2) Disapproval.
"(3) Tolerances or exemptions.
"(4) Controls.
"(d) Differences in usage and risk.
"(e) Low volume nonfood pesticide use.
"(1) In general.
"(2) Informal rule making.
"(3) Criteria.
"(4) Duration.
"(5) Description.";

(23) by striking out the item relating to sections 26 and 27 inserting in lieu thereof the following:

"Sec. 26. State primary enforcement responsibility.
"(a) State responsibility.
"(1) Criteria.
"(2) Coordination.
"(b) State plans.
"(c) Administrator responsibility.
"(d) Certification in pesticide use applications.
"(e) Political subdivisions.
"Sec. 27. Failure by the State to assure enforcement of State pesticide use regulations.
"(a) Complaints.
"(1) Referral.
"(2) Investigation.
"(3) Action by Administrator.
"(b) Rescission.
"(c) Emergencies."; and

(24) by adding at the end thereof the following:

"Sec: 31. Data collection and retrieval systems.
"(a) Data collection system.
"(1) In general.
"(2) Advisory committee.
"(b) Data retrieval system.
"(1) In general.
"(2) Availability.
"(c) Indexing.
"(d) Confidentiality.
"(e) Report.
"(f) Completion.".

TITLE XIV—EFFECTIVE DATE

SEC. 2401. EFFECTIVE DATE.

(a) In General.—Except as provided in subsection (b) and other provisions of this Act, this Act and the amendments made by this Act shall become effective 60 days after the date of enactment of this Act.

(b) Certification, Training, and Recordkeeping.—The amendments made by sections 101, 107 (only with respect to the definition of "pesticide dealer"), 301, 302, 901, and 1902 shall become effective 120 days after the date of enactment of this Act.

Summary of the Pesticide Reform Act of 1986

REREGISTRATION

Reregistration of pesticides would be required under the bill. The Environmental Protection Agency (EPA) would be required to publish in the Federal Register, within 90 days of enactment, a priority list of 300 pesticide active ingredients not reregistered since September 30, 1978. A second list would be required to be published 90 days later containing the remaining pesticide active ingredients not reregistered. The reregistration process would take approximately 10 to 12 years to complete. Registrants would be required to assist EPA by identifying data gaps and to commit to reregister a pesticide ingredient or face cancellation of the registration.

CANCELLATION

Detailed, scientific criteria would be required for cancellation of a registration. This criteria would be based on a validated test or other significant evidence that use of the pesticide posed risks to man, animals, or the environment. The cancellation process for a registration could take up to 18 months.

CONDITIONAL REGISTRATION

The bill basically restates current law by providing flexibility to EPA in determining when the applicant for an additional use has submitted satisfactory data pertaining to the proposed additional uses of the registered pesticide. This flexibility is particularly important in connection with study requirements and timetables for the registration of small-volume, minor use pesticides. In addition, EPA or a State or State agency may not make lack of essentiality a criterion for denying conditional registration of any pesticide. The bill would also provide for a risk-benefit evaluation, include reference to pesticides for minor food or feed crops, and require consultation with the Secretary of Agriculture.

INERT INGREDIENTS

The bill would increase the authority of EPA to regulate inert ingredients by establishing for EPA review a priority list of inerts which might present a hazard to man or the environment. A maximum of 50 inerts could be placed on the priority list. A risk assessment indicating that a significant hazard may exist from use of the pesticide would be required prior to an inert being placed on the priority list. The bill also would take into account the differences between agricultural and nonagricultural products, would authorize EPA to request additional data when necessary which would be subject to a risk-benefit assessment, and would require specific label warnings for inerts which may be a significant hazard to man or the environment.

PREREGISTRATION ACCESS TO DATA

The bill increases the preregistration access to data over current law by allowing public access to health and safety data submitted in support of an initial application for the registration of a new active ingredient or initial food use of a previously registered active ingredient. The bill would also provide for fines of up to $25,000 and imprisonment for up to 3 years or both for the improper disclosure of the released data.

STATE ISSUES

The bill would provide that State governments—but not local political subdivisions of a State—may regulate the sale and use of pesticides; and would provide that States may not (1) make any lack of essentiality a criterion for regulating the sale or use of a pesticide; or (2) establish tolerances for pesticide residues different from or in addition to the tolerances established by the Food and Drug Administration.

PUBLIC RIGHT-TO-KNOW

States or designated State agencies would be required to make available to the public Material Safety Data Sheets, already required under OSHA rules, containing pesticide information.

FALSE OR INVALID DATA

The bill would require EPA to issue a notice of intent to suspend or cancel a registration of a pesticide if, prior to enactment of the Pesticide Reform Act of 1986, EPA had determined that invalid data in support of an existing registration have not been replaced and are important data essential to EPA's determination of whether the pesticide may cause unreasonable adverse effects on the environment. In addition, EPA may not issue a notice of intent to suspend and to cancel the registration of a pesticide if EPA and the registrant have agreed on a plan for replacement studies.

INSPECTION OF LABORATORIES

The bill would authorize EPA to inspect places where there is probable cause to believe the Federal Insecticide, Fungicide, and Rodenticide Act (FIFRA) is being violated. The bill would authorize EPA to obtain warrants for inspection and seizure of pesticides and would allow designated State officers or employees as well as Federal officers or employees to conduct inspections.

EXPORT OF PESTICIDES

The bill would expand current FIFRA notice requirements by requiring registrants exporting pesticide products to inform foreign importers and the appropriate government regulatory office in the importing country concerning pesticide products exported by the registrants whose registrations are cancelled, suspended, restricted, are not registered for any U.S. use, or have been voluntarily withdrawn for health or environmental reasons. Export could not proceed until written notice and evidence of its delivery were made available to EPA. EPA would be required to provide similar notices to foreign governments and appropriate international agencies. In addition, exported pesticides that are substantially similar in composition and use to pesticides registered in the United States must have labels containing the same health, safety, and hazard precautions as on U.S. labels, unless precautions on the label are in conflict with the law in the importing country.

HIGHLIGHTS OF ADDITIONAL PROVISIONS

The bill contains additional provisions including provisions regulating the submission of EPA regulations to Congress for review, EPA administrative procedure and judicial review of EPA action, and EPA coordination with the Department of Labor in connection with the regulation of pesticide use.

The bill also addresses some specific users' concerns. For example, the bill provides that by proving compliance with the pesticide label, the applicator would be deemed to have exercised the proper standard of care in using the pesticide. In addition, the bill requires that not less than $5,000,000 be made available each fiscal year through fiscal year 1991 to fund, through State cooperative agreements, 50 percent of the cost of conducting training programs for the certification of applicators during each fiscal year.

The bill would also require EPA to review an application for registration and to provide notice of any deficiencies within 90 days of receipts of the application. Once all required submissions had been made, EPA would have 1 year within which to act on the application or the application would be deemed approved.

ADDITIONAL CONSPONSORS

S. 237

At the request of Mr. Thurmond the name of the Senator from Florida [Mrs. Hawkins] was added as a cosponsor of S. 237, a bill to amend title 18 to limit the application of the exclusionary rule.

S. 238

At the request of Mr. Thurmond, the name of the Senator from Florida [Mrs. Hawkins] was added as a cosponsor of S. 238, a bill to reform procedures for collateral review of criminal judgments, and for other purposes.

S. 419

At the request of Mr. Grassley, the name of the Senator from Minnesota [Mr. Boschwitz] was added as a cosponsor of S. 419, a bill to amend the Internal Revenue Code of 1954 to allow a deduction for one-half of the expenses paid by a self-employed taxpayer for individual health insurance premiums.

S. 1107

At the request of Mr. Nunn, the names of the Senator from Arizona [Mr. Goldwater], the Senator from Nevada [Mr. Laxalt], the Senator from Arkansas [Mr. Pryor], and the Senator from New Jersey [Mr. Lautenberg] were added as cosponsors of S. 1107, a bill to authorize the Society of the Third Infantry Division to erect a Memorial in the District of Columbia or its environs.

S. 1494

At the request of Mr. Gorton, the name of the Senator from Florida [Mrs. Hawkins] was added as a cosponsor of S. 1494, a bill to amend title 23, United States Code, to limit outdoor advertising adjacent to Interstate and Federal-aid primary highways.

S. 1640

At the request of Mr. Grassley, the names of the Senator from Utah [Mr. Hatch], the Senator from Arizona [Mr. DeConcini], and the Senator from Washington [Mr. Gorton] were added as cosponsors of S. 1640, a bill to amend title XVIII of the Social Security Act to provide for coverage under the Medicare Program of services performed by a physician assistant.

S. 1736

At the request of Mr. Pressler, the name of the Senator from Pennsylvania [Mr. Heinz] was added as a cosponsor of S. 1736, a bill to amend the Public Health Service Act to provide assistance for education, research, and treatment programs for Alzheimer's disease and related disorders, and for other purposes.

S. 1747

At the request of Mr. Lautenberg, his name was added as a cosponsor of S. 1747, a bill to amend the Foreign Assistance Act of 1961 to protect tropical forests in developing countries.

S. 1793

At the request of Mr. Kennedy, the names of the Senator from West Virginia [Mr. Rockefeller], and the Senator from Pennsylvania [Mr. Heinz]

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were added as cosponsors of S. 1793, a bill to amend the Public Health Service Act to establish a grant program to develop improved systems of caring for medical technology dependent children in the home, and for other purposes.

S. 1847

At the request of Mr. Mitchell, the names of the Senator from Hawaii [Mr. Matsunaga], the Senator from Tennessee [Mr. Gore], the Senator from Maryland [Mr. Mathias], and the Senator from Massachusetts [Mr. Kennedy] were added as cosponsors of S. 1847, a bill to provide for a Samantha Smith Memorial Exchange Program to promote youth exchanges between the United States and the Soviet Union, and for other purposes.

S. 1923

At the request of Mr. Thurmond, the name of the Senator from South Dakota [Mr. Abdnor] was added as a cosponsor of S. 1923, a bill to provide for additional bankruptcy judges.

S. 1980

At the request of Mr. Thurmond, the name of the Senator from Maine [Mr. Cohen] was added as a cosponsor of S. 1980, a bill to amend title 17, United States Code, regarding the conveyance of audiovisual work, and for other purposes.

S. 2081

At the request of Mr. Stafford, the name of the Senator from Maine [Mr. Mitchell] was added as a cosponsor of S. 2081, a bill to reauthorize the Head Start Act, the Low-Income Home Energy Assistance Act of 1981, the Community Services Block Grant Act, for deferred cost care programs, and for other purposes.

S. 2180

At the request of Mr. Gorton, the name of the Senator from Delaware [Mr. Roth] was added as a cosponsor of S. 2180, a bill to authorize appropriations for activities under the Federal Fire Prevention and Control Act of 1974.

S. 2198

At the request of Mr. Trible, the name of the Senator from Nevada [Mr. Hecht] was added as a cosponsor of S. 2198, a bill to provide that the full cost-of-living adjustment in benefits payable under certain Federal programs shall be made for 1987.

S. 2271

At the request of Mr. Denton, the name of the Senator from Kansas [Mrs. Kassebaum] was added as a cosponsor of S. 2271, a bill for the relief of Jens-Peter Berndt.

S. 2288

At the request of Mr. Chiles, the name of the Senator from Pennsylvania [Mr. Heinz] was added as a cosponsor of S. 2288, a bill to amend title XIX of the Social Security Act to permit States the option of providing prenatal, delivery, and postpartum care to low-income pregnant women and of providing medical assistance to low-income infants under 1 year of age.

S. 2301

At the request of Mr. Thurmond, the names of the Senator from Florida [Mrs. Hawkins] and the Senator from Oklahoma [Mr. Nickles] were added as cosponsors of S. 2301, a bill to reform procedures for collateral review of criminal judgments, and for other purposes.

S. 2302

At the request of Mr. Thurmond, the names of the Senator from Oklahoma [Mr. Nickles] and the Senator from Florida [Mrs. Hawkins] were added as cosponsors of S. 2302, a bill to amend title 18 to limit the application of the exclusionary rule.

S. 2308

At the request of Mr. Lautenberg, the name of the Senator from New York [Mr. D'Amato] was added as a cosponsor of S. 2308, a bill to authorize the President of the United States to award congressional gold medals to Anatoly and Avital Shcharansky in recognition of their dedication to human rights, and to authorize the Secretary of the Treasury to sell bronze duplicates of those medals.

SENATE JOINT RESOLUTION 241

At the request of Mr. Dole, the names of the Senator from California [Mr. Wilson], the Senator from Michigan [Mr. Levin], the Senator from Nebraska [Mr. Exon], and the Senator from Utah [Mr. Hatch] were added as cosponsors of Senate Joint Resolution 241, a joint resolution designating the week beginning on May 11, 1986, as "National Asthma and Allergy Awareness Week."

SENATE JOINT RESOLUTION 292

At the request of Mr. Humphrey, the name of the Senator from Idaho [Mr. Symms] was added as a cosponsor of Senate Joint Resolution 292, a joint resolution proposing an amendment to the Constitution of the United States with respect to the right to life.

SENATE JOINT RESOLUTION 297

At the request of Mr. Thurmond, the name of the Senator from Tennessee [Mr. Gore] was added as a cosponsor of Senate Joint Resolution 297, a joint resolution to designate the week of April 20, 1986, as "Crime Victims Week."

SENATE JOINT RESOLUTION 309

At the request of Mr. Durenberger, the names of the Senator from Arkansas [Mr. Bumpers], the Senator from Missouri [Mr. Eagleton], the Senator from Utah [Mr. Garn], and the Senator from Virginia [Mr. Warner] were added as cosponsors of Senate Joint Resolution 309, a joint resolution to designate the week of June 1, 1986, through June 7, 1986, as "National Intelligence Community Week."

SENATE JOINT RESOLUTION 310

At the request of Mr. Helms, the name of the Senator from Texas [Mr. Bentsen] was added as a cosponsor of Senate Joint Resolution 310, a joint resolution to proclaim June 15, 1986, through June 21, 1986, as "National Agricultural Export Week."

SENATE JOINT RESOLUTION 318

At the request of Mr. Abdnor, the names of the Senator from Nebraska [Mr. Exon], the Senator from Oklahoma [Mr. Boren], and the Senator from Michigan [Mr. Riegle] were added as cosponsors of Senate Joint Resolution 318, a joint resolution designating November 1986 as "National Diabetes Month."

SENATE JOINT RESOLUTION 321

At the request of Mr. Lugar, the names of the Senator from New Jersey [Mr. Lautenberg], the Senator from New York [Mr. Moynihan], the Senator from Rhode Island [Mr. Pell], the Senator from Missouri [Mr. Eagleton], and the Senator from Nebraska [Mr. Zorinsky] were added as cosponsors of Senate Joint Resolution 321, a joint resolution to designate October 1986 as "National Down Syndrome Month."

SENATE JOINT RESOLUTION 323

At the request of Mr. D'Amato, the names of the Senator from Arizona [Mr. DeConcini], the Senator from New Hampshire [Mr. Humphrey], the Senator from Nebraska [Mr. Exon], the Senator from Virginia [Mr. Trible], the Senator from Michigan [Mr. Riegle], the Senator from Georgia [Mr. Nunn], the Senator from Arkansas [Mr. Pryor], the Senator from Iowa [Mr. Grassley], the Senator from Minnesota [Mr. Boschwitz], the Senator from California [Mr. Wilson], the Senator from Idaho [Mr. Symms], the Senator from Mississippi [Mr. Stennis], the Senator from Michigan [Mr. Levin], the Senator from Minnesota [Mr. Durenberger], the Senator from Kansas [Mr. Dole], the Senator from Nebraska [Mr. Zorinsky], the Senator from South Carolina [Mr. Thurmond], and the Senator from New York [Mr. Moynihan] were added as cosponsors of Senate Joint Resolution 323, a joint resolution to designate May 21, 1986, as "National Andrei Sakharov Day."

SENATE RESOLUTION 385—RELATING TO HUNGER IN AMERICA

Mr. SASSER (for himself, Mr. Gore, Mr. Sarbanes, Mr. Kennedy, Mr. Bumpers, and Mr. Rockefeller) submitted the following resolution; which was referred to the Committee on Agriculture, Nutrition, and Forestry:

S. Res. 385

Whereas millions of Americans face hunger each month;

Whereas the incidence of hunger and malnutrition, among American citizens is on the rise;

Whereas hunger and malnutrition increase susceptibility to disease, anemia, and vitamin deficiencies and are leading causes of infant mortality and disease;

Whereas malnourished individuals have a greater need for health care services;

Whereas the cost of health care services is borne by all Americans through State and Federal taxes;

Whereas our Nation pays a great price as a result of the loss of productivity of persons suffering from hunger and malnutrition;

Whereas federally funded nutrition assistance programs were designed and implemented to eliminate the presence of malnutrition and hunger in America; and

Whereas the presence of hunger in America suggests the need for improvement in Federal nutrition programs: Now, therefore, be it

Resolved, That it is the sense of the Senate that—

(1) hunger in America is a cause for concern because it is preventable;

(2) constructive measures should be implemented to improve the effectiveness of Federal nutrition programs; and

(3) a commitment be made to end hunger in the United States by the year 1990.

● Mr. SASSER. Mr. President, today I am submitting a resolution focusing on a persistent domestic problem, hunger in America. It is time for the Senate to take constructive steps toward ending hunger in America by the year 1990, and this resolution is a beginning toward that ultimate goal.

We have seen many changes in nutrition programs over the past 5 years. We have seen greater reliance on the States to combat domestic hunger. We have modified and restricted eligibility standards for nutrition programs. We are moving in the direction of providing Federal nutrition only to the "poorest of the poor," a step which ignores the need of many deserving Americans. These factors and others have combined to undermine the effectiveness of Federal nutrition programs.

One important factor which has served to stymie efforts to better our nutrition programs is the fact that we have no hard numbers indicating the extent of hunger in this country. The Federal Government does not obtain or interpret statistics which directly state the number of hungry or malnourished persons in America. Unfortunately, this means that nutrition programs are exceptionally vulnerable to the budget-cutting knife. However, whether there are 5 million or 20 million hungry people in our States, the number is simply too high.

I held a field hearing in my State of Tennessee during February of this year, and was told in no uncertain terms by doctors, nutritionists, and needy families themselves that people are going hungry. It may be that Federal programs only help a family for a portion of each month. Or that they do not know that they may be eligible for assistance. For mothers and children on WIC, the vouchers only go so far. In every case made known to me, it was clear that not enough food was getting to families, and it is the children who suffer the greatest.

The director of nutrition services for the State of Tennessee wrote me recently informing me that only 46 percent of eligible mothers and children receive the benefits of the Special Feeding Program for Woman, Infants, and Children [WIC]. I have also been told by other sources that food stamp use is at the 50-percent level.

Hunger in America often goes unnoticed, Mr. President. It is a silent disease targeting the weakest and the poorest members of our society—our elderly and our children and mothers. Yet, this is not an irremediable situation. We can combat this disease by moving in a direction which will curb the incidence of hunger, and not exacerbate it.

It is easy to walk away from this serious problem while simply laying blame on poor people themselves, or on the States, or on economic trends. But I believe that it is time for us to take a stand against hunger by first acknowledging its existence, and then by agreeing to take constructive steps to end it. We must work together to combat this problem, pulling together all elements of our society, as we did as a nation when we sent men to the Moon. It is time for cooperative dialogue and constructive measures.

It is my hope that my colleagues will see through the various rationales given for abandoning our responsibility to feed this Nation's hungry people. Federal nutrition programs have already been cut until they are inadequate to meet the need. Ending hunger should become a priority of this body. Cosponsoring my resolution to end hunger in America is a way to rekindle this worthy process.●

NOTICES OF HEARINGS

COMMITTEE ON SMALL BUSINESS

Mr. WEICKER. Mr. President, I would like to announce that the Senate Small Business Committee's April 22, 1986, hearing on the implementation of title XVIII of Public Law 99-272, the Reconciliation Act, has been postponed until the week of April 28, 1986. The exact date and time will be announced early next week. For further information, please call Bob Wilson, chief counsel of the committee at 224-5175.

ADDITIONAL STATEMENTS

AMBASSADOR JOSEPH VERNER REED SPEAKS ON TERRORISM

● Mr. MATHIAS. Mr. President, I would like to submit for the Record a statement by Ambassador Joseph Verner Reed which offers an account of the terrorism of Libyan agents in dozens of cities throughout the world. These actions, often against the officials of governments, often against innocent civilians, often against Libyans who disagreed with Qadhafi, were the basis for travel and residence restrictions which were placed on Libyan diplomats at the United Nations.

As Ambassador Reed commented at the time, the restrictions were entirely reasonable, given the trail of murder and violent assaults carried out—and openly acknowledged—by the regime. The restrictions may well have prevented other attacks.

The statement follows:

Statement by Ambassador Joseph V. Reed

Mr. Chairman, to take this floor to reply to the words of the delegate of Libya is a necessary but sad occasion. There are few matters in which Americans have taken more pride than their commitment to plain, direct speech. We Americans, are a down-to-earth, plain-spoken people; we abhor evasion, cant or a sham. Today, is Friday, November 29, 1985 and the Host Country Committee, which is so ably led by the distinguished chairman, the Ambassador of Cyprus, has just heard one, two or all of the above.

Before I reply, Mr. Chairman, may I say as the envoy of the Host Country, the United States of America, that it is our pleasure to have been able to welcome you and our freedom loving friends to our land of plenty on our special and great national holiday—that of Thanksgiving, which we have been celebrating since 1621. This celebration of the bounty of America is open to our friends, and to our friends we extend our nation's good wishes. Today, however, in the midst of our good wishes, we must speak with the directness with which we have taken pride in time past.

Libya's acts in the international arena have been and are an atrocity. Libya's leader is a dictator—an agent of hateful and evil acts. Libya's strongman is a modern day Barbary pirate.

In the view of the Government of the United States, the restrictions imposed on the members of the Libyan Mission by our Note Verbale of August 31, 1984, do not contravene international treaty or laws. Restriction to the five boroughs of New York City does not interfere with transit to the Headquarters District nor with the accordance of such facilities as can reasonably be considered necessary to the transaction of the business of Libya with the United Nations. Travel and residence restrictions have from time to time been placed on the representatives of countries accredited to the United Nations when those countries and individuals pose a security risk to the United States of America. With regard to Libya, the United States has taken the necessary restrictions against its delegation in New York based on numerous deplorable acts and rhetoric that has taken place both

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in and outside the United States attributed to the Libyan government.

Terrorism continues to be seen by the strongman of Libya as an effective and legitimate means of pursuing foreign policy goals. Libya has repeatedly employed tactics of assassination and violence. There are established terrorist training facilities on Libyan soil, and Libya has financed and armed known terrorists and murdered opponents. These terrorist operations are now reported to be active in 50 countries.

The litany of Libya's involvement in terrorist activities is unbelievably long, yet it continues to grow. Libya provided sanctuary to the perpetrators of the murders at the Olympics in Munich. Earlier this year, the strongman called for the cutting off of our President's nose. That's quite a span of time from 1972 to the present in acts and words of hate.

London, April 11, 1980: A freelance Libyan journalist was assassinated by two gunmen outside the Islamic center Mosque. The gunmen were arrested by Scotland Yard. Two additional suspects who were characterized as Libyans were detained the following day.

Rome, April 19, 1980: A Libyan businessman was assassinated in a cafe. The assailant was apprehended a short distance away—a Libyan. Why had the businessman been killed? The assassin said the victim had been murdered because he was "an enemy of Colonel Qadhafi."

London, April 25, 1980: A Libyan lawyer was shot and killed at an Arab legal center. The gunman and another man asked for their victim by name, walked into his office and fired several shots killing him as other employees watched. The assassins were believed to be members of Libyan death squads who are assassinating opponents of the Libyan strongman.

Rome, May 10, 1980: A Libyan businessman was assassinated. The victim was lured to a hotel for an appointment and following a few minutes of talk with two men was shot twice in the head by one of them. The pair disappeared in a crowd at a nearly railroad station. Police arrested a Libyan suspected of being involved in the assassination.

Bonn, May 10, 1980: A Libyan businessman was shot dead in Bonn's city center. The former diplomat had received death threats prior to his assassination by a Libyan who had arrived in West Germany at the end of April.

Rome, May 20, 1980: A Libyan businessman from Tripoli was found stabbed and strangled to death in a boarding house.

Athens, May 21, 1980: A young Libyan was found dead in his apartment. Local authorities said the victim was known as an outspoken critic of the Libyan strongman.

The United States of America, Fort Collins, Colorado, October 14, 1980: A Libyan graduate student was shot and wounded by an individual who had come to his home. The victim was known as an opponent of the present regime.

The United States of America, Ogden, Utah, July 17, 1981: A body believed to be that of a Libyan student was found in the trunk of his car. A Libyan national, also a student, suspected of the murder was arrested at O'Hare International Airport in Chicago as he was deplaning from a flight from Utah. He was carrying a large amount of cash and tickets for onward travel to where? Tripoli.

Lebanon, December, 1982: Libya sent armed contingents to North Lebanon to carry out attacks against the multinational forces in an effort to increase unrest in the zone.

Tripoli, February, 1983: In a series of resolutions adopted in the Tripoli Peoples Congress, Libya's charlatan body politic called for spending part of Libya's oil wealth on arms for "all the revolutionary forces in the Arab and Islamic worlds." The resolution called for "suicide squads" to be formed to press attacks inside Arab territory occupied by Israel and against the symbols of treason in the Arab arena who "follow the imperialist camp headed by the United States, the leader of world terrorism."

Switzerland, April 1983: The Swiss government expelled the Libyan Charge d'affaires for supplying weapons to two convicted Swiss terrorists.

Germany, April 1983: Libya took eight German technicians hostage in order to blackmail West Germany into releasing Libyans charged with violent crimes.

Jordan, June 1983: The Libyan envoy to Hashemite Kingdom defected. The Ambassador revealed the Libya strongman's plan to use missiles to destroy the aircraft carrying King Hussein.

Sudan, March 1984: A Libyan bomber invaded Sudanese airspace and attacked a radio and television station.

Chad, February, 1985: The government lodged a complaint in this House of Peace, the United Nations, claiming Libya had attempted to assassinate President Habre in September, 1984. Photographs of the attache case bomb that was to be used in the attack were provided as evidence.

The United States of America, Chicago, February, 1985: At a convention of members of the Nation of Islam headed by Minister Farrakhan, the Libyan strongman, speaking over closed circuit television, called for Black Americans "to immediately leave the military and fight with his support for an independent Black state. "We are ready to give you arms," he proclaimed.

The United States of America, May, 1985: Our government uncovered a Libyan plot to assassinate anti-Qadhafi Libyans in the United States. As a result, a Libyan diplomat at the United Nations was declared persona non grata.

Bangladesh, June, 1985: A Libyan-trained Bangladeshi national who had received Libyan support in an earlier coup attempt was arrested for plotting to kill President Ershad.

The plotting to assassinate modern Arab leaders has been going on since the seventies. Libya's plans to kill American ambassadors in several Middle Eastern countries and at least one European capital have been uncovered. What does the world think? Libyan "hit squads" have been sent throughout the world to murder exiled Libyans in an overall effort to intimidate dissidents. Libyan "hit squads" have reached out and attacked exiled Libyans in Italy, England, West Germany, Lebanon, Greece and the United States. Where next? The dictator's efforts to use terrorism to eliminate dissidents whom he regards as a danger is constant. The regime and its representatives is and are terrorists.

May, 1985: The Libyan strongman threatened a terrorist campaign against "his enemies" by stating, "I am a terrorist. I would, if I could, behead the rulers of other Arab nations that oppose me."

November, 1985: A group of armed Libyans were arrested by Egyptian authorities for again attempting the assassination of former Prime Minister Bakoush.

The Libyan strongman's personal verbal attacks and actions against world leaders including President Reagan manifests his desire to disrupt the ordinary functions of governments that he opposes through subversion and terror tactics.

November, 1985: The Libyan strongman threatened and I quote "to fight and subvert America from the inside by using all means available." The Libyan strongman likened President Reagan, the leader of the Free World, to Adolph Hitler and was quoted as vowing to "export terrorism to the heart of America." The Libyan strongman boasted that quote "Libya was capable of physical liquidation, destruction and arson inside America". That same year the Libyan strongman spoke of exiled Libyans as "those stray dogs abroad who should not think their families or their children will escape punishment."

When Libyan officials at the People's Bureau in London opened fire on peaceful demonstrators, killing a British police woman assigned to protect that diplomatic establishment, it graphically pointed out the fact that the present Libyan regime and its diplomatic representatives have rejected all, I repeat all, international treaties and laws. Libya has in effect left the family of nations and has set itself apart from civilized governments. As a result of this position taken by the Libyan strongman, governments throughout the world are taking necessary precautions to protect their citizens and their overall national security against this band of thugs masquerading as diplomats.

We can rely on the public record, a record which is long enough to convince any reasonable man that the Libyan regime has chosen to exist beyond the pale of acceptable international behavior. We are talking here about open violence against persons on foreign soil—many of them freely and openly acknowledged by the Libyan regime.

For these reasons, the careful travel controls on Libyan officials in the United States are entirely reasonable. Libyan diplomats representing their country to the United States have been sent home. The Libyans presently serving at the Libyan Mission to the United Nations have been permitted to stay in conjunction with our obligations under the Headquarters Agreement. These obligations, however, which are being fully met, do not in any way require the United States government to make itself and its citizens vulnerable to terrorist activities. America and Americans will not tolerate the use or attempted use of these United States for terrorist activities.●

TRIBUTE TO CHAD COLLEY

● Mr. PRYOR. Mr. President, the President's Committee on Employment of the Handicapped recently announced the 1986 Handicapped American of the Year. On April 30 that celebrated award will be presented to Mr. Ralph "Chad" Colley of Barling, AR, who lost both legs and an arm while serving in Vietnam.

While Americans all over this great country have joined in honoring the accomplishments of Mr. Colley, I cannot help but add that the people of Arkansas take special pride in the inspiring achievements of one of our most distinguished citizens.

For Chad has proven that you don't need legs to chase your dreams. What you do need is boundless energy, enthusiasm, and determination to overcome even the greatest of obstacles. As the possessor of these admirable qualities, Chad has been singled out as the Handicapped American of the Year.

In 1966, after graduating with honors from North Georgia College, Chad Colley received a commission in the U.S. Army. On July 21, 1968, Colley, then an officer with the Army's 101st Airborne Division, was leading a company of men on a combat mission some 45 miles northwest of Saigon when a land mine exploded, throwing him into the air and resulting in the amputation of three limbs.

Remarkably, just 3 days after he was wounded Chad wrote a letter to his wife, Betty Ann, saying, "Even though I'm banged up pretty bad, I'm still me. I can put my loss of limbs into an asset. I have a big challenge to undertake now."

Chad Colley wasted no time facing his new challenge. Within a year after sustaining his injuries, he was already working as a real estate broker. Since then, he has held positions as sales manager for the largest homebuilder in western Arkansas and as a loan manager for a Federal savings and loan association. Today Chad is president of Colley Home Center in Barling, AR.

Apart from his business activities, Chad invests much of his time working with issues affecting the handicapped. He has been an active member of the Disabled American Veterans [DAV] Organization for several years, and in 1984 he was elected to serve a 1-year term as national commander of the DAV—that organization's highest office.

The list of accolades this man has received over the years is long indeed. He is a special human being with special inner strength. His unflappable determination to overcome life's setbacks and give whatever it takes to reach his goals is truly inspirational.

I congratulate Chad Colley on being selected the 1986 Handicapped American of the Year.●

LIBYA AND THE WAR POWERS RESOLUTION

● Mr. GOLDWATER. Mr. President, most Members of Congress approved the recent United States air strikes against Libya or at least did not criticize these clearly self-defense actions, but some Members have complained that they were not consulted adequately or early enough. Some have suggested that the war powers resolution be strengthened by expanding the consultation requirement and adding detailed and specific consultative procedures.

Mr. President, expanding the war powers resolution would be the biggest mistake we in Congress could make. The statute could not and did not bind President Reagan from acting to defend American citizens against terrorist attacks originating in Libya. Or from rescuing, 1,000 American students and other citizens in Grenada.

It could not and did not prevent President Ford in 1975 from rescuing the American merchant vessel *Mayaguez* and freeing its 39 American crew members after they were seized by Cambodian Communist military forces. Nor could it or did it stop President Ford from evacuating Americans and others from South Vietnam and Cambodia in 1975 before the capture of Saigon and Phnom Penh by enemy troops.

In fact, Congress' failure to act on President Ford's request for legislation authorizing the evacuation of United States citizens and Allied people from Indochina is one of the sorriest episodes in American history. Weeks after his request, while a confused Congress was still debating the issue, President Ford announced that he had completed the rescue missions on his own constitutional authority.

The point is that the President of the United States cannot under our Constitution be hamstrung by legislative restrictions that attempt to regulate foreign policy with narrow specificity. Congress cannot and should not tie the President's hands in taking actions which he decides are needed in the national safety.

War in this world cannot be ended by legislation. Foreign policy cannot be conducted by amendments. I should like to think that we will see a day when the moral forces of the world might prevail and when all nations can understand the stupidity of war. History instructs, however, that until that day arrives, the only means of our security is to maintain a proper defense for the country, its people and their freedoms.

A credible defense requires the coherent and uniform direction of the national forces, something which is not to be found in a legislative Chamber of 535 Members, many of whom are often more occupied with questions of political opportunism and their own reelection than they are with the Nation's real interests.

Mr. President, the framers of the constitution knew the legislative branch could not be depended upon for prompt and effective action in every emergency. They remembered that the Continental Congress had interfered with General Washington's plans time after time with disastrous results. The framers wanted to correct this defect. Thus, they provided Congress with power to raise and support the Armed Forces, but they left the direction of those forces, once established, with the President, whom they designated as the Commander-in-Chief and to whom they gave all the executive power.

During its formative years, the United States was concerned primarily with securing its borders against foreign powers whose possessions encircled our Nation and most Americans were concerned with developing their country's great potential for growh and economic progress. Today, the United States stretches across a continent and beyond and stands as the largest, most powerful source of freedom and liberty in the world.

With this new status has come the unavoidable realization that in a world of instant communications, modern technology and interrelated economies, the United States cannot protect its own citizens and liberties unless it carries a major role in preventing aggression and acts of terrorism against our people and our vital interests.

In order to conduct a serious and responsible foreign policy, the President has a duty to recognize and meet challenges to our Nation and citizens in the early stages of any impending danger. If the war powers resolution or any other legislative impediment should compel him to wait or incapacitate him from action until everyone agrees the threat is clear beyond any controversy, the cost of resistance may become prohibitive with no choice left other than submission to aggression or all out war.

To sum it up, Mr. President, the survival of the American experiment in freedom under representative government may depend upon the recognition by Congress of the simple fact that the President needs and was given some flexibility in deciding when to act in the safety of the Nation and its people.

The war powers resolution may be an unconstitutional invasion of Presidential prerogative, as I believe. Or, it may be an abuse of power by Congress in a fuzzy zone of constitutional law. Whatever its legality, it should be seen for what it really is, a dangerous barrier to American security. We can amend it, as the majority leader and the junior Senator from Alabama [Mr. DENTON] have proposed in S. 2335 to specifically authorize counterterrorist initiatives by the President, or we can repeal the entire statute, as I have proposed in S. 305. I prefer to repeal it outright now before it causes a grave constitutional crisis that may endanger the Nation at a time when immediate, decisive action is demanded.●

ADOPTEES, WITHOUT STIGMAS

● Mr. HUMPHREY. Mr. President, as cochairman of the Congressional Coalition on Adoption, I bring to the attention of my colleagues an excellent

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article about adoption which appeared in the New York Times on April 19, 1986.

The article, entitled "Adoptees, Without Stigmas," and written by William L. Pierce, Ph.D., the president of the National Committee for Adoption, describes the results of two recent research studies on adoptees which dispel a popular myth about the mental health of adoptees.

Too little information about adoption is available and too little attention is paid to the benefits of adoption for all concerned—the child, the biological parents, and the adoptive parents. Talk shows feature the few unhappy adoptees on crusades to locate their biological parents. The emotional dilemmas of adoption are a fashionable story line on soap operas and TV movies. But the much more common experience of adoption is a positive, loving one for all involved.

I have dedicated myself to spreading the word about the positive aspects of adoption and exposing the false myths which have developed about adoption. Dr. Pierce's article is a much-needed dissemination of recent research findings on adoption and I applaud his efforts.

I ask that Dr. Pierce's article be printed in the RECORD.

The article follows:

[From the New York Times, Apr. 19, 1986]

ADOPTEES, WITHOUT STIGMAS

(By William L. Pierce)

WASHINGTON.—In recent years, adopted persons, especially adolescents, have increasingly been described as dependent, fearful, hostile, insecure and abnormal. The popular myth has it that adopted children have more mental health problems than the nonadopted, simply because they are adopted.

There are two main reasons why the myth was created and kept alive. First, research studies of the early 1960's, which claimed to find the problem, were based on small samples taken from mental health clinics or psychiatric case studies. By definition, the samples were loaded in favor of finding mental health problems. Second, groups and individuals, often motivated by personal unhappiness, sought radical changes in standard adoption practices and used those studies and their own first-person stories to gain attention and popularize the misconception with the general public.

But those early and inadequate research studies have long been open to question. And now, on the basis of two recent, superior studies of nonclinical populations, we can lay to rest the myth that adopted persons have more mental problems than nonadopted.

One study, by Leslie Stein and Janet Hoopes, published by the Child Welfare League of America in 1985, was part of a project that tracked adoptive families for nearly 25 years. It concluded in part, "Evidence suggesting that the adoptee has greater or more sustained difficulty with the tasks of adolescence was not found, indicating that adoptive status, in and of itself, is not predictive of heightened stress among adolescents." It said that "as a group, the adolescent adoptees interviewed were doing quite well."

A second study, published in 1985 by Kathlyn Marquis and Richard Detweiler, was also based on a study of subjects drawn from a nonclinical—that is, "normal"—population. It found that "contrary to expectations, adopted persons are significantly more confident and view others more positively than their nonadopted peers," that they have a "more internal locus of control than their nonadopted peers" and that adoptive parents were "significantly" more "comforting, predictable, protectively concerned and helpful" than nonadoptive parents.

Leslie Stein and Janet Hoopes hoped their results would dispel some of the "dire myths" about the "identity problems in adolescent adoptees." Kathlyn Marquis and Richard Detweiler, found no evidence of the "negative characteristics of dependency, fearfulness, tenseness, hostility, loneliness, insecurity, abnormality, inferiority, poor self-image, or lack of confidence." Even a recent study of adopted persons drawn from a mental health setting, by Paul and Evelin Brinich, asserts that "the majority of adoptions can justly be characterized as successes."

The finding that adopted persons are not at risk simply because they are adopted should set the stage for a reaffirmation of the value of adoption in our society.

First, all of those most directly affected by adoption—adopted people, birth parents and adoptive parents—can be confident that adoption works well.

Second, the data should reinforce the commitment of the adoption field to a continuation of sound, traditional practice. After all, the primary client of the adoption service, the child, has been shown by research to be doing fine.

Third, the research should be helpful to the media, in that the adopted person will no longer be stigmatized as pathological—or inferior—simply because she or he is adopted. One hopes that in time we'll see fewer sensational, negative stories. One can even hope that the soap operas will stop using adoption as an elixir whenever the plot lags.

Finally, the public may come to realize that adopted people are generally like everyone else—individuals who are successes or failures largely on the basis of their own efforts. Adopted people are neither strange nor special. They are simply individuals who have joined families in a different way than most people. They want neither pity nor praise. They just want to be able to live their lives with the families that are very real and very permanent to them, without stigma or headlines.●

CAMPAIGN FINANCE REFORM

● Mr. BOREN. Mr. President, the cries for reform of our congressional campaign finance laws are loud and clear. The public is increasingly aware of the critical growth of special interest influence in our Congress. Because of this understanding of the problems which at least, indirectly contribute to the current, legislative stalemate in Congress, we can hope to see substantial reform in this session of Congress.

In October of last year, when I announced I would attempt to bring my proposal to limit the influence of political action committees and modify our campaign finance laws, it was with the intention of putting this vital issue squarely on the national agenda for action. It is my hope that with the agreements made by the distinguished majority leader and the leadership of the chairman of the Rules and Administration Committee, we can address this issue on the floor very soon in the next couple of months.

My proposal, which is pending as an amendment to S. 655 on the Senate Calendar, has a broad base of support. I am very pleased that this week, my distinguished colleague from Delaware, Senator BIDEN, has joined as a cosponsor of S. 1806. Mr. President, now 11 Members of this body have joined in putting forth this legislation as an attempt to put confidence back in our congressional elections.

An example of the kind of questions that can be raised by our current campaign financing methods can be found in a recent newspaper article. I ask that this article from the Wall Street Journal, entitled "Some Ways and Means Members Saw a Surge in Contributions During Tax-Overhaul Battle," be printed in the RECORD at the conclusion of my remarks.

I wish to remind my colleagues that I will be anxiously awaiting a committee proposal on campaign finance reform. In the absence of such a proposal, I will work with the leadership to secure a timeframe and agreement to have S. 1806 brought directly back to the floor.

Mr. President, I invite my colleagues to again review the provisions of S. 1806 and join in this effort which should not and will not go away. I firmly believe the flaws in the direction of congressional campaign finance are in direct relation with the current inability of Congress to act on the many budget, tax, and trade challenges we face.

The article follows:

[From the Wall Street Journal, Feb. 11, 1986]

SOME WAYS AND MEANS MEMBERS SAW A SURGE IN CONTRIBUTIONS DURING TAX-OVERHAUL BATTLE

(By Brooks Jackson and Jeffrey H. Birnhaum)

WASHINGTON.—It came as a surprise when Rep. Wyche Fowler (D., Ga.) voted with House Republicans last year to kill the tax bill fashioned by the Ways and Means Committee on which he sits.

The bill would have removed from the tax rolls thousands of his constituents, 65% of whom are black and nearly 24% of whom live below the poverty level.

But a report filed last week at the Federal Election Commission shows that Mr. Fowler, a liberal Democrat, is courting another constituency these days as he tunes up to run for the Senate. While the committee was wrestling with the tax bill. Mr. Fowler was raising campaign contributions from a host of special interest groups and wealthy donors, including tax-shelter promoters in New York and oil drillers and real estate developers in Texas.

Executives of Integrated Resources Inc., which sells tax shelters, contributed $10,500 last October, $1,000 of which came from Selig Zises, its chairman and chief executive officer. Mr. Zises is a Democrat, but at about the same time—and while the committee was writing the tax bill—Rep. Fowler got at least $6,500 in contributions from conservative Republican Trammel Crow, a Dallas real estate developer, and from other executives of his company and its political action committee.

Mr. Zises, who is an ardent supporter of aid to Israel, said he supported Rep. Fowler both for his concern for the plight of Soviet Jews and because Rep. Fowler opposed ending federal income-tax deductions for state and local taxes, an important issue in New York. Mr. Crow couldn't be reached for comment.

Messrs. Zises and Crow, despite their differing political affiliations, have something in common. They are board members of the National Realty Committee, which lobbied to kill the tax bill.

Mr. Fowler's efforts were just part of a $7 million fund-raising spree by the 36 Ways and Means Committee members last year as they considered a tax-overhaul plan that threatened almost every special credit and deduction in the tax system. More than half of the nearly $3.6 million that Ways and Means members got in 1985 from political action committees came in the second half of the year, when the panel was engrossed in the writing of the tax-revision bill that the House subsequently passed.

SURPRISING SOURCE

But Rep. Fowler's support from business groups is surprising. His voting record in 1984 rated only a 27% approval score from the U.S. Chamber of Commerce, compared with 67% from the AFL-CIO labor federation. In 1985, however, his financial support included $75,800 from wealthy Texans in the last six months of the year, which was 23% of all donations from individuals during that period.

Most of the Texas money came in on a single day. Sept. 30. Oil-industry sources said it was raised on a trip of Dallas and Houston arranged with the help of Carl Arnold, Washington lobbyist for Quintana Petroleum Corp., Houston.

Rep. Fowler couldn't be reached for comment on his campaign finances; an aide said the lawmaker's vote to prevent consideration of the tax bill was procedural and didn't indicate opposition to it. That procedural vote would have killed the tax bill had it not been for an extraordinary effort by President Reagan to rally GOP support for tax overhaul; the vote was reversed the following week, with Rep. Fowler supporting the measure this time.

Mr. Arnold couldn't be reached either. But the list of donors includes Mr. Arnold (whose occupation is listed on Rep. Fowler's campaign contributions reports as "consultant") and his clients Corbin Robertson Jr., and Corbin Robertson Sr., (who are top executives of Quintana but are listed on Rep. Fowler's reports as self-employed investors). Independent oilmen such as the Robertsons lobbied vigorously to retain special tax provisions that the House-passed bill would cut.

PACS PROVIDED 41 PERCENT

Altogether, Rep. Fowler has put aside $767,665 for his campaign against Republican Sen. Mack Mattingly. In all, 41% of the money Mr. Fowler raised last year came from PACs, including those of business groups that opposed the tax bill. The biggest sum from such groups was $10,000 from Alignpac, a group of insurance salesmen who fought hard—with some success—to prevent taxation of the tax-sheltered insurance policies they market.

Ways and Means members acknowledge that raising money comes more easily for lawmakers who write tax bills. Rep. Judd Gregg (R., N.H.) says. "It was like night and day, being on the Science Committee before and being on Ways and Means now."

"That's just the way the world works in terms of politics." says Rep. Henson Moore (R., La.)

In fact, the $539,575 that Rep. Fowler raised last year was only the third-highest total among Ways and Means Committee members. Rep. Moore, who also is running for the Senate, raised $1.4 million in 1985, of which 23% came from PACs. Democratic Rep. James Jones of Oklahoma, currently running an undeclared Senate campaign, raised $616,624, of which 56% came from PACs.

"I explained to them that it wasn't going to fly—what they wanted wasn't going to happen." Rep. Moore says. "I'm not there to do what they like, but to do what's right."

Rep. Jones held a $500-a-person reception at a Washington hotel Nov. 19, in the midst of the tax-bill drafting sessions. Ways and Means Committee Chairman Dan Rostenkowski left the hearing room to attend Mr. Jones's fund-raising event briefly.

TAX-BILL WORK A "DAMPER"

But Mr. Jones insists that working on the tax bill actually was a "damper" on his fund-raising efforts. "We had to cancel stuff right and left" he says.

Some tax-writers did avoid asking for money while they were working on the tax bill. Rep. Willis Gradison (R., Ohio) says he didn't hold any fund-raising events last year. Mr. Gradison who has won reelection regularly by wide margins, says he also avoids taking PAC funds. "That's one less thing for people to criticize me for," he says.

Still, campaign-finance reports of Ways and Means members show that they raised just over $7 million in campaign contributions during 1985, more than 50% of it from PACs and much of the rest from Washington lobbyists and out-of-state businessmen interested in their votes on the tax bill.

Common Cause, the self-styled citizens lobby, released a study yesterday that says PACs also gave $3 million last year to members of the Senate Finance Committee, which is currently considering the tax bill.

The organization's president, Fred Werthelmer, charged that "PAC money is being given by special-interest groups in order to assure that they get special advantages in our tax system."

FIVE SEEK NEW POSTS

Although some critics of the campaign finance system complain that it helps crement incumbents in office, at least five Ways and Means members are believed to be leaving the House to run for other elective posts. In addition to Messrs. Fowler, Moore and Jones, Reps. Cecil Heftel (D., Hawaii) and Carroll Campbell (R., S.C.) are running for governor of their home states.

Rep. Moore says he regrets having to raise money while working on the tax bill but says, "I couldn't afford the luxury of worrying about what some people think." He received $296,870 from PACs during the last half of the year but says the money "dern sure" didn't buy any influence with him.

Rep. Moore, who tried hard to kill the tax bill, was a key figure in drafting proposals to change taxation of insurance companies and their products. On Oct. 28 two weeks before a panel on which Mr. Moore served issued its recommendations on insurance taxation, he flew to New York City to dine with executives of insurance companies whose PACs had given or pledged at least $2,500 to his campaign.●

SAM WALTON, CHIEF EXECUTIVE OFFICER OF THE YEAR

● Mr. PRYOR. Mr. President, the cover of the April 15, 1986, issue of Financial World has a picture of Mr. Sam M. Walton of Bentonville, AR. Recently, he was named "Chief Executive Officer of the Year."

Starting from scratch, Sam Walton built Wal-Mart Stores, Inc., into one of the Nation's most profitable retailers. His leadership has boosted Wal-Mart Stores, Inc., to a whopping $8.4 billion industry. There is no question that Sam is one of the most innovative and successful businessmen in America today.

I congratulate Sam and his team of over 110,000 loyal employees for working together to make Wal-Mart Stores, Inc., a giant in today's business world.

It is my pleasure to submit for the RECORD the Financial World article on Sam being named "Chief Executive Officer of the Year."

The article follows:

GOLD WINNER—SAM M. WALTON OF WAL-MART STORES TAKES THE TOP PRIZE

(By Stephen Taub)

Sam Walton's savvy, homespun success probably hasn't fazed his old Zeta Phi brothers at the University of Missouri. In a 1940 profile entitled "Hustler Walton," a fraternity newspaper cited the year's Big Beta on Campus for numerous club memberships, athletic prowess and a knack for recruiting top-notch frat leaders. For good measure, the story hailed his friendliness in knowing virtually every janitor by name and his community spirit in passing the collection at church services. "There is little limit to the number of things Sam has done," added the bedazzled writer.

More than four decades later, it is obvious that "Hustler" Walton's fans were selling him short. The 68-year-old chairman and chief executive has parlayed that energy "and those human skills" into something unique: Wal-Mart Stores, now the nation's second largest mass merchandiser and one of corporate America's greatest successes. Today, the company boasts sales that exceed $8.4 billion and a staff of more than 110,000 employees. It is one of the nation's most profitable retailers.

Perhaps inevitably, such accomplishments inspired a panel of judges to elect Walton FW's 1985 CEO of the Year. The recognition stems not from a single year's achievements, but from his company's long, uninterrupted, dizzying growth rate, particularly in view of the economic problems afflicting the farm belt and oil patch served by the bulk of his stores. Over the past 10 years, Wal-Mart's compounded annual revenue growth has been 37.5%, and its compounded earnings growth has been 39.8% per year.

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"I would have assumed he was CEO of the Year many years ago," asserts Donald Clifford Jr., president of Threshold Management, a management consulting firm. Adds Clifford, an FW judge, "The most important single job of the CEO is to build an organization so strong that it hardly needs him at all. If he has a terrific group of people who are highly motivated and highly talented, they will figure out the strategies and how to get out of trouble."

Walton agrees. He is a humble, sincere Southern gentleman who seems to feel most comfortable in hometown Bentonville, Ark., a city of fewer than 10,000 residents. Characteristically, Walton is a mite sensitive, even sheepish, about receiving much credit for his company's record. And he's downright infuriated by published reports that claim to gauge his personal fortune at about $2.8 billion. That would make him the wealthiest American alive, but Walton—who shuns publicity more than ever these days—denounces the figure as irresponsible guesswork.

Instead, the merchandising magnate unrelentingly diverts most personal praise to his management team and to Mal-Mart's salespeople, whom he respectfully labels "associates." Says Walton again and again: "I wouldn't have gotten here without these people." He does accept some credit, however, for having judged them worthy and for developing the Wal-Mart approach.

Walton's strategy took root in the 1940s, shortly after he graduated from college. He had originally planned to attend graduate school, then to sell insurance. But the impatient young man instead joined J.C. Penny as a trainee in 1940 for $85 a month. Five years later, he opened his first Walton's Ben Franklin store; eventually, he moved to Bentonville to open a Walton 5 & 10 as a Ben Franklin franchise. By 1960, he had created 15 Ben Franklin outlets, all in towns of fewer than 5,000 souls. Walton recalls shaping his simple, rural strategy with considerable satisfaction: "At the time, people thought that it wouldn't work."

They were even further from the mark in 1962, when Walton broadened his formula to launch the first Wal-Mart Discount City in adjacent Rogers, Ark. By 1970, the entrepreneur was taking 28 thriving stores into the public capital market; six years later, he phased out the Ben Franklin store network to concentrate on the Wal-Mart chain.

Wal-Mart's growth recipe is already legendary. The company now owns 876 stores in 22 states, where consumers can select among 70,000 disparate items. Many of these are discounted brandname products, reflecting Walton's zeal for selling quality merchandise at bargain rates. In line with the company's tradition, most of the outlets dominate cities with populations of 5,000 to 25,000 in the South and Southwest.

Lately, though, the company has opened stores in bigger locales. "When they come to town, get ready, because they will cut the edge out from under you, even if you are J.C. Penny and K Mart," asserts George Billingsley, a local real estate and travel executive who has known Walton for more than 24 years.

"Walton had the insight to recognize that rural areas can make good markets, while others viewed them as bad markets," notes Terrence Foran, national director of retail consulting for Touche Ross & Co.

CORPORATE CULTURE

But that's only part of Wal-Mart's mystique. Walton's corporate culture is imbued with hard work, satisfaction and dedication. His own days begin at 6 a.m. and stretch well into the evening, though he often drops into a Wal-Mart distribution center at 4 a.m. to sip coffee with his employees.

"You couldn't spend more than a day with him because he's too energetic," says Edward Weller, who covers Wal-Mart for E.F. Hutton & Co. In fact, Billingsley recollects that Walton nearly succumbed to claustrophobia while cruising near Alaska with his grandchildren last year because he couldn't leave the vessel.

But Walton's work habits and enthusiasm are contagious: However preposterous it may sound to urban folks, Wal-Mart's associates seem to love their work. "In rural areas, people regard their job as more important, since jobs are not as numerous," explains Foran.

Other admirers of Walton attribute the fervor of Wal-Mart's employees to the CEO's own work ethic and sincerity. And there's a touch of messianic inspiration, too. The atmosphere at his speeches and annual meetings is said to suggest a revival meeting.

"His most outstanding assets are his integrity and feel for people," asserts Charles Lazarus, chairman of Toys R Us and a Wal-Mart board member. "He makes everyone feel good after he talks. I don't know of a rabbi or priest who can do that." At store openings, Walton has been known to lead pep cheers from atop a table. "Give me a 'W,' give me an 'A,'" he exhorts, spelling out the name of his chosen corporate kingdom.

Walton still ventures out to his stores four days a week; until the company grew too large, he used to greet the entire staff at least once a year. Beyond the glad-handing, though, Walton's associates are encouraged to participate in managerial decisions. Store managers, for example, can choose which products to stock and can devise merchandising campaigns, closely watched by higher-ups who have learned to respect grass-roots marketing inspiration.

Walton stages regional sessions every year, when small employee groups cannot only discuss ways to raise sales and cut costs, but also vent complaints and suggestions for improvement. Last year, a "Dear Mr. Glass" program that asked all employees to call or write to Wal-Mart president David Glass generated 18,000 responses. "Every single one is followed up," insists Donald Soderquist, head of administration and distribution. "Then we try to correct the problem."

The camaraderie can be bizarre, and it is manifested not only on the home front. Not long ago, Walton donned a grass skirt and danced a hula on Wall Street to honor a pledge to do so if his employees could push pretax profits past 8%.

Walton has also kept promises to share the company's proceeds: Wal-Mart splits the benefits from pilferage reduction with associates. More lucrative, though, is the company's profit-sharing arrangement. Linked to the fulfillment of corporate profit goals, the plan injects an amount that equals from 6½% to 8% of a worker's salary into a trust fund that invests in Wal-Mart stock and other securities. The fund's value has grown by an annual average of more than 40% for each of the past three years. And the company's stock purchase plan grants any employee who buys up to $1,500 of Wal-Mart shares an additional 15% stock bonus.

That stock's performance has been splendid, of course. The initial offering price for 100 shares in 1970 was $1,650. After seven splits, those shares are now worth about $464,000. "We have many hourly workers who made more money from their stock than from their wages last year," Walton likes to boast. Adds vice chairman and chief financial officer Jack Shewmaker: "We have hourly associates who are millionaires, or very close to it." Not surprisingly, Wal-Mart workers can read the company's closing price every day in every store, as well as at corporate headquarters.

Walton is also a quiet, generous philanthropist. He has created a scholarship program for employees' children and has set up disaster-relief funds to rebuild their homes after fires, floods or tornadoes. Hitting a pair of targets at once, he's also bringing 20 to 30 Central and South American students to local Christian colleges to study business; Billingsley notes that they might someday help Wal-Mart expand overseas.

The boss' benevolence is echoed in Wal-Mart's outlets. Last Christmas, associates at a South Carolina store helped fund a wedding and honeymoon for a homeless, unemployed couple discovered dwelling in a car.

On the other hand, Walton is scarcely profligate. He's a notorious penny-pincher who is clearly proud that his company enjoys the highest return on equity of any retailer—and the greatest margins among variety stores. Wal-Mart's managerial ranks are strikingly trim, and its small, rather tacky lobby features neat rows of plastic seats like those in bus stations. Walton's own office is modestly sized and decorated. And he predictably cringes at the sight of excessive inventories during unannounced store visits. "He'll raise holy hell," observes Billingsley.

Walton's personal life, too, reflects more than a touch of the miser: He really does drive that legendary, battered pickup truck. And, according to longtime friend and travel agent Billingsley, Walton has flown first-class on only one occasion, and then grudgingly. This was one and a half years ago on an arduous fight from Rio de Janeiro to Johannesburg. Billingsley, who joins Walton twice a week to play tennis at the latter's court, muses that when a ball flies into a neighboring briar patch, his partner would rather search for it than open a new can. "This attitude is not a disguise, either. He believes in it."

His eccentric image, humble manner and placid voice notwithstanding, Walt-Mart's CEO is heartily opinionated, possessed of a staunch, personal sense of right and wrong in his business dealings, attests Hutton's Weller. "He's also tough as nails," Billingsley adds. "Just ask any vendor. He's as cold as a Sunday night supper."

Indeed, Billingsley warns that suppliers seeking to negotiate sales must be prepared to cut their prices by 5%. And should their products be petroleum-based, Walton will expect to pocket any cost savings that stem from oil price decrease.

Finally, Walton favors domestic products. Amid a personal crusade to encourage businesses to "Buy American," he was recently spotted admonishing a vendor for obtaining Sri Lankan goods. "How about making them in Eupora, Miss.?" Walton urged.

Patriotism, in fact, is another of Walton's themes. Wal-Mart's regional and annual meetings, generally start with "The Star Spangled Banner," frequently in conjunction with nationalist slide shows narrated by the likes of the late John Wayne.

As it happens, Walton's quirks reflect a reluctance to change his ways merely because he has a certain gift for business. He seems never to tire of a passion for hunting quail. And Walton, a devoted fan of the University of Arkansas' football and basketball teams, becomes a trifle fed up when strangers make any fuss about him when he attends Razorbacks' games, "He's not a public person," Billingsley explains.

Walton has scarcely become a hermit, though: "If I didn't enjoy working, I'd fade off to Florida or Australia."

STILL BUSY

Wal-Mart's myriad shareholders, customers and even competitors need not fret that retirement impends for "Hustler" Walton. The company's own growth promises that plenty of tasks await resolution. This CEO must ensure that each outlet sustains or surpasses its traditional rate of expansion, not to mention the need to launch 110 fresh stores this year.

Then there's Sam's Wholesale Club, Wal-Mart's most ambitious diversification in years. Begun in 1983 as a big city, membership-only, deep-discount chain, the venture already encompasses 23 cities, including Houston, Dallas, St. Louis and Kansas City. That figure should reach 41 by the end of this year, at which time Walton's latest venture will be threatening to overtake Price Co., the pioneering, No. 1 membership discounter.

This year, Sam's Clubs are expected to generate $1.8 billion in sales; as of 1986, predicts J.D. Simpson, who follows Wal-Mart for Stephens Inc., that figure will virtually double to at least $3.4 billion. "This has given us a great, new, unlimited way of getting into urban markets," proclaims Walton. It may seem sometimes that there's little that he hasn't done. But Sam "Hustler" Walton has not forgotten that he has yet to conquer America's cities.●

BUDGET SCOREKEEPING REPORT

● Mr. DOMENICI. Mr. President, I hereby submit to the Senate the budget scorekeeping report for this week, prepared by the Congressional Budget Office in response to section 5 of the first budget resolution for fiscal year 1986. This report also serves as the scorekeeping report for the purposes of section 311 of the Congressional Budget Act, as amended.

The report follows:

U.S. Congress,
Congressional Budget Office,
Washington, DC, April 21, 1986.

Hon. Pete V. Domenici,
Chairman, Committee on the Budget,
U.S. Senate, Washington, DC.

Dear Mr. Chairman: The attached report shows the effects of Congressional action on the budget for fiscal year 1986. The estimated totals of budget authority, outlays, and revenues are compared to the appropriate or recommended levels contained in the most recent budget resolution, S. Con. Res. 32. This report meets the requirements for Senate scorekeeping of Section 5 of S. Con. Res. 32 and is current through April 18, 1986. The report is submitted under Section 308(b) and in aid of Section 311 of the Congressional Budget Act, as amended.

No changes have occurred since my last report.

With best wishes,

Sincerely,

Rudolph G. Penner, *Director.*

CBO WEEKLY SCOREKEEPING REPORT FOR THE U.S. SENATE, 99TH CONGRESS, 2D SESSION, AS OF APRIL 18, 1986

[Fiscal year 1986—in billions of dollars]

	Budget authority	Outlays	Revenues	Debt subject to limit
Current level[1]	1,057.1	980.7	778.6	1,986.4
Budget resolution, Senate Concurrent Resolution 32	1,069.7	967.6	795.7	[2] 2,078.7
Current level is:				
Over resolution by		13.1		
Under resolution by	12.6		17.1	92.3

[1] The current level represents the estimated revenue and direct spending effects (budget authority and outlays) of all legislation that Congress has enacted in this or previous sessions or sent to the President for his approval. In addition, estimates are included of the direct spending effects for all entitlement or other programs requiring annual appropriations under current law even though the appropriations have not been made. The current level excludes the revenue and direct spending effects of legislation that is in earlier stages of completion, such as reported from a Senate committee or passed by the Senate. The current level of debt subject to limit reflects the latest U.S. Treasury information on public debt transactions.

[2] The current statutory debt limit is $2,078.7 billion.

FISCAL YEAR 1986, SUPPORTING DETAIL FOR CBO WEEKLY SCOREKEEPING REPORT, U.S. SENATE, 99TH CONGRESS, 2D SESSION, AS OF APR. 18,1986

[In millions of dollars]

	Budget authority	Outlays	Revenues
I. Enacted in previous sessions:			
Revenues			777,794
Permanent appropriations and trust funds.	723,461	629,772	
Other appropriations	525,778	544,947	
Offsetting receipts	−188,561	−188,561	
Total enacted in previous sessions.	1,060,679	986,159	777,794
II. Enacted this session:			
Commodity Credit Corporation urgent supplemental appropriation, 1986 (Public Law 99–243).			
Federal Employees Benefits Improvement Act of 1986 (Public Law 99–251).		4	
VA home loan guarantee amendments (Public Law 99–255).		−51	
Omnibus Budget Reconciliation Act of 1985 (Public Law 99–272).	−4,259	−6,001	765
Department of Agriculture urgent supplemental, 1986 (Public Law 99–263).			
Advance to Hazardous Substance Response Trust Fund (Public Law 99–270).			
Total	−4,259	−6,048	765
III. Continuing resolution authority			
IV. Conference agreements ratified by both Houses.			
V. Entitlement authority and other mandatory items requiring further appropriation action:			
Veterans compensation	272	185	
Veterans readjustment benefits.	91	91	
Compact of free association	205	205	
Special benefits (Federal employees).	14	14	
Family social services	100	75	
Guaranteed student loans	6		
Payment to civil service retirement.[1]	(37)	(37)	
Total entitlements	688	570	
Total current level as of April 18, 1986.	1,057,108	980,681	778,559
1986 budget resolution (S. Con. Res. 32).	1,069,700	967,600	795,700
Amount remaining:			
Over budget resolution.		13,081	
Under budget resolution.	12,592		17,141

[1] Interfund transactions do not add to budget totals.

Note: Numbers may not add due to rounding.

WNBG RADIO WINS CRAFTED WITH PRIDE CONTEST

● Mr. GORE. Mr. President, I am proud to announce to my colleagues that WNBG radio 14 of Waynesboro, TN, has just won a nationwide contest for its campaign to persuade people to buy American products.

WNBG outperformed 735 radio stations across the country to win the "Crafted With Pride in the USA competition." For its remarkable efforts, the station will receive a prize of $25,000.

Over the course of 2½ months, WNBG sponsored a number of projects to raise public awareness of the need to buy American. The winning event honored 14 plants in Wayne and Hardin Counties with a 4½-hour show highlighting American products.

I want to commend WNBG Station Manager Lisa Nutt, Ed Plunk, and Station President O.H. (Shorty) Freeland for their originality and patriotism. In a public service announcement for the salute to workers in Wayne and Hardin Counties, I said that "by taking pride in your work, you have given us plenty to be proud of." Lisa Nutt, Shorty Freeland, and Ed Plunk and all the folks at WNBG have done just that. Their prize and the hard work that went into it make everyone of us grateful and proud.●

MEDICAID MATERNAL AND INFANT AMENDMENTS OF 1986

● Mr. BAUCUS. Mr. President, I am pleased to join with seven of my distinguished colleagues in sponsoring the Medicaid Maternal and Infant Amendments of 1986. This legislation, which is based on the bipartisan recommendations of the Southern Governor's Task Force on Infant Mortality, will allow States to expand Medicaid coverage for low-income pregnant women and children to combat infant mortality.

Infant mortality is a serious nationwide problem that needs immediate attention. We have made great strides in battling infant mortality in some parts of the country. In my own State of Montana, for example, the rate of infant deaths has been cut in half in the last 15 years. But even Montana, where the infant mortality rate is below our national average, ranks considerably lower than many developed countries such as Finland, Japan, and Switzerland. That proves that in my State and as a whole we could do much better. In 1984, the United States was ranked only 16th among developed countries in terms of infant mortality rates.

Two-thirds of infant deaths occur in the first month of life. The factor most commonly associated with these newborn deaths is low birth weight.

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The smaller the baby, the poorer the chances of healthy survival. A low birth weight baby is more likely to need costly special care. Low birth weight babies also have significantly higher rates of rehospitalization.

Prenatal care is the single most significant determinant of a newborn's health. Research has shown that preventive measures such as adequate prenatal care, nutrition, and postpartum care are much more cost-effective than treatment of low birthweight infants in neonatal intensive care units.

The Medicaid Program is the Nation's principal financing source for the health care of poor mothers and children. The States and the Federal Government have a responsibility to ensure the availability of high quality, comprehensive preventive maternal and infant care for all citizens needing these services.

In the long run it is in the Nation's best interest to finance preventive care to childbearing women and young children with incomes below the poverty level. Preventive maternity and child health care services can reduce the need for costly treatment later. The importance of providing comprehensive health care services for needy pregnant women and children through the Medicaid Program is underscored by the significant cost savings which result from the provision of preventive health care services to this population.

As many as 3.4 million women of child-bearing age living in households below the Federal poverty line are not covered by Medicaid. These women have little access to prenatal care services. It is time to make prenatal care more widely available.

We are already paying on the most expensive side of the health cost equation—the hospital costs for the sick. A reorganization of health care expenditures by putting resources into the preventive side of health care in the long run will result in significant savings in both dollars and human potential.

The cost effectiveness of this proposal is clear. The American Academy of Pediatrics reported in 1984 that savings estimates range from $2 to $10 for every dollar spent on prenatal care.

This bill gives States the option of extending Medicaid coverage to pregnant women and infants up to a year old whose family income is above the AFDC standards for the State but below the Federal poverty line. The National Governors Association estimates the cost of this plan at only $100 million to the Federal Government. This amount has already been included in the Senate Budget Committee's budget resolution.

Mr. President, I am also pleased to be an original cosponsor of a bill that was introduced recently by my distinguished colleagues from Florida [Mr. Chiles], Minnesota [Mr. Durenberger], Texas [Mr. Bentsen], and West Virginia [Mr. Rockefeller], called the Infant Mortality Prevention Act (Impact) of 1986.

The Infant Mortality Prevention Act, S. 2288, is slightly different from the Medicaid Maternal and Infant Amendments of 1986 in that S. 2288 calls for a gradual increase in the family income threshold. It provides Medicaid coverage for women who fall below 65 percent of the Federal poverty level in the first year, below 80 percent in the second year, and below 100 percent in the third year.

The bipartisan coalition supporting both of these bills is committed to getting this initiative underway as soon as possible. We all agree on that goal.

However, almost all efforts to provide better preventive health services have initial front-end costs before we begin to see the proven, long-term savings. Even the most worthwhile investments cost something to accomplish.

How much Congress decides to invest and how quickly the investment is made depends upon many factors that are impossible to predict at this time. I join with these Senators and Governors who will be working hard in the months ahead to fulfill our obligations to the health of our children and at the same time meet our responsibilities to limit additional costs to State and Federal budgets.●

THE BENEFITS OF LOWERING MARGINAL TAX RATES

● Mr. BOSCHWITZ. Mr. President, in last Thursday's Washington Times, there was an article written by Warren Brookes and titled "The Benefits of Cutting Top Tax Rates." In his article, Mr. Brookes describes the findings of Prof. Lawrence Lindsey of Harvard University regarding the distributional effect of the individual tax cuts enacted in 1981 as part of the Economic Recovery Tax Act.

In short, Professor Lindsey found that—as was the case with previous tax cuts in 1921-25 and 1963-66—revenue collections from the wealthiest taxpayers actually increased as a result of a reduction in marginal tax rates, so that the wealthiest taxpayers actually paid an increased share of the individual tax burden. This was true even though marginal tax rates were reduced by a greater percentage for the wealthy in 1981 than for other taxpayers.

Like the President and many of my colleagues, I am a strong believer that we should lower marginal tax rates. Lower rates will encourage decision-making based on economic, as opposed to tax, considerations. Incentives to work and save will be increased. Lower rates will help eliminate the incentive for entering into abusive tax transactions and will go a long way toward making sure that all taxpayers pay their fair share.

Toward that end, I have developed a proposal to provide for lower marginal rates. Under my proposal, we do not amend over 4,000 different sections of the Internal Revenue Code and produce a bill that is almost 1,500 pages of new law. Instead, my proposal accomplishes lower marginal tax rates—both individual and corporate—by making only a few changes to the current tax laws. I have previously discussed my proposal on March 4 here in the Senate, and invite my colleagues to review it and discuss it with me.

Mr. President, I ask that the April 17 article describing the benefits of cutting top tax rates be included in the Record. I also want to compliment Professor Lindsey on his fine work on this subject, as well as thank him for his valuable assistance in helping me develop my tax rate reduction proposal:

The article follows:

The Benefits of Cutting Top Tax Rates

One of President Reagan's "conditions" for accepting tax reform was a top rate of 35 percent—compared with the 38 percent top rate in the House bill (H.R. 3838).

Republican Sen. Robert Packwood of Oregon has "met" that condition by a ruse. Although he did cut the statutory top rate to 35 percent, he phases out the $2,000 personal exemption altogether for top brackets.

This means the real top marginal rate under Mr. Packwood's reform ranges from 37 percent to as much as 43 percent.

Nevertheless, it is a measure of how far we have come from the 1981 "politics of envy" that one of the big debates in "tax reform" is whether the top tax rate should be 38 or 35 percent.

Just five years ago, the liberal media and politicians were bashing President Reagan for cutting the top rate from 70 to 50 percent as a "bonanza for the rich."

Now, these same media are applauding liberal "reformers" for "populist" plans that cut top rates another 10-12 points.

What happened, of course, was the reality of the IRS's 1982-83 tax collections which showed that cutting the top brackets actually produced more revenues from them and resulted in shifting the tax burden toward the rich, just the opposite of predictions.

Of course, the same effect had followed the 1921-25 tax cuts, in which the top rate went from 73 to 25 percent while the share of taxes paid by the top 1 percent went from 44 to 69 percent.

And in 1963-66, under the John F. Kennedy tax cuts, the top rates fell from 91 to 70 percent, while the share of taxes paid by the top brackets shot up 36 percent, and revenues 57 percent.

In short, the nation has proved again and again that when tax rates get too high, they become counterproductive, and cutting them produces more revenues from the top brackets.

These "Lafferist" ideas have now been adopted by the economic establishment. As Harvard's Professor Lawrence Lindsey points out in two recent working papers for the National Bureau of Economic Research (NBER 1760-1761):

"The idea that marginal tax rates and tax revenue may be inversely related is at least as old as Adam Smith's "Wealth of Nations." Smith argued: 'High taxes . . . frequently afford a smaller revenue to government than what might be drawn from more modest taxes.' "

Mr. Lindsey subjects the actual 1982 tax-return experience to the most rigorous statistical analysis yet, to determine the degree to which this "Laffer Curve" effect showed up in the first full year of the 1981 Reagan tax cut, when the top rates were cut from 70 to 50 percent, while the rest of the rates dropped only 10 percent.

Mr. Lindsey found that "in spite of a bias in the tax schedule [cutting top rates much more than average marginal rates], the tax share paid by the top 5 percent of taxpayers rose . . ." (see table.)

In order to factor out all extraneous influences on income and tax share (such as inflation, economic growth or decline, changing rates of capital and payroll income, etc.), Mr. Lindsey simply took the 1982 actual "baseline" income, calculated the revenues it would have delivered under the pre-1982 law, then compared them with actual 1982 collections.

First, he found that the taxable income reported by the income groups from $200,000 up (the top 0.2 percent of taxpayers) rose 12 to 34 percent over the "baseline," while that reported by the income groups below $15,000 (the bottom 52 percent) fell 3 to 5 percent from under pre-1982 law.

As Mr. Lindsey points out, "the behavioral response [to the tax reductions] was largest among upper income groups. . . ." As a result, taxes paid by the top 0.2 percent group rose 17 percent over what the tax-cut "baseline" would have forecast, and 3 percent over what it would have paid with no tax cut at all. And its share of the tax burden rose from 8.5 to 9.7 percent.

Mr. Lindsey found that while the tax cut, viewed in "static" terms, should have cost $46.7 billion in lost revenues ($33.3 in rate reductions and $13.4 billion in expanded IRA account provisions and the ending of the "marriage tax"), it actually cost $31.2 billion.

This means, Mr. Lindsey argues, that "47 percent of the $33.3 billion estimated cost of rate reductions was recaptured" because of the "behavioral response" to the tax cut itself—and among the highest groups the "recovery" rate was 103 percent.

Mr. Lindsey concludes that "there is no conflict between revenue needs and a further reduction of the top marginal personal income tax rate." And he suggests that the "revenue maximizing" top rate on income is below 43 percent—and on capital gains, 14 percent.●

JOSH HOWARD'S JUDGMENT OF IRS IS: PHOOEY

● Mr. HELMS. Mr. President, I feel obliged to share with my colleagues a letter I received this past week from Josh Howard's father in Greenville, NC.

Josh is 12 years old. I have known him for most of those 12 years—a delightful red-headed, freckle-faced youngster who is the very epitome of an all-American boy. Back to Josh in just a moment.

Josh's parents are splendid citizens of North Carolina, both of them interested in government and dedicated to the preservation of the fundamental principles of America. Josh's father is a respected attorney in Greenville. His name is Malcolm J. Howard, but everybody knows him as Mack Howard.

Now, Mr. President, back to Josh Howard, the 12 year old. He is an industrious, active youngster. He enjoys earning money, and he is very prudent in saving what he earns. And therein lies the story of Josh Howard's first encounter with the Internal Revenue Service. In short, he has discovered the sad story of paying income taxes.

That story can best be told by reading the letter I received from Josh's dad, and I ask that it be printed in the Record.

The letter follows:

April 9, 1986.

Re Josh Howard's 1985 Federal Tax Payment.

Senator Jesse Helms:
U.S. Senate,
Washington, DC.

Dear Senator Helms: On February 19, 1986, Josh Howard turned 12 years old. As had been the case with his sister before him, his parents authorized the opening of a "supervised" checking account.

Josh Howard has $97.20 with which to open his account. This money represented several months of earnings including grass mowing, leaf raking, taking care of his father's bird dog and birthday gifts from his grandmother and godfather, Frank Rouse.

Because of an "education savings account," Josh Howard had interest earnings (which he did not see) sufficient to necessitate a tax return. His father's accountant prepared the return, and the net result was "Balanced Due IRS . . . $75.00."

This tax return was presented to Josh Howard on April 7 for his review and signature. After much consternation, exclamations, and generally mad-as-heck, Josh Howard subscribed his name to his tax return. The onerous task of then writing a check to the Internal Revenue Service for the grand sum of $75.00 (which was his first check ever) took much of the wind out of his sail.

Josh Howard realizes of his original $97.20, to him his life's saving, he has to pay $75.00 to the Internal Revenue Service, leaving him a grand total of $22.50 for his future expenses for health and the pursuit of happiness.

Josh Howard has had an enormous amount of questions as to what is going to happen to his $75.00. The best response that his mother and I could proffer was that it was going to Washington, DC, and President Reagan and Senator Helms would "watch over" its use and disbursement. Josh Howard understands that a great percentage of his tax money goes for national defense, aid to the underprivileged, foreign aid, federal employee salaries and benefits, and the like.

Needless to say, Josh Howard is in favor of a reduction in all of these areas and has, accordingly, requested of his father to bring his "plight" to the attention of those with authority to oversee his money.

Josh Howard is having difficulty understanding why it is important to accumulate any money if he has to send more than three-fourths of it to Washington City.

Josh Howard thanks you for your consideration of these issues.

Sincerely,

Mack Howard,
His Father.●

STATE AND LOCAL TAX DEDUCTIBILITY

● Mr. HUMPHREY. Mr. President, today I would like to call to the attention of my colleagues an article concerning a necessary provision of any real tax reform proposal: repealing the deductibility of State and local taxes. This article, written by Mr. Bruce Bartlett, former executive director of the Joint Economic Committee here in Congress, appeared in the July/August issue of Dollars & Sense, a publication of the National Taxpayers Union. This article is entitled, "Why Local/State Deduction Should Go."

Aside from the fact that this deduction benefits a relatively small number of taxpayers in a small number of States, Mr. Bartlett points out the fact that deductibility discourages more efficient methods of financing and delivering State and local services. Mr. Bartlett goes on to state that elimination of deductibility is central to the attempt to lower tax rates and make the U.S. tax system fairer and simpler. I couldn't agree more.

Mr. Bartlett also addresses the issue of State and local spending. While eliminating deductibility will have an impact on State and local spending, the primary effect will be to slow the rate of growth, not to force cuts in spending absolutely. States would be forced to make decisions regarding what programs are the most worthy of funding. As Mr. Bartlett put it:

> It would thus become more difficult for States to finance programs of doubtful benefit to their taxpayers by "hiding" the full cost within the Federal tax system.

Is there anything wrong with that? When government is no longer completely accountable to the citizens whom they are supposed to serve, that is when there is something wrong.

Mr. President, in conclusion, Mr. Bartlett makes a very good point concerning deductibility:

> Without its elimination, there simply will not be enough revenue to offset more than a modest reduction in tax rates—perhaps too little to make the exercise worthwhile.

This is a question we must all ask ourselves—will it be worthwhile?

Mr. President, the points raised by Mr. Bartlett certainly warrant the consideration of the Senate as the process of tax reform progresses. If we are to have real progress, we must eliminate the unfair deduction for State and local taxes. I would urge my colleagues to keep this article in mind during the next few months.

Mr. President, I ask that the article referred to above appear in the Record.

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The article follows:

Why Local/State Deduction Should Go

(By Bruce Bartlett)

Ronald Reagan's proposal to eliminate the deductibility of state and local nonbusiness taxes from the federal tax base is among the most controverisal provisions in this tax reform plan. This deduction has existed since the creation of the federal income tax in 1913. Yet there is a strong case for eliminating it as an integral part of an overall tax reform which reduces tax rates. Today's deduction for state and local taxes favors and it discourages more efficient methods of financing and delivering state and local services. As such, its elimination is one of the most important provisions in the Reagan tax plan and is central to the attempt to lower tax rates and make the U.S. tax system fairer and simpler.

THE INEQUALITIES OF THE DEDUCTION

Under current law a taxpayer who itemizes is allowed to deduct from his adjusted gross income all income, sales, and property taxes paid to state and local governments. On the other hand, those who do not itemize—approximately two-thirds of all taxpayers—receive no advantage from this deduction.

The benefits of this tax break accrue largely to more wealthy taxpayers, partly because they tend to pay more state and local taxes and partly because each dollar of the deduction is worth more for those in the higher marginal tax brackets. Those with economic incomes above $50,000 account for two-thirds of the deduction for state and local taxes.

The value of deductibility for taxpayers varies widely between states. It predictably is greatest in those states where taxes are the highest. The Advisory Commission in Intergovernmental Relations (ACIR) estimates the tax savings from deductibility at $263 per capita for a New York resident, but only $33 per capita for a Tennessee resident. Because the benefits of deductibilty vary so widely, the state and local tax deduction in effect forces lower-taxed states to subsidize higher-taxed states.

THE IMPACT ON STATE AND LOCAL SPENDING

Deductibility of state and local taxes is estimated to increase overall state and local government spending by as much as 20.5 percent, according to the Congressional Research Service. The ACIR puts it at only 7 percent—which would still be about $30 billion in 1983. Most other estimates put the figure at 13 to 14 percent. This means that, without federal deductibility for state and local taxes, state and local spending would be about 14 percent less than it now is and would fall by this amount in the absence of deductibility. It is unlikely, of course, that it would fall immediately, but the relative pressure to raise spending would.

Deductibility makes state and local taxes politically easier to impose. As such, it encourages state any local governments to establish progressive income taxes in contrast to flat-rate income taxes. The advantages, notes economist Edward Moscovitch, are: "the ability to shift a much greater share of the state income tax burden onto the federal government, and the ability to increase state income tax revenues . . . without increasing taxes on low- and moderate-income families. . . . By shifting state taxes onto those taxpayers in the highest federal tax brackets, the adoption of graduated rates increases the total amount of federal tax savings, and thereby reduces the total burden of a state income tax. In effect, adoption of graduated rates offers an opportunity for the state to participate in a form of state-initiated revenue sharing."

Marginal tax rates vary a great deal between states and localities. Several states have no income taxes whatsoever, while rates rise to over 18 percent elsewhere. Deductibility of such taxes from federal taxable income, however, cushions the impact of such tax rates, making it easier for states to impose taxes on those who are politically active but itemize their tax returns. In short, deductibility reduces the progressivity of tax rates—but again, only for those who itemize. The table in this article illustrates the impact of deductibility and how the President's proposal will affect taxpayers in the top tax bracket among the different states.

Naturally, those states with tax rates Substantially above the national average will worry that loss of federal tax deductibility will sharpen the differences in tax rates among the states. They know full well from past experience that taxpayers "vote with their feet" and move to states with less tax bite. It thus would become more difficult for states to finance programs of doubtful benefit to their taxpayers by "hiding" the full cost within the federal tax system.

It should be no surprise that state governments protesting the proposed tax loss of tax deductibility most loudly are mainly those, such as New York, that are high taxers and big spenders. Many of these states have offset the recent decrease in federal subsidies with increased state spending, cushioned by the deductibility of state taxes, which has meant that the increased taxes have been borne partially by Uncle Sam. Now they fear that they will have to cut back on the spending that is currently subsidized by the federal tax code. And well they may. Loss of deductibility of state and local taxes could trigger the most powerful tax revolt since 1978, the days of Proposition 13 in California. It threatens the political livelihood of spendthrift lawmakers across the nation.

THE PRIVATIZATION OPTION

Despite the loud complaints of many state and local politicians, making it more difficult for them to raise taxes does not mean that government cannot carry out obligations it has undertaken. The main activity of state and local governments, in contrast to the federal government, is to deliver goods and services—police and fire protection, trash collection, education, parks, and similar services. In 1983, for example, 95.8 percent of all state and local spending went to providing goods and services, according to the Department of Commerce, compared with only 32.9 percent of federal spending. Numerous studies show, however, that it is far less expensive to provide most of these goods and services through the private sector. Municipal and state governments therefore could cut costs dramatically by contracting with private firms to provide a broad array of services. Even now, condominium residents and other citizens' groups shop around for such services as garbage pickup and security and end up paying less for them than if they paid local taxes for the services. But since such private fees are not deductible from federal taxable income, while payments of local taxes are, after-tax cost of private services is often higher to the taxpayer than such services funded by taxes. With the loss of deductibility, therefore, privatization and contracting out of state and local government services are no longer at a disadvantage.

CONCLUSION

Without the elimination of the deduction for state and local taxes, tax reform is essentially impossible. Without its elimination, there simply will not be enough revenue to offset more than a modest reduction in tax rates—perhaps too little to make the exercise worthwhile. Since the state and local deduction mainly benefits Americans with upper incomes, its elimination restores balance among the various income sectors. This balance disappears if state and local deductibility is kept in the tax code.

To be sure, means may be devised to make the end of the deduction less painful for state and local governments. It might be phased out over a few years to ease the fiscal impact. Or an additional tax bracket could be added between 25 and 35 percent; this would ease the loss of deductibility for the vast majority of itemizers.

Whatever is done to buffer the transition, Congress must remember that deductibility benefits only a relatively small number of taxpayers in a small number of states. Congress must also recognize that the U.S. pays a heavy price in terms of economic efficiency for a tax system riddled with deductions like that for state and local taxes. There is no question that the nation as a whole would be better off without it even if federal tax rates were not reduced. When coupled with rate reductions, the nation gains a cleaner, fairer, more efficient tax system.●

SUPPORT FOR NATIONAL ORGAN AND TISSUE DONOR AWARENESS WEEK

● Mr. GORTON. Mr. President, yesterday marked the start of National Organ and Tissue Donor Awareness Week. Throughout this week, the attention of the Nation will be focused on the urgent need for organ and tissue donors.

The science of human organ and tissue transplantation has revolutionized medical science and human existence. According to the National Kidney Foundation and the American Council on Transplantation, in 1984 alone, our medical community used organ transplants to bring sight to over 24,000 citizens. During the same period of time, 346 Americans were saved from heart disease by transplants. Doctors were able to help almost 7,000 citizens avoid the need for dialysis through kidney transplants in 1984. Organ and tissue transplant technology has alleviated the suffering of Americans afflicted with bone cancer, severe burns, liver disease, and pancreatic disorders. Recent breakthroughs in medical science have improved the 1-year success rate for transplant operations to between 70 and 99 percent, depending upon the type of operation.

A necessary ingredient for these modern miracles, however, is a pledge by organ donors. In a recent article in the Journal of the American Medical Association, researchers at the Seattle-based Battelle Human Affairs Research Center noted the severe shortage of one type of organ—human

hearts. The research team found that an estimated 15,000 Americans need heart transplants, and that transplant facilities are now located in over 70 medical centers. In part because of the failure of most Americans to take steps to provide for the donation of organs, however, the Battelle research team estimates that only 400 to 1,100 donor hearts will be available annually in the foreseeable future.

Similar shortages exist for other organs and tissues. The National Kidney Foundation estimates that there are over 25,000 Americans that would benefit from kidney transplant operations—8,500 of them are in critical need of transplant surgery. Today there are almost 200 people in the Pacific Northwest alone that are waiting in critical need of a kidney transplant. Another 200 citizens in my home State of Washington presently are hoping that the generosity of others will allow cornea transplants before they permanently lose their sight.

I would remind my colleagues of how simple it is to share the gift of life with our friends and neighbors. All it takes is signing an organ donor card, telling your next of kin that you have made that decision, and carrying the donor card with you at all times. My home State of Washington and many other States allow you to signify that you want to be an organ donor on your driver's license. Donor cards also are available from the Red Cross, local kidney foundations, and Lions Eye Bank facilities. Some States have established toll-free numbers at organ donor centers where citizens can call to obtain a donor card.

Mr. President, the vast majority of Americans support organ donation. Yet less than 20 percent of those who might act on their convictions do so. The problem has been a lack of awareness by Americans over the critical need for organ and tissue donations. I hope that the many activities planned for National Organ and Tissue Donor Awareness Week will make us all more familiar with how easy it is to create the miracle of giving life to others.

SURVIVORS OF ABORTION: THE DREADED COMPLICATION

● Mr. HUMPHREY. Mr. President, today, and on the average every day, a very small baby will survive a saline or prostaglandin abortion. He or she will probably weigh between 1½ and 2½ pounds, and be about 12 inches long. Little infants who have been born prematurely and are smaller than this have survived with good neonatal care. If the notion of viability is to maintain any integrity, we must protect these abortion survivors by law. We must not allow them to be stuck in a storage room and left to die. This cowardly and barbaric "treatment" must end.

I ask that the second half of an article which appeared in the Philadelphia Inquirer in 1981, be printed in the Congressional Record. The article, which won a Pulitzer Prize, follows:

[From the Philadelphia Inquirer, Aug. 2, 1981]

Not every doctor who performs a late abortion has to confront an aggressive prosecutor like Anders. But even those abortion live births that escape public notice raise deeply troubling emotions for the medical personnel involved. "Our training disciplines you to follow the doctor's orders," explained a California maternity nurse. "If you do something on your own for the baby that the doctor has not ordered and that may not meet with his commitment to his patient, the mother can sue you. A nurse runs a grave risk if she acts on her own. Not only her immediate job but her license may be threatened."

Nonetheless, nursing staffs have led a number of quiet revolts against late abortions. Two major hospitals in the Fort Lauderdale area, for instance, stopped offering abortions in the late 1970s after protests from nurses who felt uncomfortable handling the lifelike fetuses.

A Grand Rapids, Mich., hospital stopped late-term abortions in 1977 after nurses made good on their threat not to handle the fetuses. One night they left a stillborn fetus lying in its mother's bed for an hour and a half, despite angry calls from the attending physician, who finally went in and removed it himself.

In addition, a number of hospital administrators have reported problems in mixing maternity and abortion patients—the latter must listen to the cries of newborn infants while waiting for the abortion to work. And it has proved difficult in general hospitals to provide round-the-clock staffing of obstetrical nurses willing to assist with the procedure.

One young nurse in the Midwest, who quit to go into teaching, remembers "a happy group of nurses" turning nasty to each other and the physicians because of conflicts over abortion. One day, she recalled, a woman physician "walked out of the operating room after doing six abortions. She smeared her hand [which was covered with blood] on mine and said, 'Go wash it off. That's the hand that did it.' "

Several studies have documented the distress that late abortion causes many nurses. Dr. Warren M. Hern, chief physician, and Billie Corrigan, head nurse, of the Boulder (Colo.) Abortion Clinic, presented a paper to a 1978 Planned Parenthood convention entitled "What About Us? Staff Reactions. . . ."

The clinic, one of the largest in the Rocky Mountain states, specializes in the D&E (dilatation and evacuation) method of second-trimester abortion, a procedure in which the fetus is cut from the womb in pieces. Hern and Corrigan reported that eight of the 15 staff members surveyed reported emotional problems. Two said they worried about the physician's psychological well-being. Two reported horrifying dreams about fetuses, one of which involved the hiding of fetal parts so that other people would not see them.

"We have produced an unusual dilemma," Hern and Corrigan concluded. "A procedure is rapidly becoming recognized as the procedure of choice in late abortion, but those capable of performing or assisting with the procedure are having strong personal reservations about participating in an operation which they view as destructive and violent."

Dr. Julius Butler, a professor of obstetrics and gynecology at the University of Minnesota Medical School, is concerned about studies suggesting that D&E is the safest method and should be used more widely. "Remember," he said, "there is a human being at the other end of the table taking that kid apart.

"We've had guys drinking too much, taking drugs, even a suicide or two. There have been no studies I know of of the problem, but the unwritten kind of statistics we see are alarming."

"You are doing a destructive process," said Dr. William Benbow Thompson of the University of California at Irvine. "Arms, legs, chests come out in the forceps. It's not a sight for everybody."

Not all doctors think the stressfulness is overwhelming. The procedure "is a little bit unpleasant for the physician," concedes Dr. Mildred Hanson, a petite woman in her early 50s who does eight to 10 abortions a day in a clinic in Minneapolis, just a few miles across town from where Butler works. "It's easier to . . . leave someone else—namely a nurse—to be with the patient and do the dirty work.

"There is a lot in medicine that is unpleasant" but necessary—like amputating a leg—she argues, and doctors shouldn't let their own squeamishness deprive patients of a procedure that's cheaper and less traumatic.

However, Dr. Nancy Kaltreider, an academic psychiatrist at the University of San Francisco, has found in several studies "an unexpectedly strong reaction" by the assisting staff to late-abortion procedures. For nurses, she hypothesizes, handling tissues that resemble a fully formed baby "runs directly against the medical emphasis on preserving life."

The psychological wear-and-tear from doing late abortions is obvious. Philadelphia's Dr. Bolognese, who seven years ago was recommending wrapping abortion liveborns in a towel, has stopped doing late abortions.

"You get burned out," he said. Noting that his main research interest is in the management of complicated obstetrical cases, he observed: "It seemed kind of schizophrenic, to be doing that on the one hand (helping women with problem pregnancies to have babies) and do abortions."

Dr. John Franklin, medical director of Planned Parenthood of Southeastern Pennsylvania, was the plaintiff in a 1979 Supreme Court case liberalizing the limits on late abortions. He does not do such procedures himself. "I find them pretty heavy weather both for myself and for my patients," he said in an interview.

Dr. Kerenyi, the New York abortion expert, who is at Mt. Sinai Hospital, has similar feelings but reaches a different conclusion. "I first of all take pride in my deliveries. But I've seen a lot of bad outcomes in women who did not want their babies—so I think we should help women who want to get rid of them. I find I can live with this dual role."

The legal jeopardy, the emotional strain, the winking neglect with which "signs of life" must be met—all these things nurture secrecy. Late abortions take place "behind a white curtain," as one prosecutor put it, well sheltered from public view.

Only one large-scale study has been done of live births after abortions—by George Stroh and Dr. Alan Hinman in upstate New York from July 1970 through December

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1972 (a period during which abortion was legal in New York alone). It turned up 38 cases of live births in a sample of 150,000 abortions.

Other studies, including one that found signs of life in about 10 percent of the prostaglandin abortions at a Hartford, Conn., hospital, date from the mid-1970s. No one is so naive as to think there is reliable voluntary reporting of live births in the present climate, according to Dr. Cates of the Center for Disease Control.

Evidence gathered during research for this story suggests, without proving definitively, that much of the traffic in late abortions now flows to the New York and Los Angeles metropolitan areas, where loose practice more easily escapes notice.

"The word has spread," the Daily Breeze, a small Los Angeles suburban paper, said in July 1980, "that facilities in greater Los Angeles will do late abortions. How late only the woman and the doctor who performs them know."

This kind of thing is disturbing even to some people with a strong orientation in favor of legal abortion. For instance, the Philadelphia office of CHOICE, which describes itself as "a reproductive health advocacy agency," will recommend only Dr. Kerenyi's service at Mt. Sinai among the half-dozen in New York offering abortion up to 24 weeks. The others have shortcomings in safety, sanitation or professional standards in the agency's view.

An internal investigation of the abortion unit at Jewish Memorial Hospital in Manhattan showed that six fetuses aborted there in the summer of 1979 weighed more than 1⅓ pounds. The babies were not alive, but were large enough to be potentially viable. A state health inspector found in June 1979 that the unit had successfully aborted a fetus that was well over a foot long and appeared to be of 32 weeks gestation. Hospital officials confirmed in an interview that later in 1979 a fetus weighing more than four pounds had been aborted.

"It's disconcerting," Iona Siegel, administrator of the Women's Health Center at Kingsbrook Jewish Medical Center in Brooklyn, said of abortions performed so late that the infant is viable. When Ms. Siegel hears, as she says she often does, that a patient turned away by Kingsbrook because she was past 24 weeks of pregnancy had an abortion somewhere else, "that makes me angry. Number one, it's against the law. Number two, it's dangerous to the health of the mother."

Though one might expect organized medicine to take a hand in bringing some order to the practice of late abortions, that is not happening.

"We're not really very pro-abortion," said Dr. Ervin Nichols, director of practice activities for the American College of Obstetrics and Gynecology. "As a matter of fact, anything beyond 20 weeks, we're kind of upset about it."

If abortions after 20 weeks are a dubious practice, how does that square with abortion up to 24 weeks being offered openly in Los Angeles and new York and advertised in newspapers and the Yellow Pages there and elsewhere?

"That's not medicine," Nichols replied. "That's hucksterism."

Cates, of the Center for Disease Control, concedes that he has ambivalent feelings about those who do the very late procedures. There is obviously some profiteering and some bending of state laws forbidding abortions in the third trimester. But since late abortions are hard to get legally in many places, Cates puts a low priority on trying to policy such practices. Medical authorities leave the late abortion practioners to do what they will. And so, too, by necessity, do the legal authorities.

The Supreme Court framed its January 1973 opinion legalizing abortion around the slippery concept of viability. As defined by Justice Harry Blackmun in the landmark *Roe* vs. *Wade* case, viability occurs when the fetus is "potentially able to live outside the mother's womb albeit with artificial aid."

The court granted women an unrestricted right to abortions, as an extension to their right of privacy, in the first trimester of pregnancy. From that point to viability, the state can regulate abortions only to make sure they are safe. And only after a fetus reaches viability can state law limit abortion and protect the "rights" of the fetus.

"Viability," Blackmun wrote, after a summer spent researching the matter in the library of the Mayo Clinic, "is usually placed at about seven months (28 weeks) but may occur earlier, even at 24 weeks."

The standard was meant to be elastic, changing in time with medical advances. Blackmun took no particular account, though, of the possibility of abortion live births, or of errors in estimating gestational age.

In subsequent cases, the high court ruled that:

A Missouri law was too specific in forbidding abortion after 24 weeks. "It is not the proper function of the legislature or the court," Blackmun wrote, "to place viability, which essentially is a medical concept, as a specific point in the gestational period."

A Pennsylvania law was too vague. The law banned abortions "if there is sufficient reason to believe that the fetus may be viable." The court said it was wrong to put doctors in jeopardy without giving them clearer notice of what they must do.

State laws could not interfere with a doctor's professional judgment by dictating the choice of procedure for late abortions or by requiring aggressive care of abortion live births.

According to a 1979 survey by Jeanie Rosoff of Planned Parenthood's Alan Guttmacher Institute, 30 states have laws regulating third-trimester abortions. Some of these laws prohibit or strictly limit abortions after the fetus has reached viability. Some require doctors to try to save abortion live-born babies. Only a few states have both types of laws.

In addition, a number of these laws have been found unconstitutional. Others obviously would be, in light of Supreme Court rulings. Virtually all the state laws would be subject to constitutional challenge if used as the basis of prosecution against an individual doctor.

New York and California, ironically, have among the strongest, most detailed laws mandating care for survivors of abortions. But these laws have proved only a negligible check on the abortion of viable babies.

"We've had a number of claims come up that a baby was born live and full effort was not given to saving it," said Dr. Michael Baden, former chief medical examiner of New York City. "We've not had cases of alleged strangulation [as with Dr. Waddill in California] and that surely must be rare. All [the doctor] has to do is nothing and the result is the same."

Alan Marrus, a Bronx county assistant district attorney, has investigated several live-birth cases and the applicable New York law. He has yet to find "a case that presented us with facts that warranted prosecution. You need an expert opinion that in fact there was life and that the fetus would have survived. Often the fetus has been destroyed—so there is nothing for your expert witness to examine."

The incidents only come to light at all, Baden and Marrus noted, if some whistle-blower inside the hospital or clinic brings them to the attention of the legal authorities. The credibility of that sort of witness may be subject to attack. And even if the facts do weigh against a doctor, he has some resources left. Almost always he can claim to have made no more than a good-faith error in medical judgment.

"This is happening all over the place," said a California prosecutor. "Babies that should live are dying because callous physicians let them die." But he despairs of winning any convictions. "Nobody's as dumb as Waddill. They're smarter today. They know how to cover themselves."

Unfortunately, advances in medical technique may only aggravate the overall problem. Fetuses are becoming viable earlier and earlier, while the demand for later abortions shows no signs of abating. Some argue that Justice Blackmun's definition of viability as "usually seven months" was obsolete the day it was published. It clearly is now.

A decade ago, survival of an infant less than 3 pounds or 30 weeks gestation was indeed rare, principally because the lungs of smaller infants, unaided, are too undeveloped and fragile to sustain life. Now, infants with birth weights of about 1⅓ pounds routinely survive with the best of care, according to Dr. Richard Behrman, chief of neonatology at Rainbow Babies and Childrens Hospital in Cleveland and chairman of a national commission that studied viability in the mid-1970s.

Sometimes even smaller babies make it, and the idea that most of them will be retarded or disabled is out-of-date, Behrman said, "Most . . . survive intact."

Even with the medical advances though, some live-born infants are simply too small and undeveloped to have a realistic chance to survive. A survey last year of specialists in neonatal care found that 90 percent would not order life-support by machine for babies smaller than 1 pound 2 ounces or less than 24 weeks gestation. And on occasion, a newborn may manifest muscular twitches or gasping movements without ever "being alive" according to the usual legal test of drawing a breath that fills the lungs.

Still, it is no longer a miracle for an infant of 24 weeks development (which can be legally aborted) to be saved if born prematurely.

"It is frightening," said Dr. Roger K. Freeman, medical director of Women's Hospital at the Long Beach Memorial Medical Center in Long Beach, Calif. "Medical advances in the treatment of premature babies enable us to save younger fetuses than ever before. When a fetus survives an abortion, however, there may be a collision of tragic proportions between medicine and maternity. Medicine is now able to give the premature a chance that may be rejected by the mother."

In 1970, Freeman developed the fetal stress test, a widely used technique for monitoring the heart rate of unborn fetuses. Also, he and a colleague at Long Beach, Dr. Houchang D. Mondalou, have developed a drug, betamethzene, that matures lungs within days instead of weeks. The hospital

claims a 90 percent success rate with infants weighing as little as 1 pound 11 ounces.

At the University of California at Irvine, work is under way on an "artificial placenta" that doctors there say could, within five years, push the threshold of viability back even further.

The life-saving techniques are not exclusive to top academic hospitals, either. Good neonatal care is now broadly available across the United States. In fact, the lively issue in medical circles these days is not whether tiny premature babies can be saved, but whether it is affordable. Bills for the full course of treatment of a two-pound infant typically run between $25,000 and $100,000. To some that seems a lot to pay, especially in the case of an abortion baby that was not wanted in the first place.

The only way out of the dilemma, it would seem, would be for fewer women to seek late abortions. Though some optimists argue that this is happening, there is evidence that it is not.

Studies show that women seeking abortions late in the second trimester are often young, poor and sexually ignorant. Many either fail to realize they are pregnant or delay telling their families out of fear at the reaction. The patients also include those who have had a change of circumstance or a change of heart after deciding initially to carry through a pregnancy; some of these women are disturbed.

As first-trimester abortion and sex education become more widely available, the optimists' argument goes, nearly all women who choose abortion will get an early abortion. But in fact a new class of older, well-educated, affluent women has now joined the hardship cases in seeking late abortions.

This is because a recently developed technique, amniocentesis, allows genetic screening of the unborn fetus for various hereditary disease. Through this screening, a woman can learn whether the child she is carrying is free of such dreaded conditions as Downs syndrome (mongolism) or Tay-Sachs disease, a genetic disorder that is always fatal, early in childhood.

The test involves drawing off a sample of amniotic fluid, in which the fetus is immersed in the womb. This cannot be done until the 15th of 16th week. Test cultures for the various potential problems take several weeks to grow. Sometimes the result is inconclusive and the test must be repeated. The testing also reveals the unborn child's sex and can be used to detect minor genetic imperfections.

To many women, particularly those over 35, amniocentesis seems a rational approach to minimizing the chances of bearing a defective child. A few, according to published reports, go a step further and make sure the baby is the sex they want before deciding to bear the child.

In any case, it is late in the second trimester—within weeks of the current threshold of visability—before the information becomes available on which a decision is made to abort or not abort. The squeeze will intensify as amniocentesis becomes more widely available and as smaller and smaller infants are able to survive.

The abortion live-birth dilemma has caught the attention of several experts on medical ethics, and they have proposed two possible solutions.

The simplest, advocated by Dr. Sissela Bok of the Harvard Medical School among others, is just to prohibit late abortions. Taking into account the possible errors in estimating gestational age, she argues, the cutoff should be set well before the earliest gestational age at which infants are surviving.

Using exactly this reasoning, several European countries—France and Sweden, for example—have made abortions readily available in the first three months of pregnancy but very difficult to get thereafter. The British, at the urging of Sir John Peel, an influential physician-statesman, have considered in each of the last three years moving the cutoff date from 28 weeks to 20 weeks, but so far have not done so.

But in this country, the Supreme Court has applied a different logic in defining the abortion right, and the groups that won that right would not cheerfully accept a retreat now.

A second approach, advocated by Mrs. Bok and others, is to define the woman's abortion right as being only a right to terminate the pregnancy, and to have the fetus dead. Then if the fetus is born live, it is viewed as a person in its own right, entitled to care appropriate to its condition.

This "progressive" principle is encoded in the policies of many hospitals and the laws of some states, including New York and California. As the record shows, though, in the alarming event of an actual live birth, doctors on the scene may either observe the principle or ignore it.

And the concept even strikes some who do abortions as misguided idealism.

"You have to have a feticidal dose" of saline solution, said Dr. Kerenyi of Mt. Sinai in New York. "It's almost a breach of contract not to. Otherwise, what are you going to do—hand her back a baby having done it questionable damage? I say, if you can't do it, don't do it."

The scenario Kerenyi describes did in fact happen, in March 1978 in Cleveland. A young woman entered Mt. Sinai Hospital there for an abortion. The baby was born live and, after several weeks of intensive care at Rainbow Babies and Childrens Hospital, the child went home—with its mother.

The circumstances were so extraordinary that medical personnel broke the code of confidentiality and discussed the case with friends. Spokeswomen for the two hospitals confirmed the sequence of events. Mother and child returned to Rainbow for checkup when the child was 14 months old, the spokeswoman there said, and both were doing fine.

The mother could not be reached for comment. But a source familiar with the case remembered one detail: "The doctors had a very hard time making her realize she had a child. She kept saying, 'But I had an abortion.' "

CONGRESSIONAL GOLD MEDAL FOR NATAN AND AVITAL SHCHARANSKY

● **Mr. D'AMATO.** Mr. President, as Chairman of the Commission on Security and Cooperation in Europe, I am pleased to join as a cosponsor of S. 2308, legislation which would authorize the awarding of the Congressional Gold Medal to Natan and Avital Shcharansky in recognition of their dedication to human rights.

Natan and Avital Shcharansky have displayed a unique sense of determination and commitment with respect to the preservation of individual human rights. They have paid dearly for their stance. It is only fitting that the United States formally recognize their tireless efforts to promote human rights and freedom by awarding them the Congressional Gold Medal.

Natan was a founding member of the Moscow Helsinki Monitoring Group, a voluntary, unofficial organization established by Soviet human rights advocates to monitor and improve Soviet compliance with the Helsinki Final Act. These accords, signed by 35 nations, including the United States and the Soviet Union, contain a number of key human rights provisions. In addition to his work with the monitoring group, Shcharansky has been a vocal spokesman for members of the Jewish community in the U.S.S.R.

On March 4, 1977, the Soviet Government newspaper Izvestia published an open letter accusing Shcharansky of espionage. The following week, he was picked up by the Soviet secret police and taken to Moscow's Lefortovo Prison where he spent the next 16 months. Suddenly, at 29, Scharansky found himself charged as a spy under article 64 of the criminal code and facing a possible death sentence.

Pressed by his jailers to "account for his criminal activity," Natan repeatedly denied any wrongdoing. During the course of his confinement at Lefortovo he was subjected to 110 interrogation sessions, each lasting from 2 to 10 hours. He was denied any communication with his family. Despite attempts by the KGB to convince him that his friends in the human rights movement and the West had abandoned him, Shcharansky continued to refuse to cooperate with his captors and to profess his innocence.

After months of isolation in Lefortovo, Natan was granted an open trial and the right to defend himself. At the conclusion of the 5-day trial, sentence was pronounced—13 years in prison and labor camp for treason, espionage, and anti-Soviet agitation. His final words in the Moscow courtroom were directed to his wife Avital, "Next year in Jerusalem."

Avital, the sister of a fellow Soviet dissident, had been granted permission to emigrate to Israel the day after their marriage in 1974. The state, however, refused to permit Shcharansky to join her. Separated from her husband, Avital began a heroic campaign to win Natan's release.

Following the trial, Shcharansky was transferred to Chistopol Prison located 500 miles from Moscow. After 2 years of imprisonment, he was sent to Perm Camp No. 35, a special labor camp for political prisoners near Vsesvyatskaya. Rejecting attempts by the KGB to coopt him, Shcharansky was the subject of increasingly harsh treatment by KGB thugs who served as his jailers.

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In 1981, they forced him to turn over his prayer book, a gift from his beloved Avital. The authorities insisted that "religion is a bad influence, so we will save you from it." Shcharansky began a hunger strike in protest. As a result, he was given 130 days in solitary confinement, fed only every other day, and exposed to extreme cold temperatures. On the 92d day of his confinement, Shcharansky collapsed.

The following year he conducted a 110-day-long hunger strike until Soviet authorities allowed him to resume correspondence with this family. During 1985, he engaged in another hunger strike over mail priviledges.

Although he remained mentally alert, each hunger strike took its toll. In total, Shcharansky spent 400 days in solitary confinement. During his 8 years of imprisonment, he was permitted only six visits from his mother, Ida Milgrom.

Meanwhile, Avital persisted in her efforts to secure freedom for Anatoly. I had the privilege to meet with her on a number of occasions to discuss her husband's plight.

Finally, after years of sustained effort to secure his release, Natan Shcharansky crossed Berlin's Glienicke Bridge to freedom last February and realized his dream of being reunited with Avital in Jersusalem. But the struggle is not over.

An estimated 400,000 Soviet Jews have indicated their desire to leave the Soviet Union; hundreds of thousands of others would do so if they could without facing severe persecution. Yet, Jewish emigration has fallen to a mere trickle; only 1,139 Jews were granted permission to emigrate from the U.S.S.R. last year.

The situation remains bleak. Thus far, in 1986, 210 Soviet Jews have been issued exit visas; 79 in January, 84 in February, and 47 in March. At the same time, Soviet authorities continue their campaign of harassment against those who speak out in defense of human rights. Today, Nobel Peace Prize laureate Andrei Sakharov and the distinguished physicist, Yuri Orlov, languish in internal exile.

Upon his arrival in Israel, Shcharansky vowed that, "I am not going to forget those who I left in the camps, in the prisons, who are still in exile or who still continue their struggle for their right to emigrate, for their human rights. And I hope that that enthusiasm, that energy, that joy which fills our hearts today, Avital's and mine, will help us to continue the struggle for the freedom and the rights of our brothers in Russia."

The Soviet authorities failed to break the free spirit of Natan and Avital Shcharansky. I call upon my colleagues in the U.S. Senate and all Americans to recognize this brave couple for their steadfast dedication to freedom and promotion of human rights.●

STOPPING THE SALE OF THE FEDERAL POWER MARKETING ADMINISTRATIONS

● Mr. ABDNOR. Mr. President, I am joining my good friend from Washington, Mr. Evans, in introducing legislation prohibiting the transfer or sale of the Federal Power Marketing Administrations for a 10-year period. This legislation would terminate the ludicrous proposal to sell off our power-generating systems.

The "privatization" of the power marketing agencies is a costly proposal to the American consumer. According to the American Public Power Association, the proposal would increase consumers costs by 68 to 390 percent. This is definitely not in the best interest of the American people.

In South Dakota, it is estimated that consumer electrical costs would rise by as much as $600 a year. No one needs to be reminded of the farm problem, and we do not need to push the farm State citizens into worse economic conditions. The administration proposal to sell the power marketing agencies must be stopped, and this legislation would bury that proposal for a long, long time.

Mr. President, I submit the following letter to the editor, which appeared in the Woonsocket News, for the Congressional Record. I believe Mr. Vernon Berg summarizes how the people of South Dakota feel toward this proposal.

Mr. President, I thank my colleague, Mr. Evans, for his hard work on this legislation, and I look forward to, once and for all, putting this administration proposal to rest.

The letter follows:

Letters to Editor

Dear Editor: The Reagan Administration is proposing the sale of federal hydroelectric facilities to private interests.

The President's budget for fiscal year 1987, sent to Congress early in February, proposes the 'privatization' of all five federal power marketing administrations including the Western Area Power Administration which markets Missouri River hydropower in this region.

I believe the President's proposal to help balance the budget with a 'one time' sale of our hydroelectric dams is short-sighted and ill advised. It puts additional costs upon rural people while claiming to authorize no new taxes.

Your readers deserve to know that the federal investment in the hydroelectric facilities is being repaid to the U.S. Treasury, with interest, and the sale of these facilities would eliminate a reliable source of revenue to the Treasury.

If because of the sale of those facilities the rural electric cooperatives and municipal systems of South Dakota lose their share of federal hydropower, electric rates could increase by $70 million or as much as $600 a year for each consumer of these systems.

As concerned citizens, we want a fair national budget. We want to send a clear message to Congress that we say "no sale" of our federal power system.

Vernon Berg,
Director, Intercounty REA,
Woonsocket, So. Dak.●

THE SALT II DECISION

● Mr. CHAFEE. Mr. President, news reports today indicate that President Reagan has made a tentative decision to order the dismantling of two Poseidon submarines before the U.S.S. *Nevada*, the newest Trident submarine, begins sea trials on May 20. If these reports are accurate, this news means that the President has once again decided not to break out of the SALT II arms limits which both the United States and the Soviet Union have been observing ever since the treaty was signed.

I certainly hope that the reports are correct, and if they are, I applaud the President for his wisdom in recognizing the great value of the mutual restraint policy. A decision not to undercut the SALT limitations will keep us on the road to another United States-Soviet summit and a new arms control treaty.

The SALT II treaty was never ratified by the Senate. In fact, if it had been ratified it would have expired on December 31, 1985. But both the United States and the Soviet Union have pursued a policy of observing the treaty's limits, an arrangement which has, decidedly, worked to the benefit of the United States. Since 1973 the Soviets have dismantled 539 operational missile launchers in order to stay within SALT limits, while the United States has dismantled only 16. The 16 launchers on the U.S. side were dismantled last June when the President was first faced with a decision of this kind. At that time, he wisely decided to hold the course on arms control and continue with mutual restraint.

Were we to break out of the SALT limits, we would gain nothing and lose a great deal. The two Poseidons which will be dismantled if the President makes a final decison to adhere to SALT are old submarines which soon would have to undergo significant overhaul to remain functional. In dismantling them we do not create any military risk, especially since they will be replaced by a Trident with far superior capabilities. Discarding SALT, however, would mean taking the lid off the arms race, and allowing the Soviets to race ahead in arms production.

The fact is that the Soviets have the ability to exceed the SALT limitations much faster than the United States. They have more "hot" production lines poised to build up their nuclear arsenal, and have weapons—such as the SS-18—to which they could add many warheads very quickly. With

mutual observance of SALT, we would most likely see a new, costly arms race in which the Soviets would race out to an early and dangerous lead.

Some have urged the President to let SALT II fall by the wayside because of possible Soviet violations of the treaty's provisions. I believe that these possible violations, including encryption of test data and possible deployment of two new ICBM's, must be treated seriously. In my view, however, they do not justify scrapping the entire arrangement. The Standing Consultative Commission was established to address exactly these kinds of issues, and I believe we should use it, in addition to regular diplomatic channels, to resolve disputes over violations.

If the President has indeed decided to order the dismantling of two Poseidons, he has made exactly the right decision, and all of America should be pleased with the decision. In holding to the SALT II arrangement, the United States moves closer to a Reagan-Gorbachev summit and reaffirms its belief in true arms control.●

ORDERS FOR TUESDAY, APRIL 22, 1986

RECESS UNITL 11 A.M.

Mr. GORTON. Mr. President, I ask unanimous consent that when the Senate completes its business today, it stand in recess until 11 a.m. on Tuesday, April 22, 1986.

The PRESIDING OFFICER. Without objection, it is so ordered.

RECOGNITION OF CERTAIN SENATORS

Mr. GORTON. I ask unanimous consent that following the recognition of the two leaders under the standing order, there be special orders in favor of the following Senators for not to exceed 5 minutes each: Hawkins, Cranston, Levin, Riegle, and Proxmire.

The PRESIDING OFFICER. Without objection, it is so ordered.

ROUTINE MORNING BUSINESS

Mr. GORTON. I ask unanimous consent that following the special orders just identified, there be a period for the transaction of routine morning business not to exceed beyond the hour of 12 noon, with Senators permitted to speak therein for not more than 5 minutes each.

The PRESIDING OFFICER. Without objection, it is so ordered.

RECESS FROM 12 NOON TO 2 P.M.

Mr. GORTON. I ask unanimous consent that the Senate stand in recess between the hours of 12 noon and 2 p.m. tomorrow in order for the weekly party caucuses to meet.

The PRESIDING OFFICER. Without objection, it is so ordered.

PROGRAM

Mr. GORTON. Mr. President, when the Senate reconvenes at 2 p.m., it will be the intention of the majority leader to turn to any of the following items:

House message to accompany S. 49, the gun bill; resume consideration of the budget resolution, Senate Concurrent Resolution 120 at 2 p.m.; Executive nomination of Donald Newman.

Therefore, rollcall votes may be expected throughout the day.

Mr. President, to clarify, it will be the intention of the majority leader to resume consideration of Senate Concurrent Resolution 120 at 2 p.m. and it is possible that he may attempt to bring up the nomination of Donald Newman in the latter part of the morning tomorrow.

RECESS UNTIL 11 A.M. TOMORROW

Mr. GORTON. Mr. President, does the Democratic leader have anything further?

Mr. BYRD. Mr. President, I thank the distinguished acting majority leader. I have nothing further from this side of the aisle.

Mr. GORTON. Mr. President, I therefore ask unanimous consent that the Senate stand in recess until 11 a.m. tomorrow.

There being no objection, the Senate, at 5:16 p.m., recessed until tomorrow, Tuesday, April 22, 1986, at 11 a.m.

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HOUSE OF REPRESENTATIVES—*Monday, April 21, 1986*

The House met at 12 noon.

The Chaplain, Rev. James David Ford, D.D., offered the following prayer:

May the spirit of reconciliation and peace be upon us, O God, that our actions will bear the marks of concern, understanding, and graciousness. Even as we speak for which we believe, may we seek to hear Your voice, the voice that transcends all the differences of the peoples of our world and points us in the way of truth. Hear our prayer, O God, as we pray in Your name. Amen.

THE JOURNAL

The SPEAKER. The Chair has examined the Journal of the last day's proceedings and announces to the House his approval thereof.

Pursuant to clause 1, rule I, the Journal stands approved.

MESSAGE FROM THE SENATE

A message from the Senate by Mr. Hallen, one of its clerks, announced that the Senate had passed bills and a concurrent resolution of the following titles, in which the concurrence of the House is requested:

S. 426. An act to amend the Federal Power Act to provide for more protection to electric consumers;

S. 2251. An act to authorize the Administrator of General Services to convey property to the District of Columbia, and for other purposes;

S. 2319. An act to provide for the continuation of the Martin Luther King, Jr., Federal Holiday Commission until 1989, and for other purposes; and

S. Con. Res. 129. Concurrent resolution expressing the sense of Congress in opposition to certain import restrictions imposed by the European Community that adversely affect U.S. agricultural exports and urging the President to use to the fullest extent his authority to respond to these practices.

ANNOUNCEMENT BY THE SPEAKER

The SPEAKER. The Chair desires to announce that pursuant to clause 4 of rule I, the Speaker signed the following enrolled joint resolutions on Friday, April 18, 1986:

H.J. Res. 582. Joint resolution to designate April 20, 1986, as "Education Day U.S.A.";

H.J. Res. 599. Joint resolution commemorating the 25th anniversary of the Bay of Pigs invasion to liberate Cuba from Communist tyranny; and

S.J. Res. 303. Joint resolution to designate April 1986, as "Fair Housing Month."

CONSENT CALENDAR

The SPEAKER. This is the day for the call of the Consent Calendar. The Clerk will call the first bill on the Consent Calendar.

DECLARING THAT THE UNITED STATES HOLDS CERTAIN LANDS IN TRUST FOR CERTAIN INDIAN TRIBES OF OKLAHOMA

The Clerk called the Senate bill (S. 1684) to declare that the United States holds certain Chilocco Indian School lands in trust for the Kaw, Otoe-Missouria, Pawnee, Ponca, and Tonkawa Indian Tribes of Oklahoma.

There being no objection, the Clerk read the Senate bill as follows:

S. 1684

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. (a) Except as provided in section 2 of this Act, the Secretary of the Interior shall partition the interests of the United States in the approximately 5,824 acres of land in Oklahoma known as the Chilocco Indian School Reserve among the Cherokee Nation of Oklahoma, and the Pawnee, Ponca, Otoe-Missouria, Kaw, and Tonkawa Tribes of Oklahoma in line with the agreement of August 30, 1985, among those six tribes. The interests which are partitioned to the last five named tribes jointly shall be further partitioned by the Secretary in line with an agreement among those tribes.

(b) The interests partitioned to a tribe under this section are declared to be held in trust by the United States for that tribe.

(c) The Secretary shall publish in the Federal Register a description of the interests in land partitioned and held in trust under this section.

SEC. 2. The interest of the United States in the minerals in the approximately 5,824 acres of land identified in section 1 of this Act are declared to be held in trust jointly for the Cherokee Nation of Oklahoma, and the Pawnee, Ponca, Otoe-Missouria, Kaw, and Tonkawa Tribes of Oklahoma. The Cherokee Nation of Oklahoma shall act for all six tribes in decisions involving those mineral interests. The Secretary shall hold 50 percent of the income from those mineral interests in trust for the Cherokee Nation of Oklahoma and 10 percent of that income in trust for each of the other five tribes.

SEC. 3. Nothing in this Act shall deprive any person of any right or interest in the land identified in section 1.

SEC. 4. The unobligated balance of the income (after provision for payment of maintenance and other costs incurred before the enactment of this Act) derived by the Secretary from the interests in the land identified in section 1 of this Act shall be used in accordance with the provision from the Act of September 10, 1982 (96 Stat. at 839) codified in section 155b of title 25, United States Code (1982 edition) and divided as follows:

(1) of the part of the balance that the Secretary decides is attributed to income from other than mineral interests—

(A) 75 percent shall be used as jointly requested by the governing bodies of the Pawnee, Ponca, Otoe-Missouria, Kaw, and Tonkawa Tribes of Oklahoma; and

(B) 25 percent shall be used as requested by the governing body of the Cherokee Nation of Oklahoma;

(2) of the part of the balance that the Secretary decides is attributed to income from mineral interests—

(A) 50 percent shall be used as jointly requested by the governing bodies of the Pawnee, Ponca, Otoe-Missouria, Kaw, and Tonkawa Tribes of Oklahoma; and

(B) 50 percent shall be used as requested by the governing body of the Cherokee Nation of Oklahoma.

The Senate bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

DECLARING THAT THE UNITED STATES HOLDS CERTAIN LANDS IN TRUST FOR RENO SPARKS INDIAN COLONY

The Clerk called the bill (H.R. 3212) to declare that the United States holds certain lands in trust for the Reno Sparks Indian Colony.

There being no objection, the Clerk read the bill as follows:

H.R. 3212

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That (a) Except as otherwise provided in section 2, all right, title, and interest of the United States in the lands described in subsection (b) of this section are hereby declared to be held by the United States in trust for the benefit and use of the Reno Sparks Indian Colony and are hereby declared to be part of the Reno Sparks Indian Colony.

(b) The lands referred to in subsection (a) comprise approximately 1,948.38 acres of public land within Hungry Valley, Washoe County, Nevada, and are described as follows:

Township 21 north, range 20 east, Mount Diablo baseline and meridian, section 4, 640 acres more or less, reservations, restrictions, and conditions, if any, rights-of-way and assessors either of record or actually existing on said premises.

Township 21 north, range 20 east, Mount Diablo baseline and meridian, section 9, 640 acres more or less, reservations, restrictions, and conditions, if any, rights-of-way and assessors either of record or actually existing on said premises.

Township 21 north, range 20 east, Mount Diablo baseline and meridian, section 16, 640 acres more or less, reservations, restrictions, and conditions, if any, rights-of-way and assessors either of record or actually existing on said premises.

Township 19 north, range 20 east, Mount Diablo baseline and meridian, beginning at a point on the north county road right-of-way fenceline described as being 1,268 feet east and 30 feet north of the west quarter corner of section 7 said point being at the intersection of the boundary fence between L.M. Christianson and A.L. Jensen, with said north country road right-of-way line;

thence north 0 degrees 18 minutes west 490.30 feet;

thence west 787.74 feet;

thence south 0 degrees 12 minutes west 490.30 feet to north county road right-of-way fence;

thence along said fenceline 373.16 feet;

thence north 104.35 feet to the north county road right-of-way fenceline 208.71 feet to the place of beginning, containing 8.38 acres more or less, beginning reservations, restrictions, and conditions, if any, rights-of-way and assessors either of record or actually existing on said premises.

Township 19 north, range 20 east, Mount Diablo baseline and meridian, beginning at the intersection of the east boundaryline of the west half of the southwest quarter of section 7 with the southline of Scott Street Road, said point being 30 feet south of the northeast corner of said west half of the southwest quarter;

thence south 89 degrees 35 minutes west and along the southline of said Scott Street Road 361.2 feet;

thence south and a parallel with the east boundaryline of said west half of southwest quarter of section 7, 2,326.18 feet south to northline of Glendale Road;

thence south 64 degrees 30 minutes east along the northline of said Glendale Road 400 feet to the eastline of Glendale Road west half of southwest quarter of section 7;

thence north along east boundary line 2,501 feet to the place of beginning containing 20 acres more or less, reservations, restrictions, and conditions, if any, rights-of-way and assessors either of record or actually existing on said premises.

SEC. 2. (a)(1) Except as otherwise provided in this section, nothing in this Act shall deprive any person of any right-of-way, mining claim, grazing permit, water right, or other right or interest which such person may have in the land described in the first section on the date preceding the date of enactment of this Act.

(2) Notwithstanding the last sentence of section 402(g) of the Federal Land Policy and Management Act of 1976 (90 Stat. 2774, 43 U.S.C. 1752(g)), within thirty days after the date of enactment of this Act, the Secretary of the Interior shall cancel all grazing permits and leases on the following described land:

Township 21 north, range 20 east, Mount Diablo Meridian, section 4 comprising 640 acres more or less in Washoe County, Nevada.

(b) Within one hundred and twenty days after the date of enactment of this Act, the Secretary of the Interior, in acordance with section 402(g) of the Federal Land Policy and Management Act of 1976 (90 Stat. 2774, 43 U.S.C. 1752(g)), shall pay to the holder of any lease or permit canceled under subsection (a) of this section reasonable compensation, to be determined by the Secretary, for the adjusted value of any improvements which said holder constructed or placed on the land described in subsection (a)(2) of this section and cannot be removed. Such payment shall not exceed the fair market value of the terminated portion of the holder's interest therein.

(c) The Secretary of the Treasury is authorized and directed to pay to the Secretary of the Interior, out of funds in the Treasury of the United States not otherwise appropriated, such sums as the Secretary of the Interior may require to make the payments required under subsection (b) of this section.

(d) The grazing privileges exercised under any grazing permit or lease issued by the Secretary of the Interior on any of the following described lands located within the grazing unit known as Paiute Canyon Grazing Allotment Range, Washoe County, Nevada, prior to the date of enactment of this Act shall not be affected by this Act, and shall continue to be subject to the terms and conditions of such permit or lease, and to the applicable rules, and regulations of the Secretary of the Interior:

Township 21 north, range 20 east, Mount Diablo baseline and meridian, section 9, 640 acres more or less.

Township 21 north, range 20 east, Mount Diablo baseline and meridian, section 16, 640 acres more or less.

(e) The grazing privileges exercised under any grazing permit or lease on the lands described in subsection (d) of this section shall continue to be administered by the Secretary of the Interior through the Bureau of Land Management in accordance with the rules and regulations governing grazing permits and leases on the public lands. Such grazing permits or leases may be canceled or modified by the Secretary of the Interior for failure to meet the terms and conditions of such permits or leases or for failure to abide by the applicable rules and regulations of the Secretary of the Interior. If a grazing permit or lease is so canceled, the Secretary of the Interior shall not issue a new grazing permit or lease covering the lands described in subsection (d) of this section.

(f) Grazing fees for the grazing permits and leases on the lands described in subsection (d) of this section shall continue to be payable by the holder of such permit or lease to the Secretary of the Interior at the prevailing rates. Notwithstanding any other provision of law, such fees shall be remitted by the Secretary of the Interior to the Reno Sparks Indian Colony within thirty days after the date on which such fees are paid to the Secretary of the Interior.

(g) The grazing permits and leases on the lands described in subsection (d) of this section shall not be assigned or transferred to any person or organization other than the Reno Sparks Indian Colony.

SEC. 3. (a) Section 1 of the Act of August 9, 1955 (69 Stat. 539, as amended; 25 U.S.C. 415), is amended by inserting ", and lands held in trust for the Reno Sparks Indian Colony," immediately after "Twenty-nine Palms Band of Luiseno Mission Indians,".

(b) Section 164 of the Act of July 14, 1955 (42 U.S.C. 7474), shall be applied without regard to the provisions of the first section of this Act.

With the following committee amendments:

Page 2, line 6, change "1,948.38" to "1,949.39".

Page 4, after line 16, insert the following:

Township 19 north, range 20 east, Mount Diablo baseline and meridian, Section 7, lots 13 through 18, lock D, Granata, Cafferata Subdivision, 1.002 acres, more or less, reservations, restrictions, and conditions, if any, rights-of-way and assessors either of record or existing on said premises.

Page 4, line 25, strike out "grazing permit,".

Page 5, strike out line 11 and insert in lieu thereof the following:

Meridian, section 4, 9, and 16 comprising 1,920 acres more or less

Page 6, beginning on line 7, through page 7, line 21, strike out paragraphs (d), (e), (f) and (g) in their entirety.

Page 8, line 2, strike out the comma inside the quotation mark.

The Committee amendments were agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

The SPEAKER. This concludes the call of the Consent Calendar.

GENERAL LEAVE

Mr. WORTLEY. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks on the bills just passed.

The SPEAKER. Is there objection to the request of the gentleman from New York?

There was no objection.

APPOINTMENT AS MEMBERS OF BIOMEDICAL ETHICS BOARD

The SPEAKER. Pursuant to section 11 of Public Law 99-158, the Chair appoints as members of the Biomedical Ethics Board the following Members on the part of the House:

Mr. WAXMAN of California;
Mr. LUKEN of Ohio;
Mr. ROWLAND of Georgia;
Mr. GRADISON of Ohio;
Mr. TAUKE of Iowa; and
Mr. BLILEY of Virginia.

AID FOR THE CONTRAS HELD HOSTAGE BY REPUBLICANS

(Mr. FRANK asked and was given permission to address the House for 1 minute.)

Mr. FRANK. Mr. Speaker, today is day 5 of the new hostage crisis. Last Wednesday, the Republican Party took hostage one of its own pieces of legislation, the bill to provide aid for the Contras.

They told us they were doing this because of the urgency of the issue. Today is 5 days after we could have voted on that issue, and we are no further toward resolving it.

I think it will become clearer as we proceed that the reason the Republicans scored in their own end zone last Wednesday, taking us admittedly by surprise, is that they knew they were going to be defeated. They knew that the amendment to be sponsored by the gentleman from Oklahoma would have been passed.

☐ This symbol represents the time of day during the House proceedings, e.g., ☐ 1407 is 2:07 p.m.

Matter set in this typeface indicates words inserted or appended, rather than spoken, by a Member of the House on the floor.

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The argument that they had to kill their own bill because of some procedural purity about linkage comes with ill grace from the party that has given us a new tobacco subsidy as part of reconciliation and which, like every other body in the House, uses the tactic of legislative linkage whenever they have the votes for it.

The country does not believe that Nicaragua is a threat to the security of the United States and the hypocrisy of Ronald Reagan appearing to be ready to make war to defend civil liberties is too large also to be believed. So the Republican Party did the only thing they could come last Wednesday. They punted.

Unfortunately, they punted toward their own end zone and the ball is not likely to be recovered.

DEALING WITH TERRORISM

(Mr. GEKAS asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. GEKAS. Mr. Speaker, the attack on Libya was an administrative, Ronald Reagan, White House, American response to the problem of terrorism. It was almost unanimously endorsed by the people of the United States as a necessary retaliation for all of the acts of madness perpetrated by Qadhafi and his people over a course of decades.

Mr. Speaker, however, the Congress has not done enough to address the issue of terrorism and we owe it to ourselves and to the American people to hone out most of the issues that remain on terrorism.

For instance, before the Judiciary Committee is now pending a piece of legislation that would apply the death penalty to any terrorist anywhere in the world who would kill an American citizen. Through the extradition treaties and through self-help on the part of our own Government, we have the right to try terrorists in our country for killing an American citizen.

I urge every Member to urge the Judiciary Committee to act expeditiously on this, another method that we need to deal with the scourge of terrorism.

OIL IMPORT FEE

(Mr. WEAVER asked and was given permission to address the House for 1 minute.)

Mr. WEAVER. Mr. Speaker, last year, I introduced a bill, H.R. 1396, that would have levied an import fee on imported oil. I did so for two reasons: One, to raise money to reduce the deficit, and two, as a conservation measure.

Now, because of the convulsions in the oil markets, I believe that such an oil import fee would not be timely. I also fear that it might be used not to reduce the deficit, but to accommodate other spending or tax loopholes, and therefore, I withdraw my support of this bill and ask my cosponsors to find another vehicle to show their support for the bill because I no longer support it.

MR. ORTEGA'S BAILOUT

(Mr. STRANG asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. STRANG. Mr. Speaker, last week, week before last, we had an opportunity to note that this body was unable to come to its collective mind about the actual menace of a Communist military dictatorship in Central America.

We also noted that Mr. Ortega has bailed us out twice now by showing us what he was; once by going to Moscow, and then by invading Honduras. I am reassured that in the absence of this body being able to come to grips with this situation, Mr. Ortega has once again come to the rescue and sent out his deep and abiding commitment of faith and solidarity to Mr. Mu'ammar Qadhafi.

We thank you, Mr. Ortega.

ANNOUNCEMENT BY THE SPEAKER PRO TEMPORE

The SPEAKER pro tempore (Mr. Frank). Pursuant to the provisions of clause 5 of rule I, the Chair announces that he will postpone further proceedings today on each motion to suspend the rules on which a recorded vote or the yeas and nays are ordered, or on which the vote is objected to under clause 4 of rule XV.

Such rollcall votes, if postponed, will be taken on Tuesday, April 22, 1986.

FINANCIAL ASSISTANCE FOR CONTROL OF PLAGUE

Mr. WAXMAN. Mr. Speaker, I move to suspend the rules and pass the bill (H.R. 4392), to amend the Public Health Service Act to provide Federal financial assistance for the control of plague.

The Clerk read as follows:

H.R. 4392

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. PLAGUE.

Section 317 of the Public Health Service Act (42 U.S.C. 247b) is amended by adding at the end the following:

"(k) The Secretary, acting through the Director of the Centers for Disease Control, may make grants to and enter into contracts and cooperative agreements with States for the control of plague. For grants, cooperative agreements, and contracts under this subsection there are authorized to be appropriated $1,000,000 for each of the fiscal years 1987 and 1988.".

SEC. 2. EFFECTIVE DATE.

The amendment made by section 1 shall take effect on October 1, 1986.

The SPEAKER pro tempore. Pursuant to the rule, a second is not required on this motion.

The gentleman from California [Mr. Waxman] will be recognized for 20 minutes and the gentleman from Colorado [Mr. Strang] will be recognized for 20 minutes.

The Chair recognizes the gentleman from California [Mr. Waxman].

Mr. WAXMAN. Mr. Speaker, I yield myself such time as I might consume.

Mr. Speaker, the purpose of this bill is simply to authorize $1 million a year for the next 2 fiscal years for the control of bubonic plague. Although this deadly disease is rare in the United States, the Centers for Disease Control are now reporting an increase in the number of cases. Animal cases have been reported in 10 States and human cases in 7.

The effects of this disease can be devastating both in human terms and in economic terms. Plague kills, and it is expensive to treat. But with appropriate educational programs and better diagnostic techniques, the Centers for Disease Control believe the disease can be made even rarer to find.

H.R. 4392 provides the CDC and the States with the opportunity to make these needed improvements. Funding for the CDC would allow continued research, evaluation, and implementation of plague control strategies, including the development of improved laboratory testing.

H.R. 4392 is a reasonable and responsible approach to help solve a difficult and deadly problem that many of our Western States are now facing. I urge my colleagues to support the bill and to vote for its passage.

Mr. STRANG. Mr. Speaker, I yield such time as he may consume to the gentleman from Utah [Mr. NIELSON].

Mr. NIELSON of Utah. Mr. Speaker, I rise in opposition to H.R. 4392, legislation that authorizes appropriations for grants to States to eradicate the plague.

My opposition is not based on the dismissal of plague as a legitimate problem, but rather a recognition that the Department of Health and Human Services already has authority to make the grants authorized by this legislation. The Centers for Disease Control at HHS establish priorities for those public health problems which require Federal assistance. Congress has already authorized appropriations for the Centers for Disease Control activities.

It is inappropriate for Congress to be authorizing a million dollars for one particular public health problem, when the experts at the Centers for Disease Control have not even requested it. Further, no hearings were held by the Health and the Environment Subcommittee to determine whether grants to States were the most effective means of addressing the problem of plague.

I urge my colleagues to defeat this measure. It is an ill-advised piece of legislation.

Mr. WAXMAN. Mr. Speaker, I yield myself such time as I may consume.

This amendment was offered in the House of Representatives on an additional occasion and passed this House in the last Congress as part of another bill which did not make it all the way to enactment.

The part of that bill that was introduced at that time and the legislation that is before us today was introduced by our colleague, Congressman Richardson, from the State of New Mexico.

He introduced it because there was a very real problem with this problem of plague in a number of States, including his own. I would take great pleasure in yielding to him at this time to give a further explanation of why this bill is needed, why the funds should be expended at this time for this very specific purpose in order to combat bubonic plague.

Mr. Speaker, I yield such time as he may consume to the gentleman from New Mexico [Mr. Richardson].

Mr. RICHARDSON. Mr. Speaker, I urge my colleagues to joint with me in support of H.R. 4392, a bill to provide financial assistance for the control of the plague.

This legislation has attracted a great deal of interest; most people simply do not believe we have plague in this country. While plague is a relatively rare disease, it is a growing problem. At the turn of the century, there was no plague in this country. By 1986, the Colorado State Health Department has termed plague, and I quote, "the most hazardous infectious environmental disease in Colorado."

At this time, wild rodent plague has been documented in 15 Western States including California, Oregon, Washington, Idaho, Nevada, Utah, Arizona, New Mexico, Colorado, Wyoming, Montana, North Dakota, Kansas, Texas, and Oklahoma. While human cases of plague are more geographically clustered in New Mexico, Arizona, California, Colorado, Oregon, Utah, Nevada, and Wyoming, all States with infected rodent populations are at risk of human plague.

The 1983-84 plague surveillance report from the Center for Disease control says there has been "a dramatic increase in the incidence of human plague in the United States between the years 1949-84 and also, 7 of the 71 cases in the 1983-84 period developed secondary plague pneumonia." Plague, in its pneumonic form, is a highly contagious disease—it is spread simply by breathing the same air as an infected person. A young girl,. who died from the plague in New Mexico, was in the hospital emergency room waiting for treatment. While she was waiting, she infected 500 people who had to then be treated for plague exposure. The CDC 1983-84 report estimates that 1,263 additional people were exposed to plague by coming into contact with individuals who actually had the disease.

Administration officials contend that grant moneys are available for plague research and prevention—this however, is simply not the case. The New Mexico State Epidemiologist recently wrote me that—

> The State Health and Environment Department has written letters of inquiry to the National Science Foundation, the Rockefeller Foundation, and the National Institutes of Health regarding the feasibility of obtaining grants for plague research. Negative responses were received from all the institutions contacted. We support the additional plan of funding allocation to the Center for Disease Control, to be used to initiate active plague surveillance and to study human risk factors for acquiring the disease * * *.

These rejections were given to a State that reports 60 percent of all plague cases each year; the contention that Federal grant funds are already available for plague research ring a bit hollow when you consider these recent denials to the State with the worst plague problems in the country.

CDC projects increasing problems with the plague as Western populations expand and as rural areas are developed. Yet plague can be controlled. In counties where active control methods were employed by CDC, no cases of human plague were reported; however, human plague cases increased dramatically in surrounding counties where no flea and rodent controls were available.

My bill, which would authorize $1 million per year for 2 years to fund grants for plague research, will go a long way toward controlling, and hopefully, eradicating plague. I urge my colleagues to support this much-needed legislation.

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Once again, as Chairman Waxman mentioned, this bill has been approved in two other vehicles that have passed the House, and it was taken out in a previous bill, to take some of the disease-related issues out of the legislation.

It is a serious problem; it is getting worse; regrettably because of the availability of funds, we have to target this money. If the money is not targeted, this plague research will not take place.

Very simply, I think it is something that, if we can nip in the bud right now, we will all be better off. So I respectfully ask my colleagues on the other side to accept this legislation. I expecially want to commend and thank the gentleman from Colorado [Mr. Strang] for his efforts.

Mr. Speaker, I am submitting the following factsheet for the Record:

Factsheet on the Plague

Acting Chief of Colorado Department of Health states that "the plague is the most hazardous infectious environmental disease in Colorado."

At this time, wild rodent plague has been documented in 15 western states (California, Oregon, Washington, Idaho, Nevada, Utah, Arizona, New Mexico, Colorado, Wyoming, Montana, North Dakota, Kansas, Texas and Oklahoma).

From 1983-84 New Mexico had 42 cases, Arizona 12, California 7, Colorado 4, Utah 3, Oregon 1, Texas 1, Washington 1.

In New Mexico, where 60% of the plague cases are reported, the Director of the Environmental Improvement Division wrote: "Recently, the staff wrote letters of inquiry to the National Science Foundation, the Rockefeller Foundation and the National Institute of Health regarding the feasibility of obtaining a grant for plague research. Negative responses were received from all the institutions contacted. We support the original plan of funding allocation to the Center for Disease Control, to be used to initiate active plague surveillance and to study human risk factors for acquiring the disease, among other things."

The increase in reported plague cases in Colorado will most likely increase due to the high rate growth and the increase in recreational activities in plague-endemic areas.

At least 1,263 persons were considered at risk of infection following known or presumed exposure to patients with the plague from 1983-84.

No human cases have occurred in the treated areas since the control program began in 1979, while human cases increased substantially in surrounding counties.

The first cases of the plague in the United States occurred in 1899 in San Francisco.

Plague is dramatically increasing in the United States. From 1927-1969 there were an average of 3 cases a year. Since 1970 there has been an average of 10 cases a year. In the last six years there have been 137 cases of the plague.

Mr. STRANG. Mr. Speaker, I have no additional requests for time and I yield back the balance of my time.

Mr. WAXMAN. Mr. Speaker, we have no further requests for time, and, therefore, we yield back the balance of our time.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from California [Mr. Waxman] that the House suspend the rules and pass the bill, H.R. 4392.

The question was taken.

Mr. WALKER. Mr. Speaker, on that I demand the yeas and nays.

The yeas and nays were ordered.

The SPEAKER pro tempore. Pursuant to the provisions of clause 5, rule I, and the Chair's prior announcement, further proceedings on this motion will be postponed.

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ELECTRIC CONSUMERS PROTECTION ACT OF 1985

Mr. MARKEY. Mr. Speaker, I move to suspend the rules and pass the bill (H.R. 44) to amend the Federal Power Act to provide for more protection to electric consumers, as amended.

The Clerk read as follows:

H.R. 44

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the "Electric Consumers Protection Act of 1985".

SEC. 2. AMENDMENTS TO SECTION 7.

Section 7(a) of the Federal Power Act (16 U.S.C. 800(a)) is amended as follows—

(1) Insert "original" after "hereunder or".

(2) Strike out "and in issuing licenses to new licensees under section 15 hereof" and substitute a comma.

SEC. 3. ENVIRONMENTAL CONSIDERATION IN LICENSING.

(a) Purposes of License.—Section 4(e) of the Federal Power Act is amended by adding the following at the end thereof: "In issuing any license under this Part for any project, the Commission shall give equitable treatment with the development purposes for which the license is issued to the purposes of energy conservation, the protection, mitigation of damage to, and enhancement of, fish and wildlife (including related spawning grounds and habitat), the protection of recreational opportunities, and the preservation of other aspects of environmental quality.".

(b) Conforming Amendment.—Section 10(a) of such Act is amended by striking "purposes; and" and inserting after "recreational" the following: "and other purposes referred to in section 4(e)".

(c) Fish and Wildlife Protection, Mitigation, and Enhancement.—Section 10 of the Federal Power Act (16 U.S.C. 803) is amended by adding at the end the following:

"(j)(1) That in order to adequately protect, mitigate damages to, and enhance, fish and wildlife (including related spawning grounds and habitat) affected by the development, operation, and management of the project, in a manner that provides equitable treatment for such fish and wildlife with the other purposes for which the license is issued, each license, exemption, or permit issued under this Part shall include conditions for such protection, mitigation, and enhancement. Subject to paragraph (3) and section 30, such conditions shall be based on recommendations received pursuant to the Fish and Wildlife Coordination Act from the National Marine Fisheries Service, the United States Fish and Wildlife Service, and State fish and wildlife agencies.

"(2) The requirements of section 4(h)(11) of the Pacific Northwest Electric Power Planning and Conservation Act shall apply as provided in that Act to any license, exemption, or permit issued under this Part for a project within the area subject to that Act.

"(3) Whenever the Commission believes that any recommendation referred to in paragraph (1) may be inconsistent with the purposes and requirements of this part or other applicable law, the Commission and the agencies referred to in paragraph (1) shall attempt to resolve any such inconsistency, giving due weight to the recommendations, expertise, and statutory responsibilities of such agencies. If, after such attempt, the Commission does not adopt in whole or in part a recommendation of any such agency, the Commission shall publish each of the following findings (together with a statement of the basis for each of the findings):

"(A) A finding that adoption of such recommendation is inconsistent with the purposes and requirements of this Part or with other provisions of law applicable to the project.

"(B) A finding that the conditions selected by the Commission comply with the requirements of paragraph (1).

Subsection (i) shall not apply to the conditions required under this subsection.".

SEC. 4. RELICENSING PROCEDURES.

(a) Conforming Amendment.—Section 15(a) of the Federal Power Act is amended by striking out "original" in each place it appears and substituting "existing".

(b) Relicensing Process.—Section 15 of the Federal Power Act is amended by inserting "(1)" after "(a)" and by adding the following at the end of subsection (a):

"(2) Any new license issued under this section shall be issued to the applicant having the final proposal which the Commission determines is best adapted to serve the public interest. In making this determination under this section (whether or not more than one application is submitted for the project), the Commission shall consider and make findings respecting each of the following:

"(A) The abilities of each applicant to comply with (i) the articles, terms, and conditions of any license issued to it as a result of the application and (ii) other applicable provisions of this Part.

"(B) The plans of each applicant to manage, operate, and maintain the project safely and in accordance with this Act and the terms and conditions of the license.

"(C) The need of each applicant for the electric power generated by the project or projects. In the case of an applicant that is an Indian tribe applying for a license for a project located on the tribal reservation, a statement of the need of such tribe for electricity generated by the project to foster the purposes of the reservation may be included.

"(D) The plans of each applicant for the improvement and broad, efficient, and reliable utilization of the power potential of the waterway or waterways to which the project is related, together with other beneficial uses, including navigation, flood control, irrigation, recreation, water quality, and fish and wildlife.

"(E) The existing and planned transmission services of each applicant, taking into consideration system reliability, costs, and other applicable economic and technical factors.

"(F) In the case of a State or municipal applicant, or an applicant which is primarily engaged in the generation or sale of electric power (other than electric power solely from cogeneration facilities or small power production facilities), the electricity consumption efficiency improvement program of the applicant, including its plans, performance and capabilities for encouraging or assisting its customers to conserve electricity cost-effectively, taking into account the published policies, restrictions, and requirements of relevant State regulatory authorities applicable to such applicant.

"(G) The plans of each applicant to protect, mitigate damage to, and enhance fish and wildlife resources (including related spawning grounds and habitat) and to protect and enhance recreational and other environmental values (including providing recreational access).

"(H) The identity of any Federal or Indian lands included in the project boundary and a statement of the annual fees paid for such lands.

"(I) Plans of each applicant to adapt the project to any applicable State or Federal comprehensive plan (or plan issued pursuant to the Pacific Northwest Electric Power Planning and Conservation Act of 1980) for improving, developing, or conserving the waterway or waterways related to the project.

"(J) Such other information as the Commission may require.

"(3) In the case of an application by the existing licensee, the Commission shall also take into consideration each of the following:

"(A) The existing licensee's record of compliance with the terms and conditions of the existing license.

"(B) The actions taken by the existing licensee related to the project which affect the public.

"(b)(1) Each existing licensee shall notify the Commission whether the licensee intends to file an application for a new license or not. Such notice shall be submitted at least 5 years before the expiration of the existing license.

"(2) At the time notice is provided under paragraph (1), the existing licensee shall make each of the following reasonably available to the public for inspection at the offices of such licensee: current maps, drawings, data, and other information that the Commission shall, by rule, require regarding the construction and operation of the licensed project. Such information shall include, to the greatest extent practicable, pertinent energy conservation, recreation, fish and wildlife, and other environmental information. Copies of the information shall be made available at reasonable costs of reproduction. Within 180 days after the enactment of the Electric Consumers Protection Act of 1985, the Commission shall promulgate regulations regarding the information to be provided under this paragraph.

"(3) Promptly following receipt of notice under paragraph (1), the Commission shall provide public notice of whether an existing licensee intends to file or not to file an application for a new license. The Commission shall also promptly notify the National Marine Fisheries Service and the United States Fish and Wildlife Service, and the appropriate State fish and wildlife agencies.

"(c)(1) Each application for a new license pursuant to this section shall be filed with the Commission at least 24 months before the expiration of the term of the existing license. Each applicant shall consult with the fish and wildlife agencies referred to in subsection (b) and, as appropriate, conduct studies with such agencies. Within 60 days after the statutory deadline for the submission of applications, the Commission shall issue a notice establishing expeditious procedures for relicensing and a deadline for submission of final amendments, if any, to the application.

"(2) The time periods specified in this subsection and in subsection (b) shall be adjusted, in a manner to achieve the objectives of this section, by the Commission by rule or order with respect to existing licensees who, by reason of the expiration dates of their licenses, are unable to comply with a specified time period.

"(d)(1) In evaluating applications for new licenses pursuant to this section, the Commission shall not consider whether an applicant has, or has access to, adequate transmission facilities.

"(2) When the Commission issues a new license (pursuant to this section) to an applicant which is not the existing licensee of the project and finds that it is not feasible for the new licensee to utilize the energy from such project without provision by the existing licensee of reasonable services, including transmission services, the Commission shall give notice to the existing licensee and the new licensee to immediately enter into negotiations for such services and the costs demonstrated by the existing licensee as being related to the provision of such services. It is the intent of the Congress that such negotiations be carried out in good faith and that a timely agreement be reached between the parties in order to facilitate the transfer of the license by the date established when the Commission issued the new license. If such parties do not notify the Commission that within the time established by the Commission in such notice (and if appropriate, in the judgment of the Commission, one 45-day extension thereof), a mutually satisfactory arrangement for such services that is consistent with the provisions of this Act has been executed, the Commission shall order the existing licensee to file (pursuant to section 205 of this Act) with the Commission a tariff, subject to refund, ensuring such services beginning on the date of transfer of the project and including just and reasonable rates and reasonable terms and conditions. After notice and opportunity for a hearing, the Commission shall issue a final order adopting or modifying such tariff for such services at just and reasonable rates in accordance with section 205 of this Act and in accordance with reasonable terms and conditions. The Commission, in issuing such order, shall ensure the access necessary for the full and efficient utilization and benefits for the license term of the electric energy from the project by the new licensee in accordance with the license and this Part, except that in issuing such order the Commission:

"(A) shall not compel the existing licensee to enlarge generating facilities, transmit electric energy other than to the distribution system (providing service to customers) of the new licensee identified as of the date one day preceding the date of license award, or require the construction of new facilities, including the upgrading of existing facilities other than any reasonable enhancement or improvement of existing facilities necessary to carry out the purposes of this paragraph;

"(B) shall not adversely affect the continuity and reliability of service to the customers of the existing licensee;

"(C) shall not adversely affect the operational integrity of the transmission and electric systems of the existing licensee; and

"(D) shall not cause an increase (other than a possible de minimus increase) in the jurisdictional rates of the existing licensee.

Such order shall be for such period as the Commission deems appropriate, not to exceed the term of the license. At any time, the Commission, upon its own motion or upon a petition by the existing or new licensee and after notice and opportunity for a hearing, may modify, extend, or terminate such order.

"(e)(1) When a license is issued pursuant to this section to an applicant other than the existing licensee, the Commission may require the new licensee to provide reasonable compensation to the existing licensee in addition to the amount required to be paid pursuant to subsection (a)(1). All of such compensation may be in money or electric power, or both.

"(2) In providing any compensation under this section, the Commission shall take each of the following into consideration:

"(A) The fact that upon expiration of its license under this Part, the prior licensee has no cognizable legal right to compensation for the license.

"(B) The extent to which the costs of the project have been amortized by the existing licensee.

"(C) The costs to the new licensee of duplicating the hydroelectric facility which is the subject of the license (including all power facilities, dams, and appurtenant structures and equipment), taking into account the remaining useful life of the facility.

"(3) The Commission shall promulgate regulations to implement this subsection. The regulations shall provide guidance for the Commission and applicants to follow in determining reasonable compensation in appropriate cases. Such regulations may provide for such compensation as the Commission finds to be appropriate toward the mitigation of any demonstrated economic loss to the customers of the existing licensee. The regulations shall not establish compensation which discourages competition for a project or provides a windfall for current ratepayers or to the existing or new licensee. The regulations shall be promulgated within 180 ,days after enactment of the Electric Consumers Protection Act of 1985.".

(c) Conforming Amendments.—(1) Section 15(b) of the Federal Power Act is redesignated as subsection (f).

(2) Section 14(b) of such Act is amended by striking out the first sentence.

SEC. 5. COMMISSION AUTHORITY.

Part I of the Federal Power Act is amended by adding the following new section at the end thereof:

"SEC. 31. ENFORCEMENT.

"(a) The Commission shall monitor and investigate compliance with each license and permit issued under this part and with each exemption granted from any requirement of this Part. The Commission shall conduct such investigations as may be necessary and proper in accordance with this Act. After notice and opportunity for hearing, the Commission may issue such orders as necessary to require compliance with the terms and conditions of licenses and permits issued under this Part and with the terms and conditions of exemptions granted from any requirement of this Part.

"(b) After notice and opportunity for an evidentiary hearing, the Commission may also issue an order revoking any license or permit issued under this part or any exemption granted from any requirement of this Part where any licensee, permittee, or exemptee is found by the Commission:

"(1) to have knowingly violated a final order issued under subsection (a) after completion of judicial review (or the opportunity for judicial review); and

"(2) to have been given reasonable time to comply fully with such order prior to commencing any revocation proceeding.

In any such proceeding, the order issued under subsection (a) shall be subject to de novo review by the Commission. No order shall be issued under this subsection until after the Commission has taken into consideration the nature and seriousness of the violation and the efforts of the licensee to remedy the violation.

"(c) Any licensee, permittee, or exemptee who violates or fails or refuses to comply with any requirement, rule, regulation, term, or condition referred to in subsection (a) or any order issued under subsection (a) shall be subject to a civil penalty in an amount not to exceed $10,000 for each day that such violation or failure or refusal continues. Such penalty shall be assessed by the Commission after notice and opportunity for public hearing. The Commission may compromise, modify, or remit, with or without conditions, any civil penalty which may be imposed under this subsection, taking into consideration the nature and seriousness of the violation and the efforts of the licensee to remedy the violation in a timely manner. No civil penalty shall be assessed where revocation is ordered.".

SEC. 6. AMENDMENTS CONCERNING CONDUITS AND CERTAIN SMALL POWER PRODUCTION FACILITIES SUBJECT TO PURPA BENEFITS.

(a) NMFS.—Section 30(c) of the Federal Power Act (16 U.S.C. 823a) is amended by inserting "National Marine Fisheries Service" after "the Fish and Wildlife Service" in both places such term appears.

(b) State or Local Conduits.—Section 30(b) of the Federal Power Act is amended by inserting after "15 megawatts" the following: "(40 megawatts in the case of a facility constructed, operated, and maintained by an agency or instrumentality of a State or local government solely for water supply for municipal purposes)".

(c) Definitions.—Section 3(17) of the Federal Power Act is amended as follows:

(A) Insert "and" at the end of clause (ii) of subparagraph (C).

(B) Add the following at the end of subparagraph (C):

"(iii) which complies with the applicable provisions of section 30(e) of this Act in the case of a hydroelectric generating facility involving the impoundment or diversion of the water of a natural watercourse by means of a new dam or diversion;".

(C) Add the following after subparagraph (D):

"(E) 'new' when used with respect to a dam or diversion refers to a dam or diversion which—

"(i) is used in connection with any small power production facility; and

"(ii) requires any construction, or enlargement of any impoundment or diversion structure (other than repairs or reconstruction or the addition of flashboards or similar adjustable devices);".

(d) Requirements for Qualification of New Dams and Diversions, Etc. for PURPA Benefits.—Section 30 of the Federal Power Act is amended by adding the following new subsection at the end thereof:

"(e) No small power production facility which requires the impoundment or diversion of the water of a natural watercourse by means of a new dam or diversion may be treated as a qualifying small power production facility unless each of the following requirements are met:

"(1) At the time of issuance of the license or exemption for the facility, the Commission includes in such license or exemption terms and conditions in accordance with subsection (c) to protect, mitigate damages to, and enhance fish and wildlife, including related spawning grounds and habitat and finds that the facility, after taking into consideration such terms and conditions and compliance with other environmental re-

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quirements of law applicable to such facility and the effects of such combination with other facilities on the same watercourse, will not have substantial adverse effects on the environment, including recreation or water quality. The Commission shall publish the basis for such finding. Such terms and conditions shall be established and enforced in accordance with the same procedures as provided in subsections (c) and (d).

"(2) The Commission determines, at the time of issuance of the license or exemption, that the facility is not located on any segment of a natural watercourse which is included (or is designated by law for potential inclusion) in a State or national wild and scenic river system or which the State has determined, in accordance with applicable State law and prior to issuance of the license or exemption, to possess unique natural, recreational, cultural, or scenic attributes.

This subsection shall not apply for purposes of section 210 of this Act (relating to interconnection authority).".

(e) Fees for Studies.—Section 30 of the Federal Power Act is amended by adding the following new subsection at the end thereof:

"(f) The Commission, in addition to the requirements of section 10(e), shall establish fees which shall be paid by an applicant for a license or exemption for a facility referred to in subsection (a) or (e) of this section. Such fees shall be adequate to reimburse the fish and wildlife agencies referred to in subsection (c) for any reasonable costs incurred in connection with any studies or other reviews carried out by such agencies for purposes of compliance with this section. The fees shall, subject to annual appropriations Acts, be transferred to such agencies by the Commission for use solely for purposes of carrying out such studies and remain available until expended.".

(f) Unauthorized Construction Activities.—Section 30 of the Federal Power Act is amended by adding the following new subsection at the end thereof:

"(g) The Commission shall promulgate such rules as may be necessary to prohibit the commencement of any significant modification of any project licensed under, or exempted from, this Act unless such modification is in accordance with the terms and conditions of such license or exemption and the applicable requirements of this Part. As used in this subsection, the term 'commencement' refers to the beginning of physical onsite activity other than surveys or testing."

(g) Effective Dates.—(1) The amendments made by subsections (d) and (e) of this section shall not apply to any project the license or exemption application for which was filed and accepted for filing by the Commission before the date of enactment of this Act, but section 10(j) of the Federal Power Act, as added by this Act, shall apply to such project unless the license or exemption was issued on or before the enactment of this Act.

(2) Section 30(e)(2) of the Federal Power Act, as added by this Act, shall not apply to any project for which the environmental consultation (in accordance with applicable regulations of the Federal Energy Regulatory Commission) was initiated on or before the enactment of this Act.

(3) The amendments made by subsection (f) of this section shall apply to all projects licensed, exempted, or permitted under the Federal Power Act without regard to when such license, exception, or permit was issued.

(h) Study.—(1)(A) The Commission shall conduct a study (in accordance with section 102(2)(C) of the National Environmental Policy Act of 1969) of whether the benefits of section 210 of the Public Utility Regulatory Policies Act of 1978 and section 210 of the Federal Power Act should be applied to small power production facilities utilizing new dams or diversions (within the meaning of section 3(17) of the Federal Power Act).

(B) The study under this paragraph shall take into consideration the need for such new dams or diversions for power purposes, the environmental impacts of such new dams and diversions (both with and without the application of the amendments made by this Act to sections 4, 10, and 30 of the Federal Power Act), the environmental effects of such facilities alone and in combination with other existing or proposed dams or diversions on the same waterway, the intent of Congress to encourage and give priority to the application of section 210 of Public Utility Regulatory Policies Act of 1978 to existing dams and diversions rather than such new dams or diversions, and the impact of such section 210 on the rates paid by electric power consumers.

(C) The study under this paragraph shall be initiated within 3 months after enactment of this Act and completed as promptly as practicable.

(D) A report containing the results of the study conducted under this paragraph shall be submitted to the Committee on Energy and Commerce of the United States House of Representatives and the Committee on Energy and Natural Resources of the United States Senate while both Houses are in session.

(E) The report submitted under subparagraph (D) shall include a determination (and the basis thereof) by the Commission, based on the study and a public hearing and subject to review under section 313(b) of the Federal Power Act, whether any of the benefits referred to in subparagraph (A) should be available for such facilities and whether applications for preliminary permits (or licenses where no preliminary permit has been issued) for such small power production facilities utilizing new dams or diversions should be accepted by the Commission after the period specified in paragraph (2). The report shall include such other administrative and legislative recommendations as the Commission deems appropriate.

(F) If the study under this paragraph has not been completed within 18 months after its initiation, the Commission shall notify the Committees referred to in subparagraph (D) of the reasons for the delay and specify a date when it will be completed and a report submitted.

(2)(A) The Federal Energy Regulatory Commission shall not accept any application filed under the Federal Power Act after December 31, 1985 for a preliminary permit (or for a license where no preliminary permit has been issued) for a small power production facility utilizing a new dam or diversion (as defined in section 3(17) of the Federal Power Act) until not earlier than 180 consecutive legislative days (during which both Houses of Congress are in session) have elapsed after—

(i) the submittal of such report to Congress, and

(ii) the regulations of the Commission have been revised based on the determination under paragraph (1) and the requirements of sections 4, 10, and 30 of the Federal Power Act, as amended by this Act.

(B) Notwithstanding the expiration of the 180-day period referred to in subparagraph (A), if—

(i) the Commission has determined under paragraph (1)(E) that any small power production facility utilizing a new dam or diversion (as defined in section 3(17) of the Federal Power Act) should be treated as a qualifying small power production facility within the meaning of section 3(17) of such Act, and

(ii) a joint resolution of disapproval of such determination is introduced in both Houses,

such determination shall not be effective until after the adjournment sine die of the Congress in which such resolution was introduced.

(C) In the case of an application for a license for a project (where no preliminary permit has been issued) this paragraph shall not apply to such project if the required environmental consultation (in accordance with applicable regulations of the Federal Energy Regulatory Commission), was initiated before December 31, 1985.

(3)(A) In the case of any preliminary permit referred to in paragraph (1) issued on or before December 31, 1985, such permit shall be suspended temporarily for the period referred to in paragraph (2) if the required environmental consultations (in accordance with the Commission's regulations for such projects) have not been initiated before the enactment of this Act.

(B) The suspensions under subparagraph (A) shall not apply if the Commission, in its discretion, issues a notice within 180 days after such enactment exempting all or some of such permits from such suspension on the grounds that each permittee covered by such notice has proceeded diligently under the permit and has committed substantial resources toward completion of all requirements under the permit.

(C) The suspension under subparagraph (A) shall terminate at the expiration of the period referred to in paragraph (2).

(i) Application of Certain Subsections.—The provisions of subsections (d), (e), (g), and (h) of this section are applicable only to small power producers and small power production facilities using new dams or diversion (all as defined in section 3(17) of the Federal Power Act) to the extent such producers and facilities obtain the benefits of section 210 of the Federal Power Act and section 210 of the Public Utility Regulatory Policies Act of 1978.

SEC. 7. EFFECTIVE DATE.

Except as otherwise provided in this Act, the amendments made by this Act shall take effect with respect to each license, permit, or exemption issued under the Federal Power Act after the enactment of this Act. The amendments made by section 5 of this Act shall apply to licenses, permits, and exemptions without regard to when issued.

SEC. 8. COMPLIANCE WITH BUDGET ACT

Any provision of this Act (or any amendment made by this Act) which, directly or indirectly, authorizes the enactment of new budget authority described in section 402(a) of the Congressional Budget Act of 1974 shall be effective only for fiscal years beginning after September 30, 1986.

SEC. 9. PROVISION OF INFORMATION TO CONGRESS.

The Federal Energy Regulatory Commission shall keep the Committees of Congress which exercise legislative jurisdiction over the Federal Power Act fully and currently informed regarding actions of the Commission with respect to the provisions of part 1 of the Federal Power Act.

SEC. 10. ELECTION AND NEGOTIATIONS CONCERNING OTHER CONTESTED PROJECTS SUBJECT TO LITIGATION

(a) Application of Section.—This section applies to any relicensing proceeding initiated prior to October 1983 at the Federal Energy Regulation Commission involving the following projects: Mokelumne (No. 137), California; Phoenix (No. 1061), California; Rock Creek/Cresta (No. 1962), California; Haas-King (No. 1988), California; Poole (No. 1388), California; Olmsted (No. 596), Utah; Weber (No. 1744), Utah; Rush Creek (No. 1389), California; and Shawano (No. 710), Wisconsin. The numbers in this subsection refer to Federal Energy Regulatory Commission project identification numbers for the existing licensee. This subsection shall also apply to any subsequent relicensing proceeding for any such project involving the same parties which results from the rejection, without prejudice, of an application in any of the proceedings specified in this subsection.

(b) Provisions Not Applicable if Election Made.—If, in the case of each project named in subsection (a), the existing licensee fails to make an election under subsection (c) within 90 days after the enactment of this Act for negotiations under subsection (e), the provisions of the Federal Power Act in effect one day prior to enactment of this Act (and the amendments made by sections 3, 5, and 6(f) of this Act to the Federal Power Act) shall apply to the relicensing proceeding referred to in subsection (a).

(c) Election Procedures.—An existing licensee for any project named in subsection (a) may file an election with the Commission under this subsection. The election shall be filed in the manner required by the Commission. The election, subject to subsection (d), shall consist of an agreement that, in the case of the project concerned, the licensee will—

(1) enter into good faith negotiations under subsection (e) with each person (or group of persons) who filed a competing application for a new license for the project before October 7, 1983, and

(2) be subject to the provisions of this section.

Notice of the election to negotiate or the refusal thereof shall be filed with the Commission within the 90-day period.

(d) Acceptance or Refusal to Accept Election.—Within 45 days after receiving notice from the Commission of an election to negotiate made by the existing licensee under subsection (c) for an applicable project, each competing license applicant (or group of applicants) referred to in subsection (a) may—

(1) accept the election, withdraw the competing application, enter into good faith negotiations in accordance with this section, and agree to be subject to the provisions of this section, or

(2) refuse to accept such election.

If the election to negotiate is not accepted by the competing applicant (or group) within the 45-day period, the relicensing proceeding for such project shall be continued and a new license issued solely in accordance with the Federal Power Act, as amended by this Act (including the amendments made by this Act to section 7 of the Federal Power Act). Notice of an election to negotiate or refusal must be filed with the Commission within the 45-day period.

(e) Negotiations.—If an election to negotiate is made pursuant to subsections (c) and (d) for any project, the existing licensee and the competing applicant shall commence negotiations for each of the following:

(1) Compensation to be provided by the existing licensee for the reasonable costs incurred by the competing applicant which are related to pursuing—

(A) the application in the applicable relicensing proceeding, including the costs of preparing, filing, and maintaining such application for the period ending December 31, 1985, and

(B) the litigation in the courts involving the application of section 7 of the Federal Power Act to the applicable relicensing proceeding.

(2) Compensation in an additional sum (which may be in money or electric power or both) representing a reasonable percentage of the net investment of the existing licensee in the project, as of October 22, 1985 (as determined by the Commission, prior to the initiation of such negotiations, in accordance with section 14(a) of the Federal Power Act). In making the determination of net investment, the Commission shall utilize all relevant records and data (which the existing licensee shall provide to the Commission) applicable to the project for the term of the existing license through October 22, 1985.

The parties to the negotiations shall establish the method, period, and manner of providing all such compensation.

(f) Commission Order.—If an election is made and accepted but negotiations under subsection (e) are not commenced by the parties within the time established by the Commission (or, if appropriate, in the judgment of the Commission, one 45-day extension thereof) or if a mutually satisfactory compensation arrangement that is consistent with the provisions of the Federal Power Act has not been executed within such time, the Commission, after notice and opportunity for a hearing, shall issue an order establishing compensation in accordance with paragraphs (1) and (2) of subsection (e). In determining the amount of compensation, the Commission may accept any stipulations agreed to by the parties as a result of the negotiations. The Commission shall also take into consideration all of the following:

(1) The quality of the relicensing proposals of the existing licensee and the competing applicant.

(2) The net benefits to both parties and their customers of obtaining the new license.

(3) The extent to which the applications filed by both parties were actively pursued (subject the effect thereon of any action by the Commission or the applicable litigation) and filed with the Commission in good faith.

(4) The extent of reliance by the competing applicant on the provisions of the Federal Power Act in effect prior to enactment of this Act and the detrimental impact of such reliance on the operations and on the service area of the applicant.

(g) Compensation.—The order of the Commission under this section shall establish the method, period, and manner of providing compensation under subsection (f), and such other reasonable terms and conditions concerning such compensation, consistent with the Federal Power Act, as the Commission deems appropriate. Any payment over a period of time shall include interest compounded at a rate based upon outstanding obligations of the United States of comparable maturity. The payment period shall not exceed one-third of the new license term for the project. The order shall state the basis for the Commission's determination. The provisions of section 313 of the Federal Power Act shall apply to such order and determinations. The order (or any agreement reached by the parties by negotiation) shall be a condition of any annual license or new license (depending when the order is issued or agreement reached) issued to the existing licensee for this project. Nothing in this section shall be construed to affect the treatment, by a State regulatory authority for ratemaking purposes, of any compensation paid under this section.

(h) Commission Proceedings.—Upon mutual request of the parties to any negotiation under this section, the Commission may defer any determination of net investment for the applicable project until whenever it is required to issue an order under this section for such project. No new license shall be issued under the Federal Power Act for the projects referenced in this section until there is full compliance, to the extent applicable, with this section. The Commission shall ensure that negotiations and any determinations and orders required by this section shall be conducted, made, and issued expeditiously and shall ensure that the parties do not delay.

SEC. 11. CHARGES FOR USE OF DAMS AND STRUCTURES.

Section 10(e) of the Federal Power Act is amended as follows:

(1) Insert "(1)" after "(e)".

(2) Add the following at the end thereof:

"(2) In the case of licenses involving the use of Government dams or other structures owned by the United States, the charges fixed (or readjusted) by the Commission under paragraph (1) for the use of such dams or structures shall not exceed 1 mill per kilowatt-hour for the first 40 gigawatt-hours of energy a project produces, 1½ mills per kilowatt-hour for over 40 up to and including 80 gigawatt-hours, and 2 mills per kilowatt-hour for any energy the project produces over 80 gigawatt-hours. Except as provided in subsection (f), such charge shall be the only charge assessed by any agency of the United States for the use of such dams or structures.

"(3) The provisions of paragraph (2) shall apply with respect to—

"(A) all licenses issued after the date of the enactment of this paragraph; and

"(B) all licenses issued before such date which—

"(i) did not fix a specific charge for the use of the Government dam or structure involved; and

"(ii) did not specify that no charge would be fixed for the use of such dam or structure.

"(4) Every 5 years, the Commission shall review the appropriateness of the annual charge limitations provided for in this subsection and report to Congress concerning its recommendations thereon.".

SEC. 12. MERWIN PROJECT GRANDFATHER.

The amendments made by this Act, except for the amendments made by sections 5 and 6(f), shall not apply to the Federal Energy Regulatory Commission proceeding involving FERC Project Number 935 (FERC Project Number 2791), relating to the Merwin Dam in Washington State.

The SPEAKER pro tempore. Pursuant to the rule, a second is not required on this motion.

The gentleman from Massachusetts [Mr. Markey] will be recognized for 20 minutes and the gentleman from California [Mr. Moorhead] will be recognized for 20 minutes.

The Chair recognizes the gentleman from Massachusetts [Mr. Markey].

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Mr. MARKEY. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I am pleased to rise in support of this important legislation, which makes urgently needed reforms in the procedures used by the Federal Energy Regulatory Commission to relicense hydroelectric facilities. The bill before the House today is a consensus bill, unanimously supported by members of the Energy and Commerce Committee. Months of effort went into developing this bill and I would like to thank my colleagues, the gentleman from Michigan and the chairman of the Energy and Commerce Committee [Mr. Dingell], the ranking minority member of my subcommittee, the gentleman from California [Mr. Moorhead], the gentleman from Alabama [Mr. Shelby], the gentleman from Washington State [Mr. Swift], the gentleman from Oregon [Mr. Wyden], the gentleman from Texas [Mr. Hall], the gentleman from Utah [Mr. Nielson] and the gentlemen from California [Mr. Miller, Mr. Matsui, and Mr. Dannemeyer], for their hard work and cooperative spirit. Their efforts have resulted in the carefully balanced compromise we bring before you today.

This consensus legislation embodies three key principles: Protection of the ratepayer; concern for the environment; and equity between investor-owned and public utilities. Hydroelectric power is of enormous importance to consumers. With zero fuel charges and minimal operating cost, hyropower is our lowest cost source of power and helps to keep down consumer rates. The bill we bring before the House today maximizes the benefit this resource provides to consumers by establishing a fair competitive process that will encourage the optimal development of hydropower consistent with our environmental and energy values.

The legislative debate over this issue was initiated by my colleague from Alabama [Mr. Shelby]. His bill, H.R. 44, sought to accomplish two basic policy objectives: First, to ensure that municipal preference did not apply in proceedings to issue a new license after an existing license expired; and, second, to increase the amount of compensation paid in the event a license is transferred. The bill before the House today accepts both of these changes.

The legislation eliminates the possibility that a preference for municipalities will apply in proceedings after the expiration of a license to determine a new licensee. At the same time, the preference for municipalities in original licensing is retained. The legislation does not address the applicability of preference in licensing proceedings involving an abandoned project. It does establish a competitive process that will permit municipalities, private utilities, and others to compete for a new license on a fair and equal footing. Competition will stimulate ideas for the best development and uses of these projects. Consequently, the public interest in these projects will be served.

The legislation also authorizes FERC, in the event a license is transferred, to award compensation to the existing licensee in an amount greater than what is required under current law. This greater amount, to be awarded at FERC's discretion, is intended to offset demonstrated economic harm to the customers of the existing licensee that could result fromt the loss of the low-cost hydroelectric resource. FERC is required to implement this provision in each case in a manner that is consistent with the overall competitive thrust of the bill.

Municipal preference and compensation, however, are only two of the important issues addressed by this bill. Other crucial provisions are included to harmonize the Federal Power Act with the energy needs and the environmental values which have evolved over the past 66 years.

The most important of these reforms requires FERC to provide equitable treatment with the developmental purposes of the act to various nonpower amenities, including the protection, mitigation of damage to, and enhancement of fish and wildlife, the preservation of recreational opportunities, and the purpose of energy conservation. This language requires FERC, on a case-by-case basis, to evaluate all of the aspects of a proposed project, giving serious consideration to power and nonpower values.

The legislation limits FERC's ability to reject the advice of the expert Federal and State agencies concerning fish and wildlife. Hydropower has had severe impacts on fish runs and habitat across this Nation. FERC has not adequately addressed this issue, particularly because of its historic bias in favor of power development. By correcting this bias, and limiting the unfettered exercise of discretion by FERC, hydro development and operation can become consistent with our environmental values.

The bill addresses other important concerns. It assures that a new licensee will be able to get needed coordination services, including transmission services, in the event a license is transferred. The bill also establishes a fair and voluntary process for resolution of nine of the pending cases involving challenges filed by municipalities. The 10th case, the Merwin case, is specifically exempted from the major provisions of the bill owing to the advanced procedural posture of the case.

Unfortunately, the legislation has rekindled the emotional battles between public and private power. This bill does not represent a choice between the two. We considered and rejected an explicit preference for private power, for existing licensees, or for public power. We created a truly competitive process in which the applicants will compete on their merits. We expect FERC to implement this bill in such a manner. All of those involved in developing this bill share the view that it is unrelated to and does not serve in any way as a precedent regarding other preferences, such as the Federal power marketing preferences.

The bill is fair and in the public interest. I urge my colleagues to support this needed legislation.

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Again in this opening statement I would like to make particular reference to the work of the ranking minority member, Mr. Carlos Moorhead from the State of California. We have tried to work on this issue on a nonideological basis to come to a commonsense, pragmatic compromise piece of legislation that I think has the broad-based support of all those who have been involved in it.

Mr. Speaker, I reserve the balance of my time.

Mr. MOORHEAD. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I urge all of my colleagues to support H.R. 44, the Electric Consumer Protection Act. My constituents in California and consumers nationwide have waited for this legislation for over 2 years. I want to thank all of the Members who have involved themselves in this legislation for their spirit and cooperation. The chairman of the full committee, Mr. Dingell of Michigan, the chairman of our subcommittee, Mr. Ed Markey of Massachusetts, Congressman Nielson of Utah, Congressman Swift from Washington, the gentleman from California, Mr. Dannemeyer, the gentleman from Ohio, Mr. Oxley, the gentleman from California, Mr. Matsui, the gentleman from Alabama, Mr. Shelby, who introduced the legislation, and the gentleman from Texas, Mr. Ralph M. Hall. Without their help, this bill may not have been able to move forward today.

Mr. Speaker, over a year ago, I was pleased to join with my friend and colleague, the gentleman from Alabama, Mr. Richard Shelby, as a cosponsor of the Electric Consumers Protection Act. Over the last year, H.R. 44 has attracted over 180 cosponsors. The reasons are clear. It corrects two simple wrongs in the relicensing of existing hydroelectric projects.

First, we wanted to eliminate any claim that an applicant should be extended a preference in relicensing proceedings based solely on the applicant's Government status. The public is your and my constituents, Mr. Speaker, regardless of what utility happens to serve them. My own constituents are served by both privately and publicly owned utilities. But nothing I have learned over the last 2 years has convinced me that these projects should change hands to serve another segment of the public simply because those people happen to be served by utilities that are Government owned.

Second, we wanted to ensure that if a hydroelectric project is taken away, the consumers it served should be justly compensated.

The legislation before us today is very different from H.R. 44 as originally introduced. Several concerns about H.R. 44 were raised before the Energy and Commerce Committee. To resolve these concerns, the Subcommittee on Energy Conservation and Power developed a consensus compromise. It was this consensus package that was unanimously approved by the Energy and Commerce Committee for consideration today by the House.

The package before us eliminates all possibility of preference in relicensing proceedings. We took this action because it is inconceivable that there can be a tie between applicants for the same hydroelectric project. Instead, licenses will be issued to applicants whose plans are best adapted to serve the public interest taking into account several factors. In this regard, the physical and financial needs of each applicant's customers and consumers will be examined. This legislation recognizes utilities' mandatory duty to serve their customers at the lowest possible cost. For nonutility applicants, the needs of their business, the needs of the communities where they are located, and the needs of the customers who ultimately pay for their products are all taken into account. The right of last amendment was eliminated to ensure that each applicant will have the opportunity to prove its superiority without prejudice or favor.

The Federal Energy Regulatory Commission will be expected to evaluate each applicant's capability to satisfy license conditions. Of course, the existing licensee's operating record will also be taken into account. Each applicant's personnel, facilities, accomplishments, capabilities, and actual experience will be examined. This should guarantee that the applicant's real ability to do the best job will be an important part of the basis for awarding a license.

The package also ensures that consumers served by a hydroelectric project are fairly compensated in the event that the right to operate that project is transferred. In the event a license is transferred, FERC must order payment of at least net investment, and may order payment of additional compensation to mitigate demonstrated economic loss to the former licensee's ratepayers.

We have also included in the consensus package a provision on coordination services. This provision is designed to enable new licensees to benefit from dams they have taken away from prior licensees. We spent a great deal of time on this provision when we developed this legislation. We recognized the controversial nature of transmission access. I am now confident that this provision is narrow enough to prevent a practice that has become known as cherry picking. Under section 4(d)(2), new licensees will not be able to use the prior licensees' transmission systems to deliver power to prior licensees' customers. Further, this provision does not assume that transmission is always technically feasible. In cases where transmission is not technically feasible, FERC would have the authority to order such reasonable coordination services as are necessary to effectuate the license transfer. This of course would have to be determined on a case-by-case basis.

Also section 4(d)(2) ensures prior licensees will be able to recover costs demonstrated by the prior licensees as being related to the provision of project specific coordination services, including transmission services. It is intended that prior and new licensees will negotiate the appropriate compensation. In the event the parties are unable to reach an agreement, however, FERC will set the rate of compensation. Of course, should FERC have to set the rate of compensation, the new licensee will have the opportunity at FERC to challenge any such costs.

Importantly, this bill will cover the 10 contested relicensing cases pending before FERC. Some suggested that these cases by excluded. I could not agree. It made no sense to exclude these cases, since it was the threat to consumers in these cases that gave rise to this legislation. The Energy and Commerce Committee agreed with this and this package will put into a place a process that will essentially force the parties in these cases to enter into settlement negotiations.

Finally, this bill includes provisions that, while not directly related to relicensing, address our Nation's need to efficiently utilize hydroelectric resources. I am particularly pleased with one of these provisions—section 6(b). This provision will enable State and local governments to avoid FERC red-tape whenever they install turbines of 40 megawatts capacity or less on conduits that are used solely for municipal water supply purposes. In the region of the country which I represent, section 6(b) will allow power to be generated on conduits whose power potential has been wasted for years.

Mr. Speaker, the legislation before us today represents a lot of hard work by a number of colleagues on both sides of the aisle who represent very diverse interests. The need for the legislation is clear. The legislation in fair. It represents sound policy. And, most importantly, it will protect the millions of consumers who currently benefit from cheap hydroelectric power. I urge my colleagues to support this legislation, and vote "aye" on H.R. 44.

Mr. MARKEY. Mr. Speaker, I yield 3 minutes to the gentleman from California [Mr. Matsui].

Mr. MATSUI. Mr. Speaker, I must first commend my distinguished colleague, Mr. Markey, and the esteemed chairman of the Energy and Commerce Committee, Mr. Dingell, for their efforts to reach a fair compromise concerning the pending relicensing proceedings. I would like to thank these gentlemen for allowing me to actively participate in drafting the compromise provision for handling these cases, section 10.

Since time is limited, I would like to highlight one area of the bill which is of particular interest to me and to my constituents. Section 10(e)(2) specifies that the compensation shall include "a reasonable percentage of the net investment of the existing licensee in the project."

As an active participant in the negotiations concerning this provision, I would like to stress that this term does not impose a cap of 100 percent on the percentage of net investment that can be negotiated by the parties or awarded by FERC. Rather, the provision would allow compensation well in excess of the net investment of the project in appropriate circumstances.

Where a competing applicant has submitted a proposal of quality, pursued it actively, and will lose significant benefits by withdrawing its application, FERC should award substantial compensation. In such circumstances, FERC would be fully justified in ordering compensation in excess of the net investment value of the project.

Mr. Speaker, I would like to express my gratitude to my esteemed colleagues Mr. Dingell and Mr. Markey for their great efforts to resolve the difficult and complicated issues encompassed by this legislation. I am particularly grateful for the time and energy they have expended in crafting a compromise provision for handling the relicensing applications currently pending at the Federal Energy Regulatory Commission.

Having said this, I still find much to criticize in this bill. Since the House began examining this issue in 1984, I have firmly believed that it should focus on maintaining competition in the electric utility industry. The strength of our utility industry today is its diversity. This mix of systems allows a measure of competition in an otherwise monopoly industry. In my view, Congress' goal in reexamining

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the relicensing of hydroelectric facilities and in examining other aspects of the utility industry should be to foster this competition which brings real benefits to consumers. Indeed, I introduced an alternative to H.R. 44 which was intended to reform the licensing process while preserving its beneficial aspects.

Unfortunately, H.R. 44 takes a different approach. It strikes a blow at competiton by removing the public preference in relicensing of hydroelectric facilities. Under current law, if both a municipal and a private company's application are equally well adapted to the public interest, the municipal will receive the license. This preference promotes competition in an increasingly concentrated industry by helping small systems compete against their much larger investor-owned rivals.

As the GAO has documented, competition between public and private utilities over existing hydroprojects has resulted in significant improvements in the use of the resources. For example, competing applicants have proposed improvements in power production potential at existing projects, new fish and wildlife mitigation measures and new or improved recreational facilities.

The proponents of this legislation contend that it is needed to clarify uncertainty concerning the extent of the preference. Any doubt about the existence of a public preference in relicensing proceedings is due to FERC's unlawful "flip-flop" on the preference issue, and not to uncertainty in the existing preference provision. FERC found in its 1980 Bountiful decision that the Federal Power Act provides a clear preference for public applicants in hydrorelicensing. That decision was unanimously affirmed by a panel for the 11th circuit and the Supreme Court denied certiorari. Last year, a unanimous panel of the District of Columbia circuit found FERC's 1983 flip-flop in the Merwin case to be a "determined, covert, and almost deceitful" attack on the public preference. In sum, every court which has considered the issue has found a public preference in hydrorelicensing.

The reasons for the preference have been found valid and persuasive by the Congress on more than 30 occasions over the past 75 years. They are still valid today. In my bill, H.R. 1815, I suggested an approach which I thought would preserve the concept of the preference while still addressing the concerns expressed by the private utilities. However, H.R. 44 would remove the preference in relicensing.

Although I am disappointed that H.R. 44 eliminates the public preference in relicensing, I am pleased that a compromise was reached to provide adequate compensation to those few utilities whose license applications are pending at FERC and who have relied in good faith on current law.

Nine public utilities have filed competing applications for existing hydro projects. These applications have been pending at FERC for as long as 12 years. The public applicants have expended substantial public moneys for the engineering fees, environmental studies and legal fees required to file and process a relicensing application. They invested these funds in good faith reliance on a law that has existed for more than 65 years.

I was a principal author of a compromise provision, section 10 of H.R. 44, which acknowledges the basic unfairness that would result from applying changes in the law retroactively without compensating the competing applicants who relied in good faith on existing law. The provision establishes a procedure whereby existing licensees will retain their licenses in return for compensating the competing applicants for their out-of-pocket costs incurred in pursuing the license applications and for the valuable opportunity that would be taken away by this legislation.

To compensate for the valuable lost opportunity, the provision specifies that the compensation shall include payment of "a reasonable percentage of the net investment of the existing licensee in the project. The authors discussed at great length whether to place a floor and a ceiling on the percentage of net investment which could be awarded. We concluded that no limits should be specified so that FERC could award payment of a very small percentage of net investment or payment of a percentage greater than 100 percent.

For example, in determining the appropriate amount of compensation, we instructed FERC to consider the quality of the applications. In two of the cases pending in California, the Rock Creek-Cresta and Haas-Kings River projects, the municipal applicants have developed and proposed methods to substantially improve the power capabilities and environmental and recreational facilities of the projects. These applications are an excellent example of cases in which FERC would be justified in awarding greater than 100 percent of net investment.

Under section 10 of H.R. 44, the existing licensee would keep the license and the tremendous economic benefits associated with this highly valuable public resource. The compensation to be paid by the existing licensee would be modest in comparison; it is the very least to which the competing public applicants are entitled.

I would also like to commend the committee for the excellent provisions concerning fish and wildlife. H.R. 44 strengthens and increases fish and wildlife protection and enhancement under the Federal Power Act. I am also pleased that the committee, in its report on H.R. 44, has stressed that elimination of the public preference in relicensing is not in any way a precedent for tampering with other preferences in the Federal Power Act. These provisions, including the Federal power marketing preference, are critical elements of the act and should be carefully preserved.

I am disappointed, however, that H.R. 44 does not address the anticompetitive activities which plague the electric utility industry and threaten the viability of smaller public power systems. In particular, smaller public utilities face tremendous problems today in obtaining access to transmission lines controlled by privately owned utilities. With the passage of H.R. 44, it becomes even more critical that we address such problems since the bill makes it less likely that public utilities will obtain additional access to hydropower through licenses.

Competition in the electric utility industry is of critical importance to American consumers. It encourages technological advancement and provides an important check on the ever-increasing rates of private monopoly utilities. To protect a balance in the industry, it is essential to preserve and enhance the viability of smaller utilities which will provide the much needed diversity in this monopoly industry.

Mr. MOORHEAD. Mr. Speaker, I yield 3 minutes to the gentleman from Ohio [Mr. Oxley].

Mr. OXLEY. Mr. Speaker, I rise in support of H.R. 44, the Electric Consumers Protection Act, and urge my colleagues also to support this important legislation.

Mr. Speaker, I, too, want to congratulate the chairman of the subcommittee, Mr. Markey, as well as the ranking Republican, Mr. Moorhead, for the work that they have done in this very complicated and difficult issue.

Mr. Speaker, the Electric Consumers Protection Act is the product of months of intense negotiations to develop a consensus bill to address the concerns of electric consumers nationwide, the environmental community, and especially both public and private power alike regarding the hydroelectric relicensing process. Mr. Speaker, as a member of the subcommittee and a cosponsor of H.R. 44, I believe we have succeeded in reaching that goal.

As I have stated on several occasions throughout the consideration of H.R. 44, there are some people in the public power field who feel that the bill is the first wave of an outright assault on the power marketing preference. Again, I do not believe that this was anyone's intent, and indeed the bill in no way alters the power marketing preference that grants municipal utilities advantages in purchasing low-cost hydroelectric power for their customers. A number of communities in my district currently enjoy this low-cost power, and I intend to see that they continue to do so. I believe that language in the committee report clarifies this matter.

Mr. Speaker, the complex and controversial nature of the hydroelectric relicensing process in general and H.R. 44 in specific obviously reflects the value of these power resources. It also seems to me, however, that this complex and controversial nature reflects to financial risks of utilities building new capacity to meet future demands.

It's the old story that if the pie stops growing, everyone will start fighting over the size of his or her piece. Since utilities are unwilling to build new capacity in light of financial and regulatory hurdles, they will struggle over control of existing capacity.

I would hope that the spirit of compromise that enabled H.R. 44 to be

unanimously reported from the Energy and Commerce Committee will also be applied to the problems that have resulted in the excessive lead times and expense of building new generating capacity and transmission facilities. For example, we have several legislative proposals for nuclear regulatory and licensing reform before our committee. This is just one of a number of electricity issues that the committee will discuss during the remainder of this session and in future sessions. It is my hope that we will be able to develop consensus legislation on these issues as well.

Mr. Speaker, H.R. creates sound public policy for hydroelectric relicensing. However, any effort to link this legislation with the many other electricity issues would be inconsistent with both the purpose and intent of this legislation. I urge my colleagues to support H.R. 44.

Mr. MARKEY. Mr. Speaker, I yield 3 minutes to the gentleman from Oregon [Mr. Wyden].

Mr. WYDEN. I thank the subcommittee chairman.

Mr. Speaker, in particular I want to commend the gentleman, the chairman of our subcommittee, who has just poured the hours and effort into putting together an excellent bill. I think he has done a tremendous job, and I want him to know, on an issue that is of such great importance to the people in the Northwest, how much I appreciate it. I also want to commend the gentleman from California [Mr. Moorhead] for his work. He has worked very, very hard at trying to steer this bill to passage. I would like to compliment my other colleagues as well.

Mr. Speaker, I am happy to rise today to speak in favor of H.R. 44.

The potential hydropower surging through our Nation's rivers is one of our most valuable resources, and this bill will help ensure that that potential is developed wisely and fairly.

Ambiguities in the present authority of the Federal Energy Regulatory Commission have led to lawsuits and uncertainty in energy planning. A case in point concerns the Merwin Dam in the Northwest, where uncertainties about the role of public preference in relicensing have mired the proceeding in the courts. The controversy has placed a cloud over the ability of the present dam operator to hold the line on rate increases for its consumers. Although this bill is not intended to affect the outcome of the Merwin dispute it will establish clear policies on relicensing that will avoid such disputes in the future.

Also, this bill goes a long way toward ensuring that hydropower development will be in harmony with the environment. It makes preservation of environmental quality a consideration coequal with energy development in licensing, and it requires FERC to include provisions in licenses to protect, mitigate, and enhance fish and wildlife resources.

In so doing, this bill will eliminate artificial incentives for dam building that have caused particular concern in the Pacific Northwest. Under section 210 of the Public Utility Regulatory Policies Act of 1978, or PURPA, small generators of electricity were guaranteed buyers for their power, regardless of whether their generating project was in the public interest. Congress expected the section to promote installation of generating facilities at existing dams and other potential power sources. However, the section, as interpreted by FERC, has triggered what many Oregonians consider a hydrogold rush—a wave of proposals to build new dams.

In many cases in the Northwest, these dams would have serious impacts on fish and wildlife, recreation, or water quality, while the benefits they would produce would be small. Because of the region's rate structure, new projects could actually drive up the cost of electricity to the consumer. In fact, in light of the present electrical power surplus in the region, many of these proposals are counterproductive, and would never get off the drawing board without an artificial, Government-ordered, guaranteed market.

H.R. 44 goes a long way toward fixing this undesirable side effect of PURPA.

First, as I've already noted, the bill establishes environmental requirements for projects hoping to take advantage of PURPA. By making developers responsible for environmental degradation their dams may cause, the bill will eliminate artificial incentives for dam building that exist under the present scheme.

Second, the bill establishes a moratorium on the licensing of new projects while FERC prepares a study on their overall environmental effects.

And third, although the bill does not expressly deny PURPA benefits to developers that fail to prove a need for their power, it does make energy conservation a coequal consideration with energy development in FERC licensing proceedings. The bill gives FERC the authority and, in fact, the mandate to deny licenses to projects that would aggravate the regional power surplus, raise consumer rates by generating unneeded power, or degrade the environment.

□ 1240

Mr. MOORHEAD. Mr. Speaker, I yield 5 minutes to the gentleman from Utah [Mr. Nielson].

Mr. NIELSON of Utah. Mr. Speaker, I thank the gentleman for yielding me this time.

Mr. Speaker, I represent a district in the State of Utah that places me in a very difficult position with regards to issues that affect both public and private utilities. My district is split fairly evenly between the two, and one of the pending cases for relicensing involves my major city. However, in this particular piece of legislation I feel that the Energy and Commerce Committee has done an excellent job in structuring this legislation in a manner that is fair and equitable to both sides. I am sure that those who have spoken before me and those that will speak after me will talk in further detail so I will take just a moment to cover three items of particular concern to me. First, the access provision: There is a provision in this legislation that requires a private utility, if they should lose in the relicensing process a hydroelectric facility, to provide the new licensee with access to the hydroelectric facility in question, thus allowing the new licensee the opportunity to use that power generated by the hydroelectric facility. I feel this provision is critical to the legislation. Without this provision we severely handicap the ability of the new licensee to ever realize any benefit from that facility. This, however, does not imply that so-called long wheeling is contemplated by the legislation.

Second, preference in relicensing: It is my opinion that neither the public or the private utilities need a preference in the relicensing process. Both should present the best possible case before the Federal Energy Regulatory Commission. They should rely on the completeness and merits of their application and not some provision in public law or regulation that allows either an unfair advantage to either have the last right of submittal or to be granted the license in case of a tie.

Third, as in the case of the access provision nothing in this legislation in any way affects or alters the preference that public utilities, municipalities, and cooperatives have in regards to the initial preference of hydroelectric facilities and preference for Federal marketed power. These two issues stand on their own merits.

In conclusion, I want to say that I fully support this legislation and I would like to commend Mr. Shelby, Mr. Dingell, Mr. Markey, Mr. Moorhead, Mr. Swift, Mr. Wyden, Mr. Dannemeyer, Mr. Miller, and Mr. Matsui for their efforts. I think this is a good bill and I would encourage Members to support it.

Mr. MARKEY. Mr. Speaker, I yield 4 minutes to the gentleman from Washington [Mr. Swift].

Mr. SWIFT. Mr. Speaker, I thank the gentleman for yielding me this time, and I join my colleagues in commending the gentleman and the ranking minority member of the subcommittee for helping us work through what otherwise could have been an ex-

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traordinarily controversial piece of legislation.

Mr. Speaker, the Committee on Energy and Commerce worked on this legislation for nearly 3 years, and we have developed a compromise bill that was able to pass the committee by a unanimous voice vote.

I would like to bring to my colleagues' attention two features of this bill that distinguish it from the Senate bill which the Senate adopted last week. There are many important differences between the two bills, but I believe these two are of particular significance.

First, the House bill establishes that neither side shall have a preference at the time a dam is relicensed. This legislation owes its existence to the fact that a majority of Members of Congress do not believe that municipalities should have a tie-breaking preference in the relicensing of hydroelectric dams; there is a concern that that may create an unfair advantage for one side that is unrelated to the public interest. So when the committee developed its bill, we made sure that neither side would have a preference at relicensing. The bill would require FERC to determine which applicant would best serve the public interest, and award the license to that applicant.

On the other hand, the Senate bill expressly provides a preference to the existing licensee. Since almost all existing licensees are investor-owned utilities, that is virtually tantamount to a preference for investor-owned utilities. I would point out to my colleagues that the Committee on Energy and Commerce intentionally did not take the approach of the Senate bill. We did not believe that Congress should respond to a perceived inequity on one side by creating a new inequity on the other side.

Significantly, the chairman of PG&E, Mr. Frederick Mielke, who is also the chairman of Edison Electric Institute's hydro relicensing committee, testified in favor of this position in a hearing before the Energy Conservation and Power Subcommittee 2 years ago. Mr. Mielke testified: "You will never have a tie without a preference. There should be no tiebreaker. You must force on the FERC, one way or another."

The second issue that I would like to direct the House's attention to is somewhat more subtle. The investor-owned utilities very much wanted to have included in this legislation an "economic impact test" required as part of FERC's determination of which applicant would best serve the public interest.

The committee labored for months in an effort to arrive at an economic impact test that would not, in essence, merely create a preference for large, investor-owned utilities. In other words, we were concerned that we not produce a bill which would purport to say that neither side has a preference in hydro relicensing cases, and then turn around and create a de facto preference for investor-owned utilities through a so-called economic impact test. We were unable, however, to develop an economic impact test that would not end up favoring one side or the other—and given the thrust of this legislation, that side would have been the investor-owned utilities.

The Senate bill, on the other hand, does include an economic impact test. This is a critical issue, Mr. Speaker. The absence of an economic impact test in the House bill is, I believe, a key reason why we are on the Suspension Calendar today, instead of engaging in 4 days of debate as occurred in the Senate. The balance achieved in the House bill would be the standard by which the two bills are resolved. There can be no justification for slanting this legislation even further in the direction of the investor-owned utilities.

While I cannot claim that the Edison Electric Institute agrees with my specific views on the merits of an economic impact test, with regard to the balance established by the House bill, I would like to note in this regard their statement in an April 18, 1986, letter to Members of Congress. EEI says: "The Energy and Commerce Committee has fashioned a fair approach to the relicensing of these valuable projects under which all applicants * * * can compete on an equal basis."

Finally, Mr. Speaker, this legislation includes a grandfather clause to protect the applicants competing for the Merwin Dam in southwest Washington from the application of any of the requirements of this bill, except for the amendments made by sections 5 and 6(f). This grandfather clause was made at the specific request of both the Clark/Cowlitz Joint Operating Agency and the Pacific Power and Light Co., the two applicants in that proceeding. This grandfather was included because of the advanced state of the Merwin proceeding, and requires that all present and future proceedings related to this case should continue to be governed by the provisions of current law.

Mr. MOORHEAD. Mr. Speaker, I reserve the balance of my time.

Mr. MARKEY. Mr. Speaker, may I inquire of the Chair how much time is remaining on both sides?

The SPEAKER pro tempore. The gentleman from Massachusetts [Mr. Markey] has 2½ minutes remaining and the gentleman from California [Mr. Moorhead] has 4 minutes remaining.

Mr. MARKEY. Mr. Speaker, I yield the balance of my time to the gentleman from Oregon [Mr. Weaver].

□ 1250

Mr. WEAVER. Mr. Speaker, under section 14(a) of the Federal Power Act, the United States now has the right upon or after the expiration of any license to take over and thereafter to maintain and operate any hydroelectric project licensed by FERC, upon the condition that before taking possession it shall pay the net investment of the licensee in the project or projects taken, not to exceed the fair value of the property taken, plus such reasonable damages, if any, to property of the licensee * * * caused by the severance therefrom of property taken. Is it correct that H.R. 44 does not affect this authority of the United States to take over FERC-licensed hydroelectric projects?

Mr. MARKEY. Mr. Speaker, if the gentleman will yield, H.R. 44 does not change existing law concerning the authority of the United States under section 14(a).

Mr. WEAVER. Section 4(e) of the Federal Power Act authorizes the Secretary of the Interior to impose conditions upon the license for a hydroelectric or transmission facility located on an Indian reservation as he shall deem necessary for the adequate protection and utilitization of such reservation. Is it correct that H.R. 44 does not affect this authority of the Secretary of the Interior to impose license conditions on facilities located wholly or partially on Indian reservations?

Mr. MARKEY. Mr. Speaker, if the gentleman will yield, H.R. 44 does not change the existing authority of the Secretary under section 4.

Mr. WEAVER. Section 4(e) of the Federal Power Act also conditions the licensing of facilities located on Indian reservations upon a finding by FERC "that the license will not interfere with or be inconsistent with the purpose for which such reservation was created or acquired." Is it correct that, under H.R. 44, FERC would be required to make such a finding before issuing a new license for an existing facility or for a new facility located wholly or partially on an Indian reservation?

Mr. MARKEY. If the gentleman will yield, Mr. Speaker, H.R. 44 does not change existing law concerning FERC's obligation to make such a finding.

Mr. WEAVER. The U.S. Supreme Court has adopted a rule of construction with respect to rights of Indian tribes deriving from treaties or acts of Congress that such rights are not impaired or abrogated by subsequents acts of Congress unless such acts specifically and directly do so. Is it the gentleman's understanding that, unless some provision of H.R. 44 specifically and directly modifies Indian treaty or statutory rights, the bill is not intended to have that effect?

Mr. MARKEY. If the gentleman will yield, it is my understanding that H.R. 44 does not specifically and directly change such laws.

Mr. WEAVER. I thank the gentleman very much for his cooperation. I believe that his answers are very satisfactory.

Mr. Speaker, section 4 of this bill authorizes FERC to require a "new licensee to provide reasonable compensation to the existing licensee in addition to the amount required to be paid pursuant to" existing law, which is essentially the existing licensee's "net investment" in the project plus severance damages. Section 4 states that this additional compensation is intended as "mitigation of any demonstrated economic loss to the customers of the existing licensee." In order to provide such mitigation for economic losses to utility customers, any compensation in excess of the existing licensee's net investment (capital expenditure minus depreciation) in the project should be credited to the utility's ratepayers. They will have already paid most if not all of the capital cost of the dam through depreciation payments during the initial 50-year license term. If the utility receives compensation in excess of its net investment in the project, the additional compensation should be credited to the utility's ratepayers, not to its stockholders.

Under typical accounting and ratemaking treatment, investor-owned utilities are allowed to collect annual revenue sufficient to earn an authorized rate of return on their ratebases plus cover depreciation on their capital investments, such as hydroelectric projects. Thus, if a project is amortized over 50 years, the ratepayers at the end of the 50-year period will have paid all of the original capital cost in the form of depreciation, plus paying a rate of return during the entire period. The project may still have a positive book value, however, if the utility has later invested additional sums in capital improvements to the facilities.

If an existing licensee is to receive compensation from a new licensee in excess of its net investment in the project (capital cost minus depreciation), that additional compensation should rightfully be credited to ratepayers, who have already paid all of the capital cost of the project except for the remaining net investment of the utility. This additional compensation should not be credited to stockholders, because they have already been compensated by the ratepayers for that portion of their investment.

In addition, neither existing law nor H.R. 44 forbids an investor-owned utility from selling a licensed project to another utility or other buyer. The selling utility might legitimately claim for its stockholders a portion of the sales proceeds equal to its remaining net investment in the project, but all additional proceeds should be credited to the utility's ratepayers, because the ratepayers have already absorbed the remaining cost of the project through depreciation payments.

This is an important issue. I note that the utilities in Oregon are now selling properties and claiming most or all of the proceeds for stockholders.

In order to achieve the H.R. 44's purpose of protecting the ratepayers of utilities with licensed hydroelectric projects, we must not allow rate regulators to circumvent the intent of the bill by allowing investor-owned utilities to sell licensed projects and pocket for stockholders the sale proceeds in excess of their net investment.

Mr. DINGELL. Mr. Speaker, I rise in strong support of H.R. 44 which amends the Federal Power Act to resolve a very thorny and contentious issue concerning the relicensing of hydroelectric power facilities. It is a fair bill. It is a reasonable bill. It is proconsumer. It is pro-environment. Just as important, it retains the expressed statutory preference for States and municipalities in original licensing, while making it inapplicable in proceedings following expiration of an existing license. I stress this, because I believe it is important for all to know that we have not undone the longstanding preference provisions of this law or those of other laws involving power marketing. We have set no precedents in this regard. Indeed, I could not support this bill if we did, as I believe such preference in these laws must be preserved. I would undoubtedly oppose future efforts to abandon or even erode such preference provisions.

I particularly want to stress the environmental features of the bill worked out cooperatively with all my colleagues on the committee, but particularly the bill's chief sponsor, Mr. Shelby, the subcommittee chairman, Mr. Markey, and the ranking minority member, Mr. Moorhead. They are discussed in great detail in the March 25, 1986, committee report on the bill, particularly pages 30–32 and 39–41.

The fish and wildlife and related environmental provisions of this bill are long overdue. To me, they are the backbone of the bill. As the electric utility industry knows, they are one of the principal reasons for my supporting the bill with great enthusiasm.

For too many years, the Federal Energy Regulatory Commission and its predecessor, the Federal Power Commission, treated these important natural resources, including the pristine waterways to which they depend, with disdain and indifference. These resources have been relegated to a mere nuisance, rather than treated as a valuable and irreplaceable national treasure. Too often, while I chaired the Fisheries and Wildlife Subcommittee of the Merchant Marine and Fisheries Committee, the Federal Power Commission would devise, with apparent relish, schemes to circumvent or render ineffective the Fish and Wildlife Coordination Act.

Recently, under former Chairman O'Connor, FERC showed some indication that this attitude might be on the wane. But he is gone and now some of the new Commissioners seem ready to revert back to the "good old days." This must not happen. I believe that this bill, along with some vigilant oversight by the Energy and Commerce Committee's Subcommittee on Oversight and Investigations, which I chair, will help to assure that it does not.

The bill, which applies to original licensing and relicensing, provides an effective mechanism and procedure for the Federal and State fish and wildlife agencies to prepare and have adopted meaningful provisions not only to mitigate damage to fish and wildlife, but also to protect the resource from such damage and to enhance both fish and wildlife and their habitat and spawning areas. In doing this, these agencies are bound not only to look at the project in question but also to look at the cumulative imports the project may have in conjunction with other projects already on a waterway or planned. Most importantly, these agencies no longer must go "hat-in-hand" to FERC to try to gain small crumbs for this resource. They can, in fact, decide to recommend against a project and if FERC wants to reject that recommendation, FERC must fully justify that rejection and have it subject to judicial challenge. Indeed, the bill is intended to put fish and wildlife resources on a par with hydro development. It requires a greater public process in licensing of any kind, including enforcement of the act and conditions of any license, permit, and so forth. No longer can FERC and its staff operate in a closed-door fashion. Public scrutiny is to be a part of the processes of hydroelectric licensing and enforcement.

At this point, I insert in the Congressional Record communications I received in support of H.R. 44:

National Audubon Society,
Washington, DC, April 16, 1986.

Dear Representative:

H.R. 44, the Electric Consumer Protection Act of 1985, is scheduled for House floor consideration next week. On behalf of the National Audubon Society and its half-million members nationwide, I am writing to urge your support for this legislation.

The main purpose of this legislation is to deal with the issue of preference for states and municipalities when hydropower projects are considered for licensing and relicensing by the Federal Energy Regulatory Commission (FERC). However, H.R. 44 contains very important provisions for ensuring that fish, wildlife, and environmental considerations become an integral part of the FERC hydropower licensing process.

As the federal agency responsible for licensing most non-federal hydropower projects, FERC exercises enormous control over the use of this country's water resources. By granting permission to build or operate a hydropower facility, FERC determines who may use a public resource—the nation's rivers and waterways—and in what manner. FERC's decisions have substantial impacts on fish, wildlife, recreation, and all of the other non-power-related uses of rivers and waterways.

FERC has made little substantive effort to determine the environmental impacts of its decisions or to balance the competing uses of a river in its decision-making processes. Rather, it has taken the attitude that the development of power is the most important use of any waterway; protection of

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non-development values has been a secondary concern. As a result, major fisheries (particularly anadromous fish) have seriously declined, wildlife habitat and parklands have been degraded, recreational opportunities lost, and free flowing streams dammed and dewatered. FERC's compliance with the National Environmental Policy Act has been poor; federal and state natural resource agaencies have complained that too often, FERC has not adequately considered their advice and recommendations.

The National Audubon Society has been concerned that the problems with FERC could become even more acute absent a legislative remedy. The number of pending hydropower projects has rapidly escalated—from a dozen per year in the mid-1970's to over 6,000 between 1978 and 1984. In addition, a number of the nearly 900 presently licensed projects are coming up for relicensing. The present proliferation of projects is caused in part by the Public Utility Regulatory Policies Act (PURPA), which requires utilities—whether they need the power or not—to buy power from qualifying private hydropower facilities. As a result, private developers and speculators have staked claims on rivers and streams all over the country. This rush to claim hydro sites was exacerbated by FERC's interpretation of PURPA, extending its benefits to new dams as well as to power development at existing dams. This extension to new dams, in our opinion, goes beyond the congressional intent of PURPA.

The National Audubon Society recognizes hydropower as an important source of power, but the development of water projects must be controlled before the proliferation of dams chokes our rivers. Further development of hydropower must be balanced with the many other uses of the waterways. We have been troubled that FERC, without strong and explicit guidance from the Congress, would not be able to achieve these objectives.

H.R. 44 is a major step forward in redressing the present imbalance in the FERC hydropower program. Under this legislation, fish, wildlife, and other non-development amenities of a waterway will be given equitable treatment with power development. The natural resource agencies, which have the knowledge and expertise to advise FERC on the environmental impacts of hydropower projects, will play a larger role in the licensing decisions. And, while PURPA benefits to new dams will not be eliminated, some limitations will be placed on these financial incentives and a major review of the PURPA/hydropower issue will be undertaken.

We urge you to support H.R. 44. In our view, it will provide much needed protection to our rivers and streams.

Sincerely,

CHARLENE DOUGHERTY,
Director of Legislation.

FRIENDS OF THE EARTH,
Washington, DC, April 16, 1986.

Dear Representative:

On Monday April 21st, the House of Representatives will take up floor consideration of H.R. 44, the "Electric Protection Act of 1985." The bill would amend the 1920 Federal Power Act with regard to several issues surrounding the licensing and "relicensing" of hydroelectric power facilities by the Federal Energy Regulatory Commission. We are writing in support of the bill's passage, in particular, because it will help improve FERC's handling of environmental matters with respect to hydroelectric dams.

This bill has gone through a number of key modifications since it first introduction. While H.R. 44 does not resolve all of the serious evironmental protection issues surrounding FERC's handling of hydro licensing, it does make important steps with regard to the protection of fish and wildlife and other environment amenities and it places certain needed limitations on speculative developments on virgin streams now being promoted by the Public Utility Regulatory Policies Act. In recent years, dozens of river basins in several regions, supporting some of the nation's most prized fisheries and other river values, have been overwhelmed with speculative small hydropower development proposals brought on by the PURPA. In some circumstances, the rash of proposals threatens major cumulative damage to streams. H.R. 44, as reported by the House Energy and Commerce Committee, attempts to provide a higher degree of assurance that such damage will not occur.

The bill establishes important new environmental "purposes" for FERC's hydrolicensing program and sets out procedures for negotiating disputes over licensing conditions between fish and wildlife agencies and developers. The bill also institutes improved FERC license enforcement procedures, restores conditioning authority to the National Marine Fisheries Service for exempted projects and makes energy efficiency a criteria for consideration in FERC license application reviews.

While H.R. 44 is a complicated bill which has been subject to considerable negotiation and compromise, we feel the special environmental improvements the bill includes for FERC's programs are of high importance at this time and strongly deserve the support of House members.

Thank you for considering our views.

Sincerely yours,

DAVID R. CONRAD,
Washington Representative.

APRIL 18, 1988.

Hon. JOHN DINGELL,
U.S. House of Represenlatives, Washington, DC.

We, the undersigned, urge your support of the compromise bill, H.R. 44—the Electric Consumers Protection Act of 1985—this morning under suspension of the rules.

International Brotherhood of Electrical Workers; National Association of Regulatory Utility Commissioners; American Paper Institute; Edison Electric Institute; U.S. Chamber of Commerce; New England Council; National Conference of State Legislatures.

Before closing, I want to particularly commend the chief sponsor of this bill, my good friend Congressman SHELBY from Alabama. From the very beginning in the last Congress when he introduced an earlier version of the legislation we are considering here today, Mr. SHELBY and I talked about the need for improved fish and wildlife provisions in the Federal Power Act. He has worked diligently with Chairman MARKEY and myself to develop these provisions because he shares our concern for this valuable and irreplaceable resource. He, along with Congressman MILLER of California, has been the chief proponent of the PURPA provisions of this bill. Indeed, both gentlemen wanted to go even further toward eliminating PURPA benefits for new dams and diversions—a view I believe is shared by our distinguished friend from Oregon, Congressman WYDEN. I feel certain that they will not look with kindness at the "PURPA" provisions of S. 426, as passed by the other body last week. I fear that those provisions, particularly a "PURPA grandfather clause" in that bill that could exempt hundreds of projects, may delay our resolution of this issue in any future conference.

I also want to commend Chairman MARKEY in working many long days and hours to resolve this difficult bill. It is a tribute to his leadership that this bill is now so free of controversy that it could be considered on the Suspension Calendar.

Mr. MARKEY was particularly supported in this effort by the ranking minority member, Mr. MOORHEAD, who also worked diligently to fashion a fair and reasonable compromise. I am particularly thankful for his generous support for the fish and wildlife provisions.

The others who were instrumental in developing this version of this bill were the able Congressman HALL of Texas, the patient and thoughtful gentleman from Washington, Congressman SWIFT, the distinguished Congressman from Utah, Mr. NIELSON, my tireless and able colleague from Oregon, Mr. WYDEN, and the distinguished Congressman from California, Mr. DANNEMEYER. Also to be commended is the able ranking minority member of the full committee, Mr. BROYHILL.

Mr. Speaker, the Shelby bill is, as I have already said, a fair bill, a consumer bill, a timely bill, an environmental bill, and one that deserves broad support today. I urge my colleagues to vote for the Shelby bill, H.R. 44.

Mr. Speaker, I also insert at this point communications with the chairman of the House Committee on Merchant Marine and Fisheries and myself concerning this bill. The letters follow:

COMMITTEE ON MERCHANT MARINE AND FISHERIES,
Washington, DC, March 24, 1986.

Hon. JOHN D. DINGELL,
Chairman, Committee on Energy and Commerce, Rayburn House Office Building, Washington, DC

DEAR JOHN: As you know, the staff of this Committee has been working with the staff of the Committee on Energy and Commerce concerning those provisions of H.R. 44, the Electric Consumers Protection Act of 1985, which pertain to the conservation responsibilities of the United States Fish and Wildlife Service (FWS) and the National Marine Fisheries Service (NMFS), two agencies under the jurisdiction of this Committee. In particular, our staff has been interested in Sections 3(c) and 6(a) of H.R. 44 which involve FWS and NMFS responsibilities under the Fish and Wildlife Coordination Act (FWCA) for the protection, mitigation, and enhancement of fish and wildlife. House Rule X(1)(n)(4) states that this Committee has jurisdiction over "Fisheries and wildlife, including research, restoration, refuges, and conservation." Given your many years of service with this Committee, we certainly need not spend any time making the case that an alteration or clarification of the responsibilities of FWS and NMFS under the FWCA would be under the jurisdiction of this Committee.

It is our understanding that your staff was most cooperative and helpful during these discussions and that negotiations have resulted in a product acceptable to both Committees. Given your Committee's recognition of our jurisdiction over issues arising under the FWCA, the satisfactory outcome of the staff discussions, and the need for speedy consideration of this important legislation, the Committee on Merchant Marine and Fisheries will not seek sequential referral of that part of H.R. 44 which we believe could affect the FWCA. We would take this course of action with the understanding that it would be nonprejudicial to this Committee's jurisdiction as set forth in Rule X(1)(n) of the Rules of the House of Representatives. We understand that you agree that sections 3(c) and 6(a) of H.R. 44 relate to the fish and wildlife subject matter within our Committee's jurisdiction and will so indicate in a letter which could be made a part of the record during consideration of the measure in the House.

Once again, it has been a pleasure to work with you and your staff to assure that proper consideration is given to the conservation of our nation's fisheries and wildlife.

With best regards, I am,

Sincerely,

WALTER B. JONES,
Chairman.

COMMITTEE ON ENERGY AND COMMERCE,
Washington, DC, March 25, 1986.

Hon. WALTER B. JONES,
Chairman, Committee on Merchant Marine and Fisheries, Longworth House Office Building, Washington, DC.

DEAR MR. CHAIRMAN: Thank you for your Committee's letter concerning H.R. 44. As you observe, our staff and yours have been working together, cooperatively, concerning matters of mutal interest.

H.R. 44, as reported by this Committee, amends the Federal Power Act. The primary purpose of the bill is to provide a fair, reasonable, and competitive procedure, with adequate standards and safeguards, for the relicensing of hydro power projects. The bill does not amend the Fish and Wildlife Coordination Act, which is within the jurisdiction of your Committee. Further, it does not limit or expand the authorities or duties of the Fish and Wildlife Service (FWS) or the National Marine Fisheries Service (NMFS), which are within the jurisdiction of your Committee.

I am aware that your Committee has particular interest in sections 3(c) and 6(a) of the bill. These provisions address only how FERC will act upon recommendations made by the Federal and State fish and wildlife agencies under the Coordination Act. Section 3(c) amends the Federal Power Act to place substantive and procedural restrictions on FERC's ability to reject or modify recommendations made by the FWS or NMFS to FERC concerning fish and wildlife matters under the Coordination Act. Section 6(a) requires FERC to extend to NMFS the same authority as is currently provided to FWS with respect to establishing terms and conditions for certain conduit hydroelectric projects exempted from the licensing requirements of the Federal Power Act. As you know, this provision is the same as H.R. 2605, which wa referred exclusively to the Energy and Commerce Committee, and which was reported by this Committee in the 98th Congress as part of S. 1132 (H.Rept. 98-1052).

Your Committee has jurisdiction, under the House Rules, over "Fisheries and wildlife, including research, restoration, refuges, and conservation" and this Committee has jurisdiction over "all functions" of FERC, including hydropower relicensing. I am aware that sections 3(c) and 6(a) of H.R. 44 relate to the fish and wildlife subject matter within you Committee's jurisdiction. As you know, hydro projects affect such resources, as well as water quality, recreation, safety and other such non-power values. Although these sections relate solely to FERC's licensing functions and are not intended to change or affect any matters under your jurisdiction, I can understand your concern.

Because you share our interpretation of the Coordination Act that FWS and NMFS should be accorded equal status, and because of your support in the last Congress for the provision in S. 1132 which would have accorded these agencies equal status under section 30(c) of the Federal Power Act, I applaud your decision not to ask for sequential referral to consider these provisions. I assure you that this Committee is not interested in taking any legislative action that would affect fish and wildlife matters within your Committee's jurisdiction. I reiterate that H.R. 44 provides only how FERC will act upon recommendations made by Federal and State fish and wildlife agencies under the Fish and Wildlife Coordination Act.

With best wishes,

Sincerely,

JOHN D. DINGELL,
Chairman.

Mr. CHANDLER. Mr. Speaker, between now and 1990, over 170 hydroelectric projects will come up for relicensing. I have a deep concern that the relicensing process be conducted in a fair and responsible manner, and I have joined with over 180 of our colleagues who share this concern in cosponsoring H.R. 44, the Electric Consumers Protection Act.

This legislation provides a simple solution to the dilemma caused by conflicting Federal Regulatory Commission decisions handed down on the question of preference on relicensing. H.R. 44 would assure that any utility which has properly built and operated a hydroelectric project in the public interest and demonstrates that it will continue to do so, will be able to keep running it in the future.

H.R. 44 clarifies how relicensing questions should be fairly decided. This legislation makes the all important distinction between a utility which is applying for a license and the original licensee. During the relicensing process under H.R. 44, if FERC concludes that both applicants will do an equal job of using the public water resource, simply fairness would dictate that FERC break the tie in favor of the original licensee who built the generating project and its customers who have paid for it.

I believe H.R. 44 keeps the consumer's best interest in mind, by allowing the electric customers who have paid in their rates over the years for construction, financing, operation and maintenance of the project to continue in the future to receive the low-cost electricity which is generated.

I strongly urge my colleagues to support this vital, pro-consumer bill.

Mr. LEHMAN of California. Mr. Speaker, this week the House will consider H.R. 44, the Electric Consumers Protection Act of 1985, legislation clarifying discrepancies regarding the relicensing of hydroelectric power projects by the Federal Energy Regulatory Commission.

As a Member whose district includes both public and privately-owned utilities, I applaud the efforts of the House Energy and Commerce Committee, my California colleagues who were a part of the compromise efforts, and the representatives of the utility industry for this important consensus legislation. I am pleased to join a majority of my colleagues in supporting H.R. 44 on the floor of the House.

While H.R. 44 clarifies FERC's role in the relicensing process, includes a number of important environmental safeguards, and addresses the role of the Public Utility Regulatory Policies Act [PURPA] in hydroelectric development, I would like to bring to the attention of the House my continuing concern regarding the issue of small hydro development.

In response to the energy crisis of the late 1970's, Congress passed legislation to foster the development of renewable and alternative energy sources. With regard to small hydro development, Congress intended that these incentives were to apply only to existing facilities or on facilities that would not have a negative impact on the natural qualities of a resource.

However, the subsequent implementation by FERC broadened the definition to include new facilities and the number of small hydro applications which were filed with FERC increased dramatically. The most dramatic increase occurred in the West where literally thousands of small, free-running mountain streams became the target for energy development.

Though many of the projects were for retrofitting existing dams or on streams which posed only marginal threat to fish and wildlife, a large majority were proposed on scenic or environmetally sensitive streams. At these sites, speculators were taking advantage of both tax incentives and law requiring utilities to pay for the power at "avoided costs" of generating electricity with oil. Furthermore, many of these projects were clustered in one area or in a watershed region which already had serveral large hydroelectric projects. If allowed to be constructed, many of these small hydro projects would provide further deterioration of the natural resources and aesthetic values of a watershed region.

Unfortunately, FERC has been consistent in its role in facilitating the development of new small hydro projects by providing little, if any administrative relief in meeting the environmental concerns relating to the proliferation of small hydro development. Only court actions and intense congressional pressure has forced either delays of comprehensive studies of cumulative impacts on watershed regions.

H.R. 44 does provide some relief in this regard by requiring FERC to prepare a study analyzing the need for PURPA and other benefits on new facilities, as well as the environmental impacts of both new and existing facilities on watersheds.

However, the legislation grandfathers certain projects that have "committed substantial resources" during the licensing proceeding. I would like to remind my colleagues that the problems associated with small hydro development have been the result of the blatant disregard for congressional intent by FERC and further exacerbated by FERC's steadfast unwillingness to address this problem in an early and equitable manner. To leave this in

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the hands of FERC invites further difficulties. The small hydro provisions of H.R. 44 do not go far enough in resolving this issue and I would urge the conference committee on this legislation to take another look at providing more remedial relief and uphold the original intent of Congress.

I am a strong advocate of energy conservation and alternate energy development, including reasonable small hydro development. However, there continues to be need to address the incentives provided for this type of development. The need for this relief is especially true with regard to a stream which flows through Madera County, located in my congressional district, and which is typical of the streams targeted for development. I would like to take the liberty of enclosing a copy of a Fresno Bee editorial written almost exactly a year ago by Mr. Gene Grigg which clearly describes the issue as it relates to Whisky Creek.

[From the Fresno Bee, Apr. 29, 1985]

DON'T KILL THIS SIERRA STREAM

(By Gene Grigg)

According to Charles W. Clough's history of Madera County, Whisky Creek used to be called Alder Creek, but in 1877 a store was opened near what is now the subdivision of Cascadel, four miles from North Fork. The store had the reputation for selling "a few groceries, cheap calico and lots of whiskey." It was then, writes Clough, that the Indians changed the name of Alder Creek to Whiskey Creek.

Clough spells Whiskey with an "e," but U.S. Geological Survey maps show it with that letter, so I guess the second spelling is about as official as you can get. It's whisky Creek as far as I am concerned, and others can differ if they want. Whatever the spelling, it's one of the prettiest streams in the Sierra.

It starts as a trickle 7,000 feet above North Folk, plunges across hillsides, cuts through forests, churns into a white-water frenzy over shallow rocks, and finally glides into a quiet confluence with Willow Creek, 11 miles downstream.

Trails along it are favorites for hiking and camping, and local people and those from Fresno go there every summer to swim in its pools. The fishing in Whisky Creek also is excellent, even though it is unplanted with trout.

As you can see, Whisky Creek has a personality, a self. To many people who know it, it seems alive. It is the kind of natural wonder that you hope will never be changed.

Whisky Creek will be changed beyond recognition, though, if the state Water Resources Control Board allows three hydro projects to be built on it. These would be small projects, producing just a few kilowatts. They would each consist of a low dam diverting part of the creek flow into penstocks of from 10 to 30 inches in diameter.

The water would go through the penstocks into turbines and then back into the creek. Five miles of the 11-mile-long creek would be piped this way. A rivulet would be left with enough water to sustain fish, but Whisky Creek's boisterous, varied personality would be gone.

The saddest part of this story is that Whisky Creek isn't the only Sierra stream threatened by small hydro projects. Just about every stream, public or private, that has the slightest possibility of generating electricity runs the same risk.

The situation results from the 1978 oil crisis. To wean the United States from its dependence on foreign oil, Congress passed legislation requiring utilities to buy power from any source that could provide it. The utilities were required to pay for the power at the "avoided costs" of generating electricity with expensive oil.

That made almost any kind of hydro project highly profitable. Businessmen were spurred into action. They searched maps for any stream with water that could be piped into a generator. The best finds in California are on previously undammed creeks, like Whisky Creek, on federal lands in the Sierra.

Developers have filed hundreds of applications for new projects with the Federal Energy Regulatory Commission. FERC's processes are badly flawed. It handles each application by itself and doesn't normally consider the cumulative environmental damage a number of projects would have on specific watersheds. Only because of pressure from Rep. Tony Coelho, D-Merced, did FERC finally agree to conduct a cumulative study in the Central Sierra.

The state Water Resources Control Board also is part of the approval process, for it must issue water division permits for small hydro projects. Since the 1978 legislation, the board has granted permits to 88 small hydro projects and is processing 275 additional small hydro applications. According to Save Our Streams (SOS), a North Fork organization working to keep small hydro off Whisky Creek, the state board has never turned down an application for environmental reasons.

This makes one wonder what the board's criteria are. It is an inescapable conclusion that many of the approved projects will do environmental damage. It ought to be emphasized, however, that the small hydro opponents are not against all water development. They have supported new projects on irrigation canals and improvements at existing facilities, it's the rush for new small projects on pristine streams that arouses their ire.

Environmentalists have been getting support from other quarters also. Recently a spokesman for the California Energy Commission, which makes recommendations on what state energy policy should be, said the commission prefers those small hydro projects "which are proposed for man-made waterways, canals and existing impoundments." That would rule out projects like those on Whisky Creek.

Another recruit on the opponents side is Ray Walsh, chief of the division of water rights for the state Water Resources Control Board, which will hold hearings on the Whisky Creek permits in June.

In a four-page memorandum to the energy commission, Walsh points out that power from small hydro projects would be produced in greatest quantities during the spring. That's when large hydropower dams owned by utilities are operating at peak capacity and additional power is not needed. In fact, that's the very time the utilities in the Northwest are dumping excess power and selling it to California utilities at bargain rates. During summer, when power demand is highest, the creeks would be mostly dried up and small hydro projects wouldn't be operating, Walsh says.

Whisky Creek runs all year round, but still it would be most productive in power in spring, when power isn't really needed. That, besides the environmental arguments, is another powerful reason against clogging that beautiful stream with small hydro projects. Why kill a stream when its death will only help a group of businessmen with dollars in their eyes?

Mr. FUQUA. Mr. Speaker, I rise today in support of H.R. 44, the Electric Consumers Protection Act of 1985. This legislation addresses a basic question of fairness and equity in the relicensing of existing hydroelectric projects around the country; it is designed to protect the interests of millions of America's electricity customers who have paid for the development and operation of hundreds of hydro projects at the very time when these projects are proving their great value in providing low-cost, reliable and renewable energy.

Opponents of this bill would have us believe that it is in the "public interest" to hand these projects to government-run entities through the exercise of a claimed "municipal preference." In fact, this preference does not exist in the law, nor has it ever existed, for the relicensing of these projects. Public power proponents would also have us believe that the passage of this legislation would ultimately result in the death of public power in this country—that this is just the beginning of an effort to strip government-run utilities of all their existing power marketing preferences. That, too, is incorrect. What we are doing with this legislation is simply protecting innocent consumers who have paid for an investment for the future—low-cost electricity from fuel-free hydroelectric projects—from unwarranted loss. Why, after 50 years or more of paying for these projects, should these consumers be denied the low-cost benefits of hydroelectric power simply because their electric utility happens to be a private company? There is absolutely no reason.

The Electric Consumers Protection Act is simple, fair legislation that sets the record straight regarding a single, precise point in the Federal Power Act of 1920: Municipal preference does not apply to the relicensing of existing hydroelectric projects licensed by the Federal Energy Regulatory Commission. This point has, over the past 6 years, been the subject of strenuous debate and litigation—all of which has failed to finally resolve the question. Congress must resolve it once and for all.

Public power advocates have alleged on many occasions that Congress, back in the deliberations leading to the enactment of the 1920 law, never intended private companies to retain the licenses for hydroelectric projects after the expiration of their initial term. I disagree with the implication that our predecessors intended, consequently, that these valuable energy assets be automatically turned over to government-owned utilities. But what matters in 1986 is what Congress intends today. We have an opportunity here to correct both an ambiguity in the law regarding the operation of municipal preference and the apparent misperception in the minds of some that the 76 percent of Americans served by our investor-owned electric utility industry does not constitute a substantial portion of "the public." In fact, they are the public.

Although consumers in the State of Florida benefit only indirectly from low cost hydro power to the extent it makes up some of the

power transmitted into the State from our northern neighbors, what is at stake here are important principles of fairness and equity. By enacting H.R. 44 we are confirming the public policy in favor of widespread enjoyment of hydroelectric power. We are rejecting the notion that those who paid for its development and operation over 50 or more years can be deprived of the benefits by operation of a congressionally sanctioned preference for a privileged few. I urge my colleagues, whether from States blessed with hydro resources or not, to vote for enactment of this carefully crafted bipartisan compromise legislation that so properly reflects the public interest today.

H.R. 44 also contains important environmental provisions and is endorsed by major environmental organizations.

This vital legislation deserves the support of all Members and I urge you to join me in voting for H.R. 44.

Mr. BEVILL. Mr. Speaker, I rise today in support of H.R. 44, sponsored by my good friend and colleague, RICHARD SHELBY. I am proud to have cosponsored this bill because it represents sound legislative policy.

H.R. 44 would achieve two things: It would provide a fair and orderly method for relicensing hydroelectric plants and would provide for the payment of just compensation to the existing licensee if its project is licensed to another applicant.

H.R. 44 would affect only those hydro facilities licensed by the Federal Energy Regulatory Commission under the Federal Power Act. It would amend the act to make clear that the preference in favor of municipal and other State agencies in the initial licensing of hydroelectric projects does not work against existing licensees when their licenses expire.

I don't think it is fair that a licensee should be ousted from a project which it has built and operated for many years, unless it is shown that the licensee has failed to live up to the conditions of the license or that a new applicant has a better plan for the development and use of the project in the future.

In order for there to be fair competition for the relicensing of these projects, I believe there should be no preference. Let all compete on an equal basis and select the best proposal.

If an existing licensee loses its license to operate a hydro plant, then the project owner should be fairly compensated. H.R. 44 provides for the payment of just compensation.

I urge my colleagues to support this bill.

Mr. MILLER of California. Mr. Speaker, I am pleased to support H.R. 44, the Electric Consumers Protection Act. Mr. Speaker, without the dedication of the chairman of the House Energy and Commerce Committee, JOHN DINGELL, and Subcommittee Chairman ED MARKEY, we wouldn't be considering this bill. Their hard work, and that of Congressmen RICHARD SHELBY and CARLOS MOORHEAD, among others, were responsible for this historic legislation.

H.R. 44 contains many compromises. The shifting circumstances surrounding the relicensing issue and the remarkable accommodation of conflicting views that was required to bring this bill forward made it necessary for everyone to accept something short of their strongest position. But the end result is sound—H.R. 44's relicensing reforms are fair, workable, and in the public interest.

Hydroelectric facility relicensing is an issue of enormous importance to consumers throughout the country. In California, 10 million people have benefited from licensed hydroelectric facilities. The fear of losing these benefits have been reduced by the outright rejection of the public power preference in H.R. 44.

Hydro relicensing is not a private versus public power or even a utility issue. Hydro benefits are passed directly through to the consumers, and utility company consumers are every bit as much the "public" as those served by other kinds of systems. By recognizing this essential equality, H.R. 44 ultimately protects all electric consumers.

The environmental provisions in H.R. 44 are also of great importance to California, where we have seen an explosion in attempted "small hydro" development on our rivers and streams. I want to express my special appreciation to Chairman DINGELL for his continuing effort to make the consumer and the environment equal partners in the search for sound hydroelectric development. H.R. 44's express direction that fish and wildlife concerns are to be given full equity with other purposes of the act is an important clarification.

The small hydro elements in H.R. 44 address a particular environmental concern of mine. The mandatory-avoided cost provisions in the Public Utilities Regulatory Policy Act have encouraged the indiscriminate development of small hydro facilities on our rivers and streams. It was the threat to our remaining free-flowing rivers and streams posed by indiscriminate small hydro development which led me to introduce H.R. 1959 as a logical extension of H.R. 44. The number of new developments currently qualifying for PURPA benefits is not justified. When PURPA was passed in 1978, the Congress said that PURPA benefits were to go to facilities built at existing dam sites only—not to facilities at new dam sites.

H.R. 44 prohibits FERC from accepting any applications for a small hydroelectric facility license until a study of the need for an environmental impacts of these new dams has been completed. In addition, H.R. 44 prohibits the issuance of a license for facilities on a watercourse which possesses unique natural, recreational, cultural, or scenic values.

I also am pleased that H.R. 44 will leave ample room for competition in the public interest. The legislation requires the Federal Energy Regulatory Commission to license facilities which meet genuine consumer needs, sound conservation principles, comprehensive environmental protection and the broad, efficient and reliable utilization of hydropower benefits.

H.R. 44's relicensing reforms and its environmental provisions represent the legislative process at its best. I strongly support its passage.

Mr. SHELBY. Mr. Speaker, as the lead sponsor of H.R. 44, the Electric Consumers Protection Act, I urge this body to act favorably on this landmark piece of legislation which would benefit a majority of consumers nationwide.

I first took up this battle more than 2 years ago because of the potential rate impact, without corrective legislation, on the electric consumers in my home State of Alabama. Without this legislation, over 60 percent of Alabama consumers, who are served by a regulated utility there, would risk losing the benefit of inexpensive, clean hydroelectric power. In addition, many Alabamians, who are indirect customers through wholesale arrangements, would be adversely affected.

The Alabama Power Co. holds operating licenses for 14 dams along the State's waterways. As of December 1, 1984, these projects had a value, based on 1985 equivalent fossil replacement cost, of approximately $2.7 billion. Because of the many conflicting decisions at the Federal Energy Regulatory Commission and in the courts over the issue of preference at relicensing, I am convinced that without this legislation, all of the licenses would be at risk of being transferred. The cost to the Alabama consumer would be extremely burdensome as these projects will have an equivalent fossil replacement cost at the time of license expiration of more than $18 billion. Most of the cost of constructing these dams has already been passed on to the customers through their electric bills, so the power they get from the dams is now very cheap. This is particularly important in a period when building any new generating capacity is extremely difficult and expensive.

In response to the uncertainty surrounding relicensing and the inequities resulting without corrective legislation, the Energy and Commerce Committee has unanimously presented H.R. 44 for this Chamber's approval. The bill before us now contains a much-improved relicensing procedure. At relicensing, the FERC would grant a license based on the best plan presented by the applicants, rather than on the arbitrary basis of the applicant's form of ownership. Further, the customers of the original licensee could be compensated for the adverse impact on their electric rates caused by the transfer.

I want to emphasize that this legislation does not in any way affect the preference to municipalities when the FERC issues a first and original license for a hydroelectric project. Just as I think it is crucial for the customers of an existing licensee to be protected by H.R. 44, it is important to maintain local control at the original licensing. Further, this legislation does not in any way affect the Federal power marketing preference which enables municipal systems to provide cheap power to their customers.

Mr. Speaker, I am very thankful for the support and encouragement I have received throughout this effort. All my colleagues in the Alabama delegation cosponsored this legislation, and it has attracted broad bipartisan support from Members across the Nation. In all, 184 House colleagues are cosponsors. Scores of editorials in major news publications and organizations representing business, labor, farm, utility regulator and environmental groups have endorsed H.R. 44's goal of consumer protection.

While H.R. 44 was a simple bill as introduced, bringing it through the legislative process has been a great test of our legislative skills and willingness to compromise. I am proud of all who have taken part in this proc-

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ess, and today, Mr. Speaker, we present to the House of Representatives and the Nation a fine product of diligent work.

H.R. 44 is an equitable and balanced bill. It establishes a fair process for the relicensing of hydroelectric facilities which is long overdue. It strengthens actual FERC procedure and requires a more thorough review of several important factors, including the impact on fish and wildlife and plans to promote energy conservation. The bill also addresses concerns of many of our colleagues over the licensing of hydro dams under PURPA.

One of the more difficult issues raised in our discussions was to address the situation of an actual license transfer from one party to another. How would the second party be guaranteed that it would receive the benefits of the project after a takeover? After long negotiations, we arrived at a provision that arranges for coordination services between the old and new licensee. This provision is delicately crafted and is one of which I am particularly proud.

H.R. 44 contains numerous other provisions which strengthened its level of support. It is an end product of many hours of negotiations between staff, interested outside parties and Members both on and off the Energy and Commerce Committee. H.R. 4 presents a true national consensus.

Mr. Speaker, I commend my friend and colleague, Mr. MARKEY of Massachusetts for his skill and patience in dealing with this issue as our new chairman of the Energy Conservation and Power Subcommittee. It was not long ago when moving legislation through the subcommittee appeared to be a rare occurrence. H.R. 44 is one of a number of landmark pieces of legislation that the subcommittee has successfully brought to the floor under the leadership of Chairman MARKEY, and I hope we will be able to continue this record of effectiveness and cooperation throughout this session of Congress. Relating to H.R. 44, his participation on behalf of promoting energy conservation was most appreciated.

I also thank my dear friend and colleague, Mr. DINGELL, the chairman of the full Energy and Commerce Committee, who actively participated in this process from the beginning and whose guidance at key junctures was vital. I also want to commend him for his help in addressing concerns of the environmental community, particularly with respect to fish and wildlife.

Mr. Speaker, I would like to thank my Republican colleagues on the subcommittee for their support and help in this bipartisan effort. I particularly appreciate the leadership shown by the subcommittee's ranking minority member, Mr. MOORHEAD, and his able staff on behalf of consumers from California to Alabama.

My good friend on the subcommittee, Mr. HALL, has also been instrumental in his steadfast support throughout this entire process. My deep appreaciation also goes out to Mr. SIKORSKI and to Mr. WYDEN and Mr. SWIFT who were placed in a difficult position concerning their own constituencies and how they were affected by the relicensing process. I compliment them both for their gentlemanly manner.

There were several House colleagues who played major roles in crafting this legislation, even though they are not members of the Energy and Commerce Committee. A number of them actively participated in subcommittee member meetings to iron out various differences between the interested parties. Mr. BEVILL, an institution in my State of Alabama, has been a tower of strength behind this effort, Mr. Speaker, as well as my good friend, Mr. MILLER of California. Mr. MATSUI is also to be commended for his help and participation, as well as my good friend, Mr. COELHO of California.

I think we would be remiss, Mr. Speaker, if we did not call the attention of the House to the long months of hard work put forth by our committee and personal staffs. Surely they deserve our thanks and praise for a job well done.

Mr. Speaker, I am sure I have left out others who deserve our appreciation for what we have led for the past 2½ years has been a genuine national movement involving the tireless efforts of many, many individuals. And that effort has been well worth it for the benefit of electric consumers nationwide.

Mr. Speaker, the Electric Consumers Protection Act is a consensus bill forged by hard work and a commitment to do the right thing for our constituents. I urge all my colleagues in the House to place their enthusiastic stamp of approval on H.R. 44 and to join me in moving this bill through the remainder of the legislative process so that it can be signed into law this year. Thank you, Mr. Speaker.

Mr. COELHO. Mr. Speaker, I would like to voice my support for the hydro relicensing reform embodied in H.R. 44. It has long been clear to those of us who've seen hydro relicensing cases up close, that a preference for outsiders simply makes no public interest sense. The uncertainty that has surrounded the preference question has already gone on far too long.

This bill leaves plenty of room for anyone who really has proof that they can do a better job. The municipal utilities of California have always maintained that they offered a better alternative, so these changes should leave them unaffected. All in all, I believe the committee members have done a fine job of grappling with the problem posed by the judicial confusion over relicensing preference.

I am troubled by the features in H.R. 44 that require consumers involved in pending cases to make retribution to their opponents, just to assure the act's protection. But that issue will be taken up in conference and I am confident that a sound result can be reached there.

It's rare to see a truly bipartisan resolution of a hotly contested issue. H.R. 44 represents such a resolution and should go a long way toward restoring calm and careful consideration in this area of such vital importance to America's electric consumers. My congratulations to Chairman DINGELL, Chairman MARKEY and to all of H.R. 44's cosponsors for a job well done.

Mr. PASHAYAN. Mr. Speaker, I should like to congratulate our distinguished colleagues on the Committee on Energy and Commerce for bringing the Electric Consumers Protection Act of 1985 to the floor. For those of us who first recognized the need for legislation clarifying the relicensing provisions of the Federal Power Act in the previous Congress, this day has been a long time coming.

As an original cosponsor of the bill on the floor today as well as the effort in the last Congress, I have held that the relicensing of hydroelectric projects is a consumer issue, that the benefits flow directly to the people who pay the bills each month.

A relicensing preference favoring municipally run operators over the private companies that many years ago built the dams and installed the generators is unfair and unjust. Nowhere was that potential injustice more apparent than in my own congressional district in California where the view that preference should apply against existing licensees and their customers threatened consumers with rate increases mounting in the hundreds of millions of dollars.

The controversy regarding hydroelectric relicensing and the preference clause has established a great deal of wasteful and unnecessary tension between the regulated investor-owned utility companies and the municipally run systems. With the cooperation and leadership of Chairman ED MARKEY of the Subcommittee on Energy Conservation and Power, I participated in the hearings on H.R. 44 and I was most impressed then and now with the fact established there—and now restated in the Energy and Commerce Committee report—that both investor-owned and municipal license holders generally agreed "that licenses should not be transferred upon the expiration of an existing license unless another applicant submits a better proposal for the project." H.R. 44 does no more than recognize the commonsense fairness in that mutually held position.

H.R. 44 certainly has grown longer on its road to becoming concensus legislation. For my part, I am concerned with that part of the bill that would require consumers threatened in pending litigation to pay money to secure the protection we have taken so long to bring them. As the committee report so aptly states:

> The judicial controversy over whether, in the case of a tie, this tie-breaker applies is still not ended, and no end is expect soon.

Indeed, I can see no justification for requiring payments from the people we seek to protect.

Nonetheless I am aware of the effort that has gone into bringing H.R. 44 this far and I am not going to press today for changes that would in any way thwart or slow the progress of that which has been achieved. H.R. 44 does attain our primary consumer protection goals. Further, it brings forth the action demanded by the consumer.

Final resolution to this issue of relicensing will dispell the cloud now hanging over every hydroelectric relicensing application pending before the Federal Energy Regulatory Commission and it will do so in a way that poses no threat whatever to public power or to preferences not related to hydroelectric relicensing. H.R. 44 is sound, needed legislation and I urge all those who believe in fairness and in consumer protection to join with me in voting in support of H.R. 44.

This effort does eliminate the confusion and does restore consumers' confidence in a utility's ability to secure and provide hydroelectric

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power. It does quash the potential of raising rates and forcing construction of alternative sources for existing consumers.

The bill today does not alter nor do its authors intend to alter in any way the existing preference for municipal and State preferences in original license applications. Nor does the legislation deal with municipal and State preference for power from federally built facilities.

In my State of California 85 percent of the consumers of electric power are served by investor-owned utilities. To turn over the facilities built by those utilities would enrich only one in nine consumers. That is neither fair nor equitable.

Commissioner A.G. Sousa of the Federal Energy Regulatory Commission, during in hearings in May 1984, expressed the matter thus:

> Admittedly, if I had been given an opportunity to write on a clean slate, I would have preferred a statute which would have given the original licensee a first option for a license renewal, provided that licensee met strict public interest criteria. Since the original licensee has little to gain, but its ratepayers have much to lose, that approach would be the fairest, the least disruptive, and the most likely to advance the public interest.

Mr. Speaker, Commissioner Souza's principle would be accomplished with passage of H.R. 44.

Mr. MILLER of California. Mr. Speaker, I am pleased to support H.R. 44, the Electric Consumers Protection Act. Mr. Speaker, without the dedication of the chairman of the House Energy and Commerce Committee, JOHN DINGELL, and Subcommittee Chairman ED MARKEY, we wouldn't be considering this bill. Their hard work, and that of Congressmen RICHARD SHELBY and CARLOS MOORHEAD among others were responsible for this historic legislation.

H.R. 44 contains many compromises. The remarkable accommodation of conflicting views that was required to bring this bill forward made compromise inevitable. But the basic result is sound—H.R. 44's relicensing reforms are fair, workable and in the public interest.

Hydroelectric facility relicensing is an issue of enormous importance to consumers throughout the country. In California, 10 million people have benefited from licensed hydroelectric plants. The fear of losing those benefits has been reduced by the outright rejection of any municipal relicensing preference contained in H.R. 44.

Hydro relicensing is not a private versus public power issue. Hydro benefits are passed directly through to the consumers, and utility company consumers are every bit as much the "public" as those served by other kinds of systems. By recognizing this essential equality, H.R. 44 ultimately protects all electric consumers.

We have been advised by our distinguished colleagues Mr. MATSUI that he intends to discuss H.R. 44's "grandfathering" payment provisions. These provisions force consumers seeking protection in pending cases to pay all their opponents application and litigration expenses and to make an additional payment equal to a reasonable percentage of the entire net investment in the project. Mr. MATSUI now wants to argue that the words "a reasonable percentage of net investment" should somehow be read as meaning more than net investment.

These pending cases were all begun with no assurance that the courts and Congress would ultimately permit a preference for municipal outsiders. Each of the municipal challengers claims to have a better application. If that's so, H.R. 44 will give them every opportunity to win. Under these circumstances neither side should be required to subsidize the other's expenses. The additional requirement for payment over expenses was summed up by a newspaper serving one of these municipal applicants: "Some might call it a payoff. Some might call it blackmail * * *. What about us, the people who make up the water district? Should we be pleased at the prospect of being enriched by a shakedown?" (Sonora Union-Democrat, Feb. 27, 1986.)

Mr. MATSUI says that a reasonable percentage of net investment should be read to mean more than net investment. But desire can change plain language. A reasonable percentage of something has a fixed common sense meaning. When I offer someone a reasonable percentage of my sandwich, I'm certainly not offering him two sandwiches.

These provisions were put into H.R. 44 when the court of appeals first issued its decision favoring municipal applicants of the Merwin Dam case. But that decision is now vacated. The uncertainty of any given result is now reaffirmed. As the committee report declares: "The judicial controversy over whether, in the case of a tie; this tie breaker applies is still not ended and no end is expected soon." Hopefully, the conference will fairly resolve this controversy.

The environmental provisions in H.R. 44 are of great importance in California—where we have seen an explosion in attempted "small hydro" development on our rivers and streams. I want to express my special appreciation to Chairman DINGELL for his continuing effort to make the consumer and the environment equal partners in the search for sound hydroelectric development. H.R. 44's express direction that fish and wildlife concerns are to be given full equity with other purposes of the act is an important clarification.

The small hydro elements in H.R. 44 address a particular environmental concern of mine. The mandatory avoided cost provisions in the Public Utilities Regulatory Policy Act have encouraged the indiscriminate development of small hydro facilities on our rivers and streams. It was the threat to our remaining free-flowing rivers and streams posed by the scramble for small hydro development which led me to introduce H.R. 1959 as a logical extension of H.R. 44. The number of new developments currently qualifying for PURPA benefits is not justified. When PURPA was passed in 1978, the Congress said that PURPA benefits were to go to facilities built at existing dam sites only—not to facilities at new damsites.

H.R. 44 prohibits FERC from accepting any applications for a small hydroelectric facility license until a study of the need for and environmental impacts of these new dams has been completed. In addition, H.R. 44 prohibits the issuance of a license for facilities on a watercourse which possesses unique natural, recreational, cultural, or scenic values.

H.R. 44's direct relicensing reforms and its environmental provisions represent the legislative process at its best. I strongly support its passage.

Mr. MOORHEAD. Mr. Speaker, I yield back the balance of my time.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Massachusetts [Mr. MARKEY] that the House suspend the rules and pass the bill, H.R. 44, as amended.

The question was taken; and (two-thirds having voted in favor thereof) the rules were suspended and the bill, as amended, was passed.

A motion to reconsider was laid on the table.

Mr. MARKEY. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the Senate bill (S. 426) to amend the Federal Power Act to provide for more protection to electric consumers, and ask for its immediate consideration.

The Clerk read the title of the Senate bill.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

The Clerk read the Senate bill, as follows:

S. 426

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be referred to as the "Electric Consumers Protection Act of 1985".

SEC. 2. Section 7(a) of the Federal Power Act (16 U.S.C. 800(a)), as amended, is further amended—

(a) by inserting "original" after "hereunder or"; and

(b) by striking "and in issuing licenses to new licensees under section 15 hereof".

SEC. 3. Section 10 of the Federal Power Act (16 U.S.C. 803), as amended, is further amended—

(a) in existing subsection (a) after "water power development,", by inserting "for the adequate protection, mitigation, and enhancement of fish and wildlife,";

(b) in existing subsection (a) after "including", by inserting "irrigation, flood control, water supply and"; and

(c) by redesignating existing subsection (a) as paragraph (a)(1) and by inserting the following new paragraphs:

"(2) In order to ensure that the project adopted will be best adapted to the comprehensive plan described in paragraph (a)(1), the Commission shall consider:

"(A) the extent to which the project is consistent with a comprehensive plan (where one exists) for improving, developing, or conserving a waterway or waterways affected by the project that is prepared by—

"(i) an agency established pursuant to Federal law that has the authority to prepare such a plan; and

"(ii) the State in which the facility is or will be located; and

"(B) the recommendations of Federal and State agencies exercising administration over fish and wildlife, flood control, navigation, irrigation, recreation, and cultural re-

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sources of the State in which the project is located, and the recommendations of Indian tribes affected by the project; and

"(C) if the applicant is an electric utility, its plans for energy conservation through energy efficiency programs.

"(3)(A) Upon receipt of an application for a license, the Commission shall solicit recommendations from the agencies and Indian tribes identified in paragraph (a)(2) of this section for proposed terms and conditions for the Commission's consideration for inclusion in the license.

"(B) If any recommendation for a proposed term or condition is received by the Commission within one hundred and twenty days of the public notice of any license application under this section, the Commission shall explain in writing its reasons for adopting, rejecting or modifying any such proposed term or condition.".

Sec. 4. Section 15 of the Federal Power Act (16 U.S.C. 808), as amended, is further amended—

(a) by striking subsection (a) through "terms and conditions to a new licensee," and inserting in lieu thereof:

"Sec. 15(a). If the United States does not, at the expiration of the existing license, exercise its right to take over, maintain and operate any project or projects of the licensee, as provided in section 14 of this Act, the Commission may issue a new license to the existing licensee upon such terms and conditions, taking into account existing structures and facilities, as may be authorized or required under the then existing laws and regulations, or to another applicant under said terms and conditions. If the existing licensee applies for a new license, the Commission shall issue a new license to such existing licensee unless the Commission determines that the plans of another applicant are better adapted to serve the public interest. If the existing licensee does not apply for a new license, the Commission shall issue a new license to the applicant the plans of which are best adapted to serve the public interest. In either case, the Commission shall not issue a license unless it is satisfied that (1) the applicant is able to carry out such plans and (2) the plans represent a cost effective approach to achieving the benefits to be derived therefrom.

"(b) The Commission shall make its determination of which plans are best adapted to serve the public interest on the basis of—

"(1) how each plan would develop, conserve, and utilize the water resources of the region in accordance with the provisions of section 10(a) of this Act;

"(2) the relative economic impact upon customers served by each applicant upon the failure of such applicant to receive the license, including an assessment of the economic impact upon the customers of an applicant that is the existing licensee that would result from the difference between the compensation to be paid under subsection (c) of this section and the cost of replacement power;

"(3) the economic impact, in the case of nonutility license holder, upon the operation and efficiency of the dependent industrial facility or related activity, its existing employees, and the surrounding community, if the existing licensee fails to receive the new license;

"(4) the ability of each applicant to operate and maintain the project in a manner most likely to provide efficient, reliable electric service; and

"(5) the need of each applicant for the electricity generated by the project or projects to serve its existing customers including customers served by any electric utility which receives power from the existing licensee.";

(b) by redesignating the remainder of subsection (a) as subsection (c);

(c) by striking "which license" and inserting in lieu thereof "A license issued under this section";

(d) by redesignating existing subsection (b) as subsection (d);

(e) by adding a new subsection:

"(e) A new license may only be issued for a period not to exceed thirty years unless the Commission determines that a longer period is necessary due to substantial new construction or significant redevelopment of the project in question. In no case shall a new license be issued for a period of more than fifty years. "; and

(f) by adding a new subsection:

"(f) Notwithstanding any other provision of this section, for projects using tribal lands embraced within Indian reservations, the original license for which was issued prior to October 1, 1985 and for which a new license has not yet become effective by such date, the Commission shall not consider the factors set forth in sections 15(b)(2) and 15(b)(5) in evaluating the plans of Indian tribes to which such lands belong that apply for a new license.".

Sec. 5. The amendments made by this Act shall not apply to any relicensing proceeding in which the Federal Energy Regulatory Commission has issued an order awarding a new license on or before July 31, 1985, regardless of whether such order is subject to judicial review, nor shall they operate to diminish the amount of the annual charge to be paid pursuant to section 10(e) of the Federal Power Act to Indian tribes for the use of their lands within Indian reservations.

Sec. 6. Section 30 of the Federal Power Act (16 U.S.C. 824), as amended, is further amended by striking subsection (b) and inserting in lieu thereof the following new subsection:

"(b) Exemptions granted under subsection (a) of this section shall be granted for a period not to exceed thirty years unless the Commission determines that a longer period is necessary due to substantial new construction or significant redevelopment of the project in question. In no case shall an exemption be granted for a period of more than fifty years. The Commission may not grant any such exemption to any facility the installed capacity of which exceeds 15 megawatts.".

Sec. 7. Section 405 of the Public Utility Regulatory Policies Act of 1978 (16 U.S.C. 2705), as amended, is further amended in subsection (d) by inserting at the end thereof: "Exemptions shall be granted for a period not to exceed thirty years unles the Commission determines that a longer period is necessary due to substantial new construction or significant redevelopment of the project in question. In no case shall an exemption be issued for a period of more than fifty years."

Sec. 8. Section 6 of the Federal Power Act (16 U.S.C. 799), as amended, is further amended after "fifty years" by inserting "unless the Commission determines a shorter period is desirable".

Sec. 9. The amendments made by sections 6 and 7 of this Act shall apply only to exemptions granted after the date of enactment of this Act.

Sec. 10. Section 3(17) of the Federal Power Act (16 U.S.C. 796(17)), as amended, is further amended—

(a) by adding a new paragraph (B) as follows:

"(B) Notwithstanding paragraph (A), no hydroelectric project shall be considered a small power production facility (other than for purposes of section 210(e) of the Public Utility Regulatory Policies Act of 1978) if such project impounds or diverts the water of a natural watercourse other than by means of an existing dam or diversion, unless:

"(i) such project is located at a Government dam; or

"(ii) such project meets terms and conditions set by fish and wildlife agencies under the same procedure as provided for under section 30(c) of the Federal Power Act;

"(iii) for the purposes of this paragraph, the term 'existing dam or diversion' means any dam or diversion that is part of a project for which a license has been issued on or before the enactment of this paragraph, or which the Commission determines does not require any construction or enlargement of impoundment structures (other than repairs or reconstruction) except for the addition of flashboards (or similar adjustable devices);"; and

(b) by redesignating the existing paragraphs.

Sec. 11. The amendments made by section 10 of this Act shall not apply to any hydroelectric project for which an application for a license or preliminary permit was filed with the Federal Energy Regulatory Commission on or before April 11, 1986.

Sec. 12. Section 26 of the Federal Power Act (16 U.S.C. 820), as amended, is further amended—

(a) by redesignating existing section 26 as "section 26(a)"; and

(b) by adding the following new subsections:

"(b) The Commission may—

"(1) after opportunity for a hearing on the record revoke for significant violation of its terms any permit, license, or exemption issued pursuant to this Act, whether granted under this Act or another provision of law;

"(2) issue such other orders as it deems necessary to ensure compliance with the provisions of this part, or of any lawful regulation or order promulgated thereunder, or of any permit, license, or exemption issued pursuant to this Act, whether granted under this Act or another provision of law.

"(c) The Commission may institute proceedings in the district court of the United States in the district in which the project or part thereof is situated for the purpose of enforcing an order of the Commission under subsection (b) of this section. The court shall have the same powers as provided for under subsection (a) of this section.".

(c) Section 13 of the Federal Power Act, as amended, is further amended by striking the final sentence thereof.

(d) Section 26(a) of the Federal Power Act, as amended, is further amended—

(1) by striking the first sentence and inserting in lieu thereof the following sentence: "The Commission, or the Attorney General on request of the Commission, or of the Secretary of the Army, may institute proceedings in equity in the district court of the United States in the district in which any project or part thereof is situated for the purpose of revoking for significant violation of its terms any permit or license issued hereunder or any exemption from any requirement of this Act, whether granted under this Act or another provision of law, or for the purpose of remedying or correcting by injunction, mandamus, or other process any act of commission or omission in violation of the provisions of this Act or of any lawful regulation or order promulgated hereunder."; and

(2) by adding at the end thereof the following new sentence: "In the case of revocation of an exemption from any requirement of this Act, whether granted under this Act or another provision of law, the courts may exercise the same powers as they have under this section with respect to revocation of a license.".

(e) Section 402(a)(2)(A) of the Department of Energy Organization Act, as amended, is further amended by inserting between "4," and "301" the following: "5, 13, 26, 30,".

(f) The amendments made by this section shall apply to licenses, permits exemptions, rules, regulations, and others issued before, on, or after the date of enactment of this Act.

Sec. 13. Nothing in this Act shall be construed as authorizing the appropriation of water by any Federal, State, or local agency, Indian tribe, or any other entity or individual. Nor shall any provision of this Act—

(a) affect the rights or jurisdictions of the United States, the States, Indian tribes, or other entities over waters of any river or stream or over any groundwater resource.

(b) alter, amend, repeal, interpret, modify, or be in conflict with any interstate compact made by the States, or

(c) otherwise be construed to alter or establish the respective rights of States, the United States, Indian tribes, or any person with respect to any water or water-related right.

Sec. 14. Section 10(h) of the Federal Power Act (16 U.S.C. 803(h)) is amended by redesignating section 10(h) as 10(h)(1) and adding a new section 10(h)(2) as follows:

"(2) That conduct under the license that: (A) results in the contravention of the policies expressed in the antitrust laws; and (B) is not othewise justified by the public interest considering regulatory policies expressed in other applicable law (including but not limited to those contained in Part II of this Act) shall be prevented or adequately minimized by means of conditions included in the license prior to its issuance. In the event it is impossible to prevent or adequately minimize the contravention, the Commission shall refuse to issue the license to the applicant.".

Sec. 15. Section 4(e) of the Federal Power Act (16 U.S.C. 797(e)) is amended—

(a) by striking *"And provided further"* and inserting in lieu thereof *"Provided further"*; and

(b) by striking the final period "." and inserting in lieu thereof the following: ": *And provided further,* That upon the filing of any application for a license the Commission shall seek to notify by certified mail the owner or owners of the property within the bounds of the project, and any State, municipality or other local governmental entity likely to be interested in or affected by such application.".

Sec. 16. Section 211(c)(2)(B) of the Federal Power Act is amended by adding before the period the following: ": *Provided,* That nothing in this subparagraph shall prevent an application for an order hereunder to be filed prior to termination of modification of an existing rate schedule: *Provided,* That such order shall not become effective until termination of such rate schedule or the modification becomes effective".

MOTION OFFERED BY MR. MARKEY

Mr. **MARKEY**. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. Markey moves to strike out all after the enacting clause of the Senate bill, S. 426, and to insert in lieu thereof the provisions of H.R. 44, as passed by the House.

The motion was agreed to.

The Senate bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

A similar House bill (H.R. 44) was laid on the table.

GENERAL LEAVE

Mr. **MARKEY**. Mr. Speaker, I ask unanimous consent that all Members have 5 legislative days in which to revise and extend their remarks on the bill just passed.

The **SPEAKER** pro tempore. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

INDIAN GAMING REGULATORY ACT

Mr. **UDALL**. Mr. Speaker, I move to suspend the rules and pass the bill (H.R. 1920) to establish Federal standards and regulations for the conduct of gaming activities on Indian reservations and lands, and for other purposes, as amended.

The Clerk read as follows:

That this Act may be cited as the "Indian Gaming Regulatory Act".

Sec. 2. (a) The Congress finds that—

(1) numerous Indian tribes have become engaged in or have licensed gaming activities on Indian lands as a means of generating tribal governmental revenue;

(2) Indian tribes have the exclusive right to regulate gaming activity on Indian lands which is not specifically prohibited by Federal law and which is conducted within a State which does not, as a matter of criminal law and public policy, prohibit such gaming activity;

(3) there are no existing statutes which require approval of management contracts dealing with Indian gaming;

(4) existing Federal law does not provide clear standards or regulations necessary to insure the orderly conduct of gaming activities on Indian lands;

(5) a principal goal of Federal Indian policy is to promote tribal economic development, tribal self-sufficiency, and strong tribal government; and

(6) tribal operation and licensing of gaming activities is a legitimate means of generating revenues.

(b) The Congress declares that the establishment of Federal standards for gaming activity on Indian lands and a National Indian Gaming Commission are necessary to meet the concerns regarding gaming activities and to protect such activities as a means of generating tribal revenue.

Sec. 3. (a) Except as provided in subsection (b), Class II and III gaming regulated by this Act shall be unlawful on any lands acquired by the Secretary, under any existing authority, in trust for the benefit of any Indian tribe after December 4, 1985, if such lands are located outside the boundaries of such tribe's reservation.

(b) Subsection (a) shall not apply if the Indian tribe requesting the acquisition of such lands in trust obtains the concurrence of the Governor of the State, the State legislature, and the governing bodies of the county and municipality in which such lands are located.

(c)(1) Except as provided in paragraph (2) of this subsection, during the four-year period beginning on the date of enactment of this Act, Class III gaming shall be unlawful on any Indian lands.

(2) Within sixty days of the date of enactment of this Act, the Secretary shall identify and prepare a list of each separate Class III gaming activity actually operated on Indian lands as of January 1, 1986, and shall publish such list in the Federal Register. Such Class III gaming activities, if otherwise legal under existing law and so long as they remain within the same nature and scope, shall not be subject to the provisions of paragraph (1) of this subsection.

(3) During the four-year period established by paragraph (1) of this subsection, the Commission shall—

(A) apply to the Class III gaming activities identified in paragraph (2) of this subsection the appropriate Class II provisions of section 11, 12, and 13, and

(B) within one hundred and twenty days after enactment of this Act, adopt and apply to such Class III gaming activities a regulatory scheme which is substantially equivalent to those of the State within whose boundaries such gaming occurs and shall require that such Class III gaming activities be brought into compliance with such regulations within sixty days after publication of such regulatory scheme in the Federal Register.

The provisions of this Act relating to the levy and collection of civil fines and temporary and permanent closures shall be applicable to such Class III gaming activities during the four-year period.

Sec. 4. Provisions of the Internal Revenue Code of 1954, as amended, concerning the taxation and the reporting and withholding of taxes pursuant to the operation of a gambling or wagering operation shall apply to the operations in accord with the Indian Gaming Regulatory Act the same as they apply to State operations.

Sec. 5. (a) There is established within the Department of the Interior an independent commission to be known as the National Indian Gaming Commission.

(b)(1) The Commission shall be composed of eight members as follows:

(A) a Chairman who shall serve full-time and who shall be appointed by, and serve at the pleasure of, the Secretary;

(B) a member to be selected by the Attorney General and appointed by the Secretary;

(C) five members, at least three of whom shall be enrolled members of federally recognized tribes, to be appointed by the Secretary from a list of not less than ten nor more than twenty candidates submitted and approved by a majority of the tribes then engaged in or regulating gaming activities; and

(D) one member appointed by the Secretary after consultation with appropriate organizations or entities, who shall represent the interest of the States;

(2) Not more than four members of the Commission shall be of the same political party.

(3)(A) Except for the Chairman and except as otherwise provided in this paragraph, members shall be appointed for terms of three years.

(B) Of the members first appointed—

(i) the member appointed pursuant to paragraph

(1)(B) and two of the members appointed pursuant to paragraph (1)(C) shall be appointed for a term of two years; and

(ii) the remaining members appointed pursuant to paragraphs (1)(C) and (1)(D) shall be appointed for a term of three years.

(4) Any individual who—

(A) has been convicted of a felony or gaming offense;

(B) has any management responsibility in any gaming activity regulated pursuant to this Act; or

(C) has a financial interest in, or management responsibility for, any management contract approved pursuant to section 12 of this Act

shall not be eligible for appointment to, or to continue service on, the Commission.

(5) except for the Chairman, a member of the Commission may be removed for good cause by a majority vote of the remaining members subject to the approval of the Secretary or, in the case of a member appointed pursuant to paragraph (1)(B), the Attorney General.

(c)(1) Vacancies occurring on the Commission as a result of the expiration of the terms of appointment shall be filled in the same manner as the original appointment. A member may serve after the expiration of his term until his successor has been appointed.

(2) Other vacancies occurring on the Commission shall be filled by a majority vote of the Commission and members so appointed shall serve the remainder of the terms for which his predecessor was appointed.

(d) Five members of the Commission shall constitute a quorum.

(e) The Commission shall select, by majority vote, one of the members to serve as Vice-Chairman who shall serve as Chairman during meetings of the Commission in the absence of the Chairman.

(f) The Commission shall meet at the call of the Chairman or a majority of its members.

(g)(1) The Chairman of the Commission shall be paid at a rate equal to that of level V of the Executive Schedule (5 U.S.C. 5316).

(2) Except as provided in paragraph (3), the other members of the Commission shall each be paid at a rate equal to the daily equivalent of the maximum annual rate of basic pay in effect for grade GS-18 of the General Service (5 U.S.C. 5332) for each day, including travel time, during which they are engaged in the actual performance of duties vested in the Commission.

(3) Members of the Commission who are full-time Officers or employees of the United States shall receive no additional pay by reason of their service on the Commission.

(4) All members shall be reimbursed for travel, subsistence, and other necessary expenses incurred by them in the performance of their duties.

SEC. 6. (a) The Chairman of the Commission shall have the exclusive power—

(1) to approve tribal ordinances or resolutions regulating Class II gaming as provided in section 11(b);

(2) to approve management contracts for Class II gaming as provided in section 12; and

(3) to select, appoint, and supervise the staff of the Commission as provided in section 8.

(b) The Chairman shall have power, subject to the approval of the Commission—

(1) to appoint a General Counsel of the Commission; and

(2) to issue orders of temporary closure of gaming activities as provided in section 14(b).

(c) The Chairman shall have power, subject to an appeal to the Commission to levy and collect civil fines as provided in section 14(a).

(d) The Chairman shall have such other powers as may be delegated by the Commission.

SEC. 7. (a) The Commission shall have specific power, not subject to delegation—

(1) upon the recommendation of the Chairman, to approve the annual budget of the Commission as provided in section 17;

(2) to adopt regulations for the assessment and collection of civil fines as provided in section 14(a);

(3) by a vote of not less than five members, to adopt the annual assessments as provided in section 17;

(4) by a vote of not less than five members, to authorize the Chairman to issue subpoenas as provided in section 15; and

(5) by a vote of not less than five members and after a full hearing, to make permanent a temporary order of the Chairman closing a gaming activity as provided in section 14(b).

(b) The Commission shall have power—

(1) to monitor Indian gaming activities on a continuing basis;

(2) to inspect and examine all premises where Indian gaming is conducted;

(3) to conduct or cause to be conducted such background investigations as may be necessary;

(4) to demand access to and inspect, examine, photocopy, and audit all papers, books, and records respecting gross income of a gaming activity and all other matters necessary to the enforcement of this Act;

(5) to use the United States mails in the same manner and under the same conditions as other departments and agencies of the United States;

(6) to procure supplies, services, and property by contract in accordance with applicable Federal laws and regulations;

(7) to enter into contracts with Federal, State, tribal and private entities for activities necessary to the discharge of the duties of the Commission;

(8) to hold such hearings, sit and act at such times and places, take such testimony, and receive such evidence as the Commission deems appropriate;

(9) to administer oaths or affirmations to witnesses appearing before the Commission; and

(10) to establish and implement such other standards, guidelines, and regulations as it deems appropriate not inconsistent with this Act and other applicable law.

SEC. 8. (a) The Chairman, with the approval of the Commission, shall appoint a General Counsel to the Commission who shall have a background in Indian affairs. The General Counsel shall be paid at the annual rate of basic pay payable for GS-18 of the General Schedule (5 U.S.C. 5332).

(b) The Chairman shall appoint other staff of the Commission without regard to the provisions of title 5, United States Code, governing appointments in the competitive service. Such staff shall be paid without regard to the provisions of chapter 51 and subchapter III of chapter 53 of such title relating to classification and General Schedule pay rates, except that no individual so appointed may receive pay in excess of the annual rate of basic pay payable for GS-17 of in General Schedule under section 5332 of that title.

(c) The Commission may procure temporary and intermittent services under section 3109(b) of title 5, United States Code, but at rates for individuals not to exceed the daily equivalent of the maximum annual rate of basic pay payable for GS-18 of the General Schedule.

(d) Upon the request of the Chairman, the head of any Federal agency is authorized to detail any of the personnel of such agency to the Commission to assist the Commission in carrying out its duties under this Act, unless otherwise prohibited by law.

(e) The Secretary or Administrator of General Services shall provide to the Commission on a reimburseable basis such administrative support services as the Commission may request.

SEC. 9. The Commission may secure directly from any department or agency of the United States information necessary to enable it to carry out this Act. Upon the request of the Chairman the head of such department or agency shall furnish such information to the Commission, unless otherwise prohibited by law.

SEC. 10. The Secretary shall promptly appoint the members of the Commission, as provided in section 5 of this Act, and shall provide staff and support assistance to enable the Commission to meet and organize as soon as practicable thereafter.

SEC. 11. (a)(1) Class I gaming shall be within the exclusive jurisdiction of the Indian tribes and shall not be subject to the provisions of this Act.

(2)(A) Except as provided in subparagraph (B) and (C), Indian tribes may engage in, or license and regulate, Class II gaming activity on Indian lands if the governing body of the Indian tribe adopts an ordinance or resolution to that effect which is approved by the Commission pursuant to subsection (b) or (c) of this section. Licenses are required for each place, facility, or location of Class II gaming activities.

(B) Subparagraph (A) shall not apply with respect to an Indian tribe if—

(i) a gaming activity is specifically prohibited on Indian lands by Federal law; or

(ii) such gaming activity is prohibited by the State within which such tribe is located as a matter of State public policy and criminal law.

(b)(1) An Indian tribe may engage in, or license and regulate, Class II gaming activity on the Indian lands of such tribe if the governing body of the tribe adopts an ordinance or resolution which is approved by the Chairman.

(2) The Chairman shall approve any tribal ordinance or resolution concerning the conduct, licensing, or regulation of Class II gaming activity on the Indian lands of such tribe if such ordinance or resolution provides that—

(A) except as provided in paragraph (3), the Indian tribe itself shall have the sole proprietary interest and responsibility for the conduct of any gaming activity;

(B) net revenues from any tribal gaming activity are not to be used for purposes other than—

(i) to fund tribal government operations or programs;

(ii) to provide for the general welfare of the Indian tribe and its members;

(iii) to promote tribal economic development;

(iv) to donate to chartiable organizations; or

(v) to help fund operations of local government agencies:

Provided, That, if such net revenues are directly or indirectly used for per capita payments to tribal members, those payments are subject to Federal tax.

(C) annual outside indpendent audits of the gaming activity will be obtained by the Indian tribe and made available to the Commission;

(D) all contracts for supplies, services, or concessions for a contract amount in excess of $25,000 annually, except contracts for professional legal or accounting services, relating to such gaming activity shall be subject to such independent audits; and

(E) the construction and maintenance of the gaming facility, and the operation of that gaming activity, is conducted in a manner which adequately protects the environment and the public health and safety.

(3) A tribal ordinance or resolution may provide for the licensing or regulation of Class II gaming activities owned by individuals or entities other than the Indian tribe, except that the tribal licensing requirements shall be at least as restrictive as those established by State law governing similar gaming within the jurisdiction of the State within which such tribe is located. No individual or entity, other than the tribe, shall be eligible to receive a tribal license to own a Class II gaming activity within the tribe's jurisdiction if such individual or entity would not be eligible to receive a State license to conduct the same activity within the jurisdiction of the State.

(4) Not later than one hundred and sixty days after the submission of any tribal gaming ordinance or resolution, the Chairman shall approve such ordinance or resolution if it meets the requirements of this subsection. Any such ordinance or resolution not acted upon at the end of that one hundred and sixty day period shall be deemed to have been approved by the Chairman.

SEC. 12. (a) Subject to the approval of the Chairman, an Indian tribe may enter into a management contract for the operation and management of a Class II gaming activity, except that, before approving such contract, the Chairman shall require and obtain the following information:

(1) the name, address, and other additional pertinent background information on each person or entity (including individuals comprising such entity) having a financial interest in, or management responsibility for, such contract, or, in the case of a corporation, those individuals who serve on the Board of Directors of such corporation and each of its stockholders who hold (directly or indirectly) 10 per centum or more of its issued and outstanding stock;

(2) a description of any previous experience which each person listed pursuant to paragraph (1) has had with other gaming contracts with Indian tribes or with the gaming industry generally, including specifically the name and address of any licensing or regulatory agency with which such person has had contact relating to gaming; and

(3) a complete financial statement of each person listed pursuant to paragraph (1).

(b) Any management contract entered into pursuant to this section shall specifically provide—

(1) that adequate accounting procedures are maintained and that verifiable financial reports are prepared by or provided to the tribal governing body on a monthly basis;

(2) that appropriate tribal officials shall have reasonable access to the daily operations of the gaming activity and shall have the right to verify the daily income made from any such tribal gaming activity;

(3) for a minimum guaranteed payment to the Indian tribe that has preference over the retirement of development and construction costs;

(4) for an agreed ceiling for the repayment of development and construction costs;

(5) that the term of the contract shall not exceed five years; and

(6) for grounds and mechanisms for terminating such contract: Provided, That contract termination shall not require the approval of the Commission.

(c) The Chairman may approve a management contract providing for a fee based upon a percentage of the net revenues of a tribal gaming activity if he determines that such percentage fee is reasonable in light of surrounding circumstances, but in no event shall such fee exceed 40 per centum of the net revenues.

(d) Not later than one hundred and twenty days after the submission of a contract, the Chairman shall approve or disapprove such contract on its merits. Any such contract not acted upon at the end of such time shall be deemed to have been approved by the Chairman.

(e) The Chairman shall not approve any contract where he determines that:

(1) any person listed pursuant to paragraph (a)(1) of this section—

(A) is an elected member of the governing body of the Indian tribe which is the party to the management contract;

(B) has been or subsequently is convicted of any felony or gaming offense;

(C) has knowingly and willfully provided materially important false statements or information to the Commission or the tribe pursuant to this Act; or

(D) has been determined to be a person whose prior activities, criminal record if any, or reputation, habits, and associations pose a threat to the public interest or to the effective regulation and control of gaming, or create or enhance the dangers of unsuitable, unfair, or illegal practices, methods, and activities in the conduct of gaming or the carrying on of the business and financial arrangements incidental thereto;

(2) the management contractor has, or has attempted to, unduly interfere or influence for its gain or advantage any decision or process of tribal government relating to the gaming activity;

(3) the management contractor has deliberately or substantially failed to comply with the terms of the management contract or the tribal gaming ordinance or resolution adopted and approved pursuant to this Act, or

(4) a trustee exercising the skill and diligence that a trustee is commonly held to would not approve the contract.

(f) The Chairman, after notice and hearing, shall have the authority to require appropriate contract modifications or may void any contract if he subsequently determines that any of the provisions of this section have been violated.

(g) No management contract for the operation and management of a Class II gaming activity shall transfer or, in any other manner, convey any interest in land or other real property unless clearly specified in writing in said contract.

SEC. 13. (a) As soon as practicable after the organization of the Commission, the Chairman shall notify each Indian tribe or management contractor who, prior to the enactment of this Act, adopted an ordinance or resolution authorizing Class II gaming or entered into a management contract, that such ordinance, resolution, or contract must be submitted for his review within sixty days of such notification.

(b)(1) Within ninety days after the submission of an ordinance or resolution authorizing Class II gaming pursuant to subsection (a), the Chairman shall review such ordinance to determine if it conforms to the requirements of section 11(b) of this Act.

(2) If he determines that such ordinance or resolution conforms to section 11(b), he shall approve it.

(3) If he determines that such ordinance or resolution does not conform to the requirements of section 11(b), he shall provide written notification of necessary modifications to the Indian tribe which shall have not more than one hundred and twenty days to come into compliance.

(c)(1) Within one hundred and eighty days after the submission of a management contract pursuant to subsection (a), the Chairman shall subject such contract to the requirements and process of section 12 of this Act.

(2) If he determines, at the end of such period, that such contract and the management contractor meet the requirements of section 12, he shall approve it.

(3) If he determines, at the end of such period, that such contract and the management contractor do not meet the requirements of section 12, he shall provide written notification to the parties to such contract of modifications necessary to come into compliance and the parties shall have not more than one hundred and twenty days to come into compliance.

(4) Where a management contract submitted pursuant to subsection (a) has been previously approved by the Secretary or his representative, said contract shall be deemed in compliance hereof and no further action shall be required.

SEC. 14. (a)(1) The Commission shall have authority to authorize the Chairman to levy and collect appropriate civil fines, not to exceed $10,000 per violation, against an Indian gaming activity or a management contractor engaged in gaming activities regulated by this Act or by regulations adopted by the Commission pursuant to this Act.

(2) The Commission shall, by regulation, provide an opportunity for an appeal and hearing before the Commission on fines levied and collected by the Chairman.

(b)(1) The Chairman shall have power to order temporary closure of Indian gaming activities for substantial violation of the provisions of this Act or regulations adopted by the Commission pursuant to this Act.

(2) Not later than thirty days after the issuance by the Chairman of an order of temporary closure, the Indian tribe or management contractor involved shall have a right to a hearing before the Commission to determine whether such order should be made permanent or dissolved. The Commission may, by a vote of not less than five of its members, order a permanent closure of the gaming operation after such hearing.

(c) A decision of the Commission to give final approval of a fine levied by the Chairman or to order a permanent closure pursuant to this section shall be appealable to the appropriate Federal district court pursuant

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to the Administrative Procedures Act, title 5, United States Code.

Sec. 15. (a)(1) The Commission may authorize the Chairman to issue subpoenas requiring the attendance and testimony of witnesses and the production of any evidence that relates to any matter which the Commission is empowered to investigate by this Act.

(2) Such attendance of witnesses and the production of such evidence may be required from any place within the United States at any designated place of hearing within the United States.

(3) If a person issued a subpoena under paragraph (1) refuses to obey such subpoena or is guilty of contumacy, any court of the United States within the judicial district within which the hearing is conducted or within the judicial district within which such person is found or resides or transacts business may, upon application of the Commission, order such person to appear before the Commission to produce evidence or to give testimony relating to the matter under investigation. Any failure to obey such order of the court may be punished by such court as a contempt thereof.

(4) The subpoenas of the Commission shall be served in the manner provided for subpoenas issued by a United States district court under the Federal Rules of Civil Procedure for the United States district courts.

(5) All process of any court to which application may be made under this section may be served in the judicial district in which the person required to be served resides or may be found.

(b) No person shall be excused from attending and testifying or from producing books, records, correspondence, documents, or other evidence in obedience to a subpoena, on the ground that the testimony or evidence required of him may tend to incriminate him or subject him to a penalty or forfeiture; but no individual shall be prosecuted or subjected to any penalty or forefeiture by reason of any transaction, matter, or thing commencing which he is compelled, after having claimed his privilege against self-incrimination, to testify or produce evidence, except that such individual so testifying shall not be exempt from prosecution and punishment for perjury committted in so testifying.

Sec. 16. (a) Except as provided in subsection (b), the Commission shall preserve any and all information received pursuant to this Act as confidential pursuant to the provisions of paragraphs (4) and (7) of section 552(b) of title 5, United States Code.

(b) The Commission may, when such information indicates a violation of Federal, State, or tribal criminal statutes or ordinances, provide such information to the appropriate law enforcement officials.

(c) The Attorney General of the United States is authorized to investigate activities associated with gaming authorized by this Act which may be a violation of Federal law, including but not limited to the Major Crimes Act (18 U.S.C. 1153), the Assimilative Crimes Act (18 U.S.C. 13), and 18 U.S.C. 1163. The Attorney General is authorized to enforce such laws, or assist in the enforcement of such laws, upon evidence of violation as a matter of Federal law, or upon the referral of information by the Commission pursuant to section 16(b) of this Act.

Sec. 17. (a)(1) Not less than three-quarters of the annual budget of the Commission shall be derived from an assessment of not to exceed 2½ per centum of the gross revenues from each Indian gaming activity regulated pursuant to this Act.

(2) The Commission, by a vote of not less than five of its members, shall annually adopt the rate of assessment authorized by this section which shall be uniformly applied to all gaming activities and which shall be payable on a quarterly basis.

(3) Failure to pay the assessment shall, subject to the regulations of the Commission, be grounds for revocation of any approval or license of the Commission required under this Act for the operation of tribal gaming.

(4) To the extent that funds derived from such assessments are not expended or committed at the end of the budget year, such surplus funds shall be credited to each gaming activity on a pro rata basis against the assessment for the succeeding year.

(5) For purposes of this section, gross revenues shall constitute the total wagered monies less any amounts paid out as prizes or paid for prizes awarded.

(b)(1) The Commission, in coordination with the Secretary and in conjunction with the fiscal cycle of the United States, shall adopt an annual budget for the expenses and operation of the Commission.

(2) The budget of the Commission may include a request for appropriations, as authorized by section 18, in an amount not to exceed one-third the amount of funds derived from assessments authorized by subsection (a) for the fiscal year preceding the fiscal year for which the appropriation request is made.

(3) The request for appropriations pursuant to section 16 shall be subject to the approval of the Secretary and shall be included as a part of the budget request of the Department of the Interior.

Sec. 18. (a) Subject to the provisions of section 17, there is hereby authorized to be appropriated such sums as may be necessary for the operation of the Commission.

(b) Notwithstanding the provisions of section 17, there is hereby authorized to be appropriated not to exceed $2,000,000 to fund the operation of the Commission for the first fiscal year after the date of enactment of this Act.

Sec. 19. For the purposes of this Act—

(1) "Attorney General" means the Attorney General of the United States;

(2) "Commission" means the National Indian Gaming Commission established pursuant to section 5 of this Act;

(3) "Indian lands" means—

(i) all lands within the limits of any Indian reservation; and

(ii) any lands title to which is either held in trust by the United States for the benefit of any Indian tribe or individual or which is held by any Indian tribe or individual subject to a restriction by the United States against alienation over which an Indian tribe exercises governmental power;

(4) "Indian Tribe" means any Indian tribe, band, nation, or other organized group or community of Indians which is recognized as eligible by the Secretary for the special programs and services provided by the United States to Indians because of their status as Indians and is recognized as possessing powers of self-government;

(5) "gaming" means to deal, operate, carry on, conduct, or maintain for play any banking or percentage game of chance played for money, property, credit, or any representative value, and shall consist of—

(A) "Class I gaming" which shall include social games solely for prizes of minimal value or traditional forms of Indian gaming engaged in by individuals as a part of or in connection with tribal ceremonies or celebrations;

(B) "Class II gaming" which shall include the game of chance commonly known as bingo or lotto and which is played for prizes, including monetary prizes, with cards bearing numbers or other designations, the holder covering such numbers or designations as objects similarly numbered or designated, are drawn or electronically determined from a receptacle and the game being won by the person first covering a previousy designated arrangement of numbers or designations on such card, and shall also include pull-tabs, punch boards, and other games similar to bingo; and

(C) "Class III gaming" which shall include all other forms of gaming not defined in subparagraphs (A) and (B) of this paragraph.

(6) "net revenues" means gross revenues of an Indian gaming activity less amounts paid out as, or paid for, prizes and total operating expenses including management fees; and

(7) "Secretary" means the Secretary of the Interior.

Sec. 20. Consistent with the requirements of this Act, section 1307 of title 18, United States Code, shall apply to any gaming activity conducted by a tribe pursuant to this Act.

Sec. 21. (a) Not later than two years after the date of enactment of this Act, the Comptroller General shall conduct a study of Class III gaming on Indian lands and submit a report of that study to Congress. The study shall include—

(1) an assessment of whether the tribes, the states, or the United States is the best regulator of Class III gaming on Indian lands;

(2) an assessment of the benefits and problems which could arise if Class III gaming on Indian lands is regulated by the tribes, the states, or the United States;

(3) an analysis of the activities of the Commission, including whether the personnel and budget of the Commission is adequate to regulate Class II gaming under this Act; and

(4) an analysis of the regulatory alternatives which the Comptroller General determines are appropriate for regulating Class III gaming on Indian lands, including a recommendation of the best alternative, its costs, and the number of personnel required for its implementation.

(b) In conducting the study under subsection (a), the Comptroller General shall consult with the Indian tribes, appropriate agencies of the United States, each State gaming control board or regulatory body, and the chief law enforcement official and other law enforcement authorities of each of the several States.

Sec. 21. In the event that any section or provision of this Act is held invalid, it is the intent of Congress that the remaining sections or provisions of this Act shall continue in full force and effect.

The SPEAKER pro tempore. Is a second demanded?

Mr. STRANG. Mr. Speaker, I demand a second.

The SPEAKER pro tempore. Without objection, a second will be considered as ordered.

There was no objection.

The SPEAKER pro tempore. The gentleman from Arizona [Mr. Udall] will be recognized for 20 minutes and the gentleman from Colorado [Mr.

Strang] will be recognized for 20 minutes.

The Chair recognizes the gentleman from Arizona [Mr. Udall].

Mr. UDALL. Mr. Speaker, I yield myself 5 minutes.

GENERAL LEAVE

Mr. UDALL. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks on the bill, H.R. 1920, presently under consideration.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Arizona?

There was no objection.

Mr. UDALL. Mr. Speaker, H.R. 1920, the Indian Gaming Regulatory Act, is designed to deal with problems arising out of the growing phenomenon of gambling enterprises on Indian reservations. In general, H.R. 1920 meets the various concerns in this area by establishing Federal standards or regulations for gaming activities on Indian reservations.

It should clearly be understood that H.R. 1920 does not make gambling on Indian reservations legal. The Federal courts have held that gambling on Indian reservations is legal and not subject to State licensing and regulations where the State makes that gambling activity legal under its laws. H.R. 1920 accepts the state of the law.

What it does is to impose Federal standards on those activities which are otherwise determined to be legal under existing Federal-Indian law.

Mr. Speaker, for some tribes, gaming enterprises has become an important source of tribal revenue. These commercial enterprises have provided employment for the Indian people. In some cases, tribal unemployment has been reduced from 50 percent or more to less than 10 percent. Tribes are using revenue from gaming for health clinics, roads, scholarships, and numerous other economic, governmental, and social efforts.

We should not be surprised that they have done so. Federal programs to aid Indian tribes and people have never been adequate to meet the need. With the severe budget cuts of the last 5 years and with the further threat of Gramm-Rudman cuts, the economic and social life on Indian reservations have been devastated. Just as there are many States turning to lotteries and other gaming activity to fill the gap left by Federal cutbacks, so too are the Indian tribes.

The bill, as reported from the committee, establishes a National Indian Gaming Commission to implement and administer the provisions of the act. Gaming is divided into three classes: class I defined as social and traditional Indian gaming which is left to the tribes exclusively; class II which is defined as bingo and related games which must be authorized by a tribal ordinance subject to the approval of the Chairman of the Commission; and class III defined as all other forms of gambling.

Under the bill, class III not only must meet the standards applicable to class II, but would be subject to a regulatory scheme adopted by the Commission identical to that of the State involved.

The treatment of class III gaming became a matter of dispute in the committee. This matter has been resolved in the bill which is under consideration today. A compromise was developed by Congressman Richardson and Congressman Coelho which I believe is a satisfactory resolution of the problem. I want to commend these two gentlemen for their understanding and hard work in crafting a resolution to the impasse which had developed.

Under the compromise, all class III provisions of the bill would be dropped. A 4-year moratorium would be placed on any further class III gaming on Indian reservations. Within 2 years after enactment, GAO would be required to study the issue of class III regulations and submit a report to the Congress. Congress would have 2 years within which to enact further legislation. At the end of the 4-year period, if Congress had not made other disposition, class III gaming on Indian reservations would revert to the status quo ante and would be governed by whatever existing law provided. The compromise also provides that class III operations, if otherwise legal, existing on January 1, 1986, would be grandfathered in under certain circumstances.

Mr. Speaker, with the Coelho-Richardson compromise, I believe H.R. 1920 is acceptable legislation and deserves the support of the House and I urge its passage.

Mr. STRANG. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I rise in support of H.R. 1920, the Indian Gaming Regulatory Act. H.R. 1920 represents a compromise of the various interests surrounding Indian bingo. It balances the concerns of the State for proper supervision of the games to prevent criminal activity against the rights of sovereign tribes to regulate activities on their Indian reservation.

The law is generally settled in the courts with regard to Indian bingo—that of the civil/regulatory versus criminal/prohibitory reasoning used by the courts. If a State regulates the activity and that activity has not been preempted by Federal law, a tribe may also regulate the activity without regard to State law. However, if an activity is strictly and criminally prohibited by the State, the tribe within that State may not regulate that activity.

The major issues during the committee markup did not pertain to Indian bingo, but instead concerned what we refer to as class III gaming—parimutuels, lotteries, card rooms and casinos. The courts have not definitively ruled on these forms of gaming. The administration and the States have argued that class III gaming should be regulated by the States—the tribes and those familiar with the history of tribal/State relations argued for a Federal Commission to oversee the gaming activities, regardless of the form.

The compromise in H.R. 1920 in regard to class III activities demonstrates that we in Congress still need further information and study before we can define the law.

Under the compromise, Congress declares a 4-year moratorium on class III gaming in Indian country and directs that the General Accounting Office [GAO] conduct a study of the issue and report back to Congress within 2 years. States and tribes will be important participants of this study.

The passage of H.R. 1920 will provide those tribes conducting bingo and like games the assurance that their right to regulate activity on Indian lands is confirmed; and will provide the States the assurance that their concerns about criminal activity will be fully considered.

Congress should intrude upon sovereign rights only when it is absolutely necessary, especially, in the context of deviating from the government-to-government relationship between the United States and tribes. I believe the compromise to H.R. 1920 represents a true effort on Congress' part to fully examine the issues surrounding class III gaming before rashly acting.

Mr. Speaker, I reserve the balance of my time.

Mr. UDALL. Mr. Speaker, I yield 3 minutes to the gentleman from New Mexico [Mr. Richardson].

Mr. RICHARDSON. Mr. Speaker, I rise today in support of H.R. 1920, the Indian Gaming Regulatory Act, as amended. This bill, as amended, represents a successful compromise between two extreme positions on the regulation of Indian gaming. I am proud to have been able to work at bridging the differences, in order to reach a compromise which is acceptable to all of the people involved in this issue.

My personal preference, however, would place all class III operations or high-stakes gambling under State control, with bingo supervised by the Federal Commission. While the compromise is not perfect, it is better than the alternative, and that is, the status quo. The confusion and uncertainty resulting from the status quo is the worst scenario.

I regret that the makeup of the Commission could not be changed to give a more Indian and non-Indian balanced membership.

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Interest in Indian gaming has been growing over the past few years. As Federal resources are declining, Indian tribes are searching for ways to replace Federal sources of funding in order to meet their needs. In New Mexico, the Sandia, Acoma, and Tesueque Pueblos have turned to bingo as a source of tribal revenue to support their tribal governments and tribal programs. On the Sandia Pueblo, for example, "Sandia Indian bingo" has been responsible for reducing reservation unemployment to about 3 percent.

Congressional debate on Indian gaming started in order to ensure that organized crime was not able to infiltrate Indian gaming operations. Other concerns have since entered the debate. It is necessary, for example, to ensure the general public that they are participating in a fair and honest game. And, there is also a movement to see that State interests are accommodated by requiring tribes to comply with existing State gaming laws in the States where they are located. This issue is further complicated by issues of tribal sovereignty and Federal trust responsiblity. The bill as amended, before us, is a compromise which allows for the resolution of regulatory disputes over class I and class II gaming. It also provides for further consideration of all of the complex problems associated with the regulation of class III gaming, prior to further congressional action.

H.R. 1920 will establish an eight-member National Indian Gaming Commission to regulate and monitor gaming operations on Indian reservations. The Commission shall, among its other duties, approve any management contract entered into by the tribes for gaming operations. It may also inspect and examine all premises where Indian gaming is conducted, as well as inspect, examine and audit all papers, books and records of the gaming operations. Seventy-five percent of the funds for the Commission will come from assessments on Indian gaming activities—the remaining 25 percent will come from congressional appropriations.

The bill establishes three classes of gaming activity:

Class I—defined as social or traditional Indian gaming, which would be left solely to the jurisdiction of the tribes.

Class II—defined as bingo and similarly related games, which would be required to meet standards set by the Commission; and

Class III—defined as all other forms of gaming, including casinos and horse and dog racing.

Under this bill as amended, class III gaming would be placed under a 4-year moratorium. No new class III gaming would be allowed during this 4-year period—the Secretary of the Interior is directed to identify and prepare a list of each separate class III gaming activity actually operated on Indian lands as of January 1, 1986. No further class III gaming operations will be allowed, and the existing operations will not be permitted to expand to other forms of gaming. Existing operations will be subject to a regulatory scheme substantially equivalent to those of the State within whose boundaries such gaming occurs.

During the 4-year moratorium, the Comptroller General would conduct a study of class III gaming on Indian lands, and submit that study to Congress. This study will include an assessment of whether the tribes, the States, or the United States is the best regulator of class III gaming on Indian lands; an assessment of the benefits and problems arising out of regulation by each of these three entities; an analysis of the activities of the Commission and, an analysis of the regulatory alternatives which the Comptroller General determines are appropriate for regulating class III gaming on Indian lands, including a recommendation of the best alternative. This study would then give the Congress some concrete information upon which to base further regulatory action.

I urge my colleagues to support this bill. It is the outcome of a complex set of negotiations aimed at this kind of compromise. I believe that H.R. 1920, as amended, addresses many of the concerns inherent in discussions of Indian gaming. It sets up a Commission which will allow tribes to operate class II gaming operations, such as bingo, free of organized crime. It ensures that the general public participating in class II games are participating in fair and honest activities. It also suspends further regulatory action on class III gaming until the Congress has had an opportunity to seriously consider all of the aspects of this kind of gaming activity. H.R. 1920 does not allow the tribes to enter into gaming operations with no regard to the concerns of local communities and States in which their reservations are located. I firmly believe that H.R. 1920, as amended, presents a balanced and fair approach to the complex problems of Indian gaming, and I urge my colleagues to vote for it.

Analysis of Indian gambling bills:

Why the bill is needed:

A number of Indian tribes have become engaged in or have licensed gaming activities on Indian lands as a means of generating tribal governmental revenue.

Indian tribes have the exclusive right to regulate gaming activities on Indian lands which is not specifically prohibited by Federal law and which is conducted within a State which does not, as a matter of criminal law and public policy, prohibit such gaming activity.

There are no existing statutes which require approval of management contracts dealing with Indian gaming. So that even though Interior Department recently started reviewing bingo management contracts there is no existing statute which requires their approval.

Existing Federal law does not provide clear standards or regulations necessary to insure the orderly conduct of gaming activities on Indian lands.

A principal goal of Federal Indian policy is to promote tribal economic development, tribal self sufficiency and a strong tribal government. The tribal operation and licensing of gaming activities is a legitimate means of generating revenues.

The establishment of Federal standards for gaming activities on Indian lands and the establishment of a National Indian Gaming Commission are necessary to: First, accommodate State interests in requiring the tribes by law to comply with existing State gaming laws in which they are located; second, protect the tribes against the possible infiltration of organized crime; and third, ensure the general public that they are participating in a fair and honest game.

Congress needs to take a stand to clarify all the confusion and uncertainty that surrounds this issue. In aiming at a satisfactory solution, it is clear that one must protect the Federal Indian relationship as well as State prerogatives—H.R. 1920 goes a long way to keep those assurances in mind. Including the development and resolution of what to do with class III gaming—which includes all forms of gaming other than bingo or ceremonial types.

What the bill does:

Establishes an eigth-member National Indian Gaming Commission to regulate and monitor gaming operations on Indian reservations.

Eight members of the Commission: Chairman who shall serve full time, shall be appointed by the Secretary of the Interior. A member to be selected by the Attorney General, and appointed by the Secretary. Five members, at least three of whom shall be enrolled members of federally recognized tribes, to be appointed by the Secretary from list not less than 10 nor more than 20 candidates submitted and approved by a majority of the tribes then engaged in or regulating gaming activities. One member appointed by the Secretary who shall represent the interests of the States.

Duties of the Commission:

Among other duties, it shall approve any management contract entered into by the tribes for gaming operations.

May inspect and examine all premises where Indian gaming is conducted.

May inspect, examine and audit all papers, books, and records of the gaming operations.

This bill also establishes three classes of gaming activities:

Definition of gaming activities:

Class I—social or traditional Indian gaming, which would be left solely to the jurisdiction of the tribes.

Class II—bingo and similarly related games, which would be required to meet standards set by the Commission; and

Class III—Defined as all other forms of gaming, including casinos and horse and dog racing.

What is the compromise on class III gaming:

Class III gaming would be placed under a 4-year moratorium. No new class III gaming allowed during this 4-year period—the Secretary of the Interior is directed to identify and prepare a list of each separate class III gaming activity actually operated on Indian lands as of January 1, 1986. No further class III gaming operations allowed, and existing operations will not be permitted to expand to other forms of gaming. Existing operations will be subject to regulation substantially equivalent to those of the State within whose boundaries such gaming occurs.

During 4-year moratorium: Comptroller General [GAO] would conduct a study of class III gaming on Indian lands, and submit that report to Congress.

That report will include:

First, an assessment of whether the tribes, the States, or the Federal Government is the best regulator of class III gaming on Indian lands.

Second, an assessment of the benefits and problems which could arise if class III gaming on Indian lands is regulated by the tribes, the States, or the Federal Government

Third, an analysis of the activities of the National Indian Gaming Commission established by this bill—including whether the personnel and budget of the Commission is adequate to regulate class II gaming under this act.

Fourth, an analysis of the regulatory alternatives which the Comptroller General determines are appropriate for regulating class III gaming on Indian lands—including a recommendation of the best alternative—its costs—and the number of people required to implement it.

In writing the study on how best to regulate class III gaming activities the Comptroller General shall:

First, consult with Indian tribes;

Second, appropriate agencies of the United States;

Third, each State gaming control board or regulatory body; and

Fourth, the chief law enforcement official and other law enforcement authorities of each of the several States.

Funds for Commission:

Seventy-five percent will come from assessments on Indian gaming activities.

Twenty-five percent will come from congressional appropriations.

Indian assessment:

Not more than 2½ percent of the gross revenues from each Indian gaming activity. The Commission, by a vote of not less than five of its members, shall annually adopt the rate of assessment, which shall be uniformly applied to all gaming activities, and which shall be payable on a quarterly basis.

The bill authorizes $2 million for first year of the Commission's operation, $500,000 to come from appropriations. Thereafter, the bill authorizes such sums as may be necessary to fund 25 percent of the cost of the Commission.

Mr. STRANG. Mr. Speaker, I yield such time as she may consume to the gentlewoman from Nevada [Mrs. VUCANOVICH].

Mrs. VUCANOVICH. Mr. Speaker, the bill before us, H.R. 1920, is a compromise. It places a 4-year moratorium on class III gaming on Indian reservations while the General Accounting Office conducts a study to determine whether class III gaming can legitimately be regulated by a seven-member Indian gaming commission throughout the 50 States. Class III gaming includes all forms of gaming except bingo.

For most of you, this bill is not important and will not affect your State. Only two States include casino gaming—New Jersey and Nevada. Nevada is the only State with casino gaming and Indian reservations. Gaming is Nevada's No. 1 industry yielding approximately $148 million in annual revenues or 51 percent of the State's total revenues. Nevada's economy has the highest tourism dependency of any State, and more than 80 percent of Nevada's tourist spending is attributable to the presence of gaming. Nevada's gaming industry is strictly regulated by the State gaming commission, making Nevada gaming the most closely scrutinized private industry in the country.

My point, Mr. Speaker, is that Nevada is unique. We depend on the gaming industry as a major contributor to our economy, and we have several Indian reservations which should have the opportunity to better their economic status through commercial gaming. However, I am a firm believer that any gaming activity by anyone, including Indians, should be subject to strict licensing and regulatory procedures by the State where the gaming activity is taking place. I am strongly against Federal involvement in State-operated and State-controlled gambling industries.

Just to give my colleagues an idea of what goes into regulating gaming activities in Nevada, I would like to share some Nevada statistics with you. The budget for the Nevada State Gaming Control Board is approximately $13 million. This does not include investigative costs which are paid by the applicant for a license. The Nevada Gaming Control Board employs 352 people with 74 for investigations, 99 for audit, and 89 for enforcement. This is still not enough to patrol every casino. It is my understanding that the New Jersey budget is four times greater than Nevada's and it only has 10 casinos.

My point, Mr. Speaker, is: How can an Indian gaming commission made up of seven people regulate class III gaming activities on Indian reservations throughout the United States? Who will pay for investigative costs, auditing, and enforcement? How much will it cost to regulate and patrol these gaming establishments? Will the commission have the manpower to monitor potentially 50 different sets of regulations for each type of gaming activity? These questions need to be answered.

That is why I am reluctantly supporting this compromise bill. The General Accounting Office will have 2 years to answer these questions and determine whether a seven-member commission can regulate class III gaming. The GAO will be able to consult with States that have some form of class III gaming and the GAO will be able to consult with States that have gaming control boards to determine what exactly is involved in regulating class III gaming. After the study is completed, Congress will then have to decide if class III gaming on Indian reservations should be regulated by strict State regulations where these regulations are already in place or by a 7-member Federal commission who will have to adopt new regulations for class III gaming in potentially 50 different States.

It is my hope that the GAO will confirm my belief: Class III gaming, especially casino gaming, must be strictly regulated by the State.

□ 1305

Mr. GONZALEZ. Mr. Speaker, will the gentlewoman yield for a question?

Mrs. VUCANOVICH. I am very happy to yield to the gentleman from Texas [Mr. GONZALEZ].

Mr. GONZALEZ. Mr. Speaker, I am somewhat confused. Maybe it is because of my ignorance as to the definition of class III gambling or gaming. Did I understand the gentlewoman to say that bingo is exempted?

Mrs. VUCANOVICH. Mr. Speaker, bingo is not considered class III gaming.

Mr. GONZALEZ. So that under this legislation it is exempted from regulation?

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Mrs. VUCANOVICH. Yes, it is.

Mr. GONZALEZ. I see. Over in my part of the woods, down in Texas, we do not have reservations, but they have them up in Oklahoma. They have been giving some mighty big prizes away in the bingo games in the Oklahoma Indian reservations. I had the great risk of my wife being invited by a fellow parishioner to go up there where the winnings would be big. I did not know if this was going to affect that kind of activity or not.

Mrs. VUCANOVICH. It will not affect bingo.

Mr. GONZALEZ. Apparently the Oklahoma reservations have about a thousand-percent bigger winnings than the parish bingo games over in my district.

Mrs. VUCANOVICH. Well, I think it is a concern, and I think that perhaps the study that GAO will do will maybe turn up some information about that.

Mr. GONZALEZ. I thank the gentlewoman.

Mr. UDALL. Mr. Speaker, I yield 3 minutes to the distinguished gentleman from Ohio [Mr. Seiberling].

Mr. SEIBERLING. Mr. Speaker, I want to commend the gentleman from Arizona [Mr. Udall] for bringing up this bill. There are no Indian reservations in Ohio, and yet this bill is of interest to every single Member from every single State in the Union.

I discovered somewhat to my surprise a few years ago that it is possible for an Indian tribe to buy land in another State far from their normal geographic location and establish a bingo operation on that land. It can be very small, but it is still considered a reservation that is held in trust for the tribe. It is exempt under present law from local ordinances and State laws that regulate gambling throughout the rest of the State or in the particular local jurisdiction.

So, having found that, it seemed to me that this bill presented a very excellent opportunity to make it clear that on that type of operation where the Indian land is remote or separate from an actual Indian reservation, it cannot supersede State and local law. Accordingly, the bill provides that class II and class III gaming shall be unlawful on lands acquired by the Secretary after December 4, 1985, if the lands are located outside the boundaries of such tribe's reservation, but that this prohibition shall not apply if the Governor of the State, the State legislature, and the governing bodies of the county and municipality in which such lands are located approve the operation. So this retains State and local control over nonreservation Indian gambling, and I think that is very important to every single State, not only because it is important from the standpoint of preserving the opportunity of a State to regulate gambling activities within its own borders on lands which are not on an Indian reservation, but it is important because certain elements that are undesirable otherwise could take over and you would in fact have a gambling operation where Indians were getting some benefits, but since there was no State or Federal regulation, there could be organized crime or some other group skimming off the majority of the benefits, and also bringing undesirable activities into your State.

This bill is extremely important to every single State in the Union that feels that it is desirable to maintain State and local control over gambling operations. I again want to commend the chairman and the other members of the committee for the hard work they have done on this legislation.

Mr. UDALL. Mr. Speaker, I yield 5 minutes to the gentleman from Nebraska [Mr. Bereuter].

Mr. BEREUTER. Mr. Speaker, I begin by thanking and commending my colleague, the very distinguished and able chairman of the Committee on Interior and Insular Affairs, the gentleman from Arizona [Mr. Udall], and all the members of the committee that have worked to bring us this compromise legislation. I think it is very necessary and important legislation.

Accordingly, therefore, Mr. Speaker, today I rise in support of H.R. 1920, the Indian Gaming Control Act, and to address two specific matters regarding the legislation.

To begin, this Member wishes to bring to the attention of the House a provision in the legislation that came about because of a plan developed by an Indian tribe in my district in Nebraska. Briefly, this tribe intended to purchase a piece of property some 75 miles from the reservation, within the city limits of a medium-size town also in my district. The tribe then intended to request that the Secretary of the Interior grant this 22-acre parcel trust status, for the purpose of establishing an Indian bingo operation.

Mr. SEIBERLING. Mr. Speaker, will the gentleman yield?

Mr. BEREUTER. I am pleased to yield to my colleague, the gentleman from Ohio [Mr. Seiberling].

Mr. SEIBERLING. Mr. Speaker, in the case that brought this to my attention, which was a proposal to establish a similar operation in the county adjoining my own, the land was 1,200 miles from the reservation of the tribe, and the acreage that they were going to acquire was only 8 acres and was purely for a gambling operation, and that really got my attention in a hurry.

□ 1315

Mr. BEREUTER. Mr. Speaker, I thank my colleague for that example. I became aware of that example, too, and I believe it set the long-distance record. We are indeed a creative people—all of us.

This Member was very opposed to such a plan to create lands by acquisition strictly for the purpose of gambling activities. While this Member recognizes that economic development is one of the reasons used to justify the addition of new trust lands by the Secretary of the Interior, I most emphatically believe that gambling should not be considered an appropriate activity to justify an extension of trust status to land outside the reservation area. Not only would such an extension have to be considered bad public policy, but the potential law enforcement problems and demonstrated opposition were both considerable. Therefore, this Member introduced legislation which was then considered by the committee during their hearings on Indian gaming. My legislation prohibits any tribe from acquiring land that is not contiguous to the reservation for the specific purpose of establishing a gaming operation. Our distinguished colleague from Ohio, Mr. Seiberling, offered the provision in committee, and it is included in the legislation before us today. It is an important protection, this Member believes, for the practice would create practical problems that could not, in the long run, be easily addressed. This Member wishes to make it clear, however, that he does not oppose the creation of gaming operations on the reservation under proper regulations and management.

This raises another matter, Mr. Speaker, which I will take only a minute to discuss. While this Member recognizes that there is a legitimate need to address the issues associated with nonregulated gaming activities, including those that are operated by Indian business persons on the reservation, there are some concerns about tribal sovereignty that must be addressed.

Mr. Speaker, while this Member does not believe that the legislation which will emerge from the other body on Indian gaming will necessarily be less restrictive than on legitimate matters of Indian sovereignty, it is my hope that there will be an opportunity in the conference to look again at the impact of House actions on the rights of tribal governments.

Thank you.

Our distinguished colleague, the gentleman from Ohio [Mr. Seiberling] offered the provision in the committee. It is included here today.

Mr. UDALL. Mr. Speaker, I yield 3 minutes to the gentleman from California [Mr. Coelho].

Mr. COELHO. Mr. Speaker, I thank the distinguished chairman of the committee for yielding time to me.

Mr. Speaker, I am pleased to be among those who are supporting the

bill that is before the House today. We have come a long way from the bill that was originally reported from the House Interior Committee last December and I appreciate the efforts made by the chairman of the committee to work with me in resolving my concerns.

There is no doubt that something needs to be done to regulate gaming activities that take place on Indian lands. To allow unrestricted Indian gambling to continue would be an injustice to the tribes, to the States, and to the citizens of this Nation. We have to balance competing rights, duties, and responsibilities, and come up with a fair solution which protects everyone.

I believe this bill accomplishes the objective of providing some regulation for bingo, which is now taking place on Indian lands. It also gives us an opportunity to look at the proper method for regulating other forms of gambling, which for the most part are not found on Indian lands today.

When H.R. 1920 was reported from the Interior Committee, all class III gaming would have been under the regulation of the National Indian Gaming Commission. I had serious doubts about the ability of the Commission to regulate class III gaming with the current budget situation, and with the potential size of the job facing them. I felt the States would have been the more appropriate entity to regulate any class III gaming operations since they are doing so currently in each State.

However, in an effort to give everyone additional time to explore the issue of regulating class III operations, I offered a compromise to place a 4-year moratorium on class III gaming on Indian lands. During the moratorium, a study will be undertaken by the General Accounting Office to determine who might be the best regulator of class III gaming—the tribes, the States, or the United States.

The study will consider the benefits and problems from such regulation, and will also look at how successful the Commission is in regulating class II bingo. Additionally, we have asked for possible alternatives that exist for regulating class III operations, and a recommendation on the best alternative including the cost involved, and the staffing requirements.

In doing the study, GAO will be required to consult with the tribes, appropriate Federal agencies, State gaming control boards and regulatory bodies, and appropriate law enforcement officials. The study must be submitted to Congress within 2 years of the date of enactment, which will permit 2 additional years for Congress to take action on the recommendations.

Because there are a few existing games on Indian lands that could be considered class III operations, we have agreed to grandfather these operations in solely for the period of the moratorium. During the period of the moratorium, these operations will be subject to regulation by the national commission and will be forbidden from expanding into other forms of class III gaming than those they were operating as of January 1 this year. I will engage the chairman of the full committee in a colloquy to ensure that everyone understands the intent of the grandfathering provisions.

This compromise on class III gaming has been endorsed by the American Greyhound Track Operators Association as well as the American Horse Council.

I would like to express my appreciation to the chairman of the full Interior Committee for his efforts in forging a workable compromise. I also would like to thank the gentlewoman from Nevada [Mrs. Vucanovich]; the gentleman from New Mexico [Mr. Richardson]; and the chairman of the Rules Committee, Mr. Pepper, for their support in putting together a bill that would be acceptable to the House.

I would now like to ask a couple of questions of the chairman of the committee.

Mr. UDALL. I would be pleased to answer.

Mr. COELHO. Mr. Speaker, under the compromise that I and the gentleman from Arizona worked out on class III gaming, class III gaming in existence on January 1, 1986, would be grandfathered in under the 4-year moratorium if otherwise legal under existing law. Is it the understanding of the gentleman from Arizona that the protection afforded by the "grandfather" provision would not be available to a class III activity in operation prior to January 1, 1986, if that activity was subsequently determined by a final decision of a court to be illegal?

Mr. UDALL. If the gentleman will yield, that is my understanding.

Mr. COELHO. The compromise also contains language which provides that any class III activity which is grandfathered in retains that protection only to the extent that the activity keeps within the nature and scope that it had prior to January 1, 1986. It is my understanding that, under this language, any grandfathered activity will be limited to the number of separate operations which were in existence on January 1, 1986, and only that kind of gaming which was in existence on that date. In addition, this language would prevent any attempt to convert a class I activity in existence before January 1, 1986 to a class III operation. Is that the understanding of the gentleman from Arizona?

Mr. UDALL. If the gentleman will yield, that is my understanding.

Mr. STRANG. Mr. Speaker, I am pleased to yield 4 minutes to my colleague, the gentleman from California [Mr. Shumway].

Mr. SHUMWAY. Mr. Speaker, over the last several months, I have had a particular interest in the subject of Indian gambling. It was initially brought to my attention, sparked by my concern, when some of my constituents expressed their concern about the construction and operation of a high-stakes bingo parlor on a small Indian rancheria in northern California. The opposition ranged from traffic and sewage concerns—that is, the application of county ordinances, which were created by the construction of this bingo hall, some 1,200 seats in size—to claims of unfair competition with charitable organizations, and to one Indian woman's opposition to the "white man's" intrusion, as she described it, onto the reservation for profit.

As I investigated these concerns, however, I realized that they were but the tip of the iceberg and that nationwide there have been numerous efforts, some successful, by organized crime to gain a foothold in the potential lucrative Indian gaming business. Above and beyond my strong belief that gambling is not an appropriate revenue-raising activity, as it preys on those least able to afford it and it does give rise to the false impression, and indeed the immoral idea, that wealth can somehow be created without a commensurate degree of productive effort, I am persuaded that neither the Bureau of Indian Affairs nor Indian tribes themselves are able to adequately police the gaming operations and to prevent the subtle infiltration of organized crime. As the gentlewoman from Nevada has testified and indeed it came to light during the hearings on H.R. 1920, the participation of organized crime in gaming is a very sophisticated business. Nevada alone spends nearly $13 million a year just to enforce, investigate and audit its statewide gaming operations.

The authority to regulate non-Indian gambling is reserved for States, which I believe are best qualified to establish gambling regulations to meet the particular needs of their citizens. It is for this reason that I introduced legislation which would have required Indian tribes conducting gaming to comply with the same regulations that have already been established in the States in which they reside. I believe that particularly in the area of gambling the Federal Government would be wise to defer to the experience and the judgment of the States in which our native Americans live.

It seems to me, Mr. Speaker, that if indeed there is reason to regulate gambling because of the nature of the activity, then there is nonetheless reason to regulate it because it happens to be

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conducted by Indians, rather than non-Indian Americans.

Without question, there is no doubt that Indians need an economic boost to their tribal economies and even more desperately need to be independent of Federal subsidies. I applaud the tribes' innovative efforts to do so by way of gambling; however, I cannot support this bill, nor any attempt to give the Federal Government the decisionmaking authority for gambling, which is I believe a major purpose of H.R. 1920. Gambling in Indian country impacts Indians and non-Indians alike. Congress should therefore give the authority to regulate such activity to the division of Government best qualified to do so, and that is each individual State.

Mr. SEIBERLING. Mr. Speaker, will the gentleman yield?

Mr. SHUMWAY. If I have time, I am happy to yield.

Mr. SEIBERLING. Mr. Speaker, is the gentleman aware that without legislation at the present time an Indian tribe can buy land in his State or any other State and set up a gambling operation which will be totally exempt from any State or local control?

Mr. SHUMWAY. I am well aware of that problem. I heard the gentleman's testimony regarding that and I did introduce a bill to address that very problem.

I am not happy with the status quo, either, but I simply believe that H.R. 1920 falls short in addressing the entire range of problems, not just that one, but all the problems by the Secretary.

Mr. SEIBERLING. Well, it takes care of all the problems except those of new gambling on Indian reservations, which it seems to me shrinks it down to a very small area indeed. I think on the whole it is a great step forward.

Mr. McCAIN. Mr. Speaker, I rise in support of H.R. 1920, the Indian Gaming Regulatory Act. Since the fifth circuit judicial decision in Seminole versus Butterworth, Indian tribes have engaged in gaming operations, primarily bingo. In Seminole, the court ruled in keeping the general government-to-government relationship between tribes and the Federal Government, that Indian tribes could regulate gaming operations free of State licensing and State regulation. It formulated a civil/regulatory versus criminal/prohibitory reasoning. Simply stated, if a State regulates an activity a sovereign Indian tribe can also regulate that activity; but if the activity is strictly prohibited within the boundaries of the State that prohibition also applies to the Indian tribe.

H.R. 1920 is an honest attempt to join the conflicting interests of the State and the Indian tribes, with a goal of preventing unwanted criminal intrusion into any gaming operation. The Udall substitute before us today adopts a fine line between the conflicting interests in the case of bingo and bingo-type games—class II in the bill. However, because of the controversy surrounding the regulation of class III—parimutuels, lotteries, and so forth, H.R. 1920 now provides for a study of the issue. I believe this is the best compromise that tribes or the States can ask at this time. The GAO study will provide Congress with a fuller understanding of State concerns and of tribal rights. And, the 4-year moratorium of class III gaming in Indian country will help satisfy the Justice Department fears of rampant intrusion on the part of organized crime in Indian games.

I fully agree with the Justice Department concerns, however, I wholeheartedly disagree with their solution. The protections of all citizens must be balanced with tribal sovereign rights. I do not personally believe that gaming is the best economic solution to tribal problems, but in some instances it may be the only one. The protection of all citizens participating in Indian games is a Federal responsibility, that must not be pawned off to the States.

Traditionally, States, and Indian tribes have been adversaries, as our committee hearings clearly demonstrated. State witnesses wanted State jurisdiction, regulation, enforcement, and taxation. However, no State witness testified that the State had a responsibility to Indian tribes for their health, welfare, or economic development. The Justice Department would like to abrogate their responsibility for law enforcement in Indian country and hand it over to the States for class III gaming operations. Logically, it follows that the Justice Department does not believe it has a responsibility in Indian country; which by many reports seems to be the actual case today. Many tribes have complained to me that even when they have caught criminals redhanded, the U.S. attorney has refused to prosecute. I hope that my colleagues will join me in the future in addressing the real issues about law enforcement responsibilities on Indian reservations.

Sovereign Indian tribes currently have the right to regulate activities within their boundaries, irrespective of State regulations except where Congress has expressly granted jurisdiction to the tribes. It is my belief that the GAO study will also reflect this understanding and will be the basis for new legislation 4 years hence. With some reluctance, I urge my colleagues to support the compromise H.R. 1920.

Mr. STRANG. Mr. Speaker, I have no additional requests for time, and I yield back the balance of my time.

Mr. UDALL. Mr. Speaker, I have no further requests for time, and I yield back the balance of my time.

The **SPEAKER** pro tempore (Mr. Bosco). The question is on the motion offered by the gentleman from Arizona [Mr. Udall] that the House suspend the rules and pass the bill, H.R. 1920, as amended.

The question was taken; and (two-thirds having voted in favor thereof) the rules were suspended and the bill, as amended, was passed.

A motion to reconsider was laid on the table.

AMENDMENTS TO NATIVE AMERICAN PROGRAMS ACT

Mr. KILDEE. Mr. Speaker, I move to suspend the rules and pass the bill (H.R. 3247) to amend the Native American Programs Act of 1974 to authorize appropriations for fiscal years 1987 through 1990, as amended.

The Clerk reads as follows:

H.R. 3247

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the "Native American Programs Admendments of 1986".

SEC. 2. REVIEW OF APPLICATIONS FOR ASSISTANCE.

The Native American Programs Act of 1974 (42 U.S.C. 2991-2992d) is amended—

(1) in the first sentence of section 803(a) by inserting ", on a single year or multiyear basis," after "financial assistance",

(2) by redesignating sections 813 and 814 as sections 815 and 816, respectively,

(3) by redesignating sections 806 through 812, as sections 807 through 813, respectively, and

(4) by inserting after section 805 the following new section:

"PEER REVIEW OF APPLICATIONS FOR ASSISTANCE

"Sec. 806. (a)(1) The Secretary shall establish a formal peer review process for purposes of evaluating applications for financial assistance under sections 803 and 805 and of determining the relative merits of the projects for which such assistance is requested.

"(2) Members of peer review panels shall be appointed by the Secretary from among individuals who are not officers or employees of the Administration for Native Americans. In making appointments to such panels, the Secretary shall give preference to American Indians, Hawaiian Natives, and Alaskan Natives.

"(b) Each peer review panel established under subsection (a)(2) that reviews any application for financial assistance shall—

"(1) determine the merit of each project described in such application;

"(2) rank such application with respect to all other applications it reviews for the fiscal year involved, according to the relative merit of all of the projects that are described in such application and for which financial assistance is requested; and

"(3) submit to the Secretary a list that identifies all applications reviewed by such panel and arranges such applications according to rank determined under paragraph (2).

"(c) Whenever the Secretary approves an application for financial assistance under section 803 or 805, the Secretary shall transmit to the Committee on Education and Labor of the House of Representatives and the President pro tempore of the Senate written notice—

"(1) identifying such application;

"(2) containing a copy of the list submitted to the Secretary under subsection (b)(3) in which such application is ranked;

"(3) specifying which other applications ranked in such list have been approved by the Secretary under sections 803 and 805; and

"(4) if the Secretary has not approved each application superior in merit, as indicated on such list, to the application with

respect to which such notice is transmitted, containing a statement of the reasons relied upon by the Secretary for—

"(A) approving the application with respect to which such notice is transmitted; and

"(B) failing to approve each pending application that is superior in merit, as indicated on such list, to the application described in subparagraph (A).".

SEC. 3. PROCEDURAL REQUIREMENTS.

(a) Rule Making.—The Native American Programs Act of 1974 (42 U.S.C. 2991-2992d) is amended by inserting after section 813, as so redesignated by section 2, the following new section:

"ADDITIONAL REQUIREMENTS APPLICABLE TO RULE MAKING

"Sec. 814. (a) Notwithstanding subsection (a) of section 553 of title 5, United States Code, and except as otherwise provided in this section, such section 553 shall apply with respect to the establishment and general operation of any program that provides loans, grants, benefits, or contracts authorized by this title.

"(b) The last sentence of section 553(b) of title 5, United States Code, shall not apply with respect to any rule (including any general statement of policy) that is—

"(1) proposed under this title;

"(2) applicable to any program, project, or activity authorized by, or carried out under, this title; or

"(3) applicable to the organization, procedure, or practice of an agency (as defined in section 551(1) of title 5, United States Code) and that would affect the administration of this title.

"(c) Notwithstanding section 553(d) of title 5, United States Code, no rule (or general statement of policy) that—

"(1) is issued to carry out this title;

"(2) applies to any program, project, or activity authorized by, or carried out under, this title; or

"(3) is applicable to the organization, procedure, or practice of an agency (as defined in section 551(1) of title 5, United States Code) and that will affect the administration of this title;

may take effect until 30 days after the publication required under the first 2 sentences of section 553(b) of title 5, United States Code.

"(d) Each rule to which this section applies shall contain after each of its sections, paragraphs, or similar textual units a citation to the particular provision of statutory or other law that is the legal authority for such section, paragraph, or unit.

"(e) Except as provided in subsection (c), if as a result of the enactment of any law affecting the administration of this title it is necessary or appropriate for the Secretary to issue any rule, the Secretary shall issue such rule not later than 180 days after the date of the enactment of such law.

"(f) Whenever an agency publishes in the Federal Register a rule (including a general statement of policy) to which subsection (c) applies, such agency shall transmit a copy of such rule to the Speaker of the House of Representatives and the President pro tempore of the Senate.".

(b) Definition of Rule.—Section 815 of the Native American Programs Act of 1974 (42 U.S.C. 2992c), as so redesignated by section 2, is amended—

(1) in paragraph (3) by striking out "and" at the end thereof,

(2) by redesignating paragraph (4) as paragraph (5), and

(3) by inserting after paragraph (3) the following new paragraph:

"(4) the term 'rule' has the meaning given it in section 551(4) of title 5, United States Code, as amended from time to time; and".

SEC. 4. AUTHORIZATION OF APPROPRIATIONS.

Section 816(a) of the Native American Programs Act of 1974 (42 U.S.C. 2992d(a)), as so redesignated by section 2 of this Act, is amended by striking out "1988" and inserting in lieu thereof "1990".

The **SPEAKER** pro tempore. Is a second demanded?

Mr. TAUKE. Mr. Speaker, I demand a second.

The **SPEAKER** pro tempore. Without objection, a second will be considered as ordered.

There was no objection.

The **SPEAKER** pro tempore. The gentleman from Michigan [Mr. Kildee] will be recognized for 20 minutes and the gentleman from Iowa [Mr. Tauke] will be recognized for 20 minutes.

The Chair recognizes the gentleman from Michigan [Mr. Kildee].

Mr. KILDEE. Mr. Speaker, I yield myself such time as I may consume. Throughout its history, the Native American Programs Act has traditionally enjoyed strong support from native Americans, the administration, and from both sides of the aisle here in Congress. It is unique among those programs available to native Americans since it provides grants to Indian tribes and organizations, Native Alaskan villages and corporations, and native Hawaiian communities and organizations to support local strategies aimed at creating social and economic self-sufficiency. No other Federal program provides this type of assistance to all of these native populations. Although modestly funded, this program has produced very positive results in many native communities including:

The creation of thousands of jobs for native Americans;

The initiation or expansion of Indian, Alaskan Native and native Hawaiian businesses;

The strengthening of the governmental functions of many tribes through the enactment of codes and management improvements, and;

The construction or renovation of housing units on reservations and in urban areas.

The bill strengthens the Native American Program in three ways. First, it authorizes the Administrator to award multiyear grants. Second, it reinforces and strengthens the current application review process. Finally, it enhances native American input into decisions affecting their projects. This program has long enjoyed strong bipartisan support within the Congress. The administration also supports reauthorization of this program and I urge its immediate adoption.

Mr. Speaker, I reserve the balance of my time.

Mr. TAUKE. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, H.R. 3247 reauthorizes the Native American Programs Act for 4 years, through fiscal year 1990. I support this reauthorization, and I applaud the work of the chairman of the Subcommittee on Human Resources, the gentleman from Michigan, for his efforts to extend and strenghten this act.

The bill authorizes the Native American Programs at the level of such sums as may be necessary for each of the 4 years, which has been traditional for this program. While supporting adequate appropriations for this program, we recognize the budget restraints under which we are working. The "such sums" authorization will provide flexibility, therefore, in the process of setting the appropriations for the Native American Programs.

Additional changes made by the bill will: First, permit multiyear grants to be awarded under this program; second, amend the rulemaking procedures of the Administration for Native Americans, increasing the opportunities for public comment on policy decisions of the Administration; and third, codify the existing grant review process and improve the flow of information about the grant awards to Congress. In general, these changes improve and strengthen the act.

It is important to note that congressional intent in codifying the application review process is not to require the routine submission to Congress of all grant application information or to restrict, in any way, the Commissioner's discretionary authority in awarding grants. The purpose is to improve the information available to Congress on the grant procedure and on awards. Under no circumstances would the Congress, peer reviewers or applicants be able to overrule the award decisions made by the Commissioner.

Again, I support this measure and commend the subcommittee chairman for his efforts.

Mr. HEFTEL of Hawaii. Mr. Speaker, I rise today in strong support of H.R. 3247, to extend the Native American Programs Act of 1974. The Administration for Native Americans [ANA], which administers this program, has been highly successful in its efforts to create social and economic self-sufficiency among native Americans.

In my State of Hawaii, we have a nonprofit community based organization, Alu Like, which was organized to serve native Hawaiians. A substantial source of Alu Like's funding has been through economic development funds from the ANA. Since 1978, Alu Like has assisted in the training and employment of approximately 9,000 of the State's 179,000 Hawaiians, and has worked with over 700 public and private agencies statewide in facilitating projects and activities aimed at creating social and economic self-sufficiency among native Hawaiians. The Native American Programs

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Act, through the successes of such agencies as Alu Like, has proven itself to be a worthy program which deserves reauthorization.

I commend Mr. Kildee for his efforts on behalf of the Native American Programs Act and urge support of H.R. 3247.

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Mr. TAUKE. Mr. Speaker, I have no additional requests for time, and I yield back the balance of my time.

Mr. KILDEE. Mr. Speaker, I have no further requests for time and yield back the balance of my time.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Michigan [Mr. Kildee] that the House suspend the rules and pass the bill, H.R. 3247, as amended.

The question was taken; and (two-thirds having voted in favor thereof) the rules were suspended and the bill, as amended, was passed.

A motion to reconsider was laid on the table.

GENERAL LEAVE

Mr. KILDEE. Mr. Speaker, I ask unanimous consent that all Members have 5 legislative days in which to revise and extend their remarks on H.R. 3247, the bill just passed.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Michigan?

There was no objection.

FHA AND GNMA CREDIT COMMITMENT ASSISTANCE ACT OF 1986

Mr. GONZALEZ. Mr. Speaker, I move to suspend the rules and pass the bill (H.R. 4602) to authorize the Federal Housing Administration and the Government National Mortgage Association to enter into additional commitments to ensure loans and guarantee mortgage-backed securities during fiscal year 1986, and for other purposes.

The Clerk read as follows:

H.R. 4602

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the "FHA and GNMA Credit Commitment Assistance Act of 1986".

SEC. 2. FEDERAL HOUSING ADMINISTRATION COMMITMENTS.

Notwithstanding any other provision of law, the Federal Housing Administration may enter into commitments during fiscal year 1986 to insure loans under the National Housing Act in an aggregate principal amount that does not exceed $95,000,000,000.

SEC. 3. GOVERNMENT NATIONAL MORTGAGE ASSOCIATION COMMITMENTS.

Notwithstanding any other provision of law, the Government National Mortgage Association may enter into commitments during fiscal year 1986 issue guarantees under section 306(g) of the National Housing Act in an aggregate principal amount that does not exceed $100,000,000,000.

SEC. 4. NOTIFICATION OF CONGRESS REGARDING HOUSING CREDIT BUDGET.

(a) In General.—The Secretary of Housing and Urban Development shall notify the Committee on Appropriations and the Committee on Banking, Housing, and Urban Affairs of the Senate and the Committee on Appropriations and the Committee on Banking, Finance and Urban Affairs of the House of Representatives if the cumulative commitments issued through the end of any month of a fiscal year by the Federal Housing Administration to insure loans under the National Housing Act, or by the Government National Mortgage Association to issue guarantees under section 306(g) of the National Housing Act, exceed the pro rata share of the aggregate commitment authority available to such Administration or Association that is applicable to the expired portion of the fiscal year. Such notification shall be made not later than 30 days after the end of the month involved.

(b) Rule of Construction.—No provision of this section may be construed to establish any limitation on the cumulative commitments that may be issued during or through any month by the Federal Housing Administration or the Government National Mortgage Association.

The SPEAKER pro tempore. Pursuant to the rule, a second is not required on this motion.

The gentleman from Texas [Mr. Gonzalez] will be recognized for 20 minutes and the gentleman from Ohio [Mr. Wylie] will be recognized for 20 minutes.

The Chair now recognizes the gentleman from Texas [Mr. Gonzalez].

Mr. GONZALEZ. Mr. Speaker, I yield myself such time as I may require.

Mr. Speaker, this bill essentially and really, the main thrust of it, is to raise the credit limits for FHA and what we call Ginnie Mae, the Government National Mortgage Association, and their mortgage-backed security programs. This bill is critical to the Nation's home buyers as the ceiling on the GNMA Program has been reached and I understand that the credit limit on FHA will soon be reached.

H.R. 4602 increases the credit limit for the FHA program from $57.4 billion up to $95 billion and the limitation on commitments to guarantee Ginnie Mae mortgage-backed securities from $65.3 billion to $100 billion. It is important to point out that these figures represent credit limits and are not disbursements from the U.S. Treasury.

The Government National Mortgage Association Mortgage-Backed Securities Program was created by Congress in 1970 and has been one of the most critically needed segments of the secondary mortgage market in attracting additional mortgage credit into the mortgage market. This program has enabled thousands of FHA and VA mortgages to be pooled and sold to investors who are nontraditional sources of mortgage funds, which in turn has enabled many American families to purchase a home.

Unfortunately, the GNMA Mortgage-Backed Securities Program has come to a sudden halt because the ceiling for guarantee authority that is set by law was reached recently. This ceiling which was set at $68.25 billion for 1986 was reduced to $65.3 billion by the Gramm-Rudman on March 1.

The demand for GNMA commitments has been so strong that Ginnie Mae received applications for $11 billion in commitments in the first 4 days of April. While many lenders may have outstanding commitments which will enable them to continue to place FHA and VA mortgages into GNMA mortgage-backed securities, other lenders, simply do not. These lenders will be forced to find other secondary outlets for their FHA-VA mortgages, which will result in much higher housing costs.

The sudden explosion in the mortgage market has come about because of the unpredicted and unprecedented drop in mortgage interest rates. This drop has enabled thousands of families who had been priced out of the market to finally qualify for a mortgage. Thus, the FHA and GNMA programs have been in great demand.

However, with the GNMA Program closed and the credit limit for FHA soon to be reached, we must take immediate action to ensure that all families have the opportunity to become homeowners, and I urge all Members to support this bill.

Home ownership is an important part of the American dream and FHA and GNMA have helped this dream come true for many families. Let us raise these credit ceilings and continue to turn these dreams into realities.

This is a bipartisan effort. We want to recognize the leadership exerted by our ranking minority member of the committee.

Mr. Speaker, I reserve the balance of my time.

Mr. WYLIE. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, it is important that the House pass H.R. 4602, the FHA and GNMA Credit Commitment Assistance Act of 1986. This legislation, which I introduced last Tuesday, along with Chairman St Germain, Chairman Gonzalez, and the gentleman from Connecticut [Mr. McKinney], is critical to the Nation's home buyers. Chairman Gonzalez has done an excellent job in explaining the bill and I do not mean to be repetitious, but I think it is important to understand why we have this legislation here today, and the need for its passage.

We need this legislation because the Government National Mortgage Association, which is popularly known as Ginnie Mae, has reached the legal

limit on the amount of the mortgage-backed securities it can guarantee in this fiscal year. Ginnie Mae has a statutorily established credit limit of $65.3 billion. On April 7 the Association notified all the participants in their mortgage-backed securities program that they would accept no further commitments to guarantee securities effective at the close of business on Friday, April 4.

Unless Ginnie Mae is in a position to guarantee securities backed by FHA and VA mortgages, lenders will be reluctant to utilize these Government programs. Industry sources indicate that if the Ginnie Mae limit is not increased in the very near future, as many as 225,000 homebuyers would have their home-buying plans disrupted. To avoid such a predicament this bill would raise the Ginnie Mae commitment level to $100 billion.

H.R. 4602 also increases the limitation on the level of FHA commitments to insure mortgages and loans from $57.4 billion to $95 billion. Although the FHA limit has not yet been reached, it is clear it soon will be due to the unprecedented heavy activity in FHA mortgages, which Chairman Gonzalez referred to.

Finally, our legislation directs the Department of Housing and Urban Development to develop a tracking system that will allow HUD to notify Congress whenever it appears that commitments for either program are being utilized at such a rate as to pose the possibility of running out of commitment authority before the end of the fiscal year.

I think this is an important addition to the bill, also. Prompt notification will enable Congress to react and to avoid the possibility of program moratoria without facing an emergency situation as we are today.

Mr. Speaker, may I provide a little background information as to why we are faced with the necessity of raising these limits at this time. It all goes back to the high interest rates our country suffered under for several years and the subsequent economic recovery we are now enjoying.

Since the latter part of 1984 the housing industry has experienced a spectacular and unprecedented surge in home sales activity. This substantial increase in housing sales has been largely attributable to a steady decline in long-term interest rates. As long-term interest rates have declined, home ownership opportunities have increased dramatically. For example, since the fourth quarter of calendar year 1984—when the current surge began—interest rates have dropped by approximately 3.5 percent and now are under 10 percent for the first time in almost 8 years.

□ 1340

At these current low rates, the number of households which would qualify to purchase the median-priced home has increased by approximately 8.1 million. Just last week the Commerce Department reported that the decline in mortgage interest rates helped boost housing starts in the first quarter of the year to the highest level since 1978. The success of this administration's efforts to foster a healthy rate of economic growth with reduced rates of unemployment and a largely inflation free environment is clearly in evidence in the housing sector of the American economy.

All this has had a proportionate impact on the FHA program. The Department of Housing and Urban Development reports that FHA single family unit applications at the end of February totaled 547,740 and are double last year's activity for the comparable period. At the current pace, HUD conservatively estimates that single family unit applications could exceed 1.5 million compared with the 1986 budget projections for 900,000 units. These statistics, although staggering, are wonderful news and are a tribute to the economic recovery in the housing industry. It now appears virtually certain that demand for FHA mortgage insurance this year will be the highest in the FHA's 52-year existence.

FHA and VA mortgages represent approximately only 20 percent of the mortgage finance market. Individuals using FHA are generally moderate- and middle-income borrowers who cannot qualify for a loan without utilizing the low down payment feature of an FHA loan. There are literally thousands of potential homebuyers who fit that description. Most of them are first-time home buyers. These families have been waiting patiently for mortgage rates to fall to a level that would allow them to fulfill their dream of purchasing an affordable home. It would be more than unfair to freeze them out of the home buying market at this time.

What we are talking about here is credit limits—the authority of the Federal Government to guarantee a debt. As I mentioned, both the unsubsidized FHA program and Ginnie Mae are actuarially sound so the increases will cost the Federal Government nothing.

Mr. Speaker, I would like to take this opportunity to express my gratitude to the gentleman from Massachusetts [Mr. Boland], chairman of the HUD Independent Agencies Subcommittee of the Committee on Appropriations for his cooperation in allowing us to bring this bill to the floor in this fashion, without referral to the full Appropriations Committee. I would also like to thank the gentleman from Mississippi, Chairman Whitten, the gentleman from Massachusetts [Mr. Conte], and the gentleman from New York [Mr. Green] who also deserve expressions of appreciation for allowing this bill to come to the floor in this way, and for recognizing the need for expeditious treatment.

In that regard I would like to call the Members' attention to a letter supporting this action that was signed by the Mortgage Bankers Association, the Multi-Housing Council, the National Apartment Association, the National Association of Homebuilders, the National Association of Realtors, the National Council of Savings Institutions, and the Public Securities Association. After outlining the reasons for increasing the limits they concluded "the undersigned organizations are urging prompt action to remedy this situation."

Finally, Mr. Speaker, I want to publically thank Mr. St Germain, Congressman McKinney, and especially Chairman Gonzalez and call attention to the yeoman service the gentleman from Texas has performed not only today but for years in promoting the cause of housing. I know that he had to postpone an important engagement back in his district to be here today. It is indicative of his dedication toward housing American families that he was willing to do so. I appreciate his cooperation and I am looking forward to working with him to bring to the floor and pass the omnibus housing legislation in a timely fashion.

I urge passage of H.R. 4602.

Mr. GONZALEZ. Mr. Speaker, I in turn wish to repeat what I said earlier and thank and compliment the distinguished gentleman from Ohio [Mr. Wylie], the ranking minority members of the Committee on Banking, Finance and Urban Affairs, for his leadership and for his having put things together.

Mr. Speaker, I have no further requests for time, and I yield back the balance of my time.

Mr. WYLIE. Mr. Speaker, I yield 3 minutes to the gentleman from Wisconsin [Mr. Roth].

Mr. ROTH. Mr. Speaker, I thank the gentleman for yielding me this time.

Mr. Speaker, I rise in strong support of this legislation to raise the commitment limits for FHA and GMA.

I want to commend my colleague, the gentleman from Ohio [Mr. Wylie], who we are all so very proud of for his leadership in introducing this legislation and for the fine job that he is doing. I also want to thank the gentleman from Texas [Mr. Gonzalez], our chairman, who I think everybody in the House agrees puts in more hours than anyone else in the body. So we appreciate his work.

Mr. Speaker, our declining interest rates and favorable economic climate have combined to stimulate a housing boom in this country. The beneficiaries of this strong economy have notably been first time home buyers recognizing the dream of homeownership. And those who bought homes several years ago at higher interest rates who are discovering the advantages of refinancing.

We must beware that today, this rush of housing activity is threatened. The Government National Mortgage Authority, Ginnie Mae, has already reached its 1986 volume cap of $65.3 billion.

FHA is facing a staggering volume of single-family mortgage applications. At current rates, 1986 applications will reach 1.5 million. This will outrun the FHA's initial projections for 1986 by two-thirds. The FHA's loan commitment authority needs to be increased substantially to meet this demand.

Ginnie Mae serves as a secondary mortgage market by guaranteeing securities backed by mortgages underwritten by the FHA and VA. This secondary market has served to increase the amount of credit available for housing. It has also served another purpose by helping to keep interest rates down.

Unless we raise the Ginnie Mae commitment limit almost immediately, low-cost financing for first-time home buyers through the FHA and VA will cease to be available.

A letter we all have received from a group of housing finance organizations warns that a Ginnie Mae shutdown as well as the exhaustion of FHA authority would affect 225,000 borrowers per month. Even if loans can be delivered to a different investor than Ginnie Mae, borrowers will pay up to 1½ discount points more. And, once the FHA limit is reached, that option will be closed to borrowers.

I want to stress to my colleagues that increasing the Ginnie Mae limit to $100 billion and FHA's to $95 billion does not represent new Government spending. Rather, it represents a renewed commitment to the dream of home ownership and economic growth. Passage of this legislation is the least we can do to keep the housing recovery alive.

We have had a number of economic turndowns since the Second World War, but now our economy is coming down the track like a roaring train, and nothing can revitalize our economy more than construction and housing. This legislation goes in that direction, so this legislation is not only going to help our first-time home buyers, those people who are refinancing, people in construction, but it is going to help our entire economy. That is why this legislation is so important, and why I hope everyone will vote for it.

Mr. WYLIE. Mr. Speaker, I thank the gentleman for his outstanding statement and appreciate his excellent work in our committee for the cause of housing.

Mr. Speaker, I yield 5 minutes to the gentleman from Texas [Mr. BARTLETT].

Mr. BARTLETT. Mr. Speaker, I rise in support of this legislation and I rise to commend my colleague, the gentleman from Texas [Mr. GONZALEZ], chairman of the Housing Subcommittee, and to commend the sponsor of the legislation, the gentleman from Ohio [Mr. WYLIE], for his leadership and for their work in this timely legislation to expand the FHA and GNMA credit limitations.

I have a few comments about the legislation itself as I commend these gentlemen for their leadership. First, I would note that we are at this point, acting to provide for sufficient loan limits in both of these programs for the balance of this year, and that is absolutely necessary. We are acting on credit limitations in advance of the shutoff of FHA commitments, although when we granted an extension of FHA authority last month, FHA had been closed down for approximately 10 days. At this point, GNMA is closed down and has been since April 4.

It is the on-again, off-again nature of FHA and GNMA that adds to the inefficiency, and it becomes very disruptive and costly in the marketplace. So I compliment the chairman and the sponsor for acting at this point to provide for increases in the loan guarantee authority necessary for the balance of the year. I think it has been a valid criticism of Congress that we have not acted to provide full loan guarantee authority for these programs in the past.

Second, FHA itself is a win-win situation, as we all know, as is GNMA. It provides, on the one hand, the opportunity for homeownership for millions of American home buyers. We are now issuing FHA commitments at the rate of 1.7 million commitments per year. We expect approximately 1.5 million commitments to be made for this current year, and yet it is at no net cost to the Government.

FHA and GNMA are not only entirely self-supporting, the premiums that are paid into the plan, in fact, provide mortgage insurance for what is paid out.

There have been a number of proposals over the last several years for a user fee and cap and means test. I think that none of those proposals either will be or should be adopted by this Congress. In fact, we ought to be going in exactly the opposite direction for more deregulation of FHA and GNMA.

Third, I would note, as we all know here today, that the record requests and the record demand for FHA is due to the reduction of interest rates. Perhaps the reduction of interest rates in home mortgages has been the single most significant and compassionate item that has occurred for home buyers in this country in the last several years.

It is estimated that in 1985, even before the interest rates dropped, as much as they have now, the percentage of home buyers whose housing costs exceeded 25 percent of their income was down to 33 percent of those home buyers, a reduction from 40 percent in 1984. I would suggest that that reduction will continue.

The single most compassionate thing we can do for young families in this country is to act to bring interest rates down so that they can buy a home, and act to make FHA and GNMA efficient so that they can obtain mortgage insurance to obtain that access to mortgage money.

In January, we had approximately 130,000 applications for FHA loans. That is up 63 percent from December, and it is double what it was in January of 1985. I talked with two mortgage companies this morning in the Dallas-Fort Worth area who are active in the FHA market. One told me that his FHA applications were up by some 30 percent just from February to March, and the other told me that they had closed 344 FHA loans in the first 3 months of 1986, and that is compared to 83 loans in the first 3 months of 1985. They estimate they have approximately $100 million of FHA loans in the pipeline and will close half of those in the next 60 days, thus benefiting and providing home ownership for 769 families.

An extension of FHA credit and the use of FHA to provide that opportunity for homeownership is the single most important thing that we can do for families in this country. In conclusion, it seems to me that what we are doing here today, and what we ought to be doing more of, is to focus on the residents and the home buyers, and on the customers and on the borrowers themslves and to find ways to give those home buyers that opportunity to purchase homes. It had become fashionable in recent years, I am afraid, in some circles to somehow think that homeownership was no longer the in thing over the coming decades in this country. I think that is not true. I think that it is homeownership and that prospect for universal home ownership at all income levels that is in fact and continues to be the goal of American families throughout this country, and it ought to be the No. 1 goal of Federal housing policy. We have a tendency in Washington to think in terms of institutions, of FHA, of Congress, of HUD, of OMB, of the Housing Committee, and I think what we are doing with this legislation is to reverse that and to think beginning with the families that will be benefiting and buying those homes.

I thank the gentleman for yielding me this time.

Mr. WYLIE. Mr. Speaker, I thank the gentleman for his excellent statement and his outstanding work on the committee. He has developed a real expertise in housing and we look to him for suggestions.

Mr. Speaker, I have no further requests for time and I yield back the balance of my time.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Texas [Mr. GONZALEZ] that the House suspend the rules and pass the bill, H.R. 4602.

The question was taken; and (two-thirds having voted in favor thereof) the rules were suspended and the bill was passed.

A motion to reconsider was laid on the table.

GENERAL LEAVE

Mr. GONZALEZ. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks on the bill just passed.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Texas?

There was no objection.

□ 1355

RELEASING RESTRICTIONS ON USE OR CONVEYANCE OF REAL PROPERTY LOCATED IN CALCASIEU, LA.

Mr. SEIBERLING. Mr. Speaker, I ask unanimous consent for the immediate consideration of the (H.R. 4022) to direct release of restrictions, conditions, and limitations on the use or conveyance of certain real property located in Calcasieu Parish, LA.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Ohio?

Mr. STRANG. Mr. Speaker, reserving the right to object, I do not necessarily object, but I take this time to ask the gentleman from Ohio to explain the request.

Mr. SEIBERLING. If the gentleman would yield, I will be happy to do that.

MR. STRANG. I yield to the gentleman from Ohio.

Mr. SEIBERLING. Mr. Speaker, this is a noncontroversial bill reported by the Committee on Interior and Insular Affairs on April 16. It involves lands which formerly comprised the Chenault Air Force Base near Lake Charles, LA.

Most of these lands were acquired by the local authorities and then donated to the United States for the purposes of the Air Force base.

Some years ago, the base was closed. Subsequently, portions of the lands were transferred from Federal ownership into the hands of various local bodies, but these transfers were made subject to certain limitations or restrictions on the use, encumbrance, or conveyance of the transferred lands.

The local authorities now wish to reunite the old Air Force base property, and put it to use as an "air industrial park." The hope is that this will give an economic boost to a region hard hit by the decline in the oil and gas industry.

But to do this, the local authorities need to obtain the removal of the various Federal restrictions on the use, encumbrance, or conveyance of the lands. That removal would be accomplished by this bill.

As I mentioned, this is a noncontroversial proposal. The Congressional Budget Office has reported that it will involve no costs to the Federal Government. It is a meritorious bill and deserves enactment.

Mr. STRANG. Further reserving the right to object, Mr. Speaker, I thank my friend for his statement, and I would ask my friend if he has had an opportunity to relay the fact that this bill is being brought up to Mr. SENSENBRENNER.

Mr. SEIBERLING. I have checked with Mr. MOORE and Mr. BREAUX, the two Members the most interested in this legislation, and neither have any objection to bringing it up at this time.

I was not aware that Mr. SENSENBRENNER was concerned about this legislation.

Mr. STRANG. I thank my friend. We have no objection.

Mr. Speaker, I withdraw my reservation of objection.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Ohio?

There was no objection.

The Clerk read the bill, as follows:

H.R. 4022

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. RELEASE OF RESTRICTIONS, CONDITIONS, AND LIMITATIONS.

(a) IN GENERAL.—Except as provided in subsection (b), not later than 30 days after the date of the enactment of this Act, the Secretary of Health and Human Services or the Secretary of the Interior, as the case may be, shall execute such instruments as may be necessary to release all restrictions, conditions, and limitations on the use or conveyance of the real property described in section 2, to the extent such restrictions, conditions, and limitations are enforceable by the United States.

(b) EXCEPTION.—Subsection (a) shall not apply to any restrictions, conditions, and limitations that relate to a right of access to, or use of, any real property by the United States for national defense purposes in time of war or national emergency.

SEC. 2. REAL PROPERTY DESCRIBED

The real property referred to in section 1 is the real property described in the deeds of conveyance which are contained in the records of the Office of the Clerk of Court for Calcasieu Parish, Louisiana, and which bear the following file numbers:

1315177
1315199
1317259
1340444
1358693
1419321
1464428
1493946
1564169
1564208.

AMENDMENT IN THE NATURE OF A SUBSTITUTE OFFERED BY MR. SEIBERLING

Mr. SEIBERLING. Mr. Speaker, I offer an amendment in the nature of a substitute.

The Clerk read as follows:

Amendment in the Nature of a Substitute offered by Mr. SEIBERLING: Strike all after the enacting clause and insert in lieu thereof the following:

(a) The United States hereby releases, without monetary consideration, all restrictions, conditions, and limitations on the use, encumbrance, or conveyance of certain lands located in Calcasieu Parish, Louisiana, as identified as Item Numbers, 2, 4, 5, 6, 7-B, 8, 9, X, Y, Z, and Tract 7 on the map entitled "Plat of Restricted Properties/Former Chenault Airbase, Lake Charles, Louisiana", dated December 6, 1985, to the extent such restrictions, conditions and limitations are enforceable by the United States: *Provided*, That the United States shall have the right of access to, or use of, those lands identified on said map for national defense purposes in time of war or national emergency.

(b) Nothing in this Act shall affect the disposition or ownership of oil, gas, or other mineral resources associated with lands identified on the map referenced in subsection (a).

Mr. SEIBERLING (during the reading). Mr. Speaker, I ask unanimous consent that the amendment be considered as read and printed in the RECORD.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Ohio?

There was no objection.

The SPEAKER pro tempore. The question is on the amendment in the nature of a substitute offered by the gentleman from Ohio [Mr. SEIBERLING].

The amendment in the nature of a substitute was agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed.

The title of the bill was amended so as to read: "A bill to release restrictions on certain property located in Calcasieu Parish, Louisiana, and for other purposes."

A motion to reconsider was laid on the table.

GENERAL LEAVE

Mr. SEIBERLING. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks on H.R. 4022, the bill just passed.

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The **SPEAKER** pro tempore. Is there objection to the request of the gentleman from Ohio?

There was no objection.

GARRISON DIVERSION UNIT REFORMULATION ACT OF 1986

The **SPEAKER** pro tempore. Pursuant to House Resolution 422 and rule XXIII, the Chair declares the House in the Committee of the Whole House on the State of the Union for the consideration of the bill H.R. 1116.

□ 1358

IN THE COMMITTEE OF THE WHOLE

Accordingly the House resolved itself into the Committee of the Whole House on the State of the Union for the consideration of the bill (H.R. 1116), to implement certain recommendations made pursuant to Public Law 98-360, with Mr. Bosco in the chair.

The Clerk read the title of the bill.

The **CHAIRMAN**. Under the rule, the first reading of the bill is dispensed with.

Pursuant to the rule, the gentleman from California [Mr. COELHO] will be recognized for 30 minutes and the gentleman from Colorado [Mr. STRANG] will be recongized for 30 minutes.

The Chair recognizes the gentleman from California [Mr. COELHO].

Mr. COELHO. Mr. Chairman, I yield myself such time as I may consume.

Mr. Chairman, H.R. 1116 would reauthorize the Garrison Division Unit in North Dakota. This bill includes a series of compromises on many issues which have been debated in Congress for years.

Mr. Chairman, I support enactment of H.R. 1116. It is a fair compromise, and it enjoys wide support. This support includes the Governor of the State of North Dakota, major environmental organizations, and many Members of Congress who have historically opposed construction of this project.

The chairman of the Subcommittee on Water and Power Resources, Mr. MILLER of California, is not able to be here today. He has prepared a statement in support of H.R. 1116 which details the events leading to this important compromise, and which outlines the provisions of the bill.

Mr. MILLER of California, Mr. Chairman, H.R. 1116 represents a new beginning for one of the Nation's most troubled water resource development projects. The Garrison diversion unit has been dreamed of and fought over since the turn of the century. The last 15 years have been most troublesome for the project, especially here in Congress. Anyone who has ever heard of this project can probably tell you more about it than you every cared to know.

As originally conceived early in the 1900's, and as authorized by Congress in 1944, Garrison was a massive engineering undertaking designed to irrigate vast amounts of prairie farmland in North Dakota. The project was seen by its boosters as just compensation for the losses suffered by North Dakota when the Garrison and Oahe Dams were built on the Missouri River to provide flood control, power, and navigation benefits, mostly for downstream States. A Federal investment in pumping plants, reservoirs, and canals to irrigate 1 million acres of land seemed reasonable a that time. But appropriations and construction of this large project never materialized, as attentions focused on building the mainstem dams.

Twenty-one years after the Pick-Sloan authorization, Congress reconsidered the need to construct such a large irrigation project. The "initial stage" of the project—sized at 250,000 acres of irrigation—was authorized for construction in 1965. This scaling back of the rather ambitious 1944 plan was the first of many attempts to redesign the project to make it more economical; and less damaging to the enviroment.

The somewhat tortuous history of the Garrison project is detailed in the committee report for H.R. 1116, and I will not dwell on it here. What is important today is that we are acting on legislation which will replace Garrison as it has been known for more than 40 years with a project which is leaner and more responsive to the contemporary water needs of North Dakota.

H.R. 1116 is a compromise bill. It is the result of almost 2 years of hard work and cooperation from groups and individuals who had never before been able to agree on much of anything. In particular, I would like to recongize the hard work and cooperation of all the members and staff of the Garrison Diversion Unit Commission ; North Dakota Gov. George Sinner; the Garrison Diversion Conservancy District; Congressman DORGAN; Senators BURDICK, and ANDREWS; the National Audubon Society; the National Willife Federation; and the North Dakota Chapter of the Wildlife Society.

When Congress created the Garrison Diversion Unit Commission in 1984, it was greeted with skepticism. But the commission succeeded where other attempts to redesign the proulect had failed. Perhaps most importantly, the Commission process resulted in a new atmosphere of change for Garrison. The old notion that irrigation on a massive scale would be the highest and best use of the Missouri River in North Dakota was definitively put to rest by the Commission. Instead, a project emerged which will better meets the needs of many more people throughout the State. Instead of restricting the benefits of a Missouri River diversion to a limited number of farms in the State, the Commission plan—and H.R. 1116—spreads the benefits to towns, farms, rural communities, and Indian reservations across the State.

Few things in this world are more highly charged than the politics of western water development, and Garrison must be one of the best examples of this phenomenon. On more than one occasion, committee markups of H.R. 1116 were canceled because fundamental disagreements about the bill had still not been resolved. At my request, project supporters and opponents began a lengthy negotiation process almost 1 year ago which has brought this compromise bill to the floor of the House of Representatives. Negotiations were given impetus by a provision added to the Fiscal Year 1986 Energy and Water Development Appropriations Act—Public Law 99-141. This provision stated no funds could be expended for construction or land acquisition on Garrison after March 31, 1986, unless legislation reformulating the unit was enacted.

It is important to note that if no legislation reformulating the unit is enacted, it does not necessarily mean that construction of Garrison will come to a halt. The 250,000-acre plan would still be authorized and future appropriations could be made available for that project. Thus, H.R. 1116 should be enacted to reduce the size and environmental impact of the Garrison diversion unit, deauthorize obsolete and impracticable irrigation areas, and resolve a major international environmental controversy.

PURPOSE

The purpose of H.R. 1116 is to authorize the construction of the Garrison diversion unit, North Dakota, substantially in accordance with the recommendations of the Garrison Diversion Unit Commission. The project authorized by H.R. 1116 is intended to meet the contemporary water needs of the State of North Dakota, including municipal, rural, and industrial water needs, while specifically preserving any existing rights of the State to use water from the Missouri River. Specific provisions are included in the bill to minimize the environmental impacts of constructing and operating the Garrison diversion unit, especially impacts to fish and wildlife resources.

H.R. 1116 sets forth specific requirements which are intended to assist the United States in meeting its responsibilities under the Boundary Waters Treaty of 1909.

H.R. 1116 includes measures which will improve the repayment provisions of the Garrison project by requiring the execution of new contracts, executed in confromance with the Reclamation Reform Act of 1982, for the repayment of costs allocated to irrigation before construction can begin on irrigation facilities. H.R. 1116 also authorizes the use of power revenues as a means of repaying the capital costs attributable to irrigation.

Finally, it is a purpose of H.R. 1116 to offset the loss of farmland within North Dakota resulting from the construction of major features of the Pick-Sloan Missouri Basin Program, by means of a federally assisted water resource development project providing irrigation for 130,940 acres of land.

HIGHLIGHTS OF H.R. 1116

Section 1 deletes portions of the 1965 authorization and substitutes new purposes and authorizations for the project. Specific language is included so that future water resource development opportunities for North Dakota will not be precluded. This section also provides for the preservation of North Dakota's water rights claims, and terminates portions of the 1944 and 1965 acts and the irrigation acreage authorization in those acts. This section provides that all facilities authorized by H.R. 1116 are to be sized to serve only the 130,940-acre irrigation plan and North Dakota's plan for providing municipal and industrial water service to cities and rural communities—facilities are not to be made large enough to serve the old 1,007,000-acre or 250,000-acre projects. Finally, the bill makes nonreimbursable the costs of facilities already built which won't be used in the 130,940-acre plan.

As a result of this section, the authority of the Secretary to plan and construct 922,910 acres of irrigation in several parts of the State has been terminated. In addition, the supply works, canals, laterals, and drainage facilities necessary to serve these areas have been terminated as well. The specific areas authorized by H.R. 1116, the 1944 act, and the acreage terminated by H.R. 1116 are detailed in table 1, included in the committee report accompanying H.R. 1116. I ask that this table be included in my statement at this point. There should be no question that H.R. 1116 represents a complete reformulation of the Garrison project, and that all previously authorized irrigation not included in H.R. 1116 will be deauthorized when this bill is enacted. It is especially instructive to note that approximately $543 million in irrigation features in the Hudson Bay drainage authorized in 1965 are deauthorized in H.R. 1116.

TABLE 1.—IRRIGATION AREAS TERMINATED BY H.R. 1116

Irrigation areas	Areas authorized by 1944 act (acres)	Authorized by H.R. 1116 (acres)	Terminated, by H.R. 1116 (acres)
Souris Loop area	327,670	0	327,670
East Souris area	151,950	0	151,950
Coleharbor section	39,820	[1] 13,700	26,120
Harvey pumping area	10,310	2,000	8,310
New Rockford area	67,190	[2] 22,135	45,055
Sykeston area	37,000	0	37,000
Berlin area	12,740	0	12,740
Harvey-Maddock area	86,260	0	86,260
Warwick-McVille area	42,380	0	41,380
Baldhill area	96,810	0	96,810
LaMoure section	12,200	13,350	−1,150
Oakes section	108,000	23,660	84,340
McClusky Canal area	10,790	[3] 10,515	275
Velva Canal area	5,00	0	5,000
Undersignated	0	28,000	−28,000
Indian irrigation	0	17,580	−17,580
Total	1,007,120	130,940	876,180

[1] Includes the Turtle Lake area.

[2] Includes New Rockford area (20,935 acres) and New Rockford Canalside (1,200 acres).

[3] Includes McClusky Canal (4,000 acres) and Lincoln Valley (6,515 acres).

This section also places strict limitations on the size of some of the project supply facilities. Specifically, the Sykeston Canal and the James River Feeder Canal are to be built only to the size needed to serve the authorized purposes identified in H.R. 1116.

Section 2 generally adopts the Commission recommendations on fish and wildlife mitigation and enhancement, including the policy that mitigation is to be on an acre-for-acre basis, based on ecological equivalency, concurrent with project construction. Three exceptions to the Commission fish and wildlife recommendations are made regarding the status of Sheyenne Lake National Wildlife Refuge, the costs of developing and implementing fish and wildlife plans, and the use of reservoir sites as credit toward mitigation.

H.R. 1116 in many ways represents a new partnership between development and conservationist interests in North Dakota. The provisions for fish and wildlife developed by the Commission and included in H.R. 1116 represent innovative approaches to problems which have plagued the Garrison project for years. This bill offers the Bureau of Reclamation and the Fish and Wildlife Service a new opportunity to put aside their differences and cooperate in the implementation of the fish and wildlife provisions included in H.R. 1116.

Section 3 authorizes construction of the non-Indian irrigation areas totaling 85,360 acres in nine specified areas after September 30, 1990, and after completion of a comprehensive study of the impact of such development on the James River; 26,000 additional acres of non-Indian irrigation development outside the Hudson Bay, Devils Lake, and James River basins are also authorized. During the study period, construction may continue on the New Rockford Canal and the Oakes Test Area, and work may begin on the M&I water systems, but no work may take place on the Sykeston Canal or the James River Feeder Canal, or on the James River channelization until the report on the James River has been completed and submitted to the Congress. A new repayment contract(s) must be executed before development of the non-Indian irrigation areas begins. This section also authorizes the development of 17,580 acres of Indian irrigation in three specific locations, and prohibits the use of project facilities for nonproject drainage of wetlands.

I consider the requirement for the James River study to be one of the most important provisions of H.R. 1116. It is somewhat ironic that, despite the tremendous amount of irrigated acreage which is deauthorized by H.R. 1116, the amount of irrigation in the James River drainage basin is dramatically increased in this bill. This means that the James River will receive both the water supply for much of the irrigated lands, and the drainage return flows from those lands.

This study of the James River is intended to accomplish more than simply documenting the damage which will be done to a prairie river. The results of this study should guide the Secretary of the Interior in decisions made on how Garrison should be constructed and operated, so that impacts on the river are minimized. Special attention should be given to river flows and the effects on Arrowwood and Sand Lake National Wildlife Refuges. Every effort should be made to limit damage to the refuges and other parts of the river in both North Dakota and South Dakota. Finally, it is important that this study be conducted in an open and forthright manner, with the cooperation of any interested groups, agencies, and individuals.

Section 4 authorizes the use of Pick-Sloan power for State MR&I water supply facilities. The section requires repayment of irrigation costs by power revenues to be made over 40 years on a regular basis, and states that any power rate increases resulting from changes made by this reformulation of Garrison would be phased in over a 10-year period.

Section 5 authorizes the $200 million State of North Dakota's MR&I water development plan. An additional $40.5 million is made available to construct, operate, and maintain a water release and treatment facility to deliver 100 cubic feet per second of Missouri River water to Fargo, Grand Forks, and surrounding communities. All MR&I water diverted into the Hudson Bay drainage must be treated and must comply with the Boundary Waters Treaty of 1909. The construction of MR&I water systems for the Fort Berthold, Standing Rock, and Fort Totten Indian Reservations is also authorized.

The MR&I systems authorized in H.R. 1116 are designed to serve domestic water needs in many parts of the State, including areas which drain into Canadian waters. This would not be possible without the cooperation of the Government of Canada, which indicated to the Garrison Commission its willingness to accept the transfer of water which has been treated to ensure the removal of foreign biota. This was a critical step in development of the Commission plan, and H.R. 1116.

I want to give special emphasis to the critical rural domestic water supply needs of the Indian reservations. H.R. 1116 authorizes appropriations of $20.5 million for Indian MR&I development. This authorization was based on very preliminary information available to the committee and the Bureau of Reclamation. As more details regarding the Indian MR&I needs and water systems become available, it is quite possible that additional spending authority may be needed. The Secretary of the Interior should keep Congress advised of this situation, and there should be no hesitation in returning to Congress if additional authorization of appropriations for these water systems is needed.

Section 6 authorizes the Sykeston Canal as a replacement for Lonetree Dam and Reservoir. The size of Sykeston is limited to that needed to meet the water delivery requirements of the authorized irrigation service areas and the M&I water needs. Lonetree remains an authorized project feature, but couldn't be built unless: (1) the Secretary has determined there is a need for the dam; (2) consultations with Canada are completed; (3) Secretaries of the Interior and State certify that both actions (1) and (2) above have been completed, submitted the determinations to Congress, and 90 days have elapsed. This section also deauthorizes Taayer Reservoir as recommended by the Commission.

The Lonetree Reservoir/Sykeston Canal issue was by far the most important problem addressed by the Garrison Commission, and Lonetree remains a very sensitive issue to the State of North Dakota. It is my sincere hope that the Bureau of Reclamation, the State, and others will cooperate so that this issue may finally be put to rest in the manner contemplated by H.R. 1116.

The location of the Sykeston Canal could present problems in the future. The committee originally had the clear understanding that the canal would be located well away from the Lonetree Valley in order to avoid possible biota transfer into Canada via the Sheyenne River, and to minimize effects on wildlife. However, the Bureau of Reclamation's draft environmental impact statement on the Commission plan, released just days before the committee marked up H.R. 1116, indicates a preferred location for the Sykeston Canal right smack in the bottom of the Lonetree Valley. Special restrictive language had to be included in the bill to ensure that the U.S. obligations under the Boundary Waters Treaty would be met if this alternative routing for the canal is finally selected. I strongly urge the Bureau of Reclamation to avoid a routing for the Sy-

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keston Canal which could cause almost as many problems as Lonetree Reservoir.

Finally, this section specifically deauthorizes the construction of Taayer Reservoir, which would have destroyed Kraft Slough in southeastern North Dakota. The Garrison Commission specifically determined that Kraft Slough was a "unique" environmental feature which should be preserved and used only for wildlife habitat. This determination to deauthorize taayer Reservoir as a project feature was a turning point in the work of the Commission, and H.R. 1116 contains specific language to implement this important recommendation of the Commission. It is the clear intent of the committee that Kraft Slough be designated as a national wildlife refuge so that the maximum amount of protection for this area is provided.

Section 7 requires the Secretary to charge 10 percent of full cost for water used to grow crops in excess supply until the project repayment obligations have been satisfied.

Section 8 authorizes appropriations for the project. The appropriation authorization for development of non-Indian irrigation is limited to $100 million

Table 2 of the committee report displays a summary of the costs of the Garrison diversion unit and the appropriations authorized by H.R. 1116. I ask that this table be included at this point in my statement. It is especially important to note that the authorization of appropriations for non-Indian irrigation is specifically limited in H.R. 1116. Additional authority will be required in the future if these systems are to be completed.

TABLE 2.—GARRISON DIVERSION UNIT REFORMULATION COST SUMMARY

Category	Total cost to complete	Appropriations authorized
Section 10(a):		
Non-Indian irrigation areas	$322,400,000	[1] $100,000,000
Indian irrigation	67,910,000	67,910,000
Supply works	170,395,000	[2] 170,395,000
Subtotal section 10(a)	560,705,000	338,305,000
Section 10(b):		
M&I water supply	200,000,000	200,000,000
Sheyenne River facility	40,500,000	40,500,000
Indian MR&I	20,500,000	20,500,000
Subtotal section 10(b)	261,000,000	261,000,000
Section 10(c)	80,535,000	80,535,000
Total authorized by sections 10(a)-(c)	902,240,000	679,840,000
Sunk costs to date	275,250,900	
Total project cost	1,177,480,910	

[1] Funds cannot be obligated until 1990.

[2] Funds for Sykeston, James River Feeder Canal, and James River channel improvements cannot be obligated until the study required by section 5(c) is completed.

Section 9 authorizes Federal participation in a North Dakota wetlands trust. The trust will be established in North Dakota to preserve and enhance wetlands and wildlife habitat.

The establishment of this wetlands trust is a clear indication of the cooperative attitude which resulted in the compromise bill now before us. The wetlands resources of North Dakota are of tremendous national and international significance. Establishment of the trust is a clear indication that a comprehensive approach can now be taken in North Dakota for protecting flyway resources.

Section 10 requires soil surveys for irrigation to include an investigation of soil characteristics which might result in toxic or hazardous irrigation return flows.

Section 11 designates the short title of this act as the "Garrison Diversion Reformulation Act of 1986."

Section 12 states that this act meets the time and substance requirements for a Garrison reformulation which are set forth in the Fiscal Year 1986 Energy and Water Development Act.

Mr. Chairman, H.R. 1116 represents a positive step forward for water resource development in North Dakota. This bill will provide many people in North Dakota with direct benefits from the Missouri River, and will resolve a number of controversies which have prevented the development of resources in the State for years. A vote against H.R. 1116 means a vote to possibly reinstate the old Garrison project with noe of the reforms. I strongly urge my colleagues to support H.R. 1116.

Mr. COELHO. Mr. Chairman, I would like to thank all the groups and individuals who participated in the development of this compromise.

I urge my colleagues to join me and Chairman Miller in support of H.R. 1116.

Mr. STRANG. Mr. Chairman, I yield myself such time as I may consume.

Mr. Chairman, the compromise which has been reached on the Garrison project in H.R. 1116 is a fair and equitable compromise and has brought into it many of the additional opponents of this proposal. When you have the recognition that the State of North Dakota, when Governor Sinner, Senators Andrews and Burdick, the Garrison Conservancy District, the Audobon Society, and the National Wildlife Federation have pulled together to support this compromise, when you realize, Mr. Chairman, that certain long-standing opponents of this proposal including my distinguished colleague from Massachusetts, Mr. Conte, have now said that they can support this, my distinguished colleague from Michigan, Mr. Dingell, will support this, my distinguished colleague from California, Mr. Miller, it should tell us that when people come before the Congress and receive assurances that if they will compromise and refine and do their homework and pull together, they can then rely on their Government to do its part, that should tell us that we have an obligation to listen to this compromise and to react favorably in this body.

This bill is consistent with that process, and I for one feel that we have a deep obligation when we tell people to go back out, do their homework, put their activities together, and we will respond on our side that we should do so.

I urge the passage of this compromise proposal.

Mr. Chairman, I reserve the balance of my time.

Mr. COELHO. Mr. Chairman, I yield 2 minutes to our distinguished committee chairman, the gentleman from Arizona [Mr. Udall].

Mr. UDALL. Mr. Chairman, I rise in support of H.R. 1116, the Garrison Diversion Unit Reformulation Act of 1986.

This legislation embodies a series of carefully crafted compromises which, if enacted, will bring to an end years of bitter controversy over water resource development in North Dakota.

As reported by the Interior Committee, H.R. 1116 would implement the recommendations of a congressional commission that was established in 1984 to review the water needs of North Dakota.

It would deauthorize over 900,000 acres of previously authorized irrigation which, according to CBO, would ultimately save the taxpayers of this Nation $2.6 billion.

It would establish an innovative municpal, rural, and industrial water supply grant program to meet the water needs of more than a third of North Dakota's population.

It would provide for water development on two Indian reservations that were severely impacted by the project.

It would resolve longstanding environmental concerns of the Government of Canada.

It would establish an innovative wetlands trust to meet a variety of concerns involving wetland protection and enhancement.

Lastly, the bill includes important reforms designed to ensure that funds owed to the Federal Government for project construction are repaid in a more timely manner.

Mr. Chairman, I am very pleased to say that this legislation is supported by nearly all interests in North Dakota, as well as the National Wildlife Federation and the National Audubon Society.

It is extremely important legislation that is in the national interest as well as in the interest of the people of the Missouri River basin and Canada.

I strongly urge its passage by the House.

Mr. STRANG. Mr. Chairman, I have at this time no additional requests for time, and I reserve the balance of my time.

Mr. COELHO. Mr. Chairman, I yield 11 minutes to the gentleman from North Dakota [Mr. Dorgan].

Mr. DORGAN of North Dakota. Mr. Chairman, I know that when some in this body saw the posting of the Garrison Diversion Unit Reformulation Act on the calendar today, the reaction might have been, "Oh, no, here's Garrison again"—because Garrison has been a very tough issue for a number of people in the House of Representatives.

This is not the same old Garrison project that we have been discussing in the past years. Months and months amd months of compromise, with a lot of very hard, difficult meetings and with tough choices have been made by supporters and opponents of this project has now resulted in a compromise project, a reformulation of the Garrison Diversion Unit in North Dakota.

I would like to describe this new project, briefly, for the House today. First of all, this compromise proposal rather sharply reduces the cost and the size of the contemplated Garrison project in North Dakota. In fact, irrigation is cut to nearly one-eighth the original size; costs are cut by $2.6 billion from the 1944 Pick-Sloan Act and costs are cut by $809 million under authorization from current law. So, voting "yes" on this compromise ensures that the above reductions, that I have just described, will take place.

□ 1405

Voting "no" would mean we would be left with the old project, which is substantially more costly; and, of course, different in many other ways as well.

The Chairman indicated that some of the previous opponents to this project are now supporting it. Let me amplify on that to say that those who in the past have opposed this project, my distinguished colleague, Congressman Conte, Congressman Dingell, Congressman Fascell, and others; groups such as the National Audubon Society, National Wildlife Federation, and others, have now, as a result of participation in this process leading to a reformulation of this project, indicated that they supported this reformulated Garrison plan. So I think we have made major progress, and I salute all of those project opponents and supporters who participated in the process which has resulted now in this compromise proposal.

Now, Mr. Chairman, for many, many years in the first part of this century and long before that, I suppose, the Missouri River, was a sort of a strange river. In the spring it would result in terrorizing floods, cause enormous damage in property, lives lost, then through the rest of the year, it became just sort of a lazy, shallow, muddy river. The result was in one part of the year you had this raging river that caused enormous problems for a major part of this country, and the rest of the year you could not use if for much. Essentially no navigation was undertaken on the Missouri River because that navigation was completely unreliable due to the nature of the river.

So, back in the 1940's, actually the late 1930's and the 1940's, the proposal was "Let us harness that river and get from it what we can for the downstream States, get some good things from it. The result is that the costs of harnessing that river, will be borne by the upstream States and we will reimburse them for those costs." Now, I was 2 years old at the time the Federal Government said to North Dakota, "We are going to embark on the Pick-Sloan plan which is going to result in main stem dams up north, and when we put those dams up north then we are going to harness the river and we are going to be able to have reliable navigation down south, we are going to be able to produce electric power and generate it all around the region, we are going to have irrigation capabilities." They said "We are going to do a lot of good things by harnessing this river. And especially, most especially, we are also going to prevent hundreds of millions of dollars, yes even billions of dollars of flood damage that now occur that won't occur when we harness that river.

So North Dakota, quite appropriately back in 1944 said, "Well, we understand that. What you are saying is you want to create a flood up here forever in order to control the flooding downstream that happens each spring. What do we get for that? What is the exchange for our saying, 'Yes, we will host the flood forever, every single year, all year long, we will host the flood that is 850 square miles, three-fourths the size of the entire State of Rhode Island,' yes, we will play host to that flood forever—but what do we get in return for that?" The Federal Government says, "If you will agree to that forever-flood, then we will allow you to divert those waters from behind that dam from that flood all around the State because a semiarid State with 15 or 18 inches of rainfall per year obviously needs the capability for long-term economic health to move those waters around for municipal, industrial purposes, irrigation purposes, and others."

So back in the 1940's we said, "Well, that sounds like a decent bargain, a good deal." So, we contracted with the Federal Government, or they with us. We did not come to them, they came to us.

We said, "That is fine." So they built the dam. We have the flood, the flood came and stayed. We now lose $130 million a year every year from what would have been generated in our economy as a result of the loss of that rich bottomland. But the flood is there every year. States downstream get enormous benefits. The States, that benefited, for example, if I might describe a few of the benefits to you:

Iowa gets $324 million worth of power, $94 million in flood damages which have been prevented, Minnesota gets $610 million worth of power which has been generated, Nebraska $412 million of power from this project, $353 million in flood damages prevented in Missouri.

Those are all the benefits that accrue to all of those folks downstream. For years we have been debating about the benefits that ought to occur for us, the benefits that we were promised, the second half of the bargain.

What does North Dakota get for its economic future as a result of the bargain it made with the Federal Government? We have had difficulty getting the Garrison Diversion project built because it was controversial.

Now a lot of very serious-minded people have sat down together and said, "All right, let's reformulate this in a way that works so that we can get it built." That is what has resulted in this Garrison Diversion project which is now before you.

Ater 40-some years, we hope we are going to see the fruition of a Garrison project that can help North Dakota's future. Ninety percent of the power that is produced has gone out of the State. Ninety-eight percent of the flood control that has been prevented has been prevented for the benefit of the downstream States. And 100 percent of the navigational benefits that accrued from this project accrued to someone else.

The Garrison project, as it is now reformulated, will represent the benefits that are the other half of the bargain North Dakota and the Federal Government made over 40-some years ago.

Other speakers have mentioned that there are supporters for this reformulation that were previously opponents, and I alluded to that as well.

Let me show my colleagues a "Dear Colleague" letter that went out to every Member of the House, signed by Congressman Udall, the distinguished chairman, Silvio Conte, Don Young, John Dingell, Tom Petri, Dante Fascell, Bob Edgar, myself, and others.

These are supporters and opponents joining in the same letter, saying, "We support this compromise."

Here is a letter from the National Wildlife Federation saying, "We support this compromise." An organization that previously had been opposed.

The National Audubon Society is saying, "We support this compromise."

Again, Members of Congress, this compromise was not easy to achieve. It was literally months and months and months of meetings; it represents a very delicate compromise, but one that we think represents the best interests of this country and one that I think represents the best interests of North Dakota. I would hope that, as you consider your support for this project, you will understand that these things are very difficult to put together and can unravel very easily and quickly. We think it is a good compromise on irrigation issues, a good compromise

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on power issues, a good compromise on conservation issues, and I urge my colleagues to support this legislation.

Mr. STRANG. Mr. Chairman, will the gentleman yield?

Mr. DORGAN of North Dakota. I would be happy to yield to the gentleman from Colorado.

Mr. STRANG. I thank the gentleman for yielding.

I am very interested in my friend's comments as to commitments made on these upper and lower projects on the Missouri because my friend is probably aware of commitments made by this Congress in 1968 with regard to construction of the Central Arizona project. The other side of that was upper basin projects, particularly in the Animas-La Plata, which was supposed to have been built and in operation before any waters went to the Central Arizona project. We all know that there has been a good deal of delay on that, but we think the same principle applies.

We thank the gentleman for bringing up the point of commitments made and kept.

Mr. DORGAN of North Dakota. I think the gentleman from Colorado makes an important point, and it buttresses the point that I have been making.

Now let me make one final point, Mr. Chairman: Because this project became the subject of great controversy, a special commission was created in previous legislation that was an attempt to investigate, evaluate and review this project in some detail.

That commission met and issued certain recommendations. It studied this project in great detail. Then it issued a set of recommendations that it felt was necessary for reformulation of this project. This compromise represents the interpretation of that Garrison Commission Report on how to reformulate this project in the interests of everyone; in the interest of the taxpayers, in the interest of North Dakota, in the interest of this country, in the interest of those who are concerned about the environment. This reformulation represents the embodiment of what that Commission, which studied this project in detail, recommended to this country.

For that reason I would urge my colleagues in the strongest terms possible to accept this very delicate compromise and move ahead to complete what had been a promise and a hope and a dream for North Dakota's future and what, we've felt, was a bargain with the Federal Government that we could count on.

Mr. COELHO. Mr. Chairman, I yield myself such time as I may consume.

Mr. Chairman, I want to compliment the gentleman from North Dakota for his diligence on this particular piece of legislation. He has worked very hard and deserves a great deal of credit for that from his constituents and from the people in that general area. But he also deserves a vote of thanks from his colleagues for his efforts to put this together and take out the controversy that did exist in this legislation.

Mr. Chairman, I yield 10 minutes to the gentleman from Iowa [Mr. BEDELL].

Mr. BEDELL. First of all, I would like to echo the remarks made by my good friend from North Dakota; indeed he has put a great deal of work into this effort trying to get a project that would be acceptable all the way around.

I will have an amendment to this bill, and I wanted to explain my amendment and why I am bringing that amendment forward.

My amendment, pure and simple, will simply say that for those farmers who are growing crops that are in surplus and for which we are paying other farmers not to grow such crops, that they will have to pay the full cost of the water if they decide that they are going to grow crops that are in surplus. This bill does say that they will pay 10 percent of the cost, of the interest cost of delivering the water to those crops that are in surplus. I think the gentleman is right, indeed North Dakota did give up land in order for this project. Indeed, at that time there were commitments made that somehow they would be repaid in some manner. However, I think we are responsible for water policy. my concern is what sort of water policy are we going to establish in this country of ours?

At least as a member of the Committee on Agriculture, for us to take taxpayers' dollars every year to pay to deliver water to farmers so they can grow more crops which at the same time we are turning around and paying either those farmers or other farmers not to grow seems to me to be about as bad a fiscal policy as we could possibly adopt.

For your information, the total cost of delivery of water every year to those farmers who are using this water, if you include the interest on investment cost, is roughly $500 per acre per year. It is estimated farmers can pay up to $70 per year. Which is to say that continuing on every year taxpayers will be paying $400 per acre per year to furnish water to these people who are irrigating and to pay that kind of money to subsidize crops at the same time they are turning right around and paying other farmers not to grow crops seems to me to be about as bad a policy as we could have. So that at least the effort that I will have will be to establish water policy that seems to me to make some sense.

Mr. STRANG. Mr. Chairman, will the gentleman yield?

Mr. BEDELL. I will be glad to yield to my friend.

Mr. STRANG. I thank the gentleman for yielding.

It is my understanding that the makeup of the slack in costs has not in fact come from the taxpayers but in fact from power revenues. Is that the understanding of the gentleman?

Mr. BEDELL. No, it is my understanding it comes from both.

Mr. STRANG. I see. Well, my understanding has been that the Pick-Sloan funds would pay for the difference between agricultural costs and the other costs of the water delivery. Does the gentleman dispute that?

Mr. BEDELL. Wait. I do not know what the gentleman is saying.

Mr. STRANG. If I could read from the provisions of the bill, if the gentleman will further yield:

> "(B) Notwithstanding the provisions of section 302(a)(3) of the Department of Energy Organization Act (42 U.S.C. 7152(a)(3)), any portion of the costs properly chargeable to irrigation for the Garrison Diversion Unit which are beyond the ability of water users to repay as authorized by Reclamation law may be repaid from power revenues, except repayment of investment in irrigation for the Garrison Diversion Unit made after the date of enactment of this Act may not exceed forty years from the year in which irrigation water is first delivered for use by the contracting party and shall be made in equal annual installments."

That is my understanding.

Mr. BEDELL. But that says may be, may be paid by them, if the gentleman read it correctly. Is that correct?

Mr. STRANG. Well, I thank the gentleman for yielding.

Mr. BEDELL. Well, is that what the bill said?

Mr. STRANG. My understanding is that it will be paid by power revenues.

□ 1420

Mr. BEDELL. But how are they going to do that to the tune of $400 per acre per year?

Mr. STRANG. If the gentleman will continue to yield, the same way we do on other projects, as is contemplated, for example, in the Colorado River Basin projects both above and below Lees Ferry, upper basin and lower basin.

Mr. BEDELL. No. The issue has to do with the interest cost of the value of the project. I hope the gentleman understands that.

Mr. Speaker, does the gentleman think that on other projects the people are paying the full cost of the water, or that if they are not paying the full cost, it is recovered in electricity?

Mr. STRANG. If the gentleman will continue to yield, my understanding is that, yes, indeed that is the purpose of having the power revenues on these projects, in order to makeup costs between what the agriculture operator is able to pay or not able to pay, and that is where the slack comes from. That has certainly always been the intent on western reclamation and power projects.

Mr. BEDELL. The gentleman believes that in most of our water projects, indeed the users are paying full cost of the water unless it is taken up by other private industry in some manner, including the interest cost on the investment; is that correct?

Mr. STRANG. Mr. Chairman, if the gentleman will yield, I would say yes, and there is an evolution in western water projects in which, as in the Garrison proposal, there is a repayment for what is called M&I waters, municipal and industrial waters, which make the project even more feasible.

Mr. DORGAN of North Dakota. Mr. Chairman, will the gentleman yield?

Mr. BEDELL. I yield to the gentleman from North Dakota.

Mr. DORGAN of North Dakota. Mr. Chairman, I appreciate the gentleman yielding to me.

Mr. Chairman, my understanding on that point, incidentally, is that 85 percent of the cost would be borne from revenues that come from the power that is generated. I cited on the floor the power that Iowa has received, about $324 million according to the Army Corps of Engineers, from that Garrison Dam that was built in North Dakota yields benefits to others including Iowa.

But I asked the gentleman to yield for two particular purposes. One is to see if the gentleman will acknowledge that what the gentleman is proposing for this project will mean that the acres irrigated under this project will be the only acres in America that will be subject to the kind of surcharge that the gentleman is proposing. Would that not be the case?

Mr. BEDELL. I think that is very likely. I think the question is whether we should start to have some sense in the policies we have or whether we should continue with policies, what we are going to do is we are going to subsidize people to grow crops and, regardless of how it is paid, the more crops they grow, the more the Government is going to have to pay out to other farmers not to grow crops. So, either way, it is going to increase the cost to the Government.

Mr. DORGAN of North Dakota. Mr. Chairman, if the gentleman will yield further, I understand that.

I believe then the answer is "yes," that the irrigated land in North Dakota will be the only land out of the over 10 million acres of irrigated land under the reclamation projects that will be subject to this kind of a charge.

In fact, in this compromise itself, we agree to a 10-percent surcharge, and the 10-percent surcharge, which will represent about $50 an acre, will be the only surcharge borne by any of the reclamation land that is irrigated in the United States. We agreed to that.

The difference between what we are suggesting is not a difference in whether we should do something. The difference is in magnitude.

The gentleman is suggesting something that I think, in my judgment, is unreasonable. We suggested something that philosophically is in tune with what the gentleman is trying to do, but that we think makes more sense.

Mr. Chairman, if I might make one more final point, I do not know whether the gentleman is aware of it, but at the present time on those acres in North Dakota that are privately irrigated, about 90 percent of what is growing on those acres are not excess or surplus crops. In fact, most estimates are that we are not going to be putting this kind of land into the production of wheat or corn. It is more likely to be forage crops, alfalfa, dry edible beans, and other things.

But it seems to me that the difference between 10 percent and 100 percent is the difference between first unraveling a compromise that has been very delicately woven, and then, second, is probably preventing some very critical flexibility in the short term on a small marginal amount of land by some irrigators.

But I understand what the gentleman is trying to do. Those of us who sat around a table and hammered out a very difficult compromise not only understood what the gentleman was trying to do, but put it in the compromise with a 10-percent surcharge so that it represents the only irrigated acreage in America that will bear that surcharge.

Mr. Chairman, I submit to the gentleman and I submit to the rest of the House that what we did was responsible and solves the same kind of problem the gentleman is trying to solve—but does it in a way that retains a compromise that we think is very important for our State and for this Congress and for this Nation.

Mr. BEDELL. Mr. Chairman, I want to give the gentleman more time.

Mr. Chairman, will the minority yield time if we need time to complete our debate?

Mr. STRANG. Mr. Chairman, we will be happy to yield 3 additional minutes to the gentleman from Iowa.

Mr. BEDELL. Mr. Chairman, I do not want to take more time than need be.

Mr. Chairman, let me read from the previous legislation, Public Law 89-108, the 1965 Garrison authorization legislation. It included a section which reads as follows, section 5. I read this so we do not think this is something new that is being done:

> SEC. 5. For a period of ten years from the date of enactment of this Act, no water from the project authorized by this Act shall be delivered to any water user for the production on newly irrigated lands of any basic agricultural commodity, as defined in the Agricultural Act of 1949, as any amendment thereof, if the total supply of such commodity for the marketing year in which the bulk of the crop would normally be marketed is in excess of the normal supply as defined in section 301(b)(10) of the Agricultural Adjustment Act * * *.

This was passed in 1965. This did not just say that you have to pay the full cost of water. This says that you cannot even grow those crops on this project.

So I think for the gentleman to say this is something new that we are doing is a little unfair. But the issue is pure and simple. The issue is that we have had water policy that said, go ahead, we are going to go ahead and subsidize farmers to grow crops that are in surplus.

Some of us feel that that is wrong, and I am one of those. If it is wrong, then we have to correct it.

Mr. Chairman, it is too bad that the gentleman is first as we come forth to that position. But I do not think I would be serving the taxpayers properly if I said that since we have already been doing it, and since I fought this before in a similar manner, that now I am going to stop just because—the truth of the matter is I am a very good friend of the gentleman from North Dakota, or I consider myself to be a friend of the gentleman from North Dakota. But I think that if we have bad policy, that policy should be corrected, and we have to correct it when we can.

Mr. DORGAN of North Dakota. Mr. Chairman, will the gentleman yield?

Mr. BEDELL. I yield to the gentleman.

Mr. DORGAN of North Dakota. Mr. Chairman, I understand what the gentleman is trying to do. All I am trying to suggest to the gentleman, and it is very important, is that we did consider exactly those arguments in the forging of this compromise.

I think the gentleman will acknowledge that we attempted to describe these acres, as acres that will have a surcharge if those acres produce a crop that is declared in excess or surplus. It is important to understand that they will represent the only acres in America under these Bureau of Reclamation irrigation projects that will have a surcharge imposed with them.

I think that the gentleman is suggesting something that will unravel this compromise completely; and yet, what we have done in the compromise, I think, solves most of the gentleman's problems, at least I think it could solve most of the gentleman's problems.

Mr. BEDELL. Does the gentleman think the 10 percent will be enough so that it will not be economical for farmers to grow surplus crops?

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Mr. DORGAN of North Dakota. Generally, I believe that will be the case.

Mr. BEDELL. I guess the concern I have is that I think this is an important issue. I think it needs to be debated. And if there are other Members waiting to speak, I can understand our not having an opportunity to debate it; but if there are not, it seems to me we should have a chance to talk it out.

If the gentleman does feel that the 10 percent is sufficient so that it would prevent people from planting surplus crops, then the 100 percent will do nothing more than what the 10 percent does and we will have good, sensible water policy established from now on into the future as has been indicated in some previous legislation.

Mr. DORGAN of North Dakota. The reverse side of that is if the 10 percent will do it, why is 100 percent important?

Mr. BEDELL. Pure and simple, because that is sensible water policy. Sensible water policy is that we do not subsidize farmers to grow crops at the same time we are paying other farmers not to grow those same crops.

□ 1430

That is sensible water policy, I would think we would agree.

Mr. STRANG. Mr. Chairman, I yield myself such time as I may consume.

Mr. Chairman, I would like to point out to my friend, the gentleman from Iowa, three things: One is that the 1965 provisions to which he refers, which I find very interesting, obviously do not apply here because they expired in 1975.

Additionally, current policy is that these projects will be paid back their original cost 100 percent, and the thing that is tighter in this particular one is that it is limited to 40 years, which is a tighter provision than past history shows us. It makes it a more difficult part.

Additionally, this compromise is composed of so many sensitive elements. We sent the people out of here last year. They came before us. We said, "You go back. This is not going to work. It is not going to work with Canada, it is not going to work with many people in the Congress, it is not going to work with the conservation groups." And we said, "If you can work that out, we will work with you, the Governor and the whole crew." And they did work together and they did come back, and they came back with a proposal considerably more refined and narrowed down than we ever dreamed they would. And they came back in reliance that we would say, "By golly, you have done your part, we in the Congress will now do our part." And I share the gentleman's fear about using project water to grow surplus crops, but I would ask the gentleman to understand that the sensitivity of this compromise is such that if we can possibly get this project moving forward out of this body, without derailing it over that type of an issue, it would be a recognition to those people that we sent back out there saying, "Yes, you did your work, and we are going to meet you on this, we got some reservations, but you came up with something that is better for the American taxpayer than anything we have ever seen." And I would urge the gentleman to recognize that.

I yield to the gentleman from Iowa.

Mr. BEDELL. You are right, except my point was that in 1965 they acknowledged that this was sensible water policy. The time has expired. But in 1965, when they passed the law, it was acknowledged, that went even further than this, that says you cannot even use surplus water for such crops. But further than that, it seems to me that the people who were negotiating this compromise—and I agree it is better than what we have had, sure—but it seems to me that they were not the ones who have the proper concern as to what is done as far as the taxpayers are concerned. It seems to me that it is our responsibility, and it seems to me, therefore, that for us to just say carte blanche, "You go ahead and work out a compromise and then we will accept it, regardless of whether it makes economic sense to the taxpayers or not," does not seem—and I am not trying to derail the project. I am just saying that from the taxpayers' standpoint, the more crops we raise, the more it is going to cost us.

Mr. STRANG. Reclaiming my time, I thank the gentleman for those comments.

Mr. FASCELL. Mr. Chairman, I would like to commend those responsible for crafting this legislation—the chairman of the Committee on Interior and Insular Affairs, Mr. UDALL; the chairman of the subcommittee, Mr. MILLER; and Mr. DORGAN—for finding an acceptable resolution that will finally take this perennial problem off the congressional agenda.

H.R. 1116 was jointly referred to the Committee on Interior and Insular Affairs and the Committee on Foreign Affairs. The latter committee received referral because of its jurisdiction over boundary and water matters and because the Garrison Diversion has been a major issue in relations with Canada. However, the Interior Committee did such an excellent job in resolving the differences, including Canadian concerns over potential environmental effects on Canadian waters, that the Committee on Foreign Affairs found it unnecessary to take formal action on the bill.

The Garrison Diversion Unit has been discussed at the annual meetings of the Canada-United States Interparliamentary Group for each of the last 10 years. It will be a pleasure to inform my Canadian colleagues that the matter will probably not have to be included on the agenda for next year's meeting.

Mr. Chairman, I congratulate and thank the members of the Interior Committee for resolving this matter and urge the House to pass the bill.

Mr. STRANG. Mr. Chairman, I reserve the balance of my time.

Mr. COELHO. Mr. Chairman, I move that the Committee do now rise.

The motion was agreed to.

Accordingly, the Committee rose; and the Speaker pro tempore (Mr. DORGAN of North Dakota) having assumed the chair, Mr. BOSCO, Chairman of the Committee of the Whole House on the State of the Union, reported that the Committee, having had under consideration the bill (H.R. 1116) to implement certain recommendations made pursuant to Public Law 98-360, had come to no resolution thereon.

GENERAL LEAVE

Mr. COELHO. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks on H.R. 1116, the bill just considered.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from California?

There was no objection.

ORDER OF BUSINESS

Mr. COELHO. Mr. Speaker, I ask unanimous consent that the gentleman from Texas [Mr. WRIGHT] be permitted to take his special order immediately after the gentleman from Wisconsin [Mr. ROTH].

The SPEAKER pro tempore. Is there objection to the request of the gentleman from California?

There was no objection.

NUCLEAR SAFETY BOARD

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Arizona [Mr. UDALL] is recognized for 5 minutes.

Mr. UDALL. Mr. Speaker, today I am introducing a bill to provide for establishment of a Nuclear Safety Board [NSB]. Identical legislation has been introduced in the Senate by Mr. BIDEN. The proposed new agency would be organized along the line of the National Transportation Safety Board [NTSB]. The NSB would conduct inquiries into reactor malfunctions or accidents in the same way the NTSB looks into transportation accidents.

The idea for an NSB surfaced in 1977, and interest in the concept was renewed in 1979 in the aftermath of the accident at Three Mile Island when investigations into that unfortunate event uncovered disturbing facts. The investigations showed that prior to March 28, 1979, a series of seemingly modest mishaps at TMI and other Babcock & Wilcox [B&W] reactors had resulted from significant weaknesses in the B&W design. Had these events been properly investigated and if the lessons learned had been acted upon, the March 28 accident would not have occurred. TMI had thus demonstrated the need to assure comprehensive inquiries into relatively innocuous reactor malfunctions.

Hal Lewis, a physics professor at the University of California, Santa Barbara and an early and articulate supporter of the NSB concept, proposed that an NSB be established to fulfill the need for improved investigations. Our colleague MICKEY EDWARDS, saw the merits of the concept and he enlisted Professor Lewis to work with him in converting it into a legislative proposal. The result was Mr. EDWARDS' bill, H.R. 5775 in the 96th Congress which I cosponsored.

The underlying rationale for setting up an independent agency was that the NRC, the agency responsible for licensing nuclear facilities and assuring compliance with regulations, could not be fully objective in assessing the causes of reactor malfunctions and accidents. At the same time it seemed to many of our colleagues that the argument for an NSB was not so overwhelming as to warrant setting up a separate agency.

As a compromise between a fully independent agency and reliance for investigations upon NRC line staff, the Commission established the Office for Analysis and Evaluation of Operational Data [OAEOD] within the NRC.

Although the OAEOD has served a useful purpose, potentially dangerous events have continued to occur at operating reactors. In 1985 alone three significant reactor malfunctions occurred. In addition to raising doubt as to the reliability of nuclear powerplant safety systems, these and other post-TMI events have caused concern about the adequacy of the process for extracting and applying the appropriate lessons from them.

Recently in fact the NRC has taken an important step to enhance its scrutiny of reactor incidents. In 1985 the Commission developed an Incident Investigation Program providing for incident investigation teams [IIT's] to investigate important events. IIT's conducted inquiries into the three most serious reactor incidents that occurred last year: Davis Besse in June, San Onofre 1 in November, and Rancho Seco in December.

The IIT inquiries in many respects did a good job of analyzing the 1985 events. The IIT reports, however, left unanswered the important question as to why neither utilities nor the NRC had detected and corrected beforehand the weak links in the safety chain that caused the accidents. The failure to look into such questions suggests a possible conflict of interest: the IIT's, composed of NRC staff members and concerned for the NRC's reputation, might consciously or unconsciously steer their inquiries away from matters indicative of shortcomings in NRC procedures.

The agency envisioned by our bill would be headed by a three person board appointed by the President with advice and consent of the Senate. The Board, as we envision it, would be assisted by a 40 person staff. The agency's annual budget of approximately $5 million, in large measure, would be offset by a reduction in the NRC's appropriation for accident investigation activities.

In sum, I believe that the benefit that would be derived from an independent safety board could well be a significantly decreased likelihood of a serious reactor accident. This benefit would outweigh the modest new costs that might result from setting up a new organizational entity.

Mr. Speaker, the Nuclear Safety Board is a concept deserving serious consideration along with other proposals aimed at increasing the safety and viability of nuclear power.

LIABILITY CRISIS

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Wisconsin [Mr. ROTH], is recognized for 60 minutes.

Mr. ROTH. Mr. Speaker, this is a copy of the Philadelphia Inquirer from Friday, March 20, of this year. The headline reads, "$988,000 is awarded in suit over lost psychic power."

The case involves a woman who claims that a CAT scan performed at a university hospital caused her to lose her psychic powers. That is almost $1 million for something she could not even prove she had, in the first place. If she were really psychic, why could she not predict that she would lose her powers before she took the test? Think about it. This is a glaring example of a justice system gone berserk.

Now, let me say, from the start, that I can sympathize with this woman. She underwent this test, allegedly, against her wishes, and she has suffered from headaches and nausea ever since. Maybe she does deserve some compensation. But $1 million?

Is the court system supposed to be John Beresford Tipton? Has a trip to the hospital become equivalent to a trip to the corner grocery store for a lottery ticket?

I requested a special order today to give my colleagues an opportunity to discuss the liability crisis. My interest was drawn to this problem first because of individuals I heard from in my district whom I knew to be very fine businessmen, but were having problems getting insurance. Since those initial contacts with these people in the district, the problem has snowballed until we have a full-fledged crisis affecting almost every working man and women in America. The issue of liability insurance has become the most pressing problem for the American economy today.

Hearings have been held. The problem has been analyzed. But we need action now, before America is sued right out of business.

This is a complex. issue. Blame has been allotted all around. Some critics charge that the liability crisis is a conspiracy cooked up by the insurance industry to gouge the public. The insurance industy responds with charges of greed by fee-hungry trial lawyers whose number has tripled since 1970. Still others feel that it is the result of judges and juries who award large damages to a litigation-crazed American public.

I think it is important to take a look at this question realistically and try to addres it, because we do have a crisis here. Even the U.S. Supreme Court Chief Justice Warren Burger has said there is much too much litigation in America.

None of the charges that we have referred to today help the individuals or the companies that can be forced into bankruptcy by one massive liability suit, nor does the system help the consumer it is supposed to protect. Instead it is the consumer who must indirectly or directly pay for the rise in insurance rates whenever he or she purchases a service or a product.

More and more as the insurance crisis grows you will see "thou shalt not" etched across things we once took for granted. You cannot use a sled in Denver city parks because the parks are uninsured. You cannot have a baby in Monroe County, AL. None of the local obstetricians can get malpractice coverage. You can no longer buy the classic jeep sedan, an automotive best seller for four decades. Again, no insurance.

We have all heard the horror stories. The burglar who fell through a skylight, while robbing a public school, recovered $260,000 in damages plus a continuing income. A man who attempted suicide by throwing himself in front of a New York subway was injured but not killed, and he collected $650,000 from the New York Transit Authority. Does that make sense?

A woman in a phone booth was hit by a drunken driver and received court-ordered compensation not from the drunken driver but from the phone booth manufacturer.

The list reads like Ripley's "Believe It or Not."

In his classic work of 150 years ago, "Democracy in America," Alexis de Tocqueville, stated that almost every argument in the United States ends up in court. I shudder to think what he would say of us today. Alone in the developed world, the United States faces an excess of business, governmental and personal liability and an acute shortage of insurance to cover it.

Is it possible to live in a nation where doctors are expected to be as perfect as God, where children are raised in a perfect society, playing with perfect toys, being educated in perfect schools, and participating in injury-free sports? Of course not.

There is, maybe, no easy solution to this problem, but one thing is sure. With the best of intentions, the scales of a system designed to render justice have been tipped. The balance has moved so far toward the desire to compensate all injuries and all losses that the overall cost to society has become too much. We have reached a point where exposure to liability is becoming almost limitless and incalculable,

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making everyone, governments, businesses, and individuals, a victim.

There have been a number of solutions offered. The administration is carefully considering the problem and possible legislative recommendations, and we all welcome that and applaud that. I have discussed this plan with the Secretary of Commerce, the Justice Department and with OMB. I look forward to administration efforts in the form of a legislative initiative.

I say we must enact something before the Congress adjourns this year. We have only so many days left. It is paramount that we act and act swiftly. We will be negligent if we fail to act.

I suggest we start in the field of product liability. This is the grandaddy of all liability issues. It and medical malpractice have been major problems for over a decade, long before the liability crisis became an in-topic. Manufacturers are suffering the worst. The product liability problem has become a definite drain on our economy.

The U.S. manufacturing community cannot continue to function with a hodge-podge of irrational laws as its governing standard. The courts are clogged with cases. Insurance has become astoundingly expensive. Businesses are shutting their doors. Soon we will find that some necessary products and services are no longer available at any price.

In the last few years, seven companies have withdrawn from the business of making anaesthesia equipment. Only two remain, because the threat of product liability suits has become so overwhelming. Likewise, there is only one maker of pertussis or whooping cough vaccine in the United States. And even the two remaining are talking about getting out of the business. The vaccine saves thousands of lives every year, but it is not perfectly safe. As a result, the manufacturer has attracted more than 100 lawsuits in the last 3 years amounting to almost $2 billion in claims. And yet the entire U.S. market for vaccine amounts to only $250 million. Can we blame the producers for going out of business?

Let me share with you a notice that is circulating around my home State of Wisconsin. It says:

> Forced out of business. The inability of Federal and State governments to pass legislation to limit liability in product liability claims has made product liability insurance unaffordable. Therefore, after 66 years and 3 generations of serving Wisconsin industries, we are forced to close our doors.

This is the type of scenario that is being repeated throughout the country. The extent of the crisis cannot be measured just in individual anecdotes. Let us talk about some real statistics.

The number of product liability cases filed in Federal courts rose from 1,579 in 1975 to over 10,000 in just last year. The first million-dollar tort verdict was awarded in 1961. By last year, there were over 360 cases settled for $1 million or more. We cannot continue in this direction. Today the cost of our tort system is put at 37 times more than it was in 1950. Have manufactured products become that much more unsafe? No. The American public has become the victim of a system run amuck.

It is no easy matter to conjure up a sensible Federal solution. Product liability cases traditionally have been covered by state laws. A Federal bill must not unduly intrude on the right of State authorities to fashion tort remedies. Also, complex legislation must be resisted. That is what has slowed things down in the other body.

When you try to rewrite 200 years of tort law, you come up with too many new definitions. There is no doubt that interpretation of these concepts will tie up the courts for years. With a solid body of law already fashioned, there is no need to wait for decades to get a clear meaning.

In researching the problem, I have come upon the work of a noted law scholar from Hofstra University, Aaron Twerski. His proposals make good sense and strike a correct balance, in my opinion. It is these concepts that I have incorporated into my bill, H.R. 4425, the Product Liability Uniform Standards Act or, as we call it, PLUS.

The U.S. Supreme Court Justice Oliver Wendell Holmes wrote, "The tendency of the law must always be to narrow the field of uncertainty." That tendency has not been apparent lately. Without certainty and predictability, plaintiffs sue, defendants do not know how to protect themselves, and insurance companies cannot reasonably assess risks and price. My bill is designed to go back to the basics. The system was working reasonably well, not perfectly, but reasonably well, up until a decade ago. It would seem reasonable to enact and moderate and restrained reform, and to wait to see if radical solutions prove necessary. H.R. 4425 follows Justice Holmes' advice, that is, it narrows the field of uncertainty. That is what we want to get at.

My PLUS plan targets the four crises in product liability. First, it would make negligence the sole test for any defective design and failure to warn cases.

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It is only logical that the burden of proof should be with the plaintiff. After all, he is the one that is bringing the action. In this way we can narrow the expansion of the law of the past few decades that was typified in such cases as Campbell versus General Motors and Carter versus Johns Manville.

In the first case the California Supreme Court expanded the consumer expectation test so that plaintiffs do not have to prove a product was truly defectively designed. Instead, all they have to do to get standing to sue is to declare the product did not perform as they expected it to perform.

For example, if this podium falls over and injures my foot, I can sue the manufacturer. I do not have to prove that the podium was manufactured without regard to balance. All I have to say is that I did not expect it to injure me.

In Carter versus Johns Manville, the Texas District Court ruled on the issue of using a state of the art defense in failure to warn cases. It said a manufacturer could not argue that it provided no warning because it had not known of the danger at the time of production. Instead, the manufacturer would have to prove that it was not feasible to include a warning on the product. In other words, a manufacturer would have to be a prophet, a soothsayer.

For example, let me take my watch, which is an American-made watch, incidentally. If 20 years from now it is discovered it contains a metal that causes arthritis, I can sue that manufacturer. The manufacturer cannot use as a defense that it was not known and had no scientific evidence at the time that the watch was made that it would cause arthritis. The only argument that he would be allowed to make is that there was no way that he could put an appropriate warning on the directions that such problems might exist in the future—totally unreasonable. I am sure that you will agree that this is absurd.

Right now most State courts hold manufacturers strictly liable, even if, think about it, those manufacturers acted reasonably in designing and marketing their products. Is this fair?

No one should be held liable for failing to design or market products to meet technological or popular standards that evolved after the product was sold.

It is my contention that if all manufacturers were held to a standard of reasonable care, society would be adequately protected. Manufacturers would no longer be held to standards which are impossible to meet.

The second crisis is the rising amount of punitive damage awards. We call them "punies," and they have become the real surprise element in product liability cases. Just when a defendant thinks he has paid all the costs involved with a case, he is hit with an additional cost, because he did not pay fast enough.

A single error in designing and marketing can result in hundreds, if not thousands, of lawsuits against one company. To bring stability, predictability and fairness to punitive damages, we need clearly articulated standards that set forth the kind of irresponsible conduct for which courts will impose punitive damages. In other words, give manufacturers some rules of the road.

Thus, in my legislation, plaintiffs would have to prove by clear and convincing evidence that the defendant was reckless. This is a standard higher than the current preponderance of evidence. It allows punitives to be awarded only when truly deserved.

We must cap the amount of these rising costs, pain and suffering payments, punitive damages, contingency fees. It may be necessary to set specific dollar amounts to stop these runaway costs.

The third issue to address is the overlap in workers' compensation and tort systems. Currently a manufacturer is held liable when a defective product causes injury in the work place and must bear the full cost of the injury. The workers' compensation system which dispenses money for workplace injuries is entitled to recoup any funds it paid out from the ultimate recovery against the manufacturer.

The long and short of this is that manufacturers bear the full brunt of workplace injuries, even though the employer may have contributed to the injury by negligence in the workplace.

To resolve this problem and still limit the liability of the employer, one need only allow the workers' compensation award to be set off against the ultimate judgment.

This solution permits the plaintiff to retain the very same benefits he now enjoys. By shifting part of the cost back to the employer, we encourage safety in the workplace and alleviate the crushing burden on manufacturers.

The fourth crisis is that of the innocent defendant being dragged into suits unnecessarily. Under the present system, in most States wholesalers and retailers are held strictly liable for the sale of defective products, even though there is nothing they can do to discover the defect. In most instances they are in no position to control the product quality. This is not only liability without fault, it is liability without reason.

My solution is that if the manufacturer is sued, the wholesaler and the retailer who have no chance to discover the product defect should be exonerated from liability. This will unclog the courts of unnecessary suits.

My bill provides also for a comprehensive study of the facts concerning damages in product liability litigation.

The fairness and efficiency of our tort system depends upon appropriate damage awards; yet we have no useful damage award data on which to evaluate the efficacy of our legal rules.

If it becomes necessary to cap costs down the line, this study will allow us to make informed decisions. It is time to debunk the myth that any Federal product liability legislation will be anticonsumer. Just the opposite.

Most consumers do not file liability suits, but they pay through the nose for the people who sue and win outlandish awards. Substantial reform can be accomplished without trampling on consumer rights. It is time for even-handed and highly focused legislation favoring no particular industry.

Certainly if I were a trial lawyer I would favor the current system, but I do not shed any tears for attorneys who might lose the advantages of the tort system which operates under the law of the jungle.

Each manufacturer now lives in almost mortal fear of being sued. He can no longer count on being protected by the law. He is now attacked by the law.

The current system has grown expensive and unpredictable. We must send a clear message to the courts that this current madness will end. My legislation does not attempt to rewrite 200 years of tort law. It is designed not to further complicate the system or interfere with the rights of States unduly. It will not confuse judges or juries.

My PLUS plan fairly addresses both the concerns of the injured party and the rights of the manufacturers.

The bill I have introduced speaks with fairness, common sense, and with moderation to the consumer and to the business community alike. A tort system with clearly defined standards will enhance individual responsibility and end the punitive damage sweepstakes.

SAM HOUSTON AND THE LEGACY OF SAN JACINTO

The SPEAKER pro tempore. Under a previous order of the House, the genleman from Texas [Mr. WRIGHT] is recognized for 60 minutes.

Mr. WRIGHT. Mr. Speaker, this is a day of significant commemoration.

One hundred and fifty years ago today—April 21, 1836—one of history's most decisive and most fateful military engagements occurred at a place called San Jacinto in Texas.

Because of that stunning victory by a contingent of civilian volunteers under the command of Sam Houston against the army of General Santa Anna, a notorious military despot, Texas won its independence from Mexico and set in motion a train of events which united the western and eastern halves of our Nation into one seemless web of destiny.

It seems appropriate, therefore, that we spend these minutes in the House of Representatives Chamber today thinking of that significant occurrence and of the man who, more than any other, set these events in motion.

Sam Houston, hero of Texas independence, was as unorthodox as a beer party in the church.

He also could be as unexpectedly devout as a prayer in a saloon.

His bold and strangely mottled life is worth reviewing as we celebrate the sesquicentennial year.

The conventional moralist can find a lot wrong in the life of Sam Houston. Like everything else about this remarkable giant, his behavioral shortcomings were king-sized.

He swore profanely. He drank copiously, seemed at one point on the verge of drowning his future in alcohol. The Cherokees had a name for him. They called him "Big Drunk."

Mentioned prominently in his mid-30's as a possible candidate for the Presidency of the United States, Houston threw away a promising political career and resigned the Governorship of Tennessee under a cloud of suspicion which to this day has never been cleared up.

He married three times, once without the benefit of clergy unless you count the Cherokee tribal customs.

He fought duels in violation of the law, and on one occasion was officially censured by the United States House of Respresentatives for thrashing a member on a public street.

But Sam Houston had one redeeming virtue: If his faults were bigger than lifesize, so was his faith.

If his crudeness was colossal, so was his basic integrity.

The structure of his life could withstand numerous flaws in exterior design because it was upheld by two steel girders: An unswerving faith in God and a deep sense of personal honor.

Sam Houston strode into the pages of enduring history on April 21, 1836. He was 43 years of age, and at that point in life a celebrated failure.

On that day, under Houston's command a hastily assembled and only partially trained civilian contingent of fewer than 800 volunteers routed and put to flight the flower and elite of a military empire led by a self-confessed military genius named Antonio Lopez de Santa Anna, who called himself "the Napoleon of the West."

Rarely has a military engagement been so fatefully significant. Because of that triumph at San Jacinto and the events which followed it, the United States was to stretch across the broad expanse of the continent to the Pacific Ocean.

It is worthy of our observance today, not alone because of its historic consequence, but because its lesson is as timely as tomorrow's headline. It is an impelling chapter in the timeless and ever timely story of freedom.

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The early Texans, lured by the promise of a new frontier and the pledged faith of a written constitution, had come to establish peaceful colonies in what was then northern Mexico. Yet the pledge of civil liberties and representative government was cynically betrayed by the dictator, Santa Anna. When the colonists sent the mild and genteel Stephen F. Austin to Mexico City to lodge a peaceful complaint, he was seized and thrown in prison where he was forced to languish for months.

So certain was their determination for liberty that the Texans, though they were only a handful, met in a crude, unfinished building at a place called Washington on the Brazos and formally declared their independence on March 2. So uncompromising was their hostility to enslavement that the entire complement of 182 men defending the Alamo under Travis against a siege of perhaps 3,000 troops openly rejected surrender and knowingly elected to die on their feet rather than live on their knees—a dramatic choice without parallel in the history of heroism.

So complete was the duplicity of their oppressor that under a flag of truce he lured another group of the Texans into an open meadow at Goliad and callously slaughtered them in a withering crossfire.

It was against this backdrop that Sam Houston's little band, the last ragged remnant of the army of the infant Republic of Texas, crossed Buffalo Bayou into the San Jacinto prairie over which was to hang the acrid smell of gunpowder and the stench of death.

General Houston did a significant and remarkable thing. He paused before entering the battleground and spoke briefly and simply to his followers. Perhaps not wholly unprecedented, but surely highly unusual in the history of battle, he offered them a choice:

> If there are any here who shrink from the issue, they need not cross the bayou. Some must perish, but victory is as certain as God reigns. Trust in the God of the just and fear not.

They crossed. Houston ordered the bridge behind them burned to seal off escape, and the unequal contest began. The odds seemed insuperable.

But the God of the just was worthy of their trust. The signal results of that direct onslaught reveal the presence of something more than human will. Against the Texas casualties of 8 dead and 27 wounded, the elite corps of the Mexican Army lost 630 killed and 730 prisoners. Santa Anna was among the captured.

The legacy of San Jacinto is the story of the invincible spirit of free men and women when finally aroused to righteous rage by the inevitable excesses of despotism.

San Jacinto does not belong to Texans alone. Present on that day, in Sam Houston's army were men from 14 States and the Territory of Arkansas.

Nor could it be said that Sam Houston belongs to Texas alone.

He was born in Virginia.

He left home at 15 and lived for 3 years with the Cherokees in part of what is now North Carolina.

He achieved his first military recognition against the Creeks under Andrew Jackson in what now is Alabama.

He began and for a time ended his political career in Tennessee.

Thereafter he wandered aimlessly for many months and was reported drunk on a Mississippi River boat.

Finally he turned up in the Oklahoma Indian Territory living again with the Cherokees.

He was sent to Texas on a special mission by President Jackson, one of the few people who never lost faith in him and the one man whom Sam Houston almost idolized. If Sam Houston is the hero of many of us in Texas today, Andrew Jackson was his hero.

When Jackson lay dying at the Hermitage, Houston took his wife and small son in a red horse-drawn coach over the primitive roads and trackless prairies from Austin to Nashville, TN, in a sleepless, headlong race against death. He wanted to be at the bedside of his mentor.

He arrived, only hours too late, to learn that some of the last words his hero had spoken were of him and of his efforts in bringing Texas into the Union.

And Houston whispered to his child:

> Always try to remember, my son, that you have looked upon the face of Andrew Jackson.

Such was his devotion.

Houston was, in fact, during his life a citizen of four nations:

The United States;

The Cherokee Nation which he served for a time as its Ambassador in Washington;

The Republic of Mexico, of which he became a citizen upon going to Texas; and the Republic of Texas which he served as President.

Through it all, strangely enough, his undivided loyalty was to the United States, and statehood the dynamic dream he shared all along with Andrew Jackson.

Interestingly enough, Sam Houston was never a citizen of the Confederacy. With all his heart, he believed slavery to be wrong and secession to be treason. He vacated the Governorship of Texas rather than swear allegiance to an entity which made war upon his country.

Of one State legislator who pressed both for secession and for impeachment proceedings against him, Houston said: "He has every attribute of a dog, except loyalty."

Ironically in light of his posthumous popularity, Sam Houston died reviled and rejected by many in the State which claims him as its patron saint.

So unpopular were his views against secession that city councils passed ordinances denying him the right to speak. On at least one occasion when he attempted to do so, a rock thrown by a faceless member of an unreasoning mob struck the old man in the face.

Twice Governor—of two different States—he twice relinquished the position rather than compromise a conviction.

He was no more daunted by public disfavor than he was by physical danger. Sam Houston held personal honor more valuable than public office.

The decision which caused him to leave the Tennessee Governor's chair, and the State itself, involved his young first wife, Eliza Allen, his bride of only a few weeks, and her inability—for whatever reason—to live with him.

Therein lies a mystery which has never been unriddled. Nor will it be. The nearest thing to an explanation appears in a personal note which Houston wrote, not for publication, but to the young lady's father. It reads in part as follows:

> I have been satisfied and believe her virtuous, as I have assured her. If mortal man had dared to charge my wife, or say ought against her virtue, I would have slain him. That I have and do love Eliza, none can doubt, and that I have ever treated her with affection, she will admit. That she is the only earthy object dear to me God will bear me witness—

And then, only this:

> * * * she was cold to me, and I thought she did not love me * * *.

To the public, not even that much. Ugly rumors grew. While his political well-wishers pleaded with him to make a statement—some kind of statement—Houston steadfastly refused. He would say only these three words: "She is blameless."

Importuned to consider his own reputation and his future, Houston replied with steely firmness: "Whatever the price of silence, I will pay it."

Rather than discuss the matter, he tendered his resignation as Governor.

As Houston prepared to leave Tennessee and the Governor's office—still without any explanation—a noisy rabble gathered outside his hotel. Someone posted a ribald placard, unsigned, challenging his honor.

Upon learning of this, Houston put on his coat and hat, walked out onto the porch and faced the mob.

Speaking slowly and very deliberately, he said:

> I am given to understand that someone has taken it upon himself to placard me. . . I invite him—or them—who are responsible for this denunciation to come forward to me now and make it good.

Dead silence. Long minutes ticked by as he stood there, his eyes going over the crowd face by face. He spoke once more:

> I give notice, to each and every one of you, that though I am leaving this city, if any wretch utters so much as a whisper against Mrs. Houston, I will return and write the libel in his heart's blood!

He let that sink in . . . descended the stairs, and walked unhurriedly toward the steamboat landing, as men hastened to get out of his way.

This story has a sequel, for which I am indebted to a former congressional colleague, the late Percy Priest of Nashville.

Upon leaving Tennessee, Sam Houston left a letter with a close and trusted friend. His clear instruction was that the seal on the letter was never to be broken unless it should be necessary to defend the honor of his young wife.

Apparently that was never necessary. Nobody spoke blame against Eliza. Only against Sam.

The letter was passed down through at least three generations, the seal still unbroken.

Finally, in the 1930's—more than a full century having passed—it was formally agreed by the then possessor that, in the interest of history, the seal at last should be broken and the letter read.

A date was set for a public opening of the document. Historical societies and the State of Tennessee were to be represented. It was to be an official ceremony. Percy Priest, then a newspaper reporter, was to cover it for the Nashville Banner.

But the ceremony never took place. Three days before the date agreed upon, lightning struck the house in which the still-sealed letter was encased. The house, and everything in it, burned to the ground.

One other little-remembered episode in the life of Sam Houston seems worthy of a fleeting comment.

After he left Tennessee and before he went to Texas—during the period when he represented the Cherokee Nation in Washington as its Ambassador—a Representative from Ohio named William Stanberry, in the course of an attack upon the Jackson administration on the floor of the House, implied that Houston and Jackson were involved in some underhanded conflict of interest over contracts to supply Indian nations.

Jackson took it in stride, but Houston was outraged. He called at the door of the House Chamber for Stanberry, who declined to accept his note and refused to see him.

Some days later, Houston encountered the Congressman on Pennsylvania Avenue and demanded satisfaction. Stanberry pulled a pistol, but it misfired. Houston manhandled him rather brutally.

Stanberry, invoking the law of congressional immunity, demanded that Houston be tried and punished by the House. Houston appeared in his own defense. He was both humble and contrite. Here is part of what he said:

> If, when deeply wronged, I have on impulse violated one of the laws of my country or trespassed the prerogatives of the House, I am willing to be held to my responsibility * * *.
>
> I stand before this House, branded as a man of broken fortune and blasted reputation. Never can I forget that reputation, however limited, is the high boon of heaven. Though the plowshare of ruin has been driven over me and laid waste my brightest hopes, I have only to say, with the poet Byron:
>
> "I seek no sympathies, nor need;
> The thorns which I have reaped are of the tree
> I planted; they have torn me and I bleed."

And so, Sam Houston—former Congressman and former Governor, once mentioned as a bright prospect for the Presidency, on May 9, 1832 was officially censured by the U.S. House of Representatives.

But you can go back in the forerunner of the CONGRESSIONAL RECORD and read the official reprimand spoken by Speaker Andrew Stevenson. It reads more like a commendation.

The "reprimand" contains 123 words of undiluted praise for Houston, followed by a single sentence, 30 words of censure, in which the Speaker simply said:

> I forebear to say more, General Houston, than to pronounce the judgment of this House, which is that you be reprimanded by the Speaker—and I do reprimand you accordingly.

All this happended before Texas, before San Jacinto, before his Presidency of the Republic, before his brilliant battle for Statehood, his later service in the U.S. Senate and his politically courageous though unavailing fight to help save the Union. These things came later, catapulting this strange, hot-blooded giant into a sort of immortality.

A motto for his life might well be the words he spoke on the eve of the battle of San Jacinto: "Trust in the God of the just, and fear not."

His faults were big, but his faith was bigger.

And perhaps in that there's hope for lesser mortals, even for you and me.

□ 1500

Mr. Speaker, I should like to yield, if I may, to my distinguished colleague, the gentleman from San Antonio, HENRY GONZALEZ.

Mr. GONZALEZ. I thank the distinguished majority leader and fellow Texan, and in our State well known as a historian and orator and leading political figure, and thank him for invoking on this very significant day in Texas, April 21, which we know as San Jacinto Day, because it was there at that place that is designated as the San Jacinto battlefield that Sam Houston and the forces with him successfully defeated the rather larger or the host of Santa Anna's army.

I rise because I think that all through my childhood and emergence into college and young manhood, I was aware of another aspect, another interpretation of this historical development, in which a substantial contingent of Tejanos or, in the case of San Antonio, Bexarenos, were involved in this struggle.

□ 1510

But in teaching the history to us in the public school, we learned it as a fight between what we call today the Anglo and the Mexican. The truth is that the struggle was more complex, and it involved a cross-sectional participation on the part of many longtime and native Texas citizens who happened to be of what we call today Hispanic extraction.

For example, in the charge at the Bayou against Santa Anna, one of those leading the charge alongside of Sam Houston was Juan Nepumecendo Sequin who very successfully had been involved in the initial struggles against the Government of Mexico. The battle flag over the Alamo was a red, white, and green flag with the numerals 1824 in the white middle. 1824 meant the Constitution of Mexico of 1824, which had granted quite a bit of autonomy to the legislatures of Coahuila in Texas which also included rather liberal clauses for the first time, particularly for the colonists that had come from the States of Missouri, Alabama, Tennessee, Virginia, and the United States then. But we must evoke that period of time by recalling that Mexico had an official State religion which was the Catholic Church. It was also a time in which any person wanting to have title or ownership of land, whether they were colonists from outside of the Mexican territory or Mexican citizens, they had to do two things. They had to proclaim their citizenship to Mexico and the Catholic faith. Otherwise, they were denied title to real property. So naturally, with the influx of the colonists from the English-speaking section of the United States, where this was an abhorrent tradition, where it was taken for granted that one of the basic liberties was separation of church and State, this was a natural ground for immediate contention.

The Constitution of 1824 was suspended by General Santa Anna, so that General Santa Anna faced three simultaneous revolutionary movements, the first two having originated in the center of Mexico, the second one in northern Mexico in which my

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great grandfather was the leader in revolting against General Santa Anna's suspension of the Constitution of 1824, because members of the family had been at various times members of the legislature of Coahuila in Texas. So that Santa Anna put down those two movements and he was able to regroup, and then emerge into Texas and take on what we call the Texans today.

But I think we ought to know that in the roles of those fallen at the Alamo, of those who fought and fell at San Jacinto, you have quite a good sprinkling of Hispanic names. You have the Garzas, you have the Menas, you have the Gutierrez and names such as those who were identified in that struggle, just like my great grandfather was identified in northern Mexico in the northern Mexican revolution against Santa Anna.

In Mexican history, Santa Anna is looked upon as a most unpopular ruler. In fact, for years and years, he was called the Great Betrayer in Mexico. And I think that we should never forget that there was this admixture or joinder of peoples that made it possible for Texas to first throw off a tyrannical yoke, and second, gain its independence, exist as a republic for 10 years, and coexist as such with such names as Jose Antonio Navarro, for example, who was inextricably linked with the Texas independence decade, and with Gen. Sam Houston.

So I would just add this bit because I think that as we go into the future, this portion of the whole story of the history of that struggle will emerge more and more into sight, and I want to thank my highly esteemed and most-loved leader from Texas, Mr. Wright, for taking time to bring to the attention of the Nation that April 21 is not only a Texas holiday, but it is indeed a national holiday.

Mr. WRIGHT. I thank the distinguished gentleman from San Antonio, TX, such a scholar on Texas history, and on history itself, for his truly significant contribution to this discussion today. I think it is worth observing that there are many parallel currents that have run through the course of the lives of our two nations, so close, so near neighbors, with different traditions and cultural backgrounds, but yet seeking so many of the same fundamental objectives.

If you were to read the statements of Padre Miguel Hidalgo, you will find him influenced to a degree by George Washington and Thomas Jefferson. If you were to read the statements of either Abraham Lincoln or Benito Juarez, who were contemporaries, you will find that they fought the same fights, opposed the same foes, and suffered many of the same difficulties, communicated with one another and were friends together. Francisco Manero believed in many of the same things Franklin Roosevelt believed, and so in these two countries they have moved together, side by side, and we have a true comraderie and friendship that I think really needs to be observed today, because what we commemorate today was not a struggle of Anglos against Hispanics, but this survival of freedom.

Mr. BARTLETT. Mr. Speaker, will the gentleman yield?

Mr. WRIGHT. I yield to my friend, the gentleman from Texas [Mr. Bartlett].

Mr. BARTLETT. I thank the gentleman for yielding. I think all Texans everywhere are grateful to the majority leader for taking out this time on this day of some significance for freedom everywhere. I know that many of my Texas colleagues will have a lot to say, as has already been said, about the significance of today.

I would take 1 minute just to make three observations. First as my good friend from San Antonio, Mr. Gonzalez, said that the Texans that fought for freedom on this day came from everywhere, all over the world, including a large contingent of tejanos from Mexico. They were all at the time Mexican citizens. They came from all over Mexico, all over the United States, and from countries all over the world.

But what they had in common was a yen for freedom, for independence, for being able to live their own lives.

The gentleman from San Antonio has discussed Mr. Sequin, Vice President of the Republic of Texas. Newly, the interim Vice President, newly declared was Lorenzo de la Savalas, the Vice President. Indeed, the tejanos had perhaps more to risk than the Anglos in the Army, because shortly before the battle, General Santa Anna had pledged to hang Lorenzo de la Savalas, and presumably the other tejanoes in the Army, but as the other heroes of the day, they came from all over the world.

One hero stands out, a man named Erastis Smith, also known as "Deaf Smith." Deaf Smith reminds us, and he was called "Deaf Smith" because he was deaf, a hero of the Texas Revolution, quite a significant figure in that day, and elsewhere in the frontier, he reminds us that when you are going to commit yourself, commit yourself all the way, because under an order of General Houston, Deaf Smith went out that day and cut the bridge over Vinces Bayou, and then came back waving his rifle and announced to the advancing Texas Army that the bridge over Vinces Bayou had been cut and Santa Anna's retreat had been cut off. But it also cut off the retreat of the Texas Army and the Texas Army at that time was outnumbered approximately 2 to 1, and the Texans knew that. So we began the battle with an all-out commitment to win it.

Third, it seems to me as we look at all of the correct military and all of the military and political decisions that Sam Houston made leading up to the Battle of San Jacinto, one stands out, and that was Gen. Sam Houston, keeping his own counsel, directing the course of that war for independence chose the time of the battle at a time of his own choosing. Regardless of the President of Texas sending messages to please take the battle now, and others were giving different advice, but Sam Houston waited until the time was precisely right and then he attacked. He attacked at a time in which he was outnumbered 2 to 1, but he knew that reinforcements were on the way. He chose the time that was in his own best interest, and he did not wait.

It is said that during the course of the retreat across Texas, where he engaged and unengaged from Santa Anna's army all the way across Texas that many would urge him to make the showdown right then, and Sam Houston would not make that showdown until the time was correct. He would not do anything precipitously. He did retreat across Texas, many of his army being disgruntled. The legend has it, and it is true, the legend has it that shortly after the battle of San Jacinto, across this retreat, several of General Houston's officers became so disgruntled that they began to sort of organize their own little miniarmy in which they were going to stand and fight as they put it. Gen. Sam Houston dug two graves and announced that the first of the two graves was for the first officer that recruited a soldier, and the second grave was for the first soldier that chose to mutiny. Thus, there was no mutiny within the ranks of Gen. Sam Houston who chose the time that was in his best interest, and the best interests of his army. He surprised the army of Santa Anna. He attacked at the right time.

The rest is written in the history of free men, and I thank the gentleman for taking the time, and for yielding this time to me.

Mr. WRIGHT. I thank the gentleman from Texas [Mr. Bartlett] for that really interesting contribution to our discussion today. I think he has made a significant addition.

Mr. PICKLE. Mr. Speaker, will the gentleman yield?

Mr. WRIGHT. I yield to my distinguished friend, the gentleman from Texas, the city of Houston, Mr. Pickle.

Mr. PICKLE. Mr. Speaker, the battle of San Jacinto is often referred to as one of the decisive battles of the world.

That is not just "big Texas talk," either.

There is reason behind this claim. Because for Texas to win its independence from Mexico meant that the United States would someday be able to fulfill its dream of expansion to the west coast.

In addition, this established the Rio Grande River as the Nation's southern boundary and ended any expansionist dreams of other nations to move into the southwest and beyond.

If there was one historic development that allowed the United States to fulfill the manifest destiny that President James Polk spoke of, it was the victory of Sam Houston over General Santa Anna.

It was a case of democracy over dictatorship, but it also opened the door to the continued westward expansion by the United States.

I don't think there has been a victory on the American Continent that required more bravery by a group of people who endured great hardships and deprivation—with the possible exception of Washington's troops at Valley Forge.

These people were independent minded and fiercely patriotic citizens who dedicated themselves to forming an independent government. And they succeeded against unbelievable odds. Perhaps this is the source of that famous Texas can do attitude.

I don't know of any other State that fought a nation to gain its independence. It was a home grown revolution by men and women who pledged to establish their own free government. They did and the Republic of Texas was born. Texas is one of the few States that was an independent nation prior to entering the Union.

When our fight was going on against Mexico, the Texans were also joined by a few native Texans—persons of Mexican descent. Two of them were signers of the Declaration of Independence and several of them were at the battle of San Jacinto and later helped to form our Government.

And, now, 150 years later, a large portion of our population are of Mexican lineage. They represent a most progressive and enlightened segment of our State. Today, we have several Members of this Congress, such as the great Henry B. Gonzalez, who have Hispanic blood in their veins.

And, so, Mr. Chairman, on this San Jacinto Day, I hope all Americans will join with we Texans in this historic celebration, for while it is primarily a Texas celebration, it is an event in history that changed the course of the history of the entire country.

□ 1525

Thank you, Mr. Leader, for yielding me the time.

Mr. WRIGHT. As always, the contribution by the distinguished gentleman from Texas has been enlightening and delightful. I thank the gentleman for his contribution.

I would like to yield at this time to our distinguished colleague from west Texas, Mr. Combest.

Mr. COMBEST. Mr. Speaker, 150 years ago today, on a strip of land 21 miles east of the city that now bears his name, Gen. Sam Houston led approximately 900 soldiers to victory over Mexican forces led by General Antonio Lopez de Santa Anna.

In less than 20 minutes—with outraged cries of "Remember the Alamo" and "Remember Goliad"—the Battle of San Jacinto was over and Texas became a free, sovereign, and independent republic.

Today we celebrate the 150th anniversary of this historic battle and our independence from Mexico and remember the 927 farmers and shopkeepers who, although outnumbered, stood together to defend their land, their families, and their future.

Historians note that the Battle of San Jacinto not only won the people of Texas their independence, but changed the face of America. The significance of the historic event is best stated by the engraved words of the masonry monument at the San Jacinto Battleground State Historical Park:

> The freedom of Texas from Mexico won here led to annexation and to the Mexican War, resulting in the acquisition by the United States of Texas, New Mexico, Arizona, Nevada, California, Utah, and parts of Colorado, Wyoming, Kansas, and Oklahoma. Almost one-third of the present area of the American Nation, nearly a million square miles of territory, changed sovereignty.

Today, Mr. Speaker, we Texans celebrate our independence and reaffirm our commitment to the ideals of freedom and democracy.

As we look to the next 150 years, we set the vision of the future before us as a goal to be met with the same courage and determination as evidence by the brave Texans we remember today.

Again, I thank the majority leader, and I consider it an honor to be able to participate with other Texans this very historical day in our history.

Mr. WRIGHT. I thank the gentleman from Lubbock for his great contribution.

I yield to my very good friend, whose district adjoins mine on the west, the gentleman from Stamford, TX, [Mr. Stenholm.]

Mr. STENHOLM. Mr. Speaker, it is with great pride that I rise today as an American, but particularly as a Texan, to pay tribute to a great occasion that took place 150 years ago today in Texas.

It was on April 21, 1836, that Texas won its independence at the Battle of San Jacinto. The battle lasted only 18 minutes, but in that time, the history of the world was changed forever.

For the past century and a half, Texas has drawn the awe, amazement, and admiration of people around the world. Why? Because it has been at the forefront of events that molded our lives. From the discovery of great oil fields to the exploration of space, Texas has played an integral part in the development of our Nation and the modern world. The past 150 years of Texas history could even fill the Texas-sized Library of Congress with facts, figures, and folk tales. It is a colorful and historical past that any State, even nation, would envy.

And it all began 150 years ago today in a marshy area near modern day Houston. The Battle of San Jacinto was the final push by the charging Texans, who had been inspired by the cry, "Remember the Alamo." When the skirmish was over, those brave pioneers had won independence from Mexico.

When Texas established itself as the Republic of Texas it was a huge nation. It stretched into territories which are now New Mexico, Oklahoma, Kansas, Colorado, and Wyoming. For 10 years it existed as an independent country, one which fulfilled the many dreams of people who came from other parts of the United States and the world, hoping to build a bigger and better place to live.

They colonized the wilderness, established huge ranches and built new cities. They brought new meaning to the word pioneers. In time, all of America would benefit from Texas' greatness as it officially joined the Union on December 29, 1845.

It is easy for me to expound on the greatness of the Lone Star State. As a native, I was indoctrinated into the bigness and boldness of it as a child. Not everyone has the same ideas about our State. For some strange reason, non-Texans think we brag and boast. Can this be so? I don't think it possible for anyone to say too much about Texas.

But Willie Nelson probably hit the nail on the head when he once said, "If you're from Texas, you can't explain it. And if you're not from Texas, you can't understand it."

What other State in the continental United States—Texans still don't recognize Alaska—can boast of its immense size of 275,416 square miles. Texas extends 801 miles from north to south and another 773 miles from east to west. It is not only big in size, but it is big in spirit.

It is a well-known fact that 15 of the 50 States can fit inside Texas, and we'd still have an extra 1,000 square miles left over to throw a barbecue.

What other State has, in its statehood agreement, the right to break up into five States and remain in the

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United States. Such a move would give Texas 10 seats in the Senate. That annexation agreement also gave Texas other special treatment. It made Texas the only State with no public lands within its boundary. It also granted that the mighty Texas flag could be flown at the same level as Old Glory. Seeing both banners side by side is a beautiful sight to behold.

Few States can claim mountains, beaches, deserts, forests, plains, and coastal lands all within a single boundary.

I will close this homage to Texas by a story that might help some of you understand how we feel about our State. It has to do with the creation of Texas.

On the third day when He was creating the Earth, it is said that He used most of the day trying to beautify the other sections of America. He spent so much time in those areas, that by the time He came to what would be known as Texas, it was sunset. He then decided He had done enough for the day and would finish later.

When He came back the next morning, He saw the land had hardened and dried. He decided that instead of creating land that people would love, He would create people who would love the land.

We Texans do love our land. We love our State and our country. Texas is a microcosm of America. It is a place where, with some work and a lot of desire, you can make your dream come true.

Thank you, Mr. Speaker, for allowing us this opportunity to share the Texas experience with the rest of America. Long live Texas.

Mr. WRIGHT. I thank the gentleman for that stirring bit of homage to our native State, and I know all Texans everywhere will appreciate it, and others may enjoy it.

Mr. COLEMAN of Texas. Mr. Speaker, I rise today with pride to salute the Texas sesquecentennial, the 150th anniversary of the independence of Texas. It was on this day in 1836 that the decisive battle was won for our independence, which in turn started us on the long road that has led us to becoming the great State we are today.

Texas, joined the United States of America while a free and sovereign nation itself. Unlike many others, we joined this great Union out of choice, not by force, and I for one believe that these circumstances have made us stronger as a State and more determined as a nation.

Although the victory at San Jacinto was a great victory for freedom, the battle was not between two peoples, but rather between one people—the Texans—and a dictator, Santa Anna. It is interesting to note that the Mexican people themselves later overthrew the same dictator, taking another step in their own quest for democracy and independence as a people that culminated in their great revolution earlier in this century.

Mr. Speaker, the great victory at San Jacinto serves as a symbol of what Texas is all about: perseverence against great odds that ultimately leads to triumph; the courage to stand up for what we believe in; to not back down in the face of opposition; and the determination to do what is right regardless of the consequences.

Mr. Speaker, today is not just a celebration of Texas by Texans. It is a reaffirmation of the desires of freedom-loving and independent-seeking people everywhere all over the world. It symbolizes the continual theme of Western civilization since the Renaissance and the Reformation, which is the ongoing struggle of the ordinary man and woman against the forces of dictatorship and oppression. The American victory at Yorktown institutionalized, for the first time, the revolutionary concept that the modern state could be run by democracy. The brave men and women at the Alamo and then at San Jacinto helped extend that spirit of democracy and independence to Texas, and I join my colleagues in this most fitting tribute to those first original Texans who fought, died and triumphed at San Jancinto.

GENERAL LEAVE

Mr. WRIGHT. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks at this point in the Record.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Texas?

There was no objection.

□ 1535

DON'T GIVE UP ON AG EXPORTS YET

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Nebraska [Mr. Bereuter] is recognized for 60 minutes.

Mr. BEREUTER. Mr. Speaker, before I begin, I not only appreciate the comments of the gentleman from Texas [Mr. Stenholm], I enjoyed them also, and the comments of all of our Texas colleagues concerning the important day which they are commemorating today. I would say that it is probably fortunate that Nebraska was split up into other States, or Texas would not be second in size but third.

But they have a heart that is as big as the rest of the country combined, at times it is very apparent, and we join them in the special celebrations under way now in their State.

The subject of my special order today is agriculture exports.

Mr. Speaker, as I travel around my district speaking with farmers and other members of the agricultural community, I hear many questions concerning the American agricultural export sector. Of the many questions put to me by these constituents, there is one recurring theme concerning agricultural exports: specifically, what we can do to make exports the engine of growth for American agriculture they were in the 1970's? With fully 40 percent of our agricultural production devoted to export markets, the kind of substantial decline in exports we have experienced in recent years has a major impact on farm communities.

Because of numerous negative developments in agricultural exports in recent years, some members of the agricultural community believe that the game is up, that we should forget about exports, cut back production, and concern ourselves only with the domestic market. I respect the people with these opinions, and, given the hard knocks they have experienced lately, can understand how tempting it is for farmers to want to turn inward, to produce only for the domestic market. But I don't believe this is the way to go. In fact, it would be disastrous. World trade is growing and agriculture will be no exception. The world's foremost agricultural producer, the United States, cannot simply opt out of this part of the global economy. More to the point, I believe that for American farmers truly to prosper they must also export. Having said this, I concede that talking about increasing exports is a good deal easier than doing something about it. My comments here today are meant to be the information base and stimulus to do something positive to sustain and increase our agricultural exports.

Looking back at the 1970's, it is hard to resist describing them as the "golden age of American agricultural exports." Rapid world economic growth, easy credit, relatively, a much lower dollar, and food and agricultural policies in developing countries, and centrally planned economies operating together had the effect of emphasizing imports combined to strengthen demand for U.S. agricultural products. Exports continued to grow through the 1970's, apparently with no end in sight.

But there was an end to these good times, and it came as an abrupt shock. After peaking in 1981 at $44 billion, U.S. agricultural exports began to fall and have fallen every year since, to $31 billion last year. In a bewildering about-face from the 1970's, the 1980's brought global recession in place of growth; easy credit gave way to soaring interest rates. Lesser developed countries, wracked by debt problems, simply stopped buying. In Latin America alone, United States agricultural exports dropped by nearly $2 billion from 1981 to 1982, with Mexico by itself accounting for more than half the drop. An overly strong dollar, in tandem with high domestic support prices, established commodity floor prices which enabled competitors to undercut us in world markets. Spurred by need and enabled by technology, developing countries increased production to undreamed of levels. Policy in

the European Economic Community, Canada, Brazil, Argentina, and Australia emphasized exports. The technological advantage we had assumed was ours, almost by divine right, began to shrink, as other nations' yields began to approach and—in some cases—to surpass our own. Typically, exports did not rate very high on our national agenda, especially if they came into conflict with so-called national security interests. The best example of this was the Carter grain embargo of the Soviet Union; its only dubious "accomplishment" was to cast great doubt about the United States as a reliable supplier.

With hindsight it is easy to see what went wrong. Some of the macroeconomic factors which triggered this setback were beyond our control. Others represent the kind of convergence of things which escape detection at the time but later can be determined to have together constituted a watershed occurrence. Errors of judgment also play a role in the problems that occurred. It is clear in retrospect, too, that some mistakes were made at the individual farm level. Farmers became convinced that export growth would continue on an uninterrupted basis. Encouraged by governments and lenders, they borrowed heavily to buy overpriced land. As a nation we concluded that overpopulation in the Third World or bad weather in the Soviet Union or some other phenomenon would always conveniently occur to take our production surpluses, and gratefully take them at that. Well now we know differently, and now we have learned some bitter lessons. The question is, What happens next?

At least theoretically, there is some cause for optimism. Some of the factors which led to the export downturn are being mitigated. The dollar has weakened considerably and apparently may slide further. Lower price supports mandated by the 1985 farm bill will make U.S. commodities more competitive abroad. Growth in real per capita GNP in developing countries will be about one-half of 1 percent this year, marked improvement over the stagnant or even negative growth experienced earlier this decade. Lower interest rates will ease the financial crunch felt by many importing nations. And lower oil prices hurt some but help others and, on balance, should be a net stimulant to demand.

Unfortunately this is not going to be enough. Overhanging these developments which normally would work to stimulate our exports is an increase in world food production which in retrospect can only be called astounding. Amazingly, world food production is now growing faster than population. Last year was the fourth year out of the last 5 in which world food production outstripped consumption. In the opinion of some experts, we have entered an era of permanent grain surpluses, a buyers' market for grain. The headline of a recent Washington Post article on this subject was, "The World Doesn't Need Our Farmers." I don't agree, but there is some rhetorical impact in that statement which makes a few valid related points. The phrase which probably best sums up this new reality was the title of a Foreign Affairs article by Barbara Insel last year, "A World Awash in Grain".

Let us examine some of the facts. World production of wheat and feed grains has grown 20 percent since 1974 and 100 percent since 1964. There are two principal driving forces behind these developments. First and most important is technology, which has led to a 60-percent increase in average yields. Second, governments apparently have decided they can no longer afford—either strategically or economically—to depend on imported food and have instituted policy reforms designed to increase agricultural output. A few examples will illustrate this new reality:

In the People's Republic of China [PRC], introduction of market incentives has produced a 15-percent expansion in rice production and a 40 percent expansion in wheat production just since 1982. Wheat production grew from 41 million metric tons [mmt] in 1977 to 85 mmt in 1984 and last year China's wheat crop was projected to be the world's largest. Befitting its new status as an exporter, the People's Republic of China has opened farm sales offices in Tokyo and other Asian capitals.

India is now effectively self-sufficient, thanks largely to the Green Revolution, and Pakistan nearly so.

Argentine wheat production has nearly doubled; Thailand's feed grain production has nearly tripled; and both Canada and Australia have had major output increases.

Indonesia has become self-sufficient in rice; from its role as a major importer, while Japan, Taiwan, and the Philippines have rice surpluses. It has been envisioned that within 5 to 10 years the entire East Asian market will be served primarily by exports from Asian producers.

I need mention only briefly the European Economic Community, whose dramatic reversal from net importer to net exporter for a whole range of agricultural commodities has been well documented.

As the number of exporting nations has grown, the grain importing market has become increasingly concentrated. In this regard it is also noteworthy that not only have we been passed in total output in some crops but in yield per hectare as well. U.S. wheat production in 1984 was 70 mmt, with an average yield of 2.57 tons per hectare. China produced 85 mmt, with a yield of 2.90 tons and the EEC produced 75 mmt, with a yield of 5.52 tons. European feed grain production has reached 5.24 tons per hectare, which approaches U.S. levels. Brazilian yields in soybeans and corn often exceed those in the United States.

High technology agriculture is producing more food per capita nearly everywhere in the world. Technology, in the words of one expert, makes it possible to grow two stalks of grain where only one grew before. Irrigation; new seeds, hybrids and plant varieties; and more and better use of fertilizers and insecticides have all played a role. This technology is only going to get better. The system of agricultural research institutions for and also in the Third World, which produced "miracle wheat and rice" hold great promise for further breakthroughs in crops and areas which so far have eluded success. These crops include sorghum and casava in Africa. Finally, it must be emphasized, biotechnology may ultimately add more to farm productivity than any other development.

As if all these technology-fired developments weren't enough, there is yet another important factor, and that is the vast expanses of land which await the plow. The nations of Canada, Brazil, Australia, and, especially, Argentina, which is said to have the equivalent of five Nebraskas ready for conversion from rangeland to cropland if needed, part of it some of the very richest soil in the world, stand out in this regard. Technology also means that previously unused soils can now be cultivated. Brazil is opening up 50 million hectares of acid soils through use of lime and phosphate. New ways are being found to farm the world's 300 million hectares of vertisol soils. Much of this wasn't cropped at all in the past; some is now being triple-cropped. Australia has developed the ley system, which increases the productivity of drylands 30 to 40 percent and is being tried in the millions of semi-arid hectares of Spain, Portugal, and North Africa as well. Throughout the world short-season hybrids are pushing the Corn Belt 250 miles further North.

Taken as a whole, these facts, even discounted for the almost inevitably built-in optimism, have got to be pretty sobering for American farmers who had looked for their salvation to increased exports. Now before going any further, I want to make clear that we as a nation—the American people generally and the American farmer specifically—do not consider this increased global production to be a negative development, only a condition causing immediate and detrimental consequences for our agricultural and export sectors. There is no doubt that its consequences for our farm sector are negative, sometimes profoundly so. But I think most U.S. farmers, if given

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the opportunity to reverse all these gains in world food production so as to increase our exports, would solidly decline. There is no moral way we can be in the position of wishing for calamity or chronic underproduction so as to maximize our sales abroad. In the medium and long-run American prosperity certainly cannot be founded on the misfortune of others.

It seems, then, that we are faced with a body of expert opinion which tells us to forget it regarding increased agricultural exports. A phrase often used to describe a situation in which expert opinion becomes widely accepted is conventional wisdom. Is there any alternative to simply accepting this conventional wisdom? Well I am not going to say these experts are all wrong, because I do not believe it. But before all of us from the agricultural community decide simply to throw in the towel, I think we owe it to ourselves to take another hard look at the situation.

The best single, commonsense reason I can think of for being skeptical of a conventional wisdom which says that export markets are gone forever is that the conventional wisdom is often proven to be wrong. There are many examples, but the most appropriate to cite here is the conventional wisdom of the late 1970's which was that the world could not feed itself and would be dependent on American surpluses into the distant future. I can remember, as I'm sure you can, the debates in this country about 10 years ago over green power—that is to say, over the morality of using our surplus food as a weapon. There was just no doubt in our minds that we had the food and that most of the rest of the world did not. Even as late as 1980, in its report "Global 2000," the U.S. Government predicted vast increases in world food demand, which could only be supplied by the developed countries. And now look, only a relatively very short time later, how drastically things have changed. The error in predictions would be humorous if the consequences weren't so grave for American agriculture.

I for one, however, do not believe the situation is hopeless. For one thing, despite a drop of more than 25 percent, we still export more than $30 billion worth of farm commodities a year. Comparatively this total is down, but by any objective reckoning, it is still of enormous magnitude. Economic developments already well underway, such as a falling dollar, lower oil prices, and the implementation of lower price supports, in combination with an improving world economy, will make us more competitive than we recently have been, even if we do nothing else. But this is a passive approach and will help only marginally. What we must do is go on the offensive. For too long we have given our export customers the impression that they could buy our commodities or not—that it was pretty much all the same to us either way they decided. We were giving the impression that we weren't really too serious in competing for markets. We have not always aggressively promoted and marketed our goods. While markets are not as strong as they once were, there is still additional potential for us if we act and become more competitive. We can no longer in effect, wait for customers to come to us. We must go to them. We must compete aggressively. In the past agriculture has carried us. Now the U.S. Government must do more to help export our agricultural commodities, and by all means, stop damaging our export potential by its policies, actions, or inaction.

Agricultural trade, and indeed all trade, must be given more prominence in the formulation of national economic policy. For starters, we may need an integrated agricultural trade policy coordinating mechanism at the highest level of our Government, or at a minimum, cooperation and coordination that gives such a result. Beyond that, I have in mind attitudinal changes which would mean no more unilateral and selective embargoes; exemptions of agricultural exports from cargo preference requirements; expansion of export credit programs; changing International Trade Commission requirements to reflect the special needs of agriculture, which are different from industry; and aggressive countering of unfair trade practices. Above all, we must make better use of the tools already at our disposal, for example, Export-PIK and GSM 102, and Section 301 actions. We need to get these programs working as Congress intended and then to improve them, by first, making repayment terms more flexible, by second, expanding the commodities sold under Export-PIK and by third, making all possible nations eligible for such export enhancement programs. Another step which undoubtedly would improve our competitive position would be to deliver the best quality grain abroad for the price paid. If all the parties that have an interest in improving the quality of delivered grain don't give the Congress their best advice soon—I would say by the end of 1986—then the Congress should, in my judgment, proceed to make any necessary changes with the best information available.

Now let's turn to the subject of GATT and the next round of multilateral trade negotiations which begin later this year. For 40 years the Federal Government of this country has, it often seemed, acted as though agriculture should take a back seat to other industries when it comes to the drafting of the international rules governing trade. One high USDA official has characterized this as benign neglect. It may have seemed benign in the past, but its effects on the American farm community clearly no longer are benign. No more neglect. We must improve our ability to monitor unfair trade practices, to undertake periodic reviews of our competitors' policies—especially unfair or illegal subsidies. We need to go into the GATT negotiations determined to demand better rules for controlling unfair agricultural trade practices and determined to fight for improved access to foreign markets. If other nations won't play by the rules, mandatory retaliation must answer flagrant abuse. Immediately, we need to jolt the EEC into awareness that its denial of market access to us in connection with Spanish/Portuguese accession will not be accepted. Let's get this message across, whatever it takes. The administration seems to be doing just that on the damage we have been threatened with by the EEC changes on the Spanish/Portuguese accession. At the same time we must emphatically continue the dialog aimed at convincing the EEC that lower subsidies are in the Community's interest as well as ours.

We must be more innovative; that really is just another facet of being more aggressive. I have, for example, been promoting a bill to lower tariffs for the Eastern European nations having a negative trade balance with the United States so as to allow them to earn more trade dollars with which to buy U.S. farm goods. I haven't made as much headway with this legislation as I would have liked due to foreign policy considerations. This is exactly the kind of sacrificing of our own best economic interests and ideological inertia which has predominated in the past and which must be stopped. In the past we were wealthy enough to ignore trade considerations. We aren't any longer. Another possibility is to barter surplus commodities to Mexico for low-priced oil for the strategic petroleum reserve. It would save storage costs on surplus commodities. Since we will have decided to stop filling our strategic petroleum reserve in May of this year for budgetary reasons, at half the authorized level, these would be sales the Mexicans would not otherwise make and thus would be doubly welcome. It would also provide them with agricultural commodities they currently cannot afford and which would only match the reductions they have already made.

It seems to me that there are other possibilities. We have seen that as nations move up the economic scale, and here I have in mind, for example, South Korea, meat consumption follows. The market for food grains, primarily wheat, which are important for low-income diets, may increase only as fast as population. But the market for

feed grains, on which meat production depends, increases as income increases. Surely this offers us some additional export opportunities. I can't help wondering, too, about all this proclaimed self-sufficiency. It may be that compared with starvation or subsistence levels of food intake, there has been great improvement. But if self-sufficiency means the provision of no more than the minimum daily requirement, then there certainly is room for vast improvement and greater export potential than estimated. Certainly the diet of most of the world does not approach our own, and while reaching those minimum levels is indeed a big step forward, there remains a vast amount of improvement that could be made above those minimum daily requirement levels.

Another possibility is that some marginal production might in the future come to be considered too expensive. Just as the economics of high-priced oil are called into sharp question by falling oil prices I wonder if a similar shakeout might not occur in grain production. According to one article, high wheat prices have turned the Saudi desert green. The Saudis produced 2.3 mmt of wheat last year, but I wonder what it cost them. The uncertain amount is at least rather astronomical in comparison to our costs.

We can also expect new products to appear. A few years ago the soybean was hardly known; today it is profitably raised on 50 million hectares. Export of agricultural services and inputs can be expected to grow. Despite the increased production, natural disasters, such as the Sahelian drought, will continue to occur and we must be in a position to cope with such disastrous events or conditions. New uses of agricultural products will also emerge, many of them perhaps for nonfood uses. Ethanol would have been a good current example until falling oil prices made the economics of the proposition somewhat more questionable. There will undoubtedly be many others which we have not even considered.

Despite the many difficulties facing us, I am confident that we can compete successfully for many export markets. It won't be easy and we can't expect miracles. The first goal is to make enough gains to stabilize and reverse the downward trend in export value and quantities. Perhaps one of the hardest things to accomplish will be achieving the proper mind set. Not so long ago Americans thought that everything we produced was the biggest, the best, the shiniest. Then doubts set in. It is probably good for us to approach the American condition with some humility, but we must take care not to be so negative or pessimistic as to be defeatist.

It may be, as I have said, that yield levels for some crops in a few countries have surpassed our own. So be it. We aren't logically going to be first in production and efficiency in everything. But overall we can and will be very competitive, easily the best overall for the foreseeable future. Our farmers are better educated and trained than those of any other nation. They are, as a result, extraordinarily efficient. They are supported by a scientific, industrial, and logistical infrastructure second to none. It may be that other nations are closing the technological gap with the United States, but the outstanding research institutions we have in the United States ensure that our agriculture will remain at the cutting edge of production and progressive agriculture. Our cropland and climate overall continue to be the envy of much of the world.

With all that we have going for us in the United States, the only logical conclusion is that America has a bright future in agriculture—if we put forth our best national effort. With respect to agricultural exports, the U.S. Government and the agribusiness sector must work together and with greater energy. In short, it is time to roll up the sleeves and get on with the job.

SPECIAL ORDERS GRANTED

By unanimous consent, permission to address the House, following the legislative program and any special orders heretofore entered, was granted to:

(The following Members (at the request of Mr. Roth) to revise and extend their remarks and include extraneous material:)

Mr. Roth, for 60 minutes, today.

Mr. Bereuter, for 60 minutes, today.

(The following Members (at the request of Mr. Coelho) to revise and extend their remarks and include extraneous material:)

Mr. Udall, for 5 minutes, today.

Mr. Annunzio, for 5 minutes, today.

Mr. Frank, for 5 minutes, on April 22.

(The following Members (at the request of Mr. Bereuter) to revise and extend their remarks and include extraneous material:)

Mr. Lipinski, for 30 minutes, on April 23.

Mr. Ray, for 5 minutes, on April 22.

EXTENSION OF REMARKS

By unanimous consent, permission to revise and extend remarks was granted to:

(The following Members (at the request of Mr. Roth) and to include extraneous matter:)

Mr. Courter.

Mr. Clinger.

Mr. Gekas.

Mr. Oxley.

Mr. Gilman in two instances.

Mr. Chandler.

Mr. Coleman of Missouri.

Mr. Schuette in two instances.

Mr. Tauke.

Mr. Porter.

Mr. Ritter in three instances.

(The following Members (at the request of Mr. Coelho) and to include extraneous matter:)

Mr. Anderson in 10 instances.

Mr. Gonzalez in 10 instances.

Mr. Brown of California in 10 instances.

Mr. Annunzio in six instances.

Mr. Jones of Tennessee in 10 instances.

Mr. Boner of Tennessee in five instances.

Mr. Barnes.

Mr. Stark.

Mr. Montgomery.

Mr. Jenkins.

Mr. Frank.

Mr. Bennett.

Mr. Lehman of California.

SENATE BILL AND CONCURRENT RESOLUTION REFERRED

A bill and concurrent resolution of the Senate of the following titles were taken from the Speaker's table and, under the rule, referred as follows:

S. 2251. An act to authorize the Administrator of General Services to convey property to the District of Columbia, and for other purposes; to the Committee on Government Operations.

S. Con. Res. 129. Concurrent resolution expressing the sense of Congress in opposition to certain import restrictions imposed by the European Community that adversely affect U.S. agricultural exports and urging the President to use to the fullest extent his authority to respond to these practices; to the Committee on Ways and Means.

ENROLLED JOINT RESOLUTIONS SIGNED

Mr. ANNUNZIO, from the Committee on House Administration, reported that that committee has examined and found truly enrolled joint resolutions of the House of the following titles, which were thereupon signed by the Speaker pro tempore.

H.J. Res. 582. Joint resolution to designate April 20, 1986, as "Education Day U.S.A.", and

H.J. Res. 599. Joint resolution commemorating the 25th anniversary of the Bay of Pigs invasion to liberate Cuba from Communist tyranny.

SENATE ENROLLED JOINT RESOLUTION SIGNED

The SPEAKER announced his signature to an enrolled joint resolution of the Senate of the following title:

S.J. Res. 303. Joint resolution to designate April 1986, as "Fair Housing Month."

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BILLS AND JOINT RESOLUTIONS PRESENTED TO THE PRESIDENT

Mr. ANNUNZIO, from the Committee on House Administration, reported that that committee did on the following days present to the President, for his approval, a bill and joint resolutions of the House of the following title

On April 17, 1986:

H.R. 4551. An act to extend for 3 months the emergency acquisition and net worth guarantee provisions for the Garn-St Germain Depository Institutions Act of 1982.

On April 18, 1986:

H.J. Res. 599. Joint resolution commemorating the 25th anniversary of the Bay of Pigs invasion to liberate Cuba from Communist tyranny, and

H.J. Res. 582. Joint resolution to designate April 20, 1986, as "Education Day U.S.A."

ADJOURNMENT

Mr. BEREUTER. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to. Accordingly (at 4 o'clock and 5 minutes p.m.) the House adjourned until tomorrow, Tuesday, April 22, 1986, at 12 o'clock noon.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

3350. A letter from the Assistant Legal Adviser for Treaty Affairs, Department of State, transmitting copies of international agreements, other than treaties, entered into by the United States, pursuant to 1 U.S.C. 112b(a); to the Committee on Foreign Affairs.

3351. A letter from the Director, Information Security Oversight Office, transmitting a copy of the Information Security Oversight Office's "Annual Report to the President FY 1985"; to the Committee on Government Operations.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. UDALL: Committee on Interior and Insular Affairs. Supplemental report on H.R. 3302 (Rept. 99-427, Pt. 2). Ordered to be printed.

Mr. UDALL: Committee on Interior and Insular Affairs. H.R. 3617. A bill to exempt rural water systems facilities assisted under the Consolidated Farm and Rural Development Act as amended from certain right-of-way rental payments under the Federal Land Policy and Management Act of 1976; with an amendment (Rept. 99-548). Referred to the Committee of the Whole House on the State of the Union.

PUBLIC BILLS AND RESOLUTIONS

Under clause 5 of rule X and clause 4 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. REID:

H.R. 4642. A bill to designate certain lands in the State of Nevada as wilderness, and for other purposes; jointly, to the Committees on Interior and Insular Affairs and Agriculture.

By Mr. BOULTER (for himself, Mr. Armey, Mr. Archer, Mr. Barton of Texas, Mr. Breaux, Mr. Moore, Mr. Hunter, Mr. Wilson, Mr. Dornan of California, and Mr. Lagomarsino):

H.R. 4643. A bill to amend the Internal Revenue Code of 1954 to repeal certain restrictions on oil and gas tax benefits after transfer of property; to the Committee on Ways and Means.

By Mr. JENKINS:

H.R. 4644. A bill to suspend temporarily the duty on 3-nitro phenyl-4-beta-hydroxy sulfone (also known as nitro sulfon B); to the Committee on Ways and Means.

By Mr. SEIBERLING:

H.R. 4645. A bill to modify the boundaries of the Cuyahoga Valley National Recreation Area; to the Committee on Interior and Insular Affairs.

By Mr. STARK:

H.R. 4646. A bill to amend the Internal Revenue Code of 1954 to impose an excise tax on passenger automobiles not containing qualified passive restraint systems and to provide for a system of returning the revenues raised by such tax on a pro rate basis to those who purchase passenger automobiles with qualified passive restraint systems; to the Committee on Ways and Means.

By Mr. TAUKE:

H.R. 4647. A bill to establish a Social Security Administration as an independent agency, to establish a Social Security Court to review decisions relating to entitlement to benefits under the Social Security Act, and to improve procedures for administrative review of disability determinations under such act; to the Committee on Ways and Means.

By Mr. UDALL:

H.R. 4648. A bill to amend the Energy Reorganization Act of 1974 to create an independent Nuclear Safety Board; to the Committee on Interior and Insular Affairs.

By Mr. WRIGHT (for himself, Mr. Michel, Mr. Foley, and Mr. Lott):

H.J. Res. 604. Joint resolution providing for appointment to the service academies of children of members of the Armed Forces killed in the military action against Libya on April 15, 1986; to the Committee on Armed Services.

By Mr. KASTENMEIER:

H.J. Res. 605. Joint resolution designating February 11, 1987, as "National Inventors' Day"; to the Committee on Post Office and Civil Service.

By Mr. SCHEUER (for himself, Mr. Bateman, Mr. Hartnett, Mr. Udall, Mrs. Burton of California, Mr. Fuster, Mr. Gray of Pennsylvania, Mr. McDade, Mr. Vander Jagt, Mr. Moore, Mr. McCloskey, Mr. Burton of Indiana, Mr. Stratton, Mr. Traficant, Mr. Gonzalez, Mr. Bilirakis, Mr. Oberstar, Mr. Molinari, Mr. Thomas of Georgia, Mr. Conyers, Mr. Murphy, Mr. Sundquist, Mr. Kildee, Mr. Broomfield, Mr. Dymally, Mr. Tallon, Mr. Martin of New York, Mr. Edwards of Oklahoma, Mr. Henry, Mr. Bates, Mr. McEwen, Mr. Saxton, Mr. MacKay, Mr. Howard, Mr. Tauzin, Mrs. Holt, Mr. Lungren, Mr. Bliley, Mr. Feighan, Mr. Ford of Tennessee, Mr. Waxman, Mr. Akaka, Mr. Frost, Mr. Gallo, Mr. Kolter, Mr. McKinney, Mr. Moakley, Mr. Kasich, Mr. Ortiz, Mr. Lightfoot, Mr. Miller of California, Mr. Daschle, Mr. Hayes, Mr. Fields, Mr. LaFalce, Mr. Lewis of Florida, Mr. Volkmer, Mrs. Long, Mr. Bennett, Mrs. Kennelly, Mr. Daub, Mr. Weaver, Mr. Wyden, Mr. Archer, Mrs. Bentley, Mr. Wolpe, Ms. Kaptur, Mr. Bedell, Mr. Spratt, Mr. Rose, Mr. Torricelli, Mr. Miller of Washington, and Mr. Gordon):

H.J. Res. 606. Joint resolution to authorize and request the President to issue a proclamation designating May 11 through May 18, 1986, as "Jewish Heritage Week", to the Committee on Post Office and Civil Service.

By Mr. BIAGGI (for himself, Mr. Murphy, Mr. Savage, Mr. Traficant, Mr. Dwyer of New Jersey, Ms. Kaptur, Mr. Heftel of Hawaii, Mr. Young of Alaska, Mr. Gallo, Mr. St Germain, Mr. Tallon, Mr. Edgar, Mr. Sunia, Mr. Wise, Mr. Richardson, Mr. Schumer, Mr. Hoyer, Mr. Fazio, Mr. Frank, Mr. Conyers, Mr. Towns, Mr. Lehman of Florida, Mr. Matsui, Mr. Walgren, Mr. Nowak, Mr. Owens, Mr. Morrison of Connecticut, Mr. Wolf, Mr. Mineta, Mr. Hayes, Mr. Pursell, Mr. Horton, Mr. Rangel, Mr. Wilson, Mr. Wortley, Mr. Young of Missouri, Mr. Smith of Florida, Mr. Yatron, Mr. Rahall, Mr. Lipinski, Mrs. Holt, Mr. Durbin, and Mrs. Boxer):

H. Con. Res. 321. Concurrent resolution expressing the sense of Congress in opposition to employment discrimination against persons who have, or have had, cancer based on such individual's cancer history; to the Committee on Education and Labor.

PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of rule XXII,

Mr. SHUMWAY Introduced a bill (H.R. 4649) to confer jurisdiction upon the U.S. Claims Court to render judgment upon the claim of John King, and for other purposes; which was referred to the Committee on the Judiciary.

ADDITIONAL SPONSORS

Under clause 4 of rule XXII, sponsors were added to public bills and resolutions as follows:

H.R. 11: Mr. Burton of Indiana, Mr. Hall of Ohio, Mr. Luken, and Mr. McCloskey.

H.R. 70: Mr. Weber.

H.R. 77: Mr. Young of Florida and Mr. Mrazek.

H.R. 604: Mr. Kemp.

H.R. 979: Mr. Horton, Mrs. Johnson, Mr. LaFalce, and Mr. Lipinski.

H.R. 1398: Mr. Gonzalez.

H.R. 1507: Mr. Staggers.

H.R. 1840: Mr. Dowdy of Mississippi, Mr. Pepper, Mr. Packard, Mr. Neal, and Mr. Breaux.

H.R. 2439: Mr. McMillan.

H.R. 2583: Mr. Coble.

H.R. 2701: Mr. McCloskey.

H.R. 2867: Mr. Richardson, Mr. Tallon, Mr. Florio, and Mr. Yates.

H.R. 3006: Mr. Pashayan.

H.R. 3032: Mr. Rahall.

H.R. 3121: Mr. McCloskey.

H.R. 3767: Mr. Visclosky and Mr. Applegate.

H.R. 3817: Mr. DioGuardi, Mr. Boehlert, Mr. Darden, Mr. McKinney, Ms. Kaptur, Mr. Ford of Tennessee, Mr. McKernan, Mr. Kanjorski, Mr. Gray of Illinois, Mr. Ridge, Mr. Molinari, Mr. Ackerman, Mr. Wilson, Mr. Morrison of Connecticut, Mr. Torres, and Mr. Weaver.

H.R. 4003: Mr. Durbin, Mr. Borski, and Mr. Kleczka.

H.R. 4096: Mr. Gunderson, Mr. Chappell, Mr. Fascell, Mr. Jeffords, Mr. Wise, Mr. Chappie, Mr. Young of Florida, Mr. Lipinski, Mr. Shaw, Mr. Horton, Mr. Martinez, Mr. Hawkins, Mr. Nelson of Florida, Mr. Berman, Mr. Mica, and Mr. Hayes.

H.R. 4194: Mr. Lantos, Mr. Courter, Mr. Mitchell, Mr. Hertel of Michigan, Mr. Stokes, Mrs. Schneider, Mr. Bates, and Mr. Torres.

H.R. 4204: Mr. Chappie.

H.R. 4393: Mr. Barnard, Mr. Bevill, Mr. Brown of California, Mr. Dorgan of North Dakota, Mr. Dreier of California, Mr. Fauntroy, Mr. Franklin, Mr. Hayes, Mr. Horton, Mr. Kleczka, Mr. Lagomarsino, Mr. Levin of Michigan, Mrs. Lloyd, Mr. Miller of Washington, Mr. Mitchell, Mr. Morrison of Connecticut, Mr. Rangel, Mr. Towns, Mr. Whitehurst, and Mr. Wortley.

H.R. 4488: Mrs. Burton of California, Mr. Mrazek, Ms. Kaptur, Mr. Fuster, Mr. Owens, and Mr. Schumer.

H.R. 4546: Mr. Wilson, Mr. Mrazek, and Mr. Dellums.

H.R. 4567: Mr. Wilson, Mr. Roth, and Mr. Carney.

H.R. 4593: Mr. Smith of New Jersey and Mr. Kastenmeier.

H.R. 4602: Mr. de la Garza, Mr. Torres, Mr. Dellums, Mrs. Burton of California, Mr. McCandless, Mr. Frank, Mr. Parris, Mr. Wyden, Mr. Bartlett, Mrs. Kennelly, Mr. Smith of Florida, Mr. McMillan, Mr. Mrazek, Ms. Kaptur, Mr. Hubbard, and Mrs. Roukema.

H.R. 4604: Mr. Nielson of Utah, Mr. Chappie, Mr. Stenholm, and Mr. Lewis of California.

H.J. Res. 502: Mr. Durbin, Mr. Stangeland, Mr. Gray of Illinois, Mr. Lewis of California, Mr. Miller of Washington, Mr. St Germain, Mr. Watkins, Mr. Gingrich, Mr. Carper, Mr. Gilman, Mr. Ford of Tennessee, and Mr. Fascell.

H.J. Res. 529: Mr. Florio, Mr. Dowdy of Mississippi, and Mr. McGrath.

H.J. Res. 567: Mr. Martinez and Mr. Smith of Florida.

H.J. Res. 594: Mr. Gray of Illinois, Mr. Manton, Mr. Wilson, Mr. Boner of Tennessee, Mr. Smith of Florida, Mr. Howard, Mr. Roberts, Mr. Rodino, Mr. Roe, Mr. Sabo, Mr. Bevill, Mr. Scheuer, Mr. Towns, Mr. Fuqua, Mrs. Boxer, Mr. Dixon, Mr. Snyder, Mr. Tallon, Mr. Vander Jagt, Mr. Waxman, Mr. Dwyer of New Jersey, Mr. Wolpe, Mr. Wortley, Mr. Conte, Mr. Emerson, Mr. Hatcher, Mr. Hefner, Mr. Hertel of Michigan, Mr. Jones of North Carolina, Mr. Kastenmeier, Mr. Dowdy of Mississippi, Mr. Rowland of Georgia, Mr. Luken, Mr. Fowler, Mr. Young of Florida, Mr. Lagomarsino, Mr. Conyers, Mr. Frost, Mr. Bonior of Michigan, Mr. Levin of Michigan, Mr. Horton, Mr. DeWine, and Mr. Dymally.

H. Res. 408: Mr. Towns, Mr. Levine of California, Mr. Dornan of California, Mr. Wortley, and Mr. Heftel of Hawaii.

H. Res. 424: Mr. Gregg, Mr. Stratton, Mr. Russo, Mr. Garcia, Mr. Barnard, Mr. Hutto, Mr. Stenholm, Mr. English, Mr. Watkins, Mr. Montgomery, Mr. Frost, Mr. Traxler, Mr. Pickle, Mr. Bryant, Mr. Walgren, Mr. Hoyer, Mr. Mollohan, Mr. Schumer, Mr. Wise, Mr. Roemer, Mr. Coleman of Texas, Mr. Bruce, Mr. Ford of Michigan, Mr. Chapman, Mr. Luken, Mr. Bennett, Mr. Solarz, Mr. Dicks, Mr. Hatcher, Mr. Coble, Mr. Dreier of California, Mr. Ridge, Mr. Hiler, Mr. Bilirakis, Mr. Oxley, Mr. Barton of Texas, Mr. Armey, Mr. Kolbe, Mr. Franklin, Mr. Broyhill, Mrs. Roukema, Mr. Broomfield, Mr. Henry, Mr. Boehlert, Mr. Kanjorski, Mr. McKinney, Mr. Ralph M. Hall, Mr. Badham, Mr. Livingston, Mr. McCollum, Mr. Hillis, Mr. Dyson, Mr. Stump, Mr. Hopkins, Mr. Chappell, Mr. Whittaker, Mr. Hendon, Mr. Hubbard, Mr. Wolf, Mrs. Holt, Mr. Tauzin, Mr. Hall of Ohio, Mr. Glickman, Mr. Breaux, Mr. Robinson, Mr. Daniel, Mr. Rowland of Georgia, Mr. Valentine, Mr. Levin of Michigan, Mr. Erdreich, Mr. Neal, Mr. Leath of Texas, Mr. Young of Missouri, Mr. Volkmer, Mr. Durbin, Mr. Hefner, Mr. Edwards of Oklahoma, Mr. Whitley, Mr. Rose, Mr. McCloskey, Mr. Boner of Tennessee, Mr. Dowdy of Mississippi, Mr. Anthony, Mr. Mavroules, Mrs. Byron, Mr. Shelby, Mr. Carper, Mr. Andrews, Mr. Sweeney, Mr. Wortley, Mr. Ray, Mr. Jenkins, Mr. Thomas of Georgia, Mr. Fowler, Mr. Gallo, Mr. Walker, Mr. Hunter, Mr. McEwen, Mr. Lungren, Mr. Craig, Mr. Hartnett, Mr. Solomon, Mr. Moore, Mr. Hyde, Mr. Sensenbrenner, Mr. Emerson, Mr. Burton of Indiana, Mr. Bateman, Mr. McDade, Mr. Archer, Mr. Rinaldo, Mrs. Martin of Illinois, Mr. Nielson of Utah, Mr. Strang, Mr. Slaughter, Mr. McMillan, Mr. Synar, Mr. Lewis of California, Mr. Moorhead, Mr. Lightfoot, Mr. Courter, Mr. Boucher, and Mr. Ackerman.

AMENDMENTS

Under clause 6 of rule XXIII, proposed amendments were submitted as follows:

H.J. Res. 283

By Mr. MICHEL:

—Strike out all after the resolving clause and insert in lieu thereof the following:

PURPOSES

SECTION 1. The purposes of this joint resolution are to promote peace, stability, and democracy in Central America, to encourage a negotiated resolution of the conflict in the region and, towards these ends, to enable the President to provide additional assistance for the Nicaraguan democratic resistance, as requested by the President on February 25, 1986, pursuant to the provisions of section 722(p) of the International Security and Development Cooperation Act of 1985 (Public Law 99-83) and section 106(a) of the Supplemental Appropriations Act, 1985 (Public Law 99-88), subject to the terms and conditions of this joint resolution.

POLICY TOWARD CENTRAL AMERICA

SEC. 2. (a) It is the policy of the United States that—

(1) the building of democracy, the restoration of peace, the improvement of living conditions, and the application of equal justice under law in Central America are important to the interests of the United States and the community of American States;

(2) the interrelated issues of social and human progress, economic growth, political reform, and regional security must be effectively dealt with to assure a democratic and economically and politically secure Central America; and

(3) the September 1983 Contadora Document of Objectives, which sets forth a framework for negotiating a peaceful settlement to the conflict and turmoil in the region, is to be encouraged and supported.

(b) The United States strongly supports as essential to the objectives set forth in subsection (a)—

(1) national reconciliation in Nicaragua and the creation of a framework for negotiating a peaceful, democratic settlement to the Nicaraguan conflict; and

(2) efforts to reach a comprehensive and verifiable final agreement based on the Contadora Document of Objectives, including efforts to encourage the Government of Nicaragua to pursue a dialogue with the representatives of all elements of the Nicaraguan democratic opposition for the purposes of achieving a democratic political settlement of the conflict, including free and fair elections.

POLICY TOWARD THE GOVERNMENT OF NICARAGUA

SEC. 3. (a) United States policy toward Nicaragua shall be based upon Nicaragua's responsiveness to continuing concerns affecting the national security of the United States and Nicaragua's neighbors about—

(1) Nicaragua's close military and security ties to Cuba and the Soviet Union and its Warsaw Pact allies, including the presence in Nicaragua of military and security personnel from those countries and allies;

(2) Nicaragua's buildup of military forces in numbers disproportionate to those of its neighbors and equipped with sophisticated weapons systems and facilities designed to accommodate even more advanced equipment;

(3) Nicaragua's unlawful support for armed subversion and terrorism directed against the democratically elected governments of other countries;

(4) Nicaragua's internal repression and lack of opportunity for the exercise of civil and political rights which would allow the people of Nicaragua to have a meaningful voice in determining the policies of their government through participation in regularly scheduled free and fair elections and the establishment of democratic institutions; and

(5) Nicaragua's refusal to negotiate in good faith for a peaceful resolution of the conflict in Central America based upon the comprehensive implementation of the September 1983 Contadora Document of Objectives and, in particular, its refusal to engage in a serious national dialogue with all elements of the Nicaraguan democratic opposition.

(b) The United States will address the concerns described in subsection (a) through economic, political, and diplomatic measures, as well as through support for the Nicaraguan democratic resistance. In order to assure every opportunity for a peaceful resolution of the conflict in Central America, the United States will—

(1) engage in bilateral discussions with the Government of Nicaragua with a view toward facilitating progress in achieving a peaceful resolution of the conflict, if the

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Government of Nicaragua simultaneouly engages in a serious dialogue with representatives of all elements of the Nicaraguan democratic opposition; and

(2) limit the types and amounts of assistance provided to the Nicaraguan democratic resistance and take other positive action in response to steps taken by the Government of Nicaragua toward meeting the concerns described in subsection (a).

(c) The duration of bilateral discussions with the Government of Nicaragua and the implementation of additional measures under subsection (b) shall be determined, after consultation with the Congress, by reference to Nicaragua's actions in response to the concerns described in subsection (a). Particular regard will be paid to whether—

(1) freedom of speech, assembly, religion, and political activity are being respected in Nicaragua and progress is being made toward the holding of regularly scheduled free and fair elections;

(2) there has been a halt to the flow of arms and the introduction of foreign military personnel into Nicaragua, and a withdrawal of all foreign military personnel has begun;

(3) a cease-fire with the Nicaraguan democratic resistance is being respected; and

(4) Nicaragua is refraining from acts of aggression, including support for insurgency and terrorism in other countries.

(d) The actions by the United States under this joint resolution in response to the concerns described in subsection (a) are consistent witht he right of the United States to defend itself and to assist its allies in accordance with international law and treaties in force. Such actions are directed, not to determine the form or composition of any government of Nicaragua, but to achieve a comprehensive and verifiable agreement among Central American countries, based upon the 1983 Contadora Document of Objectives, including internal reconciliation within Nicaragua, based upon democratic principles, without the use of force by the United States. Nothing in this joint resolution shall be construed as authorizing any member or unit of the Armed Forces of the United States to engage in combat against the Government of Nicaragua.

POLICY TOWARD THE NICARAGUAN DEMOCRATIC RESISTANCE

SEC. 4. (a) It is the policy of the United States to assist all groups within the Nicaraguan democratic resistance which—

(1) are committed to work together for democratic national reconciliation in Nicaragua based on the document issued by the six Nicaraguan opposition parties on February 7, 1986, entitled "Proposal to the Nicaraguan Government for a Solution to the Crisis in Our Country"; and

(2) respect international standards of conduct and refrain from violations of human rights or from other criminal acts.

(b) No assistance under this joint resolution may be provided to any group that retains in its ranks any individual who has been found to engage in—

(1) gross violations of internationally recognized human rights (as defined in section 502B(d)(1) of the Foreign Assistance Act of 1961); or

(2) drug smuggling or significant misuse of public or private funds.

(c)(1) The Congress finds that the Nicaraguan democratic resistance has been broadening its representative base, through the forging of cooperative relationships between the United Nicaraguan Opposition (UNO) and other democratic resistance elements, and has been increasing the responsiveness of military forces to civilian leadership.

(2) The President shall use the authority provided by this joint resolution to further the developments described in paragraph (1) and to encourage the Nicaraguan democratic resistance to take additional steps to strengthen its unity, pursue a defined and coordinated program for representative democracy in Nicaragua, and otherwise increase its appeal to the Nicaraguan people.

(d) In furtherance of the policy set out in this section, not less than $10,000,000 of the funds transferred under section 5(a) shall be available only for assistance to resistance forces otherwise eligible and not currently included within UNO, of which amount $5,000,000 shall be available only for the Southern Opposition Bloc (BOS) and $5,000,000 shall be available only for the Indian resistance force known as Misurasata.

(e) Notwithstanding any other provision of this joint resolution, no member of the United States Armed Forces, or employee of any department, agency, or other component of the United States Government may enter Nicaragua to provide military advice, training, or logistical support to paramilitary groups operating inside that country.

TRANSFER OF FUNDS

SEC. 5. (a)(1) The Congress hereby approves the provision of assistance for the Nicaraguan democratic resistance in accordance with the provisions of this joint resolution.

(2) There are transferred to the President for use in carrying out the provisions of this joint resolution $100,000,000 of unobligated funds from such accounts for which appropriations were made by the Department of Defense Appropriations Act, 1986 (as contained in Public Law 99-190), as the President shall designate. No limitation or restriction contained in section 10 of Public Law 91-672, section 8109 of the Department of Defense Appropriations Act, 1986, section 502 of the National Security Act of 1947, or any other provision of law shall apply to the transfer or use of such funds.

(b) Notwithstanding the Impoundment Control Act of 1974, not more than 23 percent of the funds transferred under subsection (a) may be available for obligation or expenditure in accordance with this joint resolution upon the date of enactment of this joint resolution, and not more than an additional 15 percent of such funds may be so available upon the transmittal of each report required by section 12.

(c) Funds transferred under subsection (a) shall remain available for the same periods of time, but not to exceed September 30, 1987, as such funds would have been available under the Department of Defense Appropriations Act, 1988 (as contained in Public Law 99-190), but for the enactment of this joint resolution.

(d)(1) There are transferred to the President out of funds appropriated by the Supplemental Appropriations Act, 1985 (Public Law 99-88), under the heading "Assistance For Implementation of a Contadora Agreement" such sums as the President may require, but not more than $2,000,000, to facilitate the participation of Costa Rica, El Salvador, Guatemala, and Honduras in regional meetings and negotiations to promote peace, stability, and security in Central America. No limitation or restriction contained in section 15 of the State Department Basic Authorities Act of 1956, section 10 of Public Law 91-672, or any other provision of law shall apply to the transfer or use of such funds.

(2) Funds transferred under paragraph (1) shall remain available for the same period of time as such funds would have been available under the Supplemental Appropriations Act, 1985 (Public Law 99-88), but for the enactment of this joint resolution.

FUNDS FOR HUMANITARIAN ASSISTANCE

SEC. 6. (a) Of the amounts transferred under section 5(a), $30,000,000 shall be available only for the provision of humanitarian assistance to the Nicaraguan democratic resistance by the Nicaraguan Humanitarian Assistance Office (established by Executive Order 12530).

(b) Of the $30,000,000 made available only for purposes of subsection (a), $3,000,000 shall be available only for strengthening programs and activities of the Nicaraguan democratic resistance for the observance and advancement of human rights.

APPLICATION OF EXISTING LAWS

SEC. 7. (a) Except as otherwise provided in this joint resolution, funds transferred under section 5(a) shall be available for the purposes described in section 105(a) of the Intelligence Authorization Act for Fiscal Year 1986, and all the requirements, terms, and conditions of such section and sections 101 and 102 of such Act, section 502 of the National Security Act of 1947, and section 106 of the Supplemental Appropriations Act, 1985 (Public Law 99-88), shall be deemed to have been met for such use of such funds.

(b) The use of funds made available under this joint resolution is subject to all applicable provisions of law and established procedures relating to the oversight by the Congress of operations of departments and agencies.

(c) Nothing in this joint resolution shall be construed as permitting the President to furnish additional assistance to the Nicaraguan democratic resistance from funds other than the funds transferred under section 5(a) or otherwise specifically authorized by the Congress for assistance to the Nicaraguan democratic resistance.

USE OF FUNDS AFTER A PEACEFUL SETTLEMENT

SEC. 8. If the President determines and so reports to the Congress that a peaceful settlement of the conflict in Central America has been reached, then the unobligated balance, if any, of funds transferred under section 5(a) shall be available for the purposes of relief, rehabilitation, and reconstruction in Central American countries in accordance with the authorities contained in chapter 4 of part II of the Foreign Assistance Act of 1961 (relating to economic support fund assistance).

INCENTIVES FOR A NEGOTIATED SETTLEMENT

SEC. 9. (a) Assistance under this joint resolution shall be provided in a manner designed to encourage the Govenment of Nicaragua to respond favorably to the many opportunities available for achieving a negotiated settlement of the conflict in Central America. These opportunities include the following proposals:

(1) Six opposition Nicaraguan political parties on February 7, 1986, called for an immediate cease-fire, an effective general amnesty, abolition of the state of emergency, agreement on new electoral process and general elections, effective fulfillment of international commitments for democratization, and observance of implementation of these actions and commitments by appropriate international groups and organizations;

(2) President Reagan on February 10, 1986, offered simultaneous talks between the Government of Nicaragua and all elements of the Nicaraguan democratic opposition in Nicaragua and between the Government of Nicaragua and the United States Government;

(3) President Jose Napoleon Duarte of El Salvador on March 5, 1986, offered an additional dialogue between the Government of El Salvador and the insurgents in El Salvador if the Government of Nicaragua would simultaneously engage in a dialogue with all elements of the Nicaraguan democratic opposition; and

(4) President Reagan's Message to the Congress of March 19, 1986, proposed a mission to Latin America by his special envoy to encourage the Contadora and Support Group countries to join in urging the Government of Nicaragua to initiate a national dialogue with representatives of all elements of the Nicaraguan democratic opposition.

(b) In furtherance of the objectives set forth in subsection (a), and except as provided in subsection (c), assistance to the Nicaraguan democratic resistance under this joint resolution shall be limited to the following:

(1) humanitarian assistance (as defined in section 722(g)(5) of the International Security and Development Cooperation Act of 1985);

(2) logistics advice and assistance;

(3) support for democratic political and diplomatic activities;

(4) training in radio communications, collection, and utilization of intelligence, logistics, and small-unit skills and tactics; and

(5) equipment and supplies necessary for defense against air attacks.

(c) On and after July 1, 1986, the restrictions in subsection (b) shall cease to apply beginning 15 days after the President determines and reports to the Congress that—

(1) the Central American countries have not concluded a comprehensive and effective agreement based on the Contadora Document of Objectives,

(2) the Government of Nicaragua is not engaged in a serious dialogue with representatives of all elements of the Nicaraguan democratic opposition, accompanied by a cease-fire and an effective end to the existing constraints on freedom of speech, assembly, religion, and political activity, leading to regularly scheduled free and fair elections and the establishment of democratic institutions, and

(3) there is no reasonable prospect of achieving such agreement, dialogue, cease-fire, and end to constraints described in paragraphs (1) and (2) through further diplomatic measures, multilateral or bilateral, without additional assistance to the Nicaraguan democratic resistance,

unless the Congress has enacted a joint resolution under section 10 disapproving the provision of additional assistance (other than assistance described in subsection (b)).

(d)(1) Notwithstanding subsection (c), no assistance (other than the assistance described in paragraphs (1) through (4) of subsection (b)) shall be provided at any time to the Nicaraguan democratic resistance under this joint resolution if—

(A) the President determines that—

(i) the Central American countries have concluded a comprehensive and effective agreement based on the Contadora Document of Objectives; or

(ii) the Government of Nicaragua is engaging in a serious dialogue with representatives of all elements of the Nicaraguan democratic opposition, accompanied by a cease-fire and an effective end to the existing constraints on freedom of speech, assembly, religion, and political activity leading to regularly scheduled free and fair elections and the establishment of democratic institutions; or

(B) the Congress enacts a joint resolution under section 10 disapproving the provision of additional assistance (other than assistance described in paragraphs (1) through (4) of subsection (b)).

(2) The prohibition contained in paragraph (1) shall not apply with respect to assistance described in paragraph (5) of subsection (b) if the Government of Nicaragua acquires additional equipment or materiel to carry out air attacks.

(e) The limitations on assistance that may be furnished to the Nicaraguan democratic resistance which are contained in subsections (b) and (d) shall cease to apply if the Congress enacts a joint resolution, in accordance with section 10, stating that the Government of Nicaragua has failed to accept or observe a cease-fire with the Nicaraguan democratic resistance.

(f)(1) Notwithstanding any other provision of this joint resolution, on or after July 1, 1986, funds may be obligated or expended under this joint resolution only if the President determines and reports to the Congress that the Nicaraguan democratic resistance groups receiving assistance under this joint resolution have agreed to and are beginning to implement—

(A) confederation and reform measures to broaden their leadership base;

(B) the coordination of their efforts;

(C) the elimination of human rights abuses;

(D) the pursuit of a defined and coordinated program for achieving representative democracy in Nicaragua; and

(E) the subordination of military forces to civilian leadership.

(2) In making his determination under paragraph (1), the President shall take into account the effectiveness and legitimacy of the political leadership of those Nicaraguan democratic resistance groups receiving assistance under this joint resolution, including the ability of that political leadership—

(A) to reflect the views and objectives of the internal and external Nicaraguan democratic opposition;

(B) to function as the spokesman for the Nicaraguan democratic opposition with Central Americans, international organizations, and the United States Government;

(C) to represent the Nicaraguan democratic opposition in dealing with the Government of Nicaragua;

(D) to provide command and control for the military forces of all resistance groups receiving assistance under this joint resolution and to establish the goals for their military operations;

(E) to determine the distribution of assistance provided under this joint resolution; and

(F) to provide the legal mechanisms necessary for the enforcement of standards of conduct applicable to all members of the resistance groups receiving assistance under this joint resolution.

CONGRESSIONAL PRIORITY PROCEDURES

SEC. 10. (a)(1) A joint resolution described in subsection (c) of section 9 shall be one without a preamble, the matter after the resolving clause of which is as follows: "That the Congress disapproves the provision of additional assistance to the Nicaraguan democratic resistance pursuant to the joint resolution entitled 'Joint resolution relating to Central America pursuant to the International Security and Development Cooperation Act of 1985', except as provided in section 9(b) thereof.".

(2) A joint resolution described in subsection (d)(1)(B) of section 9 shall be one without a preamble, the matter after the resolving clause of which is as follows: "That the Congress disapproves the provision of additional assistance to the Nicaraguan democratic resistance pursuant to the joint resolution entitled 'Joint resolution relating to Central America pursuant to the International Security and Development Cooperation Act of 1985', except as provided in paragraphs (1) through (4) of section 9(b) and paragraph (2) of subsection (d) thereof.".

(3) A joint resolution described in subsection (e) of section 9 shall be one without a preamble, the matter after the resolving clause of which is as follows: "That the Congress finds that the Government of Nicaragua has failed to accept or observe a cease-fire and hereby approves the provision of assistance to the Nicaraguan democratic resistance pursuant to the joint resolution entitled 'Joint Resolution relating to Central America pursuant to the International Security and Development Cooperation Act of 1985.', notwithstanding subsection (b) or (d) of section 5 thereof".

(b) A joint resolution described in subsection (a)(1), (a)(2), or (a)(3) shall be considered in the House of Representatives and in the Senate in accordance with the provisions of paragraphs (3) through (7) of section 8066(c) of the Department of Defense Appropriations Act, 1985 (as contained in Public Law 98-473), except that—

(1) references in such paragraphs to a joint resolution shall be deemed to be references to the respective joint resolution set forth in subsection (a)(1), subsection (a)(2), or subsection (a)(3);

(2) references in such paragraphs to the Committee on Appropriations shall be deemed to be references to the appropriate committee or committees of the respective House of Congress;

(3) references in such paragraphs to the eighth day and to fifteen calendar days shall be deemed to be references to the fifth day and to five calendar days, respectively; and

(4) amendments may be in order but only if the amendments are germane.

(c) The provisions of this section are enacted—

(1) as exercises of the rulemaking powers of the House of Representatives and Senate, and as such they are deemed a part of the Rules of the House and the Rules of the Senate, respectively, but applicable only with respect to the procedure to be followed in the House and the Senate in the case of joint resolutions under section 9, and they supersede other rules only to the extent that they are inconsistent with such rules; and

(2) with full recognition of the constitutional right of the House and the Senate to change their rules at any time, in the same manner, and to the same extent as in the case of any other rule of the House or Senate, and of the right of the Committee on Rules of the House of Representatives to report a resolution for the consideration of any measure.

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COMMISSION ON CENTRAL AMERICAN NEGOTIATIONS

SEC. 11. (a)(1) There is established the Commission on Central American Negotiations (hereafter in this section referred to as the "Commission"), which shall be composed of five members appointed as follows:

(A) One individual appointed by the Speaker of the House of Representatives;

(B) One individual appointed by the Minority Leader of the House of Representatives;

(C) One individual appointed by the Majority Leader of the Senate;

(D) One individual appointed by the Minority Leader of the Senate; and

(E)One individual, who shall serve as Chairman of the Commission, selected by unanimous vote of the other members of the Commission.

(2) No officer or employee of the United States may be appointed as a member of the Commission.

(b) The purpose of the Commission is to monitor and report on the efforts of the Nicaraguan democratic resistance to coordinate and reform and on the status of any negotiations on the peace, stability, and security of Central America, including negotiations conducted between or among—

(1) the Government of Nicaragua and all elements of the Nicaraguan democratic opposition, including the Nicaraguan democratic resistance;

(2) the governments of Central American countries;

(3) the Government of the United States and the Government of Nicaragua;

(4) the governments of the Contadora and Support Group countries and the government of the Central American countries; and

(5) the Government of El Salvador and the insurgents in El Salvador.

(c)(1) The Commission may appoint and fix the pay of not more than seven staff personnel, but at such rates not in excess of the rate of pay for GS-18 of the General Schedule under section 5332 of title 5, United States Code.

(2)(A) Each member of the Commission shall be entitled to receive the daily equivalent of the annual rate of basic pay in effect for grade GS-18 of the General Schedule under section 5332 of title 5, United States Code, for each day during which such member is engaged in the performance of duties as a member of the Commission.

(B) While away from his home or regular place of business in the performance of duties for the Commission, a member or staff personnel of the Commission shall be allowed travel expenses, including a per diem in lieu of subsistence, not to exceed the expenses allowed persons employed intermittently in Government service under section 5703 of title 5, United States Code.

(3) For purposes of pay and other employment benefits, rights, and privileges and for all other purposes, any employee of the Commission shall be considered to be a congressional employee as defined in section 2107 of title 5, United States Code.

(d)(1) A majority of the members of the Commission shall constitute a quorum.

(2) All decisions of the Commission, except as otherwise provided in this section, shall be by majority vote.

(e) The Commission may make such reports in connection with its duties as it deems necessary to the Speaker of the House of Representatives and the chairman of the Committee on Foreign Relations of the Senate, except that—

(1) not later than 5 days after receipt by the Congress of a report by the President under section 9(c), the Commission shall prepare and transmit to the Speaker of the House of Representatives and the chairman of the Committee on Foreign Relations of the Senate a report addressing all the matters which are required to be included in reports of the President by paragraphs (1), (3), and (4) of section 12; and

(2) not later than June 30, 1986, the Commission shall prepare and transmit to the Congress a report on whether the Nicaraguan democratic resistance groups receiving assistance under this joint resolution have agreed to and are beginning to implement measures described in subparagraphs (A) through (E) of section 9(f)(1) and an evaluation of the factors described in section 9(f)(2).

(f)(1) Salaries and expenses of the Commission, but not more than $400,000, shall be paid from the contingent fund of the Senate out of the Account for Miscellaneous Items, in accordance with the provisions of this section.

(2) Funds made available to the Commission by paragraph (1) shall be disbursed on vouchers approved by the Chairman, except that no voucher shall be required for the disbursement of the salary of an individual appointed under subsection (c).

(3) For purposes of section 502(b) of the Mutual Security Act of 1954, the Commission shall be deemed to be a standing committee of the Congress and shall be entitled to use of funds in accordance with such section.

(g) The Commission shall terminate not later than 30 days after transmittal of the reports required by subsections (e) and (f).

PRESIDENTIAL REPORTING REQUIREMENT

SEC. 12. Not later than 90 days after the date of enactment of this joint resolution, and every 90 days thereafter, the President shall prepare and transmit to the Congress a report on actions taken to achieve a resolution of the conflict in Central America in a manner that meets the concerns described in section 3(a). Each such report shall include—

(1) a detailed statement of any progress made in reaching a negotiated settlement, including the willingness of the Nicaragauan democratic resistance and the Government of Nicaragua to negotiate a settlement;

(2) a detailed accounting of the disbursements made to provide assistance with the funds transferred under section 5(a);

(3) a discussion of alleged human rights violations by the Nicaraguan democratic resistance and the Government of Nicaragua, including a statement of the steps taken by the Nicaraguan democratic resistance to remove from their ranks any individuals who have engaged in human rights abuses; and

(4) an evaluation of the progress made by the Nicaraguan democratic resistance in broadening its political base and defining a unified and coordinated program for achieving representative democracy in Nicaragua.

REQUESTS FOR ADDITIONAL ASSISTANCE

SEC. 13. The provisions of subsections (s) and (t) of section 722 of the International Security and Development Cooperation Act of 1985 shall apply with respect to any request described in section 722(p) of such Act submitted by the President to the Congress on or after the date of enactment of this resolution, except that, for purposes of consideration in a House of Congress of a joint resolution under subsection (s) or (t) of such section, amendments to such a joint resolution may be in order but only if such amendments are germane.

H.R. 4420,

By Mr. MONTGOMERY:

—Page 51, line 11, insert "(1)" before "Of the".

Page 51, after line 17, insert the following:

(2) Of the amount described in section 401(b) which was appropriatated for procurement of National Guard and Reserve equipment, $285,000,000 may be obligated or expended. The authority provided in the preceding sentence is in addition to the authority provided in paragraph (1).

Page 56, strike out lines 22 and 23 and insert in lieu thereof the following:

(1) National Guard and Reserve Equipment Procurement, $941,130,000, as follows:

Army Reserve, $100,000,000.
Army National Guard, $312,450,000.
Naval Reserve, $67,790,000.
Marine Corps Reserve, $67,060,000.
Air Force Reserve, $154,120,000.
Air National Guard, $239,710,000.

Page 57, line 18, insert "(a) IN GENERAL.—" before " Programs".

Page 59, strike out line 18 and all that follows through page 60, line 9 (and redesignate the following paragraphs accordingly).

Page 61, after line 1, insert the following:

(b) RESERVE COMPONENT EQUIPMENT PROCUREMENT.— Section 401 applies with respect to fiscal year 1986 defense appropriations for procurement of equipment for the reserve components only to the extent that amounts appropriated for such purposes exceed the amounts specified in section 402(e)(1). Programs, projects, and activities for which amounts provided in fiscal year 1986 defense appropriations for procurement of equipment for the reserve components are subject to section 401 (except to the extent to which funds are available to be obligated or expended as provided in section 402) are the following:

(1) ARMY RESERVE.—
Miscellaneous equipment.
Truck SLEP.

(2) NAVAL RESERVE.— Miscellaneous equipment.

(3) MARINE CORPS RESERVE.— Miscellaneous equipmoent.

(4) AIR FORCE RESERVE.— Miscellaneous equipment.

(5) ARMY NATIONAL GUARD.—
Miscellaneous equipment.
Improved TOW vehicle.
M198 howitzer.
Truck SLEP.

(6) AIR NATIONAL GUARD.—Miscellaneous equipment.

H.R. 4515

By Mr. BOSCO:

—Add the following new section at the end of the bill:

SEC. USE OF AMERICAN-BUILT RIGS FOR OCS DRILLING.

Section 5 of the Outer Continental Shelf Lands Act (43 U.S.C. 1334) is amended by adding at the end the following new subsection:

"(j)(1) Any vessel, rig, platform, or other structure used for the purpose of exploration or production of oil and gas on the Outer Continental Shelf south of 49 degrees North latitude shall be built—

"(A) in the United States; and

"(B) from articles, materials, or supplies at least 50 percent of which, by cost, shall have been mined, produced, or manufactured, as the case may be, in the United States.

"(2) The requirements of paragraph (1) shall not apply to any vessel, rig, platform, or other structure which was built, which is being built, or for which a building contract has been executed, on or before October 1, 1985.

"(3) The Secretary may waive—

"(A) the requirement in paragraph (1)(B) whenever the Secretary determines that 50 percent of the articles, materials, or supplies for a vessel, rig, platform, or other structure cannot be mined, produced, or manufactured, as the case may be, in the United States, and

"(B) the requirement in paragraph (1)(A) upon application, with respect to any classification of vessels, rigs, platforms, or other structures on a specific lease, when the Secretary determines that at least 50 percent of such classification, as calculated by number and by weight, which are to be built for exploration or production activities under such lease will be built in the United States in compliance with the requirements of paragraph (1)(A).".

By Mr. FAZIO:

—On page 34, after line 20, add the following new section:

SEC. . No funds appropriated, or made available, under this or any other act shall be used for soliciting proposals, preparing or reviewing studies or drafting proposals designed to transfer out of federal or public ownership, management or control in whole or in part the facilities and functions of the Federal Power Marketing Administrations located within the contiguous 48 states, and the Tennessee Valley Authority, until such activities have been specifically authorized and in accordance with terms and conditions established by an Act of Congress hereafter enacted; *Provided,* That this provision shall not apply to the authority granted under section 2(e) of the Bonneville Project Act of 1937; or to the authority of the Tennessee Valley Authority pursuant to any law under which it may dispose of property in the normal course of business in carrying out the purposes of the Tennessee Valley Authority Act of 1933, as amended; or to the authority of the Administrator of the General Services Administration pursuant to the Federal Property and Administrative Service Act of 1949, as amended and the Surplus Property Act of 1944 to sell or otherwise dispose of surplus property.

By Mr. HAMMERSCHMIDT:

—Page 3, after line 14, insert the following:

DAIRY INDEMNITY PROGRAM

For an additional amount, for "Dairy Indemnity Program", authorized by the Act of August 13, 1968 (82 Stat. 750), the Act of August 10, 1973 (87 Stat. 223), and the Act of December 23, 1985 (99 Stat. 1377) $10,000,000 to remain available until expended.

By Mr. FAUNTROY:

—Page 16, after line 11, insert the following:

ASSISTANCE FOR HAITI

Of the funds made available for the "Economic Support Fund" in Public Law 99-190, up to $21,700,000 shall be made available for assistance to Haiti. Of this amount, $1,700,000 shall be transferred to the Inter-American Foundation for use by the Foundation for programs for Haiti. The assistance made available pursuant to this paragraph shall be used to promote the transition to democracy by means such as generating local currency for use for literacy projects, rural development, and job creation.

Of the funds made available in Public Law 99-190 to carry out sections 503 and 541 of the Foreign Assistance Act of 1961, up to $4,000,000 shall be made available to provide training and other nonlethal assistance (such as transportation equipment, communications equipment, and uniforms) for Haiti. The purposes of this assistance shall be to promote the immediate goal of disarming, and otherwise completing the dismantling of, the Volunteers for National Security (VSN) and also to promote the goal of increasing the ability of the Haitian armed forces to protect Haiti against external threat and to assist in the transition to democracy. Assistance pursuant to this paragraph may be provided notwithstanding the limitation on assistance to Haiti contained in section 705(e) of the International Security and Development Cooperation Act of 1985. The funds made available pursuant to this paragraph may be obligated only if the President certifies to the Congress that the Government of Haiti has provided written assurances that it—

(1) will not use the assistance provided with those funds to suppress legitimate protests;

(2) will act to end the involvement of the Haitian armed forces in human rights abuses and corruption by removing from the armed forces and prosecuting, in accordance with due process, those military personnel responsible for the human rights abuses and corruption;

(3) will provide education and training to the Haitian armed forces with respect to internationally recognized human rights and the civil and political rights essential to democracy, in order to enable them to function consistentwith those rights;

(4) will investigate the killings of unarmed civilians in Martissant and Gonaives and prosecute, in accordance with due process, those responsible for those killings, and will act to prevent amy similar occurences in the near future; and

(5) will officially require former members of the Volunteers for National Security (VSN) to turn in their weapons and will take the necessary actions to enforce this requirement.

Four months after the date of enactment of this Act and every four months thereafter, the President shall submit a report to the Congress which details the extent to which the Government of Haiti is acting consistent with each of paragraphs (1) through (5) of the preceding paragraph. Half of the assistance provided pursuant to the preceding paragraph shall be withheld from delivery until the President submits the first such report.

The assistance provided for Haiti pursuant to this chapter shall be in addition to the assistance previously allocated for Haiti.

It is the sense of the Congress that the United States Government should cooperate with the Government of Haiti in recovering for the Haitian people the wealth that was illegally obtained by former president Jean-Claude Duvalier and his former government ministers and associates through diversions of funds and property, regardless of whether that wealth is located in the United States or abroad.

By Mr. MICA:

—Page 11, after line 12, insert the following:

GENERAL PROVISION—DIPLOMATIC SECURITY PROGRAM

The funds made available by this chapter under the headings "SALARIES AND EXPENSES", "ACQUISITION AND MAINTENANCE OF BUILDINGS ABROAD", and COUNTERTERRORISM RESEARCH AND DEVELOPMENT" shall be used in accordance with those provisions applicable to the diplomatic security program that are contained in H.R. 4151 (the "Omnibus Diplomatic Security and Anti-Terrorism Act of 1986") as passed the House of Representatives on March 18, 1986, except that this paragraph shall cease to apply upon the enactment for authorizing legislation (either H.R. 4151 or similar legislation) providing for enhanced diplomatic security.

By Mr. MICHEL:

—Page 33, beginning on line 19, strike out section 201 and insert in lieu thereof the following:

SEC. 201. (a)(1) Paragraph (4) of section 1011 of the Impoundment Control Act of 1974 (hereinafter in this section referred to as "the Act") is amended to read as follows:

"(4) 'deferral resolution' means a joint resolution of the Congress which only expresses its disapproval of a proposed deferral of budget authority set forth in a special message transmitted by the President under section 1013; and"

(2) Subsection (b) of section 1013 of the Act is amended to read as follows:

"(b) REQUIREMENT TO MAKE AVAILABLE FOR OBLIGATION.—Any amount of budget authority proposed to be deferred in any fiscal year (as set forth in a special message under subsection (a)) shall be made available for obligation if a deferral resolution is enacted disapproving such proposed deferral.".

(3) Section 1017 of the Act is amended by striking out "impoundment resolution" each place it appears and inserting in lieu thereof "deferral resolution".

(b)(1) Section 1013 of the Act is further amended—

(A) by redesignating subsections (b) and (c) as subsections (c) and (d), respectively; and

(B) in subsection (a), by striking out the matter following paragraph (6) and inserting in lieu thereof the following:

"(b) LIMITATIONS ON DEFERRAL MESSAGES.—

"(1) A special message may include one or more proposed deferrals of budget authority, but the total amount of budget authority that may be deferred in any fiscal year shall not exceed $5,000,000,000.

"(2) Deferrals of budget authority shall be counted for purposes of paragraph (1) in the order in which submitted, except that if a message under section 1013 and a report under section 1015 are submitted on the same day, the deferral of budget authority described in such report shall be counted first. Once the limit contained in paragraph (1) has been reached for any fiscal year, any additional deferral of budget authority for such fiscal year shall be invalid, and the budget authority that is the subject of such deferral shall be made available for obligation.

"(3) Amounts which have been deferred but which are required to be made available by reason of the enactment of a deferral resolution or other provision of law shall not, after such enactment, be counted for purposes of paragraph (1).

"(4) Except to the extent that paragraph (3) applies following the enactment of a deferral resolution or other provision of law, amounts as to which the Comptroller General has made a finding under section 1015 (that the President has failed to transmit a deferral message) shall be counted for purposes of such limitation.

"(5) A deferral may not be proposed for any period of time extending beyond the

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end of the fiscal year in which the special message proposing the deferral is transmitted to the House of Representatives and the Senate.".

(2) Section 1015(c) of the Act is amended by adding at the end thereof the following:

"(C) Exceeding Limitation on Deferral Authority.—If the Comptroller General finds that the total of—

"(1) the budget authority proposed to be deferred and the President under section 1013(a), plus

"(2) the budget authority with respect to which a finding has been made under subsection (a) that the President has failed to transmit a deferral message,

equals or exceeds the total amount that may be deferred in such fiscal year under section 1013(b), the Comptroller General shall make a report to both Houses of Congress setting forth his reasons.".

(3) Section 1016 of the Act is amended by striking out "or 1013(b)" and insertiong ", 1013(b), or 1013(c)".

(c)(1) Section 1011 of the Act is amended—

(A) In paragraph (1)—

(i) by striking out "includes—" and inserting in lieu thereof "does not include a reservation of budget authority but includes—"; and

(ii) by striking out "(whether by establishing reserves or otherwise)";

(B) by striking out "and" at the end of paragraph (4);

(C) by redesignating paragraph (5) as paragraph (6); and

(D) by inserting after paragraph (4) the following new paragraph:

"(5) 'reservation of budget authority' means withholding or delaying the obligation or expenditure of budget authority by the establishment of a reserve in accordance with section 1512(c) of title 31, United States Code, and with paragraphs (1) and (2) of section 1018(c) of this Act; and".

(2) Part B of the Act is amended by adding at the end thereof the following new subsection:

"REPORTING AND RECLASSIFICATION OF RESERVATIONS

"Sec. 1018. (a) Transmittal of Special Message.—Whenever the President, the Director of the Office of Management and Budget, the head of any department or agency of the United States, or any officer or employee of the United States proposes to establish a reservation of budget authority, the President shall transmit to the House of Representatives and the Senate a special message specifying, with respect to the budget authority proposed to be reserved, the same information as is required with respect to a deferral of budget authority under paragraphs (1) through (6) of section 1013(a).

"(b) Review by Comptroller General.—The Comptroller General shall review each special message transmitted under subsection (a) to determine whether the proposed reservation of budget authority complies with the standards prescribed under subsection (c) of this section. If the Comptroller General determines that the proposed reservation does not comply with such standards—

"(1) the Comptroller General shall make a report to both Houses of Congress setting forth his reasons, and

"(2) the special message transmitted under subsection (a) shall be treated as if transmitted under section 1013(a).

"(c) Standards To Ensure Use of Reservations for Routine Management Purposes and Not for Proposal of Policy Changes.—The Comptroller General shall prescribe standards for determining whether a special message transmitted under this section proposes to withhold or delay the obligation or expenditure of budget authority—

"(1) exclusively for a purpose authorized by section 1512(c)(1) of title 31, United States Code; and

"(2) in a manner which improves the management and administration of the budget authority without diverging from the policies, purposes, and objectives of the Congress in making such budget authority available.".

(d)(1) The amendments made by this section shall be effective on the date of enactment of this Act, but shall not apply with respect any deferral of budget authority—

(A) for which the special message was submitted by the President under section 1013(a) of the Act before such date, or

(B) for which a report was made by the Comptroller General under section 1015 of the Act before such date.

(2) For purposes of applying section 1013(b) of the Act (as amended by this section) during fiscal year 1986, any deferral of budget authority—

(A) for which the special message was submitted by the President under section 1013(a) of the Act before such date, or

(B) for which a report was made by the Comptroller General under section 1015 of the Act before such date,

shall excluded from the total budget authority counted for purposes of paragraph (1) of section 1013(b) of the Act.

(3) The terms used in this subsection have the same meaning as such terms had under the Act as in effect prior to the enactment of this section.

By Mr. ROSTENKOWSKI:

—Page 34, after line 18, inset the following new section:

Sec. 206. Subsections (a)(4) and (g)(1) of section 1886 of the Social Security Act (42 U.S.C. 1395ww) are amended by striking "1986" each place it appears and inserting "1987".

By Mrs. SCHROEDER:

—Page 34, after line 18, insert the following new section:

Sec. 206. Funds appropriated by this or any other Act for the Department of Defense or the Department of Energy may not be obligated or expended before January 1, 1987, to carry out an explosive test of a nuclear device until the President certifies to Congress that he has reason to believe that the Soviet Union has conducted, after April 17, 1986, and explosive test of a nuclear device.

EXTENSIONS OF REMARKS

IT'S TIME FOR SOCIAL SECURITY REFORM

HON. THOMAS J. TAUKE

OF IOWA

IN THE HOUSE OF REPRESENTATIVES

Monday, April 21, 1986

Mr. TAUKE. Mr. Speaker, today I am introducing a bill that depoliticizes our Nation's largest entitlement program and establishes a system of claims adjudication that guarantees the independence of SSA decision makers. It also establishes an appeals process that is equitable, balanced, and much more cost effective than the current chaotic and complex system. The new appeals process will do what it should do: resolve controversies instead of creating them.

My bill is not designed to be a quick fix; it was not developed within an environment of crisis caused by reaction to any one of SSA's claims evaluation policies. Rather, my bill is the result of an exhaustive, in-depth analysis of the entire process of deciding Social Security benefit claims. In conducting this analysis, I began with certain principles regarding how an equitable and efficient appeals process should work, taking into account the enormous number of benefit claims generated under Social Security and the issues these cases present.

I think it is important to state those principles for the record:

First. The purpose of the appeals/review process is twofold: To provide claimants who are dissatisfied with an initial decision the opportunity to present, in a meaningful way, their reasons for disagreement; and to provide the agency with a meaningful oversight mechanism to ensure that adjudicators are following the policies of the agency which have been promulgated through rule making.

Second. The appeals process should be designed to allow deserving cases at the earliest possible step.

Third, Because of the 12-month duration requirement and the 5-month waiting period requirement contained in the statutory definition of disability, many cases present issues that cannot be correctly resolved at the time the initial determination is made.

Fourth. No step in the appeals process should duplicate another. Each step should have a separate and distinct function.

Fifth. As the appeals process progresses, the issues should be more narrow, albeit more complex. The issues should relate less to questions of fact and more to questions of interpretation of law and regulations. The process should replicate a pyramid; that is, start with a large base of initial claims and proceed upward with progressively fewer cases at each level of appeal.

Sixth. The issues for judicial review should essentially be confined to questions of law and agency practice.

Seventh. No issue should be the subject of judicial review that has not been addressed by the agency in the final decision.

Eighth. The appeals process should be designed to resolve controversies. Higher level decisions should be binding on lower levels unless appealed.

Ninth. When a case presents a major policy issue, for example, a challenge to a statutory or regulatory provision, the issue should be properly framed for judicial review to ensure that first, the legal question will be decided and second, there is no doubt that the decision will be precedential and binding unless appealed.

Tenth. When there is disagreement about a decision, the party that disagrees should not have the authority to unilaterally change the decision. Rather, both sides to the dispute should have the right to appeal to an independent, knowledgeable third party.

Eleventh. The appeals process should be as efficient and cost effective as possible while ensuring due process.

Mr. Speaker, I doubt that there would be much disagreement with these principles. Yet, even a cursory examination of the current appeals process for Social Security disability claims reveals that the system violates each and every one of these basic, commonsense principles. To illustrate, taking each of the principles mentioned in order:

First. In two major lawsuits, one in Minnesota and the other in New York, it was revealed that SSA was not following its own regulations in evaluating mental impairment cases.

Second. There was a steady decline in the percentage of case paid at the initial and reconsideration level and a steady increase in the percentage of case paid by ALJ's from 1978 until 1984 when the Disability Reform Act was enacted.

Third. A claimant must file for reconsideration within 60 days of the initial denial. Reconsideration has become a rubber stamp of the initial determination because it is frequently based on essentially the same evidence and must be done in many instances before it can be determined if the statutory duration requirement will be met. Also, for initial application cases, it is just another paper review and relevant evidence that can only be elicited at a face-to-face hearing cannot be considered.

Fourth. In addition to the essentially duplicative nature of the initial and reconsideration levels for initial application cases, there is also an evidentiary hearing at both the reconsideration and ALJ levels for continuing disability review cases. SSA's Appeals Council upholds the ALJ decision 90 percent of the time and its standard for review is essentially the same as the one for judicial review.

Fifth. The initial, reconsideration and ALJ levels each independently evaluate the evidence and determine the facts in the case. This is essentially nothing more than having the same question decided by three different individuals. Moreover, the evidence and issues increase as the case progresses to the ALJ level. The result: In 1983 there were 366,691 fewer initial claims than there were in 1976 but 203,805 more requests for ALJ hearings.

Sixth. Although the statutory standard for judicial review is a quite narrow appellate one, in practice the hundreds of judges in the 94 Federal district courts conduct their own independent evalution of the evidence and decide cases under their own standard instead of the regulatory standard that appears to be required by the statute.

Seventh. Plaintiffs routinely introduce issues before the courts that were not presented to the SSA during the administrative appeals process. This is a standard operating procedure for class action suits and makes a mockery of the well-established principle that before a claim is presented to a court, administrative remedies must have been exhausted.

Eighth. At the height of the continuing disability review controversy, SSA data showed that 98 percent of the disability cessation determinations issued by the State agencies were correct; yet when these cases were appealed to ALJ's, more than two-thirds were reversed. Obviously, something was wrong with the way State agencies were deciding these cases, but the ALJ decisions had no discernible effect on the evaluation practices of the State agency. Currently, there are more than 70 class actions relating to Social Security claims pending before the courts. They involve virtually every SSA policy for evaluating disability. Under court orders SSA must readjudicate hundreds of thousands of claims and apply the standard(s) imposed by the courts for pending and future cases. Cases presenting the same issue and similar facts are decided differently depending on where the claimant happens to reside. It is important to note that funds have never been budgeted to handle the enormously increased workload created by class actions.

Despite the utter chaos no resolution is in sight within the existing judicial appeals process. Even though the class action phenomenon has been extremely active for at least the past 5 years, very few cases have been ultimately decided by the Supreme Court. I am aware of three: Campbell, Ringer, and Day, all of which have been decided in favor of SSA. In view of this, it is difficult to understand the Department of Justice's reluctance to quickly and aggressively appeal these class actions. Nevertheless, the fact remains that SSA is complying with all of the court orders and thus applying different evaluation standards for different regions of the country. It is interesting to note that HHS has changed its policy on nonacquiescence. Under the new policy SSA examined more than 800 circuit court decisions to identify cases where circuit law was in conflict with SSA policy or regulations. In those instances, SSA would publish a ruling of

● This "bullet" symbol identifies statements or insertions which are not spoken by a Member of the Senate on the floor.
Matter set in this typeface indicates words inserted or appended, rather than spoken, by a Member of the House on the floor.

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acquiescence. The circuit law will be followed except in a rare case that is chosen as a vehicle for litigation. The problem with this is that SSA cannot initiate judicial review. SSA has not been able to identify any major disability evaluation policy that significantly varies from circuit court law. The situation is so confusing that even though SSA apparently is desperate to acquiesce, it is not able to find anything in which to acquiesce.

Ninth. Court decisions should not create chaos, they should end it. Congress has made it clear that the courts are bound by the regulations. Moreover, under the statute the standard for judicial review by the Federal district courts is an appellate one. All too frequently, district court judges review Social Security cases in their more accustomed role as fact finders that receive evidence and create a record that is a basis for appeal to a circuit court. In effect, they function as an original decisionmaker without giving deference to the agency's findings of fact or applying the legal standard, that is, the regulations, that the agency decisionmaker must follow. The evidentiary preference of the judge and not the regulations becomes the legal standard the agency should have followed in deciding the case. In the vast majority of class actions, no regulation has been ruled invalid. When a regulation is, in fact, ruled invalid, appeal is virtually automatic. This is perhaps why SSA has been unable to find significant conflicts between regulation policy and circuit court law. I think it is fair to say that in practice the legal standard for evaluating and reviewing Social Security claims is not being consistently followed by the courts. Section 205(a) of the Social Security Act gives exclusive rulemaking authority to the agency "to establish procedures, not inconsistent with the provisions of this title,* * * and to adopt reasonable and proper rules and regulations to regulate and provide for the nature and extent of the proofs of evidence and the method and taking and furnishing the same in order to establish the right to benefits hereunder." It is clear, then, that Congress intended to regulations to be followed as the legal standard in the adjudication of Social Security claims. Clearly, the courts should not originate the legal and evidentiary standards. As stated in section 205(g), when a claim is denied "because of failure of the claimant * * * to submit proof in conformity with any regulations prescribed under subsection (a) hereof, the Court shall review only the question of conformity with such regulations and the validity of such regulations."

It should also be clear that a court may not invalidate a regulation on first impression and/or because the judge disagrees with the regulation. There should be a colorable claim, the regulation must be the only bar to a favorable decision and the regulation, in accordance with section 205(a), must be inconsistent with the statute.

If the courts would more closely follow the statute, the litigation process would certainly be considerably less chaotic.

Tenth. All determinations by State agencies on initial application claims are subject to review and reversal, without notice to the claimant, by SSA and all ALJ decisions are subject to own motion review and reversal, after notice to the claimant, by SSA's Appeals Council. Thus, throughout the first three steps of the process, the agency can second guess decisionmakers who are operating under duly delegated authority. Of course, there must be oversight authority for the agency to ensure that its regulations are being correctly applied but this is a cumbersome way of achieving that purpose.

Eleventh. I think the above illustrates that the current system is inordinately costly, time consuming and inefficient.

Mr. Speaker, it is obvious that we have a system that is in need of comprehensive reform. The problem cannot be solved by making a change or adjustment at one level of the process. We have learned the painful lesson that if one part of the process does not function properly, then the whole structure will eventually break down. We must have an appeals process in which each component is interrelated with the others, a process that is synergistic with built-in checks and balances that will ensure that the system will do what it is designed to do.

The bill I have introduced encompasses all of the above-stated principles which are essential for a well-functioning appeals process and it completely depoliticizes the process. My proposal will:

First. Establish the Social Security Administration as an independent agency. An independent agency is desirable in and of itself but it fits hand-in-glove with legislation that reforms and depoliticizes the appeals process for social security claims. A particularly important feature is the establishment of the position of beneficiary ombudsman. It is simply impossible to eliminate red tape in a system as large as Social Security. Problems will occur and the public must have an authorative spokesperson within SSA to represent public interest, especially in the area of developing rules and procedures. Another major responsibility of the ombudsman will be to ensure that SSA is following its rules in the evaluation of benefit claims. Problems such as the incorrect evaluation of mental impairments would have been identified and corrected quickly if there had been an ombudsman, and protracted and costly litigation would have been avoided.

Second. Reform the appeals process:

First. Replace the reconsideration level with a full evidentiary hearing conducted by a Federal employee for both initial and continuing disability claims. For initial application cases, allow 6 months for a request for this hearing to be filed. For continuing disability review cases, allow 60 days.

These evidentiary hearings will be conducted by a corps of highly trained, specialized Federal hearing officers to ensure the consistency of decisions. There will be equal compensation of hearing officers among the States.

The hearings will be nonadversarial in nature. SSA will not have a representative present. Favorable decisions will not be subject to review and reversal by the SSA before the payment of benefits. SSA will be able to appeal decisions with which it disagrees to administrative law judges, as can claimants who are dissatisfied with the hearing officer's decision.

Second. Change the function of the ALJ level to that of deciding first, did the claimant have a full opportunity to present his claim? Second, was the record adequate for a proper decision? and third, did the hearing officer correctly apply the statute and regulations to the facts presented by the case? Deference will be given to the judgment of the hearing officer as the fact finder.

ALJ's are particularly well-qualified to perform this function. They will primarily decide questions of law after the submission of arguments by the claimant and agency—that is, the ALJ will decide issues relating to due process and conformity with statutory and regulatory provisions.

Third. Eliminate the administrative review by the appeals council. With the change in the function of the ALJ level, the appeals council's administrative review will be unnecessary.

Fourth. Establish a Social Security court.

Like the Tax Court, the Social Security court will be a specialized court separate from the judicial branch. SSA law and regulations will be binding on the court, and therefore the court will not have jurisdiction to rule on constitutional matters or the validity of regulation issues.

The Federal district courts will retain jurisdiction over issues relating to constitutional questions or validity of regulations issues. In order to properly frame issues for district court rulings, the claimant and the SSA will stipulate that first, there is no dispute as to the facts of the case; and second, the only bar to a favorable decision is a provision of the SSA law or regulations. The court's ruling will be binding unless appealed to the court of appeals for the Federal circuit, but will have prospective effect only. This will end the nonacquiescence controversy.

All other issues arising from disability claims, including the adjudicative practices and policies of SSA, will be under the sole jurisdiction of the Social Security court.

As with the tax court, qualified nonattorneys may represent claimants upon certification by the Social Security court, or the claimants may represent themselves.

The decisions of the court will be precedential and binding on SSA unless appealed. Claimants and the SSA may appeal court decisions to the court of appeals for the Federal circuit.

Third. Allow a claimant to have only one claim pending before SSA at a time. Under current law, claimants may allege the same onset of disability continuously, even though prior applications covering the period of alleged disability have been finally decided. Also claimants may file subsequent applications before the original one has been finally decided.

My bill will limit the retroactive date for the establishment of a period of disability to the later of first, the first day of the 17th month prior to the month the application is filed. or second, the first day of the month following the month of a final decision on a prior application. The bill will also preclude the reopening of final decisions unless they were procured by fraud or similar fault.

Fourth. Eliminate own motion review by SSA of favorable decisions issued by hearing

officers or ALJ's and replace it with a mechanism for agency appeal. If the Agency believes that a hearing officer has not correctly applied the law and regulations to a case, they may appeal to an ALJ. This independent third party will decide whether or not the hearing officer's decision was legally sufficient. Similarly, if the agency believes the ALJ erred, it will have the right to appeal to the Social Security court. This will ensure that the necessary oversight authority of the Agency continues and at the same time allow disputes to be quickly and authoritatively settled by highly qualified third parties. Also, for the first time, a court will review allowances as well as denials which will provide a more balanced perspective.

Although the appeals council's administrative review will be eliminated, they will review ALJ decisions for possible appeal to the Social Security court.

Fifth. Provide interim benefit payments to claimants if SSA appeals a decision of a hearing officer or ALJ. These payments would begin 60 days after the date of the appeal of a decision and would continue until a final decision was issued either by the ALJ or the Social Security court. Those payments would not be considered an overpayment and would not be subject to recovery.

Mr. Speaker; I believe that these provisions completely conform to the above-stated principles. The claimant and the Agency have the same appeal rights. The initial level of adjudication will continue to perform its function of paying obvious allowances quickly. In this regard, it is important to note that the vast majority of claims that will be allowed at the initial decision level—historically, at least 75 percent. The more complex cases will be decided at the second stage with the claimant being able to fully present his claim in a nonadversary hearing. Beyond the hearing level the issues will be primarily legal rather than factual. Major policy and legal controversies will be resolved in a speedy, orderly and binding manner. The Social Security court will operate under the same legal standards as the agency, and the Federal judiciary will retain its jurisdiction to decide constitutional questions and issues relating to regulatory conformity with the statute but only within the pure context of the legal question presented. The reformed process will be much less time consuming and more cost effective.

I am convinced that this comprehensive legislation is the most viable approach to depoliticizing the Social Security program and making it more equitable and efficient. Band-aid, piecemeal solutions in reaction to crises have not worked in the past.

The adjudicative/appeals process is the key to a long-lasting solution. If the process has as its cornerstone a system of checks and balances where disputes are settled by independent and knowledgeable third parties, the pendulum swing from loosely applying the definition of "disability," which culminated in the 1980 amendments by requiring the periodic review of those on the disability rolls, to strictly applying the definition, which culminated in the Disability Benefits Reform Act of 1984, will stop close to an ideal balance. At the same time, especially in this time of budgetary constraints, the process must be timely, efficient, and cost-effective.

IMMIGRATION REFORM URGENTLY NEEDED

HON. HAMILTON FISH, JR.

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Monday, April 21, 1986

Mr. FISH. Mr. Speaker, on Tuesday, March 11, 1986, the chairman of the Judiciary Committee, PETER RODINO, and I, along with Senator ALAN SIMPSON, Congressman MAZZOLI, and Congressman LUNGREN, met with the President at the White House on the subject of immigration reform. It was a very fruitful meeting and the President unequivocably lent his support to the adoption of immigration reform legislation. On the next day, March 12, the Attorney General of the United States echoed this position when he appeared before the full Judiciary Committee.

Many of us who have worked long and hard to enact comprehensive immigration reform legislation, welcome the President's endorsement and applaud him and the Attorney General for assuming a leadership role.

Time is of the essence. Apprehension on our Sourthern borders have shot up dramatically in the first 3 months of 1988, as compared to 1985. We are seeing aliens from many countries, including Mexico. Violence is also on the upswing.

I wish to insert for the RECORD a copy of an article which appeared in the March 12, 1988 issue of Christian Science Monitor, and which underscores the level of violence which is fast becoming commonplace along Southern portions of our border.

VIOLENCE SURGES WITH ALIEN INFLUX

(By Scott Armstrong)

SAN YSIDRO, CA.—Violence along the border is surging as the number of illegal immigrants entering the United States from Mexico hits new highs.

It comes in two forms: attacks against the aliens, mainly by bandits, and assaults against Border Patrol agents themselves, usually by "illegals" resisting arrest.

"It is a very serious problem," says Alan Eliason, chief United States Border Patrol agent in the San Diego sector.

Criminal activity is increasing at many points along the border, from Texas to California. But the violence is most pronounced south of San Diego, a region one agent calls the "Russian front" of the US-Mexican border. This area is the main thoroughfare for illegal aliens heading north. Last year, the San Diego sector accounted for 36 percent of all illegals arrested along the US-Mexican border.

All this means more work for the Border Crimes Prevention Unit, a joint task force formed two years ago by the Border Patrol and the San Diego Police Department.

Antonio Ruiz, a member of the unit, has his bulletproof vest on and .38 pistol at his hip. He is ready for another night of trying to stop violence along this porous section of the border. The short, sturdily built Ruiz will spend the night with nine other officers walking a series of jojoba-studded canyons that separate Tijuana, Mexico, from this southern California town.

Ironically, their mission of thwarting border crime includes protecting illegal aliens slipping into the US from bandits seeking to rob them. But the agents themselves are often attacked by "illegals" resisting arrest.

In the first four months of fiscal 1986 (Oct. 1–Jan. 31), 43 assaults were reported against Border Patrol agents in the San Diego sector—almost double the number in the same period a year ago. Throughout the Border Patrol's western sector, stretching from California through Arizona, 60 attacks have been recorded against agents in the first quarter of fiscal 1986, a 66 percent increase over last year.

Agents in Texas have been involved in three shooting incidents with aliens in the past year. The encounters underscore a disturbing trend: A growing number of immigrants being arrested along the border are armed with guns and knives.

"In the past, we would never arrest an alien [and find that he or she was carrying a firearm," says an agent at the US Border Patrol's southern regional office in Dallas. "Now it is quite common."

Immigration officials attribute part of the increased violence to the sheer volume of illegals now entering the US. The Immigration and Naturalization Service estimates that as many as 1.8 million aliens will be arrested during 1986—a 50-percent jump over last year's record pace. Most of them will be unemployed Mexicans, driven to the US by economic woes at home.

Another contributing factor, officials say, is the increase in drug smuggling across the border, which has brought a corresponding increase in crime of all kinds.

A more frequent source of violence along the border, however, is the attacks by bandits against immigrants. Most of this activity occurs in a 10-square-mile area straddling San Ysidro and Tijuana. The area, a favortie route of illegals, is laced with grassy canyons that make good cover for the bandits. Typically, they work in groups of three or more and jump the aliens at night. The bandits, usually from the Mexican side, then scamper back across the border with their loot.

"The criminals now tend to be a little more vicious," says Mr. Eliason. He notes that some bandits, when attacking a group, will shoot one alien to let the rest know they mean business. There has also been a recent upswing in assaults against illegals by US residents in the streets of San Ysidro.

Last year, 176 robberies, 8 murders, and 15 rapes were recorded against aliens, mostly in the San Diego sector. But police say the numbers don't reflect the extent of the problem, because the illegals, fearful of being sent back across the border, often don't report crimes.

One factor contributing to the high number of assaults lately, some officers suggest, is the changing mix of aliens flooding across the border. In recent months, more families have been trying to enter the US. They make tempting targets for bandits, who like to prey on the most vulnerable groups.

Moreover, there has also been a surge in the number non-Mexican illegals crossing the border. Since many travel great distances, such as from El Salvador, they usually carry along many possessions.

"They tend to be a little bit better targets," says Arthur Palmer, a sergeant with the San Diego Police Department.

Nevertheless, the Border Crimes Prevention Unit, formed two years ago, seems to

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have put a dent in the problem. Local officials credit the 12-member force with holding down the number of attacks by bandits.

TERRORISM AND A FREE PRESS

HON. ROBERT GARCIA

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Monday, April 21, 1986

Mr. GARCIA. Mr. Speaker, Katherine Graham, chairman of the board of the Washington Post, wrote a very insightful essay on the role of a free press in covering acts of terrorism published in yesterday's Post.

The importance of the press in reporting such acts to the public cannot be minimized. Ms. Graham has, however, drawn a fine but distinct line between maintaining the freedom of the press in covering these acts and the way in which a responsible media ought to behave under such conditions. Her essay can serve as food for thought for all of us as we begin to grapple with the problems that terrorism inflicts on our society and its institutions. I urge my colleagues to read her essay.

The essay follows:

[From the Washington Post, Apr. 20, 1986]

SAFEGUARDING OUR FREEDOMS AS WE COVER TERRORIST ACTS

(By Katharine Graham)

Picture a warm and sunny day, not in Athens or Cairo, but in Washington. The Israeli prime minister is in town and is scheduled to meet the president.

At 11 a.m. the leader of an obscure Muslim sect and several accomplices armed wth guns and machetes storm the headquarters of B'nai B'rith. Three other members of the group seize the city's Islamic Center and two more fanatics invade City Hall, killing a radio reporter in the process. Altogether, the terrorists take 134 hostages in three buildings by gunpoint, force them to the floor and threaten to kill them unless their demands are met.

The news media, as one might expect, descend on the scene en masse. Live television pictures carrying the group's warnings and demands soon go forth over the airwaves. One hundred and thirty-four lives hang in the balance, as reporters compete to get exclusive interviews with the terrorists.

This crisis actually happened, on March 9, 1977, when the Hanafi Muslims staged a terrorist attack on the very day Prime Minister Yitzhak Rabin was meeting with President Jimmy Carter. Happily, it ended with the surrender of the terrorist and no further loss of life.

The Hanafi incident illustrated a troubling fact about modern terrorism: It requires an audience. The terrorist has to communicate his own ruthlessness—his "stop-at-nothing" mentality—in order to achieve his goals. Media coverage is essential to his purpose. If terrorsim is a form of warfare, as many observers now believe, it is a form in which media exposure is a powerful weapon.

As terrorism increases, we in the news media are being encouraged to restrict our coverage of terrorist actions. British Prime Minister Margaret Thatcher, for example, has proclaimed: "We must try to find ways to starve the terrorist and the hijacker of the oxygen of publicity on which they depend." Many people, including some reporters in the United States, share her view. Most of these observers call for voluntary restraint by the media in covering terrorist actions. But some go so far as to sanction government control—censorship, in fact—should the media fail to respond.

I disagree. I am against any government-imposed restrictions on the free flow of information about terrorist acts. Instead, I am in favor of as full and complete coverage of terrorism by the media as is possible. Here are my reasons:

Terrorist acts are impossible to ignore. They are simply too big a story to pass unobserved. If the media did not report them, rumor would abound. And rumors can do much to inflame and worsen a crisis.

There is no compelling evidence that terrorist attacks would cease if the media stopped covering them. On the contrary, terrorism specialists I have consulted believe the terrorists would only increase the number, scope and intensity of their attacks if we tried to ignore them.

Our citizens have a right to know what the government is doing to resolve crises and curb terrorist attacks. Some of the proposed solutions raise disturbing questions about how and when the United States should use military force.

In covering terrorism, however, we must also recognize that we face very real and exceedingly complex challenges. There are limits to what the media can and should do. Three critical issues, in particular, must be addressed. All touch the central question of how the press can minimize its role as a participant in the crisis and maximize its role as a provider of information.

RESPONSIBLE BEHAVIOR

The first issue involves knowing how to gather and reveal information without making things worse, without endangering the lives of hostages or jeopardizing national security. One television news executive bluntly explained to me: "Errors that threaten loss of life are permanent; others are temporary. If we have to make mistakes, we want to make the temporary kind."

In the early days of covering urban violence and the first terrorist attacks, the media would descend on the scene—lights ablaze and cameras rolling—in hot pursuit of the news. Sometimes we didn't know what could put lives at risk. And we were often less than cooperative with the police attempting to resolve the crisis.

During the Hanafi Muslim attack that I described earlier there were live television reports that the police were storming a building when, in fact, they were merely bringing in food. Some reporters called in on public phone lines to interview the terrorists inside the building. One interview rekindled the rage of the terrorist leader, who had been on the point of surrender.

These potential disasters led to discussions between the police and the media, and to a more professional approach and mutual trust on both sides. For example, most authorities now know that at the beginning of a crisis, it is best to establish a central point where reliable information can be disseminated quickly and efficiently. And the media, knowing that the authorities intend to help them obtain the information they need, are much more willing to cooperate.

I want to emphasize that the media are willing to—and do—withhold information that is likely to endanger human life or jeopardize national security. During the American embassy crisis in Iran, for example, one of our Newsweek reporters became aware that six Americans known to have been in the embassy were not being held by the Iranians. He concluded that these men must have escaped to the Swedish or Canadian embassies. This in fact had occurred. However, we (and some others who also knew) did not report the information because we knew it would put lives in jeopardy. Similarly, when a group of Lebanese Shiites hijacked TWA Flight 847 with 153 hostages aboard last year, the media learned—but did not report—that one hostage was a member of the U.S. National Security Agency.

Tragically, however, we in the media have made mistakes. You may recall that in April 1983, some 60 people were killed in a bomb attack on the U.S. embassy in Beirut. At the time, there was coded radio traffic between Syria, where the operation was being run, and Iran, which was supporting it. Alas, one television network and a newspaper columnist reported that the U.S. government had intercepted the traffic. Shortly thereafter the traffic ceased. This undermined efforts to capture the terrorist leaders and eliminated a source of information about future attacks. Five months later, apparently they same terrorists struck again at the Marine barracks in Beirut; 241 servicemen were killed.

This kind of result, albeit unintentional, points up the necessity for full cooperation wherever possible between the media and the authorities. When the media obtains especially sensitive information, we are willing to tell the authorities what we have learned and what we plan to report. And while reserving the right to make the final decision ourselves, we are anxious to listen to arguments about why information should not be aired.

THE DANGER OF MANIPULATION

A second challenge facing the media is how to prevent terrorists from using the media as a platform for their views.

I think we have to admit that terrorist groups receive more attention and make their positions better known because of their acts. Few people had even heard of groups like the Hanafi Muslims or Basque Separatists before they carried out terrorist attacks.

The media must make every attempt, however, to minimize the propaganda value of terrorist incidents and put the actions of terrorists into perspective. We have an obligation to inform our readers and viewers of their backgrounds, their demands and what they hope to accomplish. But we must not forget that terrorists are criminals. We must make sure we do not glorify them, or give unwarranted exposure to their point of review.

We often think of terrorists as unsophisticated. But many are media savvy. They can and do arrange their activities to maximize media exposure and ensure that the story is presented their way. As one terrorist is supposed to have said to his companion: "Don't shoot now. We're not in prime time."

Terrorists have taken the following steps to influence media coverage: arrange for press pools; grant exclusive interviews during which favored reporters are given carefully selected information; hold press conferences in which hostages and others are made available to the press under conditions imposed by the captors; provide videotapes that portray events as the terrorists wish them to be portrayed, and schedule the release of news and other events so that television deadlines can be met.

There is a real danger, in short, that terrorists hijack not only airplanes and hostages, but the media as well.

To guard against this, the television networks in our country rarely—almost never—allow terrorists to appear live. They also resist using videotape provided by terrorists. If there is no alternative, our commentators continually report that the material is "terrorist-supplied" so that viewers can evaluate its veracity and meaning. Likewise, when terrorists make hostages available for interviews, our commentators repeatedly indicate—or they should—that the captives are speaking under duress.

When one network reporter interviewed the hostages in the recent TWA hijacking by telephone, he said: "Walk away from the phone if you're under duress, or if you don't want to talk." One of them did walk away. Even when there is no evident coercion, the networks repeat that terrorists are standing by, although they are not visible on the screen. We also try to identify carefully and repeatedly the backgrounds and biases of the people we interview, including the hostages themselves.

Forbidding terrorists their platform goes beyond using specific techniques. It is more an issue of exercising sound editorial judgment.

Over the years, the media constantly have been confronted with attempts at manipulation. In the days of the Vietnam war, for example, we would get calls from protest groups saying "We're going to pour chicken blood all over the entrance to Dow Chemical Company. Come cover this event." We didn't. But we did cover a Buddhist monk who wished to be filmed setting fire to himself.

How did we make the distinction? Here it was a question of trivial versus serious intent and result, of low versus high stakes. Clearly, the suicide was of cataclysmic importance to the monk.

The point is that we generally know when we are being manipulated, and we've learned better how and where to draw the line, though the decisions are often difficult.

A few years ago, for example, a Croatian terrorist group in a plane demanded that its statement be printed in several newspapers, including The Washington Post, before it would release 50 hostages. In the end, we printed the statement in agate, the smallest type size we have, in 37 copies of the paper at the end of our press run. Now I'm not so sure we would accede to this demand in any form.

THE HEAT OF COVERAGE

That brings me to a third issue challenging the media: How can we avoid bringing undue pressure on the government to settle terrorist crises by whatever means, including acceding to the terrorist's demands?

State Department officials tell me that media coverage does indeed bring pressure on the government. But not undue pressure. However, I believe there are pitfalls of which the media should be exceedingly careful.

One is the amount of coverage devoted to a terrorist incident. During a crisis, we all want to know what is happening. But constant coverage can blow a terrorist incident far out of proportion to its real importance. Overexposure can preoccupy the public and the government to the exclusion of other issues.

During the TWA crisis, our networks constantly interrupted regularly scheduled programming with news flashes of dubious importance. And one network devoted its entire 22-minute evening newscast to the crisis. Many important topics were ignored.

The media have become aware of these dangers. The network coverage of the Achille Lauro incident was much more restrained. Some say it was only because it was difficult to cover and the crisis ended quickly. But the networks got better notices from the critics and the public.

Interviewing the families of hostages is another pitfall. There is a natural curiosity about how those near and dear to the captured are reacting to the life-or-death event. And the hostage families themselves often are anxious to receive media attention and present their views to the public.

But there is a fine line between legitimate inquiry and exploitation of human sentiment. The media can go too far. Tasteless invasion of privacy can result. The ultimate horror is the camera that awaits in ambush to record the family's reaction to the news of some personal tragedy.

There is also a real danger that public opinion can be unjustifiably influenced by exposure to the hostage relatives and their wives. The nationwide television audience becomes, in a sense, an extended family. We get to know these people intimately. Our natural sympathies go out to them. We often come to share their understandable desire to have their loved ones back at any cost.

This can force a government's hand. Last May, Israel released more than 1,000 Arab prisoners in exchange for three Israelis being held in Lebanon. It was an action that ran counter to Israeli policy. But the appearances of the families of the Israeli prisoners on television apparently made the Israeli government think it was a necessity.

I believe the media must be exceedingly careful with the questions they ask the relatives and, of course, the hostages themselves. When we ask if they agree with the government's policy or its handling of the incident, what they would do if they were in charge, or if they have messages for the president, we are setting up a predictable tension: Hostages and their families are, understandably, the most biased of witnesses. The media must exercise the same standards with them as they would with any other news source.

A final pitfall for the media is becoming, even inadvertently, a negotiator during a crisis. But it's tough to avoid. Simply by asking legitimate questions—such as "What are your demands?"—the media can become part of the negotiating process. Questions that ask "What would you do if . . ." are particularly dangerous. The question put to Nabih Berri, the Amal Shiite leader, during the TWA crisis by the host of one of our morning news shows was completely out of line and is so acknowledged. He asked: "Do you have a message for the president?"

As much as we abhor terrorism, the media cannot be diplomats, negotiators or agents for the government. If terrorists or urban rioters believe we are—if they believe, for example, that we will turn over our unused tapes, or pictures, or notes to the police—they will not give us information. They may even attack us.

Technology intensifies our problems. Before the advent of satellites, there was usually a 24-hour delay between the moment news was gathered overseas and the moment it was broadcast. Indeed, what appeared on the nightly news often had been in the morning paper. This meant that television news executives had at least some amount of time in which to reflect, discuss and decide on whether a story should be broadcast and how it should be presented.

Today our networks have the technological capability to present events live—any time, any place. As a result, the decisions about what to cover and how to cover are tougher. And they must be made faster, sometimes on the spot. The risks of making a mistake rise accordingly.

Intense competition in the news business raises the stakes even more. The electronic media in the United States live or die by their ratings, the number of viewers they attract. As a result, each network wants to be the first with the most on any big story. It's hard to stay cool in the face of this pressure.

This has created some unseemly spectacles and poor news decisions. During the TWA crisis, for example, the U.S. networks ran promotion campaigns on the air and in print touting the scoops and exclusive that each had obtained. This commercialized and trivialized a dangerous and important event.

The most dangerous potential result of unbridled competition is what we have come to call the lowest-common-denominator factor. I believe that all of the serious, professional media—print and electronic—are anxious to be as responsible as possible. We want to do nothing that would endanger human life or national security. But, unfortunately, high standards of professionalism do not guide every media organization and reporter. And I regret to say that once one of these less scrupulous or less careful people reports some piece of information, all the media feel compelled to follow. Thus it is true: The least responsible person involved in the process could determine the level of coverage.

These problems of covering terrorism are serious. But in spite of them, I believe the benefits of full disclosure far outweight any possible adverse consequences. I believe the harm of restricting coverage far surpasses the evils of broadcasting even erroneous or damaging information.

American democracy rests on the belief, which the centuries have proven true, that people can and do make intelligent decisions about great issues if they have the facts.

But to hear some politicians talk, you wouldn't think they believed it, They appear to be afraid that people will believe the terrorist's message and agree, not only to his demands, but to his beliefs. And so they seek to muzzle the media or enlist their support in the government's cause.

I think this is a fatal mistake. It is a slippery slope when the media start to act on behalf of any interest, no matter how worthy—when editors decide what to print on the basis of what they believe is good for people to know, It's dangerous if we are asked to become a kind of super-political agency.

I believe that terrorism is untimately a self-defeating platform from which to present a case. Terrorists, in effect, hang themselves whenever they act. They convey hatred, violence, terror itself. There was no clearer image of what a terrorist really is than the unforgettable picture of that crazed man holding a gun to the head of the pilot aboard the TWA jet. That said it all to me—and I, believe, to the world.

Publicity may be the oxygen of terrorists. But I say this; News is the lifeblood of liberty. If the terrorists succeed in depriving us of freedom, their victory will be far greater then they ever hoped and far worse than we ever feared. Let it never come to pass.

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ESCAPE TO FREEDOM

HON. DON RITTER

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Monday, April 21, 1986

Mr. RITTER. Mr. Speaker, the enclosed April 10, 1986 article which appeared in the Morning Call—by Patt Morrison of the Los Angeles Times—is a chilling reminder of the reality life behind the Iron Curtain. Vladas Sakalys' 350 mile trek from Lithuanian to freedom im Sweden portrays not only the valient effort of one man, but burns a desire in our hearts to work toward freeing these captive nations.

The article follows:

ESCAPE TO FREEDOM—LITHUANIAN TREKKED 350 MILES TO FLEE SOVIET GULAG

(By Patt Morrison)

LOS ANGELES.—It was May 1980, and the KGB was looking for Vladas Sakalys.

The KGB, it seemed, was always looking for Vladas Sakalys, except for the 15 years when it had him in prison camps in Siberia, near Moscow or in his Lithuanian homeland.

Sakalys, who now works at a Los Angeles electronics company, said his run-ins with the KGB began when he was 13. His father had been a Soviet Army "collaborator", and Sakaly's schoolmates dared him to prove his Lithuanian loyalty.

He did, helping to print "Soviets Go Home!" pamphlets, a prank that earned him three days of questioning and beatings in a KGB jail, and another thrashing by his mother when he got home.

More of the same followed: at age 19, sentenced to six years; at age 28, sentenced to four years; at age 31, sentenced to five years. During his rare years of freedom—fewer than five out of 20—he was a "usual suspect," an uncooperative Lithuanian rounded up when "anti-Soviet activity" cropped up in the region.

But this, in 1980, was big trouble. Sakalys was one of 45 dissidents who signed the "Baltic Declaration," endorsed by physicist Andrei Sakharov, demanding an end to the Soviet occupation of the Baltic countries—a touchy topic in the Soviet Union, even 40 years after it began.

The KGB picked him up on a Friday, questioned him, let him go to "think about" the 10 or 15 years in prison he faced, and said he would be brought back on Monday to swear that his signature was a forgery—or be charged.

On Sunday, Sakalys slipped from surveillance and went into hiding to plan his escape, in Vilnius, a city soon plastered with "wanted" posters calling him a "dangerous criminal."

Two months later, Sakalys had left the Soviet Union the hard way: he walked.

For three weeks and more than 350 miles, he trekked across the electric-fenced, dog-patrolled forests marking the Soviet border, and through the icy marshes of Finland, whose police hand escapees back to the Soviets.

Feverish and barefoot, he stumbled into Sweden on July 19, opening day of the Moscow Olympic Games, to the bemusement of Swedish police.

That was 1980, Sakalys is 44 now, living in a Los Angeles beach community apartment. He came to the United States through an aunt in New Jersey and moved to Los Angeles two years ago, following a Lithuanian friend, defector Simas Kudirka, the sailor who jumped ship off Martha's Vineyard in 1970 and who later befriended Sakalys in New York.

Sakalys reminisced recently about his walk to freedom—something no more than a dozen people have been known to do. He said he felt free to speak fully, now that he has learned his companion-in-escape, who changed his mind and turned back at the Soviet border, was later arrested for trying the same thing and is now serving a 15-year sentence.

It was with this friend from prison that Sakalys lay low during June 1980, then slipped onto a train in Jura headed for the northwestern border, a train loaded with drunk, rowdy soldiers. Sakalys pretended to be sleeping off a bender, too.

"We knew it was practically impossible to escape. I wasn't really planning to escape to the West, but it was a really desperate situation."

When the train halted for a momment in the "white night" of an Arctic summer, they jumped and ran.

They walked 127 miles in 10 days, sometimes waist-deep in icy water. Then, at the first electric sensor fence, they waited for the dog patrol to pass. "I said, 'Let's go.' He said 'No, I'm afraid.' It was maybe the worst moment of my life," but he understood his friend's reluctance. "I was in a desperate situation and he wasn't."

After extracting a promise of three days' silence if his friend were caught, Sakalys, propped by a tree branch, stood on his friend's shoulders and vaulted the fence. His friend tossed the backpack; it caught on barbed wire. Sakalys screamed, "Be careful!" The friend lobbed it again, and it cleared the fence.

They waved and parted. Before moving on, Sakalys carefully sprinkled the ground with naphthalene, mothball flakes, to throw the dogs off his scent, 15 minutes of caution that "felt like years and years."

It was a trick, he learned in Vladimir Prison for political prisoners, where he had glimpsed captured U-2 pilot Francis Gary Powers. It had been Josef Stalin's prison for hand-picked enemies, Sakalys said. The prison library was still full of forbidden books that no one had dared to remove: philosophy by Emmanuel Kant, politics by Niccolo Machiavelli. "It was my real university," Sakalys said.

But it was the naphthalene lesson that saved him.

After hours of walking he came to a peninsula: more fences to one side, military barracks on the other, a vast lake around—a lake deliberately not shown on his Soviet-made map. Sakalys waited until 5 a.m. and walked "like in some trance" through the barracks yard. The soldiers slept; no one noticed him as he crept through the garrison, erasing his footprints from the raked dirt as he went.

For days more, he ran, walked and swam—sometimes five miles in freezing water. Once, spotting a soldier, he waited until the sun was in the man's eyes before running.

On one lake, as he lay exhausted, naked and "white as cheese" among the reeds, his clothes bundled on his head, he saw a cutter flying the Russian naval flag, and submerged briefly, breathing through a reed.

There was no naphthalene left when he "decided just to run, because it was my last hope." For two hours, through high grass and hilly marshes, he ran—the last half-hour with barking dogs on his trail—and vaulted the two last barbed-wire fences.

And then, 10 days after he began, he saw firewood, "not stacked Russian-style, but with accuracy." He found a blue ice cream wrapper marked "Helsinki Finland." It was "the best moment of my life."

But it was Finland and he would be sent back if caught. He trudged on, staring at the "nice, painted" houses and tended gardens. "I thought I must see everything to tell in the camps. It must be enough to last me for a lifetime of talks."

Then he took a chance. At an isolated farmhouse, an old man—"old enough to remember the wars"—fed him, gave him a cigarette, packed three pounds of rye bread and gave him a map to Sweden, to freedom.

Sakalys gave the man his last possession of value—his watch—and kept walking. For 10 days more he tramped, leaping off the highway whenever a car drove by. At last, on July 19, a day after his tennis shoes gave out, he swam across "scary" rapids and stumbled up to a young boy—about the age Sakalys was when he was first arrested—and gasped out, "Is this Finland or Sweden?"

The boy looked at the apparition. "Sweden," he said in English. "Telephone police," Sakalys pleaded. (He had arrived in Tornio.)

From a Swedish jail so luxurious that Sakalys thought it was a hotel, he was finally identified by Soviet emigres who recognized him from labor camps, and freed.

He rested for six weeks there, and one day he saw his picture on a large sheet of paper, hanging on a wall. The photo, so much like the "wanted" posters, startled him "Was it telling the people to watch out for me?" he wondered.

He nervously asked a passer-by what they meant, the words beneath the newspaper picture. "He said it means, 'I am free.' "

A SPECIAL WAY TO HONOR OUR VETERANS

HON. BILL SCHUETTE

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Monday, April 21, 1986

Mr. SCHUETTE. Mr. Speaker, my good friend Harold Steinke has brought to my attention the fact that the Veterans of Foreign Wars from Gladwin County, Post 7303 in Michigan's 10th District have developed a way to honor their deceased companions that I wish to commend to my colleagues in Congress and to the American people.

On all holidays, the interment flags of deceased Veterans are proudly displayed along the roads outside the VFW post. The sight of our flag always serves to remind us of how precious our American way of life and our freedoms are and this awareness is heightened by knowing these flags sonce honored the remains of those who fought to protect those freedoms.

Mr. Speaker, I commend this practice of Gladwin County's Veterans of Foreign Wars, a practice which honors our country and those who have fought to protect her.

WHY ARE KIDS KILLING THEMSELVES?

HON. CHARLES E. BENNETT

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Monday, April 21, 1986

Mr. BENNETT. Mr. Speaker, I read the following editorial from the Detroit News which succinctly says that evidence indicates that there is no substitute for old fashioned parenting and that "somebody has to be crazy about the kid" as an antidote for teenage suicide. There is great common wisdom in that editorial, but even more important is the early conviction by young people, from whatever source, that no one has the right to take his own life and no one is an island to himself, and that the people who are most hurt in teenage suicide are people who are most caring, affectionate, and loving toward the people who take their own lives. If a person can see that his body, his life, and even his mere existence are things that are disposable without thought of others, this can be a tragedy not only to the person who takes his or her life but to people who are indeed loving and concerned and trying to the best of their ability to be good parents or friends. This sort of knowledge needs to be deep in the heart of all young people, and similarly, they must feel the same about the partial suicides that are occurring throughout the country by the taking of dangerous drugs and addictions therefrom. The article follows:

[From the Detroit News, Thursday, Mar. 13, 1986]

WHY ARE KIDS KILLING THEMSELVES?

Last month, Omaha was shocked by three suicides in a single week involving apparently well-adjusted teen-agers from solid homes. Exactly why they did so is still a mystery. Yet Omaha is merely the latest city to experience what has become a two-decade long, 140-percent spiral in the rate of teen-age suicide. This sad trend suggests we may need to rethink how we as a society raise our children.

Some of that rethinking already has begun. In an important article in the winter issue of Public Interest titled The Declining Well-Being of American Adolescents, sociologists Peter Uhlenberg and David Eggebeen of the University of North Carolina, question the conventional wisdom that life would improve for kids as their "environment" improved.

"The 1960s and 1970s should have been a golden era for the development of American youth," they write. "After all, indicators of what mainstream social scienstists and policy-makers regard as the important determinants of child welfare (smaller family size, rising parental education levels, and higher family income) were all going in the 'right' direction. . . . However, comparison of youth in 1980 with youth in 1960 reveals that what 'should' have happended, did not happen. Indeed most indicators of well-being show a marked deterioration."

White teen-agers aged 16 and 17, the most advantaged group, saw their family poverty rate reduced from 25 percent in 1960 to less than 10 percent in 1980, for example, while the number of children in large families (four or more siblings) fell from 21 to 14 percent. The poverty rate for those with fathers and mothers without high school educations fell from about 60 percent to about 25 percent. Overall, the researchers found that the percentage of white teen-agers with none of these "disadvantages" soared from 32 percent of their population group to 63 percent.

They also found that the per-pupil expenditures on public education had doubled, after inflation was taken into account, as had the percentage of teachers with advanced degrees. Class size, meanwhile, had actually fallen by nearly 18 percent.

Yet all this "good news" produced only "bad news." Standardized test scores fell by about 10 percent. Juvenile delinquency rates rose by 131 percent, and illegitimate birth rates jumped 141 percent. Drug and alcohol use exploded, and white teen-age violence soared, with homicide up 232 percent and suicide up 140 percent.

Messrs. Uhlenberg and Eggebeen argue that we must now question the traditional social science view that "environment" is at the root of youth problems, a view they say has "diverted attention from what may be the most critical determinant of all; the bond between child and parent."

In this area, we have seen a disturbing breakdown as evidenced by the 140-percent rise in divorce rates and the increasingly self-centered attitudes of parents. As Daniel Yankelovich found in a 1981 poll, "nearly two-thirds of all American parents reject the idea that parents should stay together for the children's sake." A similar majority feel that "parents should be free to live their own lives even if it means spending less time with their children."

Ultimately, the only solution to troubled teen-agers may well lie in what Cornell psychologist Urie Bronfenbrenner calls the "essential prerequisite" for healthy human development: "Somebody has to be crazy about the kid. . . ." Crazy enough to supervise and nourish his or her development, and to demand higher standards.

We don't suggest that the clock can be turned back, or that "a woman's place is in the home." Teen suicide no doubt has deeper and more complex roots than we can suggest here. But the evidence does indicate there's no substitute for old-fashioned parenting. How we come to grips with that in our modern, two-wage-earner economy, should be a priority issue.

BEST WISHES, FRANK YANKOVIC

HON. WILLIAM F. CLINGER, JR.

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Monday, April 21, 1986

Mr. CLINGER. Mr. Speaker, Frank Yankovic, a nationally known polka music legend and master accordion player, recently becama the first person to win a Grammy Award for his polka-playing abilities.

For over 35 years, Frank Yankovic has been America's undisputed king of polka music, bringing joy and happiness to thousands of people in dozens of American cities from coast to coast.

His "Just Because Polka" became the first to sell 1 million copies.

The son of Slovenian immigrants, Frank Yankovic almost lost his hands, and his career as an accordion player, to frostbite while serving his country as an infantryman in Germany during World War II.

He makes frequent appearances on network TV talk-variety programs, and being from Cleveland, I'm proud to say he plays frequently throughout Pennsylvania, including my hometown of Warren, PA, where he has entertained area audiences for over 30 years.

I know I am joined by all of my colleagues in wishing Frank Yankovic best wishes and continued success as he approaches his 71st birthday in July and his sixth decade of making people happy with the polka.

WISHFUL THINKING ON TEST BAN MORATORIUM

HON. E. THOMAS COLEMAN

OF MISSOURI

IN THE HOUSE OF REPRESENTATIVES

Monday, April 21, 1986

Mr. COLEMAN of Missouri. Mr. Speaker, in the next few days we will consider an amendment by Congresswoman SCHROEDER to the urgent supplemental appropriations which would cut off all funds for the U.S. nuclear testing program unless the President joins the Soviet moratorium on nuclear testing. For a variety of very compelling reasons, I intend to oppose this measure.

In this regard, I recommend to all of my colleagues the following op-ed piece, written by our colleague, HENRY HYDE of Illinois, on the United States past experience with a testing moratorium—a moratorium which the Soviets broke unilaterally in 1961.

There are many lessons to be learned from this experience. I believe Congressman HYDE's article is well worth reading on the eve of our consideration of a nuclear testing moratorium amendment.

[From the Washington Times, Feb. 26, 1986]

WISHFUL TEST-BAN THINKING

(By Henry Hyde)

In the past year the banning of nuclear tests has become the new darling of some of my liberal colleagues in Congress.

Identified by the freeze movement as a priority arms control issue in 1986, this infatuation has resulted in a proliferation of bills and resolutions in both the House and Senate calling for everything from the immediate negotiation of a Comprehensive Test Ban Treaty (CTBT) to instant participation in a nuclear-testing moratorium with the Soviet Union.

Perhaps sensing that arms control—an issue jealously guarded by the Democratic Party as "its own"—was slipping through its fingers and gradually becoming the property of President Ronald Reagan, some Democrats have been scrambling to devise a new Democratic arms control strategy. As a result, nuclear strategy and the Strategic Defense Initiative have emerged as the major targets of the Democratic arms control arsenal.

The Democratic leadership in the House, urged on by liberal activists, is once again considering bringing legislation to the floor of the House of Representatives that will direct the president to begin immediate negotiations with the Soviet Union on a Comprehensive Test Ban Treaty.

In the quixotic hope that some of my liberal colleagues may recall Sen. Henry Jackson's advice that in matters of national se-

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curity, "the best politics is no politics," I feel obligated to urge those attracted to the test-ban idea to be very cautious in their commitment. CTBT negotiations and nuclear testing moratoria are not new ideas, and judging from past experience, not even good ideas. In fact, both ideas have many historical antecedents.

An interestingly enough, the lessons learned from past experience are most relevant to Democrats, not Republicans.

Yet I suspect that most of my liberal Democratic colleagues are no different than most other members of Congress; we prefer to ignore the lessons of history unless, of course, they suit our own purposes. Nevertheless, I feel obliged to refresh the memories of my Democratic colleagues about the pitfalls of a well-intentioned, yet naive, pursuit of a nuclear test ban at any cost.

The test-ban saga really began in the late 1950s when the Soviet Union, the United States, and Great Britain agreed to sit down in Geneva and thrash out a comprehensive nuclear test-ban treaty. This was followed in 1958 by the United States's decision to honor a self-imposed, uninspected nuclear testing moratorium if the Soviet Union would do the same. Shortly thereafter, the Soviets agreed to such a moratorium.

The tripartite CTBT talks dragged on for three years while both the United States and the Soviet Union continued to honor the test-ban moratorium, despite the fact that more than a few Americans seriously questioned the Soviet Union's motives and intentions in both areas. But even after 338 meetings of Soviet, British, and American CTBT negotiators, the Kennedy administration was not willing to throw in the towel and concede that the basic problems preventing a CTBT agreement with the Soviet Union were unresolvable.

Unfortunately, this perseverance was not rewarded. On Aug. 31, 1961, after three years, the Soviet Union shocked the world by announcing that it was unilaterally withdrawing from the testing moratorium and that it intended to test a 100-megaton "superbomb" in the very near future. Within two days, the Soviet Union did in fact conduct an atmospheric nuclear test over Soviet Asia.

The Kennedy administration reacted strongly, voicing outrage over the Soviet action, and President Kennedy expressed his deep dismay at what he considered to be an astounding display of Soviet duplicity. Later President Kennedy was to say:

"We know now enough about broken negotiations, secret preparations, and the advantages from a long test series never to offer again an uninspected moratorium."

This sense of betrayal was not limited to the president. In a speech given only a day after the Soviet announcement, Sen Hubert Humphrey asserted:

"The Soviet Union's decision to resume nuclear testing is a cruel and vicious blow to the cause of peace. It represents a cynical disregard for the well-being of humanity. It demonstrates the hypocrisy of the Soviet Union and its so-called peace program.

"The entire world now knows that the men in the Kremlin are consumed with ambition and power, without any regard for justice and peace."

But perhaps more relevant for today's Democrats, who justifiably consider him a hero, are Sen. Humphrey's remarks in this same speech about the Soviet Union's use of the ongoing CTBT negotiations as a charade to further their own nuclear research and development program.

"In recent days, Arthur Dean, our chief negotiator, returned to Geneva with further concessions to meet the objections of the Soviet Union. Every effort on our part has been rebuked or rebuffed by the Soviets. It has become crystal clear that the Soviet Union sought to renew tests and was doing everything possible to break up the conference at Geneva. The Soviets hoped to drive the United States into renewing tests first, thus giving them a propaganda victory and an excuse to resume Soviet tests."

Even the media were completely taken aback and appalled by the Soviet announcement. For example, The New York Times, hardly a voice of ultraconservatism, ran an editorial on Sept. 1, 1961, entitled "Soviet Policy of Terror" which observed:

"In an action that shocks the world and edges it closer to the brink of atomic holocaust, Premier [Nikita] Khrushchev announces that the Soviets are resuming nuclear testing to produce monstrous superbombs capable of being dropped at any point on the globe from space.

"To achieve this goal, for which he evidently deems the time to be ripe, the Soviet Caesar displays the utmost contempt for world opinion. His attempt to shift the blame for his own action on those who would resist his efforts to 'bury' them is so ludicrous and hypocritical that it is repudiated everywhere outside of the Communist-dominated world."

But perhaps the most telling portion of the editorial dealt with the CTBT negotiations themselves. Once again, present-day proponents of nuclear testing moratoria and test-ban negotiations should note these words well, for they sound all too familiar.

". . . the Soviets have sabotaged everything, denouncing controls as espionage, walking out of or demanding constant changes in the disarmament forums, offering sweeping propaganda proposals they have no intention of honoring . . .

". . . Beyond that, Premier Khrushchev's action again demonstrates that the whole Soviet propaganda for both a nuclear test ban and total disarmament is only a gigantic hoax perpetrated on the world."

Even more interesting was Congress's reaction to this event. In this regard, there are some striking present-day ironies. For while the Democratic Party of the 1980s is currently throwing its weight behind a resolution which demands that President Reagan enter into CTBT negotiations to ban nuclear tests, it was the Democratic Party of the 1960s which sponsored legislation in 1969 demanding that the President of the United States resume nuclear testing. The day after the Soviet breakout, the then Democratic Senator from Connecticut, Thomas Dodd, offered a resolution on the floor of the Senate (including as co-sponsors Sens. Jackson, Herman Talmadge, and Strom Thurmond among others) which called for the immediate resumption of nuclear testing by the Kennedy administration. Sen. Dodd's accompanying statement in the Congressional Record leaves little question about his feelings on the advisability of test-ban moratoria:

"We must take the Soviet announcement as an indication that our worst misgivings about the test moratorium have been justified. During all the time that we have been crippling our own development of those vital offensive and defensive weapons that depend upon testing, the Soviets have been perfecting their nuclear technology to the point where they are now ready for a series of tests which may mark staggering advances in their effort to subjugate the world . . .

". . . Let us not delude ourselves with talk about a propaganda victory. At best, it is a cheap and transitory thing that will be forgotten in a month. What we have here is a crushing defeat. In abandoning our nuclear weaons development for three years, we have gambled our national defense and our survival on the fatuous hope that the Russians were sincere in desiring a test ban."

These concerns were also reflected in the statements of other Senate Democrats, including a Democratic senator from Tennessee who accused the Soviet Union of trying to "blackmail" the U.S. allies in Europe into surrendering to the Soviet Union. His name was Albert Gore.

Obviously, the 1961 Soviet renunciation of the test-ban moratorium left deeply felt wounds in the United States, particularly in the Democratic Party. But least my Democratic colleagues rush to say that these are merely historical footnotes from days gone by, let's not forget that this was not the last time the CTBT negotiations or arms control in general fell victim to unacceptable Soviet behavior.

In many respects, one would expect the Democratic Party to be the most hard-nosed in its policy toward the Soviet Union, since it has been Democratic presidents who have been most rudely treated by the Soviet Union in the arms-control area.

Have my Democratic colleagues of the '80s forgotten that it was the Soviet invasion of Afghanistan which struck down both the SALT II agreement and the CTBT negotiations undertaken by President Jimmy Carter? Who can forget his statement in late 1979?

"This action of the Soviets has made a more dramatic change in my own opinion of what the Soviets' ultimate goals are than anything they've done in the previous time I've been in office."

And not even President Lyndon Johnson was spared such an experience, although it was not in the CTBT area. Many people have forgotten that the Johnson administration aggressively pursued a SALT I agreement with the Soviet Union in 1968.

Indeed, after extensive meetings in Washington, on Aug. 19, 1968, Soviet Ambassador Anatoly Dobrynin (the current dean of the Washington diplomatic corps) informed the Johnson White House that he had received word from Moscow that the Soviet government had agreed to a SALT summit at the end of September.

Unfortunately, the excitement at the White House was short-lived, for the very next day, Aug. 20, Soviet troops invaded Czechoslovakia. President Johnson canceled the 1968 SALT summit.

I don't wish to be misunderstood. I am not demanding that Democrats use these historical experiences as an absolute guide for their actions today. On the other hand, how can they afford to ignore these lessons? Yet, in their eagerness to garner an arms-control issue they can call their own, that's exactly what they are doing. If this is so, then I suggest the test-ban issue is the wrong issue. It attempts to substitute good intentions for negotiations, and it undermines an arms-control process that is already under way:

The following haunting comment from the late Sen. Dodd in 1961 deserves to be pondered:'

"What was obvious to some is now clear to all. The proof is now in that the protracted negotiations at Geneva (CTBT) were part of the conflict strategy of the Soviet Union.

Through these negotiations they were able to inactivate our nuclear weapons technology; to greatly reduce the credibility of our nuclear deterrent; to foster the illusion of coexistence to carry on their own nuclear weapons program in secret, in preparation for a political showdown at a point of their own choosing.

"Now we can only hope that the incredible, wishful thinking that permitted our one-sided test ban to drag on for three years is so thoroughly discredited that we may resume, with realism and sanity, our struggle for survival against an enemy that continues to fatten on our mistakes."

AMERICA IS NOW ENGAGED IN A NEW KIND OF WAR

HON. LAWRENCE COUGHLIN

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Monday, April 21, 1986

Mr. COUGHLIN. Mr. Speaker, repeated acts of terrorism directed by Libyan dictator Mu'ammar Qadhafi and others against women, children, and the handicapped have apparently reawakened the realistic understanding that the world can be a hostile place and that America must be prepared to act in defense of its strategic interests, its values and its citizens.

Proof of this can be found in an April 18, 1986, editorial of the Philadelphia Inquirer, which has more often opposed than supported the Reagan administration in its conduct of foreign affairs and national defense.

While reminding its readers of the importance of the lessons of the past as they were learned in the crucible of conflicts ranging from World War I to Vietnam, the Inquirer editorial stated, "* * * the time has come to move beyond paralysis inspired by fear of the past."

The Reagan administration's argument on behalf of responding to terrorism with carefully applied military force is clear and coherent, the editorial states. "The essential concept is recognition of terrorism 'as a modern tool of warfare.' From that premise all else follows," the editorial reasons.

"Terrorism is the handmaiden of Soviet totalitarianism. Both threaten all Western democracies. Division among the allies over how to wage counterterrorism weakens the alliance overall. Had the European allies joined America in enforcing economic sanctions against Libya, force might have been avoided. Instead all but Britain's Margaret Thatcher preferred appeasing Colonel Qadhafi to isolating him," the editorial states.

The editorial follows:

[From the Philadelphia Inquirer, Apr. 18, 1986]

AMERICA IS NOW ENGAGED IN A NEW KIND OF WAR

In the aftermath of the U.S. airstrike against Libya, events and political dynamics are following thick and fast. Harsh words are being exchanged among members of the Atlantic alliance. Demonstrators condemning American violence surge into streets in cities around the world. The Soviets canceled a pre-summit parley and are predictably exploiting this turn of events to posture as the Third World's friend and the foe of aggressive American power. And in Washington, senior Reagan administration officials announce that from now on the United States will not confine its military strikes against terrorists to retaliation, but intends to mount pre-emptive strikes at times and places of its choosing.

This flood of events signals the arrival of a new and dangerous era for this nation and the world. It rings with frightening echoes from the past—World War I, World War II, Vietnam—but it holds no exact parallels to any of them. The lessons from each of those watersheds of history must guide thinking and conduct in this new era, but the time has come to move beyond paralysis inspired by fear of the past.

The Reagan administration's anti-terrorism policies in this respect are consummately clear and coherent—so far. They were articulated in depth by Secretary of State George P. Shultz in a speech on terrorism given Oct. 25, 1984. Intra-administration debate retarded translation of Mr. Shultz's ideas into action until last Monday, when the U.S. air strike announced that Mr. Shultz's views prevailed. His concepts now guide the conduct of the United States.

The essential concept is recognition of terrorism "as a modern tool of warfare." From that premise all else flows. The terrorist bombing of the West Berlin discotheque constituted an act of war, as did the U.S. air strike at Libya in reprisal. Since then the anti-terrorism policy being enunciated daily in Washington constitutes the evolution of a policy of war.

This war is unlike any in U.S. history—a low-level, sporadic war of surprise attacks that recognize no borders. Last year 25 Americans were killed in 28 terrorist assaults. Since 1973 terrorists have launched 157 "lethal attacks" killing 417 Americans—including the 241 soldiers killed in 1983 by a car bomb in Beirut, 27 other military personnel, 28 diplomats, five federal employees and 116 private U.S. citizens, according to the State Department.

Like all wars, this one is ugly and explosive, but the United States has no choice but to fight it because Americans are under attack. In this war terrorists are the aggressors, not the United States.

Recognition that America is now engaged in a strange new kind of war should clear heads everywhere to enhance the careful thinking that must be done to ensure that the inherent dangers are minimized and contained. Considered responses to these disquieting facts are required from throughout the executive branch's national-security team, from Capitol Hill and from all allied governments.

The first and most obvious danger to be avoided is indiscriminate lashing out at political foes whom some might find tempting to define as terrorists—such as, say, Nicaragua's Sandinistas. It should be emphasized that—so far—the administration has not employed force blindly or zealously under the rubric of counterterrorism, but rather chose force only as a least resort, and then only after steady deliberation.

In explaining his doctrine in 1984 Secretary Shultz clearly recognized the limits within which active counterterrorism must be waged. "We will need the flexibility to respond to terrorist attacks in a variety of ways, at times and places of our own choosing," he said. "Clearly we will not respond in the same manner to every terrorist act. Indeed, we will want to avoid engaging in a policy of automatic retaliation which might create a cycle of violence beyond our control."

No matter how careful, deliberate and restrained the executive branch intends to be, however, the Constitution reserves to Congress the power to declare war. The reality of this low, level, terrorist war has existed for years against Americans. Now that reality necessarily involves Americans hitting back.

It is therefore time for Congress to assert itself as an active partner with the executive branch. The Vietnam-era War Powers Act needs refinement, in practice if not actual amendment, to ensure that Congress enjoys full authority to consult, advise and if need be restrain the executive branch.

No less an effort is required from America's allies. Terrorism is the handmaiden of Soviet totalitarianism. Both threaten all Western democracies. Division among the allies over how to wage counterterrorism weakens the alliance overall. Had the European allies joined America in enforcing economic sanctions against Libya, force might have been avoided. Instead all but Britain's Margaret Thatcher preferred appeasing Col. Khadafy to isolating him.

If terrorism is to be contained and defeated, it will require collective resolve and carefully calibrated action by the united powers of the West. Division and confusion play into the hands of many enemies and enhance the danger that events might spiral out of control.

ACCOMPLISHMENTS OF A NATIVE WASHINGTONIAN

HON. WALTER E. FAUNTROY

OF THE DISTRICT OF COLUMBIA

IN THE HOUSE OF REPRESENTATIVES

Monday, April 21, 1986

Mr. FAUNTROY. Mr. Speaker, I am pleased to recognize the accomplishments of a native Washingtonian and one of my constituents, Ms. Desiree Keating.

The writer Wilcox on one occasion stated, "It is the set of the sails and not the gales that tell us the way to go." Ms. Keating has set her sites on the Miss U.S.A. title for 1986, and it is her grim determination to succeed that makes her a formidable candidate for that plateau.

She was Miss District of Columbia in 1984's D.C. competition for the Miss American pageant, the first Miss D.C. in the Miss America competition in 21 years. Now, selected on March 16 from among 14 contestants, she is Miss District of Columbia in the 1986 competition for the title of Miss U.S.A. to be decided May 20 in Miami, FL. Within the history of either pageant, no one contender has ever represented her State in both pageants.

This two-time winner is a 24-year-old undergraduate student in dance therapy at George Washington University. She has been involved in pageants since the age of 12, when she entered the Miss Takoma Park pageant at her school. She won that pageant and then went on to crown her younger sister, Tanya, the following year. Her talent in the 1984 Miss D.C. competition was a crowd-pleasing dance with a ladder to the beat of a revamped spiritual, "Goin' Up Yonder," depicting a Christian's ascedance into heaven.

Over the years, Ms. Keating's contributions in the Washington Metropolitan area in the

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fields of entertainment, the arts, charitable causes benefiting the "handi-equipped," and development of youth programs have been numerable.

During her reign, she has been involved in numerous Washington area activities, including the Easter Seal Society dance-a-thon and telethon, and the March of Dimes walk-a-thon. She is a recipient of the Congressional Black Caucus Avon Youth-Leadership Roundtable Award, as well as D.C. Mayor Marion Barry's Youth Leadership Outstanding Achievement and Contributions Award for 1985. One of her most memorable accomplishments of that year was receiving the Council of the District of Columbia's resolution citing April 30, 1984, as the Desiree Keating Recognition Resolution of 1984, in honor of her representation of the District of Columbia in the Miss America Pageant.

In the Miss America pageant Ms. Keating learned to "take the loss with the grace as you would take the gain." In the Miss U.S.A. pageant, all of us in the District of Columbia are hoping for a different result.

MRS. ESTHER MALLACH HONORED FOR 25 YEARS WITH MENTAL HEALTH ASSOCIATION

HON. HAMILTON FISH, JR.

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Monday, April 21, 1986

Mr. FISH. Mr. Speaker, I rise today in recognition of the dedication shown by Mrs. Esther Mallach, who for the last 25 years has served as the executive director of the Mental Health Association of Westchester, NY. The MHA is a vital force for the promotion of good mental health in the area, and its success can be directly attributed to the leadership of Mrs. Mallach.

Mrs. Mallach joined the MHA as a field consultant in 1960, then was appointed executive director in 1962. Under her astute and insightful administration, the association evolved from a little known organization into one of the Nation's most respected contributing mental health resource centers.

In the last 25 years, under Mrs. Mallach's direction, new programs and services, such as a day program, community residences, and social clubs for mentally ill patients, the Suicide Prevention Service, the Abused Spouse Assistance Service, and the Child Abuse Prevention Program were introduced.

Gov. Mario Cuomo appointed Mrs. Mallach a member of the Harlem Valley Psychiatric Center Board of Visitors in 1979. Currently she is president of the board. Her other affiliations include membership on the Westchester Community Mental Health Services Board, the Department of Social Services Advisory Board, the Westchester Health Planning Council, and the executive committee of the Mental Health Association in New York State. She also serves as chairman of the advisory board of the Westchester Community College Human Resources Department.

Mrs. Esther Mallach is a leader in every sense of the word, whose community service has improved innumerable lives. Her work is an inspiration to us all. I join my colleagues and constituents in thanking her for the years of hard work she has given us.

MEDIA TO BLAME FOR RISE OF SANDINISTAS

HON. DON RITTER

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Monday, April 21, 1986

Mr. RITTER. Mr. Speaker, continuing in my effort to bring pertinent information on the issue of Contra funding to the attention of my colleagues, I trust they will find this March 29, 1986, article from Human Events of interest.

MEDIA TO BLAME FOR RISE OF SANDINISTAS

Who is responsible for the rise of the Sandinistas? The Sandinista regime in Nicaragua, which has so convulsed this hemisphere, can be blamed to a large extent on the media, which portrayed the Sandinista movement as heroic "freedom fighters" battling the corrupt Somoza dictatorship.

But conservatives and anti-Communists knew better. And 20 months before the Sandinistas conquered Managua, this publication (see story below) warned about the danger of this Cuban-assisted organization and chastized the press for not revealing more about it.

If the major media had done their job more thoroughly, the Sandinistas, in fact, may never have seized control of Nicaragua, or, at the very least, would have lost popular support within this country at a much earlier stage.

Information about who the Sandinistas really were, however, was readily available, as the following article from our Nov. 12, 1977, issue suggests:

"The tiny country of Nicaragua, with only 2.3 million people, has been getting an astonishing amount of media attention in the last few months, especially from the Washington Post, Jack Anderson and the New York Times. The major effort of the media has been to injure Anastasio Somoza, Nicaragua's very pro-American president.

"While the left is assailing Nicaragua for supposed violations of human rights, the truth is that this Central American nation gives far more freedom to its citizens than other Latin countries championed by the left, such as Panama and Cuba, give to theirs. Aside from permitting opposition parties, freedom of religion, freedom to own property and the like, Nicaragua also allows a fair amount of freedom of the press. The nation's largest newspaper is controlled by Somoza's leading foe, Dr. Pedro Joachim Chamorro.

"Whether the media know it or not, their assaults against Nicaragua—which many believe have been stimulated by Marxist and revolutionary elements in this country—are giving moral support to a group of Nicaraguan guerrilla terrorists known as the Sandinist Liberation Front of Nicaragua (FSLN). It was the terrorist actions of this group which compelled Somoza to impose on his country a temporary state of siege, which he only recently lifted.

"While this group is frequently painted in heroic terms, the truth is that the FSLN is Marxist-Leninist in orientation and has had its life prolonged by the totalitarian regime of Fidel Castro. The recent FSLN chief, Pedro Arauz, who was killed by Nicaraguan forces in late October, told of his admiration for the Cuban revolution in an interview with Honduran newsmen.

"Asked about the relationship between Havana and the FSLN's attitude toward the Cuban people is one of respect, admiration and solidarity with the glorious Cuban revolution, which is an example and stimulus for the liberation struggle of all people of the world and mainly for Latin America. The unconquerable Cuban people struggle to the death against the general and universal enemy of all peoples of the world: U.S. imperialism.'

"On Nov. 4, 1969, according to the Nicaraguan government, Arauz, using the name Rene Lugo Valencia, participated in the hijacking of a Nicaraguan airplane. Along with Juan Jose Quezada Maldonado, he forced the plane to fly to Cuba where they both received military training. On May 4, 1970 Arauz left Cuba for Europe, then headed for Arab countries where he received further military training in the Al-Fatah guerrilla camps.

"In a letter to Rep. Ed Koch (D.-N.Y.) earlier this year, the State Department elaborated on the FSLN's Cuban connection. The FSLN, noted the department, 'grew out of a number of scattered revolutionary groups that existed in Nicaragua in the late 1950s whose common intention was to overthrow the Somoza government. Their unification into the FSLN appears to have been precipitated by twin catalysts of the Cuban revolution and the violent antipathy that early sprang up between the Castro and Somoza regimes. . . .

" 'The Nicaraguan Liberation Front (FLN) was founded in Havana in September 1962 by a group of leftist extremists who had been active for some years in revolutionary causes in Nicaragua. Carlos Fonseca Amador, perhaps their most significant leader, was a proponent of Marxist-Leninist theory who had closely followed the Castro revolution in Cuba and whose attachment to the Cuba revolutionary model strongly influenced the FLN's early strategy and tactics. . . .

" 'By 1964, the FLN had added the name of Sandino to its title, in honor of Gen. Augusto Sandino, the Nicaraguan guerrilla leader who had battled U.S. Marines in Nicaragua from 1928 until shortly before his death. . . .

" 'The FSLN's support appears to have come largely, but not solely, from within Nicaragua, and the FSLN itself has attempted to forge links with anti-Somoza elements of various political persuasions. . . .

" 'External support has also come from Nicaraguans living abroad, but probably the most important source of external support has been Cuba.'

" 'Cuba support appears to have been greatest during the early 1960s when the Castro regime provided the FSLN with: guerrilla warfare training in Cuba; money for the purchase of arms, munitions, food and clothing; and payment for propaganda material.

" 'By the early 1970s, partly as a result of changes in Cuban policy and partly because the FSLN had not been able to consolidate its position, Cuban support diminished. Nevertheless, the Cubans continued to provide a safehaven for FSLN members, some training for recruits and contacts for the FSLN with extremist groups in other parts of Latin America and elsewhere. Perhaps not least among Cuba's contributions was the psychological boost to FSLN morale.

" 'That some revolutionary guerrilla organizations or organizations akin to the FSLN would have existed in Nicaragua during this period, even without Cuban support, seems certain . . . . Whether they would have remained as active, long-lived or determined as the FSLN over its 15-year history without Cuba's material and moral support is doubtful.'

"Whatever Somoza's faults, then, he is to be greatly preferred to the terrorist crowd that forms the FSLN. But the media, apparently, are going to continue to give aid and comfort to Somoza's ferocious enemies."

COLOMBIAN CONGRESSIONAL ELECTIONS

HON. ROBERT GARCIA

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Monday, April 21, 1986

Mr. GARCIA. Mr. Speaker, Mike Apel and H. Lawrence Boudon, research associates at the Council of Hemispheric Affairs [COHA], recently sent to my office a very interesting analysis of the Colombian congressional elections.

I am submitting their article for the RECORD, and I urge my colleagues to take a moment to read it.

The article follows:

LIBERALS TRIUMPH IN COLOMBIA VOTE

(By Mike Apel and H. Lawrence Boudon)

With the extension of its truce with the Colombian Revolutionary Armed Forces (FARC) on March 1, the Colombian government was able peacefully to conclude congressional elections on March 9 in which Virgilio Barco's Liberal Party scored a substantial victory, winning 49 percent of the vote. Despite the low turnout—only 6.5 million voters out of an electorate of some 20 million showed up at the polls—the Liberal victory put Barco in the driver seat for the final leg to Presidential elections on May 25.

Barco—whose presidential rival, Conservative Alvaro Gomez, had previously led in public opinion polls—was clearly elated by the election results. "I would like to express my profound satisfaction," boomed the 66 year old veteran politician in front of cheering supporters in Bogota the day after the elections, "for the Liberal triumph and for the consolidation of democracy." President Betancur, an admirable leader whose tenure of office expires in August, had urged Colombians to "turn out en masse" in an appeal to reject the violence which has recently plagued the country.

PRESIDENTIAL PROSPECTS

Despite their poor showing, the Conservatives still hope to rally enough support to win the May presidential elections. Observers were quick to point out that the Liberals won the Congressional elections in 1982, yet Belisario Betancur, a Conservative, emerged victorious from the subsequent presidential election. While Gomez does not possess Betancur's populist appeal, his hard line towards the leftist guerrillas has gained considerable support in a country torn by 40 years of violence.

Some view the elections as a referendum on Betancur's performance. The President's faltering peace initiative with the guerrillas and his controversial handling of the Palace of Justice siege last November have soured the once immensely positive image that Betancur enjoyed. A vote for the Liberals may have been as much against the President as it was in favor of Barco's party.

The most immediate impact of the voting was that presidential hopeful Luis Carlos Galan, whose leftist New Liberal Party lost popular support (in 1982 it had received 750,000 votes) was forced to withdraw from the upcoming presidential race and has vowed to remain neutral. Galan's political failure signals the end, for now, of a viable third party to challenge the traditional Liberal-Conservative hegemony, created through the National Front in 1958. The departure of the New Liberals may also strengthen Barco's chances of winning in May. In 1982, the Liberal split was thought to have aided Betancur's Conservative victory.

UP LOSES

A somewhat surprising result was the lack of support for the Patriotic Union (UP) which garnered only 1 percent of the votes. The new party, an alliance of the established Communist Party (CPC) and the FARC guerrillas created in 1985, had pinned its political hopes on a good showing by having extended its truce with the Colombian Government just seven days earlier. In the accord, the FARC pledged to integrate its members into the political process and has already demobilized 2,500 fighters. In 1982 the CPC, running alone, received 120,000 votes.

In a more general sense, the election results demonstrated that, despite Betancur's promises to open the political system, the Liberal-Conservative juggernaut continues to dominate. The fact that Betancur passed a law in January, allowing direct election of municipal mayors for the first time in Colombian history, does not take into account the frustration that third parties have experienced over the years, particularly since the end of the National Front in 1974. The presidential elections of May 25 will again be contested by only two viable candidates.

INSURGENT VOTE

The elections were not marred by leftist violence, however, as the National Guerrilla Coordinating Board (CNG)—a loose confederation of the M-19, the Popular Liberation Army (EPL), the Army of National Liberation (ELN), and the Quintin Lame group—was thwarted in its pre-election attempts to disrupt the voting. Quintin Lame, in particular, had tried to seize identification documents so that people could not vote. On election day, only one ambush was reported in the department of Cordoba, where six policemen were killed while escorting election officials. In addition, an electric pylon was downed in the Department of Valle.

The April 19 Movement (M-19), nevertheless, was able to interrupt election newscasts five times from their clandestine radio transmitter. Each time the message stated that, "Colombia knows very well that the election is not going to resolve the country's problems." Prior to the vote, the M-19 had promised government Minister Jaime Castro that it would not interfere with the voting. On March 13, M-19 leader Alvaro Fayad Delgado was killed in a shootout in Bogota. He was the third chief of that highly active guerrilla organization which dates back to 1970.

CAUCA CAMPAIGN

The guerrillas of the CNG have been faced with increasing Army offensive since the Palace of Justice battle. In a sweep operation in the Department of Cauca on March 5-6, security forces reportedly killed forty guerrillas and uncovered plans to take over six towns in Cauca and Valle, including a community 20 kilometers outside of Cali, the country's third largest city.

On March 6, "men in military uniforms" killed six peasants in the Department of Santander, forcing other peasants to abandon their land and seek refuge in neighboring Barracabermeja. Analysts fear that if Alvaro Gomez wins the May elections, the military may be given free rein in the countryside, such as happened under the rule of the Conservative candidate's father Laureano Gomez, in 1950.

THE 1985 CONTRIBUTIONS TO THE UNITED NATIONS FUND FOR DRUG ABUSE CONTROL

HON. BENJAMIN A. GILMAN

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Monday, April 21, 1986

Mr. GILMAN. Mr. Speaker, I regret to report to you once again that the global epidemic of narcotics trafficking and drug abuse continues unabated. There is virtually no region of the world that has managed to escape the effects of this epidemic. Here, in the United States, recent massive seizures of cocaine give credence to the view of some who describe cocaine as virtually "falling out of the sky." The continuing influx of heroin, marijuana, and other dangerous drugs simply serve to make what is a very bad situation even worse. It is clear that all nations must join together in an all-out assault on this plague before the very fabric of society is destroyed, and with it our only hope for the future—our youth. The 1985 report of the U.N. International Narcotics Control Board states the problem quite clearly:

> Drug abuse causes such great damage to individuals and their families on the one hand, and to the social fabric of countries on the other, that sustained and determined counteraction must be regarded as an absolute necessity. Illicit drug use and trafficking not only detract from economic development in many countries, but, as previously stressed, also contribute to the spread of crime, violence, and corruption. Addiction strikes at random, but when it ensnares young people, it affects countries' futures.

The world community must join together and chart a cooperative course of action to end this worldwide epidemic. We must do so by forging a new spirit of bilateral and mutilateral cooperation that will address reductions in both the supply of and demand for illicit narcotics.

The U.N. Fund for Drug Abuse Control [UNFDAC], established in 1971, and funded by voluntary contributions of nations of the international community, provides a framwork to financially support drug control programs around the world. Under the capable and dedicated leadership of its executive director, Dr. Guiseppe di Gennaro, the Fund has worked to increase its resources and subsequent support for drug control programs, including measures to fight illicit drug production and trafficking in many developing countries.

I recently received a communication from Dr. di Gennaro in which he reports on the 1985 contributions to UNFDAC, and I am happy to say that his response is most prom-

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ising. While in 1984, only 39 of the 159 member nations of the United Nations contributed a mere $12 million to the Fund, 1985 contributions more than doubled to $24.4 million, and participation increased to 53 nations, or one-third of the U.N. membership. In addition, it is important to note that a first time contribution of $20,000 was received from the People's Republic of China; and significantly increased support was received from Finland, $66,049; Malaysia, $17,000; Portugal, $10,000; Senegal, $5,000; Spain, $61,728; Switzerland, $93,458. Prior strong supporters also increased their contributions significantly: Italy, $10,280,899; Norway, $2,468,417; the United Kingdom, $5,289,876; and the Federal Republic of Germany, $1,615,384.

While this news is most encouraging, still it must be noted that only 10 nations have accounted for 96.3 percent of UNFDAC contributions since 1971, and the United States and Italy alone have accounted for more than 65 percent of those contributions.

This encouraging news comes at a most important and crucial time. Quite simply the problems of drug trafficking and drug abuse are not abetting, they are intensifying. Our only hope in the fight against drug production, trafficking, and abuse is for the nations of the international community to join together and intensify their efforts by pooling their resources and personnel, with the goal of implementing a global strategy against drug trafficking and abuse. I believe that we are beginning to see signs that this is a goal which can and will be realized. I urge your strong support in this effort.

Mr. Speaker, in an effort to share this information with my colleagues, I am inserting at this point in the RECORD the following two documents: A status of the contributions pledged or received by the U.N. Drug Fund as of December 31, 1985; and a list of the 10 major donor countries to the Fund as of December 31, 1985.

SEC. V.—U.N. FUND FOR DRUG ABUSE CONTROL—STATUS OF CASH CONTRIBUTIONS PLEDGED OR RECEIVED AS OF DEC. 31, 1985

	Total contributions pledged or received during		Total
	1971–84	1985	
1. Algeria	$7,995		$7,995
2. Argentina	98,000	$12,000	110,000
3. Australia	2,309,781	139,860	2,449,641
4. Austria	582,106	80,645	662,751
5. Bahamas	6,000	1,000	7,000
6. Barbados	2,000	500	2,500
7. Belgium	181,960	35,420	217,380
8. Benin	1,667		1,667
9. Bolivia	6,000		6,000
10. Brazil	48,000	5,000	53,000
11. Canada	2,356,871	243,066	2,599,937
12. Chile	32,500	4,000	36,500
13. China, People's Republic of		20,000	20,000
14. Cyprus	6,882	1,000	7,882
15. Denmark	434,095	15,789	449,884
16. Ecuador	2,500	2,500	5,000
17. Egypt	4,993	2,000	6,993
18. Finland	156,075	66,049	222,124
19. France	1,545,777	187,500	1,733,277
20. Germany, Federal Republic of	10,204,641	1,615,384	11,820,025
21. Greece	25,799	7,000	32,799
22. Guyana	487		487
23. Holy See	1,000		1,000
24. Hong Kong	185,698	12,858	198,556
25. Iceland	25,900	2,000	27,900
26. india	52,000	15,000	67,000
27. Indonesia	10,000	2,000	12,000
28. Iran	43,715	2,000	45,715
29. Iraq	20,032		20,032
30. Ireland	30,000		30,000
31. Israel	9,264	5,000	14,264
32. Italy	42,073,216	10,280,899	52,354,115
33. Ivory Coast	1,036		1,036
34. Jamaica	7,740		7,740
35. Japan	3,111,685	400,000	3,511,685
36. Kenya	28,116	3,315	31,431
37. Kuwait	26,000		26,000
38. Libyan Arab Republic	16,460		16,460
39. Liechtenstein	6,000		6,000
40. Luxembourg	1,000		1,000
41. Madagascar	8,400	2,000	10,400
42. Malawi	1,014		1,014
43. Malaysia	30,000	17,000	47,000
44. Malta	2,795	193	2,988
45. Mauritius	3,338		3,338
46. Mexico	10,659	292	10,951
47. Morocco	29,275		29,275
48. New Zealand	334,875	20,680	355,555
49. Nigeria	14,778		14,778
50. Norway	8,580,491	2,468,417	11,048,908
51. Oman	997		997
52. Pakistan	6,716	620	7,336
53. Panama	4,940	2,470	7,410
54. Philippines	18,180	2,000	20,180
55. Portugal	19,000	10,000	29,000
56. Qatar	62,000		62,000
57. Republic of Korea	13,500	4,000	17,500
58. Rwanda	1,066		1,066
59. San Marino	1,500		1,500
60. Saudi Arabia	1,957,000	50,000	2,007,000
61. Senegal	6,204	5,000	11,204
62. Singapore	3,000		3,000
63. South Africa	52,474	4,758	57,232
64. Spain	55,386	61,728	117,114
65. Sri Lanka	500		500
66. Sudan	1,000		1,000
67. Suriname	2,000	2,825	4,825
68. Sweden	4,728,388	442,600	5,170,988
69. Switzerland	385,117	93,458	478,575
70. Thailand	9,000	5,000	14,000
71. Togo	652		652
72. Trinidad and Tobago	1,000		1,000
73. Tunisia	17,342		17,342
74. Turkey	55,274	17,500	72,774
75. United Arab Emirates	12,000		12,000
76. United Kingdom	2,407,371	5,289,876	7,697,247
77. United Republic of Cameroon	8,760	2,500	11,260
78. United States of America	42,770,000	2,732,000	45,502,000
79. Uruguay	1,000		1,000
80. Venezuela	18,000	8,879	26,879
81. Vietnam	1,000		1,000
82. Yugoslavia	75,288	12,000	87,288
83. Zaire	500	500	1,000
Total [1]	125,374,771	24,418,081	49,792,852

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[1] Figures include total unpaid pledges of US $65,230,180 of which US $15,868,892 represent unpaid pledges due and US $49,361,288 future-year pledges or future-year portions of pledges.

UNITED NATIONS FUND FOR DRUG ABUSE CONTROL

[10 major-donor countries as at December 31, 1985; amounts in U.S. dollars]

Country	1971–84	Contributions 1985	Total	Due pledges unpaid and future-year pledges	Percent of the total contribution in relation to the grand total
1. Italy	$42,073,216	$10,280,899	$52,354,115	$42,240,420	35.0
2. USA	42,770,000	2,732,000	45,502,000	10,832,000	30.4
3. Germany, Federal Republic	10,204,641	1,615,384	11,820,025	1,692,490	7.9
4. Norway	8,580,491	2,468,417	11,048,908	1,660,927	7.4
5. United Kingdom	2,407,371	5,289,876	7,697,247	5,934,719	5.1
6. Sweden	4,728,388	442,600	5,170,988	1,045,752	3.5
7. Japan	3,111,685	400,000	3,511,685		2.4
8. Canada	2,356,871	243,066	2,599,937		1.7
9. Australia	2,309,781	139,860	2,449,641	137,931	1.6
10. Saudi Arabia	1,957,000	50,000	2,007,000	1,010,000	1.3
Totals	120,499,444	23,662,102	144,161,546	64,554,239	96.3
Total other countries			5,631,306		3.7
Grand total			149,792,852		100.0

THE TORT LAW CRISIS

HON. DON RITTER

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Monday, April 21, 1986

Mr. RITTER. Mr. Speaker, continuing in my effort to bring pertinent information on the tort law crisis to the attention of my colleagues, I trust they will find this April 10, 1986, editorial by James J. Kilpatrick taken from the Allentown Morning Call of interest.

The editorial follows:

"CRISIS" ACCURATE LABEL FOR INSURANCE MESS

(By James J. Kilpatrick)

WASHINGTON.—"Crisis" is one of the garlic words of commentary: It has to be used sparingly. Late in February a presidential task force filed its report on "The Crisis in Insurance Availability and Affordability." The word was properly employed.

It is indeed a crisis. If significant steps are not taken soon, the fabric of American public and private life could be gravely damaged. For the moment, let us put questions of blame to one side. A part of the blame plainly lies with the insurance industry: When interest rates were high, it greedily wrote bad policies at unjustifiably low rates. A part may lie with lawyers who are skilled at playing upon the emotions of jurors. A part may lie with the medical profession for not policing its own incompetent practitioners. There is plenty of blame to go around.

The realities cannot wait upon exercises in finger pointing. The task force spelled out the facts.

Hundreds of American industries either use or manufacture chemical products capable of causing both accidental and gradual pollution. Such companies are highly vulnerable to suits for damages. Last year two major companies dropped out of the market in environmentally liability insurance. Only two companies still offer this coverage. Rates are exorbitant.

Many corporations are having trouble retaining experienced directors. Premiums on insurance for officers and directors last year rose from 50 percent to 500 percent.

Bus and trucking companies, said the commission, "are having severe difficulties obtaining the insurance coverage required by federal law."

Nurses, midwives, obstetricians, gynecologists, pediatricians, dentists, and many other medical specialists are finding it almost impossible to obtain malpractice insurance at any price. St. Paul's Insurance Co., the largest medical malpractice insurer, has ceased writing new policies.

Municipalities, both large and small, are in deep trouble. Some cities are facing premium increases up to 1,000 percent. Rather than renew, many cities have decided to "go bare"—that is, to take a chance that they can insure themselves against awards of heavy damages. "A number of city and county officials have resigned, fearing personal exposure to lawsuits stemming from their official duties."

Premiums for transportation companies in the past year has soared. In Los Angeles, the transit district's premium leaped from $67,000 to $1.7 million, while coverage was reduced.

So it goes across a wide spectrum of business, professional and public activity. Grocers, architects, engineers, newspapers, daycare centers, toy manufacturers, auto repair shops, makers of medical equipment—in all these areas, costs of liability insurance have climbed out of sight. In 1972, builders of private aircraft had an expense of $211 per plane for liability coverage. Last year the cost per plane was $70,000.

The insurance industry has much to answer for. Between 1977 and 1984, when interest rates were high, many companies wrote policies at less than cost. They wanted the premium income for investment. Then interest rates began to fall and average jury awards begin to climb. Last year the property-casualty insurers reported an estimated net underwriting loss of $25.2 billion. The figure has to be accepted with some degree of skepticism—the industry as a whole is profitable, and property-casualty lines account for only one-third of the overall insurance market.

Nevertheless, in areas of high vulnerability, such as medical malpractice, the situation has become critical. The average medical malpractice jury verdict increased from $220,000 in 1975 to $1 million in 1985. The average award in cases of product liability soared in this same period from $394,000 to $1.8 million.

The presidential commission made eight recommendations for relieving the crisis. The president has endorsed these proposals, and hearings in the House have begun. I will be reviewing these recommendations in a subsequent column. Meanwhile, reluctant as I am to use that word "crisis," its seems plain to me that in these important areas a true crisis has to be faced.

GARY AND MARTA CARMICHAEL, 1986 OUTSTANDING YOUNG DAIRY COUPLE

HON. BILL SCHUETTE

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Monday, April 21, 1986

Mr. SCHUETTE. Mr. Speaker, I would like to take this opportunity to congratulate Gary and Marta Carmichael of Evart, MI, for being chosen Michigan Milk Producers Association's 1986 Outstanding Young Dairy Couple. Marta and Gary have distinguished themselves through their excellent farming operation, involvement in numerous community and farm-related activities, and their demonstrated leadership abilities.

I congratulate Marta and Gary for receiving this award, and I wish them the best in their continued goal of agricultural excellence.

The following article appeared in the March 1986 volume of the Michigan Milk Messenger:

GARY AND MARTA TAKE OYDC TOP HONOR

Gary and Marta Carmichael of Evart and MMPA's 1986 Outstanding Young Dairy Couple. They were picked in mid-February from among finalist-couples narrowed from a field of contestants representing MMPA's 11 districts.

Carmichaels officially received the award at the MMPA annual delegate meeting in East Lansing in mid-March. They will represent MMPA and the state at various dairy industry functions during the year.

They farm about 1,400 acres and milk some 200 cows in partnership with Gary's parents, Dale and Marge Carmichael, and Gary's brother and wife, Doug and Sandy Carmichael.

Gary and Marta have four children: Chris, 12; Jeff, 10; Katie, 8; and Kevin, 6.

The OYDC represents MMPA District 5 and they belong to the MMPA Evart Local. Three-times-a-day milking is done in a 15-stall trigon parlor; milk's stored in a 3,000-gallon tank. Cows are fitted with electronic milk-meters that feed data to a production summary computer.

Gary and Marta have dairy farmed since 1975. They began a program of irrigating their land three years later. Right now, they irrigate with 10 million gallons of manure a year, pumping it as far away from the barns as 2½ miles.

Crops include 300 acres of high-moisture corn, 300 acres of high-moisture barley, and 600 acres of alfalfa. The rest is pasture and woodlot. They feed on a total mixed ration.

The couple is active in Farm Bureau and church. In 1978, at age 25, Gary was elected Osceola County commissioner, the youngest person to be elected to the panel.

"We have faced two challenges of extreme magnitude during our years as a dairy farmer," the couple said. "The first was the expansion and organization of our farm from 140 to 200 cows. This management challenge is still in progress and goals are being reached. The second challenge is of even greater importance—the oversupply of milk products nationally and internationally, and the continuing erosion of prices paid to the dairy farmer. It is an area of concern that spills beyond the boundaries of just our farm, but also into the times and lives of other grain and dairy farms, out into the public markets of food, and down the halls of Congress. The answer is neither simple nor magical. The repercussions of improperly meeting this challenge could be the demise, not just of a few farms here and there, but of an industry, a way of life and perhaps the economy of a nation.

"As was stated so well many years ago, 'As agriculture goes, so goes a nation.' This is a challenge that every member of every agriculture organization must share. There is no time left to set the responsibility of action on a back shelf; we must address it now."

Contestants were judged on their farming operations, community and farm-related activities and demonstrated leadership abilities.

MORRISTOWN (NJ) DAILY RECORD SAYS "NYET" TO NUCLEAR TEST BANS

HON. JIM COURTER

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Monday, April 21, 1986

Mr. COURTER. Mr. Speaker, as the following editorial from the Morristown, NJ, Daily Record states so eloquently, the Soviet nuclear testing moratorium proposal is simply the latest thrust in the Soviet arms control public relations offensive. The Soviet Union exploits our open society to advance seductive but patently inequitable arms control proposals, forcing the Reagan administration to waste valuable effort refuting their proposals. The memory of the last nuclear testing moratorium, and the 50 nuclear tests that the Soviet conducted in the fall of 1961, argue strongly against falling into the trap again. I commend the following editorial to your attention.

NYET TO TEST BANS

It is not a little amusing to watch the Soviet regime adopt tactics they once criticized in Americans. When President Carter, only four months into office, dispatched his secretary of state to Moscow to offer well-publicized nuclear arms reductions proposals, the Kremlin responded with a curt "nyet." Professional critics chided Carter for his naivete in conducting public diplomacy with the Russians over something as sensitive and complicated as arms control.

Now, the Soviets whose past public relations offensives have failed to dissuade the Europeans from accepting American missiles on their territory, are trumpeting a ban on underground nuclear testing as the surest path toward arms control.

Two weeks ago, Soviet premier Gorbachev offered Reagan a "last chance" to join the seven-month Soviet unilateral testing moratorium.

And he wants to have a summit in Europe devoted exclusively to beginning negotiations for a full treaty ban.

The Soviets are taking advantage of America's open society to wage a propaganda assault upon the Reagan administration to prove the latter's disinclination toward peace. At the cost of some domestic and international support, the administration is resisting this public pressure, and for good reason.

Already in place since 1963 is a ban on explosions in the atmosphere, in space and underwater. For reasons of stability, administrations from Kennedy's to Carter's have insisted on the necessity to test some new weapons like the Midgetman that can remove existing arsenals from a hair trigger.

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President Reagan has made reduction of existing weapons the centerpiece of his negotiating stance, but he has wisely refused to adopt a ban on testing that would head off new weapons.

It is the United States' technological and economic superiority that has roused the Soviets to press for a total test ban. Specifically, the Kremlin hopes a ban would put the brakes on the Strategic Defense Initiative. Thus far, they have failed to pry loose the administration's commitment to SDI, which represents an opportunity for the world to escape the treadmill of mutually assured destruction.

Another reason to treat the Kremlin's test-ban proposal with skepticism is the issue of verification, where Moscow does not have a strong track record.

But putting problems with Moscow's intentions aside, is a total test ban a prudent course to follow? When one considers that testing helps assure that stockpiled weapons—which are in abundant supply on both sides—work and will not accidentally detonate, one sees the foolishness and danger of agreeing to such a ban. Big arsenals on hair triggers are the threats to stability. Reagan has logic, if not public opinion, on his side when he argues that testing is the best safeguard against the hair trigger, and reductions the best solution to the big arsenals.

The Kremlin public relations apparatus will no doubt inveigh against the United States for not going along with its latest proposal. But we think the Reagan administration is right to stick with the two-tiered approach—arms reduction and strategic defense—that brought the Soviets back to Geneva in the first place.

AIRPORT SECURITY CONCERNS HEIGHTENED WITH INCREASED TERRORISM

HON. JAMES J. FLORIO

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Monday, April 21, 1986

Mr. FLORIO. Mr. Speaker, for months, travelers around the world have been threatened by incomprehensible and inhumane terrorist incidents that have claimed a large number of lives. The increase in incidents has racked the tourism industry by producing large numbers of trip cancellations. Americans are becoming increasingly uncomfortable about traveling abroad and are choosing to spend their vacations closer to home.

As chairman of the House Subcommittee on Commerce, Transportation, and Tourism, I have explored the impact that terrorism has had on the domestic and international tourism industry through a hearing and through a visit to the Mediterranean and the Middle East this past January. I remain convinced that this increased fear of traveling can be countered by two approaches. As a long-term solution, the most important goal would be the need to address the root of terrorism and play a constructive role in resolving the political conflicts that have spawned tension and terror. In the short-term, however, it is necessary that we continue to take steps to guard travelers from future incidents and ensure that it will once again be safe to fulfill our needs to visit other countries and experience different cultures and widen our horizons.

Since the TWA hijacking last summer, airport security has been the focus of concern for travelers, airline workers, travel agents and tour operators, governments and security forces. A number of airports have taken a series of steps to increase security and protect passengers and airport employees. On my recent visit to the airports of Athens, Greece, Larnaca, Cyprus, and Tel Aviv, Israel, I was impressed by the commitment shown by these governments to cooperate with U.S. and international authorities in implementing and maintaining effective security standards.

The following New York Times article details the security steps taken by officials at Athens airport. I wanted to share this with my colleagues and to take this opportunity to urge other international airports to ensure that security will not be compromised and that traveling will once again be safe.

[From the New York Times, Apr. 15, 1986]

ATHENS AIRPORT SPINS A HIGH-TECH SECURITY WEB

(By Ralph Blumenthal)

ATHENS. April 12.—From a cafe deck of Hellenikon Airport, Greece's top security official was pointing out some of the Government's latest anti-terrorism measures when a visitor noticed that the roof, a public area, freely overlooked a restricted zone. Could not some weapon or other contraband be dropped to a confederate below? the guest asked.

The official, Kostas D. Tsimas, considered the question for a moment, then with a snap of his fingers summoned a cluster of hovering assistants. "Put in a glass or a grate here," he ordered. "Anything could be dropped down to someone below."

Responding to acute concern over airport security and smarting from a large decline in the number of American tourists, Greece is zealously seeking to satisfy foreign critics while protesting that it is unjustly being held a scapegoat.

With some qualifications, it has succeeded. Western diplomats and airline officials agree that many security gaps have been plugged since the hijacking last year of a Trans World Airlines plane out of Athens and other terrorist attacks focused attention on the Athens airport.

"THE HUMAN FACTOR" IN SECURITY

On the other hand, the officials note that 90 percent of proper security is not technology but what they call "the human factor"—the alertness and motivation of the staff—and that lapses still occur. Armored police cars, for example, guard the airport entrance and tarmac, but the militiamen inside are sometimes lounging half asleep.

Officials who led a tour of the airport security system described some of the new security measures:

A recent increase in the total security force from 1,000 to 1,500, including members of an elite commando unit called T.A.E.

A better perimeter fence, new X-ray equipment and metal detectors, closed-circuit cameras and improved training and scheduling for operators.

Additional identity checks, both of passengers and airport workers.

Efforts to gain the cooperation of Arab nations such as Syria, Libya and Lebanon, whose airlines fly regularly through Athens.

A RENEWED SENSE OF URGENCY

The measures have taken on special urgency since a bomb exploded on a T.W.A. jet over Greece on April 2, killing four Americans.

Security in Athens was in no way responsible for the blast; the plane had not yet landed there. But Greek investigators, cooperating with the American specialists sent by the F.B.I., have found no identifiable residue of explosives in the blast area—indicating the probable use of a plastic explosive virtually impossible to detect by modern airport security devices.

"We have to change our approach," said Mr. Tsimas, Greece's Secretary General of Public Order. "Until now, we were worried mainly about hijacking. Now it's bombs and suicide attacks."

As deterrents, he cited the commandos in black uniforms carrying submachine guns and pistols stationed around the arrival area, including the T.W.A. counters. Regular blue-uniformed police officers, some with machine pistols, and plainclothes guards also patrolled the airport, he noted.

Security procedures were recently endorsed by the United States Federal Aviation Administration and the International Airline Transport Association, officials reported.

At the Kuwait Airlines counter, private guards made passengers open their bags for inspection even before check-in.

Of the 65 airlines at Hellenikon Airport, 45 now conduct their own security checks in addition to the airport's. Before the recent uproar over terrorism, Greece sought to discourage the airlines from performing private security checks, saying its own were sufficient. Now it has relented. Thus, T.W.A. puts all baggage through its own X-ray machine, as do some other airlines.

After check-in, passengers go through passport control, where they must also show their tickets and boarding passes. They walk through a Metor metal detection machine made in Finland and pass their hand baggage through one of the new Heimann Hi-Scan X-ray machines made by a subsidiary of the Siemens Corporation of West Germany.

INDEPENDENT CHECKS

The carry-on bags are then searched again by hand. In addition, T.W.A. and El Al Israel Airlines, among other carriers, put the carry-on items through another X-ray check in the departure area.

To keep its X-ray operators more alert, the Government recently created five-man teams of guards who each work 25-minute tours, then take a break.

Among other precautions is a new fence, which will make a 6-mile ring around the airport perimeter when the final 500 yards of fencing is completed. The project was hastened by a terrorist's near-disastrous bazooka attack on a Jordanian airliner through a hole in the fence last year.

Internal security measures have also been stepped up.

Officials acknowledge that intelligence agents sometimes surreptitiously open passengers' baggage after it has been checked in.

At night, guards sometimes conduct security sweeps, spot-checking passengers.

Airport employees with access to the planes are also investigated, their family backgrounds and sometimes political leanings examined. Employees are not allowed on aircraft unsupervised, officials said, and several armored police cars patrolled near parked planes.

Yet the system does not always perform as planned.

A visitor who arrived early one morning this week from Israel was discomfited to find the terminal seemingly deserted, with little visible security present.

One American official said some businessmen recently told him of a man in a wheelchair, carrying a package, who was generously allowed to bypass airport security by guards who apparently did not even determine whether the man was actually an invalid.

NEIGHBORHOOD WATCH

HON. HAROLD E. FORD

OF TENNESSEE

IN THE HOUSE OF REPRESENTATIVES

Monday, April 21, 1986

Mr. FORD of Tennessee. Mr. Speaker, on April 19, I had the opportunity to speak before over 800 people involved with Neighborhood Watch activities throughout Memphis, TN. I would like to insert my brief statement as a way of promoting Neighborhood Watch programs across the country. It is cost effective, assists in safeguarding residential areas, and gives the participants a unique perspective on crime prevention techniques.

STATEMENT OF CONGRESSMAN FORD ON NEIGHBORHOOD WATCH, APRIL 19, 1986

Let me first thank Councilman Bill Gibbons for inviting me to this morning's breakfast. As evidenced by the turnout today, the concept of Neighborhood Watch is one that obviously has extensive support throughout the city of Memphis. A great many groups have been formally trained in Neighborhood Watch and security related activities. This can only assist in crime prevention. You can be assured that Neighborhood Watch has my full and undivided support.

I only wish that the Congress kept crime prevention more in mind when it recently considered the McClure-Volkmer gun bill, legislation that weakens the Gun Control Act of 1968. That law came into being after the slayings of Martin Luther King and Robert Kennedy some 18 years ago.

It concerns me that it will soon become much easier for criminals to obtain handguns—weapons that are often easy to conceal. This will make it more difficult for the local police departments to enforce the law, and more hazardous for the law-abiding citizen who unknowingly comes across an individual involved in a crime.

For this reason, I strongly urge that the numerous watch groups represented today not take the law into their own hands. It is a dangerous enough job for the police, who themselves are trained for such situations. With the help of groups like your own, working in conjunction with the police department, the goals of crime awareness and deterrence can be more readily achieved. I speak for every Memphian when I say—thanks for all your efforts.

Councilman Gibbons has played a strong role in promoting the education and training of citizens in crime prevention. I hope that as the organization strengthens in the weeks ahead, it will work alongside the Memphis Police Department. After all, they are the crime prevention professionals. With this type of involvement and shared responsibilities, the city of Memphis and its residents will undoubtedly take a bite out of crime.

DESERVED HONOR FOR JACK McCARTHY

HON. BARNEY FRANK

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Monday, April 21, 1986

Mr. FRANK. Mr. Speaker, sometimes our duties as Members of Congress require us to attend events that, to be honest, are a little tedious. But on other occasions, we are privileged to be able to participate in genuine inspiring events which make us proud to represent our districts.

Last month, I was proud to be included in the program in which the people of the town of Swansea honored their superintendent of schools, John E. McCarthy, for his courageous and farsighted educational leadership. Jack McCarthy is an example of the teaching profession at its best: He is a dedicated, hardworking, intelligent man who has worked his way through the Swansea School System to the post of superintendent. As superintendent, he has done an excellent job of guiding the educational system of the town.

Last year, Jack McCarthy was confronted with a situation which has, sadly, confronted a number of school systems. Few have met that challenge as well as Jack McCarthy. A young student in the Swansea School System has AIDS. It fell to Jack McCarthy to decide how the school system would respond. In a manner that shows executive leadership at its best, Jack McCarthy calmed the understandable fears of many of the parents. Consulted medical experts to get the best possible advice, considered the health and safety of all the children of Swansea as well as the rights of the young man with AIDS, and decided—correctly on the evidence—to allow him to continue to attend school. I was proud to be part of the evening in Swansea in which representatives of the entire town turned out to honor Jack McCarthy for his leadership in general, and for the wisdom, courage, and compassion he showed in this instance. Among the most inspiring moments that evening was the showing of a videotape of interviews with students who attended the school where the student with AIDS was enrolled. The unanimously positive attitude which these young people showed toward their classmate made a positive emotional impact on all of the adults in that room.

It was an honor for me to join the people of Swansea in honoring Jack McCarthy. In doing so, they not only paid tribute to an outstanding man; they reaffirmed their belief in the importance of public education for the achievement of many of our social goals. A good deal of attention has properly been paid to the need to improve public education in America in recent years, not enough attention has been paid to the valuable and important work done by so many teachers and administrators in the public schools system, nor to the interest and support which so many parents have given to their work.

I include the following newspaper article about Swansea's honoring of Jack McCarthy as their "Man of the Year," and the various citations and letters presented to Jack on that occasion.

JACK McCARTHY, SWANSEA'S CITIZEN OF THE YEAR RECEIVES NUMEROUS AWARDS, OVATIONS

(By Barbara Davies)

"It is very difficult to sit and listen to all these positive things people are saying," Jack McCarthy, Swansea Citizen of the Year said in his response to "all these positive things" said about him at the dinner dance held to honor him. The event was held last Saturday night by the Swansea American Legion Post 303, in their hall on Ocean Grove Avenue. "Sometimes it is easier when I'm under attack; the response is quicker coming to me. This has been a very, very pleasant experience for me. Last week was a long week, as superintendent of the school system, meeting with the Selectmen and the Finance and Advisory Board on the school budget. I cannot remember negotiations ever getting along so well," he stated, and, holding up his key to Swansea, "I assume this is the key to the War Chest buried in back of Town Hall? The key to get the money for the schools?"

"I shall not forget for the rest of my life the event which led up to this occasion. That was the most important thing," he referred to his decision and stand to include the Swansea child afflicted with AIDS in school education, after research both medical and with the state department of education. "It was many issues, the effects on the child, the impact on the children, the impact on the staff and community. One thing about Swansea; you and I know each other. I felt that, if we got the information out, the people, as they usually do, would do the right thing.

"The reaction of the children in the junior high was beautiful. They have values clarification in their curriculum; their values were clear. The staff was outstanding. The school committee outstanding; we agreed that the superintendent would carry the ball and the committee stood firm, solid in support, as did the people of the community.

"When I talk in other places about the people of Swansea, their response, how our people are different, I think back about our Citizens of the Year. Their key ingredient is volunteerism. Look at our Little League, Swansea Independent Baseball League, Friends of the Band, Friends of the Cardinals, people working in organizations to make this a better community, caring, desiring to make a better community. I am very proud of and appreciate the kind things you have said, but it's 'we'. I look forward to working for a better school system, a better community, with you."

He had started out saying that same thing, in different words, "It is not what I did. I did what I had to do."

He had been greeted, when he stood to receive his plaque as Citizen of the Year, with a standing ovation. He was again given the tribute of a standing ovation when he closed his responding speech.

Besides the award plaque, many other commendations were presented, marking respect for both his decisions this year and throughout the many years he has worked for the children of Swansea.

The school committee, Robert Paquette, James Carvalho, Russell Howarth, Eugene Rutkowski, Steve Dzalio, and long term past member Joseph Arruda, presented a silver Revere bowl to mark this proud moment. This noted Jack's career in education, "hired as a teacher and assistant football coach in 1956; baseball coach in 1958, head

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football coach from 1960 to 1967; in 1968, assistant principal at Brown School; in 1969, principal of the junior high; in 1975, assistant to the superintendent; in July of 1977, superintendent, 30 long years of hard, dedicated work."

Congressman Barney Frank presented his congratulations to the Town and the Post for honoring Jack McCarthy, "as an individual and for his role in education. There is no more important job than to educate our children and at this time particularly, to teach them how to deal with the new technology." He said that he is very proud that, in his district, the AIDS problem was handled with compassion and intelligence. "His example, this town's example is outstanding. This town is doing the right thing for a man who has been doing the right thing for a long time."

Congressman Frank is mailing a citation and said he will be entering this experience in the Congressional Record.

Senator John Parker brought the Golden Dome citation and his best wishes. "I am proud to be a part of those people honoring one who stood up for what he thought the right thing to do, a man who didn't go with the tide. That is a man." Senator Parker also brought for Barbara McCarthy a citation for "an honorary distinguished citizen in recognition of your example of affectionate sharing, good citizenship, humanitarianism, and a productive life which has made many contributions to your fellow citizens," noting that "the little woman is the comforting last stop of the day, closing the day with a wonderful feeling."

Representatives Philip Travis and Joan Menard jointly presented the citation from the House, giving their personal congratulations and best wishes. Travis noted that "as a coach, teacher, super-superintendent you have done more for the town, consistently . . . a pride for the town . . . an outstanding person, working dilingently, particularly for the children." Menard, present also as a friend of the family, as a former educator, spoke of "how proud we are of him. Swansea is very, very lucky to have him."

Selectman Chairman Donald Hyland presented Swansea's citation and proclamation of this week as "Jack McCarthy Week." Hyland recalled one example not previously noted during the program: how Jack, then swimming director for Swansea at the lessons at The Bluffs' beach in the mid-60's, had saved the life of a boy who dove and broke his neck, "and the boy is still living today." Hyland, as chairman of the Town Democratic Committee, also presented Senator Ted Kennedy's congratulations and admiration.

Selectman Clerk Donald Lesage presented the key to Swansea, referring to Jack's career in Swansea education and stating that "it is amazing that this was not done years ago."

Sue Travers, representing The Friends of Mark, presented a citation in recognition of Jack's compassion to Mark, reporting that Mark would have come but he has a fever and is hospitalized as of Wednesday.

Roger Gibeau presented a plaque for the Friends of the Cardinals, expressing their pride and appreciation of Jack McCarthy.

Gene Rutkowski presented a plaque for the Little League, for Jack's contributions as "teacher, coach, superintendent."

Lionel A. Morais, chairman of the Awards Committee and master of ceremonies, reported letters of congratulations from Selectman Jack Heywood, working; from Betty and Abe White of Fall River; and from the School Committee Association.

Morais also reminded those celebrating this year's awardee that the choice is not made by the Post "but by a committee of heads of all local departments and services and organizations, and Barbara Davies of the news media."

He recalled past citizens, Helen Reagan, present; Robert Eddy, present; Judge Tony Aguiar; Roger Gibeau; Judy Cabral, hospitalized; Ray Eddy, represented by Fire Chief James Eddy; and "those who are not now with us, Doc Compton and John Borden."

The kitchen crew, headed by Chef Sid Boutin were thanked for the delicious roast beef dinner. Leo Bernier, State Vice Commander of the Legion, was thanked for assisting in the ceremonies.

After the reception line of more than 200 persons (limited by the building capacity and tickets on a first come, first served basis) offering personal congratulations, dancing was enjoyed at this Ninth Annual Citizen of the Year ceremony.

SUPT. MCCARTHY HONORED FOR STAND ON AIDS

(By John Castellucci)

SWANSEA, MASS.—Elsewhere in the country, the question of whether to allow an AIDS victim to attend school has become engulfed in hysteria. Parents have picketed, officials have vacillated and children with AIDS have been shunned by their classmates and friends.

But in Swansea, where a teenager afflicted with AIDS has been attending classes since autumn, the community has been united in sympathy for the victim—instead of divided by controversy over whether it is safe to allow him in school.

On Saturday night, the man whose firm stand helped stem the tide of controversy was honored.

School Supt. John E. McCarthy was named Citizen of the Year by American Legion Post No. 303, and a crowd of 215 well-wishers gave him two standing ovations at a roast-beef dinner in his honor. A procession of politicans praised his courage in allowing Mark, a 13-year-old boy who acquired AIDS while undergoing treatment for hemophilia, to attend school.

And three mothers whose group, Friends of Mark, raised $10,000 to help meet Mark's medical expenses, made it clear that it was thanks to McCarthy that what happened in Queens, N.Y., where parents picketed to keep a child with AIDS out of classes, and Kokomo, Ind., where school officials barred an AIDS victim from school, has not happened here.

"In talking to school systems all over the country, we realized that the biggest difference was that Mr. McCarthy took his stand and didn't back down from it," said Susan C. Travers, a member of Friends of Mark. She said that McCarthy "made it very easy for us to say, 'OK we're going to take the ball and carry it.' "0

Linda M. Nahas and Robin A. Sherman are also members of the group.

Friends of Mark was just one of many groups that paid tribute to McCarthy, presenting him with a plaque for "the courage and compassion (he) showed during the most difficult of times."

There was an award from the Board of Selectmen, which gave McCarthy the key to Swansea. There was a letter of congratulation from Sen. Edward M. Kennedy and a silver bowl from the Swansea School Committee.

Sen John F. Parker, minority leader of the Massachusetts Senate, gave McCarthy its Golden Dome award. And Rep. Philip Travis, D-Rehoboth, gave him a citation from the Massachusetts House, noting his status as 1986 Citizen of the Year.

"People forget sometimes that the public schools have a special role in our society," Rep. Barney Frank, D-Mass, said in a brief speech. "They can't say no. They can't turn anybody away."

But misunderstanding about AIDS and the misapprehension that victims might spread it through casual contact have become widespread. Frank said that he felt proud to represent a town that had overcome its fear and done "the right thing."

McCarthy was modest about his decision. Looking dapper in a pin-stripe three-piece suit, the 55-year-old superintendent said simply, "I just did what I had to do." Then he went into detail.

"We spent a great deal of time researching the problem" of AIDS, and whether a student afflicted with the disease could transmit it to other students, McCarthy told the audience. When all the research was done, he said—when doctors and experts had been consulted—"there was no doubt in my mind" that Mark should be allowed to attend school.

Neither Mark, who made the honor roll this year, nor his parents attended the dinner. He was running a fever and had been admitted to the hospital for observation, Susan Travers said.

If there was any doubt that Swansea was united in sympathy for the AIDS victim, it was dispelled by a videotape of his classmates discussing how they felt.

The videotape was presented by Lionel A. Morais, town moderator and head of the Citizen of the Year selection committee. The lights were dimmed and the crowd watched quietly.

"There's nobody here that doesn't want him back; he belongs here," one eighth-grader said on the video.

"He deserves exactly what we should get, because he's part of the school," another said.

TOWN OF SWANSEA, MA,
OFFICE OF SELECTMEN.

PROCLAMATION

Whereas, John E. McCarthy has served his community with distinction and honor as an educator and leader for thirty years in the Swansea School System, and

Whereas, John E. McCarthy has given generously of his time and energy for our most important resource, our children, and

Whereas, John E. McCarthy exemplifies the two most important qualities that one can attain in any profession, that is respect and reputation, both of which are openly expressed throughout our community, and

Whereas, the friends of John E. McCarthy are doing him honor as "Citizen of the Year" at a dinner hosted by the American Legion Post 303 in the Town of Swansea and therefore be it.

Resolved, The Board of Selectmen take this means of expressing their appreciation and admiration to John E. McCarthy for his dedicated and inspirational service to his community and do hereby proclaim John E. McCarthy as Citizen of the Year.

In testimony whereof, We hereunto sign our names and cause the seal of the Town of Swansea to be affixed this 29th day of March in the year of our Lord, Nineteen Hundred and Eighty-Six.

DONALD F. HYLAND,
Chairman.

DONALD F. LESAGE,
Clerk.
JOHN B. HEYWOOD.
MICHAEL W. FINGLAS,
Executive Secretary.

U.S. SENATE,
Washington, DC, March 29, 1986.

JOHN E. MCCARTHY
Superintendent of Schools, Swanesa, MA

DEAR JACK: Many others have added their comments on the conduct and the courage you demonstated with the very sensitive issue of that afflicted junior high school student.

But I would like to express my congratulations and gratitude to you for setting an extroardinary example of judgment and caring for both the community and those young people whose education is entrusted to your administration.

Few can envy the responsibility of a school superintendent no matter the size of the city or town or school system. Few positions have more need for the ability to make difficult decisions on behalf of both the students and the parents, as well as those who govern the community.

It takes, I believe, a blend of wisdom, fortitude, and street sense to make the job one that has respect of all of the above.

Your commitment and dedication certainly have done just that, and I want to join with your many friends and supporters in congratulating you on the well-deserved award of Citizen of the Year by the Swansea American Legion Post No. 303.

With my very best wishes to you.

Sincerly,

EDWARD M. KENNEDY.

THE COMMONWALTH OF MASSACHUSETTS, EXECUTIVE DEPARTMENT,
Boston, MA; March 4, 1986.

LIONEL A. MORAIS,
Veterans' Benefits Department, Town Hall, Main Street, Swansea, MA

DEAR MR. MORAIS: Thank you so much for offering me the opportunity to participate in the Swansea American Legion's Citizen of the Year Award.

I wish I could be with you on this important occasion, as I can think of no one more worthy of this award than John McCarthy. However, on March 29th I will be on vacation with my family.

Although I cannot accept your kind invitation, I have sent, under separate cover, a Governor's Citation honoring John McMarthy that can be read during the evening. I hope you will extend my warm personal best wishes, and the greetings of the commonwealth to Superintendent McCarthy. He has proven himself to be not only a superb educator but a man of intelligence and compassion.

I hope the evening will be an outstanding success, and I thank you again for thinking of me.

Sincerely,

MICHAEL S. DUKAKIS,
Governor.

LIST OF AWARDS

Presented to Jack McCarthy, In Recognition of the Courage and Compassion You Showed During the Most Difficult of Times With Much Affection and Deepest Respect—Friends of Mark.

John E. McCarthy, Swansea Citizen Of The Year, Congratulations, Swansea Little League.

John E. McCarthy, Swansea Citizen Of The Year, Congratulations, Friends of the Cardinals.

Commonwealth of Massachusetts, State Senate Golden Dome Citation.

The Commonwealth of Massachusetts, Michael S. Dukakis, Governor—To John E. McCarthy on the occasion of your Ninth annual Civic Awards Night better known as Citizen of the Year Award.

The Commonwealth of Massachusetts, The House of Representatives Citation—Be it hereby known to all that: The Massachusetts House of Representatives hereby offers its sincerest congratulations to: John E. McCarthy, Superintendent of Schools, Swansea Citizen of the Year—1985 in recognition of his commitment to excellence in education for all the young people of the Community.

John E. McCarthy, Swansea Post 303, Citizen of the Year 1985, in recognition of years of dedicated service.

WILSON WALKIES—A BIT OF WATSONTOWN HISTORY

HON. GEORGE W. GEKAS

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Monday, April 21, 1986

Mr. GEKAS. Mr. Speaker, in 1930 no one could have guessed that spending a quarter to buy a wooden toy called a Wilson Walkie would also get you one slice, albeit a small one, of American history.

The Wilson Walkie is a toy some of my colleagues here in the House may very well remember as a youngster. It is a small walking figure made from discarded thread spools, wooden heads, and curved pine feet. These figures, which included: Cartoon characters such as Donald Duck, Popeye and Olive Oyl, Santa Claus, clowns, and even the Democratic donkey and the Republican elephant, were created from wood by John Wilson—a master carpenter, inventor, and toymaker from Watsontown, PA.

In the 1930's John Wilson held the position of superintendent of the Watsontown Door and Sash Co. When the door and sash company closed due to financial difficulties, Wilson decided to open the Wilson Novelty Co., where he manufactured the Wilson Walkie and other toys and novelties. As the company grew, the company moved from the original factory site in an old garage to the old shoe factory. There were 80 full-time and 20 part-time employees as well as many others who did piecework out of their homes. The Walkies were distributed through the F.W. Woolworth Co., as well as to countries around the world. The company was run by John Wilson until his death in 1948. Shortly after his death, the company was sold to a Canadian-based firm who continued to make the Wilson Walkies for a few more years.

The Wilson Walkie is considered a collector's item today. A few manage to turn up every so often at public sales. The Wilson Walkie and the work of John Wilson will long be remembered not only for the work it brought to the Watsontown area during the trying 1930's and 1940's but also for the joy and fun it brought to young and old alike.

EXECUTIVE DIRECTOR OF UNFDAC ADDRESSES U.N. DRUG COMMISSION

HON. BENJAMIN A. GILMAN

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Monday, April 21, 1986

Mr. GILMAN. Mr. Speaker, I have recently received a communication from Dr. Giuseppe di Gennaro, executive director of the United Nations Fund for Drug Abuse Control [UNFDAC] in which he enclosed a copy of his statement to the ninth special session of the United Nations Commission on Narcotic Drugs. Dr. Di Gennaro's address contains significant information on recent developments in the worldwide fight against drug trafficking and drug abuse which I believe my colleagues will find worthy of their attention. Dr. di Gennaro's statement is as follows:

STATEMENT BY MR. GIUSEPPE DI GENNARO

Mr. Chairman, distinguished Delegates, Colleagues, in recent years, the role of the United Nations Fund for Drug Abuse Control has gained world-wide recognition while multilateral assistance in the strategy against drug abuse has received increasing consensus. The substantial growth in UNFDAC resources, the numerous requests for assistance and the continuous expansion of UNFDAC activities are concrete and visible demonstrations of this trend. UNFDAC operations which, only a few years ago, were calculated in terms of thousands of dollars now reach levels of millions. However, the present financial dimension of UNFDAC is still disproportionate to respond adequately to the enormous needs in the different geographical areas and sectors hit by the drug phenomena.

As in the past, I wish to take this opportunity to update the information provided in UNFDAC's 1985 reports to the Commission. In the present and perspective financial situation, there are some elements which are most indicative of positive changes: Indications have been received from the Government of the United States of its intention to provide an additional amount of 5 million US dollars for programmes in Pakistan. The Government of the United Kingdom in turn has also pledged an additional 2.4 million Pounds Sterling for activities in Pakistan as well as 1 million Pounds Sterling for programmes in Latin America. Two new contributions have been announced at the end of last year by the Italian Government which pledged 2.0 million US dollars for activities in Thailand and 3.0 million U.S. dollars for treatment and rehabilitation programmes in the Andean Subregion. Furthermore, I am pleased to report that the Government of Canada has recently pledged 1.0 million Canadian dollars for activities in Pakistan and is also considering an additional contribution of 1 million Canadian dollars for the Masterplan in Thailand. The Government of Sweden has pledged 8 million Swedish Kroner in 1985, which is twice as much as that pledged in 1984. In December 1985, the Government of the Federal Republic of Germany has pledged an amount of 3 million Deutsch Mark for a rural development/coca substitution project in Colombia.

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Other important developments in the fund-raising operations are in sight: UNFDAC has received encouraging indications from the Governments of the Netherlands and Norway that they are considering major contributions to important segments of UNFDAC programmes. The positive attitude of the Dutch authorities was already manifested by that Government's recent decision to make available to UNFDAC the services of a Junior Professional Officer who will join our forces in Latin America. By the same token, I would also like to thank the Governments of the Federal Republic of Germany, Finland and Italy for having provided similar personnel resources for UNFDAC field operations. I am also pleased to report that UNFDAC expects a strong involvement of the European Economic Community in the UNFDAC programmes for Pakistan and Thailand.

Another demonstration of the growing support of Member States is the increase in the number of contributing countries. The People's Republic of China has joined them, for the first time, on the occasion of the last Pledging Conference.

In some cases, when the contributions were of a considerable amount, the donor countries have collaborated directly with UNFDAC staff, seconding their experts in project identification missions. This was the case of missions to Latin America, Burma and Thailand during November and December 1985. I wish to express my satisfaction with this type of co-operation which contributes greatly to an immediate and direct appraisal of the political, social, economic and organizational problems encountered by UNFDAC in the execution of its mandate.

In order to respond to the new programme requirements, special attention has been given to the distribution of the staff resources. UNFDAC has lived up to its commitment of keeping the Headquarters staff at a minimum level in spite of the remarkable extension of its work. Preference has been given to the offices in the field. At present, there are Field Advisers in Bolivia, Burma, Colombia, Pakistan, Peru and Thailand. While increasing the number of Field Advisers, UNFDAC has taken action to review and systematize some basic issues relating to their functions and to their working relationships with local authorities, the executing agencies, the Resident Representatives of UNDP and with UNFDAC Headquarters. An important step in this direction has been a seminar of Field Advisers which UNFDAC convened, here in Vienna, two weeks ago. The seminar has contributed to a more precise design of the profile of the Field Adviser profession. An important byproduct of this meeting was the clarification of some questions concerning programme execution procedures. It was considered that the presence of UNFDAC, through its Field Advisers, in the main threatres of operation is greater than that of the representatives from the executing agencies, and therefore, UNFDAC is in a position to follow more closely the various segments of drug control activities under way. This fact suggests that the functions of the Field Advisers can go beyond the supervisory, monitoring and co-ordinating tasks, so that the traditional execution moda operandi could be reconsidered.

As outlined in UNFDAC 1985 reports, the Masterplan approach which the Commission is familiar with, has proven to be a valuable working instrument strongly supported by recipient and donor countries. Preparatory work is in progress for responding to requests for the formulation and implementation of Masterplans for Argentina, Brazil and Peru. UNFDAC is currently discussing with these three countries the activities to be undertaken.

The Masterplans for Burma and Ecuador are in a more advanced stage. I wish to take this opportunity to express my deep appreciation to the Governments of these countries. The former engaged itself in the preparatory activities with such a determination that it was possible within a very short time, to compile all the information and findings on the local drug abuse problems and related needs, and to structure these data in the frame of an articulated plan which was adopted at the end of 1985 by the Government. The plan covers multi-sectoral activities requiring an investment of 10.7 million US dollars over five-years. The Burmese authorities have committed themselves to eliminate each year some 90 tons of the illicit opium production during the implementation period of the Masterplan. This will result in the complete elimination of opium poppy cultivation in Burma.

Ecuador has been faced recently by the manifestation of rising drug abuse, as well as a large expansion of illegal coca bush cultivation in rugged and nearly inaccessible areas. During a UNFDAC mission to Quito in March 1985, a formal political commitment for a global fight against drugs and the adoption of a coca control Masterplan were considered for the first time. Only four months later, the Government adopted a National Plan for the Control of Illicit Traffic and the Prevention of Drug Abuse, on the basis of which an operational Masterplan of 10 million US dollars was elaborated. During a second UNFDAC field mission in October 1985, the document was reviewed. The Masterplan is now finalized and each project included therein contains provisions on the Government's commitment to eliminate illicit coca cultivation within a period of five years.

During the last three years, UNFDAC expanded its programmes both in Asia and in Latin America. Now the time has come for other important geographical areas to be included in UNFDAC's operative scenario. These would be Africa and the Caribbean. As indicated in UNFDAC's reports, preparatory activities are underway for the identification of some priorital needs of these regions and for the design of drug control programmes.

We have learned that the day-to-day critical appraisal of the implementation of our projects is important in identifying in a timely fashion additional needs and the changes occuring in the already identified ones. UNFDAC has the duty to signal these data to the international community. In this regard, mention should be made of some perverse side effects of the anti-narcotic programmes. UNFDAC is aware that in view of the links among the various drug phenomena and, in particular, the readjustments of the strategy of crime syndicates involved in drug trafficking, success in one area tends to generate problems elsewhere. These coming problems are often timely foreseen by us but this does not help us to prevent and control them because of lack of resources. A recurrent perverse effect is the displacement of illicit cultivation to neighbouring countries and the redirection of trafficking routes. I hope that appropriate consideration be given by the international community to this issue, knowing that the impact of side-effects can counteract and even negate the positive results of our work.

Mr. Chairman, the recognition that UNFDAC is receiving is manifested by the repeated appeals from qualified bodies that its role be strengthened. The General Assembly, in its resolution 40/122, included the increasing support for UNFDAC among the issues to be covered by the forthcoming International Conference on Drug Abuse and Illicit Traffic. It also referred in resolution 40/121 to the vital role played by UNFDAC. The Seventh United Nations Congress on the Prevention of Crime and the Treatment of Offenders which unanimously adopted resolution 3 on "international co-operation in drug abuse control" invited Member States to take full advantage of UNFDAC services in order to achieve greater impact on drug control through improved co-ordination and united programming. Last September the European Parliament adopted five resolutions on drug abuse control emphasizing the need for strengthening international co-operation through, inter alia increased financial contributions to UNFDAC and through the participation of the European Commission in the implementation of the Masterplan in Thailand. Reference can also be made to the statement on the international drug problem, issued in July 1985 by the Foreign Ministers of the member countries of the Association of South East Asian Nations, as well as to the resolution adopted by the Organization of American States which will soon convene a Specialized Conference on Drug Traffic. Additional recognition of UNFDAC's role stems from the document which emerged from the Bonn Summit of May 1985 entitled "options for individual and collective action to intensify the fight against drug abuse" which will be considered by the next Summit Meeting in Tokyo, as well as the recent decision of the Development Assistance Committee on the OECD to organize a meeting in order to identify and understand the concrete linkages between development and drug abuse control. This meeting will help raise the awareness of Governments of ths new dimension and its negative impact on the economic and social conditions in many countries.

Mr. Chairman, in concluding, I wish to stress that the gravity of the drug phenomena, their close connection with organized crime, their impact on the social and economic development processes in many countries and the awareness of the necessity to counteract them effectively through a multilateral strategy are all factors which have contributed to a new momentum in the growth of UNFDAC's financial resources and to the enhancement of its activities.

While this growth of UNFDAC is encouraging, it should not lessen the conviction that the dimension of the phenomena with which we are confronted requires a hundredfold increase in the resources available at present.

Mr. Chairman, the crowded and heavy agenda of this special session will probably prevent the Commission from holding an exhaustive discussion on UNFDAC's programmes. Should there be any need for further information or clarification, the UNFDAC staff remains at the disposal of the distinguished delegates at all times.

NEWARK CELEBRATES ITS 150TH ANNIVERSARY

HON. PETER W. RODINO, JR.

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Monday, April 21, 1986

Mr. RODINO. Mr. Speaker, 1986 is a very special year for the city of Newark, which is celebrating its 150th anniversary of incorporation. In honor of this special anniversary, the Newark Museum has planned a series of exhibits, cultural tours, and educational programs. The focus of these events is the evolution of Newark—the Nation's third oldest major city—from a rural town to a center of industry, commerce, finance, and art. Among the Newark Museum events planned are:

Made in Newark. Decorative area, 1836-1986. From the mid-19th century on, Newark's factories produced many types of decorative and useful household objects. Featured in this exhibition are examples by such celebrated Newark firms as Tiffany & Co., Unger Brothers, William B. Kerr Co., and John Jelliff and Company.

A Newark Sampler. Works from the Collection of the Newark Museum, 1836-1986. This exhibition features paintings, watercolors, drawings and sculptures that give an historical overview of artistic activity in the City of Newark over the last 150 years.

Money & Medals of Newark. More than 250 items from The Newark Museum's fine and extensive collection illustrate details of Newark history, including the official City Seal, created by Act of Council in 1836.

Noontime Tours of Newark. Renaissance and Restoration. A series of Tuesday noontime tours organized by the Museum will visit such sites as Penn Station, the Cathedral of the Sacred Heart, the Ironbound and St. Joseph's Plaza.

Group Tours. For children and adults. The Newark Museum Education Office will offer tours of the 1985 Ballantine House restoration, cultural bus tours of Newark and a special slide show.

Mr. Speaker, I join in the salute to this great city and its people, and I commend to you the following article on Newark's history, which was published in Metro Newark magazine:

A PORTRAIT OF A GROWING CITY

[NOTE.—The following is a thumbnail sketch of Newark's history, compiled by members of the New Jersey Historical Society.]

Four barrels of beer and 10 kettles. A hundred bars of lead and a load of wampum. To say nothing of troopers' coats, swords, axes and blankets. These European imports were the bargain price of Newark in 1666, when Robert Treat and four other settlers from the New Haven colony in Connecticut bought it from the local Lenape (or Delaware) Indians. The settlers named the town for Newark-On-Trent in England, where the Rev. Abraham Pierson, one of their leaders, was born. The original Newarkers were Congregationalists, with their own religious and political ideas. They established a New England-style town-meeting form of government and set themselves to farming some of the best land in eastern New Jersey. For a century they grew grain, raised livestock, kept orchards and perhaps never dreamed that Newark would be more than a sleepy provincial village.

The Puritan village of Newark grew slowly during colonial times, boasting only 1,000 souls on the eve of the American Revolution. Among Newark's contributions to the Revolutionary Era were Alexander MacWhorter, pastor of Old First Church, and Aaron Burr, a native son who served with distinction in the war and later achieved political prominence—followed by infamy—when he mortally wounded Alexander Hamilton in a duel. The crowds of Newarkers who greeted Gen. George Washington in November 1776, after a five-day British occupation and plundering of the town, could not have imagined Newark's bright future.

While Newark had been little more than a farming village and an emporium for produce from the Passaic Valley, the slow process of industrialization was beginning. Shoemaking was the industry most closely associated with the city's early history. In fact, Charles Basham's 1806 map of Newark featured a shoemaker, hard at work, as the town's symbol. Other important local crafts included the making of furniture, carriages, and coach lace. Crafts gradually became industries in the first half of the century, as Newark grew into one of the nation's chief inland manufacturing centers. Transportation highlighted the 1830s as railroads came to Newark, the Morris Canal was opened and the city became an official port of entry.

Newark was incorporated as a city on March 18, 1836 by an overwhelming vote of the public. And in April of that year, the city's first mayor took office.

Soon, the inventiveness and industry of its rapidly growing population, coupled with a rapidly expanding transportation system, opened the vast markets and business opportunities of New York City to Newark, establishing it as the undisputed economic capital of New Jersey. The city's expansion was continually bolstered by waves of immigrants—in the first half of the century, Irish and German, and in the second half, Italian and Eastern European. In fact, the story of Newark's industrial growth can actually be read in the individual success stories of its residents—inventors, salesmen, bankers and others. In fact, Newark's technological pioneers—Seth Boyden, John Wesley Hyatt, Edward Weston, Hannibal Goodwin and Thomas Alva Edison—actually propelled the city into one of America's top 10 industrial centers by the second half of the century.

Others helped to build economic vitality. John F. Dryden, founder of The Prudential Insurance Co. of America, also helped to found the Fidelity Trust Co. (now First Fidelity Bank). The bank helped to supply the capital to fuel Newark's expansion, including much of the financing of the Public Service corporation founded in 1903.

In 1864, George A. Clark arrived in Newark from Scotland to found the Clark Thread Works. By 1866, he employed more than 1,000 persons in his new plant on the north end of the city, and Clark's "O.N.T" thread was found in virtually every sewing basket in America.

Hahne's, the city's oldest department store, was founded in 1858 as a bird cage store. By 1870, it had expanded to include general merchandise, opening its present building on Broad Street in 1901. Louis Bamberger founded his store in 1892 by purchasing the bankrupt stock of Hill & Craig. By 1898, Bambergers covered six floors. The sales ladies, dressed in long black aprons, sold a wide variety of merchandise to the city's increasingly affluent population.

By 1884, Newark had 10 banks and five savings institutions. As a result of their conservative policies, they had survived the panic of 1873 in such good shape that several New York banks actually came to Newark to borrow money to keep afloat. And by 1895, Newark's growing insurance companies were so successful that the city ranked fourth in insurance assets. Only New York, Philadelphia and Hartford outranked Newark in this regard.

As in other American cities, unfortunately, the Great Depression dissipated much of the enthusiasm that had developed in the late 19th and early 20th centuries. But today, Newark can take pride in an extraordinary rebirth, reflected in exciting center city development projects and state-of-the art transportation facilities, with the promise of renewed momentum in the commercial and manufacturing sectors and a new era of cultural, educational and community vitality.

LEGISLATION TO SUSPEND DUTY ON IMPORTATION ON CHEMICALS USED IN PRODUCTION OF PRINTING INK

HON. ED JENKINS

OF GEORGIA

IN THE HOUSE OF REPRESENTATIVES

Monday, April 21, 1986

Mr. JENKINS. Mr. Speaker, today I am introducing two bills that suspend the duty on the importation of two chemicals that are precursors used in the production of printing ink and dies for textiles. These two chemicals are not produced in the United States. The suspension of the duty on these two chemicals will act to lower the overall costs of producing textiles in this country. As we are all aware, the textile industry has been hit especially hard by imports. I am doing everything I can to keep our industries on a fair competitive footing with their foreign competition. When our foreign competitors can print and die their textiles free of this duty, we are placing our domestic industry at a competitive disadvantage. Since there is no domestic production of these chemicals to be concerned about, it is senseless to continue this duty. My bills suspend the duties on these two chemicals, 3-nitro phenyl-4-beta-hydroxy sulfone (also known as nitro sulfon B) and 4-chloro-2,5-dimethoxy aniline (also known as chlor amino base), through December 31, 1990. This will give us time to study the effect of the duty suspension on the chemical industry to determine if we should then repeal the duty outright or continue the suspension for another period.

WILKES-BARRE—A CITY ON THE GROW

HON. PAUL E. KANJORSKI

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Monday, April 21, 1986

Mr. KANJORSKI. Mr. Speaker, less than 15 years ago many so-called economic experts said that the city of Wilkes-Barre, and all of northeastern Pennsylvania were done for. We were told our region could never survive the

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double whammy of Hurricane Agnes and the decline of the anthracite coal industry.

As the following article from yesterday's New York Times demonstrates, the experts underestimated the courage and determination of the peoplo of northeastern Pennsylvania. Today the city of Wilkes-Barre and other Wyoming Valley communities have rebuilt the areas ravaged by the flood and are stronger and more vital than ever before.

Rebuilding, and diversifying the local economy has not been easy. It has taken a concerted effort by thousands of individuals, businesses and civic groups, as well as a helping hand from the Federal and State governments.

It is worth noting that the reconstruction and revitalization of the Wyoming Valley was made possible, in part, by the very economic programs this administration is determined to slash or eliminate: EDA, UDAG, CDBG, SBA, FmHA, and EPA.

That the Wyoming Valley has come so far is a tribute to the industiousness and spirit of the people who live there. That work ethic is only one of the major economic factors which is attracting astute businessmen to locate their new plants in northeastern Pennsylvania.

We also offer a first-rate transportation system with easy access to all the major east coast markets, a plentiful supply of skilled labor, ample water, and reasonably priced energy. Our labor, construction and land costs are well below those of most competitors, and our many recreation areas and peaceful surroundings make northeastern Pennsylvania an attractive home for those of us who have had enough of the grime and crime of our major cities.

Lindsey Gruson's article documents the revival of the city of Wilkes-Barre, and why so many businessmen are finding the Wyoming Valley an attractive place to do business.

[From the New York Times Apr. 20, 1986]

REBORN WILKES-BARRE COUNTS FLOOD AS BLESSING

(By Lindsey Gruson)

WILKES-BARRE, PA.—Like a bowling ball jumping lanes, the swollen Susquehanna River crushed through its banks here in 1972, carving a channel through the narrow Wyoming Valley and crushing this low-lying town.

As church bells pealed and the roaring waters settled back behind their dikes, many residents said the flood had hammered the final nail into the coffin of this grimy, decaying coal city.

But now the flood is viewed as something of savior, an accelerated form of urban renewal. The city has been rebuilt, from sewers to skyscrapers. The omnipresent black stains that once branded it as a coal center have been washed away. Wilkes-Barre is now so new, so modern, that grains of sand in its smooth white sidewalks shimmer in the spring sun.

After four decades of steep and painful decline, the city's reconstruction is only the most obvious illustration of the area's economic rejuvenation. signs of the long-awaited revival now sprout like the pink blossoms of the cherry trees that were planted after the flood.

FORCED MARCH OF DEVELOPMENT

"In the long run, the flood was the best thing that ever happened to the city," Mayor Thomas V. McLaughlin said. "Everybody thought we were a dying town. But the flood brought us together and gave us a completely new downtown. It pushed development here that nobody even dreamed about 10 years ago. Things are really looking up."

Trouble spots remain, of course, and the area, which fueled the country's 19th-century growth into an economic colossus, is unlikely to regain its former prominence. Many of the region's longtime industries, like coal, steel and textiles, remain depressed.

Like much of the Northeast, this region was victimized by foreign competition and economic trends that turned it into a distress zone. Workers are still being laid off in northeastern Pennsylvania. Unemployment remains high at 9.1 percent, 2.4 points higher than the national average. Taxes, although declining, are still higher than in many competing states, and after years in which many young people left, the population in the greater Wilkes-Barre area, about 250,000, remains older than the nation's average, with one in five residents collecting Social Security.

But bit by bit, investment is flowing back to the area, raising spirits and hope. Young people are returning, construction is booming and real estate prices are climbing. For the first time in recent memory, some officials openly dream of new municipal projects.

Barely a week passes without some company announcing a new project, another plant expansion or some other program. Most of the new companies are small, primarily in printing, data processing, snack-foods and leisure industries rather than the industrial giants of the past.

Taken together, many executives and economists say, that shows the area has not only weathered the crisis but begun to rebound.

"We've turned the corner in the last five or six years," said James H. Ryan, president of the Wilkes-Barre campus of Pennsylvania State University. "And in the last two years things have been very upbeat. There's a renewal going on."

In many ways the area's revival springs from factors that have lifted the country's economy as a whole, like cheaper oil, lower inflation and reduced interest rates. But economists say the reasons go deeper, paralleling those that are not helping the Northeast in an economic tug-of-war that was once widely considered lost.

"We like to feel the North is rising again," said John H. Ruehlman, a regional labor analyst for the state.

This success grows out of an interlocking web of advantages, state officials, business executives and economists say, including the region's strong universities, which have produced a steady supply of ambitious graduates, its well-developed transportation system and its proximity to major markets. These factors combined to reverse migration to the Sun Belt and to propel the Northeast, especially the corridor between New York and Boston, into the forefront of the nation's economy.

That revival is now moving west, spilling into northeastern Pennsylvania, executives and economists said.

Unlike Massachusetts, which has the nation's lowest unemployment rate, northesst Pennsylvania still has a vast pool of skilled, unemployed workers. Unlike New York or Connecticut, it still has affordable real estate and one of the nation's lowest crime rates.

"I like to think of us as an underutilized area," said Richard M. Ross Jr., president and chairman of the First Eastern Bank, which is building a new seven-story headquarters in downtown Wilkes-Barre. "A lot of back-office and first home development is moving west. It's pure economics. You can't pay the rents of New York, or even New Jersey, indefinitely without looking around for places to do it cheaper."

In addition, executives and regional officials say, the area has some singular advantages. The Wyoming Valley is within five hours' driving time of a third of the country's population and 46 percent of its buying power. It has some of the country's cheapest electricity and a vast amount of water. A virtually inexhaustible supply of culm, a by-product of coal mining, gives it plenty of low-cost steam, a vital ingredient in many industrial processes.

Residents and economic development officials also point to the leisurely pace of life in the area and its abundant recreation facilities. What it lacks in culture, it makes up in the outdoors, they say. Cascading trout streams, rolling hills and deep lakes make the area something of a sportsman's paradise, they say.

"The Endless Mountains of Pennsylvania are one of the country's best-kept secrets," said Andrew J. Sordoni 3d, chairman of Commonwealth Telephone Enterprises.

'TRUCK CAPITAL' WITHSTANDS BLOW

The area's growing strength was illustrated in a paradoxical way in January when Mack Trucks announced it would lay off 2,000 workers and move its main assembly line out of nearby Allentown, which over the years had come to identify itself as the Truck Capital of the World. But the area has gained enough that the decision was more a psychological blow than an economic setback.

In the last decade, the number of workers holding nonmanufacturing jobs in the five-county area around Wilkes-Barre has jumped to 201,500 from 169,600, more than offsetting the decline of 10,800 jobs in manufacturing.

The Wyoming Valley has not attracted any industrial giants, but it has benefited from incremental progress and recruited small entrepreneurs.

"It's the niche players, the entrepreneurs and not the institutions," Mr. Sordoni said. "A place like this offers you a chance to make a mistake. It's far easier to bring Mohammed to the mountain than Mohammed and his foothills. It's far easier to bring people, than people and their widget-making machines."

A TRIBUTE TO MR. VICTOR LECCESE

HON. NORMAN F. LENT

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Monday, April 21, 1986

Mr. LENT. Mr. Speaker, it is my distinct pleasure at this time to recognize an individual who has made a significant contribution to excellence in the field of education. This individual is Mr. Victor Leccese, superintendent of schools in Oceanside, NY. After 30 years of distinguished and dedicated service to the schools, the students and the community, Mr. Leccese will be retiring from the Oceanside School District. On May 8, Mr. Leccese's family, friends, and colleagues will hold a testimonial dinner in his honor. In recognition of this memorable occasion, I'd like to take this opportunity to recognize Mr. Leccese's many outstanding accomplishments and his vaulable contributions to education and the Oceanside community.

Mr. Leccese began his professional career in 1956 as a guidance counselor with the school district. Since that time he has served in many capacities, as director of pupil personnel, principal of the Boardman Junior High School, coordinator of secondary education, and as assistant superintendent, before assuming the position as superintendent of Oceanside schools. In his various positions, he has been responsible for nearly every facet of management, including curriculum, personnel, budget development, and administration.

Mr. Leccese has been an effective leader in the field of education who is well-respected by his colleagues. This past summer, I met with Mr. Leccese and representatives of the Oceanside PTA Council and Board of Education to discuss the impact of tax reform on our local schools and education. I was presented with petitions signed by over 7,500 Oceanside residents protesting an end to the State and local tax deduction so important to New York taxpayers. This deduction is critically important to preserving the high standard of education in Long Island's public schools. Their help was essential in winning the fight in the House to retain this important deduction, and I am grateful for their support.

Admired by many for his dedication to meeting the educational needs of our young people, Mr. Leccese has worked hard so that our children could have the best possible education. His guidance and sound judgment have been a source of inspiration for many, and he will be sorely missed.

I'd like to extend my deepest appreciation to Mr. Leccese for his 30 years of dedicated service and valuable contributions to education and to the Oceanside community, and I wish him much health and happiness in the years head.

JOHN PAUL HAMMERSCHMIDT RECEIVES AMVETS SILVER HELMET AWARD

HON. G.V. (SONNY) MONTGOMERY

OF MISSISSIPPI

IN THE HOUSE OF REPRESENTATIVES

Monday, April 21, 1986

Mr. MONTGOMERY. Mr. Speaker, it was my privilege, during ceremonies this past weekend, to present to our good friend and distinguished colleague JOHN PAUL HAMMERSCHMIDT the prestigious Amvets Silver Helmet Congressional Award.

American veterans of World War II, Korea, and Vietnam [AMVETS], a 200,000-member veterans' service organization, recognizes excellence and significant accomplishments in the areas of congressional service, Americanism, defense, rehabilitation, civil service, and peace through the annual presentation of the coveted award, a silver replica of the World War II GI helmet.

Mr. Speaker, over the 19 years that have passed since we first came to Capitol Hill together, JOHN PAUL and I have developed a close and lasting friendship. I have had the honor of working side by side with him on the Veterans' Affairs Committee and in other matters, and I've seen his dedication and his hard work firsthand. He has been a vocal and effective Member of this great body. It is a pleasure to serve with a gentleman of such integrity and ability.

The veterans of this Nation are fortunate to have JOHN PAUL looking out for them in Washington. As ranking minority member of the House Veterans' Affairs Committee and as a highly decorated veteran of World War II, he has been sensitive to the needs and concerns of all veterans and their families. He is largely responsible for many of the benefits and services now administered by the Veterans' Administration.

JOHN PAUL was honored, as the inscription on the award reads, for "His unparalleled efforts within the Congress of the United States to ensure that all American veterans receive the utmost respect and the full range of entitlements they earned through service to their country."

Mr. Speaker, I would also like to share with my colleagues the words inscribed on the plaque that accompanied JOHN PAUL's silver helmet:

"JOHN PAUL HAMMERSCHMIDT has distinguished himself for the Amvets Silver Helmet Congressional Award by his unparalleled efforts in the development and support of quality legislation for veterans.

"Congressman HAMMERSCHMIDT, a native of Harrison, AR, has promoted such legislation staunchly and steadily ever since his election to the House of Representatives in 1966, and has intensified this course of action in his current position as ranking minority member of the House Veterans' Affairs Committee.

"He has made special contributions in the areas of service-connected disability benefits and Veterans' Administration health care services.

"As an Army Air Corps pilot in the China-Burma-India theater in World War II, Congressman HAMMERSCHMIDT earned the distinguished flying cross with three oak leaf clusters and the air medal with four oak leaf clusters.

"For his status as both a wartime hero and peacetime friend, AMVETS is pleased to honor JOHN PAUL HAMMERSCHMIDT.

"Presented April 19, 1986. Robert A. Medairos, national commander."

Mr. Speaker, I know my colleagues will want to join with me in applauding JOHN PAUL HAMMERSCHMIDT for his commitment to the Nation's veterans and their families. We also offer our congratulations upon this latest recognition of that commitment.

THE ROAR OF EUROPEAN HYPOCRISY

HON. MICHAEL G. OXLEY

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Monday, April 21, 1986

Mr. OXLEY. Mr. Speaker, it is rare that two political commentators from opposite poles on the spectrum write so effectively and so poignantly on an issue that affects all of us. I am presenting for my colleagues' attention the following columns by R. Emmett Tyrrell, Jr., and Richard Cohen about the war on terrorism and its effects on all of us.

[From the Washington Post, Apr. 20, 1986]

IN DEFENSE OF OUR CIVILIZATION

(By R. Emmett Tyrrell, Jr.)

In the end, political resolve comes down to a question of character. When the leaders of the French government flinched from allowing American warplanes to fly over French territory en route to Libya, thus condemning American airmen to all the dangers attendant with a military mission made 2,400 miles more arduous, they showed their smallness. In the pinch, Prime Minister Margaret Thatcher displayed nobility; these Frenchmen revealed flawed character.

I wonder if they would have allowed our planes to fly over a more precisely designated route, leapfrogging such places as Ardennes, Suresnes, Rhone, the Lorraine Valley, St. James, St. Laurent and Epinal. All contain military cemeteries where American men lie face up, forever gazing into the skies of France. Surely these men would not object if they were to see once more the underbelly of an American bomber flying far from home to defend the values of the West.

These values will always offend dictators, whether they are the authors of "Mein Kampf," the "Green Book" or whatever other collection of claptrap esotery they compose to warrant their lusts. Against savagery civilization will always need leaders who stand ready.

There have been times when French leaders have shown the requisite readiness. In October 1962, when the United States squared off against the Soviet Union and risked nuclear war over Soviet missiles in Cuba, Britain's Prime Minister Harold Macmillan wavered upon receiving President Kennedy's call. President Charles de Gaulle did not. When Kennedy's emissary, Dean Acheson, sought his cooperation, the Frenchman replied, "If there is a war, France will be with you"; and when Soviet Ambassador Serge Vinogradov belabored him with warnings that he risked the nuclear destruction of France, de Gaulle broke a stony silence, rose from behind his desk, extended a hand in farewell, and said, *"Helas, Monsieur l' Ambassadeur, nous mourirons ensemble! Au revoir, Monsieur l'Ambassadeur."* (Alas, Mr. Ambassador, we'll die together! Goodbye, Mr. Ambassador.)

The regime of Col. Muammar Qaddafi has been an outlaw regime. It might have carried on commerce with Western Europe and other civilized countries, but in the more important province of moral values, it has been hostile to all that they stand for and have stood for during the better part of modern times. Qaddafi's kind of far-flung violence is a threat to the moral order estab-

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lished by the West ever decades. Qaddafi and like-minded Middle Eastern dictators have made it a matter of policy to murder innocents, even those who have had nothing to do with government or politics.

All the arguments for avoiding our military action against Qaddafi have been heard before. We recognize that some Europeans have profited in commerce with him. It is apparent that some were more exposed to his cowardly terrorists than were most Americans. But the fact remains that he has been a firebrand whose record is one of everygrowing belligerency, violence and cruelty. As Westerners grew more "reasonable," Qaddafi grew more horrible.

The Europeans who expressed disapproval of Washington's strike against Qaddafi must face the grisly fact that as they prospered in commerce with him they contributed to the destruction of the humane values of their civilization. If they are in fact more exposed to terrorists today, experience shows they will be still more exposed tomorrow. Reason conduces to the conclusion that it is both moral and prudent to do today what will with greater difficulty have to be done tomorrow.

Our attack on Libya was but another chapter in the defense of our civilization. It will not be the last. It should have been made by an international force composed of the major victims of Middle Eastern terror. In French Prime Minister Jacques Chirac's remarks after the attack there was just a hint that he recognized this. That would be a good omen.

In this country those of us who defend NATO are sorely pressed by others. They cite frequent European abandonment of us when we needed them and call for an end to our participation in NATO. Then we shall simply bury our dead under American skies.

The Roar of European Hypocrisy

(By Richard Cohen)

On July 10, 1985, the Greenpeace ship Rainbow Warrior threatened to sail into the South Pacific to thwart a French nuclear test. While the ship was in New Zeland waters, France responded. Government agents blew up the ship, killing one person on board.

For this act of murder, the appropriate French officials have been reprimanded and those without high rank or political protection prosecuted. For a more cynical use of state power you would have to look pretty hard. But the Champs Elysées did not swell with roaring chants of indignation, and nowhere else in Europe did people take to the streets. No, Europe saves that for the United States.

Now Europe is in a snit about the U.S. bombing of Libya. President Reagan is once again being caricatured as a shoot-from-the-hip cowboy who, in true Western fashion, reached for his six-shooter when the time came to parley. You would think that Reagan had chosen his target by throwing a dart at a map: Bingo! Hit Libya.

The Europeans have their concerns. One of them is economic. Italy, the former colonial power in Libya, does a fair amount of business with it. All the major European countries have citizens who work in Libya, and some of them have substantial construction projects under way. Reagan made sure to warn Americans to get out of Libya; the European countries have issued no such warning to their own citizens.

But the major European concern is terrorism itself. Many Europeans are afraid that retaliating against Muammar Qaddafi is like poking a snake with a stick. This is hardy an irrational fear. In the last year alone, there have been two terrorist incidents in Spain, six in France, three in Greece, four in Germany, three in Italy and one in Austria. Whatever the eventual result of the U.S. bombing might be, in the short term there will be an upsurge of terrorism. Many Americans, quick to condemn European timidity, have themselves canceled plans to travel abroad this summer. For Europeans, things are not so simple. They are already abroad.

Still, those Europeans who are so quick to demonstrate against the United States ought to ask themselves why they did not do the same when the Rome and Vienna airports were littered with the bodies of 16 persons killed by terrorists. Where were they when three members of one American family were blown out of a plane over Greece? Why no widespread European indignation when 18 Spaniards were killed in the Madrid bombing of a restaurant frequented by U.S. servicemen?

Where was the march for the bombing last month that killed two persons in Paris, the one Feb. 5 in a Parisian shopping mall, the bomb that exploded in a crowded Latin Quarter bookstore the day before or the one that exploded Feb. 3 on the Champs Elysees, wounding eight persons? Who marched for the Achille Lauro and Leon Klinghoffer, for the TWA hijacking and Navy diver Robert Stethem or for the 57 who died when commandos botched an attempt to free the passengers on an Egyptair plane forced to land on Malta? No one, that's who.

It's true that not all these terrorist incidents can be traced to Libya—not even most of them—and it's true also that in both France and Italy there were public protests against terrorism directed against Jewish targets. But by and large, those Europeans who are inclined to exhibit their political opinions by marching did not hit the road until U.S. bombs hit Tripoli. Then, as if the event took place in a vacuum, a roar came up from the pavement.

You can argue over the wisdom of the bombing. You can argue over the manner of its execution. You can fear for American standing in the Middle East, for whether the lessons of Libya will be misapplied to Nicaragua. But you cannot treat the bombing as if it were an unprovoked, irrational act—as if it had not been preceded by many bombings, years of carnage and a constant plea from the United States to the European nations to punish Libya economically. The response was a cynical shrug of the shoulders by those same European nations.

There are a thousand concerns to be voiced. But you cannot voice an outrage that does not take into account all that went before—terrorist acts all over the world and, finally, the one that took the life of an American soldier April 5 in West Berlin. European anti-Americanism is plain to the ear. The sound of silence has been replaced by the roar of hypocrisy.

1986 CALL TO CONSCIENCE VIGIL

HON. JOHN EDWARD PORTER

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Monday, April 21, 1986

Mr. PORTER. Mr. Speaker, it is an honor for me to participate in this year's call to conscience vigil. This annual event reinforces the congressional commitment to working on behalf of the hundreds of thousands of Soviet Jews who desire to emigrate to Israel but cannot. However, despite the optimism that surrounded the atmosphere in Geneva and the symbolic presummit gestures, and even despite the recent release of Anatoly Shcharansky, the overall situation for Jews living in the Soviet Union remains dismal. Monthly emigration levels are very bleak and harassment of people expressing their religious beliefs is a constant occurrence.

I would like to, once again, call my colleagues' attention to the problems facing Tatiana and Zachar Zunshine. The Zunshines first applied to emigrate to Israel in 1981. Their nightmare began on March 6, 1984, when Zachar began serving his 3 year sentence for alleged crimes committed against the Soviet state. Mr. Speaker, the only crime Zachar committed was that he expressed a desire to leave the Soviet Union and go with his wife to live in Israel.

Since Zachar's imprisonment, he has been subject to efforts by Soviet authorities to break his spirit. His physical health has been worsening steadily. Unsterile procedures and unsanitary practices of the camp medical staff have contributed to Zachar's deteriorating health. But in turn, as Zachar's condition weakens, Tatiana has gained strength in the struggle that she is waging on her husband's behalf.

Recently Tatiana requested that bars of soap be sent to Zachar in prison since he is only allowed to have soap to wash his hands once every few weeks. Due to these unsanitary conditions, he contracted a case of infectious B hepatitis in December. He is now susceptible to any bacterial illness because of his low resistance. According to information I have received, thousands of bars of soap were sent to Zachar at the Bazoi camp signifying that people around the world rallied behind the single voice of Tatiana Zunshine. Tatiana's courage and determination should be inspiration to all of us to continue the fight, as she had decided to stand up and take on the people who are so determined to break her. She will not be broken.

Tatiana is also regularly harassed and threatened by the Soviet authorities. Earlier this year, she was isolated from her Western contacts and her travel within the Soviet Union was restricted. Later this week Tatiana will attempt to visit Zachar, on his birthday, but this simple request will no doubt cause the officials of the camp some problems.

The situation facing Tatiana and Zachar Zunshine reminds us that we must continue to join in efforts with the brave individuals of the Soviet Union, who are fighting for their freedom and survival every day. Mr. Speaker, as Jews around the world sit down to their Passover seders this week, let us pray that the Zunshines might celebrate Passover "next year in Jerusalem" with the many other Soviet Jews, yearning to be free.

DON'T LET THE AMERICAN PEOPLE FALL THROUGH THE TRAPDOOR: INTRODUCTION OF AUTO SAFETY LEGISLATION

HON. FORTNEY H. (PETE) STARK

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Monday, April 21, 1986

Mr. STARK. Mr. Speaker, today, I am introducing legislation that will close a trapdoor devised by the Department of Transportation which would prevent the American people from benefiting from passive restraint systems in motor vehicles.

I am proposing that we tax cars that do not have passive restraints and return that money to those who purchase vehicles with passive restraints.

Since 1969, the Department of Transportation [DOT] has made multiple regulatory proposals which would have required the installation of automatic restraint devices in passenger cars. After many delays, and about 200,000 preventable auto passenger deaths, we currently have a regulation which may result in no requirement for the installation of automatic restraints.

The current DOT regulation, FMVSS 208, calls for the installation of automatic restraints in 10 percent of new vehicles starting in September 1986. All new vehicles would be required to have automatic restraints by September 1989. However, if two-thirds of the U.S. population is covered by State mandatory seatbelts by April 1989, then the trapdoor will open and the requirement for passive restraints will be dropped.

A poll of the American people indicates that they want passive restraints in addition to mandatory seatbelt use laws. By their actions, the members of State legislatures around the country have also indicated that they want passive restraints and mandatory seatbelt use laws. All of the State laws passed to date have been out of compliance that DOT set up in July 1984 for mandatory seatbelt use laws. In fact, several of the mandatory seatbelt use laws have sunset provisions which revoke them if they are counted toward the DOT goal of two-thirds of the U.S. population.

We need better safety devices because motor vehicle collisions are one of the leading causes of death and injury in the Nation. For children and young adults, motor vehicle collisions are the leading cause of death and injury; and they are the fourth most common cause of death for all age groups. Nationally, over 27,000 people die each year as occupants of passenger cars.

The numbers of nonfatally injured motor vehicle occupants are even more staggering: about 13,000 people are injured each day, more than 4.5 million each year:

Motor vehicle related trauma is second only to cancer in economic cost to the country. Motor vehicle collisions produce more paraplegics and quadraplegics each year than all other causes combined and are a leading cause of new cases of epilepsy. The direct costs, which amount to nearly $40 billion per year, include the direct costs of emergency care, acute care and rehabilitative care. Governments at all levels must bear increased costs of welfare, Social Security and other programs. As Ways and Means Health Subcommittee chairman, I believe increased auto safety can help reduce some of the staggering costs of the Social Security Disability/Medicare Programs. Industry also bears the costs of lost time and increased insurance expenses.

There is scientific information which indicates that mandatory seatbelt laws, even if they covered the whole population would not be as effective in protecting life and limb as the installation of passive restraints would eventually become. Massive police enforcement activities—which would not be acceptable to most Americans—are required in order to obtain seatbelt utilization rates over 70 percent. Uniform enforcement would be difficult to achieve because of the thousands of police departments in our country. On the other hand, passive restraints require nothing on the part of the individual to be protected in the event of a collision. Even with a mandatory seatbelt law, the individuals most likely to be in motor vehicle collisions are the ones least likely to wear their belts. This includes young male drivers and others who are more likely to drive at high speed or to drive while introxicated. In these situations, passive restraints should be present and protective.

All of the issues noted above must be taken into consideration in a legislative proposal. I want to ensure that all Americans eventually become protected by the best that our technology has to offer: passive restraints. Therefore, I have drafted a bill that will allow the genius of our engineers to develop a variety of passive restraint devices and a bill that will provide a marketplace incentive for the installation of those devices.

The bill will initially require only the protection of front seat occupants in collisions at 30 miles per hour or less. Eventually, it will require protection of rear seat occupants and the protection of passengers in higher speed collisions. The only limitation on the type of restraint is that the device cannot be detached or deactivated by the vehicle owner. Vehicles manufactured on or after September 1, 1989, which do not meet these criteria will have an excise tax placed on them. The tax is set so that the increased price of the unsafe vehicle will be approximately equal to the cost of purchasing a vehicle with the best currently available passive restraint. In addition, the bill requires the Secretary of the Treasury to return the money collected from those purchasing unsafe vehicles to those purchasing safe vehicles by establishing a payment from the Treasury to the purchasers of such vehicles.

There is nothing in my proposal which will preclude State legislatures from continuing to pass mandatory seatbelt use laws.

Nearly 20 States have these laws at the current time. Such laws, to the extent that they are effective, are to be encouraged. Mandatory use laws and passive restraint systems are compatible.

The system which the DOT will use for judging the acceptability of the mandatory seatbelt use laws for the purposes of FMVSS 208 are another point of contention and another reason for my proposal. In July 1984, DOT announced that it would rule on each mandatory seatbelt use law as it was passed. It subsequently announced that it would "make that determination probably some time before April 1989." In November 1985, the Secretary of Transportation announced that she would rule on mandatory seatbelt use laws very shortly. The current DOT position seems to be to await the outcome of the pending case in the District of Columbia Circuit Court of Appeals on the passive restraint regulation (FMVSS 208). In other words, I do not think that we have any idea what the Department of Transportation will do in regard to this issue. We need this bill so that the DOT knows that the American people are serious in their quest for motor vehicle safety, and we should have this in place if the DOT decides to spring its trapdoor.

My proposal will protect the lives and health of Americans. It will also result in a savings to insurance companies, local, and State governments, and the Federal Government.

SENATE COMMITTEE MEETINGS

Title IV of Senate Resolution 4, agreed to by the Senate on February 4, 1977, calls for establishment of a system for a computerized schedule of all meetings and hearings of Senate committees, subcommittees, joint committees, and committees of conference. This title requires all such committees to notify the Office of the Senate Daily Digest—designated by the Rules Committee—of the time, place, and purpose of the meetings, when scheduled, and any cancellations or changes in the meetings as they occur.

As an additional procedure along with the computerization of this information, the Office of the Senate Daily Digest will prepare this information for printing in the Extensions of Remarks section of the Congressional Record on Monday and Wednesday of each week.

Any changes in committee scheduling will be indicated by placement of an asterisk to the left of the name of the unit conducting such meetings.

Meetings scheduled for Tuesday, April 22, 1986, may be found in the Daily Digest of today's Record.

Meetings Scheduled

APRIL 23

9:30 a.m.
  Appropriations
  Labor, Health and Human Services, Education, and Related Agencies Subcommittee
    To hold hearings on proposed budget estimates for fiscal year 1987 for ACTION (domestic programs), Corporation for Public Broadcasting, National Council on the Handicapped, Mine Safety and Health Review Commission, National Commission on Libraries and Information Science, and the National Center for the Study of Afro-American History and Culture.
SD-116.

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Appropriations
Commerce, Justice, State, the Judiciary, and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1987 for the Federal Bureau of Investigation and Drug Enforcement Administration, Department of Justice, and the Equal Employment Opportunity Commission.
S-146, Capitol

Commerce, Science, and Transportation
Science, Technology, and Space Subcommittee
To resume hearings on proposed legislation authorizing funds for fiscal year 1987 for the National Aeronautics and Space Administration, focusing on the space station program.
SR-253

Finance
Business meeting, to mark up proposed legislation providing for revisions in Federal tax laws.
SD-215

Labor and Human Resources
To hold hearings on S. 1815, to prohibit any employer from using any lie detector test or examination in the work place, either for pre-employment testing or testing in the course of employment.
SD-430

Rules and Administration
To hold hearings on proposed legislation authorizing funds for fiscal year 1987 for the Federal Election Commission.
SR-301

10:00 a.m.
Appropriations
Defense Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1987 for Navy aircraft procurement programs.
SD-192

Appropriations
Transportation and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1987 for the United States Railway Association and Conrail.
SD-138

Armed Services
Defense Acquisition Policy Subcommittee
Business meeting, to mark up S. 2082, to improve the management of major defense acquisition programs, to establish a Defense Acquisition Service, and to limit employment contracts between senior officials of the Department of Defense and defense contractors, S. 2151, to establish within the Office of the Secretary of Defense an Office of Defense Acquisition for the centralized procurement of all property and services for the Department of Defense and to provide for an Under Secretary of Defense Acquisition, S. 2196, to improve procedures for the acquisition of spare and repair parts for the Department of Defense, and related proposals.
SR-222

Energy and Natural Resources
Business meeting, to resume markup of S. 1225, to compensate the public for injuries or damages suffered in the event of an accident involving nuclear activities undertaken by the Nuclear Regulatory Commission licensees or Department of Energy contractors, and other pending calendar business.
SD-366

Foreign Relations
Business meeting, to consider pending calendar business.
SD-419

Judiciary
Security and Terrorism Subcommittee
To hold hearings to examine legal mechanisms to combat terrorism.
SD-226

Joint Economic
Monetary and Fiscal Policy Subcommittee
To hold hearings to review European agricultural trade practice.
SD-106

Joint Economic
Trade, Productivity, and Economic Growth Subcommittee
To hold hearings on the impact and efficiency of Federal welfare policies.
2359 Rayburn Building

1:30 p.m.
Foreign Relations
To continue oversight hearings on activities of the Agency for International Development.
SD-419

2:00 p.m.
Appropriations
Energy and Water Development Subcommittee
To hold closed hearings to review atomic energy activities of the Department of Defense.
S-126, Capitol

Commerce, Science, and Transportation
To hold hearings on the nomination of James C. Fletcher, of Virginia, to be Administrator of the National Aeronautics and Space Administration.
SR-253

Environment and Public Works
To hold hearings on the nomination of Frank H. Dunkle, of Montana, to be Director of the U.S. Fish and Wildlife Service, Department of the Interior.
SD-406

Finance
Business meeting, to mark up proposed legislation providing for revisions in Federal tax laws.
SD-215

Judiciary
To hold hearings on pending nominations.
SD-226

3:00 p.m.
Armed Services
Military Construction Subcommittee
Closed business meeting, to discuss the Navy's strategic homeporting initiative.
SR-222

APRIL 24

9:00 a.m.
Armed Services
Strategic and Theater Nuclear Forces Subcommittee
To hold open and closed hearings on anti-tactical ballistic missile activities.
SR-222

9:30 a.m.
Agriculture, Nutrition, and Forestry
Rural Development, Oversight, and Investigations Subcommittee
To hold hearings on S. 1121, to encourage foreign agricultural trade by improving the quality of grain shipped from U.S. export elevator facilities.
SR-332

Appropriations
Labor, Health and Human Services, Education, and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1987 for the Departments of Labor, Health and Human Services, and Education, and certain related agencies.
SD-116

Finance
Business meeting, to mark up proposed legislation providing for revisions in Federal tax laws.
SD-215

Foreign Relations
To continue oversight hearings on activities of the Agency for International Development.
SD-419

Labor and Human Resources
Labor Subcommittee
To hold hearings of S. 1018, to clarify the meaning of the term "guard" for the purpose of permitting certain labor organizations to be certified by the National Labor Relations Board as representatives of employees other than plant guards.
SD-430

10:00 a.m.
Appropriations
Business meeting, to mark up provisions of H.R. 4515, making urgent supplemental appropriations for the fiscal year ending September 30, 1986.
SD-192

Energy and Natural Resources
Natural Resources Development and Production Subcommittee
To hold hearings on S. 1322, proposed Geothermal Steam Act Amendments of 1985.
SD-366

Judiciary
Business meeting, to consider pending calendar business.
SD-226

Labor and Human Resources
Education, Arts, and Humanities Subcommittee
To hold hearings on S. 1662, proposed Training Technology Transfer Act of 1985.
SD-628

Joint Economic
Trade, Productivity, and Economic Growth Subcommittee
To hold hearings on U.S./Japanese trade policy regarding auto parts.
SR-385

2:00 p.m.
Appropriations
Interior and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1987 for the Energy Information Administration and the Economic Regulatory Administration, Department of Energy.
SD-192

Finance
Business meeting, to mark up proposed legislation providing for revisions in Federal tax laws.

APRIL 25

9:30 a.m.
Finance
Health Subcommittee
To hold hearings on proposals to modify the Medicare physicians payment system.
SD-215

10:00 a.m.
Governmental Affairs
Civil Service, Post Office, and General Services Subcommittee
To resume hearings on S. 1327, to establish higher minimum rates of basic pay in geographic areas where the Federal Government is experiencing significant recruitment and retention problems, S. 1727, to establish alternative personnel management systems for scientific and technical employees, and provisions of S. 2082, to improve the management of major defense acquisition programs, to establish a Defense Acquisition Service, and to limit employment contacts between senior officials of the Department of Defense and defense contractors.
SD-342

Judiciary
Immigration and Refugee Policy Subcommittee
To hold hearings on proposed legislation authorizing funds for fiscal year 1987 for the Immigration and Naturalization Service, Department of Justice.
SD-226

2:00 p.m.
Finance
Business meeting, to mark up proposed legislation providing for revisions in Federal tax laws.
SD-215

APRIL 28

9:30 a.m.
Judiciary
To hold hearings on S. 2163, to make necessary and appropriate amendments to the antitrust laws governing service by any person as a director of two or more competing corporations engaged in interstate commerce.
SD-226

10:30 a.m.
Finance
Business meeting, to mark up proposed legislation providing for revisions in Federal tax laws.
SD-215

2:00 p.m.
Finance
Business meeting, to mark up proposed legislation providing for revisions in Federal tax laws.
SD-215

APRIL 29

9:00 a.m.
Appropriations
Agriculture, Rural Development and Related Agencies Subcommittee
To resume hearings on proposed budget estimates for fiscal year 1987 for the Department of Agriculture, focusing on the Farmers Home Administration.
SD-138

9:30 a.m.
Appropriations
Labor, Health and Human Services, Education, and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1987 for the Departments of Labor, Health and Human Services, and Education, and certain related agencies.
SD-116

Finance
Business meeting, to mark up proposed legislation providing for revisions in Federal tax laws.
SD-215

10:00 a.m.
Appropriations
Defense Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1987 for certain defense programs.
SD-192

Appropriations
HUD-Independent Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1987 for the Department of Housing and Urban Development and certain independent agencies.
SD-124

Energy and Natural Resources
Energy Research and Development Subcommittee
To hold oversight hearings on proposed budget requests for fiscal year 1987 for the Department of Energy, focusing on nuclear activities.
SD-366

2:00 p.m.
Appropriations
Interior and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1987 for the Bureau of Indian Affairs, Department of the Interior.
SD-192

Environment and Public Works
To hold hearings on domestic and international oil pollution issues.
SD-406

Finance
Business meeting, to mark up proposed legislation providing for revisions in Federal tax laws.
SD-215

Governmental Affairs
Oversight of Government Management Subcommittee
To hold hearings on S. 2214, to prohibit criminal penalties for violations of the financial disclosure provisons of the Ethics in Government Act of 1978.
SD-342

APRIL 30

9:30 a.m.
Appropriations
Commerce, Justice, State, the Judiciary, and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1987 for the Office of U.S. Trade Representative, and the Federal Communications Commission.
SD-146, Capitol

Commerce, Science, and Transportation
Science, Technology, and Space Subcommittee
To hold hearings on the findings of the Presidential Commission on the Space Shuttle Challenger Accident.
SR-253

Finance
Business meeting, to mark up proposed legislation providing for revisions in Federal tax laws.
SD-215

Labor and Human Resources
To hold oversight hearings on the human resources impact of reentry of women into education and the labor force.
SD-430

Select on Intelligence
To hold closed hearings on intelligence matters.
SH-219

10:00 a.m.
Agriculture, Nutrition, and Forestry
To resume hearings on proposed legislation authorizing funds for programs of the Federal Insecticide, Fungicide, and Rodenticide Act.
SR-332

Appropriations
HUD-Independent Agency Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1987 for the Department of Housing and Urban Development and certain independent agencies.
SD-124

Energy and Natural Resources
Business meeting, to consider pending calendar business.
SD-366

Foreign Relations
To hold hearings on embassy security enhancement.
SD-419

Governmental Affairs
Civil Service, Post Office, and General Services Subcommittee
To resume hearings on S. 1327, to establish higher minimum rates of basic pay in geographic areas where the Federal Government is experiencing significant recruitment and retention problems, S. 1727, to establish alternative personnel management systems for scientific and technical employees, and provisions of S. 2082, to improve the management of major defense acquisition programs, to establish a Defense Acquisition Service, and to limit employment contacts between senior officials of the Department of Defense and defense contractors.
SD-342

Judiciary
Security and Terrorism Subcommittee
To resume oversight hearings on certain activities of the Federal Bureau of Investigation, Department of Justice.
SD-226

2:00 p.m.
Agriculture, Nutrition, and Forestry
To continue hearings on proposed legislation authorizing funds for programs of the Federal Insecticide, Fungicide, and Rodenticide Act.
SR-332

Appropriations
Agriculture, Rural Development and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1987 for the Food and Drug Administration of the Department of Health and Human Services, and the Commodity Futures Trading Commission.
SD-138

Armed Services
Preparedness Subcommittee
To resume open and closed hearings on S. 2199, authorizing funds for fiscal year 1987 for the Department of Defense, focusing on the National Strategic Stockpile; and to mark up S. 2102, to prescribe the method for determining the quantity and classification of any materials to be stockpiled under the Strategic and Critical Materials Stock Piling Revision Act (P.L. 96-41).
SR-222

Finance
Business meeting, to mark up proposed legislation providing for revisions in Federal tax laws.
SD-215

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MAY 1

9:30 a.m.
Appropriations
Labor, Health and Human Services, Education, and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1987 for the Departments of Labor, Health and Human Services, and Education, and certain related agencies.
SD-116

Finance
Business meeting, to mark up proposed legislation providing for revisions in Federal tax laws.
SD-215

10:00 a.m.
Appropriations
Defense Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1987 for certain defense programs.
SD-192

Appropriations
Foreign Operations Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1987, focusing on environmental implications of Multilateral Development Bank lending policies.
SD-124

Energy and Natural Resources
Natural Resources Development and Production Subcommittee
To hold oversight hearings on the impact of coal and electricity imports on the domestic coal industry.
SD-366

10:30 a.m.
Banking, Housing, and Urban Affairs
To hold hearings on S. 571, proposed Drug Money Seizure Act.
SD-538

2:00 p.m.
Appropriations
Interior and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1987 for territorial affairs, Department of the Interior.
SD-192

Finance
Business meeting, to mark up proposed legislation providing for revisions in Federal tax laws.
SD-215

MAY 2

9:30 a.m.
Finance
Business meeting, to mark up proposed legislation providing for revisions in Federal tax laws.
SD-215

2:00 p.m.
Finance
Business meeting, to mark up proposed legislation providing for revisions in Federal tax laws.
SD-215

MAY 5

1:30 p.m.
Finance
International Trade Subcommittee
To hold hearings on miscellaneous tariff bills.
SD-215

2:00 p.m.
Energy and Natural Resources
Energy Research and Development Subcommittee
To hold hearings to review the Department of Energy nuclear research and development program policy.
SD-366

MAY 6

9:30 a.m.
Appropriations
Labor, Health and Human Services, Education, and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1987 for the Departments of Labor, Health and Human Services, and Education, and certain related agencies.
SD-116

10:00 a.m.
Appropriations
Defense Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1987 for Air Force aircraft procurement programs.
SD-192

MAY 7

9:30 a.m.
Appropriations
Commerce, Justice, State, the Judiciary, and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1987 for the Supreme Court of the United States, U.S. District Courts/Courts of Appeals, and the Commission on the Bicentennial of the U.S. Constitution.
S-146, Capitol

Labor and Human Resources
To hold oversight hearings on medical malpractice.
SD-430

10:00 a.m.
Appropriations
Transportation and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1987 for the Urban Mass Transportation Administration, Department of Transportation, and the Washington Metropolitan Area Transit Authority.
SD-138

Energy and Natural Resources
Business meeting, to consider pending calendar business.
SD-366

MAY 8

9:30 a.m.
Appropriations
Labor, Health and Human Services, Education, and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1987 for the Departments of Labor, Health and Human Services, and Education, and certain related agencies.
SD-116

Commerce, Science, and Transportation
Science, Technology, and Space Subcommittee
To resume hearings on proposed legislation authorizing funds for fiscal year 1987 for the National Aeronautics and Space Administration, focusing on the space transportation system.
SR-253

10:00 a.m.
Appropriations
Defense Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1987 for strategic systems.
SD-192

Appropriations
Transportation and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1987 for the Federal Aviation Administration, Department of Transportation.
SD-138

2:00 p.m.
Appropriations
Interior and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1987 for the Holocaust Memorial Council and the Smithsonian Institution.
SD-192

Judiciary
To resume hearings on white collar crime in the United States, focusing on the E.F. Hutton investigation.
SD-226

MAY 9

9:30 a.m.
Finance
Health Subcommittee
To hold hearings to examine the condition of rural hospitals under the Medicare program.
SD-215

MAY 13

9:00 a.m.
Office of Technology Assessment
The Board, to meet to consider pending business items.
EF-100, Capitol

9:30 a.m.
Appropriations
Labor, Health and Human Services, Education, and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1987 for the Departments of Labor, Health and Human Services, and Education, and certain related agencies.
SD-116

10:00 a.m.
Commerce, Science, and Transportation
Merchant Marine Subcommittee
To hold hearings on proposed legislation authorizing funds for the U.S. Coast Guard, and H.R. 1362, to revise, consolidate, and enact certain laws related to load lines and measurement of vessels as parts C and J of subtitle II of title 46, U.S. Code.
SR-253

MAY 14

9:30 a.m.
Appropriations
Labor, Health and Human Services, Education, and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1987 for the Health Resources and Services Administration, Department of Health and Human Services.
SD-116

Appropriations
Commerce, Justice, State, the Judiciary, and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1987 for the Legal Services Corporation, and the Securities and Exchange Commission.
S-146, Capitol

Labor and Human Resources
Business meeting, to consider pending calendar business.
SD-430

10:00 a.m.
Appropriations
Transportation and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1987 for the Department of Transportation and certain related agencies.
SD-138

Governmental Affairs
Energy, Nuclear Proliferation and Government Processes Subcommittee
To hold hearings on S. 525, to provide for the transfer to the Secretary of Health and Human Services the authority of the Secretary of Energy to conduct epidemiological studies of radiation effects.
SD-342

MAY 15

9:30 a.m.
Appropriations
Labor, Health and Human Services, Education, and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1987 for the Departments of Labor, Health and Human Services, and Education, and certain related agencies.
SD-116

Labor and Human Resources
Labor Subcommittee
To hold hearings on S. 2050, to notify workers who are at risk of occupational disease in order to establish a system for identifying and preventing illness and death of such workers.
SD-430

10:00 a.m.
Appropriations
Foreign Operations Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1987 for the Department of State, focusing on voluntary contributions to international organizations programs, and for the Office of the U.S. Representative to the United Nations.
SD-124

Energy and Natural Resources
Natural Resources Development and Production Subcommittee
To hold oversight hearings on the prospects for exporting American coal.
SD-366

1:00 p.m.
Judiciary
Security and Terrorism Subcommittee
To resume oversight hearings in closed session on activities of the Drug Enforcement Administration, Department of Justice.
S-407, Capitol

2:30 p.m.
Appropriations
Interior and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1987 for fossil energy and clean coal technology.
SD-192

MAY 16

10:15 a.m.
Commerce, Science, and Transportation
Merchant Marine Subcommittee
To hold hearings on proposed legislation authorizing funds for the Maritime Administration, Department of Transportation, and proposed legislation authorizing funds for the Federal Maritime Commission.
SR-253

MAY 20

2:00 p.m.
Appropriations
Interior and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1987 for the Indian Health Service, Department of Health and Human Services.
SD-192

MAY 21

9:30 a.m.
Appropriations
Commerce, Justice, State, the Judiciary, and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1987 for the U.S. Information Agency, and the National Endowment for Democracy.
S-146, Capitol

Labor and Human Resources
To hold oversight hearings on strategies to reduce hunger in America.
SD-430

MAY 29

2:00 p.m.
Appropriations
Interior and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1987 for the Office of the Secretary and Office of the Solicitor, Department of the Interior.
SD-192

JUNE 3

10:00 a.m.
Energy and Natural Resources
To hold oversight hearings on the implementation of the Public Utility Regulatory Policies Act (P.L. 95-617).
SD-366

Governmental Affairs
Energy, Nuclear Proliferation and Government Processes Subcommittee
To hold hearings on statistical policy for an aging America.
SD-342

JUNE 4

9:30 a.m.
Appropriations
Commerce, Justice, State, the Judiciary, and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1987 for the Departments of Commerce, Justice, and State, the Judiciary, and certain related agencies.
S-146, Capitol

Labor and Human Resources
To hold oversight hearings to review the imposition of user fees in FDA approval procedures for new drugs.
SD-430

10:00 a.m.
Commerce, Science, and Transportation
Merchant Marine Subcommittee
To hold hearings on S. 1935, to provide for certain vessels to be documented under the laws of the United States to entitle them to engage in domestic coastwide trade.
SR-253

JUNE 11

9:30 a.m.
Labor and Human Resources
To hold hearings on pending nominations to the National Advisory Council on Women's Educational Programs.
SD-430

JUNE 12

10:00 a.m.
Labor and Human Resources
Education, Arts, and Humanities Subcommittee
To resume joint oversight hearings with the House Committee on Education and Labor's Subcommittee on Elementary, Secondary and Vocational Education on illiteracy in America.
2175 Rayburn Building

JUNE 17

9:30 a.m.
Energy and Natural Resources
Public Lands, Reserved Water and Resource Conservation Subcommittee
To hold hearings on S. 2055, to establish the Columbia Gorge National Scenic Area.
SD-366

Labor and Human Resources
To resume oversight hearings on medical malpractice.
SD-430

JUNE 18

9:30 a.m.
Labor and Human Resources
Business meeting, to consider pending calendar business.
SD-430

JUNE 25

9:30 a.m.
Labor and Human Resources
To hold hearings on the administration of the Mine Safety and Health Review Commission.
SD-430

JULY 16

9:30 a.m.
Labor and Human Resources
To hold hearings on measures to improve the health of children.
SD-430

JULY 17

9:30 a.m.
Finance
Social Security and Income Maintenance Programs Subcommittee
To hold joint hearings with the Committee on Labor and Human Resources' Subcommittee on Employment and

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Productivity on work and welfare issues.
SD-430

Labor and Human Resources
Employment and Productivity Subcommittee
To hold joint hearings with the Committee on Finance's Subcommittee on Social Security and Income Maintenance Programs on work and welfare issues.
SD-430

JULY 22

9:30 a.m.
Finance
Social Security and Income Maintenance Programs Subcommittee
To resume joint hearings with the Committee on Labor and Human Resources' Subcommittee on Employment and Productivity on work and welfare issues.
SD-430

Labor and Human Resources
Employment and Productivity Subcommittee
To resume joint hearings with the Committee on Finance's Subcommittee on Social Security and Income Maintenance Programs on work and welfare issues.
SD-430

JULY 30

9:30 a.m.
Labor and Human Resources
Business meeting, to consider pending calendar business.
SD-430

AUGUST 13

9:30 a.m.
Labor and Human Resources
To hold hearings to review the private sector initiatives in human services.
SD-430

SEPTEMBER 10

9:30 a.m.
Labor and Human Resources
To hold hearings to review the human resources impact on drug research and space technology.
SD-430

SEPTEMBER 16

9:30 a.m.
Labor and Human Resources
To hold hearings on pending nominations.
SD-430

SEPTEMBER 24

9:30 a.m.
Labor and Human Resources
Business meeting, to consider pending calendar business.
SD-430

CANCELLATIONS

APRIL 22

9:30 a.m.
Judiciary
To hold hearings to examine the constitutionality of certain penalties imposed on individuals or companies which submit certain false claims to the government.
SD-226

APRIL 23

10:00 a.m.
Governmental Affairs
Energy, Nuclear Proliferation and Government Processes Subcommittee
To hold hearings on S. 2009, to require that Federal employees be paid by electronic funds transfer or any other economical or effective method.
SD-342

APRIL 24

10:00 a.m.
Appropriations
Defense Subcommittee
To hold closed hearings on proposed budget estimates for fiscal year 1987 for intelligence programs.
S-407, Capitol

APRIL 25

9:30 a.m.
Appropriations
Labor, Health and Human Services, Education, and Related Agencies Subcommittee
To hold hearings on the impact of proposed budget estimates on health research programs.
SD-138

APRIL 29

10:00 a.m.
Select on Indian Affairs
To hold hearings on S. 2105, S. 2106, and S. 2107, bills to provide for the settlement of certain claims of the Papago Tribe of Arizona.
SR-385

MAY 1

9:30 a.m.
Labor and Human Resources
Labor Subcommittee
To hold oversight hearings on employee benefit and pension policy implications contained in proposed tax reform legislation.
SD-430

SENATE—*Tuesday, April 22, 1986*

(Legislative day of Monday, April 21, 1986)

The Senate met at 11 a.m., on the expiration of the recess, and was called to order by the President pro tempore [Mr. Thurmond].

PRAYER

The Chaplain, the Reverend Richard C. Halverson, D.D., offered the following prayer:

Let us pray.

God of all comfort, we want to express our gratitude for the successful surgery for Senator Hawkins and Senator Goldwater. Help them to be patient in their recuperation and may recovery be rapid and total. We thank You for their faithful staffs who cared for office routine and constituent needs as they monitored the progress of the Senators.

Father in Heaven, as folk gather for the memorial service for Sally Heet, we pray Your grace, comfort, and encouragement upon family and friends. In this large Senate family, it is possible for some to be hurting unknowingly by others. Aware of this possibility, help us to love one another and serve one another. In Your loving compassion, we ask You to touch with grace any person or family who suffers today. In His name Who is love incarnate. Amen.

RECOGNITION OF THE ACTING MAJORITY LEADER

The PRESIDENT pro tempore. The distinguished assistant majority leader is recognized.

THE WORDS OF OUR CHAPLAIN

Mr. SIMPSON. Mr. President, as always, we again admire and appreciate the words of our Chaplain and the way he addresses our needs, our interests, and our concerns. He shares one special concern: We all wish full healing and restoration to Senator Goldwater and to Senator Hawkins. They are indispensable and delightful Members of our body. We wish them well. And, again, our sympathies to the family of Sally Heet.

SCHEDULE

Mr. SIMPSON. Mr. President, with the convening of the Senate, we will have the two leaders under the standing order for 10 minutes each, special orders in favor of the following Senators for not to exceed 5 minutes each: Senator Hawkins, which I will display in the Record, Senator Cranston, Senator Levin, Senator Riegle, and Senator Proxmire; and routine morning business not to extend beyond 12 noon with Senators permitted to speak therein for not more than 5 minutes each.

The Senate then will stand in recess between the hours of 12 noon and 2 p.m. in order for the weekly party caucuses to meet. At 2 p.m. the Senate will resume consideration of Senate Concurrent Resolution 120, the budget resolution. It will also be the intention of the majority leader to consider the nomination of Donald Newman to be Under Secretary of Health and Human Services sometime during today's session. Also, the Senate may consider the House message to accompany S. 49, which is the gun bill. Rollcall votes can be expected throughout the day today.

SENATOR HAWKINS' SPECIAL ORDER

Mr. SIMPSON. Mr. President, in using a portion of the leader's time, let me again speak for the entire Senate when we extend to Senator Hawkins our heartfelt wishes for a very speedy recovery and continued good progress in her recuperation. We look forward to her return.

I will at this time enter into the Record a statement by Senator Paula Hawkins under the special order previously announced.

Yet Another South American Drug Connection

Mrs. Hawkins. Mr. President, recently another drug trafficking scheme, involving high officials of a leftist military junta in South America, has surfaced in my home State of Florida. This time, it involved the country of Surinam. News accounts described the arrest in Miami late last month of Capt. Etienne Boerenveen, one of the top five leaders of Surinam's military, on charges of offering safe passage and military protection to drug smugglers bound for Florida for $1 million a trip.

Captain Boerenveen has been held without bond because of his membership in the leading circle of Surinam's authorities. It is apparently feared that these authorities would never agree to extradite him to the United States, when requested to do so.

Their arrest was arranged by an undercover agent of our Drug Enforcement Agency, who posed as an importer and distributor of cocaine. This incident reminds us of the courageous and valuable work being done every day, in the trenches of our society's war on drugs, by agents of the DEA. They routinely risk their lives, that our society might rid itself of this insidious drug menace.

Captain Boerenveen was arrested with two other Surinamese, Ricardo Heymans, the Miami sales manager for Surinam Airways, and his father, Cilvion Heymans. According to an Associated Press account, the Surinamese Foreign Ministry in Paramaribo issued a warning that these arrests could "seriously impair" relations between Surinam and the United States, and talks of "an attempt by the United States Government to destabilize the regime in Surinam and isolate it internationally."

This outrageous statement was later repudiated by the Surinamese Government. But I dare say that if the charges against Captain Boerenveen are proven to be true, it would appear more like the Surinamese were attempting to destabilize our society through the very effective means of aiding and abetting the flow of illegal drugs to the United States.

While Captain Boerenveen has claimed diplomatic immunity, this claim must be evaluted in the light of the Vienna Convention concerning this subject. According to the Vienna Convention, immunity is granted to accredited diplomats to the country of arrest, to accredited diplomats to some other country who were in transit, or, as a courtesy, to the highest officials of a foreign government, which Captain Boerenveen does not appear to be.

The surprise appearance of a new country, Surinam, on the list of South American drug connections reminds us once again of how difficult it is to staunch the flow of drugs into the United States. If the authorities crack down in one producing area, like Colombia, production picks up elsewhere. If a transiting network in the Bahamas is unearthed, another pops up in Surinam.

This is not at all to argue for the futility of our efforts against the flow of illegal drugs. We must continue to fight on all fronts against not only the supply but also the domestic demand for drugs. That is where promising new initiatives like drug testing in the workplace can be of special help.

Once we are able to cut the huge market for illegal drugs in the United States down to manageable size, the Surinams of the world will no longer hold their attraction as a yet unthought of transit area for drug traffickers.

Mr. SIMPSON. Mr. President, I will reserve the remainder of the leader's time and yield to my friend from California, the Democratic whip.

RECOGNITION OF THE ACTING MINORITY LEADER

The PRESIDING OFFICER. (Mr. Stafford). The Chair recognizes the acting minority leader.

Mr. CRANSTON. Mr. President, I reserve the time of the minority leader. I will speak in a moment on my own order but I suggest the absence of

● This "bullet" symbol identifies statements or insertions which are not spoken by the Member on the floor.

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a quorum for a moment so I can confer with the acting majority leader.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. CRANSTON. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

HUMAN RIGHTS IN MOROCCO

Mr. CRANSTON. Mr. President, of all the values that America stands for, respect for the rights of the individual is one of the most significant. U.S. foreign policy cannot disassociate itself from the values we as a nation uphold. We must continue to reaffirm this most basic American value and make it a cornerstone of our foreign policy.

In 1975, I joined with the late Senator Hubert Humphrey to author and gain enactment of legislation that linked continued U.S. military and economic assistance to a foreign government's human rights record. Since 1975, Congress has taken many important initiatives in the area of human rights which have improved countless lives abroad. We should continue our efforts on behalf of individuals who are denied these basic rights.

Most fundamental among these basic human rights is freedom from the cruel, inhuman, and degrading practice of torture. This year, Amnesty International USA has chosen Morocco as the focus of its campaign to abolish torture. Since the 1970's, Amnesty International has received widespread reports about the systematic use of torture by Moroccan authorities to extract information and forced confessions from prisoners. These reports come from former political prisoners and their relatives and human rights organizations.

One such case is that of Mohammed Amin Mechbal. Mr. Mechbal was arrested in 1975 or 1976—the time is unclear because he was held in incommunicado detention for an indefinite period. According to the Moroccan Code of Criminal Procedure, detainees can be held for limited periods of incommunicado detention following arrest. In reality, this pretrial period is often repeatedly extended without legal justification or hearing, and it is during this period that most instances of torture reportedly have taken place. The police have sole custody of citizens held in incommunicado detention, and no authority monitors the behavior of the police.

In 1977 Mr. Mechbal was tried with 100 other Moroccans for antistate activities for his involvement in a leftist student organization. The proceedings were marred by many irregularities—the defense counsel received death threats, files were stolen, and testimony in Mr. Mechbal's defense was suppressed. Mechbal was sentenced to 20 years in prison. He was 21 at the time.

During the past 9 years Mr. Mechbal has been incarcerated in Kenitra Prison—a prison known for its overcrowding and harsh conditions. Amnesty International reports that he has been physically mistreated and tortured by police and security guards, both in the pretrial period and since he was sentenced.

Despite these hardships, Mr. Mechbal has managed to earn a degree in sociology while in prison, and has taught himself English and Spanish. Subsequently, the authorities have revoked his correspondance course study privileges.

Father Timothy S. Healy, president of Georgetown University, has informed the Moroccan Ambassador that Mr. Mechbal would be granted a full scholarship at Georgetown if released from prison. Father Healy has repeated his appeal directly to Moroccan authorities and through State Department contacts. There has been no response from the Moroccan Government.

There have been other documented cases of abuse. Many detainees have died as a result of torture and mistreatment. In November 1985, Tahane Amine, a 29-year-old engineer, died of heart failure after suffering torture during incommunicado detention. A number of the 36 other people who were arrested by the Moroccan Government along with Tahane alleged that they had been tortured during the pretrial period. The charges levied against Tahane and his codefendants by the public prosecutor were membership in an illegal organization, threatening public order, and distribution of illegal tracts.

In another instance, over 2,000 people were arrested in late 1983 and 1984 during a series of strikes and demonstrations. Many claimed they were subjected to torture. These numerous allegations of torture have apparently never been investigated by Moroccan courts. Moroccan Government officials have also failed to respond adequately to questioning by the U.N. Human Rights Committee and Amnesty International about specific reports of torture.

The United States and Morocco share a long history. In 1777, Morocco became the first nation to recognize the independence of the United States, and our two nations have enjoyed friendly relations over the intervening decades. Despite this long friendship, however, we cannot ignore and must protest the consistent reports of human rights abuses in that country.

Last month marked the 25th anniversary of the enthronement of King Hassan II in Morocco. The United States has extended its help and support throughout the King's reign and the Moroccan-American relationship in these years has been marked by cooperation and friendship. His Majesty's support in investigating these reports of abuse and torture, and his assistance in resolving the case of Mohammed Mechbal would be a most welcome step in reaffirming Morocco's commitment to our common goals of justice, democracy, and human rights.

Mr. President, I hope that the United States Government will do what it can to cope with these very unfortunate events in Morocco, and I hope that Morocco will respond with recognition of human rights and what they truly mean.

RECOGNITION OF SENATOR LEVIN

The PRESIDING OFFICER. The Senator from Michigan [Mr. LEVIN] is recognized for not to exceed 5 minutes.

COMMEMORATION OF ARMENIAN MARTYRS' DAY

Mr. LEVIN. Mr. President, I am pleased to once again participate in the Senate's commemoration of Armenian Martyrs' Day.

Every April 24, Armenians all over the world pause to honor the memory of the 1.5 million Armenians massacred between 1915 and 1923 in the Turkish Ottoman Empire. This tragic event is recorded by eyewitness accounts in historical archives throughout the world. The historical record documents the crime perpetrated against the Armenian nation and people by the Ottoman Government as the first genocide of the 20th century.

This year's commemoration of the Armenian genocide is particularly significant in light of the Senate's ratification earlier this year of the International Convention on the Prevention and Punishment of the Crime of Genocide. The Armenian-American community strongly supported U.S. ratification of the Genocide Convention as a statement of purpose—a statement of our country's commitment to combat genocide directed against any people. Armenians realize that future genocides can only be prevented if we recognize that genocide is a crime against all of humanity, not just against the national, ethnic, racial, or religious group directly affected. And Armenians also realize that the prevention of future genocides will only be possible if we remember the genocides of the past. Adolf Hitler recognized this fact when, on the eve of his invasion of Poland, as he plotted the destruction of what he called the "subhuman" peoples of Europe, he remarked, "Who, after all,

speaks today of the annihilation of the Armenians?"

Sadly, the world did not learn a lesson from the Armenian genocide. By honoring the memory of the victims of that genocide, we can try to prevent history from again repeating itself.

Mr. President, I want to take this opportunity to once again express my profound disappointment at the continuing effort by the Government of Turkey to rewrite history by denying that the Armenian genocide ever took place. A similar effort has been made in recent years by those who would deny the attempted destruction of European Jewry during World War II. They speak of "the hoax of the 6 million," and claim that documentary evidence of the Holocaust was doctored or fabricated. These historical revisionists claim that Jews have exaggerated the extent of their suffering in order to gain the world's sympathy.

I am afraid that I hear echoes of these arguments in the campaign of denial being waged by the Turkish Government. They, too, claim that the historical record is ambiguous, that the Armenians were not singled out for persecution, that the extent of Armenian suffering has been exaggerated, and that the Armenian people was merely one of many peoples who suffered as a result of wartime conditions.

The difference between the two campaigns of denial is that those who deny the Jewish genocide are widely viewed as part of the lunatic fringe—charlatans from the academic world or members of political groups on the extreme edges of the political spectrum. The campaign to deny the Armenian genocide, on the other hand, is encouraged and actively participated in by the government of a sovereign state and one of our NATO allies, the Government of Turkey. Unfortunately, this unprecedented situation has made it difficult for Congress to consider this issue, even in the context of resolutions recognizing the victims of all genocides.

The current Turkish Government should acknowledge the role of its predecessor government—the Ottoman Turkish Government—in the Armenian genocide, just as the present West German Government has acknowledged the crimes perpetrated by the Nazis. Has the West German Government's acknowledgment of the Holocaust strained its relations with the United States or diminished West Germany's role as a vital strategic ally? To the contrary, our country's relationship with the Germans remains warm and close, and West Germany remains an integral part of our NATO alliance. The argument that recognizing and commemorating the Armenian genocide endangers our strategic interests is a specious one, and should be rejected by this body.

The historical evidence that the Armenian people were the victims of a genocide is unambiguous. Indeed, the founder of modern Turkey, Kemal Ataturk, recognized the crimes committed by his predecessor regime, the Ottoman Empire. In a 1926 interview, he stated that his party "should have been made to account for the lives of millions of our Christian subjects who were ruthlessly driven en masse from their homes and massacred."

Let those who deny this genocide tell the men and women who survived—people in their seventies, eighties, nineties, and even one-hundreds—that there was no genocide. The survivors should not have to respond to such a charge and to such a shameful campaign of denial.

We owe it to the victims of the Armenian genocide to perpetuate the story of what happened to them and to share its lessons with all the people of the world. Only in that way can some of the suffering of the genocide be redeemed, and future genocides avoided.

Mr. President, I ask unamimous consent to have printed in the RECORD a fact sheet regarding the recognition of the Armenian genocide by various U.S. Presidents and by the Congress. This fact sheet was prepared by the Armenian Assembly, a national nonprofit organization representing the Armenian-American community.

There being no objection, the fact sheet was ordered to be printed in the RECORD, as follows:

[Fact Sheet No. 2—Armenian Assembly of America]

U.S. RECOGNITION OF THE ARMENIAN GENOCIDE

During the second half of the nineteenth century, the Armenian population of the Ottoman Turkish Empire became the target of heightened persecution by the Ottoman government. These persecutions culminated in a three-decade period during which the Armenians were systematically uprooted from their homeland of 3,000 years and eliminated through massacres or exile.

Few events have evoked American sympathy and concern as did the Armenian Genocide in Ottoman Turkey. Eight U.S. Presidents spoke out against the treatment of the Armenians, and the 54th and 66th Congresses adopted resolutions deploring the massacres. In recent years, President Reagan, President Carter, the House of Representatives, and other officials reaffirmed American recognition of this tragedy.

U.S. REAFFIRMATION

President Ronald Reagan:

Days of Remembrance of Victims of the Holocaust;

Proclamation 4838;

April 22, 1981: "Like the Genocide of the Armenians before it, and the genocide of the Cambodians which followed it—and like too many other such persecutions of too many other peoples—the lessons of the Holocaust must never be forgotten."

President Jimmy Carter:

White House Ceremony;

May 16, 1987: ". . . it is generally not known in the world that in the years preceding 1916, there was a concerted effort made to eliminate all the Armenian people, probably one of the greatest tragedies that ever befell any group. And there weren't Nuremberg trials."

President Herbert Hoover:

The Memoirs of Herbert Hoover, 1952: "The association of Mount Ararat and Noah, the staunch Christians who were massacred periodically by the Mohammedan Turks, and the Sunday collections over fifty years for alleviating their miseries—all cumulate to impress the name Armenia on the front of the American mind."

President Warren G. Harding:

Letter to Secretary of State Charles Evans Hughes;

November 22, 1921:

"If it is believed that a warship can be sent to an Armenian port on the Mediterranean I should have very little hesitancy in making such a suggestion on behalf of these stricken people. Surely there must be some way in which to utter the admonition of the five great powers to restrain the hands of assassins in that unfortunate land."

President Woodrow Wilson:

Letter to Acting Secretary of State William Phillips;

September 18, 1919: ". . . get into communication with . . . the appropriate committees of Congress with regard to our being authorized to send troops to Armenia. I am heartily in favor of such a course if the Congress will authorize it . . ."

President William Howard Taft:

Taft Papers on the League of Nations, 1920: "On the whole, it is not too much to say that the people of the Jewish race have suffered more in this war, as noncombatants, than any other people, unless it be the Serbians and the Armenians."

President Theodore Roosevelt:

Letter to Cleveland Hoadley Dodge;

May 11, 1918: ". . . the Armenian massacre was the greatest crime of the war, and failure to act against Turkey is to condone it . . . the failure to deal radically with the Turkish horror means that all talk of guaranteeing the future peace of the world is mischievous nonsense . . . "

Annual Message of the President:

December 6, 1904: ". . . it is inevitable that [the United States] should desire eagerly to give expression to its horror on an occasion like . . . such systematic and long-extended cruelty and oppression as the cruelty and oppression of which the Armenians have been the victims, and which have won for them the indignant pity of the civilized world."

President William McKinley:

Annual Message of the President;

December 5, 1898: ". . . press for a just settlement of our claims . . . during the Armenian troubles of 1895 . . ."

President Grover Cleveland:

Annual Message of the President;

December 7, 1896: ". . . it would afford me satisfaction if I could assure the Congress that the disturbed condition in Asiatic Turkey had during the past year assumed a less hideous and bloody aspect and that . . . as a consequence of the awakening of the Turkish Government to the demands of humane civilization . . . the shocking features of the situation had been mitigated. Instead, however . . . we have been inflicted by continued and not unfrequent reports of the wanton destruction of homes and the bloody butchery of men, women, and chil-

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dren, made martyrs to their profession of Christian faith."

Annual Message of the President:

December 2, 1895: "Occurrences in Turkey have continued to excite concern. The reported massacres of Christians in Armenia and the development there and in other districts of a spirit of fanatic hostility to Christian influences naturally excited apprehension. . . ."

President Benjamin Harrison:

Letter to Robert J. Thompson, Esquire;

December 14, 1894: "My indignation and sympathy have been greatly roused by the press reports of the fearful outrages practised on the Armenians."

House Joint Resolution 247:

September 10, 1984: ". . . April 24, 1985 is hereby designated as 'National Day of Remembrance of Man's Inhumanity to Man' . . . for all victims of genocide, especially the one and one-half million people of Armenian ancestry who were victims of the genocide perpetrated in Turkey between 1915 and 1923 . . ."

House Resolution 148:

April 8, 1975: ". . . April 24, 1975 is hereby designated as 'National Day of Remembrance of Man's Inhumanity to Man' . . . for all victims of genocide, especially the one and one-half million people of Armenian ancestry who succumbed to the genocide perpetrated in 1915 . . ."

Senate Resolution 359:

May 13, 1920: ". . . the testimony adduced at the hearings conducted by the subcommittee of the Senate Committee on Foreign Relations have clearly established the truth of the reported massacres and other atrocities from which the Armenian people have suffered."

Concurrent Resolution of Congress: "Armenian Outrages":

January 27, 1896: "Whereas the American people, in common with all Christian people everywhere, have beheld with horror the recent appalling outrages and massacres of which the Christian population of Turkey have been made the victims . . ."

U.S. Holocaust Memorial Council Chairman Elie Wiesel:

Days of Remembrance Commemoration, Capitol Rotunda;

April 30, 1981: "Before the planning of the final solution, Hitler asked, 'Who remembered the Armenians?' He was right. No one remembered them, as no one remembers the Jews. Rejected by everyone, they felt expelled from history."

U.S. Ambassador to the Ottoman Empire Henry Morgenthau:

Telegram to the Secretary of State;

July 16, 1915: "Deportation of and excesses against peaceful Armenians is increasing and from harrowing reports of eye witnesses it appears that a campaign of race extermination is in progress under a pretext of reprisal against rebellion."

ARMENIAN MARTYRS DAY

Mr. WILSON. Mr. President, I stand before this body to give recognition to April 24 as Armenian Martyrs Day.

April 24 is a significant day for all Armenians and those of Armenian descent. Each year, this community remembers and mourns the loss of more than 1.5 million men, women, and children slaughtered by the Ottoman Turks in the early 1900's. You will not meet an Armenian today who has not lost at least one close relative in this genocide. In addition, Armenians throughout the world also remember the half million survivors, many of whom came to this country to seek refuge and to build a better life. Yet it is through these people that this significant act of history is remembered. We are fortunate that there are still survivors of this ordeal living today and it is through their personal experiences that this event is remembered and preserved.

While the magnitude of the pain and suffering that occurred is real, what has been equally as disturbing are the attempts to simply rewrite this history. Even though this was the first mass organized slaughter in this century, this atrocity has been largely ignored in history books. This is a great danger and we must make every effort to ensure that we learn and remember the Armenian massacre.

This year, the United States has made a great stride by ratifying the Genocide Convention. This action puts the United States on record as opposing genocide and ensures that this country will take the necessary steps to ensure that all acts of genocide will be remembered. For many years, the United States refused to ratify this convention due to the legal ambiguities that are encompassed in such a treaty. However; after clarifying the intentions of the convention, I, along with 84 of my colleagues, voted to ratify the convention. This is a demonstration of United States resolve to learn from the past to ensure that such actions will never happen again.

Mr. President, Armenians today have set aside April 24 as a day of remembrance. The world would do well to follow the example of their devotion. We must pledge the United States to remembrance of the Armenian genocide. We must do this for the sake of their victims and survivors; for their counterparts in Nazi Germany, Southeast Asia, and elsewhere. And for ourselves.

ARMENIAN GENOCIDE DAY

Mr. SIMON. Mr. President, on April 3, we celebrated Armenian Appreciation Day, a day to commemorate the Armenian people who have struggled for freedom throughout their history. Today, April 22, we pay tribute to the estimated 1.5 million Armenians who were massacred at the hands of the Ottoman Turkish troops. The Armenian people were virtually eliminated from their homeland as a result of a carefully planned act of genocide by the Ottoman Turks.

Today, on this 71st anniversary of this tragedy, it is important to call this massacre what it was—genocide. By publicly acknowledging this, we Americans can hope to prevent any future attempts of annihilation of a people on the basis of their race or beliefs.

In February, the Senate ratified the Genocide Treaty, a vote that was long overdue. With passage of the treaty, I believe we have demonstrated our desire to prevent any further acts of genocide upon an innocent group of people. The Armenians have suffered greatly because of this brutal series of massacres.

The sons and daughters and grandchildren of the victims of this genocide have gone on to contribute much to those societies in which they now live, including our own country. We can only hope that the international community has learned from this experience and will come together to prevent such tragedies from ever happening again.

ARMENIAN GENOCIDE

Mr. BRADLEY. Mr. President, I join my colleagues in honoring Armenian-Americans as they mourn the genocide of their ancestors. Between 1915 and 1923, over 1.5 million Armenians were slaughtered by the Turkish Ottoman Empire and 500,000 survivors were forced from their homeland. There are some who ignore extensive historical documentation and insist that these events never occurred. Others argue that tragedies are best forgotten. I disagree. We need to remember these events so that history does not repeat itself.

There is a great need to educate Americans and the rest of the world about the horrors of genocide. During this century alone we have witnessed the massacre of the Armenians, the Holocaust of the Jewish people in World War II, and the mass murders in Cambodia. Even today, Soviet forces in Afghanistan are attempting to systematically annihilate the Afghan people and their culture.

Today, as we acknowledge the 70th anniversary of the Armenian genocide, many Armenian-Americans are haunted by the memory of their own experiences or the suffering inflicted upon their families. At this time of sorrow we can all be proud that the U.S. Senate recently ended nearly four decades of delay and ratified the U.N. Genocide Convention. I was pleased to vote for ratification. Our action sends a clear message to all nations of the world that the United States is willing to take action on the matter of genocide.

Americans must never forget the Armenian martyrs. I am pleased to join my colleagues today to pay tribute to those who died and those who survived this tragic event.

Mr. RIEGLE. Mr. President, I am pleased today to join with my colleague from Michigan [Mr. LEVIN] in paying tribute to the 1.5 million Armenian men, women, and children who were the victims of the first genocide of the 20th century.

Just 2 months ago, the Senate voted overwhelmingly to ratify the Genocide Treaty, thus ending a 38-year effort to place the United States on record with

96 other nations of the world in declaring the use of genocide as an instrument of national policy—against any people, by any nation, at any time—a crime against all of humanity.

Despite the Senate's condemnation of the crime of genocide, and the specific citing, during Senate floor debate, of the Armenian tragedy, the world has still not fully acknowledged the suffering inflicted on the Armenians by the Turkish Ottoman Empire 71 years ago.

And so, we are here today to retell the story and to recount the facts relating to the Armenian genocide. We do so in order to make the historical record clear and to challenge the claim that this genocide never occurred.

The Government of the Republic of Turkey today continues to deny the facts in this case. In a letter to me dated February 28, 1986, the Turkish Ambassador to the United States stated that "no reliable evidence exists to justify the allegation that the Ottoman Empire either planned or carried out a systematic massacre of its Armenian population."

Our own Government has recently cautioned the Congress against making too big an issue out of the fact that millions of Armenians were murdered or forced to leave their homeland because of the brutal policies of the Turkish Ottoman Empire. To do so, it is argued, risks harming U.S. relations with an important ally, Turkey.

What we are being asked to do, it seems to me, is close our eyes to a genocide because of other policy considerations; to, basically, set new conditions which tell us when it is acceptable to acknowledge that a genocide occurred and when it is not.

This is intolerable. Not to fully acknowledge the full extent of the suffering of the Armenian people is an offense not only to the victims of that genocide, but also to those who survived and the generations of Armenians that follow.

It also raises a question as to how committed our Nation is to fulfilling the mandate of the recently approved Genocide Treaty, to tell the story of man's inhumanity to man so that future generations might learn from past mistakes.

And so we must restate the facts as we know them.

First, we know that 1.5 million Armenians perished following systematic persecution and massacre by the Ottoman Turkish Government during 1915-23.

The full horror of the massacres began on the night of April 14, 1915, when the Turkish police rounded up all of the Armenian intellectuals from their homes in Constantinople, effectively silencing the voice of a generation. In the villages, Turkish soldiers gathered the unarmed Armenian men into the village square, and executed them.

The approximately 250,000 Armenians serving in the Ottoman Army during World War I were disarmed and placed in forced labor battalions where they were either starved or executed. The Armenian people, deprived of their leadership and young able-bodied men, were disarmed under threat of severe punishment, and then deported from every city, town and village of Asia minor and Turkish minor. The majority of the deportees died on the marches from starvation, disease, and massacre. Some 500,000 refugees escaped to the north across the Russian border, south into Arab countries, or to Europe and the United States.

Second, we know that our own State Department and the United States Ambassador to Ottoman, Turkey, Henry Morgenthau, led the outcry against the atrocities at the time.

For years, Morgenthau tried to alert our Government to the tragedy. In one message he wrote:

> When the Turkish authorities gave the orders for these deportations they were merely giving the death warrant to a whole race.
>
> I have by no means told the most terrible details, for a complete narration of the sadistic orgies of which these Armenian men and women were the victims can never be printed in an American publication . . . I am confident that the whole history of the human race contains no such horrible episode as this. The great massacres and persecutions of the past seem almost insignificant when compared to the sufferings of the Armenian race in 1915.

On several other occasions, Ambassador Morgenthau wired the U.S. State Department with the facts. In a "confidential" telegram of July 16, 1915, he stated:

> Deportation of and excesses against peaceful Armenians is increasing and from harrowing reports of eye witnesses it appears that a campaign of race extermination is in progress under a pretext of reprisal against rebellion. . . . Protests as well as threats are unavailing . . .

Morgenthau, in his published memoirs, tells of these confrontations with Talaat Pasha, the Ottoman Minister of the Interior. One was as follows:

> Americans are outraged by your persecutions of the Armenians. You must base your principles on humanitarianism, not on racial discrimination, or the United States will not regard you as a friend and an equal. You say that, if victorious, you can defy the world, but you are wrong. You will have to meet public opinion everywhere, especially in the United States. Our people will never forget these massacres.

Third, we know that Kemal Ataturk, founder of modern Turkey, condemned the genocide. In a 1926 article, he wrote of those turkish rulers "Who should have been made to account for the lives of millions of our Christian subjects who were ruthlessly driven en masse from their homes and massacred."

Fourth, we know that American newspapers printed hundreds of articles about the massacres. Stories of the suffering of the Armenians appeared in the New York Times, the Christian Science Monitor and dozens of American newspapers. The American public was alerted to the tragedy through coverage provided in literary journals and magazines, and through sermons which were delivered in Protestant and Catholic churches as well as Jewish synagogues at the time.

The terrible suffering of the Armenians during the period 1915-23 must not be denied.

To believe the Turkish claim that the world is misinformed and that the genocide never really occurred flies in the face of the facts as recounted by American missionaries, the American consular officials, the American Ambassador, past American Presidents, and the American people.

Beyond all of the Turkish and foreign witnesses to the Armenians' genocide—which include Americans, Russians, Germans, Austrians, Frenchmen, Englishmen, Italians, Greeks, and Arabs—we have the testimony of the Armenian eyewitnesses survivors themselves. The facts, as recounted by the survivors, provide the most compelling evidence of the tragedy which occurred.

To the Armenians who survived and their families, the facts are indisputable. For they still carry with them the painful memories of this tragedy. Indeed, every Armenian family has been scarred by the events of the past about which we speak today.

The few survivors and their descendants have been struggling with this memory for too long. The world has refused to recognize the Ottoman action as genocide. Turkey has orchestrated a vocal, bitter campaign to deny these million and a half murders, and has gone to great lengths to muzzle any recognition or criticism of the Armenian genocide in this country.

We owe it to every victim of genocide to remember the horrible events of the past, to better understand and appreciate the magnitude of suffering involved, and to educate our children so that these terrible acts will not be repeated.

The Armenian-American community is recognizing the importance of public education to their struggle to achieve world recognition of the atrocities that befell 1.5 million of their people.

With the hope that a better understanding of the Armenians will ultimately result in a more positive, sympathetic acceptance of the Armenian tragedy, efforts to share the riches of the Armenian civilization and the tragedies of the Armenian experience are moving ahead.

The opening of the Armenian Research Center at the University of

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Michigan-Dearborn next month will facilitate important research and study into the Armenian question and the history of the Armenian people.

Central to the operation of the research center is the establishment of a computer data base which will enable the center to store in the computer all the relevant information contained in print on Armenian history and culture as well as the Armenian genocide. The center can then be a major resource center for schools, colleges, and organizations interested in the story of the Armenians. It can also help to balance, with objective scholarship, the efforts of those who seek to alter history by denying the significance of the Armenian genocide.

Another critically important project undertaken in conjunction with the center for Armenian research at the University of Michigan-Dearborn, is the production of the film "The Witnesses." This film, which records the accounts of 28 eyewitness survivors of the Armenian genocide provides important insights into this chapter of history.

Mr. President, nothing so clearly threatens our future than the refusal to recognize the mistakes of the past. The stories of the survivors can help us come to terms with those facts, and, in so doing, bring justice to the Armenian people.

We still do not have justice. We still have a situation in which an accounting has not been made, and we must maintain the pressure until it is made.

Until justice is done, neither the victims of genocide nor the conscience of our Nation can rest.

When it was suggested to Hitler that world public opinion would be hostile if he proceeded with his so-called final solution of the Jewish problem, he retorted: "Who remembers the Armenians?"

Perhaps he thought no one would remember his crimes. We must show that we do remember, and that we do care. For ignorance of history is an invitation to repeat it.

And so today we pledge to work with Armenian-Americans and other concerned citizens to illuminate this issue, to remind ourselves about it, to dedicate ourselves to making sure not only that history is clear about what has happened, but also to put ourselves in a stronger position to resist the evil forces that bring about events such as this.

Mr. **DeCONCINI**. Mr. President, today we commemorate the 71st anniversary of the beginning of the Armenian genocide in the Ottoman empire. It is a day set aside for remembrance of the victims of all genocides, but especially for those 1.5 million Armenians who were brutally persecuted from 1915 to 1923. The senseless persecution and slaughter of Armenians during the outbreak of World War I resulted in the banishment of Armenians into a fragmented and scattered people.

The displacement and death that resulted from this persecution have left thousands without a homeland. It is the responsibility of everyone in the world community never to forget these horrible atrocities. This genocide was the first of a long line of sadistic attempts to annihilate an entire race due to prejudice and unfounded hatred.

As Americans, it is important to recognize the moral obligation we have to aid any group of peoples who are being persecuted and to defend them against any further attempt of genocide. We have learned that evil does not stop its terrible yet persistent spread when ignored, and that its reassuring lies are able to lull nations into ignoring the plights of unprotected peoples. We can only look back now at the undeniable truth of the attempted genocides of other peoples: Jews, Russians, and Cambodians. To remember these victims is to ensure that history will not repeat itself and that men will never again stand idly by to watch the decimation of fellow humans.

The approval of the Genocide Convention this year by this esteemed body represents the commitment Americans have to recognizing and ending past and present genocides. While I commend and applaud this success, I am concerned with the future. We must periodicially pause and reflect to move toward a better future for the generations to come. We recognize Armenian Martyrs' Day in somber salute to persecuted peoples everywhere. And, to answer Hitler when he asked, "Who remembers the Armenians?" Today, we remember them. I pledge that we will never forget.

THE ARMENIAN GENOCIDE

Mr. **LAUTENBERG**. Mr. President, on this 71st anniversary of the Armenian genocide, we recall with sorrow the 1.5 million men, women, and children who died in the first genocide of the 20th century.

Between 1915 and 1918, over 1½ million Armenians perished of starvation and butchery at the hands of the Ottoman Turks. The genocide involved not only the killing of innocents but their forcible deportation across Asia Minor. They were persecuted, banished, and slaughtered while much of Europe was engaged in World War I.

Acknowledgment of the Armenian genocide is particularly fitting since this year the Senate at long last has ratified the Genocide Treaty. It was Prof. Raphael Lemkin, a lawyer who escaped Poland during the Nazi invasion of 1939, who first coined the world genocide in 1944. After designating the term "genocide" to describe the deliberate destruction of a people, Lemkin became the first person to characterize the atrocities of 1915–23 as the "Armenian genocide." In his tireless work for the ratification of the Genocide Convention, he repeatedly referred to the Armenian genocide, together with Holocaust, as a prototype of the crime of genocide.

We must be ever vigilant against those who would deny the truth or downgrade the horror of the Armenian genocide. It is our responsibility to help keep its memory alive for future generations. So, for the past 16 years, on or around April 22, Members of Congress have set aside a day to commemorate and reflect upon this timeless tragedy.

Remembering is a way to serve notice on those who would perpetrate future genocides that we will not forget, nor permit it to happen again. Who still talks nowadays of the extermination of the Armenians? Hitler asked his top commanders on August 22, 1939, as they prepared for the invasion of Poland. Let us make sure he would not ask such a question today.

THE 71ST ANNIVERSARY OF THE ARMENIAN GENOCIDE

Mr. **MOYNIHAN**. Mr. President, the passing of seven decades has not lessened the tragedy of the Armenian genocide. The death of over 1½ million Armenians at the hands of the Ottoman empire is a crime of such magnitude, and of such profound historical significance, that the commemoration of this event is essential. Genocide was unheard of until the suffering of the Armenian people helped force the coining of that term. To remain vigilant against the recurrence of such a crime, we must never lose sight of the events 71 years past.

THE 71ST ANNIVERSARY OF THE GENOCIDE AGAINST THE ARMENIAN PEOPLE

Mr. **DODD**. Mr. President, I rise to join my colleagues in this special order to commemorate one of the darkest events in 20th century history, the genocide against the Armenian people that started 71 years ago.

The fact that after 37 years of unnecessary delay the Senate in February gave its advice and consent to the ratification of the Genocide Convention gives a particular poignancy to this commemoration. Many of us, who consistently supported the convention throughout the years had used the example of the Armenian genocide over and over to warn about the consequences of indifference to and ignorance about such horrible crimes against humanity.

Remembering the Armenian genocide does not mean engaging in pointless recriminations or rekindling ancient hatreds. It means setting the historical record straight and learning from that record. The massacre of the Armenians was followed by the Nazi Holocaust against the Jewish people. More recently genocide was arguably committed in Cambodia and is being committed in Iran against the adherents of the Baha'i faith. The historical lesson of the Armenian genocide, if recognized and utilized in time, could have prevented or at least mitigated these later tragedies. As it were, the lesson was ignored the world remained indifferent and silent to the plight of the Armenians and, as a consequence, other millions paid with their lives.

Today, when we remember the 1.5 million Armenian victims, we have to rededicate ourselves to assuring that genocide will disappear as a tool of statecraft even for the most extreme regimes. Let us remember, for instance, that our responsibility with respect to the Genocide Convention has not been discharged yet. The enacting of the implementing legislation is still ahead of us. To go ahead speedily with that task would pay a more meaningful tribute to the memory of the victims of past genocides than the most eloquent speeches we may deliver here today.

Mr. **LEVIN**. Mr. President, I suggest the absence of a quorum.

The **PRESIDING OFFICER**. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. **PROXMIRE**. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The **PRESIDING OFFICER**. Without objection, it is so ordered.

RECOGNITION OF SENATOR PROXMIRE

The **PRESIDING OFFICER**. Under the previous order, the Senator from Wisconsin [Mr. PROXMIRE] is recognized for not to exceed 5 minutes.

WHY THE COST OF BUILDING STAR WARS WILL EXCEED A TRILLION—TOTAL COST TWO TRILLION, PLUS

Mr. **PROXMIRE**. Mr. President, what will it cost the United States to build the strategic defense initiative [SDI] or star wars? Now, notice Mr. President, I do not ask how much this country must spend to transport this hardware into space. I do not include in this speech the cost of maintaining the star wars system once we have it fully deployed. In this speech I include nothing for modernizing star wars to keep it ahead of the inevitable advance of Soviet offensive nuclear weapons. I include nothing for the cost of research on star wars.

That research is just beginning. It is expanding very rapidly. It has, in fact, tripled in the last 3 years. It will quadruple in 1987 if the administration has its way. It is expected to reach $50 billion before deployment gets underway, And, of course, it must go on, probably at an increasing pace even after the system is deployed, if we are to keep star wars modernized and effective. But for the purposes of this speech I am ignoring the cost of research, the cost of transporting the hardware into space, the cost of maintenance of the system in space, and the cost of modernizing and constantly improving the star wars deployment. For purposes of this speech I am talking only and exclusively about the cost of building the hardware.

In this speech, of course, I am not using classified material. My estimates are strictly estimates, not official data. They are based on common sense, educated guesses. I have discussed these costs with highly competent and informed persons. These persons disagree among themselves about the precise cost of each of these weapons or sensors. In each case I have tried to arrive at reasonable estimates by approximating a median or consensus among the differing experts. The estimates are strictly unofficial, and unclassified. They are probably at least as accurate as classified estimates because they come from independent scientists who have no ax to grind, and no special contract interest to serve.

Of all the weapons we need for star wars, the space-based kinetic kill vehicle will be the most costly. These vehicles provide the firepower heart of the antimissile defense. They are not uniform. They vary in size and capability. They also vary in cost. In general the cost would average about $500 million more or less per vehicle; that is, for each of them. How many do we need? Probably thousands. Two thousand would cost $1 trillion. Why do we need so many. We need them because each vehicle can only fire during a very limited fraction of its Earth orbit. That orbit must be relatively low so that it can be near enough to its target to initiate an effective strike. Because each vehicle has such a limited effective firing period and because the system must maintain the capacity to strike the adversary targets at all times we will need 2,000, 3,000, or 4,000. Why the huge cost? Because each must be hardened—able to stand a hit from the adversary. They must be maneuverable to avoid hostile fire. They should be capable of firing back to fend off concentrated attack.

While the space-based kinetic kill vehicle is the fundamental crux of the system, it cannot function effectively without the following supplementary weapons or sensors: First, ground-based lasers; cost per sensor, $2.5 billion; estimated number required, 15; aggregate cost, $37.5 billion. Second, boost surveillance and tracking systems; cost per sensor, $750 million; number required, 10; aggregate cost, $7.5 billion. Third, interactive discrimination lasers or particle beams; cost per weapon, $1 billion; number required, 10; aggregate cost, $10 billion. Fourth, space surveillance and tracking system; cost per sensor, $750 million; aggregate cost, $56¼ billion. Fifth, endo- and exo-atmospheric interceptor missiles; cost per weapon, $5 million; number required, 7,500; aggregate cost, $37.5 billion. Sixth, ground-based terminal imaging radar; cost per sensor, $250 million; number needed, 12; aggregate cost, $3 billion. Seventh, airborne optical adjunct planes; cost per weapon, $200 million; number needed, 12; aggregate cost, $2.5 billion. Eighth, battle management center, $1 billion; number needed, three; aggregate cost, $3 billion.

Mr. President, that means the total cost of building the hardware excluding, omitting, leaving out research cost, transportation into space cost, maintenance cost and modernization cost will very likely exceed $1 trillion. The space-based kinetic kill vehicle alone will cost a trillion or more by itself. Additional essential weapons would add, on the basis of the calculations I have made in this speech, an additional $156.75 billion.

Physics Today has estimated the cost of star wars at roughly $2 trillion. As I have indicated in other speeches, because of the grossly underestimated cost of transporting this hardware into space and of maintaining and modernizing it, this $2 trillion estimate is more likely to be an underestimate rather than an overestimate.

Maintaining and modernizing the star wars system once it is in space will, in my judgment, cost between $200 billion and $300 billion a year. In other words, it will come close to doubling the cost of our defense.

TRIBUTE TO ARMENIAN GENOCIDE VICTIMS

Mr. **PROXMIRE**. Mr. President today we pay tribute to the 1.5 million Armenians who perished after a systematic persecution and massacre during the period of 1915–23. This year being the 71st anniversary of the Armenian genocide, we recognize this tragedy as one of the darkest episodes in recorded history.

The Armenian persecution began in 1894, when, in the 2-year period leading up to 1896, 300,000 were killed under the reign of the Ottoman Sultan Abdul Hamid II. Thirteen years later, another 21,000 Armenians were massacred in Cilicia, Turkey.

While the preceding events seemed horrendous in themselves, the most brutal physical destruction of Armenians began in 1915.

Many of the victims were put into labor camps and worked to their death during the Turkish preparation for World War I. The majority, however, died while marching across the Syrian

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Desert after being denied food and water for days at a time.

Apart from the 1.5 million who perished between 1915 and 1923, another 500,000 refugees escaped north to Russia or fled elsewhere in Europe, the United States, and the Arab countries. The Armenians were, therefore, essentially eliminated from their native homeland.

Many would like to forget that such atrocities ever occurred. We must, however, remember them to deter men such as Hitler, who scoffed at the idea that the extermination of the Armenians would be remembered for what it was—a mass annihilation of innocent people. We can thankfully now hold our heads higher knowing that acts such as these will never be accepted nor forgotten while observing our recent ratification of the Genocide Convention.

Mr. President, although I condemn the atrocities that were perpetrated on the Armenian people, I do not endorse or condone any terrorist action against Turkish nationals by Armenian terrorists. Such acts of violence are unacceptable and do nothing to help the cause of the Armenian people.

MYTH OF THE DAY: TERRORISM IS NOT A THREAT TO EUROPE

Mr. PROXMIRE. Mr. President, the myth of the day, and this one comes from overseas with many of our allies, is that terrorism is not a threat that warrants military action like what the United States just took against Libya.

Now the European governments, Mr. President, have given us enough excuses to fill up the Mediterranean on why they will not act against Colonal Qadhafi. And when I speak of European governments, I am exempting Prime Minister Thatcher's government in Great Britain, which stood tall with us in fighting Qadhafi.

As I said, Mr. President, the European excuses run all over the map for not striking back at Qadhafi's terrorism. There is the excuse that we have to solve the underlying causes of Middle East discord before we attack terrorism. There is the excuse that fighting the terrorism only breeds more terrorism. There is the excuse that innocent civilians get hurt when you attack terrorists.

Now there is some merit to these excuses and the countless others the Europeans have offered for not striking back at terrorism.

But let us lay it on the line, Mr. President. The real reason European nations like France, Italy, and Germany have so far refused to take military action against Libya and other states that sponsor terrorism is that they do not see this terrorism as being a significant threat to them yet.

Sure, the Italian Government does not like to see passengers in its Rome airport attacked. Sure, the West German Government is not thrilled about Berlin discotheques being blown to bits. And, sure, the French Government is upset over all the car bombings in Paris.

But these governments still do not perceive the terrorist attacks as a significant threat to their security. In other words, it is not a problem as bad as the problem they see in a cutoff of Libyan oil to them or a break in the trade they conduct with Libya. That is the bottom line, Mr. President. The terrorist attacks are not considered enough of a threat to warrant breaking off lucrative economic ties with Libya.

But that bottom line, Mr. President, is a myth.

Terrorism has now become a significant military threat to Europe, and it is time for the European governments to stop operating under the myth that it is not.

It is time for them to realize that any cutoff in Libyan oil would cripple Qadhafi more than it would hurt Europe.

It is time for them to realize that the loss in trade with Libya may well be far outweighed by the loss in tourism to their countries. Just call up any travel agent and you will find out how popular a European vacation or a Mediterranean cruise is at the moment.

It is time for them to realize that the terrorism nations like Libya, Syria, and Iran sponsor does not represent an airport security problem for them. It is not an Interpol problem. It is not an intelligence problem.

It is a military threat. It is a threat to their national security.

And it is a myth to believe otherwise.

NUCLEAR WASTE POLICY ACT AMENDMENTS

Mr. PROXMIRE. Mr. President, I am pleased to join with Senator Mitchell in introducing amendments to the Nuclear Waste Policy Act, terminating the search for a second nuclear waste repository.

Why are we offering this bill? The answer is simple. We do not need a second repository and we never did. No scientific or technical reasons compel the current repository site limit of 70,000 metric tons. Congress enacted this capacity requirement solely for political reasons in order to speed passage of the Nuclear Waste Policy Act in 1982.

The Department of Energy's own most recent projections of the total volume of nuclear waste needing disposal show a steady decline since 1979. Instead of their 1979 projections of 220,000 metric tons of civilian waste by 2020, by 1985, this figure had declined to just 75,000 metric tons using DOE's own "no new orders" option. Defense waste adds just another 10,000 metric tons to the total. This reduction in waste is due to cancellation of large numbers of nuclear powerplants after the accident at Three Mile Island.

Limitations on site capacity are based on the thermal loading qualities of each site. What this means in laymens terms is that the cooler the waste, the more that can be placed underground in a given area. Heat content of nuclear waste declines rapidly over time so that 10-year-old spent fuel has lost 80 to 90 percent of its heat, with a loss of 30 percent more in the following 30 years. Therefore, any method which allows further cooling increases the capacity of the storage facility.

The Department of Energy has produced no evidence that any of the sites nominated as potential first repositories cannot safely accommodate at least 100,000 metric tons of nuclear waste.

Equally important, techniques now exist which can significantly reduce the amount of existing nuclear waste. Even if large numbers of new reactors come into service in the next 20 years, these new techniques would still eliminate the need for a second site.

For example, extended burnup of spent fuel, which increases the efficiency of reactor fuel use, can mean waste reductions of between 15 percent and 40 percent depending on the type of nuclear reactor.

Increasing utilities on-site storage facilities through reracking, dry cask storage or building new facilities would reduce storage demands still more.

Unfortunately, under current law, there is no incentive for utilities to spend money on waste reduction. But if we allow DOE to spend its waste funds on demonstrations of new waste-reduction technology, the waste program will save money in the long run by eliminating the second site.

Utilities should also be offered incentives to reduce waste on their own.

Monitored retrievable storage facilities, already authorized under the Nuclear Waste Policy Act, should be used to buy time, extending the life of the first waste facility even further.

Mr. President, obviously if the DOE implements all or even some of these techniques there will be no need for a second site. With cost estimates pegged at $10 billion and counting, there is no reason to squander further billions on an unnecessary search for an unneeded second site.

DEDICATION OF THE NATIONAL FITNESS AND JOGGING CENTER

Mr. PROXMIRE. Mr. President, I would like to call your attention to the National Fitness and Jogging Center

at Fourth Street and Independence Avenue, SW., which is to be dedicated tomorrow at 11 a.m.

This new facility was donated to the people of the United States by Joseph H. Kanter, a Florida-based banker and jogging enthusiast. On a recent visit to the Capital, Mr. Kanter noticed all the Government workers and visitors jogging on the Mall and wanted to provide a public facility for warm-up, strengthening, and cool-down exercises.

The result is a fully accessible fitness course with twenty pieces of "Parcourse" fitness equipment for stretching, leg lifts, vaulting, et cetera. It will be a welcome addition for Members, staff, and all the others who jog or walk on the Mall each day.

ROUTINE MORNING BUSINESS

The PRESIDING OFFICER. Under the previous order, there will now be a period for the transaction of routine morning business for not to extend beyond the hour of 12 noon with statements limited therein to 5 minutes each.

SENATOR QUENTIN BURDICK

Mr. BYRD. Mr. President, I have recently read a fascinating article about our distinguished colleague, the senior Senator from North Dakota, Quentin Burdick. Published in the February 17 edition of the Bismarck Tribune, the article accurately portrays Quentin Burdick as we all know him. He is a man of singular ability. He is a resolute, independent-thinking, determined Senator. No one pushes him around. He knows his own beliefs on every issue, and he is fully attuned to the needs and desires of his constituents.

And, Mr. President, I do not know anyone who does not like Quentin Burdick. He is not given to overblown rhetoric or windy speeches that do not say very much; to the contrary, he is self-effacing with a dry wit that wins him friends and allies in every pursuit. He is a stalwart and a workhorse in this Chamber who has capably served the people of North Dakota and our Nation as a whole.

I ask unanimous consent that the article I have referenced be printed in the Record.

There being no objection, the article was ordered to be printed in the Record, as follows:

[From the Bismarck Tribune, Feb. 17, 1986]

Burdick: I'm Fit in Politics and Gym

Grand Forks (AP)—Although Sen. Quentin Burdick concedes his age will be an issue in the 1988 elections, he said he felt more than vigorous enough for a run at another six-year term.

And, Burdick said Sunday, he will not suffer gladly any opposition gibes about his fitness.

"I'm willing to challenge any (political opponent) in a gym who thinks I'm not fit," the 77-year-old senator said. "I've taken good care of myself . . . I've had a pretty active life."

Burdick will be 80 on June 18, the year his current six-year Senate term expires. Talk of a possible primary challenge for his seat from Rep. Byron Dorgan, D-N.D., does not deter him in his determination to make the race.

"If I'm able to stagger around from town to town, I'm running (and) I'm not going to be staggering," Burdick said. "I'll run if I don't have a vote."

He intends to run even if he fails to win the endorsement of state Democrats in the primary, the senator said.

Burdick was elected to the Senate in 1960, after the death of William Langer, one of the most colorful figures in North Dakota political history. He stands to reap significant gains from his seniority if the Democrats regain Senate control, Burdick said.

For example, he will be entitled to be chairman of a Senate committee on public works and a subcommittee on appropriations for agriculture if the Democrats wrest Senate control from the Republicans.

Even if the Senate remains in Republican hands, he stands to be the ranking Democrat in that chamber, Burdick said.

"I'll be in a position of importance. I'll be in a position of power after all these years, and I'm not going to give it up," he said.

Dorgan, who is running for re-election to his U.S. House seat, has declined to speculate on his plans for 1988. Burdick said, however, that he looks upon Dorgan as a potential opponent.

"I'll be able to do more for the state in my position than (Dorgan will) be able to do in 15 or 20 years," Burdick said.

His age will be an issue in the campaign, Burdick said. The senator is a karate enthusiast who prides himself on his physical fitness, and he said he was ready to "take a crack" at any political challenger who disputes his ability to serve.

"It'll be a factor," Burdick said of his age. "It could be the only factor."

But he dismissed concerns that he is too old to serve, saying that he was only two years older than President Ronald Reagan, who turned 75 on February 6. Burdick will be 78 on June 18.

"I feel I'd be a deserter if I didn't run," he said.

CANADIAN RELATIVES

Mr. HATCH. Mr. President, it is of vital importance that we continue to have close, friendly relations with the people and government of our northern neighbor, Canada. In so many areas our interests overlap, and we can truly say our fates are inextricably linked. On national security issues, business and economic issues, environmental issues, natural resource issues, water rights issues, and more, we must continue to work together in a spirit of dialog and compromise to insure that Americans and Canadians are able to carry on our partnership well into the future.

Six years ago, Mr. President, I had printed in the Record a paper written by Mr. J. Duncan Edmonds which outlined the many benefits which would accrue to Americans and Canadians by the passage of a Treaty of North America. Mr. Edmonds' insightful comments were, and still are, I believe, worthy of consideration. Recently, Edmonds spoke before a roundtable urging that the United States and Canada sign a trade agreement in order to boost the economies of both nations. Mr. Edmonds is now director of several Canadian companies and a former member of the Mulroney government, and operates his own international public affairs consulting firm with offices in Ottawa and Boca Raton, FL.

I commend his remarks to my colleagues, and ask unanimous consent that they be printed in the Record.

There being no objection, the material was ordered to be printed in the Record, as follows:

The Canada/United States Relationship Today: A Crucial Moment of Opportunity

ANNUAL VISITING ASSOCIATE'S LECTURE TO THE AMERICAS SOCIETY

(J. Duncan Edmonds)

These are interesting times for those of us involved in the study of Canada-United States relations. Sometime in the next few months formal negotiations between Canada and the United States will commence with the objective of concluding a signficant new comprehensive trading agreement. Whatever the outcome of the talks and whatever the nature and scope of the actual agreement negotiated, historians in the future will undoubtedly focus on this period as a "crucial moment of opportunity" [1] in the long evolution of this unique relationship between these two North American allies and friends who already share the world's largest and richest bilateral trade relationship, which will exceed 120 billion dollars this year. What may be described in a rather low key manner by some Canadian politicians as merely a possible trade deal concerned with defining and negotiating a number of complicated details regarding tariff and non tariff barriers in order to strengthen the Canadian economy may, in truth, be something much more.

If the talks are successful the agreement will signal the beginning of another, and perhaps even the final, stage in the process of economic integration which has been steadily evolving between Canada and the U.S. over many decades. This reality will raise fundamental historic political issues in Canada related to sovereignty, independence and identity, the role of market forces as opposed to government intervention and a series of fundamental questions regarding the ratification and implementation process as well as the institutional basis for managing the new relationship in both countries. If on the other hand a trade agreement is not effectively put in place with the U.S., while Canada will undoubtedly continue to pursue multilateral negotiations through the GATT, these are unlikely to solve the continuing problems of Canada's economic vulnerability vis-a-vis the U.S., and serious negative implications for the Canadian standard of living will become apparent. Strong pressures will develop for a new industrial strategy with the inevitability of increased governmental intervention in planning and directing the economy with less reliance on market driven economics. Thus, whatever the outcome of the talks, the proc-

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ess which we observe over the next few years will significantly shape the agenda for Canadian politics for the next decade. In fact, one might go even farther and suggest that we are about to view the architectural drawings for the next stage of the Canadian destiny.

Some people would say that this statement is ridiculous, too grandiose and exaggerated. I don't agree. However, it may well be true that the vision of the political architects and the quality of their handiwork will be inferior and not meet the test of time. Perspective is the indispensible requirement for the architect. Everything is related to everything else and it is only the perspectives that clarify the relationships and give meaning and direction to the outcome. The problem today is that we are far too immersed in the present short-term optic. Conspicuously absent from much of the current discussion is a sense of perspective, both in the historical dimension of looking back and in the conceptual dimension of looking forward to contemplate where we might be heading.

Seventy-five years ago this week, in mid January 1911, the Hon. W.S. Fielding, Minister of Finance in the government of Sir Wilfrid Laurier, concluded an agreement in Washington providing for reciprocity between Canada and the United States. Thus an issue which had significantly influenced Canadian politics for most of the preceding 50 years was finally joined and in the general election a few months later the Laurier government went down to a crashing defeat at the hands of Mr. Borden and the Conservatives.

The overall relationship with the U.S. focussed chiefly on the trade and general economic dimension has been, throughout Canadian history, a dominant issue and a continuing preoccupation of the Canadian political leadership and has been closely related to the ongoing struggle for a Canadian identity. Indeed, every Canadian prime minister from Macdonald to Mulroney has had to face this reality as a central challenge of the times in which he governed. As Bruch Hutchison put it in his study of Canadian Prime Ministers—

"All these men, so different as private persons and public figures, have confronted, but seldom dared to utter, the same question that none knew how to answer.

"Could a nation conceived in vague compromise and dedicated to the defiance of continental logic long endure? Would Canadians permanently pay the price set by nature for their endurance? Or, rejecting the price—especially the price of biracial toleration between themselves—would they admit defeat, accept the logic, liquidate the national experiment and fall piecemeal into the embrace of their rich American neighbours?" [2]

The manner in which each prime minister faced the American issue reflected his vision or dream for Canada and in large measure dominated his period in office. Sir John A. Macdonald, immediately after Confederation in 1867, faced the reality of the Americans terminating the reciprocity agreement of 1854 which had brought significant benefits to Canada. Perhaps symbolized by the conspicuous absence of even an acknowledgement, let alone a message of congratulations, from the American President, the new Canadian Conferation began life preoccupied with its relationship with the U.S., a situation which continues to the present day. Indeed, the strong presence of the U.S. with its tumultuous civil war behind it and with a "manifest destiny" ahead of it, had provided a significant impetus for Confederation in the 1860's.

Macdonald made some efforts in 1869 and again in 1871 to reopen discussions with the Americans essentially to put back in place the agreement of 1854. There was very little interest on the American side. Indeed, this whole experience with the United States during his first few years in office had a very negative impact on Macdonald and provided a key impetus to the development of his national policy which he unveiled in 1879. This important policy with its highly protective tariffs in many ways laid the foundation for the Canadian industrial system we have today. As Macdonald developed his policy, while at the same time building a railroad and developing a sense of Canadian nationhood, he created the framework for the Canadian nation.

Macdonald was out of office for a few years in the 1870's. Alexander Mackenzie, the first Liberal Prime Minister, appointed George Brown, the founder and publisher of "The Globe", then and now Canada's most significant newspaper, to negotiate a reciprocity treaty with the United States. Brown was successful in negotiating quite a comprehensive agreement in 1874 but the treaty failed to obtain the necessary approval of the U.S. Senate. In his biography of Brown, the historian J.M.S. Careless, [3] in analyzing the reasons for this failure, notes that "A Canadian agreement was not a vital matter to the United States." A rather significant sentence which we may see again in our own time! 1874 clearly represented a moment of opportunity which was lost for both sides. Indeed, it is interesting to speculate today as to what the effect would have been in Canadian economic development had that initiative gone forward.

Macdonald fought his last great campaign in 1891, accusing the new Liberal leader, Laurier, and his party of "veiled treason" because of their willingness, as perceived by Macdonald, to sell out to the United States. Interestingly and amusingly, as a result of a secret pamphlet he had written for some Americans providing advice on how to negotiate with Canada, an editor of The Globe, Mr. Edward Farrer, was cast by Macdonald and the Tories as a great villain conspiring with the Americans and the opposition against Canadian interests. Shades of John Diefenbaker 70 years later! Laurier, the first French Canadian Prime Minister, was finally victorious in 1896. His positive attitude towards the U.S., combined with the traditional Liberal policy of free trade, led to the reciprocity agreement of 1911 and contributed significantly to his subsequent defeat in the election held in the summer of that year. That election, which has been well studied by Canadian historians, is still remembered today as one of the most significant in Canadian history. The Liberal Party split badly over reciprocity, particularly in Ontario and Quebec. Most historians are agreed that the economic aspects of the issue were transcended by political and cultural and other fears of Canadians regarding the implications for Canadian sovereignty of any closer association with the U.S.

Fifty years ago, coming out of the depths of the depression of 1935, there was a successful bilateral trade agreement between Canada and the United States. This agreement is repeatedly mentioned in very positive terms now by Canadian leaders as they prepare for the current negotiations. Curiously none of the politicians refer to any other aspects of the history of Canada-U.S. trade discussions.

In the early months of 1948 William Lyon Mackenzie King gave authority to his officials to negotiate another reciprocity treaty with the United States. This time the initiative came from the U.S. side and a treaty was actually drafted. [4] While the Canadian side proceeded in secrecy, the U.S. side wanted to get the treaty through Congress in the spring, in time for the forthcoming presidential elections that fall. The matter became public in the U.S. in March and this led to a vigorous and negative reaction in Canada, perhaps best exemplified by The Globe and Mail which harshly proclaimed "Not on your life".

Mr. King, obviously affected by the reaction and concerned by the American haste, never proceeded and the whole matter was simply buried. This curious and significant event in Canadian history has not received much comment or analysis over the years, although Ted English, [5] a well respected senior Canadian economist, has referred to this failure as "probably Canada's most regrettable missed opportunity." King must have recalled the lessons from his mentor Laurier in 1911. Perhaps the best clue came from King himself, in one of his last entries to his life-long diary, a few weeks before his death in 1950, he wrote, "The more I think over the whole situation, the more I believe . . . that the U.S. foreign policy at bottom is to bring Canada into as many situations affecting themselves as possible with a view to leading ultimately to the annexation of our two countries." [6] Mr. Pearson, who at the time was Undersecretary of State for External Affairs, deals with this subject very briefly in the first volume of his memoirs and observes that he wan't surprised that the matter never proceeded and offers the opinion, although he doesn't develop it, that had it gone forward it would not likely have succeeded in any event. [7]

One of the principal Canadian negotiators of the 1948 plan, John Deutsch, noted in a memorandum at the time that the plan would undoubtedly lead to further integration with the U.S. He offered the perceptive observation that this integration would be forced upon Canada anyway by the inexorable pressures of the world economy and that Canada's real choice was whether to negotiate from strength or to delay and eventually negotiate as supplicant. [8]

Through the 1950's American investment in Canada expanded enormously and the Canadian standard of living rose dramatically. This was presided over aggressively by C.D. Howe and, somewhat benignly, by the successor to Laurier and King, Louis St. Laurent. Donald Creighton, one of Canada's foremost historians, the biographer of Macdonald, saw this period as a tragic turning point for Canada. In his work The Forked Road, Canada 1938-1957, [9] Creighton argued that Canada in those years abandoned the vision of Macdonald and, under both military and economic pressures, succumbed to a far too dangerous reliance on the United States and, in effect, finalized the evolution into North American continentalism. A few storm signals arose in the late 50's when, in his Royal Commission Report, Walter Gordon who was to play a significant role as one of the great figures of Canadian nationalism, warned of the dangerous implications of increasing American equity investment and ownership in Canada. [10] Then there were the convolutions of John Diefenbaker between 1958 and 1963 when once again the Americans, particularly John F. Kennedy, became the villains. Diefenbaker talked of diverting fifteen percent of Canadian trade from the U.S. to the United Kingdom. The U.K. responded somewhat subtly with a proposal for a Canada-U.K. free trade deal and the matter was stillborn. [11] Pearson and Kennedy had a wonderful relationship in those few precious months in 1963 until the shattering of dreams that November.

In 1965, as evidence of the improved relationship came the Auto Pact, a remarkable agreement representing a classic illustration of a highly sensible rationalization of the auto industry which has been of enormous benefit to Canada and which, let it be said, has always caused some disquiet on the American side. With the Trudeau era through the 70's and early 80's we experienced a number of bilateral problems, notably FIRA and the NEP, some confusion in the consultative arrangements between Canada and U.S. and considerable American frustration. This contemporary period with its problems and turmoils has been thoroughly analyzed in a number of books and articles, perhaps most notably by one of my predecessors as Visiting Associate with the Americas Society, Mr. Tony Westell, whose work is referred to in the Report of the Macdonald Royal Commission as a "seminal contribution". [12]

So we arrive at 1986 where a great many factors have converged to once again place the American issue squarely on the Canadian political agenda. In recent years we have had reports from the Economic Council of Canada, the C.D. Howe Institute, the Senate Committee on Foreign Affairs, and a number of significant business organizations suggesting that Canada should attempt to negotiate some sort of trade agreement with the U.S. The Macdonald Royal Commission, coming a quarter of a century after Walter Gordon's Commission, recommends with considerable authority that Canada enter negotiations with the U.S. for a free trade agreement. Mr. Macdonald, in a very apt phrase, refers to his Commission's fundamental recommendation as a "leap of faith". Thus we have this long historical evolution with certain dates standing out like beacons—1874, 1911, 1948, 1985. If one is looking for curious historical patterns it may be noted that 37 years elapsed between 1874 and 1911, another 37 years between 1911 and 1948 and still another 37 years between 1948 and 1985. Perhaps we should consult the oracles to discover the mystical significance of the number 37. Such an exploration might be at least as revealing as some of the current discussions!

The lessons from history seem very clear and may be summarized as follows: Free trade and closer economic integration with the United States has been a recurring issue throughout Canadian history. It ebbs and flows but it never goes away. The matter goes far beyond economics and trade in the Canadian psyche and raises profound questions of sovereignty, identity, survival and national purpose. It is far more important to Canadians, who have much more to gain and much more to lose, than to the Americans. Indeed, the U.S. has never exhibited great interest in trade negotiations with Canada. When the U.S. interest has been aroused it has been in areas such as defence, or the possibility of unlimited access to Canadian resources, or boundary considerations, which have excited U.S. attention. Finally, whatever the difficulties in negotiating a trade agreement between Canada and the U.S., the process of ratification and implementation of the agreement raises fundamental problems in both countries.

Over the years Canada has developed various policy initiatives to expand its small domestic market and diversify its trade. Diefenbaker's U.K. diversion scheme, the Third Option, interest in the Pacific Rim and other efforts have all been announced with great rhetoric and after a few years have all yielded very modest results. The overwhelming dominance and magnetic attraction of the huge, wealthy, U.S. market with its geographic proximity, common culture, and the extensive linkages through the private sectors, always returns to centre stage.

The trade issue closely related as it is to Canada's most basic and all embracing reality, the overall relationship with the United States, goes to the very soul of the nation. As the governmental teams negotiate their important specific trade matters, the myriad of interrelationships with virtually every aspect of the Canadian policy will stimulate widespread political debate across Canada. Among the issues causing concern will be the overall implications for Canadian sovereignty, focused in part on the rather vague and unsatisfactory concept of cultural sovereignty about which we have been hearing so much in recent months.

Because of the very structure of Canada, significant possibilities for conflict in federal-provincial relations which will arise out of the trade negotiations, are a particular problem. Many students of Canadian government have expressed concern in recent years about the steady revolutionary trend in Canadian federalism. Indeed, Canada has reached a situation where the federal or central government has less overall authority and power than virtually any of the other major federal states in the world today. The increasingly powerful provincial governments will tend understandably to look primarily at their own interests and it will be a significant challenge for the federal authority to assert the overall national interest. Provincial regulations have emerged affecting industry, agriculture, trade, investment, employment and immigration. Many of the non-tariff barriers which will be involved in the negotiations with the U.S. can only be altered with the direct consent of the Canadian provinces. This situation is bound to cause severe difficulties for the federal negotiators in discussions with the U.S., both at the level of ultimate authority and also in the whole area of the various trade-offs which will always be a central aspect of any negotiation. The provincial premiers of Ontario and Quebec in particular will both raise complex objections. Negotiations with the United States are difficult enough without constantly having to look back over your shoulder at an ongoing process of negotiations with the Canadian provinces at the same time. This reality, early signs of which are already apparent, is likely to haunt the federal government throughout the entire process.

Transcending all of these matters is, of course, a difference in overall perspective between Canada and the U.S. Canada, as a significant middle power while it has global interests, is often preoccupied with its overall relationship with the U.S., and intensely concerned with the management of that relationship, particularly with regard to safeguarding Canadian interests and preserving some degree of autonomy for Canadian foreign policy. The United States as a superpower tends to look upon Canada more in an international context and is concerned with a wide range of world issues to a greater degree than the Canadians. While both countries view their bilateral trade negotiations in the context of the forthcoming GATT round, the broader American perspective will be something of a double-edged sword for Canada. The United States will certainly be motivated to conclude an arrangement with its largest trading partner and closest ally. On the other hand the United States will be somewhat constrained in the negotiations with Canada not to set precedents which could have potentially negative effects for other U.S. negotiations. Thus Canada, whether it likes it or not, will be under considerable pressure to broaden its perspective. In an essay for the Macdonald Commission, William Diebold sets the current situation in both its historic and global perspectives and stresses the reality that what we really must consider are "the whole range of economic relations". He queries whether Canadians are really prepared for this discussion. Indeed, Diebold may have already written the epitaph for the forthcoming negotiations—

"An historical look at U.S.-Canadian free trade issues reveals that every time there is a new expression of interest in them the same pattern develops. The subject is taken seriously by many people, in Canada very seriously by quite a few. Some good work is done about it. Sometimes nothing happens politically; sometimes some political movement begins. But then, for one reason or another, a strong political reaction cuts off whatever process had begun."[13]

Against this background it is appropriate to pose a rather basic question regarding the overall political strategy and objectives of the Mulroney Government. It would appear evident that for Canadians to proceed with comprehensive trade negotiations with the U.S. without an overall plan to deal with the larger implications of increased integration will almost certainly lead to a major political uproar in Canada not likely to benefit the government or to provide the necessary political and public support for its initiative.

Up to this point the governement has given little public indication of its overall strategy. The government's objective seems to be to avoid the difficult questions of linkage to other basic issues related to integration and to attempt to keep the debate focussed solely on economic development, job creative and access to markets while, at the same time, continually emphasizing Canadian sovereignty and downplaying any analysis of future evolution or any grand design. The Prime Minister states that if the negotiations aren't successful and his govenment can't conclude a deal, so be it—we'll just carry on. There appears to be a lack of a fundamental and total commitment for the trade initiative. While this may be understandable given all the historical and political circumstances, it is nonetheless, a very dangerous omen.

If this indeed is the strategy, one wonders whether it will be successful. The combination of cynicism, short-sightedness and the absence of wise strategic thinking, generally leads to failure. Both the opposition parties will undoubtedly raise the large system-related issues. The NDP and the Canadian Labour Congress and other elements on the political left will be negative and very vocal. Implicit in a comprehensive trading arrangement with the United States is a major tilt to reliance on market forces and a diminished role for state intervention which is, of course, the sacred remedy favored by the political left. The Liberals are unlikely to take a firm stand on such a divisive issue but will find unity in capitalizing on the ap-

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parent incompetence of the government to manage such a complex initiative. [14] The Canadian nationalists, including a number of academics and several well-known media groups, will campaign vigorously against a free trade agreement. Specific business interests who perceive themselves threatened will mount vigorous opposition which will cause real problems for many of the government's supporters, most notably the back bench M.P.'s. The opinion polls which currently reflect a somewhat ambiguous support for a free trade agreement with the United States will be increasingly linked to the overall credibility of the Prime Minister.

If one were to hazard a political prognostication today it would appear that the government had led with its chin and is quite likely to suffer the consequences. By failing to address the larger questions the Canadian government is running very serious risks in its strategy. The most basic risks is that others will raise the questions and then arrive at negative conclusions which will in turn reduce the government's capacity and creditibility. Without articulating a stronger commitment and a larger vision and purpose, the Mulroney Government ultimately risks a major political disaster with potentially severe consequences for itself, but far more importantly and tragically for the Canadian nation as a whole.

What does it really mean to state that Canada and the United States are becoming increasingly integrated [15] and what are the requirements for protecting and enhancing the viability of the Canadian future within the context of a comprehensive trade agreement with the United States? Whatever may be the limitations of any analysis or the qualifications which may surround any prescriptions, this is surely the basic question which must be addressed today.

Integration is already an accepted way of life for a great many Canadians. The great increase in Canadian investment both personal and corporate in the U.S. during the past 20 years is only the most visible manifestation of this continental perspective. The financial markets are essentially integrated. Acid rain, satellites and the communication frequencies do not seem to recognize the border. A striking example of integration into the American political arena has been the policy in recent years of the Canadian government to engage professional lobbyists to represent Canadian governmental interests to the U.S. Congress. While it is true that in the past Canada has often allied itself with particular interests in U.S. politics to advance Canadian objectives, the idea of the Canadian government actually engaging lobbyists in Washington strikes some Canadians as somewhat incongruous and, one might observe, the implications have raised some eyebrows in the State Department. While one could go on indefinitely providing illustrations and effects of North American integration, it is pertinent to observe that a substantial majority of the Canadian public is ahead of the structures and the politicians in living with reality. Indeed this dangerous situation is a major cause of disquietude and uncertainty in Canada today. As we are told by the Macdonald Commission and others, Canada has developed into a mature, vigorous nation and occupies a secure position in the world community. It is surely time now to come to grips with Canada's North American destiny and systematically develop the framework and the machinery for the long term Canadian-American partnership.

A review of the academic literature on the general subject of integration and the related matters of conflict avoidance and dispute resolution, has not yet provided the policy makers with any clear overall concensus upon which to develop concrete proposals for public discussion and debate. [16] In these circumstances one is bound to have considerable sympathy with the politicians who are grappling with the trade issue today. The basic problem is in its essence quite simple; on the one hand a process of free trade discussions is underway which will, if successful, inevitably lead to significantly increased economic integration with social, cultural and political implications which can generally be recognized even if the Canadian Government prefers not to discuss them; on the other hand we simply do not possess a widely held larger vision of the North American future and there is a conspicuous absence of effort being applied to working out the goals and objectives and the requisite institutional and management systems for that future.

President Reagan came the closest to expressing a broad vision for the future in his suggestion in 1980 for a North American Accord when he spoke about—

"A developing closeness among Canada, Mexico and the United States—a North American Accord—would permit achievement of that potential in each country beyond that which I believe any of them—strong as they are—could accomplish in the absence of such cooperation. In fact, the key to our own future security may lie in both Mexico and Canada becoming much stronger than they are today * * *

"We will also put to rest any doubts of those cynical enough to believe that the United States would seek to dominate any relationship among our three countries, or foolish enough to think that the governments and peoples of Canada and Mexico would ever permit such domination to occur." [17]

While there has been no specific follow up to the President's initiative, perhaps in part because of the very muted response of the Trudeau Government at the time nonetheless the spirit of his vision is reflected in the Administration's current positive approach to proceeding with trade negotiations and the cordial relationship which has developed between President Reagan and Prime Minister Mulroney. As we approach the trade discussions which are likely to last several years, perhaps this would be an appropriate time for the Canadian government to give serious consideration to taking an initiative to revive the President's North American Accord idea. Vague and general though the words may be they still provide an appropriate perspective from which to begin discussions about the North American future.

While the history of Canada-U.S. relations is replete with formal treaties, notes and a variety of other forms of governmental agreements covering literally hundreds of specific subject [18] there has never been a comprehensive accord or treaty which established an overall framework for the relationship to provide direction, purpose and, above all, a symbolic focal point for the citizens and the political leaders of both countries. The absence of such a basic document—perhaps a Treaty of North America—may explain better than anything else the lack of a broadly held concept and vision for our North American partnership. One hardly needs to remind an American audience of the supreme importance of great documents and declarations which serve as living, dynamic symbols, capable of inspiring and uniting millions of citizens with a vibrant sense of their own destiny.

As one examines the future of Canada-U.S. relations, particularly in the context of the trades negotiations, an obvious and compelling need to review and assess the overall management and institutional foundation of the relationship becomes urgently apparent. [19] If the trade talks succeed there will be a need to create and establish new bilateral institutions to interpret and manage the agreement and to adjudicate differences. These institutions will be required to develop machinery and procedures for joint fact finding and decision making. While the Macdonald Commission does make some recommendations regarding the machinery which will be required to administer a trade agreement, [20] the Commission stops short of addressing any broader aspects of the overall Canada-U.S. relationship. The new machinery and institutions which will need to be established with great care and attention to their capacity for evolution, should not be established on an ad hoc basis and in isolation from other aspects of the overall management of Canada-U.S. relations.

Successful trade talks will inevitably provide considerable impetus for exploring more cooperative arrangements in areas already apparent on the horizon, such as joint water developments, environmental matters—particularly acid rain—and very likely broader scale defense arrangements, an area where there is much fertile ground to explore. As well, it can be predicted that increased trade will give rise to the need for further agreements in such areas as tax treatment, flows of investment, labor and immigration and perhaps even currency fluctuations. There will be an inevitable requirement for more coordination, cooperation and consultation in the development of economic policy and an impetus to establish some mechanism, perhaps a Joint Economic Commission, to make this possible. Several suggestions in this regard have been offered in recent years, notably in a significant article in Foreign Affairs, by Drouin and Malmgren in 1982. [21]

The concept of a Joint Economic Commission has been strongly endorsed by an outstanding former American Ambassador to Canada, Ken Curtis. In a recent book with John Carroll the authors express their conclusion that "because our economic interdependence is so vital to the welfare of both countries, so potentially disruptive to the relationship, and so tied to future opportunities that we believe the uncoordinated ad hoc approach should be replaced." [22] Curtis and Carroll go on to offer several imaginative recommendations for other joint institutions between Canada and the U.S.

Maxwell Cohen, a distinguished Canadian, former co-chairman of the I.J.C. and long time student of Canada-U.S. relations, has also offered some very useful suggestions regarding the new political and administrative machinery and institutions which will be required as a result of successful trade negotiations. Cohen has emphasized the importance of both governments fully appreciating the specific requirements for each of these three stages of negotiation, ratification and implementation, and the on-going administration of a comprehensive trade agreement between Canada and the U.S. He warns that "It may be a serious misjudgment of both the opportunities and the perils ahead . . . . . not to prepare for the effective administration of the process toward economic 'integration', whatever the degree, that now seems inexorably underway." [23]

Twenty years ago Prime Minister Pearson and President Johnson jointly asked two distinguished former ambassadors to each country, Arnold Heeney and Livingston Merchant, to develop the principles which should guide the overall Canada-United States relationship. Their report, Principles for Partnership, [24] was presented in a very low key manner and deserved much more public attention than it ever received. These principles, which essentially recognized the constraints and obligations upon each government in the management of their increasingly interdependent relationship, also reflected the basic national interests and different scale of global responsibilities, of Canada and the U.S. With a few notable exceptions, these principles have been followed in practice by succeeding administrations in both countries.

The day to day management of Canada-U.S. relations has evolved into quite a sophisticated system, presided over by very able officials in the Canadian Department of External Affairs and the U.S. State Department, with the two embassies playing crucial day to day roles. Because of the myriad of interests and issues in the bilateral relationship, many other departments and agencies of both governments are continuously interacting in the process and External and State are constantly engaged in a frantic and frustrating role of coordination and consultation. The fact that this extraordinarily complex and dynamic system works at all is a great tribute to the highly qualified professional officers in the public service of both governments. [25] Quarterly ministerial meetings between the Canadian External Affairs Minister and the American Secretary of State, which have been institutionalized in recent years, provide the necessary high level focus for the bureaucracies and various parliamentary and congressional groups meet regularly. Understandably, the system has a short term focus, the actors—both politicians and officials—come and go, with significant implications for the corporate memory on both sides, and an atmosphere of crisis management, sometimes cleverly downplayed by the officials, is often apparent.

A major weakness in the current system has been the unwillingness of either government to provide the necessary commitment to the further development of semi-autonomous transnational institutions to assist in the overall management process. While this is partially explainable due to the natural human disinclination of the officials, already overwhelmed as they are with the current demands, to give up any power or authority to other institutions, it means that a significant impetus to creative institutional evolution has been absent and the most significant existing institutions have been allowed to become increasingly atrophied.

In the field of defence and security affairs the Permanent Joint Board of Defence, which has existed since the 1940's, has become largely ceremonial and, while it does provide a modest forum for discussions between the Canadian and the American defence establishments, there is a gap in the overall coordination and forward planning of Canada-U.S. defence relations. A very significant degree of integration has already taken place under the North American Aerospace Defence Agreement (NORAD), the defence sharing agreement and many other agreements and understandings. It is generally recognized in the defence establishments of both countries that vitally important requirements and very significant opportunities for further integration require urgent attention.

The International Joint Commission, which has existed since 1909 and which has often been regarded as a model for further cooperation, requires a major infusion of government commitment on both sides of the border. It is revealing and symptomatic of the present underutilization of the I.J.C. that in their report on Acid Rain in January 1986 [26] the two envoys, Mr. Davis and Mr. Lewis, recommend that "Our two governments should establish a bilateral advisory and consultative group on transboundary air pollution." Without commenting on its merit, this recommendation ignores the I.J.C. which could have provided the most natural and logical institution to deal with the acid rain issue. Indeed, some observers [27] have felt for several years now that an appropriate reference to the I.J.C. when the acid rain issue first became evident about a decade ago, might have prevented a good deal of the confusion and lack of a clear and agreed definition of the problem between Canada and the United States which has been so apparent and divisive in recent years. This, of course, has been reflected in the politics of the Davis-Lewis report and their efforts to recommend appropriate joint mechanisms and programmes to effectively deal with the issue.

In the context of the historical background and the comments upon the present scene provided in this paper, when one turns to prescription two general recommendations and one central observation may now be offered.

First, the Canadian Government should consider taking an initiative with the United States to establish a Canada-U.S. joint working group which perhaps, building on the basic principles of the Heeney-Merchant report, should conduct an overall review and assessment of the operation and the management of Canada-U.S. relations today with regard to the basic interests of both governments and orientated to the future, provide some broad recommendations for the institutional framework and machinery which will be required to operate the increasingly complex Canada-U.S. partnership into the next century. This working group should be a 'blue ribbon' body comprised of several outstanding citizens from each country. It should have a small but effective staff and operate in some substantial relationship to Parliament and Congress in order to ensure a significant public dimension to its work. The forthcoming second "Shamrock Summit" between Reagan and Mulroney in mid March could provide an excellent opportunity to launch this initiative.

Second, both the Canadian and American trade negotiating teams, apart from their specific detailed trade negotiations, will need to give the fullest possible consideration to the ratification and implementation process as well as to the development of the specific institutional machinery which will be required to administer the on-going agreement. The two negotiating teams may increasingly come to dominate the overall direction of the Canada-U.S. relationship in both countries over the next few years. The implications of this situation for the overall management of Canada-U.S. relations may require further attention in both countries, otherwise the negotiating teams may find themselves in the position of lacking the necessary overall authority to be effective and continually creating conflicts and tensions with the existing bureaucratic machinery and policy processes in both governments.

I would be redundant here to delineate any further detailed terms of reference for either of these recommendations. Any individual with the termerity to even offer advice in public to such masssive structures as the Canadian and the American Governments on such a fundamental requirement should at least possess sufficient wisdom, if not humility, to go no farther than suggesting general directions for the many participants actually engaged in the process to ponder and massage as they will.

It is abundantly clear that many Canadians have a deep feeling of concern and apprehension about the prospects for Canada's future autonomy vis-a-vis the United States. As the Canadian Government moves into significant trade negotiations with the U.S. this general uneasiness and sense of uncertainty will intensify. The paramount challenge facing Prime Minister Mulroney is not with the trade policy direction which is courageous, inevitable and right, but is rather to provide and inspire Canada with the necessary national sense of purpose and with the confidence and security with regard to maintaining a separate identity and culture in North America, as Canada moves into an even more integrated relationship with the United States.

In an attempt to come to grips with this fundamental reality, several years ago I developed a proposal for a framework document, a Treaty of North America, [28] which was subsequently made public and received considerable attention and support. The concept has not yet found its political champions to move it forward. The general response at the time might be summarized as "Someday maybe—but it is too big and complicated and the time isn't right." Timing, of course, is everything, and the time is now. The current Canadian Government has challenged history with their trade policy; whether with sufficient perspective, wisdom and political courage remains to be determined. For Prime Minister Mulroney himself, already facing some concerns about his basic credibility and who is receiving significant advice and exhortations concerning the need to articulate and manifest a clear sense of national purpose for Canada, the Canada-U.S. issue, as it has for all his predecessors, will present the fundamental test and anguish for his leadership.

The negotiators and the officials will do their work in the great tradition of public servants in both countries. Will the politicians—the architects of the future—do theirs?

Studying the memoirs of Jean Monnet and his critical role in the evolution of Europe, one cannot fail to be impressed with his preoccupation with the need for institutions and structures and then for great patience in allowing the understanding and perception of mutual interests to grow and evolve amongst peoples. Monnet was an optimist but he did not believe in miracles. Rather, he understood that "crucial moments of opportunity must never be lost". Towards the end of his memoirs he writes—

"A very wise man whom I knew in the United States used to say: 'There are two kinds of people—those who want to be someone, and those who want to do something.' I have seen the truth of that saying verified over and over again. The main con-

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cern of many very remarkable people is to cut a figure and play a role. They are useful to society . . . But, in general, it is the other kind of people who get things moving—those who spend their time looking for places and opportunities to influence the course of events. The places are not always the most obvious ones, nor do the opportunities occur when many people expect them . . . Life is full of opportunities to act, but one has to be prepared, by long reflection, to recognize them and exploit them when they occur. Life is made up of nothing but events: what matters is to use them for a given purpose." [29]

History is unforgiving. Those who have not learned its lessons are almost certainly bound at some point to pay the penalty of planning inadequately for the future. While Canada and the U.S. negotiate a new trade agreement often in the most minute detail over the next few years, we should not overlook the importance of seizing this "crucial moment of opportunity" to give consideration to the broader framework and the overall purpose and objectives of the Canada-United States relationship and the development of the institutions to carry them out. We have the opportunity to manage the process where history is inexorably taking us anyway. Only rarely in their evolution to nations have such an opportunity and Canada and the United States should waste no more time in confronting this great challenge.

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KEEP THAT SATELLITE UP

Mr. HATCH. Mr. President, the overwhelming complexity of today's international problems clearly illustrates the urgency to strengthen foreign understanding and support for U.S. policies and actions abroad. We must continue to search for new and better ways to promote foreign awareness and knowledge of American society, culture, and values so that other nations can hopefully better understand our policies and objectives.

Thus, the need for constructive dialog is one such area that holds out great hopes for developinig new ways to help solve social, economic, and political conflicts in the international community. Former United Nations Ambassador Jeane Kirkpatrick once stated:

> I believe that information is quite simply the most important instrument of American foreign policy.

In this regard, the power of television has become a potent tool in shaping world events. The advent of satellite broadcasting has proven to be a valuable new method in presenting and exchanging views on critical and timely international issues. Certainly, American audiences have benefited from this technology. Examples such as coverage of the famine in Africa, the Geneva summit, and the Philippines elections demonstrated that we are not isolated from the world's events but part of them.

Mr. President, the Reagan administration has taken great steps to open doors for foreign journalists and opinion leaders for access to information and important U.S. officials not readily available to them in the past. A dramatic new advance in public diplomacy has been developed within the United States Information Agency and is appropriately known as "Worldnet." Worldnet is an interactive, state-of-the-art television network designed to link Washington via satellite with U.S. Embassies and posts overseas. Millions of viewers in over 50 countries have heard and seen Worldnet broadcasts since its inaugural program.

USIA Director Charles Wick initiated this remarkable system just days after the successful United States rescue mission on the Caribbean Island nation of Grenada. Worldnet used its live satellite television system to link the U.S. Ambassador in New York, two Caribbean Prime Ministers in Barbados, and two Assistant Secretaries of State, with over 40 journalists in eight European countries who were anxious to hear how events unfolded. Because of the impact and immediacy of satellite communication, Worldnet played a significant role to counter some attempts to distort what our objectives were in Grenada.

Mr. President, the Washington Post reported in a March 21, 1986, article about this fascinating new development in U.S. public diplomacy. I encourage my colleagues to review this excellent article, which I ask unanimous consent to have printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

[From the Washington Post, Mar. 31, 1986]

TALK NOT CHEAP AT WICK'S USIA

(By John M. Goshko)

A few days after the Oct. 25, 1983, invasion of Grenada, U.S. Information Agency Director Charles Z. Wick returned from Europe and told Alvin Snyder, head of his

television and film service: "We're getting clobbered in Western Europe. Our best allies are really down on us about Grenada. We've got to do something fast to get our message across."

Eight days later, U.N. Ambassador Jeane J. Kirkpatrick and the leaders of two Caribbean countries that supported the U.S. intervention held a satellite news conference with European journalists in five major West European capitals.

It was a major step in the evolution of a little-noticed aspect of President Reagan's approach to dealing with other countries. Over the past five years, the former actor who built a political reputation as "the great communicator" has transformed the government's lackluster foreign information activities into the largest and most technologically adroit propaganda apparatus in the world.

"We were gambling on an experiment that we'd talked about a lot, but we had no real idea of how it would work," Snyder said of the hastily arranged Kirkpatrick news conference. "After we were only a few minutes into it, though, you could sense we had something. I remember Wick leaning over to me in the control booth and saying, 'Al, we're on a roll. Keep that satellite up.' "

The two-hour, trans-Atlantic exchange resulted in front-page headlines throughout Europe and was widely credited by U.S. diplomats with helping to blunt criticism of the Grenada incursion. It also marked the debut of the globe-girdling satellite television network, WORLDNET.

WORLDNET has become what some USIA officials privately call "the jewel in the crown" of the administration's fascination with the aggressive propaganda techniques that the administration calls "public diplomacy" and that Reagan describes as "telling the message of American democracy to the world." Reaganomics has meant shrinking budgets for most of the federal bureaucracy, but USIA's funds have almost doubled.

When Reagan took office in 1981, the annual USIA budget was slightly less than $458 million. This year the agency's budget is $837 million. The White House, in contrast to its proposed cuts of most other agencies, has asked Congress to boost USIA's fiscal 1987 funding to $959 million.

These hefty increases have stirred concern about whether the administration is using the money to promote its hard-line, anticommunist views or to create a propaganda ministry.

Many of the Wick-era initiatives clearly have had rightist overtones, including Project Truth, a campaign to counter Soviet disinformation; a companion "semantic corruption" drive against communist misuses of such words as "liberation" and "peace"; the production of "Let Poland be Poland," an expensive television attempt to focus attention on the Polish people's plight under the communist crackdown, and pursuit of Reagan's Project Democracy to give financial aid to groups seeking to foster democracy in other countries.

But while these undertakings have attracted a lot of publicity, they are only a small part of what has been happening at USIA under Wick's stewardship.

By far the largest share of the money that the administration has pumped into public diplomacy has gone for technological improvements, bolstering of long-standing programs and experimentation with new ways of communicating ideas.

Most of the funds have gone into a $1.3 billion to $1.8 billion multiyear modernization of the Voice of America to replace antiquated equipment and build new transmission and relay sites. This program is aimed at expanding the VOA's ability to reach areas such as central Russia and to avoid jamming behind the Iron Curtain.

Large sums also have gone to such ventures as the creation of Radio Marti, a separate radio network under VOA direction that beams daily broadcasts to Cuba; increasing by 200,000 a year the number of American books put into foreign circulation; a new system to teach English to foreigners, and an Artistic Ambassadors program that selects a number of talented young American musicians to tour other countries, giving concerts and conducting classes.

But of all these projects, WORLDNET perhaps best illustrates the mix of "global village" technology, glossy packaging and sky's-the-limit thinking that Wick and other savvy media operators have brought to the task of putting the administration into the forefront of international propaganda efforts.

During the past 2½ years, through WORLDNET the U.S. government has been able to reach 30 countries to stage news conferences with such top officials as Secretary of State George P. Shultz and Defense Secretary Caspar W. Weinberger, to show foreign audiences live coverage of a congressional hearing, and to help American scientists and scholars talk with their colleagues in other lands.

When the leaders of several African countries threatened to boycott the 1984 Olympic Games in Los Angeles, some were induced to change their minds after WORLDNET let them exchange views with Peter Ueberroth, organizer of the games, and Tom Bradley, the black mayor of Los Angeles.

Since last April, WORLDNET also has been transmitting two hours of regular programming each weekday to Western Europe, where cable TV systems make it available to more than 3.2 million European households and hotels. Viewers get a half-hour of news and a variety of other fare ranging from cultural programs to Washington sportscaster George Michael's "Sports Machine."

Similar daily programming in Spanish and Portuguese is scheduled to begin this spring to Latin America. And by late this year, USIA says it hopes to begin additional regional WORLDNET services to the Middle East, East Asia and Africa.

"The only problem with WORLD-NET is that it's ahead of its time. The facilities don't yet exist in other countries to make full use of its potential," said Leonard Marks, who headed USIA under President Lyndon B. Johnson in the 1960s. "But it's the wave of the future. It's what all major countries someday will be using to tell their stories, and it's the United States that's showing them the way."

In addition to USIA, the administration's propaganda weapons include the Board for International Broadcasting, which since 1974 has administered the two "surrogate" radio operations established by the Central Intelligence Agency in the early 1950s: Radio Liberty, which broadcasts to the Soviet Union, and Radio Free Europe, aimed at Moscow's East European satellites.

But it is USIA, with its more wide-ranging functions, that is the center of the administration's web of propaganda activities. That has made Wick the most influential USIA director since the late Edward R. Murrow during the Kennedy administration.

Unlike the suave and sophisticated Murrow, Wick—a former lawyer, nursing home owner, band leader, movie producer and real estate investor—has the personal style of a rough-edged, lone-wolf Hollywood deal maker. He begins a newspaper interview by telling the reporter, "I have to say that a lot of the stuff that's been written about me in the press was pretty scurrilous." Then he adds deadpan: "Why, some of it wasn't even true."

His fondness for one-liners has not interferred with his ability to translate his friendship with the first family into funding support once undreamed of in his traditionally cash-starved agency. Moreover, even people who disagree with his politics or dislike him personally concede that Wick understands the art of communication and has a natural instinct for innovation.

House Foreign Affairs Committee Chairman Dante B. Fascell (D-Fla.), who has watched the USIA closely over the years, says: "Despite some overzealous rhetoric and some mistakes in his method of operation, Wick has done an extremely effective job of modernizing the agency. . . . No one has been more innovative and imaginative in waging the war of ideas."

Such praise hasn't been heard too often at an agency that long was scorned by the professional diplomats of the State Department and kept on a tight leash by Congress. Its charter, which stresses that the agency's mission is to inform people in other countries about the United States, has created innumerable internal conflicts over the years about what USIA could or couldn't do in furthering that goal.

"Under the Carter administration, for example, there was a tendency to deny the idea that USIA should advocate anything at all," recalled Stanton H. Burnett, a career officer who now oversees USIA programs as counselor of the agency. "The feeling was that we should function as a semi-news agency and a semi-entertainment agency but that in the realm of ideas we should be no more than a conveyor belt for every stripe of opinion."

Wick, while conceding there has been "something of a pendulum swing" away from that approach, insisted that his guiding principle at USIA "is to tell the world about America in all its diversity. It's simply not true that I came aboard as the chief apostle of a right-wing takeover and the chief subverting agent of a conspiracy to bend USIA and the Voice of America to our philosophy. There may be people who wanted to do that, but Congress had made it very clear that that's against the rules."

But he added, "Telling about America means telling people about America's foreign policy. Right now that policy is set by Ronald Reagan and if we're going to tell the story accurately, we have to make clear what President Reagan believes in and what his policies stand for. There may be people who don't like those policies, but that doesn't lessen our responsibility to explain them with forthright journalistic accuracy."

At the moment, Wick's attention is focused primarily on following up his January trip to Moscow, where he discussed plans for the cultural exchanges agreed to by Reagan and Soviet leader Mikhail Gorbachev at the Geneva summit last November.

The agreements, the only concrete result of the summit, call for reviving a series of U.S.-Soviet exchanges that were suspended after the 1979 Soviet invasion of Afghanistan. Reagan also proposed a new program of people-to-people exchanges financed on the U.S. side by private sector contributions.

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At present, they are the only initiatives showing promise of progress in the drive to improve U.S.-Soviet relations, and USIA has the responsibility for implementing them.

DEATH OF CHIEF JUDGE H. CARL MOULTRIE

Mr. SPECTER. Mr. President, I wish to pay tribute to a truly outstanding jurist, Chief Judge H. Carl Moultrie of the District of Columbia Superior Court, who recently died.

Judge Moultrie set an example of hard work and thoughtful deliberation in carrying out his duties. He maintained a full-bench schedule even after becoming chief judge in 1978. I know that his colleagues will miss his leadership and direction, and his city will miss his tireless devotion to home rule, but both his bench and his city are stronger for his work.

Mr. President, Judge Moultrie was appointed an associate judge of the superior court in 1972. Prior to that he had been a newspaper columnist, a probation officer, a business executive, and then a practicing lawyer for over 15 years. His activity in community service is unparalleled in the District of Columbia. He was active in church, fraternal, neighborhood, social, and criminal justice groups throughout the community and the Nation, was known to almost every citizen of the District of Columbia and has been honored by scores of local and national organizations. He was a past president of the D.C. branch of the NAACP, a board member of the American Lung Association and the D.C. Heart Association, and an active member of literally dozens of community groups.

He was a graduate of Lincoln University (1936) and Lincoln University Theological Seminary (1938). He earned an M.A. from New York University (1952) and a law degree from Georgetown University Law School (1956), numerous postgraduate certificates in the fields of business and law and an honorary doctor of laws from Lincoln University (1979).

Mr. President, I want to extend my sympathy to his widow, Sara, and his son, H. Carl II, as well as Judge Moultrie's two grandchildren, and to thank them for sharing this remarkable man with the community he loved.

STINGER POLICY IMPLICATIONS

Mr. DeCONCINI. Mr. President, I have introduced a bill, S. 2286, which would simply require democratic resistance forces in Angola and Afghanistan to agree to the same security controls for Stinger missiles as we have with friendly NATO allies. Let me emphasize that this should not and cannot be construed as a vote for or against democratic resistance forces but for safeguards and security controls in a world increasingly threatened by terrorism. When Colonel Qadhafi says that he will export terrorism to America and "pursue U.S. citizens in their country and streets," we must protect ourselves.

I would like to bring to the attention of my colleagues two recent articles concerning topics of interest to all Americans. The first article is an editorial that appeared in the April 3, 1986, edition of the Los Angeles Times. It is titled "Stinging Peace Prospects" and is a very thoughtful analysis of the chilling considerations that the Stinger missile has when introduced into a specific region of conflict. This article also discusses the millions of dollars in weapons intended for the democratic resistance that have fallen into the hands of a vast black market.

The second article appeared in the April 16, 1986, edition of the Washington Post. This is titled "Truck Explodes Near AF Base West of Tokyo." It is likely that terrorist groups parked this truck outside the U.S. Air Force base to further export violence and destruction against U.S. targets. The article states that "The truck contained rocket launchers which detonated before launching. The quantity of launchers is presently unknown." What if these had been confiscated Stinger missiles, Mr. President?

Mr. President, I urge all of my colleagues to read these articles, and I ask unanimous consent that they be printed in the Record.

There being no objection, the articles were ordered to be printed in the Record, as follows:

[From the Los Angeles Times, Apr. 3, 1986]

Stinging Peace Prospects

The next step in implementing the Reagan Doctrine apparently will be to place more sophisticated American weapons in the hands of the guerrillas around the world whom the President insists on calling "freedom fighters." That would be a terrible mistake.

Initial reports have suggested that the mujahideen fighting the Soviet invaders in Afghanistan, and Jonas Savimbi's UNITA guerrilla force fighting to overthrow the Marxist government of Angola in Southern Africa, would be the first beneficiaries of the new policy. Then, it is suggested, more such weapons would make their way to the contras seeking to overthrow the Marxist Sandinista regime in Nicaragua.

Among the top-line weapons under consideration for export to these groups is the Stinger surface-to-air missile, an anti-aircraft weapon that can seek out a target five miles away and up to an altitude of 4,500 feet. It would be particularly effective in downing helicopter gunships pursuing the guerrillas.

Advocates of the exports are convinced that the weapons would tilt the balance of war to the guerrillas. Perhaps. But even more certain would be an escalation of the wars. The Soviet Union, which supplies the governments in each of these nations, would have no choice but to send in deadlier weapons. However dim the prospect for negotiated settlements may be in these complex wars, that prospect would be all the dimmer with the introduction of these lethal missiles.

There is another chilling consideration. Especially in Afghanistan and at the bases in Pakistan that supply the guerrillas fighting the Soviet invaders in Afghanistan, there is slack security. Millions of dollars in weapons, intended for the resistance, already have fallen into the hands of a vast black market. Protection of a weapon of the value of a Stinger would be impossible. A great risk would arise that at least some of them would make their way into the hands of international terrorists. The Stinger is, as a recent report in the Christian Science Monitor pointed out, "the ultimate terrorist weapon." They are easily hidden, easily transported, fired by a single person. No civil aircraft in the free world would be safe from them. And it is no comfort to say that it really doesn't matter because the Soviet version of the weapon, the SA-7B, already is widely available.

There has always been a need for caution by Washington in the support that it has given to the resistance in Afghanistan. Afghanistan lies along the Soviet border, and Moscow can always outmatch and outsupply more distant nations. The level of arms there should be appropriate to the maintaining of pressure for a settlement, not to the triggering of a further terrible escalation of that brutal invasion.

Angola is an entirely different matter. Washington tends to forget that the Cuban troops and advisers that are based in Angola are in large measure in response to the guerrilla war that has been mounted against the government. This is not a case of a nation held hostage by an invading force. The only invading force in Angola has been the army of South Africa, arrayed in support of Savimbi's guerrillas. There has been a commitment to a negotiated settlement breached not by Angola but by South Africa. The good faith of the Angolan government has been evident in its commercial ties to the United States that have assured the flow of its petroleum to the free world. Washington only squanders its power and corrupts its commitment to freedom in giving arms and comfort to the Savimbi guerrillas.

Introduction of the Stinger in the war in Nicaragua would risk even more serious consequences. The Sandinista regime in Managua has resisted activating the advanced fighter aircraft offered by its Soviet and Cuban allies, and a tacit weapons-technology lid has been placed on the war until now. But if the most advanced portable anti-aircraft missiles are handed over to the contras, an escalation of unpredictable consequences would be inevitable. The careful efforts of the Contadora nations to produce a permanent peace would be undermined, if not destroyed.

All three insurrections—in Afghanistan, in Angola and in Nicaragua—have in these days a new prospect for peaceful settlement. The impatience of those who somehow think that they can impose their will and their solutions should not be allowed, through the triggering of a new escalation, to shatter that prospect and to deepen the death and devastation of these wars.

[From the Washington Post, Apr. 16, 1986]

Truck Explodes Near AF Base West of Tokyo

TOKYO, April 15.—A truck with a five-tube rocket-launching device exploded in flames tonight near a U.S. Air Force base west of Tokyo, police and base officials said, and the fins of one projectile were found inside the base.

No injuries or damage to the base were reported.

A police official, speaking on condition of anonymity, said the explosion occurred at about 8:40 p.m. about a mile northeast of the base at Yokota, 21 miles from Tokyo.

He said it was not known if any rockets were launched from the truck.

Lt. Jim Reagan, a public affairs officer at Yokota, said security police found the fins of one rocket in an open area inside the base.

He said Japanese police reported that the vehicle, parked in a tea field, contained five rocket-launching tubes that were empty. He said base and Japanese police were investigating.

In Washington, Pentagon officials released a statement saying the truck that exploded had forged license plates. "The truck contained rocket launchers which detonated before launching. The quantity of launchers in the vehicle is presently unknown," the statement said.

No person or group asserted responsibility for the attack. Missile attacks last month were aimed at the U.S. Embassy in Tokyo and other buildings, including the main site of the summit meeting of industrial nations planned for Tokyo in May. Responsibility for those attacks was claimed by leftist radical groups opposed to the summit and to celebrations of the 60th anniversary of Emperor Hirohito's reign.

White House spokesman Larry Speakes said, "It's too early" to connect Libyan leader Col. Muammar Qadhafi with the Yokota attack.

The United States and Libya are in a military confrontation arising from terrorist attacks which Washington says were linked with the Qadhafi government.

MITTS ACROSS THE SEA

Mr. LEVIN. Mr. President, I rise to pay tribute to a sensitive and resourceful editor in my State, and to thousands of other generous Michiganites who recently showed America at its best. These folks reached across thousands of miles and put into the outstretched hands of poor children in a faraway land the prized possessions of their own childhood, so that those youngsters might have the stuff to make a dream come true. With their generous action, these Michiganites demonstrated beautifully how a caring spirit can transcend national divisions and ideological differences.

This spirit was demonstrated in a dusty city of 125,000 in the Dominican Republic named San Pedro de Macoris. The city has achieved considerable attention among sports fans in the United States because it has produced a remarkable—for its size—number of baseball players for the U.S. major leagues, more than a dozen. Last February, a story in the Detroit Free Press noted that those well-paid athletes come home to San Pedro in the off-season, some of them to fine homes they have built with their earnings. The story told how the big leaguers are heroes to the poor kids of San Pedro, and how their homes are symbols of what can be achieved with disciplined skill. So those kids play a lot of baseball, too—with a passion, with a fire to get good enough to become another Pedro Guerrero or Joaquin Andujar or Pedro Gonzalez. But they have little more than passion—no mitts, no real bats, no horsehide balls. They protect their catching hands with cardboard and cans, swing away with tree limbs and table legs at rubber balls bound with rubber bands. It's enough to make even a tough editor in Detroit blink in sympathy.

And, back in Detroit, in February, such an editor did blink, and think. Neal Shine, the managing editor of The Detroit Free Press, thought back to his own childhood, when he and his friends played baseball on the street or in a vacant lot, and dreamed of major-league uniforms and cheering crowds—when money was tight but there were always at least enough gloves to share during a game.

And Neal Shine thought there must still be a lot of those mitts—and those of later decades—tucked away on closet shelves or in basement boxes in homes across Michigan. So he wrote a column in the Free Press that appealed to the owners of the unused gloves to give them up, so today's kids in a poor town 2,000 miles away could make use of them. He told his readers:

> Look at it this way: The old glove never got you a tryout with the Tigers or Browns. Why not give it another chance?

Some of Neal's colleagues were skeptical that there would not be much of a response. Who would part with material so rich with personal memory, they wondered. Well, Michiganites did respond, in numbers and ways which showed that their heartstrings had been touched. Byron Pilbeam of Dundee sent a whole collection of gloves used over the years by him and his six kids—"a box of dreams to be recirculated," he called the parcel. Karl Dalligan of Detroit personally brought to Neal Shine's office a mitt autographed by pitcher "Spittin' Bill" Doak, who started in the majors in 1912. Dalligan had had the heirloom for 40 years or more. Ron Barber of Berkley sent the glove that his son David had used, but not for long: The boy had died at the age of 14, from cancer. Ron Barber wrote:

> I hope some young man from San Pedro will enjoy the mitt as much as (David) did.

Altogether, 1,062 gloves were donated—30 big cartons of them. And a few weeks ago, Neal Shine flew with them to San Pedro de Macoris. He spent hours giving out some of the mitts at sandlots around the city. The remainder were distributed in a ceremony in a local stadium to representatives of San Pedro's 21 baseball leagues, which have a total of 107 teams. Neal Shine told the group that the children of Michigan love baseball and the children of San Pedro love baseball, and that when "people care so much about the same thing, it brings them very close together." In Spanish, the local sports commissioner repeated that for the crowd. Then he told Neal that the people of San Pedro loved the people of Detroit and Michigan.

Mr. President, there's not a lot of love for Americans in many parts of the world. We've sometimes sent troops into other countries in support of unpopular causes and refused to respond sometimes to pleas for help that we should have given. This time, nobody asked us to do anything. But a wise and caring editor saw a need, focused attention on it in his paper and got a response from his readers which showed the generous heart of America to a grateful community abroad.

I'm proud of Neal Shine, of the Free-Press, and of the Michiganites who gave of themselves so that the little ballplayers of San Pedro could be equipped for a better shot at the dream they have had so long in their hearts.

I ask unanimous consent that Neal Shine's column of February 6, 1986, which started the ball rolling, be made part of the Record.

There being no objection, the article was ordered to be printed in the Record, as follows:

Here's a Chance To Use That Old Baseball Glove

(By Neal Shine)

The kid in the middle of the picture was holding up the ball.

It looked like a baseball without its cover, with just the string wrapped tightly around the core.

And I remembered the kind of buzzing sound these uncovered baseballs used to make as they sailed past you on a line trailing two feet of string.

One day last summer, my friend Tom Houston reduced the age-old question of "What's the matter with kids today?" to a very basic notion:

"They don't know what the inside of a baseball looks like."

Well, at least, I thought, the smiling, brown-skinned kid and his pals in the picture know.

San Pedro de Macoris, the Dominican Republic, where the picture was taken, is a long way from the alleys and vacant lots of Detroit, but there's a world-shrinking sameness to the sight of kids playing baseball with a coverless ball.

Actually, Glen Macnow told me, it wasn't a baseball at all.

"It was a woman's nylon stocking sewn into a ball and wound with rubber bands."

It was a story by Macnow, a Free Press sports writer, that accompanied the picture. The story was part of a series on winter baseball in the Dominican Republic that appeared in the sports section this week.

Macnow also wrote that, among the kids in San Pedro de Macoris, baseball is one of the things that dominates their lives. Another is poverty.

He talked about watching 20 shoeless kids play ball on a mud street called *Calle de Restoracion.*

"The ball was this old nylon stocking and the bat was a broken table leg that still had

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nails in it and the bases were paint can lids," he said.

"None of them had gloves. They tied pieces of cardboard on their hands and shaped them so they could catch the ball. One kid used a milk carton that slipped over his hand; another had a coffee can tied to his hand. I heard that some of them use Cracker Jack boxes."

Pedro Gonzalez, an Atlanta Braves coach and former infielder for the Cleveland Indians and the New York Yankees, lives in San Pedro de Macoris.

"American parents want their children to become doctors or lawyers to get rich," he told Macnow. "But here, the way to get rich is to be a baseball player. The parents see Pedro Guerrero's cars or Joaquin Andujar's house and they say, 'That's for my son. That's the way out.'"

So I find myself thinking about all the major league dreams in my old neighborhood.

Regardless of how farfetched those dreams were, they were an important part of growing up. And regardless of how tight the money was in those years, if there wasn't a glove for everybody, there were always enough to share.

So here's my plan. In a box in every basement or tucked away on a closet shelf somewhere is a baseball glove, its days of glory behind it.

Get them down, dust them off and send them to me at the Free Press, 321 W. Lafayette, Detroit, MI 48231. Or bring them down and drop them in the big box in my office.

Glen Macnow will arrange to have them shipped to San Pedro de Macoris and distributed to the kids there.

Last year, 14 men from San Pedro de Macoris, which calls itself the Baseball Capital of the World, played in the American major leagues.

So look at it this way: The old glove never got you a tryout with the Tigers or the Browns.

Why not give it another chance?

IT IS "TIME TO AGREE"

Mr. MATHIAS. Mr. President, the reaction of both Americans and Europeans toward one another since the raid on Libya has been of great concern to many of us. Our alliance with our NATO partners in Western Europe is vital to our security as well as to theirs. There is no reason for the bond to weaken now. Indeed, we should be strengthening our ties rather than loosening them.

But some in the United States argue that many European countries have not cooperated fully with efforts to identify and deport terrorists. And many Europeans counter that NATO is set up for the purpose of defending the Atlantic community against Soviet aggression, not to conduct activities "out of area."

The time has obviously come for all of us to sit down and iron out our differences and reaffirm our close friendship. In an excellent article in the New York Times of April 20, 1986, Flora Lewis outlines the problem and warns of the consequences if the allies fail to resolve their differences.

I ask unanimous consent that "Time to Agree," the column by Flora Lewis, be inserted in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

TIME TO AGREE

(By Flora Lewis)

MILAN, ITALY.—Sitting in the T.W.A. lounge at Kennedy Airport waiting for the overnight flight to Italy induced a dull fatalism. Passengers watched the news in silence while Dan Rather told about the warnings, the fears, the precautions being taken by the U.S. Government.

When the newscast was over, one young woman blurted out, "If my livelihood didn't depend on it, I wouldn't take this trip." Later another said with a nervous giggle: "There's always been terrorism in Italy, hasn't there? We'll keep a low profile, not let on that we're Americans."

The night before, skimming the intensity of American reaction, television had shown a schoolchild grinning, no doubt because of the camera trained on him, and asking, "Are we going to have a nuclear war now because Russia is a part of Libya?" And then it showed a parent, an earnest, heavy-set woman with short brown hair, saying gravely, "The kids are worried, really worried that there's going to be a war."

Then there was a psychiatrist in a white smock, identified as a stress expert, explaining that people with high blood pressure, or ulcers, or bad backs, were likely to feel a lot worse in this period because they'd be tightening up under the tension and that would aggravate their maladies.

I wondered what we were doing to ourselves. One day Americans were puffed-up supermen, proudly telling each other that nobody can push them around. The next day people were quivering, not at terrorism but in self-induced terror, to a degree no Libyan leader could possibly achieve.

The flight was uneventful and the arrival tiring but routine. The conference here is about East-West relations, attended mostly by Europeans from both sides but also a number of prominent Americans and a couple of Soviet officials. The atmosphere is cordial, as usual, but there is an undercurrent of serious disturbance among the Westerners.

Italian Labor Minister Gianni de Michelis noted unhappily that thousands of students were demonstrating against the U.S. in the middle of Milan, the first big anti-American demonstration since the period of the Vietnam War. "We're all against terrorism, certainly in Italy," he said, "but bombing that kills women and children . . ."

Another Italian said that may be the expression of youth, but older people were getting fed up and were wondering why this country, which finally took very stern measures to defeat its own decade of terrorism, hadn't been readier to cooperate in isolating Libya. A senior German expert on international affairs said he was personally embarrassed at the allied refusal to show more solidarity with the United States.

There was clearly concern that the depth of angry feeling on both sides would do serious damage to the alliance, far beyond what Moscow, let alone Tripoli, could possibly have provoked. That is the real issue now, much more important to the future of all in the West than the random, occasional incidents of terrorism. It is harder to dramatize, but it is a far greater danger.

The recriminations and the analysis of who should have done what at which step have to be set aside. The spilt milk must be cleaned up. The urgent need now is for clear, public show of allied solidarity so that the peoples of the West and the opposing regimes can see that the dispute has been a limited one about methods, not about purpose and determination.

The deadline for action is probably the Tokyo summit in a fortnight. Otherwise, the wounds will fester and take a long time to heal. It shouldn't really be so difficult for the major Western states to agree on some political and economic sanctions against Libya to show they can and do take a common stand.

If the measures go further than Europeans might really wish and not quite so far as Washington would like, that won't matter. That is the meaning of friendship and accommodation. The point is to show that there really is basic agreement.

The immediate problem is weak governments in Europe. France, is virtually paralyzed by its internal politics, and Germany's Chancellor Helmut Kohl, normally indecisive, is in added personal trouble. The French-German axis which underpins the European Community probably isn't up to an initiative. Britain's Margaret Thatcher is out on a shaky limb. Italy and Spain are talking about taking a lead together, but they're afraid of seeming inconsequential.

Leaders must stop dithering. The passions they have stirred can fracture the bulwark of the West on which they all rely.

SOUTH AFRICA AND ETHIOPIA

Mr. HECHT. Mr. President, the Monday, April 7, 1986 edition of the Las Vegas Review-Journal contained one of the most interesting and thought-provoking editorials on the situation in South Africa and Ethiopia. This excellent editorial was written by Mr. Rafael Tammariello and I ask unanimous consent that it be included in the RECORD.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

[From the Las Vegas Review, Apr. 7, 1986]

SOUTH AFRICA'S BAD BUT ETHIOPIA'S WORSE

Officials at the University of California at Berkeley last week were calling it the most violent confrontation since protests against the Vietnam War erupted on campus in the 1960s and 70s.

Bottle- and rock-throwing students clashed with police over the issue of the university's estimated $2.4 billion in investments with firms that do business in racially segregated South Africa. The protesters demand the university dump these investments. More than two dozen people were injured during the fray, and 91 were arrested, two for possession of Molotov cocktails.

The Berkeley protest was one many staged in the United States to protest South African apartheid. Entertainers, priests, politicians and even former president Jimmy Carter's progeny, Amy, have arranged their own arrests for acts of civil disobedience related to South Africa.

Black South African Bishop Desmond Tutu has been ubiquitous—appearing on American television, making headlines, giving lectures. Tutu denounces the white South African government in the harshest

terms, calling it genocidal, and advocating black majority rule.

Meanwhile, black South Africans step up their own protests against apartheid. Black protesters and South African people clash, and people die regularly. The U.S. press continues to focus intense attention on South Africa. South Africa preoccupies many liberals in Congress.

The protesters, Tutu and the congressional left are correct in condemning the South African regime. Apartheid is a hateful institution. The elimination of the nation's racist infrastructure is the only acceptable, just, long-term solution for South Africa.

However, there is something deeply disturbing about the anti-apartheid protests. What is disturbing is the tunnel vision exhibited by the activists in this country—a willful myopia.

The middle-class white kids who are the vanguard of the anti-South African movement in this country find the oppression of blacks by the South African government unacceptable. They like—as does Tutu—to characterize the South African government as the most oppressive, most despicable on earth, certainly in Africa. Police and demonstrators clash in Cape Town. Several demonstrators are killed. "Genocide!" cry the Tutus and the American students.

Why is it that the American students are so concerned about blacks in South Africa but exhibit strict indifference to the plight of blacks elsewhere in Africa—blacks whose governments are murdering them wholesale, starving them to death, destroying their homes and multilating their families?

If the students want a real, clear-cut example of premeditated genocide, they ought to take a gander at Ethiopia. Lt. Col. Mengistu Haile Mariam, communist leader of Ethiopia, has engineered the slaughter of tens of thousands of Ethiopian peasants in his grand scheme to collectivize the country's agricultural economy and move 1.5 million people from the famine stricken northern reaches of the country to uninhabited areas in the southwest.

Theoretically, the plan is aimed at boosting agricultural production, although many suspect the real reason is to move people away from areas where they provide a base of support for anti-government guerrillas.

The resettlement plan is characterized by gross brutality and criminal inefficiency. The peasants' homes and property are being confiscated and the people herded—on foot and in over-crowded trucks—to the new villages in the southwest. According to thousands of Ethiopian refugees who have fled the tyranny and to the few independent observers who have managed to make their way to the new villages, people are dying in droves. Those who are not murdered en route by their communist overseers face an often-brief life of misery in the new villages. Typhoid and other diseases are rampant. Despite massive Western relief efforts—including millions of dollars raised through rock concerts—famine beshadows the land. The new settlers can look forward to 12 hours a day, 6½ days a week of forced labor in the fields. Families are torn asunder. The lowest estimates of death rates in the villages is 33 per thousand per day. Refugees from one village told refugee workers in the Sudan that, in 75 days time, 1,500 of the village's 7,000 residents died—worked to death, starved or smitten by disease.

Even the lowest estimates indicate that the relocation and attendant brutality by government troops killed 100,000 Ethiopians in the first six months of 1985.

A French physician—who, along with his colleagues, was thrown out of Ethiopia after criticizing government policies—compares Ethiopia to Nazi Germany in 1938 or Pol Pot's Cambodia in 1977.

True, South African apartheid is abhorrent. But the abuses of the South African regime pale in comparison to the genocide in Ethiopia. Yet the western press does not file daily dispatches depicting the horrors of Mengistu's Ethiopia, and college kids don't set up shanty towns to protest the Ethiopian slaughter.

Why is it that the middle class white kids at Berkeley and on college campuses across the U.S. get so outraged about the treatment of black people they don't know in South Africa and yet give not a hoot about black people they don't know in Ethiopia?

The answer, of course, is that the anti-South Africa movement is political and left-oriented, and tyrant regimes of the left are unfortunately immune from criticism by those who choose not to acknowledge their existence.

FARM CREDIT ASSISTANCE ACT OF 1986

Mr. ABDNOR. Mr. President, I am pleased to join my distinguished colleagues, Senators BOREN, BOSCHWITZ, and NICKLES in introducing the Farm Credit Assistance Act of 1986, S. 2332.

Mr. President, this legislation is a package bill which incorporates the concepts in other farm credit bills previously introduced in the Senate. It's a broad-based and comprehensive approach to dealing with the many financial problems being encountered by both lenders and borrowers in the farm sector. Mr. President, I believe this bill, if adopted, would make important improvements in S. 2231, the Agricultural and Energy Bank Incentive Act recently reported by the Senate Banking Committee.

Mr. President, I commend the distinguished chairman of the Banking Committee, Mr. GARN, and his colleagues for their prompt action in reporting legislation targeted toward assisting troubled agricultural and energy banks. While I have consistently supported their efforts and am pleased to be a cosponsor of their legislation, I'm hopeful the chairman will be receptive to our proposed amendment to his bill.

Although I believe the committee bill addresses the issue of stabilizing bank capital, in my opinion, it didn't go far enough toward an equally important objective—that of stabilizing agricultural debt. The Farm Credit Assistance Act deals directly with that objective, thereby bringing the borrower to the bargaining table.

Any complete assistance package must be two pronged. It must be a marriage of both borrower and lender interests. S. 2232 effectively deals with one party to this marriage—the lender. The Farm Credit Assistance Act focuses on the other party—the borrower.

Mr. President, the viability of any lending institution is based on the ability of its borrowers to cash-flow on their debt—not on the institution's ability to dispose of assets after foreclosure. For that reason, I believe it imperative that any farm credit proposal be borrower oriented and borrower driven. I stressed that fact just recently when testifying before the Senate Banking Committee upon their consideration of this issue.

Mr. President, the bank capital difficulties facing agricultural lenders are merely symptoms of a more fundamental problem with the lender's asset base. That problem stems from the income generating capacity of the assets. Low commodity prices and high interest rates have severely cripped the ability of ag borrowers to generate an income stream sufficient to stay current on their loans. Low commodity prices reduce revenues, and high interest rates drive up fixed costs. The ripple effect of reduced earnings for the borrower is that the ag lender, whose asset base is composed largely of farm loans, not only fails to generate income through the loan but must classify that loan, depleting his capital position.

Mr. President, for many banks in my State, diversification is not an option. The asset base which generates South Dakota's GNP is highly concentrated. Without a diversified asset base, and in many cases, without ready access to the capital markets, farm banks in South Dakota have no alternative but to grit their teeth and hope that next year will be better. I hope next year will be better too, but in the meantime, I feel it is incumbent upon Congress to act toward easing the stress for lenders and borrowers in the real Central America, and that's this Nation's Farm Belt.

Mr. President, the Food and Security Improvements Act of 1985 addresses the revenue side of the farm income problem in its efforts to shore up farm commodity prices. My hope is that this body will pass legislation which brings meaningful relief to the cost side of the income problem—high interest rates.

While S. 2232 encourages banks to restructure by adjusting the accounting treatment of such loans and by lowering capital requirements over a 7-year time period, the real issue on the cost side is interest rates. In my estimation, the interest rate buydown provision of the Farm Credit Assistance Act is an essential ingredient in meaningfully restructuring farm debt.

Moreover, the Farm Credit Assistance Act of 1986 addresses inequities which currently exist in the treatment of Farm Credit System and Farmers Home Administration borrowers. The concept behind remedying these inequities is simple. If it costs less for

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either the Farm Credit System or the Farmers Home Administration to restructure the current borrower's debt than it does to foreclose, the lender is required to restructure the debt. This benefits not only PCA, Federal land bank, and Farmers Home Administration borrowers, but also Farm Credit System bondholders, and ultimately the American taxpayer.

Mr. President, I look forward to working with this body in enacting legislation which will ease the stress not only for troubled lenders, but also for debt-strapped borrowers of farm credit. The farm credit crunch is coming to a head, and without immediate assistance, tens of thousands of overextended farmers are likely to be swept off the land, the greatest exodus since the Dust Bowl days of the 1930's.

The need for action is clearer than ever. Farm banks have accounted for over 50 percent of the bank failures in the last 14 months, a glaring example of the need for Congress, the regulators, and lenders and borrowers alike to work together to secure a stable future for both lenders and borrowers of agricultural credit.

Still, only by getting to the guts of the credit crunch can we stem the tide. Mr. President, as I see it, the guts of this problem is the borrower who needs to cash flow on his debt. For that reason, any meaningful credit solution must have a borrower orientation, an orientation clearly evident in the Farm Credit Assistance Act of 1986.

COAL HAULAGE RATES

Mr. JOHNSTON. Mr. President, I want to address an issue of grave importance to this country's electric consumers and to those of us who are concerned about our country's trade imbalance: The coal haulage rates of our Nation's railroads. These ever-increasing rates are resulting in unnecessarily high electric utility bills for our constituents and contributing to our relentless foreign trade deficits.

In 1979, when the Senate considered the Staggers Rail Act, I was concerned about any deregulation of the railroads without providing viable competition for the haulage of commodities that are "captive" to the railroads. Thus, I cosponsored Senator Bumpers' amendment that would have granted Federal eminent domain authority for interstate coal pipelines. Unfortunately, our proposed amendment was ruled nongermane. I supported, however, the "captive shipper" amendment by my colleague, Senator Long. Many of us believed this amendment would provide effective protection for captive shippers, such as many of our Nation's electric utilities. I began immediately to work for the enactment of coal pipeline legislation, which I have again introduced this Congress as S. 994, "The Coal Distribution and Utilization Act of 1985."

Mr. President, the actions of both the railroads and of the ICC during the last 6 years have confirmed my worst fears during consideration of the Staggers Act. These same vents have made clear our Nation's need for the coal haulage competition that will be provided by coal pipelines.

Testimony at Senator Warner's coal export hearings over the years has indicated that our European and Pacific rim customers are extremely concerned about the effects of the Staggers Rail Act upon the price of U.S. coal. For years, the export market was the bright spot for American coal. But unfortunately, our hopes have failed to materialize. In fact, since 1981, the United States has lost 10 percent of its world market share. This is an estimated loss of $3.9 billion in business and 18,000 jobs in mining and transportation.

There are several reasons for this decline in coal export market share, but foremost among them are our excessive transportation costs. Our coal companies in most instances are competitive at the mine mouth, but our inland transportation costs are threatening to run us out of the market.

Mr. President, the consistent message received from foreign coal buyers is that they want to buy American coal. Due to the high quality of our coal, our reliability, and their interest in maintaining good relations with the United States, foreign countries are willing to pay a premium for American coal. But the transportation costs are pricing America out of the market, setting us above the premium price they are willing to pay.

It is perfectly true that we, as a Nation, have hindered the development and utilization of America's vast coal reserves by protecting the railroads' near monopoly on coal haulage from any degree of competition. This protectionism of the railroad industry has not been healthy for the railroads or the country. It has led to foreign coal imports, huge trade imbalances, high utility rates, and a deteriorating coal export market.

For example, Florida utilities have found it cheaper to import coal from Colombia, South America, rather than to bring it by rail from Appalachia. And they are doing it. Virginia Power recently purchased 30,000 tons of colombian coal for a test burn. A spokesman for the utility said that the delivered price of the Colombian coal was less than the price of coal coming via rail from Virginia Power's traditional suppliers in West Virginia, western Virginia, and eastern Kentucky. The utility spokesman was quoted as saying, "It is incredible when you consider it may cost less to move coal from Colombia to our power stations than to move it from the western part of the State." Most recently, the Jacksonville Electric Authority in Florida signed a long-term contract with Colombia to supply 800,000 tons of coal a year for 12 years to its utility.

Even more remarkable, it was cheaper for New England Electric to bring a coal shipment from British Colombia all the way down and through the Panama Canal, through the Caribbean and up the Atlantic Coast, than to ship it by rail from Appalachia.

This is absurd, but we have permitted such absurdities by not allowing the forces of free market competition to operate. We have failed to permit coal slurry pipelines the same Federal right of eminent domain as has been granted to oil pipelines, gas pipelines, railroads, and certain electric transmission lines.

Recently, the New York Times published a thought-provoking editorial on the need to "protect shippers from being gouged by rail monopolies." The Times suggested "the long-term goal of reform should be to keep easing off regulation by making the shipping industry ever more competitive." The first step toward that end, states the New York Times, is that:

> Congress should authorize construction of pipelines to carry mixtures of pulverized coal and water from mines to power plants. Such coal slurry pipelines have been blocked at state level by railroad lobbying. If Congress pre-empts authority over pipelines, the mere threat of their construction would discourage rail overcharges.

I am inserting in the Record the entire New York Times editorial of December 23, 1985. I urge my colleagues to take a moment to read the editorial.

Clearly, we must take action now. Only through competition and reduced coal haulage rates can we hope to put coal miners back to work, create jobs for thousands of unemployed workers in the construction and related fields, reduce utility bills and increase U.S. coal exports.

I ask unanimous consent that the New York Times editorial be printed in the Record.

There being no objection, the editorial was ordered to be printed in the Record, as follows:

[From the New York Times, Dec. 23, 1985]

Next Steps in Rail Deregulation

When Congress relaxed price controls for freight railroads in 1980, it sought an artful balance. It wanted to give railroads incentives to rebuild their collapsing systems. But it wanted also to protect shippers from being gouged by rail monopolies. Some of these shippers now complain that the balance has tilted in favor of railroads, and they make a good case. If deregulation is to work for everyone, the reforms of 1980 need fine tuning.

Most cargo shipping is vigorously competitive. In setting prices, truckers and airlines must keep a close eye on the competition. Railroads, too, are held in check for some products in some regions. If they try to

overcharge the large manufacturers of high-value products like machinery or auto parts, they risk losing the business to another railroad or an enterprising trucker.

But railroads exert great market power in carrying bulk commodities on underserved routes. So Congress put some limits on the railroads' freedom to set their own rates. Where a shipper can show that a rail company dominates a transportation market, the Interstate Commerce Commission is empowered to intervene. And if the commission finds a railroad's total revenues to be adequate and its prices unreasonable, the shipper can be granted rate relief.

By and large, this partial deregulation has worked well. Railroads are posting good profits. More important, they are investing billions to modernize their systems. And many shippers are getting better service for the same old rates. But some shippers, notably power companies buying coal from Western Mines, have been seriously overcharged. And the I.C. has so far denied them relief. The commission, it appears, clings to the outdated rationale that the railroads need every last penny to stay in business.

A coalition of commodity shippers, electric utilities, labor unions and consumer groups urges legislation, to reduce the I.C.C.'s discretion, forcing it to come down-harder on strong railroads. Things may have to come to that if the commission refuses to tighten its guidelines for rate relief. But the dreary history of price regulation makes very clear that prices set by regulators can never by entirely fair or efficient.

The long-term goal of reform should be to keep easing off regulation by making the shipping industry ever more competitive. At least three steps could be taken toward that end:

Congress should authorize construction of pipelines to carry mixtures of pulverized coal and water from mines to power plants. Such coal slurry pipelines have been blocked at state level by railroad lobbying. If Congress pre-empts authority over pipelines, the mere threat of their construction would discourage rail overcharges.

The I.C.C. or Congress, if necessary, should halt rail mergers that reduce the number of carriers serving shippers of bulk commodities.

Congress should explore ways to stimulate more competition among existing rail systems. For example, it might require rail companies to lease their tracks and terminals to competitors at reasonable rates.

The first goal of rail deregulation—a more productive, financially stable system—has been achieved. The next goal should be ensuring that railroads share the benefits with consumers.

DEAN OF WISCONSIN TV EDITORIALISTS TO RETIRE

Mr. KASTEN. Mr. President, at the end of this month, in just a few short days, my hometown of Milwaukee, WI, will bid farewell to a man who for almost a quarter of a century has echoed the public conscience.

Carl Zimmermann, the sometimes brash, sometimes alarming, sometimes funny, but always thought-provoking and responsible editorialist for WITI-TV in Milwaukee, is retiring.

His relinquishing of nightly on-screen duties marks a passage, not only for him but for those of us for whom he was a source of commentary about events unfolding in Milwaukee, WI, the Nation, and the world.

Carl Zimmermann is the undisputed dean of Wisconsin broadcast editorialists, having introduced that style of journalistic expression to Wisconsin television viewers in 1962.

Over the past 24 years no subject or event was spared his razor-fine analysis. Listing the topics that sparked his editorial fire would be like outlining recent history.

Education, the State budget, the Federal deficit, war, environmental protection of the Great Lakes, community building projects, the growth of new businesses and job creation, successes and failures in professional sports, successes and failures in local, State, and national politics—he poured his insight and wit over these topics and much, much more, making otherwise complex subjects understandable to shop owners in Brookfield, farmers in Waterford, and longshoremen in Racine.

But, Mr. President, Carl Zimmermann's distinguished voice and commanding demeanor affected far more than television audiences.

A native Milwaukeean, he has throughout his career shared his energy, his industry, and his heart with the community. A firm believer in community service, Mr. Zimmermann has served on such varied organizations as the Governor's Council on the Developmentally Disabled, on the boards of the Salvation Army, United Way, NAACP, Milwaukee Symphony, and Wisconsin Coalition for the Arts and Human Needs, and numerous other service societies.

Mr. Zimmermann has been recognized for his service, and for his journalistic talent, with many local, State, and national awards. To mention just a few, he has won the President's Award from the Association for Children with Learning Disabilities, the Alfred P. Sloan Award for Creative Writing, the Signam Delta Chi Award for Excellence in Journalism, the Milwaukee Civic Alliance Distinguished Service Award, the Exemplory Award for Chairmanship of Milwaukee County's International Year of Disabled Persons, and the Citizen of the Year Award from UNICO.

Carl Zimmermann has been my friend for years. Although I have not had the opportunity to regularly watch his nightly news editorials for some years now, my feelings of respect and admiration are undiminished.

I will miss the Voice of Channel 6 news, as will the countless Wisconsinites for whom he was a regular and welcome evening visitor. We all wish him well in his future endeavors.

Mr. President, I ask unanimous consent that a copy of a recent Milwaukee Journal article announcing Mr. Zimmermann's retirement be printed in the Record as a tribute to his conscientious service as a member of the fourth estate and to his far-reaching and exemplary influence in Wisconsin.

There being no objection, the article was ordered to be printed in the Record, as follows:

Zimmermann Will Retire at WITI

(By Mike Drew)

On April 30, Carl Zimmermann will end 24 years of patting backs and kicking butts as editorialist for WITI-TV (Channel 6).

That also will put at least a semicolon on half a century in Milwaukee broadcasting. Zimmermann's is probably the longest on-air career in local history.

Zimmermann started in radio in 1936 as a South Division High School sophomore. Since then, he's worked in various announcing, newscasting and management positions at WEMP, the old WFOX, Racine's former WRAC and WISN radio and TV.

In World War II he assisted network correspondents in Europe, including Edward R. Murrow and Eric Sevareid, and was heard regularly on NBC's weekly "Army Hour."

Recalled by the Army Reserve in the Korean War, Zimmermann produced, wrote and narrated the syndicated "Big Picture" TV series.

At WITI since 1959, he's been anchor, reporter, news director and director of communications. Since September, he's continued to write and deliver editorials on a part-time basis.

Station manager Andrew J. Potos, who handles editorials when Zimmermann is away, will add their delivery to his other duties.

Zimmermann plans to continue in broadcasting, doing free-lance announcing, including some commercials.

He'll also do considerable traveling with Doree, his wife of 43 years. The Zimmermanns have five children, ages 19 to 40, and four grandchildren. Zimmermann won't reveal his age.

The dean of Milwaukee broadcasters also will continue his wide-ranging volunteer work, including duties at the St. Francis Children's Center, where he's on the board of directors. His retirement dinner May 8 at the Pfister Hotel will benefit the center.

Among Zimmermann's national honors are an Alfred P. Sloan writing award and the Abe Lincoln award of the Southern Baptist Church. Last year he won the annual Excellence in Journalism Award from the Milwaukee Chapter of the Society of Professional Journalists, Sigma Delta Chi.

Zimmermann said, "This business has been very good to me. I've thoroughly enjoyed working with all kinds of people, presidents to average folks."

His proudest moment, he said, was, "beating Channel 4 in the ratings for the first time."

AMERICAN LATVIAN ASSOCIATION'S 35TH ANNUAL CONGRESS

Mr. ZORINSKY. Mr. President, in a few days, leaders of Latvian American organizations throughout the country, including some from my own State of Nebraska, will gather in Washington for the annual Congress of the Ameri-

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can Latvian Association. The meeting marks the 35th anniversary of the association's founding by those dedicated to restoring self-determination to Soviet-occupied Latvia and to teaching the Latvian language and culture.

Among the association's achievements over the years have been establishment of the Latvian Studies Center at Western Michigan University and creation of the Latvian Museum at association headquarters in Rockville, MD. The Latvian Studies Center houses the largest Latvian-language library in the United States and the association is the second largest publisher of Latvian-language books in this country.

The ALA also publishes the English-language Latvian News Digest and cofounded the Joint Baltic American National Committee to serve as a liaison between Baltic-American organizations and the United States Government.

Mr. President, the ALA today includes more than 200 secular and religious organizations. Its steady growth over more than three decades exemplifies Latvian American unity and the strong desire of Latvian Americans to see Latvia someday take its rightful place among the free nations of the world. As association leaders gather for their annual congress May 2-4, I know my colleagues join me in sending them a warm message of greeting and congratulations. Their commitment is strong and their love of freedom supreme. They are a credit to Latvian people everywhere.

THE PLIGHT OF SOVIET JEWRY

Mr. TRIBLE. Mr. President, I rise today to underscore my concern about the Soviet Union's continuing attack on the Jewish people.

For decades, the gulag has been a way of life for Soviet Jews. Countless Jews have been imprisoned on trumped up charges. In fact, their only offense has been to defy Soviet prohibitions on the practice and teaching of religious faith. And yet, they are imprisoned today in jails and psychiatric hospitals throughout the Soviet Union.

For those Jews who have escaped imprisonment, the Soviet gulag remains a constant threat. With each candle he lights, the Jew in the Soviet Union increases the risk that he will be harassed by Soviet authorities. With each celebration of Passover, the Soviet Jew raises the chances that he will be the next Jew to be locked away in a Soviet prison or labor camp.

For many years, for example, Vladimir Brodsky served with the unofficial Moscow peace group. His requests for exit visas for himself and his family have been repeatedly turned down. In August 1984, he was arrested for "hooliganism," a catchall offense used by the Soviets to punish religious and political dissidents. Brodsky served a 15-day jail term, and was beaten so badly that he had to be hospitalized. Today, he faces the prospect of 3 years hard labor in a Soviet prison camp.

Mr. President, this is not an isolated incident. Every Jew in the Soviet Union is at risk of imprisonment and brutal beatings by Soviet officials. Despite being signatories to numerous international human rights agreements, the Soviets have made clear they will tolerate no religious expression.

But neither will they grant permission to the many Jews who want to leave the Soviet Union. Last year, barely more than 1,000 Jews were permitted to leave the U.S.S.R. More than 400,000 still await permission to emigrate. What does it say about a country that has to keep nearly one-half million Jews walled within its borders?

The unrelenting persecution of Soviet Jews must remain a priority for the West. The efforts by the United States remain the last, best hope for those Jews imprisoned in the gulags of the Soviet Union. I am pleased to take part in the call to conscience, and I urge my colleagues to do the same.

NATIONAL ORGAN DONOR AND TISSUE AWARENESS WEEK

Mr. ANDREWS. Mr. President, this is National Organ Donor and Tissue Awareness Week and, as such, we not only enourage the donation of organs, but we also honor those who have given of themselves so that others might share in the most precious gift of all: life. There is a Chinese proverb that goes "it is better to light a candle than to curse the darkness." There are thousands of giving Americans who have done just that—opened the door of life for another in the face of their own death. This is the true spirit of giving.

Through the miraculous advances of modern medicine and the development of immunosuppressant drugs, organ transplants have now become a reliable and viable option in many cases—giving hope where none existed 25 years ago. In 1984, 24,000 citizens received their sight from cornea transplants and the like; 346 Americans were saved from heart disease with transplants; 6,968 people were also freed from dialysis machines via kidney transplants.

Those nearly 7,000 individuals who received a second chance for life through their new kidneys have a great deal to be thankful for, as many of these operations were done with one organ being removed from a living donor, who is healthy, and has need of only one kidney. However, this is only a beginning. The National Kidney Foundation estimates that there are currently 25,000 Americans who would benefit from transplant—8,500 of them are in critical need of surgery.

With new technologies and the resulting dramatic increase in survivability rates, the number of hospitals and clinics performing such operations has expanded as well. These increases all reflect a growing demand for organ and tissue donations. That is why I cosponsored legislation, approved during the 98th Congress, to set up a task force to evaluate possible avenues to alleviate the great need for donations and particularly to evaluate the need for a national organ donor registry. As an organ donor myself, I know that while we have achieved some success in providing more and more opportunities for those in need—much more remains to be done.

Millions of Americans possess the ability to give life. I only hope that this week will let more of them know just how much they can help. There is another old sayings, "When God closes one door, another one is always opened for us." This is the hope and the challenge of National Organ Donor and Tissue Awareness Week.

UNDER SECRETARY GENERAL BRIAN URQUHART

Mr. MOYNIHAN. Mr. President, the recent retirement of Mr. Brian Urquhart from the United Nations calls to mind the good that body can accomplish under brave and enlightened leadership.

Mr. Urquhart has been both a warrior and a man of peace. Joining the British Army the day after war was declared in 1939, he broke every bone in his body during a 1,200-foot paratroop training jump when his parachute failed to open. Nevertheless, after 7 months of hospitalization, he went overseas and served with distinction as an intelligence officer in North Africa, Sicily and Europe, beginning with the D-Day invasion.

At the end of the war, Mr. Urquhart became the second person ever to be hired by the United Nations. During his 41 years of service to that organization, he took on great responsibilities, including that of being the Deputy Executive Secretary of the Preparatory Commission of the International Atomic Energy Commission.

But he made his greatest contribution to peacekeeping. When the United Nations set up its first peacekeeping force during the 1956 Suez crisis, Brian Urquhart helped establish that force's operating principles, and managed the practical tasks involved in obtaining and equipping the necessary troops. He even designed the blue helmets that have since come to symbolize U.N. peacekeeping efforts.

After Suez, Mr. Urquhart continued to help direct such actions in the

Congo, the Middle East, Cyprus and elsewhere. Many of these operations subjected him to personal risks; during the Congo action, he was kidnaped and savagely beaten by secessionist soldiers. Yet his commitment to peacekeeping endured. Thanks to the operations he led, a great deal of bloodshed was averted. As he rose to the position of Under Secretary General, he epitomized the professionalism and sense of responsibility so important to the United Nations Secretariat.

Of course, not every U.N. official has matched the standard set by Mr. Urquhart. Nor has every resolution adopted by the General Assembly done credit to the organization's founding principles. But this must not blind us to the good that he and others have accomplished, or drive us to abandon our efforts at reorienting and reforming the United Nations. We should do whatever we can to help bring about such change, rather than taking hasty, unilateral steps which would further diminish our influence in that body. We should be reminded every time we see a blue helmet of what the United Nations—when led by men such as Brian Urquhart—can accomplish.

ORDER OF PROCEDURE

Mr. DANFORTH. Mr. President, on March 19, 1986, I introduced S. 2207, the "Tax Carryover Limitation Act of 1986." It has just come to my attention that a page of my statement accompanying the bill was inadvertently omitted from the Record. Accordingly, I ask unanimous consent that the entire text of my statement be printed in today's Record.

The PRESIDING OFFICER. Without objection, it is so ordered.

S. 2207—TAX CARRYOVER LIMITATIONS ACT OF 1986

Mr. DANFORTH. Mr. President, Senator Chafee and I are pleased to be introducing legislation to address a problem in the Internal Revenue Code that Congress has grappled with since 1976. Specifically, I am referring to code sections 382 and 383 which limit the use of a corporation's net operating loss and other carryovers following a substantial change in the stock ownership of the corporation.

The need to revise section 382 to curb abuses and eliminate discontinuities and uncertainties under current law has been apparent for many years. It is the solution that has eluded us. In the last few years, however, a growing consensus has emerged on an approach to the carry over of net operating losses. This approach first surfaced in a 1982 study by the American Law Institute entitled Federal Income Tax Project: Subchapter C. Subsequently, a task force composed of tax practitioners, academicians, and professional staff from the Joint Committee on Taxation and the Department of the Treasury joined together with the staff of the Senate Finance Committee to prepare a report on proposals to revise the taxation of corporations and shareholders. Last year, the staff of the Senate Finance Committee released its final report of subchapter C, including specific suggestions for the revision of sections 382 and 383 based on substantial refinements and modifications to the American Law Institute's 1982 study.

The bill I am introducing draws heavily from the Senate Finance Committee's subchapter C report for new principles and guidelines to govern the carryover of net operating losses. I note that the tax reform bill recently passed by the House of Representatives also adopts the general principles proposed in the subchapter C report for dealing with such operating losses. In addition, the tax reform proposals just releasd by Senator Packwood include revisions to sections 382 and 383 that are substantially the same as those embodied in my bill.

Mr. President, before turning to a discussion of the provisions in my bill, I would like to publicly thank all of the people—both in government and from the private sector—who contributed so much time and effort to the Senate Finance Committee's subchapter C report. A complete list of these people can be found in Senator Chafee's opening remarks at the September 30, 1985, hearing on the subchapter C report held by the Subcommittee on Taxation and Debt Management of the Committee on Finance. In recent months, many of these people contributed to the development of my bill and deserve particular recognition. These people are George Yin and Lindy Paull from the Finance Committee; LaBrenda Stodghill, Laurie Mathews, and Paul Jacokes from the Joint Committee on Taxation; Jim Fransen and Mark Mathiesen from the Office of Legislative Counsel; and Rick D'Avino from the Department of the Treasury.

Normally, when describing proposed legislation, I would start with a description of current law. Unfortunately, it is extremely difficult to identify "current law" under the circumstances presently surrounding sections 382 and 383. As part of the Tax Reform Act of 1976, Congress completely rewrote sections 382 and 383. Since then, we have postponed, time and again, the effective dates of the 1976 amendments because they suffer from the same basic flaws as pre-1976 sections 382 and 383 as well as a host of additional inadequacies. The latest postponement of the effective dates expired on December 31, 1985. As a result, the 1976 amendments to sections 382 and 383 are technically the law today.

This problem is further compounded by the tax reform bill passed by the House of Representatives in December. As mentioned earlier, that bill contains new rules governing the carryover of corporate tax attributes following certain changes in stock ownership. These rules are embodied in amendments to sections 382 and 383, and are effective to changes in corporate ownership that occurred on or after January 1, 1986.

Mr. President, the situation I have just described is an excellent example of the type of confusion created by the effective dates in the House tax reform bill. In planning for a transaction, should a taxpayer rely on the 1976 amendments which are technically the law, but which almost everyone agrees should never take effect? If not, should the taxpayer rely on the provisions of the House bill which represent a sound policy improvement over the 1976 amendments and pre-1976 law, but which have not yet been acted upon by the Senate? Or perhaps the taxpayer should rely on pre-1976 law which, in fact, has been the law through December 31, 1985, notwithstanding the 1976 amendments? In my opinion, we can surely provide taxpayers with a modicum of certainty better than this.

For purposes of my statement, I will refer to pre-1976 law as current law. Under current law, a corporation that incurs a net operating loss in 1 year generally is permitted to use the loss to offset income earned in the 3 taxable years prior to and the 15 years after the year in which the loss is incurred. The underlying policy for this treatment is to ameliorate the otherwise harsh consequences of a strict annual accounting system. In 1954, section 382 was added to the Internal Revenue Code to curb "trafficking" in corporations with unused net operating losses following certain changes in the ownership of the corporation. One set of rules applies in cases of ownership changes by taxable stock purchase or redemption, and the other set of rules applies to acquisitions by tax-free reorganization.

The purchase rule provides that no carryover of net operating losses is permitted if—(1) the 10 largest shareholders of a loss corporation own a percentage of stock in the corporation which is at least 50 percentage points more than they owned at any time within the 2 preceding taxable years, and second, the loss corporation does not continue to carry on substantially the same trade or business after the change in stock ownership. Absent either of these conditions, the net operating loss carryovers of a corporation are unaffected by a change in ownership resulting from a purchase or redemption of stock. In contrast, the reorganization rule limits the

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carry over of net operating losses following certain tax-free reorganizations if the stock in the acquiring corporation that is received by shareholders of the loss corporation represents less than 20 percent of the stock of the surviving corporation. In such a case, the net operating loss carryovers of the loss corporation are reduced by 5 percent for each percentage point below 20 percent of the stock of the surviving corporation received by loss corporation shareholders.

In addition to these specific rules, net operating loss and other carryovers can be subject to limitations following changes in stock ownership under a variety of additional rules. First, section 269 authorizes the Secretary of the Treasury to disallow carryovers if the principle purpose of an acquisition of a corporation is tax avoidance by securing the benefit of the losses or excess credits. Limitations may also be imposed under the so-called "Libson Shops" doctrine, based on a 1957 Supreme Court decision [*(Libson Shop, Inc.* v. *Kehler*, 353 U.S. 382 1957)] which held that, under pre-1954 law, net operating losses would not survive a statutory merger unless the losses were offset against income earned after the merger that was attributable to the same business that produced the loss. Subsequent court decisions are divided over the continuing validity of the Libson Shops case in light of the statutory changes made in 1954. Finally, the consolidated return regulations restrict the use of net operating loss and other carryovers where a loss corporation is acquired by a consolidated group of corporations (the "separate return limitation year" rules) and where there is a change in the ownership of a consolidated group of corporations that has net operating loss carryovers (the "consolidated return change of ownership" rules).

Critics of the current rules have argued that the law encourages trafficking in net operating loss and other carryovers. In addition, current law places a substantial premium on tax planning, discriminates between different types of acquisitions without fundamental policy reasons for such discriminations, distorts investments devisions, and creates undue bias between diversified and nondiversified entities and between old and new businesses. Finally, current law fails to provide certainty in determining the extent to which tax attributes, such as net operating loss carryovers, will survive an acquisition.

In light of these criticisms, Congress, tax professionals, and tax academicians have been struggling for years to find a new approach to this problem. Thanks in large part to the work of the American Law Institute and the task force behind the Senate Finance Committee's subchapter C report, a consensus has developed in recent years in support of an approach limiting the use of net operating loss and other carryovers following significant corporate changes in ownership.

This new approach, as set forth in my bill, provides that the deductibility of net operating loss carryovers following a substantial ownership change would be limited in each year to an amount equal to the Federal midterm rate multiplied by the value of the loss corporation at the time of the ownership change. A parallel limitation would apply to the utilization of other carryovers. In general, a substantial change of ownership would be defined as any change, however accomplished, resulting in a greater than 50-percent shift in the ownership of the corporation's equity.

The theoretical underpinning for this limitation on the use of net operating losses is the idea that the loss corporation should be permitted to continue to utilize its net operating loss carryovers following the change in a manner approximating the potential use of such carryovers had no change in ownership occurred. Admittedly, this is rough justice at best. On the one hand, this approach requires the making of certain assumptions which are unlikely to be a reflection of actual experience for a specific corporation. On the other hand, the approach provides reasonable limitations for the utilization of carryovers following ownership changes, creates an increased level of certainty for transactions covered by its provisions, and should substantially cut down on the trafficking in loss corporations.

A number of additional provisions in my bill ensure the smooth approach of the new rules. The bill includes a rule designed to prevent the value of the loss corporation from being inflated in anticipation of an ownership change. In particular, any capital contribution made at any time as part of a plan the principle purpose of which is to avoid the limitation would not be taken into account in determining the value of the loss corporation. In implementing this rule, the bill provides that any capital contribution made during the 2-year period ending on the date of the ownership change would be treated as such a plan. Regulations would ameliorate this 2-year rule in appropriate circumstances such as capital contributions made upon formation of the corporation.

Other provisions of the bill include special rules governing (1) loss corporations which are investment companies; (2) increases or decreases in investment companies; (3) the limitation on utilization or carryovers for built-in gains and losses; (4) bankruptcy proceedings; and (5) the repeal of the Libson Shops doctrine. I do not feel it is necessary to examine all of provisions of the bill in detail. Rather, I wish to make a few remarks on several specific provisions.

First, my bill does not include built-in depreciation deductions as built-in losses for purposes of calculating the limitations on use of carryovers. The reason for this is quite simple—use of depreciation deductions is already spread over a period of years under the provisions of the tax laws governing depreciation deductions.

Second, my bill contains a special rule exempting certain reorganizations of failing thrifts and savings and loans from the new limits on the use of carryovers. This exemption applies only to reorganizations described in section 368(a)(3)(D)(ii), and only if the reorganization is completed before January 1, 1991. I have included this provision because a similar exception applies under current law. I am not entirely convinced that this exception is warranted, but I do believe we should address the issue specifically in the Senate Finance Committee. At the present time, the Federal Home Loan Bank Board and the Federal Savings and Loan Insurance Corporation rely heavily on the existing exception in making failing thrifts attractive investments to prospective purchasers. It is not a great secret that the FSLIC is experiencing severe financial problems. Before exacerbating its problems with a change in the tax laws, we should at a minimum have a lively debate on this issue. Finally, if it is determined to retain this type of exception, we should also examine whether a similar rule should apply to reorganizations of financially troubled banks insured by the Federal Deposit Insurance Corporation.

Third, unlike the provisions of the House tax reform bill, my bill would eliminate the continuity of business requirement as a prerequisite to the carryover of net operating losses following a change in ownership.

Fourth, my bill resolves specifically the confusion over what laws are currently applicable to net operating loss carryovers by providing an effective date of January 1, 1987. At the same time, the 1976 amendments would be repealed. The result is that pre-1976 law would be applicable through December 31, 1986, and thereafter the provisions of my bill would apply. I do note that we may wish to consider a transition rule permitting taxpayers to elect to have the 1976 amendments apply to transactions occurring in 1986 prior to the date of enactment of my bill.

In conclusion, I believe my bill represents a significant improvement over current law, over the 1976 amendments, and over the applicable provisions of the House tax reform bill. I am hopeful that we will enact my bill quickly and finally put to rest the question of the treatment of net operating loss carryovers following substantial changes in the ownership of a corporation.

ARMENIAN GENOCIDE

Mr. BOSCHWITZ. Mr. President, I rise today, April 22, 1986, to commemorate the 71st anniversary of a genocide that resulted in the death of 1.5 million Armenians in the years 1915-23. That tragedy was the first in a series of holocausts that have marred the 20th century and that continue to this very day.

There are those who wish to explain away the suffering of the Armenian people as a part of the general conflagration of World War I. There are also those who seek to forget the particular suffering of the Armenian people on the grounds that to remember is to give justification to terrorist acts committed by so-called "Armenian terrorists." Mr. President, I reject both assertions. Yes, others did suffer in World War I, but recognition of that fact ought not forbid us from paying special tribute to a people who suffered death and suffering in unspeakable numbers.

Mr. President, there are few who oppose terrorism as strongly as I do, and I forthrightly condemn acts committed by a very small number of Armenians. But those acts cannot permit us to forget the events of 1915-23. To forget to remain silent, is perhaps to permit those horrors to repeat themselves.

As one of the leaders in the recently successful effort to ratify the Genocide Convention, I strongly believe that we have an absolute obligation to remember the evils committed against the people of Armenia. I do so in recognition of a universal principal that every people has the right to be protected from the sin of genocide.

71ST ANNIVERSARY OF THE ARMENIAN GENOCIDE

Mr. D'AMATO. Mr. President, I rise today to speak on an incident that occurred over 70 years ago, but that has endured in our memories throughout this century as one of the most heinous acts man could perpetrate against man: the Armenian Genocide.

As a sponsor of Senate Joint Resolution 101, a bill to designate a "National Day of Remembrance of Man's Inhumanity to Man," I continue to be outraged over the considerable ignorance that surrounds the Armenian Genocide. Under Turkish Ottoman rule, one-and-a-half million Armenians perished between the years 1915 to 1923. Even though the Turkish attempt to systematically eliminate the Armenian race is well documented, the United States Government still does not officially recognize this tragic incident.

Mr. President, after far too many years, the Senate finally passed the Genocide Convention. But, signing a treaty is not enough. It is equally important to appropriately remember acts of genocide. Regardless of the relations we have with a particular nation, the Armenian Genocide must never be forgotten.

The decision to undertake this genocide of Armenians was a conscious one. In their policy of genocide, the Turks gathered entire communities aboard sea vessels, and then drowned them. Live babies were thrown into pits and then covered with stones. Confronted with the threat of death, more than 1 million Armenians were forced to leave their homes and march hundreds of miles, while being denied food and water for the duration of their journey; Hundreds of thousands died from the exhaustion, and hundreds of thousands more from starvation. In all, more than 2 million Armenians were affected by the deportation policy.

Those who survived the genocide fled throughout the world. Many emigrated to other parts of the Middle East, to Western Europe, and to the United States. Others joined Armenians in the Soviet Union, where they founded an independent Armenian Republic in 1918. Unfortunately, the Armenian people were soon subjected to the tyranny of the Soviet regime, as well. Today, there are more than 675,000 Armenian-Americans living in the United States, many of whom had family members perish in the Armenian Genocide. For the over 1 million innocent men, women, and children who were exterminated by the Turks from 1915-17, we owe a special day of rememberance of this shameful event. The book is not yet closed on the Armenian Genocide, one of the greatest crimes against humanity in the history of civilization.

Thank you, Mr. President.

COMMEMORATING THE ARMENIAN GENOCIDE

Mr. GLENN. Mr. President, I rise today to join my colleagues in pausing to remember the first but sadly not the last genocide of the 20th century. On April 24, 1915 some 200 Armenian religious, political and intellectual leaders were arrested in Constantinople, and exiled or taken to the interior and killed. Over the next 8 years a million-and-a-half Armenians perished and another half million fled their homeland. On July 16, in a cable to the Secretary of State, the U.S. Ambassador to the Ottoman Empire, Henry Morgenthau, stated:

> Deportation of and excesses against peaceful Armenians is increasing and from harrowing reports of eye witnesses it appears that a campaign of race extermination is in progress under a pretext of reprisal against rebellion.

It is said that Adolph Hitler, when contemplating the final solution asked "Who remembers the Armenians?" Thus our purpose here today is much more than to simply recall a tragic fact of history; it is to renew our resolve to do everything we can to insure that such a tragedy is never again visited upon any people anywhere on this Earth. The world is, regrettably, not yet rid of the scourge of genocide. The Armenian tragedy was followed by the horrors of the Holocaust, and then much more recently by the massacre of Cambodians. Because our century has seen such horrors is, to me, not an argument for trying to forget, rather it impels us to remember. And in remembering we vow to be vigilant against any further repetitions of such horrendous examples of man's inhumanity to man.

In the words of Edmund Burke:

> The only thing necessary for the triumph of evil is for good men to do nothing.

In memory of all victims of genocide, let us reaffirm our commitment, as individuals and as a nation, never to allow, through indifference or inaction, any future repetitions of the tragic legacy of genocide in the 20th century.

ARMENIAN GENOCIDE

Mr. PELL. Mr. President, this week marks the 71st anniversary of the genocide perpetrated against the Armenian people by the Ottoman Empire during World War I. Today, I am pleased to join Armenians throughout the world in paying tribute to the victims and survivors of this evil crime.

Before World War I, Armenians, a gentle and highly cultured people, demanded only tolerance and freedom from the rulers of the Ottoman Empire. In response, Ottoman rulers launched a coordinated drive to round up and eliminate every Armenian man, woman, and child. In 1915, the empire began deporting Armenians and from that time until the empire collapsed, an estimated 1.5 million Armenians—some 60 percent of the Armenian population—were killed or died of disease or exposure. Today, we honor those courageous individuals who were exterminated for no other reason than that their national heritage was considered alien by those who ruled the Ottoman Empire.

The modern state of Turkey bears no responsibility for the tragic acts committed by the Ottoman Empire against the Armenian people. It should, however, acknowledge that these events took place. Kemal Atataurk did so many years ago when he condemned the massacres of millions by his Ottoman predecessors. The present government should do no less.

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The Armenian genocide reminds us that man possesses the pernicious quality of bigotry and the capacity to be cruel. We must never forget the despicable, inhuman treatment suffered by the Armenians at the hands of their fellow men. To do so, as the tragedy of the Holocaust shows, is to invite a repetition of what may be man's most reprehensible crime, genocide.

The way to commemorate the suffering of the Armenian people is to keep the memory of the Armenian genocide alive and to reaffirm our commitment to human life and dignity. The Senate recently took an important and in my view much delayed step toward reaffirming this commitment by approving the Genocide Convention. Now we must eliminate the evil of genocide from the heart of mankind so that the victims of the Armenian genocide did not die in vain.

ARMENIAN GENOCIDE

Mr. METZENBAUM. Mr. President, I rise today to recall the systematic execution of more than 1½ million Armenians at the hands of the Ottoman Turks. This first act of genocide in the twentieth century has too often been relegated to the footnotes of history and conveniently forgotten. It is our duty to recognize this horrific act of man's inhumanity to man and once again pledge our Nation's commitment to prevent future crimes of genocide.

On February 19 of this year, the Senate finally voted to ratify the Genocide Convention. In the humane spirit of this action, I believe it is fitting to remember the suffering of the Armenian people.

Between 1915 and 1923, the Ottoman Government sanctioned the murder of over 1.5 million Armenian Christians and drove hundreds of thousands more permanently away from their ancestral homeland under the guise of Pan-Turkism. Entire villages of Armenians were forcibly deported, thousands more peasants were kidnaped and exiled. Many or most of the deportees died of starvation, disease, or exposure. Large portions of the Armenian intelligensia and professional classes were abducted and simply slaughtered.

After the First World War, the Armenians sent a delegation seeking justice to the peace conference at Versailles. However, the great powers gathered there failed to act against those responsible for the Armenian genocide. One hundred and fifty Turks who were among those allegedly involved in the genocide were released unpunished from British jails. No war crimes trials followed World War I. There were no opportunities for the victims of the Armenian genocide to gain some semblance of legal retribution. There was no Nuremburg.

Fortunately, one man, Prof. Raphael Lemkin, championed the cause of the Armenian people. At the International Conference on the Unification of Criminal Law, held in Madrid in 1933, Lemkin proposed "to declare the destruction of racial, religious, or social collectivities" a crime under international law. Raphael Lemkin coined the word "genocide" in 1944 to describe the Nazi Holocaust of World War II. He ceaselessly fought to instill in the human conscience an abhorrence of genocide calling for international participation in the Genocide Convention.

Turkey today, unlike Germany, refuses to admit responsibility for its act of genocide. The Turkish denial needlessly perpetuates bitter animosity on the part of Armenians in the United States and elsewhere. It is time for the Government of Turkey to officially acknowledge its responsibility for its crimes of 1915 to 1923 and publicly apologize to the Armenian people.

We cannot purge history of its ugly chapters. Lessons of terror are just as important as lessons of compassion and valor. An enlightened knowledge of our barbaric past is the only weapon we may bear to prevent future acts of genocide. Should another mad man ask the question, as Hitler did—"who remembers the Armenians?"—we must all be able to answer—"I do."

ARMENIAN GENOCIDE

Mr. SARBANES. Mr. President, 2 months ago the Senate of the United States gave its advice and consent to the International Convention on the Prevention and Punishment of the Crime of Genocide, a document signed by the United States in 1948 and submitted to the Senate the following year. Ratification of the convention after nearly 37 years is a symbol of our commitment to the future; it is also a remembrance of the past, our commemoration of genocide's tragic victims.

Our century, so notable for progress in other ways, has been profoundly scarred by genocide, a crime of such magnitude that it is difficult to grasp its dimensions or determine precisely the number of its victims. Indeed, the word genocide is itself a mid-twentieth-century word, coined in an effort to come to terms with the tragedy of deliberate mass extermination.

We do not live in the past, but we cannot live without it. To ignore or forget the past is to remain its captive; remembrance and understanding are the means of coming to grips with its legacy.

That is why we take time today to mark the appalling, systematic assault committed 71 years ago against the Armenian people. The Armenian massacres, as they were called, uprooted an entire nation, deliberately eliminated its leaders and intellectuals and left the survivors homeless, scattering them around the world. One and one-half million persons are estimated to have perished in a train of events of which the then-U.S. Ambassador, Henry Morgenthau, wrote:

> I am confident that the whole history of the human race contains no such horrible episode as this. The great massacres and persecutions of the past seem almost insignificant when compared to the sufferings of the Armenian race in 1915.

This day has special meaning for Armenians everywhere. Having lived with tragedy—few families were unaffected by it—they are committed to the proposition that their experience has meaning for all of us. And indeed, in the face of such tragedy remembrance and understanding are universal imperatives, essential to decent people and decent societies; they cannot be the special province only of the survivors.

Americans of Armenian descent, who have distinguished themselves in every aspect of our national life, have at the same time kept alive the rich traditions of their unique heritage. Consider the story of Dr. Vartan Gregorian, President of the New York Public Library, who came to this country in 1956 in search of an education because, in the words of a recent profile by Philip Hamburger:

> Some instinct told him that America was the place for him.

In my own State of Maryland, Armenian Americans play a vital role in our pluralistic and democratic society, and their contributions to our cultural, social political and economic life are varied and unique.

We join our Armenian American friends, neighbors and colleagues in marking this day. The Armenian tragedy has meaning for all of us. As citizens of a free nation, founded on the ideals of human dignity and freedom, we commemorate the Armenian genocide to pay tribute to the memory of its victims, and above all to reaffirm our own determination to see that so terrible a crime shall never be repeated.

Mr. BYRD. Mr. President, I suggest the absence of a quorum.

The **PRESIDING OFFICER.** The clerk will call the roll.

The bill clerk proceeded to call the roll.

The **PRESIDING OFFICER.** The Chair, acting in his capacity as the Senator from Vermont, rescinds the order for the calling of the quorum.

RECESS UNTIL 2 P.M.

The **PRESIDING OFFICER.** The hour of 12 o'clock having been reached, under the previous order, the Senate will stand in recess until the hour of 3 p.m.

Thereupon, the Senate, at 12 noon, recessed until 1:59 p.m. whereupon, the Senate reassembled when called to order by the Presiding Officer [Mr. HECHT].

Mr. MATHIAS. Mr. President, I suggest the absence of a quorum.

The **PRESIDING OFFICER.** The clerk will call the roll.

The bill clerk proceeded to call the roll.

Mr. DOMENICI. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The **PRESIDING OFFICER.** Without objection, it is so ordered.

CONCLUSION OF MORNING BUSINESS

The **PRESIDING OFFICER.** Morning business is closed.

CONCURRENT RESOLUTION ON THE BUDGET, FISCAL YEAR 1987

The **PRESIDING OFFICER.** The clerk will report Senate Concurrent Resolution 120.

The assistant legislative clerk read as follows:

> A concurrent resolution (S. Con. Res. 120) setting forth the congressional budget for the United States Government for the fiscal years 1987, 1988, and 1989.

The Senate resumed consideration of the concurrent resolution.

Mr. DOMENICI. Mr. President, how much time remains on the resolution, and how is it divided?

The **PRESIDING OFFICER.** The Senator from New Mexico has 24 hours and 9 minutes. The Senator from Florida has 24 hours and 41 minutes.

Mr. DOMENICI. Mr. President, I suggest the absence of a quorum, and I ask unanimous consent that the time consumed be equally divided.

The **PRESIDING OFFICER.** Without objection, it is so ordered.

The clerk will call the roll.

The bill clerk proceeded to call the roll.

Mr. DOMENICI. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The **PRESIDING OFFICER.** Without objection, it is so ordered.

Mr. DOMENICI. Mr. President, I yield myself 10 minutes off the resolution.

Mr. President, we have had a lot of inquiries from Senators as to how the United States budget has changed since 1981, during the 5 years that I have been chairman of the Budget Committee and the Republicans have been in control of the U.S. Senate and President Reagan has been in the White House. Obviously, during that same period of time the House has been controlled by the Democratic Party.

I hope that some of the Senators and their staff that are concerned with fiscal problems and philosophies of government would review a summary table that I will put in the RECORD today. The table covers four 5-year periods of time, 1965 to 1970, 1970 to 1975, 1975 to 1980, and 1980 to 1985.

I think there is some extremely relevant information and some interesting food for thought for those who wonder whether we have been doing an adequate job of containing the Federal Government's expenditures; in particular, in those areas that are called discretionary appropriations. If you look at what is proposed by way of additional cuts by the President of the United States in his budget, I think it is fair to say that an overwhelming portion of those savings would come out of what we would call discretionary appropriations.

So I would like to share with the Members of the Senate the following: I would like to look at what we spent for the National Defense for the years 1965 to 1970. I would then like to take the three 5-year periods thereafter; and, since it is rather relevant to an adequate defense and to what we are doing toward a defense buildup to consider how much the defense budget grew or did not grow during each of these time intervals. Let me start with this:

For the timeframe 1965 to 1970 national defense spending grew annually in real terms 4.9 percent. Now, I stress "in real terms." To get nominal growth, you would have to add inflation to this 4.9 average. But let us repeat that number. Defense grew 4.9 percent in real terms for each of those 5 years.

It has been said many times that the decade of the seventies was a rather bad decade for defense. It has been said that we cut defense substantially during that decade and those reductions led to the decade of the 1980's when we had to rebuild defense. Our research would indicate that this statement is indeed true. As a matter of fact, in the 5 years from 1970 to 1975, defense declined by 5.5 percent in real terms. So, instead of more money and growth in defense for that decade, a defense spending declined by 5.2 percent in real terms.

The next 5 years, 1975 to 1980, saw a slight rekindling of concern for defense, and defense experienced real increases of 1.2 percent. And now we get to 1980 to 1985 and we find that the defense buildup of these United States grew on average, in real terms, by 6.3 percent.

If inflation in any of those years was 8 or 9 percent—and my recollection is that clearly it was that high, if not higher for a couple of those years—then the nominal growth would be the 6.3 plus that inflation.

Let me say, before I leave the defense issue, that I give these summaries in no way saying that we have to dramatically reduce defense now, nor am I saying that it must continue to grow at 6.3 percent for the next 5 years. I am merely making the case for those who are concerned as to whether we really did as much as we set out to do in 1981.

Now we move to entitlements—and everyone knows that the principal entitlements, are Social Security, Medicare, the two major pension plans and a couple of other programs.

Let me do the same 5-year cycles. Between 1965 and 1970, entitlements increased by 9.1 percent real growth. In the next 5-year cycle, 1970 to 1975, entitlements increased by 11.1 percent real growth. Again, I repeat, real growth means you do not count inflation.

In the 5-year period of 1975 to 1980, entitlements grew by 3.9 percent in real terms. For 1980 to 1985, entitlements grew 3.4 percent in real terms.

So while entitlements make up perhaps as much as 46 percent of the national budget, they too have declined from 11.1 percent real growth in 1970 to 1975, to 3.4 percent real growth in 1980 through 1985. Some of the declines is due to reform, obviously. Some of the declines is the result of COLA adjustments. Some of that, or the biggest part, is because inflation came down and had a major effect on the entitlement programs. Some of the fast-growing entitlements have been reformed in that period of time and that also is a major reason.

So now we have reviewed a 20-year summary of defense and entitlements in four 5-year intervals.

Now we get to that part of the national Government's budget least understood, because it is sort of what is left over. What is not defense and what is not entitlements and what is not interest on the national debt is, for the most part, called discretionary appropriations. Another way of saying it is that this category includes programs like the Economic Development Administration, water and sewer grant programs, the National Institutes of Health, the National Science Foundation, parts of Agriculture, and others that Congress must appropriate funds for in appropriation bills every year. Appropriation bills set the level of budget authority. These are programmatic authority, and must be signed annually by the President of the United States.

Now this is the category of spending that I urge my fellow Senators to review carefully as they are making their decisions on what we ought to do with the national budget. Should we cut substantially more on the domestic side, should we increase defense somewhat more, should we consider new

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revenues, or not? Let us look at discretionary appropriations for a moment.

Again, 20 years ago, during the 5-year cycle of 1965 to 1970, discretionary programs grew at 2.5 percent in real terms. They experienced a dramatic spurt during the decade of the seventies. There are many who speak of that decade and its programs in various ways, either as the Great Society or whatever definition one wants to use. The period of 1970 to 1975 saw 6.5 percent real growth on average for those programs.

Then we get to 1975 to 1980, and those programs have slowed down in terms of added costs, but for each of those years they grew at 4.5 percent in real terms.

As I indicated, this is that part of the budget that the appropriators have to control each year. I gave you some examples. There are hundreds more—UDAG, community development block grants, perhaps as many as 2,500 programs of varying sizes and dimensions doing things that Congress and the American people have grown to expect and that Congress refuses to change. In most cases we cut around the edges of these programs. In past budgets, we have tried to eliminate some of these programs.

The Budget Committee is being criticized this year because we have not eliminated a number of those programs that the President proposed be eliminated, or because for programs like Amtrak we have not cut some as much as the President would like.

There are some who would contend that we have not done very much to reduce these programs, and that if these were reduced or eliminated we would really have this budget under control. For the years 1980 through 1985 that particular series of programs did not grow 1 percent, and they did not grow 2 percent. As a matter of fact, Mr. President, these programs did not grow at all. They declined in real terms by 3.4 percent per year to be compared with just 10 years before when they were increasing by 6.5 percent.

I do not think that this is an insignificant achievement. I do not think as some might assume that here is where we really ought to cut this budget more. Clearly the Senator from New Mexico might support that. But I understand that you have to have a majority of Senators, and U.S. Representatives voting for things. Some people would think that the cuts we have proposed are adequate. I think over time they are the best we can do. Over a long span of time you can pretty well get a sense of what the American people will support if you look at the actions of the Congress with reference to these kind of programs.

The PRESIDING OFFICER. The Senator's 10 minutes have expired.

Mr. DOMENICI. I yield myself an additional 5 minutes.

I would close with just one last comment. As I indicated, this national budget is complex, but to get it into its simplest form, I started with defense and I told the Senate about it. I then took entitlements, and clearly if someone was here they might ask what are the entitlements included in your assumptions? What I will do, for the record, is clarify the entitlements by inserting in the RECORD in due course a list of what are the entitlements that I have just described as going from a 1970 to 1975 high of 11.1 percent real growth down to 3.4 in real growth for 1980–85.

As I have just indicated, that is the second major component. There seems to be little or no desire on the part of the Congress and the President of the United States to change that very much. Yes, they might whittle around the edges, but the largest entitlement programs are for the seniors of our country. There is no desire on the part of Congress to significantly change these programs, and I do not believe they are going to get smaller over the years. I assume they will continue to grow at 3.5 or 4 percent as I have indicated they have for the last 5 years.

The one remaining part of this budget that is clearly a must—and there is not much Congress can do about it except to pay the bill—is interest on the national debt. That is the fourth part. Clearly, the role we have in that as a Congress is twofold. One is how much we want to spend in excess of what we have coming in each year. We have spent more than we take in for most of the post-World-War years. Of late, we have been doing it at a rather dramatic level, almost doubling the debt in the 5 years over the previous debt in all American history.

For these who would like to change the budget, clearly nobody intends to change the real interest that we have to pay. We must pay interest to American individuals who bought our bonds and T-bills, to our own banks, to insurance companies, the pension funds, and in a growing quantity, to foreign countries who are investing in this debt because the interest rates were so good that they did better buying our securities than investing in their own country. That is one of the hidden reasons that we have gotten by with $180 to $210 billion deficits over the last 3 or 4 years. But let us talk about that account quickly, and then we will review the relationship of total outlays to total revenues in a similar fashion.

Let me take interest. For 5 years—1965 to 1970—interest on the national debt in real terms was growing at 6.3 percent a year. For the next 5 years, up to 1975, it grew by 3.1 percent a year. For 1975 to 1980, it grew by 9.0 percent a year, and then in 1980 to 1985, it passed any of the other categories that we have just described and grew by 13.2 percent in real terms. Recall that the highest increase for defense was 6.3 percent for 1980–85 and the highest we have ever had in entitlements was 11.1 percent in the years 1970 to 1975.

We cannot do much but pay that debt, and that is a substantial portion of the budget. There is good news. Interest rates are down. When interest rates are down for everyone else, it reduces the amount we will have to pay to others for the money they lend our Government to pay the $2.1 trillion deficit that we have incurred.

One last summary that is indeed interesting, and then I will yield the floor to my friend from Florida if he so desires, or put in a quorum call. I might mention at this point, for Senators who have amendments, that time is running out the budget. On the other hand, I cannot say anything very startling to them. We have 48 hours left. We will be here 3, 4, or 5 more days. But the floor managers are ready to debate the amendments if they have them. We would be glad to consider them, debate them, and perhaps even let the U.S. Senate vote to see what they want to do about them.

Total outlays and total revenues is another interesting and rather revealing comparison.

I might say, Mr. President, to the Members of the Senate the table that I am reading from is in summary form. When I am finished I will insert it in the RECORD. I think it might make more interesting quick reading, and quick observation by those who are concerned about where we have been, where we might go, and what we perhaps ought to do.

From 1965 to 1970, the real percentage rate of growth of the outlays of our Government, the annual expenditures for Government for that 5-year period of time for all Government, the actual annual payment of bills in outlays for which we would have to borrow if we spent more than we took in, was 6.1 percent growth per year. In that 1965–1970 cycle the annual growth in revenue was 6.0

As you can see, 6.1 and 6.0, while the GNP is very, very big, are percentages that were very close together. That accounts for the relatively small total incurred new debt in that 5-year span. Indeed, it is small.

From 1970 to 1975, an interesting thing happened. Outlays per year were going up at 4.1 percent and revenues were going up at only 0.9. There was a nice spurt there, if you look at the deficit flow chart from the last 20 years when, indeed, deficits grew rather substantially.

From 1975 to 1980, a reversal occurred. I understand we had no indexation of the tax code during that period of time. It is something we now do have. This is not necessarily something we should be very proud of. But during that 5-year period, outlays went up at 3.8 percent and revenues were growing at 4.7 percent.

What happened during 1979 to 1980, in my opinion, was that we were not able to spend money fast enough because taxes were going up so high due to the so-called bracket creep that people used to speak of. There was 4.7 percent in revenue growth during 1975 to 1980.

Now we get to 1980–1985. I am sure that things are getting better, but, nonetheless, these are the revealing facts. The expenditures were going up across the board at 3.9 percent real, and the revenues were coming in at an annual rate of 1.4 percent.

Mr. President, I ask unanimous consent that the summary table, annualized rates of change by categories of Federal outlays, total outlays, and revenues, be printed in the RECORD at this point.

There being no objection, the table was ordered to be printed in the RECORD, as follows:

ANNUALIZED RATES OF CHANGE BY CATEGORIES OF FEDERAL OUTLAYS, TOTAL OUTLAYS, AND REVENUES [1]

	Fiscal years—			
	1965–70	1970–75	1975–80	1980–85
Defense	+4.9	−5.5	+1.2	+6.3
Entitlements	+9.1	+11.1	+3.9	+3.4
Discretionary	+2.5	+6.5	+4.5	−3.4
Interest	+6.3	+3.1	+9.0	+13.2
Total outlays	+6.1	+4.1	−3.8	+3.9
Total revenues	+6.0	+0.9	+4.7	+1.4

[1] Calculation of annualized real rate of change based on actual GNP price deflators except for defense, which is based on the DOD deflator.

Mr. DOMENICI. Mr. President, I yield the floor and I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. DOLE. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER (Mr. GORTON). Without objection, it is so ordered.

Mr. DOLE. Mr. President, I ask unanimous consent that the statement I am going to make not interrupt the debate on the budget.

THE PRESIDING OFFICER. Without objection, it is so ordered.

(Mr. DOLE's statement relating to the status of the bipartisan farm credit resolution is printed later in the RECORD.)

Mr. DOLE. That is hard to do, since we have not had any debate on the budget. I assume I should start wearing my button tomorrow: "Where Are the Amendments?", now that the "Where's the Budget?" buttons have been successful.

But I assume there will be amendments tomorrow. I know the managers are here. They are not holding it up. They are ready for amendments. We just need Senators to come to the floor with amendments. I understand that there are fewer amendments than in the past by a considerable amount, so that, in itself, is progress of a sort.

But I hope that perhaps, since there are no amendments that are going to be offered, we might be able to agree to take 4 hours off the 50-hour limit and move on to something else this evening. I know that some Senators, particularly Senators on the other side of the aisle, have major commitments this evening.

Mr. MOYNIHAN. Will the Senator yield?

Mr. DOLE. I am happy to yield.

Mr. MOYNIHAN. I believe I am the only Democrat on the floor just now. Is that a formal request to take 4 hours off?

Mr. DOLE. No; just a hint.

Mr. President, I discussed the pending business, and the probability of reducing the time with the distinguished minority leader, the distinguished chairman of the Budget Committee, who in turn has discussed it with the distinguished ranking member, Senator CHILES. They are in agreement that we can reduce that time by 3 hours. So I, therefore, ask unanimous consent that when the Senate resumes consideration of the budget resolution on tomorrow, 3 additional hours be considered as having been used from the total of 50 hours allotted to the budget resolution.

The PRESIDING OFFICER. Is there objection? Without objection, it is so ordered.

Mr. DOLE. As I understand, that would still leave somewhere in the neighborhood of 44 hours.

The PRESIDING OFFICER. The result of the unanimous-consent agreement is that there will be 42 hours and 38 minutes remaining.

Mr. DOLE. Forty-two hours and thirty-eight minutes. I thank the Chair.

Again, I know the managers are here prepared to do business. No one is holding up the works. We will hope to be on the resolution by 10:30 in the morning. There may be amendments that can be considered at that time. I know there are two or three major amendments that we may be able to dispose of tomorrow.

ROUTINE MORNING BUSINESS

Mr. DOLE. Mr. President, I ask unanimous consent that there now be a period for the transaction of routine morning business, not to extend beyond the hour of 6:15 p.m.

The PRESIDING OFFICER. Without objection, it is so ordered.

STATUS OF BIPARTISAN FARM CREDIT RESOLUTION

Mr. DOLE. Mr. President, as most of my colleagues know, we have been trying for several weeks now to clear a bipartisan concurrent resolution to encourage greater flexibility in the lending activities and regulation of the cooperative Farm Credit System [FCS].

This nonbinding measure asks FCS member institutions to take specific actions in order to continue to provide financing to their farmer/borrowers during the current financial difficulties in rural America. It also calls on the Farm Credit Administration to endorse the policies of increased forebearance announced last month by the regulators of commercial lenders—the Federal Reserve Board, the FDIC, and the Comptroller of the Currency.

THE NEED TO SEND A CLEAR SIGNAL

It was my hope, Mr. President, that we could consider this resolution this week to send a clear signal to the Farm Credit System and the Farm Credit Administration that Congress expects all rural lenders as well as their regulators to do their part in seeing farmers through the present credit crunch. The farm credit legislation passed last December put in place a mechanism for restoring full financial integrity and soundness to the FCS.

The administration is due to announce the three members of the Farm Credit Administration Board, which will oversee efforts by the System and the new Capital Corporation to bring the resources of member institutions to bear on its problems in a coordinated and unified fashion. It is my intention to ask the nominees to endorse the regulatory policies contained in this resolution, as agreed to by the other Federal regulators. In the interim, we hoped to underscore support for this approach in the Congress by passing a resolution that is nonbinding, but which has strong bipartisan support.

STRONG BIPARTISAN SUPPORT

To date, this resolution has attracted a total of 42 original Senate cosponsors, including 28 Republicans and 14 Democrats. I understand that a companion measure in the House now has well over 100 bipartisan cosponsors. There is also significant support for its passage among farm groups, which want some assurance that the pending reform of the Farm Credit System will proceed in a reasonable and timely manner.

OPPOSITION BY A SMALL MINORITY

Unfortunately, Mr. President, our efforts to bring this bipartisan and noncontroversial resolution before the Senate this week are being blocked by

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a small minority of Senators, who want to first receive an ironclad guarantee that legislation they introduced only last Thursday will be considered by the full Senate by a date certain. This omnibus proposal includes an interest buydown provision and major changes in the regulatory and lending practices of the Farm Credit System, the Farm Credit Administration, and the Farmers Home Administration. As such, it will attract significant controversy and possible opposition from regulators, lenders and, to the extent there is an impact on Federal outlays and lending policies, from the administration and Congress. I have already received an indication that the Department of Agriculture strongly opposes certain features of this bill.

I certainly acknowledge and support the right of any Senator or group of Senators to prevent legislation from being cleared and brought up for floor consideration. That is how the system operates. What I do not accept, however, is that a nonbinding concurrent resolution on a timely issue, with significant bipartisan support, should be held hostage in an effort to get far more controversial and binding legislation considered. The two measures simply do not equate in terms of their relative legislative impact.

REFUSAL TO ACCEDE TO TACTICS

If we were to accede to these tactics and guarantee a date certain for consideration of this omnibus credit legislation, it would not be long before every other Senator with some favorite piece of major legislation would do the same: find some minor resolution that someone wants to pass by unanimous consent and hold it up until floor consideration is scheduled. I am simply not going to do business that way. And if the end result is to thwart the benefits which passage of this resolution would have for the U.S. farmer, let it be clear who is responsible.

THE NEED FOR COORDINATED ACTION

There is great confusion in the countryside right now over contradictory policies being followed by the regional Farm Credit System districts and by their member land banks, PCA's and Federal intermediate credit banks. A greater degree of centralized direction and control is sorely needed. This is to be the responsibility of the new Farm Credit Administration Board and Capital Corporation once they are appointed and can get organized. Unfortunately, these efforts are taking more time than anticipated when the legislation was enacted in December.

THE NEED FOR A SYSTEM—GENERATED SOLUTION

Until the FCA Board and Capital Corporation can provide some guidance and structure, the system will probably continue to send confusing and contradictory signals to its farm borrowers. It is for this reason that the resolution was drafted—not to force the system and the FCA to follow certain practices, but to lay out specific guidelines and encourage that they be followed.

It was drafted several weeks ago with strong bipartisan support but, as too often happens in this body, somebody sees something he likes and says, "even though it is good, I am going to hold it up until I can extract the promise that I can bring up some far-reaching legislation that may deal directly or indirectly with the general problem."

So I would hope that we can still clear action on this nonbinding resolution this week.

If we are concerned about farmers, the Farm Credit System, uniform policies, and how we can have some impact on those policies for the benefit of the American farmer, I believe that this resolution sends the appropriate signal.

The object all along has been to create conditions that will result in the system undertaking a full and honest appraisal of its problems and to begin to correct them. I, for one, want this plan to work. I do not want the Federal Government to interfere at every step of the process, which will only ensure that Washington will be blamed for any failure of the System to correct its internal problems.

NO DISAGREEMENT ON OBJECTIVES

For these reasons, it should be clearly understood that our failure to pass this resolution this week in no way reflects a disagreement over congressional intent to assist farmers in obtaining operating credit at reasonable cost. We all want to do so. That is why we convinced the Federal regulators to announce major forbearance measures. That is why we passed the farm credit bill back in December.

What is in disagreement here is whether this effort to provide some guidance to the System and its regulator should be held up by the desire of a few Senators to throw a new aid and reform package into the mix—a package that will totally confuse both lenders and regulators as to whether Congress really intends to keep its fingers out of their affairs or whether we will again resort to political meddling and mess things up.

It is my decision, Mr. President, not to attempt to bring this resolution before the Senate until it can be cleared.

Obviously, to do otherwise would take a considerable amount of time. If that means we are not going to bring it up, so be it. I just want farmers and other borrowers as well as their lenders to understand that the intent of the legislation passed in December is clear, and remains the same today.

The Farm Credit System is responsible for cleaning of its own house. And only when this effort has been clearly made—and found inadequate—will the Government consider further financial involvement.

Mr. President, I also can understand the concern that other Senators have. I can understand that the interest buy down proposal has a certain amount of attraction, and a certain amount of cost, I might also add, to the Federal Government, to the State government, and to the bank itself. But interest rates are falling. It would seem to me that they are falling for the right reasons, and in some degree are responsible in reducing Federal spending in trying to get a handle on the deficit. But I hope we can clear this resolution sometime before the week is out. If those who are now holding it up will just identify themselves, we would know who to negotiate with and talk with. It would be very helpful.

MEASURE HELD AT DESK

Mr. DOLE. Mr. President, I ask unanimous consent that once the Senate receives from the House H.R. 4602 dealing with the FHA and National Mortgage Association, it be held at the desk pending further disposition.

The PRESIDING OFFICER. Without objection, it is so ordered.

THE CALENDAR

Mr. DOLE. Mr. President, I ask the distinguished minority leader if he is in a position to pass the following calendar items: Calendar 613, 614, 615, 616, 617, 618, 619, 620, 621, 622, and 623.

Mr. BYRD. Mr. President, the items identified by the distinguished majority leader have all been cleared on this side.

Mr. DOLE. I thank the distinguished minority leader.

I ask unanimous consent, therefore, that the calendar items just identified be considered en bloc and passed en bloc, and that all committee reported amendments, preambles, and title amendments be considered and agreed to.

The PRESIDING OFFICER. Without objection, it is so ordered.

NATIONAL ALZHEIMER'S DISEASE MONTH

The joint resolution (S.J. Res. 280) designating the month of November 1986 as "National Alzheimer's Disease Month," was considered, ordered to be engrossed for a third reading, read the third time and passed.

The preamble was agreed to.

The joint resolution and the preamble are as follows:

S.J. Res. 280

Whereas more than two and a half million Americans are affected by Alzheimer's disease, which is a surprisingly common disorder that destroys certain vital cells of the brain;

Whereas Alzheimer's disease is the fourth leading cause of death among older Americans;

Whereas Alzheimer's disease is responsible for 50 per centum of all nursing home admissions, at an annual cost of more than $25,000,000;

Whereas in one-third of all American families one parent will succumb to this disease;

Whereas Alzheimer's disease is not a normal consequence of aging; and

Whereas an increase in the national awareness of the problem of Alzheimer's disease may stimulate the interest and concern of the American people, which may lead, in turn, to increased research and eventually to the discovery of a cure for Alzheimer's disease: Now, therefore, be it

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled, That the month of November 1986 is designated as "National Alzheimer's Disease Month". The President is requested to issue a proclamation calling upon the people of the United States to observe such month with appropriate ceremonies and activities.

NATIONAL BIRDS OF PREY MONTH

The joint resolution (S.J. Res. 288) to designate the month of May 1986 as "National Birds of Prey Month," was considered, ordered to be engrossed for a third reading, read the third time and passed.

The preamble was agreed to.

The joint resolution, and the preamble, are as follows:

Whereas hawks, owls, and other birds of prey are important ecological components of the ecosystem and contribute to the quality of the wildlife communities in which they live;

Whereas birds of prey represent the highest ideals of humanity, inspiring Americans and all people who value freedom;

Whereas a substantial number of species of birds of prey that occur regularly in the United States have been listed by one or more State or Federal conservation agencies as endangered, extirpated, threatened, or of concern;

Whereas millions of Americans from coast to coast and border to border regularly gain pleasure by observing birds of prey throughout our country; and

Whereas a World Center for Birds of Prey has been established at Boise, Idaho, adjacent to the Snake River Birds of Prey Area, an international treasure, and where public activities are being scheduled for the month of May 1986, to better acquaint the public with birds of prey: Now, therefore, be it

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled, That the month of May 1986 is designated as "National Birds of Prey Month", and the President of the United States is authorized and requested to issue a proclamation calling upon individuals to observe such month by recognizing the importance of birds of prey in our environment.

YEAR OF NEW SWEDEN

The joint resolution (S.J. Res. 289) to designate 1988 as the "Year of New Sweden" and to recognize the New Sweden 1988 American Committee, was considered, ordered to be engrossed for a third reading, read the third time and passed.

The preamble was agreed to.

The joint resolution, and the preamble, are as follows:

S.J. Res. 289

Whereas on or about March 29, 1638, the Kalmar Nyckel and Fogel Grip, ships sent by Sweden to establish a colony in the Delaware River Valley, anchored off the "Rocks" on the Christina River in what is now the State of Delaware;

Whereas the colony which they established—New Sweden—was the first permanent settlement of Swedes in North America;

Whereas Swedish settlers were instrumental in the founding of our Nation; John Morton of Pennsylvania, a signer of the Declaration of Indpendence, was of Swedish descent, as was John Hanson of Maryland, who presided over the Continental Congress from 1781 through 1782;

Whereas Swedish immigration to the United States consisted of one million two hundred thousand people between the late 1840's and the late 1920's, who came here to seek a better life; these settlers dispersed to all regions of the United States;

Whereas the contributions of Swedish-Americans to our way of life and our culture have been varied and many; their pioneering nature made them leaders in many fields including politics, business, education and the arts;

Whereas it is estimated that today there are four million two hundred thousand United States citizens of Swedish descent living in every State and involved in every walk of life;

Whereas 1988 marks the three hundred and fiftieth anniversary of the arrival of the Kalmar Nyckel and Fogel Grip in North America;

Whereas a United States committee—New Sweden 1988—is planning a series of events and celebrations throughout our Nation to commemorate this anniversary; and

Whereas at the present time, the following American cities and States have New Sweden 1988 committees and chairs planning local activities: Washington, District of Columbia, Wilmington, Philadelphia, New York City, Detroit, Chicago, Minneapolis, Houston, Dallas, Los Angles, San Francisco, Seattle, St. Louis, New Jersey, Nebraska, North Dakota, South Dakota, and western Illinois: Now, therefore, be it

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled, That 1988 is hereby designated as the "Year of New Sweden" in the United States. The President is authorized and requested to issue a proclamation designating 1988 as the "Year of New Sweden" and to invite and encourage the Governors of the several States, the chief officials of local governments and the people of the United States to participate in the events and activities that the New Sweden 1988 American Committee has planned for 1987 and 1988.

NATIONAL CHILD SAFETY MONTH

The joint resolution (S.J. Res. 293) to designate the month of May 1986 as "National Child Safety Month," was considered, ordered to be engrossed for a third reading, read the third time and passed.

The preamble was agreed to.

The joint resolution, and the preamble, are as follows:

S.J. Res. 293

Whereas every year untold numbers of children throughout the United States disappear from home;

Whereas children who are missing from home are frequently victims of sexual and physical exploitation;

Whereas many local volunteer groups are working enthusiastically to promote child safety, but much remains to be done in the effort to fully protect children;

Whereas the safety of children should be one of the highest national priorities; and

Whereas the designation of a month to commemorate child safety will draw needed attention to the dangers threatening children and will help educate communities throughout the country about the problem and what can be done to help solve it: Now, therefore, be it

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled, That the month of May 1986 is designated as "National Child Safety Month" and the President is authorized and requested to issue a proclamation calling upon the people of the United States to observe such month with appropriate ceremonies and activities.

MENTAL ILLNESS AWARENESS WEEK

The joint resolution (S.J. Res. 298) to designate the week of October 5, 1986, through October 11, 1986, as "Mental Illness Awareness Week," was considered, ordered to be engrossed for a third reading, read the third time and passed

The preamble was agreed to.

The joint resolution and the preamble, are as follows:

S.J. Res. 298

Whereas mental illness is a problem of grave concern and consequence in American society, though one widely but unnecessarily feared and misunderstood;

Whereas thirty-one to forty-one million Americans annually suffer from clearly diagnosable mental disorders involving significant disability with respect to employment, attendance at school, or independent living;

Whereas more than ten million Americans are disabled for long periods of time by schizophrenia, manic depressive disorder, and major depression;

Whereas between 30 and 50 per centum of the homeless suffer serious, chronic forms of mental illness;

Whereas alcohol, drug, and mental disorders affect almost 19 per centum of American adults in any six-month period;

Whereas mental illness in at least twelve million children interferes with vital development and maturational processes;

Whereas mental disorder-related deaths are estimated to be thirty-three thousand, with suicide accounting for at least twenty-nine thousand, although the real number is thought to be at least three times higher;

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Whereas our growing population of the elderly is particularly vulnerable to mental illness;

Whereas mental disorders result in staggering costs to society, totalling an estimated $106,200,000,000 in direct treatment and support and indirect costs to society, including lost productivity;

Whereas mental illness is increasingly a treatable disability with excellent prospects for amelioration and recovery when properly recognized;

Whereas families of mentally ill citizens and those persons themselves have begun to join self-help groups seeking to combat the unfair stigma of the diseases, to support greater national investment in research, and to advocate for an adequate continuum of care from hospital to community;

Whereas in recent years there have been unprecedented major research developments bringing new methods and technology to the sophisticated and objective study of the functioning of the brain and its linkages to both normal and abnormal behavior;

Whereas research in recent decades has led to a wide array of new and more effective modalities of treatment (both somatic and psychosocial) for some of the most incapacitating forms of mental illness (including schizophrenia, major affective disorders, phobias, and phobic disorders);

Whereas appropriate treatment of mental illness has been demonstrated to be cost effective in terms of restored productivity, reduced utilization of other health services, and lessened social dependence; and

Whereas recent and unparalleled growth in scientific knowledge about mental illness has generated the current emergence of a new threshold of opportunity for future research advances and fruitful application to specific clinical problems: Now, therefore, be it

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled, That the week beginning on October 5, 1986, is designated as "Mental Illness Awareness Week", and the President is authorized and requested to issue a proclamation calling upon the people of the United States to observe such week with appropriate ceremonies and activities.

NATIONAL AGRICULTURAL EXPORT WEEK

The joint resolution (S.J. Res. 310) to proclaim June 15, 1986, through June 21, 1986, as "National Agricultural Export Week," was considered, ordered to be engrossed for a third reading, read the third time and passed.

The preamble was agreed to.

The joint resolution, and the preamble, are as follows:

S.J. Res. 310

Whereas agriculture comprises the Nation's largest single industry;

Whereas the economic well-being of the Nation's agricultural industry is directly related to its ability to export and to compete in world markets;

Whereas earnings from agricultural exports have contributed $333,000,000,000 to our Nation's balance of payments in the past decade;

Whereas these earnings have stimulated nearly $1,000,000,000,000 in total national economic activity and provided millions of man years of total national employment; and

Whereas it is the policy of the United States to expand international trade in United States agricultural commodities and products and to develop, maintain, and expand markets for United States agricultural exports: Now, therefore, be it

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled, That the week of June 15, 1986, through June 21, 1986, is hereby proclaimed "National Agricultural Export Week", and the President is authorized and requested to issue a proclamation calling on the people of the United States to observe this week with appropriate ceremonies and activities.

NATIONAL MEDICAL LABORATORY WEEK

The joint resolution (S.J. Res. 312) designating the week beginning April 13, 1986, as "National Medical Laboratory Week," was considered, ordered to be engrossed for a third reading, read the third time and passed.

The preamble was agreed to.

The joint resolution, and the preamble, are as follows:

S.J. Res. 312

Whereas the practice of modern medicine at the life-conserving levels we now enjoy would be impossible without the scientific tests performed daily in medical laboratories;

Whereas maintenance of, and improvement in, the quality of laboratory services depends on the dedicated efforts of clinical laboratory professionals;

Whereas through such dedication, clinical laboratory professionals in the United States have made vital contributions to improving the quality of patient care;

Whereas the laboratories where these dedicated professionals work bring quality health care services to rural and poverty-level communities and are found in hospitals, clinics, research centers, universities, doctors' offices, and private, independent laboratories; and

Whereas it is fitting that the people of the United States recognize the dedication of the people who commit their expertise and energy to enhancing the health and well-being of all people: Now, therefore, be it

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled, That the week beginning April 13, 1986, is designated as "National Medical Laboratory Week", and the President is authorized and requested to issue a proclamation calling upon the people of the United States to observe such week with appropriate ceremonies and activities.

NATIONAL HOSPICE MONTH

The joint resolution (S.J. Res. 317) to designate the month of November 1986 as "National Hospice Month," was considered, ordered to be engrossed for a third reading, read the third time and passed.

The preamble was agreed to.

The joint resolution, and the preamble, are as follows:

S.J. Res. 317

Whereas hospice care has been demonstrated to be a humanitarian way for terminally ill patients to approach the end of their lives in comfort with appropriate, competent, and compassionate care in an environment of personal individuality and dignity;

Whereas hospice advocates care of the patient and family by attending to their physical, emotional, and spiritual needs and specifically, the pain and grief they experience;

Whereas hospice care is provided by an interdisciplinary team of physicians, nurses, social workers, pharmacists, psychological and spiritual counselors, and other community volunteers trained in the hospice concept of care;

Whereas hospice is rapidly becoming a full partner in the Nation's health care system;

Whereas the recent enactment of the medicare hospice benefit makes it possible for many more elderly Americans to have the opportunity to elect to receive hospice care;

Whereas private insurance carriers and employers have recognized the value of hospice care by the inclusion of hospice benefits in health care coverage packages; and

Whereas there remains a great need to increase public awareness of the benefits of hospice care: Now, therefore, be it

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled, That the month of November 1986 is designated "National Hospice Month". The President is requested to issue a proclamation calling upon all Government agencies, the health care community, appropriate private organizations, and people of the United States to observe that month with appropriate forums, programs, and activities designed to encourage national recognition of and support for hospice care as a humane response to the needs of the terminally ill and a viable component of the health care system in this country.

NATIONAL DIABETES MONTH

The joint resolution (S.J. Res. 318) designating November 1986 as "National Diabetes Month," was considered, ordered to be engrossed for a third reading, read the third time and passed.

The preamble was agreed to.

The joint resolution, and the preamble, are as follows:

S.J. Res. 318

Whereas diabetes with its complications kills more than any other disease except cancer and cardiovascular diseases;

Whereas diabetes afflicts eleven million Americans and five million of these Americans are not aware of their illness;

Whereas more than $14,000,000,000 annually is used for health care costs, disability payments, and premature mortality costs due to diabetes;

Whereas up to 85 per centum of all cases of noninsulin dependent diabetes may be preventable through greater public understanding, awareness, and education;

Whereas diabetes is particularly prevalent among black Americans, Hispanic Americans, Native Americans, and women; and

Whereas diabetes is a leading cause of blindness, kidney disease, heart disease, stroke, birth defects, and lower life expectancy, which complications may be reduced through greater patient and public understanding, awareness, and education: Now, therefore, be it

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled, That the month of November 1986 is designated as "National Diabetes Month" and the President is authorized and requested to issue a proclamation calling upon the people of the United States to observe that month with appropriate programs, ceremonies, and activities.

NATIONAL DOWN SYNDROME MONTH

The joint resolution (S.J. Res. 321) to designate October 1986 as "National Down Syndrome Month," was considered, ordered to be engrossed for a third reading, read the third time and passed.

The preamble was agreed to.

The joint resolution, and the preamble, are as follows:

S.J. Res. 321

Whereas the past decade has brought a greater and more enlightened attitude in the care and training of the developmentally disabled;

Whereas one such condition which has undergone considerable reevaluation is that of Down's syndrome—a problem which, just a short time ago, was often stigmatized as a mentally retarded condition which relegated its victims to lives of passivity in institutions and back rooms;

Whereas, through the efforts of concerned physicians, teachers and parent groups such as the National Down's Syndrome Congress, programs are being put in place to educate new parents of babies with Down's syndrome; to develop special education classes within mainstreamed programs in schools; the provisions for vocational training in preparation for competitive employment in the work force and to prepare young adults with Down's syndrome for independent living in the community;

Whereas the cost of such services designed to help individuals with Down's syndrome move into their rightful place in our society is but a tiny fraction of the cost of institutionalization;

Whereas along with this improvement in educational opportunities for those with Down's syndrome is the advancement in medical science which is adding to a more brightened outlook for individuals born with this chromosomal configuration; and

Whereas public awareness and acceptance of the capabilities of children with Down's syndrome can greatly facilitate their being mainstreamed in our society: Now, therefore, be it

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled, That October 1988 is designated as "National Down's Syndrome Month" and that the President of the United States is authorized and requested to issue a proclamation calling upon the people of the United States to observe the designated month with appropriate programs, ceremonies, and activities.

NATIONAL DIGESTIVE DISEASES AWARENESS WEEK

The joint resolution (S.J. Res. 324) to designate the week beginning May 18, 1986, as "National Digestive Diseases Awareness Week," was considered, ordered to be engrossed for a third reading, read the third time and passed.

The preamble was agreed to.

The joint resolution, and the preamble, are as follows:

S.J. Res. 324

Whereas digestive diseases rank third among illnesses in total economic cost in the United States;

Whereas digestive diseases represent one of the Nation's most serious health problems in terms of discomfort and pain, mortality, personal expenditures for treatment, and working hours lost;

Whereas twenty million Americans suffer from chronic digestive disease;

Whereas more than fourteen million cases of acute digestive diseases are treated in this country each year, including one-third of all malignancies and some of the most common acute infections;

Whereas more Americans are hospitalized by digestive diseases than by any other diseases, necessitating 25 percent of all surgical operations;

Whereas digestive diseases are one of the most prevalent causes of disability in the work force;

Whereas digestive diseases cause yearly expenditure of over $17,000,000,000 in direct health care costs, and a total annual economic burden of nearly $50,000,000,000;

Whereas at least one hundred different digestive diseases, in addition to other disorders of the gastrointestinal tract, cause more than two hundred thousand deaths every year;

Whereas reasearch into the causes, cures prevention, and clinical treatment of digestive disease and related nutrition problems has become a national concern, and the people of the United States should recognize digestive diseases as a major health priority;

Whereas national organizations such as the Digestive Disease National Coalition are committed to increasing awareness and understanding of digestive diseases among members of the general public and the health care community;

Whereas the National Institutes of Health, through its National Digestive Diseases Education and Information Clearinghouse, and the National Digestive Diseases Advisory Board are committed to encouraging and coordinating such educational efforts; and

Whereas the week beginning May 18, marks the third anniversary of the National Digestive Disease Education Program, a coordinated effort to educate the public and the health care community regarding the seriousness of digestive diseases, and to provide information relative to their treatment, prevention, and control: Now, therefore, be it

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled, That the week beginning May 18, 1986, is designated as "National Digestive Diseases Awareness Week." The President is authorized and requested to issue a proclamation calling upon the people of the United States to observe such week with appropriate programs and activities.

Mr. DOLE. Mr. President, I move to reconsider the vote by which the joint resolutions were passed.

Mr. BYRD. Mr. President, I move to lay the motion on the table.

The motion to lay on the table was agreed to.

COMMENDATION OF JOHN N. McMAHON

Mr. DOLE. Mr. President, I send a resolution to the desk on behalf of Senator DURENBERGER, Senator LEAHY, and others and ask for its immediate consideration. It is a commendation resolution, I might add.

The PRESIDING OFFICER. Is there objection? Without objection, it is so ordered. The clerk will report.

The assistant legislative clerk read as follows:

A resolution (S. Con. Res. 133) to commend Deputy Director of Central Intelligence John N. McMahon for exceptionally distinguished service to the United States of America.

There being no objection, the concurrent resolution was considered and agreed to.

The preamble was agreed to.

The concurrent resolution, with its preamble, is as follows:

S. Con. Res. 133

Whereas, John McMahon has devoted his entire professional career to the intelligence service of his nation, performing with dedication, honor and distinction for nearly 35 years since his graduation from the College of the Holy Cross in 1951;

Whereas, John McMahon's career has been one of outstanding accomplishment in diverse intelligence duties spanning the full range of technical, operational and analytical intelligence activities;

Whereas, John McMahon has an unparalled record of service in key Central Intelligence Agency positions, including Executive Director, Deputy Director for Intelligence and Deputy Director for Operations, and also has had key management responsibilities for Intelligence Community affairs;

Whereas, John McMahon's career progression from communications clerk to Deputy Director of Central Intelligence personifies the finest traditions of our nation's professional intelligence officers;

Whereas, John McMahon's many commendations and awards, including two Distinguished Intelligence Medals, testify to his extraordinary skill and outstanding leadership;

Whereas, during a period of increasingly varied and complex international developments of concern to the United States, in which demands for timely, accurate intelligence information to support national policymakers are becoming simultaneously more intense and diverse, John McMahon has been instrumental in preparing the Intelligence Community for the challenges of the future and has thus made a major and lasting contribution to the national security of the United States;

Whereas, John McMahon has earned the respect, admiration, and trust of the highest officials in the executive and legislative branches of our Government, and particularly of the present and former Members of the Intelligence Committees of the Senate and House of Representatives for his integrity and positive approach to Congressional oversight of our nation's intelligence activities; Now, therefore, be it

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Resolved, by the Senate (the House of Representatives concurring) That on the occasion of his retirement from an extraordinary career of public service, the Senate and House of Representatives of the United States of America express and record on behalf of the American people, their deep appreciation to John N. McMahon for his exceptionally distinguished service to the United States.

Mr. DOLE. Mr. President, I move to reconsider the vote by which the concurrent resolution was agreed to.

Mr. BYRD. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

APPOINTMENT OF CARLISLE H. HUMMELSINE AS A CITIZEN REGENT OF THE BOARD OF REGENTS OF THE SMITHSONIAN INSTITUTION

Mr. DOLE. Mr. President, I ask that the Chair lay before the Senate a message from the House of Representatives on Senate Joint Resolution 214.

The PRESIDING OFFICER laid before the Senate the following message from the House of Representatives:

Resolved, That the resolution from the Senate (S.J. Res. 214) entitled "Joint resolution to provide for the reappointment of Carlisle H. Humelsine as a citizen regent of the Board of Regents of the Smithsonian Institution", do pass with the following amendments:

Strike out all after the resolving clause and insert: That, in accordance with section 5581 of the Revised Statutes of the United States (20 U.S.C. 43), the vacancy on the Board of Regents of the Smithsonian Institution, in the class other than Members of Congress, occurring by reason of the expiration of the term of Carlisle H. Hummelsine of Virginia, is filled by reappointment of the incumbent for a term of six years, effective March 13, 1988.

Amend the title so as to read: "Joint resolution providing for reappointment of Carlisle H. Hummelsine as a citizen regent of the Board of Regents of the Smithsonian Institution.".

Mr. DOLE. Mr. President, I move that the Senate concur in the House amendment.

The PRESIDING OFFICER. The question is on agreeing to the motion.

The motion was agreed to.

Mr. DOLE. Mr. President, I move to reconsider the vote by which the motion was agreed to.

Mr. BYRD. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

APPOINTMENT OF WILLIAM G. BOWEN AS A CITIZEN REGENT OF THE BOARD OF REGENTS OF SMITHSONIAN INSTITUTION

Mr. DOLE. Mr. President, I ask that the Chair lay before the Senate a message from the House of Representatives on Senate Joint Resolution 215.

The PRESIDING OFFICER laid before the Senate the following message from the House of Representatives:

Resolved, That the resolution from the Senate (S.J. Res. 215) entitled "Joint resolution to provide for the reappointment of William G. Bowen as a citizen regent of the Board of Regents of the Smithsonian Institution", do pass with the following amendments:

Strike out all after the resolving clause and insert: That, in accordance with section 5581 of the Revised Statutes of the United States (20 U.S.C. 43), the vacancy on the Board of Regents of the Smithsonian Institution, in the class other than Members of Congress, occurring by reason of the expiration of the term of William G. Bowen of New Jersey, is filled by reappointment of the incumbent for a term of six years, effective March 13, 1986.

Amend the title so as to read: "Joint resolution providing for reappointment of William G. Bowen as a citizen regent of the Board of Regents of the Smithsonian Institution".

Mr. DOLE. Mr. President, I move that the Senate concur in the House amendments.

The PRESIDING OFFICER. The question is on agreeing to the motion.

The motion was agreed to.

Mr. DOLE. Mr. President, I move to reconsider the vote by which the motion was agreed to.

Mr. BYRD. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

THE BUSINESS OF PRESERVING SOCIAL SECURITY AND MEDICARE

Mr. WALLOP. Mr. President, I rise today to engage in what has, unfortunately, become a periodic exercise in the Congress of late. It is unfortunate for it is no pleasure to call to task a national organization which has a worthwhile goal, but has consistently employed questionable and self-promoting tactics. The organization is the National Committee to Preserve Social Security and Medicare which is chaired by James Roosevelt. The issue involved is evident from the group's title—Social Security.

During the Reagan administration, this country, to use a somewhat worn campaign phrase, has truely been put back on its feet. Inflation has virtually vanished, the economy is experiencing strong growth. We have begun the process to balance the budget. Tax reductions have been enacted. And, America has been rearmed. The President's critics are dismayed. They cannot attack his program. They are at a lost on how to raise money. They have found one issue which is guaranteed to arouse people and solve any organization's cash-flow problem. That issue is Social Security. One group which has attached itself to this issue is the National Committee to Preserve Social Security and Medicare.

What is the national committee? According to the Encyclopedia of Associations, the committee researches and reviews Social Security and Medicare. It seeks to educate the public and conducts grassroots lobbying activities. Last, it submits petitions to Congress. According to the committee's own literature, they appear to be the guardian of Social Security, preserving the retirement and health benefits of our Nation's elderly.

All Members of Congress are by now familiar with the national committee. It is not because we have found this organization to be an effective advocate for our senior citizens on Social Security. I have never been visited by representatives of the committee. I have not received position papers espousing the group's point of view on any issue. What has happened is that my offices in Wyoming have periodically received frantic calls and visits from extremely upset senior citizens worried that they are going to lose their Social Security benefits. The cause of this crisis can be traced directly to the latest mass mailing by the national committee.

The National Committee to Preserve Social Security and Medicare has put out another slick letter describing the pending collapse of Social Security, and asking for a $10 donation from our senior citizens to enable the committee to preserve their retirement benefits. The seniors then call my office asking what can be done to protect their retirement income and whether they can pay their $10 at my office. We never hear from their self-appointed guardians, but we do hear from worried elderly Americans. I do not believe there is one Member of this body who has not had this experience. The disturbing fact of this situation is not that Social Security is going broke—the program is solvent—but that elderly citizens are being unnecessarily upset by an organization's fund raising activities.

To date, it has been the House of Representatives which has performed the watchdog function over the National Committee to Preserve Social Security and Medicare. The House Aging Committee and the Social Security Subcommittee have maintained constant surveillance of the national committee. These watchdogs have strongly criticized both the form and content of the letters sent by the national committee. They have received pledges that the transgressions would not be repeated. However, it is obvious that once absolved, the national committee has gone on to sin again. Totally exasperated, Congressman BOEHLERT reserved a special order to discuss the antics of the national committee.

Despite being chastised by various House committees and by the extraordinary action of a special order, despite requests from the U.S. Department of Justice, the Social Security Administration, and the Postal Service to improve their mass mailing, the national committee has continued to send out fright letters to solicit contributions from seniors in order to, quote, "save Social Security and Medicare".

I recently received one of these letters. It was replete with misleading statements. I do have to give the national committee credit. They are no longer making the exaggerated and false claims of past mailings. Instead, they have jumbled together comments and facts on Social Security in a fashion to create the impression that the program is once again threatened. After reading one of these letters, it is no wonder that any elderly person is afraid of the future. However, to paraphrase another Roosevelt, the only thing Social Security has to fear is organizations such as the national committee. It does not reflect well on the memory of Franklin Roosevelt, the author of Social Security, for his son to associate himself with a group such as the national committee which is exploiting our senior citizens.

Furthermore, one has to wonder whether this organization would receive even 1 cent in contributions if it were not able to successfully exploit the Roosevelt name. It is a somewhat tawdry tactic. I was especially struck by the fact that the committee mailings liberally use the title "Congressman Roosevelt". It is no wonder that our congressional offices are deluged with calls due to this slick confusion of public and private organizations. It is no surprise that the major umbrella group representating organizations concerned about Social Security have kept the national committee at arms length.

The national committee has been very active at the grassroots, soliciting funds from the elderly. However, the committee's impact with the Congress has been virtually nil. Though they claim credit for many congressional decisions, their legislative accomplishments have been meager. I do not know of one Member of the Congress who has debated any issue or voted on any bill or amendment who has based his or her actions on the counsel of the national committee.

In 1983, Congress passed the Social Security financing amendments. I cosponsored this legislation because I felt it was the necessary action we had to take to protect Social Security. The 1983 amendments ensure the financial solvency of the Social Security retirement fund for the next 75 years. This is not something the national committee would write to the seniors about—there would be no incentive for the seniors to send their $10 to an organization which tells them that Social Security is solvent at least until the year 2055. It is interesting to note that during the year in which the Congress passed the Social Security financing amendments with no help from the national committee, the committee raised $1.73 million from senior citizens. One-fourth of the funds were spent on administration, including salaries, and on solicitation. More money was spent on solicitation than on legislative and research efforts. This is a sorry record.

Let me close by citing a quote from Congressman JAKE PICKLE, one of our real guardians of Social Security. In commenting on the national committee, he said, "It is irresponsible to use scare tactics to arouse concern and mobilize the public to defend our Social Security system against a false threat." The National Committee to Preserve Social Security and Medicare may have a role to play in the ongoing debate on national policies affecting senior citizens, but they still have a long way to go before they will be viewed as legitimate, responsible actors in this debate.

And the way they can achieve that, Mr. President, is to stop terrorizing the senior citizens of America just for a $10 donation.

MESSAGES FROM THE PRESIDENT

Messages from the President of the United States were communicated to the Senate by Mr. Saunders, one of his secretaries.

EXECUTIVE MESSAGES REFERRED

As in executive session, the Presiding Officer laid before the Senate messages from the President of the United States submitting sundry nominations which were referred to the appropriate committees.

(The nominations received today are printed at the end of the Senate proceedings).

FISCAL YEAR 1987 BUDGET OF THE DISTRICT OF COLUMBIA—MESSAGE FROM THE PRESIDENT—PM 135

The PRESIDING OFFICER laid before the Senate the following message from the President of the United States, together with accompanying documents; which was referred to the Committee on Appropriations:

To the Congress of the United States:

In accordance with the District of Columbia Self-Government and Governmental Reorganization Act, I am transmitting the fiscal year 1987 Budget of the District of Columbia.

The proposals for Federal payments to the District of Columbia reflected in this document are consistent with those in the amended 1987 Federal Budget submitted to the Congress.

RONALD REAGAN.

THE WHITE HOUSE, *April 22, 1986.*

CONTINUATION OF EMERGENCY WITH RESPECT TO NICARAGUA—MESSAGE FROM THE PRESIDENT—PM 136

The PRESIDING OFFICER laid before the Senate the following message from the President of the United States, together with accompanying papers; which was referred to the Committee on Banking, Housing, and Urban Affairs:

To the Congress of the United States:

Section 202(d) of the National Emergencies Act (50 U.S.C. 1622(d)) provides for the automatic termination of a national emergency unless, prior to the anniversary date of its declaration, the President publishes in the *Federal Register* and transmits to the Congress a notice stating that the emergency is to continue in effect beyond the anniversary date. In accordance with this provision, I have sent the enclosed notice, stating that the Nicaraguan emergency is to continue in effect beyond May 1, 1986, to the *Federal Register* for publication.

The emergency situation created by the Nicaraguan Government's aggressive activities in Central America has not eased since the declaration of the Nicaraguan emergency on May 1, 1985, nor has the Government of Nicaragua responded to my call for actions appropriate to achieving peace in Central America as contained in my message to the Congress accompanying that declaration. In these circumstances, I have determined that it is necessary to continue in effect the national emergency with respect to Nicaragua after May 1, 1986, in order to deal with this unusual and extraordinary threat to the national security and foreign policy of the United States.

RONALD REAGAN.

THE WHITE HOUSE, *April 22, 1986.*

NOTICE—CONTINUATION OF NICARAGUAN EMERGENCY

On May 1, 1985, by Executive Order No. 12513, I declared a national emergency to deal with the threat to the national security and foreign policy of the United States constituted by the actions and policies of the Government of Nicaragua. Because those actions and policies continue to pose a national and extraordinary threat to the national security and foreign policy of the United States, the national emergency declared on May 1, 1985, must continue in effect beyond

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May 1, 1986. Therefore, in accordance with Section 202(d) of the National Emergencies Act (50 U.S.C. 1622(d)), I am continuing the national emergency with respect to Nicaragua. This notice shall be published in the *Federal Register* and transmitted to the Congress.

RONALD REAGAN.

THE WHITE HOUSE, *April 22, 1986.*

ANALYSIS OF JUVENILE JUSTICE PROGRAMS—MESSAGE FROM THE PRESIDENT—PM 137

The PRESIDING OFFICER laid before the Senate the following message from the President of the United States, which was referred to the Committee on the Judiciary:

To the Congress of the United States:

The Administrator of the Office of Juvenile Justice and Delinquency Prevention has recently submitted to me a copy of the *Ninth Analysis and Evaluation of Federal Juvenile Delinquency Programs* as required by Section 204(b)(5) of the Juvenile Justice and Delinquency Prevention Act of 1974 (P.L. 93-415), as amended. This letter fulfills the statutory requirement to respond to the Congress concerning this document and its recommendations.

The Office of Juvenile Justice and Delinquency Prevention has always been a catalyst for new ideas in the juvenile justice area. As a result, many of its original goals, such as deinstitutionalization of status offenders and the separation of juvenile and adult offenders, have been accomplished. Accordingly, I have proposed that the Juvenile Justice and Delinquency Prevention Program be eliminated at the conclusion of fiscal year 1986.

The report sets forth nine recommendations for improving Federal juvenile delinquency prevention policy. I can assure you that each of the recommendations will be implemented to the extent possible with respect to funds appropriated in fiscal year 1986 and before.

RONALD REAGAN.

THE WHITE HOUSE, *April 22, 1986.*

MESSAGE FROM THE HOUSE

At 2:43 p.m., a message from the House of Representatives, delivered by Mr. Berry, one of its reading clerks, announced that the House has passed the following bill, with amendments, in which it requests the concurrence of the Senate:

S. 426. An act to amend the Federal Power Act to provide for more protection to electric consumers.

The message also announced that the House has passed the following bill and joint resolutions, without amendment:

S. 2319. An act to provide for the continuation of the Martin Luther King, Jr. Federal Holiday Commission until 1989, and for other purposes;

S.J. Res. 275. Joint resolution designating May 11 through May 17, 1986, as "Jewish Heritage Week".

S.J. Res. 286. Joint resolution to designate the week of April 20, 1986, through April 26, 1986, as "National Reading Is Fun Week"; and

S.J. Res. 296. Joint resolution to designate October 16, 1986, as "World Food Day".

The message further announced that the House has passed the following bills and joint resolution, in which it requests the concurrence of the Senate:

H.R. 1920. An act to establish Federal standards and regulations for the conduct of gaming activities on Indian reservations and lands, and for other purposes;

H.R. 3212. An act to declare that the United States holds certain lands in trust for the Reno Sparks Indian Colony;

H.R. 3247. An act to amend the Native Americans Programs Act of 1974 to authorize appropriations for fiscal years 1987 through 1990;

H.R. 4602. An act to authorize the Federal Housing Administration and the Government National Mortgage Association to enter into additional commitments to insure loans and guarantee mortgage-backed securities during fiscal year 1986, and for other purposes; and

H.J. Res. 470. Joint resolution to designate the week of April 27, 1986, through May 3, 1986, as "National Arts in the Schools Week".

ENROLLED BILLS SIGNED

At 6:06 p.m., a message from the House of Representatives, delivered by Mr. Berry, one of its reading clerks, announced that the Speaker has signed the following enrolled bills:

S. 1684. An act to declare that the United States holds certain Chilocco Indian School lands in trust for the Kaw, Otoe-Missouria, Pawnee, Ponca, and Tonkawa Indian Tribes of Oklahoma; and

S. 2319. An act to provide for the continuation of the Martin Luther King, Jr. Federal Holiday Commission until 1989, and for other purposes.

MEASURES REFERRED

The following bills and joint resolution were read the first and second times by unanimous consent, and referred as indicated:

H.R. 1920. An act to establish Federal standards and regulations for the conduct of gaming activities on Indian reservations and lands, and for other purposes: to the Select Committee on Indian Affairs.

H.R. 3212. An act to declare that the United States holds certain lands in trust for the Reno Sparks Indian Colony; to the Committee on Energy and Natural Resources.

H.R. 3247. An act to amend the Native Americans Programs Act of 1974 to authorize appropriations for fiscal years 1987 through 1990; to the Select Committee on Indian Affairs.

H.J. Res. 470. Joint resolution to designate the week of April 27, 1986, through May 3, 1986, as "National Arts in the Schools Week"; to the Committee on the Judiciary.

MEASURE HELD AT THE DESK

The following bill was ordered held at the desk by unanimous consent pending further disposition:

H.R. 4602. An act to authorize the Federal Housing Administration and the Government National Mortgage Association to enter into additional commitments to ensure loans and guarantee mortgage-backed securities during fiscal year 1986, and for other purposes.

EXECUTIVE AND OTHER COMMUNICATIONS

The following communications were laid before the Senate, together with accompanying papers, reports, and documents, which were referred as indicated:

EC-3001. A communication from the Secretary of Agriculture, transmitting a draft of proposed legislation to reduce the cost and improve the effectiveness of the Food Stamp Program and for other purposes; to the Committee on Agriculture, Nutrition, and Forestry.

EC-3002. A communication from the Acting Comptroller General of the United States, transmitting, pursuant to law, a report on the status of certain Department of Housing and Urban Development budget authority; pursuant to the order of January 30, 1975, referred jointly to the Committee on the Budget, the Committee on Appropriations, and the Committee on Banking, Housing, and Urban Affairs.

EC-3003. A communication from the Acting Comptroller General of the United States, transmitting, pursuant to law, a report on the status of certain Department of Energy funds; pursuant to the order of January 30, 1975, referred jointly to the Committee on the Budget, the Committee on Appropriations, and the Committee on Energy and Natural Resources.

EC-3004. A communication from the Assistant Secretary of Defense (Comptroller), transmitting, pursuant to law, a listing of contract award dates for the period May 1 to June 30, 1986; to the Committee on Armed Services.

EC-3005. A communication from the Director of the National Security and International Affairs Division, General Accounting Office, transmitting, pursuant to law, a report entitled "DOD Revolving Door—Many Former Personnel Not Reporting Defense-Related Employment"; to the Committee on Armed Services.

EC-3006. A communication from the Comptroller General of the United States, transmitting, pursuant to law, a report entitled "Revenue Estimate—Panama Canal Commission Estimated Revenue for Fiscal Year 1987"; to the Committee on Armed Services.

EC-3007. A communication from the Assistant Secretary of Defense (Acquisition and Logistics), transmitting, pursuant to law, a report on the Department of Defense Commercial Activities Program since October 1, 1983; to the Committee on Armed Services.

EC-3008. A communication from the Deputy Assistant Secretary of Defense (Administration), transmitting, pursuant to law, a report on real and personal property of the Department of Defense as of September 30, 1985; to the Committee on Armed Services.

EC-3009. A communication from the Deputy Secretary of Defense, transmitting, pursuant to law, the annual report on compensation of officers and employees of Federal Contract Research Centers for calendar year 1985; to the Committee on Armed Services.

EC-3010. A communication from the President and chairman of the Export-Import Bank of the United States, transmitting, pursuant to law, a report on loan, guarantee and insurance transactions supported by Eximbank during March 1986 to Communist countries; to the Committee on Banking, Housing, and Urban Affairs.

EC-3011. A communication from the chairman and vice chairman of the National Energy Extension Service Advisory Board, transmitting, pursuant to law, the seventh annual report of the Board on the Nationwide Energy Extension Service Program, dated April 1986; to the Committee on Energy and Natural Resources.

EC-3012. A communication from the Secretary of the Interior, transmitting, pursuant to law, the financial statements of the Colorado River Basin Project for fiscal year 1985; to the Committee on Energy and Natural Resources.

EC-3013. A communication from the Commissioner of the Bureau of Reclamation, Department of the Interior, transmitting, pursuant to law, a report on findings for the necessity for modifications to the Soldiers Meadow Dam, Lewiston, Idaho; to the Committee on Energy and Natural Resources.

EC-3014. A communication from the Director of the Office of Civilian Radioactive Waste Management, Department of Energy, transmitting, pursuant to law, the fourth annual report entitled "Nuclear Waste Fund Fee Adequacy: An Assessment"; to the Committee on Energy and Natural Resources.

EC-3015. A communication from the chairman of the U.S. Advisory Commission on Public Diplomacy, transmitting, pursuant to law, the annual report of the Commission on the United States Information Agency for 1986; to the Committee on Foreign Relations.

EC-3016. A communication from the chairman of the Board of Directors of the Tennessee Valley Authority, transmitting, pursuant to law, the annual report of the authority under the Government in the Sunshine Act for calendar year 1985; to the Committee on Governmental Affairs.

EC-3017. A communication from the chairman of the Nuclear Regulatory Commission, transmitting, pursuant to law, the annual report of the Commission under the Government in the Sunshine Act for calendar year 1985; to the Committee on Governmental Affairs.

EC-3018. A communication from the Director of the Information Security Oversight Office, transmitting, pursuant to law, the annual report of the Office for fiscal year 1985; to the Committee on Governmental Affairs.

EC-3019. A communication from the Executive Director/Administrator of the Federal Labor Relations Authority, transmitting, pursuant to law, the annual report of the authority under the Government in the Sunshine Act for calendar year 1985; to the Committee on Governmental Affairs.

EC-3020. A communication from the Acting Comptroller General of the United States, transmitting, pursuant to law, a list of reports issued by the General Accounting Office during March 1986; to the Committee on Governmental Affairs.

EC-3021. A communication from the Assistant Attorney General (Legislative and Intergovernmental Affairs), transmitting a draft of proposed legislation to amend the interest provisions of the Declaration of Taking Act; to the Committee on the Judiciary.

EC-3022. A communication from the Assistant Attorney General (Legislative and Intergovernmental Affairs), transmitting a draft of proposed legislation to authorize appropriations for the purpose of carrying out the activities of the Department of Justice for fiscal year 1987, and for other purposes; to the Committee on the Judiciary.

EC-3023. A communication from the acting chairman of the Merit Systems Protection Board, transmitting, pursuant to law, the annual report of the Board under the Freedom of Information Act for calendar year 1985; to the Committee on the Judiciary.

EC-3024. A communication from the Secretary of Housing and Urban Development, transmitting, pursuant to law, the annual report of the Department of Housing and Urban Development under the Freedom of Information Act for calendar year 1985; to the Committee on the Judiciary.

EC-3025. A communication from the President of the United States, transmitting, pursuant to law, a report on United States military action in Libya on April 14, 1986; to the Committee on Foreign Relations.

PETITIONS AND MEMORIALS

The following petitions and memorials were laid before the Senate and were referred or ordered to lie on the table as indicated:

POM-624. A resolution adopted by the Council of the County of Maui, Hawaii, favoring continuation at present levels of the Community Development Block Grant Program; to the Committee on Appropriations.

POM-625. A resolution adopted by the Eighteenth Guam Legislature; to the Committee on Commerce, Science, and Transportation.

"RESOLUTION NO. 277 (LS), SUBSTITUTE

"Be it resolved by the Legislature of the Territory of Guam:

"Whereas, the members of the Eighteenth Guam Legislature, along with the rest of our nation, are deeply saddened at the loss of seven crew members of the Space Shuttle Challenger when, on January 29, 1986 (Guam Time) the Space Shuttle Challenger exploded into flames shortly after take off at Cape Canaveral, Florida; and

"Whereas, the crew members of Space Shuttle Challenger included three trained pilots, an expert on lasers, the second American woman to fly in space, a Hughes Aircraft Corporation engineer and a Concord, New Hampshire school teacher flying as the first citizen-in-space, all of whom were the "select few" and were immensely talented and gifted professionals in their respective fields; and

"Whereas, the crew members of Space Shuttle Challenger were Flight Commander Francis R. Scobee; Pilot Mike Smith; Researcher Ronald E. McNair; Air Force Lt. Col. Ellison S. Onizuka; Astronaut Judy Resnik; Engineer Gregory Jarvis; and Sharon "Christa" McAuliffe, the first citizen-in-space; and

"Whereas, each and every individual aboard the Challenger at the time of the tragedy exemplified the courageous and undaunted spirit of human discovery and progress, looking above and beyond human frailties to give their best in the quest to explore the boundless mysteries of the last frontier in the name of advancement of science and mankind; and

"Whereas, the territory of Guam supports NASA's space shuttle program, having had two volunteer teachers selected as nomineess for the Teacher in Space Project; and

"Whereas, the people of Guam are deeply saddened because of our close relationship with the space program wherein Lt. Col. Ellison S. Onizuka visited Guam in 1980 to explain the Shuttle Mission to the people; and

"Whereas, the crew members dedicated their lives to their profession in the utmost professional manner: Now, therefore, be it

"*Resolved,* That the Eighteenth Guam Legislature, on behalf of the people of Guam, hereby express its condolences to the families of the crew members of the Space Shuttle Challenger; and be it further

"*Resolved,* That the Eighteenth Guam Legislature will always remember the crew members of Space Shuttle Challenger; and be it further

"*Resolved,* That the Speaker certify to and the Legislative Secretary attest the adoption hereof and that copies of the same be thereafter transmitted to Mrs. June Kent Scobee and family; to Mrs. Jane Jarrell Smith and family; to Mrs. Cheryl Moor McNair and family; to Mrs. Irna Leiko Yoshida Onizuka and family; to the family of Ms. Judy Resnik; to Mrs. Marcia Jarboe Jarvis and family; to Mr. Steven J. McAuliffe and family; to the Administrator, National Aeronautics and Space Administration (NASA); to the President of the United States of America; to the President of the Senate and the Speaker of the House, Congress of the United States; to Congressman Ben G. Blaz and to the Governor of Guam."

POM-626. Joint resolutions adopted by the Legislature of the State of Idaho; to the Committee on Environment and Public Works:

"HOUSE JOINT MEMORIAL NO. 15

"We, your Memorialists, the House of Representatives and the Senate of the State of Idaho assembled in the Second Regular Session of the Forty-eighth Idaho Legislature, do hereby respectfully represent that:

"Whereas, the State of Idaho has a vital interest in the costs of natural gas supply and transmission for the state regulated public utilities and its citizenry; and

"Whereas, Kern River Gas Transmission Company has applied to the Federal Energy Regulatory Commission for approval to construct an interstate pipeline in the State of Wyoming, delivery to various points within or adjacent to Kern County in the State of California as more particularly described in the application filed with the Federal Energy Regulatory Commission as Docket No. CP85-552-000; and

"Whereas, operation of the Kern River Pipeline Project would have substantial economic benefits to the State of Idaho, its natural gas distribution utilities and its citizens in the form of a reduction in gas supply costs and transportation costs to those utilities served by Northwest Pipeline Corporation: Now, therefore, be it

"*Resolved* by the members of the Second Regular Session of the Forty-eighth Idaho Legislature, the House of Representatives and the Senate concurring therein, that the Federal Regulatory Commission is requested and encouraged to grant a certificate of public convenience and necessity to facili-

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tate the construction and operation of the Kern River Pipeline Project; and be it further

"*Resolved*, that the Chief Clerk of the House of Representatives be, and she is hereby authorized and directed to forward copies of this Memorial to the Federal Energy Regulatory Commission, the President of the Senate and the Speaker of the House of Representatives of Congress, and the congressional delegation representing the State of Idaho in the Congress of the United States."

"House Joint Memorial No. 16

"We, your Memorialists, the House of Representatives and the Senate of the State of Idaho assembled in the Second Regular Session of the Forty-eighth Idaho Legislature, do hereby respectfully represent that:

"Whereas, the transportation network is the most important component in the infrastructure of the United States; and

"Whereas, the Interstate Highways and other Federal-Aid Highway Systems are the very sinews of that transportation network; and

Whereas, construction of the Interstate Highway System has been the focus for massive funding for thirty years, during which time the Primary Highway System has been underfunded; and

"Whereas, it is essential to the Nation's mobility to preserve the investment of the past fifty years in the Primary Highway System: Now, therefore, be it

"*Resolved* by the members of the Second Regular Session of the Forty-eighth Idaho Legislature, the House of Representatives and the Senate concurring therein, that the Idaho Legislature urge that, during forthcoming Congressional deliberations on the future of the Federal-Aid Highway Program, greater flexibility be developed for transferring apportioned funds from the Interstate Resurfacing (4R) Program to the Primary Highway System; and be it further

"*Resolved*, That the Idaho Legislature petition Congress to eliminate federal statutory mandates upon which regulations in 23 CFR 625 are based that require the blanket application of rigid safety standards to all Federal-Aid Interstate 4R Projects; and that the petition also require that all specified safety features be cost-justified in the case of each individual project; and be it further

"*Resolved*, That due to the economic restraints imposed upon the Federal-Aid Highway Program by the Gramm-Rudman-Hollings Amendment, roadway standards should be made more flexible in order to give the states greater discretion in their application; be it further

"*Resolved*, That the Chief Clerk of the House of Representatives be, and she is hereby authorized and directed to forward copies of this Memorial to President Ronald Reagan, Secretary of Transportation Elizabeth Hanford Dole, the President of the Senate and the Speaker of the House of Representatives of Congress, and the congressional delegation representing the State of Idaho in the Congress of the United States."

POM-627. A joint resolution adopted by the Legislature of the State of California; to the Committee on Finance;

Assembly Joint Resolution No. 55

"Whereas, Technological leadership is one of this nation's most important resources; and

"Whereas, Governmental policies that encourage the expansion of industrial research and development in the United States are appropriate and necessary; and

"Whereas, The federal government enacted the research and development tax credit in 1981 to stimulate the essential investment by private industry in research and development; and

"Whereas, Foreign governments frequently provide tax incentives, special allowances, export subsidies, and government sponsorship of collaborative research efforts in key technological fields; and

"Whereas, An analysis conducted by the Congressional Research Service, dated January 1985, and a study conducted by the Brookings Institution, dated February 1985, confirm that the research and development federal income tax credit has produced tangible increases in research and development spending; and

"Whereas, Research and development helps drive this nation's economy and is essential to the United States remaining competitive in international marketplaces; and

"Whereas, It is in the national interest to promote the research and development federal income tax credit because it directly benefits the American consumer by reducing the cost of goods and creating jobs; and

"Whereas, The existing research and development federal income tax credit is due to expire in 1985: Now, therefore, be it

Resolved by the Assembly and Senate of the State of California, jointly, That the Legislature of the State of California respectfully memorializes the President and Congress of the United States to enact legislation to make permanent the research and development federal income tax credit; and be it further

Resolved, That the Chief Clerk of the Assembly transmit copies of this resolution to the President and Vice President of the United States, to the Speaker of the House of Representatives, and to each Senator and Representative from California in the Congress of the United States."

POM-628. A resolution adopted by School District No. 143 of Cook County, Illinois opposing certain provisions of the Tax Reform Act, H.R. 3838; to the Committee on Finance.

POM-629. A resolution adopted by the Texas Society Sons of the American Revolution, Inc. favoring the imposition of tariffs and duties on imported oil and petroleum products; to the Committee on Finance.

POM-630. A resolution adopted by the Council of the Borough of Ringwood, New Jersey, favoring the calling of a constitutional convention for the purpose of amending the sixteenth amendment to the Constitution; to the Committee on the Judiciary.

POM-631. A joint resolution adopted by the Legislature of the State of Indiana; to the Committee on the Judiciary.

"Enrolled House Joint Resolution No. 3

"A Joint Resolution providing for the ratification of the proposed amendment to the Constitution of the United States relative to the compensation of Senators and Representatives.

"Whereas, in the city of New York, both Houses of the First Congress of the United States of America, during the first session of that Congress, which session began on March 4, 1789, resolved that the following Article, among others, be proposed to the Legislatures of the several States as an amendment to the Constitution of the United States in the following words, to wit:

"The Conventions of a number of the States, having at the time of their adopting the Constitution, expressed a desire, in order to prevent misconstruction or abuse of its powers, that further declaratory and restrictive clauses should be added: And as extending the ground of public confidence in the Government, will best ensure the beneficent ends of its institution:

"Resolved by the Senators and Representatives of the United States of America, in Congress assembled, two thirds of both Houses concurring, that the following Articles be proposed to the Legislatures of the several States, as Amendments to the Constitution of the United States, all or any of which Articles, when ratified by three fourths of the said Legislatures, to be valid to all intents and purposes, as part of the said Constitution; viz

"Articles in addition to, and Amendment of the Constitution of the United States of America, proposed by Congress, and ratified by the Legislatures of the several States, pursuant to the fifth Article of the original Constitution.

"Article the second. . . . . No law, varying the compensation for the services of the Senators and Representatives, shall take effect, until an election of Representatives shall have intervened."

Be it resolved by the General Assembly of the State of Indiana:

"Section 1. That this proposed amendment of the Constitution of the United States of America is hereby ratified by the General Assembly of the State of Indiana.

"Section 2. That certified copies of this joint resolution be forwarded by the Governor of Indiana to the Administrator of General Services, as required by Section 106(b) Title 1, United States Code, as well as to the Secretary of State of the United States and the President of the Senate and Speaker of the House of Representatives of the Congress of the United States, and to all other federal officials as may be required by federal law."

REPORTS OF COMMITTEES

The following reports of committees were submitted:

By Mr. DANFORTH, from the Committee on Commerce, Science, and Transportation, with an amendment in the nature of a substitute and an amendment to the title:

H.R. 739. An act relating to the documentation of the vessel Marilyn to be employed in the coastwise trade (Rept. No. 99-284).

INTRODUCTION OF BILLS AND JOINT RESOLUTIONS

The following bills and joint resolutions were introduced, read the first and second time by unanimous consent, and referred as indicated:

By Mr. BENTSEN:

S. 2347. A bill to authorize the Corps of Engineers to issue permits under the Clean Water Act and the River and Harbor Act for construction of a water resource project in the State of Texas; to the Committee on Environment and Public Works.

By Mr. MOYNIHAN:

S. 2348. A bill to authorize the procurement and installation of cryptographic equipment at satellite communications facilities within the United States, and for other purposes; to the Committee on Armed Services.

By Mr. RIEGLE:

S. 2349. A bill to amend the Internal Revenue Code of 1954 to provide for the establishment of enterprise zones, and for other purposes; to the Committee on Finance.

By Mr. ABDNOR (for himself, Mr. Andrews, Mr. Baucus, Mr. Boschwitz, Mr. Durenberger, Mr. Zorinsky, and Mrs. Kassebaum):

S. 2350. A bill to extend the period for filing a claim for credit or refund of Federal income taxes with respect to certain changes made by the Consolidated Omnibus Reconciliation Act of 1985 with respect to insolvent farmers; to the Committee on Finance.

By Mr. EVANS (for himself and Mr. Gorton):

S. 2351. A bill to revise the boundaries of Olympic National Park and Olympic National Forest in the State of Washington, and for other purposes; to the Committee on Energy and Natural Resources.

By Mr. CHILES (for himself, Mr. Evans, Mr. Wilson, Mr. Boren, Mr. Moynihan, Mr. Nunn, Mr. Gorton, Mr. Hollings, and Mr. DeConcini):

S. 2352. A bill to amend the Internal Revenue Code of 1954 to provide for the reimbursement to State and local law enforcement agencies for costs incurred in investigations which substantially contribute to the recovery of Federal taxes; to the Committee on Finance.

By Mr. CHILES:

S. 2353. A bill to direct the Attorney General to develop a model statute for States to prohibit the establishment and use of freebase houses; to the Committee on the Judiciary.

By Mr. MITCHELL (for himself, Mr. Proxmire, Mr. Humphrey, Mr. Rudman, Mr. Durenberger, Mr. Warner, Mr. Trible, and Mr. Kasten):

S. 2354. A bill to amend the Nuclear Waste Policy Act of 1982 to provide for the disposal of high-level radioactive waste and spent nuclear fuel in a single repository, and for other purposes; to the Committee on Energy and Natural Resources.

By Mr. ROTH:

S. 2355. A bill to amend title 10, United States Code, to require operational testing and evaluation before low-rate initial production, and for other purposes; to the Committee on Armed Services.

By Mr. ROCKEFELLER (for himself and Mr. Byrd):

S. 2356. A bill to offset the competitive advantage which foreign coal producers have as a result of not having to meet environmental, health, welfare, and safety requirements of the kinds imposed on U.S. coal producers, and for other purposes; to the Committee on Finance.

By Mr. BUMPERS (for himself and Mr. Pryor):

S. 2357. A bill to direct the Secretary of the Army to lease certain lands at Fort Chaffee, AR, to the city of Barling for use by the city for the construction of a waste treatment facility; to the Committee on Armed Services.

By Mr. RIEGLE:

S.J. Res. 328. A joint resolution to designate the week beginning May 4, 1986, as "National Correctional Officers Week"; to the Committee on the Judiciary.

By Mr. BIDEN (for himself and Mr. Roth):

S.J. Res. 329. A joint resolution to designate the period of December 1, 1986, through December 7, 1986, as "National Aplastic Anemia Awareness Week"; to the Committee on the Judiciary.

SUBMISSION OF CONCURRENT AND SENATE RESOLUTIONS

The following concurrent resolutions and Senate resolutions were read and referred (or acted upon), as indicated:

By Mr. BRADLEY (for himself, Mr. McClure, Mr. Johnston, Mr. Ford, Mr. Metzenbaum, and Mr. Warner):

S. Res. 386. A resolution to express the sense of the Senate that strategic petroleum reserve purchases and construction should be accelerated and that all funds deferred by the President should be immediately obligated; to the Committee on Energy and Natural Resources.

By Mr. DOLE (for Mr. Durenberger) (for himself, Mr. Leahy, Mr. Roth, Mr. Cohen, Mr. Hatch, Mr. Murkowski, Mr. Specter, Mr. Hecht, Mr. McConnell, Mr. Bentsen, Mr. Nunn, Mr. Eagleton, Mr. Hollings, Mr. Boren, and Mr. Bradley):

S. Con. Res. 133. A concurrent resolution to commend Deputy Director of Central Intelligence John N. McMahon for exceptionally distinguished service to the United States; considered and agreed to.

STATEMENTS ON INTRODUCED BILLS AND JOINT RESOLUTIONS

By Mr. BENTSEN:

S. 2347. A bill to authorize the Corps of Engineers to issue permits under the Clean Water Act and the River and Harbor Act for construction of a water resources project in the State of Texas; to the Committee on Environment and Public Works.

CONSTRUCTION OF THE STACY DAM PROJECT IN TEXAS

● Mr. BENTSEN. Mr. President, I am today introducing a bill to assist in the construction of the Stacy Dam, reservoir, and pipeline in Texas.

This is a project of the Colorado River Municipal Water District, and it is an excellent example of local governmental bodies planning for the future. The Federal Government always urges local government to plan ahead, to conserve, and to do these things with their own local funds, and the Stacy Dam project fits this criteria perfectly.

In Texas, especially west Texas, the need now, and in the past, and in the future, is water. Contrary to popular opinion, water—not only oil prices—is a major key in determining the progress and destiny of Texas.

The Colorado River Authority came up with an excellent plan to construct a reservoir on the Colorado River in Coleman, Concho, and Runnels Counties, for the purpose of supplying municipal water to the cities of Midland, Odessa, Big Spring, Snyder, San Angelo, and Abilene. It is expected to extend an adequate water supply to these cities well into the 21st century.

The authority, in an orderly and constructive manner, first applied to the Corps of Engineers for a 404 permit in 1979. In 1982, it was decided that it would be in the best interests of all to suspend the efforts of preparing an environment impact statement until the district had in hand an unencumbered permit from the State of Texas authorizing the project.

In May 1985—after a lengthy and expensive effort—the authority received State approval and went back to the corps for action on the environmental impact statement which had been set aside since 1982.

Back on schedule, the authority plans to begin construction next year so that the dam can be ready for use in early 1990. This is a $66 million project financed solely through the issuance of revenue bonds—no Federal, State, or local tax funds are involved. This should be the end of it—and an example of what our localities should be doing to keep us with future growth.

But as we in this body know, nothing is ever simple when dealing with the Federal Government. The U.S. Fish and Wildlife Service is threatening to hold up construction because it says the project may—and I repeat, may—jeopardize the Concho River water snake.

This is because the dam would be located on the mainstem of the Colorado about 16 miles downstream from the confluence of the Colorado and Concho Rivers, creating a pool of about 19,200 acres of needed water in Concho, Coleman, and Runnels Counties. In this area is found the Concho River water snake, a reptile discovered in 1944 which grows to about 35 inches long. The Wildlife Service says the Concho water snake is a relative of the Brazos water snake, and that the Brazos snake is currently found in two reservoirs. The Concho snake has not been located in Colorado Basin reservoirs, according to Fish and Wildlife, and therefore they question the creation of Stacy Reservoir.

There is apparently a great number of these snakes. The Wildlife Service says they live along 200 miles of the Concho and Colorado. But because they say most of them live along a 105-mile stretch of river, the area affected by the Stacy Dam is proposed to be designated as a critical habitat.

The way the Wildlife Service sees it, Stacy would inundate about 48 miles of that 105-mile stretch where many, but not all, of the snakes live. Depending on circumstances, they say, Stacy Dam could eliminate them all. Frankly, they don't know. They do admit there are many Concho River snakes scattered along hundreds of miles. In fact, they say that through planned discharges the dam could actually "maintain or enhance" the downstream habitat.

Because of this speculation, the real or imagined threat to some unknown

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percentage of snakes in the water, the Stacy project is threatened, and more than a snake is jeopardized. In this entire issue, the only certainties are that water is a critical necessity to people in the area, and that delays are penalties in the form of extra expenditures of local funds.

The Colorado Water District has already offered to spend $225,000 to study the snake and its problems while the dam is being built, but Fish and Wildlife has found this unacceptable. It is possible that the Service might accept some plan to physically move some of the snakes elsewhere, but at this point the Service has been unwilling to discuss such an option. Nor has the Service been willing to consider structural modifications to the reservoir that might make it more like the Brazos River reservoirs where the Concho River water snake's relatives have been able to live without difficulty. Regardless, if any option were to be acceptable, the cost would be high and it would be a cost that would ultimately be passed along to the consumer, not the government, the Fish and Wildlife Service, or advocates of the river snake. They could try to move the entire project, but that would entail the expenditure of many millions more, and is all but impossible.

Mr. President, the people of west Texas consider a threat against this important project by speculation over the effect on a specie of water snake as a serious case of misplaced priorities, and I agree with them. I don't think there is any evidence that the snake would be made extinct, or even any hard evidence that they don't exist outside the large, 200-mile range. I believe that reasonable efforts to mitigate the effects of the dam on the snake habitat should be undertaken.

This legislation is simple. It authorizes the Secretary of the Army to issue a permit under section 404 of the Clean Water Act and section 10 of the River and Harbor Act. It also directs the Secretary of the Army to issue the permit not later than November 30.

Mr. President, this is an important project that will benefit people for many years to come. I think we have a responsibility to act, and act promptly.

I ask unanimous consent that the bill be printed in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 2347

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. (a) The Secretary of the Army is authorized to issue a permit under section 404 of the Clean Water Act and section 10 of the River and Harbor Act of 1899 for the Stacy Dam, Reservoir, and Pipeline Project of the Colorado River Municipal Water District, Texas, notwithstanding the pendency of any proposal by the Secretary of the Interior regarding the listing of a threatened species or the designation of critical habitat of a proposed threatened species under the provisions of the Endangered Species Act, and notwithstanding any listing of a threatened species promulgated after the date of enactment of this section.

(b) The Secretary of the Army shall act to issue the permit for the Stacy Dam, Reservoir, and Pipeline Project, Texas, not later than November 30, 1986.●

By Mr. MOYNIHAN:

S. 2348. A bill to authorize the procurement and installation of cryptographic equipment at satellite communications facilities within the United States, and for other purposes; to the Committee on Armed Services.

SATELLITE COMMUNICATIONS SECURITY

Mr. MOYNIHAN. Mr. President, the Soviet intelligence collection facility at Lourdes, Cuba, enables the Soviets to monitor sensitive U.S. maritime, military, and space communications, as well as telephone conversations in the United States. So says a joint State and Defense Department publication, "The Soviet-Cuban Connection." The publication does not indicate how effective the facility is—our intelligence agencies can tell you a bit about that—but we do know that the facility is the largest of its kind in the world, and the most sophisticated Soviet listening facility outside of its national territory. Moreover, this facility continues to grow in size and capability—by 60 percent during the past decade. Today, approximately 2,100 Soviet technicians man the antennae and dishes which are spread over 28 square miles. That the satellite ground station at Lourdes allows instant communications with Moscow tells us a bit about the value of the information the Soviets are intercepting.

In 1977, and twice since, I have introduced legislation, the Foreign Surveillance Prevention Act, to curtail Soviet eavesdropping from their diplomatic establishments in Washington, San Francisco, and New York. Nelson Rockefeller reported this intelligence breach to the President in 1975, and Arkady Shevchenko, the highest ranking Soviet diplomat ever to defect to the West, detailed it in 1978. This legislation would deal with this eavesdropping simply and firmly. If a Soviet diplomat were suspected of eavesdropping, we would declare that individual persona non grata and expel him from the country. And mind you, the FBI estimates that 30 to 40 percent of the Soviet diplomatic personnel are engaged in espionage. The facility at Lourdes, however, is outside our territorial and legal jurisdiction. It must be neutralized by other—technical—means.

Mr. President, today I introduce legislation to put the multibillion-dollar facility at Lourdes out of business, as well as limit the damage from Soviet trawlers and other AGI's [auxiliary gathering intelligence]. This legislation will also provide for the protection of Government communications from interception by foreign governments and other unauthorized parties, and protect the privacy of Americans—you, me, our children.

I recall a comment Walter Deeley, formerly Deputy Director of Communications Security at the NSA, made to David Burnham of the New York Times. "They are having us for breakfast," he said "We are hemorrhaging. Your progeny may not enjoy the same rights we do today if we don't do something." Well, Mr. President, today I propose to take some of our communications off the breakfast table.

As you know, when you place a telephone call from point A to point B, there are three communications paths—or circuits—on which your call might travel: microwave, cable, and satellite. The telephone company will route your call to a switching station where computers will select the first available means of establishing a circuit. If it is a local call, the path will probably be made over cable. If your call is long distance, chances are it will be transmitted as a radiowave from a switching station and relayed via microwave or satellite. These radio waves follow prescribed routes through the sky. They are available for interception, just as a private dish satellite in the backyard can pull in cable television signals—and telephone signals. And yes, the Soviets have the range at Lourdes to grasp our satellite transmissions as they travel from New York to Los Angeles, or Washington to Omaha.

This legislation will provide for the procurement and installation of cryptographic hardware at satellite communications facilities within the United States. This hardware will encrypt telephonic signals before they are transmitted as radio waves from ground station to satellite to ground station, a technique analogous to the cable networks scrambling their signals. This would protect the domestic satellite transmissions of both the Federal Government and private citizens. Commercial interests utilizing direct satellite communications which are not switched through the common carrier system would not be covered under the provisions of this legislation. But, I might add, secure, dedicated satellite communication is already offered by some common carriers for commercial use.

This legislation will authorize $943 million in funding for the Department of Defense for use by the National Security Agency. A relative bargain, but still not cheap in this year of Gramm-Rudman-Hollings. But I voted against that legislation, and I am not ashamed to stand up today and discuss funding to meet a vital national security need.

In fact, I think it my duty. And, It would cost us a lot more not to do it.

Mr. President, we have an opportunity to stop Soviet eavesdropping from their facility at Lourdes. In so doing, we will suture a wound from which bleeds vital intelligence material, industrial secrets, and the private conversations of American citizens. And while only some of this material is classified, it all provides intelligence information to Soviets when pieced together. Just as importantly, by countering the facility at Lourdes we will protect American citizens from egregious violations of their privacy.

Mr. President, I ask unanimous consent that the text of the bill be printed in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 2348

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That (a) the purpose of this Act is to provide further for the security of satellite communications transmissions between facilities within the United States and to prevent the interception of, or access to, such transmissions by foreign governments or other unauthorized parties.

(b)(1) To carry out the purposes of subsection (a), the Secretary of Defense, acting through the National Security Agency and acting in cooperation with private enterprises engaged in satellite communications within the United States, is authorized to procure and install cryptographic equipment at satellite communications facilities within the United States.

(2) Any private enterprise owning a satellite communications facility at which equipment was installed under paragraph (1) shall be reimbursed by the Secretary of Defense for the costs incurred in operating and maintaining such equipment.

(c) The provisions of subsection (b) shall not apply to any communications system utilizing direct satellite transmissions which, on reception, are not switched through a common carrier system.

(d)(1) There are authorized to be appropriated to the Secretary of Defense for use by the National Security Agency such sums as may be necessary to carry out the provisions of this Act.

(2) Amounts appropriated under this subsection are authorized to remain available until expended.

(e) For purposes of this Act—

(1) the term "common carrier" has the same meaning as such term is defined in section 3(h) of the Communications Act of 1933 (47 U.S.C. 153(h)); and

(2) the term "United States" refers to the States of the United States, the District of Columbia, the Commonwealth of Puerto Rico, the Virgin Islands, Guam, and American Samoa.

By Mr. RIEGLE:

S. 2349. A bill to amend the Internal Revenue Code of 1954 to provide for the establishment of enterprise zones, and for other purposes; to the Committee on Finance.

ENTERPRISE ZONE ACT

● Mr. RIEGLE. Mr. President, I am introducing today the Enterprise Zone Act of 1986 to stimulate the economic development of our Nation's most distressed communities.

This legislation will help attract private investment to economically hard-pressed areas. It can create jobs and aid industrial development. It could provide an important tool for cities like Detroit, Flint, Muskegon, Jackson, Benton Harbor, and many other localities across the Nation that want to revitalize areas of high unemployment and pervasive poverty within their communities.

In August of 1980, President Reagan set enterprise zones as one of the administration's legislative priorities. On numerous occasions since then he has challenged Congress to enact precisely the legislation I am introducing today. Together with a number of my colleagues, I have consistently suported the President in this initiative. In January of 1985 I wrote to President Reagan to express my willingness to work with him on this proposal. I am restating that commitment now.

Unfortunately, we are nearly a year and a half into the 99th Congress, and the administration has not yet submitted an enterprise zone bill. The Department of Housing and Urban Development seems incapable of bringing enterprise zone legislation to Congress. I see no reason why Members of Congress should continue waiting in frustration. That is why I take this action today.

Enterprise zone legislation is needed perhaps now more than ever. Although the recovery has been underway for 40 months, many communities have been left behind. Virtually every State has communities that are still in the throes of a deep recession. In fact, this is precisely the stage of the business cycle when an enterprise zone program would be most effective. The general climate for private investment is at its most favorable, and it is now that enterprise zone incentives would be most able to attract private investment to areas where it is most needed.

The enterprise zone program would help fill a large vacuum in distressed areas that has been created by sharp cutbacks in Federal economic development assistance. Federal budget cuts have undermined hundreds of efforts across the country in which local governments, banks, and private industry were cooperating to create stable jobs in depressed areas.

Enterprise zone legislation is not new to the Senate. In 1981 I joined Senator HEINZ to introduce the first enterprise zone bill in the Senate—the Urban and Rural Revitalization Act of 1981. Since then, enterprise zone legislation has been introduced in every session of Congress and has been the subject of extensive hearings in both the Senate and the House. The Senate has passed such legislation twice—most recently in 1984. There is no reason for further delay in enacting it into law.

The legislation I am introducing today is similar to legislation which passed the Senate during the 98th Congress and was later reintroduced as S. 2914. The bill has been modified only to reflect changes proposed by the Department of Housing and Urban Development [HUD] and the Department of the Treasury.

The Enterprise Zone Act would authorize the Secretary of HUD to designate up to 25 zones a year for 3 years. State and local governments would nominate areas from communities that meet certain criteria. The area would have to be in a jurisdiction or "pocket of poverty" that is eligible for the Urban Development Action Grant Program [UDAG]. It would also need a continuous boundary, and it would have to show signs of pervasive poverty and unemployment, such as an unemployment rate of at least 1.5 times that of the national rate and a poverty rate of at least 20 percent or more.

Once an area is designated, job creating economic activity in that area would receive various forms of targeted Federal tax relief. This would include: Eliminating capital gains taxes within zone; providing an additional investment tax credit; providing a 5-percent credit to zone employees for income earned in the zone; and crediting employers for wages paid to disadvantaged zone employees.

Mr. President, I ask unanimous consent that a short description of the bill be printed in the RECORD at the conclusion of my remarks.

In closing, I want to stress that this legislation has been carefully considered and developed in the Congress. This bill incorporates refinements suggested by the administration. It had the bipartisan support of 38 Senators in the last Congress. I believe that this is the time to enact enterprise zone legislation and that this bill gives the Senate a proven vehicle and a clear opportunity to take favorable action again this year.

I remain a strong supporter of enterprise zones and will continue to work to see that this valuable tool is available to our Nation's cities. I urge my colleagues in the Senate to join me as cosponsors and to insure prompt passage.

There being no objection, the description was ordered to be printed in the RECORD, as follows:

ENTERPRISE ZONE ACT OF 1986

The proposal authorizes the Secretary of HUD to designate up to 25 enterprise zones a year for 3 years—a total of 75 zones. Areas would be nominated by State and local governments and would have to meet certain criteria of economic distress and population, have a continuous boundary, and receive a

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commitment from the State and locality to take a course of action designed to remove impediments to economic development in the area.

Once designated zones, they would receive the following Federal tax relief:

Additional investment credit of 3 to 5 percent for personal property and 10 percent for real property for capital investment in the zone.

10 percent credit to employers for increases paid to zone employees over the previous year, at a maximum of 2.5 times the employer's Federal Unemployment Tax Act (FUTA) wage base.

Credit to employers for wages paid to disadvantaged zone employees, equal to 50 percent of wages paid to such employees (not counting Federal subsidies for job training). This credit would be available for 7 years and drop 10 percent per year beginning in the fourth year.

5 percent credit to zone employees for income earned in zone employment, maximum $450 per employee.

Capital gains tax would not be imposed on the gain from sale of any interest in a zone business or any property used in the conduct of zone business.

Restrictions on the use of Accelerated Cost Recovery System (ACRS) for industrial development bond (IDB) financed property, and the 1987 sunset of the small issue exemption, would not apply with respect to IDB's used to finance zone small business.

Zones would be given preference in establishing Foreign Trade Zones, and could qualify for limited Federal regulatory relief. Federal contributions would last 20 years with a 4 year phaseout.●

By Mr. ABDNOR (for himself, Mr. Andrews, Mr. Baucus, Mr. Boschwitz, Mr. Durenberger, Mr. Zorinsky, and Mrs. Kassebaum):

S. 2350. A bill to extend the period for filing a claim for credit or refund of Federal income taxes with respect to certain changes made by the Consolidated Omnibus Budget Reconciliation Act of 1985 with respect to insolvent farmers; to the Committee on Finance.

TAX FILING EXTENSION FOR INSOLVENT FARMERS

Mr. ABDNOR. Mr. President, the Budget Reconciliation Act of 1985 made an essential change in our Tax Code as it affects the alternative minimum tax liability of insolvent farmers. The change provides that in the cases of first, the transfer of farmland by an insolvent farmer to a creditor in cancellation of indebtedness, or second, the sale of farmland by an insolvent farmer under threat of foreclosure, the capital gain realized as a result of such transfer or sale will not be included as an item of tax preference in the computation of the alternative minimum tax. The intent of the language in Budget Reconciliation was to make this change applicable going back to the 1982 tax year.

Unfortunately for many farm taxpayers, the normal 3-year statute of limitations for calendar year 1982 returns expired on April 15, 1986. Insolvent farmers seeking protection under the new law with respect to calendar year 1982 were required, therefore, to file an amended 1982 return on or before April 15, 1986, a mere 8 days after the tax changes were signed into law by President Reagan.

Further delays by the IRS in getting the word out to their local offices reduced that leadtime to 1 or 2 days. In my State of South Dakota, many tax lawyers and CPA's are still unaware of any changes. For that reason, I find it unconscionable to expect the farmers themselves to have been alerted soon enough to file before the April 15, 1986 deadline in order to qualify for a refund for the 1982 tax year.

Mr. President, numerous delays in passage of the Budget Reconciliation Act may have unnecessarily precluded many farmers from filing for a refund to which they clearly are entitled. The intent of the reconciliation language was to include transfers of farmland which occurred in 1982, and I believe it is incumbent upon Congress to insure that individuals engaged in transactions for that tax year are not disallowed the opportunity to file an amended form.

Mr. President, the legislation we are introducing here today would extend the statute of limitations for a period of 6 months thereby allowing deserving farmers an opportunity to take advantage of any credits or refunds to which they are entitled as a result of the changes made in Budget Reconciliation. This bill provides that if a taxpayer is prevented from claiming a refund or credit resulting from the insolvent farmer provision in the Budget Reconciliation Act anytime before October 15, 1986, then the refund or credit will nevertheless be allowed if claim therefore is filed within 6 months of the date of enactment of the bill.

I trust this body will work quickly toward passage of this measure.

By Mr. EVANS (for himself and Mr. Gorton):

S. 2351. A bill to revise the boundaries of Olympic National Park and Olympic National Forest in the State of Washington, and for other purposes; to the Committee on Energy and Natural Resources.

REVISION OF BOUNDARIES OF OLYMPIC NATIONAL PARK AND OLYMPIC NATIONAL FOREST

Mr. EVANS. Mr. President, today I am introducing with Senator Gorton a bill to revise the boundaries of the Olympic National Park in Washington State. The bill incorporates the recommendations of the National Park Service and the National Forest Service for modification of their common boundaries. The bill also authorizes two minor additions to the park as recommended by the National Park Service.

The Olympic National Forest and the Olympic National Park share many common boundaries. A high degree of cooperation has existed between these Federal land management jurisdictions on a variety of programs. But some of the existing boundaries separating park and forest have created problems for both agencies in fulfilling their respective missions. These are found in selected areas where existing boundaries do not follow natural topographic features and hydrographic divides.

Established earlier in the century, many of the boundaries are drawn on township and section lines which do not always meet logical resource management needs or serve the best interests of the public. Existing straight line boundaries do not protect complete watersheds. The upper portions of some park watersheds lie outside park boundaries thus allowing land uses that could affect the visual integrity within drainages. In other places, the existing park boundary effectively blocks access to portions of the Olympic National Forest since logging roads cannot be built through the park.

Mr. President, the bill we are introducing today incorporates the joint recommendations of the National Park Service and the U.S. Forest Service to modify further their common boundaries. The boundary adjustments would transfer 1,954 acres from the Olympic National Forest to the Olympic National Park and 1,236 acres from the Olympic National Park to the Olympic National Forest. The bill would also authorize the addition to the Olympic National Park of 283 acres of private land on the shore of Lake Crescent and along the Soleduck Road. The additions to the park were recommended by the National Park Service. These private lands were identified as critical acquisitions in the park's land protection plan.

Senator Gorton and I enthusiastically support this boundary adjustment proposal. Furthermore, we intend to examine carefully other proposals to modify the boundaries of the Olympic National Park. Finally, we will request that the Energy and Natural Resources Committee examine through congressional oversight other issues of concern to the Olympic National Park. These include the management by the State of Washington of tidelands adjacent to the coastal strip and the relicensing and operation of the Glines Canyon hydroelectric facility on the Elwha River just inside the National Park.

Mr. President, I have visited scores of the ocean beaches, hiked virtually every river valley, and climbed most of the Olympic Moutains during the last 45 years. Each visit is a return pilgrimage to a mountain paradise only gently touched by human hands. Vivid technicolor memories recall, instantly, the serenity and savagery of wilderness mountains.

The National Park which dominates the Olympic Peninsula has preserved a wilderness land virtually untouched by human habitation. In an increasingly technological and crowded world it is essential that we preserve these windows to the past. Our great grandchildren who may explore the stars must know their heritage and what their world was like before humans came.

Our responsibility to future generations requires our continued vigilance on issues of management of our national parks. This bill will help resolve some of these issues for the Olympic National Park. I hope that the Senate will respond favorably to our initiative.

● Mr. GORTON. Mr. President, today I am pleased to join my colleague from Washington, Senator Dan Evans, in introducing legislation that would revise the boundaries of the Olympic National Park and the Olympic National Forest in the State of Washington. The bill implements the recommendations of both the National Park Service and the U.S. Forest Service which resulted from a detailed boundary study conducted by both agencies.

Located on the Olympic Peninsula in Washington, both the Olympic National Park and the Olympic National Forest contain a vast abundance of natural resources within the more than 1.5 million acres that are administered by both agencies. The Olympic National Park comprises over 900,000 acres and includes within its borders Mount Olympus, the highest peak on the peninsula, at 7,965 feet as well as steep, snow capped peaks and precipitous slopes falling away to the lush, verdant rain-forested valleys. President Grover Cleveland launched the effort to preserve this unique ecosystem in 1897. The most recent addition to the park came in 1976, when President Gerald Ford expanded the park boundaries to include lands along the northwestern coast of the peninsula.

The Olympic National Forest surrounds a majority of the National Park. Contained in the forest are lower elevation, densely forested mountain slopes. According to the National Forest Management Act and numerous other legal mandates, the National Forest is managed for a variety of multiple uses, including timber production, recreation, and wildlife.

Both the National Park and the National Forest share miles of common borders. As a result of this close juxtaposition, the two agencies work very closely and cooperatively. Both are to be commended for their efforts in developing the legislative proposal introduced today by Senator Evans and me.

When boundaries were established years ago, much of the land was inadequately surveyed and boundaries, for want of a better alternative, were frequently drawn along township and section lines. Many of these boundary lines do not correspond with the natural topographic and hydrographic features of the land itself. Redrawing boundary lines along these natural features is far more logical in terms of enabling both these agencies to fully manage and protect their resources.

Mr. President, the bill we are introducing today will remedy many of the land management problems that both agencies face as a result of these illogical boundaries. These boundary adjustments will better enable the Park Service to protect entire watersheds and ecosystems. The adjustments will also allow the Forest Service to reach timber management sites that have had blocked access because park land separates the forest land. I fully support the effort of these agencies to revise boundaries along the land distinctions occurring in nature to better facilitate each agency's land management objectives. I hope that our colleagues on the Energy and Natural Resources Committee and in the full Senate will examine this proposal and concur with Senator Evans and me.●

By Mr. CHILES (for himself, Mr. Evans, Mr. Wilson, Mr. Boren, Mr. Moynihan, Mr. Nunn, Mr. Gorton, Mr. Hollings, and Mr. DeConcini):

S. 2352. A bill to amend the Internal Revenue Code of 1954 to provide for the reimbursement to State and local law enforcement agencies for costs incurred in investigations which substantially contribute to the recovery of Federal taxes; to the Committee on Finance.

By Mr. CHILES:

S. 2353. A bill to direct the Attorney General to develop a model statute for States to prohibit the establishment and use of freebase houses; to the Committee on the Judiciary.

AID IN FIGHTING ILLEGAL DRUGS

● Mr. CHILES. Mr. President, in this "era of the terrorist," drugs are the most pervasive form of terrorism facing the United States.

Illegal narcotics are insidious invaders chewing the fabric of our society. Underworld drug traffic yields enormous wealth to people, who, while they may claim American citizenship, are nothing more than mercenaries without either country or conscience.

Throughout the United States, the fight against drugs falls squarely on the shoulders of State and local law enforcement authorities. They devote both time and resources—often at great risk and always at substantial cost—in their effort to stem the tide of drugs.

The President's Commission on Organized Crime has documented the size of the threat. The Congress must respond to this assessment and provide law enforcement with the necessary tools. I am introducing two bills today which will benefit law enforcement in their war on drugs.

These bills are the result of a series of meetings I have had with law enforcement officials on ways to assist their efforts. The bills are designed to beat back the criminal forces and assist authorities in their fights against new drug threats in Florida, and around the country.

The aim of the first bill is very basic. It would amend the Internal Revenue Code to allow reimbursement to State and local law enforcement authorities for the costs they incur while investigating drug offenses which contribute to the recovery of Federal taxes.

In my own State, the Florida Department of Law Enforcement has been a willing—and successful—ally of the Federal Government. They have pursued drug traffickers, tracked them down, exposed them for prosecution, and, at the same, time, made it possible for the IRS to recoup substantial sources of revenue for the Federal treasury.

But while States like Florida do so much of the field work, they do not even get back their investigative costs. As a result, the financial benefits accrue to the Federal Government, but the States suffer from a drain on their resources.

My proposal amends the Internal Revenue Code to provide for the recoupment of investigative expenses incurred by local law enforcement agencies when those agencies provide information to the IRS which substantially contributes to the recovery of Federal taxes. The amount reimbursed shall not exceed 10 percent of the sum ultimately recovered.

Reimbursement of investigative expenses as provided for in this bill in no way reduces IRS recoveries since such expenses would be paid from revenues not otherwise forthcoming without local law enforcement assistance. In fact, IRS recoveries are likely to increase since reimbursement would result in an increase in resources available to continue and perhaps expand the scope of these complex investigations.

State and local law enforcement departments routinely work in conjunction with Federal agencies such as the Bureau of Alcohol, Tobacco and Firearms, the Drug Enforcement Administration, and the IRS. These cooperative efforts range from the informal sharing of intelligence or investigative information to formal task force agreements.

Because targeted crime organizations often purchase property or other assets, or attempt to disguise profits and income from illegal sources, the IRS is frequently interested in information developed during the course of local or State investigations. In many instances, the major investigative ex-

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penses are borne by State agencies while the large money settlements belong to the Federal Government.

Often the greatest value of additional investigative effort is in the area of the tax impact for criminal activity. Understandably, local and State law enforcement agents are reluctant to devote their time and effort in developing information for the IRS since they will receive no compensation from the collected taxes to reimburse the expenses incurred.

Investigating the financial or economic aspect of criminal activity is time-consuming, expensive, and is a task requring investigative expertise. State and local agencies often leave such investigations undone. Frequently, the information obtained does not result in additional criminal charges or does not result in increased incarceration time for the subject, so local interest is limited. Therefore, to agencies with limited personnel and finances, the investigation of the financial dimension of a criminal operation is not worth the effort.

In States such as Florida or Washington, for example, where there is no income tax, the local interest in developing a tax evasion dimension of a case is limited. In California, where designer drug labs have flourished in recent years, efforts to investigate their financial illegalities have received little attention. These labs have no tangible assets to seize and interest in pursuing a possible tax case is minimal. Financial dimension investigations may develop significant information regarding Federal tax evasion or fraud charges but do not develop corresponding State charges. As a result, financial investigative efforts by local investigators may frequently be cut short because the end result is not worth the additional local effort.

There remains a desire, however, to "hit the criminal where it hurts"—in the pocketbook. The proposed legislation provides a guarantee to local and State law enforcement agencies of reimbursement for the expenses incurred in developing the financial dimension of criminal activity. If implemented, the proposal will allow local and State law enforcement agencies to devote efforts to trace funds and build the case—for local or Federal prosecution and for IRS collection activity. The additional effort would be valuable to local law enforcement because additional State charges might develop and in the least there would be a good chance of IRS investigation.

At a time when Federal revenues are falling short of needs, such a proposal could help generate additional revenue because it would provide the needed incentive to identify unreported or underreported revenues and allow the IRS to collect the funds. Since reimbursement to State and local agencies is paid only from that which is collected, and is capped at 10 percent of the collected tax amounts, the proposal has the dual effect of helping to deny criminals the benefits of their activity and to provide Federal revenues. The proposal provides a guarantee of reimbursement. This will serve as an incentive to local and State law enforcement agencies to expand their investigative efforts to include the financial dimension. The only loser in the proposal is the criminal.

Mr. President, the other bill I am introducing today addresses a new drug craze that has swept our Nation. "Rock" or "crack" cocaine is more dangerous and widespread than other drug forms because it is cheaper and available to a whole new class of people who cannot afford other drugs, including our young people.

The availability of rock or crack cocaine has increased tremendously over the past few years. Crack cocaine is cocaine in crystal or nugget form which is made by "cooking" powdered cocaine over a kitchen stove or a Bunsen burner. The base of the cocaine, hydrochloride is released. This purified cocaine is then mixed with common baking soda and water to form nuggets or crack cocaine. This crystal cocaine is then mixed often with marijuana or tobacco and smoked in a water pipe. Rock cocaine is absorbed into the body's system faster than powdered cocaine and has a more potent psychological impact.

Much of the activity around crack cocaine takes place in what is commonly called a "rockhouse" or "freebase house." The bill I am introducing today would call the Attorney General to develop a model statute for States to outlaw these houses and the various activities that take place inside.

Over the past few months, I have had numerous conversations with State and local law enforcement officials who are very frustrated about their inability to clamp down on freebase houses. They are frustrated because unless they apprehend persons inside of the house with drugs in their possession, they cannot arrest these persons.

Managers and operators who run freebase houses are currently safe from arrest and prosecution unless they have illegal drugs on them.

Salaried employees who takes admission fees, sell drugs, and process powdered cocaine into crack cocaine cannot be arrested unless they have drugs on their person.

Persons who frequent such houses with only one intent in mind—to smoke crack cocaine—are not apprehendable unless they have drugs in their possession.

Narcotics officers tell me that usually "we get the dope. But, its on a table or in a water pipe." Therefore, the drugs are confiscated but often no one is arrested.

I think this is a gross loophole in our laws. The owners and operators of these freebase houses have nothing to fear as they are usually not on the premises, or, if they are, they know better than to have drugs on them. So, they keep getting off scot-free.

People who frequent these houses are there for only one reason and know it is relatively safe because they usually never have drugs on them—they smoke the crack cocaine in a water pipe. Even if the drugs are confiscated, the customers are left untouched to find another freebase house.

My bill directs the Attorney General as Chairman of the National Drug Enforcement Policy Board to work with State and local law enforcement agencies in developing a model statute for States to use in prohibiting freebase houses. I believe the unique characteristics of crack cocaine and its epidemic potential warrants special attention and uniform standards from Federal drug enforcement authorities, similar to the model developed for drug paraphernalia. Included in such a statute should be prohibitions against owning, operating and/or managing a freebase house. It should also be illegal to work in such freebase houses and to frequent such houses. My bill also directs the Attorney General to make recommendations on procedures for allowing law enforcement officials to notify owners and managers of buildings where freebasing enterprises are taking place.

I want to put a stop to these insidious dens of dope. Freebase houses are attracting more and more of our youth because the price is cheap—only $5 or $10 a hit or puff. Young people are introduced to a whole array of drugs by this most addictive form of crack cocaine. It is a lethal drug. Drug experts say the health hazards of crack cocaine are the most destructive seen in years. Users rapidly lose interest in their school or work, eating, and friends. Use of crack cocaine has been associated with lung damage, epilepsy-like seizures, strokes and heart attacks.

I am hopeful that my colleagues will join with me in urging the Attorney General to recognize the need to outlaw freebase houses and work expeditiously to develop a model statute that will help States to prohibit these dangerous drug havens. The emergence of freebase houses is expanding—we must give law enforcement more authority to stop them.

Mr. President, the two bills I am introducing today will go far in helping our law enforcement authorities crack down on these in the drug trades. These officials deserve our help. I ask unanimous consent that the text of my bills be included at this point in the Record.

I also ask unanimous consent that an excellent series Cocaine Rocks: The New Epidemic published by the Palm Beach Post & Evening Times be printed in the Record. This series is a provocative account of the rock cocaine industry and those responsible for investigating, reporting and publishing this series should be commended.

There being no objection, the bills and articles were ordered to be printed in the Record, as follows:

S. 2352

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. RECOVERY OF COSTS INCURRED BY STATE AND LOCAL LAW ENFORCEMENT AGENCIES.

(a) In General.—Subchapter B of chapter 78 of the Internal Revenue Code of 1954 (relating to general powers and duties) is amended by adding at the end thereof the following new section:

"**SEC. 7624. REIMBURSEMENTS TO STATE AND LOCAL LAW ENFORCEMENT AGENCIES.**

"(a) Authorization of Reimbursement.—Whenever a State on local law enforcement agency provides information to the Internal Revenue Service that substantially contributes to the recovery of federal taxes, such agency shall be reimbursed by the Internal Revenue Service for costs incurred in the investigation (including but not limited to reasonable expenses, per diem, salary and overtime) not to exceed 10 percent of the sum ultimately recovered. The Internal Revenue Service shall maintain records reflecting the receipt of information from the contributing agency, and shall notify the agency when a recovery has been effected. Following such notification, the agency shall submit a statement detailing the investigative costs incurred. Where more than 1 State or local agency has given information that substantially contributes to the recovery of federal taxes, the Internal Revenue Service shall equitably distribute the costs reimbursements among those agencies up to an aggregate sum of 10 percent of the taxes recovered.

"(b) Reimbursement.—Reimbursements under subsection (a) shall be made directly from the recovered funds prior to the deposit of such funds into the United States Treasury."

(b) Clerical Amendment.—The table of sections for such subchapter B is amended by adding at the end thereof the following new item:

"Sec. 7624. Reimbursements to State and local law enforcement agencies."

S. 2353

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. ATTORNEY GENERAL TO DEVELOP MODEL STATUTE.

The Attorney General as Chairman of the National Drug Enforcement Policy Board, in consultation with State and local law enforcement agencies, shall develop a model statute for States to prohibit the establishment and use of freebase houses.

SEC. 2. GOALS AND CONTENT OF MODEL STATUTE.

(a) Goals of Model Statute.—The model statute developed pursuant to section 1 shall—

(1) address the need to prohibit the use of houses, buildings, rooms, or apartments as places where manufacturing, processing, distributing, purchasing, and using illegal drugs takes place; and

(2) encourage coordination with the Controlled Substances Act, statutes on drug paraphernalia, and other relevant drug law enforcement statutes.

(b) Content.—(1) The model statute shall clearly—

(A) define a freebase house and activities which take place in such dwellings;

(B) define the offenses which take place in such freebase houses;

(C) define penalties for such offenses; and

(D) allow for civil seizure and forefeiture of property confiscated in such offenses.

(2) The model statute shall include prohibitions—

(A) making it illegal for a person to own or operate a freebase house;

(B) making it illegal for a person to work in a freebase house which includes managing, selling drugs, collecting fees and admission, processing or preparing drugs, distributing drugs, or contributing to the overall drug enterprises in the dwelling with a knowledge of or having reason to believe that illegal drugs are present on the premises;

(C) making it illegal for a person to frequent a freebase house with knowledge or reason to believe that illegal drugs are present on the premises; and

(D) making it illegal for employers, employees, and customers to be present in freebase houses when they have knowledge or have reason to believe that drugs are on the premises.

(c) Recommendations.—The Attorney General shall include with the model statute recommendations for procedures to allow law enforcement officials to notify owners and managers of dwellings where freebasing and drug distribution is taking place.

SEC. 3. REPORT TO CONGRESS AND STATE AND LOCAL LAW ENFORCEMENT AUTHORITIES.

The Attorney General shall—

(1) develop the model statute and recommendations required by this Act within six months after the date of enactment of this Act; and

(2) make the report and recommendations available to the appropriate committee of Congress and to State and local law enforcement authorities in his capacity as Chairman of the National Drug Enforcement Policy Board.

SEC. 4. DEFINITION OF FREEBASING.

For purposes of this Act, the term "freebasing" is the conversion of cocaine crystals into a smokable base form of the drug.

It's Cheap, It's Available and It's Ravaging Society

(By Paul Blythe)

Men have given up their paychecks. Women have prostituted themselves. Children have stolen from their parents. Men and women have stolen appliances, jewelry and televisions from their families and friends.

Why? Over the past year in South Florida, a new marketing form for cocaine, packaged to give the drug its most seductive and addictive punch, has appeared in—and in some cases taken over—quiet residential neighborhoods of Palm Beach County and the Treasure Coast.

Cocaine rocks have turned thousands of Floridians into addicts whose cravings are so strong that, for some, crime becomes the only way to support their habit. Misery has always been a byproduct of drug abuse. But the ease with which cocaine rocks can be bought, combined with their grip on users, are causing new and severe problems.

In its more familiar powdered form, cocaine has been an expensive, fashionable drug of the rich. But cocaine rocks, a dirty-white crystal roughly the size of a pea, are relatively cheap at $20. Young people can afford the rocks hawked on street corners like so many flowers. It is a drug epidemic that law enforcement officials say they cannot cure.

"It's eating up my residential neighborhoods . . ." said Riviera Beach Police Chief Frank Walker, echoing the frustration of his counterparts in other cities. "You run to the neighborhood grocery store and have to run a gantlet of neighborhood pushers to get a carton of milk.

Addiction to the rocks is flooding treatment centers with more users than the centers can hold. Residents of West Palm Beach, Stuart and other cities are furious over increasing crime in their neighborhoods. Yet because the rocks are sold in such small quantities, law enforcement agencies are hard pressed to get court convictions and long sentences for sale of cocaine against the sellers.

Even though sellers usually set up shop in predominately black neighborhoods, their customers tend to be white. The ability to sell cocaine in rock form has lowered the price to a point where it is affordable to the middle class. And the market is there.

HOOK IS POTENT HIGH

Cocaine rock, also known as crack, is a type of free-base cocaine consumed by smoking in a pipe or a soft-drink can converted into a pipe. Cocaine hydrochloride, the powder form of the drug, usually is inhaled through the nose but can be taken orally or dissolved in a drink. Both are stimulants of the central nervous system.

Free-basing, or smoking, cocaine causes a quicker, more potent high than either snorting or injecting it. But that high also is followed by a deeper depression.

That is the hook of cocaine rock.

The low makes the user crave the high of another rock—and do anything to get it. Martin County sheriff's Lt. Jay King said one man hauled his family's refrigerator on his car hood to a dealer at 3 a.m.—for two rocks.

"The cocaine smoker will attempt to overcome that despair by returning to the pipe as long as his supply is available, or the money runs out, or the user collapses from exhaustion," said Jim Hall, executive director of the Up Front Drug Information Center, a statewide drug information center in Miami.

The immediate, intense impact and the initial cheapness of the cocaine rock makes it attractive to younger and less sophisticated users, treatment experts said. Thus, it expands the drug's market and almost guarantees regular customers.

"I've never seen anything like it," Palm Beach County sheriff's Capt. James Kersey said. "This is my third time around (in the unit that handles drug crimes). I've seen heroin, marijuana, acid (LSD), Quaaludes, barbs (barbiturates), amphetamines, and I've never seen anything like this. Never."

The problem is as bad in Palm Beach County as it is anywhere in the country. More than 70 percent of the cocaine users in Palm Beach County who have called the 1-

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800-COCAINE Hot Line since it opened in November said they regularly smoked cocaine as opposed to snorting or injecting it, said Peter Gold, director of the hot line in Florida. (Not enough users in Martin, St. Lucie and Okeechobee counties have called for officials to record data.) And 51 percent of the Florida callers said they regularly smoked cocaine, as compared with only 20 percent of the callers in the rest of the country.

'ROCK' ARRESTS SURGE

As recently as a year ago, a lot of police officials in South Florida had never heard of cocaine rocks. The first arrests involving the rocks in Palm Beach, Martin and St. Lucie counties occurred around March 1985, police officers said. The surge of cocaine rocks onto the streets came in the late summer and hasn't stopped.

For example, charges involving cocaine rocks outnumbered all other types of drug charges in Lake Worth in the second half of 1985. A study of the Lake Worth Police Department's records showed 55 cocaine-rock charges filed in the last six months of the year compared with 43 marijuana charges, while marijuana charges outnumbered cocaine-rock charges 59-36 in the first six months. Only 35 charges involving cocaine powder and six charges involving other drugs were filed in the entire year.

Other departments do not note in their statistics whether an arrest involved cocaine rock or cocaine powder. Police said, however, that cocaine arrests overall have increased dramatically since last year.

West Palm Beach police filed 46 cocaine-related charges in January, compared with 27 such charges in January 1985. Cocaine-related charges in Riviera Beach increased from 13 in January 1985 to 35 this January.

According to Hall, reasons for the popularity of smoking cocaine rocks in Florida include:

Trafficking patterns that have introduced coca paste directly into the United States because of a shortage of ether in South American nations, where the coca paste previously was converted into cocaine powder. Cocaine must be in paste form before rocks can be made, though it is possible to return cocaine powder to paste.

Transfer of rock use from Caribbean island nations, such as the Bahamas and Jamaica, where it has been a problem for several years. These islands are steppingstones on the smuggling routes from South America to the United States.

The belief that smoking is safer than other uses, especially intravenous injection, because of the fear of AIDS, which can be spread by contaminated needles. Some authorities said there also is less chance of an overdose.

The marketing of cocaine in a rock form. "Previously, free-base cocaine was made, whereas now the base rock is made by the seller and sold in the convenient packaging of the rock to the buyer/user," Hall said. "The rock is a handier product to dispense openly. There was no way to dispense free-base, but the rock is easy to market by counting pieces."

The marketing strategy appears to be the invention of the "midlevel user/dealer," Hall said. That's a person who buys an ounce of cocaine, uses part of it himself and sells the rest of it in diluted form to cover his costs.

One-eighth of an ounce of cocaine powder, costing about $240, can make 100-150 rocks, Hall said. At $20 each, they will make a dealer $2,000-$3,000. That's enough profit to pay for a whole ounce of the cocaine powder.

BUYING ROCKS EASY

Business seems to be booming.

Palm Beach County sheriff's undercover agents counted 150 sales in 90 minutes in December in the parking lot of Fred's Motel on Lantana Road west of Lantana, said Kersey, head of the sheriff's Organized Crime Bureau.

" 'Buy from me. My rocks are bigger and better,' " the dealers yell to passing drivers on West Eighth and West 31st streets in Riviera Beach, police Lt. Jerry Pareba said.

Such open solicitation was apparent to reporters from *The Post* and *Evening Times* who, in an effort to determine how easily cocaine-rock sellers can be found, drove West Eighth Street in Riviera Beach and in the Fred's Motel area. Men offering rocks approached the reporters' car as it made its first pass through those areas, and also neighborhoods of West Palm Beach and Lake Worth.

Tucker of the Palm Beach County Sheriff's Office said that dealers, young men in their 20s, have told him they are making $1,000 a day. But because the quantities of cocaine rocks that they carry are small, the dealers who are caught by police do not risk the long prison sentence that major traffickers in drugs risk.

Most of the dealers, as with past drug trends, are black or Hispanic, police said. Haitians also comprise a large number of those selling cocaine rocks, authorities said. That's new and disconcerting, police said, because they previously had not seen Haitians selling drugs. Whites rarely sell the cocaine rocks.

Street sales of cocaine rocks have occurred in the same neighborhoods where other drugs were sold in the past: run-down, black neighborhoods from Delray Beach to Fort Pierce. But the drug market also is creeping into other neighborhoods.

An interracial neighborhood east of Howard Park has become one of West Palm Beach's most highly visible cocaine rock areas. Less than a block from where unsuspecting white retirees play tennis, bands of young black men) push their rocks on passing motorists, interested or not.

"Rock houses," where the drug is sold but not smoked, also are appearing in all kinds of neighborhoods. Police said such operations are so numerous and so mobile that offices cannot estimate their numbers.

Whether cocaine rocks are sold by a dealer on a street corner or in a rock house, it usually is "a quick exchange," Tucker said. "You're there. You give them a twenty. Bam, they drop a rock in your hand. You're gone."

ADDICTION QUICKER

Good business for the drug dealer means bad news for the user as well as the community. Drug treatment experts find the cocaine-smoking trend to be alarming because it seems to cause addiction to the drug faster than other methods of use.

Hot line directors said callers who smoke cocaine have reported becoming dependent on the drug within five to six weeks. Experts said a person who regularly snorts the drug usually develops a dependency only after four to five years of use.

The reason is that the cocaine rock is a "more compulsive drug than cocaine hydrochloride," Hall said.

By smoking cocaine, the effect on the central nervous system is delivered in five to eight seconds, treatment experts said. Cocaine affects the nervous system in about eight to 14 seconds when it is used intravenously, 30 to 60 seconds when snorted, and about five minutes when swallowed.

The period of the high also is described by users as shorter, with a more concentrated jolt, Hall said. Each rock provides a two- to five-minute sensation, compared with the 20- to 30-minute high received from snorting the powder.

"It has a lower starting price, but once they (the dealers) get somebody hooked, it's just steady business," said an experienced undercover agent for the Palm Beach County Sheriff's Office. "(Sellers) know the customer is bound to be back soon to buy more."

The availability and initial cheapness has caused cocaine use to spread to all levels of society.

According to Gold's 1-800-COCAINE Hot Line statistics, 52.3 percent of the cocaine users who called the Florida number in January earned $10,000-$25,000 a year, and 35.3 percent made less than $10,000 a year. Less than 10 percent made $25,000-$50,000 a year.

But the average user in Florida spent about $403 a week on cocaine, according to Gold's statistics. That's nearly $21,000 a year—as much or more money than 80 percent of the users earn in a year.

Those numbers would seem to indicate that some users must resort to crime to buy the drug. Indeed, 31.4 percent of the hot line callers in Florida reported dealing cocaine, and 22.8 percent said they had committed other crimes.

Police admit they have no statistics to show that the rise in cocaine use is related to a rise in the crime rate. But they said they base their belief of a connection on confessions in which suspects arrested in burglary and robbery cases admitted that they stole to support a cocaine rock habit.

Police said they also frequently find stolen goods at houses where the rocks are sold.

"Most of them (arrested burglars) said they immediately barter the stolen items for cocaine rock," Lake Worth Police Capt. Marty Kerner said. "For that reason, they mostly want to steal money and jewelry, followed by TV's, stereos and VCR's, because they are movable."

The drug-buying situation itself often leads to crimes other than the drug transaction.

Police said dealers have told them that women freely will trade intercourse or oral sex for a single rock. Or dealers offer buyers the services of a prostitute at the same time they sell them rocks.

Dealers often sell buyers "rip"—a piece of gravel, wood, wax or any other substance that looks like the rock cocaine. Street dealers also have reached into passing cars to grab motorists' money and jewelry, police said. Often the driver is a drug buyer. Sometimes they are not.

Some buyers are prepared for trouble. Kersey of the Sheriff's Office said his agents often arrest buyers with guns or clubs on the front seats of their cars.

"Asked why, they say it's in case they get ripped off," Kersey said. "Yet, to me, the mere possibility of being ripped off, or the fear factor, would tell you don't go to someplace like that. I can conclude only one thing—that their addiction is so tremendous that they just throw caution to the wind."

The Lure of the Rock

Smoking cocaine rock is a different high from snorting cocaine powder, according to a 25-year-old man who said he formerly dealt and used both forms of the drug.

"When you snort, you get a shaky, wiry high," he said. "But when you're smoking it, you're more or less laid back, relaxed, mellow like you're in an oblivion. You get real friendly. That's why guys like to do it with girls."

After the high, though a deep depression sets in.

"You lose all good feeling about yourself, you get real depressed," he continued. "You get mean. I got very mean. My temper would flare. If someone said something to me at the wrong time, I'd snap.

"I wouldn't hit them, but I'd get to the point where I was on edge and wanted to get that good feeling back again."

He went on binges in pursuit of that good feeling.

"Sometimes I'd go eight or nine days without sleep," he said. "After I came down, I'd sleep maybe 48-72 hours, just straight through. I'd wake up three or four days later, and think 'Like wow, what happened to me?' "

Police Fast Being Educated About Drug

(By Paul Blythe)

A South Carolina police officer called the Palm Beach County Sheriff's Office recently. He needed some information.

"What's this rock stuff?" he asked Sgt. Michael Tucker. "I never heard of it."

Tucker says, "I told him, 'You better gear up buddy, because it's coming.' "

Cocaine rock—already an epidemic some say, in South Florida—is an unknown commodity in some parts of the United States.

"It seems South Florida, being the gateway for drug importation, sees these problems first," Fort Pierce Police Chief James "Bo" Powell said.

But the cocaine rock problem, according to law enforcement officials, has spread faster than previous drug trends. Tucker, head of the sheriff's unit that concentrates on stopping street drug sales, admitted that even he didn't know much about cocaine rock a year ago. Now he knows only too well. It is the only drug he needs to worry about because it is fast becoming the only drug sold in the streets.

"The same places where you used to be able to go buy coke powder or reefer (Marijuana), now you can't buy nothing but rock," Tucker said.

Those are places like Fred's Motel, a rundown tenement for farm laborers on West Lantana Road until it closed last week, or what used to be The Tree bar on Indiantown Road west of Jupiter—places where in the last three months Tucker and his squad of several men have arrested more than 200 people trying to sell cocaine rock or buy it. He expects the total arrests of Operation Rock 'n' Roll to reach 500 before the next three months are up.

Dealers have continued to sell cocaine rocks in those two areas despite the frequent arrests, the closing of Fred's Motel and the demolition of The Tree, police said.

Other areas in unincorporated Palm Beach County for repeated cocaine-rock arrests have been the Tradewind Apartments at Southern Boulevard and Congress Avenue in suburban West Palm Beach, outside Sam's Grocery on Boynton Road at SR 441, and a pocket on Germantown Road near Swinton Avenue in Delray Beach, police said.

Other law enforcement agencies in Palm Beach County and on the Treasure Coast have noted that the sale of other drugs has decreased with the rise of cocaine rock. Marijuana arrests once far outnumbered arrests for possession or sale of cocaine. But police said that is starting to change.

Riviera Beach, for example, recorded 151 cocaine-related charges in 1985 compared with 67 that were marijuana-related. Cocaine-related charges also outnumbered marijuana charges in Boca Raton. West Palm Beach led municipalities in cocaine-related charges with 486 last year.

In Stuart, a one-day drug sweep netted nearly as many cocaine-related arrests as the Police Department made in all of 1985. Police Chief Charles White said. Sixty people were arrested Feb. 8; 77 were arrested last year. Furthermore, all of the arrests made in the sweep involved cocaine rock. White said.

Fort Pierce Police Chief Powell said his department made 254 drug arrests in 1985, compared with a total of 592 drug arrests in the previous five years. Attributing the increased arrests to the rise of cocaine rock, Powell estimated that at least half of last year's arrests involved the new form of cocaine.

Yet whatever tactics the police use, sales still increase.

Lake Worth police Sgt. Brad Cummings had undercover officers on bicycles and in taxicabs ride up to dealers to buy drugs and make arrests. He said he "used any excuse," like noting a traffic violation, to stop a car carrying whites out of the black neighborhood where cocaine rock was sold. Then he would check the car for drugs.

All it did, Cummings admitted, was cause some of the drug sellers to move from the Washington Avenue and Wingfield Street area that they had frequented to neighborhoods farther north.

A dealer on M Street near Howard Park in West Palm Beach stuck what appeared to to be a cocaine rock beneath the nose of reporters from the Palm Beach Post and the Evening Times who drove through some of the reputed drug areas one afternoon last week. "Taste it," he said, offering to prove it was cocaine.

Men also offered the reporters what they said were cocaine rocks at West Ninth Street and Avenue H in Riviera Beach and along Wingfield Street in Lake Worth. The men were loud and conspicuos, yelling and sometimes rushing at the car.

Other trouble areas reported by police are:

The area north of Avenue D and west of North Seventh Street in Fort Pierce

East Seventh Street and Tarpon Avenue in Stuart.

The Booker Park area of Indiantown.

The Dunbar area of Hobe Sound.

Fifth Street and B Place in Belle Glade.

West Eighth and West 31st streets west of Old Dixie Highway and the intersection of West 29th Street and Avenue S in Riviera Beach.

Broadway from 45th Street to Northwood Road, 10th Street and Tamarind Avenue, 19th Street and Tamarind Avenue, and the streets between Lake Avenue and Alabama Avenue south of Okeechobee Boulevard for about three blocks in West Palm Beach.

Dixie Highway from Fifth Street south to the city line in Lake Worth.

Marthin Luther King Boulevard between Northwest Fourth Avenue and Northwest 12th Avenue in Boynton Beach.

West Atlantic Avenue between Fifth Avenue and 12th Avenue in Delray Beach.

Such areas are where police concentrate their efforts. But there are other less obvious places where people buy cocaine rocks, such as bars.

Lives on the Rocks: "I Just Started Screaming"

Jack, 37, once a successful financial adviser with a master's degree in psychology, had snorted cocaine for 15 years before he smoked his first rock. "I was using it socially," he said, "and I thought I could control it."

But the rock put him over the edge.

Jack's memory is not clear about when he first smoked his cocaine. That first experiment with the rocks left him in a coma after a brutal automobile accident. He was in and out of the hospital for a year after that.

Eager to celebrate after that year and 28 operations were behind him, Jack turned to something familiar—cocaine.

"I bought some rocks. It gave me a feeling of euphoria."

Before cocaine rocks, 15 years of casual cocaine abuse already had scarred Jack's life. His wife had left him, and a profitable clothing store had gone bankrupt. But the rocks made things even worse.

A $50,000 inheritance went up in smoke. Jack pawned his jewelry, then his furniture, his paintings and his clothes. "I wrote Publix one bad check for $100," he recalled. "Once I saw how simple it was, I proceeded to write bad checks at every Publix in Palm Beach County."

Jack and a drug-using friend started rolling pennies. With the electricity cut off and the bank about to foreclose on his home, the only thing Jack had left to see was his car—a Cadillac worth $6,000. He settled for $2,000.

Jack made one stop on the way home. He spent $100 on four rocks—a little boost to help him through the hard times. He still had $1,900 to apease his creditors.

"I smoked those four rocks at 6 p.m. At 4 a.m. I looked (for) the stack of $100 bills I had brought home, and they were gone." Jack had spent the money on cocaine, running out to his supplier, smoking and then making another run, over and over again.

"I just started screaming. I had lost everything I had worked a whole life to get."

That was the point when Jack found his way to treatment. He has been clean for six months and has a somber warning for others.

"I've done just about every drug in every way," Jack said. "Cocaine (rocks) are the most dangerous thing out there today. You get hooked faster.

"Only when I was free-basing did I get rid of everything and start lying and stealing. My whole value system broke down. It's deadly."

It started last summer, said the 17-year-old who says she's a senior at John I. Leonard High School in suburban Lake Worth. Her boyfriend got her to try cocaine rock one night.

"It was super," she recalled. "I mean, you can't imagine how good you feel. I loved it right away—what a high."

So it began. Mostly on weekends, but sometimes during the week. Never on campus, she said. They'd go off by themselves, sometimes to his apartment, sometimes to the beach . . . They'd free-base the rock—smoke it by heating the rock, melting it down in a soft-drink can and inhaling the fumes . . .

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"I wasn't really addicted. Well, yeah, I guess I was. I started wanting it all the time. I'd beg my boyfriend to get me some. He thought I was getting carried away so he started backing off—wouldn't bring me any. God, I used to get so mad at him . . . Sometimes I hated him. Sometimes I thought I'd die without him and without (cocaine) rock."

So the pretty young girl with dirty-blonde hair, deep blue eyes and a model's figure says she started stealing. She needed money to buy the rock. She'd help herself to money from her mother's purse. She'd buy three or four a week, at $20 a rock. When her boyfriend left for college, it got worse. It was harder to buy, more difficult to get the money. Drug treatment came after she stole an heirloom from her mother. And she got caught.

"It was my great-great-grandmother's wedding ring, really beautiful. My mom never wore it, just kept it in her jewelry box. I didn't think she'd miss it—not right away at least . . .

"But my mom and dad had been watching me. They knew I was up to something. They finally cornered me about it, blasted me like you wouldn't believe. They got the ring back. Cost 'em $100. God, I thought my mom was going to kill me at first."

Robert tried to escape from heroin by moving to Palm Beach County and opening a newspaper stand.

But he also discovered cocaine. A friend showed him how to make free-base rock. Six months later, Robert had spent more than $50,000 on the drug and lost his newspaper stand.

"My free-basing period was very short compared to my 20 years out there (with other drugs)," he said. "It brought me to my knees very fast. I found it mentally more addictive than any drug I've ever used, heroin included."

During the first few months, he would count the minutes to the end of the business day. He would then rush home to make and smoke cocaine rock. He said he would smoke the cocaine until 7 a.m. the next day and then get too sick to go to work until noon.

"I mean, I got deathly sick," he said. "I would throw up after every puff and I still went back and smoked some more. I would lay down on my bed, and I couldn't sleep. It would call me back into the other room to light up again."

If it was paranoia about going to work that Robert suffered, he found a solution by taking his pipe to the newspaper stand.

"I was financially almost in ruin, was certainly physically in ruin and was an emotional vegetable," he said. "I was so sick of being sick all the time."

He told a customer he had a friend who needed help. The customer referred Robert, 40, to a treatment center.

"It's a little hazy as to how I got there, but I got there."

At age 14, the Joe his mother knew was his troop's Boy Scout of the Year for the second year in a row.

Three years later, the Joe his friends knew was a tall, wiry blond who on trips to buy cocaine rocks at Fred's Motel west of Lantana would pack a .357 Magnum handgun in the wasitband of his pants.

"He told me that when he was on the drug, he would do anything for more," his mother Roberta said. "He didn't care if he died. He didn't care if he got caught stealing. He had no conscience, I guess."

Joe started drugs shortly after his second Boy Scout award. A friend turned him on to marijuana at the bus stop one morning. From there it was alcohol and cocaine powder and several arrests for theft and minor crime. He dropped out of high school.

His mother and stepfather finally persuaded a judge to commit him to a drug treatment program last year. One week after completing the program, a friend at work introduced Joe to cocaine rock.

"The first time I tried it, I thought, 'Like, this is great. We got to get more,'" Joe said. "It was an instant high. It was the ultimate."

At work, where Joe drove a forklift, he and his friends smoked cocaine rocks and marijuana at lunch each day.

He was fired, and he hadn't been home for two days when Roberta received a phone call from a woman at a check-cashing business. She wanted to know if a check written by Joe was good. "I said it was, but I had to her give him a message. I said, 'Tell him to come home.'"

Joe returned home that night, had a talk with his parents and decided to return to treatment.

"I know if I don't make it this time, I'll just sink to a lower bottom," Joe now says.

His mother says: "the first time he learned all the right things to say to convince everyone he got the training. But now he's sharing his gut feelings with me . . .

"I've never felt closer to my son."—Compiled by Paul Blythe, Linda Lyon and Carol Smelser Perry.

Rock Sellers Neither Shy Nor Unavailable

[By Paul Blythe)

Two o'clock on a weekday afternoon. Retirees in white trunks and polo shirts play tennis at Howard Park in West Palm Beach.

Half a block away, eight men stand in the middle of M street. A sports car, carrying two reporters for The Post and The Evening Times, slowly cruises by. The men chase it and shout for it to stop.

It does. Two of them go to the driver's window, one to the passenger's.

"You want some rock, man? Buy my rock. I got the biggest rocks," says a man at the driver's window as he pulls a two-by-two-inch plastic sack from his pants pocket. It is full of off-white pebbles.

The driver asks if the cocaine is any good.

"Taste it," say another seller, holding out a square rock about four inches from the passenger's nose.

LIKE ASKING DIRECTIONS

Buying a cocaine rock can be as easy as asking for directions on the city street.

Snaggle, one of the eight men encountered by the reporters on M Street, was helpful when he heard the potential customers had never tried the drug. He leaned through the car window.

"I got some ear ring. You know, make yo' ears ring, it so good.

"See these right here. We goin' to smoke 'em good. Get you high. Show you how to do it. Can I tell you what to do? I'm goin' to leave the car and I'm goin' to meet you in the alley with my can (to smoke the rocks)."

He turns to leave, but whips back around to face the car. "Hey, you want girls? I'll get you girls, black girls. I can get 'em . . . I swear..I ain't jivin' you."

For the growing numbers of the white middle class who have become hooked on cocaine rock, buying the drug can be like stepping into a foreign culture.

The experience of a street buy is foreign enough. "When you like it, you treat me right. Don't need to go to nobody but me," Snaggle said.

Police have encountered several houses where Hispanics and Haitians sold cocaine rocks while surrounded by icons of Santeria, a Caribbean folk religion that mixes Catholicism and traditional African beliefs.

Lighted candles and red Christmas lights adorned the floor-to-ceiling Santieri altar that sheriff's officers discovered in a "rock house" in Westgate, a neighborhood just west of West Palm Beach. The statues were of Mary and Jesus, but Mary carried a sword and Jesus a club. Another statue, of a saint shriveled in pain, was at the foot of the altar.

"It's voodoo. They're supposed to keep cops away," a Palm Beach County sheriff's undercover agent said.

Sheriff's detectives have made arrests involving cocaine rocks at the Westgate house and another in suburban Lantana after searching each of them more than once. For each search warrant obtained, an undercover agent or confidential informant first must go into the house and buy a cocaine rock.

The Westgate house is down the street from a nursery school. The suburban Lantana house is less than a block from the home of a Lantana police officer.

In West Palm Beach, people are starting to sell rocks from behind doors opened only as much as safety chains will allow, police Lt. William McGinley said. Or they exchange rocks for dollars through an L-shaped slit in a screen door, he said.

In some alleys, these doorways are close enough to the street that a person can consummate a deal from his car seat.

Police breaking into these units recently have been finding mostly Haitian women with a roomful of children. That's bad for police, McGinley said.

"You can't go running over little kids," he said, "and it gives mom time to flush the drugs."

IT TAKES ALL TYPES

Although police said most dealers are black, cocaine rocks are sold in all types of neighborhoods by all types of people.

An ex-Marine, 25 and white, said he sold cocaine rocks out of his trendy townhouse in West Palm Beach for about six months before he got out of the business six months ago.

"People used to give me VCRs and TVs . . . One guy even brought me his mother's wedding ring and I told him, 'No. I can't do it.'

"But when it came to VCRs and things like that, sure. Easy money. I never even asked where they came from. I never wanted to know."

For each piece of electronic equipment, he gave the buyer an inch-long rock for which he usually charged $40. Then he sold the TVs and VCRs for $150 to $300 each.

"You'd be surprised when people get hooked on that stuff, what they'll do. They'll sell their wives. I had girls come up to me and give me (sex) just for a rock. No big deal."

Waitresses and topless dancers were his biggest customers, he said.

But he usually didn't allow them to come to his apartment. Instead, he paid a few other users to deliver the drugs to his other customers.

"A rule I made was there was no one at the house that I didn't know. If someone came to the house that I didn't know, I told them I didn't have anything."

School Officials Amass Weapons in War on Drugs

(Carol Smelser Perry)

Thanks to drug-sniffing dog patrols on campus and intensive drug-education programs, Palm Beach County school officials are confident the rampant sale and consumption of cocaine rocks is largely an off-campus problem.

And they want to keep it that way. But they know if there is a trend out in the community, chances are it quickly will find its way into the schools.

I wouldn't say there's a problem, but we are very much concerned about cocaine and its availability on campuses," Johnny McKenzie, director of school security, said. "The school campus is just a small community. Whatever goes on in the community, whatever problems there are in the community, are reflected on school campuses."

In its most recent survey, conducted in November 1985, the University of Michigan's Institute for Social Research reported the five-year decline in drug use among high school seniors has stalled and that use of cocaine is increasing. The survey, conducted in 132 high schools around the nation, indicated the use of marijuana, tranquilizers, barbiburates, alcohol and cigarettes are no longer declining and the use of some drugs, including cocaine and opiates other than heroin, is increasing.

While the survey concludes marijuana still is the drug most abused by students around the nation, the availability of cocaine powder and rocks in Florida has local school officials worried.

"We know the drugs are out there and we know some of it finds its way onto school campuses," McKenzie said. "But it's ludicrous for them to take the risks they take when they carry drugs, buy or sell them on campus. That's why we're worried about this coke rock thing. It is so available out there. It doesn't identify any race, creed or economic background."

Last year at Suncoast High School in Riviera Beach, an undercover policeman posed as a student and arrested 10 students for selling marijuana on campus. Last month at Lake Worth High School, five students with failing grades and files filled with notations of disciplinary problems were arrested by another undercover policeman who posed as a student for a month and bought cocaine five separate times on campus. Two weeks ago, a Jupiter High School girl was carried out of her physical education class because of what police say were seizures caused by withdrawal from a drug they believe was cocaine. She is now in a treatment program.

For that reason, school security officials are boning up on the facts about the latest drug fad, cocaine rocks. In February, local School Board security officers attended a daylong workshop presented by agent Frank Torres of the Riviera Beach Police Department.

"Frankly," McKenzie says, "we don't know whether we've got a problem with cocaine rock or not. But we're hoping to forestall one by knowing what it's all about, what to look for."

The drug threat has school officials in nearby counties studying the problem too.

"We know we'll probably never completely eliminate all drugs on campus, but youngsters are aware of the penalty," says V. James Navitsky, Martin County schools superintendent. "The majority of the drugs we find are marijuana, a few pills, but not a lot. No cocaine or cocaine rock yet."

Five years ago, Navitsky said, stringent guidelines were established for students who are caught with drugs on campus.

"They get expelled, for at least a semester. It's as simple as that," Navitsky says. "There is no warning, there is no second chance. We don't bend."

As a result, about 350 students from Martin County's two high schools have been expelled over the past five years. This year, Navitsky says, there have been between 35 and 40 students who've been caught and expelled.

St. Lucie County school officials say they rely on on-campus security and student informers to stem the flow of drugs on their two high school campuses. Chuck Garrett, director of security for St. Lucie schools, said there are no other formal drug-control programs in effect in this district.

Two years ago, according to McKenzie, Palm Beach County school officials believed the drug problem on campus was getting out of hand. Some students, less than 2 percent McKenzie said, were smoking marijuana or talking pills on campus and going to classes high.

Last year, school officials hired an independent agency, D-Tek Enterprises of Boca Raton, to bring dogs onto campuses to sniff out drugs, alcohol and even firearms. Officials have been encouraged by the results. Although he doesn't have specific statistics, McKenzie says the number of drug-related campus incidents have been reduced to such a degree that he fears there could be a tendency to become complacent. But the new threat of cocaine rocks has dispelled that complacency.

"What we have tried to do is to make it very costly to buy, sell or use drugs on our campuses. We want the kids to know the risk they are taking once they do bring the drugs on campus," McKenzie said. "Our message: You do it at your own risk and the penalty is very severe if you get caught. We're injecting the fear factor: the fear of getting caught. With our sniffer-dog program, kids are thinking twice before bringing drugs or other substances on campus."

McKenzie refers to the recent Lake Worth High School drug bust as an example of the effectiveness of the sniffer-dog program.

"Our agent called and said, 'Take the dogs off campus. As long as the dogs are here, I can't buy anything.'"

When McKenzie removed the drug-sniffing dogs, he says, the agent had no problem buying the drugs.

McKenzie says surveys the district has conducted in the past indicate less than 2 percent of all the county's students use drugs on a regular basis, although they admit many more may have tried them. And while state law requires "a free and appropriate" education for all children, the school district's first responsibility, officials contend, is to the other 98 percent of students who are going to school to learn. Palm Beach County Schools Superintendent Tom Mills says students deserve a drug-free environment in which to learn.

"Our obligation is to keep the schools free of drugs and provide an environment conducive to learning," Mills said.

"I really don't think there's much on campus, but if a kid wants to buy a rock, I can't think of any school that the kids don't know where to go to buy drugs," McKenzie said.

Mills said the matter of open campuses and a uniform locker assignment system must be addressed before the drug problem is fully under control in the district.

Of the 14 high schools in Palm Beach County, 10 have closed campuses, meaning students are confined to school grounds for the entire school day. Only four, Twin Lakes, Forest Hill, Suncoast and North Shore, allow students to leave campus during lunch breaks. At Forest Hill, only juniors and seniors may leave campus. At Suncoast, only seniors have that privilege.

And there's the problem of lockers. Many of the high schools do not have a uniform system for assigning lockers.

"A dog can alert (signaling drugs) on a locker and we won't be able to find out who the locker belongs to," McKenzie said. "We need to have a uniform system for all the high schools where each child is assigned a locker and the administration has a master key to get into it."

School officials realize they have a long way to go to completely prevent the flow of drugs onto the campuses of Palm Beach County. But they're pinning their hopes on widespread, intensive drug-education programs, the sniffer dogs and their other beefed-up security measures.

McKenzie summarizes, "We know it's out there. We're realistic. All we're hoping to do is keep it out of the schools."

Many Students in PB County Are Worldly Wise About Drugs

(By Carol Smelser Perry)

Kids in Palm Beach County know a lot about drugs.

Sophisticated in ways that might amaze even their parents and teachers, these kids know where to buy drugs, how much they cost, how to use them and what kind of high to expect.

Nearly 300 students, ages 11-19, were interviewed at two public middle schools and eight public high schools from Boca Raton to Jupiter, as well as at some of their favorite hangouts.

Of them, 227 said they knew where they could buy drugs. Most refused to say whether they had ever tried marijuana, cocaine or cocaine rock. Many, when asked about drug use by themselves and their classmates shrugged and walked away without answering. Some stood and listened as friends talked. Others talked about what they believe is becoming a problem and possibly even a serious threat to their generation.

It's lunchtime at Twin Lakes High School in West Palm Beach. The campus is open, which means students can leave the school grounds during lunch breaks. Across the street, the Campus Shop is doing a brisk business selling fast foods and school supplies. The grounds in front of the school are covered with clusters of students sprawled out on the grass eating sandwiches, chatting with classmates or digging into textbooks.

A young sophomore girl sits with her friends on the grass. She's studying the Florida Driver License manual, preparing for a test.

"Cocaine rock? No way. I don't take any drugs," she said. "Man, you gotta be crazy to get messed up in that."

About 30 feet away is another group of students, clean-cut and well scrubbed in their blue jeans and crisp oxford cloth shirts.

"I'll tell you," said a baby-faced white senior boy, "you won't find much drugs on campus anyway. Off campus, that's another story. But most of the kids that are into drugs quit school. They don't belong here anyway, they aren't here to learn, they're here to make a buck. It burns me up."

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"You wanna know about coke? Go over there. Ask the 'rockers'—the ones with the punk clothes and punk hair. They'll tell you about coke rock," said a student at Atlantic High School in Delray Beach.

The "rockers" were seated in a circle on the grass, hair sticking up in spikes around their heads and hanging scraggly down their backs. The kids don't want to talk. But they smirk when cocaine is mentioned.

"Wanna see my tracks?" jeers one boy. Injecting drugs into veins leaves marks called tracks. He pulls up the sleeve on his shirt.

It's the end of the day at Lake Worth High School. Students are streaming out of buildings, heading for the parking lot. Four black youths stand near the gym, waiting for basketball practice.

Yeah, they say. They know about coke rock. They haven't tried it, but they know where to get it. They know students who use drugs. But they do it at parties, not at school.

"Man," one boy says, "school is hard enough without that . . . Who needs it?"

Drug of Frustration Creates "Revolving-Door Joke"

(By Paul Blythe)

Men trying to sell cocaine rocks have gone door-to-door at the apartment house John Justiss owns in West Palm Beach. One tenant was startled when a dealer climbed into the cab of his pickup.

Potential tenants calling about his ads hang up the phone when Justiss tells them the eight-unit apartment house is on N Street. Less than two years ago, he could honestly tell them the drug problem was three blocks away. No more.

"I'm frustrated," Justiss said, "It's open, very open. Talking to the police, I sense they have a feeling that they can't contain it.

"But I don't buy that nothing can be done . . . as a property owner I feel I have a right to have the streets safe."

Cocaine rock is a drug of frustration, even for those who do not use it. The man in the street, the police, prosecutors and judges all are feeling it. They all know how to answer criticism for their failure in stopping the drug's spread. But most, like Justiss, admit thay don't know how to solve the problem.

"We, the authorities, the entire judicial system have failed in our efforts to combat the cocaine rock problem," Riviera Beach Police Chief Frank Walker said.

Justiss and other landlords in the neighborhood east of Howard Park have met to discuss measures such as hiring security guards and blacklisting suspected drug dealers from their rental apartments.

Residents of the northeastern section of West Palm Beach have formed the Northwood Citizens Association to apply pressure to politicians and police to clean up their area.

The police, in turn, say they are arresting as many cocaine-rock dealers as possible.

Ten men of the West Palm Beach police unit that concentrates on street drug sales filed 1,302 drug charges against 784 people from the time of the unit's May 1 creation until Jan. 31, said Lt. William McGinley, head of the unit.

The Palm Beach County Sheriff's Office has used fewer undercover agents in its Operation Rock 'n' Roll, which has resulted in more than 200 arrests in five target areas since it began Dec. 10.

"It has slowed down, but buyers are still coming to the areas despite heavy media coverage of the arrests," Palm Beach County Sheriff's Capt. James Kersey said.

Law enforcement frustration centers on what police say is a lack of public perception of the danger and complications peculiar to fighting the cocaine rock problem.

"I think it's probably the most dangerous situation of buying narcotics that I've ever seen," said a veteran undercover agent.

Cocaine users also are more dangerous than users of other drugs because cocaine is a stimulant that usually causes paranoia, police said.

"Heroin addicts used to stop and give up easy if you got them shoplifting, but catch a guy on cocaine rocks and you're apt to get in one hellacious fight," Belle Glade police Sgt. Dan Crist said.

The rocks themselves provide other difficulties for police. They are so small and so similar in appearance to real pebbles that they are easily hidden, police said.

Dealers on the street and in houses usually carry only a few rocks, police said. That way they can avoid arrest by dropping them to the ground.

If they are caught holding the rocks, they can be charged only with possession instead of the more severe charge of trafficking, which requires possession of a large amount of cocaine.

Suppliers circulate regularly to deliver more rocks and collect the drug money.

"The money don't stay there long, and the rock don't stay there long. There's never massive quantities, and it makes it very difficult" said Palm Beach County Sheriff's Sgt. Michael Tucker, head of the unit that concentrates on street sales.

For example, undercover sheriff's agents twice bought cocaine rocks at 130 Plum Tree Drive in suburban Lantana to obtain two search warrants within one week in March. Yet, when they served the warrants they found no rocks the first time and one rock the second time.

"But more than the arrest aspect of it," Kersey said, "the problem is the lack of recognition in the judicial system as to the severity of the drug."

The sentiment was echoed by police throughout Palm Beach County and the Treasure Coast.

"The judicial system doesn't seem to place much interest in the drug problem unless it is the massive big loads," Riviera Beach Chief Walker said. "We should concentrate on putting street-level people out of business and have the courts put them away so it's no longer a revolving-door joke."

Nearly one-fifth of the street dealers arrested by the West Palm Beach police tactical unit have been arrested before on drug charges, McGinley said.

The reasons, police said, are low bail bonds, light sentences and cases dropped by prosecutors or thrown out by judges.

Defendants in street-level drug cases often are released on low bail bonds or their own recognizance because the jails are overcrowded, spokesmen for judges and state attorney's offices said.

Moreover, there is a fundamental difference of opinion between police and judges about the role of the courts.

"We understand that the jails are overcrowded, but we kind of get the feeling that the courts just don't support us," Tucker of the Palm Beach County Sheriff's Office said. "We go out there and stick our necks out and the courts just don't back us up by giving these people some serious jail time."

Palm Beach County Circuit Judge Edward Rodgers said, "They're right about that. It has always been my feeling about our relationship with police officers that we're not on the same side."

Rodgers has devoted special attention to how the criminal justice system handles the cocaine-rock epidemic. As the circuit's probate judge, he handles the non-criminal cases in which a person is ordered to undergo drug treatment as an alternative to jail.

"You see, that is a fallacy that (police) believe that they think we ought to be on the same side . . . Besides, if they make an arrest it may or may not be a legal one. . . ."

Palm Beach County Assistant State Attorney Jerry Mendelsberg said the state usually reduces charges and offers light sentences—60-90 days in the county jail for possession of cocaine and six to seven months for selling cocaine—if a person agrees to plead guilty immediately.

To deter cocaine use, Mendelsberg said he believes the state needs mandatory minimum sentences for sale of cocaine, stronger sentences for defendants convicted of repeated burglaries and mandatory drug counseling for defendants convicted of possession of cocaine.

"Eventually I think the judges will get the message that we are asking for more jail time and that the public demands it."

Rodgers disagreed.

"I don't think the solution is to give everybody more time and put people in jail. I believe Florida puts more people in jail than 47 of the other states and yet our crime rate is no lower than anybody else's.

"For me, the real answer is to increase treatment, increase public funding of treatment and increase education to try to defuse this thing."

He proposed that police agencies contribute a portion of the money they derive from confiscated contraband to public drug treatment programs. Police agencies are permitted to keep the cash and property, such as boats, airplanes and motor vehicles that they confiscate in major drug arrests.

"My feeling is that the addict, untreated, provides the criminal the police are going to be looking for tomorrow," Rodgers said. "They have a vested interest in doing as much as possible to get these people treated . . ."

Drug Treatment Is Not Easy Road

(By Linda Lyon)

The scenario is all too familiar: They hear the ads on television first.

"You don't have to live like this. There is a solution."

Their lives devastated by cocaine, they want to believe in solutions. So they call.

The first question—Do you have insurance?

Too often the answer is no.

Private treatment for drug abuse can cost from $7,000 to $20,000. Most people don't have insurance to cover that. Even those who once had the resources are usually broke by the time they seek treatment. It is often the depletion of their own resources that has triggered the drug abuser's plea for help.

"They listen to the ads on TV promising help and then they call," said Eric Pidrman, director of admissions for the non-profit Comprehensive Alcohol Rehabilitation Programs Inc. based in West Palm Beach. They are told if they have $15,000 or a nice fat insurance policy, they're eligible."

Turned away by the private treatment centers, the addicts look to public clinics.

"Then we get a call from an irate person who wants instant help for free," said David Cueny, clinical director at the Drug Abuse Treatment Association in North Palm Beach.

There just aren't enough beds or therapists to respond to those calls. In District 9 of Florida's Department of Health and Rehabilitative Services, an area encompassing Palm Beach, Martin, St. Lucie, Okeechobee and Indian River counties, the state subsidizes only 50 beds for the treatment of drug abuse patients. Other non-profit treatment centers offer a low-cost alternative, but most have waiting list of as many as 200 people.

The need for treatment facilities in the midst of what experts describe as a cocaine rock "epidemic" is clear. The solution is not.

The debate seems to center on whose problem this is—the addict's or the public's. Some say the addict who has squandered thousands, sometimes even hundreds of thousands of dollars, on his habit should foot the bill. Others say taxpayers will pay eventually anyway, as addicts resort to crime and end up in the criminal justice system. Why not pull the addict in off the streets before that happens, treat him and save money in the long run?

The critical first step for many is often that first call to a crisis or information hot line. Peter Gold, administrator of the 1-800 COCAINE hot line, said he receives about 100 calls a day from addicts in Florida. The Florida headquarters for the national hot line was established in November at Fair Oaks Hospital in Delray Beach.

The hot line responds to a critical need, Gold said. "People on the street don't know where to go to get help when the crisis comes," he said. "All they're thinking about is where they will get their next high."

Gold tries to answer their questions about cocaine, then refers them to an agency or support group that can help. Other hot lines are involved in crisis intervention. They attempt to counsel callers and then refer them to someone who can help.

The help is not always there.

"One mother has been calling for two weeks," Cueny said. "In three to four weeks her 17-year-old son sold two televisions, a stereo, a home computer, all of his mother's jewelry and his brother's bike. He needed money to buy cocaine rocks."

Cueny, flooded with calls from equally desperate people, had to tell the woman to wait two weeks until they could schedule an appointment with her son.

That's a long wait for a family in "chaos."

"You need motivation to wait," said Margaret Mitchell, adult program director for the non-profit South County Drug Abuse Foundation.

"With cocaine addiction, the need for immediate response is so great and our ability to respond is so inadequate," Pidrman said.

According to Diane Spero, a former cocaine addict, the addict's own family can undermine the addict's willpower when it comes to waiting. The families of drug users sometimes want to keep the problem quiet, said Spero, founder of Prevention Connection, a local drug education and support group affiliated with the National Federation of Parents for Drug Free Youth. "If they go for help, word will get out," she said.

Even families who do want to respond to the problem often fail. When this happens, they face a tough decision as to how far to go to force treatment.

The option of last resort is the "drug act." In 1980, the Florida Legislature gave family members the option of filing a request for court-ordered treatment for drug abuse. One addict was treated under the drug act that year. Last year, 284 petitions were filed in Palm Beach County, Pidrman said, and at the current rate the number of petitions could jump to almost 900 this year. In Martin, St. Lucie, Indian River and Okeechobee counties, there have been 39 drug act petitions in the past 14 months.

Sometimes families misinterpret what they are seeing. "We get a lot of people with drug and alcohol problems whose families think they have mental disorders," said John Murphy, who screens patients for admission to the 45th Street Community Mental Health Center in West Palm Beach. "They are often just unhappy. People mistake self-pity for depression, but there is no pill for self-pity."

The center refers drug abuse clients to other agencies for treatment. If cocaine is the primary addiction with no alcoholic implications, users may have to wait three to four months for treatment with CARP, Pidrman said. Most of CARP's beds are set aside for alcoholics. But because most cocaine addicts also have a problem with alcohol, many of CARP's beds that have been designated for alcoholics now are occupied by cocaine addicts.

Since late last year, all of the non-profit drug treatment centers have had to put people on waiting lists. These centers offer treatment at lower prices generally established on a sliding scale. Treatment in a non-profit center can cost from nothing to $55 per day.

But waiting lists for all kinds of treatment are becoming "bigger than all of us," said Richard Mills, executive director of the Indian River Community Health Center.

"If someone comes in with a cocaine problem, the response is 'You've been doing cocaine rocks for the last two to three months. Who hasn't?' " Pidrman said.

Experts disagree on how best to respond to the problem. There are residential treatment programs, outpatient treatment programs and private counseling.

Some treatment programs start off with "detoxification," where the abuser is isolated and monitored medically for a few days as the drug wears off. But medical experts say the side effects of cocaine withdrawal are less dangerous and less dramatic (though no less uncomfortable) than withdrawal from other drugs. As a result, there are not many treatment beds set aside for detoxification.

In many programs, detoxification is less formal. Tranquilizers may be administered for a few days to ease the addict's hyperactive state. Whatever the detoxification procedure, it is only the first step in a residential treatment program. And most experts believe some kind of cloistered, inpatient treatment is essential. Cocaine is too seductive for drug abusers to withdraw in an unprotected environment.

Patients usually spend a minimum of four weeks in residential treatment. Some stay as long as 18 months. There they face a mix of therapy and education.

One common denominator is family therapy. "Family therapy is mandatory at DATA," Cueny said. "We try to give them examples of how a family can work and teach families how to operate better."

Ironically, cocaine addiction creates a crisis that brings a family together, with everyone trying to solve their mutual problem. Solving that problem can create new problems Cueny said. "Once the focus is off the kids, the parents resume their day-to-day battles."

That gives the child an incentive to go back to using cocaine.

The therapist tries to anticipate that problem and help the family prepare for it. There are religious treatment centers that utilize the "step" method pioneered by Alcoholics Anonymous. It is a self-awareness program that leads the drug abuser to believe that he can get help from "a higher power."

And there are alternatives to residential treatment. Most treatment centers also offer outpatient treatment—basically smaller doses of the inpatient routine. Robert Duncan, executive director of the New Horizons Specialized Cocaine Dependency Treatment program in Delray Beach, claims that the outpatient program there, "which costs about as much as it would to support the average cocaine habit for a week," works.

The key to that success is the emphasis on training drug abusers to stay clean at home. "Restructuring the environment works, but what happens when you get out?" he said.

New Horizons does not ask abusers to avoid situations where they have traditionally used cocaine, he said.

Duncan's program is also atypical in that it does not use group therapy. One of the symptoms of cocaine addiction is paranoia, Duncan said. Individual therapy preserves the patient's privacy and neutralizes the power of that paranoia.

Jerry Singleton, program director for Palm Beach Institute, a private treatment facility in West Palm Beach, questions the effectiveness of that approach to cocaine abuse. "The cocaine addict loves outpatient treatment," he said. "(The addict) says, 'I'm not that bad. I can handle it myself once a week.' "

With cocaine, ineffective treatment is worse than no treatment, said Ronald Catanzaro, chief medical officer for Palm Beach Institute.

Follow-up is critical in all treatment programs. It also is the weakest link in the low-cost non-profit care. Some patients go to halfway houses following intensive inpatient treatment. Others rely on support groups, such as Narcotics Anonymous, to get back on their feet.

Those for whom cocaine was just the last drug taken up after years of abusing other substances often find that they have to learn or relearn basic survival skills.

Most cocaine users before the inexpensive rocks came on the scene were affluent. They had the discretionary income to squander on drugs. Now most of the patients CARP sees are younger and poorer.

Therapists do what they can, but the first month of treatment is often unsuccessful. "We tend to get them on the rebound. Maybe they haven't hurt enough."

When they have hurt enough, the troubling question becomes, "Who is going to pay?"

Statistics compiled by Gold indicate that users who called the hot line in January had spent over $15,000 to support their habit. Most had depleted all their resources.

But there is some resistance to the notion that the taxpayers should foot the bill for helping the addict overcome that habit.

Carlton Turner, director of the White House Office on Drug Policy, puts it bluntly. "I resent my money going to some guy who has been making more than I do. I don't think the government is responsible for not letting you destroy yourself."

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But according to Catanzaro, chairman of the board of the Palm Beach Institute Foundation, that argument misses the point.

"If you took the money it costs to lock people up and put those dollars into treatment, you would have a much greater impact on the cocaine problem," Catanzaro said.

Florida's Cocaine Task Force, which issued a report in January, found that it cost $23,000 to lock up a user for a year, he said.

"For half that, you could put a person into . . . treatment for four weeks and a halfway house for a few months," Catanzaro said.

It's "misguided and insane" to use what resources we have to build more prisons, he said. Most cocaine users are "rehabilitatable," said Catanzaro, who was chairman of the state task force. The alternative is to put users in prison and make criminals of them, he said.

DISASTROUS ADDICTION FOLLOWS COCAINE'S SEDUCTIVE ALLURE

(By Linda Lyon)

Once the balm of the chic and elegant, cocaine has turned on the well-heeled sophisticates who discovered it in the 1970s, stripping them of their resources and self-esteem.

All that's left is the myth that cocain is not addictive. It is, by all expert accounts, one of the most addictive of all known drugs. Yet the aura of respectability lingers. Women tip their hair stylists with a gram of cocaine. Businessmen excuse themselves to "free-base" before that first lunchtime martini. Teenagers exchange cocaine rocks in the gymnasium.

"There is a myth in the community that this is a very sexy, attractive drug—a champagne of drugs with no consequences," said Robert Duncan, excutive director of New Horizons Specialized Cocaine Dependency Treatment program in Delray Beach.

Cocaine once seemed harmless enough. Medical experts warned of the danger of psychological addiction, but they had no evidence to challenge the denial of physical addiction. Users at first reported few side effects, no obvious physical deterioration and no pain on withdrawal—the perfect recreational drug.

"It has taken 10 years for us to understand that cocaine is addictive, and only in the last year have researchers defined addiction and understood the chemical process," said Erl Exstein, medical director at Fair Oaks Hospital in Delray Beach.

Fair Oaks here and the sister hospital in New Jersey have pioneered in the treatment of cocaine addiction.

Cocaine is "an extremely seductive drug." Exstein said.

"One of the effects of cocaine is a tremendous feeling of well-being, great confidence," said Joseph Amato, director of the Western Palm Beach County Mental Health Center in Belle Glade. "For people concerned about their competence, there is a lot of motivation to use."

Eric Pidrman, director of admissions for the Comprehensive Alcohol Rehabilitation Programs Inc., said the high is "so pleasurable the response has been described as an orgasmic high."

The drug, whether snorted, smoked or injected, stimulates what Exstein describes as the brain's "pleasure centers." The brain releases a chemical called dopamine, which transmits electrical responses between nerve endings. Stimulated by cocaine, the brain produces extra dopamine, which lingers a little longer in the brain, enhancing the response.

How fast the chemical reaches the brain depends on how it is taken—five to eight seconds when smoked, eight to 14 seconds when injected, two to four minutes when snorted, and five minutes when swallowed.

How long the high lasts also depends on how it is taken. When cocaine is snorted, the high can last from 20 to 30 minutes. Smoking a cocaine rock—a purified version of the drug—triggers a more intense, shorter-lived high of two to five minutes.

Addiction also strikes much more quickly with the rocks. "If a user is snorting every two weeks, the decline into addiction is much less rapid," said Peter Gold, administrative coordinator of the 1-800-COCAINE hot line based at Fair Oaks Hospital in Delray Beach.

That kind of casual abuse may not become compulsive for several years. * * * body's system with cocaine," Gold said. As a result, the addiction strikes in a matter of months. "It is absolutely insidious," Pidrman said. Most people we see have been using for three to six months. They're already into behavior they couldn't have imagined six months ago.

Hot line volunteers report that some callers say they are addicted after using it for only five to six weeks.

"The tailspin into addiction is faster and reinstatement of normal life is much more difficult with cocaine than with other drugs," said Ronald Catanzaro, medical director for the Palm Beach Institute in West Palm Beach.

Research into that addiction has identified some frightening patterns. Rats, exposed to other addictive drugs, including heroin, take them for a time and then stop, to eat or rest. Rats afforded free access to cocaine take it over and over again without sleeping or eating until they die.

"Cocaine is probably the most addictive substance known to mankind," Duncan said.

Cocaine users often take the drug to counter negative feelings they have about themselves and their lives. "The common denominator with all drug users is low self-esteem," said Charles Hamilton, director of marketing for the Palm Beach Institute.

"Even people who are feeling fairly good about themselves can go from no contact at all with the drug to daily contact," Hamilton said. "That's how serious it can get very fast."

The chemical provides instant gratification, but when the effect wears off, the user falls into a depression that takes him a little lower than where he started out. The next high is lower and the next low is deeper than the last. "You never quite get back that first good euphoric high," Hamilton said.

This "elevator syndrome" drives the user to counteract the lows with another drug—usually alcohol. "Every cocaine user we treat also has a problem with alcohol," Hamilton said.

Researchers now know that cocaine does tremendous damage to the body. It is "a powerful nervous system stimulant," according to "800-Cocaine," a book written by Mark S. Gold, founder of the national hot line for cocaine users and abusers.

Chronic use can lead to nasal bleeding, perpetual coldlike symptoms, erosion of nasal cartilage, damage to the vocal cords and blurred vision. Cocaine is an appetite suppressant, and addicts often lose huge amounts of weight. Eventually, cocaine can stop respiration, trigger high temperatures and lead to seizures. Ultimately, it will kill.

Of 695 deaths investigated by Palm Beach County in 1985, 65 involved cocaine in the victim's system. There were 10 where cocaine could be said to contribute to death.

The rocks are dangerous, but less likely to cause an overdose than is the powder, which can be taken in larger doses, according to Tom Carroll, chief toxicologist for the Palm Beach County Sheriff's Office. "(Smoking) is preferred by the connoisseurs to be a better, a faster high—probably less chance of an overdose."

An inadvertent overdose is easier with cocaine than with heroin, but a cocaine overdose is less likely with the rocks than with the power.

There is also, according to David Cueny, clinical director at the Drug Abuse Treatment Association in North Palm Beach, a connection to the AIDS virus. Drug usage lowers the body's immunity, he said.

Smoking is the most dangerous method of use, with potential to damage the lungs and throat. The cocaine, when it is smoked, gets into the system so fast that it can pose a risk of overstimulation to the heart.

Experts report an unusual number of deaths when users have been picked up and arrested by police. "Cocaine and excitement just overload their hearts," Cueny said.

Unlike the alcoholic, the cocaine user faces no great physical danger in withdrawal, no shakes or dramatic symptoms. But the cocain tends to deplete the supply of dopamine in the brain. On withdrawal, users experience low energy, depression and an extreme craving for cocaine. Withdrawal also often triggers extreme paranoia.

Medical experts have only recently begun to use drugs to ease the withdrawal of cocaine abusers. They were driven to that not by any physical risk to the users, but, rather, by the sheer hopelessness of getting anyone to give up cocaine without that extra help.

A TWO-PRONGED STRATEGY

We must convince people who do not use cocaine rocks not to start, and help people who do use them to stop.

That may sound utopian, but there is no other answer. As long as there is demand there will be people willing to satisfy that demand, no matter how many penalties we enact or how many law officers we put into the field.

The drug problem has been with us for a long time, but cocaine rocks introduce a disturbing new aspect, as explored by The Post in a series of articles by Staff Writers Paul Blythe, Carol Smelser Perry, and Linda Lyon.

Rocks are cheap enough to be within the reach of thousands of people, including children, who could not afford powdered cocaine. And rocks produce addiction much more quickly, subjecting the users to depressions in which they will do just about anything to get the money for their next rock.

Remedies fall generally into two categories, designed to cut off supply or halt demand. Police and prosecutors fall generally into the former camp; a complaint voiced repeatedly to the Post writers was that the judicial system is too soft on concaine dealers. Assistant State Attorney Jerry Mendelsberg wants to see mandatory minimum sentences for sellers and stronger sentences in other cases.

There are a couple of problems here. For one, Florida's jails and prisons already are at or over capacity. More importantly, as long as people can make $1,000 a day peddling cocaine rocks, they are going to do it, no matter how severe the penalties.

This is not to suggest that enforcement should cease. If periodic sweeps do nothing except make the dealers move on, that at least provides some respite for the people who live in "hot spot" neighborhoods, 21 of which were identified by police in Palm Beach, Martin and St. Lucie counties.

Further, such tactics as the use of drug-sniffing dogs and undercover agents seem to have minimized the trafficking on school campuses, thus improving the climate for learning.

All of this, however, is no substitute for increased education about the dangers of drug use and more facilities for the treatment of users. We must reach those who have too little of anything to be able to build self-esteem, and those who have too much in a material sense and too little otherwise. We must get them to understand that the instant gratification of drug use comes at too high a price.

As for those who didn't learn in time, we have to help them. Mendelsberg's suggestion for mandatory drug counseling is a good one, but only if enough counselors are provided to make the programs meaningful.

A lot of people believe that only inpatient treatment will work, but facilities are hopelessly inadequate to the task. Private nonprofit centers have long waiting lists and the state subsidizes only 50 beds in the five counties (Palm Beach, Martin, St. Lucie, Indian River and Okeechobee) of District 9.

Education and treatment cost money, but so does confinement and the crimes that addicts commit to get drug money. Yet while the state is going to spend $347.6 million this year on corrections, it is spending only $147.3 million on alcohol, drug abuse and mental health services.

Ronald Catanzaro, chief medical officer for Palm Beach Institute, notes that it costs $23,000 a year to lock up an addict whereas he could be treated for half that much. That makes treatment a good deal all around for those who have slipped through the net of prevention.●

● Mr. MOYNIHAN. Mr. President, I rise today to cosponsor legislation, S. 2352, introduced today by my distinguished colleague from Florida, Mr. CHILES, to enhance State and local drug enforcement efforts.

The provisions of this bill are really quite simple: Whenever a State or local law enforcement agency provides information to the Internal Revenue Service that substantially contributes to the recovery of Federal taxes, that agency will be reimbursed by the IRS for costs incurred in the course of the investigation. Reimbursement would not exceed 10 percent of the recovered amount.

When more than one State or local agency supplies information that leads to the recovery of Federal revenues, then the IRS would divide up to 10 percent of the money among the various organizations.

The problem this legislation addresses is most serious. The most recent study on the loss of Federal tax dollars caused by illegal drug traffic appear in a 1983 Internal Revenue Service report, "Income Tax Compliance Research," which notes that for 1981 illegal narcotics sales in the United States generated approximately $23.4 billion in unreported income, and a resulting tax gap of approximately $6.1 billion. A 1984 report by the President's Commission on Organized Crime entitled "The Cash Connection: Organized Crime, Financial Institutions, and Money Laundering" noted that the annual revenue form illegal drug trafficking in the United States is between $50-$75 billion.

Under current law, in many instances, the major expenses of such investigations must be borne by the States and localities undertaking them. Partial reimbursement of these expenses will increase the capacity to undertake such investigations. This legislation, which has been endorsed by Governor Cuomo of New York, will create additional incentives to undertake them, and generate additional revenues in time of dire need.

Mr. President, I do ask my colleagues to give this important legislation the serious consideration that it merits.●

● Mr. EVANS. Mr. President, I join the distinguished Senator from Florida, Senator CHILES, in searching for more effective ways to combat the growing problem of drug smuggling.

The legislation we are offering today, S. 2352, takes a step in the right direction. It adds one more weapon to the Federal, State, and local arsenal of programs to stop the spreading concern of drug smuggling.

This legislation amends the Internal Revenue Code to provide for the partial reimbursement to State and local law enforcement agencies, of the costs incurred in investigation that substantially contribute to the recovery of Federal taxes.

At the outset, Mr. President, it should be understood that the partial recoupment of investigative expenses would be paid from revenues not otherwise collected without the assistance and initiation of local law enforcement agencies—making this legislation at a minimum revenue neutral, or more accurately termed "revenue positive."

This amendment provides for the recoupment of investigative expenses incurred by local law enforcement agencies when those agencies provide information to the IRS which substantially contributes to the recovery of Federal taxes. The amount reimbursed shall not exceed 10 percent of the sum ultimately recovered.

This bill is a companion bill to H.R. 3136 introduced last session by Representative SAM GIBBONS. The idea for this legislation was initially developed by the Florida Department of Law Enforcement.

Mr. President, my interest in this type of legislation stems from the increasing levels of drug smuggling in the State of Washington. While it is difficult to measure illegal drug activity, Seattle and its surrounding area are commonly referred to as a "substantial growth area."

Recent incidences support these concerns. In January of this year, the Coast Guard's seizure of a small Honduran coastal freighter with 447 pounds of cocaine hidden aboard has helped to confirm some officials' suspicions that the Puget Sound is a new, major entry point for drugs.

In a concealed space that had been welded closed, searchers from the Customs Service, the DEA, and the local police found 205 plastic bags filled with pure cocaine. The officials' estimates of the value of the cargo ranged from $14 million wholesale to $100 million retail.

In another local occurrence last fall, ice buckets brought through Seattle-Tacoma International Airport by a Hong Kong businessman were found to be insulated with heroin, and 212 pounds was seized.

The regional Customs Service Commissioner, Quintin Villanueva, has indicated that he believed that increased pressure by law enforcement agencies in the Southeast has caused drug and smuggling rings to shift operations to the Pacific Northwest. The Commissioner has also indicated that the areas on the West Coast are becoming a smuggler's paradise.

Mr. President, we should be promoting this type of legislation which encourages stronger partnerships between all levels of government.

Currently, State and local law enforcement departments routinely work in conjunction with Federal agencies such as the Alcohol, Tobacco, and Firearms Bureau, the Drug Enforcement Administration, and the IRS. These cooperative efforts range from the informal sharing of intelligence or investigative information to formal task force agreements.

Beyond the development of drug smuggling evidence, investigating the financial or economic aspect of criminal activity is time consuming, expensive, and is a task requiring investigative expertise. State and local agencies often leave such investigations undone. Frequently the information obtained does not result in additional criminal charges or does not result in increased incarceration time for the subject, so local interest is limited. Therefore, to agencies with limited personnel and finances, the investigation of the financial dimension of a criminal operation is not worth the effort.

Particularly in a State such as Washington, where there is no State income tax, the local interest in developing a tax evasion dimension of a case is limited. Financial dimension in-

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vestigations may develop significant information regarding Federal tax evasion or fraud charges but do not develop corresponding State charges. As a result, financial investigative efforts by local investigators may frequently be cut short because the end local result is not worth the additional local effort.

Under current law, the Comprehensive Forfeiture Act of 1984 provides that the Attorney General shall ensure the equitable transfer of any forfeited property to the appropriate State or local enforcement agency to reflect generally the contribution of any such agency participating directly in any of the acts which lead to the seizure or forfeiture of such property. While this does much to compensate State and local law enforcement agencies for their contributions in joint investigations with Federal agencies, it does not cover those investigations conducted by State and local agencies that are referred to the IRS and subsequently result in large tax assessments. The proposed amendment corrects this situation and enhances the current forfeiture act, particularly from the State and local perspective.

Mr. President, in my home State of Washington, I compliment the efforts of the State patrol and county and city law enforcement agencies in their exemplary efforts declaring war against illegal drugs. Hopefully, this legislation will help.●

● Mr. WILSON. Mr. President, today I join the Senator from Florida, Mr. Chiles, in introducing a bill that will grant State and local law enforcement agencies compensation when they help the IRS find tax evaders.

The bill, S. 2352, will require reimbursement to State and local tax enforcement agencies for costs incurred in investigations that substantially contribute to the recovery of Federal taxes. This bill, already introduced in the other body as H.R. 3136, will provide a well deserved reward to the State or local authorities of no more than 10 percent of the sum ultimately recovered. These funds would help the numerous local law enforcement authorities financially, especially during these belt-tightening times—all in recognition of the fact that their work made a recovery possible.

Mr. President, when a State or local law enforcement agency makes a narcotics arrest, Federal authorities invariably initiate a tax investigation. Such investigations have led to the discovery of large sums of unreported income, which in turn have led to the assessment and collection of large tax deficiencies.

And, Mr. President, while payments made to State and local officials in recognition of their assistance may be called a reward, in many ways such payments constitute simple compensation for their assistance.

Current law, Mr. President, authorizes the IRS to pay up to 10 percent of the amount recovered in back taxes to any person that assists in uncovering a tax evader. The amount of the individual reward depends upon the extent of the information provided. However, there is no authorization to provide such payments to State or local law enforcement agencies. Since they are not considered persons, present regulations do not allow them to be rewarded. Our bill will change this.

Mr. President, enactment of this legislation will provide additional incentives for State and local police officials, for they will know that the costs of successfully pursuing an investigation—particularly the high costs of uncovering the illegal activities of organized crime—will be partially defrayed. For example, in my State of California, where illegal narcotic sales and designer drug labs are a growing problem, this bill will have a major impact and encourage State and local authorities to redouble their efforts against the drug trade.

Mr. President, this legislation would not be necessary if the IRS would adopt a new regulation making State and local law enforcement agencies eligible for a 10-percent recovery reward. However, it is my understanding that the IRS has rejected previous requests to make such a change. I hope that the Service will reconsider its position in light of the bill we are introducing today. However, should the IRS maintain its position, I urge the Finance Committee to carefully review this bill so that it might be considered by the full Senate this year. In either case, a change is long overdue.

Mr. President, I ask unanimous consent that a letter that I received from California Governor Deukmejian in support of this legislation be printed in the Record at this point.

There being no objection, the letter was ordered to be printed in the Record, as follows:

State of California,
Governor's Office,
Sacramento, January 29, 1986.

Hon. Pete Wilson,
U.S. Senator,
Washington, DC.

Dear Pete: I am writing to express my support for H.R. 3136, which would authorize the Internal Revenue Service to reimburse state and local governments for a portion of the cost of drug enforcement efforts.

When drug trafficking investigations by state and local law enforcement agencies result in the collection of additional federal tax dollars, I believe it is appropriate to share a portion of this new revenue to help offset the costs of law enforcement.

Such a policy would put additional funding into the fight against drug abuse and provide an incentive for increased enforcement which can result in the collection of more revenue for the federal treasury.

As you may know, I strongly support the efforts of law enforcement agencies in combatting drug trafficking. On behalf of the State of California, I urge your support of H.R. 3136.

Most cordially,

George Deukmejian.●

By Mr. MITCHELL (for himself, Mr. Proxmire, Mr. Humphrey, Mr. Rudman, Mr. Durenberger, Mr. Warner, Mr. Trible, and Mr. Kasten):

S. 2354. A bill to amend the Nuclear Waste Policy Act of 1982 to provide for the disposal of high-level radioactive waste and spent nuclear fuel in a single repository, and for other purposes; to the Committee on Energy and Natural Resources.

NUCLEAR WASTE POLICY REFORM AMENDMENTS ACT

● Mr. MITCHELL. Mr. President, today I am introducing legislation to amend the Nuclear Waste Policy Act of 1982. I am pleased that Senator Proxmire, Senator Humphrey, Senator Rudman, Senator Durenberger, Senator Warner, Senator Trible, and Senator Kasten are joining me in this effort.

For four decades, the United States produced nuclear wastes as a byproduct of the generation of electricity and the maintenance of a defense capability, without adequate consideration of the need to properly and safely dispose of this waste. Gradually, the need for comprehensive disposal legislation became more apparent.

Among the most important milestones in the act are those which require the DOR, first, to sign contracts with waste generators by June 30, 1983, to take title to the waste and, second, to begin disposal of the waste in the first repository by January 31, 1998. The first requirement has been met, because a standard contract has been promulgated by DOE and signed by many, if not all, waste generators.

Progress toward siting the repository in the Western part of the United States is being made. In the near future, DOE will nominate three potentially acceptable sites for characterization to determine their suitability to host a repository. These three sites are expected to be in the States of Nevada, Texas, and Washington.

After characterization is completed, DOE will nominate a site to the President, who may accept or reject it. If he rejects it, DOE must go back and select another site. If he accepts it, he must submit the recommended site to Congress by March 31, 1987, with a possible 1-year extension.

DOE now estimates that the President will make this recommendation in 1991. Within 90 days of the President's submission to Congress, DOE is required to submit a construction authorization application to NRC, which must make a final decision on the application within 3 years. DOE anticipates that NRC licensing will be complete by 1994, that construction of the repository will occur between 1994 and 1998 and the repository will begin operation in 1998.

The 1982 act also requires DOE to search for a site for second repository. DOE is considering crystalline rock—granite—formations for a possible second repository. In January of this year, DOE published a draft area recommendation report [ARR] which identified 12 areas—including two in Maine—that DOE considered potentially acceptable sites for a second repository.

The other 10 sites under review by DOE are in granite formations located in New Hampshire, Virginia, North Carolina, Georgia, Wisconsin, and Minnesota.

Those State governments and their citizens were able to submit comments on the site selection until April 16. DOE will review the comments for 90 more days, or longer, depending on the number and detail included in the comments, before issuing a final ARR later this year.

At that time, DOE will begin to make onsite field assessments of each potentially acceptable site listed in the final ARR. That area phase is expected to take until 1991. DOE will then nominate five areas, and recommend three for site characterization.

Characterization of those potential sites for a possible repository would take at least 5 years. At this point, now estimated to be 1996, the process will stop until Congress acts to authorize construction of a second site, because DOE has no such authority under current law.

As can be seen, the process involving a possible second repository differs from the first in two major respects:

First. Under current law a first repository must be built, but a second repository cannot be built.

Second. The selection process for a second repository is about 6 years behind the first.

An analysis of the act, including a history of its adoption and a review of the Department of Energy's compliance, present and anticipated, with the act have led me to conclude that the construction of more than one repository would be unnecessary and unwise.

The legislation I am introducing today terminates the crystalline repository project through which DOE is currently undertaking its search for acceptable sites for a second deep geological repository.

In addition, it would remove the volume limitation of the repository authorized in the Nuclear Waste Policy Act; limit the geologic medium in which a repository could be built and operated by DOE; impose a moratorium on all high-level waste disposal activities if DOE does not meet its January 1998 deadline for the acceptance of high-level waste; and establish an independent scientific commission to report to Congress upon deep geologic disposal and available alternatives.

There is widespread concern in Maine about the possibility that a national high-level waste repository could be located in Maine. After careful review of the available information, I believe Maine is not suitable as a site for such a repository. The general geology, geography, and hydrology of the State are such that the people of Maine cannot be assured that any repository constructed in the State would sufficiently protect the public and the environment from radioactive contamination. Whatever the conditions in Maine, a second repository is not needed.

A second repository cannot be operational in time for this country to begin disposing of high-level nuclear waste by the 1998 deadline for DOE to take title to the waste. The necessary scientific research on the sites for a potential repository are several years behind the search for the first repository. It is impossible to accelerate that research to a degree which would allow crystalline site to be the site for a repository. Therefore, construction of a second repository as a backup to a first repository would not allow the waste disposal program to meet the underlying deadline of the Waste Policy Act, which is disposal of waste beginning January 31, 1998.

But, more importantly, a second repository is not needed to dispose of the country's high-level waste and spent reactor fuel.

Current law limits the maximum amount of waste that can be stored in the repository to 70,000-metric tons. There is no technical or scientific basis for this limit. Its purpose was to assure the State selected for the first repository that it would not be the only State having a high-level waste repository.

Without this limit there would be no need for a second repository. And it was based on estimates of the total amount of high-level waste that are proving to be exaggerated.

DOE's latest estimate, included in the December 1985 document, "Spent Fuel and Radioactive Waste Inventories, Projections, and Characteristics" is that 126,000-metric tons of high-level radioactive commercial spent fuel will need to be disposed of in a high-level waste repository. This estimate is lower than previous estimates.

It is likely that the actual amount of high-level waste will be even lower for several reasons.

First, it is probable that no new commercial nuclear power plants will be ordered in this century. Many utilities are extending the useful life of their powerplants in order to avoid having to make capital investment in a new facility.

Second, utilities are choosing to use the fuel rods which make up a major portion of the high-level waste for a longer time, thus producing less spent fuel. The DOE estimates that spent fuel burnup will increase at about 3.5 percent each year for the next several years.

Finally, some of the sites currently under consideration by DOE for the first repository may safely accommodate all the high-level waste expected to be generated through the first quarter of the next century.

There is no compelling technical reason for having two repositories. If a second repository is not technically necessary, there is no benefit to constructing one. In contrast, there are compelling fiscal reasons for constructing only one.

While waste estimates have been declining, the program's cost estimates have been increasing at a rate of $400 million per month.

As of January 1985, total program costs, including total costs for two repositories, one monitored retrievable storage facility, and transportation, were estimated at about $26.7 billion. In July 1983, just 1½ years earlier, DOE had estimated these costs to be $19.6 billion.

Thus the estimated cost of the program increased by a third in less than 2 years. Each of these estimates is in constant dollars, not taking into account inflation. If inflation and other contingencies are factored in, the total program could cost up to $150 billion, according to the Director of the DOE high-level waste program.

The crystalline project still faces the most expensive part of the siting process, the so-called characterization of three sites nominated in 1991. Characterization is an expensive, time-consuming, detailed analysis of each site.

It is expected to cost between $500 million and $1 billion for each site. It will take 5 years, from 1991 to 1995.

Under this bill, the U.S. Department of Energy is required to proceed in its process to select a site for and to construct and operate one high-level nuclear waste repository. But it would be prohibited from proceeding with its present consideration of sites for a possible second repository.

And if the Department is unable to meet the 1998 deadline for operation of a repository to accept the high-level waste it has agreed to take title to, this bill would halt all activity under the Nuclear Waste Policy Act until Congress has had an opportunity to review the recommendations of an independent scientific commission on the available options for safe, permanent disposal of the waste.

Does it make sense to spend tens of billions of taxpayers' dollars for the siting and characterization of crystalline sites when it is not necessary to do so? The answer is clearly no.

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Mr. President, I ask unanimous consent that the text of the bill be printed in the Record.

There being no objection, the bill was ordered to be printed in the Record, as follows:

S. 2354

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the "Nuclear Waste Policy Reform Amendments Act of 1986".

SEC. 2. LIMITATION ON FEDERAL ACTIVITIES WITH RESPECT TO GEOLOGICAL REPOSITORIES.

(a) In General.—Subtitle A of title I of the Nuclear Waste Policy Act of 1982 (42 U.S.C. 10131 et seq.) is amended by adding at the end thereof the following new sections:

"TERMINATION OF FEDERAL ACTIVITIES WITH RESPECT TO SECOND REPOSITORY

Sec. 126. (a) Department of Energy.—The Secretary may not carry out any activity under this Act with respect to more than 1 repository. Any activity commenced or decision made by the Secretary with respect to a second or subsequent respository before the date of the enactment of the Nuclear Waste Policy Reform Amendments Act of 1986 shall be terminated or rescinded.

"(b) Nuclear Regulatory Commission.—The Commission may not authorize the construction of more than 1 repository under this act.

"IMPOSITION OF MORATORIUM ON REPOSITORY DEVELOPMENT

"Sec. 127. If the Secretary has not commenced the disposal of high-level radioactive waste and spent nuclear fuel under this Act by January 31, 1998, as provided in section 302(a)(5)(B), the Secretary shall cease all activities under this Act with respect to any repository until—

"(1) the Nuclear Waste Repository Review Commission submits to the Congress the report required in section 307(f); and

"(2) the Congress by law, after review of such report, specifically authorizes the continuation of such activities.".

(b) Conforming Amendment.—Section 1 of the Nuclear Waste Policy Act of 1982 (42 U.S.C. 10101 prec.) is amended by inserting after the item relating to section 125 in the table of contents the following new items:

"Sec. 126. Termination of Federal activities with respect to second repository.

"Sec. 127. Imposition of moratorium on repository program.".

SEC. 3. REMOVAL OF DEADLINES FOR SECOND REPOSITORY.

(a) Recommendation of Candidate Sites for Site Characterization.—Section 112(b)(1) of the Nuclear Waste Policy Act of 1982 (42 U.S.C. 10132(b)(1)) is amended—

(1) by striking out subparagraph (C); and

(2) in subparagraph (D), by striking out "subparagraphs (B) and (C)" and inserting in lieu thereof "subparagraph (B)".

(b) Recommendation of Site Approval.—Section 114(a)(2) of the Nuclear Waste Policy Act of 1982 (42 U.S.C. 10134(a)(2)) is amended—

(1) in subparagraph (A), by striking out the second and fourth sentences; and

(2) in subparagraph (B)—

(A) by striking out "deadlines" and inserting in lieu thereof "deadline"; and

(B) by striking out the following: "for the first site, and March 31, 1989, for the second site,".

(c) Approval of Construction Authorization.—Section 114(d)(1) of the Nuclear Waste Policy Act of 1982 (42 U.S.C. 10134(d)(1)) is amended by striking out the following: ", for the first such application, and January 1, 1992, for the second such application".

(d) Environmental Impact Statement.—Section 114(f) of the Nuclear Waste Policy Act of 1982 (42 U.S.C. 10134(f)) is amended in the fifth sentence by striking out "and by July 1, 1989,".

SEC. 4. LIMITATION ON GEOLOGIC MEDIUM OF REPOSITORY.

Section 112 of the Nuclear Waste Policy Act of 1982 (42 U.S.C. 10132) is amended by adding at the end thereof the following new subsection:

"(g) Limitation on Geologic Medium of Repository.—The Secretary may not nominate or recommend any crystalline rock site for site characterization under this section for the repository to be developed under this Act.".

SEC. 5. REMOVAL OF VOLUME LIMITATION ON REPOSITORY

Section 114(d) of the Nuclear Waste Policy Act of 1982 (42 U.S.C. 10134(d)) is amended by striking out the last two sentences.

SEC. 6. NUCLEAR WASTE REPOSITORY REVIEW COMMISSION

(a) Establishment.—Title III of the Nuclear Waste Policy Act of 1982 (42 U.S.C. 10221 et seq.) is amended by adding at the end thereof the following new section:

NUCLEAR WASTE REPOSITORY REVIEW COMMISSION

"Sec. 307. (a) Establishment.—If a moratorium on repository development takes effect under section 127, there shall be established a commission to be known as the Nuclear Waste Repository Review Commission.

"(b) Function.—The function of the Review Commission shall be—

"(1) to review the available scientific information on the suitability of repositories for the disposal of high-level radioactive waste and spent nuclear fuel; and

"(2) to compare such disposal with alternative means and technologies for the permanent isolation of such waste and spent fuel.

"(c) Membership.—The Review Commission shall be composed of 7 members appointed by the President, by and with the advice and consent of the Senate, from among individuals recommended for appointment to the Review Commission by the President pro tempore of the Senate or the Speaker of the House of Representatives—

"(A) 1 of whom shall be knowledgeable in civil and mining engineering;

"(B) 1 of whom shall be knowledgeable in hydrogeology;

"(C) 1 of whom shall be knowledgeable in geology and geophysics;

"(D) 1 of whom shall be knowledgeable in public health;

"(E) 1 of whom shall be knowledgeable in meteorology; and

"(F) 1 of whom shall be knowledgeable in nuclear physics.

"(2) No present or past employee of the Department of Energy may serve as a member of the Review Commission.

"(3) The members of the Review Commission shall receive a per diem compensation for each day spent in meetings or other work of the Review Commission, and shall be compensated for their necessary travel and other expenses while engaged in the work of the Review Commission.

"(4) 4 members shall constitute a quorum of the Review Commission.

"(5) The Review Commission shall designate 1 of its members as chairperson, who shall serve in such capacity through the remainder of the term of such member.

"(6) The Review Commission shall meet at the call of its chairperson or a majority of its members.

"(d) Staff.—(1) Subject to such rules as may be prescribed by the Review Commission, and without regard to section 5311(b) of title 5, United States Code, the Review Commission may appoint and fix the pay of such personnel as it considers appropriate.

"(2) The staff of the Review Commission may be appointed without regard to the provisions of title 5, United States Code, governing appointments in the competitive service, and may be paid without regard to the provisions of chapter 51 and subchapter III of chapter 53 of such title relating to classification and General Schedule pay rates.

"(3) Subject to such rule as may be prescribed by the Review Commission, the Review Commission may procure temporary and intermittent services under section 3109(b) of title 5, United States Code.

"(4) Upon request of the Review Commission, the head of any Federal agency may detail, on a reimbursable basis, any of the personnel of such agency to the Review Commission to assist the Review Commission in carrying out its duties under this section.

"(e) Powers.—(1) The Review Commission may, for the purpose of carrying out this section, hold such hearings, sit and act at such times and places, take such testimony, and receive such evidence, as the Review Commission considers appropriate. The Review Commission may administer oaths or affirmations to witnesses appearing before it.

"(2) Any member or agent of the Review Commission may, if so authorized by the Review Commission, take any action the Review Commission is authorized to take in this section.

"(3) The Review Commission may secure directly from the Department of Energy, or from any other Federal agency, information necessary to enable it to carry out this section. Upon request of the chairperson of the Review Commission, the Secretary, or the head of such other agency, shall furnish such information to the Review Commission.

"(4) The Review Commission may accept, use, and dispose of gifts or donations or services of property.

"(5) The Review Commission may use the United States mails in the same manner and under the same conditions as other Federal agencies.

"(6) The Administrator of General Services shall provide to the Review Commission on a reimbursable basis such administrative support services as the Review Commission may request.

"(f) Report.—The Review Commission shall prepare and submit to the Congress, by not later than January 31, 1999, a report setting forth the findings of the Review Commission as a result of its activities under subsection (b). Such report shall include any recommendations of the Review Commission for legislation or agency action

relating to the matters considered by the Review Commission under such subsection.

"(g) Authorization of Appropriations.—There are authorized to be appropriated for expenditure from amounts in the Waste Fund such sums as may be necessary to carry out the provisions of this section.

"(h) Termination.—The Review Commission shall terminate upon the submission of its report under subsection (f).".

(b) Conforming Amendments.—

(1) Section 1 of the Nuclear Waste Policy Act of 1982 (42 U.S.C. 10101 prec.) is amended by inserting after the item relating to section 306 in the table of contents the following new item:

"Sec. 307. Nuclear Waste Repository Review Commission.".

(2) Section 2 of the Nuclear Waste Policy Act of 1982 (42 U.S.C. 10101) is amended—

(A) by redesignating paragraphs (20) through (29) as paragraphs (21) through (30); and

(B) by inserting after paragraph (19) the following new paragraph:

"(20) The term 'Review Commission' means the Nuclear Waste Repository Review Commission established in section 307.".

SEC. 7. REVISION OF MISSION PLAN.

Section 301 of the Nuclear Waste Policy Act of 1982 (42 U.S.C. 10221) is amended by adding at the end thereof the following new subsection:

"(c) Revision of Mission Plan.—The Secretary shall make such revisions in the mission plan as may be necessary to carry out the amendments made to this Act by the Nuclear Waste Policy Reform Amendments Act of 1986. In making such revisions, the Secretary shall comply with the procedures established in subsection (b), except that—

"(1) the draft of the revisions shall be submitted in accordance with subsection (b)(1) not later than 6 months after the date of the enactment of the Nuclear Waste Policy Reform Amendments Act of 1986; and

"(2) the revisions shall be submitted in accordance with subsection (b)(3) not later than 8 months after the date of the enactment of the Nuclear Waste Policy Reform Amendments Act of 1986.".●

● Mr. **RUDMAN**. Mr. President, I rise today to join with my colleagues Senator Mitchell, Senator Proxmire, and Senator Humphrey in support of legislation which would amend Public Law 97-425, the Nuclear Waste Policy Act of 1982.

The act instructed the Department of Energy to develop guidelines and an agenda by which the Federal Government would study, select, construct, and operate a high level nuclear waste repository that will safely hold radioactive waste for 10,000 years or more.

Congress deliberated for 5 years on this critical issue before passage of the Nuclear Waste Policy Act. The law authorized the Department of Energy to build a first repository site in either salt basalt or tuff medium with a capacity for holding up to 70,000 metric tons of radioactive waste. While the law instructs DOE to recommend a second repository to be located in crystalline rock, Congress did not authorize the construction of a second repository site.

The bill I have cosponsored today would require DOE to proceed with the selection of one repository site, removes the 70,000-metric-ton cap on the first repository sites storage capacity, and prohibits DOE from considering a second unauthorized repository site. In addition, the current law requires the Federal Government to take title to all commercial spent fuel by 1998. If the DOE is unable to meet the 1998 operational deadline for the first repository site, all DOE activity under the Nuclear Waste Policy Act would stop until an independent scientific commission reviewed available options for the safe permanent disposal of high level waste.

In 1982 the Department of Energy projected that the accumulated amount of spent fuel from commercial nuclear powerplants would total 146,000 metric tons by the year 2020. DOE's latest estimate, included in the December 1985 document, "Spent Fuel and Radioactive Waste Inventories, Projections, and Characteristics," concludes that the amount of commercial spent fuel would be 126,000 metric tons by the year 2020. We can already see a substantial reduction in the estimated amount of nuclear waste to be generated in the next 35 years.

I believe we will see lower projections in the years to come for several reasons. First, it seems highly unlikely that new commercial nuclear powerplants will be ordered in this century due to their expense and the availability of other energy resources. In 1985, 16 percent of electricity used in the United States was generated by nuclear powerplants. Second, utilities are extending the use of their fuel rods, thus producing less spent fuel. Current law limits the first repository's storage capacity to 70,000 metric tons. I believe technology can be developed to safely store an increased capacity in one repository with an increased capacity, while saving billions of tax dollars.

The future will demonstrate no need for construction of a second repository site. However, while our waste projections are declining, DOE expense for the repository program is escalating dramatically. The current projected costs for developing two repositories is approximately $26.7 billion, up 36 percent from the July 1983, cost estimate of $19.6 billion.

DOE's schedule for the crystalline project, the siting of a second repository in granite, would cost in the range of $500 million to $1 billion for each of 5 sites DOE will characterize in detail between the years 1991-95. Before five sites are selected, DOE will spend up to $1 million on each of the 12 sites DOE is considering as potential candidates. It is quite illogical for billions of taxpayers' dollars to be invested in the analysis of a second repository site when current data demonstrates that one repository may be sufficient to hold all of the Nation's nuclear waste projected at this time.

Mr. Chairman, I have serious doubts about DOE's interpretation and implementation of the Nuclear Waste Policy Act. I believe DOE has deprived the State of New Hampshire of a meaningful role in the siting process, and has acted contrary to congressional intent as expressed in the Nuclear Waste Policy Act. DOE's arbitrary decision to choose 12 potentially acceptable sites for a second repository site when by its own analysis the top 9 sites are clearly superior to the next 3 is an abuse of the agency discretion. We are all very aware that the act required that the Federal Government consult with affected States during the siting process. This requirement is supported by a rich legislative history which make it abundantly clear that Congress intended that the opportunity for public and State participation in the siting process must be meaningful, not merely theoretical. Because DOE has failed to properly consider many important factors in evaluating the acceptability of a second repository site, the agency has cast doubt on the credibility of the entire site selection process.

The only way DOE can restore public confidence in this process is for Congress to swiftly put a halt to the waste of millions of tax dollars in siting a second repository. We should instruct DOE to focus its energy and personnel on one repository site, expand the capacity of that site, and have an independent scientific commission evaluate DOE's implementation of the guidelines set forth under the Nuclear Waste Policy Act.

This legislation is not intended to remove one State from the selection process. It is to get the DOE program back on track and within the intent of Congress. We must be fiscally prudent and careful to ensure the public's confidence with DOE's repository program. I believe it is in the best interest of the American public to revisit this issue to ensure the safest and most cost-effective disposal of our Nation's high level radioactive waste.●

● Mr. **HUMPHREY**. Mr. President, I am pleased to join Senator Mitchell and others in the introduction of legislation that would make important amendments to the Nuclear Waste Policy Act of 1982.

The Nuclear Waste Policy Act authorized the construction of one geologic repository for the disposal of nuclear waste to be built in this country as well as the study and activities leading up to construction for a second repository. Actual construction of a second repository, however, is not authorized under present law. At present, five sites in the West and South are under consideration for lo-

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cations of the first repository. Twelve sites in seven Northeastern and North Central States with crystalline rock formations are under consideration for the location of the second repository.

The purpose of the Nuclear Waste Policy Act was to provide a permanent solution to a longstanding and unresolved policy dilemma: What to do with ever-growing inventories of high level nuclear waste. Inventories of waste were, as they are today, scattered at all of the Nation's operating nuclear reactors, and they promised to grow as existing facilities continued to operate and as more facilities came on line. But several important parts of that picture have changed, and they have changed to such an extent that I believe we need to reevaluate fundamentally where we are going with this program.

First, the scope of the problem of nuclear waste has changed. In March 1982, shortly before the full Senate considered the Nuclear Waste Policy Act, utilities were planning to construct 159 nuclear reactors. Since then, 32 of those reactors have been cancelled. In 1982, it was thought that by the year 2000 there would be 56,000 metric tons of spent fuel. Today, the estimate is considerably lower, 41,600 metric tons. Overall, it was estimated in 1982 that there would be an inventory of 140,000 metric tons to be emplaced in the repositories. Today, that figure is considerably smaller. Indeed, a recent Department of Energy estimate put the figure as low as 87,449 metric tons. Further, improvements in fuel-burning technologies, such as extended burn, the improvement of fuel storage capabilities, and the likelihood that no additional nuclear generating capacity will come on line before the end of the century, suggest that we will have less and not more nuclear waste in the coming years than was originally anticipated.

Second, the process of selecting a repository is both timely and enormously expensive. The Department of Energy has missed every major milestone date in the repository program, and now the Department is more than 4 years behind schedule. And, latest estimates by the Department of Energy indicate that constructing the first repository alone will cost between $6 and $11.3 billion. It was less than 4 years ago that the Department of Energy estimated that the total cost of siting and constructing the first repository would be between $3 and $3.4 billion. At that time, CBO said:

> It is not unusual for major government capital projects—defense systems, dams, rail systems, space programs, etc.—to cost substantially more than originally estimated, due to delays, overruns, changes in specifications, higher than anticipated inflation and other factors.

Indeed, cost estimates for what would become the Nation's single largest public works project have increased substantially over the years. In July 1983, the total cost of constructing both repositories was estimated to be $19.6 billion. Last year, DOE estimated that figure to be $28.3 billion. Now, the same estimate is $33.4 billion.

Do we have to spend this much money? Why, after having spent more than $10 billion, will the Department of Energy turn around and spend at least as much, and probably more, again? It is because the existing statute mandates the construction of two repositories. Specifically, section 114 of the act, sets an overall limit of 70,000 metric tons on the amount of nuclear waste that can be emplaced in the first repository. This is not a figure based on any technical or scientific information. In fact, the Department of Energy admits that there is no technical reason prohibiting the design and construction of the first repository large enough to accommodate waste volumes of up to 140,000 metric tons.

If the construction of a second repository makes little fiscal or technical sense, are there any other goals which would be served by having one rather than two facilities? It seems unlikely. Will protection of the public's health and safety be enhanced with the construction of one rather than two repositories? Will there be greater protection of the natural environment?

The answers are "No." It is time to stop the wasteful and senseless pursuit of a repository which we do not need, and cannot afford. This legislation proposes to do just that. In addition to lifting the overall cap of 70,000 metric tons, the bill will suspend all activities relating to the second repository program. In addition, the bill proposes to establish a commission to report to the Congress on the Deep Geological Disposal Program and the alternatives available.

Mr. President, I am pleased to join in support of this legislation. I am hopeful that the important changes to the Nuclear Waste Policy Act proposed in the legislation will receive thorough and expeditious consideration in the Senate.●

● Mr. DURENBERGER. Mr. President, I join with my good friend and colleague, Senator MITCHELL, in introducing this legislation to amend the Nuclear Waste Policy Act.

In passing the Nuclear Waste Policy Act of 1982 it was Congress' intent to dispose of high level nuclear waste in a manner which assures public health and safety for many generations to come. The Nuclear Waste Policy Act authorizes the selection and construction of one disposal site, but requires that the Department of Energy study and select a second site, whether or not the second site will be needed. Congress then must approve the site and authorize construction funds.

The Nuclear Waste Policy Act required that at least three of the potential sites for the second repository not be included in the selection process for the first repository. And that they come from a different geological formation. Since the rock formations being considered for the first site were basalt, volcanic tuff and different salt formations, the Department established the Crystalline Rock Program.

In January the Department of Energy announced the selection of 20 areas from the Crystalline Rock Program to be advanced to the next stage of the siting process for the second high level waste repository. We in Minnesota were astounded to learn that we had eight areas under consideration as potentially acceptable sites.

In determining that Minnesota's crystalline rock formations were suitable for long-term storage of nuclear waste, the Department failed to take into account the vast quantities of water resources which make Minnesota the land of 10,000 lakes.

Minnesota's water resources are of national and international significance. It is the source of three major continental drainage basins and contains the headwaters of the Mississippi River, the Great Lakes, and the Red River which flows through Canada to Hudson's Bay. Not only does Minnesota contain great amounts of surface water in its 15,000 lakes and 90,000 miles of rivers, but it enjoys plentiful and clean ground water Minnesotans depend on for domestic, agricultural, and commercial use.

Not only do I have great difficulty believing that Minnesota is a suitable location but I am very doubtful as to whether or not the Department is capable of developing technology which will protect, beyond the shadow of a doubt, Minnesota's water resources.

The Department's January announcement has caused a great deal of anxiety among Minnesotans and at eight area hearings they have appeared in the thousands to let the Department know that they are overwhelmingly opposed to a nuclear waste site in Minnesota.

Yesterday I received drawings from schoolchildren in Crookston, MN. These drawings revealed a group of children who are terrified of a nuclear waste future. Fear of this type and the anxiety felt by all may be unnecessary since the need for a second site is questionable. And now is the time to stop it.

There has never been a clear need for two repositories because the projected amounts of waste could be accommodated in a single repository. Annual estimates of the spent fuel generation through the year 2020 show a sharp decline since the passage of the Nuclear Waste Policy Act in 1982. If a second repository is unnecessary, expenditures on the second repository siting program are wasteful. Funding for the second repository is at a watershed—it will more than double with the initiation of field investigations in 1987—and cost estimates are in the billion dollar range. If we do not need a second one, now is the time to bring it to a halt.

That is why the legislation being introduced today is so important. It would terminate the second repository program, remove the volume limitation on the first repository, limit the geological medium of the repository and impose a 1-year moratorium on high level waste disposal if DOE does not meet its 1998 disposal deadline to allow an independent scientific commission to review the whole nuclear waste program.

Mr. President, we do not need a second nuclear waste repository. I urge my colleagues to support this effort and save billions of rare Federal tax dollars.●

By Mr. ROTH:

S. 2355. A bill to amend title 10, United States Code, to require operational testing and evaluation before low-rate initial production, and for other purposes; to the Committee on Armed Services.

OPERATIONAL TESTING OF MAJOR WEAPONS SYSTEMS

● Mr. ROTH. Mr. President, today I am introducing a bill to require operational testing of major weapons systems before they can be considered for production and to expand the role of the independent Office of Test and Evaluation [OT&E].

Mr. President, my bill will not allow the Department of Defense [DOD] to begin low-rate initial production of a major weapons system until the Director of Operational Test and Evaluation has submitted to the Secretary of Defense and Congress an analysis of the results of operational test and evaluation on the weapon.

Mr. President, the independent Office of Test and Evaluation [OT&E] was created by law in 1983. One significant reason for the creation of the office was to guarantee better quality control and safety in the weapons issued to American troops. Then, and still true today, the purpose of operational testing is to make certain that weapons systems do what they were intended to do. It is not only important that they operate effectively under combat conditions, but it is also critically important that they can be operated and maintained by the typical GI. After all, the bottom line is the protection and assurance to our GI's in the field that they have weapons that are operational.

Mr. President, this bill would strengthen the OT&E by requiring their review of operational test and evaluation results on weapon systems before the decision on the weapon's production. Current law states that a final decision within the Department of Defense to proceed with a major defense acquisition program beyond low-rate initial production may not be made until the Director of OT&E submits to the Defense Secretary and Congress a report with the Director's analysis of the Operational Test and Evaluation results.

This bill would leave that requirement intact and further require the Director of OT&E to analyze operational tests and evaluations on weapons, key components, equipment, or munitions before their consideration for production in order to decide whether the test and evaluation results substantially justify and determination that production items or components will be effective and suitable in the field. What could be the most important part of the bill is the requirement that the Director's report be submitted to the appropriate congressional committees.

Mr. President, the President's blue ribbon Commission on Defense Management, otherwise known as the Packard Commission, issued their report on the defense acquisition process. Part of the report analyzed successful programs to identify what the report explained to be "management features that they had in common and that could be incorporated in the defense acquisition system."

One management feature identified was prototyping and testing. The Commission's report had this to say about prototyping and testing:

> Prototyping and testing. In commercial programs, a system (or critical subsystem) involving unproven technology is realized in prototype hardware and tested under simulated operational conditions before final design approval or authorization for production. In many cases, a program manager establishes a "red team", or devil's advocate, within the program office to seek out pitfalls—particularly those that might arise from operational problems, or from an unexpected response by a competitor. Prototyping, early operational testing, and red teaming are used in concert for the timely identification and correction of problems unforeseen at a program's start.

Mr. President, I believe we can take a page from commercial practice and make significant progress to end the "buy it now, fix it later" approach to weapons purchases. It is my hope that this bill will lead to greater use of production representative prototypes for operational testing. It is critical to uncover the high risks in weapons systems before production, particularly when the weapons involve state-of-the art hardware.

If operational testing if found important on systems or subsystems in the commercial sector, it certainly should be important for weapons on which lives of soldiers depend.

Mr. President, let me emphasize again that this legislation is designed to improve and ensure the reliability of the operational testing conducted on weapons systems and other highly technical military hardware before production. Such tests are designed to determine exactly how well a given system would perform in actual combat, usually by testing the system in simulated but realistic combat conditions. Other tests are conducted on the system to determine whether it meets the specifications and tolerances it was designed to meet and are called developmental tests. Together, developmental and operational tests, done separately, correctly and thoroughly, can tell the Defense Department and the Congress whether or not what we plan to buy will work as advertised, both in battle and as measured by the specifications it was designed to meet.

Developmental tests are begun from the very moment a system is conceived. They are used to help define the concept of a weapons system and they establish how the weapon will have to be designed to meet the board specifications set for it when it was initially approved for development. Engineering tests are conducted to determine what materials and system configurations will need to be built to ensure that a weapons system will satisfy its design requirements. At some point in the development process, a complete prototype is usually built and tested.

Mr. President, accurate and realistic operational tests are crucial to the ultimate success of a weapons program. In most cases, these tests are conducted too late in the process of acquiring the weapon. Operational tests are not done in time to determine whether to build a weapon and, consequently, many concepts for new weapons are approved before it is actually determined whether a proposed system could realistically work on the battlefield as well as it works on paper. Unfortunately, paper cannot stop bullets and a weapon which passes the grade as an idea may never be able to meet the true test in actual use.

This lack of adequate forethought with respect to operational testing is aggravated by pressure from defense contractors, project managers, and service chiefs to push ahead with a new program. Decisions are often made years in advance by Pentagon planners on what weapons system they want to have in their arsenal. The pressure on the program manager to ensure that a particular weapon is developed and built to fill the niche left for it is so intense that making sure a weapon works may lose out to making sure it is built.

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Such pressure not only affects the effectiveness of weapons systems, it also affects their costs. It is much more efficient to build it right the first time than it is to build it any way you can and be forced to come back later to fix up your mistakes. Effective operational tests can indicate whether it is realistic to expect a new weapon to be capable of performing in a certain way under battlefield conditions and can indicate where changes should be made before the concrete has set. The efficiency which results from effective operational tests can save taxpayer dollars from being spent on costly, unnecessary repairs.

Mr. Chairman, the General Accounting Office [GAO] recently issued a report I requested on the Army's highly mobile multipurpose wheeled vehicle [HMMWV]. Their report and findings show that the HMMWV is a good example how ineffective operational testing is costing the vehicle important reliability and could cost the taxpayer millions of dollars in cost overruns.

The GAO findings revealed several problems with the vehicle, including:

The vehicles are too heavy to be airlifted by helicopter in certain environmental conditions.

While the HMMWV has met the Army requirement to run on two flat tires for 30 miles, the metal device which enables the tires to run flat shortens the life of the tire. As a result, it is necessary to change a tire an average of about every 3,600 miles.

The weapons carrier version of the HMMWV is equipped with a gun turret which did not fully rotate consistently in the 1984 tests. After some modification by the contractor and a retesting in May 1985, the turret still did not work properly. The Army has decided to field the vehicle despite the problem.

Mr. President, there are numerous cases in which ineffective operational testing has cost weapons important reliability and millions of taxpayer dollars in cost overruns to fix weapons after their production. It is time to put an end to this costliness.

Mr. President, I would ask unanimous consent to insert for the RECORD at this point a letter I received from Hon. John E. Krings, Director of OT&E, that refers specifically to the matters I just mentioned.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

OFFICE OF THE SECRETARY OF DEFENSE,
Washington, DC, April 14, 1986.

Hon. WILLIAM V. ROTH, Jr.,
Chairman, Committee on Governmental Affairs, U.S. Senate, Washington, DC.

DEAR MR. CHAIRMAN: I have recently met with Secretary Weinberger and David Packard to identify the role of test and evaluation in DoD reorganization efforts. Secretary Weinberger, Mr. Packard, and I strongly support continued independence in T&E reporting as currently embodied in the provision of law which established this office and which you worked as hard and effectively to enact.

Recent DoD directives and Packard Commission recommendations specify mission performance, operational effectiveness, and operational suitability as the basis for procurement decisions. These directives and recommendations further specify that operational testing begin early in advanced development and continue through full-scale development. They strongly endorse your efforts in this critical area.

Although most think it best to complete developmental testing first and then conduct operational testing on more mature items, this is not always possible or desirable in rapidly advancing technology areas. In such cases, combined developmental and operational testing—"independent procurement testing"—must be conducted. Moreover, to insure candid, independent reporting as well as adequate planning for meaningful, challenging testing focused on the true goal of operational effectiveness and suitability, I believe responsibility for oversight of all such test and evaluation should be placed under the only legislatively established independent OSD test and evaluation oversight organization, DOT&E.

I respectfully urge you to make every effort to insure that DOT&E's critical independency is maintained and give consideration to extending the office's purview to all combined test and evaluation planned, executed, and reported in support of procurement decisions.

I am enclosing a short paper I have written on streamlined independent test and evaluation, a recent memo of mine to Dave Packard regarding his commission's recommendations on the DoD acquisition system, and a letter I sent to Senator Goldwater concerning the importance of maintaining DOT&E's independency. Together they make a package elaborating the issues I have summarized here. I hope you find them informative and useful.

Sincerely,

JOHN E. KRINGS, *Director.*

STREAMLINED INDEPENDENT TEST & EVALUATION—STREAMLINED ACQUISITION REQUIRES STREAMLINED INDEPENDENT TEST & EVALUATION

TRADITIONAL TESTING

Traditional phased testing, where dedicated, single-purpose, serial, phased acquisition activity is scheduled, allows clearly delineated test and evaluation responsibility. This approach dictates that developmental testing is completed prior to operational testing and that operational testing is done in isolation with a mature, fieldable production article in a near-real-world realistic field environment. The result of this OT is a pass/fail grade leading to full-rate production or program termination.

STREAMLINED TESTING

The decision to fund long-lead efforts for full-rate production expresses a commitment to enter a full-rate production contract. In concurrent programs, where operational testing is combined with developmental testing and operational effectiveness is required, the operational tester must have the dominant role in the evaluation process.

Streamlined testing is necessary to support streamlined acquisition. Independence must be present throughout the entire process. To insure discipline in the current direction of acquistion, and to facilitate consolidated testing to candidly answer both technical compliance and operational effectiveness questions, a single independent organization must be responsible for all T&E policy and oversight. I propose an independent Executive for Test and Evaluation having responsibility for all acquisition-decision T&E. The current legally prescribed independence of DOT&E creates the necessary atmosphere and basis for this role. All interested parties—Congress, SecDef, Service Secretaries, Acquisition Executive—would thus have an independent evaluation of all acquisition-decision test results.

A note of caution; the acquisition-decision T&E must in no way interfere with the freedom of the engineering development community. Both contractor and government developers must be free to test the progress and success of their efforts, separate from the acquisition-decision T&E observed or accomplished by the government. Engineering development and test must be vigorously protected. This iterative process, usually dominated by the contractor-engineering side of the development team, must be given the time and freedom necessary to accomplish its difficult task. Acquisition-decision T&E (technical or operational) monitored or performed by the government must be done in a manner that will not adversely interrupt, delay or prejudge the engineering process.

Technical progress and achievement is measurable by either the contractor or the government. It is verifiable by the government. Operational effectiveness is only measurable by the government user/tester and is the singular final acquisition-decision output of the T&E process. Current trends toward contractor assumption of risk during development are very positive. Engineering development and the iterative process of engineering testing should be carried out by the contractor whenever possible. Of course, the government must monitor this activity closely to insure the product will meet the operational requirements through both specification compliance and operational effectiveness.

Contractor organizations have always had separate independent testing organizations. Engineering is separate from and balanced by independent testing. Production is separate from and balanced by independent quality assurance. The Acquisition Executive should be separated from and balanced by an equivalent independent Testing Executive.

Now is the time. Concurrency is proliferating. Congress is moving forward with DoD reorganization proposals that, with the impetus of the Packard Commission report, will certainly be enacted in some form. This is an ideal opportunity to create the independent, combined T&E authority needed to balance sound acquisition decision-making.

Coordination of test resources, support and facilities would be consolidated and multi-use would be a primary consideration in future test investments. The expressed congressional, Packard Commission, and DoD goal of operational test enhancement so vitally necessary would now be possible. Enough testing is the goal. Duplication of effort and investment in testing activity and facilities would be reduced. The DoD T&E investment and overhead is gigantic. These valuable assets and capabilities in and out of the government could be optimized to productively support the goal of making the earliest most confident decision based on an independent evaluation of meaningful tests.

Significant opportunities are available to reduce cost while improving the quality of the answers. My lifetime of involvement to government and industry weapon system testing makes me confident these efficiencies can be achieved.—John E. Krings.

Mr. ROTH. Mr. President, this bill would also redefine the meaning of operational test and evaluation in an effort to expand the role of the independent Office of Test and Evaluation [OT&E].

There are very few word changes to the original definition, Mr. President, but the redefinition would give OT&E additional roles that I believe are very important to the office's successful operation.

The first change in the definition would allow OT&E to play a role in a weapon's acquisition beginning with the concept exploration phase where justification is provided for initiating development of a new weapon system. In many cases, it is important to involve OT&E at the beginning of a weapon's acquisition because this is where a program management office establishes, among other things, the technical specifications and economic basis for the proposed weapon and develops a statement of the objectives, responsibilities, resources, and schedule for all test and evaluation efforts.

Having OT&E involved in the early acquisition stages of a weapon can provide the office with invaluable experience and data when it comes time to conduct separate operational tests on the weapon before the weapon is considered for production, and when it comes time for operational tests after low-rate initial production of a weapon.

Another change in the definition would expand operational tests to military equipment not just used by military but by civilian operators.

Diagnostic equipment, support equipment, simulators, and trainers, and other military equipment are in some cases used today solely by civilians. This equipment should not be excluded from operational tests and this redefinition allows OT&E to analyze operational tests and evaluations on these types of equipment in order to assess their suitability and effectiveness for combat use and other use.

Mr. President, I urge my colleagues to support this bill that could greatly improve the reliability and quality control of U.S. weapons before the weapons are built, and enhance the important role of OT&E.●

By Mr. ROCKEFELLER (for himself and Mr. BYRD):

S. 2356. A bill to offset the competitive advantage which foreign coal producers have as a result of not having to meet environmental, health, welfare, and safety requirements of the kinds imposed on U.S. coal producers, and for other purposes; to the Committee on Finance.

COAL TRADE EQUALIZATION ACT

Mr. ROCKEFELLER. Mr. President, today I am introducing, along with the distinguished senior Senator from West Virginia, a bill that would establish a national policy on coal imports. Although it contains a few minor modifications, this bill is a Senate companion to H.R. 1905, the Coal Trade Equalization Act, as reported by the House Interior and Insular Affairs Committee. I commend the House Interior Committee for exercising their foresight in this proposal and I congratulate Mr. RAHALL from West Virginia for his fine work in moving it through the committee.

Mr. President, over the last 2 years the perspective on coal imports has drastically changed. The combination of an intensely competitive marketplace and a new source of coal in this hemisphere has caused serious concern about coal imports into the United States. Two Government studies have concluded that coal imports will continue to grow and electric utilities have shown increasing interest in foreign supplies.

Now is the time to stop imported coal dead in its tracks, not 10 years from now, not 20 years from now. We must all learn from our recent history in other industries and rally the political forces to recognize this problem for the potential threat that it is.

Thirty years ago, when imports of steel amounted to a mere 1 percent of the market, I am sure that few saw the coming onslaught. Today, with steel imports running about 25 percent in the U.S. market, most people in the steel industry are still looking for the truck that hit them. The impact on the domestic steel economy and the States that produce steel has been devastating, and the ripple effects on the coal industry have hit more like a tidal wave.

Coal imports won't ever reach 25 percent, or even 10 percent. But at levels that other industries might call insignificant, the domestic coal industry could be badly hurt. In today's intensely competitive coal market, the line between profitability and bankruptcy is razor thin; and for the coal miner the difference between jobs and the unemployment lines could be a contract with a utility tempted by cheap foreign coal.

Mr. President, some of the most promising new and expanding markets for West Virginia and Appalachian coal, and markets we badly need to capture—Florida, the Gulf Coast, and areas up and down the East Coast—are those targeted for foreign coal. Jacksonville Electric and Florida Power, New England Electric, even Virginia Power in the heart of coal country, either have test burned or have written contracts for foreign coal.

It is almost inconceivable that the United States, possessing fully 25 percent of the world's coal reserves, would consider importing coal. It is absolutely appalling that the greatest threat would come from a mine operation run by America's largest corporation. In search of profits, Exxon abandoned its commitment to American coal miners at their Wayne County, WV mine in 1983 and went south to Colombia to produce coal of virtually identical quality.

Mr. President, I doubt that any legislation can completely stop coal imports. But I do think we have to send a strong and clear message—that we will not allow the foundation underlying America's most abundant natural resource to be shaken. I have already cosponsored with Senator FORD from Kentucky a bill that would deny future Federal coal leases to any company that develops foreign coal for import into the United States. Today I am introducing the Coal Trade Equalization Act, to impose an $8 per ton duty on imported coal.

Mr. President, as we all know, there are many problems that beset the coal industry—excessive rail rates, considerable regulatory pressures, a hostile political environment and much, much more. The coal industry in West Virginia and throughout Appalachia has been under intense competitive pressures. And the industry is responding, adjusting, and modernizing. The improvement in labor-management relations in the coal fields has been nothing short of remarkable. There has been extensive mechanization of the mines—at great cost and loss of jobs—because it was necessary to compete. Everybody involved in the coal industry is doing their share to meet the challenge.

Mr. President, in my view, coal imports are primarily a symptom of excessive railroad rates which have already hurt our coal export business. Now the situation has lead our domestic utilities to consider imports of sizeable quantities of foreign coal. Congress must amend the Staggers Rail Act to bring coal shipping rates down and make Appalachian coal again competitive. I have been working hard in the Senate Commerce Committee toward that end, and I know the chairman has done the same on this side.

Coal imports were at 1.2 million tons in 1984 and rose to 2 million tons in 1985. The Energy Information Administration predicts they might rise to 5 million tons; the Commerce Department has said they might be as high as 17 million tons. With all due respect to some of the experts, we must continue to press forward with our concern on this issue and not be lulled to sleep by one snap-shot statistical prediction of imports. Producers of foreign coal have unmistakably targeted some of our coal markets. We cannot be indecisive for very long, allowing our coal industry to sit in the crosshairs—we must react now.

Mr. President, this legislation would accomplish this task and I commend it to my colleagues for consideration. The coal industry in the United States is absolutely vital to our country, to our industrial infrastructure and to our electric utility industry. We cannot allow the threat of foreign coal to undermine our ability to produce this vital national resource.

Mr. BYRD, Mr. President, last year the Congress enacted amendments to the Energy Policy and Conservation Act. They included a provision which I authored directing the Energy Information Administration to conduct an analysis of the potential markets for foreign coal in the United States. The EIA was directed to report its findings to the Congress.

That report has been completed, and it indicates that by 1995, foreign coal imports into the United States could more than double from the current level of about 2 million tons per year to at least 4.8 million tons per year, and, if world demand for coal is low, could be as high as 7.7 million tons. The report also indicates that coal from Colombia will dominate U.S. coal imports. For example, if U.S. coal imports in 1995 are 4.8 million tons, Colombia will supply 2.9 million tons, 60 percent of total imports. If coal imports reach 7.7 million tons, Colombian coal will account for 5.8 million tons, over 75 percent of the total.

Even more disturbing, last year the International Trade Administration of the Department of Commerce estimated that the potential market for imported coal could be as high as 17.7 million tons by 1990. This is significantly higher than the EIA estimate, and I am inclined to view the EIA estimates as the lower boundary for U.S. imporr. President, the domestic coal industry is facing double trouble. Not only have falling oil prices cast a cloud of uncertainty over the future for domestic coal use, but increased competition from other coal-producing nations for world coal markets in Western Europe and the Pacific rim, and the restructuring of the world steel industry, also have cast a cloud of doubt over the future of U.S. coal exports.

One effect of such market conditions is to burden the American coal industry with about 100 million tons of unused production capacity. Foreign coal imports will add to these burdens by displacing U.S. coal in domestic markets. The displacement of domestic coal by foreign imports will cost the jobs of coal miners, and will have a negative impact on the economies of communities which depend upon coal production for their livelihood. This would only add to the current economic burdens of many coal-producing States, such as my State of West Virginia.

The legislation which is being introduced today by Senator Rockefeller, my distinguished colleague from West Virginia, represents a major step forward in preventing the slide of Appalachian coal-producing States such as West Virginia into further economic decline as the result of foreign coal imports, particularly coal from Colombia.

I believe that we must act now to stem the tide of coal imports before they reach a level which causes greater economic damage to Appalachian coal-producing States in the future. Therefore, Mr. President, I am pleased to join my distinguished colleague as a cosponsor of this legislation.

By Mr. BUMPERS (for himself and Mr. Pryor):

S. 2357. A bill to direct the Secretary of the Army to lease certain lands at Fort Chaffee, AR, to the city of Barling for use by the city for the construction of a waste treatment facility; to the Committee on Armed Services.

LEASE OF CERTAIN LANDS AT FORT CHAFFEE, AR

● Mr. BUMPERS. Mr. President, I am introducing today a bill along with my distinguished colleague from Arkansas, Senator David Pryor, to require the U.S. Army to lease a portion of land on Fort Chaffee, AR to the city of Barling, AR. This legislation is absolutely necessary for the city of Barling to construct and operate a long-awaited waste treatment facility, and I see no reason at this time for the Army to refuse this lease.

The facts in this case are simple. The city of Barling, population 3,761, is completely surrounded by Fort Chaffee, the city of Fort Smith and U.S. Corps of Engineers land along the Arkansas River. The corps land is unsuitable for the stated purpose, and the necessary size of parcel, soil composition, elevation, and many other Environmental Protection Agency and local health department requirements make it impossible to construct a waste treatment facility inside the corporate limits of Barling or Fort Smith. All other possibilities have been exhausted, so there is no other place for Barling to construct such a facility except on Fort Chaffee land. The Army is reluctant to lease the land, and thus I am introducing this legislation to require them to do so.

Barling does not want something for nothing. They have offered to pay the going rate—$1,600 per year for 320 acres. I have investigated this matter throughly, and I fail to see why the military is unwilling to negotiate this lease voluntarily. There is no military necessity that would prevent this land from being leased. I understand that the land is presently leased for grazing on a short-term basis. The lease called for in my bill would last 55 years, and would cover the northeast quarter and the northwest quarter of section 34, township 8 north, range 31 west. The city does not expect title or mineral rights to the land, nor do they expect to have exclusive use. Also necessary is a 40-foot-wide strip of land from the above described 320 acres to allow an outfall easement from the northern line of the leased tract to the Arkansas River. The bill allows the Army to charge the city up to $1,600 per year.

I would prefer to have this problem worked out voluntarily, but the Army without sufficient justification in my judgement, has refused. The city of Barling has no other alternatives for a waste treatment facility. Mr. President, I urge the adoption of this legislation at the first possible opportunity.●

By Mr. RIEGLE:

S.J. Res. 328. Joint resolution to designate the week beginning May 4, 1986, as "National Correctional Officers Week"; to the Committee on the Judiciary.

NATIONAL CORRECTIONAL OFFICERS WEEK

● Mr. RIEGLE. Mr. President, today I am introducing a joint resolution to designate the week beginning May 4, 1986, as "National Correctional Officers Week." My colleague, Mr. Fazio, has introduced identical legislation in the House of Representatives.

This joint resolution is identical to legislation I introduced last year which was enacted by Congress. This commemorative week serves to honor our correctional officers around the country for their tireless commitment of staffing the Nation's correctional facilities.

Our Nation's correctional officers work under highly stressful conditions, where exposure to risky or dangerous situations is a daily part of their jobs. Presently, these officers are responsible for the safety and welfare of over 600,000 inmates in the country, and are also integral to the protection of surrounding communities. Since we sometimes overlook the contribution our correctional officers make to help maintain an orderly society, I feel strongly that National Correctional Officers Week is a way to show our support and appreciation for these dedicated men and women. I urge my colleagues to support this legislation.●

By Mr. BIDEN (for himself and Mr. Roth):

S.J. Res. 329. Joint resolution to designate the period of December 1, 1986, through December 7, 1986, as "National Aplastic Anemia Awareness Week"; to the Committee on the Judiciary.

NATIONAL APLASTIC ANEMIA AWARENESS WEEK

● Mr. BIDEN. Mr. President, public education plays a vital role in raising awareness on important health and disease findings which affect the American public. Aplastic anemia is a case in point—it is a medical emergency and the public should know about it.

Aplastic anemia has been termed the "orphan disease" although it fatally strikes more than over 2,000 people yearly. It has no known cure and its cause is uncertain. Aplastic anemia is a rare disease that results in the inability of bone marrow to produce blood cells. Anemia, infection, and bleeding result when blood cells are reduced to low levels.

In the 1960's there was virtually no hope for victims of aplastic anemia. No therapy existed and patients with severe cases had a life expectancy of no more than several weeks or months.

However, the 1970's brought hope with the introduction of bone-marrow transplantation which was successful only in young patients—under 40 years old. This disease does not discriminate—it affects the young, the old, men and women in any race or socioeconmic status.

The Aplastic Anemia Foundation of America gives this explanation regarding the importance of aplastic anemia:

> Aplastic anemia is an important problem in human biology. Most organs grow to their adult size and change very little throughout life. the bone marrow grows throughout life in a carefully regulated way, ordinally producing neither too many cells (as in leukemia) nor too few cells (as in aplastic anemia). Since aplastic anemia is essentially the converse of leukemia, many scientists believe that an understanding of aplastic anemia is essential to an understanding of leukemia.

Public knowledge of aplastic anemia will be of assistance in increasing the understanding of how it is an integral part in the battle against other bone-marrow diseases.

"National Aplastic Anemia Awareness Week" is just a beginning—we still have a long, long way to go in assuring a better awareness of this little-known killer.●

● Mr. ROTH. Mr. President, I rise with my colleague from Delaware, Senator Biden, to introduce Senate Joint Resolution 329 which designates the week of December 1-7, 1986, as National Aplastic Anemia Week.

Aplastic anemia is a rare disease of the bone marrow which fatally strikes 2,000 Americans each and every year. It occurs when the bone marrow stops producing blood cells—red cells, white cells, and platelets. We do not know the cause and have only a very limited understanding of the treatment of this dread disease.

Delaware has had some painful experience with aplastic anemia. Eleven-year-old Nicole Cherchio passed away in January 1985, even after receiving a rare bone-marrow transplant—the only known effective treatment for aplastic anemia. Her family and physicians searched literally the world over to find a suitable donor. A donor was eventually found in England. Unfortunately, the transplant was performed too late to save her life. The difficulty in locating a donor illustrates the need to make people aware of the disease.

It is also clear that more research is needed to attack this little-known killer. In the face of budget necessitated reductions in Federal research funding, private contributions must be increased. The Aplastic Anemia Foundation of America tells me its research fundraising efforts are difficult because much of the public has never even heard of aplastic anemia.

Senate Joint Resolution 329 can assist the private, charitable efforts which are required to conquer this tragic disease. Research can then be done, and potential bone-marrow donors can be made aware of the real need that exists. I ask your support of this worthwhile endeavor.●

ADDITIONAL COSPONSORS

S. 100

At the request of Mr. Kasten, the names of the Senator from North Carolina [Mr. East], the Senator from North Carolina [Mr. Helms], the Senator from Indiana [Mr. Lugar], the Senator from South Dakota [Mr. Abdnor], the Senator from South Dakota [Mr. Pressler], the Senator from Utah [Mr. Garn], and the Senator from Indiana [Mr. Quayle] were added as cosponsors of S. 100, a bill to regulate interstate commerce by providing for a uniform product liability law, and for other purposes.

S. 262

At the request of Mr. Byrd, the name of the Senator from Ohio [Mr. Glenn] was added as a cosponsor of S. 262, a bill to provide for the preservation of the ferroalloy industry in the United States.

S. 524

At the request of Mr. Armstrong, the name of the Senator from Hawaii [Mr. Matsunaga] was added as a cosponsor of S. 524, a bill to recognize the organization known as the Retired Enlisted Association, Inc.

S. 1617

At the request of Mr. Wallop, the name of the Senator from Nevada [Mr. Hecht] was added as a cosponsor of S. 1617, a bill to provide for more effective management of lands of the United States which are subject to conflicting claims or disputes, and to require the Secretary of the Interior to report annually thereon..

S. 1622

At the request of Mr. Melcher, the name of the Senator from New Jersey [Mr. Bradley] was added as a cosponsor of S. 1622, a bill to promote the development of Native American Culture and Art.

S. 1654

At the request of Mr. Stevens, the name of the Senator from Georgia [Mr. Mattingly] was added as a cosponsor of S. 1654, a bill to amend title 18, United States Code, to provide for criminal forfeiture of proceeds derived from espionage activities and rewards for informants providing information leading to arrests in espionage cases.

S. 1900

At the request of Mr. Roth, the names of the Senator from Minnesota [Mr. Boschwitz] and the Senator from Pennsylvania [Mr. Heinz] were added as cosponsors of S. 1900, a bill to amend the Foreign Agents Registration Act of 1983 by providing for the 5-year suspension of exemptions provided to an agent of a foreign principal convicted of espionage offenses.

S. 1901

At the request of Mr. Roth, the names of the Senator from Minnesota [Mr. Boschwitz] and the Senator from Pennsylvania [Mr. Heinz] were added as cosponsors of S. 1901, a bill to amend the Foreign Missions Act regarding the treatment of certain Communist countries, and for other purposes.

S. 1917

At the request of Mr. Bradley, the name of the Senator from Utah [Mr. Garn] was added as a cosponsor of S. 1917, a bill to amend the Foreign Assistance Act of 1961 to provide assistance to promote immunization and oral rehydration, and for other purposes.

S. 1937

At the request of Mr. Stevens, the name of the Senator from Arkansas [Mr. Bumpers] was added as a cosponsor of S. 1937, an original bill to restrict smoking to designated areas in all U.S. Government buildings.

S. 2166

At the request of Mr. Durenberger, the names of the Senator from Arkansas [Mr. Bumpers], the Senator from New Mexico [Mr. Bingaman], the Senator from Texas [Mr. Gramm], the Senator from Tennessee [Mr. Gore], and the Senator from Mississippi [Mr. Cochran] were added as cosponsors of S. 2166, a bill to amend the Internal Revenue Code of 1954 to modify the tax treatment of tax-exempt municipal bonds, and for other purposes.

S. 2181

At the request of Mr. D'Amato, the name of the Senator from Pennsylvania [Mr. Specter] was added as a cosponsor of S. 2181, a bill entitled the "Construction Industry Labor Law Amendments of 1986."

S. 2209

At the request of Mr. Dole, the name of the Senator from North Dakota [Mr. Andrews] was added as a cosponsor of S. 2209, a bill to make permanent and improve the provisions of section 1619 of the Social Security Act, which authorizes the continued payment of SSI benefits to individuals

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who work despite several medical impairments; to amend such act to require concurrent notification of eligibility for SSI and Medicaid benefits and notification to certain disabled SSI recipients of their potential eligibility for benefits under such section 1619; to provide for a GAO study of the effects of such section's work incentive provisions; and for other purposes.

S. 2220

At the request of Mr. Cranston, the names of the Senator from Rhode Island [Mr. Pell], the Senator from Hawaii [Mr. Matsunaga], and the Senator from Michigan [Mr. Riegle] were added as cosponsors of S. 2220, a bill to provide for a mutual verifiable moratorium on the testing of nuclear warheads, and for other purposes.

S. 2226

At the request of Mr. Bentsen, the names of the Senator from Alabama [Mr. Heflin], the Senator from West Virginia [Mr. Rockefeller], and the Senator from Tennessee [Mr. Gore] were added as cosponsors of S. 2226, a bill to prevent unfair international trading practices, including unfair trade concessions requirements, which undermine U.S. international trade agreements, from burdening U.S. trade and commerce.

S. 2229

At the request of Mr. Dodd, the names of the Senator from Ohio [Mr. Metzenbaum] and the Senator from North Dakota [Mr. Burdick] were added as cosponsors of S. 2229, a bill to amend the Impoundment Control Act of 1974 to provide that deferrals of budget authority by the President shall not take effect unless within 45 legislative days Congress completes action on a deferral bill, and for other purposes.

S. 2266

At the request of Mr. Wallop, the names of the Senator from Alaska [Mr. Murkowski] and the Senator from Montana [Mr. Melcher] were added as cosponsors of S. 2266, a bill to establish a ski area permit system on national forest lands established from the public domain, and for other purposes.

S. 2333

At the request of Mr. Durenberger, the names of the Senator from Maine [Mr. Mitchell], the Senator from Pennsylvania [Mr. Heinz], and the Senator from Michigan [Mr. Riegle] were added as cosponsors of S. 2333, a bill to amend title XIX of the Social Security Act to strengthen and improve Medicaid services to low-income pregnant women and children.

S. 2335

At the request of Mr. Dole, the name of the Senator from Georgia [Mr. Mattingly] was added as a cosponsor of S. 2335, a bill to protect United States citizens from terrorism.

S. 2342

At the request of Mr. Kasten, the name of the Senator from Wisconsin [Mr. Proxmire] was added as a cosponsor of S. 2342, a bill to authorize the Secretary of Agriculture to issue a nationwide marketing order applicable to milk and milk products, and for other purposes.

SENATE JOINT RESOLUTION 143

At the request of Mr. Gore, the name of the Senator from Alabama [Mr. Heflin] was added as a cosponsor of Senate Joint Resolution 143, joint resolution to authorize the Black Revolutionary War Patriots foundation to establish a memorial in the District of Columbia at an appropriate site in Constitution Gardens.

SENATE JOINT RESOLUTION 220

At the request of Mr. Mattingly, the name of the Senator from Pennsylvania [Mr. Specter] was added as a cosponsor of Senate Joint Resolution 220, joint resolution to provide for the designation of September 19, 1986, as "National P.O.W./M.I.A. Recognition Day."

SENATE JOINT RESOLUTION 241

At the request of Mr. Dole, the names of the Senator from California [Mr. Cranston], the Senator from Hawaii [Mr. Inouye], the Senator from Kansas [Mrs. Kassebaum], the Senator from Montana [Mr. Baucus], and the Senator from Nebraska [Mr. Zorinsky] were added as cosponsors of Senate Joint Resolution 241, joint resolution designating the week beginning on May 11, 1986, as "National Asthma and Allergy Awareness Week."

SENATE JOINT RESOLUTION 280

At the request of Mr. Heinz, the name of the Senator from California [Mr. Cranston] was added as a cosponsor of Senate Joint Resolution 280, joint resolution designating the month of November 1986 as "National Alzheimer's Disease Month."

SENATE JOINT RESOLUTION 305

At the request of Mr. Simon, the names of the Senator from South Carolina [Mr. Thurmond] and the Senator from Illinois [Mr. Dixon] were added as cosponsors of Senate Joint Resolution 305, joint resolution to designate the week of April 27, 1986, through May 3, 1986, as "National Arts in the Schools Week."

SENATE JOINT SESOLUTION 310

At the request of Mr. Helms, the name of the Senator from Tennessee [Mr. Sasser] was added as a cosponsor of Senate Joint Resolution 310, joint resolution to proclaim June 15, 1986, through June 21, 1986, as "National Agricular Export Week."

SENATE JOINT RESOLUTION 311

At the request of Mr. Cranston, the name of the Senator from South Dakota [Mr. Abdnor] was added as a cosponsor of Senate Joint Resolution 311, joint resolution designating the week beginning November 9, 1986, as "National Women Veterans Recognition Week."

SENATE JOINT RESOLUTION 323

At the request of Mr. D'Amato, the names of the Senator from Florida [Mrs. Hawkins], the Senator from Massachusetts [Mr. Kerry], the Senator from Vermont [Mr. Leahy], and the Senator from Utah [Mr. Hatch] were added as cosponsors of Senate Joint Resolution 323, joint resolution to designate May 21, 1986, as "National Andrei Sakharov Day."

SENATE JOINT RESOLUTION 327

At the request of Mr. Rockefeller, the name of the Senator from Georgia [Mr. Nunn] was added as a cosponsor of Senate Joint Resolution 327, joint resolution to provide for the President to report on the status and implementation of the recommendations of the President's Commission on Industrial Competitiveness.

SENATE CONCURRENT RESOLUTION 115

At the request of Mr. Trible, the name of the Senator from Alaska [Mr. Murkowski] was added as a cosponsor of Senate Concurrent Resolution 115, concurrent resolution expressing the opposition of the United States to the forcible resettlement and systematic oppression of the Ethiopian people.

SENATE CONCURRENT RESOLUTION 117

At the request of Mr. Simon, the name of the Senator from Tennessee [Mr. Gore] was added as a cosponsor of Senate Concurrent Resolution 117, concurrent resolution expressing the sense of the Congress in support of RIAS, the Radio in the American Sector of Berlin.

SENATE CONCURRENT RESOLUTION 125

At the request of Mr. Heinz, the names of the Senator from New York [Mr. D'Amato], the Senator from Michigan [Mr. Levin], the Senator from Minnesota [Mr. Durenberger], and the Senator from Illinois [Mr. Dixon] were added as cosponsors of Senate Concurrent Resolution 125, concurrent resolution recognizing the achievements of the Ireland Fund and its founder, Dr. Anthony J.F. O'Reilly.

SENATE RESOLUTION 381

At the request of Mr. DeConcini, the names of the Senator from Florida [Mrs. Hawkins] and the Senator from Iowa [Mr. Grassley] were added as cosponsors of Senate Resolution 381, resolution expressing the sense of the Senate with respect to United States corporations doing business in Angola.

SENATE CONCURRENT RESOLUTION 133—COMMENDING DEPUTY DIRECTOR OF CENTRAL INTELLIGENCE JOHN H. McMAHON

Mr. DOLE (for Mr. Durenberger, for himself, Mr. Leahy, Mr. Roth, Mr. Cohen, Mr. Hatch, Mr. Murkowski,

Mr. Specter, Mr. Hecht, Mr. McConnell, Mr. Bentsen, Mr. Nunn, Mr. Eagleton, Mr. Hollings, Mr. Boren, and Mr. Bradley) submitted the following concurrent resolution; which was considered and agreed to:

S. Con. Res. 133

Whereas, John McMahon has devoted his entire professional career to the intelligence service of his nation, performing with dedication, honor and distinction for nearly 35 years since his graduation from the College of the Holy Cross in 1951;

Whereas, John McMahon's career has been one of outstanding accomplishment in diverse intelligence duties spanning the full range of technical, operational and analytical intelligence activities;

Whereas, John McMahon has an unparalleled record of service in key Central Intelligence Agency positions, including Executive Director, Deputy Director for Intelligence and Deputy Director for Operations, and also has had key management responsibilities for Intelligence Community affairs;

Whereas, John McMahon's career progression from communications clerk to Deputy Director of Central Intelligence personifies the finest traditions of our nation's professional intelligence officers;

Whereas, John McMahon's many commendations and awards, including two Distinguished Intelligence Medals, testify to his extraordinary skill and outstanding leadership;

Whereas, during a period of increasingly varied and complex international developments of concern to the United States, in which demands for timely, accurate intelligence information to support national policymakers are becoming simultaneously more intense and diverse, John McMahon has been instrumental in preparing the Intelligence Community for the challenges of the future and has thus made a major and lasting contribution to the national security of the United States;

Whereas, John McMahon has earned the respect, admiration, and trust of the highest officials in the executive and legislative branches of our Government, and particularly of the present and former Members of the Intelligence Committees of the Senate and House of Representatives for his integrity and positive approach to Congressional oversight of our nation's intelligence activities: Now, therefore, be it

Resolved by the Senate (the House of Representatives concurring), That on the occasion of his retirement from an extraordinary career of public service, the Senate and House of Representatives of the United States of America express and record on behalf of the American people, their deep appreciation to John N. McMahon for his exceptionally distinguished service to the United States.

SENATE RESOLUTION 386—WITH RESPECT TO STRATEGIC PETROLEUM RESERVES

Mr. BRADLEY (for himself, Mr. McClure, Mr. Johnston, Mr. Ford, Mr. Metzenbaum, and Mr. Warner) submitted the following resolution; which was referred to the Committee on Energy and Natural Resources.

S. Res. 386

Whereas the Senate has repeatedly supported the development and completion of the Strategic Petroleum Reserve;

Whereas the Senate has appropriated almost $644,000,000 for petroleum purchases and construction of the Reserve, which the President has deferred;

Whereas petroleum markets are in disarray due to excess oil supply;

Whereas the Administration's Energy Information Agency projects that oil imports could grow to one-half of domestic consumption by 1995;

Whereas over 60 percent of the world's proven oil reserves lie in the politically volatile Middle East;

Whereas the Energy Information Agency and other industry experts also project long-run oil prices to be substantially higher than today's levels; and

Whereas Strategic Petroleum Reserve purchases remain an extremely cost-effective national security measure and will bolster hard-hit domestic producers: Now, therefore, be it

Resolved, That it is the sense of the Senate that petroleum purchases for and construction of the Strategic Petroleum Reserve should be accelerated and that the $644,000,000 deferred by the President should be obligated immediately to contract for the development and expansion of the Strategic Petroleum Reserve.

● Mr. BRADLEY. Mr. President, today I am submitting a resolution which is cosponsored by Senators McClure, Johnston, Ford, Metzenbaum, and Warner. It directs President Reagan to release $644 million which Congress has already appropriated for the fill of the U.S. strategic petroleum reserve. The President is currently deferring those funds.

The Senate has voted repeatedly and consistently to support a substantial SPR. Quite simply, continuing to expand the SPR is good energy policy, it is sound national security policy, and it is prudent budget policy.

The U.S. oil market is a reflection of the world market: As world oil prices move, so do U.S. prices. This market orientation is the keystone of U.S. energy policy. U.S. prices no longer depend on the level of oil imports, they fluctuate based on the conditions in the world market. The danger we face from a free market policy is that sudden swings in price or supply—caused by panic, speculation, or some natural disaster—can have severe economic impact. The best way we have to cushion our economy from sudden changes is an adequate SPR.

The SPR is an essential component of a sound national security strategy. As we have seen in the past, a swing in the market can also result from hostile action. Oil is a stategic commodity necessary for our military capability as well as our industry. We have seen in the Iraq-Iran war that oilfields, refineries and tankers are prime targets for attack. A large SPR counters this threat to national security. Again, however, our confidence in the reserve is directly related to its size.

Investment in the SPR is a prudent budgetary decision. In today's oil market, with prices at an historic low in real terms, it makes no sense that the U.S. forgo this opportunity to increase our long-run security and add to the reserves. As an asset, the value of oil will only increase. I would not be surprised if future analysis showed that the taxpayer actually made money on SPR oil purchases made today.

Finally, expanding the SPR will have a salutary impact on the economy of a number of hard-pressed States. We are all aware of the effects that the recent drop in oil prices has had on domestic producers: the layoffs in the oil producing States, the shut-in marginal producers, and the declining expenditures for oil exploration and production. We are also very aware of the immense beneficial effects of low oil prices on the U.S. consumers: heating oil and gasoline prices well under $1 per gallon, a Dow Jones average heading toward 2000, and a boost for high-economic growth and low inflation.

This resolution directs President Reagan to take the one action which can benefit both consumers and producers. The $644 million being deferred by the President could buy over 50 million barrels of oil. Such a large purchase would help stabilize oil markets. It would show producers that the U.S. Government recognizes a bargain and can act accordingly. Additionally, a larger SPR means increased energy security for domestic consumers. With over 70 percent of the world's proven reserves in the Middle East or Communist nations, the value of such security should be as obvious to the President as it is to the Congress.

The arguments are many, and the conclusion is not subtle. We need a large SPR and now is the time to fill it. President Reagan has the funds available to add to the SPR and he should use them.●

AMENDMENTS SUBMITTED

TO HONOR WOMEN WHO SERVED WITH, AS WELL AS IN, THE ARMED FORCES

CRANSTON AMENDMENT NO. 1796

(Ordered referred to the Committee on Energy and Natural Resources.)

Mr. CRANSTON submitted an amendment intended to be proposed by him to the joint resolution (S.J. Res. 156) authorizing a memorial to be erected in the District of Columbia or its environs; as follows:

On page 2, line 3, insert "or with" after "in".

Mr. CRANSTON. Mr. President, I am today submitting an amendment to Senate Joint Resolution 156, a resolution Senator Murkowski and I intro-

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duced on July 10, 1985, to authorize the establishment of a memorial to honor women who have served in the Armed Forces of the United States. The measure currently is cosponsored by 59 of our colleagues. This amendment would conform this measure to the House-passed resolution, House Joint Resolution 36, by providing that the memorial would honor not only women who served in, but also women who served with, the Armed Forces.

Through the years, hundreds of thousands of women have played vital roles and made enormous contributions to our Nation's defense through such organizations as the American Red Cross and in civilian capacities in various Federal agencies. This amendment would ensure that the memorial would provide recognition of those contributions, as well as honoring the brave and unselfish deeds of those women who served this Nation in the uniformed services.

AUTHORITY FOR COMMITTEES TO MEET

COMMITTEE ON RULES AND ADMINISTRATION

Mr. DOMENICI. Mr. President, I ask unanimous consent that the Committee on Rules and Administration be authorized to meet during the session of the Senate on Tuesday, April 22, to consider the procurement of a new telephone system for the Senate and other pending business.

The PRESIDING OFFICER. Without objection, it is so ordered.

COMMITTEE ON ENERGY AND NATURAL RESOURCES

Mr. DOMENICI. Mr. President, I ask unanimous consent that the Committee on Energy and Natural Resources be authorized to meet during the session of the Senate on Tuesday, April 22, to hold a hearing to consider S. 2073, to encourage the standardization of nuclear powerplants, to improve the nuclear licensing and regulatory process, to amend the Atomic Energy Act of 1954, and for other purposes.

The PRESIDING OFFICER. Without objection, it is so ordered.

COMMITTEE ON AGRICULTURE, NUTRITION, AND FORESTRY

Mr. DOMENICI. Mr. President, I ask unanimous consent that the Committee on Agriculture, be authorized to meet during the session of the Senate on Tuesday, April 22, 1986, in order to conduct a hearing on amendments to the Federal Insecticide, Fungicide, and Rodenticide Act.

The PRESIDING OFFICER. Without objection, it is so ordered.

SUBCOMMITTEE ON WATER RESOURCES

Mr. DOMENICI. Mr. President, I ask unanimous consent that the Subcommittee on Water Resources, of the Committee on Environment and Public Works, be authorized to meet during the session of the Senate on Tuesday, April 22, 1986, in order to conduct a hearing on S. 1696, a bill to establish a federally-declared floodway for the Colorado River.

The PRESIDING OFFICER. Without objection, it is so ordered.

ADDITIONAL STATEMENTS

DISARMING AMERICA'S WILL TO DEFEND ITSELF

(By request of Mr. Dole, the following statement was ordered to be printed in the Record:)

● Mr. GOLDWATER. Mr. President, appearing in the April issue of Government Executive is a very interesting and excellent article entitled, "Disarming America's Will To Defend Itself." It was written by Dr. John A. Howard, president of the Rockford Institute and I am asking that it be placed in the Record so that all of my colleagues, in both Houses, can have the opportunity of reading it.

It is good to read this and then reflect upon history because history can tell us more about the future than probably any other source. It was just 25 years ago that the President of the United States turned his back on men who had been trained to protect Cuba from a dictator and by doing this, we lost Cuba as a friend and as an ally. By doing this, we contributed to the long list, starting back probably before World War II, but certainly traceable to immediately after World War II, of decisions made by our leaders, particularly our Presidents, which indicated the United States had no courage to make hard, tough decisions. These decisions are still being needed in this world, but we are not receiving them as regularly as we would like.

Yes, we showed the American natural courage by attacking Libya because of the anti-American, anti-freedom antics of its leader. Yet, watch the television. Commentator after commentator apologizes for the United States. Read the press. Item after item blames the United States, not the source of the trouble.

I want to put this in the Record because it is a beginning of a number of statements I intend to make based on thoughts of mine accumulated over the years which I hope might help to explain to America just what is happening to us.

Mr. President, I ask that this article be inserted in the Record at this point in my remarks.

The article follows:

Disarming America's Will To Defend Itself

(By Dr. John A. Howard, President, the Rockford Institute)

"How does a society prevent war against itself and still protect the values by which it lives? Or, if forced to, win a war that threatens those values? The kicker is the word 'values'. If we could just eliminate those values from the equation, then preventing war is easy—just don't fight."

This formulation of the two options, readiness to defend cherished values, or peace by pre-emptive surrender, is by Dan McMichael, a key figure in the analysis of America's defense and foreign policies. Let the country set aside its values, he says, and we won't have to worry about war. This is the equivalent, at the national level, of the confrontation between a bully and a person whose foremost concern is not getting hurt. He simply yields to the bully's threats. If the primary common concern of the citizens is their own lives, then their government cannot take actions which involve high risk. That is McMichael's thesis. And I think it is correct.

NEW WAYS OF THINKING

Americans are not accustomed to thinking in these terms. War and peace, defense and foreign policy—these are matters which are dealt with and determined by the President and the Congress. Or so we suppose. Well, Presidents Lyndon Johnson and Richard Nixon learned that isn't so. They discovered that an impassioned body of citizens, supported by a sympathetic press, was able to mobilize sufficient public sentiment to overrule the judgments of the government.

In a recent interview, historian David Horowitz said, "America's withdrawal from the battle front in Vietnam because of domestic opposition is unique in human history: there is no other case on record of a major power retreating from a war in response to the moral opposition of its own citizenry." Horowitz, by the way, was one of the most influential young radicals in the Vietnam era. He is now a biographer and, surprisingly, an advocate of American support for other governments which are fighting for freedom.

VALUES

Was what happened with Vietnam a fluke, an aberration in America's traditional support for their government in time of crisis, or are the values, interests and emotions which prevailed in the 1960's still dominant today? Some observers are encouraged to believe that the public rejoicing over our Grenada intervention, echoed in the strong support for the President's recent economic sanctions against Libya, are signals that our country is back on course. Other, who have some knowledge of the fervent support which the nuclear freeze and peace movments command within organized religion and among college professors, are less sure.

Will our nation stand firm, against the ravages of fanatical terrorism and dictatorial Soviet expansion or is it now dominated by the my-interests-come-first mid-set we have seen among Americans over Libya and Nicaragua? Whatever may happen in the short term, I suggest that those who have a regard for perpetuating the American experiment in freedom would do well to ponder the implications of the McMichael equation, and give heed to the condition of the value system on which freedom rests.

What are the values which Americans hold dear, values for which they would risk their lives? The nation's Bicentennial was surely an occasion for us to remind ourselves of, and rejoice in those values. What do you remember about that celebration? Best-selling patriotic books? Memorable editorials? Television specials? Stirring historical festivities in your community? For the most part, the Bicentennial was more hoopla than substance. We did not dwell on the values that have distinguished and vitalized America. And people didn't seem to notice or care. Patriotic contemplation has been in a prolonged bear market.

UNDERSTANDING FREEDOM

Freedom is a little like electric power in a city. When you have it, you take it for granted. It is only in a power outage that you are forced to realize the magnitude of importance electricity plays in every aspect of your life. A generation which has experienced the oppression of tyranny in every aspect of its life and then arduously earned its freedom, does not undervalue freedom. That preciousness can be transmitted to the children and perhaps the grandchildren, but in time the devasting experiences and the glorious triumps of one generation fade from the collective memory.

Moreover, when a value as complex as liberty falls away from the general conciousness, its nature as well as its worth, becomes hazy in the public understanding. Americans do not have a very clear idea about how freedom operates and what is required to sustain it. Many suppose that the free society is simply a political entity in which the individual may do pretty much as he chooses with little interference from the government. If it were only that simple!

As the astute French political philosopher Montesquieu recognized, and elaborated at great length, a republic can be sustained only by virtuous people. The privilege of steering one's own course must be balanced by a decent regard for the other person and a willingness to accept some responsibility for the well-being of the community. Without a solid social fabric of lawfulness, fairness, self-reliance, self-discipline and integrity, the innumerable human interactions of everyday life readily degenerate into exercises of guile, greed and manipulated guillibility.

Because self-interest is a fixture in human nature, there seem to be only two basic options for rising above the every-man-for-himself savagery of the jungle. On the one hand, group activities can be regulated and order maintained by a central authority that enforces its judgments with fear, deception, brainwashing and imprisonment, as we see today in the Soviet Union and allied Marxist regimes.

Apart from coercive control by rulers, the only other means through which society can conduct its common enterprise is by voluntary submission to the rules of the game. In the free society, each generation must be systematically trained and acculturated into the ideals, the obligations and the taboos which enable people to live together amicably and productively. This culturally induced voluntary acceptance of the norms of civil conduct is the virtue which Montesquieu recognized as the *sine qua non* of liberty.

REQUIREMENTS OF LIBERTY

Imagine, for a moment, what would happen if a free society, forgetful of the requirements of liberty, failed to instill in its people a decent regard for their neighbors. Terrible things might happen. Crime, for instance, could increase to the point that everyone would need to have an electronic alarm system for his home. Citizens might exploit the judicial system for personal advantage, with lawsuits proliferating, even to the point that one could not buy enough liability or malpractice insurance to protect himself. The situation could even degenerate to the point that an individual might campaign for public office on a platform of promising to his voters rights and benefits and privileges that he knows he can't deliver.

By contrast, let us remind ourselves of what freedom meant to those who earned it for us. The fifty-six men who signed the Declaration of Independence pledged "their lives, their fortunes and their sacred honor" in support of that Declaration. Concludes a book, *Greatness to Spare*, by T. R. Fehrenbach:

"Nine signers (of the Declaration of Independence) died of wounds or hardships during the Revolutionary War. Five were captured or imprisoned, in some cases, with brutal treatment. The wives, sons and daughters of others were killed, jailed, mistreated, persecuted or left penniless. One was driven from his wife's deathbed, and lost all his children. The houses of twelve signers were burned to the ground. Seventeen lost everything they owned.

"Every signer was proscribed as a traitor: every one was hunted. Most were driven into flight; most were at one time or another barred from their families or their homes. Most were offered immunity, freedom, rewards, their property and release of loved ones to break their pledged word . . . (and) take the King's protection. Their fortunes were forfeit, but their honor was not. No signer defected or changed his stand throughout the darkest hour."

Consider, now, justice, like freedom, another of America's cardinal values. In earlier times, it was believed that a just political system was one in which all citizens were guaranteed fair and equal treatment under the laws of the nation. America's performance according to that definition, even granting the now appalling exclusion of slaves and women, was so remarkable that justice and liberty were pole stars that guided millions of immigrants to this land.

With the rise of socialism as a political force in America, and with the powerful reenforcement of the social gospel as articulated by Walter Rauschenbusch and others early in this century, the concept of political justice was gradually transformed from the limited scope of fair treatment by the courts to include governmental responsibility for delivering equality in the conditions of life. Once that Pandora's Box was opened, the principles of virtuous self-discipline and self-reliance slowly gave way to the principles of infinitely expandable rights, and this new notion of justice became the rallying cry for every conceivable interest and ambition.

JUSTICE AND RIGHTS

Because the Bill of Rights is a cornerstone of the edifice of our freedom, and properly so, the term, rights, stands high on our scale of values. The mere assertion of a right captures the high ground for the asserter, and commands a certain amount of unthinking allegiance. Once a group has formulated its goals as a right, it is then free to redefine justice to serve its purposes. This is a very difficult strategy to counteract except by meeting fire with fire, and proclaiming a contrary right. Today we are awash in a sea of contention about innumerable rights with the result that justice as a value has been debased to the point that many people simply tune it out as tiresome, scarcely a value in our time that will inspire the citizens to rally to freedom's flag.

This thumbnail history of the attenuation and adulteration of the values of freedom and justice is a tale of damage self-inflicted by negligence and intellectual inadequacy. That, however, is not the whole story.

LESSONS FROM LEFT

However dunderheaded the Soviets and other Marxist-Leninist regimes are about economics and productivity, they have, with dire clarity, understood the McMichael equation and have supported and orchestrated with increasing skill through agents and fellow travelers, a massive campaign of ideological warfare against the value system of free nations. Indeed, they have no choice in the matter. It is forced upon them. Under their system of government, they are obliged to stifle the individual judgments and individual responsibilites which are the essence of freedom.

One aspect of the Soviet's ideological warfare is to mask the gross inhumanity of their own political system. The illusion must be sustained and reenforced in the outer world that Soviet Russia is the champion of oppressed people everywhere and the one true advocate of peace. Their peace song is played to different tunes for different folks. In the nations where democratic capitalism prevails, the Soviets trumpet only their incessant initiatives to prevent war and the unwillingness of free governments to respond. In the developing nations, it is a song of ultimate peace after the Soviets have triumphed over capitalism, an evil system, they say, that drains the resources of lesser economies and dooms them to poverty, famine, and sickness. Dare one, in today's climate, say theirs is a "peace" which passeth all understanding?

DEMEANING HUMAN WORTH

By definition, Marxist-Leninism relegates the individual human being to insignificance. Any person who stands in the way of the government's ideological objectives must be neutralized by intimidation, brainwashing, or more severe treatment. Human worth, human dignity, human rights are non-concepts under that system. Thus, religion is the arch-enemy of Marxism. There is only one channel of obligations for the Soviet citizens, and that leads directly to the state. God is not permitted any "Shalts" and "Shalt nots." In the same manner, only the official view of reality is permitted. Thus, there is no free press, and concealed facts lies, half-truths and deceptions are woven into the entire operation of the system, both in dealing with their own people and with outsiders.

Each of these features is so totally foreign to the beliefs, the values, and the expectations of free citizens that the mind simply cannot take it in, the brain's computer has no programming to precess the principles of such a system, and rejects the evidence; the hope that it is not so prevails over the revealed reality. We read of the report just issued by he United Nations Commission on Human Rights, documenting the atrocities of Soviet troops in Afghanistan adding booby-trapped children's toys to the run-of-the-mill cases of torture, rape, mutilation and so on.

We are shocked by the eradication of a straying Korean airplane loaded with innocent passengers; we listen in astonishment to the broadcast of a Russian military expert solemnly pronouncing an immediately refutable lie that the silhouette of the Korean airliner is identical with a U.S. military intelligence plane; we read the account of the Gulag Archipelago; we have the certain knowledge of Soviet support for international terrorism; but the mind boggles. We cannot comprehend that these are not isolated instances of waywardness, by the day to day operations of a system that flatly

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rejects the worth of a human life and all the other values which are treasured by free people.

Nor do we understand much better the extents to which Soviet Russia, supporting and working through sympathetic or unsuspecting American organizations, has had a hand in the debilitation of our value system, although Arnaud de Borchgrave, Rael and Jean Isaac, Jeane Kirkpatrick and numerous other responsible and knowledgable authors have given us chapters of that history.

SOURCES OF DEBILITATION

Consider two major phenomena, one from two decades ago and one of today. If you examine the issues of the *Berkeley Barb*, the *Black Panther* and some of the lesser known Marxist underground publications of the 1960's, you discover that the student protest movement was not a spontaneous eruption of idealistic youth; but, to a certain extent, the manipulation of a generation according to a skillfully designed strategy. The encouragement to resist the military draft and to take up the use of marijuana were openly acknowledged in these publications as tactics to alienate young people from their society.

By exploiting both the disinclination to go to war and the attractiveness of forbidden fruit, innumerable students were drawn into the status of lawbreakers. In that position, they were vulnerable to the assertion that it was an unjust war and it was an unjust legal system that allowed their parents to drink booze but prevented them from using pot. For those who have enlisted in activities on the far side of the law, it is a short step to the next level of radicalism, the conviction that America is an unjust society. This was the core theme of the Students for a Democratic Society (SDS), which had 100,000 members when it self-destructed over the question of the continued use of violence in pursuing its goals.

ATTACKING THE MECHANISM

Another aspect of the student radical plan was to attack the mechanism by which a free society fairly adjudicates conflicts of interest and conflicts of judgment. Rather than presenting a case for their views on an issue with facts and logic so that it could be judiciously weighed against the case made by the other view, they mobilized public fear and scorn and hostility against those who disagreed with them. Facts and reasons were overwhelmed by street theater. Later we saw this strategy deployed with devastating effect against the development of nuclear energy in America, and today the outcome of all too many issues seems to depend more on the decibel level than on mature, informed judgment.

The contemporary twisting of the value of justice I wish to cite is the strange singling out of the South African Government as the one nation in the world where we must rally all our forces to impose human rights. By any objective standard, the human rights shortcomings of that government, as grave as they are, are substantially less grievous in mature, in magnitude and in rigidity than is the case with numerous other governments including the Soviet Union, Iran, Libya and Ethiopia.

Let us look back eight years. The headline of the May, 1978 issue of the *The Guardian* reads, "Africa: The Cutting Edge, A Continent In Struggle Against Imperialism." *The Guardian* which calls itself an "independent radical newsweekly," is a Marxist publication which predated the Institute for Policy Studies and the SDS, but has had a close association with the Institute and has enlisted as editors and writers numerous SDS alumni. The May 24th issue is the radical left manifesto calling for the overthrow of the governments of Rhodesia and South Africa. Of the twenty-five articles listed in the Table of Contents, all but three are focused on the revolutionary struggles in Rhodesia, South Africa, and Angola, including such titles as "U.S. Bank Loans Bolster South Africa Economy," "Angola Gains Build Base for Socialism," and "Women Fight To Free South Africa."

"SUPPORT GROUPS"

The centerfold provides a listing of 112 American organizations and their addresses, some of them with chapters throughout the country, designated as "support groups" working in one way or another toward "Southern Africa liberation against the white settler regimes of South Africa and Rhodesia." The same page lists fifty-four allied "African Resources," which are think tanks, publishing houses, film centers, periodicals and liberation movements.

The full-page editorial declares, "As this movement grows—and it will—the necessity for information and propaganda clearly targetting the U.S. role in Africa will likewise increase as will the actions, demonstrations and mass protests of every kind. This newspaper will redouble its efforts to make the truth about the struggle in Southern Africa known in the U.S. . . . We call upon our readers, supporters and all progressive, antiimperialists and communists individuals and organizations to do the same." The people reaped quite a harvest.

Where does all this leave us? Are we stuck with the unthinkable option of war with Soviet Russia or peace at any price? No, I think not. President Nixon answered that question in a recent speech. "Reagan and Gorbachev understand each other," he said, "but they do not want the same thing. Gorbachev wants to defend the extend communism. Reagans wants to extend and defend freedom. The United States and the Soviet Union have irreconcilable differences. They have only one common interest, to avoid nuclear war over those differences. But even in this respect, our goals are different. Reagan wants peace as an end in itself. Gorbachev wants victory without war.

Have we the will to make the sacrifices necessary to deny him that victory? Fifteen years ago in the response to the Nobel Prize which Solzhenitsyn prepared, but was not permitted to deliver, he summed up the circumstances which would be the cause of our failure to prevail, if we should fail. "The spirit of Munich is in no sense a thing of the past, for that was no flash in the pan. I would go so far as to say that the spirit of Munich is the dominant one of the twentieth century. The civilized world quailed at the onslaught of snarling barbarism, suddenly revitalized; the civilized world found nothing with which to oppose it, save concesssions and smiles. The Spirit of Munich is an illness of the willpower of the well-todo, it is the usual state of those who have surrendered to materialism as the main aim of life on earth. Such people—and how many there are in the world today—choose passivity and retreat just so that normality can last a bit longer and the onset of brutishness be put off another day (when) the price of cowardice will be all the higher."

AN AGENDA

Finally, what is our agenda? We must relearn and refurbish and impart to new generations of Americans the values which define and unite the free society. We must rediscover Montesquieu, de Tocqueville, Edmund Burke, George Washington and countless other teachers of those values. And I think we could be well advised to become the student of the refugees from tyranny, not just an Alexander Solzhenitsyn, but the countless Cubans and Poles and Laotions and others among us who can teach us with passion to appreciate our great good fortune in living in a free land.

The Sandinista government closed down the Catholic radio station in Nicaragua for two days because Cardinal Obando y Bravo used in a broadcast sermon a sentence that had been forbidden by the Sandinista censor. What was the sentence? "Liberty is the most precious blessing that God gave to mankind."●

JOSEPH H. KANTER JOGGING AND FITNESS FACILITY

● Mr. CHILES. Mr. President, one of Florida's leading businessmen is also an ardent fitness enthusiast. Joseph H. Kanter has donated to the people of the United States a new jogging and fitness facility on the Mall. On April 23, at 11 a.m., this new facility, located at Fourth Street and Independence Avenue SW., will be dedicated.

All of my colleagues and their staffs are invited to attend the dedication and use the exercise equipment. I hope to see them there.

Joe Kanter, a prominent banker and movie producer, has been jogging for over 40 years—long before the sport gained its current popularity. His commitment to the promotion of exercise and his commitment to philanthropy have been genuine and enduring over the years.

I know that the new facility will be used and appreciated by all.●

MAKING BETTER USE OF THE SCC

● Mr. SIMON. Mr. President, the Arms Control and Disarmament Agency [ACDA] recently released yet another "half-compliance" report on Soviet treaty violations. I say "half-compliance" because the administration has yet to give us a true compliance report: One where alleged violations and ambiguities are set alongside Soviet observance of the treaties in question. But even Mr. Adelman's ACDA, not noted for its commitment to arms control, feels compelled to state that "the Soviets have adhered to many, if not most, provisions of the treaties to which they are a Party."

There are several good reasons for the Soviets to adhere to most treaty provisions, and one of the best is the Standing Consultative Commission [SCC]. The Commission composed of United States and U.S.S.R. representatives. The SCC was set up in the ABM [Anti-Ballistic Missile] Treaty of SALT I in order to raise questions about ambiguous events and resolve differences between the two parties.

Its record before 1981 was excellent, in large part because both Moscow and Washington had enough political will to allow the SCC to function smoothly. All major questions were settled to both sides' satisfaction.

Since 1981, with one exception, the SCC has been sorely hampered by an administration ill-disposed toward arms control. That exception occurred last year, when an agreement was reached on what constitutes concurrent testing of surface-to-air missile radars and strategic ABM radars. In this instance, the requisite will was there to make some headway prior to the Geneva summit. But now we are back to the familiar Reagan administration neglect of the SCC, at times bordering on hostility, as the Geneva talks bog down and as public accusations once again force reasoned and quiet diplomacy off center stage.

The SCC has now become a forum for the United States to recite our grievances, demand Soviet action to remove our concerns, and reject out of hand Soviet concerns. By all accounts, it has become a monolog. Our Ambassador to the SCC, retired Gen. Richard Ellis, is in a tough spot. A former commander of the Strategic Air Command, Ellis is no pushover. But the U.S. representation to the SCC must answer to an interagency working group dominated by the Defense Department's hardliners. Much greater progress can occur if we give Ambassador Ellis the leeway he needs to negotiate.

One example of our refusal to use the SCC to our benefit is the current controversy over the SALT-accountable strategic nuclear delivery vehicles, or launchers. Moscow says that 30 Bison heavy bombers have been converted to aerial tankers. We will not accept these conversions as legitimate under SALT rules. Why not?

We will not accept them because the procedures for conversion have not yet been worked out. They have not been worked out because we refuse to negotiate the necessary procedures. If we work out the procedures, then it might be apparent that the Soviets are within the launcher limit set by SALT I. That would be one less compliance issue the Richard Perles in this administration can use to torpedo U.S. commitments to SALT I and II.

The SCC reconvened on March 4. No progress has been made to date, and as of today, none is expected in the near future. This is unfortunate, because solutions to vexing problems are easier to reach in the quiet forum of the SCC. Progress there can lead to progress in the summit talks. We need to make better use of this negotiating tool, and Congress needs to be more aware of its activities and results. A good place to start would be periodic SCC reports to Congress highlighting each negotiating session.

This is one idea advocated by Sidney Graybeal and Michael Krepon in an article published in the fall 1985 edition of "International Security." I commend this article to my colleagues and ask that it be printed in full in the RECORD.

MAKING BETTER USE OF THE STANDING CONSULTATIVE COMMISSION

(By Sidney N. Graybeal and Michael Krepon)

Unresolved compliance problems have accumulated to the point where they have become a major impediment to the maintenance of existing agreements and the negotiation of new accords. While progress in compliance diplomacy has recently been made, major problems, such as the construction of the Krasnoyarsk radar, have not been satisfactorily resolved in the forum created by the strategic arms limitation talks (SALT) to address SALT compliance questions—the Standing Consultative Commission (SCC).

Like other negotiating bodies, the SCC has no powers of enforcement and it cannot impose sanctions; it can succeed only when the political leadership in the Soviet Union and the United States seek mutually satisfactory solutions. The SCC is a tool for Moscow and Washington to use as each sees fit. Its utility depends on effective use by both governments. Given proper instructions, high-level political support, problem-solving tactics, and sound bilateral relations, the Soviet and U.S Commissioners can work together quite effectively. However, even the most efficacious tactics in the SCC will not bear fruit if either Commissioner is operating under unhelpful instructions, if the superpowers question each other's intentions toward past agreements, and they do not wish to maintain the viability of those agreements.

It should therefore come as no surprise that, during the past five years, the SCC has fared no better than the general state of U.S.-Soviet relations. Nevertheless, both governments have taken care to keep the SCC channel open during periods of harsh public exchanges. Useful discussions on sensitive military subjects continued even after the Soviet Union walked out of negotiations on strategic and intermediate-range nuclear forces in 1983.

Despite its importance, very little is known about the SCC, and many misconceptions have arisen about its activities. The object of this essay is to explain the nature of the SCC and to suggest steps to improve the utility and effectiveness of its operations.

THE SCC'S MANDATE AND OPERATIONS

No arms control agreement can be written so carefully and so clearly as to prevent ambiguities and compliance questions from arising. In some instances, parties to an agreement may not wish or may not be able to arrive at precise treaty language. They may have different interpretations of their obligations under an agreement, or new military technologies may create circumstances that were not anticipated during negotiations.

Early in the SALT I negotiations, both sides recognized the need for a private forum to implement treaty provisions and to deal with ambiguities and compliance questions. As a result, there were few difficulties in drafting Article XIII of the ABM Treaty creating the SCC. The ABM Treaty, and thus the SCC, are of indefinite duration. A Memorandum of Understanding formally establishing the SCC in December 1972 extended its jurisdiction to include the Accidents Measures Agreement signed the previous year, and regulations governing the SCC's operations were drawn up the following May.

The SCC's charter, as spelled out in both the ABM and SALT II treaties, is quite broad. It empowers representatives of the U.S. and the Soviet Union to consider, among other topics, treaty compliance questions and "related situations," questions involving interference with national technical means of verification, "possible changes in the strategic situation which have a bearing" on treaty provisions, additional measures to increase the viability of existing agreements including amendments to treaty provisions, and proposals for "further limiting strategic arms." In addition, the SCC Commissioners are authorized to exchange relevant information and to draw up procedures for dismantling or destroying offensive and defensive weapon systems.[1]

The Memorandum of Understanding establishing the SCC clarifies basic organizational matters while leaving considerable discretion to the two delegations on how the SCC shall actually operate. Each side is represented by a Commissioner, a Deputy Commissioner, an Executive Officer, and members of the delegation. Commission meetings are held no less than two times per year, and may also be convened "as soon as possible, following reasonable notice, at the request of either Commissioner." The SCC makes its own regulations, and may amend them "as it deems appropriate."[2]

In current practice, the U.S. Commissioner is chosen by the unanimous recommendation of the President's National Security Adviser, the Secretaries of State and Defense, Chairman of the Joint Chiefs of Staff, Director of Central Intelligence, and Director of the Arms Control and Disarmament Agency. Since the Commissioner is granted the title of ambassador, the Senate also passes judgment on the nomination. Sessions are usually held in Geneva during the spring and fall, each session generally lasting two months in length. Special sessions can be held at any time.

While the charter of the SCC enables it to conduct negotiations and arrive at new arms control agreements, to date neither side has chosen to operate in this fashion. New areas of negotiation generate their own negotiating teams and acronyms. Nor have the two sides used the SCC to amend agreements under its jurisdiction. The SCC has concerned itself primarily with implementation and compliance questions for the SALT accords.

Implementation, of course, can be a form of negotiation, but the SCC delegations usually operate within a narrower framework than their colleagues who actually draft treaty provisions. The primary responsibility of the SCC delegations is to make sure that basic objectives and purposes of existing agreements within their jurisdiction are being met properly. The SCC delegations are not free agents in carrying out these responsibilities. Like other negotiating agents, SCC Commissioners are on a tight rein from their capitals. Neither side is empowered to establish government policy or to go off and solve problems on its own. SCC delegations, no less than delegations negotiating new agreements, operate under carefully drafted instructions coordinated—sometimes with considerable dispute—among the relevant government agencies.

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[1] *Arms Control and Disarmament Agreements, Texts and Histories of Negotiations* (Washington, DC: United States Arms Control and Disarmament Agency, 1982), pp. 141-142.

[2] *Documents on Disarmament—1972* (Washington, DC: United States Arms Control and Disarmament Agency, 1974), pp. 868-869.

When friction within the executive branch is pronounced, instructions tend to become increasingly rigid. If, for example, government agencies can not agree on a proposed course of action, the U.S. Commissioner at the SCC is not free to suggest one to his Soviet counterpart. What flexibility the U.S. Commissioner has relates to his choice of tactics to implement negotiating instructions.

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THE SOVIET PERSPECTIVE

The Kremlin views the SCC as an important channel of government-to-government communication. Its high level of regard for the SCC has been reflected by the quality of representation on the Soviet delegation. The Soviet Union has had two Commissioners during the entire existence of the SCC, both military officers from the General Staff—General-Majors G.I. Ustinov and Viktor P. Starodubov. Neither man has been accorded the rank of Ambassador (perhaps because of their military backgrounds) although both made it clear that they were spokesmen for the U.S.S.R., like other representatives of the Soviet goverment abroad.

Starodubov, the Commisisoner since 1979, is an adept and highly accomplished negotiator who has also served on Soviet delegations in the SALT, START, and prior SCC negotiations. The Deputy Commissioner has always come from the Ministry of Foreign Affairs. The head of the Soviet delegation in the current Geneva talks, Viktor P. Karpov, served as Deputy Commissioner for six years, followed by Vadim S. Chulitsky in 1979. The Kremlin expects issues that fall within the purview of the SCC to be raised in this forum and not elsewhere. It clearly prefers to work within the confines of the SCC rather than to engage officials with higher rank who are less suited to the tasks at hand. The Soviet Commissioner must, of course, receive authorization to proceed from Moscow, but once authorization is received, the Soviet delegation has demonstrated its willingness to have constructive exchanges and to resolve compliance questions expeditiously.

AMERICAN PERSPECTIVES ON SOVIET COMPLIANCE AND THE SCC

In contrast to the official Soviet view, American attitudes toward the SCC vary greatly, usually according to one's view of the value of arms control agreements with the Soviet Union. With experts so sharply divided on this fundamental question and with the SCC operating as a closed shop, it is difficult for even interested citizens to reach an informed judgment on the SCC's effectiveness or utility. Subjective judgments come into play on both sides of these issues, with the SCC caught in the cross fire.

The Nixon, Ford, and Carter administrations were supportive of the SCC's activities and did not denigrate its effectiveness. All three Presidents declined to assert Soviet violations in their assessments of issues reviewed in the SCC during their tenure.

For example, Secretary of Defense James Schlesinger testified before the Senate Armed Services Committee in March 1975 that "We believe that the Soviet Union has been, and today is, in compliance with the terms of the SALT agreements." Schlesinger characterized problems then the subject of considerable controversy as "ambiguities which needed to be resolved," not as violations.[3] President Gerald Ford affirmed this judgment in a June 25, 1975 press conference.[4] The Carter Administration's report—issued in the context of defending the SALT II Tready—asserted that "in every case [of a questionable practice raised by the U.S. in the SCC] the activity has ceased, or subsequent information has clarified the situation and allayed our concern." [5] SALT critics, such as Assistant Secretary of Defense Richard N. Perle, have taken a diametrically opposed view:

> "I have put emphasis on the failure of the SCC to resolve compliance concerns because previous Administrations, in efforts to sell unverifiable arms control agreements to Congress, have created a virtual mythology about it. The fact of the matter is that serious compliance problems have generally not been resolved by the SCC or in any other manner." [6]

Confusion about the role of the SCC is compounded by widely varying lists of Soviet "violations and circumventions" of past agreements. For example, the State Department's 1978 assessment of compliance questions and the Arms Control and Disarmament Agency's 1984 General Advisory Committee (GAC) Report cover four common SALT compliance issues, arriving at different judgments on every one of them. By the GAC's definition of what constitutes "material breaches" of binding arms control obligations, the Soviets cheated, and the SCC failed to resolve these problems. By the State Department's assessment in 1978, no material breaches took place, and the SCC played a positive role.[7]

A SALT I compliance question relating to what constituted permissible modernization of existing ICBM launchers provides a case study of how compliance judgments vary. During the SALT I negotiations, the U.S. attempted to constrain new Soviet "heavy" ICBMs by suggesting limits on missile throw-weight and volume to which the Soviet Union would not agree. Both sides eventually agreed to an imprecise formula on silo dimensions, which the U.S. hoped to strengthen by means of a unilateral statement using a volume constraint to distinguish between "light" and "heavy" ICBMs. The Soviets proceeded to disregard this interpretation by replacing SS-11 missiles with larger and far more capable SS-19s—as they had indicated they would do in the course of negotiations.

The Ford Administration did not characterize this Soviet activity as cheating. As Secretary of Defense Schlesinger testified, "If one reads the words of the agreement, the Soviets are doing something that is not precluded. It is inconsistent, quite clearly, I think, with our understanding of our own unilateral statement. But the Soviets do not feel bound by that unilateral statement." [8] The Carter Administration provided a similar explanation in its 1978 report. The GAC, however, cited the deployment of SS-19s as a "circumvention defeating the stated U.S. object and purpose of limiting the throw-weight of Soviet ICBMs." [9] According to the GAC's analysis, the U.S. intention behind the disputed provision was clear—to limit the growth of ICBM throw-weight—as was the Soviet circumvention.

THE RESULTS OF THE SCC'S WORK

The detailed records of SCC sessions remain closed to all but those with the proper clearances and the "need to know." These sensitive deliberations, along with other arms control negotiations, have been quite properly fenced off from public view. No American President, including Woodrow Wilson, has seen fit to pursue open covenants publicly arrived at. Unlike arms control negotiations, however, the principle of privacy also extends to the products of the SCC's deliberations.

A primary responsibility of the SCC has been to establish procedures for the destruction or dismantlement of certain strategic forces. Two Protocols on Procedures were agreed upon in the SCC in June 1974 governing the SALT I Interim Agreement and the ABM Treaty. A third Protocol was agreed upon in October 1976, relating to the ABM Treaty's Protocol that reduced permitted ABM sites from two to one per side.

For the most part, these classified procedures have not generated criticism, although the Reagan Administration's February 1985 noncompliance report expresses concern that the Soviets may not comply with the Interim Agreement's implementing procedures in the future.[10] In the past, these procedures prompted a compliance flap over the dismantlement of Soviet land-based missile launchers to compensate for the introduction of new sea-based launchers. In 1976, it became clear to American analysts that the Soviet Union was not going to meet this requirement. According to the 1984 GAC Report, this constituted a violation of the SALT I Interim Agreement: "Upon U.S. inquiry, the Soviets admitted this excess, but failed to accelerate their dimantling activities." The GAC concluded that "the violation was probably not inadvertent, but rather was part of a deliberate Soviet effort to challenge U.S. arms control verification capabilities." [11]

In contrast, the 1978 State Department Report on SALT I compliance issues found that Soviet actions did not warrant the GAC's conclusions:

> ". . . the United States decided to raise this question with the Soviets, but before we could do so, . . . the Soviet side in the SCC acknowledged that the dismantling of 41 older ICBM launchers had not been completed in the required time period. The Soviet side explained the situation and predicted that all the dismantling actions would be completed by June 1, 1976, and agreed to the U.S. demand that no more submarines with replacement SLBM launchers begin sea trials before such completion. Both conditions were met.[11] [12]

A fourth classified protocol worked out in the SCC implements the Accident Measures Agreement. This understanding, which was updated and expanded in June 1985, facilites and speeds the transmission of information by means of pre-positioned messages.

Another product of SCC deliberations is known as the Agreed Statement of 1987. It was prompted by a controverial Soviet practice that may have involved testing of a Soviet air-defense system radar in an ABM mode. The ABM Treaty stipulates that parties to the agreement are not to give radars other than ABM radars the capability to counter strategic ballistic missiles or their elements in flight trajectory and not to test them in an ABM mode. However, the U.S. delegation issued a unilateral statement in the SALT I negotiations that radars used for range safety or instrumentation would be permitted.

Intermittent Soviet tests of an SA-5 radar during 1973 and 1974 eventually prompted the United States to raise this issue in the SCC in February 1975. Secretary of State Henry Kissinger explained the time lapse as due partly to the necessary to protest sources and methods of intelligence but primarily to the need to have a clear picture of Soviet practices:

> "The first information about any event is usually extraodinarily illusive and ambiguous, and one part of the process of the government is to refine the information until we reach a point at which senior officials can make a reasonable decision. I believe it is a good working hypothesis to assume that government is not run by conspiracy but by serious people trying to come to serious conclusions about difficult topics, especially when the charge of a violation of a formal agreement is not a minor matter to be introduced into the diplomatic discourse." [13]

According to Kissinger, seventeen days after the U.S. raised the issue of the SCC, this activity stopped and was not resumed.[14] The SCC's 1978 Agreed Statement clarified treaty obligations regarding the use of radars in an ABM mode as well as for range safety and instrumentation purposes.[15] These obligations were further clarified in June 1985.

Supported of the SCC cite the SA-5 radar case and the 1978 Agreed Statement as an example of the Commission's working effectively to maintain the viability of the ABM Treaty and to clarify the meaning of its provisions. Presidents Ford and Carter did not consider Soviet SA-5 radar tests to be a violation of the ABM Treaty. Nor did the GAC Report include this episode in its bill of particulars listing seventeen "material breaches." In contrast, a number of severe critics of the ABM Treaty have concluded that Soviet SA-5 radar tests constituted a clear-cut violation of the ABM Treaty. In Richard Perle's view, "I don't think you have to be a genius to conclude they were cheating. The Standing Consultative Commission never came to that conclusion and they never would have because of their desire not to face the realities." [16]

SCC PERFORMANCE STANDARDS

The purpose of this essay is not to arbitrate the validity of contending judgments of Soviet noncompliance, but to suggest ways in which compliance questions can be handled more effectively. For those most skeptical of arms control agreements and Soviet intentions toward them, the SCC's ineffectiveness is beyond repair. For those who are more positive about the role of arms control agreements and the SCC to advance national security, there are at least two important standards to apply when gauging the SCC's effectiveness. First, the proper functioning of the SCC should result in common interpretations of binding obligations where there are none or where both sides interpret these obligations differently.

An arms control agreement, like the American Constitution, is a living document. It requires constant interpretation in order to remain vailable under unforeseen circumstances or to meet unanticipated events. This is particularly true with respect to agreements governing weapon systems in fields, of rapid technological advance. The Soviet Union compounds these problems by exploiting grey areas when opportunities arise.

Both sides should be playing by the same ground rules; otherwise, existing agreements and support for them in the United States will continually be undermined. If both sides wish to reaffirm their obligations under existing agreements and if both use the SCC properly, there is every reason to expect the Commissioners to be able to hammer out agreements that resolve questionable activities and establish ground rules under which both sides may operate.

Second, the public has a right to expect that common understandings reached in the SCC should clearly affirm the basic objectives and purposes of the agreement in question. In practical terms, these remedies will vary depending on the circumstances in each case. In some instances, a return to the status quo ante might be called for; in others, a complete cessation of the practice in question might be necessary; in still others, the imposition of new barriers—such as verifiable limitations on developmental and operational test practices—might preclude military advantages deriving from troubling Soviet behavior.

In the much discussed case of the SA-5 radar, for example, as soon as the evidence suggested the need for action, the SCC succeeded in bounding the problem by prompting the cessation of concurrent testing, and later by securing common understandings on permissible uses of radars in conjuction with ABM tests and for range safety and instrumentation purposes. Critics have argued that, in the time it took to raise this issue in the SCC, the Soviets could have gained the knowledge needed to give the SA-5 syatem an ABM capability.

This critique overlooks two important considerations. First, whatever the Soviets may have accomplished with the SA-5 radar in question, there have been no reports in the press that the SA-5 system (i.e., its radar, interceptor missile, and launcher) has been tested against any target in an ABM mode. Second, if there had been serious concern about an upgraded SA-5 system possessing a significant ABM capability, one would wonder why more resources were not devoted at the time to penetration aids for U.S. strategic ballistic missiles.

As in the case of the SA-5 radar, damage assessments and proposed SCC remedies for Soviet testing at the margins will undoubtedly vary from one observer to the next. Thus, the professional judgment of senior military officers and national security officials will be critical to an administration's selection of appropriate countermeasures, within the SCC and elsewhere.

IMPROVING THE SCC

Improvements in the SCC's operations do not require changes in the Commission's charter and regulations. These provisions are broadly drawn to provide both sides the latitude to work constructively. Since the Commission's modus operandi will always vary somewhat due to the style and personality of its Commissioners, there is no single correct way to proceed in the SCC. Numerous roads can lead to success when both parties wish to maintain the viability of existing agreements. Conversely, when each side questions the other's intentions, even brilliant tactical decisions are unlikely to produce satisfactory results.

One way to improve the utility and effectiveness of the SCC is to clarify to whom the U.S. Commissioner reports in Washington. The SCC is a bureaucratic oddity: it was created by a treaty, not by an Act of Congress. The Commissioner's role was established by the SCC's charter. He is nominated by the unanimous consent of many different bureaucracies; therefore, he has no single patron. The nature of his responsibilities as well as the interagency character of his appointment suggests that the Commissioner report directly to the President's National Security Adviser. If other responsibilities do not require the U.S. Commissioner's presence elsewhere, his office should be located with the National Security Council (NCS) staff.

The NSC's authority is critical to minimize the lengthy delays and confusion that invariably result from deep or enduring interagency disputes over the Commissioner's instructions. A direct link to the NSC would also ensure better coordination between the SCC's work and ongoing negotiations. Interested agencies would continue, as at present, to play a central role in SCC activities by participating in the formulation of the Commissioner's instructions and by being represented on the SCC delegation.

In addition, the utility and effectiveness of the SCC can be further advanced by the following list of "do's" and "don'ts."

Stay in the SCC channel; look for reinforcement, not escalation

Compliance questions should be raised first at the SCC, not at higher levels or in other forums. The SCC is best suited to address SALT compliance questions, and the Soviets can work constructively in this arena. The U.S. does not need to raise issues in back channels in order for the Kremlin to see that the U.S. government attaches extraordinary importance to those issues, since the Soviet government already at-

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[3] United States Senate, "Soviet Compliance with Certain Provisions of the 1972 SALT I Agreements," Hearing before the Subcommittee on Arms Control of the Committee on Armed Services, 94th Congress, First Session, March 6, 1975, p. 3.

[4] *Documents on Disarmament—1975* (Washington D.C.: United States Arms Control and Disarmament Agency, 1977), p. 202.

[5] "Verification of SALT II Agreement" (Washington, D.C.: United States Department of State, Special Report No. 56, August 1979), p. 3.

[6] United States Senate, "Soviet Treaty Violations," Hearing before the Committee on Armed Services, 98th Congress, 2nd Session, March 14, 1984, p. 39.

[7] See "SALT ONE: Compliance, SALT TWO: Verification" (Washington, D.C.: United States Department of State, Selected Documents No. 7, February 21, 1978), and "A Quarter Century of Soviet Compliance Practices Under Arms Control Commitments: 1958-1943" (Washington, D.C.: General Advisory Committee on Arms Control and Disarmament, October 1984, Unclassified Summary).

[8] "Soviet Compliance with Certain Provisions of the 1972 SALT I Agreements," p. 6.

[9] "A Quarter Century of Soviet Compliance Practices Under Arms Control Commitments: 1958-1983," p. 8.

[10] "The President's Unclassified Report to the Congress on Soviet Noncompliance with Arms Control Agreements" (Washington, D.C.: The White House, Office of the Press Secretary, February 1, 1985), p. 5.

[11] "A Quarter Century of Soviet Compliance Practices Under Arms Control Commitments: 1958-1983," p. 10.

[12] "SALT ONE: Compliance, SALT TWO: Verification," p. 7.

[13] Documerent on Disarmament—1975, p. 747.

[14] Ibid., p. 752.

[15] For a listing of the Standing Consultative Commission's agreements and a brief unclassified summary of them, see "SALT II Treaty: Background Documents," United States Senate Committee on Foreign Relations, 96th Congress, 1st Session, 1979, pp. 79-80.

[16] "Soviet Treaty Violations," p. 19.

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taches considerable importance to the SCC's operations. Nor would the U.S. wish to imply that issues raised first in the SCC channel are relatively unimportant.

A different set of problems can arise if issues first raised at the SCC are escalated to higher levels for resolution. These tactics can undermine the effectiveness of the SCC, occupy officials who have less time and technical expertise than the SCC staff, and result in a hardening of positions, making ultimate resolution more difficult. The flexibility of the SCC to resolve these issues is then impaired if and when de-escalation occurs.

A far better approach for the U.S. is to look for reinforcement at higher levels if problems or delays are encountered in the SCC. Private interventions by cabinet-level officials or even by the President should underline the importance the U.S. places on a satisfactory resolution, while keeping the problem within the channel best suited to resolve it.

Whenever possible, the Soviet Commissioner should be advised by his counterpart in advance of the session when a new compliance question will be raised. There is little to be granted by "surprising" the Soviets and monitoring their reactions since the Soviet delegation will have to report back to Moscow anyway and then wait for instructions. Advance notification can save time and facilitate constructive exchanges.

Avoid using the SCC as a dumping ground for problems that can not be resolved in negotiations

Compliance questions will arise even when treaty partners are acting on their best behavior. Unforeseen events and technological change will generate these questions even if the practice of Soviet crowding at the margins does not. In other words, the SCC will have enough to do without becoming the depository of disputes that could not be solved in the course of treaty negotiations. Treaty texts should be as precise as possible. Where agreement can not be reached, the American Congress and public should be so advised, and Soviet deviations from the preferred U.S. interpretation should not be characterized as violations.

Whenever possible, use the U.S. SCC delegation's expertise to help avoid treaty language that can generate compliance questions

The Soviet delegation in strategic arms control negotiations usually includes either its SCC Commissioner or his Deputy. In contrast, the American SCC delegation does not normally have the opportunity to comment on the drafting of treaty texts. The Soviet practice makes far more sense than the American system of not utilizing the expertise the U.S. has at its disposal.

The SCC Commissioner can review draft treaty texts from a unique perspective. Unlike other members of the U.S. delegation, he has had operational experience in compliance controversies that ensue from various treaty formulations. As such, the U.S. Commissioner is in a position to provide helpful suggestions to avoid potential ambiguities and compliance problems.

Avoid raising issues in the SCC until the United States has its facts straight, and avoid characterizing problems as violations until the SCC channel has been thoroughly explored

Sometimes the collection of adequate evidence requires a maddening length of time. Once enough facts are known and can be utilized without jeopardizing sensitive intelligence "sources and methods," the issue should be raised promptly and pursued vigorously in the SCC channel. The Soviets, like the U.S., will respond one way to the presentation of questions concerning compliance and another to the receipt of a bill of particulars asserting noncompliance or "violations." Once the U.S. government frames an issue as a possible, potential, or clear violation, the Kremlin will be reluctant to take positive steps that might be construed as affirmation of these charges. On the other hand, the Kremlin has had little difficulty explaining whatever action it takes to its own people. The choices Kremlin leaders make will hinge on their calculation of the benefits derived from the activity in question and the risks of not taking positive steps to respond to U.S. concerns. These calculations will in turn bear directly on Soviet assessments of U.S. intentions toward existing agreements and motives for raising the issue in a particular manner.

Precisely for these reasons, the context of public assessments by government authorities on Soviet noncompliance is of central importance. As will be discussed below, official reports of SCC-related activities are at this point inescapable; they can also be helpful, but only if they meet far more stringent standards than those applied by individuals with political axes to grind.

The content of noncompliance reports will have much to do with Soviet reactions in the SCC and elsewhere. The Kremlin will read into premature or overstated reports an intent to set the stage for eventual withdrawal from existing agreements, rather than to contain domestic political damage and to shore up the erosion of previous agreements.

Categorize compliance questions within the SCC as to their degree of importance

Some compliance questions will always raise more serious concerns than others, and thus merit focused attention. Every compliance question, regardless of its military significance, should be raised in the SCC, but the Soviet side should be made aware of the relative importance the U.S. attaches to various isues. The SCC regulations expressly permit the establishment of working groups. This device can enable the Commissioners to concentrate on issues of greater importance while allowing groups to address subsidiary questions. If technical questions can not be resolved at the working group level, they can be addressed by the Commissioners in the usual fashion, and reinforced by higher authorities as deemed appropriate.

Avoid linking the resolution of unrelated compliance questions

As former SCC Commissioner Robert W. Buchheim and Dan Caldwell have noted, "horse-trading" is a common practice in negotiating new agreements. It may also be a useful device for amending agreements. But in implementing existing agreements, very little horse-trading is desirable.[17] Sometimes linking unrelated issues may work out satisfactorily, but other times it may not. A far better approach is to address each compliance question on its merits. By adopting this standard, each side will better serve its self-interest, and the SCC will work more effectively as a result.

For the same reason, the Soviets work against themselves when they adopt a "scorecard" approach to compliance questions: whenever the U.S. raises a compliance issue, they raise a comparable issue. In private exchanges in the SCC, this tactic has little bearing on the outcome of deliberations since both sides can usually distinguish between real and cosmetic concerns. In public accusations of noncompliance, this Soviet tactic obfuscates somewhat the Reagan Administration's charges, but it also devalues the Kremlin's position on those issues about which it feels strongly.

U.S. and Soviet compliance concerns may usefully be linked when they relate to the same objective or purpose of an agreement

When comparable Soviet allegations of U.S: noncompliance reflect serious concerns on their part, it makes sense to link the resolution of them with U.S. concerns. It will not be possible to isolate common problems in any event.

For example, both sides have raised ABM Treaty compliance issues relating to the construction of modern large phased-array radars. Each side has a common concern that these radars can undermine the objective and purpose of Article I prohibiting the parties from providing a base for a territorial defense.

Each side has also expressed concerns about the other's development of futuristic technologies that might be applicable for ballistic missile defense. Article V of the ABM Treaty prohibits each party from developing or testing ABM systems or components that are sea-based, air-based, space-based, or mobile land-based (i.e., all mobile systems). This prohibition applies to both conventional and future ABM systems or components (i.e., systems based on other physical principles). Agreed Statement D requires amendments to the treaty to accommodate the deployment of ABM systems or components based on other physical principles. However, both sides can pursue these objectives while stipulating that their development and test programs constitute less than a complete substitute for traditional ABM components—thereby making them permissible under the treaty. Test practices of this sort can raise continuous compliance questions. Unless ground rules are established governing these tests, they could undermine the objective and purpose of Article V.

In these and similar cases, common problems relating to the same treaty provisions might usefully be addressed together in the SCC. If both sides wish to reverse the erosion of the ABM Treaty, new common understandings and agreements will become necessary governing the development and testing of certain advanced technologies with direct ABM applications. Common understandings and agreements will also be necessary for modern large phased-array radars.

Release more information about the SCC's activities and products

The regulations establishing the SCC contain the stipulation that the Commission's proceedings shall be conducted in private and should not be made public "except with the express consent of both Commissioners." This provision has been adhered to by both sides, and is still valid today. SCC deliberations must remain confidential if this forum is to produce diplomatic remedies. American Commissioners have repeatedly stressed, however, that neither the U.S. nor Soviet Commissioner has a veto power over his government. In a democratic society, American Presidents have a responsibility to inform the public and the Congress of the SCC's activities in some way. While the proceedings have remained private, limited summaries of certain SCC deliberations have been released in the past.

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[17] Robert W. Buchheim and Dan Caldwell, "The US-USSR Standing Consultative Commission: Description and Appraisal," Working Paper No. 2 (Providence, R.I.: The Center for Foreign Policy Development, Brown University, May 1983), p 7.

At the start of the SCC's operations, a strict policy of secrecy was probably wise. The Soviets were unsure of the utility of this forum and wary of confidential exchanges on sensitive subjects. At this point, however, popular misconceptions about the role and record of the SCC as well as public concern over unresolved compliance problems have reached the point at which constructive factual public reports would be useful.

Reports would be constructive if they are offered in the context of problem-solving efforts in the SCC and serious negotiations to conclude new agreements. If government reports follow thorough efforts to resolve satisfactorily compliance questions in the SCC—including the use of reinforcements when necessary—and if those reports characterize compliance problems judiciously, their publication need not impair the SCC's activities. If, on the other hand, government verdicts of noncompliance are premature or based on ambiguous evidence, U.S. intentions will be widely questioned, cases where evidence is strong of Soviet misconduct will be devalued, and the SCC's ability to resolve issues will be impaired.

At this point in time, annual government reports summarizing the Soviet record of compliance should be released to the public, after the U.S. advises the Soviet Union of its intention to do so. More detailed classified versions should be transmitted to the relevant Congressional committees. These reports should indicate where the record of Soviet compliance has been good as well as where it has been problematic. The relative significance of issues raised in the SCC should be noted, and summaries of the SCC's handling of each issue should be provided. The proceedings of SCC sessions should remain classified, thus maintaining the principle of confidentiality. These reports should be prepared and transmitted to the Congress by the President's National Security Adviser, with the assistance of the U.S. Commissioner and coordination by the usual interagency process. Annual reports of this kind could defuse speculation over the purposes behind public disclosure and substitute for ad hoc compliance reporting requirements levied by the Congress.

In some cases, the public release of new SCC common understandings or agreed statements would be unwise. The products of SCC deliberations that involve sensitive weapon system characteristics, operations, and performance—such as approved dismantling or destruction procedures—should remain classified since they could raise security problems and impair fruitful private communication on other sensitive issues. However, unclassified summaries of these understandings that do not divulge sensitive information could be released. The contents of pre-positioned messages associated with the Accident Measures Agreement should also remain secret since they could be misused and pose security problems.

On the other hand, the fruits of the SCC's labors clarifying the objectives and purposes of existing agreements should be unclassified. For example, the 1978 Agreed Statement apparently does not involve any sensitive information and provides essential meaning to ABM Treaty provisions governing tests "in an ABM mode" and the uses of air-defense radars at test ranges. Anyone attempting to interpret properly treaty obligations in these areas should have access to the SCC's 1978 Agreed Statement. Similar clarifications worked out in the future should be available in their entirety to the Congress and the public.

CONCLUSION

The Standing Consultative Commission is an indispensable channel of communication between the superpowers over SALT implementation and compliance. Other channels could be used for these purposes, but none would be as ideally suited, unencumbered, or specifically authorized to do so. If something like the SCC did not exist, it would have to be created; if it falls into disrepair, existing strategic arms control agreements with the Soviet Union will be jeopardized.

Public reports of the SCC's activities and the other suggestions offered here can help the SCC delegations carry out their responsibilities for existing agreements. No suggestions will be of much value, however, if the U.S. and the Soviet Union are ambivalent about affirming the objectives and purposes of past agreements. During periods of strained political relations, negotiations over new agreements rarely proceed smoothly. While the SCC is somewhat more insulated from the ups and downs of superpower relations, it has not been immune from them. But when political relations between negotiating partners deteriorate to the point where intentions toward existing treaty obligations are called into question, the SCC cannot be an effective, problem-solving forum. If and when bilateral relations improve and both superpowers clearly signal their desire to reaffirm existing SALT commitments, the SCC can again resolve difficult compliance problems.●

THE IMPORTANCE OF GENERAL REVENUE SHARING TO RURAL AMERICA

● **Mr. DURENBERGER.** Mr. President, we are faced today with two crises—an agricultural crisis which cuts across rural America and a budget deficit crisis. They intersect in ways not commonly recognized. As the Senate begins consideration of the budget resolution for fiscal year 1987, among the recommendations that will be considered is a substantial cutback in general revenue sharing [GRS] funds.

Too often, in our efforts to meet budget targets, we look only at the numbers as if tallying up a score in a card game. But the stakes are much higher; they involve people and they do not affect all people or all places equally.

An important consideration that often gets overlooked is the effect of budget cuts on rural communities. America's heartland is now in the midst of a severe financial crisis which is felt deeply by farmers and their families and the local businesses and governments that serve them. We must be certain that in our attempts to solve the budget crisis we do not exacerbate the agricultural crisis. Eliminating or severely cutting general revenue sharing would do just that.

The value of GRS to urban communities has received widespread attention in the press and on Capitol Hill. But GRS funds are even more important to rural communities. For farm communities experiencing a decline in property tax revenues and decreased Federal and State aid, GRS has truly served as a lifeline. GRS funds have enabled rural governments to continue to provide basic, public services such as police and fire protection, road and street maintenance, services for the elderly and handicapped, and public health.

In fact, as the chart below illustrates, communities where the greatest source of income is derived from agriculture rely on GRS to a much greater extent than nonfarm communities. For example, in Minnesota, GRS comprises 42 percent of all Federal aid to agriculturally dependent communities but only 22 percent to nonagricultural communities.

LOCAL GOVERNMENT REVENUES IN FARM-DEPENDENT VS. ALL COUNTIES IN 10 SAMPLE STATES, 1982

	Percentage of all counties agriculturally dependent	General revenue sharing as a percent of all Federal aid
United States percentage distribution all local	NA	21.8
North Dakota:		
Nonagricultural		20.6
Agricultural	71.7	38.6
Iowa:		
Nonagricultural		25.8
Agricultural	52.5	46.6
Nebraska:		
Nonagricultural		22.6
Agricultural	69.9	49.3
Arkansas:		
Nonagricultural		29.9
Agricultural	37.3	29.4
Kansas:		
Nonagricultural		24.1
Agricultural	38.1	51.3
Georgia:		
Nonagricultural		21.2
Agricultural	20.1	54.1
Minnesota:		
Nonagricultural		22.4
Agricultural	40.2	42.2
Mississippi:		
Nonagricultural		32.2
Agricultural	23.2	67.8
Missouri:		
Nonagricultural		18.7
Agricultural	31.3	32.1
Montana:		
Nonagricultural		23.9
Agricultural	42.9	33.4

Source. USDA list of counties that have 20 percent or more of all personal income directly from farming; Government finance data from U.S. Bureau of the Census, "1982 Census of Governments, Compendium of Government Finance," vol. 4, No. 5, table 50.

For many rural communities, GRS is the only form of direct Federal assistance they receive. We rely on rural governments to provide the same services as their more urban counterparts, yet they are not eligible for a larger portion of intergovernmental aid. UDAG, CDBG and mass transit subsidies by and large benefit urban America. The elimination of GRS, as many have proposed, would have an immediate and devastating impact on the ability of rural governments to provide basic public services.

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Moreover, the proposed elimination or curtailment of GRS comes at a time when the importance of GRS to rural communities is increasing. I know that many of you are familiar with the bleak facts confronting rural America today: Real net farm income declined from $14.9 billion in 1979 to just $5.4 billion in 1983; farmland values have plummeted by as much as 44 percent in some States over the past 5 years; by 1985, total farm debt had soared to $212 billion. The list goes on and on, but these numbers only tell part of the story. The farm crisis is more than a personal tragedy for thousands of farmers and small town businesses. It is a growing crisis of rural governments as well.

The Senate Subcommittee on Intergovernmental Relations is conducting a major study on the public impact of the farm crisis in rural America. Although it is not yet complete, it is already clear that there is another, growing dimension of the farm crisis which is little known and virturally unexplored—and that is its impact on rural governments.

As farmland values decline, assessed property tax valuations—the cornerstone of the local tax base—will also decline. And with property taxes comprising up to 48 percent of local own source revenues in some farm States, this devaluation places a severe strain on local governments' capacity to raise sufficient revenues to fund very basic public services like education, public safety and health.

The loss in revenues is compounded by the sharp rise in property tax delinquencies as farmers are unable to come up with the cash to pay their local property taxes. In some States, delinquency rates have increased fivefold.

On Main Street, in towns across rural America, a similar erosion is occurring. Without a healthy farm economy to support them, local businesses are forced to close, jobs are lost, and commercial property values decline.

At the same time local revenues are being squeezed, service demands are increasing. The governmental aspect of the farm crisis is a two-edged sword. More and more farmers and their families are requiring stress and financial counseling from public and private social service agencies. Rising unemployment in many States, including Minnesota, has meant a growing number of individuals seeking AFDC and State and local general assistance programs. And while demand for services increases, the revenue squeeze is forcing cuts in governmental employment, State aid and public services.

At the national level, we have expressed concern about the rural crisis but our budget actions have not been sympathetic. Between 1982 and 1984, total Federal aid to general purpose governments, not including general revenue sharing, rose 0.1 percent nationwide in current dollars. However, among the 85 agriculturally dependent counties examined by my subcommittee, Federal aid declined 18 percent during the same period.

Now, we are proposing to cut GRS funds down to $1.8 billion—leaving only a skeleton of a program. While I would like to see GRS funded at $4.6 billion, the current authorization level, I know that this is not very likely. And I agree with those of you who feel that the Federal Government cannot even pay its own bills, much less share its revenues with wealthy cities and counties. But I also strongly believe that the Federal Government has a continuing responsibility to help those communities so burdened by Federal aid cuts, new responsibilities and economic decline that they are unable to provide a minimum level of basic public services.

To assist these communities, I have introduced a bill to create a program called Targeted Fiscal Assistance [TFA] which will assure that all communities can provide their citizens with a minimum level of basic services such as police and fire protection, street and bridge maintenance, public health and services for the elderly. My proposal retains the heart of GRS and applies it to today's economic realities. Under the Targeted Fiscal Assistance Program, local governments will continue to receive general purpose grants that they can use to meet their own funding priorities. But my program will better target the funds to those communities that need it most; communities that face above average service demands and do not have the resources to meet these needs on their own.

The Targeted Fiscal Assistance Program will provide a fiscal safety net for needy rural and urban communities and it will do so in a more cost efficient and budget conscious manner. Even with a funding level of $2.28 billion—a 50-percent reduction from the current GRS authorization—this program will go further in reducing fiscal disparities among communities.

TFA has neither a rural nor an urban bias—its only bias is need. However, as the chart below demonstrates, TFA is more responsive than GRS to rural communities that are experiencing fiscal stress due to the farm crisis.

FUNDING LEVELS UNDER TFA AND GRS

County	PCI	PCI as percent of State	Percent increase in funding under TFA versus GRS [1]	GRS as percent of country taxes
Iowa:				
Lyon	6570	72.5	41.1	14.1
Palo Alto	7681	84.7	26.3	10.3
Sioux	6830	75.3	38.6	13.0
Kansas:				
Hodgeman	7339	77.6	19.9	4.8
Haskell	7920	83.7	20.8	6.8
Meade	7570	80.1	76.0	5.6
Minnesota:				
Lincoln	6116	62.6	89.2	14.3
Pipestone	7095	72.7	50.3	14.0
Rock	7463	76.4	33.2	13.9
Nebraska:				
Knox	5156	57.6	122.5	12.5
Cedar	5758	64.3	38.7	19.3
Antelope	5878	65.7	76.2	13.0
North Dakota:				
Lamoure	7567	84.2	43.8	15.6
Logan	5764	64.2	74.0	15.0
McIntosh	6946	77.3	56.0	16.9

FUNDING LEVELS UNDER TFA AND GRS—Continued

[1] Assumes equal national funding levels of $2,300,000,000.

As the Senate takes up consideration of the fiscal year 1987 budget resolution, I urge you to consider the special burdens that rural communities face today and consider the reasonable alternative offered by the Targeted Fiscal Assistance Program.●

WORLD HERITAGE DAY 1986

● Mr. GORE. Mr. President, I would like to take this opportunity to recognize today as World Heritage Day 1986 and to commend the National Park Service and the U.S. Committee of the International Council on Monuments and Sites [US/ICOMOS] for their outstanding leadership in implementing the World Heritage Convention.

World Heritage Day was first celebrated in 1984 to provide nations and communities around the world an opportunity to share in their celebration of the world's most revered natural and cultural resources. The World Heritage concept was initiated by the United States and presented to the community of nations at the Stockholm Conference in 1972. In 1973, the United States became the first country to ratify the World Heritage Convention, which has now been signed by 89 countries.

As a result of this treaty, 216 cultural and natural sites of outstanding value are protected by the support pledged by these member countries. The United States now has 14 World Heritage sites. I am most proud to say that my home State of Tennessee, along with our neighboring State of North Carolina, contains one of the most popular of these sites, the Great Smoky Mountain National Park.

Each one of these sites has been found to have "outstanding universal value to mankind." The Smokies set a record last year of over 9.3 million visitors who came to experience its high elevation ecosystem, 70 miles of Appalachian Trail, and early Southern history. The park, with over 500,000 acres, also has the distinction of being designated an international biosphere reserve.

Next year, the 8th ICOMOS general assembly will be held October 7-15 in Washington, DC. It will be cohosted by the National Park Service and the National Trust for Historic Preservation. Held every 3 years in different locations around the world, the general assembly serves as a common meeting ground for the 600 delegates that represent ICOMOS's national committees.

Under next year's conference theme, "Old Cultures in New Worlds," delegates will study methods to identify, preserve, maintain, and interpret their countries' national heritage. This is the first time that the general assembly has been held outside of Europe, and plans are being made to schedule tours to nearby historic areas and to several World Heritage sites. For many of the delegates, this will provide the first and perhaps only opportunity for them to visit our country.

Mr. President, in these difficult times of international conflict, it is encouraging to know that the nations of the world still desire to join together to recognize and preserve the world's historic monuments, buildings, and sites of international significance. This spirit of cooperation is surely one of the most promising keys to world peace and understanding.●

THE INSTITUTE OF POLITICAL ECONOMY

● Mr. GARN. Mr. President, one of the most exciting developments of the 1980's has been the growth of independent "think tanks," those hotbeds of new ideas and techniques which have helped us in Washington make the Government work better and cheaper. As you well know, Mr. President, I have been critical, during my tenure in this body, of the efficiency of our Government, but I think all of us have an obligation to make it work better, and to the extent that these think tanks can help us, I believe we should use them.

I bring this matter up because of the announcement of a new organization in my home State of Utah, an organization that can, I think, help us to focus on the problems of the public lands States, and help us to examine the situation in these States in light of the best economic and political analysis.

I refer to the Institute of Political Economy at Utah State University. As a graduate of the University of Utah, I have never been one to wonder whether anything good can come out of Logan; the contribution of the fine institution located there has already improved immeasurably the way we consider land-use problems in the West. This new institute promises more of the same.

The director of the institute, Associate Professor Randy Simmons, is well-known to us here in Washington already. For 2 years he was an assistant to the Director of Policy Analysis at the Department of the Interior, where many of us and our staffs worked with him extensively. Professor Simmons was educated at Utah State himself, and then at the University of Oregon. He has also been associated with the Political Economy Research Center in Bozeman, MT. I do not agree with every idea that comes out of PERC, but I have always found their analysis fascinating, thoughtful, and thought-provoking. In any event, it is clear that Professor Simmons is superbly and uniquely qualified to bring to bear the best economic analysis on the problems of development and land management in the Western States.

I wish Professor Simmons and his associates well, Mr. President, and predict that we will hear much, much more from them as time goes on. In order that my colleagues might begin to become acquainted with the Institute of Political Economy, I ask that a short description of the institute and its projected plans be inserted at this point in the RECORD.

The material follows:

USU INSTITUTE OF POLITICAL ECONOMY

POLITICAL ECONOMY AT USU

Political economy is the application of economic analysis to political processes as well as the study of the interaction of markets and politics. Two hundred years ago political economy included the subject matter of economics, political science, and part of sociology. The concepts underlying the United States Constitution were developed by political economists. A new generation of political economists is developing a discipline that is not modern economics nor modern political science but is both. They use the concepts developed by the classical political economists and apply them to the modern political economy.

The USU Political Science Department has established the USU Institute of Political Economy to promote the use of political economy in basic policy related research, to refine and review the results of that research, and to disseminate the results. There is a core of USU political economists involved in Institute programs. But there are not nearly enough to carry out the program envisioned for the Institute. Thus, political economists from the nation's universities will be involved. For example, at the recent conference on the International Political Economy of Food Scarcity two of the 15 participants were from the USU faculty. The others were the nation's and in some cases the world's experts on the subject matter.

Political economy provides a focused methodology, USU's faculty provides a core of researchers, and the nation's most accomplished scholars participate in the Institute programs. This combination provides the Institute and the University with visibility and credibility reaching far beyond the state and region.

USU INSTITUTE OF POLITICAL ECONOMY—MISSION STATEMENT

The focus of the Bureau of Government and Opinion Research in the Political Science Department at Utah State University has evolved over the past several years to include more than simply public opinion research. To better identify the research activities, the Department has reorganized the Bureau to form the USU Institute of Political Economy. The Institute is designed to be much like the vertically integrated firm which discovers and mines raw materials, refines them, and markets the resulting products. We develop ideas through basic research, exchange and refine them through various forums, and disseminate them to policy makers and to the public.

The Institute programs—research, seminars, conferences, internships, and special lectures—emphasize the analysis of government policies using "equity," "efficiency, and "freedom of choice" as measures for policy effectiveness. We apply, and encourage policy makers to apply, basic economic principles to the study of public policies and processes.

The Institute programs reflect more than theoretical interests and involve more than university educators and administrators. The concerns, recommendations, and research results that evolve out of the programs made possible by the Institute facilitate the ultimate mission: to apply the tools of political economy to policy research in order to make research results available and understandable to policy makers and to improve future policy formulation through discovering, refining, and disseminating ideas.

THE INSTITUTE PROGRAMS

Discovering ideas through research

Through the research activities of the Institute we gather and formulate ideas on how to increase equity, efficiency, and freedom of choice in the application of government policy. The Institute provides funds to support research directly and seed money to develop outside research funding. Specifically, we:

Conduct Basic Research on specific policies, especially those we anticipate being on the policy agenda in the near future.

Investigate Results of existing policies to determine how equitable and efficient they are and how they effect the range of people's choices.

Test Economic and Political Theories in small group experiments to test various economic and political theories about how people will respond to different policies.

Conduct Public Opinion Surveys and analyze reactions to issues and questions.

Refining ideas through conferences, seminars, and lectures

Students, citizens, faculty, and distinguished social and natural scientists are brought together to review and refine the ideas that arise from Institute sponsored research. The specific forums supporting the refinement of ideas include:

Conferences: Some are for general audiences such as students, citizens, and faculty. Others are for specific audiences such as agency administrators or Congressional staff. Working conferences provide an environment where experts meet to work over their ideas in order to produce a book, briefing papers, or articles. Some conferences are on campus, others at hotel conference facilities, and others on location such as organized float trips. Planned conferences for 1986 include one on the public trust doctrine as applied to water and wildlife and one on the lessons from 200 years of living with the American Constitution. Another conference under consideration is one on

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the political economy of natural resources for journalists from the nation's leading newspapers and magazines.

Seminars and Lectures: Noted policy professionals and academics organize conferences, conduct seminars and research, deliver special lectures and teach in collaboration with Utah State University faculty.

Disseminating ideas

Many scientists and researchers research policy questions, propose exciting new ideas, and publish them in academic journals. However, few involved in really making policy read academic journals. The result is that important ideas and analysis go unheard and are not available to be considered by policy makers and implementers.

We believe that ideas have consequences, if they are heard. Therefore, we want to make the ideas fostered and refined through the Institute programs heard and considered by the general public, by the policy professionals, and by the academic community. We take the following actions:

Publish books and articles designed to be understood by the interested lay person, as well as by academics.

Publish editorials and columns in the nation's leading newspapers: These articles summarize research results making them available for general consumption. An article appearing on the op-ed page of the *Wall Street Journal* will have far more impact on opinion and policy than it would in *The Policy Studies Journal.*

Publish a readable, concrete newsletter informing interested people about Institute proposals, activities and accomplishments. (We plan to begin publishing the newsletter during 1986.)

Prepare briefing papers and testimony for agency and legislative hearings and staff; allowing us to place research results and proposals directly into the hands of those making policy decisions.

Provide well trained student interns for legislators and members of Congress, lobby groups, and political candidates. This gives them opportunities to apply classroom skills to read world situations. Recently, about half of our 25+ interns per year have entered careers in government, lobbying, or campaign consulting immediately upon graduation. Most of the rest have gone on to law or other graduate school. The interns provide continual access for Institute ideas to policy makers.

PROGRAM HISTORY

For several years the Political Science Department has been developing an extensive program of research programs, conferences, seminars, visiting professors, and student internships in addition to the public opinion surveys conducted through the Bureau of Government and Opinion Research. These programs have provided visibility and an identity for the Department as a place with an exciting intellectual atmosphere, where serious questions of political economy are addressed, and where students are well instructed in the classroom and have opportunities to apply their classroom skills in real world situations. Conferences have been held on foreign policy, national security policy, the political economy of the international food crisis, the potential of privatizing public lands, energy development in the West and its effects on the environment, the United States Constitution, political party realignment, and food security and the international political economy. The programs have attracted noted social scientists and policy professionals.

PERSONNEL

The Institute Director is Randy T. Simmons, a political economist and Associate Professor in the Department of Political Science. He recently returned to USU after spending two years as the assistant to the Director of the Office of Policy Analysis in the U.S. Department of the Interior.

Professor Simmons is assisted by Cindy Nielsen, a staff assistant with fifteen years experience at Utah State University. She manages the Institute budget, handles all administrative details for conferences, supervises clerical workers and graduate students doing work for the Institute, and coordinates the Institute's fund raising activities.

Internships are directed by Michael Lyons and lectures and seminars are cooridnated by Peter Galderisi, both Assistant Professors in the Department of Political Science. In addition to directing Internships, they are regular participants in conferences and seminars sponsored by the Institute.

Several other faculty members from Utah State University are involved in Institute programs. In addition, researchers at other universities, in think tanks, and in government are involved.●

U.S. INDUSTRIAL COMPETITIVENESS

● Mr. **RIEGLE.** Mr. President, almost 3 years ago President Reagan established a Commission on Industrial Competitiveness to assess America's competitive position in rapidly changing world markets.

Members of the Commission were 30 top leaders of American business, labor, government, and academia. The Commission was broadly based. Members had direct experience with different industries. They came from various parts of the country. And they came with different philosophies.

After more than a year of study, the President's Commission reached unanimous agreement. All 30 members agreed that vigorous foreign industries are directly challenging many of the largest and most successful sectors of our economy. They agreed that America's ability to compete in world markets is inadequate and eroding. They agreed that continued deterioration threatens U.S. world leadership, our standard of living, our national security and our ability to fund important domestic programs. They even agreed on a total of 91 action items to strengthen America's competitive performance.

The breadth of the agreement was remarkable. So was its intensity. The Commission called on Americans to "take on the challenge of competitiveness as the economic agenda for the next decade."

A year has passed since the Commission made this challenge. It is therefore appropriate now for the administration to provide the American people with a progress report on the vital agenda set forth by the President's own Commission and on future plans to implement the Commission's recommendations.

The President's Commission put its finger on no abstract problem. Its hard reality is felt in the personal experiences of America businessmen and workers in all types of industries. Many of them have come to me and to many of my colleagues with alarming evidence of the stiff, new form of economic challenge that is coming from overseas.

The Commission's great contribution was to show how American industry's ability to compete in that new environment has seriously weakened over a 15-year period and across many industries. Six striking facts stood out as I read the Commission's report.

First, real wages of American workers have stagnated since 1973 and, even with the recovery, they still remain below their 1977 level. By comparison, real compensation had been rising steadily at a 2.6 percent annual rate in the decade prior to 1973. The stagnation of real wages means that millions of American families will be frustrated in their hopes for a rising standard of living.

Second, the U.S. merchandise trade balance turned negative in 1971 after having been positive since 1893. Except for 1973 and 1975, the U.S. trade balance has been declining for the last 15 years. That problem began well before the dollar appreciated. In fact, during the 1970's, the U.S. trade deficit was growing despite a 15 percent depreciation in the dollar.

Third, between 1965 and 1980, U.S. exports lost world market share in 7 out of 10 high tech or "sunrise" industries: engines and turbines, professional and scientific instruments, electrical equipment and components, optical and medical instruments, drugs and medicine, plastic and synthetic materials, and industrial chemicals.

We held our share in aircraft and parts. We gained export market share only in office, computing and accounting machines and in agricultural chemicals.

Fourth, the main weight of U.S. trade has shifted dramatically from Europe to the Pacific basin. U.S. imports of manufactured goods from Western Europe dropped from 46 percent in 1962 to 24 percent in 1983. Over the same period, Japan's share of our manufactured imports rose from 16 to 25 percent. Pacific rim countries—such as Taiwan, South Korea, Singapore, Hong Kong, and Malaysia—went from a 5 percent share in 1962 to 19 percent in 1980. By 1990 at that rate of growth, our manufactured imports from the Pacific rim will be two times the amount imported from Europe.

Fifth, in recent years the U.S. bilateral trade deficit with Japan has been even larger in electronics, $21.3 billion

in 1984, than in automobiles, $20.0 billion.

And finally, the United States has lagged behind other nations in training of engineers. Japan has been graduating more engineers than the United States—more than twice as many on a per capita basis. I ask that the following table be printed at this point in the RECORD.

LEVELS OF EDUCATION IN ENGINEERING

Country	First university degree (1982)		Doctoral degree (1981)	
	Number	Per 100,000 persons	Number	Per 100,000 persons
Japan	73,600	62	1,250	1.1
West Germany	6,800	11	1,000	1.5
United Kingdom	10,300	18	NA	NA
United States	67,400	29	2,550	1.1
France	11,900	22	NA	NA

Mr. President, several months ago I initiated a factual monthly report called the Monthly Trade Alert. It has picked up an continued part of the valuable work of the Commission by regularly minitoring 17 key measures of our position in world trade, in labor productivity, in real wage growth and in unemployment, inflation and Federal pressure on the capital markets. The Monthly Trade Alert uses a framework outlined in the Commission's report. Taken together, those 17 measures give a realistic picture of where this country stands in the struggle for good jobs, economic security and a rising standard of living for our people.

In all these measures, the Commission found a very serious problem in January 1985. The evidence since then is reason for continuing concern, because some disturbing facts lie just below the surface of the seemingly rosey economic news we have been hearing recently.

MERCHANDISE TRADE DEFICIT

U.S. merchandise trade performance continues to erode. The trade deficit in 1985 rose to $148.5 billion, exceeding the 1984 level of $123 billion. The trade deficit for January and February 1986 stands at $28.9 billion—an increase of $7.4 billion from the same period in 1985.

NET INTERNATIONAL INVESTMENT POSITION

The U.S. net international investment position has deteriorated to a point where the United States is now one of the three largest debtor nations in the world. The debt for 1985 may reach $89 billion placing this country behind only Mexico and Brazil among the World's largest debtor nations. During the last quarter of 1985 alone, the debt increased by $36.6 billion.

VALUE OF THE DOLLAR

An important part of our trade deficit is with countries that tend to peg their currencies to the dollar. Although the value of the dollar has declined relative to 10 major foreign currencies by nearly 30 percent since February 1985, it has fallen by only 0.8 percent on a trade-weighted basis against Taiwan, Singapore, South Korea, and Hong Kong.

PRODUCTIVITY

Productivity has risen less in this recovery than in any other since World War II. U.S. output per hour has risen an average 1.4 percent in the current recovery compared to a 3.3 percent average for similar recovery periods since 1949. U.S. productivity rose 0.3 percent in 1985 compared to typical Japanese rates of over 7 percent and German rates of over 3.5 percent.

CAPITAL INVESTMENT

Nearly all capital spending went for vehicles, office machines, and computers and not for production equipment. Business investment in plant and equipment fell short of expectations by 1.3 percent in the third quarter of 1985. For 1986, the Department of Commerce expects it to decline in real terms by 4 percent in the manufacturing sector and 1 percent across all industries.

INTEREST RATES

While U.S. interest rates have fallen by about 16 percent since January 1985, those of our major competitors have also declined and remain well below ours. In January 1986, interest rates were 10.5 percent in the United States but only 6.7 percent in Japan, 7.1 percent in Germany, and 10.4 percent in Canada.

JOB CREATION

The service sectors have created the vast majority of new U.S. jobs in recent years. Manufacturing unemployment held to 7.2 percent in March 1986, and manufacturing employment remains 130,000 below the previous year's level as a result of the loss of 337,000 manufacturing jobs between January and September 1985. The Commerce Department recently reported that increased imports caused the loss of about 700,000 U.S. jobs in 1984.

REAL WAGES

The U.S. economy has not been able to support rising real incomes, a key sign of weakness in competitiveness. Real wages remained stagnant in the last half of 1985 and showed a 0.5-percent decline in the nonfarm business sector.

Mr. President, since the turn of the century several generations of Americans had reason to develop a belief that U.S. industry has unquestioned superiority in the world and that other countries would in time adopt our ways of doing things. Americans felt they did not have to worry about foreign competition. Administrations of both parties developed economic policy without sensing the need to have a national strategy for international competitiveness.

Since 1970 that has become a luxury we can no longer afford. Most notably Japan but also a large and growing number of other foreign countries have adopted national development strategies that are based on closing their home markets and exporting to the United States. Some of those foreign practices threaten the stability of the international trading system. Some of our trading partners are behaving like trade adversaries. Some of those foreign practices are just shrewder than our own. But all of them taken together pose an unprecedented challenge to American industrial strength and to our employment base.

This generation of American leaders—in industry, in labor, and in Government—must not turn away from that challenge. Unfortunately, we have already squandered valuable years with artificial debates over "big government intervention in the economy" versus "the magic of the market place." We have been diverted into theoretical arguments over "free trade" and "protectionism."

The President's Commission provided a fresh, new starting point for practical action to improve our productivity, to develop an effective trade strategy, to create and retain good jobs, and to maintain a rising standard of living.

The American people deserve to have U.S. competitiveness placed at the top of our national agenda. They deserve an open dialog on practical steps to meet the intense international challenge and to assure our long term economic security. They deserve accountability on competitiveness from their national leaders.

On April 17, Senator ROCKEFELLER introduced Senate Joint Resolution 327, which is a good step toward that accountability. That resolution calls for the President to report on steps that have been taken and are being planned to implement the recommendations of his own Commission on industrial competitiveness. The President's report would provide a valuable basis for bipartisan attention to this vital issue.

I was pleased to join a bipartisan group of 34 Senators in introducing this resolution.

I urge my colleagues to give this resolution their attention, to join us as cosponsors, and to pass it at an early date.●

PRESIDENT'S DECISION TO CONTINUE COMPLYING WITH SALT

● Mr. **HEINZ.** Mr. President, the media has reported an apparent decision by President Reagan to uphold the SALT limits on MIRV'd missiles by dismantling two Poseidon submarines when our newest Trident submarine goes to sea next month. The de-

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tails are not yet final or confirmed, but if the President has reaffirmed his no-undercut policy he has earned the thanks and praise of all Americans committed to military security and strategic arms control.

The reported decision by President Reagan to continue observing key SALT numerical limits is the right decision. It preserves treaty limits that serve American security. The President's decision upholds limits that the Soviets continue to honor, limits that are the only important surviving arms control accomplishments on which to build new, more restrictive arms limitation agreements.

Earlier this month I joined 51 of my Senate colleagues in writing a letter to President Reagan urging him to stick by his no-undercut policy. Others expressed the same sentiment in their own letters. The clear majority of the Senate that backs this policy applauds President Reagan's reaffirmation of his support for arms control limits that serve our vital interests.

Many critics of arms control have claimed that the limits contained in the two SALT treaties do not go far enough to restrain the strategic arms competition. Our objective remains deeper cuts, tighter restrictions. The first step towards that goal is to keep the limits we do have. The Soviets have to give up operational systems to stay within the limits, and so do we. That is where true arms control begins. The President's decision to dismantle two old submarines confirms that the United States can take positive steps that serve our security interests and preserve the chance for arms control breakthroughs.

The decision reportedly includes proportionate reponses that do not undercut the SALT limits. The two reponses are said to be pursuit of the small mobile ICBM, the Midgetman, and a possible acceleration of the advanced cruise missile program. The Midgetman, which will break the restriction on new land-based missiles when it is flight tested in a few years, is exactly proportionate to what I see as the most serious Soviet undercut of the SALT treaty, their SS-25 ICBM. The cruise missile program is consistent with SALT, and continues to tie down Soviet defense investment in defensive systems while capitalizing on our technological strengths.

These two proportionate responses meet the test that any response to Soviet violations must meet: They serve American security interests, and they avoid needlessly undercutting SALT limits that both the United States and the U.S.S.R. currently observe.

Last June the President said he was going the extra mile in continuing to observe the MIRV missile limits of SALT. It is an extra mile that I am glad to take, because we are not helping the Soviet Union, we are helping ourselves. We are preserving arms control limits that contain the buildup of the most dangerous weapons in the superpowers' bulging arsenals—multiple warhead missiles. We are preserving the groundwork for an agreement that achieves the President's stated arms control priority—a treaty that mandates real reductions in nuclear forces. If we are indeed walking an extra mile, it is an effort every bit as important to U.S. security and arms control strategy as the weapons we fund and build to maintain deterrence.●

TRIBUTE TO SAMUEL LOUIS BALLINGER

(By request of Mr. DOLE, the following statement was ordered to be printed in the RECORD:)

● Mrs. HAWKINS. Mr. President, I want to take this opportunity to congratulate an outstanding program in Miami that for the past 25 years has recognized young men for their achievements in scholastic and community endeavors.

The Egelloc Civic and Social Club will hold their "Men of Tomorrow" program on April 26. Started in 1941, The Egelloc Civic Club participates in community service projects by enlisting promising young men who display a special awareness to needs of the community.

One such young man is Samuel Louis Ballinger. Louis is an outstanding young men who excels in his academic work, as well as civil involvement. The city of Miami can be proud of Louis and all the young men who will be honored this year.●

S. 100, THE PRODUCT LIABILITY ACT

● Mr. KASTEN. Mr. President, today the liability insurance crisis is a matter of national concern, but for a long time there have been Members of this body concerned about this problem and the underlying need for reform of our civil justice system—particularly in the area of product liability litigation. It was this concern that prompted them to become cosponsors of S. 100, the Product Liability Act, which I introduced in January of 1985.

After S. 100 became deadlocked in the Commerce Committee, we began efforts to formulate a product liability reform measure that incorporates elements of S. 100 with other reform proposals that promote alternatives to litigation. These efforts are continuing, but the names of those Senators who became a part of this process early on as cosponsors of S. 100 were inadvertently omitted from the RECORD.

As a consequence, I have asked unanimous consent that the names of the following seven Senators who became cosponsors of S. 100 early in 1985 be noted in the RECORD: Senator HELMS, February 5, Senator LUGAR, February 5, Senator ABNOR, February 25, Senator EAST, March 19, Senator PRESSLER, March 21, Senator GARN, March 25, and Senator QUAYLE, April 17.●

NAUM AND INNA MEIMAN: A CARING COUPLE

● Mr. SIMON. Mr. President, this morning I testified on behalf of the divided spouses at the hearing on Soviet and East bloc emigration policies. This hearing was before the Commission on Security and Cooperation in Europe which is an outgrowth of the Helsinki accords, signed in 1975.

At the hearing, I mentioned the case of Naum and Inna Meiman. Though not a case of divided spouses, they too are in a tragic situation caused by the Soviet Government. They are a warm, caring couple who wish to emigrate to Israel. The tragedy is that the Meimans are in poor physical health. As the Soviet Government continues to deny them the permission to emigrate, the Meimans chances to live in Israel dwindle.

The Meimans wish to emigrate in order for Inna to receive vital medical treatment available only in the West. The Soviets have continually denied the Meimans and many others their basic human rights. Naum's participation in the Helsinki watch group has resulted in 10 years of harassment. The Soviets have effectively disbanded the watch group.

I urge the Soviet authorities to allow the Meimans to go to Israel.●

SURVIVORS OF ABORTION: THE DREADED COMPLICATION

● Mr. HUMPHREY. Mr. President, most American citizens are unaware of the magnitude of the problems connected with second- and third-term abortions. Few are even aware that such abortions are protected by the Roe versus Wade decision. Fewer still are aware that 300 to 400 children survive these abortions each year.

When tiny infants survive late-term abortions, they plunge doctors, nurses, hospital administrators, and, particularly, their mothers into a profoundly painful dilemma. There are few time-worn principles by which to establish procedures to govern such contingencies. And the appalling lack of treatment received by these defenseless newborns is unacceptable.

I request that my colleagues read the article I am submitting from the New York Times which attempts to outline the ethical problems raised by this scandal. If the medical profession is unable to formulate suitable guidelines for the protection of these new

human lives, then the Congress will have to intervene. The article follows:

[From the New York Times, Feb. 15, 1984]

WHEN ABORTION BECOMES BIRTH: A DILEMMA OF MEDICAL ETHICS SHAKEN BY NEW ADVANCES

(By Dena Kleiman)

A woman went to Beth Israel Medical Center in Manhattan for an abortion. When it was done, the doctors told her she had just given birth to a daughter.

The child, though seriously brain-damaged, was saved by new techniques of caring for extremely premature infants, and the techniques get better every year. The number of children surviving abortions is still tiny, and their chances of leading healthy lives are still small, but they are posing extraordinarily troubling problems for doctors and hospital administrators.

In effect, medical technology has leaped beyond both the law on abortion and the assumptions of medical ethics. At many hospitals, policies have been thrown into turmoil.

Doctors are grappling with whether a child born as a result of an abortion should be given the same extraordinary care as one born of a miscarriage. Hospital ethics committees are confronting the question of whether late abortions should be moved out of operating rooms and into the obstetrical wings holding the latest life-saving equipment. Women requesting late abortions at some hospitals are being told that a fetus born alive will be given all chances to survive.

ONE OF OUR MOST DIFFICULT AREAS

"The area of late abortions is one of our most difficult areas," said Dr. Alan Rosenfield, acting director of obstetrics and gynecology at Columbia-Presbyterian Medical Center. "There are no easy answers given our technology now."

In its landmark 1973 decision, the United States Supreme Court upheld a woman's right to abortion until the point of fetal viability and said that point was generally at about 28 weeks after conception. In New York State, the law allows abortions through the 24th week of pregnancy. But a decade of advances in medical science have made it possible to sustain the lives of infants earlier—as early as 23 weeks.

Live births after abortions are still extremely rare. Of the more than 180,000 abortions performed in 1982 in New York, there were 18 live births, according to statistics maintained by the State and City Health Departments. No statistics are maintained nationwide.

But the very possibility—a possibility most hospitals are reluctant to discuss openly—has stirred internal hospital discussions of when and how abortions are performed, whether late pregnancies should be screened for defects, and what specific procedures should be taken if a child is born live.

And there are difficult new legal issues. When an abortion becomes a birth, it is unclear who must decide what procedures are in the infant's best interest or who is financially responsible.

Because infants born of abortion are injured in the abortion process, legal scholars are asking whether it would be possible for such a seriously injured infant to make a claim of "wrongful life" against a hospital.

DIFFERING APPROACHES TO THE PROBLEM

Policies vary dramatically.

Some hospitals are now only performing elective abortions until the 20th week—a point where it is still impossible to sustain fetal life—except in cases where a fetus has been determined to suffer from major defects.

Others, refusing to make even that exception, are declining to perform amniocentesis, the genetic screening of the amniotic fluid surrounding the fetus. The test is generally recommended for women over the age of 35 and undergone by countless others to detect fetal abnormalities.

Some hospitals are switching to an abortion procedure that eliminates any possibility that a fetus might live.

WARNINGS TO THE FAMILIES

At still others, families are routinely being advised that an abortion may result in a live birth.

"We have to warn the families," said Dr. Hugh R. Barber, chief of obstetrics and gynecology at Lenox Hill Hospital in Manhattan, where abortions are performed until the legal limit of 24 weeks. "You have to tell them there is a slight possibility the fetus may live."

Dr. John Parente, director of obstetrics and gynecology at the Bronx-Lebanon Hospital Center, said that emniocentesis is not available there and that the hospital did not want to do late abortions.

"It's an emotional problem," he said. "We just don't want to do it."

"We decided to cut back to 20 weeks," said Dr. Fritz Fuchs, professor and former chairman of the department of obstetrics and gynecology at New York Hospital-Cornell Medical Center, where an exception is made for major defects. "In this manner, we have avoided getting into any difficulties with the law."

FEAR INSPIRES CAUTION

The subject is rife with emotion and debate. Much of the discussion is taking place behind closed doors for fear of publicity and lawsuits.

Told about the subject of this article, many doctors declined to return telephone calls. In one case, the director of obstetrics at a major New York hospital spoke in detail of an aborted infant's survival last year and the traumatic impact this event had on the hospital's staff. The next day, he called back to deny the incident had ever occurred.

The questions of when abortions should be performed, by what method, and what kinds of infants should be saved are answered differently by different physicians.

While publicly the great majority of hospitals agree that any infant who survives an abortion or miscarriage should be kept alive, doctors acknowledge privately that this practice varies widely from hospital to hospital.

CIRCUMSTANCES OF PROCEDURE

"It's necessary to remember that these days abortion is done on request and therefore not a procedure you undertake in the interest of the fetus," said Dr. Gordon W. Douglass, the chief of obstetrics and gynecology at New York University Medical Center, where abortions are performed only until the 20th week of preganancy except in cases of fetal abnormality.

"What most of us try to do is to try to remain within the law and not generate problems for anyone," Dr. Douglas said. "The hospital requires any live fetus to be given full supportive services and full resuscitation regardless of prognosis. But the delivery of a living fetus carries no guarantee of a surviving adult of any competence."

Complicating the problem for doctors at many hospitals are advances that have been made in detecting defects long before birth. Many of these procedures, including amniocentesis and sonography, cannot be performed until relatively late in the pregnancy, so often decisions about such abortions are made just at the edge of fetal viability.

WORKING AT CROSS PURPOSES

"It makes us all schizophrenic," said Dr. Richard Hausknecht, an associate clinical professor of obstetrics and gynecology at Mount Sinai Hospital who specializes in high risk pregnancies. "Nowadays we are asked to terminate a pregnancy that in two weeks doctors on the same floor are fighting to save."

Very premature infants, with low birth weight, suffer from myriad problems. Recent advances have helped prevent lung collapse in these tiny infants and have made it possible to nourish them with new formulas.

Nevertheless, serious handicaps persist. The cost of producing a survivor from a fetus of less than 28 weeks' gestation—whether it is a result of an abortion or of natural miscarriage—can run into the tens of thousands of dollars, not including medical costs from later complications of premature birth.

THREE METHODS OF ABORTION

Much debate concerns the method by which late abortions are performed. Generally, there are three methods.

Injecting saline into the amniotic sac to induce labor in the mother is still the most commonly used procedure in late abortions. While it generally results in fetal death, it has been associated with harmful side effects in women and doctors have increasingly turned to the use of prosteglandin in late abortions.

Prosteglandin is a substance that also induces labor, but it does not poison the fetus. Of all abortion methods, prosteglandin—while believed to be the safest for women by some doctors—is also the most likely to result in a live birth.

The third and most controversial of the methods is dilation and evacuation. Known as D and E, it involves dismembering the fetus while still in the womb, which eliminates any possibility of live birth. It is a relatively new procedure in late abortions, and is generally believed to be among the safest for women and the least psychologically painful. However, it is also generally considered the most traumatic for doctors and staff.

The suction and curettage method, in which the cervix is dilated and the fetus is extracted through a suction tube, is generally applicable only in the early stages of pregnancy.

NEW PROCEDURE IS GAINING

According to the Centers for Disease Control in Atlanta, the use of dilation and evacuation in second-trimester abortions has increased greatly in recent years, as more physicians have learned to perform the procedure and it has gained in acceptance.

Division abounds among gynecologists about who is willing to perform late abortions and by what method.

"I think every obsterician struggles with this and makes his mind up what his threshold is," said Dr. David Grimes, a gynecologist with the division of reproductive health at the center in Atlanta. "Some do it until 12 weeks. Some will do it until 24."

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"It would not be worth it to me to take even a small risk to the mother's life to avoid possibility of a live birth," said Dr. Bruce Young, director of maternal-fetal medicine at New York University Medical Center, where the policy also is to perform abortions until the 20th week of pregnancy except in cases of fetal deformities. The method of choice at New York University Medical Center is the use of prosteglandin.

"A woman comes to me for a late abortion and I do it the best way I know how," said Dr. E. Wyman Garrett, an obstetrician in Newark who is among a growing number of physicians who have developed expertise in performing D and E's through the 24th week of pregnancy.

He said he prefers this method because it is safer for the woman and because it avoids the agonizing decision of what to do when a child is born alive—a situation he confronted only last year.

In that instance, Dr. Garrett performed a saline abortion on a young woman at University Hospital in Newark. The infant that emerged weighed about 1 pound 10 ounces and was alive. It was born Jan. 13 and died April 29 after developing meningitis.

"I do D and E's because I think it is safer," said Dr. William Rashbaum, a gynecologist affiliated with Beth Israel who also specializes in this method. "It is a horrible procedure. Staff burnout is a major problem. But are you functioning in the interests of taking care of your staff or taking care of your patients?"

THEORIES FOUNDER ON REALITY

A serious problem physicians confront in performing late abortions is the gap between abstract theories on fetal viability and the realities of medical practice.

In the case of the fetus born alive during an abortion at Beth Israel, for example, the infant was believed to have been only 22 weeks in gestation, but it was in fact 25 or 26 weeks, according to one doctor.

"The baby turned out to be older than we thought," the doctor said. Beth Israel officials said that the infant suffered extensive brain damage but would not discuss the incident further.

Pregnancy due dates, dates of conception and fetal viability are still uncertain areas. They depend on the skills of the doctor, the technical currentness of the hospital and individual development of the child.

METHOD OF DETERMINING AGE

When a woman in the second trimester of pregnancy approaches a physican for an abortion, she is asked to undergo a sonogram, which produces an image of the fetus. It is the best—though still far from perfect—way for doctors to determine gestational age, since recollections about last menstrual periods are highly imprecise.

The age is estimated by measuring the diameter between two points on the fetus's skull. In theory, the wider the diameter, the older the fetus. But accuracy depends on the machinery used and on the skill of the technician using it. Congenitally small children make estimations of fetal age even more difficult.

"Sonograms are very subjective," said Jeffrey Karaban, a sonographer at one of the largest abortion clinics in New York City, the Eastern Women's Center in Manhattan, where 8,000 abortions are performed a year. "Certainly there are a lot of bad sonograms done. We have patients come from seemingly reputable places and yet their sonograms don't jibe with what we see."

Viability is even more difficult to assess. Once a highly premature infant is born—either as a result of abortion or of miscarriage—its gestational age is determined by how much it weighs and a number of other physical characteristics: the condition of its eyes, the state of its skin, how much cartilage it has developed in its ears. This, too, is highly subjective.

CHARACTERISTICS OF FETUS

A 24-week fetus physically appears to resemble a child, but its lungs and brain are still not fully developed, nor are its eyelids open.

If a decision has been made to resuscitate the baby, a mask may be placed over its mouth and nose and a needle placed through its navel to measure blood pressure and body chemistry. The baby is then weighed and further examined to determine whether to continue treatment.

Some doctors do not believe an infant is "viable," and thus a subject for the most advanced and agressive treatment, if it is seriously deformed or has been determined to have less than a 20 percent chance of survival. Other doctors will try to save any infant with a heart beat.

"I have never been called to deal with such a case, but if I were I would vigorously treat that baby," said Dr. John Driscoll, director of the neonatal intensive care unit at Columbia-Presbyterian. "If the baby was anomalous, there would be a whole other set of dilemmas. If I were asked about a Down's syndrome baby, I believe everything should be done. I differ with some people's thoughts about quality-of-life issues."

CONTINUED NEED RAISES TROUBLING QUESTION

The underlying question that many doctors ask in confronting these difficult medical problems is why late abortions are still necessary, given the availability of contraceptives and the comparative ease with which abortions can now be obtained.

Indeed, over the past 10 years, elective abortions have been performed at progressively earlier stages of pregnancy nationwide, and the great majority are now carried out within the first trimester.

Of the 1.6 million abortions performed in the United States in 1980—the last available figure from the Centers for Disease Control in Atlanta—more than 90 percent were done within the first 12 weeks. Only about 13,000—less than 1 percent of all abortions performed nationwide—were performed on women pregnant more than 21 weeks.

According to statistics compiled by the Centers for Disease Control, the largest group of these women is between the ages of 15 and 19.

Many of these are believed to be unwed teen-agers who do not know they are pregnant until they feel the baby kick. Quickening—as fetal movement is called—usually first occurs between the 17th and 20th weeks of pregnancy. About 10 percent of all second-trimester abortions—less than 1 percent overall—are performed on women who have discovered they are carrying infants with serious defects.

Amniocentesis is usually performed during the 14th through 18th weeks of pregnancy. Results take at least three to four weeks, so that a woman choosing to abort a fetus with birth defects may not be able to do so until the 17th or as late as the 20th week of pregnancy. If there are problems with culturing the fluid, it may have to be performed even later.

In an article to be published by the Georgetown University Law Journal next June, Nancy K. Rhoden, assistant professor of law at Ohio State University in Columbus, points out that advances in neonatology may have made the Supreme Court's Roe v. Wade decision obsolete.

NEW CUTOFF POINT SUGGESTED

Miss Rhoden suggests an arbitrary cutoff point of 20 weeks or the halfway mark of pregnancy as a new limit for abortions, with exceptions to be made for women who have found through amniocentesis that their offspring have serious defects.

But as legal scholars, ethicists and others continue to dissect this complicated subject, hospitals and physicians are trying to cope with the human drama of what is appropriate and what is not, whether abortions should now be carried out in the obstetrical wings of hospitals where fetuses can be monitored or whether neonatologists should be present at abortions where a live birth is a possibility.

"Social policy makes the late abortion issue worse," said Dr. Phillip Stubblefield, chief of obstetrics and gynecology at Mount Auburn Hospital in Cambridge, Mass., and an associate professor at Harvard Medical School. "Doing an abortion at 28 weeks is indefensible. I would draw a line at 24." The only exception he would make would be to save the life of the mother.

"But there should be a middle ground," he added. "Some abortions are necessary. What we should do is try to streamline the system so that help can be gotten earlier."

"What are the chances of a 24-week fetus to have a normal life?" asked Dr. William Caspe, the director of pediatrics at Bronx-Lebanon Hospital. "Probably small. Can they survive in terms of their heart and lungs? Yes. In terms of brain survival we are not there. And so a number of us have great qualms about what to do to a teeny tiny baby. For medical and legal reasons, we need to resuscitate. Some feel comfortable at that. Some don't.

"As a society, you shouldn't want us to do that. But as society, you give us no choice."●

COLORADO FEDERATION OF NATIONAL ASSOCIATION OF RETIRED FEDERAL EMPLOYEES

● Mr. ARMSTRONG. Mr. President, in a few days, the Colorado Federation of the National Association of Retired Federal Employees [NARFE] will hold their annual convention in Sterling, CO. This convention will officially end the second and final year of leadership of Colorado NARFE's president, John D'Arcangelis.

John recently informed my office of the tremendous contribution of volunteer services given to their communities by Colorado's Federal retirees in 1985. According to figures compiled by Colorado NARFE, more than 403,000 total hours of volunteer community services were performed by members. The more than 5,200 NARFE members in 29 Colorado chapters participated in charity drives, counseling services, hospital volunteer work, and many other worthy community pursuits.

But perhaps even more important is the spirit of involvement and cooperation with those of us in public office that has been fostered over the past

couple of years under John's leadership.

Since John assumed the Colorado NARFE presidency in April 1984, a very healthy give and take of views has occurred between my office and the NARFE organization. There is no organization or individual with which an elected official will always agree, but John has seen to it that no issue of direct concern to Federal retirees has risen that the Colorado NARFE position was not clearly and forcefully made to my office.

One of the most clearly defined areas of agreement John and I shared was our mutual concern over the perceived public image of Federal employees and retirees. John and the Colorado NARFE asked me to assist them in communicating the positive, real story to the public.

I have always been familiar with the Federal employee dedication and commitment to serving the U.S. Government and ultimately the American people, but I had to reluctantly agree that the overall public image of Federal employees and retirees was a bit tarnished for many unfair reasons.

In view of that I was pleased to assist in focusing public attention on the national and Colorado NARFE efforts on behalf of the Alzheimer's Association in counseling and assisting families of victims of Alzheimer's disease. This NARFE effort is unprecedented and in my opinion is a real turning point in educating the public about this horrible disease which robs many of our retired citizens of their golden years.

I look forward to working with John's successor as president, who will be selected at the Sterling convention, in finding ways to communicate the real story to the public of Federal employees' and retirees' efforts in their jobs and communities.●

ORDERS FOR WEDNESDAY

RECESS UNTIL 10 A.M.

Mr. DOLE. Mr. President, I ask unanimous consent that once the Senate completes its business today it stand in recess until the hour of 10 a.m., on Wednesday, April 23, 1986.

The PRESIDING OFFICER. Without objection, it is so ordered.

RECOGNITION OF CERTAIN SENATORS

Mr. DOLE. I further ask unanimous consent that following the recognition of the two leaders under the standing order there be special orders in favor of the following Senators for not to exceed 5 minutes: Senators HAWKINS, BIDEN, CRANSTON, and PROXMIRE.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. DOLE. I ask unanimous consent that Senator CRANSTON follow Senator HAWKINS, and then Senator BIDEN will be No. 3.

The PRESIDING OFFICER. Without objection, it is so ordered.

ROUTINE MORNING BUSINESS

Mr. DOLE. Mr. President, I ask unanimous consent that there be a period after the special orders for transaction of routine morning business not to extend beyond the hour of 10:30 a.m., with Senators permitted to speak therein for not more than 5 minutes each.

The PRESIDING OFFICER. Without objection, it is so ordered.

PROGRAM

Mr. DOLE. As indicated, at that time—which will be approximately 10:30 a.m.—we will resume consideration of Senate Concurrent Resolution 120, the budget resolution.

I think it is fair to say that there will be votes. By prior agreement and understanding there will be no votes, if any votes are ordered, after 4 p.m. They will be delayed until the following day.

Mr. BYRD. Mr. President, will the distinguished majority leader yield? Would the distinguished majority leader change that time from 4 o'clock to 3:30 p.m.? We can charge enough against the budget resolution. But if he would, I am certain Senators would appreciate it.

Mr. DOLE. We have no objection.

The PRESIDING OFFICER. Will the majority leader put that in the form of a unanimous-consent request?

NO ROLLCALL VOTES AFTER 3:30 P.M. TOMORROW

Mr. DOLE. Mr. President, I ask unanimous consent that any rollcall votes ordered after 3:30 p.m. be postponed until Thursday.

The PRESIDING OFFICER. Without objection, it is so ordered.

(Later the following occurred:)

Mr. DOLE. Mr. President, earlier we had indicated that there would be no votes after 3:30 tomorrow, and any votes ordered would be postponed until Thursday. I want to make the RECORD clear that I refer only to votes on S. 120, the budget resolution.

Mr. BYRD. Mr. President, I thank the distinguished majority leader. I think that was the intention and understanding on this side as well.

Mr. DOLE. Yes.

RECESS UNTIL 10 A.M. TOMORROW

Mr. DOLE. Mr. President, there being no further business to come before the Senate, I move, in accordance with the previous order, that the Senate stand in recess until 10 a.m., on Wednesday, April 23, 1986.

The motion was agreed to, and at 6:35 p.m., the Senate recessed until tomorrow, Wednesday, April 23, 1986, at 10 a.m.

NOMINATIONS

Executive nominations received by the Senate April 22, 1986:

DEPARTMENT OF STATE

Ronald Frank Lehman II, of Virginia, for the rank of Ambassador during his tenure of service as U.S. Negotiator for Strategic Nuclear Arms, vice John Goodwin Tower.

THE JUDICIARY

Alan E. Norris, of Ohio, to be U.S. circuit judge for the sixth circuit vice Leroy J. Conti, Jr., retired.

John G. Davies, of California, to be U.S. district judge for the central district of California vice Cynthia Holcomb Hall, elevated.

Douglas P. Woodlock, of Massachusetts, to be U.S. district judge for the district of Massachusetts vice W. Arthur Garrity Jr., retired.

David Hittner, of Texas, to be U.S. district judge for the southern district of Texas, vice George E. Cire, deceased.

IN THE ARMY

The following-named officer to be placed on the retired list in grade indicated under the provisions of title 10, United States Code, section 1370:

To be lieutenant general

Lt. Gen. John D. Bruen, 359-22-6681, age 55, U.S. Army.

The following-named officer under the provisions of title 10, United States Code, section 601, to be assigned to a position of importance and responsibility designated by the President under title 10, United States Code, section 601:

To be lieutenant general

Maj. Gen. Kenneth E. Lewis, 462-36-8977, U.S. Army.

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HOUSE OF REPRESENTATIVES—*Tuesday, April 22, 1986*

The House met at 12 noon.

The Reverend Eleanore W. Drury, assistant minister, The Black Church at Yale, New Haven, CT, offered the following prayer:

Will you join me in prayer?

O Almighty God, we pause here to give You thanks for Your great gifts of plenty, freedom, and peace, to us and to our Nation. Grant that we may use them well; that of our plenty, we may share; that in our freedom, we may work for the freedom of all; that in guarding our precious peace, we not create war in other lands.

O God, we are not gods. You know that at the moment we are most content, we are most in danger. Forgive the wrongs which we commit in the name of right, our false logic, our proud grip on power, the fears which spring to mind when we are pressed by those whose ways are different from our own. Though we are called to lead, O Lord, You know we are just humans. Grant us ears to hear Your voice, for unless you guide us, we may lead Your world astray. And though we may fail Your vision, let not the vision fail. Give us faith that our times, though filled with dangers, are not the end of history. Give us tough minds, open hearts, and strong wills for the works of peace and justice.

And to this end, O Lord, direct and bless us. Amen.

THE JOURNAL

The SPEAKER. The Chair has examined the Journal of the last day's proceedings and announces to the House his approval thereof.

Pursuant to clause 1, rule I, the Journal stands approved.

THE REVEREND ELEANORE W. DRURY

(Mr. MORRISON of Connecticut asked and was given permission to address the House for 1 minute.)

Mr. MORRISION of Connecticut. Mr. Speaker, it is my pleasure today to welcome the Reverend Eleanore W. Drury as our guest chaplain and to thank her for her thoughtful and most appropriate prayer. I am very proud to have her, both as a constituent and as a friend.

Reverend Drury has had a distinguished career in a wide variety of service-related fields. She has served as a trainer and clinician with the Connecticut Self-Help Support Network and with the Hamden Mental Health Service.

In both instances, she developed innovative programs to significantly aid people in a variety of ways.

The Reverend Drury was selected to be the counselor to students and the first woman chaplain at Choate Rosemary Hall School in Wallingford, CT, and served as an effective counselor and teacher.

She is a graduate of the University of Arizona, the University of Connecticut's School of Social Work, and the Yale University Divinity School. She is also the mother of 5 children and she presently serves as assistant pastor of the Black Church at Yale.

In addition to her relationship to me and my district, Reverend Drury is also the sister-in-law of the gentleman from Pennsylvania [Mr. Clinger] and I yield to him for a moment.

Mr. CLINGER. I thank the gentleman very much for yielding.

I would just like to join with the gentleman from Connecticut in welcoming our guest chaplain this morning. As the gentleman indicated, she is my sister-in-law and I would hope that everybody could have a sister-in-law as caring and as friendly as my sister-in-law is. She has made very valuable contributions to every community in which she has served, as the gentleman has indicated. She has helped countless people through her work as a counselor, and beyond that, she knows the lyrics to more old songs than anybody I know, with the possible exception of her sister.

I am delighted to welcome her here today and join with the gentleman in welcoming her.

Mr. MORRISON of Connecticut. I thank the gentleman from Pennsylvania.

AMENDING THE RULES OF THE HOUSE TO INCREASE AMOUNT OF OUTSIDE EARNED INCOME WHICH A MEMBER MAY ACCEPT

Mr. MURTHA. Mr. Speaker, I offer a resolution (H. Res. 427) amending the Rules of the House of Representatives to increase the amount of outside earned income which a Member may accept, and I ask unanimous consent for its immediate consideration.

The SPEAKER. The Clerk will report the resolution.

The Clerk read the resolution, as follows:

H. Res. 427

Resolved, That clause 1 of rule XLVII of the Rules of the House of Representatives is amended by striking out "which is in excess" and all that follows in both paragraph (a) and paragraph (b) and inserting in lieu thereof in each instance "in excess of the percentage of the aggregate salary as a Member, paid to the Member during such calendar year, to which such outside earned income is limited by law.".

Sec. 2. The amendments made by the first section of this resolution shall take effect on January 1, 1986.

The SPEAKER. Is there objection to the request of the gentleman from Pennsylvania?

Mr. HILER. Mr. Speaker, reserving the right to object, could we be enlightened as to what the gentleman's resolution is about?

Mr. MURTHA. Mr. Speaker, will the gentleman yield?

Mr. HILER. I yield to the gentleman from Pennsylvania.

Mr. MURTHA. Mr. Speaker, this has been cleared by the leadership on both sides. It just changes the rules to bring them into closer compliance with the Senate rules.

The intent of this amendment to the House rule is to change the current 30-percent limitation to 40 percent.

Mr. HILER. Mr. Speaker, I withdraw my reservation of objection.

The SPEAKER. Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

The resolution was agreed to.

A motion to reconsider was laid on the table.

PROVIDING FOR APPOINTMENT TO SERVICE ACADEMIES OF CHILDREN OF MEMBERS OF ARMED FORCES KILLED IN MILITARY ACTION AGAINST LIBYA

Mr. MONTGOMERY. Mr. Speaker, I ask unanimous consent that the Committee on Armed Services be discharged from further consideration of the joint resolution (H.J. Res. 604) providing for appointment to the service academies of children of members of the Armed Forces killed in the military action against Libya on April 15, 1986, and ask for its immediate consideration.

The Clerk read the title of the joint resolution.

The SPEAKER. Is there objection to the request of the gentleman from Mississippi?

Mr. HILLIS. Mr. Speaker, reserving the right to object, I shall not object, but I yield to the gentleman from Mississippi [Mr. Montgomery] to explain the reason for his request.

☐ This symbol represents the time of day during the House proceedings, e.g., ☐ 1407 is 2:07 p.m.

Matter set in this typeface indicates words inserted or appended, rather than spoken, by a Member of the House on the floor.

Mr. MONTGOMERY. Mr. Speaker, I thank the gentleman for yielding.

Mr. Speaker, this resolution recognizes the dedicated professionalism of our armed forces in the recent military action over Libya and expresses our profound gratitude for the supreme sacrifice made by the two airmen killed in that action. The resolution would make it possible for the children of service members killed in that action to attend one of the service academies should they become qualified to do so.

If the gentleman will yield further, this resolution is introduced by the gentleman from Texas [Mr. Wright], the gentleman from Washington [Mr. Foley], the gentleman from Illinois [Mr. Michel], and the gentleman from Mississippi [Mr. Lott].

Mr. HILLIS. Mr. Speaker, further reserving the right to object, I yield to the gentleman from Mississippi [Mr. Lott].

Mr. LOTT. Mr. Speaker, I would like to commend the distinguished gentleman from Mississippi [Mr. Montgomery] a member of the Committee on Armed Services, and the gentleman from Indiana [Mr. Hillis].

Mr. Speaker, I rise in support of this resolution and I ask that House Joint Resolution 604, which I have joined with my colleagues—the distinguished minority leader, the majority leader, and the majority whip—in sponsoring, may be considered today by this body. The measure proposes to provide for the appointment to the service academies of children of members of the Armed Forces killed in the military action against Libya on April 15, 1986. By enacting this legislation, the Congress recognizes the dedicated professionalism of members of the Armed Forces in recent military action to combat state-sponsored terrorism and particularly expresses its profound gratitude for the brave service of Capt. Fernando Ribas-Dominicci and Capt. Paul F. Lorence of the U.S. Air Force, who made the supreme sacrifice for their country in action against Libya on April 15, 1986.

Captain Ribas-Dominicci, the pilot, was born in June of 1952 and was, therefore, 33 years of age when he died a hero's death in the air attack against Libya. Captain Ribas-Dominicci was married to Blanca and had one son, Fernandito, who is 4½ years old. Hailing from Mayagüez, Puerto Rico, Captain Ribas-Dominicci was the recipient of a bachelor's degree in civil engineering and a master's degree in aero science. With over 1,800 flying hours, Captain Ribas-Dominicci was highly experienced in flying F-111's. Stationed at Lakenheith Royal Air Force Air Base in England since March of 1983, Captain Ribas-Dominicci previously was stationed at Cannon Air Force Base in New Mexico.

Capt. Paul Lorence, the navigation weapons system officer, was 31 years of age when he died serving his country. Born in February of 1955, Captain Lorence received his navigational training in California after being awarded a bachelor's degree in history. Married to Diana, Captain Lorence had one son, Peter, who was less than a year old when his father died. Also stationed at Lakenheith since August 1981, Captain Lorence had been flying F-111's for 4½ years. Participating in the attack on Libya was his first operational duty assignment.

Mr. Speaker, these two officers died serving their country last week, and all of America is proud of their brave, heroic deed. With their families, friends, and all the people of this Nation, I bow in sorrow at their passing, but I am humbly grateful for their undying courage and the magnificent patriotism with which they lived.

I hope my colleagues will join me in expeditiously passing this measure on behalf of these two brave men.

Mr. HILLIS. Mr. Speaker, the resolution before us today—cosponsored by the bipartisan leadership of the House—fulfills the request made to the President by Mrs. Fernando Ribas-Dominicci, the widow of the pilot of the F-111 bomber lost in last week's military action against Libya. When President Reagan asked Mrs. Ribas-Dominicci if he could do anything for her, she asked only that her young son, Fernando, be able to attend the Air Force Academy. House Joint Resolution 604 accomplishes that goal.

We are deeply thankful that all the other American aircraft returned safely from this decisive and successful strike against a nation whose principal export is terrorism and death. I join with my colleagues in extending sincere sympathy to the families of the two crewmembers who did not return. The resolution before the House today is a small token to express the Nation's gratitude for their sacrifice. Captains Ribas-Dominicci and Lorence—and all the members of the Armed Forces who participated in the Libyan raid—represent the professionalism of our Nation's Armed Forces at its finest.

Mr. Speaker, I withdraw my reservation of objection.

Mr. SPEAKER. Is there objection to the request of the gentleman from Mississippi [Mr. Montgomery]?

There was no objection.

The Clerk read the joint resolution, as follows:

H.J. Res. 604

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. RECOGNITION OF MEMBERS OF THE ARMED FORCES.

The Congress recognizes the dedicated professionalism of members of the Armed Forces in recent military action to combat state-sponsored terrorism and particularly expresses its profound gratitude for the brave service of Captain Fernando Ribas-Dominicci and Captain Paul F. Lorence of the United States Air Force, who made the supreme sacrifice for their country in action against Libya on April 15, 1986.

SEC. 2. SERVICE ACADEMY APPOINTMENTS FOR CHILDREN OF CERTAIN MEMBERS.

(a) Appointment.—At such time as a qualifying child satisfies the age and other requirements for admission to a service academy of such child's choice, the President (or the Secretary empowered to make appointments to the United States Coast Guard Academy or the United States Merchant Marine Academy) in office at such time is requested to appoint the child to that academy.

(b) Qualifying Child Defined.—For purposes of this Act, the term "qualifying child" means a child of a member of the Armed Forces killed in the military action against Libya on April 15, 1986.

(c) Service Academy Defined.—For purposes of this Act, the term "service academy" means each of the following:

(1) The United States Military Academy.

(2) The United States Naval Academy.

(3) The United States Air Force Academy.

(4) The United States Coast Guard Academy.

(5) The United States Merchant Marine Academy.

The joint resolution was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

GENERAL LEAVE

Mr. MONTGOMERY. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks on the joint resolution just passed.

The SPEAKER. Is there objection to the request of the gentleman from Mississippi?

There was no objection.

PERMISSION FOR COMMITTEE ON BANKING, FINANCE AND URBAN AFFAIRS TO SIT TODAY DURING PROCEEDINGS OF THE HOUSE

Mr. GONZALEZ. Mr. Speaker, I ask unanimous consent that the Committee on Banking, Finance and Urban Affairs be permitted to sit during proceedings of the House today to mark up H.R. 4574, International Debt, Trade, and Financial Stabilization Act; H.R. 4510, Export-Import Bank Authorization; and H.R. 2373, Council on Industrial Competitiveness Act.

The SPEAKER. Is there objection to the request of the gentleman from Texas?

Mr. BOULTER. Mr. Speaker, I object.

The SPEAKER. Objection is heard. The Chair will state that it requires 10 Members to object.

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The Chair counts an insufficient number of Members standing.

The gentleman's request is agreed to.

RESIGNATION AS MEMBER AND APPOINTMENT AS MEMBER OF THE SELECT COMMITTEE ON CHILDREN, YOUTH, AND FAMILIES

The **SPEAKER** laid before the House the following resignation as a member of the Select Committee on Children, Youth, and Families:

House of Representatives,
Washington, DC, April 21, 1986.

Hon. Thomas P. O'Neill,
Speaker of the House of Representatives, H204, The U.S. Capitol, Washington, DC.

Dear Mr. Speaker: I have served as a member of the Select Committee on Children, Youth, and Families since coming to Congress. I have enjoyed serving on the Select Committee, but time wouldn't allow me to continue. I hereby resign my appointment to this Select Committee effective this date.

Sincerely,

Dan Burton,
Member of Congress.

The **SPEAKER**. Without objection, the resignation is accepted.

There was no objection.

The **SPEAKER**. Pursuant to the provisions of section 3 of House Resolution 25, 99th Congress, the Chair appoints the gentleman from North Carolina [Mr. Cobey] as a member of the Select Committee on Children, Youth, and Families to fill the existing vacancy thereon.

LIBYAN RAID AND ENERGY POLICIES

(Mrs. **LLOYD** asked and was given permission to address the House for 1 minute and to revise and extend her remarks.)

Mrs. **LLOYD**. Mr. Speaker, I am convinced that the oil dependence of our NATO allies is a major reason the United States was unable to obtain widespread support for its antiterrorist raid on Libya.

Clearly, allies such as Germany and France are held hostage to their dependence on unstable Middle East oil supplies such that they cannot afford to disrupt their energy supply.

I have, for years, consistently maintained the importance of energy independence for our national security. We should derive little comfort from short-term low oil prices and the so-called world glut from a national security standpoint. The United States and its allies should put some premium on assuring stability in the Middle East.

The Libyan turmoil and the protracted Iran-Iraq war combined with regional zealotry, suggests things may get worse before they get better in terms of that political stability. Nevertheless, it would be most prudent for the United States and its NATO allies to begin now to devise a comprehensive strategy for dealing with security issues in that region, including the critical oil supply issue.

□ 1215

CENTRAL AMERICAN LEADERS GIVE PUBLIC SUPPORT FOR AID, TO THE CONTRAS

(Mr. **LAGOMARSINO** asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. **LAGOMARSINO**. Mr. Speaker, during the many hours of debate on aid to the Contras both in March and last week, we constantly heard that government leaders in the region opposed military aid to the Contras. There were references that leaders privately supported the aid but could not say so publicly. Critics of that aid gave the impression that they did not believe there was even private support for military aid to the Contras.

Earlier, Salvadoran President Duarte had given public support for aid to the Contras, and now there is another Central American leader who has had the courage to publicly give his views. When two European newspaper reporters asked Honduran President Jose Azcona last week whether he favored the $100 million for the Contras, President Azcona replied, "I think that it is more advisable for Honduras that the $100 million be approved."

President Azcona has now said publicly what many of us have known all along. There are Central American leaders who believe the United States should be giving military assistance to the Contras whether they say so in public or not.

BIG BANKS DISPLAY GREED IN CREDIT CARD OPERATIONS

(Mr. **BIAGGI** asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. **BIAGGI**. Mr. Speaker, there is an old saying that the rich get richer. Events of the past several days seem to confirm this.

On Friday the Federal Reserve Board announced a cut in the discount rate to 6.5 percent. That is the interest rate banks pay when they borrow from the Fed.

Yesterday, banks across the Nation announced they were lowering the prime rate to 8.5 percent. This is the rate banks charge their preferred customers for borrowing.

Once again, the 100 million credit card consumers of our Nation await the modern-day version of the trickle-down theory to occur. Where is the announcement by these same banks of a cut in the credit card interest rates they charge?

I would guess it is not likely to come soon. Consider in 1981, the discount rate was 14 percent. It is now 6.5 percent. What happened to credit card interest rates? They shot up from 17.7 percent to 19.8 percent.

It is both indefensible and arrogant for major banks not to share their substantial cost savings with the American consumer through lower credit card interest rates. Yesterday, I released a study by Spencer Nilson, a respected credit card newsletter author, who disclosed that major credit card issuing banks amassed profits of $3.6 billion in 1985. What greed. The discount rate has already been cut twice this year. Those profits will surely go up.

It is time credit card consumers got a break. I urge passage of my bill H.R. 1197, which would cap credit card interest rates at 11.5 percent; a full 8 percentage points below present rates.

It seems the banks have a friend in the Fed. It is time Congress became the friend of the credit card consumer.

LEGISLATION TO PROVIDE MORE ACCESSIBLE HEALTH CARE TO VETERANS

(Mr. **LEWIS** of Florida asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. **LEWIS** of Florida. Mr. Speaker, today I am introducing legislation requiring the VA to enter into health care contracts with non-VA medical facilities where current VA facilities are inadequate or not available.

Currently veterans nationwide must make round trips in excess of several hundred or even 1,000 miles to receive treatment at a VA hospital, and they must travel this distance when there is an available non-VA facility within a few miles of their residence.

Palm Beach County, FL, is anticipating a 1993 completion of a VA hospital and nursing home to serve approximately 160,000 area veterans.

We have to face the fact until Congress passes a budget that complies with the Gramm-Rudman ceilings, delays could occur in the completion of VA hospitals and clinics across the United States.

My bill provides immediate relief for veterans by providing accessible health care through private contracts until a local VA health care facility is available. Enactment of my legislation ensures that the special health care needs of our veterans are not ignored.

Our veterans deserve no less.

ELECTRIC CONSUMERS PROTECTION ACT

(Mrs. **SMITH** of Nebraska asked and was given permission to address the

House for 1 minute and to revise and extend her remarks.)

Mrs. **SMITH** of Nebraska. Mr. Speaker, I would like to express my concern about the preference section of H.R. 44, the Electric Consumers Protection Act, which was passed yesterday by the House.

This bill would eliminate the current preference given to public entities in the relicensing of Federal hydroelectric projects.

As a strong supporter of public power, I support the concept that preference should be granted to public power authorities not only in the initial licensing of Federal hydroelectric facilities, but also in their relicensing.

Removing all preference in relicensing and establishing competitive procedures is, I suppose, an acceptable compromise. But I would strongly urge my colleagues who will be conferees with the other body on this bill to oppose any proposal that would weaken the preference given public power any further.

Nebraska is the only State that is completely dependent on public power. In my State, the low-cost electricity provided to public entities through preference rates and licensing has been crucial to the economic survival of small towns, rural electric cooperatives, and especially to our agricultural industry. Losing public preference would be a disaster for us.

CONGRESS MUST ACT NOW ON YOUTH SUICIDE PREVENTION

(Mr. **ACKERMAN** asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. **ACKERMAN**. Mr. Speaker, last spring, Congressman Tom Lantos introduced the Youth Suicide Prevention Act, and I introduced a similar bill, the Teenage Suicide Prevention Act.

Since that time, since the 99th Congress convened last January, another 5,000 youngsters have taken their own lives—5,000 young Americans, Mr. Speaker: How many scientists, how many athletes, how many world leaders have we lost? Five thousand young Americans and still the Congress is silent.

The true tragedy, Mr. Speaker, is that we have found ways to begin to stop this horror. Given a chance, our schools and our communities can recognize the silent cries of a troubled teenager before it is too late; but, sadly, we have failed to give our educators the tools they need to stop this madness.

Today, Congressman Tom Lantos and I are introducing the Youth Suicide Prevention Act of 1986. We must stop this killing. We are demanding that the United States turn its attention, its energy and its money to this horrifying tragedy so that we may end this scourge forever.

Our bill authorizes $10 million a year for the next 3 years for small grants to local schools and nonprofit organizations to establish suicide prevention and education problems.

As a former public school teacher, I fully realize how difficult a task this is, but I strongly believe that our schools can be used and must be used to save lives. We must not allow this crisis that is destroying our most promising youngsters to continue.

I invite all of my colleagues to join Congressman Lantos and myself by sponsoring this urgent legislation.

LIABILITY—MAKING THE RISKS PREDICTABLE

(Mr. **PORTER** asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. **PORTER**. Mr. Speaker, the liability explosion is upon us, creating chaos and obtaining coverage and pushing up insurance premiums for every business, every physician and other professional, including lawyers, and every municipality, school district, township, park and fire protection district across the country.

Misguided cries are heard to have the antitrust exemption for insurance companies lifted under the McCarron-Ferguson Act so that they can no longer share risk information. To have the Federal Government heavily and directly regulate the insurance industry, or to have the Federal Government go into the reinsurance business.

These, Mr. Speaker, are all nonsolutions to the problem. If it was only insurance premiums rising, I might suspect collusion and exorbitant profits by insurance companies. However, insurance companies are refusing to provide coverage and leaving the market, because the risks they are asked to cover have become completely unpredictable.

Making these risks once again predictable is the essence of the reforms that are needed. More tomorrow.

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THE FRENCH TURNAROUND

(Mr. **GEKAS** asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. **GEKAS**. Mr. Speaker, most Americans were bitterly disappointed at the attitude and action of the French Government in refusing air rights over their country during the recent Libyan action. This seemed to be a further indication of some of the loose alliance that we have with our friends in Europe. Yet, there is good news emerging from this bad news.

A poll taken among French citizens indicated that by a margin of 2 to 1, overwhelmingly, the French people supported the American action and, conversely, condemned their own government's refusal to accord air flight rights.

So we feel better today than we did at that time about the attitude of at least the French people. Moreover, since then the European countries and the European parliament have imposed certain sanctions on Libyan citizens, certain passport restrictions, and have expelled people from their embassies and from their countries on the basis of a final recognition that indeed Libya is the breeding ground of terrorism. So, we have come a long way ever since all the condemnation have occurred since the Libyan action.

SUPPORT URGED FOR CURRENT PROVISIONS RELATED TO COMBINED FEDERAL CAMPAIGN

(Mr. **GARCIA** asked and was given permission to address the House for 1 minute and to revise an extend his remarks.)

Mr. **GARCIA**. Mr. Speaker, today, we will be voting on the urgent supplemental appropriations for fiscal year 1986. One of the items included in the bill is the Combined Federal Campaign [CFC], a fund raising drive which has proven over the years to be highly effective in collecting large amounts of contributions from Federal workers for charitable organizations.

I rise in support of the current provisions related to the Combined Federal Campaign. These provisions ensure that the charitable organizations that have participated in the past will continue to participate in 1986 in spite of the new regulations proposed by the Office of Personnel Management [OPM] and that OPM will remain neutral in administering the CFC Program.

The Office of Personnel Management has proposed new regulations to eliminate public advocacy groups from the 1986 campaign and even prohibit write-ins by the Federal workers of their favorite charities' names. Thousands of local and national charities would be cut off as a result of the regulations thus restricting Federal workers options to give to the charities of their choice. The OPM's proposed regulations are pending review in a Federal district court. Because the case is pending, it is important that the status quo of the regulations be maintained.

I urge my colleagues to vote against the Bliley amendment today and allow the Combined Federal Campaign to operate under existing regulations, which have proven to be successful.

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Again, I urge my colleagues to vote against the Bliley amendment.

ANCIENT IDOLS IN MODERN DISGUISE

(Mr. DANNEMEYER asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. DANNEMEYER. Mr. Speaker, economists advocating irredeemable currency like to flatter themselves that they are the pioneers of a modern theory, unaware that they are but worshipping ancient idols in modern disguise. According to the Cincinnati Daily Gazette of January 3, 1879, Gen. (later President) James A. Garfield stated in an address in Chicago, to celebrate R-day (Resumption day, January 2, 1879):

> We shall still hear echoes of the old conflict, such as the "barbarism and cowardice of gold" and the "virtues of fiat money," but the theories which gave them birth will linger among us like belated ghosts, and soon find rest in the political grave of dead issues * * *.

General Garfield evidently respected the wisdom of our people too much to expect that a later generation, such as the present one, would not permit the theories advocating the "virtues" of fiat money to "rest in the political grave of dead issues." What General Garfield called a "periodical craze" swept over this country in 1971 and thereafter with a force apparently never before experienced by our people. The end of this great disease is not yet in sight. If past experience provides any worthwhile lessons, the ultimate consequences of our failure to stop this craze promise to be extremely painful. Conversely, if we rise to the challenge and put an end to this craze now, we shall solve the major part of the economic problems of our Nation, including the problems of runaway debt and runaway deficits. And we shall solve it in a painless, not to say pleasurable way.

LET'S NOT GIVE DEADLY STINGER WEAPONS TO TERRORISTS

(Mr. DURBIN asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. DURBIN. Mr. Speaker, in the past week we have become acutely aware of the risks of terrorist attacks against American citizens at home and abroad. We are evacuating Americans from the Sudan, stepping up security at our airports, Embassies, and military bases. But at the same time, other actions of our Government could be placing Americans at even greater risk. In recent weeks the administration has begun sending guerrilla groups one of the most dangerous weapons on the market, the Stinger antiaircraft missile.

The Stingers have already gone to guerrillas involved in covert operations in Angola and Afghanistan as part of a new United States policy to offer more sophisticated weapons to the United States-supported guerrilla groups. The Stingers are on their way. But we have absolutely no control over their ultimate fate. The administration has no guarantee that these weapons will not be sold or stolen or transferred into the hands of terrorists seeking to retaliate against the United States. Imagine this weapon in the hands of a Mu'ammar Qadhafi. The state-of-the-art Stinger is deadly accurate, easy to hide and operate, and can shoot down not only military aircraft but a commercial airliner.

How can we be sure these weapons, though shipped to guerrilla groups we might support, will not end up surreptitiously in the hands of Qadhafi and his allies, people who would like nothing better than a sophisticated and spectacular means of retaliation against the United States?

Screening devices and searches would pale into insignificance next to the very real threat that a terrorist could stand hundreds of yards from a runway and strike, kill hundreds of innocent people.

Mr. Speaker, I urge my colleagues to join in the fight against giving deadly weapons to terrorists by sponsoring the resolution I have introduced with the gentleman from Oregon [Mr. AuCoin] to ban the transfer of Stingers to guerrilla and paramilitary groups.

U.N. MAJORITY USES DOUBLE STANDARD IN JUDGING UNITED STATES AND LIBYAN ACTIONS

(Mr. PARRIS asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. PARRIS. Mr. Speaker, I take the floor today frustrated, but not really surprised, by the requirement of the United States, Britain, and France to veto a resolution considered by the United Nations' Security Council yesterday to condemn the recent United States action against Libyan terrorists.

The resolution, did not mention events leading up to the United States action and instead mention Libya only as a victim of an armed attack by the United States.

This is simply another case in which the U.N. majority is using a double standard in practicing selective indignation over alleged abuses by the United States and other Western nations while so often overlooking outrages committed by Socialist and Communist countries.

Voting in favor of the resolution were such well-recognized nonaligned nations as Bulgaria, Congo, Ghana, Madagascar, United Arab Emirates, and the Soviet Union.

Calling this group nonaligned is like being called ugly by a frog.

STINGER: THE TERRORISTS' DELIGHT

(Mr. AuCOIN asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. AuCOIN. Mr. Speaker, as we do our daily mile of trotting between the House Chamber and our offices, pause for a moment and look south. There you'll see passenger airliners climbing out from National Airport.

If a terrorist were standing beside you with a stinger antiaircraft missile on his shoulder, he could shoot any of those airplanes down. He could do it from more than 10 square miles of the Washington area, or from a comparable area in most of the world's major cities.

If terrorists get these missiles, every air traveler in the world will be at their mercy.

Terrorists don't have these missiles today. But tomorrow they could, with the administration's decision to give them to paramilitary forces in Afganistan and Angola. Whatever the virtues of these groups, airtight control of their weapons isn't among them.

Transfer of Stingers to paramilitary forces is a terrorist's dream. It is dangerous and dumb. I invite you to join Mr. Durbin and me in cosponsoring legislation to prohibit this transfer. If we don't stop it now, the time will come when we'll wish we had.

THERE IS A "STINGER" IN THE HOUSE

(Mr. WALKER asked and was given permission to address the House for 1 minute.)

Mr. WALKER. Mr. Speaker, a couple of Members were speaking of Stingers here a few minutes ago. Well, a few minutes ago before that the American people just got stung. We had a resolution pass this House by unanimous consent that has the effect of increasing the outside earnings that Members of Congress are allowed to make by $7,500.

There was an end run around the committee process, an end run done around the procedure supposedly established on this floor for unanimous consent resolutions, to the floor. Supposedly, the rule that says that the minority leader has to be consulted, the minority whip has to be consulted, the majority leader has to be consulted, the majority whip, that the chairmen of the committees have to be consulted and the ranking member.

I understand those procedures were not followed, that in fact we have a

resolution that passed this House that has the effect of increasing the earnings of the Members of this Congress substantially, passed here by unanimous consent and was done so by an end run.

REQUEST TO VACATE CERTAIN PROCEEDINGS

Mr. WALKER. So therefore, Mr. Speaker, I would ask unanimous consent that the proceedings by which House Resolution 427 was approved be vacated.

The SPEAKER pro tempore (Mr. Montgomery). Is there objection to the request of the gentleman from Pennsylvania [Mr. Walker]?

Mr. GARCIA. Mr. Speaker, I object.

The SPEAKER pro tempore. Objection is heard.

Mr. WALKER. The gentleman from New York has objected, so therefore the gentleman from New York stands in favor of raising the outside earnings, with an end run, by $7,500 for every Member of Congress.

Mr. GARCIA. Mr. Speaker, will the gentleman yield?

Mr. WALKER. I will be glad to yield to the gentleman.

Mr. GARCIA. I thank the gentleman for yielding.

Frankly, I am hearing this for the first time. And until such time as the proper authorities on both sides of the aisle can have an opportunity to talk about it, I will continue to object.

Mr. WALKER. That is the procedure under which we supposedly operate here, that we do get things cleared. They were not cleared.

So the gentleman has, in effect, helped to raise the outside earnings of Members of Congress by $7,500. You will have to live with that.

EXPLANATION OF OBJECTION

(Mr. WEISS asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. WEISS. Mr. Speaker, I would yield at this time to my distinguished friend from New York [Mr. Garcia].

Mr. GARCIA. Well, I do not want to get into a quarrel with my colleague from Pennsylvania. But this is something that has come up very suddenly. I think people have made decisions. I am not necessarily saying I agree or disagree. What I am saying is that to make a unanimous-consent request when the Chamber is empty, before the principals have an opportunity to talk about this, I would continue to object.

I would ask my colleague from Pennsylvania that he talk to the leadership on his side, have the leadership on his side discuss it with the leadership on our side and let us see if we can resolve it.

Mr. WALKER. Mr. Speaker, will the gentleman yield?

Mr. WEISS. Mr. Speaker, I yield back the balance of my time.

WORLD FOOD DAY

Mr. GARCIA. Mr. Speaker, I ask unanimous consent that the Committee on Post Office and Civil Service be discharged from further consideration of the Senate joint resolution (S.J. Res. 296) to designate October 16, 1986, as "World Food Day," and ask for its immediate consideration.

The Clerk read the title of the Senate joint resolution.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from New York?

Mr. WALKER. Mr. Speaker, reserving the right to object, and I shall not object because I have no problem with the resolution, but I do think an explanation is in order. The gentleman is protecting the process that he says should not bring up a unanimous-consent resolution in a Chamber that is empty. When I asked unanimous consent to vacate the proceedings and allow the Members an additional $7,500 in outside earnings, that is precisely the procedure that was used here a few minutes ago in order to pass the resolution. An empty Chamber was used, and nonconsultation with the appropriate people was used, and we had this thing passed without the appropriate clearances having been made.

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And now what the gentleman is suggesting is, having done this end-run around the House, a chance to vacate that and get us back to neutral ground is in fact wrong. That is my problem. Precisely the situation that the gentleman protests is what was used to pass the resolution that is in fact, I think, a wrongful resolution.

Mr. Speaker, I would hope that what the gentleman would allow is to do is by unanimous consent to get us back to ground zero, and then bring the resolution up, as the gentleman has suggested, when there are people in the House and we can look at this thing.

There is no earthly reason why we should allow $7,500 of increased earnings by Members of Congress to pass this body by unanimous consent, and yet that is what was allowed here just a few moments ago.

Mr. Speaker, I will be glad to yield to the gentleman from New York.

Mr. GARCIA. Mr. Speaker, I have no response. I will just say what I said before. There are leaders on the gentleman's side of the aisle who were elected by the people on the gentleman's side and leaders on this side. I believe that that leadership, which I might add is excellent leadership for both sides, should have the opportunity to discuss it. I am certain that they can come back and do the same thing that the gentleman from Pennsylvania is trying to do here, and I would have no objection.

Mr. WALKER. The gentleman is absolutely right. But those leaders were not consulted with. That is the problem. The procedures that the Speaker has laid out for unanimous-consent resolutions to be brought forward were in fact violated.

I have here a copy of it, and it says, frankly, that the unanimous consent can only be brought up when assured that the majority and minority leadership, the committee and subcommittee chairmen and the ranking minority members have no objection. That procedure, it is my understanding, was not followed here. That is the objection. The only way that we can get back to ground zero is to vacate the proceedings that violated that particular order, and then consult with the leadership and make certain that everybody gets consulted with. That is all I am trying to achieve. It is the gentleman's objection that is standing in the way of achieving getting back to a relatively neutral position on this and so that the discussion can take place.

Mr. Speaker, do I understand the gentleman will still object?

Mr. GARCIA. Mr. Speaker, I still object.

Mr. WALKER. Mr. Speaker, I withdraw my reservation of objection.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from New York?

Mr. HANSEN. Mr. Speaker, reserving the right to object, I do not object, but I simply would like to inform the House the minority has no objection to the legislation now being considered.

Mr. Speaker, under my reservation, I yield to the gentleman from New York [Mr. Gilman], who is the chief sponsor of House Journal Resolution 595, to designate October 16, 1986, as "World Food Day."

Mr. GILMAN. Mr. Speaker, I thank the gentleman for yielding to me.

Mr. Speaker, I want to commend the distinguished chairman of the subcommittee, the gentleman from New York [Mr. Garcia], and the ranking minority member, the gentleman from Utah [Mr. Hansen], for bringing this measure up at an early date in order to enable the administration, the Members of Congress, and our entire Nation to gather together in tribute and pay proper respects to World Food Day.

Mr. Speaker, events such as the "Live Aid" concert and the U.S.A. for Africa production of "We are the world" only in part document the incredible contribution thousands of Americans are making toward ending world hunger.

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Since 1979, the National Committee for World Food Day, under the leadership of its chairwoman, Patricia Young, and the auspices of the World Food and Agriculture Organization [FAO] has undertaken hundreds of projects and programs related to the world's hunger problem. Without world food day and the organizations involved with its celebration, the ground swell needed that made the massive media events possible would never have existed.

Yet, despite this outpouring of support, the problem of world hunger persists. A recent world bank study states that "since 1980 one-third of the population of 87 developing countries, 730 million people, did not eat enough to lead active working lives." And half, 340 million, "subsisted on a Diet that stunts growth and severely jeopardizes health." UNICEF informs us that every 24 hours 42,000 children under the age of 5 die as a result of hunger and related diseases.

These grim statistics make a strong case for a continued commitment of private and Government funds to ending hunger. But emergency relief aid is not enough. A concerted effort must be made to improve the deteriorating conditions that result in tragedy after tragedy, the same conditions that allow famine and starvation to persist and remain a reality in a world with more than enough resources to feed its population. It is time to work to prevent disasters from occurring, to solve the problems which face Africa now.

To this end, I introduced H.R. 2782, legislation to prevent famine in Africa. H.R. 2782 responds to the root of the problem that faces a continent whose grain output per person has dropped since 1967 by nearly one-third.

Simply to maintain Africa's present per capita food consumption, agricultural output will have to grow 50 to 60 percent between the year 1980–2000. Considering the monumental suffering that exists with the present level of food consumption, it is clear that drastic measures must be taken to revive Africa's capacity to produce.

Reversing Africa's decline will involve immediate response to the crisis of the degradation of the natural resource base which results from overly intensive and exploitative use of land. 100 square miles of African land a day turns permanently into desert.

If this trend is not reversed, there will be no end to Africa's dependency on more developed countries for food and economic assistance.

One major cause of these current problems is the lack of a renewable energy supply. Firewood, the most widely used source of fuel, is becoming increasingly scarce due to the overharvesting of trees. Forests in coastal West Africa were being cleared at a rate of 5 percent per year in the early eighties; at that rate, in 13 years those forests will be half of their original size. The scarcity of trees also has implications for soil and crop quality. Trees help to prevent soil erosion caused by damaging winds and floods. Without any protection, soil ceases to be fertile enough to produce significant quantities of food.

In other instances at the behest of national governments and the support of multilateral development banks, cattle not native to the region have been introduced for the sole purpose of producing exports. These cattle require much more forage than do native producing exports. These cattle require much more forage than do native livestock. As a result they denude the land of vegetation. In addition because they are not used to the severe climate they are incapable of surviving prolonged droughts without drawing heavily on already limited water supplies.

The time has come to begin to turn back the tide of the degradation of Africa's agricultural resource base that should be providing food for that continent's people. The desertification and deforestation which have played a major role in causing the present catastrophe in Africa needs our immediate attention if we are to put an end to this cycle of famine.

Accordingly, I invite and urge my colleagues to join in this effort of focusing attention on the issue of world hunger.

Mr. HANSEN. Mr. Speaker, I thank the gentleman for his remarks.

Mr. Speaker, further reserving the right to object, I yield to the gentleman from New York [Mr. GARCIA].

Mr. GARCIA. Mr. Speaker, I thank the gentleman for yielding to me.

Mr. Speaker, I would just like to state to my colleague from New York [Mr. GILMAN] that both the gentleman from New York [Mr. GILMAN] and the gentleman from Texas [Mr. LELAND] have been pioneers and have worked very hard on the question of the world's food crises. I think it is a credit to them that they have taken the leadership role, and I think it is a credit to us that we have Members such as them in this body.

Mrs. ROUKEMA. Mr. Speaker, once again this year I am pleased to join my colleagues as a cosponsor of a resolution commemorating World Food Day. World Food Day serves to remind us of one item that is essential to the survival of all beings on this Earth. This day is important, if for no other reason, because it raises our consciousness of the need by so many people in this world for food. In America, we too often take for granted the bread on our table. We forget that a shortage of adequate bread, or rice, or cereal is a daily fact of life for millions of people. The struggle for a meal is their No. 1 concern day in and day out. World Food Day is not only a time for Americans to be thankful for our agricultural abundance, but also a time to realize that we have a long way to go in seeing that everyone can share in that abundance.

I am thankful to say that we have seen some progress. Last year at this time, over 20 countries in sub-Saharan Africa faced food shortages. Due to drought, poor harvests, and ill-conceived agricultural policies, millions of Africans faced starvation and the debilitation of hunger related disease. The United States and other doner nations responded with an unprecedented relief effort. The United States alone sent over 3 million metric tons of food assistance to Africa valued at over $1 billion in 1985. This response undoubtedly saved hundreds of thousands, if not millions of lives. Today, the list of countries in dire need of food assistance is down to four. Renewed rainfall, combined with the use of new farm inputs have led to good harvests in many countries.

Still a great deal remains to be done in providing emergency assistance to thousands still in need, and we will continue to work in that regard. But it is also our goal to help these nations achieve greater self-sufficiency. We must not lose sight of our hope for long-term development in the most severely affected countries. The United States has traditionally supported development in sub-Saharan Africa through the transfer of agricultural technology. As we examine the needs for rehabilitation and recovery in much of Africa, we should look for opportunities to strengthen local infrastructure and research capability. We must also devote greater energy to the development of human capital. Proper education and training provide the underpinning of any successful agricultural system. Just as we have seen the benefits of the green revolution in Southeast Asia, so can we adapt known technologies and investment strategies to sub-Saharan Africa, even though the environment is quite different.

Our participation in the World Bank's International Development Association, the United Nation's World Food Programme and the International Fund for Agricultural Development has led to many successes. These programs remain crucial if the momentum of agricultural innovation is to continue. This must also include changes in developing country agricultural policy, so that more incentives are offered to local farmers and government pricing policies do not discourage production. This may involve greater leadership from multilateral organizations as envisioned in Treasury Secretary Baker's plan for resolving the debt problems of the poorest nations. We must be aware that burdensome external debt may hinder the growing efforts of poor countries to provide food for their people.

The United States is the world's foremost producer and trader of food commodities. Yet millions of people on this planet continue to suffer from malnutrition and starvation. Our humanitarian tradition has helped solve many short-term hunger problems in the past, and our leadership can help solve the chronic food shortages that many countries still face. World Food Day serves to remind us of the crises we've overcome and the hopes America has yet to fulfill. I urge all Members to think of this and to support adoption of this resolution designating October 16, 1986, as World Food Day.

Mr. LELAND. Mr. Speaker, I rise today in support of House Joint Resolution 595, designating October 16, 1986, as World Food Day. This year will be the fifth anniversary of World Food Day. As chairman of the Select Committee on Hunger, I visited the famine-stricken people of Ethiopia. I witnessed first hand hunger and death from starvation in Africa. Television cameras and media attention have moved away from the refugee camps in Sudan and Ethiopia, but environmental degradation, increasing populations and declining food production continue to threaten the lives of millions of Africans. The Select Committee on Hunger has held hearings and is currently conducting an in depth investigation of food production needs in sub-Saharan Africa. We must continue our efforts to assist African farmers and pastoralists to achieve sustainable food security.

In the United States, a U.S. Conference of Mayors survey of 55 cities identified food as "the emergency service most in demand." We have here in the United States a network of food assistance programs but they are not working well. Federal food programs are not reaching all those in need and often benefits are inadequate. The Food Stamp Program augments the food budgets of poor Americans; however, the program serves only 20 million out of the 33 million eligible poor living in poverty.

The Food for Peace Program last year provided approximately $1.2 billion in emergency food assistance to African countries suffering from hunger and malnutrition. We must continue to support this program and initiate innovative ways to increase food security in chronic food deficit countries. Over the past 30 years, the Food for Peace Program has helped developing countries such as Taiwan and Thailand to achieve food self-sufficiency. U.S. emergency food assistance continues to be essential for sub-Saharan Africa. African recovery and economic growth is best served when United States food assistance is delivered through programs with a long-term developmental impact such as school feeding and food-for-work programs.

Mr. Speaker, October 16, World Food Day, serves as a symbol of our commitment to the alleviation of hunger and malnutrition in our world of plenty. I urge my colleagues to support House Joint Resolution 595.

Mr. HANSEN. Mr. Speaker, I withdraw my reservation of objection.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from New York?

There was no objection.

The Clerk read the Senate joint resolution, as follows:

S.J. RES. 296

Whereas hunger and malnutrition remain daily facts of life, for hundreds of millions of people throughout the world;

Whereas the children of the world suffer the most serious effects of hunger and malnutrition, with millions of children dying each year from hunger-related illness and disease, and many others suffering permanent physical or mental impairment because of vitamin or protein deficiencies;

Whereas the United States and the American people have a long tradition of demonstrating humanitarian concern for the hungry and malnourished, recently manifested in their response to African famine;

Whereas the United States, as the world's largest producer and trader of food, has a key role to play in assisting countries and people to improve their ability to feed themselves;

Whereas efforts to resolve the world hunger problem are critical to the maintenance of world peace and, therefore, to the security of the United States;

Whereas although progress has been made in reducing the incidence of hunger and malnutrition in the United States, certain groups, notably Native Americans, migrant workers, the elderly, and children, remain vulnerable to malnutrition and related diseases;

Whereas there is growing recognition that improved agricultural policies, including farmer incentives, are necessary in many developing countries to increase food production and economic growth;

Whereas the United States has always supported the principle that the health of the nation depends on a strong agriculture based on private enterprise and the primacy of the independent family farmer;

Whereas national policies concerning food, farmland, and nutrition require continuing evaluation and should consider and strive for the well-being and protection of all residents of the United States and particularly those most at health risk;

Whereas there is widespread concern that the use and conservation of natural resources required for food production throughout the United States ensure care for the national patrimony we bequeath to future generations;

Whereas Congress is acutely aware of the paradox of immense farm surpluses and rising farm foreclosures in the United States despite the desperate need for food by hundreds of millions of people throughout the world;

Whereas participation by the private voluntary and business sectors, working with national governments and the international community, is essential to the search for solutions to food and hunger problems;

Whereas the member nations of the Food and Agricultural Organization of the United Nations unanimously designated October 16 of each year as World Food Day because of the need to increase public awareness of world hunger problems;

Whereas past observances of World Food Day have been supported by proclamations by the fifty States, the District of Columbia, the Commonwealth of Puerto Rico, and the territories and possessions of the United States, by resolution of Congress, by Presidential proclamations, by programs of the United States Department of Agriculture and other Government departments and agencies, and by the governments and peoples of many other nations; and

Whereas more than three hundred and fifty private and voluntary organizations and many thousands of community leaders are participating in the planning of World Food Day observances for 1986: Now, therefore, be it

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled, That October 16, 1986, is hereby designated as "World Food Day", and the President is authorized and requested to issue a proclamation calling upon the people of the United States to observe that day with appropriate programs and activities.

The Senate joint resolution was ordered to be read a third time, was read a third time, and passed, and a motion to reconsider was laid on the table.

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NATIONAL ARTS IN THE SCHOOLS WEEK

Mr. GARCIA. Mr. Speaker, I ask unanimous consent that the Committee on Post Office and Civil Service be discharged from further consideration of the joint resolution (H.J. Res. 470) to designate the week of April 27, 1986, through May 3, 1986, as "National Arts in the Schools Week," and ask for its immediate consideration.

The Clerk read the title of the joint resolution.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from New York?

Mr. HANSEN. Mr. Speaker, reserving the right to object, I do not object but would simply like to inform the House that the minority has no objection to the legislation now being considered.

Mr. Speaker, under my reservation, I yield to the gentleman from New York [Mr. WEISS], who is the chief sponsor of House Joint Resolution 470.

Mr. WEISS. I thank the distinguished ranking minority member for yielding to me.

Mr. Speaker, our Nation's schools are the ideal forum for introducing formal arts programs to all children. The discipline and practices learned in the study of the various disciplines of the arts can be applied to the study of more academic subjects. Furthermore, incorporating the arts into the teaching of other subjects enhances achievement levels and increases the motivation of both students and teachers. Additionally, arts education enables disabled children to demonstrate abilities and skills that may not be uncovered in academic studies and provides an important creative outlet for economically disadvantaged children.

The resolution before us today, designating the week of April 27, 1986, through May 3, 1986, as "National Arts in the Schools Week," fully recognizes the importance of all of the arts to a complete education. As an executive board member of the congressional arts caucus and representative of a district in which perhaps the greatest number of artists work and reside. I am pleased that so many of my colleagues have joined me in this important effort to promote the arts in our schools, and want to express my deepest appreciation to my friend and colleague, the distinguished chairman of the subcommittee, the gentleman from New York [Mr. GARCIA], both for his cosponsorship of House Joint Resolution 470 and for his courtesy, and that of the distinguished ranking minority member, the gentleman from Utah [Mr. Hansen], in bringing it to the floor so expeditiously.

Mr. Speaker, I urge adoption of the resolution.

Mr. HANSEN. Mr. Speaker, I withdraw my reservation of objection.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from New York?

There was no objection.

The Clerk read the joint resolution, as follows:

H.J. Res. 470

Whereas, even before formal education begins, children communicate their own experiences in a number of artistic ways, including singing, dancing, drawing, painting, sculpting, role playing, and storytelling; and

Whereas, these basic forms of expression must be encouraged through formal arts education; and

Whereas, schools are perhaps the ideal forum for introducing formal arts programs to children; and

Whereas, incorporating the arts into the teaching of other subjects has been very successful in enhancing achievement levels, and increasing motivation and attitude of both students and teachers; and

Whereas, school arts programs open the minds of children to creativity which can be applied to problem solving in other educational activities; and

Whereas, many of the same practices used in the study of the arts are used in the study of math and the sciences, including observing, describing, comparing, classifying, measuring, inferring, and drawing conclusions; and

Whereas, school arts programs promote a unique understanding and appreciation of history and culture; and

Whereas, the arts enable disabled children to demonstrate abilities and skills that may not be uncovered in the study of academic subjects; and

Whereas, school arts programs provide economically disadvantaged children with an important creative outlet; and

Whereas, practice and mastery of an artistic form builds self-confidence and pride; and

Whereas, the confidence gained through the arts by disabled and disadvantaged students can help them achieve in academic areas as well; and

Whereas, the Ninety-eighth Congress formally recognized the importance of the arts to a complete education; and

Whereas, the national arts competition, sponsored by the Congressional Arts Caucus, has recognized and promoted the outstanding artistic creativity of our Nation's youth and provides an example of the Federal Government's commitment to arts education; and

Whereas, the strong commitment of Federal, State, and local governments to strengthen and promote arts education must continue: Now, therefore, be it

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled, That the week of April 27, 1988, through May 3, 1986, is designated as "National Arts in the Schools Week", and the President is requested to issue a proclamation calling upon the people of the United States to observe such week with appropriate activities.

The joint resolution was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

JEWISH HERITAGE WEEK

Mr. GARCIA. Mr. Speaker, I ask unanimous consent that the Committee on Post Office and Civil Service be discharged from further consideration of the Senate joint resolution (S.J. Res. 275) designating May 11 through May 17, 1986, as "Jewish Heritage Week," and ask for its immediate consideration.

The Clerk read the title of the Senate joint resolution.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from New York?

Mr. HANSEN. Mr. Speaker, reserving the right to object, I do not object, but I would simply like to inform the House that the minority has no objection to the legislation now being considered.

Mr. Speaker, under my reservation of objection, I yield to the gentleman from New York [Mr. Scheuer] who is a sponsor of House Joint Resolution 553.

Mr. SCHEUER. I thank the gentleman for yielding.

Mr. Speaker, I would like to thank my distinguished colleague from New York, Mr. Garcia, for bringing this resolution to the floor today.

As Americans, we can be proud of the diverse culture which we share.

The richness of our cultural heritage results from the traditions and ideals brought to our shores by people of many races, religions, and nationalities.

These immigrants, along with their descendants, have helped to make the United States a stronger and more heterogeneous nation.

Along with Christians and Moslems, the strong ethical, moral, and religious traditions of the Jewish people have helped to make our Nation more compassionate and they have made significant contributions to our society.

Members of the Jewish community have excelled in all walks of life—science, health and medicine, the arts, government, business, and entertainment.

Our Jewish citizens have fought and died for the principles of equality and justice upon which our Nation was founded.

The Jewish tradition and culture reach back to the very dawn of civilization.

The determination and perserverance of Jews throughout the ages demonstrate the strength and vitality of their beliefs.

Jewish Heritage Week presents a unique opportunity to foster greater understanding of and renewed appreciation for the culture, traditions, and history of Jewish community and the contributions of the Jewish people to our Nation and society.

I urge my colleagues to join me in support of Senate Joint Resolution 275.

Mr. CONYERS. Mr. Speaker, will the gentleman yield to me briefly?

Mr. HANSEN. Under my reservation of objection, Mr. Speaker, I yield to the gentleman from Michigan.

Mr. CONYERS. I thank the gentleman for yielding.

Mr. Speaker, I want to go on record—and I have, unfortunately, not consulted with all the members of the Congressional Black Caucus—as strongly supporting on their behalf the observance of Jewish Heritage Week.

It is the sum of all of our great ethnic contributions that really make America great. I will not stand here and try to recall all of the great Jewish American contributors to art and science and psychiatry and mathematics, but I very strongly join in and commend the gentleman for bringing this measure forward.

Mr. SCHEUER. If the gentleman will yield further, I thank the gentleman from Michigan. Mr. Speaker, I recall a decade and a half ago when the gentleman and I were working together on a black culture occasion, and the same principle applies. So I very much appreciate his remarks.

Mr. HANSEN. Mr. Speaker, further reserving the right to object, I yield to the gentleman from New York [Mr. Gilman].

Mr. GILMAN. Mr. Speaker, I rise in support of House Joint Resolution 553, proclaiming this week as Jewish Heritage Week, and I thank the gentleman from New York [Mr. Garcia] for his timely consideration of the bill. However, before proceeding further, I would like to note that this year's resolution was introduced by our late colleague from New York, Mr. Addabbo, whose own commitment to and appreciation for the dates commemorated by Jewish Heritage Week was great indeed.

The measure before us is of significance to the Jewish people, as this commemorative week encompasses religious observances spanning the history of the Jewish people. This week the celebration of Passover begins, commemorating the exodus of the Jewish people as they were led out of slavery in Egypt.

Also being remembered this week is the uprising of the Warsaw ghetto, where the few remaining individuals refused to go quietly to the gas chambers of Auschwitz. They fought against Hitler's forces with a ferocity that only comes from the inner self, and were miraculously able to repel the Nazi troops for almost 3 weeks. In the end, the survivors of that ghetto were rounded up and either killed on the spot or sent to concentration camps, yet their spirit lives on with us as we recall their bravery.

Also celebrated at this time of year are other important dates in Jewish history—Israel Independence Day and Solidarity Sunday for Soviet Jewry. The next few weeks require heightened awareness on the part of those who commemorate the deliverance from Egypt. For as we recall the events of thousands of years past, and even the recent tragedy of the Holocaust, we recognize the importance of remaining ever vigilant to persecutions and bigotry. Once again Jews are being harassed and persecuted by the Soviet Union. The lives of Soviet Jews are indeed precarious. It is our responsibility to speak out on their behalf.

The lesson that the world learned over 40 years ago bears a solemn message; yet, as painful as it is, we must listen, look, and absorb the Kafkaesque reality that was Hitler's Europe. In recent years, mindful that eyewitnesses were slowly leaving us, a renewed effort was made to establish various programs that could explore the many facets of the Holocaust. One of these Exemplary Programs has been established by Ernest Goldblum, a former constituent, whose desire to remember his own parents who died at Auschwitz endowed a Memorial Fund for a program at SUNY [State University of New York] Fredonia. Another similar, worthy educational program is in the process of being created in my 22d Congressional District in New York State, the Rockland County Holocaust Study Center at Spring Valley, NY. These and other such notable activities are needed if we are ever to have even a remote understanding of the motivations behind barbaric human actions.

Mr. Speaker, Jewish Heritage Week has much to teach us all; let us only hope that its message will be heard worldwide. I thank the gentleman for his sensitivity to this measure, and urge my colleagues to join in adopting it unanimously.

Mr. BONER of Tennessee. Mr. Speaker, I am pleased to join my House colleagues in support of the resolution designating the week of May 11, 1986, as "Jewish Heritage Week."

The United States prides itself on its diverse heritage. This rich and colorful heritage results from the values and ideals brought to our Nation by the people of many cultures, races, and religions.

Among these immigrants to our shores, the Jewish community contributed significantly to the cultural and spiritual growth of a new nation. Many members of the Jewish community have brought distinction and honor to virtually every field of endeavor, including the arts, humanities, and sciences. Our Jewish citizens have fought and died to preserve and protect the freedom for which the United States stands.

Indeed, our Judeo-Christian culture owes much to the Jewish community. The Jewish people cherish a tradition and culture which spans the course of many thousands of years. Their perseverance through the many tests of time has made the Jewish community vital members of our society.

Each spring, Jews throughout the United States and around the world observe a number of significant events. Beginning with the observances of Passover, which commemorates their passage from bondage to freedom, continuing with the observance of the anniversary of the Warsaw Ghetto uprising, and concluding with Israeli Independence Day, American Jews rededicate themselves to the concepts of liberty, equality, and democracy.

In recognition of the told and untold contributions of Jews, I am proud to support this resolution and I look forward to commemorating "Jewish Heritage Week" with my Jewish friends and neighbors.

Mr. FISH. Mr. Speaker, I offer this today in support of Senate Joint Resolution 275 establishing the week of May 11 through May 18, 1986 as Jewish Heritage Week.

Our Jewish heritage is longstanding and deep. The contributions made by the Jewish members of our society have been essential to our spiritual and economic growth, and to our position of leadership championing human rights and democracy.

It is essential that we do all we can to express our recognition of this fact, and to demonstrate our commitment to democracy and free expression.

Part of our responsibility and commitment is to ensure that the Holocaust not be forgotten. The memory of what happened now over 40 years ago must not fade, lest the human race risk repetition of that most horrible episode of our history.

Toward this end, there are efforts led by the Anti-Defamation League and by dedicated individuals to educate the public about the Holocaust and its social, economic, and political roots.

One such individual is Mr. Ernest Goldblum. His parents, Mariem and Elias Goldblum, perished in the Holocaust. He has established a Mariem and Elias Goldblum Memorial Fund in honor of his parents, both in Vienna, Austria and in several colleges in New York State, including the Suny College at Fredonia. The purpose of this fund is to encourage activities through which young people can learn about the Holocaust, its causes and its effects, and can resolve to combat the forces in people and societies that allow such things to happen.

I believe that such living memorials should be recognized, commended and encouraged. We speak so readingly of "massacres" and "genocide" today that we are in danger of forgetting what those terms really mean. The only way of not forgetting is to teach. Mr. Goldblum and others like him help propagate that teaching, and we are all in their debt.

Additionally, there are currently two bills introduced that would express the sense of Congress that study of the Holocaust and the causes of Naziism should be included in the history curricula of public schools.

Mr. Goldblum has set an example for us to follow. If individuals such as he can get the ball rolling, surely we as the lawmakers of this land can at least express our support.

The bills urging education of the terrible history of the Holocaust are a start. So, too, does the designation of Jewish Heritage Week serve to recognize and commend our Jewish community and further our commitment to democratic ideals and equality for all.

Mr. HANSEN. Mr. Speaker, I withdraw my reservation of objection.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from New York?

There was no objection.

The Clerk read the Senate joint resolution, as follows:

S.J. Res. 275

Whereas the Congress recognizes that an understanding of the heritage of all American ethnic groups contributes to the unity of our country;

Whereas intergroup understanding can be further fostered through an appreciation of the culture, history, and traditions of the Jewish community and the contributions of Jews to our country and society; and

Whereas the months of March, April, and May contain events of major significance in the Jewish calendar—Passover, the anniversary of the Warsaw Ghetto Uprising, Israeli, Independence Day, Solidarity Sunday for Soviet Jewry, and Jerusalem Day: Now, therefore, be it

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled, That the President is authorized and requested to issue a proclamation designating May 11 through May 17, 1988, as "Jewish Heritage Week" and calling upon the people of the United States, State and local government agencies, and interested organizations to observe "Jewish Heritage Week" with appropriate ceremonies, programs, and activities.

The Senate joint resolution was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

EXPRESSING SENSE OF THE HOUSE OF REPRESENTATIVES CONCERNING SOLIDARITY SUNDAY FOR SOVIET JEWRY

Mr. GARCIA. Mr. Speaker, I ask unanimous consent that the Committee on Post Office and Civil Service be discharged from further consideration of the resolution (H. Res. 420) to express the sense of the House of Representatives concerning Solidarity Sunday for Soviet Jewry, and ask for its immediate consideration.

The Clerk read the title of the resolution.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from New York?

Mr. HANSEN. Mr. Speaker, reserving the right to object, I do not object, but I would simply like to inform the House that the minority has no objection to the legislation now being considered.

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Mr. Speaker, under my reservation of objection, I yield to the gentleman from New York [Mr. Gilman] who is the chief sponsor of the resolution.

Mr. GILMAN. Mr. Speaker, I thank the gentleman for yielding, and would like to take this opportunity to thank the gentleman from New York [Mr. Garcia] and the gentleman from Utah [Mr. Hansen] for their timely attention to House Resolution 420, which expresses congressional support for Solidarity Sunday for Soviet Jewry.

Mr. Speaker, each year the Coalition to Free Soviet Jews sponsors a mass rally at Dag Hammarskjold Plaza, opposite the United Nations in New York City, to show the Soviet Union, as well as other nations of the world, that human rights cannot be denied unnoticed and unprotested. Each year, hundreds of thousands gather to express their solidarity of purpose with men and women whose only desire has been to practice their religious and cultural heritage freely. Unfortunately, each year the need for such a demonstration becomes more and more important. For a high point of more than 51,000 emigration permits having been granted in 1979, only 1,140 Soviet Jews were released last year. Emigration remains pitifully low, yet harassment and arrests continue to rise.

This past year has been one of joys as well as sorrows. With the impending summit meeting between President Reagan and Soviet General Secretary Mikhail Gorbachev last fall, there were some bright spots.

Some longstanding refuseniks and former prisoners of conscience were allowed to emigrate to Israel on an individual basis. One of these was Dr. Mark Nashpitz, a Soviet dentist with whom I corresponded for almost 15 years. I was gratified to be able to meet Dr. Nashpitz in Washington a few months after this release.

There was some progress on other fronts, including the release of the prominent Pentacostal leader Lydia Staskevich and the reunification of several Soviet-American couples. Unfortunately, however, we have yet to see a change in overall Soviet human rights policy as evidenced by increased emigration figures.

Yet, the most recent incident in memory, still fresh in our minds, has to be the release of Anatoly Shcharansky from prison after 9 long years on the false charge of treason. I am certain that Solidarity Sunday helped to focus attention on Anatoly's plight, and that the ongoing involvement of many of us in Congress helped in keeping pressure to bear. Those of us in attendance on May 11 this year will have the opportunity of hearing Anatoly himself speak to the gathering, which I anticipate will be momentous indeed.

Mr. Speaker, the denial of human rights is something that we in the United States find repugnant; we have attempted to build safeguards into our system to protect the civil and religious liberties of each individual. Yet Soviet Jews only know of these rights in a very peripherial manner, and they are persecuted and discriminated against by official sanction. Solidarity Sunday for Soviet Jewry is an ongoing attempt to ensure that they too know of our support for their struggle, and accordingly, urge our colleagues to adopt House Resolution 420.

Mr. KEMP. Mr. Speaker, will the gentleman yield?

Mr. HANSEN. Under my reservation of objection, Mr. Speaker, I yield to the gentleman from New York.

Mr. KEMP. I thank my colleague from Utah, as well as the gentleman from New York [Mr. Garcia], and I also underscore the comments of my friend and colleague, the gentleman from New York [Mr. Gilman], in his support for House Resolution 420. I am a cosponsor of H.R. 420 as I believe very strongly that Solidarity Sunday, May 11, is an important day for all people to identify themselves with those freedom-loving men and women throughout the world, particularly those Jews in the Soviet Union, who want their basic human rights.

It is going to be a special day for all of us as Anatoly Shcharansky will be the main speaker on May 15, in New York, at Dag Hammarskjold Plaza. It is going to be a great day not only for the Shcharanskys, Anatoly and Avital, but it is a great day for all of those men and women around the world who recognize that human rights are universal, a principle on which this country should stand. I appreciate the efforts of both the gentleman from Utah and the gentleman from New York in bringing this to the floor of the House so that we can support it unanimously.

Mr. HANSEN. Mr. Speaker, I join in the excellent remarks of the two gentlemen from New York.

Mr. BROOMFIELD. Mr. Speaker, I offer my support of the resolution before us which expresses congressional support for "Solidarity Sunday for Soviet Jewry." We in the free world must never forget that there are human beings in the Soviet Union and elsewhere whose human rights are being violated on a daily basis. This resolution is the least we can do to tell the world about their plight.

I recently returned from a visit to the Soviet Union where Dante Fascell, chairman of the House Foreign Affairs Committee and I talked at length with General Secretary Gorbachev about human rights violations in that country. The ongoing persecution of the Soviet Jewish community is a real tragedy. We made it perfectly clear to the Soviet leader that making progress in human rights was a priority issue in improving relations between our two countries.

The persecution of the Jewish community in the Soviet Union is a tragedy of massive proportions. Thousands of Soviet Jews are being denied the right to emigrate from that country. Thousands of prisoners of conscience languish in Soviet jails and detention camps. Members of divided families have been denied the right to emigrate so that they can live together with their loved ones.

Many Soviet Jews are denied the right to practice their religious and cultural heritage freely. These are serious matters which must be raised with representatives from the highest levels of the Soviet Government. We cannot give up in our efforts to win the freedom of those who long for liberty.

This is why it is vital for all of us to remember those whose freedoms are routinely denied. Solidarity Sunday for Soviet Jewry is an ongoing attempt to tell those who have been denied their liberties that we support their struggle for freedom.

I commend the efforts of Mr. Gilman, the ranking Republican on the Europe and Middle East Subcommittee, who introduced this timely proposal. I urge my colleagues to join me in supporting the resolution.

Mr. HANSEN. Mr. Speaker, I withdraw my reservation of objection.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from New York?

There was no objection.

The Clerk read the resolution, as follows:

H. Res. 420

Whereas on May 11, 1986, the constituent agencies of the Coalition to Free Soviet Jews will convene the fifteenth annual "Solidarity Sunday for Soviet Jewry" in reaffirmation of the American people's resolve to secure freedom for Soviet Jews and beleaguered persons everywhere;

Whereas Americans of all faiths will join in myriad activities on the day in public expression of solidarity with the long suffering Jewish community in the Soviet Union;

Whereas the right to emigrate freely and to be reunited with one's family abroad is denied Jews and many others in the Soviet Union;

Whereas the Universal Declaration of Human Rights, adopted by the General Assembly of the United Nations, and the Helsinki Final Act explicitly assert guarantees of those rights;

Whereas the Government of the Soviet Union has nevertheless continued to restrict emigration, particularly in the last few months, when the number of Jews allowed to emigrate has declined to extremely low levels;

Whereas the Government of the Soviet Union is persecuting its Jewish citizens and denying them even those few rights and privileges accorded other recognized religions in the Soviet Union;

Whereas the Government of the Soviet Union discriminates against Jewish cultural activities by banning and suspending Hebrew and Jewish cultural classes, by arresting teachers of Hebrew, and by harassing those Soviet Jews who seek only to practice their religion;

Whereas a virulent anti-Semitic campaign continues unabated in the Soviet Union and Soviet Jews are increasingly deprived of occupational and educational opportunities;

Whereas thousands of innocent Jews and other persons, having applied to leave the Soviet Union, have been subjected to immediate induction into the armed forces, improper incarceration in mental institutions, expulsion from school, and constant surveillance and harassment;

Whereas the Government of the Soviet Union will not succeed in isolating Soviet Jews from their friends in the free world as long as those who cherish liberty continue to speak on behalf of beleaguered people everywhere;

Whereas "Solidarity Sunday for Soviet Jewry" shall provide vigorous expression of American determination to secure freedom for Soviet Jewish prisoners of conscience incarcerated solely for their desire to emigrate; and

Whereas the Government of the Soviet Union refuses to permit the free exercise of religious beliefs and cultural expression and also refuses to remove all obstacles to the free emigration of its Jewish citizens and others who wish to leave and live in other countries: Now, therefore, be it

Resolved, That the House of Representatives hereby expresses its full support for "Solidarity Sunday for Soviet Jewry", to be held on May 11, 1986, and encourages Americans to participate in the activities of that day.

The resolution was agreed to.

A motion to reconsider was laid on the table.

NATIONAL READING IS FUN WEEK

Mr. GARCIA. Mr. Speaker, I ask unanimous consent that the Committee on Post Office and Civil Service be discharged from further consideration of the Senate joint resolution (S.J. Res. 286) to designate the week of April 20, 1986, through April 26, 1986, as "National Reading Is Fun Week," and ask for its immediate consideration.

The Clerk read the title of the Senate joint resolution.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from New York?

Mr. HANSEN. Mr. Speaker, reserving the right to object, I do not object, but I would simply like to inform the House that the minority has no objection to the legislation now being considered.

Mr. Speaker, under my reservation of objection, I yield to the gentleman from Massachusetts [Mr. Conte] who is the chief sponsor of House Joint Resolution 502.

Mr. CONTE. I thank the gentleman for yielding.

Mr. Speaker, as the author of this resolution in the House, I would like to thank my colleague, Chairman Garcia, and the members of the Post Office and Civil Service Committee for bringing this bill to the floor today.

Mr. Speaker, reading is fun. That's a statement that those of us here today take for granted. Reading is a skill which is instrumental in our work and our everyday lives.

Unfortunately, millions of our fellow Americans can't experience the enjoyment and satisfaction which we derive from reading. An article in yesterday's New York Times reported that 13 percent of all adult Americans are illiterate. This astounding figure stands in stark contrast to a Bureau of the Census study in 1979 which estimated that the illiteracy rate was much lower.

In the wealthiest society in the world, where public education is available for all, illiteracy shouldn't exist at all. But it does, and it shows indications of continuing. This resolution, designating this week as "Reading Is Fun Week," tells all American citizens that reading is fun, and I urge the adoption of this resolution.

Mr. HANSEN. Mr. Speaker, I withdraw my reservation of objection.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from New York?

There was no objection.

The Clerk read the Senate joint resolution, as follows:

S.J. Res. 286

Whereas reading for pleasure contributes to the development of lifelong reading and learning skills;

Whereas the lack of those skills is a pervasive and destructive force in America, and millions of adults cannot read well enough to function in our society;

Whereas it is essential that the sixty-six million youngsters in America under the age of 18 grow up reading in order to become literate, informed adults; and

Whereas "National Reading Is Fun Week" will be a nationwide literacy effort encouraging millions of young people to read: Now, therefore, be it

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled, That the week of April 20, 1986, through April 26, 1986, is designated as "National Reading Is Fun Week" and the President is authorized and requested to issue a proclamation calling upon Federal, State, and local government agencies and the people of the United States to observe the week with appropriate programs, ceremonies, and activities.

The Senate joint resolution was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

NATIONAL BARRIER AWARENESS DAY

Mr. GARCIA. Mr. Speaker, I ask unanimous consent that the Committee on Post Office and Civil Service be discharged from further consideration of the joint resolution (H.J. Res. 544) to designate May 7, 1986, as National Barrier Awareness Day, and ask for its immediate consideration.

The Clerk read the title of the joint resolution.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from New York?

Mr. HANSEN. Mr. Speaker, reserving the right to object, I do not object, but I would simply like to inform the House that the minority has no objection to the legislation now being considered.

Mr. Speaker, under my reservation of objection, I yield to the distinguished gentlewoman from Nevada [Mrs. Vucanovich] who is the chief sponsor of the joint resolution.

Mrs. VUCANOVICH. I thank the gentleman for yielding, and I thank my colleagues for bringing this legislation to the floor.

Mr. Speaker, I am also pleased to have the opportunity to say a few words about House Joint Resolution 544, requesting the President to designate May 7, 1986, as "National Barrier Awareness Day."

The event is designated to promote and enhance positive, realistic images of individuals with disabilities, emphasizing their abilities, rather than their disabilities as they negotiate existing barriers.

The goals of National Barrier Awareness Day are to solicit participation from a cross-section of individuals in order to inform and educate the public about various types of disabilities and the social, cultural, physical, attitudinal, and architectural barriers that exist today.

It is through shared information between the disabled and nondisabled communities that we can highlight the needs of individuals with disabilities.

I commend the many individuals and organizations who have participated in this effort and I am pleased to be a part of such a worthy cause.

Mr. HANSEN. Mr. Speaker, I withdraw my reservation of objection.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from New York?

There was no objection.

The Clerk read the joint resolution, as follows:

H.J. Res. 544

Whereas 80 percent of Americans will experience some form of disability during their lives and there are currently 36,000,000 disabled Americans;

Whereas many of these disabilities are permanent;

Whereas most persons who are not disabled do not understand the full effect of living with a disability;

Whereas this lack of understanding creates stereotypes and cultural attitudes which can bar the disabled from mainstream life just as much as physical barriers;

Whereas every American should work toward eliminating all of the cultural, financial, and physical barriers that confront the disabled: Now, therefore, be it

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled, That May 7, 1986, is designated National Barrier Awareness Day. The President is authorized and requested to issue a proclamation calling upon the people of the United States to observe this day with appropriate programs and activities.

The joint resolution was ordered to be engrossed and read a third time,

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was read the third time, and passed, and a motion of reconsider was laid on the table.

PROVIDING FOR CONTINUATION OF MARTIN LUTHER KING, JR., FEDERAL HOLDIAY COMMISSION UNTIL 1989

Mr. GARCIA. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the Senate bill (S. 2319) to provide for the continuation of the Martin Luther King, Jr., Federal Holiday Commission until 1989, and for other purposes, and ask for its immediate consideration in the House.

The Clerk read the title of the Senate bill.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from New York?

Mr. HANSEN. Mr. Speaker, reserving the right to object, I do not object, but I would simply like to inform the House that the minority has no objection to the legislation now being considered.

Mr. Speaker, under my reservation of objection, I yield to the gentleman from Michigan [Mr. Conyers] who is the chief sponsor of H.R. 4528.

Mr. CONYERS. I thank the gentleman for yielding.

Mr. Speaker, I rise in support of the bill, with all of the cosponsors of the Martin Luther King, Jr., Federal Holiday Commission legislation who are on the floor now, the gentleman from New York [Mr. Garcia], and the gentleman from New York [Mr. Kemp].

This is a proposal which provides for a 3-year extension of the Holiday Commission.

As you know, we witnessed the first celebration of the holiday celebrating Dr. King on January 20 of this year. It was magnificent. In the words of Coretta Scott King, we have come now from the observation that started in 1984 with 19 States, to 40 States and 4 territories observing official holidays in honor of Dr. King today.

Mr. Speaker, this increase reflects the work of the Federal Holiday Commission which has been promoting, organizing, and explaining in all areas of the country what the significance and importance of this holiday is to all Americans. There is one area of its work that I really should mention, because my office, perhaps like yours, was flooded with a number of calls in which people were saying, "I have got to go to work today, and I thought you passed the Martin Luther King, Jr., holiday."

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It is important that we have this Commission to explain to our citizens that the collective bargaining agreement that determines whether they go to work is not suspended by the passage of a Federal holiday bill.

I am very happy to stand here to support the legislative process that has led to the Commission's continuance, and to be especially appreciative of the increase in the number of Commissioners. I hope that my colleague, the gentleman from New York [Mr. Kemp], will agree to serve on the Commission after this legislation is passed.

I sincerely thank all of the Members of the House of Representatives who support this exceedingly important legislation. This is the first time in American history that we have set aside our differences to honor a great American whose color of skin happened to be black, but whose contribution was recognized by my colleagues on both sides of the aisle.

Mr. KEMP. Mr. Speaker, will the gentleman yield?

Mr. HANSEN. I yield to the distinguished gentleman from New York.

Mr. KEMP. I thank my colleague for yielding.

Mr. Speaker, I join with my friend, the gentleman from Michigan [Mr. Conyers] in thanking the gentleman from Utah [Mr. Hansen] as well my friend, the gentleman from New York [Mr. Garcia] for helping to expedite this process so we could get this resolution to the floor to extend the important work of the Dr. King Holiday Commission. It has passed the Senate, as the gentleman from Michigan pointed out and simply extends the Commission for 3 years and provides for more Commissioners. I want to thank John Conyers for his suggestion that I serve on the King Commission and I would be honored to do so.

This resolution reaffirms or commitments as a legislative body and as a Nation to this King holiday. As the gentleman from Michigan pointed out, this is not a holiday just for a few; this is a holiday for all Americans. All Americans can take pride in the idea for which Martin Luther King stood. This is a recognition that the civil rights revolution in America was a confirmation of the American Revolution, guaranteeing to all people, irrespective of color, culture, or creed, their equal rights as Americans. We still have a distance to go, but all would agree that the civil rights revolution helped to validate the Jeffersonian dream of equal opportunity for all. I am pleased to have been a cosponsor of the original King holiday legislation along with the gentleman from Michigan, the former Representative from Indiana Katie Hall, and the gentleman from New York [Mr. Garcia], the gentleman from Pennsylvania [Mr. Gray] the gentleman from California [Mr. Lungren], and many others on both sides of the aisle.

I particularly believe that by extending the Commission we recognize not only its work but also the great tradition that this country celebrated January 20th of this year for the very first time, and the great debt of gratitude that we owe as Americans to Dr. King, and indeed the cause for which he stood.

I appreciate very much the comments that have been made by my colleague, the gentleman from Michigan [Mr. Conyers] and Mr. Garcia, my friend from New York. I look forward to seeing this bill pass unanimously, and I appreciate the effort that has been made by Members on both sides of the aisle, Republican and Democrat alike, to recognize the contribution to America not only of Dr. King but also of the civil rights leaders in America who work so hard to confirm and validate our original revolution and to make it a reality for all Americans.

Mr. GARCIA. Mr. Speaker, will the gentleman yield?

Mr. HANSEN. Mr. Speaker, I yield to the gentleman from New York.

Mr. GARCIA. Mr. Speaker, today we are considering Senate Joint Resolution 275, a resolution designating May 11 through 17, 1986, as "Jewish Heritage Week." I am pleased to bring this resolution to the House floor for consideration, but I feel that our late colleague, Congressman Joe Addabbo would be even more delighted by its passage.

The commemoration of a Jewish Heritage Week was a dear event to our late colleague. For the past 6 years Congressman Addabbo had introduced resolutions that fostered an appreciation of the culture, history, and traditions of the Jewish community and recognized the contributions of Jews to our society in particular and to civilization as a whole. I think that Congressman Addabbo would have agreed that by promoting activities that increase our understanding of our different ethnic groups we can reconcile the differences that divide us and share the common characteristics that contribute to our unity as a nation.

This kind of intergroup understanding is crucial to cities like New York which are largely comprised of ethinic communities. It is the ultimate purpose of resolutions like the one Mr. Addabbo introduced to foster cooperation rather than isolution among the different communities in our cities. I am certain that the people of New York are proud of Congressman Addabbo's efforts to promote intergroup communication and that his presence will be missed by many.

Mr. HANSEN. Mr. Speaker, I withdraw my reservation of objection.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from New York [Mr. Garcia]?

There was no objection.

The Clerk read the Senate bill, as follows:

S. 2319

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. CONTINUATION OF COMMISSION.

(a) Purpose.—Section 3(1) of the Act of August 27, 1984 (98 Stat. 1473), is amended—

(1) by striking out "first"; and

(2) by inserting "first" before "occurs".

(b) Annual Report.—Section 8 of the Act of August 27, 1984 (98 Stat. 1475), is amended by striking out ", 1986" and inserting in lieu thereof "of each year".

(c) Termination.—Section 9 of the Act of August 27, 1984 (98 Stat. 1475), is amended by striking out "submitting its report under section 8" and inserting in lieu thereof "April 20, 1989".

SEC. 2. COMPOSITION OF COMMISSION.

Section 4(a)(6) of the Act of August 27, 1984 (98 Stat. 1473), is amended by striking out "fourteen" and inserting in lieu thereof "twenty-three".

The Senate bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

GENERAL LEAVE

Mr. GARCIA. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks on the Senate bill just passed and also on the several joint resolutions and the resolution just considered and adopted.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from New York?

There was no objection.

FINANCIAL ASSISTANCE FOR CONTROL OF PLAGUE

The SPEAKER pro tempore. Pursuant to the provisions of clause 5, rule I, the unfinished business is the question of suspending the rules and passing the bill, H.R. 4392.

The Clerk read the title of the bill.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from California [Mr. Waxman] that the House suspend the rules and pass the bill, H.R. 4392, on which further proceedings were postponed on Monday, April 21, 1986, and on which the yeas and nays were ordered.

The vote was taken by electronic device and there were—yeas 246, nays 155, not voting 32, as follows;

[Roll No. 88]

YEAS—246

Ackerman
Alexander
Anderson
Annunzio
Applegate
Aspin
Atkins
AuCoin
Barnes
Bateman
Bates
Bedell
Beilenson
Bennett
Berman
Bevill
Biaggi
Bliley
Boggs
Boner (TN)
Bonior (MI)
Bonker
Borski
Bosco
Boucher
Boulter
Boxer
Brooks
Broomfield
Brown (CA)
Bruce
Bryant
Burton (CA)
Bustamante
Byron
Carper
Carr
Chapman
Chappell
Clay
Coelho
Coleman (MO)
Coleman (TX)
Collins
Conte
Conyers
Cooper
Courter
Crockett
Darden
Davis
de la Garza
Dellums
Derrick
Dicks
DioGuardi
Dixon
Donnelly
Dorgan (ND)
Dowdy
Downey
Durbin
Dwyer
Dymally
Eckart (OH)
Edwards (CA)
English
Erdreich
Fascell
Fazio
Feighan
Fish
Flippo
Florio
Foley
Ford (MI)
Fowler
Frank
Frost
Fuqua
Garcia
Gejdenson
Gibbons
Gilman
Glickman
Gonzalez
Gordon
Gradison
Gray (IL)
Gray (PA)
Guarini
Hall (OH)
Hamilton
Hatcher
Hawkins
Hayes
Hefner
Hertel
Horton
Hoyer
Huckaby
Hughes
Hutto
Jacobs
Jeffords
Jenkins
Jones (NC)
Jones (OK)
Kanjorski
Kaptur
Kastenmeier
Kennelly
Kildee
Kleczka
Kolter
Kostmayer
LaFalce
Lantos
Latta
Leach (IA)
Lehman (CA)
Lehman (FL)
Leland
Levin (MI)
Levine (CA)
Lipinski
Lloyd
Long
Lowry (WA)
Luken
Lundine
MacKay
Markey
Martinez
Matsui
McCloskey
McCurdy
McDade
McKernan
McKinney
Mica
Mikulski
Miller (CA)
Mineta
Mitchell
Moakley
Mollohan
Moody
Moore
Morrison (CT)
Morrison (WA)
Mrazek
Murphy
Murtha
Myers
Natcher
Neal
Nelson
Nowak
O'Brien
Oakar
Obey
Ortiz
Owens
Panetta
Pashayan
Pease
Pepper
Perkins
Price
Rahall
Rangel
Reid
Richardson
Rinaldo
Robinson
Rodino
Roe
Roemer
Rose
Rostenkowski
Roth
Rowland (GA)
Roybal
Russo
Sabo
Savage
Scheuer
Schulze
Schumer
Seiberling
Sharp
Shelby
Sikorski
Sisisky
Skeen
Skelton
Slaughter
Smith (FL)
Smith (IA)
Smith (NJ)
Snowe
Solarz
Spence
Spratt
St Germain
Staggers
Stark
Stokes
Strang
Stratton
Studds
Swift
Synar
Tauzin
Thomas (GA)
Torres
Towns
Traficant
Traxler
Udall
Valentine
Vento
Visclosky
Volkmer
Walgren
Watkins
Waxman
Weaver
Weiss
Wheat
Whitehurst
Whitley
Whittaker
Whitten
Williams
Wirth
Wise
Wolf
Wolpe
Wright
Wyden
Yates
Yatron
Young (FL)
Young (MO)

NAYS—155

Andrews
Archer
Armey
Badham
Barnard
Bartlett
Barton
Bentley
Bereuter
Boehlert
Brown (CO)
Broyhill
Burton (IN)
Callahan
Campbell
Carney
Chandler
Chappie
Cheney
Clinger
Coats
Cobey
Coble
Combest
Coughlin
Craig
Crane
Daniel
Dannemeyer
Daschle
Daub
DeLay
DeWine
Dickinson
Dornan (CA)
Dreier
Duncan
Dyson
Eckert (NY)
Edwards (OK)
Emerson
Evans (IA)
Fawell
Fields
Franklin
Frenzel
Gallo
Gaydos
Gekas
Gingrich
Goodling
Green
Gregg
Gunderson
Hall, Ralph
Hammerschmidt
Hansen
Hendon
Henry
Hiler
Hillis
Holt
Hopkins
Hubbard
Hyde
Ireland
Johnson
Jones (TN)
Kasich
Kemp
Kindness
Kolbe
Lagomarsino
Leath (TX)
Lent
Lewis (CA)
Lewis (FL)
Lightfoot
Livingston
Lott
Lowery (CA)
Lungren
Mack
Madigan
Marlenee
Martin (IL)
Martin (NY)
Mazzoli
McCain
McCandless
McCollum
McEwen
McGrath
McMillan
Meyers
Michel
Miller (OH)
Miller (WA)
Molinari
Monson
Montgomery
Moorhead
Nielson
Olin
Oxley
Packard
Parris
Penny
Petri
Pickle
Porter
Pursell
Quillen
Ray
Regula
Ridge
Ritter
Roberts
Rogers
Roukema
Rowland (CT)
Rudd
Saxton
Schaefer
Schneider
Schuette
Sensenbrenner
Shaw
Shumway
Shuster
Siljander
Slattery
Smith (NE)
Smith, Denny (OR)
Smith, Robert (NH)
Smith, Robert (OR)
Snyder
Solomon
Stallings
Stangeland
Stenholm
Stump
Sundquist
Swindall
Tallon
Tauke
Taylor
Thomas (CA)
Vander Jagt
Vucanovich
Walker
Weber
Wortley
Wylie
Young (AK)

NOT VOTING—32

Akaka
Anthony
Bilirakis
Boland
Breaux
Coyne
Dingell
Early
Edgar
Evans (IL)
Fiedler
Foglietta
Ford (TN)
Gephardt
Grotberg
Hartnett
Heftel
Howard
Hunter
Kramer
Loeffler
Lujan
Manton
Mavroules
McHugh
Nichols
Oberstar
Schroeder
Sweeney
Torricelli
Wilson
Zschau

☐ 1315

The Clerk announced the following pair:

On the vote:

Mr. Akaka and Mr. Oberstar for, with Mr. Hartnett. against.

Messrs. BOEHLERT, CAMPBELL, and RITTER changed their votes from "yea" to "nay."

Mr. JACOBS and Mr. LATTA changed their votes from "nay" to "yea."

So (two-thirds not having voted in favor thereof) the motion was rejected.

The result of the vote was announced as above recorded.

BANK BRIBERY AMENDMENTS OF 1985

Mr. CONYERS. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the bill (H.R. 3511) to amend title 18, United States Code, with respect to certain bribery and related offenses, with the Senate amendments thereto, concur in the Senate amendments numbered 1 and 2, and concur in the Senate amendment numbered 3 with an amendment.

The Clerk read the title of the bill.

The SPEAKER pro tempore. The Clerk will report the Senate amendments and the House amendment to Senate amendment No. 3.

The Clerk read the Senate amendments and the House amendment to Senate amendment No. 3, as follows:

Senate amendments:

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Page 2, strike out lines 13, 14, and 15 and insert "person, intending to be influenced or rewarded in connection with any business or transaction of such institution;".

Page 3, line 25, strike out "business."." and insert "business."

Page 3, after line 25, insert:

"(d) The Justice Department shall consult with the Federal regulatory agencies with responsibility for regulating financial institutions as defined in this Act in order to establish a unified set of guidelines for identifying conduct which is prohibited by this section. The Department and such regulatory agencies shall make such guidelines available to the public. Compliance or noncompliance with the standards contained in such Act shall be relevant but not dispositive in determining whether a violation of this section has occurred.".

House amendment of Senate amendment No. 3: In lieu of the matter proposed to be inserted by the Senate amendment numbered 3, insert the following:

"(d) The Department of Justice, after consulting with each Federal agency that regulates a financial institution, shall issue a uniform set of guidelines that describe conduct that the Department of Justice will prosecute under this section, and shall make such guidelines available to the public.".

Mr. CONYERS (during the reading). Mr. Speaker, I ask unanimous consent that the Senate amendments and the House amendment to Senate amendment No. 3 be considered as read and printed in the RECORD.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Michigan?

There was no objection.

The SPEAKER pro tempore. Is there objection to the initial request of the gentleman from Michigan?

Mr. GEKAS. Mr. Speaker, reserving the right to object, and having reserved my right to object, I would like to ask the chairman of the Subcommittee on Criminal Justice of the Judiciary Committee to offer an explanation for the RECORD as to the provisions of this piece of legislation.

I yield to the gentleman from Michigan.

☐ 1330

Mr. CONYERS. I thank my colleague, the gentleman from Pennsylvania [Mr. GEKAS], the ranking minority member on the Subcommittee on Criminal Justice, for yielding to me.

Mr. Speaker, the House unanimously passed H.R. 3511 last October to amend the bank bribery offense so that it does not sweep within its ambit otherwise legitimate conduct. The bank bribery offense presently makes it a crime for a person to offer or accept anything of value "for or in connection with" any business or transaction of a financial institution. This sweeping language makes it a crime, for example—

For a bank to pay interest on an employee's account (and for the employee to accept the interest);

For a company to donate free space to a credit union serving its employees; and

For an employee of a financial institution to accept a promotional ballpoint pen given away at a business or trade show.

H.R. 3511 would narrow the present offense by requiring proof that the offeror or recipient of the thing of value acted corruptly and with an intent to influence or reward, or to be influenced or rewarded. This approach is modeled upon 18 U.S.C. 201, which defines the offense of bribery of a public official.

The other both has agreed with this approach and has returned the bill to us with three numbered amendments. The gentleman from Pennsylvania and I have reviewed these amendments carefully and have consulted with the other body about them. The gentleman from Pennsylvania and I have drafted a proposal that we believe fairly and responsibly addresses the concerns raised by the other body. It is this proposal now being offered to the House.

Our proposal accepts the other body's amendment No. 1 without alteration. That amendment makes a salutary change in that part of the offense making it a crime for a bank official corruptly to solicit or accept anything of value. As passed by this House, the prosecution would have to show not only that the solicitor or acceptor of the thing of value acted corruptly, but also that the donor acted corruptly. Amendment No. 1 of the other body modifies this provision to focus solely upon the solicitor or acceptor. Thus, amendment No. 1 requires the prosecution to show that the solicitor or acceptor acted corruptly and with the intent "to be influenced or rewarded in connection with any business or transaction" of the financial institution. The language of this amendment is also modeled upon 18 U.S.C. 201.

Our proposal also accepts amendment No. 2 of the other body. That amendment makes a technical change necessary in order to accommodate the new language added by amendment No. 3.

The other body's amendment No. 3 makes a substantive addition to the bill, adding a requirement that the Justice Department, after consulting with the Federal bank regulatory agencies, "establish a unified set of guidelines for identifying conduct which is prohibited by this section." Moreover, "compliance with the standards contained in such guidelines shall be relevant but not dispositive in determining whether a violation of this section has occurred." This amendment was prompted by a concern, in the words of its sponsor, that "although the current bill is not so vague as to raise a constitutional problem, it would be more effective in deterring undesirable conduct if it were coupled with guidelines for identifying prohibited conduct." 132 CONGRESSIONAL RECORD S-944 (daily ed. February 4, 1986) (remarks of Senator METZENBAUM).

In my judgment—a judgment shared by the author of amendment No. 3—the provision as passed by the House provides adequate notice of the prohibited conduct. The public official bribery provision upon which the House-passed version is modeled seems to be working well without such guidelines, and I see no reason to treat bank officials and people who deal with bank officials differently from the way we treat public officials and people who deal with public officials.

I recognize, however, that amendment No. 3 represents a strongly-held conviction that further clarification of the offense is desirable. That concern is well-intentioned and I believe we ought to accommodate it. I propose, therefore, to modify the other body's amendment No. 3.

I believe that the modifications are necessary in order to avoid an interpretation that amendment No. 3 seeks to delegate legislative branch or judicial branch power to an executive branch agency. The sponsor of amendment No. 3 sought to reassure his colleagues on this point, but I am afraid that the language of his amendment—especially the phrase "guidelines for identifying conduct which is prohibited by this section"—is susceptible of such an interpretation. I have proposed language that will avoid this problem but will still serve the notice function desired by the sponsor of amendment No. 3. My proposal requires the Justice Department, after consulting with the Federal bank regulatory agencies, to issue guidelines "that describe conduct that the Department of Justice will prosecute under this section." These guidelines must be made available to the public.

My proposal does not mandate that the guidelines are relevant to every bank bribery case, as does amendment No. 3. I believe amendment No. 3 goes too far in that regard. The guidelines can only be relevant on the issue of whether the defendant acted corruptly. This is a subjective element, and it would violate due process to hold a defendant accountable under a guideline that the defendant was unaware of. Since the provisions of the bank bribery offense cover the activities of the members of the general public, as well as bank officials and employees, it would not be uncommon or unusual, it seems to me, for a defendant to be unaware of the guidelines.

By not directly addressing the issue in my proposal, however, I have not made the guidelines inadmissible. Whether a guideline is admissible in a given case will turn on the particular

facts and circumstances of the case and the applicable principles of the Federal Rules of Evidence.

Mr. Speaker, I believe that this proposal is a reasonable and fair accommodation of the concerns of the other body. This proposal represents the joint and united efforts of the gentleman from Pennsylvania and myself, and I want to thank him for his important contribution to this proposal. I urge my colleagues to support what we have proposed.

Mr. GEKAS. I thank the gentleman from Michigan.

Further reserving the right to object, Mr. Speaker, the gentleman from Michigan has adequately set forth the provisions that we want to see adopted in this legislation.

Both he, the chairman, and I are a bit disappointed that the original version which we crafted on the House side has not been fully accepted by the other body. However, the changes made by way of amendment in the other body, to which we are now acceding in part and amending in part, will at least solve the grand problem, even though leaving some areas of it with which I am not perfectly satisfied.

But the main idea of the legislation will remain intact; namely, that bank officials, bank employees, will not be subjected to unwarranted prosecution for otherwise routine deeds on their part in the everyday business of the conduct of banking and other kinds of enterprises. That is what we sought here to cure. That is what is being accomplished, even though we are going to have to have further work through guidelines offered by the Attorney General of the United States.

Mr. CONYERS. If the gentleman will yield further, I want to say that the gentleman has described it quite succinctly. What we have done is take the bribery law and apply it in the real world of business transactions, where people do meet and have lunch with their banker, where you can get parking privileges without it being construed as the elements of the offense of bribery.

Mr. Speaker, I think we have made an important change in the bribery law to properly reflect the present business transactions that normally occur throughout our country.

Mr. GEKAS. I thank the gentleman.

Mr. Speaker, I withdraw my reservation of objection.

The SPEAKER pro tempore. Is there objection to the initial request of the gentleman from Michigan?

There was no objection.

A motion to reconsider was laid on the table.

GENERAL LEAVE

Mr. CONYERS. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks on the matter just considered.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Michigan?

There was no objection.

WAIVING CERTAIN POINTS OF ORDER AGAINST CONSIDERATION OF H.R. 4515, URGENT SUPPLEMENTAL APPROPRIATIONS, 1986

Mr. PEPPER. Mr. Speaker by direction of the Committee on Rules, I call up House Resolution 425 and ask for its immediate consideration.

The Clerk read the resolution, as follows:

H. RES. 425

Resolved, That all points of order for failure to comply with the provisions of section 302(f) of the Congressional Budget Act of 1974, as amended (Public Law 93-344, as amended by Public Law 99-177), and with the provisions of clause 2(l)(3)(B) of rule XI, are hereby waived against the consideration of the bill (H.R. 4515) making urgent supplemental appropriations for the fiscal year ending September 30, 1986, and for other purposes. During the consideration of the bill, all points of order against the bill for failure to comply with the provisions of clauses 2 and 6 of rule XXI are hereby waived. Amendments to strike out the following provisions in the bill shall be considered to have been adopted in the House and in the Committee of the Whole; beginning on page 5, lines 11 through 25; and beginning on page 28, line 19 through page 30, line 16. It shall be in order to consider the following amendments to the bill printed in the Congressional Record of April 21, 1986, by, and if offered by, the Members indicated; the amendment by Representative Hammerschmidt of Arkansas, and all points of order against said amendment for failure to comply with the provisions of clause 2 of rule XXI and section 302(f) of the Congressional Budget Act of 1974, as amended, are hereby waived; an amendment by Representative Schroeder of Colorado, and all points of order against said amendment for failure to comply with the provisions of clause 2 of rule XXI are hereby waived; an amendment by Delegate Fauntroy of the District of Columbia, and all points of order against said amendment for failure to comply with the provisions of clauses 2 and 6 of rule XXI, and clause 7 of rule XVI, are hereby waived; an amendment by Representative Mica of Florida, and all points of order against said amendment for failure to comply with the provisions of clause 2 of rule XXI and clause 7 of rule XVI are hereby waived; an amendment by Representative Fazio of California, and all points of order against said amendment for failure to comply with the provisions of clause 2 of rule XXI are hereby waived; an amendment by Representative Rostenkowski of Illinois, and all points of order against said amendment for failure to comply with the provisions of clause 2 of rule XXI and clause 7 of rule XVI are hereby waived; an amendment by Representative Bosco of California, and all points of order against said amendment for failure to comply with the provisions of clause 2 of rule XXI and clause 7 of rule XVI are hereby waived; and an amendment by Representative Michel of Illinois, and all points of order against said amendment for failure to comply with the provisions of clause 2 of rule XXI and clause 7 of rule XVI are hereby waived. Debate under the five-minute rule on the amendment by Representative Schroeder made in order by this resolution, and on all amendments thereto, shall continue not to exceed two hours.

☐ 1340

The SPEAKER pro tempore. The gentleman from Florida [Mr. PEPPER] is recognized for 1 hour.

Mr. PEPPER. Mr. Speaker, I yield 30 minutes to the gentleman from Mississippi [Mr. LOTT], and pending that, I yield myself such time as I may consume.

Mr. STRATTON. Mr. Speaker, will the gentleman yield?

Mr. PEPPER. I yield to the gentleman from New York.

Mr. STRATTON. Mr. Speaker, my concern is: What is the point of having a Rules Committee and having rules on the books if we are going to constantly waive all of the points of order?

In the so-called Schroeder amendment that is going to be offered on this floor, there are five glaring errors in violation of the rules, yet the Rules Committee simply waives them so that we are not operating under the basic Rules of the House.

I cannot understand this situation. We have rules that suggest that you cannot undertake certain actions but then the Rules Committee simply waives them and then we cannot carry on the business of the House, as the rules were designed to do. We have, for example, in the Schroeder amendment, the proposal that she makes, if it is approved in the House, would go into permanent law when, in fact, it is not designed to go into permanent law.

I do not think that we can properly operate our committee, which has a good deal of responsibility in the field of nuclear weapons, if the Rules Committee is constantly going to waive every rule that every individual Member wants waived.

Mr. PEPPER. Mr. Speaker, if my distinguished friend will permit me, I have been on the Rules Committee now since 1965. It has been the custom of the committee throughout those years from time to time, case by case, to grant waivers of violations of the rules. They are considered to expedite, rather than delay legislation and it generally is felt by the members of the Rules Committee that it was in the public interest that those waivers should be granted.

For example, in a great deal of instances, the authorizing bill has not yet been passed by the time the appropriation bill comes to the floor, or is likely to come to the floor. Under the rule, without a waiver by the Rules Committee, it would not be possible

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for the Appropriations Committee to bring up the bill.

So, therefore, the Rules Committee feels that it is in the public interest, and in the interest of the well-being of the House, to grant the waiver to allow the process to go forward.

Mr. STRATTON. Does the distinguished chairman of the Rules Committee feel that it is in the interest of the House to permit a piece of legislation that has been referred to two committees—as the Schroeder amendment was earlier by the Parliamentarian referred to the Committee on Armed Services and also to the Subcommittee on Procurement and Military Nuclear Systems; and it was also referred to the House Committee on Foreign Affairs. Yet the Rules Committee now makes it in order to take that bill entirely away from both of the committees who are charged with the matters that are included in the Schroeder amendment.

Mr. PEPPER. It is rather exceptional for the Rules Committee to do that. The Rules Committee felt in this instance that they were justified in making the waiver that they made.

If the gentleman will allow me, I will proceed to the presentation of the rule.

Mr. STRATTON. I am not very happy with making this legislation in order because if it goes through, it is likely to eliminate 6,000 people who are involved with our National Laboratories for Nuclear Systems in Los Alamos and in Livermore. This is a devastating amendment and it ought never to have been considered with a waiver of rules.

Mr. PEPPER. I am very much aware that there are items in here about which there are differences of opinion. Obviously those differences of opinion will manifest themselves in the consideration of the rule and the legislation that follows from it.

Mr. Speaker, House Resolution 425 waives certain points of order against consideration of H.R. 4515, the Urgent Supplemental Appropriations Act for Fiscal Year 1986. As my colleagues know, last week we adopted a rule that provided for the consideration of this bill in conjunction with a joint resolution on Central America.

Under the provisions of that rule, the supplemental appropriations bill was to be considered after the disposition of the joint resolution relating to Central America. Because consideration of the joint resolution was not completed and further action on the joint resolution is not anticipated, the Rules Committee reported House Resolution 425, a rule providing solely for the consideration of H.R. 4515.

Mr. Speaker, House Resolution 425 contains waivers of points of order against the consideration of H.R. 4515, the supplemental appropriations bill. The rule waives section 302(f) of the Congressional Budget Act of 1974, as amended, against consideration of the bill.

In compliance with section 302(b) of the Budget Act, the Appropriations Committee issued a report subdividing the budget authority allocated to the full committee among its subcommittees. While the budget authority contained in H.R. 4515 would not breach the Appropriation Committee's budget authority allocation, it does violate the allocation made to some of its subcommittees.

Section 302(f) of the Budget Act prohibits consideration of legislation if it violates the appropriate committee's subdivision and so the waiver is necessary in order for H.R. 4515 to be considered.

The rule also waives clause 2(l)(3)(b) of the rule 11 against comsideration of the bill. This provision of the House rules requires each committee to include in its report on any bill containing new budget authority a comparison of the spending levels in the bill to the subcommittee budget authority allocations.

The rule waives clauses 2 and 6 of rule XXI against the bill. Clause 2 of rule XXI prohibits the inclusion of legislation and unauthorized appropriations in the general appropriations bill. H.R. 4515 contains a number of such provisions which are outlined in the Appropriation Committee's report on the bill.

Clause 6 prohibits reappropriations in a general appropriations bill. H.R. 4515 includes transfers of previously appropriated funds.

The rule strikes out two provisions of the bill. The first provision pertains to modifications of the Farmland Conservation Reserve Program, established by the 1985 farm bill. The other provision stricken by the rule relates to standards and funds for congressional mailings.

The rule waives points of order to permit consideration of eight amendments. Each of these amendments must be printed in the Congressional Record of April 21, 1986, by its author. The amendments specified in the rule are the same as those in the previous rule, with the addition of an amendment by Representative Michel of Illinois, relating to deferrals.

Finally, the rule states that debate during the 5-minute rule on the Schroeder amendment, and all amendments thereto, shall not exceed 2 hours.

Mr. Speaker, I want it to be clear that these are not the only amendments allowed during consideration of H.R. 4515. The rule specifically mentions eight amendments because waivers are necessary to allow for their consideration.

I want to add one word further in explanation of the inquiry that was made by the distinguished gentleman from New York [Mr. Stratton], my dear friend. Usually when the chairman of a subcommittee or chairman of an authorizing committee asks the Rules Committee not to grant a waiver in respect to a matter, we do not grant that waiver.

This time, the subject of the amendment moved the Rules Committee, in its wisdom and judgment, to go ahead and grant the waivers anyway. That is the reason that the waivers were granted in this case.

Any amendment to the bill and any amendment to the specified amendments contained in the rule are in order, provided that they conform to House rules. The Rules Committee considered many requests for amendments to make in order to the urgent supplemental appropriations bill.

I need not add to my colleagues that this bill has many, many matters of major interest. One, for example, is $10 million to be used against avian influenza. My State of Florida is particularly interested in funds provided in the bill for the eradication of citrus canker which has been so devastating to our citrus industry.

All through that bill, there are numerous provisions that are very meaningful to the various Members of the House.

The Rules Committee considered many requests for amendments to be made in order to the urgent supplemental appropriations bill. The committee felt that waiving points of order against the eight amendments specified in the rule will allow for timely consideration of matters of urgent concern to the Members.

You must remember, Mr. Speaker, that we are only facilitating the consideration of these amendments. It will be up to the House to determine whether they think the amendments are wise and wish to approve them or not.

Mr. LOTT. Mr. Speaker, I yield myself such time as I may consume.

Mr. LOTT. Mr. Speaker, House Resolution 425 is nearly identical to section 2 of the rule adopted last week, House Resolution 415. That is, the rule waives certain points of order against the consideration of the urgent supplemental (H.R. 4515), against legislative and transfer provisions in that bill, and against certain amendments specified in the rule.

This rule does not, I repeat, does not, make in order any provisions regarding the situation in Nicaragua. That issue has been decoupled and shelved for the time being. But I do want to take this opportunity to announce to my colleagues that tomorrow I will file a discharge petition on House Resolution 419, a special rule on House Joint Resolution 283 introduced by Mr. McCurdy. That rule will resurrect the issue of aid to the Con-

tras and guarantee separate votes on substitutes by Congressmen Hamilton, McCurdy, and Michel, in that order, in a king-of-the-mountain approach. I urge my colleagues to sign that petition.

Mr. Speaker, the rule before us waives section 302(f) of the Budget Act against consideration of the bill. That section provides a point of order against bills which exceed a committee's section 302(b) suballocation of budget authority under the Budget Act. Chairman Whitten indicated that this is a technical violation since the Appropriations Committee is still within its overall section 302(a) allocation.

However, the committee could have remedied this violation itself by reporting new suballocations as authorized by the Budget Act, but it did not. The Budget Committee has polled its members and a majority do not object to the waiver. However, I would caution the Appropriations Committee against trying to use this technical violation argument as a precedent in the future. This is a central point of order under Gramm-Rudman, and the Rules Committee cannot and should not waive it lightly.

The rule also waives clause 2(l)(3)(B) of House Rule 11 against consideration of the bill. That clause requires certain budgetary information to be included in committee reports. Since the Appropriations Committee failed to include a comparison between the levels in the bill and its 302(b) suballocations, it is in violation of this budget information requirement. However, without the waiver in this rule, we could not even take up the bill. But I would caution the Appropriations Committee against overlooking this important requirement in the future.

Clauses 2 and 6 of House Rule 21 are waived against legislative and transfer provisions in the bill. As I mentioned in my remarks on the previous rule, such violations are legion, comprising about one-fourth of the bill. We also waive these clauses and some other rules against several amendments made in order by the rule. This bill has obviously become a popular vehicle on which to legislate and not just appropriate; and that just adds to the veto bait.

The amendments made in order which require special waiver protection had to be printed in yesterday's Record and are virtually the same as those specified in the last rule, with two modifications and one addition. The Schroeder amendment has been changed to prevent United States nuclear testing for the rest of this year and until the President certifies that the Soviets have conducted a nuclear test after April 17th of this year. The rule also limits the time for debate on the Schroeder amendment, and amendments thereto, to 2 hours.

The other amendments requiring waivers which are identical to those previously made in order include: the Hammerschmidt amendment on dairy indemnity; the Fauntroy amendment on aid to Haiti; the Mica amendment on Embassy security; the Fazio amendment on privatizing Federal power; the Rostenkowski amendment on hospital regulations; and the Bosco amendment on American-made offshore oil rigs.

Mr. Speaker, I am pleased to announce that the Rules Committee this time around has been gracious enough to allow an additional amendment by our distinguished Republican leader [Mr. Michel] as an alternative to section 201 in the bill which attempts to repeal part of the President's deferral authority. I say "attempts" to repeal that authority because, according to the American Law Division in the Library of Congress, the actual effect of the provision is to simply repeal the requirement that the President report deferrals. In any event, the provision was hastily and sloppily drawn and is a clear case of overkill. From fiscal 1975-85 about $121 billion in deferrals have been proposed, on which only around $21 billion, or 17 percent, have been rejected by Congress. The Appropriations Committee proposes to eliminate so-called policy deferrals which makeup about 40 percent of total deferrals each year. What this means is that if the appropriations language had been in effect from the outset, around $40 billion could not have been deferred over the last decade. Think of how that would have added to our deficit problems.

Rather than eliminating these policy deferrals, most of which have been noncontroversial over the years, the Michel amendment would simply cap these at $5 billion a year. I think this makes much better sense than throwing the baby out with the bathwater, and I hope my colleagues will vote for the Michel amendment when it is offered.

My preference would have been to excise section 201 in the rule, as we did the conservation reserve and congressional franking provisions. That way the Rules Committee and Government Operations Committee could consider deferral reform in a more deliberative manner. And it is my understanding the gentleman from Texas [Mr. Armey] will first offer an amendment to simply strike section 201. I think that is the preferred way to go while we study the matter in our committees. But, failing that, the Michel amendment is the only sensible course available to us at this time.

Mr. Speaker, the Rules Committee has done a better job on what is still a bad rule and a bad bill.

□ 1355

Mr. YATES. Will the gentleman yield on that point?

Mr. LOTT. I yield to the gentleman.

Mr. YATES. Deferrals are not rescissions, obviously, and they are deferrals of spending. There is no money that is saved because the amount that is deferred is deferred to be spent at a later date. The gentleman may be confusing that with the rescission which the President——

Mr. LOTT. No, I certainly understand the difference between rescissions and deferrals, and I think that there is no question that the deferral process was intended by the Congress in the Budget and Impoundment Act, that when you do defer or postpone, you are saving money for that time, and particularly if it is money that cannot be well spent at that particular time.

That applies to the management side, for sure, but also the policy deferrals have been used by presidents of both parties and have served us well. Why change it?

Mr. YATES. If the gentleman will yield further, I will tell him why it has changed. It has been changed from the original congressional intention.

I have dealt with deferrals and rescissions, as has every other member of the Committee on Appropriations since passage of the budget law. Until the Chadha decision, until really this year's budget, it worked well because the Congress followed its original intention of providing for a one-house veto. Either the House could veto the bill or the Senate could veto the bill.

Now we have a situation where, because of the Chadha decision, we have what amounts to a single-item veto on the part of the President because in order to upset the deferral, the Congress must pass it by both Houses; and the President must in turn sign it.

So what we have is a reappropriation of the item that is the subject of the deferral. That is a total departure of what Congress intended; it is a total departure of what happened under the first 11 years of the operation of the Budget Act.

Mr. LOTT. Reclaiming my time, I would like to say to the gentleman, I think this is an area where we need to do some work. I acknowledge that there is some uncertainty with regard to deferrals and the Chadha decision.

My question is, though, should the Appropriations Committee do this? Should not this be done by the Committee on Rules and by the Committee on Government Operations? Should it not be done in a deliberative way?

Does your section 201 do what you would like for it to do? Should not we really look closer at the question of management deferral versus policy deferral?

My main objection here is that we are launching off into this, realizing there is a problem, without having really thought it through; and that is why I did think it was very important that the gentleman from Illinois be able to offer his amendment which is, by the way, a middle ground. He says that there should be some limit—in his amendment, of the policy deferrals, and would put a $5 billion cap on it; so he takes a middle ground.

Mr. YATES. The gentleman is speaking of the minority leader's amendment?

Mr. LOTT. Yes; that is correct.

Mr. YATES. If the gentleman will yield further.

Mr. LOTT. I will be glad to yield further.

Mr. YATES. Because I consider this to be such an important matter, I raised it. I took the matter very seriously. I do not lightly put legislation in an appropriations bill.

I put it into this bill because of the experiences which we were having in the Committee on Appropriations this year, where the administration was using the deferral process as a rescission process; not to delay an expenditure, but actually to wipe out an expenditure.

I had to pass on the question as to whether I should put my amendment in the appropriations bill. Before I did so, I appeared before the Committee on Government Operations and testified in favor of a change of the basic law; a legislative committee. When I was before the Committee on Rules, I said to that committee, "I bring this before the Rules Committee because you have jurisdiction over the Budget Act."

I said, "I have put this amendment in this bill. If you think that you want to take jurisdiction of it and consider it, bless you. You go ahead and you do it. If you think that for the time being, until you have a chance to do it, my amendment should receive the attention of the House, then give me the waiver."

Mr. LOTT. I certainly understand where the gentleman is coming from, Mr. Speaker, and why he would like to act, but I do feel like it is the responsibility of the Committee on Rules and the Committee on Government Operations; and we should have already been acting on it, as a matter of fact, and we certainly should be doing it now.

I still do not think it should be done in the appropriations urgent supplemental, and maybe we will have time anyway, because this urgent supplemental is going to take another 3 to 4 weeks, and maybe the President will wind up vetoing it, and we still will not have dealt with the deferral question.

So in the meantime, the Committee on Rules, I would hope, and would like to urge the distinguished leader and the leadership of the Committee on Rules that we take this issue up and deal with it, and let us work together. This should be a bipartisan solution, because it has been used in a bipartisan way.

The President has not abused his deferral authority. Previous Presidents have used it to a greater extent; and I have right here, President Carter, for instance 1 year, had a $7.3 billion deferral proposal. President Ford had a $21.6 billion deferral; and this deferral, this year, is below the one that President Ford had asked for.

Mr. YATES. If the gentleman will yield further, may I point out to the gentleman that the process, the procedure, under both Presidents Ford and Carter, was the one-House veto. We do not have that now; and what is happening is that we must—for example, take the case of the strategic petroleum reserve and the construction of storage capacity in Texas.

We passed that 2 years ago; the President sent down a deferral; the Congress overruled that last year. The President sent down another deferral this year, and we thought that—it was in our appropriations bill last year—he sent down another deferral this year. We have to go through the entire reappropriations process for the strategic petroleum reserve.

Mr. LOTT. I guess we will debate this later when we get to this section, because there will be, as I understand it, an amendment offered to simply strike section 201, and we will discuss that, and we do have, thanks to the Committee on Rules, the Michel amendment, which would be I think a medium ground.

Basically, though, we fundamentally disagree on the whole substance of the issue. Thank goodness we have Presidents that will try to have rescissions and deferrals, because it is obvious to me the Congress is not going to deal—we are trying to find ways to stop some of this spending when there are reasons to believe it should not go forward.

If I may conclude, let me say that I think the Committee on Rules has done a better job on this rule, but it is still basically a bad rule on a bad bill.

Mr. Speaker, I yield 4 minutes to the gentleman from Texas [Mr. Armey.]

Mr. ARMEY. Mr. Speaker, I want to express my appreciation not only to the gentleman from Mississippi, but to the gentleman from Florida and other members of the committee; both the Committee on Appropriations and Rules, for the hard work they are doing.

☐ 1405

But I hate to tell you gentlemen in all respect to the hard work you were doing and the sincerity of your efforts, I am very bitterly disappointed in this rule. This is a bad bill and a bad rule. I think some people who may appreciate this whole process someday might be the professors of America who might find this an excellent case, an example to use in a classroom of how the legislation and procedures by which legislation is developed and the rules by which it is allowed to the floor misses the point of so much work that went into our founding documents in this country to protect against the tyranny of the majority.

It is certainly evident in this effort here.

I have many problems with the bill, but the big problem is its name. Why we continue to call this an urgent supplemental bill is beyond me.

You know, another thing that we find in our curricula is supplemental appropriation bills are not dealt with in the universities and in the schools because we expect them to be rather perfunctory pieces of legislation designed to fill a few fiscal gaps and keep operations running.

Now we have one that makes major policy operations. It is completely out of control. I do not understand why, for example, I might not be allowed to offer an amendment that outlaws legal services, bans any further legal services. Yet another Member can come down and be granted a rule that allows them to legislate away any further nuclear testing. The whole question with regard to the deferral process is a bitter disappointment to me. It would seem to me a good rule would have about 90-percent public policy and about 10-percent politics. This rule clearly has about 10-percent public policy and 90-percent politics.

The President needs the deferral authority for reasons we will look at later. I intend to offer an amendment, as I found 70 percent of the Members of the House willing to sign a letter with me asking the Rules Committee to not grant these legislation waivers and to hold the bill to fiscally responsible guidelines.

We will be back on the floor making our best effort to keep those necessary provisions of the Budget Control and Impoundment Act in force. Also, if at all possible, to try to protect the integrity of the committees of jurisdiction which are being bypassed by these short-circuited legislative efforts that we find in this bill and in this rule.

Mr. YATES. Mr. Speaker, will the gentleman yield?

Mr. ARMEY. I yield to the gentleman from Illinois.

Mr. YATES. I thank the gentleman for yielding.

Mr. Speaker, I pointed out to the gentleman from Mississippi that I had testified before the Committee on Government Operations and before the Committee on Rules because they are the committees of jurisdiction, telling them this is a subject that

ought to be acted on and that my amendment was solely for the purpose of presenting the question to them if they thought it was proper. I have the approval, for presenting my amendment in this bill, of the gentleman who is chairman of the Committee on Government Operations and the ranking member. Obviously, the Committee on Rules approved it because they gave it a rule.

Mr. ARMEY. If I can reclaim my time. I guess that may be one of the points that I am trying to make here. I do not think the extent to which a committee acts, gives approval or whatever, should rest only in the hands of the chairman of that committee. The sovereignty of committee chairmen in this body, I think, is a problem we ought to deal with. The fact of the matter is there are more Members on the committee who are not chairmen than there are who are chairmen. We all are equally competent to decide the Nation's business. I suppose that is why we were put on the committees.

Mr. LOTT. Mr. Speaker, I yield 2 minutes to the distinguished chairman of the Committee on Agriculture, the gentleman from Texas [Mr. de la Garza].

Mr. de la GARZA. I thank the gentleman for yielding.

Mr. Speaker, I rise to interject my comments at this point with some degree of sadness that this has to be done, but the supplemental appropriation bill has 12 items of basic Agriculture Committee jurisdiction to which the Rules Committee has provided a general waiver. I want to assure the membership that in most of the instances we have no basic argument with the content but rather with the way that it is being done because they are not basically of that emergency nature that cannot be handled by the appropriate committee of jurisdiction.

Further, and I say this with some degree of sadness out of my respect of the institution, that this erosion has been coming on for a considerable length of time, and unless we stop the erosion or unless some accommodation is made between the Appropriations Committee for whom I have the greatest respect, and this I assure you is not related to any of its Members, but unless we have accommodation or at least communication as to vital items that need to be addressed in an appropriations bill, with the respective committees of jurisdiction, then we would have eroded the rules, and we may have put im place a dismantling of orderly procedure, and we may wind up with some degree of confrontation that is not needed, should not be and none of us want.

Mr. Speaker, I have gone to the leadership, I have gone to everyone that would listen to us, that the orderly procedure under the rules must be followed explicitly. My friends of the Rules Committee, I thank them for all of the cooperation they have given us, but I assure you that granting waivers should be something that is not taken very lightly.

Again we offer our cooperation to all but that we do not erode the basic rules of the House.

Mr. ALEXANDER. Mr. Speaker, I rise in support of the rule on H.R. 4515.

The coming of spring usually brings heavy rains and serious flooding in my part of the country. But this year we're seeing another type of flood in Arkansas. This flood is made of paper instead of water.

The county offices of the Agricultural Stabilization and Conservation Service are drowning under a sea of forms, and the flood threatens to wash away this year's spring planting as surely as a tropical storm from the Gulf of Mexico.

Farmers in Arkansas and throughout the Nation are approaching the end of planting season, and they desperately need the money that ASCS owes them but hasn't released. The disbursement of commodity loans and deficiency payments is hopelessly backlogged, and farmers are without the seed money they need to begin this crop year.

The ASCS county offices simply need more people to process the paperwork. The supplemental before us would transfer $71 million from the Commodity Credit Corporation to the salaries and expenses account of ASCS so the county offices can pay the people to do the work that will get money to the farmer.

The week before last, Mr. Speaker, farmers in Poinsett County, AR, told me that the ASCS office there is so swamped that it has not even finished disbursing 1985 deficiency payments—much less advance deficiency payments for this year.

This transfer of funds is needed—not within several weeks or months—but within the next few days. Many of my farmers are desperate. The flood waters are at our door. We must move this provision through with the utmost speed so we can hire the people needed to process the paperwork and put the money in the hands of the people for whom Congress intended it.

Mr. LOTT. Mr. Speaker, I have no additional requests for time and I reserve the balance of my time.

Mr. PEPPER. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, the Rules Committee always has problems when these matters come up. Remember that we did not just get these amendments out of the thin air. These provisions that our friends are objecting to were proposed in a bill that came from the Appropriations Committee of the House of Representatives, and they presented to us what they thought and felt were provisions which should be protected in the bill.

They asked for a waiver because they knew they were subject to a technical point of order. Ordinarily, as I said a moment ago, when the chairman of a full committee of an authorizing committee or when the chairman of a subcommittee of an authorizing committee appears before the Rules Committee and asks us not to grant a waiver of a rule violation, we observe their request. But this time with respect to a whole list of things that pertain to agriculture which we all know is having a critical period in our time, the Appropriations Committee felt that these things for which they had provided should be allowed to go to a vote on the floor of the House of Representatives.

I am not in the citrus industry area of Florida. I live in Miami. The citrus industry suffered very badly from canker. But the Appropriations Committee had put in some funds to deal with the citrus canker, and we protected that provision as well as some others.

For example, there are some funds in here to deal with avian flu and the like. But as I say, I told my distinguished friend from Texas that we would very reluctantly go contrary to his request and that of the distinguished gentleman from New York [Mr. Stratton] in two instances. But after deliberating about the matter, considering the recommendation of the Committee on Appropriations, we decided it would only be fair to give the House an opportunity to vote on these matters. And that is the reason we granted the waivers.

So I am sorry we could not oblige everybody. We conscientiously tried to do what we thought was the right thing and in the best interests of the country.

Mr. de la GARZA. Mr. Speaker, will the gentleman yield?

Mr. PEPPER. I yield to the gentleman.

Mr. de la GARZA. I thank the gentleman for yielding.

Mr. Speaker, I rise again to express my deep admiration and respect for the chairman. I am certain that he had to bear the brunt of which decision to make. With that we have no quarrel. My concern, Mr. Chairman, is that I, more than no one, want to help the citrus industry in Florida and, more than no one, is interested in controlling the citrus canker, for example.

It could impact down to my area of Texas. But the citrus industry in Florida should realize and know that they come to the committee of jurisdiction first, and this is where I say the erosion is coming that we grant waivers. They will not know that they have to come to the committee of jurisdiction because they will get their money. This is my concern, that it should be done with communication. We do not know if hearings were held. We held no hearings. We know the problem in Florida. So it is a matter of having to join hands and communicate all around and perhaps we, I am sure in this case, would have been in agreement had the communication been made, had we seen the problems. We would have caused the chairman of the Rules Committee not to have to make this decision. This is what I am trying to get at, that we should not have to come and settle it or dump it on the backs of the Rules Committee or the back of the chairman of the Rules Committee. It should be done with communication, in good order, with cooperation, and with a friendly manner so that we do not have to come and be discussing this on the floor of the House.

I thank the distinguished chairman for yielding.

Mr. PEPPER. May I say to my distinguished friend he knows how reluctantly I am on the opposite side from him.

Mr. SMITH of Iowa. Mr. Speaker, will the gentleman yield?

Mr. PEPPER. I yield to the gentleman from Iowa.

Mr. SMITH of Iowa. I thank the gentleman for yielding.

Mr. Speaker, the chairman is not on the opposite side on this because, I point out to you, the provision relating to canker is a transfer of appropriated money. The committee of jurisdiction is the Appropriations Committee for transfers, not the Agriculture Committee.

Mr. PEPPER. May I say that if we had made a mistake in allowing these provisions to come to a vote on the floor, I am sure the membership would be ably disposed to take care of the matter itself.

So all the criticisms that have been offered may be presented when the amendment comes up for consideration by the House.

May I add one more word here, Mr. Speaker? When we come to the debate on the floor on the Michel amendment, I will have more to say about it, but I just want to say now that the Rules Committee had a hearing a little while ago, consuming an afternoon, with an excellent and varied group of important witnesses on this whole matter that is brought out and emphasized by the amendment of the gentleman from Illinois [Mr. YATES].

As soon as the testimony from that hearing is printed and available to the members of the Rules Committee, we are going to proceed in an effort to try to bring the Congress together to determine what the Congress should do in dealing with this critical constitutional issue; to what extent the Executive may decline to carry out the provisions of laws established by the Congress of the United States in a constitutional way, including appropriations made by the Congress.

Mr. LOTT. Mr. Speaker, I have no further requests for time, and I yield back the balance of my time.

Mr. PEPPER. Mr. Speaker, I have no further requests for time, I yield back the balance of my time, and I move the previous question on the resolution.

The previous question was ordered.

The **SPEAKER** pro tempore. The question is on the resolution.

The question was taken; and the Speaker pro tempore announced that the ayes appeared to have it.

Mr. LOTT. Mr. Speaker, I object to the vote on the ground that a quorum is not present and make the point of order that a quorum is not present.

The **SPEAKER** pro tempore. Evidently a quorum is not present.

The Sergeant at Arms will notify absent Members.

The vote was taken by electronic device, and there were—yeas 187, nays 220, not voting 26, as follows:

[Roll No. 89]

YEAS—187

Ackerman
Alexander
Anderson
Andrews
Annunzio
Applegate
Aspin
Atkins
AuCoin
Barnes
Beilenson
Bennett
Berman
Bevill
Biaggi
Boggs
Boland
Boner (TN)
Bonior (MI)
Bonker
Borski
Bosco
Boucher
Boxer
Brooks
Brown (CA)
Bryant
Burton (CA)
Byron
Carper
Carr
Chappell
Clay
Coelho
Coleman (TX)
Collins
Conyers
Cooper
Crockett
Dellums
Derrick
Dingell
Dixon
Donnelly
Dowdy
Downey
Durbin
Dwyer
Dymally
Eckart (OH)
Edwards (CA)
Erdreich
Evans (IL)
Fascell
Fazio
Feighan
Flippo
Florio
Foley
Ford (MI)
Ford (TN)
Frank
Frost

Fuqua
Garcia
Gaydos
Gejdenson
Gibbons
Gilman
Gonzalez
Gordon
Gray (IL)
Gray (PA)
Green
Guarini
Hall (OH)
Hammerschmidt
Hawkins
Hayes
Hefner
Hendon
Hertel
Howard
Hoyer
Jones (NC)
Jones (OK)
Kanjorski
Kastenmeier
Kennelly
Kildee
Kleczka
Kolter
Kostmayer
LaFalce
Lantos
Lehman (FL)
Leland
Levin (MI)
Levine (CA)
Lipinski
Long
Lowry (WA)
Luken
Lundine
Manton
Markey
Matsui
Mavroules
Mazzoli
McCloskey
McDade
McHugh
Mica
Mikulski
Mineta
Mitchell
Moakley
Montgomery
Moody
Morrison (CT)
Mrazek
Murphy
Murtha
Myers
Natcher
Neal

Nelson
Nowak
O'Brien
Oakar
Obey
Ortiz
Owens
Pease
Pepper
Perkins
Pickle
Price
Rahall
Rangel
Robinson
Rodino
Roe
Rostenkowski
Roybal
Sabo
Savage
Scheuer
Schroeder
Schumer
Seiberling
Shelby
Sikorski
Sisisky
Skelton
Smith (FL)
Smith (IA)
Solarz
Spratt
St Germain
Stark
Stokes
Studds
Swift
Synar
Taylor
Torres
Torricelli
Towns
Traficant
Traxler
Udall
Vento
Walgren
Watkins
Waxman
Weaver
Weiss
Wheat
Whitten
Wise
Wolpe
Wright
Wyden
Yates
Yatron
Young (MO)

NAYS—220

Armey
Bartlett
Barton
Bateman
Bates
Bedell
Bentley
Bereuter
Bliley
Boehlert
Boulter
Broomfield
Brown (CO)
Broyhill
Bruce
Burton (IN)
Bustamante
Callahan
Campbell
Carney
Chandler
Chapman
Chappie
Clinger
Coats
Cobey
Coble
Coleman (MO)
Combest
Conte
Coughlin
Courter
Craig
Crane
Daniel
Dannemeyer
Darden
Daschle
Daub
Davis
de la Garza
DeWine
Dickinson
Dicks
DioGuardi
Dorgan (ND)
Dornan (CA)
Dreier
Duncan
Dyson
Eckert (NY)
Emerson
English
Evans (IA)
Fawell
Fish
Fowler
Franklin
Frenzel
Gallo
Gekas
Gingrich
Glickman
Goodling
Gradison
Gregg
Gunderson
Hall, Ralph
Hamilton
Hansen
Hatcher
Henry
Hiler
Hillis
Holt

Badham
Hopkins
Horton
Hubbard
Huckaby
Hughes
Hunter
Hutto
Hyde
Ireland
Jacobs
Jeffords
Jenkins
Johnson
Jones (TN)
Kaptur
Kasich
Kemp
Kindness
Kolbe
Lagomarsino
Latta
Leach (IA)
Leath (TX)
Lehman (CA)
Lent
Lewis (CA)
Lewis (FL)
Lightfoot
Livingston
Lloyd
Lott
Lowery (CA)
Lungren
Mack
MacKay
Madigan
Marlenee
Martin (IL)
Martin (NY)
Martinez
McCain
McCandless
McCollum
McCurdy
McEwen
McGrath
McKernan
McKinney
McMillan
Meyers
Michel
Miller (CA)
Miller (OH)
Miller (WA)
Molinari
Mollohan
Monson
Moore
Moorhead
Morrison (WA)
Nielson
Olin
Oxley
Packard
Panetta
Parris
Pashayan
Penny
Petri
Porter
Quillen
Ray
Regula
Reid

Barnard
Richardson
Ridge
Rinaldo
Ritter
Roberts
Roemer
Rogers
Rose
Roth
Roukema
Rowland (CT)
Rowland (GA)
Rudd
Russo
Saxton
Schaefer
Schneider
Schuette
Schulze
Sensenbrenner
Sharp
Shaw
Shumway
Shuster
Siljander
Skeen
Slattery
Slaughter
Smith (NE)
Smith (NJ)
Smith, Denny (OR)
Smith, Robert (NH)
Smith, Robert (OR)
Snowe
Snyder
Solomon
Spence
Staggers
Stallings
Stangeland
Stenholm
Strang
Stratton
Stump
Sundquist
Sweeney
Swindall
Tallon
Tauke
Tauzin
Thomas (CA)
Thomas (GA)
Valentine
Vander Jagt
Visclosky
Volkmer
Vucanovich
Walker
Weber
Whitehurst
Whitley
Whittaker
Williams
Wirth
Wolf
Wortley
Wylie
Young (AK)
Young (FL)

NOT VOTING—26

Akaka
Anthony
Archer
Bilirakis
Breaux
Cheney
Coyne
DeLay
Early

Edgar
Edwards (OK)
Fiedler
Fields
Foglietta
Gephardt
Grotberg
Hartnett
Heftel

Kramer
Loeffler
Lujan
Nichols
Oberstar
Pursell
Wilson
Zschau

□ 1430

Messrs. CAMPBELL, CHAPMAN, and HORTON, Mrs. JOHNSON, Messrs. VISCLOSKY, JEFFORDS, WEBER, and MILLER of California, Mrs. LLOYD, and Messrs. PENNY, VALENTINE, RINALDO, and VOLKMER changed their votes from "yea" to "nay."

Mr. WEBER changed his vote from "nay" to "yea."

So the resolution was not agreed to.

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

FARM SITUATION DESPERATE

(Mr. WHITTEN asked and was given permission to address the House for 1 minute and to revise and extend his remarks and include extraneous matter.)

Mr. WHITTEN. Mr. Speaker, in H.R. 4515, the urgent supplemental appropriations bill, we only try to help the farmer. We have not attempted to take over any committee's jurisdiction. We try to turn back to the law which worked and which is still on the books, a law under which the farmer bought land but which he now loses under the new law and current conditions.

We call for a return to last year's requirements to qualify for production loans.

American agriculture is our biggest industry. Our best and most economic supplier to the consumer is our biggest employer and chief dollar earner in word trade. Farm income of course is V × P less C—volume times price less cost. When you limit both his volume and his price, he cannot hope to cover his cost. The PIK Program, which cost $12,000,000,000, was charged to the farmer, and transferred 11 percent of our production overseas to our competitors and did little to help the farmer other than provide some badly needed cash.

Since World War II, industry and labor's share of the consumer dollar increased from 49 to 73 percent under law. The farmers' share during this period, however, has decreased from 51 to 27 percent.

Mr. Speaker, today hundreds of thousands of farmers are bankrupt. They are rapidly losing their land, often land that has been in the family for more than 100 years. More than 120 banks have failed this year and an additional 120 are said to be in danger of closing.

The Farm Credit Administration is on the ropes and is notifying farmers that they must look elsewhere for farm operating loans.

The Federal Land Banks are foreclosing. Banks in rural areas are hesitant to make any new loans.

Less than one-fourth of those who were approved for loans last year have been approved for loans this year.

In many areas we have seen suicides.

FARMERS PAY FOR FOREIGN POLICY

When we look for the cause we see that in 1973, farmers were urged to withhold exports. In 1974, 1975, and 1980, basic farm commodities were embargoed by the Government to punish Russia.

When the grain companies bought from the farmer and our Government refused to let them deliver, we paid the grain companies. But the Government did nothing for the producer who produced and could not sell his crop. Our country is the only country which has failed to use its authority to make the offering price in world trade competitive. Yet the Commodity Credit Corporation, a $25 billion corporation, was set up to support domestic prices and to retain our foreign markets. Secretary Butz used the private world traders to restore our exports but now our Government will use neither traders or CCC.

Since 1980 we have continued to have our farmers finance our foreign policy, which results in giving their market to our competitors.

Under law, we are making advance deficiency payments because the farmer's financial condition is so bad.

In view of present conditions, a big percentage of our production which should be moved into world trade by us will be lost to competitors as was 11 percent under "PIK," and we will lose the dollars in export sales we could have made.

PERISHABLE COMMODITIES

Of course, perishables commodities are another matter. There we attempt to purchase the surplus and bring supply and demand into balance, thereby maintaining a reasonable price for the farmer. So far as livestock is concerned, under the new law, prices have dropped by $6 to $8 per hundred weight.

NEED TO RETURN TO OLD LAW

Mr. Speaker, under such conditions we have asked that the old laws which are still on the books be used, where loan rates were tied to costs, where the price was paid by the user, and the surplus moved into world trade at competitive prices.

We ask for a return to last year's requirement for production loans. This would save 75 percent of the borrowers.

Mr. Speaker, we have not attempted to take over any committee's jurisdiction. Conditions of American farmers are so bad that we would be glad to turn to any committee.

EXPLANATION OF H.R. 4515

Mr. Speaker, the original bill began on March 12, 1986, when I introduced H.R. 4380, an urgent supplemental appropriations bill for fiscal year 1986. This bill provided $449 million for emergency disaster relief and several other urgently needed items as follows:

	Millions
Disaster relief (Federal Emergency Management Agency)	$250
Disaster Loan Fund (Small Business Administration)	52
Disaster assistance (Impact Aid)	20
Flood control and coastal emergencies	25
Watershed and flood prevention operations	25
Emergency Conservation Program (Agricultural Stabilization and Conservation Service)	10
FAA (Air traffic operations and safety)	60
Fees of Jurors (Judiciary)	3
Food Safety and Inspection Service	3

This bill (H.R. 4380) was considered by the full committee on March 20. When it became apparent that additional funding was needed for the Internal Revenue Service, the Customs Service, and Embassy Security, and that these and other items would probably be added by the Senate, various subcommittee chairmen and other members amended the bill by adding these and other items which were considered essential. As a result of these actions, both the size and scope of the original bill which I introduced was increased from $449 million to $1.705 million. The bill as amended was reported to the House as original legislation—H.R. 4515.

RELATIONSHIP TO THE BUDGET RESOLUTION

I want to stress that both the bill which I introduced, and the bill which was reported by the committee are under the budget allocation given to this committee pursuant to the conference agreement on the fiscal year 1986 budget resolution. It has been pointed out to me that in the scorekeeping report to the Speaker submitted by the House Budget Committee, that our Committee on Appropriations is under its allocation for fiscal year 1986.

Mr. Speaker, we are proud of the historical record of the Appropriation Committee. Even after you account for the effect of this legislation (H.R. 4515), we are still under our budget allocation. This must be clearly understood in this era of fiscal restraint. Because of final action by the Congress affecting military spending and legislation which permits additional program funding to be drawn from the Commodity Credit Corporation, several of the individual 302(b) subdivisions adopted by the committee on October 28, 1985, have been affected. This reflects a change in our original priorities, however, without the total allocation to the committee being breached.

At the request of the House leadership, the committee delayed the consideration of the bill in order to accommodate certain possible amendments. This has caused the legislation to be scheduled after April 15. This slippage in scheduling created what I considered a technical violation of the so-called 302(b) subcommittee allocations, but not the overall ceiling. As I stated earlier, the legislation is within our committee's overall 302 budget allocation for fiscal year 1986. The Rules Committee considered this a technical matter arising out of new provisions in the Gramm-Rudman legislation, and in this rule waives the 302(f) requirement because the bill still is under the overall 302 allocation.

CONGRESSIONAL MAIL

It should also be noted that the rule would have eliminated $42 million and legislative provisions which deal with congressional mail.

CONSERVATION RESERVE

I would like to call to your attention the new Conservation Reserve Program of the Department of Agriculture. As you know, I have been personally supportive for many years of the conservation programs of the Department of Agriculture as well as other conservation programs throughout the Government. When the conferees met to consider House Joint Resolution 534—the urgent supplemental for the Commodity Credit Corporation—we addressed this specific item. The new program was intended by the authors of the farm legislation to be in addition to the existing Soil Conservation Program.

The Office of Management and Budget, however, has recommended a cut of 60 percent in the regular program and a reduction of 3,700 employees in the fiscal year 1987 budget which would lead to eventual program elimination. As a result, House Joint Resolution 534, as signed (Public Law 99-263) states that the new ". . . conservation reserve program shall not replace or reduce any

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existing conservation program." With the addition of this language in conference, the provisions of section 2 that I included in this legislation—before we had conference agreement—are no longer required since their goal has been achieved. When I appeared before the Rules Committee, I requested a self-executing rule which would delete section 2 of chapter 1 from the legislation. This would have been done by the adoption of the rule.

SUSPENSION OF DEFERRAL AUTHORITY

Also, I would like to call your attention to section 201 of the bill. This is provided as an emergency measure to deal with problems presented by the Chadha decision of the Supreme Court and actions of the administration.

As a temporary measure, the Appropriations Committee has included language which removes the administration's authority to defer future spending under title X of the Budget Act. In effect this suspends the process until something permanent can be worked out under the leadership of the Rules Committee led by Senator PEPPER and the Government Operations Committee led by our good friend, JACK BROOKS. We hope they will come up with the workable solution.

Mr. Speaker, defeat of this rule will not solve many of the problems addressed in H.R. 4515. These problems must be addressed, either today or in the very near future. The loser today is the American farmer, who is already on the ropes.

LEGISLATIVE PROGRAM

(Mr. LOTT asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. LOTT. Mr. Speaker, I have asked for this time for the purpose of determining for the membership what the schedule will be for the balance of the day and for the week, in view of the fact that the rule on the urgent supplemental was just defeated.

I yield to the majority leader.

Mr. WRIGHT. Mr. Speaker, in view of the vote on the rule, we will go now to the rule on military retirement, H.R. 4420, revising military retirement system for new members of the Armed Services. We will go into that rule and, assuming the adoption of that rule, we will take up that bill and debate it for the remainder of today, expecting to arise at least by 7 o'clock if we have not completed action on that bill by that time. That is an open rule, with 2 hours of general debate.

Then tomorrow, assuming we shall have completed the military retirement bill, we hope to take up the Garrison Diversion Unit Reformulation Act and try to complete it.

Mr. LOTT. Did we complete general debate on that bill at an earlier point?

Mr. WRIGHT. It is my understanding that general debate has been completed. But that is an open rule, and we may have amendments that will be offered.

It is my further understanding that most of the controversy which beset that legislation in times past has been resolved and there is some general agreement as to the direction we will go.

□ 1444

So I do not expect that it will take an extraordinarily long time, but it is our purpose to finish the military retirement bill first. If we finish that today, so much the better. If we do not, we will try to finish it tomorrow. Having finished it, we will try to go back to the Garrison bill and see if we could conclude it; in any event, rising at the reasonable hour we earlier had planned tomorrow in order that Members might observe the Jewish religious holidays.

Mr. LOTT. It is still the intention of the leadership that we come in at 10 o'clock on Wednesday?

Mr. WRIGHT. That is correct.

Mr. LOTT. I understand there is some time left on general debate on the Garrison diversion, so there may be some time that is still required under general debate, after the House comes in at 10 o'clock.

Mr. WRIGHT. I think that is altogether possible.

Mr. LOTT. Since the House just defeated the rule on the supplemental appropriations, I would certainly hope that maybe now we could have a rule on a clean urgent supplemental appropriations bill. Does the leadership have any indication when we would take that matter up again of when the Rules Committee would consider it further, if at all?

Mr. WRIGHT. Cleanliness is said to be next to godliness and if it is, we are an ungodly lot.

Mr. LOTT. Was there a pun intended there, may I ask the leader, "ungodly lot"?

Mr. WRIGHT. Cleanliness may be in the eye of the beholder. We would have thought that that bill was as clean as a hound's tooth, but there were certain Members who found abscesses in the hound's teeth.

Mr. LOTT. I think the leader is saying that, "We don't know yet, we'll talk about it later," is that right?

Mr. WRIGHT. We will talk about it on another day when we can get the Borax and all the cleansing fluids possible and try to bring back a bill that will be acceptable.

Mr. LOTT. Well, every dog will have his day, that is for sure, on this subject.

MESSAGE FROM THE SENATE

A message from the Senate by Mr. Hallen, one of its clerks, announced that the Senate had passed a bill of the following title, in which the concurrence of the House is requested:

S. 1236. An act to amend title 18 of the United States Code and other laws to make minor or technical amendments to provisions enacted by the Comprehensive Crime Control Act of 1984, and for other purposes.

MILITARY RETIREMENT REFORM ACT OF 1986

Mr. FROST. Mr. Speaker, by direction of the Committee on Rules, I call up House Resolution 421 and ask for its immediate consideration.

The Clerk read the resolution, as follows:

H. RES. 421

Resolved, That at any time after the adoption of this resolution the Speaker may, pursuant to clause 1(b) of rule XXIII, declare the House resolved into the Committee of the Whole House on the State of the Union for the consideration of the bill (H.R. 4420) to amend title 10, United States Code, to revise the retirement system for new members of the uniformed services, and for other purposes, and the first reading of the bill shall be dispensed with. After general debate, which shall be confined to the bill and amendment made in order by this resolution and which shall continue not to exceed two hours, to be equally divided and controlled by the chairman and ranking minority member of the Committee on Armed Services, the bill shall be considered for amendment under the five-minute rule. It shall be in order to consider the amendment in the nature of a substitute recommended by the Committee on Armed Services now printed in the bill as an original bill for the purpose of amendment under the five-minute rule, said substitute shall be considered for amendment by titles instead of by sections and each title shall be considered as having been read, and all points of order against said substitute for failure to comply with the provisions of clause 7 of rule XVI and clause 5(a) of rule XXI are hereby waived. At the conclusion of the consideration of the bill for amendment, the Committee shall rise and report the bill to the House with such amendments as may have been adopted, and any Member may demand a separate vote in the House on any amendment adopted in the Committee of the Whole to the bill or to the committee amendment in the nature of a substitute. The previous question shall be considered as ordered on the bill and amendments thereto to final passage without intervening motion except one motion to recommit with or without instructions.

The SPEAKER pro tempore. The gentleman from Texas [Mr. FROST] is recognized for 1 hour.

Mr. FROST. Mr. Speaker, for purposes of debate only, I yield 30 minutes to the gentleman from Tennessee [Mr. QUILLEN], pending which I yield myself such time as I may consume.

Mr. FROST. Mr. Speaker, House Resolution 421 is an open rule providing for the consideration of H.R. 4420, the Military Retirement Reform Act of 1986. The rule provides 2 hours of general debate, to be equally divided and controlled by the chairman and ranking minority member of the Committee on Armed Services.

The rule also provides that it shall be in order to consider the amendment in the nature of a substitute recommended by the Committee on Armed Services now printed in the bill as original text for the purpose of amendment under the 5-minute rule and further provides that the committee substitute shall be considered for amendment by titles rather than by sections and that each title shall be considered as having been read.

In addition, the rule waives two points of order against the substitute. The first point of order waived in the rule, is specifically provided for the provisions of title IV of the committee substitute. This title relates to fiscal year 1986 unauthorized appropriations and the provisions of the title are not germane to the military reform provisions of the introduced bill. Therefore, in order to allow the Committee on Armed Services the opportunity to address the issue of unauthorized appropriations contained in the fiscal year 1986 Department of Defense appropriations, the Committee on Rules has included a waiver of clause 7, rule XVI, which prohibits nongermane amendments, in the resolution.

The second, a waiver of clause 5(a) of rule XXI, which prohibits appropriations in a legislative bill, is provided because the authorizations contained in title IV have the effect of releasing previously appropriated funds for obligation. The fiscal year 1986 continuing appropriation provided that the unauthorized amounts contained therein could not be obligated unless and until an authorization was enacted. Therefore, because these funds are being released and earmarked in law for obligation by virtue of the authorizations in title IV, the waiver of clause 5(a), rule XXI is necessary and has been provided by the Committee on Rules.

The rule also provides that at the conclusion of the consideration of the bill for amendment, the Committee shall rise and report the bill to the House with such amendments as may have been adopted and any Member may demand a separate vote in the House on any amendment adopted in the Committee of the Whole to the bill or to the committee amendment in the nature of a substitute. Finally, the rule provides that the previous question shall be considered as ordered on the bill and amendments thereto to final passage without intervening motion except one motion to recommit with or without instructions.

Mr. Speaker, H.R. 4420 represents significant changes in the military retirement system. These changes are intended to not only save many billions of dollars in payments to future military retirees, but more importantly, these changes are intended to encourage our military personnel to remain in the armed services past 20 years of service. Under current law, military personnel may retire after 20 years and immediately receive a pension equal to 50 percent of the average basic pay they received in their 3 highest pay years. The incentives provided in the restructured military retirement system recommended by the Committee on Armed Services will encourage our most experienced military personnel—those with 20 years or more of service—to remain on active duty and to continue to contribute their irreplaceable training, education, and experience to an increasingly technologically complex Armed Forces.

To provide these incentives, the Committee on Armed Services is recommending that those personnel who choose to retire after only 20 years service be entitled to a pension equal to 40 percent of their 5 years highest basic pay. For every year a member of the military remains in the service beyond 20 years, pension benefits would increase by 3.5 percent so that by 30 years a retiree would be entitled to 75 percent of basic pay as under current law. In addition, the averaging period used to compute the average basic pay would be reduced by 1 month for each 5 months of additional service beyond 20 years so that by 30 years, a retiree would be entitled to average his three highest basic pay rates, as under current law.

The Committee on Armed Services estimates that these changes, which will affect only those members of the armed services who join after the date of enactment, will cut pension costs for the military by $3.1 million on an annualized basis. These savings are mandated by the fiscal year 1986 Department of Defense authorization, and the Committee on Armed Services is to be commended for recommending this legislation which is fair to all military personnel—retirees, active duty members, as well as future members of the armed services.

Mr. Speaker, H.R. 4420 contains provisions which are unrelated to the reform of the military retirement system, but which are of critical importance to the proper functioning of the authorization/appropriations process in the Congress. Title IV of the bill provides authorizations for $2.3 billion of the $5.6 billion in unauthorized appropriations for various military weapons and programs included in the continuing appropriations act for fiscal year 1986. The remaining $3.3 billion, minus $506 million which would be eliminated by the first Gramm-Rudman sequester order, is specifically prohibited from obligation until future authorizing legislation is enacted. The Committee on Armed Services has taken this step in order to exert control over that vast sum of Federal dollars contained in the fiscal year 1986 continuing appropriation which are either unauthorized or exceed authorization levels contained in the fiscal year 1986 Department of Defense authorization. The Committee on Rules, which continues to watch the difficulties the Congress has had in recent years in enacting authorizations in a timely manner so that appropriations may move forward, commends the Committee on Armed Services for taking this action. In these times of fiscal constraint, action by authorizing committees to specifically define the limits of any Federal spending program is to be commended.

Mr. Speaker, H.R. 4420 is a bill which represents significant savings to the Federal treasury, both in the future and in the present. The Committee on Armed Services has crafted a fair and equitable retirement system for future military retirees and has addressed a significant problem contained in the current appropriation for the Department of Defense. It is for this reason that I urge my colleagues to adopt this rule and to adopt this legislation.

Mr. QUILLEN. Mr. Speaker, I yield myself as much time as I may use.

Mr. Speaker, it would be redundant for me to explain the provisions of the rule because it has been explained very ably.

We all know that we face a very critical situation in our defense posture. Unless this is passed, we face a reduction in the number of personnel in our defense system. It is in my opinion mandatory that we get down to the business of passing this measure on the floor of the House as quickly as possible so those coming into the service will know what to expect. By reducing retirement expenses, we can retain our current strength or even increase it.

Mr. Speaker, I urge adoption of the rule and measure when it is debated on the floor.

Mr. Speaker, I have no further requests for time, and I yield back the balance of my time.

Mr. FROST. Mr. Speaker, I have no further requests for time, and I yield back the balance of my time.

Mr. Speaker, I move the previous question on the resolution.

The previous question was ordered.

The SPEAKER pro tempore. The question is on the resolution.

The question was taken; and the Speaker pro tempore announced that the ayes appeared to have it.

Mr. QUILLEN. Mr. Speaker, I object to the vote on the ground that a quorum is not present and make the point of order that a quorum is not present.

The SPEAKER pro tempore. Evidently a quorum is not present.

The Sergeant at Arms will notify absent Members.

The vote was taken by electronic device, and there were—yeas 403, nays 1, not voting 29, as follows:

[Roll No. 90]

YEAS—403

Ackerman
Alexander
Anderson
Andrews
Annunzio
Applegate
Armey
Aspin
Atkins
AuCoin
Badham
Barnard
Barnes
Bartlett
Barton
Bateman
Bates
Bedell
Bellenson
Bennett
Bentley
Bereuter
Berman
Bevill
Biaggi
Bilirakis
Billey
Boehlert
Boggs
Boland
Boner (TN)
Bonior (MI)
Bonker
Borski
Bosco
Boucher
Boulter
Boxer
Brooks
Broomfield
Brown (CA)
Brown (CO)
Broyhill
Bruce
Bryant
Burton (CA)
Burton (IN)
Bustamante
Byron
Callahan
Campbell
Carney
Carper
Carr
Chandler
Chapman
Chappell
Chappie
Clay
Clinger
Coats
Cobey
Coble
Coelho
Coleman (MO)
Coleman (TX)
Collins
Combest
Conte
Conyers
Cooper
Coughlin
Courter
Craig
Crockett
Daniel
Dannemeyer
Darden
Daschle
Daub
Davis
de la Garza
Dellums
Derrick
DeWine
Dickinson
Dicks
Dingell
DioGuardi
Dixon
Donnelly
Dorgan (ND)
Dornan (CA)
Dowdy
Downey
Dreier
Duncan
Durbin
Dwyer
Dymally
Dyson
Eckart (OH)
Eckert (NY)
Edwards (CA)
Emerson
English
Erdreich
Evans (IA)
Evans (IL)
Fascell
Fawell
Fazio
Feighan
Fish
Flippo
Florio
Foglietta
Foley
Ford (MI)
Ford (TN)
Frank
Franklin
Frenzel
Frost
Fuqua
Gallo
Garcia
Gaydos
Gejdenson
Gekas
Gibbons
Gilman
Gingrich
Glickman
Gonzalez
Goodling
Gordon
Gradison
Gray (IL)
Gray (PA)
Green
Gregg
Guarini
Gunderson
Hall (OH)
Hall, Ralph
Hamilton
Hammerschmidt
Hansen
Hatcher
Hawkins
Hayes
Hefner
Hendon
Henry
Hertel
Hiler
Hillis
Holt
Hopkins
Horton
Howard
Hoyer
Hubbard
Huckaby
Hughes
Hunter
Hutto
Hyde
Ireland
Jacobs
Jeffords
Jenkins
Johnson
Jones (NC)
Jones (OK)
Jones (TN)
Kanjorski
Kaptur
Kasich
Kastenmeier
Kemp
Kennelly
Kildee
Kindness
Kleczka
Kolbe
Kolter
Kostmayer
LaFalce
Lagomarsino
Lantos
Latta
Leach (IA)
Leath (TX)
Lehman (CA)
Lehman (FL)
Leland
Lent
Levin (MI)
Levine (CA)
Lewis (CA)
Lewis (FL)
Lightfoot
Lipinski
Livingston
Lloyd
Long
Lott
Lowery (CA)
Lowry (WA)
Luken
Lundine
Lungren
Mack
MacKay
Manton
Markey
Marlenee
Martin (IL)
Martin (NY)
Martinez
Matsui
Mavroules
Mazzoli
McCain
McCandless
McCollum
McCurdy
McDade
McEwen
McGrath
McHugh
McKernan
McKinney
McMillan
Meyers
Mica
Michel
Mikulski
Miller (CA)
Miller (OH)
Miller (WA)
Mineta
Mitchell
Moakley
Molinari
Mollohan
Monson
Montgomery
Moody
Moore
Moorhead
Morrison (CT)
Morrison (WA)
Mrazek
Murphy
Murtha
Myers
Natcher
Neal
Nelson
Nielson
Nowak
O'Brien
Oakar
Obey
Olin
Ortiz
Owens
Oxley
Packard
Panetta
Parris
Pashayan
Pease
Penny
Pepper
Perkins
Petri
Pickle
Porter
Price
Pursell
Quillen
Rahall
Rangel
Ray
Regula
Reid
Richardson
Ridge
Rinaldo
Ritter
Roberts
Robinson
Rodino
Roe
Roemer
Rogers
Rose
Rostenkowski
Roth
Roukema
Rowland (CT)
Rowland (GA)
Roybal
Rudd
Russo
Sabo
Savage
Saxton
Schaefer
Scheuer
Schneider
Schroeder
Schuette
Schulze
Schumer
Seiberling
Sensenbrenner
Sharp
Shaw
Shelby
Shumway
Shuster
Sikorski
Siljander
Sisisky
Skeen
Skelton
Slattery
Slaughter
Smith (FL)
Smith (IA)
Smith (NE)
Smith (NJ)
Smith, Denny (OR)
Smith, Robert (NH)
Smith, Robert (OR)
Snowe
Snyder
Solarz
Solomon
Spence
Spratt
St Germain
Staggers
Stallings
Stangeland
Stark
Stenholm
Stokes
Strang
Stratton
Studds
Stump
Sundquist
Sweeney
Swift
Swindall
Synar
Tallon
Tauke
Tauzin
Taylor
Thomas (CA)
Thomas (GA)
Torres
Torricelli
Towns
Traficant
Traxler
Valentine
Vander Jagt
Vento
Visclosky
Volkmer
Vucanovich
Walgren
Walker
Watkins
Waxman
Weaver
Weber
Weiss
Wheat
Whitehurst
Whitley
Whittaker
Whitten
Williams
Wolf
Wolpe
Wortley
Wright
Wyden
Wylie
Yates
Yatron
Young (AK)
Young (FL)
Young (MO)

NAYS—1

Crane

NOT VOTING—29

Akaka
Anthony
Archer
Breaux
Cheney
Coyne
DeLay
Early
Edgar
Edwards (OK)
Fiedler
Fields
Fowler
Gephardt
Grotberg
Hartnett
Heftel
Kramer
Loeffler
Lujan
Madigan
McCloskey
Nichols
Oberstar
Udall
Wilson
Wirth
Wise
Zschau

□ 1510

So the resolution was agreed to.

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

The SPEAKER pro tempore. Pursuant to House Resolution 421 and rule XXIII, the Chair declares the House in the Committee of the Whole House on the State of the Union for the consideration of the bill, H.R. 4420.

□ 1518

IN THE COMMITTEE OF THE WHOLE

Accordingly the House resolved itself into the Committee of the Whole House on the State of the Union for the consideration of the bill (H.R. 4420), to amend title 10, United States Code, to revise the retirement system for new members of the uniformed services, and for other purposes, with Mr. Traxler in the chair.

The Clerk read the title of the bill.

The CHAIRMAN. Pursuant to the rule, the first reading of the bill is dispensed with.

Under the rules, the gentleman from Wisconsin [Mr. Aspin] will be recognized for 1 hour and the gentleman from Indiana [Mr. Hillis] will be recognized for 1 hour.

The Chair recognizes the gentleman from Wisconsin [Mr. Aspin].

Mr. ASPIN. Mr. Chairman, I yield myself such time as I may consume.

Mr. Chairman, I am pleased to bring to the floor of the House today H.R. 4420, the Retirement Reform Act of 1986.

H.R. 4420 would revise the uniformed services nondisability retirement system for individuals who become members of the uniformed services for the first time on or after the date of enactment and would provide authority to obligate certain appropriations contained in the fiscal year 1986 Defense Appropriations Act.

Mr. Chairman, the committee recommends to the full House two changes in the uniformed retirement system. The first is a change in the formula for computing the multiplier and second is a change in the length of the averaging period used to calculate the base for computing retirement pay.

Mr. Chairman, the two things we want to make absolutely clear about this legislation—one is that it does not affect anybody who is currently retired and it does not affect anyone who is currently a member of the uniformed services. This provision that we are enacting today is strictly prospective.

Any person joining one of the uniformed services after the date of enactment, meaning after the date it is signed into law by the President, are the people who are going to be affected. Anybody who joins the uniformed services before that date is under the old system.

Second, I would like to point out, Mr. Chairman, that this system that we are presenting to the Congress here today does not change the retirment system in any way for any member who serves a full 30-year career. Any person who serves a full 30-year career gets the same benefits under the new provision as they got under the old provision. What it does do is change the benefits for the people who serve a 20-year career.

In particular, it means that after 20 years, instead of 50 percent of base pay, a person will retire with 40 percent of base pay and instead of that retirement being calculated on the high 3 years of service, it would be calculated on the high 5 years of service.

Mr. Chairman, the reason for this, and the rationale behind it is to encourage people toward a longer career in the uniformed services. There are a lot of people who join the services, who get valuable training, who are reaching a point after 20 years of service of maximum value to the services because of their training, because of their experience and, of course, because of their value to the Armed Forces, they are also of extreme value to any industry on the outside, and after 20 years of service under the current system, they really are performing a financial sacrifice to stay in the services.

What is happening is these people are leaving. They are getting a good salary on the outside; they are getting one-half of their base pay for having served the 20 years in uniform and we are losing these people. It is the hope of the authors of this legislation to try and encourage people to stay for the full 30 years in the career and to help, therefore, in getting our Armed Forces to keep the people who are most experienced and who are most valuable.

The second part of this bill here before us is a bill that relates to a problem that we brought before this Congress, this body, last year. That is the problem of authorizations and appropriations.

The Appropriation Committee in the other body appropriated a large number of dollars that were never authorized in the authorizing process. I would point out that the problem lies not with the Appropriations Committee in the House. The Appropriations Committee in the House was very cooperative and we worked together and I would like to commend the current chairman of the committee, the gentleman from Florida [Mr. Chappell] and the former chairman, the late gentleman from New York [Mr. Addabbo], for their cooperation with us in avoiding this problem on the House side.

However, unfortunately, in the other body, things were not so good and in the other body, a lot of money was appropriated for which there was no authorization.

In the conference on the appropriations, the number was brought down some, but not enough. And, in fact we had approximately $5.6 billion that was appropriated for about 100 programs. These are projects and activities above the levels authorized.

The committee here is recommending in this language. This additional part of H.R. 4420, which we are considering here today, does clear up the authorization/appropriation issue by authorizing some of the unauthorized projects.

□ 1525

In particular, we are authorizing $2.3 billion for recommendation of approval. Of the remaining amount, $500 million—$506 million to be exact, was taken out of the $5.6 billion on the sequestration under Gramm-Rudman for 1986, and the other amount, $2.8 billion, we are recommending be denied under this legislation.

Mr. Chairman, I am pleased to bring to the floor of the House today H.R. 4420, the Retirement Reform Act of 1986.

H.R. 4420 would revise the uniformed services nondisability retirement system for individuals who become members of a uniformed service for the first time on or after the date of enactment and would provide authority to obligate certain appropriations contained in the fiscal year 1988 Defense Appropriations Act.

RETIREMENT REFORM

The committee recommends two basic changes to the uniformed services retirement system: a change in the formula for computing the multiplier and a change in the length of the averaging period used to calculate the base for computing retired pay. I want to make absolutely clear that no member who had joined a uniformed service before the date of enactment of the change—much less any retiree of a uniformed service—would be affected by the committee's recommendations.

The committee recommends a formula that would result in a multiplier of 40 percent of average basic pay for 20 years of service—compared to 50 percent today—and a maximum of 75 percent of average basic pay for 30 years of service—the same as current law.

The committee also recommends that service members who retire with 20 years of service compute their average basic pay based on the highest basic pay they received during any 5 years of service—currently 3 years. The averaging period would be reduced by 1 month for each 5 months of additional service beyond 20 years. For members who serve for 30 or more years, the averaging period would be 3 years (the same as current law).

UNAUTHORIZED APPROPRIATIONS

The second issue addressed by the bill before us today also involves a complex institutional question: the relationship between the authorization and appropriation process.

As a result of the final action on the Defense Authorization and Appropriations Act for fiscal year 1986, approximately $5.6 billion was appropriated for about 100 programs, projects, and activities above the levels authorized. The committee provides specific recommendations that would allow some of the excess appropriations to be spent and that would prohibit the remainder from being spent.

Of the total of $5.6 billion in excess appropriations, $2.3 billion is recommended for approval. A total of $506 million of the excess appropriations would be eliminated as a result of the March sequester and other reductions, and a total of $2.8 billion would be denied under the recommendations.

COST IMPACTS

The Congressional Budget Office estimates that enactment of the changes to the uniformed services retirement system would reduce outlays from the national defense function—050—by $1.3 billion in fiscal year 1986 and by $186 million in fiscal year 1987. The reduction would increase to $1.5 billion by 1991. Eventually, outlays would be reduced by slightly over $3 billion per year. Outlays from the Federal budget would not be affected until service members actually retire under the revised system. At that time, savings to the Federal budget would also be $3 billion per year.

It is important to keep in mind that the committee's recommendations reflect a policy decision that will have very substantial and long-term cost savings in the Department of Defense budget and, eventually, in the Federal budget as a whole. These cost savings will be accomplished with no adverse affect on U.S. military capabilities and will result in a more effecient allocation of resources within the defense budget.

With regard to the unauthorized appropriations, the Congressional Budget Office estimates that prohibiting $2.8 billion from being obligated would reduce outlays by $624 million in fiscal year 1986, $854 million in fiscal year 1987, decreasing to $181 million by fiscal year 1990.

SUMMARY

Mr. Chairman, the legislation being considered today represents a major policy change in one of the most complex and emotional areas within the jurisdiction of the Committee on Armed Services. Military retirement reform has been a goal sought by a number of military and civilian leaders in the Department of Defense and by many Members of Congress—myself included—for the past two decades. The bill represents the culmination of this effort and a resolution of the various issues in such a way as to improve the management of the critical personnel resource rather than simply "cutting costs."

The legislation focuses on a major issue within our institution as well—the gradual erosion of the viability of the authorizing process. Defense priorities are established through the process of considering the Defense authorization bill. When the Defense appropriations bill provides over $5 billion outside of the priorities established, the process has run amok. The legislation provides an opportunity to reestablish the priorities.

Mr. Chairman, during the process of considering the retirement reform portion of this bill, a number of Members on both sides of the aisle have suggested that the change to the retirement system should be more substantial—especially considering that this may be the last opportunity we will have for many years. I would urge the Members, however, to support the committee's recommendation because it represents a substantial and beneficial change, a change that has been a long time in the coming.

Mr. Chairman, I reserve the balance of my time.

Mr. HILLIS. Mr. Chairman, I yield myself such time as I may consume.

Mr. Chairman, as the ranking minority member of the Subcommittee on Military Personnel and Compensation, I rise in support of titles I, II, and III, the military retirement portions of H.R. 4420, as reported by the Committee on Armed Services.

Last year, as a part of the fiscal year 1986 Defense Authorization Act Congress made a landmark decision: to change the military retirement system. The battles over the propriety of that decision and the magnitude of the cut were fought in committee, on

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the floor, and in conference. The battle ended with the enactment of a $2.9 billion cut in the authorized funding level for military retirement. The legislation before us today simply implements last year's decision.

As part of the $2.9 billion reduction in the accrual charge for fiscal year 1986—an accrual charge is the projected percentage of current payroll needed to pay the retirement cost of new entrants into the work force—Congress directed the Department of Defense to submit two plans to revise the nondisability military retirement system to achieve the required level of savings. Although the Pentagon met the literal requirement of the law, the two plans were deficient; both, for example, contained complex multipliers—43 percent of basic pay after 20 years of service, for example—that made little sense. As a result, the committee decided to develop its own option: H.R. 4420.

One of the principal criticisms repeatedly directed at the current military retirement system is the early age at which experienced, highly trained personnel are able to retire. Clearly, 20-year retirement has a vital role to play in maintaining a young, physically fit, and combat-ready fighting force. Today, however, only a small portion of the current force, particularly at more senior levels, is going to be engaged in actual combat.

Instead, much of the current force is composed of highly trained engineers, technicians, and managers—individuals in whom the services have invested thousands of dollars in military and civilian education. The current military retirement system encourages these service members to leave in the prime of their working careers. The incentives are perverse. Despite Pentagon claims to the contrary, the current system is not an efficient force management tool.

The committee, therefore, decided that any restructuring of the military retirement system should enhance its usefulness as a force management tool and opted to revise the financial incentives to encourage more people to remain for 30 years. The change is twofold: A change in the multiplier and a change in the averaging period.

Under current law, the retired pay multiplier is 2½ percent times years of service, that is 50 percent of basic pay after 20 years of service increasing to a maximum of 75 percent at 30 years of service. Under H.R. 4420, this would change to 2 percent per year for the first 20 years of service and 3½ percent for each of the next 10 years. Thus, a service member would receive 40, rather than 50 percent of basic pay after completing 20 years. The benefit at 30 years of service would remain unchanged from current law—75 percent of basic pay.

Presently, the averaging period for those entering active duty after September 7, 1980, is the high-3 average of basic pay. Under H.R. 4420, this would increase to the high-5 average at 20 years of service, gradually decreasing—at the rate of 1 month for every 5 months of service—to high-3 after 30 years of service. Like the multiplier, the benefit at 30 years of service would remain unchanged from current law.

In conclusion, let me restate what I said at the outset: The retirement changes incorporated in H.R. 4420 implement the decision of the Congress last year to change the system. The committee's recommendations are designed to enhance the attractiveness of longer careers by leaving untouched the current 75 percent of basic pay at 30 years of service while reducing the benefit at 20 years of service. Finally, I want to stress that these changes would be applicable only to those entering the Armed Forces after the date of enactment. Everyone in the current system—whether on active duty or already retired—would be grandfathered under the system.

The time is short. Unless Congress acts quickly, a mandated reduction in military personnel funds included in the continuing appropriation resolution last year will be triggered, effective May 1, 1986. The Congress must act quickly, and I urge my colleagues' support of H.R. 4420, as reported.

Mr. Chairman, I yield such time as he may consume to the gentleman from Alabama [Mr. DICKINSON].

Mr. DICKINSON. Mr. Chairman, I thank the gentleman for yielding me this time, and I would like to join in support of the retirement part of the bill presently under discussion.

If we reflect back many years ago, we had difficulty in attracting young men to come in to the service; and particularly to retain then so they would make a career of it. The wisdom of the House at that time, and the Congress at that time was: Well, as an inducement, we would allow them to come in and retire at half pay after 20 years and then 75 percent pay after 30 years.

Perhaps it was needed at that time, but a lot has changed since then. I get more mail in my office asking my assistance in keeping certain servicemen in the service, because they are being threatened with being not allowed to extend than I do in trying to keep them out. It used to be the mail would be: "Would you help Johnny or Willie get out of the service because of this reason; we need him at home." The thrust now is, if they are not performing, if they are not a good soldier, sailor, airman, et cetera, get rid of them.

We have raised their pay since 1980, some 35 percent; well above the inflation factor. They are well paid now and because of the economic situation in this country today, to let a person retire after 20 years with 50 percent of his base pay is a disincentive to stay in.

We bring them onboard; we spend thousands and thousands of dollars to give them a skill, and then by the time they reach sergeant or above, they have served to the point that they are most valuable to the service; then there is an incentive for them to hang it up and to get up and to go with industry.

If a person comes in when he is 19 years old and spends 20 years, he gets out at 39 years of age, then for the rest of his life, he has got half of his base pay; he is equipped with a skill, and he can go out and do quite well for himself.

This simply says that he will not get 50 percent; he gets 40 percent. It does not affect anyone presently serving. This is prospective in nature only; I think it is only fair to those who are onboard, but from now on, if this passes, everybody is on notice that they will not get 50 percent, they will get 40 percent.

As to the other aspect of this bill, that appropriated but not authorized, I think the chairman has stated it very succinctly and very properly. We have a process in the House, and it is the law, that we authorize, on the Armed Services Committee, and then the Committee on Appropriations may appropriate up to but not exceeding the funds that were authorized. It works pretty good; they do not have to appropriate as much as is authorized, but they should not appropriate more.

We have seen, in the past few years in the other body, a total ignoring of the rules of procedures and the rules of the Congress. If they do not like something they just will not give it the money; if they like something over here that has not been authorized, "That's all right—throw the money in there; we're running this thing. We don't have to worry about what the House of Representatives does; we don't have to worry about the sequence that things come up in; we can both authorize and appropriate" seems to be their attitude; and that is what they have been doing.

In conference it was said that these matters that were appropriated, that we had not yet authorized could not be spent unless they were subsequently authorized. We had a chance to look at them.

So that is what we are in the process of doing now. We have gone back and looked at some of these things. Some were justified by events that occurred after we marked up, and before appropriations did.

□ 1535

So we have approved a little over $2 billion. We have authorized that amount of the over $5 billion that was added by the other body. But there are over $2 billion that we did not authorize. We do not think it is a wise expenditure, whether it be for somebody's pet project back home or whatever.

We did not authorize it, it should not be authorized.

We are looking for ways to keep from cutting further into authorized projects under Gramm-Rudman and other constraints that we have, and it is certainly unwise to allow the other body just to run roughshod over the House procedure and to add what they please and if they do not like what we authorize they do not appropriate that. Then to be a little authorizing and appropriating committee all to itself and run the whole show.

I would hope that the House would support our chairman and our committee position and support us on final passage and that we authorize those things which we feel should be and eliminate those that we did not feel should be authorized.

Mr. Chairman, I yield back the balance of my time.

Mr. ASPIN. Mr. Chairman, I yield 4 minutes to the gentleman from Texas [Mr. ORTIZ].

Mr. ORTIZ. I thank the gentleman for yielding time to me.

Mr. Chairman, I rise in strong support of this legislation, H.R. 4420—a bill to amend title 10, United States Code, to revise the retirement system for new members of the uniformed services, and for other purposes. I compliment our distinguished chairman, Mr. ASPIN and his leadership ability in bringing this measure to the floor today. I find it a distinct privilege to participate with my hard-working colleagues of the committee and with such a truly professional staff, to preserve the commitment we have to our servicemen and women who have honorably served this great country of ours in the past, to those now serving, and to those who will serve America in the future.

Additionally, the chairman, committee, and staff are to be complimented on the manner in which this matter of unauthorized appropriations have been resolved. I believe, in this time of fiscal constraints and efforts to reduce the deficit, that this bill provides those resources so necessary to preserve and improve both our deterrent and defense capabilities, as well as the infrastructure necessary to support these weapons systems and quality of life for those service personnel who defend our free Nation.

We need not be reminded, based upon the events of this past week, that we need to support our Armed Forces with the materiel and tangible benefits that:

Provide the resources to project and enforce our national policies throughout the world; and

Provide those tangible benefits that let our service personnel and their families know that we support them and that we will truly provide for their welfare.

Truly, this bill provides those resources needed to improve our deterrent and defense capabilities, as well as to honor our commitment to those who have served, are serving, and who will serve by providing retirement benefits which will encourage the retention of physically fit, true professionals who comprise our Armed Forces.

Mr. HILLIS. Mr. Chairman, I yield 5 minutes to the gentleman from Virginia [Mr. BATEMAN].

Mr. BATEMAN. I thank the gentleman for yielding.

Before delivering my remarks which will be certainly less than 5 minutes, I would like to commend the distinguished gentleman from Indiana and the ranking member of the Subcommittee on Military Personnel and Compensation who by his choice will be retiring at the end of this session of Congress. We will certainly miss him.

He is one of the grand and dedicated, conscientious, and effective Members of this body.

Mr. Chairman, I would like to echo the comments made by the gentleman from Alabama about the quality of the people who are serving in the uniformed services of the United States of America at this time.

The quality has never been higher, and it is a credit to the Congresses which provided levels of compensation, quality of life benefits and retirement benefits which have made this possible.

We should be extremely nervous about changing it in any way that would denigrate the quality of those people.

I have visited them on the flight lines, in their submarines, in their tanks, and I just could not be more proud of the quality of those who serve us.

With reference to this bill today, Mr. Chairman, I rise in support but most assuredly in reluctant support of the measure. We are, when we face up to it, legislating a reduction in retirement benefits for those who serve from 20 to 30 years in the military service, a reduction at least in terms of what they would now receive under present law.

Why then do I support this bill? I support it because in our last session we enacted legislation which in effect says to the Department of Defense:

> Unless you make suggestions of changes in the retirement system which will reduce appropriations to the retirement accrual account, we are going to take $2.9 billion out of the personnel account of the Department of Defense. We have got to enact something that you recommended to us or a modification thereof before May 1, 1986.

Well, we are near that date, we must act or otherwise some very draconian things would have to happen to the personnel account and literally thousands and thousands of qualified people in the uniformed services would have to be released from service.

We cannot permit that to happen. This bill, when passed, will prevent it from happening.

For that reason it is entitled to my support and, I believe, the support of the full membership of the House. I do, however, utter my regrets that it is necessary for us to reduce these retirement benefits. I certainly hope that it is going to be possible that this be implemented in a way that is going to give the maximum encouragement within these financial parameters for people remaining in our services for longer than 20 years.

I thank the gentleman for yielding.

Mr. ASPIN. Mr. Chairman, I yield 5 minutes to the gentleman from Mississippi [Mr. MONTGOMERY].

Mr. MONTGOMERY. I thank the gentleman for yielding.

Mr. Chairman, I rise in support of this legislation and thank my chairman for giving me this opportunity. But I will offer an amendment at the proper time which should be very soon. I would like to briefly explain this amendment and say that this amendment which I will offer today has the total support of all the Reserve forces in this country. This amendment would add for the Army National Guard $100 million, for the Army Reserve $100 million, for the Naval Reserve $25 million, for the Marine Reserve $10 million, for the Air Force Reserve $10 million, and for the Air National Guard $40 million, which totals out to $285 million.

Yes, that is a lot of money, but we get a lot from our Reserve forces and National Guard.

Let me point out to my colleagues that this amendment I will offer contains no big-ticket items, no purchase of big airplanes, tanks, or ships; items like simulators for the Marine Corps Reserve back at the armories, training aids for the Army Reserve, modification kits for the A-7's in the Air Guard and Reserve to make these planes safer for our reservists flying them; and devices to improve safety on our equipment.

The money will not go, Mr. Chairman, just to 1 or 2 States in this amendment, but the money will go to all 50 States. It is a good possibility that some of the equipment purchased under this amendment will end up in the armory in your hometown or your municipal airport where the Air Reserve units are located.

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Mr. Chairman, I want to point out that in the last 10 to 12 years there has been in the Reserve forces a great improvement, and a lot of credit for that improvement of Reserve forces has to go to the House of Representatives and especially to the House Committee on Armed Services with the help of the Committee on Appropriations.

We started about 10 years ago putting items in to give new equipment and incentives to the Reserves and National Guard. We did not get much help from the Defense Department, but this House of Representatives said, "We want a strong Reserve, we want a strong National Guard."

So we started adding incentives to treat the reservists just like we treat the regular forces.

By the Congress giving better equipment and incentives to the citizen soldier, I personally have observed the readiness of the Guard and Reserve improve tremendously.

Now we have Reserve units, and listen to this, my colleagues, we have Reserve units now that are as good as or better than some of our regular forces. Now that is good.

We now have two strong military units out there, the regulars and the Reserve forces.

Let me point out that the Reserves are a good buy for the taxpayer. It costs half as much to train and maintain an Air Guard unit as it costs the regular unit with the same mission.

I am aware and I respect our chairman, Les Aspin, I am aware of the problems we are having approving unauthorized appropriations in this bill by authorizing funding that has already been done by the Appropriations Committee, but I am also very concerned about the equipment shortages that we have in the Reserves. This is a one-time shot that we have got, my friends, to get some money for the Reserves. Let me close by saying that the Reserve forces have about 50 percent of all the combat support missions of the total force, yet the total funding on authorization for 1986 and 1987, the Reserves got less than 5 percent of all the moneys, less than 5 percent.

Now, as I said earlier, the Reserve Association, National Guard Association, Reserve forces themselves, with the chiefs of the different services, together we sat down and we worked out to this figure of $285 million.

Yes, we could have asked for $840 million that has actually been appropriated but not authorized. I think this amendment is a reasonable approach, and if you believe in the National Guard and the Reserve and you have been contacted, you have been contacted by the reservists back in your home district, I certainly hope you will support this amendment.

Mr. HILLIS. Mr. Chairman, I yield 5 minutes to the distinguished gentleman from New York [Mr. Carney].

Mr. CARNEY. I thank the gentleman for yielding this time to me.

Mr. Chairman, I rise in opposition to H.R. 4420, the Military Retirement Reform Act of 1986, not because I believe the bill represents a change that should not be made but, rather, because I do not believe the bill goes far enough.

Advocates of changing the military retirement system have worked for two decades to get to the point at which we stand today. This is a golden opportunity to make a change that will stand for many decades in the future. This opportunity will not come again—at least in the near term. Yet the committee chose to make a change that, although in the right direction, falls far short of the magnitude needed to position the military retirement system properly in the 21st century.

My objections to the bill are twofold.

First, the bill provides no payment from the military retirement system to those members who fail to complete 20 years of service. We require private sector plans to provide such a payment to employees with as little as 10 years of service. The Federal civil service provides a deferred annuity to those who complete only 5 years of service. This is an equity issue.

Second, 20-year retirement is so ingrained in the system that the committee did not even seriously consider moving that threshold for receipt of an immediate annuity to a later point. There is nothing magic in 20 years other than it has been there for a long time—but not always. Service members have been eligible to retire as early as 15 years of service during certain periods in the past and have been required to remain until 40 years of service at other times. It is interesting to note that, in 1861, officers could voluntarily retire, at the discretion of the President, only after 40 years of service. This occurred at a time when the demands of military service were arguably more substantial than today. Twenty years of service only happens to be the threshold at the current time.

I believe the time has come to change the threshold in response to the needs of the future. Why should the most experienced segment of the force, the segment with the most training, the broadest range of backgrounds, the most education—acquired at Government expense—be provided an incentive to leave the military service at the peak of their career? That is exactly what the current system allows.

Personally, I would like to see a magic number imposed that would restrict the point in time when a service member could first receive an immediate annuity. The magic number could be varied to respond to the needs of the military service. Under such a system, when the combination of the service member's age and years of service reached the magic number, the member could receive retired pay.

For example, say the magic number were set at 70. A service member with 20 years of service would be able to retire with an immediate annuity at age 50—early by almost any standard in the public or private sector. If the member were not age 50 when he completed 20 years of service, he would have a very significant incentive to stay on active duty until he reached 50. This is the very incentive we need.

A magic number of 70 may not always be the right number; it may not be the right number to start with now, for example. If that turns out to be the case, the number could be set or changed to respond to changing circumstances—just as the threshold has changed in the past—without changing the other characteristics of the military retirement system, such as the formula and the averaging period.

Mr. Chairman, I would like to see the change in the military retirement system we make today be the final structural change that needs to be considered by the Congress for many years. Unfortunately, I believe that the attacks on the military retirement system will continue because we will not have used this opportunity to put the issue to rest in our minds or in the minds of our constituents. Such attacks can only continue to raise uncertainties in the minds of current service members even though the changes would be unlikely to apply to them.

□ 1550

Mr. ASPIN. Mr. Chairman, I yield 8 minutes to the gentleman from Florida [Mr. Hutto].

Mr. HUTTO. Mr. Chairman, I would like to enter into a dialog, if I may, about Coast Guard funding.

Mr. Chairman, I think the gentleman would agree with me that the administration has been gung ho in defense funding, and we have made some great strides in modernizing our forces and doing something for our defense in recent years, but it has been just to the contrary on the Coast Guard. The Coast Guard has been hurting, really, as far as its funding is concerned.

When we took up the unauthorized appropriations in our committee and I went down the list, I did not see the $235 million that had been appropriated for the Coast Guard that was not authorized. Perhaps it was there and I missed it.

Of course, the Coast Guard has been very hurt in recent years, and particularly in this year. I know we are trying to recover some of that, the Gramm-Rudman cut for fiscal year 1986.

But there is $235 million that the Coast Guard needs for procurement of vessels, aircraft, and equipment to be acquired by the Navy to augment the Coast Guard inventory and their coastal defense augmentation program.

Mr. Chairman, I realize that we are trying to hold this, and the gentleman is fighting amendments to add money, but I do think it is very important for the Coast Guard.

I would like to ask the gentleman and Mr. Dickinson if, when they get into conference with the Senate, and I understand it is in their Senate bill, that they would look favorably toward possibly receding and providing the Coast Guard, because with the drug trafficking and the enforcement that the Coast Guard needs to do, they need this procurement to carry out their job. So I would appreciate it very much of the gentleman would look favorably toward that.

Mr. ASPIN. Mr. Chairman, will the gentleman yield.

Mr. HUTTO. I yield to the gentleman.

Mr. ASPIN. Mr. Chairman, let me respond to the gentleman from Florida by saying that I very much understand the concern of the gentleman, and especially the part of the country that the gentleman represents, about the problem of the Coast Guard getting adequate funding for the drug smuggling issue. I am very sympathetic to the problem, and I believe that the gentleman in the well is making a very, very good case, as the gentleman has done in the committee and as the gentleman has done before the committee many times before, on the need for an adequate Coast Guard.

The gentleman in the well must realize that the chairman is in a difficult position, because I think it is important not to have any amendments to this bill. If the Chair were to start to talk about some amendments, we would have amendments coming at us every which way.

But I did check with the staff. The gentleman in the well is correct. It is in the Senate bill, as we understand it. Therefore, I would like to say that we would be very sympathetic to the gentleman's concerns when we get to conference, if that would help the gentleman in this issue.

Mr. HERTEL of Michigan. Mr. Chairman, will the gentleman yield?

Mr. HUTTO. I would be happy to yield to the gentleman from Michigan.

Mr. HERTEL of Michigan. Mr. Chairman, I want to thank the gentleman from Florida for bringing this to the attention once again to the Committee on Armed Services.

Mr. Traxler, the gentleman presiding over the Committee today, and Mr. Davis, also from the State of Michigan, have been very concerned about this and have been fighting that battle with the gentleman from Florida and myself. So we are so very happy to hear the chairman of the Armed Services Committee today say that they would be very interested in agreeing with the Senate on this money.

As the gentleman from Florida has pointed out, while the other services have gotten great increases over the last 5 years, the Coast Guard has been virtually frozen, and this has really made it much more difficult for them to do the important duties that no one else can replace them in for our States and the people of our country. So I commend the gentleman.

I understand that procedurally the chairman wants to keep the bill on one subject, but that we can use the Senate amendment and accept that as the vehicle to get these needed funds. I think that is an excellent understanding today.

Mr. DICKINSON. Mr. Chairman, will the gentleman yield?

Mr. HUTTO. I yield to the gentleman from Alabama.

Mr. DICKINSON. Mr. Chairman, I thank the gentleman for yielding to me.

Mr. Chairman, this is a matter of legitimate concern. I realize that the Coast Guard is being called on to perform more services in drug interdiction, the smuggling of aliens, and so forth, than it has in the past.

But I think one of the dilemmas that our committee is faced with is that historically we do not have jurisdiction over the Coast Guard. That belongs to the Department of Transportation. That is where their funding normally comes from. It is to the Department of Transportation and that bill dealing with the Coast Guard that, under normal circumstances, a raise for the Coast Guard should be coming. That is their child. They look after it.

As I understand it, the other body added this money, an unauthorized appropriation, getting back to the point that I made before that they do not care what we do over here. They are king over there. They are going to put what they want to in there and leave out what they want without any regard to the authorization process.

So it does leave us with a dilemma. It is something that we should be sympathetic to. It is an irregular procedure.

I support the chairman of the full committee when the gentleman says if we make this exception, add this amendment, then where do we stop. There would be another good amendment coming and we ought to consider it. And then there is a great amendment that ought to be considered. At the same time, we are trying to find enough money so that we can keep the Gramm-Rudman sequester from being triggered in.

So perhaps when we get into conference with the other body, we can work on some accommodation. But speaking for this Member, I do not want to mislead anyone to feel that I am saying, yes, I for one am going to support it if it got to conference, because there are many other things that are going to be considered, as the gentleman knows having sat through conferences. I am just saying that I am sympathetic with the purpose. I do not like the procedure by which it got here. I think we are abrogating the House rules, and if we continue in this vein, I think we might as well do away with the Armed Services Committee and just let the Appropriations Committee do it all.

Mr. HUTTO. Mr. Chairman, I certainly understand what the gentleman is saying.

However, I would like to say that this money was appropriated through the Defense Appropriations and the House Appropriations Committee. They also saw fit to do that.

Mr. CALLAHAN. Mr. Chairman, will the gentleman yield?

Mr. HUTTO. I yield to the gentleman from Alabama.

Mr. CALLAHAN. Mr. Chairman, I thank the gentleman for yielding to me.

Mr. Chairman, I agree with the gentleman wholeheartedly on the gentleman's request to the members of the conference committee that indeed we certainly ought to give the consideration to the $235 million to the Coast Guard.

We can stand here all afternoon and talk about the merits of our basic defense system, which is the U.S. Coast Guard.

I agree also with the gentleman from Alabama with respect to jurisdiction. But I might also add that this is the only train leaving the station at this point. If indeed we are going to do anything favorable for the Coast Guard in this respect, this is the time. And I would respectfully request and echo the sentiments of the gentleman from Florida in requesting that we recede to the demands of the Senate on this particular issue.

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Mr. ASPIN. Mr. Chairman, will the gentleman yield?

Mr. HUTTO. I yield to the gentleman from Wisconsin.

Mr. ASPIN. I would like to point out that we are, in fact, doing some things for the Coast Guard in this bill. It is not that we have not done anything.

Mr. HUTTO. I understand.

Mr. ASPIN. The Appropriations Committee in the House appropriated $100 million for operating expenses, and we do have that covered.

We also have allowed to have covered another $140 million for transfers for procurement.

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We have already got $240 million in what we are proposing before the Congress today in additional money for the Coast Guard. What the gentleman in the well is talking about is an additional $235 on top of the original $240.

So we are doing something. It is not that we have ignored the problem. It is just that the gentleman in the well thinks we ought to do more. As I say, we will take a very close took at it in conference. As I told the gentleman from Florida, I am essentially sympathetic with his views.

Mr. HUTTO. I appreciate that very much.

Mr. Chairman, I certainly agree with the gentleman from Alabama [Mr. DICKINSON] in that the Transportation Department has the Coast Guard under its wing, but the administration does not request the funding they need, and they have to fight every year to try to get the basic needs for operation, and none for procurement.

So I appreciate the comments of the chairman and the others who have entered into this discussion, and I hope you will look favorably on helping us out in the conference.

Mr. WEISS. Mr. Chairman, I oppose passage of this legislation, H.R. 4420, in its current form, although I do support many of the military retirement reforms it would enact. However, the bill would authorize the military to perform massive, mandatory testing of service personnel for HTLV-III antibody, regarding AIDS. This policy is not justified on either medical or military grounds.

The Food and Drug Administration has licensed the HTLV-III test only for the purpose of screening blood and plasma, not for evaluation of a person's health status. In fact, the manufacturers of the test have labeled it with that specific limitation, and including the following:

> It is inappropriate to use this test as a screen for AIDS or as a screen for members of groups at risk for AIDS in the general population. The presence of HTLV-III antibody is not a diagnosis of AIDS.

And in addition, the HTLV-III testing will also not serve the purposes of the military for another reason stated on its labeling, that "a negative test result does not exclude the possibility of exposure to or infection with HTLV-III." Thus, persons with AIDS or at risk may be given incorrect medical information, based on this misuse of the test.

In the several years since this epidemic came to light, it has been well established that AIDS is not transmitted by casual contact, and thus presents no risk to coworkers because of the presence of a person with AIDS. Consequently, the Centers for Disease Control have never recommended mandatory HTLV-III testing for the general population, or the military.

Unfortunately, the test will likely be used to attempt to identify members of at-risk groups, so that they can be denied entry or be removed from the military will less than honorable discharges. Because of the uncertainties of the test, there is no doubt that this will not only discriminate against persons with AIDS, but those incorrectly diagnosed at risk.

While it is true that the military, and all of our society, face a serious threat from this killer disease, the military's proposed test will provide only a false sense of security, and fail to serve medical need.

Mr. HILLIS. Mr. Chairman, I have no further requests for time on this side, and I yield back the balance of my time.

Mr. ASPIN. Mr. Chairman, I have no further requests for time on this side, and I yield back the balance of my time.

The CHAIRMAN. Pursuant to the rule, the committee amendment in the nature of a substitute now printed in the reported bill shall be considered by titles as an original bill for the purpose of amendment, and each title shall be considered as having been read.

The Clerk will designate section 1.

The text of section 1 is as follows:

H.R. 4420

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE; REFERENCES TO TITLE 10, UNITED STATES CODE; TABLE OF CONTENTS.

(a) Short Title.—This Act may be cited as the "Military Retirement Reform Act of 1986".

(b) References to Title 10.—Except as otherwise expressly provided, whenever in this Act an amendment or repeal is expressed in terms of an amendment to, or repeal of, a section or other provision, the reference shall be considered to be made to a section or other provision of title 10, United States Code.

(c) Table of Contents.—The table of contents for this Act is as follows:

TABLE OF CONTENTS

Sec. 1. Short title; references to title 10, United States Code; table of contents.

TITLE I—RETIREMENT PROGRAM CHANGES

Sec. 101. Retired pay multiplier.
Sec. 102. Retired pay base for computation of retired pay.
Sec. 103. Rules of construction for purposes of computing of retired pay.
Sec. 104. Years of service for computing retired pay.

TITLE II—COMPUTATION OF RETIRED PAY

Sec. 201. Retired pay computed under subtitle A.
Sec. 202. Members of the Army.
Sec. 203. Members of the Navy and Marine Corps.
Sec. 204. Members of the Air Force.
Sec. 205. Members of the Coast Guard.
Sec. 206. Commissioned officers of the National Oceanic and Atmospheric Administration.
Sec. 207. Commissioned officers of the Public Health Service.

TITLE III—MISCELLANEOUS RETIREMENT PROVISIONS

Sec. 301. Unreduced retired pay as basis for Survivor Benefit Plan annuities.
Sec. 302. Requirement of reserve-component membership for receipt of non-regular-service retired pay.
Sec. 303. Definition.
Sec. 304. Technical and conforming amendments.
Sec. 305. Codification of permanent limitations on retired and retainer pay provided in appropriation Acts.
Sec. 306. Repeal of limitation on payments to accrual fund for fiscal year 1986.

TITLE IV—FISCAL YEAR 1986 UNAUTHORIZED APPROPRIATIONS

Sec. 401. Prohibition on obligation of unauthorized fiscal year 1986 defense appropriations.
Sec. 402. Authorization of obligation for certain unauthorized appropriations.
Sec. 403. Programs for which amounts are not authorized for obligation.
Sec. 404. Authorized military construction project.

The CHAIRMAN. Are there any amendments to section 1?

Mr. BENNETT. Mr. Chairman, I move to strike the last word.

Mr. Chairman, I really feel I should speak about this legislation. H.R. 4420 is a measure which tries to balance the budget on the backs of our Nation's career military men and women. This bill would reduce for future newcomers to the military the existing retirement benefits available to military personnel. It is an unwise bill from the standpoint of our national defense.

I oppose this bill because it does two very unfortunate things. First, it discourages bringing to the forces men and women for a career in the U.S. military.

Second, it destroys the device now available to keep the military both young and able.

The existing law allows those with two decades of service to be eliminated competitively, in order to make deserved promotions available for the third decade in a timely manner.

This new legislation does not allow this process. We cannot have military services with an overgenerous number of generals and admirals.

I asked Admiral Watkins; the Chief of Naval Operations, what he felt about this legislation. He replied in a letter that says, and I quote:

> Those who don't understand that retirement is one part of a complex compensation system won't understand that changing one part of that system can have a major impact. Deferred compensation is a major part of civilian plans. Certainly, those who deal in civilian salary and retirement programs would realize that a major change to either salary or retirement, or perhaps to other important parts of their benefit package, would make continued employment with the company either more—or less attractive. . . .
>
> The question those who would change the system must ask themselves is equally basic. Are they willing to add compensation in some other area to offset the loss in retirement? If the answer is yes, we should embark on the work necessary to determine how best to do it. If the answer is no, we have another problem. How shall we deal with smaller numbers of individuals willing

> to volunteer for military service, and, of much more importance at this juncture, can we provide adequate manpower to achieve needed readiness levels with reduced numbers of career personnel?

You will note that Admiral Watkins feels that if revisions are to be undertaken, we must have a thoughtful, careful approach to determine the impact on retention and recruiting. Cutting retirement without considering any corresponding increase in other compensation will inevitably result in less people joining the military, less people staying in for a career, and less able people staying in.

A young man or woman with a family and 6 years of service, who has just been transferred to a remote base away from all civilian comforts, will obviously be more willing to make sacrifices if he can see a light at the end of 20 years service than if that light has been dimmed.

If adequate pensions are such an evil thing, why do we have similar retirement systems for firefighters and police officers? These occupations require youth and physical vigor and demand a certain degree of personal sacrifice. The analogy is not complete, though, because a person in the military is put in greater danger of injury or death, and is expected to function under very dangerous and difficult circumstances, including taking the lives of the enemy.

It seems to me this is just another example of the sad way the military is too often treated and looked at in our country. We are safe, free, and secure because the Armed Forces are eternally vigilant.

Watching our treatment of these fine individuals brings to mind the following lines penned by Rudyard Kipling, who expresses his thoughts far better than I:

> For it's Tommy this, an' Tommy that, an'
> "Chuck him out, the brute!"
> But it's "Saviour of 'is country" when the
> guns begin to shoot;

We can do far better than shouting "Chuck him out, the brute!" and I urge you to reconsider this issue and not vote for this legislation.

In essence this legislation is about fairness and leadership. By cutting the available pension to our military men and women, we ask them to once again help bear the burden for the country's well-being. After 20 years of military service, I believe they have paid their fair share.

This bill also deals with the important issue of leadership in our armed services. With constant advances in technology we need bright young officers and enlisted men. By reducing pensions we reduce the incentive for good men and women to choose the military as a career. The bill is faulted. We should look at the issue again for another solution.

Mr. Chairman, I would just like to conclude my remarks by saying that I feel that this will discourage people from wanting to come into the service, and I think it gets away from the device of using the 20-year period as a time to see what people should be advanced and what people should not be advanced.

I think a very real loss will occur to us from this legislation. I think it is an unwise thing to do it this way, and I think we could have done it—if we had to do it—in a better way. I suggested a better way in subcommittee, which was, in my opinion, to give some sort of additional benefit at the end of 20 years to encourage people to get out for that reason, if that is what you want to do, to encourage them to get out.

The present system is a good system. It has worked a long time. It has brought us good personnel into the military, and I think it is one that should not be ended.

The CHAIRMAN. Are there any amendments to section 1?

The Clerk will designate title I.

The text of title I is as follows:

TITLE I—RETIREMENT PROGRAM CHANGES

SEC. 101. RETIRED PAY MULTIPLIER.

Chapter 71 (relating to computation of retired pay) is amended by adding at the end the following new section:

"§ 1409. Retired pay multiplier

"(a) Retired Pay Multiplier for Regular-Service Nondisability Retirement.—In computing—

"(1) the retired pay of a member who is a regular-service nondisability retiree; or

"(2) the retainer pay of a member who is transferred to the Fleet Reserve or the Fleet Marine Corps Reserve,

the retired pay multiplier or retainer pay multiplier is the percentage determined under subsection (b).

"(b) Percentage.—

"(1) General rule.—Subject to paragraphs (2) and (3), the percentage to be used under subsection (a) is the product (stated as a percentage) of—

"(A) 2½, and

"(B) the member's years of creditable service.

"(2) Reduction for retirement by new-retirement members with less than 30 years of service.—In the case of a member who first became a member of a uniformed service on or after the date of the enactment of the Military Retirement Reform Act of 1986 and who has less than 30 years of creditable service, the percentage determined under paragraph (1) shall be reduced by—

"(A) 1 percentage point for each full year that the member's years of creditable service are less than 30; and

"(B) $\frac{1}{12}$ of 1 percentage point for each month (or fractional part thereof) by which the member's years of creditable service (after counting all full years of such service) are less than a full year.

"(3) 75 percent limit.—In the case of a member with more than 30 years of creditable service, the percentage to be used under subsection (a) is 75 percent.

"(c) Definitions.—In this section:

"(1) Regular-service nondisability retiree.— 'Regular-service nondisability retiree' means a member of a uniformed service who is retired as a member under any provision of law other than—

"(A) chapter 61 of this title (relating to retirement or separation for physical disability); or

"(B) chapter 67 of this title (relating to retirement for non-regular service).

"(2) Years of creditable service.—'Years of creditable service' means the number of years of service creditable to a member in computing the member's retired or retainer pay (including $\frac{1}{12}$ of a year for each full month of service that is in addition to the number of full years of service of the member).".

SEC. 102. RETIRED PAY BASE FOR COMPUTATION OF RETIRED PAY.

(a) Transfer of Section 1406.—Section 1406 is transferred to the end of chapter 67, redesignated as section 1338, and amended—

(1) by designating the first sentence as subsection (a) and striking out "chapter 67 of this title" both places it appears therein and inserting in lieu thereof "this chapter"; and

(2) by designating the second sentence as subsection (b).

(b) Consolidation of Retired Pay Base Statutes and Establishment of Graduated High-Period Average for New Entrants.—Chapter 71 (relating to the computation of retired pay) is amended by striking out section 1407 and inserting in lieu thereof the following:

"§ 1406. Retired pay base for members who first became members before September 8, 1980

"(a) Use of Retired Pay Base in Computing Retired Pay.—

"(1) General rule.—The retired pay or retainer pay of any person entitled to that pay who first became a member of a uniformed service before September 8, 1980, is computed using the retired pay base or retainer pay base determined under this section.

"(2) Exception for recomputation.—Recomputation of retired or retainer pay to reflect later active duty is provided for under section 1402 of this title without reference to a retired pay base or retainer pay base.

"(b) Retirement Under Subtitle A.—

"(1) Disability retirement.—

"(A) In general.—In the case of a member of a uniformed service who is entitled to retired pay under chapter 61 of this title (relating to retirement or separation for physical disability), the retired pay base is the monthly basic pay of the grade—

"(i) to which the member is entitled under section 1372 of this title; or

"(ii) to which the member was entitled on the day before the member's retirement or placement on the temporary disability retired list,

whichever is higher.

"(B) Rate of basic pay to be used.—The rate of basic pay to be used under subparagraph (A) is the rate applicable to the grade determined under that subparagraph on the date of the member's retirement or the date when the member's name was placed on the temporary disability retired list, as the case may be.

"(2) Retirement for non-regular service.—In the case of a person who is entitled to retired pay under section 1331 of this title (relating to retired pay for non-regular service), the retired pay base is the monthly basic pay (computed at the rates applicable on the date when retired pay is granted) of

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the highest grade held satisfactorily by the person at any time in the armed forces.

"(3) Warrant officers.—In the case of a member who is retired under section 564, 1263, 1293, or 1305 of this title, the retired pay base is—

"(A) the monthly basic pay to which the member would have been entitled if he had served on active duty in his retired grade on the day before retirement; or

"(B) if the pay of that grade is less than the pay of any warrant officer grade satisfactorily held by the member on active duty, the monthly basic pay of that warrant officer grade.

"(4) Involuntary retirement of officers for service or age.—

"(A) General rule.—In the case of an officer who is retired under section 633, 634, 635, 636, or 1251 of this title, the retired pay base is the monthly basic pay (computed at the rates applicable on the date of retirement) of the officer's retired grade.

"(B) Special rule for certain permanent professors at the military and air force academies.—The retired pay base of an officer whose retired grade is determined under section 3962(b) or 8962(b) of this title shall be determined as if that section did not apply.

"(c) Voluntary Retirement for Members of the Army.—

"(1) In general.—In the case of a member whose retired pay is computed under section 3991 of this title or who is entitled to retired pay computed under section 3992 of this title, the retired pay base is determined in accordance with the following table.

"For a member entitled to retired pay under section:	The retired pay base is:
3911 3918 3920 3924	Monthly basic pay of member's retired grade.[1]
3914 3917	Monthly basic pay to which member was entitled on day before he retired.
3992	Monthly basic pay of grade to which member is advanced on retired list.

[1] For the purposes of this subsection, determine member's retired grade as if section 3962(b) did not apply.

"(2) Rate of basic pay to be used.—The rate of basic pay to be used under paragraph (1) is the rate applicable on the date of the member's retirement.

"(d) Retirement for Members of the Navy and Marine Corps.—In the case of a member whose retired pay is computed under section 6326 of this title, who is advanced on the retired list under section 6151 of this title, or who is entitled to retainer pay under section 6330 of this title, the retired pay base or retainer pay base is determined in accordance with the following table.

"For a member entitled to retired or retainer pay under section:	The retired pay base or retainer pay base is:
6323 6325(a) 6383	Basic pay of the grade in which the member retired.[1]
6325(b)	Basic pay of the grade the officer would hold if he had not received an appointment described in section 6325(b).
6326	Basic pay of the pay grade in which the member was serving on the day before retirement.
6330	Basic pay that the member received at the time of transfer to the Fleet Reserve or Fleet Marine Corps Reserve.
6151	Basic pay of the grade to which the member is advanced under section 6151.

[1] If the rate specified is less than the pay of any warrant officer grade satisfactorily held by the member on active duty, use the monthly basic pay of that warrant officer grade.

"(e) Voluntary Retirement for Members of the Air Force.—

"(1) In general.—In the case of a member whose retired pay is computed under section 8991 of this title or who is entitled to retired pay computed under section 8992 of this title, the retired pay base is determined in accordance with the following table.

"For a member entitled to retired pay under section:	The retired pay base is:
8911 8918 8920 8924	Monthly basic pay of member's retired grade.[1]
8914 8917	Monthly basic pay to which member was entitled on day before he retired.
8992	Monthly basic pay of grade to which member is advanced on retired list.

[1] For the purposes of this subsection, determine member's retired grade as if section 8962(b) did not apply.

"(2) Rate of basic pay to be used.—The rate of basic pay to be used under paragraph (1) is the rate applicable on the date of the member's retirement.

"(f) Coast Guard.—In the case of a member who is retired under any section of title 14, the member's retired pay is computed under section 423(a) of title 14 in the manner provided in that section.

"(g) Commissioned Corps of National Oceanic and Atmospheric Administration.—In the case of an officer whose retired pay is computed under section 16 of the Coast and Geodetic Survey Commissioned Officers' Act of 1948 (33 U.S.C. 853o), the retired pay base is the basic pay of the rank with which the officer retired.

"(h) Commissioned Corps of Public Health Service.—In the case of an officer who is retired under section 210(g) or 211(a) of the Public Health Service Act (42 U.S.C. 211(g), 212(a)), the retired pay base is determined as follows:

"(1) Mandatory retirement.—If the officer is retired under section 210(g) of such Act, the retired pay base is the basic pay of the permanent grade held by the officer at the time of retirement.

"(2) Voluntary retirement.—If the officer is retired under section 211(a) of such Act, the retired pay base is the basic pay of the highest grade held by the officer and in which, in the case of a temporary promotion to such grade, the officer has performed active duty for not less than six months.

"(i) Special Rule for Former Chiefs of Service and Senior Enlisted Members.—For the purposes of subsections (b) through (e):

"(1) Former chiefs of service.—

"(A) General rule.—In determining the rate of basic pay to apply in the determination of the retired pay base of an officer who served in a covered position, the highest rate of basic pay applicable to the officer while serving in that position shall be used, if that rate is higher than the rate otherwise authorized by this section.

"(B) Covered position defined.—In this paragraph, 'covered position' means any of the following:

"(i) Chairman of the Joint Chiefs of Staff.

"(ii) Chief of Staff of the Army.

"(iii) Chief of Naval Operations.

"(iv) Chief of Staff of the Air Force.

"(v) Commandant of the Marine Corps.

"(vi) Commandant of the Coast Guard.

"(2) Senior enlisted members.—

"(A) General rule.—In determining the rate of basic pay to apply in the determination of the retired pay base of an enlisted member who served in a covered position, the highest rate of basic pay applicable to the member while serving in that position shall be used, if that rate is higher than the rate otherwise authorized by this section.

"(B) Covered position defined.—In this paragraph, 'covered position' means any of the following:

"(i) Sergeant Major of the Army.

"(ii) Master Chief Petty Officer of the Navy.

"(iii) Chief Master Sergeant of the Air Force.

"(iv) Sergeant Major of the Marine Corps.

"(V) Master Chief Petty Officer of the Coast Guard.

"§ 1407. Retired pay base for members who first became members after September 7, 1980

"(a) Use of Retired Pay Base in Computing Retired Pay.—The retired pay or retainer pay of any person entitled to that pay who first became a member of a uniformed service after September 7, 1980, is computed using the retired pay base or retainer pay base determined under this section.

"(b) Graduated High-Period Average.—The retired pay base or retainer pay base of a member under this section is the member's high-period average determined under subsection (c).

"(c) Computation of High-Period Average.—

"(1) Formula.—For the purposes of this section, a member's high-period average is the amount equal to—

"(A) the total amount of monthly basic pay to which the member was entitled for the member's countable high-pay months, divided by

"(B) the number of such countable high-pay months.

"(2) Number of months to be used in computation.—

"(A) General rule.—Subject to subparagraph (B) and to subsection (e), the number of countable high-pay months of a member is 36.

"(B) Increase in number of countable months for new-retirement members with less than 30 years of service.—In the case of a new-retirement member who has less than 30 years of creditable service, the number of countable high-pay months shall be increased by one for each period of five months (including any portion thereof) that the member's years of creditable service are less than 30.

"(3) Countable high-pay months defined.—

"(A) General rule.—A member's countable high-pay months are those months (the number of which is determined under paragraph (2)) out of all the months of active duty served by the member as a member of a uniformed service for which the monthly basic pay to which the member was entitled was the highest.

"(B) Rule for non-regular service retirees.—In the case of a member who is entitled to retired pay under section 1204 or 1205 of this title or under chapter 67 of this title, a member's countable high-pay months are those months (the number of which is determined under paragraph (2) or subsection (e)) out of all the months the member was a member of a uniformed service before becoming entitled to retired pay for which the monthly basic pay to which the member would have been entitled had he served on active duty during those months was the highest.

"(d) Limitation for Enlisted Members Retiring with Less Than 30 Years' Service.—In the case of a member who is retired under section 3914 or 8914 of this title or who is transferred to the Fleet Reserve or Fleet Marine Corps Reserve under section 6330 of this title, the member's high-period average shall be computed using only rates of basic pay applicable to months of active duty of the member as an enlisted member.

"(e) Special Rules for Short-Term Disability Retirees.—

"(1) Members entitled to retired pay under section 1201 or 1202.—In the case of a member who—

"(A) is entitled to retired pay under section 1201 or 1202 of this title; and

"(B) served on active duty—

"(i) for less than 36 months, in the case of a member who is subject to this section but is not a new retirement member; or

"(ii) for less than 60 months, in the case of a new retirement member,

the number of the member's countable high-pay months (notwithstanding subsection (c)(2)) is the number of months (including any fraction thereof) that the member served on active duty.

"(2) Members entitled to retired pay under section 1204 or 1205.—In the case of a member who—

"(A) is entitled to retired pay under section 1204 or 1205 of this title; and

"(B) was a member of a uniformed service—

"(i) for less than 36 months, in the case of a member who is subject to this section but is not a new retirement member; or

"(ii) for less than 60 months, in the case of a new retirement member,

the number of the member's countable high-pay months (notwithstanding subsection (c)(2)) is the number of months (including any fraction thereof) that the member was such a member.

"(3) Maximum number of months for new retirement members.—In the case of a new retirement member who is entitled to retired pay under chapter 61 of this title (relating to retirement or separation for physical disability) and who was a member for more than 60 months before becoming entitled to such pay, the number of countable high-pay months may not exceed 60.

"(f) Special Rule for Members Retiring With Non-Regular Service.—

"(1) Disability retirement.—In the case of a member of a uniformed service who is entitled to retired pay under section 1204 or 1205 of this title (relating to members on active duty for 30 days or less), the high-period average is determined as if the member served on active duty and was entitled to basic pay for the member's countable high-pay months.

"(2) Chapter 67 retirement.—In the case of a person who is entitled to retired pay under section 1331 of this title (relating to retired pay for non-regular service), the person's high-period average is determined as if the person served on active duty and was entitled to basic pay for the person's countable high-pay months.

"(g) Definitions.—In this section:

"(1) Years of creditable service.—'Years of creditable service' means the number of years of service creditable to a member in computing the member's retired or retainer pay (including 1/12 of a year for each full month of service that is in addition to the number of full years of service of the member).

"(2) New-retirement member.—'New-retirement member' means a member of a uniformed service who first became a member of a uniformed service on or after the date of the enactment of the Military Retirement Reform Act of 1986.".

(c) Conforming Amendments.—

(1) Sections 5083 and 5201(c) are each amended by striking out the last sentence.

(2) Section 6325(c) is amended by striking out the second sentence.

SEC. 103. RULES OF CONSTRUCTION FOR PURPOSES OF COMPUTING OF RETIRED PAY.

Chapter 71 (relating to computation of retired pay) is amended by adding after section 1409 (as added by section 101) the following new sections:

"§ 1410. Rules of construction

"(a) Construction of 'First Became a Member'.—For the purpose of this chapter and other provisions of law providing for computation of retired or retainer pay of members of the uniformed services, a person shall be considered to first become a member of a uniformed service on the first date the person is enlisted, inducted, or appointed in a uniformed service.

"(b) References in Tables.—Section references in tables in this chapter are to sections of this title.

"§ 1411. Rounding to next lower dollar

"Amounts computed under this chapter, if not a multiple of $1, shall be rounded to the next lower multiple of $1.".

SEC. 104. YEARS OF SERVICE FOR COMPUTING RETIRED PAY.

Section 1405 (relating to determination of years of service for computation of retired pay) is amended—

(1) by inserting "(a) In General.—" before "For the purposes of";

(2) by striking out "section 1401" and all that follows through "of this title" and inserting in lieu thereof "the computation of the years of service of a member of the armed forces under a provision of this title providing for such computation to be made under this section"; and

(3) by adding at the end the following:

"(b) Fractional Years of Service.—In determining a member's years of service under subsection (a)—

"(1) each full month of service that is in addition to the number of full years of service creditable to the member shall be credited as 1/12 of a year; and

"(2) any remaining fractional part of a month shall be disregarded.".

The CHAIRMAN. Are there any amendments to title I?

There being no amendments to title I, the Clerk will designate title II.

The text of title II is as follows:

TITLE II—COMPUTATION OF RETIRED PAY

SEC. 201. RETIRED PAY COMPUTED UNDER SUBTITLE A.

(a) DOPMA Officers and Warrant Officers.—Section 1401 (relating to computation of retired pay) is amended—

(1) by inserting "(a) Disability, Non-Regular Service, Warrant Officer, and DOPMA Retirement.—" before "The monthly";

(2) by striking out the third, fourth, and fifth sentences;

(3) by striking out column 1 of the table and inserting in lieu thereof the following:

"Column 1 Take
Retired pay base as computed under section 1406(b)(1) or 1407.
Retired pay base as computed under section 1406(b)(1) or 1407.
Retired pay base as computed under section 1406(b)(2) or 1407.
Retired pay base as computed under section 1406(b)(3) or 1407.
Retired pay base as computed under section 1406(b)(4) or 1407.";

(4) by striking out the matter relating to formulas 4 and 5 under columns 2, 3, and 4 of the table and inserting in lieu thereof the following:

"The retired pay multiplier prescribed in section 1409(a) for the years of service credited to him under section 1405.
The retired pay multiplier prescribed in section 1409(a) for the years of service credited to him under section 1405.";

(5) by striking out "pay" each place it appears in columns 3 and 4 of the table and inserting in lieu thereof "retired pay base";

(6) by striking out footnotes 1, 2, 4, and 5 of the table and redesignating footnote 3 as footnote 1;

(7) by redesignating the references to footnote 3 in column 2 of the table to conform to the redesignation made by paragraph (6); and

(8) by adding at the end the following new subsection:

"(b) Use of Most Favorable Formula.—If a person would otherwise be entitled to retired pay computed under more than one formula of the table in subsection (a) or of any other provision of law, the person is entitled to be paid under the applicable formula that is most favorable to him.".

(b) Recomputation for Later Active Duty.—

(1) Formula for recomputation of new retirement members.—Subsection (a) of section 1402a (relating to recomputation of retired or retainer pay to reflect later active duty of members who first became members after September 7, 1980) is amended to read as follows:

"(a) In General.—A member of an armed force—

"(1) who first became a member of a uniformed service after September 7, 1980;

"(2) who has become entitled to retired pay or retainer pay; and

"(3) who thereafter serves on active duty (other than for training),

is entitled to recompute his retired pay or retainer pay upon his release from that duty according to the following table.

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"Column 1 Take	Column 2 Multiply by
Retired pay base or retainer pay base under section 1407 which he would be entitled to use if— (1) he were retiring upon release from that active duty; or (2) he were transferring to the Fleet Reserve or Fleet Marine Corps Reserve upon that release from active duty.	The retired pay multiplier or retainer pay multiplier prescribed in section 1409 for the sum of— (1) the years of service that may be credited to him in computing retired pay or retainer pay; and (2) his years of active service after becoming entitled to retired pay or retainer pay.".

(2) TECHNICAL AMENDMENTS.—Such section is further amended—

(A) by inserting "NEW DISABILITY INCURRED DURING LATER ACTIVE DUTY.—" in subsection (b) after "(b)";

(B) by inserting "ADDITIONAL OR AGGRAVATED DISABILITY INCURRED DURING LATER ACTIVE DUTY.—" in subsection (c) after "(c)";

(C) in subsection (d)—

(i) by inserting "COMPUTATION FOR LATER DISABILITY.—" after "(d)";

(ii) by striking out the second sentence; and

(iii) by striking out "monthly" both places it appears in the table; and

(D) by inserting "ALTERNATIVE RECOMPUTATION TO SUBSECTION (a) FORMULA.—" in subsection (e) after "(e)".

(3) CONFORMING AMENDMENTS.—Section 1402 is amended by striking out the second sentence of subsections (a) and (d).

SEC. 202. MEMBERS OF THE ARMY.

(a) INITIAL COMPUTATION OF RETIRED PAY.—The text of section 3991 (relating to computation of retired pay) is amended to read as follows:

"(a) COMPUTATION.—

"(1) IN GENERAL.—The monthly retired pay of a member entitled to such pay under this subtitle is computed according to the following table. For each case covered by a section of this title named in the column headed 'For sections', retired pay is computed by taking the steps prescribed opposite it in columns 1 and 2.

"Formula	For Sections	Column 1 Take	Column 2 Multiply by
A	3911 3918 3920 3924	Retired pay base as computed under section 1406(c) or 1407.	The retired pay multiplier prescribed in section 1409 for the years of service credited to him under section 1405.
B	3914 3917	Retired pay base as computed under section 1406(c) or 1407.	The retired pay multiplier prescribed in section 1409 for the years of service credited to him under section 3925.

"(2) ADDITIONAL 10 PERCENT FOR CERTAIN ENLISTED MEMBERS CREDITED WITH EXTRAORDINARY HEROISM.—If a member who is retired under section 3914 of this title has been credited by the Secretary of the Army with extraordinary heroism in the line of duty, the member's retired pay shall be increased by 10 percent of the amount determined under paragraph (1) (but to not more than 75 percent of the retired pay base upon which the computation of such retired pay is based). The Secretary's determination as to extraordinary heroism is conclusive for all purposes.

"(b) GENERAL RULES.—

"(1) USE OF MOST FAVORABLE FORMULA.—If a person would otherwise be entitled to retired pay computed under more than one formula of the table in subsection (a) or the table in section 1401 of this title, he is entitled to be paid under the applicable formula that is most favorable to him.

"(2) ROUNDING TO NEXT LOWER DOLLAR.—The amount computed under subsection (a), if not a multiple of $1, shall be rounded to the next lower multiple of $1.

"(3) REFERENCES.—Section references in the table in subsection (a) are to sections of this title.".

(b) RECOMPUTATION FOR ENLISTED MEMBERS AND WARRANT OFFICERS ADVANCED ON THE RETIRED LIST.—The table in section 3992 (relating to recomputation of retired pay to reflect advancement on retired list) is amended to read as follows:

"Formula	Column 1 Take	Column 2 Multiply by
A	Retired pay base as computed under section 1406(c) or 1407 of this title.	The retired pay multiplier prescribed in section 1409 of this title for the number of years credited to him under section 3925 of this title.[1]
B	Retired pay base as computed under section 1406(c) or 1407 of this title.	The retired pay multiplier prescribed in section 1409 of this title for the number of years credited to him under section 1405 of this title.

[1] In determining retired pay multiplier, credit each full month of service that is in addition to the number of full years of service creditable to the member as 1/12 of a year and disregard any remaining fractional part of a month.".

(c) CONFORMING AMENDMENT.—Section 3925 is amended by adding at the end the following new subsection:

"(c) In determining a member's years of service under subsection (a) for the purpose of computing the member's retired pay under section 3991 of this title—

"(1) each full month of service that is in addition to the number of full years of service creditable to the member shall be credited as 1/12 of a year; and

"(2) any remaining fractional part of a year shall be disregarded.".

SEC. 203. MEMBERS OF THE NAVY AND MARINE CORPS.

(a) RETIRED AND RETAINER PAY FORMULA.—Section 6333 is amended to read as follows:

"§ 6333. Computation of retired and retainer pay

"(a) The monthly retired pay or retainer pay of a member entitled to such pay under this chapter or under section 6383 of this title is computed in accordance with the following table.

"Formula	For sections	Column 1 Take	Column 2 Multiply by
A	6325(a) 6326	Retired pay base computed under section 1406(d) or 1407.	75%
B	6323 6325(b) 6383	Retired pay base computed under section 1406(d) or 1407.	Retired pay multiplier prescribed under section 1409 for the years of service that may be credited to him under section 1405.
C	6330	Retainer pay base computed under section 1406(d) or 1407.	Retainer pay multiplier prescribed under section 1409 for his years of active service in the armed forces.

"(b)(1) Retired pay or retainer pay computed under this section, if not a multiple of $1, shall be rounded to the next lower multiple of $1.

"(2) References in the table in subsection (a) are to sections of this title.".

(b) CONFORMING AMENDMENTS.—

(1) Section 6322 is amended by striking out subsection (c).

(2) Section 6323(e) is amended by striking out "retired pay—" and all that follows and inserting in lieu thereof "retired pay computed under section 6333 of this title.".

(3) Section 6325 is amended by striking out "retired pay—" in subsections (a)(2) and (b)(2) and all that follows in those subsections and inserting in lieu thereof "retired pay computed under section 6333 of this title.".

(4) Section 6326(c)(2) is amended by striking out "retired pay—" and all that follows and inserting in lieu thereof "retired pay computed under section 6333 of this title.".

(5) Section 6328 is repealed.

(6) Section 6330(c) is amended—

(A) by striking out "retainer pay—" in paragraph (1) and all that follows in that paragraph and inserting in lieu thereof "retainer pay computed under section 6333 of this title."; and

(B) by striking out paragraph (4).

(7) Section 6383 is amended—

(A) by striking out "retired pay—" in subsection (c)(2) and all that follows in that subsection and inserting in lieu thereof "retired pay computed under section 6333 of this title."; and

(B) by striking out subsection (k).

(c) MEMBERS ADVANCED ON RETIRED LIST.—Section 6151 (relating to higher retired grade and pay for members who serve satisfactorily under temporary appointments) is amended by striking out subsections (b) and (c) and inserting in lieu thereof the following:

"(b) Each member (other than a former member of the Fleet Reserve or the Fleet Marine Corps Reserve) who is advanced on the retired list under this section is (unless otherwise entitled to higher retired pay) entitled to retired pay determined in accordance with the following table. References in the table are to sections of this title.

"Column 1 Take	Column 2 Multiply by
Retired pay base computed under section 1406(d) or 1407	Retired pay multiplier prescribed under section 1409 for the years of service that may be credited to him under section 1405.

"(c) Each former member of the Fleet Reserve or the Fleet Marine Corps Reserve who is advanced on the retired list under this section is entitled to retired pay determined in accordance with the following table. References in the table are to sections of this title.

"Column 1 Take	Column 2 Multiply by
Retired pay base computed under section 1406(d) or 1407	Retired pay multiplier prescribed under section 1409 for the number of years of service creditable for his retainer pay at the time of retirement.".

SEC. 204. MEMBERS OF THE AIR FORCE.

(a) INITIAL COMPUTATION OF RETIRED PAY.—The text of section 8991 (relating to computation of retired pay) is amended to read as follows:

"(a) COMPUTATION.—

"(1) IN GENERAL.—The monthly retired pay of a member entitled to such pay under this subtitle is computed according to the following table. For each case covered by a section of this title named in the column headed 'For sections', retired pay is computed by

taking the steps prescribed opposite it in columns 1 and 2.

"Formula	For sections	Column 1 Take	Column 2 Multiply by
A	8911 8918 8920 8924	Retired pay base as computed under section 1406(e) or 1407.	The retired pay multiplier prescribed in section 1409 for the years of service credited to him under section 1405.
B	8914 8917	Retired pay base as computed under section 1406(e) or 1407.	The retired pay multiplier prescribed in section 1409 for the years of service credited to him under section 8925.

"(2) ADDITIONAL 10 PERCENT FOR CERTAIN ENLISTED MEMBERS CREDITED WITH EXTRAORDINARY HEROISM.—If a member who is retired under section 8914 of this title has been credited by the Secretary of the Air Force with extraordinary heroism in the line of duty, the member's retired pay shall be increased by 10 percent of the amount determined under paragraph (1) (but to not more than 75 percent of the retired pay base upon which the computation of such retired pay is based). The Secretary's determination as to extraordinary heroism is conclusive for all purposes.

"(b) GENERAL RULES.—

"(1) USE OF MOST FAVORABLE FORMULA.—If a person would otherwise be entitled to retired pay computed under more than one formula of the table in subsection (a) or the table in section 1401 of this title, he is entitled to be paid under the applicable formula that is most favorable to him.

"(2) ROUNDING TO NEXT LOWER DOLLAR.—The amount computed under subsection (a), if not a multiple of $1, shall be rounded to the next lower multiple of $1.

"(3) REFERENCES.—Section references in the table in subsection (a) are to sections of this title.".

(b) RECOMPUTATION FOR ENLISTED MEMBERS AND WARRANT OFFICERS ADVANCED ON THE RETIRED LIST.—The table in section 8992 (relating to recomputation of retired pay to reflect advancement on retired list) is amended to read as follows:

"Formula	Column 1 Take	Column 2 Multiply by
A	Retired pay base as computed under section 1406(e) or 1407 of this title.	The retired pay multiplier prescribed in section 1409 of this title for the number of years credited to him under section 8925 of this title.[1]
B	Retired pay base as computed under section 1406(e) or 1407 of this title.	The retired pay multiplier prescribed in section 1409 of this title for the number of years credited to him under section 1405 of this title.

[1] In determining retired pay multiplier, credit each full month of service that is in addition to the number of full years of service creditable to the member as 1/12 of a year and disregard any remaining fractional part of a month.".

(c) CONFORMING AMENDMENT.—Section 8925 is amended by adding at the end the following new subsection:

"(c) In determining a member's years of service under subsection (a) for the purpose of computing the member's retired pay under section 8991 of this title—

"(1) each full month of service that is in addition to the number of full years of service creditable to the member shall be credited as 1/12 of a year; and

"(2) any remaining fractional part of a year shall be disregarded.".

SEC. 205. MEMBERS OF THE COAST GUARD.

(a) IN GENERAL.—Section 423 of title 14, United States Code (relating to the computation of retired pay), is amended to read as follows:

"§ 423. Computation of retired pay

"(a)(1) The retired pay of a member who first became a member of a uniformed service (as defined in section 101 of title 10) before September 8, 1980, is determined by multiplying—

"(A) the sum of—

"(i) the basic pay of the member's retired grade or rate, and

"(ii) all permanent additions thereto including longevity credit to which the member was entitled at the time of retirement; and

"(B) the retired pay multiplier determined under section 1409 of title 10 for the number of years of service that may be credited to the member under section 1405 of such title.

"(2) In the case of an officer who served as Commandant of the Coast Guard, retired pay under paragraph (1) shall be computed at the highest rate of basic pay applicable to the officer while so serving.

"(3) In the case of an enlisted member who served as the master chief petty officer of the Coast Guard, retired pay under paragraph (1) shall be computed at the highest rate of basic pay to which the member was entitled while so serving, if that basic pay is greater than the basic pay of the grade or rate to which the member is otherwise entitled at the time of retirement.

"(4) In the case of an officer whose retired pay is computed on the pay of a grade for which basic pay is not based upon years of service, retired pay under paragraph (1) shall be computed on the basis of the number of years of service for which the officer would be entitled to credit in the computation of pay on the active list had the officer been serving in the grade of captain at the time of retirement.

"(b) The retired pay of a member who first became a member of a uniformed service (as defined in section 101 of title 10) on or after September 8, 1980, is determined by multiplying—

"(1) the retired pay base determined under section 1407 of title 10; and

"(2) the retired pay multiplier determined under section 1409 of title 10 for the number of years of service that may be credited to the member under section 1405 of such title.

"(c)(1) In computing for the purpose of subsection (a) or (b) the number of years of service that may be credited to a member under section 1405 of title 10—

"(A) each full month of service that is in addition to the number of full years of service creditable to the member shall be counted as 1/12 of a year; and

"(B) any remaining fractional part of a month shall be disregarded.

"(2) Retired pay computed under this section, if not a multiple of $1, shall be rounded to the next lower multiple of $1.".

(b) CONFORMING AMENDMENTS.—

(1) Section 46 of such title is amended by striking out "and retired pay computed at the highest rates of basic pay applicable to him while he served as Commandant" in subsections (a), (b), and (c).

(2) Section 47 of such title is amended—

(A) by striking out "and retired pay" in subsections (b) and (c); and

(B) by striking out "and with the retired pay of that grade" in subsection (d).

(3) Section 51 of such title is amended—

(A) by striking out "and retired pay" in subsections (a) and (b); and

(B) by striking out "and with the retired pay of that grade" in subsection (c).

(4) Section 288(b) of such title is amended by striking out "Except as provided in section 423(b) of this title, the retired pay" and inserting in lieu thereof "Retired pay computed under section 423(a) of this title".

(5) Sections 291, 292, and 293 of such title are amended by striking out ", with retired pay of the grade with which retired".

(6) Section 327(b)(1) of such title is amended by striking out ", and with the pay".

(7) Section 334 of such title is amended—

(A) by striking out ", with retired pay of the grade with which retired" in subsections (a) and (b); and

(B) by striking out the second sentence of subsection (b).

(8) Sections 353, 354, 355, and 362 of such title are amended by striking out ", with retired pay of the grade or rating with which retired".

(9) Section 357 is amended—

(A) by striking out "the retired pay of the grade or rating with which retired" in subsection (b) and inserting in lieu thereof "retired pay"; and

(B) by striking out "by an amount" and all that follows in subsection (c) and inserting in lieu thereof "by an amount equal to 10 percent of—

"(1) the active-duty pay and permanent additions thereto of the grade or rating with which retired, in the case of a member whose retired pay is computed under section 423(a) of this title; or

"(2) the member's retired pay base under section 1407 of title 10, in the case of a member whose retired pay is computed under section 423(b) of this title.".

(10) Sections 421 and 422 of such title are amended by striking out "rating" each place it appears and inserting in lieu thereof "rate".

(11) Section 424 of such title is amended to read as follows:

"§ 424. Limitations on retirement and retired pay

"(a) The provisions of any section of this title shall not be construed so as to prevent any member from being placed on the retired list with the highest grade or rate and the highest retired pay to which the member may be entitled under the provisions of any other section of this title or under any other law.

"(b) In no case may the retired pay of a member exceed 75 percent of (1) the sum of the active-duty pay and all permanent additions thereto (including longevity credit to which the member is entitled) of the grade or rate on which the member's pay is computed, or (2) the retired pay base determined under section 1407 of title 10, as appropriate.".

SEC. 206. COMMISSIONED OFFICERS OF THE NATIONAL OCEANIC AND ATMOSPHERIC ADMINISTRATION.

Section 16 of the Coast and Geodetic Survey Commissioned Officers Act of 1948 (33 U.S.C. 853o) is amended to read as follows:

"SEC. 16. (a) Each commissioned officer on the retired list who first became a member of a uniformed service (as defined in section 101 of title 10, United States Code) before the date of the enactment of the Military Retirement Reform Act of 1986 shall re-

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ceive retired pay at the rate determined by multiplying—

"(1) the retired pay base determined under section 1406(g) of title 10, United States Code; and

"(2) 2½ percent of the number of years of service that may be credited to the officer under section 1405 of such title as if the officer's service were service as a member of the Armed Forces.

The retired pay so computed may not exceed 75 percent of the retired pay base.

"(b) Each commissioned officer on the retired list who first became a member of a uniformed service (as defined in section 101 of title 10, United States Code) on or after the date of the enactment of the Military Retirement Reform Act of 1986 shall receive retired pay at the rate determined by multiplying—

"(1) the retired pay base determined under section 1407 of title 10, United States Code; and

"(2) the retired pay multiplier determined under section 1409 of such title for the number of years of service that may be credited to the officer under section 1405 of such title as if the officer's service were service as a member of the Armed Forces.

"(c)(1) In computing the number of years of service of an officer for the purposes of subsection (a)—

"(A) each full month of service that is in addition to the number of full years of service creditable to the officer shall be credited as 1/12 of a year; and

"(B) any remaining fractional part of a month shall be disregarded.

"(2) Retired pay computed under this section, if not a multiple of $1, shall be rounded to the next lower multiple of $1.".

SEC. 207. COMMISSIONED OFFICERS OF THE PUBLIC HEALTH SERVICE.

(a) Mandatory Retirement.—Section 210(g)(3) of the Public Health Service Act (42 U.S.C. 211(g)(3)) is amended by striking out subparagraphs (A) and (B) and inserting in lieu thereof the following:

"(A) in the case of an officer who first became a member of a uniformed service before the date of the enactment of the Military Retirement Reform Act of 1986, at the rate of 2½ percent of the retired pay base determined under section 1406(h) of title 10, United States Code, for each year, not in excess of 30, of his active commissioned service in the Service; or

"(B) in the case of an officer who first became a member of a uniformed service on or after the date of the enactment of the Military Retirement Reform Act of 1986, at the rate determined by multiplying—

"(i) the retired pay base determined under section 1407 of title 10, United States Code; and

"(ii) the retired pay multiplier determined under section 1409 of such title for the number of years of his active commissioned service in the Service.".

(b) Voluntary Retirement.—Section 211(a) of such Act (42 U.S.C. 212(a)) is amended—

(1) in paragraphs (4) and (5), by striking out "paragraph (6)" and inserting in lieu thereof "paragraphs (6) and (7)";

(2) in paragraph (6), by striking out "on or after the date of the enactment of the Department of Defense Authorization Act, 1981," and inserting in lieu thereof "during the period beginning on September 8, 1980, and ending on the date of the enactment of the Military Retirement Reform Act of 1986";

(3) by redesignating paragraph (7) as paragraph (8) and by striking out "(4) or (5)" in such subsection and inserting in lieu thereof "(4), (5), or (7)"; and

(4) by inserting after paragraph (6) the following new paragraph (7):

"(7) The retired pay of a commissioned officer retired under this subsection who first became a member of a uniformed service on or after the date of the enactment of the Military Retirement Reform Act of 1986 is determined by multiplying—

"(A) the retired pay base determined under section 1407 of title 10, United States Code; and

"(B) the retired pay multiplier determined under section 1409 of such title for the number of years of service credited to the officer under paragraph (4).".

The CHAIRMAN. Are there any amendments to title II?

There being no amendments to title II, the Clerk will designate title III.

The text of title III is as follows:

TITLE III—MISCELLANEOUS RETIREMENT PROVISIONS

SEC. 301. UNREDUCED RETIRED PAY AS BASIS FOR SURVIVOR BENEFIT PLAN ANNUITIES.

(a) Definition of Base Amount.—Section 1447(2)(A) (relating to the definition of "base amount" for purposes of the Survivor Benefit Plan) is amended by inserting "(determined without regard to any reduction under section 1409(b)(2) of this title)" after "retired or retainer pay".

(b) Conforming Amendments.—

(1) Section 1451 is amended by adding at the end the following new subsection:

"(h) Computation of a member's retired pay for purposes of this section shall be made without regard to any reduction under section 1409(b)(2) of this title.".

(2) Section 1452(c) is amended by adding at the end the following new sentence: "Computation of a member's retired pay for purposes of this subsection shall be made without regard to any reduction under section 1409(b)(2) of this title.".

SEC. 302. REQUIREMENT OF RESERVE-COMPONENT MEMBERSHIP FOR RECEIPT OF NON-REGULAR-SERVICE RETIRED PAY.

Section 1331(a) (relating to age and service requirements for retired pay for non-regular service) is amended—

(1) by striking out "and" at the end of paragraph (3);

(2) by striking out the period at the end of paragraph (4) and inserting in lieu thereof "; and"; and

(3) by adding at the end the following new paragraph:

"(5) in the case of a person who completed the years of service required for eligibility for such retired pay on or after the date of the enactment of the Military Retirement Reform Act of 1986, he is a member of a reserve component.".

SEC. 303. DEFINITION.

Section 101 (relating to definitions for purposes of title 10) is amended by adding at the end the following new paragraph:

"(43) 'Uniformed services' means—

"(A) the armed forces;

"(B) the commissioned corps of the National Oceanic and Atmospheric Administration; and

"(C) the commissioned corps of the Public Health Service.".

SEC. 304. TECHNICAL AND CONFORMING AMENDMENTS.

(a) Uniformed Services Definition.—

(1) Section 716 is amended by striking out subsection (c).

(2) Section 1040(c) is amended by striking out "'Dependent' and 'uniformed services' in this section have the meanings of those terms as defined in" and inserting in lieu thereof "In this section, 'dependent' has the meaning given that term in".

(3) Section 1402 is amended by striking out "(as defined in section 1407(a)(2) of this title)" each place it appears.

(4) Section 2830 is amended by striking out subsection (c).

(b) Clerical Amendments.—

(1) The table of sections at the beginning of chapter 67 is amended by adding at the end the following new item:

"1338. Limitations on revocation of retired pay.".

(2) The table of sections at the beginning of chapter 71 is amended—

(A) by striking out the item relating to section 1402 and inserting in lieu thereof the following:

"1402. Recomputation of retired or retainer pay to reflect later active duty of members who first became members before September 8, 1980.";

(B) by striking out the items relating to sections 1406 and 1407 and inserting in lieu thereof the following:

"1406. Retired pay base for members who first became members before September 8, 1980.

"1407. Retired pay base for members who first became members after September 7, 1980."; and

(C) by adding at the end the following new items:

"1409. Retired pay multiplier.

"1410. Rules of construction.

"1411. Rounding to next lower dollar.".

(3) The heading of section 1402 is amended to read as follows:

"§ 1402. Recomputation of retired or retainer pay to reflect later active duty of members who first became members before September 8, 1980".

(3) The table of sections at the beginning of chapter 571 is amended—

(A) by striking out the item relating to section 6328; and

(B) by striking out the item relating to section 6333 and inserting in lieu thereof the following:

"6333. Computation of retired and retainer pay.".

SEC. 305. CODIFICATION OF PERMANENT LIMITATIONS ON RETIRED AND RETAINER PAY PROVIDED IN APPROPRIATION ACTS.

(a) Limitation on Crediting Certain Unserved Service in Entitlement to and Computation of Retainer Pay.—

(1) Codification.—Section 6330(d) is amended—

(A) by inserting "(1)" after "(d)";

(B) by striking out the second sentence; and

(C) by adding at the end the following:

"(2) In determining a member's eligibility for transfer to the Fleet Reserve or the Fleet Marine Corps Reserve under subsection (b)—

"(A) a completed minority enlistment of the member is counted as four years of active service, if creditable to the member for such purpose before December 31, 1977; and

"(B) an enlistment of the member terminated within three months before the end of the term of enlistment is counted as active service for the full term, if creditable

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to the member for such purpose before December 31, 1977.

"(3)(A) Subject to subparagraph (B), in determining a member's years of active service for the computation of retainer pay under subsection (c)—

"(i) a completed minority enlistment of the member is counted as four years of active service; and

"(ii) an enlistment of the member terminated within three months before the end of the term of enlistment is counted as active service for the full term.

"(B) In the case of a member who is transferred to the Fleet Reserve or the Fleet Marine Corps Reserve under this section after December 30, 1977, service attributable under subparagraph (A) to time which, after December 31, 1977, is not actually served by the member may not be counted.".

(2) Repeal of source law.—Section 8039 of the Department of Defense Appropriations Act, 1985 (as contained in section 101(h) of Public Law 98-473 (98 Stat. 1930)), is repealed.

(b) Termination of Six-Month Rounding Rule.—

(1) General rule.—Retired pay or retainer pay may not be paid to a covered member of the Armed Forces for any month in an amount that is greater than the amount otherwise determined to be payable after such reductions as may be necessary to reflect adjusting the computation of retired pay or retainer pay that includes credit for a part of a year of service to permit credit for a part of a year of service only for such month or months actually served.

(2) Exceptions.—The limitation in paragraph (1) does not apply to a member who before January 1, 1982—

(A) applied for retirement or transfer to the Fleet Reserve or Fleet Marine Corps Reserve;

(B) was being processed for retirement under the provisions of chapter 61 of title 10, United States Code, or who was on the temporary disability retired list and thereafter retired under the provisions of section 1210(c) or 1210(d) of such title; or

(C) was retired or in an inactive status and would have been eligible for retired pay under the provisions of chapter 67 of such title, but for the fact that the person was under 60 years of age.

(3) Definition of covered member.—For the purposes of this subsection, the term "covered member of the Armed Forces" means a member of the Armed Forces who became entitled to retired or retainer pay during the period beginning on January 1, 1982, and ending on September 30, 1983.

(4) Repeal of source law.—Section 8054 of the Department of Defense Appropriations Act, 1985 (as contained in section 101(h) of Public Law 98-473), is repealed.

(5) Cross reference.—For the effective date of October 1, 1983, for provisions making permanent programmatic changes in law to accomplish the policy provided in such section 8054 (and prior provisions of law), see section 923(h) of the Department of Defense Authorization Act, 1984 (Public Law 98-94).

SEC. 306. REPEAL OF LIMITATION ON PAYMENTS TO ACCRUAL FUND FOR FISCAL YEAR 1986.

Section 666 of the Department of Defense Authorization Act, 1986 (Public Law 99-145; 99 Stat. 659), is repealed.

The CHAIRMAN. Are there any amendments to title III?

There being no amendments to title III, the Clerk will designate title IV.

The text of title IV is as follows:

TITLE IV—FISCAL YEAR 1986 UNAUTHORIZED APPROPRIATIONS

SEC. 401. PROHIBITION ON OBLIGATION OF UNAUTHORIZED FISCAL YEAR 1986 DEFENSE APPROPRIATIONS.

(a) Prohibition.—None of the amounts described in subsection (b), totaling $5,582,130,000, may be obligated or expended for any purpose except as authorized in section 402 or as authorized after the date of the enactment of this Act in a law other than an appropriation Act (including a continuing resolution).

(b) Covered Amounts.—The amounts referred to in subsection (a) are the amounts provided for programs, projects, and activities of the Department of Defense in fiscal year 1986 defense appropriations that are in excess of the amounts provided for such programs, projects, and activities in fiscal year 1986 defense authorizations.

(c) Definitions.—For the purposes of this title:

(1) Fiscal year 1986 defense appropriations.—The term "fiscal year 1986 defense appropriations" means amounts appropriated or otherwise made available to the Department of Defense for fiscal year 1986 in the Department of Defense Appropriations Act, 1986 (as contained in section 101(b) of Public Law 99-190).

(2) Fiscal year 1986 defense authorizations.—The term "fiscal year 1986 defense authorizations" means amounts authorized to be appropriated for the Department of Defense for fiscal year 1986 in the Department of Defense Authorization Act, 1986 (Public Law 99-145), as set forth in such Act and in the joint explanatory statement of the committee of conference on the bill S. 1160 (99th Congress), printed in House Report 99-235.

SEC. 402. AUTHORIZATION OF OBLIGATION FOR CERTAIN UNAUTHORIZED APPROPRIATIONS.

(a) Amount Available for Obligation.—Of the amounts described in section 401(b), $2,291,630,000 may be obligated or expended for programs, projects, and activities of the Department of Defense listed in subsection (b) (for which amounts were provided in fiscal year 1986 defense appropriations).

(b) Specification of Programs, Projects, and Activities.—Programs, projects, and activities referred to in subsection (a) (and the total amount of fiscal year 1986 defense appropriations that may be obligated or expended for each such program, project, and activity) are as follows:

(1) Army procurement.—

Mortar ammunition, $91,490,000, of which—

$30,800,000 is available only for 4.2-inch high-explosive cartridges;

$45,400,000 is available only for 81-millimeter for high-explosive United Kingdom round cartridges;

$2,300,000 is available only for 81-millimeter Imp 1/10 range training cartridges;

$7,100,000 is available only for 81-millimeter illuminating cartridges; and

$5,900,000 is available only for 81-millimeter smoke cartridges.

War reserve ammunition, $190,200,000.

Snap anti-jam equipment program, $14,650,000.

AFATADS, $24,320,000.

Boat, bridge erection program, $25,400,000.

Follow-on air defense equipment, $142,650,000 (subject to subsection (c)).

(2) Navy procurement.—

F-14A aircraft, $590,830,000.

P-3C aircraft modification, $361,110,000.

AN/SQR-17 acoustic processor, $21,340,000.

Battleship reactivation program, $466,380,000.

Cost growth for the MCM mine countermeasures ship program, $97,000,000.

MCM-1 mine countermeasures ship program, $189,010,000.

ARTB training ship (conventional) program, $174,100,000.

Service craft, $60,850,000.

Procurement, Marine Corps, general increase, $13,260,000.

(3) Air force procurement.—

Air defense competition, $162,590,000.

AC-130H drug interdiction aircraft, $31,760,000.

(4) Defense agencies procurement.—Other DIS equipment, $5,120,000.

(5) Air force reserve, procurement.— C-130H aircraft, $144,120,000.

(6) Research, development, test, and evaluation.—

DIVAD alternatives, Army, $38,520,000 (subject to subsection (c)).

Rolling air frame missile, Navy, $10,340,000.

Whitehall quick reaction surveillance system, Navy, $18,910,000.

(7) Operation and maintenance, army.—

Drug testing, $1,430,000.

AIDS testing, $40,510,000.

Medical enhancements, $19,020,000.

Medical readiness, $37,280,000.

DIVAD alternatives, Army, $4,560,000.

Readiness initiatives, $130,290,000.

(8) Operation and maintenance, navy.—

Ready Reserve fleet dispersal, $3,420,000.

P3-A modifications, $2,850,000.

AIDS testing, $4,760,000.

Coast Guard reimbursement, $100,000,000.

(9) Operation and maintenance, air force.—

Medical readiness, $5,330,000.

AIDS testing, $4,760,000.

Classified project, $480,000.

(10) Operation and maintenance, defense agencies.—

Peer review, $7,130,000.

Quality assurance, $28,530,000.

Defense Agencies classified project, $1,200,000.

(11) Other operation and maintenance accounts.—

Force structure initiative, Army Reserve, $6,610,000.

Roland missile maintenance, Army National Guard, $3,900,000.

AIDS testing, Army National Guard, $2,380,000.

Force structure initiative, Army National Guard, $3,900,000.

Environmental Projects, Army National Guard, $380,000.

Environmental restoration, $360,520,000.

ADP management fund, $100,000,000.

(c) Prior Report Requirements for Certain Projects.—Fiscal year 1986 defense appropriations for programs, projects, and activities which under subsection (b) are made subject to this subsection may not be obligated or expended until the Secretary of Defense submits to the appropriate committees of Congress a report setting forth in detail the manner in which funds are proposed to be obligated or expended for such project.

(d) Modification of Fiscal Year 1986 Authorization for Certain Shipbuilding Programs.—Notwithstanding the amounts specified in section 102(c) of the Department of

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Defense Authorization Act, 1986 (Public Law 99-145; 99 Stat. 592)—

(1) the amount authorized to be appropriated for fiscal year 1986 for Shipbuilding and Conversion, Navy, is $10,703,750,000; and

(2) the amounts available for the following shipbuilding and conversion programs for fiscal year 1986 are as follows:

For the battleship reactivation program, $466,380,000.

For the MCM-1 mine countermeasures ship program, $189,010,000.

For cost growth for the MCM mine countermeasures ship program, $97,000,000.

For the ARTB nuclear training ship program, $174,100,000.

For service craft, $60,850,000.

(e) MODIFICATION OF FISCAL YEAR 1986 AUTHORIZATION FOR OTHER APPROPRIATION ACCOUNTS.—Notwithstanding the amounts specified in the Department of Defense Authorization Act, 1986 (Public Law 99-145; 99 Stat. 595), the amounts authorized to be appropriated for fiscal year 1986 for the following accounts are as follows:

(1) Air Force Reserve Procurement, $144,120,000.

(2) Environmental Restoration, Defense, $360,520,000.

(3) ADP Equipment Management Fund, $100,000,000.

(f) PROGRAM LIMITATIONS.—All limitations and requirements set forth in the Department of Defense Authorization Act, 1986 (and in the joint explanatory statement of the committee of conference on the bill S.1160 (99th Congress), printed in House Report 99-235), shall apply to the obligation of funds authorized by subsection (b) in the same manner as if the funds made available for obligation by such subsection had been authorized in such Act.

(g) TRANSFER AUTHORITY.—For the purposes of section 1401 the Department of Defense Authorization Act, 1986 (99 Stat. 742), authorizations in subsection (b) shall be deemed to have been made available to the Department of Defense in such Act.

SEC. 403. PROGRAMS FOR WHICH AMOUNTS ARE NOT AUTHORIZED FOR OBLIGATION.

Programs, projects, and activities of the Department of Defense for which amounts provided in fiscal year 1986 defense appropriations are subject to section 401 (other than those programs, projects, and activities described in section 402) are the following:

(1) ARMY PROCUREMENT.—

AH-1S attack helicopter (Cobra Tow).

Army Helicopter Improvement Program (AHIP).

Stinger missile program.

M577A2 Carrier, command post light, FT.

M113 Carrier, personnel, FT, ARM.

M88 recovery vehicles.

120-millimeter mortar.

AT-4 lightweight multipurpose system.

Chemical demilitarization program.

Production base modernization.

Special operations forces communications equipment.

KG-84 dedicated loop encrypting device.

AFRTS (audiovisual).

Deployable medical system.

CBT Support equipment medical.

(2) NAVY PROCUREMENT.—

Refueling tanker modification.

APN weapons production facility.

War reserve munitions.

Medical support equipment.

Undistributed reduction, Other Procurement, Navy.

SSN-688 submarine program.

Coastal defense augmentation.

Undistributed reduction, Shipbuilding and Conversion, Navy.

(3) AIR FORCE PROCUREMENT.—

Air Force One replacement.

KC-10 aircraft.

B-1B modifications.

B-52 modifications.

A-7 modifications.

F/RF-4 modifications (including $92,000,000 for FA INS/HUD upgrade).

Airborne command post modifications.

AMRAAM advanced procurement.

Rapier (Turkey).

Minutemen modifications.

War reserve munitions, Air Force.

Intelligence data handling system.

Medical readiness, Air Force.

(4) ARMY RESERVE PROCUREMENT.—

Miscellaneous equipment.

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(5) NAVY RESERVE PROCUREMENT.—Miscellaneous equipment.

(6) MARINE CORPS RESERVE PROCUREMENT.—Miscellaneous equipment.

(7) AIR FORCE RESERVE PROCUREMENT.—Miscellaneous equipment.

(8) ARMY NATIONAL GUARD PROCUREMENT.—

Miscellaneous equipment.

Improved TOW vehicle.

M198 howitzer.

Truck SLEP.

(9) AIR NATIONAL GUARD PROCUREMENT.—Miscellaneous equipment.

(10) RESEARCH AND DEVELOPMENT.—

Medical research/AIDS, Army.

Ship subsystems development/LBTS, Navy.

Bigeye operational test, Navy.

Space Defense System, Air Force.

MEECN communications upgrade, Air Force.

Air Force One, Air Force.

Liquid synthetic fuels, Air Force.

Precision tactical approach system, Air Force.

Director of Test and Evaluation.

(11) OPERATION AND MAINTENANCE.—

Real growth reductions not taken.

Audit/inventory report reduction not taken.

Civilian training.

F-4 upgrade, Air Force Reserve.

SEC. 404. AUTHORIZED MILITARY CONSTRUCTION PROJECT.

(a) AUTHORIZED PROJECT.—

(1) AUTHORIZATION.—The Secretary of the Navy may carry out the military construction project described in paragraph (2), funds for such project having been appropriated in the Military Construction Appropriations Act, 1986 (Public Law 99-173; 99 Stat. 1024).

(2) PROJECT DESCRIPTION.—The project referred to in paragraph (1) is a project for the construction of a berthing pier and bulkhead at the Naval Station, Staten Island, New York. The amount authorized for the project is $37,750,000.

(b) CONSTRUCTION WITH PUBLIC LAW 99-167.—

(1) PROJECT AUTHORIZATIONS.—The project authorization in subsection (a) shall be deemed to have been included in section 201(a) of the Military Construction Authorization Act, 1986 (Public Law 99-167; 99 Stat. 966).

(2) APPROPRIATION AUTHORIZATION TOTALS.—The total amount authorized to be appropriated for the Department of the Navy set forth in section 602(a) of such Act (99 Stat. 980), and the amount authorized for military construction projects inside the United States set forth in paragraph (1) of that section, shall be deemed to be increased by the amount specified in subsection (a)(2).

(3) LIMITATION RELATING TO FUNDS FOR NAVAL STRATEGIC HOMEPORTING.—For the purposes of section 205 of such Act (99 Stat. 971), amounts available for the project authorized in subsection (a) shall be deemed to be funds appropriated pursuant to an authorization in section 602 of such Act for Naval Strategic Homeporting.

(c) PROHIBITION ON OBLIGATION OF EXCESS APPROPRIATION.—Of the amount appropriated for military construction for the Navy for fiscal year 1986, $1,950,000 may not be obligated or expended for any purpose except as authorized after the date of the enactment of this Act in a law other than an appropriation Act (including a continuing resolution), such amount being the amount by which the amount appropriated for the project authorized by subsection (a) is in excess of the amount authorized for that project by subsection (a).

AMENDMENT OFFERED BY MR. MONTGOMERY

Mr. MONTGOMERY. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. MONTGOMERY: Page 51, line 12, insert "(1)" before "Of the".

Page 51, after line 17, insert the following:

(2) Of the amount described in section 401(b) which was appropriated for procurement of National Guard and Reserve equipment, $285,000,000 may be obligated or expended. The authority provided in the preceding sentence is in addition to the authority provided in paragraph (1).

Page 56, strike out lines 22 and 23 and insert in lieu thereof the following:

(1) National Guard and Reserve Equipment Procurement, $941,130,000, as follows:

Army Reserve, $100,000,000.

Army National Guard, $312,450,000.

Naval Reserve, $67,760,000.

Marine Corps Reserve, $67,060,000.

Air Force Reserve, $154,120,000.

Air National Guard, $239,710,000.

Page 57, line 18, insert "(a) IN GENERAL."—before "Programs".

Page 59, strike out line 18 and all that follows through page 60, line 9 (and redesignate the following paragraphs accordingly).

Page 61, after line 1, insert the following:

(b) RESERVE COMPONENT EQUIPMENT PROCUREMENT.—Section 401 applies with respect to fiscal year 1986 defense appropriations for procurement of equipment for the reserve components only to the extent that amounts appropriated for such purposes exceed the amount specified in section 402(e)(1). Programs, projects, and activities for which amounts provided in fiscal year 1986 defense appropriations for procurement of equipment for the reserve components are subject to section 401 (except to the extent to which funds are available to be obligated or expended as provided in section 402) are the following:

(1) ARMY RESERVE.—

Miscellaneous equipment.

Truck SLEP.

(2) NAVAL RESERVE.—Miscellaneous equipment.

(3) MARINE CORPS RESERVE.—Miscellaneous equipment.

(4) AIR FORCE RESERVE.—Miscellaneous equipment.

(5) ARMY NATIONAL GUARD.—

Miscellaneous equipment.

Improved TOW vehicle.

M198 howitzer.

Truck SLEP.

(6) AIR NATIONAL GUARD.—Miscellaneous equipment.

Mr. MONTGOMERY (during the reading). Mr. Chairman, I ask unanimous consent that the amendment be considered as read and printed in the RECORD.

The CHAIRMAN. Is there objection to the request of the gentleman from Mississippi?

There was no objection.

Mr. MONTGOMERY. Mr. Chairman, this possibly will be the only amendment, and I feel very strongly about offering this amendment today.

What it actually does is that it calls for $285 million to be authorized for the National Guard and Reserve. $100 million will go to the Army Guard, $40 million will go to the Air National Guard, $100 million for the Army Reserve, $25 million for the Navy Reserve, $10 million for the Marine Corps Reserve, and the Air Force Reserve under this amendment will receive $10 million.

We have met with the different Chiefs of the Reserve Forces plus the associations, and we have come up with this reasonable amendment.

Now, $840 million was appropriated for the Reserve Forces. It had not been authorized. Now we came out with this authorization bill today that only provides for $30 million to be authorized of the appropriated funds. That is not enough, Mr. Chairman, for the Reserve Forces.

I point out that you go through the bill, and our committee has authorized $2.4 billion, I believe, under this bill that was appropriated, not authorized. Now under this bill it will be authorized. All I am asking for is $285 million. If you look over the sheet, further in this piece of paper I have here, nothing is marked for the Reserve Forces.

On the Senate markup of the Supplemental appropriation bill for items that were not authorized, they put in $488 million for the Reserve Forces. Under our bill, as I said earlier, there is only $30 million. Mine will add $285 million, and these are basic funds that will go to your armories back home, they will go to your municipal airports, there will be simulators, they are safety devices.

I point out that for the Air National Guard A-7 night vision goggles. They should have had those years ago. They do not have them. Under this amendment they would be given night vision goggles. They would have video recorder systems that they do not have now. They do not have the proper medical kits and damage repair kits that they need.

None of these items or moneys of the $285 million are big-ticket items. They are not big airplanes, they are not tanks, they are not ships. And the reason I offered this amendment was that when our committee met—and I would have offered the amendment in the committee, but it moved so quickly that there was some misunderstanding what we were doing in the committee. We have some unauthorized amendments, authorization in this bill now. All I am doing is adding what we have already done in committee. If the committee would not have authorized any nonauthorization appropriations, I would not have done that either. But I want to point out this has a lot of merit for the Reserve Forces. We have put a lot of responsibility in the Reserves. I point out that the Air Reserve last year won all of the competitions against the regulars and also against the Air Guard. They won the F-16 competition, they won the ground-to-air reconnaissance, the air refueling. So we have got some great units, but we need to give them equipment.

List of equipment follows:

Type of equipment needed

	Millions
Army National Guard:	
Armored personnel carriers	4.2
M 198 howitzers	21.5
Tactical communications equipment	44.3
Storage, training, and maintenance projects	30.0
Total	100.0
Air National Guard:	
Aircrew combat maneuvering instrumentation [ACMI]	8.2
Tactical communications equipment (radios, terminals, technical controls, etc.)	22.5
A-7/F-4 video recorder systems	1.3
AIM 9L missile modification	2.6
A-7 night vision goggles	1.7
Combat support equipment (battle damage repair kits, medical kits).	3.7
Total	40.0
Navy Reserve:	
Aircraft modifications:	
Weather radar	2.5
VHF radios	5.0
Navigation systems	8.7
Controller modifications	4.5
Civil engineering support equipment:	
5-ton trucks	1.2
Generators	.5
1.5-ton trucks	.2
Water tanks	.1
Maintenance trucks	.2
AQA sound signal processors	2.1
Total	25.0
Marine Corps Reserve:	
Marksmanship training: Indoor ranges (live fire/simulators)	7.7
Maintenance and operator training devices (simulators, video discs, etc.)	.3
Precision gunnery training systems (simulated laser trainers, tank gunnery trainers, etc.)	2.0
Total	10.0
Air Force Reserve:	
Tactical radio systems	1.7
Various type vehicles (security, refueling, aircraft loading, etc.)	4.2
Aircraft support equipment (avionics test, engine test stands, etc.)	4.1
Total	10.0
Army Reserve:	
Medical equipment (field operating tables, surgical instruments, etc.)	.4
Communications equipment (radios, meters, etc.)	12.2
Aviation support equipment (2 aircraft, etc.)	1.4
Various type vehicles (trucks, jeeps, etc.) and associated equipment	78.9
Missile electronic test equipment	1.5
Arms and ammunition	1.6
Other electronic/communication equipment (regulators, power supply assemblies, etc.)	2.1
Other miscellaneous equipment (generators, water purifiers, flood lights, etc.)	1.9
Total	100.0

Mr. HILLIS. Mr. Chairman, will the gentleman yield?

Mr. MONTGOMERY. I yield to the gentleman from Indiana.

Mr. HILLIS. I thank the gentleman for yielding.

Mr. Chairman, I have a couple of comments and perhaps a couple of questions. First of all, we are all very aware in this Chamber that the name of the game today is a total force concept, and to have that concept work, the Reserve and the National Guard have to maintain a high state of readiness. I think we all agree to that.

I want to ask the gentleman: As I understand the items, as I listened to the gentleman's presentation both during general debate and now, the gentleman is not talking about procurement items, not large items; the gentleman is talking about things that contribute to the readiness, as I understand it, of the Reserve and National Guard, particularly the Air Reserve and Air National Guard forces; is this correct?

Mr. MONTOGMERY. That is correct. It does not include F-16 aircraft, the M-1 tanks; it includes simulators for the Marine Reserve, the simulators will go back to the armories around the country where the Marine Reserves are located.

The CHAIRMAN. The time of the gentleman from Mississippi [Mr. MONTGOMERY] has expired.

(On request of Mr. HILLIS and by unanimous consent, Mr. MONTGOMERY was allowed to proceed for 3 additional minutes.)

Mr. HILLIS. I think what the gentleman is saying—I caught this when he talked about night vision goggles for the A-7 pilots—the gentleman is talking about things that will permit these people to readily use the equipment that we are in the process of procuring for them. If they give a pilot an F-16, you better have a pilot that can fly an F-16. Is that what the gentleman is saying here? If they need a sim-

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ulator, or whatever the equipment is and it is going to be provided for them, you have to have the readiness and the training and the backup for the pilot to use it efficiently and to survive and accomplish his mission.

Mr. MONTGOMERY. That is exactly right. Also included is money to update some of the A-7 aircraft, of which the Air National Guard has about 15 squadrons. The planes have a lot of age on them now. They need modifications. There is some money in here just to improve them, make them safer for these pilots to fly.

Mr. HILLIS. As I understand, too, the gentleman was saying originally there was about $840 million that was appropriated for Reserve accounts that was unauthorized, to begin with. Now, the other body authorizing committee has seen fit to authorize $488 million, but in the House here, in this bill we are only talking $40 million. And the gentleman's request is for $285 million, which is still less than what the other body's authorizing committee has authorized. Is that correct?

Mr. MONTGOMERY. I think it is a fair and reasonable approach. I am concerned about the cost of our military. I could have made it $840 million. We did not. We made it $285 million, and the Reserve units agreed to that, the associations agreed to it.

We could have asked for the whole $840 million that has been appropriated, but it has not been authorized. We would still have been legal and we would not have added to the cost of the appropriations on the military for 1986.

Mr. HILLIS. Well, I know the gentleman is very aware of the squeeze that we find ourselves in with Gramm-Rudman, but it seems to me that these are all very necessary items. I am happy to rise in support of the gentleman's amendment.

Mr. MONTGOMERY. I appreciate the gentleman's support.

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Mrs. HOLT. Mr. Chairman, I rise in support of the amendment.

Mrs. HOLT. Mr. Chairman, I rise in support of the amendment offered by the gentleman from Mississippi.

Members of the House Armed Services Committee have worked long and hard over the years to improve the status of our Reserve components. We have done so because there is little doubt that reliance on the Guard and Reserve is an excellent way to save taxpayer dollars. Substantial savings result from such factors as the lower cost of pay and the lower tempo of training required in Reserve units.

While I feel significant improvement in the readiness of these units is evident, I also feel that there is much that needs to be accomplished. In order for the Reserve forces to be truly effective elements in the defense of our country, they must be ready to fight. In order to be ready to fight, they must be properly equipped. This is what the gentleman from Mississippi's amendment is all about.

The authorization called for in the amendment is not intended for expensive or "nice to have" equipment. It is for critically needed combat and support items such as radios, medical kits, various type vehicles, and simulators.

Mr. Chairman, quoting in part from the House Armed Services Committee report on the 1985 DOD authorization bill:

> Given the Nation's limited defense resources, tradeoffs can be made between resources for active and Reserve forces in the future. In order to make full use of these tradeoffs, however, the performance and capability of the Reserves must be improved to the greatest extent possible. * * *

If we are to improve the performance and capability of the Reserve components, we must provide them with the equipment necessary to perform their missions. Mr. Montgomery is attempting to do so by offering an amendment which authorizes a portion of the funds which have already been appropriated for these forces.

I hope the membership will support this amendment.

Mr. ASPIN. Mr. Chairman, I rise in opposition to the amendment.

Mr. Chairman, we have worked on this issue of the amount of money to be authorized and appropriated under this bill for a long time, and it seems to me that if we start making exceptions here and there, we are going to end up with a lot more exceptions than we have rules. So I rise in reluctant opposition to the gentleman from Mississippi [Mr. Montgomery] because he is a good friend, and a good friend of the Guard and the Reserve, and the Guard and the Reserve deserve some support.

I would like to point out to the members of the committee that the Guard and Reserve have gotten a lot of support in the fiscal year 1986 authorization bill. In fact we approved $658 million more than the administration asked for in 1986. So before we do anything with this bill, we are already at $658 million higher than the administration's request in fiscal year 1986 for the Guard and Reserve.

The gentleman from Mississippi would like to add another $285 million, which in fact puts us a billion dollars over the Reagan administration request for the Guard and Reserve for fiscal year 1986. I am not saying that there are not things that you can find to spend that kind of money on, but it does seem to me that in a time of fiscal austerity everybody has got to take part of the cuts. When the Gramm-Rudman provision took effect in 1986, the Guard and Reserve lost probably about $250 million through the Gramm-Rudman cuts for 1986. What we are doing here in effect is saying that the Guard and Reserve should be exempt from the Gramm-Rudman cuts. The gentleman from Mississippi is adding a little bit more money back than the Gramm-Rudman cut.

It seems to me that that is not right, that if you are going to have Gramm-Rudman cuts—and a lot of people who voted for the Gramm-Rudman cuts certainly understood what those Gramm-Rudman cuts were going to mean to every line item in the budget, and that meant the Guard and Reserve line items in the budget—it seems to me that we ought to not now go back and restore the money for those things that were being cut under Gramm-Rudman.

Mrs. HOLT. Mr. Chairman, will the gentleman yield?

Mr. ASPIN. Mr. Chairman, let me make just one more point, and then I will yield to the gentlewoman from Maryland [Mrs. Holt].

Mr. Chairman, there is one final point: Nothing in this recommendation of the gentleman from Mississippi cannot be dealt with in 1987. The 1987 bill is now just before us. As soon as we get a defense number from the Budget Committee and we get a number that we an mark to, the Armed Services Committee will produce an authorization bill that is consistent with that number.

There is not a single item in the list of the gentleman from Mississippi that is of such urgency that we have to put it into the 1986 bill. Every single one of those items could be considered under the normal budget process of 1987.

It seems to me for all of those reasons that it would be a very bad idea to pass the amendment of the gentleman from Mississippi.

Mrs. HOLT. Mr. Chairman, will the gentleman yield?

Mr. ASPIN. I am happy to yield to the gentlewoman from Maryland [Mrs. Holt].

Mrs. HOLT. I thank the gentleman for yielding.

Mr. Chairman, I am sure that the gentleman, our distinguished chairman, agrees with me that the Guard and the Reserve are very cost-effective parts of our total force concept, that we are getting our dollar's worth out of them.

Mr. ASPIN. Absolutely.

Mrs. HOLT. As we become more austere in the active forces, as we begin to cut the active forces, does the gentleman not feel that it is important to make certain that the Guard and Reserve have the kind of equipment that they need to do the job to perform half of the missions that they are now performing for our total force concepts?

Certainly the simulators are an important part of this. The gentleman says that there are things that can be postponed, but this is very, very important for them to have the simulators to save the money, the cost of training.

Mr. ASPIN. Mr. Chairman, I would just point out to the gentlewoman that under the normal process we passed in our authorization bill an addition of $658 million this year higher than the Reagan administration requested. The gentleman from Mississippi [Mr. Montgomery] was involved in it. The gentleman from Mississippi [Mr. Montgomery] is not lax at looking for things to add to the Guard and Reserve. We went through our whole authorization bill, and indeed, the bill got the support of the gentleman from Mississippi [Mr. Montgomery].

Now all of a sudden the gentleman from Mississippi [Mr. Montgomery] wants $285 million more. This is $285 million more that nobody else on the committee has had a chance to review.

The CHAIRMAN. The time of the gentleman from Wisconsin [Mr. Aspin] has expired.

(On request of Mr. Montgomery, and by unanimous consent, Mr. Aspin was allowed to proceed for 2 additional minutes.)

Mr. ASPIN. Mr. Chairman, this is $285 million that nobody else on the committee outside of the gentleman from Mississippi [Mr. Montgomery] has had a chance to review. It is money that has been put in on the appropriation bill over there in the Senate. It seems to me that what we are dealing with here is that the gentleman from Mississippi sees an opportunity to put in some more money for the Guard and Reserve. It is not a requirement driving this request, it is an opportunity there, because when we were building the 1986 budget, as we did last year, the gentleman from Mississippi was happy with a paltry $658 million added to the President's request. Now there is this other chance to add it and push it over a billion. It seems to me that we should not be legislating in this way.

Mr. MONTGOMERY. Mr. Chairman, will the gentleman yield?

Mr. ASPIN. I am happy to yield to the gentleman from Mississippi [Mr. Montgomery].

Mr. MONTGOMERY. Mr. Chairman, I am really amazed that the gentleman keeps quoting Ronald Reagan's budget. I am glad to hear that he feels it has some merit to it.

I am not apologizing for offering this amendment for $285 million. As the gentleman knows—and I have to be fair, he has tried to help where he could for our Reserve forces—in 1986 the Reserve and National Guard only got 5 percent of the total procurement budget; in 1987, this great budget that you are talking about coming up in a few days, the National Guard and Reserve are only getting 5 percent of that. They have almost 50 percent of all the combat and support missions.

I really do not see how they do as well as they do, and I really cannot see why the gentleman is giving us a problem on this one.

Sure, it is a good buy. We ought to take credit for what we have done in the Congress. Twelve years ago, when I was in the Guard and Reserve, we spent a lot of time sitting on the hoods of automobiles. We did not have any equipment. We did not have any training devices, any simulators.

The CHAIRMAN. The time of the gentleman from Wisconsin [Mr. Aspin] has expired.

(On request of Mr. Montgomery, and by unanimous consent, Mr. Aspin was allowed to proceed for 2 additional minutes.)

Mr. MONTGOMERY. Mr. Chairman, will the gentleman yield?

Mr. ASPIN. I yield to the gentleman from Mississippi.

Mr. MONTGOMERY. We really did not have any good training, because we did not have any equipment. Now we have given them the equipment, we have given them the incentives that the regulars have, and they are as good or better than the regular forces, and the regular forces will tell you that. They have some problems in the regulars. Instead of flying an airplane every weekend, they have to be on court-martial boards, they have to be in the Defense Department, they have to be overseas as military attachés, where the Guardsmen and the reservists sit in the cockpits and fly every weekend.

I am not apologizing for this amendment at all. It has a lot of merit to it. What we have done in the last 10 years is created two strong military forces out there, and we have done it in the Congress of the United States. You have $2.4 billion up here today that was not authorized. You are trying to authorize it now. All I am adding in is $285 million.

If I had known it would give you this much trouble, I would have gone with the whole $840 million.

Mr. ASPIN. Mr. Chairman, let me respond to the gentleman that I do not doubt that in the old days the Guard and Reserve were in very, very bad shape. I also would like to commend the gentleman from Mississippi [Mr. Montgomery] for his undying effort to improve the quality of the equipment that the Guard and Reserve have. I would also like to point out that the gentleman from Mississippi has been pretty successful in his effort to improve the quality of the Guard and Reserve.

Mr. MONTGOMERY. From 4 percent to 5 percent.

Mr. ASPIN. Mr. Chairman, I would like to take back my time.

The reason the gentleman from Wisconsin is quoting Ronald Reagan is that Ronald Reagan is not a person who is known to be parsimonious or stingy about defense. Yet we have taken the President's defense request for the Guard and Reserve, and we have added $658 million. That was the authorization bill that passed this body last year for fiscal year 1986. The gentleman from Mississippi was happy with that number.

The CHAIRMAN. The time of the gentleman from Wisconsin [Mr. Aspin] has expired.

(By unanimous consent, Mr. Aspin was allowed to proceed for 3 additional minutes.)

Mr. ASPIN. The gentleman from Mississippi did not ask for any additional money at that time.

□ 1625

That seemed to be a very good number. Now, what has changed? Well, nothing has changed. The only thing that has changed is an opportunity to get a little bit more because of the appropriation process in the U.S. Senate.

None of us, the committee has not looked at this issue. We have not had a chance to review it. There is nothing that says this has to be time urgent. We can do it in the 1987 cycle. We are doing the 1987 bill within a matter of months if the Budget Committee will ever come up with some targets for us to mark up to, and it seems to me that this is a crazy way to proceed with legislation. It seems to me that if we are ever going to get control and get our committee involved in the process here, we have got to stop just going back and authorizing things after they have been appropriated by other committees.

It is for those reasons and the reasons of process and the reasons of the committee that I am opposing this amendment. I have not, in fact, had a chance to look at the gentleman's list in detail to know whether the list makes sense or not. It may be that if I had a chance to sit down and look at it I would approve of some.

But that is not the point. It is a process point. The point at this time, what we ought to do is stick with the bill as we have had it. If we pass an authorization bill that adds $658 million for the National Guard, that is our judgment that that is how much we ought to add to the National Guard and we ought not to go back later and change our minds and add or even subtract, unless there is some different evidence to say that we ought to change it.

So that is the reason why I oppose the amendment offered by the gentleman from Mississippi, Mr. Chairman.

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Mr. STRATTON. Mr. Chairman, I move to strike the requisite number of words.

Mr. STRATTON. Mr. Chairman, I rise in support of the Montgomery amendment.

Mr. Chairman, I think a good many of us overlook the fact that the National Guard and the Reserve forces have been for a very long time the stepchild in the Pentagon. It has been the practice of the Procurement Subcommittee to recognize the fact that the Guard and the Reserve forces are part of our total force concept. In fact, if the balloon should go up in Europe, if we should get into trouble in dealing with Colonel Qadhafi, it is very likely that it is going to be the National Guard divisions and the Reserve divisions that are going to be sent to Europe to reinforce the troops already there in any conflict that might break out.

You cannot have an adequate Reserve component to provide the necessary additional forces unless they can operate the same kind of equipment that the regular forces are doing.

It is quite true that the gentleman from Mississippi put in an additional fund for 1986, for the Reserves, but the Committee on Armed Services, at the request of the Subcommittee on Procurement, has added an amount every single year because they know the Reserve and the Guard Forces have been living on half rations. They have, in fact, been starved.

Some have the idea, that the Guard and the Reserve just meet once in awhile in somebody's kitchen and talk over the days of World War II. That is no longer the case. If we are going to have a total force concept, we have got to give them the best equipment.

That is what this amendment does.

What has happened here is something that I think is very providential as far as the Guard and the Reserve. These funds that the gentleman has referred to represent some $840 million which the other body has appropriated. The gentleman from Mississippi is only asking for $285 million. That does not have to come out of the 1987 budget. We are going to be living on short rations, of course as the distinguished chairman of our committee has already explained time and again, once Gramm-Rudman goes into operation.

But as of now we have no budget at the present time, let alone triggering in Gramm-Rudman; so we do not know what is going to happen to the kind of annual contribution to the Guard that will be made once Gramm-Rudman triggers in.

I think to provide these relatively minor sums of $10 million for the Marine Corps Reserve, $10 million for the Air Force Reserve, $100 million for the Army Reserve, and $100 million for the Army National Guard, these are figures that providentially are going to make it possible for us to continue the expansion and the improvement of these forces that God forbid we might have to use in Europe or in the Mediterranean or somewhere else.

I think that to suggest that this is a waste is certainly misleading.

I want to commend the gentleman from Mississippi [Mr. Montgomery] for his diligence, because as one who has spent some 34 years in the Navy Reserve I know the importance of having a ready Reserve and one that is fully qualified. This money is not going to be wasted, you can be sure of that.

Mr. Chairman, I urge support and approval of the gentleman's amendment.

Mr. DICKINSON. Mr. Chairman, I move to strike the requisite number of words.

Mr. DICKINSON. Mr. Chairman, I rise in opposition to the amendment.

Mr. Chairman, we are here debating an add-on today to the bill. I think most of the rhetoric and most of the arguments in support of the amendment simply obfuscate the facts.

Neither the chairman nor I are in opposition to furnishing adequate equipment to the Guard and the Reserve. As a matter of fact, we very strongly support it.

We have heard those in support of the amendment point out what a great thing it is to have these weapons systems, that we need them, and no one is denying that.

The Guard does a great job, we know that.

The point is that we in the committee have had no chance to have hearings, to have deliberations on what will this money buy. It is just an opportunity that is passing along. Evidently the gentleman from Mississippi does not want to miss an opportunity to help the Guard and the Reserve, which is very commendable. We have got this thing stirred up.

I have heard from any number of my reservists and national guardsmen from home that some have called and said, "I don't know what it's all about, but they told me to call you, so I am calling you in support of the amendment, and please support it."

It runs from there to those who are knowledgeable.

It is not that we do not necessarily need these things, but it is a question of what is the orderly process by which we authorize and then appropriate?

Now, to say that the Guard is a total stepchild and has not been taken care of, first, as has been pointed out by the chairman, there has already been an add on, an additional amount over the budgeted amount that was approved by the committee after hearings of $658 million. Now, that is already here.

Now there is an additional sum, for which we do not know what it will be spent for, no justification. I am sure it will be well spent, but we do not know for what. Everyone is just going to be given a lump sum, as far as I know, of another $285 million.

Now, in the past 2 years, for instance, the Air Force has been given the F-16's, the F-15's, the C5-B's.

The Navy has been given the F-14's, the F-18's and the A-6's. These are new aircraft.

The Army has been given Apache helicopters, the M-1 tanks. These are not just hand-me-downs, things worn out in the regular forces. This is new equipment that has gone into the Reserve. I am not saying that this is enough, my point being, though, that we have recognized and are coming to recognize even more the necessity for the Guard and the Reserve and the part they play, that we cannot just continue to give them hand-me-downs, that they are an integral part of our complete defense posture. They should be funded and they should be adequately provided for and we should do this; but it is the procedure that we are going about that the chairman has objected, as I understand it. It is the way that we are going about it. We do not know. There is no testimony as to what this money will be spent for. I am sure it will be well spent and I am sure that the Guard and the Reserve can spend it wisely. We do not know. Actually, it is just a blank check.

So I feel very strongly that whatever we do here, we would already have gone through the markup session in a normal legislative year. We would already have had hearings and marked up our bill for the coming fiscal year 1987. Because of the budgetary process and because of Gramm-Rudman, we have not got to that yet. These items that this would buy would normally be in the next budget cycle for fiscal year 1987. They are not there because we have not even got to marking up because we are waiting on the Budget Committee.

So there is no urgency. There is no necessity to do this in this out of the ordinary procedure. We can do it in an orderly procedure as we usually follow. It can be done in this year's markup. It can go through just like it does every year. I think that is the proper way to do it. I think that is the reasonable way to do it.

I would just like to point out before I yield to the gentlewoman from Maryland that this is irony at the greatest. I believe of all those who have spoken this afternoon in defense of the effect of Gramm-Rudman here, the chairman and I are the only two who voted against the darn thing.

Mrs. HOLT. Mr. Chairman, if the gentleman will yield, I voted against it.

Mr. DICKINSON. Good for you.

We voted against it because we knew the mischief that would befall us and we voted against it. Now the very ones who voted for it are trying to undo it.

It just does not make sense.

The CHAIRMAN. The time of the gentleman from Alabama has expired.

(At the request of Mrs. Holt, and by unanimous consent, Mr. Dickinson was allowed to proceed for 1 additional minute.)

Mrs. HOLT. Mr. Chairman, will the gentleman yield?

Mr. DICKINSON. I am very pleased to yield to the gentlewoman from Maryland.

Mrs. HOLT. Mr. Chairman, our leader says that his objection is procedural. Well, this is the problem that I have. Are we not authorizing six or seven items in this particular piece of legislation that were appropriated and not authorized?

Mr. DICKINSON. It is my understanding that there are some items and I do not know for sure which they are.

Mrs. HOLT. And did we have hearings on those particular items?

Mr. DICKINSON. Well, I will be glad to yield to my leader, but I think most of them have been either scrutinized and had discussion on or had hearings, but I am going to yield to the chairman to answer that.

Mrs. HOLT. Well, will the gentleman continue to yield?

Mr. DICKINSON. Well, if the gentlewoman wants an answer to her question, I thought I would yield to the chairman of the committee.

Mrs. HOLT. Well, I just want to say that this is my objection to the whole process, that we are authorizing some things that have been appropriated and we are not authorizing those things that are really important.

Mr. ASPIN. Mr. Chairman, will the gentleman yield?

Mr. DICKINSON. I am happy to yield. We are not adding any amendment. We are opposing any amendment that was not previously considered.

The CHAIRMAN. The time of the gentleman from Alabama has again expired.

(By unanimous consent, Mr. Dickinson was allowed to proceed for 3 additional minutes.)

Mr. DICKINSON. Mr. Chairman, I am pleased to yield to the gentleman from Wisconsin.

Mr. ASPIN. Mr. Chairman, let me say that I agree entirely with the statement of the gentleman in the well. The only reason that we have added anything in the way of authorizations of things that we did not appropriate is for three reasons.

One is that if what they did in the Senate would have saved money, or what they did in the appropriations process would have saved money, we went along with it.

Second, if there were changed circumstances, and we always recognize in the authorization process that the appropriation bill comes later and that sometimes situations have changed. All of that recognizes that we would have done the same thing had our bill come along a little bit later and we had known the circumstances at that time.

The third category, and a very small category, results from technical differences.

In the main what we did here was stick with the committee's original authorizing position with changes that had to be made due to changed circumstances and really changes in cost.

Basically that is what we are trying to do. I think that is what is important. You cannot just blindly go ahead with the authorization bill in the spring of 1986 the same way as it was in the spring of 1985. Of course, things have changed in the year. We brought this bill onto the floor and did it last spring and did it last summer. Of course, things are different now.

So we have recognized those and we have made a couple changes in here; but remember what is going on. The Senate is adding on in their appropriation process a lot of money.

Let me remind you, it is not free money. I mean, this $285 million that we are talking about is not free money, because they have to make the same budget targets that the authorizing committee does.

□ 1640

When they appropriate more in some categories, that means they are taking the money out of something else.

Mr. DICKINSON. Exactly. It has got to come from somewhere. It is not open end.

Mr. ASPIN. So something that we authorize is being drastically underfunded for them to fund more than we authorized in some other category. So if we do not shut this off, and if we do not send the message to the Senate that we are not going to stand for this, we are going to find this happening more and more and more.

Mr. MONTGOMERY. Mr. Chairman, will the gentleman yield?

Mr. DICKINSON. I yield to the gentleman from Mississippi.

Mr. MONTGOMERY. I appreciate the gentleman yielding to me.

Mr. Chairman, I really do not know any other way to get more money for the National Guard and Reserves than to come with amendments. The Department of Defense does not send over in the President's budget each year, as the gentleman knows——

Mr. DICKINSON. The gentleman had his vehicle with the regular bill and we added money in the committee. There is over $600 million already added here.

Mr. MONTGOMERY. Sure. We should have added money, and we should add some more.

Mr. DICKINSON. I do not debate that. My point is that we had hearings and we knew what it was going for. If the gentleman will offer this during the regular process, I will support it.

Mr. MONTGOMERY. I thought the gentleman was going to yield to me.

Mr. DICKINSON. It is my time and I can take it back if I want to. I just thought we would share.

The CHAIRMAN. The time of the gentleman from Alabama [Mr. Dickinson] has again expired.

(On request of Mr. Montgomery and by unanimous consent, Mr. Dickinson was allowed to proceed for 2 additional minutes.)

Mr. MONTGOMERY. If the gentleman will yield further, and I will stop after this, does the gentleman agree that we got less than 5 percent in procurement in 1986, including the addition of $600 million, that I beat you over the head with and made you take this money for the Reserve and Guard? It still was less than 5 percent.

Now, they send up again from the Department of Defense only another less than 5 percent for the Reserves. So this is money that has already been appropriated. We are not going to add onto the appropriation. We are going to have every armory in the country, including the gentleman's armory. He has the biggest National Guard units in the country and he ought to be supporting this amendment and not fighting it.

Mr. DICKINSON. I do not have to do it by the amendment process. We can do it by the regular process and not these add-ons, putting patches on things.

Mr. MONTGOMERY. You would not give me the chance. I tried to talk to the chairman.

Mr. DICKINSON. The gentleman had the chance.

Mr. MONTGOMERY. I talked to the chairman.

Mr. DICKINSON. We support it. We are going to support the National Guard and we support the Reserve, but not by adding patches on these pieces of legislation as they come through, but in the main.

Mr. MYERS of Indiana. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I do not know whether I should get into this internal battle here between the Committee on Armed Services. I do not know what the credentials are that make one eligible. If it is a vote on Gramm-Rudman, I qualify. I voted against Gramm-Rudman, too, for a lot of reasons. This is just one of many.

But I did spend more than 20 years in the Reserve components after World War II, and I can recall that

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right after World War II, it was tough being in a Reserve component. We got all the hand-me-downs, everything we wore out and did bring back from Europe; nothing back from Asia, as I recall.

I remember going to summer camp as a battalion commander and half of my mission was to keep the equipment working. We spent half of our time back home in the home armory repairing worn-out equipment, whether it be mechnical equipment with engines, or whether it was rifles, or recoilless rifles, or whatever it was. We spent half of our time in maintenance, just trying to survive. We would go to summer camp and I would send people in advance to go up and cannibalize as much as we could steal off the active duty vehicles. We would borrow an active duty vehicle and we would change carburetors because ours were worn out. We even went to the extent of changing engines. We had to do that.

Things have changed, because we have started realizing the role that the armed services play and the role that the Reserve components play. Much of that is through the equipment process that this Congress has seen fit to support. It is no longer a contest to see if we can keep our equipment running.

But as Gramm-Rudman is applied more and more, we are going to have to depend more and more for our military defense preparedness on the Reserve components. It is the only way we can go. It is the cheapest way.

So I support the gentleman from Mississippi in his amendment here. I do not know what happened in the process in committee, but I do know there is a need yet in the Reserve components, because I can recall going back on active duty in 1960 for an extended duty and thinking could I compete with active duty? Let me tell my colleagues, it was no problem at all.

The Reserve components are a fighting group. They are a capable group. They need the equipment, and this Congress ought to provide it, especially if we are going to be reducing the armed services in the future because of Gramm-Rudman. The cheapest way is to provide it right through this amendment here. I support the amendment offered by the gentleman from Mississippi..

Mr. **CARNEY**. Mr. Chairman, will the gentleman yield?

Mr. **MYERS** of Indiana. I yield to the gentleman from New York.

Mr. **CARNEY**. I thank the gentleman for yielding.

Mr. Chairman, I would like to point out that I was just relieved after questioning counsel as to the statute of limitations on the UCMJ, and it is only 3 years. So the gentleman does not have to worry; no one will come in and cart him away for what he did as a Reserve officer.

Mr. **MYERS** of Indiana. It has been longer than 3 years.

The **CHAIRMAN**. The question is on the amendment offered by the gentleman from Mississippi [Mr. MONTGOMERY].

The question was taken; and the Chairman announced that he was in doubt.

RECORDED VOTE

Mr. **ASPIN**. Mr. Chairman, I demand a recorded vote.

A recorded vote was ordered.

The vote was taken by electronic device, and there were—ayes 374, noes 35, not voting 24, as follows:

[Roll No. 91]

AYES—374

Ackerman
Anderson
Andrews
Annunzio
Applegate
Archer
Armey
AuCoin
Badham
Barnard
Barnes
Bartlett
Barton
Bateman
Bates
Bedell
Bennett
Bentley
Bereuter
Berman
Bevill
Biaggi
Bilirakis
Bliley
Boehlert
Boggs
Boner (TN)
Bonior (MI)
Bonker
Borski
Bosco
Boucher
Boulter
Boxer
Brooks
Broomfield
Broyhill
Bruce
Bryant
Burton (CA)
Burton (IN)
Bustamante
Byron
Callahan
Campbell
Carney
Carper
Carr
Chandler
Chapman
Chappell
Chappie
Cheney
Clay
Clinger
Coats
Cobey
Coble
Coelho
Coleman (MO)
Coleman (TX)
Collins
Combest
Conte
Conyers
Coughlin
Courter
Craig
Daniel
Darden
Daschle
Daub
Davis
de la Garza
DeLay
Derrick
DeWine
Dicks
DioGuardi
Dixon
Donnelly
Dornan (CA)
Dowdy
Dreier
Duncan
Durbin
Dwyer
Dymally
Dyson
Eckart (OH)
Eckert (NY)
Edwards (CA)
Edwards (OK)
Emerson
English
Erdreich
Evans (IA)
Evans (IL)
Fascell
Fawell
Fazio
Feighan
Fields
Fish
Flippo
Florio
Foglietta
Foley
Ford (TN)
Fowler
Frank
Franklin
Frost
Fuqua
Gallo
Garcia
Gaydos
Gejdenson
Gekas
Gibbons
Gilman
Gingrich
Gonzalez
Goodling
Gordon
Gradison
Gray (IL)
Gray (PA)
Green
Gregg
Guarini
Gunderson
Hall (OH)
Hall, Ralph
Hamilton
Hammerschmidt
Hansen
Hatcher
Hawkins
Hayes
Hefner
Hendon
Henry
Hertel
Hiler
Hillis
Holt
Hopkins
Horton
Howard
Hoyer
Hubbard
Huckaby
Hughes
Hunter
Hutto
Hyde
Ireland
Jacobs
Jeffords
Jenkins
Johnson
Jones (NC)
Jones (OK)
Jones (TN)
Kanjorski
Kaptur
Kasich
Kastenmeier
Kemp
Kennelly
Kildee
Kindness
Kleczka
Kolbe
Kolter
Kostmayer
LaFalce
Lagomarsino
Lantos
Latta
Leach (IA)
Leath (TX)
Lehman (CA)
Lehman (FL)
Leland
Lent
Levin (MI)
Levine (CA)
Lewis (CA)
Lewis (FL)
Lightfoot
Livingston
Lloyd
Long
Lott
Lowery (CA)
Luken
Lundine
Lungren
Mack
MacKay
Madigan
Manton
Markey
Marlenee
Martin (IL)
Martinez
Matsui
Mavroules
Mazzoli
McCain
McCandless
McCloskey
McCollum
McCurdy
McDade
McEwen
McGrath
McHugh
McKernan
McKinney
McMillan
Meyers
Mica
Michel
Mikulski
Miller (OH)
Miller (WA)
Mineta
Moakley
Molinari
Mollohan
Montgomery
Moore
Moorhead
Morrison (CT)
Morrison (WA)
Mrazek
Murphy
Murtha
Myers
Natcher
Neal
Nelson
Nowak
O'Brien
Oakar
Obey
Olin
Ortiz
Oxley
Packard
Panetta
Parris
Pashayan
Pease
Penny
Pepper
Perkins
Petri
Pickle
Porter
Price
Pursell
Quillen
Rahall
Ray
Regula
Reid
Richardson
Ridge
Rinaldo
Ritter
Robinson
Rodino
Roe
Roemer
Rogers
Rose
Rostenkowski
Roth
Roukema
Rowland (CT)
Rowland (GA)
Roybal
Rudd
Sabo
Saxton
Schaefer
Schneider
Schroeder
Schuette
Schulze
Sensenbrenner
Sharp
Shaw
Shelby
Shumway
Shuster
Sikorski
Siljander
Sisisky
Skeen
Skelton
Slattery
Slaughter
Smith (IA)
Smith (NE)
Smith (NJ)
Smith, Denny (OR)
Smith, Robert (NH)
Snowe
Snyder
Solomon
Spence
Spratt
St Germain
Staggers
Stallings
Stangeland
Stenholm
Stokes
Strang
Stratton
Studds
Stump
Sundquist
Sweeney
Swift
Swindall
Synar
Tallon
Tauke
Tauzin
Taylor
Thomas (CA)
Thomas (GA)
Torres
Torricelli
Towns
Traficant
Traxler
Udall
Valentine
Vander Jagt
Vento
Visclosky
Volkmer
Vucanovich
Walgren
Walker
Watkins
Waxman
Weaver
Weber
Wheat
Whitehurst
Whitley
Whittaker
Whitten
Williams
Wirth
Wise
Wolf
Wolpe
Wortley
Wright
Wyden
Wylie
Yatron
Young (AK)
Young (FL)
Young (MO)

NOES—35

Aspin
Atkins
Beilenson
Boland
Brown (CA)
Brown (CO)
Cooper
Crane
Crockett
Dannemeyer
Dellums
Dickinson
Dingell
Dorgan (ND)
Downey
Ford (MI)
Frenzel
Glickman
Lipinski
Lowry (WA)
Miller (CA)
Monson
Moody
Nielson
Owens
Rangel
Russo
Savage
Scheuer
Schumer
Smith, Robert (OR)
Solarz
Stark
Weiss
Yates

NOT VOTING—24

Akaka
Alexander
Anthony
Breaux
Coyne
Early
Edgar
Fiedler
Gephardt
Grotberg
Hartnett
Heftel
Kramer
Loeffler
Lujan
Martin (NY)
Mitchell
Nichols
Oberstar
Roberts
Seiberling
Smith (FL)
Wilson
Zschau

□ 1705

Mr. **MARTINEZ** and Mr. **HANSEN** changed their votes from "no" to "aye."

Mr. **SOLARZ** changed his vote from "aye" to "no."

So the amendment was agreed to.

The result of the vote was announced as above recorded.

The **CHAIRMAN**. Are there further amendments?

Mr. **MOLINARI**. Mr. Chairman, I move to strike the last word.

Mr. Chairman, I would like to reserve the right to offer an amendment pending a colloquy that I would like to have with the chairman of the Committee on Armed Services.

If the gentleman would respond to a question, section 404(a) deals with the homeport in Staten Island and authorizes $37,750,000. It makes reference on page 62 to section 205 of the act. Section 205 is that section that required that the Navy file a report, and that no action be taken for 90 days thereafter, and spending the money that was authorized and appropriated for fiscal year 1986.

Now on the report language, the report language says that:

> No funds may be obligated until the Committee on Armed Services of the Senate and House have approved the ship dispersal concept.

That is not part of the language of the law today. The other body's Armed Services Committee is going to vote tomorrow.

I do not think that is the intent of those who drafted this piece of legislation, and I would hope that the chairman could make a statement. At the present time, the Navy has an agreement whereby if the Senate Armed Services Committee tomorrow votes to approve the Navy home port, they are ready to go out with contracts.

That is critically important from the Navy's standpoint. I am deeply concerned, as others are that share my feeling, that with this report language that will be stopped unless both committees have a vote and it is a favorable vote.

I do not think that is what the gentleman intended, and I would hope that he could help us on this question.

Mr. **ASPIN**. Will the gentleman yield?

Mr. **MOLINARI**. I yield to the gentleman.

Mr. **ASPIN**. I would like to say to the gentleman, as I understand it, what the gentleman is saying is what the committee intends; and the gentleman is right.

The language that we have here, repeating section 205 does not imply any additional delays for the homeporting issue. The language is as it was in the original bill, which was the military construction bill. We are going to have that debate and that discussion and that vote in the committee and on the floor. This does not mean any additional delays.

Mr. **MOLINARI**. Would the gentleman then agree that the report language on page 59 is incorrect, and that where it says that the funds may not be obligated or expended until the Committee on Armed Services of the Senate and House of Representatives have approved the ship dispersal concept.

That is not present in the law today; that is not a prohibition to the expenditure of moneys today.

Mr. **ASPIN**. This is report language; it does not apply to the bill language.

Mr. **MOLINARI**. So it is the gentleman's understanding, then, that the Navy, pending a favorable vote tomorrow by the Senate Armed Services Committee, would be free to go ahead and expend any moneys in contract for the Staten Island homeport site?

Mr. **ASPIN**. No. Whatever process was in the law before is the same process that will be in the law as this bill passes today. There is no difference. We have not added to the delay. We have still this process to work our way through, but this bill that is before us today does not in any way add to the delay or add to the complexity.

Mr. **MOLINARI**. One last question. Is it the gentleman's understanding, then, that unless unfavorable action is taken by the Committee on Armed Services in the other body or the House, that the Navy would be free to go ahead and contract or obligate the funds that were authorized last year and appropriated last year?

□ 1715

Mr. **ASPIN**. We still have a process in the military construction bill that will still have to be followed. But this bill that we are voting on today does not add to that process at all. There are certain things that the Navy will be able to do when certain committees vote, but this bill that we are voting on today does not add to or subtract from that whole process.

Mr. **MOLINARI**. This is very important. We have been in touch with the Navy today. They did not know that this language was in there. The understanding that I had is that unless, unless the Committee on Armed Services of the House rescinded the 1986 funding, or the other body, that the moneys were free to be obligated, the Navy is ready to go into contract. Is that changing by what is happening here today?

The **CHAIRMAN**. The time of the gentleman from New York has expired.

(By unanimous consent Mr. MOLINARI was allowed to proceed for 3 additional minutes.)

Mr. **ASPIN**. Mr. Chairman, will the gentleman from New York yield?

Mr. **MOLINARI**. I will yield again to the Chairman.

Mr. **ASPIN**. I thank the gentleman for yielding.

As I understand it legally those restrictions have been lifted and they are continued to be lifted under this language.

Mr. **MOLINARI**. Then there is no tie-in here between fiscal year 1986 and fiscal year 1987?

Mr. **ASPIN**. There is the informal process that we have asked the Navy to observe to give our Committee on Military Construction adequate time to consider the issue. But that is the only thing that is at play, and this bill that we are voting on today does not affect that in any way, shape or form.

Mr. **MOLINARI**. Mr. Chairman, I am satisfied with the explanation of the Chairman.

Mr. **WEISS**. Mr. Chairman, will the gentleman yield?

Mr. **MOLINARI**. I yield to my colleague from New York.

Mr. **WEISS**. I thank the gentleman for yielding.

Let me see if I can get a question answered by the gentleman from Wisconsin. The gentleman is saying that this authorization in order to be implemented as far as appropriations are concerned still requires an appropriation to be followed through, is that right?

Mr. **ASPIN**. No. That was already appropriated.

Mr. **WEISS**. Right. But this particular authorization adds nothing new to that process.

Mr. **ASPIN**. That is correct.

Mr. **WEISS**. I thank the gentleman, and I thank the gentleman for yielding.

Mr. **MOLINARI**. Mr. Chairman, I am satisfied. I have no intention of offering my amendment. I thank the gentleman.

The **CHAIRMAN**. Are there further amendments?

Mr. **BUSTAMANTE**. Mr. Chairman, I move to strike the last word.

Mr. Chairman, I commend the chairman and ranking minority member for their efforts to preserve the integrity of the military retirement system.

At a time of budgetary austerity, the cost and structure of military retirement has come under greater scrutiny. The concern over the quadrupling of outlays for military retirement between 1963 and 1984 has led to six major studies in the past 10 years. Each study has made major recommendations to change military retirement and improve its ability to meet our defense manpower requirements at reasonable cost. However, none of the proposals was ever adopted. Instead the retirement system has been modified on a piecemeal basis. Those changes have had a serious impact on the lifetime value of a military pension. Under current budgetary pressures, my concern has been that additional piecemeal tinkering with the military retirement system would undermine the long-term stability of the system. I, therefore, support this reform legislation which will provide a stable element of compensation in the indefinite future.

This reform legislation will provide new members of the military a retirement system that makes sense and that is easy to understand. It also

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makes it attractive for the highest quality service members to remain in active duty for longer. According to the Congressional Budget Office, the changes in this legislation will increase the numbers of service members with over 20 years of service by 12 percent. These are the most experienced service members. The services have invested the most on their education and training, and they possess a broad range of experience. This legislation anticipates the future needs of our Armed Forces. It anticipates that the weapons systems, tactics, and doctrine of the Armed Forces will be substantially more complex than they are today. It is foward-looking legislation which undoubtedly contributes to the quality of our Armed Forces.

I urge my colleagues to support this legislation to restore the integrity of the military retirement system.

The CHAIRMAN. Are there further amendments?

The question is on the committee amendment in the nature of a substitute, as amended.

The committee amendment in the nature of a substitute, as amended, was agreed to.

The CHAIRMAN. Under the rule, the Committee rises.

Accordingly the Committee rose; and the Speaker having resumed the chair, Mr. Traxler, Chairman of the Committee of the Whole House on the State of the Union, reported that that Committee, having had under consideration the bill (H.R. 4420) to amend title 10, United States Code, to revise the retirment system for new members of the uniformed services, and for other purposes, pursuant to House Resolution 421, he reported the bill back to the House with an amendment adopted by the Committee of the Whole.

The SPEAKER. Under the rule, the previous question is ordered.

Is a separate vote demanded on the amendment to the committee amendment in the nature of a substitute adopted by the Committee of the Whole? If not, the question is on the committee amendment in the nature of a substitute.

The committee amendment in the nature of a substitute was agreed to.

The SPEAKER. The question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed and read a third time and was read the third time.

The SPEAKER. The question is on the passage of the bill.

The question was taken; and the Speaker announced that the ayes appeared to have it.

RECORDED VOTE

Mr. CARNEY. Mr. Speaker, I demand a recorded vote.

A recorded vote was ordered.

The vote was taken by electronic device, and there were—ayes 399, noes 7, not voting 27, as follows:

[Roll No. 92]

AYES—399

Ackerman
Anderson
Andrews
Annunzio
Applegate
Archer
Armey
Aspin
Atkins
AuCoin
Badham
Bartlett
Barton
Bateman
Bates
Bedell
Beilenson
Bentley
Bereuter
Berman
Bevill
Biaggi
Bilirakis
Bliley
Boehlert
Boggs
Boland
Boner (TN)
Bonior (MI)
Bonker
Borski
Bosco
Boucher
Boulter
Boxer
Brooks
Broomfield
Brown (CA)
Brown (CO)
Broyhill
Bruce
Bryant
Burton (CA)
Burton (IN)
Bustamante
Byron
Callahan
Campbell
Carper
Carr
Chandler
Chapman
Chappell
Chappie
Cheney
Clay
Clinger
Coats
Cobey
Coble
Coelho
Coleman (MO)
Coleman (TX)
Collins
Combest
Conte
Conyers
Cooper
Coughlin
Courter
Craig
Crane
Crockett
Daniel
Dannemeyer
Darden
Daschle
Daub
Davis
de la Garza
DeLay
Dellums
Derrick
DeWine
Dickinson
Dicks
Dingell
DioGuardi
Dixon
Donnelly
Dorgan (ND)
Dornan (CA)
Dowdy
Downey
Dreier
Duncan
Durbin
Dwyer
Dymally
Dyson
Eckart (OH)
Eckert (NY)
Edwards (CA)
Edwards (OK)
Emerson
English
Erdreich
Evans (IA)
Evans (IL)
Fascell
Fawell
Fazio
Feighan
Fields
Fish
Flippo
Florio
Foglietta
Foley
Ford (MI)
Ford (TN)
Fowler
Frank
Franklin
Frenzel
Fuqua
Gallo
Gejdenson
Gekas
Gibbons
Gilman
Gingrich
Glickman
Goodling
Gordon
Gray (IL)
Gray (PA)
Green
Gregg
Guarini
Gunderson
Hall (OH)
Hall, Ralph
Hamilton
Hammerschmidt
Hansen
Hatcher
Hawkins
Hayes
Hefner
Hendon
Henry
Hertel
Hiler
Hillis
Holt
Hopkins
Horton
Howard
Hoyer
Hubbard
Huckaby
Hughes
Hunter
Hutto
Hyde
Ireland
Jacobs
Jeffords
Jenkins
Johnson
Jones (NC)
Jones (OK)
Jones (TN)
Kanjorski
Kaptur
Kasich
Kastenmeier
Kemp
Kennelly
Kildee
Kindness
Kleczka
Kolbe
Kostmayer
LaFalce
Lagomarsino
Lantos
Latta
Leach (IA)
Leath (TX)
Lehman (CA)
Lehman (FL)
Leland
Lent
Levin (MI)
Levine (CA)
Lewis (CA)
Lewis (FL)
Lightfoot
Lipinski
Livingston
Lloyd
Long
Lott
Lowery (CA)
Lowry (WA)
Luken
Lundine
Lungren
Mack
MacKay
Madigan
Manton
Markey
Marlenee
Martin (IL)
Martin (NY)
Martinez
Matsui
Mavroules
Mazzoli
McCain
McCandless
McCloskey
McCollum
McDade
McEwen
McGrath
McHugh
McKernan
McKinney
McMillan
Meyers
Mica
Michel
Mikulski
Miller (CA)
Miller (OH)
Miller (WA)
Mineta
Mitchell
Moakley
Molinari
Mollohan
Monson
Montgomery
Moody
Moore
Moorhead
Morrison (CT)
Morrison (WA)
Mrazek
Murphy
Murtha
Myers
Natcher
Neal
Nelson
Nielson
Nowak
O'Brien
Oakar
Obey
Olin
Ortiz
Owens
Oxley
Packard
Panetta
Parris
Pashayan
Pease
Penny
Pepper
Perkins
Petri
Pickle
Porter
Price
Pursell
Quillen
Rahall
Ray
Regula
Reid
Richardson
Ridge
Rinaldo
Ritter
Roberts
Rodino
Roe
Roemer
Rogers
Rose
Rostenkowski
Roth
Roukema
Rowland (CT)
Rowland (GA)
Roybal
Rudd
Russo
Sabo
Savage
Saxton
Schaefer
Scheuer
Schneider
Schroeder
Schuette
Schulze
Schumer
Sensenbrenner
Sharp
Shaw
Shelby
Shumway
Shuster
Sikorski
Siljander
Sisisky
Skeen
Skelton
Slattery
Slaughter
Smith (FL)
Smith (IA)
Smith (NE)
Smith (NJ)
Smith, Denny (OR)
Smith, Robert (NH)
Smith, Robert (OR)
Snowe
Snyder
Solarz
Solomon
Spence
Spratt
St Germain
Staggers
Stallings
Stangeland
Stark
Stenholm
Stokes
Strang
Stratton
Studds
Stump
Sundquist
Sweeney
Swift
Swindall
Synar
Tallon
Tauke
Tauzin
Taylor
Thomas (CA)
Thomas (GA)
Torres
Torricelli
Towns
Traficant
Traxler
Udall
Valentine
Vander Jagt
Vento
Visclosky
Volkmer
Vucanovich
Walgren
Walker
Watkins
Waxman
Weaver
Weber
Wheat
Whitehurst
Whitley
Whittaker
Whitten
Williams
Wirth
Wise
Wolf
Wolpe
Wortley
Wright
Wyden
Wylie
Yates
Yatron
Young (AK)
Young (FL)
Young (MO)

NOES—7

Bennett
Carney
Gaydos
Gonzalez
Kolter
Rangel
Weiss

NOT VOTING—27

Akaka
Alexander
Anthony
Barnard
Barnes
Breaux
Coyne
Early
Edgar
Fiedler
Frost
Garcia
Gephardt
Gradison
Grotberg
Hartnett
Heftel
Kramer
Loeffler
Lujan
McCurdy
Nichols
Oberstar
Robinson
Seiberling
Wilson
Zschau

□ 1740

So the bill was passed.

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

AUTHORIZING THE CLERK TO MAKE CORRECTIONS IN ENGROSSMENT OF H.R. 4420, THE MILITARY RETIREMENT REFORM ACT OF 1986

Mr. ASPIN. Mr. Speaker, I ask unanimous consent that in the engrossment of the bill, H.R. 4420, the Clerk be authorized to make such clerical and technical corrections as may be necessary.

The SPEAKER. Is there objection to the request of the gentleman from Wisconsin?

There was no objection.

GENERAL LEAVE

Mr. ASPIN. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks, and to include extraneous matter, on the bill, H.R. 4420.

The SPEAKER. Is there objection to the request of the gentleman from Wisconsin?

There was no objection.

SUNDRY MESSAGES FROM THE PRESIDENT

Sundry messages in writing from the President of the United States were communicated to the House by Mr. Saunders, one of his secretaries.

REPORT ON RESOLUTION PROVIDING FOR CONSIDERATION OF H.R. 4421, COMMUNITY SERVICES PROGRAMS AMENDMENTS OF 1986

Mrs. BURTON of California, from the Committee on Rules, submitted a privileged report (Rept. 99-549) on the resolution (H. Res. 428) providing for the consideration of the bill (H.R. 4421) to authorize appropriations for fiscal years 1987, 1988, 1989, and 1990 to carry out the Head Start, Follow Through, dependent care, community services block grant, and community food and nutrition programs, and for other purposes, which was referred to the House Calendar and ordered to be printed.

REPORT OF RESOLUTION PROVIDING FOR CONSIDERATION OF H.R. 3302, NEVADA WILDERNESS PROTECTION ACT OF 1985

Mrs. BURTON of California, from the Committee on Rules, submitted a privileged report (Rept. 99-550) on the resolution (H. Res. 429) providing for the consideration of the bill (H.R. 3302) to designate certain national forest lands in the State of Nevada for inclusion in the National Wilderness Preservation System, and for other purposes, which was referred to the House Calendar and ordered to be printed.

PERSONAL EXPLANATION

(Mr. O'BRIEN asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. O'BRIEN. Mr. Speaker, I was not present on Thursday, April 10. Had I been present, I would have voted "aye" on final passage for H.R. 4332, the Federal Firearms Law Reform Act of 1986, as amended by the Volkmer substitute.

CHILDREN'S CHALLENGE CENTER FOR SPACE SCIENCE

(Mr. BROOKS asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. BROOKS. Mr. Speaker, I am today, along with Congressman Don Fuqua, chairman of the House Committee on Science and Technology, and Congressman Mike Andrews, my colleague from Texas, introducing a sense-of-Congress resolution expressing our support for the establishment of a Childrens' Challenge Center for Space Science as a living memorial to the seven crew members of the space shuttle *Challenger.* These seven individuals gave their lives to expand the world's knowledge through exploration of the space frontier. What more fitting memorial could we establish than one to provide children of all ages with an opportunity to learn about space and related science through hands-on activities related to space exploration?

Speaker O'Neill graciously met with these fine people this afternoon.

Representatives of the families of the seven astronauts who were lost on the *Challenger* flight are here in the Capitol. It is their fervent desire that this center be established in conjunction with NASA at the Johnson Space Center to provide activity stations, simulators, dormitories for visiting teachers and students, and other special interest areas devoted to depicting air and space travel. The center, sponsored by the nonprofit childrens' Challenge Center Foundation, will be available to teachers throughout the United States and the rest of the world. We in the Congress should support this effort as a national memorial to these brave and courageous Americans.

CHILDREN'S CHALLENGE CENTER FOR SPACE SCIENCE

(Mr. FUQUA asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. FUQUA. Mr. Speaker, I am very delighted to join with my colleagues, the gentleman from Texas [Mr. Brooks] and the gentleman from Texas [Mr. Andrews], in introducing this resolution supporting the wishes of the family of the crew of the *Challenger VII.* These were brave people who continued to stimulate interest in America's space flight and science. The recommendation of the family to have a Children's Challenge Center for Space Science to be established on NASA land at the Johnson Space Center I think is a fitting and living tribute to seven great and very distinguished Americans.

I am very happy to join in this activity because I think having a living memorial is something that can inspire children throughout the world and young people concerning the values of science and technology and hands-on experiments, that they can see and somehow be touched by these seven wonderful people who tragically gave their lives.

I am very delighted to join in this, and I encourage my colleagues to join us in sponsoring this resolution expressing our support.

As the gentleman from Texas [Mr. Brooks] said, we had a chance to meet with them today. We are very pleased that they are in the Capitol. They had a chance to meet with the Speaker and other Members of the Congress who have all expressed their wholehearted endorsement of this most worthwhile project.

CHILDREN'S CHALLENGE CENTER FOR SPACE SCIENCE

(Mr. ANDREWS asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. ANDREWS. Mr. Speaker, in 1960, at Rice University, John Kennedy said: "If history teaches us anything, it is that man in his quest for knowledge and progress is determined and cannot be deterred."

And surely as we face the weight of this country's greatest space disaster, we stand on the threshold of some of our countries in the world's greatest achievements in space.

Those achievements will occur through education, through a greater knowledge of this universe and through determination. Our children's generation is the generation that will literally go to the edge of this solar system and reach to every distant star.

The cure for cancer may well be found in outer space and not here on Earth.

The Children's Center that will be located at the Johnson Space Center will not only be a living memorial to those brave seven astronauts who gave their lives, but a lasting educational center for our children, a place they can see, they can feel, they can learn, they can study about man's ongoing contributions and quests for space.

I urge all of my colleagues to join us in this resolution, and let us make this important center a reality.

FISCAL YEAR 1987 BUDGET OF THE DISTRICT OF COLUMBIA—MESSAGE FROM THE PRESIDENT OF THE UNITED STATES (H. DOC. NO. 99-206)

The SPEAKER pro tempore (Mr. Garcia) laid before the House the following message from the President of the United States; which was read and, together with the accompanying

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papers, without objection, referred to the Committee on Appropriations and ordered to be printed.

(For message, see proceedings of the Senate of today, Tuesday, April 22, 1986.)

CONTINUATION OF NICARAGUAN EMERGENCY—MESSAGE FROM THE PRESIDENT OF THE UNITED STATES (H. DOC. NO. 99-207)

The SPEAKER pro tempore laid before the House the following message from the President of the United States; which was read and, together with the accompanying papers, without objection, referred to the Committee on Foreign Affairs and ordered to be printed.

(For message, see proceedings of the Senate of today, Tuesday, April 22, 1986.)

NINTH ANALYSIS AND EVALUATION OF FEDERAL JUVENILE DELINQUENCY PROGRAMS—MESSAGE FROM THE PRESIDENT OF THE UNITED STATES (H. DOC. NO. 99-208)

The SPEAKER pro tempore laid before the House the following message from the President of the United States; which was read and, without objection, referred to the Committee on Education and Labor and ordered to be printed.

(For message, see proceedings of the Senate of today, Tuesday, April 22, 1986.)

☐ 1755

GENERAL LEAVE

Mr. DONNELLY. Mr. Speaker, I ask unanimous consent that all Members may be permitted to extend their remarks and to include extraneous material on House Resolution 425, which was considered earlier today.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

SIR OLIVER WRIGHT'S SPEECH BEFORE THE HARVARD CLUB, APRIL 17, 1986

(Mr. PEPPER asked and was given permission to address the House for 1 minute and to revise and extend his remarks and include extraneous matter.)

Mr. PEPPER. Mr. Speaker, on the evening of the 17th of April, it was my rare privilege to hear, at the annual meeting of the Harvard Club of Washington, the principal address of the evening delivered by His Excellency, the British Ambassador, Sir Oliver Wright.

It was a delightful experience to hear this witty and wise Ambassador of our great friends, the British, out of his rich experience, speak of our own Harvard in relation to his Oxford and Cambridge, speak of the background, character, disposition, and attitudes of our own people and those of his own, relations between our two countries, relations between the United States and Russia, many matters of great interest to all of us in respect to our relations to other nations of the world.

I thought my colleagues and many of our countrymen would like to hear the wisdom and enjoy the wit of this learned and great man. So I ask the privilege to offer for the CONGRESSIONAL RECORD for its permanent embodiment, the able and delightful address of Ambassador Wright to follow my remarks.

The address follows:

ANNUAL DINNER OF HARVARD CLUB,
WASHINGTON DC, APRIL 17, 1986

My wife and I are delighted to be able to join you at the Annual Dinner of the Harvard Club of Washington. As a Cambridge man myself, although from the other Cambridge, I am particularly honoured to be your guest in the year that Harvard celebrates its 350th Anniversary; being a sort of harbinger for the Prince of Wales, also a Cambridge man, who will speak at the celebrations at Harvard itself next September. I congratulate you too on the felicitous choice of venue, a hotel named after the ship which bore to these shores from England the members of the Community who formed your great University.

I am also honoured—and terrified—to be here in the company of Carter Brown. Terrifying man, Carter Brown. It's too late now, but up to last Sunday, you could have seen the product of his Reign of Terror: the Treasure Houses exhibition at the National Gallery of Art. Don't be misled by that electrifying smile: like electricity it can both light up, and shock. Carter must have something of the viking in him: certainly, like the vikings, he has pillaged the Stately Homes of England, and Scotland for that matter, to produce that wonderful exhibition.

It was a wonderful exhibition. In fact, it was two exhibitions: an exhibition of our treasures and an exhibition of his exhibitioner's art. The organisation and presentation was in itself a work of genius. Carter is, of course, a genius. And we in Britain, and the owners of the Stately Homes, are greatly in his debt. A Renaissance man, Carter: they had a lot of footpads during the renaissance—but a Renaissance man, nevertheless, who lends distinction to a city of incomparable distinction.

Although I have often visited Harvard, to my profit and pleasure, the first time in 1962, I have never before been asked to speak to the Harvard Club. I accepted with some trepidation. My mind went blank. If it were an Oxford and Cambridge dinner, I would know what to say. As a Cambridge man, I should have been rude about Oxford. It's not very difficult to be rude about Oxford. And the Cambridge men and women present would genuinely love it, while the Oxford men and women would have to pretend to love it, for fear of not being accused of having no sense of humour. The deadliest insult you can offer an Oxford man. No doubt because it is true. So they would grin and bear it, while plotting revenge.

But as one Cambridge man among others, I cannot repay your hospitality by being rude to you, can I? So I sought advice. I was at the University of South Carolina last week and met at dinner the Mayor of Columbia, who is a Harvard man. In desperation I asked him if he knew any Harvard jokes, so as to settle your digestion and provide sugar for the pill which follows. He was very discouraging: "For God's sake don't tell them any jokes" he said "keep it serious: They like it serious".

Tell me, is that really so? Are there no Harvard jokes? Is the one about Dr. Conant not a joke at all? You know the one I mean: someone calls Dr. Conant at home; the butler answers and says: "The President is in Washington seeing Mr. Roosevelt". That's not meant to be funny? Just a statement of fact? If that's so, I'm in deep trouble. I see what the Mayor of Columbia meant.

It rather reminds me of the time when my wife and I were in Copenhagen. Lovely city, Copenhagen, full of delightful people. But admirable though Danes are, as Allies in NATO they do not exactly, how shall I put it, overspend on defence. So I asked a Danish friend of mine how was it that the Danes, who had spent hundreds of years pillaging and laying waste the East Coast of England, were so averse these days to taking defence seriously. He replied: Well, you see, all the warlike Danes went and pillaged England. leaving only peace-loving Danes behind.

You may well ask what is the point of this story and its relevance to this evening's festivities. Be patient, and all shall be revealed.

If I've got my history right, all the Pilgrim Fathers who came to Plymouth—John Harvard himself, I am told, only made it a year after the college which bears his name was founded—all these Pilgrim Fathers certainly feared God and loved freedom and were deeply imbued with the work ethic—all admirable Yankee characteristics to this day—it was of course from the Pilgrim Fathers that that English master of serious frivolity Noel Coward got the phrase "work is more fun than fun"—where was I—O yes—all these very high minded people were of course Puritans. And they came to Harvard to get away from all the incorrigibly frivolous people back in England.

Which is why Harvard men and women don't like jokes.

But this set me wondering about the differences between the people of the two Cambridges. And the differences between then and now.

Life, of course, is not what it was. It never has been. Hence the truth behind the myth of the Garden of Eden. Life, even for Ambassadors, is not what it was. It was Margaret Thatcher who brought that home to me. At a dinner in my house a year ago in honour of President Reagan to celebrate 200 years of diplomatic relations between Britain and the United States, she quoted from a memorandum preserved in the Smithsonian. In that memorandum, President Jefferson is recorded as writing to his Secretary of State as follows: "We have not heard anything from our Ambassador to France for 3 years. If we do not hear from him this year, let us write him a letter . . ." Those were the days.

These days life is very different. In olden times one of my predecessors, an Ambassador to France in the time of Elizabeth I, described himself as "an honest man sent to lie abroad on behalf of his country". A modern definition of a modern Ambassador would be "a peaceable sort of chap sent abroad to conduct rows on behalf of his country".

That, at any rate, is what my life is about. At any one time I've got about six rows going with various parts of the Administration: burden sharing, arms control, farm exports, steel imports, Freddie Laker, unitary tax. You name it, we're having a row about it.

I've often wondered why this should be. I can understand why we have trade rows. Although we all have an interest in upholding the international trade rules and in preserving the free world's open trading system, we are, within that system, competitors. And, of course, as competitors up to all sorts of skullduggery, no doubt.

But on defence we are on the same side. Yet we repeatedly rub each other up the wrong way. Why is this?

I think it has to do with differences of historical experience and differences in geographical perspective. We in Europe have been mixed up with Russia over the centuries and tend to see Communism as just adding another—although very important—dimension to the Russianness of Russia. All this time, you were opening up this wonderful country of yours, moving westward with your backs to Europe.

We have had to rub along with our neighbours whether we liked them or not. You have had no neighbours to rub along with, and I know Canadians and Mexicans will forgive me for saying that for they will know what I mean.

We are right up alongside Russia: Helmut Schmidt used to remind people that his home in Hamburg was about 30 miles from the Red Army; about as far as from here to Annapolis. You are, Alaska apart, thousands of miles away from Russia, whether you go East across the Atlantic or West across the Pacific. It makes a difference.

We have de-demonised Russia: I don't think Americans have. That too makes a difference. We shall not convince each other otherwise, so it is pointless to try. Neither of us can un-have our historical experiences nor change our geographical location. We have to learn to live with and accept each others' difference of perspective. We shall continue to say Tom-ah-to: you will continue to say TO-MAY-TO. We can at least agree that we mean the same fruit.

There is also another factor in the relationship which we have to reckon with. It is what I would call differences in cast of mind.

Americans are by nature tremendous optimists. They have had to be, to develop this vast country. I visited Independence, Missouri, a year or so ago to visit the Truman Museum. Truman is one of my favourite Presidents, perhaps because I was Vice-Consul in New York 40 years ago during his presidency and so was present at the creation of the Truman doctrine, the Marshall Plan, launched at Harvard, at the commencement of June 1946, and the foundation of NATO. It was from Independence that, during the last century, whole families would set off in wagons at the first thaw of Spring and hope to get to the Pacific, by the Oregon or Santa Fe trails, before Winter set in. It is a wonderful story.

This "can do" spirit leads to a conviction that all problems are soluble. Just throw enough energy, intelligence, money and good will at a problem and a solution can be found. The immediate American reaction to a problem is "C'mon, fellers, let's go", sometimes, it seems to me, without too much thought of where they're going or what they will do when they get there. British and other sourpusses have been known to mutter under their breath "cowboys".

The British cast of mind is very different. We tend to believe that many problems exist precisely because there are no solutions to them and that the best one can do is to manage them so that they don't get out of hand and so that not too many people get hurt. No prizes offered for naming, say, three of today's insoluble problems.

The British reaction to a new problem is often to sit down and have a cup of tea and think it over and try to think it through. We have to want not only what we want, but the consequences of what we want. And the American reaction to this national characteristic is to mutter "wimps".

Fortunately, in my experience, what happens in real life is that cowboys and wimps alike get round a table and eventually come up with what are on the whole sensible joint answers to the common problems in hand. But we start from different premises and create a lot of aggro and static before we reach agreement.

One final point. To differences of historical experience, geographical perspective and cast of mind, I would add: the attitude to power. America is our friendly neighbourhood superpower and conscious of its strength. Europeans used to be great powers, governing vast tracts of the world's surface. They are no longer.

The European powers are all now—Britain, France, Germany, Italy—powers of the second rank.

It makes a difference. Because our muscles are not as strong as they were, we hesitate to use them. Because yours are strong, you have, shall we say, less inhibitions. But a constant factor is our apprehension lest you throw your weight around too much, and that we shall get hurt in the process. Of course, we have also a contrary fear; that you won't throw your weight around enough when we think it necessary.

It's tough for you. I have to admit that. But then, who said being a Superpower, even a friendly one, was easy.

The task of interpreting America to Britain and Britain to America is, in my experience, unremitting. Take your eyes off the ball for one second and you're in the rough. That's what, I suppose, Ambassadors are for. At least it keeps us off the streets.

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Please don't get me wrong. I am not saying that you are wrong and we are right; still less that you are right and we are wrong. I am merely saying that these objective differences exist, provide the background against which our regular rows are played out, and are worth bearing in mind when our rows go public.

But, when the chips are down, we stand shoulder to shoulder. That I take it, is what friends are for.

For the transatlantic relationship is rather like the Atlantic ocean itself. On the surface, the sea is often stormy, as conflicts of interest churn up the waters, corresponding in real life to the series of crises that regularly plague us: burdensharing, protectionism, anti-trust, the disposal of subsidised agricultural surpluses. These problems provide the grist to the mills of intergovernmental business in Washington and give us diplomats our daily workout.

But just below the surface the deep water is calm, reflecting the deep community of interest which joins Europeans to North Americans and North America to Europe.

For we share a common interest in the maintenance of the free world's open trading system. Five hundred million Europeans and Americans together represent the world's two greatest markets. There is about $100 billion worth of trade in goods and services in both directions across the Atlantic. Britain is the largest foreign investor in the United States and the largest single recipient of US investment overseas. The amounts of money, curiously enough, are about the same: $35 billion.

We share a common interest in the defence of that system and the democratic way of life and the common heritage that it represents. For Americans and Europeans, the North Atlantic Alliance is the cornerstone of our freedom and of our partnership.

The institutions which provide the infrastructure for the free world were put in place during the period of America's economic and military supremacy after World War II. They are still in good shape and a great tribute to the wisdom and far-sightedness of the founding fathers of the post-war world, chief among them Harry Truman, George Marshall and Dean Acheson over here, Ernie Bevin, Paul Henri Spaak, Jean Monnet, Konrad Adenauer over there.

It is the task of statesmen, diplomats, and, perhaps most important of all, of the educated electorates in all our countries, and that includes the alumni of Harvard, to keep them and our friendship in good repair.

Don't leave it to the experts. Just as war is too important to leave to generals—so diplomacy is too important to leave to diplomats and maybe politics too important to leave to politicians.

That said, my wife and I first came to the United States in 1946 as Vice Consul in New York City. Experience of 40 years of our special relationship puts me firmly on the side of the optimists.

And I hope that you are too.

We leave later this year. I commend my successor to you. He is a splendid man, a personal friend of 25 years' standing. There could have been no better choice. He has only one defect: he went to Oxford. But he will be at Harvard with the Prince of Wales for your 350th Anniversary. He will, I know, wish to cherish the links between Harvard and Britain. For Harvard is one of the Treasure Houses of intellectual and moral excellence not only in the United States, but it is one of the Treasure Houses of the human spirit of mankind.

As a man from Cambridge, England which had a small part to play in your foundation, even if only as the piece of grit in the oyster which produced the pearl, I am proud and flattered to bring greetings this evening to the men and women of Cambridge Massachusetts.

We salute achievement and recognise excellence when, as this evening, we are in its presence.

MEDIA SNATCHES DEFEAT FROM JAWS OF VICTORY

(Mr. DORNAN of California asked and was given permission to address the House for 1 minute and to revise and extend his remarks and include extraneous matter.)

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Mr. DORNAN of California. Mr. Speaker, I would like permission to put into the RECORD from yesterday's paper the media analysis column by Don Kowet. The title of Mr. Kowet's article is "Media Snatches Defeat From Jaws of Victory." He points out that although 80 percent of the American people agreed with President Reagan's difficult decision to finally respond to the terror that Mr. Qadhafi sends around the world, that our media sources, in a rut to get some sort of a news twist on this, have been literally shuttling back and forth by bus to locations that Qadhafi and his people select, putting a twist on the story that is again causing Americans to flagellate ourselves.

The story that Qadhafi wants in every American living room is that civilians have been killed and only one soldier, one.

Joseph Goebbels and Hitler's Nazi Germany never lied with any greater degree of boldness than Mr. Qadhafi.

Our screens are going to be filled with Arab anguish; once again guilt is going to be thrust down our throats. It has been going on for over a week in earnest.

Well, bless People magazine for this cover. There is a handsome young face of Sgt. Kenneth Ford. His death and the death of little Demetra Klug and her mother who was pregnant and her grandmother, also named Demetra, and the horrible sight of a pair of American journalists, man and wife, and their little daugther Samantha Simpson dying in that airport in Rome, these are the pictures that I think our news media should show us every night again to help our memory recall just why the President made this difficult decision.

MEDIA SNATCHES DEFEAT FROM JAWS OF VICTORY

(By Don Kowet)

Monday night, after the air attack against Libya, network newsmen reported that 80 percent of Americans polled believed the president was right. They spent the rest of the week trying to prove those people wrong.

All three over-the-air networks, plus Cable News Network, announced the air raid shortly after 7 p.m. Monday evening. ABC, CBS and NBC stayed with the story until 8 p.m.; CNN persevered until 9 p.m., when President Reagan addressed the nation.

CNN continued its non-stop coverage; the other networks contributed special reports. It wasn't until shortly after 3 a.m. Tuesday that the networks aired their first film from Tripoli. Correspondents and television crews, quarantined till then in their hotel, were herded onto a bus by the Libyan Ministry of Information and driven to a residential neighborhood where several apartment buildings had been blasted by bombs.

American bombs, it turned out, from a doomed F-111.

Throughout the week, the press shuttle would be repeated. Television crews went along with the Libyans, collaborating with Col. Muammar Qaddafi on the one story he wanted in every American living room: Some civilians were dead and wounded; friends and relatives were mourning.

Our screens were going to be filed with Arab anguish; once again, guilt was going to be thrust down our throats.

By Tuesday evening, when the networks aired their nightly newscasts, the issue of the death and destruction wrought against Libyan civilians had reduced any military motive for the attack to a mere footnote.

The networks let their pictures dictate their lead story.

The American warplanes, said ABC's Charles Glass from Tripoli, "killed innocent civilians and destroyed civilian homes. . . ."

Viewers saw children in a hospital crying out in pain.

"In the hospital, children cried out in pain. . . ."

"Among the dead and wounded were a number of children," reported CBS' Allen Pizzey. "Estimates of the wounded ran to more than 100. . . ."

Mr. Pizzey introduced a second motif. The raid, he added, "will almost certainly spark more, not less, acts against U.S. targets."

These would be the twin television themes: Innocent civilians had been killed, among them Col. Qaddafi's adopted infant daughter; and the air attack wouldn't stop international terrorism—just ask our allies.

There were complaints in the British House of Commons, and the French had refused our F-111s overfly privileges. Protesters were marching in Italy, in the Arab world, in Spain.

The bad news kept building.

The Soviets canceled a meeting called to plan the next Reagan-Gorbachev summit.

The Vietnamese scuttled scheduled talks on MIAs.

The television dirge, punctuated by pictures of civilian mourning and death and destruction, droned on.

All three networks led their Wednesday evening newscasts with a Libyan TV clip proving that Col. Qaddafi hadn't perished.

Col. Qaddafi said that, unlike the United States, Libya does not bomb children.

No network newsman bothered to remind viewers why Libya doesn't drop bombs on children: Its agents prefer to machine-gun them in airports or blow them out of airplanes.

ABC's Mr. Glass reported that damage had been done to Col. Qaddafi's main headquarters. "But for many Libyans," he added, "the main concern is still the outcome of the first attack, in which so many civilians were casualties," including Col. Qaddafi's 3- and 4-year-old sons.

How Mr. Glass or his colleagues knew "the main concern" of "many Libyans" was a mystery.

"Charles," said ABC anchor Peter Jennings, "I know Western reporters in Tripoli are restricted tonight. . . ."

The press were still prisoners in their hotel; taking the pulse of the Libyan people meant interviewing each other, or their mentors from the Libyan propaganda ministry.

Mr. Jennings promised that "later in this broadcast," ABC would finally get around to assessing the damage done to the five military targets.

That assessment lasted about 12 seconds. Mr. Jennings resurrected the theme of damage done to civilians.

That evening, all three networks covered the return to home port of the aircraft carrier the USS Saratoga, which had launched planes in an earlier assault against Libya. No one had ever suggested that a single Libyan civilian had been injured in that raid. Nevertheless, said NBC, "The captain conceded to reporters that . . . his men do think about the innocent Libyan civilians who have died in U.S. attacks. . . ."

Gradually the networks' message was getting through: The fact that some civilians had been killed meant this new raid was a failure.

"You and the Defense Department now acknowledge that the United States may have been responsible for civilian casualties in Libya," CBS anchor Dan Rather told Secretary of Defense Caspar W. Weinberger in an interview. "Does that alter your view that the raid was a success?"

"The reports that you're giving credence to—for example, that Qaddafi's children were killed—those are Libyan reports," Mr. Weinberger replied. "There's absolutely no confirmation of that," he added, "except from Libyan sources, which have been something far less than reliable in the past."

Mr. Weinberger's comments were like water rolling off a duck's back.

The Libyans were innocent until proven guilty. The White House was guilty until proven more guilty.

"Counting those buried yesterday in Benghazi," reported NBC's Steve Delaney from Tripoli, "the official Libyan death toll is 37. There was only one soldier," he added, "among the fatalities."

One soldier? After air raids on five terrorist-related military targets, in which tons of explosives were dropped?

White House claims were treated with skepticism unless substantiated in spades. Key Libyan assertions were instantly accepted as facts.

ABC's "Nightline" devoted four programs to the Libyan attack, focusing on the discontent of our allies and alleged CIA connivance in setting up the Libyan terrorist network, among other topics.

CNN's "Crossfire" also devoted a week's worth of programs to the subject.

"We really can look like jerks," said Phil Donahue, who, on his Libya show, got no argument from two of his three guests, Christopher Hitchens (of The Nation) and Sanford Unger (of American University). "We swagger, we swagger." Mr. Donahue added, swaggering.

Thursday evening the networks finally aired full segments about the five terrorist-related targets of the raid. Why? The Pentagon had provided them with some gripping footage, recorded during the bombing runs.

The film, and follow-up reconnaissance, showed that the raid had been deadly accurate, destroying MIGs and Soviet-made cargo planes, as well as barracks. All the intended targets had been hit, only one plane was lost. . . .

Ho-hum.

Who cared how much damage had been done to terrorist targets? Civilians had died, and that meant the attack on Libya would fail to curtail terrorism. The problem was, no network newsman was able to explain exactly why, until former President Jimmy Carter came along.

"If 17 years ago, someone had killed Amy . . ." Mr. Carter told network television, "I would have sworn that as long as my life existed, I would retaliate."

Mr. Carter had synthesized the networks' dangling twin themes (civilian casualties, and the tactical futility of retaliation) into a moral excuse for more murder.

On cue, the bodies of three British hostages were found outside Beirut, Lebanon. One of the three was reported to be a

United Nations employee named Alec Collett. CBS and NBC showed Mr. Collett's son, in Los Angeles, saying that President Reagan and British Prime Minister Margaret Thatcher were "responsible, and . . . no better than murderers themselves for this act of treachery."

The next day, the two networks had to eat crow: Mr. Collett had been mistakenly identified. He was not one of the trio of slain hostages. Who had been killed? An American named Peter Kilburn. The networks substituted Mr. Kilburn's nephew and niece in place of Mr. Collett's son. On national television they, too, blamed Mr. Reagan for their uncle's death.

Now network television was trampling over familiar turf, worn thin during the Iran crisis, and the TWA crisis, and the Achille Lauro crisis. the hostage families (whose loved ones had guns pointed at their heads) were called in front of the cameras to condemn their country.

By the week's end, pathos was giving way to panic.

Watching the "CBS Evening News" in an airport lounge, New York Times columnist Flora Lewis wrote last Sunday: "I wondered what we were doing to ourselves. One day Americans were puffed-up supermen, proudly telling each other that nobody can push them around. The next day," she added, "people were quivering, not at terrorism but in self-induced terror, to a degree no Libyan leader could possibly achieve."

The transformation was proof of the power of television.

VOTE ON JOURNAL OF TUESDAY, APRIL 22, 1986

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Pennsylvania [Mr. WALKER] is recognized for 5 minutes.

Mr. WALKER. Mr. Speaker, tomorrow morning I intend to get a vote on the Journal and I thought I would use the time to explain the reason for getting the vote on the Journal.

Today in an action on the House floor, by unanimous consent the outside earnings of Members of Congress were raised by $7,500. In other words, we received a backdoor pay increase on the floor today.

Tomorrow what I intend to do is ask the House to vote down the Journal so that we can vacate the proceedings by which that action was taken. An amendment to the Journal that would knock out the proceedings by which that action took place would in fact eliminate the action and we would therefore be back to square one.

Since it is clear that the action was taken without the proper consultation which is supposed to be accorded to this House before such actions are taken by unanimous consent, we ought to go back to square one and at least assure that before such a unanimous-consent resolution is brought before the House again that all the appropriate leadership is checked with.

That was not done today and the only recourse left to the House then is to try to knock it out by amending the Journal tomorrow. So I will ask for a "no" vote on the Journal. Should the Journal be voted down, I will have an amendment prepared that will knock out that part of the Journal which was the action that resulted in the back door pay increase for Members of Congress.

So I would hope that the Members tomorrow will understand in voting for the Journal that there is a substantive matter involved on it and I will try to have information on the floor to point out the substance of the matter at that point.

NUCLEAR WASTE REPOSITORY STATEMENT, REPRESENTATIVE SNOWE LEGISLATION

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Georgia [Mr. RAY] is recognized for 5 minutes.

Mr. RAY. Mr. Speaker, in 1982, the Congress and the President of the United States approved a law which called for the creation of a primary and a secondary nuclear waste repository.

The need for this legislation was obvious. As a Nation, we are presently creating 2,000 tons of nuclear waste each year and storing this hazardous waste material in temporary sites around our country. A safe and permanent way to store this waste is badly needed and we are already moving toward opening our first permanent site around 1998.

In the process of selecting the primary site, DOE has investigated a number of sites around the country and has now narrowed the choice to three finalists. This process has already cost the country billions of dollars, and more will be spent before the first site is opened.

But the Department of Energy is also moving ahead on creating a secondary site, just as the bill has ordered them to do. They have selected 12 sites around the country, which range from Georgia to Maine to Minnesota, and will spend $760 million in this next fiscal year just to begin testing these sites.

Mr. Speaker, there is no need for our Nation to spend this money now on testing for a secondary site.

The selection of a secondary nuclear waste repository is not feasible, practical, nor does it make any common sense.

The testing cost alone for the 12 selected sites over the next 7 years is over $5 billion.

This $5 billion expense must be reexamined in light of budget realities and the Gramm-Rudman cuts. With $5 billion, we could:

Build two space shuttles;

Provide an additional 846,000 students with educational aid for 1 year;

Provide school lunches and child nutrition programs for the Nation for 1 year; and

Drastically reduce the cost of Medicare and other health costs.

I understand that the prices we pay for technological advances are high and are necessary, but to even consider a secondary site at this time of financial trauma for America makes no common sense.

It is estimated that the first primary site selected will take almost seven decades to fill, once our legislation which lifts the arbitrary storage ceiling is passed.

The entire process of selecting and preparing a site for nuclear waste storage takes less than two decades—so any actions we take now to prepare for a secondary site are premature and even harmful.

The testing process is estimated to take 5 years or more. During this period, communities under consideration will suffer from deteriorating community and industrial development at a time when it can least be afforded. Economic momentum will be devastated in some areas. Personal anguish by the citizens is already intense.

In this time of budget cuts, we need to be practical and economical in actions we take. If in the process of selecting the primary site, we find two or even three sites which could be used for storage or nuclear waste, then it would make economic and budgetary sense for us to use one of those sites as a secondary repository when it is needed.

But the time to look for a secondary site is not now, and this is money which we can and we should find other ways to spend.

Mr. Speaker, today I join 22 of my colleagues in introducing legislation which, if passed, will legislatively eliminate the requirement for a secondary site in a different geographical location.

This bill, if passed, will head us in the right direction and it will eliminate in a legislative way and provide a measure that will eliminate this provision which is not practical, not feasible, and does not make common sense in searching, seeking, and spending money for a secondary site.

I am pleased to be an original cosponsor. I will work for its passage. I encourage my colleagues to consider this legislation and to become a full cosponsor.

PERSONAL EXPLANATION

The SPEAKER pro tempore. Under a previous order of the House, the gentlewoman from Colorado [Mrs. SCHROEDER] is recognized for 5 minutes.

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Mrs. SCHROEDER. Mr. Speaker, due to official business duties, I had to miss the vote on H.R. 4392, Control of the Plague. Had I been present, I would have voted "yes."

AMERICAN BUSINESSES ARE PAYING $2 BILLION A YEAR TO QADHAFI

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Texas [Mr. BUSTAMANTE] is recognized for 5 minutes.

Mr. BUSTAMANTE. Mr. Speaker, I join my colleagues in applauding President Reagan's bold action against Libya last week. We have now established a clear policy on international terrorism.

The evidence linking Libya to the bombing of a German nightclub in which one American soldier was killed and many others injured is incontrovertible.

Given that evidence, the United States had every moral, legal, and national security obligation to act militarily.

I am proud of the performance of our Air Force pilots who conducted their recent bombing mission in Libya with precision and quickness. At the same time, Mr. Speaker, I am embarrassed that five American Fortune 500 corporations still continue to do business as usual in that country.

The continued presence of Occidental Petroleum, Conoco, Amerada Hess, Marathon Oil, and W.R. Grace & Co. undercuts the purpose of economic sanctions. These companies are not there illegally. They were exempted from President Reagan's January Executive Order mandating the disinvestment of U.S. commercial interests.

Their presence represents an important revenue source for financing Libya's terrorist campaign. According to Dr. Henry Schuler, a good friend and specialist on the Middle East at the Georgetown Center for Strategic and International Studies. Five United States companies paid an estimated $2 billion in taxes last year to Libya.

That amount accounts for nearly one-fourth of Libya's national budget, and for nearly all of its hard currency.

I am disappointed with the reaction of some of our key allies to the U.S. military attack. But I am equally disappointed that our resolve to impose effective economic sanctions against Libya is subject to question. I urge the President to call on those companies to withdraw their interests. Current circumstances dictate that the President implement an economic sanctions' policy that is clear and unequivocal. The President has squarely framed the conditions for future military engagement. Our position on economic sanctions should be no less resolute.

To W.R. Grace & Co., Occidental Petroleum, Conoco, Amerada Hess, and Marathon, I urge you to leave Libya. Libya is at war with the free world. It is your tax dollars which are financing the missiles which are aimed at our F-111's. The line has been drawn in the sand. Whose side are you on?

Thank you, Mr. Speaker.

THE 71ST COMMEMORATION OF ARMENIAN MARTYRS' DAY

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from California [Mr. PASHAYAN] is recognized for 60 minutes.

Mr. PASHAYAN. Mr. Speaker, no crime against humanity is more heinous than genocide, regardless of the perpetrator. This Congress, this President, and scores of others who served before us have expressed this Nation's concern for the first genocide of the 20th century, that imposed on the Armenian people in the Ottoman Turkish Empire.

This body visited the issue last year and came to no true resolution, but the depth of this concern has been the subject of four special orders in this Congress. Today marks the fifth such discussion.

One of the previous special orders addressed the concerns of the Congress as far back as 1896. Another reviewed the records of Presidents as far back as Benjamin Harrison, Grover Cleveland, and Theodore Roosevelt. Yet another revisited the coverage of events in the Ottoman Turkish Empire by the news media. This past April 24 the Congress also commemorated the 70th anniversary of Armenian Martyrs' Day. Today we mark the 71st year in which a series of events culminated in the first genocide of the 20th century, and that served as a precedent for the Holocaust that was to follow one-quarter of a century later in Nazi Germany.

But I am familiar with the rhetoric whereby history of the events between 1915 and 1923 is attempted to be rewritten.

Since coming to Congress, I have urged that the historians and others search into the charges and countercharges. I have offered to the Government of Turkey, "Let us talk." Regrettably, that has not yet occurred.

Let us today focus on the simple issue before us: To commemorate an event that did occur and the tragic loss of two of every three Armenians who resided in the Ottoman Turkish Empire then in history.

The United Nations last year adopted a document calling the 1915 Armenian massacre a genocide. Thus again the ongoing efforts of today's Turkish Government to distort the Armenian genocide have been refuted in an international forum.

As California Gov. George Deukmejian asked:

> If Turkey is a mature society, it should be able to acknowledge its past mistakes. . . It is time that Turkey admitted its role in the Armenian Genocide, and it is time that the President and the Congress stopped buckling under to Turkish pressure to deny this simple historical truth.

Mr. Speaker, indeed the world cannot bury its head in the sand because of the events of the past. Elie Weisel, a survivor of the Holocaust, reminds us all that "the opposite of love, I have learned, is not hate but indifference."

As leaders in the most free and tolerant nation, we have the responsibility to remember and to speak out. Indeed, we have a responsibility not to forget the dead, but to learn from history.

Mr. BIAGGI. Mr. Speaker, will the gentleman yield?

Mr. PASHAYAN. I am glad to yield to my colleague.

Mr. BIAGGI. Mr. Speaker, I want to commend the gentleman for taking this special order on the Armenian massacre, or to be characterized in its proper form, notwithstanding the delinquency on the part of the House to recognize it as genocide of Armenians. I guess it is a forerunner of the House in the past and the world has universally acknowledged the holocaust. How do you make the distinction?

Some of the very same people who have supported resolutions for the holocaust have not supported this.

Mr. PASHAYAN. I think the gentleman raises an excellent point. I can see nothing but illogic between the two, because they were like actions, perpetrated by two different governments indeed. There is no logic why a Member should support the one and not support the other.

Mr. BIAGGI. That is the conclusion I arrived at.

The gentleman might be pleased to know that the Armenian community on Sunday last had a rally of significant proportions in Times Square in the city of New York, once again focusing attention on the Armenian massacre.

I think it is important, as the gentleman says, that the Turkish Government come of age.

□ 1810

We are not foistering blame on the present Turkish Government for this massacre.

Mr. PASHAYAN. That is true. The Republic of Turkey, which is the constituted government of the nation of Turkey today, was not responsible for the events of its predecessor government, which took place under the Ottoman Turkish Empire, and that was a separate and distinct government because, as the gentleman knows, the Ottoman Turkish Empire functioned under a different constitution. There was an entire change of constitution and of national character

in 1923, and this government is certainly not responsible.

It is strange, indeed, it is unenlightened, indeed, that this government does not admit what a predecessor government did.

Mr. BIAGGI. The fact of the matter is, the historical fact is that it did occur. We know it. Why do we tend to make a distinction between one and the other. They are both heinous and should be recognized as such, and should be put forward and focused upon for all humanity to understand that this has occurred, and hopefully we have learned lessons from it.

Mr. PASHAYAN. I thank the gentleman for taking his time, and for the support that he offers.

Mr. COELHO. Mr. Speaker, will the gentleman yield?

Mr. PASHAYAN. I yield to the gentleman from California.

Mr. COELHO. I thank the gentleman for yielding, and I appreciate also the gentleman taking this special order to give those of us who agree with his position an opportunity to acknowledge what has occurred.

I think, as the gentleman has pointed out, it is time for the Turkish Government to come of age and to understand that what happened in the Ottoman Empire does not mean that they have to be responsible for it; that they ought to be like the West Germans of today, understanding what happened in prior governments. They regret it, but they are open about it and, consequently, there is no ill will toward the current government in Germany.

The current government in Turkey refuses to acknowledge, accept, understand a fact of life and, consequently, there is a lot of ill will toward the current government of Turkey by many people who would not normally have this feeling and it is unfortunate that that is the case.

I would hope that at some point the Turkish Government would accept historical fact. I think that one of the concerns that I have is that, starting in 1982, the current administration, the Reagan administration, joined in with the efforts of the Turkish Government to try to change history. As the gentleman in the well knows, they were successful in getting the Department of State records changed to show that the massacre did not occur.

That was rectified to some extent, but not corrected. We still have the situation today where our government, the current government, is the first in many, many years that has failed to recognize that the massacre did occur, and as the Governor of California and the gentleman in the well, both of Armenian ancestry, pointed out, all you have to do is talk to those who went through it, talk to Government officials here in the United States and other countries who went through it, to know that it was a fact of life, but to sit back and try to deny it is a sham and it is something that this Government of the United States should not stoop to that level and should not even be requested by the Government of Turkey to do it.

It is a time to sit back and to recognize Martyrs' Day and to recognize that this is now the 71st anniversary of Martyrs' Day, and for the Armenian-Americans all across this country and, of course, people of Armenian ancestry all across the world, they should know that many of us in the U.S. Government do recognize that the massacre did occur and that we will continue to recognize this day and to continue to try to work on the U.S. Government to change its policy.

Mr. Speaker, I rise along with my colleagues today in observance of a day which is important to each and every one of us—Armenian Martyrs Day which is celebrated on April 24. This date marks the 71st anniversary of the beginning of the genocide of 1.5 million Armenians by the Ottoman Empire. It is not just a tragedy which is to be commemorated only by the Armenians, rather it is an opportunity for us as mankind to reflect on our history and contemplate our future. The killing of 1.5 million Armenians was an intentional act by the Ottoman government to eliminate a Christian minority within the vast confines of a Moslem empire just as Hitler sought to eliminate Jewish men, women, and children in order to ensure the purity of the Aryan race. Both were efforts to create a homogenous society.

Both of these tragedies are examples of man's inhumanity to man. But more importantly, they both provide us examples of what may arise in extreme instances of man's intolerance of man—perhaps because either one group's language, religion, or culture may be foreign to anothers.

We need to constantly be reminded of these incidents to prevent them from being committed again. As a modern society, we like to consider ourselves civilized, and yet this concept has not prevented leaders from trying to eliminate whole races of people who did not fit into their plans.

This year is perhaps more significant than others in our efforts to recognize and commemorate the Armenian genocide. As the 71st anniversary, we commence with the eighth decade of observing this tragedy. As the years pass, fewer and fewer Armenian genocide survivors remain. But the memory of this tragedy remains.

The genocide itself is well-documented by its survivors as well as U.S. Presidents, Members of Congress, Senators, and high-ranking diplomats from the early 1900's through 1923. I feel that it is a disgrace that the Reagan administration has sought to ignore this documentation and has continued to argue that the evidence in support of an effort on behalf of the Ottoman Empire to kill off 1.5 million Armenians is vague. Why in 1982—almost 70 years after the event—did the administration choose to change official U.S. position on the Armenian genocide? I offer that it has a matter of convenience. It is easier to rewrite history than it is to confront the past and deal with it appropriately in terms of our relationship with the modern Republic of Turkey.

Despite the desire of the Reagan administration to ignore this history, I feel strongly that it is very important for us to be reminded of it. We must not forget the lessons of this tragedy—not only for the Armenian survivors and the Armenian people, but for ourselves as members of this brotherhood we call mankind.

Mr. PASHAYAN. I appreciate the gentleman taking his time, and would add to his remarks that it is, indeed, puzzling and unfortunate that the administration has taken the position that it has through the Department of State to oppose the efforts of this body to state a simple historical truth, and it is especially puzzling and unfortunate because the President himself, in several remarks, has acknowledged the existence of the Armenian genocide and, therefore, the position taken by the administration and the Department of State appears, as I say, especially puzzling and especially unfortunate.

Mr. COELHO. I think we need to make clear, as the gentleman knows, that the President in some of the meetings with the leadership and others, has indicated his opposition to what we were trying to do here in the House. So it is not just the Department of State and others. It comes from the White House on down.

But today is a day to recognize what actually did occur, and to celebrate on this day. So I applaud the gentleman for taking this special order.

Mr. BROOMFIELD. Mr. Speaker, on this solemn occasion, I join with my colleagues in today's special order to remember the fate of hundreds of thousands of innocent Armenians who died 70 years ago. This tragedy was, indeed, one of the most ghastly crimes against humanity on record.

In 1915, the Ottomans began a 9-year campaign of bloodletting and massacre which resulted in the death of some 1.5 million Armenians. The term "Armenian genocide" was born of this epic tragedy. This year marks the 71st anniversary of the beginning of that sad event and it is important that we focus attention on this and other genocides of the 20th century. I believe that this special order will serve to reaffirm American resolve to work for the prevention of massive human suffering.

Time after time, man has dispensed with his essential compassion for his fellow man and replaced it with a horribly destructive malice that has shaken the very foundations of our civilization. By remembering these past lapses that defy the imagination, we can hope to prevent these abuses against innocent people from happening again.

Let us all reflect today on the needless suffering that has historically taken place in the world and continue to do our part to raise the specter of past atrocities in an effort to prevent future tragedies.

Mr. LEHMAN of California. Mr. Speaker, I stand proudly today, with my colleagues who also share my deep commitment, to honor and remember the victims of the Armenian

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genocide on the occasion of its 71st anniversary.

We are here today because we are committed to the truth about the Armenian genocide. We are committed to the cause of the more than 600,000 Armenians living in this country that has been all but forgotten by this administration. The facts of the Armenian genocide are as clear to us as they were to our predecessors in the House who spoke here on this floor about the atrocities in Ottoman Turkey. The truth about the genocide was clear to Henry Morganthau, former U.S. Ambassador to Turkey between 1913 and 1916, when he reported back to officials in Washington that, after visiting the Armenian territories in 1919, he had witnessed the "most colossal crime of all ages."

The present Government of Turkey refuses to address the facts and has tried to influence other governments into officially denying that the genocide ever took place. More importantly, they have succeeded in holding hostage Americans of Armenian descent, who for decades have sought peaceful means to address their grievances. Rather than pressuring the U.S. Government into accepting that a genocide never took place, and rewriting history to ignore the massacre, the issue remains like an open wound for those who carry the reminders of the genocide in their memories of their loved ones.

As I have done many times before and will continue to do as long as it is necessary, I come to this House with a commitment to see that the Armenian genocide is recognized for what it was—a planned extermination of a race. I speak on behalf of all Armenians when I say that we will work to prevail in our efforts to recognize historical fact.

Mr. BIAGGI. Mr. Speaker, I wish to reiterate my strong convictions about the subject of this special order. I am a proud cosponsor of House Joint Resolution 192 which would officially recognize April 24 as a national day of remembrance of man's inhumanity to man. This resolution was before the House for consideration late last year but action was never completed.

I recently joined as a cosigner of a letter to President Reagan urging him to issue a proclamation calling on the American people to observe April 24 as a national day of remembrance for all victims of genocide, especially those Armenians who suffered at the hands of those in the Ottoman Turkish Government between the years 1915 to 1923.

April 24 of this year will mark the 71st anniversary of the Armenian genocide. It is a day of immense importance to the 600,000 Armenians living in the United States who still vividly recall the memory of their 1.5 million ancestors who were the first victims of genocide in the 20th century.

As I said earlier, it is time to put an end to the effort to distort history. It is time that the United States ended its policy of nonfeasance with respect to the Armenian massacre. It did exist, it cannot be wished away. It cannot be ignored. Rather, it should be recognized for precisely what it was—a holocaust in the literal and brutal sense of the word. Yet to continue to deny it as a part of history or to attempt to deny it was genocide allows the perpetration of the horror.

No one who supports the enactment of House Joint Resolution 192 would take issue with the fact that Turkey is an ally of the United States. Yet that fact in and of itself should not serve as a justification to blot out history. The modern Turkish Government is not responsible for the deeds of its predecessors, the good or the horrible. Yet they continue to exert their influence to block passage of this resolution.

I recall the communication directed to Congress by our Ambassador to Turkey, Robert Strausz-Hupé, who opposed passage of House Joint Resolution 192 saying it "would be a gratutious insult." I contend in addition to the communication itself being inappropriate, the greater insult being promoted is against the Armenian people by failure to adopt this resolution.

Our failure to recognize April 24 does a disservice to the recognition of history but also to the ongoing efforts to educate and work toward the prevention of future holocausts. That is the issue we must contend with.

I appreciate the opportunity to participate in this special order and hope that in the not too distant future, we will be able to observe April 24 as a national day of remembrance of mans inhumanity to man. It will be the just thing to do for the victims and the survivors of the Armenian genocide.

Mr. MAVROULES. Mr. Speaker, the purpose of a commemoration is twofold: First we must remember what happened, relive those feelings, and honor those who suffered; then, with the memory fresh in our minds, we must make sure that it does not happen again.

The Armenians take time every April 24 to remember something painful, something that would be easier to forget: the genocide of their people in 1915. Today we join with the surviving Armenians to take a moment to reflect on the horror of that April of 71 years ago. Images that come to mind are of men being led away from their homes to be hanged or stabbed out in the fields, and women and children loading up all their possessions in a wagon only to be led out and abandoned in a desert.

With these images in my mind, I share the rage, shock, and fear that Armenians must be feeling. What happened was wrong and must be recognized as such. As uncomprehensible as the act of genocide may seem, it happened.

Denial is a human response, and this is exactly what the Turkish Government is doing with the Armenian genocide today. They are constantly denying that the genocide happened, afraid to admit to having done something so horrible. This aggressive denial even has the United States doubting the reality of the incident.

It is this questioning by Turkey and by the United States of well-documented historical events that frustrates American-Armenians. Armenians would like to go on with their lives, continue their cultural development, and forge a new history. But they are forced to focus on this one particular event. Because it is not being allowed to be a permanent part of world history, Armenians must put all their efforts into keeping this chapter of their history book open.

Turkish denial can be understood in terms of human behavior and one's natural aversion to taking responsibility for something bad that has happened. But this type of behavior must not be supported by the concurrence of the United States.

If we consider ourselves the strongest, most powerful nation in the world, not afraid of anyone or anything, then why is it difficult to acknowledge this incident? What happened to our ideals of truth, justice, and honesty? Where is our backbone? If Turkey can get us to deny the basic truth of an event that took place 71 years ago, what will other allies be able to get us to say, do, and believe?

Let's allow the Armenians the luxury of turning the page on that horrible period of their history. We must learn the lesson and promise that it will not be forgotten.

Mr. ASPIN. Mr. Speaker, each year we gather on the floor of the House to mark the occasion of Martyr's Day. This year I come here troubled.

Oh, there is good news this year. In February, the Senate ratified the Genocide Treaty. It took almost four decades to win acceptance. That's a long time. The fact that we won approval in the end demonstrates the benefits of persistence.

The Genocide Convention, of course, is largely symbolic. By itself, it isn't going to prevent future genocides. Not at all. But it is important symbolism because it puts on paper our unwillingness as a society to tolerate future genocides. As many proponents of the treaty, including me, have said: It sends a signal to the would-be genociders to think again, because the world has said it is prepared to punish you.

So, why should I come here troubled today with this clear-cut achievement fresh in our memories.

I come here troubled because I see movement in the wrong direction at the same time as we ratified the Genocide Treaty. Despite our efforts for more than 2 years, we have been unable to enact a simple resolution by which the Federal Government would recognize Martyr's Day. We came very close last year, but not close enough.

I come troubled because I see that our efforts to pass this resolution—which is purely symbolic—have been stymied. They have been stymied largely by the efforts of the Turkish Government, which has pulled out all the stops to convince Members to oppose this simple resolution to recognize the origin of the Armenian genocide in the Ottoman Empire during 1915.

I come troubled because this sends the wrong message. This sends the opposite message from our ratification of the Genocide Treaty. If the Genocide Treaty says, "Think again, we are prepared to punish you," then the nonpassage of the Martyrs' Day resolution says, "Think again, if you're powerful enough and vocal enough, you can rewrite history."

I come troubled because I heard Members during last year's debate on the Martyrs' Day resolution say that nothing serious happened in the Ottoman Empire during World War I. Oh, some Armenians died, but those were difficult times; the war had disrupted normal life—but there was no conscious effort to exterminate the Armenian as a people. How can we stand in this august Chamber and mouth such things?

I come troubled because I remember each year that quotation we all recall so vividly on this day. Before planning the final solution, Adolf Hitler asked, "Who remembers the Armenians?" Those of us who gather here each year in April to mark the start of the genocide do remember the Armenians. But we are not a majority.

I come troubled because this body has memorialized the Armenian genocide something like a dozen times. But now, for 2 years in a row, including the year of the 75th anniversary of the genocide, we have failed to do so.

I come troubled because there are too many who not only fail to remember, but choose to forget.

I come troubled because peoples who refuse to remember history are condemned to repeat it.

In 1919, President Wilson was so moved by the tragedy in Armenia that he explored the idea of sending troops there. In 1921, President Harding was so disturbed that he asked his Secretary of State if it would help to send an American warship to Armenia. Harding's knowledge of geography was poor, but his soul wasn't dead.

I come troubled because I wonder what others might have to say about our soul today.

I come troubled because I have, not a dream, but a nightmare—a nightmare in which the band of Members gathering in this Chamber each year dwindles, because there are too few who wish to remember and too many who choose to forget.

Mr. Speaker, I am pleased that after 40 years my country has at last ratified the Genocide Treaty.

But I come troubled here today because that is not enough. That is not enough.

Mr. BATES. Mr. Speaker, I rise today to join my colleagues in paying tribute to the 1½ million Armenians massacred between 1915 and 1923. Seventy-one years ago, Ottoman Turkey began carrying out systematic genocide of the Armenian people. Two months ago, the Senate finally approved the Genocide Convention, acknowledging our resolve to work to prevent mass human destruction wherever it takes place.

It is now time for us in this body to reaffirm our commitment to opposing acts of genocide and those forces which perpetrate it. The Armenian massacre was possible due to the silence of the international community. The Holocaust was carried out under a similar cover of international silence. We can not afford to be silent again.

It is the responsibility of the Congress, the President, and the American people to assure that such tragedies never recur. Reports of genocide are always easier to ignore than to believe, but by ignoring them we become complicit in the crime. Reports of the massacres of Armenians, Russians, and Jews were all ignored at the cost of millions of lives. America must be certain that similar reports are never again ignored.

I ask my colleagues to join me in paying tribute to the 1.5 million Armenians who were massacred 71 years ago. Let us be certain that, as a result of our vigilance and our opposition to such acts, acts of genocide will never be carried out again.

Mr. ANUNNZIO. Mr. Speaker, I rise to join my distinguished colleagues, Hon. CHARLES PASHAYAN, JR., of the 17th District of California and Hon. TONY COELHO of the 15th District of California in commemorating the 71st anniversary of the Armenian Genocide of 1915.

One and one-half million Armenians were the first 20th-century victims of "genocide," a term coined by Raphael Lemkin, whose efforts at the League of Nations in 1933 later gave rise to the Genocide Treaty which has been debated in the U.S. Senate for 37 years and which finally was ratified a few months ago.

I am personally pleased over the ratifications of this treaty because it gives formal recognition to America's moral commitment, and further, it is a positive effort toward averting wholesale slaughter of other peoples. After all, it happened to the Armenians, to the Jews, to the Cambodians, and so many others—and unless we remain ever vigilant, a similar tragedy could easily reoccur.

Mr. Speaker, at this point in the RECORD I would like to include a February 21, 1986, editorial from the Washington Post commending the U.S. Senate for their positive action in ratifying the Genocide Treaty.

The Post editorial follows:

[From the Washington Post, Feb. 21, 1986]

FINALLY, THE GENOCIDE TREATY

It was unusual to hear U.S. Senators speak of their fathers during the course of debate on the genocide treaty this week. But because the treaty had been stalled in the Senate for more than a generation, it should not come as a surprise that men long dead were involved in the drama that preceded the agreement. But at times the debate became personal and so, as it should for each of us did the subject.

Sen. Rudy Boschwitz spoke of his father, a Jewish judge in Germany, who came home on that January day in 1933 when Hitler took power, and told his family that they were leaving the country. After almost three years, moving through half a dozen countries, the Boschwitz family was finally admitted to the United States; many relatives who had not acted as quickly perished in the Holocaust.

After recounting this story, Sen. Boschwitz spoke at length and with great respect, of Herbert Pell, father of Sen. Claiborne Pell, who served on President Roosevelt's War Crimes Commission and was in effect fired from a high State Department position because he pressed, with too much enthusiasm, the cause of genocide victims.

Sen. Pell then pointed out that another member of the Foreign Relations Committee had reason to be proud of his father: Sen. Christopher Dodd's father Thomas—who also served as a senator from Connecticut—had been a prosecutor at the Nuremberg war crimes trials which helped bring the staggering facts of Nazi-era genocide to the world's attention.

The treaty was written soon after World War II, and it is as relevant to Armenians, Cambodians and others as it is to Holocaust victims. Sent to the Senate for advice and consent in 1949, the pact has been controversial because of unjustified fears that it would somehow override the U.S. Constitution, subject citizens to criminal trial in international courts or give rise to charges against this country based on segregation laws or Vietnam war activities. Through 37 years, though, there were always senators urging debate and ratification and deploring the United States' failure to agree to the document. Sen. William Proxmire in particular distinguished himself in this effort. President Reagan's strong support, announced in 1984, and Sen. Richard Lugar's skilled negotiating were also crucial in persuading undecided senators.

Ratifying this treaty will not end genocide, which continues even today. But it does give formal recognition to this country's moral commitment. This generation has now completed the work of another, begun many decades ago. Supporters of the treaty through this long period can share a sense of accomplishment and pride.

I would also like to include an editorial from the Chicago Tribune of April 25, 1985, which condemns "the stubborn refusal of Turkey's Government and people to acknowledge that the (Armenian) massacre ever happened."

The Tribune editorial follows:

[From the Chicago Tribune, Apr. 25, 1985]

NOW IT IS 70 YEARS

Anniversaries of Turkey's massacre of its Armenian citizens—which began in April of 1915—have changed their character. By now the observance is not so much a mourning for the dead, or the hideous manner in which most of them died. That was 70 years ago, and enough horrors have happened since to blur the memory.

Only one thing keeps this wound fresh among all the wounds the world has suffered. It is the stubborn refusal of Turkey's government and people to acknowledge that the massacre ever happened.

The time for mourning the dead may have passed. What is still to be mourned is the strange, perverse ability of human beings to deny reality and to keep denying it, apparently forever.

The Turks do not want to remember the systematic killing of more than a million men, women and children. No nation could. But there is a right way and a wrong way to get rid of an evil memory: to cleanse it, or to repress it. For 70 years Turkey has clung to the wrong way. It has tried to erase a historical fact from everyone's memory, to convince the world that such things are too dreadful to happen and therefore did not happen.

That is the purpose of observing this anniversary: to make clear that the self-deception has not yet succeeded. And if it has not worked for Turkey in 70 years, it may not be worth trying any longer, for the Turks or anyone else.

Although the United States has attempted to rectify the injustices done to the American Indians, and the present German Government has forthrightly accepted responsibility for the crimes of its Nazi predecessors, the Turkish Government in sharp contrast stubbornly continues to deny any wrongdoing by its Ottoman Empire predecessors. This continuing denial appears almost ludicrous in light of extensive United States media coverage of the Armenian genocide at the time that it was actually taking place. In the New York Times alone, there were over 194 news articles about the Armenian genocide. A chronological listing of some of the headlines from articles which appeared in the New York Times and other leading publications of the day, follow:

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U.S. Media Coverage of the Armenian Genocide

Misrule in Armenia, July 5, 1913, Literary Digest.

Whole Plain Strewn by Armenian Bodies, March 20, 1915, New York Times.

Appeal to Turks to Stop Massacres, April 28, 1915, New York Times.

Morgenthau Intercedes, April 29, 1915, New York Times.

Pleas for Armenia, May 15, 1915, New York Times.

6,000 Armenians Killed, May 17, 1915, New York Times.

Allies to Punish Turks Who Murder, May 24, 1915, New York Times.

More Armenian Massacres, June 6, 1915, New York Times.

Ask Aid for Armenians, July 15, 1915, New York Times.

Wholesale Massacres of Armenians by Turks, July 29, 1915, New York Times.

Report Turks Shot Women and Children, August 4, 1915, New York Times.

Armenian Horrors Grow, August 6, 1915, New York Times.

Burn 1,000 Armenians, August 20, 1915, New York Times.

Armenians Sent to Desert to Perish, August 18, 1915, New York Times.

Turks Depopulate Towns of Armenia, August 27, 1915, New York Times.

Turks Massacre Armenians of Ismid, September 3, 1915, New York Times.

1,500,000 Armenians Starve, September 5, 1915, New York Times.

Answer Morgenthau by Hanging Armenians, September 16, 1915, New York Times.

Mission Board Told of Turkish Horrors, September 17, 1915, New York Times.

Bryce Asks U.S. to Aid Armenia, September 21, 1915, New York Times.

500,000 Armenians Said to Have Perished, September 24, 1915, New York Times.

Pleas for Armenia by Germany Futile, September 24, 1915, New York Times.

Says Extinction Menaces Armenia, September 25,. 1915, New York Times.

The Depopulation of Armenia, September 27, 1915, the Independent.

Tales of Armenian Horrors Confirmed, September 27, 1915, New York Times.

Armenian Women Put Up at Auction, September 29, 1915, New York Times.

Turkish Atrocities in Armenia, September 29, 1915, the Outlook.

Armenian Official Murdered by Turks, September 30, 1915, New York Times.

Annihilation of Armenians Threatened, October 2, 1915, the Survey.

Death of the Armenian People, October 2, 1915, Literary Digest.

Tell of Horrors Done in Armenia, October 4, 1915, New York Times.

Government Sends Plea for Armenia, October 5, 1915, New York Times.

800,000 Armenians Counted Destroyed, October 7, 1915, New York Times.

Already Has $75,000 to Help Armenians, October 7, 1915, New York Times.

Sends $100,000 to Aid Armenian Refugees, October 9, 1915, New York Times.

Exterminating the Armenians, October 9, 1915, Literary Digest.

Spare Armenians, Pope Asks Sultan, October 11, 1915, New York Times.

Massacres Renewed, Morgenthau Reports, October 13, 1915, New York Times.

Turkish Official Denies Atrocities, October 15, 1915, New York Times.

Says Only Germany Can Save Armenians, October 16, 1915, New York Times.

The Assassination of a Race, October 18, 1915, The Independent.

Thousands Protest Armenian Murders, October 18, 1915, New York Times.

Turkey Bars Red Cross, October 19, 1915, New York Times.

Only 200,000 Armenians Left in Turkey, October 22, 1915, New York Times.

Germany Says She Cannot Stop Turks, October 22, 1915, New York Times.

Slay All Armenians of Kerasunt, October 26, 1915, New York Times.

Who Can Save Armenia?, October 30, 1915, Literary Digest.

Aid for Armenians Blocked by Turkey, November 1, 1915, New York Times.

Armenians' Heroic Stand in Mountains, November 27, 1915, New York Times.

The Armenian Massacres, December 8, 1915, New York Times.

Pope May Make New Plea to Kaiser, December 9, 1915, New York Times.

Million Armenians Killed or in Exile, December 15, 1915, New York Times.

Germany Protested Armenian Massacres, December 23, 1915, New York Times.

500 Armenians Slain Under Turkish Order, January 15, 1916, New York Times.

Bryce Asks America to Succor Armenians, January 26, 1916, New York Times.

Murder of Armenia, February 5, 1916, Living Age.

Saw Armenians Go Starving to Exile, February 6, 1916, New York Times.

Tells of Great Plains Black with Refugees, February 7, 1916, New York Times.

American Burned Alive by Turks, February 8, 1916, New York Times.

Ransoms Armenian Girls, February 13, 1916, New York Times.

Armenians Get Relief, March 8, 1916, New York Times.

Morgenthau Sees Wilson, March 10, 1916, New York Times.

Armenia's Need, June 17, 1916, Literary Digest.

Turkey's Treatment of the Armenians, July 5, 1916, The Outlook.

Signs of Death in Turkey, October, 1916, Missionary Review.

Lord Bryce on the Armenian Atrocities, October 18, 1916, the Outlook.

Protest of German Teachers, November, 1916, Current History.

Total of Armenian Dead, November, 1916, Current History.

The Calvary of a Nation, November, 1916, Literary Digest.

Why the Armenians Were Killed, November 11, 1916, Literary Digest.

Turkish Foreign Minister's Defense, December, 1916, Current History.

Massacre by Decree, January 27, 1917, New Republic.

Must Armenia Perish?, June 23, 1917, the Independence.

The Armenia Tragedy, August, 1917, Current History.

Who Is Armenia, September 1, 1917, Literary Digest.

A Call to Rescue Armenia, September 29, 1917, Literary Digest.

The Rescue of Armenia, November, 1917, Missionary Review.

Armenians Killed with Axes by Turks, November, 1917, Current History.

The Massacred Armenians, December, 1917, American Review of Reviews.

How Your Gift is Saving the Armenians, March 9, 1918, Literary Digest.

Ten Million Dollars for Relief, July, 1918, Missionary Review.

Ambassador Morgenthau's Story, November, 1918, the New World's Work.

Sultan Searching Out Authors of Killings, December 7, 1918, New York Times.

Tells of Turk Atrocities, January 3, 1919, New York Times.

Saw Turkish Atrocities, February 1, 1919, New York Times.

Saw Armenians Drowned in Groups, February 3, 1919, New York Times.

"Ravished Armenia" in Film, February 15, 1919, New York Times.

Show "Ravished Armenia", February 17, 1919, New York Times.

Still Murder Armenians, April 19, 1919, New York Times.

Turkey Condemns its War Leaders, July 13, 1919, New York Times.

Tells of Armenian Woes, July 20, 1919, New York Times.

Armenian Tells of Death Pilgrimage, July 27, 1919, New York Times.

Shall Armenia Perish?, February 28, 1920, The Independent.

Turks to Rebuild Mosques with Armenian Skulls, June 25, 1921, Literary Digest.

The Armenian Massacres, August, 1921, Current History.

Will Armenia be Saved?, August, 1921, Missionary Review.

Armenia's Tragic Finish, February 25, 1922, Literary Digest.

Crimes of Turkish Misrule, October, 1922, Current History.

Were the editors of the highly respected New York Times, the Literary Digest, and other similar publications printing facts or fiction? The answer is obvious and the facts are undeniable.

The horrible story of what happened to the Armenian people was accurately documented on a day-to-day basis in leading newspapers and publications of the day, and as time goes on, more and more people are becoming familiar with what happened to the Armenian people in 1915 at the hands of the Ottoman Empire.

Genocidal massacre, regardless of the nationality of the victims, can never be denied or repressed. For Turkey, it will fester, like an open wound, until a public admission of guilt is made, an expression of atonement is given, and an attempt follows to rectify injustices done to the innocent victims. Hopefully this will occur soon, for only then can this unfortunate chapter in world history be closed.

Mr. ATKINS. Mr. Speaker, today we again take the opportunity to pay tribute and recognition to Armenian Martyrs' Day. It is often asked why we continue to be concerned about an event that occurred over 60 years ago in another region of the world. It is the individuals who ask this question to whom I would like to address my remarks.

The purpose of our annual commemoration of this tragedy is to make it less likely that a similar event will occur in the future. During the period between 1915 and 1923, the Ottoman Turkish Government conducted a brutal persecution against the Armenian race within its borders. In this short 8-year period, 1.5 million Armenian men, women, and children were mercilessly murdered.

Such an atrocity is not the type of event any civilized person enjoys discussing, but it is not one that we can simply ignore or characterize as a unique episode in world history. In this century, the world has witnessed two events that have shown remarkable similarities to the Armenian genocide. The discovery of the Nazi concentration camps and the death of 6 million Jews at the conclusion of

World War II as well as the atrocities that occurred in Cambodia in 1975 shocked and angered the world. Yet, if these latter events are closely studied, similarities with the Armenian genocide become obvious; the names and faces may have changed, but the results remain the same.

We do not rise today to embarrass an ally or blame the descendants of the perpetrators of this crime. We do not rise to express our tolerance for the actions of Armenian terrorist groups. We condemn their acts just as we condemn those of the Ottoman Empire against its Armenian population.

We pay heed to this event in order to prevent future generations from becoming the newest victims of genocide. The suffering and death that occurred in Europe and in Cambodia reflect the need to continue to bring the Armenian genocide to the attention of the Nation and the world.

No one has the power to alter what has occurred in the past, but collectively we have the opportunity to shape the future. However, in order to ensure that history does not repeat itself, we must never forget the lessons it has taught us. Today, we commemorate Armenian Martyrs' Day because, as past events in Europe and Cambodia reflect, we have not fully comprehended the lessons of the Armenian genocide. Through our continued acknowledgement of the Armenian tragedy and those that followed, we try to ensure that our children never feel the pain and sorrow of genocide that the Armenians, as well as the Jews and Cambodians, experienced. So, to those who ask why we continue to make reference to the Armenian genocide, I point to the millions of Jewish and Cambodian graves, and I point to our children, and ask them—why not?

Mr. MARTINEZ. Mr. Speaker, honorable Members of the House and Senate, we have been brought together to reflect on one of the darkest moments in modern times. Seventy-one years ago, the Government of the Turkish Ottoman Empire unleashed a vicious campaign to systematically exterminate the Armenian people. In the next 8 years, 1.5 million Armenians were killed under Ottoman hands, and another one-half million were exiled from their homeland. Only 20 years later was a word invented that could capture the gravity and the horror of this act. The word is "genocide."

Genocide is recognized as the gravest crime known to man. It is beyond question that this heinous act was committed against the Armenian people in Ottoman Turkey in the early part of this century. Its occurrence has been confirmed by eyewitnesses Henry Morgenthau, U.S. Ambassador to the Ottoman Empire, and Kemal Ataturk, founder of modern Turkey; by authorities on genocide, Raphael Lemkin, who coined the term "genocide" and introduced it to the world, and Elie Weisel; and by both Presidents Carter and Reagan. Yet despite this extensive documentation, Armenians today find themselves in a vital struggle against an apparent willingness to cloud, and to ultimately extinguish any human memory of this epic tragedy.

We Americans have a deep and enduring sense of justice. The morality of our people, though often obscurred in the heat of political battle, can always be seen guiding the ship of American policy. We saw this last year as the President planned his trip to Bitburg. The American people view Germany as our close friend and ally, and without hostility. But our warmth toward the Germans will never dull our horror over the vicious crimes committed by the Nazi regime, or our firm sense of justice toward those who carried out the evil plan. Similarly, we cannot allow our close and important alliance with the Republic of Turkey to compromise our deeper sense of justice in the face of history. The Armenian genocide was one of the most savage crimes against humanity in history. By refusing to recognize it, the U.S. Government is perpetuating a dangerous and immoral lie, and is helping to keep open the possibility that somewhere, sometime, it may happen again.

I believe that we who are speaking out in this Chamber today represent the true voice of the American people. As such, we will never allow the Armenian genocide to be forgotten. We stand by the Armenian people in forever guarding the flame of justice that has served as a beacon both to our Nation, and to our civilization.

Mr. MOORHEAD. Mr. Speaker, I would like to thank the gentleman from California for taking this special order commemorating the Armenian martyrs who, 71 years ago, were slaughtered in one of the world's worst acts of terrorism. In recalling the Armenian massacre we are reminded of the darkest moments in history. The suffering and conflict created by those horrible events remain a very real experience for those whose lives have been affected by it.

In celebrating the 71st anniversary of the Armenian genocide we are engaging in an act of remembrance. We do so to pause and reflect upon the Armenian experience, and to ensure that those events 71 years ago are never forgotten.

This exercise also serves to remind us that acts of barbarism and terrorism continue unchecked to this day. It is appalling that we live in a world where man is inhumane to man and where acts of terrorism have become commonplace. It is our responsibility to see that these acts are not forgotten. We are morally obligated to build toward a safer world where the rights of all are protected.

Mr. GREEN. Mr. Speaker, I rise today as part of this special order to acknowledge and remember the tragic genocide of 1.5 million Armenians. Furthermore, I rise to express my deep regret that this Congress has not yet passed a resolution making April 24 a National Day of Remembrance of Man's Inhumanity to Man.

It has been 71 years since the tragedy which wiped out 1.5 million Armenian men, women, and children; more than 7 decades since those people were marked by the Ottoman Empire for cultural genocide. To this day, I receive letters from my constituents who are survivors of this tragedy and were eyewitnesses to some of its horrors. More and more, those letters are being written by children or friends as the survivors are now too old to write for themselves.

Thus the task of remembering this tragic event becomes even more sacred. The truth must survive the eyewitnesses. When someone suggested to Hitler that world public opinion would be hostile to his "final solution of the Jewish problem," Hitler responded, "Who remembers the Armenians?"

Unfortunately, last December, this House did not remember the Armenians. After a lengthy and often heated debate on House Joint Resolution 192, to designate a National Day of Remembrance of Man's Inhumanity to Man and particularly the Armenian tragedy, the Members of this House bowed to the pressure of the Turkish Government and defeated a friendly amendment, 213 to 206. This was not a proud day for this House, and I hope it is a day we can rectify in the near future.

The Turkish Government continues to battle this resolution and to deny that the massacres by the Ottoman government ever occurred. Moreover, the Turkish Government has made this issue a litmus test of support for our NATO ally Turkey.

To their denial I say that the truth of the reported massacres has been established by the survivors and by substantial evidence found in the records of the Congress. To their litmus test I say that if we acquiesce to our allies' rewriting of history and truth as a sign of our support, we shall be a nation stripped of our morality.

We are all aware of the 37 years it took the Senate to approve the Genocide Convention and to reaffirm America's resolve to work toward the prevention of mass human destruction. I would hope that our Armenian friends and constituents will not have to wait twice 37 years for their day of commemoration.

Mr. TORRES. Mr. Speaker, I want to thank my colleagues from California, Mr. Coelho and Mr. Pashayan for requesting this special order on the anniversary of the Armenian genocide.

It is only right that we recognize and commemorate the genocide perpetrated on the Armenian people over 70 years ago.

Mr. Speaker, I have joined my colleagues on several different occasions bringing attention to events that devastated the Armenian people. The genocide is still alive in the memories of people of Armenian descent.

Over 70 years ago, between 1915 and 1923, more than 1½ million Armenians perished at the hands of the rulers of the Ottoman Empire. The Armenian people were nearly destroyed. I believe it is important that each year Congress bring this tragedy to the attention of the American people and the world.

It is unfortunate that we have to have legislation like House Joint Resolution 192 in Congress. It saddens me that man has been so cruel, so often that we must memorialize these events of genocide. I fear that to forget the genocide of Armenians and other groups would be a mistake. Genocide will not end with this resolution, but I hope it will cause us to reflect on man's inhumanity. Perhaps it will help us pledge to do better in the future. If this special order and House Joint Resolution 192 can achieve this simple goal, they are worth our support.

Mr. BOLAND. Mr. Speaker, I am pleased to join my colleagues in this special order com-

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memorating the 71st anniversary of the Armenian genocide.

The genocide against the Armenian people of Turkey, perpetrated by a dying Ottoman Empire in 1915, remains one of the most significant events in world history. The degree of savagery with which it was undertaken, and the precedent it set for the monstrosity committed by Adolph Hitler in World War II, assures it of a permanent place in the collective memory of the world's nations and people. That the genocide occurred is an indisputable fact. The modern day tragedy of that event is that the pain and suffering of the Armenian people continues unabated to this day, due to the continued refusal of the Turkish Government to acknowledge that the genocide ever took place.

The level of man's inhumanity to man demonstrated by the Turkish regime of that era, has sadly been repeated by other governments in other countries since. Genocide, it is said, has four stages: identification, segregation, extermination, and denial. We continue to mark this day in world history in memory of those people who perished in the deserts of Der-El-Zor, in the hope that the collective conscience of the world will never countenance the denial of the event. We also mark this anniversary in the hope that in so doing we will prevent future acts of genocide. That requires vigilance, a vigilance that was sadly lacking in Hitler's Germany and, in more recent history, Cambodia. But, just as the Armenian people have persevered through a profound strength and faith, hope remains for mankind, that it might one day fully realize the horrendous enormity of such genocide. As part of that process, we must recognize and accept our past. It is in that spirit that we commemorate the Armenians that perished, and the strength of those Armenians that carry that legacy today.

Mr. FAZIO. Mr. Speaker, I would like to thank my colleagues, especially my California colleagues, Mr. COELHO AND MR. PASHAYAN, for organizing today's special order on the Armenian genocide.

This year marks the 71st anniversary of the Armenian genocide, in which 1.5 million men, women and children lost their lives in Turkey between 1915 and 23. The genocide began with the arrest and execution of leading intellectuals and clergymen and the murder of the young men drafted to serve in the Turkish Army. By 1923, one-half of the world's Armenian population had been massacred on its ancestral land which it had inhabited for more than 3,000 years.

Today we memorialize the Armenian martyrs. What happened 71 years ago was the first atrocious display of the 20th century of international neglect and passivity in the face of genocide. Unfortunately, we did not learn and the tragedy was repeated again in Germany and in Cambodia. It is important that not only Armenians, Cambodians, and Jews remember the atrocities of genocide, but that the rest of humanity also remembers these events. We have a moral responsibility to draw our attention to the tragedy of genocide and remind ourselves of its consequences so that it will not happen again.

Our Presidents, statesmen, and legislative bodies have repeatedly recognized the atrocities of the Armenian genocide. Henry Morganthau, U.S. Ambassador to the Ottoman Empire at the time, sent a telegram to the Secretary of State which stated that:

> Deportation of and excesses against peaceful Armenians is increasing and from harrowing reports of eye witnesses it appears that a campaign of race extermination is in progress under a pretext of reprisal against rebellion.

President Reagan, in a 1981 proclamation regarding the victims of the Holocaust stated that:

> Like the genocide of the Armenians before it, and the genocide of the Cambodians which followed it—and like too many other such persecutions of too many other peoples—the lessons of the Holocaust must never be forgotten.

Most recently in Congress, a resolution was introduced last year to designate April 24, 1986 as a "National Day of Remembrance of Man's Inhumanity to Man" especially for remembering the Aremenian genocide by the governments of the Ottoman Turkish empire.

It is our moral obligation to remember the tragedy of the Armenian genocide and work toward the prevention of mass human destruction. The consequence of this act has implications not only for surviving Armenians and their relatives, but for all of mankind. We must heed our own warnings and do all that we can to ensure that another genocide, that another race, ethnic group, or nationality does not face the atrocities which the Armenians faced 71 years ago. Therefore, it is appropriate that we join today in recognizing this tragic event in the hope that our combined efforts will help prevent such a recurrence.

Mr. HOWARD. Mr. Speaker, today another year is added to the legacy of the Armenian genocide, another year of Turkish denials, and terrorist violence that dishonors the memory of every martyred Armenian soul. As we reach the 71st anniversary of our century's first genocide, the Government of Turkey has intensified its image-building campaign in the mistaken belief that mere rhetoric can make their country part of the Western moral community. Strident assertions of innocence and outright fabrications are simply not part of the democratic character to which Turkey allegedly aspires.

It is indeed time for Turkey to join its NATO partners in moral as well as strategic solidarity against the Soviet threat, but among the many words spoken the right ones have not yet been heard. Turkey's real accession to the moral plane of its fellow alliance members can only begin with a recognition of the historical facts. Quite simply, the Armenian population of the Ottoman empire was, behind the shroud of a world war and civil confusion, deliberately, systematically, and mercilessly slaughtered. As part of a secret but official government policy of genocide, Ottoman soldiers herded, tortured, and murdered their victims for the crime of being Armenian. These facts cannot be denied any more than we can deny that Hitler, as a matter of state policy, murdered the Jews of Europe.

Time and again, year after year, the same is said. The genocide was real and Turkey will never be able to assume a mantle of honor until the past is recognized for what it was. Why must we continue to harangue the Turkish Government to admit the guilt of the Ottoman empire? Why do we not let go of the past and forge a new future with Turkey? Because of the Orwellian warning of what can happen to a community that rewrites history. If government authorities are allowed to rewrite a nation's history, then no one is left to challenge the direction that government chooses to take. If we allow the Turkish Government to erase every memory, wait until every witness dies, then the entire human community suffers. For we will have no evidence that it happened, that it was wrong, and that it mattered.

After 71 years, the time has come for Turkey to take the honorable path, the path taken by the Federal Republic of Germany, which has risen proudly from the most terrible human experience of this century. Only when Turkey chooses to acknowledge the truth of the Armenian genocide can it stand in moral unity with its NATO partners against the terrorism, against the uncertainties of the future, and against the bitterness of these terrible memories.

Mr. FLORIO. Mr. Speaker, I am pleased to join my colleagues in commemorating the 71st anniversary of the beginning of the Armenian genocide. This terrible chapter in the history of mankind reaped the lives of 1.5 million Armenians. I join my colleagues with a sense of sorrow and dismay as we reflect upon this tragedy that spanned a number of years and decimated the Armenian population in the Ottoman empire while leaving innumerable scars on the survivors of this tragedy.

The Armenian people were not only deported and robbed of their lands and possessions but they were also subjected to cold-blooded massacres and atrocities and brutal extermination. Males were separated from their families and massacred while remaining women, children and the elderly were forced to march across Asia Minor to the Syrian Desert. Of these marchers, thousands died in route of starvation, exposure, and disease. Countless survivors witnessed the atrocities perpetrated upon their families, relatives and friends and these survivors still carry with them the memory and the scars of this genocide.

During this trying time, our Government and other governments around the world joined in condemning this systematic destruction of a particular group of citizens. Press reports and government studies all point to the fact that this tragedy did occur and those that will deny its occurance are denying history and fact. The most glaring aspect of this entire tragedy is the fact that the Turkish Government still continues to deny that this genocide ever occurred and explains the deaths of 1.5 million Armenians as having resulted from years of civil strife in the region.

This denial of history which has been documented by survivors, eyewitnesses, correspondents, U.S. Presidents, and even past Congresses, underscores the need for approving House Joint Resolution 192 and paying tribute to the memory of those who died while ensuring that future governments will not be able to deny these atrocities. House Joint Resolution 192, which I have cosponsored, designates a day of remembrance for the victims of the genocide but its intent

has been misconstrued and its effects have been cast in the light of present-day relations between the United States and the Republic of Turkey.

I have joined several of my colleagues in sending a letter to the President requesting that he officially commemorate this 71st anniversary of the Armenian genocide. By commemorating this date and by remembering the many lives that were needlessly lost, we are in no way condemning the current Government of the Republic of Turkey or the Turkish people. Rather, we are calling attention to a significant chapter of the history of mankind as a way of preventing further tragedies. For when we continue to remember that man has the capacity to destroy as well as rebuild, we will be better able to ensure that genocides will no longer be a part of our future. We owe it to the future generations, to the survivors, and to the memories of those who died, to continue our vigilance and ensure that this tragic chapter of the history of mankind is never again ignored, forgotten or doubted.

Mr. FORD of Michigan. Mr. Speaker, I would like to join my colleagues in paying tribute today to the million-and-a-half men, women and children who died in the Armenian genocide of 1915–23. This is the 71st anniversary of that horrendous event and I don't think it is a day that should go unnoticed in this body.

I would like to recall that half the Members of the House sponsored a resolution that would have designated April 24, 1986, as a day to remember man's inhumanity to man and all victims of genocide.

Sadly, because of tactics employed by the administration, the resolution did not come to a vote. The administration raised the specious argument that passage of the resolution would adversely affect our relations with the present government of Turkey, even though it clearly and specifically said it dealt with the atrocities of the Ottoman empire and in no way reflected on the present government.

April 24 is the date that people of Armenian ancestory commemorate the death of these million-and-a-half victims of horrible slaughter at the hands of the Ottoman empire's bloodthirsty agents.

I want to point out today, as I did at the time the resolution was on the floor, that we are in no way criticizing the Government of the Republic of Turkey, with whom we enjoy an excellent relationship.

At the same time I want to stress that this commemoration is very important to thousands of Armenian Americans who have contributed and continue to contribute so much to our Nation. And I want these people to know that Americans shudder at the very thought of what happened to their ancestors those many years ago. And not only to ancestors, for some of the older Armenian-Americans themselves are survivors of the horrible massacres.

And even though we failed to pass the resolution, I want all Armenian-Americans—and indeed the whole world—to know that we in America find that what happened earlier this century is a terrible blow to humanity, decency and all the virtures for which our country stands.

Mr. DOWNEY of New York. Mr. Speaker, today, I join my colleagues in commemorating a tragic event in 20th century history, the Armenian genocide of 1915.

I am struck by the horror of the first modern case of genocide. One-and-a-half-million people in Armenia were systematically and ruthlessly exterminated by the Ottoman government. A government, recognized and respected by other governments, attempted to extirpate a people, a culture from the face of the Earth. The Ottomans tried to change human history—to close a chapter in the story of humanity. The Ottomans did not succeed in their demented project. One-and-a-half-million men, women and children died, but the Armenian people still live, their culture and their history flourishes.

The horror of the Armenian genocide is made all the worse by the refusal of some people to acknowledge that it ever happened. They would like to ignore this sordid chapter of history. They plead that we cannot offend the sensibilities of our allies. They place concern for rader installations above regard for human life.

I take heart, Mr. Speaker, in the fact that the other body ratified the Genocide Convention on February 19, ending 37 years of sterile debate.

Today we should pause for a moment, open our hearts and remember those unfortunate people who lost their lives because they happened to be Armenian. Once we have done that we should increase our resolve that it never happen again.

Mr. BEDELL. Mr. Speaker, as you well know, genocide is the most horrible of all crimes. Although genocide is an action against a specific group of people, it has far-reaching consequences for humanity. Genocide robs the world community of its dignity and its most important natural resource: its people.

When I mention genocide, the Nazi Holocaust in which millions of Jews and Eastern Europeans were exterminated, first comes to mind. Over the past 40 years, there has been a concerted effort to educate people about the atrocities carried out by the Nazis during World War II. Yet there is another example of genocide which occurred only 30 years before World War II that receives little attention. Between 1915 and 1923, 1.5 million Armenians were exterminated by the Ottoman Turkish Government. These Armenians were neither rebels nor usuprers, but loyal Turkish citizens. The only crime of these 1.5 million men, women, and children was their Armenian heritage. Today we take a few moments to pay tribute to the men, women, and children who died in the Armenian genocide.

It has been 71 years since the beginning of the mass extermination of Armenians by the Ottoman Turkish Government, yet the effects of the crime still linger. Before World War I, 2,500,000 Armenian lived in the Ottoman Empire. Since the genocide, fewer than 100,000 declared Armenians reside in Turkey. For the Armenian community the atrocities of the early 1900's are still too real; however, little has been done to recognize this tragedy and make certain that it never occurs again.

It is alarming that this example of one of the most horrible crimes of the 20th century should go largely unrecognized for so long. While almost everyone remembers learning about the Holocaust, few people are aware of the great tragedy of the Armenian genocide. Today, we take this time to recognize and educate about the Armenian genocide, because very often the past serves as a blueprint of the future. As a nation and a member of the global community, we must prevent the mass extermination of peoples. This can only be accomplished through a greater knowledge and understanding of the past. We must directly face the history of genocide in order to prevent future atrocities.

If we ignore the problem of the Armenian genocide, we condemn our children to make the same mistakes that previous generations have made. For this reason, we pay tribute to the 1.5 million men, women, and children who perished at the hands of Ottoman Turkey. Hopefully, our solemn efforts today will ensure that we can prevent future atrocities from occurring.

Mr. BARNES. Mr. Speaker, once again I appreciate the opportunity to add my statement to those of my colleagues who today remember and pay tribute to the one and a half million men, women, and children who were the victims of the Armenian genocide from 1915 to 1923.

There are many people today, living in the United States, whose relatives fell victim to the Armenian genocide. I have talked with some of them. They have told me their very personal and sad stories. They have told me how difficult it is to live with the knowledge of what happened. And, they have expressed their deep sadness and outrage that the Armenian genocide seems to be a forgotten event, that one of the most cruel horrors of modern history goes unnoticed and unacknowledged.

Elie Wiesel, as chairman of the U.S. Holocaust Memorial Council, said in 1981:

> Before the planning of the final solution, Hitler asked, "Who remembers the Armenians?" He was right. No one remembered them, as no one remembered the Jews. Rejected by everyone, they felt expelled from history.

This special order today is a time for us to remember this shocking period in world history. It is an opportunity for us to join with the generations of Armenians who must live with the knowledge of what has happened to their relatives and historically to their people.

All the memories of this painful time will pass through generations. What we are saying today is that the horror of those years must be known and understood and—like other atrocities against humanity—must find its place forever in the human heart and the human conscience.

I believe, as President Reagan has said in Proclamation 4838:

> Like the genocide of the Armenians before it, and the genocide of the Cambodians which followed it—and like too many other such persecutions of too many other peoples—the lessons of the Holocaust must never be forgotten.

Recognizing the Armenian genocide, as we have recognized the Holocaust, reminds us of what the very worst in human nature can bring about, and compels us to protect our future from the recurrence of such a nightmare. At all costs we must preserve for succeeding

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generations our dreams and hopes for a better, more humane world.

Mr. McHUGH. Mr. Speaker, we commemorate today the 1.5 million Armenian men, women, and children who were the victims of Ottoman massacres during the years from 1915 through 1923.

It is perhaps the saddest fact of our times that such destruction of a racial, religious, or social collectivity not only occurred, but has continued to reoccur in this century, and in various parts of the world—particularly in the Nazi Holocaust as well as in the extensive Soviet campaigns to exterminate dissident and potentially dissident minority blocs. To describe such systematic murder, Raphael Lemkin first used the term "genocide" in 1944; since then it has become part of our century's vocabulary, a sad reminder that although the human race has made much technological and social progress in this century, various nations have shown themselves to be capable of massive and hideous cruelty toward literally millions of innocent victims.

Today, as we remember the victims of the Armenian genocide early in this century, we are aware of the precarious situation in the world caused by the spread of terrorism. More and more people throughout our planet have become victims and potential victims of irrational, mindless destruction. This circumstance, of a world increasingly steeped in random violence, reminds us of the fundamental threat to our common humanity and survival whenever any group or nation resorts to violence as a way of asserting national, cultural or religious dominance.

Earlier this year, the Senate approved the U.N. Genocide Convention, an act which records our resolve as Americans to work toward the prevention of mass human destruction. Especially on this day, as we mourn the loss of over a million innocent Armenians early in this century, we pledge ourselves to redouble our efforts to seek a more peaceful world in which such monstrous crimes cannot reoccur.

Mr. BLILEY. Mr. Speaker, I am torn between feelings of honor and sadness that Members of Congress are compelled to seek special time to remember the genocide against the Armenian people.

I am honored that this Congress, the greatest legislative body in the history of the world, is populated by decent and moral men and women who will take the time to keep the facts of genocide alive so that they will never again be repeated. As a Member of this House of Representatives I have a duty to call the attention of the American people to the truth of history and its implications for the future. We must learn truth and we must live truth if we are not to relive past horrors.

Our diplomatic representatives knew of the Armenian genocide. There are numerous cables and letters clearly laying out the systematic and planned nature of the actions against the Armenian people. Our political leaders knew about the genocide. And yet we did nothing about it. Much the same thing happened in Germany beginning in 1936 against the Jews. Very little was done about this situation until it was too late and the Second World War had begun and drawn a black curtain of death over Europe. More recently we have seen the mass destruction of the Cambodian people by their own rulers who used much the same model developed in 1915 by the Ottoman Empire and refined by the Nazis from 1936 to 1945.

Where was the world while these horrors were taking place? We knew or at least suspected that these things were happening, but the whole world seemed to withdraw into collective refusal to act against genocide. We cannot afford to let this happen again. Only by remembering and keeping history alive can we hope to deter a future Hitler of Idi Amin from the brutal and senseless slaughter of human beings.

I stand here today saddened because we still seem to have not learned the lessons of history. Some still try to deny or mitigate the truth for their own personal or political reasons. This seems to me to be the height of folly and irresponsibility. The denial syndrome can only weaken the moral foundation and resolve of a people and a nation. If strenuous efforts are made to rewrite history and deny the truth then who is to say where this process stops?

The better course, the only moral course, is to face the truth and deal with it in a useful way. To face the truth, no matter how horrible and ugly, and to use that truth to exorcise the spirit of evil and immorality that caused these events in the first place is the only proper way to deal with these issues. The fact that some people do not seem to be able to recognize the truth is a sad fact that we must fight and work against until all people everywhere learn the lessons of history and prepere themselves to prevent any future genocide.

Mr. Speaker, I thank you for recognizing us for this special order and I only hope that we may soon not need to use these methods of drawing attention to the truth.

Mr. MANTON. Mr. Speaker, I would like to commend my colleagues for organizing today's special order in commemoration of the 71st anniversary of the Armenian genocide of 1915–23. It is important that today the Congress stresses our commitment to freedom and justice.

The tragic death of 1.5 million Armenians during the Ottoman Empire was the first genocide of the 20th century and remains one of the greatest crimes of this century. Unfortunately this genocide was ignored or forgotten by the world. Therefore, it was not the last genocide of the 20th century. Hitler himself said, "Who remembers the Armenians?"

I am firmly convinced that the Armenian genocide must never be forgotten. That is why I cosponsored and strongly supported House Joint Resolution 192 which would have designated April 26 as a day of remembrance of man's inhumanity to man, especially the victims of the Armenian genocide. I believe we must never forget those 1.5 million men, women, and children who died solely because of their ancestry. We have a duty to their memory, a duty to their families and the survivors to never let the world forget this great tragedy. Furthermore, we also have an important duty to our children to teach them the mistakes of the past. By doing so we will make certain that such tragedies are never repeated.

There are some who will say that the Armenian genocide did not happen. We know this to be untrue and there is a great body of evidence to refute this false claim. The American ambassador to the Ottoman Empire during the period of this genocide reported extensively on the continuing massacres and his efforts bring them to an end. Last August a U.N. human rights panel in Geneva specifically cited the Armenian genocide. Furthermore, in both 1975 and again in 1984, the House of Representatives passed a resolution marking the anniversary of the genocide and eight Presidents of the United States have protested the genocide. Most recently, President Carter and President Reagan reaffirmed American recognition of this tragedy. We cannot allow ignorance, prejudice, or short memories to rewrite history.

Mr. Speaker, America has a special role to play in ensuring that this tragic chapter of human history is not forgotten. Many of the survivors later emigrated to the United States where they helped to build a strong, prosperous, and free nation. The great contribution of Armenian-Americans is indisputable. Furthermore, as a leader of the free world, the United States must remember all victims of tyranny and injustice. Today's ceremony reaffirms America's dedication to the principles of personal and religious freedom and our commitment to promoting peace and liberty throughout the world. I pledge my commitment to those goals and will continue my efforts to ensure that the Armenian genocide is never forgotten.

Mrs. SCHNEIDER. Mr. Speaker, today I join my colleagues in a tribute to the Armenian people. The suffering of the Armenian people is well known. Last year the House spent many hours in debate highlighting the actions that occurred 75 years ago. The historical debate about the exact numbers, the scope, and the motivations of those involved continues without resolution. It is not, however, necessary to reach a conclusion about the cause of a tragedy in order to share the sense of loss felt by the Armenian people. It would compound that tragedy if the world were to forget the sufferings of the Armenians during and after the First World War.

In my own State of Rhode Island, the Armenian community has a particularly rich tradition and heritage. As a guest at the annual festival at St. Sahag and St. Mesrob Armenian Church, I am reminded of the hospitality, the sense of fellowship, and the service that is such an important part of the Armenian community in Rhode Island. Certainly our State has benefited immensely from the contributions of the Armenians who have settled here. The majority of that community has no personal memory of the events in Armenia between 1914 and 1926, but they have heard the tales of suffering from their parents and grandparents.

I think that at a time when we remember this suffering it is appropriate for us to look as well to the triumphs of the Armenian people. The contributions of the Armenian people to the business, culture, education, and government, not only in Rhode Island, but wherever they have placed their roots, should stand as a reminder to us all that out of suffering comes strength and out of tragedy, compassion. We commemorate today the suffering and tragedy that befell the Armenian people 75 years ago, but we also celebrate the strength and compassion that stand as a mark of Armenians everywhere.

We cannot undo history. We do know, however, that the benefits that we enjoy are often founded in the sufferings of earlier times. It is only proper that we set aside contemplative time to remember those who suffered and to express our gratitude for our freedom, our community and our heritage. I join my colleagues today in remembering both the tragedy of the Armenian people and their triumphs during the past three-quarters of a century.

Mr. TOWNS. Mr. Speaker, today as we commemorate the genocide of Armenians from 1915 to 1923, we must recognize the permanent pain and anguish that will not be forgotten by the survivors of this tragedy.

The 1.5 million Armenian men, women, and children who perished will be remembered as victims of a cruel and barbarous act against humanity.

We cannot compensate for the remorselessness of this massacre but we must remember those who perished so that they will not have died in vain. We should never forget such acts of barbarity. The determination and perseverance of the Armenian people, whose culture and heritage allowed them to survive this disaster, must be commended. In this day and age, we cannot afford to look the other way when human rights violations are being perpetrated. We must work toward preventing other genocidal acts by remembering incidents like those of the Armenian people and informing world opinion about such tragedies so that they will not occur in the future. Let us hope that the U.S. Senate's ratification of the Genocide Treaty is a step in the right direction in preventing future acts of mass destruction against any nation or people.

Mrs. BOXER. Mr. Speaker, I am proud to participate in this important special order.

The 20th century has seen its share of triumph and tragedy. We celebrate the triumphs; we mourn and learn from the tragedies. But we cannot learn anything if we insist on closing our eyes to the fact that a tragedy has indeed taken place.

Seventy-one years age, the Ottoman Turkish Empire began a system of genocide against the Armenian population that eventually left 1.5 million dead, and opened the way for future genocides. There are those who, for various reasons, insist that this terrible tragedy was not in fact a genocide, or more grotesquely, that it never occurred at all. Such lies have devastating results—not only for the Armenian people who suffered so much, but for those of us who hope to prevent the occurrence of future such tragedies.

Mr. Speaker, in February, the Senate ratified the Genocide Convention after 37 years. The United States is now an official participant in the battle to prevent future genocides. It is recognition of the Armenian genocide, as well as the subsequent Nazi Holocaust, that galvinized the world community into taking the important step of a treaty to outlaw genocides. The least we can do is stand here today to bow our heads and remember the Armenian people's suffering. They must know that it was not in vain—that we have learned from this and other holocausts.

When you talk about fundamental human rights, you cannot waiver because of political or economic expediency—1.5 million Armenians were killed during World War I at the hands of the Ottoman Turkish Empire. Let us never forget their suffering. For humanity's sake, let us never forget that future genocides can only be prevented by never forgetting the past. I implore my colleagues, the American people and people of all nations, to remember the tragedy of the Armenian genocide, so that we can truly make the claim, never again.

Mr. MATSUI. I rise with my colleagues today to remember those innocent men, women, and children who died in the Armenian Genocide of 1915–23. Although the time has passed for mourning, time does not wash away history. With the victories, the tragedies of the past should be rememberd if we are to use history as a guide for our future actions.

To this day, however, Turkey's government still refuses to acknowledge the massacre. It is for this reason that we are here today observing this anniversary.

Seventy-one years later, our minds have turned to the horrors of terrorism. Our need to acknowledge and remember base human actions is more prevalent than ever. When the world forgets and refuses to even acknowledge its mistakes, terrorism becomes the tool to force us to remember. Therefore, I join with my colleagues today to prove that we do not ignore the plights of the persecuted. Instead, we acknowledge the mistakes of the past in the hope that we can set an example for the future.

Mr. SCHEUER. Mr. Speaker, I join with my colleagues here today in marking the 71st anniversary of the Armenian massacre and to honor the 1½ million innocent men, women, and children who lost their lives between 1915 and 1923.

Throughout World War I, the Ottoman Turkish Government systematically and brutally murdered the Armenian people in one of this century's most appalling human tragedies.

The Armenian massacre set the stage two decades later for Adolph Hitler's slaughter of 6 million Jews in the Holocaust and the recent acts of genocide against Cambodians and Afghans.

Hitler himself emulated the Armenian massacre when he attempted the wholesale destruction of the Jewish race.

When confronted with the question of how history would consider his actions, Hitler reportedly said, "Who, today, remembers the Armenians?"

I will answer Hitler today, that we do!

By commemorating the memory of the Armenian victims, we can try to prevent history from again repeating itself.

For the sake of those still living who are survivors of this great tragedy, for the sake of the descendants of the victims, for the Armenians who live across our Nation and the globe, and for all mankind, we cannot forget the Armenian massacre.

Mr. Speaker, the vivid accounts of the torture, the deprivation, the cruelty, and the bloodshed that are related by the survivors bring tears to even the strongest of men.

It is a historical fact that 1½ million Armenians were slaughtered by the Ottoman Turks.

Yet the Turkish Government refuses to acknowledge this act of genocide that was perpetrated in Turkey.

The current Turkish Government has taken this act of denial further by actually rewriting the history of those years.

At the same time, Turkish leaders have pressured our own Government to deny that the Armenian massacre took place, using our strategic need for bases in the region as leverage.

Such pressure has accounted for our State Department labeling the Armenian tragedy as an "alleged genocide."

The Turkish Government has carried this denial to extraordinary lengths by refusing to concede that the grotesque murder of innocents even took place.

And President Reagan has opposed a resolution which I, and more than 200 other Congressmen, have cosponsored with TONY COELHO, of California, to designate April 26 as the "National Day of Remembrance for Man's Inhumanity to Man."

Mr. Speaker, the current Turkish Government has nothing to lose by acknowledging that the Armenian massacre took place.

Neither the current government nor the people of Turkey committed the heinous crimes against an innocent people.

By acknowledging the massacre, the current Turkish Government will gain moral statute in the eyes of all of us who have vowed to make sure that the Armenian genocide will not be denied or forgotten.

By keeping these painful memories alive and by facing the hideous truths, we can insure that the mistakes of the past will not be repeated.

Mr. Speaker, we must keep the memory of the Armenian genocide alive as a way of reaffirming our commitment to human life and dignity.

All of us who have lost friends and relatives to genocide must forever strive for truth and peace.

GENERAL LEAVE

Mr. PASHAYAN. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days to revise and extend their remarks on the subject of my special order today.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from California?

There was no objection.

TRIBUTE TO THE LATE HONORABLE JOSEPH P. ADDABBO

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from New York [Mr. STRATTON] is recognized for 60 minutes.

Mr. STRATTON. Mr. Speaker, I rise in behalf of the New York congressional delegation to pay a tribute to our colleague, JOE ADDABBO, who passed away last week.

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His funeral in New York City was a deeply moving one, with tributes paid by Speaker O'Neill, by Cardinal O'Conner, and by Bishop Mugavero.

Joe Addabbo always recognized his home surroundings. As a highly important and influential Member of Congress, he still lived in the same house in Queens and he was one of the few Members of the New York delegation who did not bring his family to Washington. It was only when there was, perhaps, a party at the White House when Joe brought his wife, Grace, to participate in that occasion.

Congressman Addabbo was placed on the Appropriations Committee shortly after he had won reelection to the House. I do not know exactly what the procedure was, but remembering that former Congressman Eugene Keogh, was the highly influential Member in placing other Members of the delegation on committee, he was probably responsible for Joe's elevation to that outstanding committee, the Committee on Appropriations.

Joe maintained his position on that committee, moving up slowly in seniority, until the distinguished chairman of that committee, and the former chairman of the Defense Appropriations Subcommittee, George Mahon of Texas, retired.

Joe, I think, was probably recognized by other Members of the House because of the fact that he led an annual group of Members of the House of Representatives and their wives and families every year in the springtime to show them the great city of New York, to entertain them in theaters, to take the boat trip around New York City, and to visit the home of the mayor, Gracie Mansion. In fact, now that Joe has passed away, we in the New York delegation are going to have to scramble a little bit, I am afraid, to try to create for our colleagues the same outstanding trip that Chairman Addabbo had led over so many years.

□ 1820

Joe Addabbo was a highly responsible and highly influential Member of Congress because he was the chairman of the Appropriations Subcommittee on Defense. We did not always agree, he and I, on some weapons systems, but he was always very helpful and willing to discuss any disagreement that might develop between the Appropriations Committee and the authorizing committee, the House Committee on Armed Services.

Joe's major contribution, I think, not only to the House itself, but also to his State, was reflected in an item that came before the House today, the homeporting of a naval squadron in Staten Island. Joe Addabbo was almost single-handedly responsible for that decision and the Secretary of the Navy recognized his insistance that that squadron was going to remain in New York City, even though, from time to time, there might be objections as to whether there were going to be nuclear weapons on those ships or not.

Joe was also strong in support of another item from New York State that, in his recent years, he felt deserved a much better reception from the Pentagon than it was getting. That was the T-46 Air Force trainer developed by Fairchild Republic Aviation Co. on Long Island. Joe, I know, hoped that we who remained on the delegation in a position of influence with the Pentagon would see fit to fund and to authorize the T-46. Those of us in that position intend to continue his fight because it was something that he was deeply concerned about and I think in a sense, it should be the one tribute, he never asked very much for himself, but the one tribute to his earnest efforts to try to provide more jobs for the people in his congressional district and for the people on Long Island.

Joe Addabbo was always generous, always kind. His eulogy that the Speaker made in St. Patrick's Cathedral was a very moving one. The Speaker said we live in Congress by the bells. One bell would indicate that we are in session; two bells represent a vote; three bells are a quorum call; and four bells is the end of the session. He said, "Joe, we have rung these bells in your honor and you have completed a magnificent contribution to the Congress and to the American people."

I yield now to the gentleman from New York [Mr. Horton], the vice chairman of the delegation of New York, as representing the Republican delegation from New York.

Mr. HORTON. Mr. Speaker, I thank the gentleman for yielding.

Mr. Speaker, as vice chairman of the New York delegation, and as the dean of the Republican delegation, I join Congressman Sam Stratton, the dean of our New York delegation, and my colleagues this evening to pay tribute to our friend and colleague, Joe Addabbo, who passed away earlier this month after a long bout with cancer.

I had the honor of knowing Joe and his wife, Grace, for nearly 25 years. Nancy joins me in expressing our deepest regrets and condolences to Grace and the Addabbo family.

Joe began in Congress in 1960; I joined him 2 years later. Nobody had a greater respect for Joe than I. His commitment to all that was right and fair was unequaled in this House.

Joe was best known for his tireless efforts as a voice of sanity when dealing with defense matters. He was an articulate and forceful opponent of excessive and wasteful military spending. Although he was often in the minority on his defense appropriations subcommittee, the respect for his beliefs by his colleagues was great. Joe was singularly responsible for several military projects being built in New York State. His role as a champion for the State was widely recognized and appreciated. We shall miss his leadership in defense matters.

In 1973, Joe sponsored the first antiwar resolution ever to pass the House—cutting off funds for the bombing of Cambodia. He was a leading advocate of accountability—fiscally and ideologically—within the Pentagon. The President called Joe "one of the leading players in the development of American military policy." My good friend Mario Cuomo called him "a great man, whose commitment to integrity and excellence has improved the quality of life for all New Yorkers." Those who knew Joe would be hard pressed to disagree.

Mr. Speaker, this House will not be the same without Joe. He will be sorely missed.

Mr. CONTE. Mr. Speaker, I rise today to pay tribute to a great statesman, leader, friend and a truly outstanding American who was called from us April 10, 1986, at the age of 61.

Joe Addabbo came to this venerable body 26 years ago from the Sixth Congressional District of New York and served the good people of New York for better than 2½ decades with direction, compassion, and clear-headed innovation.

His time in public office spanned many of the most trying, dynamic and exciting events of this century and his unique leadership met all challenges head on in the same perserving, selfless manner that he led his own life. This man was a tireless fighter for what he believed was right, and that effort will be remembered gratefully by all those who knew or knew of Joe Addabbo.

Joe was a fair minded and dutiful man whether serving as chairman of the House Appropriations Subcommittee on Defense, as chairman of the Small Business Administration and Minority Enterprises and Franchising Subcommittee or just being a trusted friend. Joe's optimism and belief in the god within all people brought a personal flair to all that he touched, but his relentless fight to reduce waste and fraud left many a tough challenger wondering "what hit them."

Those in the defense area knew that Joe Addabbo watched for excess and fraud with a scrutiny that saved taxpayers untold millions of dollars and, in doing so, maintained the world's strongest defense. Controlling Federal purse strings, especially those for defense, is no job for the weak of heart and Joe Addabbo distinguished himself with fairness and devotion.

This was a patriot in the true sense of the word. Joe Addabbo was a man who believed deeply in the good of this country and spent a large part of his life working to ensure that all Americans could enjoy it.

As a friend of the small businessman, Joe worked tirelessly to ensure equal opportunity. A proponent of minority enterprises, he fought for fair and equitable treatment as aspiring minority businessmen and played an important role in bringing many new businesses to this country.

Joe Addabbo, friend, patriot, Congressman, will be sorely and deeply missed.

Mr. STRATTON. Mr. Speaker, I yield to the gentleman from Mississippi [Mr. Whitten], the chairman of the Appropriations Committee.

Mr. WHITTEN. Mr. Speaker, last week I sat with a large congressional delegation in St. Patrick's Cathedral in New York City at the funeral of Joe Addabbo. We joined his family and friends, the Governor of the State, the mayor of the city and the people of New York in mourning his loss. In many ways the funeral service was a special thanks and an impressive tribute to the man who had served his home so well in the national legislature for over 2½ decades.

Anyone who knew Joe Addabbo knew that he was every inch a New Yorker. Born and educated in Queens, he practiced law and lived in Queens all his life. Anyone who knew Joe Addabbo knew how he loved Grace and his family and the people of his home. Anyone who dealt with Joe Addabbo in the Congress knows how he listened and responded to the complaints and problems of his people—and how hard he fought to advance their interests. His people knew. And they let him know. The boundaries and the composition of his district changed over time. But the voters who first sent him to Washington in 1960 with a 53.5 percent margin of victory returned him 24 years later with a 68-percent vote of appreciation and confidence.

As chairman of the Committee on Appropriations, I always appreciated Joe Addabbo's strong advocacy of the people's branch of Government. He tirelessly asserted and advanced the role of Congress in handling its constitutional responsibilities and power over the purse. This cause never had a better champion. He came to the Committee on Appropriations in 1963. Over the years he mastered the legislative skills and built a formidable storehouse of knowledge about his principal area of responsibility—defense.

For many years we worked together trying to build a strong defense but at the same time trying not to waste money foolishly in the name of military spending.

Joe Addabbo became chairman of the Defense Appropriations Subcommittee in 1979, and that position gave his legislative prowess full range. Joe was a staunch advocate of a strong national defense. But with Joe Addabbo it was not "How much spending is good for defense?" It was "How strong a defense does the Nation have for the money we are spending?" He championed value for the dollar. And the defense appropriations legislation he wrote over the years reflected that spirit in every detail. The national defense and the taxpayer were well served by his work.

Not surprisingly Joe Addabbo became a major player in the formulation of national defense policy. He moved early to get us out of Vietnam. He challenged the conventional wisdom that national security was best advanced by investing in additional carriers, that the Nation could afford two new bombers in one decade, and that the MX missile would contribute to a stabilizing deterrence. He believed that the single greatest threat faced by mankind was the uncontrollable building of nuclear weapons, and he worked to achieve an atmosphere conducive to arms control.

Joe Addabbo was a career legislator and a public servant. He was an undaunted advocate, who fought with energy and tenacity for the positions he chose to support. Nobody who took him on ever forgot the experience. He was true to himself. He loved his family, and he was happy in his work. We all cared for Joe immensely. He will sorely be missed here in the House. He was an outstanding citizen who never failed to work as hard as possible for his Nation.

Mr. STRATTON. Mr. Speaker, I yield to the distinguished gentleman from Kentucky [Mr. Natcher].

Mr. NATCHER. Mr. Speaker, it was with profound sorrow that I learned of the passing of my friend Joe Addabbo. Mr. Addabbo's service in the House of Representatives will continue always to be one of the bright spots in our country's legislative history. He was a good Member of the House in every sense of the word.

He established an outstanding record in the House of Representatives and served with distinction and honor He loved the House and he believed that our country is one of the greatest countries in the world. His concept of public trust was without parallel and never did he hesitate to speak out against any proposal which he felt was not sound and not in the best interests of our people.

One of the nicest things that has happened to me since I have been a Member of Congress is the opportunity that I had to serve with Joe Addabbo and especially as a member of the Committee on Appropriations. After serving on our committee for a number of years, he was elected chairman of the subcommittee that appropriates the money for the Department of Defense. He believed that our country should remain strong at all times, but at the same time, that the Department of Defense, like all of the other departments of the Government, should not spend money that was not necessary. I have heard him say on many occasions that additional funds requested for defense were not necessary and that the money should be placed in the subcommittee bill that appropriates the funds for the Departments of Labor, Health and Human Services, and Education. Mr. Speaker, this is the subcommittee that I am chairman of and at all times, my friend Joe Addabbo worked with us on our bill and especially on each and every occasion when the bill was before the House of Represntatives for final passage.

In every position he held, either public or private, he achieved distinction. His service in all of his assignments was marked by a high sense of conscience and duty. His character, his achievements, and his faithful service will be an inspiration to generations yet to come. He will have a high place in the history of our country and in the hearts of his countrymen.

His life exemplifies those virtues that make a great Congressman and those are fairness, generosity, willingness to listen and unyielding devotion to the principles of his party and to all matters which were for the best interests of our country. He left his mark on Congress; not necessarily through legislation which he succeeded in having enacted, but instead through his character itself. He was always a gentleman and always a strong leader.

Mr. Speaker, I have lost a true friend and this country has lost a great statesman. To his lovely wife and family, I extend my deepest sympathy in their bereavement.

Mr. SMITH of Iowa. Mr. Speaker, will the gentleman yield?

Mr. STRATTON. Mr. Speaker, I yield to the gentleman from Iowa [Mr. Smith].

Mr. SMITH of Iowa. Mr. Speaker, I appreciate the gentleman taking the time, too, as a personal friend, as well as a colleague. I sat next to him on the full committee and had an extended conversation with him just before he left for lunch, where the tragedy occurred that later resulted in his death.

Joe and I served together and we were the only two Democratic Members in Congress who did, on both the Committee on Small Business and the Appropriations Committee. I had an opportunity to know him and see him in action for a number of years and I can tell you this. On the Committee on Small Business, whenever there was some issue there where he could help some small businessmen that he did not even know, but he knew if the small businessman was going to be affected, he was always there. He found a way to get there and to make his mark shown and he did in legislation.

Joe was an excellent legislator. This House has lost a Member that will be very hard to replace. His wife, Gracie, and his family were a wonderful family. We knew them personally and Bea and I express our profound sorrow to them and hope that someway we can make it through without Joe, but it is going to be very difficult.

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Mr. STRATTON. Mr. Speaker, I yield to the gentleman from Florida [Mr. Chappell], who is the acting chairman of the Subcommittee on Defense of the Committee on Appropriations.

Mr. CHAPPELL. Mr. Speaker, I join my colleagues in paying tribute to a powerful man who never forgot how to be sensitive and courteous. A man who mastered the art of politics and practiced that art at the national level but who never forgot where he came from and the constituents he represented.

A man who loved a wisecrack but understood in detail the extreme complexities of national defense. A man who was a good friend and a dedicated, selfless public servant. Mr. Speaker, I rise today to honor the memory of our colleague Joe Addabbo.

At a time such as this there are no words that can adequately express the loss this House has suffered. Since first coming to the Congress in 1961, Joe Addabbo has been a distinct and special individual. When he smiled he made you feel genuine friendship.

His good naturedness was not saved only for fellow Members but for all with whom he came into contact no matter what their capacity or station in life. As he gained in seniority he was always fair in his dealings with his colleagues whether they were on his side or not. While he could make an admiral or general uncomfortable through his direct questioning, we always knew he had the Nation's best interests in mind. He made us all ask how much is enough and by doing so fashioned this Nation's defense debate.

Beyond the defense arena, he maintained the interest he had as a young lawyer from Queens in the issue of human rights. He was a multidemensional Congressman who spoke with authority and conviction on a variety of subjects. He did his homework but remained open to opposing points of view. He was in effect the essence of what is good about being a U.S. Representative.

Mr. Speaker, this great body has been graced by many capable and committed individuals. I can think of none in our long history, however, who gave more of themselves than our friend and my chairman, Joe Addabbo.

It has been a great and wonderful experience to have been a colleague of his on the Subcommittee on Defense of the Committee on Appropriations. I can think of none that we can honor anymore.

We are a poorer gathering with his passing but a stronger institution because of the time he spent with us.

I have lost a true friend and this country has lost a great statesman. To his lovely wife and family, I extend my sincere condolences. They can take comfort in the knowledge that in his 26 years in Congress, Joe, left his mark on the Congress and the Nation. He will be greatly missed in this Chamber.

□ 1835

Mr. STRATTON. I thank the gentleman.

I now yield to the gentleman from New York [Mr. Biaggi].

Mr. BIAGGI. I thank the gentleman for yielding to me.

Mr. Speaker, it seems like a good humor deed when Joe Addabbo was born on St. Patrick's Day. Joe was named Joseph Patrick Addabbo, and each St. Patrick's Day, the party and the revelry in his office would equal that that was going across the Nation. A party that was conducted and arranged by a loving staff; loyal, faithful, and ever loving; and to the very end they remain thus.

Joe spent half of his adult life in the Congress of the United States, and we know he is gone; it is 12 days since he died. The loss is still difficult to measure and impossible to reconcile.

We know of Joe's special interest and feeling about a strong national defense. We also know that he was universally recognized as a watchdog. We know that Joe took on one President over Vietnam and another over Nicaragua. He had a different perspective but he stuck to his principles without yielding.

Joe won some and he lost some, but you always knew that when you tangled with Joe, it was a good, clean fight. The very essence of Joe; he could disagree but never be disagreeable.

As I have said in the New York Post, I considered myself blessed to be a friend of Joe Addabbo's, and what a good friend he was. He was loyal, dedicated, always up. He was a man with a quick grin, a good story and the legendary little punch.

Joe made public service the profession it was intended to be. He did it by dedicating his heart and soul to it. He did it by blending his national prominence with his total commitment to constituent service.

The result was one the best Members ever to have served this institution. President Reagan called Joe Addabbo one of the leading players in the development of American military policy. Speaker O'Neill, who delivered such a moving eulogy of Joe Addabbo at his funeral said upon learning of his death:

> Joe Addabbo worked diligently to ensure that America's defense was strong, efficient, and effective. He demanded quality for each defense dollar.

As the gentleman from New York [Mr. Stratton] said at the close of Speaker O'Neill's comment, he said: "The bells have rung for the final adjournment. God bless you Joe."

Such a moving experience. But one understands it. To have known Joe was to have loved him in every sense.

Governor Cuomo acknowledged Joe as a great man. Cardinal O'Connor said to Grace Addabbo, Joe's widow:

> While there is a great deal of sorrow in this cathedral, there is a great deal to be thankful for. I have never heard so many accolades as I have heard about your husband.

It was not a period of mourning: it was a period of joy, it was celebration, to know that Joe was finally released from his pain and sorrow in the last years of his life, and go on to a greater reward.

Joe was a special type of Member; he did so many deeds but never sought publicity. It robbed him, perhaps, of gaining proper credit for all his accomplishments; but in many ways, all Joe wanted to do is measure up to his constituency.

Joe, on the Committee on Appropriations, got important funding for serior citizens' programs; education, mass transit, and housing. He was always there when the people of Queens and New York needed him. It is an enduring mark of greatness about Joe, and we will miss him. Especially in these difficult times, New York will miss him grievously.

Joe was an unabashed liberal, and was proud of it. He saw Government's role as to help those in need and to provide opportunities for a better life. For millions in our Nation, we are grateful Joe was able to carry his philosophy to the position where he could, and did make a difference.

At this time, we struggle with feelings. We are in grief over his loss, yet we also celebrate all that was good about Joe. It is a celebration that would last a long time, since there was so much good about this wonderful man while he lived.

Joe was the epitome of so many virtues. He was a man of unparalleled integrity and commitment to basic decent values. Joe was a loyal and dedicated family man to his beloved wife, Grace, and his two sons, Dominick and Joseph, Jr., and daughter Dina.

Joe spent almost half his life here. He came when the Eastern shuttle was still a prop jet. He loved the institution. In turn, Members of both parties respected and had genuine affection for Joe. Few have served with greater distinction; few will be missed more than Joe.

Edmund Burke said: "Government is a contrivance of human wisdom to provide for human wants."

Thanks to Joe Addabbo and his wisdom and his dedication and his service, there are fewer wants in this world.

As the New York Post article closed: Joe, go in peace. You helped make this

world a more peaceful and restful place."

Mr. Speaker, the passing of Joe Addabbo leaves a void in this House that may never be filled. That is a tribute to the caliber and the quality of this great man. At this point in the Record, I am inserting a series of articles from major newspapers noting the passing of Joe Addabbo and his funeral in New York City.

[From the Washington Post, Apr. 12, 1986]

New York Representative Joseph P. Addabbo Dies

(By Bart Barnes)

Rep. Joseph P. Addabbo, 61, a New York Democrat who as chairman of the defense subcommittee of the House Appropriations Committee built a reputation as an articulate and forceful opponent of what he considered excessive military spending, died late Thursday night at Walter Reed Army Medical Center. He had cancer and recently had suffered a heart attack.

Mr. Addabbo, who had been in a coma since collapsing March 6, represented a district in Queens. He served for 25 years in the House of Representatives and since 1979 had been chairman of the defense appropriations subcommittee, the panel that acts on requests for all military spending. In that role he was often critical of high military officers who, he said, frequently shared with civilian bureaucrats a penchant for empire building and a narrowness of vision.

Despite his reputation as a critic of military spending, Mr. Addabbo always insisted he supported a strong military defense policy. "But I don't take the Pentagon at their word," he once said. "I don't like the attitude of some members, 'Well, let's give them $20 million to play around with this year. Let's give them $40 million next year.' Three years later, the weapon doesn't work, and there's $100 million down the drain."

But Mr. Addabbo often found himself in a minority position on his own committee, most of whose members tended to have more hawkish views than he. More often than not he was on the losing side of defense-spending controversies.

He tried in 1982 to block funding for the MX missile but lost, both in his own subcommittee and in the full Appropriations Committee. He prevailed when he took his case to the floor of the House, although the House later reversed its position and work began on the missile.

In 1973 Mr. Addabbo sponsored the first antiwar resolution ever to pass the House of Representatives—the cutting off of funds for the bombing of Cambodia. He had supported the war in Southeast Asia during the Johnson administration and in the early years of the Nixon presidency but he subsequently changed his mind. He also opposed the B-1 bomber and other major weapons systems.

In 1984 he castigated the Defense Department for what he called "a complete breakdown of control over millions of dollars." This followed a report that accused the military of scrapping valuable equipment, then turning around and paying higher prices to buy identical items.

President Reagan called Mr. Addabbo "one of the leading players in the development of American military policy." He said the congressman was "widely respected for his knowledge of defense issues even by those who disagreed with him. His genial style was in keeping with the best traditions of American politics."

House Speaker Thomas O'Neill said Mr. Addabbo "worked diligently to ensure that America's defense was strong, efficient and effective. He demanded quality for each defense dollar."

New York Gov. Mario Cuomo called him a "great man whose commitment to integrity and excellence has improved the quality of life for all New Yorkers."

Mayor Edward Koch of New York ordered flags on city buildings to be flown at half staff until after Mr. Addabbo's funeral. The congressman, Koch said, "always strove to ensure that people of every race, religion and ethnic origin had a fair hearing and full representation in the halls of the Capitol."

A native of New York City, Mr. Addabbo graduated from the City College of New York and St. John's University Law School. He practiced law in Queens, participated in civic and community organizations, and headed Italian-American committees for various candidates.

But he never ran for public office until 1960, when the incumbent Republican representative from his district retired. With the help of John F. Kennedy's drawing power among Catholic voters, Mr. Addabbo won with 53.5 percent of the vote.

In the ensuing years the district changed from a predominantly middle class Catholic suburb to an area more closely resembling the inner city with a population that was 65 percent black and Hispanic by the 1984 election.

During that time Mr. Addabbo established a record of steering defense contracts to Long Island-based industries and listening to constituent problems and complaints. He voted in favor of federal aid to education and the elderly, in favor of civil rights, and against measures to limit rights to abortion or allow prayer in public schools.

He won most bids for reelection handily, and in the campaigns of 1974 to 1982 had the Republican as well as the Democratic nomination. In 1984 he was challenged in the Democratic primary by Simeon Golar, a black real estate developer, who asked the voters to oust Mr. Addabbo on the argument that since the district had a black majority it should have a black representative. Mr. Addabbo won with 68 percent of the vote.

He is survived by his wife, Grace, and three children, Dominic, Dina and Joseph.

[From the New York Daily News, Apr. 12, 1986]

Joe Addabbo, 61, Loses Cancer Bout

(By Frank Jackman and Stuart Marques)

Rep. Joseph Addabbo, 61, dean of the city congressional delegation and a fierce critic of military overspending, died late Thursday after a long bout with cancer.

Addabbo, a 13-term Democrat from Queens whose chairmanship of the House defense appropriations subcommittee made him a power in Congress, died at 10:48 p.m. Thursday in Walter Reed Army Medical Center, Washington, where he had been in a coma since March 12.

Addabbo kept a six-year struggle against bladder cancer a secret from even his closest associates though he was hospitalized for four months last year.

Addabbo, who lived in Ozone Park with his wife, Grace, and three children, Dominic, Dina and Joseph, will be buried Tuesday after a funeral service in St. Patrick's Cathedral.

Mayor Koch ordered flags on city buildings to be flown at half staff.

A genial, back-slapping politician in the clubhouse tradition who was more at home working behind the scenes, Addabbo, first elected in 1960, was well liked by colleagues in both parties.

Addabbo, who became chairman of the Defense Appropriations subcommittee in 1979, often began hearings by telling Pentagon brass to brace themselves for significant cuts in their budget. Most of the time he was outvoted.

His biggest victory was in December 1982 when he pushed an amendment through the House blocking production of the MX missile. The House later reversed its position.

He was a tenacious battler when it came to defense contracts for New York and was instrumental in the Navy's decision to homeport the battleship Iowa at Stapleton, Staten Island.

[From the New York Times, Apr. 12, 1986]

Representative Joseph Addabbo Dies; Head of Key Defense Panel

(By Ronald Smothers)

Representative Joseph P. Addabbo, a Queens Democrat who had a powerful hand in shaping national defense policy as chairman of a key House subcommittee, died last Thursday at Walter Reed Army Medical Center in Washington. He was 61 years old.

Mr. Addabbo, who served in Congress for a quarter of a century, had been suffering from cancer of the bladder and had been receiving treatment for six years. He slipped into a coma March 11, five days after he suffered a seizure at a luncheon on Capitol Hill.

Critics of Pentagon spending looked to Mr. Addabbo, an influential congressional insider, as their most important voice on Capitol Hill against what they viewed as wasteful arms projects.

Earlier, Mr. Addabbo was a main sponsor of what many consider the first anti-Vietnam War measure to pass the House, a 1973 amendment to cut off funds for the continued bombing of Cambodia. Later, as the subcommittee chairman, Mr. Addabbo opposed the development of the B-1 bomber and supported a nuclear freeze.

KEY FIGURE IN S.I. BASE PLAN

While his position gave Mr. Addabbo influence upon the national agenda, it also allowed him to look after the interests of his district and his state. He was able, through defense contracts, to bolster Long Island's aircraft industry, and he was a key figure in the Pentagon's 1983 decision to plan to base a seven-ship Navy battle group on Staten Island, a move that backers say will add thousands of jobs in the metropolitan area.

Yesterday, the Speaker of the House, Thomas P. O'Neill Jr., said Mr. Addabbo had "won the respect of members of Congress from both sides of the aisle." Governor Cuomo called him a "relentlessly committed congressman and leader."

First elected to the House of Representatives in 1960 from a district that now covers the southern portion of Queens, from South Jamaica to the Rockaways, Mr. Addabbo mastered the intricacies of the legislative process and became one of the more influential members on defense and foreign policy.

THE HOUSE IS MY CAREER

While other New York Congressional colleagues, such as Hugh L. Carey and Edward I. Koch, went on to win other elective offices, Mr. Addabbo stayed in the House,

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building the seniority that eventually earned him the chairmanship of the Appropriations subcommittee on defense in 1979.

"This is my career," he said.

"If he had a private agenda at all," said a fellow Queens Democratic Congressman, Representative James H. Scheuer, "it was improving New York's position in defense-related contracts.

But Mr. Addabbo was also, in the words another colleague, Representative Charles B. Rangel, Democrat of Manhattan, a "credible critic" of the steady increase in defense spending in general and of certain weapons systems in particular. Whether arguing in the relative privacy of committee debates or in his rare but significant speeches from the floor of the House, many of Mr. Addabbo's colleagues credited him with turning the tide against such projects as the MX and Pershing missiles.

NO ORDINARY HAWK

Unlike many other members of Congress, he was not easily catalogued as a hawk or a dove—Mr. Scheuer called him "a chicken hawk."

By that I mean he was for a strong defense, but he wanted a lean and hungry defense," said Mr. Scheuer, who was second to Mr. Addabbo in seniority among House members from New York City. "Joe viewed the Pentagon generals as a bunch of bureaucrats and he took what they said with a large grain of salt. That made him a major force for rationality in defense spending."

What many called Mr. Addabbo's "credibility and knowledge';' on defense matters also drew praise from Republicans such as Representative Guy V. Molinari, of Staten Island, with whom Mr. Addabbo most recently worked on winning final approval on the home-port measure. Mr. Molinari said it had been Mr. Addabbo who had convinced him, a strong Reagan Administration supporter, and other Republicans to vote against the President's MX missile program.

Over the years, Mr. Addabbo also was a chief sponsor of legislation that helped poor families pay for household heat, assisted small businesses and steered funds to economically depressed areas.

LOSSES IN THE REAGAN ERA

Not long after he became chairman of the subcommittee, the Reagan Administration began and Mr. Addabbo faced a growing national mood more receptive to increased military spending. As a result, Mr. Addabbo frequently lost legislative skirmishes within his subcommittee—including those on the B-1 and a nuclear freeze. But his criticism of some of the programs—such as the MX missile—as wasteful and inefficient occasionally won out in votes by the full House.

Mr. Addabbo was born March 17, 1925, in Ozone Park. He attended public schools there, went to the City College of New York and graduated from St. John's University School of Law in 1946. He opened a law practice in Ozone Park, which he maintained until his election to Congress.

Unlike many members of Congress who move to Washington, Mr. Addabbo commuted to the capital weekly. He once said that he had moved only four times, all within the space of 10 blocks.

He began his Congressional career with a 1960 victory in his first try for elective office as the Democratic candidate in a conservative district that had been represented for many years by Albert H. Bosch, a Republican, who was retiring.

At the time, most observers attributed his victory to the large numbers of Irish and Italian Roman Catholics who turned out to vote for the Democratic presidential candidate, Senator John F. Kennedy. Whatever the reason, Mr. Addabbo converted that first victory into a string of successes, often running not only on the Democratic line but the Republican and Liberal Party lines as well.

He defied the vagaries of redistricting, which shifted and reshifted his district over the years. He also weathered a strong Conservative Party surge in the 1960's and early 70's along with changes in the ethnic makeup of the area, which went from an overwhelmingly Italian, Irish and German mix in 1960 to one that was nearly two-thirds black and Hispanic residents in 1982.

Mr. Addabbo conceded that his first real political scare came in 1982 when a black candidate, Simeon Golar, armed with a modern campaign-polling apparatus, nearly edged him out in the Democratic primary election.

In 1984, Mr. Golar, buoyed by the sweep of the district by the Rev. Jesse Jackson in that year's Democratic Presidential primiary, challenged Mr. Addabbo again. But this time, the incumbent hired his own battery of consultants and pollsters and won handily, with 68 percent of the vote.

Mr. Addabbo is survived by his wife, Grace; two sons, Dominick and Joseph, Jr., and a daughter, Dina, all of South Ozone Park.

A funeral mass is to be said Tuesday at 11 A.M. at St. Patrick's Cathedral, at Fifth Avenue and 51st Street.

Addabbo Praised at Rites—Helped End Viet War, Says Tip

(By Robert Carroll)

U.S. Rep. Joseph Addabbo was remembered yesterday as a key architect of the anti-Vietnam War movement in Congress and a man "who loved and cared for people."

At his funeral at St. Patrick's Cathedral, Addabbo was eulogized by his long-time congressional colleague, House Speaker Thomas O'Neill (D-Mass.).

"Joe Addabbo believed it was his own personal duty that no more young Americans died in Vietnam," O'Neill told an audience that included Mayor Koch, Gov. Cuomo and dozens of other political notables.

Addabbo represented a district in southeast Queens for 26 years, rising in seniority and influence to the chairmanship of the defense subcommittee of the House Appropriations Committee.

"Some people look upon political life as a sacrifice, a burden to be shed," O'Neill continued. "Joe Addabbo was just the opposite.

'Helping people was a joy to him. Politics was not only a great and worthy profession but a way of life."

Earlier in the Mass, Cardinal O'Connor and Brooklyn Bishop Francis Mugavero both praised Addabbo, who died April 11.

Directing his words to Addabbo's widow, Grace, seated in the first pew with her sons Dominick and Joseph and her daughter Dina, O'Connor told her that "while there is a great deal of sorrow in this cathedral, there is a great deal to be thankful for. I have never heard so many accolades as I have about your husband."

Mugavero referred to Addabbo as "this faithful Christian man" who had "love for the people he served and time for all."

"Joseph Addabbo approached issues and problems from his background of faith," said Mugavero. "In his service to the people, God was with him."

Burial was in St. John's Cemetery in Queens.

Joseph Addabbo: 1925-1986

Death freed Rep. Joe Addabbo from the torment of illness Thursday night, but it robbed New York City of its most senior national legislator.

On today's Op-Ed page, his friend and colleague Rep. Mario Biaggi (D-Bronx) remembers the man from Ozone Park and Boys High School, from City College and St. John's University Law School, who gave a quarter century of service to the people of South Queens in the House of Representatives. His loss, says Biaggi, is "difficult to measure and impossible to reconcile."

That's the view of The Post as well.

Addabbo's Body Returns Home for Funeral in St. Patrick's

(By Pat Wilks and Larry Nathanson)

The body of Joseph Addabbo, dean of the city's Congressional delegation and a determined watchdog against wasteful defense spending, was brought home yesterday to Queens.

Addabbo, 61, died of bladder cancer Thursday night in Walter Reed Hospital after almost a month in a coma.

His body was flown to JFK Airport on an Air Force jet and taken with a motorcycle escort to the James Funeral Home at 89-01 Rockaway Blvd. in Ozone Park.

There will be no public viewing, at the family's request.

A heavy turnout of congressmen, senators, other public officials and military leaders is expected at a furneral mass for Addabbo next Tuesday at 11 a.m. at St. Patrick's Cathedral.

Addabbo lived all his life in Ozone Park, a blue collar neighborhood which changed from largely white to mostly black and which had proved him right when he said several years ago while fending off a primary challenge by a black candidate:

"The people in this district are color blind."

First elected to Congress in 1960, the affable Addabbo, at his death, was chairman of the House Defense appropriations subcommittee and perhaps the area's most influential congressman.

"An absolute tragedy for the American people," said fellow House Democrat James Scheuer of Queens. ". . . He was the voice of sanity in our defense strategy and tactics."

House Speaker Thomas P. O'Neill said Addabbo had won the respect of congressmen "from both sides of the aisle" because "he demanded quality for each defense dollar.

N.Y.'s Friend—My Friend

We have lost Joe Addabbo. It is a loss difficult to measure and impossible to reconcile, especially for those of us blessed enough to have been his friend.

The city has lost its most senior and powerful member of Congress. The people of the 6th Congressional district in Queens have lost a loyal and devoted public servant who gave so much of his time and energy to serving their needs.

Joe Addabbo gave our city, our state and our nation 26 productive, proud and principled years of service as a member of the House of Representatives. In those years he rose to national prominence as chairman of the all-important Defense Appropriations subcommittee.

Joe Addabbo took on the tough issues.

He took on one President over Vietnam, another over Nicaragua. He took on the de-

fense establishment over costly weapons systems such as the B-1 bomber.

Joe won some and lost some. Yet when you tangled with Joe, it was a good clean fight. He was a leader who could disagree strongly with you but never be disagreeable in the process.

Many people will remember Joe for his work on the Defense Subcommittee. Yet his overall service on the House Appropriations Committee was outstanding but often overlooked.

Joe's imprint is on scores of important bills which became law over the past 26 years. He was an unabashed liberal Democrat who saw it as government's role to help those in need and to provide opportunities for a better life.

No program, whether Medicare, or higher education, or aid to mass transit or child nutrition, could get money unless its budget was approved by the Appropriations Committee and Joe Addabbo. Joe did this part of his work with a kind of quiet effectiveness that often kept him out of the limelight. On far too many occasions it caused him not to be given enough credit for all he did.

Joe Addabbo did not want headlines. All he wanted to do was to get the job done, and he did.

We struggle with our feelings at this moment. We are in grief, yet we are also relieved that Joe Addabbo is not suffering anymore.

Joe Addabbo, sweet, kind and totally unassuming, endured a silent six-year struggle with cancer. Did he let it slow him down? No. Did he let it get him down? No.

Joe was active until the final days. He loved his life, his work, his country and the people he represented too much to be any other way. He never wanted to burden anyone with his problems, no matter how serious they were. That was his nature, that was a measure of the greatness of the man.

Joe Addabbo was as good as he was because he mirrored the people he represented. A man of unparalleled integrity with high moral principles and values, he never let the trappings of power cause him to be removed from his constituents. He served them long enough that they were part of an extended Addabbo family.

He truly loved his constituents and it was genuinely reciprocated over a lifetime.

Joe Addabbo spent almost half his life as a member of the House of Representatives. He loved the institution and those who served in it. In turn, members of both parties respected and had genuine affection for Joe. Few have served in the House with greater distinction. Few who have served will be missed more than Joe.

Joe Addabbo is gone, but he will be remembered for his impact on our nation's development and for his countless deeds of kindness and charity over a lifetime.

Joe, go in peace. You helped make this world a more peaceful and restful place.

Mr. STRATTON. Mr. Speaker, I yield to the gentleman from New York [Mr. Rangel].

Mr. RANGEL. I thank the dean for getting this time for all of us, in our small way, to pay tribute to a long and dear friend. It is strange how so many people felt the very special relationship to Joe, and I guess that is because he took the time out to be concerned about our problems, and struggle with cancer for so long that none of us really knew it; and yet even in the closing days of his life, he would come over and ask us individually about how some problem that we had was facing us.

We all have different special feelings for Joe; sometimes I think about the morning meetings, the afternoon meetings, the evening meetings; and we look at each other and wonder: why do we have to attend all of these meetings for special interests groups or groups that have come here from New York for some special reason?

And yet, Joe was one among all of the delegation that was always there; knew something about each and every one of the problems that people had.

So the gentleman is right; we are trying hard to try to replace in some small way the way Joe. opened up his heart in New York City to so many of the Members, to understand Broadway, to understand the poor communities, to understand Gracie Mansion, and I guess it is because that Joe was really New York City. He was everything that we would want people to think that New York City was: A friendly town; sometimes rough, but always having the compassion to understand other people's problems and to respect and recognize those differences.

I only hope that God gives the strength to Grace, to his sons, Dominick and Joseph, to understand that life would have been terribly different if we in the Congress did not have a Joseph Addabbo, and some of us who have followed him now have a much higher standard to follow, and those to follow us will never forget that Joe Addabbo walked through this House of Representatives and left his mark.

Mr. Speaker, I rise today to pay tribute to my colleague and dear friend, Joe Addabbo, who recently passed away after a long struggle with cancer. I would like to commend Congressman Stratton for scheduling this very timely special order.

In his 26 years in Congress, Joe Addabbo gained the respect of all who came into contact with him. He was one of the most effective legislators I have ever known. On Capitol Hill, he was a respected leader in making certain that our defense policy stayed within the bounds of the law. When necessary, he used the power of the purse to curtail what he thought were unacceptable expenditures on unneeded weapons systems. In this way Joe let the Pentagon know that it ultimately answers to the American people and their representatives.

On the domestic front, Joe Addabbo delivered what was needed for his people back home. He grew up in the district which eventually sent him to Washington. The people knew him, and they trusted him. He was instrumental in preserving New York City's defense-based industry, creating jobs for the people who most needed them. His voting record was consistently humanitarian. When civil rights and community-oriented bills came to the floor, Joe Addabbo could be counted on to cast his vote.

Mr. Speaker, I would like to conclude by saying that Joe Addabbo was the kind of man who cared about people. He cared about them as individuals, not in the abstract as constituents. His breed is very rare, and very precious. I will miss him.

Mr. STRATTON. Mr. Speaker, I yield to the gentleman from New York [Mr. Gilman].

Mr. GILMAN. Mr. Speaker, I thank the gentleman for arranging this special order and it is with deep regret and sympathy that I rise to join with my colleagues in paying tribute to our departed colleague and dear friend the gentleman from New York, Joe Addabbo..

During his quarter century in the House, Joe Addabbo served as an inspiration to his colleagues. Joe's dedication to his tasks, his even-tempered fairness, his gentlemanly demeanor earned for him the respect of us all.

Joseph P. Addabbo was first elected to the House in 1960, to the seat vacated by the retiring Representative Albert H. Bosch. Representative Bosch was a Republican, representing a district that had remained in the Republican column for many years, and some observers thought that Joe Addabbo's first election was a one-time fluke brought about by the presence of John F. Kennedy on the Democratic ticket. Joe soon proved them wrong, however, winning reelection 12 times, sometimes with Republican endorsement and sometimes despite dramatic redistricting boundary shifts.

Joe Addabbo made it clear that his first love was his home district in Queens. He commuted to Washington weekly, and was proud to remind us that he moved only four times in his life—all within the space of 10 blocks in Ozone Park.

Joe Addabbo's diligence eventually brought him to the chairmanship of the Subcommittee on Defense on the House Appropriations Committee in 1979. During the 7 years that he served in this position, he became the model of an outstanding legislative leader. He was vigilant as a congressional watchdog against Pentagon waste. Although Joe Addabbo was adept at trimming the fat away from our defense appropriations, he was just as diligent in making certain that we didn't cut into any vital muscle of our Nation's defense.

In 1982, the residents of our mid-Hudson Valley of New York received the benefits of Congressman Addabbo's skill and compassion. After years of private fundraising efforts, construction was finally ready to commence on the Jewish chapel for the U.S. Military Academy at West Point. But just as work was about to begin on this long-overdue project, an obscure law dating from the 1890's was found which would have prohibited the Jewish chapel from being connected to the utilities at West Point. The appropriation process for that fiscal year

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was completed, and it appeared that years of effort on the part of many dedicated people would prove to be for naught.

When this problem was explained to Joe Addabbo, he took on the cause as his own. He found a legislative vehicle to allow an exemption to this law, and conducted a personal lobbying effort to ensure its passage. In many ways, the West Point Jewish chapel is a memorial to the leadership of Congressman Joe Addabbo.

In recent years, the ethnic composition of Joe's district shifted dramatically. As a result, some observers predicted Joe's defeat. But Joe Addabbo surprised them all, winning 68 percent of the primary vote, and 83 percent of the general election vote, in the last election. It became obvious that the high regard Joe Addabbo held for his constituency was mutual.

To his beloved widow, Grace, to his two sons Dominick and Joseph, Jr., and to his daughter, Dina, I join my colleagues in offering our deepest condolences.

This Chamber, and our Nation, are better places because of Joe Addabbo. We in the House are privileged to have known him and to have worked with him. Joe's shoes will be hard to fill. We will long miss Joe Addabbo.

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Mr. STRATTON. Mr. Speaker, I yield to the gentleman from New York [Mr. McHugh].

Mr. McHUGH. I thank the gentleman for yielding and for giving us this opportunity to express our admiration and affection for our colleague, Joe Addabbo.

Mr. Speaker, the recent death of our colleague Joe Addabbo is a great loss for his family, for his friends, and for the people of Queens whom he represented so effectively for many years. His passing is also a real loss for the House of Representatives and the Nation at large.

The historical accounts of our time will surely credit the leadership Joe Addabbo provided to Congress as chairman of the Defense Appropriations Subcommittee. At a critical period in our Nation's history, he brought to defense issues a rare combination of expertise and commonsense. He recognized the need for a strong, credible defense, and he worked hard to assure that our Nation had it. At the same time. Joe was willing to ask tough questions, to hold the Pentagon to sound management standards, and, when required, to oppose unnecessary or destabilizing military expenditures. Striking this kind of balance in defense policy was not always easy, but Joe had an unusual talent for doing so.

I had the privilege of serving with Joe on the Appropriations Committee, and of course we were both members of the New York delegation. For this reason I had many opportunities to observe and admire Joe's self-effacing, diligent, and effective service to this House and to the people of our country. He was a person of strong convictions which were the more persuasive because they were untinged by excessive pride or ego. And even with those with whom he strongly disagreed, he was a gentle, kind, and considerate man.

Mr. Speaker, we will all miss Joe Addabbo. It was a privilege to serve with him in this House. His contributions and his example will long be remembered.

Mr. STRATTON. I yield to the gentleman from New York [Mr. Lent].

Mr. LENT. I thank the gentleman for yielding.

Mr. Speaker, it is with great sadness that I join my colleagues today in paying tribute to one of America's finest statesmen, former Congressman Joseph Addabbo, who passed away earlier this month. Joe was always a fighter. Despite a long and difficult battle against cancer, he continued to work tirelessly here in Congress, serving his own constituents, New York State, and the Nation until the last.

As a fellow member of the New York State congressional delegation, I had the great honor of serving alongside Joe in the House for 16 years. Every weekend, Joe, would travel from Washington, DC, to his home in Ozone Park, Queens and, we'd often run into each other on the shuttle to New York's La Guardia Airport or on the return flight early Monday morning. Sharing the plane ride together many times over the years, I came to know Joe as a kind and compassionate family man who had a great sense of humor. As a politician, he was a knowledgeable strategist and worthy opponent in a debate. Joe Addabbo was tough but he was always fair.

From his powerful position as chairman of the Appropriations Subcommittee on Defense, Joe Addabbo was admired and respected by Members on both sides of the aisle as a forceful advocate of a strong, but lean, national defense. Under his leadership, the Appropriations Defense Subcommittee successfully trimmed billions of dollars in excess defense spending.

Since 1979, when Joe assumed his subcommittee's chairmanship, he was a staunch ally for Long Island's defense and aerospace industry.

He played a key role in securing for Long Island several of its recent major defense contracts, including the upgrading of Grumman Corp.'s F-14 Tomcat fighter and the Fairchild Republic Co.'s T-46 jet trainer aircraft. He continued to fight for the T-46 even from his hospital bed where he was battling against cancer. Joe was committed to ensuring that New York received its fair share of defense dollars, and as chairman of the Long Island congressional caucus, I will always be grateful for his valuable help and support.

Joe Addabbo was a public servant in the truest sense of the word. For over a quarter of a century, he served his Queens constituents and his country with honor and distinction. In losing Joe, we have lost a beloved colleague and one of the finest individuals ever to serve in Congress. This outstanding American has earned a place in the hearts of his countrymen and the history of our Nation. I know I speak for all who knew and loved Joe in saying that he will be sorely missed. My wife, Barbara, and I extend our deepest sympathies to his loyal staff, his beloved wife Grace, and his two sons and daughter.

Mr. STRATTON. Mr. Speaker, at this time I yield to the distinguished gentleman from New York, the erstwhile Speaker pro tempore, Mr. Garcia.

Mr. GARCIA. I thank the gentleman for yielding.

I would like to also command the gentleman for taking this time because I just think it is so appropriate for a man like Joe Addabbo.

Mr. Speaker, we are here today to remember one of our own, Joe Addabbo.

Mr. Speaker, he served his community and his Nation for over 25 years as a Member of this institution.

Joe Addabbo had the appearance of being an ordinary politician, a product of his community, not a mover and shaker. But in reality Joe was both. He was very definitely a product of his community, which, I might add, he served with distinction. He was also one of the most influential Members of the House.

Joe rose to the top because he was willing to work hard. He was willing to make sure his constituents were taken care of, while he also kept a watchful eye on issues of national importance, such as defense spending. In facts, as chairman of the Defense Appropriations Subcommittee, he always tried to keep military spending in line with what he thought the American people wanted. He made sure that defense appropriations did not completely overtake spending for necessary social assistance programs.

Yet, Joe Addabbo was more than a good politician, he was a friend. Joe was down to earth; he was always approachable. He never forgot his roots. Joe worked hard to see that all men and women were treated fairly. He fought for civil rights legislation, to make sure that in the eyes of the law all men were created equal.

It is difficult to list Joe's many accomplishments. After 25 years, he achieved too much for us to mention in 1 hour. There is, however, one thing about Joe that made him stand out from the crowd: His humanity. Joe

was always willing to lend a helping hand. He never had an inflated sense of himself. He never caught "Potomac fever."

Now, we must go on without Joe, without his warm smile and human touch. His passing has definitely brought saddness to many of us, but our memories of him will always bring us warmth. We will surely miss Joe Addabbo.

You know, Mr. Speaker, there was just one quick moment during that period of time when he had been hospitalized for several months and then came back for a short period. He sat here and he said:

> Bob, I have to tell you a funny story. You know, when I was over at the hospital, I had this young doctor taking care of me, and he came over to me and he was really terrific. He really hovered over me, made sure I had all of my needs taken care of. He was a person who I had helped get into the military academy. You know what, Bob, you know what his name was? It was Dr. Garcia.

And I really appreciated that because even today we passed a resolution dealing with Jewish heritage. That was a resolution that Joe Addabbo passed every year. As chairman of the Census Subcommittee handling those bills I can remember his insistence, "Bob, are we going to get it out, are we going to get it out?" I can tell you even today with Joe Addabbo gone for a couple of weeks, we are still today working on legislation and resolutions that he really treasured.

So I thank my colleague for giving me these few minutes to praise a great colleague.

Mr. STRATTON. I yield to the gentleman from New York [Mr. Manton].

Mr. MANTON. I thank the gentleman for yielding.

Mr. Speaker, it is with great sadness that I mark the passing of my distinguished colleague and friend, Joseph P. Addabbo. Joe leaves us a legacy of over a quarter century of service in the House of Representatives to his constituents, his city, his State, and his country. He stood out as an example of how one should carefully handle the public trust in order to inspire public confidence in our political institutions.

The people of the Sixth Congressional District of New York were indeed fortunate to have such a representative of candor, courage and integrity. Joe Addabbo was a true representative of his constituents. Throughout his life he lived within a 10-block area. He spoke not only from his own ideology, but also on behalf of his constituency. The faith his constituents placed in him was reflected by the way he was returned to Washington 13 times.

Mr. Speaker, Joe Addabbo was a leader in the great issues of his day in civil rights, education and senior citizens. However, his largest impact was in the area of defense. In 1973, he sponsored the first antiwar resolution ever to pass the House of Representatives, cutting off funds for the bombing of Cambodia. As chairman of the Defense Subcommittee of the House Appropriations Committee, he advocated a strong but lean and cost effective defense, objecting to projects he considered wasteful, such as the B-1 bomber and the MX missile.

When I was elected to the Congress in the fall of 1984 to the district next to his in Queens, Joe Addabbo was always available to assist me in any way possible. He was influential in helping me obtain a seat on the Merchant Marine and Fisheries Committee and also a seat on the Banking Committee. Both these assignments are important for the people of my district.

Mr. Speaker, Joe Addabbo was a skillful legislator who was always a good friend and political adviser to me. He consistently aided those in our society who most need our concern and assistance. His accomplishments will survive as a fitting tribute to his long and outstanding career of public service in the House of Representatives. I join all my colleagues in mourning Joe's death, celebrating his life, and recalling his lasting contributions to New York and to America. My heartfelt condolences go out to Grace, the children and the entire Addabbo family.

Mr. STRATTON. Mr. Speaker, I yield to the gentleman from New York [Mr. Ackerman].

Mr. ACKERMAN. I thank the gentleman very much.

I miss Joe Addabbo. It is really hard to believe that he is not here with us in the Chamber at this time.

When I came here a few short years ago, Joe had already been here for two decades. He was a legend in the community. But we never really fully understand the power that he wielded here in the Congress and how much he meant to this institution and to the entire country. Joe was always there. He was the quintessential good guy. Everybody knew him, everybody liked him. He had a district in which if he walked down the street, there was not a person that he could not call by their first name and talk to them and tell them a story about what happened when they were kids or about their father or about their family.

We used to kid him back home in Queen in the political circles. Joe used to be able to walk into the largest of meetings, be they political, civil, social, and as we call it, "do the room." He would be able to work the room and shake hands with every single person in the room, to give them a good word, to pat them on the back, tell them a story, and to be out of the place within 20 minutes.

Nobody ever knew how he did it.

□ 1900

We used to try to compete with him and say, "Joe, I will be out of the room before you." And he sometimes would be out of the room before we got there, and everybody thought that Joe was still there because he had such a sense of presence, yet his presence was not overpowering, regardless of the power that he actually did have.

There was not a person who had a bad word for Joe. Joe was elected and reelected from a district that some people finally at the last two elections thought was impossible for him to accomplish. It was a district that changed racially. It was a district that changed because of reapportionment. It was a district that people suggested Joe possibly not run in, that he run in an adjoining district where he would have a better chance because of the statistics. But Joe, courageously and from his heart, said, "This is the place that I was born, this is the place that I have represented for the past quarter of a century, and this is the place that I am going to run." He did run and was elected overwhelmingly in the last two elections, despite what all of the pundits had to say.

All of the people that he was good to over the years were also good to Joe. He did not take anybody for granted. I feel kind of guilty, and I know that his constituents do, too, because we sort of took him for granted. We really never understood the full worth of the man.

Having come here to Congress a few short years ago, I have been privileged to realize the kind of things that Joe has been involved in. And as fortune would have it, Joe and I alphabetically were the first two names on the rollcall. I would always look up to the upper lefthand corner just to make sure that I would vote, and I would notice everybody else used to look up to that upper lefthand corner. They were not looking to see if I voted or not; they were really looking to see what Joe had done and what Joe thought on a particular issue. Such was his influence in this House.

When I got here, I remember he draped his arm around me with that great big teddybear grin of his, and he looked at me and he said, "This is what it is all about. How can I help you?" And help he did as he did with so many other people.

I would see him sit in different places in this Hall, whether it be on the Democratic side or the Republican side, it would make no difference to Joe. He had friends all over. Everybody loved him.

Mr. Speaker, I miss Joe. I know everybody in this House does. He leaves his mark here that is indelible, and he leaves a void that is going to be impossible for all of us, even collectively, to fill.

Mr. STRATTON. Mr. Speaker, I yield to the gentleman from Louisiana [Mr. Livingston].

Mr. LIVINGSTON. Mr. Speaker, I thank the gentleman for yielding to me, and I congratulate the gentleman for taking this special order.

I am here primarily to pay tribute to a fellow who was indeed a great man. He was the powerful chairman of the Subcommittee on Defense on the Appropriations Committee. But notwithstanding his power in that capacity, notwithstanding his many, many years as a U.S. Congressman, he also was a very nice person. He was a man of the people.

Mr. Speaker, I did not really know Joe in the first 8 years that I served here in the House of Representatives. I knew him casually, as we would come and go and would chat in the Halls or on the floor of the House. But it really was not until I came to have a chance to serve on the Defense Subcommittee on the Appropriations Committee that I got to know him, that I had the ability to watch him and to observe him, how he handled the committee with such grace and charm. Oftentimes he was even outvoted by the vast majority of the members of the subcommittee. We did not always agree. But when we did not agree, it was always in good spirit and good humor and in grace and in charm that Joe constantly possessed.

He was a gracious man and a nice man, but he was also a tough man. Evidently, the facts indicate that he had been sick for years without anybody really knowing the details of his illness. Yet, in only May of last year, with enormous grace and charm, he invited Members of the House and their families—and I think that is terribly significant that he brought their families, their wives and their children—with him to his city up in New York and showed them around with a great deal of pride and fanfare, and showed them the high spots of that wonderful Big Apple of his. I have to say that never, not one instance, during that trip did he ever indicate that he knew that he was ill, and he looked wonderful. He was charming and gracious and presented everybody with a perfectly wonderful time. It was a great pleasure for my wife and children to go on that trip with me and to be hosted by Joe and Gracie and his family and friends. I just want to tell you that that is a memory that I will want to take with me for the rest of my life, because it was not long after that trip that Joe's health started to decline and it became obvious that he did have a problem even then.

He was tough to the end. He never let on that it was as serious as it was.

As the speakers who preceded me, I will indeed miss Joe Addabbo, because he was a fine man and a man with whom I personally am very, very pleased to have been associated.

Mr. STRATTON. Mr. Speaker, I yield to the gentleman from Arizona [Mr. Rudd].

Mr. RUDD. Mr. Speaker, I thank the gentleman for yielding to me, and I appreciate the fact that the gentleman took out this special order for our friend and colleague, Joe Addabbo.

Mr. Speaker, I rise in eulogy to our friend and colleague, Joe Addabbo. He repeatedly demonstrated an ability that was recognized universally here in the House of leadership in politics and in government, which he understood very well.

Mr. Speaker, it was a pleasure for me to know him and to call him friend. He will be missed by all of us.

I wish to extend greatest sympathy and assure his family and theirs that he is in our prayers and in my prayers.

It has been a privilege to serve with Joe on the Appropriations Committee.

Mr. STRATTON. Mr. Speaker, I yield to the gentleman from Ohio [Mr. Regula].

Mr. REGULA. Mr. Speaker, I thank the gentleman for yielding to me. I also appreciate the gentleman taking out the time for this special order.

Many before me tonight have discussed Joe Addabbo's skill and dedication as a legislator.

I share the appreciation of these qualities.

One of Joe's great attributes was that he had his priorities right.

He loved his church, he loved his family, and he loved it's country.

We will miss him as a cherished colleague, we will miss him as a friend and we will miss him as a valuable Member of this body.

Mr. STRATTON. Mr. Speaker, I yield to the gentleman from New York [Mr. Schumer].

Mr. SCHUMER. Mr. Speaker, I thank the gentleman for yielding, and very much thank the gentleman for taking out this special order in memory and in great honor of Joseph P. Addabbo.

Mr. Speaker, I first met Joe right after I was elected to Congress in 1980. I asked around and people said you ought to go see Joe Addabbo. So I called him up. I never expected to talk to the man. I called him up at his office in Ozone Park, and he said, "Come on out. I am here at the office. It was a Saturday. I traveled out and there was Joe in his shirt sleeves, a kindly looking man, not the kind of man you would think was in the movies about how a Congressman would look. He was happy and smiling and just warm and genuine.

He sat with me for over 2 hours, and we talked over potential committee choices and everything else. I went away saying, "Boy, oh boy, what a nice man Joe Addabbo is."

The second time I met him, the mayor of New York had a reception at Gracie Mansion—no. I think it was at City Hall. It was a meeting about some kind of thing. It was again before Congress started. I am walking over to city hall and who comes up from out of the subway saying, "Hi, Schumer," Joe Addabbo. I said, "Joe, you took the subway?" He said, "Yes. When I go into the city out from Ozone Park, I take the subway in." Here was a man who was revealed to me to be one of the most powerful men in the Congress, and there he was coming up the steps of the subway with that big smile on his face.

Those were the first two memories of Joe, and they stick, because, as my good colleague from Queens mentioned before, Joe had a lot of power; not only power, by the way, that came from the authority of his position, power that came from his decency and his personality and his kindness and goodness.

But the humble ways of life never left him, and that created an aura about Joe. He was not somebody who was brandishing the chairmanship that he had or the perquisites of the office. He was somebody who genuinely cared and liked people.

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So we have lots of people who have attained the statutory position and power that Joe did here in the Congress but very few had almost universal respect. Joe's power was augmented by the fact that he never, never lost touch with what real life was all about. In a sense, he was like the Greek mythology figure, who, every time he touched the ground, gained strength, and the only way Hercules could strangle him and kill him was to hold him up in the air. Joe gained strength from walking on the ground, from not being 20 feet up in the air. It made him more effective, it made him more powerful, but most of all, it spoke to the decency of the man.

We in New York, in New York City and New York State, have suffered a loss that will take years to replace, a man who could reach out to every Member of the Congress, regardless of party, ideology, or area from which they came, and again in a gentle and kind way, persuade them to his point of view.

We in America have lost a great leader—words that are sometimes used too casually, but words that are truly fitting of this wonderful, wonderful man.

Of course, the people of Queens and Joe's family have lost, in a personal sense, somebody who was among the best.

Being in Congress, Mr. Speaker, has really made me a patriot. It has made me a patriot because the Congress reflects the American people. When you look around and see the people in this body, you know what a good people the American people are. And if somebody typifies that to me, it is Joe Addabbo. It is Joe Addabbo, not was Joe Addabbo, because he will walk with us for many, many more years to come in this body.

Mr. STRATTON. I thank the gentleman for his remarks.

Mr. Speaker, I yield to the gentleman from New York [Mr. Weiss].

Mr. WEISS. I thank the distinguished gentleman for yielding, and I want to express my appreciation to the gentleman for taking this special order so that we could join in honoring the memory of our late colleague and friend, Joseph P. Addabbo.

Mr. Speaker, few Members have earned so much respect and affection from both sides of the aisle as Joe Addabbo. His devotion to public life and his painstaking attention to detail made him one of the most effective legislators in the House.

I know that I share the sentiments of every Member of this body in mourning his passing and extend our deepest sympathy to his wife, Grace, and his sons, Dominic and Joseph, and the other members of his family, his many friends and his constituents.

In the House of Representatives, Joe Addabbo leaves behind an untold number of friends and admirers who will greatly miss his genial and yet statesmanlike presence. He also leaves behind an important and continuing legacy in the areas of foreign policy and defense. As a Member of the Congress, Joe Addabbo distinguished himself by becoming one of the first lawmakers to take a firm stand against the Vietnam war. He sponsored the first antiwar resolution to pass the House, a resolution cutting off funds for the bombing of Cambodia. It was an action that took courage, foresight, and determination.

Of course, Joe Addabbo played his most important role as chairman of the House Appropriations Subcommitte on Defense. He understood that there was more to the security of our Nation than the size of the defense budget, and he earned the accolades of Members for insisting that defense dollars requested by the administration, any administration, be fully justified before being approved.

In doing so, he helped rein in the runaway policy of throwing dollars at the Pentagon and helped to forge our defense budget into more of a defense policy.

It was Joe Addabbo who led many of the most important battles against wasteful and dangerous weapon systems like the B-1 bomber and the MX missile. He began these battles and pursued them vigorously, despite the fact that he often faced strong opposition from Members of his own subcommittee and from the administration. He did so because he was convinced that these weapons would not contribute to the security of our Nation.

The concerns of his Queens constituents were always uppermost in Joe's mind. He took the time to listen to them and to understand their needs. He insisted that the Federal Government play a role in protecting civil rights and in aiding the poor and the uneducated. He was also a staunch supporter of a woman's right to choose her own determination as to her body in regard to abortion.

But in recent years, Joe Addabbo fought more than legislative battles. He also fought a long and difficult battle against cancer. In that battle, as in all others, he distinguished himself with courage, dignity, and perseverance.

In the Borough of Queens, throughout New York City and across this Nation, the memory of Joe Addabbo will always serve as an inspiration to those who value excellence and believe in serving our fellow human beings.

On this occasion I wish to once again express my profound sorrow at the loss of our cherished colleague and to extend my heartfelt sympathies to the family and friends and constituents of Joe Addabbo.

Joe, we will never forget you.

Mr. STRATTON. Mr. Speaker, I yield to the gentleman from New York [Mr. Molinari].

Mr. MOLINARI. I thank the gentleman for yielding.

Mr. Speaker, I guess what we have all been saying here this afternoon and this evening is how much we all loved Joe Addabbo. I think the tragedy of life and death is that, unfortunately, after you die, you do not know the respect that your colleagues have held you and the country has held you. Attending the mass at St. Patrick's Cathedral was a terribly moving experience for me. I was sitting near Congressman Schumer, and we were looking about, at our colleagues, and we saw tears flowing down cheeks all over the place, and we knew that we were there to pay respects to that "teddy bear" that we all loved.

Mr. Speaker, I wonder how many of us could have carried on the battle as he did, suffering the torment that he did. I have thought a lot about this. I do not know how Joe could continue to smile, as he did, like there was nothing wrong with him.

I would like to just mention one experience I had not so long ago. I guess it was in January when Joe returned from a long absence. As Congressman Ackerman said before, he used to sit on the Republican side a lot. I think that said something. We would have welcomed him with open arms, needless to say. But I did not see him walk in, and he popped into the seat next to me and patted me on the leg and said, "How are you doing?" I turned around, and I was shocked because I did not know Joe was back. I looked at him, and he looked great; he had a tan, and he was wearing that ever-present smile. He asked me how I felt. At that point in time I felt good about Joe Addabbo. I thought maybe he has turned the corner and now he is on his way back to us. But, no, he knew what he had. He knew what he had and it did not "buffalo" him for 1 minute. The courage of that man and the spirit of that man was never broken by that terrible illness, never broken for 1 moment. And I think that is the thing that touches me the most—it is at a time like that, when a person is dying and knows that he is dying and can carry on, performing his duties, and at the same time smiling to his colleagues and saying, "I am proud to be one of you."

I will close by saying that unfortunately throughout this land of ours those who serve in Congress and other legislative bodies are generally not held in high esteem, and I think that is a product of a lot of things—sometimes bad press, bad media coverage, and what not—but I wish to God that all the people of this Nation could have been in St. Patrick's Cathedral, could have witnessed three planeloads of colleagues flying in from all over the country to be there with the man in his final moments before interment. It was an incredible experience for me and something that I shall never forget.

He left his mark, all right. He left his mark for all of us. Joe is still here. Joe will always remain with us because of the incredible presence that he lent to us and the lessons that he taught all of us.

I thank the gentleman for taking this special order.

Mr. STRATTON. I thank the gentleman for his remarks.

Mr. VENTO. Mr. Speaker, will the gentleman yield?

Mr. STRATTON. I yield to the gentleman from Minnesota.

Mr. VENTO. I thank the gentleman for yielding.

Mr. Speaker, I want to again rise and commend the gentleman from New York, the dean of the delegation, for having this special order and to share a few of my experiences with Joe Addabbo. I first met him as a Member of this body in 1977. Of course, first and foremost, as a Member I might say that I think that the reason that this outpouring of support and recognition for him is forthcoming is because Joe was himself. Joe Addabbo was a man who was natural and sincere and someone that we all shared a great deal of affection for. I knew him, of course, as a Member of this body and a member of the Appropriations Committee, and later serving as chairman in a distinguished manner of the Subcommittee on Defense Appropriations, where he fought and labored so much of the time during his service in this body. I think he had the quality of being able to disagree without being disagreeable. Often I found myself in agreement with him, I might say, on many issues. He was a great leader, from my perspective, on these defense-related issues that are so important to our Nation's history and our Nation's future; but he could disagree without being disagreeable. I think all of us respected that. He could fight the fight and make the argument for policy, and when it was done, that was the end of it—you had a good debate. I think that reflected well on him and on the quality of decisions that are made in this body.

As I say, I felt that he always had a good perspective and could keep things in perspective with regard to these issues, as well as representing the people.

In his final days we all recognized that he had a serious illness. It was not obvious when it began because he kept it pretty much to himself. But we recognized this, and he showed us again, I think, not just how to serve this body but, as the great person he was, I think he showed us how to leave this body.

I want to offer my condolences, of course, to Mrs. Addabbo, Grace, and the family, and I think he has made a great contribution at the national level and certainly has been a role model for many of us who serve here. He will indeed be missed but certainly not forgotten.

Mr. STRATTON. I thank the gentleman from Minnesota for his remarks.

Mr. Speaker, I am pleased to announce that the New York State Legislature adopted a resolution yesterday in memory of our late colleague, Joseph P. Addabbo. In both the State senate and assembly, Mr. Addabbo was memorialized in a resolution sponsored by the leadership and the members of the legislature from the Borough of Queens. Congressman Addabbo was well recognized and regarded by the legislative leadership in the State of New York. It was through his leadership in this House that many of New York's Federal programs received their sponsorship and support.

I am including in the Record a copy of the resolution which was adopted in Albany, NY, yesterday:

Resolution Memorializing Congressman Joseph P. Addabbo

Whereas, Joseph P. Addabbo, Member of Congress, succumbed following a long illness on Thursday, April tenth, nineteen hundred eighty-six at Walter Reed Military Hospital, Washington, D.C. at the age of sixty-one after a quarter of a century of service in the Congress of the United States; and

Whereas, Mr. Addabbo was born March seventeenth, nineteen hundred twenty-five to Dominick and Anna Addabbo in Queens County, New York and resided in Ozone Park, New York; attended PS 59, Queens Boy's High School, Brooklyn; City College, New York; St. John's Law School, Queens. He was admitted to the New York State Bar in 1946; was a member of Queens County Bar Association, Columbia Lawyers Association; and

Whereas, Mr. Addabbo began his Congressional career in nineteen hundred sixty-one and served as the Chairman of the powerful House Defense Appropriations Subcommittee since nineteen hundred seventy-nine. His careful eye against wasteful budget expenditures was well-known. At the time of his death, he was also serving on the Subcommittees of the Small Business Committee: SBA and SBIC Authority, Minority Enterprise, General Small Business Problems, and General Oversight. Past committee assignments include Veteran's Affairs, and Post Office-Civil Service; and

Whereas, Mr. Addabbo was a tireless defender of the interests of New York State and was remarkably successful in protecting New York's defense industries and was instrumental in bringing the Battleship Group to Staten Island; the Intrepid Museum to Manhattan; the construction of the A-6 Training Plane and F-14 Fighter Jets to Long Island; and the Army to Fort Drum. The State and City of New York will be forever grateful to the Congressman for his efforts in providing vital assistance to New York's housing, economic development, transportation, and public assistance programs. He was a masterful public figure, and was well-loved by his colleagues on both sides of the aisle; and

Whereas, Mr. Addabbo is survived by his beloved wife, Grace Salamone, and three children, Dominick, Dina and Joseph; now, therefore, be it

Resolved, That this Legislative Body pause in its deliberations to acknowledge the life, career and contributions of Joseph P. Addabbo and to express its condolences to his family upon the occasion of his passing; and be it further

Resolved, That a copy of this Resolution, suitably engrossed, be transmitted to his beloved wife, Mrs. Grace Addabbo.

Mr. McDADE. Mr. Speaker, I am pleased that the House is taking the time today to honor Joe Addabbo. I thank the Members of the New York State delegation for arranging this special order in his memory.

Congress has lost one of its most respected legislators with Joe's passing, and many of us in the House lost a good friend as well. I came to know Joe Addabbo by serving with him many years on the Small Business and Appropriations Committees. We worked side by side over the years in a bipartisan fashion for objectives we believed would best serve this country.

When you work many long hours with a colleague, as I did with Joe, you get to know him well. I developed a professional respect and a personal friendship with Joe by working closely with him while he was chairman and I was ranking Republican on the Small Business Subcommittee on Minority Enterprise and General Oversight and, most recently, on the Defense Appropriations Subcommittee.

Joe Addabbo will probably best be remembered for presiding over the Nation's defense budget at a crucial time in our Nation's history. He used his high-ranking position to fight tirelessly to cut waste and bureaucracy in the Department of Defense. Joe took on these battles because he felt the Nation and the world would be more secure, and because he believed that the tax dollars of our citizens should be used in the most efficient and effective manner.

Joe's prominence in the defense area makes it easy to overlook his enormous contribution in the small business area, particularly on belaif of minority businesses. I worked with Joe nearly a decade ago to establish the small and small disadvantaged business subcontracting program for Federal contracts. Five years ago, we teamed up to protect small and minority businesses when we protested provisions in the multilateral trade agreements that would have undermined the 8(a) set-aside. It is not an exaggeration to say that our small business community is more economically viable and that new opportunities for minority business success exist today because of Joe Addabbo's efforts.

Joe will be truly remembered for his achievements, but those of us who knew him will also think of his personal attributes. He was compassionate, understanding, even-handed and kind man. I think the best tribute we can give to Joe Addabbo would be to carry on in his absence with the same professionalism and humanity that were his trademarks.

To his wife, Grace, and to his fine children, our heartfelt sympathy.

Mr. FISH. Mr. Speaker, I rise today to pay tribute to my friend and colleague, Joseph P. Addabbo, a great New Yorker and a true gentleman. We served together in this body and as part of the New York delegation for 16 years. He bravely fought through 6 years of suffering and never made an issue of his troubles so that he could continue his important work here in the House. It is important to note that in his last 6 years he gained the most recognition of his fine work as chairman of the Subcommittee on Defense of the Appropriations Committee.

Joe tried hard to balance the best interests of his district, New York State and the Nation. He was always open minded and fair. When he was considering decisions of enormous consequence such as funding for the MX or B-1 bomber, he would always take the time to listen to the smaller concerns of Members not on his subcommittee. I will not forget his support for the development of a military component at Stewart Airport in my district and that it came at an especially critical time.

Joe will be sorely missed. I had the good fortune to work with him and was privileged to call him a friend.

Mr. GUARINI. Mr. Speaker, the opportunity to speak a few words about our dear departed colleague, Joseph Addabbo, is an opportunity for me to reflect on what it means to be a Member of Congress, what skills and talents we bring to this splendid institution. All of us who served with Joe Addabbo have been very fortunate, for he brought many gifts to the House of Representatives. He brought a strong sense of fairness and integrity which was reflected in all of his dealings with his colleagues. He brought a keen sense of vision as to the direction we should be leading the country. And he brought courage—first, in opposing the war in Vietnam and later, in confronting his final illness.

A St. John's Law School graduate, Mr. Addabbo practiced law as a peoples lawyer in Queens before being elected to Congress. He was a man who never strayed far from his neighborhood and friends of the Sixth District of New York and also never strayed far from his deep personal convictions about how his constituents should be.

Representative Addabbo, first elected to Congress in 1960, ranked 21st in House seniority. Mr. Addabbo acquired his seniority via the usual mode of reelection, but over those years he also garnered respect and authority from his fellow Members, by his love for this great institution and his fundamental fairness. Congressman Addabbo had gained a reputation for working closely with other Members, and being an effective strategist in shepherding legislation through the legislative process.

Congressman Addabbo chaired the Appropriations Subcommittee on Defense since 1979, and was an esteemed and trusted adviser on all defense and military issues. He was an astute politician, a watchdog against waste, and an expert and specialist in all areas of defense related legislation.

His membership on the Small Business Committee and related subcommittees kept him dedicated and aware of all business concerns. Congressman Addabbo worked in behalf of small business, especially minority businesses in his district. The thriving small business population in Queens can give testament to all of the Congressman's legislative accomplishments.

Congressman Addabbo was a practical politician who sought to solve the problems of Queens by bringing employment in military and defense areas and by aiding the business population. Mr. Addabbo was a true friend of the people, and he proved it, over and over again, by sponsoring legislation to aid his economically depressed constituents.

He was a humble man who was dedicated to the House and therefore dedicated to earnestly representing his constituents in and out of committee. He made it very clear that the House of Representatives was his calling in life, it was his career. His primary desire was to play an influential role in congressional affairs. The people of New York's Sixth District have lost a dedicated Representative. The House of Representatives has lost a respected colleague who will be sadly missed by all. He was a true friend who had left his mark on all those whose lives he touched.

Thank you.

Mr. MONTGOMERY. Mr. Speaker, I want to join with my colleagues in paying tribute to one of the most popular members in this Chamber, Representative Joe Addabbo.

He set a very fine example of leadership in the House of Representatives for 26 years. He will be greatly missed.

Joe handled a very tough assignment in chairing the Appropriations Subcommittee on Defense. He did that job very effectively and earned the respect of Members on both sides of the aisles.

I also enjoyed the Congressional Prayer Breakfast with Joe. We talked about his health but he never complained about it. He fought hard against his illness, just as he fought for his beliefs and principles here in the House.

I am proud to have had a chance to serve with Joe Addabbo. He worked hard for his constituents in New York and for the people of this country as chairman of the Defense Subcommittee. His leadership and expertise will be missed.

Mr. BEVILL. Mr. Speaker, I rise today to pay tribute to my good friend and colleague, Joe Addabbo, whose leadership we will all miss.

Joe was a wonderful person. He was always pleasant and always seemed happy. He never let problems get him down. Joe also was one of the most respected Members of Congress—respected on both sides of the aisle.

As chairman of the House Appropriations Defense Subcommittee, Joe was the author of the biggest appropriations bill in the world. He was strong on defense, but he would not stand for wasteful military spending. He wanted to make sure that our hard-earned tax dollars were properly spent, at the same time ensuring that this Nation was properly protected.

Joe served 26 years in the House of Representatives with unflagging dedication to his New York constituents and to the Nation as a whole. He was a man of integrity. He stood up for what he believed in and worked hard to achieve those goals.

His talents will be missed. But, more than that, Joe will be personally missed by his many friends. I am proud to have known him, to have worked with him, to have called him a friend. We won't forget Joe Addabbo.

Mr. YATRON. Mr. Speaker, I would like to join my colleagues in expressing my deep sympathy on the passing of our distinguished colleague, Congressman Joseph P. Addabbo. I know we all feel a great sense of personal loss now and, truly, one of our most respected Members and friends has left our Chamber.

Joe served in the House of Representatives for a quarter of a century and during that time he dedicated much of his time and work to defense policy issues. His thorough knowledge and understanding of the Pentagon and military spending earned him the respect of his colleagues and, in 1979, the chairmanship of the Defense Subcommittee of the Appropriations Committee.

Joe was very dedicated to his constituents and was reelected time and again by wide margins. He was a kind and caring man, whose compassion and concern for others knew no bounds. Personally, I know we will remember Joe with great fondness. He was one of the most friendly and likeable Members and he had a tremendous affection for all of us.

Joe leaves a magnificent record of many lasting and important achievements in the House of Representatives. Joe will be deeply missed and forever remembered as an outstanding Congressman and American.

Mr. NOWAK. Mr. Speaker, it is with sadness that I join my colleagues in a tribute to a great leader and good friend, Joe Addabbo, who passed away earlier this month after a long struggle against cancer.

Joe Addabbo's 26-year tenure in the House of Representatives spanned six administrations, a wide range of complex issues, and an ever-changing national arena. Yet, Joe never lost sight of the well-being of his constituency, working tirelessly for adequate housing and heat for the poor, steering economic aid to depressed areas, improving education for our youth, and providing various incentives and assistance for small businesses. Joe's substantial election victories over the years clearly illustrates this remarkable ability to address the needs of those who he had been chosen to serve.

Joe Addabbo will also be remembered for his great influence in shaping our national defense policy as Chairman of the Appropriations Subcommittee on Defense. By mastering the intricacies of defense issues, Joe became one the House's most credible and rational critics of Pentagon spending, consistently opposing ineffeicient and wastful use of defense funds. Although Joe's many appropriations battles were often uphill and marked by heated debate, some even lost in his own subcommittees, he earned respect and admiration from both sides of the aisle.

Joe Addabbo was a man of strong conviction, dedicated to his career as a public servant, accommodating, understanding and humble in his approach. Over the last several years fighting against the odds with cancer, he never allowed his personal health problems to interfere with his job. Joe's leadership and vast knowledge will be sorely missed by his colleagues. However, his record as a Member of the House remains as a fine example for those who succeed him and an inspiration for all Americans.

Mr. FUQUA. Mr. Speaker, a man of strong convictions—that's how I will remember my dear, departed colleague Joe Addabbo.

The U.S. Congress always could count on this honorable gentleman to be one of the most articulate reviewers of Pentagon spending. As chairman of the Appropriations Subcommittee on Defense, he would not hesitate to turn crimson and raise his voice in support of a strong yet lean defense. Addabbo consistently managed to cut billions off the defense budget and even those who disagreed with him respected his knowledgeable viewpoint.

Mr. Addabbo dignified New York with his devotion for 26 years, even through his 6-year battle with cancer. This loyal New Yorker was born and educated in New York, lived his entire life within a 10-block area of the Big Apple, commuted weekly to his office in the District of Columbia and did everything in his power to promote the city he adored to his Capitol Hill friends and colleagues.

I fondly recall weekends in New York when his son Joey and my son John would play together, while Mr. Addabbo played "Mr. Hospitality" with us. In fact, the influential legislator instigated the now-famous congressional weekend in New York, which my wife Nancy and I enjoyed.

Joe's death certainly will leave a gap in the estabilished weekend event and in the lives of everyone he touched. My condolences to Grace, Dominic, Dina and Joey; the State of New York; and Congress; for the loss of this devoted man.

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Mr. ROE. Mr. Speaker, it is with great sadness in my heart that I rise today to join in this remembrance of our colleague JOE ADDABBO, who passed away last week.

I indeed felt a great personal loss as JOE and I had established a close personal and professional relationship during the many years we served together in this body. As representatives from neighboring New York and New Jersey, JOE and I spent many hours together working on issues affecting our metropolitan area.

Despite the national attention that JOE received as the leading spokesman in Congress against excessive military spending, he never forgot for 1 minute that his major role in Congress was to represent the interests of the people of the Sixth Congressional District of New York. And represent them he certainly did.

During his 25 years in the House, JOE truly became a "peoples" representative, devoting himself untiringly to his constituents' needs, worries and causes.

JOE ADDABBO loved this country and its people. He was a true patriot who wanted the best for America and would not settle for anything less. He was strongly offended by what he believed to be the wasteful spending of taxpayers' funds in our military procurement system.

JOE was an outspoken supporter of a strong military for America, but he insisted that every dollar spent on that program be accounted for to insure that the taxpayer was getting the most bang for his buck.

Among those of us who were privileged to personally know JOE, he will most be remembered for his kind manner and joyful sense of humor. We will remember him as a man of unparalleled integrity with the highest moral principles and values. His good cheer and bright mind will be sorely missed as we here who follow him attempt to solve our Nation's weighty problems in the years ahead.

I am sure that I speak for all of us, as I extend my most heartfelt sympathies to JOE's wife Grace and his children Dominic, Diana, and Joseph at this time of their sorrow.

Mr. OWENS. Mr. Speaker, it is with deep sadness that we note the death of our colleague, JOSEPH ADDABBO, of New York's Sixth Congressional District. As chairman of the Appropriations Subcommittee on Defense, he left his mark on this body and on our Nation's history. Although he was a strong supporter of national defense, he sponsored the first successful anti-Vietnam war resolution which cutoff funds for the bombing of Cambodia. In 1982, Congressman ADDABBO was able to secure a 245-to-176 vote for his amendment to block MX missile production. This was perhaps his most dramatic victory as chairman of the subcommittee and as well as a victory for his ongoing battle against what he saw as wasteful weapons systems.

Today we are all familiar with the ongoing battle against Department of Defense waste. Even as we try to control contract costs, revolving door employment practices between the Department of Defense and defense contractors and multitudinous wasteful practices, we must recognize that we are following in the path which Congressman ADDABBO opened. His pragmatic career of controlling waste while arguing for a lean and efficient national defense earned him the respect of those he fought as well as those who agreed with him. Perhaps a final tribute to him was the support that he gained from peace activists in New York who saw him as a bulwark against a bloated defense budget which would lead to foreign military adventures.

When the seriousness of Congressman ADDABBO'S final illness became clear, it was hard to believe that this cheerful and good-humored man had long been laboring under the strain of a severe and finally fatal illness. We will miss his leadership on the Defense Appropriations Subcommittee and his presence among us.

Mr. GREEN. Mr. Speaker, I ask my colleagues to join in paying tribute to the memory of the Honorable JOSEPH P. ADDABBO, who died on April 12 at the age of 61. Representative ADDABBO devoted the last 25 years of his life not only to his constituents in Ozone Park but also to the citizens of the Nation.

As chairman of the Defense Subcommittee on the House Appropriations Committee, Representative ADDABBO worked for a strong and efficient defense policy. A leader of opposition against wasteful arms projects, he did not hesitate to speak out against Pentagon officials. He held a significant role in limiting the spending for such projects as the MX and Pershing missiles. As President Reagan said, Representative ADDABBO was "one of leading players in the development of the American military policy."

The Governor of New York, Mario Cuomo, once called Representative ADDABBO a "great man whose commitment to integrity and excellence has improved the quality of life for all New Yorkers." He sponsored legislation to help poor families pay for household heat, assisted small businesses, and directed funds to economically depressed areas. He was in favor of civil rights and Federal aid to education and the elderly. He voted against legislation to limit rights to abortion and allow prayer in public schools. His role in defense also aided the interests of his constituents. He increased Long Island's aircraft industry and added thousands of jobs to the metropolitan area.

Representative ADDABBO played a crucial role in advancing an anti-Vietnam war measure that passed the House. This amendment put a halt to appropriations for the bombing of Cambodia.

Representative ADDABBO did not seek to run for other elected offices. Instead, he devoted himself to Congress, his "career", as he once said. He was respected by Democrats and Republicans alike. He was a warm and compassionate leader who acted fairly.

Representative ADDABBO was born and raised in New York. He went through public schools and then attended City College. After graduating from St. John's University School of Law, he began a law practice in Ozone Park where he remained until he was elected.

Representative ADDABBO will be sadly missed.

Mr. BOLAND. Mr. Speaker, I want to thank the gentlemen from New York, Mr. STRATTON and Mr. HORTON, for giving us an opportunity to pay tribute to our friend, JOE ADDABBO.

JOE did not seek publicity or personal attention, so I think he would have been a little uncomfortable with the fact that this time has been set aside to reflect on his life and his service in this House. But, as anyone who knew him is aware, the way in which he lived his life, and the manner in which he served in this body, were of such a character as to demand that special note be taken of his passing.

I had the privilege of serving with JOE on the Appropriations Committee. While he was perhaps best known in the House for his work as chairman of the Defense Subcommittee, within the full committee his was a highly respected voice on a wide range of issues, from the Vietnam war, to the plight of the poor and disadvantaged, to the needs of Federal workers. As was the case on the House floor, when JOE spoke in the Appropriations Committee, people listened. He was credible because the Members knew that JOE had done his homework, and that he knew what he was talking about. Although he never tried to conceal his political philosophy, admiration for the way that JOE practiced his craft as a legislator transcended the bounds of ideology or party affiliation. He had the ability to influence precisely because people trusted his judgment, and had confidence in the means he chose to translate that judgment into action.

JOE's skill as a legislator was prominently displayed in the last years of his life because of the role he played in battles over the defense budget. Make no mistake about it. JOE ADDABBO was for a strong defense. He just didn't believe our defense effort had to be gold plated to be effective. He was not afraid to challenge generals, admirals, or Presidents on the worth of particular weapons systems, and he never hesitated to call the attention of Congress to defense spending requests that he considered to be excessive. As competition for budget dollars became more intense, his dogged insistence that defense programs be subject to the same level of scrutiny being given to other programs forced officials at the Pentagon to take a second look at many of their budget requests, and thereby saved billions of dollars for American taxpayers.

But JOE will be remembered by his colleagues in the House for more than his legislative abilities. In an institution of working relationships, he made friends, and the size of the delegation to his funeral mass was a testament to the affection with which he was regarded in this body. We shared that sentiment with the people of his district, who took time off from their jobs to fill St. Patrick's Cathedral in his honor last week, and who knew him to be a man of courage and decency who never stopped being their neighbor.

And my, how JOE loved New York! The city had no better ambassador of good will in the Congress, and anyone who saw New York with JOE as their guide could never be satisfied with anyone else. The Big Apple always had a special gloss in JOE's eyes, and he leaves in the House of cadre of honorary New Yorkers who can testify to his ability to instill in others his feelings for his hometown.

Mr. Speaker, the people of the United States were fortunate that JOE ADDABBO chose to devote a quarter of a century to

serving them in these halls. Those of us who served with him know how deeply his wisdom and counsel will be missed in the days ahead. We know too, however, that the contributions he made to his country, and the example he set for his colleagues in the House, will never be forgotten. I hope that certainty will offer some comfort at this difficult time for JOE's wife, Grace, and their children, Dina, Joseph, and Dominic.

Mr. SCHEUER. Mr. Speaker, I join my colleagues in paying tribute to my friend and illustrious colleague—the late JOSEPH P. ADDABBO.

JOE ADDABBO's presence in this House was an example for all of us—from the most senior committee chairman to the newest freshman to follow.

JOE's wit, his jovial sense of humor, and his relentless quest to do what was right put JOE ADDABBO in a class all by himself.

JOE ADDABBO probably was best known for his work as chairman of the Defense Appropriations Subcommittee. In that role, JOE was a voice of sanity in this era of extravagant and often unnecessary defense spending.

JOE ADDABBO had enormous clout in the whole military spending process. He was a staunch supporter of a strong national defense, but he felt strongly that our military stature should be lean and mean—with the emphasis on lean.

JOE viewed the Pentagon as just one more Federal bureaucracy—the only difference was that the bureaucrats at the Pentagon wore stars and bars. He refused to take the funding requests from the Pentagon at face value—preferring to put the military budget under close scrutiny to ferret out waste, duplication, and unnecessary fat. JOE often found himself at odds with many of the Defense Subcommittee members—but I assure you that every one of them had great respect for the man.

JOE ADDABBO's legislative role actually extended far beyond the defense arena.

Over the years, JOE was a major factor in passage of important legislation to help the poor, assist small business, and steer funds to economically depressed areas.

JOE ADDABBO never forgot his constituents, insuring that the needs of the Sixth District were met and taking the time to solve the individual problems that plagued his Queens neighbors.

As senior member of the Queens delegation and a senior Member of the House, JOE ADDABBO worked hard to make sure New York received its fair share of Federal funds.

With the unfortunate death of JOE ADDABBO, I now find myself in the position of senior Member of the Queens delegation. Although it will be very hard to fill the shoes left by JOE ADDABBO, I hope to carry on in the spirit of JOE—with an eye toward unity and compassion.

JOE ADDABBO's presence in this House will be missed greatly. But those of us who knew him well will try to carry on his work—secure in the knowledge that his legacy will live on.

Mr. MILLER of Ohio. Mr. Speaker, with the passing of JOE ADDABBO the Nation has lost an untiring and highly principled public servant, the Congress a dependable, personable Member, and each of us a dear and loyal friend. JOE ADDABBO gave full meaning to the term "trusted colleague." When JOE told you he was going to do something, you considered it done. When JOE cast his vote you knew he did it after full consideration of the issue, you knew he did it on the basis of principle not partisanship.

JOE's long battle with cancer proved to be a telling reflection of the way he lived. His 6 year fight with this dreaded disease was one he carried on courageously and confidentially. He didn't want anyone's sympathy, he didn't want anyone making any excuses for him.

Though JOE and I sat on different sides of the aisle, I never sensed our differing political philosophies to be an issue. As the chairman of the Defense Subcommittee on which I serve, he always carried out his responsibilities with a sense of fairness and openness. Though we often differed on issues, JOE never let his work get in the way of his friendships.

The Congress will be a lesser body without him. To his wife, Grace and his children, my wife, Helen, joins me in extending our deepest sympathy. The Congress has lost a true gentleman and a scholar, a fighter who fought the good fight, a man who by his lifestyle epitomized all that is right with our society.

Mr. RUSSO. Mr. Speaker, it is with a sad heart that I join my colleagues today to pay a final tribute to an outstanding Congressman and beloved person. Congressman JOE ADDABBO will be greatly missed, by his countless friends here, and by this country.

In his years of work with the Congress, JOE won the respect of his colleagues regardless of opposing views on an issue. He was diligent, concientious, and you knew where he stood. I particularly remember how nice he was to me my first year here, going out of his way to help a newcomer. It's the kind of thing no senior Member is required to do, but JOE was that kind of person—helpful and one who took the time not only to do what needed to be done, but to do a little extra as well.

Certainly in his legislative work here he went well beyond what was merely required. I credit him for bringing some sanity to a complicated and inflammatory area like defense policy and spending, and I think we'll all remember JOE during the floor debates on this subject. We are indeed going to miss him, and his constituents have lost a fine representative.

I join with others here today in commending the work and life of Congressman JOE ADDABBO, a man who in the end demonstrated so much grit and courage to us all, and in offering my prayers and sympathy to his family. I hope it is a comfort to them to remember the lasting mark that JOE has made on this Congress and the Republic, and to know that he will not be forgotten by any who were privileged to know him and call him friend.

Mr. McGRATH. Mr. Speaker, on Thursday April 17 of this year, the residents of the State of New York and the entire Nation suffered a great loss with the death of Congressman JOSEPH P. ADDABBO. JOE served in this Chamber for 26 years and constantly helped to improve the fiber of this country.

In my years as a Member of this body, and as a lifelong resident of a community bordering his congressional district, I have been proud to call JOE a friend and a colleague. JOE was respected throughout the Metropolitan New York area for his strong leadership on defense issues and countless other serious matters affecting our region and the Nation as a whole. Congressman ADDABBO never lost sight of his responsibilities to his constituents and his constituent achievements earned him the right to serve in this Chamber for 26 years.

The residents of the southwest part of Queens have been fortunate to call JOE ADDABBO their Representative. His tireless support for community development in the Jamaica business district, his efforts on behalf of St. John's Law School, and countless other activities have made JOE's name a household word in his district and in surrounding communities.

Congressman ADDABBO was at his best when acting as chairman of the Defense Appropriations Subcommittee. He served through the Vietnam crisis and fought against waste in defense contracts. Even though Congressman ADDABBO was not afraid to disagree with a colleague, he always handled himself as a professional and a gentleman.

Last month legislation was passed to name a Federal building in Jamaica, NY in JOE's honor. This great tribute is more than deserving for a man who worked for over two decades to help improve the district in which the building will stand. The building will serve as a constant reminder to the community he has served with honor and distinction.

JOE ADDABBO will live on with us forever in spirit and his example should serve as an inspiration to us all.

Mr. YATES. Mr. Speaker, I am deeply saddened by he death of JOE ADDABBO. We served together on the Appropriations Committee for 22 years. JOE and I were good friends. He was wise, diligent, and witty and I admired him greatly.

JOE understood the issues involved in national defense. He knew the budgets, the programs, and the military mind and he was so right when he told us, as he did many times, that lavish budgets for exotic weapons do not make the Nation stronger or safer. JOE's understanding of national security included an educated and healthy population with a balanced and varied economy. He worked, voted, and spoke to achieve that end, and we are in his debt.

We are now in a period when the Nation is beginning to understand what Joe has been saying for years, and it is a real tragedy that he has left us at this time. I know that I will miss him greatly. We need his wisdom and guidance.

His contributions are real and lasting. He made the United States a stronger, better Nation, and I am proud to have known him. I extend my most sincere sympathy to his wife and family.

Mr. MYERS. Mr. Speaker, I rise tonight to say thank you to the ADDABBO family, Grace and their children, for sharing JOE with us those many years. I also thank the people of the Sixth District of New York for sending him to Congress that the people of the rest of the country could share in his service to our country.

Very early in my service on the Appropriations Committee I found that JOE was a

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person that was willing to take time to help others. His district was much different from mine. He, from a large city, more liberal in their political and economic views. Mine, a rural and more conservative, yet we became good friends. He was always understanding when someone had to take a different position.

My wife and I became better friends after we had gone with him and Grace on congressional investigating trips for the Appropriations Committee. I did not serve on his subcommittee, but he asked us to join his subcommittee on several occasions. We were hard on those trips, but here again, he was always very kind and generous to include us in all the activities of his subcommittee.

There are so many nice things that could be said about the service of JOE ADDABBO. He was a good public servant, represented his people well, and a nice guy always.

Mr. LAFALCE. Mr. Speaker, I rise to pay tribute to a man who would probably have been embarrassed if he knew that colleagues were paying special attention to his passing. JOE ADDABBO was that kind of man: genuinely humble and self-effacing, while hugely competent and capable in his work within the House of Representatives over the past quarter century.

JOE ADDABBO came to Congress from his beloved Queens in the usual way. He was an eminently convivial man who practiced law after graduating from St. John's. He joined local organizations like the PTA, civic groups, Sons of Italy, and the local Democratic club. As time went on, he helped out behind the scenes with congressional campaigns. And when the Republican incumbent retired in 1960, JOE ran and won by 10,000 votes.

Politics came naturally to JOE, because he loved people. He was a model to all new Congressmen about how one represents a district. One of his opponents is said to have remarked in disbelief, "He attends every wedding, bar mitzvah, and wake in the district." JOE did this, of course, because people and their hopes and dreams were important to him.

JOE ADDABBO came to Congress with that attitude and served all his days, without changing a scintilla of his generous perspective. He was a successful legislator because he paid attention to his constituents. And his constituents respected JOE'S judgment when it differed from theirs. I think we would all agree that JOE always followed his conscience, no matter the political cost.

JOE was a successful legislator who could pry loose money for an important mass transit project back home, change his mind about the wisdom of the Vietnam War after supporting it, and foster an amendment to cut off funds for it. And, as chairman of the powerful Defense Subcommittee, he was the scourge of the military as a foe of the B–1 bomber. But he also argued for a strong defense, properly understood.

JOE ADDABBO was, above all, a man with a burning desire to do the right thing: To be reasonable, to understand, to be compassionate, and, where possible, to accommodate. He was loved by his constitutents and his colleagues, and therefore he will be missed.

Mr. ANNUNZIO. Mr. Speaker, I rise to join with my colleagues in the House of Representatives in paying tribute to Congressman JOSEPH P. ADDABBO, whose untimely death on April 10 was a tremendous loss to his constituents from the Sixth Congressional District of New York and to all the people of this Nation.

JOE was my close and trusted friend during the period we served in Congress together, and I am proud to have had the honor to work with him. I shall always cherish the wise counsel, advice, and good will that he so often generously extended to me.

Congressman ADDABBO was elected to the 87th Congress, and for 25 years as a Member of the House of Representatives dedicated his life to the service of his constituents. He compiled an oustanding record of achievement as chairman of the Subcommittee on Defense of the House Appropriations Committee and as a member of the House Small Business Committee.

As chairman of the Subcommittee on Defense, he was a guiding force in Congress for a strong, efficient defense policy, while at the same time eliminating wasteful and excessive military spending. He courageously took an early stand against the Vietnam War, sponsoring the first antiwar resolution to pass the House of Representatives in 1973, which cut off funding for the bombing of Cambodia.

Congressman ADDABBO, as one of the most respected Members of the House of Representatives, was even-handed and well-liked by his colleagues, and was one of the most knowledgeable and effective legislators in Congress. His dedication to the highest standards of excellence was an inspiration to his friends and fellow citizens, and he will long be remembered by those of us who had the privilege to serve with him in the Congress of the United States.

Mrs. Annunzio and I extend our deepest sympathy to his wife, Grace; his children, Dominic, Dina, and Joseph; and to the other members of his family.

Mr. YOUNG of Florida. Mr. Speaker, I want to commend my colleagues from New York for requesting this time today to honor my good friend JOE ADDABBO for his 26 years of dedicated work in behalf of the people of our Nation.

Although JOE and I didn't agree on every issue, I held the utmost respect for this great American, who despite suffering from cancer, continued to valiantly serve the American people and his constituents from New York. It was a privilege to have served under his chairmanship as a member of the House Appropriations Subcommittee on Defense. He was a fair and honorable chairman who rightfully took great pride in his long hours of preparation and work to fulfill his responsibilities in overseeing our national defense programs.

We shall miss JOE ADDABBO'S leadership in this House as well as the dedicated spirit with which he served here for more than a quarter of a century. I shall also miss JOE'S friendship. He will always symbolize for me what is so great about our Nation and our democratic Government. Despite differences of viewpoints—whether they be Democrat or Republican, liberal or conservative—we are first and above all else Americans who represent the American people to the best of our abilities. Few have served in the U.S. Congress with greater distinction than JOE ADDABBO.

I share the sorrow of JOE'S wife Grace and their three children, because with JOE'S passing we have lost a great American statesman. He served our country with honor until his final hours, and for that we shall be forever grateful.

Mr. HUGHES. Mr. Speaker, it is with a deep sense of sadness and loss that I join my colleagues in paying final tribute to our respected colleague, JOE ADDABBO.

All of us who had the opportunity to work with JOE will always remember it as a true learning experience in effective management of our Nation's resources. As one of the prime forces in the shaping of military policy over the last two decades, he represented his district, and his country, with the highest degree of competence and legislative ability.

JOE impressed his colleagues not only with his tenacious management of our Nation's defense resources, but also with his compassion for those in need of help, opportunity, or protection. He believed deeply in the Government's obligation to assist the disadvantaged, and throughout his years in the House of Representatives, he remained dedicated to the expansion of human dignity and equal opportunity. JOE ADDABBO truly cared about people as individuals, and in caring about them, he took the trouble to understand them, to know their problems, and to do everything he could to help them.

All of us who knew JOE will deeply miss his leadership, courage, and commitment. I am proud to have had the opportunity to serve with him, and wish to extend my sincere condolences to his family.

Mr. ST GERMAIN. The congressional paths of Congressman JOE ADDABBO and FRED ST GERMAIN often crossed. Our congressional careers began together on January 3, 1961, when JOE and I raised our right hands to take our oaths of office for the first time. We were the only Members of the present Congress who shared this date as the beginning of our congressional service.

Our legislative endeavors were guided by the same philosophies and convictions. We shared strong feelings that Government retain a people perspective and only in rare cases would we cast our vote on opposing sides of any issue.

The residents of New York's Sixth Congressional District will miss his genuine concern for their well being. His colleagues in the Congress will miss his warm smile and friendly manner, but you can be certain JOE ADDABBO has left his mark on the Congress and the Nation. His life journey has concluded but the goals he set for our Nation remain. Congressman JOE ADDABBO simply wanted the United States to be a great place to live. Because of people like JOE ADDABBO, it is.

Mr. HILLIS. Mr. Speaker, the House lost an outstanding an compassionate Member 2 weeks ago when JOE ADDABBO passed away after a long and courageous bout with cancer.

As a member of the House Armed Services Committee, I always respected JOE ADDABBO'S tenacity in probing the Pentagon's spending plans. JOE ADDABBO was committed

to a strong military and he dedicated his career in the House of Representatives to the identification and elimination of waste and extravagance.

While many of us on the Armed Services Committee often disagreed with JOE on specific issues, all of us respected his skill in exposing needless spending that would have done nothing to serve our national defense.

JOE ADDABBO will be remembered as a gentleman and a sincere public servant who defeated his fatal illness by refusing to let it rule his life.

Admired in life and in death, we will all miss JOE ADDABBO.

Mr. STOKES. Mr. Speaker, I would like to thank the gentlemen from New York [Mr. HORTON and Mr. STRATTON] for reserving this time for Members to pay tribute to my distinguished colleagues in the House of Representatives, the late Congressman JOSEPH ADDABBO.

Those of us who worked with JOE ADDABBO through the years will sorely miss his leadership, his thoughtful, intelligent approach and style, his congenial nature and his tireless dedication to serving the public to the best of his ability.

Mr. Speaker, I had the good fortune to work with JOE on the Appropriations Committee, and had the opportunity to observe his exceptional leadership as chairman of the Appropriations Subcommittee on Defense. While he supported a strong defense, JOE led the fight to prevent the Department of Defense from squandering the taxpayers dollars. Through his skillful leadership, he provided Members with the opportunity to implement a strong national defense while at the same time rejecting wasteful spending.

Mr. Speaker, JOE ADDABBO was also extremely supportive of the efforts of the Congressional Black Caucus to provide encouragement and financial assistance to minority businesses through the Fair Share Federal Procurement Contract Program. His appearance at a press conference held by the Congressional Black Caucus in support of that program was demonstrative of his commitment to the development of minority business.

However, Mr. Speaker, my most fond memories of JOE ADDABBO come from our personal friendship. He was a congenial man, a friendly person, an individual who had the ability to put people at ease. He always had something nice to say about everyone and was admired and respected by virtually everyone who met him. Like many other Members, I was the recipient of JOE'S warm hospitality during a "weekend in New York" sponsored by the New York State congressional delegation. I was impressed by his organizational skills and ability to make everyone feel welcome.

Mr. Speaker, I also had the opportunity to travel with JOE and his lovely wife, Grace, overseas with a congressional contingent. While we worked hard, we had a very enjoyable time and I observed firsthand the deep love and devotion shared by JOE and Grace ADDABBO. They were a great couple, and all I have are fond memories of the time spent with them.

Mr. Speaker, JOE ADDABBO was truly a pillar of the House of Representatives. His dedicated service as chairman of the Appropriations Subcommittee on Defense may be imitated, but will never be duplicated. JOE'S careful, intelligent approach to the defense question, an issue that in recent years has become highly emotional and often irrational, has forced the House of Representatives to take a closer look at the issue of defense spending and to consider future ramifications of unrestrained spending. That "closer look" will definitely save money—and may quite possibly save lives.

Mr. Speaker, I send my heartfelt condolences on the passing of my good friend and colleague JOE ADDABBO to his wife, Grace, and his family, to the people of the Sixth Congressional District of New York and the members of the New York congressional delegation. Again, I thank the gentlemen from New York, Mr. HORTON and Mr. STRATTON for reserving this time to remember a very special man—JOSEPH ADDABBO.

Mr. MINETA. Mr. Speaker, we have lost an important ally and a cherished friend in the House of Representatives, our distinguished colleague, JOSEPH ADDABBO. We missed him during the months of his hospitalization. We were acutely aware of his absence, as the House considered complex and ever-controversial defense bills. We needed his leadership and guidance on many tough and intricate questions and we hoped for his return. Now we feel a profound sense of loss knowing that he will not be back to fight future battles with us.

JOE ADDABBO has done much for his Nation, his district, and his colleagues. How many of us, when we leave these Halls, will be able to look upon a list of accomplishments as worthy and solid as those of JOE ADDABBO'S? How many of us could command our colleagues' love and respect, as JOE did? How many of us are assured of the good will and friendship of those that disagree with us on policy questions. JOE had all those things.

He carved his place in this House by understanding all the subtleties of the complex issues of defense policy. Few could match his expertise. He used his knowledge to define national security goals and to help shape and advocate a sound defense policy. He above all knew how to separate wasteful defense spending from the defense necessary for national security. He then effectively lobbied for his position using the full force of his personality—the force of his integrity, the force of his leadership, and his formidable skills of persuasion. And when the battle was over, no matter how heated, he would still be liked and respected by his most ardent opponents. That was the kind of man JOE ADDABBO was. That is the JOE that we will sorely miss.

The loss of his guidance and leadership will be felt not only during this year's difficult defense and budget debates, but in all years. We will always be guided by the principles JOE set forth and we will always miss him.

Thank you.

Mr. DICKS. Mr. Speaker, it is with a great deal of sadness that I join in this tribute to our departed colleague, JOE ADDABBO. We all miss him dearly.

It has been an honor and privilege to have JOE as my chairman on the Defense Appropriations Subcommittee for over 7 years. He always conducted the subcommittee in a fair and equitable manner which was respected and appreciated by the Members on both sides of the aisle.

Chairman ADDABBO took very seriously the responsibility to insure that we not only approved the resources needed to provide for the common defense, but that we did not waste money in the process. He was tireless in the detailed review of obscure audit reports to find any instance of unneeded expenditure. I remember many occasions when he had to direct program managers to read the Pentagon's own audits of their programs so that they could do their jobs more efficiently.

Each year, under his able direction, the subcommittee would recommend reductions in literally hundreds of items. And just as the old saying goes, a million here and a million there and pretty soon it was real money. Some people have criticized the Congress for micromanaging, and some of that criticism is deserved. But the kind of scrutiny that JOE ADDABBO applied to the defense budget was just the kind of oversight that is the duty of the Appropriations Committee. A true measure of his effectiveness is the very large portion of the committee's recommended cuts that the Pentagon would eventually concede were fully warranted.

On many occasions, it was my pleasure to work with Chairman ADDABBO on the issues of national defense before the Congress. On occasion we disagreed. Let me tell you, I would much rather have him on my side because he was an aggressive and forceful advocate for his point of view, which he held with very deep and sincere conviction. His courage in facing his illness without complaint and without shirking his duty is an inspiration to all of us.

But my sadness with JOE ADDABBO'S passing is tempered by the joy of the memories he has left with me and with this body. His sense of humor, his fondness for wisecracks, his occasional Italian temper, were all uniquely JOE'S. They were a part of a personality that lifted our hearts and reminded us of the special opportunity we have to serve in the House of Representatives.

I want to compliment my colleagues from New York [Mr. STRATTON and Mr. HORTON] for arranging this opportunity for all of us who were touched by the magic of JOSEPH P. ADDABBO to pay one final tribute for his service, and most of all his friendship.

Mr. AUCOIN. Mr. Speaker, as I gathered my thoughts tonight getting ready for this special honor for our friend JOE ADDABBO, there was so much called to mind. JOE was an honorable man who loved and served his country well, a true friend, a delightful colleague, and one of the hardest working and most respected Members of Congress. He is sorely missed.

For his quick wit and generous laughter, most certainly. For his insight, knowledge, and tenacity in fighting for what he believed was right, of course. Few will forget his leadership during the critical decision points of the Vietnam war. But mostly, and I believe I speak for many people on both sides of the partisan aisle that so often divides us—mostly for his manner of doing the business of this august

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body. With his heart, his facts and figures fully marshalled for a good fight, and a true love for the work.

Proof of his outstanding character came from what some would think an unlikely quarter just the other day—but you'd only think it unlikely if you didn't know Joe. And that was from his frequent adversary, Secretary of Defense Caspar Weinberger.

Before he started his testimony, Secretary Weinberger called attention to something all of us in the committee room felt deeply. Joe's absence. It just didn't feel right without Chairman Addabbo being there to conduct a ritual sparring match rich in humor but also bottom line fundamental debates about which direction our country should be going.

Secretary Weinberger paid tribute to Joe, acknowledging his great knowledge on defense issues, and the way he went about jousting in such a friendly way that it was always fun to appear before him. He couldn't let the moment slip by without sharing publicly the great admiration he had for a very special chairman. For any of you who have seen Joe at work giving the Secretary the third degree, that says it all.

When Joe first asked me to join the Defense Subcommittee, I was given one of the greatest opportunities of my career. And that was to get to know Joe. To serve on his committee. To learn from him. And my respect for the kind of man Joe was because of having been on his committee is probably without parallel.

It's a testament to his gifted sensitivity to others and to his political skills and rare judgment that he worked so well for so long with the ranking minority members of the committee he chaired. He created a very unusual partnership in getting a tough job done year after year. Where others would have used the power of the chairmanship above all else, Joe used the powers of reason, persuasion, and fairness to push ahead.

Joe and I were often in the minority on the committee in voting against a particular weapons system. But it didn't stop or deter Joe. He just went right back at it, often succeeding. Without hostility, bitterness, or vindictiveness to those who did not stand with him.

He worked unflaggingly on minutae that many of us would have thrown our hands in the air over. And if you've seen the thousands of line items of budget notes he presided over in conference after conference, you know what I'm talking about.

His mission was to guarantee a top-flight defense for this country, but not to waste a single nickel. And his contribution to this end is truly significant.

What we didn't know was that for many of the last several years Joe was fighting a horrible and painful disease. Never a word. Never a complaint. Never a failure to do what had to be done regardless of enormous physical pain. Who among us would have guessed what he was going through?

Even after a long absence away from this Chamber last fall to fight that disease, Joe came back in December with his spirit intact to preside over a contentious conference on the defense portion of the continuing resolution. And we all gave a great sigh of relief to have him back pounding his fist on the table and cracking jokes to set us straight.

His great courage and dedication throughout his battle makes me think of the words of John F. Kennedy in "Profiles in Courage": "For without belittling the courage with which men have died, we should not forget those acts of courage with which men . . . have lived. The courage of life is often a less dramatic spectacle than the courage of a final moment; but it is no less a magnificent mixture of triumph and tragedy. A man does what he must—in spite of personal consequences, in spite of obstacles and dangers and pressures—and that is the basis of all human morality."

I think this describes the profound humanity of Joe Addabbo. And there's little more I could add to relate what kind of an individual, and a public servant, Joe Addabbo was.

The State of New York has lost an able and gifted Congressman, the country has lost one its true leaders, and we have lost a great man and dear friend whom all admired. To his wife Grace, and to his children, my deepest sympathies and sincere hopes that their grief will be somewhat diminished by the pride and joy of having been the greatest love of such an exceptional statesman.

Mr. CARR. Mr. Speaker, Joe Addabbo was my friend. As a young Congressman he gave me guidance. He helped me understand the greatness of this legislative body. He explained its strong points, he told me of its failings. With his help, I became a better Member of Congress.

I will miss his wise counsel. I will miss his friendship. The House will miss his leadership. The Nation will miss a great Congressman.

Mr. de la GARZA. Mr. Speaker, the passing of an esteemed friend and colleague is the occasion for which I rise to speak today, and it is with personal sadness that I pay final tribute to the memory of a man who for more than a quarter of a century was one of the most influential statesmen of our time—Joseph Addabbo.

A presence on our national stage, Joseph Addabbo was one of the leading players in the development of American military policy—a man widely respected for his knowledge of defense issues—a man whose genial style was in keeping with the best traditions of American politics.

His was a consuming conviction that vexing problems could be solved, and expansive goals could be achieved through planning and activism. His occupancy of office was never merely visionary for Joseph Addabbo was a man who constantly sought to translate vision into concrete realities.

Throughout his long and illustrious career spent in service to the people of New York and the Nation, Joseph Addabbo exemplified the virtues of dedication and concern leaving his mark and vision in our Nation's defense programs. We will remember him—for his belief in the worth and dignity of the individual; for his conviction that the United States has a moral mission in the world; for his leadership in international affairs; for his commitment to a strong yet efficient and effective defense posture to insure continued U.S. freedom and influence.

I will sincerely miss Joseph Addabbo just as I know all of my colleagues who worked with him will. To his wife and family I extend my heartfelt sympathy during this time of great sorrow.

Mr. MITCHELL. Mr. Speaker, it is with great sorrow that I address the House today to pay tribute to a dedicated and respected Member of this body and a good friend, Joe Addabbo.

As chairman of the Defense Appropriations Subcommittee, he attained a reputation as a critic of wasteful military spending and was often at odds with his own committee, nonetheless, he maintained his integrity and fought for what he thought was best for the Pentagon and for the country.

As chairman of the Small Business Committee, on which Joe served with vigor, I came to know him as a man committed to helping small and minority businesses gain a foothold in the economic structure of this society. Joe, with his low-keyed but tenacious manner was effective in amassing support for unpopular but necessary loan programs and set-asides for minority contractors doing business with the Federal Government.

At a time when it was popular to look the other way, Joe Addabbo spoke out on discrimination in public schools, in the workplace, and at the voting booth. He opposed apartheid in South Africa and cosponsored legislation to impose economic sanctions against that repressive regime. Joe fought for the special needs of the elderly and the handicapped, education enhancement, safeguards for the environment, and in short, improving the way of life for all Americans.

Joe's accomplishments in the House are too numerous to catalog, but suffice it to say, his leadership on the tough issues of the day made him a Member who will be sorely missed by all who really knew him. But most of all, he will be missed because he was a kind and decent human being.

Mr. SMITH of Florida. Mr. Speaker, today I rise to pay tribute to our late colleague, Joe Addabbo. After having bravely fought a courageous battle against disease, Congressman Addabbo succumbed to cancer last week at the age of 61. He left behind him a quarter-century of public service to the people of New York—and to the citizens of the United States. His leadership and commitment will be sorely missed.

As the chairman of the Appropriations Subcommittee on Defense since 1979, Congressman Addabbo presided while the Pentagon received its largest peacetime budget in history. While he supported a strong defense, he was also an enemy of waste and abuse, especially within the Defense bureaucracy. As a result, Joe found himself a leading critic of President Reagan's growing military budget. He is credited, however, with paring $50 billion from the President's budget requests of the past 4 years.

A compassionate and understanding man, Congressman Addabbo won the respect of all his colleagues and constituents. He was a pillar of the House and an inspiration to those who knew and worked with him. We honor this man's longstanding dedication to public service, his wisdom, his leadership, and in the end, his great personal courage. We will all be the worse for his loss.

Mr. HOWARD. Mr. Speaker, it is with great sadness that I join my colleagues in paying tribute to Joe Addabbo.

When Joe Addabbo passed away, I lost a friend and a colleague whom I deeply admired, Congress lost a Member with unquestionable integrity and dedication and this Nation lost a great American.

Joe Addabbo worked endlessly on behalf of his Sixth District in New York during his 25 years in the House. But his district was not the only one to benefit from his public service.

To every American who wanted a guarantee that tax dollars were being spent wisely, Joe Addabbo was the one person we could count on to scrutinize defense spending. To Americans who pursued the dream of owning their own small business, Joe Addabbo was one Member who played a key role in making that dream become a reality. And to Americans grateful that no more young men died in the jungles of Vietnam, Joe Addabbo was one person who deserved thanks because he was the first to successfully sponsor an antiwar resolution.

The quality I remember most about Joe Addabbo is his courage. When he was faced with his painful illness never once did he ask for sympathy. He carried on his duties with dignity and of course, still possessing a big, warm smile.

The void left by Joe's departure will be difficult to fill. However, his legacy will remain with us. We are all richer because Joe Addabbo touched our lives.

Mr. HUTTO. Mr. Speaker, Joe Addabbo will be missed not only by his loved ones and friends but also by the Congress of the United States. Joe was a very effective representative of his people, and his impact was felt well beyond the borders of his New York district.

Although there were many who disagreed with Joe on certain issues, especially defense spending, I do not know of anyone who personally disliked Joe Addabbo.

I came to know Congressman Addabbo very early in my first year in Congress. It was with fear and trepidation that I went to see the distinguished chairman of Defense Appropriations about a problem in my district. From the first moment I met Joe, I felt completely at ease. The warmth of his smile and his friendliness helped me emerge from the meeting not only with a commitment to help with my problem but also with a good feeling of having met a true friend.

During the 7½ years I had the privilege of serving with Joe in the House, there were many times when I found it necessary to talk over issues with Joe. I always found him to be understanding, concerned and responsive to my needs. I know that other Members found Joe to be the same way with them in their problems. Joe Addabbo was a friend to everybody.

The funeral service at St. Patrick's Cathedral in New York City, which many of us had the privilege to attend, beautifully expressed the affection that thousands of people had for this man. Yes, Joe was a great American who served his country well. He will be greatly missed.

I add my sincerest sympathies to his family in their loss. May God comfort them in their bereavement.

Mr. PANETTA. Mr. Speaker, I want to join my colleagues in paying tribute to Joe Addabbo. Joe was a leader of the House in every sense of the word, and he was a man of great courage. We will truly miss him.

In this institution, with its committee structure, there is enormous pressure on each of us to conform to the accepted attitudes of those who have the greatest interest in our specific committees. As chairman of the Appropriations Subcommittee on Defense, Joe was always under enormous pressure not just to work for a strong defense but to provide the Defense Establishment—both the Pentagon and defense industries—with everything they asked for, which was generally far too much in a time of $200 billion deficits.

Joe resisted that pressure. He fought for a strong defense, but he opposed waste and he opposed excess. He won as often as he lost, and when he won, it was the American people who were the true victors. He was a thoughtful, tenacious battler for his constituents and for the broader public, and he did the same for the House in its disputes with the other body. The House and the entire Nation owes him a debt of gratitude for his work.

Of course, we cannot define Joe only by his role as a Member of Congress. His life, and particularly the latter years of his life, stand for more than just integrity and competence in Government. They stand for human courage, the will to live, and the will to make one's life meaningful to the end. We are all aware now that Joe struggled with cancer for several years. It became obvious only recently. Joe never wanted to be treated differently; he never wanted sympathy. He wanted to continue to be effective and to make a significant contribution. He succeeded in that. And in doing so, he was an example to all of us of human courage and strength. We will never forget his bravery.

Mr. Speaker, I want to thank the New York delegation for taking the time for this special order. I also want to extend my sympathy to Joe Addabbo's family. I am proud to have known him, and I hope that their grief is eased at least a little bit by the genuine emotions being expressed by his colleagues today.

Mr. STRATTON. Mr. Speaker, I thank my colleagues for participating so eloquently in this special order.

GENERAL LEAVE

Mr. STRATTON. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks on the life, character, and public service of the late Honorable Joseph P. Addabbo.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from New York?

There was no objection.

LEAVE OF ABSENCE

By unanimous consent, leave of absence was granted to:

Mr. Grotberg (at the request of Mr. Michel), for today and the balance of the week, on account of illness.

Mr. Lujan (at the request of Mr. Michel), for today and the balance of the week, on account of illness.

SPECIAL ORDERS GRANTED

By unanimous consent, permission to address the House, following the legislative program and any special orders heretofore entered, was granted to:

(The following Members (at the request of Mr. Callahan) to revise and extend their remarks and include extraneous material:)

Mr. Broyhill, for 60 minutes on April 23.

Mrs. Bentley, for 5 minutes on April 23.

Mrs. Walker, for 5 minutes today.

(The following Members (at the request of Mr. Donnelly) to revise and extend their remarks and include extraneous material:)

Mr. Brooks, for 5 minutes today.

Mrs. Schroeder, for 5 minutes today.

Mr. Solarz, for 5 minutes today.

Mr. Annunzio, for 5 minutes today.

Mr. Bustamante, for 5 minutes today.

EXTENSION OF REMARKS

By unanimous consent, permission to revise and extend remarks was granted to:

Mr. Boner of Tennessee, prior to the passage of Senate Joint Resolution 275.

Mr. Weiss, in opposition to H.R. 4420 in the Committee of the Whole, today.

(The following Members (at the request of Mr. Callahan) and to include extraneous matter.)

Mr. Goodling.
Mr. Conte.
Mr. Lagomarsino in two instances.
Mr. Ritter in two instances.
Mr. Sundquist.
Mr. Schuette in two instances.
Mr. Lott.
Mr. Fish in three instances.
Mr. McKernan.
Mr. Porter.
Mr. Lewis of Florida.
Mr. Broomfield in two instances.
Mr. Gilman in three instances.
Mr. Courter.
Mr. Kemp.
Mr. Barton of Texas.
Mr. McCain.
Mr. Rudd.
Mr. Gallo.
Mr. Clinger.
Ms. Snowe.
Mr. McGrath.
Mrs. Roukema.
Mr. Horton.
Mr. Bliley.
Mr. Dornan of California.

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(The following Members (at the request of Mr. DONNELLY) and to include extraneous matter:)

Mr. ROE in two instances.
Mr. GARCIA.
Mr. FEIGHAN.
Mr. DYMALLY in two instances.
Mr. DORGAN of North Dakota.
Mr. MOAKLEY.
Mr. SOLARZ.
Mr. MONTGOMERY.
Mr. YATRON in two instances.
Mr. CHAPPELL.
Mrs. BYRON.
Mr. RANGEL.
Mr. FAZIO.
Mr. SKELTON.
Mr. KILDEE.
Mr. BUSTAMANTE.
Mr. TALLON.
Mr. MINETA.
Mr. DONNELLY.
Mr. TRAFICANT.
Mr. FASCELL.

SENATE BILL REFERRED

A bill of the Senate of the following title was taken from the Speaker's table and, under the rule, referred as follows:

S. 1236. An act to amend title 18 of the United States Code and other laws to make minor or technical amendments to provisions enacted by the Comprehensive Crime Control Act of 1984, and for other purposes; to the Committee on the Judiciary.

SENATE ENROLLED BILLS SIGNED

The SPEAKER announced his signature to enrolled bills of the Senate of the following titles:

S. 1684. An act to declare that the United States holds certain Chilocco Indian School lands in trust for the Kaw, Otoe-Missouria, Pawnee, Ponca, and Tonkawa Indian Tribes of Oklahoma, and

S. 2319. An act to provide for the continuation of the Martin Luther King, Jr. Federal Holiday Commission until 1989, and for other purposes.

ADJOURNMENT

Mr. VENTO. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 7 o'clock and 24 minutes p.m.), under its previous order, the House adjourned until tomorrow, Wednesday, April 23, 1986, at 10 a.m.

EXPENDITURE REPORTS CONCERNING OFFICIAL FOREIGN TRAVEL

Reports of various House committees concerning the foreign currencies and U.S. dollars utilized by them during the first quarter of calendar year 1986 in connection with foreign travel pursuant to Public Law 95-384.

REPORT OF EXPENDITURES FOR OFFICIAL FOREIGN TRAVEL, COMMITTEE ON EDUCATION AND LABOR, U.S. HOUSE OF REPRESENTATIVES, EXPENDED BETWEEN JAN. 1 AND MAR. 31, 1986

Name of Member or employee	Date		Country	Per diem [1]		Transportation		Other purposes		Total	
	Arrival	Departure		Foreign currency	U.S. dollar equivalent or U.S. currency [2]	Foreign currency	U.S. dollar equivalent or U.S. currency [2]	Foreign currency	U.S. dollar equivalent or U.S. currency [2]	Foreign currency	U.S. dollar equivalent or U.S. currency [2]
Representative James M. Jeffords	1/13	1/19	Panama		100.00		1,508.20				1,608.20
Representative Charles Hayes	1/6	1/10	South Africa		432.00		[3] 1,733.40		[4] 145.38		2,310.78
Committee total					532.00		$3,241.60		145.38		3,918.98

[1] Per diem constitutes lodging and meals.
[2] If foreign currency is used, enter U.S. dollar equivalent; if U.S. currency is used, enter amount expended.
[3] Travel performed by military aircraft, 10 official passengers in delegation party. Total cost $17,334.
[4] Miscellaneous local costs, including cars and drivers, escort, security, and other embassy services.

AUGUSTUS F. HAWKINS, Chairman, Apr. 10, 1986.

REPORT OF EXPENDITURES FOR OFFICIAL FOREIGN TRAVEL, COMMITTEE ON INTERIOR AND INSULAR AFFAIRS, U.S. HOUSE OF REPRESENTATIVES, EXPENDED BETWEEN JAN. 1 AND MAR. 31, 1986

Name of Member or employee	Date		Country	Per diem [1]		Transportation		Other purposes		Total	
	Arrival	Departure		Foreign currency	U.S. dollar equivalent or U.S. currency [2]	Foreign currency	U.S. dollar equivalent or U.S. currency [2]	Foreign currency	U.S. dollar equivalent or U.S. currency [2]	Foreign currency	U.S. dollar equivalent or U.S. currency [2]
Bill Richardson, MC	1/5	1/9	Ireland	522.23	652.00					522.23	652.00
	1/9	1/12	Germany	878.40	360.00					878.40	360.00
Committee total					1,012.00						1,012.00

[1] Per diem constitutes lodging and meals.
[2] If foreign currency is used, enter U.S. dollar equivalent; if U.S. currency is used, enter amount expended.

MORRIS K. UDALL, Chairman, Apr. 8, 1986.

REPORT OF EXPENDITURES FOR OFFICIAL FOREIGN TRAVEL, COMMITTEE ON MERCHANT MARINE AND FISHERIES, U.S. HOUSE OF REPRESENTATIVES, EXPENDED BETWEEN JAN. 1 AND MAR. 31, 1986

Name of Member or employee	Date		Country	Per diem [1]		Transportation		Other purposes		Total	
	Arrival	Departure		Foreign currency	U.S. dollar equivalent or U.S. currency [2]	Foreign currency	U.S. dollar equivalent or U.S. currency [2]	Foreign currency	U.S. dollar equivalent or U.S. currency [2]	Foreign currency	U.S. dollar equivalent or U.S. currency [2]
Brooks, Cher	1/23	1/27	Panama		372.00		(3)				372.00
Burroughs, Harry	1/23	1/27	Panama		372.00		(3)				372.00
Cassani, Rudolph	1/30	1/27	Switzerland		989.00		1,004.00				1,993.00
Dentler, John	2/4	2/6	Canada	382.53	249.00		21.19				270.19
Drago, C. Grady	1/23	1/27	Panama		372.00		(3)				372.00
Finley, Stephen	1/23	1/27	Panama		372.00		(3)				372.00
Franklin, Webb (Hon.)	1/23	1/27	Panama		372.00		(3)				372.00
Hertel, Dennis (Hon.)	1/23	1/27	Panama		372.00		(3)				372.00
Lowery, Mike (Hon.)	1/23	1/27	Panama		372.00		(3)				372.00
					[4] 528.00						528.00
Manton, Thomas (Hon.)	1/23	1/27	Panama		372.00		(3)				372.00
Moore, Rod	3/5	3/10	Japan	146,780	820.00		1,995.00				2,815.00
Marshall, Curt	1/23	1/27	Panama		372.00		(3)				372.00
Seifert, Gerald	1/21	2/7	Switzerland	3,679.80	1,767.00		1,929.00				3,696.00
Committee total					7,701.00		4,949.00				12,650.19

[1] Per diem constitutes lodging and meals.
[2] If foreign currency is used, enter U.S. dollar equivalent; if U.S. currency is used, enter amount expended.
[3] Transportation provided by U.S. Air Force.
[4] Expense for control room assigned to codel.

WALTER B. JONES, Chairman, Apr. 11, 1986.

REPORT OF EXPENDITURES FOR OFFICIAL FOREIGN TRAVEL, COMMITTEE ON RULES, U.S. HOUSE OF REPRESENTATIVES, EXPENDED BETWEEN JAN. 1 AND MAR. 31, 1986

Name of Member or employee	Date		Country	Per diem [1]		Transportation		Other purposes		Total	
	Arrival	Departure		Foreign currency	U.S. dollar equivalent or U.S. currency [2]	Foreign currency	U.S. dollar equivalent or U.S. currency [2]	Foreign currency	U.S. dollar equivalent or U.S. currency [2]	Foreign currency	U.S. dollar equivalent or U.S. currency [2]
Hon. David Bonior	12/28	1/7	New Zealand		399.00						399.00
	1/7	1/10	Australia		522.00						522.00
	1/10	1/12	Western Samoa		65.00						65.00
	1/12	1/13	American Samoa								
Commercial transportation							4,879.24				4,879.24
Committee total					986.00		4,879.24				5,865.24

[1] Per diem constitutes lodging and meals.
[2] If foreign currency is used, enter U.S. dollar equivalent; if U.S. currency is used, enter amount expended.

CLAUDE PEPPER, Chairman, Mar. 31, 1986.

REPORT OF EXPENDITURES FOR OFFICIAL FOREIGN TRAVEL, COMMITTEE ON WAYS AND MEANS, U.S. HOUSE OF REPRESENTATIVES, EXPENDED BETWEEN JAN. 1 AND MAR. 31, 1986

Name of Member or employee	Date		Country	Per diem [1]		Transportation		Other purposes		Total	
	Arrival	Departure		Foreign currency	U.S. dollar equivalent or U.S. currency [2]	Foreign currency	U.S. dollar equivalent or U.S. currency [2]	Foreign currency	U.S. dollar equivalent or U.S. currency [2]	Foreign currency	U.S. dollar equivalent or U.S. currency [2]
Hon. Guy Vander Jagt	1/5	1/9	Ireland	522.23	652.00						652.00
	1/9	1/12	Germany	878.40	360.00						360.00
Military transportation							2,996.00				2,996.00
Hon. Bill Frenzel	1/5	1/9	Ireland	522.23	652.00						652.00
	1/9	1/12	Germany	878.40	360.00						2,360.00
Military transportation							2,996.00				2,966.00
Hon. William M. Thomas	1/5	1/9	Ireland	522.23	652.00						652.00
	1/9	1/12	Germany	878.40	360.00						360.00
Military transportation							2,996.00				2,966.00
Joseph K. Dowley	3/3	3/5	France	1,999.36	284.00						284.00
	3/6	3/9	Switzerland	211.55	113.00						113.00
Commercial transportation							2,137.00				2,137.00
Rufus Yerxa	3/3	3/5	France	1,999.36	284.00						284.00
	3/6	3/9	Switzerland	211.5	113.00						113.00
Commercial transportation							2,137.00				2,137.00
Committee total				3,830		13,262					17,092

[1] Per diem constitutes lodging and meals.
[2] If foreign currency is used, enter U.S. dollar equivalent; if U.S. currency is used, enter amount expended.

DAN ROSTENKOWSKI, Chairman, Apr. 9, 1986.

REPORT OF EXPENDITURES FOR OFFICIAL FOREIGN TRAVEL, SELECT COMMITTEE ON HUNGER, U.S. HOUSE OF REPRESENTATIVES, EXPENDED BETWEEN JAN. 1 AND MAR. 31, 1986

Name of Member or employee	Date		Country	Per diem [1]		Transportation		Other purposes		Total	
	Arrival	Departure		Foreign currency	U.S. dollar equivalent or U.S. currency [2]	Foreign currency	U.S. dollar equivalent or U.S. currency [2]	Foreign currency	U.S. dollar equivalent or U.S. currency [2]	Foreign currency	U.S. dollar equivalent or U.S. currency [2]
Miranda Katsoyannis	2/7	2/12	Senegal		693.00						693.00
	2/12	2/13	Ivory Coast		137.00						137.00
	2/13	2/16	Ghana		285.88						285.88
	2/16	2/18	Ivory Coast		274.00						274.00
Mary Ruth Herbers	2/7	2/12	Senegal		693.00						693.00
	2/12	2/13	Ivory Coast		137.00						137.00
	2/13	2/16	Ghana		285.88						285.88
	2/16	2/18	Ivory Coast		274.00						274.00
Commercial transportation							4,654				4,654.00
Jeffrey Clark	2/7	2/12	Senegal		693.00						693.00
	2/12	2/13	Ivory Coast		137.00						137.00
	2/13	2/16	Ghana		285.88						285.88
	2/16	2/20	Ivory Coast		548.00						548.00
Russell Hokanson	2/7	2/12	Senegal		693.00						693.00
	2/12	2/13	Ivory Coast		137.00						137.00
	2/13	2/16	Ghana		285.88						285.88
	2/16	2/20	Ivory Coast		548.00						548.00
Commercial transportation							4,328				4,328.00
Committee total					6,107.52		8,982.00				15,089.52

[1] Per diem constitutes lodging and meals.
[2] If foreign currency is used, enter U.S. dollar equivalent; if U.S. currency is used, enter amount expended.

MICKEY LELAND, Chairman, Apr. 8, 1986.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

3352. A letter from the Deputy Assistant Secretary of Defense (Comptroller—Administration) transmitting a report on real and personal property of the Department of Defense as of September 30, 1985, pursuant to 10 U.S.C. 2701(b); to the Committee on Armed Services.

3353. A letter from the Principal Deputy Assistant Secretary of the Navy (Shipbuild-

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ing and Logistics) transmitting notification of the proposed decision to convert to contractor performance the base operating support functions at the Naval Air Facility, El Centro, CA, pursuant to 10 U.S.C. 2044 nt.; to the Committee on Armed Services.

3354. A letter from the President and Chairman, Export-Import Bank of the United States, transmitting a report on loan guarantee and insurance transactions supported by Eximbank during March 1986 to Communist countries, as a result of Presidential determinations, pursuant to 12 U.S.C. 635(b)(2); to the Committee on Banking, Finance and Urban Affairs.

3355. A letter from the Chairman, Council of the District of Columbia, transmitting a copy of D.C. Act 6-156, "AIDS Health-Care Response Act of 1986," and Report, pursuant to Public Law 93-198, section 602(c); to the Committee on the District of Columbia.

3356. A letter from the Secretary of Health and Human Services transmitting a report on the results of a study to determine whether Hill-Burton regulations should distinguish between hospitals and nursing homes, pursuant to Public Law 98-369, section 2391(a) (98 Stat. 1116); to the Committee on Energy and Commerce.

3357. A letter from the Acting Assistant Secretary of State for Legislative and Intergovernmental Affairs transmitting notification of a proposed license for the export of major defense equipment sold commercially under a contract in the amount of $14,000,000 or more (Transmittal No. MC-15-86), pursuant to 22 U.S.C. 2776(c); to the Committee on Foreign Affairs.

3358. A letter from the Acting Chairman, U.S. Merit Systems Protection Board, transmitting the 1985 annual report on the Board's activities under the Freedom of Information Act, pursuant to 5 U.S.C. 552(d); to the Committee on Government Operations.

3359. A letter from the Secretary of Housing and Urban Development transmitting the eleventh annual report of the Department's activities under the Freedom of Information Act during 1985, pursuant to 5 U.S.C. 552(d); to the Committee on Government Operations.

3360. A letter from the Secretary of the Interior transmitting a copy of the financial statements of the Colorado River Basin project for the year ended September 30, 1985, pursuant to 43 U.S.C. 1544; to the Committee on Interior and Insular Affairs.

3361. A letter from the Executive Director, U.S. Naval Sea Cadet Corps, transmitting the annual audit of the U.S. Sea Cadet Corps for the fiscal year ended December 31, 1985, pursuant to Public Law 88-504, section 3 (36 U.S.C. 1103); to the Committee on the Judiciary.

3362. A letter from the Secretary of Commerce transmitting a draft of proposed legislation to repeal section 10 of the Fishermen's Protective Act of 1967, as amended, and for other purposes; to the Committee on Merchant Marine and Fisheries.

3363. A letter from the Director, Office of Civilian Radioactive Waste Management, Department of Energy, transmitting the third annual report on the activities and expenditures of the Office of Civilian Radioactive Waste Management, pursuant to Public Law 97-425, section 304(c); jointly, to the Committees on Energy and Commerce and Interior and Insular Affairs.

3364. A letter from the Secretary of the Interior transmitting the second report summarizing the progress of negotiations on California offshore oil and gas leasing, pursuant to Public Law 99-190, section 101(d) (99 Stat. 1243); Public Law 99-190, section 149 (99 Stat. 1325); jointly, to the Committees on Appropriations, Interior and Insular Affairs, and Merchant Marine and Fisheries.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. UDALL. Committee on Interior and Insular Affairs. Supplemental report on H.R. 1116 (Rept. 99-525, Pt. 2). Ordered to be printed.

Mr. WHEAT. Committee on Rules. H. Res. 428. Resolution providing for the consideration of H.R. 4421, a bill to authorize appropriations for fiscal years 1987, 1988, 1989, and 1990 to carry out the Head Start, Follow Through, dependent care, community services block grant, and community food and nutrition programs, and for other purposes (Rept. 99-549). Referred to the House Calendar.

Mrs. BURTON of California. Committee on Rules. H. Res. 429. Resolution providing for the consideration of H.R. 3302, a bill to designate certain national forest lands in the State of Nevada for inclusion in the National Wilderness Preservation System, and for other purposes (Rept. 99-550). Referred to the House Calendar.

Mr. JONES of North Carolina. Committee on Merchant Marine and Fisheries. H.R. 4175. A bill to authorize appropriations for fiscal year 1987 for certain maritime programs of the Department of Transportation and the Federal Maritime Commission with amendments (Rept. 99-551). Referred to the Committee of the Whole House on the State of the Union.

PUBLIC BILLS AND RESOLUTIONS

Under clause 5 of rule X and clause 4 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. ACKERMAN (for himself and Mr. Lantos):

H.R. 4650. A bill to make grants available for youth suicide prevention programs; to the Committee on Education and Labor.

By Mr. JENKINS:

H.R. 4651. A bill to suspend temporarily the duty on 4-chloro-2,5-dimethoxy aniline (also known as chlor amino base); to the Committee on Ways and Means.

By Mr. BORSKI:

H.R. 4652. A bill to permit certain funds granted to the city of Philadelphia, PA, by the Economic Development Administration to continue to be used for economic development purposes in that city; to the Committee on Public Works and Transportation.

By Mr. FIELDS:

H.R. 4653. A bill to assist in providing for the energy security of the United States; to the Committee on Energy and Commerce.

By Mr. FRANK:

H.R. 4654. A bill to amend the National Flood Insurance Act of 1968 to permit individuals who are insured under such act to cancel their flood insurance policies; to the Committee on Banking, Finance and Urban Affairs.

By Mr. FRANK (for himself and Mr. Brown of Colorado):

H.R. 4655. A bill to establish a National Commission on the Liability Crisis; jointly, to the Committees on Energy and Commerce, and the Judiciary.

By Mr. GUARINI:

H.R. 4656. A bill to provide a private cause of action for the recovery of damages for economic loss caused by the dumping of foreign merchandise into U.S. markets; and for other purposes; jointly, to the Committees on Ways and Means and the Judiciary.

By Mr. HERTEL of Michigan (for himself and Mr. Mavroules):

H.R. 4657. A bill to amend title 10, United States Code, to establish in the Department of Defense the position of Under Secretary of Defense for Acquisition and to establish a Defense Acquisition Corps for purposes of improving the efficiency of the defense acquisition process; to the Committee on Armed Services.

By Mr. KANJORSKI:

H.R. 4658. A bill to terminate all U.S. assistance to the National Endowment for Democracy, and for other purposes; to the Committee on Foreign Affairs.

By Mr. KASICH (for himself, Mr. Horton, Mrs. Schneider, and Mr. Eckart of Ohio):

H.R. 4659. A bill to improve the Government's debt collection and credit management practices, and for other purposes; jointly, to the Committees on Government Operations and the Judiciary.

By Mr. LEWIS of Florida:

H.R. 4660. A bill to require the Administrator of Veterans' Affairs to contract for health care for veterans in certain areas in which medical facilities of the Veterans' Administration are geographically inaccessible; to the Committee on Veterans' Affairs.

By Mr. MONTGOMERY (by request):

H.R. 4661. A bill to amend title 38, United States Code, to establish a Court of Veterans' Appeals and to prescribe its jurisdiction and functions; to the Committee on Veterans' Affairs.

By Mr. MOORE:

H.R. 4662. A bill to amend the Internal Revenue Code of 1954 to impose a fee on the importation of crude oil and refined petroleum products; to the Committee on Ways and Means.

By Mr. SAXTON:

H.R. 4663. A bill to amend title XVIII of the Social Security Act to provide a more fair method for determining the inpatient hospital deductible and the extended care coinsurance amount; to the Committee on Ways and Means.

By Ms. SNOWE (for herself, Mr. McKernan, Mr. Stangeland, Mr. Hendon, Mr. Mavroules, Mr. Smith of New Hampshire, Mr. Petri, Mrs. Schneider, Mr. Weber, Mr. Penny, Mr. Gregg, Mr. Sensenbrenner, Mr. Jenkins, Mr. Frenzel, Mr. Oberstar, Mr. Sabo, Mr. Moakley, Mr. Sikorski, Mr. Donnelly, Mr. Obey, Mr. Dorgan of North Dakota, Mr. Ray, Mr. Roth, and Mr. Kastenmeier):

H.R. 4664. A bill to amend the Nuclear Waste Policy Act of 1982 to provide for the disposal of high-level radioactive waste and spent nuclear fuel in a single repository, and for other purposes; jointly, to the Committees on Interior and Insular Affairs and Energy and Commerce.

By Mr. WALGREN:

H.R. 4665. A bill to amend the Tariff Act of 1930 to provide private remedies for injury caused by unfair foreign competition and violations of certain customs fraud provisions; jointly, to the Committees on Ways and Means, the Judiciary, and Energy and Commerce.

By Mr. BROOKS (for himself, Mr. Fuqua, Mr. Andrews, and Mr. Hoyer):

H.J. Res. 607. Joint resolution to express the sense of Congress on recognition of the contributions of the seven Challenger astronauts by supporting establishment of a Children's Challenge Center for Space Science; to the Committee on Science and Technology.

By Mr. KEMP (for himself and Mr. Lantos):

H.J. Res. 608. Joint resolution to proclaim May 21, 1986, as "Andrei Sakharov Honor and Freedom Day"; jointly, to the Committees on Post Office and Civil Service, Foreign Affairs, and the District of Columbia.

By Ms. OAKAR:

H.J. Res. 609. Joint resolution to designate May 5 through 11, 1986, as "Public Service Recognition Week"; to the Committee on Post Office and Civil Service.

By Mr. STENHOLM:

H.J. Res. 610. Joint resolution to authorize the Corps of Engineers to issue permits under the Clean Water Act and the River and Harbor Act for construction of a water resources project in the State of Texas; to the Committee on Public Works and Transportation.

By Mr. FEIGHAN:

H. Con. Res. 322. Concurrent resolution concerning the illegal diversion of funds by former Philippine President Ferdinand Marcos; to the Committee on Foreign Affairs.

By Mr. MURTHA:

H. Res. 427. Resolution amending the Rules of the House of Representatives to increase the amount of outside earned income which a Member may accept; considered and agreed to.

By Mr. WHEAT:

H. Res. 428. Resolution providing for the consideration of the bill (H.R. 4421) to authorize appropriations for fiscal years 1987, 1988, 1989, and 1990 to carry out the Head Start, Follow Through, dependent care, community services block grant, and community food and nutrition programs, and for other purposes; House Calendar No. 138. H. Rept. 99-549.

By Mrs. BURTON of California:

H. Res. 429. Resolution providing for the consideration of the bill (H.R. 3302) to designate certain national forest lands in the State of Nevada for inclusion in the National Wilderness Preservation System, and for other purposes; House Calendar No. 139. H. Rept. 99-550.

By Mr. UDALL:

H. Res. 430. Resolution urging a joint United States-Soviet effort to achieve worldwide disease immunization by 1990; to the Committee on Foreign Affairs.

MEMORIALS

Under clause 4 of rule XXII, memorials were presented and referred as follows:

342. By the SPEAKER; memorial of the Senate of the State of Kansas, relative to a strategic defense initiative and a nonnuclear defense system in space; to the Committe on Armed Services.

343. Also, memorial of the House of Representatives of the Commonwealth of Pennsylvania, relative to erecting a memorial for the soldiers who served during the Korean conflict; to the Committee on House Administration.

344. Also, memorial of the Legislature of the State of Kansas, relative to H.R. 4365, H.R. 3549, and S. 1510 regarding the collection of sales and use taxes on out-of-State mail order sales; jointly, to the Committees on Ways and Means and the Judiciary.

PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of rule XXII.

Mr. MADIGAN introduced a bill (H.R. 4666) for the relief of Steven T. Anderson; to the Committee on the Judiciary.

ADDITIONAL SPONSORS

Under clause 4 of rule XXII, sponsors were added to public bills and resolutions as follows:

H.R. 22: Mr. Zschau.

H.R. 471: Mr. Regula, Mr. Kramer, Mr. Bateman, Mr. Rudd, Mrs. Smith of Nebraska, Mr. Burton of Indiana, and Mr. Ritter.

H.R. 1309: Mr. Kastenmeier, Mr. Brown of California, Mr. Stark, Mr. Traficant, Mr. Roe, and Mr. Kleczka.

H.R. 1398: Mr. Biaggi.

H.R. 1400: Mr. Sikorski, Mr. Wise, and Mr. Tallon.

H.R. 1625: Mr. Walgren and Mr. Skeen.

H.R. 1780: Mr. Panetta, Mr. Barnes, Ms. Kaptur, Mr. Rangel, and Mr. Neal.

H.R. 1809: Mr. Pursell.

H.R. 2093: Mr. Wylie.

H.R. 2568: Mr. Monson, Mr. Nielson of Utah, Mr. Whittaker, Mr. Packard, Mr. Hartnett, and Mr. Regula.

H.R. 2684: Mr. Gekas.

H.R. 2691: Mr. Barnes.

H.R. 2836: Mr. O'Brien.

H.R. 2902: Mr. Monson.

H.R. 3041: Mr. Weaver, Mr. Oberstar, and Mr. Dingell.

H.R. 3042: Mr. Mineta, Mr. Levin of Michigan, Ms. Kaptur, Mr. Edwards of California, Mr. Stokes, Mr. LaFalce, and Mr. de Lugo.

H.R. 3090: Mr. Hoyer.

H.R. 3260: Mrs. Kennelly and Mr. Hoyer.

H.R. 3326: Mr. Seiberling.

H.R. 3442: Mr. Bates, Mr. Hertel of Michigan, Mr. McHugh, Mr. Brown of California, Mr. Owens, Mr. Lundine, Mr. Schumer, Mr. Gray of Pennsylvania, Mr. Markey, Mr. Downey of New York, Mr. Barnes, Mr. Jacobs, Mr. Roybal, Mr. Miller of California, Mr. AuCoin, Mr. Bruce, Mr. Foglietta, Mr. Borski, Mr. Durbin, Ms. Mikulski, Mr. Solarz, Mr. Coughlin, and Mr. Rodino.

H.R. 3662: Mr. Dwyer of New Jersey, Mr. Dellums, Mr. DioGuardi, Mr. Roe, and Mr. Hughes.

H.R. 3830: Mr. Hoyer.

H.R. 3995: Mr. Hendon.

H.R. 4003: Mr. Yates and Mr. Morrison of Connecticut.

H.R. 4029: Mr. Levine of California, Mr. Oberstar, Mr. Weaver, and Mr. Neal.

H.R. 4054: Mr. Manton, Mr. Barnes, Mr. Henry, Mr. Mineta, Mr. Scheuer, Mr. Bates, Mr. Hughes, and Mr. Edwards of California.

H.R. 4060: Mr. Wortley, Mr. Alexander, Mr. Russo, Mr. Early, Mr. Watkins, Mr. Pepper, Mr. Kemp, Mr. Ortiz, Mr. Robinson, Mr. Flippo, Mrs. Kennelly, Mr. Chappie, Mr. Moody, Mr. Yates, Mr. Bedell, Mr. AuCoin, and Mr. Dwyer of New Jersey.

H.R. 4075: Mr. Mitchell, Mr. Burton of Indiana, Mr. Jones of North Carolina, and Mr. Stallings.

H.R. 4125: Mr. Torricelli.

H.R. 4145: Mr. Dannemeyer, Mr. Lungren, Mr. Whittaker, Mr. Packard, Mr. Badham, Mr. Barton of Texas, Mr. Ritter, Mr. Daniel, and Mr. Hendon.

H.R. 4183: Mr. Hyde, Mr. Lehman of Florida, Mr. Bateman, Mr. Brown of California, Mr. Darden, Mr. Dowdy of Mississippi, Mr. Glickman, Mr. Ralph M. Hall, Mr. Hefner, Mr. Bilirakis, Mr. Boehlert, Mr. Gibbons, Mr. Akaka, Mr. Bonker, Mr. Dicks, Mr. Weaver, Mrs. Smith of Nebraska, Mr. Coleman of Texas, Mrs. Collins, Mr. Yatron, and Mr. de la Garza.

H.R. 4186: Ms. Oakar, Mr. Miller of California, Mr. Berman, Mr. Walgren, Mr. Kramer, Mr. Armey, Mr. Edwards of California, Mr. McCloskey, Mr. Waxman, Mr. Erdreich, Mr. Volkmer, Mr. Torricelli, Mrs. Long, Mr. Sweeney, Mr. Cooper, Mr. McEwen, Mr. Mitchell, Mr. Bereuter, Mr. Mica, Mr. Dellums, Mr. Florio, Mr. Blaz, Mr. Courter, Mr. Gibbons, Mrs. Schroeder, Mr. Shuster, Mr. Breaux, Mr. Daschle, Mr. Goodling, Mr. Saxton, Mr. Ackerman, Mr. Dixon, Mr. Dowdy of Mississippi, Mr. Frenzel, Mr. Wright, and Mr. Kolter.

H.R. 4223: Mr. Durbin, Mr. Barnes, Mr. Morrison of Connecticut, and Mr. de Lugo.

H.R. 4226: Mr. Visclosky.

H.R. 4278: Mr. Goodling, Mr. Wortley, Mr. Reid, Mr. McEwen, Mr. Huckaby, Mr. Jones of North Carolina, Mr. Daniel, Mr. Wilson, Mr. Bevill, Mr. Dornan of California, and Mr. Whitehurst.

H.R. 4282: Mr. Towns, Mr. Gonzalez, Mr. Frank, Mr. Hawkins, Mr. Mrazek, Mrs. Burton of California, Mr. Gejdenson, Mr. Dorgan of North Dakota, Mr. Rangel, Mr. Roe, Mr. Vento, Mr. McCain, Mr. de Lugo, Mr. Traxler, Mr. Leland, Mr. Kolter, Mr. Rodino, and Mr. Rahall.

H.R. 4299: Mr. Bennett, Mr. Packard, Mr. Boucher, Mr. Hartnett, Mr. Combest, Mr. Sweeney, Mr. Stallings, Mr. DeWine, Mr. Daniel, and Mr. Davis.

H.R. 4323: Mr. Leland, Mr. Torres, Mr. Matsui, and Mr. Rodino.

H.R. 4344: Mr. Lewis of Florida, and Mr. Barnard.

H.R. 4345: Mr. Hall of Ohio, Mr. Miller of Ohio, Mr. Stokes, Mr. DeWine, Mr. Oxley, Mr. Regula, Mr. Kindness, Ms. Oakar, Mr. Gradison, Mr. Latta, Mr. Feighan, Mr. Luken, Mr. Eckart of Ohio, Mr. Pease, Mr. Traficant, and Mr. Kasich.

H.R. 4390: Mr. Synar.

H.R. 4391: Mr. Weaver.

H.R. 4422: Mr. Foglietta, Mr. McCloskey, and Mr. Visclosky.

H.R. 4425: Mrs. Bentley and Mr. Lagomarsino.

H.R. 4435: Mr. Fazio, Mr. Williams, and Mr. Martinez.

H.R. 4460: Mr. Ireland and Mr. Wortley.

H.R. 4476: Mr. Stenholm, Mr. Boulter, and Mr. Lowery of California.

H.R. 4488: Mr. Frank, Mr. Sunia, and Mrs. Collins.

H.R. 4513: Mr. Panetta, and Mr. Denny Smith.

H.R. 4524: Mr. Frenzel, Mr. Kolbe, Mr. Rudd, Mr. Rangel, Mr. McDade, Ms. Kaptur, and Mr. Stangeland

H.R. 4528: Mr. Levin of Michigan, Mr. Hayes, Mr. Mitchell, Mr. Savage, Mr. Towns, Mr. Rodino, Mr. de Lugo, and Mr. Visclosky.

H.R. 4573: Mr. Rangel, Mr. Ford of Tennessee, and Mr. Dorgan of North Dakota.

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H.R. 4593: Mr. Wortley, Mr. Frank, Mr. Towns, and Mr. Weber.

H.R. 4621: Mr. Franklin and Mr. Packard.

H.J. Res. 131: Mr. Smith of Iowa, Mr. Hayes, Mr. Sisisky, Mr. Biaggi, Mr. Wylie, Mr. Bartlett, and Mr. Walgren.

H.J. Res. 133: Mr. Rodino.

H.J. Res. 244: Mr. Vento, Mr. Coughlin, Mr. Alexander, Mr. Hartnett, and Mr. Miller of California.

H.J. Res. 336: Mr. Evans of Iowa.

H.J. Res. 376: Mr. Traficant.

H.J. Res. 422: Mr. Erdreich.

H.J. Res. 427: Mrs. Roukema, Mr. McGrath, and Mr. Gingrich.

H.J. Res. 429: Mr. Gray of Pennsylvania, Mr. Feighan, Mr. Edgar, Mr. Horton, Mr. Hutto, Mr. McDade, Mr. Levin of Michigan, Mr. Dornan of California, Mr. Manton, Mr. Lowry of Washington, Mr. Chapman, Mr. Dixon, and Mr. Ralph M. Hall.

H.J. Res. 492: Mrs. Byron, Mr. Fauntroy, Mr. Levine of California, Mr. Traxler, Mr. Lent, Mr. Roemer, Mr. Hayes, Mr. Scheuer, Ms. Kaptur, Mr. Archer, Mr. Carr, Mr. Fascell, Mr. Young of Alaska, Mr. DeLay, Mr. Annunzio, Mr. Torricelli, Mr. Shaw, Mr. Barnes, Mr. Towns, Mr. Weiss, Mr. Chappie, Mr. Hatcher, Mr. Hyde, Mr. Stallings, Mr. Gejdenson, Mr. Ackerman, and Mr. Duncan.

H.J. Res. 510: Mr. Hansen, Mr. St Germain, Mrs. Long, Mrs. Martin of Illinois, Mr. Coyne, Mr. Sisisky, Mr. Stallings, Mr. Ford of Michigan, and Mr. McCollum.

H.J. Res. 548: Mr. McDade, Mr. Applegate, Mr. O'Brien, Mr. Whittaker, Mr. Kolbe, Mr. Levin of Michigan, Mr. Guarini, Mr. Nielson of Utah, Mr. Luken, Mr. Yatron, Mr. Rudd, Mr. Thomas of Georgia, Mr. Archer, Mr. Savage, Mr. Martin of New York, Mr. Pursell, Mr. Coelho, Mr. Wilson, Mr. Fuqua, Mr. Rahall, Mr. Rose, Mr. Towns, Mrs. Bentley, Mr. McGrath, Mr. Darden, Mr. Dickinson, and Mr. Hammerschmidt.

H.J. Res. 552: Mrs. Kennelly, Mrs. Boxer, Mr. Walgren, Mr. Bryant, Mr. Pursell, Mr. Torricelli, Mr. Monson, Mr. Nelson of Florida, Mr. Jones of North Carolina, Mr. Gordon, Mr. Jeffords, Mr. Carney, Mr. Fuqua, Mr. Boner of Tennessee, Mr. Manton, Mrs. Roukema, Mr. Rose, Mr. Rangel, Mr. Wylie, Mr. Jones of Tennessee, and Mr. Early.

H.J. Res. 567: Mr. Wylie.

H.J. Res. 577: Mr. Tauke, Mr. Dornan of California, Mr. Wortley, Mr. Conte, Mr. Horton, Mr. Stenholm, Mr. Leach of Iowa, Ms. Snowe, Mr. McKernan, and Mr. Coats.

H.J. Res. 587: Mr. Bateman, Mr. Kindness, Mr. Wolf, Mr. Lagomarsino, Mr. de la Garza, Mr. Horton, Mr. Daniel, Mr. Wilson, Mr. Bliley, Mr. Dornan of California, Mr. Courter, Mr. Frank, and Mr. Dannemeyer.

H.J. Res. 589: Mr. Akaka, Mr. Alexander, Mr. Anderson, Mr. Andrews, Mr. Bilirakis, Mr. Bosco, Mr. Breaux, Mr. Burton of Indiana, Mr. Carney, Mr. Chapman, Mr. Clinger, Mr. Coats, Mr. Coleman of Texas, Mr. Conte, Mr. Courter, Mr. Craig, Mr. Darden, Mr. DeLay, Mr. Dyson, Mr. Edgar, Mr. Edwards of Oklahoma, Mr. Fascell, Mr. Ford of Tennessee, Mr. Gonzalez, Mr. Gregg, Mr. Guarini, Mr. Ralph M. Hall, Mr. Jones of North Carolina, Ms. Kaptur, Mr. Kasich, Mrs. Kennelly, Mr. Kolter, Mr. LaFalce, Mr. Lewis of Florida, Mrs. Martin of Illinois, Mr. Martinez, Mr. McCain, Mr. McCloskey, Mr. McDade, Mr. McEwen, Mr. Miller of Washington, Mr. Molinari, Mr. Monson, Mr. Moore, Mr. Oberstar, Mr. Ortiz, Mr. Pashayan, Mr. Pursell, Mr. Rangel, Mr. Rodino, Mr. Rowland of Connecticut, Mr. Sabo, Mr. Shaw, Mr. Smith of New Hampshire, Mr. Denny Smith, Mr. Sundquist, Mr. Sweeney, Mr. Swift, Mr. Traxler, Mr. Towns, Mrs. Vucanovich, Mr. Walgren, Mr. Walker, Mr. Watkins, Mr. Wheat, Mr. Wyden, and Mr. Yatron.

H.J. Res. 590: Mr. Kolter, Mr. Yatron, Mr. Annunzio, Mr. Evans of Illinois, Mr. Daniel, Mr. Kanjorski, Mr. Traficant, Mr. Henry, Mr. Dwyer of New Jersey, Mr. Edgar, and Mr. Staggers.

H.J. Res. 596: Mr. DioGuardi, Mr. Smith of New Jersey, Mr. Nelson of Florida, Mr. McDade, Mr. Moore, Mr. Lent, Mr. Courter, Mr. Hayes, Mr. Dannemeyer, Mr. DeWine, Mr. Fazio, Mr. Evans of Illinois, Mr. Yates, Mr. Dwyer of New Jersey, Mr. Kramer, Mr. Ritter, Mr. Mack, Mr. Kostmayer, Mr. Rinaldo, Mr. Smith of Florida, Mr. Burton of Indiana, Mr. Heftel of Hawaii, Mr. Porter, Mr. Archer, Mr. Manton, Mr. Fuster, Mr. Feighan, Mr. Kindness, Mrs. Lloyd, Mr. Howard, Mr. Schumer, Mr. Beilenson, Mr. Waxman, Mr. Fascell, Mr. Weber, Mr. Lagomarsino, Mr. Dowdy of Mississippi, Mr. Mineta, Mr. Wortley, Mr. Hughes, Mr. Volkmer, Mr. Erdreich, Mr. Lowery of California, Mr. Solarz, Mrs. Long, Mr. Young of Missouri, Mr. Scheuer, Mr. Weiss, Mr. Franklin, Mr. McEwen, Ms. Oakar, Mr. Vento, Mr. McGrath, Mr. Swift, and Mr. Levin of Michigan.

H.J. Res. 600: Mr. Hertel of Michigan, Mr. de la Garza, Mr. Rangel, Mr. Horton, and Mr. Dannemeyer.

H.J. Res. 606: Mr. Bonior of Michigan, Mrs. Collins, Mr. Duncan, and Mr. Mica.

H. Con. Res. 26: Mr. Schumer.

H. Con. Res. 78: Mr. Rinaldo.

H. Con. Res. 285: Mr. Green, Mr. Valentine, Mr. O'Brien, Mr. Bryant, Mr. Bliley, Mr. Armey, Mr. Durbin, Mr. Coats, and Mr. Tauke.

H. Con. Res. 299: Mr. Horton, Mr. Daniel, Mr. Hutto, and Mr. Bryant.

H. Con. Res. 307: Mr. Horton.

H. Con. Res. 315: Mr. Gilman, Mr. Bates, Mr. Wilson, Mr. Bevill, Mr. Lipinski, Mr. Lagomarsino, and Mr. Darden.

H. Con. Res. 321: Mr. Roe, Mr. Seiberling, Ms. Oakar, and Mr. Vento.

H. Res. 12: Mr. Coats.

H. Res. 377: Mr. Coats, Mr. Kolbe, Mr. Wirth, Mr. Stenholm, Mr. Ray, and Mr. Goodling.

H. Res. 383: Mr. Packard, Mr. Porter, and Mr. Shumway.

H. Res. 388: Mr. Weaver, Mr. Martinez, Mr. Levin of Michigan, Mrs. Boxer, Mr. Oberstar, Mr. Garcia, Mr. Frank, and Mr. Waxman.

H. Res. 404: Mr. Gephardt and Mr. Lent.

H. Res. 413: Mr. Stallings, Mr. Moore, Mr. McEwen, Mr. Nielson of Utah, Mr. Valentine, Mr. Jeffords, Mr. Kolbe, Ms. Kaptur, Mr. Wheat, Mr. Towns, Mr. Bevill, Mrs. Smith of Nebraska, and Mr. Wylie.

H. Res. 420: Mr. Martin of New York, Mr. Owens, Mr. Towns, Mr. DioGuardi, Mr. Manton, Mr. McGrath, Mr. Solomon, Mr. Carney, Mr. Stratton, Mr. McHugh, Mr. Fish, Mr. Biaggi, Mr. Garcia, Mr. Wortley, Mr. Weiss, Mr. Lent, Mr. Boehlert, Mr. Kemp, Mr. Ackerman, and Mr. Nowak.

H. Res. 424: Mr. Carney, Mr. Aspin, Mr. McHugh, Mr. Wilson, Ms. Fiedler, Mr. Dornan of California, Mr. Whitehurst, Mr. Kramer, Mr. Bevill, Mr. Pashayan, Mr. Nichols, Mr. Ortiz, Mr. Hertel of Michigan, Mr. Chandler, Mr. Lipinski, Mr. Lagomarsino, Mr. Smith of New Jersey, Mr. Dorgan of North Dakota, and Mr. Daschle.

PETITIONS, ETC.

Under clause 1 of rule XXII, petitions and papers were laid on the Clerk's desk and referred as follows:

312. By the SPEAKER: Petition of the delegate assembly of the Council for Exceptional Children, Reston, VA, relative to Gramm-Rudman-Hollings cuts to Federal aid to special education; to the Committee on Education and Labor.

313. Also, petition of the City Council of Youngstown, OH, relative to "Save American Industry/Jobs Day"; to the Committee on Post Office and Civil Service.

314. Also, petition of the Board of Commissioners, Mahoning County, OH, relative to "Save American Industry/Jobs Day"; to the Committee on Post Office and Civil Service.

315. Also, petition of the North Carolina General Assembly's Legislative Research Commission's Committee on Aging, Raleigh, NC, relative to establishing an independent Social Security Administration; to the Committee on Ways and Means.

316. Also, petition of the Turner-Hutchinson Electric Cooperative, Inc. of Marion, SD, relative to the sale of the Federal power marketing agencies and the elimination of the Rural Electrification Administration; jointly, to the Committees on Agriculture and Interior and Insular Affairs.

EXTENSIONS OF REMARKS

SUPPORT FOR CONTRA AID

HON. ROBERT J. LAGOMARSINO

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, April 22, 1986

Mr. LAGOMARSINO. Mr. Speaker, today, I made a 1-minute speech calling attention to Honduran President Azcona's public support for United States military aid for the Contras. His statement was contained in an interview with two European reporters.

Excerpts from that interview follow:

Tegucigalpa.—"The Sandinists should bug off [no jodan los Sandinistas] and take care of themselves," President Jose Azcona Hoyo said when referring to the reports that the Army is not doing anything to evict the contras from the national territory they are occupying along the border with Nicaragua.

Azcona Hoyo was interviewed by two European reporters. He admitted that he agrees with his predecessor, Roberto Suazo Cordova, concerning foreign policy. Azcona Hoyo emphasized several times that the Central American conflict will be resolved when President Daniel Ortega decides to talk with the opposition. He advised the reporters to convince Ortega that he can save Nicaragua by speaking with the contras.

"He (Ortega) should not be dreaming, thinking that he will be able to consolidate a Marxist revolution in Nicaragua," he warned. The full test of his conversation with the European reporters is as follows:

Reporter: What is the Honduran stand concerning the U.S.-Nicaraguan conflict?

Azcona: We want a political solution to the Nicaraguan conflict. We think that the final decision on this is in the hands of the Nicaraguan Government. It should respect the commitments it has with the OAS, and should give freedom to the Nicaraguan people. We are sure that if the Nicaraguan Government adopts these decisions it will not be difficult to achieve the pacification of Nicaragua. They should talk with the armed opposition as well as the unarmed opposition. They should promise true elections.

Reporter: Would you describe this Honduran position as neutral?

Azcona: I would say that Honduras is neutral, but we always harbor the hope that the Nicaraguan problem will be solved through a democratic solution.

Reporter: It is said that the most recent Contadora meeting was a failure due to the Nicaraguan attitude that seeks a commitment from the United States that it will not continue supporting the contras following the signing of a document. Do you not understand Nicaragua's stand?

Azcona: I believe that Nicaragua should honor its commitment with the OAS, that is, giving full freedom to its people and seeking a solution to the Nicaraguan problem so that it will lead to a truly democratic system. If this should happen, there is nothing the United States can do, and I do not think it would do anything against the Nicaraguan Government.

If they insist on upholding their determination to lead Nicaragua to a totalitarian system, I think the United States will not give up in its endeavor to oust [botar] this government. Why should we calmly think that the United States is afraid that this type of government can continue to grow in the hemisphere until it reaches its own border? Then, in reaction that might even be considered logical, it will struggle so that this may not happen.

Reporter: But would Honduras be willing to convince the United States not to continue supporting the FDN if Nicaragua fulfills the conditions stipulated in the Contadora Document?

Azcona: The United States supports that position. It has clearly stated: If Nicaragua fulfills the commitment it made to the OAS, which is practically the same as what is being established in the Contadora Document with the addition of calling for a halt to the arms buildup, the reduction of military advisers, etcetera, the United States would accept that situation.

Let the Nicaraguan people decide internally if they agree with the Sandinist system or if they are against that system. However, this should be done in full freedom and not like in the past elections where FSLN had to win.

Reporter: Now then, I understand that in the United States there are various sectors. Would you as a liberal feel closer to the sector that is opposed to the President, that of the Democratic Party? Are you in favor or against the $100 million for the contras?

Azcona: I think that it is more advisable for Honduras that the $100 million be approved. However, what Honduras thinks at this time is not important. What is important is what will happen if the $100 million is granted or if it is not granted. I do not think President Reagan will stop pressuring Nicaragua because the $100 million is rejected. I think the pressure is going to continue because he has clearly stated this. I repeat: The solution to the Nicaraguan problem is in the hands of the Nicaraguans and no one else.

Reporter: But if it is believed that this pressure could be military and in view of the geographic situation, the aid to the contras would have to pass through Honduras.

Azcona: Not necessarily.

Reporter: Then through where?

Azcona: There are many ways. The latest aid has come from other places. It has not passed through Honduras. There can be flights from any other Central American country or even from the United States.

Reporter: President Daniel Ortega said in a press conference that there is a type of no-man's-land. Do you agree with this?

Azcona: No. We do not accept that. No way. A no-man's land does not exist in Honduras. In Honduras, all the zones are under Honduran sovereignty. That is not true. We reject that. What exists is an extensive zone on the border that is quite uninhabited and through which the counterrevolutionaries enter Nicaragua and cross to Honduras.

It is very hard for Honduras, which does not have a large Army, to guard all of the border which is approximately 700 km long by placing border posts, let us say, every 50 or 100 meters because that falls outside all our economic capacity. We would have to double the number of our troops. Just to guard that border we would need all the Armed Forces that we currently have.

Reporter: Although in the last conflict the exact location of specific contra camps was demonstrated, wouldn't it be possible, through political or military measures, to exert pressure so that at least they will leave?

Azcona: Well, what the contras want is to go to Nicaragua. That is what the contras want. The contras do not want to be here in Honduras. They want to go to Nicaragua and in fact they do go to Nicaragua but return later. As I said, we would have to have a large Army protecting the Sandinists' rearguard. I do not think they are going to protect our rearguard when they consolidate themselves. I do not think they are going to prevent the entrance into Honduras of subversive elements.

Reporter: Then are you denying the reports by former FDN members that there is some cooperation—even close cooperation—between the Honduran Army and the contras?

Azcona: That is not true. We know that the contras come in and out of Honduras, but we will not have our Army face a situation like that.

Reporter: Is it also false that the Honduran Army has virtually let the contras take control over a portion of the border area?

Azcona: That is not true.

Reporter: Can you visualize, Mr. President, the possibility of peaceful coexistence between two countries with different ideologies, namely, Nicaragua and Honduras?

Azcona: On our part there can be coexistence. I ask you: Is there any place in the world where Marxism has not made attempts to extend its reach? * * *

Reporter: How do you explain that over the past several weeks there were numerous reports on developments in Honduras that originated in the United States, while in Honduras there were only comments and not direct information?

Azcona: We wanted to maintain control over the information so as not to alarm the population. The United States released a letter I sent to President Reagan. That is a way of proceeding over there. We did not want to alarm the population by exaggerating the problems. That is why we appeared on television to explain how everything happened and to say everything was under control. We said we requested help from the United States. That help will have to be requested as often as it is necessary because Honduras does not have many resources to spend on that kind of operation.

Reporter: Would you use the opportunity to get the United States to increase its economic assistance?

Azcona: We will not blackmail the United States. It is clear that they are helping us and will continue to help us. However, we will not take advantage of this situation. We are not offering our territory as a springboard for an invasion against Nicaragua, nor do I believe the United States is planning to

● This "bullet" symbol identifies statements or insertions which are not spoken by a Member of the Senate on the floor.
Matter set in this typeface indicates words inserted or appended, rather than spoken, by a Member of the House on the floor.

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invade Nicaragua. If the United States wants to invade Nicaragua there are two beaches it can use for that.

Reporter: What good is it to have U.S. troops in Honduras?

Azcona: I would say the same good it does to have U.S. troops in Spain, or at the naval base in Greece, or in West Germany; I do not know if there are any in Austria. We have treaties with the United States, and besides there are not that many troops here.

Reporter: Was there political tension between Honduras and the United States following the statements made by Secretaries Shultz and Weinberger that Honduras will support the contras?

Azcona: No, there was not a great deal of tension. We did not like the statements very much because there was much truth in them; however, not everything that was said was true. There was no tension.

Reporter: Did your government answer the U.S. request to explain the statements made by an alleged high-ranking government official who reportedly said there were pressures to state there had been an invasion?

Azcona: As far as I am concerned, no one has asked me to explain. Perhaps the press, because I have not been able to identify them. [sentence as published] Perhaps it was a person who identified himself as a high-ranking official without really being one. The United States has not asked me for any explanations. The trouble is that there is a yellow press there, and the press exaggerates any statement made by anyone concerning these issues. Maybe a fool tried to make himself important by saying he was a person close to the president of Honduras. They have neither asked for explanations, nor have I given any. * * *

Reporter: As for the meeting that is being planned in Guatemala, will Honduras present a stand that might be the stand of the entire area for solving the conflict?

Azcona: I think that the position will be the same one that we had at the last Contadora meeting: conciliatory, broad, democratic, liberal; striving to reach a solution to the Central American problem.

Reporter: In other words, you do not think that what Contadora has not been able to reach will not be reached?

Azcona: I think not, because it depends on Nicaragua's position. That is where the problem lies. If Nicaragua wants to reach an understanding among the Nicaraguans . . . I think that it is very easy for them to achieve it, just as we Honduran are doing. Why are there no contras in Honduras? Why are there no refugees in any country in the world? Why are there no political prisoners? Why do reporters say what they wish in Honduras? Why does television and radio report what they want and no one bothers them? [paragraph as heard] * * *

Reporter: Would it be according to the six points that you have set forth?

Azcona: The problem is that the United States is much more respectful and civilized than the Russians. In a similar case the Russians would have already invaded Nicaragua, like they invaded Czechoslovakia and Poland. They are much more civilized, empire for empire. I prefer the U.S. empire over the Russian.

Reporter: Here there is no awareness because the Soviet Union is not well know, while the United States is.

Azcona: We know because we saw what happened in Cuba, and we are seeing what is happening in Nicaragua. The country or government that neglects its citizens with its actions is not a good government. That is fascism. No one likes to live outside his or her country unless it has been a voluntary move.

Reporter: However, aren't there 1 million Salvadorans outside their country also?

Azcona: Yes, but that problem arose as a result of unjust structures. When the change came it was already too late. A very strong armed opposition had already been formed. However, there are not as many Salvadoran exiles as Nicaraguan exiles. There is a guerrilla force operating inside its borders.

Reporter: Are there more Salvadoran refugees?

Azcona: Yes. However, most of them can return to El Salvador without anything happening to them.

Reporter: Couldn't it be against the principle of nonintervention in the domestic affairs of a country to ask Nicaragua to change?

Azcona: No one is attempting to change Nicaragua. That is a hope that Honduras has. I can believe and think and want. However, I will not do it or demand that they do it. I would like Nicaragua to take the democratic path and I support the position of Nicaragua's political parties. Who can prevent my sympathies with various things? That is not intervention. I am certain Commander Ortega wants and would be very happy to see a revolutionary government like the one in Nicaragua establish itself in Honduras. This is also not intervention in Honduras' domestic affairs.* * *

Reporter: What could West Europe do or what would you like it to do for Honduras?

Azcona: I would like to tell them that here in this small country we are living in a real democracy, that we are learning to live in democracy, that the citizens' freedoms are respected here, that we are a good and noble people who want to live in peace, that we are not warmongerers or lackeys of the United States. However, they should understand that we are in Central America and without seeking it, we are in the zone of conflict. Even though they are thousands of kilometers away and much more powerful than we are, they have to choose sides and they have decided to be friends of the United States. With much more reason, we have to do the same.

Mitterrand has not sought to be friends with the Soviet Union. Neither did Felipe Gonzalez. He voted to remain in NATO. Not even the Greek prime minister, being a Socialist has eliminated the base of the Sixth Fleet. So then, why are they alarmed, and why do they make a great to-do if there are U.S. sailors in Greece, if there are U.S. pilots at the Torrejon base and the other bases in Spain, if there are U.S. soldiers in the FRG and all those countries are NATO members, and they have air missiles, why are they so self-righteous, that the boys of Nicaragua must be helped in a gesture, for one side, for a complex? [sentence as published]

Reporter: Then the difference is that in those countries there is no situation of imminent conflict with a neighboring country?

Azcona: There is no conflict? Isn't Berlin divided?

Reporter: There is another system there.

Azcona: Well, Nicaragua has another system also, or is it that we do not want to include Nicaragua in that? Do we want Somoza to return to Nicaragua? Do we want the achievements that they say they have given to the people—they say they have carried our agrarian reform—to be irreversible? No. We have agrarian reform here. Here we have very strong unions, very strong teachers' organizations, in one of which leftists are the leaders. We have student fronts, we have leftist fronts, and there is no problem.

Why must they put in uniform all Nicaraguans who must be in agreement with their beliefs? Why? Why do they have weapons? Why did they oust Somoza? They did not oust him. The Nicaraguan people ousted him. It was not them alone.

Reporter: You say you do not want a return to Somozism in Nicaragua?

Azcona: Of course not; I was anti-Somozist.

Reporter: But it is known that there is much Somozism among the contras. Do you believe the FDN can be an alternative?

Azcona: There is no need for there to be an alternative. It is sufficient that this regime opens up . . . and if they are the majority of the people, and they are going to win a free election, then they should go ahead; but they should rule within a constitution. That is the important part, no one should feel he is the owner of a country or a group.

Reporter: What if, in theory, you should have to channel your liberal, social democratic position concerning Nicaragua in a conflict with someone who said: I am a contra? [sentence as published]

Azcona: I am not saying I am a contra. What I am saying is that the Nicaraguan Government should open up; it has to respect freedom and honor what it promised at the OAS. It has not fulfilled any of the promises; it has no credibility. However, then the Germans, and the French, and the Italians say I am a dictator, or some one who sells out to the gringos, and Ortega is described as a redeemer. There is a very big difference. I would never harm a Honduran, I would rather leave; but they want to stay in power, regardless, because they are dogmatized [as published], they are not democratic. That is the difference. Then, it is said that Honduras does not have a good reputation abroad; a country that has no political prisoners and persecutes no one for his ideas, a country with full freedom of the press, a government that has high morals, a government with political morals. I really cannot understand that.

Reporter: No. I do not think the world thinks you are a dictator!

Azcona: No, but it is said I have sold out to the gringos, yet they say nothing of Mitterrand, or of Felipe Gonzalez. Didn't Felipe Gonzalez say during his campaign that they should vote no to NATO? Why, if he is a Socialist? What then? Does the Spanish Army carry out joint maneuvers with the U.S. Army?

Reporter: Perhaps because it is easier to listen to Ortega?

Azcona: Oh, there comes the European complex with the United States: We are always going to be against the United States, but the United States has never gone to Europe to defend a fascist system. It first went to oust the German kaiser that represented harshness and skill against Hitler. However, Stalin was able to call the United States when it was invaded by Germany. Yet I cannot ask the United States to lend me some helicopters when Nicaraguans are entering my country.

Reporter: Are there a great deal of anti-Sandinist feelings?

Azcona: No, but I do something else. Stalin or Russia called on the United States to become involved in the war to defeat Germany and Austria, but I am not allowed to

ask the United States to lend me two helicopters to dispatch a few soldiers to Honduran territory. That is a sin.

Reporter: Do you really think that, if it were not for the United States, Nicaragua would come over here?

Azcona: I don't know. What I do know is that the communist countries and worldwide Marxism would spread Marxism throughout the world through subversion if they could, or through indoctrination, or whatever.

Reporter: But that is combat by other means, not just with helicopters.

Azcona: One does not fight with helicopters? Then why does Nicaragua have helicopters?

Reporter: Why does Honduras need helicopters?

Azcona: To transport the Army to oust the Sandinists from the territory they were occupying in Honduras. We have not occupied Nicaraguan territory.

Reporter: Was the Honduran Army there?

Azcona: Of course. We took the Honduran Army there.

Reporter: Was there a clash with Honduran soldiers?

Azcona: There was. The thing is that the Nicaraguans fled. They left prisoners; they left their dead, and they fled. They are not going to make me flee, nor are they going to make me change my position. My position is clear, and I would like those Nicaraguan gentlemen to understand this and to act more flexibly and more intelligently. Ortega can remain there for 2 years . . . he might win or share power, but he cannot deny others the right to also attain power. What those people want is to convert Nicaragua into a huge jail like Cuba. Of course, the Nicaraguans happily sign an agreement and look . . . let us patrol here, and let no one enter and later, with Costa Rica, and inside we will do what we want. [sentence as published] Is this morally right?

Reporter: One element of international law is that it obliges any state to prevent attacks on another state.

Azcona: I am not attacking Nicaragua.

Reporter: Yes, but this can also be done by omission.

Azcona: What do you mean, done by omission? The Honduran soldiers are not going to enter Nicaragua.

Reporter: I am referring to the contras.

Azcona: What do you want? Do you want me to spend millions upon millions here to guard their backs? Who is going to give me those millions to deploy 20,000 or 30,000 men? Should I spend the millions that I need for medicine, schools, and to pay teachers? Just to guard their rear? Hell! Let them guard their own backs.

Reporter: Is it an economic problem then?

Azcona: It is an overall problem. The problem is the Nicaraguans. Why do the contras exist? Why do the refugees exist? Because they are not satisfied with that government, and that is very clear, as was the case with Somoza. Why did they oust Somoza? Why did they disagree with Somoza? What about us? Is it our duty to guard their rear while they are doing as they please in Nicaragua? That is not my duty.

Reporter: There have been perhaps even worse situations of conflict on the Salvadoran border.

Azcona: Yes, but they did not involve ideology or territorial expansion. We are not going to neglect the problem with El Salvador. We know that we have to mark the border as soon as possible. If we look at it from the perspective of time, we are more concerned about the problem with El Salvador, because the Nicaraguan problem is of the moment, while the other problem will be permanent as long as the border issue remains unresolved. What we will always reject is the demand that Honduras guard Nicaragua's back. We have no obligation to do that.

CENTRAL CATHOLIC: THEY ARE NO. 1!

HON. DON RITTER

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, April 22, 1986

Mr. RITTER. Mr. Speaker, as the representative in Congress from the Lehigh Valley, Pennsylvania-15, which encompasses Allentown, Bethlehem, Easton, and such areas, I would like to bring to your attention the following editorial which appeared March 24 in the Allentown Morning Call.

CENTRAL CATHOLIC: THEY ARE NO. 1!

"We played as a team again as we have all season and that is why Central Catholic is the state champion."—Central Catholic basketball coach Bob Schlosser.

Who's No. 1? There is just no question about who reigns supreme in Class AAA high school basketball in Pennsylvania—the green and gold Vikings of Allentown Central Catholic High School. Coach Schlosser took his juggernaut East Penn Conference winners to their second PIAA championship in three years on Friday night, and the boys from Fourth and Chew established themselves as one of the class acts in local sports. They are all stars.

Central Catholic took control of the game with Aliquippa and with poise and cool teamwork made it look a lot easier than it really was. A short definition of the word "team" reads: "A number of persons associated in some joint action, as one of the sides in a game or contest." Central Catholic on Friday night—and throughout the basketball season—provided the definitive illustration of what a team is and what a team can do. The Vikes have been giving basketball clinics all season long to their opponents with their grace, their stylish play—and especially their teamwork.

As they enjoy the feverish aftermath of their triumph, the boys from Central Catholic should file away for the future the impact of what they have accomplished, and how it was accomplished. There is another, much longer game awaiting these young men. It's called "life" by some; "the real world" by others. Except for a special few, success there will not be determined by sure-handed dribbling and quick moves. But the dedication, the determination and the will to be the best are qualities that are movable—from basketball to studies to careers.

Being No. 1 at age 16 or 17 or 18 is heady stuff. The cheers and rallies and parades for the returning champs are tributes to a collection of young men and their coaches who have done themselves, their school and the entire Lehigh Valley proud. Enjoy it, Vikings, 'cause you earned every bit of it!

A TRIBUTE TO BEN GROSS

HON. MERVYN M. DYMALLY

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, April 22, 1986

Mr. DYMALLY. Mr. Speaker, on Friday, the 25th of April, it will be my honor to take part in a tribute to one of labor's true heroes, Ben Gross. I want to take a moment to apprise my colleagues here in the Congress of Ben's important contributions to American workers. His advocacy on their behalf spans 40 years. The fight for equal rights for minorities in America has been fought on many fronts—economic, legal, educational and civic. Ben Gross has been a leader and a doer in all of these important areas.

A veteran of the labor movement, Ben first joined the UAW in 1946, becoming a member of Local 560 at Ford Motor Co. in Richmond, CA. Ben quickly became active in all facets of the union.

In 1946 he became a member of the Fair Practice and Anti-Discrimination Committee. Two years later, in 1948, he was appointed chairman of this committee. In 1953, his commitment to the union cause resulted in his election to the executive board of his local and the following year to the position of trustee.

In 1955, he became chairman of the Local 560 Housing Committee and embarked on a project that would eventually lead to the creation of a model community in Milpitas, CA—the Sunnyhills Cooperative Housing Development.

Working in close coordination with William Oliver, aide to UAW President Walter Reuther, Ben fought successfully for a number of years with banks, developers, politicians, and the State of California, to establish Sunnyhills as an integrated community for workers at the Ford plant in Milpitas. Although primarily motivated by a desire to make housing available for black Ford workers, Ben could proudly point to the fact that by 1958 Sunnyhill's 420 homes provided housing for people of Japanese, Hawaiian, Irish, German, native American, and many other national and ethnic minority backgrounds.

Ben and his wife Clara also played a major role in establishing the Sunnyhills United Methodist Church. In fact, some early services of the church school were held from the back of Ben's pickup truck. Ben was instrumental in obtaining a UAW local hall in Milpitas to serve as the temporary home for the church until larger quarters could be secured in 1964. He served as lay-leader for his church from 1965 to 1970.

Ben's civic involvement did not go unnoticed. In 1961, he was elected to the Milpitas City Council were he served for 4 years. In 1966 he was elected mayor of Milpitas—a fitting tribute to Ben for his tireless work in behalf of the entire Milpitas community. He received an "Outstanding Citizen Award" from the San Jose, CA, branch of the NAACP for his role in convincing Pacific Southwest Airlines to hire black stewards and ticket agents.

He did not allow his active political and civic life to come between him and his union activi-

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ty. In 1956 he was elected as a shop committeeman for Local 560 and was later appointed the chairman of the Education and Political Action Committee.

Ben's political activity extended throughout the State of California. He also served for 7 years as the chairman of the Northern California Fair Employment Practices Council. He served as a member of the County Democratic Council of Santa Clara County where he helped to coordinate Democratic clubs, platforms, candidates and programs for the California State Democratic Party.

In 1964 he was a delegate to the Democratic National Convention in Atlantic City, NJ. He also served on the campaign committee of many prominent California Democrats from 1958 to 1966. In 1967 he was selected by the board of directors of the League of Cities of California as one of the outstanding mayors of California and was selected to make a "goodwill tour" of Europe. He visited London, England; East and West Berlin, Germany; Moscow and Leningrad, Russia; Warsaw, Poland; Budapest, Hungary; Prague, Czechoslovakia; and Paris, France.

In 1963 he was appointed as an international representative to the Fair Employment Practices staff by then President Walter Reuther. Reuther had worked with Ben on the Sunnyhills projects as well as on other projects. In 1971 Ben moved to Detroit to work out of Solidarity House. His many years in service to the cause of equal rights and fair practices was recognized in a special way in 1976 when Ben was appointed as coordinator, and later, assistant director of the Fair Practice Department.

The accomplishments I have mentioned in this short space are only sufficient to give a flavor for what Ben's life of contribution has been. All his activities have been characterized by a deep devotion to eradicating injustice. I think Ben is so deeply respected, so deeply loved because he has been guided in his life by an overriding confidence in the basic goodness of his fellow human beings. He is respected because he has respected others. His long and fruitful career in the UAW is a shining example for us all.

JUSTICE FOR FEDERAL RETIREES

HON. EDWARD F. FEIGHAN

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Tuesday, April 22, 1986

Mr. FEIGHAN. Mr. Speaker, from the moment he took office, President Reagan has railed against the vices of the Federal Government: its wastefulness, its sluggishness, its stifling effect on economic activity. In his first inaugural address, the President, with a simplicity that appeals to simple minds, declared that "Government is not the solution to our problem; Government is the problem." Within hours, the President had begun to make good on his pledge to curb the size of Government. As his first official act, he chose the imposition of a hiring freeze on civilian Federal employees.

This first act was typical of the President's strategy for shrinking Government activity. Not content to root out wasteful or unnecessary spending, the President has sought to undermine Federal operations by attacking the rights and benefits of the workers who faithfully carry out the Government's business. Unable to achieve all the domestic spending cuts he desires, the President has tried to contain Government activities by demoralizing the workers, both current and retired, who sustain those activities. These assaults, unwarranted and inhumane, Mr. Speaker, must be stopped.

In his fiscal 1987 budget proposal, the President called for the elimination of this year's COLA for Federal retirees and the restriction of all future COLA's to 2 percent below the rise in the consumer price index. This COLA cut would come on top of the denial of their COLA that Federal retirees have already suffered in fiscal 1986.

The President's budget would also have reduced benefits for those retiring before the age of 62. And it would have replaced the high-three average formula for the retirement base with a high-five average formula.

Many of these proposals are familiar. The President has offered them before and the House has rejected them before. In his fiscal year 1984 budget, the President called for the elimination of the Federal retirees COLA, for the reduction of early retirement benefits and for the establishment of the high-five average retirement base. I was proud to be part of the majority in the House that defeated these proposals.

Again in his fiscal 1985 and 1986 budget plans, the President pressed his attacks on Federal retirees' welfare. Again I joined with a majority of my colleagues in the House to defeat these efforts.

Just a few week ago, the President's proposals for cuts in federal retirees' benefits met defeat on the House floor once again. This time, with the fiscal 1987 budget under consideration, both the House and the Republican-controlled Senate overwhelmingly rejected the President's plans.

The President claims that the elimination of Federal retirees' COLA's is necessary to satisfy the deficit targets established by the Gramm-Rudman balanced budget law. Nothing could be further from the truth. The Republican-controlled Senate Budget Committee has constructed a budget resolution that meets the fiscal 1986 Gramm-Rudman target of $144 billion without touching the civil service retirement system.

Along with more than 200 of my colleagues in the House, I have cosponsored H.R. 4060 to make sure that the Federal retiree's COLA will be paid in full.

Mr. Speaker, Federal workers serve their country every day. They do so despite often harsh treatment in the press and despite lower than average compensation. The one way in which the Federal Government attempts to redress these inequities is by providing a reasonable and secure retirement system for Federal employees. That retirement system represents a solemn obligation between the citizens of our country and the employees who carry out the public's business. It is an obligation that we must not allow the President to violate.

QUESTIONNAIRE RESULTS

HON. WILLIAM F. GOODLING

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, April 22, 1986

Mr. GOODLING. Mr. Speaker, I recently received results of my districtwide questionnaire distributed throughout the 19th District of Pennsylvania. My office received back some 9,000 completed questionnaires. I urge my colleagues to study the results of this questionnaire.

(1) Do you agree that federal funding for abortions should be permitted in instances where the life of the mother is endangered?

Yes—67.4 percent; No—29.2 percent; Not answered—3.4 percent.

(2) Do you feel government support to farmers should be reduced?

Yes—52.0 percent; No—44.8 percent; Not answered—3.2 percent.

(3) Do you believe the government should continue to provide assistance to individuals wishing to attend college?

Yes—55.6 percent; No—41.0 percent; Not answered—3.2 percent.

(4) Would you support an increase in the FICA tax to maintain COLA's for Social Security recipients?

Yes—41.0 percent; No—49.6 percent; Not answered—9.4 percent.

(5) Should the Federal Government continue to fund Amtrak?

Yes—27.2 percent; No—67.0 percent; Not answered—5.8 percent.

(6) Should the Federal Government sell its share of Conrail to Norfolk-Southern Railroad if it is the highest bidder?

Yes—74.4 percent; No—18.4 percent; Not answered—7.2 percent.

(7) Now that the undamaged reactor at Three Mile Island has been restarted, do you feel officials have the situation safely under control?

Yes—38.6 percent; No—54.4 percent; Unanswered—6.8 percent.

(8) Do you believe the cleanup of hazardous dumps (Superfund) should be a TOP government priority?

Yes—79.2 percent; No—18.0 percent; Not answered—2.8 percent.

(9) Although the House passed a tax reform bill which needs action by the Senate before the President can sign it into law, would you prefer a flat-rate tax bill with no exceptions?

Yes—60.4 percent; No—32.6 percent; Not answered—7.0 percent.

(10) Do you think relations between the Superpowers are improving?

Yes—53.0 percent; No—38.6 percent; Not answered—8.0 percent.

(11) Should deficit reduction be a priority for the U.S. Government?

Yes—90.8 percent; No—2.0 percent; Not answered—7.2 percent.

If yes, how: Less domestic spending—7.4 percent; Less defense spending—16.8 percent; Tax increases—1.6 percent; Less spending across the board—43.4 percent; Reduced Federal spending—16.0 percent.

(12) Do you favor allowing countries to export their goods to the United States, including automobiles, when they restrict the importation of our goods to their countries?

Yes—9.2 percent; No—88.4 percent; Not answered—2.4 percent.

(13) Do you think the Strategic Defense Initiative is a good investment of our tax dollars?

Yes—53.4 percent; No—33.2 percent; Not answered—13.2 percent.

(14) Campaign spending has skyrocketed in recent years with the rise of political action committees. Would you favor a proposal which puts a ceiling on total Congressional campaign spending by PAC's?

Yes—93.0 percent; No—5.4 percent; Not answered—1.6 percent.

(15) What do you consider to be the most important issue facing the country in 1986?

Deficit—47.6 percent; Taxes—1.2 percent; Trade—8.6 percent; Unemployment—6.8 percent; Social Security—2.8 percent; Defense spending—23.2 percent; Not answered—1.6 percent.

75.1 percent of respondents were male; 24.9 were female. 7.9 percent of respondents were under 30 years of age; 32.7 percent between 30-49; 31.0 percent between 50-64; and 28.5 percent were over 65 years of age.

REFORMING OUR TORT SYSTEM

HON. JOHN EDWARD PORTER

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, April 22, 1986

Mr. PORTER. Mr. Speaker, the Illinois delegation to the 1986 White House Small Business Conference has focused its attention on the need for reforming our tort system. The insurance task force of the delegation, chaired by my appointee to the conference, George Noyes of Winnetka, IL, recently completed its report and recommendations for action. I urge my colleagues to review the following findings of the insurance task force:

REPORT

The civil justice system in the United States is not meeting its citizens' needs. The scales of justice are grossly unbalanced. We need to have rational standards of conduct expected of us. If an injury occurs because we fail to meet those standards the injured party must be compensated promptly and with fairness to all. If the present situation continues we predict an ever escalating crisis for millions of Americans. They will be increasingly affected because of the inability of insurance buyers to obtain or afford adequate liability coverage. Change is necessary. It should be accomplished at the Federal level to attain consistency and because the problem is national. If any of our recommendations to correct the imbalance is within the purview of only the States, then the Federal Government must encourage the State Governments to deal with it. If necessary a carrot or stick approach would not be inappropriate.

Some ideas that have received support cause us concern. We suggest that neither changes affecting attorneys such as regulation of contingency fees nor changes affecting insurance companies such as repeal of the 1945 McCarran Ferguson Act are appropriate now. It is questionable that they are a major cause of the problem we face because they are no different now than they were twenty and more years ago.

There is significant risk of overreaction to the current situation because extreme change has occurred in such a very short time. We considered that risk and followed these criteria: Fair, Sensible, Effective and Possible.

RECOMMENDATIONS IN ORDER OF PRIORITY

1. Return to fault based verdicts and awards and limit a non-economic award to $300,000 or the economic award whichever is the lesser.
2. Require that the losing party pay the legal expenses of the winning party.
3. Abolish joint and several liability which will eliminate the injustice to the "deep pocket".
4. Establish an optional non-judicial resolution of disputes with the objective of saving time and costs.
5. Abolish the collateral source rule. It prevents the introduction of evidence showing that a plaintiff has been compensated by another source.
6. Enact products liability legislation including a statute of limitations and a state of the art defense.
7. Limit class action suits to those with provable economic loss.

GOLETA BEAUTIFUL

HON. ROBERT J. LAGOMARSINO

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, April 22, 1986

Mr. LAGOMARSINO. Mr. Speaker, my colleagues, it's my pleasure to call to the attention of the House the work of a civic-minded group in my district, Goleta Beautiful.

Goleta Beautiful is a nonprofit organization formed in 1974 for the purpose of promoting the beautification of the Goleta Valley. By working as a coordinating agency, encouraging assistance from citizens, public and private organizations and State and local governments, Goleta Beautiful develops, educates and promotes activities for a clean, attractive well-designed community, beautiful roadways, and environment with a heightened appreciation of the Goleta area's natural beauty.

In its first years, Goleta Beautiful was responsible for the placement of the corrugate rock trash containers in downtown Goleta. A master plan was designed for old town and given to the Goleta Downtown Business Association. Goleta Beautiful was instrumental in securing underground services on Hollister and coordinated this Edison project. Goleta Beautiful was active in promoting the acquisition of the Goleta Union School for the Goleta Community Center.

In its early years, Goleta Beautiful organized youth groups in cleanup activities, such as the Boy Scouts cleaning up on San Pass.

In November 1981, Goleta Beautiful moved the old Goleta Depot to its present site at 300 N. Los Cameros. The saving of the Goleta Depot was the most challenging project undertaken by Goleta Beautiful in the early 1980's.

Goleta Beautiful is responsible for the planting of the medians near the airport, a project shared with the city of Santa Barbara, and the continuous planting of medians in Old Town Goleta and at Hollister and Patterson.

In 1982 September was Cleanup Goleta Month and many volunteers help Goleta Beautiful ready the sidewalks and streets for "Goleta Valley Days."

Goleta Beautiful holds an annual award banquet each May to give recognition to owners, architects and gardners of exceptionally well cared for properties.

Goleta Beautiful has declared March as Goleta Beautiful Month as a stimulus to the public to participate in the beautification of the area.

I'm proud to extend the commendations of the House to Goleta Beautiful and its members for their work in making the Goleta Valley an even nicer place to live.

EASTON (PA) AREA HIGH SCHOOL GIRLS GYMNASTIC TEAM HONORED

HON. DON RITTER

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, April 22, 1986

Mr. RITTER. Mr. Speaker, I would like to honor the Easton Area High School girls gymnastics team. The team recently won the East Penn conference, District XI, and State championships in their category. The winning team includes coach Linda Fisher, assistant coach Kelly Kreitz, team managers Kate Kreitz and Kevin O'Brien, and team members Ann Zingales, Lori Rush, Paula Cavan, Deanne DeBellis, Tara Rissmiller, Anne Blandeburgo, Tracy Tomaino, and Keely Huff.

CONGRATULATING JAMES F. CAHILLANE ON BEING RECOGNIZED BY THE NORTHAMPTON CHAMBER OF COMMERCE AS "CITIZEN OF THE YEAR"

HON. SILVIO O. CONTE

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, April 22, 1986

Mr. CONTE. Mr. Speaker, I wish to take this moment to acknowledge the lifelong dedication which James F. Cahillane has exhibited toward his community of Northampton, MA and to congratulate Mr. Cahillane for being recognized by his fellow citizens as Northampton's "Citizen of the Year," an honor well deserved.

Mr. Cahillane has made an invaluable contribution of his time and business talent in promoting the economic growth of his community and providing permanent employment for hundreds of Northampton residents. He has served as president of Cahillane Motors, Inc., since 1964. Recognized as a leader of the local business community, Mr. Cahillane was appointed to the Northampton Redevelopment Authority in 1970 and soon thereafter became its chairman.

James Cahillane understood that urban renewal and industrial park development were necessary to provide the incentive for businesses and industries to settle in his community. He pursued the establishment of Northampton's industrial park at a time when the idea was both novel and controversial. Nonetheless, his foresight proved fortuitous for his community. Fourteen businesses have settled in Northampton's industrial park. Two more will establish themselves there by the end of

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the year. Altogether, the Northampton industrial park represents several million dollars of local investment and 800 jobs.

Mr. Cahillane has also been instrumental in fostering the entrepreneurial spirit from his position as director of the Northampton Development Corp. This corporation has financed the expansion and renovation of several existing community businesses and has aided the founding of new businesses in the area.

In addition, Mr. Cahillane has served on ad hoc redevelopment committees concerned with the rehabilitation of Main Street and Pleasant Street in his hometown. The efforts of these committees have led to the rejuvenation of Northampton's center as a vital and thriving small business area.

Mr. Cahillane has devoted himself to the enhancement of the economic welfare of Northampton and its residents. Through work and dedication to his community, James F. Cahillane has truly earned the title of "Citizen of the Year."

CONGRATULATIONS TO MR. POTIER AND PERRY MORRICE FFA

HON. BILL SCHUETTE

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Tuesday, April 22, 1986

Mr. SCHUETTE. Mr. Speaker, I would like to take this opportunity to congratulate the Perry Morrice Future Farmers of America Chapter on its 50th anniversary, and also to commend Mr. James D. Potier, retiring vocational agriculture instructor, on his 26 years of service to the Perry Public School system.

Throughout his years at Perry Schools, Mr. Potier has distinguished himself through his dedication to furthering vocational education. He has been the recipient of the Honorary Chapter, State, and American Farmer degrees. Mr. Potier's service in the field of agriculture is admirable, and he has been an inspiration to many young future farmers.

Also, the Perry Morrice Future Farmers of America Chapter deserves commendation for its excellent record in promoting agricultural excellence. The chapter has had several agricultural judging teams that have won State competitions and six teams which, in the past, have been selected to participate in national competition. On the eve of the chapter's 50th anniversary, I would like to congratulate its members, both past and present, and wish the organization an equally successful future.

KOREA MAKING TRADE PROGRESS IN TENNESSEE

HON. DON SUNDQUIST

OF TENNESSEE

IN THE HOUSE OF REPRESENTATIVES

Tuesday, April 22, 1986

Mr. SUNDQUIST. Mr. Speaker, I want to take a moment to call your attention to the promising discussions now taking place between representatives of the United States and one of its most important trading partners—the Republic of Korea. Business and government leaders from my State—Tennessee—and from other Southeastern States have been meeting with their counterparts from Korea, a delegation headed by Minister of Trade and Industry Jin-Ho Kum, to explore forging new economic ties.

The Southeast is rich in opportunities for exports to Korea—from manufactured goods to agricultural products. The ground breaking talks between representatives of our two countries hold significant promise. They could lead to new trading agreements that would provide a major boost to the economic well being of our region.

We are encouraged to see Korea, the eighth largest customer for United States products, undertake plans to expand and intensify its trading relationships with our country. Korea is a nation whose continued economic strength is of strategic importance to us in the Pacific. It shoulders an immense defense burden and has the fourth largest international debt in the world.

Through our discussions with the Koreans, we have taken some important first steps in developing mutually beneficial trading relationships. These initiatives could serve as a model for dealing with each of our good-faith trading partners. Thoughtful, cooperative efforts of this kind are certain to gain more lasting benefits than what might be produced by short-sighted confrontational policies.

GEORGIA STATE SENATOR GLENN E. BRYANT LAUDED FOR OUTSTANDING ACCOMPLISHMENTS

HON. ROBERT LINDSAY THOMAS

OF GEORGIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, April 22, 1986

Mr. THOMAS of Georgia. Mr. Speaker, it is my great honor to call to the attention of the House a milestone of great significance which will be celebrated in my congressional district on April 24. The event will be the observance of the 40th anniversary of the establishment of Coastal Utilities, Inc., under the leadership of the Honorable Glenn E. Bryant of Hinesville, GA.

It will be my privilege to participate in the anniversary occasion along with our Governor, Lieutenant Governor, State legislators, city and county officials, and private citizens.

As important as the Coastal Utilities organization is to our community, the real reason for our gathering will be to pay tribute to a man, not a company. We will be joining to salute State Senator Bryant.

Senator Bryant purchased the Hinesville Telephone Co. in 1946, and changed the name to Coastal Utilities, Inc. Under his guidance and leadership, the company has grown from an operation with about 200 customers to more than 18,000 today. It is one of the most modern independent telephone companies in America with exchanges in the communities of Hinesville, Midway, Richmond Hill, and Keller.

In that process, Senator Bryant has also been a pioneer in cable television in our area, in banking, and in many other fields of business and commerce. But his great success as a businessman has always been surpassed by his great generosity with his resources.

He is among our most active community philanthropists, and has been especially recognized for his contributions to the Boy Scouts of America, Georgia Southern College, Brunswick Junior College, and many other organizations.

Those accomplishments alone would make Senator Bryant one of our most notable and distinguished citizens. But his career and his contributions go far beyond the field of business. He has served in public office for nearly 30 years in posts including the office of mayor of the city of Hinesville, chairman of the Liberty County Commission, and now in his fourth term in the Georgia Senate.

In short, Glenn Bryant is an individual who typifies the very best in America—a citizen who takes the responsibilities of his citizenship seriously. He is a man who is generous with his time, his money, and his energy. He is not one who sits back and takes the blessings of this great country for granted. Instead, he is a man who has made a difference in the quality of life in his local community, his State, and his Nation.

On behalf of the Georgia Congressional Delegation and the people of the First District of Georgia, we salute Glenn Bryant, we recognize his accomplishments, and we look forward to his continuing service in behalf of his fellowman.

MORE POWER TO THE PEOPLE

SPEECH OF

HON. ROBERT A. YOUNG

OF MISSOURI

IN THE HOUSE OF REPRESENTATIVES

Monday, April 21, 1986

Mr. YOUNG of Missouri. Mr. Speaker, I rise to express my strong support for the action the House took yesterday by passing H.R. 44, the Electric Consumers Protection Act of 1986.

Currently, hydropower provides over 13 percent of the total amount of electrical power our country produces—almost as much as that provided by nuclear energy. Much of this capability comes from federally owned and operated dams. Historically, the primary developers of large, multiple-purpose dams have been the States and the Federal Government. A substantial number of dams, however, are owned by private investors who must still license their facilities with the Federal Government.

Part I of the Federal Power Act, enacted in 1920, grants what is now the Federal Energy Regulatory Commission [FERC] with the authority to issue licenses for the construction and operation of hydroelectric projects. The

act requires the FERC to give preference in licensing to States and municipalities over private utilities in issuing original licenses if the State or municipality has developed plans which are "Equally well adapted" to "conserve and utilize in the public interest the water resources of the region." There has been substantial debate, however, as to whether this initial preference in licensing also applies to the relicensing of projects.

When the original license expires, the Federal Government has the option of taking over the project. If the Government does not elect to do so, then FERC can issue a new license to either the original licensee or to another license applicant.

Because licenses issued during the surge of dam building in the 1930's and 1940's were issued for a maximum of 50 years, many are now coming up for relicensing. Of the 366 investor-owned hydropower projects, 177 licenses will expire by 1993. In most cases, existing licenses have made substantial investments and devoted considerable resources to utilize a given project site efficiently.

Since the mid-1970's, the FERC has relicensed 95 projects. Of these projects, 16 have resulted in increased generation capacity totaling over 1.4 million kilowatts. According to FERC testimony, more than 6 percent of the relicense applications proposed installation of new capacity of over 100,000 kilowatts each. Of the 95 relicensed projects, 79 were major licenses; 15, or 19 percent of the 79 major relicenses resulted in additional capacity. The average increase in capacity was 60,000 kilowatts. Also according to the FERC, if 19 percent of the 250 relicense applications for major licenses to be filed in the next 15 years are capable of adding 60,000 kilowatts, over 2.8 million kilowatts of additional capacity could result.

Mr. Speaker, this gain to all the consumers in this country stands to be lost unless the question of municipal preference in the relicensing procedure is resolved. Because private utilities serve approximately 74 million customers—76 percent of all electricity customers nationwide—while States and municipalities serve relatively few, the application of a municipal preference to relicensing could result ultimately in concentrating the benefits from most of the hydroelectric power projects in the country into the hands of a relatively small number of "preferred customers."

Furthermore, if the license is not issued to the original licensee, under current law the new licensee is required to pay the owner of the original license an amount equal to the original licensee's net investment, plus severance damages. Some have argued that this should be interpreted to mean the original cost of the plant minus accrued depreciation. Thus, concern has also focused on whether private utilities and their customers will be adequately compensated for a loss of a project since the market value of hydropower projects often greatly exceeds the original cost of construction.

Mr. Speaker, common sense would tell us that if competing applications are in fact "equally well adapted," demonstrated good performance by the existing licensee should be given considerable weight. Good performance should be rewarded with license renewal because many licensees have invested substantial financial and human resources to develop and operate hydropower sites efficiently to provide least cost electricity to their customers. The primary consideration in relicensing should not be based on who owns the utility operating the dam, but on the most efficient allocation of resources—FERC's historic concern.

In short, Mr. Speaker, adopting or continuing a municipal power preference in hydroelectric relicensing is both inefficient and unfair. H.R. 44 is absolutely necessary in order to provide the most power at the lowest cost to the greatest number of customers.

I would also like to add that I am very pleased by the provisions added to this bill regarding fish, wildlife, and other values to be considered at relicensing time in addition to the utility of power generated.

Specifically, the report accompanying this bill notes that in recent years there has been increasing recognition of the environmental problems caused by industrial, commercial, and residential development, and that this recognition extends to a heightened awareness of the dangers to fish and wildlife from hydroelectric development. This bill seeks to address these concerns and provide greater protection for fish and wildlife. The bill also enjoins FERC to place greater value on safety, recreation, and water quality when relicensing. More stringent environmental protection and controls will only enhance the relicensing procedure and ensure that the utilitarian decision-making process of relicensing will not exclude consideration of safety factors and environmental conditions.

As the committee report plainly states, under this bill the original act would be amended so that basic environmental considerations are given "equitable treatment." With these amendments power development is no longer considered an absolute priority. For the first time, the FERC would have the authority to deny an application on environmental grounds.

Moreover, the FERC would be asked to apply these so-called nonpower values in all its projects, whether licensed or exempted, original or otherwise. This bill would clearly upgrade the status at FERC of critical recommendations of the National Marine Fisheries Service, the U.S. Fish and Wildlife Service, and applicable State fish and wildlife agencies under the Coordination Act. It would require FERC to rely heavily on the advice and informal approval of these expert agencies.

In conclusion, Mr. Speaker, allow me to congratulate the gentleman from Alabama [Mr. SHELBY], the gentleman from Massachusetts [Mr. MARKEY], and the gentleman from Michigan [Mr. DINGELL] for their diligent and painstaking efforts. The Committee on Energy and Commerce has been keenly aware of the variety of interests on this issue and has fashioned a bill which protects those interests. The result, which we passed yesterday, ensures we will meet both the need for least cost electricity and the need for equitable consideration of nonpower values.

NATIONAL CONFERENCE ON COMPETITIVENESS

HON. FRANK HORTON

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, April 22, 1986

Mr. HORTON. Mr. Speaker, this past weekend I had the pleasure of joining 11 of my colleagues at a National Conference on Competitiveness. This meeting, sponsored jointly by the Northeast-Midwest Congressional Coalition, the Business-Higher Education Forum, and the Congressional Clearinghouse on the Future, was the culmination of an 18-month process that included discussion sessions around the country. The conference brought together a bipartisan group of Members of Congress and chief executives of many of the Nation's leading corporations and colleges and universities to identify specific steps each sector can take to enhance the nation's economic competitiveness.

If one thing has become clear in the last year, it is that greater cooperation between the business and education sectors and the Federal Government is necessary if the United States is to reverse the drastic decline in its competitive position in the world economy. For this reason the coalition, the forum, and the clearinghouse have performed a valuable service by organizing this unique effort. The leadership and vision of Edward Donley of Air Products and Chemicals, Inc., who currently chairs the forum, has been particularly important in bringing us to this point, and he is committed to pursuing the recommendations we agreed upon.

And speaking as a cochair of the coalition, I can promise you that our organization will follow up on those recommendations and lead the way in forming a bipartisan consensus on appropriate actions for the Congress. A report on the conference detailing an action agenda for all three sectors will be prepared in the next several weeks. When it is finished, the coalition will host a meeting for Members of Congress who have been involved in the cooperative effort and leaders of the foremost business and higher education groups to release it. We also will distrubute it to all Members of the House and Senate so they can see the range of actions upon which we agreed.

Mr. Speaker, at this point I would like to introduce into the RECORD a speech delivered to the conference by Ruben F. Mettler, the chairman of TRW, Inc. Mr. Mettler was one of the driving forces behind the effort to bring the business and higher education leaders together with Members of Congress, and cochaired the steering committee that planned our regional meetings and the conference. His speech clearly and succinctly lays out the challenge facing our Nation and the need to make competitiveness one of our top priorities. It should be required reading for every policymaker whose decisions in any way affect our economic future.

The speech follows:

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Competing Effectively: A Challenge to All Americans

The underlying proposition for this conference is that we Americans face a major challenge to our national will and our national capacity—a challenge that is not receiving the attention it deserves.

The challenge is to rebuild and maintain an American competitive position in the world marketplace . . . to sustain strong, noninflationary growth, with high levels of employment, and a rising standard of living for an expanding population.

How well and how quickly we meet that challenge will largely determine our ability to meet our national defense and foreign policy goals . . . as well as our domestic social, political, and economic aspirations. Thriving cities, renewed rural areas, new job opportunities, upward mobility, aid to the disadvantaged, security in old age, a healthy environment, superior educational and cultural institutions—all depend upon a competitive economy.

And today, as never before, we must act in a worldwide context. The world's problems are our problems. We can't wish them away. We must deal with them, because our domestic economic health and vigor have become dependent upon world markets.

At the moment, our alarming fiscal and trade deficits suggest that we can no longer pay the combined costs of our social welfare commitments, military defense, foreign aid, environmental protection, let alone maintain the vast infrastructure on which our society depends. Either we have overcommitted our economic resources, or our economy is failing to perform as it should. Which is it? In my view, it is both. That means we must both restrain the demands on our economy, and improve its performance. At stake are millions of American jobs—as well as the long-term growth and vigor of our entire economy—and all that depends on it.

With the stakes so high, why are we losing our competitiveness? We have so many strengths! . . . the world's greatest industrial capacity, the biggest marketing networks, science and technological capacities that lead all other nations in scope and depth, a work force that is one of the best educated and most skilled; and superb managers. What's our problem?

I believe one of our fundamental problems is that too many Americans, and unfortunately many in leadership positions, don't fully accept the need to be fully competitive on a worldwide basis. Our easy economic superiority of prior decades has created a dangerous national sense of economic isolation and invulnerability. Perhaps we think the issues will solve themselves. As a result, we give competitiveness a low priority in domestic policies and politics.

Competitiveness means hard work—sustained over many years, even decades. We are in a marathon, not an annual 100-yard dash. It means tough choices. It means working together . . . changing antiquated attitudes and practices.

It means thinking and acting with the understanding that the global competitive battle is no longer just between industry and industry, or company and company; with each seeking a competitive advantage on its own, but rather a matter of what the entire society does—government, managers, employees, unions, educational institutions, consumers and taxpayers, all together, all part of the action, for better or worse.

It means giving weight to the often substantial consensus as the center, and not allowing the small, but vocal, minorities at the fringes—the 10 or 15 percent at both ends—to dominate policy debates and deter action.

It is not unusual to hear people say: "I know that. Of course, we must be competitive." My point is we have had too much rhetoric about competitiveness and too little action. Priorities and policies are revealed by the actions that are taken, not by rhetoric.

For decades, both the private and public sectors have failed to make competitiveness a test of merit in developing our policies. Too often, competitiveness in world markets is not even at the policy-making table in government, business, and educational institutions.

Winning or losing in today's world markets is a combination of many factors—government and company policies, currency exchange rates, cost of capital, human skills, wage and salary levels, science and technology, product quality, productivity, location, and competent management.

In this intensely competitive environment, very small margins of advantage or disadvantage in any of these factors often spell the difference between winning or losing.

It is not difficult to find examples of actions that demonstrate the low priority we place on competitiveness. They can be found:

In our national macroeconomic policies;

In dozens of laws, policies, regulations and programs which have embedded side effects that work against American firms and workers and favor foreign competitors—a legacy of prior decades;

In the strategies and actions of American companies;

In the curricula and research of our academic institutions.

I do want to say that the actions taken in the past 6 months to get a significant movement in some currency exchange rates is a major positive step.

But it is vital that we not fall into the trap of believing that currency exchange rates are the whole ball game.

Now, quick examples that illustrate the low priority to competitiveness.

The tax bills proposed by the Administration and under consideration by the Congress, do contain some economically worthwhile features—a broader tax base, and lower marginal rates, for example. But they are not designed with a high priority on competitiveness. Quite the opposite. If enacted as they stand, they would be a boon to our foreign competitors.

A little noticed provision in the current tax code substantially reduces taxes for multinational companies if they will move their research and development out of U.S. labs and universities and into overseas facilities.

Despite the rising importance of skill training and worker mobility in making the adjustments necessary to improving competitiveness, federal and state training programs and employment services operate in a conflicting, overlapping, and ineffective maze.

To help resolve the divisive issue of taxation of multinational companies at the state level, a federal tax force several years ago arrived at the so-called "water-edge" solution—in competitive terms that means tax American companies but exempt their foreign competitors operating in the same states.

The available protection for the intellectual property of American companies—patents, copyrights and know-how—is weak and relatively ineffective against foreign competitors. In addition, there is a clear asymmetry between the U.S. and Japan in the reciprocal access to scientific and engineering research in the two countries.

A succession of public policy changes have led to a serious under-investment in the nations scientific and engineering infrastructure.

Current U.S. antitrust statutes and their interpretation do not recognize the reality of worldwide competition, and work to the disadvantage of U.S. companies in our own domestic markets. In addition, the extraterritorial application of U.S. antitrust laws in foreign countries works as a competitive handicap to American companies in foreign markets.

The strategies, plans and thinking of too many U.S. companies focus on domestic markets and ignore the reality of worldwide markets and foreign competitors. And too often, our standards of product quality and productivity, and our investment in new technology and upgrading employee skills don't match those of foreign competitors.

Most economics departments and business schools still teach the 18th century wine and wool concept of comparative advantage in international trade based on climate and natural resources. Yet in the modern world, comparative, or one now could say "competitive" advantage, is being created by technology, investment, and worldwide marketing, as demonstrated by Japan and other Far Eastern nations. The two concepts lead to very different public and private policies.

Despite the rich source of economic performance data around the world, most university courses in comparative economic systems (if taught at all) are limited to the U.S. and the Soviet Union, omitting any study of the competitiveness of the U.S. as compared with Japan or other Far Eastern countries or countries in Western Europe. Indeed, it is possible to get a graduate degree in economics in most universities without ever studying the issue of worldwide competitiveness.

Clearly, I'm suggesting that we recognize and move together to meet the global competitive challenges we face . . . that we work to put America's competitive performance at the top of our national economic agenda . . . that we make competitiveness a test of merit in developing new policies, and in correcting old policies . . . indeed, in all that we do.

As Ed Donley mentioned last night, our approach in this important venture has been to seek the best ideas and recommendations from previous studies, to seek consensus and then identify what is needed to translate consensus into action.

Our challenge today and tomorrow is to reduce our agenda to a few actionable items and then identify what must be done to make politically feasible that which is economically necessary. I repeat to make politically feasible that which is economically necessary.

And as Ed said last evening, the very important macro issues—tax, budget, defense, monetary policies and the like, vital as they are—are not the focus of this particular conference.

Most of us are addressing these very difficult issues in other forums and through other means.

Rather, our purpose is to focus attention on four subjects where we can make a difference: R&D infrastructure; trade policy; worker education and training; and science and technology policy. Taken together, they can have a profound influence on U.S. competitiveness.

Many of the most important problems identified in the regional seminars could be corrected as a matter of policy, with no, or only small federal or state budget implications. Others would require new funds.

Most important, we are seeking actions that can readily be pushed through to completion. Actions that we can take back to our own institutions, where we have a special measure of influence or control, and invite a widespread participation.

OPPOSED TO PAY RAISE

HON. WILLIAM F. CLINGER, JR.

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, April 22, 1986

Mr. CLINGER. Mr. Speaker, I rise to strongly protest recent action by this House in sneaking through what amounts to a pay raise for Members of Congress.

On Tuesday, April 22, with no more than a handful of Members present on the floor, the leadership of this House allowed a surprise resolution to be brought up and passed, without the benefit of a recorded vote, which increases the total amount of outside income the Members of Congress are allowed to receive.

Mr. Speaker, I submit that this was both a shameful and cowardly act. The leadership of this body knows full well that I, along with the large majority of my colleagues, would never have voted in favor of this blatant, self-serving bill.

This country is facing a $200 million deficit and there are tens of thousands of hard-working Americans who cannot find a job. These are critical problems * * * these are the things that we were elected to fix * * * this is the business that we should be focusing on.

Instead the leadership of this body chooses to spend its time raising its own salary * * * without any debate and without the requirement that each Member go on record with their vote.

I am here to tell you, Mr. Speaker, that I am vehemently opposed to this pay raise, and that's what it really is * * * a pay raise, that I would not have voted for it, and I will not take it. Quite frankly, Congress does not deserve this increase.

And now I am supposed to go back to the fine people of my district and tell them that we haven't balanced the budget, we haven't solved the terrible problems of unemployment, but we did give more money to ourselves * * * no way!

Mr. Speaker, I pledge that I will help lead the fight to have this thinly veiled pay raise revoked. The people of our districts didn't elect us to take care of ourselves. We were elected to work on the tremendous problems that face this country * * * unemployment, inflation, high taxes.

These are the problems that should receive our full attention.

I urge my colleagues, on both sides of the aisle, to reject this frivilous measure and return our attention to the pressing issues before this House. This is where our duty lies.

FUNDING LEVELS IN H.R. 4356

HON. HAMILTON FISH, JR.

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, April 22, 1986

Mr. FISH. Mr. Speaker, yesterday Attorney General Edwin Meese wrote a letter to the chairman of the Committee on the Judiciary, PETER W. RODINO, Jr., discussing H.R. 4356, legislation authorizing appropriations for the Department of Justice for fiscal year 1987. Mr. Meese's letter included a thoughtful analysis of the impact on the administration of justice of funding levels in H.R. 4356.

This morning, the Committee on the Judiciary marked up H.R. 4356 and responded to some of the Attorney General's concerns. The committee adopted an amendment offered by Mr. MOORHEAD to authorize the administration's requested funding level for the Federal prison system and an amendment offered by Mr. LUNGREN to authorize most of the administration's funding request for U.S. attorneys. H.R. 4356, as originally introduced by Chairman RODINO, recognized the special needs of the Immigration and Naturalization Service and the Drug Enforcement Administration. Those needs remained protected during our markup.

The administration is committed to the funding levels included in the President's budget submission. The letter from the Attorney General is a useful document that discusses the Department of Justice's budget. I am pleased to commend it to the Members of this body.

The letter follows:

Office of the Attorney General,
Washington, DC, April 21, 1986.

Hon. Peter W. Rodino, Jr.,
Chairman, Committee on the Judiciary, House of Representatives, Washington, DC.

Dear Chairman Rodino: I am writing to advise you of my significant concern about the 1987 funding levels proposed for the Department of Justice in H.R. 4356—a bill to authorize appropriations to carry out the activities of the Department for fiscal year 1987, and for other purposes.

When I testified before your Committee on March 12, 1986, we had not yet completed review of H.R. 4356. I therefore request that you include my comments on H.R. 4356 in the record of the hearing.

I regret that the Administration's proposed 1987 Appropriations Authorization Bill for the Department of Justice had not yet been forwarded to the Congress at the time of the hearing. However, the Committee had been provided detailed justification material in support of the President's 1987 budget for the Department of Justice. On April 16, 1986, our proposal was submitted to the Congress.

As you know, the President's FY 1987 budget request addresses the need to meet the FY 1987 Gramm-Rudman-Hollings maximum deficit target of $144 billion.

In reaching this target, the President decided to fund certain core functions the Federal Government must perform. Among these essential functions is the administration of the federal justice system. The President recognizes this and his budget decisions confirm his views about important programs within the Department of Justice. In essence, the President's 1987 budget continues and, in many cases, enhances the resource levels for the Department's federal mission related programs.

H.R. 4536, on the other hand, proposes to freeze the majority of the Department of Justice's 1987 appropriations at the 1986 enacted level. Given that the Department of Justice performs essential functions of the Federal Government it is not prudent for your Committee, the Congress or the Administration to plan on freezing the majority of the Department of Justice at our 1986 appropriation level.

The Congress enacted the laws that the Department of Justice enforces. The people expect these laws to be enforced. For example, one result of our vigorous attack on major drug trafficking organizations and on organized criminal enterprises has been a 60 percent increase in the federal prison population since 1981. Federal judges sentenced these people for having violated laws that this and previous Congresses enacted. It is my responsibility to house and care for the prisoners in a humane manner. The freeze level you propose for the Federal Prison System will not accommodate the major facilities expansion we need in our Federal Prison System. Nor will it allow us to provide adequate food, medical care and necessary inmate programs for a continually growing federal prison population.

This Congress and this Administration cannot abdicate from the core federal responsibilities we must perform—defending the public interest in criminal and civil court proceedings, operating correctional facilities, and protecting the integrity of our judges and other judicial officials—even in times of severe fiscal constraint.

As the President's 1987 budget recommends, the Congress must find the necessary savings in other less essential federal programs in order to fund the Department of Justice at the level requested by the President in his 1987 budget.

Some of the important initiatives H.R. 4356 would curtail in 1987, should our 1987 appropriations be limited to the amounts proposed for authorization are:

Federal Prison System. Our current federal prisoner population is 46 percent greater than our rated bedspace capacity. The President's 1987 budget proposes funding for three new federal prison facilities which we plan to locate in Bradford, Pennsylvania, Sheridan, Oregon, and Marianna, Florida. These three new facilities would add 2,250 critically needed bedspaces.

In addition, the President's 1987 request would fund the construction of two camps at the existing Marion, Illinois and Phoenix, Arizona facilities—adding another 250 bedspaces. Another critical portion of our request for the Federal Prison System would provide the funds to staff new housing units which will be ready for activation in 1987. Further, there is a significant increase in the 1987 request, compared to 1986, to provide funding for the dramatically growing average daily population of our Federal Prison System. The level of funding proposed in H.R. 4356 would not provide the funds necessary to feed and care for the existing and growing federal prisoner population.

The federal prisoner population is the end result of federal criminal justice system actions taken by the three branches of our Federal Government—law making, law enforcing and law adjudicating. The Congress and the Administration must exercise our mutual responsibility to ensure adequate funding to house and care for in the growing federal prisoner population.

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Federal Bureau of Investigation (FBI). Your proposed appropriation authorization would bring to a halt a critical Presidental initiative within the FBI. That is the continued, measured enhancement of our Foreign Counterintelligence program. The 1987 request represents the fourth year of this essential initiative. The FBI has been providing significant results from the investments in our Foreign Counterintelligence program. This vital national security initiative must be continued as planned for 1987.

We also need the funding requested ($10 million) to add clerical support to our FBI field investigative programs. Extreme backlogs are developing in transcribing tapes and typing reports in the field offices. The federal criminal justice system will suffer unless this problem is resolved.

Further, there are important technological initiatives proposed for funding in the FBI for 1987—including continued expansion of our voice privacy radio network, which is vital to the security of our field operations and the safety of field agent personnel, and funding for new uses of artificial intelligence in our field investigative programs.

Drug Enforcement Related Initiatives. While H.R. 4356 recognizes the need to add additional resources in 1987 to the Drug Enforcement Administration, there are drug enforcement related initiatives proposed in several other appropriation accounts which are also important. These include the U.S. Marshals Service request for additional support to our Organized Crime Drug Enforcement Task Forces (OCDETF) initiative and our request for additional prosecutors in the Tax and Criminal Divisions and the U.S. Attorneys. We also need, in 1987, funds for the full costs of the staff added to the U.S. Attorneys in 1986 for the OCDETF initiative.

General Legal Activities. Billions of dollars of federal funds are at risk in civil litigation. The Department of Justice must defend the Federal Government and we simply must be provided adequate resources to cope with a growing defensive caseload. The requests we have proposed for the Civil and Land and Natural Resources Divisions and the U.S. Attorneys are essential if we are to defend the Federal Government successfully in 1987. In order to preclude extensive future growth in staffing and to make current staff more productive, it is also critical that the President's request for a $10 million Legal Activities Office Automation initiative be supported in 1987. To allow effective and efficient use of all our attorney resources, I urge the Committee's support of the President's 1987 budget proposal to merge the U.S. Attorneys into the General Legal Activities appropriation.

I hope these highlights of our 1987 initiatives will cause you to reconsider the appropriations authorization levels proposed for the Department of Justice in H.R. 4356. I urge you to propose amendments, during full Committee mark-up of H.R. 4356, which would authorize 1987 appropriation levels in line with the President's 1987 budget request for the Department of Justice. These levels are provided in the enclosure.

As mentioned earlier, I would appreciate your including this letter as part of the Committee's hearing record on the Department of Justice's 1987 appropriations authorization request.

Sincerely,

EDWIN MEESE III,
Attorney General.

Enclosure.

1987 APPROPRIATIONS AUTHORIZATION

[Dollar amounts in thousands]

Appropriation	H.R. 4356	President's Budget
General administration	$70,800	$73,708
U.S. Parole Commission	9,800	10,420
General legal activities	205,000	584,099
Antitrust Division	44,500	50,009
Foreign Claims Settlement Commission	700	596
U.S. Marshals Service	150,000	176,759
U.S. attorneys	321,802	([1])
Oversight of bankruptcy cases	10,198	11,663
Support of U.S. prisoners	57,000	58,180
Fees and expenses of witnesses	47,400	34,676
Community Relations Service	29,900	32,009
Federal Bureau of Investigation	1,209,000	1,278,410
Immigration and Naturalization Service	609,393	609,393
Drug Enforcement Administration	414,029	411,329
Federal prison system	613,963	767,454

[1] U.S. Attorneys 1987 budget request is included within the general legal activities.

A CONGRESSIONAL SALUTE TO LUCY GUILD TOBERMAN

HON. GLENN M. ANDERSON

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, April 22, 1986

Mr. ANDERSON. Mr. Speaker, it is my distinct honor to rise and pay tribute to Lucy Guild Toberman, who has worked unselfishly for the past 50 years to help our community through her profound dedication to local government, civic activities, and philanthropies. Mrs. Toberman will be honored as the Harbor Area YWCA Woman of the Year at a dinner at the Princess Louise Pavilion on May 1, 1986.

Following 2 years of study in the graduate school of social work at USC, Lucy Guild Toberman dedicated her life to improving and enriching the world in which she lives. Contributing her immense talents and time to the city of Los Angeles, Mrs. Toberman served for 4 years under Mayor Yorty as a member of the social service commission, where she was vice president. In addition to being on the city planning commission and serving as vice chairman of the mayor's advisory board, Mrs. Toberman was president of the Municipal Art Patrons for 18 years, helping promote the building of the present municipal art gallery. She is also a founder and member of the junior philharmonic committee, as well as chairman of Los Honores of the Hollywood Bowl and a member of the bowl volunteer committee.

Continually responding to the needs of others, Lucy Toberman has founded 31 organizations, among which are the Colleagues of Big Sisters, Les Amies, ABC's of Children's Bureau, the Los Angeles Supper Clubs, and Las Floristas, which combined have raised several million dollars for charity in our community. While serving on the faculty of Los Angeles City College, Mrs. Toberman raised $52,000 for needy students and founded the school of public relations. Additionally, she has for the last 18 years been a member of the inmate welfare commission, assisting in resolving county and jail problems.

Over the years, Lucy Guild Toberman has been recognized throughout our State and across the Nation for her countless contributions to community life, culture, education, and charity. Among her many awards, Lucy Toberman was California Mother of the Year in 1973 and, that very same year, was chosen one of the four outstanding members of Kappa Kappa Gamma fraternity in the entire United States. In 1976, Mrs. Toberman was selected the Los Angeles Times Woman of the Year, and in 1977, received the silver cup for Outstanding Volunteer of the United Way Central Committee.

Mr. Speaker, it is with great pride that my wife, Lee, joins me in congratulating Lucy Guild Toberman on the occasion of her being deservedly selected the Harbor Area YWCA's Woman of the Year. We wish Lucy, her husband Homer, and their children—George, Erik, John, Lucy Ann, and Patricia—all the best in the years ahead.

A TRIBUTE TO MIKE HORN

HON. JIM COURTER

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Tuesday, April 22, 1986

Mr. COURTER. Mr. Speaker, I would like to join the citizens of New Jersey in paying tribute to one of New Jersey's most dedicated and committed public servants, Michael Horn.

Mike has recently left State government to return to the private practice of law. His talents and leadership will be sorely missed in our State capital Trenton. During his tenure in the Kean administration, Mike served initially as the State's Commissioner of Banking. In that position he gained the respect and confidence of the banking industry, his colleagues in the administration and the dedicated professional staff which surrounded him.

His efforts in that role so impressed our Governor that when the office of State Treasurer became vacant, he turned to Mike as the logical choice to fill that important job. While heading the Department of Treasury, the State of New Jersey has been at the forefront of our national economic recovery. In fact the State ran a budget surplus last year, a situation many Members of Congress find hard to imagine.

I know it is with great regret that Governor Kean accepted Mike's resignation. I would like to take this opportunity to join with him, and the people of New Jersey in paying tribute to Mike and his wife Gerri for the outstanding example of selfless service they have given all of us, and wishing them the best in all their future endeavors.

DEPUTY SECRETARY OF STATE JOHN WHITEHEAD TALKS ABOUT COUNTERTERRORISM

HON. WM. S. BROOMFIELD

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Tuesday, April 22, 1986

Mr. BROOMFIELD. Mr. Speaker, I want to commend the President for confronting the mounting threat of Libyan terrorism. Early on in the administration, President Reagan promised the American people that our country would face up to the terrorist threat. He is to

be commended for a tough but necessary decision.

We all know that terrorism is a complex international problem which can only be solved through international cooperation and joint efforts. Over the years, the administration has been encouraging our allies to work with us to confront terrorism. Although many of our allies lost citizens in terrorist attacks and have suffered a massive decline in tourism in Europe as a result of terrorist activity there, many of them refused to take the significant political and economic steps that were necessary in order to effectively isolate Colonel Qadhafi.

Our Government was quickly running out of options to use against that terrorist-supporting country. When intelligence reports revealed numerous Libyan-backed terrorist plans against American targets, the President sent two high-level missions to Europe for more consultations with our European allies on possible joint responses to Libyan terrorism. Deputy Secretary Whitehead, from the Department of State, headed the mission in January and presented highly sensitive intelligence information linking Libya to the airport bombings in Rome and Vienna. Two weeks ago, the U.S. delegate to the United Nations, Vernon Walters, conducted a similar mission to Europe. He presented intelligence showing Libyan involvement in the planning of the night club bombing in West Berlin. Although our allies took some measures against Libyans in Europe substantive actions were not forthcoming.

In essence, the failure of the Europeans to act decisively gave the administration few options to take in order to protect our personnel. A military operation had to be conducted in order to defend American personnel and facilities.

In the aftermath of the military operation, the European Community agreed on April 21 to reduce the number of Libyan diplomats accredited to Libyan People's Bureaus and restrict the number of other Libyan national allowed into their countries. A British proposal for stronger economic sanctions against Libya was not agreed to. Regretfully, our Government had to goad our allies into taking action against that terrorist-supporting country.

I want to share with my colleagues excerpts from Secretary Whitehead's recent comments about our counterterrorism policy before the House Foreign Affairs Committee.

EXCERPTS FROM THE TESTIMONY OF THE HONORABLE JOHN WHITEHEAD, DEPUTY SECRETARY OF STATE, BEFORE THE HOUSE FOREIGN AFFAIRS COMMITTEE, APRIL 22, 1986

Libya is not the only state which supports terrorism, but it is the most flagrant violator of international law—in its organization and direct support of terrorist activities and in its use of surrogates, such as Abu Nidal. More than 50 Libyan diplomats have been expelled since 1981 by the United States and its allies for reasons of terrorism, an astonishing statistic. Earlier this year, Libya's support for terrorism was the subject of a State Department White Paper. That White Paper is already outdated due to continuing Libyan terrorist acts with even more direct official involvement, including the bombing of La Belle discotheque in Berlin, probably the shooting of an American Embassy employee in Khartoum and the killing of two British professors who were innocent hostages in Lebanon.

The threat from Libya is not new, but it has increased dramatically in recent months. Our initial reactions were to improve security, and to work with host governments where we faced specific threats. The response from host governments was universally good from these governments—with one exception. In Berlin, we advised both the East German Government and the Soviet Union of the activities of Libyan Peoples' Bureau members accredited to East Germany. Both governments noted our concerns and stated their general opposition to terrorism; but they undertook no actions to curb the activities of the Peoples' Bureau members. And it was that Bureau which delivered the bomb to La Belle discotheque that killed and injured 250 people. I am not accusing the Soviet Union or the East German Government of complicity in the bombing of the La Belle discotheque, but these governments did not use their influence and legal position to stop illegal activity on the part of Peoples' Bureau members accredited to East Germany.

Our military response to Libya's continued policy of terrorism against us was measured. It was based on the objective of demonstrating that Qadhafi's continued pursuit of his policies would not be without direct cost to Libya; that the United States was prepared to use force to fight terrorism along lines repeatedly and carefully defined by the President; and that the United States reserves the right to defend itself and its citizens against aggression by any state, even when that aggression takes new forms, such as terrorism.

Our right of self defense is more than just a right. It is also our duty to protect our citizens. In the months and years preceding our most recent action in Libya, we saw risks increase abroad for our military and diplomatic personnel, for American businessmen, and for tourists. All have been innocent victims of terrorists.

We are more convinced than ever that effective prevention of terrorism requires multilateral cooperation. It is no secret that we have had differences with European states over what measures were necessary to deter Libya and other states from supporting terrorism. We have engaged in a long-term effort to deter Libyan support for terrorism through peaceful economic and political measures. In 1979, we designated Libya as a state supporting terrorism. In 1981, we decreed unilateral economic sanctions that decreased U.S.-Libyan trade from five billion dollars to a few hundred million. In January, we invoked legislation that virtually cut all remaining economic and political ties to Libya. In January, I emphasized to European leaders that Qadhafi needed to understand that he could not support terrorism and enjoy normal relations with civilized nations. We recognized that our allies would have to take similar measures for our sanctions to be fully effective. We also recognized that our allies would have to make Qadhafi understand that Libya could not continue to have normal political and economic relations with civilized nations, if peaceful measures were to be effective. The measures adopted were uneven; Qadhafi's attacks increased in number, geographic range and deadliness. As a result, America decided it would no longer stand idly by, that the time had arrived for a carefully designed military action.

Some of our European allies did not provide the support we would have liked to see. However, having just returned from extensive meetings with European leaders at the OECD meeting in Paris and from a meeting with NATO allies in Brussels, I would urge that this is not the time for recrimination. We have had extraordinary contacts on counter terrorism cooperation with the EC through our Ambassador-at-Large for Counter Terrorism, Robert Oakley, and through Attorney General Edwin Meese. European states agree that multilateral cooperation must be made dramatically more effective. In the past week and a half, EC states have been engaged in intensive sessions on counter terrorism. We welcome this development and we welcome the invitations we have received to cooperate with European states as a group. Our allies have also gotten the message that the economic costs to them of allowing terrorism to continue can be very high, as American tourists plan their vacations elsewhere. Our strike against Libya may have helped to open a hopeful new chapter in multilateral cooperation between European states and the United States.

We also need to do a better job of handling the flow of information regarding terrorism. Due to the sensitive nature of much of this information, I suggest that together we devise a way of providing that information directly to members that need to know. Mr. Chairman, I would be happy to go into the details of how we are cooperating with the Europeans and how we might better inform you and members of the Committee in closed session.

Aviation security is a key strand in the fabric of multilateral counter terrorism cooperation. The Department of State has actively supported improved security for international aviation. We have raised aviation security to a top priority issue within the International Civil Aviation Organization and have established contact with all of our bilateral aviation partners to meet the goals established by the Foreign Airport Security Act.

Our other major bilateral effort has been to work with the FAA and DOT to implement the Foreign Airport Security Act. U.S. Embassy officers worldwide have paved the way for the FAA's foreign airport inspection program, and have negotiated arrangements to allow armed U.S. Air Marshals to fly overseas. No formal warnings have yet been issued under the Foreign Airport Security Act, but FAA inspectors have identified areas for improvement in a number of countries which have been rectified following strong though discreet FAA and Embassy representations.

A TRIBUTE TO DR. C. ALBERT HENSON, PASTOR OF ZION BAPTIST CHURCH

HON. MERVYN M. DYMALLY

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, April 22, 1986

Mr. DYMALLY. Mr. Speaker, on Thursday, February, 27, 1986, the Members of this body were privileged to have our invocation delivered by the Reverend Dr. C. Albert Henson, who for the past 23 years has served as pastor of Zion Baptist Church in Compton, CA. Dr. Henson's moving eloquence has long been a source of spiritual sustenance to the

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members of our community, and I was overjoyed when he was able to visit this Chamber to add meaning to our day's activity.

On Saturday of this week the Women's Auxiliary of the Providence District Missionary Association will be honoring Dr. Henson for his past work as moderator of the association. I thought it appropriate to inform my colleagues of the sterling civic and religious record which has won esteem for Dr. Henson as he has labored in the Lord's field over the past third of a century.

Dr. Henson is one of those wise individuals who recognized early on that a true spiritual leader must see to not only the spiritual but also the corporal needs of his flock if he is to lead them safely to an eternity of happiness in the presence of their Maker. Dr. Henson is a life member of the National Association for the Advancement of Colored People. He is also a member of the board of the Western Christian Leadership Conference.

While his work within the NAACP represents a commitment to national civic leadership, and his WCLC membership has involved him in regional activities, Dr. Henson has been equally cognizant of the need for leadership at home in our own immediate community. He is a member of the Los Angeles County District Attorney's Advisory Council, a role of critical importance to the stability and the development of Los Angeles County. Dr. Henson has a special concern for those in ill health, knowing that the strength of the spirit can often be a decisive factor in the rapid restoration of the body to strength. This concern is reflected in his work at Martin Luther King Hospital where he is coordinator of chaplain services.

In religious affairs, Dr. Henson has been active not only nationally, but internationally as well. He is a member of the World Baptist Alliance, and has traveled extensively over the past 30 years throughout Europe, Asia, Africa, and the Holy Land. He was an active participant in the 1975 World Baptist Congress in Stockholm, Sweden. He was a group leader for the World Baptist Youth Congress in Beirut, Lebanon, in 1963, and served a preaching mission with the Southern Baptist Convention in Japan in 1972.

Dr. Henson has been active in Christian education throughout his ministry. He is a board member of the National Baptist Congress of Christian Education, and has served as supervisor of the Minister's Wives Division of the National Baptist Congress of Christian Education. Within the State of California, Dr. Henson has served as director of Christian education for the State Baptist convention.

Dr. Henson's skill as a preacher is nationally known. In recognition of his accomplishment, Dr. Henson has served as president of the California-Louisiana Crusade for Christ. He was honored as guest speaker for the 1971 California Southern Baptist State Conference on Evangelism. He has come to be so well known for his overall leadership within the black community that he was listed in the very first edition of "Who's Who Among Black Americans." And the State of California has officially honored his work with a unanimously adopted commendation by the California State Assembly in recognition for the service he has rendered to the people of California and the people of the United States. Dr. Henson, our congratulations to you for a life of dedication to the people of God.

MADELEINE'S GIFT

HON. DEAN A. GALLO

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Tuesday, April 22, 1986

Mr. GALLO. Mr. Speaker, I rise today to call my colleagues attention to the thousands of Americans who devote their energy and effort as volunteers. With National Volunteer Week approaching it is appropriate to take a moment to consider the seemingly endless numbers of activities Americans perform for the sole purpose of improving the society we all share.

With voluntarism alive and well, we should express our gratitude to those who selflessly serve organizations both large and small. The St. Vincent's Hospital and Medical Center of New York City has done just that. I attach a recent tribute, which appeared in the New York Times, to one such person who embodied the true spirit of volunteers all over this great land. I know that to this volunteer, like thousands of her colleagues, the rewards of friendship and accomplishment gained in that experience far outweighed any sacrifices made. The woman St. Vincent's Hospital has seen fit to honor, I am proud to say, is Madeleine Courter the late mother of our colleague from New Jersey JIM COURTER. I know she would be grateful to see that her example can serve to further a cause she believe in deeply.

[From the New York Times, Apr. 9, 1986]

MADELEINE'S GIFT

You could tell Madeleine Courter had been a real beauty. You could even imagine, as she bustled energetically about her work, that she had once been a dancer. At age seventy-eight Madeleine was still helping out two days a week at St. Vincent's Medical Center. She'd been a volunteer there for ten years.

Madeleine wasn't one to talk much of past deeds—she wasn't the boastful sort. But every now and then she could be persuaded by her co-workers in the Anesthesiology Department to reminisce. And after fifteen successful years on stage, there were plenty of stories to tell.

Like the first casting call she showed up for—uninvited. How she was selected out of 300 auditioners. And how one day she was singing in the church choir and the next, she was singing and dancing in the Ziegfeld Follies.

It was an exciting fifteen years. There were the bright lights, the elegant costumes, the eager suitors.

She'd tell you about the glamour days if you wanted to know. But, the truth was, she didn't really miss them.

Madeleine was glad to be where she was. And lucky, too. Because when she was sixty-four, Madeleine fell seriously ill. In fact, she nearly died. She contracted spinal meningitis. She was taken to St. Vincent's and treated. Happily, she recovered.

When she did, she decided to do volunteer work for the hospital. She said she wanted to give back to the world some of the goods it had given her.

Madeleine found volunteering tremendously rewarding. She looked on it as the most important work she had ever done. And she made some wonderful friends in the process.

Madeleine stayed with St. Vincent's until the year before she died. Now, with National Volunteer Week approaching, St. Vincent's pauses to remember Madeleine Courter and the hundreds of other men and women who give their time and energy volunteering at the hospital, and who provide something priceless—comfort to the sick, and humanity to the surroundings.

FOR TRADE TALKS WITH CANADA

HON. JACK F. KEMP

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, April 22, 1986

Mr. KEMP. Mr. Speaker, I would like to call my colleagues' attention to an excellent article written by my good friend and our colleague from the other body, Senator BILL BRADLEY, on the importance of the administration's proposal to negotiate a free-trade agreement with Canada.

As Senator BRADLEY points out, a free-trade agreement with Canada would provide tremendous benefits to American workers and consumers. Canada is our largest trading partner, with our two-way trade totaling almost $117 billion last year. A successful free-trade agreement would expand markets for U.S. manufacturing, agricultural, and service products, resulting in more jobs and higher economic growth in this country. Vigorous trade negotiations with Canada also offer a chance to resolve ongoing trade disputes, while setting an example for future trade discussions with our other trading partners.

I agree with Senator BRADLEY's argument that we literally cannot afford to pass up this opportunity to engage in wide-ranging trade talks with Canada. I commend the article, which appeared in the April 22, 1986, edition of the New York Times, to my colleagues and congratulations to BILL BRADLEY for his insights and leadership.

[From the New York Times, Apr. 22, 1986]

FOR TRADE TALKS WITH CANADA

WASHINGTON.—The Senate Finance Committee may well make a major foreign policy blunder by refusing to authorize the Administration to move forward quickly with proposed trade negotiations with Canada. Without such negotiations, Canada is almost sure to withdraw its request for a trade agreement. But that is not the only reason why the committee should vote to proceed with the talks.

First, American jobs are at stake. At a time when many fear the decline of industrial America, this country cannot pass up an opportunity to enlarge a major industrial market. The trade talks with Canada offer a rare chance to resolve festering disputes with Canada over patent protection, lumber, uranium, tariff parity and potatoes. At about $46 billion per year, the United States' exports to Canada are twice as large as its exports to Japan and equally as large as exports to the European Economic Community. Some senators have complained that we suffer under a no-action Administration when it comes to trade policy. A vote

to scuttle Canadian trade talks would make us a no-action Congress on trade issues that matter to American workers.

Second, we would alienate a key ally. Canada has flirted with the idea of a trade agreement with us for 100 years. But at some political risk, the Canadian Government has courageously chosen to follow through with actual talks. Disapproval by the Finance Committee would be a slap in the face—especially at a' a time when Canada is one of only three countries that strongly support our response to Libyan terrorism.

Third, a "no" vote would damage the prospects for a new round of multilateral trade negotiations. Many of our trading partners have elaborate trade barriers that keep American products out of their markets. There has been little pressure on these countries to open their markets. But the possibility of a trade agreement with Canada, and the threat of other bilateral deals between like-minded countries, has begun to pull some of these reluctant trading partners to the bargaining table. They do not want to see Canada and the United States enjoy trade privileges in one another's markets that are denied to the rest of the world. Negotiations between the United States and Canada would thus strengthen both countries for a new round of multilateral trade talks that, if successful, would be a strong new force for worldwide economic growth.

Fourth, American trade strategy will be undermined. We have been trying vainly for years to get other countries to reduce trade barriers in services, investment and high technology. If we cannot agree to proceed on these issues with our closest neighbor, the chances of getting the 90 members of the General Agreement on Tariffs and Trade to discuss them become remote. Yet services, investment and high technology are precisely the sectors where we have the greatest natural advantages.

Finally, there is no need to fear, as some senators do, that the Administration would use the authority to negotiate a pact that ignores Congress's wishes. These talks would not be completed before current negotiating authority expires in January 1988. Congress must pass a trade bill extending that authority, and we are free to write in any provisions we please (including specific provisions on Canadian negotiations). Progress on the Canadian talks could be reviewed at that time with just as much leverage over the Administration as Congress has now.

Canada has taken a bold initiative to improve the North American economy and to strengthen its hand and ours in pursuing a new multilateral trade agreement. Every farmer and every worker in American export industries has a stake in making certain these talks do not stall. And as senators, we should welcome the opportunity to be active in resolving trade problems.

SANDINISTA REPRESSION OF RELIGION

HON. DANTE B. FASCELL

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, April 22, 1986

Mr. FASCELL. Mr. Speaker, perhaps the most insidious form of repression in Nicaragua is the Sandinista government's relentless efforts to strangle religion in that country. Not content with virtually eliminating political freedom, Nicaragua's Communist leaders are seeking to interfere with religious self-determination as well.

War has been declared on all religious denominations—catholic and protestant. Churches are burned, religious leaders are persecuted, priests and nuns are expelled and church properties are expropriated. The only reason why we hear little about persecution of Jews is there are so few of them left in the country.

The Catholic Church has been a particular target of Sandinista repression. It is by far the largest and most influential religious organization and it has traditionally been responsible for public education in Nicaragua. It has become increasingly clear that the Sandinistas seek to impose total control over the lives of the people, especially over the minds of the Nation's school children.

The Sandinistas, in typical Communist fashion, seek to direct and manipulate every aspect of life. Freedom, of any sort in any area, is a threat to their efforts.

Paradoxically, the Catholic Church was an important moral force that led to the overthrow of the Somoza regime in 1979. Then Archbishop Miguel Obando y Bravo personally intervened to protect Sandinista leaders captured by Somoza and some Sandinista leaders owe their lives to the archbishop's intercession.

In return, the Sandinistas have banned the church's newspaper, Iglesia; ordered Radio Catolica off the air; directed mob violence against church members and clergy; expelled priests and nuns; seized the church's social services agency, COPROSA; heckled the Pope as he celebrated Mass in Managua in March 1983, and conscripted seminarians into the military.

Now elevated to cardinal, Miguel Obando y Bravo has tried unsuccessfully to maintain a constructive dialogue with the Sandinista government. Instead, the government has sought to undermine the church by setting up a so-called "popular church" made up of a small minority of revolutionary-minded clergy.

Meanwhile, Catholic Church leaders in the United States and Central America have rallied to Cardinal Obando y Bravo's support. Cardinal Barnard F. Law, archbishop of Boston, and Cardinal John O'Connor, archbishop of New York recently sent the following letter to Cardinal Obando y Bravo:

Your Eminence: The present trials through which you and the Church in Nicaragua are suffering are a poignant reminder that the mystery of the Cross continues to be lived in the Body of Christ. During this Lent, your two brother bishops in the United States, who were called to membership in the College of Cardinals with you last May, have often thought of you and discussed the courageous efforts you make for the well-being of the Church and the people of Nicaragua. We have taken the extraordinary step of making this letter public so that the faithful in our Archdioceses and as many as possible in our country will know what is actually happening to their brothers and sisters in Nicaragua.

We share your deep pain when your people are denied the full opportunity to build a just, peaceful and progressive society based on the transcendent dignity of each human person. We know your suffering when attempts are made to violate the religious conscience of Nicaraguans by denying them access to the liberating teachings of the Church. This has been done by physical harassment, crude attempts at intimidation, and censorship. Priests have been summarily expelled from your country. Officers of your archdiocese have been raided by military personnel and remain under military occupation. The Archdiocesan newspaper, Iglesia, was confiscated after its first edition, and the Catholic radio remains closed. You are subjected to a barrage of distortions, slanderous insults and innuendoes at home and by some representatives of the government abroad.

In this ordeal, the Church in Nicaragua has been seeking to maintain a constructive dialogue with the government in an attempt to reach a climate of mutual respect so that the Church can play a role in the reconstruction of your country. We want to assure you of our solidarity with you. With you we are praying for that peaceful reconciliation necessary to, rekindle the original hope of the resolution. For this to take place, it is essential that there be an immediate cessation of the present unjust restrictions suffered by the Church and other sectors of Nicaraguan society. This will undoubtedly provide a powerful impetus to the just resolution of the conflicts in your country and in that strife-torn region.

Be assured of our prayers and support, our brother Cardinal, through the intercession of the Blessed Virgin Mary, the "Most Pure," as the Nicaraguan people particularly venerate her.

Fraternally yours in Christ,
BERNARD CARDINAL LAW,
Archbishop of Boston.
JOHN CARDINAL O'CONNOR,
Archbishop of New York.

The Sandinistas have moved against the protestants as well. In 1982, at least 50 Moravian Churches were burned when the Sandinistas forcibily relocated 10,000 Miskito Indians into camps which have no facilities for religious worship. The only Moravian seminary in Nicaragua was closed.

Sandinista mobs seized 20 churches, and worship centers were seized from Mormons, Seventh-Day Adventists, Mennonites, and Jehovah's Witnesses. The National Council of Evengelical Pastors, the umbrella organization for protestant churches, has been repeatedly harassed, and the protestant radio station forced to submit to censorship.

The churches of Nicaragua have long been in the forefront of the struggle for human freedom and dignity and are an anathema to the Sandinista regime because of what they stand for. They are truly the "enemy" because they preach the freedom of the human spirit and oppose the iron fist of repression.

THURSDAY THE RABBI WENT TO PRISON

HON. WILLIAM LEHMAN

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, April 22, 1986

Mr. LEHMAN of Florida. Mr. Speaker, during the last several months, we have witnessed what I consider to be selective prosecution of

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peaceful demonstrators outside the Soviet Embassy in Washington. When five rabbis were sentenced to prison at the end of last year, I joined with some of our colleagues in cosponsoring legislation urging their pardon.

Since that time, more arrests and prison sentences have occurred. One of those who was similarly treated is my good friend and constituent, Rabbi Ralph P. Kingsley, who heads the congregation of Temple Sinai of North Dade in North Miami Beach, FL.

I regret that the U.S. Attorney for the District of Columbia has decided to prosecute those violating the 500-foot rule in front of the Soviet Embassy while overlooking the many arrests at other embassies in violation of the same ordinance. I believe that those arrested at the Soviet Embassy should be treated similarly to those arrested at the South African Embassy. Many of those demonstrators at the South African Embassy, including rabbis, were not given harsh sentences.

I want to place in the CONGRESSIONAL RECORD an article written by Rabbi Kingsley reporting on his experience in the D.C. jail. Despite the unfairness of these prosecutions, the sense of solidarity expressed in the article calls even more forcefully for attention to the worsening plight of Soviet Jewry.

THURSDAY THE RABBI WENT TO PRISON

(By Rabbi Ralph P. Kingsley)

Henry David Thoreau, the American writer best known for his study of man and nature called "Walden," is also the spiritual father of "civil disobedience," about which he wrote in 1849, saying that the state derives its power from the individual, and that the individual therefore has the right to challenge the authority of the state when he believes that the state is committing a moral wrong.

I don't know whether the story is true or apocryphal (probably the latter) but when Thoreau refused to pay poll taxes in 1840 to express his opposition to slavery, choosing to spend a night in jail (that part is true), it is told that his friend Emerson passed by and said: "Henry, what are you doing in there?" to which Thoreau replied: "Ralph, what are you doing out there?"

This Ralph who has been "out there" has now joined Thoreau, and thousands of others who have committed acts of civil disobedience, to protest an injustice, not with regard to slavery, but with regard to Soviet Jewrey. Together with 20 other Rabbis—one of them a woman—I violated Washington, D.C. Ordinance 2215—which prohibits demonstrations less than 500 feet in front of a foreign embassy, and was arrested, arraigned, and for several hours, actually imprisoned. Yes, if I may suggest a title to add to the list of Kemmelman books—"Thursday, the Rabbi Went to Jail." I must tell you—the experience is not one that I will soon forget.

On the one hand, all was carefully preplanned. The Washington D.C. police, who are used to this kind of activity, were in place with paddy wagons awaiting our entry. At 11:45 we gathered across the street from the Russian Embassy, where a vigil on behalf of Soviet Jewry takes place every day between 12 and 1. Promptly at 12:00 P.M. the police stopped traffic, allowing us to cross and stand directly in front of the Embassy gates where we made statements, read from the Megillah, sang songs and sounded the Shofar. There were several warnings by the police, asking us to stop and explaining that we were in violation of D.C. Ordinance 2215 and that we would be subject to arrest. After about 5 minutes we were removed, one by one, handcuffed, photographed, placed in the Paddy Wagon and taken to the police station where processing continued—and from which we were taken to the prison which attaches to the Federal Courthouse.

It was all very surrealistic at first. The police were friendly and we were all very relaxed and chummy, reunited with old friends, and discovering new ones—all the time knowing that in a matter of hours we would be out and on our way to our homes—in N.Y., N.J., Delaware, Maryland and then Florida (I had come from the farthest distance).

On the other hand, I must tell you it was *very real*. There were the handcuffs—behind the back—not very comfortable. There were, after the Police Station, the real cells, amidst real criminals—one open commode in the cell which, fortunately, none of us had to use, urine stains on the floor, having an iron gate slam shut behind you in a sub-terranian windowless environment in what seemed like the bowels of the earth and feeling suddenly very cut off from everyone—no telephone, no access, no way to call for help when a bureaucratic snafu almost caused us to be taken to yet another place for further processing. Our lawyer had warned us about Murphy's Law—that everything that can go wrong usually does—and it almost did. And we were not in control.

We had a taste of what it's like not to be free. We were body searched—just as you see it on T.V. and in the movies, spreadeagled against the wall. Our personal possessions were removed from our pockets. The inside of our wallets, our shoes, the linings of our coats were carefully examined, and our fountain pens were taken away from us—presumably they could be used as weapons, like a knife.

Plastic bracelets were attached to our arms and suddenly we became numbers, not names. I was L88.

It was all very de-humanizing, but also very humbling. Most of all, it was also very moving. Here we were—representing the three branches of Judaism, including the presidents of the C.C.A.R.[1] and the R.A.[2]—Rabbis Jack Stern and Alex Shapiro, making a statement together about our concern for Soviet Jewry—each sacrificing a day of his life, a sum of money, and subjecting himself—and herself—to less than a pleasant experience. We davened Mincha together in the cell, we sang together, we talked Torah together. Prison creates a unique kind of feeling between people. For those few hours there was "Achdut," the kind of Jewish unity that, alas, has become so elusive these days.

And it's not over yet. We were, of course, released on our own recognizance, but we've got to return in time for sentencing. If things proceed as they have before, there will be a guilty verdict, a suspended sentence and a fine. The U.S. Government, for some reason, has been playing hardball. They have not chosen to look the other way. When 5 rabbis refused to accept the terms of the sentence last December, they went to jail for 15 days—as some in our group are considering doing this coming June.

There is an appeal process being pursued by our attorney—Henry Asbill—who is handling the cases without fee, but the court has refused to stay the sentencing subject to appeal.

The defense is based on two legal principles. First, there is the "defense of necessity" which claims there to be a religious and moral imperative to violate the D.C. statute in order to prevent a greater harm from being done—namely the persecution of Soviet Jews. Our defense, in essence, questions the very constitutionality of that statute as well for it is an infringement on the rights of free speech.

The other legal issue is that of selective prosecution. The thousands that have protested in front of the South African Embassy have been arrested but *not* charged, for doing exactly what we did in front of the Soviet Embassy. On what grounds has the U.S. Government chosen to prosecute those of us who demonstrate in front of the Soviet Embassy while letting those picketing the South African Embassy go free? No one has satisfactorily answered that one.

With it all, however, the more important question that needs answering is, does it help Soviet Jewry?

I must admit that I did not get on the plane on March 27th with great enthusiasm. I went out of a sense of "noblesse oblige" because as Chairman of the C.C.A.R. Committee on Soviet Jewry, I couldn't not go. I can't tell you that I believe my small act of disobedience will get Jews out of the Soviet Union.

But having gone, I'm glad I went. And even if the direct benefits are not immediately visible, the indirect benefits are there.

The media was present, so that the issue of Soviet Jewry remains before the public eye.

The Soviet Embassy continues to get the message that the American Jewish community cares and will not be silenced. Embassy officials stood behind their gates watching. You can be sure reports of our activities are transmitted to Moscow, just as there is a clear signal the other way when we are not there. Keep in mind that it was the world's nonresponse to Krystal Nacht which gave Hitler the message that he could destroy Jews with impunity.

Thirdly, the U.S. Government knows and the Congress knows that the American Jewish community, especially its leadership, is not sitting on its hands. Even the U.S. Marshalls who frisked us know. At one point, I heard them speaking to each other about those "Jewish guys." And when we finally left the courthouse, another black officer asked us: "Why were you arrested? Demonstrating for Soviet Jewry?" Even as we went on the way to the demonstration, a black doorman wished us luck and held up his thumb as a sign of support. "I'm with you all the way" he said.

We Rabbis did, of course, walk out of jail and our captors—if not exactly our best friends, did not treat us badly. But as we walked out, we couldn't help but think of those who can't walk out: Yosef Begun, serving his third extended sentence; Vladmir Lifschitz, recently convicted, after having been beaten before his trial, and his wife Anna, now in jeopardy because she refused to testify against her husband; Ida Nudel, not in jail, but also "imprisoned," as are 400,000 other Jews who are not free to leave the Soviet Union and to go to a land of their choice where they can live as Jews. In January, Ida sent an urgent appeal to the 27th Congress of the Soviet Communist Party asking to be allowed to leave in order to be at last reunited in Israel with her

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[1] Central Conference of American Rabbis.

[2] Rabbinical assembly.

sister, Ilana Fridman, from whom she has been separated 14 years, a request she first made in 1971 and which was denied because she allegedly "may have heard something" of a confidential nature. She wrote: "Is there anybody among sane and educated people who could believe that rumors which I may or may not have heard or things said could still be "matters of state interest."

Had the brief sojourn in prison done nothing else but give me, personally, a little more strength to continue the task that some of us pursue with such fervor, and others of us tend to take far too lightly, it would have been worthwhile. I think it did much more, but it did at least that.

In the language of our Torah, as alluded to by my cellmate Rabbi Alex Shapiro, who never got to finish his thought because he was interrupted by our jailers, it was Joseph's brothers who put him into a pit, only to take him out and thus to save his life. The young Joseph is the Jews of Russia. Though we, his brothers and sisters did not put him into the pit, who is there but us, to help him climb out, and to see once more the light of freedom? God help us if we forget that. And thank God that we at least have that opportunity, living as we do in this land of freedom, and sharing as we do their dream of redemption. May we experience it together—Bimhayara b'yamenu—speedily in our time.

CONTRA AID

HON. TRENT LOTT

OF MISSISSIPPI

IN THE HOUSE OF REPRESENTATIVES

Tuesday, April 22, 1986

Mr. LOTT. Mr. Speaker, while the Washington Post has not wavered in its opposition to aid for the Contras in Nicaragua, it has at least registered agreement with our efforts on this side to decouple that issue from the urgent supplemental appropriations bill, and get a clean vote on the administration's request.

In its April 18 editorial entitled,"A Cliffhanger Still," the Post observes that, by their legislative maneuvering, the Democratic leadership offered the President, "a narrow and—to him—unpalatable range of options: One was for no military aid at all, and a second was for circumscribed aid now, some but possibly no more aid later." The editorial goes on:

"In the circumstances, the Republicans have a good case for demanding a "clean" vote, one which may trouble swing Democrats politically but which fits the realities on the ground in Central America: Contras yes or Contras no. At this point, there is really no room left to have it both ways.

Mr. Speaker, in so saying, the Post correctly, I think, assesses our real choices. We cannot keep postponing to a future date a decision on providing military assistance to the Contras. If the democratic resistance in Nicaragua is to remain a viable force, we must vote "Contras yes" soon: "Contras maybe" just isn't going to confront the realities on the ground.

Mr. Speaker, while the Post editorial to which I have referred attempts to couch this choice in partisan terms by saying that "the up-or-down vote that Republicans seek rejects a bipartisan compromise solution," and, "bipartisanship, this time around, seems a nonstarter," such a conclusion ignores the prospect that a significant number of Democrats are uncomfortable with the "Contras no" choice and may yet provide the bipartisan margin of victory for the administration's request.

Finally, I think it should be pointed out that in both our substitute rules on the supplemental last week, and in the special rule on which we are filing a discharge petition tomorrow, we have ensured clean votes on three options—"Contras no," Contras maybe" and "Contras yes"—whereas the Democratic leadership rule last week guaranteed only a vote on the "Contra no" substitute.

We are willing and eager to present the House with these three clearcut choices, separate from extraneous legislation. I urge my colleagues on both sides of the aisle to sign the discharge petition on House Resolution 419 tomorrow. That special rule will bring House Joint Resolution 283 to the floor and guarantee separate votes on the Hamilton, McCurdy, and Michel approaches, in the traditional "king of the mountain" approach.

At this point in the RECORD, I include the editorial to which I have alluded and a summary of our special discharge rule. The items follow:

[From the Washington Post, Apr. 18, 1986]

A CLIFFHANGER STILL

In the latest installment, Republican stalwarts in the House saw that the contra aid amendment likely to pass was unsatisfactory and, furthermore, that any amendment passed would ride an appropriations bill moving slowly toward an eventual cash on a presidential veto. So to keep the possibility of aid alive, and to keep it alive in a form favored by the administration, the leadership of the Republican minority deftly stole control of the issue from the Democrats and set out on a parliamentary course intended to secure a straight up-or-down vote in May.

The public opinion polls show continuing broad disapproval of American support for intervention in Nicaragua. Yet President Reagan's weight in Washington is substantial. Votes in Congress remain cliffhangers in which swing blocs attaching strings to aid dictate the outcome. This is the pattern that Republicans in the House now seek to upset. Unlike the Democrats, they do not want a result that reflects the House's ambivalence. They want a clear-cut victory for their president—the full $100 million sought, without strings—and to get it they seem prepared to risk defeat. Their calculation is that they can pick off enough Democrats fearful of being held accountable for putting the contras out of business.

It is commonly said in these foreign policy battles that bipartisan compromise is the statesmanlike way. But the up-or-down vote that Republicans seek rejects a bipartisan compromise solution. The Democrats by their legislative maneuvering had done pretty much the same thing, offering the president a narrow and—to him—unpalatable range of options: one was for no military aid at all, and a second was for some circumscribed aid now, some but possibly no more aid later. Bipartisanship, this time around, seems a nonstarter.

In the circumstances, the Republicans have a good case for demanding a "clean" vote, one which may trouble swing Democrats politically but which fits the realities on the ground in Central America: contras yes or contras no. At this point, there is really no room left to have it both ways.

Our answer has been and remains: contras no. The chances are too slight that on their own they can unseat the Sandinistas, and the costs of the effort appear too great. That leaves the United States to rely on and support the program of the Latin democracies to build a security fence outside Nicaragua and then to pursue available ways to soften Sandinista rule inside.

SUMMARY OF SPECIAL DISCHARGE RULE ON CONTRA AID

(H. Res. 419, Representative Lott and Representative Michel, 4-14-86)

1. Immediately upon the adoption of the rule, the House would resolve into the Committee of the Whole for the consideration of H.J. Res. 283, to promote internal reconciliation in Nicaragua on the basis of democratic principles and to further peaceful resolution of the conflict in Central America.

[NOTE: H.J. Res. 283 was introduced by Rep. David McCurdy on May 8, 1985 with 10 cosponsors, and referred to the Committees on Appropriations, Foreign Affairs, Intelligence and Rules.]

2. The joint resolution would be subject to two hours of general debate divided between the majority and minority leaders.

3. All points of order are waived against the consideration of the joint resolution.

4. The rule makes in order the following amendments in the nature of a substitute to be offered only in the following order, waives all points of order against them, makes them in order even if a previous amendment has been adopted, prohibits any amendments to the amendments or a division of the question in the House or in the Committee of the Whole, and provides one hour of debate on each, divided between the proponent and an opponent: (1) an amendment printed in the Congressional Record by May 7th by Rep. Hamilton; (2) an amendment printed in the Congressional Record by May 7th by Rep. McCurdy; and (3) an amendment printed in the Congressional Record of April 21 by Rep. Michel. The last amendment adopted shall be reported back to the House (king-of-the-mountain).

5. After the joint resolution has been amended and reported to the House, the previous question is ordered to final passage without intervening motion except one motion to recommit.

6. After passage of the joint resolution, the House would proceed to the immediate consideration in the House of S.J. Res. 283, the Senate passed contra aid bill, and it would then be in order to move to insert the House passed language or, if the Michel substitute has been adopted, it would be in order as a preferential motion to move the previous question on the Senate joint resolution to final passage without intervening motion.

ROBERT R. GARVEY, JR., RETIRES

HON. JOHN F. SEIBERLING

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Tuesday, April 22, 1986

Mr. SEIBERLING. Mr. Speaker, the retirement of Robert R. Garvey, Jr., as Executive Director of the Advisory Council on Historic

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Preservation, marks a major milestone in the history of the national preservation movement in the United States. During the past two decades, he has had a significant impact on our Nation's preservation programs, both in the Federal Government and in the private sector, and he has also played a major role in international preservation efforts as well.

I am pleased to have the opportunity to recognize Mr. Garvey's achievements. As chairman of the Subcommittee on Public Lands—which has legislative jurisdiction over the national historic preservation program—I have come to know Mr. Garvey and his outstanding ability to deal with the many and varied issues that are involved in protecting our Nation's cultural treasures. He has served our country well.

Mr. Garvey's first involvement in the formulation of national preservation policy came in 1966. He was then executive director of the National Trust for Historic Preservation and a key contributor to the report, With Heritage So Rich, which ultimately resulted in the passage of the landmark National Historic Preservation Act. That act provided the framework for today's preservation programs and, among other things, established the Advisory Council on Historic Preservation.

Mr. Garvey was the first Executive Secretary of the Council after its establishment, and in that role he was responsible for developing its system of protection, for setting the pattern to address critical issues and for dealing with general historic preservation problems. When he assumed the position, no mechanism existed that encouraged Federal agencies to integrate historic preservation values into their basic mission and policies. The Federal protective process for cultural properties, subsequently established and administered by the Council under Garvey's direction, has afforded protection to thousands of the Nation's historic properties for nearly 20 years.

Under the Council's regulations and procedures for implementing section 106 of the National Historic Preservation Act, the Council staff has reviewed over 20,000 project proposals, environmental assessments, and requests for advice and comments. Among the outstanding properties saved through consultation and negotiation during these years were the Old U.S. Mint in San Francisco, the U.S. Customhouse and Post Office in St. Louis, the Old Post Office Building in Washington, DC, Saratoga National Historical Park in New York, and the Apollo 11 Launch Umbilical Tower at Kennedy Space Center.

I have been personally pleased with the Council's advice on numerous projects in Ohio, including the renovation of Quaker Square in Akron, and the resolution of conflicts over the Anderson Ferry in Cincinnati.

The Council has also helped create good working relationships between agencies within the States—including Ohio, which I believe has one of the strongest and best managed State historic preservation offices in the country. For example, with the help of the Council's staff, the Ohio SHPO was recently able to achieve a workable and amicable process for assuring that historic preservation concerns are adequately addressed by the State's Office of Surface Mining. Indeed, in a recent survey of State preservation offices which I conducted as part of my subcommittee's ongoing oversight review of the national historic preservation program, the Council, was frequently lauded for the excellent assistance it provides. I know that much of the credit for the Council's success was due to Mr. Garvey's leadership.

Mr. Garvey was also influential in changing national policy by helping the Council to play a key role in developing Executive Order 11593, "Protection and Enhancement of the Cultural Environment." This Executive order, signed in 1971, gave Federal agencies specific historic preservation responsibilities. Mr. Garvey also contributed to the development of ideas for amendments to the Surplus Property Act to permit the transfer of historic properties to States and localities for preservation purposes that included revenue producing activities, thus promoting the new preservation of adapative reuse.

Mr. Garvey also initiated the preparation of a white paper on reasons for changing the U.S. Tax Code to provide incentives for the preservation of properties used for commercial purposes, which led eventually to the passage of legislation providing investment tax credits, a system that has revolutionized preservation today. With his support, Council staff also played significant roles in suggesting and reviewing amendments to the National Historic Preservation Act which were enacted in 1976 and 1980. Among other things, these Acts made the Council an independent agency of the Government and provided new tools for all levels of government and the private sector to carry out the national historic preservation program.

Perhaps no other individual working in Federal Government has had such an important and lasting influence on the operation of the historic preservation in our time. It is my pleasure to acknowledge his achievement and commend him for his long and outstanding service in preserving our historic heritage.

Bob Garvey will be missed.

AMERICAN BUSINESSES ARE PAYING $2 BILLION A YEAR TO QADHAFI

HON. ALBERT G. BUSTAMANTE

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, April 22 1986

Mr. BUSTAMANTE. Mr. Speaker, I join my colleagues in applauding President Reagan's bold action against Libya last week. We have now established a clear policy on international terrorism.

The evidence linking Libya to the bombing of a German nightclub in which one American soldier was killed and many others injured is incontrovertible.

Given that evidence, the United States had every moral, legal, and national security obligation to act militarily.

I am proud of the performance of our Air Force pilots who conducted their recent bombing mission in Libya with precision and quickness, at the same time, Mr. Speaker, I am embarassed that five American Fortune 500 corporations still continue to do business as usual in that country.

The continued presence of Occidental Petroleum, Conoco, Amerada Hess, Marathon Oil, and W.R. Grace & Co. undercuts the purpose of economic sanctions. These companies are not there illegally. They were exempted from President Reagan's January Executive order mandating the disinvestment of U.S. commercial interests.

Their presence represents an important revenue source for financing Libya's terrorist campaign, according to Dr. Henry Schuler, a good friend and specialist on the Middle East at the Georgetown Center for Strategic and International Studies, five United States companies paid an estimated $2 billion in taxes last year to Libya.

That amount accounts for nearly one-foruth of Libya's national budget, and for nearly all its hard currency.

I am disappointed with the reaction of some of our key allies to the U.S. military attack. But I am equally disappointed that our resolve to impose effective economic sanctions against Libya is subject to question. I urge the President to call on those companies to withdraw their interests. Current circumstances dictate that the President implement an economic sanctions' policy that is clear and unequivocal. The President has squarely framed the conditions for future military engagement. Our position on economic sanctions should be no less resolute.

To W.R. Grace & Co., Occidental Petroleum, Conoco, Amerada Hess, and Marathon, I urge you to leave Libya. Libya is at war with the free world. It is your tax dollars which are financing the missles which are aimed at our F-111's. The line has been drawn in the sand. Whose side are you on?

Thank you, Mr. Speaker.

THE NEW GI BILL—A 9-MONTH-OLD SUCCESS STORY

HON. G.V. (SONNY) MONTGOMERY

OF MISSISSIPPI

IN THE HOUSE OF REPRESENTATIVES

Tuesday, April 22, 1986

Mr. MONTGOMERY. Mr. Speaker, the new GI bill is now 9 months old, and all available statistics on the progress of the program tell us the same thing—we've got a winner on our hands. Tens of thousands are joining or reenlisting in our Active and Reserve Forces because of the educational incentives of the new GI bill.

I am pleased to report that, as of March 31, more than 129,000 recruits and reenlistees had elected to participate in the new GI bill. This number includes almost 108,000 active duty recruits, representing 51 percent of the total eligibles in all branches of the active components. Over 21,000 members of the Guard and Reserve have applied to the Veterans' Administration for benefits under the program.

The new GI bill is providing an option for thousands who otherwise might not have been able to afford college or receive technical training. Furthermore, as the statistics

show, it is a program essential to the survival of the All-Volunteer Force.

Mr. Speaker, I would like to share with my colleagues the following letter, indicative of what I am hearing from recruits, families of recruits, military recruiters, and educational institutions across the Nation.

April 2, 1986.

Representative G.V. "Sonny" Montgomery
House of Representatives,
Washington, DC.

Dear Representative Montgomery: I am not one of your constituents from Mississippi, but I am concerned about the New G.I. Bill issue. I hope to be of some help in this war you are waging. Recently, an article written by George C. Wilson with The Washington Post was printed in The Houston Chronicle on Sunday, March 30, 1986 concerning this dilemma involving the New G.I. Bill. I am distressed at the action the Office of Management and Budget feels must be taken. As noted in the article, it has been a positive force in some of the Armed Forces enlistment.

I have a brother, 22 years old, who enlisted in to the U.S. Army because of the educational incentives offered through the G.I. Bill of July 1985—July 1988. Because of the rising costs of higher education and fewer jobs available in the public sector many young people are enlisting. This repeal would be a signal to the leaders of tomorrow that their government is not interested in "What Uncle Sam can do for them" but, in "What they as citizens can do for Uncle Sam."

Representative Montgomery please send me the names of the members of the House Veteran's Affairs Committee and any Senators or Representatives that need some persuading. You may wonder why I am so concerned with this issue; recently I realized that many of the "freedoms" our nation has fought for in the past are on the verge of being taken away from us. This is a result of the passivity of this nation's citizens. I am 27 yrs. old single and someday hoping to raise a family in this free nation. However, many of our citizens are unaware of the dire straits we are facing. So in closing I look forward to hearing from you soon. Thank you for your time and cooperation.

Yours truly,

Roberta Vallantyne.

Mr. Speaker, what we are hearing is contrary to the administration's position that the new GI bill is not needed. What we are hearing is that by enacting the new GI bill, we made a wise investment. To withdraw such an investment when it is yielding benefits far beyond our expectations would dash the dreams of thousands of America's young people and would do substantial damage to our recruiting capabilities.

FREDERICK W. MIELKE RETIRES AS CHAIRMAN OF PG&E

HON. CHARLES PASHAYAN, JR.

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, April 22, 1986

Mr. PASHAYAN. Mr. Speaker, Frederick W. Mielke, Jr., is retiring as chairman and chief executive officer of Pacific Gas and Electric Co. During his term, he moved PG&E from an archaic to a modern and streamlined organization. He should be commended for serving not only the stockholders of PG&E, but more importantly the public in general and PG&E consumers in particular. His enlightened management clearly demonstrates the vital role played by private power companies in the American power system.

Mr. Speaker, whatever Mr. Mielke chooses to do next he will do well. I wish him the best of luck. I submit for the record, Mr. Speaker, an article in the San Francisco Chronicle of March 11, by Harre W. Demoro, written on Mr. Mielke.

[From the San Francisco Chronicle, Mar. 11, 1986]

The Man Who Got PG&E Humming

(By Harre W. Demoro)

Frederick W. Mielke Jr. couldn't have become chairman and chief executive of Pacific Gas and Electric Co. at a darker moment in the company's history.

Seven years ago, customers were screaming about soaring bills. Wall Street was shunning the company, and the Diablo Canyon nuclear power plant was plagued by design errors and a construction slowdown.

But today, as Mielke approaches his retirement on May 1, the first nuclear-powered unit is humming away at Diablo Canyon and the second is being tested. His successor will be longtime PG&E Executive Vice President Richard A. Clarke. Both men are attorneys, rather than the engineers who traditionally run utilities.

Many of the company's 3.5 million electrical and 2.9 million gas customers still complain about bills. But Wall Street is looking favorably on PG&E because it has earned its authorized return on investment—the margin approved by the California Public Utilities Commission—every year since 1982.

In his gray pinstriped suit, reed-thin Mielke would not draw attention from his fellow Peninsula commuters who ride Southern Pacific each morning.

Few SP passengers would suspect that understated Mielke, described by his colleagues as a better-than-average tennis player, coaxed one of the nation's most controversial nuclear plants into a revenue operation.

"I never had a doubt about Diablo," said Mielke, who jointed PG&E's law department in 1951.

"It would have been finished in 1974 if an earthquake fault wasn't discovered."

Although getting Diablo finally running in 1985 is perhaps the most visible Mielke accomplishment, it is only one example of how he abruptly changed the utility's direction. Many changes were subtle and apparent only to insiders.

For example, Mielke generally is credited with PG&E's move from a sluggish, sometimes secretive, rarely imaginative bureaucracy dominated by engineers whose chief interest was building power plants and transmission lines.

Instead, the utility stopped being only a big design and construction company and announced to shareholders and regulators that it planned only to finish what was under construction and then try to be more efficient. And, where possible, PG&E would buy power from outsiders, maybe from Canada, and even from windmill owners.

"It took a complete change in the way people did things all around," Mielke said.

One of Mielke's most dramatic changes was in how the company dealt with the state PUC, one of the least predictable in the United States.

The utility and the regulatory commission had been at odds for years. "We were facing rapidly increasing costs, and the regulatory process (the PUC) was not used to rapidly increasing costs," he said.

For years PG&E has steadily reduced rates. Now they were soaring because the cost of oil burned to generate electricity jumped in the early 1970s from $2.50 a barrel to $40 a barrel.

At the same time, the cost of natural gas, which almost always follows oil prices, jumped dramatically. PG&E sells natural gas for home heating and cooking and also burns it to generate electricity.

These problems increased customers' bills and triggered rapid-fire inflation that made the cost of borrowing money nearly astronomical.

"No one predicted double-digit inflation would come," he said.

During the 10 years ending in 1981, the PUC underestimated PG&E's costs when it set rates. This resulted in PG&E earning $1.4 billion less than the PUC said the company was entitled to make, according to Mielke.

The situation became so complicated that Mielke took unprecedented action. Rather than send his managers to plead for a rate increase, which had been PG&E policy for decades, Mielke appeared before the PUC in November 1981 to ask for help.

Mielke says he believes that his appearance helped initiate changes in estimating and rate-making methods. Soon, PG&E was earning the 12 percent to 12.5 percent return on investment permitted by the PUC.

Both Mielke and veteran PUC Commissioner Victor Calvo agreed that the PUC deserved some of the credit for PG&E's revival.

However, although chief executives of other California utilities appear before the PUC from time to time, Mielke never came back and rarely called on the commissioners, recalled Calvo.

"PG&E is, I think, in very good shape and, excepting the uncertainly of Diablo, they have been reasonably well managed," Calvo added.

Mielke, who will be 65 by the time he retires, leaves several major tasks unfinished.

Although the PUC has allowed PG&E to raise rates modestly to cover operating costs of the first Diablo reactor, it has not granted any increases to pay for $5.1 billion in construction costs.

Mielke's successors may face even greater problems than Diablo Canyon.

Dozens of large companies are looking at ways to disconnect their factories from PG&E and generate their own electricity using heat generated by their manufacturing processes, Mielke said.

PG&E also faces a tough battle with the federal government over access to cheap hydroelectric power that is becoming a available in western Canada. Mielke said that the federal government is trying to block PG&E because British Columbia power is cheaper than electricity produced by the federal government's Bonneville power network in the Pacific Northwest.

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NEW HORIZONS FOR AMERICA'S YOUTH

HON. ELDON RUDD

OF ARIZONA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, April 22, 1986

Mr. RUDD. Mr. Speaker, this year nearly 250,000 secondary school students from across the country participated in the Veterans of Foreign Wars and its Ladies Auxiliary Voice of Democracy scriptwriting contest. The theme of this year's competition is "New Horizons For America's Youth."

Norman Roy Williams II, an 11th grader from Arcadia High School in Scottsdale, AZ, was the Arizona winner. In his speech, he pledges an active role for youth in global affairs, as such action has in the past served our country well.

I commend Norman's speech to my colleagues. The text of it follows:

New Horizons for America's Youth

Terrorists brutally murder 58 innocent travelers. Military officers overthrow the democratic government in a small African nation. Nazis attempt to murder a black mayor. Such is the world as it exists today. Resembling a fierce ocean, it tosses and tumbles through time, enriching some people and destroying others. Fatalists claim we have no power over our future; pessimists claim we have power but it doesn't work to our advantage. In a world of troubles and obstacles as these, existing, much less succeeding, could be construed as impossible. Yet it is the youth of America that must exist, succeed, and conquer. It is the youth's sacred duty and sacred privilege to do so, it is our new horizon.

Throughout the world examples exist that society has failed to secure liberty, equality, and democracy as universal values. In Nicaragua, in Cuba, in Libya, and in the Soviet Union, innocent citizens are jailed and persecuted because they exercised their God-given rights of freedom of speech, freedom of religion, freedom of free elections, and freedom of choice. It is a bleak picture that youth must face; it is a bleak picture that they must and can change.

In America, we do not know the horrors of the real world. We bathe ourselves in luxuries, the luxuries of liberty, equality, and democracy. America's youth, fresh from the shower of personal freedoms, have the obligations and the honor to protect these values from foreign conquest and to promote these values to every part of the globe where treachery and injustice feed upon the lifeblood of the people.

Since America can no longer shield itself from foreign events, youth, in order to preserve democracy in our republic, have the duty to improve the entire world. In an age of nuclear weapons, youth must reduce worldwide tensions and build peace. By promoting international student exchanges, which allow over one million students worldwide to live in foreign nations, youth attempt to enlarge the global understanding of the future leaders. In an age of Marxist tyranny, youth must free the world's peoples from injustice. Actively resisting communism, todays youth show increasing respect for the military. In fact, after years of decline, more young people are volunteering to serve in the armed services. Demonstrating compassion for ongoing holocaust victims, youth organizations display moral unity in the fight against tyrants of all kinds.

The honor is also bestowed upon youth to promote security and liberty. Nature has given the future for youth to determine. With every tragic event, more hope is placed in our ability as future leaders. To build our leadership qualities, we participate in leadership seminars like Close-Up, which sends high school students to Washington, D.C., to learn about government. To promote good citizenship, we participate in organizations which enhance our character like the Boy Scouts of America. As soldiers have defended America in the past, youth have the privilege to extend the values of the last bastion of personal freedom to all parts of the globe.

It could seem impossible for youth to accomplish this task; however, this generation of youth have been raised in a different society. Raised after the civil strife of the 1960's, we don't know of racial predjudice. Reared in an age of such activism, we speak out for our beliefs. We have been given the greatest opportunity and the widest horizon of any previous generation. While there are no guarantees, we know youth have succeeded in the past. Whenever America fought in a war, it called upon its youth and they responded. Youth can succeed again. Winston Churchill said it best when he stated:

"You will make all kinds of mistakes; but as long as you are generous and true, and also fierce, you cannot hurt the world or even distress her. She was made to be wooed and won by youth."

MARTIN SNYDER: BRIGHTON BEACH MAN OF THE YEAR

HON. STEPHEN J. SOLARZ

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, April 22, 1986

Mr. SOLARZ. Mr. Speaker, I would like to pay tribute to Marty Snyder on the occasion of his being named "1986 Man of the Year" by the Brighton Beach Board of Trade at a special roast in his honor on May 8.

Marty has lived in the Brighton Beach community for over 50 years and has long been one of its prime movers and shakers. He has seen the community change many times in many ways, and he has always been a main force striving to change it for the better.

Marty has been an active member of every major organization in Brooklyn's shorefront, including the Knights of Phythias, the Brighton Lodge of B'Nai Brith, and the Community Democratic Club. He has been a distinguished member of Community Board 13 for several years and also serves on the Oceanfront Coordinating Council. Besides sitting on the board of directors of Vacations and Community Services for the Blind, he is a volunteer with the shorefront advisory committee of the VCB, and devotes each Thursday during the summer months to escorting 40 blind senior citizens to the Brighton Beach Baths and Racquet Club.

Having served his country on active duty in the Navy during World War II, he is a member of the Jewish War Veterans. He also raises funds for the Boy Scouts of America.

In addition to his numerous volunteer activities, Marty has served the Brighton Beach community as a businessman throughout his adult life. For many years, he had a wearing apparels store for ladies on Brighton Beach Avenue, and was an area supervisor for Waldbaum supermarkets for 20 years. Because of his extensive business experience, the Oceanfront Development Corp. selected him to be the project coordinator for the Brighton Beach Revitalization Program, a position he continues to fulfill with distinction.

As a tribute to Marty's long record of achievement, President Ronald Reagan presented him with the prestigious private sector initiative commendation award on December 12, 1985. The award was made in recognition of his tireless and persistent devotion to the Brighton Beach community he has loved and served.

For the same reason, the Brighton Beach Board of Trade has selected Marty to be the honoree at their first annual "Man of the Year" Testimonial Roast. This organization has chosen wisely, for Marty is truly the personification of Brooklyn's shorefront community at its best. As such, he follows in the footsteps of his illustrious dad "Zayda," whose contributions to Brighton Beach are equally well-known and respected.

I applaud Marty for making Brighton Beach a better place to live and offer my heartfelt congratulations to him on this joyous and well-deserved occasion.

HOUSE ARMS CONTROL PANEL ANNOUNCES HEARINGS

HON. BEVERLY B. BYRON

OF MARYLAND

IN THE HOUSE OF REPRESENTATIVES

Tuesday, April 22, 1986

Mrs. BYRON. Mr. Speaker, I am taking this time to announce that the House Armed Services arms control and disarmament panel will begin hearings on April 29 on various bills and developments concerning arms control. I would like to submit the following statement for the Record.

House Arms Control Panel Announces Hearings

Washington.—Representative Beverly Byron (D-Md.), chairwoman of the Special Panel on Arms Control and Disarmament of the House Committee on Armed Services, announced today that the panel will begin a series of hearings on various arms control proposals and issues contained in several bills and resolutions now pending in the committee.

The hearings will begin on April 29, 1986, and continue indefinitely. Representative Byron and Representative Marjorie S. Holt (R-Md.), the ranking minority member of the panel, said, "the purposes of this series of hearings are to provide a record of testimony that the Committee on Armed Services can use to support possible future action on several bills now pending and to provide a factual record for members of the House to use in debating highly controversial arms control issues."

Under the Rules of the House, the Committee on Armed Services has oversight jurisdiction of all arms control and disarmament matters and legislative jurisdiction of bills and resolutions that affect the national security, the Department of Defense, and

the defense programs of the Department of Energy.

"Examples of pending legislative proposals before the committee," Mrs. Byron said, "are the bills: H.R. 3100, introduced by Rep. Edward Markey (D-Mass.), that would enforce a freeze on the testing, production and deployment of numerous aircraft, missiles, fissionable materials, nuclear weapons, and all facilities to assemble these items through a cutoff of funds for those purposes; H.R. 3442, introduced by Rep. Pat Schroeder (D-Colo.), that would legislate U.S. compliance with the nuclear weapons testing moratorium proposed by Chairman Gorbachev, General Secretary of the Communist Party of the Soviet Union; H.R. 2124, introduced by Rep. John Porter (R.-Ill.), to prohibit the U.S. production of chemical weapons; H.J. Res. 272 and H. Con. Res. 35, introduced by Rep. Henry Hyde (R-Ill.) and Rep. Ken Kramer (R-Colo.), respectively, that would express the support of Congress for President Reagan's arms control policies; and H.R. 4542, also introduced by Rep. Markey (D-Mass.), that would prohibit the use of any funds appropriated to the Department of Defense or Department of Energy for any Strategic Defense Initiative (SDI) component designed to use nuclear explosive devices in any manner.

"In addition to the above issues," Chairman Byron said, "the panel will again address the issues of Soviet noncompliance with existing arms control agreements, verification problems, U.S. and Soviet interpretations of the Anti-Ballistic Missile (ABM) Treaty with respect to SDI research, and continued U.S. compliance with the unratified SALT II agreement when new Trident submarines enter sea trials.

"In this connection," she stated, "the panel will examine what would be an appropriate and proportional response to Soviet violations and whether a U.S. decision to undercut SALT at this time would be to our strategic advantage." The panel will also review the effects on national security and the impact on current arms control negotiations efforts resulting from the prohibition on testing of U.S. antisatellite (ASAT) weapons imposed by the Congress last year.

The panel expects to invite the congressional sponsors and opponents of proposed legislative arms control initiatives as the initial witnesses to be followed by Administration witnesses and knowledgeable experts from outside of government.

During the first session of the 99th Congress, the panel conducted extensive hearings on arms control matters which were completed in December 1985 (H.A.S.C. No. 99-18). The panel issued a report on those hearings, entitled Review of Arms Control and Disarmament Activities, 99th Congress, 1st Session, in January 1986 (H.A.S.C. Committee Print No. 14).

Other members of the panel joining in the hearings with Representatives Byron and Holt are: Representatives Nicholas Mavroules (D-Mass.); Richard Ray; (D-Ga.), John M. Spratt, Jr. (D-S.C.); Samuel S. Stratton (D-N.Y.), who also chairs the Subcommittee on Procurement and Military Nuclear Systems; Robert E. Badham (R-Calif.); and Jim Courter (R-N.J.).

GEORGE WILL QUESTIONS CONTINUED SALT II COMPLIANCE

HON. JIM COURTER

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Tuesday, April 22, 1986

Mr. COURTER. Mr. Speaker, barring some unlikely protests from our NATO Allies, the President appears poised to order the dismantlement of two aging but perfectly functional, survivable Poseidon ballistic missile submarines. As George Will contends in the following column, such action could only be described as "zany," when considered in light of Soviet noncompliance with arms control agreements and their relentless military build-up.

Approximately 300 submarine warheads will be lost from the arsenal in the event of Poseidon dismantlement, as our ballistic missile submarine force begins its slide from 31 boats to only 20 in the year 2000. But while our old submarines go to the graveyard, Soviet submarines are refurbished and fitted with advanced, long-range nuclear cruise missiles for attacking the U.S. mainland. Surely this is not what President Reagan intended to be the result of continued SALT II compliance, but, as George Will points out, Jimmy Carter's "fatally flawed" agreement has now become "Reagan's treaty," and he feels some obligation to preserve the SALT regime, regardless of the consequences. I urge my colleagues to pay careful attention to the following column:

Let Reagan Be Reaganized

(By George F. Will)

Gorbachev, miffed because the United States has been beastly to a Soviet client, Kaddafi, may not soon do the United States the stupendous favor of attending a summit. Gosh. Into every life some sun must shine, but this is unseasonably sunny. Another agreeable aspect of current events is this. At a moment when the allies are behaving even more badly than usual, the president must make a decision that can only be made correctly if he is prepared to annoy the allies. The question is: will the president scrap two Poseidon submarines in order to continue his zany policy of unilateral compliance with the unratified SALT II treaty?

Candidate Reagan denounced SALT II as "fatally flawed." President Reagan says the Soviet Union has violated SALT II seriously and continuously. And now, for the second time in 10 months, the entry into service of a new Trident submarine requires Reagan to decide whether to continue the policy of not "undercutting" SALT II (which even if it had been ratified, would have expired by now). Last June he ordered the dismantling of a Poseidon to keep below the 1,200 ceiling on multiple-warhead missiles. He explained this decision, which dismayed supporters of his embattled defense program, as going an "extra mile" for arms control. How such a nonresponse to Soviet noncompliance helps arms control is a mystery. If Reagan now scraps two Poseidons, he will make SALT II immortal, himself incredible and a portion of the Constitution trivial.

Reagan should say simply: we are no longer bound by SALT II. However, he is being advised to respond to Soviet violations by putting the Poseidons in dry dock indefinitely rather than dismantling them. This would be a microscopic protest: the Poseidons would not be directly destroyed, so the United States would not be strictly complying with SALT II. But dry dock would render the boats incapable of performing a military function. Besides, such boats are complex organisms and dry dock would amount to slow destruction through decay. So dry dock would amount merely to a slow-motion version of unilateral compliance. Remember, Reagan has spoken of SALT II the way Dizzy Dean spoke of his injured toe: "Fractured, hell! The damn thing's broken!"

DOUBLE STANDARD

The Poseidons are not what is crucial. The following is. Having ordered a report on "proportionate responses" to substantial Soviet violations, Reagan will look ludicrous if he merely adopts a temporary and trivial technical violation, such as dry-docking. Ten months ago he declared the United States could not continue to live by a double standard. Dry-docking is continuation. If he sacrifices two more submarines, he probably will serve eight years in unilateral compliance. Then SALT II will no longer be Jimmy Carter's treaty. (Carter was president only 18 months after it was signed in Vienna.) It will be Reagan's treaty. And if Reagan, who campaigned against ratification of it, and who has documented violations of it, cannot bring himself to abandon it, no president will feel free to do so.

Worse, continued compliance would release future presidents from the Constitution's requirement regarding ratification of treaties. Eight years of compliance with an unratified treaty would constitute the Reagan Precedent. Future presidents would feel free to treat Senate consideration of arms-control agreements as a dispensable formality. There would be no check on the president's power to bind the nation to whatever he and the Soviet leader decide.

PUT UP OR SHUT UP

The very senators most eager to bind presidents to collaboration with Congress in foreign policy through things like the War Powers Resolution are urging him to evade constitutional due process by complying with an unratified treaty. Fifty-two senators have urged Reagan to continue compliance by scrapping two boats. Fine. Let's put up or shut up.

Perhaps Reagan should negotiate with the Soviets a new expiration date of SALT II—say, 1989. Then he should send SALT II to the Senate for ratification. Of course 34 senators, including Majority Leader Robert Dole, have signed letters opposing destruction of the two submarines. Thirty-four votes would defeat ratification of SALT II. But it would be entertaining to hear the president explain why a fatally flawed and frequently violated treaty is now indispensable. Reagan's explanation probably would call to mind the baseball manager of whom a player said: "He does things that there is no justification for, and then refuses to explain them."

Reagan has dispatched envoys to ascertain what the allies think about ending compliance with SALT II. Is the suspense killing you? The allies will urge continued unilateral compliance. The allies always favor U.S. passivity. Regarding Libya, U.S. policy toward the allies was correct. It was to listen very nicely, then go out and do precisely what U.S. interests required. In his sixth year Reagan is getting the hang of something important: selective unilateralism.

The Reaganization of foreign policy requires three things. One is the Reagan Doctrine: support for resistance movements at

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the margin of the Soviet Empire (Nicaragua, Angola, Afghanistan). The second involves demonstrating willingness to use military force (Grenada, Libya), even—no, especially—without allied consensus. The third involves restoring realism by displacing the arms-control "process" as the "centerpiece" of U.S./Soviet relations. All three policies, but especially the third require a health, even jaunty disregard for "world opinion." Jefferson, a judicious writer, did not use adjectives carelessly. He spoke (in the Declaration of Independence) of a "decent respect" for the opinion of mankind. Jefferson knew there could be slavishness about opinion. The decision about SALT II, like the decision about Libya, tests Reagan's ability to rise above unworthy concern for mere opinion.

ESTABLISHMENT OF THE DEFENSE ACQUISITION CORPS

HON. DENNIS M. HERTEL

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Tuesday, April 22, 1986

Mr. HERTEL of Michigan. Mr. Speaker, today I am introducing legislation to address many of the critical problems with procurement in the Department of Defense. This legislation consists of two parts. The first part parallels legislation my colleague from Massachusetts, Mr. MAVROULES, has introduced with respect to the establishment of an Under Secretary of Defense for Acquisition. The second part creates a Defense Acquisition Corps.

We can only improve the acquisition process in relationship to the availability and efficient use of a talented and qualified professional work force. We must attract the best individuals and retain them. We must give them respect, security and reward. The Packard Commission stated in its report that the:

> DOD must be able to attract, retain, and motivate well qualified acquisition personnel * * * the Secretary of Defense should have increased authority to establish flexible personnel management policies necessary to improve Defense acquisition. Alternate personnel management system, * * * should be established to include senior acquisition personnel and contracting officers as well as scientists and engineers. Federal regulations should establish business-related education and experience criteria for civilian contracting personnel, which will provide a basis for the professionalization of their career paths. Federal law should permit expanded opportunities for the education and training of all civilian acquisition personnel. This is necessary if DOD is to attract and retain the caliber of people necessary for a quality acquisition program.

The shining highlights of our massive military expenditure over the past 5 years has been our continued efforts to improve the quality or our military combat personnel and the quality of their lives. This commitment has ensured our national security more than any other recent change.

We need to make the same commitment to our acquisition work force. Only by creating a genuine career path for acquisition professionals can we make good management ideas work.

The legislation I am introducing today authorizes a Defense Acquisition Corps to be organized with professional requirements, special salary to attract and keep top performers, special bonus systems, and grievance procedures. It includes a special senior acquisition executive rank similar to the senior executive service. It gives the Secretary of Defense the flexibility to assign Corps members as urgent acquisition needs arise. Finally, it authorizes the Secretary to establish a Defense Acquisition University to upgrade the training of procurement personnel and provide continuing education in acquisition specialties. It also authorizes the Secretary to send Corps members of our Nations many colleges and universities which have programs in procurement related disciplines.

I believe as the quality of our procurement work force increases, our acquisition system will be more controlled and effective. Consequently bureaucratic inertia, redtape, and long lead times will decrease and our national security will be improved.

The text of the legislation follows:

H.R. 4657

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the "Department of Defense Acquisition Reorganization Act of 1986".

SEC. 2. ESTABLISHMENT OF POSITION OF UNDER SECRETARY OF DEFENSE FOR ACQUISITION.

(a) IN GENERAL.—Chapter 4 of title 10, United States Code, is amended by inserting after section 134 the following new section:

"§ 134a. Under Secretary of Defense for Acquisiton: appointment; powers and duties; precedence

"(a) There is an Under Secretary of Defense for Acquisition, appointed from civilian life by the President, by and with the advice and consent of the Senate. The Under Secretary shall be appointed from among persons who have extensive experience in the defense industry, including a strong managerial background in the private sector.

"(b) Subject to the authority, direction, and control of the Secretary of Defense, the Under Secretary of Defense for Acquisition—

"(1) is responsible for setting overall policy for, and supervises, all acquisition activities of the Department of Defense; and

"(2) shall perform such duties and exercise such powers as the Secretary of Defense may prescribe.

"(c) The Under Secretary—

"(1) is the senior procurement executive for the Department of Defense for the purposes of section 16(3) of the Office of Federal Procurement Policy Act (41 U.S.C. 414(3));

"(2) is the Defense Acquisition Executive for purposes of regulations and procedures of the Department providing for a Defense Acquisition Executive; and

"(3) to the extent directed by the Secretary, supervises all other officers in the Office of the Secretary of Defense who have acquisition responsibilities (notwithstanding any law other than section 136a of this title providing that any such officer is responsible only to, and reports directly to, the Secretary or the Deputy Secretary).

"(d) The Secretary of Defense shall prescribe the precedence of the Under Secretary in the Department of Defense.".

(b) EXECUTIVE SCHEDULE II PAY GRADE FOR UNDER SECRETARY.—Section 5313 of title 5, United States Code, is amended by adding at the end the following: "Under Secretary of Defense for Acquisition.".

(c) CONVERSION OF UNDER SECRETARY FOR RESEARCH AND ENGINEERING TO ASSISTANT SECRETARY LEVEL.—The position of Under Secretary of Defense for Research and Engineering is hereby redesignated as Director of Defense Research and Engineering. The Director of Defense Research and Engineering is an Assistant Secretary of Defense.

(2) CONFORMING AMENDMENT.—Section 136(b) of title 10, United States Code (relating to Assistant Secretaries of Defense), is amended by adding at the end the following new paragraph:

"(7) One of the Assistant Secretaries shall be the Director of Defense Research and Engineering. The Director shall perform such duties relating to research and engineering as the Secretary of Defense may prescribe.".

(3) ELIMINATION OF POSITION OF USD(R&E).—Section 135 of such title is amended as follows:

(A) Subsection (a) is amended by striking out the first two sentences and inserting in lieu thereof the following: "There is an Under Secretary of Defense for Policy, appointed from civilian life by the President, by and with the advice and consent of the Senate.".

(B) Subsection (b) is amended by striking out the second sentence.

(C) Subsection 9(c) is amended—

(i) by striking out "and the Secretaries of the military departments" and inserting in lieu thereof "the Secretaries of the military departments, and the Under Secretary of Defense for Acquisition"; and

(ii) by striking out the second sentence.

(D) The heading of such section is amended to read as follows:

"§ 135. Under Secretary of Defense for Policy: appointment; powers and duties; precedence".

(4) TECHNICAL AMENDMENT.—Section 5324 of title 5, United States Code, is amended by striking out "Under Secretaries of Defense (2)" and inserting in lieu thereof "Under Secretary of Defense for Policy".

(5) SAVINGS PROVISION FOR INCUMBENT.—The redesignation of the position of Under Secretary of Defense for Research and Engineering as Director of Defense Research and Engineering and the amendments made by paragraphs (2), (3), and (4)—

(A) shall not affect the appointment in that position of the person holding that position on the date of the enactment of this Act; and

(B) shall not affect the rate of pay or other benefits to which that person is entitled on the date of the enactment of this Act as an Under Secretary of Defense.

(d) GENERAL CONFORMING AMENDMENTS.—

(1) Section 136a(b) of title 10, United States Code (relating to the Director of Operational Test and Evaluation), is amended by striking out "Under Secretary of Defense for Research and Engineering" in the second sentence and inserting in lieu thereof "Director of Defense Research and Engineering".

(2) Section 171(a) of such title (relating to the Armed Forces Policy Council) is amended——

(A) by redesignating clauses (3) through (10) as clauses (4) through (11), respectively;

(B) by inserting after clause (2) the following new clause (3):

"(3) the Under Secretary of Defense for Acquisition;"; and

(C) by striking out "Under Secretaries of Defense" in clause (7) (as so redesignated) and inserting in lieu thereof "Under Secretary of Defense for Policy".

(e) CLERICAL AMENDMENT.—The table of sections at the beginning of chapter 4 of such title is amended by striking out the item relating to section 135 and inserting in lieu thereof the following new items:

"134a. Under Secretary of Defense for Acquisition: appointment; powers and duties; precedence.

"135. Under Secretary of Defense for Policy: appointment; powers and duties; precedence.".

SEC. 3. REVIEW OF MAJOR DEFENSE ACQUISITION PROGRAMS.

(a) IN GENERAL.—Chapter 137 of title 10, United States Code, is amended by adding at the end the following new section:

"§ 2325. Major programs: approval of program stages

"(a)(1) The Secretary of Defense shall review a major program before the program proceeds into each of the following stages:

"(A) Initial research and development.

"(B) Full-scale development.

"(C) Production.

"(2) A review required by paragraph (1) shall include an evaluation of each of the following:

"(A) The plans and requirements for the program.

"(B) The necessity for production of the program.

"(C) The commonality of parts and components of the program among the military departments.

"(D) The complexity and practicality of the program.

"(b) The Secretary of Defense or the Secretary of the military department concerned may not obligate or expend funds with respect to a stage of a major program specified in subsection (a)(1) unless the Secretary of Defense approves that program at the beginning of that stage.

"(C) The Secretary of Defense may not delegate any power of the Secretary under this section to the Secretary of a military department.

"(d) In this section, the term 'major program' means a major defense acquisition program subject to the Selected Acquisition Report requirements of section 139a of this title.".

(b) CLERICAL AMENDMENT.—The table of sections at the beginning of such chapter is amended by adding at the end the following new item:

"2325. Major programs: approval of program stages.".

SEC. 4. DEFENSE ACQUISITION CORPS.

(a) IN GENERAL.—Part II of subtitle A of title 10, United States Code, is amended by inserting after chapter 83 the following new chapter:

"CHAPTER 84—DEFENSE ACQUISITION CORPS

"Sec.
"1611. Establishment.
"1612. Appointments.
"1613. Civilian personnel system.
"1614. Merit pay system.
"1615. Assignments.

"§ 1611. Establishment

"(a) ESTABLISHMENT.—There is in the Department of Defense a Defense Acquisition Corps consisting of acquisition-related positions in the Office of the Secretary of Defense, the military departments, and the defense agencies specified in regulations prescribed by the Secretary of Defense. The head of the Defense Acquisition Corps is the Under Secretary of Defense for Acquisition.

"(b) NUMBER.—The number of Defense Acquisition Corps positions in a military department shall be determined by the Secretary of Defense.

"§ 1612. Appointments

"The Secretary of Defense shall make appointments to the Defense Acquisition Corps from the best-qualified civilian applicants and military personnel. The qualifications of such personnel shall be established based on levels of education, experience, and training and performance on examinations.

"§ 1613. Civilian personnel system

"(a) IN GENERAL.—The Secretary of Defense shall by regulation establish a personnel system for civilian personnel within the Defense Acquisition Corps. Such regulations shall—

"(1) provide rates of pay for civilian members of the Defense Acquisition Corps that are not in excess of the maximum rate of basic pay established for the Senior Executive Service under section 5382 of title 5, and that are adjusted at the same time and to the same extent as rates of basic pay for the Senior Executive Service are adjusted;

"(2) provide for removal of civilian members of the Defense Acquisition Corps consistent with section 3592 of such title, and removal or suspension consistent with subsections (a), (b), and (c) of section 7543 of title 5;

"(3) permit the payment of performance awards to civilian members of the Defense Acquisition Corps consistent with the provisions applicable to performance awards under section 5384 of title 5; and

"(4) provide for the career recruiting and training (including high-technology training) of civilian members of the Defense Acquisition Corps, consistent with the procurement management personnel requirements established in chapter 85 of this title.

"(b) EXCEPTION FROM COMPETITIVE SERVICE REQUIREMENTS.—Except as otherwise provided in subsection (a), the Secretary of Defense may—

"(1) make applicable to civilian members of the Defense Acquisition Corps any of the provisions of title 5 applicable to applicants for or members of the Senior Executive Service; and

"(2) appoint, promote, and assign individuals to civilian positions established within the Defense Acquisition Corps without regard to the provisions of title 5 governing appointments and other personnel actions in the competitive service.

"§ 1614. Merit pay system

"The Secretary of Defense may by regulation establish a merit pay system for such members of the Defense Acquisition Corps as the Secretary considers appropriate. The merit pay system shall be designed to carry out purposes consistent with those set forth in section 5401 of title 5.

"§ 1615. Assignments

"The Secretary of Defense may assign a civilian member of the Defense Acquisition Corps to any position in the Defense Acquisition Corps in which that member is eligible to serve and may assign a civilian member from one such position to another such position as the needs of the Defense Acquisition Corps may require.".

(b) TRANSITION PROVISION.—(1) Not later than the end of the one-year period beginning on the date of the enactment of this Act, the Secretary of Defense shall—

(A) establish the Defense Acquisition Corps under section 1611 of title 10, United States Code (as added by subsection (a));

(B) review existing acquisition-related positions in the military departments for purposes of determining which positions should be included in the Corps; and

(C) make appointments to such positions under section 1612 of such title (as added by subsection (a)).

(2) To the extent practicable, the Secretary of Defense shall make the appointments required by paragraph (1)(C) from the best-qualified civilian and military personnel currently assigned to acquisition-related functions of the Department of Defense.

(c) CLERICAL AMENDMENT.—The tables of chapters at the beginning of subtitle A of such title and at the beginning of part II of such subtitle are each amended by inserting after the item relating to chapter 83 the following new item:

"84. Defense Acquisition Corps........... 1611".

SEC. 5. DEFENSE ACQUISITION UNIVERSITY.

(a) ESTABLISHMENT.—The Secretary of Defense shall establish by regulation of Defense Acquisition University that includes acquisition-related defense schools in existence on the date of the enactment of this Act.

(b) REGULATIONS.—The regulations establishing the Defense Acquisition University shall include the following:

(1) Provision for separate schools within the University with respect to various acquisition specialties, including contracting, logistics, quality, program management, systems engineering, production, and manufacturing.

(2) Standards and procedures for admission to the University.

(3) A requirement that each student at the University successfully complete a central curriculum of contracting and acquisition methodology.

(4) Provision for the education of members of the Defense Acquisition Corps through programs offered in conjunction with or in lieu of attendance at the University.

H.R. 822

HON. JOE MOAKLEY

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, April 22, 1986

Mr. MOAKLEY. Mr. Speaker, the human rights situation in El Salvador continues to be of great concern. I recently received a letter from Holly Burkhalter, Washington representative for the American Watch Committee, in which she details the ongoing atrocities committed against the Salvadoran people by government forces and by guerrillas. Her letter points out quite clearly that violence and terror are still very much a fact of life in El Salvador.

Mr. Speaker, I am the author of legislation, H.R. 822, which would temporarily suspend the deportation of Salvadorans now in the United States. This legislation was recently re-

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ported by the Subcommittee on Immigration, Refugees and International Law to the full Judiciary Committee for its consideration. As Ms. Burkhalter's letter indicates, H.R. 822 is both a necessary and urgent piece of legislation which needs to be considered by this body in the very near future.

For the benefit of my colleagues, I would like to submit Ms. Burkhalter's letter for the RECORD.

AMERICA'S WATCH
Washington, DC, April 9, 1986.

Congressman JOE MOAKLEY,
Cannon Building,
Washington, DC.

DEAR CONGRESSMAN MOAKLEY: It is my understanding that your legislation to grant temporary safe haven to Salvadoran refugees in the United States will be considered by the Judiciary Committee in the near future. I write to thank you for this important effort, and to inform you of current human rights problems in El Salvador.

As you know, the American Watch has an office in San Salvador which is staffed by our counsel, Jemera Rone. She closely monitors abuses by both the Salvadoran government and by the guerrillas. Our staff also travels to Honduras and collects testimony from Salvadoran refugees who have fled their country. The following human rights violations continue to occur in El Salvador:

Death squad killings.—From the period of July through December, 1985, Salvadoran death squads killed 51 people. Many of the victims bore signs of torture, mutilation, and decapitation. In the past year, three new death squads have been created: The Protective Salvadoran Army, created in October 1985 took credit for the killing of a woman law graduate in November. The Protective Army of Santa Ana was formed in December 1985, stating that it wanted to bring thieves to justice by eliminating them. It took credit for three assassinations in Santa Ana. A third group, calling itself COCOFAN announced in January 1986 that it would support the Army in attacking enemies of the people.

Death squad-style killings by uniformed soldiers.—In addition to the 51 death squad killings mentioned above, the Catholic Archdiocese of San Salvador has documented 55 cases of death squad-style executions by uniformed members of the military. The victims included several trade unionists and a lawyer. The 55 killings were committed by Army soldiers, members of the civil patrol, members of the National Guard, and members of the National Police.

Known death squad members promoted within military.—In late 1983, Vice President George Bush reportedly submitted to the government a list of military persons known to be linked with the death squads. Many of these individuals were dismissed or transferred. Among those persons on the list sent into "diplomatic exile" were Denis Moran, a lieutenant colonel in the army who was sent to the United States, and Ricardo Pozo, head of the intelligence section of the Treasury Police, who was sent to Paraguay. In late 1985, by orders of the Salvadoran High Command, these two officers were promoted to colonel and lieutenant colonel. This is a step backward for human rights; it appears that not only will military officers linked to death squad activity not be punished, they will in fact be promoted.

Military abuses against civilians in conflicted zones.—In spite of President Duarte's rules of engagement for the Air Force, which prohibits attacks on areas where civilians live, the Air Force continues to bomb in areas inhabited by civilians. The military command makes no secret of the fact that it regards civilians living in guerrilla-controlled or conflicted zones as the enemy, in spite of the fact that attacks against civilians are prohibited by the Geneva Conventions. Colonel Aviles was quoted in the New York Times on December 20, 1985, as stating that the army considered most people in rebel held areas to be guerrillas; "The good people, the people not with the guerrillas, aren't there." In January, 1986, Archbishop Rivera y Damas toured Chalatenango, an area which has come under heavy Air Force bombardment. In his homily of January 12, 1986, the Archbishop pleaded for the civilian population to be protected, stating, "The greatest plea is that I advise that there is a large civilian population here. It is not the case that there is not a civilian population. The petition is clear. That I make myself the voice of all and express to those who should hear that the bombings cease in areas inhabited by the civilian population."

One example of aerial bombardment of civilian targets was described in the Washington Post of November 5, 1985. The reporter visited the town of Patamera, and viewed three families' houses and a health clinic which had been destroyed by aerial bombing. The residents of the town hid in holes or fled into the forest thus only one was wounded in the attack. The New York Times of December 20, 1985, described Air Force attacks against five villages in recent months. Reporters saw 14 houses that were bombed or rocketed and 19 houses that were burned or demolished by army units during sweeps. At least 8 civilians were reported killed in recent attacks. New York Times reporter James LeMoyne concluded that "In such regions, the armed forces appear to bend the rules governing bombing of towns and destruction of property."

In addition to bombing civilian targets, the Americas Watch has received much testimony describing the burning and destruction of crops and food stores. The destruction of food items necessary to the survival of the civilian population is a violation of Protocol II of the Geneva Conventions.

Army restrictions on humanitarian assistance.—The International Committee of the Red Cross (ICRC) provides food and assistance to approximately 100,000 civilians living in the conflicted zones. Approximately half of them are displaced persons. As of mid-March, the ICRC has had no access for the purpose of delivering food and medical care to persons in need in parts of Chalatenango for the past six weeks, no access to the area north of the Torolo River in Morazan for the past two months, and no access to towns south of Guazapa since January. In these areas, the Armed Forces have claimed that access is denied because of military operations. This appears to be a pretext because no military operations have lasted for such long periods of time in any area except Guazapa itself, which the ICRC does not serve.

Torture.—Torture remains a serious problem in El Salvador. It is frequently used by the police and security forces during interrogation for purposes of extracting confessions. According to reports from detained persons, torture increasingly consists of practices which do not leave marks, such as suffocation, immersion in filthy water, sleep and food deprivation, and threats against family members. These practices are employed during the 15-day period of incommunicado detention permitted under the State of Siege which still governs the country. The condition of death squad victims also indicates that mutilation also continues to take place. According to a January 13, 1986 Reuters report entitled "Torture Used More and More by Salvadoran Authorities", women prisoners are almost always raped by security forces when captured for alleged political crimes.

Guerrilla violations.—According to information complied by the Catholic Church human rights monitoring group, guerrillas committed 67 summary executions during 1985, which includes military persons killed outside of combat. The Americas Watch investigated such an incident of summary executions in April, 1985 at Santa Cruz Loma where guerrillas executed 6 captured civil defense members. The execution of captured combatants is a violation of the Geneva Conventions. Another example of illegal executions by guerrillas which took place in 1985 was the killing of 9 civilians and 4 U.S. marine guards who were not on duty in the capital city.

On December 12, 1985, Radio Venceremos, the official FMLN radio station called upon people to send to the radio station the names and addresses of "pilots, military chiefs, members of death squads and corrupt and killer Christian Democrats." The Americas Watch is concerned that the information sought by this broadcast might be used to summarily execute members of the armed forces and others.

In addition to summary executions of civilians and captured soldiers, the FMLN is also responsible for the deaths of civilians by failing to exercise proper care in the distinguishing military from civilian targets. According to reports received by the Salvadoran Catholic Church, 13 people were killed in 1985 when the FMLN shot up cars traveling during a traffic stoppage. The church also received 31 complaints of civilian deaths in 1985 due to mines placed by the FMLN.

As you can see from this brief summary of human rights conditions in El Salvador, the situation remains extremely dangerous for its citizens. The vast numbers of displaced persons, the breakdown in social services, the increase in death squad activity, the targeted killings by military and FMLN members, and the continuing civil war with its heavy costs for both soldiers and civilians are of deepest concern to the Americas Watch. We share the belief of the Archbishop of San Salvador, Rivera y Damas, that it is not safe for Salvadorans to be returned to their country at this time.

Thank you for your continued attention to this important matter.

Sincerely,

HOLLY BURKHALTER.

A BILL TO STOP ILLEGAL IMPORTS

HON. DOUG WALGREN

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, April 22, 1986

Mr. WALGREN. Mr. Speaker, today I am introducing a bill to give American industries and employees direct access to Federal courts to stop dumped and subsidized imports and customs fraud. My bill, a companion to S. 1655 introduced by Senator ARLEN SPECTER, is needed because the current methods for

seeking relief from illegal imports through the executive branch have simply not worked.

Currently, American workers and industries—be they textiles, shoes, electronics or steel—must go through protracted and costly agency proceedings, with the Department of Commerce and the International Trade Commission. A dumping case with any controversy takes an average 11 months, often much longer, giving the foreign industry time to garner huge illegal profits and capture new markets. Forcing injured industries to plod through layers and layers of bureaucracy at a snail's pace is inexcusable. It may be good for the Washington lawyers, but it means lost jobs and shattered economies in places like my hometown of Pittsburgh.

And then, if you can imagine, if and when relief is finally granted by the ITC under current law, the relief is prospective—usually in the form of countervailing duties on future imports. Under my bill, courts could award damages, attorneys fees, and injunctive relief against further imports. In other words, courts could stop the imports immediately and make monetary awards to the injured American industry for the damage sustained at that point.

Having only prospective relief creates an essentially "risk-free" situation for the dumper. They know they can export to this country with no adverse consequences except duties on future goods. If caught, they will only have to stop beating their wife. Present law is almost no deterrent against illegal trade practices. My bill would create the possibility of heavy penalties for past illegal acts.

In addition, we must take trade enforcement out from under international diplomacy. Administration after administration has traded their responsibility to protect American industries for diplomatic points with our allies. By adding the courts as an avenue for redress, cases would be less susceptible to political manipulation.

CURRENT POLICIES HAVE NOT STOPPED UNFAIR IMPORTS

Last year, the U.S. trade deficit reached an unprecedented $150 billion. Since 1980 the number of antidumping cases filed with the International Trade Commission has increased 42 percent.

In the case of steel, imports have been steadily climbing from 15 percent in 1979, to 20.5 percent in 1983, to 25 percent in 1985, at one time reaching a record high of 33 percent. Industry losses in the last 4 years were close to $7 billion. Since 1974, 15 steel companies have gone out of business. Thirty plants have been closed and 560 producing units in other plants have been terminated. Thirty million tons of capacity have been eliminated. Employment in the industry has been cut in half. The administration rejected quotas on imports and has attempted to implement "voluntary restraint agreements," but clearly this policy is not working. The VRA program's goal is to hold imports to 20 percent, but one year later imports were hovering at 25 percent. Of course 25 percent is preferable to, for example, 38 percent, which some say would be the figure without VRA's, but even so, VRA's stop only future imports; they do not levy and penalties for the unfair imports of the past.

Additionally, there is significant evidence that under the VRA's, circumvention is occurring. Many believe that there is transshipment of steel from a participating country through a nonparticipating country, thereby changing the "country of origin" in violation of our customs laws. Witnesses before Congress have testified that products are shipped from a controlled VRA country to a non-VRA country where they undergo substantial transformation. The final product is then deemed to be eligible because it is not credited to the "controlled" actual country of origin. In products like apparel and footwear, there are many cases of products being mislabeled or simply declared to be something which they are not, to evade import laws. My bill would give U.S. industries a right to go to court to fight such customs fraud.

Finally, I have to say that the approach embodied in this bill is only fair. If importers expect to do business in our country, they would be subject to our court system. We only ask for fair trade. As the House of Representatives develops major trade legislation this year, I offer this bill as one way to combat this flood of illegal products that are exporting American jobs from our shores.

AMERICA'S TRUE ART FORM, JAZZ

HON. MARY ROSE OAKAR

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Tuesday, April 22, 1986

Ms. OAKAR. Mr. Speaker, I would like to submit for the RECORD an article that appeared in the Washington Post on April 18, 1986, written by one of the most important jazz critic's and political commentator's in the country, Mr. Nat Hentoff.

Mr. Hentoff has been a staunch supporter and promoter of America's true art form, jazz.

IF ONLY THEY KNEW ABOUT JAZZ

In 1965, the panel nominating candidates for Pulitzer Prizes in music made so bold as to cite Duke Ellington for a special award. Not a full-scale Pulitzer, for those were reserved for "serious" musicians. The panel was overruled by the ultimate arbiters of these honors. They took the token away from Duke. Asked for comment, Ellington would only say publicly: "Fate is being kind to me. Fate doesn't want me to be too famous too young." He was 66 at the time.

Privately, he was disappointed but not surprised. "Most Americans," Ellington told me, "still take it for granted that European-based music is the only really respectable kind."

This spring, posthumously, Ellington has received a certain degree of official respectability. His face will be on a postage stamp, part of the Performing Arts Series. It is doubtful that most people using that stamp will have any idea that Ellington was the most abundantly original composer, beyond category, in this nation's history. Charles Ives was a respectable second. Ellington's works, short and long, speak, among many other things, of centuries of changing black American consciousness—from "Black, Brown and Beige" to "Harlem."

Except in rare places by rare teachers, Ellington's music and his history are not taught in the schools. In fact, some years ago, when pianist Marian McPartland was rehearsing a large number of Washington, D.C., school kids in a tribute to him, she asked how many of them knew who Ellington was, what he'd done. Hardly any did know. That is no longer the case, I expect, at the Duke Ellington School of the Arts, but I wonder how much other kids in Washington know of Duke Ellington.

Ignorance of what drummer Max Roach calls America's true classical music is pervasive among most Americans of all ages. Once, when a black principal was taking me on a tour of a largely black elementary school in Columbus, Ohio, I noticed portraits on the walls of Ralph Bunche, Marian Anderson, Roy Wilkins, William DuBois. I asked her if the paintings of Duke Ellington, Count Basie and Lester Young were on another floor. She looked at me with disdain: "We do not put pictures of entertainers on our walls."

They sure were entertainers, but they also were deep story tellers; and night after night, taking more risks than most of the rest of us do in a lifetime, they improvised luminous melodies and intricately textured waves of rhythm that made people dance and laugh and cry—and remember what they'd felt for a long time after. And they were heroes, in the classic mold. Engaging in fierce after-hours tournaments of improvisation, going back on the road to deal with hydra-headed Jim Crow, and in time getting to meet kings and queens who couldn't swing but gave them, fleetingly, honor they did not receive at home.

Kids across the board can learn a lot from the music of jazz people, and from their lives. One way to start teaching them their heritage would be an adaptation of what Lincoln Center in New York is doing to bring classical music into schools in a way that propels kids and teachers into the very center of the sounds and forms. Musicians, called master teachers, are dispatched to public schools, where they teach the teachers—in lay language—how particular compositions are made. It is as if the piece were suddenly outfitted with windows, and the fun of following the interplay of the shapes inside becomes all the more infectious when the schoolteachers go on to instruct the kids in how to go through the musical looking glass.

There are many jazz musicians who could illuminate jazz in that way in the schools while also telling stories about the lives of these classic heroes and about their own odysseys. In this year of the Ellington stamp, maybe one cultural center somewhere may begin to help reduce the cultural deprivation of the nation's young by hiring a pride of jazz master teachers.

Wynton Marsalis, a young jazz trumpeter who has also earned renown as a classical player (to show he could do it), recently wrote an article for Ebony about preserving the jazz heritage: "The same recognition of deep human values that you hear in Beethoven, you hear in Louis Armstrong. . . . Jazz has all of the elements from the spare and penetrating to the complex and enveloping. It is the hardest music to play that I know of. And it is the highest rendition of individual emotion in the history of Western music. . . . Negroes have been more concerned with freedom and the quality it can provide than any other group in this country. . . . What is so remarkable, however, is that Negroes invented a form based on freedom, a great art form."

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How many teachers, principals and school superintendents know that? How many kids?

PROBLEMS FACING CYPRUS

HON. GUS YATRON

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, April 22, 1986

Mr. YATRON. Mr. Speaker, I rise to discuss the continuing problems facing the country of Cyprus. Unfortunately, the island remains divided despite the best efforts of our Government, the United Nations, and others. The situation on Cyprus is extremely complicated and are deeply rooted in historical, political, cultural, social, and economic factors.

Because of the complexity of this issue, many misconceptions, particularly regarding Greek Cypriot intrasigence, the interference of the Greek Government and Turkish moderation, have surfaced. One example where the situation in Cyprus was not presented in a completely fair and accurate manner was the December 26 editorial in the Wall Street Journal, "Holding Cyprus Hostage," which also appeared in the CONGRESSIONAL RECORD on January 22.

The Ambassador of Cyprus, A.J. Jacovides, subsequently responded to the editorial with a letter to the editor. I think it is only fair that my colleagues have an opportunity to review the Ambassador's reply so that they may have more than one source upon which to base any conclusions or observations.

My own knowledge of the issue leads me to believe that the Greek Cypriot community or the Greek Government cannot be solely to blame for the continuing political stalemate on Cyprus. The Turkish Cypriots and the Turkish Government have erected many obstacles to an agreement and have essentially relied on force to maintain their position.

Ambassador Jacovides' letter appeared in the January 13, 1986, Wall Street Journal and I respectfully request its publication in the RECORD.

[From the Wall Street Journal, Jan. 13, 1986]

IMPEDIMENTS TO A REUNIFIED CYPRUS

Your editorial "Holding Cyprus Hostage" (Dec. 26) is incorrect both in its premises and in its conclusions.

It is factually incorrect to allege that Turkish Cypriots do not benefit from foreign aid. For example, U.S. refugee aid (administered through the U.N. High Commissioner for Refugees) has consistently gone to Turish Cypriots in the ratio of 19.05%, even though the Turkish Cypriots are not strictly speaking "refugees" and their ratio of population is 18.6%. Turkish Cypriots also benefit directly or indirectly from many other forms of international assistance, not to mention their unpaid use of electricity, which amounts to over $100 million since 1964. At the root of the economic plight of the Turkish Cypriots is separatism, the policy of self-isolation imposed by their leadership for political objectives, and the importation of mainland settlers and many of the ills of the Turkish economy. The answer is the reunification of the free-enterprise economy of the island, not the solidification of its de facto separation.

The real reason for the lack of progress toward a just solution is Turkish intransigence and the systematic effort on the part of Ankara and the Turkish Cypriot leadership to impose a partitionist solution which would legitimize the results of the 1974 Turkish invasion. The Cyprus government and the Greek Cypriot side have made serious concessions in their sincere effort to bring about an honorable compromise based on genuine federation. The basic prerequisites, as President Kyprianou declared recently, are the withdrawal of Turkish troops before the establishment of any transitional government, the establishment of freedom of movement, freedom of settlement, and the right to property, and generally of all internationally recognized human rights, as well as effective international guarantees for such settlement.

To the extent that you advocate international recognition of the "legally invalid" (Security Council Resolution 441) entity set up by Turkey in the part of Cyprus illegally occupied by its armed forces, you are not only doing a gross injustice to a small democratic country, which demonstrated its friendship to the U.S. on many occasions in the recent past and which has been the victim of aggression; you are also taking a position opposite to that of the U.S. administration and both Houses of Congress and of the international community as a whole, which consistently and on numerous occasions—in the U.S. Security Council, the Council of Europe, the European Community, the Commonwealth and Non-Aligned Heads of Government Conferences, to mention the main ones—have condemned the blatant attempt to dismember Cyprus; you are on the wrong side of international law and morality; you are helping to establish a very bad precedent of rewarding the aggressor, a precedent that may be invoked by others in other parts of the world; and you are doing a grave disservice to the U.S. Secretary-General, who, with universal international support, is continuing his commendable efforts to arrive at an agreed, just and viable solution in accordance with the unanimous and legally binding (Art. 25 of the Charter) United Nations Resolutions.

My government has every incentive in solving the problem, getting rid of the foreign forces and opening a new chapter in the island's long history, for the benefit of all the people of Cyprus and of peace in the volatile Eastern Mediterranean region. It therefore fully supports these efforts of the Secretary-General and cooperates with him by word and deed, as demonstrated by the history of the negotiations for the past 11 years.

A.J. JACOVIDES,
Ambassador of Cyprus.

Washington.

THE NUCLEAR WASTE POLICY REFORM AMENDMENTS ACT OF 1986

HON. JOHN R. McKERNAN, JR.

OF MAINE

IN THE HOUSE OF REPRESENTATIVES

Tuesday, April 22, 1986

Mr. McKERNAN. Mr. Speaker, today I join several of my colleagues in introducing legislation which addresses an issue that poses immeasurable consequences for the State of Maine, the New England region, the eastern half of the United States and, in my view, the entire country. I am referring to the issue of high-level nuclear waste.

One of the most controversial aspects of nuclear power is the problem of disposing of the highly radioactive wastes produced. Because these wastes remain dangerous for thousands of years, they must be isolated from the environment. The Nuclear Waste Policy Act of 1982 established the Federal Government as the entity responsible for carrying out high-level nuclear waste disosal. The act also affirmed the most favored method of disposal as being in deep-mined repositories that have remained geologically undisturbed for millions of years.

A key element of the act mandates that the Department of Energy locate and construct one repository and pinpoint a second potential repository. Although the Act established certain guidelines and criteria which would automatically disqualify a site, the act generally has given the Department of Energy considerable discretion to develop a site selection process.

Last January, the Department of Energy announced that seven States—Wisconsin, Minnesota, Virginia, North Carolina, Georgia, New Hampshire, and Maine—had been indentified as having potentially acceptable granite sites for the location of the second repository. This announcement has understandably alarmed and outraged citizens in these States, as well as citizens in adjacent States.

Mr. Speaker, citizens are concerned for a number of reasons which I believe are valid—concerns I have myself. However, I believe that the fundamental concern is our nuclear waste disposal policy generally and how that policy has been implemented by the Department of Energy.

The Department of Energy is already several years behind the schedule established in the Nuclear Waste Policy Act, and, questions persist about the safety of the disposal technology selected. In any venture, it is a bankrupt notion to move headlong on all phases of a project when essential components of the first phase cannot even be met. Such is the case with respect to the way in which the Department is proceeding to implement the provisions of the Nuclear Waste Policy Act. The Department cannot even meet the act's 1998 disposal deadline for the first repository and yet, the Department is rushing to develop a second repository apparently oblivious to concerns raised about the safety of the disposal technology.

This Congress is faced with a fiscal problem that does not permit us the luxury of continuing bankrupt notions. It is for this reason that we are introducing this legislation which I believe will more clearly establish our nuclear waste disposal policy. This legislation will terminate all Federal activities with respect to the second repository; remove the arbitrary 70,000 metric ton limitations on the first repository; limit the geologic medium in which a repository can be constructed; impose a moratorium on the Department of Energy's repository program if the Department cannot meet the 1998 disposal deadline; and, establish a commission to report to Congress on the deep geologic disposal program and alternative disposal technologies.

The disposal of high-level nuclear waste in an issue that effects all States. The legislation we are introducing makes fiscal sense and represents sound policy. I therefore urge my colleagues to support this effort.

NATIONAL CHILD ABUSE PREVENTION MONTH

HON. MARIO BIAGGI

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, April 22, 1986

Mr. BIAGGI. Mr. Speaker, today I wish to recognize National Child Abuse Prevention Month, a campaign designed to increase public awareness of this sensitive and critical issue. My deep and longstanding involvement with the issue of child abuse and neglect prevention and treatment spans my entire 17-year career in Congress, for the very first bill I ever sponsored was a forerunner to Public Law 93-247, the Child Abuse Prevention and Treatment Act. This landmark legislation marked the beginning of a concentrated and dedicated effort on the part of both Federal and State governments to address this tragic subject. Yet, despite a remarkable record of activity in terms of legislation and funding for intervention and treatment programs, the problem remains as serious today as it was in 1973.

The problem of child abuse and neglect has reached epidemic proportions in the United States. Each year, 1½ million children suffer from abuse—physical, mental, and sexual. Over 2,000 children will die from their injuries each year. And this is only the tip of the iceberg—because most cases of abuse and neglect are never even reported. Child abuse is an increasing tragedy which cuts across all boundaries of economic level, race, ethnic heritage, and religious faith. It is undoubtedly one of our Nation's greatest health risks to children.

The personal and social costs of child abuse are staggering. Child abuse has been linked to juvenile delinquency and adult criminal behavior. Studies reveal that 80 to 90 percent of all incarcerated felons were victims of child abuse. In addition, those who were mistreated as children are 80 percent more likely to abuse their own children. The conclusion that emerges is that child abuse not only has tragic consequences for the child, but it leaves its scars on future generations.

The Federal and State programs that now address this problem are some of the most important domestic programs we have in operation at this time. They are programs which reflect on us as a society. They mirror a national conscience of concern about young, oftentimes defenseless, children suffering from abuse and neglect. Although our courage and efforts have permitted us to take this problem out of the closet and into the national spotlight, we must renew and strengthen our commitment to treat this abhorrent problem and prevent it from spreading deeper into the realm of society.

Every year, National Child Abuse Prevention Month is celebrated across the country with many exciting events. Since 1983, April has been designated by a Presidential proclamation as the month to help increase public awareness of the problem of child abuse and neglect and teach people how to prevent it. I urge each of my colleagues to join in the fight to increase public awareness of this vital issue and dedicate time and energy toward preventing child abuse. Child abuse is a tragedy which haunts many people throughout their lives.

REJECT ROBERT RADER

HON. MAJOR R. OWENS

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, April 22, 1986

Mr. OWENS. Mr. Speaker, even after 5 years of consistently scraping the bottom of the barrel for its nominees to Cabinet and other top Federal positions, the Reagan administration is apparently not even close to exhausting its available supply of dubious appointees. Merely the latest addition to the ever-expanding Reagan Hall of Shame is Mr. Robert Rader, Jr., the President's newest nominee to the Occupational Safety and Health Review Commission.

Like all too many of the administration's prior selections for top positions in the Labor Department, Mr. Rader's chief qualification for office is apparently his great experience in fighting to undermine the very laws he will be responsible for overseeing. A prominent Texas attorney, Mr. Rader specializes in providing advice, comfort, and an ardent legal defense to corporations who find themselves on the wrong side of Federal labor and health and safety laws. He has, throughout his career, proven a notably bitter opponent of OSHA and other Government efforts to protect the health and safety of American workers.

Considered in the context of other Reagan appointees to the Labor Department, none of this, unfortunately, seems all that extraordinary. Recent news reports, however, indicate that Mr. Rader is indeed someone special. He is not just another run-of-the-mill right-wing ideologue; he is an ideologue who will stop at nothing, not even deceit, to ensure that his will prevails. In its April 17 edition, the Washington Post reports that in 1984 Mr. Rader was sanctioned and fined $3,000 by a Federal judge for grossly misrepresenting the facts in a lawsuit he was trying in U.S. District Court. It seems that in his capacity as defense counsel for a Texas firm accused and later found guilty of racial discrimination, Mr. Rader did everything within his power to suppress evidence that was sought by the plaintiffs, evading and ignoring the judge's discovery order for nearly 3 years. When the frustrated judge finally convened a hearing to consider issuing a contempt citation against Mr. Rader's clients, Mr. Rader brought the hearing to a halt by suddenly producing several cardboard boxes stuffed with papers, indicating to the judge that, here at last, were the long-sought-after documents. The judge took Mr. Rader at his word, only to discover some days later that he had been the victim of a clever ruse: not one of the requested documents was still anywhere to be found among the reams of paper that Mr. Rader had so dramatically produced for the court.

In the end, Mr. Rader's elaborate efforts to obstruct the trial's discovery process proved unsuccessful. The plaintiffs not only eventually managed to get their hands on the evidence that Mr. Rader went to such great lengths to deny them, but they then went on to win their case against Mr. Rader's clients. The trial's end and Mr. Rader's departure from the courtroom was apparently a source of great relief to the judge, who described Mr. Rader's conduct throughout the proceedings as "obstinately disobedient," "indifferent and disrespectful to established rules of procedure," and finally, a "perversion."

Although I imagine that Robert Rader's slick courtroom mendacity might be considered nothing short of heroic in some right-wing circles in Washington, I think most Americans would agree that honesty and respect for the law should be one basic and nonnegotiable requirement for appointment to any Federal office. For members of the Occupational Safety and Health Review Commission, in particular, personal integrity is not just a matter of principle—it is all too literally a matter of life or death. The Review Commission is not a patronage dumping ground for the party faithful; as an adjudicatory agency responsible for reviewing appeals of OSHA citations, its decisions have a direct impact on the health and lives of thousands of working Americans every year. That Mr. Rader would come to the Commission with an ideological axe to grind is bad enough; that he would also bring with him a habit of stooping to falsehoods to support his ideas is completely unacceptable.

During the next few weeks, the Members of the other body will be asked to vote on Robert Rader's fitness to serve on the OSH Review Commission. Though some Members may be understandably reluctant to unleash this man on the Federal judiciary again, they clearly have no alternative but to reject his nomination to such a sensitive position. No man as contemptuous of the truth as Mr. Rader has any business participating in decisionmaking that is so vital to the health and well-being of the American people.

NUCLEAR WASTE POLICY REFORM AMENDMENTS ACT

HON. OLYMPIA J. SNOWE

OF MAINE

IN THE HOUSE OF REPRESENTATIVES

Tuesday, April 22, 1986

Ms. SNOWE. Mr. Speaker, today I am introducing legislation, the Nuclear Waste Policy Reform Amendments Act of 1986, along with Congressman MCKERNAN and 20 other Members of this body. This legislation concerns the conduct of the Department of Energy (DOE) with respect to its selection process for crystalline sites and consideration for a second high-level waste repository.

Last January, DOE announced that seven States, including Maine, Wisconsin, Minnesota, Virginia, North Carolina, Georgia, and New Hampshire, are on DOE's list as "potentially acceptable sites" to store high-level radioac-

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tive wastes. These States are now directly affected by DOE's conduct under the general mandates of the Nuclear Waste Policy Act of 1982. The selection guidelines established administratively by DOE give me cause for concern because I believe these guidelines run contrary to the intent of the act.

As a result of flaws in this selection process, serious factors, including the transporting of the high-level wastes and the proximity of a site to highly populated areas and water supplies, have been pushed back to a secondary status. By ignoring these and other obviously important factors early in the selection process, Maine and other States may have to endure many years of pain and live with this skewed determination system. For the citizens of these States, the agony is real, and the implications are very serious. Because the safe disposal of these wastes is so very essential, and because there is no room for error, I believe legislation is needed to amend the act to address these serious deficiencies. I don't have any confidence that the current approach taken by DOE's Office of Civilian Radioactive Waste Management will produce a safe storage site.

The bill I am introducing today has several essential components designed to call a halt on the selection process now underway for the second repository. This bill also calls for a moratorium in 1998 if the timetable for the first repository hasn't been met, since that would demonstrate DOE's failure to administer its program with any effectiveness.

In sum, this legislation terminates all Federal activities with respect to a second repository; removes the arbitrary 70,000 metric-ton limitation on the first repository; imposes a moratorium on DOE's repository program if the act's 1998 disposal deadline cannot be met; and during the moratorium period, establishes an independent review commission to report to Congress on the deep geologic disposal program, and the merits of alternative disposal technologies.

Mr. Speaker, because the Department has failed in its administrative responsibilities, Congress must move forward with corrective legislation. There are many questions that still need to be answered about nuclear waste storage, and for the seven States now on DOE's candidate list, the errors in the process clearly call for a logical response.

THE NATIONAL COOPERATIVE BUSINESS ASSOCIATION

HON. VIC FAZIO

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, April 22, 1986

Mr. FAZIO. Mr. Speaker, when an organization starts its 70th year of service to a major portion of the American population, I feel special recognition is in order. The National Cooperative Business Association [NCBA], founded in 1916 as the Cooperative League of the USA [CLUSA], has just entered into its 70th year serving more than 58 million Americans who are members of cooperatives. The noteworthy accomplishments and ongoing efforts of this fine organization are a credit to its board, staff, and membership.

The National Cooperative Business Association is a membership and trade association representing America's cooperative business community. The NCBA, of which Morgan Williams is president and chief executive officer, serves as a chamber of commerce for cooperative businesses representing the unique and mutual needs of the various industries which make up the grand spectrum of cooperatives.

Membership includes farm supply, agricultural marketing, insurance, banking, housing, health care, consumer goods and services, student, credit union, worker, fishery, rural electric, telephone, State association, and other types of cooperatives. In addition, the National Cooperative Business Association represents all American cooperatives as the U.S. representative to the International Cooperative Alliance, a worldwide organization based in Geneva, Switzerland which is a coalition of cooperatives in 72 countries, speaking for over 499 million people.

The program of the National Cooperative Business Association includes:

Supporting the development, expansion and interconnection of cooperative businesses in the United States;

Representing the cooperative business community in Washington, DC through legislative policy and regulatory advocacy before Congress and Federal agencies;

Development, building, and providing technical assistance to cooperative businesses in the developing world;

Representing American cooperatives in the world's cooperative business community through membership and active participation in the International Cooperative Alliance [ICA], headquartered in Geneva, Switzerland;

Promoting and developing international commerce, banking, insurance, trade, joint ventures, and other business interconnections by and among the world's cooperatives.

There is much more, Mr. Speaker. Over the years, the National Cooperative Business Association has developed a number of related entities that pursue specific missions in close coordination with the association. They include the National Cooperative Business Foundation, the National Cooperative Business Political Action Committee, the Cooperative Hall of Fame and Historical Society, the National Cooperative Business Institute and Cooperative Business International [CBI sm].

NCBA has played a prominent role in the founding of two well-known organizations in the cooperative business world, such as Cooperatives for American Relief Everywhere [CARE] and the National Cooperative Bank [NCB].

Currently the NCBA International Division is implementing 11 long-term programs focusing on agribusiness development and cooperative education and training. Programs are underway in India, Indonesia, Equatorial Guinea, Niger, Rwanda, Haiti, Jamaica, Guatemala, and Peru.

Cooperative Business International, a subsidiary of NCBA, is holding CO-EXPO in San Francisco, in July 1986. This will be the first trade show which will bring together cooperatives and other businesses from all over the world to learn about each other and explore opportunities for trading with each other.

The National Cooperative Business Association is holding its 1986 annual meeting here in Washington on April 28 through May 1.

I know my colleagues join me in congratulating the National Cooperative Business Association for 70 years of dedicated service to America's cooperative and wishing the NCBA well in its endeavors over the next 70 years.

RECOGNIZING EDYTHE GUTMAN

HON. JIM COURTER

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Tuesday, April 22, 1986

Mr. COURTER. Mr. Speaker, I would like to take this opportunity to bring to the attention of my colleagues the outstanding work of Edythe Deiches Gutman.

Edythe Deiches Gutman is a social worker who works with everybody from anorexics to senior citizens. On any one day Edythe can be seen in any number of places. While the problems that she deals with may vary, one thing is the same; she treats everybody equally. No problem is considered too trivial for Edythe's compassion and quick mind.

Edythe has been at this very demanding work for 36 years. Ten years ago she helped form the first center for the elderly in East Brunswick and now she is trying to build support for a center for teenagers. Additionally, Edythe was recently profiled in the New York Times and was presented with the New Jersey Social Worker of the Year Award.

While she may not get the monetary rewards that she deserves, we recognize her tremendous contributions that she makes to the community and hope that she makes many more.

SOUTH KOREAN TRADE MISSION

HON. THOMAS J. BLILEY, JR.

OF VIRGINIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, April 22, 1986

Mr. BLILEY. Mr. Speaker, I would like to draw attention to the presence in Washington this week of a Republic of Korea trade mission seeking to promote trade between our two nations and making publicity stops in several cities where they have purchased American goods.

The reason that I think this mission needs to be brought to light is the continued refusal of the Korean Government to even face the issue of their protectionist laws dealing with American tobacco products. I have met with Korean Government officials several times. I have written the Korean Government letters. And I have asked our U.S. Trade Representative to to raise the issue with the Korean Government. Despite these many entreaties over several years, no progress whatsoever has been made.

It is a fact that it is a crime to possess an American cigarette in the Republic of Korea. Their internal industry is so protected and the government control so pervasive that no crack

in the armor of total restriction can be found. This is wrong and it is certainly not in keeping with the spirit of free trade and friendly cooperation between allies.

I received some assurances that the Korean Legislature would address their restrictive tobacco trade laws this year. I am sorry to say that the legislature has now adjourned and the issue was not even discussed.

The Korean Government seeks American support. They ask for economic aid. They ask for and accept military aid. They welcome our troops to protect them from invasion from the north. The Korean Government seeks favorable trade relations with the United States and has a large trade surplus with us. Now they have a trade mission in the United States promoting their markets and seeking reciprocal trade. Well I, for one, am tired of one-way trade. I am tired of one-way alliances. And most certainly I would like to tell this Congress and the Korean Government that I will not be able to stand idly by and see a foreign country ask for favorable treatment and military protection while refusing to even consider opening their internal markets to American products. In the near future, I will be forced to take action if the Korean Government continues its current attitude.

THE MARCHING SEASON

HON. BRIAN J. DONNELLY

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, April 22, 1986

Mr. DONNELLY. Mr. Speaker, Today I rise to share with my colleagues an article from the May issue of the Atlantic Monthly regarding the Hillsborough Agreement. This article effectively lays out the many difficulties that lie ahead. I recommend its reading for those who are supportive of the Anglo-Irish Agreement.

ULSTER—THE MARCHING SEASON

WHETHER NORTHERN IRELAND'S PROTESTANTS WILL ACCEPT THE RECENT ANGLO-IRISH AGREEMENT WILL BECOME APPARENT IN THE NEXT FEW MONTHS

(By Padraig O'Malley)

Last November the British prime minister, Margaret Thatcher, and her Irish counterpart, Garret FitzGerald, met at Hillsborough Castle, in Northern Ireland, to conclude the business they had embarked on eighteen months earlier—namely, crafting some sort of bilateral arrangements that would reduce the level of alienation among Catholics in Northern Ireland, undermine support for Sinn Fein (the political arm of the Irish Republican Army), and put constitutional politics back on track in Ulster. Over the protests of Protestant Unionists—diehard supporters of the union of Northern Ireland and Great Britain in its present form—FitzGerald and Thatcher affixed their signatures to an "Agreement between the Government of Ireland and the Government of the United Kingdom" that effectively gives Dublin a say in Northern Ireland's internal affairs. Within a week the Hillsborough Agreement was ratified by the Irish Parliament in Dublin. Within another week the British Parliament at Westminster overwhelmingly followed suit. Protestants in Northern Ireland, however, have vowed to undermine the treaty—by whatever means they can.

The Hillsborough Agreement is succinct, its brevity almost concealing the craftsmanship that went into its wording. First, both governments affirmed that any change in the status of Northern Ireland (for example, incorporation by the Republic of Ireland) would come about only with the consent of a majority of the people of Northern Ireland. Both governments recognized that at present the Protestant (mainly Unionist) majority wished for no change in its status. And both governments promised to introduce and support in their respective Parliaments legislation to secure a united Ireland if in the future a majority of the people in Northern Ireland were clearly to wish for and formally to consent to the establishment of a united Ireland.

Second, the two governments agreed to set up an Intergovernmental Conference that would be jointly chaired by the British secretary of state for Northern Ireland, currently Tom King, and a "Permanent Irish Ministerial Representative"—at present the minister for foreign affairs, Peter Barry. The functions of the conference would pertain both to Northern Ireland and to relations between Northern Ireland and the Republic of Ireland, specifically with regard to political matters, security arrangements, the administration of justice, and the promotion of cross-border cooperation. A provision specifying that "determined efforts shall be made through the Conference to resolve any differences"—a binding legal obligation with precedent in international law—ensures that the Irish government's role is more than merely consultative (even though less than fully executive).

Third, both London and Dublin supported the idea of a "devolved" government, to deal with a range of matters within Northern Ireland, that would command "widespread acceptance throughout the community." Since 1972 when Britain abolished the Northern Island government amid renewed sectarian strife, the six counties have been ruled directly from London; "devolution" refers to the re-establishment of a provincial governing authority. Should this occur, Dublin would nevertheless retain a say in certain areas affecting the interests of the Catholic minority (such as security arrangements and human rights). If devolution does not come to pass, then Dublin will continue to have a say in *all* matters that affect Catholics.

Whether or not the Hillsborough Agreement works, there can be no doubt of its historic significance. For the first time since 1920, when the partition of Ireland occurred, the British government explicitly recognizes that the Republic of Ireland has at least a limited role to play in the governance of Northern Ireland. This constitutes an implicit acknowledgement that the partition of Ireland has been, in political and social terms, a failure. For its part, the Irish government explicitly accepts the fact that Northern Ireland will remain within the United Kingdom as long as that is the wish of a majority of the people there. This amounts to an implicit acknowledgement that unification is an aspiration, not an inevitability. Hillsborough therefore represents a quid pro quo of sorts. In exchange for the Irish government's recognition that a majority of the people of Northern Ireland have the right to say no to a united Ireland, the British government was prepared to give the Irish government some influence in Northern Ireland in areas relating to the aspirations, interests, and identity of the Catholic minority. It was prepared to accept, in other words, what has come to be called an Irish Dimension (meaning, at the very least, an institutional link between Belfast and Dublin) in Ulster's future.

Ultimately, of course, the Hillsborough Agreement will be judged on the extent to which it achieves its avowed aims—that is, the extent to which it promotes peace and stability in Northern Ireland (where some 16,000 British troops are now stationed, and where political violence has claimed more than 2,500 lives during the past decade and a half) and helps to reconcile the Protestant and Catholic communities (with their divergent but legitimate interests and traditions). The notion that these aims can be achieved, however, was the product of explicit and implicit assumptions on the part of both Dublin and London—assumption that are, perhaps, not entirely tenable.

The explicit assumption was that if the alienation in the Catholic community in Northern Ireland—the result most immediately of the British government's security policies and its administration of the judicial system—went beyond a certain point, the adverse consequences for constitutional politics on the island as a whole would be not only serious but potentially irreversible. Garret FitzGerald made this point to Margaret Thatcher when they met at Chequers, the British Prime Minister's country residence, in November of 1983. The meeting came a few months after the ultranationlist Sinn Fein party, which advocates the unification of Ireland by force, if necessary, secured 43 percent of the Catholic vote in Northern Ireland in the British general elections. (Northern Ireland is represented at Westminster by seventeen members of Parliament.) The implicit assumption was that even if there were initial widespread opposition in the Protestant community to whatever agreement the two governments came to, it would subside when the benefits of such an agreement, in the form of a lower level of violence and the formal international guarantee of the Unionists' constitutional position, became apparent to a majority of Protestants.

In sum, according to the logic that prevailed, the existing level of alienation in the Catholic community was such as to require new political arrangements in the short run to alleviate it, whereas the possible level of alienation in the Protestant community was thought to be containable in the long run.

The problem here, of course, is with the nature of the alienation itself. In Northern Ireland it takes many forms. Most obvious is the alienation between Catholics and Protestants—a conflict whose roots lie in England's deliberate introduction of Protestant colonists to Ireland's northeastern counties during the early seventeenth century. (The "plantation" took place because Ulster was the most rebellious of Ireland's provinces; ironically, thanks to the plantation, it still is.) However, within the Catholic community itself there is alienation between supporters of the Social Democratic and Labour Party (the moderate voice of constitutional nationalism) and supporters of Sinn Fein (the extremist voice of unconstitutional nationalism). Similarly, within the Protestant community there are divisions—patched over, if only temporarily, since Hillsborough—between supporters of the Official Unionist Party (who want above all else to maintain the union with Britain) and supporters of the Democratic Unionist Party (who want above all else not to become part of an all-Ireland state). In addition, both Catholics and Protestants, albeit

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to somewhat differing degrees, are alienated from the institutions of government. And both communities, albeit again to somewhat differing degrees, are alienated from their respective mentor states: the Republic of Ireland and Great Britain.

Unfortunately, even if new political arrangements successfully address Catholic concerns and even if support for Sinn Fein begins to diminish, this is no guarantee of peace, stability, or a reduced level of alienation between Catholics and Protestants. On the contrary, it is quite possible that reforms will have an effect opposite the one intended. Reforms in the judiciary, in the Royal Ulster Constabulary (Northern Ireland's police force, which is now almost exclusively Protestant), and in the Ulster Defence Regiment (a British Army unit recruited exclusively in Northern Ireland and which is also almost exclusively Protestant) may indeed wean Nationalist votes away from Sinn Fein, but there is no reason to believe that this will result in a decrease in the activities of the Irish Republican Army (IRA), whose campaign of violence to end the British presence in Ireland is now in its seventeenth year. Already Northern Protestants see themselves as the victims of a calculatedly cold-blooded campaign of genocide conducted by the IRA. If the IRA is able to maintain its campaign of violence at the current level, the very real possibility is that each new killing of a member of the Constabulary or the Defence Regiment will strengthen the conviction of the Protestants that reforms only facilitate and encourage the IRA death machine.

If the number of Defence Regiment and Constabulary personnel who are killed does not fall, then the resulting alienation of the Protestants could paralyze the functioning of the Intergovernmental Conference. For on the one hand, the conference would be faced with the imperative of moving slowly in the area of reform in order to placate the Protestants, while on the other hand, it would continue to be faced with the imperative of moving quickly in order to shore up whatever support it had won in the Catholic community. These dual imperatives—the simultaneous needs to pull back and push forward—would lead to stalemate and inevitable breakdown.

The IRA's potential role as spoilers is the crucial difference between the Protestant campaign in 1974 to bring down the Sunningdale Agreement—an experiment in Protestant-Catholic powersharing that fell apart in six months—and the current campaign to wreck the Hillsborough Agreement. In 1974 the IRA by and large kept a low profile; unionist agitation, especially the province-wide strike backed by Protestant paramilitary organizations, was primarily responsible for bringing down Sunningdale. (The paramilitary organizations have since the early 1970s been chiefly responsible for the sectarian murder of Catholics.) Today, however, the IRA is not counting on the Protestants alone to destroy the Hillsborough Agreement. In fact, the more successful the IRA is in showing that it can strike at will (which it did in Armagh at precisely one minute past midnight on New Year's Day), the more it will encourage Protestant Unionists to make Northern Ireland ungovernable—which is to say, the more it will encourage Protestants to do the work of the IRA. It is a pathetic irony of the conflict: Protestants vowing to make Northern Ireland ungovernable in order to maintain the union with Great Britain, the IRA vowing to make Northern Ireland ungovernable in order to break the union with Great Britain.

A second factor that will determine the fate of the Hillsborough Agreement is the final form of the Unionist response. To date the response has been predictable. The two most basic fears of the Protestants—that they will somehow be outmaneuvered by the Irish Republic and that they will be betrayed by the British—are reinforced by the perception that the Hillsborough Agreement was forged behind their backs. Many Protestants believe that Northern Ireland's Social Democratic and Labour Party (SDLP), which speaks for moderate Catholics who desire affiliation with the Republic of Ireland, not only was kept informed of the proceedings but also had a veto over the final terms of the agreement. And, they believe, the party has a veto with regard to the nature of a devolved government.

Insecurity and the fear it breeds are, of course, permanent parts of the local Protestant mentality. The Protestant colonizations of northeastern Ireland in the early seventeenth century were partial. At all times the new settlers lived in scattered enclaves and under precarious circumstances. Surrounded by a dispossessed and hostile native Catholic population, they were always vulnerable to attack. Initially the Protestants feared being overrun and massacred by the Catholic majority. Then came the fear of what would happen if the Act of Union of 1801 were ever repealed. Later it was the fear of Home Rule—that is, rule from Dublin, though in the context of London's sovereignty, of a semi-autonomous but predominantly Catholic all-Ireland political entity. Finally, ever since independence was achieved by twenty-six of Ireland's thirty-two counties, in 1921, the Unionists have feared being abandoned by the British—or sold out by their own.

Indeed, Protestant fears are ubiquitous. They encapsulate the entire Protestant experience in Ulster. Deeply rooted, pervasive, impervious to the passage of time, they seem almost genetically encoded—even necessary for the survival of the species. In moments of crisis, therefore, when the future threatens, Protestants resort to the strategies of the past. Thus Ulster must "fight" to maintain its position in the Union, as it was prepared to do in 1912 and again in 1974. In each instance, the Protestants believe, only the threat of rebellion stayed Britain's hand. And thus in 1986 the Unionists raise once more the threat of rebellion—no matter that their constitutional position with the United Kingdom is now guaranteed by formal international treaty.

In the Unionist perspective, the one element of the Hillsborough Agreement that counts is the Intergovernmental Conference. The conference has a permanent secretariat, based in Belfast, comprising both Irish and British civil servants. It confirms the Unionists' worst fear: the South inching its way in. The conference, therefore, is viewed not as a small cooperative gesture but as a coalition government in embryo. In the Unionists' view, the language in the agreement requiring "determined efforts . . . to resolve differences" means that Dublin will get its way 50 percent of the time. The conference is seen, therefore, as the first step toward an all-Ireland state. Reconciliation is simply a code word for unification.

To appreciate the range of possible Unionist responses to Hillsborough one must keep several things in mind. First, history suggests that the Unionists may not seem to act in their own best interests. The intensity of their fear that any association with the South will lead to the ineluctable absorption of the Protestant people of Ulster into an all-Ireland state is a powerful stimulus to irrational behavior. The Unionists' decision last December to resign the fifteen seats they held in the Westminister Parliament and to recontest them did not have the consequences they had predicted. In special elections held last January, which the Unionists insisted on calling a referendum on the agreement, they lost one seat to the Social Democratic and Labour Party (which, significantly, out-polled Sinn Fein in the constituencies that both parties contested) and failed to get the mandate they had sought.

Another thing to bear in mind is that in the past the Unionists' threats of irrational action—fighting Britain to remain part of Britain—proved successful. The threat of irrational action is a perfectly rational tactic when it achieves its purpose. The purpose in the present circumstances is to bring down the Hillsborough Agreement. It is, therefore, of little consequence to Protestants at the moment if their actions to achieve this end also weaken their union with Great Britain. They have a simple objective, not a grand strategic design. The latter, they believe, will somehow emerge once the former is achieved.

The time frame for action will last through July and August—"the marching season," when, Unionists traditionally believe, they can save their souls with bunting. Various scenarios are possible. The present pervasive Unionist opposition to the Hillsborough Agreement conceals but does not eliminate the basic divisions in unionism. Moreover, the Protestant will as opposed to the Protestant threat to fight has never actually been tested.

To begin with, the Unionists could go back to Westminster and present the "verdict" of the Ulster people to the British government. They might then put forward alternative proposals, which would be unacceptable to the government if the Protestants set out as preconditions for discussion—as they almost certainly would—the dismantling of the Intergovernmental Conference. Moreover, any rountable conference would have to include the government of the Irish Republic, because under the terms of the treaty there are no circumstances under which the Hillsborough Agreement can simply be abandoned without discussion. In short, the Protestants cannot both dictate the agenda and limit the participants.

At this point they have five options. First, they can engage in unconstitutional but nonviolent actions, which for the moment would allow them to hold the high ground relative to the Protestant paramilitary organizations. (A one-day general strike last March, called for by both Unionist parties, brought the province to a virtual standstill. However, the widespread street violence and intimidation that accompanied the strike led James Molyneaux, the leader of the Official Unionist Party, to promise that his party would not participate in any future strike actions. This was the first crack in what had been up to that point a unified Unionist front, because Ian Paisley, the leader of the Democratic Unionist Party, would make no such promise.) Second, they can withdraw from government—from Westminster, the Northern Ireland Assembly, regional bodies such as health and education boards, and local councils—or they can take nonviolent action to disrupt the institutions of government. Third, they can threaten a unilateral declaration of independence

(UDI). Fourth, they can actually make a UDI and set up a provisional government of their own. Fifth, they can negotiate for a devolved government within the context of the Hillsborough Agreement.

The logic of withdrawal is impeccably simple. If, the Protestants argue, half a million Catholics effectively withdrew their consent from the forms of government offered them, and if the consequence of this was the instability and violence that led eventually to the Hillsborough Agreement, then should not the consequence of one million Protestants effectively withdrawing their consent be substantially more instability and violence, thus requiring a renegotiation of the Hillsborough Agreement? Already Ulster Clubs are springing up across Northern Ireland to organize withdrawal of consent if the politicians fail to do so.

However, if the constitutional parties of unionism withdraw from government, they will be either wittingly or unwittingly conceding the ground to the Protestant paramilitary organizations, and this will lead to an increasing number of sectarian murders on both sides of the religious and political divide. Moreover, in the event that Protestant paramilitarists mount a bombing campaign in the Republic, the impact on public opinion there might suggest that the Republic's commitment to the Hillsborough Agreement is inversely related to its having to bear any of the consequences.

The third option—the threat of UDI—is a rational action. Unionists believe that the pressure on the British government at this point would be sufficient to make the Intergovernmental Conference incapable of achieving its state purposes, that the threat of a UDI to Britain's national and strategic interests would outweigh whatever advantages Britain might achieve from strict adherence to the agreement and that Mrs. Thatcher, sufficiently distracted by problems at home, would simply lose interest in making the agreement work.

Ironically, if the Unionists pursue this campaign of resistance, their solidarity and commitment will prove the more determined in the face of a successful IRA military campaign. In this sense, both protagonists need to feed upon each other if they are to bring down the Hillsborough Agreement. It is likely that the past will repeat itself in new forms: the Unionists will split into those who will continue to support constitutional means to bring about change and those who will not. In other words, there will appear a Sinn Fein on the Unionist side to match the existing Sinn Fein on the Nationalist side.

An actual UDI—the fourth option—would, of course, be irrational, since there are no circumstances under which it could succeed. The British government would have to put it down, and the Unionists would add one more enemy—the British—to their list. But the possibility of a UDI should not be dismissed simply because it is irrational. To the Unionists, the actions that will destroy the agreement are what matters, not the further consequences of those actions once the agreement is destroyed.

The ultimate question, then, is rather simple: Would the Unionists prefer to have nothing at all, a wasteland of an Ulster, an intractable war of sectarianism, a loss of identity, and an end to their Britishness, if they can't have things their own way? Would they prefer this, even if a fifth option—a weak power-sharing arrangement and a stripped-down Inter-governmental Conference—were potentially available through negotiation?

The fact is that any arrangement that the nationalist Social Democratic and Labour Party and either of the Unionist parties would be prepared to enter into would be construed by the governments in both Dublin and London as having widespread community acceptance. The SDLP can now afford to be generous in defining what is acceptable regarding the form that an autonomous provincial government should take. For if the Unionists were to abuse the devolution system agreed to, especially one that was not structured along traditional power-sharing lines, the SDLP could simply withdraw, in which case the functions that had been devolved would once again come under the aegis of the Intergovernmental Conference. Thus the incentive to Unionists: adhere to the principles of devolution agreed to and the powers of the conference are thereby diminished; reject them or abuse them and the powers of the conference remain strong.

Unfortunately, this way of thinking is entirely rational and must compete with the idea that going over the brink a little doesn't mean going all the way. One way or another, by summer's end the Protestants will have made a decision.

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HOUSE OF REPRESENTATIVES—*Wednesday, April 23, 1986*

The House met at 10 a.m.

Brigadier F.M. Gaugh, the Salvation Army, Clearwater Beach, FL, offered the following prayer:

Let us bow our heads while we enjoy this time of talking with our God.

Dear God our Heavenly Father, we thank You for this time that has been set aside for strength and enrichment which are available through such fellowship.

Help us to look beyond the things we can see and feel.

Where thoughts of hope and healing need to be shared, let us share them.

Where words of consolation need to be spoken, let our voice be heard.

Where a peaceful spirit is needed, let us radiate it.

Where forgiveness and encouragement need to be offered, let us offer them.

We thank You for this dedicated body and help them to remember that which they think, say or do, will be true, fair, honest, beneficial to all concerned and pleasing in Thy sight.

You have given us good leadership in the past, therefore we trust You for the present and the future.

Thank You, dear God, for listening to us. Amen.

THE JOURNAL

The SPEAKER. The Chair has examined the Journal of the last day's proceedings and announces to the House his approval thereof.

Pursuant to clause I, rule I, the Journal stands approved.

Mr. WALKER. Mr. Speaker, under the provisions of clause 1, rule I, I ask that the question be put on the Speaker's approval of the Journal.

PARLIAMENTARY INQUIRIES

Mr. RUSSO. Mr. Speaker, I have a parliamentary inquiry.

The SPEAKER. The gentleman will state his parliamentary inquiry.

Mr. RUSSO. Mr. Speaker, would it be in order after the conclusion of the Journal vote to make a unanimous-consent request to vacate yesterday's proceedings dealing with the——

The SPEAKER. The answer is in the affirmative.

The Chair cannot control the fact that somebody could object to the unanimous-consent request.

Mr. RUSSO. Is the Speaker prepared to do something subsequent to that?

The SPEAKER. What does the gentleman have in mind?

Mr. RUSSO. Would the Speaker then send the matter to the Rules Committee for report this afternoon?

The SPEAKER. What matter is the gentleman referring to?

Mr. RUSSO. House Resolution 427, as I understand.

The SPEAKER. On the resolution that was passed yesterday by unanimous consent, it has been decided by the leadership on the majority side that that matter will go to the Rules Committee this afternoon, be reported and require a two-thirds vote for consideration if called up today.

The answer is in the affirmative.

Mr. DURBIN. Mr. Speaker, I have a parliamentary inquiry.

The SPEAKER. The gentleman will state his parliamentary inquiry.

Mr. DURBIN. Mr. Speaker, after that matter is referred to the Rules Committee, could the leadership give any indication to the body as to when it will be brought to the floor for consideration?

The SPEAKER. It will be brought as soon as it has been reported by the committee.

Mr. DURBIN. Mr. Speaker, does that decision preclude the possibility of a unanimous-consent request on the same subject?

The SPEAKER. The Chair can still entertain the unanimous-consent request.

Mr. DURBIN. I thank the Chair.

The SPEAKER. The procedure with a rule is in the event the unanimous-consent request fails.

Mr. WALKER. Mr. Speaker, pursuant to clause 1, rule I, I demand a vote on agreeing to the Speaker's approval of the Journal.

The SPEAKER. The question is on the Chair's approval of the Journal.

The question was taken; and the Speaker announced that the ayes appeared to have it.

Mr. WALKER. Mr. Speaker, I object to the vote on the ground that a quorum is not present and make the point of order that a quorum is not present.

The SPEAKER. Evidently a quorum is not present. In the opinion of the Chair, there are not 218 Members present.

The Sergeant at Arms will notify absent Members.

The vote was taken by electronic device, and there were—yeas 215, nays 178, not voting 40, as follows:

[Roll No. 93]

YEAS—215

Ackerman
Alexander
Anderson
Annunzio
Applegate
Aspin
Atkins
AuCoin
Barnard
Barnes
Bates
Beilenson
Bennett
Berman
Bevill
Biaggi
Boland
Boner (TN)
Bonior (MI)
Bonker
Borski
Bosco
Boucher
Brooks
Brown (CA)
Bruce
Burton (CA)
Byron
Carper
Chappell
Cheney
Clay
Coelho
Coleman (MO)
Coleman (TX)
Collins
Conyers
Cooper
Coyne
Crockett
Daniel
Darden
Daschle
de la Garza
DeLay
Dellums
Derrick
Dickinson
Dicks
Donnelly
Dorgan (ND)
Dowdy
Downey
Duncan
Durbin
Dwyer
Dymally
Dyson
Edwards (CA)
Edwards (OK)
Evans (IL)
Fascell
Fazio
Feighan
Fish
Flippo
Florio
Foglietta
Foley
Ford (MI)
Ford (TN)
Fowler
Frank
Franklin
Frost
Fuqua
Garcia
Gaydos
Gejdenson
Gephardt
Gibbons
Gonzalez
Gordon
Gray (PA)
Green
Guarini
Hall (OH)
Hamilton
Hatcher
Hawkins
Hayes
Hefner
Hertel
Howard
Hoyer
Hyde
Jenkins
Jones (TN)
Kanjorski
Kaptur
Kastenmeier
Kildee
Kleczka
Kolter
Lantos
Leath (TX)
Lehman (CA)
Lehman (FL)
Leland
Lent
Levin (MI)
Levine (CA)
Lewis (CA)
Lipinski
Livingston
Long
Lott
Lowry (WA)
Luken
Madigan
Manton
Markey
Martinez
Matsui
Mavroules
Mazzoli
McCloskey
McGrath
McHugh
McKinney
Mica
Miller (CA)
Mineta
Moakley
Mollohan
Montgomery
Moody
Morrison (CT)
Mrazek
Murtha
Myers
Natcher
Neal
Nelson
Nowak
Oakar
Obey
Olin
Owens
Oxley
Panetta
Pashayan
Pease
Perkins
Pickle
Porter
Price
Quillen
Rahall
Rangel
Reid
Richardson
Rinaldo
Roe
Rose
Rostenkowski
Rowland (GA)
Roybal
Rudd
Russo
Sabo
Savage
Scheuer
Schneider
Schroeder
Schulze
Schumer
Seiberling
Shumway
Sisisky
Skeen
Smith (FL)
Smith, Denny (OR)
Snyder
Solarz
Spratt
St Germain
Stallings
Stark
Stratton
Studds
Swift
Tallon
Taylor
Thomas (CA)
Thomas (GA)
Torres
Torricelli
Towns
Traxler
Udall
Valentine
Vento
Visclosky
Waxman
Weaver
Weiss
Wheat
Whitley
Whitten
Williams
Wright
Wyden
Yates
Young (MO)

NAYS—178

Andrews
Archer
Armey
Badham
Bartlett
Barton
Bateman
Bedell
Bentley
Bereuter
Bilirakis
Bliley
Boehlert
Boulter
Breaux
Broomfield
Brown (CO)
Broyhill
Bryant
Burton (IN)
Callahan
Carney
Carr
Chandler

Chapman
Chappie
Clinger
Coats
Cobey
Coble
Combest
Conte
Coughlin
Courter
Craig
Crane
Dannemeyer
Daub
Davis
DeWine
DioGuardi
Dornan (CA)
Dreier
Eckart (OH)
Eckert (NY)
Emerson
English
Erdreich
Evans (IA)
Fawell
Fields
Frenzel
Gallo
Gekas
Gilman
Gingrich
Glickman
Goodling
Gregg
Gunderson
Hall, Ralph
Hammerschmidt
Hansen
Hendon
Henry
Hiler
Hillis
Hopkins
Horton
Hubbard
Huckaby
Hughes
Hunter
Hutto
Ireland
Jacobs
Jeffords
Johnson
Jones (OK)
Kasich
Kemp
Kennelly
Kindness
Kolbe
Kostmayer
Kramer
Lagomarsino
Latta
Leach (IA)
Lewis (FL)
Lightfoot
Lloyd
Lowery (CA)
Lundine
Lungren
Mack
MacKay
Marlenee
Martin (IL)
Martin (NY)
McCain
McCandless
McCollum
McDade
McEwen
McKernan
McMillan
Meyers
Miller (OH)
Miller (WA)
Molinari
Monson
Moore
Moorhead
Morrison (WA)
Murphy
Nielson
Packard
Parris
Penny
Petri
Pursell
Ray
Regula
Ridge
Roberts
Roemer
Rogers
Roth
Roukema
Rowland (CT)
Saxton
Schaefer
Schuette
Sensenbrenner
Sharp
Shaw
Shuster
Sikorski
Siljander
Skelton
Slaughter
Smith (IA)
Smith (NE)
Smith (NJ)
Smith, Robert (NH)
Smith, Robert (OR)
Snowe
Solomon
Spence
Staggers
Stangeland
Stenholm
Strang
Stump
Sundquist
Sweeney
Swindall
Tauke
Tauzin
Traficant
Volkmer
Vucanovich
Walgren
Walker
Watkins
Weber
Whitehurst
Whittaker
Wirth
Wise
Wolf
Wolpe
Wortley
Wylie
Yatron
Young (AK)
Young (FL)

NOT VOTING—40

Akaka
Anthony
Boggs
Boxer
Bustamante
Campbell
Dingell
Dixon
Early
Edgar
Fiedler
Gradison
Gray (IL)
Grotberg
Hartnett
Heftel
Holt
Jones (NC)
LaFalce
Loeffler
Lujan
McCurdy
Michel
Mikulski
Mitchell
Nichols
O'Brien
Oberstar
Ortiz
Pepper
Ritter
Robinson
Rodino
Shelby
Slattery
Stokes
Synar
Vander Jagt
Wilson
Zschau

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Messrs. SWEENEY, MacKAY, BEDELL, LUNDINE, and VOLKMER changed their votes from "yea" to "nay."

Mr. GIBBONS changed his vote from "nay" to "yea."

So the Journal was approved.

The result of the vote was announced as above recorded.

BRIGADIER F.M. GAUGH

(Mr. BILIRAKIS asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. BILIRAKIS. Mr. Speaker, it is a great privilege and a pleasure for me to welcome to the House of Representatives, and introduce to you, and through you, to our colleagues, Brigadier F.M. Gaugh of the Salvation Army.

The brigadier was born in Springfield, OH, and received his commission as a Salvation Army officer after graduating from the Army's School for Officers' Training in New York City. He has two undergraduate degrees, a graduate and an honorary degree. He is also a graduate of the Industrial College of the Armed Forces.

You will find him listed in "Who's Who in America," and he is a charter member of the National Association of Social Workers and the Academy of Certified Social Workers; as well as a member of the National and International Conferences of Social Welfare.

Brigadier Gaugh and his wife, Jessie, now reside in the community of Clearwater Beach, in my district, and I am delighted that he could bring us the prayer today.

Thank you, Brigadier, for honoring us with your presence.

MESSAGE FROM THE SENATE

A message from the Senate by Mr. Hallen, one of its clerks, announced that the Senate agrees to the amendments of the House to joint resolutions of the Senate of the following titles:

S.J. Res. 214. Joint resolution to provide for the reappointment of Carlisle H. Humelsine as a citizen regent of the Board of Regents of the Smithsonian Institution; and

S.J. Res. 215. Joint resolution to provide for the reappointment of William G. Bowen as a citizen regent of the Board of Regents of the Smithsonian Institution.

REQUEST FOR CONSIDERATION OF H. RES. 431, AMENDING CLAUSE 1, RULE XLVII OF THE RULES OF THE HOUSE

Mr. DURBIN. Mr. Speaker, I offer a resolution (H. Res. 431) amending clause 1, rule XLVII of the Rules of the House, and ask unanimous consent for its immediate consideration.

The SPEAKER. The Clerk will report the resolution.

The Clerk read the resolution, as follows:

H. Res. 431

Resolved, That clause 1 of Rule XLVII of the Rules of the House of Representatives be amended to read as follows:

1. (a) Except as provided by paragraph (b), no Member may, in any calendar year beginning after December 31, 1978, have outside earned income attributable to such calendar year which is in excess of 30 per centum of the aggregate salary as a Member paid to the Member during such calendar year.

(b) In the case of any individual who becomes a Member during any calendar year beginning after December 31, 1978, such Member may not have outside earned income attributable to the portion of that calendar year which occurs after such individual becomes a Member which is in excess of 30 per centum of the aggregate salary as a Member paid to the Member during such calendar year.

The SPEAKER. Is there objection to the request of the gentleman from Illinois?

Mr. WALKER. Mr. Speaker, I object.

Mr. LOTT. Mr. Speaker, I object.

The SPEAKER. Will the gentleman who offered the objection stand?

Mr. LOTT. Mr. Speaker, I object.

The SPEAKER. The gentleman objects. Objection is heard.

PARLIAMENTARY INQUIRY

Mr. DURBIN. Mr. Speaker, I have a parliamentary inquiry.

The SPEAKER. The gentleman will state it.

Mr. DURBIN. Mr. Speaker, is there any procedure presently available before the House to consider this resolution which would restore the language of rule XLVII to exactly the same language as it was?

The SPEAKER. The matter may be referred to the Rules Committee, and if there is a report, a two-thirds vote will bring it to the floor today, and if there is approval on the minority side we will bring the matter to the floor this afternoon.

Mr. DURBIN. Mr. Speaker, will it be brought to the floor this afternoon?

The SPEAKER. It is the intention to refer the matter to the Rules Committee. The Chair cannot dictate what the Rules Committee is going to do, but it will recommend to the Rules Committee.

Mr. DURBIN. I thank the Speaker.

DISCHARGE PETITION

(Mr. LOTT asked and was given permission to address the House for 1 minute and to revise and extend his remarks and include extraneous matter.)

The SPEAKER. The Chair notes the gentleman from Mississippi is speaking from the Democratic side.

Mr. LOTT. The Chair has not heard what I am going to speak on as yet.

Mr. Speaker, today I am filing Discharge Petition No. 6 which would discharge the Rules Committee from further consideration of House Resolution 419 which provides for the consideration of House Joint Resolution 283.

House Joint Resolution 283 was introduced last year by the gentleman from Oklahoma [Mr. McCurdy]. It deals with the issue of aid to the freedom fighters in Nicaragua.

Mr. Speaker, given the urgent need to assist the Contras, this was the only way we could find to bring this matter back to the House now.

This is a bipartisan issue and we urge members on both sides of the aisle to see it that way.

It is an issue of paramount national security importance and we just want

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all our colleagues to know that is exactly how we view it.

We are not—repeat not—asking members to sign the discharge petition today. We are instead seeking to meet with members on both sides of the aisle, to listen to their views and to discuss the bipartisan nature of this undertaking.

This is a procedural issue. But it is also an issue of overriding importance. We do not want partisanship to have a place in this procedure—all we ask is the chance to present our case openly and with a fair chance for all sides.

SUMMARY OF SPECIAL DISCHARGE RULE ON CONTRA AID

(H. Res. 419, Rep. Lott and Rep. Michel, April 14, 1986)

1. Immediately upon the adoption of the rule, the House would resolve into the Committee of the Whole for the consideration of H.J. Res. 283, to promote internal reconciliation in Nicaragua on the basis of democratic principles and to further peaceful resolution of the conflict in Central America.

[NOTE: H.J. Res. 283 was introduced by Rep. David McCurdy on May 8, 1985 with 10 cosponsors, and referred to the Committee on Appropriations, Foreign Affairs, Intelligence and Rules.]

2. The joint resolution would be subject to two hours of general debate divided between the majority and minority leaders.

3. All points of order are waived against the consideration of the joint resolution.

4. The rule makes in order the following amendments in the nature of a substitute to be offered only in the following order, waives all points of order against them, makes them in order even if a previous amendment has been adopted, prohibited any amendments to the amendments or a division of the question in the House or in the Committee of the Whole, and provides one hour of debate on each, divided between the proponent and an opponent: (1) an amendment printed in the Congressional Record by May 7th by Rep. Hamilton; (2) an amendment printed in the Congressional Record by May 7th by Rep. McCurdy; and (3) an amendment printed in the Congressional Record of April 21 by Rep. Michel. The last amendment adopted shall be reported back to the House (king-of-the-mountain).

5. After the joint resolution has been amended and reported to the House, the previous question is ordered to final passage without intervening motion except one motion to recommit.

6. After passage of the joint resolution, the House would proceed to the immediate consideration in the House of S.J. Res. 283, the Senate passed contra aid bill, and it would then be in order to move to insert the House passed language or, if the Michel substitute has been adopted, it would be in order as a preferential motion to move the previous question on the Senate joint resolution to final passage without intervening motion.

REMOVAL OF NAME OF MEMBER AS COSPONSOR OF H.R. 844 AND H.R. 2950

Mr. BURTON of Indiana. Mr. Speaker, I ask unanimous consent to have my name removed as a cosponsor of H.R. 844 and of H.R. 2950.

The SPEAKER. Is there objection to the request of the gentleman from Indiana?

There was no objection.

IN OPPOSITION TO THE SALE OF ARMS TO SAUDI ARABIA

(Mr. FLORIO asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. FLORIO. Mr. Speaker, in recent weeks, tensions in the Middle East have reached a new high with the continuation of terrorist activity and the acceleration of the conflict between the United States and Libya. It is this climate of uncertainty and instability that sets the scene for a $350 million sale to Saudi Arabia that will include a variety of weapons that will only further exacerbate tensions in the area and will not constructively contribute to the peace process.

The introduction of increased weapons to the region at this point in time would provide further fuel for accelerated terrorism and would not help solve the underlying conflict between Israel and the Arab States. The administration proposes to send to Saudi Arabia a military package that will include 1,700 Sidewinder air-to-air missiles, 800 Stinger hand-held antiaircraft missiles, and 200 launchers and 100 Harpoon antiship missiles. I have long opposed the sale of sophisticated weapons to nations in the Middle East that have been adverse to working within the framework of Camp David in resolving the Arab-Israeli conflict and that have consistently opposed our Government's attempts to resolve this conflict within that framework.

During the past 15 years, the United States has transferred to Saudi Arabia nearly $50 billion worth of weapons and assistance. The justification for the past sales and this renewed effort to sell arms to the Saudis has been based on the belief that the introduction of these weapons will not only improve stability in the region but will also induce the Saudi Arabian Government to take an active role in promoting the peace process, in recognizing Israeli's right to exist and in providing the impetus in the Arab world for a peaceful resolution of the underlying conflicts.

During these 15 years, the steps taken by the Saudi Government in this area have been minimal. Instead of indicating support for our Government's position in this area, the Saudi Government only recently condemned the military action taken by the United States against Libya and indicated solidarity with the Libyan regime. Instead of helping to further the peace process, the Saudi Government has undermined the peace process and even refuses to establish diplomatic relations with Egypt.

Of imminent concern is the prospect of introducing additional weapons to the region that could be dangerous in the hands of terrorists. In particular, the Stinger missiles, should they fall in the wrong hands, pose a deadly threat to stability in the region. Stinger missiles, used for guarding the White House, are easy to hide, easy to transport, and easy to operate. They are not only accurate but they are also capable of downing commercial aircraft in flight. At a time when the tourism industry has been wracked by the increase of terrorist incidents directed at aircraft and airports, the Stinger missiles would dramatically increase the risk of further incidents and would result in loss of life. There are no guarantees that these missiles will not fall into the wrong hands.

It has been argued that Saudi Arabia needs this weapons package in order to ensure that the Saudi's can defend their Government against threats from Iran. The threats faced by the Saudi Government from Iran include internal subversion, terrorism, and ground invasion. This particular package of air-based missiles will not address these security threats.

This past January, I visited Israel for the second time and was able to view the security threat that is posed to Israel and to our national interests by the increased buildup of troops, the accelerated tension in the region and the diminishing prospect for renewed peaceful negotiations. By selling arms to the Saudi's or any nation that undermines efforts to seek peace in the Middle East, we are rewarding intransigence rather than promoting peace.

As an original cosponsor of House Joint Resolution 589, a resolution to block the sale of arms to Saudi Arabia, I would like to urge my colleagues to signal their support for peace in the Middle East by opposing this arms sale. Increasing our weapons supply to this region and promoting fear among our ally, Israel, will not foster peace and understanding in the Middle East. Encouraging direct negotiations with meaningful results will.

Our Government cannot continue to condone intransigence with further gifts of instruments of war. Too much time has already been spent in waiting for significant steps in the peace process that have never materialized. I would hope that we can move forward and pursue renewed negotiations to instigate a peaceful and just solution to the conflicts in this vulnerable area of the world.

A CAUTION ON THE LEAKING OF CONFIDENTIAL INFORMATION

(Mr. GINGRICH asked and was given permission to address the House

for 1 minute and to revise and extend his remarks.)

Mr. GINGRICH. Mr. Speaker, last Monday some legislators made remarks to the press which amounted to leaking confidential information before the raid on Libya. It weakened the process of executive branch consultation of the Congress and endangered American lives. The facts are clear: From 4 o'clock to 5:45 p.m. the President and senior advisers briefed legislative leaders. Apparently as soon as the meeting broke up some legislators told reporters that the President would be talking at 9 o'clock. By 5:59 p.m. Sam Donaldson of ABC News was in Larry Speakes' office demanding confirmation.

Mr. Speaker, I am circulating today a letter for our colleagues to sign that indicates to the executive branch that we would punish any Members of the House who engaged in leaking information about American operations during a period when they are confidential. I think if we expect to be consulted we have to learn to be responsible in matters of military security.

FEMA'S DISASTER RELIEF BUDGET

(Mr. KOLTER asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. KOLTER. Mr. Speaker, 1 year ago, on May 31, a deadly tornado cut a swath of destruction through my district and other parts of Pennsylvania and Ohio.

Now, FEMA, the Federal Emergency Management Agency, the body which oversees the Federal disaster assistance programs has requested a budget for 1987 which will drastically affect our ability to aid and assist people struck by these disasters.

FEMA wants to reduce its budget for disaster assistance by cutting out 75 percent of its authority. FEMA requests a budget of $100 million, when its annual average budget for disaster assistance has been almost $400 million every year since 1974. In 1985 alone, FEMA was required to spend $663 million on 27 declared natural disasters. FEMA wants to reach these savings by changing the formula for eligibility for disaster assistance. This new formula would have made 61 of the last 111 disasters ineligible for assistance. This statistic must also be viewed in light of the fact that the Federal Government only accounts for 15 percent of all disaster assistance, the rest being picked up by State and local governments.

Furthermore, the Federal Government's aid is largely in the form of loans. On the other hand, American aid to disasters abroad comes in the form of grants.

Last year, due to disasters in Colombia, Mexico, Ethiopia, and other countries, the United States spent over $500 million in disaster grants to foreign countries.

I urge my colleagues to join in a nonpartisan effort, to review FEMA and its disaster relief budget proposals. No district is safe from natural disasters. It is our duty to be prepared for them.

TOUGH STANCE AGAINST THE EC COMMENDED

(Mr. BEREUTER asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. BEREUTER. Mr. Speaker, when the European Community several months ago announced that the entry of Spain and Portugal into the Community would be the occasion for new restrictions on American agricultural exports, it went too far. In the opinion of this and other Members from both bodies, this was the time to say "no way" to the Community. Fortunately in this instance the President also shared our view and acted accordingly.

He sternly warned the Community we would retaliate. He sent the Special Trade Representative and the Agriculture Secretary to Europe to let them know just how serious we were. Initial reports of conversations between the two sides the last few days are encouraging.

The Community has reportedly agreed to put off the effective date of these restrictions until 1987, which buys us time to work on eliminating them altogether.

Clearly our job is only partly finished, with much hard bargaining still to come.

We are off to a good start, and I would like to say to Ambassador Yeutter and Secretary Lyng, "Hang tough."

WE ARE PROPOSING TO GO DEEPER INTO THE RED WITH OUR SPENDING

(Mr. BATES asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. BATES. Mr. Speaker, on April 15 Congress was to have completed a budget resolution. Gramm-Rudman-Hollings requires that we cut $39 billion from the coming fiscal year. Instead, next week we will be debating a supplemental appropriations bill which will add $1.7 billion in new spending. I have been asked what it is about the supplemental bill that bothers me. The answer is: The spending.

The spending in this bill will haunt us during the budget process, putting us much further away from meeting our $144 billion target goal.

We are proposing to go deeper in the red. Our massive deficits affect individuals, businesses, and our trading partners.

Let's get back to the real issue.

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DIAGNOSTICIANS IGNORING THE FACT OF CANCER

(Mr. DANNEMEYER asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. DANNEMEYER. Mr. Speaker, the trouble with the Gramm-Rudman approach to deficit reduction is that it tries to ignore the real cause of the growth of deficits. We are like diagnosticians who have agreed beforehand on one point. We want to ignore the fact of cancer. In this context, I wish to quote from the late Garet Garrett, a financial journalist who wrote in the Wall Street Journal on September 30, 1952:

> Irredeemable paper money, that is, money redeemable in nothing but more of itself, is a fatal disease with a record of 100 percent mortality unless halted in time by radical surgery. It has already cost the people control of government. It has enabled the government to convert its own debt into currency, and thereby to fill its own purse. It is the stuff upon which the self-aggrandizing executive principle of government feeds. It is morally devastating and corrupts men by cumulative temptation. It hurts everybody, especially the poor and the dependent.

Mr. Speaker, if we really want to reduce and eventually eliminate budget deficits, we must cut the cost of interest on the Federal debt radically, by returning to redeemable currency without delay.

TELL THAILAND REPRESENTATIVES TO GO HOME

(Mr. HUCKABY asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. HUCKABY. Mr. Speaker, for several weeks now, representatives of the Government of Thailand have been in Washington lobbying individual Members of Congress about our 1985 farm bill and the rice provisions.

As chairman of the Subcommittee on Cotton, Rice and Sugar, I spent several hours with these representatives explaining to them that, yes, it was the position of our Government to recapture our prior historical markets as such, and pointed out to them that we have had trade complaints pending against them for a number of years now.

Mr. Speaker, I would like to point out to my colleagues that Thailand joined the nonaligned nations, the Communist nations, in voting to condemn the United States for actions in Libya last week.

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I would urge my colleagues that when these representatives contact you, tell them it is time that they went home.

LET US MAINTAIN FREEDOM OF RELIGIOUS CHOICE FOR THE MILITARY

(Mrs. BENTLEY asked and was given permission to address the House for 1 minute and to revise and extend her remarks.)

Mrs. BENTLEY. Mr. Speaker, I urge that you and our fellow Representatives support the Military Chaplains Faith Balance Act of 1984, H.R. 1875, a nonpartisan bill, now pending before this House.

It is necessary to have this legislation to achieve a more balanced representation of religious faiths among Armed Forces chaplains. When we ask our men and women to serve in the defense of our country—they in truth are serving in our stead. And, in that service they should have the ready availability of religious counsel and guidance—and the comfort which it brings—from a representative of their own faith.

I think that this is the least we can offer these men and women in the Armed Forces—this as a religious nation, we owe them this much when we are asking so much of them.

Mr. Speaker, I ask you and my colleagues to join me in supporting the military chaplains bill, H.R. 1875. We should all be working for its passage.

OUR TAX CODE IS UNDERWRITING OIL COMPANIES' PRESENCE IN LIBYA

(Mr. OBEY asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. OBEY. Mr. Speaker, as Americans saw on the evening news Monday night, the administration has permitted United States oil companies to resume business in Libya, despite the President's proclamation of economic boycott.

What Americans may not know is that present law entitles those companies to claim credits on their U.S. tax returns for taxes they paid to Colonel Qadhafi. Last month they paid $130 million to his outlaw regime.

Mr. Speaker, I do not understand the wisdom of allowing United States firms to support with our cash a Libyan Government dedicated to terrorism. I doubt very much that the American people, if they knew, would want to subsidize Qadhafi's terrorism, yet that is what they are being forced to do. The administration has allowed five oil companies to continue to do business with Libya for the moment. The decision was made without public debate to bring this situation out into the open so that the public can participate in decisions about whether they want their Tax Code to continue to underwrite oil companies' presence in Libya.

I am today introducing legislation to end United States tax credits for moneys paid by American oil companies to the Libyan Government. Any of you wishing to join me in cosponsorship are welcome to do so.

LEGISLATIVE LEAKS

(Mr. BURTON of Indiana asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. BURTON of Indiana. Mr. Speaker, last Monday something unexcusable happened. Legislative leaders from both Houses met with the President to be briefed on the Libyan raid from 4 to 5:45 p.m. Apparently, some legislative leaders from the other body told reporters the President would then address the Nation at 9 p.m. At 5:59, Sam Donaldson of ABC News asked Larry Speakes of the White House for confirmation.

At 6:30, on ABC Nightly News, Donaldson quoted the legislative leader from the other body as saying the President would address the Nation at 9 p.m. ABC News went on to describe the United States military movements, including F-111's in Britain and the KC-10 tankers which had been moved to Britain and the aircraft carriers operating off the coast of Sicily. In a few minutes, ABC had outlined everything a Libyan defense planner would need to know about a probably raid on Libya.

This all occurred 30 minutes before the raid took place. This was really risking American lives.

Members of Congress must learn to keep their mouths shut, at least where national security is concerned.

HOUSE RESOLUTION 431

(Mr. DURBIN asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. DURBIN. Mr. Speaker, yesterday the House of Representatives by unanimous consent passed House Resolution 427. The effect of House Resolution 427 was to amend the rules of the House and to increase the limit on outside earned income for Members of the House from 30 percent of their salary to 40 percent.

In addition, while it increased the limit on honoraria income, it effectively repealed the limit on other forms of outside earned income.

This morning I filed with the Clerk of the House, House Resolution 431, which would have restored rule 47 to exactly the same language that existed before the House's action yesterday. It would have continued to limit outside earned income to 30 percent of a Member's salary and all other limitations that were in existence yesterday.

There is an orderly procedure for changing the rules and Members' salaries. Those of my colleagues who agree with House Resolution 427, which I do not, can approach the Rules Committee requesting the change contained in House Resolution 427.

Unfortunately, this morning when I made a unanimous-consent request to consider my resolution, which would have rescinded the action of the House yesterday, there was an objection heard from the minority whip.

I do not believe this matter should be considered by unanimous consent, and I have taken the Speaker's advice to take this matter to the Rules Committee later today. I am hoping we can undo and rescind the action of the House yesterday.

DEFICIT REDUCTION INSURANCE PROGRAM—DRIP

(Mr. JEFFORDS asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. JEFFORDS. Mr. Speaker, today is the day when the Gramm-Rudman Deficit Reduction Act is being argued in the Supreme Court. Also it is 1 week after April 15, the date we were supposed to have our budget before us. Sadly, we did not.

When this body approved the Balanced and Emergency Deficit Control Act of 1985, it made a bold statement about the fiscal mood both here and throughout the Nation. The act imposes some difficult cuts that will be implemented automatically if we fail to meet the designated deficit reduction targets we approved.

The law did not spare cuts in defense spending, in social programs dear to our constituents, in congressional offices themselves. What it did spare was us, our own wallets and pocketbooks.

Today I am introducing legislation to correct that slight oversight. It is called the Deficit Reduction Insurance Program [DRIP]. Its budgetary impact will be micro, but its incentive will be macro to do our job; hopefully more successfully for the budget than the trickle-down theory.

Seriously, what my measure does is simply this. In the event we fail to make the budgetary targets in Gramm-Rudman-Hollings, then our own salaries will be cut equal to the automatic across-the-board percentage cuts that will require others to endure. And the measure will require the salary cuts even if Congress fails to approve a sequestration order under the fall-back procedures within the law.

If we are unable to make the budget decisions that must be made, then they will be made for us under the automatic cutbacks that we ourselves engineered. If that happens, however, we have no right to be exempted from the effects of those cuts.

I have no illusions about the reception this legislation will get. But I cannot help but believe that all of us would be a lot more eager to enact sound budgetary policy, and soon, if we knew that we would all be the poorer if we failed to do so.

□ 1050

IN SUPPORT OF GARRISON DIVERSION UNIT REFORMULATION ACT OF 1986

(Mr. DORGAN of North Dakota asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. DORGAN of North Dakota. Mr. Speaker, today we are going to be visiting the Garrison Reformulation Act, and I want to underscore for the Members of the House exactly what it is we are talking about. This is the Garrison Diversion project which is reformulated as a result of a compromise by those who supported the project and those who opposed it.

Persons who historically had opposed this project before this House are now supporting it—the gentleman from Massachusetts [Mr. Conte], the gentleman from Michigan [Mr. Dingell], and the gentleman from Pennsylvania [Mr. Edgar], just to name a couple. Organizations such as the National Audubon Society and the Wildlife Federation are supporting this reformulation.

I think they support it for a couple of reasons. First, this reformulation sharply cuts the cost of this project: $800 million is cut out of an authorization level for this project in the legislation that we will be dealing with today. Second, this legislation resolves most of the environmental questions. Third, it dissipates the objections that the Government of Canada had.

I think this is an awfully good compromise that opponents and supporters have come together to forge. Let me make it clear that this is not charity for North Dakota, this is payment for services rendered. The Government came to North Dakota and said, "We want you to have a permanent flood three-fourths the size of the State of Rhode Island. In exchange for having that flood, we'll give you the benefit of being able to move those waters around your State." The rest of the country got all the benefits; we are still waiting for the project.

This project, which was started when I was 2 years old, now, as a result of this compromise, might very well get built. I hope that is the case. Because of that, I am hoping that the Members of this House will support this compromise that has been very difficult to achieve, but is I think a very rewarding compromise for everybody involved—the State, the people who want it developed, the conservationists, the environmentalists, and for everybody in this House and this country. I think a vote in support of this project will be a good vote.

THE LIABILITY CRISIS—STATE TORT REFORM NEEDED

(Mr. PORTER asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. PORTER. Mr. Speaker, yesterday I said that addressing the liability explosion by heavy, direct Federal regulation of the insurance industry or by putting the Federal Government in the reinsurance business was worse than no solution at all.

The problem is the unpredictability of what the courts will do in personal injury cases. Today, Mr. Speaker, we have a social welfare system for injured parties administered by the courts—which is fine—but it is one that has become unpredictable and without any control on costs—which is not. What is needed is reform of their tort systems by the States to make them more predictable and thus keep insurance companies willing to provide coverage in the market.

If the States don't act substantively and intelligently and soon to make such reforms, the pressure on Washington to take jurisdiction will become irresistible. Next time, I'll suggest what the Federal Government might do, and following that, how the States can make true progress on this issue.

CONDEMNING YESTERDAY'S ACTION INCREASING MEMBERS' ALLOWED HONORARIUMS

(Mr. CLINGER asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. CLINGER. Mr. Speaker, I join with those who are condemning the action that was taken in the House by unanimous consent yesterday to raise the amount of honorariums which individual Members could receive. It is no wonder that the public ranks this body as low as it does in terms of credibility and trust, somewhere just above aluminum siding salesmen.

Mr. Speaker, this is a classic case of hands in the cookie jar. We must revise this ill-advised action. Where is our sense of priorities? The budget process is in disarray in this Congress. The public is crying out for us to address the deficit, to deal with the unemployment problems that still exist, to reauthorize Superfund—we have a host of critical items that we need to be addressing. Instead, the leadership of this body seems to be preoccupied with attempting to increase the incomes of individual Members. Shame on them.

PERSONAL EXPLANATION

(Without objection, Mr. Bilirakis was given permission to address the House for 1 minute and to extend his remarks.)

Mr. BILIRAKIS. Mr. Speaker, I regret that, for reasons beyond my control, I was unable to record my vote on House Resolution 425, the rule for consideration of the urgent supplemental appropriations. Had I been present, I would have voted against the resolution. There are a number of elements in the urgent supplemental that were considered objectionable by my colleagues, and rightly so. Not only has the budget deadline of April 15 passed without action, but an appropriation bill requesting $1.7 billion in new spending is proposed in flagrant disregard of budgetary guidelines. The House majority has rewritten or waived every budgetary management procedure that stands in the way of its fiscal appetite. I specifically wish to refer to the Presidential deferral authority, which is the necessary balance between fiscal control and fiscal irresponsibility. The President's deferral authority must be retained. It is the last outpost of fiscal restraint.

GARRISON DIVERSION UNIT REFORMULATION ACT OF 1986

The SPEAKER pro tempore. Pursuant to House Resolution 422 and rule XXIII, the Chair declares the House in the Committee of the Whole House on the State of the Union for the further consideration of the bill, H.R. 1116.

□ 1055

IN THE COMMITTEE OF THE WHOLE

Accordingly the House resolved itself into the Committee of the Whole House on the State of the Union for the further consideration of the bill (H.R. 1116) to implement certain recommendations made pursuant to Public Law 98-360, with Mr. Bosco in the chair.

The Clerk read the title of the bill.

The CHAIRMAN. When the Committee of the Whole rose on Monday, April 21, 1986, the gentleman from California [Mr. Miller] had 7 minutes of general debate remaining and the gentleman from Colorado [Mr. Strang] had 22 minutes of general debate remaining.

Mr. CONTE. Mr. Chairman, I move to strike the requisite number of words.

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Mr. Chairman, I rise in support of H.R. 1116, a bill to reformulate—and, I might add, to reform—the Garrison Diversion Unit in North Dakota.

Mr. Chairman, when I began the fight to stop funding for the Garrison project some years ago, I never imagined that some day I would be standing in this well supporting a Garrison authorization. It is a tribute to the outstanding efforts of the Interior Committee members, and particularly Subcommittee Chairman GEORGE MILLER and full Committee Chairman Mo UDALL, that I am able to do so.

I would also like to single out the hard work of representatives of the National Audubon Society and the National Wildlife Federation, as well as the Interior Committee staff, whose tireless negotiating efforts have produced a bill that truly represents a win-win approach to the water needs of North Dakota.

Under this legislation, everyone wins—the people of North Dakota, the Federal taxpayers, the Canadian, and the wildlife resources of North Dakota.

Although this is not a perfect bill, it is an outstanding compromise, and a real embodiment of the principle that politics is the art of the possible.

This bill would deauthorize over 900,000 acres of previously authorized irrigation land, ultimately saving some $2.6 billion in Federal expenditures for the project. Some of the most critical wildlife habitat areas—including the Kraft Slough, Taayer Reservoir, and Lonetree Reservoir areas—would be preserved. The flow of waters into the Hudson Bay watershed, of such concern to Canada because of the possibility of harmful biota transfer—has been addressed.

The mitigation of wetland losses has been addressed, by requiring acre-for-acre mitigation. And a new wetlands trust, to provide for additional wetlands protection in North Dakota, the most important duck producing State in the Nation, would be created.

Mr. Chairman, I know that the administration is concerned about this bill. There is no question that it is an expensive measure—and in this Gramm-Rudman environment, any new measure should be subject to strict scrutiny.

But I think the important thing about this bill is not its cost—but the amount that it would save. Because the alternative to this measure—a return to funding under the current authorization—is far, far, worse.

I am confident that this body, which since December 1982 has been on record as opposing funding for the Garrison project, would continue to do so. But the record in the other body is much less favorable, and I believe that the enactment of this authorization reform represents the best way to reduce the cost and environmental impact of the Garrison project, while meeting the legitimate water resource needs of North Dakota.

Mr. Chairman, I want to make it clear that I remain absolutely opposed to continuation of the Garrison project as it is currently authorized. But I strongly support this legislative reform, and urge that it be adopted.

Mr. MILLER of California. Mr. Chairman, will the gentleman yield?

Mr. CONTE. I yield to my good friend, the gentleman from California.

Mr. MILLER of California. I just want to say quickly to the Members of the House that without the gentleman in the well's involvement, we would not be here today. It was his obstinance at some time, I think, his looking to the future, looking at the real costs of this project as it was reauthorized, some of the environmental problems that caused him to lead the fight against this over a number of years.

Because of that effort on his behalf, I think he is quite right, that we have been able to strike a compromise, and I appreciate all of his support and all of his help in arriving at this final bill.

The CHAIRMAN. The time of the gentleman from Massachusetts [Mr. CONTE] has expired.

(By unanimous consent, Mr. CONTE was allowed to proceed for 2 additional minutes.)

Mr. CONTE. I want to thank the gentleman from California for his kind remarks.

Mr. BEDELL. Mr. Chairman, will the gentleman yield?

Mr. CONTE. I yield to my good friend, the gentleman from Iowa [Mr. BEDELL].

Mr. BEDELL. Mr. Chairman, I also want to commend the gentleman for the work he has done on these projects, but I would point out to the gentleman that my amendment is an amendment to the bill. Does the gentleman feel that it is all right to go ahead and subsidize farmers to grow more crops at the same time we are subsidizing farmers not to grow crops? Does the gentleman think that is a sensible thing to do in this society?

This is not a bill we are talking about; this is a provision in the bill that, it seems to me, needs to be corrected. That is the issue. The issue is not the bill.

Mr. CONTE. I am not up here speaking on the gentleman's amendment. All I am saying is that whether the gentleman's amendment is adopted or not, I am asking my colleagues to vote for this bill because it represents a tough, tough compromise. You cannot believe how many meetings I had on this project with the gentleman from North Dakota, his Governor, the Audubon Society, the Wildlife Federation, and others, day after day after day. It was like having molasses in your hands. One day you would have an agreement, and the next day, it was spilling out between your fingers. This is the best we can do.

Mr. DORGAN of North Dakota. Mr. Chairman, will the gentleman yield?

Mr. CONTE. Mr. Chairman, I yield to my good friend, the gentleman from North Dakota [Mr. DORGAN], who has been such an effective and worthy adversary on this issue.

Mr. DORGAN of North Dakota. Mr. Chairman, I would like to echo the sentiments expressed by the chairman and say that I especially appreciate your support of this compromise.

These things are very difficult to put together, very easy to unravel. The gentleman knows and I know and others in this body who have worked on the compromise know that day after day and month after month now stretching on for a year and a half since that Garrison Commission, we have tried desperately to get a compromise that will hold. Each time we thought we had one, we would lose it.

We finally have one that I think makes sense. The gentleman from Massachusetts [Mr. CONTE] supports it; I support it. It is the art of the possible and I appreciate your support. I appreciate the statement the gentleman has made on the floor today.

The CHAIRMAN. The Chair recognizes the gentleman from California [Mr. MILLER].

Mr. MILLER of California. Mr. Chairman, I have no further requests for time, and I yield back the balance of my time.

Mr. CHANDLER. Mr. Chairman, I have no further requests for time, and I yield back the balance of my time.

The CHAIRMAN. All time has expired.

Pursuant to the rule, the committee amendment in the nature of a substitute recommended by the Committee on Interior and Insular Affairs now printed in the reported bill shall be considered as an original bill for the purpose of amendment, and each section shall be considered as having been read.

The Clerk will designate section 1.

Mr. MILLER of California. Mr. Chairman, I ask unanimous consent that the committee amendment in the nature of a substitute be printed in the RECORD and open to amendment at any point.

The CHAIRMAN. Is there objection to the request of the gentleman from California?

There was no objection.

The text of the committee amendment in the nature of a substitute is as follows:

H.R. 1116

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. PURPOSE AND AUTHORIZATION.

The first section of the Act of August 5, 1965 (Public Law 89-108, 79 Stat. 433) as

amended by striking out "That" and all that follows down through the period at the end of such section and substituting:

"SECTION 1. (a) The Congress declares that the purposes of this Act are to:

"(1) implement the recommendations of the Garrison Diversion Unit Commission Final Report (dated December 20, 1984) in the manner specified by this Act;

"(2) meet the water needs of the State of North Dakota, including municipal, rural and industrial water needs, as identified in the Garrison Diversion Unit Commission Final Report;

"(3) minimize the environmental impacts associated with the construction and operation of the Garrison Diversion Unit;

"(4) assist the United States in meeting its responsibilities under the Boundary Waters Treaty of 1909;

"(5) assure more timely repayment of Federal funds expended for the Garrison Diversion Unit;

"(6) preserve any existing rights of the State of North Dakota to use water from the Missouri River; and,

"(7) offset the loss of farmland within the State of North Dakota resulting from the construction of major features of the Pick-Sloan Missouri Basin Program, by means of a federally-assisted water resource development project providing irrigation for 130,940 acres of land.

"(b) The Secretary of the Interior (hereafter referred to as "the Secretary") is authorized to plan and construct a multi-purpose water resource development project within the State of North Dakota providing for the irrigation of 130,940 acres, municipal, rural, and industrial water, fish and wildlife conservation and development, recreation, flood control, and other project purposes in accordance with the Federal reclamation laws (Act of June 17, 1902, 32 Stat. 388, and Acts amendatory thereof and supplementary thereto) and substantially in accordance with the plans set out in the Garrison Diversion Unit Commission Final Report dated December 20, 1984.

"(c) Nothing in this Act is intended, nor shall be construed, to preclude the State of North Dakota from seeking Congressional authorization to plan, design, and construct additional Federally-assisted water resource development projects in the future.

"(d) Nothing in this Act shall be deemed to diminish the quantity of water from the Missouri River which the State of North Dakota may beneficially use, pursuant to any right or rights it may have under federal law existing immediately before the date of enactment of this Act and consistent with the treaty obligations of the United States.

"(e) The authorization for all features of the Missouri-Souris Unit of the Pick-Sloan Missouri Basin Program located in the State of North Dakota, heretofore authorized in section 9 of the Flood Control Act of December 22, 1944 (58 Stat. 891), for which no funds have been appropriated for construction, and which are not authorized for construction by this Act, is hereby terminated, and sections 1 and 6 of the Act of August 5, 1965 (Public Law 89-108, 79 Stat. 433) are hereby repealed.

"(f) In implementing the provisions of this Act, the Secretary is directed to construct all supply works to the capacity identified in the Garrison Diversion Unit Commission Final Report, except that the Secretary is directed to construct the James River Feeder Canal to a capacity of no more than 450 cubic feet per second, and the Sykeston Canal to the capacity specified in Section 8(a)(1) of this Act.

"(g) Any investment related to features constructed by the Secretary that are no longer employed to full capacity pursuant to the recommendations of the Garrison Diversion Unit Commission Final Report shall be nonreimbursable.".

SEC. 2. FISH AND WILDLIFE.

Section 2 of the Act of August 5, 1965 (Public Law 89-108, 79 Stat. 433) is amended by adding the following new subsections at the end thereof:

"(i) Notwithstanding any other provisions of this section, the mitigation for fish and wildlife losses incurred as a result of construction of the project shall be on an acre-for-acre basis, based on ecological equivalency, concurrent with project construction.

"(j) The Secretary is directed to implement the provisions of the Garrison Diversion Unit Commission Final Report with respect to fish and wildlife conservation, including habitat impacts, mitigation procedures, and enhancement, except for the following:

"(1) The Secretary shall take no action to alter the status of Sheyenne Lake National Wildlife Refuge prior to the completion of construction of Lonetree Dam and Reservoir.

"(2) Development and implementation of the mitigation and enhancement plan for fish and wildlife resources impacted by construction and operation of the Garrison Diversion Unit shall not be limited by the cost constraints based on estimates contained in the Garrison Diversion Unit Commission Final Report.

"(3) Credit toward mitigation recommended by the Garrison Diversion Unit Commission Final Report for reservoir sites is not authorized.".

SEC. 2. IRRIGATION FACILITIES.

Section 5 of the Act of August 5, 1965 (Public Law 89-108, 79 Stat. 433) is amended to read as follows:

"SEC. 5. (a)(1) Subject to the provisions of subsection (a)(2) of this section, the Secretary is authorized to develop irrigation in the following project service areas: Turtle Lake (13,700 acres), McClusky Canal (4,000 acres), Lincoln Valley (6,515 acres), Harvey Pumping (2,000 acres), New Rockford (20,935 acres), New Rockford Canal (1,200 acres), LaMoure (13,350 acres), West Oakes Extension (4,000 acres), and West Oakes (19,660 acres). The Secretary is prohibited from developing irrigation in these areas in excess of the acreage specified herein, except that the Secretary is authorized and directed to develop up to 28,000 acres of irrigation in other areas in North Dakota, not located in the Hudson Bay, Devils Lake, or James River drainage basins.

"(2) The Secretary is prohibited from obligating any funds for construction of irrigation service facilities in the areas listed in subsection (a)(1) of this section prior to September 30, 1990. After that date, the Secretary may obligate funds only after completing and submitting to the Congress, the report required by section 5(c) of this Act.

"(b)(1) The Secretary may not commence construction of the Sykeston Canal, the James River Feeder Canal, and James River channel improvements until the report required by Section 5(c) of this Act has been completed and submitted to the Congress.

"(2) The Secretary is directed to proceed immediately with the construction of—

"(A) the New Rockford Canal;

"(B) the Oakes Test Area; and

"(C) project features authorized in Section 7 of this Act.

"(c)(1) The Secretary is directed to submit a comprehensive report to the Congress as soon as practicable, but not later than the end of fiscal year 1988 on the effects on the James River in North Dakota and South Dakota of water resource development proposals recommended by the Garrison Diversion Unit Commission and authorized in this Act. The report shall include the findings of the Secretary with regard to:

"(A) the feasibility of using the Oakes Aquifer as a water storage and recharge facility, and an evaluation of the need for off-stream regulatory storage in the lower James River basin;

"(B) the capability of the river to handle irrigation return flows, project water supplies, and natural runoff without causing flooding, property damage, or damage to wildlife areas, and mechanisms or procedures for compensation or reimbursement of affected landowners for damages from project operation;

"(C) the impacts of Garrison Diversion Unit irrigation return flows on the river and on adjacent riverine wetland areas and components of the National Wildlife Refuge System, with regard to water quantity, water quality, and fish and wildlife values;

"(D) the need for channelization of the James River under the irrigation and municipal, rural, and industrial water development programs authorized by this Act;

"(E) the cost and efficiency of measures required to guarantee that irrigation return flows from the New Rockford (Robinson Coulee) irrigation service areas will not enter the Hudson Bay drainage and the impact these return flows will have on the James River;

"(F) the feasibility of conveying project flows into the lower James River via Pipestem Creek; and

"(G) alternative management plans for operation of Jamestown and Pipestem Reservoirs to minimize impacts on the lower James River.

"(2) The costs of the study authorized by this subsection shall be nonreimbursable.

"(3) The study authorized by this subsection shall be carried out in accordance with the requirements of the National Environmental Policy Act.

"(d) The Secretary is prohibited from obligating funds to construct irrigation facilities in the service areas listed in subsection (a)(1) until a contract or contracts, in a form approved by the Secretary, providing for the appropriate payment of the costs allocated to irrigation have been properly executed by a district or districts organized under State law. Such contract or contracts shall be consistent with the requirements of the Reclamation Reform Act of 1982 (title II, Public Law 97-293, 96 Stat. 1263).

"(e) The Secretary is authorized to develop irrigation in the following project service areas within the boundaries of the Fort Berthold and Standing Rock Indian Reservations: Lucky Mound (7,700 acres), Upper Six Mile Creek (7,500 acres), and Fort Yates (2,380 acres), except that, no funds are authorized to be appropriated for construction of these projects until the Secretary has made a finding of irrigability of the lands to receive water as required by the Act of July 31, 1953 (67 Stat. 266; 43 U.S.C. 390a). Repayment for the units authorized under this subsection shall be made pursuant to the Leavitt Act (25 U.S.C. 386a).

"(f) The Secretary shall not permit the use of project facilities for non-project drainage not included in project design or required for project operations.".

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SEC. 4. POWER.

Section 6 of the Act of August 5, 1965 (Public Law 89-108, 79 Stat. 433) is amended to read as follows:

"SEC. 6. (a) Municipal, rural, and industrial water systems constructed with funds authorized by section 7 of this Act shall utilize power from the Pick-Sloan Missouri Basin Program, as established by section 9 of the Flood Control Act of 1944 (Act of December 22, 1944), for the operation of such systems.

"(b) Notwithstanding the provisions of section 302(a)(3) of the Department of Energy Organization Act (42 U.S.C 7152(a)(3)), any portion of the costs properly chargeable to irrigation for the Garrison Diversion Unit which are beyond the ability of water users to repay as authorized by Reclamation law may be repaid from power revenues, except repayment of investment in irrigation for the Garrison Diversion Unit made after the date of enactment of this Act may not exceed forty years from the year in which irrigation water is first delivered for use by the contracting party and shall be made in equal annual installments.

"(c) Pursuant to the provisions of the last sentence of section 302(a)(3) of the Department of Energy Organization Act of 1978 (42 U.S.C. 7152(a)(3)), any reallocation of costs to project purposes other than irrigation as a result of section 1(e) of this Act shall not result in increased rates to Pick-Sloan Missouri Basin Program customers unless: (1) full use has been made of the current development method of ratesetting in analyzing the repayment status and cost allocations for the Garrison Diversion Unit and (2) the resulting rate increase, if any, is made in equal amounts over the ten year period beginning on the date of any such reallocation pursuant to this Act. Costs reallocated to project purposes other than irrigation as a result of section 1(e) of this Act shall be repaid, if reimbursable, with interest at the rate specified in section 4(b) of this Act beginning on the date of any such reallocation without retroactive interest. Nothing in this Act shall alter or affect in any way the current repayment methodology for other features of the Pick-Sloan Missouri Basin Program.".

SEC. 5. MUNICIPAL, RURAL, AND INDUSTRIAL WATER SERVICE.

The Act of August 5, 1965 (Public Law 89-108, 79 Stat. 433) is amended by adding the following new section at the end thereof:

"SEC. 7. (a)(1) The Secretary of the Interior is authorized to construct municipal, rural, and industrial water systems to serve areas throughout the State of North Dakota.

"(2) All planning, design, construction and operation of the municipal, rural, and industrial water systems authorized by this section shall be undertaken in accordance with a cooperative agreement between the Secretary and the State of North Dakota. Such cooperative agreement shall set forth in a manner acceptable to the Secretary the responsibilities of the State for:

"(A) needs assessments;

"(B) feasibility studies;

"(C) engineering and design;

"(D) construction;

"(E) operation and maintenance; and,

"(F) the administration of contracts pertaining to any of the foregoing.

"(3) Upon execution of the cooperative agreement required under this subsection, the Secretary is authorized to convey to the State of North Dakota, on a nonreimbursable basis, the funds authorized in section 10(b)(1) of this Act. The non-Federal share of the total cost of construction of each water system for which the State of North Dakota receives funding pursuant to this section shall be 25 percent, committed prior to the initiation of construction. The non-Federal share of the cost of operation, maintenance, and replacement of each municipal, rural, and industrial water system funded by this section shall be 100 percent. The Southwest Pipeline Project shall be deemed to be eligible for funding under the terms of this section.

"(b) The Secretary is authorized and directed to construct, operate, and maintain a Sheyenne River water supply and release feature (including a water treatment plant) capable of delivering 100 cubic feet per second of water for the cities of Fargo and Grand Forks and surrounding communities. The costs of the construction, operation, maintenance, and replacement of this feature, exclusive of conveyance, shall be nonreimbursable and deemed attributable to meeting requirements of the Boundary Waters Treaty of 1909.

"(c) The Secretary is authorized and directed to construct, operate, and maintain such municipal, rural, and industrial water systems as he deems necessary to meet the economic, public health and environmental needs of the Fort Berthold, Standing Rock, and Fort Totten Indian Reservations.

"(d) Municipal, rural, and industrial water systems constructed with funds authorized under this Act may deliver Missouri River water into the Hudson Bay drainage only after the Secretary of the Interior, in consultation with the Secretary of State and the Administrator of the Environmental Protection Agency, has determined that adequate treatment has been provided to meet the requirements of the Boundary Waters Treaty of 1909.".

SEC. 6. SPECIFIC FEATURES.

The Act of August 5, 1965 (Public Law 89-108, 79 Stat. 443) is amended by adding the following new section at the end thereof:

"SEC. 8. (a)(1) In accordance with the recommendations of the Garrison Diversion Unit Commission Final Report and section 1 of this Act, the Sykeston Canal shall be constructed as a functional replacement for the Lonetree Dam and Reservoir. The Sykeston Canal shall be designed and constructed to meet only the water delivery requirements of the irrigation areas and municipal, rural, and industrial water supply needs authorized in this Act. The Sykeston Canal shall be located, constructed, and operated so that, in the opinion of the Secretaries of the Interior and State, no violation of the Boundary Waters Treaty of 1909 would result. The Secretary may not commence construction on the Sykeston Canal until a master repayment contract consistent with the provisions of this Act between the Secretary and the appropriate non-Federal entity has been executed.

"(2) The Lonetree Dam and Reservoir shall remain an authorized feature of the Garrison Diversion Unit; however, construction funds may be requested by the Secretary for Lonetree Dam and Reservoir only after:

"(A) The Secretary has determined that there is a need for the dam and reservoir based on a contemporary appraisal using procedures such as those employed in the preparation of feasibility studies for water resources development projects submitted to Congress;

"(B) consultations with the Government of Canada have reached a conclusion satisfactory to the Secretary of State, after consultation with the Administrator of the Environmental Protection Agency, that no violation of the Boundary Waters Treaty of 1909 would result from the construction and operation of the dam and reservoir; and,

"(C) the Secretaries of the Interior and State have submitted the determinations required by subparagraphs (A) and (B) above to the Congress and 90 calendar days have elapsed.

"(b) Taayer Reservoir is deauthorized as a project feature. The Secretary is directed to acquire up to 5,000 acres in the Kraft and Pickell Slough areas and to manage the area as a component of the National Wildlife Refuge System giving consideration to the unique wildlife values of the area. In acquiring the lands which comprise the Kraft and Pickell Slough complex, the Secretary is authorized to acquire wetlands in the immediate vicinity which may be hydrologically related and nearby uplands as may be necessary to provide for proper managemnt of the complex. The Secretary is also authorized to provide for appropriate visitor access and control at the refuge.".

SEC. 7. EXCESS CROPS.

The Act of August 5, 1965 (Public Law 89-108, 79 Stat. 433), is amended by adding the following new section at the end thereof:

"SEC. 9. Until the construction costs of the facilities authorized in section 5 are repaid, the Secretary is directed to charge a "surplus crop production charge" equal to 10 per cent of full cost, as defined in Section 202(3)(A)-(C) of the Reclamation Reform Act of 1982 (Public Law 97-293, 96 Stat. 1263), for the delivery of project water used in the production of any basic agricultural commodity if the total supply of such commodity for the marketing years in which the bulk of the crop would normally be marketed is in excess of the normal supply as determined by the Secretary of Agriculture. The Secretary of the Interior shall announce the amount of the surplus crop production charge for the succeeding year on or before July 1 of each year.".

SEC. 8. AUTHORIZATION OF APPROPRIATIONS.

The Act of August 5, 1965 (Public Law 89-108, 79 Stat. 433) is amended by adding the following new section at the end thereof:

"SEC. 10. (a) There are authorized to be appropriated $338,305,000 for carrying out the provisions of section 5 and section 8(a)(1) of this Act. Such sums shall remain available until expended.

"(b)(1) There is authorized to be appropriated $200,000,000 to carry out the provisions of section 7(a) of this Act. Such sums shall remain available until expended.

"(2) There are authorized to be appropriated $61,000,000 to carry out the provisions of section 7(b) through section 7(d) of this Act. Such sums shall remain available until expended.

"(c) There is authorized to be appropriated for carrying out the remaining provisions of this Act $80,535,000. No funds are authorized for the construction of the Lonetree Dam and Reservoir. There are also authorized to be appropriated such additional funds as may be necessary for operation and maintenance of the unit.

"(d) Any funds previously appropriated for the Garrison Diversion Unit may be expended to carry out any of the provisions of this Act.".

SEC. 9. WETLANDS TRUST.

The Act of August 5, 1965 (Public Law 89-108, 79 Stat. 433) is amended by adding the following new section at the end thereof:

"SEC. 11. (a) FEDERAL CONTRIBUTIONS.—From the sums appropriated under Section 10 of this Act for the Garrison Diversion Unit, the Secretary of the Interior shall make an annual Federal contribution to a Wetlands Trust established in accordance with subsection (b), and operated in accordance with subsection (c), of this section. The amount of each such annual contribution shall be as follows:

"(1) For fiscal year 1986: $2,000,000.

"(2) For each of the fiscal years 1987 through 1990: 3% of the total amount appropriated under Section 10 of this Act, but not to exceed $500,000 for each such fiscal year.

"(3) For each fiscal year after 1990: 5 percent of the total amount appropriated under Section 10 of this Act, but only to the extent that a contribution to the Trust equal to 10 percent of the Federal contribution is provided or contracted for by the State of North Dakota from non-Federal funds. The contributions of the State of North Dakota may be paid to the Trust in such amounts and in such manner as may be agreed upon by the Governor and the Secretary.

"(4) The total Federal contribution pursuant to this Act shall not exceed $12,000,000.

"(b) ESTABLISHMENT OF TRUST.—A Wetlands Trust shall be treated as established in accordance with this subsection if it complies with each of the following requirements:

"(1) The Trust is established as a nonprofit corporation under the laws of North Dakota with its principal office in North Dakota.

"(2) The Trust is under the direction of a Board of Directors which has the power to manage all affairs of the corporation, including administration, data collection, and implementation of the purposes of the Trust.

"(3) The Board of Directors of the Trust is comprised of 6 persons appointed as follows, each for a term of 2 years:

"(A) 3 persons appointed by the Governor of North Dakota.

"(B) 1 person appointed by the National Audubon Society.

"(C) 1 person appointed by the National Wildlife Federation.

"(D) 1 person appointed by the North Dakota Chapter of the Wildlife Society.

Vacancies on the board are filled in the manner in which the original appointments were made. Any member of the Board of Directors is eligible for reappointment for successive terms. Any member appointed to fill a vacancy occurring before the expiration of the term for which his or her predecessor was appointed is appointed only for the remainder of such term. A member may serve after the expiration of his or her term until his or her successor has taken office.

"(4) Members of the Board of Directors serve without compensation.

"(5) The corporate purposes of the Trust are to preserve, enhance, restore, and manage wetland and associated wildlife habitat in the State of North Dakota.

"(c) OPERATIONS OF THE TRUST.—A Wetland Trust established as provided in subsection (b) shall be deemed to be operating in accordance with this subsection if each of the following requirements are met:

"(1) The Trust is operated to preserve, enhance, restore, and manage wetlands and associated wildlife habitat in the State of North Dakota in accordance with its corporate purpose as provided in subsection (b)(5).

"(2) Pursuant to its corporate charter, the Trust has the authority to exercise each of the following powers:

"(A) The power to acquire lands and interests in land and power to acquire water rights. Lands or interests in lands may be acquired by the Trust only with the consent of the owner thereof and with the approval of the Governor of North Dakota.

"(B) The power to finance wetland preservation, enhancement, restoration, and management or wetland habitat programs.

"(3) All funds received by the Trust under subsection (a) are invested in accordance with the requirements of subsection (d). No part of the principal amount of such funds may be expended for any purpose. The income received by the Trust from the investment of such funds shall be used by the Trust exclusively for its purposes and operations in accordance with this subsection or, to the extent not required for current operations, reinvested in accordance with subsection (d).

"(4) The Trust agrees to provide such reports as may be required by the Secretary or the Governor of North Dakota and makes its records available for audit by Federal and State agencies.

"(d) INVESTMENT OF TRUST FUNDS.—The Secretary of the Interior, in consultation with the Secretary of the Treasury and the Governor of North Dakota, shall establish requirements for the investment of all amounts received by the Trust under subsection (a) or reinvested under subsection (c)(3). Such requirements shall ensure that such amounts are invested in accordance with sound investment principles and shall ensure that persons managing such investments will exercise their fiduciary responsibilities in an appropriate manner.".

SEC. 10. SOIL SURVEYS.

Section 1 of the Act of July 31, 1953 (67 Stat. 266; 43 U.S.C. 390a) is amended by inserting at the end thereof the following: "Such surveys shall include an investigation of soil characteristics which might result in toxic or hazardous irrigation return flows."

SEC. 11. SHORT TITLE.

This Act may be referred to as the "Garrison Diversion Unit Reformulation Act of 1986".

SEC. 12. COMPLIANCE WITH APPROPRIATIONS ACT.

This Act to reformulate the Garrison Diversion Unit shall be deemed to meet all the time and substance requirements specified in the Fiscal Year 1986 Energy and Water Development Appropriations Act (Public Law 99-141).

AMENDMENTS OFFERED BY MR. MILLER OF CALIFORNIA

Mr. MILLER of California. Mr. Chairman, I offer five technical amendments, and I ask unanimous consent that they be considered en bloc, considered as read, and printed in the RECORD.

The CHAIRMAN. Is there objection to the request of the gentleman from California?

There was no objection.

The text of the amendments is as follows:

Amendments offered by Mr. MILLER of California: On page 7, strike lines 21 through 24 and insert in lieu thereof the following: "'(g) Where features constructed by the Secretary are no longer used to full capacity pursuant to the recommendations of the Garrison Diversion Unit Commission Final Report, that portion of the Secretary's investment attributable to the construction of such unused capacity shall be nonreimbursable.'.".

On page 19, line 24, insert "(1)" immediately after "(a)".

On page 19, line 25, strike "$338,305,000" and insert in lieu thereof "$270,395,000", and strike "section 5" and insert in lieu thereof "section 5(a) through section 5(c)".

On page 20, after line 2, insert the following: "(2) There is authorized to be appropriated $67,910,000 for carrying out the provisions of section 5(e) of this Act. Such sums shall remain available until expended.".

On page 21, line 2, after the word "established" insert "by non-Federal interests".

On page 21, line 21, strike "ESTABLISHMENT OF TRUSTS" and insert in lieu thereof "STRUCTURE OF THE TRUST".

On page 21, lines 22 and 23, strike "treated as established in accordance with this subsection" and insert in lieu thereof "eligible to receive Federal contributions pursuant to subsection (a)".

On page 22, line 1, after the word "established" insert "by non-Federal interests".

On page 23, line 9, after the word "established" insert "by non-Federal interests".

On page 23, line 10, after the word "if" insert ", in the opinion of the Secretary,".

On page 21, line 12, strike "to the extent that" and insert in lieu thereof "if".

On page 21, line 13, strike "the Federal contribution" and insert in lieu thereof "all Federal contributions".

On page 19, line 19, insert after the period the following: "The surplus crop production charge shall not apply to crops produced in the 5,000 acre Oakes Test Area for research purposes under the direction of the Secretaries of the Interior or Agriculture.".

Mr. MILLER of California. Mr. Chairman, these amendments are offered to clarify several ambiguities which have developed over interpretation of several provisions in H.R. 1116. In addition, they resolve problems identified by the administration with the Wetlands Trust.

The first technical amendment clarifies the intent regarding the nonreimbursable portion of the costs of constructing features that are not employed to their full capacity as a result of this bill and the Commission recommendations. Only the incremental cost of such unused capacity shall be nonreimbursable. Abandoned facilities and the capacity of features employed by the project (such as McClusky Canal) will be reimbursed.

The second amendment provides a separate authorization ceiling for the Indian irrigation service areas to be developed on the Fort Berthold and Standing Rock Indian Reservations. This amendment ensures that this authorization ceiling will not be siphoned off by the non-Indian irrigation works. This amendment does not increase or decrease the total authorizations of appropriations in H.R. 1116, as reported.

The third amendment is intended to clarify that the Wetlands Trust will be established by non-Federal interests through subsequent action, not by enactment of this legislation. Thus, the Wetlands Trust is not a Federal agency, and its board of directors are not officers and employees of the United States by reason of their appointment. This concern was expressed by the administration in their comments on the bill.

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The fourth amendment clarifies the financial obligation of the State of North Dakota to the Wetlands Trust. The State is expected to contribute an amount equal to 10 percent of all Federal contributions, including those appropriated in fiscal years 1986 through 1990. In the event that such cost sharing is not provided under arrangements that are mutually acceptable to the Secretary and the Governor, no further Federal contributions will be authorized after fiscal year 1990.

The final technical amendment provides that the surplus crop production charge shall not apply to crops produced in the 5,000-acre Oakes Test Area for research purposes under the direction of the Secretaries of the Interior or Agriculture. Once this area is no longer needed for research purposes, the surplus crop production charge will be assessed.

Mr. Chairman, these technical amendments have been cleared with the minority, and it is my understanding, there is no objection.

The CHAIRMAN. The question is on the amendments offered by the gentleman from California [Mr. Miller].

The amendments were agreed to.

□ 1100

AMENDMENT OFFERED BY MR. DASCHLE

Mr. DASCHLE. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

> Amendment offered by Mr. Daschle: Page 10, line 3, insert "60 days after" before "the report."

Mr. DASCHLE. Mr. Chairman, I have a simple amendment to offer to this bill. My amendment requires that the report on James River Valley irrigation features mandated in this legislation be submitted to Congress for 60 days before construction of those features can begin. The intent of my amendment is to strengthen the compromise legislation worked out by the chairman of the subcommittee, my friend from North Dakota, and many others.

This amendment will not damage North Dakota's hopes for responsible water development in any way. As a South Dakotan, I fully understand the critical need for water development in semiarid rural States, and I know firsthand about the Federal Government's longstanding commitment to develop water resources in North Dakota and my State.

Over half-million acres of prime farmland was sacrificed with the construction of the four mainstem dams in South Dakota. Like North Dakota, we were promised significant water development in exchange for this extraordinary sacrifice; and, like North Dakota, we have yet to fully realize our dream for Federal water development. So the last thing I intend to do with this minor amendment is endanger the delivery of responsible water development for our neighbors to the north.

Still, certain aspects of this legislation remain controversial among outdoorsmen, conservationists, and farmers in South Dakota. The authors of this legislation recognized our concerns and agreed to thoroughly study these features to ensure that the livelihoods of landowners along the southern reaches of the James are not threatened by the quality and quantity of irrigation flows returned to the James from the Garrison project.

Section 5(c) of this legislation requires that no construction take place on the Sykeston Canal, the James River Feeder Canal, and James River channelization until the full implications of the construction of those features are reported to Congress. The bill calls for a comprehensive report on the precise impact James River Valley irrigation will have on the beautiful James River in North and South Dakota. I strongly support this provision.

As written, the James River Valley irrigation report is required only to be "completed and submitted to the Congress." My amendment simply requires that this critically important report be submitted for consideration a full 60 days before construction of these multimillion-dollar irrigation features are begun. If this body sees the need for the report in the first place, common sense dictates that we should be given ample time to review its findings once it's completed.

I applaud Mr. Dorgan, the subcommittee chairman, Mr. Miller, Garrison project sponsors, national conservation groups, and others for working so hard to work toward a consensus on this difficult issue. Still, questions remain in my own mind about the environmental soundness and economic feasibility of the James River Valley irrigation portions of the Garrison reauthorization legislation.

I anticipate that the report called for in this compromise bill will provide the answers to those remaining questions and lead to an informed final decision by Congress in the near future. I urge the adoption of this amendment.

Mr. MILLER of California. Mr. Chairman, I rise in support of the amendment of the gentleman from South Dakota and commend him for offering this amendment. I think the gentleman has spent time with the committee, drawing our attention to concerns that the people in his State have with the outcome of this project, concerns that they have for the James River area.

I believe this amendment will allow once again for members of this committee and the Congress to focus in and make sure that when the final construction stages of this project go forward, that they do so without any injury or insult to the James River Plain.

Mr. DORGAN of North Dakota. Mr. Speaker, will the gentleman yield?

Mr. MILLER of California. Yes, I yield to the gentleman from North Dakota.

Mr. DORGAN of North Dakota. Mr. Chairman, let me reemphasize, as I have on many occasions to the gentleman from South Dakota [Mr. Daschle] that it is our intention to be good neighbors. We have worked together on a lot of things in North and South Dakota, Congressman Daschle and myself.

It is fully our expectation that the study of the effects on the lower James will guide development. That is precisely why the compromise included the phasing of construction so that construction on the features that would lead to irrigation of the lower James will not be started until after we have that study.

I think the 60-day amendment is a reasonable one. I think it makes sense. I will support it.

Again, as we go through this process, it is the full expectation of those of us in North Dakota to work fully and completely with those of you in South Dakota to make certain that we resolve all these problems.

Mr. DASCHLE. Mr. Chairman, if the gentleman will yield, I thank the gentleman from North Dakota. That is certainly our intent, the intent of this amendment. We will be working with the gentleman from North Dakota and with those in North Dakota to make sure that the successful conclusion of this effort comes about.

Mr. DORGAN of North Dakota. Mr. Chairman, I thank the gentleman.

Mr. DASCHLE. Mr. Chairman, I ask unanimous consent to proceed for 2 additional minutes to engage in a colloquy with the subcommittee chairman.

The CHAIRMAN. Without objection, the gentleman from South Dakota [Mr. Daschle] is recognized for 2 additional minutes.

There was no objection.

Mr. DASCHLE. Mr. Chairman, I would like to engage in a brief colloquy with the chairman of the subcommittee about the intent of the substitute and the required report on the effects of the Sykeston Canal. James River Feeder Canal, and James River channelization on the James River in South Dakota.

Mr. MILLER of California. I would be pleased to address the gentleman's concerns.

Mr. DASCHLE. First, I thank the gentleman for including section 5(c) of this bill, which puts a hold on these James River Valley irrigation features until a comprehensive report on their effect can be delivered to Congress. That section of the bill is supported by

me and by many farmers, outdoorsmen, and conservationists in South Dakota.

I would, however, like to take a moment to clarify the intent of that section. I am concerned that past reports on the effects of Garrison irrigation features have not adequately studied the effects of James River Valley irrigation on the James in South Dakota. Is it the intent of the authors of this legislation that the report required in section 5(c) of this legislation should thoroughly study the environmental and economic impacts on the Sand Lake Wildlife Refuge and the entire southern stretch of the James River in South Dakota?

Mr. MILLER of California. That is clearly the intent. I am quite aware of South Dakota's concerns about the effect of the Garrison project on downstream James River Valley landowners and the James ecosystem in South Dakota. It is my intent that this report fully address those issues as they affect both North and South Dakota.

Mr. DASCHLE. I thank the gentleman and appreciate his assurances. His efforts to address South Dakota's concerns are deeply appreciated.

Mr. MILLER of California. Mr. Chairman, I simply again state my support for the amendment. I know of no opposition and I ask for an "aye" vote.

The CHAIRMAN. The question is on the amendment offered by the gentleman from South Dakota [Mr. Daschle].

The amendment was agreed to.

Mr. DORGAN of North Dakota. Mr. Chairman, I move to strike the last word, and I rise to engage in a colloquy with the chairman.

H.R. 1116 makes the Southwest Pipeline in North Dakota an eligible project to receive municipal and industrial water grants. This project is now in an early phase of construction and substantial amounts of State funds have been invested. Would the State funds already expended upon this project be credited toward the required 25 percent non-Federal share of this and other projects?

Mr. MILLER of California. Mr. Chairman, if the gentleman will yield, I would agree with the gentleman's interpretation. Funds previously expended by the State on the Southwest Pipeline could be credited toward the non-Federal share of the costs of the Southwest Pipeline.

Mr. DORGAN of North Dakota. Mr. Chairman, I thank the chairman of the committee for that assurance. I have another colloquy that I would like to engage in with the chairman.

Mr. Chairman, as many of my colleagues know, most of the land taken for construction of the Garrison Dam and Reservoir came from the Fort Berthold Indian Reservation. The project required relocation of 85 percent of the members of the Three Affiliated Tribes which occupy the Fort Berthold Reservation. Lake Sakakawea, which was created when the Missouri River in North Dakota was dammed by the Corps of Engineers, cuts diagonally across the Fort Berthold Reservation. Similarly, Lake Oahe—part of the Oahe Dam project—is situated on the Standing Rock Sioux Reservation in North Dakota.

I point this out to remind my colleagues that North Dakota Indian tribes made substantial contributions to—and sacrifices for—the construction of Garrison Dam. The Garrison Diversion Unit Commission recognized the massive disruption in reservation life created by the Garrison and Oahe projects. Like the State of North Dakota, the Indian tribes gave up their rich river bottom land which provided the economic base of the Indian farming and ranching community.

The Garrison Diversion Unit Commission recognized that significant Garrison-created problems on these reservations must be resolved as part of the overall settlement of the Garrison controversy. Pursuant to the recommendations of the commission, Secretary Hodel, in September 1985, appointed a five-member Joint Tribal Advisory Committee to study the Indian issues identified by the commission.

The JTAC has not yet completed its work and, therefore, its recommendations were not available to the Interior Committee during its work on H.R. 1116. We anticipate, however, that the committee's final report will be filed by the end of May.

Because the JTAC's findings and recommendations were not available to the House Interior Committee, H.R. 1116 contains what should be described as only the first phase of the Dam. The bill authorizes development of limited irrigation systems on both the Fort Berthold and Standing Rock Reservations, following soil surveys, land classifications, and a determination as to the susceptibility to agricultural crop production as required by the act of July 31, 1953, as amended. In addition, the Secretary of the Interior is directed to construct such MR&I water systems as are necessary for the economic, public health, and environmental needs of the reservations, but an authorization ceiling of $20 million is placed on this undertaking.

We fully expect that the JTAC will recommend enhancement of irrigation and MI&R authorizations for the two reservations that it was empaneled to study. I hope that those recommendations, and all recommendations of the JTAC, will receive the careful attention of the Water and Power Resources Subcommittee chaired by my distinguished colleague from California, Mr Miller. It is my understanding that Chairman Miller intends to schedule hearings on the JTAC report soon after it is filed. On behalf of the Indians of North Dakota, I look forward to working with him and the subcommittee in drafting appropriate legislation after review of the JTAC's recommendations. I see this legislation as the second phase of the resolution of the Indian-related issues created by the mainstem dams. I hope that we can then move this legislation very soon after the hearings are held.

Mr. MILLER of California. Mr. Chairman, if the gentleman will yield, the understanding of my distinguished colleague from North Dakota is correct. The Subcommittee on Water and Power Resources will give early consideration to the final recommendations of the Joint Tribal Advisory Committee. I am delighted that he is going to work with us in fashioning legislation after receipt of this report and in moving that legislation along its congressional path.

H.R. 1116 is, among other things, designed to offset the loss of rich North Dakota farmland for the construction of the Garrison Dam and Reservoir. I believe it is important that all elements of North Dakota society, including its Indian tribes, be properly compensated for this loss. In this regard, I look forward to reviewing the final report of the Joint Tribal Advisory Committee. I expect the chairman of that committee, Gen. C. Emerson Murry, to supply my subcommittee with a copy of that final report when he files it with Secretary Hodel. In this way, the subcommittee can immediately commence work on the second phase of the resolution of Garrsion-related Indian issues.

Mr. DORGAN of North Dakota. On behalf of myself and the Indian tribes of my State, I appreciate the support espoused by my colleague and his commitment to resolving these further Garrison issues.

AMENDMENT OFFERED BY MR. BEDELL

Mr. BEDELL. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

> Amendment offered by Mr. Bedell: Page 19, strike out lines 7 through 19 and insert in lieu thereof the following:
>
> "Sec. 9. (a) Until the construction costs of the facilities authorized in section 8 are repaid, the irrigator shall, by contract with the Secretary of the Interior, agree to pay full cost as defined in section 202(3)(A)-(C) of the Reclamation Reform Act of 1982 (P.L. 97-293; 96 Stat. 1263), for the delivery of project water used in the production of any basic agricultural commodity if the total supply of such commodity for the marketing years in which the bulk of the crop would normally be marketed is in excess of the normal supply as determined by the Secretary of Agriculture.

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"(b) The Secretary of the Interior shall announce the amount of the full cost payment for the succeeding year on or before July 1 of each year.".

Mr. BEDELL (during the reading). Mr. Chairman, I ask unanimous consent that the amendment be considered as read and printed in the RECORD.

The CHAIRMAN. Is there objection to the request of the gentleman from Iowa?

There was no objection.

(By unanimous consent, Mr. BEDELL was allowed to proceed for an additional 15 minutes.)

The CHAIRMAN. The gentleman from Iowa [Mr. BEDELL] is recognized for 20 minutes.

Mr. BEDELL. Mr. Chairman, first of all, let me say that there is no one in this body for whom I have greater regard than my friend, the gentleman from North Dakota, BYRON DORGAN, and rightly or wrongly, I consider him a great friend.

Mr. Chairman, I rise today because I fear that we in the Congress may be shirking a responsibility unless we address one particular part of this legislation.

My amendment, pure and simple, would simply say that people who use Federal water to irrigate crops that are in surplus will have to pay the full cost of that water if they are going to irrigate crops that we are paying other farmers not to grow.

Two of our largest problems at this time would appear to be our budget deficit and the tremendous agricultural surpluses that we face that are such a burden to us. I do not need to talk to this body about the problem with our budget deficit. We have all faced the problem with Gramm-Rudman. We face the problem that we do not have the money we need for health research, for agriculture, for small business, for all the different programs that are important to our society.

I would hope that I would not have to speak about the surplus problem that we have in agriculture. As I serve on that Agriculture Committee, let me tell you, it is not just a problem for us. It is a world problem. You know the cost that we have in trying to take care of that surplus here.

I cannot understand how anybody in this body could say that it makes sense today with the problems we face to pay farmers to grow more crops at the same time we are paying farmers not to grow those very same crops.

Now, it has been brought up, and rightly so, that indeed North Dakota gave up something and they are entitled to some reimbursement and some benefits back. But let me read to you what was in the 1965 Garrison Act as we passed it:

> For a period of 10 years from the date of enactment of this Act, no water from the project authorized by this Act shall be delivered to any water user for the production on newly irrigated lands of any basic agricultural commodity as defined in the Agriculture Act of 1949, or any amendment thereof, if the total supply of such commodity for the marketing year in which the bulk of the crop would normally be marketed is in excess of the normal supply as defined in section 301(B)10 of the Agricultural Adjustment Act of 1938, as amended, unless the Secretary of Agriculture calls for an increase in production of such commodity in the interest of national security.

This provision in the 1965 law recognized that we should not be supplying subsidized water to grow crops that were in surplus. The problem is that the 10-year prohibition has now expired. That was a standard provision that was inserted in dozens of authorization projects at that time.

□ 1115

My amendment is clearly consistent with congressional intent on the Garrison Diversion project as expressed some 20 years ago. The only difference is, my amendment is less harsh. The original law said that you could not deliver any water. My amendment says you can deliver water, but beneficiaries will have to pay the full cost to the taxpayers.

Some people say, "Look, this is unfair because this is a new proposal and it only applies to Garrison." I have here a list of some 43 projects on which the legislation provided that water would not be supplied to provide for the growth of surplus crops.

It is true in many of those cases that it said from 10 years from the date of authorization, and that that term has expired in many of those cases. But clearly, the prohibition has been the intent for some long time. Indeed, in some of these projects, the prohibition is not only for 10 years from the date of authorization; it is for 10 years from the date that the project was indeed completed.

In addition to that, in 1982 during House debate on the Reclamation Reform Act, which has set the water policy for our country, an amendment was adopted. My amendment, which I offered, was adopted here on the House floor by voice vote and read as follows:

> "Notwithstanding any other provision of law, no water from any Federal reclamation project authorized after the date of enactment of this Act shall be delivered within 10 years of the date irrigation water is first made available to construction blocks within such project for the irrigation of any" surplus crop.

We passed that here in the House, clearly showing that that was our desire. What happened was that it went to a conference committee and the conference committee weakened it to say we should have a study. The study was completed, and let me read to you from the study by the USDA's Economic Research Service:

> Reclamation and commodity program goals conflict. The Nation should develop and articulate a policy on the desired linkage between the long-term agricultural capacity needs and the short-term agriculture stability and income objectives.

Further, in the conclusion:

> Requiring farmers who use USBR water to pay full costs for water used on program crops as long as the crop is declared in surplus represents a policy strategy to eliminate one of the subsidies, the subsidy provided by the USBR program.
>
> Under this plan, USBR farmers would be placed on a comparable basis with other program crop producers in the Nation.

I repeat that: They would be placed on an equal basis with other program crop producers in the Nation.

> National production efficiency would be expected to improve, as production would move toward areas of comparative advantage. Program costs would be reduced due to lower production and higher prices. Administrative costs would increase somewhat to insure compliance. The use of full-cost pricing for project water on farms in excess of 960 acres already is a feature of Public Law 97-293.

Clearly, that study pointed out what we are doing is subsidizing water to grow more crops at the same time we are paying farmers not to grow those same crops.

We have a letter, as well, from the Department of the Interior. This is dated March 6, 1986. Let me read from the letter of the Department of the Interior,

> We believe that the time has arrived to remove the SRPA program from Federal interest subsidies. In these times of Federal budget exigencies and large surpluses of agricultural production, we can no longer afford to grant interest-free SRPA loans for irrigation-related purposes.

Let me give an example of this subsidy situation, and I hope my colleagues will catch this, and particularly the gentleman from Massachusetts [Mr. CONTE], because he has been greatly concerned, I think, over some of the costs of our agricultural programs. I would hope the gentleman would listen to this to understand exactly how this would work.

For example, the average-size farm to be irrigated in this bill is 278 acres. The subsidy that the taxpayers will be paying is $300 per acre per year. That means we will be subsidizing the average farmer to the tune of $83,400 to supply him the water each year.

But that is not the biggest part of the problem. The problem is, if he were to grow corn on that land and we have too much corn, then we are going to have to somehow get other farmers to reduce the amount of corn that they grow. The way our farm program works is that we tell farmers, "If you will set aside 20 percent, or one-fifth of your land, we will pay you a payment on the corn you grow on the rest of your land." Therefore, for every 1 bushel of corn we reduce, we have to

pay farmers for producing 4 bushels that they produce on the rest of their land.

The Department of Agriculture estimates that that payment will be $1.11 per bushel. That means that we have to pay $1.11 per bushel for 4 bushels to get 1 bushel reduced, or we have to pay $4.44 per bushel for every extra bushel of corn that has to be reduced. Multiplying by 278 acres, this means that the taxpayers will not only be subsidizing that average farmer for $83,400 each year; they will have to subsidize other farmers $150,338, or nearly twice as much, per year to reduce production to offset the first farmer's increase.

I do not see how we can possibly say that that is the thing to do with the problems that we have at this time in our budget.

We have said that this is a delicate compromise. I understand that. But I hope we understand who made the compromise. This compromise was negotiated between the State of North Dakota and two environmental organizations, the National Wildlife Federation and the National Audubon Society. That is perfectly proper. We should concern ourselves with the environment. I might mention that two other environmental organizations support my amendment, and we have letters to show that, the Sierra Club and the National Resources Defense Council.

But that is not really the issue. The issue is, what is it that we are here to do in service to our people? My contention is that it is not up to us to let the environmentalists and some States decide how we are going to spend our tax money and what is going to happen to our taxpayers. My contention is that that is what we are here for. We are here to determine how money is to be spent. For us to say that we are going to give that duty to two environmental organizations in one State, and then say for every dollar they spend that we are going to have to spend 2 more dollars trying to take care of the surpluses that could be created if they do that simply does not make any sense.

I guess the greatest concern I have is whether or not we are going to decide that it is our responsibility to decide what we do in regard to the expenditures of funds from our Federal taxpayers.

□ 1125

Mr. STRANG. Mr. Chairman, I rise in opposition to the amendment.

Reclamation law currently requires full repayment with the entire Federal reimbursable project investment, without interest in the case of irrigation, during a period generally not to exceed 50 years. Traditionally part of this is paid by the irrigators and the remainder is paid by power customers.

I would reiterate, the remainder is paid by power customers. This committee proposal would add to the irrigator's portion of the repayment a surcharge equal to 10 percent of full cost, as defined in the Reclamation Reform Act of 1982.

This charge would have to be paid solely by the irrigator. In the case of Garrison, for example, this charge would amount to an increase of about 75 percent over the irrigator's currently calculated total ability to pay.

In short, the committee proposal, the compromise before us will be a significant disincentive to the production of surplus crops.

The Bedell proposal would require payment of 100 percent of full cost for irrigation water used to grow surplus crops. This cost would have to be borne solely by the irrigators and would exceed by a factor of at least 500 percent the calculated irrigator's ability to pay.

In short, the Bedell proposal would effectively be a complete ban on the growing of surplus crops on the Garrison project. Unlike traditional agriculture, irrigation projects are long-term development investments.

Additional, dependable production capability which does not depend on weather cycles is desirable for the long term. It should not be made totally contingent on a short-run decision about crop surpluses. However, this will be the impact of the Bedell amendment which may well prevent new irrigation projects from being built in a large part of the West, and possibly force abandonment of existing projects at contract renewal.

The Bedell amendment will effectively destroy the Garrison compromise. It will, therefore, prevent this project from providing important benefits to the local and national economies by using a scarce resource, water.

I should not have to point out to anybody from the Midwest or the Farm Belt that the farm community is in trouble. This bill is antifarm, antihomestead, this measure, this amendment, antifarm, antihomestead, and antiopportunity.

The opportunity to use less land to grow the same amount of crops should be regarded by anybody from Iowa as an absolutely magical proposal. To take away this opportunity under a shortsighted attempt to talk about the surplus problem, when, in fact, we are getting at the surplus problem with our current farm legislation, is to deny those farming communities and those families in North Dakota, the opportunity for a future and for opportunity.

I think the amendment is very damaging and strongly oppose it.

Mr. BEDELL. Mr. Chairman, will the gentleman yield?

Mr. STRANG. Mr. Chairman, I yield to my friend, the gentleman from Iowa.

Mr. BEDELL. Mr. Chairman, the gentleman talked about the short run surpluses. Does the gentleman believe that our agricultural surpluses are short run?

Mr. STRANG. The agricultural surpluses have been long run. I believe the direction of our farm policies are going to make them shorter run; I certainly hope so.

Mr. BEDELL. If the gentleman will yield further, our farm policies try to control those surpluses by paying farmers not to grow crops. Is that not correct?

Mr. STRANG. I think perhaps it is correct. I do not think it is germane to the gentleman's amendment nor to my comments.

Mr. BEDELL. Will the gentleman yield?

Mr. STRANG. I yield further to the gentleman from Iowa.

Mr. BEDELL. The gentleman said that the farm community is in trouble because of surpluses.

Mr. STRANG. My remarks to the gentleman and to this body, to the Chair, were directed at the problem that the farm community does not need one more hammering by withdrawing opportunity from that community. This particular amendment takes away opportunity.

I do not think I want to do that to the Farm Belt, nor do I think this body does.

Mr. BEDELL. Mr. Chairman, will the gentleman yield further?

Mr. STRANG. Mr. Chairman, I yield to the gentleman from Iowa [Mr. BEDELL].

Mr. BEDELL. At least I think the Agriculture Committee would tell you, and I think the farmers across the country would tell you that indeed our farmers are in trouble and they are in trouble because of surpluses. If the farmers are in trouble because of surpluses, then this gentleman thinks that it does not make very much sense to spend taxpayers' money to increase those surpluses.

This gentleman's amendment is simply an effort to improve the bill. I do not see how Members can very well sit here and say that we think it makes sense to spend taxpayers' money to increase our farm surpluses at a time when we are also spending large amounts of taxpayers' money to reduce those surpluses.

The CHAIRMAN. The time of the gentleman from Colorado [Mr. STRANG] has expired.

(On request of Mr. BEDELL, and by unanimous consent, Mr. STRANG was allowed to proceed for 5 additional minutes.)

Mr. STRANG. Mr. Chairman, I further yield to my friend, the gentleman from Iowa [Mr. BEDELL].

Mr. BEDELL. Mr. Chairman, does the gentleman feel that when he

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talked about the 10-percent disincentives, does he believe that 10-percent disincentives would, indeed, prevent irrigators from using irrigated water to grow crops that are not surplus?

Mr. STRANG. Mr. Chairman, with all due respect to my friend from Iowa, I find his arithmetic a little bit voodoo and since the Socratic manner is not an opportunity in which two can engage simultaneously with any profit, I would ask the gentleman if any farm groups support the Bedell amendment?

Mr. BEDELL. Mr. Chairman, I do not think the farm groups support it or oppose it. I have certainly not contacted any. I do not know that the farm groups even know that this is an issue. I think this is an issue that should be addressed by us in the Congress.

I think it is an issue of how we spend our money.

Would the gentleman want to answer or not, I do not trying to press you, does the gentleman believe that the 10-percent disincentive would cause farmers not to grow crops that are not surplus?

Mr. STRANG. In response to the gentleman's question, reclaiming my time, I would say that that disincentive, yes, would help. I would also point out that these are very long projects. Garrison is for all time. This is a final solution. These disincentives, coupled with a trend away from subsidies in our farm policies, will provide those people with an opportunity for a small portion of the promises made by this Government 40 years ago. This amendment, unintentionally, wreaks great havoc to that promise.

Mr. DORGAN of North Dakota. Mr. Chairman, will the gentleman yield?

Mr. STRANG. Mr. Chairman, I am happy to yield to my friend, the gentleman from North Dakota.

Mr. DORGAN of North Dakota. Mr. Chairman, is it the gentleman's understanding that this surcharge which exists in this compromise is the only surcharge of its type in the United States? In other words, with all of the reclamation out there, with all of the irrigation from these reclamation projects that exists, we have agreed in this compromise to impose a surcharge and it will be the only surcharge that exists. The surcharge is 10 percent.

What the gentleman from Iowa is suggesting is that in this instance where the only surcharge will exist, 10 percent is not satisfactory; it must be 100 percent of less than 1 percent of all of the irrigation in the western part of the United States. Is that not exactly what we are talking about?

Mr. STRANG. That is my understanding. I would point out that, for example, you cannot resolve all the surplus problems in agriculture in the United States on the backs of the citizens of North Dakota, nor is it a good place to start.

Mr. BEDELL. Mr. Chairman, will the gentleman yield further?

Mr. STRANG. I am happy to yield to my friend from Iowa.

Mr. BEDELL. Mr. Chairman, the gentleman has made a point that this is a new thing in terms of charging a charge for the use of that water, 10 percent of the cost, but it should also in fairness be pointed out that there are a number of projects where it is absolutely prohibited from using water for surplus crops production. It seems to me that telling them they have to pay the cost of the water is much less onerous than telling them they cannot use the water no matter what.

Mr. STRANG. Mr. Chairman, reclaiming my time, I would offer by way of response the comment that this amendment, if passed, will simply deny them the opportunity to use the water ever.

Mr. BEDELL. Mr. Chairman, will the gentleman yield further?

Mr. STRANG. I am happy to yield to my friend, the gentleman from Iowa [Mr. Bedell].

□ 1140

Mr. BEDELL. Will the gentleman yield further?

Mr. STRANG. I am happy to yield to my friend.

Mr. BEDELL. Because I want to be quite clear as to, because that was confusing, I felt, a little bit yesterday in our debate in regard to the taxpayer cost. It was brought up that the electric users would have to pay 85 percent of the capital cost of the project.

The gentleman does agree, does he not, that when the Government goes and borrows money for this project, the Government is going to have to pay interest on the money it borrows to construct the project. Does he agree to that?

Mr. STRANG. I would agree to that.

Mr. BEDELL. And I assume the gentleman agrees that in this bill there is no interest cost to anyone; that they only have to pay the capital cost. So the taxpayers are going to have to subsidize each year the interest cost on that capital cost.

If we have got $700 million of investment and if the interest cost is 6.5 percent, which I was advised has been the rate on short term government securities, that is $45.5 million, which is $350 per acre per year that we will indeed, that taxpayers will be subsidizing to cover the interest cost on the investment.

Mr. STRANG. If I might reclaim my time on this matter. Those are statistics which will not be borne out, because they choose to ignore the return to the Government from productivity. That is always left out of these arguments; there is always this austere argument that the Government is simply having to pay.

I reject that argument, and I furthermore feel that this body has got to recognize an absolutely magnificent compromise made.

(By unanimous consent, Mr. Strang was allowed to proceed for 1 additional minute.)

Mr. STRANG. A compromise which is supported by the strongest traditional opponents of this project. That has to send a message. We are a nation of compromise. We are also a nation of heart, and I think that to pull the rug from under the people who have relied on something out of Garrison for 45 years, would be a tragedy to the farm community.

Mr. BEDELL. Mr. Chairman, I ask unanimous consent that the gentleman have 2 additional minutes.

Mr. STRANG. Mr. Chairman, I yield back my time.

The CHAIRMAN. The gentleman does not desire the time.

Mr. DORGAN of North Dakota. Mr. Chairman, I rise to strike the last word.

Mr. Chairman, I rise in opposition to the amendment and would like to say, this is a case of creating a condition and then debating that condition with yourself. This is not a debate, I believe, that the gentleman from Iowa is having with me or with the chairman of the subcommittee. We happen to agree, philosophically, with the sort of thing the gentleman is saying.

The facts the gentleman are alleging are not necessarily the case. The facts that he suggests or implies are that we are going to have a lot of land that is not now currently producing surplus crops go into the production of surplus crops, which is going to disadvantage some farmers someplace else. That is not the fact, and I will describe that in just a moment.

The gentleman has said, in supporting his amendment, that his intention is to try and move away from the production of crops which are in surplus. We agree. That is why in this compromise, there is a 10-percent surcharge on surplus crops. That is, water used to produce crops that are declared in excess of surplus is subject to a 10-percent surcharge.

The gentleman from Iowa will readily admit that that condition does not exist anywhere else; it does not exist in other States in the western reclamation areas; it exists only in this compromise.

Because we philosophically agree with what he is trying to do—but it is interesting to me to note that what he is trying to do with his amendment, in my judgment, is exactly the opposite of what he is telling us on the floor. That is, the result of his amendment will in my judgment lead to more production of crops that are in surplus or excess.

Let me explain why, just for a moment. The gentleman from Iowa knows, because I told him the other day, that the land that is going to be irrigated in North Dakota with this reformulated project predominantly at this point does grow crops that are in surplus or excess.

The gentleman also knows, because I told him a couple of days ago, that of the private irrigation in North Dakota at the present time, 90 percent of it is nonsurplus crop irrigation, because largely the surplus crops; the corn, the wheat and so on, do not lend themselves to the kind of irrigation practices that the gentleman is alluding to.

In fact, what we are raising are forage crops, alfalfa; we have the capacity for dry, edible beans—the crops that are not program crops in the USDA Program. Now, it seems to me that the gentleman from Iowa is here on the floor because he would want more of that land that is to be irrigated to move from surplus crops into nonsurplus crops; forage crops, specialty crops, I assume dry, edible beans and so on. I assume that is the gentleman's intent.

If that is his intent, it seems to me he would want to allow the flexibility for farmers to move from their current production approaches to the ability to produce those forage crops and edible beans, and in order to do that, obviously to get the irrigation apparatus, to get the kind of structure you want in the economy, perhaps some bean processing plants and so on; you have got to have some time, some interval to accomplish that.

I think what the gentleman is saying is immediately there is a 100-percent penalty that exists if this amendment passes; and I say to the gentleman from Iowa that what that means is that in the long run we are not going to have irrigation. In the long run, if we do not have that kind of irrigation in those areas, they are going to produce what they are now producing; those are crops that are in surplus.

So I think that the amendment the gentleman raises simply defeats the purpose the gentleman expresses.

Let me make one other point, if I might, Mr. Chairman. This is the wrong place for the gentleman to be trying to make this policy; and I think he admitted that the other day. This is the wrong place to make that policy. The gentleman says it is the only place. It is a convenient place, but it is the wrong place.

If the gentleman's policy is to say that those who use irrigation water in parts of this country should never be able to use irrigation water with respect to crops that are declared in excess of surplus at some given time; and yes, this excess or surplus crop is temporary; anybody who does not believe that I think has not studied the world food supply situation.

If the gentleman from Iowa really wants to press his point and apply some uniform, fair standard—at least fair in his mind—to irrigated acres through the Bureau of Reclamation, then do that; but do not do it here on less than 1 percent of the irrigated acres with a 100-percent fee—that is not reasonable.

It is not reasonable at all, in my judgment, and not appropriate.

Again, I think the gentleman will do exactly the opposite of what he is standing here today telling us he intends to do.

So, my friends, I would suggest that we dispense with the Bedell amendment, defeat the Bedell amendment, retain in this legislation a 10-percent surcharge which will exist as the only surcharge on any of these reclamation project irrigation features in this country; and I think that is a very reasonable approach; it was a hard-fought compromise.

(On request of Mr. Bedell, and by unanimous consent, Mr. Dorgan of North Dakota was allowed to proceed for 4 additional minutes.)

Mr. BEDELL. Will the gentleman yield?

Mr. DORGAN of North Dakota. I yield to the gentleman.

Mr. BEDELL. I particularly appreciate the opportunity to be heard, Mr. Chairman, because the last thing I would want to do is appear to be trying to single out my good friend from North Dakota.

The fact is, that in my amendment, which in 1982 did pass with a uniform standard that went further than this—it said "you can't even use water for that." Unfortunately that was knocked out in the conference committee. The House supported that and agreed to that.

This is the next bill. If it had been any other bill, I certainly would be doing the same thing. This is the way the project works, and this is what we have to do.

Mr. DORGAN of North Dakota. If I might reclaim my time. The gentleman will admit, of course, that to have a project exist that has a 100-percent penalty with less than 1 percent of the irrigation and all the rest of the 99 percent of the irrigation have no penalty seems a contradictory policy.

At least the result, if the gentleman's amendment passes, would be to create a terribly uneven situation. Would the gentleman admit to that?

Mr. BEDELL. Yes. I guess the question is, if something is wrong, should we correct it, or since it has been wrong, should we say we are going to keep doing it wrong for the rest of our lives? My opinion is that we should correct it.

Will the gentleman yield further?

Mr. DORGAN of North Dakota. Yes, I will be glad to yield.

Mr. BEDELL. Does the gentleman believe that 10 percent would stop growing of surplus crops?

Mr. DORGAN of North Dakota. Well, we talked about that the other day. In my judgment, the 10 percent will largely impede the irrigator from growing surplus crops, yes.

Mr. BEDELL. See, if it would stop it, it seems to me then we ought to have decent water policy which I would feel is 100 percent, and not have the taxpayers have to subsidize to grow crops, at the same time we are paying not to grow them, if that is the case.

If I can go further, the gentleman said that he needed time. How long will it be until this thing is completed and people start getting water from this project?

Mr. DORGAN of North Dakota. Let me reclaim my time. The gentleman creates a case and then beats it over the head, and it is not a case at all. The case is not that we are going to have acres and acres of irrigation in the Lower James of North Dakota that is going to produce surplus crops.

That is not the case, and so you can create that and debate it and beat it, but it is not the case.

What I was trying to say to the gentleman earlier is that a 10-percent surcharge, in my judgment, is a very reasonable approach; one that does single us out, and one that the gentleman nodded his head affirmatively to that is probably an uneven policy to single us out; but one, nonetheless, that we accept.

Mr. BEDELL. If the gentleman will yield further. I am told the Garrison Study Commission projected for dry land farming in the South, 39-percent surplus crops; and with irrigation, it would be 75 percent. In the North, 25 percent going to 60-percent surplus crops.

□ 1150

Mr. DORGAN of North Dakota. I can tell you the preponderance of the crops grown now in areas that will be irrigated are crops that are declared to be in excess. I can also say the crops grown on land that is irrigated in North Dakota is like 90-percent nonsurplus crops. Most of the experts I have talked to indicate that the crops that will be grown on this irrigated land will be forage crops such as alfafa, such as dry edible beans, specialty crops that people can move in and out of. The last thing, I think, in the world that our farmers want to do is raise more crops that are in surplus that have a low price attached to them. A low commodity price does not get you much when you go to the country elevator. Your farmers in Iowa, I am sure, do not want to produce crops that are in surplus and

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find out when they harvest and sell them they do not get any money.

The gentleman from Colorado said this is a compromise. Well, it is a compromise of a lot of things. The State of the gentleman from Iowa, and he knows this well, his State has received substantial benefits from this project. He has never been down to the floor lauding that or complaining about it. It is part of what we do as neighbors. We build a project, some people get benefits, other people get costs. But all of us were promised, and this is part of the benefits structure that we were promised. In putting this together, we decided there were people like the gentleman from Iowa who felt very strongly about the surplus crop issue. We could not come out with a compromise that said let us have no surcharge. In fact, we created a surcharge and much to the consternation of some people around here, incidentally, who do not want to see a surcharge. But we created one and it is the only one that will exist.

Mr. STANGELAND. Mr. Chairman, I move to strike the requisite number of words, and I rise in opposition to the amendment.

Mr. Chairman, I rise in opposition to the amendment offered by the gentleman from Iowa.

This proposal to amend the project helps fulfill a commitment made to North Dakota over 40 years ago.

Perhaps no reclamation project has been the subject of as much study and restudy as the Garrison diversion project.

During the most recent formulation of the project, all points of view; Federal, State, local, agricultural, and evironmental, were carefully considered.

After consideration, all points of view were welded into the compromise package which is embodied in H.R. 1116 and is supported by all affected interested parties.

The project would be significantly scaled down in scope while cost-sharing requirements and fish and wildlife mitigation features would be significantly increased.

The scaled-down project represents a savings of $800 million below the current authorized project and $2.6 billion less than the project as originally authorized.

The project, as scaled down by H.R. 1116, already requires higher cost sharing than is currently required for other reclamation projects.

A key feature of this higher cost sharing is a 10-percent surcharge for farmers using irrigation water for surplus crops.

If H.R. 1116 is approved, Garrison will be the only project in the country with a surcharge for irrigation water used for surplus crops.

The surcharge not only supplements the existing cost sharing requirements of Federal reclamation law but provides a major incentive to farmers to grow nonsurplus crops.

As a farmer myself, I can assure you that a 10-percent surcharge for water provides a tremendous incentive to grow nonsurplus crops.

Increasing the surcharge will have the effect of discouraging a change away from surplus crops.

In order to shift to nonsurplus crops, farmers need time to allow for crop rotation and the purchase of different farm and irrigation equipment.

Irrigation water needs to be available and in place in order to make it possible to shift to nonsurplus crops.

A 100-percent surcharge will result in farmers not using irrigation water and continuing to farm as before.

If this amendment is adopted, it will not kill the project—it will kill the compromise—a compromise that greatly reduces the scope and cost of the project.

Good projects make good neighbors. We in Minnesota, Iowa, South Dakota, and other States in the region have benefited from the electricity, navigation and flood control benefits of Garrison.

It is time the citizens of North Dakota, who gave up five counties worth of their land, should derive at least a portion of the benefits from the project.

I note that the Interior and Insular Affairs Committee carefully considered the gentleman's amendment but rejected it by a 4-to-1 margin.

I urge my colleagues in the House to do likewise.

Mrs. SMITH of Nebraska. Mr. Chairman, I move to strike the requisite number of words, and I rise in opposition to the amendment.

Mr. Chairman, I rise to oppose the Bedell amendment to H.R. 1116 to require producers to pay full cost of water from the Garrison diversion unit as a condition for producing corn and other basic program crops designated by the U.S. Department of Agriculture.

The issue that accompanies all water-project legislation is under what terms and conditions shall the United States continue to develop its water resources.

Yes, we have surpluses now. Yes, agricultural land is a glut on the market. Yes, we have a budget deficit.

But the world is living hand-to-mouth. Surpluses of commodities and of land could disappear over night. It could stop raining in the incomparable Midwest.

The Garrison diversion unit and the O'Neill unit are not isolated projects, although they must stand on their own merits. They are, additionally, part of the mighty 10-State Pick-Sloan Missouri Basin Program. This program, begun in the 1940's is a long-range development program of water planning.

It contemplates the construction of about 150 water projects such as the Garrison and O'Neill projects, but some were designed for flood control, some for navigation, some for recreation, for municipal and industrial water supplies, and, yes, some for irrigation.

The intent of the Interior Committee in bringing forth this compromise bill at this time is to establish certain new precedents in this project that could be made applicable to other water projects not yet constructed.

Because Nebraska has reached a new consensus on a major water project in our State, a project known as the O'Neill unit, I am deeply concerned how the House disposes of this bill that reformulates and reauthorizes Garrison.

If Garrison is the stalking horse for other projects in other States, then Nebraskans must examine this legislation with care because the fate of the O'Neill unit, as would be modified in my bill, H.R. 1590, could well be decided also by the fate of Garrison.

Frankly, I am deeply opposed to any restriction on production of surplus crops in Federal water projects because it is unfair. It is unfair because similar restrictions do not yet exist in other Federal water projects. It is unfair to make national policy on a project-by-project basis. Policy should be made by the Congress in the usual way—by passing comprehensive, broad-based legislation that includes policy determinations affecting all producers everywhere.

Nevertheless, on the floor today, here, now, the committee has brought forth a bill that proposes to penalize producers in the Garrison project by an amount equal to 10 percent of the full cost of water produced in this Federal project. The committee rejected an amendment to eliminate this unfair provision. And it also rejected the Bedell amendment, which, of course, is far, far more unreasonable and unfair than the provision already in the bill.

So, the reclamation States, like Nebraska, are supposed to be glad that the surplus crop production surcharge is "only" 10 percent of full cost and not some higher figure.

I oppose the Bedell amendment because it is so bad and not because what is in the bill as presented to us is so terribly attractive.

We are seeking modification of the project in my State, the O'Neill unit.

Now, in this bill modifying the Garrison diversion unit, we in Nebraska can see the handwriting on the wall. This restriction on crop production is not and never will be on our agenda. It is an issue being forced upon the reclamation West by people who lack full understanding of the mystical importance of water in areas that do not have much precipitation compared to more fortunate regions of the East and Midwest.

Here in the House, which is increasingly dominated by urban-based Members, we have an increasingly tough job of education and reeducation with respect to water resource development in the United States.

We are building a 100-mile-long subway here in Washington, DC, for an amount approaching the $15 billion total investment in the reclamation West over the last 80 years. And that subway will never produce anything—surplus or otherwise—besides a spiraling operating loss that is projected soon to be an annual $300 million. And it is not even finished yet.

We are recommissioning battleships, which some experts say are totally obsolete and of only limited use, at costs in excess of what our O'Neill unit will cost, and, not far, I assume, from what Garrison's completion will cost.

And we are building the subway and fixing up the battleships with almost no outcry or clamor about the wisdom of such large public investments.

Yet, water projects, which produce food, make efficient use of water and return much of it to original sources, and create tax revenues, jobs, and other economic benefits—water projects are reviled as wasteful, pork-barrel political payoffs to Members of Congress.

I ask you what Communist country would not gladly exchange their system's discredited, inefficient agricultural disasters for our system. What sub-Sahara land, and Ethiopa, would not sacrifice its gross national product for our water resources development complex?

The Bedell amendment eventually would stop U.S. water development dead in its tracks if it is approved by the Congress and then becomes the pattern for other water projects.

The reason is simple. Farmers still have free choice in this country. Under Federal law, Federal water projects must have local sponsors capable of contracting for repaying part of the construction costs.

Under State laws, local sponsors can organize themselves into irrigation districts with taxing powers. But, in most States, farmers may petition out of these districts. They don't have to be in the the water project if they don't want to be.

At full cost, which in the case of the O'Neill unit would be around $300 per acre per year for 40 years, what farmer in his right mind would sign up for the project water?

Even at 10 percent of full cost, or $30, I question whether O'Neill unit producers would, under present circumstances, sign up for the project.

In my view, it makes little sense to set a flat "surplus crop production charge" for 10 percent of full cost before knowing, with respect to O'Neill, at least, how much the project will cost or when it may be completed. Far wiser, I say, would be to make the 10 percent a ceiling figure, instead of the bill's imperative directing a charge "equal to 10 percent of full cost * * *."

I wish to associate myself with the arguments against the Bedell amendment in a letter to Members dated April 22, 1986, and signed by the gentleman from North Dakota [Mr. Dorgan] and the gentleman from Minnestoa [Mr. Stangeland].

I agree that the proposed amendment would destory the hard-won compromise on the Garrison project. I agree, for now, that we will have to accept the 10 percent.

And while I urge my colleagues to reject the Bedell amendment and approve the committee bill as presented to the House, I serve notice that I will oppose the inclusion in my bill, H.R. 1590, modifying the O'Neill unit in Nebraska, of not only any provision requiring full-cost penalty but any crop restriction at all.

If such a restriction is forced onto my bill, I will thereupon seek the guidance of my State's water policymakers and local sponsors as to whether to proceed further.

To reiterate, Mr. Chairman, I oppose the Bedell amendment, and I ask the House to reject it.

Mr. PETRI. Mr. Chairman, I move to strike the requisite number of words, and I rise in support of the amendment.

Mr. Chairman, first to all, I would like to begin by commending the people who were responsible for negotiating out the bill that is before us. It is a very good bill, and I urge commendation of this House for them finally breaking a logjam which we have had in this area for quite a while, and getting it behind us.

Mr. Chairman, the author of the amendment, our beloved friend from Iowa, Mr. Bedell, has decided to retire at the end of this session, his amendment will improve this bill.

Mr. Chairman, I rise in support of the gentleman's amendment.

I am aware that penalties for surplus commodity production are already in the bill. However, I have my doubts that the bill's penalties are severe enough to ensure that the newly irrigated lands won't be used for surplus crop production. There is no reason the Federal Government should provide any irrigation subsidy to farmers who use these lands for producing surplus commodities.

Farm programs are costing the taxpayers billions of dollars a year. It seems to me that we should make every effort to make sure that other Government programs don't result in increased production of commodities that are already in surplus. This gentleman's amendment gives us the opportunity to do just that.

The new farm bill established a huge conservation reserve under which we will pay farmers to take 40 million acres out of production over the next 5 years, in addition to the millions of acres of annual set-asides under the wheat and feed grains program. It would be ridiculous for us to turn around and pay irrigation subsidies to farmers in North Dakota for bringing new land into production of those surplus crops.

If a farmer still wants to produce these crops, let him pay the full costs of production as farmers in other States do. Let's make sure we aren't spending the taxpayers money to add to the surplus with these newly irrigated lands when we're already spending their money to reduce it. I urge my colleagues to support the amendment.

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Mr. BEDELL. Mr. Chairman, will the gentleman yield?

Mr. PETRI. I yield to my colleague from Iowa.

Mr. BEDELL. Mr. Chairman, I thank the gentleman for his statement.

I would like to point out just one or two things. First of all, the House clearly has spoken on this issue in 1982 when we passed in the House a provision with regard to water policy that said you simply will not deliver water for surplus crops. This is less onerous than that. And the only way we are going to get it if that was knocked out is each time come through and keep it in, since the House has already spoken. This is an effort to comply with what the House has already said.

The biggest concern that this gentleman has goes way beyond the cost of the subsidy for growing crops. It is that it will cost us about $2 more in additional subsidy to get other farmers not to grow those crops that we are paying farmers to grow.

Mr. STRANG. Mr. Chairman, will the gentleman yield?

Mr. PETRI. I yield to the gentleman.

Mr. STRANG. Mr. Chairman, I respect the gentleman's arguments, and I understand that nobody in this body, and would agree nobody in this body wants to participate in a plan which would simply have the Congress in the position of stimulating vast acreages of already surplus crops.

Mr. Chairman, I would ask my friend to listen to the words of our colleague from North Dakota, who pointed out that when you can put irrigation into a community and you have a community in which the only crops available are surplus crops because it is dry land, you cannot reasonably expect the crops to come irrigation to be surplus crops out of the self-interest of the farmer.

This particular amendment takes away from the farmer the opportunity cost which he simply must have to get through this greatest crisis in 50 years.

Mr. ROEMER. Mr. Chairman, will the gentleman yield?

Mr. PETRI. I yield to the gentleman.

Mr. ROEMER. Mr. Chairman, I thank the gentleman for yielding to me.

Mr. Chairman, like a lot of Members, I am caught in a difficult spot; first, because of my respect for the work done by Mr. Dorgan of North Dakota and others. I mean, Congressman Dorgan is one of the bright present and future leaders of our country, and I am sure of North Dakota. I respect the gentleman a great deal. And between the gentleman from Iowa [Mr. Bedell], who I hate to see leave this body. The gentleman adds a great deal to our common sense.

But the question I have in listening to the debate today is if we do not want to pay farmers to grow surplus crops or to subsidize them, why do we not prohibit that in the bill? I think that is what the gentleman from Iowa [Mr. Bedell] has tried to do.

Everyone says we are opposed to subsidizing the growth of surplus crops. Why do we not make that point?

Mr. MILLER of California. Mr. Chairman, I move to strike the requisite number of words, and I rise in opposition to the amendment.

Mr. Chairman, let me say to Members of the House that I have stood with my colleague, Mr. Bedell, in the last 12 years trying to reform reclamation projects. I have participated in and led fights against projects since my first year in this Congress that I felt were boondoggles, that I felt were pork barrel, that I felt did not meet the public interests.

The Garrison project was one of those projects. I voted many times against it, because I felt that it could not be justified.

A couple of years ago, the Appropriations Committee decided that they would make one last chance, that they would send this project back to the people of North Dakota, that they would send this project back to those people who were divided about it, to the Canadians, to the environmental groups, to those who were concerned about the local economies, to those who were concerned about the economies of this project, and see if they could reformulate it.

The commission reported this project. We took that commission, massaged it further, made further reforms, made it even tougher than that commission, and brought this project at the mandate of the Appropriations Committee to the floor of this Congress.

The provision that we are now arguing over, for those who are new to this fight, let me say is a major reform. The gentleman from Iowa [Mr. Bedell] is correct when the gentleman says the previous law had a restriction on the delivery of subsidized water to newly irrigated land. But the people who put that in put it in for window dressing. They put it in to convince Members of Congress that somehow when we started irrigating lands in the fifties and the sixties in California that that would not hurt southern cotton, that that would not hurt crops in the southeastern part of the United States.

But do you know what? It never went into effect because it said it was from 10 years to the date of enactment of the bill, and it took longer than 10 years to build each and every one of these projects. So, in fact, it was window dressing.

Then we tried, and Congressman Bedell introduced in the Reclamation Reform Act of 1982, a provision that would have tried to do the same thing in that bill. That was rejected by the House and the Senate in the conference report of the Reclamation Reform Act.

What we have here is the first real opportunity to reform the manner in which we deliver subsidized water in major Federal reclamation projects. It is my very honest belief, and I say this to Members of the Congress who I am asking to vote for this, that I am using my capital with and my credentials, as one who has participated in this fight, that this provision would not allow for the growth of those subsidized crops because the farmer would not find it in his economic interest to do so.

This is a substantial surcharge. This is over and above what the farmer will have to pay for the full repayment of this project back to the Federal Government. And that surcharge, certainly in this farm economy and in any farm economy that we see in the future, is the deterrent.

I think you have already heard a number of people speak against the Bedell amendment, and also speak against the committee, because they understand what we are doing. We are playing for keeps in this bill. This is a 10-percent surcharge when those crops are declared surplus.

I agree, and I have fought projects in my own State. I have fought with my colleagues from my own State with projects that they have, because I did not believe we should be doing what Congressman Bedell has pointed out here. I believe that this is a deterrent. This is not some kind of window dressing to get you all to vote for it. This is not some kind of effort to pretend like we are doing something to be hard on this part when we are not. What we are doing here is a major, major redirection.

It is like what we have in some of the public works bills with local cost sharing. What we are saying to this farmer is, you want to participate in growing surplus crops with federally subsidized water, you are going to pay a penalty. You are going to pay a fee, and we believe in structuring this fee, given the cost of this project, that that will be a deterrent to that decision by that farmer.

Now I think that that is the best we can politically do, and that is far different from anything that has happened in either the Senate or the House in the 12 years I have been here with respect to reclamation.

Garrison provides us the opportunity to do that. It is the granddaddy of the water projects at this time. It is one that has been controversial. Let me say that it was not an easy time getting people to agree to this. But I think they also understand our own problems here in terms of the Federal budget. They also understand the farm economy and the weakness there. They understand the competition from farmers in other areas.

The CHAIRMAN. The time of the gentleman from California has expired.

(By unanimous consent, Mr. Miller of California was allowed to proceed for 2 additional minutes.)

Mr. MILLER of California. They understand the competition from farmers in other areas who do not want to see this kind of competition. We believe that this will withdraw that.

We had a provision in California. But do you know what? It never went into effect either there, because by the time the Department of Agriculture had made its determinations in surplus crops, the farmers had already made their investment. Then they were told after the fact, so it was continuously waived for 10 years.

This one is real. This one is real. It is up front. And I think it is a correction in policy that has been badly needed over the years.

Mr. BEDELL. Mr. Chairman, the gentleman does agree, does he not, that in 1982 the House passed legislation that said that surplus water will simply not be delivered for the production of surplus crops? Does the gentleman agree to that?

Mr. MILLER of California. I agree with that, and I believe that I supported that amendment by the gentleman.

Mr. BEDELL. And the gentleman does agree that there are projects at this time on which that is in effect, does he not?

□ 1215

Mr. MILLER of California. None that I know of.

Mr. BEDELL. Well, let me read them to you. The San Juan Channel, initial stage, in the Colorado River project, the Navajo Indian—you have the list there, I think. The one's and two's are projects in which the surplus crops cannot be grown for 10 years after.

Mr. MILLER of California. Let me say to the gentleman that the Reclamation Reform Act carries with it—

> Notwithstanding any other provision of this law in the case of Federal reclamation projects authorized before the date of enactment, any restriction prohibiting the delivery of irrigated water for the production of excess.

That is my whole point, that that act in fact was not real, that in fact it did not prevent what you and I tried for years to prevent from happening. And I believe an upfront surcharge, in fact, will meet that goal that you and I have fought for in the Congress and that it is your goal today in offering your amendment. I think, in fact, this is the politically palatable way that you can do it without the absolute prohibition. I think the result is the same.

The CHAIRMAN. The time of the gentleman from California [Mr. Miller] has expired.

(On request of Mr. Bedell and by unanimous consent, Mr. Miller of California was allowed to proceed for 2 additional minutes)

Mr. BEDELL. Does the gentleman agree that in this proposal, as it is in the bill, that farmers would pay 10 percent of the cost of delivering the water and the taxpayers would pay 90 percent; is that correct?

Mr. MILLER of California. That is not the case. The farmers are going to pay full O&M, as the Reclamation Reform Act requires, and then the farmers are going to pay an additional fee based upon—we needed to come up with what we thought was a dollar amount that would work as a disincentive. And it is a fee, it is not related to the notion that there is 100 percent subsidy and the farmer agrees to pay 10 percent of it. That is not what is happening here. I know that is the argument that the gentleman has made in the past.

This is a surcharge, it is based upon 10 percent of the cost of the delivery of the water, which is based upon the cost of the project, and in this case that is a very, very substantial fee. Again I will say I believe it is a disincentive.

Mr. BEDELL. If the gentleman will yield further, it seems to me it is important that we have this clear, that the farmer is going to pay 10 percent of the cost of delivering the water.

Mr. MILLER of California. No.

Mr. BEDELL. Of the interest cost of delivery of the water.

Mr. MILLER of California. No. The irrigation districts that contract with the Federal Government, should they decide to go ahead and build this project, should they decide that they can afford it—and that is up to some question right now, in this farm economy—should they decide, they will prepay the cost of this project. They will do that over a 40- to 50-year period in doing so.

It is like highways and airports. What we are saying is that in the case that where those farmers then want to engage in the farming of crops that are in surplus, they will pay an additional fee beyond what would ordinarily be charged in terms of the operation and maintenance repayment of this project over the 40-year life of the contract or 50-year life of the contract.

The CHAIRMAN. The time of the gentleman from California [Mr. Miller] has again expired.

(On request of Mr. Bedell and by unanimous consent, Mr. Miller of California was allowed to proceed for 4 additional minutes.)

Mr. BEDELL. If the gentleman will yield further, I guess the issue is, it seems to me, if the 10 percent would prevent farmers from planting surplus crops, as the gentleman thinks it would, the 10 percent, then does it not make sense to say that we are going to remove the taxpayers from having to pay part of the cost, because if you are going to accomplish it, anyway, what is wrong with having water policy that clearly says that we do not think it is right to subsidize farmers to grow at the same time we are paying farmers not to grow crops?

Mr. MILLER of California. Let me ask the gentleman the reverse of that question: What is wrong is if this accomplishes the water policy you want to accomplish that we do not do it this way, what is wrong with doing it this way when in fact it will accomplish the same goal? As has been pointed out here by a number of people in the tortured path of this bill to the floor, the tortured path of this project is that this is a compromise, and you have to allow some people to walk away with some face, understanding the obligations that they have undertaken, the changes that they have agreed to, and you have to have them have the ability to hold their heads up.

We believe this does that while at the same time accomplishing the very purpose the gentleman is raising.

Mr. BEDELL. The gentleman asked me a question, so may I reply?

Mr. MILLER of California. Yes.

Mr. BEDELL. If they both accomplish it and if it would seem to make more sense to most Members, which I assume it would, that they would not——

Mr. MILLER of California. We will find that out in a little while. Let me reclaim my time. Let me just say, the answer is that I believe that purpose is being met, and I think this is the best way to do it, the most forthright way to accomplish that within the reclamation policy.

And let us not pretend for a moment—and let me keep my time for a moment—let us not pretend that you are going to take this one reclamation project and somehow you are going to change the agricultural policy in this country. The problems that run through the ag bill and the ag policy are far greater and wider in magnitude than this one. This addresses the contribution that has been made in the past by reclamation projects to that problem. That is all we can do here. I believe the committee bill in fact does that, as do many of the people who have fought side by side with the gentleman against wasteful projects.

Mr. BEDELL. The gentleman asked me a question. May I try to reply?

Mr. MILLER of California. I yield to the gentleman.

Mr. BEDELL. The gentleman asked me the question: Why should we change it if the 10 percent will accomplish it?

The reason that this gentleman thinks we should change it is that I believe that it does not make sense for taxpayers to subsidize the growing of more crops at the same time that we are paying farmers not to grow crops.

The 100 percent would accomplish that. The 10 percent does not accomplish that. The 10 percent still says that we will continue to offer subsidies to farmers to grow cros that are in surplus that we are paying other farmers not to grow.

So if they both accomplish it, it would seem to this gentleman that it makes sense to have a policy which I would think would make sense to the taxpayers.

Mr. DORGAN of North Dakota. Mr. Chairman, will the gentleman yield?

MR. MILLER of California. I yield to the gentleman from North Dakota.

The CHAIRMAN. The time of the gentleman from California [Mr. Miller] has again expired.

(By unanimous consent, Mr. Miller of California was allowed to proceed for 3 additional minutes.)

Mr. DORGAN of North Dakota. Mr. Chairman, let me again underscore the point that irrigation opportunities in that area of North Dakota that will be irrigated under this project will allow the production of crops that are not in surplus from lands that are now producing crops that are in surplus. That is precisely what is going to happen. It is what the gentleman from Iowa is trying to say this morning needs to happen. I am saying that is what will happen if you have these irrigation opportunities.

But if you set up conditions that persuade people not to go ahead and make the front-end investments because they do not have the time, in an

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orderly way, with crop rotations, plantings, and other things, to accomplish this, then you will assure that those lands are going to remain in excess crops or surplus crops, we are not going to have the opportunity to switch to nonsurplus crops, and I think for that reason the amendment that the gentleman from Iowa has offered is completely counterproductive. I want to reemphasize once again that what we have done in this compromise is historic. It is the only place that it exists in Federal law when we pass this legislation. I think it is the right approach and it is the appropriate approach.

Mr. MILLER of California. I thank the gentleman.

Mr. STRANG. Mr. Chairman, will the gentleman yield?

Mr. MILLER of California. I yield to the gentleman from Colorado.

Mr. STRANG. I thank the gentleman for yielding.

Mr. Chairman, I would echo the gentleman's comments, and I would simply point out that the compromise which the gentleman has crafted is in fact a 75-percent increase over currently calculated ability to pay. That is a major disincentive, but it is not antifarm or antifamily or antiopportunity. I congratulate the gentleman on his compromise.

Mr. MILLER of California. I think the gentleman is quite correct. I think one of the serious questions that will be asked down the road is whether or not in this farm economy the farmers will engage this project at the base price, forget the 10-percent surcharge, whether or not they will be able to engage in the base price, and that is because of the delays we have had over the years in the construction of this project.

Mr. STRANG. If the gentleman will yield, let us point out that if you do not get this bill passed you are locking in those farmers to current surpluses. The only thing they can raise is wheat and corn. And this water will provide an opportunity for alternative crops.

Mr. MILLER of California. I thank the gentleman.

Mr. SHARP. Mr. Chairman, will the gentleman yield?

Mr. MILLER of California. I yield to the gentleman from Indiana.

Mr. SHARP. I thank the gentleman for yielding.

Mr. Chairman, as the gentleman knows, I do not agree with him totally on this, though I am delighted in his work of trying to craft a better bill than the project originally shaped up to be, but I think it is important that we do pass the Bedell amendment. I think it is very important that we establish clearly we are not going to go forward in this country with dramatically contradictory policies in which we are going to be subsidizing crops that we are spending a fortune now to try to get out of production elsewhere in the country. I think it makes no sense for us. We have high deficits, and we have a farm crisis. The legislation, as it goes forward, costs us money and it subsidizes a product that we are spending a fortune to try to get off of the market.

So I hope that my colleagues will support the Bedell amendment on this to make it a much more rational kind of policy. I appreciate the situation of the gentleman from North Dakota and the years of commitment that people have made there. But, frankly, I think the wise thing for us to do in 1986 is to vote for the Bedell amendment.

The CHAIRMAN. The time of the gentleman from California [Mr. MILLER] has again expired.

(By unanimous consent, Mr. MILLER of California was allowed to proceed for 2 additional minutes.)

Mr. MILLER of California. Mr. Chairman, let me respond to the gentleman, and then I will yield.

I think the point is here, with the 10-percent surcharge, the subsidy in fact will not be extended to that land for that purpose. If that farmer desires to irrigate his land, he must do so in another crop in order to make a profit, because I think the 10-percent surcharge irradicates any possibility of that farmer making a profit on that land.

Mr. HUCKABY. Mr. Chairman, will the gentleman yield?

Mr. MILLER of California. I yield to the gentleman from Louisiana.

Mr. HUCKABY. I thank the gentleman for yielding.

Mr. Chairman, I want to associate myself with the remarks of the gentleman from Indiana and in support of the amendment of the gentleman from Iowa as such.

It certainly makes no sense at a time when we are trying to get a conservation reserve off the ground to literally buy out millions of acres of land in production today for these surplus crops to further compound this situation.

In addition to that, all the scientists are telling us we are on the threshold of a major breakthrough in bioengineering, in gene splicing, where we are going to see a doubling or tripling of yields within the next 10 to 15 years.

So it is highly unlikely that we will need this farmland within the foreseeable future to produce these surplus crops. I think the Bedell amendment makes sense, and I would urge my colleagues to support it.

Mr. ROEMER. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I want to give my colleague and friend, the gentleman from California, a chance to perhaps explain to the Committee one more time why if indeed we want to stop the growth in surplus crops, namely, through the tool of reducing subsidies to those crops, why we should not impose the Bedell 100-percent test for which we are certain there will be no water to surplus crops, why we would oppose that and support a 10-percent test which leaves open the possibility of taxpayer subsidies to surplus crops. I do not understand that.

I would be glad to yield to my friend.

Mr. MILLER of California. Well, let me say to the gentleman, as I said earlier, I think that within the realm of the compromise that had to be reached here, by phrasing it in the manner of a surplus, I believe that that surplus, and in fact honestly believe, that the 10-percent surcharge when calculated will irradicate any possibility of a farmer making the economic decision to use that land to grow those crops. An outright prohibition of that flies in the face of the whole notion of reclamation projects. I saw the opportunity to provide this surcharge and accomplish the goals that I have stated have been Mr. BEDELL's goals and my goals for many years. I think in fact that is accomplished by the bill. The gentleman may differ with that. But I think that to suggest that somehow this is the root of the agricultural problem in this country, when I see we are paying 15 cents for every pound of cotton, people are growing cotton only for one market. Here we are saying that we are going to go ahead and develop the land but we are going to take away, unlike all of the other support programs in the agricultural bill, we are going to take away the incentive to grow subsidized crops, but we are going to allow a farmer to develop that land, to have an adequate supply of water, to have a committed supply of water, and have the opportunity to branch out into that agriculture. Today that is not possible for these farmers, and I think that is the gist of the bill.

Mr. ROEMER. Let me reclaim my time. I thank the gentleman for his answer. Let me see if I can paraphrase his answer.

Mr. MILLER of California. Well, I would rather restate it than have the gentleman paraphrase it.

Mr. ROEMER. Well, I will give you a chance to do that, because you probably will not like my paraphrase.

The 10-percent rule is set for political reasons.

Mr. MILLER of California. No. The 10-percent rule——

Mr. ROEMER. I have not yielded yet. Let me finish my paraphrase. Maybe it will show how far off base I am.

The 10-percent rule has interwoven in it some pride of authorship and some political comity, and it has nothing to do with the stoppage of taxpayers' subsidy for surplus crops.

If we want to stop the subsidy of surplus crops, the way to do it is the 100-percent rule. If there is another reason, let us get to the heart of it.

I yield to my friend.

Mr. MILLER of California. I would say to the gentleman that I disagree with his characterization of my answer. I believe that the 10-percent rule adds on such an additional surcharge that, in fact, the subsidy is gone, that at that point there is no subsidy because the farmer will not make that decision. That goes to the economics of the farmland, to the cropping pattern and to the cost of raw material which, in this case, is federally developed water, that in that point it is gone.

This is not an attempt to appear to be doing something. It is the honest belief of this gentleman that, in fact, that goal is accomplished through the language in the legislation.

Mr. ROEMER. I accept that, and I thank the gentleman for his answer. I just take the position that if we are going to stop the subsidy, the way to do it is with the 100-percent rule.

□ 1230

It meets the test of common sense, economic need, and good policy.

I further agree with my colleague, the gentleman from California, that we ought not to make a mountain out of this one bill. This will not change agricultural policy in America. We ought to do that at some point, but this bill does not.

But as far as this test is concerned, I ask my colleagues to meet the Bedell standard, 100 percent.

Mr. SHARP. Mr. Chairman, will the gentleman yield?

Mr. ROEMER. Yes, I am glad to yield.

Mr. SHARP. Mr. Chairman, I do not want to take anything from the skill and work of our colleague, the gentleman from California. He has done an excellent job on a very difficult bill, I know that; but I differ with the gentleman on the assumption that actually is prohibitive with the 10 percent. I know the gentleman believes in good faith that it is prohibitive by having the 10-percent surcharge, that therefore, the farmer will not want to grow any of the prohibitive crops; but the fact is each farmer is going to calculate that and there still is a major subsidy, water subsidy, here for the acreage, even with the 10-percent additional cost that they might have to pay.

It may well work out that a farmer may wish to do that.

I think we are not asking them to sit around calculating that. We want them to know exactly that they are going to have to pay the full freight if they are going to engage in subsidized crops.

Now, it is important also to remember that if they do not engage—I do not mean subsidized crops, but if they do not engage in prohibited crops, there is no difficulty with them using this land.

Mr. UDALL. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I rise in opposition to the amendment.

I just want to make a couple points. I commend the gentleman from California, the subcommittee chairman, for the way he has handled an extremely difficult situation.

My heart went out to the gentleman from North Dakota. I have been in the middle of these statewide water project fights most of my life and the gentleman has conducted himself with real skill and ability in getting this bill to the floor.

We debated the amendment that is now before us in the committee. We defeated the 100-percent version of it. We defeated an amendment which would have eliminated any surcharge, and I think we have got about the right place to do it.

One bill should not carry all the load. Things are changing in agriculture. I say to myself and my friends from the East and from the South that we are having upfront payments now for water projects. We are talking about realistic interest rates. The fight has not been in vain. The message is getting across on surplus crops.

But here is a little State, promised 40 years ago when the Government moved in and took some of their best bottom land, the best agricultural lands in the whole State, that justice would be done and 40 years later we are trying to do justice and we have a finely negotiated compromise settlement of this overall problem. It would be a shame to upset it.

If we pass the amendment, it could be very costly, because the Government is going to save a lot of money if we get this matter settled and do not have to keep the covenant in other ways, but it could be a very costly mistake, although well-intentioned, to adopt this amendment and I strongly oppose it.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Iowa [Mr. BEDELL].

The question was taken; and the Chairman announced that the noes appeared to have it.

Mr. BEDELL. Mr. Chairman, I demand a recorded vote, and pending that, I make the point of order that a quorum is not present.

The CHAIRMAN. Evidently a quorum is not present. Pursuant to the provisions of clause 2, rule XXIII, the Chair announces that he will reduce to a minimum of 5 minutes the period of time within which a vote by electronic device, if ordered, will be taken on the pending question following the quorum call. Members will record their presence by electronic device.

The call was taken by electronic device.

The following Members responded to their names:

[Roll No. 94]

Ackerman
Alexander
Anderson
Andrews
Annunzio
Applegate
Archer
Armey
Aspin
AuCoin
Badham
Barnard
Barnes
Bartlett
Barton
Bateman
Bates
Bedell
Beilenson
Bennett
Bentley
Bereuter
Berman
Bevill
Biaggi
Bilirakis
Bliley
Boehlert
Boggs
Boland
Boner (TN)
Bonior (MI)
Bonker
Borski
Bosco
Boucher
Boulter
Brooks
Broomfield
Brown (CA)
Brown (CO)
Broyhill
Bruce
Bryant
Burton (CA)
Burton (IN)
Bustamante
Byron
Callahan
Campbell
Carney
Carper
Carr
Chandler
Chapman
Chappie
Cheney
Clay
Clinger
Coats
Cobey
Coble
Coelho
Coleman (MO)
Collins
Combest
Conte
Conyers
Cooper
Coughlin
Courter
Coyne
Craig
Crane
Crockett
Daniel
Darden
Daschle
Daub
Davis
de la Garza
DeLay
Dellums
Derrick
DeWine
Dickinson
Dicks
DioGuardi
Dixon
Donnelly
Dorgan (ND)
Dornan (CA)
Dowdy
Downey
Dreier
Duncan
Durbin
Dwyer
Dymally
Dyson
Eckart (OH)
Eckert (NY)
Edwards (CA)
Edwards (OK)
Emerson
English
Erdreich
Evans (IA)
Evans (IL)
Fascell
Fawell
Fazio
Feighan
Fields
Fish
Flippo
Foglietta
Foley
Ford (MI)
Ford (TN)
Fowler
Frank
Franklin
Frenzel
Frost
Fuqua
Gallo
Garcia
Gekas
Gephardt
Gibbons
Gilman
Gingrich
Glickman
Gonzalez
Goodling
Gordon
Gray (IL)
Gray (PA)
Green
Guarini
Gunderson
Hall (OH)
Hall, Ralph
Hamilton
Hammerschmidt
Hansen
Hartnett
Hatcher
Hawkins
Hayes
Hefner
Hendon
Henry
Hertel
Hiler
Hillis
Holt
Hopkins
Horton
Howard
Hoyer
Hubbard
Huckaby
Hughes
Hunter
Hutto
Hyde
Ireland
Jacobs
Jeffords
Jenkins
Jones (NC)
Jones (OK)
Jones (TN)
Kanjorski
Kaptur
Kasich
Kastenmeier
Kemp
Kennelly
Kildee
Kindness
Kleczka
Kolbe
Kolter
Kostmayer
Kramer
LaFalce
Lagomarsino
Lantos
Leath (TX)
Lehman (CA)
Lehman (FL)
Leland
Lent
Levin (MI)
Levine (CA)
Lewis (CA)
Lewis (FL)
Lightfoot
Lipinski
Livingston
Lloyd
Long
Lott
Lowery (CA)
Lowry (WA)
Luken
Lundine
Lungren
Mack
MacKay
Madigan
Manton
Markey
Marlenee
Martin (IL)
Martin (NY)
Martinez
Matsui
Mavroules
Mazzoli
McCain
McCandless
McCloskey
McCollum
McDade
McEwen
McGrath
McHugh
McKinney
McMillan
Meyers
Mica
Mikulski
Miller (CA)
Miller (OH)
Miller (WA)
Mineta
Mitchell
Moakley
Molinari
Mollohan
Monson
Montgomery
Moody
Moore
Moorhead
Morrison (CT)
Morrison (WA)
Mrazek
Murphy
Murtha
Myers
Natcher
Neal
Nelson

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Nielson
Oakar
Obey
Olin
Owens
Oxley
Packard
Panetta
Parris
Pashayan
Pease
Penny
Pepper
Perkins
Petri
Pickle
Porter
Price
Pursell
Quillen
Rahall
Rangel
Ray
Regula
Reid
Richardson
Ridge
Rinaldo
Roberts
Rodino
Roe
Roemer
Rogers
Rose
Rostenkowski
Roth
Rowland (CT)
Rowland (GA)
Rudd
Russo
Sabo
Savage
Saxton
Schaefer
Scheuer
Schneider
Schroeder
Schuette
Schulze
Schumer
Seiberling
Sensenbrenner
Sharp
Shaw
Shelby
Shumway
Shuster
Sikorski
Siljander
Sisisky
Skeen
Skelton
Slattery
Slaughter
Smith (FL)
Smith (IA)
Smith (NE)
Smith (NJ)
Smith, Denny (OR)
Smith, Robert (NH)
Smith, Robert (OR)
Snowe
Snyder
Solarz
Solomon
Spence
Spratt
St Germain
Staggers
Stallings
Stangeland
Stenholm
Strang
Stratton
Studds
Stump
Sundquist
Sweeney
Swift
Swindall
Synar
Tallon
Tauke
Tauzin
Taylor
Thomas (CA)
Thomas (GA)
Torres
Torricelli
Towns
Traficant
Traxler
Udall
Valentine
Vander Jagt
Vento
Visclosky
Volkmer
Walgren
Walker
Watkins
Waxman
Weaver
Weber
Weiss
Wheat
Whitehurst
Whitley
Whittaker
Whitten
Williams
Wise
Wolf
Wolpe
Wortley
Wyden
Wylie
Yates
Yatron
Young (AK)
Young (FL)
Young (MO)

☐ 1245

The CHAIRMAN. Three hundred ninety Members have answered to their names, a quorum is present, and the Committee will resume its business.

RECORDED VOTE

The CHAIRMAN. The pending business is the demand of the gentleman from Iowa [Mr. BEDELL] for a recorded vote. Five minutes will be allowed for the vote.

A recorded vote was ordered.

The vote was taken by electronic device, and there were—ayes 199, noes 203, not voting 31, as follows:

[Roll No. 95]

AYES—199

Ackerman
Archer
Armey
Atkins
AuCoin
Barnes
Bartlett
Barton
Bateman
Bates
Bedell
Beilenson
Bennett
Bentley
Berman
Biaggi
Bilirakis
Bliley
Boehlert
Bonker
Boulter
Brooks
Broomfield
Broyhill
Burton (IN)
Bustamante
Carney
Carper
Chandler
Chapman
Clay
Coats
Cobey
Coble
Coleman (MO)
Collins
Combest
Conte
Conyers
Cooper
Coughlin
Courter
Crane
Crockett
Dannemeyer
Derrick
DeWine
DioGuardi
Dwyer
Dyson
Eckert (NY)
Edwards (CA)
Edwards (OK)
English
Erdreich
Evans (IA)
Evans (IL)
Fawell
Fields
Fish
Florio
Foglietta
Fowler
Frank
Frenzel
Garcia
Gekas
Gibbons
Gilman
Gingrich
Glickman
Gonzalez
Goodling
Gradison
Green
Gunderson
Hall (OH)
Hall, Ralph
Hamilton
Hansen
Hatcher
Hayes
Hendon
Henry
Hertel
Hiler
Hillis
Horton
Huckaby
Hughes
Jacobs
Jeffords
Jenkins
Kanjorski
Kasich
Kastenmeier
Kemp
Kildee
Kolter
Kostmayer
LaFalce
Lagomarsino
Lent
Levine (CA)
Lightfoot
Long
Lundine
Lungren
Mack
MacKay
Markey
Martin (IL)
Martin (NY)
Mavroules
McCloskey
McCollum
McDade
McGrath
McHugh
McMillan
Mikulski
Miller (OH)
Miller (WA)
Mitchell
Moakley
Molinari
Moody
Moore
Morrison (CT)
Mrazek
Murphy
Neal
Nelson
Nowak
Obey
Owens
Parris
Pease
Penny
Petri
Pickle
Porter
Pursell
Rangel
Rinaldo
Ritter
Roemer
Roth
Savage
Saxton
Scheuer
Schroeder
Schuette
Schulze
Seiberling
Sensenbrenner
Sharp
Shaw
Shumway
Sikorski
Siljander
Skelton
Slattery
Smith (FL)
Smith (IA)
Smith (NJ)
Smith, Robert (NH)
Snowe
Solarz
Solomon
Spratt
St Germain
Stark
Stenholm
Stratton
Studds
Sweeney
Swindall
Tallon
Tauke
Tauzin
Towns
Vander Jagt
Vento
Visclosky
Volkmer
Walgren
Walker
Waxman
Weaver
Weber
Weiss
Wheat
Whittaker
Wolpe
Wortley
Yates
Yatron
Young (FL)

NOES—203

Alexander
Anderson
Andrews
Annunzio
Applegate
Aspin
Badham
Barnard
Bereuter
Bevill
Boggs
Boland
Boner (TN)
Bonior (MI)
Borski
Bosco
Boucher
Brown (CA)
Brown (CO)
Bruce
Bryant
Burton (CA)
Byron
Callahan
Campbell
Carr
Chappie
Cheney
Clinger
Coelho
Coleman (TX)
Coyne
Craig
Daniel
Darden
Daschle
Daub
Davis
de la Garza
DeLay
Dellums
Dickinson
Dicks
Dingell
Dixon
Donnelly
Dorgan (ND)
Dornan (CA)
Dowdy
Downey
Dreier
Duncan
Durbin
Dymally
Eckart (OH)
Emerson
Fascell
Fazio
Feighan
Flippo
Foley
Ford (MI)
Ford (TN)
Franklin
Frost
Fuqua
Gallo
Gejdenson
Gephardt
Gordon
Gray (IL)
Gray (PA)
Guarini
Hammerschmidt
Hartnett
Hawkins
Hefner
Holt
Hopkins
Howard
Hoyer
Hubbard
Hunter
Hutto
Hyde
Ireland
Jones (NC)
Jones (OK)
Jones (TN)
Kaptur
Kennelly
Kindness
Kleczka
Kolbe
Kramer
Lantos
Leath (TX)
Lehman (CA)
Lehman (FL)
Leland
Levin (MI)
Lewis (CA)
Lewis (FL)
Lipinski
Livingston
Lloyd
Lott
Lowery (CA)
Lowry (WA)
Luken
Madigan
Manton
Marlenee
Martinez
Matsui
Mazzoli
McCain
McCandless
McEwen
McKinney
Meyers
Mica
Miller (CA)
Mineta
Mollohan
Monson
Montgomery
Moorhead
Morrison (WA)
Murtha
Myers
Natcher
Nielson
Oakar
Olin
Oxley
Packard
Panetta
Pashayan
Pepper
Perkins
Price
Quillen
Rahall
Ray
Regula
Reid
Richardson
Ridge
Roberts
Rodino
Roe
Rogers
Rose
Rostenkowski
Rowland (CT)
Rowland (GA)
Roybal
Rudd
Russo
Sabo
Schaefer
Schneider
Schumer
Shelby
Shuster
Sisisky
Skeen
Slaughter
Smith (NE)
Smith, Denny (OR)
Smith, Robert (OR)
Snyder
Spence
Staggers
Stallings
Stangeland
Stokes
Strang
Stump
Sundquist
Swift
Synar
Taylor
Thomas (CA)
Thomas (GA)
Torres
Torricelli
Traficant
Traxler
Udall
Valentine
Watkins
Whitehurst
Whitley
Whitten
Williams
Wise
Wolf
Wyden
Wylie
Young (AK)
Young (MO)

NOT VOTING—31

Akaka
Anthony
Boxer
Breaux
Chappell
Early
Edgar
Fiedler
Gaydos
Gregg
Grotberg
Heftel
Johnson
Latta
Leach (IA)
Loeffler
Lujan
McCurdy
McKernan
Michel
Nichols
O'Brien
Oberstar
Ortiz
Robinson
Roukema
Vucanovich
Wilson
Wirth
Wright
Zschau

Messrs. OXLEY, TORRES, LEHMAN of Florida, DORNAN of California, and ANNUNZIO changed their votes from "aye" to "no."

Messrs. LUNGREN, CHANDLER, and SWEENEY changed their votes from "no" to "aye."

So the amendment was rejected.

The result of the vote was announced as above recorded.

☐ 1300

The CHAIRMAN. Are there further amendments?

If not, the question is on the committee amendment in the nature of a substitute, as amended.

The committee amendment in the nature of a substitute, as amended, was agreed to.

The CHAIRMAN. Under the rule, the Committee rises.

Accordingly the Committee rose; and the Speaker having resumed the chair, Mr. Bosco, Chairman of the Committee of the Whole House on the State of the Union, reported that that Committee, having had under consideration the bill (H.R. 1116) to implement certain recommendations made pursuant to Public Law 98-360, pursuant to House Resolution 422, he reported the bill back to the House with an amendment adopted by the Committee of the Whole.

The SPEAKER. Under the rule, the previous question is ordered.

Is a separate vote demanded on any amendment to the committee amendment in the nature of a substitute adopted by the Committee of the Whole? If not, the question is on the amendment.

The amendment was agreed to.

The SPEAKER. The question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed and read a third time, and was read the third time.

The SPEAKER. The question is on the passage of the bill.

The question was taken; and the Speaker announced that the ayes appeared to have it.

Mr. WALKER. Mr. Speaker, on that I demand the yeas and nays.

The yeas and nays were ordered.

The vote was taken by electronic device, and there were—yeas 254, nays 154, not voting 25, as follows:

[Roll No. 96]

YEAS—254

Ackerman
Alexander
Anderson
Andrews
Annunzio
Applegate
Aspin
Barnard
Bateman
Bennett
Bentley
Bereuter
Bevill
Biaggi
Boggs
Boland
Bonior (MI)
Bonker
Borski
Bosco
Boucher
Brooks
Brown (CA)
Brown (CO)
Bruce
Bryant
Burton (CA)
Bustamante
Byron
Callahan
Carney
Carr
Chapman
Chappell
Cheney
Clinger
Coelho
Coleman (TX)
Collins
Conte
Cooper
Coyne
Darden
Daschle
Daub
Davis
de la Garza
Derrick
Dicks
Dingell
Dixon
Donnelly
Dorgan (ND)
Downey
Duncan
Durbin
Dwyer
Dyson
Eckart (OH)
Eckert (NY)
Emerson
English
Erdreich
Evans (IL)
Fascell
Fazio
Fish
Flippo
Florio
Foley
Ford (MI)
Fowler
Franklin
Frost
Fuqua
Gallo
Garcia
Gejdenson
Gephardt
Gibbons
Gilman
Glickman
Gonzalez
Gordon
Gradison
Gray (IL)
Gray (PA)
Green
Guarini
Gunderson
Hall, Ralph
Hammerschmidt
Hatcher
Hawkins
Hayes
Hefner
Holt
Hopkins
Horton
Howard
Hoyer
Hughes
Hunter
Hutto
Hyde
Ireland
Jenkins
Johnson
Jones (NC)
Jones (OK)
Kaptur
Kemp
Kennelly
Kindness
Kleczka
Kolbe
Kolter
Kramer
LaFalce
Lantos
Leath (TX)
Lehman (CA)
Lehman (FL)
Leland
Lent
Levin (MI)
Levine (CA)
Lewis (CA)
Lewis (FL)
Lipinski
Lloyd
Lott
Lowery (CA)
Luken
Lundine
MacKay
Martin (NY)
Martinez
Matsui
Mavroules
Mazzoli
McCain
McCandless
McCloskey
McGrath
McHugh
McKinney
Mica
Miller (CA)
Mineta
Mitchell
Moakley
Molinari
Mollohan
Monson
Montgomery
Morrison (WA)
Murphy
Murtha
Myers
Natcher
Nielson
Nowak
Oakar
Olin
Packard
Panetta
Pashayan
Pease
Pepper
Perkins
Petri
Pickle
Price
Quillen
Rahall
Rangel
Ray
Reid
Richardson
Ridge
Rinaldo
Roberts
Rodino
Roe
Rogers
Rose
Rostenkowski
Roth
Rowland (CT)
Rowland (GA)
Roybal
Rudd
Russo
Sabo
Savage
Schaefer
Schneider
Schumer
Sensenbrenner
Shaw
Shelby
Shuster
Sisisky
Skeen
Skelton
Slattery
Smith (FL)
Smith (NE)
Smith (NJ)
Smith, Denny (OR)
Smith, Robert (OR)
Snyder
Solarz
St Germain
Staggers
Stallings
Stangeland
Stark
Stenholm
Stokes
Strang
Stump
Swift
Swindall
Synar
Taylor
Thomas (CA)
Thomas (GA)
Torres
Torricelli
Towns
Traficant
Traxler
Udall
Valentine
Visclosky
Walgren
Watkins
Waxman
Weiss
Wheat
Whitley
Whittaker
Whitten
Williams
Wise
Wortley
Wright
Wylie
Yatron
Young (AK)
Young (FL)
Young (MO)

NAYS—154

Archer
Armey
Atkins
AuCoin
Badham
Barnes
Bartlett
Barton
Bates
Bedell
Beilenson
Berman
Bilirakis
Bliley
Boehlert
Boner (TN)
Boulter
Broomfield
Broyhill
Burton (IN)
Campbell
Carper
Chandler
Chappie
Clay
Coats
Cobey
Coble
Coleman (MO)
Combest
Conyers
Coughlin
Courter
Craig
Crane
Crockett
Daniel
Dannemeyer
DeLay
Dellums
DeWine
Dickinson
DioGuardi
Dornan (CA)
Dowdy
Dreier
Dymally
Edwards (CA)
Edwards (OK)
Evans (IA)
Fawell
Feighan
Fields
Foglietta
Ford (TN)
Frank
Frenzel
Gekas
Gingrich
Goodling
Gregg
Hall (OH)
Hamilton
Hansen
Hartnett
Hendon
Henry
Hertel
Hiler
Hillis
Hubbard
Huckaby
Jacobs
Jeffords
Jones (TN)
Kanjorski
Kasich
Kastenmeier
Kildee
Kostmayer
Lagomarsino
Leach (IA)
Lightfoot
Livingston
Long
Lowry (WA)
Lungren
Mack
Madigan
Markey
Marlenee
Martin (IL)
McCollum
McDade
McEwen
McKernan
McMillan
Meyers
Mikulski
Miller (OH)
Miller (WA)
Moody
Moore
Moorhead
Morrison (CT)
Mrazek
Neal
Nelson
Obey
Owens
Oxley
Parris
Penny
Porter
Pursell
Regula
Ritter
Roemer
Roukema
Saxton
Scheuer
Schroeder
Schuette
Schulze
Seiberling
Sharp
Shumway
Sikorski
Siljander
Slaughter
Smith (IA)
Smith, Robert (NH)
Snowe
Solomon
Spence
Spratt
Stratton
Studds
Sundquist
Sweeney
Tallon
Tauke
Tauzin
Vander Jagt
Vento
Volkmer
Walker
Weaver
Weber
Whitehurst
Wolf
Wolpe
Wyden
Yates

NOT VOTING—25

Akaka
Anthony
Boxer
Breaux
Early
Edgar
Fiedler
Gaydos
Grotberg
Heftel
Latta
Loeffler
Lujan
Manton
McCurdy
Michel
Nichols
O'Brien
Oberstar
Ortiz
Robinson
Vucanovich
Wilson
Wirth
Zschau

☐ 1310

The Clerk announced the following pair:

On this vote:

Mr. Anthony for, with Mr. Zschau against.

Messrs. SPRATT, FOGLIETTA, and BARTLETT changed their votes from "yea" to "nay."

Mr. SMITH of Florida and Mr. ENGLISH changed their votes from "nay" to "yea."

So the bill was passed.

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

GENERAL LEAVE

Mr. MILLER of California. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks on the bill just passed.

The SPEAKER. Is there objection to the request of the gentleman from California?

There was no objection.

ANNOUNCEMENT BY THE SPEAKER

The SPEAKER. The Chair will inform the House that despite the fact we are taking special orders, we understand the Rules Committee will meet at 1:30 and we are anticipating that legislation will be on the floor later today.

☐ 1325

COMMUNITY DEVELOPMENT BLOCK GRANT IMPROVEMENT ACT OF 1986

The SPEAKER. Under a previous order of the House, the gentleman from Maryland [Mr. MITCHELL] is recognized for 5 minutes.

Mr. MITCHELL. Mr. Speaker, today I am introducing the Community Development Block Grant Improvement Act of 1986. The Community Development Block Grant [CDBG] Program is the largest and one of the most important sources of community development funds available to low-income neighborhoods and families. It has had a significant impact in my district and I'm sure that's true of your district as well.

Yet, this successful program is threatened, not because of failures in the program as much as by its success. This program, established to benefit "principally persons of low and moderate income," is now seen by some as "not sufficiently targeted" to low and moderate income beneficiaries. It has been suggested that since it is not exclusively a low-income, safety net program, it should be cut. The most recent budget proposal would reduce the CDBG program by 10 percent below the current level for fiscal year 1985.

To cut CDBG would be a classic case of "throwing out the baby * * *." It makes far more sense to target the available money more narrowly to low and moderate income recipients than to reduce the money available.

For that reason, the Community Development Block Grant Improvement Act of 1986 will ensure that 100 percent of the CDBG money will go to low and moderate income beneficiaries. I invite you to join me as a sponsor of this legislation.

The bill will accomplish the following six goals:

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—
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1986
UMI

First, require that all CDBG money be expended for the benefit of families and individuals with incomes of 120 percent or less of the median income in their area.

Second, further discourage displacement.

Third, require the development of an economic development strategy before any CDBF funds are expended on economic development projects.

Fourth, reinstitute the application process so that communities may receive advance approval for their CDBG plans.

Fifth, restore authority for multiyear grants to nonentitlement communities.

Sixth, encourage greater citizen review, community monitoring and participation.

I believe these are practical, sensible changes which will enhance the appeal of an already good program to help our low-income persons and families.

J.J. CROSETTI RECEIVES SOLIDARITY MEDAL FROM GOVERNMENT OF ITALY

The **SPEAKER**. Under a previous order of the House, the gentleman from California [Mr. PANETTA] is recognized for 5 minutes.

Mr. PANETTA. Mr. Speaker, it is with great pride that I inform my colleagues that the Government of Italy has decided to award a Solidarity Medal to J.J. (Joe) Crosetti, a native son of Watsonville, CA, and an outstanding citizen of Santa Cruz County for many decades. On July 13, Lodge No. 2016 of the Order of Sons of Italy in America will present this prestigious award to Mr. Crosetti, and I would like to take this opportunity to list the achievements of this great man.

Joe Crosetti is the chairman of the board of J.J. Crosetti Co., as well as Crosetti Frozen Foods, Crosetti Cold Storage, and Crosetti Orchards. He is also president of Transit Cooling, Inc. He is a leading member of the agricultural community of Watsonville and Santa Cruz County and his work on behalf of that community and his fellow citizens seems far beyond the possible accomplishments of one individual.

Joe Crosetti was born in 1908 in Watsonville. His parents were Frank and Margherita Crosetti, who were immigrants from Italy. Joe attended the Watsonville schools, graduating from Watsonville High School in 1927. That year, he formed his own band, and they went around the world playing for the Dollar Steamship Lines.

In 1935, Joe married Theresa Muzzio, and they celebrated their 50th wedding anniversary just last year. They have three children and six grandchildren.

Joe began his career working for the Horgan Co. A few years later, he started on his own, and today, his frozen foods plant employs 600 workers. His products are shipped around the world.

Among Joe's achievements and contributions to the agricultural and business communities of Santa Cruz County and California over the past several decades are the following: president of the Santa Cruz County Fair Board—six times; Exposition Hall at Santa Cruz County Fairgrounds dedicated in his honor—1969; member of California Board of Agriculture—8 years; State Fair Board vice president—8 years; chairman, State Horse Show—3 years; director of the 14th Agricultural District—40 years; member of first agricultural tour of Soviet Union; president, California-Arizona Farm Labor Association—6 years; president, Watsonville Chamber of Commerce—1947; Watsonville Chamber of Commerce Man of the Year—1963; president of Grower-Shipper Vegetable Association—1963; former member board of directors of Western Growers Association.

Joe has also been very active in charitable causes, serving as president of the Watsonville chapter of the American Red Cross for 42 years, as president of the Santa Cruz County Cancer Society. A number of local charities, as well as needy individuals and families in the area, have been able to count on his support over the years. In addition, he has been a member of the Elks Club for 51 years; a charter member, and the only honorary member, of the Lions Club; a Paul Harris fellow of the Rotary Club; and a member of the Commonwealth Club of San Francisco.

In 1965, Joe was honored by resolutions adopted by the California State Senate, Santa Cruz County, and the city of Sacramento. He was a member of the county grand jury from 1944 to 1946; a delegate to the Presidential convention of 1964; and a member of the electoral college in 1964.

Mr. Speaker, as a son of Italian immigrants, as a member of the agricultural community of neighboring Monterey County, and as Joe Crosetti's Representative in Congress, I am proud of his accomplishments. He is the kind of person upon which this country has been built—he has worked hard, made opportunities, succeeded, spread his success to his employees, to his colleagues, and to his community, and has contributed of his time and resources to those less fortunate than he.

I and my wife Sylvia, a friend and relative to Joe Crosetti, hope to be able to attend the ceremony at which Joe receives his Solidarity Medal. We will bring with us the well-deserved congratulations and respect of all my colleagues for this remarkable and outstanding citizen, farmer, father, and friend.

INTERNATIONAL TERRORISM

The **SPEAKER**. Under a previous order of the House, the gentleman from Arkansas [Mr. ALEXANDER] is recognized for 5 minutes.

Mr. ALEXANDER. Mr. Speaker, tomorrow I will introduce legislation to create a nonpartisan Presidential Commission to conduct an ongoing evaluation of international terrorism, monitor the activities of various agencies with jurisdiction over terrorism, and recommend specific steps the United States and its allies can take to combat its spread.

This legislation will include specific authority for the Commission to offer international bounties for the successful capture and prosecution of known terrorists under the laws of the nations against which the terrorist acts were committed.

I continue to support military action as an effective option to protect innocent lives from terrorists. A meaningful long-range policy against terrorism must also include other options. The containment of terrorism will require a broader and more comprehensive approach. The recent attack against Libya was justified, but we can not assume this is the last we will hear from Libyan-backed terrorists.

The mindless murder of Peter Kilburn and two British subjects, the assaults against our diplomats in Peru and Sudan, and other recent actions against Americans in Europe tell us that terrorism goes beyond regional borders and national political alignments. The problem is one which runs deep in the religious and cultural heritage of parts of the world and one which we can not expect to be resolved solely by short-term military action alone.

I hope the creation of this Commission will lead to a coordinated policy by which we act, not just react, against the terrorists. The United States can do more than just get tough. We can get smart. The international bounty is one way to use our resources to induce the cooperation of peoples throughout the world. Terrorism is not new. We have addressed it effectively in the past. We can do it again today.

AGRICULTURAL EXTENSION SERVICE

The **SPEAKER**. Under a previous order of the House, the gentleman from North Carolina [Mr. COBEY] is recognized for 60 minutes.

Mr. COBEY. Mr. Speaker, I rise today to urge my colleagues to reject the administration's proposed 59-percent reduction in funding for the Cooperative Extension Service, also known as the Agricultural Extension Service.

The fiscal 1987 budget proposed by the administration would reduce Federal funding for extension programs from $328 to $148 million—a cut of 59-percent.

This reduction would seriously hamper the efforts of a remarkably flexible, responsive program which has aided American farmers and farm communities.

In my State of North Carolina, this proposal would mean the layoff of 340 Extension personnel, including 110 Extension agents and 60 agricultural specialists. Pest management, small farmer assistance, and rural development programs, among others, would be curtailed or terminated.

In Utah, the proposed cut would wipe out a nutrition program for low-income people in rural areas and would eliminate such Extension programs as farm safety, farm financial management, and pesticide training.

In Tennessee, the 59-percent reduction in Federal funds would mean reducing by one-fifth the services conducted in farm communities across that State.

The New York Extension Service would lose 300 personnel if we adopt the cut that has been proposed. This would affect sea grant, conservation,

and pest management programs based out of Cornell University.

These examples show that the administration's plan would have a significant impact on programs affecting America's farmers. At a time when we have many problems in agriculture, this is not the time to make deep reductions in the Agricultural Extension Service.

Congress has a special challenge to help extend the present economic recovery to America's farms. We must not forget that farmers provide the backbone of our economy, and since the days of Washington and Jefferson, farming has been important not only to our economy, but to our heritage as well.

Helping the small family farms across America is and should be a part of our Federal agriculture policy. The Extension Service is one of the most important aids to small family farmers, and we must keep it strong.

Since it was established as part of the Smith-Lever Act of 1914, the Extension Service has brought agricultural and scientific research from America's colleges and universities directly to America's farms.

Without the Extension Service, a great deal of research would waste away in scientific journals and classroom labs.

Extension staff and volunteers in more than 3,000 counties nationwide work directly with farmers to give them the latest information on efficient farm management. The amount of information passed on to farm families is amazing—techniques involving energy conservation, pest control, computerized farm management, farm machinery safety procedures, landscaping, home economics, nutrition, protection of the environment, and community planning. In addition, the Extension Service operates the popular 4-H program for youth—exposing many young people in rural areas to fields of knowledge they would otherwise never discover.

I should point out to my colleagues that those who benefit most from the Extension Service are not wealthy people, but low- and middle-income citizens in rural communities who make up much of Middle America. Their quality of life has been enhanced greatly by the efforts of the Extension Service.

As a member of the Congressional Rural Caucus and as a representative from a very rural State, I recognize, as many in this Congress do, the wholesome values that are nurtured in rural communities. In rural communities, there is a great emphasis on community, on family, on helping out your neighbor. I, for one, want to see rural communities prosper and grow stronger in the future. The Extension Service can help make that happen.

Through seminars, newsletters, brochures, training sessions, and individual conferences, the Extension Service gives farm families the tools to produce more efficiently the food products we consume. This, in turn, has undoubtedly led to lower food prices for the general public than would otherwise be the case.

Many farm families today live in a climate of uncertainty. Economic problems have caused tremendous stress for some. This is certainly not the time to reduce funding for a program that has helped many farmers economize and make it through the tough years.

The Extension Service can serve as a vital tool in our efforts to strengthen the farm economy.

Many in Congress may not be familiar with the Extension Service, but this 72-year-old program is present in all 50 States, the District of Columbia, Puerto Rico, the Virgin Islands, Guam, American Samoa, the Northern Marianas, and Micronesia. In each of these States and territories, a land-grant college or university operates an extension service for that area.

Let me just share with you some of the successes of the Extension Services around the country.

Extension education programs have played a direct role in the rapid expansion of the aquaculture industry in the Southeastern United States. Programs in water quality management, fish diseases, fish nutrition, and use of computer software in fish farm management have helped increase productivity. The Mississippi Extension Service, for example, has organized programs like this for catfish farmers, leading to a 17-percent increase in farm-raised catfish in the past year.

Extension's Integrated Pest Management [IPM] Program has helped reduce costs for farmers and has helped protect the environment. In Alabama, IPM reduced production costs of pecan growers by $1.9 million, increased income for cotton producers by $24.6 million, and reduced production costs for peanut farmers by $1.2 million. Insecticide and fungicide costs were reduced in States like Maine, New York, Utah, and West Virginia because of Extension's fruit IPM programs.

In California, Texas, Kentucky, Ohio, and other States, Extension personnel have helped farmers develop soil conservation techniques.

In Oklahoma, Extension personnel worked with key producers, feed industry, and pharmaceutical companies to bring about the use of protein supplements for summer stocker cattle. This resulted in an 8.4-million pound gain in meat at a value for producers of about $4.6 million.

The Extension Service has helped ease the financial and emotional stress that many farm families are experiencing today. The Service has helped over 100,000 farm families with intensive financial management assistance. This includes help in revising their financial and farm business plans and making changes to improve their financial situation. This assistance has been targeted toward areas where the financial crisis is most acute. In Iowa, for example, Extension's ASSIST Program had helped over 8,000 farmers in analyzing options for servicing debt and managing cash flow.

Extension helps bring the latest market information to all areas of the country with its Computerized Outlook and Information Network [COIN] system. To facilitate marketing decisionmaking, the Extension Service now obtains reports and information from several USDA agencies and makes them available electronically to Extension specialists within hours of their release. State specialists retrieve and adapt the information to local situations, and make their analyses available to farmers and others via codaphones, radio, TV, and State computerized videotext networks. They also distribute newsletters and write articles for trade newspapers.

These examples should demonstrate how important a county Extension agent is to local farmers. The Extension agent is a key source of vital information in thousands of rural areas across this Nation.

Our new Secretary of Agriculture, Richard Lyng, wasn't in Office when the administration's agricultural budget was formulated. That leads me to believe that the Office of Management and Budget is primarily responsible for the deep cut that has been proposed for the Extension Service.

In any event, Secretary Lyng said in an Associated Press interview shortly after he took office that he wants to emphasize during his tenure the services of the Department of Agriculture.

This, I believe, is the proper approach for any Secretary of Agriculture to take. The Secretary cannot force changes in many macroeconomic forces, such as interest rates and the value of the dollar, that affect directly the livelihood of farmers. He can, however, help provide key services to American farmers, such as export development programs, credit assistance initiatives, and support services such as the Extension Service.

The Extension Service is one of the key services in USDA that Secretary Lyng should emphasize. Thus, we should not drastically cut this program as the administration has proposed.

Many Members in this House care deeply about the budget deficit. I am a fiscal conservative and I share the budget concerns many of you have.

With the new balanced budget law that was passed last year, we now have

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a fixed spending limit. We must reduce the deficit to no more than $144 billion.

I am prepared to join my colleagues in cutting spending to meet that goal. In doing so, we must prioritize programs and be careful not to cripple useful Federal services.

I submit to you today that the money spent on the Agricultural Extension Service is a bargain for taxpayers. It is not a bureaucratic, unresponsive, slow-to-move agency. With Federal, State, and local government funds, the Extension Service in each State works directly with farmers to determine their needs, the problems they face, and how the Extension Service can be of help.

The Extension Service accounts for only seven-tenths of 1 percent of the roughly $53 billion budget for the U.S. Department of Agriculture.

Recently, my staff asked the Congressional Research Service to compare Federal funding increases for the Extension Service with increases in commodity support programs and the total USDA budget. What we found was interesting.

Since 1976, Federal funding of the Cooperative Extension Service has increased 50 percent. During that same time period, net outlays for Federal price supports and related programs increased 1,736 percent and the total USDA budget grew 393 percent. Clearly, the Agricultural Extension Service has not contributed to the increase in agricultural spending or in Federal spending.

For point of reference, I should point out that the Consumer Price Index since 1976 has increased 93 percent. Therefore, Federal funding of the Extension Service has actually lagged behind the inflation rate in the past 10 years.

Nevertheless, many Extension personnel I talk to understand the need to trim Federal costs. They are willing to accept the 4.3-percent cut in Federal extension funds that resulted from the across-the-board cut in most Federal programs on March 1 this year; but, to cut Federal extension funds further would, in my opinion, be penny wise and pound foolish.

There are plenty of better places for us to cut funds. Many people, for example, ask me why Congress doesn't close down some of our unneeded military bases. I believe we could consolidate some of the committees we have in Congress. We could stop subsidizing Amtrak which should be run by the private sector.

I could go on, but the point I wish to make is this: the Cooperative Extension Service deserves a higher priority in the Federal budget than it has been given. I think we should appropriate enough funds to continue extension services at the current levels.

For those who agree with me, I invite you to cosponsor House Resolution 413 which I introduced recently. This resolution expresses the sense of the House that Federal funding for the Extension Service be made at a level sufficient to continue the current operations of the Service.

The Extension Service deserves your support. Thus, I invite my colleagues to support House Resolution 413.

☐ 1335

Mr. Speaker, I yield to my distinguished fellow colleague, the gentleman from North Carolina [Mr. VALENTINE].

Mr. VALENTINE. I thank the gentleman for yielding.

Mr. Speaker, I am speaking of the Reagan administration's proposal to reduce funding for the Cooperative Extension Service by 59 percent in fiscal year 1987.

For over 70 years the Agricultural Extension Service has brought the expertise and guidance of its agents to farmers and farm families all across America. I dare say that there are few people listening to me today who have not benefited in some way from programs sponsored and maintained by the Agricultural Extension Service.

While numerous Government-funded programs benefit their recipients indirectly, the Extension Service provides direct guidance and training to the thousands of Americans who turn to it annually for assistance. By proposing funding cuts of such magnitude for the Extension Service, the administration is sending a loud and clear message to farmers and their families that their needs are unimportant and can be ignored.

The Extension Service continues to be one of the most effective Federal agricultural programs. I will even go so far as to say that the Extension Service is among the most effective Federal programs of any kind. It has brought the benefits of the latest agricultural research and technology to farm families, which in turn has aided Americans living far from the barns and fields of rural America.

Mr. Speaker, at a time when American farm families are undergoing their worst crisis in 50 years, I would like to mention just a few of the ways that the Extension Service in my district—the Second District of North Carolina—is helping farm families survive.

In Caswell County, agricultural technicians are working one-on-one with small and marginal producers to help them diversify. Agents are also working with producers on farm financial records and budgets, encouraging better recordkeeping and farm management.

The staff of the Granville County Agricultural Extension Service is offering computer training for farmers, using software that calculates enterprise budgets, cash flow, balance sheets, income statements, family living budgets, and personal finance decisions. Extension agents are even setting appointments after regular hours and even on weekends to assist farmers with financial management.

In Johnston County, the Extension staff has initiated and developed the leadership needed to, among other things, secure countywide toll free telephone service, and a county produce market.

Perhaps most important of all, the Extension Service throughout the Second District is conducting workshops to help farmers alleviate family stresses brought on by the current economic crisis. Let us not add to their stresses by taking away the very funding for these workshops.

In North Carolina, the proposed cuts would mean a reduction of 340 Agricultural Extension Service positions and termination of the entire expanded Food and Nutrition Education Program, which provides nutritional education to more than 7,310 disadvantaged families. The impact would be devastating.

I find this administration's callous disregard of the needs of farmers and their families unconscionable and the gutting of a cost-effective program irresponsible. For an administration which constantly trumpets its pro-family outlook, this proposal would deal a heavy blow and ironic blow to families on our farms.

We all agree on the need to reduce spending, but the Cooperative Extension Service is no place to cut. I urge all my colleagues to join me in trying to maintain the full scope of extension programs. American farmers have given us their best over the years, and they deserve no less from the Congress.

☐ 1350

Mr. OBEY. Mr. Speaker, I thank my colleague, the gentleman from North Carolina [Mr. VALENTINE] for coming to the floor and, during this special order, helping to underscore the importance of maintaining at least the current levels of funding for this most important program for farmers, the Agricultural Extension Service.

Mr. WHEAT. Mr. Speaker, I rise today to join my colleagues in opposition to the Reagan administration's proposed budget cuts in the Cooperative Extension Service [CES]. Extension programs have been a great success in rural, suburban, and urban communities, and it is my hope that Congress will oppose major cuts in this important educational program.

Mr. Speaker, the Cooperative Extension Service is the educational arm of the Department of Agriculture and provides information and advice for people about subjects ranging from crops to the dinner table, including agricultural production and marketing, nutrition,

family living, and youth and 4–H programs. Funding is provided by a partnership of Federal, State, and county governments.

CES originally provided services only to rural areas, and retains the image of being a program that mainly serves the rural community. However, as a Representative of the Kansas City metropolitan area, a large number of my urban and suburban constituents have let me know the importance of these programs. The CES has surpassed its original mission of the education of rural residents and now is vital for the development of urban and suburban communities as well.

Extension programs reached more than 110,000 people in the Kansas City area in the last year. These people received expert instruction in home economics, food and nutrition, money management, energy conservation, and child safety. Approximately 3,000 people volunteered their time and effort to make these programs possible.

Mr. Speaker, CES programs have been especially helpful in depressed low-income areas in the inner city. For example, the Expanded Food and Nutrition Education Program, slated for elimination by President Reagan, teaches families to provide nutritional needs on a limited budget and how to grow and preserve food safely. This program served 6,777 families in Missouri last year, 95 percent of whom were below the poverty level. Extension programs also offer low-income residents instruction in urban gardening, weatherization, and do-it-yourself home repairs.

These programs also provide benefits above and beyond valuable infomation. The sense of pride, independence, and community spirit given by extension programs provide enrichment in addition to knowledge. The 4–H program, for example, has been teaching the fundamentals of citizenship and character to boys and girls for years.

Mr. Speaker, the continuing education provided by the Cooperative Extension Service programs should remain a priority of the Federal Government. The proposed cuts in these important programs would hurt residents of both the inner city and rural areas. Educational programs such as CES directly contribute to the strength and well-being of America, and should continue to be one of our country's priorities.

Mr. LUNDINE. Mr. Speaker, I rise today to express my support and admiration for the excellent services which Cooperative Extension provides in the 34th Congressional District of New York and across the country.

The southern tier of New York has benefited greatly from the services which Cooperative Extension provides, and I am very concerned with the President's proposal to cut its budget by 67 percent in our State.

Since it was established in 1914, the Cooperative Extension Service has provided many important services in more than 3,000 counties nationwide. It has helped bring agricultural research from America's laboratories and college thesis papers directly to America's farms.

Most recently, the Cooperative Extension Service helped educate farmers in my area about the Dairy Termination Program. In fact, this education program drew the largest crowd ever to the Cooperative Extension Center in Cattaraugus County.

Through the Expanded Food and Nutrition Education Program [EFNEP], Extension Services have helped low-income families with young children receive valuable nutrition information in order to improve their diets and better use available food resouces.

Also, the 4–H program which Cooperative Extension runs, and in which 39 percent of the youth in upstate New York participate, has had a great effect on the personal development of our state's young people. I feel that these services are too valuable to give up.

In an effort to protect this important funding, I have become an original cosponsor of House Resolution 413, expressing support for providing the Federal funding needed to maintain the current functions of the Extension Service—a service which takes up only seven-tenths of 1 percent of the USDA budget. These Federal extension funds are matched with support from county governments and land-grant colleges to support the Extension Service in each State. I am hopeful that this resolution will send an important message to the President that the Congress will not support his plan to cut the funding for Extension Services.

I hope my colleagues will join me today in saluting the work of Cooperative Extension Services across the country, and will work to ensure that the Federal support for these important services is preserved.

Mr. LAFALCE. Mr. Speaker, I rise to cite the significant contributions of Cooperative Extension to the development of our country. Over the years, Cooperative Extension has been in the forefront of a governmental effort to make both farmers and nonfarmers alike more productive and self-sufficient. It did this with information about crop management, handling of chemicals, and many auxiliary services.

Indeed, other countries of the world have looked to Cooperative Extension and have emulated it as they provided agricultural information to their own populations in the hope that success similar to the U.S. program would ensue.

Today, this success is threatened. President Reagan plans to gut the Cooperative Extension budget in fiscal year 1987, but cutting an estimated $326 million back to $140 million. Unless the Congress intervenes, this proposed cutback will be on top of an additional cut this year as a result of the Gramm-Rudman-Hollings Deficit Reduction Act which will pare down Cooperative Extension's $343 million budget to $328 million.

Given this tremendous reduction is funding proposed by the administration, it seems very unlikely that important programs like food nutrition education, farm safety, financial management, so needed by farmers at present, pest control, 4–H, seminars in husbandry and home economics, and natural resource conservation will be undertaken at the county level without Federal help.

The assumption that the New Federalism of the administration covers common defense and scarcely anything else is playing its latest card in the proposed gutting of Cooperative Extension. I think that we should resist the emasculation of this significant program, Democrats and Republicans alike.

Mr. FRANK. Mr. Speaker, I want to thank the gentleman from North Carolina for taking out this special order. I think it is important for us to recognize the useful community services which the Extension Service provides. The Extension Service has strong, bipartisan backing. The Extension Service provides aid during tough times, especially to young people, and it deserves a higher priority in the Department of Agriculture budget than the administration is giving it.

The President's budget for fiscal year 1987 would target the Cooperative Extension Program for a 59-percent cut which, incidentally, would cut the Massachusetts program by 68 percent. I appreciate the need to cut the deficit, but it is inappropriate and unfair to ask the Cooperative Extension Program to carry a disproportionate share of the Department of Agriculture's burden. Overall, the Department faces a 12-percent cut.

I am especially disturbed that the budget request would completely eliminate the earmarked funds for the Expended Food and Nutrition Education Program [EFNEP], which in Massachusetts alone has helped more than 46,000 families and 219,000 children to more effectively meet their nutritional needs.

In addition, I am concerned that the President's proposed budget would restrict the use of these funds by stipulating that extension agents could perform other services only after the needs of farm operators have been fully met. While the agriculture programs are important, I am afraid that this plan represents a masked attempt to eliminate existing programs in home economics, community resource development, natural resources, and 4–H youth development. These programs are important in assisting individuals, especially the young, to develop the skills and knowledge that will help them to live more productive and responsible lives.

Mr. HORTON. Mr. Speaker, I rise in strong support of the Cooperative Extension Program and in opposition to the President's proposed drastic cuts. In the administration's proposed fiscal 1987 budget, Cooperative Extension faces a cut of 59 percent—this in addition to the 4.3-percent cut sustained on March 1 as a result of the Gramm-Rudman deficit reduction package.

In New York alone, the Federal allocation would be reduced from $11.3 million to $3.6 million—a cut of 67 percent. In all, 5 major programs and approximately 300 positions are slated to be eliminated if a cut of this magnitude passes Congress. I am here to help my colleagues make all Members of the House aware of the tremendous importance of the Cooperative Extension Program to our Nation's farmers.

The President's budget proposal specifically eliminates several programs, including: Expanded Food and Nutrition Program, farm safety, urban gardening, pest management, financial management programs, and the Renewable Resources Extension Act. Other areas which would see substantial damage include 4–H and State home economics programs.

Lucinda Noble, the director of Cooperative Extension at Cornell University, of which I am an alumnus, noted that drastic personnel re-

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ductions would accompany a cut of the magnitude proposed by the administration. She added that some of the programs which would be the hardest hit are the Expanded Food and Nutrition Education Program, sea grant, integrated pest management, urban gardening programs, and renewable resources.

Mr. Speaker, more than 6 million people in New York State alone are served by Cornell's Cooperative Extension Service. Included in those 6 million are people from every county in the State.

Cooperative Extension is one of the most highly successful programs ever instigated by the Federal Government. Working with State and local governments, Cooperative Extension provides a tremendous amount of information for farmers and nonfarmers alike. It has kept the 4-H program, which is very important in the upstate New York area, alive and growing.

Ms. Noble noted a sad irony in the timing of these cuts. The first extension agent in New York State was employed 75 years ago this spring. During the diamond jubilee of Cooperative Extension in New York, it is tragic that we must make such an effort simply to assure this program's survival.

Mr. Speaker, I hope this special order will help those who were previously unaware of the tremendous importance this program plays in this country support our efforts to provide reasonable funding for Cooperative Extension.

GENERAL LEAVE

Mr. COBEY. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks and include extraneous material on the subject of my special order today.

The SPEAKER pro tempore (Mr. HAYES). Is there objection to the request of the gentleman from North Carolina?

There was no objection.

GENERAL LEAVE

Mr. COBEY. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks, and include extraneous material, on the subject of the special order today by the gentleman from North Carolina [Mr. BROYHILL].

The SPEAKER pro tempore (Mr. HAYES). Is there objection to the request of the gentleman from North Carolina?

There was no objection.

NUCLEAR WASTE POLICY ACT AMENDMENTS OF 1986

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from North Carolina [Mr. BROYHILL] is recognized for 60 minutes.

Mr. BROYHILL. Mr. Speaker, I am pleased to join with several of my colleagues in introducing the Nuclear Waste Policy Act Amendments of 1986. This legislation is necessary to derail a bureaucratic juggernaut that is now out of control, and which threatens to waste billions of electric ratepayers' dollars. I am, of course, referring to the Department of Energy's Second High Level Nuclear Waste Repository Program.

In January, the Department of Energy narrowed the number of areas under consideration for a second repository from 235 to 12 areas in 7 States. Two of the 12 areas are in North Carolina. I have reviewed the information available about these sites, and in a meeting last week with Secretary Herrington and Mr. Rusche, I stated that I was unalterably opposed to these areas being targeted as potential second repository sites.

I do not intend to review the basis for my position on these sites today. The State of North Carolina has recently submitted its views to the Secretary. The States excellent comments cover all of my concerns. I have every confidence that the Secretary will carefully review the State of North Carolina's views, and that the Secretary will reach the same conclusions that I have—that the North Carolina areas are not suitable for hosting a permanent high level waste repository.

However, in my review of the status of the Second Repository Program, a second issue came to my attention—the need for the Second Repository Program. After careful study, I have come to the conclusion that we do not need to pursue the development and siting of a second repository at this time.

The second repository was premised on the need to store at least 140,000 metric tons of high level waste by the year 2020.

Recent projections by the Energy Information Administration indicate, however, that the amount of waste needed to be disposed of will be far, far less than the 157,000 metric tons of waste projected back in 1983. The recent EIA projections range from 75,000 metric tons to 126,000 metric tons. This reflects a reduction of between 20 to 50 percent. I would ask the Speaker to include in today's RECORD, following my statement, table 7 of a publication by EIA entitled "World Nuclear Fuel Cycle Requirements 1985."

Back in 1983, the midcase EIA projection was over 130,000 metric tons of waste by the year 2020. Now our midcase projection, which assumes more than a doubling of our current nuclear waste capacity, is approximately 106,000 metric tons of waste. This is a drop of almost 20 percent in just 3 years, and falls about 35,000 metric tons below the 140,000 metric tons originally used to justify the second repository.

Thus, even under the very optimistic assumption of the doubling of our nuclear capacity, the 70,000 metric ton artificial cap on the first repository will not be reached under the mid-case scenario until sometime after the year 2010.

This point is documented even more clearly by comparing the high-case 1983 EIA projection, with EIA's current low-case projection. I believe the low-case projection is a more realistic figure. As I am sure everyone is aware, no new nuclear powerplants have been ordered since 1979. And I suspect none will be ordered for a long time. The low-case projection is consistent with the current state of the nuclear industry—for it only assumes 36 new 1,000 megawatt nuclear powerplants will be ordered and placed into service by the year 2020.

Under the more realistic low-case assumptions, we expect to produce a total of less than 90,000 metric tons of waste by the year 2020. This is a dramatic drop of almost 45 percent from our 1983 projection of 157,000 metric tons, and conclusively shows that the first repository, even if storage is limited to 70,000 metric tons, will provide ample storage capacity until almost the year 2015.

In a hearing before the Energy and Commerce Subcommittee on energy conservation and power this morning, Mr. Ben Rusche, Director, Office of Civilian Radioactive Waste Management, U.S. Department of Energy, devoted much of his testimony to the need for the Second Repository Program. But, I did not find his testimony persuasive. His position that current projections as to the amount of waste we will need to store are well beyond the capacity of the first repository is simply incredible. If anything, Mr. Rusche's testimony before our committee today has further convinced me that the Second Repository Program should be terminated immediately.

Two further points are very important to our assessment of the Second Repository Program. First, we must recognize that there is no technical reason for limiting the amount of waste that can be stored at the first repository to 70,000 metric tons.

Second, the Second Repository Program is expensive. In our meeting last week, Mr. Rusche estimated the cost of analyzing each of the 12 areas at between $500 million to $1 billion. This does not include the cost of actually building the repository—which will also cost billions of dollars.

In sum, the facts demonstrate that there is no need whatsoever to waste money on a Second Repository Program we may never need.

That is why I wrote to Secretary Herrington last week requesting him to suspend all second repository activities, to submit a request to rescind all fiscal year 1986 funding for a second repository, and to modify the Department's fiscal year 1986 budget and legislative request to terminate this program in its entirety. I ask that a copy of my letter to the Secretary Herrington be inserted in the RECORD at the end of my remarks.

I have not received an adequate response from the Secretary. It is for this reason that I am joining with my colleagues in introducing the Nuclear Waste Policy Act Amendments of 1986. This legislation will deauthorize all Second Repository Program activities by striking all references to the second repository from the Nuclear Waste Policy Act. In addition, this legislation will explicitly preclude any further expenditures on any activity relating to a second repository.

As I wrote to Secretary Herrington last week, I remain convinced that nuclear power is vital to the health of our Nation's economy and the competitiveness of American business. But, if we are to retain this option, we must concentrate our actions on steps that will reaffirm public and industry confidence in this resource. This means that the Department's resources must be concentrated on the development of the first repository.

I call on my colleagues to support this legislation, and ask their help in putting a stop to a bad case of costly bureaucratic mischief.

WORLD NUCLEAR FUEL CYCLE REQUIREMENTS 1985, ENERGY INFORMATION ADMINISTRATION

TABLE 7.—TOTAL SPENT FUEL DISCHARGES SINCE 1957 FROM U.S. NUCLEAR POWER PLANTS, 1984–2020 [1]

[Metric tons of initial heavy metal]

Year	High case	Middle case	Low case	New orders case
1984 [2]	11,442	11,442	11,442	11,442
1985	12,474	12,474	12,474	12,474
1990	21,339	20,950	20,743	20,743
1995	31,964	31,441	30,591	30,591
2000	42,159	41,658	39,864	39,861
2005	53,737	52,446	49,207	48,835
2010	70,802	66,381	59,967	58,094
2015	96,913	86,416	74,836	69,280
2020	126,192	106,404	87,397	74,635

[1] Total spent fuel discharges include all discharges since 1957 that are not scheduled for reinsertion (1957 was the inception of commercial nuclear power in the United States). They are the sum of the unsmoothed annual spent fuel discharges.

[2] Preliminary data collected on form RW-859, "Nuclear Fuel Data," indicate that 11,991 metric tons of initial heavy metal have been discharged through 1984. The 11,991 metric tons consist of 11,723 metric tons in commercial storage, 14 metric tons stored by the Department of Energy for use in research, and 254 metric tons that were reprocessed. The 11,723 metric tons of initial heavy metal in commercial storage include some irradiated nuclear fuel that will be reinserted in future cycles of the nuclear reactors.

Source: Projected spent fuel discharges calculated using the INM model; see text for discussion of adjustments made to INM projected values.

HOUSE OF REPRESENTATIVES,
Washington, DC, April 14, 1986.

Hon. JOHN BERRINGTON,
Secretary, Department of Energy, Washington, DC.

DEAR MR. SECRETARY: In January the Department of Energy issued a draft area recommendation report that narrowed the number of rock bodies under consideration for a second permanent high level radioactive waste repository from 235 to 12 potentially acceptable areas in seven States. Two of the twelve areas are in North Carolina. The first, called Rolesville Pluton, is twelve miles east of the city of Raleigh and covers sections of Franklin, Johnston and Wake Counties. The second, called the Elk River Complex, is fifteen miles west of the city of Asheveille and covers sections of Bumcombe, Raywood and Madison Counties.

Mr. Secretary, I am unalterable opposed to including the two North Carolina areas among the location the Department of Energy has concluded are appropriate for further study. I have reviewed the characteristics of both North Carolina areas, and neither is suitable for hosting a permanent high level radioactive waste repository. Several adverse features have been identified that obviously disqualify both Rolesville and Elk River and make any further study of these two areas unnecessary. I would now like to review with you some of the adverse features that I found most compelling.

Reasonable assurance that the repository is safe from seismic activity must be of paramount concern in the choice of a host site. Such assurances cannot be confidently made with respect to the North Carolina areas.

The Elk River complex is bounded and cut by many faults and is located on one of the most seismically active regions of the eastern United States. Further, recent studies indicate that the entire Blue Ridge is part of a major overthrust belt, with the Elk River complex as a portion of a crystalline sheet that is less than one kilometer thick and which appears to overlay a major thrust fault. Shock waves from blasting a quarry located only four miles from Elk River would not only threaten workers at the repository, but may further weaken the long-term seismic integrity of the site.

The Rolesville Pluton is no better. It also lies in a heavily faulted zone. There are at least seventeen geologically young faults in the Rolesville area. Studies indicate that these faults were certainly active no more than two million years ago, and that movement along these faults could have taken place within the last few thousand years.

A second factor of critical importance in the placement of a high level radioactive waste repository is the hydrologic characteristics of potential sites. A repository cannot be built in locations where water migrates easily through a potential site, for this would significantly increase the probability of the repository contaminating groundwater. This is particularly important in areas like Rolesville and Elk River, where the local communities rely on untreated groundwater for drinking water.

The hydrologic characteristics of Rolesville and Elk River are not suitable for a repository. Groundwater in the Rolesville and Elk River areas is obtained from interconnected water bearing fractures that extend to unknown depths. Borings drilled by scientists from the Virginia Polytechnic Institute in the Rolesville area indicate the passage of hot water rich fluids through the rock and demonstrate the unacceptable possibility that an escape of radioactive material from a repository would contaminate groundwater.

The evidence that groundwater is circulating to the depths at which a repository would be built is even more compelling in the case of Elk River. About twenty thermal springs have been identified in the vicinity of the Elk River site. It is generally believed that these springs are the result of water being circulated to depths where the rocks are hot, and then returned to the surface so quickly that the water does not have sufficient time to cool to ambient termperatures. It has been reliably estimated that the groundwater is being circulated to a depth of 5,000 to 6,000 feet, well below the depth at which a repository would be built. Widespread mineralization along faults in the vicinity of the Elk River Complex confirms that the faults of this complex have served as flow paths for heated water.

This evidence of groundwater being obtained from great depths creates too great a possibility of groundwater contamination, and should disqualify both the Rolesville and Elk River sites. There is naturally occurring radon in the rocks and groundwater in the Rolesville and Elk River areas. The construction and operation of a repository is likely to release additional amounts of radon into groundwater and the atmosphere. The health risks associated with further releases of radioactive materials is unacceptable.

The geologic considerations outlined above are sufficient to disquality both North Carolina areas. However, there are also serious environmental and socioeconomic considerations that militate against consideration of the Rolesville Pluton and Elk River Complex.

Section 112(a) of the Nuclear Waste Policy Act requires disqualification of "any site from development as a repository if any surface facility of such repository would be located (1) in a highly populated area; or (2) adjacent to an area 1 mile by 1 mile having a population of not less than 1,000 individuals." Large portions of the Rolesville Pluton area currently under consideration by DOE do not comply with this requirement. At the time of the 1980 national census, three towns within the Rolesville Pluton had population densities greater than 1,000 people per square mile. These towns are Zebulon, Wendell, and Knightville. All these towns have continued to grow since the census.

It is only common sense for the repository not be built in an area of rapid population growth. Yet this is precisely what will occur should the repository be built at the Rolesville site. The Rolesville area is one of the fastest growing areas in the South. From 1970 to 1980, Wake County grew from approximately 229,000 to almost 302,000 or 32 percent. Johnson County grew 15 percent from 62,000 to 71,000. Franklin County also grew by almost 14 percent. There is no indication that this remarkable growth will subside in the foreseeable future.

Also, placement of a repository at either area would cause a major disruption of the local economy, which is heavily dependent on tourism. For example, the Falls Lake State Recreation area is only six miles from the Rolesville site. This recreation area is expected to have the capacity to accommodate over 6.5 million visitors every year. I agree completely with the North Carolina Department of Natural Resources and Community Development's conclusion that the public perception of the danger of a repository would severely impact on the attractiveness of the area to tourists.

This is also the case with the Elk River Complex which is in close proximity to the Great Smoky Mountains National Park, the Blue Ridge Parkway and the Shining Rock Wilderness. Placement of a repository at this location would compromise the isolation and scenic beauty of these three parks, and would undoubtedly "conflict irreconcilably with the . . . use of a component of the National Park System." 10 C.F.R. 960.5-2-5(d)(3).

There are two further environmental factors that I believe raise serious questions about the ability of a repository to be built and operated safely at the Elk River area. In November 1977, a severe flood struck Western North Carolina. Sixteen counties were declared a federal disaster area. The area of the most severe flooding included a large portion of the Elk River complex. I do not need to point out how serious flooding could be for the safe operation and maintenance of a repository. Also, I have been told that the types of sedimentary rocks present at the Elk River Complex are known producers of hydrocarbons. Should a discovery trigger an extensive drilling program sometime in the distant future, the drilling could pose a serious risk to the continued integrity of the repository.

This does not exhaust all of the reasons I believe the North Carolina areas should not be candidates for the second repository. Several additional factors have been brought to my attention by the North Carolina Governor's office, including the adverse impact on the preservation of structures of historic and architectural significance; the proximity of state-protected lands; and the difficulties with rail transportation. I understand that the Governor will be submitting the State's views to you very shortly. I have every confidence that you will carefully weigh those comments, and that you will reach the same conclusions that I have—that Rolesville Pluton and the Elk River

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Complex are not suitable for a permanent high level waste repository.

Finally, Mr. Secretary, I would like to raise one last issue, the status of the second repository program. I do not believe, Mr. Secretary, that our Nation needs to pursue the development and siting of a second permanent repository at this time.

The second repository was premised on the need to store at least 140,000 metric tons of high level nuclear waste by the year 2020. Recent projections by your own Energy Information Administration (EIA) indicate that the amount of waste needed to be disposed of will be far less than 140,000 metric tons. The projections range from 75,000 metric tons to 126,000 metric tons of waste. Even the middle case (106,000), which appears to be overly optimistic in that it represents more than a doubling of existing nuclear capacity, falls about 35,000 metric tons below the 140,000 metric tons originally used to justify the second repository. The EIA data concludes that the first repository will provide more than adequate storage capacity until sometime after the year 2010. Therefore, the wisest course of action is to terminate the second repository program and ensure that the first repository will be built at a site that can accomodate more than 70,000 metric tons of waste. To this end, I have joined Congressman Steve Neal in supporting H.R. 2439.

I am now, more than ever, convinced that the nuclear option is vital to the health of our nation's economy and the competitiveness of American business. But, if we are to retain this option, we must concentrate our actions on steps that will reaffirm public and industry confidence in this resource. For your part, you must concentrate the Department's resources on development of the first repository.

In these times of fiscal constraints, the entire repository budget must be dedicated to this task. For this reason, I respectfully request that you immediately suspend all second repository activities; submit to Congress a request to rescind all FY 1986 funding for the second repository; and modify the Department's FY 1987 budget and legislative request to terminate the second repository program in its entirety.

I look forward to working with you on this matter, and I can assure you of my dedication to the successful development of the first repository.

With best regards,

JAMES T. BROYHILL,
Ranking Minority Member,
Committee on Energy and Commerce.

H.R. 4668

A bill to amend the Nuclear Waste Policy Act of 1982 to remove the requirement of a second repository for the disposal of high-level radioactive waste and spent nuclear fuel, and for other purposes.

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as "Nuclear Waste Policy Act Amendments of 1986".

SEC. 2. REMOVAL OF DEADLINES AND REQUIREMENTS RELATING TO SECOND AND SUBSEQUENT REPOSITORIES.

(a) RECOMMENDATION OF CANDIDATE SITES FOR SITE CHARACTERIZATON.—Section 112(b)(1) of the Nuclear Waste Policy Act of 1982 (42 U.S.C. 10132(b)(1)) is amended—

(1) in subparagraph (A), by striking "first";

(2) by striking subparagraph (C);

(3) in subparagraph (D), by striking "subparagraphs (B) and (C)" and inserting "subparagraph (B)";

(4) in subparagraph (F), by striking "(E)" and inserting "(D)"; and

(5) by redesignating subparagraphs (D) through (H) as subparagraphs (C) through (G), respectively;

(b) HEARINGS AND PRESIDENTIAL RECOMMENDATION.—Section 114(a)(1) of the Nuclear Waste Policy Act of 1982 (42 U.S.C. 10134(a)(1)) is amended—

(1) in the second sentence, by striking "for the first" and all that follows through the third comma;

(2) by striking the fifth sentence; and

(3) in subparagraph (D)—

(A) by striking "for the first" and all that follows through the second comma; and

(B) by striking the following: "concerning the first repository to be developed under this Act".

(c) RECOMMENDATION OF SITE APPROVAL.—Section 114(a)(2) of the Nuclear Waste Policy Act of 1982 (42 U.S.C. 10134(a)(2)) is amended—

(1) in subparagraph (A) by striking the second and fourth sentences; and

(2) in subparagraph (B)—

(A) by striking "deadlines" and inserting "deadline"; and

(B) by striking the following: "for the first site, and March 31, 1989, for the second site,".

(d) RECOMMENDATION AFTER DISAPPROVAL.—Section 114(a)(3) of the Nuclear Waste Policy Act of 1982 (42 U.S.C. 10134(a)(3)) is amended by striking "first or subsequent".

(e) APPROVAL OF CONSTRUCTION AUTHORIZATION.—Section 114(d)(1) of the Nuclear Waste Policy Act of 1982 (42 U.S.C. 10134(d)(1)) is amended by striking the following: ", for the first such application, and January 1, 1992, for the second such application".

(f) ENVIRONMENTAL IMPACT STATEMENT.—Section 114(f) of the Nuclear Waste Policy Act of 1982 (42 U.S.C. 10134(f)) is amended—

(1) in the fourth sentence, by striking "first";

(2) by striking the fifth sentence; and

(3) in the last sentence, by striking "first".

SEC. 3. REMOVAL OF VOLUME LIMITATION ON REPOSITORY.

Section 114(d) of the Nuclear Waste Policy Act of 1982 (42 U.S.C. 10134(d)) is amended by striking the last two sentences.

SEC. 4. REVISION OF MISSION PLAN.

Section 301 of the Nuclear Waste Policy Act of 1982 (42 U.S.C. 10221) is amended by adding at the end the following new subsection:

"(c) REVISION OF MISSION PLAN.—The Secretary shall make such revisions in the mission plan as may be necessary to carry out the amendments made to this Act by the Nuclear Waste Policy Act Amendments of 1986. In making such revisions, the Secretary shall comply with the procedures established in subsection (b), except that—

"(1) the draft of the revisions shall be submitted in accordance with subsection (b)(1) not later than 4 months after the date of the enactment of the Nuclear Waste Policy Act Amendments of 1986; and

"(2) the revisions shall be submitted in accordance with subsection (b)(3) not later than 6 months after the date of the enactment of the Nuclear Waste Policy Act Amendments of 1986.".

SEC. 5. PROHIBITION OF EXPENDITURES FROM NUCLEAR WASTE FUND FOR SECOND AND SUBSEQUENT REPOSITORIES.

Section 302(d) of the Nuclear Waste Policy Act of 1982 (42 U.S.C. 10222(d)) is amended by adding at the end the following new sentence: "No amount may be expended by the Secretary from the Waste Fund for any activity relating to a second or subsequent repository.".

Mr. COBEY. Mr. Speaker, today I join my colleague and friend, Mr. BROYHILL, in introducing legislation to amend the Nuclear Waste Policy Act of 1982. This bill would remove the requirement of the second repository for the disposal of high-level radioactive waste and spent nuclear fuel. As you know, the NWPA calls for the implementation of a first repository with a 70,000-metric-ton limit in which waste will be collected. The act also designates a selection process to begin the search for the second repository site.

There has been adequate data to indicate that the need for storage facilities for over 140,000 metric tons of high-level nuclear spent fuel is highly overestimated. This figure assumes that the number of nuclear powerplants would double—approximately 131—between now and the year 2020, when the second repository would begin operation. Construction for new nuclear plants have not been initiated in the last 10 years. Therefore, I believe it would be quite accurate to state that our needs for this type of storage would be far less than the 140,000-ton capacity as provided for through the NWPA in 1982.

The Department of Energy has already expended a great deal of time, money, and effort on behalf of the second repository that first of all, has not even been approved by Congress, and second, but even more importantly, is not clearly needed. I strongly encourage my colleagues to support this measure and eliminate continuation of the second repository program.

Mr. PETRI. Mr. Speaker, I am pleased to be an original cosponsor of the Nuclear Waste Policy Act Amendments which eliminates the need for a second nuclear waste repository by expanding the capacity of the first. Such a move addresses two of my biggest concerns about the selection process Congress began with the Nuclear Waste Policy Act of 1982: safety and cost.

What we have seen, as the second site selection process has progressed, is a clear need to amend the original law. Yet we cannot deny the need to build a long-term nuclear waste storage facility.

There are several problems with the sites chosen for the second round. First, the sites chosen for further field work shall be potential safety hazards.

Serious geological questions have been raised regarding the natural fracturing and faulting of the granite rock formations which characterize the sites. These natural flaws could result in the contamination of groundwater near a repository, endangering the water supplies of many towns and villages.

Furthermore, all of the potential second round sites are only accessible by train routes and highways that pass through or near densely populated areas.

Second, there is a real question as to whether we really need a second site at all. The tonnage cap on waste placed in the first site is arbitrary. There is no reason we cannot lift that cap, as this legislation proposes, and abandon the expensive, unnecessary search for a second site altogether. It has been estamated that the cost of studying each potential site is at least half a billion dollars and as much as a billion dollars. That means that we'll be wasting anywhere from $6 to $12 billion just to atudy sites we do not even need.

With all the debate about how to cut Federal spending, it seems to me that passage of this bill would be a good place to start.

Mr. ROTH. Mr. Speaker, I am pleased to add my name as an original cosponsor of the legislation being introduced today to amend the Nuclear Waste Policy Act of 1982. This measure will remove, as potential sites for the second nuclear waste repository, the 12 sites designated in January by the Department of Energy. This legislation will save billions of taxpayer dollars. During this time of Federal budget belt-tightening, I am convinced that all taxpayers will rally behind the bill.

The Wolf River Batholith in Wisconsin is 1 of the 12 sites under consideration for the second nuclear waste repository. There is no question that if high-level nuclear waste is dumped in Wisconsin, the State tourist economy, our second largest industry, will suffer dramatic losses. In short, if tourism declines, then so does the economic health of Wisconsin.

A great deal of evidence has been released recently that indicates there is no need for a second repository. The projected amounts of nuclear waste were initially overestimated. With the new data, we have learned that one nuclear waste storage facility will be able to store all the nuclear waste that is produced in this country well into the 21st century.

It is now a matter of simple arithmetic. A second site would cost billions. Why spend billions of dollars for something that may never be necessary?

I urge my colleagues to support this legislation. It will assure that nuclear waste is properly stored. But in so doing it will prevent the needless expenditure of an outrageous sum of tax dollars.

Mr. BLILEY. Mr. Speaker, I rise in strong support of and as an original sponsor of the Nuclear Waste Policy Act Amendments of 1986, being introduced today by my colleague from North Carolina, Mr. BROYHILL. Frankly, I am disappointed that this legislation is necessary. Unfortunately, it is made necessary by a series of inept and ill-advised bureaucratic decisions. Failure to act on this legislation will not only cost ratepayers billions of dollars, but will serve as a threat to our environment as well.

I do not intend to present a litany of technical data designed to demonstrate the Department of Energy's failures in selecting their 12 finalists for the sight of the Nation's second high level nuclear waste repository. Suffice it to say, those failings and oversights were many. This morning, I was privileged to sit in on a hearing of the Energy Conservation and Power Subcommittee on this very same subject. Mr. Speaker, I would like to take this opportunity to ask unanimous consent to include at this point in the RECORD the statement of the Governor of the Commonwealth of Virginia before that subcommittee.

Mr. Speaker, I think this serves as just one more piece of evidence that the Department's selection process was seriously flawed.

Like the distinguished ranking minority member of the full Energy and Commerce Committee, my review of the status of the second repository program led me to the conclusion that we do not need to pursue the development of a second repository at this time.

Let's remember that the second sight was premised on the need to store at least 140,000 metric tons of high level nuclear waste by the year 2020. Recent projections of EIA indicate that the amount of waste we will need to dispose of will be far less than the 157,000 metric tons projected back in 1983. EIA's recent projections range from 75,000 to 126,000 metric tons. This is a reduction of anywhere from 20 to 50 percent.

Back in 1983, the EIA midcase projection was over 130,000 metric tons by the year 2020. Now the midcase projection is approximately 106,000 metric tons. Mr. Speaker, we will have to double our current nuclear capacity to hit that projection. Even under the very optimistic assumption that we will double our nuclear capacity, the artificial cap of 70,000 metric tons at the first repository will not be reached until sometime after the year 2010.

This point is made even more significant when one compares the 1983 high case scenario with the current low case projections. Clearly, the low-case assumption is a more realistic projection of where we are headed. Everyone knows that no new nuclear powerplants have been ordered since 1979. The low-case assumption is consistent with the current state of the nuclear industry—it assumes 38 new 1,000 megawatt plants will be ordered and placed in service by 2020.

Under the low-case scenario we will produce less than 90,000 metric tons of waste by 2020. This is 45 percent below the 1983 projections of 157,000 metric tons. Clearly, the first repository, even if limited to 70,000 metric tons, will provide ample storage until almost 2015.

This morning, Mr. Ben Rusche, Director, Office of Civilian Radioactive Waste Management, U.S. Department of Energy devoted a great deal of his testimony to justifying the need for a second repository. Frankly, I was unconvinced and believe Mr. Rusche should stop defending a bad decision, and spend more time on other issues.

Mr. Speaker, the facts demonstrate that there is no need for a second repository program and I urge my colleagues to adopt this legislation.

STATEMENT OF HON. GERALD L. BALILES, GOVERNOR OF VIRGINIA, BEFORE THE SUBCOMMITTEE ON ENERGY CONSERVATION AND POWER OF THE HOUSE COMMITTEE ON ENERGY AND COMMERCE, APRIL 23, 1986

Mr. Chairman and members of the Subcommittee, ladies and gentlemen: I am grateful for the opportunity to discuss with you today Virginia's serious concerns regarding the Department of Energy's administration of the Nuclear Waste Policy Act of 1982.

Mr. Chairman, we recognize our responsibility to address the difficult problems presented by the management and disposal of high-level nuclear waste. Accordingly, Virginia has made a sincere and concerted effort to be a responsible partner in the process you and your colleagues created in 1982.

From the outset, Virginia has emphasized that the process of site selection must be based on the most capable research and the most accurate information possible.

The process must be based on facts—facts that will withstand the most critical review.

To manage the siting process otherwise would be subjective, unfair and dangerous.

It is on the basis of established and provable evidence—facts—that Virginia has approached its response to the Department of Energy's Draft Area Recommendation Report.

We are very concerned at this point that the Department of Energy is not responding to or may even be ignoring evidence produced through this process.

Our single greatest concern is the Department's apparent methods of scientific inquiry.

Time and again, in its consideration of potential Virginia sites, the Department of Energy has reacted to a lack of crucial data with a complacency that is alarming because it assumes that a site must be appropriate unless readily available data to the contrary disproves it.

Mr. Chairman, this is not an approach that instills confidence in a process that must be based on facts.

And it's certainly no way to choose a site for radioactive materials requiring isolation twice the length of the recorded history of human civilization.

This approach allows the Department, for instance, to conclude that a geologic fault ends at a state border—as you can plainly see in this Department of Energy map. (Figure 1) (Map not reproduced in RECORD.)

As point of fact, the "suitable" rock bodies within the fault areas shown on this map do not mysteriously end at the Virginia-North Carolina border. It seems that the Department of Energy had no information on the rock in Virginia, so they assumed that all the rock bodies must be suitable, even when more detailed mapping in North Carolina showed similar rock bodies just across the border to be heterogeneous mixtures of crystalline and noncrystalline rocks.

Mr. Chairman, Virginia's concerns go beyond the Department of Energy's "no data is good data" approach to the facts. Our concerns go to the heart of the evaluation itself. Our line-by-line analysis of the Department's report for the three proposed Virginia sites reveal numerous examples of either an unwillingness or an inability to interpret the facts the Department of Energy had about each site.

Let me cite just a few examples:

First, the Department of Energy identified an "unnamed uranium occurrence" to the southwest of the proposed Halifax-Pittsylvania site (SE-3). Virginians know it as the "Swanson Uranium Deposit." It has been the topic of protracted and lively debate in our state legislature for more than four years.

As Figure 2 shows, this uranium deposit is actually only 4.5 miles from the proposed Halifax-Pittsylvania site (SE-3); the Department of Energy's report, by contrast, places the deposit more than three times further away from the proposed site than it actually is.

Moreover, the Department's report states the probability of similar deposits within the proposed Halifax-Pittsylvania site (SE-3) as "very low."

As Figure 3 shows three geochemical uranium anomalies within the proposed Halifax-Pittsylvania site (SE-3) were identified by the Department of Energy's own National Uranium Resource Evaluation Program. This data was published and presented at the 27th International Geological Congress in August, 1985.

Second, as you are aware, shear zones and faults provide avenues for groundwater migration and prohibit the isolation and integrity necessary for a repository of this nature. Therefore, geologic faults and shear zones can pose serious risks.

Figure 4 shows the geologic map published by the Department of Energy in the Department's report which illustrates a single fault, the Chatham Fault (on the western portion of the map) and shows no shear zones. Note that the Department of Energy in its references cites a 1977 publication by Henika and Thayer.

However, Figure 5 shows the facts contained in the cited 1977 publication which shows a second fault, the Vandola fault, two miles closer to the site on the map from the Chatham fault as well as a number of shear zones within the proposed Halifax-Pittsylvania site (SE-3).

Third, the Department of Energy felt that seismic activity was insufficient in "the absence of further evaluation" to disqualify the proposed Hanover site (SE-1). But what is the level of seismic activity that has been documented in the region of Hanover site (SE-1)?

Mr. Chairman, in this instance, as shown in Figure 6, "X" marks the spot—or more accurately, the spots—of the epicenters of 216 earthquakes in and around the Virginia sites since 1774. The Hanover site (SE-1) is located within portions of the three counties outlined in the central section of the Figure 6.

For those of you interested in documentation of more recent earthquake activity near the Hanover site (SE-1), Figure 7 shows the number of earthquake epicenters registered just since 1978.

Why, we ask, does the Department of Energy want futher study in order to locate a repository in the midst of one of Virginia's most prolific earthquake zones—a zone whose quakes have been documented to occur high in the earth's crust at the very level at which a repository would be located?

A fourth and final example of our concerns over the Department of Energy's failure to adhere to its own criteria and the facts that are readily available is evidenced at the proposed Bedford County site (SE-2). The Department of Energy's own criteria, quite logically, provide that independent cities shall be excluded from consideration. Yet, the proposed Bedford County site (SE-2) actually includes portions of the City of Bedford.

Mr. Chairman, let me say unequivocally that complacency has no place in the search for scientific evidence.

Furthermore, the errors we have found in the Department of Energy's work raise serious questions as to the accuracy of the Department's report and the Department of Energy's commitment to the most objective and equitable siting process.

Our case is strong, our wish is clear, and our expectations are evident. We recognize that the Department of Energy has a difficult and challenging mission, and we appreciate the process that has allowed us to develop these facts.

But the facts—all of them—should dictate the next step in the process.

Mr. Chairman, the plain truth of the matter is that the Department's report ignores many facts—and misinterprets many others.

The facts—unadorned and unadulterated—demonstrate clearly that the three proposed sites identified by the Department of Energy in Virginia do not meet the Department of Energy's own criteria and should be eliminated from further consideration under the siting process.

RECESS

The SPEAKER pro tempore. Without objection, the House will stand in recess for 15 minutes.

There was no objection.

Accordingly (at 1 o'clock and 55 minutes p.m.), the House stood in recess until approximately 2:10 p.m.

□ 1400

AFTER RECESS

The recess having expired, the House was called to order by the Speaker pro tempore (Mr. Hayes) at 2:13 p.m.

RECESS

The SPEAKER pro tempore. Without objection, the House will stand in recess for 15 minutes.

There was no objection.

Accordingly (at 2 o'clock and 14 minutes p.m.), the House stood in recess until 2:30 p.m.

□ 1430

AFTER RECESS

The recess having expired, the House was called to order by the Speaker at 2:30 p.m.

VACATING THE PROCEEDINGS BY WHICH HOUSE RESOLUTION 427 WAS ADOPTED BY THE HOUSE ON APRIL 22, 1986 AND PROVIDING THAT SAID RESOLUTION SHALL BE CONSIDERED TO HAVE BEEN LAID ON THE TABLE

Mr. PEPPER, from the Committee on Rules, reported the following privileged resolution (H. Res. 432, Rept. 99-553) which was referred to the House Calendar and ordered to be printed:

H. Res. 432

Resolved, That the proceedings by which H. Res. 427 was adopted by the House on April 22, 1986 are hereby vacated, and said resolution shall be considered to have been laid on the table.

Mr. PEPPER. Mr. Speaker, by direction of the Committee on Rules, I call up House Resolution 432 and ask for its immediate consideration.

The SPEAKER. The Clerk will report the resolution.

The Clerk read the resolution.

The SPEAKER. The question is, Will the House now consider House resolution 432?

The question was taken.

Mr. MURTHA. Mr. Speaker, I object to the vote on the ground that a quorum is not present and make the point of order that a quorum is not present.

The SPEAKER. Evidently a quorum is not present. The resolution requires a two-thirds vote for passage.

The Sergeant at Arms will notify absent Members.

The vote was taken by electronic device, and there were—yeas 333, nays 68, not voting 32, as follows:

[Roll No. 97]

YEAS—333

Anderson
Andrews
Annunzio
Applegate
Archer
Armey
Aspin
Atkins
AuCoin
Barnard
Barnes
Bartlett
Barton
Bateman
Bates
Bedell
Bellenson
Bennett
Bentley
Bereuter
Berman
Bevill
Bilirakis
Bliley
Boehlert
Boggs
Boland
Boner (TN)
Bonior (MI)
Bonker
Borski
Boucher
Boulter
Breaux
Broomfield
Brown (CA)
Brown (CO)
Broyhill
Bruce
Bryant
Burton (CA)
Byron
Callahan
Carney
Carper
Carr
Chandler
Chapman
Chappell
Chapple
Cheney
Clinger
Coats
Cobey
Coble
Coelho
Coleman (MO)
Coleman (TX)
Collins
Combest
Conte
Conyers
Cooper
Coughlin
Courter
Craig
Crockett
Dannemeyer
Darden
Daschle
Daub
Davis
de la Garza
Dellums
Derrick
DeWine
Dicks
DioGuardi
Dixon
Donnelly
Dorgan (ND)
Dornan (CA)
Dowdy
Downey
Dreier
Durbin
Dwyer
Dyson
Eckart (OH)
Eckert (NY)
Edwards (CA)
Edwards (OK)
Emerson
English
Erdreich
Evans (IA)
Evans (IL)
Fawell
Fazio
Feighan
Fields
Flippo
Florio
Foglietta
Foley
Fowler
Frank
Frost
Fuqua
Gallo
Garcia
Gejdenson
Gekas
Gephardt
Gilman
Gingrich
Glickman
Gonzalez
Goodling
Gordon
Gradison
Gray (IL)
Gray (PA)
Green
Guarini
Gunderson
Hall (OH)
Hall, Ralph
Hamilton
Hansen
Hartnett
Hatcher
Hawkins
Hayes
Hendon
Henry
Hertel
Hiler
Holt
Hopkins
Horton
Hubbard
Huckaby
Hughes
Hunter
Hutto
Ireland
Jacobs
Jeffords
Jenkins
Johnson
Jones (OK)
Kanjorski
Kaptur
Kasich
Kastenmeier
Kemp
Kennelly
Kildee
Kindness
Kleczka
Kolbe
Kostmayer
Kramer
LaFalce
Lagomarsino
Lantos
Latta
Leach (IA)
Lent
Levin (MI)
Levine (CA)
Lewis (FL)
Lightfoot
Lloyd
Long
Lowery (CA)
Lowry (WA)
Luken
Lundine
Lungren
Mack
MacKay
Markey
Martin (IL)
Matsui
Mavroules
Mazzoli
McCain
McCandless
McCloskey
McCollum
McDade
McEwen
McHugh
McKernan
McKinney
McMillan
Meyers
Mica
Mikulski
Miller (CA)
Miller (OH)
Miller (WA)
Mineta
Mitchell
Moakley
Moore
Moorhead
Morrison (CT)

Morrison (WA)
Mrazek
Murphy
Natcher
Neal
Nelson
Nielson
Nowak
Oakar
Obey
Olin
Owens
Oxley
Packard
Panetta
Parris
Pease
Penny
Pepper
Perkins
Petri
Pickle
Price
Pursell
Ray
Regula
Reid
Richardson
Rinaldo
Ritter
Roberts
Rodino
Roe
Roemer
Rose
Roth
Roukema
Rowland (CT)
Rowland (GA)
Roybal
Russo
Sabo
Savage
Saxton
Schaefer
Scheuer
Schneider
Schroeder
Schuette
Schumer
Seiberling
Sensenbrenner
Sharp
Shelby
Sikorski
Siljander
Sisisky
Skelton
Slattery
Slaughter
Smith (FL)
Smith (IA)
Smith (NE)
Smith (NJ)
Smith, Robert (NH)
Smith, Robert (OR)
Snowe
Solarz
Solomon
Spence
Spratt
St Germain
Staggers
Stallings
Stangeland
Stenholm
Strang
Stratton
Studds
Stump
Sundquist
Sweeney
Swift
Swindall
Synar
Tallon
Tauke
Tauzin
Thomas (GA)
Torres
Torricelli
Towns
Traficant
Traxler
Udall
Valentine
Vento
Visclosky
Volkmer
Vucanovich
Walgren
Walker
Watkins
Weaver
Weber
Weiss
Wheat
Whitehurst
Whitley
Whittaker
Whitten
Williams
Wise
Wolf
Wolpe
Wortley
Wright
Wyden
Wylie
Yates
Yatron
Young (FL)
Young (MO)

NAYS—68

Alexander
Badham
Biaggi
Burton (IN)
Bustamante
Coyne
Crane
Daniel
DeLay
Dickinson
Dingell
Duncan
Dymally
Fascell
Ford (MI)
Ford (TN)
Franklin
Frenzel
Gaydos
Gibbons
Gregg
Hammerschmidt
Hefner
Hillis
Howard
Hoyer
Hyde
Jones (NC)
Kolter
Leath (TX)
Lehman (CA)
Lehman (FL)
Leland
Lewis (CA)
Lipinski
Livingston
Lott
Madigan
Manton
Marlenee
Martinez
McGrath
Molinari
Mollohan
Monson
Montgomery
Moody
Murtha
Myers
Pashayan
Porter
Quillen
Rahall
Rangel
Rogers
Rostenkowski
Rudd
Schulze
Shumway
Shuster
Skeen
Snyder
Stark
Taylor
Thomas (CA)
Vander Jagt
Waxman
Young (AK)

NOT VOTING—32

Ackerman
Akaka
Anthony
Bosco
Boxer
Brooks
Campbell
Clay
Early
Edgar
Fiedler
Fish
Grotberg
Heftel
Jones (TN)
Loeffler
Lujan
Martin (NY)
McCurdy
Michel
Nichols
O'Brien
Oberstar
Ortiz
Ridge
Robinson
Shaw
Smith, Denny (OR)
Stokes
Wilson
Wirth
Zschau

□ 1440

Messrs. LEHMAN of California, MARTINEZ, and PASHAYAN changed their voted from "yea" to "nay."

Mrs. KENNELLY and Messrs. AuCOIN, ANNUNZIO, HAWKINS, SWINDALL, DAVIS, ROBERT F. SMITH, CROCKETT, HAYES, ROSE, FOGLIETTA, SMITH of Florida, and SCHUMER changed their votes from "nay" to "yea."

So (two-thirds having voted in favor thereof) the House agreed to consider House Resolution 432.

The result of the vote was announced as above recorded.

The SPEAKER. Does the gentleman from Florida [Mr. Pepper] desire time?

Mr. PEPPER. Mr. Speaker, House Resolution 432 vacates the proceedings by which House Resolution 427 was adopted yesterday and lays the resolution on the table. As my colleagues are aware, yesterday a resolution passed this House that had the effect of lifting the limitation on outside earned income for Members. The resolution now before the Members would restore the limitations that were in place before yesterday's action. In other words, House Resolution 432 would reimpose the 30-percent limitation on outside earned income for Members by vitiating the action taken by the House.

Mr. Speaker, it is clear that Members are concerned about the absence of full legislative scrutiny of the amendment to the rules of the House adopted yesterday. There is a general consensus that the sensitive issues of Members' compensation and outside income should be addressed through careful study and deliberation.

The committee wishes to make the legislative intent in this matter clear. The committee's action in reporting this resolution should not be viewed as an endorsement of the previous rule setting a ceiling on outside income of 30 percent of a Members' pay. Nor should it be viewed as a rejection of the 40-percent limit adopted by the House yesterday, or of any other higher or lower limit which might be proposed in any subsequent legislation, subject to the normal procedure. The resolution presented today simply responds to the concerns I have discussed, by restoring the status quo. The committee views it as important to do so promptly, to avoid arousing passions about matters which should be reviewed with care and sensitivity.

The controversy surrounding the previous resolution, and the pending matter, make it clear that the current limit on outside income, and the disparate practices of the two Houses, are issues of some importance, which deserve to be addressed through subsequent hearings and study in appropriate legislative fora.

The Committee on Rules, and other committees of appropriate jurisdiction, will continue their legislative and oversight reviews of the issues of Members' pay and allowances, limitations and standards governing honoraria and other outside income, and comparability of these matters between the two Chambers.

The SPEAKER. The question is on the resolution.

The resolution was agreed to.

A motion to reconsider was laid on the table.

□ 1455

ANNOUNCEMENT BY THE SPEAKER

The SPEAKER. The Chair knows of no further business for the remainder of the day.

SPECIAL ORDERS GRANTED

By unanimous consent, permission to address the House, following the legislative program and any special orders heretofore entered, was granted to:

(The following Member (at the request of Mr. Chandler) and to include extraneous matter:)

Mr. Walker, for 60 minutes, today.

(The following Members (at the request of Ms. Kaptur) and to include extraneous matter:)

Mr. Frank, for 5 minutes, today.

Mr. Mitchell, for 5 minutes, today.

Mr. Panetta, for 5 minutes, today.

Mr. Annunzio, for 5 minutes, today.

Mr. Alexander, for 5 minutes, today.

Mr. Pepper, for 5 minutes, on April 24.

Mr. Brooks, for 60 minutes, on April 30.

EXTENSION OF REMARKS

By unanimous consent, permission to revise and extend remarks was granted to:

Mr. Conte, during general debate on H.R. 1116, in the Committee of the Whole, today.

(The following Members (at the request of Mr. Chandler) to revise and extend their remarks and include extraneous material:)

Mr. Wortley.

Mr. Porter.

Mr. Gilman in two instances.

Mr. Lent.

Mr. Gekas in two instances.

Mr. Chappie.

Mr. Evans of Iowa.

Mr. Ritter.

Mr. Clinger in two instances.

Mr. Young of Florida.

Mr. Dreier of California.

(The following Members (at the request of Ms. Kaptur) and to include extraneous matter:)

Mr. Martinez in two instances.

Mr. Wolpe in two instances.

Mr. Levine of California.

Mr. Biaggi.

Mr. Erdreich.

Mr. Smith of Florida.

Mr. Fascell.

Mr. AuCoin.

SENATE ENROLLED JOINT RESOLUTIONS

The SPEAKER announced his signature to enrolled joint resolutions of the Senate of the following titles:

S.J. Res. 214. Joint resolution providing for reappointment of Carlisle H. Hummel-

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sine as a citizen regent of the Board of Regents of the Smithsonian Institution;

S.J. Res. 215. Joint resolution providing for reappointment of William G. Bowen as a citizen regent of the Board of Regents of the Smithsonian Institution;

S.J. Res. 275. Joint resolution designating May 11 through May 17, 1986, as "Jewish Heritage Week";

S.J. Res. 288. Joint resolution to designate the week of April 20, 1986, through April 26, 1986, as "National Reading Is Fun Week"; and

S.J. Res. 296. Joint resolution to designate October 16, 1986, as "World Food Day."

ADJOURNMENT

Mr. MITCHELL. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 2 o'clock and 56 minutes p.m.) the House adjourned until tomorrow, Thursday, April 24, 1986, at 11 a.m.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

3365. A letter from the Acting Director, Defense Security Assistance Agency, transmitting notification of the Department of the Navy's proposed lease of defense articles to the Coordination Council of North American Affairs (Transmittal No. 28-86), pursuant to 22 U.S.C. 2796(a); to the Committee on Foreign Affairs.

3366. A letter from the Acting Director, Defense Security Assistance Agency, transmitting notification of the Department of the Navy's proposed lease of defense articles to United Kingdom (Transmittal No. 32-86), pursuant to 22 U.S.C. 2796(a); to the Committee on Foreign Affairs.

3367. A letter from the Acting Assistant Secretary of State for Legislative and Intergovernmental Affairs, transmitting a report of political contributions of Ronald Frank Lehman II, of Virginia, for the rank of Ambassador during his tenure of service as U.S. Negotiator for Strategic Nuclear Arms, pursuant to 22 U.S.C. 3944(b)(2); to the Committee on Foreign Affairs.

3368. A letter from the Vice President-Corporate Human Resources, Federal Home Loan Mortgage Corporation, transmitting the financial statement for the Corporation's pension plan, pursuant to 31 U.S.C. 9503(a)(1)(B); to the Committee on Government Operations.

3369. A letter from the Administrator, Agency for International Development and the First Vice President and Vice Chairman, Eximbank of the United States, transmitting a report on the amount and extension of credits under the Trade Credit Insurance Program [TCIP], pursuant to 22 U.S.C. 2184(g); jointly, to the Committees on Banking, Finance and Urban Affairs and Foreign Affairs.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. DINGELL: Committee on Energy and Commerce. Report pursuant to section 302(b)(2) of the Congressional Budget Act of 1974 (Rept. 99-552). Referred to the Committee of the Whole House on the State of the Union.

Mr. PEPPER. Committee on Rules. H. Res. 432. Resolution vacating the proceedings by which House Resolution 427 was adopted by the House on April 22, 1986, and providing that said resolution shall be considered to have been laid on the table (Rept. 99-553). Referred to the House Calendar.

REPORTED BILLS SEQUENTIALLY REFERRED

Under clause 5 of rule X, bills and reports were delivered to the Clerk for printing, and bills referred as follows:

Mr. UDALL: Committee on Interior and Insular Affairs. H.R. 2921. A bill to authorize the Secretary of Agriculture to issue permanent easements for water conveyance systems in order to resolve title claims arising under acts repealed by the Federal Land Policy and Management Act of 1976, and for other purposes; with an amendment. Referred to the Committee on Agriculture for a period ending not later than May 2, 1986 for consideration of such portions of the bill and amendment as fall within that committee's jurisdiction pursuant to clause 1(a), rule X (Rept. 99-554, Pt. 1). Order to be printed.

PUBLIC BILLS AND RESOLUTIONS

Under clause 5 of rule X and clause 4 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. MOORE:

H.R. 4667. A bill to amend title VII of the Tariff Act of 1930 in order to offset the injurious effect of substandard foreign wages on U.S. producers; to the Committee on Ways and Means.

By Mr. BROYHILL (for himself, Mr. Bliley, Mr. Cobey, Mr. Coble, Mr. Gregg, Mr. Hendon, Mr. McKernan, Mr. Petri, Mr. Roth, Mr. Sikorski, Mr. Slaughter, Mr. Smith of New Hampshire, Ms. Snowe, and Mr. Stangeland):

H.R. 4668. A bill to amend the Nuclear Waste Policy Act of 1982 to remove the requirement of a second repository for the disposal of high-level radioactive waste and spent nuclear fuel, and for other purposes; jointly, to the Committees on Interior and Insular Affairs, and Energy and Commerce.

By Mr. BRYANT (for himself, Mr. Leland, Mr. Ralph M. Hall, Mr. Dowdy of Mississippi, Mr. Slattery, Mr. Synar, Mr. Tauzin, Mr. Wirth, Mr. Breaux, Mrs. Boggs, Mr. Brooks, Mr. Bustamante, Mr. Coleman of Texas, Mr. Fields, Mr. Frost, Mr. Glickman, Mr. Huckaby, Mr. Jones of Oklahoma, Mr. McCurdy, Mr. Pickle, and Mr. Roemer):

H.R. 4669. A bill to repeal and amend certain sections of the Powerplant and Industrial Fuel Use Act of 1978; to the Committee on Energy and Commerce.

By Mr. EDWARDS of Oklahoma (for himself, and Mr. Watkins):

H.R. 4670. A bill to amend the Internal Revenue Code of 1954 to increase the depletion allowance for oil and natural gas, and to allow percentage depletion for stripper well production of integrated producers; to the Committee on Ways and Means.

By Mr. FAZIO (for himself, Ms. Oakar, Mr. Daschle, Mr. Lehman of California, Mr. Coleman of Texas, and Mr. Hoyer):

H.R. 4671. A bill to provide that any cost-of-living adjustment in military retirement and survivor benefit programs provided by law to take effect during fiscal year 1987 shall be made in accordance with the law providing for such adjustment; to the Committee on Armed Services.

By Mr. GONZALEZ (for himself, and Mr. McKinney):

H.R. 4672. A bill to amend and extend certain laws relating to housing, and for other purposes; to the Committee on Banking, Finance and Urban Affairs.

By Mr. GRAY of Illinois:

H.R. 4673. A bill to provide an appropriate retirement system for fixed term judicial officers; to the Committee on the Judiciary.

By Mr. HAMMERSCHMIDT:

H.R. 4674. A bill to amend the Communications Act of 1934 to prohibit the encoding of satellite-transmitted television programming until decoding devices are fully available at reasonable prices; to the Committee on Energy and Commerce.

By Mr. JEFFORDS (for himself, and Mr. Clinger):

H.R. 4675. A bill to amend part C of the Balanced Budget and Emergency Deficit Control Act of 1985 to include the pay of Members of Congress within the coverage of the Act, and for other purposes; jointly, to the Committees on Government Operations, and Post Office and Civil Service.

By Mr. JONES of North Carolina (for himself, Mr. Lent, Mr. Biaggi, Mr. Snyder, Mr. Breaux, Mr. Young of Alaska, Mr. Studds, Mr. Davis, Mr. Hughes, and Ms. Mikulski):

H.R. 4676. A bill to terminate the National Advisory Committee on Oceans and Atmosphere; to the Committee on Merchant Marine and Fisheries.

By Ms. KAPTUR:

H.R. 4677. A bill to prohibit certain deceptive practices under the import marking laws; to the Committee on Ways and Means.

By Mrs. LLOYD:

H.R. 4678. A bill to amend the Internal Revenue Code of 1954 to deny foreign tax credits attributable to activities conducted in foreign countries which repeatedly provide support for acts of international terrorism; to the Committee on Ways and Means.

By Mr. MITCHELL:

H.R. 4679. A bill to amend the Housing and Community Development Act of 1974 to ensure that all funds provided under the community development block grant program are expended on activities that benefit persons of low and moderate income, and for other purposes; to the Committee on Banking and Urban Affairs.

By Mr. OBEY:

H.R. 4680. A bill to amend the Internal Revenue Code of 1954 to provide that no foreign tax credit, and no deduction, shall be allowed for taxes paid or accrued to Libya during the period any declaration by the President of a national emergency is in effect with respect to Libya and to provide that the exclusion from gross income of earned income of U.S. citizens living abroad shall not apply to income attributable to

Libya during such period; to the Committee on Ways and Means.

By Mr. SEIBERLING:

H.R. 4681. A bill relating to the treatment of environmental protection and natural resource conservation as aspects of open and fair international trade; to the Committee on Ways and Means.

By Mr. DENNY SMITH:

H.R. 4682. A bill to amend title 10, United States Code, to strengthen the requirements relating to operational test and evaluation of major defense acquisition programs; to the Committee on Armed Services.

By Mr. STENHOLM (for himself, Mr. Bereuter, Mr. Boulter, Mr. Brown of Colorado, Mr. Combest, Mr. Daub, Mr. Dorgan of North Dakota, Mr. Emerson, Mr. Evans of Iowa, Mr. Franklin, Mr. Glickman, Mr. Gunderson, Mr. Jeffords, Mr. Leath of Texas, Mr. Lewis of Florida, Mr. Loeffler, Mr. Madigan, Mr. Marlenee, Mr. Morrison of Washington, Mr. Olin, Mr. Penny, Mr. Ray, Mr. Richardson, Mr. Roberts, Mr. Skeen, Mr. Robert F. Smith, Mrs. Smith of Nebraska, Mr. Stallings, Mr. Stangeland, Mr. Tallon, Mr. Thomas of Georgia, Mr. Volkmer, and Mr. Whitley):

H.R. 4683. A bill to amend the Federal Meat Inspection Act to authorize the Secretary of Agriculture to determine the manner and frequency of inspection of meat food products under such Act; to the Committee on Agriculture.

By Mr. THOMAS of California:

H.R. 4684. A bill to prevent the importation of pistachio nuts from Iran; to the Committee on Ways and Means.

By Mr. WILSON (for himself, Mr. Bartlett, Mr. Barton of Texas, and Mr. Bryant):

H.R. 4685. A bill to adjust the boundaries of areas of the National Wilderness Preservation System in the State of Texas; to the Committee on Interior and Insular Affairs.

By Mr. CARPER:

H.J. Res. 611. Joint resolution to designate the period of December 1, 1986, through December 7, 1986, as "National Aplastic Anemia Awareness Week"; to the Committee on Post Office and Civil Service.

By Mrs. LLOYD:

H. Con. Res. 323. Concurrent resolution calling for the expulsion of Libya from the United Nations; to the Committee on Foreign Affairs.

By Mr. DURBIN (for himself, Mr. Bruce, Mr. Kleczka, Mr. Hertel of Michigan, Mr. Traxler, and Mr. Eckart of Ohio):

H. Res. 431. Resolution amending clause 1, rule XLVII of the Rules of the House; to the Committee on Rules.

By Mr. PACKARD (for himself, Mr. Michel, Mr. Annunzio, Mr. Frenzel, Mr. Vander Jagt, Mr. Jones of Oklahoma, Mr. DeLay, and Mr. Cobey):

H. Res. 433. Resolution amending Rule XLVI of the Rules of the House to reduce the number of pieces of franked mass mail that may be sent by each Member; to the Committee on Rules.

MEMORIALS

Under clause 4 of rule XXII,

346. The SPEAKER presented a memorial of the Legislature of the State of California, relative to Federal solar energy tax credits; to the Committee on Ways and Means.

PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of rule XXII,

Mr. ERDREICH introduced a bill (H.R. 4686) for the relief of Jens-Peter Berndt; to the Committee on the Judiciary.

ADDITIONAL SPONSORS

Under clause 4 of rule XXII, sponsors were added to public bills and resolutions as follows:

H.R. 871: Mr. McKinney.

H.R. 927: Mr. Wolpe, Mr. Whitehurst, Mr. Mineta, and Mr. Kleczka.

H.R. 979: Mr. McDade, Mr. Markey, and Mr. Monson.

H.R. 1213: Mr. Gilman and Mr. McCurdy.

H.R. 1398: Mr. Fuster and Mr. Frank.

H.R. 1436: Mr. Schuette and Mr. Burton of Indiana.

H.R. 2440: Mr. Walgren.

H.R. 2578: Mr. Bennett, Mr. Hopkins, Mr. Ireland, Mr. McCollum, Mr. Parris, Mr. Shumway, and Mr. Weiss.

H.R. 2952: Mr. Foglietta.

H.R. 3099: Mr. Rodino, Mr. Yatron, Mr. Downey of New York, Mr. Wyden, and Mr. Ritter.

H.R. 3436: Mr. Oberstar.

H.R. 3806: Mr. Markey.

H.R. 3842: Mr. Scheuer, Mrs. Byron, Mr. Sabo, Mr. Dornan of California, and Mr. Hendon.

H.R. 3950: Mr. Lowry of Washington, Mr. Martinez, Mr. Lehman of Florida, and Mr. Whittaker.

H.R. 3989: Mr. Evans of Illinois, Mrs. Johnson, Mr. Miller of Ohio, and Mr. Ortiz.

H.R. 4041: Mr. Moorhead, Mr. Stallings, and Mr. Emerson.

H.R. 4189: Mr. Armey and Mr. Monson.

H.R. 4194: Mr. Durbin, Mr. de Lugo, and Mr. Dymally.

H.R. 4205: Mr. Smith of Florida, Mr. Wolpe, Mr. Durbin, Ms. Oakar, Mr. Berman, Mr. Coelho, and Mr. Florio.

H.R. 4280: Mr. Rangel and Mr. Gonzalez.

H.R. 4295: Mr. Ray, Mr. Florio, Mr. Gingrich, Mr. Boehlert, and Mr. Martinez.

H.R. 4382: Mr. Dornan of California.

H.R. 4397: Mr. Mrazek, Mr. Bustamante, and Mr. Nelson of Florida.

H.R. 4439: Mr. DioGuardi, Mr. Parris, Mr. Smith of New Hampshire, Mr. Packard, Mr. Hartnett, Mr. DeWine, Mr. Bryant, Mr. Sikorski, Mr. Dowdy of Mississippi, Mr. Kolter, and Mr. Slaughter.

H.R. 4468: Mr. Hawkins, Mr. Beilenson, Mrs. Burton of California, Mr. Dellums, Mr. Anderson, Mr. Roybal, Mr. Barton of Texas, and Mr. Lantos.

H.R. 4482: Mr. Shelby, Mr. Horton, Mr. Gallo, Mr. Cheney, Mr. Kindness, and Mr. Hammerschmidt.

H.R. 4519: Mr. Wilson, Mr. Leath of Texas, Mr. Clinger, Mr. Solomon, Mr. Henry, Mr. Horton, Mr. Bereuter, Mrs. Bentley, Mr. Burton of Indiana, Mr. Martin of New York, Mr. Emerson, Mr. Kleczka, Ms. Kaptur, Mr. Lightfoot, Mr. Tauke, Mr. Evans of Iowa, and Mr. Chapman.

H.R. 4520: Mr. Wilson, Mr. Fuqua, Mr. Leath of Texas, Mr. Clinger, Mr. Solomon, Mr. Horton, Mr. Bereuter, Mrs. Bentley, Mr. Burton of Indiana, Mr. Martin of New York, Mr. Emerson, Mr. Kleczka, Ms. Kaptur, Mr. Lightfoot, Mr. Madigan, Mr. Tauke, and Mr. Chapman.

H.R. 4528: Mr. Weiss, Mr. Wheat, and Mrs. Collins.

H.R. 4553: Mrs. Bentley and Mr. Archer.

H.R. 4556: Mr. Dannemeyer, Mr. DeWine, Mr. Huckaby, Mr. Lowery of California, Mr. Neal, Mr. Rose, and Mr. Shelby.

H.R. 4573: Mr. Guarini, Mr. McGrath, Mr. Lent, Mr. Flippo, and Mr. Anthony.

H.R. 4630: Mr. Heftel of Hawaii.

H.R. 4650: Mr. Biaggi, Mr. Hawkins, Mr. Manton, Mr. Gilman, Mrs. Burton of California, Mr. Garcia, Mr. Dymally, and Mr. Scheuer.

H.J. Res. 385: Mr. Gordon, Mr. Stratton, Mr. Chandler, Mr. Udall, Mr. Porter, and Mr. Gregg.

H.J. Res. 475: Mr. Oberstar, Mr. Pepper, Mr. Perkins, Mr. Rose, Mr. Snyder, Mr. Green, Mr. Tallon, Mr. Tauke, Mr. Walgren, Mr. Nielson of Utah, Mr. Watkins, Mr. Taylor, Mrs. Roukema, Mr. Erdreich, Mr. Gordon, Mr. Akaka, Mr. Aspin, Mr. Stratton, Mr. Breaux, Mr. Ackerman, Mr. Annunzio, Mr. Kleczka, Mr. Morrison of Connecticut, Mr. Walker, Mr. Gray of Illinois, Mr. Ralph M. Hall, Mr. Henry, Mr. Jones of Tennessee, Mr. Spence, Mr. Courter, Mr. Olin, Mr. Blaz, Mr. Saxton, Mr. Robert F. Smith, Mr. Wilson, Mr. Yates, Mr. Schumer, Mr. Dornan of California, Mr. Howard, and Mr. Loeffler.

H.J. Res. 484: Mrs. Lloyd, Mr. Mineta, Mr. Lewis of Florida, Mr. Henry, Mr. Reid, Mr. Bateman, Mr. Green, Mr. Scheuer, Mr. DeWine, Mr. Jeffords, Mr. Edgar, Mr. Ford of Michigan, Mr. Andrews, Mr. Daub, Mr. Dymally, Mr. Packard, Mr. Young of Missouri, Mr. Nowak, Mr. Monson, Mr. Ritter, Mr. DioGuardi, Mr. Fazio, Mr. McDade, Mr. Anderson, Mr. Lewis of California, Mr. Kolbe, Mr. Gray of Illinois, Mr. McHugh, Mr. Regula, Mr. Gregg, Mr. Slaughter, Mr. Levin of Michigan, Mr. Hutto, Mr. de la Garza, Mr. Roe, Mr. Dixon, Mr. Udall, Mr. Weiss, Mr. Bonior of Michigan, Mr. Horton, Mr. Sabo, and Mr. Gingrich.

H.J. Res. 500: Mr. Walgren, Mr. Hiler, Mr. Garcia, Mr. Stenholm, Mr. Kasich, Mr. Bilirakis, Mr. Packard, Mr. Lantos, Mr. Broyhill, Mr. McKinney, Mr. Jones of North Carolina, Mr. Volkmer, Mr. Murtha, Mr. Brown of Colorado, Mr. Sunia, Mr. Morrison of Connecticut, Mr. Wylie, Mr. Panetta, Mr. Kramer, Mr. Chapman, Mr. Feighan, Ms. Kaptur, Mr. Dymally, Mr. Mineta, Mr. Lowry of Washington, Mr. Lewis of Florida, and Mr. Stangeland.

H. Con. Res. 133: Mr. Heftel of Hawaii, Mr. Smith of Florida, Mr. Beilenson, Mr. Weber, Mr. Mineta, Mr. Levin of Michigan, Mr. McGrath, and Mr. Fish.

H. Con. Res. 237: Mr. Yatron, Mr. Berman, Mr. Udall, and Mr. Mica.

H. Res. 409: Mr. Smith of Florida, Mr. Levine of California, Mr. Bustamante, Mr. Mitchell, Mr. Leland, Mr. Durbin, Mr. Green, Mr. Mrazek, Mr. Rangel, Mr. Morrison of Connecticut, and Mr. Dornan of California.

H. Res. 412: Mrs. Holt, Mr. Daschle, Mr. Wortley, Mr. Chappell, Mr. Smith of New Jersey, Mr. Henry, Mr. Hutto, Mr. Traxler, Mr. Ray, Mr. Coleman of Texas, Mr. Yatron, Mr. Stratton, Mr. Horton, Mr. Boucher, Mr. Sikorski, Mr. Oberstar, Mr. Lagomarsino, Mr. Bilirakis, Mrs. Schneider, Mr. Rahall, Mr. Mitchell, Mr. Sisisky, Mr. Neal, Mr. Savage, and Mr. Evans of Illinois.

H. Res. 424: Mr. Gingrich, Mr. Horton, Mr. Myers of Indiana, Mr. Bartlett, Ms. Snowe, Mrs. Johnson, Mr. Williams, Mr. Penny, Mrs. Lloyd, Mr. Gephardt, Mr. Denny Smith, Mr. Spence, Mr. Sundquist, Mr. Taylor, Mr. Snyder, Mr. Martin of New York, Mrs. Bentley, Mr. Roberts, Mr.

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PURSELL, Mr. DEWINE, Mr. WYLIE, Mr. RUDD, Mr. CONTE, Mr. CLINGER, Mr. COATS, Mr. CRANE, Mr. DAUB, Mr. DICKINSON, Mr. DIOGUARDI, Mr. FIELDS, Mr. MOLINARI, Mr. MONSON, Mr. PARRIS, Mr. ECKERT of New York, Mr. ROTH, Mr. SCHUETTE, Mr. SILJANDER, Mr. LOTT, Mr. SCHEUER, Mr. DARDEN, Mr. LOWERY of California, Mr. KINDNESS, Mr. MRAZEK, Mr. STALLINGS, Mr. MOODY, Mr. MACKAY, Mr. SPRATT, Mr. NATCHER, Mr. GILMAN, Mr. SMITH of New Hampshire, Mr. CHENEY, Mr. PETRI, Mr. SHAW, Mr. MILLER of Washington, Mr. BROWN of Colorado, Mr. TAUKE, Mr. WEBER, Mr. FRENZEL, Mr. MCKERNAN, Mr. KASICH, Mr. FISH, Mr. THOMAS of California, Mr. MADIGAN, Mr. ANNUNZIO, Mr. KEMP, Mr. SHUSTER, Mr. COBLE, Mr. GOODLING, Mr. MCCAIN, Mr. DELAY, Mr. SAXTON, Mr. IRELAND, Mrs. MEYERS of Kansas, and Mr. BLILEY.

DELETIONS OF SPONSORS FROM PUBLIC BILLS AND RESOLUTIONS

Under clause 4 of rule XXII, sponsors were deleted from public bills and resolutions as follows:

H.R. 844: Mr. BURTON of Indiana.

H.R. 2950: Mr. BURTON of Indiana.

PETITIONS, ETC.

Under clause 1 of rule XXII, petitions and papers were laid on the Clerk's desk and referred as follows:

317. By the SPEAKER: Petition of the President, Socialist International Committee for Latin America and the Caribbean, Santo Domingo, D.R., relative to aid to the Contras; to the Committee on Foreign Affairs.

318. Also petition of the Township Committee, Voorhees, NJ, relative to the 16th amendment to the Constitution; to the Committee on the Judiciary.

SENATE—*Wednesday, April 23, 1986*

(Legislative day of Monday, April 21, 1986)

The Senate met at 10 a.m., on the expiration of the recess, and was called to order by the President pro tempore [Mr. THURMOND].

The PRESIDENT pro tempore. Our prayer this morning will be led by Dr. Billy Graham, worldwide known preacher. We are glad to have him with us.

PRAYER

The Reverend Dr. Billy Graham offered the following prayer:

Our Father and our God, as we approach the 200th anniversary of our Constitution, we praise You for this great Nation that is called America. We realize our greatness has come only because You have chosen to lead us and bless us as a nation, and we thank You from the bottom of our hearts for Your grace to us, which we do not deserve.

We thank You also for the firm moral and spiritual values of our forefathers—values which they found in Your everlasting Word. For them, the words "In God We Trust" were more than an empty slogan on our coins—they formed the very foundation of their lives and our society. We remember that Your Word has said, "Blessed is the nation whose God is the Lord." (Psalms 33:12).

But, our Father, we confess we are in danger of slipping away from the moral and spiritual values which have made us great. We are in danger of losing our way in the midst of other voices that would urge us to put our trust in man rather than in You. And yet we know that any path which rejects Your truth and the values You have given us is a dead-end road that ultimately leads to only chaos and destruction. We know this has happened before in our history, and always we have been brought back as men and women have turned in repentance and faith to You. Our Father, once again we are in need of that same kind of spiritual awakening—a revival of the spirit which will touch our hearts and make us again seek first Your kingdom and Your righteousness. Convict us as a nation of our need of You, and cause us to return to You so we can find the right path again and have peace in our hearts and in our world.

What we pray for our Nation we also pray for each individual in this great body today. Where there are spiritual needs in our lives, cause us to face them honestly, and humbly turn back to You. Help us today to repent of our sins, accept Your gracious offer of forgiveness and new life, and repeat in our hearts those brave words of the Declaration of Independence: "* * * with a firm reliance on the protection of the Divine Providence, we mutually pledge to each other our lives, our fortunes, and our sacred honor."

Bless also our families, and cause us in both our public and private lives to live according to Your will. Give wisdom also to each elected Senator in this body today as decisions are made that will affect our world and our people.

We also pray for our President, and for all others in our Nation, and in other nations, who are in positions of authority. Give us a new passion for justice, a new zeal for peace, a new commitment to compassion and integrity, and a new vision of what You desire us and this Nation to be.

All this we pray in the name of Jesus Christ our Lord. Amen.

RECOGNITION OF THE ACTING MAJORITY LEADER

The PRESIDENT pro tempore. The distinguished acting majority leader is recognized.

PRAYER OF THE REVEREND DR. BILLY GRAHAM

Mr. SIMPSON. Mr. President pro tempore, we all thank deeply Rev. Billy Graham. He honors us being among us today. He is an inspiration to us all.

I met Reverend Graham many years ago, with my father, then Gov. Milward Simpson, and with former President Richard Nixon. I remember that very distinctly. On behalf of the entire Senate, I welcome you and express our thanks for your inspirational message, as expressed in that most moving prayer.

(Mr. LAXALT assumed the chair.)

Mr. THURMOND. Will the acting majority leader yield?

Mr. SIMPSON. I do.

Mr. THURMOND. Mr. President, it is a genuine pleasure to have Dr. Graham here today. He is a great preacher, a great man, a great American.

Incidentally, his first big campaign was held in South Carolina. We are very proud that we started him off and he has done well ever since.

He has preached to more people than any man who ever lived. I think his popularity has been his true sincerity, his devotion to Christ, and preaching the Gospel from the Bible. We are indeed honored to have him here today and it is an honor for the Senate to have him to lead the prayer on this day.

Mr. HATFIELD. Will the Senator yield?

Mr. SIMPSON. I yield to the Senator from Oregon.

Mr. HATFIELD. Mr. President, I, too, would like to add my word of welcome to the Reverend Billy Graham for his prayer this morning in opening the Senate.

It has been stated that he has preached the Gospel to more people than any other person in history. I would like to say it is a very interesting point that whether it is in Moscow or whether it is any other part of the Iron Curtain countries, the Communist world, whether it is any city in our America, Latin America, Asia, or Africa, wherever in the world Reverend Graham has preached, he has had but one sermon and it has been a variation on the theme of God incarnate in Jesus Christ, the power and forgiveness of the resurrection of the crucifixion shown, the greatness and awesome power of the resurrection, and the great, magnificent power of Pentecost.

That has been his preachment; that has been his single message to people throughout the world. Indeed, it is a message of hope as well as a message of salvation.

I would like to say that my colleague JESSE HELMS and I have cosigned a letter inviting all Members of the Senate to the crusade, which opens for the first time in 25 years in Washington, DC, this coming Sunday, the 27th of April, and it will go through the period of May 4, for 1 week.

In that invitation, just one matter of logistics. There will be buses on Monday and Tuesday nights, April 28 and 29, departing from the Capitol at 6:45 p.m. Senators and their families who are interested in attending the crusade may call George Dunlop at 224-2035 for information on those buses. Those buses, by the way, are not provided at public expense but private expense.

Members of the staff are also going to be provided special transportation on Monday night, April 28.

I urge my colleagues and all members of their staff to avail themselves of hearing Reverend Graham if at all possible in their schedules. While in

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the midst of our frustrations and the pressure we work under, it is indeed an inspiring and an energizing experience in faith and trust in the sovereignty of God to rule in all these matters rather than to depend upon the machinations and the manipulations of a purely political intuition.

I am delighted to welcome Reverend Graham this morning.

Mr. SIMPSON. Mr. President, I yield to the distinguished senior Senator from North Carolina [Mr. Helms].

The PRESIDING OFFICER. The Senator from North Carolina is recognized.

Mr. HELMS. Mr. President, I thank the distinguished acting majority leader for yielding. Of all the Senators who are pleased to have Dr. Billy Graham here today, I suspect I am the most pleased because I believe I have known him the longest. Our friendship perhaps dates back longer than either he or I would like to acknowledge. He and his remarkable family have been wonderful friends down through the years.

There are many things that could and should be said about this man. Down in North Carolina, I say to my friend from Oregon, we like to identify the many products and commodities our State exports to countries abroad. The No. 1 export from North Carolina, in my book, is Billy Graham. He has been all over the world preaching the truth, the light, and the hope of salvation. We all are familiar with the extraordinary ministry and career of Billy Graham and the fine people associated with him, for example, T.W. Wilson and others. But I think it should be noted here that not only has Billy Graham preached throughout the world; he and Ruth have reared a family which is nothing short of remarkable.

For example, Mr. President, I have had the privilege of belonging to the same church in Raleigh, NC, with one of Billy's and Ruth's daughter, Anne, and her husband, Dr. Daniel Lotz. I know of no two other young people who have done more to inspire a large segment of the population of the Raleigh area than these two fine young people.

Mrs. Lotz, the former Anne Graham, began a Bible study class for young people several years ago. Every Wednesday morning, she has filled the sanctuary of the Hayes Barton Baptist Church, women of all ages who drive 30 to 40 miles or more to hear Anne Lotz lead in Bible study, thus walking in the footsteps of her distinguished father.

So I say to my friend, Billy Graham, not only am I pleased that you are here today. You honor this Senate by your presence just as you have honored this country. You are a great patriot, a great American, and a great friend.

Thank you, Mr. President. I yield the floor.

SENATE WELCOMES BILLY GRAHAM

Mr. DOLE. Mr. President, we are deeply honored to welcome this morning, one of the leading figures of our times . . . the Reverend Billy Graham. His very special brand of inspiration has touched millions and millions of people the world over, and he has touched those of us here today.

History will show that he has brought the word of God to more countries and more people than any other man who has ever lived. He has served as a role model for our youth and a pillar of wisdom and strength for Presidents and Kings. But true to his humble approach to his Lordly duty, the Reverend Graham recently said "There are others who could have done it much better than I." In my view, I doubt that anyone who has ever heard you would ever agree with that statement!

Mr. President, I know my Senate colleagues join me in wishing Reverend Graham and his family all the best. May you carry on your amazing life of devotion for many, many more years.

The PRESIDING OFFICER. Who yields time?

SCHEDULE

Mr. SIMPSON. Mr. President, there will be the remaining time for the two leaders under the standing order of 10 minutes each, of which a portion has certainly expired as I yielded to my colleagues.

There will be special orders in favor of the following Senators for not to exceed 5 minutes each: Senator Hawkins, whose statement will be delivered by our President pro tempore of the Senate Mr. Thurmond; Senator Biden; Senator Cranston; and Senator Proxmire.

Then, there will be a period for routine morning business not to extend beyond the hour of 10:30 a.m., with Senators permitted to speak therein 5 minutes each.

Following routine morning business, the Senate will resume consideration of Senate Concurrent Resolution 120, the budget resolution. Rolicall votes can be expected throughout the day. However, any votes ordered on Senate Concurrent Resolution 120 after the hour of 3:30 p.m. will be held over until tomorrow, Thursday, April 24.

RESERVATION OF MINORITY LEADER'S TIME

Mr. SIMPSON. Mr. President, I ask unanimous consent that the minority leader's time be reserved.

The PRESIDING OFFICER. Without objection, it is so ordered.

SENATOR HAWKINS' SPECIAL ORDER

The PRESIDING OFFICER. The President pro tempore is recognized.

Mr. THURMOND. Mr. President, I have a statement on behalf of the able and distinguished Senator from Florida who, at this time, is in the hospital from an operation but who is improving fast and it is hoped she will soon be out.

The statement reads:

Crack

Mrs. Hawkins. Mr. President, I am sorry to say, but it is time to add two new words to our drug dictionaries: those words are "crack" and "rock." These are street-talk for the latest, most deadly narcotic to hit our communities and threaten the lives of our children.

It is hard to exaggerate the threat posed by crack. According to Arnold Washton, a psychopharmacologist at Fair Oaks Hospital in Summit, New Jersey, "Crack is the most addictive drug known to man right now . . . it is almost instantaneous addiction, whereas if you snort coke it can take two to five years before addiction sets in. There is no such thing as the 'recreational use' of crack."

What is crack? Crack is a variation on cocaine. I am not going to contribute to the problem by describing how crack is made. It should be enough to know that this deadly substance can be produced by combining cocaine with products that are found in the family kitchen. What results when the process is finished is a white substance that resembles soap or a whitish gravel. Rather than being snorted like cocaine, crack is generally smoked in a water pipe.

Imagine a drug that is instantly addicting on its first use. Think of the threat this poses to our children and our neighborhoods. We all know that kids are curious. They like to go where they should not go, and do what they should not do. Sometimes that may even mean "experimenting" with drugs. We cannot condone this, but we can understand it—we have all been kids at one time.

But crack does not give a kid a chance. There is no such thing as "experimenting" when it comes to crack. Crack steals your future and robs your soul on its first shot. There are no second chances.

Crack is not just dangerous. It is deadly, and it is frightening.

But instant addiction does not tell the whole story for crack—there is more. And it gets worse. Crack is cheap. And by cheap I do not mean $50 a shot, or even $30 dollars. I mean 10 to 15 dollars. For the price of a couple of movie tickets, our kids can be hooked for life.

Crack is a drug dealer's dream come true. It is cheap, it is easy to transport and it produces its own customers. How? One use and you have a repeat customer.

The only good news about crack is that it is so new that it has not made inroads into many communities. But where it has, there are reports of violence and chaos. In New York and LA there are reports of places called "rock houses." A rock house is an apartment with a steel-reinforced door. The door has a small opening through which money is exchanged for crack. The steel door protects the dealers from thieves and police alike. In some communities there are

even young gangs that protect these sleazy merchants of death.

We need to get out the word to our schools, neighborhoods and workplaces, that crack is deadly addicting. We need to tell our kids that playing with crack is like playing with fire. And we need to redouble our efforts in the war on drugs.

Mr. THURMOND. Mr. President, I just want to say that in my judgment, this is a most timely statement by the distinguished Senator from Florida. No one in the Senate has done more to reveal to the public the harmful effect of drugs than the able and distinguished Senator from Florida [Mrs. Hawkins].

RECOGNITION OF SENATOR BIDEN

The PRESIDING OFFICER. Under the previous order, the Senator from Delaware [Mr. Biden] is recognized.

A TIME TO ACT

Mr. BIDEN. Mr. President, it is time for the Congress and the President to get on with the business of adopting a budget. For the last 3 weeks the debate here in Washington has been focused on what I consider to be a very trivial issue—whose budget is to be considered and who will act first. Democrats and Republicans, the Senate and the House of Representatives, the President and the Congress have all been at odds over the mechanics of action—who goes first, who gets credit, who takes the blame.

Mr. President, I am sure you agree with me that that is not the issue. This is not a House budget; or a Senate budget; or a Republican budget; or a Democratic budget. What we are trying to adopt is a budget for the United States.

In my view, the American people do not care who acts on the budget first. They do not care about who gets credit for having their budget considered or who gets blamed for proposing a budget which contains some unpleasant news. They are concerned about budget policies that have increased the public debt by over $1 trillion in the last 5 years. They do want a budget which will start reducing the deficits, which have contributed to a trade deficit of $150 billion and the destruction of basic industries in this country.

The Gramm-Rudman-Hollings deficit reduction proposal, which I supported, was created in the hope that it would force Congress—and the President—to address the deficit problem. I and other supporters hoped that it could force a consensus in this body on fiscal policy where none would otherwise exist.

The budget now under consideration by the Senate has the makings of a consensus budget. It meets the deficit reduction targets of Gramm-Rudman-Hollings in ways that deserve careful consideration—in a balanced way. It restrains defense spending. It realigns some domestic priorities without hurting essential services. And it calls for paying for itself—an unusual circumstance in my 14 years in the U.S. Senate, Mr. President. We are actually introducing amendments to spend more money and at the same time we have a companion proposal, all one and the same, saying how we will raise the money to pay for that new spending. I think it is about time.

I am not giving this budget a blanket endorsement. I may vote for some amendments, some changes in spending priorities or additional priorities. But this budget does offer a sound base for the President and Congress to use in their consideration of Federal fiscal policy for the next fiscal year.

Up to now, President Reagan has refused to participate in efforts to shape a widely acceptable budget that would reduce deficits, and begin to meet his 1981 pledge to balance the budget. Congressional budget action has been stymied by President Reagan's intransigence, his unwillingness to negotiate for any budget but his own. Yet it is clear that his budget is not acceptable to a majority of either House. The budget process has been marking time while efforts were made to persuade the President to join Congress in this deficit reduction exercise. It is clear that, without his participation in the budget process, a consensus budget cannot finally be implemented.

This Nation needs a financial blueprint. It needs a plan that will shape legislation for the rest of the year—spending bills, reconciliation, and revenue. The country needs to know that we are on track to a lower, meaning $144 billion, deficit target for fiscal year 1987 and how we are going to get there.

The people of the United States want to know these things. They have a right to know them.

Our present budget process, as it was revised last year, is the best hope we have, in this Senator's opinion, to eliminate the deficits that threaten our economic vitality. But we must proceed quickly. Time is slipping away.

I urge the President to join with the leadership of both parties, in both Houses of Congress, to fashion a deficit reduction package that will begin to remove the specter of $200 billion yearly deficits that hangs over our economy.

RECOGNITION OF SENATOR PROXMIRE

The PRESIDING OFFICER. Under the previous order, the Senator from Wisconsin [Mr. Proxmire] is recognized for not to exceed 5 minutes.

THE UNITED STATES MUST NOT BETRAY ITS WORD ON THE ABM TREATY

Mr. PROXMIRE. Mr. President, the Washington Post reported on March 26 that the Defense Department is considering appealing to the President for what they call a "less restrictive" interpretation of the antiballistic missile treaty. That "less restrictive" interpretation would constitute a shocking and deliberate betrayal of this Government's solemn treaty pledge. The treaty has been consistently interpreted by our Government to prohibit testing of such new technology weapons in space as lasers or particle beams. The Defense Department wants to interpret the treaty to prohibit only the actual deployment of these systems in space. The State Department disagrees. It wants to stand by the position our Government has held since 1972 that tests in space of these new weapons would overtly violate the treaty. Last year, President Reagan "split the difference." He decided that the new interpretation of the antiballistic missile treaty permitting actual space testing was legally correct. Nevertheless, the President announced that this country would follow the more restrictive interpretation, at least for the time being. Now Gen. James Abrahamson wants the President to lift restrictive interpretation and go directly to the tests. Abrahamson claims such a policy would be most cost effective. He says the tests would save money. They would save time. They would give a higher confidence in the results.

So what is wrong with this new interpretation of the treaty? The answer is: Plenty. Consider the judgment of the two American's who are best qualified to interpret that treaty. First, there is the legal adviser to the U.S. delegation that negotiated the treaty, John B. Rhinelander. Second, there is the chief negotiator of the treaty for the United States, Gerard Smith.

What does Rhinelander say about this interpretation of the treaty? In "Arms Control Today," the October 1985 issue, he wrote:

> The new interpretation is grossly incorrect.

He added:

> Unless the Congress intervenes and limits strategic defense expenditures according to the traditonal U.S. interpretation, wherein development and testing of space and other mobile basing modes are prohibited, all restraints on Reagan's star wars plan may come unleashed.

What position has Gerard Smith, the principle American negotiator of the ABM Treaty, taken? He has contended that if the United States engaged in the proposed tests under the new interpretation of the treaty, the treaty would become a "dead letter."

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Mr. President, the word of the U.S. Government is at stake here. What do we mean when we talk about the integrity of our country? We mean that when our country makes a promise, it keeps that promise. We respect a person whose word is his bond. In the same way, we respect a nation that lives by its promises.

In the ABM Treaty, we have more than the promise of the President of the United States. We have that. We also have a treaty signed by the President. We also have a treaty ratified by this body, the U.S. Senate. This treaty promise was not ratified by a bare two-thirds majority. We have a treaty ratified by an overwhelming 89-to-2 vote. It would be a first-class blunder to do so, but we could honorably seek to renegotiate the treaty with the Soviet Union to change its provisions. We could honorably renounce the treaty. Our Government is not preparing to do that. It is preparing to ignore the clear understanding of our own preeminent experts so that we can pretend we are keeping our word. How can we do that? How can we flatly reject the judgment of the two experts who are obviously the top American authorities on the treaty?

Mr. President, let us face it. We should either renounce the ABM Treaty, root and branch, or we should desist from any star wars development that goes beyond laboratory research. Isn't it common sense that the whole purpose, the single purpose, of the ABM Treaty is to stop an antiballistic missile development by either superpower? That was our American purpose in negotiating the treaty. The treaty was an American initiative. It was resisted, strongly resisted, by the Soviet Union for years. We finally persuaded them that if an antiballistic missile race got underway between the two superpowers, significant arms control, for all intents and purposes, would be dead. Why would it be dead? Because an ABM system would force the adversary to resist any proposal to reduce or limit offensive nuclear arms. In fact, it would force both superpowers to strive to counter the opposition ABM system by a head-long, sled-length production and deployment of offensive nuclear missiles.

How did we get ourselves in a position where we are on the verge of killing the treaty this country conceived, drafted, and, after years of hard negotiations, succeeded in reaching agreement on and overwhelmingly ratifying? We did it by beginning the national commitment to the very antiballistic missile system our ABM Treaty flatly prohibits. Now the administration wants to test and build the ABM system our treaty was designed expressly to stop. In the judgment of this Senator, that is a tragic mistake. But the administration is making a worse mistake. It is not straightforwardly renouncing the treaty. It is imposing a transparently self-serving reinterpretation of the treaty that is so conspicuously dishonest that the principle legal authority on the treaty, the American legal adviser on the very negotiations that achieved agreement on the treaty, says is "grossly incorrect." And the chief negotiator, Gerard Smith, has said that this reinterpretation will make the treaty a "dead letter."

Mr. President, I ask unanimous consent that the article to which I referred by John B. Rhinelander, entitled "Reagan's 'Exotic' Interpretation of the ABM Treaty—Legally, Historically, and Factually Wrong," be printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

REAGAN'S EXOTIC INTERPRETATION OF THE ABM TREATY

(By John B. Rhinelander)

A new version of the Anti-Ballistic Missile Treaty was introduced by National Security Advisor Robert McFarlane on a nationally televised interview program on October 6. McFarlane asserted that research, development and testing of defensive systems "involving new physical concepts . . . are approved and authorized by the treaty. Only deployment is foreclosed." According to this new interpretation, sea-based, air-based, space-based and mobile land-based "exotic systems and components," such as those being pursued in the Strategic Defense Initiative, may be developed and tested, but not deployed, consistent with the ABM Treaty. A review of the new treaty, its intent, the particular provisions in question, its negotiation and ratification record, and its subsequent application by the United States and Soviet Union reveal quite clearly that this new interpretation is grossly incorrect. Unfortunately, the result of McFarlene's announcement is much more than a legalistic squabble. Unless Congress intervenes and limits strategic defense expenditures according to the traditional U.S. interpretation, wherein development and testing of space and other mobile basing modes are prohibited, all restraints on Reagan's Star Wars plan may come unleashed. In the words of its chief negotiator, Gerald Smith, the ABM Treaty would be rendered a "dead letter."

On October 11, the President decided that he agreed "in principle, but not in practice" with this reinterpretation. Based on a Presidential Directive, Secretary of State George Shultz announced on October 14 before the North Atlantic Assembly that "a broader interpretation of our authority is fully justified," but SDI "will be conducted in accordance with a restrictive interpretation of the treaty's obligations." This leaves the United States legally free to return to the reinterpretation whenever the President and his advisors deem advantageous. The President has not said how long the administration would continue to abide by the "restrictive interpretation," which now represents presidential policy rather than a matter of law.

The legal rationale for the reinterpretation revolves around Article II(1) and Agreed Statement D. Article II(1), which defines ABM systems, includes the phrase "currently consisting of" immediately before the definitions of 'traditional' ABM components. The administration argues that "currently consisting of" would be better understood if the comma in the text were deleted and the text read "and only those consisting of." Therefore, the administration argues (1) the treaty, and particularly Article V(1), constrains only 'traditional' ABM technology (ABM interceptor missiles, ABM launchers and ABM radars). (2) The treaty permits development, testing and deployment of 'exotic' ABM systems and components, however based. (3) Agreed Statement D implicitly amends Article V(1) and Article III to prohibit deployment of 'exotic' systems and components whatever their basing mode.

This rationale is absurd as a matter of policy, intent and interpretation. If the President sticks with it as the best legal interpretation, he has effectively repudiated the ABM Treaty as a legal instrument. If the truncated treaty remains in effect, both the United States and the Soviet Union can develop and test, without quantitative or geographic limits, any sea-based or mobile land-based ABM system or component provided they utilize 'exotic' technology such as lasers.

But the result could be even more far reaching. Because the administration's new interpretation is that Article V(1) and other substantive articles of the treaty do not apply to 'exotic' systems and Agreed Statement D blocks only their deployment, then the limits on "ABM systems or components" throughout the treaty do not include 'exotic' systems. The consequences of this reinterpretation are dramatic when one considers that the principal U.S. concern historically has been, and apparently remains so within the Defense Department, Soviet 'breakout' capability based on 'traditional' or 'low-tech' systems. These remain tightly constrained notwithstanding the reinterpretation. On the other hand, most of SDI or 'high-tech' systems are now legally unconstrained by the treaty.

The new interpretation maintains several constraints on the 'traditional' systems of the Soviet ABM program: ABM deployment is limited to the one area surrounding Moscow; ABM tests must be limited to their two ABM test ranges; the development, testing and deployment of land-mobile 'traditional' ABM systems and components are prohibited; and the ban on the 'upgrade' of surface-to-air missile (SAM) system remains in full force. However, under the reinterpretation the Soviets now legally could place in the field an unlimited number of mobile land-based lasers (the Soviets have an active laser program) for ABM purposes across the Soviet Union provided they were labeled for "test" purposes.

The United States for its part is now free to exploit western technology in the full pursuit of Star Wars. A full-scale operational system, including large numbers of satellite battle stations and related sensors, together with fixed ground-based lasers apparently not limited to existing ABM test ranges, could now be 'legally' put in place as an extensive "test program" to prove out the new technology in a system configuration. U.S. allies would be free of any treaty restraints to participate in two-way transfers of most SDI technology, with the only legal constraints on 'west-west' technology being those under the Munitions Control and Export Administration Acts.

This result is clearly absurd. Unbeknownst to the U.S. SALT I delegation, the SALT I backstopping apparatus in Washington, the Nixon administration and each successive administration, and Congress, the United States would now have achieved the most one-sided treaty relationship imaginable.

The catch is, of course, it could not last for a minute. Arms control agreements are viable only as long as they are in the net interests of each party. Secretary Shultz has spoken of the need to "prevent the erosion of the ABM Treaty," but Defense Secretary Caspar Weinberger, Under Secretary Fred Ikle, and Assistant Secretary Richard Perle have repeatedly stated that they have no use for the ABM Treaty and the sooner the United States is without it the better. Secretary Weinberger's November 13 letter to the President, leaked to the press on the eve of the summit, reinforces the view that treaty commitments that impinge U.S. programs are of little relevance to the Office of the Secretary of Defense. Unless the President or Congress repudiates this self-defeating step, OSD officials can claim that any action they wish to take short of full-scale final deployment is legally permitted under the treaty.

The rationale for the timing of the announcement of the initial reinterpretation immediately before the summit remains obscure. It has been clear that under the historic interpretation the evolution of SDI research into development and testing would have to be stopped somewhere between 1988, as I believe, and 1991, as even DOD officials have privately conceded, unless the Soviet Union agrees to amend the treaty or the United States formally withdraws from it. One of the political reasons for the administration's hasty initial reinterpretation may have been OSD's attempt to redefine the treaty before any commitments could be made by the President at the summit that might prevent a subsequent reinterpretation. To this end, an early reinterpretation was devised even though no presently scheduled SDI test could, in OSD's judgement, be inconsistent with the treaty during President Reagan's term of office.

Another reason may have been to encourage more allies to support SDI by participating in cooperative SDI research. Foreign corporations, particularly in the United Kingdom and West Germany, might be encouraged by the reinterpretation because cooperation might legally be extended from "research" to include "development and testing" with full sharing and two-way transfers. The actual effect on U.S. allies was the reverse because the political fallout of this full sharing in SDI technology directly associated with ABM systems or components would have formally associated allied governments with the repudiation of the ABM Treaty. That is a role that none of our allies is prepared to accept or condone.

The primary issue in the debate over the reinterpretation of the ABM Treaty is whether Article V(1) prohibits the development and testing of space-based and other mobile-type 'exotic systems' (e.g., space-based lasers). The secondary issue is whether any of the treaty's substantive constraints on "ABM systems or components" apply to 'exotic systems.' The answer is four-fold:

The prohibitions are clear from the text of the treaty, particularly Article II(1), which indicates the treaty is not limited to the ban on the then current technology, and Article V(1), which refers to "ABM systems and components" rather than traditional technology (i.e., AB interceptor missiles, launchers and radars).

The negotiating history, as interpreted in 1972 by the SALT I delegation and the backstopping representatives in Washington, supports the functional approach to the treaty, including the broad ban on space-based 'exotic systems,' as the only permissible interpretation.

This broad ban on 'exotic systems' has been the executive branch interpretation that has been accepted and relied upon by Congress since 1972, and even by the Reagan administration in successive arms control impact statements and its SDI report of April 1985.

Any other result is patently absurd and would frustrate the stated premise of this treaty: to prohibit the deployment of nationwide ABM systems or a "base" for such a system.

The Soviets accepted this interpretation during the negotiations as indicated by the treaty text and reflected it in their ratification proceedings. They have not taken any actions or made any official statements inconsistent with this interpretation. Though Soviet public statements on the issue since 1972 have been somewhat ambiguous, their recent statements have been explicit. General Secretary Gorbachev's interview in Time magazine last August includes a specific statement that is clear and unambiguous. The Tass statement of October 9, responding to the U.S. reinterpretation, removed any latent ambiguity from the current Soviet public position.

Marshal Sergei Akhromeyev's lengthy Pravda article on October 19, 1985, represents a definitive Soviet public affirmation of the broad ban in Article V. Akhromeyev, the Chief of the Soviet General Staff, said the ABM Treaty "absolutely unambiguously bans" the development, testing and deployment of space-based 'exotic' ABM systems. He explicitly confirmed the historic interpretation. This is a very important statement, particularly since it suggests a dividing line between permissible research and prohibited development and testing. The Soviets are backing off their unwarranted position that "research" was, could or should be banned.

The administration now contends that either the Soviet Union never agreed with the U.S. interpretation of the treaty or that the Soviet Union later modified their agreement or changed their interpretation during negotiations over Agreed Statement D. A review of the text of the treaty and a proper understanding of the purpose of Agreed Statement D disproves this reinterpretation. The formulation of Agreed Statement D was addressed during the negotiations only after the texts of Article II(1), III and V had been agreed. The text of Article III preserved the right of the United States, reflecting the position of the Joint Chiefs of Staff, to develop and test fixed land-based lasers but not to permit deployment. The Soviet delegates originally sought no limits on deployment on fixed land-based 'exotics.' Accordingly, the U.S. delegation insisted and the Soviets eventually agreed that Article III should authorize the fixed land-based deployment of only ABM systems and components that were based on "current" technology. However, development and testing, whatever the technology, of fixed land-based ABM systems and components could be carried out at ABM test ranges. Consistent with presidential instructions, ABM systems were defined functionally and the ban on all mobile-type 'exotic' systems, including those for space, was set at the development stage.

As formally accepted, Agreed Statement D was explicitly tied to Article III, which dealt with fixed land-based deployments. Both in its text and in the negotiating history, it had nothing to do with Article V. The reference to Article XIV in Agreed Statement D indicated that the treaty would have to be amended before a fixed land-based 'exotic' weapon, such as a laser, could be deployed.

While the language admittedly could be clearer, the United States has always understood that Agreed Statement D reinforced the Articles I(2) and III prohibition on deployment of fixed land-based 'exotic' systems unless and until the treaty is amended. Agreed Statement D certainly does not diminish or amend Article V(1).

The administration also contends that the ratification process was ambiguous and that neither the executive nor the Senate understood the "restrictive" interpretation. This position is clearly nonsensical.

The ratification hearings before the Senate Foreign Relations Committee, and particularly the Senate Armed Services Committee, led to a much fuller public record on many of the nuances. Some of the initial testimony of officials on 'exotic' systems did not clearly distinguish the treaty's provisions for banning only the "deployment" of fixed land-based systems from its broad ban on space and other mobile-type systems, but the record was frequently supplemented. This includes the submission for the record of the Senate Armed Services Committee by Ambassador Smith, prepared after an interagency review of reporting cables, in response to a question by Senator Jackson on the difference between research and development for purposes of Article V. This issue was important, of course, to the understanding at what point in the research and development cycle Article V applied to 'exotic' systems. The Armed Services Committee hearings include explicit confirmation submitted by Secretary of Defense Melvin Laird, Under Secretary for Defense Development Research and Evaluation John Foster, and Acting Chief of Staff of the Army General Palmer, that development and testing, as well as deployment, of space-based 'exotic' systems were prohibited. Senator Jackson, who was a critic of SALT I but voted for the ABM Treaty, educated other Committee members and even led witnesses on this point.

Finally, Senator James Buckley (R-NY) stated on the Senate floor on August 3, 1972, that he opposed the ABM Treaty and would vote against it largely because of the scope of Article V. He said: "Thus the agreement goes so far as to prohibit the development, test or deployment of sea-, air- or space-based ballistic missile defense systems. This clause, in Article V of the ABM Treaty, would have the effect, for example, of prohibiting the development and testing of a laser type system based in space which could at least in principle provide an extremely reliable and effective system of defenses against ballistic missiles. The technological possibility has been formally excluded by this agreement."

The vote in favor of advice and consent to ratification was 88-2. The administration's support for its reinterpretation rests on the implicit argument that testimonies of Pentagon witnesses before the Armed Services Committee are of little weight in assessing the Senate's understanding of the ABM Treaty. In fact, the more the administration argues its case, the more ridiculous it looks.

In my judgment, the Fiscal Year 1985 Arms Control Impact Statement prepared by the Reagan administration correctly states the agreement reached with the Sovi-

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ets in 1971-72 on the meaning of Article V(1): "The ABM Treaty bans the development, testing and deployment of all ABM systems and components that are sea-based, air-based, space-based or mobile land-based . . . The ABM Treaty prohibition on development, testing and deployment of space-based ABM systems, or components for such systems, applies to directed energy technology (or any other technology used for this purpose). Thus, when such directed energy programs enter the field testing phase they become constrained by these ABM Treaty obligations." (Emphasis added.)

The SDI Report to Congress (April 1985), especially Appendix B, which gives the justification for the program under the treaty, is essentially consistent with this statement.

In summary, Article V of the treaty bans the development, testing and deployment of ABM systems or components of space or mobile-ground basing and, moreover, regardless of whether these systems are based on existing or 'future' technologies. In accordance with Statement D, to which the administration now refers so often, and Articles III and IV, the conduct of development and testing of ABM systems or their components based on other physical principles is allowed in areas that are strictly limited and defined by the treaty and only using land-based ABM systems.

The administration's justification for its reinterpretation is that the Soviets never agreed to, and cannot now be held to comply with, the historic U.S. position. Instead of reinterpreting the clear text of the 1972 treaty based on a selective review of the classified U.S. negotiating records, the better approach under international law and practice would have been to review post-ratification statements and conduct, which is at least as important as the negotiating record. As stated in the current draft of the Restatement of the Foreign Relations Law of the United States (Revised), "An international agreement is to be interpreted in good faith in accordance with the ordinary meaning to be given to its terms in their context and in light of its objects and purposes." Further, "Subsequent practice between the parties in the application of the agreement is to be taken into account in interpreting the agreement."

If there were any legitimate doubt as to the meaning of the ABM Treaty, the best approach would have been to ask the Soviet negotiators in private in Geneva whether or not the Soviet Union agrees that Article V(1) bans the development, testing and deployment of 'exotic' space-based systems and ask whether the Soviets were prepared to be bound in writing. If the private Soviet response had been "no," then the administrations reinterpretation would have been justified. If the private Soviet response in Geneva were "yes," as one would expect from their public statements since 1972, then the October 6 reinterpretation and the October 11 recanting by the administration would have been unnecessary. Agreed statements on the basic points could have been negotiated quickly if deemed necessary for clarity.

If a private but positive Soviet response in Geneva were now rejected by the United States as "too late" because the United States wanted to keep open the option of reasserting its reinterpretation, then the OSD motive behind the initial change in U.S. position—to erode immediately and eventually destroy the ABM Treaty—would be clear. This now appears to be the case. The question was not asked before the reinterpretation was announced on October 6 because the Soviets would have agreed, which is not what OSD wants.

If arms control is to remain an element of U.S. security policy, the challenge will be to strengthen the ABM Treaty through specific, mutual and verifiable Agreed Statements and Common Understandings. This challenge can be met if the political will exists. The Standing Consultative Commission (SCC) was charged with seeking agreed interpretations as one of its assigned tasks. The SCC has been underutilized. It could easily, and quickly, negotiate Agreed Statements and review and revise Agreed Statement D to make its intended meaning clearer.

Before constructive steps can be achieved on comprehensive arms control reductions on offensive weapons, and assuming the Soviets are prepared to negotiate and not just posture, the President should publicly repudiate the reinterpretation he recently received from his advisors on a narrow scope of Article V(1) and other critical articles of the ABM Treaty. Congress could contribute to this result by approving next year a provision in the DOD authorization bill limiting SDI fund expenditures to the legal standard in the FY 85 Arms Control Impact Statement. This whole sorry business could lead to a constructive ending if the United States and the Soviet Union were to agree privately in the SCC, at the Geneva arms talks, or at the next summit on Agreed Statements that would clarify the overall scope of the ABM Treaty.

MYTH OF THE DAY: ALL DOMESTIC PROGRAMS RECEIVED A 4.3-PERCENT CUT ON MARCH 1

Mr. PROXMIRE. Mr. President, the myth of the day is that all domestic projects except some welfare programs faced a 4.3-percent cut on March 1.

A case in point is the alcohol, drug abuse, and mental health block grants. Here is a case where some States are receiving no cut or very little cut in their allocation—a tiny fraction of 1 percent—and others, like Wisconsin, are receiving cuts as large as 15 percent.

Yet the mandate of Gramm-Rudman-Hollings was for equal cuts. In this case, an equal 4.3-percent cut.

Unfortunately, the deficit reduction language did not specifically override provisions in the existing law which are designed to correct imbalances in funding formulas. And that is precisely the case we have with the ADAMHA block grant.

Here is a block grant whose funds were amalgamated in the hectic rush to complete work on President Reagan's first major budget reform measure, the omnibus reconciliation bill of 1981. Consequently, some States were unfairly penalized by being allocated a share of the block grant completely unrepresentative of their share of the population. And, to add insult to injury, they were locked into formulas prohibiting them from exercising much flexibility in redistributing funds among alcohol programs or drug abuse programs or mental health programs.

For Wisconsin, a State with 2 percent of the Nation's population, we received less than 0.8 percent of the total block grant and, within that unfairly small amount, Wisconsin was prohibited from spending more than 10 percent of its block grant funds on mental health programs. A ridiculous restriction on top of an inequitable allotment.

That changed somewhat—but not enough—in 1984 when reauthorization legislation expanded the share of new funds going to States that had been disadvantaged by the old formula and increased flexibility was provided to the States to reallocate these funds among the programs covered by the block grant.

But the Department of Health and Human Services has used that reauthorization bill giving a larger percentage of new funds to the disadvantaged States as an excuse for an unequal application of the 4.3-percent cut mandated by Gramm-Rudman-Hollings. They believe that the "hold harmless" contained in that reauthorization language prohibits them from taking the cut in any other way.

In my view, their decision ignores both the letter and spirit of Gramm-Rudman-Hollings and I have introduced legislation (S. 2087) to assure that all States and territories receiving funds from the block grant face the same percentage cut. Wisconsin and other States that had been disadvantaged in the past by funding under the ADAMHA block grant are not asking for special treatment. We are willing to take our 4.3-percent cut as unwelcome as that is. We are simply seeking equity.

ROUTINE MORNING BUSINESS

The PRESIDING OFFICER. Under the previous order, there will now be a period for the transaction of routine morning business, with statements therein limited to 5 minutes each.

THE BUDGET PROCESS

Mr. COCHRAN. Mr. President, we continue to hear complaints that the President of the United States has not involved himself in the budget process, that he is reluctant to negotiate, that he is not participating to work out a budget resolution that is widely acceptable in Congress.

Let me simply observe that the President has a responsibility in this process, but he has met it. He has fulfilled the obligation under the law to prepare and to submit to Congress a proposal for the allocation of funds in the Federal Government for the next fiscal year. He has met his deadline. He has submitted a budget that meets

the targets of the Gramm-Rudman-Hollings law. It calls for expenditures of funds that, together with projected revenues, do not exceed the predetermined target for a deficit for fiscal year 1987.

Let us be honest about this. It is Congress that has not met its responsibility. A deadline of April 15 has come and gone for the adoption of a resolution by Congress on the budget. The Senate committee has worked very hard, in my judgment, to sort through the various pressures and suggestions for the allocation of funds out of the Federal Treasury for the next year. They reported a resolution. But let us look at where there has been no action and a total breakdown in the fulfillment of duties and responsibilities, and that is in the other body. The Budget Committee there has not even met in a markup session to make a recommendation for a budget resolution for Congress.

So those who continue to point the finger at the President of the United States and criticize him ought to take a look at Congress. I think that is where there has been a failure to act. It is here in Congress that we need more of an effort to be made toward fulfilling commitments and responsibilities under the Budget Act and under Gramm-Rudman-Hollings.

I am disappointed in the fact that we see these deadlines come and go. I know it worries those who are trying to lead the committees with jurisdictional responsibilities to fulfill those responsibilities.

The distinguished Senator from New Mexico [Mr. DOMENICI] has done an outstanding job, in my judgment, and I think the distinguished Senator from Florida [Mr. CHILES] has worked harder than most to try to help meet these deadlines and make the Budget Act work.

Last week, the Republican leader in the House, BOB MICHEL, and I introduced legislation—he in the House and I in the Senate—to create a temporary joint committee on the budget to try to help move along the reporting of a concurrent resolution, as required under the Budget Act, by Congress. Even though the Senate committee has acted, the House committee continues to take no action whatsoever.

We are suggesting that Congress ought to create this joint committee. The committees end up in conference ultimately, anyway, to try to work out the differences between the House- and the Senate-passed resolutions. Why not start out working together? Let us report to the House and the Senate an identical resolution, and let the bodies work their will in their own way, and in conference let the joint committee sort through the differences and come back with a final product.

That, to me, would accelerate the schedule and the procedures under which we are operating. It should have been done earlier. There is a provision for this under the Gramm-Rudman-Hollings law; and if the Supreme Court happens to decide that there is a constitutional problem, there is this joint committee created under the law that will fulfill the responsibility of presenting to the President the figures under which he can then issue a sequester order.

So it is not as though this has not been thought of before. We think it should be done now, no matter what the Supreme Court may say about the constitutionality of the budget process.

Mr. President, I ask unanimous consent that a copy of a Dear Colleague letter which I sent around to Senators on Monday describing this new joint committee be printed at this point in the RECORD.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

U.S. SENATE,
Washington, DC, April 21, 1986.

DEAR COLLEAGUE: I am writing to invite you to join me as a cosponsor of legislation which I feel will assist the Congress in dealing with the budget mandates we face in a more expeditious and effective manner.

I have introduced a concurrent resolution, S. Con. Res. 132, calling for the temporary establishment of a Joint Budget Committee. Congressman Bob Michel, Republican Leader in the House of Representatives, has introduced identical legislation in the House.

As we all know, Congressional budget deadlines have been difficult to meet in the past, and will be even more difficult this year under the new Gramm-Rudman-Hollings timetables. We have already missed the April 15 deadline for completing action on a concurrent budget resolution for fiscal year 1987. Clearly, without joint Congressional action, it may be impossible to meet other deadlines this year.

The Gramm-Rudman-Hollings law provides that, in the event that the reporting procedures now before the Supreme Court are invalidated, there will be established a "Joint Committee on Deficit Reduction", made up of the entire membership of the Budget Committee of the House of Representatives and the Senate. The purpose of this joint committee is to report and pass a joint resolution requiring the President's signature in order to implement any sequestration.

Congressman Michel and I believe that Congress should not wait until the Supreme Court rules in this case to establish such a Joint Budget Committee. The immediate establishment of a Joint Committee, and commencement of deliberations on a budget resolution for fiscal year 1987, would ensure the best and most efficient implementation of Gramm-Rudman-Hollings and the congressional budget process.

The temporary Joint Committee we are proposing would have the duty of reporting a concurrent budget resolution for fiscal year 1987. It would be composed of the entire membership of the Budget Committees of both Houses. The existing Budget Committee Chairmen would serve as cochairmen of the new Joint Committee.

An Executive Committee made up of one-third of the membership of each Budget Committee would be established to facilitate the proceedings of the much larger Joint Committee. The Executive Committee would make recommendations to the full Joint Committee for its approval or modification.

Establishment of a Joint Budget Committee on a temporary basis would also provide a trial period for determining the feasibility of a permanent Joint Budget Committee, as well as other needed reforms of our budget process.

I hope you will join me by supporting this legislation, which would allow a reasonable and more efficient alternative for achieving our budget goals.

A copy of the concurrent resolution is attached. If you wish to cosponsor, please contact me or Linda Slade of my staff at 4-2508.

Sincerely,

THAD COCHRAN,
U.S. Senator.

S. CON. RES. 132

Resolved by the Senate (the House of Representatives concurring),

SECTION 1. TEMPORARY JOINT COMMITTEE ON THE BUDGET.

(a) ESTABLISHMENT.—There is established a Temporary Joint Committee on the Budget (hereafter in this concurrent resolution referred to as the "Joint Committee").

(b) COMPOSITION.—

(1) The Joint Committee shall be composed of the entire membership of the Committee on the Budget of the House of Representatives and the Committee on the Budget of the Senate.

(2) The chairman of the Committee on the Budget of the House of Representatives and the chairman of the Committee on the Budget of the Senate shall serve as cochairmen of the Joint Committee.

(3) A majority vote of the members of the Joint Committee from each House shall be necessary for the Joint Committee to act.

(4) Vacancies in the membership of the Joint Committee shall not affect the power of the remaining members to execute the functions of the Joint Committee and shall be filled in the same manner as in the case of the original selection.

(5)(A) There is established within the Joint Committee an executive committee, to be composed of—

(i) 6 members of the Committee on the Budget of the House of Representatives designated by the chairman of such committee;

(ii) 5 members of the Committee on the Budget of the House of Representatives designated by the ranking minority member of such Committee;

(iii) 5 members of the Committee on the Budget of the Senate designated by the chairman of such Committee; and

(iv) 4 members of the Committee on the Budget of the Senate designated by the ranking minority member of such Committee.

(B) A majority of the members of the Executive Committee from each House shall be necessary for the executive committee to act.

(c) DUTIES.—Notwithstanding any other provision of law, or any provision of the Standing Rules of the Senate or the rules of the House of Representatives, the Joint Committee shall have the duty to report

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concurrent resolutions on the budget required to be reported under title III of the Congressional Budget and Impoundment Control Act of 1974. It shall do so only after considering the recommendations of the executive committee.

(d) CONCURRENT RESOLUTIONS REPORTED BY THE JOINT COMMITTEE.—Any concurrent resolution reported by the Joint Committee shall be reported to each House of the Congress at the same time, in the same form, and with the same contents.

(e) DUTIES OF THE EXISTING BUDGET COMMITTEES.—Except as provided in subsection (c), the Committees on the Budget of the House of Representatives and the Senate shall have the duties assigned to them by the Congressional Budget and Impoundment Control Act of 1974, by part C of the Balanced Budget and Emergency Deficit Control Act of 1985, and by the Standing Rules of the Senate and the Rules of the House of Representatives.

(f) HEARINGS AND TESTIMONY.—The Joint Committee and any subcommittee thereof is authorized to sit and act at such times and places within the United States (whether the Congress is in session, has recessed, or has adjourned) to hold such hearings, to require the attendance of such witnesses and the production of such books, papers, documents, or vouchers by subpoena or otherwise, and to take such testimony, as it deems advisable. A subpoena may be issued over the signatures of either of the co-chairmen of the Joint Committee, or a designee of either, and may be served by any person designated by the person signing it. An oath may be administered by either of the co-chairmen of the Joint Committee, or a designee of either.

(g) STAFFING.—The staffs of the Committees on the Budget of the House of Representatives and the Senate shall serve as the staff of the Joint Committee.

(h) RECORDS.—The Joint Committee shall keep a complete record of all committee actions, including a record of the votes on any question on which a record vote is demanded.

(i) TREATMENT OF MEMBERSHIP UNDER SENATE RULES.—For purposes of paragraph 4 of rule XXV of the Standing Rules of the Senate, service of a Senator as a member of the Joint Committee, or as a co-chairman of the Joint Committee, shall not be taken into account.

(j) The Joint Committee shall cease to exist at the close of the second session of the 99th Congress.

(k) EXERCISE OF RULEMAKING POWER.—The provisions of this section are enacted—

(1) as an exercise of the rulemaking power of the Senate and the House of Representatives, respectively, and as such they shall be considered as part of the rules of each House, respectively, or of that House to which they specifically apply, and such rules shall supersede other rules only to the extent that they are inconsistent therewith; and

(2) with full recognition of the constitutional right of either House to change such rules (so far as relating to such House) at any time, in the same manner and to the same extent as in the case of any other rule of such House.

DIRKSEN AWARD FOR DISTINGUISHED REPORTING TO STEVEN ROBERTS

Mr. BYRD. Mr. President, every year, the Everett M. Dirksen Award for Distinguished Reporting of Congress goes to an outstanding journalist. This year's recipient is Steven V. Roberts of the New York Times. Steve was awarded the honor recently in a ceremony in Illinois, and it seems appropriate for those of us in Washington who appreciate Steve's work to recognize him for this achievement.

The judges for this year's award noted the impressive competition and the quality of the articles submitted for consideration. Steve Roberts earned the award, said the judges, for the "unusual range and scope of both news stories written under the pressure of deadline and in-depth profiles of major congressional figures."

As an elected official with decades of experience as a Member of the House of Representatives, as a Senator, and as majority and minority leader, I know the important role journalists play in contributing to the understanding of Congress. I appreciate how difficult it is to fulfill that role. It is important that we continue to honor journalists such as Steve Roberts who meet that challenge. The people who benefit most are his readers and our constituents. I join with the judges in recognizing "his ability to put daily events in perspective" and his "perceptiveness in analyzing the legislative process and Congress as an institution."

The PRESIDING OFFICER. Who yields time?

Mr. DOMENICI addressed the Chair.

The PRESIDING OFFICER. The Senator from New Mexico.

Mr. DOMENICI. I yield myself such time as I need at this point.

Mr. President, I compliment the distinguished minority leader on his remarks with reference to Mr. Steve Roberts. I have had the opportunity to read what he writes, and, I say to the distinguished minority leader, to be covered to some extent in my activities by him as he worked for his paper, and their readers. I concur with the Senator's statement as to his effectiveness. Even as a politician I would say that clearly I find him to be extremely objective. Obviously, he also seeks to find the facts before he writes, and in that respect I am positive that those who granted him the award did so with every one of those important facts in mind, and made a right decision.

I compliment the distinguished minority leader, and compliment Mr. Steve Roberts for having garnered the award that was referred to by the distinguished minority leader.

Mr. BYRD. Mr. President, I thank the distinguished Senator, the chairman of the Budget Committee.

As one who regularly watches Washington Week In Review, as one who has said upon many occasions that Washington Week In Review is truly one of the great programs to which we have access because it is a panel of learned journalists and commentators who state facts, but leave to the viewers the making up of their own minds.

I always enjoy listening to Steve Roberts on that program. He is a distinguished journalist, a distinguished panelist, and I feel that Steve is one of those who on that distinguished program has performed well, and I, as a regular viewer, have benefited. I am sure thousands and hundreds of thousands of others have benefited from the evaluation and analyzation of events that we regularly hear and see on that program.

If I am not able to be at my home by 8 o'clock on some Friday evenings, my wife always records that program for me. I look forward to it. I learn a great deal from it. It is not opinionated as are so many programs in which we know, when we see a particular individual on such and such program, where he is coming from before he even speaks. Washington Week In Review is not like that, and it is a great service to its audience.

I compliment Steve Roberts again on his participation in Washington Week In Review.

Mr. SASSER. Will the distinguished minority leader yield?

Mr. BYRD. Mr. President, I yield further time from this side, and yield to the distinguished Senator from Tennessee, Mr. SASSER.

Mr. SASSER. Mr. President, I wish to join in these accolades to a very distinguished journalist, for a very distinguished newspaper, Mr. Steven Roberts, of the New York Times.

I must say that I join in these compliments with some degree of trepidation. Mr. Roberts is a tough, hard-nosed reporter, and I have some anxiety that in an effort to protect his reputation for objectivity, he might feel compelled to write a tough story about those of us here this morning that compliment his distinguished career as a journalist. But, to commend his illustrious reporting is worth the risk.

It is appropriate that those of us who watched this talented reporter's performance in covering the Congress over the past few years make some statements about the highly professional way in which he conducts himself. I find that Steven Roberts has an extraordinary degree of perception about what goes on in this very complex institution.

This understanding is passed on to his readers, he does a great service, not only to Congress, but more importantly to those that he seeks to inform through the columns of the great newspaper for which he writes.

Mr. Roberts reports on the Congress and those who work in the institution with extraordinary objectivity and perception. His unfailing good humor, even under the "pressure of the merciless deadlines of his profession is striking and many times I learn from Mr. Roberts' reporting much appreciated by his colleagues in the press. Facts that I had not known before even though I may have participated in the debate, on an issue or have participated in shaping the legislation. He pulls together in his news stories that is the subject of his story the very complex factors that go into producing legislation in this body. He is a gifted journalist who strives mightly to get the story—and get it right. When I see the bead of prespiration forming on Steve Roberts' upper lip—I know he's after the facts and pushing hard. I am pleased that the distinguished minority leader yielded to me for that purpose. May I add my compliments to Steve Roberts for winning the Everett Dirksen Award. He deserves it.

Mr. BYRD. Mr. President, I thank the very distinguished Senator from Tennessee, Mr. SASSER.

I am delighted that he shares this view.

I close by saying that Steve Roberts' professionalism, his objectivity, and his fairness are of the highest order. In that regard, the "cup" of Steven Roberts "runneth over."

Mr. DOMINICI addressed the Chair.

The PRESIDING OFFICER. The Senator from New Mexico.

Mr. DOMENICI. Mr. President, I am sure Steve Roberts is listening. I do not know what this discussion will do to him. [Laughter.]

He was indeed superb before we spoke. I hope we have had only a salutary impact on his objectivity. I am sure that is the case.

IN RECOGNITION OF STEVE ROBERTS

Mr. CHILES. Mr. President, I want to join in saluting Steve Roberts of the New York Times as this year's recipient of the Everett M. Dirksen Award for Distinguished Reporting on Congress.

Steve Roberts is widely respected for his impartial professionalism. In Congress, competing sides present conflicting arguments on countless issues. It takes a gifted observer to sort the facts on both sides, present a balanced account and do it fluently under the strain of an editorial deadline. Steve Roberts has done that with unfailing integrity.

Many of the issues he reports are endlessly complex, several hotly partisan, and each of real concern to shifting segments of the country's population. Therefore, every journalist who covers the Congress carries a special responsibility, one so important that it is safeguarded in the Bill of Rights.

The spirit and practice of the free press is manifest in the work of Steve Roberts. He brings to his duties the caution of a skeptic, and the devotion of a journalist who cares deeply about national policy. And he applies the eye and ear of a precise analyst in reporting the often bewildering work that goes on here.

So I offer my congratulations and thanks to Steve Roberts for work well done, and ongoing.

STEVE ROBERTS RECEIVES AWARD FOR REPORTING ON CONGRESS

Mr. DOLE. Mr. President, I want to join my colleagues in congratulating Steve Roberts, reporter for the New York Times, on being recognized by the Everett Dirksen Foundation for excellence in writing about Congress.

Covering Congress is not an easy job. There are 535 individual stories happening at any given time. And being able to ferret out the important story, plus the whys and hows of the event, takes a dedicated, veteran reporter. Steve Roberts is that kind of reporter.

Steve has made his career at the New York Times. He started here in Washington in 1964, straight out of college, working for James Reston. Since then he has written for the paper from New York, California, and Greece. In 1977 he came back to the Times Washington bureau, and for the past 6 years has been stationed here on Capitol Hill.

His commitment to covering Congress, as an institution and through the men and women who are Congress, shines through in his reporting. Those of us who are the subject of this reporting, can ask for no more.

Mr. President, once again I want to salute Steve Roberts for receiving this special honor, and wish him every success in future endeavors.

PASSOVER AND THE POPE

Mr. DECONCINI. Mr. President, Passover is an appropriate occasion to recognize the very special and unique Jewish culture and tradition in America. It is important to embrace the distinctiveness and fraternity of several Christian, Jewish, and other traditions in this diversified Nation.

When Jews around the world sit at the dinner table this evening to enjoy Seder, conversation may turn to the first papal visit to a synogogue made by Pope John Paul II last week. This is recognized around the world as an important gesture of reconciliation between the Roman Catholic Church and Italians and world Jewry. The Pope has committed the Catholic Church to the findings of the Second Vatican Council of 1962-65 which stated that Jews are not responsible for the death of Christ Jesus. He reiterated this declaration condemning "the hatred, persecutions, and displays of anti-Semitism directed against the Jews anytime and by anyone." He further repeated the interfaith spirit of Vatican II by recognizing the independent identity of the Jewish religion "beyond any syncretism and any ambiguous appropriation."

Both the Jews and Catholics have experienced religious persecution and hatred in this country. Discrimination requires constant vigilance. Whatever affirms the dignity and identity of religions and its peoples must be applauded. This is especially welcomed in light of the needless hardship and suffering. The Pope's action of reconciliation is of historic and human significance worldwide. It is also of particular importance for Jewish-Catholic ties in America.

THE PANAMANIAN AMBASSADOR'S REMARKS ON THE STRENGTHENING OF DEMOCRATIC INSTITUTIONS

Mr. ZORINSKY. Mr. President, Monday afternoon, the Subcommittee on Western Hemisphere Affairs of the Foreign Relations Committee held a second hearing on the situation in Panana. The hearings served to underline the serious issues facing that nation which is important to U.S. interests in Latin America and the Caribbean. I have been concerned about recent developments there including the role and influence of the Panamanian Defense Force in national political and economic life, the pressures on the opposition, especially La Prensa, and the handling of the economy.

After meeting with Ambassador Bazan, I believe that the government of President Delvalle understands these concerns and wants to work toward the strengthening of democratic institutions and toward free and democratic elections. On April 15, Ambassador Bazan addressed the Woodrow Wilson International Center for Scholars of the Smithsonian Institution on this theme. In light of increasing interest in Panama in the Congress, I recommend that my colleagues read Ambassador Bazan's statement. I ask unanimous consent that the Ambassador's remarks be printed in the RECORD.

There being no objection, the remarks were ordered to be printed in the RECORD, as follows:

REMARKS OF PANAMANIAN AMBASSADOR BAZAN

The Wilson center is an appropriate forum for presenting political issues involving the realities of present day Panama. President Wilson, a scholar and politician, approached political questions with responsibility and a sense of fairness. We shall attempt to follow such a course on this occasion.

It is not uncommon for political issues to be presented in emotional terms using strong adjectives to create vivid impressions. Yet to achieve a responsible review of political questions, I believe one should approach the subject in a dispassionate and balanced manner to produce a credible and in-depth understanding of the issues.

To achieve this we cannot afford the use of stereotypes or isolated cases to prove points or project consequences. A comprehensive review of the facts as a whole,

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placed in the time and in context, will give us a true measure of the issues and their consequences.

I believe that the broadening of Panama's "middle class," coupled with the improved educational levels throughout our country, has made it mandatory for us to address the issues, in Panama in an objective, sober and responsible fashion.

In order to examine and discuss fundamental issues in such a manner, all of us should abstain from dwelling in the past since socio-political issues are ever changing, as are the realities we live from day to day.

The people of Panama are only too conscious of the difficult conditions we are facing today. They know, we know, that our destiny lies in democratically elected civilian governments that rely on citizen interaction. They are also aware of the cyclical ups and downs of our political history, and have the patience and good sense to continue on their quest for a better quality of life, in a peaceful way. They respond to the natural law of self-preservation by working and seeking improvement within the realm of organized society. They show approval or disapproval through peaceful means, they do not waste their efforts, or their lives, on adventurous schemes that are contrary to their common sense and committed purpose in life.

Throughout our Republican history, the ploy of rattling the voters with attacks on the traditional whipping boys, the Americans, the Canal and U.S. military bases and the military of Panama, has been an inveterate tactic of whomever was in the opposition at a given time. The issue of the Canal and the U.S. bases has been significantly lessened by the effect of the Torrijos-Carter Treaties of 1977.

The Americans are charged in some quarters with meddling in our country, but now they are also invited to do so by some sectors of the opposition, which adds a new and puzzling twist to the practice. As to the issue of the military, a strongly emotional attitude seems to force an indictment against an institution on the basis of allegations.

Such attitudes would seem to reflect backward political progress. Opposition politicians in other Latin American countries, upon reaching power through democratic elections, recognize the proper place of the military in the socio-political life of the country. I submit an illustration: President Vinizio Cerezo, of Guatemala, stated recently: "The Army should be involved in the social progress, and guarantee this process in the interests of the people. . . . I should be committed to the general progress of institutionality in the country."

Panama is a young country compared to most of the other Latin American States. It has its own history, that is essentially unique. Many accomplishments have been offset in part by political restlessness that must be attributed to various currents of thought that compete for power. An ever present reality, throughout, has been the presence of a public force of law and order which encompasses military defense and police work. This force has been an instrument of civilian rule and, for some 10 years after 1968, was also a deliberating body with wide powers in the actions of government directed, for the most part, to better the lot of large segments of the underpriviledged.

Our country is now into its ninth decade of existence, and its complexity in all respects, has become enormous. It has followed a rapid evolution and undergone a great number of experiences.

The Republican form of government has been a tradition and a dedication for the Panamanian people, in spite of the fact that there have been several interludes, a kind of growing pains, that jolted the projected, even course set by our Founding Fathers.

These interludes have taken various forms that go from political adjustments to Coups D'Etat, and a long period of revolutionary experimentation. These situations are real, have happened, and have had consequences. Definitely, the political trajectory of Panama has not been a smooth one, but one thing is certain: The basic democratic principles and ideals of our people have always survived, and still constitute the essence of our political deportment.

With the signing of the treaties of 1977, Panama started on the road to democratization. On that year, the military pledged a return to civilian, democratic institutions, which included the conditions necessary for political interaction, civil liberties, free press and the formation of political parties.

We are now on the threshold of accomplishing the phase of that transition period that was officially initiated in 1978 with elections for representatives. Political timidity at that time delayed effective political participation in government by the traditional politicians that opposed the prevailing regime, but the door still remained open for the registration of political parties that subsequently participated in the 1980 elections for legislative positions.

The elections in 1984 produced a president and two vice-presidents, 67 congressmen and 505 municipal representatives. In addition, 65 mayors were elected in as many cities for the first time since 1956.

It is important to understand that many of these positions are occupied by members of the opposition. Consequently, there is a healthy and comprehensive public debate of issues in which the expressions of all parties come to bear.

In this fashion, the stage was set for political recovery through a government that would be a solid bridge, an effective transition to a continuous democratic, republican way of life. The succession of an elected vice-president to a president that had lost the necessary political support, followed along constitutional lines and have created a mandate which he is determined to carry out.

It may be of interest to know that the Republican Party, to which President Delvalle and I belong, chose to form part of the coalition of parties that constitute the present government, based upon the premise that it was the path to democratic ways, as well as a means of contributing to an effective and prompt transition to civilian rule.

Such attitude was by no means a whimsical one; the Republican Party, to which we belong, has from its inception, participated in four political campaigns and was on the winning side on all of them, even though on two of the campaigns it had left the government to join the opposition.

The government of Eric Arturo Delvalle has pledged a responsible and purposeful approach to the problems that confront the country. This is not just rhetoric. The pledge is being translated into fact with energy and dedication.

It is a matter of fact that President Delvalle was entrusted with a stagnant nation with strong objections to the manner in which the executive had handled the negotiations with creditor institutions. The pulse of the nation had all but ceased, and political, social and economic activity showed symptoms of an ominous and critical lethargy.

The first few months of President Delvalle's term had to be dedicated to restore confidence in the government, and, most important, to consolidate the political forces that conform it. This was not an easy task, but the resulting efforts have been rewarding. Concurrently, a prompt solution to financing the country's debt had to be sought. An economic program that was politically viable in the face of the realities of the country was elaborated to be negotiated with the creditor institutions.

Throughout this effort, it was essential to convey to one and all, that the projections of the economic program were designed to address both the immediate solution of the financial problem, and the long term goals of economic reactivation of the country. The encouraging signs of economic recovery detected in the early part of 1986, added to the measures enacted, will provide a framework that shows clear signs of an upswing and a promising forecast of success. For the first time in more than a year we are seeing a perceptible increase in sales, construction, bank deposits, and a significant growth in the volume of goods flowing through our colon free zone to world markets.

It must be stated with satisfaction that this return to fiscal responsibility was achieved by this civilian government within our constitutional procedures.

The Government of Panama has emerged stronger by this experience. It has to withstand organized protests, strikes and the expected criticism, by opposition parties, but there is a perceivable current of support for our efforts throughout the country, as well as signs of optimism that had not been in evidence for some time.

It should be of interest to know, that the role of the defense forces has receded as confidence in the ability of civilians to run and manage the affairs of state grows in a manifest way. This confidence is essential for the proper functioning of a government in a stable, democratic, open market society. It is a solid accomplishment and a sign of good things to come.

The government of President Delvalle has given the higest priority to the strengthening of the country's democratic institutions. It implies wide involvement of the citizenry in all matters which contribute to the process of taking Panama along the path of development. We have the people, the know how, the infrastructure, and the resources to forge ahead. We have a government that encourages investment and production. We are obtaining, through a deliberate purpose, a sense of propriety and recognition that reinforces the action of all productive forces in the country, and the consequences are evident, Panama is on the move again.

An essential ingredient for a country's economic and social well-being is to function in a climate of peace. It is plain that Panama does not have any armed uprising, nor the presence or actions by any guerrilla group whatsoever. The country is relatively calm, and dedicated to daily chores designed to fulfill expectations.

There is freedom of speech, freedom of the press, the expression of the thoughts of all citizens can take place without any form of censorship or impedence.

Individual rights are respected and exerted freely within the law. Grievances and complaints are resolved either by means of dialog or legal recourse.

It is important that these realities of Panama, in their fullest context, be well

known in this country because, as Senator Helms said a month ago, "the positive interests of the United States and of Panama are inextricably intertwined to the benefit of both countries. We want to do everything to see that those benefits continue for everyone."

As my country's Ambassador to the United States, I am fully conscious of such a special relationship. During my first official meeting with President Reagan, I assured him that Panama is a country dedicated to peace and democratic way of life, that our Government is determined to solve our own problems within the realities that we live. We expect the assistance of the Government of the United States to achieve our purposes under the best of circumstances. We aim to preserve and reaffirm the bonds of friendship and cooperation that have existed for a century between our countries.

I was reassured and gratified upon receiving President Reagan's thoughts: "I realize that Panama is presently experiencing a period of economic difficulty. It is encouraging to hear of the efforts of President Delvalle and his government to develop a program of realistic reforms not only to weather the immediate crisis but to provide an economically sound basis for sustained growth. We wish you success in the task of developing this program and of securing broad support for it. We stand ready to assist sound development plans, conscious that Panama's destiny is Panama's responsibility first and foremost."

I should like to end my remarks with a most significant quote from President Delavalle in his speech to the prestigious Council on Foreign Relations in New York City early this month:

"The election process which will start two years from now, will again allow the people of Panama to exercise their sovereign voting rights.

"Toward this goal, my government is firmly committed. Today, the fundamental goal of the executive branch, the legislative assembly, the Supreme Court and the political parties is to strengthen the democratic process and maintain Panama's political stability within a civilian environment."

May I be allowed to add that President Delvalle, on repeated occasions, has made a call to all citizens, including obviously the opposition parties, to act on behalf of the better interests of Panama, and has invited them to join in the strengthening of our democratic institutions and to participate in the task of guiding the country toward the fulfillment of its promise for a higher quality of life for all Panamanians.

DEATH OF NORMAN L. CAHNERS

Mr. KENNEDY. Mr. President, many people in the Greater Boston area and elsewhere were saddened by the recent death of Norman L. Cahners. Norman Cahners was a creative and omnipresent force in the business, civic, and charitable worlds. His public spirit, generosity, and concern for the enrichment of the cultural, intellectual, and artistic dimensions of our society were demonstrated time and time again throughout over four decades of service to Greater Boston and New England. The vast diversity of his interests and his energies was reflected in the numerous prestigious awards he received throughout his lifetime.

To name but a few, he won acclaim for developing innovative procedures for materiel handling in World War II; for his dedicated involvement with the Boy Scouts of America; and for his outstanding leadership, achievements, and ethical standards in business and in the community.

I ask unanimous consent that the Boston Globe article paying tribute to Mr. Norman L. Cahners be printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

NORMAN L. CAHNERS

Although he knew he was battling a fatal illness, Norman L. Cahners had hoped to join a Museum of Science group now visiting the Amazon and viewing Halley's Comet. The indomitable drive of this business and community leader, who died last Friday, enabled him to live and travel well beyond the limits of most dreams.

Among the many Boston educational, medical and cultural institutions that Cahners seved as a trustee, board member and worker, the Museum of Science was a special challenge, because he felt that he could make a contribution to integrating the work of the institution with community life.

Cahners' skill as a leader first became apparent when he was a top sprinter on the 1936 Harvard track team. During World War II, while serving in the Navy, he developed techniques for the rapid handling of war materiel and started a magazine on materiel-handling that dealt with the transport of all kinds of supplies and goods.

Based on that experience, Cahners began to publish industial magazines in many technical fields. Today, the company has become the largest publisher of industrial magazines in the world.

In his private life, Cahners often counseled talented young people on career decisions, keeping track of them for years to see what turn their lives and taken.

His business success made possible major contributions to many schools and institutions. With his late father-in-law, Sidney Rabb, he established a professorship in psychology at the Harvard Business School.

Creation of a "climate of excellence" in industry, to enable persons to rise as high as their abilities can take them, was a special interest. Too often, Cahners felt, the human element was neglected by industry leaders.

In a lifetime of exploring how things work and ways to build an environment in which people can work better, Cahners set a path worth following.

A TRIBUTE TO FATHER ROBERT C. NEWBOLD

Mr. CHAFEE. Mr. President, I want to take a moment to honor Father Robert C. Newbold, one of Rhode Island's most respected and revered educators, who is stepping down after 17 years of faith service as rector of Our Lady of Providence Preparatory Seminary [OLP].

Few individuals in the State's history, Mr. President, have affected as many people as positively as Father Newbold. During his rectorate at OLP, he oversaw the growth of one of the strongest overall academic and athletic programs in Rhode Island secondary schools.

Also in his tenure there, he served admirably as executive secretary of the State interscholastic Committee on Athletics. To say this is merely a "challenging" job is a classic understatement. Indeed, more politicking and debate may take place in Rhode Island interscholastic committee meetings than on the floor of the U.S. Senate. Because Father Newbold is the right person for the job, however, because he has his priorities straight, the committees affairs are run fairly and smoothly.

Consequently, those who prosper most are the thousands of student-athletes who have participated in Rhode Island's interscholastic leagues in the past and who continue to participate today. On these fortunate people Father Newbold's imprint is lasting.

Mr. President, Father Newbold's credentials as an educator are impeccable. He received his theological training at St. Bernard's Seminary and was ordained into the Catholic priesthood on December 22, 1945. He earned both his masters and Ph.D. in American history from the University of Notre Dame. In addition to teaching in various capacities at OLP, Father was a professor in American history at Providence College for 8 years. A history authority, he has written a book on 19th century American history.

These numerous valuable experiences, Mr. President, amply prepared Father Newbold for the many challenges which confronted him as rector and administrator.

On Friday, April 25, a testimonial dinner will be held in Father Newbold's honor at the Rocky Point Palladium in Warwick, RI. Hundreds of his friends and colleagues, and many State religious and political leaders will be in attendance.

By his selfless service and tireless devotion to Our Lady of Providence Prep for the past 17 years, Father Robert Newbold has been a safeguard of virtue and a beacon of integrity for all those who have passed through its doors. I hope that his work has been as rewarding for him as it has been for the many Rhode Islanders whose lives he has touched.

THE PRESIDENT'S SALT II DECISION

Mr. MATHIAS. Mr. President, we all owe President Reagan a debt of thanks for his decision to maintain the policy of restraint in any action that might violate the terms of the Salt II agreement. The President took the comprehensive, long-range view on

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this issue in spite of public and private advice to the contrary. His judgment in this matter has been prudent and mature and I believe we shall all be safer and better for it.

It was obvious that some short-term advantage might have been gained by ignoring Salt II, but a little reflection is enough to indicate that it would not be long before the Soviet Union balanced the score and resumed the contest. President Reagan has wisely rejected this course of action.

It is a necessary feature of the American political system that each of us express a view on important issues. All too often that view is critical or negative because we attempt to alter the course or bring about a change of policy. But it is equally necessary to support and defend actions that we think are right and I am glad to be able to do so in this instance.

An interesting and useful comment on the President's decision appeared in the New York Times on April 22, 1986. It is of special value because its author, Paul Warnke, is uniquely qualified by experience and intellect to form a knowledgeable opinion. His judgment is independent of any partisan bias in this case because he speaks as a Democrat praising a Republican President. It is worth reading.

I ask unanimous consent that Mr. Warnke's article be printed in the Congressional Record.

There being no objection, the article was ordered to be printed in the Record, as follows:

The Stakes in Reagan's SALT Decision

(By Paul C. Warnke)

Washington.—Ronald Reagan has made one of the most important decisions of his Presidency. The disclosure yesterday that he would uphold the SALT II treaty could be a long-awaited first step toward a more comprehensive United States-Soviet arms control regime. At the very least, he has narrowly avoided a long-lasting setback for nuclear sanity.

It was not, however, an easy decision for him to make—and the fact that he did, against the advice of some of his key strategists, and perhaps even against his own earlier inclinations, makes him even more deserving of our praise.

On May 20, the Nevada will begin its sea trials. With its 24 missile launchers, this Trident-class submarine would have put the United States over the SALT II treaty's limit of 1,200 multiple-warhead missiles by 22. Mr. Reagan has now chosen to continue compliance with the treaty by dismantling at least the same number of missiles by retiring and destroying two older Poseidon submarines.

Critics of arms control, citing purported Soviet treaty violations, had been pushing harder than ever for the President to abandon SALT II. Moreover, he faced a self-imposed dilemma. When he chose last June to abide by SALT II for the time being, he also declared that future Soviet violations would be answered with the policy of "proportionate response"—that is, selective counterviolations.

On the surface, the President's choice seemed simple. Most of the allegations of Soviet violations of SALT II were of questionable validity, and none involved anything of real military significance. And, since the Soviet Union is in a far better position than we are to expand its strategic nuclear weapons in the absence of SALT II's restraints, continued compliance is clearly in the best interest of our national security.

These facts is themselves dictated that the President reaffirm SALT II and continue his course of the past five years. But there is a lot more at stake this time. In the first place, Gramm-Rudman-Hollings may succeed where the Soviet negotiators in Geneva have failed. The President's budget request for defense may be cut by up to $60 billion in 1987 alone. Unless he is willing to slash conventional forces to the bone, cuts in strategic weaponry are unavoidable. This is especially so with the Strategic Defense Initiative budget growing by leaps and bounds. If the President won't cut back through negotiations, it will likely be done for him.

Secondly, the Soviet Union would not have waited forever. Mikhail S. Gorbachev made a number of important concessions in his three-month-old sweeping arms control proposal. Our reply in February contained nothing new, and amounted, if anything, to a hardening of our earlier position. If his offers had not been taken more seriously, Mr. Gorbachev might have decided to junk SALT II himself, even if Mr. Reagan had not. Facing his own hardliners, Mr. Gorbachev could not have waited indefinitely while America answered him with little more than contempt.

Third, the Strategic Defense Initiative is looking more and more like a turkey. Ballooning budgets and a splashy public-relations campaign cannot hide news of test failures, skeptical scientists and sharply reduced expectations. The longer we wait, and the clearer it grows that the Initiative is far less than advertised, the less likely it is that the Soviet Union will give up much in exchange.

In short, Mr. Reagan stood at a crossroads. After five years of stalemate in arms control, events were perilously close to getting out of his hands. He had to decide just how serious he was about negotiating with Moscow—and act accordingly.

It could not have been easy for him. The chaos over arms control policy in this Administration is the stuff of legend. For example, when Defense Secretary Caspar W. Weinberger recently charged that the Soviet Union had exceeded SALT II's limits on strategic launchers, the Joint Chiefs of Staff explained they had not. One week after the Central Intelligence Agency admitted that it had been overestimating its measurements of Soviet nuclear test yields, the Arms Control and Disarmament Agency reiterated its charge that Moscow had violated the 150 kiloton threshold for underground nuclear tests.

Whether by design or by accident, the Administration's intransigence on arms control has brought some grudging but significant concessions from new Soviet leadership. And the Strategic Defense Initiative, for the time being at least, worries Mr. Gorbachev enough that we could well trade limits on its development for deep cuts in the Soviet Union's most threatening offensive weapons. Mr. Reagan's commendable action may help to keep this "window of opportunity" open.

Paul C. Warnke, chairman of the Committee for National Security, a public policy organization, was director of the Arms Control and Disarmament Agency and chief United States negotiator in the SALT II talks in 1977 and 1978.

CONCLUSION OF MORNING BUSINESS

The PRESIDING OFFICER. Morning business is now closed.

CONCURRENT RESOLUTION ON THE BUDGET, FISCAL YEAR 1987

The PRESIDING OFFICER. The Senate will now resume consideration of Senate Concurrent Resolution 120, which the clerk will report.

The assistant legislative clerk read as follows:

A concurrent resolution (S. Con. Res. 120) setting forth the congressional budget for the United States Government for the fiscal years 1987, 1988, and 1989.

The Senate resumed consideration of the concurrent resolution.

The PRESIDING OFFICER. The Senator from New Mexico is recognized.

Mr. DOMENICI. Thank you, Mr. President.

I yield myself such time as I may consume.

Mr. DOMENICI. Mr. President, I wish to take just a few moments, since today is the day that the U.S. Supreme Court is going to hear oral arguments in the appeal of Synar against United States, constitutional challenge to Gramm-Rudman-Hollings.

I am sure that from what I have heard, and particularly what I have heard from some of the House Members and some of the House leadership, that there is sort of a sigh of relief around anticipating that the Supreme Court is going to affirm the lower court in Synar versus United States and that the pressure is off. I have heard that from some of the House leadership the other day.

Obviously, the Senator from New Mexico has been assuming that if we do not get a budget which meets the deficit reduction target, it means we are going to have an across-the-board sequester. I have assumed one way or another it is going to happen.

There are those who assume this is going to be a very predictable decision by the Supreme Court, that they are just going to automatically affirm that lower court decision that the Comptroller General cannot make the final calculations and send the order to the President for signature. I believe that the case is clearly to the contrary.

We have had another court case in the meantime that is not nearly as heralded as Synar against United States. But I wish the Senate to know that in Ameron against U.S. Army Corps of Engineers, the Court has ruled exactly to the contrary on exactly the same issue.

In that case, Ameron against U.S. Corps of Engineers, the third circuit examined the same issues—namely, the characterization of the Office of the Comptroller General—and came down with a well-reasoned opinion that I will include in the Record. That opinion held exactly the opposite with reference to constitutional separation of powers as it applies to the characterization of the Comptroller General.

Let me give you a brief summary of the case.

The Competition in Contracting Act [CICA], which was enacted as part of the Deficit Reduction Act of 1984, permits a bidder who disputes the terms or awarding of a Government contract to challenge the award by filing a protest with the Comptroller General.

The filing of a protest stays the awarding of the contract until either the Comptroller General makes a decision on the protest or the agency head certifies in writing that urgent circumstances require that the contract be awarded.

Decisions of the Comptroller General are limited to recommendations that the agency terminate or rebid the contract, issue a new solicitation, refrain from exercising options under a contract, or award a different contract.

At issue in this case was the power of the Comptroller General to lift stays on contracts.

In the words of the Court of Appeals:

> If the Comptroller General . . . is deemed to be an agent of Congress, then his possession of executive powers and duties is arguably unconstitutional. On the other hand, if he is an executive agent, then the performance of executive duties by the Comptroller would arguably create no constitutional problem.

Unlike the district court in Synar, the 3d Circuit Court of Appeals found that the Comptroller General is definitely not an agent of Congress. The court held:

> The power of removal does not determine to which branch the Comptroller belongs. Rather, if anything, it is the power of appointment that should control. . . . Indeed, a practical analysis of how the Comptroller General and the GAO actually function reveals that the removal power vested in Congress is a power of limited importance. . . . With a 15-year, non-renewable term, the Comptroller General . . . appears to be one of the most independent officers in the whole of the federal government. . . .

The Appeals Court then explicitly disagreed with the Synar decision:

> We decline to follow the approach taken by the Synar court. . . . The core principle of Humphrey's Executor, a key precedent in this area of the law, "was that Congress could create agencies exercising dual functions and which were independent of unfettered executive control. In their blend of powers and functions, the Comptroller General and the GAO closely resemble the Federal Trade Commission and other fourth branch agencies."

Mr. President, if the Supreme Court follows the very compelling reasoning of the 3d Circuit Court of Appeals, Gramm-Rudman-Hollings, in its entirety, including the GAO's function as an arbiter and as the one that sends the order to the President confirming the across-the-board cuts, will be upheld.

This should be sobering news to those who believe the Supreme Court will remove the prospect of future sequester orders.

Mr. President, I send a copy of the Ameron decision to the desk and ask unanimous consent that it be printed in the Record.

There being no objection, the decision was ordered to be printed in the Record, as follows:

United States Court of Appeals for the Third Circuit

[NOS. 85-5228 & 85-5377]

(Ameron, Inc. and United States Senate, Intervenor, Thomas P. O'Neill, Speaker of House of Representatives and Bipartisan Leadership Group, Intervenors, appellee, *v.* U.S. Army Corps of Engineers; Lt. Col. Michael K. Collmeyer, Contracting Officer, United States of America; and Spiniello Construction Company, United States of America, appellant

(Appeal from the United States District Court for the District of New Jersey (D.C. No. 85-1064))

Richard K. Willard, Esq. (Argued), Assistant Attorney General; W. Hunt Dumont, Esq., United States Attorney; Paul Blankenstein, Esq., U.S. Department of Justice, Appellate Staff, Civil Division, Room 3619, 10th & Pennsylvania Ave., N.W., Washington, D.C.; Attorneys for Appellant, United States of America.

Edward G. D'Alessandro, Esq., D'Alessandro, Sussman, Jacovino & Mahoney, 147 Columbia Turnpike, Florham Park, New Jersey 07932; Attorneys for Appellant, Spiniello Construction Company.

Michael Davidson, Esq. (Argued), Senate Legal Counsel; Ken U. Benjamin, Jr., Esq., Deputy Senate Legal Counsel; Morgan J. Frankel, Esq., Assistant Senate Legal Counsel, 642 Hart Senate Office Bldg., Washington, D.C. 20510; Attorneys for Appellee, United States Senate.

Theodore I. Botter, Esq. (Argued), Meyer & Landis, Esqs., Gateway 1, Suite 2500, Newark, New Jersey 07102; Attorneys for Appellee, Ameron, Inc.

Steven R. Ross, Esq., General Counsel to the Clerk; Charles Tiefer, Esq. (Argued), Deputy General Counsel to the Clerk; Michael L. Murray, Esq., Assistant Counsel to the Clerk, U.S. House of Representatives, The Capitol, H-105, Washington, D.C. 20515; Attorneys for Intervenors-Appellees Speaker and Bipartisan Leadership Group.

David S. Cohen, Esq., Sharon R. Gross, Esq., Cohen & White, 2934 M Street, N.W., Washington, D.C. 20007; Attorneys for Amicus Curiae, Computer & Communications Industry Association.

Harry R. Van Cleve, Esq., General Counsel; Seymour Efros, Esq., Associate General Counsel; Robert P. Murphy, Esq. (Argued), Attorney, U.S. General Accounting Office, 441 G Street, N.W., Washington, D.C. 20548; Attorneys for Amicus Curiae, The Comptroller General of the United States.

Opinion of the Court

GARTH, *Circuit Judge:*

This appeal presents, in a rather prosaic setting, a problem of profound constitutional significance concerning the division of power among the three branches of our federal government. At issue is the constitutionality of the automatic stay provisions of the Competition in Contracting Act (CICA), Pub. L. No. 98-369, Subtitle D, 98 Stat. 1199-1201, codified at 31 U.S.C.A. § 3553 *et seq.* (West Supp. 1985). The United States Army Corps of Engineers and the other executive department defendants [hereinafter referred to collectively as the Army] appeal from a decision of the district court declaring the CICA stay provisions to be constitutional and ordering broad injunctive relief to plaintiff Ameron and the Congressional intervenors.

We now affirm the district court's holding that the Comptroller General, as head of the General Accounting Office, is an independent official with duties involving both the legislative and executive branches of the United States government. As such, he may constitutionally exercise the powers conferred upon him by CICA. We also conclude, however, that the injunction granted by the district court was broader than necessary to grant the full relief to which plaintiffs were entitled, and therefore modify the injunction as specified below.

I.

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A.

Congress created the General Accounting Office (GAO) and the Office of the Comptroller General by the Budget and Accounting Act of 1921, Pub. L. No. 13, § 301, 42 Stat. 20, 23. The 1921 Act was the culmination of Congressional efforts over many years to provide accountability for the federal government's finances. The original Comptroller of the Treasury was an executive officer within the Treasury Department. 1 Stat. 65-66 (1789). The Comptroller continued as an executive officer with executive functions under subsequent enactments. *See, e.g.*, Act of March 3, 1817, 3 Stat. 368; Dockery Act of 1894, 28 Stat. 162, 205.

When they were created to replace the Comptroller of Treasury, the GAO and the Comptroller General were initially empowered to report to Congress and assist Congress in the budget process. 1921 Act, §§ 304-312, 42 Stat. 23-26. Even in 1921, however, the Comptroller General, even though created in part to assist Congress, was assigned duties that were not traditionally "legislative": auditing and setting public accounts, countersigning treasury warrants, prescribing "the forms of keeping and rendering all public accounts"—these and other executive duties were given to the GAO and the Comptroller General by the 1921 Act, which also abolished the Comptroller of the Treasury. §§ 301, 304, 310. The parties do not dispute that the Comptroller General continues to perform significant duties that are both "legislative" and "non-legislative," i.e., executive, in nature.

As an adjunct of its account-settling role, the Comptroller General over the years began to hear protests from disappointed bidders on government contracts. *See Wheelabrator Corp. v. Chafee*, 455 F.2d 1306, 1313 (D.C. Cir. 1971). This role was formalized by the Competition in Contracting Act (CICA) in 1984. 31 U.S.C.A. §§ 3351-3356 (West Supp. 1985). CICA was enacted to remedy a major loophole in the long-standing GAO review procedure: by the time the GAO reviewed most bid protests, the protests had

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become moot because either the contract had been let or the contractor was engaged in performing under the contract. While GAO regulations provided for a stay of either the granting or performance of the contract in some circumstances, *See Merriam v. Kunzig,* 476 F.2d 1233, 1236 & n.1 (3d Cir. 1973), this stay was easily overridden by the contracting agency involved. The result was that most procurements became *faits accomplis* before they could be reviewed. This situation was identified by Congress as a contributing factor to the crisis of waste in federal procurement. In particular, Congress recognized as a problem that of $168 billion in government contracts awarded in fiscal year 1983, only about one-third, $54 billion, was awarded on a competitive basis. *Competition in Contracting Act of 1984*: H.R. Rep. No. 1157, 98th Cong., 2d Sess. 12 (1984). In enacting CICA, Congress attempted to provide effective review of bid challenges, and in the process to encourage competition in contracting. *See* Opinion of District Court, slip op. at 31.

In relevant part, CICA permits a potential or actual bidder who disputes the terms or awarding of a government contract to challenge the procurement or the award of the contract by filing a protest with the Comptroller General. Upon receiving the protest, the Comptroller General must "within one working day" notify the agency involved, which must then make a report on the challenged contract. 31 U.S.C. § 3353(b)(1).

The filing of a protest freezes, or stays, the awarding of the contract or any action under it until either the Comptroller General makes a decision on the protest or the agency head certifies in writing that "urgent and compelling circumstances which significantly affect interest of the United States" require that the contract be awarded, 31 U.S.C. § 3553(c)(2), or that "the best interests of the United States" require that performance proceed under a contract already awarded by the agency. 31 U.S.C. § 3553(d)(2).

The Act requires the Comptroller General to issue a final decision on the protest within 90 working days unless he determines in writing that the circumstances of the protest require more time. 31 U.S.C. § 3554(a)(1). The Comptroller General may also exercise an "express option" to expedite review of certain cases within 45 calendar days, 31 U.S.C. § 3554(a)(2), and may dismiss patently frivolous or meritless claims on a summary basis. 31 U.S.C. § 3554(a)(3).

The power of the Comptroller General in rendering his decision is limited to a *recommendation* that the agency, *inter alia,* terminate or rebid the contract, issue a new solicitation, refrain from exercising options under a contract, or award a different contract consistent with law. 31 U.S.C. § 3554(b)(1). The only affirmative power provided to the Comptroller General is to award a prevailing protester its bid and proposal preparation costs, as well as its costs and attorneys' fees in filing and pursuing the bid protest. 31 U.S.C. § 3554(c)(1).

President Reagan signed CICA into law as part of the omnibus Deficit Reduction Act of 1984, but he declared the automatic stay provision unconstitutional upon the advice of the Attorney General and ordered the executive department not to observe it. Accordingly, the Office of Management and Budget issued instructions to executive agencies to proceed with the procurement process "as though no such [stay] provisions were contained in the act." OMB Bulletin No. 85-8 at 2 (Dec. 17, 1984).

B.

The mundane facts underlying the present controversy belie the compelling nature of the constitutional question before us. In late 1984, Ameron submitted a bid on a proposed contract to clean and repair sewer lines at West Point, New York. The Army's "Invitation for Bids" required an interested party to submit along with its bid a bond guaranteeing 20 percent of the bid amount. When the sealed bids were opened, Ameron was the apparent low bidder with an offer of $1,033,000, about $200,000 less than the next lowest bidder, defendant Spiniello Construction Company. However, Ameron's bid was rejected because the dollar amount of the bond had been altered without any indication that the surety had agreed to be bound by the change. Although Ameron contended that the change was merely the result of a typist's error,[1] the agency rejected Ameron's bid as non-responsive to the terms of the invitation and awarded the contract to Spiniello. *See* Affidavit of Michael K. Collinger at 1-2.

On March 1, 1985, within ten days of the awarding of the contract, Ameron filed a protest with the Comptroller General, claiming that the Army had wrongfully rejected its bid. Three days later, Ameron filed suit in federal district court claiming that the Army had arbitrarily rejected its bid and seeking a preliminary injunction to restrain the Army and the victorious bidder from proceeding with the contract pending the outcome of Ameron's protest to the Comptroller General. Ameron also sought a temporary restraining order enjoining performance of the contract.

The district court first denied the request for a temporary restraining order, and then granted it on March 7, 1985 when the stay provisions of 31, U.S.C. § 3353(d)(1) were brought to its attention, pending a hearing on the preliminary injunction to be held March 18, 1985. After hearing argument on March 18 and granting the motion of the Senate, the Speaker, and the Bipartisan Leadership Group of the House to intervene as plaintiffs to support the constitutionality of CICA, the district court eventually granted the preliminary injunction on March 27, 1985. 607 F. Supp. 962 (D.N.J. 1985).

In an oral opinion delivered from the bench, the court rejected Ameron's claim that the Army had acted arbitrarily. That ruling is not before us on appeal. The court concluded, however, that Ameron was entitled to a preliminary injunction enforcing a stay because the CICA stay provision was constitutional. The court held that Congress could delegate the non-legislative power to lift the stay to the Comptroller General because he was appointed by the President in accordance with the Appointments Clause of the Constitution, Art. II § 2, C1.2, and therefore was not merely an agent of Congress. *Id.* at 971-74. The Army filed a timely notice of appeal from the injunction ruling. A month later, on April 29, 1985, the Comptroller General issued a decision denying Ameron's protest on the merits.[2] The parties agreed that this did not render the case moot, and proceeded to file cross-motions, for summary judgment.

The court thereafter denied Ameron's motion for summary judgment on the merits of its bid protest, but granted the motion of the intervenors for a permanent injunction ordering the federal government to comply with and implement 31 U.S.C. § 3553. 610 F. Supp. 750 (D.N.J. 1985). We reproduce the full text of the court's order in the appendix.

The court also declared 31 U.S.C. § 3553 to be constitutional, and joined OMB Director David Stockman and Defense Secretary Caspar Weinberger as necessary defendants. Although the injunction contains no language limiting its application to less than the entire federal government, it is apparent from the court's oral opinion that it intended its order to have controlling effect only within the District of New Jersey, *See id.* at 756. The Army appealed again, and the appeals (Nos. 85-5226, 85-5377) were consolidated for review by this court.

II.

At the outset, we must determine if this case was rendered moot by the disposition of Ameron's original bid protest by the Comptroller General. Although the Comptroller General's decision lifted the stay provided by CICA, arguably obviating the need for an injunction, it is urged that this case is not moot. Even when no more relief may be granted to a plaintiff, a case may continue to decision and remain viable on appeal if the problem presented is "capable of repetition yet evading review." *See In re Kulp Foundry,* 691 F.2d 1125, 1128-29 (3d Cir. 1982). This standard applies if 1) the problem allegedly causing injury is resolved within too short a time period to ever be fully litigated and appealed, and 2) the party seeking relief is likely to be subject to the same injury in the future. *Murphy v. Hunt,* 455 U.S. 478, 482 (1982). *See also Roe v. Wade,* 410 U.S. 113, 125 (1973).

The parties agree that this case is an appropriate one for application of the rule, and we concur. A bid protest will usually be resolved within 90 days, so that by the time a case be appealed to this court, it will almost always face the prospect of being regarded as moot. Moreover, Ameron, as a company frequently seeking government contracts, represented that it is likely to be faced with a similar situation again: desiring to protest a contract decision but being unable to obtain the statutorily guaranteed stay while its protest is being reviewed. Lest the issue presented evade review, we hold that the present dispute is not moot, and we proceed to consider this case on the merits.

III.

As the Supreme Court observed in *Buckley* v. *Valeo*, 424 U.S. 1, 124 (1976), "The principle of separation of powers was not simply an abstract generalization in the minds of the Framers: it was woven into the document that they drafted in Philadelphia in the Summer of 1787." The Constitution creates three distinct branches of government and vests specific powers in each. This design is intended to block tyranny by any one branch by providing a series of checks and balances to diffuse concentrations of power. "The hydraulic pressure inherent within each of the separate Branches to exceed the outer limits of its power, even to accomplish desirable objectives, must be resisted. *INS* v. *Chadha*, 462 U.S. 919, 951 (1983).

Nevertheless, the Court has rejected any notion that the branches are hermetically sealed. While the Constitution diffuses power the better to secure liberty, it also contemplates that practice will integrate the dispersed powers into a workable government. It enjoins upon the branches separateness but interdependence, autonomy but reciprocity." *Youngstown Sheet & Tube Co. v. Sawyer,* 343 U.S. 579, 635 (1952) (Jackson. J., concurring). *See Buckley,* 424 U.S. at 121. Moreover, this court has recently emphasized that separation of powers analysis must focus pragmatically on whether the challenged provision actually or potentially interferes with the ability of the affected branch to accomplish its constitutionally assigned functions. *In re The President's Commission on Organized Crime Subpoena of Nicodemo Scarfo,* No. 85-3023, slip op. at 11 (3d Cir. Feb. 14, 1986). *See also Nixon v. Administrator of General Services,* 433 U.S. 425, 443 (1977).

Footnote at end.

In applying the separation of powers principle, which is not explicitly mentioned in the Constitution but which undergirds the Constitutional philosophy, the Court has more than once felt compelled to rein in one or another branch of government. The Court has held that Congress, as the legislative branch, may not delegate to itself or its agents executive or judicial power, *Hampton & Co. v. United States,* 276 U.S. 394, 406 (1928); that the executive may not exercise legislative power belonging only to Congress, *Youngstown;* and that executive and administrative duties of a non-judicial nature may not be imposed upon Article III judges. *United States v. Ferreira,* 54 U.S. (13 How.) 39, 50-51 (1952). *See generally President's Commission (Scarfo), supra.*

Moreover, the power of appointment and removal must be exercised in conformity with the separation of powers. Congress may not curtail the power of the President to remove purely executive officials, *Myers v. United States,* 272 U.S. 51 (1926), but may create agencies which exercise mixed duties whose members may be protected from removal by the executive without cause. *Humphrey's Executor v. United States,* 295 U.S. 602, 629 (1935). Congress may not, however, retain for itself the power to appoint officials of the government who exercise executive power. *Buckley,* 424 U.S. at 126.

While disputing the application of these rules to the case at hand, the parties do appear to agree on one point: the key issue in this case is the characterization of the Office of the Comptroller General. If the Comptroller General, as the Army argues, is deemed to be an agent of Congress, then his possession of executive powers and duties is arguably unconstitutional. On the other hand, if he is an executive agent, then the performance of executive duties by the Comptroller would arguably create no constitutional problem.

The only other court that has addressed the question whether the Comptroller General may constitutionally exercise the powers granted under CICA concluded, following the reasoning of the district court in the present case, that the Comptroller could constitutionally exercise mixed powers. *See Lear Stegler, Inc. v. Lehman,* No. CV 85-1125-KN, slip op. at 7-11 (C.D. Cal. Nov. 21, 1985).

In a recent decision, a three-judge panel in the United States District Court for the District of Columbia [3] held that certain provisions of the Balanced Budget and Emergency Deficit Control Act of 1985, popularly known as the Gramm-Rudman-Hollings Act, were unconstitutional because they vested executive powers in the Comptroller General, *Synar* v. *United States,* No. 85-3945 (D.D.C. February 11, 1986). Under the *Synar* analysis, the Comptroller General was not permitted to exercise these powers under the Constitution. The court did not reach a firm conclusion regarding the characterization of the Comptroller General as an agent or member of a particular branch of the government, but concluded that executive power to mandate budget cuts could not be delegated to "an officer removable by Congress." *Id.,* slip op. at 48.

In resolving the central question of characterization as it is presented on this appeal, we confront plausible arguments on both sides. Several factors weigh in favor of considering the Comptroller General to be an executive officer. Foremost among these factors is that the Comptroller General exercises significant executive functions in managing the accounts of the federal government and is appointed by the President—factors which, in and of themselves, arguably render the Comptroller an "Officer of the United States" under *Buckley,* 424 U.S. at 126. The historic roots of the Comptroller's functions in the Treasury Department also militate against finding that the Comptroller is merely a legislative agent.

Against these factors, the Army marshals a great welter of dicta and conclusory statements to the effect that the Comptroller General is not an executive officer but rather an agent or member of the legislative branch. Several courts, first of all, have stated without extensive analysis that the GAO is an arm of the Congress. *See. e.g., McDonnell Douglas Corp.* v. *United States.* 754 F.2d 365, 368 (Fed. Cir. 1985): *United States* v. *McDonnell Douglas Corp.,* 751 F.2d 220, 224 (8th Cir. 1984); *M. Steinthal & Co.* v. *Seamans,* 455 F.2d 1289, 1305 (D.C. Cir. 1964). The Army also cites to numerous points in the legislative history of the 1921 Act and in other statutes where the GAO is characterized or labelled as a "legislative" agency. *See, e.g.,* 61 Cong. Rec. 1080 (Comptroller General "is to be the arm of the Congress": Rep. Good); *id.* at 1081 (Comptroller General is "representative of Congress" unlike Director of the Bureau of the Budget "who serves the President and is the personal representative of the President": Rep. Byrns); 2 U.S.C. § 701(e) (Comptroller General listed as within the "Legislative Branch" in the Ethics in Government Act); 59 Stat. 616 (1945) (GAO stated to be part of legislative branch in Reorganization Act of 1945).

While we recognize the authority cited by the Army, we nevertheless cannot resolve the issue before us merely on the basis of the quantity of citation. We must beware of what Justice Cardozo described as "the tyranny of labels." *Snyder* v. *Massachusetts,* 291 U.S. 97, 114 (1934). Indeed, in *Buckley,* the Supreme Court specifically noted that "irrespective of Congress' designation [of the Comptroller General as a "Legislative Officer"], cf. 31 U.S.C. § 65(d), the Comptroller General is appointed by the President in conformity with the Appointments Clause [and therefore may exercise executive functions]. "424 U.S. at 128 n.165.

Instead of "decision by label," we must focus on function and reality. Clearly, the GAO and the Comptroller General perform legislative and non-legislative duties. Indeed, they also perform quasi-judicial functions. In that respect, they resemble the modern regulatory agency. Therefore, the mere recital by the Army of the Comptroller General's legislative functions, which involve investigating and reporting to Congress, does not make the Comptroller General an agent of the legislature.

In characterizing the Comptroller General as an agent of the legislature, the Army also stresses the power of Congress to remove the Comptroller from office. The Army argues that Congress may constitutionally remove only its own agents, i.e., members of the legislative branch, and that Congress therefore in reserving to itself the power to remove the Comptroller General had implicitly acknowledged that the Comptroller General is an agent of the legislature. By the same token, argues the Army, Congress must have recognized that the Comptroller General could not be an agent of the executive, because Congress may not constitutionally remove from office agents who are purely executive in character.

To support this argument, the Army relies heavily on *Myers* v. *United States,* 272 U.S. 52 (1926), in which the Supreme Court held that the Prsident's power to remove *purely* executive officers could not be curtailed by Congress. However, *Myers* was severely limited by *Humphrey's Executor,* in which the Court approved Congress's attempt to insulate members of the Federal Trade Commission from removal without cause by the President.

> "We think it plain under the Constitution that illimitable power of removal is not possessed by the President in respect of officers of the character of those just named [members of FTC, ICC and Court of Claims]. The authority of Congress, in creating quasi-legislative or quasi-judicial agencies, to require them to act in discharge of their duties independently of executive control cannot well be doubted; and that authority includes, as an appropriate incident, power to fix the period during which they shall continue in office, and to forbid their removal except for cause in the meantime. Fot it is quite evident that one who holds his office only during the pleasure of another, cannot be dependent upon to maintain an attitude of independence against the latter's will."

295 U.S. at 629.

It is not clear whether Congress's power to limit removal by the President includes the power to retain to itself removal power over "mixed-power" officers of the United States. There are two questions implicated by the Army's argument on this issue, however, which must be addressed separately: (1) whether the provision permitting Congress to remove the Comptroller General is constitutional, and (2) whether the mere existence of this provision renders the Comptroller General an agent of Congress for the purposes of this case.

A.

The first question is not ripe for review in this case at this time. Congress has never tried to remove a Comptroller General and is unlikely to do so in the foreseeable future. The constitutionality of the removal provision, therefore, has yet to be tested, and because Congress in this case has not sought to remove the Comptroller General, we do not deem the constitutionality of the removal provision to be justiciable. *See Hastings v. Judicial Conference of the United States,* 770 F.2d 1093. 1100-01 (D.C. Cir. 1985).

By so holding, we decline to adopt the contrary conclusion reached in *Synar, supra.* In *Synar.* the court concluded that the issue of Congress' power to remove the Comptroller General was ripe for review, relying upon *Northern Pipeline Construction Co. v. Marathon Pipe Line Co.,* 458 U.S. 50 (1982), in which the Supreme Court declared unconstitutional the delegation of Article III powers to bankruptcy judges not appointed in conformance with Article III. The district court in *Synar* held that since

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the Supreme Court had relied in part on the fact that bankruptcy judges could be removed for cause, the question of congressional removal power over the Comptroller General was similarly ripe for review. Slip op. at 29–30.

Northern Pipeline, however, does not control the present case. The Court struck down the statutory scheme in that case as facially violative of Article III, in that bankruptcy judges were appointed to fixed 14 year terms and could be removed for cause. Since the Court found that the judges therefore were clearly not Article III judges under the plain language of the Constitution, the unconstitutionality of their appointment and exercise of power was immediately ripe for adjudication.

By contrast, in this case, there is no challenge to the *appointment* of the Comptroller General, which is agreed to be in conformance with the appointments clause, nor to the Comptroller General's 15 year statutory tenure. The only issue raised in this context is the constitutionality of the congressional *removal* provision, which has never been exercised in more than 60 years. Therefore, unlike *Northern Pipeline*, where the constitutionality question was ripe, here an additional act must be undertaken in order to meet the "ripeness" requirement. That act would be an attempted removal of the Comptroller General by Congress.

Moreover, even if the question were justiciable, and the provision granting Congress the power to remove the Comptroller General were found to be unconstitutional, that would only be *because* of a determination that the Comptroller General is indeed a member of the executive branch. The remedy in such a case would not be to hold the "stay" powers of the Comptroller General to be unconstitutional, but to sever as unconstitutional the provision which grants Congress the power to remove him. *See Myers*, 272 U.S. at 176.[4]

B.

As to the second question—whether the existence of Congress' power to remove the Comptroller General is determinative of the particular branch of which the Comptroller General is a member—our answer is that the power of removal does not determine to which branch the Comptroller General belongs. Rather, if anything, it is the power of *appointment* that should control. *See Buckley v. Valeo*, 428 U.S. 1, 126(1976). Moreover, the fact that the Comptroller General is not under executive control does not necessarily mean that he is under legislative control. Indeed, a practical analysis of how the Comptroller General and the GAO actually function reveals that the removal power vested in Congress is a power of limited importance. In more than 60 years of the GAO's existence, Congress has *never* exercised its power to remove a Comptroller General.

Viewed pragmatically, the Comptroller General functions independently of Congress in exercising his role of reviewing bid protests. There is no evidence in the record that Congress has *ever*, as a body or through individual members, exerted control over this process. With a 15-year, nonrenewable term, the Comptroller General therefore appears to be one of the most independent officers in the whole of the federal government, and one whose functions are drawn from each of the branches. *See Constitutionality of GAO's Bid Protest Function: Hearings Before the Subcomm. on Legislation and National Security of the House Comm. on Government Operations,* 99th Cong., 1st Sess. 35–36 (1985) testimony of Prof. Sanford Levinson [hereinafter cited as *Hearings*].

It is not surprising that, like many modern governmental units, the Comptroller General cannot neatly be labelled as totally the creature of one branch or another. This was recognized more than 20 years ago in *United States ex rel. Brookfield Construction Co. v. Stewart*, 234 F. Supp. 94, 99 (D.D.C. 1964) *aff'd*, 339 F.2d 753 (D.C. Cir. 1964):

"The Comptroller General is the head of the General Accounting Office, 31 U.S.C. § 41. Unlike heads of most departments and establishments of the Government, he occupies a dual position and performs a two-fold function. First, he makes investigations of matters relating to the receipt, disbursement and application of public funds, and reports the results of his scrutiny to the Congress with appropriate recommendations. In addition he pursues investigations that may be ordered by either House of Congress, or by any Committee of either House, in matters relating to revenue, appropriations or expenditures, 31 U.S.C. § 53. In performing these functions the status of the Comptroller General is that of an officer of the legislative branch of the Government. The Congress has comprehensive authority to undertake investigations in aid of legislation, or in connection with the appropriation of funds. Investigations are an aid to legislation and to the making of appropriations and are therefore auxiliary to the basic functions of Congress. The Congress may conduct investigations either through Committees or through an official such as the Comptroller General.

"The Comptroller General has also a second status as the chief accounting officer of the Government. His second principal function is that of approval or disapproval of payments made by Government departments and other agencies, as well as of settling and adjusting accounts in which the Government is concerned, 31 U.S.C. § 71. This is an executive function and in performing it the Comptroller General acts as a member of the Executive branch of the Government. The dual status of the General Accounting Office is not anomalous, for many regulatory commissions fulfill in part a legislative function and in part carry out executive duties, Humphrey's Executor v. United States, 295 U.S. 602, 55 S. Ct. 869, 79 L.Ed. 1611, Cf. Myers v. United States, 272 U.S. 52, 47 S.Ct. 21, 71 L.Ed. 160. Thus we have developed in comparatively recent years a fourth type of Government agency—one that combines two kinds of basic powers."

Id. at 99–100 (quoted with approval by court below, 607 F. Supp. at 970–71). We adopt the reasoning of the court in *Brookfield Construction* that the GAO is best viewed as a part of a headless "fourth branch" of government consisting of independent agencies having significant duties in both the legislative and executive branches but residing not entirely within either.

The description of the Federal Trade Commission contained in *Humphrey's Executor* provides a close analogy for describing the GAO and the Comptroller General:

"The commission is to be non-partisan; and it must, from the very nature of its duties, act with entire impartiality. It is charged with the enforcement of no policy except the policy of the law. Its duties are neither political nor executive, but predominantly quasi-judicial and quasi-legislative. Like the Interstate Commerce Commission, its members are called upon to exercise the trained judgment of a body of experts, 'appointed by law and informed by experience.' [citation omitted].

"[The Commission is to be 'independent of any department of the government . . . a board or commission of dignity, permanence, and ability, independent of executive authority, except in its selection, and independent in character.' "

295 U.S. at 624–25 (quoting statement of Senator Newlands).

The district court correctly followed *Brookfield Construction* in holding that the GAO is a hybrid agency of the kind described in *Humphrey's Executor* and that the Comptroller General may constitutionally exercise executive functions in reviewing bid protests because he is appointed pursuant to the Appointments Clause and performs executive duties. Although a legislative officer may not be given executive duties, many executive or "fourth branch" officers perform mixed duties and therefore function in dual capacities. As the Supreme Court noted in *Springer v. Phillipine Islands*, 277 U.S. 189 (1928):

"Not having the power of appointment, unless expressly granted or incidental to its powers, the legislature cannot engraft executive duties upon a legislative office, since that would be to usurp the power of appointment by indirection: though the case might be different if the additional duties were devolved upon an appointee of the executive."

Id. at 202, quoted with approval in *Buckley*, 424 U.S. at 136–37.[5]

Our decision that both the GAO and the Comptroller General discharge their assigned functions with a measure of independence from both the legislative and executive branches undermines the Army's reliance on *Buckley* and *Chadha*. In both of those cases, the legislature usurped the executive's power by subjecting agency actions to direct political control. In *Buckley*, it did so by appointing members of the Federal Election Commission. In *Chadha*, it did so by ordering the deportation of an alien by a resolution not passed by both Houses or presented to the President. Here, no political, i.e., legislative control is being asserted over any executive prerogative; an additional executive power or non-legislative function has merely been assigned to an agency which from its inception has been functionally independent of political control.[6]

It must not be overlooked that through CICA, the act in question here, Congress has given the Comptroller General no ultimate veto over government appropriations. It has done no more than to furnish the Comptroller General with a tool to prevent *faits accomplis* and to encourage competition in contracting. The power of the contracting executive agency to override the stay in important circumstances provides a safety valve for any possible abuse by the Comptroller General. Most importantly, the long history of independence of the GAO supports the district court's view that the stay provision does not operate to permit intrusion by the legislative branch into executive or judicial decision making. Thus, the delicate balance of power among the branches of government has not been endangered or upset by our answer to the second question which we posed: that the mere existence of the power of Congress to remove the Comptroller General does not render the Comptroller an agent of Congress for the purpose of this case.[7]

IV.

Although we hold that the district court properly upheld the constitutionality of the Comptroller General's stay powers, the Army argues forcefully that the injunction granted was unnecessarily broad. We recognize that the Army in so arguing must overcome the considerable discretion granted to the district court in framing injunctions. *Lemon v. Kurtzman*, 411 U.S. 192, 200 (1973). The trial court must be given leeway to fashion effective remedies to correct offenses to the Constitution. *Ramirez de Arellano v. Weinberger*, 745 F.2d 1500, 1521 (D.C. Cir. 1984) (en banc). Nevertheless, injunctive relief should be no broader than necessary to provide full relief to the aggrieved party. *Califano v. Yamasaki*, 442 U.S. 682. 702 (1979).

The Army argues that the district court attempted to require observance of the CICA stay provisions on a "government-wide" basis, i.e., nationally. On its face, the court's order contains no limiting language to rebut this reading. However, it is apparent from the court's oral opinion that it intended to order the federal government to observe CICA only within the District of New Jersey—the court's proper jurisdiction. *See* 610 F. Supp. at 756. Nevertheless, we agree that the injunction, even thus construed, went beyond that which was necessary to secure Ameron's rights.

There is no dispute that the Congressional intervenors were proper parties for the purpose of supporting the constitutionality of the CICA stay provision. *See Chadha*, 462 U.S. at 940.[8] To the extent, then, that the court declared CICA to be constitutional, the Congressional intervenors had standing to obtain the relief granted. However, the intervenors lack their own standing to obtain an injunction forcing compliance with the law. Nothing in the Ameron controversy gives Congress a direct "stake" in the enforcement of CICA. Once a law is passed and upheld a constitutional, Congress's interest in its enforcement is no more than that of the average citizen. *See Moore* v. *House of Representatives*. 733 F.2d 946, 951–52 (D.C. Cir. 1984), *cert. denied*, 105 S. Ct. 779 (1985). An ordinary citizen, in turn, has no standing to obtain an injunction to enforce the law, absent a personal stake in such enforcement. *Allen* v. *Wright*, 104 S. Ct. 3315, 3326 (1984); *AFGE* v. *Pierce*, 967 F.2d 303, 305 (D.C. Cir. 1982). The Congressional intervenors, therefore, do not have *independent* standing to seek an injunction ordering the federal govenment to enforce CICA.

However, despite their lack of independent standing, the intervenors may be entitled to injunctive relief on the same grounds and to the same extent as was available to Ameron. *See Director OWCP* v. *Perini North River & Associates*, 459 U.S. 297, 302–305 (1982) (to the extent OWCP Director does not have separate standing, he may seek reversal of lower court decision on grounds available to nonappealing aggrieved party). The question then is: what relief was available to Ameron?

In the absence of a certified class action, Ameron was only entitled to relief for itself. *National Center for Immigrant Rights* v. *INS*, 743 F.2d 1365, 1371–72 (9th Cir. 1984); *Davis* v. *Romney*, 490 F.2d 1367, 1366 (3d Cir. 1974). While the district court's entry of a declaratory judgment of constitutionality[9] may serve as precedent for subsequent cases; an injunction directing the Army Corps of Engineers to honor the stay provision of CICA only in the case provides full relief to Ameron. *See Baeder* v. *Heckler*, 768 F.2d 547, 553 (3d Cir. 1985) (striking down nation-wide injunction but leaving intact holding that regulation was invalid and grant of injunctive relief in plaintiffs case).

Ameron and the Congressional intervenors make several arguments in support of the broader relief granted. First of all, they argue that the Army never made any formal objection to the proposed scope of relief. We are not impressed with this claim, since the Army made clear during its colloquy with the district court that it objected to the broader injunctive relief granted. *See* May 28 transcript at 25–29.

More importantly, Ameron and the Congressional intervenors argue that the broader injunction was justified as a response to two expressions of defiance by the executive of each of its coordinate branches: First, the executive declared a duly enacted and signed law (CICA) to be unconstitutional and second, the executive intimated that it would not follow court decisions upholding that law.

As to the first issue, the record shows that upon the President's orders, the Attorney General instructed all executive agencies to ignore the stay provisions in CICA.[10] The Justice Department sought to justify this action as within the President's duty to defend the Constitution: "[I]n the case of a conflict between the Constitution and a statute, the President's duty faithfully to execute the law requires him not to observe a statute that is in conflict with the Constitution, the fundamental law of the land." *Hearings* at 318 (testimony of Acting Deputy Attorney General D. Lowell Jensen). *See also Meese, President's Right to Challenge Law, N.Y. Times, May 21, 1985* (Letter to the Editor) Supp. App. at 180.

This claim of right for the President to *declare* statutes unconstitutional and to declare his refusal to execute them, as distinguished from his undisputed right to veto, criticize, or even refuse to defend in court, statutes which he regards as unconstitutional, is dubious at best.[11] The question of the President's actions, declarations, and purported refusal to order compliance with CICA, however, was not properly before the district court. Therefore, our task on this appeal is similarly limited to ruling only on the constitutionality of the statute before us, and on whether the remedy fashioned by the district court granted appropriate relief to the parties actually before the court. We are faced with no justiciable claim against the President stemming from an alleged usurpation of power.

The second challenged assertion of power by the executive branch is the threat of Attorney General Meese not to follow court decisions in this case. According to the Attorney General's testimony before the House's Committee on the Judiciary on April 18, 1985, the district court is not a "court of competent jurisdiction" to decide constitutional questions. Transcript of House Hearings at 24–25. Moreover, Mr. Meese declared the government's intention not to follow the district court's decision granting a preliminary injunction in Ameron until there was "an appellate decision." *Id.* at 31. Questioned further, Mr. Meese suggested that even a decision of this court—the Court of Appeals for the Third Circuit—might be ignored until the Supreme Court finally laid the matter to rest. *Id.* at 35–36. However, following the granting of permanent relief by the district court, the Army agreed to honor the stay provisions of CICA pending the disposition of this appeal. *See* Brief of Appellee-Intervenors Speaker and Bipartisan Leadership Group of the House of Representatives at 18–19.

In framing its relief, the district court was understandably concerned with the executive challenge to its power. The district court engaged counsel for the Army in a discussion regarding the district court's competence to rule on CICA's constitutionality. In so doing, it elicited a concession that the court *did* have jurisdiction to rule on the question and to enforce its view through injunction in the District of New Jersey. May 28 transcript at 27. In its oral opinion, the court stressed its rejection of the executive's assertion of power to ignore an order of the district court and the suggestion of Attorney General Meese that the district court was not a court of "competent jurisdiction." 610 F. Supp. at 755–56.

It should be too obvious even to require restating that the district court, as an Article II court, has the power to rule on the constitutionality of an act of Congress and to impose appropriate remedies to compel compliance with an act found to be constitutional. That the executive in this case questioned this elementary principle did not, however, alter the specific task before the district court: to frame an injunction no broader than necessary to grant the full relief to which Ameron and the Congressional intervenors were entitled.

As Justice Douglas observed in his *Youngstown* concurrence, "[T]he emergency did not create power; it merely marked an occasion when power should be exercised." 343 U.S. at 629. Similarly, here, the felt need to reassert the constitutional scope of its power in the face of executive challenge did not create power in the district court that it did not already have, or change the judicial standards for the granting of injunctive relief. We therefore affirm the district court's obviously correct ruling that it is a court of competent jurisdiction to decide constitutional questions, even though we find the granted injunctive relief to be too broad under the circumstances of this case.

An injunction applying only to Ameron—ordering application of the CICA stay provisions in Ameron's case—would have provided Ameron with complete relief. While it was within the constitutional power of the court to grant broader relief, jurisprudence governing injunctive remedies will not permit it. We therefore affirm the May 20, 1985 order of the district court,[12] except as to its final paragraph which we modify. *See Evans v. Buchanan*, 555 F.2d 373, 381 (3d Cir. 1977) (en banc). The final paragraph of the district court's order originally provided:

"FURTHER ORDERED that defendants U.S. Army Corps of Engineers, Caspar W. Weinberger and David Stockman are permanently enjoined from applying Federal Acquisition Circular 84-6 or OMB Bulletin No. 85-8 insofar as they conflict with 31 U.S.C. § 3553, and are permanently enjoined to secure the issuance of regulations which comply with and implement 31 U.S.C. § 3553."

We hold here that this provision granted relief broader than that to which Ameron was entitled. We therefore substitute for that provision in the district court's order the following language appropriate to the case before us:

"FURTHER ORDERED that defendants U.S. Army Corps of Engineers, Casper W. Weinberger, and David A. Stockman are permanently enjoined to comply with and

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implement 31 U.S.C. § 3553 in the case of Ameron, Inc.'s bid protest filed March 1, 1985."

V.

The May 20, 1985 order of the district court, as modified herein, will be affirmed in all other respects.

APPENDIX

Text of District Court Order of May 20, 1985

This matter coming on to be considered by the court on application of Charles Tiefer on behalf of the Speaker and Bipartisan Leadership Group of the House of Representatives as plaintiffs-intervenors, and Morgan Frankel, on behalf of the Senate, plaintiffs-intervenor, and it appearing from the papers submitted, the prior oral argument, the entire record in this case, and the Opinion of this Court filed on March 28, 1985, that there are no material facts in genuine dispute regarding the issue of the constitutionality of the stay provision in the Competition in Contracting Act, 31 U.S.C. § 3553, and that plaintiff and the intervenors are entitled to judgment as a matter of law, and for good cause

It is on this 20th day of May 1985:

ORDERED that in issuing its Opinion filed March 28, 1985, and in issuing this Order, this Court has been exercising the historic jurisdiction regarding the constitutionality of Acts of Congress, possessed by the Judiciary alone, of a court of competent jurisdiction;

FURTHER ORDERED that intervenors' motions for summary judgment be, and they are hereby granted; and it is

FURTHER ORDERED that 31 U.S.C. §§ 3353 be and it is hereby declared to be constitutional; and it is

FURTHER ORDERED that defendants U.S. Army Corps of Engineers, Caspar W. Weinberger and David A. Stockman are permanently enjoined from applying Federal Acquisition Circular 84-6 or OMB Bulletin No. 85-8 insofar as they conflict with 31 U.S.C. § 3553, and are permanently enjoined to secure the issuance of regulations which comply with and implement 31 U.S.C. § 3353.

HAROLD A. ACKERMAN
U.S.D.J.

Becker, *Circuit Judge*, concurring in part: I join in Parts II and IV of the majority's opinion, and in its judgment. I disagree fundamentally with the majority's analysis in Part III however, and write separately to explain my views.

I.

Central to the majority's finding that CICA is not unconstitutional is its conviction that the Comptroller General occupies an indeterminate place in our constitutional scheme, belonging to neither the legislative, nor the executive, nor the judicial branch. Relying on *United States ex rel. Brookfield Construction Co. v. Stewart*, 234 F. Supp. 94 (D.D.C. 1964), *aff'd.*, 339 F.2d 753 (D.C.Cir. 1964), the majority states that "the Comptroller General cannot neatly be labelled as totally the creature of one branch or another," Maj. Op. at 27, and that "the GAO is best viewed as a part of a headless 'fourth branch' of government," *Id.* at 28.

Having thus severed the Comptroller General from any constitutional moorings within one of the three branches of government, the majority argues that because the GAO and the Comptroller General are "functionally independent of political control," *id.* at 31, and because the GAO has a "long history of independence," *id.* at 32, the powers granted the Comptroller General are not unconstitutional. According to the majority: "the delicate balance of power among the branches of government has not been endangered or upset [by the provision of CICA permitting congressional removal for cause of the Comptroller General]," *id.*, and CICA is thus constitutional.

In my view, the majority's argument has gone awry on its very first step, its refusal to place the Comptroller General in one branch of government or another. The Constitution establishes three branches of government, not four. Moreover, because ours is a government of enumerated powers, there can be no branch of government not established by the Constitution. It therefore follows that there can be no fourth branch, headless or otherwise.

I admit that scholars often refer to administrative agencies as the "fourth branch" of government. *See e.g.*, Strauss, *The Place of the Agencies in Government: Separation of Powers and the Fourth Branch*, 84 Colum. L. Rev. 573 (1984). The Supreme Court, however, has not acknowledged that administrative agencies, even the so-called independent regulatory agencies, belong to a category all their own. To the contrary, the Supreme Court continues to frame its separation of powers analyses in the context of the familiar triumvirate of branches. *See, e.g., INS v. Chadha*, 462 919, 951 (1983) ("The Constitution sought to divide the delegated powers of the new Federal Government into three defined categories, Legislative, Executive, and Judicial."); *Buckley v. Veleo*, 424 U.S. 1, 120 (1976) (in analyzing the constitutionality of the powers of the Federal Election Commission, an "independent" administrative agency, the Court referred to the "fundamental principles of the Government . . . that the powers of the three great branches of the National Government be largely separate from one another."). The majority's insistence on a fourth branch, while perhaps intellectually fashionable, is thus contrary to the jurisprudence of the Supreme Court.[13]

I do not deny that administrative agencies are and must be a part of our government, and I do not suggest that they lack legitimacy simply because they were not envisaged by the Founding Fathers. Administrative agencies developed as a response to the needs of a complex society, and so long as our society remains as complex as it is, we shall need them. My point is simply that courts engaged in constitutional analysis must work within the framework established by the Constitution, and the Constitution does not allow for any more than three branches of government. If the administrative agencies cannot fit within this framework then the framework should perhaps be changed, but if this is to be done it must be by constitutional amendment, not judicial disregard of the present Constitution. Even a living constitution cannot grow a new branch.

In analyzing the case before us, our first task must therefore be to decide to which of the three branches of government the GAO belongs. The next step in the analysis is to classify the powers conferred on the Comptroller General by the allegedly objectionable provisions of CICA. Only then can we decide whether those powers violate the Constitution.

II.

A.

Because the office of the Comptroller General is created by statute, the Comptroller General's status within the government is a matter of statutory interpretation which, like all statutory interpretation, is controlled by legislative intent. *Paskel v. Heckler*, 768 F.2d 540, 543 (3d Cir. 1985); Murphy, *Old Maxims Never Die: The "Plain Meaning" Rule and Statutory Interpretation in the "Modern" Federal Courts*, 754 Colum. L. Rev. 1299, 1299 (1975). There is copious evidence in the legislative history that the GAO (and therefore the Comptroller General) was intended to be in the legislative branch. This evidence is summarized concisely by the majority, and there is no need to repeat it here. *See* Maj. Op. at 19-20; *see also* Maj. Op. at 19 (citing cases that arrive at the same conclusion). Because there is no evidence of legislative intent to the contrary, I believe that it is incumbent upon us to hold that the Comptroller General is within the legislative branch of government, despite the inconveniences that may attend such a holding.

The majority's reluctance to classify the Comptroller General as legislative stems from two sources: (a) the fact that certain of the Comptroller General's functions are executive in nature, *see infra* at 6-7, and (b) the fact that the Comptroller General is appointed by the President. *See* Maj. Op. at 18-19. Although both of these facts are relevant to the question whether any of the statutes affecting the Comptroller General unconstitutionally violate the principle of separation of powers, *see infra* 10-12, neither is relevant to the logically prior question: to which branch does the Comptroller General belong? As I have noted, because the office of the Comptroller General is created by statute, his status must be determined by the legislative intent.[14] In this case, the legislative intent is clear—he belongs to the legislative branch.

B.

Having determined that the Comptroller General is a member of the legislative branch, the next step in the analysis is to determine whether CICA grants the Comptroller General any functions that are executive or judicial rather than legislative. On this point, the parties agree that the following powers granted to the Comptroller General by CICA are not legislative: the powers to (i) review protests and issue recommendations on their adequacy, 31 U.S.C.A. § 3554 (West Supp. 1985), (ii) lift the automatic stay imposed by the filing of the protest, *id.*, and (iii) demand attorneys fees and costs on a finding that the solicitation was unlawful, *id.*

I agree with the parties' conclusions. Although the meanings of "legislative," "executive," and "judicial" are somewhat indeterminate, I find it hard to believe that the powers listed above would fit under any of the more common understandings of "legislative power." In exercising these powers, the Comptroller General acts on a case-by-case basis; he applies law rather than makes it. The powers are executive, or even quasi-judicial, rather than legislative. Although in other contexts the distinction between executive and judicial would be quite important, here it is not, and I therefore pass over it. The important point, which no party contests, is simply that the Comptroller General, a legislative officer, undeniably exercises non-legislative powers.

C.

The inquiry cannot end here. The three branches of governement, although separate, are not airtight. *See Nixon v. Administrator of General Services*, 433 U.S. 425, 443 (1977); *United States v. Nixon*, 418 U.S. 683,

703 (1974). The Supreme Court has adopted a flexible approach, and has expressly endorsed the eloquent language of Justice Jackson in *Youngstown Sheet & Tube Co. v. Sanger*, 343 U.S. 579, 635 (1952) (Jackson, J., concurring):

> "While the Constitution diffuses power the better to secure liberty, it also contemplates that practice will integrate the dispersed poweres into a workable government, it enjoins upon its branches separateness but interdependence, autonomy but reciprocity."

The doctrine of separation of powers thus allows for some overlap, among the branches. It could scarcely be otherwise, for virtually every branch has members who perform work that can be characterized as belonging to another branch. In the judiciary, for example, the Chief Judge, Circuit Executive, and Clerk of this Court exercise administrative responsibility that is executive rather than judicial. Every legislator has aides who do similar administrative/executive-type work. Administrative agencies that are within the executive branch often engage in both rulemaking, which is legislative in character, and adjudication, which is, of course, judicial.

The proper question in the separation of powers context, therefore, is not merely whether members of one branch do work that falls within the description of another. Rather, the question is whether, by that work, the branch to which those members belong infringes so substantially on the other branch that the infringed-upon branch cannot carry out its constitutionally assigned functions. This test was explicitly enunciated by the Supreme Court in *Nixon v. Administrator of General Services, supra*, 433 U.S. at 443: "[I]n determining whether the Act disrupts the proper balance between the coordinate branches, the proper inquiry focuses on the extent to which it prevents the Executive Branch from accomplishing its constitutionally assigned functions."

Even this test is not immediately accessible, for "constitutionally assigned functions" is not a readily definable term. Each branch has many constitutionally assigned—or, at least, constitutionally permitted—functions. To give definition to the term, it is therefore necessary to place the problem in context, that is, to identify the objectives to be served by the principle of separation of powers and see if those objectives are threatened by the Comptroller General's CICA-derived powers.

Although scholars may debate the intricacies and wisdom of separation of powers, the original intent of the Founding Fathers in creating our system of divided powers is very clear and can be briefly stated. The principal goal of the Founding Fathers in enacting a system of separated powers was the protection of individual liberties. The colonists had experienced virtual tyranny at the hands of all three branches in their recent histories, *see* G. Wood, *The Creation of the American Republic 1776-1787 668-70* (1969); Levi, *Some Aspects of Separation of Powers*, 76 Colum. L. Rev. 369, 373-76 (1976), and had concluded that only by diffusing power within the government could individual liberty be preserved. Echoing Montesquieu, James Madison wrote "[t]he accumulation of all powers, legislative, executive, and judiciary, in the same hands . . . may justly be pronounced the very definition of tyranny." Federalist No. 47 (Madison) *in The Federalist*, 373-74 (Hamilton ed. 1864); *cf.* Montesquieu, *The Spirit of the Laws*, 38 Great Books of the Western World 70 (Hutchins ed. 1952) ("When the legislative and executive powers are united in the same person, or in the same body of magistrates, there can be no liberty."). *See also Youngstown Sheet & Tube Co. v. Sanger, supra*, 343 U.S. at 635 ("the Constitution diffuses power the better to secure liberty") (Jackson, J., concurring).[15]

We are now in a position to ask the central question in this case: do the executive-judicial powers conferred upon the Comptroller General by CICA threaten to coalesce powers in one branch such that individual liberty—in this case, the liberty of those in Ameron's position who bid for contracts covered by the CICA—is threatened? I think not. Three factors in particular convince me that the threat is not severe. First, CICA permits the executive branch unilaterally to override the automatic stay by submitting to the Comptroller General a written statement of "urgent and compelling circumstances which significantly affect interests of the United States." 31 U.S.C.A. § 3553(c)(2)(A). Thus, there need be no severe effects on the prerogative of the executive as a result of the Comptroller General's powers.[16] Admittedly, § 3553(c)(2)(A) is not an executive *carte blanche*. The "urgent and compelling circumstances" must in fact exist, and I presume that this would be determined by a court of law—the third branch. Nevertheless, the limitation on the Comptroller General's powers is real and diminishes the threat to the goals of separation of powers.

Second, Congress has no voice in the Comptroller General's day-to-day operations, and it holds no sword of Damocles over the Comptroller General's head. Congress' only power over the Comptroller General, its power of removal, is circumscribed because it requires a joint resolution of Congress, and must be for one or more of five specified reasons: permanent disability, inefficiency, neglect of duty, malfeasance, or conduct which is felonious or involves moral turpitude. 31 U.S.C. § 703(e)(1982). The joint resolution will likely be more difficult to pass than a majority vote in one house, and the five reasons, although not so narrow as to deny Congress any leeway, circumscribe Congress' power to some extent by providing a basis for judicial review of congressional removal. The result of this limitation is that, as a practical matter, Congress has not exercised, and probably will never exercise, such control over the Comptroller General that his non-legislative powers will threaten the goal of dispersion of power, and hence the goal of individual liberty, that separation of powers serves.

It is particularly instructive in this regard to compare this case with *INS v. Chadha*, *supra*, heavily relied upon by the Army. Although both cases involve an infringement by the legislative branch into the domain of the executive, the nature the infringements are very different. The unicameral legislative veto struck down in *Chadha* had all the earmarks of a hastily considered, unjust bill of attainder: there was neither a published committee report nor a debate, but only a conclusory statement on the floor of the House by a single Representative. Congress made the decision to deport Chadha by an unrecorded vote. *Id.* at 926-27 (Opinion of the Court); *id* at 963-64 (Powell, J., concurring). Here, by contrast, there is no direct congressional involvement, and consequently the danger sought to be avoided in *Chadha*—the involvement of political passions in quasi-judicial proceedings—is simply not present. Bidders like Ameron realistically need not fear significant and improper congressional involvement.

Finally, it must not be forgotten that the President appoints the Comptroller General. Although the power of appointment does not give the President continuing control over the Comptroller General, it does give the President the opportunity to put into that office someone who will be respectful of the prerogatives, and sympathetic to the problems, of the executive branch. Once again, this is a significant feature of the case before us that lessens the severity of the congressional infringement on executive powers and distinguishes this case from those, like *Chadha*, in which the infringement and threat to liberty is more severe.

III.

My analysis is in many ways similar to the majority's. For both of us, the independence of the Comptroller General from congressional control and the limited power of the Comptroller General over the President are central to our decision. The majority might thus contend that our differences are merely semantic, and that I toil under a "'tyranny of labels.'" *See* Maj. Op. at 20 (qouting *Synder v. Massachusetts*, 291 U.S. 97, 114 (1934) (Cardozo, J.)). But the majority would be wrong. What is at stake is our adherence to the system of government established by the Constitution. It is essential that we write—and think—only in terms of the three branches, and that we permit no more than the terms of the Constitution, fairly interpreted, will allow.

I can only surmise that the majority was attracted to the concept of the headless fourth branch because of its fear that the Comptroller General, and all other "independent" administrative agencies, could not survive an analysis that allowed for only three branches of government. I have explained, *see supra* II.C., why I believe the concept of separation of powers is sufficiently flexible to accommodate the CICA. I assume that similar analyses would lead to the same results for most other administrative agencies, although I cannot be sure.[17] I am certain, however, that if some agency powers cannot fit within a government of three branches, or if certain legislation permitting one branch to affect the affairs of another cannot be countenanced within the three-branch framework, then those agency powers and that legislation must fall. The judiciary cannot invent a fourth branch to house them. Otherwise, we risk the very tyranny the Founding Fathers sought so ingeniously to avoid.

FOOTNOTES

[1] The original typed bond amount of $1,200,000 was "whited-out" and the bond amount of $3,000,000 was typed over the corrected portion of the bond document. App. at 8-9.

[2] In essence, the Comptroller General held that it was not arbitrary for the Army to reject Ameron's bid due to the altered bond document.

[3] The three-judge court was convened pursuant to 28 U.S.C. § 2284. *See Synar* v. *United States*, No. 85-3945, Slip op. at 5 n.1 (D.D.C. Feb. 11, 1986).

[4] The *Synar* court rejected a similar argument on the ground that it had no authority to "choose" whether to invalidate the Comptroller General's powers or Congress' removal power. In so doing, the court observed that courts faced with constitutionally incompatible statutes generally "set aside that statute which either allegedly prohibits or allegedly authorizes the injury-in-fact that confers standing upon the plaintiff." Slip op. at 32.

However, if the question of Congress' removal power is ripe in this case at all, than a fortiori it is also within the authority of the court to declare that power unconstitutional, making a "choice" unavoidable. In the context of the present case, it would seem more logical to sever this never-used

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power rather than to strike down Congress' new statutory scheme in CICA. By contrast, in *Synar*, the court addressed a congressional scheme providing for "fallback" procedures in the event that the involvement of the Comptroller General in deficit reduction was deemed unconstitutional. *See* slip op. at 33–34.

[5] In contrast to our holding, the *Synar* court held that the Comptroller General's significant executive powers under the Gramm-Rudman-Hollings Act placed it in a "no-man's land" controlled by neither *Myers*, which concerned purely executive officers, nor *Humphrey's Executor*, which concerned officials exercising only incidental executive functions along with primarily quasi-legislative or quasi-judicial powers. Slip op. at 44. The *Synar* court then focused almost exclusively on the question of the removal power and, finding the retention of that power by Congress to be incompatible with the Comptroller General's exercise of executive budget-cutting functions, struck down the applicable parts of the Act.

Just as we have declined to follow *Synar* with respect to the constitutionality of Congress' removal power, we also decline to follow the approach taken by the *Synar* court here. The core principle of *Humphrey's Executor* was that Congress could create agencies exercising dual functions and which were independent of unfettered executive control. In their blend of powers and functions, the Comptroller General and the GAO closely resemble the FTC and other "fourth branch" agencies. There is, therefore, little basis for distinguishing *Humphrey's Executor* in the present case. We need not reach the question whether Congress might at some point violate the separation of powers by assigning to the Comptroller General or some other official independent of executive control too great a preponderance of fundamentally executive powers or functions. This is not such a case.

We do note, however, that the result in *Synar* seems to be based, at least in part, on the court's perception that "[i]t is not as obvious today as to it seemed in the 1930s that there can be such things as genuinely 'independent' regulatory agencies." Slip op. at 40. However, as noted *infra* at note 6, the principles underlying *Humphrey's Executor* have been widely accepted for half a century. We do not read *INS v. Chadha*, 462 U.S. 919 (1983) to the contrary or as undercutting these principles.

[6] Although the issue is not squarely presented by this case, we have not been unaware of the current public debate over the constitutionality of the entire scheme of independent agencies constituting the "fourth branch." In particular, we recognize that Attorney General Meese has questioned whether agencies exercising executive power may be kept independent of presidential authority. *See A Question of Power, A Powerful Questioner*, N.Y. Times, Nov. 6, 1985, at B8, col. 3.

We note that the constitutionality of independent agencies has been settled for half a century. *See* Humphrey's Executor v. United States, 295 U.S. 602, 629 (1935). However, to the extent that the Attorney General finds constitutional support for his assertion that every agency must be considered a part of a particular branch of government, this argument may cut against the Army's position in this case. In a September 13, 1985 speech reported in the New York Times, the Attorney General said: "Federal agencies performing executive functions are themselves properly agents of the executive. They are not 'quasi' this or 'independent' that. In the tripartite scheme of government, a body with enforcement powers is part of the executive branch of government." N.Y. Times, *supra*, at B8, col. 5–6.

Since it is undisputed that the Comptroller General and the GAO perform significant executive functions along with their legislative functions, the Attorney General's view would seem to regard them as part of the executive branch, a position contrary to the Army's argument in this case.

[7] Because we hold that the Comptroller General is not exclusively a legislative agent, we need not reach the questions of whether the automatic stay could survive as a "report and wait" provision and whether, if unconstitutional, the Comptroller General's stay-lifting power is severable.

[8] *Chadha* actually only held that Congress properly interevenes to defend its statue when both plaintiffs and government defendants agree that a statute is unconstitutional, i.e., when there is no one to speak for the constitutionality of the statute. Here, where Ameron argued that the statute was constitutional, arguably there is less need to recognize Congress's standing. However, the parties agree, and we concur, that Congress has standing to intervene whenever the executive declines to defend a statute or, as in this case, actually argues that it is unconstitutional.

[9] *See* Appendix to this opinion for the district court's order of May 20, 1985.

[10] Pursuant to the Attorney General's instruction, the Office of Management and Budget issued OMB Bulletin No. 85-8 (Dec. 17, 1984), which required, *inter alia*, that:

"Agencies shall take no action, including the issuance of regulations, based upon the invalid provisions [of CICA].

"With respect to the "stay" provision, agencies shall proceed with the procurement process as though no such provision were contained in the Act. Pursuant to the provisions of the Federal Acquisition Regulations, the agency may voluntarily agree to stay procurements pending the resolution of bid protests, but the grant of such a stay must be based upon other valid authority and may not be based upon the invalid stay provisions of the Act.

"Agencies shall comply with the provisions of 31 U.S.C. § 3553(b) concerning the submission of reports to the Comptroller General on protested procurements.

"With respect to the damages provision of the Act, agencies shall not comply with declarations of awards of costs, including attorneys' fess or bid preparation costs, made by the Comptroller General.

"Agencies shall comply with 32 U.S.C. § 3554(e) concerning submission of reports to the Comptroller General on unaccommodated recommendations."

[11] *See* Kendall v. United States, 37 U.S. 524, 613 (1838) ("To contend that the obligation imposed on the President to see the laws faithfully executed, implies a power to forbid their execution, is a novel construction of the Constitution, and entirely inadmissable.") The President's job is to execute law, not to create it. Youngstown Sheet & Tube Co. v. Sawyer, 343 U.S. 579, 587 (1952). Moreover, "it is, emphatically, the province and duty of the judicial department, to say what the law is." Marbury v. Madison, 5 U.S. 137, 177 (1803). Absent a patently unconstitutional law or one infringing liberty interests or other fundamental rights of individuals, the President's asserted power and "duty" not to execute laws he finds to be unconstitutional is questionable. *See* Hearings at 39, 44 (testimony of Prof. Sanford Levinson); *id.* at 46–47 (testimony of Prof. Eugene Gressman).

[12] *See Appendix* to this opinion for the full text of the original order of the district court.

[13] Although in FTC v. Ruberoid Corp., 343 U.S. 470 (1952). Justice Jackson did refer to administrative agencies as "a veritable fourth branch," *id.* at 487, (Jackson. J., dissenting), that was merely descriptive: Justice Jackson was hardly setting it forth as part of a new framework for constitutional analysis. Indeed, his qualification of the description—"*a veritable* fourth branch"—suggests that he did not intend to be taken literally.

The only other occasions on which any member of the Supreme Court has used "fourth branch" in an opinion when referring to administrative agencies have also been in dissents and have been similarly off-hand and descriptive, rather than analytic. *See* Process Gas Consumers Group v. Consumer Energy Council of America, 463 U.S. 1216, 1219 (1983) (White, J., dissenting); *INS* v. *Chadha*, *supra*, 462 U.S. at 984 (White, J., dissenting)(quoting FTC v. Ruberoid, *supra*).

[14] The Senate argues in its brief that the fact that the Comptroller General is appointed by the President precludes his being part of the legislative branch. In making this argument, the Senate relied on Buckley v. Valeo, 424 U.S. 1 (1976). *See also Maj.* Op. at 19 (citing *Buckley* for the proposition that the executive functions of the Comptroller General and his appointment by the President "arguably render the Comptroller an 'Officer of the United States,'" *i.e.*, a member of the executive branch.). This reliance is misplaced, for *Buckley* never suggested that all those appointed by the President are necessarily members of the executive branch of government. *Buckley* held that only those appointed by the President could be "Officers of the United States," but we are concerned here with the obverse problem, never contemplated by *Buckley*, whether all those so appointed are necessarily Officers of the United States.

The only reference in *Buckley* to the Comptroller General came in a footnote in which the Supreme Court rejected an analogy between the members of the Federal Election Commission (who were not appointed by the President) and the Comptroller General. The Court said that "irrespective of Congress' designation [of the Comptroller General as a legislative officer], the Comptroller General is appointed by the President in conformity with the Appointments Clause." Buckley v. Valeo, *supra*, 424 U.S. at 128 n. 165. This offhand reference is not sufficient to support the Senate's point that appointment by the President with the advice and consent of the Senate automatically makes one a member of the executive branch. The *Buckley* Court intended to distinguish the Comptroller General from the members of the Federal Election Commission, not to establish a general rule for a situation that was not before it.

Not only is the Senate's reliance on *Buckley* weak, but there are counter-examples that disprove its thesis. There are undisputed legislative officers who are appointed by the President—the Librarian of Congress, 2 U.S.C. § 136 (1982), the Public Printer, 44 U.S.C. § 301 (1982), and the Architect of the Capitol, 40 U.S.C. § 162 (1982). Thus, the manner of appointment cannot be dispositive.

[15] In *The Interdependence of Legitimacy: An Introduction to the Meaning of Separation of Powers*, 5 Seton Hall L. Rev. 435 (1974), Judge Gibbons develops the thesis that the three branches were not intended to work in isolation and that a more accurate portayal of the system is one of dispersed but shared decisional responsibility in which at least two branches must always concur, thus providing reasonable protection against the tyrannical exercise of power by a single branch. On this theory it is not necessary to invent a fourth branch to remedy overlap in the scheme. Judge Gibbons also gives several examples, both early and recent, of how the system of separated powers protects individual liberties.

[16] At least the executive need not fear for its ability to extract itself from an exigent circumstance, e.g., a contract dispute that would threaten a vital defense contract in time of national emergency, or an environmental hazard or natural disaster.

[17] For example, it is conceivable, albeit unlikely at this late date, that someone might launch a separation of powers challenge to the adjudicatory procedures of the NLRB. Under my analysis, a court would consider the legislative history of the NLRB to determine to which branch it was intended to belong. Presumably, the answer would be that it belongs to the executive branch. Next, the court would consider whether its adjudicatory procedures were executive in nature, and would presumably conclude that they were not, but are, rather, judicial. Finally, the court would ask whether this exercise by the executive branch of judicial functions gave the executive so much power, or so intruded upon the vital functions of the judiciary, that individual liberties were threatened. In making this inquiry, the court would consider (i) how much power the President has over the NLRB's adjudicatory functions, and (ii) whether the functions are a significant intrusion upon the judiciary, or whether, on account of judicial review of NLRB decisions, the intrusion is not severe. The analysis suggests, I believe, that my approach would not eclipse the contemporary regulatory scheme.

Mr. CHILES. Will the Senator yield?

Mr. DOMENICI. I am pleased to yield.

Mr. CHILES. Mr. President, the Senator from Florida is going to have to absent himself from the floor for a few minutes. My understanding is that the distinguished chairman of the committee and myself will be offering an amendment in a few minutes. I think what we are talking about doing is worthwhile. There has been some conversation that there is way too much in taxes in the resolution we have before us and way too many entities left untouched something ought to be done.

A letter was circulated widely around here yesterday from the Office of Management and Budget, Mr. Jim Miller. I think the proposition that

the chairman is talking about offering, with me as a cosponsor, is that we allow the Members of this body a chance to express themselves on that and see if they want to save those taxes. I shall have a lot more to say about that in a few minutes.

Mr. DOMENICI. I thank my friend, the ranking member.

ORDER FOR RECESS AT 4 P.M. TODAY UNTIL 10 A.M. TOMORROW

Mr. DOLE. Mr. President, will the Senator yield to me for a unanimous-consent request?

Mr. DOMENICI. I am pleased to yield to the distinguished majority leader.

Mr. DOLE. Mr. President, we have agreed previously that there would be no votes after 4 o'clock today and any votes on S. 120 would be put off until tomorrow. It may be that there will be a necessity for the Senate Finance Committee to meet later today while we are not in session. I have asked the distinguished minority leader if he would have any objection to a unanimous-consent agreement that we recess at 4 o'clock today, to convene tomorrow morning at 10 a.m.

Mr. BYRD. Mr. President, there is no objection.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. DOMENICI. Mr. President, might I ask the distinguished minority leader for a clarification of his statement. I have no objection to it.

Mr. DOLE. Yes.

Mr. DOMENICI. If a vote is right on the budget resolution, we can vote before 4 o'clock if one is ready to be voted on. The majority leader indicated they would be put off. If we offer an amendment and the debate is over and we are ready to vote at 2 o'clock, could we do that?

Mr. DOLE. Fine; that is all right. I have no problem with that.

Mr. BYRD. Mr. President, who has the floor?

The PRESIDING OFFICER (Mr. Kasten). The Senator from New Mexico.

Mr. BYRD. Will the Senator from New Mexico yield?

Mr. DOMENICI. I am pleased to yield.

The PRESIDING OFFICER. The minority leader is recognized.

Mr. BYRD. Mr. President, could we have an understanding or an order to the effect that there would be no rollcall votes after 3:30 today? I think that is what we agreed to on yesterday.

Mr. DOLE. That was the order, 3:30; the Senator is correct. I indicated 4. We changed that last night to 3:30.

Mr. BYRD. Does the Senator want to recess at 3:30 or does he still want 4 o'clock.

Mr. DOLE. I may need that 30 minutes to do the wrapup.

Mr. DOMENICI. Mr. President, I would like to discuss a letter that I am going to put in the Record signed by the distinguished ranking minority member, the senior Senator from Florida, Senator Chiles, and myself regarding a letter which was delivered yesterday by the Director of OMB, Mr. Miller. I think Mr. Miller knows that the Senator from New Mexico has the highest esteem and respect for him, and has the highest esteem and respect for the position he holds. Clearly, I have great respect for the fact that he speaks for the President, and that the President, with the aid and assistance of many but in particular Mr. Miller, sent us a budget some few months ago.

And I send this letter, joined in by Senator Chiles, to my colleagues because they received Mr. Miller's analysis of the budget that is pending here before the Senate. Clearly, there are at least two ways to look at things. I thought it would be good to look at things from the standpoint of that bipartisan majority that voted out a budget resolution, and perhaps the Senators who read his letter of yesterday would be as interested in what we have to say about the budget resolution as they are interested in what he has to say about it.

So I refer in this letter to the fact that yesterday Mr. Miller outlined objections to Senate Concurrent Resolution 120, the pending matter before the Senate.

While there are many issues in it, the letter addresses three of them. Let me paraphrase and then I will put the letter into the Record in its entirety, with leave of the Senate.

First, the director contends that the President's fiscal year 1987 budget met the challenges of the Gramm-Rudman-Hollings Act.

Quite to the contrary, the budget that he refers to did not meet the deficit targets specified in that legislation.

The Congressional Budget Office estimated that the President's budget, after all the cuts recommended, with the small amount of revenue increases recommended, and the increases in defense recommended, if we did all those things, the deficit would be $160 billion, not $144 billion, $16 billion in outlays off the mark.

Obviously, the OMB Director, Mr. Miller, has been discussing economic changes and put forward suggestions about changing the economic assumptions in discussions yesterday. I am not referring to those and he did not refer to those in his letter. It was purely an analysis, static in nature, of the budget he sent us and the budget we reported.

I repeat, even if the President's budget was adopted in its entirety, with 44 programs terminated, with reform in 6 or 7 other entitlement programs, with that small amount of revenue and that very large increase in defense—even if it was adopted—there would still have to be a sequester when we finished all of that.

There is one thing the budget director did discuss yesterday. It had to do with $4 billion in the farm program. Although he did not make reference to it in his letter, there is a suggestion that that $4 billion should not be in the budget because, as he puts it, they do not intend to spend it. But that is not the issue here.

The President's budget is $16 billion in excess of that required under the Gramm-Rudman-Hollings law. After you did all that work, Gramm-Rudman would require a cut in domestic programs of $8 billion in outlays on top of the $28 billion proposed in the budget.

Under such a sequester, defense, would have to be cut about $20 billion in budget authority off that number, $8 billion in outlays, more or less right after we had given the President his full defense request to get within the mandated targets that we were seeking to achieve.

The second point: The new taxes proposed in this budget take $52 billion out of the economy over the next 3 years. That is what the Director says.

The $59 billion by which the President's budget exceeds the Gramm-Rudman-Hollings deficit targets over the same years, $59 billion that it exceeds it, comes out of the private economy also in the form of Federal borrowing.

The difference is we reduce the burden of the debt and do so permanently, and we reduce interest payments by $7 billion, where they would be $7 billion a year higher under the President budget which Director Miller espouses in the letter that he sent.

In addition, Mr. Miller states that Senate Concurrent Resolution 120 cuts defense about $97 billion over the 3 years. I regret to say that, as I indicated when I started, there are at least two ways to express most things, and maybe more. But the Director clearly states that this resolution cuts defense and I interpret a "cut" to mean a cut. There is no cut in the defense budget. It is just not so.

Yes, we increase defense less than the President. That is a fair way to say it. But we would provide $8 billion more in defense budget authority than was appropriated for this current year, an $8 billion increase but not as much of an increase as requested.

Finally, the letter to my colleagues objects to our only terminating three domestic programs by way of our assumptions.

Well, let me enlighten the Senate a bit on that.

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That is true. But it is not mentioned that these three programs account for $5 billion outlay savings, and even if we terminated the 10 additional programs assumed in last year's budget resolution, all 10 would have a grand total savings of $1.3 billion if they were all done and completed. We did five. If you did all of those in last year's resolution, it would be $1.3 billion.

I am of the opinion, and soon we will let the Senate vote on a couple of these issues, that both Houses of Congress, by rather compelling majorities, will make it clear, and have made it clear, that they do not want all of the 44 programs in that budget that the Director referred to yesterday terminated. I have indicated on numerous occasions I would vote for many of them. I will repeat again that I have voted more than once, to terminate many of these programs more than once.

While I personally do not think many of these programs are of national importance—and certainly from the economic standpoint it is hard to justify that many of them have significant economic benefits—nonetheless building a budget based on terminations that will not occur does not offer a realistic contribution to the deficit reductions.

To assume them all again in a budget that is sent up here to us is nothing more than repeating what has been tried before, and, in this Senator's opinion, will not happen. But, as I said, we will give this option a chance in the Senate shortly by providng Members an opportunity to vote on whether they would like to terminate all of those programs as we did last year before the oak tree event and that are in the President's budget this year. We will let the Senate vote on whether they would like to take all of those out of this budget and save a few billion dollars in the revenues we have suggested we need.

Finally, domestic spending is stated by the director to suffer hardly any restraint in this budget process and resolution.

I would remind the Senate that domestic spending will be substantially restrained under the committee's budget, declining from about 13.1 percent of GNP in the current year to about 11.7 percent by 1989.

So, once again, I believe the Director mischaracterizes the issue as raising taxes versus cutting spending. Our budget resolution has total outlays that are $4 billion less than the President's budget for fiscal year 1987, and $12 billion less over 3 years.

I would like to repeat that. The mix is different. But in terms of contributing to resolving the deficit problem, the resolution before the Senate has total outlays that are $4 billion less than the President's. Obviously, so that I am not guilty of mischaracterizing, we have less defense. That accounts for a substantial portion of the reduced expenditures of this Government.

Our higher tax revenues go not for higher spending but, rather, to reduce the deficit. There can be no doubt about that.

In conclusion, our greater reduction in total spending and deficit reduction constitutes the ultimate, as I see it, tax break for the American people.

I think one of the distinguished economists, Milton Friedman, pointed out that the true level of taxation is the level of spending. Your only choice is whether to pay now in taxes or pay later in inflation. A so-called hidden tax.

My own observation, interpreting Milton Friedman, is that there is still no free lunch to buy increased defense and domestic spending without paying for it. We believe that we have provided a balanced approach and we believe that the facts bear us out.

Mr. President, so that all my colleagues will have the letter in the RECORD that I sent to them under the signature of my distinguished friend from Florida, the ranking Democrat—Mr. CHILES—and myself, I ask unanimous consent that it be printed in the RECORD in toto.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

U.S. SENATE,
COMMITTEE ON THE BUDGET,
Washington, DC, April 23, 1986.

DEAR COLLEAGUE: Director Miller of the Office of Management and Budget sent a letter to you yesterday outlining the Administration's objections to S. Con. Res. 120, the fiscal year 1987 Budget Resolution. This letter responds to three specific issues raised in the Director's letter.

First, the Director contends that the President's fiscal year 1987 budget met the challenges of the Gramm-Rudman-Hollings Act. Quite the contrary. The President's budget did not meet the deficit targets specified in that legislation. The Congressional Budget Office estimated that the President's budget would produce a deficit of $160 billion.

That $16 billion excess would produce a sequester that would cut domestic outlays $8 billion on top of the $28 billion cut proposed by the President. To reduce defense outlays by a comparable $8 billion would mean sequestering BA by $20 billion. This belies the Director's second contention, that we could follow the President and achieve the target without cutting defense, without raising taxes, and with only "careful pruning" of domestic programs.

Next. the Director objects that the new taxes we propose would "take $52 billion out of the economy over the next three years." The $59 billion by which the President's budget exceeds the G-R-H deficits targets over those same years also comes out of the private economy, in the form of federal borrowing. The difference is we reduce the burden of debt; interest payments in the President's budget are $7 billion higher.

The Director complains we "cut defense budget authority by $97 billion over the years." That is not so; we increase less than the President wanted by that amount. We would provide $8 billion more defense BA than was appropriated last year, protecting the real value of the investment base which has doubled over the last five years.

Finally, the Director objects to our only terminating three domestic programs. He does not mention the fact that these three programs account for over $5.0 billion in savings, and even if we terminated the 10 additional programs assumed in last year's budget resolution a grand sum of $1.3 billion additional savings would be achieved.

The votes from both parties in both Houses of Congress have made it clear that the American people do not want all the 44 programs in the President's budget terminated. Building a budget based on terminations that will not occur does not offer a realistic contribution to deficit reduction. Domestic spending will be substantially restrained under our Committee's Budget Resolution, declining from 13.1 percent of GNP in the current year to 11.7 percent of GNP by 1989.

The Director mis-characterizes the issue as raising taxes versus cutting spending. Our Budget Resolution has total outlays that are $4 billion less than the President's budget in fiscal year 1987 and $12 billion less over 3 years. Our higher tax revenues go not for higher spending but to reduce the deficit.

Our greater reduction in total spending commitment and deficit reduction constitutes the ultimate tax break for the American people. As Milton Friedman has pointed out, the true level of taxation is the level of spending; your only choice is whether to pay now in taxes or later in inflation, "the hidden tax." There is still no free lunch to buy increased defense and domestic spending without increased taxes. We believe that we have provided a balanced approach to reduce the deficit and we believe the facts bear us out.

Sincerely,

PETE DOMENICI,
LAWTON CHILES.

Mr. DOMENICI. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. DOMENICI. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

The Senator from New Mexico is recognized.

AMENDMENT NO. 1797

(Purpose: To provide for the termination or substantial reduction of 43 domestic programs)

Mr. DOMENICI. Mr. President, I send to the desk in behalf of myself and Senator CHILES an amendment to the pending matter and ask for its immediate consideration.

The PRESIDING OFFICER. The clerk will state the amendment.

The legislative clerk read as follows:

The Senator from New Mexico [Mr. DOMENICI], for himself and Mr. CHILES, proposes an amendment numbered 1797.

Mr. DOMENICI. I ask unanimous consent that further reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

On page 2, decrease the amount on line 3 by $4,063,000,000.

On page 2, decrease the amount on line 4 by $6,042,000,000.

On page 2, decrease the amount on line 5 by $8,408,000,000.

On page 2, decrease the amount on line 8 by $4,063,000,000.

On page 2, decrease the amount on line 9 by $6,242,000,000.

On page 2, decrease the amount on line 10 by $8,408,000,000.

On page 2, decrease the amount on line 19 by $4,455,000,000.

On page 2, decrease the amount on line 20 by $8,299,000,000.

On page 2, decrease the amount on line 21 by $10,904,000,000.

On page 2, decrease the amount on line 24 by $4,063,000,000.

On page 2, decrease the amount on line 25 by $6,242,000,000.

On page 3, decrease the amount on line 1 by $8,408,000,000.

On page 5, decrease the amount on line 5 by $4,063,000,000.

On page 5, decrease the amount on line 6 by $6,242,000,000.

On page 5, decrease the amount on line 7 by $8,408,000,000.

On page 5, decrease the amount on line 10 by $4,455,000,000.

On page 5, decrease the amount on line 11 by $8,299,000,000.

On page 5, decrease the amount on line 12 by $10,904,000,000.

On page 5, decrease the amount on line 15 by $4,063,000,000.

On page 5, decrease the amount on line 16 by $6,242,000,000.

On page 5, decrease the amount on line 17 by $8,408,000,000.

On page 7, increase the amount on line 12 by $729,000,000.

On page 7, increase the amount on line 13 by $140,000,000.

On page 7, increase the amount on line 21 by $586,000,000.

On page 7, increase the amount on line 22 by $223,000,000.

On page 8, increase the amount on line 6 by $121,000,000.

On page 8, increase the amount on line 7 by $268,000,000.

On page 8, decrease the amount on line 16 by $80,000,000.

On page 8, decrease the amount on line 17 by $80,000,000.

On page 8, decrease the amount on line 24 by $80,000,000.

On page 8, decrease the amount on line 25 by $80,000,000.

On page 9, decrease the amount on line 7 by $80,000,000.

On page 9, decrease the amount on line 8 by $80,000,000.

On page 9, decrease the amount on line 16 by $369,000,000.

On page 9, decrease the amount on line 17 by $300,000,000.

On page 9, decrease the amount on line 25 by $653,000,000.

On page 10, decrease the amount on line 1 by $635,000,000.

On page 10, decrease the amount on line 9 by $1,002,000,000.

On page 10, decrease the amount on line 10 by $1,004,000,000.

On page 10, decrease the amount on line 19 by $847,000,000.

On page 10, decrease the amount on line 20 by $140,000,000.

On page 11, decrease the amount on line 4 by $1,447,000,000.

On page 11, decrease the amount on line 5 by $246,000,000.

On page 11, decrease the amount on line 13 by $2,047,000,000.

On page 11, decrease the amount on line 14 by $603,000,000.

On page 11, decrease the amount on line 23 by $368,000,000.

On page 11, decrease the amount on line 24 by $321,000,000.

On page 12, decrease the amount on line 8 by $510,000,000.

On page 12, decrease the amount on line 9 by $540,000,000.

On page 12, decrease the amount on line 17 by $605,000,000.

On page 12, decrease the amount on line 16 by $666,000,000.

On page 13, increase the amount on line 2 by $347,000,000.

On page 13, decrease the amount on line 3 by $1,851,000,000.

On page 13, decrease the amount on line 11 by $2,465,000,000.

On page 13, decrease the amount on line 12 by $2,645,000,000.

On page 13, decrease the amount on line 20 by $3,056,000,000.

On page 13, decrease the amount on line 21 by $3,214,000,000.

On page 14, decrease the amount on line 5 by $915,000,000.

On page 14, decrease the amount on line 6 by $706,000,000.

On page 14, decrease the amount on line 14 by $977,000,000.

On page 14, decrease the amount on line 15 by $758,000,000.

On page 14, decrease the amount on line 23 by $1,077,000,000.

On page 14, decrease the amount on line 24 by $930,000,000.

On page 15, decrease the amount on line 9 by $961,000,000.

On page 15, increase the amount on line 10 by $85,000,000.

On page 15, decrease the amount on line 18 by $725,000,000.

On page 15, decrease the amount on line 19 by $174,000,000.

On page 16, decrease the amount on line 2 by $1,075,000,000.

On page 16, decrease the amount on line 3 by $633,000,000.

On page 16, decrease the amount on line 13 by $815,000,000.

On page 16, decrease the amount on line 14 by $396,000,000.

On page 16, decrease the amount on line 22 by $819,000,000.

On page 16, decrease the amount on line 23 by $856,000,000.

On page 17, decrease the amount on line 6 by $819,000,000.

On page 17, decrease the amount on line 7 by $932,000,000.

On page 17, decrease the amount on line 16 by $117,000,000.

On page 17, decrease the amount on line 17 by $180,000,000.

On page 17, decrease the amount on line 24 by $117,000,000.

On page 17, decrease the amount on line 25 by $136,000,000.

On page 18, decrease the amount on line 7 by $117,000,000.

On page 18, decrease the amount on line 8 by $137,000,000.

On page 19, decrease the amount on line 18 by $789,000,000.

On page 19, decrease the amount on line 19 by $103,000,000.

On page 20, decrease the amount on line 3 by $819,000,000.

On page 20, decrease the amount on line 4 by $119,000,000.

On page 20, decrease the amount on line 13 by $839,000,000.

On page 20, decrease the amount on line 14 by $167,000,000.

On page 23, decrease the amount on line 2 by $413,000,000.

On page 23, decrease the amount on line 3 by $352,000,000.

On page 23, decrease the amount on line 10 by $411,000,000.

On page 23, decrease the amount on line 11 by $414,000,000.

On page 23, decrease the amount on line 18 by $409,000,000.

On page 23, decrease the amount on line 19 by $411,000,000.

On page 24, decrease the amount on line 2 by $20,000,000.

On page 24, decrease the amount on line 3 by $20,000,000.

On page 26, increase the amount on line 3 by $163,000,000.

On page 26, increase the amount on line 4 by $163,000,000.

On page 26, increase the amount on line 12 by $138,000,000.

On page 26, increase the amount on line 13 by $138,000,000.

On page 26, increase the amount on line 21 by $101,000,000.

On page 26, increase the amount on line 22 by $101,000,000.

On page 29, increase the amount on line 24 by $252,000,000.

On page 29, increase the amount on line 25 by $252,000,000.

On page 29, increase the first amount on line 26 by $275,000,000.

On page 29, increase the second amount on line 26 by $275,000,000.

On page 30, increase the amount on line 1 by $280,000,000.

On page 30, increase the amount on line 2 by $280,000,000.

On page 33, decrease the amount on line 13 by $4,343,000,000.

On page 33, decrease the first amount on line 14 by $6,730,000,000.

On page 33, decrease the second amount on line 14 by $6,995,000,000.

On page 35, increase the amount on line 11 by $159,000,000.

On page 35, increase the amount on line 12 by $46,000,000.

On page 35, decrease the first amount on line 13 by $501,000,000.

On page 35, decrease the second amount on line 13 by $566,000,000.

On page 35, decrease the amount on line 14 by $1,025,000,000.

On page 35, decrease the amount on line 15 by $1,171,000,000.

On page 36, increase the amount on line 20 by $252,000,000.

On page 36, increase the amount on line 21 by $252,000,000.

On page 36, increase the first amount on line 22 by $275,000,000.

On page 36, increase the second amount on line 22 by $275,000,000.

On page 36, increase the amount on line 23 by $280,000,000.

On page 36, increase the amount on line 24 by $280,000,000.

On page 42, increase the amount on line 15 by $159,000,000.

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On page 42, increase the amount on line 16 by $46,000,000.

On page 42, decrease the first amount on line 17 by $501,000,000.

On page 42, decrease the second amount on line 17 by $566,000,000.

On page 42, decrease the amount on line 18 by $1,025,000,000.

On page 42, decrease the amount on line 19 by $1,171,000,000.

On page 44, decrease the amount on line 6 by $4,343,000,000.

On page 44, decrease the first amount on line 7 by $6,730,000,000.

On page 44, decrease the second amount on line 7 by $8,995,000,000.

At the end of the resolution, insert the following new section:

SEC. 4. Termination and reduction of programs.

Mr. DOMENICI. Mr. President, it has been very difficult to get any firm proposals to modify significantly the budget reported out by the Budget Committee to this point. Obviously, as I have indicated on two or three previous occasions, there are a number of Senators who do not like this resolution. Clearly, yesterday, the Director of OMB, Mr. Miller, indicated the administration's objection to it. A number of Senators have suggested that they do not like the revenue side, that we have to raise taxes. A number have indicated that defense is not high enough. And, yes, I have heard from many that we ought to cut more on the domestic side. Yet I see no one coming to the floor with budgets to change substantially the pending resolution. More specifically, I have heard from a number of Members that we ought to cut more so we do not have to increase revenues in this first year, the $18.7 billion prescribed by this resolution.

Now, I cannot accommodate by way of a vote those who have found a variety of concerns and objections with this budget. But today with this amendment I seek to accommodate those who say we should cut more on the domestic side, and let me even be more specific. There are a number of Senators who have said we ought to terminate the domestic programs that the President has asked us to terminate, and indeed some have even said let us terminate those and any programs that we voted to terminate last year at 3 a.m. in the morning.

Now, some who speak of that clearly understand the budgetary impact. Yet others are not as certain just how much the budgetary impact of such a suggestion is.

I have tried my best to respond on two levels. One, there is no disposition by a majority of U.S. Senators, Republican or Republican and Democrat, to terminate those programs. Second, we already proposed terminating three of those programs which would save more money in the first year than will be saved by terminating all of the 43 that we are going to now talk about.

That is correct. The three that were terminated by the assumptions in the budget will save $5 billion in outlays, the WIN program, general revenue sharing, and Conrail. Incidentally, I mention Conrail because it is also mentioned by the OMB Director. It was assumed last year and did not occur. It is in the President's budget and it is in the list that the OMB Director alluded to yesterday in his analysis of the budget before us—saying that those programs have not been terminated and should be. So we have included them.

Now, let me start from the bottom end up so that everyone will know the significance of this amendment. It has 43 programs of our national Government, some very, very small indeed, some medium size, and very few that are major programs in terms of dollar expenditures. But this amendment does contain 43 programs in number running from function 150, which is foreign assistance, all the way through this budget. And let me make sure that everyone knows what this amendment will accomplish if it is voted for by a majority of the United States Senate a couple hours from now.

In outlays, in the first year, if all of these programs in this amendment are terminated, $4.063 billion will be cut off the Federal deficit. I repeat, $4.063 billion. This amendment says if you want to do that, take $4.063 billion off the revenue increase so it is consistent with Gramm-Rudman-Hollings in terms of its budget neutrality.

For those who support the notion that 43 programs should be eliminated in this budget, they can reduce the taxes proposed in this resolution by $4.063 billion.

I remind Senators that clearly this has a differing effect over the 3 years, and I want to put all of that on the table. Over the 3 years, if you did all of this, you would save less than $20 billion.

Now, let me just read off some of the programs so everyone will know just what we are doing here. Let me start first with the Export-Import Bank direct loan program, function 150: $729 million in budget authority, $138 million in outlays.

But these are not savings. They are increases. The numbers that I just gave are right, $729 million in budget authority and $138 million in outlays. If you terminate that program the way the President proposed to do in February, you do not save any money. So the numbers are right, but that is what it costs you to terminate the Export-Import direct loan program. It costs you $729 million in budget authority and $138 million in outlays in fiscal year 1987. If it really is the desire of the Congress to terminate that $1.1 billion program, the Exim-bank direct loan program, and replace it with a more expensive $1.8 billion loan program, those are the costs. I am not arguing that because it costs $624 million in the first 3 years you should not do it. It just happens that in this example those are the numbers according to the Congressional Budget Office.

Now let me move on. There is another item, the OPIC Insurance Program. Termination is recommended. If we do what the President requested for the Overseas Private Investment Corporation, that will cost $2 million—not $200 million, $2 million. And now we move over to function 250. There we have another termination, Advanced Communications Technology Satellite, $80 million, if you terminate it. Rural Electrification Administration subsidies, we save $284 million in fiscal year 1987 outlays, if you terminate it. Here is another program. Weatherization assistance saves $16 million in fiscal year 1987 outlays. Now, it is true I am not giving the 3 years numbers. I am not trying in any way to be deceptive. Over the 3 years, terminating weatherization would save $170 billion over 3 years. I am merely listing fiscal year 1987 outlay, saving to illustrate those programs which makeup the $4,063,000,000 outlays savings.

Let's look at another—the EPA sewage treatment grants. That is an interesting one. We would save $4 million in outlays in fiscal year 1987. Now, those savings grow overtime because the program takes a while to liquidate. But for those who think eliminating this program is the way to fix the 1987 budget, I am giving you the relevant amounts, $4 million in total fiscal year 1987 savings.

Here is another one, the Soil Conservation Program, with savings of $100 million in outlays. I hope Senators who favor termination understand the total savings involved in terminating the Soil Conservation Service, is about $100 million in outlays.

Landsat is another of the 43 terminations. Obviously, the President did not propose this for budget purposes because the budget savings are zero.

There is a program for coastal zone management and grants regarding the surrounding areas. Eliminating saves $36 million next year.

Then we have the Extension Service. That is 4-H, for those who are wondering. I think we have visited with the 4-H'ers. They have been here to visit us. I am sure all Senators greeted them cordially and listened to various activities that the 4-H sponsors. They have the nice green jackets with shamrocks. I even took one of those jackets to the President, from the 4-H'ers. The President proposed to nearly eliminate this program. That will save $188 million in fiscal year 1988.

Then we have Temporary Emergency Food Assistance Program. This

Senate is familiar with this program. We all know that we have not come to grips in our country with the strange phenomenon of the homeless. We understand the problem is very complicated. And I say that with the deepest concern. I do not have an answer, so I am not in any way suggesting that there is an easy way to deal with this problem. But we have provided some temporary food and shelter through existing programs. One of these programs, TEFAP, is proposed to be terminated, and that will save a total of $33 million in outlays in fiscal year 1987.

The interesting thing about all these numbers I have spoken of up to this point is that almost always we speak of billions in this body. I have not had one yet that I have mentioned that even totals a half billion. Oh, yes, the budget authority for export-import was $729 million; but, interestingly, that was not a saving but an added cost for getting rid of it.

Let's go on. Federal crop insurance that has been around, with everybody talking about trying to get rid of it. That saves $140 million in outlays next year.

I will go through more of these, because I think it is useful to get out into full view just what we are talking about.

Trade adjustment assistance to firms: That is also a program that we are always told we should get rid of. I voted for that termination a number of times; but we should know that it saves only $8 million.

U.S. Travel and Tourism Administration: I think that has been in several budgets. It would save $6 million.

The next one is a significant proposal: Postal subsidies. That would save $676 million. That is an interesting one because we cannot just charge our appropriations with doing that, without also requiring these preferred-rate mailers to pay more. Those institutions, predominantly charitable—the Salvation Army, Red Cross, and the like—get a postal subsidy in order to solicit and do their charitable work. Unless we modify the law, the Postal Service has no alternative but to charge these mailers more.

We have tried in the past to reform this subsidy and have made some headway. My recollection is that Congress has cut 40 percent from its previous level of expenditures. The fiscal year 1987 number for postal subsidies termination is the largest one so far on this list. So now we have $676 million, which begins to contribute to the $4 billion total for 44 program terminations.

Rural housing loans is another interesting one. If it is terminated as described, it will save $1 billion. This is the second year in a row that rural housing loans have been recommended for termination. In this current year, Farmers Home Administration is authorized to make $2 billion in loans, which will finance housing for about 50,000 rural families.

The proposals before us would give HUD the sole responsibility for new rural housing assistance and yet would cut the HUD program nearly in half.

Earlier this year 26 Senators wrote to me, as chairman of the Budget Committee about this program. It was a bipartisan group, headed by the distinguished chairman of the Subcommittee on Appropriations that handles this area, Senator COCHRAN. The 26 Senators said: "We cut rural housing last year 40 percent, and that is it." They ought to know that that is not it, as for as the administration's budget is concerned. On this list, there is a total elimination and substitution of this program.

The Small Business Administration—the President's budget would save another $105 million in its business loan programs.

Now I will list some others without editorializing. I think Senators know how many times we voted on these. I will only state the program and the number, because I think some may be shocked at how little will be saved. Let us just go through them quickly.

Section 202 housing: $53 million; Amtrak, $562 million; Interstate Commerce Commission, $35 million; Washington Metro construction grants, $11 million; Maritime cargo preference, $100 million; Economic Development Administration, $5 million; Appalachia Regional Commission, $8 million.

UDAG: That is an interesting one. I said I would not speak about them, but we hear from a lot of people that we should get rid of that program. I voted to get rid of it a couple of times, but I think everyone should know that is only $20 million in total fiscal year 1987 savings.

Let's go on. Rental housing development, HODAG, $39 million; the housing program commonly known as 312 rehab loan fund, $29 million; eliminating the 108 loan program that will not save anything; Rural Development Program, $49 million; SBA disaster loan, $200 million; community services block grant, $214 million; impact aid part B, $86 million; library programs, $30 million; a number of very small higher education programs, $17 million; student incentive grants, $36 million; college housing loans, $13 million; Public Health Service professionals, $180 million; FEMA, supplemental food and shelter, $90 million; section 8 moderate rehabilitation, zero in outlays, $670 million in budget authority; rural housing grants, $13 million; Legal Services Corporation, $255 million; Justice grants, $97 million; and public debt reimbursement to the FRB, $20 million. The offset in subfunction 908 adds $163 million—but this is a technical matter.

Now, if I have read the list right, that amounts to the grand total of $4.063 billion in outlays.

This amendment is very simple. It says we will not have any of those programs anymore and we will save that amount on the budget, and then we will take a similar amount off the revenue increase prescribed and included in the pending budget for the Senate.

I obviously do not support this amendment. I hope that some of those who have said they would like to terminate programs and further cut domestic programs might come to the floor in the next 40 or 50 minutes and make the case. I am not going to deny that I could make the case as an individual Senator for a number of them. I do not believe under any circumstances I could make the case for all of them, nor would I vote for all of them. Those who think it is the domestic discretionary component of this budget that has run wild, I urge that they come down and support this very complete, and I believe, accurate amendment to the budget that is pending.

I would say there are a number of Senators who are truly seeking some compromises. There are a number who want more in defense. There are many who are genuinely concerned about ways to save money. This is in no way an indication of the Senator from New Mexico that I am not willing to sit down and work with them and look at it.

But, frankly, there are some who clearly say if they do not have it their way, whatever that way is, they want to defeat the budget resolution that is pending. There may even be some who are out mustering up the lobbying strength of the country to make sure the Domenici-Chiles Budget Committee resolution does not pass.

There are those who are saying that we ought to eliminate the programs that we tried to eliminate last year and that the President asked this year.

So I hope they support this amendment. Some Members have even been told the deficit is not that bad; the economy is improving so fast that the deficit might just disappear on its own accord. They are saying that we could make some new assumptions and scrub some new numbers and scrub some new economics and everything will work out in 2 or 3 months. For my part, I do not agree.

I want to wrap up my first half-hour this morning by saying first that I have entered into the record already what I believe to be a fair response to the Budget Director's letter. I think it fairly assesses the budget pending before the Senate. I think it also fairly characterizes the President's budget proposal.

Second, for those who would like to avoid the pressure of the Gramm-Rudman-Hollings trigger August 15, or

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thereabouts, either by wishing the deficit away or by hoping that the Supreme Court finds the GAO involvement unconstitutional, I hope they will read the RECORD. I think they can read a very enlightened Third Circuit Court opinion exactly opposite from the Scalia three-member court that ruled it unconstitutional. And perhaps there are some who, looking at that, would say it really is not worth gambling that we will not have to meet the commitment we made to the American people at the end of last year. In fact, there is a better than 50-50 chance that the GAO will be found constitutional next June or July, and we will have another sequester.

With those two premises we now have an amendment before us that will indeed reduce the taxes by $4 billion and will reduce what for the most part is discretionary spending by this amendment.

I yield the floor.

Mr. CHILES. Mr. President, I want to briefly comment on the "Dear Colleague" letter Chairman DOMENICI and I sent out today in response to Director Miller's letter of yesterday outlining the administration objections to the resolution reported by the Senate Budget Committee.

The President's budget exceeds this year's deficit target by $16 billion. It would produce a sequester cutting domestic outlays $8 billion on top of the $28 billion already cut by the President. It would reduce defense outlays, sequestering VA by $20 billion. So that certainly differs from the contention made by the Director.

The Director objects to the new deficit-reduction revenues proposed to be taken out of the economy totaling $52 billion over the next 3 years. Yet, the President's $59 billion excess over the Gramm-Rudman-Hollings target also has to come out of the economy. But, in that instance, it comes out by borrowing. That, of course, will add to the pressure on the national debt. That burden of debt in the President's budget is some $7 billion higher than the payments would be under the proposal contained in the budget reduction before us.

The Director has said he is not cooking his figures; he says he is simply correcting the estimates. I do not know what the difference is between cooking and correcting. But I think some corrections are always made by an OMB Director in every administration I have seen over the years. It seems to me that Mr. Miller likes to correct just as much as any of them do.

I trust we will compare those figures to the Congressional Budget Office figures. At least they do not have an ax to grind or a cooked cake to eat as some of the Directors do.

Now, Mr. President, I wish to speak just for a few moments on the amendment that we have before us.

I think, it can be characterized as a good-will amendment. Although the Senate has had some trouble getting the White House to listen to us, we want to make it clear that the Senate is listening to the White House. The White House has said they want 44 programs terminated, wiped out right now, given the ax. They believe that is the only way to get the deficit down to this year's goal. So that is exactly what this amendment does.

For the purpose of identification, I think we could call it the "Son of Stockman, James E. Miller Memorial Amendment." We certainly offer it in the spirit of goodwill. It is set forth in a spirit of quick response to the Director's letter of yesterday which said if we simply terminated some of these programs we would get the budget much more into balance.

So, we sponsor this good will amendment to cut these 44 programs targeted by the administration. It is like the Colt 44. It was a great harbinger of law and order in the early days. This 44 would be the harbinger of returned good times—so the administration says—and so we sponsor it in that spirit.

The $4 billion it will reduce this year in taxes, as the chairman has pointed out, is somewhat less than the $5.4 billion we are proposing to be reduced by simply cutting three programs. And yet, it is a figure no one can say lacks significance. It will not keep us from having a sequester. We would still have that. It does not keep us from returning next year and the next year and the next looking for additional programs to cut. We would certainly have to do that. But it does give those Members who have been saying the budget resolution has too much in the way of taxes; too little in the way of spending cuts, and no room for increases in defense—it certainly gives them the ability to put their votes where their comments have been.

It does not mean we will not be back here next year if we do not have some revenues in. I think we will. It does not mean that we will not be looking for other things to terminate. But let us see what is on this year's card.

We have looked at some programs like the Eximbank. The chairman has discussed rural electrification, and EPA sewer treatment grants. Those are certainly programs with constituencies. They are not programs the Senator from Florida feels are meaningless—and, of course, I intend to vote against the amendment. But in programs like soil conservation, I guess the administration believes their time has come and they should be done away with.

The distinguished Senator from Mississippi is standing. He does such a good job as the chairman of the Agriculture Subcommittee of Appropriations. He is always under pressure to determine where we get the dollars for those programs. I am not sure he would want those dollars to come from soil conservation or REA. But we do not to find out what the body wants us to do in this regard. And I think the amendment would give us that choice.

Mr. COCHRAN. Will the Senator yield?

Mr. CHILES. I am happy to yield to the Senator.

Mr. COCHRAN. Mr. President, I was reading a legislative notice that is on our desks on this side of the aisle describing amendments that will be offered or may be offered to the resolution. One is Chiles-Hart amendment to increase funding for science and technology resource development and education and training.

The increases in these areas are $4 and $3 billion. I wonder whether or not it is consistent to offer an amendment, such as the one at the desk, which would target for elimination 44 programs, as the Senator says, and at the same time be sponsoring another amendment to add funds for these same programs. I wonder whether or not the Senate should be on notice that this is an amendment at the desk that is not expected to pass and the Senator is not going to even vote for it. Should we really waste the time of the Senate to discuss the merits of it if it really has no merits, even in the view of the proponent of the amendment?

Mr. CHILES. Well, I would just say to my good friend from Mississippi, I exercise my prerogative as a Senator to not be troubled too much by consistency. I think the Senator from Mississippi perhaps exercises that sometimes as well.

But I also say to him we feel we should allow the Senate to have some choices. We have been told that the administration feels this is a simple way to solve the deficit dilemma we are in. One of those ways is get rid of a number of these agencies. The Senate ought to pass judgment on that.

We are also told there are not the votes around here for any plan. If there are not, maybe we need to find out: Is it a plan like this that will give us the votes? If it is, maybe we will end up saving some time.

The Senator from Florida happens to think, in agricultural terms, seed corn is very important. That is one reason I sponsored the amendment with Senator HART. I think some of the programs like research and development, trade assistance, and some of the job training and education, are seed corn. Planning ahead is something we have always considered important. Even in an austere budget time, we better be thinking about our

next crop and whether we can lay it in.

But I think the Senator from Mississippi is one of those who has signed a letter saying he thinks there is too much revenue in this resolution. There are not enough domestic cuts in this resolution and too little for defense. If that is the way the Senate feels, we need to find out.

Maybe we have been too arbitrary in our budget. Maybe we have shut some people off. So this is an opportunity for some Members of the Senate who have made those statements—and I do not know what the Senator's particular concern is on all of these programs or whether he is ready to get rid of all of them—to have their say. It is time to find out. Is there a majority here that wants to get rid of 44 programs? If so, we will pick up $4 billion off the taxes. We can take it off this resolution. If there is not, we will know that also, and we will be able to go on to something else. We have other amendments, as the Senator knows, on that list that add money. We will have to determine whether those are amendments we can afford or not.

Mr. COCHRAN. Will the Senator yield further?

Mr. CHILES. I am happy to yield.

Mr. COCHRAN. Mr. President, I am one of those who worries about our bargaining position with the House of Representatives. I might say to the Senator that that is one reason why I did join with Senator QUAYLE and others in signing a letter to the majority leader expressing concern about this budget resolution.

If we were coming out at the conclusion of the process with an end product like the one that is on the floor now, the resolution as reported by the Senate committee, I do not think Senators would fuss too much about it. I think we would see a consensus develop around a budget of that kind. That is my personal opinion.

But beginning the process with this resolution, knowing that the House is going to probably add money on the domestic spending side—and I do not know what it will do to the revenue side—I just do not think it puts us in a good bargaining position.

I do not quarrel with the quality of the work of the Budget Committee. But I wonder whether or not we are going to really serve any useful purpose with an amendment of the kind that is before us now for a vote.

I do not know how I am going to vote on it. I have not really looked at all the programs the Senator has identified. Maybe it is a good test vote to let us see where the Senators are on the thing.

But let me ask the Senator this: Is the Senator not worried that the House is really not participating in this process? It seems to me that they have just decided to abrogate, really, the responsibilities that I thought they were to share with the Senate—to work out a congressional budget resolution. They are just sitting on their hands doing nothing, saying nothing, hearing nothing, and seeing nothing. I worry about that.

I wonder if the Senator shares my concern about that and what the outlook is if we go through this exercise and vote on all of the amendments, and vote on the resolution. Are they going to continue to sit there and do nothing?

Mr. CHILES. Let me say to my good friend from Mississippi first, I appreciate the remarks that he thinks the budget we crafted is not a bad budget if it is the final product. I tend to believe that way myself, even though it is not everything I want. It is not the one the Senator from New Mexico, the chairman, would put in. But it represents a meeting of the minds of the majority of Republicans and Democrats on our committee.

The Senator is pondering whether our bargaining position is correct. That is a very legitimate question. The Senator may be right on that. I would tell him that there have been times before when the Senator from New Mexico and the Senator from Florida have agreed, and there has been a meeting of the minds. We have stood on our bargaining position with, for example, the defense number going to budget conference with the House, and we have locked it.

We have said we have already gone through the process of high-low and put it together here. We are not going to move off that.

That is the way I view this budget. It is not one I think is the starting position. But as the Senator from Mississippi knows, there is another bargain that must take place. That is with the White House. It is a bargain that skews things in another way. He has asked whether the House has shirked the process or whether there is a dereliction of duty.

There is an old saying that you never know until you put on the other Indian's moccasins. Then you know exactly what he is thinking about. But I can say to my friend from Mississippi, the House is very leery if any plan has revenue in it.

The President has said, "Make my day. I am going to unlimber the veto." The House feels they have been hammered with that before. They take the position that there is no way you can get down to 144 without there being some revenue. They are not going to be the initiator. But they have said, again in a meeting we had recently, if the Senate initiated revenues with the preponderence of votes of the Republican-controlled Senate, if there was some bipartisan spirit over here, they would back off the Speaker's earlier position that the President had to ask for revenues or they would not go with it. Now the House has stepped back from that.

I am glad. I think it is the responsibility of the Congress. If the Senator is asking if I am worried about their position, yes, I am worried. I am worried that I do not think the administration is as involved as it should be. I heard the Senator's statement earlier today that they proposed their budget. They have. This is part of the thing that is in their budget. We are responding to it. Still I am worried about their involvement. I am worried there are not enough people in here who are concerned. So yes, I worry about all of those things. But I am still an optimist.

Mr. DOMENICI. Will the Senator yield?

Mr. CHILES. Yes.

Mr. DOMENICI. Might I say to my friend from Mississippi first I do want him to know that I did mention the distinguished Senator from Mississippi in my remarks only in one respect. Then I would like to answer some of the concerns he has expressed. But I did say that the Senator had helped us last year to reduce one of the things that he is very concerned about—rural housing. That program would have been reduced 40 percent in last year's budget. The Senator from Mississippi went to the trouble, which I thank him for, of soliciting bipartisan signatures on the letters to me as I marked up saying that the Senator thought we should not terminate the program but we could achieve significant savings. Nonetheless, the administration now proposed to terminate this program.

So I have listed it and talked about what would happen to the program if it is terminated as prescribed.

I did that because on almost all of these programs there is someone who has a very good feeling for why it should not be terminated, and why it still is needed.

But, I say to the Senator, in terms of why I offered this amendment, I do not think it necessary to offer it to make the point that the Senator from Mississippi already knows. The Senator worked on these matters as an appropriator. I do not believe the Senator from Mississippi assumes that three programs including the elimination of rural housing is going to amount to a huge amount of dollars in our trillion-dollar budget.

I think the Senator knows that EDA annually does not cost very much money. But, Senator, I am having a very difficult time making the point when people say to me as chairman, "You have eliminated only three programs, and, those programs amount to $5 billion in outlays out of a total of $9 billion that would be the result of terminatory 43 in total.

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I am having a very difficult time in making people understand that all of these equal programs only $4 billion the first year in total savings in a deficit reduction package that is many times that in size. And if we want to increase defense, we have to even add some more to the reduction side.

I offer this amendment so that we will now once and for all, for all concerned, see what they are, how much we save, and for those who continue to say this is the way to solve the fiscal dilemma of this Nation they can see what it does but equally what it does not do.

I acknowledge that there are many who think this kind of program elimination in addition to the budgetary and fiscal impact has some other kind of overtones to it.

I respect that. There are some who claim it is philosophical, and that many of these are not the Government's role. The Senator from Mississippi knows me well enough. I voted to eliminate a lot of these programs. I do not even vote to eliminate some of them on color of philosophical notion. I vote to eliminate some of them because I do not think they do enough in comparison to the damage that the deficit is doing.

I adopt a philosophy which asks if we can afford these programs in today's environment as compared to 20 years ago when Congress enacted the—like EDA, and others.

I go to this great length because I have great respect for the Senator from Mississippi and for what he thinks about this amendment in terms of what I have just described. He is the chairman of the subcommittee, and has a very responsible role.

It just seems to me that in the next 1½ hours or so I have that Members will come to the floor as the Senator from Mississippi did, to discuss their views. Do Members really all understand that we terminate these programs and we get $4 billion in savings? Or maybe some will say, we do not support this amendment, but we would like to negotiate a little. But we do have to realize that this is not the way and increase defense and achieve all of our other objectives.

So I think it illustrates a point to my friend, the distinguished Senator from Mississippi, that I have been unable to make to many of my friends in the Senate. We must look beyond this kind of approach if we are to increase defense, hold down revenues and meet our budget goals. I hope nobody assumes it is improper for me to call this to their attention in this way. But I have been searching for a way to get some action and movement on some proposals.

I do not want the record to have any doubt about it, I am not going to vote for this. As I indicated, I voted for maybe 50 percent of them once or twice. So did my good friend from Mississippi, who incidentally, asked the questions on the proper interpretation of a vote for this amendment.

I yield the floor.

The PRESIDING OFFICER. The Senator from Florida.

Mr. CHILES. The Senator from Mississippi has said that he believes this would enhance our bargaining position with the House. If this amendment carried, I would say to my friend from Mississippi, we would have an enhanced bargaining position. I do not think there is any doubt about that. I think when you include things like the Export-Import Bank, Rural Electrification Administration subsidies, the EPA sewer treatment grants, soil conservation programs, the Ag extension service, the Federal Crop Insurance Program, postal subsidies, rural housing, the SBA Budget Authority, section 202 housing for the elderly and handicapped, with Amtrak, all of those programs certainly have a constituency on the House side. If we look at UDAG, EDA, the Rural Development Programs, SBA disaster loans, community service block grants, the Library Program, FEMA Supplemental Food and Housing Program, all of those trigger some determined constituencies over there.

I guess, as the chairman has said, these are some decisions that have to be made. If our budget proposal is not good enough, at some stage we need to find out what we can do.

I think the chairman and I feel that maybe if everybody had to go through this process and spend as much time on it as we have, they would end up somewhere near where we are. That is exactly what happened to us. It was not my personal choice to come out with the proposition we have. I do not want to have to vote for any new taxes myself. I would like to have a higher number for defense. I would like to not even cut some of the programs and not have to resist some of the amendments we will have to resist. But, to get the deficit down to $144 billion, to fashion something we thought would have some chance of passing, is how we arrived at this number.

The process we are in now is to find out where there are 51 votes in this body for a budget. That is what we are up against.

So, Mr. President, we think this is a proposition that will allow the Senate to express itself. It will have the chance to express itself on these cuts. For that reason, I think it is a "good will" amendment that gives the Senate the opportunity to make that choice.

I yield the floor.

The PRESIDING OFFICER. Who yields time?

Mr. BOSCHWITZ. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. On whose time?

Mr. BOSCHWITZ. Mr. President, I ask unanimous consent that the time be charged equally to both sides.

The PRESIDING OFFICER. Without objection, it is so ordered.

The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. ARMSTRONG. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. ARMSTRONG. Mr. President, I have just come to the floor, and I understand that an amendment is now pending, which has been offered by the distinguished chairman and the distinguished ranking minority member of the committee, the effect of which will terminate a number of programs. I have not had a chance to discuss the substance of the amendment——

The PRESIDING OFFICER. If the Senator will withhold, who yields time?

Mr. BOSCHWITZ. How much time does the Senator need?

Mr. ARMSTRONG. An hour. I might not use it all.

The PRESIDING OFFICER. Who yields time?

Mr. ARMSTRONG. Mr. President, I move that the resolution be recommitted to the committee. I do so simply to gain the opportunity to speak on this matter. It is my understanding that by doing so I gain the opportunity to speak for 1 hour. It is my intention, in fact, to speak for about 2 minutes; and at the proper time I will move to vacate my own motion.

Mr. President, I understand that the business pending before the Senate is the Domenici-Chiles motion, the effect of which is to terminate a number of programs. I have not had the opportunity to discuss this with the two managers, but I am led to believe, by staff and others who have consulted them, that they do not offer this with the serious intent that it be adopted, but merely to embarrass a number of Senators and put them on record—a sort of tongue-in-cheek kind of amendment.

It has been the opinion of some Senators that it is impossible to make any cost savings, that it is impossible to come to grips with these program terminations. The President has sent us, I guess, all these 43 proposed changes, and what the managers are evidently seeking to accomplish here is to just prove how preposterous and ludicrous it is to think that these suggestions by the President could actually be acted upon by the Senate; and I suppose the expectation is that it is going to get a very small vote.

I came here today to say that while I would be perfectly comfortable to vote for these, separately or individually, and I may do so, I hope that most Senators, especially those who are running for office this year, will see through this, that it is an intention to embarrass them, without an intent to enact these changes.

I would be proud to come to the floor and try to make some savings. But this kind of tactic I find quite disagreeable. So I think that, under the circumstances, the Domenici-Chiles proposal deserves to be defeated; and in due course I think the budget resolution in its present form should be defeated.

It appears to me that this is a proposition which is better handled by defeating the budget resolution and then having the committee go back to work.

So, Mr. President, I just wanted to set the record straight. If, at some time, Senators want to come forward with a serious proposal to do something, I will be the first to support it. In fact, if this particular measure is put to a rollcall vote—and I hope it is not—I probably will vote for it.

In fact, I intend to because I think, while I have not looked at the list of 43, I am probably in favor of every one of those terminations, and if truth be known, I could come up and be comfortable with a list of 43 more that are not on there.

Mr. JOHNSTON. Mr. President, will the Senator yield?

Mr. ARMSTRONG. I better not, I say to the Senator, because he is such a skillful person in moments like this that I am not sure I want to entrust my fate to his tender mercies now. May I ask of the Senator before I decide to yield, does he seek me to yield for friendly purposes or otherwise?

Mr. JOHNSTON. A gentle and friendly question.

Mr. ARMSTRONG. In that case, I am pleased to yield to my friend from Louisiana.

Mr. JOHNSTON. Mr. President, first I agree with my distinguished friend from Colorado, that this amendment is somewhere between a "make a point amendment" and a "tongue in cheek."

Just how would the Senator characterize OMB Director Jim Miller's letter to Robert Dole of April 21 in which he said, "The answer to the Gramm-Rudman-Hollings challenge is not to increase taxes or lessen our defense capability; it is to cut inefficiency and ineffective domestic programs?"

Does the Senator not also put that letter in the same category as this amendment, that is defying the laws of arithmetic, as Dave Stockman is wont to say?

Mr. ARMSTRONG. Mr. President, I do know much, but I learned a long time ago not to hang around here defending OMB. If there is one thing that is absolutely guaranteed to lead to disaster it is trying to defend the OMB. I have not even had a chance to read David Stockman's book yet, though in due course I intend to do so.

I say to the Senator, I have not read the letter. I do not want to dispute his characterization of it.

The practical fact is this, let me say to my good friend from Louisiana, and I do not want to overemphasize it, but I do not think we ought to lose sight of it either: This budget resolution we have before us does not cut anything, only really a handful of small reductions, a handful of places; we restrained slightly the growth of Federal spending. We are in the sixth year of an administration, the most conservative President in our lifetime or probably should ever see. The Senate is under the control of a bipartisan conservative majority, generally conservative Members in both parties. In fact, there are darn few Members of the Senate in either party who would willingly be identified in public as big spending liberals. And yet the fact of the matter is we have runaway Federal spending—rising every year. We have taken no serious sustained effort to make any cuts. The best we have done in a few cases is to slow and only by a little, the rate of increase in these programs.

Mr. BOSCHWITZ. Mr. President, will the Senator yield for a question?

Mr. ARMSTRONG. Yes. But let me list some programs we have not done anything about. UDAG, one of the most costly, outmoded, overblown programs we have ever had, the termination of which is endorsed not only by those of us opposed in the first place, but those who were initial sponsors and backers; Amtrak, which has cost so far $12 or $14 billion, generally agreed I think by most thoughtful people privately that it is going to go out of existence—the only real question is how much longer it is going to be on the Federal dole before it does go out of existence—and I guess 40 or 42 more.

We really have not done anything about those. It just seems to me that we ought to treat it more seriously than to offer an amendment of this kind.

So, that is my only point.

I am pleased to yield.

Before I do, Mr. President, I withdraw the motion which I offered, which, as I explained at the outset, was only for the purpose of gaining recognition.

The PRESIDING OFFICER. The motion is considered withdrawn.

The Senator from Minnesota is recognized.

Mr. BOSCHWITZ. Mr. President, if my friend from Colorado would stay, I often find myself to be in agreement with him and yet I must respectfully disagree.

The effort that is being made here by the chairman of the Budget Committee and the ranking minority member of the Budget Committee is to join in the debate. The effort is not being made to embarrass any Senators.

It is my understanding that Chairman DOMENICI and Senator CHILES have been waiting here very patiently. They have called upon Senator JOHNSTON and me to replace them because they have been here so long and had to attend to other business. They have been waiting very patiently for people to come and suggest alternatives and perhaps my friend——

Mr. ARMSTRONG. Will the Senator yield for a question?

Mr. BOSCHWITZ. I ask my friend from Colorado the same question: Is this a friendly question he is going to ask or is this——

Mr. ARMSTRONG. Mr. President, in response I say it is a question friendly to him but not to the sponsors of the amendment or the amendment itself.

Mr. BOSCHWITZ. I certainly yield to my friend from Colorado.

Mr. ARMSTRONG. Mr. President, the question is, Is it the understanding of the Senator from Minnesota that neither of the sponsors of the amendment intend to vote for it?

Mr. BOSCHWITZ. I have only spoken to the staff about this and let me speak only for my chairman. It is my understanding that he will not, but that he is very desirous of joining the debate and having Senators come down here with amendments, having Senators who are critical of the budget as passed by the committee come down and offer substitutes for it, so that we can proceed.

In the alternative, we sit and watch the clock tick away and arrive at the conclusion by coming to the end.

Mr. ARMSTRONG. Mr. President, if I am told——

Mr. BOSCHWITZ. Pardon me. I believe I have the floor. Does the Senator from Colorado want to ask a question?

Mr. ARMSTRONG. No, Mr. President. I just wanted to draw a final conclusion and then go have lunch.

Mr. BOSCHWITZ. I want to respond to the Senator's statements about whether or not we have been able to slow the budget.

As I look at the outlays for 1985, they were $946 billion; they are estimated, in 1986, to be $979 billion; in 1987, under the budget that we have passed in committee, $994 billion. That is less than a 2-percent increase.

From 1985 to 1986, the increase is approximately 3 percent; from 1986 to 1987 it is 2 percent, less than 2 per-

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cent. Once again, it is a little less than 3 percent from 1987 to 1988.

I respectfully tell my friend from Colorado that political realities are such that that is a pretty good result. If we can keep Government spending rising at 2 or 3 percent for a few years, we certainly will conform with Gramm-Rudman, and that since Government revenues have risen in the last 30 years at the rate of about 9.5 percent, if we can keep spending down to 2 or 3 percent, we are going to be OK and we are going to conform to the goals of Gramm-Rudman.

With that I yield to my colleague from Colorado for a comment.

Mr. ARMSTRONG. Mr. President, first with respect to the amendment itself, if it is correct that neither of the two sponsors intend to vote for it, I rest my case on the merits of the amendment.

Second, with respect to whether or not we are doing a good job, I appreciate the reassurance of my friend from Minnesota. I do not share his conclusion. I think we are doing a miserable job. I think it is a disgrace for this body to treat so lightly the economic future of this country and, more than that, I must say that it has now reached a point where I think it is more than just an economic issue. I think it is a fundamental question of the integrity of the lawmaking process to let deficits of this size go on year after year.

Now, it is my observation that most people out in the country who have thought about it think that Congress is populated by a bunch of gutless wonders, and in general I think that perception is correct. There are certainly some honorable exceptions, in fact I guess I would have to say there are many honorable exceptions, but Congress is a body which is uniquely a reversed synergism. Somehow a group of thoughtful, well-informed, well-intentioned men and women come from all over the country and collectively they proceed to do something which they would not any one of them in their individual capacity dream of doing.

I regret it very much. I have not come to the floor to bellyache about that but really only to complain of this pending amendment which I think is not only—well, I just think it is a sham, and I just wanted to say so. I am not one to be lacking in candor.

I do not think it changes anything whether this amendment is up or down or whether or not there is ever a vote on it, and I presume probably there is not any intention to vote on it. But what it emphasizes is that there is not any serious intent on the part of the managers to try to achieve these savings, and I regret that very much.

(Mr. ABDNOR assumed the Chair.)

Mr. BOSCHWITZ. Mr. President, I hope that my friend would come down and offer some alternatives. This is once again an effort by the Budget Committee leadership to draw the attention of the Senate to the fact that the debate is certainly proceeding slowly, that time is elapsing, that we are going to drive it to 50 hours and there will be a vote on final passage and those who wish to amend or otherwise change or substitute for the package should come down here and do so. We certainly would welcome that.

Mr. President, I yield the floor.

Mr. EXON. Mr. President, I am delighted that the amendment has been offered and I am delighted to say I will be voting against it. I do not think that brands me as one not interested in bringing our deficit under control because, as the record clearly shows, this Senator has been on this floor time and time again for the last 3 or 4 years trying to put a freeze into effect to get our spending under control.

So I believe that if we can have a vote up or down on these issues then that will settle once and for all any suggestion that seems to crop up from time to time that we should refer this matter back to the Budget Committee.

I wish to associate myself with the remarks made by my able and distinguished friend from Minnesota. He was one of that courageous band of seven Republicans, joined by five Democrats, to report a budget out to the floor that took an awful lot of hard work and an awful lot of courage and an awful lot of give and take. Certainly not everything in that budget is agreeable to this Senator. But the way you work things out here is to kind of come up with some kind of reasonable consensus by reasonable people who take a reasonable approach and not one that jumps off the cliff.

I simply would recite once again for the record the excellent letter that came from the distinguished chairman of the Budget Committee and the ranking member today that simply says domestic spending will be substantially restricted under the committee's budget resolution, declining from 13.1 percent of GNP in the current year to 11.7 percent of GNP for 1989. That is progress. And those who say that we have not taken action to reduce spending in the Budget Committee simply are not looking at the facts.

I would like to quote the next paragraph from that letter dated April 23 to all the Members of the Senate from the chairman and the ranking minority member of the Budget Committee. The next paragraph says, Mr. President:

> The Director mischaracterizes the issue as raising taxes versus cutting spending. Our budget resolution has total outlays that are $4 billion less than the President's budget in fiscal year 1987 and $12 billion less over a 3-year period. Our high tax revenues go not for higher spending but to reduce the deficit.

And I thought that that was what Gramm-Rudman-Hollings was all about. I would simply say that almost every time I mention Gramm-Rudman-Hollings, I want the record very clear that this Senator did not support that, although it had some parts that I liked. But on balance, Gramm-Rudman-Hollings is the wrong way to go about solving the difficult problems that face us, in the opinion of this Senator from Nebraska.

I simply say, Mr. President, that an awful lot of hard work has gone into the Budget Committee. Unless you serve on the Budget Committee and recognize the trauma that we went through over there, then I simply say that you do not fully understand and appreciate how good a budget we came out with; but, granted, it is a long way from perfect.

Since it is a long way from perfect, and since there are determined attempts by those who say it is easy to do this if you have the courage, I am delighted that we are going to have a chance to vote on this for a clear expression of the Members of the U.S. Senate.

Mr. President, I yield the floor.

Mr. BOSCHWITZ. Mr. President, I would point out to my friend from Nebraska that while I do not want to give too much credit to my colleagues on the other side, the Democrats, it was not five Democrats but six who voted for the budget resolution.

Mr. EXON. I am delighted to stand corrected.

Mr. BOSCHWITZ. And seven Republicans among that group behind my name.

I do disagree with my friend from Nebraska about Gramm-Rudman. I suggest to him that if we did not have the drive and the constraints that were imposed upon us by Gramm-Rudman that we would be back to the business as usual and you would see spending climbing even at the normal rate. And I pointed out before the Senator came here, spending in the next 2 or 3 years is going to climb at somewhere between 2 and 3 percent each year. That is a fairly good restraint.

If you in your home or I in my home or we in our businesses—and both of us are among the few businessmen who are here in the Senate—if we could keep the overhead, the expenses, rising at 2 or 3 percent a year, we would be in pretty good shape in our businesses. And that is what Gramm-Rudman is forcing us to do. Because, in the event we do not do it, then, that scythe will just come and mow down a whole bunch of programs rather indiscriminately. And as long as the club exists, I think the Senate will act. And in the event it is not there and you rely upon the goodwill of the Senators

from Nebraska and Minnesota and all the others who occupy this body, I am afraid we would not get it done.

So I think that Gramm-Rudman-Hollings was among really the premiere prices of legislation that I have had an opportunity to participate in since I arrived here, arriving on the same day that my friend and colleague from Nebraska did.

Mr. EXON. Mr. President, I appreciate the fine remarks made by my good colleagues from Minnesota. I still do not agree with him on Gramm-Rudman, but, as I said, it has helped somewhat in bringing the attention, perhaps, of the Senate to problem at hand.

The question is: What happens if all of our best efforts fail? We are already in violation of Gramm-Rudman, as the Senator from Minnesota knows full well, because Gramm-Rudman mandated that we have the budget reported out on April 15, 1986, not April 15, 1987.

So I am not certain that Gramm-Rudman is everything that it is hailed to be, but I do agree that it has brought at least attention of the matter to the U.S. Senate.

I would simply say that I think it has some serious constitutional flaws that are now being tested and I believe that we should have been here doing the work that we are doing right now, Gramm-Rudman-Hollings notwithstanding.

So I say that it may be that we are here late getting the budget out. That may be the fault of Gramm-Rudman. I think it is not. I think that if there is anything good about Gramm-Rudman, it at least forces some feet to the fire.

I would certainly agree with my friend from Minnesota that because of Gramm-Rudman, or in spite of it, the attention of the people of the United States have come to grips with the situation that confronts us and we have got to do something about this skyrocketing deficit and national debt.

I thought it was interesting the other night when I heard the former director of the Office of Management and Budget, Mr. David Stockman, say that he was astonished that the total national debt of the United States had doubled from $1 to $2 trillion in the 5 short years that we have had the Reagan administration.

And he conceded in this television interview that we are in terrible shape today, and we had been working on an economic malaise for the last 5 or 6 years that got us into the situation we have now.

So I suspect that Gramm-Rudman-Hollings and/or the continuing high deficits and the skyrocketing national debt are what brought us to the realization that we are going to have to do something.

So I think it was the actions of the current administration over the last 5 years and the faulted policies with regard to deficits and budgets that brought us to this and not necessarily Gramm-Rudman-Hollings in and of itself.

Mr. President, I yield the floor.

Mr. BOSCHWITZ addressed the Chair.

The PRESIDING OFFICER. The Senator from Minnesota.

Mr. BOSCHWITZ. I say to my good friend from Nebraska that the fact the Senate missed the April 15 date is not really debilitating. We miss those kinds of dates right along. But they are not compulsory. We begin to pick up the real tough dates only on August 15, and there will be a great penalty if we do nothing. But that penalty is not yet coming into play, and it will not for a while.

So the fact that we missed the April 15 date and are not in precise compliance with Gramm-Rudman in my judgment really does not make too much difference.

Mr. President, I suggest the absence of a quorum and, Mr. President, I ask unanimous consent that the time on the quorum call be equally divided.

The PRESIDING OFFICER. Without objection, it is so ordered.

The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. DOMENICI. Mr. President, I ask unanimous consent that order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection. it is so ordered.

Mr. DOMENICI. Mr. President, I understand the distinguished Senator from Florida has a modification that he desires to offer to the pending amendment.

Mr. CHILES. Mr. President, I send the modification to the desk.

The amendment was modified.

The amendment (No. 1797), as modified, is as follows:

On page 2, decrease the amount on line 3 by $4,063,000,000.

On page 2, decrease the amount on line 4 by $6,242,000,000.

On page 2, decrease the amount on line 5 by $8,408,000,000.

On page 2, decrease the amount on line 8 by $4,063,000,000.

On page 2, decrease the amount on line 9 by $6,242,000,000.

On page 2, decrease the amount on line 10 by $8,408,000,000.

On page 2, decrease the amount on line 19 by $4,455,000,000.

On page 2, decrease the amount on line 20 by $8,299,000,000.

On page 2, decrease the amount on line 21 by $10,904,000,000.

On page 2, decrease the amount on line 24 by $4,063,000,000.

On page 2, decrease the amount on line 25 by $6,242,000,000.

On page 3, decrease the amount on line 1 by $8,408,000,000.

On page 5, decrease the amount on line 5 by $4,063,000,000.

On page 5, decrease the amount on line 6 by $6,242,000,000.

On page 5, decrease the amount on line 7 by $8,408,000,000.

On page 5, decrease the amount on line 10 by $4,455,000,000.

On page 5, decrease the amount on line 11 by $8,299,000,000.

On page 5, decrease the amount on line 12 by $10,904,000,000.

On page 5, decrease the amount on line 15 by $4,063,000,000.

On page 5, decrease the amount on line 16 by $6,242,000,000.

On page 5, decrease the amount on line 17 by $8,408,000,000.

On page 7, increase the amount on line 12 by $729,000,000.

On page 7, increase the amount on line 13 by $140,000,000.

On page 7, increase the amount on line 21 by $586,000,000.

On page 7, increase the amount on line 22 by $223,000,000.

On page 8, increase the amount on line 6 by $121,000,000.

On page 8, increase the amount on line 7 by $268,000,000.

On page 8, decrease the amount on line 16 by $80,000,000.

On page 8, decrease the amount on line 17 by $80,000,000.

On page 8, decrease the amount on line 24 by $80,000,000.

On page 8, decrease the amount on line 25 by $80,000,000.

On page 9, decrease the amount on line 7 by $80,000,000.

On page 9, decrease the amount on line 8 by $80,000,000.

On page 9, decrease the amount of line 16 by $369,000,000.

On page 9, decrease the amount on line 17 by $300,000,000.

On page 9, decrease the amount on line 25 by $653,00,000.

On page 10, decrease the amount on line 1 by $635,000,000.

On page 10, decrease the amount on line 9 by $1,002,000,000.

On page 10, decrease the amount on line 10 by $1,004,000,000.

On page 10, decrease the amount on line 19 by $847,000,000.

On page 10, decrease the amount on line 20 by $140,000,000.

On page 11, decrease the amount on line 4 by $1,447,000,000.

On page 11, decrease the amount on line 5 by $246,000,000.

On page 11, decrease the amount on line 13 by $2,047,000,000.

On page 11, decrease the amount on line 14 by $603,000,000.

On page 11, decrease the amount on line 23 by $368,000,000.

On page 11, decrease the amount on line 24 by $321,000,000.

On page 12, decrease the amount on line 8 by $510,000,000.

On page 12, decrease the amount on line 9 by $540,000,000.

On page 12, decrease the amount on line 17 by $605,000,000.

On page 12, decrease the amount on line 18 by $666,000,000.

On page 13, increase the amount on line 2 by $347,000,000.

On page 13, decrease the amount on line 3 by $1,851,000,000.

On page 13, decrease the amount on line 11 by $2,465,000,000.

On page 13, decrease the amount on line 12 by $2,645,000,000.

On page 13, decrease the amount on line 20 by $3,056,000,000.

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On page 13, decrease the amount on line 21 by $3,214,000,000.

On page 14, decrease the amount on line 5 by $915,000,000.

On page 14, decrease the amount on line 6 by $708,000,000.

On page 14, decrease the amount on line 14 by $977,000,000.

On page 14, decrease the amount on line 15 by $758,000,000.

On page 14, decrease the amount on line 23 by $1,077,000,000.

On page 14, decrease the amount on line 24 by $930,000,000.

On page 15, decrease the amount on line 9 by $961,000,000.

On page 15, increase the amount on line 10 by $85,000,000.

On page 15, decrease the amount on line 18 by $725,000,000.

On page 15, decrease the amount on line 19 by $174,000,000.

On page 16, decrease the amount on line 2 by $1,075,000,000.

On page 16, decrease the amount on line 3 by $633,000,000.

On page 16, decrease the amount on line 13 by $815,000,000.

On page 16, decrease the amount on line 14 by $396,000,000.

On page 16, decrease the amount on line 22 by $819,000,000.

On page 16, decrease the amount on line 23 by $856,000,000.

On page 17, decrease the amount on line 6 by $819,000,000.

On page 17, decrease the amount on line 7 by $932,000,000.

On page 17, decrease the amount on line 16 by $117,000,000.

On page 17, decrease the amount on line 17 by $180,000,000.

On page 17, decrease the amount on line 24 by $117,000,000.

On page 17, decrease the amount on line 25 by $136,000,000.

On page 18, decrease the amount on line 7 by $117,000,000.

On page 18, decrease the amount on line 8 by $137,000,000.

On page 19, decrease the amount on line 18 by $789,000,000.

On page 19, decrease the amount on line 19 by $103,000,000.

On page 20, decrease the amount on line 3 by $819,000,000.

On page 20, decrease the amount on line 4 by $119,000,000.

On page 20, decrease the amount on line 13 by $839,000,000.

On page 20, decrease the amount on line 14 by $167,000,000.

On page 23, decrease the amount on line 2 by $413,000,000.

On page 23, decrease the amount on line 3 by $352,000,000.

On page 23, decrease the amount on line 10 by $411,000,000.

On page 23, decrease the amount on line 11 by $414,000,000.

On page 23, decrease the amount on line 18 by $409,000,000.

On page 23, decrease the amount on line 19 by $411,000,000.

On page 24, decrease the amount on line 2 by $20,000,000.

On page 24, decrease the amount on line 3 by $20,000,000.

On page 26, increase the amount on line 3 by $163,000,000.

On page 26, increase the amount on line 4 by $163,000,000.

On page 26, increase the amount on line 12 by $138,000,000.

On page 26, increase the amount on line 13 by $138,000,000.

On page 26, increase the amount on line 21 by $101,000,000.

On page 26, increase the amount on line 22 by $101,000,000.

On page 29, increase the amount on line 24 by $252,000,000.

On page 29, increase the amount on line 25 by $252,000,000.

On page 29, increase the amount on line 28 by $275,000,000.

On page 29, increase the amount on line 26 by $275,000,000.

On page 30, increase the amount on line 1 by $280,000,000.

On page 30, increase the amount on line 2 by $280,000,000.

On page 33, decrease the amount on line 13 by $4,063,000,000.

On page 33, decrease the first amount on line 14 by $6,242,000,000.

On page 33, decrease the second amount on line 14 by $8,408,000,000.

On page 35, increase the amount on line 11 by $159,000,000.

On page 35, increase the amount on line 12 by $46,000,000.

On page 35, decrease the first amount on line 13 by $501,000,000.

On page 35, decrease the second amount on line 13 by $566,000,000.

On page 35, decrease the amount on line 14 by $1,025,000,000.

On page 35, decrease the amount on line 15 by $1,171,000,000.

On page 36, increase the amount on line 20 by $252,000,000.

On page 36, increase the amount on line 21 by $252,000,000.

On page 36, increase the first amount on line 22 by $275,000,000.

On page 36, increase the second amount on line 22 by $275,000,000.

On page 36, increase the amount on line 23 by $280,000,000.

On page 36, increase the amount on line 24 by $280,000,000.

On page 42, increase the amount on line 15 by $159,000,000.

On page 42, increase the amount on line 16 by $46,000,000.

On page 42, decrease the first amount on line 17 by $501,000,000.

On page 42, decrease the second amount on line 17 by $566,000,000.

On page 42, decrease the amount on line 18 by $1,025,000,000.

On page 42, decrease the amount on line 19 by $1,171,000,000.

On page 44, decrease the amount on line 6 by $4,063,000,000.

On page 44, decrease the first amount on line 7 by $6,242,000,000.

On page 44, decrease the second amount on line 7 by $8,408,000,000.

On page 44, after line 21, insert the following:

SENSE OF THE CONGRESS

Sec. 4. It is the sense of the Congress that $4,343,000,000 of the spending (outlay) reductions in fiscal year 1987 assumed in this concurrent resolution should be achieved through program terminations and significant program reductions, as proposed by the President's budget request for fiscal year 1987, affecting the following programs: Export-Import Bank direct loans; OPIC insurance programs; advanced communications technology satellite; Rural Electrification Administration subsidies; weatherization assistance programs; EPA sewage treatment grants; soil conservation programs; LANDSAT; sea grant and coastal zone management; Department of Agriculture extension service; temporary emergency food and shelter; Federal crop insurance program; trade adjustment assistance to firms; U.S. Travel and Tourism Administration; postal subsidy; rural housing loans; Small Business Administration; Section 202 housing; Amtrak; Interstate Commerce Commission; Washington Metro; Maritime Cargo Preferece Expansion; Appalachian Regional Commission; Economic Development Administration; Urban Development Action Grants; rental housing development grant (HODAG-RRG); Section 312 rehabilitation loan fund; Section 108 loan guarantee program; Rural development program; SBA disaster loans; Community service block grant; Impact aid (Part B); Library programs; Small higher education programs; State student incentive grants; College housing loans; Public health service (health profession subsidies); FEMA supplemental food and shelter; Section 8 moderate rehabilitation; Rural housing grants; Legal Services Corporation; Justice grants; Public debt reimbursement to Federal Reserve Banks.

SENSE OF THE CONGRESS

Sec. 4. Termination and Reduction of Program.—It is sense of the Congress that $4,343,000,000 of the spending (outlay) reductions in fiscal year 1987 assumed in this concurrent resolution should be achieved through program terminations and significant program reductions in 43 areas, as proposed by the President's budget request for fiscal year 1987, affecting the following programs: Export-Import Bank direct loans; OPIC insurance programs; advanced communications technology satellite; Rural Electrification Administration subsidies; weatherization assistance programs; EPA sewage treatment grants; soil conservation programs; LANDSAT; sea grant and coastal zone management; Department of Agriculture extension service; temporary emergency food and shelter; Federal crop insurance program; trade adjustment assistance to firms; U.S. Travel and Tourism Administration; postal subsidy; rural housing loans; Small Business Administration; Section 202 housing; Amtrak; Interstate Commerce Commission; Washington Metro; Maritime Cargo Preference Expansion; Appalachian Regional Commission; Economic Development Administration; Urban Development Action Grants; rental housing development grants (HODAG-RRG); Section 312 rehabilitation loan fund; Section 108 loan guarantee program; Rural development program; SBA disaster loans; Community service block grant; Impact aid (Part B); Library programs; Small higher education programs; State student incentive grants; College housing loans; Public health service (health profession subsidies); FEMA supplemental food and shelter; Section 8 moderate rehabilitation; Rural housing grants; Legal Services Corporation; Justice grants; Public debt reimbursement to Federal Reserve Banks.

Mr. DOMENICI. Mr. President, I have discussed the pending amendment with the leader's office. I am going to give the Senate a rough estimate that we shall not start the vote on this amendment for something like 25 or 30 minutes. As soon as I have word from the leader, then I shall inform the Senate that there are a few minutes left and we shall proceed to move the amendment toward a Senate vote.

If Senators are wondering what might happen after that, there are a number of Members who have indicated their intention to other amendments. We are trying to find a Senator——

The PRESIDING OFFICER. The time on the amendment has expired.

Mr. DOMENICI. Mr. President, I yield myself whatever time is necessary off the resolution.

The PRESIDING OFFICER. The Senator has that right.

Mr. DOMENICI. I thank the Chair. Let me continue that discussion.

Senators are wondering what will happen after the vote on the pending amendment. It is my hope that we can get an amendment, where the Members involved will agree to reduce the time limit to less than the 2 hours allowed. We would not take a full hour in opposition—so that we might have one additional vote before the 3:30 time the leader has set. This proposal might clearly change the leader's plans for the remainder of the day.

I will conclude by saying as I have for well over an hour, today that the propose of this amendment is to help us understand what the terminations the President has proposed mean in terms of fiscal policy, and the extent to which they will move us toward the Gramm-Rudman-Hollings mandatory target of $144 billion for 1987 and the outyears. This amendment does, in my opinion, serve a useful purpose. I repeat that I have been trying to get those who have amendments and have concrete ideas, either because they are partially or totally in opposition to the pending budget resolution, to offer them, to come to the floor and suggest them and seriously debate them.

ELIMINATE 44 FEDERAL PROGRAMS

Mr. LEAHY. Mr. President, I rise today to oppose an amendment to the Senate budget resolution which would eliminate the 44 programs the President recommended for termination in his budget proposal.

Mr. President, I ask unanimous consent that a list of these programs appear at this point in the Record.

Let me mention just a few of the programs slated for elimination by this amendment. The General Revenue Sharing Program would be eliminated, despite the fact that this important means of Federal-local cooperation helps towns and cities in my State of Vermont provide essential services without raising already high property taxes.

The Work Incentive Program [WIN] would be canceled. Yet, WIN is the only Federal program with the specific charge of removing Americans from welfare rolls and placing them in jobs. WIN has been especially important in helping single parents on welfare find employment and a means of support for their children. Not only is WIN well-intentioned, but it works and it works in Vermont, where our WIN Program was rated first in the Nation.

Federal support for libraries would also end as a result of this amendment. I cannot think of a greater threat to an enlightened America or an informed electorate than ending support for libraries—very often the center of knowledge and information in rural communities.

Passage of this amendment would also mean the end of passenger rail service in Vermont. Since 1979, I have fought to maintain and strengthen Amtrak's Montrealer service to Vermont. This amendment would not only put an end to the Montrealer; it would eliminate Federal support for Amtrak.

These are just a few examples of the ill effects of the proposed amendment eliminating 44 Federal programs.

But, what is worse—what is more compelling—is the fact that canceling these programs would only save $4 billion. There is no doubt that $4 billion is a great deal of money, but there are far more sensible and less painless ways of raising those funds than cutting important programs wholesale.

Earlier this year, the General Accounting Office reported to me that more than $7.5 billion could be saved in the Pentagon budget simply by correcting incorrect inflation assumptions in major defense contracts. That is, GAO found $7.5 billion in padding and waste in defense contracts.

It is beyond me, how the administration could ask us to gut programs that help people—that help people in Vermont—to reduce the deficit by $4 billion, when almost twice that much can be saved by teaching Pentagon accountants to add.

For this reason, Mr. President, I urge my colleagues to defeat this amendment soundly.

There being no objection, the list was ordered to be printed in the Record, as follows:

Programs To Be Terminated

Work incentive program (WIN).
General revenue sharing.
Conrail.
Trade adjustment assistance to firms.
Appalachian Regional Commission.
Economic Development Administration.
Urban development action grants.
U.S. Travel and Tourism Administration.
Export-Import Bank direct loans.
Community services block grant.
Rental housing development action grant (HODAG).
Section 312 rehabilitation loan fund.
Postal Subsidy.
FEMA supplemental emergency food and shelter.
Advanced communications technology satellite.
OPIC insurance programs.
Amtrak.
Interstate Commerce Commission (terminations and transfers).
Washington Metro construction grants.
Maritime cargo preference expansion.
EPA sewage treatment grants.
Impact aid (type "b" students).
Library programs.
Small higher education programs.
State student incentive grants.
College housing loans (new loans).
Public Health Service (health profession subsidies).
Legal Services Corporation.
Certain soil conservation programs.
Federal crop insurance program.
Rural housing loans/grants.
Small Business Administration (eliminations and transfers).
Rental rehabilitation grants.
Section 8 moderate rehabilitation.
Section 202 elderly and handicapped housing.
Section 108 loan guarantee program.
Rural development program.
Rural Electrification Administration subsidies.
Weatherization assistance program.
LANDSAT (eliminate future subsidies for contractors).
Sea grant and coastal zone management grant programs.
Juvenile justice grants.
Justice State-local assistance grants.
Public debt reimbursements to Federal Reserve Banks.

Mr. DOMENICI. Mr. President, unless the distinguished Senator from Florida has something to say, I suggest the absence of a quorum and ask unanimous consent that it be charged equally to both sides.

The PRESIDING OFFICER. Without objection, it is so ordered.

The clerk will call the roll.

The bill clerk proceeded to call the roll.

Mr. DOMENICI. Mr. President, I ask unanimous consent that the clerk dispense with further reading of the roll.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. DOMENICI. Mr. President, parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state it.

Mr. DOMENICI. Has all time expired on the amendment, as modified?

The PRESIDING OFFICER. All the time has expired on the amendment, as modified.

Mr. DOMENICI. Mr. President, I ask for the yeas and nays on the pending amendment.

The PRESIDING OFFICER. Is there a sufficient second? There is a sufficient second.

The yeas and nays were ordered.

The PRESIDING OFFICER. The question is on agreeing to the amendment offered by the Senator from New Mexico and the Senator from Florida. The yeas and nays have been ordered. The clerk will call the roll.

The assistant legislative clerk called the roll.

Mr. SIMPSON. I announce that the Senator from Arizona [Mr. Goldwater], and the Senator from Florida [Mrs. Hawkins], are necessarily absent.

Mr. CRANSTON. I announce that the Senator from Iowa [Mr. Harkin] is necessarily absent.

I further announce that, if present and voting, the Senator from Iowa [Mr. Harkin] would vote "nay".

The PRESIDING OFFICER (Mr. Pressler). Are there any other Senators in the Chamber who desire to vote?

The result was announced—yeas 14, nays 83, as follows:

[Rollcall Vote No. 76 Leg.]

YEAS—14

Armstrong
East
Garn
Gramm
Hatch
Hecht
Helms
Humphrey
Laxalt
McClure
Proxmire
Rudman
Symms
Wallop

NAYS—83

Abdnor
Andrews
Baucus
Bentsen
Biden
Bingaman
Boren
Boschwitz
Bradley
Bumpers
Burdick
Byrd
Chafee
Chiles
Cochran
Cohen
Cranston
D'Amato
Danforth
DeConcini
Denton
Dixon
Dodd
Dole
Domenici
Durenberger
Eagleton
Evans
Exon
Ford
Glenn
Gore
Gorton
Grassley
Hart
Hatfield
Heflin
Heinz
Hollings
Inouye
Johnston
Kassebaum
Kasten
Kennedy
Kerry
Lautenberg
Leahy
Levin
Long
Lugar
Mathias
Matsunaga
Mattingly
McConnell
Melcher
Metzenbaum
Mitchell
Moynihan
Murkowski
Nickles
Nunn
Packwood
Pell
Pressler
Pryor
Quayle
Riegle
Rockefeller
Roth
Sarbanes
Sasser
Simon
Simpson
Specter
Stafford
Stennis
Stevens
Thurmond
Trible
Warner
Weicker
Wilson
Zorinsky

NOT VOTING—3

Goldwater
Harkin
Hawkins

So the amendment (No. 1797), as modified, was rejected.

Mr. DOMENICI. Mr. President, I move to reconsider the vote by which the amendment was rejected.

Mr. CHILES. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. DOMENICI. Mr. President, I understand that Senator Andrews has an amendment.

Mr. ANDREWS. That is correct.

The PRESIDING OFFICER. The Senator from North Dakota.

AMENDMENT NO. 1798

(Purpose: To add additional funds for education programs and to offset the increased outlays with increased revenues)

Mr. ANDREWS. Mr. President, I have an amendment at the desk and I ask for its immediate consideration.

The PRESIDING OFFICER. The clerk will report.

The assistant legislative clerk read as follows:

The Senator from North Dakota [Mr. Andrews], for himself, Mr. Hollings, Mr. Stafford, Mr. Lautenberg, Mr. Weicker, Mr. Bradley, Mr. D'Amato, Mr. Dodd, Mr. Specter, Mr. Moynihan, Mr. Pressler, Mr. Pell, Mr. Mathias, Mr. Melcher, Mr. Danforth, Mr. Kerry, Mr. Mitchell, Mr. Simon, Mr. Matsunaga, Mr. Burdick, Mr. Levin, Mr. Kennedy, Mr. Leahy, Mr. Sarbanes, Mr. Rockefeller, Mr. Ford, Mr. Metzenbaum, Mr. Inouye, Mr. Boren, Mr. Bingaman, Mr. Durenberger, Mr. Riegle, Mr. Bumpers, Mr. Pryor, and Mr. Byrd proposes an amendment numbered 1798.

Mr. ANDREWS. Mr. President, I ask unanimous consent that further reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment reads as follows:

On page 2, increase the amount on line 3 by $300,000,000.

On page 2, increase the amount on line 4 by $1,100,000,000.

On page 2, increase the amount on line 5 by $1,500,000,000.

On page 2, increase the amount on line 8 by $300,000,000.

On page 2, increase the amount on line 9 by $1,100,000,000.

On page 2, increase the amount on line 10 by $1,500,000,000.

On page 2, increase the amount on line 19 by $1,200,000,000.

On page 2, increase the amount on line 20 by $1,500,000,000.

On page 2, increase the amount on line 21 by $1,500,000,000.

On page 2, increase the amount on line 24 by $300,000,000.

On page 2, increase the amount on line 25 by $1,100,000,000.

On page 3, increase the amount on line 1 by $1,500,000,000.

On page 5, increase the amount on line 5 by $300,000,000.

On page 5, increase the amount on line 6 by $1,100,000,000.

On page 5, increase the amount on line 7 by $1,500,000,000.

On page 5, increase the amount on line 10 by $1,200,000,000.

On page 5, increase the amount on line 11 by $1,500,000,000.

On page 5, increase the amount on line 12 by $1,500,000,000.

On page 5, increase the amount on line 15 by $300,000,000.

On page 5, increase the amount on line 16 by $1,100,000,000.

On page 5, increase the amount on line 17 by $1,500,000,000.

On page 16, increase the amount on line 13 by $1,200,000,000.

On page 16, increase the amount on line 14 by $300,000,000.

On page 16, increase the amount on line 22 by $1,500,000,000.

On page 16, increase the amount on line 23 by $1,100,000,000.

On page 17, increase the amount on line 6 by $1,500,000,000.

On page 17, increase the amount on line 7 by $1,500,000,000.

On page 33, increase the amount on line 13 by $300,000,000.

On page 33, increase the first amount on line 14 by $1,100,000,000.

On page 33, increase the second amount on line 14 by $1,500,000,000.

On page 44, increase the amount on line 6 by $300,000,000.

On page 44, increase the first amount on line 7 by $1,100,000,000.

On page 44, increase the second amount on line 7 by $1,500,000,000.

Mr. BYRD. Mr. President, will the distinguished Senator from North Dakota yield?

Mr. ANDREWS. I am more than happy to yield to the distinguished Democratic leader.

Mr. BYRD. I thank the distinguished Senator.

If I may direct my inquiry to the distinguished majority leader, I use this time to indicate to the distinguished majority leader that I would like to have given him a little notice but I did not know, in this instance, because I thought we ought to have the inquiry while we have pretty good attendance on the floor.

Could the distinguished majority leader indicate what the outlook is for the rest of the day with respect to rollcalls—and many of us already know that, as the majority leader has already told us—but, more importantly, what is the outlook for tomorrow as to rollcalls and with respect to Friday, and may I say especially with regard to Friday?

The distinguished majority leader has indicated, I believe, maybe for the Record, certainly with me, that we might be out Friday if we could charge some time off the budget resolution to compensate for the time we could be out. Would the majority leader be in a position now to elaborate?

Mr. ANDREWS. Mr. President, in yielding to the distinguished Democratic leader, let me, before the majority leader responds, point out that it was my intention momentarily to ask unanimous consent—and I have the consent of Senator Hollings, the principal sponsor on the Democratic side—that the vote on this amendment occur at 3:30, which is, as I understand it, by agreement, the moment that a vote should occur.

So I will propound that unanimous-consent request or I would ask the Democratic and Republican leaders to entertain that kind of unanimous-consent request.

Mr. BYRD. Mr. President, I thank the Senator.

Mr. DOLE. Mr. President, we will have this vote yet today on this bill, and we are going to recess at 4 o'clock by a previous unanimous-consent agreement. Tomorrow, we will come in at 10 o'clock and hope to be on the bill by 10:30 and hope to dispose of some other amendments. We have not reached any agreement on when we might complete voting on tomorrow.

But, if we can work out a substantial agreement on time on Friday, I think I have the consent of the managers to charge that off and not be in session on Friday.

Mr. BYRD. Will the distinguished majority leader and others, especially the managers of the resolution, perhaps put the request at this time or at least make a clear position known that on Friday the Senate will not be in session and that, say, 8 hours would be counted against the measure, which is probably more than would actually be consumed if the Senate were to be in session? Then all Senators would know there would be no session on Friday.

Mr. DOMENICI. Will the majority leader permit me to make an observation?

Mr. DOLE. Yes.

Mr. DOMENICI. Mr. President, I think 10 hours might be more appropriate. I might say to the distinguished minority leader that actually we cannot get anymore to bring amendments down here. Senator Andrews has brought his up, but we have asked five other Senators who have amendments that we have known about if they could come in this afternoon, perhaps using less time than the distinguished Senator from North Dakota—Senator Andrews has what he considers to be a very important amendment—and we could not get anybody to do that. If we could get credit for 10 hours, people might begin to look at the fact that there are 8 or 10 or 12 amendments left and that maybe they should start offering them. So I would urge we take 10 hours off.

Mr. DOLE. Mr. President, I ask unanimous consent that once the Senate completes its business on Thursday, April 24, it stand in adjournment until 12 noon on Monday, April 28, and that 10 additional hours be considered as having been used on the budget resolution.

Several Senators addressed the Chair.

The PRESIDING OFFICER. The Senator from Arkansas.

Mr. BUMPERS. Mr. President, reserving the right to object, I have an inquiry. How much time will be remaining if this consent agreement is agreed to?

Mr. DOLE. Thirty-some hours. But let me get it from the Parliamentarian.

The PRESIDING OFFICER. At present, there are 39 hours and 36 minutes remaining.

Mr. BUMPERS. Could the Parliamentarian give us some idea—or I guess the majority leader would have to do it—counting the time we anticipate staying in today and tomorrow, and adding the 10 hours on Friday, approximately how much time would be left on the bill?

Mr. DOLE. Twenty hours or more. It would be 1½ today, and that gets us down to 38, and tomorrow we might consume 6 or 8 hours. That is 30, and 10 is 20.

Mr. BUMPERS. I will defer to the minority leader on this, but I hope that in the request, instead of asking that 10 hours be charged against the bill on Friday, that we simply agree that starting at noon on Monday, if that is when we are going to come in, according to this request, that there be 20 hours remaining at that point.

Mr. METZENBAUM. At least.

Mr. HOLLINGS. Reserving the right to object, I am as anxious about Monday as some others are about Friday. Does this change the Monday schedule? I am not trying to ham up the agreement for Friday, but I do not want all of a sudden to find myself in the briar patch on Monday.

Mr. DOLE. On Monday, the agreement is there are no votes after 6. There will not be any votes after 6.

Mr. HOLLINGS. There could be votes before 6?

Mr. DOLE. Yes.

Mr. HOLLINGS. I thought we westerners had to come back before 6. Then, for the moment, Mr. President, I object.

The PRESIDING OFFICER. Objection is heard.

Mr. BYRD. Mr. President, I thank the distinguished Senator for yielding.

Mr. ANDREWS. Mr. President, I am glad to yield to the Democratic leader.

Mr. President, I now propound my unanimous-consent request that the vote on this amendment occur at 3:30 p.m.

Mr. DOMENICI. Mr. President, reserving the right to object, I believe it would be more appropriate or more acceptable to the Senator from New Mexico if you were to add to that, "and the time be equally divided."

Mr. ANDREWS. I would add to that, "and the time to be equally divided between Senators on the majority and minority side, to be controlled by myself and the Senator from South Carolina, Senator Hollings."

The PRESIDING OFFICER. Is there objection?

Mr. DOMENICI. Mr. President, reserving the right to object, that is controlled by those in favor and those opposed, not the majority and minority.

Mr. ANDREWS. Mr. President, my apologies. I would suggest that the time be controlled by the Senator from North Dakota and the Senator from New Mexico.

The PRESIDING OFFICER. Is there objection?

Mr. DOMENICI. Reserving the right to object. The Senator would not object to adding that "all provisions of the Budget Act regarding floor consideration of amendments shall remain in full force and effect"?

Mr. ANDREWS. That is right.

Mr. DOMENICI. I thank the distinguished Senator.

The PRESIDING OFFICER. Is there objection? The Chair hears none.

Mr. ANDREWS. Mr. President, I am pleased to offer an amendment for myself and Senators Hollings, Stafford, Lautenberg, Weicker, Bradley, D'Amato, Dodd, Specter, Moynihan, Pressler, Pell, Mathias, Melcher, Danforth, Kerry, Mitchell, Simon, Matsunaga, Burdick, Levin, Kennedy, Leahy, Sarbanes, Rockefeller, Ford, Metzenbaum, Inouye, Boren, Bingaman, Durenberger, and Mr. Abdnor and we seem to have additions coming in.

Let me point out that our amendment represents a concerted bipartisan effort to restore Federal funding for education programs under function 500. During my career in Congress, Mr. President, I repeatedly expressed my conviction——

The PRESIDING OFFICER. The Senate will be in order. Will Senators suspend? Will all conversations in the rear of the room move into the cloakroom? The Senate will be in order.

The Senator from North Dakota.

Mr. ANDREWS. I have repeatedly expressed my conviction, Mr. President, that some Federal programs are investments—investments for both individuals and nations as a whole, investments in our todays and all of our Nation's tomorrows.

Mr. President, the diminishing importance of education as an issue of national priority now threatens the ability of our public schools to continue to do the job that must be done to thoroughly and effectively educate our Nation's young people. The fact is the States simply cannot do this critically important job on their own. In my own State, times are tough. The Midwest must contend with an ailing farm economy, and in North Dakota there are problems with our oil industry as well. Add that to a high rate of unemployment, and it is a small wonder, Mr. President, that States' coffers are depleted. Despite the claims of economic health and stability, financial resources on which to draw the Federal dollar remains a necessary and a critical component for many States and public school systems.

Mr. DOLE. Will the Senator from North Dakota yield for an announcement?

Mr. ANDREWS. I am happy to yield to the majority leader.

Mr. DOLE. I want to remind my colleagues. At 2:30 p.m. in S-207 Secretary Shultz will be there to talk about a wide range of topics including Libya, the economic summit, Saudi arms sales, and other things. He will be there at 2:30.

I thank the Senator.

Mr. ANDREWS. I appreciate the majority leader's pointing that out, and I yield to my colleague, my good friend and cosponsor of this legislation, the Senator from South Carolina.

Mr. HOLLINGS. I thank my distinguished colleague from North Dakota.

I ask unanimous consent to add as cosponsors Senators Riegle, Bumpers, and Pryor.

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The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. HOLLINGS. Mr. President, in 1983, the National Commission on Excellence in Education, which was chartered by then Secretary of Education Bell in 1981, released a report titled "A Nation at Risk: The Imperative for Educational Reform." The report stated:

> If an unfriendly foreign power had attempted to impose on America the mediocre educational performance that exists today, we might well have viewed it as an act of war.

Since that time, claiming to support a strong education system has become the latest fad. Unfortunately, as with most fads, such support appears to be all flash, and little substance. The current administration has done nothing to combat this threat, and, in fact, has exacerbated the problem by refusing to commit to excellence in education.

Since the release of "A Nation at Risk," 10 other reports which censure our Nation's educational system have been released. While all these reports set forth different ways in which to reform the educational system, they all agree that the system is in dire need of such reform.

Incredibly enough, the response of the current administration to this plethora of demands to reform and strengthen the educational system has been to decrease the amount of available funding. Federal funding for education has increased in dollar amount, Mr. President, but, when adjusted for inflation, it has declined by about 16 percent since fiscal year 1980. Federal funds have also decreased as a percentage of the total national expenditure for education. Federal expenditures now represent 7 percent, or less, of the total spent on education. More to the point, education has dropped from 2.3 percent of the Federal budget in fiscal year 1980 to only 1.6 percent in fiscal year 1986.

What are the consequences of this declining commitment to education? Well, when a significant portion of the funds for specific programs comes from the Federal Government and that Federal assistance is substantially reduced, the results are devastating. For example, after the 1981 budget cuts, 700,000 students were dropped from the Chapter 1—compensatory education for the disadvantaged—Program—which now only serves 40 percent of those eligible, and nearly 3 million children were dropped from the School-Lunch Program. The results are particularly tragic in light of a national high school drop-out rate that has recently increased to 27 percent, and a child poverty rate that has escalated from 16 percent in 1979 to a current rate of 22 percent.

It is good common sense to utilize our Nation's most valuable asset—her people. Investment in the human infrastructure is the most cost-effective method for ensuring increased domestic prosperity, social welfare, and international leadership. Education is the fundamental source of our economic prosperity, our national security, and our sense of national community. The knowledge created and transmitted by educational institutions is the key to our economic and military strength in an increasingly competitive world.

Education is essential for maintaining our tradition of democracy and individual freedom. Thomas Jefferson eloquently stated the importance of education in a democracy when he said:

> I know no safe depository of the ultimate powers of the society but the people themselves; and if we think them not enlightened enough to exercise their control with a wholesome discretion, the remedy is not to take it from them but to inform their discretion.

We simply cannot afford to allow education to become the preserve of a privileged few. The United Negro College Fund has a slogan that states "A mind is a terrible thing to waste." We in the Senate have a responsibility to assure that no minds go to waste in this country. A real and tangible commitment to the expansion of the human mind is, perhaps, the single most important legacy we can bequeath our children.

In an effort to discharge this responsibility, Senator ANDREWS and I have put together an amendment which would add $1.2 billion in budget authority to the education portion of Senate Concurrent Resolution 120—the Domenici-Chiles budget resolution. As I have said many times before, we cannot increase the economic level of any until we increase the educational level of all. Specifically, our amendment provides for current services for all education programs. Current services equal the fiscal year 1986 appropriation—the presequestration amount—plus inflation, figured at 5.7 percent.

Because the budget resolution contains $400 million in increases for priority programs such as title 1, handicapped education, and Pell grants, the percentage increase for these programs in the Andrews-Hollings amendment is less than for other education programs. Similarly, because the budget resolution assumes a $100 million cut in the Chapter 2 Block Grant Program, the percentage increase for this program is more than for other education programs.

Mr. President, I urge my colleagues to join me in supporting this amendment. The education challenge has not even begun to be met. Inadequate funding at this point would only serve to undermine the very foundations of our educational system in this country. I do not think that anyone wants to pay that price. So please give us your earnest here. This is a very serious amendment. It should not be opposed by the leaders of the bill. It frankly ought to be accepted in the context that we have shown the discipline—we have complied with Gramm-Rudman-Hollings—we provided for the revenues, and it is only a modest amount to try to help keep pace in the programs.

Our amendment adds funding to the first concurrent budget resolution for several important programs including title 1, handicapped education vocational and adult education, chapter 2 block grants, impact aid, Bilingual Education, and the Math and Science Program.

TITLE 1, AID TO DISADVANTAGED CHILDREN

Enacted in 1965 to provide financial assistance to school districts with concentrations of children from low-income families, its focus has been to provide compensatory educational programs that address the special needs of educationally deprived children—primarily for instructional services in reading, math and language arts. The national assessment of education progress data show that the reading scores of disadvantaged students rose dramatically between 1970 and 1984, and these gains are largely attributable to title 1. The shortcoming of the program is, while it serves about 4.8 million children, it is available to less than half of the students who are eligible for its valuable service. And, adjusting for inflation, the estimated constant dollar funding level for title 1 has fallen by 24 percent between fiscal year 1980 and fiscal year 1986.

The Andrews-Hollings amendment will provide an additional $219 million for title 1 and restore 328,000 students to the program over the amount in Domenici-Chiles.

HANDICAPPED EDUCATION

The Education of the Handicapped Act was established for the purpose of awarding grants to States to assist them in providing a free and appropriate education to all handicapped children. This program represents the basic vehicle through which the Federal Government maintains a partnership with the States and localities to end the educational neglect of handicapped children. Although Federal appropriations for this program have increased steadily since 1975, the Federal share of the excess costs peaked at 12.5 percent in 1979 and currently represents 9 percent, well below the authorized level of 40 percent.

State and local districts simply cannot afford the extra financial burden of carrying out the congressional mandate of providing free public education in as normal a setting as possible for every handicapped child. We must live up to our obligation and provide the funding necessary

to assist the state in this important endeavor. Our amendment would provide an additional $83 million for handicapped education over the level provided in the budget resolution. An increase in funding for the Education of the Handicapped Program would result in an increase in the overall Federal contribution for the excess costs of educating a handicapped child.

VOCATIONAL EDUCATION

Vocational education programs provide education, training, and basic instruction needed by persons to successfully compete and advance in the labor market. Vocational education bridges schools and the workplace and provides alternative learning for thousands of youths, who without such an option, would become dropouts from school.

Since 1980 enrollments in vocational education have risen from 16.8 million to 19.5 million secondary, post-secondary and adult students. Despite this significant increase in enrollments, Federal dollars for vocational education have declined by 28 percent since 1980 when adjusted for inflation.

The Andrews-Hollings amendment would add $85.4 million to the budget resolution for vocational education. Without this increase, vocational education improvements will be reduced and training and retraining for adults will be cut back. In addition, services for disadvantaged and handicapped students will be reduced.

CHAPTER 2 STATE BLOCK GRANTS

Chapter 2 block grants provide funding to State and local education agencies for a wide variety of educational improvement purposes from special programs for the gifted to career education and teacher education. Enacted in 1981, this program replaced 28 categorical programs previously funded at $743 million. In addition, enactment of this consolidation under the severely reduced funding level has meant competition among diverse previously funded programs for shrinking funds.

For example, local education agencies now find themselves choosing between funds for library materials or desegregation assistance. Our recommendation of $171 million would reverse the funding decline these activities have experienced since fiscal year 1980. It would provide States and localities with additional financial flexibility to adjust elementary and secondary education programs to the changing educational needs of our society, and to develop and expand programs ensuring that students have the basic minimal skills needed to be educated citizens in our society. Funds may also be used to purchase and utilize modern instructional equipment, including microcomputers, or to encourage and enhance the process of school desegregation. This amount would also provide more funds to the Secretary of Education to invest in education programs of national priority—programs which would identify areas in education where deficiencies exist and where national leadership could avert future crises in our educational system.

IMPACT AID—PUBLIC LAW 81-874—PUBLIC LAW 81-815

Public Law 81-874, impact aid is a current year funded reimbursement law which makes payments directly to local public school districts which educate military, Indian and poverty children. These children have parents who are exempt from one or more of the revenue generating taxes due to their Federal involvement.

The concept was first passed in 1950 as an in-lieu-of taxes law and only makes payment where there is an actual presence of federally connected youngsters.

In 1980, the law was funded at $702 million or almost 75 percent of the actual amount needed to fully fund the concept. In 1980 it served 4,300 school districts or about 2.5 million children.

In 1986, the law was funded at $663 million or about 53 percent of its actual need. In 1986 the number of districts had been reduced to 3,000 serving a little under 2 million youngsters.

Insufficient funding has forced payments to some categories for some districts as low as 10 percent of their entitlement. A regular A payment may be as little as $450 per child with regular B payments as low as $25 each.

If the Andrews-Hollings amendment is passed, the law would be funded at 60 percent of its actual need and the additional revenue would make a significant increase in the per-pupil payments in both regular categories.

Additionally, there would be enough to restore the devastating cuts to the 815 companion law for school construction to serve federally connected children.

HIGHER EDUCATION

PELL GRANT PROGRAM

The largest need-based Federal postsecondary student aid program administered by the Department of Education is the Pell Grant Program. The program's purpose is to assist students from low-income families to gain access to postsecondary education. Eligibility for a Pell grant is determined by a federally established need analysis system implemented through the family contribution schedule, and once the student's eligibility is determined, grants are provided directly to undergraduate students based on their financial need.

The buying power of the Pell grant for needy students has declined drastically since fiscal year 1980. In fiscal year 1980, the $1,750 maximum award represented 40 percent of the average cost of attendance at all institutions—although only 25 percent of the cost of students attending independent institutions. In fiscal year 1986 the maximum award grew to $2,100 and unless that level is maintained for fiscal year 1987 it will meet only 34 percent of the average cost of attendance at public institutions—and only 17 percent of the average cost for students at independent institutions. Students from needy backgrounds will find it increasingly difficult to attend college.

Our amendment will continue to ensure that Pell eligible students receive financial support to continue their undergraduate studies. Our amendment will serve an additional 442,800 students over the current March 1, 1986, level of 2,881,000 students.

TRIO PROGRAMS

The special programs for students from disadvantaged backgrounds are comprised of five programs—Talent Search, Upward Bound, Special Services for Disadvantaged Students, Educational Opportunity Centers, and Staff Development Activities. These programs provide important outreach, counseling, and tutorial services as supportive services to low income, first generation, and physically handicapped students. These supportive services are utilized as a mechanism to encourage attendance and retention and to improve academic performance of low income, first generation college students, whose parents were not afforded the opportunity to pursue a postsecondary education. Through the Trio programs, low-income students are provided with a realistic opportunity to escape the cycles of poverty and dependence and to achieve the upward mobility afforded by access to higher education. Studies have shown that participants in the TRIO programs are more than twice as likely to stay in school as other disadvantaged college students who did not have the benefit of these services. And, Upward Bound students are four times as likely to graduate from college as similar students not in Upward Bound.

The TRIO programs have lost over 100,000 students since fiscal year 1980. The Andrews-Hollings amendment will provide $17 million in additional funds to ensure that these low-income students continue to receive the essential services they so desperately need to enter postsecondary education. An additional 43,500 students will be added to the current level of 486,866 students who are currently being served through the TRIO programs.

SUPPLEMENTAL EDUCATIONAL OPPORTUNITY GRANT

The Supplemental Educational Opportunity Grant [SEOG] Program provides education grant assistance for undergraduate students who demonstrate substantial financial need. Grant awards are made to students

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through the postsecondary institution that the student plans to attend. Awards for SEOG students may range from $200 to $2,000. The amount of the award is determined by the school that the student attends. Better than 72.4 percent of the SEOG funds are awarded to students with family incomes of less than $30,000 per year. This program's effectiveness also has been substantially eroded in the past 6 years.

By the addition of $40 million, our amendment will increase the number of SEOG recipients by an additional 71,818 to the current level of 718,000 participants.

STATE STUDENT INCENTIVE GRANTS

The State Student Incentive Grant Program is a Federal-State cost sharing partnership to encourage the development and expansion of need-based grant programs, and State scholarship aid programs for postsecondary students with substantial financial need. To participate in the program, States are required to match each Federal SSIG dollar with another dollar from non-Federal sources.

The Andrews-Hollings amendment would provide access for an additional 21,600 students over the current level of 292,000 students who are eligible to receive State Student Incentive Grants.

COLLEGE WORK STUDY [CWS]

The College Work Study Program finances part-time employment for undergraduate, graduate, and professional students who are attending eligible institutions of postsecondary education and who need those earnings from employment to attend college. Federal grants pay up to 80 percent of the student's wages; the remaining 20 percent is paid by the institution, which may pay its share directly to the student in tuition, room and board, and books. Not only does the program help students meet their college expenses, but participants also receive training and experience in their selected course of study through their part-time jobs. Still other students are employed under the program to support various campus services and activities that the institutions might not otherwise be able to provide.

Our amendment will increase the 772,727 participants—current level—by an additional 77,318 participants as a means of ensuring that the students with the greatest financial need will be able to meet their college expenses through a program of training and experience through part time employment opportunities.

NATIONAL DIRECT STUDENT LOAN [NDSL]

The National Direct Students Loan Program provides educational loans to undergraduate, graduate, and professional students on the basis of need. By providing long-term, low interest loans to needy students, the NDSL Program has offered a system of credit to those persons who have difficulty securing loans from commercial lenders. Revolving funds have developed at colleges through prior and current year loan repayments. The federal capital contribution permits institutions that have not yet achieved revolving fund status to make new awards.

Our recommendation of $18 million to this amendment will add an additional 22,750 participants to the current level of 227,273 participants in the NDSL Program.

I ask unanimous consent that the following tables indicating what has happened to education funding since fiscal year 1980 be printed in the RECORD.

There being no objection, the tables were ordered to be printed in the RECORD, as follows:

Education funding levels, fiscal year 1980-87

	Billion
1980	$14.4
1981	14.8
1982	14.7
1983	15.4
1984	15.4
1985	17.9
1986	18.4
1986—Mar. 1, 1986	17.7
1987—Domenici-Chiles	17.8
1987—Andrews-Hollings	19.0

Funding reductions in certain education programs

[In constant dollars: 1980-86]	Percent
Vocational education	−28.0
Chapter 1, compensatory education	−23.9
Chapter 2, block grant	−56.4
Bilingual education	−44.7
Impact aid	−38.2
Education of handicapped	−7.8
Adult education	−32.4
Pell grants	+38.5
Supplemental educational opportunity grant	−26.1
College work study	−28.5
National direct student loans	−51.9
Guaranteed student loans	+36.0
Institutional aid	−14.9
Educational research and statistics	−52.7
Aid to public libraries	+18.4

Source: Based on a January 31, 1986 report from the Congressional Research Service, Library of Congress.

ELEMENTARY AND SECONDARY EDUCATION

Program	Fiscal year 1980	Current level Mar. 1, 1986	Domenici-Chiles fiscal year 1987	Added by Domenici-Chiles	Andrews-Hollings fiscal year 1987	Added by Andrews-Hollings
Title 1	[1] $3.216	[1] $3.530	[1] $3.689	[2] +$159	[1] $3.908	[2] +$219
Number served	[2] 5.4	[2] 4.8	[2] 5.0	+200,000	[2] 5.3	+328,077
Chapter 2	[2] $743	[2] $506	[2] $406	[2] −$100	[2] $577	[2] +$171
Number served						
Handicapped education	[2] $875	[1] $1.350	[1] $1.409	[2] +$59	[1] $1.492	[2] +$83
Percent Federal share	12	9	9.1	+.1	9.3	+.2
Impact aid	[2] $702	[2] $663	[2] $663	$0	[2] $739	[2] +$76
Number served	[2] 2.5	[2] 1.9	[2] 1.9	0	[2] 2	+230,000
Vocational education	[2] $779	[2] $813	[2] $813	$0	[2] $898	[2] +$85
Number served		[2] 1.7	[2] 1.7	0	[2] 1.9	+180,000
Adult education	[2] $100	[2] $98	[2] $98	$0	[2] $108	[2] +$10
Number served	[2] 2	[2] 2.5	[2] 2.5	0	[2] 2.7	+146,765
Bilingual education	[2] $167	[2] $162	[2] $162	$0	[2] $179	[2] +$17
Number served	340,000	215,500	215,500	0	241,126	+25,626

[1] Billion.
[2] Million.

HIGHER EDUCATION

Program	Fiscal year 1980	Current level Mar. 1, 1986	Domenici-Chiles fiscal year 1987	Added by Domenici-Chiles	Andrews-Hollings fiscal year 1987	Added by Andrews-Hollings
SEOG	[1] $370	[1] $395	[1] $395	$0	[1] $435	[1] +$40
Number of awards	743,522	718,000	718,000	0	789,818	+71,818
CWS	[1] $550	[1] $567	[1] $567	$0	[1] $624	[1] +$57
Number of awards	819,093	772,727	772,727	0	850,045	+77,318
NDSL	[1] $301	[1] $209	[1] $209	$0	[1] $227	[1] +$18
Number of awards	335,287	227,273	227,273	0	250,023	+22,750
SSIG	[1] $77	[1] $76	[1] $73	$0	[1] $80	[1] +$7
Number of awards	307,000	292,000	292,000	0	313,600	+21,600
Pell	[2] $1.718	[2] $3.432	[2] $3.586	[1] +$154	[2] $3,807	[1] +$221
Number of awards	2,807,000	2,881,000	3,190,000	+309,000	3,632,800	+442,800
TRIO	[1] $147.5	[1] $169	[1] $169	$0	[1] $186	[1] +$17
Number of awards	510,800	486,866	486,866	0	530,366	+43,500

[1] Million.
[2] Billion.

Mr. HOLLINGS. I thank my distinguished colleague from North Dakota.

Mr. ANDREWS. I appreciate my colleague from South Carolina, who cosponsors this.

Let me, Mr. President, finish my statement, and I will yield to the unanimous-consent request of the Senator from California.

Let me point out, Mr. President, that while the Domenici-Chiles budget package represents a significant improvement over the administration's fiscal year 1987 budget request for education, a modest increase is still needed to ensure that existing education programs continue to operate effectively.

For these reasons, my colleagues and I are offering this amendment to increase funding for function 500 by $300 million in budget outlays for fiscal 1987. This amendment will restore elementary, secondary, and higher education programs to their current level of services for 1987 by adding an amount for inflation, and the 1986 Gramm-Rudman sequestration.

Lowering the Federal deficit is without question our greatest challenge. However, logic, common sense, and fairness must govern our approach to deficit reduction. To shortchange education in the name of national security, fiscal restraint, or for any other reason is wrongheaded, shortsighted, and damaging to the future of our Nation.

The decision the Senate will make on this amendment reminds me, Mr. President, of a story I told about President Lincoln. The President frequently attended the Wednesday evening services at the New York Avenue Presbyterian Church. On the way home after one such service an aide asked Mr. Lincoln what he thought about the sermon just preached. The President replied, "The content was excellent. He delivered it with eloquence. And he put work into the message."

"Then you thought it was a great sermon?" questioned the aide.

"No," replied Mr. Lincoln.

"But you said that the content was excellent, it was delivered with eloquence, and it showed much work."

"That is true," Mr. Lincoln said, "but Dr. Gurley forgot the most important ingredient. He forgot to ask us to do something great."

Mr. President, we stand before this body, and we say to our colleagues let us show the American people that we as Members of the Senate are not only willing but capable of doing something great. I ask that you join together with us in reaffirming our commitment to a public education system for our children that is second to none.

Quite candidly, Mr. President, if we do not like young people, if for some reason or another they trouble us, they bother us and we are not friendly toward them, Mr. President, if we only worship the almighty dollar, then let me point out we ought to support this amendment because, Mr. President, this amendment will restore $10 for every dollar we invest in this program because these are indeed and in fact the investment programs.

Mr. President, our most critical strategic defense initiative is a well-educated population. The young people of this Nation must not have the doors to their future slammed shut even before they have been fully opened to them. By denying adequate funding for education, we are condemning our children to an intellectual wasteland and short-circuiting the training of our best and brightest young people to take their places as leaders in the councils of government, the technological arena as poets, philosophers, teachers, and physicians, but most of all, as literate and knowledgeable citizens of our great democracy.

In closing, I would like to recall the words of yet another great American, and this is a bipartisan effort. I am going to recall the words of Thomas Jefferson who said, "If a nation expects to be ignorant and free in a state of civilization, it expects what never was and never will be."

Mr. President, I yield to the Senator from Rhode Island [Mr. PELL].

Mr. PELL. Mr. President, I am proud to be a cosponsor of the Andrews-Hollings amendment, which would add $1.2 billion to the budget resolution for education purposes.

If approved, this amendment would provide education with funding at the fiscal 1986 final appropriation plus an inflation adjustment. The result would be very similar to the recommendation which the distinguished chairman of the Senate Subcommittee on Education, Arts, and Humanities [Mr. STAFFORD] and I recommended to the Budget Committee earlier this year.

On many occasions I have contended that the real strength and health of our Nation lies not in our weapons of destruction, nor in our machinery of construction, nor even in the amount of gold in Fort Knox. In reality, it is determined by the sum total of the education and character of all of our people.

The Federal contribution to education is not a large one. Overall it amounts to about 10 percent of all moneys spent on education. That 10 percent, however, is extremely important because of the highly targeted manner in which it is allocated.

In elementary and secondary education, for example, the $3.5 billion we spend in chapter I constitutes 70 percent of all the money that is spent on compensatory education in the entire United States.

In vocational education, the $700 million we spend at the Federal level generates an amount that is more than 10 times that figure in expenditures at the State and local level.

And, in higher education, where we spend close to $18 billion annually, over 90 percent of that goes directly to students in the form of grants, loans, and college work study. It is money that enables millions of deserving young Americans to pursue a postsecondary education that otherwise would be beyond their economic reach.

Mr. President, few would question that what we do in education today will have benefits for our society for years and years to come. What we accomplish in a classroom this afternoon may well unleash the talents of a new artist, begin the discovery of a cure to a mysterious disease, or perhaps even lead to the achievements of a lasting peace rather than the hostility and violence on the globe today.

It is in the classrooms of America that we sustain this Nation, and it is through education that we insure that our future will be strong and vibrant.

I urge my colleagues to join me in supporting this important amendment.

Mr. ANDREWS. Mr. President, other Senators will be speaking on this amendment. At this point, however, I yield to Senator LAUTENBERG of New Jersey.

Mr. LAUTENBERG. Mr. President, as an original cosponsor of this amendment to add $1.2 billion to the education budget, I am pleased to rise in support of the amendment of the Senators from North Dakota and South Carolina. The education of America's children is critical to our future. Our children are the foundation for our national security and strength as a democratic nation in the years ahead. Without an educated young people with a stake in our society, America will ultimately lose out in the fierce

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international competition for jobs and economic growth. America's unique place among nations with its commitment to protect the freedom will erode.

A strong military defense capability is essential for our country. However, a strong defense establishment is not sufficient. We need a cohesive society tooling up for the future by educating our youth. We need young people who believe in our country and who have the skills to provide the leadership required in the years ahead.

Federal programs have been critical to improving equity in education and assuring access for all students. These programs focus on the disadvantaged and the handicapped. They provide financial assistance for higher education. The programs assist cultural and educational institutions. Overall, Federal aid is a small proportion of education spending in this country. But, in the areas where assistance is provided, it is a major factor in the development of quality education.

The resolution reported by the Budget Committee does not provide for adequate funding for education for fiscal year 1987. The cuts required earlier this year by the Gramm-Rudman-Hollings budget law would be left in place. Most programs would be frozen at fiscal year 1986 levels, with some programs sharing in a small increase.

Mr. President, the Budget Committee's resolution is an improvement over the budget proposed by the administration. But it does not do enough to support education. During the Budget Committee's consideration of the resolution, I offered a substitute budget plan which included funding for education at about the level proposed in this amendment. The committee did not adopt my budget plan. But, it only narrowly defeated an amendment to add funds for education, which I supported. I believe there is strong support in the Senate for a fair and adequate level of education funding, a level which would be above that provided in Senate Concurrent Resolution 120.

The amendment that we are offering today would add $1.2 billion to the resolution. This increase will allow education funding to make up for inflation and to make up for the 1986 Gramm-Rudman cuts. Keeping in mind that Federal spending for education has declined since 1981, this amendment is reasonable. It will keep education spending at the current level of services. It does not attempt to make up for the cuts of the last few years.

This amendment will help to maintain programs of demonstrated effectiveness, such as the chapter I program for disadvantaged children. The current funding level provides services for only about 40 percent of the eligible children, although the number of disadvantaged children has greatly increased since 1980. Similarly, Pell grants, to assist low-income students with the costs of higher education, cover an ever smaller proportion of the need. This amendment will help to stop the erosion in these and other education programs that has occurred in the last 5 years.

Mr. President, the budget problem is real. The need to cut the deficit is real. I recognize only too well the damage that has been done to the economy by the deficits of the last few years. But, the proper way to deal with deficit reduction is to set priorities. I believe that education must be given a high priority. This amendment will help to place education funding at a level that better reflects its importance than the committee resolution. I urge the adoption of the amendment.

Mr. ANDREWS. Mr. President, does the Senator need some time?

The PRESIDING OFFICER. The Senator from North Dakota.

Mr. ANDREWS. Mr. President, if the senior Senator from New Jersey [Mr. BRADLEY] wishes to speak at this time, I yield to him 3 minutes.

Mr. BRADLEY. Mr. President, I thank the Senator for yielding.

Mr. BRADLEY. Mr. President, I rise today, as a cosponsor of this amendment, to support my distinguished colleagues, the Senators from North Dakota and South Carolina. This amendment will increase funding for basic education programs by $1.2 billion for fiscal year 1987. This $1.2 billion brings education programs to their fiscal year 1986 level plus inflation.

But that really does not adequately tell the story. This amendment comes after a 6-year period, beginning in fiscal year 1981, in which funds for education have been subject to persistent cuts. Over this period, the aggregate Department of Education appropriations have been reduced by approximately 16 percent, after adjusting for inflation.

The cuts in elementary and secondary education have been staggering. In fiscal year 1980, for every $100 spent by the Federal Government, $1.10 went for elementary and secondary education. This is not a particularly generous figure to begin with. In the President's fiscal year 1987 budget, however, only 66 cents of every $100 would be spent on elementary and secondary education—a 40-percent reduction since 1980.

Higher education has also suffered. Beginning with the President's first budget in 1981, $100 million was cut from Pell grant funding, and $100 million from national direct student loans. The President's fiscal year 1987 budget continues these persistent cuts in Federal support for higher education. It would result in 1.4 million fewer students receiving any form of student aid or loans. In my home State of New Jersey, 12,600 fewer needy students would receive Pell grants.

Mr. President, it is easy to talk about the failure of our schools and the need for improvement in our educational standards, but it is shortsighted to talk about the importance of education and the problems of our schools while persistently cutting back on the Federal commitment to education.

We cannot continue to pare away at our investment in our most vital natural resource, our children. We cannot look at education as an isolated program that we can cut with impunity. Education has a critical impact on the serious social problems confronting our Nation. The experience of every immigrant group has shown that education offered them the path out of poverty. Moreover, the studies which have demonstrated the critical importance of education for individual and collective progress can and do fill countless libraries.

An enormous amount of publicity and attention has been devoted to the social ills of our youth. Indeed, one in four of our students in America drops out and fails to complete high school. Unfortunately, the figures are much higher in our inner cities. Approximately one in five of our adult population do not have the basic reading and computational skills that will allow them to participate as full functioning members of our society. What does that mean? It means that the tasks of following printed directions in their places of employment, reading directions on medications for themselves or their children, following a recipe, reading a bedtime story to a child, or filling out a tax form, become humiliating experiences of failure. Mr. President, we as a Nation cannot permit this dismal level of competence among our citizens.

Following these past 6 years of cuts in education funding, our educational programs took a further cut under the Gramm-Rudman-Hollings law. My home State of New Jersey, as an example, lost $9.67 million in elementary and secondary education funds, and $4.67 million in higher education funds.

Undeniably, we are in a time of serious budgetary constraints. Choices must be made as to how to best spend our funds. I submit that education is not only a good place to spend money, but a critical one.

Mr. President, it seems like a small victory to hold the line on education spending. This is a time for innovation in education. We badly need to address the problems in our educational system, support efforts at improvement, and reward success. We cannot afford to neglect the education of our next generation. I urge passage of this amendment.

Mr. ANDREWS. Mr. President, we reserve the remainder of our time.

Mr. DOMENICI. Mr. President, a parliamentary inquiry: How much time remains for the proponents and how much for the opponents?

The PRESIDING OFFICER. The proponents have 5 minutes 21 seconds; opponents have 30 minutes 45 seconds.

Mr. DOMENICI. I thank the Chair. I yield myself as much time as I need at this time.

First, I want to make one very important point, since some have implied that this amendment is going to save education in the United States. Upon hearing that statement, some Americans might assume that the Federal Government provides a major portion of the money spent on education in this country. This year, the people of this country are going to spend $260 billion on education. Of that $260 billion, the cities, the counties, and the States will provide all but $17.7 billion. In total $17.7 billion is how much our budget resolution provides for education. If this amendment passes, State and local governments will spend all but $18.4 billion of the $260 billion. I hope everyone understands that it is not Federal education programs that are educating our young people; it is the taxpayers' out there in our cities, counties, and States. Again, if Congress implemented our budget resolution as reported, out of $260 billion spent on education, our national Government would provide only $17.7 billion of the $260 billion.

As my colleagues listen to all of the wonderful arguments about how we are going to save this Nation by educating our children properly if we pass this amendment, I want them to keep in mind that this amendment will increase spending on education one-half of 1 percent; not 5 percent, not 10 percent, but one-half of 1 percent.

I do not need to say any more on that point. It is an incredible, preposterous statement. Nobody believes that we will destroy the education system in this country if we don't adopt this amendment.

I have heard that we should be innovative; we should be more creative. I believe that if there's one thing wrong with our Federal programs is that they are not very innovative or creative. Despite that, we hold on to them as though they were the only game in town.

Maybe we should put a little money in for special programs: We are increasing funds for the FAA because we do not have enough people watching out for plane crashes. We are increasing the Internal Revenue Service because there are not enough agents to collect taxes.

We already provided $400 million above a freeze for education in this budget. And that is not enough. Many claim that education is not getting its fair share. They want $1.4 billion more this year and $4.2 billion over the next 3 years. And how do they pay for it? With more taxes.

I believe this is a serious amendment. I believe there will be plenty of supporters and I would not be surprised if it passes. I do not believe we could have reported out a budget resolution that would have enough funding for education to avoid any further increases on the floor.

Now, let me address those Senators who are worried about the budget and the size of the defici,t and the tax increases already assumed in our resolution. If this amendment passes, we will have to raise $4.3 billion more over the next 3 years.

I have heard a lot of talk that Congress has cut education over the past 5 years. Well, let me tell you what has happened to education since 1980. Vocational rehabilitation has been cut, right? Wrong, vocational rehabilitation has increased by 37 percent in the last 5 years. Compensatory education has grown by 13 percent. Education for the handicapped have increased by 32 percent.

Student financial aid—some people wonder if the Senator from New Mexico knows anything about that. Well, I do not receive very much student aid but I have a lot of kids in college. As a matter of fact, there has never been a U.S. Senator in history with more children in college at one time than I have. I have seven: two in law school and five in undergraduate schools around this country, from New Mexico to Loyola College in Baltimore. Believe me, I know what it costs. In the budget resolution before us, there is not one reduction in student financial assistance programs not one. Over the past 5 years, these programs increased by 32 percent. The Pell Grant Program alone grew by 46.4 percent.

Mr. NICKLES. Will the chairman yield?

Mr. DOMENICI. I will be happy to yield.

Mr. NICKLES. I missed the Senator's opening statement. I am sure the Senator covered this. Could he tell me what the outlays were last year and then what the outlays are projected for 1987, or for 1986, 1987, 1988, 1989. Are they level or are they the same, increased or decreased?

Mr. HOLLINGS. Decreased.

Mr. DOMENICI. Although the budget authority is increasing, outlays are about constant.

Mr. NICKLES. Constant with 1986 levels?

Mr. DOMENICI. Yes. About $17.4 billion. They decline slightly due to the savings in the Guaranteed Student Loan (GSL) Program. These GSL reforms affect primarily the banks and the State guarantee agencies, not the students.

Mr. NICKLES. They are the same program plus a little bit more. The savings come from interest savings from the banks and other management changes.

Mr. DOMENICI. Yes. Under the Guaranteed Student Loan (GSL) Program, banks receive a subsidy from the Federal Government, as an incentive to make these loans. We are recommending that the banks receive slightly less of a subsidy for making GSL's to young people.

Mr. NICKLES. For the banks.

Mr. DOMENICI. Yes.

Mr. NICKLES. I thank the Senator.

Mr. DOMENICI. I will reserve the remainder of my time. I will conclude by saying again, I do not believe we could have produced a budget resolution that would have enough for education to satisfy everyone.

My colleagues should know that we already voted on this amendment in committee. It failed. The same person who offers it now, my good friend, Senator ANDREWS, offered it in committee.

The committee instead settled for a $400 million increase over a freeze for education. I hope that Senator would seriously consider that sooner or later, even with the best of our programs, unless we can find other ones to cut, we ought to settle for something as reasonable as the Budget Committee has offered. I need not repeat what we have done in these programs. We have funded these programs well considering the constraints. And I do not say "we" as though I have been personally responsible. There are many Senators who have been tremendously instrumental in increasing education spending in this country.

Mr. ANDREWS. Mr. President, will my colleague yield for a moment?

Mr. DOMENICI. I just want to compliment several of my colleagues. For example, we have the distinguished education subcommittee chairman. Thanks to him funding for these programs have gone up.

Our job will not be any easier if this amendment passes.

Mr. ANDREWS. Will my chairman yield briefly?

Mr. DOMENICI. I will be pleased to yield.

Mr. ANDREWS. Let me point out, Mr. President, that our chairman is a friend of education. He did move very far toward our figures in the Budget Committee. I think it is also important to point out that while he came about two-thirds of the way, we had an amendment within the Budget Committee. We lost by a two-vote margin and we said we would take that amendment to the floor, which is what we are doing. Let me also point out that while the distinguished Senator from New Mexico and the Senator from Florida, the chairman and rank-

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ing member of the Budget Committee, did accommodate about two-thirds of our request, the amendment that now is before us is, as the chairman, I am sure, in his fairness and equity will point out, still below the CBO budget baseline in each one of these outyears. It is that simple. We are merely revisiting on the floor what we had a sharp debate about in the Budget Committee, and those of us who support education assure our colleagues that the Senator from New Mexico does support education, too. He just does not come quite as close to the CBO baseline as we would like to come.

Mr. DOMENICI. I thank the distinguished Senator.

Mr. President, how much time does the Senator from New Mexico have?

The PRESIDING OFFICER (Mr. Symms). Fourteen minutes and 50 seconds.

Mr. DOMENICI. I yield myself 1 minute, and then I will yield to the distinguished Senator from Florida. The Senator from Nebraska (Mr. Exon) also wants 3 minutes.

Mr. President, I want to address the point raised by Senator Andrews. I hope no one believes that the baseline has anything to do with the question of how much funding a particular program should receive.

Since the Budget Act passed, some 12 years ago, our committee has used the baseline, or current policy, as a starting point. Current policy assumes that every program increases by the rate of inflation, even if Congress has not voted for increases.

CBO has no expertise in education. CBO is not telling us, and never has, what a proper funding level should be for education.

Mr. ANDREWS. Does CBO have that expertise in defense? That CBO baseline is held firmly when you talk about defense numbers.

Mr. DOMENICI. CBO does not make recommendations about increases in spending. They do not claim to know what level of Government spending we should support.

Mr. President, I yield 3 minutes to the Senator from Nebraska.

Mr. EXON. I thank the chairman of the Budget Committee.

Mr. President, I think I have a record of supporting education at all levels very strongly, and that record speaks for itself. Nevertheless, I know that when I cast the vote I am going to cast because of my conviction on this, I will be on some lists as antieducation.

We are going to make the first really sincere attempt to break the limits set in the Budget Committee. There is nothing wrong with this, and I applaud the members of the Budget Committee and the members of the Senate. They have every right to offer the amendment that has been offered; and in normal circumstances, this Senator would be supporting it.

Mr. President, I cast my vote in support of education in the Budget Committee when we essentially froze—by freezing, I mean we did not allow an increase nor did we allow the permanent cuts suggested in the President's budget. This Senator stands for his support of education in the Budget Committee. But, as is the case in almost every program we can think of, the question is, What have you done for me lately? What have you done for me lately in education is likely to be the measure of the education associations—not what we did in committee or what we did in basically freezing the education budget, which I thought was good and proper under the circumstances to meet the constraints we were working under. But, no; now we come along with another $1.2 billion.

I wish I could support it, because I am a strong supporter of education. I did everything I could for education, in good conscience and in bringing some constraint into line as dictated by good commonsense and as mandated by not so good commonsense embodied in the so-called Gramm-Rudman-Hollings proposal, in the view of this Senator.

It seems to me that what we are really doing here is saying that education is another of those items that will not be cut. If we approve this $1.2 billion increase, we are basically going to be returning to education the amount that was sequestered under the first Gramm-Rudman-Hollings cut. If we are going to do that with education, "Katy, bar the door" with respect to what we are going to do on down the line.

I am simply saying that, as worthwhile as this amendment is, and as much as I would like to vote for it, I cannot do so in good conscience; because I am fearful that if we break the dam on this issue, "Katy, bar the door" as we take up other amendments.

I yield back the remainder of my time.

The PRESIDING OFFICER. The Senator's time has expired.

Mr. CHILES. Mr. President, will the Senator yield?

Mr. DOMENICI. How much time does the Senator desire?

Mr. CHILES. Five or six minutes.

Mr. DOMENICI. I yield 6 minutes to the Senator from Florida.

Mr. CHILES. Mr. President, I have listened to the arguments for this amendment, and I find that they have great merit. They are arguments, in the main, that I have made before—many on the floor, many in committee. I cannot take issue with the arguments.

In fact, I would like to see us at this time be adding more to education. I do not think $1.2 billion is enough for what we should be doing in education—nowhere near enough. But if you think about it, that is part of what we are about in this whole thing of trying to get a handle on the deficit.

What do we do when we pay $148 billion this year in interest payments, when it is the fastest growing item in the Federal budget, the most uncontrollable item in the Federal budget? What does it do? It squeezes us to the point that, over the last few years, we have not been able to set priorities that we know need to be set. We cannot do the kinds of things for the handicapped that we know we should be doing. We cannot do the things for the disadvantaged that we know we should be doing.

We are not doing the things in many other areas of what Government's principal role is—training, education. It is so important for this country that there is no doubt that we should be putting more money into it.

However, we have another thing to remember: We are living in a different environment this year. The Senator from Florida was a cosponsor of an amendment last year that added $1 billion to education and has been a cosponsor in most of the years it has come up. There is a difference. There is something called Gramm-Rudman-Hollings and the sequester that comes from that if we fail to meet these targets.

I have not seen any great surplus of votes for the committee document as we have it on the floor. In fact, it is 4 weeks out of the committee, and we have just taken it up. Why? Because the majority leader said there is not sufficient support on that side. We certainly have not seen it being given great marks by the White House. We have seen what has happened from that standpoint.

I am tremendously concerned. If we cannot reach that level, as we should, under the Budget Act, what happens? We fall under Gramm-Rudman-Hollings. We fall under the sequester. Then what happens to education? What happens to all our other programs? That is what we are up against.

So in the Budget Committee when we were trying to craft this document, a number of us said that before we would lend our support, we had to add $400 million to education—we had to add above that so-called baseline or that freeze we were talking about. What we were trying to do was put it in the programs for the disadvantaged, for the handicapped, for the areas where we felt we had to give some additional money.

Give more? Absolutely—I would like to see us be able to give more. But we have to look at it in the context of this question: "How do you like your mother-in-law?" Compared to whom? How do you like this deficit? How do

you like this budget? Compared to a sequester. Compared to what happens if the ax falls and we start cutting. That is the thing we have to look at now.

If you can show me this amendment as it is adopted; if we are going to get the same preponderance of votes; if we are going to get sufficient votes on both sides of the aisle; if we are going to have a bipartisan budget; and if we are going to have a kind of budget so that the House will say, "Wait a minute, we can put in some revenue and go forward with this budget because we have a majority of the Democrats and Republicans sponsoring that in the Senate, so we will not worry about the actions the White House tends to take," then I would say this is a good amendment.

I do not feel that confident. I do not feel that there are enough votes now, especially on the other side of this Chamber, so that we will be able to produce any kind of vote.

For those reasons, I have to say that when you look at the mark we have, compared to what happens if we have a sequester, I think that mark looks very good.

I think we have tried. If you look at what we had to do with all of the other programs the disadvantaged programs, feeding programs, housing programs, the elderly programs, all of those areas, we have tried to treat education as well. I think we did that as we did all of those programs, and again one thing: What is the overall scheme about? The overall scheme is to get control of our destiny so that we can come back and do what we should be doing as a Congress, setting those priorities so that we can be determining what our role should be in education.

But I will guarantee you we will never have an opportunity to do that until we can get this budget under control, until we can cause that interest rate not to be fastest growing program of the Federal Government.

For that reason, I think we should stick with the mark we have in the Budget Committee.

The PRESIDING OFFICER. The Senator's time has expired.

Who yields time?

Mr. DOMENICI. Mr. President, I yield 2 minutes to the Senator from Texas.

The PRESIDING OFFICER. The Senator from Texas is recognized for 2 minutes.

Mr. GRAMM. Mr. President, I thank the distinguished chairman of the Budget Committee for yielding to me.

I wish to identify myself with his remarks and with the remarks of the Senator from Florida and the Senator from Nebraska.

Mr. President, the fundamental weakness in this budget, as I see it now, is that we do not have a commitment from the partner in this process. That clearly has to be present if the budget is going to be put into place. The reason we do not have that commitment is a dispute about a tax increase of $53 billion over a 3-year period.

Now, I do not doubt the sincerity of Senators who propose this amendment. I do not doubt for a moment that they are willing to raise taxes, to add another $2.9 billion to education programs.

I am doubtful, however, Mr. President, that such a tax increase is going to be adopted or that it is going to be signed by the President.

I think with the adoption of this amendment, if in fact it is adopted, that we are adding more to the clear confrontation that exists over this issue. We are making this budget further and further out of reach in terms of its adoption and implementation through a reconciliation bill and a tax increase.

I am concerned, therefore, that while the budget might conform to the Gramm-Rudman-Hollings requirement of being deficit neutral, and I think it is interesting to note that in any other year this would simply have been an add on to the deficit, we are at least debating it here as a tax increase and an add on because of a requirement of the Gramm-Rudman-Hollings bill, and I think that is a step in the right direction.

But I oppose it. I do not feel constrained to explain that I am proeducation. I spent 12 years of my life teaching. I think that represents a commitment in and of itself. But I oppose raising taxes by $2.9 billion for this add on. I believe that tax increase will be vetoed and if, in fact, we spend the money it will end up being added to the deficit.

The PRESIDING OFFICER. The Senator's time has expired.

Who yields time?

Mr. ANDREWS. I yield 3 minutes to the Senator from Connecticut.

The PRESIDING OFFICER. The Senator from Connecticut is recognized for 3 minutes.

Mr. WEICKER. Mr. President, I rise in support of the amendment of the distinguished Senator from North Dakota.

Let me say this in relationship to remarks just made: The fact is you are going to have a confrontation on the matter of budget priorities. We have lived now for several years in a rather bizarre arrangement where most of the money goes for defense and little enough in terms of education, health, and science.

No, this is not a finger-pointing exercise as far as the Budget Committee is concerned. They are doing their job, which is to produce a budget. But the matter of choices as to what that budget is to consist of, that is really what is at issue here on the floor of the Senate, and it should be.

Do not let anyone take any solace in saying this is the Budget Committee's fault, that they are the ones who are responsible. The real clear-cut question before us is what we are going to allocate to education in this Nation.

As the chairman of the Appropriations Subcommittee that handles education funding, I can assure you that over the past several years, education has been shortchanged and continues to be shortchanged.

I appreciate the fact that the budget reported by the Budget Committee is better than that offered by the President. But it still leaves us far behind in terms of what needs to be done in primary, secondary, higher education, and special education. I will address special education separately in a later amendment.

What this vote is about is that once again we want to establish education as a priority in the overall scheme of things, and that is something that can only be done by the Senate and not by the Budget Committee. Please understand that just within my subcommittee alone there were approximately 30 days of hearings just on the subjects of education, health, and labor. The Budget Committee does not have time to do that. I do not know how many days Senator Stafford, who is chairman of the education authorizing committee, has also put in on this matter.

But I go down the checklist of what needs to be done, and believe me it is considerable and, yes, over these years we barely kept our head above water.

Now what the Budget Committee has to consider is what are the outyear costs of standing still or falling behind.

Let me give you an example: According to the American Library Association, some 27 million adults are functionally illiterate with an estimated 2 million added to that number annually. It is estimated that functional illiteracy costs the Nation over $224 billion each year in welfare payments, crime, incompetent job performance, lost tax revenue, and remedial education.

Unless you tend to these outyear costs, there is no way you will ever be able to balance the budget in the future just by virtue of the cost of not doing what should be done in terms of education.

I wonder if my colleagues have any idea what it will cost this Nation if we fail to provide educational services for the handicapped and vocational rehabilitation services for disabled adults. The cost of caring for those who would not be mainstreamed in our schools and the cost of providing food, clothing, and shelter assistance to those who could otherwise be working is enormous.

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Recent estimates show that since 1980, Federal education efforts have been reduced by 16 percent in real dollars. The constant erosion of these education dollars will continue to have serious consequences for our society.

Mr. President, this amendment to restore current services for education programs based on the presequestration level is not some wild, big spending assault on efforts to reduce the deficit. Rather, it is an honest attempt to strengthen the capacity of our educational system to provide the quality of education we so desperately need.

I commend my good friend from North Dakota for his leadership in restoring essential Federal funding for educational programs and I urge adoption of this amendment.

The PRESIDING OFFICER. The Senator's time has expired.

Who yields time?

Mr. ANDREWS. I yield a minute to the Senator from South Carolina.

The PRESIDING OFFICER. The Senator from South Carolina is recognized for a minute.

Mr. HOLLINGS. Mr. President, the distinguished Senator from Florida writes us on April 10 which I received a few days later, less than 10 days ago, which I ask unanimous consent the entire document be printed in the RECORD.

There being no objection, the document was ordered to be printed in the RECORD, as follows:

U.S. SENATE,
COMMITTEE ON THE BUDGET,
Washington, DC, April 10, 1986.

DEAR COLLEAGUE: We invite your cosponsorship of the growth and investment initiative discussed at the Democratic Conference.

The resolution passed by the Senate Budget Committee is a balanced and effective deficit reduction package. It complies with the Gramm-Rudman target for fiscal year 1987 responsibly, by ensuring that defense moderation, domestic cuts, and revenues all play a role.

But our Party has long recognized that the national budget is more than a statement of accounts—it is a blueprint for our future. And to secure that future, we must support investments—in science, education, technological development, training, and trade promotion—that will make the country strong, competitive, and capable of offering meaningful opportunities for our people.

To fulfill these objectives, our amendment proposes several billion dollars in investments over three years, funded with new revenues. We do not propose further cuts in national defense. And the amendment includes language rejecting proposals to increase the average American's income taxes.

Attached, you'll find a comprehensive statement which details the investments we are proposing. Please review this material. If you are interested in cosponsoring this Democratic initiative, contact Mark Steitz in Senator Hart's office (4-5852) or John Hilley with Senator Chiles' staff (4-0553).

Sincerely,

GARY HART.
LAWTON CHILES.

APRIL 10, 1986.

THE DEMOCRATIC—HART/CHILES—GROWTH AND INVESTMENT INITIATIVE

The government must develop and invest in a comprehensive program for economic growth that recognizes the challenges and opportunities of the future. Consequently, Democrats must unite behind an alternative package to:

Nurture minds and creativity;

Foster additional scientific research;

Promote technological development;

Sustain a skilled and flexible workforce;

Use our natural resources productively;

Expand international market opportunities;

Rather than reacting with piecemeal solutions, America must develop strategic and activist approaches to an evolving world economy:

To maintain our lead in scientific and commercial endeavors, we must provide opportunities for all to learn and then apply their education;

To translate research into marketable products, we must reward technological and product development. But we must also sustain a skilled and flexible workforce to produce these products competitively;

To reap the benefits of our competitive prowess, we must be able to compete fairly and openly in the world's markets;

To enable our prosperity to endure we must manage our resources wisely and adopt innovative approaches which minimize energy usage and maximize environmental protection.

Concerted action can create a whole that is greater than the parts. The growth and investment initiative funds programs in science, education, technological development, training, natural resources, and trade promotion—drawing together the elements of a comprehensive and connected policy.

Therefore, we propose a "pay as you invest" budget amendment.

The Democratic Growth and Investment initiative would invest $3.0 billion more in fiscal year 1987 and $17.1 billion more over the next three years, compared to the bipartisan compromise. These investments would be financed through increased taxes—the amendment includes, however, language expressing the sense that these revenues not come from increasing income taxes on low and middle income Americans.

As the attached table shows, the amendment contemplates three major initiatives: investments in science and technology, in resource development, and in education and training. The science and technology initiatives include:

New investment in technology development focused on biomedical and biotechnical research, supercomputers, robotics, fiber optics and other advanced processes;

Increased basic research through the NSF and other research organizations.

The resource development initiative is designed to develop our nation's energy, agricultural, metalurgical and other natural resources.

The education and training initiatives, accounting for roughly two-thirds of the funds in the amendment, aim to restore the nation's historic commitments to our children's future and a skilled and flexible labor force. The amendment would:

Invest in skills critical to our growing and changing economy including math, science, and foreign language programs;

Ensure a quality education for the children most at risk—those 14 million growing up in poverty; more will be invested in successful programs with proven track records, such as Head Start, compensatory education and Pell grants, as well as new public/private partnership, demonstration, and educational excellence initiatives;

Combat adult illiteracy and growing high school dropout rates;

Reaffirm our commitment to training dislocated and disadvantaged workers by increasing participation in current, successful programs and establishing pilot programs to develop new approaches.

DEMOCRATIC GROWTH AND INVESTMENT INITIATIVE

[Increases over SBC resolution, in billions of dollars]

	1987	1988	1989	1987–89 total
Investments in science and technology:				
Advance basic science (F. 250):				
Budget authority	0.3	0.4	0.6	1.3
Outlays	.2	.3	.5	1.0
Develop innovative technologies:				
Health (F. 550):				
Budget authority	.3	.7	1.0	2.0
Outlays	.2	.5	.8	1.5
Industry and commerce (F. 370):				
Budget authority	.2	.2	.2	.6
Outlays	.2	.2	.2	.6
Subtotal:				
Budget authority	.8	1.3	1.8	3.9
Outlays	.6	1.0	1.5	3.1
Investments in resource development:				
Energy (F. 270):				
Budget authority	.3	.3	.4	1.0
Outlays	.2	.2	.3	.7
Agriculture (F. 300/350):				
Budget authority	.3	.3	.4	1.0
Outlays	.3	.3	.3	.9
Other natural resources (F. 300):				
Budget authority	.1	.2	.4	.7
Outlays	.1	.2	.3	.6
Subtotal:				
Budget authority	.7	.8	1.2	2.7
Outlays	.6	.7	.9	2.2
Investments in education and training (F. 500):				
Education:				
Budget authority	1.7	4.8	5.4	11.9
Outlays	1.3	2.0	4.3	7.6
Training:				
Budget authority	.8	3.1	3.7	7.6
Outlays	.5	.9	2.8	4.2
Subtotal:				
Budget authority	2.5	7.9	9.1	19.5
Outlays	1.8	2.9	7.1	11.8
Grand total:				
Budget authority	4.0	10.0	12.1	26.1
Outlays	3.0	4.6	9.5	17.5

WE ARE AT RISK

America does not have a guarantee to prosperity. Our economic well-being is in large part a legacy of the work and investments of earlier generations. That is a birthright that we must not squander.

Yet in the decade of the 1980's we have chosen to borrow from, rather than build for, our future. As things now stand, the federal government will increase its debt by $1.36 trillion in the years from 1981 to 1990.

Having recognized that the budget deficit is an impediment to economic growth, we are committed to a process that will lead to a balanced budget by 1991. But already having borrowed so much from our future, it would be shortsighted to balance the budget in a way that steals even more from tomorrow. We simply cannot afford to freeze or starve programs essential for future economic growth.

The warning signs are clear. The U.S. is losing the race against our international competitors—the result will be a lower standard of living. Consider:

SCIENCE AND TECHNOLOGY

In the last five years, the U.S. trade balance in high-technology goods has declined by more than $20 billion;

By 1985, the number of robots installed in Japanese facilities was twice as great as the United States;

As a proportion of GNP, the U.S. spends less than any of its major trading partners on industrial research and development;

The military proportion of federal R&D was 50 percent in 1980. This would grow to 73 percent under the President's budget;

Japan graduates twice as many engineering students per capita as the United States;

U.S. productivity growth in this decade has been the lowest among our major trading partners;

EDUCATION

U.S. students scored at or below the average of nineteen other countries on a series of math achievement tests administered to 8th and 12th graders. The high school seniors fell into the lowest fourth of countries on the algebra, geometry, and the number systems tests.

Only 15 percent of American high school students study a foreign language—down from about 24 percent in 1965.

Over 27 million adult Americans are functionally illiterate, with less than 10 percent receiving remedial education each year.

WORKFORCE

Over 11 million workers permanently lost jobs due to plant closings and layoffs between 1979 and 1984. Nearly half were employed in manufacturing industries hardest hit by foreign competition;

Yet, at most, 5 percent of those eligible to participate in training programs are being served at existing funding levels;

At least 20 percent of displaced workers lack reading and basic math skills. When they lose job-specific skills and seniority benefits, long-term earnings losses result. Among displaced workers who find reemployment, 45 percent report pay cuts.

By the year 2000, half of the workforce will be middle-aged (35-55), compared with about 35 percent today. Retraining the adult workforce will be paramount.

RESOURCES

Each year, 264 million tons of hazardous wastes are generated with only 0.3 percent covered by Superfund;

The life expectancies of the world reserves of essential materials such as silver, lead, and zinc range from 10 to 20 years, implying rapid depletion at current demand levels;

Soil conservation losses of 5 to 15 tons per acre per year are occurring under current erosion conditions.

MARKET OPPORTUNITIES

Market barriers to U.S. exports deprive our producers of billions in sales annually;

Seeing the success of our competitors, many developing nations are adopting a neo-mercantilist approach to trade;

Only 5 percent of world trade is subject to international trade rules.

Mr. HOLLINGS. Senator CHILES wrote us a few days ago that what he wants to do is give some $11.9 billion more to education in budget authority. Then he adds $1 billion for energy, $1 billion for agriculture, $2 billion for health, $0.6 billion for industry and for commerce, $1.3 billion for science, and $0.7 billion for natural resources, and $7.6 billion for training—for a grand total of $26.1 billion.

This proposal adds $17 billion more in taxes. I call the Hart-Chiles amendment the tax and tax and spend and spend amendment.

Now, this afternoon, he says we have to stop and think about the Andrews-Hollings amendment. That we have to get discipline over the budget. That have to get the budget under control. Unlike the Hart-Chiles amendment, the Andrews-Hollings amendment before you now conforms to the discipline of Gramm-Rudman-Hollings.

The PRESIDING OFFICER. The Senator's time has expired.

Who yields time?

Mr. MATSUNAGA. Will the Senator yield me 1½ minutes?

The PRESIDING OFFICER. The Senator from North Dakota has 1 minute remaining; the Senator from New Mexico has 2 minutes remaining.

Mr. DOMENICI. I yield 1 minute to the Senator from Illinois who requested it even though he is not in favor of my side.

The PRESIDING OFFICER. The Senator from Illinois is recognized for 1 minute.

Mr. SIMON. Mr. President, I thank my colleague from New Mexico.

I candidly have mixed feelings on this. My concern is that we are going to improve this budget resolution to death. At the same time, clearly we ought to make a greater priority of education in this country.

So, I am going to vote for the resolution. It does not suggest that our friends on the Budget Committee have not done a superb job. I think they have. But I am going to vote for it simply as an indication that this Nation has to do more to prepare for tomorrow than we are now doing, but I confess again some mixed feelings because I fear as we "improve" this resolution we may be lessening its changes for passage.

The PRESIDING OFFICER. The Senator's time has expired.

Who yields time?

Mr. ANDREWS. I am glad to yield to the Senator from Hawaii.

The PRESIDING OFFICER. The Senator from Hawaii.

Mr. MATSUNAGA. Mr. President, I rise as a cosponsor to speak in favor of the amendment offered by my colleagues from North Dakota and South Carolina which would increase funding for function 500 by $1.2 billion for fiscal year 1987.

Starting in 1983 with the issuance of the National Commission on Excellence in Education's report entitled "A Nation at Risk: The Imperative for Education Reform," there has been extensive debate in both Houses of Congress about the state of education in our country. The debate has centered on various proposals for achieving quality education but especially on the level of funding necessary for attaining and maintaining that quality.

The business before this body today requires another of our recurring visits to past discussions. Once again this body is determining the merits of a proposal to provide funding for education. Once again this body is weighing the arguments for taking such action against a background of budget deficits. Once again this body must focus foremost on that which is for the overall good of this Nation's schools and students.

Mr. President, in thinking through all of these necessary considerations, I could come to only one conclusion—this amendment deserves support. If education is truly an endeavor in which a partnership exists not only between a school and its community, but also between the community and the State and between the State and the Federal Government, then it is incumbent upon this body to demonstrate its commitment to this partnership—not merely by rhetoric, but through tangible actions. It is not acceptable for the Federal Government to pass on to the States its share of responsibility for education. It must demonstrate leadership and wisdom and accept its share of responsibility in an area so full of promise—the promise of young minds with the hope of new endeavors.

In determining whether or not adoption of this amendment adequately reflects fiscal restraint, I can only emphasize that the amendment merely restores funding to the current services level with an adjustment for inflation. Surely this, in and of itself, is neither excessive nor irresponsible. I believe it is only fair that the Federal Government at the very least maintain its current level of involvement and responsibility in the educational programs throughout our country. To do otherwise would be to pull away support from State and local efforts at a time when such support is most urgently needed in order to act upon projections of educational reform. We Members of Congress have repeatedly heard the administration describe the many different initiatives taken by the States to meet the challenge of providing educational quality and equity head on. Given the fact that these initiatives have barely taken root, is it really prudent for the Federal Government to cut off its current support and thereby jeopardize whatever gains may have been achieved by these new State initiatives? I hardly think so. After all, is it not extremely plausible, if not highly probable, that cuts in Federal funding may result in moneys previously targeted for State initiatives being instead diverted to offset Federal cutbacks? Then where would we be? Is such a consequence wise and efficient use of the human resources in our schools? As a one-time classroom teacher, I do not believe that

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cost effectiveness in education can only be evaluated by counting dollars saved. It is high time that deliberate consideration also be given to man-hours wasted.

Finally, in considering the proposed amendment as it relates to the broader good of our Nation's schools and students, there is no question in my mind as to the gains to be made. I am, instead, gravely concerned about what impact the failure to pass this amendment would have. If failure to maintain current services results in an inability on the part of schools to serve certain groups of students or the same number of students, and it may, or if failure to pass this amendment results in a decrease in the kinds or amount of services provided to students, and again it may, then the need to pass the amendment offered by the Senators from North Dakota and South Carolina is even further underscored. How can the Members of the U.S. Senate, in good conscience, deny to these students their access to a quality education? Once again, I return to my comment on the irretrievable losses of time spent and effort made by teachers and others in trying to meet the needs of the child in the classroom. As a former public school teacher and father of five I know that maintenance of effort is crucial to every child's rate and level of achievement. Therefore, if quality education is indeed the goal that is sought by Congress—and it should be—I believe that the only reasonable and responsible action that this body can take is to support the pending amendment.

Mr. **ANDREWS**. Mr. President, I yield 30 seconds to the Senator from Connecticut.

Mr. **WEICKER**. Mr. President, what this finally boils down to is that the advocacy of education does not rest with the Secretary of Education, except, perhaps for his advocacy of bilingual education. Advocacy of education is not up to the Budget Committee. It is this body that has to speak to the advocacy of education as a matter of national priority.

That is what is at issue here, not the Budget Committee, not the Secretary of Education, but each individual Senator saying, yes, in the course of the overall budget, education now deserves an emphasis which has been lacking over the past several years.

The **PRESIDING OFFICER**. All time has expired on the side of the proponents.

Mr. **ANDREWS**. Mr. President, I have 30 seconds left. We had 1 minute and 15 seconds. I made a unanimous-consent request. I yielded 30 seconds. So we should have 45 seconds remaining.

Mr. **ABDNOR**. Mr. President, I am pleased to join with Senators Andrews and Hollings in sponsoring this very necessary amendment to the budget resolution (S. Con. Res. 120).

Mr. President, I am, no doubt, viewed as one of the more fiscally conservative members of this distinguished body. I do not apologize for being concerned about the Federal deficit. We must work together to ensure that our children and our grandchildren are not burdened with our debts.

We must also provide our children with a quality education. As a former schoolteacher, I can assure my colleagues that a dollar spent wisely on the education of our youth is an invaluable investment in our Nation's future.

Mr. President, in my State the vast majority of those who puruse a post-secondary education rely upon Federal financial aid. Without adequate funds for these important programs, many students in South Dakota and across the Nation will be denied access to a college education or vocational training. Additionally, programs which serve to assist disadvantaged students [TRIO] and developing institutions will suffer if we fail to adopt this amendment. Surely we cannot deny our young people the opportunity to realize their hopes and dreams for a bright and promising future.

As my colleagues know, I have long been an outspoken proponent of the impact aid program. Our Nation's federally impacted schools, particularly those which are heavily impacted with military dependents or Native American children, whose parents do not contribute to the local tax base, can ill afford any reductions in funds. Certainly the Federal Government has an obligation to reimburse local school districts that are unable to generate sufficient revenues due to Federal activity.

Mr. President, there are a number of other vital education programs which are provided for through this amendment, including Chapter 1 compensatory education, chapter 2 ECIA [Education Consolidation and Improvement Act], vocational education, and handicapped education. I commend the distinguished Senators from North Dakota and South Carolina for developing this sensible and well-balanced amendment. I urge our colleagues to join in supporting the amendment.

Mr. **SPECTER**. Mr. President, I am pleased to be an original cosponsor of the Andrews amendment to increase education funding by $1.2 billion in fiscal year 1987. Our amendment restores funding for the basic education programs to current services—a freeze on the fiscal year 1986 appropriation plus inflation. This amendment would insure that services and aid to students would not be reduced from current levels, recognizing that Federal education programs are essential to the collective educational needs of our nation's students and should, therefore, be protected from further cuts.

Mr. President, in my view, Federal education programs have absorbed their fair share of budget cuts in recent years. Between fiscal year 1980 and the fiscal year 1986 actual appropriation, all Federal spending grew by 65.9 percent. During this same period, Federal funding for all elementary and secondary education programs except vocational education, chapter I, and education for the handicapped declined in actual dollars.

Because funding has not kept up with the inflation, approximately 600,000 fewer students are being served by chapter I in the 1985–86 school year than were being served in 1980–81. Between 1980–86, the Federal share of education of the handicapped fell from 12 to 7 percent, even though the original Federal commitment was to provide 40 percent of the funding by 1980. Clearly, education has not added to the Federal deficit and should be allowed to keep pace with inflation.

The Senate Budget Committee Budget Resolution sets the function 500 funding level at $30.8 billion, which is essentially an across-the-board freeze on the fiscal year 1986 actual appropriation. The budget resolution also contains a $100 million cut in chapter II funding. Our amendment would restore the funding for Federal education programs at the fiscal year 1986 current services appropriated level. With current services funding maintained, States will be able to continue to serve those children who are already participating in a Federal education program. Current services funding for chapter I is particularly important. Although the number of disadvantaged children has increased by 2.2 million since 1980, only 40 percent of the eligible chapter I children are currently being served.

In increasing function 500 by $1.2 billion for education programs, we are placing education in a high priority position. Our amendment can make the difference between whether millions of Americans continue to have access to federally supported education programs or whether they lose access to educational opportunity.

The strength of our Nation rests in its people, and we cannot strengthen the Nation without investing in the human infrastructure. As we consider this amendment, let us keep in mind that if the United States wants to maintain its position as the greatest nation in the world, if we are to keep pace with modern industrial nations like Japan, and West Germany, if we are to keep pace with the Soviets, we must make realistic expenditures on our greatest capital asset, our most important domestic defense weapon—an educated citizenry.

I urge my colleagues to vote in favor of the Andrews-Hollings-Specter amendment.

Mr. **BOREN**. Mr. President, I am pleased to join with Senator Andrews and Hollings and my other colleagues in supporting an amendment to begin to restore vital funding to our educational system.

It is frightening to imagine that over the last 5 years, while we have seen 163 percent funding increase in the amount of foreign aid, we have withstood a drastic 23 percent cut in the education function. How can a Nation so dependent on the vital need for human resource development, be so negligent of its obligation to the investment necessary to insure that development?

I proudly join in this effort to redesignate this funding priority to education as a first step in redefining that priority and putting a renewed emphasis on this Nation's economic and technological leadership. As we see ourselves lose markets to foreign competitors, we should realize the need to protect our future and work to insure a continued growth in the standard of living for ourselves and our children.

I applaud the leadership of the two principal sponsors of this amendment and have cosponsored and support it wholeheartedly.

Mr. **ROCKEFELLER**. Mr. President, I rise to urge my colleagues to support this amendment. A fundamental decision is now before us—will we invest more in the education of our young people to equip them with the skills, knowledge, and motivation they will need as America's next generation of leaders and workers? Or will we risk undermining that future through inadequate funding and neglect?

This amendment would add $1.2 billion to education programs in the Domenici-Chiles budget plan—just enough money needed to freeze education funding and provide an adjustment for inflation. In other words, the amendment sustains last year's level of support for a range of critical education programs—including assistance to our local schools, an effort to upgrade math and science classes, vocational education, student loans and grants, and teacher training in key fields.

As pointed out by the authors of this amendment, Senators Hollings and Andrews, funding for education in real dollars has significantly decreased in the past 5 years. This has happened against a backdrop of increasing problems in our educational system and the state of our economy, all suggesting that we should have been doing the reverse with education funding.

One of the most compelling warnings was sounded 3 years ago by the President's National Commission on Excellence in Education: "Our Nation is at risk. Our once unchallenged preeminance in commerce, industry, science, and technological innovation is being overtaken by competitors throughout the world." The commission placed much of the blame on our country's educational system. Indicators of the Nation's risk which are now well known include a steady decline in our students' testing scores, particularly in math and science, an increasing rate of illiteracy among adults and teenagers, and a drop in the ranking of American students in comparisons of student achievement among industrialized nations. As a study led by major U.S. corporations recently pointed out, Japanese students spend more time in class than their American counterparts; by the time they graduate from high school, they have completed the equivalent of a second year at a good American college.

We cannot afford anything but a first-rate educational system. Today's young people must be trained and educated to make the adjustments to the new world economy. Their task will be enormous, as we can see by looking at the country's present economic situation. Fully 70 percent of the goods we produce compete with merchandise from abroad. We have lost half the jobs in the U.S. steel industry, given up a significant share in the market in all high technology or sunrise industries, and allowed a trade deficit to form between our electronic sales and Japan's that is close to the magnitude of our deficit in autos. These trends are especially disturbing when one recalls the Bureau of Labor Statistics projection, released in 1984, of a shortage of workers in occupational fields requiring higher entry-level skills by the 1990's.

Another Presidential commission, focusing on industrial competitiveness, drew the conclusion that must be acted upon. It said: "Our ability to compete internationally faces unprecedented challenge from abroad. Our world leadership is at stake, and so is our ability to provide for our people the standard of living and opportunities to which they aspire."

Fortunately, the American people are responding by pushing for reform of our educational system. Across the country, States have made the commitment to upgrade curricula, teacher certification standards, school buildings and equipment, and many other aspects of their schools. But they need and desire leadership and resources from the Federal Government. As a Nation, we are not going to make the leaps fast enough which are necessary to prepare our young people for the demands of the future unless we increase support for more in education programs.

We all remember the Federal Government drive to emphasize education in response to Sputnik in the late 1950's—a drive that propelled the innovation and the prosperity of the 1960's. Isn't now the time to mobilize again? In my view, Congress must focus on education as one of its highest priorities—the financial resources must be committed to vastly improve and modernize the teaching and training of America's young people.

This amendment would provide a modest amount of funding to move in this direction—not enough, I would argue, to make the improvements needed to meet the challenges ahead. But it is a step in the right direction, and will help to build momentum for a national effort to bring excellence into our schools. The key to America's economic resurgence is education. Either we invest now or we will pay the price all too soon.

Mr. **LEAHY**. Mr. President, in recent years funding for basic education in real dollars has declined. This amendment, which I am proud to cosponsor, will restore funding for basic education to last year's current services level—a freeze at last year's appropriation plus inflation.

Programs strengthened by this amendment include education for the handicapped, vocational and adult education, and compensatory education for the disadvantaged and much more.

With more families falling into poverty and an increasing number of young people without the basic skills to get and hold down jobs, it is clear to me education is one place we cannot afford to cut back.

Whether we talk about productivity in manufacturing and business, national security or international relations, new challenges in technology or the need for new leadership skills in social and domestic policy matters, education is the key to finding the answers to problems we face now and in the future.

I can think of no investment of our resources which carries the promise of so rich a return as the investment in education.

Mr. President, the amendment to restore $1.2 billion in educational programs represents an investment in our future. Like any investment, there is some cost involved. But that cost of $1.2 billion is a small price to pay for an educated and enlightened America.

The amendment directs the Finance Committee to find $1.2 billion in revenues to offset this important investment in education, so that it will not add to the $200 billion budget deficit.

The chairman of the Senate Finance Committee and virtually all of its members have stated that any revenues raised to reduce the deficit would not be derived by increasing individual taxes. I also oppose outright any increase in individual taxes to raise the necessary funds to finance this amendment and I encourage the Finance

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Committee to raise the needed revenues either through a minimum corporate tax or effects to increase tax compliance.

Mr. President, more than 200 of our largest, most profitable corporations paid less in taxes last year than the average Vermont family. In fact, the Boeing Corp. and Dow Chemical received $13.6 and $18.5 million refunds, respectively.

Mr. President, I ask unanimous consent that a list of corporations that pay no Federal income taxes be printed at this point in the RECORD.

There being objection, the list was ordered to be printed in the RECORD, as follows:

COMPANIES THAT PAID NO INCOME TAX

[The following chart lists 50 American companies that paid no Federal income tax or received refunds from 1981 through 1984, according to a recent survey of 275 companies by Citizens for Tax Justice. Total profits and tax refunds for that period are in millions of dollars]

Company	Profit	Tax refund	Tax rate (percent)
Boeing Co	$2,099.0	$285.0	−13.6
Dow Chemical Co	972.0	180.0	−18.5
ITT	815	177.7	−21.8
Tenneco	3,401.0	166.0	−4.9
Pepsico	1,798.7	135.8	−7.6
Santa Fe Southern Pacific Corp	2,309.0	133.4	−5.8
General Dynamics	1,579.5	103.8	−6.6
General Electric	9,477.0	98.0	−1.0
Transamerica Corp	748.6	93.6	−12.5
Texaco	1,819.0	68.0	−3.7
Ashland Oil	336.1	62.0	−18.5
Hutton (E.F.) Group	372.5	59.6	−16.0
Weyerhaeuser Co	929.2	59.1	−6.4
Georgia Pacific Corp	783.0	59.0	−7.5
IC Industries	534.7	55.4	−10.4
Northrop Corp	416.8	46.4	−11.1
First Executive Corp	444.2	44.2	−10.0
International Minerals and Chemical	371.6	43.7	−11.8
Mitchell Energy and Development Corp	458.7	41.1	−9.0
Dupont	4,075.0	40.0	−1.0
Mellon Bank Corp	544.7	32.8	−6.0
International Paper Co	1,136.3	32.6	−2.9
Ohio Edison Co	1,524.4	31.8	−2.1
Scott Paper Co	594.6	30.5	−5.1
Philadelphia Electric Co	1,892.5	30.3	−1.6
Panhandle Eastern Corp	1,220.7	28.8	−2.4
Union Carbide	892.0	26.0	−2.9
Piedmont Aviation	169.0	25.4	−15.0
Tesoro Petroleum	124.3	22.5	−18.1
Harris Corp	307.6	19.5	−6.3
Allied Corp	693.0	17.0	−2.5
Columbia Gas System	1,147.1	15.9	−1.4
Northern Indian PSC	792.5	14.6	−1.8
Arizona Public Service Co	1,278.4	14.1	−1.1
Singer Co	194.2	11.6	−6.0
Sun Chemical Corp	103.2	10.4	−10.1
Greyhound Corp	419.9	10.4	−2.5
Centex Corp	264.4	10.2	−3.9
Pennsylvania Power and Light Co	1,362.9	10.0	−.7
Xerox	1,122.7	9.2	−.8
Southwest Airlines Co	213.0	8.1	−3.8
Comerica	135.3	7.1	−5.3
Dun and Bradstreet Corp	967.0	6.7	−.7
Ogden Corp	251.5	5.6	−2.2
Jim Walter Corp	361.7	4.1	−1.1
International Multifoods	43.9	3.2	−7.3
Burlington Northern	2,799.2	1.1	−.0
Tyson Foods	69.1	1.0	−1.4
Grumman Corp	653.4	.0	−.0
Lockheed Corp	1,670.9	.0	−.0

Compiled by James Schwartz—the Washington Post.

Mr. LEAHY. Mr. President, this cannot go on. The Senate Finance Committee ought to report a minimum tax to ensure that these corporations pay their fair share of taxes. As part of the Hollings budget freeze, I was pleased to cosponsor a minimum tax that would raise $15 billion from corporations that previously avoided paying taxes. It can be done. Out of a sense of fairness, it must be done.

Finally, Mr. President, last year the Internal Revenue Service reported that up to $92 billion in revenues could be raised simply by collecting taxes owed to the Federal Government. It makes far more sense to increase efforts to collect back taxes from those who have skirted their responsibilities than raising individual taxes. I urge the Finance Committee to follow the lead that Senator KERRY and I took in offering a successful amendment to Gramm-Rudman-Hollings calling for an annual report on the progress of the Internal Revenue Service's efforts to increase tax compliance.

No American should be asked to pay a single cent more in Federal income taxes, when so much revenues remains uncollected and so many profitable corporations avoid paying their fair share of taxes.

Mr. MITCHELL. Mr. President, I rise today in support of the amendment being offered by Senators ANDREWS, HOLLINGS, myself and many others, to increase funding for function 500 by $1.2 billion.

Under this amendment we will restore current services for all education programs. Current services represents the fiscal year 1986 appropriations level plus 5.7 percent for inflation.

I am committed to reduce the enormous budget deficit. However, I strongly disagree with those who would do so primarily by reducing funding for basic education programs which provide the foundation for an educated citizenry.

Since 1980, funding for education in real dollars has declined by approximately 16 percent. During the same period defense spending has increased by 38 percent. The defense of our Nation depends not only on weapons, but upon an informed and trained people. Young men and women in the Armed Forces without the mathematical and technical skills to understand and operate complicated equipment will not contribute to the Nation's defense.

This amendment will restore funding to a number of vital education programs including title I, which serves students from low-income families, the TRIO programs, such as Upward Bound, which provide important outreach, counseling and tutoring services to encourage low income disadvantaged students to enter and complete college.

The amendment will also restore funding for vocational education. In the President's fiscal year 1987 budget, vocational education was cut by nearly 50 percent. This program has been an important one in my home State of Maine. Many students, who might not otherwise continue a post-secondary education, have benefited greatly by the availability of vocational educational programs in Maine.

Finally, the Andrews-Hollings amendment will increase funding for the Pell grants. The $221 million provided in this amendment for Pell grants will allow an additional 442,800 students to receive educational awards in fiscal year 1987. We must not abandon college students from low- and middle-income families at a time of rapidly escalating tuition costs.

Mr. President, the Federal Government must continue its historic support of public education. Access to education for all students regardless of economic circumstances is one of the greatest legacies of this Nation. Children of immigrants with no education have had an opportunity to study and learn and achieve whatever goals they have set for themselves. We must continue to provide that opportunity for future generations of American children.

Mr. CHAFEE. Mr. President, I am pleased today to support the Andrews-Hollings amendment, restoring $1.2 billion to the education budget for fiscal year 1987. I support this amendment because I believe that adequate funding for education programs must remain a high priority of the Federal Government.

Since 1980, total Federal spending has grown by 65 percent. Yet, during the same period spending for education programs, including programs serving the most needy, has declined in real dollars. This record indicates to me that we in Congress may be forgetting what is truly important in terms of Federal investment. It is troubling to see that year after year the Federal budget includes wasteful, inefficient programs which do little more than sap the taxpayers' dollars, while we reduce our assistance to the Nation's schools.

What could be more important than maintaining a strong education system? The future of the United States is in the hands of the Nation's educators, and I want to ensure that they continue to have the resources necessary to train and shape the minds of our children. That is what this amendment seeks to do. Under this amendment, a principal will not be forced to cut back on salaries, reduce his teaching staff, or decide that he simply cannot afford new textbooks because of a shrinking budget.

As we have tried in recent months to address the budget crisis, we have heard a great deal of talk about priorities. The Gramm-Rudman-Hollings legislation was passed with the conviction that it would force us, at long last, to sit down and decide what really matters to us in the Federal budget and what we can do without. I believe, Mr. President, that there is still a lot of fat in the budget which we should eliminate.

It is clear to me that the choice Gramm-Rudman-Hollings is forcing us to make should include an affirmation of education's importance. The Federal budget plays a vital role in supplementing the efforts of local communities, and fine institutions of higher learning, all over the country. I know that in my State, for example, the Education for the Handicapped Program is helping people with special needs gain the same quality education as any other child. Those who administer this program, and the teachers who work with these students, make effective use of every penny they receive.

Another fine example of where this money will go is the TRIO Program, for bright high school students from disadvantaged backgrounds. TRIO programs, such as Upward Bound, have been outstandingly successful in equipping thousands of young Rhode Islanders with the skills they need to get into college, and to do well once they are there. As a final example, I would point out that this amendment will assist Federal library programs, which are included in the education budget. In addition to the important traditional services they provide to readers, our libraries are making a strong effort to fight illiteracy, which prevents millions of Americans from leading full, self-sufficient lives. I believe that as we make our difficult budget choices, these are the kinds of programs we must view as critical, and worth fighting for.

Education is about helping people make it in life. The programs which would benefit from the Andrews-Hollings amendment represent investments in people—people who will one day determine the course of this Nation, and whom we must not neglect. I am happy to vote for this amendment, and urge my colleagues to join me in supporting it.

Mr. KERRY. Mr. President, I rise as a cosponsor of the Andrews-Hollings amendment, which restores funding for basic education programs to levels which keep pace with inflation.

Over the course of the last 5 years, we have witnessed the steady erosion of Federal funding for crucial education programs. This reduction in the Federal Government's role comes at a time when State and local governments have been tightening their belts as well. I believe that it is not overdramatization to suggest that these reductions imperil our ability to provide a viable future for our children and our grandchildren. If this trend continues, future generations may look back at the 1980's as a decade in which America began to abandon its commitment to education.

I know that all of my colleagues in this Chamber agree that we must invest in our children today if we are to see America live up to its productive potential tomorrow. This is particularly true at a time when we are facing tougher competition from abroad. In order to remain competitive as a nation, we must have a well-educated population, and the Federal Government should continue to play an integral role in support of this education.

Let me give you some examples from my own State of Massachusetts, which owes much of its prosperity to the high quality of its many and varied educational institutions. We have benefited in the past from a strong national commitment to education on all levels. On the elementary, secondary, and vocational education level, thousands of children have benefited from Federal assistance. Chapter 1, Compensatory Education for the Disadvantaged, for example, has served numerous migrant children, handicapped, and neglected and delinquent children. Chapter 1 is one of the most effective Government programs on the books and it cannot afford to suffer any further cuts.

There are many other programs for primary and secondary education that we need to support and which have been recognized by Senators ANDREWS and HOLLINGS in this amendment. Inpact aid, which provides compensation to school systems in which there is a large Federal presence, is very important to many communities in Massachusetts as well as in many other States. In addition, programs in adult and vocational education provide vital opportunities to many citizens throughout the country. These programs have just "gotten by" for the last several years and they are in need of additional funds if they are to accomplish their congressional mandate.

In higher eduation, there are more than 100,000 recipients of Federal financial assistance in Massachusetts. The Federal student financial aid programs have given these students, many of whom could not otherwise afford to attend college, access to higher education and consequently the opportunity to achieve their full academic potential. Moreover, it is clear that these Federal education programs, established during the 1960's and 1970's, are the single most important factor in Massachusetts' present prosperity.

The Domenici-Chiles budget resolution is the result of a strong bipartisan effort within the Budget Committee, and it provides a responsible base which many of us feel puts us in the right direction. The resolution, however, does not go the distance needed to ensure that we do not fall further behind in our commitment to education. The Andrews-Hollings amendment simply returns education funding for fiscal year 1987 to current services—a freeze on last year's level plus inflation. This amendment, therefore, represents a small, yet necessary improvement to the committee's budget, and a critical step toward ensuring the long-term stability of our Nation's educational system.

When I voted for the Gramm-Rudman-Hollings amendment last year, I did so in the hopes that it would force the Congress to make tough choices in order to get the massive Federal budget deficits under control. These choices must reflect the will of the American people. I know that the American people desire a strong commitment to education—to the future of our country. By adopting the Andrews-Hollings amendment, we will be displaying that commitment to the American people and reaffirming the Federal Government's role in improving our children's education. I urge my colleagues to join me in supporting this amendment.

Mr. KENNEDY. Mr. President, I join today with Senator ANDREWS and Senator HOLLINGS and 29 of my other colleagues in the Senate in offering this critical amendment to provide a vital increase in funding for Federal education programs. This amendment will add $1.2 billion to restore the funding for basic education programs to current services and meets the deficit neutral requirement with a revenue offset. The budget resolution as reported out of committee freezes education funding at the 1986 level of appropriations. The resolution does assume a $300 million increase for function 500 for unspecified priorities. But this does not mean that the basic education programs will receive increases.

I wish to remind my colleagues in the Senate that this amendment represents an inflation-only increase for education programs—enough to maintain those children who are currently in these programs. The $1.2 billion will not allow for any program expansion. This increase will not enable the millions of educationally disadvantaged first graders or the many limited English proficient fifth graders to obtain the education services they need under chapter I or bilingual education because again this year there will be no Federal funding available for these programs to expand.

Year after year, President Reagan has proposed drastic reductions in Federal education programs. And year after year Congress has rejected the administration's proposals. However, Congress has not always provided the necessary funding to maintain or expand Federal education programs over the past 5 years. In real dollars, basic education programs have been cut by 15.8 percent since 1981.

We are well into the second administration of Ronald Reagan and it should be clear to every Member of this distinguished body that we cannot rely on the President to defend educa-

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tion. And it is more than clear that we cannot depend on Secretary Bennett to fight for the critical resources needed to teach our Nation's young students. The time has come for the Senate to accept its responsibility for educating the next generation. By adopting this amendment today, we are reaffirming our commitment to the millions of young people across the United States who are participating in education programs supported by the Federal Government.

I would like to take a moment to remind my colleagues of the role of the Federal Government in education. We are responsible for ensuring that first graders, young adults entering junior high school, high school students, and students entering higher education have ready access to quality education and are provided an equal education. That is the charge of the Federal Government and we have not been diligent in this responsibility.

There are consequences to our inactions. Thousands of young students are dropping out of our schools. According to the National Center for Educational Statistics, 25 percent of all students who enter the fifth grade do not graduate from high school in the eighth year afterwards. The Current Population Survey shows that 16 percent of 18 and 19 years olds do not have a high school diploma nor are they currently enrolled in school. The High School Survey and Beyond tells us that 14 percent of high school sophomores drop out before the end of their senior year. Estimates of the number of adults in the United States who are functionally illiterate range from 23 to 72 million. An estimated 2.3 million persons join these ranks each year.

As a nation it is our duty to provide the best education for all our children. Well educated children grow up to be knowledgeable and skillfull adults who we must depend on to strengthen our economy, to compete and prosper in an increasingly complex world, and to promote a kind and humane society.

Our goal is the maximum development of every child. It is not only morally right, but far less expensive for government to assist children in growing up whole and strong and able than to pay the bill later for children and adults who grow up with social and educational problems. Aeschylus wrote:

> In the rearing of our children, we are handing on life like a torch from one generation to another.

Mr. President, I urge my colleagues to demonstrate their commitment to our young children, our next generation, by adopting this amendment.

Mr THURMOND. Mr. President, it is being argued that a vote against the Andrews-Hollings amendment to restore $1.2 billion in budget authority to education programs in the Senate budget resolution is a vote against education. Yet, I have had a long history of support for education programs, and do not believe that this amendment is warranted. Similarly, the argument is that a vote against the amendment sponsored by Senator WEICKER, which would add another $600 million in budget authority for education programs for the handicapped, is a vote against handicapped individuals. However, I have always been a supporter of these programs, and do not intend to support this amendment.

The budget resolution under consideration provides for $32.1 billion in budget authority for programs under function 500—education, training, employment, and social services—during the 1987 fiscal year. This represents an increase of $1.8 billion in budget authority for this function over the 1986 fiscal year. These amendments, if passed, would double the projected increase in budget authority for this function over that provided in the pending resolution. Since current law requires amendments to be deficit-neutral, it is asserted that the additional funding sought by these amendments can be provided through "unspecified revenue enhancement."

Mr. President, I firmly believe that the average American taxpayer is tired of paying such a large percentage of his or her hard-earned income in Federal taxes. The term "unspecified revenue enhancement" is merely a fancy codeword for a tax increase.

These amendments would increase the already substantial tax burden on our citizens. Since I believe that these are worthwhile programs, it is difficult to oppose additional funding for them. However, as our Nation suffers through this deficit crisis, we must make difficult decisions. We have abdicated this responsibility for too long. Consequently, the national debt today exceeds $2 trillion.

These amendments would add funding authority beyond the increase already provided in the budget resolution before us. Furthermore, the passage of these amendments would result in a tax increase. Accordingly, I intend to vote in opposition to them.

In conclusion, the purposes of both these amendments are worthy ones, and I support the principle that more funds should be committed to these programs. However, under the current financial circumstances, I believe that it is more appropriate for the States to provide these additional funds. There is no State which is not in better fiscal condition in proportion to resources, than the Federal Government. Thus, it seems only fair, particularly during this budget crisis that States should provide a larger share of contributions to such programs. This, is especially true for education, which has traditionally been a State and local government responsibility.

Mr. BINGAMAN. Mr. President, I am pleased to be a cosponsor of the amendment offered by my colleague, Senator ANDREWS and Senator HOLLINGS, to increase funding for education. Quality education has never been more important to us than it is today, and it requires the continuing attention of the Senate. I compliment the two Senators for their leadership in generating bipartisan support for this critical need area.

The entire budget debate is a question of priorities, and many of my colleagues may disagree on the ordering of these priorities. As I have said, I support the efforts of the distinguished chairman and ranking minority member of the Budget Committee for their efforts to bring a fair and effective budget to the floor, and I will vote for the bill with modifications.

Mr. President, this is one modification I feel is absolutely essential. It is essential to a strong America. It is essential to the future of our children.

The Andrews-Hollings amendment brings education funding in line with the fiscal year 1986 appropriated amount—before sequestration—plus 5.7 percent for inflation. Function 500 of Senate Concurrent Resolution 120 will be increased by $1.2 billion in budget authority. The amendment meets the deficit-neutral requirement with an unspecified revenue offset to be decided by the Finance Committee.

This restoration of educational funding to current services, adjusted for inflation, reflects a sensible approach to maintain our education programs at adequate funding levels and to still meet deficit reduction goals. Adequate education funding must remain a high priority. Since 1980, Federal spending in actual dollars for elementary and secondary education programs has declined by almost 40 percent. This compares with a 66-percent increase in overall Federal spending. According to some education analysts, current Federal spending on education now constitutes only 65 cents of every $100. With the Andrews-Hollings amendment, we would increase the Federal effort by 2 cents, to a level of 67 cents for every $100. This hardly represents a budget-busting approach. In fact, it demonstrates fiscal restraint.

Mr. President, I strongly support a Federal role in public education, especially given the continuing decline in oil and gas revenues, which, in my State of New Mexico and in other States, have traditionally funded education. Also, on a national scale, our efforts to improve U.S. competitiveness in a very competitive world economy must address the need to improve our human capital resources, particularly our educational resources.

The evidence clearly demonstrates the need to continue to upgrade our educational system. An area of particular concern to me is the growing lack of teachers in certain areas of the country and in certain high need subjects. I am also concerned with the evidence of a decline in scholarships among those going into the teaching profession. A survey conducted by the National Center for Education Information in the spring and summer 1984 showed that the number of new teacher graduates dropped 53 percent from 1973 to 1983, that enrollment in teacher education programs decreased by a third, and that persons newly admitted into teacher education decreased 44 percent. Yet, the U.S. Department of Education projects that by 1993 we will need more than 1 million new elementary school teachers and more than half a million secondary school teachers. Furthermore, based on the most recent reports from the National Center for Education Statistics and other sources, the likely subject areas of greatest teacher shortage are special education, mathematics, physical sciences, computer sciences, bilingual education, and certain foreign languages.

We must begin to recognize and deal with these statistics. Unfortunately, they just scratch the surface. We must continually enhance our educational excellence in an ever more competitive world. We can begin to make a contribution today by approving this amendment.

Mr. McCONNELL. Mr. President, with education such an important issue and with the goal of maintaining an adequate educational system primary in my mind, this vote is extremely difficult. My vote is not a vote against education. I firmly believe that we need a strong educational system at all levels. The funding of this increase for education involves raising taxes. This is not the time for a tax increase. Had the source of funding been a transfer from some other program, I might well have been able to support it.

Mr. BYRD. Mr. President, I am pleased to cosponsor this amendment.

Nothing is more critical to the future security and economic well-being of this Nation than the education of our citizens. Without a citizenry at least as well educated as citizens of other industrialized nations, we can have little hope that our future will be as prosperous as we have come to expect in America; nor can we expect that we will continue to have the ability to be the leader of the free world and the defender of democracy. It takes education—not just adequate education, but excellent education—to assure such a future for our children and this Nation.

This amendment brings funding up to a level necessary to continue to provide education services now being federally financed prior to the March Gramm-Rudman cuts.

Federal education programs certainly have absorbed their fair share of budget cuts under this administration. Between fiscal year 1980 and fiscal year 1986, actual appropriations for all Federal programs grew by roughly 65 percent. During this same time period, Federal funding for education programs, across-the-board, declined in actual dollars.

These cuts have taken their toll.

Between 1980 and 1986, the Federal share of education funding expended for handicapped students fell from 12 percent to 7 percent, even though the original Federal commitment was to provide 40 percent of the funding by 1980.

These trends hold for other Federal education programs, as well. Despite an overall increase in Federal spending in the past 5 years, education programs have not participated in this real growth. Congress has kept education from being decimated by the budget cuts proposed by the administration, but it has not been able to give education programs the funding priority which I believe they require.

The amendment now before the Senate, like the efforts in past years, continues to fund the major programs at current services levels. Further, it avoids the destructive effects that another Gramm-Rudman sequester would have on education.

The effects of the March Gramm-Rudman sequester are already being felt. I have been told by education officials from West Virginia that, as a result of those cuts, roughly 70 percent of the Pell grant students in West Virginia will see their grants affected. I have received numerous calls from officials at the elementary level telling me of the cuts in the chapter I programs in West Virginia. One county in particular, Pendleton County, faces a loss of half the teachers hired for the program in that county. We must not allow these cuts to be compounded.

This amendment totals $1.2 billion in budget authority for fiscal year 1987, with estimated outlays of about $250 million. Surely this a small investment that will pay enormous dividends in our future. I belive that we cannot afford to do less. I urge the adoption of the amendment.

The PRESIDING OFFICER. On the time of the unanimous-consent request, the clock was running, the Chair will state. The time of the Senator from North Dakota has expired and there are 20 seconds left on the part of the Senator from New Mexico.

Mr. ANDREWS. I ask unanimous consent to proceed for 30 seconds.

Mr. DOMENICI. Mr. President, I have to object, because I have been told we were going to vote at 3:30 and I have 20 seconds.

The PRESIDING OFFICER. Objection is heard.

Mr. DOMENICI. Mr. President, if the proponents of this amendment would have found $300 million in outlays to cut somewhere else, $2.9 billion in outlays which is the new taxes somewhere else in this budget, they would have had my support. We have a $144 billion deficit.

The PRESIDING OFFICER. All time has expired.

Mr. DOMENICI. Mr. President, I move to table the amendment and ask for the yeas and nays.

The PRESIDING OFFICER. The Chair will state that the unanimous-consent agreement called for the vote on the amendment.

Mr. DOMENICI. Parliamentary inquiry. Did not the unanimous-consent—I do not want to make a big point out of it—but did not the unanimous-consent agreement say we would vote at 3:30?

The PRESIDING OFFICER. On the amendment.

Mr. DOMENICI. I withdraw my request.

Mr. ANDREWS. Mr. President, I ask for the yeas and nays.

The PRESIDING OFFICER. Is there a sufficient second? There is a sufficient second.

The yeas and nays were ordered.

The PRESIDING OFFICER. The question is on agreeing to the amendment numbered 1798. The yeas and nays have been ordered and the clerk will call the roll.

The legislative clerk called the roll.

Mr. SIMPSON. I announce that the Senator from Arizona [Mr. GOLDWATER] and the Senator from Florida [Mrs. HAWKINS] are necessarily absent.

The PRESIDING OFFICER. Are there any other Senators in the Chamber who desire to vote?

The result was announced—yeas 60, nays 38, as follows:

[Rollcall Vote No. 77 Leg.]

YEAS—60

Abdnor
Andrews
Baucus
Bentsen
Biden
Bingaman
Boren
Bradley
Bumpers
Burdick
Byrd
Chafee
Cohen
Cranston
D'Amato
Danforth
DeConcini
Dixon
Dodd
Durenberger
Eagleton
Ford
Glenn
Gore
Gorton
Grassley
Harkin
Hart
Hatfield
Heflin
Heinz
Hollings
Inouye
Kasten
Kennedy
Kerry
Lautenberg
Leahy
Levin
Mathias
Matsunaga
Melcher
Metzenbaum
Mitchell
Moynihan
Murkowski
Packwood
Pell
Pressler
Pryor
Riegle
Rockefeller
Sarbanes
Sasser
Simon
Specter
Stafford
Stennis
Stevens
Weicker

NAYS—38

Armstrong
Boschwitz
Chiles
Cochran
Denton
Dole
Domenici
East
Evans
Exon
Garn
Gramm
Hatch
Hecht
Helms

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UMI

Humphrey
Johnston
Kassebaum
Laxalt
Long
Lugar
Mattingly
McClure
McConnell
Nickles
Nunn
Proxmire
Quayle
Roth
Rudman
Simpson
Symms
Thurmond
Trible
Wallop
Warner
Wilson
Zorinsky

NOT VOTING—2

Goldwater
Hawkins

So the amendment (No. 1798) was agreed to.

Mr. HOLLINGS. Mr. President, I move to reconsider the vote by which the amendment was agreed to.

Mr. ANDREWS. Mr. President, I move to lay that motion on the table.

The motion to lay on the table was agreed to.

The PRESIDING OFFICER. The Senator from New Mexico.

Mr. DOMENICI. Mr. President, this will be a parliamentary inquiry. There will be no further votes by previous order, is that correct?

The PRESIDING OFFICER. The Senator is correct.

Mr. DOMENICI. Mr. President, I understand that the Senator from New York (Mr. Moynihan) wants to lay down an amendment on revenue sharing. Obviously, we do not have very much time. We will not debate it on our side tonight, but in due course tomorrow we will take it up under the rules. Perhaps we can waive some time on it tomorrow, if necessary. We will be ready tomorrow to discuss it.

The PRESIDING OFFICER. The Senator from New York.

AMENDMENT NO. 1800

(Purpose: To modify the treatment of the General Revenue Sharing Program)

Mr. MOYNIHAN. Mr. President, on behalf of Senators Sasser, Byrd, Heinz, Specter, Riegle, Johnston, Pryor, Lautenberg, Melcher, Metzenbaum, Ford, Long, Hart, Gore, Kerry, Andrews, Dixon, Rockefeller, Sarbanes, Heflin, Inouye, Hawkins, Burdick, DeConcini, and myself, I send an amendment to the desk and ask for its immediate consideration.

The PRESIDING OFFICER. The clerk will report.

The assistant legislative clerk read as follows:

The Senator from New York (Mr. Moynihan), for himself, Mr. Sasser, Mr. Byrd, Mr. Heinz, Mr. Specter, Mr. Riegle, Mr. Johnston, Mr. Pryor, Mr. Lautenberg, Mr. Melcher, Mr. Metzenbaum, Mr. Ford, Mr. Long, Mr. Hart, Mr. Gore, Mr. Kerry, Mr. Andrews, Mr. Dixon, Mr. Rockefeller, Mr. Sarbanes, Mr. Heflin, Mr. Inouye, Mrs. Hawkins, Mr. Burdick, and Mr. DeConcini, proposes an amendment numbered 1800.

Mr. MOYNIHAN. Mr. President, I ask unanimous consent that further reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

On page 44, strike out line 9 through line 21 and insert in lieu thereof the following:

GENERAL REVENUE SHARING

Sec. 3. Upon the enactment of—

(1) legislation authorizing budget authority of up to $4,600,000,000 annually for the General Revenue Sharing program for any or all of the fiscal years 1987, 1988, and 1989, and

(2) legislation increasing revenues for any fiscal year for which outlays are to be made under such budget authority by an amount that is—

(A) not less than the amount of the outlays to be made for such fiscal year under such budget authority, and

(B) in addition to the amounts of increased revenues required to be reported pursuant to section 2 of this concurrent resolution for such fiscal year,

the authorized amounts of budget authority and outlays for such program shall be allocated to the Senate Committees on Appropriations and Finance, as appropriate, for such fiscal year, and such amounts shall be added to the total amounts of budget authority and outlays provided for in the applicable concurrent resolution.

Mr. MOYNIHAN. Mr. President, I yield the floor with the understanding that this amendment will be the first order of business when we return to the bill.

The PRESIDING OFFICER. The Senator is correct.

Mr. BINGAMAN. Mr. President, I would like to offer my strong support for the budget resolution that is before us today.

I also wish to compliment the work of all my colleagues on the Budget Committee whose product we are now considering. In particular, the efforts of the distinguished chairman, Senator Domenici, and the distinguished ranking minority member, Senator Chiles, deserve special recognition. This has truly been an historic and herculean effort to achieve a bipartisan budget compromise. It has my support, and I think it is worthy of the support of all my colleagues.

It is unfortunate and unwise that the President has thus far withheld his support for the resolution and has refused to bargain to reach a new compromise. Instead he has chosen to stand at a distance and criticize the budget resolution while letting the deficit continue to mount.

It is critical to the Nation and all American people that we act to rein in the deficit. According to existing Congressional Budget Office assumptions the deficit for fiscal year 1987 will be $182.7 billion. Without any action this deficit will surely grow to exceed the $200 billion-plus deficit we reached last year. The lesson we haven't seemed to learn is that not only are the existing budget procedures not self-enforcing but that as we fiddle, Rome burns and the deficit rises higher.

We now have before us a realistic and workable compromise which does call for effective action to reduce the deficit—by $38.8 billion, to $143.9 billion. This meets the Gramm-Rudman-Hollings target of $144 billion and eliminates the need for a $16-billion sequester required by the President's budget. It does this by holding the line on defense spending at $295 billion, keeping it at zero percent real growth. It does cut some $17 billion from domestic spending, but far less drastic than the President's budget, adding back approximately $4 billion in previously called for cuts. It provides full cost-of-living adjustments for Social Security, Federal civilian and military retirees as well as other index programs. Still, total spending under the plan is reduced by $4 billion below the President's plan. Revenues would be increased by $19 billion, but this is to be done without any increase in individual taxes. The revenues would be decided upon by the Finance Committee and could easily be accomplished with a minimum corporate tax or an oil import fee.

Mr. President, this plan is a fair and workable compromise. It is far more effective in reducing the deficit than the President's plan, and it most equitably distributes the burdens of defict reduction. It also avoids the sequestering mandated by Gramm-Rudman-Hollings. Most importantly, it adds back resources for a number of critically important spending areas, including research and development, education, energy, environment, Medicare, and more.

It is imperative that we act now on this resolution in a bipartisan way to show Senator leadership and concern in this issue. I believe that with some minor changes the resolution will effectively and fairly reduce the deficit. It recognizes the fiscal situation that confronts us and it proposed a realistic solution. It has my support and it deserves the support of the President, the American people, and each of my colleagues.

Thank you Mr. President.

ROUTINE MORNING BUSINESS

Mr. DOMENICI. Mr. President, I ask unanimous consent that there now be a period for the transaction of routine morning business for the remaining 4 minutes until 4 o'clock.

The PRESIDING OFFICER. Without objection, it is so ordered.

EXECUTIVE CALENDAR

Mr. DOMENICI. Mr. President, I would like to inquire of the minority leader, in behalf of the majority leader, if he is in a position to confirm the following nominations on the Executive Calendar: No. 756, Kenneth L. Ryskamp, of Florida, to be U.S. district judge for the southern district of Florida, and Calendar No. 757, Joe D.

Whitley, of Georgia, to be U.S. attorney for the middle district of Georgia.

Mr. BYRD. Mr. President, those two nominations have been cleared on this side of the aisle. We are ready to proceed.

Mr. DOMENICI. And Foreign Service nominations placed on the Secretary's desk beginning with Marshall D. Brown, and ending Robert A. Riccio.

Mr. BYRD. Mr. President, those nominations likewise have been cleared on this side.

EXECUTIVE SESSION

Mr. DOMENICI. Mr. President, I ask unanimous consent that the Senate now go into executive session to consider the nominations just identified.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. DOMENICI. Mr. President, I ask unanimous consent that the nominations be considered and confirmed en bloc.

The PRESIDING OFFICER. Without objection, it is so ordered.

The nominations considered and confirmed en bloc are as follows:

THE JUDICIARY

Kenneth L. Ryskamp, of Florida, to be U.S. district judge for the southern district of Florida.

DEPARTMENT OF JUSTICE

Joe D. Whitley, of Georgia, to be U.S. attorney for the middle district of Georgia.

NOMINATIONS PLACED ON THE SECRETARY'S DESK IN THE FOREIGN SERVICE

Foreign Service nominations beginning Marshall D. Brown, and ending Robert A. Riccio, which nominations were received by the Senate and appeared in the Congressional Record of March 12, 1986.

STATEMENT ON THE NOMINATION OF KENNETH L. RYSKAMP, OF FLORIDA, TO BE U.S. DISTRICT JUDGE FOR THE SOUTHERN DISTRICT OF FLORIDA

(By request of Mr. Dole, the following statement was ordered to be printed in the Record at this point:)

● Mrs. HAWKINS. Mr. President, I would like to ask my colleagues to join me in supporting Mr. Kenneth Ryskamp, who has been nominated by President Reagan to serve as U.S. district judge for the southern district of Florida. His nomination was unanimously approved by the Senate Judiciary Committee. Kenneth Ryskamp will bring to this judicial post an excellent combination of personal qualities, educational background, and legal expertise.

Kenneth Ryskamp approaches this judicial post prepared to address the vital issues confronting our country today. His extensive legal clients include liability insurance companies, the Federal Home Loan Bank Board, Federal Savings and Loan Insurance Corporation, an educational institution, and title insurance companies. Time and again, he has participated in litigation defending our constitutional rights. With his specialization in the areas of appellate practice; commerical litigation, railroad law, and real estate, he knows Florida's needs and problems as they relate to Federal law.

Kenneth will serve the southern district of Florida, a most unique district. This district has the heaviest judicial caseload in the country, and experience such as Kenneth's is vital to adequately serving the people of the area. Having practiced law for most of his career in Florida, he knows the complexities of those issues unique to Florida, such as our delicate environment and our extremely high growth as a State. Florida tends to attract perpetrators of fraud, such as the recent GIC Securities which declared bankruptcy and left thousands of senior citizens without a penny of their invested savings. Kenneth's past experience in these and other areas has prepared him for a judicial appointment.

Kenneth has built a reputation in the Miami area and beyond as an outstanding lawyer. He and his wife, Karyl Sonja Honsey, moved to Miami from Michigan in 1953, and they have contributed to the Miami community since that time. I am pleased to recommend Kenneth to you, Mr. President. He will be a tremendous asset to our Federal judiciary.●

Mr. DOMENICI. Mr. President, I move to reconsider the vote by which the nominations were confirmed.

Mr. BYRD. Mr. President, I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. DOMENICI. Mr. President, I ask unanimous consent that the President be immediately notified that the Senate has given its consent to these nominations.

The PRESIDING OFFICER. Without objection, it is so ordered.

LEGISLATIVE SESSION

Mr. DOMENICI. Mr. President, I ask unanimous consent that the Senate now return to legislative session.

The PRESIDING OFFICER. Without objection, it is so ordered.

APPOINTMENTS BY THE VICE PRESIDENT

The PRESIDING OFFICER. The Chair, on behalf of the Vice President, pursuant to 22 U.S.C. 276h-276k, as amended, appoints the following Senators as members of the Senate delegation to the Mexico-United States Interparliamentary Group Meeting, to be held in Colorado Springs, CO, on May 29–June 2, 1986: The Senator from Nebraska [Mr. Zorinsky], the Senator from Arizona [Mr. DeConcini], the Senator from Utah [Mr. Hatch], the Senator from Georgia [Mr. Mattingly], and the Senator from New Mexico [Mr. Bingaman].

The Chair, on behalf of the Vice President, pursuant to 22 U.S.C. 1928a–1928d, as amended, appoints the following Senators as members of the Senate delegation to the North Atlantic Assembly Spring Meeting, to be held in Luxembourg City, Luxembourg, on May 22–June 1, 1986: The Senator from Missouri [Mr. Eagleton], the Senator from Maryland [Mr. Mathias], the Senator from Texas [Mr. Bentsen], the Senator from Idaho [Mr. McClure], the Senator from Utah [Mr. Hatch], and the Senator from Alabama [Mr. Heflin].

AUTHORIZATION FOR TESTIMONY AND REPRESENTATION BY SENATE LEGAL COUNSEL

Mr. DOMENICI. Mr. President, in behalf of the majority leader, I send to the desk a Senate resolution regarding legal counsel.

The PRESIDING OFFICER. The resolution will be stated by title.

The assistant legislative clerk read as follows:

A Senate resolution (S. Res. 387) to authorize testimony by Senate employee and representation by the Senate Legal Counsel in *In Re Possible Violations of 18 U.S.C. 1001.*

The PRESIDING OFFICER. Is there objection to the present consideration of the resolution?

There being no objection, the Senate proceeded to consider the resolution.

Mr. DOLE. Mr. President, the U.S. Department of Justice has subpoenaed an employee of the Committee on Commerce, Science, and Transportation, Mr. David F. Zorensky, to assist it by testifying before a Federal grand jury in the U.S. District Court for the District of Columbia investigating possible false statements in violation of 18 U.S.C. section 1001. The information sought from Mr. Zorensky was acquired in the course of his work for the committee relative to other individuals and in no way involved his own conduct.

This resolution would authorize Mr. Zorensky to testify before the grand jury and in any subsequent proceedings in this matter, except concerning anything privileged. This is in keeping with our practice of facilitating justice consistent with the privileges and rights of the Senate. The resolution would also direct the Senate legal counsel to represent Mr. Zorensky in this matter.

The PRESIDING OFFICER. The question is on agreeing to the resolution.

The resolution (S. Res. 387) was agreed to. The preamble was agreed to.

The resolution, with its preamble, is as follows:

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S. Res. 387

Whereas, a Federal grand jury in the United States District Court for the District of Columbia is currently investigating possible violations of 18 U.S.C. 1001;

Whereas, counsel for the United States has served a subpoena for the taking of testimony upon David F. Zorensky, a member of the staff of the Committee on Commerce, Science, and Transportation;

Whereas, pursuant to sections 703(a) and 704(a) of the Ethics in Government Act of 1978, 2 U.S.C. 288b(a) and 288c(a) (1982), the Senate may direct its counsel to represent employees of the Senate with respect to any subpoena or order relating to their official responsibilities;

Whereas, by the privileges of the Senate of the United States and Rule XI of the Standing Rules of the Senate, no evidence under the control or in the possession of the Senate can, by the judicial process, be taken from such control or possession but by permission of the Senate;

Whereas, when it appears that testimony of employees of the Senate concerning information acquired in the course of their official duties is needful for use in any court for the promotion of justice, the Senate will take such action thereon as will promote the ends of justice consistent with the privileges and rights of the Senate: Now, therefore, be it

Resolved, That the Senate Legal Counsel is directed to represent David F. Zorensky in connection with his testimony in *In Re Possible Violations of 18 U.S.C. § 1001.*

Sec. 2. That David F. Zorensky is authorized to testify before the grand jury and in any subsequent proceedings in *In Re Possible Violations of 18 U.S.C. § 1001* (D.D.C.), except concerning matters for which a privilege from testifying should be asserted.

Mr. DOMENICI. I move to reconsider the vote by which the resolution was agreed to.

Mr. BYRD. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

RECOGNITION OF THE NATIONAL GUARD AND RESERVE

Mr. WILSON. Mr. President, in order to avert a truly unintended disaster, I ask unanimous consent that the Senate turn to calendar item 611, House Joint Resolution 220, dealing with the National Guard Reserve. This item has been cleared on both sides of the aisle.

The PRESIDING OFFICER. Is there objection?

Mr. BYRD. Mr. President, reserving the right to object, and I will not object, this item has been cleared on this side.

The PRESIDING OFFICER. The clerk will report.

The assistant legislative clerk read as follows:

A joint resolution (H.J. Res. 220) to reaffirm Congress' recognition of the vital role played by members of the National Guard and Reserve in the national defense.

Without objection, the Senate proceeded to consider the joint resolution.

AMENDMENT NO. 1799

Mr. WILSON. Mr. President, I send an amendment to the desk on behalf of Senator Goldwater and myself and ask for its immediate consideration.

The PRESIDING OFFICER. The clerk will report.

The assistant legislative clerk read as follows:

The Senator from California [Mr. Wilson], for himself and Mr. Goldwater, proposes an amendment numbered 1799.

Mr. WILSON. Mr. President, I ask unanimous consent that further reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

At the end of the joint resolution add the following new section:

"SEC. 2. EXTENSION OF DEADLINE RELATING TO OBLIGATION OF FUNDS FROM MILITARY PERSONNEL ACCOUNTS OF THE DEPARTMENT OF DEFENSE.

"Notwithstanding any other provision of law, until, but not after, June 1, 1986, obligations from the Department of Defense military personnel accounts may exceed a rate in excess of the rate required to limit total obligations to the obligation ceilings established by law for such accounts for fiscal year 1986.".

Mr. WILSON. Mr. President, this amendment simply states that notwithstanding other provisions in the law, and most notably an amendment added to the appropriations bill last year, there now be permitted to the Department of Defense authority to expend from its current military personnel accounts at a rate in excess of the rate required to limit total obligations to the obligation ceilings established by law for such accounts for fiscal year 1986.

The reason for this is we are facing a deadline we cannot meet, Mr. President. The House is about to go out. The President is going to Japan. There has to be a signature on this piece of legislation before May 1 to avoid the necessity that will otherwise exist for the Pentagon to lay off half a million men from the armed services.

Mr. President, I move adoption of the amendment.

The PRESIDING OFFICER. The question is on agreeing to the amendment.

The amendment (No. 1799) was agreed to.

The PRESIDING OFFICER. The joint resolution is open to further amendment. If there be no further amendment to be proposed, the question is on the engrossment and third reading of the joint resolution.

The joint resolution (H.J. Res. 220) as amended, was ordered to be engrossed for a third reading, was read the third time, and passed, as follows:

Page 2, after line 13, insert:

SEC. 2. EXTENSION OF DEADLINE RELATING TO OBLIGATION OF FUNDS FROM MILITARY PERSONNEL ACCOUNTS OF THE DEPARTMENT OF DEFENSE.

Notwithstanding any other provision of law, until, but not after, June 1, 1986, obligations from the Department of Defense military personnel accounts may exceed a rate in excess of the rate required to limit total obligations to the obligation ceilings established by law for such accounts for fiscal year 1986.

The title was amended so as to read, "A joint resolution to reaffirm Congress' recognition of the vital role played by members of the National Guard and Reserve in the national defense, and for other purposes."

Mr. WILSON. Mr. President, I move to reconsider the vote by which the joint resolution was passed.

Mr. DOMENICI. Mr. President, I move to lay that motion on the table.

The motion to lay on the table was agreed to.

NATIONAL SECRETARIES' DAY

Mr. MOYNIHAN. Mr. President, here in the Senate, the crunch of daily business sometimes makes us take the people around us for granted. Today is National Secretaries Day, and, as the secretaries in the Senate (and indeed everywhere) are certainly and often taken for granted, I should like to take this occasion to pay them some attention.

Of special importance to me are the secretaries on my own staff. The demands on them are great, and the thanks they receive usually few. We don't frequently say so, but it is the simple truth that we could not function without them. My gratitude goes out today, then, to my secretaries Vicki Bear-Dodson, Julie Smith, and Loretta Shepard. They are professionals in every sense of the word, and they have my deepest appreciation.

FARM CREDIT LEGISLATION

Mr. BOREN. Mr. President, I read with interest the remarks by the distinguished majority leader yesterday afternoon concerning the need to pass a concurrent resolution dealing with the Farm Credit System.

I am a cosponor of the resolution intended to be proposed by the majority leader. At least I was a cosponsor of the resolution when I received a copy of it on April 7. I understand, however, that it has changed many times since then and in fact, at one point I heard it was going to be introduced as a joint resolution instead of a concurrent resolution.

I had hoped that the majority leader would have introduced the resolution 2 weeks ago. So that the Senate Agricultural Committee could have considered the resolution and reported it out, perhaps with no amendments.

I agree with the majority leader that it is imperative that we send a clear signal to the Farm Credit System. However, I do not believe a nonbinding resolution will accomplish very much if anything. It will more than likely provide a sense of false hope to the borrowers of the Farm Credit System, because it will be more words without the power of law to back it up.

It's my understanding that Frank Naylor, the President's designated nominee to the Farm Credit Administration Board, has indicated a willingness to write regulations which would provide for maximum forebearance to Farm Credit System borrowers. That's all well and good, Mr. President, however, Mr. Naylor is not presently a member of the Farm Credit Administration Board. Further, unless the White House moves quickly and designates the Democratic nominee to the board, it could be months before the Farm Credit Administration Board is in place. I believe we all had hoped that the White House would have acted more promptly in making the appointments. We have all hoped that the board and the Capital Corporation could have been in place and operational long before now. The White House apparently has not recognized the urgent situation facing the borrowers of the Farm Credit System. Consequently, Mr. President, I don't believe we can wait for Mr. Naylor to become chairman of the Farm Credit Administration Board and implement regulations which would provide forbearance.

I believe, Mr. President, that we need statutory language requiring the Farm Credit System to provide forbearance to its borrowers and we need to consider legislation now. If we are really interested in helping the farmers in this country we will not wave a flag of false hope; rather, we will give them real hope by considering meaningful farm credit legislation.

Mr. President, I am not requesting that the majority leader agree to passing legislation I am sponsoring. I am asking the majority leader to decide whether or not farm credit assistance is important enough to be considered by the full Senate. I would be happy to offer my amendment to any vehicle he chooses.

It has been suggested that those of us interested in considering credit legislation have shown up at the last minute. The Senate has adopted two farm bills already this year, the so-called cross compliance bill and the Food Security Improvements Act. Before both bills were considered, I indicated my strong interest in offering a credit amendment to both bills. However, at the urging of the majority leader and others who were interested in seeing both of these bills passed quickly, I did not offer my amendment. I made it clear then that I wanted farm credit legislation considered. In addition, when the majority leader first circulated his concurrent resolution, I again indicated that I wanted the Senate to have an opportunity to consider farm credit legislation. We are simply asking that a reasonable date certain be given for the Senate to consider farm credit legislation. Only in that way will a concurrent resolution dealing with farm credit be meaningful. Without subsequent action on a meaningful farm credit package, the concurrent resolution will provide no real assistance to the farmers and ranchers in this Nation. In the past on farm legislation, the majority leader and I have worked together many times.

It is time for all of us to sit down together and set up a timetable for the consideration of a farm credit package that will really help farmers. Farmers cannot make mortgage payments or restructure their debts with an armload of election year platitudes contained in resolutions without the force of law.

RESPONSE TO LIBYA

Mr. STEVENS. Mr. President, United States military action against Libya on April 14 serves a stern notice to all of our Nation's enemies that military forces of the United States can and will be used—if necessary—in the defense of our citizens and our interests.

In an editorial on Wednesday, April 16, the Anchorage Times compliments President Reagan for his role in strengthening the military, so it can carry out its role as an instrument of national policy. This editorial also calls on our allies to support our Nation and our President in the defense of democracy and the struggle against oppression.

Mr. President, I ask unanimous consent that the editorial in the April 16, Anchorage Times, to which I have referred, be printed in the Record.

There being no objection, the editorial was ordered to be printed in the Record, as follows:

[From the Anchorage Times, Apr. 16, 1986]

Response to Libya

A positive response to the attack on Libya would be expected from Alaskans. They live in a land of confrontations where they must defend their lives, liberty and property from natural and man-made enemies. They respond almost daily to oppressive situations.

Alaskans spring together when they face major issues that affect their land or their lives. During the last 100 years, they have stood together to overcome obstacles that appeared insurmountable on the land, on the sea or in the air in extreme conditions of temperature or location.

They stand their ground against intrusion or invasion by man, animals, winds, cold, rain, snow or anything else nature or mankind throws at them.

Alaskans should applaud the response to Libya's terrorism, an action that should, but probably won't, silence the administration's critics who argue that the military is useless as a response to terrorists.

President Reagan has now proven them wrong in that claim, just as they have been proven wrong in others. He has also shown by deed as well as word that the U.S. will defend its citizens. When he says he will table specific action, he will not fail to deliver.

Perhaps the nation is now seeing the payoff from the Reagan policies of the past six years during which he strengthened the national economy by eliminating inflation, reducing unemployment, increasing production. At the same time he strengthened the military establishment so it could carry out its role as an instrument of national policy.

Alaskans were strong for Ronald Reagan when he was running for president and he has not disappointed them. He has restored the pride of the people in their nation and has been eminently successful in handling national power.

In foreign relations his first concern was about military power. He rebuilt it in his first term and became the first president since Richard Nixon who improved America's geopolitical preeminence.

In that rebuilding effort, Alaska benefitted by a general strengthening and renovation of the military forces and their installations here. The Sixth Division for the U.S. Army marks the first time Alaska has had troops assigned to the defense of their state.

It is to be hoped that America's allies will recognize the effectiveness of the Reagan Doctrine and will support it.

MESSAGES FROM THE HOUSE

ENROLLED JOINT RESOLUTIONS SIGNED

At 1:59 p.m., a message from the House of Representatives, delivered by Ms. Goetz, one of its reading clerks, announced that the Speaker has signed the following enrolled joint resolutions:

S.J. Res. 215. Joint resolution providing for reappointment of William G. Bowen as a citizen regent of the Board of Regents of the Smithsonian Institution;

S.J. Res. 286. Joint resolution to designate the week of April 20, 1986, through April 26, 1986, as "National Reading Is Fun Week"; and

S.J. Res. 296. Joint resolution to designate October 16, 1986, as "World Food Day".

The enrolled joint resolutions were subsequently signed by the President pro tempore [Mr. Thurmond].

ENROLLED JOINT RESOLUTIONS SIGNED

At 3:02 p.m., a message from the House of Representatives, delivered by Mr. Berry, one of its reading clerks, announced that the Speaker has signed the following enrolled joint resolutions:

S.J. Res. 214. Joint resolution providing for reappointment of Carlisle H. Hummelsine as a citizen regent of the Board of Regents of the Smithsonian Institution; and

S.J. Res. 275. Joint resolution designating May 11 through May 17, 1986, as "Jewish Heritage Week".

The enrolled joint resolutions were subsequently signed by the President pro tempore [Mr. Thurmond].

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At 3:11 p.m., a message from the House of Representatives, delivered by Ms. Goetz, one of its reading clerks, announced that the House agrees to the amendments of the Senate numbered 1 and 2 to the bill (H.R. 3551) to amend title 18, United States Code, with respect to certain bribery and related offenses; and that the House agrees to the amendment of the Senate numbered 3 to the bill, with an amendment, in which it requests the concurrence of the Senate.

The message also announced that the House has passed the following bill, and joint resolutions, in which it requests the concurrence of the Senate:

H.R. 4022. An act to release restrictions on certain property located in Calcasieu Parish, Louisiana, and for other purposes;

H.J. Res. 544. Joint resolution to designate May 7, 1986, as "National Barrier Awareness Week"; and

H.J. Res. 604. Joint resolution providing for appointment to the service academies of children of members of the Armed Forces killed in the military action against Libya on April 15, 1986.

MEASURES REFERRED

The following joint resolutions were read the first and second times by unanimous consent, and referred as indicated:

H.J. Res. 544. Joint resolution to designate May 7, 1986, as "National Barrier Awareness Week"; to the Committee on the Judiciary.

H.J. Res. 604. Joint resolution providing for appointment to the service academies of children of members of the Armed Forces killed in the military action against Libya on April 15, 1986; to the Committee on Armed Services.

MEASURE PLACED ON THE CALENDAR

The following bill was read the first and second times by unanimous consent, and placed on the calendar:

H.R. 4022. An act to release restrictions on certain property located in Calcasieu Parish, Louisiana, and for other purposes.

ENROLLED BILLS SIGNED

The President pro tempore [Mr. THURMOND] announced that on today, April 23, 1986, he signed the following enrolled bill which had previously been signed by the Speaker of the House of Representatives:

S. 1684. An act to declare that the United States holds certain Chilocco Indian School lands in trust for the Kaw, Otoe-Missouria, Pawnee, Ponca, and Tonkawa Indian Tribes of Oklahoma; and

S. 2319. An act to provide for the continuation of the Martin Luther King, Jr., Federal Holiday Commission until 1989, and for other purposes.

ENROLLED BILLS AND JOINT RESOLUTIONS PRESENTED

The Secretary of the Senate reported that on today, April 23, 1986, she had presented to the President of the United States the following enrolled bills and joint resolutions:

S. 1684. An act to declare that the United States holds certain Chilocco Indian School lands in trust for the Kaw, Otoe-Missouria, Pawnee, Ponca, and Tonkawa Indian Tribes of Oklahoma;

S. 2319. An act to provide for the continuation of the Martin Luther King, Jr., Federal Holiday Commission until 1989, and for other purposes;

S.J. Res. 214. Joint resolution providing for reappointment of Carlisle H. Hummelsine as a citizen regent of the Board of Regents of the Smithsonian Institution;

S.J. Res. 215. Joint resolution providing for reappointment of William G. Bowen as a citizen regent of the Board of Regents of the Smithsonian Institution;

S.J. Res. 275. Joint resolution designating May 11 through May 17, 1986, as "Jewish Heritage Week";

S.J. Res. 286. Joint resolution to designate the week of April 20, 1986, through April 26, 1986, as "National Reading Is Fun Week"; and

S.J. Res. 296. Joint resolution to designate October 16, 1986, as "World Food Day."

EXECUTIVE AND OTHER COMMUNICATIONS

The following communications were laid before the Senate, together with accompanying papers, reports, and documents, which were referred as indicated:

EC-3026. A communication from the Director of the Office of Management and Budget transmitting, pursuant to law, the cumulative report on rescissions and deferrals as of April 1, 1986; jointly, pursuant to the order of January 30, 1975, to the Committee on Appropriations and the Committee on the Budget.

EC-3027. A communication from the Director of the Accounting and Financial Management Division of GAO transmitting, pursuant to law, a report entitled "Fraud Hotline—DOD Fraud Hotline: Generally Effective but Some Changes Needed"; to the Committee on Armed Services.

EC-3028. A communication from the Secretary of the Federal Trade Commission transmitting, pursuant to law, the annual report under the Fair Debt Collection Practices Act; to the Committee on Banking, Housing, and Urban Affairs.

EC-3029. A communication from the Administrator of the General Services Administration transmitting, pursuant to law, a report on requests for relief under extraordinary emergency authority in 1985; to the Committee on Banking, Housing, and Urban Affairs.

EC-3030. A communication from the Secretary of Commerce transmitting a draft of proposed legislation to repeal section 10 of the Fisherman's Protective Act; to the Committee on Commerce, Science, and Transportation.

EC-3031. A communication from the Administrator of AID transmitting, pursuant to law, the Agency's annual report relative to actions to increase the representation of minority group members and women in the Foreign Service; to the Committee on Foreign Relations.

EC-3032. A communication from the Chief Judge of the U.S. Claims Court transmitting, pursuant to law, a report on its actions relative to the bill S. 413; to the Committee on the Judiciary.

EC-3033. A communication from the Secretary of Education transmitting a letter of continuing support for enactment of proposed legislation transmitted to Congress on March 12, 1985; to the Committee on Labor and Human Resources.

REPORTS OF COMMITTEES

The following reports of committees were submitted:

By Mr. MATHIAS, from the Committee on Rules and Administration, with amendments and an amendment to the title:

S. Res. 374. Resolution limiting the amount that may be expended by Senators for mass mailings during the remainder of fiscal year 1986 (Rept. No. 99-285).

EXECUTIVE REPORTS OF COMMITTEES

The following executive reports of committees were submitted:

By Mr. LUGAR, from the Committee on Foreign Relations:

Treaty Doc. 99-9. Vienna Convention for the Protection of the Ozone Layer, done at Vienna on March 22, 1985 (with additional views) (Exec. Rept. No. 99-13).

INTRODUCTION OF BILLS AND JOINT RESOLUTIONS

The following bills and joint resolutions were introduced, read the first and second time by unanimous consent, and referred as indicated:

By Mr. SASSER:

S. 2358. A bill to amend title XVIII of the Social Security Act to provide for an optional part C program to furnish comprehensive, catastrophic, long-term, and preventive benefits through prepaid plans; to the Committee on Finance.

By Mr. PRESSLER:

S. 2359. A bill to amend title 38, United States Code, to establish a Veterans' Administration Readjustment Counseling Professional Fellowship Program; to the Committee on Veterans Affairs.

By Mr. CHAFEE:

S. 2360. A bill to temporarily suspend the duty on 4-chloro-2,5-dimethoxy aniline; to the Committee on Finance.

S. 2361. A bill to temporarily suspend the duty on 3-nitro phenyl-4-beta-hydroxy sulfone; to the Committee on Finance.

By Mr. GORE:

S. 2362. A bill to provide that Bell operating companies may provide information services and manufacture telecommunications equipment, subject to regulation by the Federal Communications Commission; to the Committee on Commerce, Science, and Transportation.

SUBMISSION OF CONCURRENT AND SENATE RESOLUTIONS

The following concurrent resolutions and Senate resolutions were read, and referred (or acted upon), as indicated:

By Mr. DOMENICI (for Mr. DOLE (for himself and Mr. BYRD)):

S. Res. 387. Resolution to authorize testimony by Senate employee and representation by the Senate Legal Counsel in In Re Possible Violations of 18 U.S.C. section 1001; considered and agreed to.

STATEMENTS ON INTRODUCED BILLS AND JOINT RESOLUTIONS

By Mr. SASSER:

S. 2358. A bill to amend title XVIII of the Social Security Act to provide for an optional part C program to furnish comprehensive, catastrophic, long-term, and preventive benefits through pre-paid plans; to the Committee on Finance.

MEDICARE PART C: CATASTROPHIC HEALTH INSURANCE ACT

● Mr. SASSER. Mr. President, I am today introducing legislation which will provide assistance to millions of older Americans desiring insurance to cover health care services for catastrophic illness and other medical services. My legislation is a companion measure to H.R. 4287, introduced in the House by Congressman CLAUDE PEPPER who is renowned for his expertise in matters affecting the elderly.

Catastrophic illness is a common occurrence among Americans. Over 6 million elderly Americans suffer from chronic heart conditions. Nearly 4 million have been stricken by Alzheimer's disease. Almost 2 million older persons experience the ravages of cancer. And 2.5 million suffer from some other form of chronic disease. Sadly, as many as 1 million Americans will be forced into poverty and onto the welfare rolls this year due to the catastrophic costs of the health care they need.

Catastrophic illness or the need for long-term care can be emotionally and financially devastating—both to the individual and to his or her family. Such unpredictable instances are the cause of needless human trauma which, at the very least, can be minimized by some form of financial security not available today at affordable rates. There is a real need for legislative action to provide security for individuals who are struck by a catastrophic illness. Indeed, there has been no less than a public outcry calling for new law.

Furthermore, Medicare beneficiaries are increasingly paying out more personal funds in order to obtain the health care services they need and which are not presently covered under Medicare. Older Americans are now paying an average of $1,500 annually in out-of-pocket expenses for their health care. Quite frankly, the gaps in Medicare benefits, along with rising deductibles, premiums, and copayments are an increasing cause for concern among most senior citizens.

My bill remedies this situation by providing for a new Medicare part C which would be available as an option to current and future Medicare beneficiaries who enroll in both Medicare part A and part B. The new part C would effectively plug many of the holes which exist in current Medicare coverage while eliminating the premium, deductibles, and copayments required under parts A and B. Moreover, the most important aspect of this measure is that it will, without cost to the Medicare system, provide for coverage for long-term care and catastrophic illness.

As most of my colleagues know, Medicare does not presently cover many medical services which are needed by its beneficiaries. For example, certain types of care such as hearing, vision, dental, and foot care are services which are necessary for older individuals, yet these are not covered. Further, our older citizens need to have physical examinations on a regular basis, but these, too, are not covered services. My legislation would provide Medicare coverage for these, and other, important services.

Second, by paying one premium for the Medicare part C coverage, beneficiaries would no longer be required to pay the Medicare part A deductible when they are hospitalized. Nor would they be required to pay any copayments which have invariably accompanied the delivery of health care services to Medicare beneficiaries. In essence, this legislation allows Medicare beneficiaries to pay a single monthly premium, thereby eliminating all other out-of-pocket expenses for covered services.

Most important, this new Medicare part C would cover long term care in nursing homes and at home, as well as provide extended care required for catastrophic illness. Currently, nursing home care and hospital care beyond the 60th day are presently not Medicare-reimbursable. Home care is partially reimbursed, but these payments are being reduced more and more due to administrative reimbursement changes.

Funding for the new part C of Medicare program would come from a new part C premium and beneficiary payments previously made to the part A and part B trust funds. Medicare would take competitive bids from health care providers to provide both the comprehensive benefits set forth in this bill as well as standard covered services under parts A and B. Providers would do this for a predetermined capitated rate per beneficiary. At the time of enrollment of a new part C beneficiary, a sum equal to the average annual per-beneficiary Medicare payment—regionally adjusted—would be transferred from those trust funds into the new part C fund. Medicare would then contract with the beneficiary's chosen providers which would then be paid the capitated rate: a sum equal to the average payment for covered services under parts A and B multiplied by 133 percent. Providers would provide all the health care services covered previously under parts A and B and all new services included in this bill. For 1986, the estimated capitated rate would be about $3,200.

The part C beneficiary is subject only to an annual premium, in monthly installments, equal to 25 percent of the national average of the capitated provider payment. This annual premium may not exceed 20 percent of the beneficiary's annual gross income from the previous year. To compensate for any lost premiums, all beneficiaries will pay premiums for a month before their coverage begins, thereby raising nearly $7 billion, to offset any revenue foregone. For 1986, the beneficiary premium would be about $800. Current Medicare out-or-pocket expenses plus the cost of a Medigap insurance policy—that is, currently available insurance which reimburses only for deductibles and copayments—are at this level already. Indeed, since older Americans presently pay an average of $1,500 per year in our-of-pocket expenses for health care services, this premium represents a reduction in out-of-pocket expenses per beneficiary of about 47 percent.

Part C will also provide the opportunity for Medicare beneficiaries who are also Medicaid eligible to participate in the comprehensive capitation plan. Because part C covers catastrophic illness and long term care—services presently provided for eligible poor under Medicaid—States will be allowed to "buy in" to part C coverage by paying 90 percent of what it would have cost them to provide Medicaid coverage to their Medicaid-eligible Medicare beneficiaries. These funds from the States's Medicaid program would go into the part C trust fund and Medicare beneficiaries who are Medicaid eligible would also be served by the contracted providers.

I am hopeful that my colleagues will join me by cosponsoring this important health care legislation to establish insurance for catastrophic illness and long term care. This is a matter of great concern to our seniors, and I believe that it is time for us to act to provide security for these persons who potentially face trauma and great financial loss.

By Mr. PRESSLER:

S. 2359. A bill to amend title 38, United States Code, to establish a Veterans' Administration Readjustment Counseling Professional Fellowship Program; to the Committee on Veterans' Affairs.

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VETERANS' ADMINISTRATION READJUSTMENT COUNSELING PROFESSIONAL FELLOWSHIP PROGRAM

Mr. PRESSLER. Mr. President, I am introducting legislation today which addresses serious unmet readjustment needs of Vietnam veterans in the area of health care.

It has been more than 10 years since the fall of Saigon. Some of the millions of Americans who served in Indochina during the Vietnam war have problems, among them alcohol and drug abuse, depression, marital problems, aggressive behavior, and arrests and convictions for criminal behavior. Many of the servicemen from that era brought home with them a haunting sickness in the form of posttraumatic stress disorder [PTSD]. PTSD has lingered among the veterans of the Vietnam war, and I believe the time is overdue to confront the problem and help the individuals who suffer from it.

When we brought our troops home from Southeast Asia, debriefing was very minimal and medical screening was usually superficial. When disturbed young veterans tried to seek professional help after stress symptoms developed, they were denied treatment by physicians and other health care personnel who were not really familiar with combat-induced stress disorders. These include depression, panic attack, excessive use of drugs and alcohol, and behavioral disturbance. Many Vietnam veterans with posttraumatic stress disorder began to avoid medical facilities, particularly those of the Veterans' Administration. Some even withdrew or sought relief in isolation with drugs and alcohol.

Thus, the earliest opportunities to detect, examine, study, and treat PTSD were all but lost. Any knowledge about treatment of similar stress casualties from World Wars I and II and the Korean war seemed forgotten. Little attention was paid to stress disorders in our postgraduate educational programs and academic centers.

In 1979, the Vets Centers system was created and veterans were hired and trained very rapidly for these centers. During the past few years the Vietnam Veterans of America have worked to ensure that all these centers are properly staffed, including at least one clinician who has a formal clinical degree and specific training in the treatment of post-traumatic stress disorder. Two basic elements are needed if these Vets Centers are to achieve their goals: First, Vets Centers must be effectively administered by persons who have the clinical skills to help Vietnam veterans or any veterans recover from PTSD; and second, each center must foster an atmosphere of trust between the Readjustment Counseling Service [RCS] personnel at every level, and between the center and the local community.

Many Vietnam veterans returned home to hostility. They considered themselves as outcasts. The only place they could turn was to fellow veterans, and especially to those involved with the Vets Centers. So the issue of trust is vital to the success of these centers. Many outreach counselors have left the centers for a variety of reasons. Mr. President, my legislation would assure that counselors in Vets Centers have the ability to counsel, screen, and test Vietnam veterans and any other veterans who may suffer from PTSD and provide them effective therapy, readjustment, and rehabilitation for their unique medical and psychosocial readjustment problems. Costs of the legislation will be absorbed within existing VA appropriations.

It was not until the dedication of the Vietnam Veterans Memorial at Constitution Gardens in Washington, DC, that these veterans finally began to come home. I urge our distinguished colleagues to join with me in providing veterans yet another step forward in their long awaited return home.

By Mr. CHAFEE:

S. 2360. A bill to temporarily suspend the duty on 4-chloro-2,5-dimethoxyaniline; to the Committee on Finance.

S. 2361. A bill to temporarily suspend the duty on 3-nitro phenyl-4-beta-hydroxysulfone; to the Committee on Finance.

SUSPENSION OF DUTY ON CERTAIN TEXTILE CHEMICALS

● Mr. CHAFEE. Mr. President, today I am introducing 2 bills to suspend the duty on the importation of two chemicals that are precursors used in the production of printing ink and dyes for textiles. These particular chemicals are not produced in the United States. The suspension of the duty will act to lower the overall cost of producing textiles in this country.

As we are all aware, the textile industry has been hit especially hard by imports. I want to do all I can to keep this American industry on a fair competitive footing with its foreign competition. Because our foreign competitors can print and dye their textiles without the added costs that this duty imposes, that obviously means that this duty places our domestic industry at a competitive disadvantage.

Since there is no domestic production of these chemicals to be adversely affected by a suspension of this duty, it is senseless to continue it. My bills suspend the duties on these two chemicals, 3-nitro phenyl-4-beta-hydroxysulfone—(also known as nitro sufon B)—and 4-chloro-2,5-dimethoxyaniline)—also known as chlor amino base, through December 31, 1990. This will give us time to study the effect of the duty suspension on the chemical industry to determine if we should then repeal the duty outright or continue the suspension for another period.●

By Mr. GORE:

S. 2362. A bill to provide that Bell operating companies may provide information services and manufacture telecommunications equipment, subject to regulation by the Federal Communications Commission; to the Committee on Commerce, Science, and Transportation.

TELECOMMUNICATIONS EQUITY ACT

● Mr. GORE. Mr. President, during the 27 months following the breakup of AT&T, we have witnessed widespread customer confusion, rate hikes, federally mandated consumer access charges, major inefficiencies created by court-ordered restrictions on the regional telephone companies—all producing a serious threat to our national commitment to affordable, universally available telephone service.

Today I am introducing legislation to address many of the problems created since divestiture, especially those which have placed rural telephone customers in jeopardy.

Theoretically, the Justice Department consent decree, through the modified final judgment [MFJ], and the Federal Communications Commission, are in a position to responsibly manage the transition from a national monopoly telephone system to one with many competitive players. Theoretically, all telephone customers would benefit from new competition from new technologies and the many new businesses created by divestiture.

Instead, we have a very few winners—the surviving competitors to AT&T and major corporations with extra cash to invest in new equipment to bypass local telephone companies—and many, many losers. Those include almost all rural telephone customers and the small companies who serve them, as well as small businesses and residential telephone users who make few long distance calls.

This shift in the burden of supporting telephone service from large users to local customers has taken the form of federally mandated customer access charges. The theory is that local customers, whether or not they make long distance calls, should pay an increasing share of the cost of providing long distance service access to the competing long distance companies.

The FCC access charges, now $1 per month for residential users, are scheduled to double, to $2 per month on June 1. The original FCC proposal pegged these charges at $4 per month, per line, increasing annually to $7 per month, so it is not unrealistic to expect further federally mandated telephone rate hikes in future years. Business customers already pay a $4-$6 per-month per-line charge.

Supporters of these charges claim that local customers must pay a greater and greater share of providing long distance service in order that the threat of "bypass" can be reduced. Bypass of local telephone systems has been, legitimately, cited as the No. 1 threat to universal service, as large business users abandon traditional delivery systems for cheaper options.

However, there is no evidence that the federally mandated access charges have reduced bypass at all. In fact, large business users will continue to purchase equipment and services to reduce their telecommunications costs, and small businesses and residential customers will bear the burden.

Another justification for forcing local customers to pay these access charges was that long distance charges would drop dramatically, largely because they would be able to take advantage of competitive long distance services. The problem with that view is that most rural customers do not have direct access to these competitive services. The FCC access charges are simply adding insult to injury.

My bill, the Telecommunications Equity Act of 1986, would overturn these unjustified access charges, and return the cost of providing long distance service to those who use it. The bill requires the FCC to study the effectiveness of access charges in preventing bypass and report to Congress and receive approval before imposing any further charges.

The restrictions which preclude the regional telephone companies from engaging in competitive manufacturing and information services have kept significant revenues from flowing into the local rate base, thus keeping local telephone rates artifically high. Moreover, these court-ordered restrictions have created inefficiencies which prevent customers from receiving lowest cost services which could be easily added to the local system. In addition, the regional companies have been unable to participate in efforts to reduce the growing deficit we suffer in telecommunications equipment trade.

My bill would remove those restrictions, while preserving reasonable protections against cross-subsidies and ensuring that companies competing with the regional companies will be given fair and reasonable access to the local networks to offer their services.

Rural telephone service has been hardest hit by divestitures. To preserve universal service in these areas, three important practices have been in effect—first, the averaging of all long-distance tolls; second, the pooling of common carrier contributions to local service for "non-traffic sensitive" [NTS] costs; and third, a universal service fund to ensure that small, rural telephone companies are able to recover enough of their costs to stay in business. While the FCC and AT&T have claimed that they "have no plans" to seek the dismantling of toll-rate averaging, testimony at recent hearings has indicated that toll-rate averaging could be abandoned to "meet market place demands." Of more immediate concern, several regional telephone companies have filed proposed plans with the FCC to effectively withdraw from the common carrier line pool agreements. And, with the possibility of movement away from averaged charges nationwide, the universal service fund now in place would be in jeopardy.

My bill preserves these three efficient, fair systems—toll rate averaging, common carrier line pooling, and a strong universal service fund for small, rural companies—all vital to preserving affordable rural telephone service.

This bill will not significantly reverse the national trend toward deregulation of our expanding telecommunications economy. The bill eases regulations that are mostly counterproductive, while restoring some strength to our commitment to universal telephone service for all customers, especially those in rural areas.

This legislation has the strong support of the National Telephone Cooperative Association. I encourage my colleagues to cosponsor this effort to correct many of the problems that face our constituents since the breakup of AT&T.

Mr. President, I ask unanimous consent that the text of the bill be printed in the Record.

There being no objection, the bill was ordered to be printed in the Record, as follows:

S. 2362

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "Telecommunications Equity Act of 1986".

FINDINGS

Sec. 2. The Congress finds that—

(1) the public interest is served by a national telecommunications system which provides efficient, affordable local telephone service and emerging telecommunications opportunities for all residential and business users;

(2) the transition from a monopoly telephone system to a fully competitive environment has produced customer confusion, fears about rapidly increasing telephone rates, and uncertainty for all sectors of the telephone industry;

(3) the continued availability of affordable universal telephone service requires that all exchange carriers be viable businesses in order to fulfill the commitment to such service;

(4) such economic viability is threatened by Federal policies and other restrictions which place Bell operating companies and small and rural carriers at a disadvantage in providing customers with affordable telephone services and new telecommunications technologies;

(5) economic growth and international competitiveness of the United States telecommunications industry are important and vital to—

(A) the long-term research and development projects and programs of the United States telecommunications industry;

(B) the rapid development and introduction into the marketplace of new and innovative telecommunications equipment and services for United States residential and business telecommunications users;

(C) the development of efficient, reliable, and state-of-the-art telecommunications networks to serve the needs of United States telecommunications consumers; and

(D) the maximizing of employment opportunities for United States workers in the telecommunications industry.

DEFINITIONS

Sec. 3. For purposes of this Act—

(1) the term "Bell operating companies" has the same meaning as such term has in the Modification Final Judgment entered August 24, 1982, the United States v. Western Electric, Civil Action No. 82-0192 (United States District Court, District of Columbia), except that such term does not include any centralized organization for the provision of engineering, research, and administrative services, the cost of which are shared by such operating companies or the affiliates of such companies;

(2) the term "information services" has the same meaning as such term has in such Modification;

(3) the term "electronic publishing" has the same meaning as such term has in such Modification;

(4) the term "telecommunications equipment" has the same meaning as such term has in such Modification, except that such term includes customer premises equipment (as defined in such Modification); and

(5) the term "Commission" means the Federal Communications Commission.

AUTHORITY TO PROVIDE INFORMATION SERVICES AND TO MANUFACTURE TELECOMMUNICATIONS EQUIPMENT

Sec. 4. A Bell operating company may engage in the provision of information services or in the manufacture of telecommunications equipment, or both, in accordance with the provisions of this Act.

AUTHORITY TO REGULATE

Sec. 5. (a)(1) No later than ninety days after the date of enactment of this Act, the Commission shall promulgate such rules and regulations with regard to charges, practices, and classifications of information services and the manufacture of telecommunications equipment as the Commission determines necessary.

(2) For the purposes of this subsection the term "information services" shall not include electronic publishing.

(b) Rules and regulations promulgated under subsection (a) shall apply to a Bell operating company only after the Commission determines, after consultation with the Secretary of Commerce and the United States Attorney General, that there is not a substantial possibility that any Bell operating company could impede competition in the information services or telecommunications equipment manufacturing business.

(c) A Bell operating company may engage in the provision of information services pursuant to the authority granted in section 4, if the Commission determines, after notice to and opportunity for comment by interested parties, that the provision of the infor-

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mation service in question shall not harm competition and is required by the public interest. In determining whether a Bell operating company application for the provision of an information service should be granted, the Commission shall consider—

(1) the impact on competition;

(2) the appropriate safeguards to prevent competitive injury;

(3) the conduct of the applicant in providing equal access and reasonably requested interconnection to other providers of telecommunications services;

(4) the interests of monopoly ratepayers and competitors in preventing the cross subsidization of the proposed information services; and

(5) the benefits that would result from provision by the applicant of such information service.

REPORT ON EMPLOYMENT IMPACT

Sec. 6. (a) The Commission shall annually assess the impact of this Act on employment in the telecommunications equipment manufacturing and information services industries. The Commission shall include in its annual report to Congress pursuant to section 5(g) of the Communications Act of 1934 (47 U.S.C. 155(g) a summary of the results of the assessment which shall contain—

(1) a description of negotiations and other actions taken by the Bell operating companies to—

(A) increase employment in the United States within the telecommunications industry as a result of this act;

(B) reduce direct and indirect adverse effects on employment in the telecommunications industry that may result from engaging in new business operations as a result of this Act; and

(2) an estimate, developed in consultation with the Department of Labor, of net changes in employment as a result of this Act, together with a breakdown of the data used in developing such estimate.

(b) The Commission shall, in conducting the assessment required by subsection (a), provide interested persons the opportunity to present written and oral comment on matters to be included in the report required by such subsection.

ACCESS CHARGES

Sec. 7. (a) The Commission shall suspend the order on subscriber line charges No. 97-F.C.C. 2d 834 (1984) until—

(1) the Commission reports to Congress regarding consumer benefits derived from existing end-user allocations; and

(2) Congress approves such order by joint resolution. (b) Such report shall include—

the degree to which bypass of local exchange carrier services is caused by the allocation of nontraffic sensitive costs of connecting interexchange carriers to local exchange customers;

the economic harm caused to local exchange carrier operations as a result of such bypass;

the degree to which interexchange carriers have reduced and can be expected to further reduce customer long distance charges as a result of current and proposed end-user charges;

the effectiveness of existing and proposed charges in assisting exchange carriers reduce economically harmful instances of bypass by preserving primary use of the local exchange by large-volume business customers;

net benefits derived from current and proposed end-user charges for residential and business customers—

(A) served by both dominant and other competing interexchange carrier; and

(B) served only by a dominant interexchange carrier; and

(C) which make few or no interexchange toll calls; and

(6) the potential reduction in the aggregate number of local telephone customers resulting from federally-mandated end-user charges and any other charges occuring because of Federal end-user charges.

PROHIBITION ON TOLL RATE DE-AVERAGING

Sec. 8. The Commission may not approve any tariff or petition, issue any ruling or promulgate any regulation which directly or indirectly results in de-averaging of interexchange tolls.

BYPASS

Sec. 9. The Commission may not approve any tariff request or other petition, issue any ruling, or promulgate any regulation which increases the bypass of local exchange services by any user, unless—

(1) the Commission documents that such bypass results in net benefits for all customers; and

(2) no local rate increases will occur.

CARRIER COMMON LINE POOLING

Sec. 10. The Commission may not approve any plan which permits any exchange carrier to withdraw from—

(1) the carrier common line pooling agreement administered by the National Exchange Carrier Association; or

(2) any other carrier common line pooling agreement in effect on the date of enactment of this Act.

UNIVERSAL SERVICE FUND

Sec. 11. The federal access charge plan should include adequate support for small, rural telephone systems through a universal service fund which is targeted to ensure that rural telephone rates remain reasonable and affordable.

ALTERNATIVE INTEREXCHANGE SERVICES

Sec. 12. (a) No later than one hundred and eighty days after the date of enactment of this Act, the Commission shall report to Congress on the economic benefits of permitting local exchange carriers to provide interexchange service in areas where equal access has been provided in accordance with the modified final judgment cited in section 3(1).

(b) Such study shall include the —

(1) effect on competition and economic viability of dominant and other interexchange carriers; and

(2) potential benefits for local customers not served by other interexchange carriers.●

ADDITIONAL COSPONSORS

S. 2108

At the request of Mr. Kasten, the names of the Senator from Virginia [Mr. Trible], the Senator from Florida [Mrs. Hawkins], and the Senator from Tennessee [Mr. Gore] were added as cosponsors of S. 2108, a bill to provide that Federal tax reform legislation shall not take effect before January 1, 1987.

S. 2152

At the request of Mr. Dixon, the names of the Senator from Delaware [Mr. Roth], the Senator from Illinois [Mr. Simon], the Senator from Iowa [Mr. Grassley], the Senator from Iowa [Mr. Harkin], the Senator from Wisconsin [Mr. Proxmire], and the Senator from Oklahoma [Mr. Nickles] were added as cosponsors of S. 2152, a bill to amend title 10, United States Code, to require the Department of Defense to exclude from consideration for contracts those firms in which a hostile foreign government or a covered foreign national owns or controls a significant interest.

S. 2284

At the request of Mr. Nickles, the name of the Senator from Missouri [Mr. Eagleton] was added as a cosponsor of S. 2284, a bill to amend the Food Security Act of 1985 to require the Secretary of Agriculture to take certain actions to minimize the adverse effect of the milk production termination program on beef, pork, and lamb producers, and for other purposes.

S. 2350

At the request of Mr. Abdnor, the name of the Senator from Nebraska [Mr. Exon] was added as a cosponsor of S. 2350, a bill to extend the period for filing a claim for credit or refund of Federal income taxes with respect to certain changes made by the Consolidated Omnibus Reconciliation Act of 1985 with respect to insolvent farmers.

SENATE JOINT RESOLUTION 274

At the request of Mr. Grassley, the names of the Senator from Iowa [Mr. Harkin], the Senator from Kansas [Mrs. Kassebaum], and the Senator from Illinois [Mr. Simon] were added as cosponsors of Senate Joint Resolution 274, a joint resolution to designate the weekend of August 1, 1986, through August 3, 1986, as "National Family Reunion Weekend."

SENATE JOINT RESOLUTION 300

At the request of Mr. Zorinsky, his name was added as a cosponsor of Senate Joint Resolution 300, a joint resolution to recognize and honor 350 years of service of the National Guard.

SENATE JOINT RESOLUTON 310

At the request of Mr. Helms, the name of the Senator from Oregon [Mr. Packwood] was added as a cosponsor of Senate Joint Resolution 310, a joint resolution to proclaim June 15, 1986, through June 21, 1986, as "National Agricultural Export Week."

SENATE CONCURRENT RESOLUTION 125

At the request of Mr. Heinz, the names of the Senator from North Dakota [Mr. Andrews], the Senator from Wisconsin [Mr. Kasten], the Senator from North Carolina [Mr. Helms], the Senator from Virginia [Mr. Trible], the Senator from Texas [Mr. Gramm], the Senator from Montana [Mr. Baucus], the Senator from New Mexico [Mr. Domenici], the Senator from South Dakota [Mr. Abdnor], the Senator from Wyoming

[Mr. Simpson], the Senator from Idaho [Mr. McClure], the Senator from Missouri [Mr. Danforth], the Senator from Rhode Island [Mr. Chafee], the Senator from Oklahoma [Mr. Boren], the Senator from Texas [Mr. Bentsen], and the Senator from Alaska [Mr. Stevens], were added as cosponsors of Senate Concurrent Resolution 125, a concurrent resolution recognizing the achievements of the Ireland Fund and its founder, Dr. Anthony J.F. O'Reilly.

SENATE RESOLUTION 364

At the request of Mr. Bumpers, the name of the Senator from Montana [Mr. Baucus] was added as a cosponsor of Senate Resolution 364, a resolution to express the sense of the Senate relating to taxation of the small businesses of the Nation.

SENATE RESOLUTION 374

At the request of Mr. Ford, the name of the Senator from Rhode Island [Mr. Pell] was added as a cosponsor of Senate Resolution 374, a resolution limiting the amount that may be expended by Senators for mass mailings during the remainder of fiscal year 1986.

SENATE RESOLUTION 387—AUTHORIZING REPRESENTATION BY THE SENATE LEGAL COUNSEL

Mr. DOMENICI (for Mr. Dole, for himself and Mr. Byrd and Mr. Abdonr) submitted the following resolution; which was considered and agreed to:

S. Res. 387

Whereas, a Fedeal grand jury in the United States District Court for the District of Columbia is currently investigating possible violations of 18 U.S.C. § 1001;

Whereas, counsel for the United States has served a subpoena for the taking of testimony upon David F. Zorensky, a member of the staff of the Committee on Commerce, Science, and Transportation;

Whereas, pursuant to sections 703(a) and 704(a) of the Ethics in Government Act of 1978, 2 U.S.C. §§ 288b(a) and 288c(a) (1982), the Senate may direct its counsel to represent employees of the Senate with respect to any subpoena or order relating to their official responsibilities;

Whereas, by the privileges of the Senate of the United States and Rule XI of the Standing Rules of the Seante, no evidence under the control or in the possession of the Senate can, by the judicial process, be taken from such control or possession but by permission of the Senate;

Whereas, when it appears that testimony of employees of the Senate concerning information acquired in the course of their official duties is needful for use in any court for the promotion of justice, the Senate will take such action thereon as will promote the ends of justice consistent with the privileges and rights of the Senate: Now, therefore, be it

Resolved, That the Senate Legal Counsel is directed to represent David F. Zorensky in connection with his testimony in *In Re Possible Violations of 18 U.S.C. § 1001.*

Sec. 2. That David F. Zorensky is authorized to testify before the grand jury and in any subsequent proceedings in *In Re Possible Violations of 18 U.S.C. § 1001* (D.D.C.), except concerning matters for which a privilege from testifying should be asserted.

AMENDMENTS SUBMITTED

FIRST CONCURRENT RESOLUTION ON THE BUDGET

DOMENICI (AND CHILES) AMENDMENT NO. 1797

Mr. DOMENICI (for himself and Mr. Chiles) proposed an amendment, which was subsequently modified, to the concurrent resolution (S. Con. Res. 120) setting forth the congressional budget for the U.S. Government for the fiscal years 1987, 1988, and 1989; as follows:

On page 2, decrease the amount on line 3 by $4,063,000,000.

On page 2, decrease the amount on line 4 by $6,242,000,000.

On page 2, decrease the amount on line 5 by $8,408,000,000.

On page 2, decrease the amount on line 8 by $4,063,000,000.

On page 2, decrease the amount on line 9 by $6,242,000,000.

On page 2, decrease the amount on line 10 by $8,408,000,000.

On page 2, decrease the amount on line 19 by $4,455,000,000.

On page 2, decrease the amount on line 20 by $8,299,000,000.

On page 2, decrease the amount on line 21 by $10,904,000,000.

On page 2, decrease the amount on line 24 by $4,063,000,000.

On page 2, decrease the amount on line 25 by $6,242,000,000.

On page 3, decrease the amount on line 1 by $8,408,000,000.

On page 5, decrease the amount on line 5 by $4,063,000,000.

On page 5, decrease the amount on line 6 by $6,242,000,000.

On page 5, decrease the amount on line 7 by $8,408,000,000.

On page 5, decrease the amount on line 10 by $4,455,000,000.

On page 5, decrease the amount on line 11 by $8,299,000,000.

On page 5, decrease the amount on line 12 by $10,904,000,000.

On page 5, decrease the amount on line 15 by $4,063,000,000.

On page 5, decrease the amount on line 16 by $6,242,000,000.

On page 5, decrease the amount on line 17 by $8,408,000,000.

On page 7, increase the amount on line 12 by $729,000,000.

On page 7, increase the amount on line 13 by $140,000,000.

On page 7, increase the amount on line 21 by $586,000,000.

On page 7, increase the amount on line 22 by $223,000,000.

On page 8, increase the amount on line 6 by $121,000,000.

On page 8, increase the amount on line 7 by $268,000,000.

On page 8, decrease the amount on line 16 by $80,000,000.

On page 8, decrease the amount on line 17 by $80,000,000.

On page 8, decrease the amount on line 24 by $80,000,000.

On page 8, decrease the amount on line 25 by $80,00,000.

On page 9, decrease the amount on line 7 by $80,000,000.

On page 9, decrease the amount on line 8 by $80,000,000.

On page 9, decrease the amount on line 16 by $369,000,000.

On page 9, decrease the amount on line 17 by $300,000,000.

On page 9, decrease the amount on line 25 by $653,000,000.

On page 10, decrease the amount on line 1 by $635,000,000.

On page 10, decrease the amount on line 9 by $1,002,000,000.

On page 10, decrease the amount on line 10 by $1,004,000,000.

On page 10, decrease the amount on line 19 by $847,000,000.

On page 10, decrease the amount on line 20 by $140,000,000.

On page 11, decrease the amount on line 4 by $1,447,000,000.

On page 11, decrease the amount on line 5 by $246,000,000.

On page 11, decrease the amount on line 13 by $2,047,000,000.

On page 11, decrease the amount on line 14 by $603,000,000.

On page 11, decrease the amount on line 23 by $368,000,000.

On page 11, decrease the amount on line 24 by $321,000,000.

On page 12, decrease the amount on line 8 by $510,000,000.

On page 12, decrease the amount on line 9 by $540,000,000.

On page 12, decrease the amount on line 17 by $605,000,000.

On page 12, decrease the amount on line 18 by $666,000,000.

On page 13, decrease the amount on line 2 by $347,000,000.

On page 13, decrease the amount on line 3 by $1,851,000,000.

On page 13, decrease the amount on line 11 by $2,465,000,000.

On page 13, decrease the amount on line 12 by $2,645,000,000.

On page 13, decrease the amount on line 20 by $3,056,000,000.

On page 13, decrease the amount on line 21 by $3,214,000,000.

On page 14, decrease the amount on line 5 by $915,000,000.

On page 14, decrease the amount on line 6 by $708,000,000.

On page 14, decrease the amount on line 14 by $977,000,000.

On page 14, decrease the amount on line 15 by $758,000,000.

On page 14, decrease the amount on line 23 by $1,077,000,000.

On page 14, decrease the amount on line 24 by $930,000,000.

On page 15, decrease the amount on line 9 by $961,000,000.

On page 15, decrease the amount on line 10 by $85,000,000.

On page 15, decrease the amount on line 18 by $725,000,000.

On page 15, decrease the amount on line 19 by $174,000,000.

On page 16, decrease the amount on line 2 by $1,075,000,000.

On page 16, decrease the amount on line 3 by $633,000,000.

On page 16, decrease the amount on line 13 by $815,000,000.

On page 16, decrease the amount on line 14 by $396,000,000.

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On page 16, decrease the amount on line 22 by $819,000,000.

On page 16, decrease the amount on line 23 by $856,000,000.

On page 17, decrease the amount on line 6 by $819,000,000.

On page 17, decrease the amount on line 7 by $932,000,000.

On page 17, decrease the amount on line 16 by $177,000,000.

On page 17, decrease the amount on line 17 by $180,000,000.

On page 17, decrease the amount on line 24 by $117,000,000.

On page 17, decrease the amount on line 25 by $136,000,000.

On page 18, decrease the amount on line 7 by $117,000,000.

On page 18, decrease the amount on line 8 by $137,000,000.

On page 19, decrease the amount on line 18 by $789,000,000.

On page 19, decrease the amount on line 19 by $103,000,000.

On page 20, decrease the amount on line 3 by $819,000,000.

On page 20, decrease the amount on line 4 by $119,000,000.

On page 20, decrease the amount on line 13 by $839,000,000.

On page 20, decrease the amount on line 14 by $167,000,000.

On page 23, decrease the amount on line 2 by $413,000,000.

On page 23, decrease the amount on line 3 by $352,000,000.

On page 23, decrease the amount on line 10 by $411,000,000.

On page 23, decrease the amount on line 11 by $414,000,000.

On page 23, decrease the amount on line 18 by $409,000,000.

On page 23, decrease the amount on line 19 by $411,000,000.

On page 24, decrease the amount on line 2 by $20,000,000.

On page 24, decrease the amount on line 3 by $20,000,000.

On page 26, increase the amount on line 3 by $163,000,000.

On page 26, increase the amount on line 4 by $163,000,000.

On page 26, increase the amount on line 12 by $138,000,000.

On page 26, increase the amount on line 13 by $138,000,000.

On page 26, increase the amount on line 21 by $101,000,000.

On page 26, increase the amount on line 22 by $101,000,000.

On page 29, increase the amount on line 24 by $252,000,000.

On page 29, increase the amount on line 25 by $252,000,000.

On page 29, increase the first amount on line 26 by $275,000,000.

On page 29, increase the second amount on line 26 by $275,000,000.

On page 30, increase the amount on line 1 by $280,000,000.

On page 30, increase the amount on line 2 by $280,000,000.

On page 33, decrease the amount on line 13 by $4,063,000,000.

On page 33, decrease the first amount on line 14 by $6,242,000,000.

On page 33, decrease the second amount on line 14 by $8,408,000,000.

On page 35, increase the amount on line 11 by $159,000,000.

On page 35, increase the amount on line 12 by $46,000,000.

On page 35, decrease the first amount on line 13 by $501,000,000.

On page 35, decrease the second amount on line 13 by $566,000,000.

On page 35, decrease the amount on line 14 by $1,025,000,000.

On page 35, decrease the amount on line 15 by $1,171,000,000.

On page 36, increase the amount on line 20 by $252,000,000.

On page 36, increase the amount on line 21 by $252,000,000.

On page 36, increase the first amount on line 22 by $275,000,000.

On page 36, increase the second amount on line 22 by $275,000,000.

On page 36, increase the amount on line 23 by $280,000,000.

On page 36, increase the amount on line 24 by $280,000,000.

On page 42, increase the amount on line 15 by $159,000,000.

On page 42, increase the amount on line 16 by $46,000,000.

On page 42, decrease the first amount on line 17 by $501,000,000.

On page 42, decrease the second amount on line 17 by $566,000,000.

On page 42, decrease the amount on line 18 by $1,025,000,000.

On page 42, decrease the amount on line 19 by $1,171,000,000.

On page 44, decrease the amount on line 6 by $4,063,000,000.

On page 44, decrease the first amount on line 7 by $6,242,000,000.

On page 44, decrease the second amount on line 7 by $8,408,000,000.

On page 44, after line 21, insert the following:

SENSE OF THE CONGRESS

SEC. 4. It is the sense of the Congress that $4,343,000,000 of the spending (outlay) reductions, in fiscal year 1987 assumed in this concurrent resolution should be achieved through program terminations and significant program reductions, as proposed by the President's budget request for fiscal year 1987, affecting the following programs: Export-Import Bank direct loans; OPIC insurance programs; advanced communications technology satellite; Rural Electrification Administration subsidies; weatherization assistance programs; EPA sewage treatment grants; soil conservation programs; LANDSAT; sea grant and coastal zone management; Department of Agriculture extension service; temporary emergency food and shelter; Federal crop insurance program; trade adjustment assistance to firms; U.S. Travel and Tourism Administration; postal subsidy; rural housing loans; Small Business Administration; Section 202 housing; Amtrak; Interstate Commerce Commission; Washington Metro; Maritime Cargo Preference Expansion; Appalachian Regional Commisison; Economic Development Administration; Urban Development Action Grants; rental housing development grants (HODAG-RRG); Section 312 rehabilitation loan fund; Section 108 loan guarantee program; Rural development program; SBA disaster loans; Community service block grant; Impact aid (Part B); Library programs; Small higher education programs; State student incentive grants; College housing loans; Public health service (health profession subsidies); FEMA supplemental food and shelter; Section 8 moderate rehabilitation; Rural housing grants; Legal Services Corporation; Justice grants; Public debt reimbursement to Federal Reserve Banks.

SENSE OF THE CONGRESS

SEC. 4. TERMINATION AND REDUCTION OF PROGRAMS.—It is the sense of the Congress that $4,343,000,000 of the spending (outlay) reductions in fiscal year 1987 assumed in this concurrent resolution should be achieved through program terminations and significant program reductions in 43 areas, as proposed by the President's budget request for fiscal year 1987, affecting the following programs: Export-Import Bank direct loans; OPIC insurance programs; advanced communications technology satellite; Rural Electrification Administration subsidies; weatherization assistance programs; EPA sewage treatment grants; soil conservation programs; LANDSAT; sea grant and coastal zone management; Department of Agriculture extension service; temporary emergency food and shelter; Federal crop insurance program; trade adjustment assistance to firms; U.S. Travel and Tourism Administration; postal subsidy; rural housing loans; Small Business Administration; Section 202 housing; Amtrak; Interstate Commerce Commission; Washington Metro; Maritime Cargo Preference Expansion; Appalachian Regional Commission; Economic Development Administration; Urban Development Action Grants; rental housing development grants (HODAG-RRG); Section 312 rehabilitation loan fund; Section 108 loan guarantee program; Rural development program; SBA disaster loans; Community service block grant; Impact aid (Part B); Library programs; Small higher education programs; State student incentive grants; College housing loans; Public health service (health profession subsidies); FEMA supplemental food and shelter; Section 8 moderate rehabilitation; Rural housing grants; Legal Services Corporation; Justice grants; Public debt reimbursement to Federal Reserve Banks.

ANDREWS (AND OTHERS) AMENDMENT NO. 1798

Mr. ANDREWS (for himself, Mr. HOLLINGS, Mr. STAFFORD, Mr. LAUTENBERG, Mr. WEICKER, Mr. BRADLEY, Mr. D'AMATO, Mr. DODD, Mr. SPECTER, Mr. MOYNIHAN, Mr. PRESSLER, Mr. PELL, Mr. MATHIAS, Mr. MELCHER, Mr. DANFORTH, Mr. KERRY, Mr. MITCHELL, Mr. SIMON, Mr. MATSUNAGA, Mr. BURDICK, Mr. LEVIN, Mr. KENNEDY, Mr. LEAHY, Mr. SARBANES, Mr. ROCKEFELLER, Mr. FORD, Mr. METZENBAUM, Mr. INOUYE, Mr. BOREN, Mr. BINGAMAN, Mr. DURENBERGER, Mr. RIEGLE, Mr. BUMPERS, Mr. PRYOR, Mr. BYRD and Mr. ABDONR) proposed an amendment to the concurrent resolution, Senate Concurrent Resolution 120, supra; as follows:

On page 2, increase the amount on line 3 by $300,000,000.

On page 2, increase the amount on line 4 by $1,100,000,000.

On page 2, increase the amount on line 5 by $1,500,000,000.

On page 2, increase the amount on line 8 by $300,000,000.

On page 2, increase the amount on line 9 by $1,100,000,000.

On page 2, increase the amount on line 10 by $1,500,000,000.

On page 2, increase the amount on line 19 by $1,200,000,000.

On page 2, increase the amount on line 20 by $1,500,000,000.

On page 2, increase the amount on line 21 by $1,500,000,000.

On page 2, increase the amount on line 24 by $300,000,000.

On page 2, increase the amount on line 25 by $1,100,000,000.

On page 3, increase the amount on line 1 by $1,500,000,000.

On page 5, increase the amount on line 5 by $300,000,000.

On page 5, increase the amount on line 6 by $1,100,000,000.

On page 5, increase the amount on line 7 by $1,500,000,000.

On page 5, increase the amount on line 10 by $1,200,000,000.

On page 5, increase the amount on line 11 by $1,500,000,000.

On page 5, increase the amount on line 12 by $1,500,000,000.

On page 5, increase the amount on line 15 by $300,000,000.

On page 5, increase the amount on line 16 by $1,100,000,000.

On page 5, increase the amount on line 17 by $1,500,000,000.

On page 16, increase the amount on line 13 by $1,200,000,000.

On page 16, increase the amount on line 14 by $300,000,000.

On page 16, increase the amount on line 22 by $1,500,000,000.

On page 16, increase the amount on line 23 by $1,100,000,000.

On page 17, increase the amount on line 6 by $1,500,000,000.

On page 17, increase the amount on line 7 by $1,500,000,000.

On page 33, increase the amount on line 13 by $300,000,000.

On page 33, increase the first amount on line 14 by $1,100,000,000.

On page 33, increase the second amount on line 14 by $1,500,000,000.

On page 44, increase the amount on line 6 by $300,000,000.

On page 44, increase the first amount on line 7 by $1,100,000,000.

On page 44, increase the second amount on line 7 by $1,500,000,000.

RECOGNITION OF THE VITAL ROLE OF THE NATIONAL GUARD AND THE RESERVE

WILSON (AND GOLDWATER) AMENDMENT NO. 1799

Mr. WILSON (for himself and Mr. GOLDWATER) proposed an amendment to the joint resolution (H.J. Res. 220) to reaffirm Congress' support and recognition of the vital role played by members of the National Guard and Reserve in the national defense; as follows:

At the end of the joint resolution, add the following new section:

"SEC. 2. Extension of Deadline Relating to Obligation of Funds from Military Personnel Accounts of the Department of Defense

"Notwithstanding any other provision of law, until, but not after, June 1, 1986, obligations from the Department of Defense military personnel accounts may exceed a rate in excess of the rate required to limit total obligations to the obligation ceilings established by law for such accounts for fiscal year 1986.".

FIRST CONCURRENT RESOLUTION ON THE BUDGET

MOYNIHAN (AND OTHERS) AMENDMENT NO. 1800

Mr. MOYNIHAN (for himself, Mr. SASSER, Mr. BYRD, Mr. HEINZ, Mr. SPECTER, Mr. RIEGLE, Mr. JOHNSTON, Mr. PRYOR, Mr. LAUTENBERG, Mr. MELCHER, Mr. METZENBAUM, Mr. FORD, Mr. HART, Mr. GORE, Mr. KERRY, Mr. ANDREWS, Mr. DIXON, Mr. ROCKEFELLER, Mr. SARBANES, Mr. HEFLIN, Mr. INOUYE, Mrs. HAWKINS, Mr. BURDICK, and Mr. DECONCINI) proposed and amendment to the concurrent resolution, Senate Concurrent Resolution 120, supra; as follows:

On page 44, strike out line 9 through line 21 and insert in lieu thereof the following:

GENERAL REVENUE SHARING

SEC. 3. Upon the enactment of—

(1) legislation authorizing budget authority of up to $4,600,000,000 annually for the General Revenue Sharing program for any or all of the fiscal years 1987, 1988, and 1989, and

(2) legislation increasing revenues for any fiscal year for which outlays are to be made under such budget authority by an amount that is—

(A) not less than the amount of the outlays to be made for such fiscal year under such budget authority, and

(B) in addition to the amounts of increased revenues required to be reported pursuant to section 2 of this concurrent resolution for such fiscal year,

the authorized amounts of budget authority and outlays for such program shall be allocated to the Senate Committees on Appropriations and Finance, as appropriate for such fiscal year, and such amounts shall be added to the total amounts of budget authority and outlays provided for in the applicable concurrent resolution.

NOTICES OF HEARINGS

COMMITTEE ON SMALL BUSINESS

Mr. WEICKER. Mr. President, I would like to announce that the Senate Small Business Committee has rescheduled its hearing on the implementation of title XVIII of Public Law 99-272, the Reconciliation Act, for Monday, April 28, 1986. The hearing will commence at 11 a.m., and will be held in room 428A of the Russell Senate Office Building. For further information, please call Bob Wilson, chief counsel for the committee at 224-5175.

SELECT COMMITTEE ON INDIAN AFFAIRS

Mr. ANDREWS. Mr. President, I would like to announce for the information of the public that the Select Committee on Indian Affairs will be holding a hearing on the following bills:

On Wednesday, May 7, 1986, in Senate Dirksen 124, at 2 p.m., on S. 2260, to settle certain claims arising out of activities on the Pine Ridge Indian Reservation, and S. 2243, a bill to improve the health status of native Hawaiians, and for other purposes. Those wishing additional information on these bills should contact Patricia Zell of the committee at 224-2251.

AUTHORITY FOR COMMITTEES TO MEET

COMMITTEE ON ENVIRONMENT AND PUBLIC WORKS

Mr. DOMENICI. Mr. President, I ask unanimous consent that the Committee on Environment and Public Works, be authorized to meet during the session of the Senate on Wednesday, April 23, 1986, in order to conduct a hearing on the nomination on Frank H. Dunkle, to be Director, U.S. Fish and Wildlife Service.

The PRESIDING OFFICER. Without objection, it is so ordered.

COMMITTEE ON ENERGY AND NATURAL RESOURCES

Mr. DOMENICI. Mr. President, I ask unanimous consent that the Committee on Energy and Natural Resources be authorized to meet during the session of the Senate on Wednesday, April 23, to hold a business meeting to consider the following: S. 1225, Price-Anderson Act amendments of 1985; the nominations of William F. Martin to be Deputy Secretary of Energy, and David B. Waller, to be Assistant Secretary of Energy for International Affairs and Energy Emergencies.

The PRESIDING OFFICER. Without objection, it is so ordered.

SUBCOMMITTEE ON MILITARY CONSTRUCTION

Mr. DOMENICI. Mr. President, I ask unanimous consent that the Subcommittee on Military Construction of the Committee on Armed Services be authorized to meet during the session of the Senate on Wednesday, April 23, in executive session, to hold a business meeting to consider recommendations on homeplotting

The PRESIDING OFFICER. Without objection, it is so ordered.

SUBCOMMITTEE ON DEFENSE ACQUISITION POLICY

Mr. DOMENICI. Mr. President, I ask unanimous consent that the Subcommittee on Defense Acquisition Policy, of the Committee on Armed Services, be authorized to meet during the session of the Senate on Wednesday, April 23, 1986, in order to mark up the following bills, S. 2082, S. 2151, and S. 2196.

The PRESIDING OFFICER. Without objection, it is so ordered.

COMMITTEE ON THE JUDICIARY

Mr. DOMENICI. Mr. President, I ask unanimous consent that the Committee on the Judiciary be authorized to meet during the session of the Senate on Wednesday, April 23, in order to receive testimony concerning the following nominations:

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U.S. DISTRICT JUDGE

Andrew J. Kleinfeld, of Alaska, to be U.S. district judge for the district of Alaska.

ASSISTANT ATTORNEY GENERAL

Roger Milton Olsen, of Virginia, to be an Assistant Attorney General (Tax Division).

The PRESIDING OFFICER. Without objection, it is so ordered.

SUBCOMMITTEE ON SCIENCE, TECHNOLOGY, AND SPACE

Mr. DOMENICI. Mr. President, I ask unanimous consent that the Subcommittee on Science, Technology, and Space of the Committee on Commerce, Science, and Transportation be authorized to meet during the session of the Senate on Wednesday, April 23, to conduct a hearing on the National Aeronautics and Space Administration reauthorization.

Mr. President, I ask unanimous consent that the Subcommittee on Science, Technology, and Space of the Committee on Commerce, Science, and Transportation be authorized to meet during the session of the Senate on Wednesday, April 23, to conduct a hearing on the nomination of Dr. James C. Fletcher, to be Administrator of the National Aeronautics and Space Administration.

The PRESIDING OFFICER. Without objection, it is so ordered.

ADDITIONAL STATEMENTS

SDI DISCLOSURE

● Mr. JOHNSTON. Mr. President, on March 19, three other Senators and I wrote Senator DURENBERGER, chairman of the Select Committee on Intelligence, and asked him to investigate two reports concerning the Strategic Defense Initiative Organization. The first report, based on a statement by an SDI officer, was that the SDIO may have given the Soviet Union a classified briefing on the SDI program. The second report from the March 17 issue of Aviation Week and Space Technology was that the SDIO may have used Congress and the media as part of a disinformation campaign to provide the Soviets with false or misleading data about U.S. strategic defense research.

On April 9, Senators DURENBERGER and LEAHY, the chairman and vice chairman of the Select Committee on Intelligence, provided us a copy of General Abrahamson's answers to the questions we raised in our letter to the select committee. These answers coupled with General Abrahamson's remarks in a recent closed hearing afford what I think is a reasonable explanation of what happened in Geneva and satisfy me that there is no cause for concern about what was divulged to the Soviets about the SDI program. Moreover, General Abrahamson's unequivocal denial of SDI involvement in any deliberate disinformation program with respect to the Congress or the media satisfies my concerns in this regard.

Even the suspicion of such a disinformation program that misleads elected officials and the free press is a serious matter that deserves immediate investigation. The article in Aviation Week and Space Technology certainly calls the issue into question with respect to SDI and other programs as well. General Abrahamson's answers, because they are so forthright and unequivocal, have settled questions I had of an SDI disinformation program aimed at the Soviets via the Congress and the media. My colleagues should read General Abrahamson's responses and decide for themselves.

Mr. President, I ask that the letter of April 9, 1986, from Senator DURENBERGER and Senator LEAHY to me; a letter dated March 31, 1986, from Lieutenant General Abrahamson to Senator DURENBERGER; and a statement by General Abrahamson to the Select Committee on Intelligence including his responses to several questions all be included in the RECORD.

The material follows:

U.S. SENATE,
SELECT COMMITTEE ON INTELLIGENCE,
Washington, DC, April 9, 1986.

Hon. J. BENNETT JOHNSTON,
Committee on Appropriations,
U.S. Senate, Washington, DC.

DEAR BENNETT: We are pleased to forward to you a copy of General Abrahamson's responses to questions raised in your letters of March 19 and 24 on the subject of the Strategic Defense Initiative Organization. Please let us know if we can be of further help to you.

Sincerely,

DAVE DURENBERGER,
Chairman.
PATRICK LEAHY,
Vice Chairman.

DEPARTMENT OF DEFENSE, STRATEGIC DEFENSE INITIATIVE ORGANIZATION,
Washington, DC, March 31, 1986.

Hon. DAVE DURENBERGER,
Chairman, Select Committee on Intelligence, U.S. Senate, Washington, DC.

DEAR MR. CHAIRMAN: Thank you for your letters of 20 and 26 March requesting a response to questions from the Senate Select Committee on Intelligence. I appreciate the opportunity to address the Committee's concerns for the record.

I would like to take the occasion of your request to respectfully respond to allegations that the Strategic Defense Initiative Organization (SDIO) has been involved in a disinformation campaign. I have enclosed for the Committee's record my formal statement to these charges. I would like to assure you and the members of your committee that I have never engaged in, nor has anyone in the Strategic Defense Initiative Organization engaged in, any purposeful attempt to misinform the U.S. Congress, the American people, or the news media.

Two years ago when the Strategic Defense Initiative Organization was formed, we made an organizational commitment to present the nation with a forthright assessment of the present strategic situation and the ability of the SDI program to affect a positive return to stability. We have kept our program open to close public scrutiny at home and abroad for the simple reason that we believe that the facts will make the case for strategic defense. My enclosed statement should leave you with little doubt that I fully intend to continue to present the SDI program as candidly as is appropriate within the constraints of security consideration.

Again, thank you for your letters and for the opportunity to respond to your requests.

Sincerely,

JAMES A. ABRAHAMSON,
Lieutenant General, USAF, Director, Strategic Defense Initiative Organization.

STATEMENT BY LT. GEN. JAMES A. ABRAHAMSON TO SELECT COMMITTEE ON INTELLIGENCE, U.S. SENATE

I would like to formally respond to allegations that SDIO is involved in a disinformation program. I must emphatically state that SDIO is not engaged in any program to misinform the U.S. Congress, the American public, or the U.S. news media. I would personally reject any suggestion to conduct such activity and I am deeply concerned that there have been allegations to the contrary.

As you well know, SDIO has various compartmented programs that have valid noncompartmented aspects and that are identified by those noncompartmented aspects. Accordingly, the full scope of these programs is not publicly disclosed. These security procedures serve to protect highly sensitive national security information. My reporting of these SDI activities, which require congressional oversight, has been conducted with all candor and accuracy. My public statements and statements to the news media have been made in the same spirit. I and my entire organization, as members of the U.S. Government, place the highest value on an open and free press—free from both control and manipulation by the Government. Although properly classified information is of course withheld from the public, we are scrupulous to ensure that the information which is released is entirely accurate and as complete as possible.

Question. Did SDIO officials in fact give Soviet officials a classified briefing on the Strategic Defense Initiative?

Answer. On June 27, 1985, the U.S. Defense and Space Negotiating Group held an official post-plenary meeting with their Soviet counterparts. At that meeting a technical overview of the SDI program, at an unclassified level, was formally presented. In attendance was Lt. General Abrahamson, Director, SDIO. His briefing was delivered by Rodney P. Liesveld, Major, USAF, who is both a member of the U.S. NST Delegation and a member of General Abrahamson's staff. General Abrahamson answered the Soviet negotiators' questions following the briefing. The briefing was officially sanctioned by the U.S. Government for this event and received interagency approval prior to its delivery. The USG places a high value on a frank and candid dialogue in these negotiations and seeks such reciprocity from the Soviet Union. It was in this spirit that the SDI briefing was given. A few days after the briefing the "Senate Observers Group" was in Geneva and were fully informed of the briefing. Because the briefing was held during an official post-plenary meeting, the transcript of that proceeding was classified, as are all such official deliberations to ensure the US-USSR agreed rules of confidentiality.

The classification of the arms control proceedings is based upon an agreement of the parties that discussions will be kept secret to promote a frank and open exchange. Such classification is therefore derived from the setting, as opposed to the contents of information exchanged. Specifically, the classification is based upon a determination that public disclosure of the negotiating record contrary to our agreement with the Soviet Union would cause damage to the foreign relations of the United States as provided in Executive Order 12356. When removed from the context of the negotiating record, the same information may be entirely unclassified.

Question. Was this classified briefing the same one given to Members of Congress?

Answer. During many open hearings before Congress in 1984-1985, similar briefings were given by Lt. General Abrahamson. However, no SDI classified technical information that has been presented to Congressional closed hearings has ever been given to the Soviet Union.

Question. If classified information was given to the Soviets, what was the scope of that information and how much detail of SDI research was provided?

Answer. No SDI classified information was given to the Soviets.

Question. If this information was provided to the Soviets, why can't it be provided to the American people?

Answer. All SDI information provided to the Soviets has been, or is, available to the American people.

Question. If the classified briefing for the Soviets was the same one given to Congress, should the briefing given Congress have been answered in the first place.

Answer. No SDI classified information has been provided to the Soviets.

Question. On February 14, 1986, SDIO classified a report by the General Accounting Office on the Strategic Defense Initiative Organization, its financial structure, and its programs. The GAO report, however, was compiled entirely from unclassified sources. If the Soviets, in fact, have already received a classified briefing on the SDI program, was this GAO report improperly classified?

Answer. The GAO report has not been improperly classified. Those areas in the GAO report that are classified are not related to the information in the SDI briefing to the Soviet negotiators.

Question. Has Congress and the press served as a conduct for disinformation on SDI research? If so, what kind of false or misleading data have been provided to the Congress?

Answer.

(a) No!

(b) No false nor misleading data has been provided to the Congress. Furthermore, under no circumstances would the SDIO intentionally misinform the U.S. Congress, the American people, or the U.S. news media.

Question. Has Congress been misled on the true progress of SDI research as a result of attempts to mislead the Soviet Union? Have "channels on the Hill" been used, as the Aviation Week article indicates, to correct the disinformation? (Aviation Week, March 17, 1986)

Answer. Congress has not been misled, and the SDI briefing to the Soviet negotiations was not an attempt to mislead the Soviet Union? (See answer to Question #1.)

Question. Under what circumstances have the Soviets been given or would they be given valid classified information kept from the American people, particularly on the Strategic Defense Initiative?

Answer. SDIO has not provided valid classified information to the Soviet Union. Any decision as to the types and substance of information on the SDI which might be given to the Soviet Union is not my responsibility, and I have no authority to ever approve such activity.

Question. If such information is passed to the Soviets, is it thereafter declassified? If not, why not?

Answer. The decision on what SDI information can be openly released always depends on the impact on U.S. security. At this time it is impossible for me to know what the circumstances may be surrounding Soviet access to SDI data. If SDI classified information were to be provided to the Soviet Union, it would not automatically be declassified if it could be used by other inimical governments to the detriment of U.S. national security.●

THE SERVICE CONTRACT REFORM ACT OF 1986

● Mr. HUMPHREY. Mr. President, on March 27, 1986, I introduced the Service Contract Reform Act of 1986, along with my colleagues, Senators HECHT, THURMOND, and EAST. This reform bill, S. 2261, would correct many problems that currently plague the Service Contract Act. The purpose of the act, when it was adopted by Congress in 1965, was to prevent exploitation of workers by unscrupulous employers seeking Government service contracts. But unfortunately, over the years, the law was misapplied and misinterpreted. The calculations and paperwork it requires have become overwhelming. S. 2261 would create greater competition among service contract bidders, effect substantial cost savings in light of our current budget deficit, and let service employee wages reflect the true prevailing wages in the marketplace. I would urge my colleagues to join in sponsoring this measure which makes realistic reforms to the Service Contract Act.

The Chamber of Commerce of the United States of America has illustrated its great commitment to free enterprise and competition in the work place through its support of S. 2261. Last week, I received a letter from Mr. Richard L. Lesher, president of the chamber of commerce, fully endorsing the reform measures of S. 2261. I ask that the letter of support from Mr. Lesher be printed in the RECORD.

The letter follows:

CHAMBER OF COMMERCE OF THE
UNITED STATES OF AMERICA,
Washington, DC, April 11, 1986.

Hon. GORDON J. HUMPHREY,
U.S. Senate,
Washington, DC.

DEAR GORDON: I would like to commend you for introducing S. 2261, the "Service Contract Reform Act of 1986." Your leadership on this issue will focus attention on an area where significant cost savings can be achieved without sacrificing vital government programs or services.

The Service Contract Act, like the Davis-Bacon Act, requires employers providing services to the federal government to pay "prevailing wages." As you have noted so eloquently, this Act has proven to be both inefficient and inflationary. It restricts competitive bidding and small business participation, unduly increases costs to the federal government and taxpayers, and impedes the hiring of youth, minorities and women. Numerous public and private sector studies have urged the outright repeal of this antiquated statute.

Barring outright repeal of the Service Contract Act, the Chamber supports your efforts to make common sense modifications to the law, as are contained in S. 2261. Please know that you can count on our support with your legislation.

As you may know, our preference would be to repeal the Service Contract Act. Nevertheless, we strongly support S. 2261 as a reasonable compromise.

Sincerely,

RICHARD L. LESHER.●

TAIWAN'S INDIGENOUS DESIGN FIGHTER

● Mr. GOLDWATER. Mr. President, there is a rather encouraging report in the current issue of Aviation Week & Space Technology of plans for development by the Republic of China of an indigenous high performance fighter. I use the word "encouraging" because the self defense of Taiwan is so important to the deterrent capability of all non-Communist nations in Northeast Asia.

The report also indicates, however, that there is no U.S. Government involvement in the program and that administration officials continue their refusal to provide the ROC with aircraft more advanced than the F-5E.

Two days ago Peking voted in the United Nations for a resolution to condemn United States air strikes against terrorist related targets in Libya. Communist China would have labeled the United States as a terrorist nation. In gratitude for this typical show of hostility by Red China, the administration is pushing for an illusory strategic alliance with Peking founded on the supply of modern United States technology and weapons, the latest proposal being the sale of advanced avionics for installation in the F-8 fighter.

Mr. President, I cannot understand this kowtowing to Communist China. Why does the United States shun its true friends and turn to totalitarian societies who regularly condemn us, even to the point of condemning the

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United States as a terrorist state. Instead of trying to build a defense alliance where no basis for one exists, it would be far more fitting for the United States to care for the safety and freedom of its friends, who have always proved ready to support us in every way possible.

The correct response to the dramatic increase of Soviet air and naval activities in the Pacific Ocean is for the United States to approve sales to the ROC of the F-20 and other modern equipment for the effective patrol and defense of the sealanes guarded by Taiwan. As retired Gen. T.R. Milton has observed:

> It must be a continuing source of frustration for Soviet military planners to be reminded that Taiwan guards the U.S.S.R.'s route to Vietnam and beyond.

Surely our Government's strategists must recognize that the island, in Peking's hands, would almost certainly be off limits to United States forces. Even a neutral government on Taiwan would offer nightmares for United States military planners.

Yet our Government does not show an adequate understanding of Taiwan's military importance. Instead, we continue pursuing a will-of-the-wisp in the form of a military and strategic relationship with Red China. At least the 19 million free citizens of the Republic of China on Taiwan care for their own security and are doing something about it. I truly hope that their indigenous fighter program is successful, but it would seem better if the United States would also provide the ROC directly with first line replacements for its aging fleet of F-5E's and F-104's.

Mr. President, I ask that the news report may appear in the Record.

The article follows:

[From Aviation Week & Space Technology, Apr. 21, 1986]

Taiwan Stresses Development of New Domestic Fighter

Washington.—Development of an indigenous-design high-performance fighter has been accorded a high priority by the Taiwanese government as a means of maintaining stability in the region and developing Taiwan's aeronautical industry.

Taiwanese engineers are applying conventional design and low-risk technologies in the single-seat fighter, which will have moderately swept wings, flaperons and long leading-edge strakes blending the wing and the elliptical fuselage. The aircraft will have a single vertical stabilizer and a fuselage-mounted all-moving horizontal tail plane.

Preliminary design is nearing completion, pending further wind tunnel tests in Taiwan and in the U.S.

Budget for the fighter program is not fixed, but is tightly controlled by the government.

High priority allows Taiwan's Aero Industry Development Center (AIDC) to obtain personnel resources, although finding experienced engineers and technicians remains a problem.

Use of forward canard or delta wing configurations for the new fighter was rejected because they would provide insufficient stability over the expected mission envelope.

Use of advanced composite materials will be considered after completion of full-scale development with metal components and assemblies.

Twin turbofan engines producing about 8,350 lb. thrust each with afterburner will allow the fighter to exceed Mach 1.2. Intakes will have fixed semicircular inlets.

Engine development is being conducted under a joint venture begun in 1982 by Garrett Corp. and the Aero Industry Development Center.

The new engine is based on the Garrett 3,500-lb.-thrust TFE731-2L originally licensed for export and coproduction in Taiwan and used in Taiwan's AT-3 two-place trainer.

Garrett and its Taiwanese counterparts have assembled and tested as many as four prototypes of a new version based on the TFE731-5 engine with dry thrust increased to over 5,000 lb.

Range and payload will be similar to those of the Northrop F-5E now in service with the Taiwanese air force.

The cockpit will be equipped with a head-up display and modern electronic displays and fight controls, reclined seat for high-g flight and a bubble canopy. Eventual production of a two-seat trainer version is planned.

Line-replaceable avionics units will be procured off the shelf in most cases, but a new radar system is being planned that will use off-the-shelf components wherever possible.

The new fighter will replace Taiwan's Lockheed F-104s in the air defense mission to deal with the threat posed by a new generation of advanced fighters flown by the People's Republic of China air force.

U.S. political conservatives and supporters of Taiwan have proposed that the Reagan Administration sell Taiwan advanced U.S. fighters, but Administration officials are unwilling to break commitments made to the PRC not to provide aircraft more advanced than the F-5E.

Administration officials underline the absence of any U.S. government involvement in the program.

U.S. CONTRACTS

Aero Industry Development Center, as the prime contractor, has contracted with a number of U.S. aerospace firms for consultation on aerodynamics, static structural testing and for the use of facilities including wind tunnels.

Program directors expect subcontract management will be the biggest factor affecting project managers' ability to meet the 1989 prototype first flight deadline and budget targets.

"The schedule will be tough to hold," an engineer familiar with the program said.●

BRING HOME THE HOSTAGES

● Mr. SIMON. Mr. President, last week we were again reminded of the Lebanon hostages. We join the families of Peter Kilburn, Leigh Douglas, and Philip Padfield in mourning their deaths.

Their murders are claimed to be in retaliation for the attack on Libya by the United States with the cooperation of Great Britain. We must condemn the Libyan faction responsible for their deaths.

The kidnapings were clearly in violation of international human rights law. Article 3 of the Universal Declaration of Human Rights and the International Covenant of Civil and Political Rights states that every person has the right to life, liberty, and security of the person. Clearly the hostages in Lebanon have been deprived of these basic human rights.

The families of the hostages have suffered greatly throughout the hostage crisis. We extend our deepest consolation and sympathy to the families although we recognize that consolation and sympathy cannot allay their grief and their pain.

What can we do?

We can stand by these families and support their courageous struggle to turn unbearable loss into bearable sorrow.

We can condemn violence and brutality against innocent civilians whether it is practiced by individuals or governments.

We can work together to develop productive common approaches to combat terrorism and isolate terrorists.

We can work for the cause of peace, and the day when, in the words of Isaiah, "One nation shall not raise the sword against another, nor shall they train for war again."

Most of all we can remember that there are still hostages being held in Lebanon. And we can redouble our efforts to secure their safe release.

Terry Waite's efforts continue. And he has urged the families to retain hope, despite the rising tensions in the region.

Let us renew our efforts. Let us each commit ourselves and our resources to securing the safe release of Father Lawrence Martin Jenco, Terry Anderson, David Jacobsen, Thomas Sutherland, and William Buckley.

I urge my colleagues to continue to denounce terrorism and to concentrate efforts toward the release of these men. Let us work toward the day when we can once again travel safely to foreign countries and establish peaceful relations with our foreign neighbors.

Mr. President, I am enclosing a copy of a guest editorial which appeared in today's USA Today. It is written by Eric Jacobsen, son of hostage David Jacobsen and discusses the tragedy of Peter Kilburn's death. I ask that it be inserted into the Record.

The article follows:

Peter Kilburn Should Not Be Dead Today

(By Eric D. Jacobsen)

Huntington Beach, Calif.—Peter Kilburn is dead. We had 16 months to prevent his death, and we failed.

The families of the hostages held in Lebanon failed. The people of the USA failed. President Reagan failed. The men responsible for Peter's abduction and execution failed. But only Peter Kilburn pays the ultimate price for our failure.

At this very moment, somewhere in Lebanon, a similar threat of failure literally points a gun to the heads of Father Martin Jenco, Terry Anderson, David Jacobsen, Thomas Sutherland, and Alec Collett. Do we do what is necessary to prevent another tragedy of this magnitude, or do we turn our heads and put our fingers in our ears?

We had 16 months to save Peter's life. Longer than the time needed to bring home the hostages from Iran, TWA, and Achille Lauro combined.

My father wrote Nov. 8: "Quiet diplomacy has *not* resulted in the release of a single hostage in two years. William Buckley is presumed dead. He could and should be alive if there had been a reasonable effort made on his behalf."

Peter Kilburn and William Buckley were not just names on a list of hostages. None of the innocent men still held deserve to be treated as such. It's too easy to sacrifice a list of names. Imagine the roles reversed. It's the only way to get the proper perspective.

If President Reagan was chained to a wall in a small, windowless room, he would call for negotiations. If the captors became the captives, they would pray for immediate release. If any of us were seized and held hostage, we would all beg not to be forgotten. These men deserve nothing more than what any of us would expect to be done on our behalf.

All of us fear—justifiably—that we may become the next innocent victim of an act of terrorism. Now is the time to set the precedent that could save our lives should that happen. First save the present hostages, then save future hostages.

Otherwise, God forbid, should another of us fall victim to a fate similar to that of my father and the others, we will receive the same treatment they have received. Some of us will receive the same treatment Peter Kilburn received.

Raise your voice amongst yourselves and say, "Peter Kilburn and William Buckley should not be dead today!"

Raise your voice to President Reagan and say, "These men are our fellow Americans. Don't sacrifice them."

Raise your voice to the captors and say, "In the compassionate mercy of our God, release these innocent men!"

Raise your voice to God almighty and say, "Father, if it be your will, send these innocent men home safely to their families, friends, and country."●

AMERICAN AGRICULTURE AND THE EEC

● Mr. ABDNOR. Mr. President, in 1981 American agriculture exports climbed to a record level of $44 billion. Since that time the American farmer has been put through an economic wringer of high interest rates, an overvalued domestic currency, excess production, and falling land values. According to current USDA estimates, this year's farm exports are projected to total no more than $28 billion, and falling. Mismanaged American foreign policies, most particularly the grain embargo, combined with European agricultural subsidies have resulted in the loss of some of our farm export markets, both in Europe and within the developing world.

For the last 10 years American agricultural policy has revolved around maintaining high commodity prices and reducing acreage production. And while we have been providing our competitors with a de facto price umbrella, the European Community has responded by subsidizing their exports and attempting to displace our goods in foreign markets. Because of the dramatic decline in farm exports, the Food and Security Act of 1985 was written with the intent of changing the course of the Government's farm policies. Better financing, export subsidies, and lower loan rates were all measures designed to improve the competitive position of American agricultural products in world markets. In response to the anticipated effectiveness of these policies, the Europeans have already had to raise their value added tax, supplementing their export war chest by an additional billion dollars.

The European Community has used since the signing of the Treaty of Rome a combination of farm support policies which included high domestic prices, export subsidies and import tariffs in order to keep a significant portion of their population on the land. While we have attempted to implement responsible policies, the Europeans have consistently bowed to domestic politics, sometimes at the expense of undercutting our export markets. I am convinced, Mr. President, that the high debt-to-asset rations, falling land values and low incomes that plague the American farmer can be directly traced to the unfair trade practices of the European Economic Community. And compounding the problem, the entry of Portugal and Spain into the Community threatens to deny the American farmer yet an additional billion dollars in farm export sales.

I have not come here today to engage in what has become the popular practice of ally bashing, nor did I come here today to threaten Europe with trade wars. In many I am a little envious of the support European politicians give to their rural communities. However, I would like to remind the members of the Community that they cannot continue to have it both ways. They cannot continue to protect domestic markets yet expanded through direct subsidies their export markets. This double standard can only in the long run be harmful to both their agricultural community and to ours.●

HIGHER EDUCATION

● Mr. SIMON. Mr. President, we will soon consider a bill reauthorizing the Higher Education Act of 1965. This bill—reported by the Committee on Labor and Human Resources—has been the subject of extensive hearings by the Subcommittee on Education, Arts and Humanities and subjected to intense review during both the subcommittee and full committee markups. I am especially pleased to serve on the committee with my colleagues, the distinguished senior Senators from Vermont, Mr. Stafford, and from Rhode Island, Mr. Pell. Together, during the past 17 years, they have shared the chairmanship of the Senate Education Subcommittee. They have also shared the mantel of Senate leadership in the field of higher education.

S. 1965, the Higher Education Act Amendments of 1985, represents a strong, bipartisan attempt to address some of higher education's basic problems, while continuing the Federal Government's commitment to access, choice, and equal opportunity in higher education. The bill addresses the following issues:

REFOCUSING STUDENT AID ON THE NEEDY

New requirements affecting the Supplemental Educational Opportunity Grant program will require that SEOG's be awarded to "exceptionally needy" students and that priority in awarding those grants be given to Pell grant recipients. Pell grants will be limited to families with incomes of $30,000 or less.

ENHANCING QUALITY

The bill retains the "ability to benefit" provision for students without a high school diploma or GED certificate, but strengthens the current "satisfactory academic progress" requirement by mandating that any student receiving title IV assistance be making progress toward a degree or certificate, and that he or she obtain at least a C average or a grade-point level consistent with the institution's own requirements for graduation. The bill also contains new provisions to assist colleges and universities improve their libraries, rehabilitate and construct new academic facilities, and acquire new instrumentation for research and instruction.

ESTABLISHING A MORE EQUITABLE BALANCE BETWEEN LOAN AND GRANT ASSISTANCE

The bill places a renewed emphasis on making grant assistance available to low- and middle-income students by increasing the maximum Pell grant award to $2,400—or 60 percent of the cost of attendance—and increasing that amount by $200 each year. The maximum SEOG would also be increased from the current $2,000 to $3,000. College work study funding would emphasize career relevant and community service work opportunities.

IMPROVING THE APPLICATION AND AWARD OF TITLE IV AID

The master calendar, recommended by the National Commission on Student Financial Assistance, is included in S. 1965, along with a statutory "need analysis" for Pell grants. A second need analysis for the campus-

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base programs and the Guaranteed Student Loan Program would be established by the Secretary of Education, working with a National Advisory Committee on Student Financial Assistance, within statutory parameters included in the bill. The bill also permits families with income of $15,000 and less to use a short form, with five data elements, to apply for title IV assistance.

While our access mission is within reach, and we have made progress toward achieving some measure of choice—our equal opportunity objective has eluded our grasp. The fourth annual status report on "Minorities in Higher Education" by the American Council on Education's Office of Minority Concerns provides adequate evidence of how far we have come, and how far we must still go to establish equity and full equality of opportunity in American higher education.

Some have questioned our resolve in pursuing the goal of bringing minorities and women into higher education, at all levels, including the professorate. An article in the Philadelphia Inquirer on November 12, 1985, makes clear the critical nature of the problem we face.

I am pleased that two institutions of higher education in my State have led the way in providing access to careers in the health area, including medical doctors, and in engineering. The University of Illinois at Chicago and the Illinois Institute of Technology have been pioneers in expanding opportunities for minorities in the health professions and in engineering.

I hope my colleagues will take the time to familiarize themselves with the quality, program effectiveness, and financing issues which permeate this reauthorization. It is also my sincere hope that each of you will also concern yourself with fulfilling our mutual commitment to equal opportunity in higher education.

Mr. President, I ask that the November 12, 1985, article be printed in the Record.

The article follows:

[From the Philadelphia Inquirer, Nov. 12, 1985]

For Some, College Dream Ended

(By H. Patrick Swygert)

The report on the declining number of black students in medical schools across the nation is one more piece of evidence that the tide is going out on the important gains made by blacks in higher education over the last decade.

According to the U.S. Census Bureau, the proportion of black high school graduates enrolling in colleges and universities has dropped from 34 percent in 1976 to 27 percent in 1983—even while the percentage of college-age blacks has been at an all-time high.

Translated into raw numbers, the statistics mean that 8,000 fewer blacks were enrolled in colleges in 1983, although there were a half-million more black high school graduates that year than in 1976.

At the graduate level, the situation is even grimmer. In 1983, the 325 institutions that award doctorates in the United States granted a total of 31,190 doctorates, but only 1,000 of these advanced degrees—less than 3 percent—went to black students. This discouraging statistic should be viewed against the stark backdrop of a precipitous 10 percent drop in the number of blacks receiving doctorate degrees in the three-year period from 1981 to 1983.

The reasons for these gloomy trends in higher education are not difficult to identify. Many colleges have cut back recruitment and remediation programs. The cost of attending colleges and graduate and professional schools has increased much more than the general rate of inflation, and government funds for financial aid have not kept pace.

At the same time, Washington continues to threaten less, not more, financial aid. Only five years ago, Temple University was able to meet almost 100 percent of the demonstrated need of all its students through a mix of federal and state funds and Temple grants. This year, only 56 percent of that need can be met, even though Temple has substantially increased its grants.

Although the financial aid problem affects all disadvantaged students, it falls more heavily on the black population because of the large gap between average black and white family incomes.

The decline in black access to higher learning could not come at a worse time. The nation's economy is being transformed rapidly. Almost all economic growth is in the service and high-tech areas. The number of jobs available to those without a college education—no matter how motivated—shrinks each year. The American dream is quickly becoming beyond the reach of most young people who do not graduate from college or receive some form of specialized training beyond high school.

That is the bad news. Closer to home, there are a few rays of hope.

Some local colleges and universities are trying to reverse the decline. At Temple, for example, we launched a program that turned around the steady decline in the number of blacks attending our medical school. Because the School of Medicine has always had an effective recuitment program, the number of qualified blacks accepted by the school has remained high. However, the number of blacks actually enrolling in the medical school has steadily declined, due in large measure to the lack of financial resources.

The medical school responded by offering, on a racially nondiscriminatory basis, scholarships to the 25 most needy students accepted for admission. This program helped financially disadvantaged students of all races, but it also helped make possible an entering class this year with the most black students in a decade.

The commonwealth instituted a similar program following suggestions made by Temple in 1983. On the initiative of the state's secretary of education, the legislature this year is providing $360,000 in scholarship funds for graduates of Lincoln and Cheyney Universities who attend graduate or professional school at Temple, the University of Pittsburgh or Pennsylvania State University. This money serves the dual purpose of enhancing Lincoln and Cheyney and assisting qualified graduates in pursuing professional and graduate education.

These praiseworthy efforts are unfortunately too few in number. Twenty years ago, the Kerner Commission warned that we could become two nations, "one black and one white, separate and unequal." Despite the enormous advances of the last two decades much remains to be done if our country is to avoid that ill-fated destiny.

The demography of higher education—particularly graduate and professional education—demands our attention now. Scholars receiving doctorate degrees in the near future will form the college faculties of the 1990s and into the 21st century. As a nation, we must move forcefuly and fairly to ensure that America's great dream of educational opportunity will not be extinguished.

ADVANCE NOTIFICATION PROPOSED ARMS SALES

● Mr. LUGAR. Mr. President, section 36(b) of the Arms Export Control Act requires that Congress receive advance notification of proposed arms sales under that act in excess of $50 million or, in the case of major defense equipment as defined in the act, those in excess of $14 million. Upon receipt of such notification, the Congress has 30 calendar days during which the sale may be reviewed. The provision stipulates that, in the Senate, the notification of proposed sales shall be sent to the chairman of the Committee on Foreign Relations.

Pursuant to an informal understanding, the Department of Defense has agreed to provide the committee with a preliminary notification 20 days before transmittal of the official notification. I ask that the official notification will be printed in the Record in accordance with previous practice.

I wish to inform Members of the Senate that such a notification has been received.

Interested Senators may inquire as to the details of this advance notification at the office of the Committee on Foreign Relations, room SD-423.

The material follows:

Defense Security
Assistance Agency,
Washington, DC, April 22, 1986.

[In reply refer to: I-01866/86ct]

Dr. M. Graeme Bannerman,
Staff Director, Committee on Foreign Relations, U.S. Senate, Washington, DC.

Dear Dr. Bannerman: By letter dated 18 February 1976, the Director, Defense Security Assistance Agency, indicated that you would be advised of possible transmittals to Congress of information as required by Section 36(b)(1) of the Arms Export Control Act. At the instruction of the Department of State, I wish to provide the following advance notification.

The Department of State is considering an offer to a Middle Eastern country for major defense equipment tentatively estimated to cost $14 million or more.

Sincerely,

Philip C. Gast,
Director.●

BILINGUAL EDUCATION ESSAY AWARDS

● Mr. SIMON. Mr. President, I would like to bring three award winning essays to the attention of my colleagues. The essays were written by young people who have all participated in bilingual education programs. The winning essays were announced at the annual convention of the National Association for Bilingual Education [NABE] in Chicago on April 3, 1986. The three young students all wrote on the topic "Being Bilingual in America: What Will the Future Hold for Me?" Each essay is an eloquent testament to the pride of the bilingual student, both in their native language and culture, and in their ability to communicate and live in an English-speaking culture. They represent the successes of bilingual education, successes of intercultural understanding, and are hopeful representatives of the dreams we all hold for the next generation. They are young people to be proud of, and they are proud of themselves, their heritage and their country—our country.

I ask that the three NABE essays be included in the Record at this point.

The essays follow:

Sonia A. Zeledon, Grade 5, Duval Elementary School, Gainesville, FL

I came to the U.S.A. with my family in search of a new life. For me the most important thing so far has been to learn English, the language of the country where I now live.

My first day of school was very exciting. I didn't know any English but I was ready to learn. One year later, I can talk and write English and Spanish. I have a lot of American friends.

For me speaking, reading and writing two languages is like I was two people at the same time. Now I can call and write to my country in Spanish and also I can talk and write to my friends in America in English. I feel proud of myself and for my good luck.

In the future as a bilingual I would like to be a lawyer, study hard to get a good job and with the learning of the two languages help the English and the Spanish speaking people with their problems and help make America a better country for all. I think the future will be very good for me in America as a bilingual person.

Nelly Valverde, Grade 6, Intermediate School 151, Bronx, NY

I have great expectations for what the future holds for me and for my generation as a bilingual human being.

The Bilingual Program is helping me to widen my knowledge to gain the necessary skills to live comfortably in the future. Learning two languages and two cultures is helping me to better understand my family, my teachers, my peers and my Spanish culture as well as the American culture around me.

Being bilingual is like being two different people sharing one body and one soul at the same time. Knowing more than one language and one culture makes me more sensitive and unique. I can feel, talk, love, laugh, understand and react to two different cultures and languages as well. It makes me feel good and happy about myself.

The knowledge of two languages cushions my steps from one culture to the other. It helps soften my growing pains. I wish that all the children could have the same opportunity as I have. To be able to talk, to read and write in two different languages is a wounderful experience. I also wish that they learn as many languages as they can. To see, feel, love and understand other cultures with the eyes of a child is a great experience.

I am grateful to my bilingual teachers and the government for giving me the opportunity to keep and observe my language and culture while learning a second language and culture as well. This is my best inheritance. Living in a multilingual and multicultural city like New York provides me with greater opportunities to advance in the future.

I am eleven years old now. By the year 2000 I will be 25. I wish to be a decent member of our society. I want to be a bilingual teacher. I expect to get a good job and to be able to help the next generation as I have been helped. I have faith in the intelligent judgment of our government. I pray to God that there will always be bilingual programs.

Deborah Reed, Grade 10, Oaks Mission School, Oaks, Oklahoma

Being able to speak in my native tongue is an important part of my heritage, but being able to speak English is just as important.

An Indian lives in two worlds. In school, work, and sometimes play, an Indian is in a white world. At home and with relatives an Indian is in his own world. A world of a different language, different ideas, and often different beliefs.

The Indian people should not shun ideas just because they were thought of by a white person. Neither should a white person shut out an Indian's thoughts. They are two different people; therefore, they are supposed to have different thoughts.

My mother once told me that she had spoken Cherokee all her life until she went to school. There, she was forced to learn a new language. My mother is not bilingual. She is not sorry that she had to learn English; in fact, she is glad she had to. It makes me sad to learn that today, my mother also thinks in English, to me it is something she has lost.

As time passes, it seems that there are fewer and fewer people speaking their native language. Children are now taught English first; a native language is taught in schools as a second language instead of being taught at home as it used to be. We are losing something. Many do not see it because it is happening gradually from generation to generation.

I do not know what the future holds for me or for the generations to come, but I will try my hardest not to lose this gift of knowing my Indian language.

There are other people at my school who speak their native language. Some might look down on them, but I feel a deep respect for their parents. Parents who know the value of pride in oneself, have pride in themselves. This will help them many times in the future. Pride is an important thing to have, not only in yourself, but in your parents and lineage. Indians have a fierce pride in themselves. Their forefathers were the true Americans. They are the ones who truly belong in America, but they welcomed people to their land. Now they are losing it.

We will always be unsure of the future, but we do know one thing; no matter who you are the future does have something in store for you. Not always good, but rarely terrible. Hold onto what you have; you may gain more tomorrow.●

NAUM AND INNA MEIMAN: ISOLATED IN MOSCOW

● Mr. SIMON. Mr. President, Naum and Inna Meiman are a lovely couple who want desperately to leave their native Soviet Union. Naum applied to emigrate over 10 years ago and has been harassed ever since. He married Inna in 1981. Together, they have bravely lived under troubling conditions.

Inna is critically ill with cancer. Naum is getting older. He is 74. The Meimans have little time left to enjoy the land of their ancestors but they must be given the chance to breathe the air of Israel. Inna must be given the basic right to the best and most modern medical treatment available. Since the Soviet doctors have told her there is nothing further that they can do, it is time to allow doctors in the West who have the technology to treat her.

I strongly encourage the Soviet authorities to grant permission to the Meimans to emigrate to Israel.●

ORDERS FOR TOMORROW

RECESS UNTIL 10 A.M.

Mr. DOMENICI. Mr. President, I ask unanimous consent on behalf of the majority leader, that when the Senate completes its business today, it stand in recess until 10 a.m. tomorrow.

The PRESIDING OFFICER. Without objection, it is so ordered.

RECOGNITION OF CERTAIN SENATORS

Mr. DOMENICI. Mr. President, I ask unanimous consent that following the recognition of the two leaders under the standing order, there be special orders in favor of the following Senators for not to exceed 5 minutes each: Hawkins, Cranston, Proxmire, and Moynihan.

The PRESIDING OFFICER. Without objection, it is so ordered.

ROUTINE MORNING BUSINESS

Mr. DOMENICI. Mr. President, I ask unanimous consent that, following the special orders, there be a period for the transaction of routine morning business not to extend beyond the hour of 10:30 a.m., with Senators permitted to speak therein for not more than 5 minutes each.

The PRESIDING OFFICER. Without objection, it is so ordered.

PROGRAM

Mr. DOMENICI. Following routine morning business, the Senate will return to consideration of Senate Resolution 120, the budget resolution.

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There will be votes on Thursday. It will be the intention of the majority leader to ask that the Senate not be in on Friday this week if an agreement can be reached to reduce the statutory time limitation alloted to the budget resolution by 12 hours.

Mr. BYRD addressed the Chair.

The PRESIDING OFFICER. The hour of 4 p.m. having arrived, it will take unanimous consent to continue.

Mr. BYRD. Mr. President, I ask unanimous consent that we proceed for 30 seconds.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. BYRD. Mr. President, I say to the distinguished acting majority leader that I hope we can reach an agreement with respect to Friday. I doubt that we can reach an agreement with respect to 12 hours, however. I certainly want to help if I can in making an arrangement. I doubt that, if no agreement is entered into, the Senate would be on this subject for 12 hours on Friday. Whatever a reasonable amount of hours may be, I hope we can reach an agreement on that by tomorrow.

Mr. DOMENICI. I thank the distinguished minority leader. Certainly the majority leader will take his statements into account and I shall remind him, having been here when it was stated.

RECESS UNTIL 10 A.M. TOMORROW

The PRESIDING OFFICER. Under the previous order, the Senate stands in recess until 10 a.m. tomorrow.

Thereupon, at 4:01 p.m., the Senate recessed until Thursday, April 24, 1986, at 10 a.m.

CONFIRMATIONS

Executive nominations confirmed by the Senate April 23, 1986:

THE JUDICIARY

Kenneth L. Ryskamp, of Florida, to be U.S. district judge for the southern district of Florida.

DEPARTMENT OF JUSTICE

Joe D. Whitley, of Georgia to be U.S. attorney for the middle district of Georgia for the term of 4 years.

FOREIGN SERVICE

Foreign Service nominations beginning Marshall D. Brown, and ending Robert A. Riccio, which nominations were received by the Senate and appeared in the CONGRESSIONAL RECORD on March 12, 1986.

EXTENSIONS OF REMARKS

CONGRESSIONAL SALUTE TO THE 1986 HIGH SCHOOL STUDENT RECIPIENTS, CERTIFICATES OF EXCELLENCE IN LEADERSHIP AWARDS, RORY SPARROW FOUNDATION, INC., OF PATERSON, NJ

HON. ROBERT A. ROE

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Tuesday, April 22, 1986

Mr. ROE. Mr. Speaker, on Saturday, April 26, the people of the city of Paterson, my congressional district and State of New Jersey will assemble at a highly unique "Salute to Leaders" convention in testimony to an outstanding group of high school students who have completed their internship in the "Tomorrow's Leaders Development Program" of the Rory Sparrow Foundation, Inc., of Paterson, NJ. I know that you and our colleagues here in the Congress will want to join with me in saluting these young people, as follows:

Nelton Barrett, Bernadette Bracey, Eric Bryant, Sherane Bunting, Andrew Cameron, Coretta Capers, A. Bryant Crockett, Rodney Crowell, Jody Farr, and Winifred Henry.

Felicia Martin, Jeannie Moore, Navlette Morgan, Winsome Owens, Monique Reed, Katrina Smith, Carol Thompson, Tammy Williams, and Antoinette Young.

Mr. Speaker, these students include juniors and seniors of Passaic High School, John F. Kennedy High School, Eastside High School, Ridgewood High School and Mary Help of Christian Academy. They all share one basic common element of quality in life's beginning with Rory D. Sparrow, the most esteemed basketball star now with the New York Knicks, who founded the educational development training and service youth program for leadership encompassed in the establishment of the Rory Sparrow Foundation: They are all from the inner city.

Mr. Speaker, on Saturday, we will honor the graduates of this program as well as the educational concept and learning experience provided by the Rory Sparrow Foundation. When you reflect upon the fact that the cultural, historical, and economic achievements—even the basic health, well being, and longevity of a State and Nation—depend in large measure upon how well we educate each generation charged with the trust of carrying out its responsibilities and traditions, we can indeed be proud of the Rory Sparrow Foundation's outstanding contribution to the quality of life and way of life for all of our people.

With you permission, Mr. Speaker, I would like to insert at this point in our historic Journal of Congress a biographical essay on Rory Sparrow and his foundation as furnished me by the distinguished coordinator of Tomorrow's Leaders Development Program, William D. Croix of Rory Sparrow Foundation, Inc., which most eloquently portrays the goals and purposes of this most prestigious organization as follows:

PROFILE OF RORY SPARROW FOUNDATION, INC.

INTRODUCTION

The Rory Sparrow Foundation Inc. is a non-profit, charitable organization serving the Greater Metropolitan New Jersey/New York area. The Foundation was formed in 1984 by Rory D. Sparrow, a star basketball player for the New York Knickerbockers (The Knicks) and is based in Paterson, New Jersey, Rory's home town.

The purpose of the Foundation is to develop positive self-esteem, positive self-motivation and positive self-awareness in a segment of our youth which has a severe shortage of these necessary catalysts to personal success. It is the philosophy of the Foundation that if a person is endowed with a strong, well-developed sense of positive self-esteem, awareness and motivation, he or she can realize their highest potential.

To accomplish its goal, the Foundation provides service programs in the areas of education, health, sports and recreation and economic development. Special emphasis is placed on educational support services. A permanent education, recreation and administration facility is being planned to house these programs. By reinforcing self-confidence through these services, area youngsters will get a second chance to develop the positive self-esteem, self-motivation and self-awareness they need to be competitive and productive in our society.

RORY D. SPARROW

There is no doubt that Rory D. Sparrow has become a success in life. He is now a starting guard for the New York Knicks. His arrival to success, however, was not easy nor are all his goals in life completed. Rory was born June 12, 1958 in Suffolk, Virginia, the second of five children born to John and Claudia Sparrow. In 1962, the Sparrow family moved to Paterson, New Jersey, which has become their home.

Rory grew up in the Alexander Hamilton Projects, a housing development for low-income families, where the problems of crime, drugs and unemployment cast a heavy shadow on daily life. Rory was aware of these problems at an early age and was determined to avoid these pitfalls of life and do more than the expected. He was very fortunate during his youth to have the love and support of his family, as well as the support of community leaders and teachers, all of whom stressed the importance of a good education. Rory attended public school in Paterson where he earned excellent grades, played basketball and participated in student government. Basketball taught him the importance of good health and teamwork, while his participation in student government taught him good organizational skills.

Rory's excellent grades and ability to play basketball were the key to his early success. In 1976, he was awarded a scholarship to attend Villanova University in Pennsylvania, where he maintained high academic standards while further developing his basketball skills. In 1980, Rory's hard work paid off with two achievements: He graduated from Villanova University with a degree in electrical engineering, the first black to do so, and then was drafted by the New Jersey Nets Basketball Team.

With his successes in hand, Rory returned home to Paterson, New Jersey, and became very active in community programs geared towards youth. This involvement made Rory acutely aware of the lack of self-worth and motivation portrayed by so many young people in the area. It prompted him to formulate programs that could positively impact youth in this area. Positive role models and images were what was needed to reinforce self-esteem and self-awareness.

In 1981, Rory was traded to the Atlanta Hawks, participated in the community activities in Atlanta and was traded again to the New York Knicks in 1982. He chose to return to Paterson to live and continue his community involvement.

Rory views himself as someone who beat the odds with the positive influence of people who care and, thus, feels that the ideal of providing community service should not be lost. Rory has spent countless hours donating his time and energy to youth programs. Not only does he see the need for grassroot community programs, but he finds great pleasure and a sense of accomplishment in becoming personally involved. With this commitment in mind, he formed the Rory Sparrow Foundation Inc.

Despite all of the awards and honors he has received, Rory cherishes the opportunity to help young people become productive citizens in their communities. These ideals are reflected in the motto Rory has selected for the Foundation, "Growing Together in a Community Effort."

FOUNDATION COMPONENTS

Tutorial service

The Foundation is using innovative approaches in tutorial services. Working with the Boards of Education in Paterson, Newark and New York City, the service will help in the areas of mathematics and reading in very small classes and one-to-one environments. Both education professionals and college seniors majoring in education are tutors in this program.

Leadership development

An extracurricular program designed to expose the excelling high school student to the workings of government and the corporate system. The program runs the entire school year and students will meet government and corporate leaders, attend council meetings, board meetings and work sites as they become introduced to the workings and interrelationships of our American system and the greater world economic order.

Student exchange

Selected students will visit other parts of America and other nations to study and experience other cultures. This experience will broaden a young person's perspective on sharing and understanding other viewpoints as we all attempt to live together on this planet.

● This "bullet" symbol identifies statements or insertions which are not spoken by a Member of the Senate on the floor.
Matter set in this typeface indicates words inserted or appended, rather than spoken, by a Member of the House on the floor.

Motivational and instructional videotape library

A library of videotapes designed to instruct young people on career choices and health issues will be produced. Also, a series designed to motivate and guide youngsters by using professional athletes as role models will be developed. Both series will be distributed to libraries, schools and youth organizations.

Computer school

Teach uses and applications of the computer. Attention given to the exceptional student as well as the student needing extra help to grasp computer concepts.

Education information bank

The bank will have information on all types of schools, majors, scholarships and grants to help match objectives of inquiring students with desired study areas and financial aid possibilities.

Health program

Health fairs, seminars and special programs designed to make young people aware of health needs, nutrition requirements, sex related information and personal grooming.

Summer athletic leagues

Summer leagues established in basketball, tennis, golf and soccer. Each league will feature clinics and appearances by professionals from each sport.

VOLUNTEER COMMITTEES

Professionals in residence

Professionals from every industry and profession plan and implement career workshops and seminars for schools and youth organizations. A major annual Career Fair is planned to bring together all of the resources of the volunteers, i.e., corporate sponsors and employers.

Athletes in residence

Professional athletes from all sports areas join the Rory Sparrow Foundation and donate time and resources to sponsor various programs and events of the Foundation.

To house these programs it is a further objective of the Foundation to build a permanent education, recreation and administration center. The center will include classrooms, a gymnasium, swimming pool, offices and recreation facilities.

Through the components of the Foundation, the result of developing enlightened young adults will be accomplished. Impacted youth will develop positive self-esteem, motivation and awareness. With these tools firmly imbedded, these young people will possess competitive skills and become capable, productive individuals who will be an asset to their families, communities and society as a whole.

Mr. Speaker, I appreciate the opportunity to present some of the highlights of this splendid youth service program for tomorrow's leaders and call your attention to this year's recipient of their student certificates of excellence in leadership awards. I know you will want to join with me in extending our heartiest congratulations and best wishes to Rory Sparrow, William Croix, the student interns, their families, the administrators and faculty of the Rory Sparrow Foundation, Inc., of Paterson, NJ.

SATELLITE DISH OWNERS PROTECTION ACT

HON. BYRON L. DORGAN

OF NORTH DAKOTA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, April 22, 1986

Mr. DORGAN of North Dakota. Mr. Speaker, an informed electorate is vital to democracy. And to keep people informed, they must have access to as much information as possible.

I'm sure you'll agree that the information explosion we've experienced in the United States in the past decade has been important to our free society.

But I am disturbed at what is becoming a serious problem in rural America. Many people have bought home satellite dishes so they can receive television signals they wouldn't otherwise have access to in rural areas of the country.

Now they are faced with losing access to those channels. Many channels have already begun scrambling their signals and others plan to start scrambling in the near future.

There are thousands of satellite dish owners in my State of North Dakota. They're not asking for a free ride. They are willing to pay a fair price for the signals they receive, but they are threatened with being denied those signals unless Congress acts.

Congress has an opportunity to put some sanity into this chaos.

That's why I am urging other Members of Congress to join me in cosponsoring the Rural Satellite Dish Owners Protection Act, H.R. 3989. The legislation, introduced by Congressman MAC SWEENEY of Texas, is a sensible approach.

The legislation would place a moratorium on the scrambling of the signals until several important protections are available to satellite dish owners.

First, the Federal Communications Commission would set uniform standards before any signals could be scrambled.

This means a single type of decoder would have to be available to descramble all programs. This would ensure that satellite dish owners are not forced to buy 3, 4 or even 10 decorders to receive all the programs they want.

Asking the FCC to set technical standards so that a dish owner would only have to buy one type of decoder is the fair approach.

Back in the 1960's, the FCC was faced with a similar task. It set standards for television sets, for example, so that consumers didn't have to buy two television sets to receive all broadcast programs.

Second, a decoder must be available for sale or lease to any person within 60 days of an order. This will prevent dish owners from waiting months and months for decoders.

Third, decoders should be reasonably priced in relation to the cost of manufacture and distribution. This is an attempt to prevent price gouging.

Fourth, this legislation aims at providing a fair marketing approach to allow dish owners to buy program subscriptions at reasonable prices. There are modifications being proposed to this legislation so cable companies would not have a monopoly on marketing programs to dish owners.

Right now, satellite dish owners are faced with confusing choices. The rules of the game are being changed. They are being told that more and more channels will soon be scrambled and will be faced with buying several decoders—which cost hundreds of dollars each—to unscramble signals.

At this point, we can't depend on the marketplace to straighten out this mess.

I urge other Members of the House to cosponsor this legislation.

AMBASSADORS TO THE SOVIET UNION

HON. BILL CHAPPELL, JR.

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, April 22, 1986

Mr. CHAPPELL. Mr. Speaker, I rise today to acknowledge with pride the accomplishments of the Seabreeze High School Band of Ormond Beach, FL.

The 100 members of the band and 24 chaperones recently spent 11 days in the Soviet Union, visiting cities such as Leningrad, Tallinn, and Moscow on a good will tour. During their stay, the band performed admirably and represented both their school and their country with great distinction.

Mr. Speaker, the enthusiasm and individual effort of these students illustrates to us all what can be accomplished when people try to understand each other. I applaud these young ambassadors of good will.

1986 CONGRESSIONAL CALL TO CONSCIENCE VIGIL

HON. ROBERT K. DORNAN

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, April 22, 1986

Mr. DORNAN of California. Mr. Speaker, I rise today to take advantage of an opportunity arranged by my colleague, Congressman KINDNESS, to express my continuing support and concern about the courageous Jewish community in the Soviet Union. I want to point out that as the preeminent moral force in the world today, the United States is obligated to vocally support Soviet Jews—a community confronted by rampant anti-Semitism and subjected to mass humiliation.

The fact that pressure has been successfully brought to bear on the Soviets in an effort to gain the freedom of Russian Jews, tells us that the U.S.S.R. is not impervious to international opinion. It is precisely for this reason that we must not let up on our rhetorical, diplomatic, and economic support at this time. We can be certain that the Soviet authorities would love to have our support die a quiet death by effectively ignoring the issue. However, to do this would be to condemn Soviet Jewry to a future of immobilizing despair and would encourage the KGB to continue completely undeterred in their objectives of cultural genocide. Mr. Speaker, we cannot allow this to happen. If we do not continue to remember these individuals, fight for them and rally for them, who will?

With this in mind I would like to mention the plight of three prominent refusniks whose plight should be made know to the American public.

Josif Berenshtein—applied for permission to emigrate to Israel because he is Jewish but has been repeatedly harassed and intimidated by the KGB authorities. In fact Josif's family was warned that his family may face criminal charges if they continue their efforts to emigrate. More recently Mr. Berenshtein was arrested and sentenced to 4 years in prison. His eye has been damaged in the process and now faces the loss of his eyesight if he does not get proper treatment.

Yuli Edelstein—a Hebrew teacher was arrested in 1985 for supposedly using narcotics as part of a Jewish religious ritual. (A totally trumped up charge by the Soviet authorities.) While in prison Yuli was subjected to severe beatings. To protest this situation he has undertaken a hunger strike. I do not know his condition at present but fear that the situation is not hopeful.

Kim Fridman—arrested several times for teaching Hebrew and leading Jewish cultural seminars. Mr. Fridman now wishes to emigrate so that he can freely practice his religion—a crime in the Soviet Union.

Mr. Speaker, I submit these names, which are not at all inclusive in their nature, for public attention and scrutiny in hopes that all advocates of human rights in this country will become more active in helping to relieve the Soviet Jewish community of the insidious, systematic abuse by the authorities of the Soviet police state.

THE COLORADO RIVER BASIN SALINITY CONTROL ACT OF 1974

HON. MERVYN M. DYMALLY

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, April 22, 1986

Mr. DYMALLY. Mr. Speaker, in recognition of the critical importance of the problem of salinity in the Colorado River, Congress enacted the Colorado River Basin Salinity Control Act of 1974 (Public Law 93-320), which calls for a cooperative effort between the basin States and the Federal Government to control Colorado River salinity. In 1984, Congress amended this law by enacting Public Law 98-569, which authorized additional salinity control activities for the Departments of the Interior and Agriculture. Among the provisions of the 1984 amendment is a cooperative onfarm salinity control program that requires a combined State and local cost share of 51 percent. The continued technical support of the Department of Agriculture is vital to achieving the goals of this program.

The administration's 1987 budget proposal for funding of the Department of the Interior's program of construction and planning for Colorado River salinity control is not at a level sufficient to maintain the planned implementation schedule. Recognizing, however, that Federal funding priorities have been established to assist in reducing the budget deficit, the seven basin States have agreed to support these lower funding levels and accept some program delays. The agreement was with the understanding that sufficient funding for Agriculture's portion of the program would be forthcoming.

Unfortunately, the administration's budget for 1987 eliminates all Department of Agriculture funding for the Colorado River Salinity Control Program. Of particular concern is the lack of funding for the onfarm program authorized by Public Law 98-569. In past years, many elements of this program have been carried out under the Agricultural Conservation Program [ACP], and it has been demonstrated that such onfarm efforts are a very effective way to implement salinity control measures. The Administration is not only declining to fund the Public Law 98-569 program, which would consolidate the efforts carried out previously under ACP, but is also eliminating all funding of the ACP as well. The onfarm programs should be continued as intended by Congress in Public Law 98-569. The funding required for 1987 is $4 million for the Federal cost share, plus $2 million for technical and program support.

Other congressional mandated obligations to be carried out jointly by the States and Federal Government are contained in the Clean Water Act. Much progress has been made toward achieving the purposes of the Clean Water Act as they affect the Colorado River. Delays in meeting the implementation schedules of the salinity control programs, due to insufficient funding for the Federal commitments will only result in failure to meet the water quality goals. This will likely mean further degradation of the quality of the Colorado River.

Congressional support is necessary for adequate funding for the Department of Agriculture in the 1987 budget to permit the continued progress of the Colorado River Salinity Control Program. Reduction of damages from excessive salinity will have benefits not only for California, but for the Nation as a whole.

ALABAMA SCHOOLS RECOGNIZED FOR EXCELLENCE

HON. BEN ERDREICH

OF ALABAMA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, April 22, 1986

Mr. ERDREICH. Mr. Speaker, for the past 3 years, the U.S. Department of Education has conducted a Secondary School Recognition Program to focus national attention on schools that are doing an exceptional job of educating their students. This year marks the first time, however, that the Department has established a recognition program for elementary schools. Some 509 elementary schools from across the country were nominated by chief State school officers in 49 States, the District of Columbia and the Department of Defense Overseas Dependents' Schools. With so many outstanding schools being considered for the overall educational program, you can understand if I take just a few moments to boast about the fact that not one, but three elementary schools from Alabama were selected for final consideration in the 1985-86 Elementary School Recognition Program. Valley Elementary School in Pelham, AL, and Cahaba Heights Community School and Vestavia Hills Elementary School-West, which both happen to be located in Jefferson County, AL, in my congressional district.

Both Cahaba Heights and Vestavia Hills have a number of special features which set them apart from many elementary schools and certainly more than qualify them to receive special recognition from the Department of Education. Cahaba Heights, for example, has strong participation by and interaction among its administrators, teachers, and parents. It has a strong and effective volunteer program, as well as a number of extracurricular activities for students, including its math teams, chess and computer clubs, olympics of the mind teams, school newspaper, "The Chatterbox," and its student-operated store.

The curriculum and staff at Vestavia Hills focuses its efforts on enhancing the self-concept and feelings of success of each child. In addition to its well-rounded staff and faculty, the school has teachers who are specially trained for various areas of exceptional children, including educably mentally retarded, multiple handicapped, speech therapy, and talented and gifted. It also has a dedicated parent-volunteer group, and ranked first in the State of Alabama in 1983 and second in 1984 and 1985 in overall performance in the Alabama State testing program.

I cannot stress enough the importance of providing our children, tomorrow's future leaders, with the educational skills they must possess if the United States is to retain its place among the world's technologically advanced nations. I commend Cahaba Heights Community School, Vestavia Hills Elementary School-West, and Valley Elementary School on being nationally recognized for their development of solid curriculums focusing on building basic skills, knowledge, character, values, and self-discipline for the students they serve. I wish them all the best as they now await final notification of those schools that will be invited to the Nation's Capital in the fall to participate in a national recognition ceremony and receive a specially designed flag symbolizing outstanding educational achievement.

KILDEE PAYS TRIBUTE TO MR. MARSHALL MOSSMAN

HON. DALE E. KILDEE

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Tuesday, April 22, 1986

Mr. KILDEE. Mr. Speaker, I would like to bring to the attention of my colleagues and the Nation a retirement ceremony that will be held Saturday, April 26, in Flint, MI, honoring Mr. Marshall L. Mossman. Mr. Mossman is retiring from teaching after 33 years of outstanding service to the community.

During his career, Mr. Mossman served in and around the Flint area, constantly developing his skills and increasing his teaching responsibilities. He has spent the last 11 years at Swartz Creek High School where his con-

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scientious and dedicated efforts have earned him the profound respect of his students, peers, and superiors alike. Mr. Mossman's rich and varied career as a teacher has benefitted countless students in their preparation for life. His many years of hard work and perseverance have served as an inspiration and a fine example for young teachers to follow. Marshall Mossman has continually placed excellence in education above all other priorities. As a result, he has succeeded in elevating the quality of education to a plateau heretofore unattained. Through his benevolent actions and interests in his fellow man, Marshall Mossman has made this community a better place to live.

Mr. Speaker, Marshall Mossman's highly successful career as a teacher is in keeping with the highest traditions of community service. As a former teacher, I am honored to have had the opportunity to know this man who so greatly distinguished himself through helping others.

THE 50TH ANNIVERSARY OF THE MUHLENBERG DEMOCRATIC CLUB

HON. GUS YATRON

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, April 22, 1986

Mr. YATRON. Mr. Speaker, on Friday, May 2, 1986, the Muhlenberg Democratic Club of Berks County will celebrate their 50th anniversary with a banquet and a dance. On this occasion, it is certainly fitting that we take time to pay tribute to the club's membership for their enormous contributions to the Berks County area.

The Muhlenberg Democratic Club had its origins in a small garage when a handful of ardent Democrats banded together to support the candidacy of Franklin D. Roosevelt in 1932. The club was not formally incorporated until October 5, 1936, and its bylaws and constitution were approved on February 11, 1937.

The club grew in size and popularity and eventually moved to the Goodwill Beneficial Association. The club, like any political organization, had its ups and downs, but through the dedicated efforts of its leadership, the club overcame adversity and was able to grow and flourish. The club continued to serve its important function as a forum and meeting place for Democrats in the area.

Under the present leadership of President Ed Cammarota, the club has been strengthened. The membership has grown and monthly meetings have been well attended. These meetings provide an excellent opportunity for the membership to discuss important issues facing the Nation and the Berks County area.

Mr. Speaker, the Muhlenberg Democratic Club of Berks County is a shining example of the many benefits of grassroots political action and organization. For 50 years, the club has served an invaluable function as a home base for Democrats in our area. I commend the membership on their 50th anniversary and I wish them continued success and good fortune in the future.

HONORING THE REVEREND CALVIN COOLIDGE BROWN

HON. JOE KOLTER

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, April 22, 1986

Mr. KOLTER. Mr. Speaker, I rise in the House of Representatives today to honor a man who has served God by touching countless lives in his ministry. The Reverend Calvin Coolidge Brown, pastor of the Tabernacle Baptish Church of Beaver Falls, has a long and illustrious record of service to the Greater Beaver Falls community.

Aside from his dutes as a pastor, he serves as a commissioner on the Housing Authority of Beaver County in the position of vice chairman. He is also the chaplain for the city of Beaver Falls and its city council, a member of the Beaver Falls Kiwanis Club and a board member of the U.S. Department of Agriculture Service Extension. In addition, he has worked with the Red Cross in Beaver County and won the Outstanding Achievement Award presented by the Beaver Valley Service Club in 1978. The Reverend Brown has also worked with the American Cancer Society and was president of the organization's local chapter.

But through all these activities, he has also helped his church and its beliefs grow and prosper. Since coming to Tabernacle Baptist in 1960, he has lead the church in constructing a new building, which recently has a new addition.

Coming from a humble background, born in Mintur City, MS, he grew up on a 20-acre farm with four brothers and three sisters. During World War II, he was drafted into the Air Force at age 18. After the war, he bacame a butcher and barber through Government training and moved to Cleveland, OH, to find work. In Cleveland, he attended the Open Door Baptist Church and met his future wife Eva M. Johnson through their work and service in every department of the church.

Today, he continues to serve God by his service to the Beaver Falls community, spreading the gospel. He has always been and continues to be available to help and listen to his congregation and the community at large. Ever since he had the call to preach in 1955 while in Ohio, he has shown himself to be a man with a commitment to God. He continues that commitment. For example, in May and June of 1984 he went overseas to bring the word of God to America's servicemen and servicewomen in Germany.

So I now stand before my colleagues in the House of Representatives and honor this man, the Reverend Calvin Collidge Brown. He has done much for the Beaver Falls community through his involvement in worthwhile and productive projects; he has served his country in the Armed Forces. But most of all, he has brought the word of God—the compassion and understanding of christianity—to his fellow human beings.

LOCAL HEALTH CARE FOR VETERANS

HON. TOM LEWIS

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, April 22, 1986

Mr. LEWIS of Florida. Mr. Speaker, I am introducing legislation to require the Veterans' Administration to enter into health care contracts with non-VA medical facilities where current VA hospitals and clinics are inadequate. My bill would amend existing law allowing the Administrator to enter into private contracts for veterans health care by specifying that contracts be initiated in areas of the United States where the number of veterans is substantially increasing.

In my home State of Florida, 15,000 veterans move in each year from other parts of the country. Forty-one percent of these veterans are over the age of 65. However, despite these numbers, Florida has only three VA hospitals. In Palm Beach County, where a fourth hospital to serve 160,000 veterans is scheduled for completion in 1993, veterans must make a round trip of nearly 200 miles to the nearest VA facility in Miami. The same situation also exists in more remote areas of the State.

My legislation gives immediate relief to veterans by providing them with accessible health care until a local VA facility is available. We must not forget that the United States would not be where it is today if it were not for our veterans. Enactment of this legislation will ensure that the special health care needs of our veterans are not ignored.

SAN JOSE MERCURY NEWS

HON. NORMAN Y. MINETA

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, April 22, 1986

Mr. MINETA. Mr. Speaker, this has been a week to raise a toast in San Jose, my hometown, in celebration of the Pulitzer Prize awarded to the San Jose Mercury News for its masterful series investigating the surreptitious exodus of capital from the Philippines.

I don't believe the impact of this series could have been imagined when the editors of the Mercury News first conceived the idea, or even at the time the articles were published, in June 1985.

But the series "Hidden Billions" helped trigger the massive demonstrations in the Philippines, the recent elections in that nation, and, ultimately, one of the most exciting spectacles of the triumph of democracy in our memory.

The Mercury's decision to rigorously and professionally investigate the rumors of the siphoning of wealth out of the Philippines resulted not only in an outstanding piece of journalism; not only in factual, well-researched articles of service to the international community; but resulted, we can say without exaggeration, in changing the course of history.

This series was reprinted widely in the Philippines, and the reaction included a call for

the impeachment of President Marcos by some members of Parliament. Ultimately, Mr. Marcos called for new elections; we all are well aware of the outcome of these elections.

Mr. Speaker, I am certain my colleagues would join me in congratulating reporters Lewis M. Simons, Katherine Ellison, and Peter Carey, editor Jonathan Krim, and all the people of the Mercury News who proved their professionalism, dedication and, commitment in producing this award-winning series.

I am proud, but knowing of the excellent work and high standards of the Mercury News, I am not surprised. My congratulations to all involved.

TRIBUTE TO JOHN DRIGGS

HON. JOHN McCAIN

OF ARIZONA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, April 22, 1986

Mr. McCAIN. Mr. Speaker, I rise to pay tribute to a fellow Arizonan, Mr. John Driggs, who today testified before the House Select Committee on Aging. Mr. Driggs' testimony concerned the tragic problem of hunger among our senior citizens. His eloquent and incisive remarks contributed to our understanding of the problem, and moved many members of the committee to greater efforts on behalf of senior citizens who go hungry.

Mr. Driggs' testimony was only the latest deed in a lifetime of public service. A graduate of North Phoenix High School, he earned an A.B. and an M.B.A. at Stanford University. He was mayor of Phoenix from 1970 until 1974, and a member of two Presidential Commissions, including the President's Task Force on Food Assistance. Mr. Driggs is currently the chairman of Western Savings and Loan in Phoenix. Not satisfied to rest on previous good works, he also serves as chairman of the board of Second Harvest Food Bank. Mr. Driggs has now begun a campaign to help end hunger by informing America's hungry of food stamp benefits.

While Mr. Driggs does not work for acclaim, his altruism has earned him numerous awards, including Phoenix Man of the Year. He is the best of Arizona: A beloved father and husband, a successful career man, a selfless citizen. We have not seen the last of John Driggs—his benevolence, thankfully, seems boundless.

A DAY TO RECOGNIZE ALL PUBLIC EMPLOYEES

HON. MARY ROSE OAKAR

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Tuesday, April 22, 1986

Ms. OAKAR. Mr. Speaker, today I am introducing a resolution which designates the week of May 5 to 11, 1986, as "Public Service Recognition Week."

Public employees at the local, State, and Federal levels provide invaluable services to all Americans. Public employees at the Federal level protect our borders, ensure that our Social Security checks are processed on a timely basis, deliver our mail, conduct essential medical research, and expand the frontiers of space. At the local and State levels, public employees teach our children, protect our neighborhoods, enforce building and safety codes, plan our roads and highways, and provide a clean and healthy environment.

Public employees have made immense contributions to this country in technological research, health care, education, crime prevention, fire protection, national defense, and conservation. These men and women have risked, and some have given, their lives while serving in their professional capacities.

Too often the importance of their public services and their contribution to the security and progress of our Nation is forgotten, taken for granted, or ignored. Rather than receiving the praise and appreciation they deserve, public workers are too often the victims of unfair criticism and harsh comments.

My resolution seeks to provide public workers and volunteers with the recognition they deserve. It is a simple "thank you" for the scarifices public employees have made and the dedication which millions of them have demonstrated in seeking to make our country a better place to live. The resolution also encourages our Governors and public officials to observe this week with appropriate ceremonies and activities.

I ask all my colleagues to join me in cosponsoring this resolution. Let us focus our praise and appreciation on public employees and volunteers whose dedication and commitment to their jobs has benefited every American.

Thank you.

ISSUE: POSSE COMITATUS

HON. CHARLES B. RANGEL

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, April 22, 1986

Mr. RANGEL. Mr. Speaker, syndicated columnist William Safire wrote an essay which appeared in the New York Times of February 28, 1986, entitled, "Issue: Posse Comitatus," which draws attention to the serious threat drug trafficking poses to our country, particularly along our common border with Mexico.

In 1981, the posse comitatus law was amended to allow greater participation by the military in America's drug interdiction effort. The Secretary of Defense may, in accordance with other applicable law, make available any equipment, base, facility, or research facility of the Army, Navy, Air Force, or Marine Corps to any Federal, State, or local civilian law enforcement official for law enforcement purposes. The assistance rendered by the military must not detract from military readiness, and the military has the right to seek reimbursement for the services it provides. The Department of Defense Task Force on Drug Enforcement has an exemplary record of cooperating with civilian police agencies to curtail drug traffic. Nevertheless, the flow of narcotics to America from South America, Asia, and Mexico continues.

The Select Committee on Narcotics, which I have the privilege to chair, estimates that in 1986, 150 tons of cocaine, 12 tons of heroin, and 30,000 tons of marijuana will enter the United States. Approximately 30 percent of the cocaine, 33 percent of the heroin, and 33 percent of the marijuana consumed in the United States enter this country from Mexico. The Drug Enforcement Administration has just revealed the existence of a more deadly and cheaper form of heroin being consumed in America called black tar.This new form of heroin could greatly increase the annual number of heroin fatalities in America.

Commissioner of Customs William von Raab recently testified before the Select Committee on Narcotics, "Mr. Chairman, I can put more officers at our ports of entry, and I can put more pilots in the skies, but I cannot put men and women along our border in the number we need to make a difference. I would need to hire thousands and thousands of officers, just to police this heroin highway, this cocaine causeway, this marijuana mainstreet that our border with Mexico is beginning."

Mr. Speaker, the problem of narcotics trafficking is complex, and there is no one easy answer to the problem. All aspects of the problem must be attacked simultaneously. Because the profits from trafficking in drugs are so enormous, smugglers can afford to buy the most sophisticated equipment to facilitate and protect their operations. As the recent murder by a suspected Colombian hit squad of former cocaine smuggler turned Government informant Barry Seals indicates, professional drug smugglers will use any and all means including murder to protect their profits.

The American military can provide a unique counterforce to these drug traffickers. The military possesses fast aircraft and boats with state-of-the-art communications equipment which have already made a significant contribution in identifying and tracking suspected drug smugglers. But, as Mr. Safire's essay points out, the ease with which drug smugglers penetrate our southern border demonstrates how vulnerable our country is to a terrorist attack.

Drug traffickers and narcoterrorists cooperate with each other when it is in their mutual interest to do so. I would hope the military could find still more ways to be of assistance in curtailing drug smuggling and protecting our country against the potential of terrorist aggression.

Mr. Speaker, I ask that Mr. Safire's essay "Issue: Posse Comitatus," be inserted into the CONGRESSIONAL RECORD at this point for the information of Members and the public.

The article follows:

[From the New York Times, Feb. 28, 1986]

ISSUE: POSSE COMITATUS

(By William Safire)

WASHINGTON.—If you think the United States border is any barrier to the smuggling of drugs, you're blowing dope.

Every narcotics racketeer and cop knows the most efficient way to transport drugs, particularly cocaine, across our boundaries: fly it through the Windward Passage between Cuba and Haiti into the Bahamas and then by boat or plane into Florida. Or, if you really want to play it safe, fly it into Mexico and "trampoline"—take advantage of the many dry lake beds south of El Paso that serve as landing fields for the world's most profitable air service.

Almost two-thirds of the cocaine snorted in the U.S. comes across that southwest border in small planes, according to Representative Glenn English, chairman of the House Operations subcommittee overseeing our flagging "war on drugs." On a single remote stretch, a recent three-day test surveillance spotted eight smuggler aircraft plying their trade; multiply that by a hundred other favored crossing points to get some idea of the undisturbed air armada doing its booming business.

The most glaring difficulty in our war on drugs is that we have all but abandoned the front line: the border is relatively undefeated. The classic bureaucratic battle between the Justice Department, which believes in tips by informants and criminal prosecutions, and the Customs Service of the Treasury Department, which tries to interdict drugs at our borders, has been won by Justice.

"We have decided essentially to stabilize the investment in Customs drug interdiction," Treasury's Richard Darman told Congress, which means that Customs will not be able to use new surveillance aircraft equipped with radar built for F-15 fighters to nail the trampolining smugglers. He knows better than to do battle with Attorney General Meese, who prefers to use the money to chase the drugs in the U.S.

The apparent helplessness of law enforcement in interdicting the flow of drugs across our borders raises the issue of posse comitatus. The phrase is Latin for "force of the county" and is familiar to fans of Western movies in which the sheriff deputizes a band to follow the men who went that away; in this context, it means the use of the nation's military forces for the purpose of law enforcement.

My libertarian knee jerks away from legislation, such as that passed in 1981, that permits the armed services to be employed in the search for international drug peddlers. The Department of Defense has properly resisted this "while you're at it" law, holding that it might distract the armed forces from their first mission; in addition, it is dangerous to turn an army into any sort of national police force. As a result, Defense lends a hand in drug interdiction only when it is part of other training and no shootouts are involved.

But the porous border is worrisome in a way that arrests my knee-jerk. Defense is in business to protect us from armed aggression, and will ultimately be able to detect and destroy incoming missiles. Greater than the possibility of a superpower first strike is the chance of a terrorist state smuggling a nuclear device into one of our cities.

The Defense Department, if it is not to find itself fighting the next war with the strategy of a war that may never be fought, must be prepared to defend the nation from a suitcase with a hydrogen warhead. Granting "Star Wars" a perfect execution of a defense against thousands of incoming Soviet missiles, it will still leave us naked to an attack from a Khomeini or Qaddafi unconcerned with launch-phase shootdowns or massive retaliation.

The day can easily be foreseen when one of our cities is held hostage by a terrorist group or a terrorist state; the stuff of novels can quickly become reality. At that point, we would be asking: how did they get the bomb into our country? Whose job was it to stop the incoming weapon at our border? Why have we spent trillions on defense when any maniac can fly in a bomb that can destroy a city?

We do have a Special Operations Force, run jointly by the Army and Air Force, putatively in charge of counterterrorism. When the drug smugglers' trampoline bounces a bomb or two with practiced ease across our southwest border, we can expect a blue-ribbon panel to be appointed to inquire into the lapse in our decision-making process that rendered interdiction impossible.

The fighter pilots of the Pentagon want no part of missions looking down for smugglers; the Customs Service doesn't have the money for gunships or juniors Awacs; the Justice Department derides interdiction but is thinking only of drugs, not bombs.

Who is there to organize a *posse comitatus* to defend our borders?

CONGRESSIONAL SALUTE TO THE HONORABLE EDWIN SKAWINSKI OF NEW JERSEY, 1986 RECIPIENT, MAN-BOY AWARD, BOYS CLUB OF GARFIELD

HON. ROBERT A. ROE

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Tuesday, April 22, 1986

Mr. ROE. Mr. Speaker, on Saturday, April 26, the residents of the cities of Clifton and Garfield, my congressional district and State of New Jersey will join together in testimony to an outstanding community and business leader, distinguished citizen and good friend, the Honorable Edwin Skawinski of Clifton, NJ, whose standards of excellence thoughout his lifetime have earned him the highly coveted award of the Boys Club of Garfield, NJ—The Man-Boy Award. I know that you and our collegues here in the Congress will want to join with me in extending our warmest greetings and felicitations to him, his good wife Nina and their children: Catherine and Mark as we celebrate this milestone of achievement in their family endeavors.

The Boys Club of Garfield is one of our Nation's most prestigious affiliates of the Boys Club of America. We are all familiar with the noble traditions of the Boys Clubs of America and their outstanding public service to the people of our Nation in helping our young men to achieve leadership qualities of self-reliance, character building, sportsmanship, fair play, and eagerness to serve others. Their deeply committed endeavors in exercising measures to keep America beautiful, and attain greater communion and understanding in friendship and goodwill among all mankind are a significant investment in the enrichment and excellence of the quality of our way of life here in America.

Edwin Skawinski has by his example and lifetime of dedication to these same true American ideals personified exemplary leadership in his outstanding responsible service to our people which has truly enriched our community, State, and Nation.

There is much that can be said of our honoree, "Skeets," as Edwin Skawinski is affectionately nicknamed, and his lifetime of achievements in service to people. He resides with his family in Clifton, NJ, and is an esteemed businessman in Garfield, NJ, the community of his earlier years where he attended elementary and secondary schools. He has served both communities and our country with distinction. He is a veteran of the U.S. Navy having served on the destroyer, USS Allen M. Sumner DD692, and received his honorable discharge in 1958.

The pleasure of great personal dedication and always working to the peak of one's ability with sincerity of purpose and determination to fulfill a life's dream—that's the success of the opportunity of America—and the mark of distinction in our society of "the selfmade man." Mr. Skawinski is the owner of Garfield Paint Co. and we are especially proud of his compassion, dedication, and untiring efforts on behalf of our young people. Under the Garfield Paint Co.'s insignia he sponsors a Little League baseball team who are presently the citywide Little League champions. The Boys Club of Garfield is honoring him in tribute to the unusual dedicated service he has rendered to the Boys Club over a considerable length of time. He is a longstanding active participant and strong supporter of the activities of the Boys Club of Garfield and is strong supporter of the activities of the Boys Club of Garfield and is currently a member of the Boys Club's Board of Directors.

Some of his additional affiliations with professional and civic organizations and in public service to our people include: The Holy Rosary Young Men's Club, Passaic's St. Al's Club, Rosol-Dul Memorial Post No. 359 of the American Legion, and the Clifton Hockey Parents Association. He is an honorary member of the New Jersey State Pulaski Association of Police and Firemen of New Jersey and New York and the Garfield PBA Local No. 46. He is an active member of St. Stan's Pulaski parade committee and General Pulaski Memorial parade committee of New York. Among the many citations and awards he has received, we point with pride to his appointment as 1974 Grand Marshal to the Pulaski Day parade in New York, 1975 New Jersey State Pulaski Association's "Outstanding Citizen Award," and 1976 Garfield PBA's highest award, Lifetime Silver Membership Card.

The fulfillment of the purpose, goals and aims of the Boy's Clubs of America could not be achieved without the leadership of people like Skeets Skawinski and the strong team effort of volunteer and professional leaders of our communities who participate unselfishly and willingly of their busy schedules in passing these sterling traditions along to our youth of America.

It is indeed appropriate that we reflect upon the deeds and achievements of our people who have contributed to the quality of our way of life here in America. Skeets has truly inspired and enriched the lives of many of our citizens in his service to our young people. We do indeed salute a good friend and great American—1986 recipient of the Man-Boy Award of the Boys Club of Garfield: the Honorable Edwin Skawinski of New Jersey.

HANDS ACROSS AMERICA

HON. MARTY RUSSO

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, April 22, 1986

Mr. RUSSO. Mr. Speaker, we have all seen the gaunt face of starvation from East Africa. We know that millions of people are being displaced from their homes as a result of violent upheavals from the Middle East to Central America. It was these images that encouraged Ken Kragan to establish USA for Africa. In its yearlong effort, his organization has raised and disbursed millions of dollars toward relieving the suffering in Ethiopia.

Several months ago, USA for Africa turned its attention toward America. They found that millions of our fellow citizens, especially children, go hungry sometime each month. A Harvard study estimates that up to 2.5 million Americans are homeless and the number is climbing, particularly in families with children. As a result, Hands Across America was born.

Hands Across America will take place on May 25, when Americans from Los Angeles to Chicago to New York will link hands in a collective demonstration of fellowship aimed at solving the chronic problems of hunger and homelessness in our Nation. The historic line will come through the Third District of Illinois and my family and I, along with a number of my constituents, will be a part of it.

In addition to lending a hand, I have pledged the proceeds of my next honorarium to Hands Across America. I urge my colleagues to follow suit.

This 4,000-mile, coast-to-coast human chain will be the result of the efforts of so many people. I would like to take this opportunity to thank at least one of them. Mr. Robert Prosky, a fine actor, has, along with his fellow performers, brought this project to America's attention.

Let's all join hands and make May 25 the beginning of the end for hunger and homelessness for our fellow Americans.

SEVENTY-FIVE YEARS OF AIDING THE ILL AND SUFFERING

HON. BILL SCHUETTE

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Tuesday, April 22, 1986

Mr. SCHUETTE. Mr. Speaker, on May 17, Mercy Hospital in Grayling, MI, will celebrate its 75th year of service to the people of Grayling and the surrounding communities.

Those 75 years have been a remarkable time for the hospital. When the hospital first opened its doors, it had 14 beds. Today, it is the community's largest employer. Seventy-five years after the hospital first began to serve the people of Michigan, it offers the community a whole range of health care services: Internal medicine, ophthalmology, orthopedic surgery, obstetrics, neurology, and many others.

But those 75 years have witnessed something even more important than the hospital's physical growth and expansion. They have witnessed the ongoing commitment and dedication by the Sisters of Mercy to serve the sick and ailing throughout the community. All of us familiar with their work in running Mercy Hospital are at once proud and humbled by their selfless dedication to alleviating the pain and suffering of others.

Mr. Speaker, it is my privilege to recommend to the attention of my colleagues in Congress and to the American people Mercy Hospital's 75 years of service, and the inspiring example of the Sisters of Mercy whose selflessness have made those 75 years of service possible.

CONGRESSIONAL AWARDS CEREMONY

HON. IKE SKELTON

OF MISSOURI

IN THE HOUSE OF REPRESENTATIVES

Tuesday, April 22, 1986

Mr. SKELTON. Mr. Speaker, this past Sunday I had the pleasure of addressing the first Fourth Congressional District Congressional Award ceremony in Sedalia, MO. Being honored were two Gold Award recipients: Tom McMullin of LaMonte, MO, and Norman Dexter of Blue Springs, MO, both of whom had received their medals previously in Washington, DC; five Silver Award recipients: Sarah Elsea of Buckner, MO, Dianne Peelen of Hume, MO, Page Skelton of Lexington, MO, Bruce Rasa of Higginsville, MO, and Rose Mary McMullin of LaMonte, MO; and four Bronze Award recipients: John Garton of Nevada, MO, Randy Thurman of Rockville, MO, Stacey Werths of Concordia, MO, and Stephanie Wilks of Rich Hill, MO. Each of these recipients complied with the requirements of voluntary public service, personal development, and physical fitness. With young people such as these, our future is in capable hands.

Also, I wish to commend the members of the Congressional Award Council, which is chaired by Dr. Gale Bartow of Blue Springs. Each member of the council has devoted untold hours toward this program and is helping to make it a tradition in our district.

I take this opportunity to include herewith my remarks to the recipients, which is entitled, "Doing Your Best":

CONGRESSIONAL AWARD SPEECH: DOING YOUR BEST

First, I would like to tell you how pleased I am to have the opportunity to speak to you this afternoon, and I would like to congratulate those of you who are being honored today. Your achievements are outstanding, and I commend you for them.

I look around at all of you, the hope of America's future, and I also see the loving families and friends who have come to share this special occasion with you. As your speaker, I find myself torn in two directions: On one hand, I want to give some lasting words of advice to you, but, on the other hand, as a member of Congress, I know what lengthy speeches can be like. Thus, my one and one-half hour speech . . . will be delivered in less than 15 minutes!

Adults will always tell you how those special times of their youth "seem like yesterday," and I am no exception. For instance, I can picture clearly almost every moment of my high school graduation. My commencement speaker delivered profound words of wisdom, and I think it worthwhile to tell you everything that I remember from his speech to us, and I quote . . . End quote. Well, perhaps it wasn't so memorable after all.

Those of you who are being honored this afternoon do not face an easy future. There is an ancient Chinese curse that has come true for your world with a vengeance—"May you live in interesting times." You could not ask to live in a more challenging or more difficult era. Those of you whose achievements we are here to acknowledge will be confronting a complex world that will continually test your mettle, asking you to prove your worth as a man or woman. This will be true no matter what future road you choose to follow.

As I considered this difficult path you face, I had to ask myself a tough question: What clear and simple words could I share with you that might cling to your hearts and minds as you reach this important crossroad in your life's pilgrimage? The answer came when I remembered the saying that Harry Truman kept above his desk—"He done his damndest." Without endorsing the grammar or the profanity. I certainly commend the sentiment.

This saying came from an epitaph Truman once saw in Tombstone, Arizona, that commemorated one Jack Williams. Truman said he hoped people would remember him that same way.

This idea of doing your "damndest" takes my thoughts back to the classmates who graduated with me in May 1949. I think of them and all they have done during the 37 years since that day. We had a congenial group of 63—not particularly outstanding. At best, you could have called us average. When we were compared with the class that followed ours, we didn't even fare that well: Their class was called the cream of the crop; my class was just a bunch of nice kids.

Yet time has been kinder to my class. Many success stories have been written from that script of average kids: Successfull marriages and families, successful military careers, successful leaders in agriculture and business. Our class produced church leaders, a major insurance executive, a bank president, county office holders and a doctor. How could a not-so-successful beginning produce such a prosperous end?

We were a group who gave it our all, and the best was all that we knew. The word "second-rate" was not a part of our vocabulary, just as it apparently isn't in yours: None of you would be here today if you were willing to settle for less than the best.

In the end, perhaps that bit of wisdom—doing the best you can with your God-given talents—is the most useful advice anyone can give or receive. James Russel Lowell, an American poet, wrote this:

Life is a leaf of paper white
Whereon each one of us may write
His word or two, and then comes night.
Greatly begin! Though thou have time
But for a line, be that sublime,—
Not failure, but low aim, is crime.

To do the best you can with what you have, and to leave the rest to God. That is the essence of my message to you today, for I believe it is the ultimate wisdom I can teach you.

I am by no means the originator of this idea. You can hear the same sentiment

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echoed from the childhood motto of the Cub Scouts—"Do your best."—to the sophisticated insight of high religion. Sometimes the simplest thoughts truly can be the best.

In the Gospel of Matthew, Jesus told the Parable of the Talents to his followers who had gathered to listen. Since you are the talent of our nation's future, I thought it would be appropriate to retell it today:

In this parable, a man distributes talents among his servants—five to one, two to another, and one to the last—to each according to his own ability. When these servants came back to see their master, the first two had managed to double their talents, while the man with one talent had hidden his in the ground. The master took that one talent from the servant and gave it to the man who had doubled his lot.

So it is in life: We all receive the gift of life in equal measure, but our talents and abilities vary. Life is the process of discovering and developing the special gifts that are uniquely your own, for the best lies not in what you are given, but in what you *do* with what you are given. Your attitude is what will shape the future, not your gifts alone. It was your determination and perseverence that brought you here today to receive this award. Be true to your own highest convictions!

Isn't it strange
That princes and kings,
And clowns that caper
In sawdust rings,
And common people
Like you and me
Are builders for eternity?
Each is given a bag of tools,
A shapeless mass,
A book of rules;
And each must make,
Ere life is flown,
A stumbling-block
Or a stepping-stone.

Your job is to take the award you receive today and make it a stepping-stone, not a stumbling block. Look to that strength within and do your best by your own lights.

As I thought about what I would tell you today, I faced the most difficult question of all: I could talk to you about doing your best, but how could I light that fire that burns within each of you? How could I help you turn the embers into a flame?

In truth, I know it cannot be me who does this. It is only you yourselves who can find the joy in doing your best. The most I can hope for is that my talk today will be a match that helps to light your fire.

I realize, too, that sometimes the problem is knowing when you are doing the best and making the most of your abilities, yet not losing sight of your human limitations.

Part of the solution lies in looking to the traditions of the past. We dare not cut ourselves loose from the heritage of ideals and beliefs that have shaped our lives because we can use the best of yesterday to answer the questions of today.

The author Lewis Mumford has said that the world changed as much between 1930 and 1940 as it had in a thousand years of medieval history. Think of the staggering changes in today's world—in technology and scientific enterprise alone. Each day we hear of new advances made in the field of medicine.

Yet some things do *not* change: The values and ideals on which we base our lives; the aspirations of our people and our nation; the faith that sustains and enriches our lives with truth, hope, and charity. These things do not change, and it is through these foundations that we must examine ourselves to unearth the fears, the old habits, the dusty routines, that may be holding us back. The story known as "A Message to Garcia" most clearly illustrates a man who has broken through these self-made barriers.

During the early days of the Spanish-American War, it became necessary for President McKinley to communicate with General Garcia, the insurgent guerilla in Cuba, to enlist his aid against the Spaniards. Getting a message to Garcia was a difficult, nearly impossible task. How were they to do it?

The Chief of the Bureau of Military Intelligence suggested the name of one Lieutenant Andrew Rowan, and the President asked Rowan to deliver the message to the insurgent general. The Lieutenant took the letter from President McKinley without comment and went straight to his task. He didn't ask: "How do I find him?" or "Can someone else do it better?" or "Isn't this a dangerous mission?"

Rowan went alone and unguarded, landing on the island of Cuba in secret. Despite obstacles, he made his way through the jungle and delivered the message to General Garcia. Sheer courage and indomitable spirit were at the heart of Rowan's mission. Upon his successful return to Washington, the young lieutenant was decorated by the commander of the United States Army, who termed his achievement as "one of the most hazardous and herioc deeds in military warfare." How did Lieutenant Andrew Rowan accomplish this arduous task?

Will, I can tell you for certain that it wasn't by doing a second-rate job. Rowan possessed a positive spirit and a willingness to try. He stopped at nothing short of the best, and he was rewarded for his efforts.

Some of us here today may need to tear down the obstacles we've built, to clear away our own self-doubters—those dusty cobwebs that are holding *us* back from delivering a message to Garcia. Confidence and determination are the keys; the pride of knowing you've done your best is the goal. That is precisely the spirit of the saying Mr. Truman admired so much—"He done his damndest."

In life we have the opportunity to do our best, no one can ask or expect anything more. And, come what may, we can enjoy a sense of achievement, of self-respect, and of happiness. The challenge that I present to you this day is to fulfill your potential, to be the very best person you can be. For there will always be a need for someone to carry a message to Garcia. I hope that each of you will be such a person who will follow the advice of Winston Churchill:

Never give in,
Never give in,
Never, never, never, never,
In nothing,
great or small,
large or petty,
Never give in,
Except to convictions
of honor and good sense.

This challenge I have set before you—to never give in and to always do your best—is a difficult one, yet it is not impossible. A poem written by the American poet Edgar A. Guest best expresses the attitude you need to achieve this goal, so let me leave you today with his words:

Somebody said that it couldn't be done,
  but he with a chuckle replied
that maybe, it couldn't but he would be one
  who wouldn't say so til he tried.
So he buckled right in with the trace of a grin
  on his face. If he worried he hid it.
He started to sing as he tackled the thing
  that couldn't be done, and he did it.

REPEAL OF THE WINDFALL PROFIT TAX: THE TIME IS RIGHT

HON. JOE BARTON

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, April 22, 1986

Mr. BARTON of Texas. Mr. Speaker, today President Reagan endorsed the repeal of the windfall profit tax, a tax that has imposed a severe and unfair burden on the American energy industry and oil producer States such as Texas.

This action is very timely, and will go a long way toward establishing a firm foundation for the American energy industry. The windfall profit tax is a burden that contributed to the slump that is now affecting the economies of the oil patch States. I am happy that President Reagan took this action, and will be glad to see this abusive tax go the way of the dinosaur: extinction.

The President has demonstrated that he is aware of the problems that the OPEC oil price war is causing in States such as Texas. I am confident that he will continue to monitor these problems and consider other solutions.

The experience of the past 6 years indicates that the windfall profit tax has been a failure. The anticipated $222.7 billion in tax revenues will turn out to be closer to $44.8 billion, about 20 percent of the tax revenue target. Much of this decline is due to the depressed economic conditions in the energy industry, which were partially caused by the windfall profit tax.

The President's action will certainly be welcome news in my home State of Texas. My constituents realize that President Reagan cares about them and the problems that OPEC is inflicting on the oil patch. His action today is proof that he is prepared to take firm action to maintain American energy security.

EFFECTS OF TAX REFORM ON TRADE

HON. BYRON L. DORGAN

OF NORTH DAKOTA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, April 22, 1986

Mr. DORGAN of North Dakota. Mr. Speaker, I want to call to the attention of my colleagues the recent findings of the U.S. International Trade Commission on the effects of tax reform on the international competitiveness of American industry.

The short answer is that the tax reform bill (H.R. 3838) passed by this House last December will have practically no net effect on U.S. trade.

As part of the ongoing debate on tax reform, representatives of several industries have charged that tax reform would seriously damage their position in international trade. I know that many Members of Congress are concerned about the international competitiveness of our manufacturing firms and have been receptive to the argument.

Because of these concerns, the Senate Finance Committee asked the International Trade Commission to study this issue.

The Commission approached the problem by first estimating the impact of tax changes including reduced corporate rates, repeal of the investment tax credit, and new rules for depreciation on output prices and then calculating the effects on trade flows for each industry. The results indicate that no industry could expect an increase in net imports—that is, a worsening of their position in world trade—of as much as 1 percent of domestic output. Some industries could expect a modest decrease of net imports—that is, an improvement in their trade position.

I am led to conclude that some members of the business community are using the international competitiveness issue as a smoke screen to cover up their opposition to paying their fair share of the Nation's tax burden.

The executive summary of the Commission's study follows along with the key table showing the industry-by-industry effect of the House bill on international trade. The full study is entitled "Effects of Proposed Tax Reforms on the International Competitiveness of U.S. Industries" and is available from the Commission.

EXECUTIVE SUMMARY

The Senate Finance Committee asked the International Trade Commission to determine the effects that tax reform proposals made by the President and the House Ways and Means Committee would have on the international competitiveness of U.S. industries. This is the first time in nearly a decade that the Commission has been asked to study the trade impact of major domestic legislation.

In response to the Committee's request, this study estimates how the proposed tax changes would affect the imports and exports of U.S. industries. The study also estimates the effects of these proposals on the cost of capital and on relative prices (but not the overall level of domestic prices). The estimates cover all major sectors of the U.S. economy. The sectors are those of the Commerce Department's small input-output table.

EFFECTS OF TAX REFORM ON TRADE

When looking at individual industries, the estimated trade effects of either reform proposal are small relative to domestic output.

This is true even though our estimating methods tend to overstate the trade effects. Two major determinants of the importance of the trade effects in an industry are the price sensitivity of imports and exports, and the importance of imports and exports relative to domestic output.

Our best estimates show that, for either the President's or the House propsal, none of the adverse trade effects would be as great as 1 percent of U.S. output.

The industries that would be affected most adversely by the President's proposal would be Office computing and accounting machines, and Motor vehicles and equipment. The increase in net imports in these sectors is 0.6 percent and 0.7 percent of domestic production, respectively. No other industries would be adversely affected by as much as 0.5 percent of domestic production.

Under the House proposal, the industry most adversely affected would be Chemical and fertilizer mineral mining. Net imports in the industry would increase by as much as 0.9 percent of domestic production; no other industry would be adversely affected by as much as 0.5 percent of domestic production.

Under both proposals, the industry benefiting the most would be Footwear and other leather products.

The decrease in net imports for this industry would be from 1.7 to 2.4 percent of domestic output under the President's proposal and from 3.0 to 4.4 percent under the House proposal.

Other industries that would benefit under the President's proposal include Other agricultural products, with a decrease in net imports of from 0.7 to 0.8 percent of domestic output; Leather tanning and finishing, 1.1 to 1.3 percent; and Miscellaneous manufacturing, 1.1 to 1.8 percent.

Other industries that would benefit under the House proposal include Apparel, with a decrease in net imports of from 0.6 to 0.9 percent of domestic output; Household furniture, 0.3 to 0.6 percent; Leather tanning and finishing, 0.5 to 0.9 percent; Office, computing, and accounting machines, 0.3 to 1.1 percent; Radio, TV, and communication equipment, 0.4 to 0.7 percent; Aircraft and parts, 0.8 to 1.3 percent; and Miscellaneous manufacturing, 0.4 to 1.7 percent.

EFFECTS ON THE COST OF CAPITAL

The effect on the cost of capital would vary significantly among different types of assets. Most short-lived assets would be adversely affected by both proposed reforms, whereas very long-lived assets would be favorably affected.

After accounting for the asset mix used by each industry, it was found that the changes in corporate taxes in the President's proposal would reduce the average cost of capital for most industries, whereas the changes in the House Ways and Means Committee proposal would increase the cost of capital for every industry except Real estate and rental. The two proposals would raise average corporate taxes by similar amounts. However, the two proposals differ markedly in the rate at which returns from new investment are taxed, and it is this rate that determines the effect on the cost of capital.

A characteristic of the House bill is that it would provide more uniform tax rates among different industries. The marginal effective corporate tax rate (the tax rate on the last, or "marginal," unit of corporate investment) generally would vary more among different industries under the President's proposal than Under the House bill.

Under the President's proposal, the largest reductions in the cost of capital among traded-goods industries would occur in Apparel, Miscellaneous textile goods, Leather tanning and finishing, and Footwear and other leather products. These declines were between 7 and 8 percent. Under the House proposal, the largest increases in the cost of capital among traded-goods industries would occur in Iron and ferroalloy mining, Nonferrous metal mining, Paper and allied products, Paperboard containers, and Motor vehicles and equipment. These increases would range from 9 to 10 percent.

EFFECTS ON PRICES

Even if all of the changes in the cost of capital were completely passed through by each industry at each stage of production, the changes in prices in the traded goods industries would still be quite small.

Under the President's proposal, these price changes (mostly price reductions) would all be less than 3 percent. Under the House proposal, these price changes (mostly price increases) would all be less than 4 percent. Under both proposals, the largest price increase would occur in Communications, except radio and TV. Under the House proposal, the second largest price increase would be electric, gas, water and sanitary services. Under the President's proposal, the second largest price increase would be in Transportation and warehousing.

SCOPE AND LIMITATIONS OF THE COMMISSION'S STUDY

The focus of the study is on the effects of the proposed tax changes on international trade of individual U.S. industries, and these are not the same as the effects on total domestic output of these industries.

The effects of tax changes on domestic output are likely to exceed the effects on trade. For example, even in an industry with no international trade, domestic producers would probably still experience some loss in sales if a tax increase raised their output price.

Without its own macroeconomical model, the Commission was unable to make estimates of the aggregate trade-balance of either tax-reform proposal.

However, the Commission made estimates of what the trade effects would be for each industry if the aggregate trade balance changed in accordance with the predictions of various macroeconomic models,[1] and if it did not change at all. Estimates of the industry trade effects were also made as though the value of the dollar were fixed.

For any industry, tax reform directly affects the cost of doing business, but it also affects the environment in which the industry must operate. For example, the 1981-1982 investment tax incentives lowered the cost of capital to U.S. firms, but by reducing tax revenues they added to the large increase in the Federal budget deficit, which caused large capital inflows and contributed to a stronger U.S. dollar. The stronger dollar resulted in an unprecedented increase in U.S. imports and stagnating exports.

There are other possible macroeconomic considerations that should be mentioned. For example, if tax reform is revenue neutral but slows down economic activity, it would also tend to cause a decline in imports. In such a case, U.S. industries would be harmed by tax reform even while the trade balance is improving.

The above examples illustrate that the effects of tax reform on international trade might be different from what one would expect. In particular, the effects of tax reform on international competitiveness cannot be addressed by looking only at the direct effects of tax reform on the cost of capital. It is also necessary to account for macroeconomic considerations, such as the effects on international capital flows.

In evaluating the effects of the two tax reform proposals on industry trade bal-

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[1] For the House proposal, these were the predictions from Wharton Econometric Forecasting Associates, Inc., Jan. 29, 1986, and Lawrence H. Meyers and Associates, Nov. 26, 1985. For the President's proposal, these were the predictions from Wharton Econometric Forecasting Associates, Inc., Oct. 16, 1985. All of these models predicted fairly small effects on the aggregate trade balance.

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ances, the Commission considered only the tax changes that would cause a predictable change in business costs. Other changes, such as the treatment of personal income earned overseas, are only discussed qualitatively.

It would have been impossible to take into account the effect of every proposed change, even if more than four months were allowed to complete the study. Included in the analysis were the effects of the changes in depreciation schedules, the elimination of the Investment Tax Credit, the reductions in the statutory corporate tax rates, and the introduction of a deduction for dividends paid. These changes in the tax code account for most of the predictable change in the relative international competitiveness of U.S. industries.

METHODOLOGY

To estimate the trade effects of the proposed tax changes, the first step was to determine the effects on the cost of capital by industry. We overstated these cost changes by calculating the cost changes as though no firm would reduce its costs by changing its manufacturing techniques or accounting methods in response to the tax changes. The second step was to calculate the change in the cost of inputs for each of the industries. To do this the prices of each industry were treated as though the entire change in its tax bill were completely passed on to its customers. Again, no substitution by its customers was allowed for, thus this technique also overstates the cost change for each industry. The final step was to take these upper bound estimates of price change and to translate them into changes in exports and imports by industry. In this last step, three cases were considered. In the first case, an exchange rate adjustment was included that caused the industry trade effects to sum to the aggregate trade balance effect predicted by one of the macroeconomic models. In the second case, the exchange rate adjustment was included that caused the industry trade effects to sum to zero. (The results from the first and second cases were very similar, and are viewed as the "best" estimates.) In the third case, no exchange rate adjustment was included.

Impact of the House tax proposal on trade under flexible exchange rates

[Change in trade balance as a share of domestic output] [1]

Sector description:	*Percent*
Livestock and livestock products	0.0
Other agricultural products	0.0
Forestry and fishery products	−0.2
Agricultural, forestry, and fishery services	......
Iron and ferroalloy ores mining	−0.3
Nonferrous metal ores mining	−0.0
Coal mining	−0.2
Crude petroleum and natural gas	0.0
Stone and clay mining and quarrying	−0.2
Chemical and fertilizer mineral mining	−0.8
New construction	......
Maintenance and repair construction	......
Ordnance and accessories	0.1
Food and kindred products	−0.0
Tobacco manufactures	0.0
Broad and narrow fabrics, yarn and thread mills	0.0
Miscellaneous textile goods and floor coverings	−0.1
Apparel	0.9
Miscellaneous fabricated textile products	0.1
Lumber and wood products, except containers	−0.2
Wood containers	0.0
Household furniture	0.6
Other furniture and fixtures	0.2
Paper and allied products, except containers	−0.2
Paperboard containers and boxes	......
Printing and publishing	−0.0
Chemicals and selected chemical products	−0.3
Plastics and synthetic materials	−0.1
Drugs, cleaning and toilet preparation	−0.2
Paints and allied products	−0.0
Petroleum refining and related industries	0.1
Rubber and miscellaneous plastic products	−0.1
Leather tanning and finishing	0.9
Footwear and other leather products	4.4
Glass and glass products	−0.0
Stone and clay products	−0.2
Primary iron and steel manufacturing	0.1
Primary nonferrous metals manufacturing	−0.0
Metal containers	−0.0
Heating, plumbing, and structural metal products	0.0
Screw machine products and stampings	0.0
Other fabricated metal products	−0.1
Engines and turbines	0.0
Farm and garden machinery	0.0
Construction and mining machinery	0.1
Materials handling machinery and equipment	0.1
Metalworking machinery and equipment	0.2
Special industry machinery and equipment	0.1
General machinery and equipment	0.0
Miscellaneous machinery, except electrical	0.1
Office, computing, and accounting machines	1.1
Service industries machines	0.0
Electric industrial equipment and apparatus	0.1
Household appliances	−0.0
Electric lighting and wiring equipment	−0.0
Radio, TV, and communication equipment	0.7
Electronic components and accessories	0.3
Misc. electrical machinery and supplies	0.3
Motor vehicles and equipment	0.0
Aircraft and parts	1.3
Other transportation equipment	0.3
Scientific and controlling instruments	0.2
Optical, ophthalmic, and photographic equipment	−0.1
Miscellaneous manufacturing	1.7
Services	0.0
Total	......

[1] Based on domestic output levels in 1984.

Source: Calculated by the staff of the U.S. International Trade Commission.

THE NATION'S LIBRARIES AT RISK

HON. EDOLPHUS TOWNS

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, April 22, 1986

Mr. TOWNS. Mr. Speaker, the American Library Association sponsored a legislative day last week to bring to the attention of national lawmakers the plight of a nation's libraries. In a city like New York, the public library system has often been the door to education and learning for the poor as well as the rich. Because of massive cutbacks in support for the nation's libraries, excellent libraries like the Brooklyn Public Library will have to drastically reduce staff and services to the general public.

Mr. Speaker, too often we have viewed libraries as an afterthought. Their contribution to the education level of American society is rarely acknowledged at a time when illiteracy is recognized as a growing problem; and at a time when the high school dropout rates for black and Hispanic youngsters in New York City is often as high as 60 percent. We cannot afford to diminish financial support for an institution that has contributed and continues to contribute to general education in this society. As a graduate from North Carolina A&T University, a college with one of the finest libraries in the Southeastern United States, I understand how valuable libraries are to not only colleges and universities but to our public and private school systems as well.

I want to join my colleague from Brooklyn, Congressman MAJOR OWENS, in urging a reexamination of our funding priorities for libraries. As Members of Congress, we have often relied on the Library of Congress without a second thought. Yet reductions in services have drastically cut back braille materials and other special services to the handicapped. Moreover, the Congressional Research Service has not been immune from the reductions under Gramm-Rudman. The budgetary impact of this resolution on the Nation's libraries is yet another example of the fallacy of budget-cutting by computer.

Hopefully, our Nation's libraries will be able to weather the immediate storm of these cutbacks. I am hopeful that we, as lawmakers, will act more responsively in the future toward one of our greatest educational resources, the libraries of this Nation.

HONORING FATHER FRANKO ON 36 YEARS OF SERVICE

HON. JAMES A. TRAFICANT, JR.

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Tuesday, April 22, 1986

Mr. TRAFICANT. Mr. Speaker, it is my distinct pleasure to honor Father George M. Franko on the celebration of his 36 years in the priesthood, 30 of those years in ministry to the Holy Name of Jesus Parish of Youngstown, OH.

Born of Joseph Franko and Suzanne Ferencak of Youngstown, OH, on December 8, 1924, Father Franko attended Saintes Cyril and Methodius Parochial School, Ursuline High School, Sacred Heart Seminary of Detroit and St. Mary's Seminary of Cleveland. Ordained on April 29, 1950, at St. Columba Cathedral in Youngstown, Father Franko is now celebrating his ordination anniversary at Holy Name Parish in Youngstown this Sunday.

Father Franko has during his 36 years of service to the parish of Holy Name of Jesus, provided leadership, inspiration and responsible guidance to individuals and groups of the church. It is indeed an honor for me to commemorate this important milestone in the life of a truly loved and respected priest, Father Franko. May Father Franko have many more years of service to those members of the Holy Name of Jesus Parish who deem him their favorite priest.

COLORADO RESEARCHER, THOMAS CECH, SEEKS THE ORIGINS OF LIFE

HON. TIMOTHY E. WIRTH

OF COLORADO

IN THE HOUSE OF REPRESENTATIVES

Tuesday, April 22, 1986

Mr. WIRTH. Mr. Speaker, in 1982, a young scientist at the University of Colorado in Boulder, Thomas Cech, published a revolutionary paper which changed forever what we know about the origins of life on this planet.

Cech's research on the nucleic acid, RNA, has given scientists insight into the chain of life—how human life may have formed from the very beginning. His discovery, that the earliest genes may have been able to replicate themselves, represents a contribution which will have far-reaching effects in the fields of biochemistry and medicine. It sheds light on the proliferation of cancer cells and in the treatment of certain diseases in which the body's defenses turn against itself.

Thomas Cech and his dedicated and able assistants, Art Zaug and Paula Grabowski, deserve to be recognized and lauded for their outstanding contributions to our understanding of the possible origins of life.

Empire, the Sunday magazine published by the Denver Post, recently named Thomas Cech the 1986 Westerner of the Year. I commend the following article to my colleagues in the House.

WESTERNER OF THE YEAR—THOMAS CECH FITS ANOTHER PIECE INTO THE PUZZLE OF LIFE

(By John Aloysius Farrell)

(If proteins were needed in order for nucleic acids (DNA and RNA) to do anything, and if nucleic acids were needed to code for proteins, which came first, the protein or the nucleic acid? The chicken or the egg? This is a question biochemists have had since Francis Crick and James Watson deciphered the genetic code locked in the double helix of DNA in 1953. University of Colorado scientist Thomas Cech offers a reasonable answer.)

This was Nobel Prize territory, and here were some lanky pups—an untenured professor and a handful of grad students—about to tell the world that one of the basic tenets of biochemistry, an axiom of all the textbooks, was irrefutably, undeniably, flat-out Wrong.

In the third-floor laboratory at the Boulder campus of the University of Colorado, they remember how they'd mention their work at conferences and conventions and how the Giants of Science would walk away chuckling at this hot-shot young biochemist with a yearning for professional immolation.

"We didn't want to be wrong," says the hot shot, Thomas Cech. "It had better be right, or, when we published, someone was going to say, 'Hey, wait a minute! It doesn't work the way you said.'"

So Cech took it slowly. But he didn't give up—despite the smirks, despite the conventional scientific wisdom. And when the last experiments were finished, and the final evidence was in, and all the results were Ceched and double-Ceched, he popped a champagne cork and gathered his associates around.

They were about to rock the world of biochemistry—no mean feat in a field grown almost jaded by a continual string of startling discoveries.

Using the genes of a hairy protozoan called Tetrahymena thermophila, Cech and his colleagues had discovered a way that life may have evolved from the organic molecules, clays, and salts that formed the primordial earth. In doing so, they found a solution to one of science's most remarkable riddles—how the earliest genes may have formed and replicated. Along the way, they brashly rewrote the rules and axioms and scuttled the conventional wisdom.

And life for Tom Cech has not been the same since.

There's a handwritten sign on the door to his laboratory: "Boulder Home for the Bewildered (Enter at Your Own Risk)."

Inside, the floor is filthy and the tables crammed with bottles and tubing. An ice chest bears the label "Leaks (Slowly)." Shelves in the carrels are lined with the junk of university life: softball mitts, a Van Gogh print, job notices, a shattered clock that only runs backwards.

There's a sleeping bag and a pillow for the mysterious grad student who lost his apartment and moved into the lab. Ten-speed bicycles clog the hallways. A worn dart board, and a pattern of holes in the surrounding wall, hint at deep thoughts and bad aim. The students here call themselves nerds—proudly—and answer the phone, "Cech lab."

This is the realm of research at a major American university, invariably disappointing to the visitor who expects streamlined work stations jammed with clean-cut technicians and high-tech geegaws.

There's only one bubbling beaker here, and it's stuck in the corner, an afterthought, amid bottles of stuff like phenylmethyl sulfonyl fluoride. A set of Mickey Mouse ears sits atop the computer, the lapels of the lab coats sport New Wave buttons.

It's a system based on freedom, where the nonconformist is prized for the originality of his or her ideas—not for the ability to fit into a corporate structure.

And here is Cech. Shaggy hair, Crew-necked sweater. Wire-rimmed glasses. Bright and confident, somewhat sardonic. No white-frocked scientist lifting a test tube to the sky, like the illustrations in fourth-grade science books and GE ads. More like Donald Sutherland, portraying the anarchist Hawkeye Pierce in the motion picture M*A*S*H.

Like most scientists , Cech is consumed by the complex challenge of his quest. Unlike many, he has a sense of humor, and the patience and ability to explain what he does and why it's significant.

He declines to carry the burden of self-importance and takes great pains to give credit to Art Zaug, a research associate, and Paula Grabowski, a former graduate student, and the rest of his staff of more than a dozen fledgling scientists.

"I think the thing that is uniformly ignored is that these things are a team effort," Cech says. "People always focus on me. But that's really not the way science is done. I'm directing a lab that has a lot of really good independent workers who make their own observations that led to these discoveries."

Not surprisingly, his associates return the compliment. Cech's a man you want to work for, says Zaug, because he trusts you, and because you can go to him with a particularly sticky problem: "I'm allowed to go out on my own. Rarely does he tell me what to do. But when you just don't know which way to go, he's very helpful to talk to."

It was at just this sort of juncture that Zaug came to Cech, in 1981, with what the professor would later call the "screwy and bizarre" results of an otherwise routine experiment.

Cech was spending more time in the lab then. His daughter Allison had not been born. And he and his wife, a biochemist who also works at CU, were not expecting their second child. Nor was he burdened with the politics and paper work of success. So he analyzed the findings, weighed their significance, risked ridicule and the loss of his funding, and made the decision to chase a glimmer of a gleam, an ephemeral possibility.

He decided to tackle issues that have, for centuries, confounded and inspired: What is the nature of life? How did it begin?

In trying to understand his work and its significance, it's necessary to back-up a bit, to unravel the prevailing scientific theory for the beginning of our universe. We think it began with a Big Bang, 10 billion years ago—a primeval fireball flowing from the instant of creation.

After three minutes, temperatures cooled enough for the first atomic particles to form. After a million years, clumps of matter were seized by gravity and spun into stars. After a billion years, some of these stars exploded as supernovas, casting gas and dust through the universe. After 4 billion years, the scattered ashes of these distant novas collected to form our solar system. Our earth and all its creatures are, as they sang in Woodstock, stardust.

Now a world was formed, with water collecting in oceans and lakes and pools. The water was chock-full with chemicals, and some of those compounds were organic bits of billion-year-old carbon. Simple molecules were tossed and tumbled; lightning struck the surface, and particles of matter began to cling to one another, forming a chain.

These chains were the primordial ancestors of life on earth. They may have been made of nucleic acids like DNA or RNA—which carry the genetic program through succeeding generations—or they may have been made of proteins, which take the genetic information and put it to use, acting as the building blocks of cells.

In modern cells, the nucleic acids act like computer software. They form an information bank that tells the machine how to run a program, over and over through the ages. The proteins are like computer hardware.

They free the information stored on nucleic software and go to work.

And there lies the enigma. Without the software, the machine is useless. Without the machine, the software sits unused.

And so scientists, in the early 1980s, were stymied. Which came first, the hardware or the software?

"It's the chicken and the egg," says Leslie Orgel, whose work at the Salk Institute for Biological Studies has made him one of the world's leading experts on the origin of life. "Without nucleic acids you can't make proteins. And without proteins you can't get nucleic acid to replicate. So how do you get started?"

Thomas Cech found one possibility.

In 1982 Cech published a revolutionary paper: "Self-Splicing RNA: Autoexcision and Autocyclization of the Ribosomal RNA Intervening Sequence of Tetrahymena," in the November issue of Cell magazine.

Forget the title, it's all very simple, Cech says.

"Genes are made of DNA, and DNA contains the code which specifies how all the proteins in the cell are going to be made. The DNA is the storehouse of the information."

But DNA is a rather dumb acid. It does the thing for which it is known—strands, the famous double helix—very well, and not much else.

"That is what it is supposed to be," says Cech. "For stable storage of information you don't want it doing interesting things, because then it would be mutating its genes."

Before anything can get started, DNA must be copied into something more flexible; freed from the double helix. And so, in the cell, there is RNA.

Chemically, DNA is quite similar to DNA, but it plays a different role. The genetic information is copied from DNA onto a single-stranded RNA molecule (a process called transcription), which conveys the data to the cell and teaches it to create proteins that go on to become eyes or feet or flippers or fur.

There was only one catch. In Tetrahymena, and in higher organisms like frogs and human beings, the RNA copies of DNA also contain a set of haywire sequences—bits of garbled software, if you will—called introns, or intervening sequences.

Cech came to work in the CU chemistry building in 1978 after graduating from Iowa's Grinnell College and the University of California at Berkeley and working at the Massachusetts Institute of Technology in Cambridge. He had developed an interest in biochemistry "because of the way my mind works," he says.

In 1978 no one really knew what introns did. "The higher purpose of introns is still in dispute," Cech says. "They may, in the long term, serve some positive function. Or they may be a negative thing. But what is absolutely clear is that they have to be got rid of. In the short term, RNA is interrupted. The message, which has this nice set of information on it, is interrupted by blocks of nonsense. The excess baggage has to be removed."

There's only one way to remove the introns and debug the software: snip the RNA molecule at both ends of the offending sequence, then splice it back together.

Until Cech made his discovery, it was widely believed that the only substance that could act like a catalyst and snip and splice was a protein. But proteins couldn't be made unless RNA unlocked the information in DNA . . . and RNA couldn't make proteins without being spliced, so . . . .

"If proteins were needed in order for nucleic acids to do anything," Cech says, "and if nucleic acids were needed to code for proteins, which came first, the protein or the nucleic acid? The function or the information? The chicken or the egg."

Within a few months, fate smiled on Thomas Cech. He and his colleagues were working on the bug Tetrahymena because, as a one-celled protozoan, it offers a simple system of genetic expression. In examining the tiny creature, they discovered it was full of DNA molecules with introns. "There were 10,000 copies of this gene in Tetrahymena," Cech says. "That's a lot. A lot of genes are only present in one copy per cell.

"So we said, 'Oh wow, 10,000 genes! And they all have this intron! That must mean there is a huge amount of splicing going on.'"

The fortunate make their own luck, of course. It takes a certain amount of confidence for a young assistant professor to devote the energies of an entire lab and almost $300,000 in federal grants to a study of Tetrahymena on the basis of "Oh wow, 10,000 genes!"

Before his research was over, the National Institutes of Health would give Cech more than $1.3 million, and the American Cancer Institute another $240,000. He would win a National Cancer Institute Career Development Award of $30,000 a year for five years and a Guggenheim fellowship of $20,000.

The gamble paid off—all because of a screwy result in Zaug's test tubes.

After winning money from NIH, Cech and his team had gone to work in the lab searching for the protein that (conventional wisdom told them) must be sniping the introns from RNA and splicing the molecule back together.

The experiments weren't too tricky: isolating a strand of RNA and adding various proteins until one acted as a catalyst and began the splicing process. One test tube was reserved as a "control," without any proteins at all—just RNA in a benign solution.

Things were proceeding uneventfully until the day Zaug checked the control solution and found, with some exasperation, that the RNA was spliced. The test tube must have been contaminated, he thought, and vowed to be more careful the next time around.

"I kept saying, 'This is ridiculous. How did it happen?'" Zaug says. "I thought I was screwing up."

Then it occurred again. And again. And again. And it happened in Paula Grabowski's test tubes, too. The RNA in Tetrahymena appeared to be splicing itself.

"I don't know that accident is the right word," Cech says. "Certainly it was a totally unexpected finding. We were thinking we were going to find some proteins involved and, instead, we found that all you needed was RNA. We were very skeptical."

For a year, Cech says, he searched the literature and ran test after test to try and find the flaw in their procedure. The concept of self-splicing RNA was so radical, so revolutionary, that he and his team didn't trust their own results. They had found an answer which contradicted the textbooks and the long-standing axiom that, in biology, only proteins act as catalysts.

"There was a period of about a year when we kept pushing the view that there was a contaminating protein in the RNA preparation. The problem was that, for a long time, all we had was circumstantial evidence. You can do things like boil the RNA containing the hypothetical protein. Usually when you boil proteins they're inactivated. Well, we boiled it, and it worked.

"Then we told ourselves that it's well known that proteins are deactivated by detergent. So we said, let's add detergent. Well, it worked at least as well in detergent as it did without, and in some respects even better.

"So then we boiled it in detergent. And it still worked. But all of that was still circumstantial evidence. So what we finally did was use genetic engineering."

Cech and his team stole the genes from Tetrahymena and inserted them in the common bacterium E. coli, the workhorse of bioengineering. There they grew the Tetrahymena gene in a cell where RNA splicing did not normally take place.

Once the genes blossomed, the CU researchers extracted them from E. coli and added purified chemicals to initiate the transcription process. The RNA that formed was now completely removed from Tetrahymena and its proteins.

Then they held their breath.

"It still had the self-splicing activity," Cech says. "We were ready to announce to the world."

Science magazine said Cech's work "revolutionize ideas on biological catalysts and early evolution." Prominent scentists like Harry Noller, from the University of California at Santa Cruz, called it "one of the most exciting discoveries of the decade."

Zaug added to the excitement in 1985 when he discovered that the intron sequence snipped from RNA went on to organize short strings of nucleic acid into longer chains of RNA. It was another momentous discovery. The possibility that RNA could reproduce itself no longer could be ignored.

"The reproduction of information is the most essential component in having life start," Cech says. "And this is something we have only come to grips with recently in Art's discovery. The RNA could replicate itself. It could reproduce.

"Instead of just being able to cut and rejoin, it can actually string little pieces together to make a big chain of RNA. And so it looks like RNA can not only be the information, but can actually catalyze the reproduction process. Like a software program that directs the machine to reproduce itself."

In Tetrahymena, Cech found a model of how life may have started. The first strand of RNA forms through what Nobel laureate Francis Crick (who, with James Watson, deciphered the genetic code in 1953) calls "a happy accident"; it splices itself and goes on to teach proteins how to build a cell; the newly freed intron goes on to create more RNA, and only later does DNA evolve as a storehouse for genetic information.

"I think it is extremely reasonable that life didn't happen in just one little pocket," Cech says. "There's a famous experiment where scientists took some of the chemicals presumed to be on earth 4 billion years ago and put them in a vat and had an electrical discharge go off. And it turns out that the molecules that are formed during that process are exactly the most common ones that you find in human beings today.

"And so that says to me that the basic precursors, the little molecules that make proteins and nucleic acids, are not improbable. Then the question is: Once you have these very small biological molecules, how did they get strung together to get nucleic acids and proteins?

"And I think that from our work I can see very clearly, only in the last year actually, how RNA might be able to direct the stringing together to make a large RNA molecule and to possibly even replicate itself."

The discoveries in Cech's lab could someday pay off in the battle against cancer and in the treatment of certain diseases in which the body's defenses turn the body against itself. Cech's work could result in a new set of chemical tools for genetic engineers who work with RNA as well.

"It turns out there are many tools for genetic engineering that are enzymes that work on DNA—specifically cut and rejoin DNA so you can manipulate genes.

"There are many fewer such enzymes around that can be used to manipulate RNA in the test tube. So there's a great interest in having an equal set of tools for genetic engineers to use at the RNA level," Cech says.

Thomas Cech's life is moving faster now—with invitations to lecture in Canada, Europe, and Japan, and at Harvard, Yale, MIT, and Stanford. But he has come to grips with the awards and the acclaim. His team helps maintain his perspective. Everywhere in the lab are signs of irrelevant affection directed at the boss.

Did Cech win a Guggenhiem fellowship? Here's a photo of his head pasted on the body of a lady weightlifter.

Did Esquire honor him along with Jessica Lange, Garry Trudeau, and Bruce Springsteen, as a member of "America's New Leadership Class: Men and Women Under Forty Who Are Changing the Nation?" Here's a sloppy shelf filled with old scientific journals and a sign: "The T.R. Cech Esquire Library."

Does Orgel hail Cech's work as "A major discovery?" Here's a tattered "Bloom County" cartoon, in which a wired and scruffy professor informs his class: "Original ideas? There are no truly original ideas in science."

What Thomas Cech hasn't come to grips with are the repeated efforts of others to interpret his work as a neat solution to the origin of life. He is a scientist, after all, and modern science frowns on those who stray from the strict protocol and objective proof of the laboratory.

Science should be precise, Cech says, so each published finding can serve as a verifiable block in a tower of knowledge. He's uncomfortable with those who interpret the significance of his work in cosmic terms: "It seems to be a sort of pseudo-science. I like to be able to go into a lab and do an experiment to test an idea, and, if you're talking about things that happened 4 billion years ago, it's impossible to test."

But the 38-year-old professor—so much more at home in the realm of snurps and introns, codons and polypeptides—knows such talk is inevitable. The implications of his work are too significant to be ignored.

In many ways, Cech is an anarchist. His discoveries, like those of genetic engineers and high-energy physicists, undermine the religious beliefs that buttress Western society. His was once the territory of priests and mystics—the province of prophets, not Ph.D.s. Stirred by these questions, man constructed great religions, soaring cathedrals, fine art, tender fugues.

Cech works with more mundane tools. There is art in his lab, but little magic. Here the sacred is stripped from the secret of life. The discoveries made in laboratories, like his reinforce the theory that life began as a chemical fluke, not by Divine design.

"I have a very strong personal view of life and how people should live," Cech offers, "but I don't believe in a higher being—I don't believe in a personal God.

"A modern scientist, if he is perceptive enough, often has the strange feeling that he must be living in another culture," says Francis Crick of the scientist's role in a period of history when bits of the old world, of the popular religions, are collapsing.

Cech faces the scientist's dilemma squarely. Trained to research, not popularize, he nonetheless takes on the responsibility of explaining his work and integrating its meaning into a cosmology mankind can carry into the next century.

He finds he must walk the line between sensationalizing his findings and ignoring the public altogether. He declines to appear at speculative "origin of life conferences," but, as a man who sees the similarity in a well-planned experiment and the work of his favorite authors, John Irving and Herman Hesse, he dedicates part of his time to lecture and write about his findings.

"I don't find the origin of life to be something that I particularly enjoy thinking about," he says "It's something we've been forced to think about because everybody else thinks our work is so related to evolution. And we better put it in context before they do.

"We aren't attempting to say that we understand what happened in early evolution. We are not saying, 'This is the way it happened.'

"We are saying that it is plausible that things could have started out with just RNA. But it's very hard to prove.

"You can draw out a scheme for the origin of life on paper, and you can do experiments in the lab to say that different steps can be reproduced today. But that doesn't prove that's the way it happened. That just proves that it's chemically reasonable to happen.

"In the end, belief in any particular scenario for the origin of life still requires an element of faith."

HYMAN BOOKBINDER

HON. SIDNEY R. YATES

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, April 22, 1986

Mr. YATES. Mr. Speaker, earlier this month the able Washington representative of the American Jewish Committee, Mr. Hyman Bookbinder was honored at the third annual leadership luncheon of the Washington Jewish Week. Those of us who were there that afternoon heard an inspiring and timely speech and I ask that Mr. Bookbinder's remarks be printed at this point in the Record.

Hyman Bookbinder Honored

I learned the value of brevity a few years ago when *Who's Who* invited me to add to my biographical summary a statement on "Thoughts on My Life . . . those principles, goals, ideals and values that have been guidelines for success and high standards." And then they directed that such statement be included in "the space provided below"—a space one by six inches! This is what I submitted and appears in the present edition: "Born into a world that soon exposed me to depression, war, and the holocaust, I fast acquired an almost compulsive interest in public affairs. It has been my good fortune to be able to combine career development with opportunities to help shape public policy. Government's principal purpose must indeed be to implement the great promise of America—the securing of life, liberty and the pursuit of happiness. The Hebrew sage, Rabbi Hillel, has provided the guideline for my life's work: 'If I am not for myself, who will be for me? But if I am only for myself, what am I?'"

That was it. What else was there to say? If I were smart, I would now say: "That's it. Thank you very much." But I'm not that smart. So I'll say more—but not too much more.

Yes, I have indeed been fortunate—all my life—in being able to do professionally things in which I believe passionately. And for the past 19 years, my association with the American Jewish Committee has been particularly gratifying. If I did not at first fully appreciate why it would be so gratifying, my recent years with the Holocaust Memorial Council has made it quite clear. Let me explain.

Recent years have seen an explosion of articles and books about the failure of American Jews to do enough to save some of the six million victims of Hitler's genocide. I sometimes think this exercise is excessively accusatory and guilt-ridden. But perhaps not. Let the examination continue. But for me the primary lesson of that period has always been clear. It is that, with all the good intentions and all the anguish felt and expressed by American Jews in the Thirties and the Forties, the Jewish community had not yet developed the political know-how, the political clout, the political effectiveness that we have today. It boggles the mind—and it pains the heart—to ask this simple question: If in the late Thirties and early Forties we had developed the lobbying effectiveness and the coalitional supports that we have today—the ability to muster 70 or 80 Senators, 300 or 400 Congressmen, sometimes in a single day or week, to express their collective anguish and their collective demands when Israel is threatened or when Soviet Jewry needs special support—if we had had that kind of community capability, for example, to press Roosevelt and his White House associates to spare a single plane to bomb the railroad tracks to Auschwitz—or to open our doors to more refugees—yes, it is painful to ask, how many of those six million might have been spared?

That number—six million—keeps repeating itself in my mind over and over again. Not only because among those six million were the 80 of my own blood relatives in Poland—but because that also is the combined number today of Israeli Jews and Soviet Jews who demand our vigilant attention every day of our lives—And six million is also the number of Jews in our own beloved America—six million fortunate enough to live in this free land, but also fortunate to be in a position to take action on behalf of the other six million.

So I feel good about being a part of the Jewish effort to make our people secure in a world still so hostile to us. But I feel fortunate also about being able to do it here in the nation's capital I came to this "shtetl" for one year—and am now in my 37th! What years these have been! Not that every memory of these years is a happy one. Surely not the day of the Kennedy funeral. Nor the day that terrorists invaded the B'nai B'rith headquarters.

But today I choose to remember some glorious days in Washington and to express profound thanks for having responsibilities that made it possible to witness and even to

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be a part of some of them. How can I ever forget the good fortune I had to obtain a precious pass to the Senate gallery that night in 1954 when Joe McCarthy was finally repudiated and censured by the Senate? Or that afternoon in 1963, stretched out tired on the grass at the Lincoln Memorial, and jumping to my feet when it was clear that Martin Luther King had started what was bound to be a historic speech about a dream, in his words, for "all of God's children."

Or that morning in 1971, when the Prime Minister of Israel, looking like everybody's grandmother right off the ship, stood next to the President of the United States on the South Lawn of the White House—surrounded by hundreds of American and Israel flags—and then, without warning or announcement, I heard the most magnificent rendition of Hatikvah being played, played by the U.S. Marine band. Yes, Marine band. There I was, a man in his Fifties, trying unsuccessfully to hold back tears.

And seven years later there was another White House meeting, this time on the North lawn. Again, an American President and an Israeli Prime Minister. But this time joined by an Egyptian President—signing the historic Camp David peace treaty.

And how can I not mention one more memorable White House gathering, this time in the East Room. At a Yom Hashoa ceremony, with the President and Cabinet members and Senators and Congressmen present—to hear a Cantor from Atlanta singing the Yiddish words of H. Leivik. Yiddish in the White House!

To remember such events is to feel reassured that there is no conflict between our great love for this blessed land of ours and our deep feelings for Israel and for our Jewishness—that not only are such feelings compatible, they are mutually reinforcing.

But, finally, there is one moment I consider perhaps the finest of all—and there is nothing explicitly Jewish about it. Nothing Jewish? In some ways, it's the most Jewish of all. It was way back in 1949, the year before I came to work and live here. I was an economist with the Amalgamated Clothing Workers. We were supporting an increase in the federal minimum wage to 75 cents an hour. Yes, 75 cents. We decided that in addition to so-called expert witnesses, we should bring to the Senate hearing what is known as a "victim" witness, someone for whom the 75 cents would have direct meaning. We located a woman aged about 30, a shirtmaker from Tennessee. She was to sit next to me, say a few words, and answer questions about her standard of living at the 40 or 50 cents an hour she was then earning. She was nervous, wasn't sure what she'd be able to say. I tried to calm her, kidded her about holding her hand under the witness table. And then she did her job. I have goosepimples whenever I recall one particular piece of her testimony. I have gone to the transcript so I can read to you the exact words:

(Ora Green): "My youngest girl, she's 9 now, goes straight to the piano when we go to a house where they have one. She does want to learn to play the piano so bad. I've thought that maybe I could save 50 cents or a dollar a week to buy a second-hand piano for her, no matter how old or battered it was. But try as hard as I can, and save and squeeze, I haven't found a way to do it yet."

By this time, the Senators had stopped shuffling papers before them. They had leaned forward and were looking directly at this woman from Tennessee. She went on: "Maybe I've been foolish to talk to you people about music for one of my children when the main question is getting enough to eat and wear, or blankets to put on the bed, or even a chair to sit on. But down in Tennessee we love music, and factory workers don't live by bread alone any more than any one else does."

I cherish that memory because it tells us so much . . . It tells us that in every human being there is indeed a spark of the divine; that even hard-nosed cynical Senators can be affected by a cry of anguish; and that with all its limitations, our American democracy makes it possible for such precious moments to occur. And, of course, it tells us how important it is never to stop caring about shirt workers in Tennessee or grape pickers in California or the 40 percent of Black youngsters unable to find jobs.

This luncheon today is sponsored by a Jewish newspaper. My work as a Jewish advocate is being recognized. I speak to you today as a proud Jew. What makes me particularly proud is that over the years we have defined our Jewishness, our Judaism, as a commitment to justice for all people, to peace for all people, to freedom for all people. Such a commitment to universal justice, I will always believe, does not shortchange our Jewish interest; it is, in fact, the only way to protect such interests.

I started by quoting Hillel's famous admonition. Everybody quotes it these days. It's become almost a bumper-sticker or T-shirt logo. But is it really understood? I said it was the guideline for my life's work. Yet I know how much I have failed fully to live up to my own standard.

But if it should indeed be true that in my lifetime I have helped even one Jew—or one Haitian or one Pole—escape persecution; if indeed I have helped even one ghetto youngster escape from poverty; if indeed I have helped one daughter of a Tennessee shirtmaker get to play on her own piano—if these things are true, then all that is left for me to say is that I thank God that I was given the opportunities to make some personal contribution, small as it might be, to making life a little bit easier, a little bit sweeter, a little bit more secure, for some fellow human beings.

And I thank each of you for coming here today to share with me that sense of appreciation.

KEN READ—YACHTSMAN OF THE YEAR

HON. JOHN H. CHAFEE

OF RHODE ISLAND

IN THE SENATE OF THE UNITED STATES

Wednesday, April 23, 1986

● Mr. CHAFEE. Mr. President, I rise today to honor a young man, who is one of the world's premier sailors. Ken Read of Newport, RI, was recently honored by Rolex Watch and the New York Yacht Club as the "Yachtsman of the Year." It should be noted that previous winners of this award included Ted Turner, Dennis Conner, and the skipper of *America II*, John Kolius.

Ken received this honor in part for winning the 1985 J/24 World Championship in Japan and the J/24 North American Championship for the second year in a row, and also because he has won dozens of regional and national events over the past few years. The J/24 is the most competitive class of sailing and at age 24, Ken is the best.

Ken has been sailing on Narragansett Bay since the age of six, and while in high school at Providence Country Day, he was a leading junior sailor. Ater being one of the most highly recruited high school sailors, he chose Boston University, where he was named All-American three times.

I join with all Rhode Islanders in congratulating Ken for this exciting honor and extending best wishes for success in his future endeavors.●

LEGISLATION TO AMEND THE PACKERS AND STOCKYARDS ACT

HON. GEORGE W. GEKAS

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, April 23, 1986

Mr. GEKAS. Mr. Speaker, very shortly I will be introducing a measure to amend the Packers and Stockyards Act of 1921 to extend the existing jurisdiction of the U.S. Department of Agriculture's Packers and Stockyards Administration over the poultry and egg industries. The measure will be nearly identical to H.R. 2970, introduced by me earlier, except for some technical changes and the inclusion of egg producers under the provisions of the P&SA Act.

The following discussion provides background on the issue and my proposal.

Mergers, acquisitions and bankruptcies in the poultry—broiler—industry have created a decline in the number of firms that now produce more products with a higher per capita consumption than pork. Currently, the industry consists of approximately 200 slaughtering firms that operate 345 federally inspected plants. In addition, there are an estimated 50 nonslaughtering dealer operations that buy and sell live poultry and/or have contract growout operations. In the last 3 years, there have been 6 operations that have gone bankrupt, owing 1,983 growers approximately $14.3 million.

Currently, poultry growers are not afforded payment and trust protection that is comparable to that provided to livestock producers under the Packers and Stockyards Act [PSA] and fruit and vegetable growers under the Perishable Agricultural Commodities Act [PACA]. Poultry growers want and need the same protections that are afforded to producers in other agricultural markets. Concern has been expressed over the extent to which poultry integrators dictate payment terms, and the extent to which they are able to force growers to carry them financially by failing to pay in a timely manner. The current status of poultry growers in the event of a failure of the integrator is the same as that of unsecured creditors. My proposal will provide for the same prompt payment and trust protection to poultry growers and sellers that has been provided to livestock producers since 1976.

Under the present law, the Packers and Stockyards Administration lacks the authority to correct the serious problems in the poultry industry to the detriment of the poultry growers. PSA's jurisdiction under the act over poultry integrators as "live poultry dealers or handlers" is continuously being challenged in both government and private actions to the point where enforcement of the existing provisions has become frustration, expensive, and virtually ineffective. My bill would clarify the jurisdictional question by redefining the poultry industry as it is presently structured.

In the area of poultry, unlike red meat, administrative procedures are denied to PSA under the act. Enforcement actions against poultry firms must be sought through the Department of Justice and the U.S. courts, a very time consuming and costly venture for both parties. Moreover, in the area of unfair business practices, the regulatory nature of the actions that are sought could better be served through administrative channels than through the already overloaded U.S. district courts. The proposed legislation would provide administrative remedies over poultry firms, thus ensuring the same treatment for both red meat and poultry firms.

The poultry industry consistently questions the jurisdiction and investigative activities of the Packers and Stockyards Administration in poultry product marketing. The proposed legislation would resolve the issue of jurisdiction over the marketing of dressed poultry products and would ensure the same treatment for both red meat and poultry with regard to product marketing.

Statistics show a continuing trend toward the merging of the red meat and poultry industries. A large number of poultry firms and livestock slaughter-processors handle and/or market both products. Of the 50 largest slaughter-processors of red meat, 44 also hold grants of poultry inspection. Of the 50 largest poultry firms, 30 also process or distribute red meat. Exempting from regulation poultry transactions of combination poultry and red meat firms with respect to any function—slaughtering, processing, brokering, or wholesale distribution—would create an unfair and impractical enforcement situation for both the industry and the Packers and Stockyards Administration.

In recent years, poultry has become a growth leader in the meat industry in terms of per capita consumption. Per capita consumption of poultry, which already surpasses pork, is forecast to surpass beef in the late 1980's. In view of the fact the red meat and poultry firms continue to actively compete for a share of the consumer purchases, it is also impractical and inequitable that competing firms be subject to different regulatory rules.

The case against Marshall Durbin & Co., Inc., is illustrative of some of the problems that are experienced in seeking enforcement through the U.S. district courts. A complaint was filed through the Department of Justice in July 1984, alleging that the defendants' weighing procedures for live poultry constituted an unfair, unjustly discriminatory, and deceptive practice under the Packers and Stockyards Act. The case was not tried until May 1985. A final judgment was issued on October 1985; subsequently, the Government filed a motion seeking more specific relief against the defendants. An amended judgment was issued in January 1986. This judgment did not, however, provide the relief that was sought but rather ordered a 6-month period of operation under the October 1985, judgment, during which the Government can further evaluate the firms' weighing practices with regard to the allegation of discrimination. After a period of 20 months since the filing of the complaint, no final resolution has been reached in this matter in the U.S. district courts.

As stated, the bill that I will be introducing after gathering original cosponsors will amend the Packers and Stockyards Act of 1921 to provide the producers of broilers and table eggs with the same financial protection under the Packers & Stockyards Act as is provided the red meat industry. In addition to providing prompt payment and statutory—packer—trust for the poultry producer, the bill will also amend the act by extending the bonding, custodial account, solvency, temporary restraining order, and preparations and private action provisions to the poultry industry.

The enactment of this legislation should not increase the cost of poultry products to the consumer nor result in any increases in budget outlays for the Packers and Stockyards Administration. In fact, providing the PSA with administrative procedure authority in the poultry industry could save hundreds of thousands of dollars because they would not have to bring enforcement actions against poultry firms through the Department of Justice and the U.S. courts.

I hope that my colleagues will join me in cosponsoring my proposal. The text of the proposal follows.

H.R. —

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That section 2(a) of the Packers and Stockyards Act, 1921 (7 U.S.C. 182), is amended by striking out "and" at the end of paragraph (5), by redesignating paragraph (6) as paragraph (11), and by inserting after paragraph (5) the following new paragraphs:

'(6) the term 'poultry' means chickens, turkeys, ducks, geese, and other domestic fowl;

"(7) the term 'poultry product' means any product or by-product of the business of slaughtering poultry and processing poultry after slaughter;

"(8) the term 'poultry grower' means any person engaged in the business of raising and caring for live poultry for slaughter by another, whether the poultry is owned by such person or by another, but not an employee of the owner of such poultry;

"(9) the term 'poultry growing arrangement' means any growout contract, buy and sell agreement, marketing agreement, or other arrangement under which a poultry grower raises and cares for live poultry for delivery, in accord with another's instructions, for slaughter;

"(10) the term 'live poultry dealer' means any person, other than a packer or a poultry grower, engaged in the business of obtaining live poultry by purchase or poultry growing arrangement and selling it for slaughter by another, if poultry is obtained by such person in commerce, or if poultry obtained by such person is sold or shipped in commerce, or if poultry products from poultry obtained by such person are sold or shipped in commerce; and".

SEC. 2. Section 201 of the Packers and Stockyards Act, 1921 (7 U.S.C. 191), is amended—

(1) by inserting in subsection (a) "or obtaining, by purchase or poultry growing arrangement, live poultry for slaughter, if poultry is obtained by such person in commerce, or poultry products from poultry obtained by such person are sold or shipped in commerce," after "slaughter,";

(2) by inserting in subsection (b) "or poultry products" after "meat food products"; and

(3) by inserting in subsection (c) ", or poultry products," after "unmanufactured form".

SEC. 3. Section 202 of the Packers and Stockyards Act, 1921 (7 U.S.C. 192), is amended in subsection (c) thereof by striking out "any such packers" and inserting in lieu thereof "any such persons".

SEC. 4. Sections 202, 203, 204, 205, 401, and 403 of the Packers and Stockyards Act, 1921, as amended (7 U.S.C. 192, 193, 194, 195, 221, and 223), are amended by inserting "or live poultry dealer" after "packer" wherever it appears therein.

SEC. 5. The Packers and Stockyards Act, 1921, is amended by inserting after section 206 the following new section:

"SEC. 207. (a) It is hereby found that a burden on and obstruction to commerce in poultry is caused by financing arrangements under which packers, live poultry dealers, or both, encumber, give lenders security interest in, or place liens on, poultry obtained by such persons by purchase in cash sales or by poultry growing arrangements, or on inventories of or receivables or proceeds from such poultry or poultry products therefrom, when payment is not made for the poultry and that such arrangements are contrary to the public interest. This section is intended to remedy such burden on and obstruction to commerce in poultry and protect the public interest.

"(b) All poultry obtained by a live poultry dealer or packer, by purchase in cash sales or by poultry growing arrangement, and all inventories of, or receivables or proceeds from such poultry or poultry products derived therefrom, shall be held by such live poultry dealer or packer in trust for the benefit of all unpaid cash sellers or poultry growers of such poultry, until full payment has been received by such unpaid sellers or growers, unless such live poultry dealer does not have average annual sales of live poultry, or such packer does not have average annual value of live poultry obtained by purchase or by poultry growing arrangement, in excess of $100,000.

"(c) Payment shall not be considered to have been made if the seller or poultry grower receives a payment instrument which is dishonored.

"(d) The unpaid seller or poultry grower shall lose the benefit of such trust if, in the event that a payment instrument has not been received, within thirty days of the final date for making a payment under section 410, or within fifteen business days after the seller or poultry grower has received notice that the payment instrument promptly presented for payment has been dishonored, the seller or poultry grower has not preserved his trust under this section. The trust shall be preserved by giving written notice to the packer or live poultry dealer and by filing such notice with the Secretary.

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"(e) For the purpose of this section, a cash sale means a sale in which the seller does not expressly extend credit to the buyer.".

Sec. 6. Section 308 of the Packers and Stockyards Act, 1921 (7 U.S.C. 209), is amended by inserting "or poultry, or in connection with any poultry growing arrangement," after "livestock".

Sec. 7. Section 408 of the Packers and Stockyards Act, 1921 (7 U.S.C. 228a), is amended by inserting "or poultry or poultry products, or has failed to pay any poultry grower what is due on account of poultry obtained under a poultry growing arrangement," after "unmanufactured form,".

Sec. 8. The Packers and Stockyards Act, 1921, is amended by redesignating sections 410 and 411 as sections 411 and 412, respectively, and by inserting after section 409 the following new section:

"Sec. 410. (a) Each live poultry dealer or packer obtaining live poultry by purchase in a cash sale shall, before the close of the next business day following the purchase of poultry, and each live poultry dealer or packer obtaining live poultry by poultry growing arrangement shall, before the close of the seventh business day following the week in which the poultry is slaughtered, deliver, to the cash seller or poultry grower from whom such live poultry dealer or packer obtains the poultry, the full amount due to such cash seller or poultry grower on account of such poultry.

"(b) Notwithstanding the provisions of subsection (a) of this section, and subject to such terms and conditions as the Secretary may prescribe, the parties to the purchase and sale of poultry other than under a poultry growing arrangement may expressly agree in writing, before such purchase or sale, to effect payment in a manner other than that required in subsection (a). Any such agreement shall be disclosed in the records of, and on the accounts or other documents issued by, any live poultry dealer or packer which is a party to any such transaction, relating to the transaction.

"(c) Any delay or attempt to delay, by a live poultry dealer or packer which is a party to any such transaction, the collection of funds as herein provided, or otherwise for the purpose of or resulting in extending the normal period of payment for poultry obtained by poultry growing arrangement or purchased, shall be considered an 'unfair practice' in violation of this Act. Nothing in this section shall be deemed to limit the meaning of the term 'unfair practice' as used in this Act.".

Sec. 9. The last sentence of the paragraph beginning "Packers and Stockyards Act:" under the centerheading entitled "Marketing Service" within the first section of the Department of Agriculture Appropriation Act, 1944 (7 U.S.C. 204), is amended—

(1) by inserting ", poultry, or eggs" after "livestock" both places it appears therein; and

(2) by inserting "or egg purchaser" after "packer" both places it appears therein.

Sec. 10. Title V of the Packers and Stockyards Act, 1921 (7 U.S.C. 218, 218a, 218b, 218c, and 218d), is amended to read as follows:

"TITLE V—EGGS

"Sec. 501. When used in this Act—

"(1) The term 'eggs' means eggs produced by poultry, whether for human consumption or other purposes;

"(2) The term 'egg producer or supplier' means any person engaged in the business of caring for live poultry (whether or not owned by such person) for production of eggs for delivery to another by sale or egg production arrangement, or engaged in the business of non-retail sale of eggs, but not an employee;

"(3) The term 'egg production arrangement' means any arrangement, whether or not reflected in a written memorandum of agreement, in which an egg producer or supplier cares for live poultry for production of eggs for delivery to another otherwise than by sale; and

"(4) The term 'egg purchaser' means any person engaged in the business of obtaining eggs, from any others not employees of such person regardless of who owns the poultry producing such eggs, by purchase or egg production arrangement, for sale of eggs or products derived from eggs, for manufacture of products derived from eggs, or for hatching, if eggs are obtained by such person in commerce, or if eggs obtained by such person or products derived from such eggs are sold or shipped in commerce.

"Sec. 502. Sections 202, 203, 204, 205, 401, and 403 of this Act (7 U.S.C. 192, 193, 194, 195, 221, and 223) shall be applicable, with respect to eggs and products derived from eggs, to egg purchasers, officers, directors, employees and agents thereof, and transactions of, between, or among, such persons.

"Sec. 503. (a) It is hereby found that a burden on and obstruction to commerce in eggs is caused by financing arrangements under which egg purchasers encumber, give lenders security interest in, or place liens on, eggs obtained by such persons by purchase in cash sales or by egg production arrangement, or on inventories of or receivables or proceeds from such eggs or products therefrom, when payment is not made for the eggs and that such arrangements are contrary to the public interest. This section is intended to remedy such burden on and obstruction to commerce in eggs and protect the public interest.

"(b) All eggs obtained by an egg purchaser, by purchase in a cash sale or by egg production arrangement, and all inventories of, or receivables or proceeds from such eggs or products derived therefrom, shall be held by such egg purchaser in trust for the benefit of all unpaid egg producers or suppliers of such eggs until full payment has been received by such unpaid producers or suppliers, unless such egg purchaser does not have average annual value of eggs obtained in excess of $100,000.

"(c) Payment shall not be considered to have been made if the egg producer or supplier receives a payment instrument which is dishonored.

"(d) The unpaid egg producer or supplier shall lose the benefit of such trust if, in the event that a payment instrument has not been received, within thirty days of the final date for making a payment under section 507, or within fifteen business days after the producer or supplier has received notice that the payment instrument promptly presented for payment has been dishonored, the producer or supplier has not preserved his trust under this section. The trust shall be preserved by giving written notice to the egg purchaser and by filing such notice with the Secretary.

"(e) For the purpose of this section, a cash sale means a sale in which the seller does not expressly extend credit to the buyer.

"Sec. 504. Section 308 of this Act (7 U.S.C. 209) shall be applicable to egg purchasers with respect to transactions in eggs with egg producers or suppliers.

"Sec. 505. Section 406 of this Act (7 U.S.C. 227) shall be applicable with respect to eggs.

"Sec. 506. Section 308 of this Act (7 U.S.C. 228a) shall be applicable to egg purchasers and any transaction in which any egg producer or supplier.

"Sec. 507. (a) Each egg purchaser obtaining eggs from any egg producer or supplier shall, before the close of the seventh business day following transfer of possession of the eggs, deliver, to the egg producer or supplier from whom such egg purchaser obtains the eggs, the full amount due to such egg producer or supplier on account of such eggs.

"(b) Nothwithstanding the provisions of subsection (a) of this section, and subject to such terms and conditions as the Secretary may prescribe, the parties to a purchase and sale of eggs other than under an egg production arrangement may expressly agree in writing, before such purchase or sale, to effect payment in a manner other than that required in subsection (a). Any such agreement shall be disclosed in the records of, and on the accounts or other documents issued, by, any egg purchaser which is a party to any such transaction, relating to the transaction.

"(c) Any delay or attempt to delay, by an egg purchaser which is a party to any such transaction, the collection of funds as herein provided, or otherwise for the purpose of or resulting in extending the normal period of payment for eggs obtained by purchase or egg production arrangement, shall be considered an 'unfair practice' in violation of this Act. Nothing in this section shall be deemed to limit the meaning of the term 'unfair practice' as used in this Act.".

THE SESQUICENTENNIAL OF VERMONTVILLE, MI

HON. HOWARD WOLPE

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Wednesday, April 23, 1986

Mr. WOLPE. Mr. Speaker, I want to pay special tribute today to the village of Vermontville, MI, on the occasion of its sesquicentennial celebration. It is a special town—its people are warm, good-natured, industrious people, and Vermontville itself has a charm all its own. I've had the privilege of representing Vermontville in Congress for several years now. I have many friends there, and it's always a pleasure going back.

Indeed, a visit to Vermontville is a sweet experience in more ways than one. This is because Vermontville is known widely for its maple syrup. The first settlers in the town learned about maple syrup production from the Pottawatomie Indians. Fortunately for the rest of us, Vermontville residents have been making maple syrup since. Anyone who has tasted pancakes with Vermontville syrup knows one of the exalted experiences in life that defy description. The citizens of Vermontville celebrate their town's best-known product every April, and rightly so. I would advise all the gourmets among my colleagues to settle for nothing less than Vermontville syrup on their waffles. No imitation can compare.

Vermontville has an interesting and, in an important respect, a distinctive history. The town got its name because its original residents were a band of sturdy settlers from Vermont. On March 27, 1836, while still in New

England, they adopted a constitution of the Union Colony and immigrated to Michigan later that year. This constitution was unique: No other town or territory in our history has ever been organized in quite the same way.

The move West was not an easy project. It began in 1835, when a congregational minister from east Poltney, VT, named Sylvester Cochrane traveled to Michigan looking for a site for a permanent community. In April 1836, a month after the constitution was adopted, Waite J. Squier, S.S. Church, and William G. Henry left Vermont with the Union Colony's funds to purchase land for the settlement. Their compatriots followed. Soon after the settlers' arrival, the Congregational Church was organized with Cochrane as pastor.

These early settlers attached great importance to the education of their children, which has become a traditional value of Vermontville. The town's first school, in a modest log schoolhouse, opened its doors in 1838. Another landmark of Vermontville's early days, nearly as significant, was the establishment of the first post office, with Dewey H. Robinson as postmaster.

Vermontville has been going strong for 150 years. There is much in the town's history to be proud of. But this is also a time to celebrate its present and future—the residents who work hard, raise their families, help their neighbors, and contribute to their community. I wish the townspeople, and their children and grandchildren, another 150 years of happiness and prosperity.

THE USTTA REMAINS A VITAL FORCE AGAINST TERRORISM

HON. WILLIAM HILL BONER

OF TENNESSEE

IN THE HOUSE OF REPRESENTATIVES

Wednesday, April 23, 1986

Mr. BONER of Tennessee. Mr. Speaker, as chairman of the Congressional Travel and Tourism Caucus, I have consistently urged that the United States Travel and Tourism Administration [USTTA] be adequately funded as our Nation's official tourism office overseas. USTTA promotes our country as a tourist destination to international visitors through exciting and innovative programs and by maintaining nine regional offices abroad.

Recently in response to terrorist attacks against Americans overseas, USTTA has taken on a new and added responsibility. The Under Secretary of Commerce for Travel and Tourism, Donna Tuttle, and her staff have quickly responded to an urgent need for the public to be informed about measures instituted by our Government to improve traveler security. USTTA received numerous requests for information about safety conditions abroad from the general public, travel agents and others in the travel industry.

Under Secretary Tuttle called for the establishment of an information clearinghouse to consolidate the various statistics and other material available from the Government, the press and the private sector. This information in turn could be used in discussions between the United States and foreign governments, and as a guide to reacting to further terrorist incidents.

Eric Friedheim, editor and publisher of the Travel Agent magazine, recently wrote an editorial which clearly spells out the crucial role USTTA may play as a liaison between the Government and the American traveler who is trying to determine the risks involved in foreign travel. I believe Mr. Friedheim's article is very timely considering that the administration has recommended eliminating USTTA at a time when it is being called on to perform yet another valuable function.

The USTTA Remains a Vital Force Against Terror

The latest terrorist incident proves once again why the survival of the U.S. Travel and Tourism Administration is so vital. With the travel industry predictably in shock over the tragedy high above Greece, a responsible and authoritative government voice is sorely needed. Only USTTA is in a position to respond realistically and intelligently to the concerns of the media, the industry and the international traveler.

Tourism Undersecretary Donna Tuttle and her staff have created an effective liaison between the public and private sectors. In fact, it is the only place individuals and organizations can turn to for reliable answers about the terrorism situation and other critical issues.

LOTS OF WATCHDOGS

A number of government bureaus deal with domestic and foreign travel; the Transportation Dept. oversees airlines; two maritime units monitor passenger shipping; passports are issued by the State Dept., and its missions abroad offer assistance to American tourists; Interior controls the national parks; Treasury and Immigration are deeply involved in tourism, keeping an eye on the millions who enter and leave this country each year.

Yet in times of crisis, such as this week's TWA bombing, only the State Dept. can issue travel advisories and offer reasonably valid appraisals and comments. Unfortunately these often are based on policy. The department's officials, while generally knowledgeable about a particular occurrence, often are too remote from the industry and news reporters. Even the White House too often is not the best place to seek information.

On the other hand, USTTA—while not always privy to intelligence available at higher policy levels—has dependable ways to find out what the industry and tourists need to know about a situation critical to tourism.

Nevertheless, the Reagan Administration is out to abolish the nation's official travel bureau and wants Congress to spend $4 million to dismantle it.

If USTTA goes, the industry will be hard-pressed to get its story across to a sympathetic ear in the nation's capital.

LOOK AT THE RECORD

On terrorism, for example, Tuttle has done much to establish the Travelers' Security Policy Council, an information clearinghouse.

In addition, foreign governments continually seek USTTA advice on how to improve and develop their tourism industries. Tuttle's policy has been to provide as much assistance as possible since the American travel business has substantial investments abroad and tourism is a two-way street.

On terrorism, she recently told the House Commerce subcommittee:

"I believe that foreign leaders must stand with the United States in its decision to impose economic sanctions against countries which harbor and abet terrorists.

"At the very least, they must reexamine their visa policies and tighten up on entry procedures . . .

"Another step governments should take is to ensure that their agencies charged with traveler safety make available information on travel conditions and security measures being taken.

"Consumers who are uninformed about conditions cannot be expected to make rational decisions about their travel plans. It is not the known that frightens people. It is the unknown."

Meanwhile, USTTA is further demonstrating the benefits of making tourism flow in both directions. The agency is becoming involved in the Caribbean to encourage local governments in building up their tourist trade. Ironically, this program is part of the president's own Caribbean Basin Initiative.

IN THE CARIBBEAN

Though the primary mission of USTTA is to develop inbound tourism. Tuttle notes that if the Caribbean countries improve their financial condition by exporting tourism to U.S. citizens, the American economy will accrue substantial benefits, boosted particularly in Florida and other Gulf states.

It is conceivable Congress will again realize the necessity of USTTA and refuse the president's plea to kill it. But the industry should take no chances. It is a matter of urgency that it resist this shortsighted proposal and mobilize quickly to save an agency so vital to its economic well being.

CALIFORNIA STATE UNIVERSITY AT DOMINGUEZ HILLS: TWENTY-FIVE YEARS OF DISTINGUISHED SERVICE TO CALIFORNIA

HON. MERVYN M. DYMALLY

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, April 23, 1986

Mr. DYMALLY. Mr. Speaker, the foundation stones of any great institution are leadership, stability, and vision. California State University at Dominguez Hills has been built on just such foundation stones. Today, in its 25th year of existence, it is among the sturdiest and most productive institutions in the California State College and University System. During the whole of this year the university and its many, many supporters are celebrating those first 25 years and looking forward with relish to the challenges of the next 25.

The astounding growth of the university owes in large part to the three exceptional presidents who have led the university through its first quarter century. Leo Cain, Donald Gerth, and Richard Butwell have each made solid and lasting contributions to the university's development.

Perhaps the most uncertain years for the university were its first ones. Gov. Pat Brown signed the legislation authorizing the new campus in 1960. Money was appropriated to purchase the site in 1962. And in 1962 Dr. Cain was appointed president of the college. With great skill, Leo Cain maneuvered the university through the politically treacherous process of site selection, oversaw the actual

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building of the university, and helped to pack up the university and move it from temporary site to temporary site until it found its permanent home on 346 acres of the Dominguez and Carson Estate. That day in June 1967 when William Hart, Pamela Striplin, Othilie Moritz, and Sharon Chambers made up the whole of the first graduating class was a proud day for Leo. His labors had borne their first fruit. Now, more than 18,000 productive citizens of California and the Nation owe their higher education to California State University at Dominguez Hills. Leo Cain's 13 years in the presidency at Dominguez Hills gave the institution the steady, reliable, and wise leadership that was essential to its healthy initial development. Dr. Cain's own professional training was in the field of school psychology. Dominguez Hills' Educational Resources Center is named the Leo F. Cain Educational Resources Center. It is a fitting tribute because Leo's University has become an important educational resource for the State and the Nation.

The steady progress of Dominguez Hills is evidenced by the fact that in 1977, just 2 years after Dr. Donald Gerth assumed the presidency, Dominguez Hills was awarded "State University" status. In California higher education circles, Donald Gerth is regarded as an educational genius. His vision, his sense of what the educational needs of the future will be, and, more importantly, his ability to implement precisely the changes that will meet the needs of the future, have earned him the highest respect among his colleagues. One indication of that vision is the effort Donald made to establish a working relationship between industry and the university. The partnerships he helped establish have benefited Dominguez Hills in readily visible ways. Dominguez Hills, for example, was the recipient of a $3,000,000 gift from the Southland Corp. to build the 7-Eleven Olympic Velodrome on the campus for the 1984 Olympics. The Velodrome was the first of the new facilities built in preparation for the Olympics. A Federal grant won during the same period built the university's swimming pool. A special sensitivity Dr. Gerth brought to the university was a deep understanding of cultural and sociological factors affecting the education of Americans of Asian descent. He is both formally trained in Asian studies and has lived and worked extensively in Southeast Asia. Southern California is a primary settlement area for immigrants of Asian descent, and thanks to Dr. Gerth, Dominguez Hills has been especially well suited to the educational needs of students from the spectrum of Asian backgrounds.

It is fortunate for these students that Dr. Gerth's departure in 1984, after 9 years of exceptional service, to assume the presidency of California State University at Sacramento did not diminish the commitment of Dominguez Hills to its culturally diverse student body. Dr. Richard Butwell, who assumed the presidency in August 1984, is, like Dr. Gerth, a political scientist with special expertise in Asian and Pacific affairs. Given that future trade growth for the United States will concentrate on Pacific rim nations, and given that California is in the best of positions geographically to benefit from such trade, Dominguez Hills' choice of presidents is propitious. I wish Dr. Butwell a long and fruitful tenure as president of Dominguez Hills. His assumption of the presidency coincides with the appointment of W. Ann Reynolds to the chancellorship of the State College and University System. The dynamism these two leaders bring to the university and to the entire system is infectious and bodes well for all higher education in California. The past quarter century has seen California State University at Dominguez Hills grow from idea to healthy reality. Dr. Butwell will lead the university confidently toward the half century milestone. The university has had a glowing history of progress. But to paraphrase our former Governor, President Reagan, If you think the last 25 years were something, well then, stand back because you ain't sean nothin' yet!

NINTH SPECIAL SESSION OF THE UNITED NATIONS COMMISSION ON NARCOTIC DRUGS

HON. BENJAMIN A. GILMAN

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, April 23, 1986

Mr. GILMAN. Mr. Speaker, the Ninth Special Session of the United Nations Commission on Narcotic Drugs [CND] was held in Vienna, Austria, February 10–14, 1986. Prior commitments prevented me from attending this important session, but a copy of my remarks was distributed to those participating. The U.S. delegation was led by Jon R. Thomas, Assistant Secretary of State for International Narcotics Matters [INM], who has recently resigned his post after a year and half of outstanding service in the global fight against drug trafficking and drug abuse.

The other members of the U.S. delegation were: Jerold Mark Dion, Deputy Assistant Secretary of INM; Carlton E. Turner, Special Assistant to the President for Drug Abuse Policy; Advisors Bruce K. Chapman, U.S. Representative to International Organizations, Vienna; James R. Cooper, M.D. Associate Director, National Institute of Drug Abuse; James Ferrer, Deputy U.S. Representative to the U.N. Economic and Social Council; Dianne Graham, INM; Gene R. Haislip, Deputy Assistant Administrator Drug Enforcement Administrative; F. Gray Handley, Jr., Office of Health and Transportation Programs, Bureau of International Organization Affairs, Department of State; Louis Kahn, U.S. Mission to International Organizations, Vienna; Stuart L. Nightingale, M.D. Associate Commissioner for Health Affairs, Food and Drug Administration; Charles Saphos, Criminal Division, Department of Justice; James Shaver, Assistant Commissioner, U.S. Customs Service; and Ray A. Meyer, Office of the Legal Adviser, Department of State.

This year the special session took on added significance. At the request of the U.N. General Assembly in 1985, the special session was charged with the task of acting as the first preparatory conference for the world conference on drug abuse and drug trafficking to be held in Vienna in 1987. This preparatory activity took place during the week of February 17–21.

Two major issues were discussed by the 40-member Commission during the first week: a new convention on drug trafficking and the scheduling of 17 substances into the 1971 Convention on Psychotropic Substances. In regard to the new drug trafficking convention, the Commission adopted a resolution requesting the U.N. Secretary-General to prepare a preliminary draft of such a convention which would include such key elements as the seizure and forfeiture of assets, strengthening national laws and penalties for drug trafficking offenses, and controls on the delivery of precursor chemicals used in the manufacture of controlled substances. The draft proposal will be presented to the CNB at its 32d regular session next year. The resolution specifically requests member country comments on the contents of the preliminary draft by August 15, 1986. The draft will be circulated by October 30, 1986. It is important to note that the U.S. delegation took a key leadership role in organizing a working group to negotiate a final text for presentation to the full CND and seeing to it that all essential elements, even those not supported by all nations, were included in the draft.

The scheduling of 17 substances into the 1971 Convention on Psychotropic Substances followed closely the recommendations made by the World Health Organization [WHO]. The U.S. delegation came prepared to support 10 of the 17 substances recommended by WHO, and to support alternative scheduling controls for the seven remaining substances. While none of the seven U.S. supported alternatives were adopted, it is important to note that CND recommendations in this area have little or no effect on current domestic scheduling requirements.

As previously noted the second week of the CND was devoted to a preparatory conference for the 1987 World Conference on Drug Abuse and Drug Trafficking. Draft rules of procedure were adopted, and following emphasis by the United States, the scope of the agenda will provide for a balanced discussion of all issues including both supply and demand reduction, drug trafficking, treatment, and rehabilitation. It was also agreed that all issues would be addressed from a technical point of view, with no room for politicization or the discussion of extraneous political issues.

Mr. Speaker, my remarks, which were distributed at the Ninth Special Session of the CND, follow:

STATEMENT OF HON. BENJAMIN A. GILMAN, MEMBER OF THE U.S. CONGRESS, AT THE NINTH SPECIAL SESSION OF THE UNITED NATIONS COMMISSION ON NARCOTIC DRUGS, VIENNA, AUSTRIA, FEBRUARY 10–14, 1986

Mr. Chairman, it is a pleasure to once again have the opportunity to present my views to the distinguished representatives of the United Nations Commission on Narcotic Drugs and to share the views of those attending on the critical issues of drug production, trafficking, and abuse throughout the world today. As you know, I participated in the Commission's 31st Session last year, accompanied by the distinguished Chairman of our Select Committee on Narcotics Abuse and Control, Charles B. Rangel. As Ranking Minority Member of the Select Committee I look forward to these meetings, because they afford us the opportunity to assist in

the formulation, development and implementation of strategies for the international control of illicit narcotic drugs.

No nation has managed to avoid the negative consequences of drug trafficking and drug dependency, which is jeopardizing the health of our citizens, and undermining our political, economic and social institutions. In the United States alone drug trafficking has grown to a $110 billion per year business activity, and the worldwide figure is incalculable. The criminal organizations which fuel these operations use their vast profits to produce and supply more and more drugs to unsuspecting and willing victims alike, and further, they use their profits to promote subversion, terrorism, and other criminal activities around the world.

The abuse of cannabis, cocaine, opiates, and other dependence-producing drugs continues at epidemic levels. This abuse has resulted in alarming reports of drug deaths and drug dependencies throughout the world. The number of heroin addicts in Western Europe has been conservatively estimated in the 350,000 range, and in the United States it exceeds 500,000. Opium production in Southeast and Southwest Asia continues at high levels and coca production in South America this year will result in an abudance of cocaine in the United States and Western Europe at greater potency and at reduced prices.

In addition, the ever-growing ruthlessness of the drug traffickers continues to intensify. In February of 1985, a U.S. Drug Enforcement Administration (DEA) agent was kidnapped and brutally murdered along with his Mexican pilot. In Bolivia, narcotics police have been tortured and killed and a recent siege of the Palace of Justice in Bogota, Colombia, by a terrorist organization seeking to destroy papers relating to extradition requests for known drug traffickers resulted in the deaths of over 100 people, including many Colombian Judges. In Peru, 19 eradication workers were murdered.

Despite all the news, there are increasing signs of hope, and I firmly believe that we meet at a time of great opportunity in the war against narcotics trafficking and abuse. Political stability, as well as any form of economic social order cannot co-exist with narcotics trafficking and rampant drug abuse. There is increasing evidence that traditional producer and trafficking nations are beginning to realize that their activities are coming back to haunt them. Under the leadership of a new and dynamic President, Peru has undertaken strong enforcement and eradication efforts. They have joined with neighboring governments and destroyed numerous cocaine production laboratories and airstrips. Colombia continues the strong enforcement efforts it initiated after the tragic 1984 murder of their Minister of Justice. Pakistan is currently working closely with a number of governments to reduce opium cultivation and herion processing, and the Government of Burma has outlined a comprehensive policy of opium eradication, the development of income alternatives for farmers, and provision for prevention and treatment programs for abusers.

These are but few of the positive signs I can point to. What is clear, however, is that if these actions are to be sustained, the close cooperation and financial support of the world community is essential. Since 1971, the United Nations Fund for Drug Abuse Control (UNFDAC) has sought to work closely with producing nations, to develop and finance eradication, and crop substitution programs through the contributions of U.N. participating nations. While they have done outstanding work with available funds, it is clear that financial support will have to be expanded and intensified. In spite of the vital role played by UNFDAC, only $70 million was contributed to the Fund from its inception in 1971 to the end of 1983. In 1984, only 39 of the 159 member nations of the United Nations contributed less than $12 million to the Fund. As of August 31, 1985, (the latest available figures for that year) only 41 nations or 25 percent of the United Nations membership contributed $15.6 million to the U.N. Fund. Given the billions of dollars reaped by the drug traffickers annually for their illicit activities, it is no wonder that our task has been viewed by some as nothing less than insurmountable. I call on all of the delegates to increase their commitment to UNFDAC, and to join in this urgent fight. The recent Interim Report of the United Nations Fund for Drug Abuse Control warns, in clear and forceful terms, that:

"An important moment of decision has been reached: if the international community does not persist in sustaining the present trend of increasing its financial and political support to UNFDAC, the unfulfilled expectations will become painful frustrations and perhaps even despair and resignation. The battle may be irrevocably lost. In contrast to this, with that strengthening of its financial resources to enable the launching of new projects at the points of most urgent need, UNFDAC could complement the work already in progress and reinforce the efforts of the developing countries, thus allowing them to join fully in the common front in the struggle against drug abuse, and drug traffic."

I urge of us to heed these words and to accept the challenge presented to us.

Finally, I would be remiss if I failed to mention the two recently adopted United Nations General Assembly Resolutions dealing with illicit narcotics. The first calls for the convening of a World Conference on Drug Trafficking in 1987. The Conference will be a key catalyst in raising international awareness and sensitivity regarding the problems of illicit drug trafficking and abuse, and I applaud the Secretary General for initiating this action. We wish the Commission every success as the preparatory body for the Conference. Second, the Commisison has been charged with deciding on the elements that will be included in the proposed draft convention against narcotics drugs and psychotropic substances recently passed by the General Assembly. Many nations have sustituted their views to the Secretary General on what they believe should be included, and I look forward to your recommendations in this most important process.

It is clear that these actions serve the critical purpose of raising the priority of narcotics control in our foreign policy initiatives, as well as increasing the awareness of the narcotics problem throughout the international community. No one nation acting alone can solve the problems that we face. Coordination and cooperation are the essential ingredients in the war against narcotics trafficking and abuse. There can be no weak links in this chain. The failure of any one nation to cooperate can mean failure for *all* of us. I urge you to join in this effort not only for the future of our laws and institutions, but for the future of our youth and the very fabric of all societies.

A BOOST OF THE MINIMUM WAGE IS OVERDUE

HON. AUGUSTUS F. HAWKINS

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, April 23, 1986

Mr. HAWKINS. Mr. Speaker, 9 years have elapsed since the Congress considered legislation to adjust the Federal minimum wage rate, and it has been 5 years since an estimated 6 million minimum wage workers received a wage increase. In addition to having borne the brunt of the big budget cuts of 1981 and the ravages of the ensuing recession, the working poor have been deprived by inflation of the full purchasing power of their meager wages. Since 1981, the last year of the minimum wage rate adjustments, there has been a 25-percent inflationary erosion of the real value of the minimum wage. It is time to address the economic plight of minimum wage workers in a meaningful manner. It is time to raise the minimum wage. With these concerns for the working poor in mind, I recommend to my colleagues the following policy statement of the National Council on Employment Policy. The council is a private, nonprofit organization of academicians, administrators, and policymakers with special interest and expertise in the area of employment and training.

The policy statement follows:

A BOOST OF THE MINIMUM WAGE IS OVERDUE

Since 1938, the federal government has maintained a floor under wages in order to guarantee a minimal socially acceptable standard of living for all protected workers. This floor has helped the working poor and has provided additional income to others with little bargaining power in the labor market. Despite these accomplishments, the need for an effective minimum has been ignored since 1981. The federal minimum has remained at $3.35 an hour; after adjusting for inflation, the value of the minimum hourly wage rate has declined by 26 percent since January 1981 and is now at its lowest real level since 1955. We believe the minimum wage should be restored to its traditional position and, in order to prevent future erosion, the minimum wage should be indexed to changes in the average private hourly wage rate.

BACKGROUND

Wages have been regulated throughout history either by custom or law. The need for strong governmental wage and hour regulation in the United States became clear at the turn of the 20th century as workers streamed from rural to urban areas to work in the expanding manufacturing sector, while immigrants flocked in from other lands in search of a better life. Men, women, and children often worked long hours for little pay.

The Fair Labor Standards Act of 1938 (FLSA) set a national wage standard for the first time in American history; it established a minimum hourly wage rate of 25 cents to be raised in steps to 40 cents seven years later. Since then, Congress has increased the minimum wage level on six occasions sometimes providing for a series of increases. The latest round of minimum wage amendments occurred in 1977, raising the hourly rate by steps to $3.35 in 1981.

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The 1938 act covered only one in every four workers. Ensuing amendments to the FLSA have expanded coverage and over 90 percent of private nonsupervisory employees are now subject to minimum wage laws. Over 10 million workers are excluded from the protection of the federal minimum wage law, excluding six million employees in service and retail; 1.2 million in finance, insurance and real estate; 938,000 in agriculture, and 525,000 in private households.

The Bureau of Labor Statistics estimated that in 1984 the earnings of roughly 8 million salaried and hourly workers were at or below the minimum wage level. Six million more received wages just above this level.

Using 1978 Current Population Survey data, the Minimum Wage Study Commission found that 42.5 percent of workers from impoverished families were employed at or below the minimum wage. However, roughly three-quarters of all minimum wage workers live in families with income well above the poverty line.

TABLE 1

Family income	Percent of employed workers at or below minimum	As percent of all minimum wage workers
Total	13.2	100.0
Below poverty	42.5	10.9
100 to 124 percent of poverty line	32.9	6.9
125 to 149 percent of poverty line	29.3	7.4
150 percent plus of poverty line	11.0	75.3

Half of the minimum wage workers are 25 years or older. However, the young are disproportionately represented among minimum wage workers. Over three-fifths of minimum wage workers are women.

TABLE 2

	Percent of minimum wage workers	Percent of all workers
Teenagers	30.2	6.8
20 to 24 years old	22.5	14.8
25 years and older	47.3	78.4
Women	62.6	45.7

Almost three-quarters of minimum wage workers are concentrated in the service and retail trade industries. Three of every four private household workers earn the minimum or less and one of every three service workers (other than private household) is employed at or below the minimum, as are nearly half of all farm laborers and one in five of all sales workers.

EROSION

By any measure, the minimum wage now provides less protection than it has in many years. The statutory hourly wage rate rose in real terms until 1968, then stabilized in the 1970s and has fallen sharply since 1979. The real wage is now 20 percent less than it averaged in the 1970's and is a third less than it was at its peak in 1968.

In the 1950s and 1960s, Congress set the minimum at roughly 50 percent of the average wage in private industry, while in the 1970s the targeted level dropped somewhat. Due to the failure to raise the minimum wage since 1981, its level has slipped below 40 percent of the average hourly wage in private, nonagricultural employment for the first time since 1949. A minimum wage of $4.37 per hour would be needed to restore it to 50 percent of the average private wage.

The current minimum wage of $3.35 per hour provides a full-time full-year worker with an annual income of $6,964. A worker with no dependents working at the minimum wage would earn more than the poverty threshold, while a worker with two dependents earning the minimum wage would remain substantially below the poverty line. The current poverty threshold for a family of three is $8,900, requiring full-time/full-year work at a wage of $4.28 per hour.

The minimum wage has not always been so low relative to the wages necessary to bring a family out of poverty. Throughout most of the 1960s and the 1970s, the minimum wage was sufficient to bring a family of three out of poverty. Today, contrary to popular perception, many work full-time but because of low wages, fail to escape poverty. Of the 22.2 million people over age 15 counted among the poor in 1984, 9.1 million worked. Almost 2.1 million worked full-time/full-year and were still unable to escape poverty, including 1.2 million who were heads of households. Millions more live in these impoverished households. Raising the minimum wage would be a direct way to help the working poor without raising the federal deficit.

EFFECTS

The minimum wage law is a statement by society that certain work conditions are unacceptable. Most Americans work in labor markets that offer protection against undesirable work conditions, but millions work in secondary labor markets characterized by unstable, low-wage employment. These workers have little clout in the marketplace and need the protection of government to bring their work conditions up to socially acceptable minimal standards.

Over the years the main objection to the minimum wage has been that it reduces employment opportunities. Arguing that almost any job is better than none, opponents tend to ignore the salutary impacts of the federal government setting of a floor on wages, specifically, its beneficial income effects.

The minimum wage, not surprisingly, has its largest employment effect on industries with a high proportion of low wage workers. It also has a large influence on the employment of youth. The 1980 Minimum Wage Study Commission estimated that a 10 percent increase in the minimum wage decreases teenage employment by about 1 percent. The effect of a minimum wage increase on teenage employment would vary, of course, with economic conditions and demographic trends.

There is little consensus on the effects of the minimum wage on overall adult employment, although it is clear that the adult labor market is not as sensitive to minimum wage changes as is the youth labor market. This is true both because youth workers are likely to be laid off before adult workers and because a smaller proportion of adults work at the minimum.

The income effects of the minimum wage are as important to consider as the employment effects, yet much less analysis of the former has been undertaken. Existing evidence, however, does indicate that the minimum wage has boosted the income of millions of low wage workers, and the net effect is especially positive for adult females.

In 1981, when the hourly minimum wage was raised from $3.10 to $3.35, the Department of Labor estimated that the aggregate increase potentially amounted to $2.2 billion annually, and that 5.5 million workers were eligible to receive raises. Effects in other years were also sizable. The 1978 wage increase potentially benefited 4.6 million workers, with a jump in total wages of $2 billion; in 1974, 4.2 million workers potentially received an additional $1.9 billion.

For many individuals and families, the higher wages that result from the mandated minimum are of undeniable benefit. The wage floor has helped some escape poverty and has lessened its severity for others. For those minimum wage earners above the poverty line, the extra income also can be essential. A teenager trying to earn money for school can benefit greatly, as can a multi-earner family that may be trying to scrape together enough money to purchase more than the bare necessities.

As the minimum wage is raised, the employment loss increases, as does the income gain of those who keep their jobs. The task for Congress is to strike the right balance between providing a reasonable wage floor and minimizing loss of jobs. Currently the minimum is too low to optimize its income effect.

In addition to providing a floor on wages for secondary labor market workers, minimum wages may help employers. The higher costs may induce them to provide training to employees in an attempt to boost productivity, or they may organize the production process more efficiently.

The minimum wage also reinforces the work ethic by providing an incentive for people to work rather than depend on welfare. Few would disagree that work should pay more than welfare. When individuals earn some income instead of relying entirely on government support, they benefit from the satisfaction of helping themselves, and their possibilities for future advancement are enhanced. Society benefits both from the increase in output and the reduction in welfare cost.

The minimum wage has little impact on overall economic conditions. The economy has prospered since minimum wage laws were enacted and there has been little noticeable effect on unemployment after each boost in the hourly rate. In the 1950s and 1960s, when the minimum wage rose in both real and relative terms, the unemployment rate remained low. In the 1970s and early 1980s, the wage floor eroded but this has not prevented rising unemployment. Unemployment rate trends reflect factors other than the minimum wage.

Finally, opponents argue that the minimum wage boosts inflation. Since however, the vast majority of workers earn considerably more than the minimum, the proposed changes would have a small, if any, effect on the inflation rate. Moreover, it is unfair to ask workers who earn the minimum wage to shoulder a disproportionate financial burden in the fight against inflation.

A DUAL MINIMUM WAGE

In recent years the youth unemployment rate has exceeded the overall unemployment rate by a factor of two and one-half. In 1985, for example, the teenage unemployment rate averaged 18.6 percent while the overall unemployment rate averaged 7.2 percent. Unemployment among black teenagers is an even more severe problem, averaging 40.2 percent in 1985.

A lower or subminimum wage has been proposed to increase youth employment. In fact, since 1961, employers have been able to secure Department of Labor certification to hire full-time students at 85 percent of the minimum wage as long as the students work less than 20 hours a week while attending school and if they are enrolled in a cooperative education program in fiscal 1985, an estimated 195,800 students were hired under this program.

The Reagan administration has proposed a further "youth opportunity wage" equal to 75 percent of the minimum wage that would apply during summer months. The proposal has drawn support not only from business but also from some minority groups and big city majors. The argument advanced in support of the lower minimum is that it would induce employers to hire more teenagers, thus providing them with the chance to break into the labor market. The Department of Labor has claimed that the proposal would create 400,000 jobs.

There are a number of potential problems with a dual minimum wage. The most serious would be the potential substitution of teenagers for adult workers. The Minimum Wage Study Commission, which opposed a youth subminimum wage, estimated that a 75 percent minimum would create 400,000 to 450,000 jobs for youth but would displace 50,000 to 150,000 adult workers. The commission noted that its displacement estimate is low because its analysis implicitly examined the possibility of youth replacing average adult workers instead of examining the more likely effect that adult workers earning the minimum wage or slightly higher would be displaced.

Second, the estimates for job increases are based on questionable assumptions about labor market operations. The results of wage subsidy programs such as the Targeted Job Tax Credit—which provided a 50 percent tax credit on the first $6,000 annual wages paid to disadvantaged youth and other targeted populations—have not been encouraging. In particular, the subminimum wage may not generate many new jobs if the labor market remains slack. Labor demand is not very responsive to a change in wages under such conditions.

Third, youths who need the jobs the most—those who have had trouble breaking into the labor market—are least likely to benefit from a lower minimum wage. They lack basic job skills and tend to live in areas with severe job deficits where business expansion is unlikely. They need to master the 3 R's and require specialized programs, such as the Job Corps, to prepare them for the job market. Finally, many teenagers who might have been hired at the established minimum wage would lose income if hired at a reduced minimum wage.

In short, a dual minimum wage may increase employment for teenagers as a group, but would raise serious equity concerns by doing so at the expense of increased adult unemployment and by not addressing the needs of poor youth. The focus on the merit of a subminimum wage has also preempted discussion of the sharp fall in the minimum wage since 1981.

Given the adamant administration opposition to boosting the minimum wage and its persistent advocacy of a dual wage, there is room for a trade off to break the current impasse between proponents of a higher minimum wage and the administration position. One approach would be to raise the minimum wage for adults but to exempt teenagers from the required raise.

TO REGAIN AN EFFECTIVE MINIMUM WAGE

In the absence of any action, the current federal minimum wage is becoming increasingly obsolete. Three states and the District of Columbia now have hourly minimum wage rates in excess of $3.35. If Congress does not act during the balance of the Reagan administration, the real value of the minimum wage is likely to decline by another 12 percent, assuming an annual inflation rate of 4 percent. Under these conditions it will become more difficult to restore an effective minimum wage to protect low wage earners.

In order to restore the minimum wage to a reasonable level, we propose that the minimum wage be raised annually by 5 percent in addition to increases in cost of living. These boosts should continue until the statutory minimum hourly rate equals half the average rate of nonsupervisory workers in private industry.

No matter how it is raised initially, the minimum wage should be indexed to changes in the average private hourly wage. This would prevent the erosion of the wage floor that has occurred during the last five years and which also occurred at other junctures in the past few decades. Indexing would make it easier for business to adjust to regular small increases in the minimum wage. It would also be easier for the working poor to cope with the rising cost of living.

Steps should also be taken to review current exemptions from the minimum hourly rate to ensure that the law protects more employees.

Last, Congress should also review current enforcement procedures to ensure that the law is properly enforced. Weak enforcement has been a continuing problem, and has been exacerbated by personnel cutbacks of 15 percent and a less sympathetic administration.

Together, the above changes would return the minimum wage to a reasonable level. Indexing would insure that it stays at such a level and gaps in coverage would be filled. Some fifty years after the passage of the first federal minimum wage law, these changes would help guarantee a wage that will encourage and make it possible for the poor to work their way out of poverty and, in the process, reduce their dependence on welfare. It would also raise the income of millions of other Americans and would reaffirm our society's commitment to the value of work.

NATIONAL CONFERENCE ON COMPETITIVENESS

HON. HOWARD WOLPE

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Wednesday, April 23, 1986

Mr. WOLPE. Mr. Speaker, this past weekend, with 11 of my congressional colleagues, I participated in a National Conference on Competitiveness cosponsored by the Northeast-Midwest Congressional Coalition, the Business-Higher Education Forum, and the Congressional Clearinghouse on the Future. This conference demonstrated clearly the level of concern the leaders of our business and higher education sectors have about declining U.S. economic competitiveness, and their determination to work with Members of Congress to do something about it.

As cochair of the coalition with my esteemed colleague from New York, Mr. HORTON, I want to stress the importance of the process that was followed leading up to this conference—a process that bridged the political and ideological differences that otherwise might separate the participants. The conference focused on those measures on which consensus could be reached—measures that would enhance our competitive posture in concrete, effective ways. FRANK HORTON and I believe it is vital that we pursue the agenda established at the conference, and that the coalition should continue in the leadership role it already has established on this issue.

I would like to introduce into the RECORD the comments FRANK HORTON and I offered to open the conference. These comments better explain the background of the process and identify the congressional participants. Representative HORTON's comments also establish a clear context for the importance of a cooperative effort to attack our competitiveness problem.

OPENING COMMENTS OF REPRESENTATIVE HOWARD WOLPE, NATIONAL CONFERENCE ON COMPETITIVENESS, APRIL 18, 1986

I want to welcome all of you to this National Conference on Competitiveness. First let me thank the members of the joint steering committee who have guided this process for the past year and a half. Ruben Mettler of TRW and Bob Edgar of Pennsylvania has co-chaired the effort to bring the groups together to work on common concerns. Participants from the Forum included Doug Danforth of Westinghouse, Bob Rosenzweig of the American Association of Universities, Frank Rhodes of Cornell, and David Saxon of MIT; members of Congress who participated including Claudine Schneider of Rhode Island, who is a member of the executive committee of the Northeast-Midwest Congressional Coalition and Buddy MacKay of Florida, a leader of the Sunbelt Council and the Congressional Clearinghouse on the Future. Their combined vision and practicality produced this extraordinary collaborative process.

Of course, we owe a lot to Father Ted Hesburgh of Notre Dame, who chaired the Forum during the first year of this effort and gave it a strong push; and to Ed Donley of Air Products and Chemicals, the current chair, who has participated extensively.

This really is a special occasion. We have with us this weekend leaders of most of the national organizations involved in the effort to enhance our nation's competitiveness: the foremost higher education associations—the American Council on Education and the American Association of Universities—and the top business groups—the Business Roundtable, the Chamber of Commerce, and the National Association of Manufacturers. In fact, Ed Donley this year is president of the U.S. Chamber as well as chair of the Forum, which gives him another pulpit from which to preach the competitiveness gospel.

And from the Congress, in addition to Claudine Schneider and Buddy MacKay, we have Representative Horton, a 23-year veteran of the House, my co-chair of the Northeast-Midwest Congressional Coalition, and the senior Republican on the House Government Operations Committee;

Senator Jeff Bingaman, who chairs the Senate Democratic Working Group on Economic Competitiveness;

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Representative Don Baker, chairman of the Foreign Affairs Subcommittee on International Economic Policy and Trade, of the House Export Task Force, and of the House Democratic Trade Task Force;

Representative Don Ritter, co-chair of the Republican Task Force on High Technology Initiatives;

Representative Stan Lundine, who chairs the House Task Force on Industrial Innovation and Productivity and the Banking Subcommittee on International Development Institutions and Finance;

Representative Sandy Levin, who chairs the Democratic Task Force on Employment and Training;

And Representative Nancy Johnson, Ron Packard, and Pat Schroeder, who have been pursuing these same concerns through major committees like Public Works, Science and Technology, and Armed Services.

To make sure that those members of Congress who have participated in the process leading up to this conference but could not be here this weekend are kept in the loop, I would like to invite the leaders of the higher education and business organizations to a breakfast the Coalition will host when the report from this conference is published. That should be an excellent opportunity to give our effort an added push.

At this point let me thank the staffs of the Business-Higher Education Forum, the Northeast-Midwest Congressional Coalition, and the Congressional Clearinghouse on the Future for the hard work they have put in organizing this event for us.

All three of these organizations are unique in their own way. But even more unique is the notion that chief executives of our leading corporations, heads of colleges and universities, and members of Congress from both parties could recognize their common interest in the nation's competitive posture and organize a process, not simply to generate another report, but to devise an action agenda to which they would commit themselves. I doubt that there is a peacetime precedent for such an effort.

Those of us in the Congress who have been active in the Northeast-Midwest Congressional Coalition know how important a cooperative approach is in addressing difficult economic problems. For the past ten years our region—which includes all the older Northern industrial states—has been going through a dramatic economic shift. Increasingly, members of the Coalition have realized that we must respond to the global forces that are causing economic distress and dislocation—but we must do so in very specific terms. This requires flexible federal policies that are targeted to those places and people who need the most help adjusting to economic change. By following this guideline, the Coalition has carved out an important role on issues like economic development, energy, tax and budget policy, and employment and training.

This is one reason collaboration between members of Congress and leaders of corporations and academic institutions on the issue of competitiveness is so valuable: Your insights and priorities can help us make better policy. At the same time, of course, we can help the private and education sectors identify those actions they can and should take on their own.

A year ago January, almost 30 members of Congress—from all regions and both parties—attended the initial joint meeting with the Forum in Scottsdale, Arizona. There we held an initial set of discussions to identify those areas related to U.S. economic competitiveness where our interests joined. The subsequent meetings we held in Cambridge, Pittsburgh, and Palo Alto helped further narrow the focus of our concerns. Each of these drew excellent representation from the business and higher education communities and from members of Congress.

Even before formal adoption of any of the recommendations developed at the regional meetings, this relationship has paid off in a number of ways. Since our meeting in Scottsdale, two delegations of Coalition members have visited Japan for discussions on trade and other issues related to competitiveness. On one of those trips they were joined by Frank Rhodes and David Saxon. Both delegations received a great deal of planning and logistical support from TRW's offices in Washington and Tokyo.

Besides the knowledge they gained, members identified specific areas on which to work. For example, Sandy Levin and Marcy Kaptur have led a drive to open the Japanese market to American auto parts. In fact, Marcy became famous in Japan as the woman who carried a sparkplug—an American-made sparkplug—with her wherever she went.

As a result of their efforts, Japanese companies decided to participate in an auto fair held in Chicago shortly after their trip. Sandy and Marcy also hosted a conference on trading with Japan for automotive product manufacturers that was attended by executives from almost 100 American companies. Every major Japanese auto firm sent representatives to the conference, which was sponsored by the Coalition and carried out with financial support and a great deal of staff assistance from TRW.

On top of all that, we learned last week that—at least partly at the Coalition's urging—auto parts almost certainly will be included in the next round of MOSS talks between the U.S. and Japan.

Let me close by saying that with this record of action and success, we come to this conference in a very optimistic frame of mind. We believe the recommendations we make here will be enacted—that they will increase the competitiveness of American industry and enhance the contribution of our college and universities.

Of course, that will require continued effort from all of us. But the excellent work we've done over the past year and a half has laid the necessary foundation. Now we just need to build on it.

Opening Remarks of Representative Frank Horton, National Conference on Competitiveness, April 18, 1986

I want to thank the members of the Northeast-Midwest Congressional Coalition, the Business-Higher Education Forum, and the Congressional Clearinghouse on the Future for convening this National Conference on Competitiveness.

Since 1962, when I was first elected to Congress, we have seen dramatic changes in the American economy—changes that have posed enormous challenges for our political system. Government policies in relation to those changes have not kept pace. Neither Congress nor the executive branch has dealt well with the "internationalization" of the economy, or its harmful effects on various regions of the country. Only recently did we realize that much of American industry had ceased to be competitive; that the jobs and markets we had lost might never be regained; and that the future would bring much of the same.

Our domestic economy increasingly is being influenced by decisions made elsewhere around the world. Beginning with the 1973 OPEC oil embargo, we learned the hard way just how closely our domestic economy and foreign policy were intertwined. Now, we are much more aware that what we usually think of as domestic economic decisions—on interest rates, taxes, and the deficit—reverberate around the globe. They shape the economies of other nations as well as our ability to achieve international objectives.

We in Congress are engaged in much debate over issues relating to those points at which the domestic and international economies intersect. The price of oil, the value of the dollar, trade policy, the health of the banking system, the farm crisis—these are issues that go beyond our borders.

Those debates have been characterized by deep ideological and political differences. That is why our efforts here this weekend are so important. This joint project has involved Republicans and Democrats, moderates, liberals, and conservatives. We are joined in a consensus-building process with leaders of major corporations and academic institutions. By focusing on those areas where we can *reach agreement* and *take action*, we will be bridging gaps that have separated us. And we will be doing it in the national interest.

If this process works—and the Coalition is committed to making it work—it will be a significant step toward a better integration of our domestic and foreign economies.

DOLLARS FROM HEAVEN

HON. BILL NELSON

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, April 23, 1986

Mr. NELSON of Florida. Mr. Speaker, Paul Harvey recently prepared a news article titled "Dollars From Heaven." This article highlights some of the many, many technological advances and achievements which the citizens of the United States enjoy today as a result of the past quarter of a century of investment in space. As we contemplate the future direction of our investment in space, and measure our commitment to the future in terms of fiscal year 1987 budget dollars, I strongly urge all of my colleagues to read Mr. Harvey's article, and to remember the message which it offers.

Dollars From Heaven

While future space probes are on hold . . .

While Americans are contemplating the risks involved . . .

Seems a good time to audit some of the stardust we've harvested.

The Statue of Liberty began crumbling during its first hundred years because the steel skeleton was rusting away.

The rehabilitated Statue of Liberty will be protected against such degradation by a protective coating known as IC 531—a spinoff product from aerospace research.

And it is available already for you and me to use to rustproof whatever.

Your bowling ball will be more precisely top-weighted because of an Exactratron process developed for interplanetary spacecraft.

For farmers—using oil or gas to blow-dry crops is costly and tedious.

Space research has taught us a drying process, akin to microwave, applicable for drying agricultural products including wheat and corn but also prunes and raisins—cleanly, quickly and at less cost.

Most lightplane accidents result from a "stall." That will be a lesser hazard from now on because of a "glove" mounted on the outer portion of the leading edge of each lightplane wing.

NASA research taught us that. And a lot of lightplanes which would have crashed—won't.

Industry strips wire less tediously, using a laser to melt away insulation. You get the benefit; NASA deserves the credit.

Teflon is something that happened on our way to the Moon—and ceramics, tough enough for a stove top.

Most modern better-than-ever cameras and flashlights were developed for spacecraft.

NASA taught us to machine monel, so your kitchen faucet will be better and cost less.

While much of the technical fallout is too complicated to describe in lay language, there is enough of it to ascertain that every dollar we have spent on space research has profited us seven.

Plus medical benefits beyond price: Nuclear magnetic resonance for scanning the inner workings of your body without opening you up.

A new portable heart monitor, improved eye examination techniques, microbe detectors, bone analyzers. In a zero gravity environment we learned cheaper methods of treating burns, blood clots and diabetes.

The western world was first explored by conquistadores seeking "gold"; they found little.

In our quarter-century of exploring beyond the beyond we have harvested riches beyond their wildest imagining.

A TRIBUTE TO LT. COL. EUGENE C. CHANDLER

HON. ROY DYSON

OF MARYLAND

IN THE HOUSE OF REPRESENTATIVES

Wednesday, April 23, 1986

Mr. DYSON. Mr. Speaker, it comes as a great honor for me to pay tribute to a gentleman whose courage, charisma, and compassion has won him the love and respect of both the military and civilian communities. I speak of Lt. Col. Eugene C. Chandler, who will be honored in Maryland's First Congressional District this Sunday, April 27, 1986, by the Union Methodist Church at the Aberdeen Proving Gounds.

When I look at Colonel Chandler's extraordinary portfolio of accomplishments, I see a man who transcends the common bounds of patriotism and brotherhood. At every step, Colonel Chandler has remained steadfastly committed to upholding and promoting the American rights of freedom and equality; whether it be defending our flag in far-off lands or defending racial equality right here in the United States.

Colonel Chandler's storied military career spanned more than two decades. Upon graduation from college in 1951, Eugene Chandler received and completed the basic infantry officers course at Fort Benning, GA. Subsequently, he completed the artillery battery officers course at Fort Sill, OK; the airborne and ranger courses at Fort Campbell, KY; and graduated from the Command and General Staff College in 1965.

During his period of active duty, Colonel Chandler served heroically as platoon and company commander in Japan and Korea in 1953–54; adjutant of the 101st Airborne Division at Fort Campbell, KY; the 25th Infantry Division in Hawaii; the Military Assistance Command as advisor to the Republic of Vietnam; chief of personnel and services of the Field Artillery Board at Fort Sill, OK; and equal employment manager of the U.S. Army Test and Evaluation Command at the Aberdeen Proving Grounds.

Among the many decorations accorded Colonel Chandler during his brilliant military career are the Legion of Merit, the Bronze Star, the Air Medal, the Army Commendation Medal, the Combat Infantryman's Badge, the Parachutist Badge, and the Vietnamese Honor Medal First Class.

If Colonel Chandler's military accomplishments are impressive, his civilian achievements have been extraordinary. Since his retirement from the military in 1971, the colonel has been the recipient of a staggering array of awards for his work in the community: Department of the Army Certificate of Achievement, 1974; listed as 1 of 20 outstanding graduates by the Agricultural and Technical State University of North Carolina, 1976; Community Service Award from the Harford County Branch of the NAACP, 1977; Department of the Army Certificate of Achievement, 1979–84; letters of commendation from the Boy Scouts of America, 1984; letter of commendation from the United Negro College Fund, 1984; Southern Poverty Law Center Certificate, 1984; Department of the Army Commander's Award for Civilian Service, 1984; 1985 Career Service Award from the Baltimore Federal Executive Board; NAACP President's Award, 1985; and the Army Material Command Action Award, 1985.

Colonel Chandler is truly a man of remarkable achievements. His tireless and, indeed, endless efforts to improve the lot of those around him serves as a tremendous inspiration to all that know him. It can well be said that it is people such as Eugene Chandler who represent the essential fiber that binds this great Nation together in a time of world unrest.

So, Mr. Speaker, I proudly salute Col. Eugene Chandler, who stands as source of great pride to his family, community and Maryland's First Congressional District.

A TRIBUTE TO MERRITT W. SPRAGUE, MANAGER OF FEDERAL CROP INSURANCE CORPORATION

HON. COOPER EVANS

OF IOWA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, April 23, 1986

Mr. EVANS of Iowa. Mr. Speaker, Merritt W. Sprague of Illinois, will depart in a few days from his post as Manager of the Federal Crop Insurance Corporation to return to his Pike County, IL, farming operation. As he completes his tenure as Manager of a most difficult program, it is appropriate that we look at accomplishments during his tenure as Manager.

Based on premium volume between 1948 and 1984, my home State of Iowa has been the second largest user of this form of insurance. I know many farmers who are still in business today because they had the good sense to buy crop insurance.

Mr. Sprague came to Washington, DC, from Illinois where he grew corn, wheat, and soybeans on 2,000 acres and annually marketed 5,000 hogs. He also served as the Illinois State Chairman of Agricultural Stabilization and Conservation Service from 1973 to 1977.

In Washington, Mr. Sprague served as Deputy Administrator for Commodity Operations at Agricultural Stabilization and Conservation Service beginning in March of 1981. While there he was responsible for the administration of the Milk Price Support Program, management and storage of all Commodity Credit Corporation owned inventories—dairy products, food and feed grains, and sweeteners—and procurement and transportation for Public Law 480, title II programs.

Passage of the Federal Crop Insurance Corporation Act of 1980 as a replacement for our annual disaster programs overnight obligated the Corporation to move from being a limited pilot insurance program to becoming the primery form of Federal disaster protection for farmers. Between 1980 and 1982 when Mr. Sprague assumed the leadership of the Corporation, five different persons served as Crop Insurance Corporation Manager.

The results Mr. Sprague and the FCIC achieved in a short period of time are significant. Under his leadership, FCIC developed and fully implemented a production-based guarantee program, which makes crop insurance attractive for our Nation's most productive farmers. County programs increased almost 300 percent, from 4,629 in 1980 to 18,892 in 1985. Acres insured, insurance in force, and premium income also increased dramatically. In 1980, there were 26.6 million acres insured compared with 48 million for the 1985 crop year. Insurance in force increased for the same period from $3 billion in 1980 to over $7 million in 1985. Premium incomes increased from $158 million in 1980 to over $440 million in 1985.

Clearly there continue to be major problems facing our Federal Crop Insurance Program, but to achieve these kinds of results while American agriculture is going through some wrenching adjustments requires solid leadership. We all owe Mr. Sprague a debt of gratitude for his dedication and commitment to American agriculture and the crop insurance program and to wish him well as he leaves Government service to return to his farm.

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STATEMENT TO ACCOMPANY INTRODUCTION OF BILL TO REPEAL NATIONAL ADVISORY COMMITTEE ON OCEANS AND ATMOSPHERE

HON. WALTER B. JONES

OF NORTH CAROLINA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, April 23, 1986

Mr. JONES of North Carolina. Mr. Speaker, today I am introducing a bill to repeal Public Law 95–63, the National Advisory Committee on Oceans and Atmosphere [NACOA] Act of 1977.

This bill deauthorizes NACOA, terminating it on October 1, 1986. This action is both necessary and timely given the administration's continual failure to recommend support for NACOA and the growing dissatisfaction of Members of Congress with the committee.

The original concept of an advisory committee on oceans and atmosphere was developed in 1969 by the highly respected Commission on Marine Science, Engineering and Resources—Stratton Commission. The Commission recommended that a committee be formed by Congress "to examine marine science affairs and to develop a national strategy for a well integrated, centrally coordinated program." Later, the NACOA Act of 1977 more specifically mandated that the committee review national coastal and ocean policy and programs, and advise the Secretary of Commerce on the programs of the National Oceanic and Atmospheric Administration [NOAA].

At present, NACOA's attempts to carry out these functions have been severely hampered by both internal and external factors. Internally, expertise in disciplines of marine and atmospheric science is severely under-represented by NACOA's membership. Furthermore, the relationship of NACOA to the National Oceanic and Atmospheric Administration as defined by NACOA's charter leaves doubt as to whether it can function as a truly independent entity. These deficiencies have incurred public criticism and have raised serious doubts about the credibility of this advisory body.

Externally, NACOA has not had the support of the administration. For the last 4 years, the President's budget has proposed to terminate NACOA. Meanwhile, congressional support has been diminishing with ever increasing budgetary pressures and a continuing concern was aroused further with the President's unsuccessful attempt to nominate Anne Burford to be chairperson of NACOA in 1984.

In my view, the major deficiencies of the committee are largely due to the unsatisfactory process for appointment of members, its apparent lack of structural and budgetary independence, and inadequate financial support for its mission. Although NACOA is a Presidential and congressional advisory committee, all 18 members are appointed by the President with no congressional input. In the 98th Congress, the House twice attempted to rectify this situation through passage of legislation to create a National Ocean Policy Commission. More recently, informational discussions have been held on a reconstituted NACOA.

In introducing this legislation, I want to make clear to my colleagues that my dissatisfaction is with the current structure of NACOA. It is not intended to reflect negatively on any current or past members of NACOA or on the hard work and good intentions of its staff. In past years, NACOA earned the respect and confidence of the Congress, the administration, and the scientific community under the leadership of John Knauss, dean of the Graduate School of Oceanography at the University of Rhode Island. In the last 2 years, John Flipse, associate dean at Texas A&M University, has done a commendable job of directing the committee despite the difficult obstacles presented by current administration policies. Nevertheless, the time has come to repeal Public Law 95–63 because of the inadequate process by which members are appointed, the lack of true structural independence, and the absence of compelling support for NACOA's work.

The current budget realities compounded with growing U.S. reponsibilities in the exclusive economic zone and the lack of a comprehensive national ocean policy emphasize the compelling need for an independent advisory body. NACOA's existing structure does not adequately address this need. However, I believe that an effective advisory body can be established, and I will continue my efforts to develop legislation to create an independent, viable oceanic and atmospheric advisory body.

Mr. Speaker, we have tried to address the weaknesses of NACOA through legislation, but these efforts have been unsuccessful. Although I do not relish this task, it is time to take final action to terminate this advisory body. NACOA's existence can no longer be justified in its present form.

ANNETTE LIANN WATERS TO RECEIVE SCHOLARSHIP FROM THE VETERANS OF FOREIGN WARS OF THE UNITED STATES AND ITS LADIES AUXILIARY

HON. SANDER M. LEVIN

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Wednesday, April 23, 1986

Mr. LEVIN of Michigan. Mr. Speaker, I would like to draw the attention of my colleagues to a speech written by one of my constituents, Annette Liann Waters. Miss Waters is the winning candidate in the Voice of Democracy scholarship program from the State of Michigan. The Voice of Democracy Scholarship Program is conducted every year by the Veterans of Foreign Wars and its Ladies Auxiliary and scholarships are awarded to the winning contestants from each State based on their submitted essays.

The Veterans of Foreign Wars, one of the Nation's oldest veterans service organizations, has sponsored the scholarship program for the last 24 years. During this time over 5 million students have participated and awards totaling more than $3 million have been given to winners at all levels in scholarships and savings bonds. First place winners from each State receive a $14,000 scholarship to the school of their choice.

Miss Waters, a senior at Cass Technical High School in Detroit, has powerfully and eloquently addressed the contest theme for this year, "New Horizons For America's Youth" in her winning essay. She is an honor student and a volunteer for the Detroit Recreational Department. She plans to attend the University of Michigan in the fall and she would like to pursue a career in law. Annette's essay is an inspiration to us all. Surely "great horizions" await us with Young people like Annette Liann Waters.

The essay follows:

NEW HORIZONS FOR AMERICA'S YOUTH

(By Annette Waters)

I'm standing on the shore of destiny in America, waiting for the sun to rise. A new and brighter day is slowly awakening. As far as the eye can see to the right and left is water. Here I stand under God's firmament looking down at the reflection of my hands in the clear water. These hands are relatively new on this earth and have strong workable muscles controlled by a worlds changing instrument, my mind. These hands could offer the foundation for someone's education. They could reach out to the child who feels caught in a chain of hopelessness and inspire him to develop a positive outlook on life. If encouraged and guided, young minds know no bounds and won't produce words such as "can't" and "not able to". My generation must reach children. We must let them know that there is hope for the future and that they can play an important role in that future.

Through the knowledge and skills acquired from education, America's youth can one day help to wipe out existing poverty, hunger, immorality, and despair in our country. Thus all may share in the radiant new horizon which inspired young American minds help to create. The determined hands of today's youth can also reach out tomorrow to those who have fallen prey to devasting illnesses. We, through the skillful use of our educational opportunities, can one day say, "we've found it. We now possess a vaccine for cancer. Diabetes, heart disease, and arthritis no longer devastate the lives of their victims because we can now cure them and we can even control the deadly disease, AIDS". These hands could soon reach out to little children and say, "I've found the cure to your muscle disorder. Help is here. Take my hand in yours. A healthier future is in this grasp; it's in this Union".

Hands are meant to discover, to create, to assist and to build. Hands are not meant to be the instruments of violence, but rather of peace . . . the peace and understanding that Dr. Martin Luther King, Jr., and other American patriots lived and died for.

As I gaze at the reflection of my hands in the water, the stillness is suddenly broken. Waves of the sea rise up and clash against the rocks, causing me to think of young minds that rise up against society in crime, destruction, and violence. The clashes of the sea sound like gun shots . . . shots that are the result of misguided hands that pull triggers. Guns have to be directed away from America's youth, but this will only happen when we help them to establish positive values, to adopt a sense of selfworth and belonging, and to gain compassion for their fellow man. They must be uplifted and taught to realize the most precious gift of all, the sacredness of life.

Americans are blessed with opportunity and the power to affect life through knowledge, imagination, integrity and the ability and willingness to achieve. These are the ingredients that ultimately build and pave the way for our children and their children after them, so that they may lead a more secure and fulfilling life. Today's youth can reach out and grasp this precious power. We must mold it with special care in order to improve the quality of life in our nation and from there to help our neighbors in distant lands.

As I look to the horizon, I see a new born figure standing in the midst of the water. The sun starts to rise; the fog melts away and through the dedication of man and the skill of technology, blindness no longer plagues the human eye. The sun begins to blaze, melting the frost, and homeless people find jobs and shelter. The sun starts beating and warming my soul with the promise of a new and better future for the drug abuser, indeed for all mankind. This is a result of the figure standing in the midst of the water, supported by the faith and devotion of man. That figure is everyone. It doesn't matter what creed, color, handicap, or gender. What matters is that together young Americans believe in and work for a healthier, more humane and stable society. Help is here. Take my hand in yours. Our bountiful future, a better day, is in this grasp. It's in this union.

DEMOCRACY ON THE MOVE

HON. WILLIAM O. LIPINSKI

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, April 23, 1986

Mr. LIPINSKI. Mr. Speaker, although the 1980's continue to be a time of turbulence and misunderstanding throughout the international community, it has also presented this Nation with a foreign policy challenge that will continue to offer hope and opportunity to all our friends who espouse the principles of democracy.

Recent trends in global affairs have made it necessary for our Nation to adopt a bold and imaginative foreign policy which will help shape events in accordance with our vision for a safer and more peaceful world community.

Across this globe we have begun to see a democratic renaissance, one where the basic principles of liberty are taking hold in country after country, demonstrating a desire and appeal to the framework of our ideals.

Although our system of democracy offers a powerful appeal to developing nations, we are still hard pressed to face the challenges of communism and terrorism which plague this planet at epidemic levels.

In meeting these challenges, one fact remains undeniable—the yearning for political freedom continues to be the most desirable goal for most members of the international forum. As the strongest democracy on Earth, we play an integral role in the support of people who aspire to the basic constitutional freedoms that we, as U.S. citizens, enjoy today.

The clearest example of this whirlwind of democracy is in the Latin American region, where Guatemala has been the latest to join the ranks of countries who have opted for civilian governments in lieu of the oppressive military regimes of the past. As Secretary of State, George Shultz, recently stated: "In the last 6 years, elected civilian governments have replaced authoritarian regimes in Argentina, Guatemala, Honduras, Peru and Uruguay. Over 90 percent of all people in Latin America and the Caribbean now enjoy a democratic form of government as opposed to less than one-third in the early 1980's." It is clear that the people of these countries have realized that the basic freedoms offered by democracy such as the right to vote, to worship, and to speak openly offer a wider range of opportunities for themselves and their children than the false promises offered by the past regimes.

Undoubtedly, our moral, economic and security assistance can make the difference between the success and failure of those recently conceived democracies. Our commitment to human rights, social and economic progress place us in a leadership role that must continue to be a source of inspiration to all young democratic nations.

The Soviet Union continues to pose a serious challenge not only to this Nation but also to the interests of the free world. Although, our countries represent philosophies that are at opposite ends of the spectrum, the continued buildup of our respective nuclear arsenals encourages us to pursue a constructive dialogue with the Soviet Union whenever we can without abandoning our basic principles.

Successful negotiations in the future with the Soviets will remain contingent upon American strength. In dealing with the Soviet Union, diplomacy and American strength are synonymous. Our defense preparedness along with a continued commitment to the strategic defense initiative remain crucial bargaining chips. Our defensive posture in nuclear weaponry makes our negotiating position much more viable in realizing the universal goal of a safer world.

One of the most important challenges facing our Nation continues to be international terrorism. Recent attacks in the West Berlin discotheque and the Rome Airport which were supported by the Libyan Government, solidifies our resolve to track down and punish the perpetrators and sponsors of these unconscionable acts.

Terrorism is simple international warfare conducted and aided by a handful of radical governments which follow an archaic philosophy destined to undermine democracies throughout the world. The growing sentiment permeating from the international community is that apathy and appeasement offer no solution to the terrorist movement. We must continue to improve our intelligence efforts and develop a closer cooperation and coordination with other governments to combat this problem.

One point that must be made clear is that the U.S. Government will act swiftly and effectively against terrorist activities, and those governments who aid these international criminals will be held accountable in the harshest terms where the lives of Americans are threatened abroad.

As we move forward to meet the challenges of the future we, as a nation, must continue to advocate the support of the ideals and principles of democracy for young developing nations to emulate.

America must remain a beacon of hope and model of democracy if we are to preserve and advance the ideals of peace, freedom, and security in the world community.

THE CASE AGAINT TAX AMNESTY

HON. J.J. PICKLE

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, April 23, 1986

Mr. PICKLE. Mr. Speaker, last month I warned my colleagues not to leap on the tax amnesty bandwagon without a careful review of the issues involved. In that regard, I hope my colleagues will take a moment to read the following commentary which appeared in the April 6 edition of the Washington Post. This article was written by our colleague, BYRON DORGAN, a member of the Ways and Means Committee and a former State tax commissioner. The gentleman from North Dakota is well qualified to speak on the tax amnesty issue and I believe the Congress will find this article informative and convincing.

The article follows:

TAX AMNESTY IS FOOL'S GOLD

(By Byron L. Dorgan)

In a town increasingly seduced by the quick fix or the simple answer, tax amnesty is made to order. It's quick to implement, easy to understand—and wrong.

No one I know is discussing tax amnesty as a move toward tax equity or good tax policy. It is being discussed now because some see it as an easy way to achieve additional revenue without calling it a tax increase. They think they can avoid a fight with the president over the definition of a tax increase.

As a former state tax administrator, I see two things fundamentally wrong with the proposal for a federal tax amnesty program. First, it would weaken confidence in our tax system for the overwhelming majority of Americans who honestly and conscientiously report and pay their income taxes each and every year. Second, I don't believe it would result in any significant new revenue for the federal government.

The state tax amnesty programs were launched from a platform of weak enforcement, a promise of amnesty and a threat of beefed-up enforcement in the future. This carrot-and-stick approach did, in some instances, provide an incentive for tax evaders to come forward to pay up. But it is important to point out that state income taxes are only a fraction of the federal income tax burden and, therefore, much more easily repaid during an amnesty period. For these reasons, I don't think the state experience is a model with which to predict a successful federal program. I don't believe a federal tax amnesty program would result in any significant new revenue to the federal government.

Those who want to make certain that our income tax system yields revenues that this country needs and expects ought to join some of us in Congress who have been pleading for restoration of enforcement funds for the Internal Revenue Service, so it can properly enforce our tax laws. In

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recent years, under President Reagan's lead, there has been a serious decrease in funding for tax law enforcement at the Internal Revenue Service. The number of tax returns audited by the IRS has suffered an alarming decrease. The number of IRS agents working on accounts receivable and compliance has decreased. This simply doesn't make sense. It is even more illogical to follow a decrease in tax law enforcement with the offer of tax amnesty.

Until recent years, our tax system had been the marvel of the world. It relied on the voluntary cooperation of the millions of Americans who on April 15 were willing to meet their responsibilities as citizens. In recent years, the president and Congress have nearly ruined the tax system by using it as a cash register for social and economic engineering: an incentive here, a loophole there. The fairness of the system has been eroding at the very same time that enforcement funds have been cut.

Now as we wrestle with tax reform to make the system more fair, some in Congress propose that those citizens who have fulfilled their tax obligations should understand and accept a program that rewards those citizens who didn't. That's quick and certain way to further erode the taxpayers' confidence in a system that is already in trouble with the folks back home.

But in these days of quick answers and gain with no pain, tax amnesty is made to order for the administration and this Congress. It overpromises in the short run and ignores the damage it would do in the long run.

It's time for all of us to do the right thing the right way. We need to make our tax system more fair, beef up enforcement and raise sufficient revenues to pay for that which government spends. I know it doesn't have as much sex appeal or pizzaz as some marginal progress—such as tax amnesty—that some claim would manufacture money, but this approach would really work. It could be the first step toward a habit of doing the right thing.

ENVIRONMENTAL AND NATURAL RESOURCE EXPLOITATION AS AN UNFAIR TRADE PRACTICE

HON. JOHN F. SEIBERLING

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Wednesday, April 23, 1986

Mr. SEIBERLING. Mr. Speaker, I am today introducing legislation to remedy the unfair trade advantage derived by some countries from the reckless exploitation of their environment, or from the unsound development of their natural resources.

The United States has a long-established system of controls for protecting our environment, our precious natural resources, our native flora and fauna, and our historical and cultural heritage. We recognize that it is in our own best interest to preserve and protect our environment. We also recognize that environmental and natural resource degradation is a global problem. Acid rain, for example, respect no national borders.

Our domestic environmental and natural resource protection efforts add to the cost of American goods and commodities seeking markets in the international trade arena. But it is a price we are prepared to pay as a matter of national policy; because we recognize clearly how precious these resources are.

Unfortunately, the same cannot be said for all nations of the world. In fact, some countries recklessly and deliberately exploit their environment and natural resources in their efforts to gain a short term trade advantage.

Tropical rainforests, for example, are crucial to the global environment, particularly to the world's supply of oxygen. They are also vital to the preservation of our biological and horticultural diversity. Our rainforests provide us with plants from which we may develop new medicines. Their vegetation yields new plant strains resistant to insects and disease. Even the fruit bats which live in the rainforests are crucial to the pollination of fruit and timber, and hence play a key role in the preservation of important timber and plant and food resources.

Yet some countries, are permitting and even actively promoting the rapid destruction of this vital resource. Mostly this is done with the old slash and burn technique, where huge areas of the rainforest are bulldozed and burned to expose the topsoil. That is then used, in turn, for planting grass for grazing livestock, which is fattened quickly, slaughtered, and exported. Unfortunately, the cleared land remains useful for only a few years. The topsoil simply washes away, rendering the land useless and barren. We have only to look at the horrible starvation in Africa, and the rapid desertification of much of that continent, to recognize how dangerous these practices can be. Of course, unsound developmental and environmental practices are not limited to the destruction of tropical rainforests.

In effect, these techniques are being used to gain an unfair trade advantage over more responsible countries. Although the rapid degradation of the environment is a matter of concern to all nations, the international trade system does not require the bad actors to pay the full and true costs of their unsound practices. In fact, it requires them to pay no cost at all. The result is an unfair trade advantage which costs American workers their jobs, as businesses shut down factories in the United States and open them overseas to take advantage of cheap labor, cheap exploited resources, and lax health and safety and environmental standards. But the problem is not simply limited to unfair trade. These practices also threaten the devastation of the global environment.

These practices must be stopped. Certainly, the United States should—and does—educate less responsible countries to their own environmental interests. If need be, we should provide technical assistance or low-interest loans to enable developing countries to improve their infrastructure in ways which do not conflict with sound environmental or natural resource conservation practices.

But we should also be prepared to press for a system of international trade agreements which do not reward those countries which recklessly destroy their environments for the sake of trade. One way of meeting this aspect of unfair competition would be to press for changes in the General Agreement on Tariffs and Trade [GATT] which will enable responsible countries to offset the unfair trade advantage derived by our less responsible neighbors.

The legislation I am introducing today would direct the President, at the upcoming GATT round, to seek the adoption of international trade standards tied to basic standards for preventing air and water pollution, soil erosion, hazardous waste contamination, extinction or endangerment of species, and other natural resource degradation. The bill would also direct the President to seek the adoption of such incentives and disincentives as may be necessary to implement such trade standards. In order to provide the technical expertise necessary for the development and promotion of these environmental trade standards, the bill would authorize the creation of the Interagency Advisory Committee on International Environmental Protection. The committee would be created through currently available resources.

In the event that we are unable to persuade our trading partners to work toward the adoption of international environmental trade standards, the President is directed to report to the Congress on what action may be taken, and is recommended, to eliminate current trade preferences given to countries whose trade practices involve unsound environmental and natural resource practices. It is bad enough that some countries derive an unfair trade advantage from polluting their environment. There is absolutely no reason why the United States should compound that advantage by giving them trade preferences as well.

Mr. Speaker, I do not suggest that enactment of my bill would automatically eliminate pollution, or immediately improve the relative trade position of the United States. But it is time that we induced our trading partners to acknowledge what we have lo LOSS

HON. RICHARD STALLINGS

OF IDAHO

IN THE HOUSE OF REPRESENTATIVES

Wednesday, April 23, 1986

Mr. STALLINGS. Mr. Speaker, on April 10, 1986, the citizens of Idaho suffered a tragic loss when Pete Busch, a candidate for a seat in the U.S. House of Representatives; his wife, Charlene; and former State Senator Terry Reilly, who was a candidate for Lieutenant Governor in Idaho, lost their lives in an airplane crash.

Pete and Charlene Busch were the personification of the grassroots public servants for which Idaho is known. They took their message to the people, campaigned hard, asked to serve, and truly wanted to represent the people of Idaho. It is tragic that they perished in this attempt.

Terry Reilly was one of our rising Democratic stars who will be missed. Terry came on the political scene as an exceptionally bright and effective State senator. It is not only a loss for his family and the Democratic Party, but for the people of Idaho who had much to gain from his public service.

I would like to insert in the CONGRESSIONAL RECORD an editorial from the Idaho Statesman of April 12, 1986. This editorial pays tribute to these outstanding individuals.

One was a plain-spoken, hard-thinking man who'd served his country in combat and knew too well the horrors of war.

Another was a witty, determined man who had served his state and his community to help those in need.

Thursday night, they died in the crash of a small plane in eastern Idaho.

Neither Pete Busch nor Terry Reilly could have been described as mainstream Idaho. They were liberal Democrats swimming against Idaho's conservative tide. But they were men of conscience, conviction and purpose. They will be missed.

Mr. Busch, 51, a realtor, was a former Marine fighter pilot who had flown 400 combat missions in Vietnam. His experiences there turned him into a fervent opponent of the nuclear arms race and of military aid to Central America.

In 1984, Mr. Busch lost in his effort to unseat Sen. Jim McClure, but came back this year to run against First District Congressman Larry Craig.

Mr. Busch married in late 1984. His wife, Charlene, died with him in the plane crash.

Terry Reilly, 39, was a big, strapping Irishman from Nampa.

From 1982 to 1984 he served in the Idaho Senate, but lost his bid for a second term. This year, he sought the Democratic nomination for lieutenant governor. At the time of his death, he was campaigning on behalf of a state lottery initiative.

During his Senate years, Mr. Reilly brought a breath of fresh air to that stodgy chamber. He got a lot of laughs, for instance, with his annual "Wilted Shamrock Award" for waste in state government. But he had a serious side.

Mr. Reilly was administrator of Community Health Clinics Inc., a project he started in the '70s to provide health care to Hispanics. Community Health now operates in five cities and also provides the SANE (Sexual Abuse Now Ended) program.

Mr. Reilly was a family man, too. There are certain images that linger of his Senate years: his two young sons, watching their dad from the Senate gallery; his wife, Rosie, filling in for him during an absence; his father looking on during Senate debate.

Thursday night, in a remote part of eastern Idaho, the plane carrying Pete Busch, Charlene Busch and Terry Reilly went down. A lot of dreams went down with them. It's a sad day for all of us.

SUPPORT OF THE PROCESSED PRODUCTS INSPECTION IMPROVEMENT ACT OF 1986

HON. CHARLES W. STENHOLM

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, April 23, 1986

Mr. STENHOLM. Mr. Speaker, I rise to seek support for legislation I am introducing today, the Processed Products Inspection Improvement Act of 1986. I am confident that favorable congressional action on this bill will provide substantial benefits to the consuming and taxpaying public by making the Federal meat inspection program more effective, efficient and better equipped to protect the public health.

The legislation is simple and straightforward. It would allow the Secretary of Agriculture greater flexibility in allocating inspection resources to meat processing—as opposed to slaughter—establishments. In determining the appropriate level of inspection, the Secretary would be directed to consider factors including first, the nature and frequency of the processing operations in question; second, the adequacy and reliability of an establishment's processing control and sanitary procedures; and third, the operator's history of compliance with the law.

The Secretary enjoys no such latitude under current law. To the contrary, he must provide what is known as continuous inspection at all Federal establishments. As a result, the daily physical presence of a USDA inspector is maintained regardless of the size, sophistication or reliability of a given facility.

Such a system probably made sense when Congress passed the original meat inspection laws in 1906. Meat processing of that era was relatively simple and generally integrated within a slaughtering operation. The five senses of the Federal inspector were the best available tools for use in an effort to assure product safety and consistency.

Our predecessors in this body obviously could not, however, have envisioned the present day American food processing network. Meat and meat products already inspected at the time of slaughter, and frequently at other processing points as well, are used as components of thousands of different products from hot dogs to frozen entrees to meat-topped pizzas. More and more companies are adopting sophisticated quality control systems, which include frequent product sampling, designed to assure continuing compliance with both regulatory requirements and company specifications.

In other segments of food processing, the Food and Drug Administration successfully maintains a system of random, periodic inspections. This leaves us with radically different inspection systems for vegetable soup versus vegetable beef soup; for pepperoni pizza versus mushroom pizza. Even in the area of poultry product processing, a parallel program maintained by USDA, the Secretary enjoys substantially more discretion in reaching his determinations about the allocation of inspection resources.

For several years a variety of experts, both inside and outside of the Government, have recognized the maintenance of this traditional inspection system in today's environment is outmoded, inefficient, and unnecessarily expensive. In 1977 the consulting firm of Booz, Allen & Hamilton conducted a review of the program for the Department and recommended passage of this type of legislation. Similar sentiments were expressed in a 1977 report issued by the General Accounting Office, and reiterated in 1981.

USDA began seeking this authority in 1982, advising the Congress at that time the passage of such legislation would enable the Department to deal more efficiently and effectively with the many different kinds of inspection situations it faced. In 1983 the Grace Commission came to a similar conclusion, recommending that the Secretary be given authority to provide more flexible inspection consistent with the legislative criteria specified in today's bill.

Finally, the National Academy of Sciences, as part of its comprehensive review of the Meat and Poultry Inspection Program published in 1985, recognized that processing plants with the capability or proven practice of instituting their own effective quality control programs reasonably might not require the ongoing physical presence of an inspector. Today's legislation is also supported by the American Meat Institute and other industry groups. In short, the jury is in on this issue, and there is clear consensus for change.

It is important to point out what this legislation will not do. It will not effect slaughtering operations, where the continuing presence of a Federal inspector will be maintained. It will not mandate adoption of any particular type of quality control system as a prerequisite to inspection. Establishments will remain free to employ whatever systems fit their own needs, so long as regulatory compliance is maintained. The bill will also not automatically reduce the amount of time spent by an inspector at each and every establishment. Should the Secretary determine that it is necessary, the number of inspectors in some establishments could actually be increased. One of the key benefits of the bill will, in fact, be the way in which it will serve to increase the public health protection by enabling the Secretary to utilize his resources where they will do the most good.

Another major factor which recommends the bill is the fact that it will save money. USDA has estimated that passage of this legislation will generate some $68 million in savings during its 5-year phase in period. The Department then anticipates yearly savings of approximately $27 million.

Obviously, passage of this legislation would therefore be extremely well timed. In the current budget environment, Congress can ill afford the luxury of failing to act in an area where there is clear consensus for change, where we have the opportunity to modernize an important public health program, and where we can realize such substantial savings. The current dilemma faced by the inspection program also dictates that we take action. As we have seen in recent weeks, under current budgetary constraints, the Department has had difficulty accommodating new requests for inspection services. While we seem to have gotten past the most recent crisis, we need to act now to head off the future risk of jobs going unfilled and a significant segment of the food and argicultural sector being unduly constrained in its daily operation, to the overall detriment of producers, packers, and consumers alike. By endorsing the status quo, we merely perpetuate these problems. By passing this legislation we begin the process of allowing for more sensible administration of the inspection system, both by eliminating unnecessary expenditures and by freeing up resources for use where they are most needed.

I, therefore, am convinced that we face a rare opportunity through this legislation to both improve the protection of the consuming public and to reduce unnecessary expenditures on behalf of the taxpayer. I urge support of the Processed Products Inspection Improvement Act of 1986 as a means of accomplishing such worthy goals.

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CANTERBURY ELEMENTARY SCHOOL WINS NATIONAL AWARD

HON. LOUIS STOKES

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Wednesday, April 23, 1986

Mr. STOKES. Mr. Speaker, although much has been said and written about the lack of intergenerational communication in our society, few will dispute the fact that a special relationship exists between children and the elderly.

The students and staff of Canterbury Elementary School of Cleveland Heights, OH, located in my district, have made a special effort to encourage and cultivate that relationship by annually sponsoring a Senior Citizens Day. In recognition of that program, the school was recently awarded a "Golden Achievement Award" by the National School Public Relations Association.

Mr. Speaker, Canterbury School is completing its first successful year as a magnet school with a special emphasis on communications skills. One of the goals of the school is to increase communications with the community, of which senior adults are a very special part. Because many seniors are retired and are longtime residents of the community, the Canterbury students believed that seniors would welcome contact with the school beyond their yearly visit to vote. They decided to invite not only the grandparents of Canterbury students to Senior Citizens Day, but extended the invitation to all senior adults of the school area.

Through extensive planning and the participation of students, teachers, parents, the community liaison coordinator and public relations director, the word was spread throughout the senior community through senior adult groups, local churches and temples and the distribution of posters and flyers. Soon, Senior Citizens Day had grown to Senior Citizens Month.

Mr. Speaker, it was a smashing success. Working under the theme "Communicating With the Young at Heart," the Canterbury family honored senior citizens during the entire month of November 1985. Some of the activities included:

A senior adult who was a former television show host gave a television production workshop with fifth grade students using the school's video equipment.

Several senior adults were invited to share the art of storytelling with many classes.

A grandfather showed fourth grade students the art of glass designs.

A senior adult who is a world traveler and museum docent shared pictures and adventures from his recent trip to Europe and Asia.

Kids on the Block, a touring puppet show, presented a show on aging which heightened student awareness of the capabilities and desires of some senior adults.

Senior adults were invited to join students and the Canterbury art teacher to work together on projects.

Municipal Judge Jean Murrill Capers spoke to an assembly of senior adults, students and parents.

Mr. Speaker, as a result of Senior Citizens Month, many senior adults have stayed on at Canterbury School as permanent volunteers, others have come in to conduct special projects and still others have donated books to the school library. The students have benefited also, by gaining a better understanding of the aging process, increasing their respect for senior adults, and increasing sensitivity toward our senior adult population.

On behalf of the residents of the 21st District of Ohio, I wish to congratulate Principal Katie Shorter, students, teachers, staff and parents of Canterbury Elementary School on receipt of the National School Public Relations Association 1986 Golden Achievement Award and on its successful efforts to communicate and interact with one of our community's most valuable resources—our senior adults.

TORT LAW CRISIS

HON. DON RITTER

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, April 23, 1986

Mr. RITTER. Mr. Speaker, continuing in my effort to bring pertinent information on the tort law crisis to the attention of my colleagues, I trust they will find this commentary from the December 1985 issue of Financier, written by Robert D. Kilpatrick, chairman of the CIGNA Corp., of interest.

SUPERFUND INSURANCE PROBLEMS SYMPTOM OF FLAWS IN TORT SYSTEM

(By Robert D. Kilpatrick)

Superfund legislation, because of its extraordinary extension of personal responsibility and retroactivity, is making even worse the problems the property-casualty insurance industry already faces, Mr. Kilpatrick contends in this article written for Financier, and is making insurance for environmental liability exceedingly difficult and costly to obtain. The Chairman of CIGNA puts the environmental difficulties in the larger context of the fundamental crisis in the US tort system, which must be dealt with as a matter of economic and financial urgency.

Last month, newspapers across the US reported that as many as 35 hazardous-waste facilities might be forced to close because they could not secure the liability insurance they needed to remain open.

To insurers and their customers, the story was not new, but a reiteration of many articles that have appeared over the past year describing the plight of such disparate groups as municipalities, doctors, truckers, day-care center managers, business involved in high-risk enterprises, even the members of corporate boards. Each one of these stories reported on the difficulties these groups faced in finding liability insurance and, once they did find it, the increased expense they incurred to obtain it. Many of the stories left the reader with an impression that the insurance industry was the principal villain.

That simply is not true. Certainly, we are responsible for making the decisions that a particular risk is no longer insurable, or that to take on the risk we must charge a great deal more than we did when the policy was originally written.

What is missing from the discussion is a description of the root cause of the problem.

It is not the major losses suffered by the property-casualty industry during the recent cyclical downturn—although they were the worst in history.

It is not a new underwriting philosophy that says we only accept business from certain kinds of clients.

SERIES OF DEBILITATING EVENTS

It is a recognition of a major and deeply concerning change in our legal system that has been developing over the past 20 to 30 years and now has triggered a series of debilitating events affecting many businesses and individuals.

Consider the following facts regarding only one class of insurance: Medical malpractice:

From 1974 through 1983, the average medical malpractice plantiff's award increased by more then 400%.

The number of medical malpractice awards higher than $1 million increased from four in 1974 to 70 in 1983.

During the '70s there were two to three medical malpractice suits filed for every 100 doctors; in 1983, there were 16 for every 100 doctors.

To help void malpractice suits, doctors now order more tests than in the past, at an additional cost estimated by the American Medical Association to be as high as $40 billion a year.

Even a lawsuit defended successfully by a doctor involves substantial cost to the doctor and his or her insurer.

One of the reasons for the continuing escalation in the number of court actions associated with liability and personal injury in this country is the contingent-fee system. This arrangement frequently allows a lawyer to reap a reward from bringing a lawsuit that is completely disproportionate to the reasonable value of his services.

Moreover, there is little disincentive to filing non-meritorious claims. Under the legal system used in most countries, the loser in a court battle has to pay all legal costs for both sides. In the US, each side is ordinarily required to pay its own legal costs, regardless of the outcome.

STRETCHING THE ANCIENT RULE

The situation in this country has been complicated by a series of court decisions that have interpreted insurance contracts far more broadly than the parties' original intent and expectation, thus creating insurance coverage where none had existed or was expected when premiums were collected. Further, in underlying tort litigation, courts have severely stretched the ancient common-law rule that faults must be present before liability is assigned, and that defendants should be liable only for damages that they actually caused.

Against this background, insurers increasingly find themselves caught in a juridical twilight zone—a gray area in which the laws of probability and the established contractural elements which make it possible to insure risk have lost their substance and meaning.

This unpredictability, coupled with the extraordinary financial awards being granted by courts and juries, has struck at the very heart of the insurers industry's existence: Its ability to estimate the probabilities and extent of loss, to spread the risk and to define with some precision the nature and type of risk against which the insurance contract is written.

These concerns—the lack of predictability, judicial expansion of insurance policies and highly inflated jury awards—are compelling

reasons why the proper pricing of certain types of liability risks has become all but impossible. And even when it is possible, the premium that must be charged frequently makes the protection far more expensive.

Nowhere is the problem more evident or complicated than in the area of environmental pollution. Since the early '70's, pollution risks have been specifically excluded from general liability coverages except for what are described as 'sudden and accidental" discharges.

EXCLUSION HAS BEEN NULLIFIED

In some jurisdictions, this exclusion, though adopted in good faith by insured and insurer alike, frequently has been nullified. Certainly the insurance industry will play by the rules, and it will adapt to the rules as the dynamics of the business change. But no one can be expected to do business in an environment where very little stability or predictability exists.

As to the interpretation of policy provisions, there is relatively little uniformity from state to state or even court to court. And the growth in the magnitude of potential awards has been equally disturbing: In the past three years alone, pollution claims under comprehensive general liability coverages have increased 600%.

A classic example of the difficulties insurers face in assessing environmental-pollution risk arose several years ago in the New Jersey community of Jackson Township. A state appellate court approved a $5.6 million award to families whose wells were contaminated by gradual seepage from a town dump.

Insurers were ordered to reimburse the Township for that amount—despite the fact that there was an exclusion in all but one of the Township's policies that denied coverage unless the pollution was "sudden and accidental."

The court ruled that the gradual seepage came within the exception for "sudden and accidental" discharges because it took the phrase "sudden and accidental" to mean no more than "unexpected and unintended."

When such judgments are possible, when such long-established concepts have lost their meaning, clearly, the result is a dearth of coverage, even at higher premium rates.

Another important example is reflected in the ongoing debate over the Superfund legislation.

UNFORESEEN AND RETROACTIVE

As part of the 1980 enactment of Superfund to clean up the nation's most-hazardous-waste dump-sites, Congress established a $1.6-billion trust fund to expedite the effort over a five-year period. A key provision of the bill stated that waste generators and transporters as well as owners and operators of the sites would be liable for the clean-up costs. Simply, the bill created an unforeseen and retroactive liability.

Unfortunately, the problem that Superfund was intended to solve turned out to be far more massive than anticipated. The Insurance Information Institute now estimates that there are between 5,000 and 20,000 sites at which removal or remedial measures will be required. To get started expeditiously, the Environmental Protection Agency established a national priority list of the 400 worst toxic-waste dumps. Since then, however, EPA has reported that there are at least 2,200 sites which demand immediate attention.

Results thus far are certainly less than encouraging. Since passage of the act that established Superfund, only six sites have been cleaned up and capped. There are, however, more than 200 lawsuits pending.

Why? Because of the litigious nature of our society. The Federal Government sues the parties potentially responsible for the toxic waste; the potentially responsible parties defend against Government and sue each other to avoid or spread the cost; then defendants sue their insurance companies to recover both clean-up costs and the money spent on legal defenses.

LIABILITY WITHOUT FAULT

Despite its many flaws, the Superfund process might yet produce the results originally intended—if the traditional concepts of fault and limiting liability to damages actually caused were still applied. They are not, however, because the program is built on the concepts that liability does not require fault and that a party can be held responsible for damages it did not cause.

Thus, under the prevailing theory of "joint and several" liability in both Federal and some state clean-up cases, anyone who has been in any way connected with the offending site can be held liable for the full cost of clean-up, no matter how inconsequential the original involvement may have been.

This means that any generator, any transporter, any waste-site owner or operator can be held responsible for full costs even if what it did was totally without fault and had only the most trivial consequences.

It appears to me that the Superfund program, as implemented, is both unfair and inefficient. It saddles businesses with enormous retroactive liability without fault; a great danger exists that some courts will allow those businesses to pass that liability to their insurers—liability that was never anticipated or made the subject of insurance coverage.

Further, it squanders significant sums on litigation expenses that instead could be spent on waste clean-up. If costs continue at present levels, it is estimated that total litigation expenses could rise to more than $8 billion. If two-thirds to three-quarters of Superfund litigation costs could be eliminated, 400 to 450 additional sites could be cleaned up for these amounts.

REDUCE LITIGATION EXPENSE

But that demands a restraint that Congress has yet to impose on Superfund. Any reform movement—to be even moderately effective—must focus on the reduction of litigation expense as well as on bringing loss payments under control.

The magnitude of the total clean-up cost is still not clear, but estimates range from EPA's $20 billion to the Office of Technology Assessment's $100 billion. Some, however, put the cost nearer to $250 billion.

What is abundantly clear, however, is that hazardous-waste sites need to be attacked with picks and shovels, rather than with briefcases and depositions, or the cost of cleaning up the environment will be much greater than necessary.

Lloyd's of London, the source for much of the reinsurance that is used by the US property-casualty insurance industry to spread the major risks, has made it abundantly clear that it is not prepared to accept pollution-related risks in the US until some reforms have been achieved.

In a recent speech, the Chairman of Lloyd's, Peter Miller, called upon US regulators and legislators to exercise, "imaginative and bold leadership to enact reform of the laws governing torts—injuries or wrongs." He declared that the London group simply will not accept the prevailing uncertainties.

In addition to tort-law reform, what is desperately needed is a concerted effort at every level of society to question the benefits we obtain from the current tort system.

This is not meant to suggest that the right to a trail by jury and reasonable access to legal advice should be in any way diminished. To the contrary, by reexamining a number of the elements of the liability process as it now exists, we could improve the system and provide more opportunity for court review of items of significance.

There is a need to encourage the greater use of arbitration and mediation to help reduce court costs and shorten the time to reach a fair solution. The use of some form of alternate dispute-resolution techniques wouuld go a long way to improve the efficiency of the current system without putting at risk the rights guaranteed by our system of laws.

At the same time, the courts should discourage frivolous or nuisance suits. There is an increasing tendency for litigation to be initiated simply to provide a means of forcing payments to avoid the high cost of defending what is obviously a questionable claim.

STRUCTURE RELATED TO VALUE

Further, serious study should be given to the abuses associated with the contingency-fee concept. Everyone should have access to proper legal advice, but some form of graduated fee-structure should be developed that bears a direct relationship to the time, effort, skill and value to the client of the service rendered.

Recognizing the time it has taken for the current abuses to develop, it is clear that no easy or quick solution to the current problem regarding liability and injury issues will be established.

It is terribly important, however, that efforts to change the process be explored and implemented wherever possible. If that is not done, the current problems facing limited segments of society in not being able to obtain insurance against future claims will spread to all segments of business and personal interaction.

The effect will be that individuals and businesses will have no protection against the cost of defending themselves against totally unfounded and unwarranted legal actions that could take all of their funds to pay for legal defense fees—only to discover that, after the expenditures, the claim was without merit.

SYMPTOM OF A GREATER CRISIS

The current insurance availability issue—as important as it is to those involved—is only a symptom of a much more important crisis in our tort system that must be given immediate and serious consideration by all segments of our society.

If we do not take the steps necessary to correct the problem, we put at risk the financial and personal security of every business and citizen in this nation.

ARMENIAN GENOCIDE

SPEECH OF

HON. TONY P. HALL

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Tuesday, April 22, 1986

Mr. HALL of Ohio. Mr. Speaker, I join my colleagues on "Armenian Martyrs' Day" to

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pay tribute to the victims of the Armenian genocide of 1915–23.

Between 1915 and 1923 over 1 million Armenian people were arrested, sent into exile, and brutally murdered by the Ottoman empire. Under the Ottoman empire, the Armenians were viewed as a threat to the government because of their differing religious and cultural practices. During the 8-year period between 1915 and 1923 the Armenian people occupying present-day Turkey were systematically executed for no greater crime than that of their Armenian heritage. This is an atrocity which to this day does not receive enough of the critical attention it deserves.

We cannot allow this historical crime to fade in our memories. To do so would invite the recurrence of a similar violation of human rights. By recognizing April 24 as "Armenian Martyrs' Day," Congress is expressing its abhorrence to all genocide. Furthermore, in recognizing "Armenian Martyrs' Day" we are also honoring the lives of the Armenian victims.

Today we express our outrage concerning this inexcusable violation of human rights. In marking this day as the anniversary of the Armenian genocide, we hope to prevent similar acts in the future. We honor those who fell victim to the crimes of inhumanity, and hope that no other race of people nor individual be persecuted on the basis of their cultural heritage or religious preferences—which are fundamental human rights.

OPPOSING HONORARIUM RULES CHANGES

HON. BARBARA A. MIKULSKI

OF MARYLAND

IN THE HOUSE OF REPRESENTATIVES

Wednesday, April 23, 1986

Ms. MIKULSKI. Mr. Speaker, most people don't understand how parliamentary procedure is sometimes used to set policy. That's what happened yesterday when a provision to increase the amount of honoraria Members can receive was suddenly brought up for a vote, without any notice, and passed without any debate.

Apparenty, certain Members were trying to change the rules so they could make more money from speeches. I strongly oppose this measure, and the way it was handled.

This afternoon the House reversed yesterday's action and I voted with the majority.

I'm one Member of Congress who believes that when we want to give ourselves the opportunity to make more money from honoraria, we should bring it up for full discussion and debate. We should use the "front door" whenever we change our rules—we shouldn't try and slip changes quietly through the "back door."

SYLMAR HIGH SCHOOL

HON. HOWARD L. BERMAN

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, April 23, 1986

Mr. BERMAN. Mr. Speaker, I rise today to pay tribute to Sylmar High School. September of this year will mark this outstanding school's 25th anniversary. I am proud to share some of Sylmar High School's accomplishments with my colleagues.

Sylmar opened its doors in September 1961. Current enrollment is 1,600 students. The student body is a culturally diverse one. Sylmar has students from over 20 different countries who speak nine languages.

Sylmar High School's more than 300 classes are designed to fill the educational needs of all. Courses in many different subjects are available from remedial to college level. The curriculum includes advanced courses for the college bound, English as as second language courses, vocational courses, computer courses, and courses for students with special needs. In addition to classes on the campus, courses may be arranged at the North Valley Occupational Center and some of the local colleges.

Many programs provide the students a great variety of experiences. Close-Up allows first-hand experience with the Federal Government, and the Rotary Youth Leadership Awards Conference enables selected students to develop their leadership skills. The Mathematics, Engineering and Science Association [MESA] provides encouragement and aid for minority students who are interested in these fields.

Many forms of recognition are given for student achievement. Two have recently been honored by the Los Angeles City Youth Commission as outstanding students. In addition, for the last 2 years, outstanding seniors have been awarded the Presidential Academic Fitness Award.

Much of Sylmar High School's success results from the efforts of a dedicated staff. A quarter of the staff has earned advanced degrees, including three doctorates. Most of the staff constantly improve their skills through workshops, in-service classes and National Science Foundation and National Endowment for the Humanities Programs. A dedication to learning is shown by the fact that many of the faculty belong to professional organizations. Not just passive members, but active leaders—several hold local, State and national office in these professional groups. The faculty does not limit itself to educational interest but also participates in community service, religious, and youth organizations.

Over the years, the staff has endeavored to provide the best educational experiences possible for students, and all are dedicated to continue these efforts in the future. It is my distinct pleasure to join with my colleagues in paying tribute to Sylmar High School on the occasion of its 25th anniversary. It is an honor to have such a fine educational institution in the 26th District.

THE TALE OF TWO ALLIES

HON. MARIO BIAGGI

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, April 23, 1986

Mr. BIAGGI. Mr. Speaker, I would like to reflect briefly on a tale of two allies, a true story played out during last week's raid against Libyan-sponsored terrorism.

I am reassured by one part of the story, the support given the United States by the British Government and Prime Minister Margaret Thatcher. By allowing F–111 fighter-bombers to take off from British airfields as part of the attack plan, Britain proved itself a faithful ally unintimidated by Col. Mu'ammar Qadhafi's ever-present threats. The United Kingdom recognized that the risks incurred by standing up to Qadhafi are far outweighed by the risks of appeasing him.

The disappointing part of the story is the hand-wringing reluctance practiced by France when asked to allow those same American warplanes to fly over its territory. Our so-called ally refused, thereby doubling the length of the mission and exposing airmen to the dangerous fatigue of a 7-hour flight to their targets.

I can express no gratefulness to the French. However, Qadhafi himself has taken the time to publicly thank them.

Both Britain and France know the treachery practiced by Libyan-backed terrorists. Yet, how could France find anything except a firm response to be best for the safety of citizens worldwide?

Considering the many attacks in Europe within recent years, our interest in providing a deterrent to terrorism surely must be France's interest also. Considering Libya's complex of terrorist training camps that teach people to attack Paris and London as well as Washington, America's resolve to put those dens out of action surely should be France's resolve. And considering terrorism looks at its world of victims with a cold eye that cares little about nationalities, perhaps France should stop trying to show an olive branch to a leader who is bent on violence and destruction.

The dictionary defines "alliance" as an association to further the common interests of the members. France defies the dictionary and jars our trust. Let us remember such unreliability when we contemplate supporting France. At the same time, let us gratefully remember Britain, a nation that backed us as we fought terrorism.

FUEL USE ACT REPEAL—THE TIME IS RIGHT

HON. JOHN BRYANT

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, April 23, 1986

Mr. BRYANT. Mr. Speaker, today, along with many of my colleagues from energy-producing States, some of whom serve with me on the House Committee on Energy and Commerce, I am introducing legislation to repeal the prohibition on the use of petroleum and natural gas as boiler fuels by utilities and large industrial users.

The Fuel Use Act of 1978, by imposing restrictions on the use of oil and natural gas to fuel industrial or utility boilers, reduced the demand for natural gas which was then a vastly underpriced commodity. Years of regulation had kept the price of natural gas low in relation to other fuels which artificially stimulated the demand for natural gas, especially among residential users. This situation did

nothing, however, to encourage exploration, drilling, and production of natural gas.

As a result of the passage of the Fuel Use Act, large volume consumers of natural gas shifted to alternative energy sources such as coal. This action improved supplies of natural gas so much that in 1981 the provisions in the act prohibiting the use of natural gas in existing powerplants and utilities was repealed. New plants, however, are still prevented from using natural gas or oil.

Now, at a time of soaring surpluses of oil and gas—which historically, because of its competitive market price, has been the target of the Fuel Use Act—is the time to repeal the prohibitions on the use of both natural gas and oil. This restriction has inhibited market forces by dictating fuel choices for utilities and industrial users. We should now return the choice to marketplace forces.

I commend my colleagues on the Energy and Commerce Committee for their help in drafting this proposal and appreciate the interest both subcommittee Chairman SHARP and committee Chairman DINGELL have shown in this effort. There is a broad base of support for this legislation in the energy exploration and production industries, as well as among industrial and powerplant energy consumers. With this as a base, I am sure that we can report this bill favorably to the House in the near future.

This is a long-term effort that will help relieve the strain imposed on the energy-producing States by the current oil price decline and the resultant oversupply. There are other efforts underway to provide more direct and immediate relief to the energy industry and protection for our national security interests, but this is an important first step to ensure that our domestic producers stay in the business of finding and producing oil and natural as. I encourage my colleagues to review this measure, giving full consideration to the need to maintain our domestic production capability for reasons of both national and economic security.

BEALE AIR FORCE BASE AID FLOOD VICTIMS

HON. GENE CHAPPIE

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, April 23, 1986

Mr. CHAPPIE. Mr. Speaker, when the Yuba River levee broke recently, sending a mountain of angry water to the communities of Linda and Olivehurst, CA, people didn't have much time to react. They grabbed their family members, got into their cars and started to drive. Many of those who had nowhere else to turn fled to Beale Air Force Base where they were greeted with open arms.

Because of their extraordinary efforts on behalf of the flood victims, the people at Beale Air Force Base deserve special recognition. In the midst of a crisis, their quick action and compassion for their neighbors made life much more bearable for those whose homes and personal property were destroyed. Their kindness to the flood victims is an inspiration to all of us.

Because of the round-the-clock efforts of the many volunteers at Beale, flood victims were given food, shelter, medical care, and comfort. Nine shelters were set up around the base to aid the nearly 6,000 victims who sought refuge there. Some 350 families on the base opened their homes to the flood victims for nearly a week.

Even after the waters receded and the flood victims went home, volunteers from Beale continued to lend a hand by delivering food, clothing, and other assistance to those who needed it in the flood affected counties.

I urge my colleagues to join me in commending those at Beale Air Force Base whose hard work and compassion were so instrumental in helping Californians cope with the recent flood disaster.

THE 100TH ANNIVERSARY OF THE A.W. LUGG & CO., KNOXVILLE, TIOGA COUNTY, PA

HON. WILLIAM F. CLINGER, JR.

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, April 23, 1986

Mr. CLINGER. Mr. Speaker, I have just recently learned that the A.W. Lugg & Co. of Knoxville, PA, will be celebrating its 100th anniversary during the month of May.

This is a remarkable accomplishment and I wanted to personally congratulate you along with all of the other citizens of Knoxville, PA, in this truly historic anniversary.

To have served all of the fine people of Knoxville for this significant period of time, in both an honest and fair manner, is a sterling tribute to the American free enterprise system. I can well imagine all of the hard work, long hours and perseverance the Lugg family has devoted to making a success out of the A.W. Lugg & Co. and I am sure that there has been a lot of satisfaction in the service that you have provided to the community.

My best wishes for many, many more successful years.

A TRIBUTE TO DR. JULIUS MASTRO

HON. JIM COURTER

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Wednesday, April 23, 1986

Mr. COURTER. Mr. Speaker, on May 4, 1986, friends, family, and coworkers will gather together with the Alumni Association of Drew University in Madison, NJ, to honor Dr. Julius Mastro on the occasion of his retirement. For over 25 years Dr. Mastro has served this fine institution in a manner consistent with the highest standards in his roles as professor and former political science chairperson.

Julius distinguished career at Drew began in 1960 with a position as a part-time instructor. After later becoming a full-time faculty member he served as chairman of the political science department from 1971–76.

Outside of his teaching experience Julius embodies the entrepreneurial spirit; he has owned a shoe store and presently owns a grain store. He is also widely known for his community, civic, and political involvement. He has selflessly given of his time to serve as a member of the board of education, the planning board, and the town council in his hometown of Bernardsville, NJ.

Julius has always had an interest in utilizing his academic training to impact upon the public policy process. Toward this end he has served as a political consultant to such organizations as the New Jersey League of Municipalities, and several Eagleton Institute programs including the newly elected officials organization. He has also served as a member of the Presidential Commission on Higher Education.

Recently, Dr. Mastro was named the initial recipient of the Drew Scholar/Teacher Award. This Presidential citation has been created to honor distinguished service to Drew University and I cannot think of a more deserving person to receive this inaugural honor.

The impact Julius Mastro has had on the thousands of young men and women he has taught at Drew and those of us who have come to know him as a friend are perhaps the greatest barometer of his success. I take great pleasure in joining with his friends and colleagues in saluting Dr. Julius Mastro for his contributions to the communities he has touched and in wishing him and his family the best for a very happy and healthy retirement.

SMALL BUSINESS ACT OF 1986

HON. DAVID DREIER

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, April 23, 1986

Mr. DREIER of California. Mr. Speaker, last week I was joined by 17 of my colleagues in introducing legislation to restructure the Small Business Administration. Our bill, the Small Business Act of 1986, would end SBA's wasteful and inefficient credit programs, and transfer the agency to the Department of Commerce where it will be given greater visibility in the Federal Government.

The most popular and effective programs would be retained. They include the Office of Advocacy, procurement assistance, minority set-asides, and the volunteer counseling programs. More important, the SBA would be given Cabinet level presence through the Secretary of Commerce, a position unmatched by the current Administrator.

The unique aspect of this legislation is that it will bring an end to the countless reports of abuse and mismanagement in the SBA. It will elevate small business concerns in the Federal Government. And it will do all this while saving the taxpayers $5 billion over the next 3 years.

Most qualified economists will tell you that including this proposal as part of an overall deficit reduction package will improve economic opportunities for small businesses. I urge my colleagues to cosponsor the Small Business Act of 1986, and join those of us who want to provide the best economic climate for small businesses to compete.

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ALABAMA SCHOOLS RECOGNIZED FOR EXCELLENCE

HON. BEN ERDREICH

OF ALABAMA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, April 23, 1986

Mr. ERDREICH. Mr. Speaker, for the past 3 years, the U.S. Department of Education has conducted a Secondary School Recognition Program to focus national attention on schools that are doing an exceptional job of educating their students. This year marks the first time, however, that the Department has established a recognition program for elementary schools. Some 509 elementary schools from across the country were nominated by chief State school officers in 49 States, the District of Columbia, and the Department of Defense Overseas Dependents' Schools. With so many outstanding schools being considered for the overall educational program, you can understand if I take just a few moments to boast about the fact that not one, but three elementary schools from Alabama were selected for final consideration in the 1985–86 Elementary School Recognition Program—Valley Elementary School in Pelham, AL, Cahaba Heights Community School, and Vestavia Hills Elementary School-West, which both happen to be located in Jefferson County, AL, in my congressional district.

Both Cahaba Heights and Vestavia Hills have a number of special features which set them apart from many elementary schools and certainly more than qualify them to receive special recognition from the Department of Education. Cahaba Heights, for example, has strong participation by and interaction among its administrators, teachers, and parents. It has a strong and effective volunteer program, as well as a number of extracurricular activities for students, including its math teams, chess and computer clubs, Olympics of the Mind teams, school newspaper, "The Chatterbox," and its student-operated store.

The curriculum and staff at Vestavia Hills focuses its efforts on enhancing the self-concept and feelings of success of each child. In addition to its well-rounded staff and faculty, the school has teachers who are specially trained for various areas of exceptional children, including educably mentally retarded, multiple handicapped, speech therapy, and talented and gifted. It also has a dedicated parent-volunteer group, and ranked first in the State of Alabama in 1983 and second in 1984 and 1985 in overall performance in the Alabama State Testing Program.

I cannot stress enough the importance of providing our children, tomorrow's future leaders, with the educational skills they must possess if the United States is to retain its place among the world's technologically advanced nations. I commend Cahaba Heights Community School, Vestavia Hills Elementary School-West, and Valley Elementary School on being nationally recognized for their development of solid curriculums focusing on building basic skills, knowledge, character, values, and self-discipline for the students they serve. I wish them all the best as they now await final notification of those schools that will be invited to the Nation's Capital in the fall to participate in a national recognition ceremony and receive a specially designed flag symbolizing outstanding educational achievement.

LOIS M. TEER HONORED WITH NEW JERSEY PRIDE AWARD

HON. JAMES J. FLORIO

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Wednesday, April 23, 1986

Mr. FLORIO. Mr. Speaker, I would like to direct the attention of my colleagues to the achievements of one of my constituents, Lois M. Teer of Camden, NJ, in the area of community development. As an active member of my district, Lois Teer has demonstrated dedication to her neighbors and to her community. This admirable quality has been translated in her worthwhile campaign to help redevelop the city of Camden and instill in residents a sense of pride in their community and in their State.

On May 1, 1986, Lois will be honored with a New Jersey Pride Award for her distinguished accomplishments in the area of Community Development. The New Jersey Pride Awards were initiated last year by the New Jersey Monthly in order to focus attention on the achievements of individuals who have made lasting contributions to the State of New Jersey. Seven other distinguished New Jerseyites will also be honored for their contributions in other areas. As a way of furthering the spirit of generosity and dedication that pervades these awards, organizers of the New Jersey Pride celebration will be hosting this event in order to benefit the New Jersey Special Olympics, a sports training and athletic competition program for mentally retarded children and adults. This worthwhile charity addresses the needs of 200,000 New Jerseyites or 3 percent of the State's population.

I am proud to represent Lois Teer and am impressed by the results of her efforts in the area of community development. In 1982, Lois designed and spearheaded a marketing campaign geared toward improving the image of the city of Camden. Having represented Camden in the Congress for over a decade, I am aware of the distressing economic and developmental problems this city faces. I am also aware of the dedication and perserverance of many residents such as Lois Teer who are working to attain a rejuvenation of this city.

Lois Teer's marketing campaign was focused on encouraging middle-income home buyers to come into the city and buy and renovate abandoned homes. This program involves two very key concepts in a city such as Camden: The need for historic preservation and the need to ensure that families will return and populate these abandoned homes.

In the beginning of this program, a trickle of "urban pioneers" participated. Because of Lois Teer's hard work and dedication, this trickle has grown into a respectable interest on the part of developers, investors, and families. We are already beginning to see the results of this effort. I wanted to urge my colleagues to join me in congratulating Lois Teer for her commendable achievements and in commending New Jersey Monthly for granting recognition to her efforts and for organizing this timely event. I would also like to extend to Lois M. Teer my best wishes for continued success in her endeavors.

HONORED FOR OUTSTANDING ACHIEVEMENTS

HON. GEORGE W. GEKAS

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, April 23, 1986

Mr. GEKAS. Mr. Speaker, I would like to bring to the attention of my colleagues in the U.S. Congress the outstanding achievements of Mr. Frank Grady, who is being honored on May 1 at a retirement dinner for his contributions and faithful service to the Tri-County United Way of Harrisburg, PA.

Frank Grady's professional resume reflects a man who has devoted his entire life to improving the quality of life for others. Some of those who know Frank see his ability to lead and develop volunteer leadership as his greatest strengths. He has written and published several articles on such topics as voluntarism, campaigning, and budgeting; all of which are key elements of the successful United Way campaign.

Since 1972, Frank Grady has served as the executive vice president of the Tri-County United Way of Harrisburg primarily responsible for campaign direction and supervision of community planning, allocations, agency relations, communications, and labor relations programs. Under his leadership, 24 agencies have been added to the United Way; the Tri-County was one of the first in the Nation to adopt an open admissions policy; and became the first United Way in the State of Pennsylvania to conduct a cooperative campaign with the three health agencies.

Mr. Speaker, I have come no where near listing all of Frank Grady's activities and accomplishments with the United Way, but I must admit that those previously mentioned would seem to be enough to satisfy most of us in a lifetime. In addition to his work with United Way, he has served in various capacities with the Rotary Club of Harrisburg; the Harrisburg Chamber of Commerce; Mayor's Advisory Committee, the Harrisburg Area Crime Clinic; Hampden Township Planning Commission and the list goes on and on and on.

Frank Grady is an outstanding example of dedication and excellence. He will undoubtedly leave a lasting imprint on the Tri-County United Way. I ask my colleagues to join me in saluting this fine man. He has truly enriched the lives of all who have been privileged to know him and work with him.

AMY BULL CRIST CELEBRATES HER BIRTHDAY

HON. BENJAMIN A. GILMAN

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, April 23, 1986

Mr. GILMAN. Mr. Speaker, I want to call to the attention of our colleagues a celebration that will be held this weekend in Orange County, NY, marking the 80th birthday of Orange County's first lady, Amy Bull Crist.

It is hard to describe Amy to people who are not from our area, because she is such a living legend to us that mere words cannot convey the energy, the compassion, and the dedication of this dynamic lady to anyone who has never had the pleasure of meeting her.

Amy is a direct descendant of William Bull, one of the original settlers of Orange County, NY. With such a heritage, Amy always felt that her responsibility was service to others.

Starting her career as a teacher in a one-room schoolhouse, Amy taught the three R's generations of students which she always held to be the foundation of a fine education.

Years later, upon her retirement as district superintendent for the Orange-Ulster Board of Cooperative Educational Services, the regents of the University of New York cited her as a recipient of the James E. Allen, Jr., Memorial Award for distinguished service to education. In the 50 years between these events, Amy Bull Crist touched countless lives and made our region a better place in which to live.

To list all of Amy's accomplishments would take more time than is available. Let me just touch upon her help in founding the Orange County Community College, her founding of Occupations, Inc., as a not-for-profit, sheltered workshop for the handicapped, and her providing of medical services for students too needy to afford them as just a few examples of her goodness and her many accomplishments.

A large crowd will be gathering this weekend for Amy's birthday party. Greetings will be sent from her many friends and loved ones all over the Nation, including the President and Mrs. Reagan. The proceeds from the party will be donated to Amy's favorite charities.

Mr. Speaker, I invite my colleagues to join in wishing Amy Bull Crist a happy birthday, and thanking her for her years of giving for all of us.

THE BUDGET: NOT A HARD CHOICE

HON. WILLIAM H. GRAY III

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, April 23, 1986

Mr. GRAY of Pennsylvania. Mr. Speaker, I rise to call my colleagues' attention to the remarks yesterday by James C. Miller III, Director of the Office of Management and Budget.

Mr. Miller's comments once again cast doubt on whether the White House is at all sincere in wanting a Federal budget for fiscal year 1987.

Mr. Miller was asked whether he would prefer no budget to one that departs from President Reagan's priorities—priorities, I might add, which have been rejected in this Chamber and in the other body by the President's own party.

Mr. Miller told reporters, "That's a hard choice."

We should be clear, Mr. Speaker, that it's not a hard choice for many of us in this House.

We want a budget.

We are anxious to negotiate with the administration and our colleagues in the other body for a budget.

And we are not willing to turn over to some automatic pilot the decisions we were elected to make.

A GIFT OF BLOOD IS A GIFT OF LIFE

HON. RALPH M. HALL

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, April 23, 1986

Mr. RAPLH M. HALL. Mr. Speaker, it is my privilege to draw attention to the wonderful record set by two blood donors in Tyler, TX, who have given a pint of blood over 100 times.

James F. Barnes, a teacher at Tyler Junior College, and Frank Sewell, vice president, InterFirst Bank in Tyler, have donated over 12½ gallons of blood at Stewart Blood Center, the regional blood bank furnishing blood and blood components to hospitals in 31 counties in east Texas.

As volunteer donors, both of these men recognize the need for blood to sustain life of patients who cannot live without transfusion of donor-given blood.

The marvelous record set by these two fine men serves as an example of true giving and an inspiration to other men and women in good health to take the time to share their life's blood with others.

This gesture is significant, for truly a gift of blood is a gift of life.

GRAMM-RUDMAN GOES TO COURT

HON. BARBARA A. MIKULSKI

OF MARYLAND

IN THE HOUSE OF REPRESENTATIVES

Wednesday, April 23, 1986

Ms. MIKULSKI. Mr. Speaker, earlier today the U.S. Supreme Court heard arguments about the constitutionality of deficit-reduction legislation known as Gramm-Rudman.

I don't know if Gramm-Rudman is constitutional, but I do know it's unfair and unwise. That's why I voted against it and that's why I'm still opposed to it.

The authors of the Gramm-Rudman legislation say it is merely a means by which the Federal Government will be forced to balance its checkbook by 1991. It mandates across-the-board cuts in almost every area of Government spending except Social Security.

My own view is that Gramm-Rudman is the wrong way to deal with the problem of the Federal deficit. Someone remarked once that it was a bad idea whose time had come. I don't think this country, or this Congress, has time to waste on bad ideas.

Gramm-Rudman is a harsh example of the contracting out of congressional responsibility. It takes the hard budget decisions that voters elected Members of Congress to make, and turns them over to Government computers. Well, computers don't have to answer to the voters at election time.

Mr. Speaker, balancing the Federal budget is one of my top priorities, but I want to do it line by line, item by item. I want to vote for budget cuts like we did last fall when we passed a budget reconciliation bill that cut $61 billion in Federal spending over 2 years.

That bill would have allowed us to reduce spending and reduce the deficit without hurting the programs America needs: Programs like Head Start, Meals On Wheels, Highway Construction, Veterans Health Care, Medicare, and Railroad Retirement.

In my own State of Maryland we've been especially hard-hit by Gramm-Rudman cuts. These cuts slash at programs and they hurt people. State budget experts expect a loss this year of Federal funds totaling about $16 million and a loss next year of more than $109 million.

Where will this loss be felt? In education for handicapped children, child nutrition programs, child support enforcement, revenue sharing and community development block grants.

In Maryland, Gramm-Rudman is also hurting thousands of dedicated Federal employees and retirees. It threatens pay raises for Federal workers and it eliminates COLA's for retirees. Both groups have already "given at the office" in terms of budget cutting and deficit reduction. Like our senior citizens, they shouldn't be expected to have to give again.

Gramm-Rudman had its day in court today. By July we'll know if it's a constitutional way to balance our budget. For many of us, however, the jury is already in on Gramm-Rudman. We find it guilty of being unfair, unjust, and unwarranted!

ARMENIAN GENOCIDE

SPEECH OF

HON. NANCY L. JOHNSON

OF CONNECTICUT

IN THE HOUSE OF REPRESENTATIVES

Tuesday, April 22, 1986

Mrs. JOHNSON. Mr. Speaker, on April 24 in many communities in our great country Armenian Americans will take time to remember and reflect on the terrifying potential of man to act brutally toward others. April 24 marks a day of commemoration—a day commemorating the Armenian genocide. April 24 commemorates the systematic persecution and massacre of 1.5 million Armenians by the Ottoman Empire between 1915 and 1923.

There are many purposes in studying history. In the case of the Armenian genocide and the holocaust, we must ponder the barbaric acts man is capable of committing against man. We must keep this history before us and echo the outcries of Americans of that time against this tragedy. We must not let history

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be rewritten and the sentiments of past Presidents and Members of the Congress, who clearly established the truth of the reported massacres and other atrocities suffered by the Armenians at the hands of the Ottoman Empire, be twisted and silenced.

We cannot let our children or the people we represent forget that this destructive potential lives within the human spirit. This dark side of the human soul became a reality and resulted in what U.S. Ambassador to the Ottoman Empire Henry Morgenthau called in 1915 a "campaign of race extermination" of the Armenians by the Ottoman Turks.

April 24 is not a day just for Armenians to commemorate their losses and the atrocities committed against their families. People throughout the world should remember the victims of this brutal genocide. We must dwell on the dark side of humanity for in so doing I believe we can find the wisdom to overcome it.

On April 24 I will join many Armenian Americans who live in Connecticut in commemorating their tragic loss and the historic fact of the Armenian genocide. We will gather, as we do each year, to remember mothers, fathers, brothers, and sisters who were lost and to renew our commitment to setting the history record straight in this year of 1987.

TRIBUTE TO PROFESSIONAL SECRETARIES

HON. NORMAN F. LENT

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, April 23, 1986

Mr. LENT. Mr. Speaker, it is with great pleasure that I join my colleagues today in recognizing the week of April 20–26, 1986, as "Professional Secretaries Week" and designating today, April 23, as "Secretaries Day." At this time, I'd like to take the opportunity to pay deserved tribute to the members of the secretarial profession and to recognize their invaluable contributions to business, government, and industry.

During my 26 years in government, I have come to appreciate and value highly the competent and efficient management skills of my secretarial staff. The backbone of the public and private sectors, government and industry, professional secretaries are the people behind the scenes upon whom we depend to get the job done and rely upon for the smooth daily operation of the workplace. Demonstrating excellence in many fields, secretaries have earned distinction of the highest order for commitment and dedication in their field.

In closing, I commend the members of the secretarial profession for their outstanding contributions and offer my deepest appreciation for their loyalty and professionalism in the performance of their duties. Thank you.

VICTIMS OF CRIME WEEK

HON. MEL LEVINE

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, April 23, 1986

Mr. LEVINE of California. Mr. Speaker, I rise in support of Senate Joint Resolution 297, and House Joint Resolution 570, designating this week as "Crime Victim's Week."

Crime has exacted a terrible toll on Americans at all levels of society. Crime victimizes those who have not been direct victims of violent crime, yet are afraid to leave their homes at night. Crime victimizes us when our children cannot go to school without being exposed to drug peddlers. Crime victimizes us when we must pay higher taxes and prices to cover the costs of crime. And most horrifyingly, crime victimizes those who are injured, robbed, or murdered in crimes of violence or incidents of terrorism. "Victims of Crime Week" touches all of us, just as crime has touched us all.

It is time to realize the terrible burden crime places on society, end the victimization we all endure.

This week is intended to acknowledge the victims of crime. And with it comes a commitment to reduce crime, for all of us.

I urge my colleagues to support this legislation when it comes to the floor.

H.R. 4602

HON. MARILYN LLOYD

OF TENNESSEE

IN THE HOUSE OF REPRESENTATIVES

Wednesday, April 23, 1986

Mrs. LLOYD. Mr. Speaker, on April 21, 1986, the House passed a measure which I strongly support and is critical to the Nation's homebuyers. I refer, of course, to H.R. 4602, the FHA and GNMA Credit Commitment Assistance Act of 1986.

H.R. 4602 increases the limitation on the amount of Federal Housing Administration [FHA] commitments to insure loans from $57.4 to $95 billion and increases the limitation on the amount of Government National Mortgage Association [GNMA] commitments to guarantee mortgage backed securities from $65.3 to $100 billion. Currently, the FHA is authorized to provide mortgage insurance on up to $57.4 billion in mortgage loans in fiscal year 1986. Due to an unprecedented demand for FHA mortgage insurance, this limit will be reached well before the end of the fiscal year. GNMA reached its authorized limit of $65.3 billion in mortgage-backed securities on April 4 and stopped issuing additional mortgage-backed securities on that date.

In an effort to avoid similar last minute emergency measures in the future, this legislation also requires the Department of Housing and Urban Development to establish a tracking system and notify Congress when it appears that commitments for either program are being utilized at such a rate as to pose the possibility of running out of commitment authority before the end of the fiscal year.

This legislation is critical because low- and moderate-income families rely on FHA and VA home mortgage programs to assure their access to affordable housing and this situation is occuring at a time when other conditions are most favorable for homebuying and refinancing. I commend my colleagues for keeping faith with the commitment Congress has made to establish ceilings high enough to accommodate user demand for these programs.

REMEMBERING THE HOLOCAUST

HON. STAN LUNDINE

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, April 23, 1986

Mr. LUNDINE. Mr. Speaker, during this Passover season, I would like to take a few moments to speak about a very worthwhile program that is being undertaken by several colleges throughout New York State.

As difficult as it is for people everywhere to contemplate the Holocaust, remembering the terrible events of that time is essential. Only through learning about the Holocaust can we and generations to follow prevent such tragedies from happening again. A program to educate young people about the Holocaust has been started in New York by Mr. Ernest Goldblum, an American whose parents perished in the Holocaust. The Mariem and Elias Goldblum Memorial Fund, started at the State University of New York College at Fredonia, encourages teaching programs and other activities through which people can learn about the Holocaust, its causes and effects. This immensely worthwhile program has expanded to several colleges in New York State and to universities in Vienna, Austria.

As the years go by and the number of witnesses and survivors of the Holocaust diminish, programs such as the one established by Mr. Goldblum in honor of his parents become increasingly important. The memory of the Holocaust and those who died during the "final solution" must not fade. I wish to commend and thank Mr. Goldblum for his efforts to educate and inform young people about the terrible consequences of ignorance and indifference.

THE 30TH DISTRICT OF CALIFORNIA ARMENIANS SUPPORT COMMEMORATION OF THE ARMENIAN GENOCIDE

SPEECH OF

HON. MATTHEW G. MARTINEZ

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, April 22, 1986

Mr. MARTINEZ. Mr. Speaker, today thousands of Armenians are gathering together to remember one of the darkest moments in the history of man. In 1915, the Turkish Ottoman Empire launched a vicious campaign of genocide against the Armenian people. By 1923, 1.5 million Armenians had perished, and 500,000 more were exiled from their homeland. Then, the world was baffled by such a tremendous and hideous crime. Today, we

have a word for what the Armenians suffered, and it is recognized as the greatest crime mankind has ever known: "genocide."

Few people on Earth know the sorrow and anguish that bears so heavily on Armenian history. But, as spokespersons of the victims of genocide have told us repeatedly, the act itself is only half the tragedy. Perhaps even more horrifying is the silence of the civilized world in the face of such horrible crimes. As Elie Wiesel, chairman of the U.S. Holocaust Memorial Council, said:

> Before the planning of the final solution, Hitler asked, "Who remembers the Armenians?" He was right. No one remembered them, as no one remembered the Jews. Rejected by everyone, they felt expelled from history.

This rejection is not based on lack of evidence. The genocide of the Armenians has been confirmed by eyewitnesses Henry Morgenthau, U.S. Ambassador to the Ottoman Empire, and Kemal Ataturk, founder of modern Turkey; by Raphael Lemkin, who coined the term "genocide" and almost singlehandedly incorporated it into international law; and by both President Carter and President Reagan. Rather, this denial comes from an unwillingness to face the evil of action in others, and the evil of nonaction in ourselves. For their cruelty, Armenians bear the scars; for our ignorance, humanity has suffered.

We Americans have a deep and enduring sense of justice. The morality of our people, though often obscured in the heat of political battle, can always be seen quiding the ship of American policy. This Nation cannot allow its alliance with Turkey to compromise its deeper sense of justice in the face of history. The Armenian genocide was one of the most devasting crimes against humanity the world has seen. By refusing to recognize it, the governments of both Turkey and the United States are perpetuating a dangerous and immoral lie, and are helping to keep open the possibility that somewhere, sometime, it may happen again.

In the name of the Armenians listed below who reside in the 30th District of California, I proclaim that we will never allow the genocide of the Armenian people to be forgotten. We will stand by the flame of truth and justice that has served as a beacon to both our nations, and to our common civilization.

Mr. Fred Vartanian, Ms. Beatrice Vartanian, Ms. Sandy Vartanian, the Bozanian Family, Dr. Aram Tolegian, Mr. John A. Stephanian, Mr. Suren Hagopian and Family, Mr. Leo Georgian, Mr. George Nersisian, Mrs. Aaronetta Ryan, Mr. Ed Hagopian.

Mrs. Anna Harryian, Ms. Lucy Keosheyan, Mrs. Alice Dakessian, Mr. Max Simonian, Ms. Nellie Simonian, Mr. Dennis Simonian, Mr. John C. Ohanian, Mr. Roland Alcan, Ms. Shakeh Safoian, Mr. Hagop Safoian, Mr. Edward Harrigian, Mr. Harold Harrigian.

Mr. Simon Hovhanessian, Ms. Meline Hovhanessian, Mr. Krikor Hovhanessian, Ms. Mary Hovhanessian, Mr. Nick Agajanian, Mrs. Arsha Agajanian, Mr. Armen Moloian, Mr. Jack Aliksianian, Mr. Lawrence Avakian, Mrs. Dorothy Avakian, Mr. Boris Bagdasarian, Mr. Hagop Dikranian.

Ms. Lucy Dikranian, Ms. Ara Dikranian, Mr. Armen Dikranian, Ms. Ani Dikranian, Ms. Florence Nahabedian, Mr. and Mrs. Hogop Keuroghlian, Mr. Jack H. Tonoian, Mr. Serop Minassian, Ms. Anna Mushmushian, Ms. Maragaret Mushmushian, Mr. John Kalamian.

SUCCESS TO THE FUND MILWAUKEE COALITION

HON. JIM MOODY

OF WISCONSIN

IN THE HOUSE OF REPRESENTATIVES

Wednesday, April 23, 1986

Mr. MOODY. Mr. Speaker, as we begin work on a Federal budget for 1987, we need to lend an ear to local citizens who will be directly affected by our decisions. One local group that works to shape the Federal Government's spending priorities is the Fund Milwaukee Coalition. The coalition is an umbrella group representing 60 organizations that serve the hungry, homeless, and other needy citizens.

The Fund Milwaukee Coalition believes in the following principles: First, that it is critical to preserve funding for health care, jobs, education, and nutrition programs; second, that responsible cuts should be made in our military budget; third, that a planned, gradual reduction in the Federal deficit is necessary to ensure a healthy economy; fourth, a progressive, equitable tax structure is needed for both individuals and corporations.

The Fund Milwaukee Coalition has often discussed with me Federal budget priorities, especially the need for preserving the Community Development Block Grants Program. Recently, they presented me their Golden Ear award for listening and responding to their concerns. I am honored to receive this award, and I urge all Members of Congress to lend an ear to those constitutent groups who want to share their views on the Federal budget.

The Fund Milwaukee Coalition should be applauded for their commitment and vision in working to improve life for Milwaukee residents. I wish them success on their future efforts.

CUT THE RHETORIC ON THE CONTRAS—LET'S FIND A SOLUTION THAT WILL WORK

HON. STEPHEN L. NEAL

OF NORTH CAROLINA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, April 23, 1986

Mr. NEAL. Mr. Speaker, in rereading some of the massive amount of material that has come across my desk concerning Contra funding, I came upon a superb article published in the Christian Science Monitor, in January of this year, and written by a distinguished scholar on Latin American affairs, Wayne S. Smith. The article neatly cuts through the rhetoric that has plagued debate on the House floor on this issue, clearly stating the problems we face in Nicaragua, the failings of the current policy, and suggesting a logical solution.

Mr. Smith finds little merit in the administration's current policy of applying pressure on the Nicaraguan Government through the Contras, which he says has only worsened the situation: Today, the Sandinistas are more dependent than ever on the Soviet Union and Cuba; their government is "less open to internal dialog;" and, the Nicaraguan Army is larger and more menacing to its neighbors.

Mr. Speaker, we have laid aside this issue for the time being, but I assume we will revisit Contra funding between now and the August recess. It would seem worthwhile for my colleagues to take this time to reflect again on the policy options available to us before we are in the thick of debate. Mr. Smith's article is a good starting point. I commend it to their attention:

The article follows:

WASHINGTON DISPUTE: HOW TO DEAL WITH NICARAGUA

(By Wayne S. Smith)

Is there really a new consensus in Washington with respect to Central America and what to do about it? Spokesmen for the Reagan administration insist that there is, and as proof point to what they see as growing agreement on Capitol Hill that the Sandinistas are taking Nicaragua toward Marxism-Leninism, that Nicaragua should not become a Soviet base, and that any assistance the Sandinistas may be giving to the Salvadorean guerrillas ought to be stopped. In fact, there is broad agreement on those points, but the agreement isn't new.

The debate has never been over whether or not the Sandinistas were Marxists or even if they were nice fellows or not. The overwhelming majority of those who strongly disagree with the administration's policy have all along recognized that Managua has a closer relationship with Moscow and Havana than the United States can be comfortable with, that the Sandinistas have been guilty of human rights violations, and that they are not democrats. In short, they represent a problem with which the U.S. must deal. Up to that point, there is broad agreement—and always has been. The disagreement comes over how best to deal with the problem.

The administration insists that we must keep the pressure on the Sandinistas by helping the "contras," but it cannot point to a single way in which helping them has improved the situation. It concedes that there are more Soviet and Cuban military personnel in Nicaragua now than before the contra operation began, and Assistant Secretary of State Elliott Abrams has recently charged that those personnel are participating in combat. On that score the contra war has resulted in the opposite of what we would have wanted: in a greater Soviet-Cuban problem rather than in a reduced one. It has also resulted in a larger Nicaraguan Army, not a smaller one.

Given the paucity of evidence presented by the administration, it is difficult to judge independently whether the alleged arms flow from Nicaragua to El Salvador has increased, or even continues. The administration insists that it continues unabated. If so, clearly contra pressure has been ineffective on that score as well.

Certainly there has been no progress in terms of opening up the internal process, nor should we have expected any. A long-accepted rule of international politics is that you do not bring about internal liberalization by mounting an external military threat. The result is almost always the exact opposite, and so has it been in the Nicaraguan case. The Sandinistas are less open

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to internal dialogue now than a year ago, and much less open than two years ago. They have recently imposed a state of seige and cracked down more vigorously on opposition newspapers and radio stations, something the administration has, as it should have, roundly condemned. The implications are clear: In terms of pluralism and internal liberalization, contra pressures have helped not a whit. If anything, they have made things worse.

The administration's weakest argument for aiding the contras has to do with negotiations. If there are today shaper division on Capitol Hill over Central American policy, it is because many congressmen now realize the administration misled them. Not surprisingly, they bitterly resent it. Before the vote on contra aid last June, the administration struck a reasonable posture. In a letter to the Senate. President Reagan said he would resume bilateral talks with the Sandinistas. He followed with a letter to Rep. Dave McCurdy (D) of Oklahoma promising to pursue diplomatic rather than military solutions—if Congress would aid the contras. The reason for the aid, he insisted, was to keep the pressure on the Sandinistas to negotiate.

But once Congress had approved "nonlethal" aid to the contras, all these promises were ignored. Though the President had said in April that he would resume talks with the Sandinistas, in July when the foreign ministers of the Contadora countries called on us to do just that, the administration flatly and immediately refused (although the Sandinistas had already accepted). And in August, Mr. Abrams wrote finis to the possibility of diplomatic solutions by describing the very idea of a negotiated agreement with the Sandinistas as "preposterous."

We could achieve our objectives through diplomacy—all objectives, that is, save the ouster of the Sandinistas. But it is now clear that that is the only thing the administration would be willing to negotiate—i.e., the terms of the Sandinistas' capitulation. Capitulate they never will; hence, dipomatic solutions are at this point pretty well ruled out.

As funding the contras advances none of our other objectives, and as everyone acknowledges that the contras do not have the capability to defeat the Sandinistas, it is difficult to see just what we are accomplishing. Rather than offering some hope for a way out of the Central American imbroglio, supporting the contras simply carries us further into a blind alley leading to the involvement of U.S. troops. Congress authorized the nonlethal aid to the contras last summer, but it has accomplished nothing, so now the administration wants to give them outright military aid. When that also fails, it will ask for more, and more, until finally it is forced to admit that the contras by themselves cannot win for us, that if we want to oust the Sandinistas, we will have to use U.S. forces.

Our only hope of averting another Vietnam-like situation is that a majority of congressmen will refuse to authorize military aid for the contras and insist that the administration honor its earlier promises to the Congress to seek diplomatic rather than military solutions.

Supporters of the administration's Central American policy would have us believe that anyone who opposes that policy is now outside the mainstream. My own perception is that there are more people outside that "mainstream" than in it. But even if that were not the case, even if there were only a handful of critics left, I would prefer to be one of them. Those who asked aloud, just before the vote on the Tonkin Gulf Resolution, whether our destroyers had really been under attack were on that particular morning very much outside the mainstream. They also happened to be right.

WHERE IS H.R. 20?

HON. JOHN EDWARD PORTER

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, April 23, 1986

Mr. PORTER. Mr. Speaker, the recent Supreme Court decision that the Federal Reserve Board cannot regulate "nonbank banks" places the question of equitable Federal regulation of banking services unequivocally before the Congress.

Although the Banking Committee has reported one bill directly addressing the legality of "nonbank" banking, this legislation has not yet been given a rule by the Rules Committee.

I call upon the distinguished gentleman from Florida to allow us to consider H.R. 20 with an open rule so that we can debate these issues thoroughly.

It is grossly unfair to consumers and businesses, including both banks and nonbanks, to allow the present situation of regulatory limbo and double standards to persist. We in the Congress must squarely face our responsibility to decide this issue soon.

We need to establish a level playing field and a single set of rules responsive to the real needs of consumers. Then bankers can get on with the business of doing their business instead of waiting around while the umpires play games.

TRIBUTE TO REV. RUSSELL B. WHITE

HON. PETER W. RODINO, JR.

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Wednesday, April 23, 1986

Mr. RODINO. Mr. Speaker, on April 25 I will have the great pleasure of attending a dinner honoring Rev. Russell B. White, pastor of the Bethel Baptist Church in Orange, NJ. The dinner will pay tribute to Reverend White's 20 years of dedicated service to the members of his congregation, and I am honored to be included in this 20th anniversary celebration. Rev. James A. Scott, pastor of the Bethany Baptist Church in my home city of Newark, will be the guest speaker.

Reverend White is a rare person. The burden of ministering to a flourishing congregation would be a full-time task for most people, but in addition to his pastoral duties Reverend White also serves as commander of the Eagle Flight Aviation Post No. 290. For some 11 years he has been a leader and a source of inspiration for many young people in northern New Jersey, conducting an outstanding flight training school.

Reverend White is a member of the Tuskegee Airmen, a group of black fliers organized during World War II. Throughout the years following, they have taught and reinforced other blacks to reach for the new frontier of flight. While inspiring young people to learn to fly, Reverend White also teaches the importance of discipline and notes that flying provides the motivation for many students to improve reading and mathematics because they are required to attend ground school. His program has been an outstanding success. Most students who have gone through Reverend White's post have gone on to college or technical school. Some have gone on to military academies, and it was my privilege to nominate three of the school's graduates to the U.S. Air Force Academy in Colorado Springs this year—James Anderson, Jr. of Newark; and Ms. June Bowles and Joseph C. Caffarelli, both of East Orange.

Our community has been blessed by the inspired and dedicated leadership of Rev. Russell White, and many young people have him to thank for guiding and training them for productive careers. I am proud to call him my friend and I look forward to many more years of distinguished service from this esteemed and respected man.

H.R. 4630

HON. ROBIN TALLON

OF SOUTH CAROLINA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, April 23, 1986

Mr. TALLON. Mr. Speaker, I rise today in strong support of H.R. 4630, the Medicaid Infant Mortality Amendments of 1986. Infant mortality is a consuming, growing national problem that has too long awaited congressional attention. It imposes a drain on our financial and human resources that we can ill afford. H.R. 4630 is a timely and vital measure to assist in the alleviation of this tragic yet preventable problem.

Infant mortality is a frequently cited measure of the overall health of a State and Nation, reflecting issues of distribution and equity, as well as the adequacy of the health care system. It is a sad commentary on our Nation that infant deaths have risen for 2 consecutive years by about 9 percent. At this rate, we may soon lose our already unacceptable rank of 12th among developed nations in infant mortality.

For black children the infant mortality rate is twice as high as that of white children. All totaled, low birth weights account for two-thirds of all black infant deaths. These statistics on infant mortality pose a grave obstacle for a nation that prides itself on strong family values, economic growth, and fiscal stability.

It is usually the poorest States that have the highest infant mortality rates and yet these are the States least able to afford the high costs of unhealthy babies. In my own region, the South, in 1982, 7.6 percent of all births—107,418 babies—in the South were born too soon or too small.

Lack of prenatal care, frequently a result of poverty, is the greatest contributor to infant death. On an average, women aged 18 to 24 give birth to some 40 percent of all babies born in the United States. Yet in 1984, more than 25 percent of these women had no private health insurance or public health coverage. The cost for an uncomplicated pregnancy is at least $5,000. Yet Federal programs such as Medicaid cover only about 43 percent of women of reproductive age who earn less than $5,000 a year.

An additional problem is that Medicaid offers no coverage for post partum care of complications during pregnancy. Few States even cover diagnostic services and screening which is so necessary in cases of suspected high risk.

As well, there are many women who are not eligible for Medicaid yet are unable to afford to pay for prenatal care. In all States, Medicaid is tied closely to AFDC payment levels and most payment levels are set at less than 50 percent of the Federal poverty level. In my State of South Carolina this level is particularly low. The outcome is that those with the highest risk of having an unhealthy baby are the least likely to receive adequate prenatal care.

For those who do qualify for Medicaid, the assistance for prenatal care is minimal and the assistance available for post partum care is nonexistent.

The scope and potential damage of the problem of infant death are clear. Equally clear is the significance of the factors of financial resources, availability of health services, and lack of understanding of the importance of prenatal care in determining the health of pregnant women and newborn babies. We can and must address these issues. I believe that the most effective, efficient, and rapid way to improve access to prenatal and infant health care while saving State dollars is through full and creative use of existing programs such as Medicaid. The Infant Mortality Reduction Amendments of 1986 do just this.

This legislation will allow States to exercise an option to provide prenatal care, delivery, and post partum care to women who survive at or below the 100 percent of the Federal poverty level. The bill also provides well-child care for the infant involved up to 1 year of age, without regard to State income eligibility thresholds. This bill also allows States to target Medicaid dollars on care for high-risk pregnant women and infants without regard to family structure and without regard to cash assistance the family may already be receiving under the AFDC Program.

H.R. 4630 addresses the problem of infant mortality effectively and efficiently. By altering Medicaid eligibility policy, Federal funds are invested where they will save the most lives and the most money. By providing immediate assistance to high-risk pregnant women and infants, the measure prevents long-term financial and social costs. The human and financial costs of unhealthy births are high. Every day we spend millions of dollars to save babies born too early, too sick, or too small to have a fair opportunity for a healthy and productive life. And the need for costly care for an infant born at risk is likely to continue for the duration of that child's life. The costs of high technology neonatal intensive care far outweigh the costs of preventing the likelihood of a baby being born with a low birth weight.

Preventive prenatal and infant health care more than pays for itself. By reducing the incidence and severity of unhealthy babies, prenatal and infant care can save $2 to $10 for every preventive dollar invested—and considerably more if long term costs are included. It is a simple and unavoidable choice—we can pay less now or more later.

And these are just the initial, financial costs. The costs in terms of loss of human potential are even greater. Our economic and social capabilities are diminished with each neglected and unhealthy birth. Family well-being and productivity are diminished. Mothers of children with chronic health disorders, such as those relating to birth problems, are less likely to work, costing the United States an estimated $1 billion in lost maternal earnings. Many of these families must turn to public assistance for support. In addition to the impact on the mother's ability to work, a child with birth related handicaps is less likely to be able to be self-supporting in adulthood. The pattern of dependency on public support continues.

I urge my colleagues to support this vital measure as an investment in our children's health and an investment in our future. For, as Abraham Lincoln noted "A child is a person who is going to carry on what you have started * * * the fate of humanity is in his hands."

HONORING DR. HERLINDA LEONG, SUPERINTENDENT OF LOS NIETOS SCHOOL DISTRICT

HON. ESTEBAN EDWARD TORRES

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, April 23, 1986

Mr. TORRES. Mr. Speaker, I ask my colleagues in Congress to join me in honoring a distinguished educator, Dr. Herlinda Leong.

Dr. Leong will retire on June 8, 1986, as superintendent of the Los Nietos School District in my congressional district. Her students, friends, and the community will be honoring her outstanding service and dedication to education.

Dr. Leong was born in El Paso, TX, and began her career in the Los Nietos School District in 1959 as a substitute teacher. She received her undergraduate degree from Mills College, her masters in education from Whittier College, and her Ph.D. from Nova University in Florida. She has served as the Los Nietos School District superintendent since 1982.

Her interests include travel, reading, gardening, lead-glass making, and collecting Bonsai plants. Dr. Leong is fluent in the languages of English, Spanish, and Chinese.

Mr. Speaker, Dr. Herlinda Leong is to be commended for her outstanding service to the students of the Los Nietos School District. Her husband Hubert and her sons David, Dennis, and Roland are proud of the job she has done as superintendent. I join them and her friends and colleagues in wishing her much success and enjoyment in her well-earned retirement.

TRIBUTE TO ANTHONY (TONY) IURATO

HON. ROBERT G. TORRICELLI

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Wednesday, April 23, 1986

Mr. TORRICELLI. Mr. Speaker, I rise today to honor Mr. Anthony (Tony) Iurato, chief of police of the city of Hackensack. On April 27, 1986, Mr. Iurato will be honored by the Hackensack Chapter of UNICO as "Citizen of the Year."

Chief Iurato has dedicated countless hours for the public safety and well being of the citizens of the city of Hackensack. His distinguished service with the Hackensack Police Department spans three decades and is full of outstanding accomplishments.

A respected leader in the law enforcement community, Tony has the honor of serving as chairman and cofounder of the Bergen County Narcotics Task Force. He is currently a member of the executive board of the Bergen County Police Chiefs Association and a life member of International Association of Chiefs of Police. In addition, Tony has served as third vice president for the New Jersey State Chiefs of Police.

In recent years, Tony's dedication and accomplishments have been recognized by his fellow law enforcement officers. He has had the honor of receiving three Exceptional Duty medals and the Chief's Achievement Award from the Bergen County Police Chief's Association.

The many achievements of Chief Tony Iurato would fill several volumes. He truly embodies the spirit and dedication of this distinguished award.

It is with great honor and pleasure that I join so many of Tony's friends in honoring him as "Man of the Year."

A SALUTE TO THE SAN JOSE MERCURY NEWS

HON. STEPHEN J. SOLARZ

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, April 23, 1986

Mr. SOLARZ. Mr. Speaker, one of the outstanding examples of investigative journalism in recent years is the series published last year by the San Jose Mercury News on the hidden wealth of Ferdinand and Imelda Marcos and their associates. Few stories have achieved such a substantial and positive impact on public policy.

The Mercury News articles provided powerful evidence to support the charges of capital flight and corruption in the Philippines. The series sparked a resolution of impeachment against Ferdinand Marcos last summer and triggered an investigation by the House Subcommittee on Asian and Pacific Affairs into the concealed investments by Ferdinand and Imelda Marcos in the United States.

A year before Imelda Marcos, with her 3,000 pairs of shoes and countless other examples of unparalleled conspicuous consump-

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tion, came into our national consciousness, Pete Carey, Katherine Ellison, and Lewis M. Simons of the Mercury News were documenting the diversion of massive amounts of money from the people of the Philippines.

Last week, these three reporters and their newspaper received the coveted Pulitzer Prize Award from Columbia University in the category of international reporting. I cannot think of more deserving recipients of this high honor than these three intrepid and insightful reporters. I only regret that the Village Voice, which last October published a remarkable piece of research and reporting by Joe Conason and Bill Bastone, entitled "Marcos Takes Manhattan" did not receive a Pulitzer as well. The Voice story was critically important to our subcommittee in our successful efforts to show that Mr. and Mrs. Marcos control a real estate empire in the State of New York worth roughly $350 million.

Like the article in the Voice, the series in the Mercury News stands in the finest tradition of American journalism. It is indeed appropriate that an investigation carried out by the free press in our country helped to facilitate the restoration of freedom and democracy in another nation. Pete Carey, Katherine Ellison, and Lewis Simons have brought great credit to their newspaper, their profession, and their country by the marvelous work they have done.

AGAINST HONORARIUM INCREASE

HON. RICHARD STALLINGS

OF IDAHO

IN THE HOUSE OF REPRESENTATIVES

Wednesday, April 23, 1986

Mr. STALLINGS. Mr. Speaker, I rise in support of the resolution which would repeal the underhanded and outrageous action taken yesterday, apparently with the consent of the House leadership—Republican and Democrat alike—to increase the limit on outside income for House Members from 30 to 40 percent of salary. This increase represents an annual raise of about $7,500, from $22,530 to $30,400, to those few Members, 72, in fact, who receive more than $20,000 in honoraria in 1984.

It is not necessary for me to repeat what so many of my colleagues have rightly condemned. It was a blatant and raw abuse of power that hardens the perception, however justified, that public officials are insensitive and black integrity. Like any incredible and indefensible act, the action itself speaks far louder than the words of indignation that I, or others, may heap upon it. It was wrong and that is all that needs to be said.

Nevertheless, Mr. Chairman, the leadership action should be put into perspective. As my colleagues know, I represent a predominantly agricultural district in southeast Idaho. It is beautiful country and the people there are tough and independent. But they are in trouble now because of Federal Government policies that deliberately sacrificed their interests in correcting other, presumably more important, economic interests like high inflation and interest rates. These policies have led to depressed commodity prices, plummeting land values, and shrinking exports. Of course, in my district, when farmers are in trouble so are the businesses that service them and the communities in which they live. Let me make this clear: there is a depression in Idaho, as in other parts of the farm belt, and the future provides little hope or promise.

It is within this context that I vehemently oppose raising the outside income allowed to Members. I am sympathetic to my constituents who truly need relief from a crisis not of their making. I am not, and let me emphasize "not," sympathetic to those 72 Members of Congress asking for a $7,500 raise.

Mr. Speaker, I urge my colleagues to strike yesterday's action so that we can send a signal to the American public that we know it is for them that we work and it is their interests that come first.

IN RECOGNITION OF NATIONAL SECRETARY'S WEEK

HON. HOWARD WOLPE

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Wednesday, April 23, 1986

Mr. WOLPE. Mr. Speaker, I would like to take this opportunity to pay tribute to the secretaries in my district who—along with the rest of the country—are celebrating National Secretary's Week.

This week, April 21–25, is dedicated to secretaries to give recognition to their contribution to the operations of businesses, government, organizations, and associations. Clearly, none of these entities could survive without the skills provided by highly professional and dedicated secretaries.

Mr. Speaker, one almost never hears of secretaries included in the praise accorded to a company or organization for its performance and prompt and agreeable service. Yet secretaries are, indeed, an integral part of that organization's structure which allows it to operate effectively and efficiently. It is my hope, Mr. Speaker, that employers will not only take advantage of this opportunity to show in concert with the rest of the Nation their full appreciation of their secretaries' contribution to the organization, but also will continue to express this appreciation on a regular basis.

A SALUTE TO THE POMPEIAN PLAYERS WHO HAVE ENRICHED THE PEOPLE OF CENTRAL NEW YORK

HON. GEORGE C. WORTLEY

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, April 23, 1986

Mr. WORTLEY. Mr. Speaker, it is with singular pride that I commend the attention of our colleagues in the Congress to a dedicated and richly talented theater group that is about to bring down the curtain after six decades of extraordinary service to the people of central New York.

I am speaking of the Pompeian Players of Our Lady of Pompei Italian Church in Syracuse, NY.

Since their inception, the players have been under the direction of Catholic priests. The first director, beginning in 1927, was Father William Mahaney. Successive directors have been Father Gerard Horan, Father Mahaney who returned to direct shows from 1938 to 1942, Father Francis Furfaro, and Father Charles L. Borgognoni who began his tenure in 1950, and still, as director, recently announced that no theater productions are planned in 1987.

The idea of going into show business was conceived as a method of reducing the parish debt incurred by the construction of the church. The earliest performances took place on a small stage in the church basement which now serves as the cafeteria. As the fame and popularity of the theater company grew, performances were moved to larger facilities at the Franklin School, then to even bigger facilities at the spacious Grant Junior High School auditorium which offered 1,100 seats.

In 1956, the Pompeian Players went "big time" while presenting the musical comedy "Of Thee I Sing" in a series of performances at Grant Auditorium and the RKO Keith's Theater in downtown Syracuse.

Playing the big theater stages of the time became routine. Besides Keith's, the Pompeian Players performed at the Empire, Lowe's and Paramount theaters before, beginning in 1977, staging productions in the Onondage County Civic Center.

Performances throughout the years have included such shows as "South Pacific," "Guys and Dolls," "Oklahoma," "Hello Dolly," "Mame," and "My Fair Lady." Their closing production this season will be "Annie."

From the original concept of using show proceeds to pay off the church debt, the Pompeian Players expanded their goals and went on to make significant contributions to Our Lady of Pompei Parish by providing funds for land acquisition, additional buildings, facilities and equipment. Through benefit performances, the players have helped the Red Cross, the War Relief Fund, the Columbus Monument Fund and other worthy organizations, including those of other faiths. Show profits currently are shared between Our Lady of Pompei Church and the Catholic Center at Syracuse University.

On Saturday, the third of this coming month, the Pompeian Players will hold their first alumni party at the Onondaga County War Memorial. From among the several hundred of the more than 1,250 alumni from throughout America who plan to attend the reunion is the company's oldest, living original player, Mr. Vincenzo Salomons. He is 92.

What he and fellow members of this illustrious troup have contributed to the cultural, spiritual and physical enhancement of our Greater Syracuse community over the last 60 years will be remembered with gratitude.

As Shakespeare wrote, "The play's the thing."

Mr. Speaker, the Pompeian Players did their thing with a verve and dedication that will remain indelible.

NATIONAL EXTENSION HOMEMAKERS COUNCIL CELEBRATES 50 YEARS OF SERVICE TO OUR NATION

HON. C.W. BILL YOUNG

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, April 23, 1986

Mr. YOUNG of Florida. Mr. Speaker, the National Extension Homemakers Council celebrates its 50th anniversary of service to our Nation next month.

More than 600,000 volunteers in 44 States contribute in a wide variety of ways to improve the quality of life in our communities. through educational activities, local councils like that in Pinellas County, FL, which I represent, provide information and programs on citizenship, the arts, family life, health, housing, nutrition, and safety. The Pinellas County council has touched our lives in Florida in so many ways and will gather next week to honor the national program's 50th anniversary. This special program will pay tribute to the valuable contributions council members have made to their communities for half a century, and will honor those individuals who have been 50-year members.

Homemakers extension organizations have been active throughout our Nation for more than 65 years, but it was in 1936 that these individual groups formed one national organization. Since then, their list of achievements is impressive. The national council contributed to several important efforts to help our Nation during the difficult years of World War II. The council was also influential in starting food nutrition programs in our schools which has evolved into the national school lunch program. Council members today provide valuable guidance to 4-H clubs throughout our country, promote voter registration drives, and have increased public awareness about seat belt safety.

Mr. Speaker, the dedicated volunteers of the Pinellas County Extension Homemakers Council are representative of the important work council members do throughout our Nation to raise the standards of community life. I join with the members of the Pinellas County council in honoring the contributions thousands of council volunteers have made to our country during these past 50 years.

SENATE COMMITTEE MEETINGS

Title IV of Senate Resolution 4, agreed to by the Senate on February 4, 1977, calls for establishment of a system for a computerized schedule of all meetings and hearings of Senate committees, subcommittees, joint committees, and committees of conference. This title requires all such committees to notify the Office of the Senate Daily Digest—designated by the Rules Committee—of the time, place, and purpose of the meetings, when scheduled, and any cancellations or changes in the meetings as they occur.

As an additional procedure along with the computerization of this information, the Office of the Senate Daily Digest will prepare this information for printing in the Extensions of Remarks section of the CONGRESSIONAL RECORD on Monday and Wednesday of each week.

Any changes in committee scheduling will be indicated by placement of an asterisk to the left of the name of the unit conducting such meetings.

Meetings scheduled for Thursday, April 24, 1986, may be found in the Daily Digest of today's RECORD.

MEETINGS SCHEDULED

APRIL 25

9:30 a.m.
Finance
Health Subcommittee
To hold hearings on proposals to modify the Medicare physicians payment system.
SD-215

10:00 a.m.
Judiciary
Immigration and Refugee Policy Subcommittee
To hold hearings on proposed legislation authorizing funds for fiscal year 1987 for the Immigration and Naturalization Service, Department of Justice.
SD-226

2:00 p.m.
Finance
Business meeting, to mark up proposed legislation providing for revisions in Federal tax laws.
SD-215

APRIL 28

9:30 a.m.
Judiciary
To hold hearings on S. 2163, to make necessary and appropriate amendments to the antitrust laws governing service by any person as a director of two or more competing corporations engaged in interstate commerce.
SD-226

10:30 a.m.
Finance
Business meeting, to mark up proposed legislation providing for revisions in Federal tax laws.
SD-215

11:00 a.m.
Small Business
To hold oversight hearings on the implementation of Title XVIII, authorizing funds for the Small Business Administration, of the Reconciliation Act (P.L. 99-272).
SR-428

2:00 p.m.
Finance
Business meeting, to mark up proposed legislation providing for revisions in Federal tax laws.
SD-215

APRIL 29

9:00 a.m.
Appropriations
Agriculture, Rural Development and Related Agencies Subcommittee
To resume hearings on proposed budget estimates for fiscal year 1987 for the Department of Agriculture, focusing on the Farmers Home Administration.
SD-138

9:30 a.m.
Appropriations
Labor, Health and Human Services, Education, and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1987 for the Departments of Labor, Health and Human Services, and Education, and certain related agencies.
SD-116

Finance
Business meeting, to mark up proposed legislation providing for revisions in Federal tax laws.
SD-215

10:00 a.m.
Appropriations
Defense Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1987 for certain defense programs.
SD-192

Appropriations
HUD-Independent Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1987 for the Department of Housing and Urban Development and certain independent agencies.
SD-124

Appropriations
Commerce, Justice, State, the Judiciary, and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1987 for the Federal Bureau of Investigation and Drug Enforcement Administration, Department of Justice.
S-146, Capitol

Armed Services
Closed business meeting, to discuss the Department of Defense funding level as contained in the President's budget for fiscal year 1987, and to consider pending military nominations.
SR-222

Energy and Natural Resources
Energy Research and Development Subcommittee
To hold oversight hearings on proposed budget requests for fiscal year 1987 for the Department of Energy, focusing on nuclear activities.
SD-366

Judiciary
To hold hearings on proposed legislation authorizing funds for the Department of Justice.
SD-226

2:00 p.m.
Appropriations
Interior and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1987 for the Bureau of Indian Affairs, Department of the Interior.
SD-192

Environment and Public Works
To hold hearings on domestic and international oil pollution issues.
SD-406

Finance
Business meeting, to mark up proposed legislation providing for revisions in Federal tax laws.
SD-215

Foreign Relations
To resume hearings on the nomination of Morton I. Abramowitz, of Massachusetts, to be an Assistant Secretary of State.
SD-419

Judiciary
To hold hearings on S. 2334, to restrict all Federal employees from lobbying the Federal Government and from

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working for a foreign entity after they leave government service.
SD-226

APRIL 30

9:30 a.m.
Agriculture, Nutrition, and Forestry
To resume hearings on S. 2346, authorizing funds for programs of the Federal Insecticide, Fungicide, and Rodenticide Act.
SR-332

Appropriations
Commerce, Justice, State, the Judiciary, and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1987 for the Office of U.S. Trade Representative, and the Federal Communications Commission.
S-146, Capitol

Commerce, Science, and Transportation
Science, Technology, and Space Subcommittee
To hold hearings on the findings of the Presidential Commission on the Space Shuttle Challenger Accident.
SR-253

Finance
Business meeting, to mark up proposed legislation providing for revisions in Federal tax laws.
SD-215

Labor and Human Resources
To hold oversight hearings on the human resources impact of reentry of women into education and the labor force.
SD-430

Select on Intelligence
To resume closed hearings on proposed legislation authorizing funds for fiscal year 1987 for the intelligence community.
SH-219

10:00 a.m.
Appropriations
HUD-Independent Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1987 for the Department of Housing and Urban Development and certain independent agencies.
SD-124

Energy and Natural Resources
Business meeting, to consider pending calendar business.
SD-366

Foreign Relations
To hold hearings on embassy security enhancement.
SD-419

Governmental Affairs
Civil Service, Post Office, and General Services Subcommittee
To resume hearings on S. 1327, to establish higher minimum rates of basic pay in geographic areas where the Federal Government is experiencing significant recruitment and retention problems, S. 1727, to establish alternative personnel management systems for scientific and technical employees, and provisions of S. 2082, to improve the management of major defense acquisition programs, to establish a Defense Acquisition Service, and to limit employment contacts between senior officials of the Department of Defense and defense contractors.
SD-342

Judiciary
Security and Terrorism Subcommittee
To resume oversight hearings on certain activities of the Federal Bureau of Investigation, Department of Justice.
SD-226

2:00 p.m.
Agriculture, Nutrition, and Forestry
To continue hearings on S. 2346, authorizing funds for programs of the Federal Insecticide, Fungicide, and Rodenticide Act.
SR-332

Appropriations
Agriculture, Rural Development and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1987 for the Food and Drug Administration of the Department of Health and Human Services, and the Commodity Futures Trading Commission.
SD-138

Armed Services
Preparedness Subcommittee
To resume open and closed hearings on S. 2199, authorizing funds for fiscal year 1987 for the Department of Defense, focusing on the National Strategic Stockpile; and to mark up S. 2102, to prescribe the method for determining the quantity and classification of any materials to be stockpiled under the Strategic and Critical Materials Stock Piling Revision Act (P.L. 96-41).
SR-222

Finance
Business meeting, to mark up proposed legislation providing for revisions in Federal tax laws.
SD-215

Judiciary
To hold hearings on pending nominations.
SD-226

MAY 1

9:30 a.m.
Appropriations
Labor, Health and Human Services, Education, and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1987 for the Departments of Labor, Health and Human Services, and Education, and certain related agencies.
SD-116

Finance
Business meeting, to mark up proposed legislation providing for revisions in Federal tax laws.
SD-215

10:00 a.m.
Appropriations
Defense Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1987 for certain defense programs.
SD-192

Appropriations
Foreign Operations Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1987, focusing on environmental implications of Multilateral Development Bank lending policies.
SD-124

Energy and Natural Resources
Natural Resources Development and Production Subcommittee
To hold oversight hearings on the impact of coal and electricity imports on the domestic coal industry.
SD-366

10:30 a.m.
Banking, Housing, and Urban Affairs
To hold hearings on S. 571, proposed Drug Money Seizure Act.
SD-538

2:00 p.m.
Appropriations
Interior and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1987 for territorial affairs, Department of the Interior.
SD-192

Finance
Business meeting, to mark up proposed legislation providing for revisions in Federal tax laws.
SD-215

MAY 2

9:30 a.m.
Finance
Business meeting, to mark up proposed legislation providing for revisions in Federal tax laws.
SD-215

2:00 p.m.
Finance
Business meeting, to mark up proposed legislation providing for revisions in Federal tax laws.
SD-215

MAY 5

1:30 p.m.
Finance
International Trade Subcommittee
To hold hearings on miscellaneous tariff bills.
SD-215

2:00 p.m.
Energy and Natural Resources
Energy Research and Development Subcommittee
To hold hearings to review the Department of Energy nuclear research and development program policy.
SD-366

MAY 6

9:30 a.m.
Appropriations
Labor, Health and Human Services, Education, and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1987 for the Departments of Labor, Health and Human Services, and Education, and certain related agencies.
SD-116

10:00 a.m.
Appropriations
Defense Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1987 for Air Force aircraft procurement programs.
SD-192

2:00 p.m.
Select on Intelligence
Closed business meeting, to mark up proposed legislation authorizing funds for fiscal year 1987 for the intelligence community.
SH-219

MAY 7

9:30 a.m.
Appropriations
Commerce, Justice, State, the Judiciary, and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1987 for the Supreme Court of the United States, U.S. District Courts/Courts of Appeals, and the Commission on the Bicentennial of the U.S. Constitution.
S-146, Capitol

Labor and Human Resources
To hold oversight hearings on medical malpractice.
SD-430

Select on Intelligence
Closed business meeting, to continue markup of proposed legislation authorizing funds for fiscal year 1987 for the intelligence community.
SH-219

10:00 a.m.
Appropriations
Transportation and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1987 for the Urban Mass Transportation Administration, Department of Transportation, and the Washington Metropolitan Area Transit Authority.
SD-138

Energy and Natural Resources
Business meeting, to consider pending calendar business.
SD-366

2:00 p.m.
Select on Indian Affairs
To hold hearings on S. 2260, to settle certain claims arising out of activities on the Pine Ridge Indian Reservation, and S. 2243, to improve the health status of Native Hawaiians.
SD-124

MAY 8

9:30 a.m.
Appropriations
Labor, Health and Human Services, Education, and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1987 for the Departments of Labor, Health and Human Services, and Education, and certain related agencies.
SD-116

Commerce, Science, and Transportation
Science, Technology, and Space Subcommittee
To resume hearings on proposed legislation authorizing funds for fiscal year 1987 for the National Aeronautics and Space Administration, focusing on the space transportation system.
SR-253

10:00 a.m.
Appropriations
Defense Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1987 for strategic systems.
SD-192

Appropriations
Transportation and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1987 for the Federal Aviation Administration, Department of Transportation.
SD-138

2:00 p.m.
Appropriations
Interior and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1987 for the Holocaust Memorial Council and the Smithsonian Institution.
SD-192

Judiciary
To resume hearings on white collar crime in the United States, focusing on the E.F. Hutton investigation.
SD-226

MAY 9

9:30 a.m.
Finance
Health Subcommittee
To hold hearings to examine the condition of rural hospitals under the Medicare program.
SD-215

MAY 13

9:00 a.m.
Office of Technology Assessment
The Board, to meet to consider pending business items.
EF-100, Capitol

9:30 a.m.
Appropriations
Labor, Health and Human Services, Education, and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1987 for the Departments of Labor, Health and Human Services, and Education, and certain related agencies.
SD-116

10:00 a.m.
Commerce, Science, and Transportation
Merchant Marine Subcommittee
To hold hearings on proposed legislation authorizing funds for the U.S. Coast Guard, and H.R. 1362, to revise, consolidate, and enact certain laws related to load lines and measurement of vessels as parts C and J of subtitle II of title 46, United States Code.
SR-253

MAY 14

9:30 a.m.
Appropriations
Labor, Health and Human Services, Education, and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1987 for the Health Resources and Services Administration, Department of Health and Human Services.
SD-116

Appropriations
Commerce, Justice, State, the Judiciary, and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1987 for the Legal Services Corporation, and the Securities and Exchange Commission.
S-146, Capitol

Labor and Human Resources
Business meeting, to consider pending calendar business.
SD-430

Select on Intelligence
To hold closed hearings on intelligence matters.
SH-219

10:00 a.m.
Appropriations
Transportation and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1987 for the Department of Transportation and certain related agencies.
SD-138

Governmental Affairs
Energy, Nuclear Proliferation and Government Processes Subcommittee
To hold hearings on S. 525, to provide for the transfer to the Secretary of Health and Human Services the authority of the Secretary of Energy to conduct epidemiological studies of radiation effects.
SD-342

*Governmental Affairs
Civil Service, Post Office, and General Services Subcommittee
To resume hearings on S. 1327, to establish higher minimum rates of basic pay in geographic areas where the Federal Government is experiencing significant recruitment and retention problems, S. 1727, to establish alternative personnel management systems for scientific and technical employees, and provisions of S. 2082, to improve the management of major defense acquisition programs, to establish a Defense Acquisition Service, and to limit employment contacts between senior officials of the Department of Defense and defense contractors.
SD-124

MAY 15

9:30 a.m.
Appropriations
Labor, Health and Human Services, Education, and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1987 for the Departments of Labor, Health and Human Services, and Education, and certain related agencies.
SD-116

Labor and Human Resources
Labor Subcommittee
To hold hearings on S. 2050, to notify workers who are at risk of occupational disease in order to establish a system for identifying and preventing illness and death of such workers.
SD-430

10:00 a.m.
Appropriations
Foreign Operations Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1987 for the Department of State, focusing on voluntary contributions to international organizations programs, and for the Office of the U.S. Representative to the United Nations.
SD-124

Commerce, Science, and Transportation
Science, Technology, and Space Subcommittee
To hold hearings on proposed legislation authorizing funds for the National Science Foundation.
SR-253

Energy and Natural Resources
Natural Resources Development and Production Subcommittee
To hold oversight hearings on the prospects for exporting American coal.
SD-366

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1:00 p.m.
*Judiciary
Security and Terrorism Subcommittee
To resume hearings in closed session to examine legal mechanisms to combat terrorism.
S-407, Capitol

2:30 p.m.
Appropriations
Interior and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1987 for fossil energy and clean coal technology.
SD-192

MAY 16

9:30 a.m.
Commerce, Science, and Transportation
To hold hearings on the nominations of Vice Admiral Paul A. Yost, Jr., to be Commandant, U.S. Coast Guard, with the grade of admiral, and Rear Admiral James C. Irwin, to be Vice Commandant, U.S. Coast Guard, with the grade of vice admiral.
SR-253

10:15 a.m.
Commerce, Science, and Transportation
Merchant Marine Subcommittee
To hold hearings on proposed legislation authorizing funds for the Maritime Administration, Department of Transportation, and proposed legislation authorizing funds for the Federal Maritime Commission.
SR-253

MAY 20

2:00 p.m.
Appropriations
Interior and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1987 for the Indian Health Service, Department of Health and Human Services.
SD-192

MAY 21

9:30 a.m.
Appropriations
Commerce, Justice, State, the Judiciary, and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1987 for the U.S. Information Agency, and the National Endowment for Democracy.
S-146, Capitol

Labor and Human Resources
To hold oversight hearings on strategies to reduce hunger in America.
SD-430

MAY 29

2:00 p.m.
Appropriations
Interior and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1987 for the Office of the Secretary and Office of the Solicitor, Department of the Interior.
SD-192

JUNE 3

10:00 a.m.
Energy and Natural Resources
To hold oversight hearings on the implementation of the Public Utility Regulatory Policies Act (P.L. 95-617).
SD-366

Governmental Affairs
Energy, Nuclear Proliferation and Government Processes Subcommittee
To hold hearings on statistical policy for an aging America.
SD-342

JUNE 4

9:30 a.m.
Appropriations
Commerce, Justice, State, the Judiciary, and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1987 for the Departments of Commerce, Justice, and State, the Judiciary, and certain related agencies.
S-146, Capitol

Labor and Human Resources
To hold oversight hearings to review the imposition of user fees in FDA approval procedures for new drugs.
SD-430

10:00 a.m.
Commerce, Science, and Transportation
Merchant Marine Subcommittee
To hold hearings on S. 1935, to provide for certain vessels to be documented under the laws of the United States to entitle them to engage in domestic coastwise trade.
SR-253

JUNE 11

9:30 a.m.
Labor and Human Resources
To hold hearings on pending nominations to the National Advisory Council on Women's Educational Programs.
SD-430

JUNE 12

10:00 a.m.
Labor and Human Resources
Education, Arts, and Humanities Subcommittee
To resume joint oversight hearings with the House Committee on Education and Labor's Subcommittee on Elementary, Secondary and Vocational Education on illiteracy in America.
2175 Rayburn Building

JUNE 17

9:30 a.m.
Energy and Natural Resources
Public Lands, Reserved Water and Resource Conservation Subcommittee
To hold hearings on S. 2055, to establish the Columbia Gorge National Scenic Area.
SD-366

Labor and Human Resources
To resume oversight hearings on medical malpractice.
SD-430

JUNE 18

9:30 a.m.
Labor and Human Resources
Business meeting, to consider pending calendar business.
SD-430

JUNE 25

9:30 a.m.
Labor and Human Resources
To hold hearings on the administration of the Mine Safety and Health Review Commission.
SD-430

JULY 16

9:30 a.m.
Labor and Human Resources
To hold hearings on measures to improve the health of children.
SD-430

JULY 17

9:30 a.m
Finance
Social Security and Income Maintenance Programs Subcommittee
To hold joint hearings with the Committee on Labor and Human Resources' Subcommittee on Employment and Productivity on work and welfare issues.
SD-430

Labor and Human Resources
Employment and Productivity Subcommittee
To hold joint hearings with the Committee on Finance's Subcommittee on Social Security and Income Maintenance Programs on work and welfare issues.
SD-430

JULY 22

9:30 a.m.
Finance
Social Security and Income Maintenance Programs Subcommittee
To resume joint hearings with the Committee on Labor and Human Resources' Subcommittee on Employment and Productivity on work and welfare issues.
SD-430

Labor and Human Resources
Employment and Productivity Subcommittee
To resume joint hearings with the Committee on Finance's Subcommittee on Social Security and Income Maintenance Programs on work and welfare issues.
SD-430

JULY 30

9:30 a.m.
Labor and Human Resources
Business meeting, to consider pending calendar business.
SD-430

AUGUST 13

9:30 a.m.
Labor and Human Resources
To hold hearings to review the private sector initiatives in human services.
SD-430

SEPTEMBER 10

9:30 a.m.
Labor and Human Resources
To hold hearings to review the human resources impact on drug research and space technology.
SD-430

SEPTEMBER 16

9:30 a.m.
Labor and Human Resources
To hold hearings on pending nominations.
SD-430

SEPTEMBER 24

9:30 a.m.
Labor and Human Resources
Business meeting, to consider pending calendar business.
SD-430

CANCELLATIONS

APRIL 24

10:00 a.m.
Appropriations
Defense Subcommittee
To hold closed hearings on proposed budget estimates for fiscal year 1987 for intelligence programs.
S-407, Capitol

APRIL 25

9:30 a.m.
Appropriations
Labor, Health and Human Services, Education, and Related Agencies Subcommittee
To hold hearings on the impact of proposed budget estimates on health research programs.
SD-138

APRIL 29

10:00 a.m.
Select on Indian Affairs
To hold hearings on S. 2105, S. 2106, and S. 2107, bills to provide for the settlement of certain claims of the Papago Tribe of Arizona.
SR-385

MAY 1

9:30 a.m.
Labor and Human Resources
Labor Subcommittee
To hold oversight hearings on employee benefit and pension policy implications contained in proposed tax reform legislation.
SD-430

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HOUSE OF REPRESENTATIVES—*Thursday, April 24, 1986*

The House met at 11 a.m. and was called to order by the Speaker pro tempore [Mr. Coelho].

DESIGNATION OF SPEAKER PRO TEMPORE

The SPEAKER pro tempore laid before the House the following communication from the Speaker:

Washington, DC, April 23, 1986.

I hereby designate the Honorable Tony Coelho to act as Speaker pro tempore on Thursday, April 24, 1986.

Thomas P. O'Neill, Jr.,
Speaker of the House of Representatives.

PRAYER

The Chaplain, Rev. James David Ford, D.D., offered the following prayer:

We are grateful, O God, for Your mighty acts of deliverance, acts that have brought people from slavery to freedom. On this day of Passover we are reminded of Your goodness to us and we pray that we will be faithful to those traditions of freedom. Amen.

THE JOURNAL

The SPEAKER pro tempore. The Chair has examined the Journal of the last day's proceedings and announces to the House his approval thereof.

Pursuant to clause 1, rule I, the Journal stands approved.

MESSAGE FROM THE SENATE

A message from the Senate by Mr. Hallen, one of its clerks, announced that the Senate had passed with amendments in which the concurrence of the House is requested, a joint resolution of the House of the following title:

H.J. Res. 220. Joint resolution to reaffirm Congress' recognition of the vital role played by members of the National Guard and Reserve in the national defense.

The message also announced that the Senate had passed joint resolutions and a concurrent resolution of the following titles, in which the concurrence of the House is requested:

S.J. Res. 280. Joint resolution designating the month of November 1986 as "National Alzheimer's Disease Month";

S.J. Res. 288. Joint resolution to designate the month of May 1986, as "National Birds of Prey Month";

S.J. Res. 289. Joint resolution to designate 1988 as the "Year of New Sweden" and to recognize the New Sweden 1988 American Committee;

S.J. Res. 293. Joint resolution to designate the month of May 1986 as "National Child Safety Month";

S.J. Res. 298. Joint resolution to designate the week of October 5, 1986, through October 11, 1986, as "Mental Illness Awareness Week";

S.J. Res. 310. Joint resolution to proclaim June 15, 1986, through June 21, 1986, as "National Agricultural Export Week";

S.J. Res. 312. Joint resolution designating the week beginning April 13, 1986, as "National Medical Laboratory Week";

S.J. Res. 317. Joint resolution to designate the month of November 1986 as "National Hospice Month";

S.J. Res. 318. Joint resolution designating November 1986 as "National Diabetes Month";

S.J. Res. 321. Joint resolution to designate October 1986 as "National Down's Syndrome Month";

S.J. Res. 324. Joint resolution to designate the week beginning May 18, 1986, as "National Digestive Diseases Awareness Week"; and

S. Con. Res. 133. Concurrent resolution to commend Deputy Director of Central Intelligence John N. McMahon for exceptionally distinguished service to the United States of America.

The message also announced that pursuant to sections 1928a–1928d, title 22, of the United States Code, the Chair on behalf of the Vice President appoints Mr. Eagleton, Mr. Mathias, Mr. Bentsen, Mr. McClure, Mr. Hatch, and Mr. Heflin, as members of the Senate delegation to the North Atlantic Assembly Spring Meeting, to be held in Luxembourg City, Luxembourg, on May 22 to June 1, 1986.

The message also announced that pursuant to sections 276h–276k, title 22, of the United States Code, as amended, the Chair on behalf of the Vice President appoints Mr. Zorinsky, Mr. DeConcini, Mr. Hatch, Mr. Mattingly, and Mr. Bingaman, as members of the Senate delegation to the Mexico-United States Interparliamentary Group Meeting, to be held in Colorado Springs, CO, May 29 to June 2, 1986.

SAY IT ISN'T SO

(Mrs. SCHROEDER asked and was given permission to address the House for 1 minute and to revise and extend her remarks.)

Mrs. SCHROEDER. Mr. Speaker, there is a shocking story this morning on the front page of the Washington Times written by George Archibald, and I certainly hope it is incorrect. What this story says really smacks all ethics that we have in the face and also causes great concern for the security of the President of the United States. This story alleges that every day Michael K. Deaver is given the personal detailed schedule of the President of the United States by Frederick J. Ryan, that his driver goes over, it is handed to him, and then he knows every single detail that no one else knows. Obviously that allows him to sell all sorts of access that we have been reading about and I think is wrong. But it also, I think, jeopardizes the security of the President of the United States because anyone can intercept that driver, get that appointment book, and know exactly what to do and where. I certainly hope this is incorrect, and I certainly hope that the White House announces today what the truth is and let us hope that this story is not the truth.

TAKEOVER RAIDS AND DOMESTIC OIL AND GAS EXPLORATION

(Mr. BARTON of Texas asked and was given permission to address the House for 1 minute and to revise and extend his remarks and include extraneous matter.)

Mr. BARTON of Texas. Mr. Speaker, our country finds itself facing an energy crisis that poses a threat to U.S. energy security. That crisis is the plunge in domestic oil and gas exploration and the resultant collapse in U.S. energy production.

The standard barometer of exploration activity in the United States is the rig count, the number of drilling rigs in operation. The higher the rig count, the higher the level of U.S. oil and gas exploration. Exploration is essential to U.S. energy security, since low levels of exploration activity will lead to lower domestic production and a return to dependence on OPEC.

I am sure that you will be disturbed to know that exploration activity in the United States has virtually halted as a result of a number of factors, in particular low world oil prices. Americans are not looking for oil and gas in the United States anymore, because they cannot break even when oil prices fluctuate in the $10 to $15 per-barrel range. The number of operational rigs has plunged from 1,900 in December 1985 to 917 last week. The rig count has fallen by 50 percent in 4 short months. The United States confronts a return to a period of energy dependence on OPEC.

☐ This symbol represents the time of day during the House proceedings, e.g., ☐ 1407 is 2:07 p.m.
Matter set in this typeface indicates words inserted or appended, rather than spoken, by a Member of the House on the floor.

A prominent Texas independent oilman and good friend of mine, Mr. Michel Halbouty, has long been concerned over the decline in domestic oil and gas exploration. The attached article from the Houston Chronicle written by Michel Halbouty is worth reading.

[From the Houston Chronicle, Mar. 30, 1986]

A Far Worse Crisis

(By Michel T. Halbouty)

"In my opinion, this country is reaching toward a severe economic crisis, as well as an imposition on our national security by our not doing everything possible to increase our domestic (oil) production now. To continue along the downward exploratory curve which we are now experiencing will surely result in economic chaos. The impact of an energy shortage in this country would be absolutely disastrous.

"Unless there is an appreciable and sustained turnaround in our exploratory activities. I can safely predict that soon we will have an energy crisis in this country which will cause repercussions throughout the width and breadth of this great nation of ours like a devastating earthquake."

Those are the words I said on Nov. 30, 1960, as I concluded a speech in Los Angeles. Unfortunately, the prediction came true with the 1973–74 energy crisis.

What I said then applies today. The present volatile energy price and supply situation has many aspects of comparison with the energy dilemmas we faced in the 1960s and 1970s.

Domestic oil production is falling; drilling is down to a dramatic low equal only to that of the mid-1970s; our oil imports are gradually increasing; companies are going under; massive layoffs are regular occurrences; and budget cutbacks in exploration and production, as well as in research and development, are almost daily reported.

But what got us into this sorry state has been almost totally forgotten or ignored by the media. The hostile takeover-merger raids of the past few years have, singlehandedly, forced more changes on the petroleum industry than any amount of price cuts could have done. Today's dangerous retrenchment trend was precipitated by the hostile raids on the industry—raids which saddled companies with huge debts, triggering cutbacks and personnel layoffs. The recent oil price slide has only accentuated the problem and accelerated the attrition.

Personnel and exploration cutbacks are severe and it seems that more will occur. What disturbs me most is the complete disregard for the human element. It is a sad commentary on our morality in doing business that the welfare of those who sustain the growth of business is being neglected at best and ignored at worst. Mass layoffs of personnel for the sake of paying the highest dividend or sustaining the dividend, even though a reasonable profit can be made without cutbacks, are counterproductive.

Instead of letting thousands of employees go and drastically cutting back on exploration, companies could take a lower profit and still maintain the employees and sustain reasonable and effective exploration activities. In this way, they could build for the future. Such, unfortunately, is not the case and when the turnaround comes, those same companies will not have the benefit of dedicated, experienced professionals. Instead they will be forced to hire inexperienced and untrained personnel. Greater sums will be spent on trying to catch up than were saved by cutting back.

The impact of exploration cuts and employee layoffs is felt in all sectors of the petroleum industry. The multiplier effect of these cuts will soon be felt throughout the communities where those cuts were made, such as we are experiencing today in Houston. The job-loss toll has reached the hundreds of thousands since the raiders and their Wall Street cohorts started their assault on the petroleum industry. Eventually the nation as a whole will experience the effects of the devastation left in the wake of hostile raider demolition tactics and the added thrust of crude oil price declines.

As our domestic oil production dwindles and companies further reduce their exploration programs, our imports of crude oil and products from foreign nations will increase. In as little as 36–48 months we could become as much as 75 percent import-dependent.

How could this happen so fast? It's really very simple. With oil prices at uneconomic lows, many U.S. stripper wells will be abandoned—and once abandoned, they're gone forever as resources for the nation. Some 14 percent of our current production is from stripper wells. Deduct the millions of barrels of oil that could have been produced had we been exploring for new reserves, and another shortfall appears.

Today we import roughly 5 million barrels a day of crude oil; we produce around 8.9 million barrels a day and draw down approximately 2 million barrels per day from inventory. Our consumption is estimated at roughly 16 million barrels of oil each day; a 50 percent import dependence would be fast arriving. From that point it would only be a matter of time until imports set record highs, and America was once again at the mercy of foreign cartels.

Our domestic petroleum is the only available dependable supply. Other sources are subject to nationalization, expropriation, confiscation by exorbitant taxation, the caprice of foreign sovereigns, war and other emergency disconnections.

A shift in oil import dependence translates into danger for the country as a whole, and especially affects our national military security. Without secure petroleum supplies to fuel our military complex, we are at a disadvantage in the event of hostilities or outright war. If our domestic petroleum industry cannot provide these secure supplies, we would stand little chance of sustaining, much less winning, any confrontation.

The world still runs on oil energy, and it will for decades to come. As a result of lower oil prices, most of our alternate-energy research and development projects have been curtailed or canceled. Our nuclear power policy is ludicrous, prohibiting nuclear energy from taking its valuable place in our energy markets. Restrictive fuel-use regulations further hamper our development of increased energy security. And with the fall in oil prices, other energy resource prices also lose ground.

What we must not do at this time is underestimate the influence of foreign oil exporters. The American petroleum industry's retrenchment in the wake of raider threats and foreign producers' continuing to flood world oil markets to drive prices down add up to excessive U.S. oil-import dependence.

The oil industry, so vital to our national security, must be strengthened instead of weakened. To stave off the possibility of another oil crisis we must take immediate and responsible measures. Legislation which has been proposed in Congress to remove onerous, punitive and counterproductive regulations and laws of the past years must be supported, and those proposals which would harm the industry and the country in the long term must be opposed.

If we don't defuse the time bomb associated with the continuous drop in domestic oil exploration, we will be faced with another, far worse crisis of oil-price escalation and oil-import dependence the likes of which we have never seen.

ECONOMIC TERRORISM IN WEST VIRGINIA

(Mr. STAGGERS asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. STAGGERS. Mr. Speaker, in the past few weeks it has become apparent that the Middle East doesn't have a monopoly on terrorism. My constituents in West Virginia have fallen victim to a surgical strike by the insurance industry, which amounts to economic terrorism in its finest form.

In its past session, the West Virginia Legislature passed an insurance accountability bill, which the insurance industry neither supported nor opposed. But the minute the bill became law, the five major providers of liability insurance in West Virginia announced that this was more than they could bear, and that they would sell their wares elsewhere effective May 31, unless something is done to protect their piece of the rock.

No deaths have resulted from this attack, yet, Mr. Speaker, but what happens on May 31 when doctors and hospitals start closing their doors? While we have rejected the idea of bombing the insurance industry, Congressman Wise and I have decided to seek recourse through the committee process. Congressman Wise will be working with Energy and Commerce, and I will pursue hearings in Judiciary.

Mr. Speaker, this is a problem of great magnitude. With its intent now blurred, perhaps McCarran-Ferguson has outlived its usefulness.

REFUSAL TO GRANT PATENT ON ENERGY MACHINE SEEN AS AN INJUSTICE

(Mr. LIVINGSTON asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. LIVINGSTON. Mr. Speaker, it took the Wright brothers over 3 years to obtain a patent for their flying machine, simply because the U.S. Patent Office insisted that such an invention was impossible. Today we are witnessing the same foolish behavior. For 7 years, the Patent Office has refused to grant Joseph Newman of Mississippi the legal right to his energy machine, an invention which could revolutionize the energy industry and vastly improve the quality of our lives.

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Patent officials have denied Newman a patent on the grounds that his machine doesn't work. This, despite the fact that they have not run a single test of the device which substantiates their claims; despite the fact that over 30 respected scientists have sworn that the machine works; and despite the fact that a court-appointed special master has ruled in Newman's favor.

This case smells of injustice. In late February, a Federal judge impounded Newman's invention without a hearing and in apparent violation of a higher court order.

Article I, section 8 of the Constitution gives Congress the authority to grant patents to American citizens. It is time for this body to exercise that authority by granting a patent to Mr. Newman. We must act because the executive and judicial branches of our Government have denied this man his constitutional right to due process of law.

I urge my colleagues to investigate this matter, and I urge that hearings be held. If anyone has concrete evidence that Mr. Newman's device does not work, please come forward. Otherwise, it is time to stop wasting taxpayer money, grant this man a patent, and let the American marketplace decide the value of this invention.

GAO STUDY PROVES INADEQUACY OF WEATHER INFORMATION TO PILOTS

(Mr. GLICKMAN asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. GLICKMAN. Mr. Speaker, last summer, along with Congressmen George Brown and Tom Lewis, I requested that the GAO study the availability of hazardous weather information to air traffic controllers.

Mr. Speaker, the full report has just been released and the findings reaffirm the fact FAA airport radars are not capable of determining storm intensity and airports do not have direct access to adequate sources of hazardous weather information.

Further, the report concluded that air traffic controllers at the Nation's busiest airports sometimes do not have time to disseminate weather information to pilots and it is often not given as soon as possible because controllers are too busy performing their primary duty of separating aircraft. This lack of controller time for disseminating weather information can result in insufficient weather information being available to pilots during the critical takeoff and landing phases of flight.

Hazardous weather is a major factor in aviation accidents with over 50 percent of all air carrier accidents in some way attributable to weather conditions. One particular incident that comes to mind is the Delta crash in Dallas last summer in which hazardous weather conditions played a major role and indications were that the flight crew was not provided with the latest weather forecast.

One of the key solutions is the installation of the terminal Doppler radar systems. OMB has slashed the FAA's facilities and equipment budget despite the multibillion surplus in the aviation fund. This means that the installation of 15 terminal Nexrad systems will not be put into operation until 1990 and 1991. I have already sent letters to OMB Director James Miller and FAA Administrator Don Engen in this regard. It seems to me that OMB is ignoring the problems. It is important to note that the total cost of installating the system at the Nation's 100 busiest airports is just about the monetary loss from just one Dallas Delta-type crash. Beyond that, without structural and procedural changes in the system, airline passengers' lives will continue to be in some jeopardy.

MALPRACTICE INSURANCE COMPANIES ARE PRACTICING BLACKMAIL

(Mr. WISE asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. WISE. Mr. Speaker and fellow Members, I want to sound a national warning: during the past year every Member of this body has been besieged by cities, States, physicians, manufacturers, small businesses, all begging for insurance rate relief. Insurance premiums are skyrocketing. "Give us tort reform," respond the insurance companies.

During the past 2 years I have basically grown more sympathetic to the cause for tort reform. Indeed just 2 months ago the West Virginia Legislature took the first step in this direction by passing limits on recovery, certain limits on recovery. However, the legislation also added other language that would require insurance policies before they are being canceled, for the people to have the opportunity for a hearing and require companies to submit more detailed financial information to regulators. What was the insurance companies' reaction?

Four of the major malpractice insurance providers for West Virginia immediately announced they were canceling their policies. As of May 31, 1986, most of our State's 7,000 doctors, 58 hospitals and other health providers will find themselves without malpractice insurance.

Mr. Speaker, this is blackmail. The insurance company thinks that it can take a small State like West Virginia and intimidate it to change laws with which it does not agree.

Mr. Speaker, along with my fellow colleague from West Virginia, Representative Harley Staggers, I am asking the appropriate committees of Congress to investigate the industry's actions in West Virginia.

The industry's exemption from Federal antitrust legislation does not extend to coercion or blackmail. Furthermore, Mr. Speaker, the insurance companies have long fought to avoid Federal regulation. But the way it is treating my State—make no mistake about it next time it will be your State—shows that I intend to make this a national issue. We must drag these insurance companies, who think they can kick their small State around, kicking and screaming into the national arena for all to see what they truly mean when they ask for tort reform.

ADJOURNMENT TO MONDAY, APRIL 28, 1986

Mr. COOPER. Mr. Speaker, I ask unanimous consent that when the House adjourns today it adjourn to meet at 12 o'clock noon on Monday next.

The **SPEAKER** pro tempore. Is there objection to the request of the gentleman from Tennessee?

There was no objection.

DISPENSING WITH CALENDAR WEDNESDAY BUSINESS ON WEDNESDAY NEXT

Mr. COOPER. Mr. Speaker, I ask unanimous consent that the business in order under the Calendar Wednesday rule be dispensed with on Wednesday next.

The **SPEAKER** pro tempore. Is there objection to the request of the gentleman from Tennessee?

There was no objection.

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PERSONAL EXPLANATION

The **SPEAKER** pro tempore. Under a previous order of the House, the gentleman from Florida [Mr. Pepper] is recognized for 5 minutes.

Mr. PEPPER. Mr. Speaker, I was unavoidably absent Wednesday morning, April 23, 1986, for rollcall No. 93, the approval of the Journal. Had I been present, I would have voted "aye."

At the time of the vote, I was at the Supreme Court of the United States attending the oral argument on the suit that I joined challenging the constitutionality of the automatic deficit reduction process of the Balanced Budget and Emergency Deficit Control Act of 1985, Public Law No. 99-177, known as the Gramm-Rudman-Hollings Act.

THE ATTEMPT TO INCREASE HOUSE MEMBERS' OUTSIDE EARNINGS

The **SPEAKER** pro tempore. Under a previous order of the House, the gentleman from Georgia [Mr. Ray] is recognized for 5 minutes.

Mr. RAY. Mr. Speaker, I want to state my position regarding the attempt made on the House floor on Tuesday to increase the limit on outside earned income for Members of the House of Representatives. Let me hasten to add that I am grateful that the House acted quickly in reversing this controversial decision.

Mr. Speaker, I am particularly concerned about the way the resolution was brought to the floor on Tuesday without notice and with only a small handful of Members present—and then passed on a voice vote where Members could not record their positions on the measure.

This surprise maneuver by a few cast suspicion on the majority of Members of this House at a time when we ourselves are calling on people all over this country to tighten their belts and accept deep budget reductions in many worthwhile programs. This is just a very inappropriate time for this kind of resolution to be brought before this body.

It would have been reprehensible if we had let this measure slip by.

Thankfully, the House yesterday took the unusual action of vacating the proceedings by which the outside income increase was approved. I supported the move to knock out the previous action of the House, and I am glad we quickly overturned what would have been a regrettable decision.

Last evening I listened to the news reports of certain Members from both parties who criticized the intestinal fortitude of those other Members who opposed the resolution raising the outside income limit.

Mr. Speaker, this resolution was rammed through the legislative process immediately after the invocation by the Chaplain on Tuesday by voice vote.

This resolution would have allowed Members of the House to earn $7,510 more each year in honoraria, legal fees, and other outside earned income. Had it been allowed to be subjected to the normal floor debate—where the checks and balances usually work—there would have been no quarrel with it, although I feel sure it would have been soundly defeated. For myself, I would have opposed it under any circumstance.

Despite the bustling economic activity, the housing boom, decreasing interest rates, and reduced inflation—for which we are grateful—our country faces a serious underlying danger.

Because our country owes more than $2 trillion because we will have to borrow at least $140 billion in the next year, and because the current interest on our national debt totals $165 billion Americans have become alarmed. They have expressed that alarm and concern to the majority of Congress, and Mr. Speaker, I am one of those who have received the message that it is high time that this body took a good look at fiscal responsibility.

That responsibility comes in the form of Gramm-Rudman-Hollings—whether we like it or not.

To meet the deficit targets under this new law, and to match the Government's spending with its income by 1991, it is necessary to cut deeply into health, education, agriculture, economic development, cost-of-living increases for Federal and military retirees, other domestic programs, and Defense.

So, at a time when we are urging our citizens to stand up for reduced Federal spending, to be patriotic, and to accept these sacrifices, we in the Congress—who are already suspect in the minds of many of our citizens—enacted a resolution which has the appearance of impropriety.

Mr. Speaker, some of the proponents who complained when we vacated the proceedings and rejected this resolution yesterday said the Members have no guts. One proponent said that when a pay raise comes on the horizon many Members run for the hills.

I just want to say that it took more than guts for those proponents to bring this ridiculous measure to the floor in the most untimely of all times.

It took gall and gumption, and the Members of the House were correct in overturning this action yesterday by an overwhelming vote of 333 to 68.

WHERE'S THE BUDGET?

The **SPEAKER** pro tempore. Under a previous order of the House, the gentleman from Mississippi [Mr. Lott] is recognized for 5 minutes.

Mr. LOTT. Mr. Speaker, this is day nine that the Congress has been in violation of the April 15 statutory deadline for a final budget. Do you know where your budget resolution is?

Mr. Speaker, while we have not been able to track down even a trace of a House budget resolution, we have managed to locate the House Budget Committee chairman. He was shown on the network news clips this morning, standing on the Supreme Court steps yesterday, decrying the evils of the Gramm-Rudman Deficit Reduction Act. Here's what he had to say for the television cameras: "We can't put the Government on automatic pilot. We in Congress must run the Government ourselves."

Mr. Speaker, I would remind our budget chairman that the automatic pilot doesn't kick in unless we cop out and don't produce a budget that meets the Gramm-Rudman deficit targets. If the chairman continues to dally, he may have to admit like Pogo that, "We have met the automatic pilot and he is us."

SPECIAL ORDERS GRANTED

By unanimous consent, permission to address the House, following the legislative program and any special orders heretofore entered, was granted to:

(The following Members (at the request of Mr. Kolbe) to revise and extend their remarks and include extraneous material:)

Mr. Lott, for 5 minutes, today.

(The following Members (at the request of Mr. Cooper) to revise and extend their remarks and include extraneous material:)

Mr. Ray, for 5 minutes, today.

Mr. Annunzio, for 5 minutes, today.

EXTENSION OF REMARKS

By unanimous consent, permission to revise and extend remarks was granted to:

Mr. Brown of California, and to include extraneous matter notwithstanding the fact that it exceeds 5¾ pages of the Record and is estimated by the Public Printer to cost $2,825.

(The following Members (at the request of Mr. Kolbe) and to include extraneous matter:)

Mr. Solomon.
Mr. Dannemeyer.
Mr. Crane.
Mr. Bereuter, in three instances.
Mr. Henry.
Mr. McKernan.
Mr. Livingston.

(The following Members (at the request of Mr. Cooper) to revise and extend their remarks and include extraneous material:)

Mr. Barnes.
Mr. Tallon.
Mr. Rodino.
Mr. Hamilton.
Mr. Weiss.
Mr. Fowler, in two instances.

SENATE JOINT RESOLUTIONS REFERRED

Joint resolutions of the Senate of the following titles were taken from the Speaker's table and, under the rule, referred as follows:

S.J. Res. 280. Joint resolution designating the month of November 1986 as "National Alzheimer's Disease Month"; to the Committee on Post Office and Civil Service.

S.J. Res. 288. Joint resolution to designate the month of May 1986, as "National Birds of Prey Month"; to the Committee on Post Office and Civil Service.

S.J. Res. 289. Joint resolution to designate 1988 as the "Year of Sweden" and to recognize the New Sweden 1988 American Committee; to the Committee on Post Office and Civil Service.

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S.J. Res. 293. Joint resolution to designate the month of May 1986 as "National Child Safety Month"; to the Committee on Post Office and Civil Service.

S.J. Res. 298. Joint resolution to designate the week of October 5, 1986, through October 11, 1986, as "Mental Illness Awareness Week"; to the Committee on Post Office and Civil Service.

S.J. Res. 310. Joint resolution to proclaim June 15, 1986, through June 21, 1986, as "National Agricultural Export Week"; to the Committee on Post Office and Civil Service.

S.J. Res. 312. Joint resolution designating the week beginning April 13, 1986, as "National Medical Laboratory Week"; to the Committee on Post Office and Civil Service.

S.J. Res. 317. Joint resolution to designate the month of November 1986 as "National Hospice Month"; to the Committee on Post Office and Civil Service.

S.J. Res. 318. Joint resolution designating November 1986 as "National Diabetes Month"; to the Committee on Post Office and Civil Service.

S.J. Res. 321. Joint resolution to designate October 1986 as "National Down Syndrome Month"; to the Committee on Post Office and Civil Service.

S.J. Res. 324. Joint resolution to designate the week beginning May 18, 1986, as "National Digestive Diseases Awareness Week"; to the Committee on Post Office and Civil Service.

ADJOURNMENT

Mr. COOPER. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 11 o'clock and 21 minutes a.m.), under its previous order, the House adjourned until Monday, April 28, 1986, at 12 o'clock noon.

EXECUTIVE COMMUNICATIONS, ETC.

3370. Under clause 2 of rule XXIV, a letter from the Secretary of Education, transmitting a report on the Department's progress in controlling federally imposed paperwork on the education community and coordinating activities of Federal agencies that collect education information, pursuant to 20 U.S.C. 1221-3(f), was taken from the Speaker's table and referred to the Committee on Education and Labor.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. DE LA GARZA: Committee on Agriculture. Report on allocation of budget totals for fiscal year 1986 (Rept. 99-555). Referred to the Committee of the Whole House on the State of the Union.

Mr. HAWKINS: Committee on Education and Labor. H.R. 4422. A bill to amend the Low-Income Home Energy Assistance Act of 1981 to authorize appropriations for fiscal years 1987, 1988, and 1989 and to clarify the treatment under other laws, of home energy assistance payments and allowances provided under such Act; with an amendment (Rept. 99-556, Pt. 1). Ordered to be printed.

PUBLIC BILLS AND RESOLUTIONS

Under clause 5 of rule X and clause 4 of rule XXII, public bils and resolutions were introduced and severally referred as follows:

By Mr. HYDE:

H.R. 4687. A bill to amend title 11 of the United States Code, relating to bankruptcy, to prevent discharge of administratively ordered support obligations; to the Committee on the Judiciary.

By Mr. SHUMWAY (for himself, Mr. KOLBE, and Mr. THOMAS of California):

H.R. 4688. A bill to amend the Agricultural Act of 1949 to suspend the application of the milk production termination program in order to minimize the adverse effect of the program on beef, pork, and lamb producers; to the Committee on Agriculture.

By Mrs. BOGGS (for herself, Mr. GINGRICH, Mr. HENRY, and Mr. SHARP):

H. Res. 434. Resolution authorizing printing of the compilation of materials entitled "Guide to Research Collections of Former Members of the United States House of Representatives, 1789-1987"; to the Committee on House Administration.

PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of rule XXII,

Mr. TORRES introduced a bill (H.R. 4689) for the relief of Merlene Ottey-Page; which was referred to the Committee on the Judiciary.

ADDITIONAL SPONSORS

Under clause 4 of rule XXII, sponsors were added to public bills and resolutions as follows:

H.R. 65: Mr. YATRON.

H.R. 229: Mr. KOSTMAYER.

H.R. 864: Mrs. SCHROEDER.

H.R. 1398: Mr. FORD of Tennessee.

H.R. 1950: Mr. CLINGER and Mr. SABO.

H.R. 3459: Mr. OBERSTAR.

H.R. 3747: Mr. ROWLAND of Georgia, Mr. KANJORSKI, Mr. HILLIS, Mr. SOLOMON, Mr. SMITH of New Jersey, Mr. SUNDQUIST, Mr. BILIRAKIS, Mrs. JOHNSON, Mr. MOLINARI, Mr. HENDON, and Mr. ROWLAND of Connecticut.

H.R. 3894: Mr. CHAPPELL, Mr. FORD of Michigan, Mr. MCCAIN, Mr. FLORIO, Mr. WIRTH, Mr. ZSCHAU, Mr. SPRATT, Mr. COUGHLIN, Mr. RINALDO, Mr. FRENZEL, and Mr. JONES of North Carolina.

H.R. 4183: Mr. JONES of North Carolina, Mr. WATKINS, Mr. DELLUMS, Mr. CRAIG, Mr. JENKINS, Mr. ROWLAND of Georgia, Mr. BARNARD, Mr. VOLKMER, Mr. VALENTINE, and Mr. TALLON.

H.R. 4204: Mr. PENNY.

H.R. 4267: Mr. OBERSTAR.

H.R. 4300: Mr. MCCLOSKEY, Mr. RINALDO, Mr. SCHUMER, Mr. GARCIA, Mr. BIAGGI, and Ms. MIKULSKI.

H.R. 4333: Mr. DWYER of New Jersey and Mr. DASCHLE.

H.R. 4344: Mr. OXLEY.

H.R. 4391: Mr. DANIEL, Mr. SMITH of New Hampshire, Mr. DUNCAN, and Mr. MCCAIN.

H.R. 4422: Mr. WIRTH and Mr. DAVIS.

H.R. 4437: Ms. KAPTUR.

H.R. 4488: Mr. MARTINEZ, Mr. CROCKETT, Mrs. BOXER, Mr. ANDREWS, Mr. WIRTH, and Mr. FROST.

H.R. 4621: Mr. SHUMWAY and Mr. MONSON.

H. Con. Res. 233: Mr. BARNES.

H. Res. 40: Mr. LAGOMARSINO, Mrs. BENTLEY, Mr. FIELDS, Mr. PACKARD, Mr. HARTNETT, Mr. PURSELL, and Mr. SHUMWAY.

H. Res. 392: Mrs. BENTLEY, Mr. LIGHTFOOT, Mrs. BOXER, Mr. KOLBE, Mr. LAGOMARSINO, Mr. YATRON, Mr. SLAUGHTER, Mr. WALGREN, Mr. MARTINEZ, Mr. DARDEN, Mr. SMITH of New Hampshire, Mr. PORTER, and Mr. WIRTH.

H. Res. 404: Mr. NEAL, Mr. STALLINGS, Mr. OLIN, and Mr. MCMILLAN.

H. Res. 418: Mr. PANETTA, Mr. STANGELAND, and Mr. DORGAN of North Dakota.

AMENDMENTS

Under clause 6 of rule XXIII, proposed amendments were submitted as follows:

H.R. 3302

By Mrs. VUCANOVICH:

(Amendment in the nature of a substitute.)

—Strike all after the enacting clause and insert in lieu thereof the following:

TITLE I—SHORT TITLE, FINDINGS AND PURPOSES

SHORT TITLE

SEC. 101. This Act may be cited as the "Nevada Wilderness Act of 1985".

DECLARATION OF FINDINGS AND PURPOSES

SEC. 102. (a) The Congress finds that—

(1) certain areas and undeveloped national forest lands in the State of Nevada possess outstanding natural characteristics which give them high values as wilderness and will, if properly preserved, be an enduring resource of wilderness for the benefit of the American people;

(2) review and evaluation of roadless and undeveloped lands in the National Forest System of Nevada have identified those areas which, on the basis of their landform, ecosystem, associated wildlife, and location, will help to fulfill the National Forest System's share of a quality National Wilderness Preservation System; and

(3) review and evaluation of roadless and undeveloped lands in the National Forest System in Nevada have also identified those areas which should be available for multiple uses other than wilderness, subject to the Forest Service's land management planning process and the provisions of this Act.

(b) The purposes of this Act are to—

(1) designate certain National Forest System lands in Nevada for inclusion in the National Wilderness Preservation System in order to preserve the wilderness character of the land and to protect watersheds and wildlife habitat, preserve scenic and historic resources, and promote scientific research primitive recreation, solitude, physical and mental challenge, and inspiration for the benefit of all of the American people; and

(2) insure that certain National Forest System lands in the State of Nevada be made available for uses other than wilderness in accordance with applicable national forest laws and planning procedures and the provisions of this Act.

TITLE II

ADDITIONS TO THE NATIONAL WILDERNESS PRESERVATION SYSTEM

SEC. 201. In furtherance of the purposes of the Wilderness Act of 1964 (78 Stat. 890), the following National Forest System lands in the State of Nevada, as generally depicted on maps appropriately referenced herein, are hereby designated as wilderness, and therefore, as components of the National Wilderness Preservation System:

(1) certain lands in the Toiyabe National Forest, which comprise approximately thirty-two thousand acres as generally depicted on a map entitled "Mount Charleston Wilderness Area—Proposed", dated March 1985, and which shall be known as the Mount Charleston Wilderness;

(2) certain lands in the Humboldt National Forest, which comprise twenty-three thousand acres as generally depicted on a map entitled "Jarbidge Additions to the Jarbidge Wilderness—Proposed", dated March 1985, and which are hereby incorporated in and which shall be deemed a part of the Jarbidge Wilderness as designated by section 3(a) of the Wilderness Act;

(3) certain lands in the Humboldt National Forest, which comprise approximately seventy-three thousand acres as generally depicted on a map entitled "Mount Moriah Wilderness—Proposed", dated March 1985, and which shall be known as the Mount Moriah Wilderness; and

(4) certain lands in the Inyo National Forest, which comprise approximately eight three thousand nine hundred acres as generally depicted on a map entitled "Boundary Peak Wilderness—Proposed", dated March 1985, and which shall be known as the Boundary Peak Wilderness.

LEGAL DESCRIPTION AND WILDERNESS BOUNDARIES

SEC. 202. As soon as practicable after the enactment of this Act, the Secretary of Agriculture shall file a map and a legal description of each area described in title II with the Committee on Energy and Natural Resources of the United State Senate and the Committee on Interior and Insular Affairs of the House of Representatives, and each such map and legal description shall have the same force and effect as if included in this Act, except that correction of clerical and typographical errors in each such legal description and map may be made. Each such map and legal description shall be on file and available for public inspection in the Office of the Chief of the Forest Service, Department of Agriculture.

APPLICATION OF THE WILDERNESS ACT OF 1964

SEC. 203. Subject to valid existing rights, each wilderness area designed by this Act shall be administered by the Secretary of Agriculture in accordance with the provisions of this Act and the Wilderness Act, except that any reference in the provisions of the Wilderness Act to the effective date of the Wilderness Act shall be deemed to be a reference to the effective date of this Act.

TITLE III—RELEASE OF LANDS FOR MULTIPLE USE MANAGEMENT

ADMINISTRATIVE AND CONGRESSIONAL REVIEW OF ROADLESS AREAS

SEC. 301. (a) The Congress finds that—

(1) the Department of Agriculture has completed the Second Roadless Area Review and Evaluation Program (RARE II); and

(2) the Congress has made its own review and examination of national forest roadless areas in Nevada and the environmental impacts associated with alternative allocations of such areas.

(b) On the basis of such review, the Congress hereby determines and directs that—

(1) without passing on the question of the legal and factual sufficiency of the RARE II final environmental statement (dated January 1979) with respect to national forest lands in States other than Nevada, such statement shall not be subject to judicial review with respect to National Forest System lands in the State of Nevada;

(2) with respect to the national forest lands in the State of Nevada which were reviewed by the Department of Agriculture in the second roadless area review and evaluation (RARE II) and those lands referred to in subsection (d) upon enactment of this Act, that review and evaluation or reference shall be deemed for the purposes of the initial land management plans required for such lands by the Forest and Rangeland Renewable Resources Planning Act of 1974 (Public Law 93-378), as amended by the National Forest Management Act of 1976 (Public Law 94-588), to be an adequate consideration of the suitability of such lands for inclusion in the National Wilderness Preservation System and the Department of Agriculture shall not be required to review the wilderness option prior to the revisions of the plans, but shall review the wilderness option when the plans are revised, which revisions will ordinarily occur on a ten-year cycle, or at least every fifteen years, unless, prior to such time, the Secretary finds that conditions in a unit have significantly changed;

(3) areas in the State of Nevada reviewed in such final environmental statement or referred to in subsection (d) and not designated wilderness upon enactment of this Act shall be managed for multiple use in accordance with land management plans pursuant to section 6 of the Forest and Rangeland Renewable Resources Planning Act of 1974, as amended by the National Forest Management Act of 1976: *Provided*, That such areas need not be managed for the purpose of protecting their suitability for wilderness designation prior to or during revision of the initial land management plans;

(4) in the event that revised land management plans in the State of Nevada are implemented pursuant to section 6 of the Forest and Rangeland Renewable Resources Planning Act of 1974, as amended by the National Forest Management Act of 1976, and other applicable law, areas not recommended for wilderness designation need not be managed for the purpose of protecting their suitability for wilderness designation prior to or during revision of such plans, and areas recommended for wilderness designation shall be managed for the purpose of protecting their suitability for wilderness designation as may be required by the Forest and Rangeland Renewable Resources Planning Act of 1974, as amended by the National Forest Management Act of 1976, and other applicable law; and

(5) unless expressly authorized by Congress, the Department of Agriculture shall not conduct any further statewide roadless area review and evaluation of National Forest System lands in the State of Nevada for the purpose of determining their suitability for inclusion in the National Wilderness Preservation System.

(c) As used in this section, and as provided in section 6 of the Forest and Rangeland Renewable Resources Planning Act of 1974, as amended by the National Forest Management Act of 1976, the term "revision" shall not include an "amendment" to a plan.

(d) The provisions of this section shall also apply to—

(1) those National Forest System roadless areas, or portions thereof in the State of Nevada, which were identified by unit plans listed at the end of this subparagraph, which are not designated as wilderness by this Act:

National forest	Unit plan
Humboldt	Santa Rosa
Humboldt	Ruby Mtn./E. Humboldt
Toiyabe	Mt. Charleston
Toiyabe	Central Nevada

(2) National Forest System roadless lands in the State of Nevada which are less than five thousand acres in size.

TITLE IV—MISCELLANEOUS PROVISIONS

GRAZING IN WILDERNESS AREAS

SEC. 401. (a) Within the wilderness areas designated by this Act, the grazing of livestock, where established prior to the date of enactment of this Act, shall be permitted to continue subject to such reasonable regulations, policies, and practices as the Secretary concerned deems necessary, as long as such regulations, policies, and practices fully conform with and implement the intent of Congress regarding grazing in such areas as such intent is expressed in section 4(d)(4) of the Wilderness Act and section 108 of Public Law 96-560.

(b) The Secretary of Agriculture is directed to review all policies, practices, and regulations of the Department of Agriculture regarding livestock grazing in National Forest System wilderness areas in Nevada in order to insure that such policies, practices, and regulations fully conform with and implement the intent of Congress regarding grazing in such areas, as such intent is expressed in this Act.

(c) The use of motorized equipment for the maintenance and care of livestock and supporting facilities for historical purposes related to grazing activities is permissible in wilderness areas in the State of Nevada. Such use of motorized equipment shall be expressly authorized in individual grazing permits or allotment management plans for the area involved, or by agreement with the wilderness management agency.

(d) Not later than one year after the date of the enactment of this Act, and at least every five years thereafter, the Secretary of Agriculture shall submit to the Committee on Interior and Insular Affairs of the United States House of Representatives and to the Committee on Energy and Natural Resources of the United States Senate a report detailing the progress made by the Forest Service in carrying out the provisions of paragraphs (a), (b), and (c) of this section.

STATE WATER ALLOCATION AUTHORITY

SEC. 402. (a) As provided in section 4(d)(6) of the Wilderness Act, nothing in this Act shall constitute an express or implied claim or denial on the part of the Federal Government as to exemption from Nevada water laws.

(b) Nothing in this Act shall be construed to limit the exercise of valid water rights as provided under Nevada State law, nor shall it constitute an express or implied reservation of water rights in favor of the Federal Government.

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STATE FISH AND WILDLIFE AUTHORITY

SEC. 403. As provided in section 4(d)(7) of the Wilderness Act, nothing in this Act shall be construed as affecting the jurisdiction or responsibilities of the State of Nevada with respect to wildlife and fish in the national forests in Nevada.

PROHIBITION OF BUFFER ZONES

SEC. 404. (a) Congress does not intend that the designation of wilderness areas in the State of Nevada lead to the creation of protective perimeters or buffer zones around each wilderness area. The fact that nonwilderness activities or uses can be seen or heard from within any wilderness area shall not, of itself, preclude such activities or uses up to the boundary of the wilderness area.

(b) Any air quality redesignation shall remain the prerogative of the State as provided in section 164(a) of the Clean Air Act.

(c) It is the intent of Congress that wilderness designation shall not in itself provide for protection under the visibility provision or any other provision of the Clean Air Act beyond that provided for adjacent public lands managed for multiple use.

MINERAL RESOURCES

SEC. 405. (a) In furtherance of section 4(d)(2) of the Wilderness Act and the policies of the National Materials and Minerals Policy, Research and Development Act (94 Stat. 2305), the Secretary of the Interior shall continue to make assessments of the mineral potential of national forest wilderness areas in the State of Nevada on a recurring basis, consistent with the concept of wilderness preservation, in order to expand the data base with respect to the mineral potential of such lands.

(b) The use of motorized equipment for transportation, construction, and earth moving purposes and the construction of facilities related to development and mining of valid mining claims located prior to enactment of this Act is permissible in wilderness areas in Nevada. Reasonable access by road may be permitted.

WATERSHED PROTECTION

SEC. 406. (a) Nothing in this Act shall be construed to limit motorized access and road maintenance by local municipalities for those minimum maintenance activities necessary to guarantee the continued viability of whatsoever watershed facilities currently exist or which may be necessary in the future to prevent the degradation of the water supply in such wilderness areas within the State of Nevada, subject to such reasonable regulations as are deemed necessary by the Secretary of Agriculture.

(b) Within the wilderness areas designated by this Act, the provisions of the Wilderness Act shall not be construed to prevent the installation and maintenance of hydrologic, meteorologic, climatological, geologic, or telecommunications facilities, or any combination of the foregoing, or limited motorized access to such facilities when nonmotorized access means are not reasonably available or when time is of the essence, subject to such strict environmental safeguards as the Secretary of Agriculture and the Secretary of the Interior deem desirable, where such facilities or access are essential to flood warning, flood control, and water reservoir operation purposes, or for conducting essential surveys and tests.

(c) As provided in section 4(d)(1) of the Wilderness Act, such measures may be taken within wilderness areas designated by this Act as may be necessary in the control of fire, insects, and diseases, subject to applicable laws and such additional reasonable conditions as the Secretary deems desirable. This shall include the use of herbicides for plant and noxious weed control and the practice of reseeding a badly damaged area.

PREDATOR CONTROL AUTHORITY

SEC. 407. Nothing in this Act shall limit or affect the jurisdiction or responsibilities of the Federal Government, in cooperation with the State of Nevada, with respect to predator control activities in the national forests in Nevada.

(Amendment to amendment in the nature of a substitute (H.R. 4642).)

—On page 11, line 6, strike all of title II and make all technical and conforming numerical changes to title I that are necessary.

SENATE—*Thursday, April 24, 1986*

(Legislative day of Monday, April 21, 1986)

The Senate met at 10 a.m., on the expiration of the recess, and was called to order by the President pro tempore [Mr. THURMOND].

The PRESIDENT pro tempore. Our prayer this morning will be offered by the Reverend Dr. Mark Anschutz, rector of Christ Episcopal Church in Alexandria, VA. He is sponsored by Senator PAUL TRIBLE.

PRAYER

The Reverend Dr. Mark Anschutz, rector, Christ Episcopal Church, Alexandria, VA, offered the following prayer:

Let us pray.

Almighty God, bless this bright land that Thou hast lifted between the seas: Her lonely wilds, her rich earth beneath our feet, her pulsing rivers, her splendid heights, the teeming cities and quiet villages of her landscape.

Bless, Lord God, this body of persons assembled. Give them minds and hearts this day and always which will allow them to wisely apply the fairness of the freedom we proclaim in this land. Let the laws they will create this day enshrine and reflect Your laws and be a mark of Your love on every citizen of this land. Inspire with vision every Member of this council, that in seeking Your truth they may be purified, this Republic may be strengthened and Thy glory done.

Inspire us with respect for the dignity of every citizen of this land and especially those who it would be easy to forget, the poor, the homeless and destitute, the old and the sick, and all who have none to care for them. Set us not on selfish paths, Lord God, but on Your high purposes, that we may heal all those who are broken in body or spirit and turn their sorrow into joy.

And, finally, Lord God, lest we forget, look down and visit the families of those elected to this body who give of themselves so generously in support of those who here serve—the spouses and children and grandchildren of this assemblage. Be Thou their guide and their strength this day and evermore, for it is into Thy care that we entrust them and we pray that Thy love would encompass them and guide them. All of this and so much more we say in the name of our God, the Creator. Amen.

RECOGNITION OF THE ACTING MAJORITY LEADER

The PRESIDENT pro tempore. The distinguished acting majority leader is recognized.

THE INSPIRATION OF REVEREND ANSCHUTZ

Mr. TRIBLE. Mr. President, let me at the outset thank the Reverend Mark Anschutz for a beautiful prayer this morning. Reverend Anschutz is the rector of Christ Church in Alexandria, an ancient Episcopal church where George Washington and Robert E. Lee worshiped. Not only does Christ Church have a distinguished past but it is a vibrant church today of nearly 2,000 members. Christ Church is spiritually alive and growing and at work in this world trying to heal the brokenness that we see around us.

Mark Anschutz is a powerful preacher who inspires and challenges his congregation and who has the rare ability to take the teachings of the Lord and translate them to the life that each of us must lead—the joys, the frustrations, the problems that we all encounter. I thank him for being here this morning.

SCHEDULE

Mr. TRIBLE. The majority leader is absent because of a meeting at the White House and in his stead let me summarize the order of the day.

At the outset the two leaders are recognized under the standing order for 10 minutes each. Then there will be special orders in favor of the following Senators for not to exceed 5 minutes each: Senators HAWKINS, CRANSTON, PROXMIRE, and MOYNIHAN. Then the Senate will turn to routine morning business not to extend beyond 10:30 a.m., with Senators permitted to speak therein for not more than 5 minutes each. At the conclusion of routine morning business, the Senate will then resume consideration of the budget resolution, Senate Concurrent Resolution 120. Pending is amendment No. 1800, the Moynihan amendment. Votes can be expected during the course of this day.

It will be the intention of the majority leader to ask that the Senate not be in session on Friday if an agreement can be reached to reduce the statutory time limitation allotted to the budget resolution by 10 hours.

RESERVATION OF THE MAJORITY LEADER'S TIME

Mr. TRIBLE. Mr. President, on behalf of the majority leader, I ask unanimous consent to reserve the remainder of the majority leader's time.

The PRESIDING OFFICER (Mr. PRESSLER). Without objection, it is so ordered.

CELEBRATION OF PASSOVER

Mr. DOLE. Mr. President, last night at sundown, Jews the world over began the weeklong celebration of Passover.

This holiday, which commemorates the liberation of the Jews from bondage in Egypt, symbolically occurs in spring. It is a time for new beginnings and for reaffirmation of one's faith.

The story of the "Exodus" is retold each year during the first two nights of the holiday at Passover seders. Only unleavened bread, or matzoh, is eaten during the 7 days of Passover to remember the fact that the Jews, hastening from Egypt, had no time to leaven their bread. Other foods, which symbolize their bitter, difficult lives in Egypt, are part of the seder service.

Each evening, a cup of wine for the prophet Elijah is set on the table. For there is a legend that this prophet visits every Jewish home on seder night. Passover is the festival of freedom and Elijah is the one who will announce that happy time in the future when all men will be free and a new time of peace and happiness will come upon the Earth.

All men and women, Jews and non-Jews, understand the desire, the need for freedom that drove the Jews from Egypt thousands of years ago. And we also share the hope and the belief that the Elijah's message of peace soon will be delivered.

RECOGNITION OF THE MINORITY LEADER

The PRESIDING OFFICER. Under the previous order, the minority leader is recognized.

Mr. BYRD. Mr. President, I thank the Chair.

Mr. President, I ask unanimous consent that I may reserve my time for use later in the day.

The PRESIDING OFFICER. Without objection, it is so ordered.

● This "bullet" symbol identifies statements or insertions which are not spoken by the Member on the floor.

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SENATOR HAWKINS' SPECIAL ORDER

The PRESIDING OFFICER. Under the previous order, the Senator from Florida is to be recognized for not to exceed 5 minutes.

Mr. MATTINGLY. Mr. President, I rise to offer a statement today by the Senator from Florida, the Honorable Paula Hawkins, with reference to drug testing.

Drug Testing

Mrs. HAWKINS. Mr. President, since the release of the report by the President's Commission on Organized Crime on Drug Abuse, Drug Trafficking and Organized Crime there has been a great deal said on the subject of drug testing. Unfortunately this has been another case where there has been more heat than light shed on this subject.

There can be little doubt that drug abuse and even drug use has serious consequences for our society, for our families, and even for ourselves as individuals. A survey by the American Management Association (AMA) and Arizona State University found that one in ten blue- and white-collar workers used illegal drugs in the workplace.

Contrary to what you might expect, this problem is not limited to bored assembly line workers or underachieving middle managers. Joseph A. Pursch, a medical director of Comprehensive Care Corporation, an alcohol and drug addiction treatment center in Newport Beach, California, has observed a 100 percent increase in the number of high-level executives coming in for treatment compared with only five years ago.

A 100 percent increase in high-level executives in need of treatment. These are the people who make the crucial business decisions that determine the fate of the entire company and its employees—to say nothing of profits. This should be enough to send shivers down the spine of employees and stockholders everywhere, and indicate the magnitude of the problem we are facing.

Some say that there is a distinction between the so-called recreational use of drugs and drug use in the workplace. But according to the Cocaine National Help Line this distinction is largely non-existent. In a study they conducted, 75 percent of the drug users tested admitted to using illegal drugs on the job; 64 percent said that drugs hindered their work performance; 44 percent said they sold drugs to fellow employees and 18 percent revealed having a drug-related accident or stealing from employers to support their habits.

There has also been an inclination to think that these so-called recreational uses of illegal drugs in off work hours does not have an effect on the job. Not so according to the November 1985 issue of the American Journal of Psychiatry. In an article entitled, "Carry-Over Effects of Marijuana Intoxication on Aircraft Pilot Performance: A Preliminary Report," authors Yesavage, Leirer, Denari and Hollister found that even 24 hours after smoking a single marijuana cigarette, pilots' skill can be impaired. The Psychiatrists asked 10 licensed private pilots to perform certain maneuvers in an aircraft simulation device. They then asked the pilots to smoke one average social "dose" of marijuana and then perform the same maneuvers immediately after smoking the joint, four hours later and then again 24 hours later.

When tested immediately after smoking the joint and four hours later the pilots were described as being barely in control of the plane. Even 24 hours later when the pilots were no longer feeling "high" the scientists noted increases in the number of hand movements needed to keep the plane stable, and found the pilots landing accuracy was still off by as much as one hundred percent with one of the pilots landing completely off the runway.

I don't know about you, but I would not want any of these people flying my airplanes; fixing the brakes on my car; operating a train or doing anything that affects my welfare or the welfare of my family or my country.

The toll taken by illegal drugs on our society is terribly high. We read increasingly of its effect on children and families. The effect on the workplace is just as bad. Drug use results in bad business decisions, diverted supervisory and managerial time, friction among workers, damage to company equipment and company public image, not to mention health care costs, absenteeism, sick leave, and the rising cost of health insurance and worker's compensation claims.

With so much at stake, it is no wonder that private companies are increasingly turning to drug testing as an effective means of addressing the problems posed by employee drug use. A survey of Fortune 500 companies has shown that 18 percent are using some form of drug testing, and that 20 percent are planning to implement a drug testing program within the next two years. This is up from only 5 percent testing in 1982. And it is not Mom and Pop companies that are doing the testing. IBM is now testing. So is Ford Motor Company, Alcoa, Boise-Cascade, American Airlines and even the New York Times.

Clearly the time has come for us to give this matter serious and careful consideration. I believe that drugs pose a serious threat to our country, and I believe that it will take a serious effort to get the problem under control. Drug testing can be an important part of this effort.

RECOGNITION OF SENATOR CRANSTON

The PRESIDING OFFICER. Under the previous order, the Senator from California [Mr. Cranston] is recognized for not to exceed 5 minutes.

AIR SAFETY

Mr. CRANSTON. Mr. President, while the Senate is properly concerned about the budget—the issue before us today—millions of Americans are deeply concerned about air safety.

The two are linked.

Air passengers, understandably, are worried about the dangers of terrorism.

Airplanes appear to be a favorite target of terrorists.

And now more than ever is a time for utmost vigilance.

Yet, there is another threat to air travel that is more insidious and perhaps all the more dangerous because of that.

It is the danger of indiscriminate budget cutting by the Government and injudicious cost cutting by some of the airlines.

Mr. President, a mechanic for one of the airlines was in my office recently and he admitted that some time ago the following incident took place:

A warning light on one of his planes was not functioning properly. But the crew, wanting to avoid costly downtime, decided not to take the plane out of service for repairs. Instead, they taped down the switch to the "off" position, and for a week—until the next regularly scheduled maintenance check—the plane flew with a warning light that did not work.

Fortunately, this particular incident ended harmlessly. But it illustrates why air travelers have reason to be worried these days.

Airline deregulation has brought us lower fares. But it also has brought us more airlines, more aircraft flying more passengers, more competition, and more intense temptation to airline management and workers to cut corners so as to bring down operating costs.

Now, more than ever, we need more Government oversight to ensure air safety; more safety inspectors to make sure that airlines live up to the highest levels of flying safety; more—and more experienced—controllers to handle the huge volume of air traffic.

Instead, we are getting less.

Because of budget cuts, we have 33 percent fewer air safety inspectors today than we had 7 years ago, and 37 percent fewer full performance level air traffic controllers than we had 5 years ago—and things can get much worse.

The first Gramm-Rudman sequestration for the current fiscal year cut the Federal Aviation Administration budget by $115 million.

What will happen in fiscal 1987?

What will happen if the indiscriminate, across-the-board Gramm-Rudman formula is triggered and the FAA suffers another cut of 20 percent, or 25 percent, or more?

Mr. President, the current crisis in air safety points up the perils of mindless, priorities-be-damned budget cutting that is the essence of Gramm-Rudman.

It also points up the absolute need for Congress and the President to reach a budget agreement so as to avoid the Gramm-Rudman trigger.

Part of that agreement, in my judgment, should be increased funding for air-safety enforcement.

There was a sharp increase in air crashes and fatalities last year; 561 people died in U.S. airline accidents. We must avoid actions that would inevitably cause more death in the skies this year—and next.

Failure to do everything humanly possible to reduce the national calamity of air accidents would be a national disgrace.

RECOGNITION OF SENATOR PROXMIRE

The PRESIDING OFFICER. Under the previous order, the Senator from Wisconsin [Mr. Proxmire] is recognized for not to exceed 5 minutes.

The Senator from Wisconsin.

THE NUCLEAR TEST BAN IS VERIFIABLE SO LET'S NEGOTIATE IT

Mr. PROXMIRE. Mr. President, the administration has offered a whole string of alibis for their opposition to negotiating a nuclear test ban treaty with the Soviet Union. Only one of those objections has even a remote plausibility. That "remotely plausible" objection is that such an agreement would not be verifiable. Now an outstanding expert on verification has demolished that objection. Who is this expert? Why is he qualified to make such a judgment? The expert is Kosta Tsipis of the Massachusetts Institute of Technology. Tsipis is the director of the program in science and technology for international security at MIT. Is Director Tsipis an expert on verification of nuclear weapons tests? He is, indeed. He and two other top professionals in this field have just published a book entitled, "Arms Control Verification: The Technologies That Make It Possible." In this book, Tsipis and his colleagues analyze the technologies of verification. They do more. They consider the political agreements necessary to bring the effective verification technologies into play. For instance, Tsipis says that if test ban negotiators can agree on stationing unmanned instruments in monitoring stations near test sites, the instruments could surely recognize and identify nuclear weapons test explosions. Could the instruments distinguish between earthquakes and nuclear weapons tests? Yes. They could. How? Tsipis points out that earthquakes generally give off seismic signals with low frequencies. Nuclear explosions produce higher frequency signals. Have these monitoring stations actually been produced? Yes, indeed. In fact, seven of these stations have already been completed. They are being tested now by scientists. Could the Soviets tamper with these unmanned stations and conceal their test explosions? No way. Tsipis flatly asserts that the stations are tamper proof. But would the Soviets agree to the installation of a sufficient number of these stations in their territory to provide the kind of monitoring required? Yes. In fact the Soviet Union has already indicated their willingness to do so, according to Spurgeon Keeney of the Arms Control Association. And, of course, this country can and should make the stationing of these monitoring stations within the boundaries of both countries a necessary condition of agreeing to the comprehensive test ban.

Isn't it possible that weapons development might proceed so swiftly that the verification techniques will not be able to keep pace? Fortunately the contrary is true. In spite of the reduction in funds for advancing verification technologies, Director Tsipis says that overall, technologies which allow the United States to verify Soviet compliance with arms control agreement are actually advancing more swiftly than weapons developments. Where have these verification technologies made progress? In optics, electronics and computing. Director Tsipis is confident that there is no question the United States now has the ability to verify existing and proposed arms control accords adequately. It is true that the new weapons have been getting smaller. The explosions have lower megatonnage and therefore send off smaller signals. Doesn't this make verification more difficult? No. Why not? Tsipis says: "the verification technologies are advancing at a faster pace. We are becoming even better."

Mr. President, the Defense Department has anticipated that they will not be able to base their case against test ban negotiations on the verification issue. They have been changing their alibis faster than a striptease artist can change clothes. They have argued that they had to keep testing to assure the reliability of their nuclear stockpile. That alibi lasted about a week. It lasted just long enough so that a check of the number of nuclear tests to assure reliability over the years showed that less than 3 percent had been for reliability purposes. Furthermore to the extent that reliability is a legitimate testing purpose, negotiations could permit an exception strictly limited for necessary reliability testing under international observation.

The latest Defense Department gambit in this regard is a real honey. In a response to Congressman Markey who has been the leading congressional advocate of a nuclear test ban, the Defense Department contends that continued nuclear weapons testing is necessary to prevent the proliferation of nuclear weapons. Mr. President, it is hard to believe that the Defense Department could offer such a transparently erroneous justification for not negotiating an end to testing nuclear weapons. For many years every expert advocate of stopping nuclear proliferation has pleaded with the superpowers to stop nuclear testing because the newly developed technologies resulting from testing will bring the cost of nuclear weapons down and their devastating effect up. As the nuclear weapons become more devastating per pound and nuclear arsenals become cheaper, more and more small and relatively poor nations will be able to afford to acquire the nuclear "equalizer." But now the Defense Department argues that if we stop making our nuclear arsenal cheaper and ever more deadly, other nations will develop their own nuclear arsenals. Congressman Markey accurately tagged this latest alibi for continued testing when he said: "I have yet to see one shred of evidence that supports this patently ridiculous and Orwellian contention."

Mr. President, much of the material for this speech has come from an excellent article in Defense Week by David J. Lynch.

MYTH OF THE DAY: WHOLE HERD BUYOUT PROGRAM AND PRICE SUPPORT CUTS CAN SOLVE OUR LONG-TERM DAIRY SUPPLY PROBLEM

Mr. PROXMIRE. Mr. President, the myth of the day is that the Whole Herd Buyout Program and price support cuts can solve our long-term dairy supply problem. An expected explosion of milk production by the year 2000 shows the compelling need to develop effective ways to control our supply now. Otherwise, dairy farmers will drown in the surplus.

The Office of Technology Assessment [OTA], an agency established to help the Congress anticipate and plan for the consequences of uses of technology, has recently released startling figures about the effects of technology on our Nation's dairy farms by the year 2000. What will this technology mean in terms of animal production efficiency? The OTA projections are truly astounding. For the year 1982, the annual milk production per cow, measured in thousands of pounds, was 12.30. The OTA study pegs this figure at 24.700 by the year 2000. This represents an incredible increase of over 100 percent in the period from the years 1982 to 2000.

These staggering projections send a message, loud and clear, to all those concerned about dairy programs and policies: Now is the time to devise and put into place a dairy supply management plan that works.

What about the Whole Herd Buyout Program that was authorized in the 1985 farm bill? It is untried and untested. I strongly favored, instead, another Milk Diversion Program along the lines of its successful predecessor.

The Milk Diversion Program that ended March 31, 1985, was designed to bring about reductions in three related areas: first, milk production; second, Commodity Credit Corporation purchases; and third, Federal Government costs. It was a total winner in meeting these objectives.

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In facing the gigantic increases in annual milk production per cow forecast by the OTA study, one thing is crystal clear: we cannot effectively deal with the dairy supply problem through price support cuts. When dairy farmers are hit by a price support cut, they do what any rational person would do in similar circumstances—they fight to survive. How? By producing more milk.

But do consumers benefit from dairy price support cuts? No, they do not. At the same time that price supports for dairy farmers have been severely slashed in recent years, retail dairy prices for consumers have been increasing. Why? Because those in between dairy farmers and consumers—namely, the processors and retailers—are not in the habit of being that generous. They do not generally pass the savings along to consumers.

And does cutting the price support level for dairy farmers translate into savings for the taxpayers? No, it does not. It is the taxpayers who must pick up the tab for increasing Government purchases of dairy products brought about by the need for dairy farmers to produce more in order to survive.

A sound dairy supply management program is the only effective way to meet the challenge posed by the ocean of milk that will likely confront us by the year 2000. The Whole Herd Buyout Program may prove helpful in the short run, and it should be given a chance. But I firmly believe that a policy based on the Milk Diversion Program concept is what we need to deal successfully with our long-term dairy supply problem.

ROUTINE MORNING BUSINESS

The PRESIDING OFFICER. Under the previous order, there will now be a period for the transaction of routine morning business for not to exceed beyond 10:30 a.m., with statements therein limited to 5 minutes each.

MISSISSIPPI LEGISLATURE EXPRESSES SUPPORT FOR THE SELECTIVE SERVICE SYSTEM

Mr. COCHRAN. Mr. President, I received from the chairman of the Mississippi Senate's Committee on Military Affairs a copy of a Senate concurrent resolution adopted by the legislature of the State of Mississippi at the recently concluded session in Jackson, MS. The resolution expresses the support of the legislature for the Selective Service System and the registration, even during peacetime, of those who are eligible for military service.

Wayne Burkes, who is chairman of the Military Affairs Committee of the State Senate, is a dear friend of mine, and he provides very important leadership in our State on matters which come under the jurisdiction of that committee.

I ask unanimous consent that a copy of his letter to me and a copy of the Senate concurrent resolution be printed in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

MISSISSIPPI STATE SENATE,
Jackson, MS, April 16, 1986.

Hon. THAD COCHRAN,
Russell Senate Office Building,
Washington, DC.

DEAR SENATOR COCHRAN: I have the honor and pleasure of transmitting to you Senate Concurrent Resolution 521 of the 1986 Mississippi Legislative Session expressing the support of the Mississippi Legislature and their constituents concerning the Selective Service System with continuous peacetime registration.

We Mississippians are traditionally patriotic and recognize our responsibilities and obligations to this nation which includes the privilege of serving in time of need.

May this resolution of support be of assistance in obtaining the strong defense posture this nation needs for continued world leadership.

I am and have been a strong supporter of the Reserve Components and the Selective Service System as they are an integral part of our national preparedness.

Sincerely,

WAYNE O. BURKES.

SENATE CONCURRENT RESOLUTION NO. 521

Whereas, the President and the Congress of the United States support the continuation of the program for peacetime registration for the Selective Service System; and

Whereas, in approving funds for such registration, Congress has recognized that peacetime registration contributes to national readiness by reducing by up to two months the time required for a full defense mobilization; and

Whereas, the registration program is an important signal to our North Atlantic Treaty Organization allies and to our potential adversaries of the seriousness of United States defense commitments at home and abroad; and

Whereas, over one million United States citizens have sacrificed their lives in military service to protect the rights and freedoms of all Americans; and

Whereas, the registration for Selective Service is an integral part of current preparedness to preserve these rights and freedoms in the future; and

Whereas, the Legislature of Mississippi notes with pride that over 175,000 Mississippians have registered with the Selective Service System since resumption of registration and by so registering are contibuting to the national defense prepardness of the United States:

Now, therefore, be it resolved by the Senate of the State of Mississippi, the House of Representatives concurring therein, That we do hereby reaffirm our support of the President and Congress for the provision of peacetime registration which has strengthened our national defense preparedness, signaling to our allies as well as our adversaries the seriousness of the United States defense commitments at home and abroad, and we commend the young men of this state and nation who have recognized their obligation to serve their country in time of need.

Be it further resolved, That a copy of this resolution be sent to the President of the United States and to the Mississippi Congressional Delegation, and that copies be made available to the press.

NORTH CAROLINA STUDENT LEGISLATURE

Mr. HELMS. Mr. President, there is a group of young people in North Carolina who have just observed their 50th birthday—and if that seems to be a contradiction, let me explain: I refer to the North Carolina Student Legislature which is the oldest such entity in the Nation.

I am very proud of the young people who today are participating in this very constructive and practical study of how the legislative branch of their State government functions. There are more than 250 of them involved this year. They come from more than 20 of North Carolina's colleges and universities.

Mr. President, I am told that more than 5,000 young people have participated in the activities of the North Carolina Student Legislature during the past half century. Some of them later became leaders of my State; all of them have gained a better understanding of how their State government works. They have learned parliamentary procedure. They have learned how the legislative process functions in a democratic society.

Small wonder that the Student Legislature is so highly regarded. Each year, the governor of this student group presents to the North Carolina General Assembly a compendium of legislation enacted by the Student Legislature. Copies of this document are delivered to the Speaker of the House and the President of the Senate. Not surprisingly, members of the general assembly take careful note of the actions taken by the young people, because nearly half of the members of the general assembly were once members of the Student Legislature.

The Student Legislature has an impressive track record. Nearly 40 percent of the legislation enacted by the young people has found its way to enactment by the general assembly, thereby becoming laws of the State of North Carolina. In the process, many student legislators have been consulted by their elders. Many others have testified before committees of the general assembly.

Mr. President, it is interesting that numerous alumni of the Student Legislature have gone on to serve in the Federal and/or State governments. For example, U.S. Attorney Sam Currin served years ago in the Student Legislature. Two former mayors of Charlotte got their start in the Student Legislature—Ken Harris and Eddie Knox. Eddie Knox later served in the general assembly and as chairman of North Carolina's Advisory Budget Commission.

Others include the present Lieutenant Governor, Bob Jordan; the late U.S. Representative Allard Lowenstein; former U.S. Senator—now director of North Carolina's State Bureau of Investigation—Robert Morgan; and four former North Carolina Governors—Terry Sanford, Robert W. Scott, James E. Holshouser, and James B. Hunt.

There are others, I am sure, whose names do not come to mind. I offer the above list merely as examples—with the hope that any whom I have overlooked will forgive me.

The point, Mr. President, is that I am enormously proud of this extraordinary organization and all of the young people who, down through the years, have served and learned, and grown into responsible citizenship. So as the North Carolina Student Legislature moves into its 51st year, I extend my sincere congratulations and best wishes. It's an idea whose time had come on the first day it functioned—and it will be around for the next 50 years, and beyond, as a wholesome and constructive part of what we regard as the great State of North Carolina.

SENATOR GOLDWATER TO RECEIVE MEDAL OF FREEDOM

Mr. DOLE. Mr. President, this afternoon the White House announced that on May 12 Senator BARRY GOLDWATER will join a distinguished group of Americans as a recipient of the Medal of Freedom.

There are few Americans who have compiled the history of patriotic commitment and dedication to the principles of freedom and democracy that Senator GOLDWATER has.

Starting his political career in 1949 as a member of the Phoenix City Council, BARRY has risen through the ranks of State and National politics, and in 1964 was the Presidential standard bearer for the Republican Party.

A hero to a generation of conservatives, Senator GOLDWATER continues today to speak out on issues that will play a critical role in this Nation's future. And none, more important than national security. In his capacity as chairman of the Intelligence Committee, and now as chairman of the Armed Services Committee, BARRY is an unflinching advocate of a strong and effective national defense and the continuation of America's role as the bulwark of freedom throughout the world.

Mr. President, when BARRY GOLDWATER retires at the end of this session of Congress, the Senate will lose one of its most distinguished voices, and one of its truest patriots. So, I am very pleased that this honor, the Medal of Freedom, will be presented to him when he was still a Member of this body. The Senate family can share in the pride of one its own, and as a colleague, extend BARRY our most heartfelt congratulations.

RESIGNATION OF DR. HARRY M. LIGHTSEY, JR., AS DEAN OF THE UNIVERSITY OF SOUTH CAROLINA LAW SCHOOL

Mr. THURMOND. Mr. President, last week I learned that Dr. Harry M. Lightsey, Jr., has resigned from his position as dean of the University of South Carolina School of Law in order to continue his service at the College of Charleston for an additional year as acting president.

While I sympathize with the students and faculty at the law school who will sorely miss his energetic leadership, I am delighted that the College of Charleston will continue to benefit from Dr. Lightsey's keen guidance.

A cum laude graduate of Clemson University, Dr. Lightsey received a dergree in veterinary medicine from the University of Georgia and practiced as a veterinarian from 1956 to 1958. He then decided to enroll at the University of South Carolina Law School where he graduated summa cum laude.

He has been an assistant attorney general for the State of South Carolina, general counsel to the South Carolina Public Service Commission, and legal advisor to the President of the South Carolina Senate. From 1963 to 1966 and from 1972 to 1976 he served as a professor at the University of South Carolina School of Law.

In 1980, Dr. Lightsey was named dean of the law school, a post from which he took a leave of absence in January of this year to assume the interim presidency of the College of Charleston. His tenure at the law school has been exceptional and I know the university law school will continue to benefit from his contributions for many years to come.

Dr. Lightsey's short term at the College of Charleston has been a great success. Charleston's Evening Post newspaper has applauded his able and decisive leadership, calling him "A Thinking Man." His outgoing personality and sincerity have already made him a popular man not only on campus, but in the Charleston community as well.

Established in 1770, the College of Charleston is the oldest institution of higher learning in South Carolina, the 13th oldest college in the United States and the oldest municipal college in the Nation. This historic school has earned international recognition as one of the finest liberal arts colleges in the South. More graduates of the college are admitted to medical school than from any other college in the State and its accounting majors maintaing the highest average scores on the CPA exam among South Carolina colleges and universities. It is only fitting that such a solid and experienced leader as Dr. Lightsey be at the helm of this great institution, and I am confident that he will continue to prove the effective leadership needed for the college to move forward with purpose.

NATIONAL COOPERATIVE BUSINESS ASSOCIATION

Mr. ANDREWS. Mr. President, when an organization starts its 70th year of service to a major portion of the American population, I feel special recognition is in order. The National Cooperative Business Association [NCBA], founded in 1916 as the Cooperative League of the USA [CLUSA], has just entered into its 70th year serving more than 58 million Americans who are members of cooperatives. The noteworthy accomplishments and ongoing efforts of this fine organization are a credit to its board, staff, and membership.

The National Cooperative Business Association is a membership and trade association representing America's cooperative business community. The NCBA, of which Morgan Williams is president and chief executive officer, serves as a chamber of commerce for cooperative businesses representing the unique and mutual needs of the various industries which make up the grand spectrum of cooperatives.

Membership includes farm supply, agricultural marketing, insurance, banking, housing, health care, consumer goods and services, student, credit union, worker, fishery, rural electric, telephone, State association, and other types of cooperatives. In addition, the National Cooperative Business Association represents all American cooperatives as the U.S. representatives to the International Cooperative Alliance, a worldwide organization based in Geneva, Switzerland, which is a coalition of cooperatives in 72 countries, speaking for over 499 million people.

The program of the National Cooperative Business Association includes:

Supporting the development, expansion, and interconnection of cooperative businesses in the United States.

Representing the cooperative business community in Washington, DC, through legislative policy and regulatory advocacy before Congress and Federal agencies.

Developing, building, and providing technical assistance to cooperative businesses in the developing world.

Representing American cooperatives in the world's cooperative business community through membership and active participation in the Internation-

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al Cooperative Alliance [ICA], headquartered in Geneva, Switzerland.

Promoting and developing international commerce, banking, insurance, trade, joint ventures, and other business interconnections by and among the world's cooperatives.

There is much more, Mr. President. Over the years, the National Cooperative Business Association has developed a number of related entities that pursue specific missions in close coordination with the association. They include the National Cooperative Business Foundation, the National Cooperative Business Political Action Committee, the Cooperative Hall of Fame and Historical Society, the National Cooperative Business, Institute, and Cooperative Business International [CBI].

NCBA has played a prominent role in the founding of two well-known organizations in the cooperative business world, such as Cooperatives for American Relief Everywhere [CARE] and the National Cooperative Bank [NCB].

Currently, the NCBA International Division is implementing 11 long-term programs focusing on agribusiness development and cooperative education and training. Programs are underway in India, Indonesia, Equatorial Guinea, Niger, Rwanda, Haiti, Jamaica, Guatemala, and Peru.

Cooperative Business International [CBI], subsidiary of NCBA, is holding CO-EXPO in San Francisco, in July 1986. This will be the first trade show which will bring together cooperatives and other businesses from all over the world to learn about each other and explore opportunities for trading with each other.

The National Cooperative Business Association is holding its 1986 annual meeting here in Washington on April 28 through May 1.

I know my colleagues join me in congratulating the National Cooperative Business Association for 70 years of dedicated service to America's cooperative and wishing the NCBA well in its endeavors over the next 70 years.

AMERICAN RELATIONS WITH THE PEOPLE OF TAIWAN

Mr. CRANSTON. Mr. President, in my capacity as ranking Democrat on the Senate Foreign Relations Committee Subcommittee on Asia and Pacific Affairs, I paid a brief visit during the Easter recess to Taiwan and the Philippines.

I will be discussing my hopes and concerns regarding United States-Manila relations in upcoming hearings of the Senate Foreign Relations Committee. But I would like to take a few moments this morning to outline some of my findings regarding my visit to Taiwan.

THE SECURITY OF TAIWAN

It has been 7 years since the United States took the extraordinary step of withdrawing official recognition from Taiwan and opening full diplomatic relations with the People's Republic of China. At that time, I joined with Senator KENNEDY and 31 of our Senate colleagues in pressing legislation to ensure continued close ties between the peoples of Taiwan and the United States—including continued sales of defensive arms necessary to maintain a credible deterrent force. I continue to believe very deeply that this is a commitment which the United States must honor, and is one which serves our national interests and those of our allies.

By and large, I am satisfied with the manner in which the Cranston-Kennedy provision and the overall Taiwan Relations Act has functioned. I believe that tensions across the Taiwan Straits are the lowest they have been at any time since 1949—even despite the continued refusal of some PRC officials to rule out the use of force as a means of reuniting the Chinese people. It is very unlikely that there will be a rise in tensions in the foreseeable future, as all eyes in the region focus on Hong Kong, and the scheduled transfer of sovereignty from Great Britain to the PRC in 1997. Meanwhile, the ties between the people of Taiwan and the United States remain deep, our mutual interests and our common endeavors very broad.

TRADE ISSUES DOMINATE OUR AGENDA

I believe it is a measure of the success of our evolving relationship with the people of Taiwan that issues related to trade and commerce now dominate our agenda.

Taiwan has seen extraordinary success in the past 35 years in the development of the resource-poor island. It has done this largely by relying on its best natural resource—its people—and by making an enduring commitment to education and to understanding the global economy and market opportunities. Prosperity in Taiwan is quite widespread relative to most Third World nations and there has been remarkable success in eradicating deep poverty and spreading economic benefits evenly across class barriers. The authorities on Taiwan can be justifiably proud of these extraordinary steps, which are the envy of developing nations of the free and Communist world alike.

I went to Taiwan as a supporter of expanded trade between our peoples and an opponent of protectionist legislation such as the proposed tariff on textiles and shoe imports. However, I tried to press very strongly on the Taiwan authorities the point that unless America's extraordinarily high trade deficit with them is reduced, such protectionist measures will likely be adopted by the U.S. Congress in the future.

I believe it is especially important for the authorities in Taiwan to take three steps. First, I believe it essential—to our mutual interests—that a greater effort be made to "buy American" when big ticket items like energy production facilities and rapid transit systems are purchased. Second, I believe it is important that some of the old monopolies in such fields as wine, tobacco, and movies be eliminated. Finally, more generally, I believe it is important for Taiwan to demonstrate sensitivity to American services industries seeking to compete in Taiwan's closed markets. Taiwan has moved through an industrialization phase at a remarkable pace and is rapidly becoming a post industrial economy where the majority of workers are employed in service industries. There is no excuse whatsoever for allowing its consumer goods industries to continue to hide behind a wall of protectionist tariffs and import quotas.

I am pleased that the authorities on Taiwan are showing some sensitivity to these concerns. For example, as a result of my recent visit and legislation I coauthored with Senator WILSON, the Wine Equity Act, the Taiwan authorities have announced two small steps of benefit particularly to California. First, they have pledged to slash tariffs on wine imports and to allow American wines full access to the Taiwan markets. Second, they have eliminated import tariffs and quotas on imports of foreign films.

But of course much more needs to be done. Americans are result-oriented. And no amount of concerned rhetoric will resolve these matters if the appalling numbers of the trade imbalance are not reduced expeditiously.

DEMOCRATIC DEVELOPMENT

With the extraordinary economic development on Taiwan has come the opportunity—and I believe the obligation—to make greater progress toward true democracy. When I was on Taiwan, I repeatedly pressed our friends to spur the process of opening up the one-party states' political process. I firmly believe that Taiwan will be a stronger and more secure country if Taipei will permit genuine opposition parties and greater freedom of expression.

In this one sense, the situation in Taipei bears some similarity to the situation in Manila, although otherwise there are many, many differences. As President Aquino told me earlier this month:

> Under Marcos, the Communist guerrillas had two talking points—the crumbling economy and the lack of political freedom. With "people power" and a return to democracy, we have eliminated one of these grievances. Now if we can right the Philippine economy, the communists will have absolutely nothing to offer the people.

The lesson for Taiwan is clear: If authorities would allow genuine democracy to take root, if they would allow opposition parties to organize and publish and campaign, they would make the people of Taiwan even stronger and more united—and therefore better able to resist any potential source of aggression or subversion.

I fully recognize the concerns Taiwan authorities have about the continuing military threat across the Taiwan Straits. But I continue to believe there is no legitimate justification whatsoever for continuing martial law on Taiwan. As a friend of Taiwan, I have repeatedly expressed this view, while urging publicly and privately that the Taiwan authorities release prisoners held for basically political reasons—such as those who remain imprisoned for the Kaoshiung incident. Such steps are crucial, particularly in light of heightened hopes and expectations for democracy in Asia in the wake of developments in Manila.

Mr. President, I am pleased by the continued growth of ties between the people of the United States and the people of Taiwan. I was especially gratified that during my visit on Taiwan that I was able to meet with some of the young scholars who represent Taiwan's future. As I discussed issues which will confront us all as we prepare for the 21st century on the Pacific Rim, my confidence in the future of democracy throughout the Pacific was reinforced.

SENATOR HATCH'S ESSAY ON OPPRESSION IN ETHIOPIA

Mr. TRIBLE. Mr. President, I rise today to bring to my colleagues' attention a recent column by Senator HATCH on the continuing oppression of the Ethiopian people.

For much of last year, Americans sat in stunned silence as pictures of millions of starving Ethiopians reached the United States. We responded, as we have so many times, with overwhelming generosity, and immediately, massive shipments of food and other relief supplies were en route from the United States to Ethiopia.

But food assistance alone is not enough. We cannot be content with merely alleviating the hunger in Ethiopia. We must also move quickly to meet the Ethiopian people's thirst for freedom. Senator HATCH's most recent column on Ethiopia points out how we can begin to do so. I commend it to my colleagues, and I ask unanimous consent that a copy be printed in the RECORD at this time.

There being no objection, the column was ordered to be printed in the RECORD, as follows:

[From the Los Angeles Times, Apr. 20, 1986]

ETHIOPIA'S NEW TERROR IS MANMADE—WHAT WE DID AGAINST FAMINE CAN BE DONE FOR LIBERTY

(By Orrin G. Hatch)

Americans have been moved to great compassion and generosity by media reports from Ethiopia. But little reporting has been done on the root causes of the Ethiopians' suffering.

Devastating as the latest drought is, the country's people have survived droughts before by stockpiling food in advance. This drought has been made virtually unbearable because of the policies of a Soviet-style dictator, Lt. Col. Mengistu Haile Mariam, and his military junta, the Dergue.

Ever since Mengistu seized power in 1977, he has conducted a Stalin-like reign of terror. His forced resettlement program, collectivization of agriculture and disregard for human rights have wreaked economic and social havoc throughout the country, imposing suffering on millions.

The sympathy of people who enjoy freedom should be stirred by these facts:

Mengistu has stated publicly that he intends to move 1.5 million Ethiopians from their traditional lands; 600,000 have been forcibly resettled in the last 18 months. According to the U.S. Food and Agricultural Organization, the regime uses food as "bait" to lure peasants out of the famine-stricken northern provinces where two Marxist resistance groups are based.

A French medical aid group, *Medecins sans Frontiers*, which was expelled from Ethiopia last December for criticizing the regime, reports that more people are dying now from the effects of the resettlement program than from famine. The doctors estimate that at least 100,000 deaths can be attributed to conditions during transport, where many refugees suffocate in unpressurized planes or are crushed or trampled to death, and in the resettlement areas, where disease and pestilence are rampant and where captured escapees are shot.

The State Department's 1985 Human Rights report describes the situation in Ethiopia as "deplorable," noting that the most alarming abuse last year was the resettlement program, "which was carried out involuntarily with considerable loss in human lives."

Although Mengistu recently announced a moratorium on forced resettlement, we should not expect this to last. Last May, when a sanctions bill was pending in Congress, the Ethiopian dictator temporarily halted the program, only to reinitiate it in September after the bill had been scuttled by the State Department.

Yonas Deressa, president of the Ethiopian Refugees Education and Relief Foundation, says that the Mengistu regime has "done absolutely nothing" to address the long-term effects of the drought in order to prevent its recurrence.

In fact, worse times may lie ahead, because Mengistu's policy of nationalizing all land holdings has greatly disrupted Ethiopia's agricultural production. A Congressional Research Service report notes that "since the revolution, the government has increasingly intervened in marketing and price setting of agricultural products."

After nearly 12 years of Mengistu's rule, the Ethiopian economy is a shambles. Unemployment in the cities is 50% and growing, according to Ethiopian sources.

Mengistu has never held a general election of any kind to legitimize himself or his Communist Workers' Party of Ethiopia. And Ethiopian citizens do not enjoy freedom of the press, freedom of religion, freedom of speech or independent labor unions.

In sum, the policies of Mengistu and his regime are overwhelmingly repressive and a colossal failure. What can the United States do to pressure the Ethiopian government into instituting reforms? Sanctions are one option.

After passing both the House and Senate last year, legislation calling on the President to impose a trade embargo on Ethiopia was blocked by the State Department. A bill currently before the House Foreign Affairs Committee would place Ethiopia on the State Department's list of communist countries, making it ineligible for loans from the Export-Import Bank. This measure, which has been put forward by Rep. Toby Roth (R-Wis.), deserves careful consideration.

At the same time, the United States should not overlook another way to pressure Mengistu. We should support a little-known democratic resistance group, the Ethiopian People's Democratic Alliance, now based in neighboring Sudan. Its leader, Dereje Deressa, claims that with political and financial support from the United States, the group could mobilize 50,000 men in a matter of months. Providing such support would be a positive step toward encouraging the development of a democratic Ethiopia wherein human rights will be respected. It is time we sent Mengistu a strong message that his reign of terror must end.

MAJ. TOM HARVEY, LEGISLATIVE FELLOW

Mr. WARNER. Mr. President, since last November, I have been extremely fortunate to have had Maj. (P) Tom Harvey, a 1985 American Political Science Association fellow, working temporarily as a member of my personal staff. Major Harvey is such an intelligent and outstanding young officer, and I have been so impressed by the high quality of his performance, that I wanted to take a few moments to commend him and express my appreciation for his exceptional service and dedicated efforts.

Tom has been involved in a wide array of defense and foreign policy issues. His counsel on these matters was consistently based on solid research and sound, thoroughly considered judgments. When the commercial aircraft crashed in Gander, Newfoundland, killing all of our 101st Airborne Division soldiers aboard, Tom played a critical role in researching and drafting legislation to ease the situation and provide added assistance to families of the victims. His diligence and perservance in this legislative effort is a testament to his capabilities and the genuine concern he felt for the soldiers and their surviving families.

Tom also played a key role during consideration of the Defense reorganization bill by the Senate Armed Services Committee. His knowledge, experience, and ability to assist in the drafting of a number of key amendments enabled me to modify and make

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substantial improvements in the draft bill.

Keenly intelligent, highly dedicated, and with great personal initiative, Tom immediately became an invaluable addition to my staff. Possessing a high degree of intellectual maturity and consistently reliable judgment, his research and recommendations were always thorough and complete. His ability to express his advice and recommendations in a clear and concise manner orally or in writing was invaluable to me in the consideration of the many complex national security issues which demand my attention.

Tom was also a driving force behind legislation which I recently introduced regarding our national strategy. Recognizing the need for an overall national strategy from which our foreign policy and military strategy should be derived, Tom formulated key recommendations which formed the basis for this vitally important legislation. Throughout this effort he has displayed an exceptional knowledge of the essential elements of strategy and the operations of our national security apparatus.

Tom is extremely well-liked and highly respected by everyone in my office, and he will truly be missed here. His achievements are indicative of his outstanding abilities and his sincere devotion to our Nation. I am extremely appreciative of Tom's efforts and accomplishments while he served on my staff. I am especially grateful also to his wife and family for their understanding during this turbulent legislative cycle.

As Tom moves on to other duties, I would like to once again express my sincere appreciation to him for his outstanding service and wish him the very best in future endeavors.

NATIONAL HOME STUDY COUNCIL'S 60TH ANNIVERSARY

Mr. CRANSTON. Mr. President, this week marks the celebration of the founding of the National Home Study Council—the accrediting council for educational programs conducted through home study. Members from across the United States are gathered this week in San Antonio, TX, to observe this occasion. I want to take this opportunity to express my congratulations to the organization and its members, together with my best wishes for continued success.

Home study—or correspondence—education has flourished for over a century in America. Since its beginning, well over 60 million men and women have studied by correspondence. Many home study courses provide complete vocational training. Others prepare individuals for upgrading in their current work, without losing experience or seniority. With home study, students do not have to give up jobs, leave home, or lose income. Individualized attention and self-paced instruction are offered.

Annually, the National Home Study Council conducts a "Home Study Graduate of the Year" program to recognize outstanding graduates of home study courses. This year, 46 exceptional 1984 home study graduates were judged on their academic records and the level and quality of their contributions in their chosen fields. The judges met in November 1985, and chose 13 finalists. Serving on the distinguished panel of judges was Ms. Janet Mahoney of Good Housekeeping magazine; Mr. G. Dewey Arnold, former regional managing partner of Price Waterhouse and a former NHSC accrediting commission member; and Dr. Richard Rowe, former executive director of the National Advisory Council on International Education, U.S. Department of Education.

Mr. President, on February 26, I was pleased to host a congressional reception to pay tribute to the 13 outstanding graduates. Later that evening, these remarkable students received their awards at a dinner held in their honor. Likewise, I am delighted to be the author of S. 1509, a measure that includes provisions, approved by the Senate last December as part of S. 1887, that would permit benefits earned under the so-called "new GI bill" to be used for home study programs of education.

At this time, Mr. President, I want to extend my heartiest congratulations to these "outstanding graduates." I particularly want to note the achievements of William H. Rochon from Hemet, CA, a graduate of the Columbia School of Broadcasting; Alberta Lee Klein, of La Mirada, CA, who completed courses in fashion merchandising offered by International Correspondence Schools; and S. Sgt. Andrew J. Svaby of Twenty Nine Palms, CA, who completed home study courses from the Marine Corps Institute. Other "Outstanding Graduates" were:

Kathleen Beers of Omaha, Nebraska, who completed a medical transcription course offered by the Hadley School for the Blind.

James R. Chapman of Fort Payne, Alabama, who was graduated from the Gemological Institute of America in Santa Monica, California.

Jo and Rich Doucet of Powhatan, Virginia, graduates of McGraw-Hill Continuing Education Center's National Radio Institute's courses.

James R. Foster of Frederick, Maryland, who completed the respiratory therapy course offered by the California College for Health Sciences.

Barbara S. Lefever of Dover, Pennsylvania, a graduate of the International Correspondence Schools' surveying and mapping course.

Pancrazio Nino Miseo of Owerri, Imo, Nigeria, who received a diploma in hotel administration from the Educational Institute of the American Hotel and Motel Association.

Tyina Stefan of Dodge City, Kansas, a graduate of the American Medical Record Association's independent study program in medical record technology.

Dr. Seth Sykes of Lincolnshire, England, who completed courses through the International Correspondence Institute.

Staff Sergeant Florence G. Williams of Scott AFB, Illinois, a graduate of the U.S. Air Force Extension Course Institute.

Mr. President, the outstanding achievements of these 13 unique men and women, representing more than 3 million correspondence students now studying with NHSC schools, best tell the story of home study. So that my colleagues can appreciate these achievements, I ask unanimous consent that there appear in the RECORD at this point, brief summaries of the stories of these "Home Study Graduates of the Year."

There being no objection, the material was ordered to be printed in the RECORD, as follows:

Kathleen Beers

Ms. Kathleen Beers has been blind since birth from a condition known as RFL—blindness caused by excessive oxygen. Kathleen knows that a person can have several careers in a lifetime, so she decided to change hers by taking The Hadley School for the Blind's Medical Transcription course.

Kathleen is the only blind individual in Nebraska working for Northwestern Bell. She has tried to blaze trails for the hiring of other visually imparied persons by continually updating her education, serving as a public speaker to Toastmasters International, and working with her company to choose a career that other blind individuals can follow.

Kathleen has an Associate of Arts degree in Secretarial Science from the College of Saint Mary, where she is currently enrolled in a program to receive a Bachelors in Business Management with an Associate of Arts degree in Computers Information Management.

"Our company asks that we employees 'be the best we can be.' By taking Hadley courses, I have bettered myself to be the best I can be in my field, gained a wealth of knowledge, and I am trying to build a sound career and a future for myself and my family. Thanks to the Hadley School, I will have a much brighter future."

James R. Chapman

Mr. James R. Chapman, a former bomber pilot, survived World War II, only to be stricken with cancer in his mid 30's. He continued to work and enjoyed a successful career in the packaging industry until his medical problems, which ultimately resulted in the loss of his leg and right lung, forced his retirement in 1977. It was then that his interest in gems and jewelry began.

In 1981, Jim and his wife established a retail gem and jewelry business. To better prepare himself for this new career, Jim began taking home study courses from Gemological Institute of America. In 1982, he completed the Diamonds course; in 1983, the Colored Stones course; and in 1984, the Gem Identification course.

Convinced that educating the public is the key to increasing public interest in gems and fine jewelry, Jim founded the DeSoto Gem and Mineral Club (and served as its first president). He also lectures for various local clubs—the Women's Club of Valley's Head, Alabama; the Fort Payne Kiwanis; Lions; Rotary Clubs; Civrettes Club; and the Fort Payne Culture Club.

"Because of my physical problems, it would have been impossible for me to earn my diploma if I couldn't have studied at home. GIA's instructors were most helpful, responding quickly to my questions. They really helped me get through the course."

Jo and Rick Doucet

Jo and Rick Doucet are both graduates of McGraw-Hill Continuing Education Center's National Radio Institute's courses. Rick completed the TV/Radio Servicing course in 1980 and the Industrial Electronics course in 1984. Also in 1984, Jo finished the Building Construction course.

Even before completing his first course, Rick was able to open his own TV repair shop. Then, in 1979, Rich went to work for the Bank of Virginia as an electrician. To enhance his knowledge of the electronics applications industry, Rick enrolled in his second course. Today Rick is Senior Field Engineer with the Bank of Virginia and has earned the highest employee rating possible. He has also received several awards for outstanding service to his employer.

"The only formal training I've had in electronics has come through correspondence (NRI's courses)." Rick comments. "That says a great deal about the quality of the training I've received."

Jo had worked for local builders and land developers and was impressed by how much her husband had learned from his home study courses. So she decided to take NRI's Building Construction course. Combining her knowledge of business and computers with her NRI training, Jo has opened her own consulting firm, Controlled Construction. She sets up computer systems and trains builders and land developers to use computers and software to conduct their business more effectively. She has landed several contracts, including a six-month contract for a building and land developing firm.

"I was as thrilled to receive my NRI diploma as I would be to get my college degree," says Jo, "because I know how much I worked for it."

James R. Foster

Mr. James Foster's only formal training was through the Air Force Cardiopulmonary School many years ago. He felt a weakness in his knowledge in the respiratory aspects of his job as a Critical Care Therapist at the National Institutes of Health in Bethesda, Maryland. To further his formal education, Jim decided to take courses from the California College for Health Sciences.

It had taken Jim three years to complete his associate degree while he worked full-time. With the birth of their second child, Jim dreaded the thought of trying to maintain a normal family life and going to school in the evenings. The Educational Coordinator where Jim worked told him about earning his degree through correspondence study and about CCHS's courses. This was just what he was looking for. Jim completed CCHS's Respiratory Therapy Technician course in February of 1984.

"California College provided me with a quality of education that has been reflected both by my national examination board scores and also by my improved clinical proficiency. The option of taking a traditional program in respiratory therapy involved a very long process and it would have been difficult to maintain a normal family life. Professional advancement through California College has been the perfect solution for me."

Alberta Lee Klein

Alberta Lee Klein enjoyed an upwardly mobile career in financial planning, financial analysis, and financial data systems in the food service industry until 1984. Bitten by the "entrepreneurial bug," Lee contemplated a career change into the fashion industry where she would have more creativity in her work and a more direct involvement with customers. She researched classes at several trade schools but could not find a class schedule to fit her needs. She decided that the only way to continue her earning power, gain practical experience, and study her chosen field of endeavor was to study via correspondence. International Correspondence Schools offered just the course she wanted.

One month prior to completing the ICS course in Fashion Merchandising, Lee and a partner started their own company: Casa Le'. Since that time, the firm has successfully designed, sold, manufactured, and delivered two seasons of women's sportswear.

Lee enjoys sharing with others the knowledge and skills learned from her course. She and a partner have a second consulting business developing marketing plans for retail outlets. She uses her ICS materials for reference in the preparation of marketing plans, sales promos, advertising tactics, and visual merchandising strategies.

"Each section of the course was interesting and helpful. I have all of the course study materials on my desk at my office and use then daily for reference. I will continue to use the knowledge gained from the course for many years to come."

Barbara S. Lefever

Barbara S. Lefever is a free-lance writer. Her recently completed novel, *The Stargazers*, traces the lives of Charles Mason and Jeremiah Dixon, the 18th century surveyors of the Mason-Dixon line. Barbara enrolled in the International Correspondence Schools' Surveying and Mapping course in order to authenticate her writings about surveying.

Barbara points out in her book that the Mason-Dixon Line, contrary to popular belief, is neither a railroad nor the dividing line between the Northern and Southern states, but is the border between Pennsylvania and Maryland. As a result of continuing conflict brought about by the failure of the Penns of Pennsylvania and the Calverts of Maryland to agree on the limits of their wilderness territories, the boundary became the subject of the longest Chancery suit in history and the scene of bloody altercations for more than 80 years. This situation prompted the hiring of Charles Mason and Jeremiah Dixon in 1763 to survey accurately the disputed 233-mile boundary with the help of astronomy.

"Indeed, the benefits I derived from studying the course have been useful in the composition of my novel, *The Stargazers*. I could not have written it as interestingly or as intelligently without the help of my ICS course."

Pancrazio Nino Miseo

Pancrazio Nino Miseo studied Hotel Management at Cornell University before receiving his diploma in Hotel Administration from the Educational Institute of the American Hotel & Motel Association. Before his present position as hotel manager for the Concorde Hotel in Owerri, Imo, Nigeria, Mr. Miseo worked in many parts of the world, including the Ivory Coast, Seychelles, Switzerland, Belgium, Italy and England.

Mr. Miseo took the hotel administration courses because he wanted to learn and progress in his chosen career, and to make sure that any hotel he worked for provided the best service possible.

Mr. Miseo believes that he has done a lot to improve the standards of Nigerian hotels. He is training staff locally with the help of other expatriots. He has been asked to serve on the Olympic Committee to help organize a sports club and to give advice on how to improve the tourist industry in Nigeria.

"I have benefited in my work and also personally by the courses I took from Educational Institute of AH&MA. Higher positions have obviously provided higher wages and carry greater responsibility. The knowledge I gained from my home study courses has helped me handle these added responsibilities."

William H. Rochon

William H. Rochon used to drop by local radio stations when he was in high school. Sometimes the disc jockeys would invite him to sit in on their shift. "Someday," he thought, "I'm going to be a radio announcer." Columbia School of Broadcasting helped him fulfill his dream.

Following a series of family hardships in his native Wisconsin, Bill moved to California. He enrolled in Columbia and he graduated in 1984. While studying, he worked for KPCC, a non-profit station, doing the announcing and music direction. After he graduated from Columbia, he began working for KHSJ-AM and KHYE-PM in Hemet, California.

Bill, who has adopted the radio name of Rick Eliot, is the full-time AM morning personality for the adult contemporary station. His duties include announcing the news, copywriting for commercials on both stations, and production of most of the programming he plays. He also manages to produce most of the advertising he writes. Bill also works as the emcee for local talent shows and is involved with sponsoring activities for the American Cancer Society and the Hemet Fair.

"Go confidently in the direction of your dreams. A winner is a loser who makes it, because it really comes down to believing that you can do anything if you only try. To accomplish great things, you must not only act, but dream. Columbia School of Broadcasting helped me to make my dream a reality."

Tyina Stefan

Ms. Tyina Stefan was fascinated by medicine while she was growing up in Park, Kansas. After graduating from high school, she attended a community college and received a secretarial certificate. While working as a bookkeeper at the Gove County Hospital in Quinter, Kansas, Tyina learned about a program in medical record technology.

In 1978, Tyina moved to Dodge City, Kansas and began work as a medical transcriptionist at Humana Hospital Dodge City. She took some night classes and in 1981 she enrolled in the American Medical Record Association's Independent Study Program in Medical Record Technology.

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While enrolled in the course, Tyina was promoted to Assistant Director of Medical Records and received the Humana Hospital Dodge City Outstanding Employee Award for the third quarter of 1982. During this time she redesigned quality assurance forms for her department and designed a work scheduling system that ensures a smooth flow of work. After graduating from the AMRA course in 1984, Tyina wrote the coding guidelines for her department.

"With the knowledge I gained from my AMRA courses, I was able to complete projects that have helped our department supply high quality, timely information to the health care team, and to improve patient care."

ANDREW J. SVABY

Staff Sergeant Andrew J. Svaby, a Marine Reservist, completed 76 home study courses from the Marine Corps Institute in 1984. Thirty-one of these courses carried a grade of 95–100% on the final exams. He completed these courses while holding down a full-time and a part-time civilian job to help with his mother's chemotherapy treatments, being a single parent, coaching midget soccer and wrestling, helping three marines past their state GED exams with extensive preparation, and being heavily involved in the Marine Corps League and Toys for Tots activities.

Sergeant Svaby has the difficult task of keeping interest, enthusiasm, morale, and self-discipline high between drills for the Allentown, Pennsylvania Marines. His MCI courses have helped him in providing various public service functions. There are hundreds of individuals and families in the Lehigh Valley, Pennsylvania area who have completed other high school and college courses, a sports season, a beauty pageant and other endeavors all because of Sergeant Svaby.

Sergeant Svaby is always "on-call" with the Allentown Marines for counseling and tutoring. In addition, he speaks to other training groups in the Marine Reserve at least six times a year "at his own expense" to improve morale, enthusiasm, and completions of the MCI correspondence education programs.

"There is a great sense of self-worth that you have been a catalyst, a shaker and a mover, and an inspiration to other Marines who would otherwise have never enrolled, opened a book, or put a number two lead pencil to an MCI course."

SETH SYKES

Dr. Seth Alexander Greer Sykes is a private family physician in the United Kingdom. Rather than settling down to the responsibility of making money and advancing his career, Dr. Sykes was concerned about the deepest levels of human need. He accepted a position as a Primary Care Physican within a large military hosptial in Saudi Arabia. His first few months there were very difficult because he was separated from his wife and four children.

Rather than surrendering to despair, Dr. Sykes set his mind to the study of International Correspondence Institute's courses and his heart on helping other people. He initiated a small fellowship group and soon found he was functioning as a lay preacher. When the local Presbyterian church (which was ministering to the needs of expatriots) was closed because of government pressure, Dr. Sykes found himself in charge of ten lay preachers and a large, but widely scattered, church community. His studies with ICI found direct application through these varied ministries.

Dr. Sykes has now completed the degree requirements for a Bachelor of Arts degree in Religious Studies and has returned to medical practice in the United Kingdom.

"My ICI courses and study were to prove invaluable as we met together weekly for prayer and Bible study."

FLORENCE G. WILLIAMS

Staff Sergeant Florence G. Williams is a graduate of the U.S. Air Force Extension Course Institute. She has integrated her off-duty academic studies and professional interests into a systematic philosophy of military education. She has used her success in correspondence study not only to enhance her own career interests but also to serve as an example for subordinates and other Air Force members to emulate.

The knowledge Sergeant Williams has gained from ECI courses has enabled her to implement improved warehousing procedures and to increase inventory accuracy to 98.9 percent. Her efforts contributed to the individual Equipment Unit receiving an excellent rating during a recent Management Effectiveness Inspection.

Sergeant Williams is a member of the National Vocational Education Association and has recently received her Bachelor of Science degree in Occupational Education. Through experience with ECI programs, she firmly believes that home study plays a vital role in allowing people to meet present and future work demands.

"I realize that the future of the Air Force and our country depends on the current 'cross training' trends. Home study courses will play a vital role in allowing employees to meet their future work demands. ECI courses have certainly helped me to excel in my own career."

TRIBUTE TO MERRITT W. SPRAGUE, MANAGER OF THE FEDERAL CROP INSURANCE CORPORATION

Mr. ANDREWS. Mr. President, I rise to draw to the attention of my colleagues the resignation of Merritt W. Sprague, Manager of the Federal Crop Insurance Corporation. Mr. Sprague will leave his position to devote more time to his family farming operation.

I believe, based on premium volume between 1948 and 1984, my home State of North Dakota has been the No. 1 user of this form of insurance. I know many a farmer who's still farming today because he had the good sense to purchase crop insurance. I hope for our farmer's sake that Mr. Sprague will continue to exert some influence over the Corporation's further development.

For those of you who don't know Mr. Sprague, he came to Washington, DC, from Illinois. On the family farm in Pike County, one of the leading hog producing counties in the United States, Mr. Sprague grew corn, wheat, and soybeans on 2,000 acres and annually marketed 5,000 hogs. He also served as the Illinois State chairman of Agricultural Stabilization and Conservation Service from 1973 to 1977.

In Washington, Mr. Sprague served as Deputy Administrator for Commodity Operations at the Agricultural Stabilization and Conservation Service beginning in March 1981. While there he was responsible for the administration of the milk price support program, management and storage of all Commodity Credit Corporation owned inventories—dairy products, food and feed grains, and sweeteners—and procurement and transportation for Public Law 480, title II programs.

The passage of the Federal Crop Insurance Corporation Act of 1980 overnight obligated the Corporation to move from being a limited pilot insurance program to becoming the primary form of Federal disaster protection for farmers. Between 1980 and 1982, when Mr. Sprague assumed the leadership of the Corporation, five diferent men sat in the Manager's seat. The early 1980's were turbulent times for the Corporation and demanded resourceful and innovative leadership. Merritt Sprague delivered.

The results Mr. Sprague and the FCIC achieved in a short period of time are significant. Under his leadership, FCIC developed and fully implemented a production based guarantee program, which makes crop insurance attractive for our Nation's most productive farmers. County programs increased almost 300 percent, from 4,629 in 1980 to 18,892 in 1985. Acres insured, insurance in force, and premiums also increased dramatically. In 1980, acres insured were 26.6 million compared with 48 million for the 1985 crop year. Insurance in force increased for the same period from $3 billion in 1980 to over $7 billion in 1985. Premiums increased from $158 million in 1980 to over $440 million in 1985 due to increased participation.

Sure, I could recite a litany of the problems we have with the crop insurance program. So could Mr. Sprague. But, to achieve these kinds of results while American agriculture is going through some wrenching adjustments required solid leadership. Mr. President, I urge my colleagues in the Senate to join me in thanking Mr. Sprague for his dedication and commitment to American agriculture and the crop insurance program.

TRIBUTE TO FLORENCE S. LOWE

Mr. DODD. Mr. President, I rise today to praise Florence S. Lowe who recently left her post of Chief Public Affairs Advisor at the National Endowment for the Arts. During her 16-year tenure at the NEA, spanning four Presidential administrations, the name Florence Lowe has become synonomous with arts in America. What Florence Lowe has done for the betterment of the arts in this country is

unparalleled, and for that she has our eternal thanks.

Ms. Lowe came to the NEA in March 1970. Since that time Florence Lowe has diligently toiled, often times in anonimity, to further the endowment's cause and mission. Over those 16 years the eyes of the public have gradually started to open and now, due in large part to Florence's efforts, the endowment boasts a substantially increased recognition factor.

In a glowing tribute to Ms. Lowe's accomplishments' the National Council of the Arts adopted a resolution documenting Florence's invaluable career at the NEA. Mr. President, I request that the context of the resolution be printed at the conclusion of my statement.

Mr. President, to illustrate further to this body the depth of Ms. Lowe's character, allow me to share some of Florence's own thoughts on this warm tribute to her accomplishments. Florence stated "In all the words that were used in the resolution, all marvelous, flattering and very meaningful, the word that stands out is 'love', because that best describes my own feelings."

I know my colleagues join me in wishing her well for the future. Her contributions to the endowment and the whole arts movement in this country will never be forgotten.

There being no objection, the resolution was ordered to be printed in the RECORD, as follows:

NATIONAL COUNCIL ON THE ARTS RESOLUTION, NOVEMBER 1, 1985

Whereas Florence S. Lowe has put the National Endowment for the Arts into the consciousness of America, and

Whereas she served with distinction through 15 years of growth and turmoil and achievement for the endowment, and

Whereas she has both shamelessly and skillfully manipulated all the levers of all of the media in this country, and

Whereas there can never be another Florence Lowe to do all these things with quite the same style and effect, and

Whereas the National Council on the Arts has never previously broken from its solemn and judicious manner in commenting on matters of public concern;

Be it now resolved that the National Council on the Arts here assembled wishes to break all tradition, and to express in the wildest and most raucous and tumultuous manner possible, its total admiration, deep affection and profound thanks for the lady who gave us our public face;

Be it further resolved that as a token of our esteem, Florence Lowe is hereby authorized and empowered—even entreated—to continue planting good stories, giving influential dinner parties, and otherwise manipulating the national media in our favor until the end of time; and

Finally, be it resolved that we return now to our normal reserved nature and record for history, in the simplest and quietest way we know, that we love her and all her works, and that we are proud that she is our own Florence Lowe.

OPPOSITION TO THE FEDERAL OCEAN SPORTS FISHING LICENSE

Mr. HEFLIN. Mr. President, the President has proposed, in his fiscal year 1987 budget, a Federal Ocean Sports Fishing License of $10 minimum per angler. Each coastal State would be required to provide $5 of the fee to the Federal Government, and the States would retain the remainder of the fee. The States could also assess an additional amount to recoup the cost of administering the license program and to recover the cost of fishery management within that State.

The administration argues that since recreational fishermen benefit from Federal maintenance of our coastal resources, the fishermen should bear the cost of administering Federal services which support recreational fishing.

I think we should closely examine the facts of this proposal. In fiscal year 1986, the National Marine Fisheries Service received less than $3 million to support recreational fishing. The President's proposed fishing licenses user fee is projected to raise $200 million over the next 5 years. Clearly this is a burden on the fishermen far beyond that which the Federal Government requires to cover its services. Furthermore, salt water fishermen spend most of their time in inshore waters which are under the management of the States. Recreational fishermen are already paying an excise tax on equipment and motor fuel which goes into the State management programs operated through the Fish and Wildlife Service. I might add, that these States management plans are operated at no cost to the Federal Government.

While I have not been supportive of the user fee concept, this particular license or user fee tax greatly disturbs me more so than the usual user fee. The administration justifies the need for this tax by telling us that the recreational fishermen should help pay the cost of maintaining those services from which they benefit. However, in this particular case, the Federal Government would use the revenue from this tax for deficit reduction, and not for those services from which they are benefiting.

Mr. President, I urge the administration not to push for legislation imposing this license fee. This proposal goes far beyond asking the fishermen to help pay the cost of Federal maintenance of the coastal resources. This proposal is simply a tax on those that enjoy sport fishing.

CHUCK PERSON APPRECIATION DAY

Mr. HEFLIN. Mr. President, today, April 24, 1986, has been declared "Chuck Person Appreciation Day" by the city of Brantley, AL, by Brantley High School, and by the Crenshaw County Auburn Alumni Club. I am sure that everyone involved will have a most enjoyable time. I am delighted to rise today to congratulate Chuck Person for his outstanding achievements playing basketball for Auburn University. This year, the Auburn basketball team was one of the final eight teams remaining in the NCAA national tournament when they suffered defeat to the team which went on to win the championship. Auburn's success was largely due to Chuck's great talents. His accomplishments at Auburn are tremendous. There, he is the all-time leading scorer, and led the team in scoring and rebounding both as a senior and as a junior. He ranks third in the Southeastern Conference's all-time scoring chart, was honored as the amateur athlete of the year for basketball in 1985 by the U.S. Olympic Committee, and was selected as an alternate for the U.S. Olympic squad in 1984. These are just a few of Chuck's great successes. To name them all would take pages.

Chuck Person has demonstrated that hard work and dedication pays off. Participation in athletics teaches discipline, drive and the value of team effort. Chuck has set a great example for youths to follow in Alabama and the Nation. I salute Chuck for his accomplishments, and wish the citizens of the city of Brantley, AL, Brantley High School, and the Crenshaw County Auburn Alumni Club every success in their activities today.

A TRIBUTE TO JUDGE JOHN HENRY ARMSTRONG

Mr. HEFLIN. Mr. President, I rise to commend the great efforts of Judge John Henry Armstrong, probate judge of Washington County, in my home State of Alabama. Judge Armstrong has provided the people of Washington County with excellent leadership and understanding in his duties both on the bench, and as ex officio chairman of the county commission.

In his service, Judge Armstrong has labored to maintain an open door policy with his constituents throughout the daily discharge of business. In this way, all those with grievances are able to voice their problems and opinions. This practice guarantees that all elements of a case or conflict are heard, and that the parties involved are satisfied that their views were considered. Thus, Judge Armstrong has implemented a most effective addition while resolving disputes. Furthermore, with this open rapport, the judge is able to provide advice and counsel to any who may seek it. This is a traditional role of a probate judge in Alabama, and is important in giving valu-

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able leadership and direction to the entire county.

I am delighted to see that Judge Armstrong has been so effective in perpetuating the valuable role of the office of probate judge. He is a man who possesses great understanding, equity, and integrity. He is a worthy member of his community and a great example to those he represents.

Mr. President, I ask unanimous consent that an article from the Mobile Press Register, which describes Judge Armstrong's achievements, be printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

PROBATE JUDGE'S OFFICE SEEN NERVE CENTER FOR ENTIRE COUNTY

(By David Gary)

CHATOM, ALA.—John Henry Armstrong knew the official duties of a county probate judge when he first ran for the office in 1976.

He said it was only after his election that he learned the true scope of the office—that it serves as an informal information nerve center for the entire county.

"This office keeps really busy with the telephones and there always seems to be an office full of people," he said.

"They are in here wanting to know everything. You get asked a lot of things and I believe that we get asked every type of question in the world. Not to mention that they think we will know the details of everything going on in the county."

The barrage of inquiries on everything from legal questions to "When does the school meeting start" has not made Armstrong a recluse from the public.

"I maintain an open-door policy here," he said "I may not be able to stick to any kind of schedule, and someone may have to wait a little while to see me, but I try to see or speak to everyone who wants to talk to me."

"I've learned that you have to know the people in any setting to learn the way they tick and I try to treat everybody the way that I would want to be treated."

Armstrong's job carries with it the added responsibility of being "ex officio chairman" of the four-member Washington county commission.

"They are four of the greatest fellows to work with. We may spend a lot of time in the meetings disagreeing, debating and arguing a lot, but when the meeting is over, it's all put aside."

Recent challenges to the county commission, according to Armstrong, include attempts to implement federal fair labor act overtime guidelines.

"We've had to examine what we do and as much as possible avoid overtime with the county employees. We have to stay away from it (overtime payments) because of the cost involved."

Armstrong said another problem facing county governments is the general belief that city governments are more essential.

"As county officials we represent all the county, including city dwellers. But it is tough to keep us in a higher profile than city officials. The county officials are representing a greater number of people and a greater geographical area."

According to the judge, this image of county and city governments is illustrated by the lower amounts of federal funds going to county governments.

"This is a gross impairment to our ability to serve the people," he said.

Being in the forefront of public criticism and scrutiny is another part of being judge, according to Armstrong.

During moments of heated debate, such as recent controversies over the operation of the county-owned hospital, Armstrong said that dealing with difficulties in a low-key fashion helps to calm the heat of the moment.

"We're always on the front line, but I've found that if things are dealt with in a low-key fashion; things go better. Nevertheless, emotions still ride high."

Armstrong also thinks that a proper use of humor also has a place during heated discussions.

"I try to exercise humor in what we do . . . ," he said.

Versatility is another reason the judge likes his job.

"The best thing about the job is meeting all the different types of people. The variety it has in terms of the hours I spend out of the office dealing with different situations is another thing I like."

Carrying the weight of judicial responsibility is one of the job's tougher aspects, he said.

"Dealing with estates, guardianships and adoption cases is through the probate office. We have contested adoptions and this get touchy. There are domestic situations in which we have to decide how to handle the children."

Resounding his belief that maintaining an open-door policy is a must, Armstrong said confidence plays an important part in maintaining a good public rapport.

"I've made a habit of keeping confidential what people want me to keep confidential. It's not good for people to have any reason to lose confidence in me," he said.

A county native who was born and still lives in Millry 15 miles north of the county seat of Chatom, Armstrong teaches a senior men's Sunday school class at Millry Baptist Church.

An outdoorsman who enjoys deer and turkey seasons best, Armstrong said his greatest aim in sporting life is to one day out-hunt Monroe County Probate Judge Otha Lee Biggs.

After graduating from Millry High School, Armstrong, 39, got a degree in business management from the University of Alabama.

He is married to the former Glenda Overstreet, a native of Waynesboro, Miss. They are parents of Tera, 12, Brandon, 9, and Tory, 8.

TAX REFORM

Mr. HEFLIN. Mr. President, on April 6, 1986, an article was printed in the Washington Post written by Harold Apolinsky, a tax lawyer and law professor from Birmingham, AL, on the issue of tax reform. In his article, Mr. Apolinsky correctly points out that current tax reform proposals have strayed far from the goals of simplifying our tax system and making it fairer to lower- and middle-income taxpayers. Instead, we appear to be on the brink of simply proposing another major revision of our Tax Code not unlike the six major revisions Congress has passed since 1976.

There is no doubt but that most Americans believe that our tax laws have grown needlessly burdensome and confusing and inequitable in their application. However, the tax reform proposals which have been the focus of Congress over the past several months do not thus far appear to achieve the goals of simplification or fairness. The House tax bill is over 1,300 pages long and would no doubt require countless regulations in order to be understood and implemented. The Senate Finance Committee bill appears to be headed in the same direction. Unfortunately, the tax laws have been changed so often in the past several years that there is currently a backlog of 400 unfinished regulations. Furthermore, it seems to me that Congress is tending toward reform legislation which would merely shift the tax burden from one group of taxpayers to another without achieving fairness, an essential ingredient of tax reform.

Mr. President, I also fear that Congress is moving so rapidly on tax reform legislation that we are not taking the time necessary to analyze the impact of its provisions on our economic and industrial policy. It is vital to our economic security that we determine through extensive and careful study the potential impact on economic growth of the changes Congress proposes in our tax laws. We must ensure that in our zeal for tax reform we don't weaken incentives for individuals to invest and save or for business to invest in plant and equipment. To do so would be to undermine our country's long-term economic growth.

I urge my colleagues to read Mr. Apolinsky's article and I ask unanimous consent that it be printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

[From the Washington Post, Apr. 6, 1986]

THE CHANGES JUST COST MONEY

(By Harold I. Apolinsky)

BIRMINGHAM, ALA.—House bill 3838 contains 1,300 pages of changes to the Internal Revenue Code. The Senate version will also contain more than 1,300 pages of changes. It is time to call "time out" in this annual tax game and admit that this legislation is not fair, not simple and will not promote economic growth. It is simply another massive change of our tax laws.

Too many changes have been made to the tax laws in the last few years. Consider the number of subsections in the Internal Revenue Code that have been changed:

	Number of code subsections affected
Tax Reform Act of 1976	1,849
Revenue Act of 1978	664
Economic Recovery Tax Act, 1981	483
Tax Equity and Fiscal Responsibility Act, 1982	530
1984 Deficit Reduction Act	2,245
1984 Retirement Equity Act	44
Total	[1] 5,815

[1] 3,302 since 1981.

The number of code subsections to be changed by the proposed Internal Revenue Act of 1985 (H.R. 3838) is 4,051.

The 22 tax lawyers in our firm receive significant fees for lobbying, explaining and implementing tax changes. If this latest effort continues and the law passes, we will enjoy another round of fees. But it is time to put our self-interest aside and be honest.

There used to be 15 years between major tax revisions. The 1954 code was enacted 15 years after the 1939 code, and the 1969 major tax revision came 15 years later. It takes time to study, learn and understand the law. It takes the Treasury time to write interpretive regulations. Tax lawyers and tax accountants readily admit they make their most aggressive tax planning recommendations in areas of the law where no regulations have been issued.

At a time when federal funding is being limited, the tax-writing staffs should be shifted from the chore of preparing and drafting annual tax legislation to writing regulations. The result would be simplicity through better understanding, fairness through nationwide consistency and better compliance by taxpayers.

The tax system would also be improved if the dollars spent on annual changes were appropriated to the Internal Revenue Service instead. Taxpayers understand that less than 2 percent of tax returns are audited. Why not set a goal of 10 percent? Fees for lawyers and accountants might drop, but revenue might increase significantly.

Title XI of H.R. 3838 contains 122 pages of changes to the tax laws affecting employee retirement savings plans. The Senate staff alone has made 50 pages of proposals.

Congressionally mandated changes to retirement plans that reduce savings in the interest of reform seem to occur annually. Employee retirement plans have been significantly and adversely affected by the Tax Equity and Fiscal Responsibility Act of 1982, the Deficit Reduction Act of 1984 and the Retirement Equity Act of 1984. The three major tax laws have required four costly amendments to retirement plans. The result is that plan terminations, as compared with new plans being adopted, have increased 300 percent in five years.

Some 700,000 qualified plans are now in force covering 55 million employees. More than 600,000 plans have been adopted by small businesses. In the past 3 years amendments in these plans have forced business to pay their lawyers and accountants at least $3,000 per plan, or more than $2 billion. H.R. 3838, if passed and signed by the president, would force another round of amendments at a cost of at least $2,000 each, or more than $1.4 billion. Why reduce benefits to employees and increase plan expenses? This is not fairness or simplicity. The only economic growth is for lawyers and accountants.

Recent reports indicate that the rate of savings in the United States has declined to a 35-year low of 2.9 percent of disposable income. This is an average annualized volume of 34 percent below that of last year. Why pass laws that further reduce incentives to save, thus causing termination of savings plans?

The employee plans divisions of the IRS are swamped. One division staffed and planned for the submission of 20,000 plan changes in 1986. To date, 30,000 have been submitted, with 54,000 expected for the year. Turnaround time has swelled from 4 months to 9 months, with 12 months expected. Nearly all of the staff has, of necessity, been diverted to reviewing and processing amendments, not auditing operations. Plan terminations now account for almost 30 percent of the workload. Those pushing for more pension changes should ask the IRS whether more changes are needed. They would find the interest in more changes to be at the bottom of the agenda and survival of the system at the top.

A lot of personal capital has been invested in this latest tax reform effort—by the president; by Donald Regan, who stated this effort; and by Treasury Secretary James Baker, Ways and Means Committee Chairman Dan Rostenkowski and Senate Finance Committee Chairman Robert Packwood, who desperately want to finish it. They and their staffs have made an honest and determined effort. This should not be viewed as a Republican Party problem or a Democratic Party problem. It is a congressional problem—of too many changes. Let us hope the members of Congress are frank enough to admit that three rates versus 16, plus a higher standard deduction for some, is not fairness of simplicity and will not encourage economic growth.

The tax code should be left alone. It will become fair and simple through understanding and application. Economic growth will never be achieved through tax law changes; it will come from letting businessmen and motivated employees focus on marketing, merchandising and producing quality products at competitive prices. They should not be spending time and dollars on figuring out changes in the tax law.

TEXTILE IMPORTS

Mr. THURMOND. Mr. President, recently an article appeared in the Greenville News entitled "Textile Union Officials Defend Actions by Mills." This piece quotes representatives of the major textile trade unions as saying they are convinced that rising imports are responsible for the massive plant closings and job losses in the beleaguered textile industry. Officials of both the Amalgamated Clothing and Textile Workers Union, and the International Ladies Garment Workers Union said that if imports are not the cause of layoffs, it would be obvious to their organizations.

Mr. President, over the past 5 years, imports to textile and apparel products have more than doubled. Directly linked to these surging imports has been the loss of over 350,000 American jobs. A vital domestic industry, which the Defense Department ranks second only to steel in importance to national security, is struggling to survive. Without a doubt, uncontrolled imports are the cause of the problems facing the American textile industry.

Unfortunately, Mr. President, textile and apparel imports continue to climb. The year 1985 was the 5th consecutive year that imports of those products reach new record levels. For the 6 months from September 1985-February 1986, more textile and apparel imports came into our country than for the entire year of 1981. In addition, textile and apparel imports were up 27.7 percent for the first 2 months of 1986 over the first 2 months of 1985. Strong action is desperately needed to preserve American jobs in this important industry.

Mr. President, I ask unanimous consent that the article referred to above be printed in its entirety at this point in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD as follows:

[From the Greenville News, Apr. 22, 1986]

TEXTILE UNION OFFICIALS DEFEND ACTIONS BY MILLS

(By Chris Weston)

WASHINGTON.—Representatives of the major textile trade unions say they are convinced that textile manufacturers are not using rising imports as a pretense to fire workers to proceed with plant modernization plans.

Some congressmen involved on both sides of the legislative fight for a textile industry protection bill have said privately in recent weeks there are doubts in Washington about the severity of the import problem. Some have suggested privately that some in the industry may be exaggerating the role of imports in triggering layoffs and plant closings.

Often cited is a recent study by a Clemson University professor concluding that a comparable level of layoffs would have occurred without the steady rise in imports. Richard McKenzie, in a study prepared for American University in St. Louis, said in February that modernization efforts and increased productivity would have claimed a high level of manufacturing jobs even without the import threat.

The study was denounced by leading textile industry officials and economists at the American Textile Manufacturers Institute.

Officials of the Amalgamated Clothing and Textile Workers Union and the International Ladies Garment Workers Union, the two major trade unions said in a recent interview that an exploitation of the import issue by the industry to close plants and reduce employment with a minimum of labor unrest would have been spotted by the unions.

Art Gundersheim, the assistant to the president of the ACTWU, said Monday that "if someone is giving us a phony story, it would be blatantly obvious."

Gundersheim's union, along with the ILGWU, are major players in the lobbying bid being orchestrated by the textile and apparel industry to override on Aug. 6 President Reagan's veto of legislation to roll back textile imports and put strict limits on future growth.

He said he suspects that some manufacturers, in a few instances, may be dramatizing the impact of imports to proceed with modernization plans that would reduce their work force or in closing plants that were no longer profitable.

Wilbur Daniels, the executive vice president of the ILGWU, said, "I think you would not find the two major unions in the field joining with the industry if that were the case."

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Officials of both unions said the labor organizations routinely monitor the manufacturing plants.

Private critics of the textile protection legislation, including some who are publicly supporting the bill, say imports have provided the industry with a convenient scrapegoat to proceed with modernization plans that cost some workers their jobs. With such an outside threat, they say, the industry has been able to reduce employment and close marginal plants with a minimum of labor unrest.

Since 1981, 240 textile plants have been closed with a direct loss from those closings of about 40,000 jobs, according to figures compiled by the American Textile Manufacturers Institute. Since 1973, employment at textile plants has fallen from just over 1 million to about 703,000 in 1985, with jobs in apparel plants falling from 1.4 million in 1973 to about 1.1 million in 1985, according to the industry figures.

Mr. COCHRAN. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. DOMENICI. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

CONCLUSION OF MORNING BUSINESS

The PRESIDING OFFICER. Morning business is now closed.

CONCURRENT RESOLUTION ON THE BUDGET, FISCAL YEAR 1987

The PRESIDING OFFICER. The Senate will now resume consideration of Senate Concurrent Resolution 120, which the clerk will report.

The assistant legislative clerk read as follows:

A concurrent resolution (S. Con. Res. 120) setting forth the congressional budget for the United States Government for the fiscal years 1987, 1988, and 1989.

The Senate resumed consideration of the concurrent resolution.

Pending: Moynihan amendment No. 1800, to modify the treatment of the general revenue sharing program.

Mr. DOMENICI. Mr. President, parliamentary inquiry: What is the pending business?

The PRESIDING OFFICER. The pending business is the pending amendment of the Senator from New York [Mr. MOYNIHAN].

Mr. DOMENICI addressed the Chair.

The PRESIDING OFFICER. The Senator from New Mexico.

Mr. DOMENICI. Mr. President, I yield myself 10 minutes off the resolution.

The PRESIDING OFFICER. Without objection, it is so ordered.

CBO OIL TAX STUDY

Mr. DOMENICI. Mr. President, while waiting for the distinguished senior Senator from Florida for the purpose of discussing when we should advise Senator MOYNIHAN, the proponent of the pending amendment, to be on the floor to begin discussion of his amendment. I would like to take some of our time off the resolution to talk about a Congressional Budget Office study which is going to be released today. It has to do with import fees on foreign oil, and on certain combinations of import fees and gasoline taxes, and other energy tax options.

I had an opportunity to read it yesterday. I would like to take a few moments to describe this study because I think it is very interesting. As I indicated, it will be made public today. We will see to it that all of those interested in the U.S. Senate and those interested in the media and around the country get copies of it.

Several weeks ago, I, along with the ranking member of the Budget Committee, asked CBO to conduct a study on energy tax options. I have spoken to the distinguished chairman of the Finance Committee and told him that this study was forthcoming and that I thought he might find it interesting as he proceeds with his various activities in the tax writing committee.

I would like to submit today for the Senate some preliminary remarks on CBO's study.

We asked CBO to review energy tax options in light of, one, the need to reduce the deficits; two, the recent decline in energy prices; and finally, the depression in the domestic oil industry that is currently upon us. More specifically, we asked CBO to look at the effect of several tax options on the deficit, on various regions of the country, on the oil industry, and on the economy as a whole.

My particular interest in this study was to examine a tax or a combination of taxes which would meet several national objectives at once. First, I wanted to know to what extent the various energy tax options would reduce the deficit. Second, in light of the current energy situation, I wanted to know that energy taxes could be used to strengthen our energy security. Third, I felt that an energy tax could only be successful if it were spread evenly and equitably across the country.

The CBO study makes some powerful observations. I would like to begin by discussing CBO's assessment of our current and projected energy. At $13 a barrel, CBO estimates that the current U.S. energy policy will cause our dependence on imported oil to grow from the current level of 30 percent to 54 percent in 1991.

Let me emphasize this point. Oil on the spot market is already lower than $13 a barrel, and some wondered whether our oil dependency would change dramatically as these prices came tumbling down. CBO concluded that at $13 a barrel, leaving U.S energy policy unchanged, our dependency on imported oil will grow from the current level of 30 percent to 54 percent by 1991. In addition, CBO estimates that stripper well production will decline by 500,000 barrels per day.

I would like to note there that this domestic oil production will be probably lost forever. Most stripper wells, if shut in, will probably never reopen because of the rules that apply to shutting them in and because of the economics prohibit bringing them back into production.

The study examines five energy options. Before getting into the study, I would point out to my colleagues that oil taxes are not new. Certainly, some people do not like these taxes. Others think they are absolutely necessary.

The most notable is the windfall profits tax which was imposed on domestic oil production during a period of rapidly increasing prices.

CBO estimates that the five options would reduce the deficit between $8 billion and $25 billion annually, depending upon the option. The summary of the study shows the different deficit reduction impacts under varying oil price assumptions.

I would like to note for comparative purposes that our budget resolution assumes $18.7 billion of revenues in fiscal year 1987.

With respect to the energy policy, CBO found that all options would encourage energy conservation. However, only an oil import fee and a combination of an oil import fee and the gasoline tax would alleviate the current decline in the oil industry and ameliorate the rapid increase in our dependency on oil imports. In fact, the other energy tax options would have a detrimental effect on domestic oil production, which is already in a depressed condition.

Some of the options have the usual drawback of energy taxes. They hit some regions of the country harder than others. For example, an oil import fee would have a negative impact on the Northeast and on the Midwest, while a gasoline tax would punish the West. In addition, there is a concern that an energy tax would be regressive. CBO found that as a percent of expenditures, the tax burden from the options they examined would not vary by income classes.

I would like to call to the Senate's attention two particularly interesting points made in the study. First, between one-quarter and one-third of the burden of energy tax options would be borne by foreign producers. Second, the magnitude of the taxes under consideration was so small that there would be no discernible effects

on the economy as a whole. I expect criticism of energy taxes from opponents, and I expect criticism of these suggestions even from the White House. Most will say that it will slow economic growth. I would point out that CBO found that an energy tax could influence the economy in either direction.

For the purpose of this study, CBO assumed that the economy would not be affected. This is a standard practice for the analysis of tax options. For example, the Department of the Treasury and others in their analysis of the revenue effects of the President's tax reform bill, which will shift billions of dollars in tax burden, assume that the economy will not be affected by the tax bill.

Mr. President, in conclusion, I would direct my colleagues to one of the options that I feel deserves close study, the combination of an oil import fee with a gasoline tax. Even at a rather modest level, 6 cents a gallon and $2.50 a barrel, this combination would reduce the deficit by more than $10 billion in the first year and would go up slightly in each of the outyears. At the same time, it would alleviate the decline in the oil industry, saving thousands of jobs, and clearly would protect significant investments and institutions that finance them. It would reduce our dependence on oil imports. But most importantly, it would have an equitable impact upon the regions and income classes in our country.

Mr. President, we cannot overlook the opportunities offered by the rapid decline in oil prices.

This may be a once-in-a-century chance to simultaneously improve our fiscal condition, and alleviate our energy predicament and our dependence on foreign oil.

I ask unanimous consent that the summary from the CBO study be printed in the RECORD at this time.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

SUMMARY

This paper analyzes taxes on oil or oil products. Such taxes have been proposed for a variety of purposes. One aim is to reduce the federal deficit. Another is to reduce U.S. dependence on imported oil and its attendant risks to the economy and to national security. Some advocates of oil taxes see them as driving down further the world price of oil. Taxes are also favored as a way to assist the domestic oil industry, which is undergoing a severe contraction.

Oil taxes would accomplish these goals in varying degree, depending on how a specific tax was designed. At one end of the spectrum, an oil import tariff would encourage conservation, the substitution of other fuels, and domestic exploration and production. At the other end, a general energy tax—such as an ad valorem tax on all fuels consumed—would lead to reductions in energy use but would do nothing to encourage the production and consumption of oil substitutes or the exploration and development of domestic oil supplies. Oil taxes also raise a variety of questions as to their effects on the economy, on foreign trade, on the distribution of income, and on specific industries such as refining.

This paper examines five oil tax options:

An import tariff of $5.00 per barrel on imported crude oil and $10.00 per barrel on imported refined products;

A $5.00 per barrel excise tax on all crude oil (domestic and imported) and $5.00 per barrel on imported refined products;

A $0.12 per gallon motor fuels tax;

A 5 percent sales tax on all energy consumption; and

A combination of a $0.06 per gallon tax on motor fuels together with a $2.50 tariff on imported crude and refined products.

Since each tax would have different effects depending on the underlying level of world oil prices, and since there can be no certainty as to future oil prices, this report examines the taxes under three alternative assumptions: that oil prices hold steady over the next five years at levels of $23.00 per barrel, $18.00 per barrel, or $13.00 per barrel.

ECONOMIC ASSUMPTIONS

In estimating the economic and budgetary impacts of any tax, one must make some simplifying assumptions. In this case, perhaps the most important involves the operation of energy markets.

The economic effects of energy taxes depend to some degree on the response of foreign producers. This is difficult to forecast, because the governments of producing countries often play a crucial role in determining production levels. At one extreme, producers may respond by reducing production in order to maintain world prices at their pre-tax levels. At the other extreme, they may not change production at all and accept a fall in price equal to the implied per unit tax. This analysis makes an intermediate assumption. It assumes that world prices would fall, but by considerably less than the amount of the tax. Consequently, oil taxes would to some extent raise energy prices for U.S. consumers.

Analysts must also make some assumption about the behavior of aggregate production levels (gross national product, or GNP) in response to a tax. If foreign producers were forced to lower their prices, an oil tax could stimulate the economy and raise GNP. But there are offsetting influences. In the short term, higher taxes of any sort could lower GNP since they reduce household income. But to the extent that taxes also reduce the federal deficit, they may tend to reduce interest rates and the international value of the dollar, which would tend to raise GNP. In view of these various offsetting influences, and the fact that the net effect of any of the taxes on nominal GNP is likely to be rather small, CBO has followed the convention that nominal GNP (not adjusted for inflation) remains approximately constant in response to a tax.

REVENUE AND OUTLAY EFFECTS

Oil taxes affect the budget on both the revenue and the outlay sides. On the revenue side, the federal government would collect the tariff or tax directly. In addition, some taxes would increase domestic oil prices and the stream of revenues produced by the crude oil windfall profit tax. Finally, on the assumption that nominal GNP remains approximately constant after the imposition of a tax, the taxes and resulting price increases in the oil sector would reduce the income and profit streams of corporations in other sectors of the economy, correspondingly reducing the taxes they pay to the government.

On the outlay side, the federal government is both a producer and a consumer of oil. As a producer, it would receive more royalties from oil and gas production from the outer continental shelf and other federal lands if oil taxes were to raise wellhead oil and gas prices. On the consumption side, federal agencies, principally the Department of Defense, use roughly 500,000 barrels of refined petroleum products per day; they would pay more if prices rose. Thus the net budgetary effect of oil taxes is likely to be less than the initial revenue collected.

In general, broader-based taxes, such as an excise tax or an energy tax, would reduce the federal deficit by more than would more narrowly defined taxes, such as an import tariff or a motor fuels tax, at the same level of tax. This is because the former would be imposed on a broader category of oil and/or energy sources. Moreover, because windfall profit tax collections and domestic oil prices are positively associated, the revenue differential between a tariff and an excise tax would widen if domestic oil prices fell. Estimates of the net budgetary effects of the tax proposals are given in the Summary Table. These estimates differ somewhat from those provided in CBO's "Reducing the Deficit: Spending and Revenue Options" because different assumptions regarding oil prices and other factors are used in this analysis.[1]

It should be noted that at the $23.00 and $18.00 levels, the import tariff of $5.00 per barrel on crude oil and $10.00 per barrel on refined products would have the same revenue effect as a flat $5.00 tariff on both imported crude and refined products: the extra $5.00 on refined products would make their importation prohibitive, resulting in no new funds. Consumer costs, in contrast to federal revenues, might rise as less efficient domestic refining capacity was brought into production. At $13.00 per barrel, however, petroleum product consumption would exceed domestic refining capacity, and the extra tariff on refined products would lead to additional revenues.

ENERGY MARKET EFFECTS

The tax proposals described above raise a number of issues for federal policy and for the energy industry. Reductions in oil imports caused by oil taxes would be greater with lower initial oil prices, since a fixed tax represents a greater percentage increase in oil prices as underlying, pre-tax prices fall.

SUMMARY TABLE. NET DEFICIT REDUCTION UNDER FIVE OIL TAX ALTERNATIVES, FISCAL YEARS 1987–1991

[In billions of current dollars]

Tax alternative	1987	1988	1989	1990	1991
Pre-tax oil price: $23 per barrel:					
Import tariff	8.1	8.3	8.6	8.8	9.0
Excise Tax	22.1	22.5	23.0	23.2	23.5
Motor fuels tax	8.8	8.9	9.1	9.1	9.3
Energy tax	15.1	15.6	16.2	16.6	17.1
Combination of taxes	8.6	8.7	9.0	9.2	9.6
Pre-tax oil price: $18 per barrel:					
Import tariff	8.2	8.8	9.3	10.0	10.5
Excise Tax	24.0	24.6	25.1	25.5	26.0
Motor fuels tax	9.0	9.1	9.2	9.3	9.5
Energy tax	14.1	14.5	15.2	15.7	16.2
Combination of taxes	9.2	9.5	10.0	10.4	11.0
Pre-tax oil price: $13 per barrel:					
Import tariff	8.9	9.9	10.6	11.5	12.2
Excise Tax	25.4	26.3	27.1	27.8	28.5

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[1] In administering the budget process, the baseline assumptions of Reducing the Deficit would be used for scoring purposes.

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SUMMARY TABLE. NET DEFICIT REDUCTION UNDER FIVE OIL TAX ALTERNATIVES, FISCAL YEARS 1987–1991—Continued

[In billions of current dollars]

Tax alternative	1987	1988	1989	1990	1991
Motor fuels tax	9.2	9.2	9.3	9.3	9.5
Energy tax	13.0	13.5	14.2	14.8	15.3
Combination of taxes	10.1	10.8	11.5	12.2	13.0

Notes:

Import tariff: $5 per barrel imposed on crude oil and $10 per barrel on refined products.

Excise Tax: $5 per barrel imposed on all domestic and foreign crude oil and refined products.

Motor Fuels Tax: 12 cents per gallon ($5.04 per barrel) on all motor fuels.

Energy Tax: Ad valorem tax of 5 percent of final sale value of domestic and imported oil, natural gas, coal, and electricity.

Combination of Taxes: $2.50 per barrel on imported oil and 6 cents per gallon on motor fuels.

Source: Congressional Budget Office.

At $13.00 per barrel, oil imports in the absence of taxes are projected to reach 7.3 million barrels per day. An import tariff could reduce this amount by close to 1 million barrels per day by stimulating conservation and fuel substitution, and, very importantly, by softening the impact of low world prices on domestic oil production. Other taxes would not reduce imports by as much, because they would not provide domestic producers with additional incentives to explore or produce. At $23.00 and $18.00 per barrel, the effect of price changes on domestic production would not be as drastic, and hence an import tariff would not have as great an advantage over other taxes in this regard.

The effects of any oil tax in reducing oil imports, putting downward pressure on the world price of oil, and providing protection for the U.S. oil industry would be interrelated. Oil taxes would put downward pressure on the world price of oil insofar as they led to a reduction in the U.S. demand for oil imports, and that reduction would be greater if a tax encouraged domestic exploration and production.

An oil import tariff would be superior to other energy taxes on this score. By raising the price of oil imports, an oil import tariff would encourage all activities that could substitute for oil imports: domestic oil production, production of substitutes for oil, conservation of oil, and substitution of other fuels for oil. It would therefore lead to the greatest possible reduction in oil imports (for a given level of tax) and provide the most assistance to domestic producers. An excise tax on foreign and domestic oil would lead to the same reduction in total oil consumption, but would burden rather than encourage domestic oil production, leading to a smaller reduction in oil imports and, therefore, putting less downward pressure on the price charged by foreign producers. A motor fuels tax would lead to a smaller reduction in oil consumption because it would be directed at only one form of oil use and would therefore preclude many oil conservation possibilities. It would also provide no incentives for expanded domestic production. Finally, an ad valorem tax on the consumption of all fuels would lead to energy conservation, but discourage the production of domestic oil as well as all U.S. energy supply sources. These last two taxes, therefore, would do less to reduce world oil prices, encourage a reduction in oil imports, and assist the domestic oil industry.

THE U.S. REFINING INDUSTRY

The two-tiered tariff ($5.00 on crude imports and $10.00 on refined product imports) is of special interest because it would raise consumer prices and domestic refiner and shipping company profits while providing no incentives for domestic oil exploration and production beyond those offered by a single $5.00 levy on imported crude oil and refined products. Even if domestic refining capacity was sufficient to fulfill domestic needs entirely, this would require using domestic refineries that are older and less efficient than existing capacity.

The East Coast would be at some disadvantage under a two-tiered tariff, since it relies heavily on refined product imports and has very little excess refining capacity of its own. The difference could be supplied from Gulf Coast refineries, but product pipelines from the Gulf Coast have limited capacity and would have to be supplemented by tankers and barges at higher cost. All product shipments among ports in the United States would have to be made on U.S. flag ships, whose rates are already higher than those of foreign ships and are likely to become more so at higher utilization rates.

The most common arguments for two-tiered tariffs are that national security requires a stronger domestic refining industry, and that U.S. refiners suffer a disadvantage in having to pay pollution abatement costs. But the risks posed to national security from oil imports generally concern the threat to supplies of crude oil rather than refined products. A cutoff of refined products from the Persian Gulf—the most severe likely product disruption—would cause minor damage compared with a cessation of crude oil flow from the same countries. In 1985, only 0.4 percent of U.S. consumption of refined products was drawn from Persian Gulf sources, although that share is growing. Even if refining capacity was of paramount importance, a more appropriate response might be to fill part of the Strategic Petroluem Reserve with refined products in place of crude oil.

The other argument advanced for a two-tiered tariff concerns the costs U.S. refiners bear for pollution abatement, and holds that domestic refiners need protection to offset these costs. On net, the costs are much less than the $5.00 per barrel differential found in one version of the proposed tariff—perhaps as low as $0.50 per barrel, if the cost of removing the lead from gasoline to meet U.S. environmental statutes is also included. And even if the pollution abatement costs were higher, there is no precedent for offsetting them by imposing protective tariffs. Indeed, such an offset would encourage pollution.

Finally, like the oil regulations of the 1970s, two-tiered tariffs would encourage the construction of refineries that would be viable only because of federal protection. Half the refining capacity that has shut down since 1981 closed not because it was old, but because it had been built in the 1970s to take advantage of biases in federal regulations (often called the "small refiners' bias") and could not match the efficiency of internationally oriented refineries on its own terms. After oil was decontrolled, such capacity had to be shut down. This proposal would once again promote the creation of refining capacity dependent on federal protection.

INTERNATIONAL COOPERATION

Oil taxes would have their maximum depressing effect on world crude oil prices if imposed by all or most oil-consuming countries. Acting in concert, these countries could force producers to accept a larger proportion of any oil tax than if the United States acted alone. The result would be a smaller decrease in oil imports and a smaller tax burden.

In fact, other industrialized countries already have higher levels of oil taxes than the United States. Most of these taxes are gasoline taxes; motor fuels taxes are four to ten times higher in these countries. Taxes on other fuels also exist: Japan, for example, has an $18.00 per barrel tax on distillate fuel while the United States has none. Higher energy taxes in these countries reflect their far greater use of sales and consumption taxes as revenue sources. Industry sources note that many of these countries appear prepared to raise their oil taxes again now that world oil prices have fallen.

"VARIABLE TARIFFS"

One variant on the oil import tariff, proposed in S. 1997 by Senator Wallop, would set its value according to the difference between the existing world price of oil and some "benchmark" price. In S. 1997, this benchmark price is $22.00 per barrel; thus if oil prices were to stay at $13.00 per barrel, the tariff would equal $9.00 per barrel.

The variable tariff would, in essence, provide a floor price for the domestic oil industry. If oil prices were to rise again next winter or in the next few years, as some analysts believe they will, such a levy would protect the domestic oil industry from a harmful "whipsaw" effect in which some production is forced to close as prices fall and is no longer available when they rise again. The corresponding disadvantage of such a proposal is that it would place an artificial restraint on oil imports that are less expensive than the benchmark price. If oil prices had found their long-term level below the benchmark, the tariff would redistribute income from other industries and regions to domestic oil producers, but would do so only at a cost to economic efficiency. This cost might be sizable, since only a fraction of current domestic oil production is jeopardized by current low prices; a variable tariff might give other domestic oil producers a subsidy they do not need in order to continue producing. Moreover, if the goal of energy policy is to encourage marginal producers to continue supplying oil now that the price is low, there may be better ways of accomplishing this than a variable tax.

DISTRIBUTIONAL ISSUES

At oil prices of $23.00 per barrel, the energy taxes discussed in this paper generally would cost families an average of 0.3 percent of their annual income, or about $85.00 per year at current price levels. Using another measure, these added energy costs would amount to 0.4 percent of their total expenditures. The latter may be a better measure by which to assess the distributional effects of the tax because families usually choose a level of expenditure that reflects their expectations of long-term income.

Measured as a percent of total expenditures, the tax burden would not vary widely for families with different incomes. In absolute terms, at current price levels, the added expenditures would range from about $35.00 per year for families with annual incomes of less than $5,000 to $130 per year for families with annual incomes of $50,000 or more, or from 0.4 percent to 0.3 percent of total expenditures.

Except for the two-tiered tariff, which would require the use of uneconomic refining capacity and place a heavier burden on the Northeast, the increase in energy expenditures would also be roughly the same across regions. In the Northeast, additional energy expenditures under the two-tiered

tariff would be about $115 per year at current prices or 0.6 percent of total expenditures, while the rest of the country would spend no more than $82.00 per year or 0.4 percent of total expenditures. At $13.00 per barrel, the two-tiered tariff would penalize Northeast consumers even more, raising their energy costs by $192 per year, more than twice the cost burden imposed by other oil taxes.

Mr. DOMENICI. Mr. President, as I indicated, the report will soon be on the Senate floor and available for public consumption.

I understand that Senator CHILES has arrived. I suggest the absence of a quorum to be charged equally.

The PRESIDING OFFICER. Without objection, it is so ordered.

The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. DOMENICI. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. DOMENICI. Mr. President, I yield myself whatever time I may use off the resolution, not off the spending amendment.

The PRESIDING OFFICER. The Senator has that right.

Mr. DOMENICI. Mr. President, I ask unanimous consent to have printed in the RECORD a list of entitlement and mandatory programs. In my discussion about the Federal budget and the various components of it on Tuesday, when we began debate on the budget resolution, I indicated that I would, since I used charts, incorporate in the RECORD the individual components of each of those major ingredients in the budget. I have that ready now, and I shall put it in the RECORD for reference. These will match up and indicate to anyone who is interested those four major components of the budget we discussed—discretionary appropriations, entitlements, defense, and interest on the national debt—what makes up each of those.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

CBO-ENTITLEMENTS AND OTHER MANDATORY SPENDING

International development and humanitarian assistance; Funds Appropriated to the President; Peace Corps; Peace Corps miscellaneous trust funds.

Department of Transportation; Federal Highway Administration; Miscellaneous trust funds.

Funds Appropriated to the President; Agency for International Development; Miscellaneous trust funds, AID.

Conduct of foreign affairs; Payment to the Foreign Service retirement and disability fund.

Offsetting Receipts; Payment to the Foreign Service Retirement Fund.

Department of State; Administration of Foreign Affairs; Payment to the Foreign Service retirement and disability fund.

International Center, Washington, D.C.

Administration of Foreign Affairs; Miscellaneous trust funds.

Department of State; Payment to Foreign Service Retirement Fund.

Foreign information and exchange activities; Other Independent Agencies; United States Information Agency; Miscellaneous trust funds.

Japan-United States Friendship Commission, Japan-United States friendship trust fund.

International financial programs; Funds Appropriated to the President; International Monetary Programs; United States quota, International Monetary Fund.

Military Sales Programs; Special defense acquisition fund.

Foreign military sales trust fund.

Foreign Military Sales Trust Fund (Receipts).

Department of the Treasury; Departmental Offices; Exchange stabilization fund.

General science and basic research; Other Independent Agencies; National Science Foundation; Donations.

Supporting space activities; National Aeronautics and Space Administration; Miscellaneous trust funds.

Energy supply; Other Independent Agencies; Tennessee Valley Authority; Tennessee Valley Authority fund (Energy supply).

Department of Energy; Power Marketing Administration; Bonneville Power Administration fund.

Energy Programs; Advances for cooperative work.

Department of Energy; Energy-Advances for Cooperative Work.

Water resources; Department of Agriculture; Soil Conservation Service; Miscellaneous contributed funds (Water resources).

Department of the Interior; Bureau of Reclamation; Colorado River dam fund, Boulder Canyon project.

Reclamation trust funds.

Department of Defense—Civil; Corps of Engineers—Civil; Rivers and harbors contributed funds.

Permanent appropriations (Water resources).

Conservation and land management; Department of Agriculture; Forest Service; Operations and maintenance of quarters.

Soil Conservation Service; Miscellaneous contributed funds (Conservation and land management).

Forest Service; Forest Service permanent appropriations.

Miscellaneous trust funds (Conservation and land management).

Department of the Interior; Bureau of Land Management; Special acquisition of lands and minerals.

Service charges, deposits, and forfeitures.

Operation and maintenance of quarters.

Range improvements.

Miscellaneous permanent appropriations (Conservation and land management).

Miscellaneous trust funds.

Department of Agriculture; Forest Service; Reforestation trust fund.

Department of Defense—Civil; Forest and Wildlife Conservation, Military Reservations; Forest products program.

Recreational resources; Department of the Interior; National Park Service; Operation and maintenance of quarters.

United States Fish and Wildlife Service; Operation and maintenance of quarters.

National Park Service; Commemorative activities fund.

United States Fish and Wildlife Service; Migratory bird conservation account.

Sport Fish restoration.

Contributed funds.

Miscellaneous permanent appropriations.

National Park Service; Miscellaneous permanent appropriations.

Miscellaneous trust funds.

Other Independent Agencies; Advisory Council on Historic Preservation; Donations.

Department of Defense—Civil; Forest and Wildlife Conservation, Military Reservations; Wildlife conservation.

Pollution control and abatement; Environmental Protection Agency; Miscellaneous contributed funds.

Department of Transportation; Coast Guard; Offshore oil pollution compensation fund.

Pollution fund.

Deepwater port liability fund.

Other natural resources; Department of the Interior; Bureau of Mines; Helium fund.

Bureau of Mines; Contributed funds.

Geological Survey; Contributed funds.

Farm income stabilization; Department of Agriculture; Agricultural Stabilization and Conservation Service; Dairy indemnity program.

Commodity Credit Corporation; Commodity Credit Corporation Fund.

National Wool Act (special fund).

Agricultural Marketing Service; Milk market orders assessment fund.

Other Independent Agencies; Farm Credit Administration; Revolving fund for administrative expenses.

Agricultural research and services; Department of Agriculture; Agricultural Marketing Service: Perishable Agricultural Commodities Act fund.

Food Safety and Inspection Service; Expenses and refunds, inspection and grading of farm product.

Office of the Secretary; Gifts and bequests.

Agricultural Research Service; Miscellaneous contributed funds.

Statistical Reporting Service; Miscellaneous contributed funds.

Economic Research Service; Miscellaneous contributed funds.

Office of International Cooperation and Development; Miscellaneous contributed funds.

Animal and Plant Health Inspection Service; Miscellaneous trust funds.

Agricultural Marketing Service; Miscellaneous trust funds.

Mortgage credit and deposit insurance; Other Independent Agencies; National Credit Union Administration; Operating fund.

Credit union share insurance fund.

Other Independent Agencies; Federal Deposit Insurance Corporation.

Federal Home Loan Bank Board; Federal Home Loan Bank Board revolving fund.

Federal Savings and Loan Insurance Corporation fund.

Department of Housing and Urban Development; Government National Mortgage Association; Management and liquidating functions fund.

Housing Programs; Federal Housing Administration fund.

Government National Mortgage Association; Participation sales fund (Mortgage credit and deposit insurance).

Guarantees of mortgage-backed securities.

Other advancement of commerce; Legislative Branch; Library of Congress; Payments to copyright owners.

Department of Commerce; National Oceanic and Atmospheric Administration; Federal ship financing funds, fishing vessels.

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Promote and develop fishery products and research pertaining.

General Administration; Gifts and bequests.

Economic and Statistical Analysis; Information products and services.

Department of the Treasury; Comptroller of the Currency; Assessment funds.

Department of Housing and Urban Development; Government National Mortgage Association; Participation sales fund (Other advancement of commerce).

Housing Programs; Interstate land sales.

Manufactured home inspection and monitoring.

Other Independent Agencies; National Institute of Building Sciences; National Institute of Building Sciences trust fund.

Ground transportation; Department of Transportation; Federal Highway Administration; Federal-aid highways (trust fund).

Highway-related safety grants.

National Highway Traffic Safety Administration; Highway traffic safety grants.

Urban Mass Transportation Administration; Transportation block grants.

Discretionary grants.

Air transportation; Office of the Secretary; Payments to air carriers, DOT.

Federal Aviation Administration; Grants-in-aid for airports (Airport and airway trust fund).

Water transportation; Coast Guard; Retired pay—Coast Guard.

Maritime Administration; Operating-differential subsidies.

Ocean freight differential.

Saint Lawrence Seaway Development Corporation.

Maritime Administration; Federal ship financing fund.

Coast Guard; Boat safety.

Maritime Administration; Gifts and bequests.

Coast Guard; Coast Guard general gift fund.

Maritme Administration; Special studies, services and projects.

Coast Guard; Miscellaneous trust revolving funds.

Community development; Other Independent Agencies; Pennsylvania Avenue Development Corporation; Gifts and donations.

Other Independent Agencies; Federal Emergency Management Agency; National insurance development fund.

Gift and bequests, fire administration.

Department of Housing and Urban Development; Community Planning and Development; Revolving fund (liquidating programs).

Housing Programs; Community disposal operations fund.

Government National Mortgage Association; Participation sales fund (Community development).

Management and Administration; Gifts and bequests.

Area and regional development; Department of Agriculture; Rural Electrification Administration; Rural communication development fund.

Department of Commerce; Regional Development Program; Regional development commission.

Department of the Interior; Bureau of Indian Affairs; Liquidation of Hoonah Housing Project revolving fund.

Operation and maintenance of quarters.

Cooperative fund (papago).

Miscellaneous permanent appropriations (Area and regional development).

Miscellaneous trust funds (Area and regional development).

Other Independent Agencies; Appalachian Regional Commission; Miscellaneous trust funds.

Disaster relief and insurance; Funds Appropriated to the President; Disaster Relief; Bequests and gifts.

Elementary, secondary, and vocational education; Department of Education; Office of Vocational and Adult Education; Vocational and adult education.

Office of Special Education and Rehabilitation Services; Promotion of education for the blind.

Higher education; Department of Housing and Urban Development; Government National Mortgage Association; Participation sales fund (Higher education).

Department of Education; Office of Postsecondary Education; Guaranteed student loans.

Higher education facilities loans and insurance.

College housing loans.

Guarantees of SLMA obligations, FFB direct loans.

Other Independent Agencies; Harry S Truman Scholarship Foundation; Harry S Truman memorial scholarship trust fund.

Research and general education aids; Legislative Branch; Library of Congress; Oliver Wendell Holmes devise fund.

Gift and trust fund accounts.

Other Independent Agencies; Corporation of Public Broadcasting; Public broadcasting fund.

Other Independent Agencies; Smithsonian Institution; Endowment challenge fund.

Canal Zone biological area fund.

Other Independent Agencies; National Endowment for the Arts; Gifts and donations (arts).

National Endowment for the Humanities; Gifts and donations (humanities).

Department of Education; Departmental Management; Contributions.

Other Independent Agencies; National Commission on Libraries and Information Science; Contributions.

Training and employment; Department of Labor; Employment and Training Administration; Gifts and bequests.

Unemployment trust fund (Training and employment).

Social services; Department of Health and Human Services, except Social Security; Human Development Services; Social services block grant.

Family social services.

Department of Education; Office of Special Education and Rehabilitative Services; Rehabilitation services and handicapped research.

Health care services; Office of Personnel Management; Government payment for annuitants, employees health benefits.

Employees health benefits fund.

Retired employees health benefits fund.

Department of Health and Human Services, except Social Security; Office of Assistant Secretary for Health; Retirement pay and medical benefits for commissioned officer.

Health Care Financing Administration; Grants to states for medicaid.

Office of Assistant Secretary for Health; Miscellaneous trust funds.

Health research; Department of Housing and Urban Association; Participation sales fund (Health research).

Consumer and occupational health and safety; Department of Health and Human Services, except Social Security; Food and Drug Administration; Revolving fund for certification and other services.

Medicare; Health Care Financing Administration; Federal supplementary medical insurance trust fund.

Federal hospital inurance trust fund.

Department of Health and Human Services; Federal contributions, FSMI Fund.

Health Care Financing Administration; Payments to health care trust funds.

General retirement and disability insurance (excluding social security); Department of Labor; Employment and Training Administration; Advances to the unemployment trust fund and other funds.

Employment Standards Administration; Special benefits (General retirement and disability insurance).

Pension Benefit Guaranty Corporation; Pension Benefit Guaranty Corporation fund.

Employment Standards Administration; Special workers' compensation expenses.

Black lung disability trust fund.

Other Independent Agencies; Offsetting receipts.

Department of the Treasury; Offsetting Receipts; Interest Payments on advances to Railroad Retirement.

Other Independent Agencies; Railroad Retirement Board; Federal payments to the railroad retirement accounts.

Rail Industry Pension Fund.

Repayment of advances, RR Board.

Payment to Railroad Retirement.

Fed. pymt. to RR TF, Rail Industry Pension.

Department of Health and Human Services, except Social Security; Social Security Administration; Special benefits for disabled coal miners.

Department of the Treasury; Offsetting Receipts.

Federal employee retirement and disability; The Judiciary; Judiciary Trust Funds; Judicial survivors' annuities fund.

Department of Labor; Employment Standards Administration; Special benefits (Federal employee retirement and disability).

Department of State; Administration of Foreign Affairs; Foreign Service retirement and disability fund.

Legislative Branch; United States Tax Court; Tax Court judges survivors annuity fund.

Office of Personnel Management; Civil service retirement and disability fund.

Employees life insurance fund.

Department of Defense—Civil; Military Retirement; Military retirement fund.

Unemployment compensation; Department of Labor; Employment and Training Administration; Federal unemployment benefits and allowances.

Advances to the unemployment trust fund and other funds.

Department of Labor; Repymts. of loans, extended unemployment comp.

Employment and Training Administration; Unemployment trust fund (Unemployment compensation).

Department of Labor; Unemployment trust fund, repayable advances.

Department of Transportation; Federal Railroad Administration; Conrail Labor protection.

Housing assistance; Department of Housing and Urban Development; Housing Programs; Rental housing assistance fund.

Public and Indian Housing Programs; Low-rent public housing—loans and other expenses.

Food and nutrition assistance; Department of Agriculture; Food and Nutrition Service; Special milk program.

Food stamp program.

Child nutrition programs.

Nutrition assistance for Puerto Rico.

Agricultural Marketing Service; Funds for strengthening markets, income, and supply.

Other income security; Department of the Treasury; Internal Revenue Service; Payment where earned income credit exceeds liability for tax.

Department of Health and Human Services, except Social Security; Social Security Administration; Supplemental security income program.

Assistance payments program.

Child support enforcement.

Payments to states from receipts for child support.

Social security; Payments to social security trust funds.

Department of the Treasury; Offsetting Receipts; Interest on normalized transfers—OASI.

Interest on normalized transfers—DI.

Interest payments to HI.

Income security for veterans; Veterans Administration; Veterans insurance and indemnities.

Pensions.

Burial benefits and miscellaneous assistance.

Veterans reopened insurance fund.

Servicemen's group life insurance fund.

Service-disabled veterans insurance fund.

National service life insurance fund.

United States government life insurance fund.

Veterans special life insurance fund.

Veterans education, training, and rehabilitation; Readjustment benefits.

Education loan fund.

Post-Vietnam era veterans education account.

Department of Defense—Civil; Education Benefits; Education benefits fund.

Hospital and medical care for veterans; Veterans Administration; Special therapeutic and rehabilitation activities fund.

Veterans housing; Director loan revolving fund.

Loan guaranty revolving fund.

Department of Housing and Urban Development; Government National Mortgage Association; Participation sales fund (Veterans housing).

Other veterans benefits and services; Department of the Treasury; Financial Management Service; Miscellaneous trust funds (Other veterans benefits and services).

Veterans Administration; Canteen service revolving fund.

General post fund, national homes.

Other Independent Agencies; American Battle Monuments Commission; Contributions.

Department of Defense—Civil; Soldiers' and Airmen's Home; Payments of claims.

Federal law enforcement activities; Department of the Treasury; United States Secret Service; Contribution for annuity benefits.

Federal litigative and judicial activities; The Judiciary; Courts of Appeals, District Courts, and other Judicial Services; Salaries of judges.

Criminal justice assistance; Department of Justice; Office of Justice Programs; Crime victims fund.

Legislative functions; Legislative Branch; Senate; Compensation of Member's Senate.

House of Representatives; Compensation of Members and related administration expenses.

Congressional use of foreign currency, House of Representatives.

Other Legislative Branch Agencies; Office of Technology Assessment: Contributions and donations.

Executive direction and management; Executive Office of the President; Compensation of the President.

Central fiscal operations; Department of the Treasury; Bureau of the Public Debt; Payment of Government losses in shipment.

United States Mint; Coinage profit fund.

United States Customs Service; Refunds, transfers and expenses, unclaimed, abandoned.

Departmental Offices; Gifts and bequests.

General property and records management; General Services Administration; General Activities; Virgin Islands Corporation liquidation fund.

Personal Property Activities; Expenses of transportation audit contracts.

Federal Property Resources Activities; Expenses, disposal of surplus real and related personal property.

Other Independent Agencies; National Archives and Records Administration; National archives gift fund.

National archives trust fund.

Central personnel management; Office of Personnel Management; Payment to civil service retirement and disability fund.

Offsetting receipt, payment to Civil Service retirement.

Govt. Share of Civil Service Retirement.

Other general government; Department of the Interior; Territorial and International Affairs; Compact of free association.

Bureau of Indian Affairs; Miscellaneous permanent appropriation (Other general government).

Department of the Treasury; Financial Management Service; Claims, judgments, and relief acts.

Departmental Offices; Presidential election campaign fund.

Financial Management Service; Miscellaneous trust funds (Other general government).

Other Independent Agencies; Advisory Commission on Intergovernmental Relations; Contributions.

Other Independent Agencies; United States Holocaust Memorial Council; Gifts and donations.

General revenue sharing; Department of the Treasury; Office of Revenue Sharing; Payments to State and local government fiscal assistance trust fund.

State and local government fiscal assistance trust fund.

Department of the Treasury; Payment to general revenue sharing trust fund.

Other general purpose fiscal assistance; Department of Agriculture; Forest Service; Forest Service permanent appropriations.

Department of the Interior; Territorial and International Affairs; Payments to the United States territories, fiscal assistance.

Bureau of Land Management; Payments in lieu of taxes.

Minerals Management Service; Payments to States from receipts under Mineral Leasing Act.

United States Fish and Wildlife Service; National wildlife refuge fund.

Bureau of Land Management; Miscellaneous permanent appropriations (Other general purpose).

Bureau of Reclamation; Miscellaneous permanent appropriations.

Department of the Treasury; Internal Revenue Service; Internal revenue collections for Puerto Rico.

United States Customs Service; Miscellaneous permanent appropriations.

Department of Energy; Energy Programs; Payments to states under Federal Power Act.

Department of Defense—Civil; Corps of Engineers—Civil; Permanent appropriations (Other general purpose fiscal assistance).

Mr. DOMENICI. Mr. President, I also ask unanimous consent to have printed in the RECORD a table showing the annualized rate of change of categories of the budget in real and nominal terms.

As I said before, it shows what has happened over the past 20 years in 5-year increments to the major components in growth and nongrowth. Some were interested in what the nominal growth will be. I used only real growth—that is, growth after inflation.

The table that I asked to have printed in the RECORD expands on those and gives the nominal growth for each of those categories for each of the 5-year periods preceding 1986.

There being no objection, the table was ordered to be printed in the RECORD, as follows:

ANNUALIZED RATES OF CHANGE BY CATEGORIES OF FEDERAL OUTLAYS, TOTAL OUTLAYS, AND REVENUES

[Percent change][1]

	Fiscal year—			
	1965–70	1970–75	1975–80	1980–85
Defense:				
Real growth	4.9	−5.5	1.2	6.3
Nominal growth	10.1	1.1	9.1	13.5
Entitlements:				
Real growth	9.1	11.1	3.9	3.4
Nominal growth	13.7	18.6	12.3	9.4
Discretionary:				
Real growth	2.5	6.5	4.5	−3.4
Nominal growth	6.8	13.7	12.9	2.2
Interest:				
Real growth	6.3	3.1	3.0	13.2
Nominal growth	10.9	10.0	17.7	19.8
Total outlays:				
Real growth	6.1	4.1	3.8	3.9
Nominal growth	10.6	11.2	12.2	9.9
Total revenues:				
Real growth	6.0	9	4.7	1.4
Nominal growth	10.5	7.7	13.1	7.3

[1] Calculation of annualized real rate of change based on actual GNP price deflators, except for real defense outlays, which are based on the defense deflator.

Mr. DOMENICI. Mr. President, I designate the senior Senator from Washington [Mr. GORTON] to manage the bill on our side.

I yield the floor. I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. JOHNSTON. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. JOHNSTON. Mr. President, I ask unanimous consent that I be able to proceed as in morning business for not to exceed 10 minutes.

The PRESIDING OFFICER. Without objection, it is so ordered.

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TOURNIQUET BELOW THE WOUND

Mr. JOHNSTON. Mr. President, I am brought to the floor by the remarks of my distinguished colleague from New Mexico [Mr. DOMENICI], who this morning spoke about an oil import fee. I believe he spoke with approval of a $2.50 import fee along with a 6-cent-per-gallon gasoline tax. Mr. President, I very strongly favor an oil import fee. I think it ought to be larger than $2.50. Nevertheless, Mr. President, I commend the distinguished Senator from New Mexico.

Now, Mr. President, there are many who say that an oil import fee is dead as an idea: the President is against it, the industry is split, and there are all kinds of problems with Mexico, Venezuela, and chemical companies. I have heard all of those arguments before. But, Mr. President, I believe those arguments are either unpersuasive or will be satisfactorily addressed when it comes time for the Congress to actually decide on whether we should have an oil import fee. I believe it is a very viable idea substantively and that it is a very viable idea politically.

The reason I believe that, Mr. President, is I do not think this tax reform bill is going to go anywhere. My own mail is running 40 to 1 against. There were well over half the Members of the Senate who said we should not deal with tax reform until we balance the budget. That is simply another way of saying they give tax reform—I put "reform" always in quotas because I do not believe the measure being considered by the Finance Committee is tax reform—no chance to go anywhere.

The issue that is going to go somewhere is the need to raise revenue. And when the oil import fee, which raises significant amounts of revenue, is compared to various other kinds of revenue enhancements, to use the euphemism, I think the oil import fee comes off very well.

Mr. President, there is real suffering in my State, and I use that word advisedly. We have 13.2 percent unemployment on the way to 16, and who knows what after that. The whole economy of my State and that of our neighboring oil-producing States is imploding. It is imploding with frightening speed. The whole underpinning of our economy is collapsing and there is nothing to sustain it.

I do ask for sympathy, but in addition to sympathy, Mr. President, I ask for understanding of the plight of the oil industry in this country. Unless we do something to save it, it is going to be gone and once gone will not be easily resurrected. Once these companies are bankrupt and the geologists move on to become accountants; and the service industries and the mud companies close their doors and move away; and the drillers and the roughnecks, the myriad other people who are involved in the oil industry leave the State and move elsewhere—and all of these things are beginning to happen—it is going to be very difficult to resurrect a domestic oil and gas industry.

We are going to be a country dependent almost exclusively upon foreign sources for our crude oil. And when the supply gets short and the price goes up the fat will be back in the fire again. Only this time, instead of having a domestic industry capable of producing 10 million barrels a day we will have a domestic industry with only a few old wells continuing to produce and little ability to discover and drill new ones.

Mr. President, with a great deal of fanfare, the President of the United States a day or two ago announced his plan to deal with the preservation of the oil industry. He came up with four proposals, all of which I have favored, but not one of which will be of any significant or immediate use to the oil industry given the magnitude of its current problems. He says we ought to repeal the Fuel Use Act. Of course, we should. I am a coauthor of legislation to do that and I hope and anticipate we will do it very soon. But the assistance it can bring to the industry is months and years down the road.

He says we ought to deregulate natural gas. We have fought that battle in the past. I have been for it. I have sponsored legislation to accomplish it. But I do not think Congress is going to do it. We received less than 30 votes last time after we debated it for days on end. But even if we pass it, it is not going to help the price of new gas and therefore will provide no incentive at all for drilling for new gas.

Yes, we ought to repeal the windfall profits tax, and I have authored legislation to accomplish that, too. But that is of no use at all, because the price is below the threshold at which the tax must be paid.

Yes, we should help stripper wells whose production we would othewise lose. But the margin of relief which doing so would provide is of no help. We need to get drill rigs active looking for new oil and gas. The active rig count has dropped below 900 from a high of over 4,500 just 5 years ago. In the face of this the President of the United States gives us a program for saving the oil industry which is like putting a tourniquet on below the wound—no help at all.

If we want to preserve the industry, we have to do something now, and we have to do something dramatic. And the only thing that I can see is to use the Tax Code and to have an oil import fee.

The rise in prices which it would cause—or, more correctly, the limitation on the amount of price decline which it would cause—would be very minimal—certainly very minimal when compared to saving in domestic oil production and preserving a domestic oil industry. I think it is a very good tradeoff.

So I believe that the oil import fee is a very viable political idea. I do not believe we need to make exemptions for Canada, Mexico, or Venezuela. In fact, I see no justification at all for that. I think we ought to have an exemption for imports which are in turn exported. But that would be easy to describe, easy to administer, and totally fair upon its face. Other than that, I think we could put together an excellent and appealing revenue raiser which also preserves a domestic oil industry.

So I want to congratulate the distinguished Senator from New Mexico [Mr. DOMENICI], for having proposed the oil import fee. I will join him and others in trying to get it passed here later this year.

I thank the distinguished Senator from New York for allowing me to speak on what otherwise would have been his time, and I yield back the remainder of my time.

AMENDMENT NO. 1800

Mr. MOYNIHAN. I thank the Senator from Louisiana for his gracious remarks and for his interest and comments.

Mr. President, as I understand our situation, the amendment laid down yesterday for myself, Mr. SASSER, Mr. BYRD, and others is now the pending business. Is that correct?

The PRESIDING OFFICER. The Senator is correct.

Mr. MOYNIHAN. Mr. President, as Senators well know, this is a straightforward proposal to retain general revenue sharing for the coming fiscal year and for such other years thereafter—1988 and 1989—as the Senate Finance Committee chooses to approve.

Two things are required: First, that the Finance Committee reauthorize the program, and it has typically been on a 3-year basis, although it could be done on a 1-year basis; and second, the Finance Committee must provide increased revenues in order to maintain the program at its level of $4.6 billion. Because there is a one-quarter lag in the outlays, the Finance Committee would only be required to come up with revenues of $3.4 billion in fiscal 1987.

Mr. President, we are no doubt going to hear that we ought to abolish general revenue sharing or that we cannot afford to continue it, and we should let it lapse, because there is no revenue to be shared. I have heard that statement from a number of Senators in the past during the debate when we dropped State revenue sharing, and I have heard it from Senators who are now cosponsors of this legislation, having looked longer and harder at

the situations of their own communities and at the qualities of this program. Indeed, we have 24 cosponsors at this time, which is about one-quarter of the Senate.

As a preface to some general remarks about the program, let me offer to the Senate some insights into the fiscal difficulties—the protracted fiscal crisis, indeed—in which we find ourselves in the Federal Government.

For several years now, since 1982, as I recall—and in writing since 1983—I have made the point that the deficits, the extraordinary triple-digit deficits, that appeared under the Reagan administration were deliberately contrived, contrived in order to create a crisis that would require the dismantling of the main outlines of the Federal Government as they have developed under Democratic and Republican administrations over the last half-century.

I do not think that this proposition, when I first offered it, was greeted with any great acceptance. It seemed too irresponsible a thing to have done, or too dangerous a thing to have done, and credence was not given the proposition that responsible Government officials could go about their duties and deliberately create a crisis which then they thought would have serious consequences.

If I recall, I did not say that the deficits were deliberate policy. I said that the creation of a situation in which the deficits would arise was the deliberate policy, which is to say the revenue loss incurred as a result of the 1981 tax legislation.

Mr. President, it is always difficult to put a proposition such as that, in any event; and even indirection is no protection from the obvious fact of what is being said, so why do I not say it straight out? I was right. I was dead right, and Mr. David Stockman now so states.

The administration knew perfectly well that it was going to create an enormous deficit with this legislation in 1981 and assumed that this would force Congress into huge reductions in Federal programs. And then it turned out the programs were not there to be cut.

Yesterday, the distinguished chairman and ranking minority member of the Budget Committee offered an amendment to terminate 44 programs and said, "Here, cut them." I think there were 14 Senators willing to say so and do so.

A marvelous article in this morning's Washington Post described some 24 Senators who had been writing letters to the President saying "cut" and then their opportunity to cut came and they, including the distinguished Senator who had organized the letter, could not bring themselves to do so.

How did we get ourselves into the situation?

Let me read some passages from David Stockman's book, and so we get a feeling for this, we are talking now about the time in late summer, early autumn of 1980 before the election.

> I discovered that to balance the budget we would need huge spending cuts too—more than $100 billion per year. The fabled revenue feedback of the Laffer curve had thus slid into the grave of fiscal mythology 40 days after the supply-side banner had been hoisted at the GOP Convention.
>
> These dramatic changes in both my comprehension of budget estimating and the true fiscal math of the supply-side program occurred almost overnight. That should have been cause for second thoughts and reassessment of the whole proposition.
>
> But it didn't happen that way.

Mr. Stockman recognizes that even before they went forward, he should have said, "Now, listen, will this work?" But then another idea occurred to him. Adopt Kemp-Roth and its 10-5-3 depreciation schedule and then, and I quote him, "We would have the Second Republic's craven politicians pinned to the wall," which craven politicians I think by a vote of 80 to 14 or something yesterday displayed what it regarded as craven.

We are of the Second Republic, and unlike the virtuous First Republic, the craven politicians would be pinned to the wall,

> They would have to dismantle its bloated, wasteful, and unjust spending enterprises—or risk national ruin.
>
> The idea of a real fiscal revolution, a frontal attack on the welfare state, was beginning to seem more and more plausible.

Mr. President, we are in the presence of a conspiracy. A young man is telling us how he came to Washington, seized control of fiscal policy and created a crisis that will be with us the rest of this century.

Here is his last paragraph I will read. He said:

> The success of the Reagan Revolution depended upon the willingness of the politicians to turn against their own handiwork—the blotted budget of the American welfare state. Why would they do this? Because they had to! In the final analysis, I had made fiscal necessity the mother of political invention.

Mr. Stockman ends his book by saying he had learned differently and for all that politicians might be bad. "There is only one thing worse," he says, "and that is ideological hubris."

He concludes,

> That the fiscal programs of the first few years of this administration were the most irresponsible in the 20th Century.

He writes,

> In the entire 20th century history of the Nation there has been nothing to rival it * * * a willful act of ignorance and grotesque irresponsibility.

My good friend from Tennessee is on the floor and he will be speaking in a moment. I do not know if he has read that far in the memoirs to the conclusion where Mr. Stockman describes—

> The policies of this administration so put in place with such deception, such concealment as a willful act of ignorance and grotesque irresponsibility. In the entire 20th century history of the Nation there has been nothing to rival it.

Mr. President, the proposition I put to you today is whether we are going to allow that conspiracy to continue and to permit that willful ignorance and gross irresponsibility to control our actions in the coming year with respect, in this instance, to one program, the program of general revenue sharing with local governments in the country.

I have a certain personal history in the General Revenue Sharing Program. I drafted the plank in the Democratic platform of 1964 that called for revenue sharing with State governments, and, as it happened, I also drafted the Presidential message of 1969 that called for revenue sharing with State and local governments, particularly city governments.

That was the legitimization that finally was enacted in 1972. A proposal first appeared in a Democratic platform and then was adopted by a Republican President, Mr. Nixon, and enacted in turn by a Democratic Congress. It has had bipartisan support and it has made its way into the structure of Federal relations in this Nation.

The theory of revenue sharing was simple enough, and I think it has proved over time to have held up, which is simply that the revenue resources of the National Government are both larger, and more responsive to economic growth than the revenue sources of State government and most particularly of local government where property taxes and such like are a principal source of revenue and are very sluggish in their response to growing economic needs of government that correspond to a growing economy.

We put it in those days, that for every 1-percent increase in GNP, you get about a 1-percent increase in the need for government, roads and infrastructure, and things like that, and the revenue the Federal Government would increase at something more than 1 percent and of local government at something less. I think those general ratios have held up.

In the President's budget, the legacy of the conspiracy of the Stockman era—coping with this protracted crisis and the continued belief that it could be done—asks us to put an end to revenue sharing with some 39,000 units of government, including 3,049 counties of the United States.

For our part, Mr. President, we hope this will not happen. We will hope that in the aftermath of the conspiracy we will do some damage control right here on this floor and not sever that relation between the Federal

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Government and the cities and counties that we began to grow up in the 1960's and in the 1970's.

Not long ago, Mayor Cisneros, of San Antonio, spoke with great eloquence on the subject of that partnership that gave cities a sense of their role in the Federal mix of things, gave counties and smaller units of government the same.

Let me just end my remarks by quoting from the speech which Mayor Cisneros gave to the National League of Cities just a while ago. He said:

> This year all of us together face a new problem that none of those who sat in these chairs has faced before. It is a disastrous dismantling of the federal-local partnership. It is a meat-axe chopping of the domestic obligations of government.
>
> These are not in the category of threats or distant storm clouds, but the realities of the next 90 to 120 days. The mood, our response, must not be gloom or timidity or uncertainty or hang-dog apologetics. We must be determined to stand up for what is right in the face of what I can only call disrespect: a disrespect for our cities, disrespect for the people who govern them and disrespect for the people who live in them.

I see the same disrespect he sees, Mr. President. I hope we will pass this amendment.

I see the distinguished Senator from Tennessee has risen. The Senator from Minnesota would like to speak very briefly from the other side of the aisle, if that is possible.

Mr. SASSER. I would remind the Senator from New York, although I do want to accommodate the Senator from Minnesota, I have been sitting here for almost an hour.

How long, may I ask the Senator from Minnesota, will he take?

Mr. DURENBERGER. At the most, 4 minutes. I will try to be briefer than that.

Mr. SASSER. Mr. President, I am glad to accommodate the Senator.

Mr. MOYNIHAN. Mr. President, at this point, I ask unanimous consent that a letter from the National Coalition to Save General Revenue Sharing be printed in the RECORD.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

NATIONAL COALITION TO
SAVE GENERAL REVENUE SHARING,
Washington, DC, April 22, 1986.

DEAR SENATOR: The National Coalition to Save General Revenue Sharing urges you to support the Moynihan, Sasser, Byrd, Heinz, Specter, Andrews Amendment to allow for full funding at $4.6 billion for General Revenue Sharing.

Let us tell you what this amendment does not do:

It does not mandate a tax increase;

It does not "bust the budget" or add to the deficit since there would be no funds put in the budget for revenue sharing until the Finance Committee develops a mechanism to pay for it.

What this amendment will do:

If the Finance Committee reauthorizes the program and enacts additional revenues to pay for it, then General Revenue Sharing would be allowed to be fully funded for $4.6 billion for FY87.

Revenue Sharing has been one of the few programs that seeks to lessen fiscal disparities among our states. Jurisdictions with a population of under 10,000, most of which receive no other assistance from the federal government, make up more than 85 percent of the program's recipients. It is the only form of federal assistance to 77 percent of the 39,000 local governments that receive general revenue sharing funds. Sixty-two percent of general revenue sharing funds now go to jurisdictions with average per capita income less than 125 percent of the national average.

General Revenue Sharing helps cities and counties across this nation to provide essential services to their citizens such as police and fire protection, schools and hospitals. It has supplemented public education and supported health and welfare programs such as indigent health care and nursing homes.

Between 1980 and 1985, while total outlays increased by 23.3 percent, grants to state and local governments decreased by 23.5 percent. Since 1981 federal aid to state and local governments has been cut by almost 40 percent; in major urban programs it has been cut even deeper totalling 71% in actual dollars. General Revenue Sharing has provided the flexibility to respond to these reductions.

Please show your support for this vital program by voting for the Moynihan, Sasser, Byrd, Heinz, Specter, Andrews Amendment.

Sincerely,

ERNEST N. MORIAL,
Mayor of New Orleans.

Coalition Members:
U.S. Conference of Mayors.
National League of Cities.
National Association of Counties.
American Federation of State, County and Municipal Employees.
National Association of Towns and Townships.
Council of Great City Schools.
National Recreation and Park Association.
International Association of Fire Chiefs, Inc.
American Association of School Administrators.
National Association of Public Hospitals.
Government Finance Officers Association.
National Congress of American Indians.
National Council of Senior Citizens.
National Urban Coalition.
National Association of School Boards.
National Urban League.
National Education Association.
National Council of Community Mental Health Centers.
AFL–CIO.
International Assocation of Firefighters.
National Volunteer Fire Council.
Service Employees International Union.
National Association of Development Organizations.
American Federation of Teachers.
National Association of Community Health Centers.
National Child Welfare League.
American Planning Association.
Friends Committee on National Legislation.

The PRESIDING OFFICER. Who yields time?

Mr. MOYNIHAN. I yield to the Senator from Minnesota such time as he requires.

The PRESIDING OFFICER. The Senator from Minnesota.

Mr. DURENBERGER. Mr. President, I will be very brief in deference to my colleague from Tennessee, who is the former ranking member of the Intergovernmental Relations Subcommittee of the Governmental Affairs Committee.

Mr. President, I rise to add a dimension to the debate on general revenue sharing.

Let me say that I favor the amendment by my colleague from New York, and I ask unanimous consent that I be added as a cosponsor of the amendment.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. DURENBERGER. Mr. President, the dimension that I would add is a dimension that I know the Senator from South Dakota, who occupies the chair, and the Senator from Tennessee, who will speak next, will particularly appreciate, and that is the importance of the continuation of revenue sharing to rural America. I trust that my colleagues will take the time to consider the fact that, in the face of the very substantial reductions in Federal support, both the tax-subsidized support and the direct Federal-aid support for local governments in this country, some things are happening to rural America that are not happening to the cities of this country.

In southwestern Minnesota, land values have dropped in constant dollars from $2,232 an acre in 1979 to about $955 in 1985 an acre. That is true in South Dakota and that is true in many parts of America. This represents a reduction in the base from which local governments can raise the resources necessary to continue public services. Public services that include hospitals and public health, public transportations, services for the elderly, streets and roads, and many more. The ability of rural or local governments to provide these services to their citizens is substantially dwindling.

We must consider the impact of budget cuts on rural communities. It is an important consideration that often gets overlooked. We must be certain that in our attempts to solve the budget crisis that we do not exacerbate the agricultural crisis. Eliminating or severely cutting GRS would do just that.

GRS is more important to rural communities than urban communities. The value of GRS to urban communities has received widespread attention in the press and on the Capitol Hill. But GRS funds are even more important to rural communities that are not experiencing a severe drop in land values, and, consequently, property tax revenues. For rural communities, GRS has served as a lifeline, enabling

their governments to continue to provide basic public services.

Communities where the greatest source of income is derived from agriculture rely on GRS to a much greater extent than nonfarm communities. Revenue sharing comprises, on average, 44.5 percent of all Federal aid received by local governments in farm dependent areas, compared with a national average of 21.8 percent for all local governments.

I have a table which compares general revenue sharing as a percentage of all Federal aid to agricultural versus nonagricultural local governments in selected States: North Dakota, Iowa, Nebraska, Arkansas, Kansas, Georgia, Minnesota, Mississippi, Missouri, and Montana. It shows, for example, that in nonagricultural communities in North Dakota, general revenue sharing is 20 percent of their total Federal aid, while in the agriculture communities of North Dakota, revenue sharing is 38.6 percent of the Federal aid they receive. In Iowa, it is 25.8 percent for nonagriculture and in agriculture 46.6 percent comes from general revenue sharing. In Nebraska it is 22 percent to 49 percent; Kansas, 24 percent to 51 percent; Georgia, 21 percent in nonagriculture to 54.1 percent in agriculture. In Mississippi, GRS is 32.2 percent of Federal aid in the nonagriculture counties but 67.8 percent in the agricultural counties.

For many rural communities, GRS is the only form of direct Federal assistance they receive. We rely on rural governments to provide the same services as their more urban counterparts, yet they are not eligible for a large portion of intergovernmental aid. UDAG, CDBG, and mass transit subsidies by and large benefit urban America. The elimination of GRS, as many have proposed, would have an immediate and devastating impact on the ability of rural governments to provide basic public services.

Recently, I received some survey results from counties in southwest Minnesota. This is a rural area where, as I said agricultural values have dropped dramatically. As a result, property tax revenues—the major source of local funding—have also declined dramatically. For these communities, GRS is more important than ever. The survey results I received from these counties listed the following uses for GRS funds:

Highway, roads, sidewalks, bridges—construction and repair.
Hospital equipment.
Snow plow equipment, snow removal.
Public transportation for elderly and handicapped.
Senior citizen activities—centers, meals, transportation.
Police, fire protection and public safety.
Library books.
Day care.
Public service programs: health, mental health, family service, outreach programs, chemical dependency programs.
Sewage plant work, landfills, garbage collection, storm sewage construction.
Parks and recreational facilities.
Agriculture assistance to farmers.
Ambulance service.
Liability insurance payments.
Water department repairs, well updating equipment.

Few, if any, of these activities would be considered luxuries or unnecessary. They represent the very heart of what local governments are about. If these communities lose their GRS funds, they will be forced to eliminate or cutback on these very vital, very basic public services.

I call on my colleagues, particularly those from rural areas, to consider the value of general revenue sharing to local governments.

Mr. President, I ask unanimous consent that the table I referred to be printed in the RECORD.

There being no objection, the table was ordered to be printed in the RECORD, as follows:

LOCAL GOVERNMENT REVENUES IN FARM-DEPENDENT VERSUS ALL COUNTIES IN 10 SAMPLE STATES, 1982

	Percentage of all counties Ag-dependent	General revenue sharing as a percent of all Federal aid
U.S. percent distribution all local	NA	21.8
North Dakota: Non-agricultural		20.6
North Dakota: Agricultural	71.7	38.6
Iowa: Non-agricultural		25.8
Iowa: Agricultural	52.5	46.6
Nebraska: Non-agricultural		22.6
Nebraska: Agricultural	69.9	49.3
Arkansas: Non-agricultural		29.9
Arkansas: Agricultural	37.3	29.4
Kansas: Non-agricultural		24.1
Kansas: Agricultural	38.1	51.3
Georgia: Non-agricultural		21.2
Georgia: Agricultural	20.1	54.1
Minnestoa: Non-agricultural		22.4
Minnestoa: Agricultural	40.2	42.2
Mississippi: Non-agricultural		32.2
Mississippi: Agricultural	23.2	67.8
Missouri: Non-agricultural		18.7
Missouri: Agricultural	31.3	32.1
Montana: Non-agricultural		23.9
Montana: Agricultural	42.9	33.4

Source: USDA list of counties that have 20 percent or more of all personal income directly from farming; Government finance data from U.S. Bureau of the Census, "1982 Census of Governments, Compendium of Government Finance, vol. 4, No. 5, table 50.

Mr. DURENBERGER. Mr. President, I suggest, whether we believe changes are appropriate in general revenue sharing or not, the future of the ability of rural America to provide for the needs of its people will be decided by our vote on this.

I thank my colleague from New York for what he is doing and for yielding to me, and I thank my colleague from Tennessee for his time and patience.

The PRESIDING OFFICER. Who yields time?

Mr. MOYNIHAN. Mr. President, I yield to the Senator from Tennessee such time as he desires of the hour assigned to this side, all but 5 minutes that the Senator from Pennsylvania will require.

The PRESIDING OFFICER. The Senator from Tennessee.

Mr. SASSER. Mr. President, I thank the distinguished Senator from New York.

Mr. President, I am delighted to join today with my friend and colleague from New York, Mr. MOYNIHAN; my friend and colleague from West Virginia, Mr. BYRD; and 23 other cosponsors in offering an amendment to the budget resolution which I think exemplifies the very essence of the federalist form of government that we enjoy here in the United States.

It is the consummate Federal-local partnership. It has been vitally important in helping local communities deal with a variety of problems at the local level, including, but no limited to, law enforcement, fire protection, education, health programs, programs important to our elderly citizens, such as Meals-on-Wheels, other nutrition programs, water treatment and sanitation facilities, and road construction and maintenance. I am referring to the general revenue-sharing program.

There is one important point I think that needs to be emphasized here and that is that the general revenue-sharing program is one of the most efficient, if not the most efficient, Government transfer programs ever devised. Less than two-tenths of 1 percent of general revenue sharing funds are used to administer this program.

Now, revenue-sharing moneys are targeted to communities based on tax effort and based on per capita income. The program is not only very efficient, but also extremely flexible. Local governments may spend revenue-sharing funds for all types of capital outlays. They may spend it on operating costs. They may spend it for maintenance expenses.

General revenue-sharing funds find their way to more than 39,000 local communities across the length and breadth of this great land of ours. Eighty-five percent of these communities have populations under 10,000. So this is a program that benefits middle America, that benefits the small towns and small communities in this country.

These local governments are able to use these moneys based upon the needs of their communities, a decentralized form of financial decisionmaking, which, one would think, is fundamentally consistent with the efforts of the current administration.

This administration makes much ado about reviving federalism. It puts great stress and credence on the subject of transferring responsibility back to the State and local governments. Here is a way of fostering responsibility for local and State governments.

Nationwide over 18 percent of general revenue-sharing moneys are spent on police protection; almost 20 percent

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of general revenue-sharing funds go for police protection at the local level; 14 percent of general revenue-sharing funds go for infrastructure improvements such as street maintenance; 10 percent of general revenue-sharing funds go for fire protection; 8 percent for education; 7 percent for health needs and hospitals.

The PRESIDING OFFICER. The Senator's 5 minutes have expired. Who yields time?

Mr. SASSER. Mr. President, I believe the Chair misunderstood.

Mr. MOYNIHAN. Mr. President, I yield to the Senator from Tennessee such time as he desired. Would he take cognizance that we have but 30 minutes left. The Senators from Pennsylvania, from Louisiana, and from Michigan would also wish to speak.

Mr. SASSER. I thank my distinguished friend from New York.

I will try to speak for no more than an additional 10 minutes.

I might say that 5 percent of the general revenue-sharing funds go for parks, 6 percent for sanitation and sewage, and the remaining 25 percent for other categories.

This administration generally opposes taxes. Yet, they have consistently proposed eliminating the general revenue-sharing program. I would suggest to my colleagues that there is an inconsistency here. If the general revenue-sharing program is eliminated, then there will be no other choice than for local governments to increase property and sales taxes. This would disproportionately impact upon middle-income and lower-income taxpayers because of the regressive nature of sales and property taxes.

In the major cities of this country the Federal tax system, even with all of its problems, which our colleagues on the Senate Finance Committee are striving mightily to correct at this very moment, is more than twice as progressive as local tax structures around this country.

The Advisory Commission on Intergovernmental Relations has compiled a comparison of the progressivity of Federal versus local taxes by region. I would like to share some of these figures with my colleagues.

Using a scale in which 100 represents the dividing line between a progressive and regressive tax structure, the U.S. median individual Federal income tax index was 169, while the personal local tax index registered 71. Thus, across the Nation, the Federal tax was more than twice as progressive as were local taxes. Let me share some examples with my colleagues.

Bridgeport, CT, registered an individual Federal income tax rate of 174 and a local tax rate of 59, indicating that the Federal income tax was nearly three times as progressive as local taxes in Bridgeport, CT. Or the flip side is that local taxes were three times more regressive than the Federal income tax.

Portland, ME, for example, registered a Federal tax rate of 164 and a local rate of 63. Des Moines, IA, registered a Federal rate of 170 and a local rate of 70—on and on, indicating that on the average local taxes are twice as regressive as Federal income taxes.

Mr. President, I ask unanimous consent that the region-by-region table from which I have been quoting, be included in the RECORD at this point.

There being no objection, the table was ordered to be printed in the RECORD, as follows:

COMPARISON OF PROGRESSIVITY OF FEDERAL VERSUS LOCAL TAXES FOR THE MAJOR CITY IN EACH STATE BASED ON DIRECT TAX BURDENS FOR A MARRIED COUPLE WITH TWO DEPENDENTS (1982)

Index of progressivity: Greater than 100 indicates a progressive tax structure and less than 100 indicates a regression tax structure] [1]

City and State by region	For individual Federal income taxes	For personal local taxes [2]
U.S. median	169	71
New England:		
Bridgeport, CT	174	59
Portland, ME	164	63
Boston, MA	171	57
Manchester, NH	173	61
Providence, RI	170	72
Burlington, VT	167	69
Mideast:		
Wilmington, DE	164	83
District of Columbia	165	110
Baltimore, MD	170	85
Newark, NJ	174	53
New York, NY	161	88
Philadelphia, PA	173	90
Great Lakes:		
Chicago, IL	173	87
Indianapolis, IN	173	81
Detroit, MI	171	81
Cleveland, OH	170	78
Milwaukee, WI	168	60
Plains:		
Des Moines, IA	171	70
Wichita, KS	169	77
Minneapolis, MN	159	84
St. Louis, MO	170	79
Omaha, NE	170	69
Fargo, ND	170	70
Sioux Falls, SD	175	70
Southeast:		
Birmingham, AL	171	84
Little Rock, AR	167	84
Jacksonville, FL	172	82
Atlanta, GA	168	97
Louisville, KY	170	89
New Orleans, LA	168	110
Jackson, MS	168	77
Charlotte, NC	166	83
Columbia, SC	165	90
Memphis, TN	173	76
Norfolk, VA	169	70
Charleston, WV	168	79
Southwest:		
Phoenix, AZ	168	73
Albuquerque, NM	168	71
Oklahoma City, OK	165	82
Houston, TX	174	84
Rocky Mountain:		
Denver, CO	169	71
Boise, ID	167	70
Billings, MT	168	66
Salt Lake City, UT	171	76
Casper, WY	172	68
Far West:		
Los Angeles, CA	164	74
Las Vegas, NV	172	62
Portland, OR	167	71
Seattle, WA	173	69
Anchorage, AK	172	61
Honolulu, HI	165	66

[1] The progressivity indices were computed as follows: taxes as a percentage of income at the $50,000 level divided by taxes as a percentage of income at the $25,000 level (multiplied by 100).

[2] Total for personal local taxes. The taxes included in these figures are local individual income and general sales taxes and the local tax on real property.

Source: Calculations based on ACIR Staff Working Paper No. 3, "Tax Burdens for Families Residing in the Largest City in Each State, 1982" (April 1984).

Mr. SASSER. So we ask ourselves a question: Where will the moneys come from to replace the funds lost by general revenue sharing? Of course, they are going to have to come from increased local property and sales taxes, the same regressive taxes that I referred to just a moment ago. So instead of a revenue-sharing program, we are going to end up, I suggest, with a tax-shifting program, and a tax-shifting program that shifts the tax burden away from a progressive tax structure and onto a regressive local tax system.

While the current revenue-sharing program is vital to both large and small communities, the program represents a much higher percentage of the budgets of the smaller local governments. For cities in the 20,000 to 100,000 population range, revenue-sharing funds represent almost 7 percent of the taxes raised. In cities with populations exceeding 1 million, these funds represent roughly 4 percent of the taxes raised. So what are we doing if we deny these smaller communities, which make up the backbone of this country, revenue sharing? We shift an even greater percentage of the tax burden onto their local taxing systems which we have seen from my comments above are more regressive than the Federal tax structure. Well, it is not an accident that most of these communities are in the poorer States and in the more rural States. There are 17 States out of our 50 where general revenue-sharing funds account for more than 10 percent of the funds raised by local government.

For example, Arkansas will lose $46 million if general revenue sharing is eliminated. This represents over 22 percent of the local taxes raised by communities in the State of Arkansas.

Mr. MOYNIHAN. Will the Senator yield for a question?

Mr. SASSER. I am delighted to yield to my colleague.

Mr. MOYNIHAN. Do I take him to be making a point not different from the point that the Senator from Minnesota makes that, however, as much as this program may have been conceived as an urban program, the reality once in place is that it is far more significant to agricultural communities than to urban communities. In Mississippi, for example, 68 percent of the revenue of agricultural townships come from revenue sharing. It has become in many ways a program for rural America.

Mr. SASSER. I say to my colleague from New York that he is entirely correct. This program I am seeking to demonstrate, and my friend from New York, I think, has gone to the meat of the coconut very quickly, but this program, the general revenue-sharing program, as it has been administered, as it has come to be accepted over the past few years, does, I think, decidedly aid local and rural communities more than it does the large urban areas. That is one reason we are so grateful to the Senator from New York for his sponsorship of this amendment. Although it will be of assistance to New York, and to many in his urban constituency there, it will be of more assistance, I say, to the constituents of some of us from Southern States and of Western States.

I would like to take this point a little further.

Mississippi is one of the lowest per capita income States. My neighboring State of Mississippi will lose nearly $60 million if this program is eliminated, and that represents almost 20 percent of the amount of local taxes raised in the State of Mississippi.

So they are going to have to raise local taxes in the State of Mississippi by 20 percent to offset the loss of general revenue sharing.

I am hard put, since my State of Tennessee is adjacent to the State of Mississippi and we share many of the same common economic problems, to see how local officials in the State of Mississippi are going to be able to raise this 20 percent loss in revenue.

Other States that are adversely affected and that are severely impacted include Delaware, Idaho, Kentucky, Maine, Montana, New Mexico, North Carolina, North Dakota, Oregon, South Carolina, Utah, Vermont, West Virginia, Wisconsin, and Wyoming.

To target revenue sharing for continued cuts will effectively continue this administration's assault on aid to local governments.

Last year, general revenue sharing was reduced from a funding level of $4.6 billion to $4.2 billion, an 8-percent reduction. In addition, because of the Gramm-Rudman-Hollings across-the-board reductions in March of this year, the funding level was cut by another 4.3 percent. Since 1981, Federal aid to local governments has declined by over 40 percent in grants to State and local governments after adjusting for inflation.

If the loss of revenue sharing was made up either through property tax increases or through local service cuts, the national impact of eliminating revenue sharing would be either a 9.2-percent increase in property taxes levied by local governments, or an across-the-board cut of 18,494 police officers, 8,250 firefighters, 18,152 teachers, 20,000 human service workers, and 26,065 street maintenance workers.

So these are the facts surrounding the general revenue sharing program.

The amendment we are offering is a simple one. It would merely assume full funding for the general revenue-sharing program over the next 3 fiscal years at a level of $4.6 billion contingent upon two premises.

I say to my friend from New York I am about to wind up here.

First, it would be contingent upon the Finance Committee reauthorizing the program. As you all know, the Budget Committee can only make overall assumptions as to how the funding for specific budget functions is to be achieved. So we leave it to the Finance Committee to make the determination as to whether the program will be reauthorized.

Second, it allows the Finance Committee maneuvering room to go up to the full funding level of $4.6 billion if it so desires.

Mr. MOYNIHAN. Will the Senator yield for a question?

Mr. SASSER. I am delighted to yield.

Mr. MOYNIHAN. I take it he means that the authorization could be up to the $4.6 billion level, but in the end we will have to live with what the Finance Committee and the Congress finally decides.

Mr. SASSER. That is correct.

The amendment does not suggest what the program might look like as far as proposed formula changes are concerned, but merely allows in this budget resolution room for full funding if that is the decision of the finance committee.

I know that there are many in this body who would like to see a formula change in the general revenue-sharing legislation, and many of my colleagues are supporting the Durenberger approach to targeting fiscal assistance. Those decisions are best left to the Finance Committee. But under the current budget resolution, only $1.8 billion is allowed for revenue-sharing, we are allowing for the flexibility to go to the full funding amount.

I think it is important to note, finally, that the Government Operations Committee in the House Tuesday approved full funding for the general revenue-sharing program by an overwhelming majority of 28 to 10. This is an important victory for all local governments across the Nation and I believe that we should send a similar message here in the U.S. Senate today.

At this point, Mr. President, I ask unanimous consent to have printed in the RECORD a letter from the National Coalition to save general revenue sharing in support of our amendment. There is a copy of this letter on each desk.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

NATIONAL COALITION TO SAVE
GENERAL REVENUE SHARING,
Washington, DC, April 22, 1986.

DEAR SENATOR: The National Coalition to Save General Revenue Sharing urges you to support the Moynihan, Sasser, Byrd, Heinz, Specter, Andrews Amendment to allow for full funding at $4.6 billion for General Revenue Sharing.

Let us tell you what this amendment does not do: It does not mandate a tax increase; It does not "bust the budget" or add to the deficit since there would be no funds put in the budget for revenue sharing until the Finance Committee develops a mechanism to pay for it.

What this amendment will do: If the Finance Committee reauthorizes the program and enacts additional revenues to pay for it, then General Revenue Sharing would be allowed to be fully funded for $4.6 billion for FY87.

Revenue Sharing has been one of the few programs that seeks to lessen fiscal disparities among our states. Jurisdictions with a population of under 10,000, most of which receive no other assistance from the federal government, make up more than 85 percent of the program's recipients. It is the only form of federal assistance to 77 percent of the 39,000 local governments that receive general revenue sharing funds. Sixty-two percent of general revenue sharing funds now go to jurisdictions with average per capita income less than 125 percent of the national average.

General Revenue Sharing helps cities and counties across this nation to provide essential services to their citizens such as police and fire protection, schools and hospitals. It has supplemented public education and supported health and welfare programs such as indigent health care and nursing homes.

Between 1980 and 1985, while total outlays increased by 23.3 percent, grants to state and local governments decreased by 23.5 percent. Since 1981 federal aid to state and local governments has been cut by almost 40 percent; in major urban programs it has been cut even deeper totalling 71% in actual dollars. General Revenue Sharing has provided the flexibility to respond to these reductions.

Please show your support for this vital program by voting for the Moynihan, Sasser, Byrd, Heinz, Specter, Andrews Amendment.

Sincerely,

ERNEST N. MORIAL,
Mayor of New Orleans.

Coalition Members:
U.S. Conference of Mayors.
National League of Cities.
National Association of Counties.
American Federation of State, County and Municipal Employees.
National Association of Towns and Townships.
Council of Great City Schools.
National Recreation and Park Association.
International Association of Fire Chiefs, Inc.
American Association of School Administrators.
National Association of Public Hospitals.
Government Finance Officers Association.
National Congress of American Indians.
National Council of Senior Citizens.
National Urban Coalition.
National Association of School Boards.
National Urban League.
National Education Association.
National Council of Community Mental Health Centers.
AFL-CIO.
International Association of Firefighters.
National Volunteer Fire Council.
Service Employees International Union.
National Association of Development Organizations.
American Federation of Teachers.

National Association of Community Health Centers.

National Child Welfare League.

American Planning Association.

Friends Committee on National Legislation.

Mr. SASSER. I would like to note also for the record the organizations supporting our amendment. They include: The U.S. Conference of Mayors, the National League of Cities, the National Association of Counties, the American Federation of State, County, and Municipal Employees, the National Association of Towns and Townships, the Council of Great City Schools, the National Recreation and Park Association, the International Association of Fire Chiefs, the American Association of School Administrators, the National Association of Public Hospitals, the Government Finance Officers Association, the National Congress of American Indians, the National Council of Senior Citizens, the National Urban Coalition, the National Association of School Boards, the National Urban League, the National Education Association, the National Council of Community Mental Health Centers, the AFL–CIO, the International Association of Firefighters, the National Volunteer Fire Council, the Service Employees International Union, the National Association of Development Organizations, the American Federation of Teachers, the National Association of Community Health Centers, the National Child Welfare League, the American Planning Association, and the Friends Committee on National Legislation.

I urge my colleagues to support the amendment we are offering here today and I ask for the yeas and nays on the amendment.

Mr. President, I ask unanimous consent that two tables, one showing State-by-State impact of eliminating general revenue sharing under two scenarios, and the second showing distribution of general revenue sharing for local governments by State, be printed in the Record at this point.

There being no objection, the tables were ordered to be printed in the Record, as follows:

DISTRIBUTION OF GENERAL REVENUE SHARING FOR LOCAL GOVERNMENTS BY STATE (BASED ON FEDERAL FISCAL YEAR 1985)

State	Total dollar loss (millions)	Total dollar loss as a percent of local taxes
Alabama	76.0	10.9
Alaska	21.8	7.0
Arizona	55.0	7.4
Arkansas	46.0	22.3
California	505.0	5.8
Colorado	54.2	5.0
Connecticut	53.8	4.6
Delaware	13.2	17.2
District of Columbia	17.6	NA
Florida	165.8	6.4
Georgia	109.4	7.7
Hawaii	21.5	6.1
Idaho	19.3	15.8
Illinois	209.0	6.5
Indiana	85.2	9.3
Iowa	54.0	6.9
Kansas	38.2	5.7
Kentucky	74.5	16.5
Louisiana	82.9	7.7
Maine	28.1	10.9
Maryland	87.1	6.6
Massachusetts	128.1	6.9
Michigan	191.7	9.2
Minnesota	89.2	8.5
Mississippi	59.9	19.1
Missouri	79.4	6.8
Montana	20.0	11.1
Nebraska	30.5	8.4
Nevada	14.3	5.8
New Hampshire	14.1	5.4
New Jersey	145.6	6.2
New Mexico	32.0	12.8
New York	459.7	3.5
North Carolina	120.4	10.4
North Dakota	12.9	12.3
Ohio	188.7	7.3
Oklahoma	57.4	8.7
Oregon	54.6	11.0
Pennsylvania	218.1	8.0
Rhode Island	20.1	7.8
South Carolina	68.5	19.2
South Dakota	14.6	9.8
Tennessee	82.7	8.8
Texas	238.8	5.8
Utah	36.1	10.1
Vermont	12.0	12.8
Virginia	98.3	6.4
Washington	73.7	7.1
West Virginia	44.5	22.2
Wisconsin	104.9	11.6
Wyoming	15.8	10.1
National total	4,543.1	6.7

Note.—Local taxes are adjusted to remove the portion of tax collections used by school districts.

Source: U.S. Treasury.

STATE-BY-STATE IMPACT OF ELIMINATING GENERAL REVENUE SHARING UNDER TWO SCENARIOS

[Raise property taxes to make up loss or across-the-board reduction local service to make up loss]

State	Percent increase in local government property tax, excluding special districts	Reduction of police officers	Reduction of fire officers	Reduction of teachers	Reduction of human service workers	Reduction of street maintainence workers
Alabama	35.71	420	207	13	51	806
Alaska	7.13	19	12	191	3	49
Arizona	13.88	213	79	13	124	351
Arkansas	46.23	282	113	1	25	610
California	10.06	1,475	642	541	4,746	1,321
Colorado	12.05	229	71	0	376	381
Connecticut	2.58	131	90	1,065	107	156
Delaware	25.34	74	22	0	0	18
District of Columbia	4.43	40	12	97	126	20
Florida	8.87	917	378	0	172	853
Georgia	13.92	745	383	27	69	983
Hawaii	7.44	144	70	0	9	116
Idaho	17.28	123	38	0	28	126
Illinois	11.78	1,267	459	8	682	1,277
Indiana	10.31	306	188	1	709	555
Iowa	7.53	183	86	0	.186	622
Kansas	7.54	151	63	0	24	423
Kentucky	37.01	404	211	0	72	496
Louisiana	17.89	491	166	2	41	749
Maine	6.99	93	76	642	45	229
Maryland	5.72	216	108	1,559	5	271
Massachusetts	4.16	358	297	2,232	65	398
Michigan	11.57	775	336	0	403	1,081
Minnesota	9.31	216	87	0	956	659
Mississippi	21.22	253	122	15	151	1,007
Missouri	24.08	504	159	0	32	651
Montana	6.69	79	26	4	70	193

Mr. JOHNSTON. Mr. President, will the Senator yield me 3 minutes?

Mr. MOYNIHAN. First, Mr. President, may I thank my friend for his extraordinarily clear presentation of this problem, particularly regarding the governmental relations.

I am, of course, managing the time. I have to say that my friend from Pennsylvania was first to ask. I yield 5 minutes to him. Then I will be glad to yield to the Senators from Louisiana and Michigan.

The PRESIDING OFFICER. The Senator from Pennsylvania.

Mr. HEINZ. Mr. President, I thank my colleague, the Senator from New York, for yielding me these few minutes.

Mr. President, I commend the Senator from New York and our other colleagues in offering this amendment. I rise as sponsor of S. 318, the authorizing bill introduced on January 29, 1985, to extend the General Revenue Sharing Program at what was then the funding level, for the next 5 years. Senator Moynihan's amendment, of which I am a cosponsor, seeks to leave in the budget room for the full funding of $4.6 billion for fiscal 1987 that my bill would authorize.

We all understand the fiscal reality that we do not have a lot of revenue to share. But I must say that I have deep, serious reservations about the drastic reductions called for in this budget resolution which would reduce the funding for the program from its current level of slightly more than $4 billion to $1.8 billion in fiscal 1987.

What that means is that halfway through fiscal 1987 the revenue-sharing program would be totally terminated, and during the first two quarters of fiscal 1987 municipalities and local governments would receive drastically scaled-down amounts of assistance.

Mr. President, that is not only drastic; it is deeply discriminatory.

What we are talking about is not only a 57-percent cut from the level appropriated in fiscal 1986 but a termination of this program. There are other programs in this budget that the Budget Committee decided to cut. They froze assisted housing, a cut in real terms. They cut UDAG 10 percent. They froze community development block grants. They cut operating assistance for mass transit by 20 percent, and put in a 10-percent cut for EDA. None of those programs are being terminated. Here, revenue sharing is not only being proposed for termination but in the process, during the phasedown of next year, it is being cut by 57 percent. That is truly unfortunate and unfair.

I believe we have an opportunity to voice our support for this program without increasing the debts that the American people are going to have to face up to one of these days.

Mr. President, most of the revenue from revenue sharing, as it is spent by the municipalities, is spent for necessary public services that someone has to pay for. I will speak to exactly what that goes for in a moment.

So all we are doing, if anybody claims we are reducing the budget deficit by agreeing to the Budget Committee's proposal, is that we are taking a small portion, a very small portion, of the Federal budget deficit and we are picking it up and simply placing it on the backs of the municipalities who are going to have to continue these services.

My good friend from Tennessee referred to this as tax shifting. I do not disagree with him. But it is also deficit shifting. To my mind, what will happen if we do this is that we will create some tremendous hardships and we will force many municipalities to raise taxes in the most regressive way.

Most municipalities, if they are going to be able to do anything about this, will have to raise their property taxes. Of course, people who pay property taxes have to pay the property taxes whether they are working or retired, whether they are unemployed or working, regardless of whether they have the money. They have to pay those property taxes and they may very well have to borrow to do it. That is real deficit-shifting, right from the Federal Government to those who can afford it least. I for one believe that we can find a revenue source that is more equitable and would produce less hardship than severe increases in local property taxes, which is what would certainly occur in many communities in my State of Pennsylvania and across the Nation if this program were cut by more than 50 percent as proposed in this budget resolution.

Mr. President, general revenue sharing is one of the most important and widely used Federal programs we have. There are few Americans who do not directly benefit from the proceeds of general revenue sharing. In my State of Pennsylvania, it is the only direct source of Federal assistance for more than 90 percent of the municipalities. And this assistance goes for services that are vital to the health, safety and general welfare of the people in each community.

There are some 39,000 units of local government, Mr. President, that benefit from this. Let me just point out that some of these local government units, such as those in my home State of Pennsylvania, simply have been so devastated by the closing of industries and mills that, even if they wanted to, they cannot possibly afford in any way, shape, or form to make up the lost revenue.

For many municipalities in my State of Pennsylvania, general revenue sharing is the sole means of providing essential human services such as police and fire protection, highway and road maintenance, water and electric service.

In the town of Clairton, PA, where the United States Steel works has closed, the tax base has already been so severely decimated that they have had to lay off all the firemen, all the policemen, and all the employees at city hall. If this amendment is not agreed to, they are probably going to have to sell city hall, or at least take out a big mortgage on it.

And this is not an isolated example. We have literally dozens of municipalities—Duquesne, Mckeesport, Midland, White Oak, Swissvale, Wilmerding, Lock Haven—throughout that area and many other parts of my State as well, where this reduction will cause enormous hardship.

Some of my colleagues will still say, "why can't these towns raise taxes?" The answer is that in many cases, the State legislature will not let them. There are laws that restrain the municipalities covered under our municipal codes from exceeding certain levels of taxation. And the communities that I have just named, plus a lot of others, are at their absolute maximum. They cannot raise any additional revenue.

Mr. President, let me simply conclude by saying that although we are all dedicated to fiscal restraint and to deficit reduction, and while we all know there are hard choices to be made this year, I find it ironic that no program, domestic or otherwise, has taken nearly as deep a cut in this budget resolution as general revenue sharing—a program that provides direct assistance to our smallest communities that are struggling to become more self-sufficient in the face of numerous other spending cuts. I do not think the Congress displays fiscal courage by taking funds away from other units of government.

Mr. President, I urge my colleagues to adopt this amendment.

I ask unanimous consent that a special report prepared by the National Association of Counties immediately follow my remarks.

There being no objection, the report was ordered to be printed in the Record, as follows:

General Revenue Sharing in Pennsylvania

(In my State of Pennsylvania, where the economy has been so distressed, a survey of local governments found that revenue-sharing accounts for 16.7 percent of the average local budget. Replacing revenue-sharing funds with property tax revenues in Pennsylvania would require an average increase of 62 percent. For nearly 94 percent of the Pennsylvania municipalities responding to the survey, revenue sharing is the only direct source of Federal funds.—Sen. H. John Heinz, III, introducing S. 318, a bill to extend General Revenue Sharing—Jan. 29, 1985)

(A special report by Ralph Rathburn and Herb K Schultz)

County officials throughout the State of Pennsylvania are concerned about the possibility of losing Federal General Revenue Sharing. Local governments in Pennsylvania receive $220 million in General Revenue Sharing funds. These monies are an important portion in county budgets in a state which saw tax increases in more than half of its counties last year.

Doug Hill, executive director of the Pennsylvania State Association of County Commissioners, said "GRS monies are spent to support broad categories of human services and to a lesser extent the court system. We, like many states, do not use GRS for capital improvements as much as for service provision."

In a survey conducted among the members of the State Association, almost every county stated that a reduction or loss of General Revenue Sharing will mean a tax increase or a decrease in services.

Charles Griffiths of the Pennsylvania Intergovernmental Council said "Counties are probably the hardest hit by the reductions in federal dollars than any other level of government." The Intergovernmental Council is a private non-profit organization which promotes intergovernmental cooperation on a state level.

"The difficulty in cutting services at the county level is that many are mandated by the state and the federal government," said Hill. "We are saying to our legislators, 'We have all these mandates which we are carrying out on your behalf and reimbursements are decreasing. GRS is the only way for us to make our ends meet.' "

Congressman William H. Gray, III (D-Pa.-2), chair of the House Budget Committee, has said that states with budget surpluses should not expect to receive General Revenue Sharing funds. Pennsylvania is one of the states which has a surplus.

"The State currently has a $100 million surplus," said Doug Hill. "Governor [Richard] Thornburgh (R) has said consistently over the past six years that he has no intention of replacing any federal monies lost at the local level."

Mike Moyle, deputy press secretary to the Governor said, "Local government can't expect the state to pick up the costs if they lose it [GRS]. You can't hope to go out and pick up everything which the feds are going to cut." The Governor's office states that he has no position on GRS.

"When you have a $100 million surplus you have to be very careful. You have to turn away many who want some of that money. I could give you 25 times the requests which you [local governments] are making on that surplus," added Moyle.

Paul Bartle is the president of the Pennsylvania Association of County Commissioners and a commissioner in Montgomery County, PA. Through the State Association and other avenues he has been working to retain General Revenue Sharing.

His county provides him with reason to be a strong supporter of GRS, "Losing General Revenue Sharing would be a big problem. Montgomery County receives $2.5 million in GRS money. For us to go into 1987 without those monies would be a serious problem and the Federal government should address it."

Gov. Thornburgh stated in December that there will be a tax decrease in personal and business rates to return the surplus to the people. "The Governor feels that when you

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have a large surplus, it should be returned to the people. That will help the economy. That will increase spending and create jobs," said Deputy Press Secretary Moyle.

"The real problem is that we in the county don't have the latitude of the state and federal government. We depend upon real property tax. We do not have, in this state, the ability to levy an income tax," said Bartle. As a result, even if the economy benefited from the tax decrease, counties would receive no increased tax revenues from the additional activity. Local governments will be forced to raise taxes, if they can.

According to Dough Hill, "This year we already increased taxes by an average of 14 percent in the counties which had increases. One half of all PA counties raised taxes this year. Additionally, we have a statutory limit on tax rates in PA. Probably one fourth of the counties in the State are at or near the limit. They obviously don't have much more flexibility there. Pennsylvania counties have no budget surpluses overall."

Sullivan County has reached the statutory limit on its taxing authority. Under Pennsylvania law, it can not raise taxes. General Revenue Sharing represents 22.6 percent of the total revenues of this county. The county expends the bulk of those revenue sharing dollars on corrections and health.

GRS monies make up 60 percent of the Sullivan County corrections budget and 100 percent of the county health budget. The remaining GRS funds are used in a variety of other budgets. The county estimates that between 21 and 30 percent of the total county budget is used for mandated services. This leaves little flexibility for local budget cuts to make up for a loss in revenue sharing.

Sullivan and neighboring Luzerne, Columbia and Carbon counties include some of the most economically depressed areas in the state. The unemployment rate in the area is between 10 and 11 percent—more than 3 percent higher than the national average.

Rep. Paul Kanjorski (D-PA.-11) represents these counties in the northern part of the state. A strong supporter of reauthorization, he is a cosponsor of one of the GRS reauthorization bills—H.R. 1400.

The General Revenue Sharing formula "has benefited relatively low-income, but high tax effort areas like Northeastern Pennsylvania," said Rep. Kanjorski. "If revenue sharing is eliminated, towns, cities, boroughs and counties in the 11th Congressional District of PA. will lose more than $10.1 million in federal aid that currently makes up 16.7 percent of their non-educational revenues. Some smaller communities will lose as much as one-third of their non-educational revenues."

In Western Pennsylvania, Allegheny County estimates that it will have to raise taxes by 2 mils to compensate. This would be in addition to the 2.25 mil increase which went into effect on Jan. 1 of this year.

Revenue sharing money is used to fund the Allegheny County Port Authority. County funding for this local transit system is required by law. Meeting state and federal mandates commands nearly 40 percent of the total county budget. If GRS is lost the county will "either have to increase taxes or have severe cutbacks in other traditional county services," said Guy Tumolo, Allegheny County director of budget and finance.

Congressman Douglas Walgren (D-PA.-18) of Allegheny County said in support of GRS in the House of Representatives, "I have heard from many of the over 60 local communities in my district and their message is clear: Elimination of revenue sharing can only result in one of two things: cuts in basic services such as police or fire protection or higher local property taxes."

Fiscally conservative Adams County in Southern Pennsylvania is very concerned about the possibility of losing GRS. Commissioner Catherine W. Cowan said, "The Federal and State governments have shifted increased responsibilities to counties over the past ten to 15 years. Some monies have come with the responsibilities but these are decreasing and there are also many hidden costs which are not reimbursed. General Revenue Sharing is a way to regain some of those costs."

Commissioner Cowan is one of a number of county officials who are fed up with the response which they are receiving from the Governor's office. "I don't think the Governor knows what kind of situation the counties are in and I don't think he cares. He hasn't been on the front line of public service. He is very insulated. He doesn't understand the situation on the front lines," she said.

When it comes time to cut programs, Adams County will look at what is mandated by the State and Federal governments. Cowan explains that "Communities, in general, have less flexibility in cutting those services which are mandated, and so local options will be cut."

Loss of GRS in Bucks County would disrupt county operations. "We'll need an overall reduction of services in all departments. That right away means 2.5 mils or a 6.6 percent tax increase. That is the stark reality," said Richard Gore, finance director for Bucks County. Bucks, which is located to the northeast of Philadelphia, would lose $3 million in direct GRS appropriations.

Lancaster County Commissioner James Huber believes, "If we lose GRS we will have to reevaluate all the programs which receive GRS funds and determine which programs will be cut or eliminated. There is also a strong possibility that there will have to be a tax increase."

Should GRS fail and the local governments be forced to increase revenues to make up for the shortfall which that would cause, finding revenues would be difficult. The possibilities for local tax increases in PA. are not good. One-half of the counties in the state had a tax increase last year and one-quarter of the counties are at their top tax rates. A second problem is that "Counties in PA are on a calendar year budget. We can't raise taxes in the middle of a year. The only options we have are service cutbacks or layoffs," said Hill of the State Association.

"Governor Thornburgh really does believe that you can 'do more with less' that is his slogan. He believes that if the local governments lose some federal dollars that they can pull themselves up by their bootstraps and that they will make it," said Griffiths of the PA. Intergovernmental Council.

"We find a very insensitive attitude when it comes to social services from the Governor's office," said Commissioner Paul Bartle. "We have asked the Governor for additional dollars for Children and Youth services which include programs on child abuse. As a result of increased awareness and a greater effort to adequately address this problem, reports of child abuse have doubled. The state mandates services in this area. We agree that the services are needed. But the state has placed a cap on the state funds which are available to meet this need. We use GRS funds to make ends meet."

Commissioner Cowan points out that the elimination of GRS is being played against the backdrop of the Gramm-Rudman-Hollings Deficit Reduction Act which will cause massive cuts in program funding for federally mandated programs. "Given the combined results of Gramm-Rudman and the cuts it will bring, the loss of GRS would have quite an impact."

"We have implemented all the efficiencies that we can," said Commissioner Cowan. "Counties in Pennsylvania have a very limited ability to adjust financially," she said.

"General Revenue Sharing is not a gift. We need to educate legislators that these dollars are being used to provide federally mandated programs," Cowan said.

"Unless the state and federal governments put dollars with their mandates, we will have a real problem. Revenue sharing can be very helpful to us with that," said Commissioner Bartle. "We urge every representative of state and local government to talk with their congressmen," said Bartle.

"We will be hit very hard by Gramm-Rudman. We get a big piece of the various block grants which are subject to Gramm-Rudman cuts," said Doug Hill.

"The President can say all he wants about no tax increases," said Hill. "But, the reality is that without GRS and with the cuts from Gramm-Rudman, if they continue to provide the same level of services, counties will go into debt this year and have to raise taxes next year."

The PRESIDING OFFICER. Who yields time?

Mr. MOYNIHAN. I yield 5 minutes to the Senator from Michigan [Mr. RIEGLE].

Mr. RIEGLE. I thank the Senator.

Mr. President, I rise in support and as a cosponsor of the amendment by the distinguished Senator from New York.

Local governments have already made a significant contribution to deficit reduction. In the last 5 years, Federal spending on State and local programs has been cut by 23 percent. Defense spending rose by nearly 40 percent during the same period.

I was pleased when a bipartisan majority of the Budget Committee adopted my proposal to preserve General Revenue Sharing, and that we were able to keep the program alive at about half of last year's funding level.

That was the best we were able to work out during Budget Committee negotiations.

I rise today to say that that proposal clearly does not go far enough. We ought to have the full revenue-sharing amount provided, as this amendment would do. If we fail to take this action today, I think we will hurt taxpayers across the country, certainly in the State of Michigan but in other States as well. Most of the cities and towns across America use a substantial part, if not all, of the revenue-sharing money to provide basic public services; in many cases that is police and fire protection.

Just to give some examples: In the State of Michigan, of the revenue-sharing money received by the city of Detroit, 90 percent is spent for public safety. That, in effect, is for police and fire activity. In the city of Grand Rapids, 85 percent of the money from revenue-sharing finances public safety activity in the police department. In the city of Flint, my hometown, 100 percent of revenue sharing is used for that purpose. One hundred percent is used in Lansing for that purpose; in Kalamazoo, Saginaw, and Pontiac, 100 percent; in Muskegon, 85 percent.

In the city of Jackson, an all-American city, 100 percent is used for public safety; in Hazel Park, MI, 100 percent; Benton Harbor uses 100 percent, Muskegon Heights, 100 percent.

I could go on. In many other cities there are a very high percentage of revenue sharing money used to provide these basic services.

Mr. President, I ask unanimous consent to have the table printed in the RECORD.

There being no objection, the table was ordered to be printed in the RECORD, as follows:

CHART 1.—IMPACT OF THE PROPOSED FEDERAL REVENUE SHARING REDUCTIONS

Cities	Fiscal year 1984–85 OMB revenue sharing information	1984–85 total F.R.S.	Percent of general fund budget	Percent design for public safety	Total number public safety force	Projected public safety job loss	Projected millage increase (mills)	Millage limitation	Special election required
Detroit	35,145,000	34,274,390	3.50		5,716	700	6.5	Max	Yes
Grand Rapids	3,866,00	3,866,261	6.00		633	38	2.7	Max	Yes
Flint	3,731,000	3,600,000	6.70		632	30–35	2.2	(1.45)	Yes
Lansing	2,768,000	2,800,000	5.00		520	26–30	1–2	(9.00)	No
Kalamazoo	1,464,000	1,437,808	5.00		307	15–17	1.72	(.632)	Yes
Saginaw	1,832,000	1,752,048	8.00		225	18–20	.5	(1 Mill)	Yes
Pontiac	2,255,000	2,205,991	5.20		365	50	3.0	Max	Yes
Southfield	749,000	716,967	2.50	35.00	253	0	.5	Max	Yes
	951,000	970,000	9.50		111	20–25	3.0	Max	Yes
Jackson	991,000	950,000	7.00		95	19	3.0	Max	Yes
Inkster	364,000	350,000	5.00	10.00	81	3	2.0	Max	No/cut
Port Huron	1,033,000	998,698	9.60	40.00	102	12–14	2.0	Max	Yes
Highland Park	793,000	778,722	5.20	87.00	99	35	5.0	Max	Yes
Ypsilanti	595,000	584,716	8.00	14.00	82	12	3.0	(3.28)	Yes
Hazel Park	375,000	310,000	4.30		52	8–10	2.0	Max	Yes
Benton Harbor	438,000	427,187	12.00		30	30	3.0	Max	Yes
Muskegon Heights	353,000	348,270	11.00		36	6–8	6.0	Max	Yes
Melvindale	171,000	170,000	4.00	21.00	40	N/A	1.2	Max	Yes
Livonia	719,000	705,000	3.0(2.7)		232	20–25	.5	Max	Yes/no/Cut
Battle Creek	1,059,000	1,070,000	4.80	8.00	221	3–5	2.08	(4.904)	No
Taylor	1,080,000	1,062,260	8.0	70.00	162	120	1.5–2	Max	Yes

Mr. RIEGLE. If we take this money away, Mr. President, these communities will be in a terrible situation. They will either have to reduce police protection and other public safety services in those communities or raise local taxes. Quite frankly, the strategy of the Reagan administration over the past 5 years has been a systematic attack on local governments. We see it now in the attack on revenue sharing which originally, in the old days, was a Republican proposal. Now we see a recommendation to do away with it. We have seen other very substantial cuts in help for basic services for State and local governments over the last 5 years.

We have a proposal from the President before the Finance Committee to eliminate the deduction for State and local taxes. This is another attack on State and local governments, another way to shove the cost burden on the local taxpayers and to stick them, in effect, with the cost of the big defense buildup and the other waste which I think still exists in Federal activity.

So revenue sharing makes sense. It is a partnership, a way for local communities to get back some small share of the money extracted from them in terms of the broad Federal tax base.

Mr. President, if we do not fully restore Federal revenue sharing, we will be creating additional taxing at the local level. As the Senator from Tennessee said, we do not need to see local property taxes or other taxes brought up as a way for us to save money that comes off the broad tax base of our system.

This has been one program that has worked. It has worked effectively. There is a minimum of bureaucratic cost involved with it. Local communities make their own decisions on how to use it. Because it has been there so long now, it has taken on vital importance.

As I say, in most instances in my State, 100 percent of it is used to finance police departments and to provide for the public safety, which is clearly something that is essential from the point of view of people getting something they need from their tax money and from the money that they contribute in that form.

Mr. President, I hope the Senate will go on record today as favoring the continuation of this partnership. It is essential that we do it. Some States today are in very serious difficulty. I know the States that are affected by the oil and gas problem, particularly now, desperately need the revenue sharing money, but we do in Michigan as well. I hope the Senate will go strongly on record today for keeping this very vital program alive.

I thank the Senator for yielding.

Mr. MOYNIHAN. Mr. President, I thank the Senator from Michigan and interpolate the observation that no one knows the future. One moment, this part of the country is prosperous, another not; this kind of economy is doing well, others are not. They shift.

One of the points about Federal revenue sharing is that it provides a steady level of support no matter what the change which takes place.

I see the Senator form Louisiana [Mr. JOHNSTON] has risen. I look forward to hearing from him. We have been reading of the city of New Orleans having the most difficult economic situation in a half century, since the Great Depression. We would not have thought that possible 3 years ago. Today, New York City is not doing all that badly. Three years ago, you would have thought that not possible.

That is why we have a National Government and national programs, I think.

I yield the Senator from Louisiana 5 minutes.

Mr. JOHNSTON. Mr. President, I thank the distinguished Senator from New York and I am delighted to join with him as a coauthor of this amendment. What he has read about the city of New Orleans, what he has read about Louisiana is not as bad as the actual reality. The reality in my State is so bad it is without parallel, I believe, anytime since the Great Depression.

We have 13.2-percent unemployment as last measured and this is rising rapidly. The State of Louisiana has an $800 million deficit as last measured; this comes on top of raising taxes by almost $1 billion 2 years ago.

The city of New Orleans just announced this morning that their defi-

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cit is not $12 million as they had thought it was, but $30 million

Mr. President, when you translate the deficits of the city and the State into job losses, particularly for State employees and State programs, it is absolutely devastating. We have already closed our libraries in New Orleans. And we are going to have to let more workers go: firemen, policemen, street cleaners, city workers of all kinds will have to be let go by the score.

Mr. President, New Orleans 3 years ago was not in good shape. It was directly dependent 3 years ago, at the height of the oil boom, upon revenue sharing. Revenue sharing now is nothing less than a lifeline. It is nothing less than a safety net. Indeed, it is not a safety net strong and firm enough to save us from economic difficulty, but it may be enough to save us from total economic ruin, from economic catastrophe.

Mr. MOYNIHAN. Will the Senator yield for a question?

Mr. JOHNSTON. I certainly will.

Mr. MOYNIHAN. We earlier heard the Senator from Tennessee speak of this as a tax shifting measure, if we go ahead as indicated by the budget resolution; in other words, that local governments will have to raise the taxes they loss to replace the revenue.

The Senator is saying in the city of New Orleans there is no capacity to raise the taxes; you simply cut the services. They have closed the libraries and they may close the fire departments as well.

Mr. JOHNSTON. The Senator is exactly correct. To say to New Orleans, "Go raise your taxes," is very much like saying, "Let them eat cake." The sales tax in New Orleans is already 9 percent, one of the highest rates in the country. If it is raised any higher, then it will discourage tourism, which is the last bit of business we have. You cannot raise revenues effectively from an income tax increase in New Orleans. People commute from the suburbs. Such a tax would have to be authorized by the State legislature. They would not do that any more for New Orleans than you would do it in Washington, DC. It would be vetoed.

Mr. President, we have very few places to turn. Washington is one of those few. Do you know what we get when we turn to Washington? We get the Reagan budget. If you look at the Reagan budget superimposed on the difficulty we now have, we in Louisiana will lose 9,000 guaranteed student loans, almost 5,000 Pell grants, almost 2,600 State student initiative grants; and we would have lost 750 jobs in the Strategic Petroleum Reserve Program had the Reagan budget "rescission" gone forward. Thankfully, we reversed that. We would also, in the Reagan budget, lose 2,820 jobs on Red River and 290 jobs in the Cooperative Extension Service. In historic preservation, we would lose 4,000 jobs; for dislocated worker assistance, so-called TAA, in Shreveport, alone, 3,000 workers who have lost their jobs would not get benefits; 125,000 kids would be removed from the school lunch program; and from the summer feeding program, we would lose 40,000 kids.

Mr. President, we in Louisiana need help. We do not need in the kind of budget President Reagan proposes that takes away the remainder of Louisiana economic lifeline and allows us to go into economic ruin.

The PRESIDING OFFICER (Mr. GORTON). The time of the Senator from Louisiana has expired.

Mr. JOHNSTON. I thank the Chair.

The PRESIDING OFFICER. Who yields time?

Mr. MOYNIHAN. Mr. President, might I inquire, how much time remains on the amendment?

The PRESIDING OFFICER. Two minutes.

Mr. MOYNIHAN. Mr. President, the distinguished chairman of the committee has risen.

Mr. DOMENICI. I thank the senior Senator from New York.

Mr. President, clearly I want to permit the senior Senator from Washington, who currently occupies the Chair, who was here in my stead for most of this debate, to discuss the matter with the Senate for as long as he needs. I understand we have about 60 minutes remaining. I do want to comment. I yield myself as much time as I use off the amendment itself.

In my absence, I understand the distinguished junior Senator from Louisiana [Mr. JOHNSTON] discussed my statement earlier this morning with reference to a CBO study on the economic effects of various energy taxes and the combination of a 6-cent gasoline tax and a $2.50-a-barrel import fee. He discussed that in morning business, I am told, but nonetheless I want to thank him for the comments he made.

Once again, with an additional number of Senators on the floor and obviously others who are not interested in the debate, I do commend to them the CBO report which I understand will be delivered sometime today. It will be on every desk in the Senate, and it will be available for the offices, for the press, and for various committees.

(Mr. GRAMM assumed the chair.)

Mr. DOMENICI. Mr. President, I want to repeat two points. I make these also for my good friend, the junior Senator from Texas, who occupies the Chair.

I believe, regardless of where one stands on any kind of energy taxes, there are two very, very important findings which, if they are not refuted, are rather dramatic for the United States.

As we all know, one of those findings assumed oil would get down to $13 a barrel. In many instances, it is already there. They assumed that the dependency of the United States on imported oil will rise from 30 percent today to 50 percent by 1991. I think that is a very, very important issue for our country. For all of us who were concerned in the early 1970's when we had a boycott of less than a million barrels a day at a time when our dependence was less than 50 percent clearly they should be very signficantly concerned about a situation in which our vunerability is much greater.

There is another fact that is very startling, and that is that 500,000 barrels a day by way of stripper production will be lost at current price levels. I think their assumption is right. They have, obviously, talked to people in "Oilpatch." Most of wells will be lost forever. That is also a very important fact.

The CBO also concludes that if you mix a revenue raiser between a $2.50 import fee and a 6-cent gasoline tax, you have equalized disparity in burdens among regions that arises with a straight import fee.

In addition, the CBO concludes interestingly enough, that one-third of the import tax would not be borne by Americans at all; that in its final mix it will be borne by the foreigners who supply us with oil.

The import tax I have just described would yield $10 billion in the first year, $11 and $12 billion in the next 2 years respectively. And I only use those numbers because quite by coincidence they match up very well with some of the assumptions we make in our budget resolution of ways and means to arrive at a revenue change.

Finally CBO concludes the tax would have little or no discernible effect on the American economy, and that is an interesting conclusion. Obviously, as I indicated this morning, that would be debated by a number of people. But I also was intrigued with their analysis. Perhaps everybody knew this; I did not. Their approach to this tax change which yields no significant economic change is an extrapolation of the current practice. When the Finance Committee talks about, let us say, a new excise tax of $10 billion, they use the same contention which is called a static evaluation. This also applies to other new taxes and tax reform. It would appear to me—I have said it different ways before—that what is good for the goose is good for the gander. For those who think that some revenues in this budget resolution of the type just discussed will have this significant negative impact on the economy, I suggest that we assess all taxes in a similar way they are going to budget reduction on to

reform the tax system. If you can assume none there, then I think it is pretty fair that you assume, as CBO has, that there be none here. I am not sure of either of those, but there is some merit to consistency. Since it is being done in one place very dramatically with a lot of revenues and a lot of tax changes, I think Senators will find this CBO evaluation rather interesting.

Now I yield to my friend, the senior Senator from Washington, who wants to speak in opposition to the proposal before us, as much time as he needs.

Mr. GORTON. I thank the distinguished chairman of the Budget Committee.

Mr. President, it is with some trepidation that I speak not just in opposition to this amendment but to the case made by the distinguished Senator from New York. That Senator is not only an extraordinarily able Member of this body but is, I believe, the most eloquent Member of the U.S. Senate both orally and in writing. He presented to the Members of the Senate at the outset of his remarks an interesting book review on the book published yesterday by the former Director of the Office of Management and Budget.

In his fairly extensive comments, however, he spoke very little about the amendment itself, although it was addressed by very firm and persuasive presentations on the part of other cosponsors of the amendment.

Mr. President, the amendment and the arguments in favor of it present us with something of a paradox. Perhaps it is best stated by the letter from the National Coalition to Save General Revenue Sharing, a copy of which has been deposited on the desk of each Senator. I should like to quote one paragraph from that letter. The writer says:

> Let us tell you what this amendment does not do. It does not mandate a tax increase. It does not bust the budget or add to the deficit, since there would be no funds put in the budget for revenue sharing until the Finance Committee develops a mechanism to pay for it.

Mr. President, in all candor, the statement that this amendment does not mandate a tax increase is, at best, disingenuous.

The amendment proposed is a paradox because on the one hand it may result in no action at all, because the Finance Committee will not act upon it. In this case, of course, it will not add a tax increase or spending on the part of the Federal Government. On the other hand—and I believe this to be the purpose of those who propose the amendment—it will result in action on the part of the Finance Committee, and therefore will, of course, mandate a tax increase and will add quite substantially to the spending of the Federal Government.

So, to present this amendment to us as being innocuous because it has no tax or budgetary implications is either to mislead Members of the Senate or to say that we are wasting our time by debating it because nothing will happen in any event. I choose to treat the amendment as I believe the distinguished Senator from New York does: As the first step in a serious attempt to see to it that the Finance Committee of the Senate authorizes $4.6 billion in general revenue sharing for 1987 and adds $4.6 billion in taxes in 1987 on the people of the United States in order to pay for it.

Mr. MOYNIHAN. Mr. President, will the Senator yield?

Mr. GORTON. I yield.

Mr. MOYNIHAN. Perhaps the Senator heard that it is the nature of this program, being lagged, that it would be $6 billion for fiscal 1987; and if it continues, it would go up.

Mr. GORTON. The Senator appreciates the correction on the part of the Senator from New York.

On the assumption that the amendment is presented seriously as an attempt to rescue general revenue sharing and to impose taxes on the American people to finance it, it is in effect a request by its chief sponsor, a member of the Finance Committee, and a number of other members of that committee who have spoken in favor of it today, that the 80 Senators who are not members of the Finance Committee delegate to the 20 Senators who are members of that committee the authority not only to revive general revenue sharing but also to tell us precisely what taxes we must raise in order to finance that program.

In other words, we are asked at this point to delegate to members of that committee—the committee which is bringing us the tax reform proposal which has been under consideration for the last 8 or 10 weeks there, to the approbation of almost all Members of the Senate—the authority to find $4.6 billion a year in taxes on the American people to support a program which, by definition, will benefit local governments, but which those local governments are unwilling to fund themselves. In other words, we are asked to impose on the people of the United States this amount in additional taxes and then to delegate the responsibility for spending that to local governments—local governments, which, by definition, do not wish to raise their taxes in order to provide the services which we have heard eloquently defended on the floor of the Senate in the course of the last hour or so.

Mr. President, that, in some respects, may be too harsh a comment. My own view is that general revenue sharing has indeed been a successful program. It does have the great merit of getting some 99.8 percent of the moneys involved in it through to local governments for their decision as to the type of services which will be provided by them.

This Senator, at least, would be strongly inclined to vote for this amendment were it a substitute for $4.6 billion of categorical aid programs now going to States and local governments rather than something which is to be based on a tax increase levied upon the people of the United States. I would do so simply because more of this money does get through to ultimate beneficiaries than in the case of any categorical aid program, and because I agree with the sponsors of the amendment for the proposition that a local government is better able to set its own priorities than is the Congress of the United States.

Unfortunately, however, this amendment does not come to us in that form. It seeks simply to add to all the remaining categorical aid programs an additional several billions of dollars, to be paid for by the taxpayers of the United States, but to be used by various local governments.

Finally, as the Presiding Officer and as the distinguished Senator from New York well know, this Senator, at least, has not been averse to voting for additional revenues in order to meet the goals of the Gramm-Rudman-Hollings Act and to meet what he considers to be appropriate national priorities. In fact, the budget resolution at the present time includes some $18.7 billion in new revenues for fiscal year 1987, to which must be added some $300 million to offset $300 million in outlays by reason of an amendment adopted yesterday on the floor of the Senate.

The true question under those circumstances, Mr. President, is not whether or not this program, in the abstract, is a desirable one. The true question is whether or not spending an additional $4.6 billion in taxes on general revenue sharing represents the highest priority of the Government of the United States; whether that is higher in priority than our investment in research in science or health; whether it is a higher priority than the American space program, which by definition can only be financed by the Federal Government; whether it is higher in priority than debate over a defense budget; whether it is higher in priority, in other words, than every other Federal spending program which is under great constraint in this budget, the vast majority of which are the exclusive province or the primary province of the Federal Government and not of State and local governments.

Mr. President, I must say bluntly that for this Senator, there are literally dozens of Federal programs which rank higher in priority than this one, which are functions of the Federal

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Government and which, in my view, should be funded before we come to the proposition which remains as true this year as when we began this debate a year ago—the proposition that very bluntly we no longer have revenue to share with local governments in this fashion.

Mr. SPECTER. Mr. President, one of the most pressing issues confronting the Congress today is the reauthorization and funding of the Federal General Revenue Sharing Program. Revenue sharing constitutes a very productive partnership between Federal and local governments. It comprises the single largest Federal program assisting local authorities, providing $4.6 billion annually. As my colleagues know, general revenue sharing is a comprehensive and flexible program, allowing funds to be used for a wide range of programs and activities, determined at the local level, and giving localities the opportunity to respond quickly to new problems.

In my State of Pennsylvania, the general revenue sharing program has provided an annual allocation of $225 million which represents 16.7 percent of revenues raised locally by taxes. The need to continue this program has been fully documented. A recent survey found that revenue sharing in Pennsylvania accounted for almost 17 percent of the average local budget. The survey also indicated that 85 percent of township general revenue sharing funds were utilized for police, fire, and public works expenses.

The survey states that if revenue sharing does not receive reauthorization when it expires at the end of next fiscal year, at least 64 percent of Pennsylvania's counties would be compelled to compensate by raising taxes or cutting services. This would include an average 61-percent increase in property taxes. In a State like Pennsylvania, that has not fully benefited from economic recovery, such results could strike a crippling blow to continued recovery and economic well-being. The same is true for many States in this country.

In budget hearings that I held throughout the State, it became evident that revenue sharing is the critical part of the funding equation for many municipalities. The figures that I have cited above indicate why local officials, who represent their constituents, have made general revenue sharing a top priority and are most active in promoting its benefits.

Funding for general revenue sharing has been frozen at $4.6 billion annually from 1977 to 1985 with a drop to $4 billion in 1986, as the program has not contributed to the increase in Federal deficit during the past 9 years.

The amendment before us will provide $4.6 billion for general revenue sharing for each fiscal year from 1987 through 1989, if the Finance Committee reauthorizes the program and finds additional revenues to support it. There is a bill before the Finance Committee, of which I am a cosponsor, to reauthorize and provide revenue for general revenue sharing. The funding in these amendments is responsible, level funding.

I urge the support of this amendment by my colleagues as a step toward preserving this vital program.

Mr. MOYNIHAN. Mr. President, I find myself in the situation of comanager of the resolution, and I yield 5 minutes off the resolution to my friend, the distinguished Senator from New Jersey [Mr. Lautenberg].

Mr. LAUTENBERG. I thank the manager.

Mr. President, I rise in support of the amendment offered by the Senator from New York to insure the continuation of the general revenue sharing program. I am an original cosponsor of this amendment.

It is fitting that this amendment should be offered by my distinguished colleague from New York. For many years, he has been one of our Nation's foremost experts on urban America. The senior Senator from New York knows the richness and vitality found in our cities. Our cities are centers of art, commerce, finance, and education. But he knows as well that many of our most pressing and intractable problems are found in our cities.

But we are not talking only of large cities. In New Jersey, local governments—large and small—will share $126 million in revenue sharing in fiscal year 1986. Nationwide, 39,000 local governments participate in this program.

Revenue sharing is vital to the survival of many of our cities and towns. Revenue sharing is a key element in the partnership between the Federal Government and our localities. The ability of many local governments—large and small—to provide basic services without resorting to regressive tax increases hinges on the continuation of revenue sharing.

Mr. President, the Senate has the opportunity by adopting the Moynihan amendment to send a message to our local governments that we are not abandoning the Federal/local partnership. The Senate can tell mayors across the Nation that the challenges before their communities are of concern to us all.

The message being sent by the administration, Mr. President, is in stark contrast. Like the famous statement of a previous administration to New York City, the administration is saying to urban America, "drop dead." Our localities are being told that their concerns are not the proper business of the Federal Government.

Mr. President, the question the Senate must answer today is this: "Is the ability our Nation's local governments to provide basic services—to provide for the public safety and the health and well-being of their citizens—in any way a concern of the Nation as a whole?"

The President's fiscal year 1987 budget answers that question with a resounding "no!". And it goes beyond revenue sharing. Beyond terminating revenue sharing, the President's budget would: Cut the Community Development Block Grant Program by $500 million in fiscal year 1986 and $1 billion in fiscal year 1987; terminate the Urban Development Action Grant Program; cut federally assisted housing by over 70 percent from $10 billion to $2.3 billion.

Terminate the Economic Development Administration.

Cut Federal aid to mass transit by 66 percent.

Terminate Federal assistance to Amtrak.

Reduce Federal assistance to highways and airports.

Cut Medicaid payments by $1.3 billion.

Mr. President, the fiscal year 1987 budget offered by the administration represents the end of the Federal/local partnership.

Mr. President, the budget before us contains painful cuts for local governments. Perhaps the most painful is the proposed phaseout of general revenue sharing. Coupled with other suggested reductions, the phase-out of revenue sharing will mean higher local taxes and service cutbacks.

The services provided by revenue sharing are not frills to be quickly shed and little missed. We are not talking about discretionary spending. Revenue sharing pays for basic services. It insures that a policeman will be available to answer an emergency. That a fire truck is there to respond to a call. The schools, libraries, and hospitals will remain open.

Mr. President, opponents of revenue sharing argue that if local governments want the services paid for by revenue sharing, then they can pay for them. This argument ignores the immense pressure under which local governments are laboring in response to a 23.5 percent decrease in grants to State and local governments since 1981.

The proposal to end revenue sharing is being made at the same time the administration wants to eliminate the deductability of State and local taxes and limit the use of tax exempt bonds. These measures would make it virtually impossible for local governments to raise the revenues necessary to compensate for the lost Federal funds.

Mr. President, added together, these proposals lead this Senator to an inescapable conclusion. If the Federal Government will not assist local government in providing services, and if

we deny local government the ability to raise alternative revenues, services will just not be provided. It is not a matter of putting local governments on a diet. It is a matter of starving them to death.

Mr. President, across this country there are examples of mayors and county officials struggling to maintain and revitalize their economies in the face of declining tax bases. It is one thing to heap praise on local officials and quite another to ensure that they have the tools to do the job. Programs like revenue sharing, urban development action grants and community development block grants are absolutely essential if our cities and towns are going to make it.

Mr. President, I urge adoption of the amendment by the senior Senator from New York.

The PRESIDING OFFICER (Mr. Gorton). Who yields time?

Mr. MOYNIHAN. Mr. President, I yield myself 2 minutes from the resolution.

May I thank the Senator from New Jersey for his emphasis on the central concern that so many of us have here which is the Federal-local relationship which has been established over the past 30 years and of which the key element here was revenue sharing, a statement of trust, as the Senator from Washington said to the good sense and priorities of local government.

I might just note that one of the things that led up to this was the occasion in late 1960 when the administration found itself proposing a rat control bill here in Congress. The elemental urban service is rodent control before anything else. And what is the Federal Government doing with such matters? That is why we let local governments decide.

A relationship was created, it does exist, which is as much or more important for rural communities as for urban communities.

A crisis was created for the deliberate purpose of destroying this relationship. We are saying, "No, we know we have a budget crisis but we are not going to let it carry out its intended objective, which is to destroy all these relationships." It is not good government and it is submitting to a conspiratorial turn that is certainly, in this Senator's view, unwelcomed.

Mr. President, I yield an additional 2 minutes off the resolution to the distinguished Senator from Alabama.

Mr. HEFLIN. Mr. President, I rise to support this amendment to restore full funding for general revenue sharing. I am a joint sponsor of this amendment.

The budget resolution under consideration by the Senate allows $1.8 billion for two quarters to close out the general revenue sharing in fiscal year 1987, if the Finance Committee reauthorizes the program and then finds additional revenues to pay for it. This is not acceptable.

Mr. President, many units of local governments, including those in my State, are facing serious problems trying to meet the needs of their citizens. The general revenue sharing is one of the most important Federal programs in existence today. It is not a giveaway program. As you know, this was a program enacted in 1972 and at that time a commitment was made between the States, municipalities, and the Federal Government. This was a commitment by those who believe in the constitutional principles of Federalism. The revenue sharing program was begun as an integral part of a long-range plan to return government control to the people through their local governments. The idea at that time was that Government bureaucracies in Washington had too much to say over how a local government should spend its tax dollars. That was a valid argument then—and it still is today.

I am here today to ask that the Members of this body act now to see to it that the Federal Government stands by its commitment. As you, of course, know, throughout its existence the basic purpose of general revenue sharing has been to bring about a balance in the total tax revenues going to the Federal, State, and local governments of this Nation.

The General Revenue Sharing Program has the lowest administrative costs of any of the Federal assistance programs; it is distributed on a fair and equitable basis. The funding received by local governments through this program has been crucial to enabling local governments to provide the much-needed services to its citizens.

Mr. President, money worthwhile and money well spent equals revenue sharing for the local governments. We are talking about money for education, fire protection, health care, highways, housing, hospitals, libraries, natural resources, parks and recreation, and police protection.

Mr. President, revenue sharing helps local governments with their day care programs for the young and hot meals for old folks.

Let me assure each Member of this august body, the distinguished Members of the House of Representatives, and, most importantly, the American people, that revenue-sharing funds have not been wasted. Revenue sharing has been used to pay for basic essential needs and services for the citizens of this great Nation.

Mr. President, I further add that a great deal of revenue-sharing funds in my State goes for police protection. With crime as one of the major problems, I dare any Member of Congress to go to his or her home town and try to convince his or her neighbors, families, and friends that police protection is not an essential service. If the local police are to fight crime and do their jobs well to protect the citizens, we need to help them. We have an opportunity to help the local police forces through this Revenue Sharing Program, there being many new impositions placed on State and local governments as a result of Federal court action as well as Federal congressional action, and it seems to me that this particular area of dealing with crime that revenue sharing is needed. We certainly ought to continue it.

Mr. President, I believe that revenue sharing is the best way to get some of the tax dollars back into the local communities. Without revenue sharing, local governments would be faced with the choice of increasing taxes or reducing services. If the funds are not restored for revenue sharing, there will be many city, town, and county governments across America that will be completely handcuffed fiscally.

I strongly support multiyear funding for the Revenue Sharing Program so that local governments may have a realistic basis for their fiscal planning.

Mr. President, I ask unanimous consent that a resolution which was adopted by the legislature of Alabama urging Congress to take affirmative action to extend the Revenue Sharing Program be printed in the Record.

There being no objection, the resolution was ordered to be printed in the Record, as follows:

Resolution

Whereas, the federal revenue sharing program launched during the early 1970's has pumped millions of dollars annually into state, county and city treasuries throughout this nation; and

Whereas, the current authorization for the federal revenue sharing program terminates at the end of fiscal year 1986; and

Whereas, in Alabama, federal revenue sharing funds account for over 9 percent of total municipal revenues and over 5 percent of total county revenues; and

Whereas, without federal revenue sharing funds, many local governmental entities will be forced to cut back or even curtail such vital services as police and fire protection among others; and

Whereas, the federal revenue sharing program is generally recognized as the most equitable and administratively efficient federal program now in existence; and

Whereas, there is no provision of law that sunsets federal revenue sharing in 1986, but merely a consensus of the conferees on the Budget Reconciliation Bill of 1985 that it would be sunsetted after the next meetings of the various state legislatures; and

Whereas, under such consensus agreement, seven state legislatures are not scheduled to meet again until 1987; and

Whereas, because the Alabama Legislature meets in 1986, this state's federal revenue sharing funds would be sunsetted at least one year prior to those of the aforementioned seven states, thereby placing an inequitable financial burden on the citizens of Alabama; and

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Whereas, there are no less than five bills presently before Congress that would reauthorize federal revenue sharing at least through the fiscal year 1987; and

Whereas, the sense of the Alabama Legislature is that if federal revenue sharing is to be terminated, Congress should reauthorize the program for at least one more year while it formulates a gradual and equitable sunset plan; now therefore.

Be it resolved by the legislature of Alabama, both Houses thereof concurring, That we do hereby urge Congress to take affirmative action to extend the federal revenue sharing program at least through the end of fiscal year 1987.

Be it further resolved, That a copy of this resolution shall be presented to the President of the United States and to each member of the Alabama Congressional Delegation.

The PRESIDING OFFICER. Who yields time?

Mr. DOMENICI. Mr. President, let me first inquire, how much time do the opponents have?

The PRESIDING OFFICER. Forty-two minutes.

Mr. DOMENICI. I thank the Chair.

The distinguished Senator from Texas [Senator GRAMM] would like to speak for a few moments and then I would like to speak for a while. I would mention, unless the majority leader or the minority leader have something different in mind, I would hope now that I would not use all of our time, and the proponents have no time left on the amendment——

The PRESIDING OFFICER. The proponents have 2 minutes remaining.

Mr. DOMENICI. They have 2 minutes remaining; excuse me.

Mr. President, I think we might start voting, if it is satisfactory with Senator MOYNIHAN, at 1:15 or 1:20, at the latest. There are a number of Senators who want to be put on notice.

So it would seem to me we would be ready to start this vote at about 1:15.

Let me state just for a moment that I have received a message from the leadership office that we do not want to vote that soon. I have to discuss it with him and perhaps delay it because a group of Senators have to go to the White House. So let me reserve on that and we will talk about it in a little while on the record as soon as I have confirmed that.

I yield as much time to the Senator from Texas as he desires.

Mr. MOYNIHAN. Will the chairman yield for just one question?

Mr. DOMENICI. Of course.

Mr. MOYNIHAN. There is a meeting the President has requested at the White House at 1:45. It seems to me possible to vote before then or, if not, we want to accommodate the Senators going to the meeting. I have been asked. That does not happen every day. But is it because of that meeting or is it because of Senators who cannot be here to vote?

Mr. DOMENICI. Let me clarify it with the leader. That message that came in was from his office. It may very well be we will finish our debate and ask that another amendment be called up and set a time, perhaps somewhere around 2:15 or 2:30, for a vote on this. We will accommodate the Senator from New York.

Mr. MOYNIHAN. I do not get asked to the White House every day.

Mr. DOMENICI. Well, I do not know whether you do or not. I am delighted you are going. I hope you have a very, very good meeting and return convinced that we ought to vote for less add-ons on this budget.

Mr. MOYNIHAN. I am going to put a word in to the President on your behalf.

Mr. DOMENICI. We need the President to put a word in with you in our behalf.

Mr. MOYNIHAN. He is a busy man.

Mr. DOMENICI. I yield to the Senator from Texas.

The PRESIDING OFFICER. The Senator from Texas.

Mr. GRAMM. Mr. President, I thank the distinguished chairman of the Budget Committee for yielding.

This amendment is in all ways reasonable and proper and, looking at the list of cosponsors, it is probably popular.

I rise in opposition to it and in doing so I would like to begin by associating my remarks with the senior Senator from Washington. The senior Senator from Washington outlined options in the Federal budget that could use $3.6 billion this year and $4.6 billion next year. And I would like to add one alternative and that alternative, of course, is to leave the money in the pockets of the people who earned it in the first place. Then that money could be invested in the American dream, invested in education, invested in housing, invested in new plant and equipment to create new jobs.

The biggest problem with the budget before us is not the fact that many of us do not like the priorities in terms of defense and nondefense spending; that many of us do not like the priorities of raising taxes to fund domestic spending. The biggest problem is that the budget, by its very nature, has to be a partnership between the Congress and the President.

Under the law, we can adopt any budget we want, but to enforce that budget we have to adopt a reconciliation bill, in this case a reconciliation bill that prior to yesterday would have raised taxes $53 billion over a 3-year period above the level that the President asked for in his budget.

Yesterday, we proposed raising taxes through action on an amendment by roughly another $3 billion, raising the total to $56 billion. If we, through the adoption of this amendment, add another $13 billion to taxes, we are talking about almost $70 billion worth of taxes above the level that the President requested in his budget.

Now, this must lead Members to speculate as to what the President is going to do. Having listened to the President through the 1984 campaign, having listened to the President every day since that time, having listened to the President as late as yesterday say that he was going to veto a tax increase above the level called for in his budget, I would have to conclude that, if we send a tax increase for $70 billion to fund increases in domestic spending down to the White House, that bill is going to be vetoed.

Now, that in no way reflects on the perfect right and consistency of this amendment. But I think it does reflect on the fact that, if we simply write a budget and set out spending levels and sustain expenditures without taking into account the possibility of enacting taxes to pay for it, we do create the problem under the Gramm-Rudman-Hollings bill that we may find ourselves at the beginning of the fiscal year with an across-the-board cut being imposed. And I guess maybe I am a little sensitive to that because when the headline runs, it will be "Gramm-Rudman Cuts; Gramm-Rudman Denies." The reality will be that Gramm-Rudman did not do any of those things, but instead that Congress did not live up to the commitment to meet the target of $144 billion.

If the distinguished Senator from New York had offered an amendment that joined together the amendment we voted on yesterday and this amendment, I would have supported it. As you will remember, the distinguished chairman of the Budget Committee offered an amendment that set out all the terminations in the President's budget and proposed that they be adopted and that tax increases be reduced. As I remember, that total was about $4.2 billion. Had this amendment had that offset, accepting those terminations, I not only would have voted for it, but I would have been a strong proponent of it.

I have always felt, relative to the grant program, that revenue sharing was preferable. I guess part of it is regional in nature. I have always felt, whether you were talking about heating days squared in the formula for low income energy assistance or the age of housing as a factor in HUD funding, that my part of the country has always ended up on the short end of the stick in terms of the grant system. I have always felt that priorities set at the local level were more likely to be priorities representing the public interests than priorities set in Washington.

But our choice today is not to terminate UDAG and EDA and a multitude of other programs to fund revenue

sharing. I would support that amendment. Our choice is, do we want to over the next 3 years raise taxes by almost $13 billion to fund a program that we claimed termination for in last year's budget; that we took credit for, in fact, in the whole process of going through the adoption of a budget last year in reconciliation. We are back again voting on it and debating it this year.

I think the odds of the President signing a revenue-sharing extension without an offsetting reduction in spending somewhere is relatively low.

But I rise in opposition to this amendment. I hope we can vote it down. While I do not oppose revenue sharing as compared to grants, I think we are moving in the wrong direction in raising taxes on the working men and women of America so that Government can continue to grow at a rate several times the rate of growth in the private sector. I remind my colleagues that, even the President's budget proposal which had $53 billion less in revenues, Government spending in the aggregate was not cut. The fact tends to be lost in all of these arguments about these massive reductions in Federal spending is that under the requirements of the Gramm-Rudman law, if the economy stays healthy—and I submit that $70 billion of new taxes will not help keep it healthy—but if it stays healthy, Government will grow every day under the Gramm-Rudman requirement because revenues are growing faster than the deficit reduction requirements under Gramm-Rudman. The problem is that Congress does not want to limit the growth of Federal spending, but in fact wants to expand it and that is what this amendment is about. I hope my colleagues will vote it down. I yield the floor.

The PRESIDING OFFICER (Mr. MATTINGLY). Who yields time?

Mr. DOMENICI. Mr. President, now I am prepared to indicate what the leader wants us to do with floor votes. I think I can accommodate it without having to do anything extraordinary. The leader indicated that we would not vote on this amendment, either up or down or table, before 2:15 p.m.

Anyone who is interested in making sure that they are around for the vote and have something else that is important, should know we will finish this debate, and if there is not another amendment that we can call up and temporarily lay aside in order to vote on the Moynihan amendment, I will use time off the bill to accommodate the leader's concern with reference to the time we vote on this.

Mr. President, I yield myself as much time as I need now in opposition. However, I would like to be advised if I use up the remaining time that I have under the amendment itself.

In my opening remarks a few days ago when this budget resolution and the fiscal policy plan for the country was taken up here on the floor, I mentioned that there was a figure in Greek mythology named Sisyphus. In mythology he was pushing a large rock up a mountain. He would get the rock up to the top, and it would roll back down. He kept trying but never could get it quite up to the top of the mountain, where it would fall down on the other side once and for all.

As I said, I have a cartoon of this in my office. It is most interesting. It has Sisyphus trying to push that rock up, but that rock is the budget. He has it about halfway up. You know the rest. It did not matter how far. It comes rolling down. Well, this amendment reminds me of Sisyphus' large rock. We have eliminated funding for all or part of this program in two separate pieces of legislation and now it is back.

Shortly, I will tell you of my involvement in revenue sharing. Obviously, if I had my druthers and we could vote to cut some other programs, it would not take much to get the Senator from New Mexico not only vote for revenue sharing, but I would offer the amendment to keep it. But my experience is that Congress will not make enough cut to make room in the budget for something like revenue sharing.

Let me remind the Senate the budget is growing, not coming down. My only comment to my friend from Texas would have been that he is absolutely right. But the President too wants the budget to grow. It is just that he wants it to grow in the areas that he prefers.

Obviously, the President would say, as others do, that my preference is something very important—the military. That is true. There are many who agree with him. Nonetheless, we all have our own preferences. But on this amendment, last year we voted in the budget resolution to phase out revenue sharing. It passed.

On the floor of the U.S. Senate, the HUD-Independent Agency Subcommittee of Appropriations, chaired by Senator GARN brought an appropriations bill to the floor. There was not enough money in it for veterans, and there was not enough money in there for the space program—it also included revenue sharing fully funded. I do not know how many Senators know it, but in that appropriation bill they voted here on the floor to phase out revenue sharing.

That is why I am reminded of the Greek figure, Sisyphus pushing the rock up the mountain. I am sure that when the Appropriations Committee acted last year, many members thought they had finally pushed one budget rock over the mountain. Then we reinforced this action with reconciliation.

The proponents say this amendment does not mandate a tax increase. Well, that is right. But I guarantee you that there is no way within the budget that you can pass this amendment to reinstate revenue sharing fully for an additional year. This budget contemplates payment for one additional quarter, the one before us. We have been asked to give a transition period. The transition period contemplated is all of the rest of this year, and the first quarter of next year. But this amendment says that you can provide for a full fiscal year and it just will not cost you anything. Let us go ahead and say to the Finance Committee, keep the program. If they can find $4 billion that is a rounded number in new taxes, we can keep this program and everything will be OK.

I just hope everybody knows that this is a real vote to add $4 billion to the deficit, or to add $4 billion to the $19 billion in taxes for the year 1987 that are now prescribed by this budget resolution. Yesterday's amendment in the name of education added another $300 million in new taxes in the first year. It is a little bigger in the outyears—$1.2 billion and $1.4 billion in 1988 and 1989.

Frankly, I have already given some indication of my perception of this program. I really did not think the day would ever come that we would have put in revenue-sharing. Prior to general revenue-sharing, we were certain that we knew how to do things better. We had decades of categorical grant programs, with strings attached, for education, for aid to the counties, for aid to the cities to take care of the homeless. We always wanted to have our committees involved, and pass on programs every year. Then general revenue-sharing came along, and said let us just put that money in local officials' hands and see if they cannot do some good with it. That was a great day.

Yesterday, however, we saw that $4 billion could be saved with 44 individual programs that have strings attached. Only 14 Senators desired to get rid of the $4 billion for those categorical grant programs.

Let me tell you that this is just the beginning. The budget before us has $108 billion in grants and aid of different types to State and local governments. Whatever changes we have made in the past 5 years, that is how many are still there. Yes, some of them are far more important than others. Some of them have to do with health. Some of them have to do with economic development. Clearly, Congress has said it is not going to get rid of the 44 programs that are among the lesser categorical grant programs. They may be the least efficient or perhaps even the least necessary of the entire 2,400-and-some programs of our

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National Government. We cannot get rid of those either.

So today if my count is right, we revisit this issue for the third time, including last year in the budget. Let us bite one serious bullet. It is a pretty big one. It is almost $4 billion. Let us do it. We ordered the committees to do it in reconciliation and we thought it was done. We voted in an appropriation bill to cut it out.

Now we are here again with an amendment that says, "Put it back, but do not worry about its impact on the deficit; it does not mandate anything."

Obviously, I have grown to appreciate the fact that we cannot expect everything here. You cannot get your way all the time. Clearly, there is room for disagreement and there is room for compromise. But I do not think one ought to doubt this one.

If revenue sharing is put back this year, with its $4 billion a year price tag, for those who thought there was one breakthrough for fiscal responsibility, just say goodbye to it. In fact, that fellow who pushed the rock up the mountain for all those years moved to another mountain on this one. There is no question he is not going to be pushing here anymore. He is going to find another one. Maybe he will find some other program and start pushing the rock up to see if he can get the rock over the top of the mountain. This one is gone.

I urge that everyone understand that we do reach the point at some place that we just cannot continue to say, "Add some more taxes." We cannot even say, "We do not even add that number to the tax side unless and until they pass the revenue sharing and then unless and until they pay for it."

I think we ought to decide that we cannot afford it.

Mr. President, I want to repeat that I have plenty of county commissioners and some of the smaller cities in my State who desperately need revenue sharing. They also use many of the other programs that I have alluded to, that $108 billion, and they use some of those programs that will be terminated.

There is no way that their Senator can find a substitute for revenue sharing or some of those others. I cannot get anyone around here to do that. I tried to draw up a bill on that but it will not work. You just cannot find enough categorical programs that people are willing to give up and to marry into some kind of a swap for revenue sharing.

I would hope that we would not follow on the heels of a $4 billion programmatic increase yesterday, as I indicated, one-half of 1 percent increase in what America is spending for education. We added that to our national commitment, which is a very small commitment. That is the first vote.

The second vote is this one. It is a little bigger. Yesterday's and today's votes will be a victory for, those who want to send a signal that we are going to have a sequester at the end of the year and cut everything across the board. I would even think this is the last amendment that might be adopted in the next 4 or 5 days to add some more. I do not think it is getting us closer to a budget, however. I think it is getting us closer to a situation where we will have none. We will have to take about a $25 billion to $30 billion outlay cut across the board at the end of the year.

How much additional time remains in opposition, Mr. President?

The PRESIDING OFFICER. Eighteen minutes.

Mr. DOMENICI. I yield such time as the distinguished Senator from Florida desires in opposition.

Mr. MOYNIHAN. Will the Senator yield for a moment?

Mr. CHILES. Yes.

Mr. MOYNIHAN. As I understand it, the vote is to be called for 2:15.

Mr. DOMENICI. In response to the leader's request, I think it is to be no sooner than that.

Mr. MOYNIHAN. Mr. President, I ask for the yeas and nays.

The PRESIDING OFFICER. Is there a sufficient second? There is a sufficient second.

The yeas and nays were ordered.

Mr. DOMENICI. I am sure the Chair will confirm this, but I did not get a unanimous consent that we would have a vote of any type. I merely said we would not vote sooner than that.

Mr. MOYNIHAN. I understand. I wanted to be absent from the floor for a period.

Mr. METZENBAUM. Will the Senator yield?

Mr. DOMENICI. I yield the floor.

Mr. CHILES. Mr. President, the budget debate always produces a series of attractive amendments. This one is attractive. I see a long list of other very appealing amendments.

The trouble is each one compounds the problem we have passing this resolution. They certainly do not add revenue. That is one of the problems with the amendment before us.

The committee tried to take into advance consideration the views expressed on the floor today by the Senator from Louisiana, the Senator from Tennessee, the Senator from New York, the Senator from Michigan, and many other sponsors of this amendment. We said we would try to make allowances if revenue sharing was reauthorized. That is what we need to remember. The authorization for revenue sharing is expiring and it must be reauthorized. The President of the United States has said he will not countenance the reauthorization of revenue sharing. It has been made very clear that he will veto any bill that attempts to reauthorize revenue sharing. Because of that, our Budget Act last year, and the appropriations bills we passed last year, took into consideration that revenue sharing was going to expire.

But because of some of the views we heard expressed here today and have heard in the committee, we fenced off some money. We said that in the event revenue sharing or a portion of it is reauthorized, and in the event the Finance Committee raises the additional money to pay for it, we will allow approximately half of the revenue sharing money to come forward for 1 year.

That was our attempt take care of these concerns and, at the same time, put together a product with some balance in the amount of spending cuts and, at the same time, not have it overbalanced with new revenue in the package.

Our concern is, as we see these amendments come forward, we are going to lose that balance we put in.

Revenue sharing is something tremendously popular in my State. I hear from all my cities. I hear from all my counties. They certainly want it.

We have been trying to tell the officials down there for the last several years that this was a program whose life was expiring, that the President was not going to reauthorize it. They needed to make other provisions.

We attempted to do that in last year's budget. We attempted to give the signal as strong and as loud as we could give it, "Get ready to replace this money because you will be in trouble with revenue sharing." We have done that again in the budget resolution.

But if we provide this money, the problem we run into is the possibility that it will be sequestered under Gramm-Rudman-Hollings. Sequester will work all kinds of havoc on the cities, all kinds of havoc on the counties, much more havoc on our State governments, to say nothing of what it would do to all our domestic and defense programs.

That is what people must take into consideration, that and the fact that in this proposal we try to provide additional phase-down time, additional money to allow the counties and the cities to be able to readjust.

Mr. President, let me remind my colleagues of the name of the program itself—revenue sharing.

What have we been doing over these past years with revenue sharing?

We have been sharing revenue we do not have in the Federal Government because we are running a deficit. This year, last year, the year before, the year before, the year before, the year before, and the year before that. So

we are simply sharing our printing press, that's all. We are sharing a printing press.

We have seen what that has done to us over the years: a tremendous increase in interest rates, inflation, and recessions.

The whole purpose of the present exercise is to provide ourselves with some revenue to share. We might be able to get our deficit down. We certainly will not be able to do that if we turn around and continue this program.

Mr. President, I understand the Senator from Ohio wants to ask a question. I shall be happy to yield to him.

Mr. METZENBAUM. Mr. President, I thank the Senator.

If the Senator will yield for a question, it is my understanding that the distinguished manager of the bill, Mr. DOMENICI, had come on the floor and indicated that he hoped there might be some other amendments called up while waiting for a vote on the Moynihan amendment. It is a fact that the leader has also been pressing those of us who have amendments to call them up. I am on the floor not to make any disturbance but to indicate that I am prepared to offer an amendment.

I am prepared to call it up, debate it very briefly, with the understanding that there be no vote on it until such time as the Moynihan amendment is disposed of.

If that is the pleasure of the managers of the bill, I am perfectly willing to proceed at this point and if it is not, I hope that after the Moynihan amendment is disposed of, the Senator from Ohio might be recognized for the purpose of calling up my amendment.

Mr. DOMENICI. Mr. President, first, I had not the slightest suspicion that the Senator from Ohio was on the floor to cause the slightest disturbance.

Mr. METZENBAUM. Never.

Mr. DOMENICI. Which amendment is it, I ask the Senator?

Mr. METZENBAUM. Child health. I think the managers have been notified about that; it is approximately $200 million over 3 years. I do not think there will be any debate. We can vote it up or down and I have no problem with respect to the time limit.

Mr. DOMENICI. Mr. President, let me say to my friend from Ohio that we had already advised Senators KENNEDY and DECONCINI that we were expecting them to offer amendments. Let us check and see and we shall get right back to the Senator if either of them is ready. They have been told they will be next. We will try to do that.

Mr. METZENBAUM. I shall stand by until the chairman informs me. I thank both managers.

Mr. CHILES. Mr. President, let me conclude by saying I think the amendment of the Senator from New York is very attractive and has a strong base of support in our cities and counties. But what we have before us in the resolution is a reasonable, practical approach we should follow. It would give the best opportunity for some kind of additional support for revenue sharing.

Mr. DOMENICI. May we have order, Mr. President?

The PRESIDING OFFICER. The Senate will be in order.

Mr. CHILES. I hope that we would follow that course rather than adopt this amendment.

Mr. DOMENICI. Mr. President, I suggest the absence of a quorum. I ask unanimous consent that it be charged equally to both sides.

The PRESIDING OFFICER. Without objection, it is so ordered.

The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. CHILES. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. CHILES. Mr. President, I yield 1 minute to the Senator from Louisiana.

Mr. LONG. Mr. President, I am a cosponsor of the amendment which allows for the full funding of the General Revenue Sharing Program for each of the fiscal years 1987 through 1989 at the $4.6 billion funding level.

Since the inception of the Revenue Sharing Program in 1972, I have been strongly committed to the program's objectives and have supported each reauthorization of the program.

Mr. President, revenue sharing has been one of the most successful programs we have funded. In my State of Louisiana, the cities, parishes and townships that have received revenue sharing funds have used this money to provide essential services to their residents. Improved education, policy and fire protection, health and public hospitals, roads and highways, and parks and libraries have been the result of the revenue sharing dollars. Revenue sharing represented over 8.9 percent of the total available tax revenues for localities in Louisiana and if revenue sharing funds were to be cut off, our smaller communities would be forced to pass sizable tax increases of over 30 percent or cut public services to compensate for the loss of these funds. More than 85 percent of the program's recipients are jurisdictions with populations of less than 10,000.

Mr. President, Louisiana is currently in the midst of an economic crisis due to the international oil situation. Unemployment is now at 13.2 percent, the highest of any State. In some areas where the oil and chemical plants have closed, unemployment has exceeded 25 percent. Our communities have already cut public services and if revenue sharing is discontinued, a 30 percent tax increase to offset the loss of revenue sharing from an already limited base would appear impossible.

Revenue sharing is essential to allow local governments to pick up the increasing burdens from declining Federal support for domestic needs. According to the Congressional Research Service, the Federal Government has cut State and local programs by 23.5 percent in 1980–85—constant dollars were used for comparison. In many communities, revenue sharing is a large part of the local government's budget.

Revenue sharing also allows the local community flexibility to allocate the funds to meet their individual needs. Mr. President, where can we find a program today that is more efficient dollar for dollar than this program? The Federal administrative costs are less than two-tenths of 1 percent of the total outlays of this program. Revenue sharing works and it works well.

I cannot think of a time when reauthorization has been needed more. Reauthorization will help our financially strapped local governments and provide jobs for our citizens.

Reauthorization of the General Revenue Sharing Program has the full support of our Nation's mayors, parish, county and law enforcement officials. Reauthorization should also hold the highest priority among our Members in this Congress.

That is why, Mr. President, I strongly support this amendment, and I urge my colleagues to support the continuation of full funding for the full General Revenue Sharing Program for fiscal years 1987 through 1989.

Mr. DOMENICI. Mr. President, I suggest the absence of a quorum, with the time to be charged equally.

The PRESIDING OFFICER. Without objection, it is so ordered.

The clerk will call the roll.

The legislation clerk proceeded to call the roll.

Mr. DOMENICI. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. FORD. Mr. President, will the distinguished manager of the bill yield?

Mr. DOMENICI. I yield to the Senator from Kentucky.

Mr. FORD. Mr. President, I am pleased to be a cosponsor of this amendment which would allow for the continued funding of the General Revenue Sharing Program. This program is the highest priority Federal assistance program for our cities and counties, and with good reason.

There are some who argue that revenue sharing was instituted to share what was at the time surplus revenues with the cities and counties. Now that

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we no longer have surplus revenues, the argument goes, we can no longer afford the program. I would argue the opposite: we cannot afford not to have revenue sharing. The disruption in vital services that a loss of these funds would cause far outweighs the benefits of the dollars saved by ending the program.

These funds provide necessary services such as police and fire protection, water and sewer services, life centers for our senior citizens, clothes for the needy, and food for the hungry. And the list does on and on. Revenue sharing enables our cities and counties to provide for their own and in the long run reduces the drain on the Federal Treasury by allowing the most efficient allocation of resources. Revenue sharing allows our communities to provide for the specific needs of their citizens, rather than the generic needs that other targeted Federal programs provide.

There is a great myth in Washington that our communities will be able to adjust to a loss of these funds. I wish that were true. For years I have been preaching to the cities and counties not to put these dollars into reoccurring expenses—use them for single expenditures—knowing that the time would come when even this great program would come under attack. One thing I learned about Washington when I was Governor is that nothing is permanent. Unfortunately, many of our communities put these funds into reoccurring expenses because they had no other sources with which to pay for the services. I can't fault them; these local officials were only trying to improve their communities by providing necessary services.

I think that our local officials recognize that revenue sharing will not be around forever. They are preparing to have fewer dollars, and over time will find ways to adjust. But this transition cannot occur overnight. Our communities must be given adequate time to reorder priorities, seek and enact other sources of revenue, and reassess needs, without an interruption in services. I know that there are those who feel that local officials have been on notice for several months now and so should have been able to get their houses in order and prepare for an elimination of these funds. But that simply ignores the realities of local financing and budgeting, and the types of governments these funds go to.

More than 85 percent of the recipients of revenue sharing are local communities with populations under 10,000. The large majority of these communities receive no other assistance from the Federal Government. It is impossible for these communities to replace these funds within a few months or even a year's time. General revenue sharing is the only form of Federal assistance for more than 30,000 local governments. Even providing these communities with an additional two quarters of revenue sharing will not solve their problems. They simply need more time. The 49 largest cities receiving revenue sharing spend 55 percent of these dollars on fire protection, and police protection and education. Perhaps these larger communities will ultimately be able to replace these dollars, but they certainly will not be able to do so within the next few months.

Our cities and counties are strapped for fiscal resources also. A 1985 survey by the National League of Cities showed that 30 percent of the cities responding had already raised property taxes in 1984, 18 percent had raised sales taxes, 24 percent had raised business taxes, and 39 percent had raised user fees. We cannot expect these same communities to raise the additional funds to replace revenue sharing dollars.

The fact is, our communities must provide essential services. Not all communities are fiscally able to do so. Revenue sharing provides a way of sharing the great wealth of this Nation with all in an attempt to give each community the opportunity to provide for its citizens. While I am as strong a supporter of reducing the deficit as anyone, I believe that there are some programs that are worth funding, and general revenue sharing is definitely one of those programs.

I urge my colleagues to recognize the continuing vital needs of our cities and counties and support this amendment.

Mr. PRYOR. Mr. President, I am pleased to join the Senator from New York, Mr. MOYNIHAN, in offering this amendment to provide for full funding for general revenue sharing for the next 3 fiscal years. I know of no amendment that we will consider to this budget resolution that is of any greater importance than this one. Revenue sharing is providing over $42 million to Arkansas cities and counties this year, and a recent study showed that revenue-sharing funds make up over 22 percent of the typical budget for most communities in Arkansas.

This amendment is a fiscally responsible way to continue revenue sharing. The way the amendment is drafted, it will only take effect if two things occur. First, Congress must reauthorize the program. Second, sufficient revenues must be found to pay for the continuation of the program. Therefore, adoption of this amendment will not increase the budget deficit.

Mr. President, revenue sharing is a program that enjoys widespread support, and should stand on its own merits. It's about the only program operated by the Federal Government that cuts out all the redtape and strings that so frequently go with Federal assistance. This program is basically a conduit—funds are returned to the cities and counties of our Nation, and local officials decided how the money is spent, not someone sitting behind a desk here in Washington. This is a very efficient use of tax dollars. It's important to note, Mr. President, that this program doesn't have any bloated bureacracy here in Washington. Only two-tenths of 1 percent of all funds in this program are used for administrative costs. Therefore, 99.8 percent of the money goes to local governments.

Mr. President, I've heard from mayors, county judges, emergency medical personnel, teachers, and many, many others who support this program. These funds are used to provide emergency medical services, transportation for our elderly citizens, police and fire protection, and many other important services.

We shouldn't eliminate this very important program, which is as effective as any program operated by the Federal Government. We should focus our attention on other parts of the budget where inefficiencies are well-documented.

For all of these reasons, Mr. President, I urge the adoption of the pending amendment. Also, I ask unanimous consent that a news article from the Arkansas Democrat on the issue of revenue sharing be included at this point in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

FUNDING LOSS TO HIT ARKANSAS HARDEST

(By Damon Thompson)

WASHINGTON.—Arkansas' cities and counties will lose a bigger portion of their budgets than local governments in any other state if the federal government eliminates its general revenue-sharing program Sept. 30.

The U.S. Conference of Mayors, during a recent meeting at the nation's capital, circulated a chart indicating how much federal revenue sharing goes to local governments in each state and the percentage of local tax increases—excluding school taxes—that would be needed to replace those funds if they were eliminated.

The chart, based on 1985 fiscal year figures provided by the Department of the Treasury, shows local governments in Arkansas receive about $40 million annually from revenue sharing and would have to raise taxes by an overall 22.3 percent to equal that amount.

Only West Virginia, which would require overall local tax increases of 22.2 percent to raise the $44.5 million its local governments get in revenue sharing, was anywhere near Arkansas on the chart.

General revenue sharing, begun in 1972, now provides $4.5 billion in no-strings-attached federal funds a year to local governments nationwide.

However, Congress agreed last year in its 1986 budget resolution to end the program Sept. 30, at the end of the fiscal year, and President Reagan is expected to seek its elimination when he unveils his proposed 1987 budget this week.

That prospect already has local officials and lawmakers from Arkansas and elsewhere scrambling to convince Congress to reauthorize the program. But they say the outlook isn't rosy.

"It doesn't look promising at all to us," Courtney Langston, executive director of the Arkansas Association of Counties, said. "And Arkansas is going to take a big end of the loss."

Langston said elimination of revenue sharing would cut county government budgets on the average by 10.5 percent, or about $290,000 per county.

More specifically, he said the percentage of county budgets that revenue-sharing funds comprise ranges from 5.8 percent in Grant County to a whopping 19.8 percent in Hot Spring County.

The amount of revenue-sharing funds a county gets is based on factors including population and poverty level, which he said were also what determine how heavily counties depend upon them.

Langston said he has been warning county officials to prepare to cut services or find new revenue.

However, he said finding new revenues won't be simple. Twenty-six of Arkansas' 75 counties have already agreed to local sales taxes in recent years, while nearly three-fourths of the state's school districts have enacted millage increases.

"We don't have much of an option in Arkansas, except for the local-option sales tax," he said. "It's not going to be easy to ask for a tax increase in areas where people have already raised them."

In Hot Spring County, where unemployment has spiraled after a shutdown by the aluminum industry, he said a tax increase to cover a nearly 20 percent revenue loss would be an especially severe double whammy.

Don Zimmerman, executive director of the Arkansas Muncipal League, said the problem would be even more severe for Arkansas' cities. He said the cities receive about $24 million overall in revenue-sharing funds which account for 15 to 30 percent of the cities' operating budgets.

"Some cities that are able to have been using revenue sharing only for capital improvements, because they feared this was coming down the pike," he said. "But a large number are using them in their operating budgets right now to pay employees like their firemen and police.

"They're going to have to lay off some of them if they lose it."

Just as the impact on cities will be more acute, so will the problem of raising alternative revenues, Zimmerman said. He said more than 200 municipalities in Arkansas have already enacted a local-option sales tax, either by themselves or along with a county government.

"Most of the places where it would be most beneficial have already got one," he said. "But a lot of cities in Arkansas just don't have the tax base. They could possibly levy a sales tax, but they don't have any degree of retail sales. And counties have a better property tax source and they have pretty good fee systems in place that cities don't have."

Local government had already included this year's revenue-sharing funds in their budgets when Congress passed the Gramm-Rudman deficit-reduction law that mandates automatic 4.3 percent cuts in most non-defense programs in 1986 unless Congress can work out an alternative by March 1.

Congressional leaders have indicated no alternative will be reached, however, meaning Arkansas' allocation of revenue-sharing funds will be cut by about $2 million.

"We'll manage to get by this year, but 1987 will be really critical," Langston said.

In addition to the possible loss of revenue-sharing funds, he said Gramm-Rudman also poses a threat to cities and counties in the form of possible cuts in aid which they traditionally receive through the states in the form of block grant programs.

Sen. David Pryor, D-Ark., said recently he also feared cities and counties could be caught in a crunch if Congress approves a tax reform bill that does away with tax-exempt municipal bonds as well as deductions for state and local taxes.

Mr. METZENBAUM. Mr. President, I rise to express in the strongest terms my support for the Moynihan amendment to fund general revenue sharing in full next year.

Revenue sharing is the only program we have that helps nearly every city, town, and county throughout the country. These local governments depend on revenue-sharing funds to provide essential public services including education facilities, police and fire protection, health and public hospitals, roads, parks, and libraries.

There is simply no question that if this amendment fails, it will mean serious cuts in public services in these communities.

Last year, for instance, revenue sharing represented over 7.9 percent of the total available tax revenues for localities, other than school districts, in my own State of Ohio. That translates to a 7.9-percent reduction in services, or a 7.9-percent increase in local taxes, if this amendment fails.

The fact is, States and localities have been willing to do their share to solve the Federal budget problem. But they have already borne the major brunt of Federal budget cutbacks. Every single assistance program for the cities has experienced major funding cutbacks since 1981.

Communities simply cannot afford to lose revenue sharing. They need revenue sharing to make up for the increasing economic burdens caused by declining Federal support for other domestic needs. For instance, much of the burden of Medicaid cuts will fall on local public health services whose budgets are already strapped. Without revenue sharing to make up the difference, I have no doubt that local health services will decline in quality.

Revenue sharing is ideal for local communities because it is flexible. Communities may allocate the funds to meet their particular needs.

In addition, revenue sharing is efficient. Federal administrative costs are less than two-tenths of 1 percent of total outlays, far less than it would cost most communities to raise the needed revenue themselves.

Mr. President, I believe this is a good amendment. The cities and towns and counties of this country are depending on it. I urge my colleagues to support it.

Mr. KASTEN. Mr. President, I am deeply concerned about the ability of local units of government to finance critical services.

Over the past few years we have taken a number of steps that dramatically erode the ability of local governments to finance these important functions.

We are taking many more this year.

I am especially concerned about the termination of general revenue sharing.

Of all of the programs which assist local units of government, this reaches the most.

Over 39,000 municipalities receive funding from general revenue sharing. Many of these receive no other funds from the Federal Government.

Revenue sharing is critical if these municipalities are to continue essential services.

Instead of eliminating this program, we should be using it as a model of how to efficiently deliver services. General revenue sharing is widely regarded as a program which spends an extremely small fraction of its funds on overhead, and delivers its resources to the actual performance of municipal services.

Many of the communities that depend on revenue sharing will not be able to fill in the void created if this program is significantly cut or terminated.

A very large number of communities are currently levying taxes at the maximum level allowed under State law. In addition, any community which raises its taxes faces the likely prospect of driving revenue producing industries outside of their jurisdiction.

I will support this amendment, although I believe it is imperfect. I believe that fencing the funds for general revenue sharing makes it unlikely that these critical resources be turned over to local units of government.

While I have opposed an increase of Federal taxes, I support this amendment. If we allow revenue sharing to be terminated we are mandating either the termination of essential services such as police and fire protection or an increase in local taxes.

For this reason, I urge my colleagues to join me in supporting this amendment.

Mr. THURMOND. Mr. President, pursuant to the budget resolution passed last year by Congress, authorization for the General Revenue Sharing Program will expire at the end of the 1986 fiscal year. We thoroughly debated this issue last year and decided that the Federal Government no longer had any revenue to share. We still have no revenue to share, and for that reason I am opposed to this amendment which would restore revenue sharing for another year.

Mr. President, when the revenue sharing program was proposed by President Nixon in 1972, it was meant to be used by local governments for capital improvements. Soon afterward, the strings were loosened to give local governments more flexibility and revenue sharing operated much like a block grant. Many local governments began to rely on this source of funds for operating expenditures in lieu of other sources of revenue. Some have become dependent on revenue sharing and naturally want the flow of money from Washington to continue.

Over the past few months, I have heard from local officials all across the country, including a number from my home State of South Carolina. Many of them have urged me to support efforts to resurrect revenue sharing. They have expressed concern that without revenue sharing money, they would have to face the difficult task of either cutting services or raising taxes. Well, that is precisely the decision confronting us here in the Congress. It is understandable that some local officials would prefer that no changes be made and that the Federal Government continue to send them money. Unfortunately, 19 cents out of every dollar the Federal Government spends is borrowed money which adds to the national debt.

Mr. President, all Americans pay for the current $2 trillion national debt our past fiscal policy has created. In fact, interest alone on that debt has become by far the fastest growing part of the Federal budget. It currently takes the personal income taxes of all Americans who live west of the Mississippi River just to pay the interest on the debt. That is correct, just to pay the interest. Most disturbing to me is that the tax dollars that go to pay the interest on our debt do not enforce one criminal statute, help the needy or provide for the national defense.

Really, Mr. President, the money we spend on interest is the ultimate waste of taxpayer dollars. It is not fair to our children and grandchildren for us to ignore the current fiscal crisis. We must confront the problem and make the difficult decisions necessary to ensure the continued viability of our system of Government.

Mr. President, given the financial condition of our Federal Government, I cannot support the continuation of general revenue sharing. Thus, I intend to vote against the pending amendment.

Mr. ROCKEFELLER. Mr. President, I rise in support of this amendment, which would restore full funding to the General Revenue Sharing Program.

Continuing this assistance to local communities is extremely important to local communities throughout the country. In my State of West Virginia, it is absolutely imperative: If revenue sharing payments are eliminated or sharply reduced, most localities will be forced to slash essential public services.

To give a few examples, in McDowell County—one of the poorest areas of the State—revenue sharing pays for part of the police force. Wood County uses the assistance to upgrade its fire department, while Mercer County relies on the program to finance a health clinic. Throughout my State, revenue sharing supports public education, libraries, law enforcement, and other major functions of local government. These are clearly services that no area can readily forego.

It is frequently argued that local governments should go ahead and raise their own taxes to pay for such services rather than depending on the continuation of Federal aid. But in a State like mine, with an unemployment rate above 13 percent, the alternative of raising taxes enough to make up for the loss of revenue sharing simply is not practical. In West Virginia, local taxes would have to be raised 22 percent to generate the funds now provided by revenue sharing. Either way, we lose: Our communities cannot afford that kind of tax increase, but they also cannot afford to let public services deteriorate. Without good facilities and services at the local level, West Virginia's opportunities to attract industry and expand jobs will be greatly diminished.

The revenue sharing program has come under relentless attack from the Reagan administration—despite its push to decentralize and shift various responsibilities from Federal programs to State and local governments. Oddly, the administration does not seem to care whether these units of government have the means of financing such activities: Besides trying to end the revenue sharing program, the administration advocates repealing the deductibility of State and local taxes as well as placing new restrictions on municipalities' use of tax-exempt bonds. In combination, these proposals seem to make the job of adjusting to cutbacks in Federal assistance as difficult as possible.

In 1983, President Reagan said, "The Federal Government has never spent money more wisely than by devoting it to general revenue sharing." He was right then. He is wrong now.

Fortunately, the Senate Budget Committee refused to eliminate revenue sharing, and recommended $1.8 billion for the program in fiscal 1987. That is half the amount approved for fiscal year 1986 after funding was cut back by more than 8 percent in the appropriations process and by 4.3 percent under Gramm-Rudman. Half a program may be better than none, but is not enough. I urge my colleagues to support the amendment and restore full funding for the revenue sharing program.

Mr. LEAHY. Mr. President, I rise today in support of Senator Moynihan and Sasser's amendment permitting the Senate Finance Committee to reauthorize the General Revenue Sharing Program for up to 3 years.

In his fiscal year 1987 budget request, the President recommended the complete elimination of the Revenue Sharing Program and, indeed, called for cancellation of the last quarterly payment for 1986.

This simply cannot be allowed. General revenue sharing allows cities and towns in rural States, like my own State of Vermont, to provide essential services without raising already high property taxes. Vermont's property tax burden is already the 15th highest in the Nation. Eliminating revenue sharing would create an even greater tax burden for Vermonters.

In fact, a recent survey of Vermont town officials found that 75 percent of the State's municipalities would be forced to both raise taxes and cut services to replace lost Revenue Sharing funds.

Nearly one-half of Vermont's towns would be forced to cut social services, at a time when demand for those services has increased by 50 percent at the local level. One-half of Vermont's cities and towns would also have to cut capital expenditures for such items as fire equipment and police cruisers.

Revenue sharing also pays for 15 percent of total local fire protection costs in Vermont and 11 percent of total local police costs.

Eliminating revenue sharing makes no sense either at a time when rural communities across the Nation are struggling to pay liability insurance premiums which have increased by 200 and 300 percent annually.

Ending revenue sharing makes no sense and it will hurt Vermont, whose towns and cities last year received $12.4 million in funds through this important program—funds which otherwise would have to be raised by increasing local property taxes.

Mr. President, I ask unanimous consent that a table showing the amount of revenue sharing funds received by Vermont's towns and cities appear at this point in the Record.

There being no objection, the table was ordered to be printed in the Record, as follows:

FEDERAL GOVERNMENT GRANT AWARDS, PROCUREMENT CONTRACT AWARDS, AND LOANS AND INSURANCE BY GEOGRAPHIC AREAS: FISCAL YEAR 1985

Municipality or township area	Congressional district	U.S. resident population	General revenue sharing
Vermont	00	530,052	12,362,800
Addison County	00	30,890	682,162
Bristol	00	1,815	20,909
Vergennes	00	2,517	53,104
Addison town	00	961	17,432
Bridport town	00	1,040	24,292
Bristol town	00	3,450	42,418
Cornwall town	00	1,037	16,168
Ferrisburg town	00	2,168	34,593
Goshen town	00	185	3,360
Granville town	00	287	9,980
Hancock town	00	367	12,234
Leicester town	00	866	17,092
Lincoln town	00	877	16,851
Middlebury town	00	7,806	209,538
Monkton town	00	1,305	30,461
New Haven town	00	1,264	29,991
Orwell town	00	940	27,438
Panton town	00	588	5,147
Ripton town	00	377	8,678
Salisbury town	00	893	20,591
Shoreham town	00	949	21,577
Starksboro town	00	1,533	21,158
Waltham town	00	415	7,733
Weybridge town	00	667	15,587
Whiting town	00	402	3,627
Balance of county			
County undistributed			12,183
Bennington County	00	34,632	717,600
Manchester	00	626	3,789
North Bennington	00	1,760	19,893
Old Bennington	00	359	2,961
Readsboro	00	412	10,525
Arlington town	00	2,290	37,508
Bennington town	00	16,323	369,391
Dorset town	00	1,733	15,556
Landgrove town	00	130	2,910
Manchester town	00	3,404	58,179
Peru town	00	327	10,163
Pownal town	00	3,432	59,907
Readsboro town	00	658	15,810
Rupert town	00	623	12,062
Sandgate town	00	249	4,136
Searsburg town	00	77	2,551
Shaftsbury town	00	3,185	37,635
Stamford town	00	758	19,928
Sunderland town	00	796	11,642
Winhall town	00	319	11,263
Woodford town	00	327	1,527
Balance of county			
County undistributed			10,244
Caledonia County	00	26,354	661,178
Hardwick	00	1,428	17,276
Lydonville	00	1,390	17,964
West Burke	00	349	
Barnet town	00	1,331	43,889
Burke town	00	1,414	35,307
Danville town	00	1,743	20,202
Groton town	00	726	23,327
Hardwick town	00	2,617	89,953
Kirby town	00	325	10,278
Lydon town	00	5,030	66,381
Newark town	00	324	10,201
Peacham town	00	581	17,822
Ryegate town	00	1,047	21,450
St. Johnsbury town	00	7,844	186,389
Sheffield town	00	443	10,718
Stannard town	00	148	4,590
Sutton town	00	734	16,279
Walden town	00	647	20,943
Waterford town	00	908	30,947
Wheelock town	00	495	11,805
Balance of county			
County undistributed			5,657
Chittenden County	00	121,683	2,227,043
Burlington	00	37,817	975,963
Essex Junction	00	7,375	70,441
Milton	00	1,523	6,952
Richmond	00	918	4,132
Winooski	00	6,535	108,489
South Burlington	00	11,521	170,533
Bolton town	00	763	13,077
Charlotte town	00	2,714	18,246
Colchester town	00	13,751	176,554
Essex town	00	15,071	205,561
Hinesburg town	00	2,948	43,898
Huntington town	00	1,306	22,652
Jericho town	00	3,837	23,833
Milton town	00	7,768	132,125
Richmond town	00	3,552	40,623
St. George town	00	658	3,420
Shelburne town	00	5,421	61,498
Underhill town	00	2,394	34,916
Westford town	00	1,576	32,751
Williston town	00	4,043	46,980
Balance of county			
County undistributed			34,399
Essex County	00	6,588	136,444
Bloomfield town	00	192	1,329
Brighton town	00	1,658	45,321
Brunswick town	00	75	436
Canaan town	00	1,244	28,125
Concord town	00	1,194	16,504
East Haven town	00	278	9,521
Granby town	00	80	891
Guildhall town	00	235	7,293
Lemington town	00	96	2,698
Lunenburg town	00	1,171	15,119
Maidstone town	00	94	3,314
Norton town	00	184	2,231
Victory town	00	55	2,001
Balance of county			
County undistributed			3,661
Franklin County	00	38,039	836,666
Enosburg Falls	00	1,287	24,217
Richford	00	1,414	48,024
St. Albans	00	7,275	228,409
Swanton	00	2,621	35,612
Bakersfield town	00	902	19,608
Berkshire town	00	1,159	29,908
Enosburg town	00	2,131	33,230
Fairfax town	00	1,982	30,889
Fairfield town	00	1,578	25,317
Fletcher town	00	742	12,384
Franklin town	00	1,010	14,752
Georgia town	00	3,132	40,244
Highgate town	00	2,808	46,594
Montgomery town	00	688	23,153
Richford town	00	2,160	72,209
St. Albans town	00	3,647	51,255
Sheldon town	00	1,673	28,789
Swanton town	00	5,355	48,841
Balance of county			
County undistributed			23,251
Grand Isle County	00	4,927	90,056
Alburg	00	540	2,386
Alburg town	00	1,407	28,132
Grand Isle town	00	1,364	17,416
Isle La Motte town	00	386	11,135
North Hero town	00	470	12,126
South Hero town	00	1,280	16,525
Balance of county			
County undistributed			2,336
Lamoille County	00	17,502	544,354
Cambridge	00	221	1,018
Hyde Park	00	502	2,299
Jeffersonville	00	506	2,399
Johnson	00	1,358	10,354
Morrisville	00	2,000	31,345
Stowe	00	559	3,663
Belvidere town	00	232	7,017
Cambridge town	00	2,193	56,818
Eden town	00	710	21,712
Elmore town	00	445	14,368
Hyde Park town	00	2,152	59,822
Johnson town	00	2,551	50,444
Morristown town	00	4,511	127,522
Stowe town	00	3,167	105,131
Waterville town	00	507	5,410
Wolcott town	00	1,036	34,489
Balance of county			
County undistributed			10,543
Orange County	00	23,772	580,006
Bradford	00	867	15,078
Wells River	00	405	7,577
Newbury	00	448	2,556
Bradford town	00	2,319	40,104
Braintree town	00	1,116	29,646
Brookfield town	00	1,001	22,692
Chelsea town	00	1,136	32,329
Corinth town	00	935	14,885
Fairlee town	00	829	17,663
Newbury town	00	1,749	48,315
Orange town	00	761	25,012
Randolph town	00	4,758	124,499
Strafford town	00	831	16,032
Thetford town	00	2,341	35,331
Topsham town	00	778	12,947
Tunbridge town	00	999	25,485
Vershire town	00	434	10,139
Washington town	00	914	23,917
West Fairlee town	00	461	13,021
Williamstown town	00	2,413	51,883
Balance of county			
County undistributed			10,895
Orleans County	00	23,894	739,047
Albany	00	169	361
Barton	00	1,032	14,798
Derby Center	00	610	7,292
Derby Line	00	879	8,757
Newport	00	4,608	288,774
North Troy	00	700	13,971
Orleans	00	977	23,281
Albany town	00	755	19,423
Barton town	00	3,072	40,099
Brownington town	00	740	16,528
Charleston town	00	890	28,232
Coventry town	00	748	15,694
Craftsbury town	00	863	18,493
Derby town	00	4,349	34,843
Glover town	00	843	21,665
Greensboro town	00	694	25,091
Holland town	00	523	16,909
Irasburg town	00	911	20,013
Jay town	00	335	11,285
Lowell town	00	801	19,165
Morgan town	00	488	9,981
Newport town	00	1,312	24,484
Troy town	00	1,468	34,582
Westfield town	00	432	11,271
Westmore town	00	266	8,606
Balance of county			
County undistributed			9,248
Rutland County	00	58,066	1,434,689
Pittsford	00	721	3,262
Poultney	00	1,447	20,248
Rutland	00	17,809	608,317
Benson town	00	792	24,729
Brandon town	00	4,178	77,158
Castleton town	00	3,867	102,805
Chittenden town	00	978	10,947
Clarendon town	00	2,638	35,636
Danby town	00	1,068	25,068
Fair Haven town	00	2,816	54,416
Hubbardton town	00	532	17,595
Ira town	00	388	5,160
Mendon town	00	1,069	5,850
Middletown Springs town	00	643	6,245
Mount Holly town	00	1,046	21,233
Mount Tabor town	00	207	994
Pawlet town	00	1,291	23,977
Pittsfield town	00	401	12,192
Pittsford town	00	2,686	53,044
Poultney town	00	3,054	48,359
Proctor town	00	1,967	42,171
Rutland town	00	3,447	43,726
Sherburne town	00	908	26,268
Shrewsbury town	00	967	11,055
Sudbury town	00	392	4,357
Tinmouth town	00	428	14,053
Wallingford town	00	1,958	35,945
Wells town	00	855	18,122
West Haven town	00	266	4,201
West Rutland town	00	2,418	56,330
Balance of county			
County undistributed			19,426
Washington County	00	53,559	1,257,804
Barre	00	9,898	283,817
Cabot	00	289	953
Marshfield	00	313	1,442
Montpelier	00	8,167	251,961
Northfield	00	2,088	23,762
Plainfield	00	572	2,648
Waterbury	00	1,757	63,437
Barre town	00	7,209	143,518
Berlin town	00	2,462	31,180
Cabot town	00	1,003	22,580
Calais town	00	1,301	15,100
Duxbury town	00	901	13,610
East Montpelier town	00	2,287	19,042
Fayston town	00	711	22,094
Marshfield town	00	1,277	40,547
Middlesex town	00	1,350	22,484
Moretown town	00	1,327	21,661
Northfield town	00	5,643	74,413
Plainfield town	00	1,162	27,520
Roxbury town	00	490	15,847
Waitsfield town	00	1,440	18,487
Warren town	00	988	34,012
Waterbury town	00	4,488	60,162
Woodbury town	00	655	14,444
Worcester	00	804	16,106
Balance of county			
County undistributed			16,939
Windham County	00	38,430	1,140,500
Bellows Falls	00	3,500	92,696
Newfane	00	172	572
North Westminster	00	317	1,318
Saxtons River	00	602	6,403
Westminster	00	362	13
Athens town	00	272	7,663
Brattleboro town	00	12,081	375,484
Brookline town	00	323	3,807
Dover town	00	772	24,299
Dummerston town	00	1,730	22,259
Grafton town	00	650	12,147
Guilford town	00	1,599	17,387
Halifax town	00	511	16,972
Jamaica town	00	696	23,657
Londonderry town	00	1,527	21,634
Marlboro town	00	733	12,981
Newfane town	00	1,213	25,695
Putney town	00	1,826	39,289
Rockingham town	00	5,670	154,207
Stratton town	00	117	4,094
Townshend town	00	899	24,626
Vernon town	00	1,280	42,117
Wardsboro town	00	518	17,079
Westminster town	00	2,746	66,544
Whitingham town	00	1,062	36,020
Wilmington town	00	1,886	63,166
Windham town	00	231	7,866
Balance of county			
County undistributed			18,505
Windsor County	00	52,717	1,315,231

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FEDERAL GOVERNMENT GRANT AWARDS, PROCUREMENT CONTRACT AWARDS, AND LOANS AND INSURANCE BY GEOGRAPHIC AREAS: FISCAL YEAR 1985—Continued

Municipality or township area	Congressional district	U.S. resident population	General revenue sharing
Ludlow	00	1,377	17,513
Perkinsville	00	208	701
Proctorsville	00	493	2,290
Woodstock	00	1,230	11,965
Andover town	00	385	12,482
Baltimore town	00	183	1,225
Barnard town	00	864	12,988
Bethel town	00	1,816	34,757
Bridgewater town	00	920	17,296
Cavendish town	00	1,437	29,506
Chester town	00	2,900	81,074
Hartford town	00	8,477	242,990
Hartland town	00	2,514	27,961
Ludlow town	00	2,473	66,804
Norwich town	00	2,555	22,299
Plymouth town	00	414	10,563
Pomfret town	00	928	10,398
Reading town	00	668	11,300
Rochester town	00	1,075	33,766
Royalton town	00	2,205	40,082
Sharon town	00	969	23,960
Springfield town	00	10,026	297,017
Stockbridge town	00	524	14,278
Weathersfield town	00	2,596	46,035
Weston town	00	653	15,858
West Windsor town	00	820	13,967
Windsor town	00	4,004	118,081
Woodstock town	00	3,315	83,190
Balance of county			
County undistributed			14,865
State undistributed			

Mr. LEAHY. Mr. President; let me also make clear that the Moynihan-Sasser amendment is fiscally responsible. The amendment simply directs the Senate Finance Committee to reauthorize the General Revenue-Sharing Program at a level which is commensurate with the amount of revenue that can reasonably be raised to pay for the program. In other words, this amendment will not increase the deficit.

The amendment simply gives the Finance Committee room to reauthorize revenue-sharing up to the current level of spending on the program, if the committee believes we can afford it.

Let me also emphasize that this amendment must not increase individual income taxes.

The chairman of the Senate Finance Committee and virtually all of its members have stated that any revenues raised to reduce the deficit would not be derived by increasing individual taxes. I also oppose outright any increase in individual taxes to raise the necessary funds to finance this amendment and I encourage the Finance Committee to raise the needed revenues either through a minimum corporate tax or efforts to increase tax compliance.

Mr. President, more than 200 of our largest, most profitable corporations paid less in taxes last year than the average Vermont family. In fact, the Boeing Corp. and Dow Chemical received $13.6 million and $18.5 million refunds, respectively.

Mr. President, I ask unanimous consent that a list of corporations that pay no Federal income taxes appear at this point in the RECORD.

There being no objection, the table was ordered to be printed in the RECORD, as follows:

COMPANIES THAT PAID NO INCOME TAX

[The following chart lists 50 American companies that paid no Federal income tax or received refunds from 1981 through 1984, according to a recent survey of 275 companies by Citizens for Tax Justice. Total profits and tax refunds for that period are in millions of dollars]

Company	Profit	Tax refund	Tax rate (percent)
Boeing Co	$2,099.0	$285.0	−13.6
Dow Chemical Co	972.0	180.0	−18.5
ITT	815	177.7	−21.8
Tenneco	3,401.0	166.0	−4.9
Pepsico	1,798.7	135.8	−7.6
Santa Fe Southern Pacific Corp	2,309.0	133.4	−5.8
General Dynamics	1,579.5	103.8	−6.6
General Electric	9,477.0	98.0	−1.0
Transamerica Corp	748.6	93.6	−12.5
Texaco	1,819.0	68.0	−3.7
Ashland Oil	336.1	62.0	−18.5
Hutton (E.F.) Group	372.5	59.6	−16.0
Weyerhaeuser Co	929.2	59.1	−6.4
Georgia Pacific Corp	783.0	59.0	−7.5
IC Industries	534.7	55.4	−10.4
Northrop Corp	416.8	46.4	−11.1
First Executive Corp	444.2	44.2	−10.0
International Minerals and Chemical	371.6	43.7	−11.8
Mitchell Energy and Development Corp	458.7	41.1	−9.0
Dupont	4,075.0	40.0	−1.0
Mellon Bank Corp	544.7	32.8	−6.0
International Paper Co	1,136.3	32.6	−2.9
Ohio Edison Co	1,524.4	31.8	−2.1
Scott Paper Co	594.6	30.5	−5.1
Philadelphia Electric Co	1,892.5	30.3	−1.6
Panhandle Eastern Corp	1,220.7	28.8	−2.4
Union Carbide	892.0	26.0	−2.9
Piedmont Aviation	169.0	25.4	−15.0
Tesoro Petroleum	124.3	22.5	−18.1
Harris Corp	307.6	19.5	−6.3
Allied Corp	693.0	17.0	−2.5
Columbia Gas System	1,147.1	15.9	−1.4
Northern Indian PSC	792.5	14.6	−1.8
Arizona Public Service Co	1,278.4	14.1	−1.1
Singer Co	194.2	11.6	−6.0
Sun Chemical Corp	103.2	10.4	−10.1
Greyhound Corp	419.9	10.4	−2.5
Centex Corp	264.4	10.2	−3.9
Pennsylvania Power and Light Co	1,362.9	10.0	−.7
Xerox	1,122.7	9.2	−.8
Southwest Airlines Co	213.0	8.1	−3.8
Comerica	135.3	7.1	−5.3
Dun and Bradstreet Corp	967.0	6.7	−.7
Ogden Corp	251.5	5.6	−2.2
Jim Walter Corp	361.7	4.1	−1.1
International Multifoods	43.9	3.2	−7.3
Burlington Northern	2,799.2	1.1	−.0
Tyson Foods	69.1	1.0	−1.4
Grumman Corp	653.4	.0	−.0
Lockheed Corp	1,670.9	.0	−.0

Compiled by James Schwartz—the Washington Post.

Mr. LEAHY. This cannot go on. The Senate Finance Committee ought to report a minimum tax to ensure that these corporations pay their fair share of taxes. As part of the Hollings budget freeze, I was pleased to cosponsor a minimum tax that would raise $15 billion from corporations that previously avoided paying taxes. It can be done. Out of a sense of fairness, it must be done.

Finally, Mr. President, last year the Internal Revenue Service reported that up to $92 billion in revenues could be raised simply by collecting taxes owed to the Federal Government. It makes far more sense to increase efforts to collect back taxes from those who have skirted their responsibilities than raising individual taxes. I urge the Finance Committee to follow the lead that Senator KERRY and I took in offering a successful amendment to Gramm-Rudman-Hollings calling for an annual report on the progress of the Internal Revenue Service's efforts to increase tax compliance.

No American should be asked to pay a single cent more in Federal income taxes, when so much revenue remains uncollected and so many profitable corporations avoid paying their fair share of taxes.

Mr. KERRY. Mr. President, I rise today to express my support for the amendment offered by the Senator from New York which would provide full funding for the general revenue sharing program, through 1989.

Mr. President, general revenue sharing has long been regarded as a vital economic tool in the fiscal and economic planning of our local governments. Since its inception in 1972, the program has proven to be an extremely successful vehicle in strengthening our local governments and maximizing their flexibility in responding to a variety of needs.

General revenue sharing returns to local control, a share of the tax base that localities have contributed. In this respect, the program recognizes the fundamental role that our local governments play in our overall economy. General revenue-sharing funds are distributed to more than 39,000 local communities and go toward providing a variety of services such as police and fire protection, education, health, and sanitation. These services in turn result in positive commercial development, meaningful job training and creation as well as critically necessary human services. There is little doubt that these indispensable services will suffer if general revenue sharing is eliminated.

Mr. President, I am fully cognizant of the severity of our current Federal budget deficit and the serious threat it poses to our economy and our future. I do not believe, however, that elimination of or providing less than full funding for the general revenue sharing program is either a fair or a reasonable approach to addressing this problem.

We are witnessing a massive disinvestment by the Federal Government in our cities and towns. Since 1981, Federal aid to local governments has been cut by almost 40 percent. This disinvestment has meant reduced funding for other essential community programs such as the Community Development Block Grant Program [CDBG); the Urban Development Block Grant Program [UDBG]; and the Community Services Block Grant Program [CSBG]; as well as fewer resources for housing, education, the environment and transportation. The fact that these reductions in aid to our local governments are occurring as our military budget grows by leaps and bounds, makes the disinvestment that much more unconscionable.

In Massachusetts, the reduction or elimination of general revenue-sharing funds will be particularly hard felt due to the existence of proposition 2½. This law constrains local communities in their ability to set new tax rates and thereby offset the losses that will ensue in the absence of general revenue-sharing funds.

Throughout the course of its existence, the General revenue sharing program has enjoyed bipartisan support from both Chambers of Congress. The program has proven itself successful in achieving the goals set forth when the program was established. I reiterate my unqualified support for the general revenue sharing program in general as well as for the amendment under consideration today.

GENERAL REVENUE SHARING

Mr. BYRD. Mr. President, I strongly support general revenue sharing and I am pleased to join my colleagues in sponsoring this amendment, which seeks to continue full funding for general revenue sharing through fiscal year 1989.

The general revenue sharing Program provides assistance to America's 39,000 general purpose local government units. This program has enjoyed strong bipartisan support. It was proposed by a Republican President and enacted by a Democratic Congress in 1972. Three times—in 1976, 1980, and 1983—this program has been extended and amended with strong bipartisan support. And through such actions, the program has been fine tuned and has become more responsive to the needs of local governments. Funds have been increasingly targeted to local units of government. States have been provided greater flexibility in developing formulas for allocating funds to local governments. And provisions have been included which recognize the special needs of those localities with severe economic dislocation.

Last year, when confronted with the President's fiscal year 1986 budget recommendation that the program be terminated, the 99th Congress instead chose to reaffirm its commitment to this program by appropriating $4.185 billion for fiscal year 1986.

But despite general revenue sharing's history of deep bipartisan support, the President's fiscal year 1987 budget once again proposed to strike a death knell for the program: It sought to terminate the program upon expiration of its authorization in 1986. It also requested a rescission of $760 million of the program's fiscal year 1986 post-Gramm-Rudman appropriation.

The budget resolution now before us, proposes a solution but it is only a halfway measure. It would accommodate reauthorization of the program for 1 year and fiscal year 1987 funding of $1.8 billion. But I am convinced that the predicaments of many of our local governments dictate that this is not enough. I believe we need full funding of general revenue sharing.

Mr. President, throughout this Nation, millions of Americans and thousands of local communities are in serious economic trouble. Their needs are genuine and highly visible. Already, 16 States have enacted cuts in their fiscal year 1986 budgets and 7 States have deferred fiscal year 1986 expenditures to later years.

Where are these communities and who are these people? They are located throughout those States with economies that are highly dependent on the gas and oil industries and coal and steel. They are found in the bayous of Louisiana, and the fields of east Texas and Oklahoma; they are cities and townships and villages throughout the States of Alaska and Colorado. And the farm belt is full of distressed communities populated by farmers facing unmanageable debts and unemployed farm workers.

And there are other types of communities and people who are in deep economic trouble, but whose needs are increasingly ignored by this administration. These are the States and communities and families who have failed to reap the economic fruits of the national economic recovery of the past 3 years. They are the victims of deep economic dislocations associated with industrial and technological change. They are ex-employees of a town's closed factories. They are the long-term unemployed. They are the never-employed young men and women.

I know these communities and people, because my State of West Virginia contains many of them. West Virginia has an unemployment rate of over 13 percent—that is almost twice the national rate.

In fiscal year 1985, West Virginia received $44.9 million in general revenue sharing funds. Under the proposal made by the Senate Budget Committee, West Virginia's fiscal year 1987 funding would be reduced to an estimated $18 million. This represents a cut of nearly 60 percent. Most other States will experience even higher percentage cuts.

Due to the State's economic ills, West Virginia counties and municipalities would be dramatically affected by such a funding cut. The "Federal funds information for States" service, reports that in West Virginia during fiscal year 1984, general revenue sharing funds constituted 7 percent of the expenditures of counties and 5.5 percent of the expenditures of municipalities. Indeed, in some smaller West Virginia counties, general revenue sharing represents nearly 30 percent of expenditures.

West Virginia is not alone in its need for general revenue sharing. There are many other States where fiscal year 1984 general revenue sharing funding represented more than 5 percent of county, municipal, or township expenditures. Among such States are Arkansas, Delaware, Illinois, Indiana, Kansas, Maine, Minnesota, Missouri, Nebraska, New Mexico, North Dakota, Pennsylvania, South Dakota, Utah, and Vermont. I might add that 10 of these States along with 22 others project fiscal year 1986 budget balances equal to less than 3 percent of their expenditures.

A drastic reduction in funding for revenue sharing will create economic hardships for many communities across the Nation, compounding an already serious fiscal situation. Mr. President, I hope the Senate will act to help our local governments that form the foundation of this country.

Mr. McCONNELL. Mr. President, I rise to speak in opposition to the Moynihan amendment as a Senator who has seen first hand the good work represented by general revenue sharing funds. While judge/executive of Jefferson County, KY, as much as $9 million or 10 percent of the county budget was funded by revenue sharing. My colleagues have spoken eloquently today about how that money is used around the country. And I am pleased to report that the funds have always been allocated for beneficial initiatives in Jefferson County as well. Revenue-sharing funds have contributed to the maintenance of roads, the construction of drainage projects, and for police and fire protection—all good and worthy efforts.

But, Mr. President, today's debate should have very little to do with whether or not the money is being well spent—it is, and no one disputes that point. The issue we should be discussing is whether or not the Federal Government should foot the bill—whether or not a government that is $2 trillion in debt, with $200 billion being added annually, can or should be asked to pay for local services. Or whether, as the Moynihan amendment requires, we should ask our constituents to pay higher taxes—to send a greater portion of their income to Washington.

Mr. President, I cannot support the Moynihan amendment because I do not believe that Kentuckians want the Federal Government to raise their taxes yet another time to pay for a program that is most efficiently funded at the local level. That is not to say that there is not a great deal of talk about a tax increase on Capitol Hill. Not only is there talk, but the discussion invariably turns to excise taxes. I have raised objections to these regressive taxes—which hurt Kentucky disproportionally—in the context of tax reform and I will continue to do so in the context of our budget debate. The reality is that any vote which adds spending to the budget by an arbitrary tax increase, increases

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the pressure to realize that tax increase by further expanding excise taxes.

Mr. President, the budget debate that faces us will not be easy. There are many difficult decisions yet to be made. I, for one, am not ready to throw in the towel on trying to make the Federal bureaucracy more efficient, rather than give in to the tax and spend mentality held by some in this institution, which has created the budget environment in which we now find ourselves.

Mr. MOYNIHAN. Mr. President, today I propose to maintain full funding—$4.6 billion—for the general revenue sharing program.

Two conditions must be met before the budget resolution would be adjusted to allow for such funding of general revenue sharing. First, the program must be reauthorized; second, additional revenues must be found to cover the costs of the program at the reauthorized level.

The idea of giving local government funds to use them as they best see fit is not new. In fact, the origins of Federal revenue sharing can be traced to Andrew Jackson's administration, which had collected a large Federal surplus from customs receipts and the sale of public lands. The Surplus Distribution Act of 1836 provided that all money in the U.S. Treasury on January 1, 1837, with the exception of $5 million, was to be deposited with the States in proportion to their respective representation in the Senate and the House.

The deposits were made in four quarterly installments; and in return, the States pledged to keep and repay the money as might be required by the Secretary of the Treasury. Of the $37 million available for distribution, only $28 million was actually deposited with the States. Although the transfer of funds was to be temporary and subject to repayment, it was—in actuality—an outright grant, as none of the money was ever requested to be returned.

In this century, congressional attempts to secure Federal tax sharing legislation began in 1949, when, early that year, Representative Errett P. Scrivner (R-Kansas) introduced a bill to authorize the collectors of Internal Revenue to transfer to each State treasury, on a quarterly basis, 1 percent of Federal individual and corporate income taxes collected within the State. Such shared revenues were to be used by the States for "educational purposes only without any Federal direction, control, or interference." Congress failed, however, to take action on this legislation.

The current program has roots tracing back 20 years when, in 1964, I drafted the plank in the Democratic Party Platform calling for revenue sharing with State and local governments. On that occasion, I wrote:

> Consideration should be given to the development of fiscal policies which would provide revenue sources to hard-pressed State and local governments to assist them with their responsibilities.

At that time, we were faced with an elementary fact: The progressive basis of our income tax system caused the revenues of the Federal Government to grow faster than those of State and local governments. This trend threatened the fundamental nature of our federal system, for as money flowed to Washington, so did power.

President Johnson did appoint a task force to study the merits of Federal revenue sharing, but the idea was shelved due to the acceleration of the Vietnam war in 1965 and the attendant increase in defense outlays.

But the idea did not disappear. In 1969, as Assistant to the President for Urban Affairs, I drew up the program and drafted the 1969 Presidential message calling for revenue sharing. And on October 20, 1972, President Nixon signed into law the State and Local Fiscal Assistance Act. At the time, this legislation was seen as a way of halting—or even reversing—the trend toward ever-increasing concentrations of power in Washington at the expense of State and local prerogatives.

Since the creation of the program and its subsequent reauthorizations in 1976, 1980, and 1983, general revenue sharing has provided more than $74 billion in assistance to State and local governments. Today it continues to embody the fundamental concept of maximizing local control over fiscal decisions. The original program has been reformed some, to ensure that the funds would be sent to the governments which most need them. When first established, State governments as well as localities received revenue sharing funds. In 1980, this was changed to reflect the view that State governments were in better financial shape than the Federal Government.

Today, general revenue sharing continues to provide needed funds to cities and towns throughout the country on the basis of fiscal need and capacity. More than 39,000 units of Government are eligible for the program, including 3,049 counties nationwide. Jurisdictions with populations of less than 10,000, most of which receive no other assistance from the Federal Government, account for more than 85 percent of the program's recipients. Revenue sharing is the only form of Federal assistance received by more than 30,000 local governments.

These communities need the general revenue sharing program. Sixty-two percent of all revenue sharing funds goes to jurisdictions with per capita incomes below the national average. Fully 93 percent goes to those with per capita incomes below 125 percent of the national average.

And these funds are used well. Almost half pay for police, fire, schools, and hospitals. They are also used to help maintain roads, highways, and bridges and to build jails.

Less than 0.2 percent of the funds are used for administrative costs, making the program one of the most efficient the Government has ever established.

What would happen if this program were eliminated?

For many local governments, taxes would have to be increased more than 30 percent to compensate for the loss of general revenue sharing. The national impact of eliminating the program would on average be a 9.2-percent increase in local property taxes. If the loss were made up through local service cuts, these would result in reductions in force nationally of 18,494 police officers, 18,152 fire officers, 18,152 teachers, 20,220 human service workers, and 26,065 street maintenance workers.

In my own State of New York, the city of Syracuse, which uses its general revenue sharing funds for fire department salaries, would have to increase property taxes $4.48 per $1,000 of assessed value to compensate for the GRS fund losses.

Albany, which also pays its firemen with general revenue sharing funds, would have to increase property taxes $4.91 per $1,000 if the program were eliminated.

The loss of GRS funding for the city of Oneonta would translate into an increase of 9.5 percent in the local property tax levy.

For the village of Saugerties, the elimination of general revenue sharing would result in a 22.6-percent increase in the town's general tax.

Mr. President, the list goes on and on, but at this point, because it is best said in their own words, I ask unanimous consent that letters from the following officials be printed in the Congressional Record at this time: Lucille Pattison, Dutchess County executive; Arthur LeFevre, supervisor of the town of Plattsburgh; Thomas Bradley, supervisor of the town of Alexandria; Stephen Snyder, supervisor of the town of Onondaga; Thomas Whittaker, clerk of the board of supervisors, County of Chenango; Robert Densberger, Chemung County executive; David Miller, mayor of the city of Tonawanda; and Lucien Morin, Monroe County executive.

What most distresses me about the possible elimination of the general revenue sharing program is that today our local governments are in no position to make up for the loss of GRS funding.

City governments most certainly are not. A recent study by the Joint Economic Committee found that, despite the strong economic recovery, 53 percent of cities surveyed had an actual current operating deficit in 1983—a 13-percent rise over 1982.

Another study, published in the March/April 1985 New England Economic Review, examined the ability of 86 central cities to raise revenues from their own sources from 1970 to 1982: It reported that almost 30 percent of large central cities experienced a decline in fiscal capacity during the 1970's. It concluded: "Many U.S. cities will find it increasingly difficult to raise enough locally generated tax revenue to offset declines in inflation-adjusted Federal or State aid or growing public service demands."

Nor are county governments in a position to make up the difference. Since 1981, county governments have had to raise taxes to compensate for reductions in Federal funding. The share of county government revenue coming from local sources rose by 4.2 percent from fiscal years 1981 to 1984, while the Federal and State portions each fell by approximately 2 percent. Moreover, county property tax collections increased 8.8 percent in 1984 over 1983. Elimination of GRS would necessitate more tax increases.

Finally, State governments are in no position to make up for the elimination of general revenue sharing. The alleged State surpluses are illusory: More than 80 percent of the surpluses consist of social insurance funds. Some States do hold budgetary surpluses, but in fiscal year 1986, nearly 50 percent of these are held by four States—California, Minnesota, Illinois, and Wisconsin. And though 15 States may propose tax cuts in fiscal year 1986, 23 others are expected to raise taxes.

General revenue sharing is a vital program for our localities. Its loss will most surely result in either the elimination of vital services to our citizens or increased local taxes.

We must not let this program end, and I urge my colleagues to support this amendment.

There being no objection, the material was ordered to be printed in the Record, as follows:

The Dutchess County Executive,
Poughkeepsie, N.Y., February 24, 1986.
Hon. Daniel P. Moynihan,
Russell Senate Office Building, Washington, DC.

Dear Senator Moynihan: I call to your attention again my deep concern about the proposed elimination of the general revenue sharing program.

This program has been exceedingly valuable to Dutchess County. As you can see by the attached list of GRS expenditures for 1984, 1985, and this fiscal year, our revenue sharing is not spent frivolously. Should revenue sharing be eliminated there will be a resulting property tax increase for our County residents.

I urge you to co-author a GRS reauthorization bill and to work actively for its passage.

Sincerely,
Lucille P. Pattison,
County Executive.

Town of Plattsburgh,
Plattsburgh, NY, March 17, 1986.
Senator Daniel Patrick Moynihan,
Russell Building, Washington, DC.

Re: Federal general revenue sharing funds, town of Plattsburgh.

Dear Senator Moynihan: The Town of Plattsburgh, a small municipal government (16,000 plus population) in upstate New York on the shores of Lake Champlain, wishes to express to you and other members of the Federal and State Government that the Town of Plattsburgh relies on Federal Revenue Sharing Funds to provide basic governmental services in the areas of recreation, highway construction and repair, basic library services, sanitary land fill closure program and other community services. Federal Revenue Sharing has been a tremendous asset to small governments throughout our country.

The proposal for the Administration to rescind the general revenue sharing payments during the final quarter of fiscal year 1986 and to terminate the Federal Revenue Sharing Program for fiscal year 1987 will create a severe increase in local taxes to Town residents in order to continue to provide these basic services in the Town of Plattsburgh.

The Town Board and I strongly urge you and your fellow legislators to support and continue the Federal Revenue Sharing Program. We urge you to continue the procedures that you have taken in support of the Federal Revenue Sharing Program payments to all local municipalities. Federal Revenue Sharing payments assist local government in providing the very important and essential forms of government service as mentioned above including police, fire, schools, hospital, and many other programs provided by other levels of local government with these funds.

Sincerely yours,
Arthur L. LeFevre,
Supervisor
Town of Plattsburgh.

Town of Alexandria,
County of Jefferson,
Alexandria Bay, NY, April 17, 1986.
Senator Daniel P. Moynihan,
Russell Senate Office Building,
Washington, DC.

Dear Senator Moynihan: The Town of Alexandria is very concerned about the impending loss of the Federal Revenue Sharing Program. The loss of Revenue Sharing will have a devastating effect on our taxpayers.

Being a town in northern New York with a high seasonal unemployment rate and a large number of retired and senior citizens, the impact of the loss of Revenue Sharing on real property taxes will be significant. The Town is worried about where these citizens will be able to find the money to pay the extra taxes.

The Revenue Sharing Program in our community is used to help provide services such as our sanitary landfill, liability insurance, highway garage, and library among others. If the Federal Revenue Sharing Program is ended the Town of Alexandria will be faced with a decision of cutting back services to the taxpayers, or the raising of property taxes. This would be a no win situation for everyone concerned.

The Board members of the Town of Alexandria would like to urge you to continue the Federal Revenue Sharing Program. It is a necessary and needed program not only for our community, but for every community in the state.

Thanking you in advance for your cooperation.

Very truly yours,
Thomas J. Bradley,
Supervisor.

Town of Onondaga,
Syracuse, NY, March 20, 1986.
Hon. Daniel P. Moynihan,
U.S. Senate,
Washington, DC.

Dear Senator Moynihan: As Supervisor for the Town of Onondaga, I am writing to express my concern over the possible elimination of the General Revenue Sharing Program.

Over the past several years the Town of Onondaga has greatly benefitted from these funds. General Revenue Sharing Funds have been used for various projects including a new highway garage; funds to improve library services; and several energy conservation projects to enhance the efficiency of Town Hall.

Without Revenue Sharing Funds, the increase in local taxes would severely undermine the quality of life in our town. On behalf of the citizens of the Town of Onondaga, I urge your support for the retention of federal assistance through the General Revenue Sharing Program.

Thank you for your time and consideration.

Very truly yours,
Stephen Snyder,
Supervisor.

County of Chenango,
Board of Supervisors,
Norwich, NY, January 16, 1986.
Hon. Daniel P. Moynihan,
U.S. Senate,
Russell Senate Office Building,
Washington, DC.

Dear Senator Moynihan: I am herewith enclosing a certified copy of Resolution #12-86 entitled, "Supporting Enactment of U.S. Senate Bill S1964, An Act To Extend The Revenue Sharing Program For Local Governments Through The Fiscal Year 1988," adopted by the Chenango County Board of Supervisors on January 13, 1986.

Your assistance in implementing the intent of this resolution will be greatly appreciated.

Very truly yours,
Thomas M. Whittaker,
Clerk, Board of Supervisors.

Resolution No. 12-86

Finance Committee offered the following and moved its adoption:

Whereas, the General Revenue Sharing Program is scheduled for termination as of September 30, 1986, and

Whereas, these funds have been used to support police departments, and schools, as well as the maintenance of bridges and highways, and

Whereas, the termination of this program would result in either significant decreases in essential local services or a substantial increase in local taxes to continue these services.

Now, therefore, be it

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Resolved, That the Chenango County Board of Supervisors supports #S1964, which extends the General Revenue Sharing Program, and be it further

Resolved. That certified copies of this resolution be sent to President Reagan, Senators D'Amato and Moynihan, House Representative Boehlert, NYSAC, NACO and the Supervisors' and County Legislators' Association.

CHEMUNG COUNTY,
Elmira, NY, March 26, 1986.

Hon. DANIEL P. MOYNIHAN,
U.S. Senator,
Dirksen Office Building,
Washington, DC.

DEAR SENATOR MOYNIHAN: I am writing on behalf of Chemung County to urge your continued support for the maintenance of the General Revenue Sharing Program.

This program has been targeted for elimination by the Reagan Administration in their efforts to balance the budget. While we applaud these efforts to control the national debt, we believe that in eliminating a program such as this, it will merely be shifting that debt from a national level to a local level and, therefore; having no real benefit to the citizens of localities like Chemung County.

Last year our county received $1,115,419 from this program. We used these monies to staff road patrols for our Sheriff's department, fund local portions of mandated welfare programs, help pay for a portion of our debt service, and pay for a portion of our employee fringe benefits. Chemung County, as well as other counties in the Southern Tier, is just beginning to show signs of recovery and depends on these monies. The elimination of this program would result in either a 12% tax hike, or reduction/depletion of very needed services to the people of Chemung County. Either one of these options would be devastating to our efforts to rejuvenate local economies.

In closing, we appreciate your past efforts in this area and urge you to continue the fight to maintain this still needed program.

Sincerely,

ROBERT G. DENSBERGER,
Chemung County Executive.

CITY OF TONAWANDA,
Tonawanda, NY, March 19, 1986.

Senator DANIEL PATRICK MOYNIHAN,
Senate Office Building,
Washington, DC.

DEAR SENATOR MOYNIHAN: I am writing in my capacity as Mayor of the City of Tonawanda, New York, to express my opposition to the proposed elimination of the General Revenue Sharing Program. I urge you to support legislation which would extend this program beyond September 30, 1986, when it is scheduled to expire.

The City's ability to generate revenue is limited, due to the fact that the City of Tonawanda remains in an economic slump and recently suffered two plant closings. This makes a property tax increase that would be required to offset the loss of revenue very difficult.

As Mayor, I can assure you that Federal Revenue Sharing Dollars are much needed, well spent and indispensible to the City of Tonawanda. While I am fully aware of the need to reduce the Federal Budget deficit, it is my firm conviction that efforts to do so should not come unfairly at the expense of the City of Tonawanda and the thousands of cities and towns like it.

In conclusion, once again, I strongly urge you to lend your support to preserve this vital form of Federal Assistance to our local governments.

Thank you for your time and consideration.

Sincerely yours,

DAVID L. MILLER,
Mayor.

COUNTY OF MONROE,
Rochester, NY, January 13, 1986.

Hon. DANIEL PATRICK MOYNIHAN,
U.S. Senator,
Russell Senate Office Building,
Washington, DC.

DEAR SENATOR MOYNIHAN: As Congress debates the continuance or termination of the Federal Revenue Sharing Program, I feel it important for you to know how significant this program is for local governments throughout New York State and the country.

As Monroe County Executive, I strongly urge you to support the continuance of this most vital program beyond Federal Fiscal Year 1986-87. The elimination of this program will create a fiscal nightmare for this community and local governments across the country.

General Revenue Sharing provides a source of revenue free of federal red tape and bureaucracy, which is used to provide essential local government services. It is the one program under local control which can be used by communities to fill the gaps left by federal budget cuts. According to the National Association of Counties' survey pertaining to this program, in 98% of mid-size counties, General Revenue Sharing pays for services to the poor and disadvantaged; in 83% of larger counties, it is providing needed health care services; in over one-half of all counties, General Revenue Sharing is used to meet the mandates imposed by state and federal governments; and in one-quarter of all counties, General Revenue Sharing accounts for more than 10% of the entire county budget.

In Monroe County, approximately 64% of our total 1986 budget of $501 million will be used for mandated programs. Over the years, the county government has emerged as the primary unit of local government. Accordingly, the county has assumed increasing responsibility for the delivery of essential services benefiting the entire community. Throughout this period of increasing costs, Monroe County has used federal Revenue Sharing funds exclusively for social services programs. If Revenue Sharing funds are not continued, Monroe County will be faced with a loss of $4.4 million. This can only be accommodated with a tax increase, which obviously will place an additional financial burden on the residents of our community. Any decision to either raise county property taxes or reduce programs for the needy and disadvantaged will have a profound negative effect on this community.

The concept behind the Revenue Sharing Program is a fundamental premise of federalism. This program is not revenue sharing, but, rather, tax base sharing designed to assist local governments in carrying out national policy objectives.

Again, on behalf of the residents of Monroe County, and those taxpayers throughout the state and nation, I strongly urge you to support the continuance of this most vital program.

Sincerely,

LUCIEN A. MORIN,
County Executive.

Mr. METZENBAUM. Mr. President, does the Senator from New Mexico have the floor at the moment?

Mr. DOMENICI. Mr. President, I do not, but I had been waiting for Senators DECONCINI and ABDNOR to present an amendment. I understand that Senator ABDNOR is here now.

Mr. METZENBAUM. Senator DECONCINI will not be able to come.

Under the circumstances I ask unanimous consent that the Moynihan amendment be temporarily set aside in order that I may offer an amendment with the understanding that the vote in connection with my amendment would not occur until the vote had occurred with respect to the Moynihan amendment in the event there is such a vote.

Mr. DOMENICI. Mr. President, reserving the right to object, we have no unanimous-consent agreement as to the time that we would vote on the underlying amendment. So long as it is understood that when the manager or the majority leader is ready, no sooner than 2:15 p.m., will set the Senator's amendment aside and proceed to vote on the underlying Moynihan amendment, I have no objection.

Mr. FORD. Mr. President, reserving the right to object, is this amendment going to be in the second degree, too?

Mr. MOYNIHAN. No.

Mr. FORD. That is going to be set aside and the revenue-sharing amendment will not be disturbed.

Mr. METZENBAUM. That is correct.

Mr. FORD. I have no objection.

Mr. METZENBAUM. I thank the Senator.

Mr. DOMENICI. Mr. President, I understand we have a message from the President.

MESSAGE FROM THE PRESIDENT

A message in writing from the President was delivered by Ms. Sara Currence Emery, Special Assistant to the White House Executive Clerk.

Mr. BYRD. Mr. President, will my colleague yield to me 1 minute?

Mr. CHILES. I yield.

Mr. METZENBAUM. I thought I had the floor, but I yield the floor to my colleague, the distinguished minority leader, without losing my right to the floor when he concludes his remarks.

Mr. BYRD. Mr. President, I thank the Senator from Ohio, the Senator from Florida, and the Presiding Officer.

Mr. President, the message from the President that has just been presented to the Senate marks the first time in

the history of the Senate that a woman has delivered such a message from the White House. I further note that the messenger, Sara Currence Emery, who is the first woman special assistant to the Executive Clerk of the White House was born and raised in Marlinton, WV. Marlinton is in beautiful Pocahontas County, which also contains most of the Cranberry Wilderness Area.

Sara Currence Emery is a graduate of West Virginia University. She came to Washington, DC, to work at the White House, where she has been employed for the last 17 years.

I wish Sara all the best in her new responsibilities.

I thank the Senator.

CONCURRENT RESOLUTION ON THE BUDGET, FISCAL YEAR 1987

The Senate continued with the consideration of the concurrent resolution.

AMENDMENT NO. 1801

(Purpose: To add funds for the supplemental food program for women, infants, and children (WIC), the maternal and child health block grant program, the childhood immunization program, and the community health centers program)

Mr. METZENBAUM. Mr. President, I send an amendment to the desk and ask for its immediate consideration.

The PRESIDING OFFICER. The amendment will be stated.

The assistant legislative clerk read as follows:

The Senator from Ohio [Mr. METZENBAUM] for himself, Mr. SARBANES, and Mr. BUMPERS, proposes an amendment numbered 1801.

Mr. METZENBAUM. Mr. President, I ask unanimous consent that the reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

On page 2, increase the amount on line 3 by $145,000,000.

On page 2, increase the amount on line 4 by $42,000,000.

On page 2, increase the amount on line 5 by $10,000,000.

On page 2, increase the amount on line 8 by $145,000,000.

On page 2, increase the amount on line 9 by $42,000,000.

On page 2, increase the amount on line 10 by $10,000.000.

On page 2, increase the amount on line 19 by $200,000,000.

On page 2, increase the amount on line 24 by $145,000,000.

On page 2, increase the amount on line 25 by $42,000,000.

On page 3, increase the amount on line 1 by $10,000,000.

On page 5, increase the amount on line 5 by $145,000,000.

On page 5, increase the amount on line 6 by $42,000,000.

On page 5, increase the amount on line 7 by $10,000,000.

On page 5, increase the amount on line 10 by $200,000,000.

On page 5, increase the amount on line 15 by $145,000,000.

On page 5, increase the amount on line 16 by $42,000,000.

On page 5, increase the amount on line 17 by $10,000,000.

On page 17, increase the amount on line 16 by $125,000,000.

On page 17, increase the amount on line 17 by $76,000,000.

On page 17, increase the amount on line 25 by $35,000,000.

On page 18, increase the amount on line 8 by $10,000,000.

On page 19, increase the amount on line 18 by $75,000,000.

On page 19, increase the amount on line 19 by $69,000,000.

On page 20, increase the amount on line 4 by $7,000,000.

On page 33, increase the amount on line 13 by $145,000,000.

On page 33, increase the first amount on line 14 by $42,000,000.

On page 33, increase the second amount on line 14 by $10,000,000.

On page 44, increase the amount on line 6 by $145,000,000.

On page 44, increase the first amount on line 7 by $42,000,000.

On page 44, increase the second amount on line 7 by $10,000,000.

Mr. METZENBAUM. Mr. President, the amendment which I and Senator SARBANES have introduced today provides for moderate increases in four key programs which meet the health and nutrition needs of America's most vulnerable children.

Our amendment provides $75 million for the WIC Program; $75 million for the Maternal and Child Health Program; $25 million for immunizations; and $25 million for community health centers. The offset is from General Revenues. Together, these programs form the front line in the battle against infant mortality, low birthweight, and childhood disease.

This child health initiative is an investment—it is not a cost, it is an investment of $200 million over the next 3 years to save anywhere from $600 million to a billion dollars in the future.

It represents a cost-effective expenditure on programs with a proven track record of delivering value for the Federal dollar.

Mr. President, it is a scandal that today there are over 13 million American children living below the poverty line; that one-third of this Nation's children lack adequate health insurance; that over half of all black preschool children are not immunized against childhood diseases; that 1 in 10 poor children under the age of 2 does not see a physician even once during an entire year.

Mr. President, ours is a nation where technological genius abounds, yet ours is also a nation where infant mortality rates for black infants in Cleveland, Chicago, Detroit, and so many other cities and communities throughout the Nation exceed those in Cuba, Jamacia, Puerto Rico, Bulgaria, Czechoslovakia, East Germany, and Poland.

As my colleague, Senator CHILES, recently pointed out, we still have nearly 10 white babies, close to 20 black babies, and 17 other nonwhite babies die for every 1,000 who are born. The GAP between black and white infant mortality has increased to the worst point in over 40 years.

And what has been our response? The Maternal and Child Health Program has been cut over 20 percent in real terms since 1981. Mr. President, this is a program which saves anywhere from $3 to $11 in the costs of medical care after birth and of institutional care for some of the babies who would have been born handicapped.

Community health centers, which provide critical prenatal and children's health services, have been frozen in real terms over the same period.

On January 10, the U.S. Department of Agriculture released a comprehensive study on the WIC Program. The report documents the significant positive impact this feeding program has had on maternal and child health in America. Yet, currently, the WIC Program serves less than 40 percent of the women, infants, and children who are eligible.

Mr. President, each dollar spent to immunize a child against measles saves over $7 in reduced illness and hospitalization costs, according to the Centers for Disease Control. Yet, over half of all black preschool children are inadequately immunized against childhood diseases, and reports from around the Nation indicate that anywhere from 65 to 80 percent of school-aged children are suffering from one or more untreated health conditions. It is anyone's guess how many of these conditions could have been prevented with an adequate Immunization Program.

The Current Immunization Program contains enough funds to finance a full series of immunizations—including pertussis, tetanus, diphtheria, measles, mumps, rubella, polio, and meningitis—for about 1 million children each year. Yet there are 21.3 million children in the United States below age 6. Nearly 1 in 5—about 5 million—is poor.

Mr. President, my amendment provides an additional $25 million for the Childhood Immunization Program in order to purchase a complete immunization series for an additional one-half million infants, toddlers, and preschoolers.

It also contains an additional $75 million for WIC which will ensure food supplements for an additional 156,250 pregnant women and their infants and young children.

In providing $75 million for maternal and child health as well as $25 million for community health centers, the amendment ensures that thousands of medically underserved pregnant

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women, infants, and school-aged children will receive badly needed health care services.

Mr. President, I am sure we will hear from those who say these are good programs but we just cannot afford to increase them. I believe we can. I believe we cannot afford not to increase them. Our Tax Code is so riddled with corporate loopholes, that a single year's tax refund for the AT&T Co. could finance the entire cost of this amendment with $81 million to spare. (AT&T earned $1.9 billion in 1984, paid no Federal income taxes, and yet received a refund of $281 million).

I could stand on the floor and recite instance after instance after instance of large corporations in this country, many of whom are major defense contractors, making hundreds of millions and billions of dollars and receiving tax refunds. Why can we not address ourselves to that issue and why can we consider that we cannot afford to take care of the children in this country?

Over a 4-year period, two of this Nation's biggest defense contractors, General Dynamics and General Electric, earned over $11 billion in profits, paid no Federal income taxes, and received a tax refund of $200 million. If they just paid no taxes over this period, but we kept the refund, we would have enough money to pay for this amendment.

I ask the question, Can we afford to spend $150 million a year on military bands and refuse to spend an extra $200 million on crucial children's health programs?

Mr. President, I think not.

This amendment is modest—$145 million in outlays in fiscal year 1987, $42 million in fiscal year 1988, and $10 million in fiscal year 1989.

I urge my colleagues to support this amendment.

Mr. President, I ask for the yeas and nays, with the distinct understanding that I had previously offered a unanimous-consent request that the yeas and nays, when ordered, would come after the Moynihan amendment had been disposed of.

The **PRESIDING OFFICER** (Mr. NICKLES). Is there a sufficient second? There is a sufficient second.

The yeas and nays were ordered.

Mr. **BUMPERS**. Will the Senator from Ohio yield a couple of minutes to me?

Mr. **METZENBAUM**. There is no time limit.

Mr. **BUMPERS**. Mr. President, I will just take a few moments to say that I strongly and heartily support the amendment of the Senator from Ohio. It makes sense that he is trying to increase the funding for these programs because the benefit/cost ratios of those programs range anywhere from 15-to-1 to 5-to-1.

I have said many times in the past 10 years, as we have cut Federal funding for education from 12 percent of all the funds for education down to 6.7 percent, that we are going to wind up paying a high price for these cuts. You can argue philosophically and ideologically that the local school districts ought to be raising this money or that the States ought to be raising the money, but if the United States allows Federal funding for education in this country to be whittled away, we may wind up with one or two generations where the illiteracy rate climbs dramatically.

The only reason in the world the Federal Government ever gets involved in education or health care or anything else is because we are a union of States and we have concerns about all the people in the country, not just those who can afford good education and good health care for their people.

I was visiting with a fellow the other day who said something about, "Let the States and the local school districts decide how much they want to spend on schools."

That is fine if you just look at education spending or health care spending in a vacuum. But there is a considerable difference between how much money the people of Scarsdale can afford and how much the people of South Bronx can affort for the education of their children. Now that is a slightly convoluted example of what we are talking about; that is, the question of whether some poeple are going to get education or health care and others are not. One of the real problems we have in this country is we have been moving toward a dual health care system: One for those that can afford it and one for those who cannot.

This is not a big amendment considering the way we spend money around here. The kind of money the Senator from Ohio is talking about would last the Pentagon about 15 minutes. And yet there is a real danger in this country that we are going to allow the immunization levels of our children to drop back. We are now 16th among all the nations of the world in infant mortality. The United States of America, the most powerful rich nation on Earth, 16th in infant mortality.

And the Maternal and Child Health Care Program is a program that is crucial in every State. Every State has some latitude as to how they are going to use MCH money. But in my State we use it to make sure that pregnant women get a proper diet and good prenatal medical care so that they have healthy babies.

Let me give you an illustration. Two hundred low-weight babies will cost the U.S. Government more money over the next 50 years than this entire amendment will cost. You have heard me preach this sermon on immunizations 100 times in the 11 years I have been here. And you all know that my wife was active in immunizing all the children of my State when I was Governor, and she was responsible for immunizing all of the children of the country after I came to the Senate. But we spent less money in 2 years to raise the immunization levels of our State's children from 78 percent to 96 percent than it would have cost to institutionalize one rubella syndrome child for a lifetime.

So I feel stronger about the funding for the immunization program that is incorporated into this amendment than I do the other three items. But they are all important. I spoke to the Arkansas Medical Society luncheon last Friday, a week ago tomorrow. And I talked about preventive health. And while the inflation rate for health care has been declining—down to a 9.3-percent increase in 1984, the lowest increase in any year since 1963—we still have not really dealt with the one thing that would do more to cut health care costs in this country than anything else; that is, preventive health.

The Census Bureau and the National Institutes of Health tell us that nutrition is extremely important to health, and yet we do not have a national nutritional counseling service. Hubert Humphrey used to stand at this desk right here in front of me, and make the speech I heard him make many times in the short time I was privileged to serve with him—a speech about how we talk about health insurance in this country, that we really ought to change the name of it so it would be more appropriate, and call it sick insurance because none of it is any good unless you get sick.

The Ford Motor Co. decided several years ago to implement an experimental program for its own employees in an attempt to cut down the cost of health care. Over a 3- or 4-year period they did a lot of things. The principal one was that everybody over 40 years of age who worked for them had to have a physical examination every year. They found that they saved themselves millions of dollars in health care costs with that requirement.

Every one of the items listed in the amendment of the Senator from Ohio comes under the category of preventive health—the cheapest health care dollar we spend. The Senator from Mississippi, the senior Senator from Mississippi, has always helped on Maternal and Child Health Care and WIC Programs because Mississippi has a demonstrated benefit/cost ratio from the maternal health care programs of $10 saved for every dollar we spend.

I am not going to vote for every amendment that comes up here. A lot of them are going to be meritorious, laudable, and I do not want to vote against them. But I can tell you there will not be one single amendment offered here, with the possible exception of the amendment of the Senator from Massachusetts dealing with Medicare, there is not going to be an amendment offered here that goes right to the heart of health care in this country like this amendment does. If we pass this amendment, we can spend $200 million and possibly save ourselves $2 billion a year.

We had an outbreak of measles this year on the campus of the University of Arkansas, and it was bad. It cost more than half a million dollars just to get that one little outbreak under control. The good news out of that was we were able to get the outbreak under control quickly. My wife accuses me of always talking about the bad news. She said it was bad that the measles outbreak occurred but there was something very good and very positive about it also. Only one age group—college age students—got the measles, apparently because they had gotten defective vaccines back in the early 1960's. The good news was that because we had immunized all the people after that time with effective vaccine, the outbreak did not spread beyond that particular age group.

But I can tell you that it is easy to assume that childhood diseases have been conquered once and for all, but they have not. You must stay on top of them year in and year out. You must do followup if the immunization program is to be effective and provide the cost/benefit ratios we want.

So, Mr. President, I hope that the people in this body will support this amendment. I know it is $200 million. I know the budgetary constraints we are operating under. But I can tell you one thing: Gramm-Rudman will be a lot tougher to deal with 3, 4 years down the pike if we start shortchanging programs like this.

Mr. President, unless somebody else wishes the floor, I suggest the absence of a quorum.

The **PRESIDING OFFICER**. On whose time?

Mr. **DOMENICI** addressed the Chair.

The **PRESIDING OFFICER**. The Senator from New Mexico.

Mr. **DOMENICI**. Mr. President, let us assume as Senators that whatever the distinguished Senator from Ohio has said about the condition of things out in our country relevant to the groups we are helping in these programs is true. Let us also assume that in the areas that the Senator from Arkansas spoke of there are some problems. I hope everyone understands in the Budget Committee, which was bipartisan, is we did not cut these programs. Funding for discretionary health in this budget that is before us is $74 million above the 1986 funding level. The WIC Program is already $52 million above the 1986 level. In January there were 3,323,588 women and infant children participating in this program.

For a time, 2 years ago, we could not even get people on fast enough. The States were not even able to get on the people that we were giving the money for. That is still the case in a few States, but over 3 million are now being taken care of. The budget resolution contains $52 million above the 1986 level for the WIC Program.

The Senate Budget Committee reported out by a bipartisan rate contains $300 million for the years 1987 through 1989 in higher Medicaid spending for infant mortality initiatives. In fact, the distinguished Senator from Florida, Senator CHILES, has already in fact introduced legislation that would address the high infant mortality rates. Clearly, there is sufficient money in this budget resolution for the appropriators to take additional steps to deal with this problem.

This amendment, clear and simple, says, "We have to tax the people $200 million more because the amendment says we have to add more to programs that we have already added to."

It is hard for the Senator from New Mexico to come down here when our country, like most countries in the world, has some health problems. It is doubly hard when they are women, infants, and children.

I submit that we are doing a good job. I submit that the Senate Budget Committee was well aware that while we cut other programs, while we ordered reforms of other programs, these programs ought to increase.

I had a suspicion about what would happen this year in spite of the need for fiscal restraint. We made a decision, and made a bipartisan agreement in committee. We added where some Democrats thought we ought to add. We added where some Republicans thought we should; and we reached an agreement, I had a suspicion that when programs like these, a Senator would come to the floor and say that the problems are still not solved out there and we need more money.

I suspected that the Gramm-Rudman rules would not have stopped any of that, that it would be here just as it is all the time. I imagine that even if we had added $200 or $300 million, people would come to the floor and ask for more money. They would talk to us and, in a sense, talk to their constituents, to make a point that they support higher funding because the problem is still there.

Our Government spends $119 billion for health care. When you look out across the land there is $119 billion for health care. Any of us, given 24 hours' notice, can get somebody with statistics, somebody with numbers, somebody with ideas, to say, "We still have people who either cannot afford health care, who are still ill, who are not able to get this, that, and the other." We still have problems. The $119 billion ought to be $140 billion. Someone may offer an amendment that we ought to spend another $30 billion or $40 billion. Every time we have this kind of problem in the budget and in the appropriations process there is no question that an argument can be made and a difficult vote can be put before the Senate. Who wants to be against more money for these kinds of problems.

We do not have all the money in the world. We have tried our best to prioritize. We have increased where it is necessary and where absolutely you could not get by with less. In these programs we did not freeze or cut even with a $180 billion deficit. We increased funds for these programs.

I told the Senate how much the Federal Government spends for health care, how much the American people pay. Our estimate is $460 billion and the Federal Government pays about 26 percent of that.

Is it really credible that we can solve these problems that are discussed by the proponents with $200 million. Look at these statistics about health deficiencies in our country. Are we really going to solve them with $200 million, when we are already spending $460 billion? This amendment would add about two-tenths of 1 percent to the health functions for Federal expenditures, four one-hundredths of 1 percent to the expenditures made in behalf of health care across the country.

I remind my fellow Senators that these are all appropriated accounts. This does not mean that we are going to add anything more to these accounts. It merely means we are adding $200 million more to the discretionary programs, $200 million more in taxes on the American people. The assumption being made is that these funds would be specifically and adroitly targeted to the problems we are discussing here today.

I do not know when, if ever, enough will be enough. It seems to me that if this amount of money is as important for these programs as the proponents say, at the least they could say, "Out of the $1 trillion budget there must be $200 million we can find someplace and apply it to these programs. At least, we want to express the sense of the Senate today and hope the appropriators would follow it." They have not said that. We have to add $200 million more on the tax side, which already has $19 billion in new taxes.

I hope Senators do not think it is easy to just vote for this and add to the tax side. We did for years before the congressional budget process was started. We assumed there was no relationship between the two and we did

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not have to worry. At least there is an accounting now. At least we say add on $200 million in taxes.

I yield to the ranking minority member such time as he desires.

The PRESIDING OFFICER. The Senator from Florida.

Mr. CHILES. Mr. President, I have listened to the remarks of the chairman. He has made an excellent point. As we went through the process in our committee markup, there were some compromises made between the mark the chairman had and the mark we were proposing. Part of the compromise added money in these areas. We did add funds. But there is no way either he or I can argue we are spending enough for child health care. We would both like to spend more.

We recognize these programs are cost efficient. I make that argument all the time, that the dollars we spend are returned to us manyfold.

If we adopt this amendment, someone could well say we ought to be spending $500 million more. And they would be right. We should be. You can say, "When that is won, we should be spending more than that." And they would be right, because we need it.

But one of the best ways to set priorities is to get our budget in order. Look and see what we tried to do within our resources, within the problems we have writing a budget that accommodates Gramm-Rudman-Hollings without having a devastating cut across the board. I would say to the proponents of this amendment, sequester would devastate these programs. If we cannot get our budget in order, if we cannot meet those targets, that is when child health will be terribly hurt.

If you look at what we have done, in the immunization program, $65.6 million is assumed, $6 million above a freeze. That is $4.2 million above the baseline.

The amendment would bring the funding up to 90, and that, of course, would be well above the baseline in many of our programs.

If you look at the community health centers, $426 million is assumed. That is $30 million above a freeze and $8 million above the baseline.

If you look at the Maternal and Child Health Program, you see it is already funded at its current authorized level of $478 million.

So the budget resolution leaves more than enough room to make up the $20 million lost from the sequester cuts already in effect and then we fund this program up to its authorized level.

The WIC Program would also be funded—$1.612 billion being assumed, up to its authorized level. So in two of the four programs we are talking about, literally, the money cannot be spent because they are already up to the authorized level and there is nothing that we can do about this.

Argument has been made about immunization for rubella—measles. That is tremendously important. I think we ought to do everything in the world we can in that area. And I hope we will find some more money for that. But if you look at what we have been attempting to do in the resolution, we have tried to take special note of these programs. We want funds to provide for these programs without triggering sequester, and having a resolution that goes way beyond what we are able to pay for.

I hope the Senate will not adopt amendments that are going to break apart what we have attempted to do. I hope we will put together a balanced package which meets the Gramm-Rudman-Hollings targets, avoids sequester order, avoids the across-the-board-cut targets, and gets our House in order so that we may be able to start taking care of these programs in the way we should.

Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. On whose time?

Mr. CHILES. The time to be divided equally off the bill.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. DOMENICI. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

AMENDMENT NO. 1800

Mr. DOMENICI. Mr. President, I have received indication from the majority leader that he would like us to commence voting on the Moynihan amendment. It is my understanding that the amendment which is pending will be set aside until after the vote is disposed of on the underlying amendment, the Moynihan revenue-sharing amendment.

The PRESIDING OFFICER. The Senator is correct.

Mr. METZENBAUM. Will the manager yield for a question?

Mr. DOMENICI. Surely, Mr. President.

Mr. METZENBAUM. I am prepared if he is—immediately upon the completion of the vote on the Moynihan amendment, to proceed with a vote on my amendment. Would that meet with the Senator's approval?

Mr. DOMENICI. I think I had better just wait and see, Mr. President. We might even be able to announce it at the end of that vote, but let us proceed without it at this point.

Mr. President, I move to table the Moynihan amendment and I ask for the yeas and nays.

Mr. MOYNIHAN addressed the Chair.

The PRESIDING OFFICER. Is there a sufficient second?

Mr. MOYNIHAN. Mr. President, will the distinguished Senator yield for a question?

Mr. DOMENICI. Yes, Mr. President.

Mr. BOSCHWITZ. Regular order, Mr. President.

Mr. MOYNIHAN. What does the Senator mean by that?

Mr. DOMENICI. There is no time for debate.

The PRESIDING OFFICER. Does the Senator withdraw his request for a second?

Mr. DOMENICI. I do not. I was going to yield for a question, but let me get my second first.

The PRESIDING OFFICER. Is there a sufficient second? There is a sufficient second.

The yeas and nays were ordered.

Mr. DOMENICI. I ask unanimous consent that the Senator from New York be granted 1 minute to ask the Senator from New Mexico a question.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. MOYNIHAN. Mr. President, is it the view of the Senator from New Mexico that we have to have a motion to table? There are those of us on both sides of the aisle who feel strongly about this issue and who also feel strongly about Senate decorum. We would like to vote up or down. Absent that, we could have 15 votes.

Mr. DOMENICI. Let me say to my friend from New York that I have to have the latitude on some to move to table, on others not. I would have moved to table yesterday, but the way the unanimous-consent request was phrased, I could not.

I assure the Senator I do not intend to have a number of votes. If tabling one shows a result, we will not do anything else.

Mr. MOYNIHAN. Would the Senator hear my plea? I have very rarely asked this, but if we cannot be accommodated, there are Senators on both sides of the aisle on this legislation who would like to vote.

Mr. DOMENICI. We are going to vote, I say to my friend.

Mr. MOYNIHAN. A vote up or down, Mr. President.

The PRESIDING OFFICER. The time has expired. The question is on agreeing to the motion to lay the amendment on the table.

Mr. DOMENICI. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. DOMENICI. I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

The question is on agreeing to the motion to lay the amendment on the

table. The yeas and nays have been ordered. The clerk will call the roll.

The assistant legislative clerk called the roll.

Mr. SIMPSON. I announce that the Senator from Washington [Mr. Evans], the Senator from Florida [Mrs. Hawkins], and the Senator from Idaho [Mr. Symms] are necessarily absent.

I also announce that the Senator from Maryland [Mr. Mathias] is absent on official business.

I further announce that, if present and voting, the Senator from Florida [Mrs. Hawkins] would vote "nay."

Mr. CRANSTON. I announce that the Senator from Montana [Mr. Melcher] is absent because of death in the family.

The PRESIDING OFFICER. Are there any other Senators in the Chamber desiring to vote?

The result was announced—yeas 54, nays 41—as follows:

[Rollcall Vote No. 78 Leg.]

YEAS—54

Armstrong
Baucus
Bentsen
Boren
Boschwitz
Chafee
Chiles
Cochran
Cohen
Cranston
Danforth
Denton
Dodd
Dole
Domenici
Eagleton
East
Exon
Garn
Goldwater
Gorton
Gramm
Grassley
Hatfield
Hecht
Helms
Humphrey
Kassebaum
Kennedy
Laxalt
Lugar
Mattingly
McClure
McConnell
Mitchell
Nickles
Nunn
Packwood
Pell
Pressler
Proxmire
Quayle
Roth
Rudman
Simpson
Stafford
Stennis
Stevens
Thurmond
Trible
Wallop
Warner
Weicker
Wilson

NAYS—41

Abdnor
Andrews
Biden
Bingaman
Bradley
Bumpers
Burdick
Byrd
D'Amato
DeConcini
Dixon
Durenberger
Ford
Glenn
Gore
Harkin
Hart
Hatch
Heflin
Heinz
Hollings
Inouye
Johnston
Kasten
Kerry
Lautenberg
Leahy
Levin
Long
Matsunaga
Metzenbaum
Moynihan
Murkowski
Pryor
Riegle
Rockefeller
Sarbanes
Sasser
Simon
Specter
Zorinsky

NOT VOTING—5

Evans
Hawkins
Mathias
Melcher
Symms

So the motion to lay the amendment (No. 1800) on the table was agreed to.

Mr. DOMENICI. Mr. President, I move to reconsider the vote by which the motion to table the amendment was agreed to.

Mr. CHILES. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. MOYNIHAN. Mr. President, I ask unanimous consent that the name of the Senator from Iowa [Mr. Harkin] be added as an original cosponsor of the previous amendment.

The PRESIDING OFFICER. Without objection, it is so ordered.

AMENDMENT NO. 1801

Mr. DOMENICI. Mr. President, Senator Metzenbaum has an amendment pending. There is time remaining in opposition. Shortly, I intend to yield back the time in opposition. I understand that he will yield back the remainder of his time.

He would add $200 million to various health programs and raise $200 million more in revenues. Our position is that in the bipartisan compromise, all the programs referred to have been increased over their current level of funding. Two of the programs have been authorized, and our bill funds them to the maximum level authorized. The amendment would fund them in excess of the authorized level.

Mr. LEAHY. Mr. President, I rise to support this amendment because it is a humanitarian measure, and because it is cost-effective.

The WIC Program has escaped the budget ax over the past years yet it still reaches only a minority of the low-income infants, young children, and pregnant and nursing women at nutritional risk who are eligible to receive WIC food supplements and nutrition counseling.

In spite of our support for this program, WIC is still underfunded and reaches only 3.2 million people, fewer than half of those who are eligible. Because WIC is not an entitlement program it can serve only as many poor women, infants, and children as we provide funds for. It is a fact that more than 100 counties in the United States have no WIC Program at all and many others are forced to turn away eligible mothers and babies.

Studies show that WIC and the other programs which this amendment speaks to, are cost-effective because they result in healthier children at birth.

The number of children living in poverty is on the increase, with one out of every five poor. These are very young children with nearly one out of every four children under the age of 6 living in poverty.

There are 13 million children in this country who are poor.

Poverty is costly. Children born into poverty receive less nutrition, less health care, less education, and fewer chances to succeed at becoming self sufficient.

The programs which will receive modest increases under this amendment have proven to be effective. We know that prenatal care and food supplements to pregnant women through WIC can save $3 for every $1 spent by reducing the incidents of high-risk births. Studies show that every dollar spent on a measles shot saves $7 in reduced illness and hospitalization costs.

Vermont's WIC Program provides an excellent example of the value of the program. Vermont has the highest participation rate of eligible WIC recipients in the Nation. About 45 percent of Vermont's 1981 births were to women who had participated in the WIC Program.

According to a report put out by the U.S. Department of Health and Human Services, Vermont led the Nation in having the lowest number of infant deaths per 1,000 births for the period of 1981 through 1983. I think it is fair to suggest there is a correlation between the high WIC participation rate and the low infant mortality rate.

I have spoken for the most part about the WIC Program but the same conclusions can be made about the title V Maternal and Child Health Block Grant Program, the Community Health Centers, and the Childhood Immunization Program.

Anytime we help to improve the health and well-being of pregnant women and their unborn children, and help to keep children in good nutrition and health, we are saving untold dollars in later health costs, lost opportunities, and wasted human talent.

Mr. METZENBAUM. Mr. President, let me explain this amendment very briefly. It is a child health initiative for women and infant children.

Mr. FORD. Mr. President, the Senate is not in order. May we have order?

The PRESIDING OFFICER. The Senator from Kentucky is correct. The Senate will be in order. The Senator from Ohio is entitled to be heard.

Mr. METZENBAUM. I thank the Chair, and I thank the Senator from Kentucky.

Mr. President, this amendment is very simple. It is $75 million for women and infant children over the next 3 years. It is $25 million over the next 3 years for immunization. It is $75 million for maternal child health care.

That would just bring it back to the 1981 level in real terms. The community health centers, $25 million over 3 years; $200 million over a period of 3 years.

If we believe that the future of our children and the health of our children is important, I do not think we can afford to turn down this amendment because, although we might prevail with respect to the amendment, the facts are that we will pay a price over future years, whether it has to do with children who have not been able to obtain immunization or whether it has to do with maternity and child health, whether it has to do with aid for women and infant children.

We cannot afford to say, "No."

We can close one loophole of a major defense contractor, not even require that defense contractor to pay any taxes but just to keep that defense contractor from getting any refund, and we would save $289 million which is $89 million more than

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this entire program and this entire amendment deals with.

I hope that my colleagues see fit to accept the amendment. I think that the country cannot afford not to do it.

Mr. President, I am prepared to go forward with the vote.

The PRESIDING OFFICER (Mrs. Kassebaum). The Senator from New Mexico.

Mr. DOMENICI. Madam President, I thought I made a 30-second remark. I think I deserve another half minute.

Let me repeat with numbers. The bipartisan substitute before us is already $74 million in budget authority above 1986; the Women's, Infant and Children Program is already $52 million above current level. We are currently at $73,323,000. The Senate Budget Committee bipartisan mark is $300 million for these 3 years and Medicaid spending.

I believe we have done justice to these programs. Many others have been cut. These have been given the appropriate preference of being increased rather than reduced.

I am pleased to yield back the remainder of my time.

Mr. METZENBAUM. Madam President, will the Senator from New Mexico yield for a question?

Mr. DOMENICI. I am pleased to yield for a question.

Mr. METZENBAUM. The $74 million that the Senator talks about as being over current level, that $74 million, as I understand it, is not alone for these four programs. It is for all of the programs out at the National Institutes of Health. It is a whole host of programs, and that $74 million would have to be distributed. In all likelihood these four programs would see but a pittance as compared to the total. It is not $74 million as against these four programs. It is $74 million across the board.

Some of these programs are below current levels as we now have it. So I do not think we ought to confuse the issue.

Mr. DOMENICI. Madam President, I respond by saying the increase that is provided is as specific and as vague as the Senator's proposal because nothing abou. his proposal requires that the approporiators spend the additional money where he says it all goes into health function and they will end up deciding where to spend it anyway.

This is just adding that much to the full account. No specificity can be provided for here. So, yes, ours is in the whole account. His will end up with just that much more in the whole account, no more or no less.

Mr. METZENBAUM. How much time remains for each side?

The PRESIDING OFFICER. The Senator from Ohio has 41 minutes and the Senator from New Mexico has 40 minutes.

Mr. METZENBAUM. I wonder if the Senator from New Mexico will be willing to agree to have an up-and-down vote and both yield back the time? If you have the votes, you have them.

Mr. DOMENICI. On this one, I really cannot do that. Members have asked me about it. I said the last vote was the motion to table.

The Senate does not have to go along. But I believe I will move to table.

Mr. METZENBAUM. I yield back the remainder of my time.

Mr. DOMENICI. I yield back the remainder of my time.

Mr. President, I move to table the amendment and ask for the yeas and nays.

The PRESIDING OFFICER. Is there a sufficient second?

There is sufficient second.

The yeas and nays were ordered.

Mr. BYRD. Madam President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. CHILES. Madam President, I ask unainimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

The question is on agreeing to the motion of the Senator from New Mexico [Mr. Domenici] to table the amendment of the Senator from Ohio [Mr. Metzenbaum]. The yeas and nays have been ordered, and the clerk will call the roll.

The legislative clerk called the roll.

Mr. SIMPSON. I announce that the Senator from Washington [Mr. Evans], the Senator from Florida [Mrs. Hawkins], and the Senator from Idaho [Mr. Symms], are necessary absent.

I also announce that the Senator from Maryland [Mr. Mathias], is absent on official business.

I further announce that, if present and voting, the Senator from Florida [Mrs. Hawkins] would vote "nay."

The PRESIDING OFFICER. Are there any other Senators in the Chamber who desire to vote?

The result was announced—yeas 56, nays 40, as follows:

[Rollcall Vote No. 79 Leg.]

YEAS—56

Abdnor
Armstrong
Bentsen
Bingaman
Boren
Boschwitz
Chiles
Cochran
Danforth
Denton
Dole
Domenici
Durenberger
Eagleton
East
Exon
Garn
Goldwater
Gorton
Gramm
Grassley
Hatch
Hatfield
Hecht
Heflin
Heinz
Helms
Hollings
Humphrey
Johnston
Kassebaum
Kasten
Laxalt
Lugar
Mattingly
McClure
McConnell
Murkowski
Nickles
Nunn
Packwood
Pressler
Proxmire
Quayle
Roth
Rudman
Simpson
Stafford
Stennis
Stevens
Thurmond
Trible
Wallop
Warner
Wilson
Zorinsky

NAYS—40

Andrews
Baucus
Biden
Bradley
Bumpers
Burdick
Byrd
Chafee
Cohen
Cranston
D'Amato
DeConcini
Dixon
Dodd
Ford
Glenn
Gore
Harkin
Hart
Inouye
Kennedy
Kerry
Lautenberg
Leahy
Levin
Long
Matsunaga
Melcher
Metzenbaum
Mitchell
Moynihan
Pell
Pryor
Riegle
Rockefeller
Sarbanes
Sasser
Simon
Specter
Weicker

NOT VOTING—4

Evans
Hawkins
Mathias
Symms

So the motion to lay on the table amendment No. 1801 was agreed to.

Several Senators addressed the Chair.

The PRESIDING OFFICER. The Senator from Arkansas.

Mr. BUMPERS. Madam President, I move to reconsider the vote by which the motion was agreed to.

Mr. PACKWOOD. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

AMENDMENT NO. 1802

(Purpose: To provide essential funding for Childhood Immunization program)

Mr. BUMPERS. I send an amendment to the desk and ask for its immediate consideration.

The PRESIDING OFFICER. The clerk will report.

The legislative clerk read as follows:

The Senator from Arkansas [Mr. Bumpers] proposes an amendment numbered 1802.

Mr. BUMPERS. Madam President, I ask unanimous consent that further reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection it is so ordered.

The amendment is as follows:

On page 7, decrease the amount on line 12 by $25,000,000.

On page 7, decrease the amount on line 13 by $17,000,000.

On page 7, decrease the amount on line 22 by $4,000,000.

On page 8, decrease the amount on line 7 by $3,000,000.

On page 17, increase the amount on line 16 by $25,000,000.

On page 17, increase the amount on line 17 by $17,000,000.

On page 17, increase the amount on line 25 by $4,000,000.

On page 18, increase the amount on line 8 by $3,000,000.

Mr. BUMPERS. Madam President, I will be rather brief about this because most of what I wanted to say about this I said on the amendment of the Senator from Ohio a few moments ago.

This amendment, very simply, is this: It adds $25 million to the immunization programs, which, incidentally, is $15 million less than we need to be absolutely certain that we can immunize all of our children next year. But I am told that if nothing untoward happens, an additional $25 million will be enough to get through fiscal year 1987.

I would like to advise my colleagues that this is not done whimsically or cavalierly, but it is done because the cost of some of the vaccines for preventive childhood diseases has gone up 1,000 percent in the past 5 years.

Everybody here understands the efficacy of preventive health, and especially the value in immunizing our children against the mumps, whooping cough, diphtheria, measles, and so on. Rather than to see somebody say, "I am voting against this because I do not want to raise taxes $25 million," or offset for this additional $25 million is a reduction in the foreign aid function.

I know that the Budget Committee has already cut about 11 percent from the current level of funding for international affairs. But I do not think there is any question but that they can find an additional $25 million out of the roughly $12 to $13 billion that remains in that function, especially if those funds will be used for as laudable a cause as the immunization program.

I do not mind saying, and I do not want to pursue this, as I look through the foreign aid bill I am absolutely appalled to find a foreign military credit to Korea of $232 million, a very viable, economic nation, who last year had a $4.8 billion trade deficit of the United States. Under the terms of that function, the United States, which is running $200 billion deficits, will go out and borrow money, $232 million, in order to loan to the Koreans at a heavily subsidized rate so that they can buy weapons from us.

You do not have to be a bleeding heart liberal or broke out with brilliance, either one, to understand that immunizing children of this country is considerably more important than a subsidized loan to Korea. I am not picking on Korea. Go down the list. There is a bunch of them that I would hardly approve of.

I am simply saying that when you look down the list, why, when we are running $200 billion deficits, are we borrowing money to loan money to one of the most viable economies in the world?

I can tell you, you can do it now or you can do it later, but if you do it later it may be too late, to provide funds to immunize our children.

Let me give you some ideas of what the immunization program does in this country.

The benefit-cost ratio, when rubella and measles vaccines are given together, the unit-cost ratio of those two shots in combination is $23 to $1. That just simply means that for every $1 we put into it we save $23.

How often do you get a chance to vote on the floor of the U.S. Senate for a program that even approaches that benefit-cost ratio? The answer is never.

On polio, the benefit-cost ratio is $10.30 for every $1 we spend.

So the savings of $1 billion a year for polio and $500 million for measles is $1.5 billion we save just on those two.

What are the "costs" we save? Frankly, they are health care costs, but let me tell you something else. The cost for mom and pop to stay home with a son or daughter who has measles should also be added to the actual outlays for health care for their children.

Let me give you another statistic. I say this because we are asking for $25 million out of the foreign aid bill for the most cost-effective program we will ever vote on.

Let me tell you what I am talking about in terms of dollars and human misery.

Eight percent of all the people who are institutionalized either in State hospitals or other long-term facilities in the United States are there as a result of a childhood disease—mumps, measles, or rubella.

Let me repeat what I said earlier about what we did in Arkansas when I was Governor. We immunized all the children in our State and the cost of it was less than the cost of institutionalizing one child for a lifetime.

Madam President, since 1963, 57 million cases of measles have been avoided because of the vaccine, and 19,100 cases of mental retardation have been averted. I do not see how you can ever find more persuasive, more compelling numbers than those.

So, Madam President, I am not going to belabor my point. To me the option is clear. It should not even be debatable. The managers of the bill ought to accept this. We will be certain that sometime down the road you will not again hear of the kinds of measles outbreaks we had this year at the University of Arkansas. Incidentally, that one measles outbreak cost more than half a million dollars. It was a limited outbreak. But any cases are too many. You have two choices: Either allow pools of susceptibles to develop across this country, and along with them the potential for outbreaks of measles, mumps, rubella, and polio; or appropriate the money.

Why wait until next year? Let us do it now.

Madam President, I yield the floor.

Mr. ARMSTRONG. Madam President, will the Senator from Arkansas join me for just a moment to discuss this? As I understand it, the Senator's amendment adds $25 million to function 550 and subtracts a like amount from function 150, international affairs.

Mr. BUMPERS. The Senator is correct.

Mr. ARMSTRONG. For the record, could the Senator remind us how much is presently contained in function 550?

Madam President, the correct answer is $38 billion.

Mr. BUMPERS. Thirty-eight?

Mr. ARMSTRONG. Thirty-eight billion dollars is the correct answer.

Mr. BUMPERS. Thirty-eight billion. Well, the Senator certainly ought not to object to $25 million for immunization.

Mr. ARMSTRONG. For the edification of the Record, it is $38 billion in round figures, $37.8 billion or some such number as that. Also for the Record, does the Senator have in mind how much is contained in function 150 from which he is making a subtraction?

Mr. BUMPERS. I think $8,300,000,000.

Mr. ARMSTRONG. The Senator is correct.

Madam President, I yield the rest of the afternoon to the Senator from Indiana.

Mr. LUGAR. Madam President, I rise not only to oppose the amendment of the distinguished Senator from Arkansas but to discuss its underlying premise. The Senator has made the point that only $25 million is involved. This is not a small amount, Madam President, but I think we all recognize this is only the first of several amendments that may be targeted at function 150, the international affairs account.

I wish the 150 function were not such an inviting target, but I would like to discuss the account so that Senators will have some criteria upon which to base votes as these amendments come along the trail.

As a general argument, Madam President, there are any number of important causes in this country which need $25 million, particularly if funds can be provided, all at the expense of persons in other countries. The amendment is presented as if this is simply a case of taking money from people who are in foreign lands and devoting it to our own interests.

Madam President, the foreign assistance accounts have been devised because they are important to the national security of our country. They are devised to assist allies, to try to provide support for people who are prepared to defend our interests as well as theirs, to try to bring about peace in this world and to maintain peace. Of course, a good case can be made for immunization but a very good case can also be made for peace. On almost any other occasion most Senators would be very concerned about the strength of our alliances, the strength of our ability to manage

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the Soviet relationship, to fight terrorism, to create conditions which would maintain peace and thus preserve American lives and American interests.

Now, I think it is instructive to start our review today of the 150 account by pointing out that the account has already been discussed to some length by the Budget Committee. I would just point out with regard to the foreign security aspects of that account that the Budget Committee recommendation already represents a cut of more than $5 billion from the administration's request to a point that we now are looking at $8.3 billion for the three major security assistance programs: the Economic Support Fund, Foreign Military Sales, and the Military Assistance Program.

Madam President, that is a very substantial change. The administration has made in my judgment a good case for its request. The Budget Committee has in fact presented in this budget we are now considering $8.3 billion for the major security programs. That $8.3 billion includes $5.2 billion for Israel and Egypt. If Senators want to offer amendments for specific sums of money, they might very well begin to specify which of these situations they want to address. If, in fact, we want to cut aid to Israel or Egypt, there is a good chunk of money available. If, on the other hand, we wish to fully fund Israel and Egypt we are left with $3.1 billion in security assistance funds and $2.3 billion of that, almost another 70 to 80 percent, is made up of our base rights agreements with Greece, Turkey, Spain, Portugal, and the Philippines—a total of $2.3 billion.

Now, I have no doubt that there will be a great deal of debate on this floor about our losing bases, about our losing influence abroad. Madam President, we have agreements with these five countries. Most Senators, I believe, would want to retain those bases and appreciate the obligations that we have. But I would simply point out that if Senators support funding Israel and Egypt and the five base rights countries, then all but $800 million of our major security programs will have been committed.

Now, with the $800 million left are we going to fund our obligation to Pakistan? There are many Senators who have stood on the floor and talked about the Afghan rebels and our ability to resist Soviet incursions, resist the invasion and occupation of Afghanistan. The Pakistan money is clearly an integral part of that resistance. Without that assistance there is not going to be much of a U.S. influence in that area. That is roughly another $600 million. That leaves $200 million for all our other worldwide commitments. For example, we in the Senate have already earmarked assistance for Cyprus. A good many people are interested in that situation. There have been long debates with regard to the Greek-Turkey situation, the southern flank of NATO, and our ability to be of assistance to Cyprus.

Ecuador, a remarkable friend of the United States, is a country that has done all of the things that we could ask of any fledgling democracy. Uruguay, having just turned over a dictatorship to come back to democracy, is an extremely promising situation. We had a long debate last year about our obligation to the Cambodian resistance fighters. Tunisia, likewise, is a very important recipient of assistance from the United States. Madam President, I have not even talked about our obligations in Central America. Can it be assumed that money surely will be found there for El Salvador, Guatemala, and Honduras? To the extent we get into economic aid to the Contras, somehow that must be found.

Mr. BUMPERS. Will the Senator yield for just one moment?

Mr. LUGAR. Yes; I will be happy to yield for a question.

Mr. BUMPERS. In regard to the last statement of the Senator as to how we were going to find money for the Contras, I understood that came out of the defense function.

Mr. LUGAR. The Senator is correct with regard to the last debate we had here in the Senate. But of course it is not really clear that the House will go along with our action. We may have to revisit that situation. Clearly, after we get through this particular budget phase, either humanitarian or other aid will continue to be an issue next year.

Mr. BUMPERS. I thought one of the arguments the President used in his speech to the Nation was it would not increase the deficit; it would simply come out of the appropriate function of the Defense Department. There may not be any impact if no money goes to Contras, obviously.

Mr. LUGAR. The Senator is correct, if the House were to adopt the sensible position the Senate took. Unhappily, the House has not yet taken that position, and it is not clear whether they will. I appreciate the point the Senator is making. So I would reiterate that we may be revisiting the Contra issue. We certainly will continue to face the promise made in the Jackson report that we must do something for the infrastructure of our neighbors to the south because our failure to address this issue is likely to bring considerable problems to our Southwestern States through immigration.

Let me just mention, Mr. President, this very afternoon we received a very important report from the President of the United States in regard to assistance for the Philippines. He apparently will ask for a number of ways in which the Philippines might be assisted but clearly some of them come from the 150 account. In our Committee on Foreign Relations we are already taking a look at a request for Irish aid. That question is being pushed very strongly by many Members of this body. It already has been pushed very strongly by Members of the House. There appears to be no money for Irish aid, at this moment in this budget.

Now let me comment as to whether there are other options other than those which I have described. Indeed the distinguished Senator from Arkansas has already mentioned the choice between assistance to South Korea or to our domestic immunization program.

He suggested the South Koreans are borrowing money at subsidized rates. I must point out to the Senator that in fact, if they borrow money, the South Koreans borrow it at market rates.

I might also mention that in the Budget Committee recommendation, the particular account from which countries may borrow at market rates—not at subsidized rates but market rates—was cut by $1 billion. Given that curtailment by the Budget Committee, it is now uncertain that the South Koreans could even borrow at market rates in fiscal year 1987.

As a matter of fact, the support for South Korea being allowed to borrow at market rate comes from our desire for our own security. The United States and this body, the Senate, have on many occasions said we ought to have a presence in South Korea. If so, we ought to be secure in that presence. There is still, as a matter of fact, an aggressive force in North Korea, very close at hand.

I simply say to the Senator that many of us are very pleased that the South Koreans are prepared to borrow money at market rates to provide for the defense of their own country and for the interest that we have in trying to hold back communism in that part of the world.

The Senator might also look at the 150 account and suggest that we are taking too big a step in relation to embassy security this year. That program comes within the 150 account. The Inman Commission has suggested, that $4 billion may be needed over the course of the next few years to strengthen our diplomatic missions in order to prevent the kind of disaster that occurred in Lebanon, to provide some security, at least, for the many personnel who are currently in unsafe circumstances. We shall be having additional hearings in the Foreign Relations Committee on this issue in the near future. We are trying to take a look at how that request can be shaped, at how the budget impact will be lessened.

In its recommendation the Budget Committee has already reduced very

substantially whatever commitment might be possible for embassy security in fiscal year 1987. They did so because we are facing a tight year.

Having cut back the military programs, the Budget Committee has also cut the other security programs within the 150 account.

The additional personnel that were requested by the Department of State this year were all to address the enhanced security program. Those additional personnel might have been provided somewhere else. Conceivably, the Department of Defense or Treasury or the account of another agency might have provided these personnel. However, they are in the 150 account. The embassy security proposal is part of this picture.

It will be argued by the distinguished Senator from Arkansas that after you put these figures together—either the original request or the truncated Budget Committee recommendation—the $25 million would hardly be missed. I make the point, Mr. President, that it would be missed. We do not have the money presently to meet the foreign policy obligations of the United States of America. If, in fact, our foreign policy were not working well, if in fact, we were not making some headway throughout the world, I suspect that Senators would say perhaps we ought to be doing more.

It is ironic, I would argue, that at a time when there are many U.S. foreign policy successes, Senators are prepared to cut out not only the 14 percent recommended by the Budget Committee but to nibble away at the funding which remains in the account.

Mr. DOMENICI. Would the Senator from Indiana yield to me, Mr. President?

Mr. LUGAR. I am happy to yield.

Mr. DOMENICI. Let me ask the Senator if he would mind watching the floor for me for about 10 or 15 minutes. I assume he wants to make some further comments anyway.

Mr. LUGAR. Yes, Mr. President, I shall be pleased to do that.

Mr. DOMENICI. Mr. President, let me state the problem with this amendment from the standpoint of Senator BUMPERS' belief that somehow or other what we do today on the floor will have some kind of impact on the immunization program. I want to be as fair as I can to this process and to what happens later, but let me see if I can convince the Senator from Arkansas that his amendment is not going to do anything for child immunization. Then we might figure out some way to tell the Senate that we want the appropriators to seriously consider immunization.

I am going to try to explain. Most Senators, when they come down here and talk about this budget resolution, do not understand. If they listen, they just say, "Well, that is going to happen some other time; I am not worried about it." But let me see if I can explain to my friend from Arkansas what is going to happen.

First, if he succeeds in taking $25 million in budget authority out of the foreign affairs function 150—if he succeeds—this resolution will be in all other respects the same. Otherwise, his amendment would not be in order. There will be the same total budget authority for the appropriators after his amendment as before. The total outlays that we are going to be permitted to appropriate out of discretionary accounts is going to be exactly the same. If that were not the case, you would have to ask for revenues, and you have not.

When we leave the floor of the Congress with a budget resolution, a very interesting event is going to occur. We pass ours and Senator BUMPERS has his $25 million switched. There would be nothing in this resolution about $25 million for child immunization; there will only be another $25 million in that big piece of Government that includes health care. That is the only change in this amendment. Then we are going to get the resolution conferred on in the House.

Finally, a resolution is going to go to the appropriators in the House and the appropriators in the Senate. That is where the Senator will get some additional immunization money or will not get it. It will have little or nothing to do with how we vote here this afternoon. The law we are now working under says the following: When that event occurs that I have just described, the appropriators in the U.S. Senate are now bound by statutory law to divvy up among the appropriating committees of the U.S. Senate that budget authority I just told my colleagues about, that big pot, and those outlays. Until they have assigned the budget authority in outlays to the appropriations subcommittees and published it—that is the new law—we cannot bring an appropriations bill to the floor.

Now, I say to my friend the chance of every one of these functions, including 150 and 550, the ones the Senator is concerned with, ending up in appropriations when they have assigned the money to the committees, the chance of it ending up exactly as it left here is—what would he guess? I would say 1,000 to 1. But there probably are some who would say there is no chance that they will end up the same way. They will decide whether there is more money needed for child immunization, with or without the amendment, than is prescribed for in that function.

Yes; they may have to go to the subcommittee of my good friend from Arizona and say, "We need some money from one of yours, and we are going to put it here."

Interestingly enough, the converse will happen, too. If the Senator succeeds tonight in doing this, again there will be nothing here about child immunization; but if the 150 foreign assistance function needs $25, $30, or $40 million more than we left in this function, they will, in that deliberation, move it from one to another.

I will admit that if you get up into the billions—education added $1 billion—it is pretty hard to say they are not going to leave some of that where we voted it. But $25 million is not going to end up where the Senator from Arkansas tonight expects it to.

Frankly, I urge that the Senator work with us. We will do what we can. Perhaps we can even draft some language and put it in the resolution, saying that we do not believe the current level of funding for child immunication is adequate, that we hope the appropriators will understand what the distinguished Senator understands, and that they will consider additional funding. There is no way we can bind them, I say to my friend from Arkansas; but neither is there any assurance that if this amendment is adopted, he will receive $25 million more in programmatic budget authority for child immunization.

We can carry this on. I want my friend from Indiana to know that there are at least three more amendments. Everybody thinks we ought to take from 150, put it in another one, and it is not going to be binding because the appropriators will have to allocate. But it is a very nice political plum, so long as they do not have the problem of foreign relations and foreign affairs for the United States. They can take $300, $400, or $500 billion out of it, spread it around—and I am not saying that the Senator from Arkansas is doing this—and make it appear that it is going somewhere else, but we are not the least bit sure it will.

The Senator from Florida and I will cooperate on some language that we hope immunization is funded more in the appropriations process than at present levels, and not have to vote up and down on this amendment.

I yield the floor.

The PRESIDING OFFICER (Mr. PRESSLER). The Senator from Arkansas.

Mr. BUMPERS. Mr. President, first of all, I appreciate the eloquence and explanation of the Senator from New Mexico, the chairman of the Budget Committee.

What the Senator has just said applies not just to this amendment dealing with childhood immunization. It applies to virtually every amendment that will be offered here. If the amendment of the Senator from Ohio on maternal child care and WIC had been accepted, the Senate would have absolutely no assurance that the appropriators would allocate the money he is asking for.

I understand the way the process works.

Mr. DOMENICI. Mr. President, will the Senator yield?

Mr. BUMPERS. I yield.

Mr. DOMENICI. There was one other major difference. That amendment added $200 million in new taxes.

Mr. BUMPERS. I understood that, and that is the reason I did not do that.

Mr. DOMENICI. The other amendment says to the appropriators, there is $200 million more to spend. The Senator does not say that. The Senator says, "I do not want to spend more money. I am asking that you take it out of foreign affairs for the purpose of this first go-round and put it in the health care program." I think the appropriators will make the decision, especially when the amount is small.

Mr. BUMPERS. The Senator is correct.

I did not want to ask the Finance Committee to raise taxes to finance this amendment, so I went through the budget, and I looked every place I could to see what kind of offset I thought would be appropriate to fund $25 million.

However, before I get into that, let me also say that all we can ever do here on an amendment is simply send word to the appropriators. If the Senate speaks loud and clearly this afternoon that we believe funding the immunization program at $56 million or $57 million is not going to be enough in 1987, then we are saying to the appropriators, "When you get into funding discretionary health care programs, we want to make sure that you put in $81 million for the immunization program? We are saying that $56 million is not going to be enough next year.

If we do not do anything—if I pull my amendment down or if we insert some language in the RECORD—the chances are that it will be influential enough to get the job done. But it seems to me that everybody understands the meritorious nature of this amendment, and we ought to accept the amendment, so that the appropriators will have a message that they understand clearly. They will know the Senate has spoken on this issue. That is all we do in any amendment when we debate the budget. Nobody has any assurance here that because an amendment is adopted, that is going to be the way it winds up in appropriations.

Mr. President, when I first started debating this amendment, the Senator from Colorado was sitting in the manager's seat on the majority side. He made the point that there was about $37.9 billion in the Domenici-Chiles budget for function 550; and the implication was, "What on Earth is the Senator from Arkansas thinking about, asking for a paltry $25 million for childhood immunizations, when there is already $37.9 billion in that function?"

When you consider the funding for Medicaid and the other programs in this function, you will find that there is still, in the making up of this budget, only an anticipated $56 million for childhood immunizations. Those were the assumptions. The committee started out with a baseline of $38.4 million for current services. In other words, in order to maintain Medicaid and all the health programs in 550 in 1987, it would require $38.4 billion—$38.5 in outlays—and the committee recommend $37.9 billion, or $600 million less than that.

What does that mean? That means that next year we are going to be $600 million under the level of current services.

The committee said that under discretionary health programs, which is where immunizations are located, the mark assumes that most discretionary programs will be frozen for 3 years—frozen—when vaccines are going up as much as 100 percent a year.

It said some additional funding above the freeze level is assumed in order to provide the Appropriations Committee with additional flexibility to allow increases for high priority programs such as the National Institutes of Health research awards.

Do you know how much money we are anticipating putting into AIDS research next year? The level this year is about $192 million and I promise you it will go up $30 million to $100 million next year.

Where does that leave immunizations?

I can tell you this budget still assumes $56 million for immunizations, the same level as this year. We were scared to death this year that we were going to have to get a fast supplemental passed through here just to take care of two relatively minor outbreaks.

I must say I do not want to start a roll here of people hitting foreign aid and I recognize the position of the chairman of the Foreign Relations Committee, and I respect it. He is doing an excellent job over there, and I understand his problem.

But I just say, on the floor, I am offended when I read Korea is asking for $232 million in concessionary sales which means we borrow money, $232 million, send it to them, and they do not pay a dime interest for 10 years. Yet we stand here quibbling about $25 million, which is just about what the interest would be on that loan to them the first 2 years.

I do not want to get into that offset contest because I believe in foreign aid. I think it is in our national security interest to provide foreign aid in some cases. But nothing is more important to our national security than our good health and the health of our children.

So I have not asked for a tax increase. I have simply asked for a shifting of priorities to make sure that this program which has the highest benefit to cost ratio of anything we ever vote on is not underfunded.

Mr. President, I am going to ask for a quorum call unless the Senator wishes to speak.

I suggest the absence of a quorum, Mr. President.

I withdraw that request.

I ask unanimous consent that Senator EXON of Nebraska be added as a cosponsor of this amendment.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. BUMPERS. Now, Mr. President, I suggest the absence of a quorum.

Mr. LUGAR. Will the Senator from Arkansas withhold?

Mr. BUMPERS. I am happy to withhold.

Mr. LUGAR. I thank the Senator from Arkansas for withholding that request.

The PRESIDING OFFICER. The Senator from Indiana.

Mr. LUGAR. Mr. President, let me mention again that earlier in the debate I made the point that South Korea is not asking for concessional assistance. South Korea is prepared to borrow at market rates, which means they would pay back their loans at rates equal to what it costs us to borrow them. I appreciate that the Senator from Arkansas would be dismayed if the South Koreans were asking for concessional assistance. But they are not now, and they have not been doing so. As a point of fact I want to reiterate that point again.

Mr. President, the distinguished Senator from Arkansas has described this amendment as one that does not start a roll of amendments attempting to hit foreign aid. He has suggested that he has aimed at the 150 account instead of raising taxes.

Let me just say, Mr. President, whatever may be the problems in the 550 account, I have been describing the 150 account in which the Budget Committee has taken a hard look at our military security problems, the defense of our country, and has made some very tough judgments in this 150 account.

Let me point out once again for the record that the President of the United States and the Secretary of State have both commented on the needs of our country in terms of our defense in working with front-line countries. They have suggested security assistance of $11.5 billion this year. That is their request. The Budget Committee has reduced this to $9 billion, a $2.5 billion reduction, and I have already pointed out that the vast

part of that is consumed by our obligations in the Middle East that come from the Camp David Accords.

Senators can argue whether we have that degree of interest in Israel, that degree of interest in peace in the Middle East. Senators can argue whether we ought to be worried about our military bases in the Philippines, Spain, Greece, Portugal, and Turkey. I can accept that as a legitimate argument.

As the distinguished Budget Committee chairman pointed out, there are at least four amendments that he has identified, all of which seek foreign aid as an easy target.

I fear, Mr. President, the supposition is that foreign assistance is seen by many Senators, many Americans as gifts to other people, as ways in which we help other economies when, in fact, the foreign assistance account is in a very straightforward, hardheaded program which enables us to help friendly countries be strong in their defense and strong in their democracies so that American troops do not have to be used in defending our security interests abroad.

It is in our interest that these countries remain free. It is in our interest that our alliances remain sound. This is the glue factor that helps hold the free world together.

The question should not be immunization or foreign aid. The question should be immunization and a peaceful world. That is the rationale behind foreign assistance. Using foreign assistance as an easy mark to find funds for other programs will not do, Mr. President.

There may have been a time when Senators, such as the Senator from Arkansas, took a look at the whole budget and miraculously came upon account 150 to find a source of funds for other programs.

I'm saying that 150 is not an easy mark. Senators who are looking at 150 are going to talk about Israel, the Philippines, Central America, Korea, and others. If Senators honestly want to come to the floor and suggest that we disrupt our alliances, that we renege on our obligations, that we do not want to defend the country while we are talking about immunization, then that's fair enough. That is the kind of argument that will have to be made and it is not an easy trick to simply come in and say $25 million for immunization or $50 million for some other worthy purpose. It will not do.

Mr. President, I want to continue this because I see no purpose in having one Senator after another survey the entire budget, and conclude that the 150 account is out there ready to be attacked, while our own children are not immunized. As the distinguished chairman of the Budget Committee has pointed out, nothing in this amendment is going to guarantee the first shot of immunization. It is a bogus argument, and it sets the stage for a severe weakening of our national defense.

I am going to argue on each of these amendments so Senators better be prepared that if they are prepared to weaken our national defense, weaken our fight against terrorism, go head to head on aid to Israel or on the Philippines, then that's fair enough. But that should be the argument. The 150 account is not an easy mark any more and colleagues need to know that. If they deliberately want to invade that account with one amendment after another in a sort of a community chest effort, fair enough. But there will be consequences as Senators are asked to decide in terms of whether they want to weaken our embassy security or which country programs they want to reduce.

Now let me say, Mr. President, that I appreciate that foreign assistance may not be a program that Senators used to vote for, but last year 75 Senators supported foreign assistance—75, a strong bipartisan consensus.

Mr. BUMPERS. Senator, I was one of those Senators.

Mr. LUGAR. I thank the Senator for his support. And I would have anticipated the Senator would support that assistance because the Senator has been a farsighted person taking a look at our national goals and objectives. And I have no quarrel with the Senator's quest for immunization. As a matter of fact, as the Senator knows, I have supported, along with the distinguished member of the Foreign Relations Committee, a proposal to discuss at the summit with the Soviet Union the immunization of children throughout the world. My first emphasis obviously would be on children in this country. The distinguished ranking member, Senator PELL, is on the floor now and I applaud his leadership in that respect. We have an intense interest in that item.

But I wish that the Senator had not decided to frame an amendment that reduces the 150 account and, in my judgment, unravels what I think is very serious situation. As the Senator from New Mexico has pointed out, this amendment may be the forerunner of several others that we shall see.

Let me continue by mentioning that the Senator from Arkansas could have pointed out that the 150 account includes ways to bring information to people around the world. The 150 account includes more than military assistance to frontline allies. We also support USIA, Voice of America, and various other ways to get, some word behind the Iron Curtain to people who need information; These are debatable objectives, of course. Many have wondered how effective we are in spreading the word, how effective our books, our records, and our exchanges may be. Some have questioned, I am certain, whether we ought to have exchange programs, and whether that is a legitimate objective. I think that it is. That program is included here and already has been cut.

The broadcast functions were cut across the board. As a matter of fact, the administration requested nearly $1 billion. About $800 million was in fact recommended by the Budget Committee. How we will continue the level of services there is not clear.

As the distinguished Senator from Arkansas has pointed out, he was looking for a level of services continued in the immunization front. The same case, unhappily, has to be made with regard to information functions throughout the world, quite apart from our military security aspects that I have mentioned.

The Foreign Relations Committee has supported the President and our Secretary of State. We have visited with members of the Budget Committee about these vital objectives. That committee has taken a look at the overall 150 account and cut each of these categories rather sharply, by at least 11 percent overall.

I visited with our distinguished Secretary of State George Shultz yesterday and he said, "Try to bring some understanding to your colleagues that we have a lot going for us in the world right now. There are a lot of people deeply interested in our foreign policy. A lot of folks, as a matter of fact, a lot of Americans who would like to have a good bit more security in our embassies and the representation of Americans around the world."

I would just say to the distinguished Senator from Arkansas that the Secretary of State is prepared to make the case for the full budget he requested. He and the President are deeply unhappy over the prospects of having to make so many choices against allies, with whom they are visiting as they head out to the summit conference in Tokyo. Nevertheless, the Budget Committee has suggested those levels. I would say to get into these kinds of arguments now in which we dismantle what is left of the 150 account seems to me not in the best interests of our country and our foreign relations.

I hope that the Senator would reconsider the particular course of action that he has adopted. I hope that he might work with the distinguished chairman of the Budget Committee on some modus vivendi out of this situation.

But let me just say, if he does not take that course of action, I clearly hope that we would not start down the trail of cutting the 150 account for every one of several causes that the people may bring to mind.

Mr. BUMPERS. Mr. President, I just want to take about 60 seconds to say

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that I apologize for concentrating all of my speech earlier about the 150 function on Korea. The chairman of the Foreign Relations Committee has I think correctly made the point that the $163 million credit to South Korea last year was technically not a concessionary sale. Nevertheless, it was a sale that had a 10-year interest-free provision in it—same thing by a different name.

Second, I do not want to be accused of Korea bashing. I have made the point here.

But you know the President wants to abolish the Eximbank. And I do not know whether I am going to fully support him, but I certainly will support a very healthy cut of $500 million or so. There is $1.1 billion in here. The President and I agree this program either ought to be terminated or cut very substantially. Certainly we could find this $25 million in the Eximbank of $1.1 billion.

Mr. President, in order to send a message to the Appropriations Committee that we want to make sure childhood immunization programs are fully funded, we are saying let us transfer one-twelfth of 1 percent of function 150 over to function 550 to make sure that we do not get into a crisis situation like we did this year.

I am prepared to yield back the balance of my time.

Mr. DOMENICI. Mr. President, I am prepared to yield back the balance of my time. In fact, I yield back the time in opposition.

Mr. BUMPERS. I yield back the balance of my time.

Mr. LUGAR. Mr. President, I move to table the amendment.

Mr. BUMPERS. I ask for the yeas and nays.

The PRESIDING OFFICER. Is there a sufficient second? There is a sufficient second.

The yeas and nays were ordered.

The PRESIDING OFFICER. The question is on agreeing to the motion of the Senator from Indiana [Mr. Lugar] to table the amendment of the Senator from Arkansas [Mr. Bumpers]. The yeas and nays have been ordered and the clerk will call the roll.

The assistant legislative clerk called the roll.

Mr. SIMPSON. I announce that the Senator from Washington [Mr. Evans], the Senator for Florida [Mr. Hawkins], and the Senator from Idaho [Mr. Symms] are necessarily absent.

I also announce that the Senator from Maryland [Mr. Mathias] is absent on official business.

Mr. CRANSTON. I announce that the Senator from New Jersey [Mr. Lautenburg] is necessarily absent.

The result was announced—yeas 49, nays 46, as follows:

[Rollcall Vote No. 80 Leg.]

YEAS—49

Abdnor
Armstrong
Boschwitz
Chafee
Cochran
D'Amato
Danforth
Denton
Dixon
Dole
Domenici
Durenberger
East
Garn
Goldwater
Gorton
Gramm
Grassley
Hatch
Hatfield
Hecht
Heinz
Helms
Humphrey
Johnston
Kassebaum
Kasten
Laxalt
Long
Lugar
Mattingly
McClure
McConnell
Murkowski
Packwood
Pell
Pressler
Quayle
Roth
Rudman
Simpson
Stafford
Stennis
Stevens
Thurmond
Trible
Wallop
Warner
Wilson

NAYS—46

Andrews
Baucus
Bentsen
Biden
Bingaman
Boren
Bradley
Bumpers
Burdick
Byrd
Chiles
Cohen
Cranston
DeConcini
Dodd
Eagleton
Exon
Ford
Glenn
Gore
Harkin
Hart
Heflin
Hollings
Inouye
Kennedy
Kerry
Leahy
Levin
Matsunaga
Melcher
Metzenbaum
Mitchell
Moynihan
Nickles
Nunn
Proxmire
Pryor
Riegle
Rockefeller
Sarbanes
Sasser
Simon
Specter
Weicker
Zorinsky

NOT VOTING—5

Evans
Hawkins
Lautenberg
Mathias
Symms

So the motion to lay on the table amendment No. 1802 was agreed to.

Mr. DOMENICI. Mr. President, I move to reconsider the vote by which the motion was agreed to.

Mr. LUGAR. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. BYRD addressed the Chair.

The PRESIDING OFFICER. The Democratic leader is recognized.

Mr. LUGAR. Mr. President, may we have order?

The PRESIDING OFFICER. The Senate will be in order.

The Democratic leader.

Mr. BYRD. Mr. President, I thank the Chair.

I take the floor at this time to inquire of the distinguished assistant Republican leader as to what the schedule will be for the rest of the day, particularly with reference to rollcall votes, what will happen on tomorrow, and what the program——

Mr. STENNIS. Mr. President, may we have quiet so the Senator may be heard?

The PRESIDING OFFICER. The Senate will be in order.

Mr. BYRD. I thank the Senator from Mississippi.

I also ask with reference to rollcall votes on Monday next and Tuesday, as far as he can see?

Mr. SIMPSON. Mr. President. in the absence of the majority leader, and in a rare burst of generosity, I think if I can propound this unanimous-consent request, I might be able to answer that question.

UNANIMOUS-CONSENT AGREEMENT

Mr. SIMPSON. Mr. President, I ask unanimous consent that when the Senate completes its business today, it stand in adjournment until 10 a.m. on Monday, April 28, 1986.

I further ask unanimous consent that when the Senate resumes the unfinished business, Senate Concurrent Resolution 120 on Monday, 25 hours be considered the remaining time for debate on the resolution.

I further ask unanimous consent that any rollcall votes ordered in relation to amendments offered and debated, motions to recommit or reduce the time, and appeals on Monday be postponed to occur no earlier than Tuesday, April 29, at 11 a.m., with the exception of procedural questions such as a motion to instruct the Sergeant at Arms and a vote on adoption of the concurrent resolution.

The effort there, I share with the Democratic leader, is that there would be no more votes tonight. We would lay down the DeConcini amendment, I believe. There would be no session on Friday if we reach this agreement; then, convening under these terms and no votes taken on Monday, but we will be, of course, in session. If anyone is concerned about not having time to offer an amendment, I suggest that they make arrangements to offer their amendment on Monday, because time will be running on the resolution regardless of whether or not amendments are offered during the session on Monday.

I find one other item of language to be included in the unanimous-consent request regarding the Budget Act rules:

> And all provisions of the Budget Act regarding floor consideration of amendments shall remain in full force and effect.

With that, I share with the Democratic leader, it is the intention of the leadership to proceed on that basis if that is acceptable to all.

Mr. BYRD. Mr. President, I see a note here which comes from Mr. Melcher. He would like 30 minutes, equally divided, prior to any vote on his amendment on Tuesday. I think the managers could give time off the resolution and assure him of that.

Mr. DOMENICI. I do not understand the request.

Mr. MELCHER. Reserving the right to object, Mr. President, will the distinguished Senator from Wyoming yield?

Mr. SIMPSON. Certainly, Mr. President.

Mr. MELCHER. I can see where we might be in a position where we would not complete all amendments. I do not want much time on the amendment and I am prepared to offer it early Monday morning, when we start. I only request before we have the final

vote on the amendment, which would have to occur on Tuesday, some time to discuss what the amendment is about prior to voting on it.

Mr. DOMENICI. I say to my good friend, he ought not to have any concern. We ought to be able to accommodate him. I am reluctant to have unanimous-consent requests of that order. I do not know the scope, but at this point, I see no way we could not accommodate him. He would have an hour on his amendment, an hour on opposition. We just would not use all the time when he brought it up and later in the day, we would accommodate him.

Mr. MELCHER. Reserving the right to object, that is my thought. No use in using the 2 hours.

Mr. CHILES. Reserving the right to object, I trust this means that time we are burning off would be equally divided.

Mr. SIMPSON. That is the intent.

Mr. KENNEDY. Reserving the right to object, I have a question regarding what the chairman and the ranking member stated about consent agreements. As the floor manager knows, we have been here since 11:30 prepared to offer our Medicare amendment. I shall not object to this agreement, but what I would like to do is ask unanimous consent that we lay this down after the final vote on Tuesday morning that we will have as a result of consideration of the amendments on Monday.

I would be more than glad to enter into a half-hour time limitation. This is on the Medicare amendment. I have talked the amendment over with both the chairman of the committee and the ranking minority member of the committee. I would like to be able to get those assurances.

Mr. HEFLIN. Reserving the right to object, Mr. President, would the Senator from Wyoming tell us now, his unanimous-consent request means that starting on Monday or Tuesday, there would be 25 hours remaining. How many hours have we used up of the 50 now?

Mr. SIMPSON. Mr. President, the Parliamentarian could share with us the amount of hours remaining at the present time. I inquire about the time unexpired.

The PRESIDING OFFICER. There is a total of 33 hours 46 minutes; 16 hours and 6 minutes for the majority; 17 hours and 40 minutes for the minority.

Mr. HEFLIN. Thirty-three hours of what is remaining?

The PRESIDING OFFICER. Thirty-three hours and forty-six minutes total.

Mr. HEFLIN. I would have some hesitancy about giving up 8 hours—that is more than 8 hours—and to start on Monday. There have been some times on amendments that we have run out of time on these things.

Mr. SIMPSON. Mr. President, if the Senator from Alabama would yield, there is an alternative. That is to run that time tomorrow. The intent of the unanimous-consent request is that we would be out of session tomorrow and begin on Monday at 10 a.m. with 25 hours to be considered as remaining on the budget resolution. We can run it in the more formal fashion if that is the wish of the body. That would mean a session tomorrow.

Mr. DOMENICI. Would the distinguished acting majority leader yield to the Senator from New Mexico?

Mr. SIMPSON. I yield.

Mr. DOMENICI. I might say to my friend from Alabama, that this is the sixth time I have been through this as manager. If we start on Monday with 25 hours remaining, it will not be that 25 hours and the current state of things that will cause anybody to have any trouble with amendments. Nobody can promise what happens that last half-hour, but we do not have enough amendments that I know if, if we were to take them all, to use the 25 hours. I think there is more than adequate time.

Incidentally, to the Senator from Massachusetts, I want to agree with him shortly, as soon as this colloquy is over, that we can accommodate him.

Mr. HEFLIN. I wonder if we might just settle on 26 hours.

Mr. BYRD. Mr. President, who has the floor?

Mr. SIMPSON. The Democratic leader.

Mr. BYRD. Mr. President, will the distinguished Senator from Alabama be willing to accept the 25 hours that are in the request with the proviso that instead of coming in at 10 o'clock on Monday, we come in at 11? That is the same thing except we get to come in 1 hour later.

Mr. HEFLIN. I think that is all right. I would be willing to accept that.

Mr. SIMPSON. Mr. President, the unanimous-consent request is amended accordingly.

The PRESIDING OFFICER. Is there objection?

Mr. KENNEDY. Reserving the right to object, and I do not intend to object, could I just get assurances from the leadership that after you dispose of the votes on Tuesday morning—as I understand it, you intend now to vote on Tuesday morning, when we come in, on the amendments that have been proposed on Monday—after those votes are concluded, we would be recognized to consider the Medicare amendment which I will offer with the Senator from Pennsylvania [Mr. Heinz]. I indicate now I would be quite willing to engage in a time limitation of 40 minutes equally divided.

Mr. SIMPSON. Mr. President, I yield to the floor manager for a response to the request of the Senator from Massachusetts.

Mr. DOMENICI. Let me say to the senior Senator from Massachusetts, we will do that rather than to get a unanimous-consent request. The reason is there may be one of the amendments we plan to vote on that day that is finished but there may be one there is 15 minutes left on. I do not know whether the Senator would like us to then leave that alone and go to his. I think we could work that out. My purpose is as soon after the vote that is prescribed, which will at least be a vote on the DeConcini amendment, perhaps more, as soon after that as possible the Medicare amendment of the Senator from Massachusetts will be next.

Mr. KENNEDY. I thank the Senator from New Mexico. With those assurances, I certainly will not object.

The PRESIDING OFFICER (Mr. Humphrey). Is there objection?

Mr. HEFLIN. I understand that the acting majority leader amended the unanimous-consent request?

Mr. SIMPSON. That is correct, Mr. President.

Mr. HEFLIN. I have no objection.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. BYRD. Mr. President, if I may ask another question of the distinguished assistant Republican leader, how late will the Senate be in this evening?

Mr. SIMPSON. Mr. President, I yield to the Senator from New Mexico, the floor manager, for the response.

Mr. DOMENICI. Let me respond as best I can to the distinguished minority leader. The amendment that will be called up next is the DeConcini-Abdnor amendment. I do not think they necessarily want their full hour, so I would think that we do not need over 15 or 20 minutes. After that I have nothing further on the pending resolution. It would be up to the leaders as to what transpires thereafter.

I would like to make this statement while I am on my feet. We have just approved a unanimous-consent request that says we go back on this bill at 11 o'clock on Monday. There are a number of amendments that are ready and a number of Senators who are ready to offer them. We are going to run the time as required under the Budget Act starting at that hour. If there are Senators in town who have amendments, we would like them to bring them up. We are not even going to insist that they use all their time that day. They may want to reserve a few moments. But if we could get the amendments up and start to stack them in an orderly manner, the chances of us running into the problem that the Senator from Alabama

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raised are certainly minimized. So we do not intend to do nothing on Monday. If no one proposes amendments, we will use up 6 or 8 hours of the remaining time.

Mr. SIMPSON. Mr. President, I thank very much the Democratic leader for his assistance in resolving this matter for purposes of our planning. For the information of Senators, as I say, time on the budget resolution will begin running at the appointed hour, and I certainly urge the presentation of amendments on Monday. I hope that might take place. Mr. President, I would think, depending on the disposition of the DeConcini amendment, that we would get out soon thereafter, with a wrap-up as soon as possible

Mr. BYRD. Mr. President, I thank the distinguished acting leader.

Mr. SIMPSON. Mr. President, I will announce that there will be no more rollcall votes this evening.

CONCURRENT RESOLUTION ON THE BUDGET, FISCAL YEAR 1987

The Senate continued with the consideration of the concurrent resolution.

AMENDMENT NO. 1803

(Purpose: To increase budget authority and outlays for fiscal year 1987 for functional category 750 (Administration of Justice))

The PRESIDING OFFICER. The Senator from Arizona.

Mr. DeCONCINI. Mr. President, I send an amendment to the desk on behalf of Senator Abdnor, Senator Zorinsky, Senator Bentsen, Senator Wilson, Senator Melcher, and myself and I ask for its immediate consideration.

The PRESIDING OFFICER. The clerk will report.

The legislative clerk read as follows:

The Senator from Arizona [Mr. DeConcini], for himself, Mr. Abdnor, Mr. Zorinsky, Mr. Bentsen, Mr. Wilson, and Mr. Melcher proposes an amendment numbered 1803.

Mr. DeCONCINI. Mr. President, I ask unanimous consent that further reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

On page 2, decrease the amount on line 19 by $63,000,000.

On page 5, decrease the amount on line 10 by $63,000,000.

On page 7, decrease the amount on line 12 by $163,000,000.

On page 7, decrease the amount on line 13 by $84,000,000.

On page 23, increase the amount on line 2 by $200,000,000.

On page 23, increase the amount on line 3 by $168,000,000.

On page 24, decrease the amount on line 2 by $100,000,000.

On page 24, decrease the amount on line 3 by $84,000,000.

Mr. DeCONCINI. Mr. President, we just had a vote on an amendment that would take some funds out of the foreign operations account. It was a very close vote. I want to begin debate on this amendment with the assurance to the Senator from Indiana, the chairman of the Foreign Relations Committee, that this is a very important subject to me as it is to him. I realize that he has a grave obligation which he certainly satisfies in defending foreign operations and foreign assistance. I, too, as with the Senator from Arkansas, have not willy-nilly just jumped on this account. It seems to me that we have some big problems in the United States to deal with terrorism, and indeed foreign operations has to play some role.

Mr. DOMENICI. Will the Senator from Arizona yield to the Senator from New Mexico for a moment?

Mr. DeCONCINI. I will be glad to yield.

Mr. DOMENICI. Mr. President, I designate the Senator from Indiana [Mr. Lugar] to manage the bill in my stead until I return.

Let me say to my friend from Arizona, I am fully aware of the exceptional needs in the drug prevention areas that he alludes to. I wish I could support his amendment but, frankly, I do believe that we ought to find some place else to save the money. I am not inclined to support further reductions in international programs. The same arguments hold that held an hour ago when the Senate debated the Bumpers amendment.

I want to tell the Senator from Arizona in advance I support him on most of the areas. We are joining together in a task force. In fact, we have asked the President to see the border State Senators about this issue of increased drug traffic coming into our country and our border States from Mexico. I want to assure him I will continue working with him in all these areas.

Incidentally, the border facilities are a disgrace to the United States except for one new one which I believe is in the Senator from Arizona's State. Both of us have gone down to the border and have seen the deplorable conditions in which our customs officers and our immigration officers are working. There is one facility in El Paso, TX, that probably, if it was anything but a facility of the U.S. Government, would be condemned. If it was anything other than a Government facility, one of our laws on occupational safety would close it down. It has one restroom for 45 employees, including men and women.

We ought to fix these facilities. They are an embarrassment. Frankly, I do not believe we can do it in the way the Senator is suggesting tonight, and I want him to know that in advance.

Mr. DeCONCINI. Mr. President, I thank the Senator from New Mexico. I wish he was going to stay here, because I was going to say some nice things about his cooperative effort on the drug issue. I will say them anyway.

The Senator from New Mexico is correct. He has helped a great deal and has been a leader in law enforcement with respect to the drug traffic problem. My argument is not with the Senator from New Mexico or the Senator from Florida. But there comes a time when we have to stand up and take a stand.

Mr. President, while recent international events have turned the attention of most Americans to Libya, the Middle East, Frankfurt, Heathrow Airport in England, and other places, there has been a growing realization right here at home that this country is threatened by a national security problem at our own borders. I am talking, of course, about the narcotics trade that is becoming increasingly dangerous, particularly along the southwest border of the United States.

To a great extent, this problem exists in the Southeastern part of the United States; but a very aggressive, coordinated, funded effort—pushed by Congress, by the way and with the help of the military—has made some inroads in stopping the traffic of drugs into the Southeastern United States. By no means should we relent in that effort. At the same time, the southwest border has taken its licks in what is becoming the worst history of drug trafficking in the Southwest that I know of. The time has come to shift our eyes back home for a moment and focus on the growing drug trafficking threat to this country and how we can build our defenses against the drug menace.

Mr. President, the amendment that I am offering today with my good friend from South Dakota, Senator Abdnor, would ensure that we have solid drug interdiction manpower levels in place in the Southwest and all along the southern tier, particularly in the U.S. Customs Service—our frontline drug interdiction agency. Our amendment would add $200 million to function 750: administration of justice, to provide additional resources for the U.S. Customs Service and other important law enforcement agencies that would be severely damaged if held to the budget resolution's post-Gramm-Rudman-Hollings freeze level for another year. Specifically, it is the intent of our amendment to restore $115 million to the U.S. Customs Service accounts; $45 million to the Bureau of Alcohol, Tobacco, and Firearms; $35 million to the U.S. Secret Service; and the balance of $5 million to other high-priority law enforcement initiatives in the other law enforcement agencies covered by function 750.

In order to make the amendment outlay neutral, we have offset the increased funding for function 750 by reducing function 150—International Affairs by $163 million in BA and $84 million in outlays; and by reducing function 800—General Government by $100 million in BA and $84 million in outlays. The outlay neutrality of our amendment has been confirmed by the Congressional Budget Office.

Mr. President, the primary intention of this amendment is to allow sufficient room within function 750 to accommodate an increase of approximately $115 million over current levels for the U.S. Customs Service. This would allow the agency to restore the cuts imposed both by the Gramm-Rudman-Hollings March sequester and the President's fiscal year 1987 budget.

If we fail to grant Customs this increase and are forced to live with the budget resolution target, the agency will have to fire 1,800 personnel in fiscal 1987—the largest personnel reduction at Customs since President Reagan took office. This cut could not come at a worse time in our effort to combat drug smuggling along our borders, particularly the Southwest.

For example, Customs intelligence sources reveal that Mexico is rapidly becoming a major drug source and transshipment country for the trafficker looking for U.S. markets. Now over 33 percent of all heroin consumed in this country is grown in Mexico and over 30 percent of the cocaine is now being shipped through Mexico into the United States. Furthermore, Mexico is now in a "dead heat" with Colombia as the No. 1 supplier of marijuana to the United States. If the cuts imposed under this budget resolution are allowed to go forward, our defenses along the Southwest border to combat this growing threat will be drastically wounded.

In addition, we should not lose sight of the fact that the Customs Service is our second largest revenue agency, bringing in over $14 billion a year in revenue to the Treasury, with an estimated 20-to-1 ratio of revenues brought in to staff dollars spent—higher than the IRS. So, we need this amendment to give the Customs Service the tools it needs to fight drugs and to enforce our tariff and trade laws.

Mr. President, another agency that would be hard-hit by the provisions of the budget resolution would be the Bureau of Alcohol, Tobacco, and Firearms—an agency that is deeply involved in our antiterrorist effort here in the United States. This small but important agency has a solid track record of making good cases against major weapons and explosives traffickers here in the United States, and their contribution to our domestic antiterrorism effort is significant. If our amendment fails, this agency will suffer personnel cuts of 650 positions—a sharp blow to our law enforcement effort here at home.

Finally, the U.S. Secret Service has critical responsibilities both in its protective mission for the President and other top officials, and in law enforcement investigations that affect our antiterrorism campaign here in the United States. The Secret Service is a critical cog in our antiterrorism, antiweapons, and explosives law enforcement team and would lose at least 350 people if our amendment fails today. We need to bolster—not cut—this important law enforcement agency.

Mr. President, I do not take lightly the offsetting cuts in foreign aid and general government. All budget functions are in tough shape with respect to the moneys that are available for them. We have critical international obligations to Israel and Egypt—as the Senator from Indiana pointed out before the last amendment—as well as other allies who are our friends. This amendment would not cut aid to Israel or Egypt. Let me restate that. This amendment would not cut aid to Israel or Egypt. I want to make that very clear, as clear as I can.

In short, the amendment is very clear. The unequivocal intent of this amendment is to reduce the administration costs associated with State Department operations and other low priority activities in function 150 and that no reduction whatsoever shall be made in aid to Israel or Egypt. I trust that the legislative history on this amendment will reinforce the clear intent of no cut in aid to Israel or Egypt.

The small saving of $163 million in international affairs could be and should be absorbed in other low priority areas, such as State Department staffing and administrative costs for running our myraid of foreign aid programs. For example, the State Department wants to spend $421 million next year for "administrative and staff activities." This is not for security and antiterrorism. This is for administrative and staff activities. A rollback of that funding to fiscal year 1985 levels would save nearly $80 million—almost half of our reduction.

At the same time, the general government function includes Congress; the Office of Management and Budget; the General Services Administration; and other executive branch functions that could be trimmed by $100 million in fiscal year 1987. For example, an amendment that Senator Humphrey and I sponsored last year and which was signed into law April 7 by President Reagan in the omnibus reconciliation bill would save $50 million in 1 year in the operation and management of the Federal motor vehicle fleet—a fleet by the way that contains over 400,000 vehicles, automobiles, trucks, and limousines. By using the private sector and some creative thinking at the agencies, we could save more than half of the $100 million reduction in just this one management program in the Federal Government.

Mr. President, this is an amendment that adjusts priorities. Pure and simple it says we need to fight drugs here at our borders more than we need to spend these additional amounts on State Department bureaucracy or general government activities. It says that drug interdiction is really important, not the stepchild of law enforcement as some in the administration view it. It says that we are going to get together and get tough on domestic terrorism and set up our defenses against drugs and terrorism before the threat gets any worse and comes knocking right at our door, not after we suffer our first major tragedy here at home. It is a responsible amendment; it does not impact the deficit; and it should be approved by the Senate.

We have not asked for any new revenues. We are asking for a shift in funding priorities.

I hope that the Senate will vote in favor of this amendment.

Mr. ABDNOR. Mr. President, I am very pleased to be a cosponsor of this amendment with my good friend, the Senator from Arizona. The Budget Committee has tackled a difficult task and has given us a resolution which freezes almost all domestic spending at the postsequester level.

I believe the Budget Committee has made a fine effort to meet a difficult target, however, a freeze will impose a hardship on three law enforcement agencies which my appropriation subcommittee funds. Senator DeConcini and I have strived for the last 5 years to fund the U.S. Customs Service, the U.S. Secret Service, and the Bureau of Alcohol, Tobacco, and Firearms at levels we felt necessary for these agencies to do their jobs. Quite frankly, I think we should have done more but we have done what we can to hold the budget line.

If the Senate insists on freezing these accounts, I believe we are making a mistake. The Customs Service is the front line in our fight against drugs. It makes more sense to me to try to stop it before it gets into the country rather than to spend money once it is on the street. Drugs are only one issue. Customs is charged with the day-to-day processing of passengers and cargo. Frankly, there probably is not a Member of this body who has not heard a complaint about how long it takes to get through an airport or how long it takes to get cargo processed. I can tell you that employees are a hard working group,

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but quite frankly there are not enough of them.

The Congress approved funding for almost 500 new positions in last year's appropriation. None of these positions plus approximately 250 other openings have been filled because of the sequester. If Customs is funded at the current level, its ranks will be reduced by at least 700 more positions in the next year. That means that processing will slow and quite possibly ports will be closed or at the very least see reduced hours. I know from my conversations with many Senators that they are opposed to that. I could go on, but I think you all see what I am talking about.

The Bureau of Alcohol, Tobacco, and Firearms is also going to suffer and it will impact on revenues. ATF is charged with collecting alcohol and tobacco excise taxes. We have continually given them more responsibility and have insisted that they do it with fewer personnel. ATF collects nearly $12 billion a year in taxes and there is more out there to collect. A freeze will continue at the very least; a hiring freeze, if not further staff reductions. As a result ATF will be strapped.

The Secret Service does not collect revenues or fight drugs, but it fulfills several functions important to the Nation. The obvious role the Secret Service fills is protection of dignitaries. The Service is also charged with protecting the Nation's currency and is very active in fraud dealings with credit cards, food stamps, and other schemes affecting the Treasury. Failure to fund the Service would slow investigations, cost the Treasury money and prevent the Service from its preparation for the upcoming Presidential campaign.

I have touched briefly on what impact the freeze would have on these agencies. I do not believe we want this to happen. To do this we are proposing to take $163 million in budget authority and $84 million in outlays from function 150, international affairs and $100 million in budget authority and $84 million in outlays from function 800, general government an increase function 750 administration of justice by $200 million in budget authority and $168 million in outlays. The Congressional Budget Office has reviewed this amendment and has indicated that this amendment will result in no outlay impact.

Specifically, this amendment will provide the Customs Service with $115 million in budget authority; the Secret Service $35 million in budget authority; and the Bureau of Alcohol, Tobacco, and Firearms by $45 million to provide enhanced domestic law enforcement. We cannot afford large personnel cuts this freeze will cause.

I cannot think of a more necessary amendment to be offered to this budget resolution.

We all know the work that Customs; Alcohol, Tobacco, and Firearms; and the Secret Service provide for this Nation. It is imperative that we keep them at a working level so they can do the job that we have assigned them.

Once again let me tell you that every year that goes by we are adding more duties, responsibilities, and requirements to each of these agencies. They are an important arm of Government.

In most cases they do a great job of collecting revenue. The more we cut them back, the less revenue will be coming into Government.

We certainly urge Senators' positive consideration of this amendment.

The PRESIDING OFFICER. The Senator from Indiana.

Mr. LUGAR. Mr. President, I rise to oppose the amendment offered by the distinguished Senators from Arizona and South Dakota.

The distinguished chairman of the Budget Committee has indicated in preliminary remarks on this amendment that the Senate has just considered a worthy amendment by the distinguished Senator from Arkansas asking for $25 million for additional immunization. The point that the Budget Committee makes is that offering that kind of amendment does not bring about one inoculation more than we now have. The effect is null because, we cannot provide, cannot authorize and appropriate in a budget resolution.

I think Members generally understand this fact, although I appreciate that many Senators coming to the well during the last debate felt that they were voting for immunization. Some may have felt that foreign aid was as good a target as any to hit for a worthy cause.

I tried to make the point in the debate on the last amendment that we have a series of worthy causes. Fighting drug abuse is certainly one of them. I do not know of a single Member in this body who does not want to fight drug abuse, does not want to fight drug peddlers and smugglers and the whole lot.

Indeed, I have no doubt money will be appropriated, substantial sums to fight these battles. The distinguished Senator from South Dakota is objecting that somehow the amount to fight drugs has simply been frozen at previous levels. In order to address that situation, the proponents of this amendment has decided to go after foreign assistance, the 150 account.

We have already substantiated, Mr. President, that the 150 account has not been frozen at last year's levels. Anybody generally interested in this account would appreciate that the President of the United States asked for $23.7 billion for the 150 function. The Budget Committee has provided after its deliberations $18.3 billion, a cut of $5.4 billion from the Presidential request.

Now, the President's request was not out of thin air. The President's request reflects obligations around the globe. We have to defend ourselves. We should be prepared to help others who want to help defend us. I think that is an important objective.

Let me just say, Mr. President, that I note that the proponents of this amendment have changed their tune from the time that they wrote to their colleagues with regard to this amendment. At that time, they suggested that the foreign assistance programs of the 150 account, might be reduced by $163 million. They suggest in the final paragraph of their "dear colleague" letter, dated April 22, 1986, these words:

> We cannot afford these drastic personnel cuts in our front-line enforcement agencies that play such a role in our antiterrorism, antidrug, anti-explosive and weapons programs here at home. On the other hand, the offsetting cuts to foreign aid and general Government can be accomplished without jeopardizing our important foreign assistance efforts or essential general governmental programs.

They stated categorically that we will not affect those important obligations at all in making these transfers.

As a matter of fact, after the distinguished proponents of the amendment heard the first debate today, they have decided that this amendment is vulnerable if it affects Israel and Egypt. They want to make sure now that the Israeli-Egyptian situation is clearly understood to be off limits. We are almost facing earmarking within earmarking.

It appears the distinguished Senators appreciate that taking after Israel is an interesting argument but not one they want to address today. It is conceivable they might not want to debate the base rights issue either. They might not want to debate embassy security. In fact, as they have listened to the debate on the first amendment, they have decided that the assistance programs in the 150 account may not be so easy a target after all. This country has foreign policy obligations. We have alliances. We prefer other people help us preserve our security. That is what our foreign assistance is all about.

So where do they land? Have they refocused their attention? On the State Department. They suggest, "There is your target, the State Department sitting overseas with diplomats, employees, persons just carrying on general functions of Government."

But those are the people that might be fired because of these cuts. There is just not that kind of money sitting in the State Department.

Mr. President, the request for the State Department for fiscal year 1987 including the enhancement of security for that Department—we are talking about our embassies abroad—was $3.8 billion. The Budget Committee cut that request by $1 billion.

Now, you cannot have it both ways. The proponents of this amendment have tried. As a matter of fact, if you want to cut the embassy security request, say it. That is what you are proposing. The billions supposedly to come out of the State Department budget have already been cut. Diplomats are being laid off. Senior diplomats are on the line and are being retired before they get to the age of 65. As a matter of fact, if they are passed over, they are out.

Now, Members may be beguiled into voting for an easy cut, but you really need to know that the argument is going to be made this time that you are going to be hurting America's security. I appreciate the need to fight drug abuses. I wish there was more funding available for that fight. But I also wish the Budget Committee had not reduced foreign assistance by over $5 billion, had not reduced the State Department by $1 billion. That was not just a freeze but a real hatchet job.

I am here not to argue against your trying to restore funds that I think legitimately could be restored. I am here with the finger in the dyke trying to stop people from running over our foreign assistance and what is left of the State Department budget at this point.

Now, it may have been good politics in the past to cut foreign assistance. I do not think that is true any more. That is why I am going to make this argument vigorously each time a Senator rises to offer what seems to be an appealing transfer amendment, whether it is relating to a health, education, welfare affair, drug abuse, or other programs.

But I would just say to my colleagues, if you have such an amendment, be prepared to discuss it in terms of America's security. Be prepared to describe why your cause has somehow fared worse than America's security has already fared, as exemplified in this particular 150 account.

I have gone through this litany before and I will not do it again but, as a matter of fact, when we come to foreign assistance we are really talking about Israel and Eygpt. We are talking about five bases overseas. We have got just $200 million left for everything else and we have not even touched the Philippines. We have not touched Irish aid. I frankly do not know whether Irish aid ought to fly or not. It has not yet come out of our committee. The Speaker of the House wanted it very badly. But I must tell the Senators, there is no money presently there for it.

There is no money for a lot of things. There is no funding to do the things we need to do for Pakistan, and for our obligations in Afghanistan, and for Cambodian freedom fighters, or for anything in Latin America, given this current budget.

I would advise the Senators that if there are emergencies in this world, we are going to have to come back for supplementals to try to address them. I would also suggest to Senators, since we have become very worried about terrorism around the world and the security of Americans abroad, there may be some sentiment on another day, another cause for funds for this cause. But I would ask Senators to forbear from offering one amendment after another hitting the 150 account. Although it used to be an easy mark, I do not think Americans are going to stand for that approach any more. Americans are going to want to know who it is that is attacking our security programs.

I would just say to Senators you may think it is good politics to offer these amendments, but I think there are consequences to doing that. I think it is irresponsible to come after the 150 account and then, having invaded the 150 account, to begin to alter your arguments looking for the easiest spot left in the 150 account. That approach has only run smack up against the issue of embassy security.

Now, if the proponents of this approach are seriously talking about taking $180 million out of what is left of the payroll of the State Department, fair enough. Detail how many people you want on the pavement. Make that argument, fair and square. But do not tell us in a dear colleague letter that our national security programs will not be touched.

I would just say, Mr. President, that if I take this amendment seriously—and I sound like I do—you are right. I suppose I had hoped that this amendment would not be offered after we made these arguments once before on a very appealing amendment, immunization for children. It is interesting that these amendments bring Senators to the well with the bogus argument that they are choosing immunization for children as opposed to foreign giveaways. But it is not so easy, Mr. President. At least 49 Senators said we are not going to buy that kind of argument anymore. You cannot just wreck our foreign policy by offering an appealing community funding argument, particularly when you offer it, and it will not really inoculate a single additional child.

Mr. President, I hope Members will reject this amendment. I hope they will reject each similar one that follows it. I hope that at least there will be something left of our foreign security programs after we have completed the budget process.

Mr. President, I yield the floor.

Mr. PELL addressed the Chair.

The PRESIDING OFFICER. The Senator from Rhode Island.

Mr. PELL. Mr. President, I support very strongly and heartily the eloquent words of our chairman, the Senator from Indiana. He has expressed the problem here clearly for us all. We should bear in mind that the 150 function of the budget has already taken an 11 percent cut below the sequestration levels mandated under Gramm-Rudman. These cuts as recommended by the Budget Committee are the sharpest of any function of the budget. In other words, it has already been cut not to the bone but to the marrow.

Last year the Foreign Relations Committee reported a foreign aid bill for fiscal years 1986 and 1987, the first time this has been done in 4 years. That bill passed the Senate on an overwhelming vote of 75 to 19, and subsequently became law.

Currently, the President is urging $4.4 billion for embassy security enhancement, a quarter of billion dollars for Irish aid, $100 million for the Contras, and just yesterday he submitted a supplemental request of $150 million for the Philippines. I do not see how such requests can be met in a sensible way while the 150 function, already 11 percent below a freeze bill, would be reduced another $163 million if this amendment is adopted.

As far as drug control goes, as the Senator from Arizona knows, I am very much interested in that. I was an original cosponsor of the Senate Drug Commission. I held a hearing in my own State of Rhode Island on the importation of drugs because they have now moved from the Southeastern portion of the United States up to, I regret to say, the Northeast.

I think the functions and responsibilities posed by the Senator from Arizona are important ones, and ones that should be carried out but not carried out at the expense of the State Department which really is our first line of defense. Our Foreign Service must bear the brunt of the battle overseas. They are the ones who actually bear the brunt of the dangers. They are the ones when it comes to hostile times who suffer the most.

I believe I am correct in saying that there were more Foreign Service officers and diplomats killed in the last 25 years than there were generals and admirals in two wars—Korea and Vietnam. These are the kinds of statistics we should bear in mind, especially as terrorism spreads across the globe.

I hope the 150 function will be left alone, and, if the programs advocated by the Senator from Arizona are to be supported let us find some other source of funds. Maybe it would be a good idea to offer an amendment suggesting that money be taken from the Defense Department.

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So for all of these reasons I hope that my colleagues will support the tabling motion when it is offered, and I remind them of the overwhelming support that the basic foreign aid bill received only 1 year ago. I hope that sense rather than emotion will prevail in this important matter.

Mr. DeCONCINI. Mr. President, these debates are really of interest to me. Certainly the Senator from Rhode Island, who has been here far longer than I have, and the Senator from Indiana has been here the same time know these issues. But all of a sudden foreign aid is national security. Now we have cloaked foreign operations and billions of dollars, some to friends, some to enemies, as "national security." In my opinion if it is national security you want to talk about—drug trafficking is a greater national security threat.

If you want to fight and take anything away from foreign aid, boy, you are hurting our national security.

I wonder how many people know that since 1980 to 1986 discretionary foreign operations spending has grown from $7.6 to $14.4 billion; an 89 percent increase.

Some say that is for foreign security, national defense. We know better. This Senator is prepared to stand with anybody on the necessity to influence a peaceful settlement in the Middle East. This Senator has stood firm with Israel and Egypt. This amendment does nothing to touch it. The Senator from Indiana knows that.

Our aid to Israel and to Egypt is $5.2 billion; $3.1 billion is for security assistance, including $2.1 billion for base rights items. That is an $8.3 billion subtotal, leaving $10 billion to absorb a cut of $163 million. You want to talk about national security. Where is it? It is on our U.S. borders today.

Sixty percent of the cocaine that is coming into this country is flying across our Southern borders, all the way from Florida to California. If we cannot find $163 million out of $10 billion left in to combat drug trafficking, then we are not serious about national security and national defense. When we have increased it 89 percent in the last 6 years, there is something wrong here. There is something wrong with your priorities.

Are we interested in our borders? Are we interested in stopping drugs? Hear is a chance, folks; here is a chance to do something about it.

Let me say that we did not take all of this out of the 150 international affairs function, realizing that there are needs there, and this Senator supports many of them, particularly Israel; Egypt; antiterrorism and security. The Senator from Indiana knows where this process is going to go after this budget is passed. It will go to his committee and to the Appropriations Committee. Senator ABDNOR, and myself, Senator ABDNOR being the chairman of the Treasury subcommittee that I am ranking member on, has the general government area of jurisdiction. We took $100 million out of there. So we are not picking on anyone. If we are, we are picking on ourselves, our own turf, so to speak.

We are prepared to do that because we think that the priority insists that we do something about this drug problem; that we do it this year; that we do not put it off; that we stand up, and that we not be afraid to do it.

The Appropriations Committee is going to make the decision of how many staffers the State Department really needs when it comes to appropriating some of that money. I think that is a proper place for that decision to be made.

I do not know about other Senators. But I think the State Department has ample staffing. They do a good job. I am not here to criticize them. I am here to say that we can save money in those administrative accounts.

Certainly it is hard to justify an 89 percent increase in foreign operations appropriations over the last 6 years. In the little bit of time that I have been in this body, if anybody had proposed a 12-percent increase in foreign aid as President Reagan's budget did when it was sent up here, there would be petitions to impeach any other President.

Here we have now decided that, well, it is national security. So anything goes under national security. Well, I am talking about real national security. I am talking about drugs on the streets of Phoenix, AZ. I am talking about the drugs on the streets of Indianapolis, IN, and I am talking about the drugs on the streets of any city in this country.

It comes from our south. That is our line of defense. Our security starts there or should be at least maximized there, and not just overseas.

The Senator from Arkansas points out so well that there is a $232 million market rate loan, or concessionary loan to South Korea. When are the people of this country going to get a chance to see that money. It is spent with an ally that is ripping us off because they are better at the international trade than we are. We have a horrendous deficit with them. If we cannot find 2 percent out of the $10 billion that is left in function 150, we are not very good at our jobs. I think we could do that.

National security is important. Foreign assistance has to play a role in it. Base rights are important, and what have you. But so is our national security at home. But those decisions of how you spend that money and allocate it are going to be made by the Appropriations Committee.

I can assure the Senator from Indiana when we get a chance to mark up those budgets, we are not going to jeopardize those functions he has talked about and those areas. He knows as well as I do of the commitment in this body. He knows better than I do in his own committee, yesterday turning down the sale of sophisticated weapons to Saudi Arabia. A lot of it had to do with our strong, firm commitment to the State of Israel and to the State of Egypt; the Camp David peace accord, and the failure of the Saudis to enter into such an agreement and be part of it.

Mr. President, the case, I think, is clear.

I will give one more quick example. The USIA has increased from $543 million in 1985 to $609 million now—an increase of 11 percent. We see the good work they do in the Voice of America and other functions they have been involved in. But we also see the $400 and $800 hotel bills in Paris, France, for their director and some of their employees, on the basis of, "Well, we have to do a good PR job for the United States."

Nonsense. The people of this country can sell themselves without blowing that kind of money in the foreign assistance accounts.

These are hard facts to face. Nobody likes to talk about foreign aid. We like to cover it any we we can. We want to be sure that it is OK now. They have had some healthy increases in the last few years including a 113-percent increase in outlays since 1980. And a lot of us have to cover for that. What do we do? Put on the cloak of national security. I submit to this body that national security starts right at home with our preparedness, our national defense, our military capability, and what are we going to do about our borders.

Again, this money is cut out of two accounts, not one. One is $163 million for international offers and the other is $100 million out of function 800. So we have not picked on account 150 as the Senator from Indiana wants to lead us to believe, and that we are just taking on an easy mark.

First of all, I wish it was an easy mark, but it is not. Thanks to the capable hands of my friend from Indiana, who is able to defend that mark. But I am tired of that mark being increased at the rates we have seen and the rate we see in budgets year after year.

Mr. ABDNOR addressed the Chair.

The PRESIDING OFFICER. The Senator from South Dakota.

Mr. ABDNOR. Mr. President, I want to say that I agree with the Senator from Rhode Island that the Senator from Indiana presented some very eloquent remarks. I cannot say that I agree with or support those remarks, but they were well stated.

I must say, though, that my colleague, the Senator from Arizona, was

much more specific on the issues we are talking about.

I am one of those who never thought of foreign aid as national security. I do believe in a strong defense and I have been a strong supporter of defense. I have not been as strong a supporter of foreign aid because I have oftentimes had many questions about it. I would say 90 percent of the people of South Dakota would agree with me when we get on the subject of foreign aid. It is not something they think of in terms of defense.

It made me think the other night about national security when Libya was bombed. Maybe that is national security for America. It was not done by the State Department. They did not take care of that situation. I am sure the State Department has a great part to play in the overall picture of foreign affairs, of course.

But I think the Senator from Arizona has pointed out the vast increase over the last 6 years in foreign aid.

Let us look at the function we are talking about here. We are trying to find some dollars for a problem that really is national security. I think everyone clearly knows the problem that the Defense Department has had with drugs. They are taking steps to try to do something about it. The easiest thing to do is to keep it out of this country entirely. Prevent drugs from coming in. We are doing that. We think we are making some progress. But wherever we try to set up a good defense, we find that the smugglers use new innovation and new equipment to bring drugs into America. It is a constant battle that goes on and on.

We are not trying to only hold the line in defending against smuggling, but we are trying to do it within budget restraints which would require 1,800 fewer personnel than we had a year ago.

I have been on this floor representing the subcommittee for 5 years. I wish you could hear all the requests we have from Members of this body to add additional personnel, additional manpower, to our Customs centers to keep drugs out of this country which are arriving in goods coming into the country. They are seeking hundreds and hundreds of people.

I thought it was very interesting, and I am sure the Senator from Arizona will agree with me, that in the reconciliation provision brought out last year, there was a call for additional IRS people because for every man we were putting on at IRS it would mean more dollars in Government collections, which we could spend on the different functions and responsibilities we have in Government.

Let me tell you one thing. The same thing is true with our Customs agents and with our ATF agents. One of the main purposes of these agencies is to collect revenue.

Everywhere I look we are adding more responsibilities to them. If you think smuggling in cigarettes and alcohol is not going to be good business now that we have greatly increased taxes on those items, forget it, because it is going to be. It is going to be doubly tough. The more we let get away, the fewer dollars we will have in the Treasury.

I can think of other responsibilities in this particular category that we try to deal with. We expect less manpower to deal with more responsibilities.

If I am correct, there is talk of the State Department transferring more responsibilities from the State Department to the Secret Service. I will bet in 1½ years they will have it. That is another little thing that we can slip off to one of our agencies and let them try to get by with what they have.

This sort of thing just is not going to do. As a percentage of function 150 we are talking about a drop in the bucket. If you compare that to what is being done in function 750 it makes a big difference not only in revenue we need to run Government, and everybody is looking for more, but also the important part played in the security of this Nation. I think these are important matters, priorities, each of us in the Senate will have to decide. It is either raise taxes or pick priorities of what we think are important.

If we carefully analyze the responsibilities of each of these functions we have been talking about, we would have to conclude that this amendment we are offering here today is of extreme importance to this country's security.

Mr. LUGAR. I yield 2 minutes to the Senator from Hawaii.

Mr. INOUYE. Mr. President, this amendment must be opposed. While the stated intention of the authors is to enhance efforts to "combat drug trafficking, terrorism and other crimes against the citizens of the United States," I argue that it will have exactly the opposite effect. Unfortunately, this is an example of good intentions gone awry.

What would be the effects of the adoption of this amendment?

American citizens who serve our Government and our institutions in foreign countries would be denied protection which they so clearly need and deserve. Once again, we would have failed to defend against terrorist attacks on U.S. installations and personnel. It is not a rhetorical device; it is not hyperbole to say that adoption of this amendment, with its inevitable reduciton in funds for security measures recommended by the Inman Commission, could result in the loss of life of not only State Department officials and military personnel, but also their children. We must recognize that the next time the terrorist strikes, his cowardly blow could be directed against the children of our Government servants abroad. I will not vote for this amendment.

Let us return to the original intention of the authors of this amendment as stated in their dear colleague letter.

They would take the funding from foreign aid. What would that mean? Funds for narcotics control assistance would be cut. Funds for antiterrorism assistance would be cut.

It strikes me as rather peculiar that the authors of this amendment would seek to curb crime and narcotics abuse and terrorism in the United States after the fact rather than seeking to stop it at its origin. The subcommittee on which the Senator from Arizona and I are privileged to serve has worked very hard over the past several years to improve the narcotics control programs and the antiterrorism program of our foreign assistance.

These programs are meant to meet the threat at the source—not to wait until it appears on the streets of America. You cannot cut foreign aid without cutting these programs. You cannot get something for nothing.

For purposes of argument, let us say that there is no reduction in State Department administrative expenses—which this year means security enhancements—and that the amendment does not touch narcotics control assistance or antiterrorism assistance contained within the foreign aid bill. Where would the reduction fall? The international affairs 150 function in the resolution before us is already $4 billion below the President's request. For foreign aid alone, the resolution assumes sharp reductions in the economic support fund, foreign military sales, and military assistance programs. If we fully fund requests for Israel and Egypt within the amounts allowed in the resolution for these security assistance programs, we would be left with $3.1 billion. If we then subtract funds for the base rights countries, according to agreements we have entered into with Greece, Turkey, Spain, Portugal, and the Philippines, we would be left with $800 million to meet our remaining worldwide commitments.

We now know that the administration will seek additional funding in fiscal year 1986 for the Philippines and its renascent democracy. It would be reasonable to assume that additional amounts will be required in fiscal year 1987. Furthermore, we know that our renewed commitment to Pakistan will call for substantial amounts of funding to preserve the security of this frontline state. What's left? Nothing. Nothing for the whole of Africa; nothing for Central America.

Mr. President, as I said at the beginning of this statement, the amendment is an example of good intentions gone awry. Will the renewed outbreak

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of conflict in the Middle East, the collapse of democracy in Central America, or an unfettered resurgence in the production and distribution of opium in the golden triangle of Southeast Asia or the poppyfields of Mexico enhance efforts to combat drug trafficking, terrorism, and other crimes against the citizens of the United States? I say no.

I say no to this amendment. I say no to the belief that we can continually raid the foreign assistance programs without paying a price.

That price, Mr. President, is chaos. It is a price we should not be asked to pay. I urge my colleagues to defeat this amendment.

(Mr. WILSON assumed the chair.)

Mr. LUGAR. Mr. President, let me say in the gentlest way possible that I appreciate that Senators, from time to time, have found it difficult to vote for foreign assistance. Maybe they found it difficult to consider that foreign assistance is important to the security of the country. I think it is an argument that needs to be discussed more frequently to be understood more clearly.

Foreign assistance is not, as has been characterized on occasion, a giveaway of funds. We are talking about the very serious business of funding the security of allies so they can purchase military hardware, provide troop training, and provide forces that will make it less necessary for Americans to be in areas we think are in our vital security interests.

Let me mention, Mr. President, that this objective does not come cheaply. The distinguished Senator from Arizona has suggested that from fiscal year 1980 until the present, there may have been an increase of as much as 89 percent in the amounts of money in the 150 account which includes foreign assistance. We are not in a position here, on the floor, to detail the figures or to establish the baselines, but let me suggest this: there are some important changes that have occurred in the way we account for foreign assistance. Those are important to note.

I think it is honest bookkeeping to put the FMS—foreign military sales credits—up front and part of the budget. That is not the way they used to be accounted for when they were guaranteed and off-budget. Roughly $4 billion of the increase is accounted for in that way alone. It is not to give away money. This is security money any way you look at it. It is money that is there now in a way that more easily can be seen and known.

Let me indicate that about $2 billion of the difference has occurred because we are more aware of our needs in the Middle East. If one is to be honest about it, and the distinguished proponents of this bill have affirmed that they do not want to touch the Israeli situation, then let's point out that much of our recent increases have been because we have been more generous to Israel than we used to be. If one is looking at percentage terms, one can account for a good bit of the money in these ways.

We are also more generous to Pakistan. We have taken on a new obligation in Afghanistan, a substantial one. We talk about $600 million for Pakistan. That also is very different from what we used to do.

Maybe Senators will say we are not sure that this is military security or national security. The charge is made, in a way, by the distinguished Senator from Arizona that when we talk about foreign assistance as national security, we are cloaking—cloaking—giveaways in national security garb. I do not see any cloaking. I think it is time we understood what the national security interests of our country are and how they are provided for.

There is mention that it is not national security we are touching, but the State Department or general government operations, and the international broadcasting. I suppose the broadcasting aspect is arguable, and maybe Senators would feel that the extension of America's word behind the Iron Curtain has now been intensified. That is arguable. I feel we are doing a much better job in terms of freedom. That does have something to say about our national security. Our ability to manage the Soviet relationship is part of our national security.

Finally, Mr. President, I say whatever case may be made for our borders with regard to drug abuse and drug smuggling, all the opponents of this bill are saying is that those efforts have been frozen at those levels.

Some of us have tried to make the case that the 150 account has been cut very substantially, not only below what the President asks for, but what was appropriated last year, what was authorized last year, what the Budget Committee started with, and where they finished. It has been cut substantially. Every program in the 150 account has been cut.

I would just say that at some point, Senators have to understand what security is all about and what influences the way people perceive our country abroad.

I mention this thought. As the distinguished Senator from Hawaii pointed out, a good bit of work with regard to the drug problem occurs through the valued talents of Foreign Service officers and other personnel who operate abroad under funding provided in the 150 account.

I do appreciate the point made by the distinguished Senator from Arizona that he is worried about the streets of Phoenix and I am worried about the streets of Indianapolis. I once had some responsibility for assisting law enforcement in my city and at that time we did not look to the Federal Government for assistance. We might now if I was still in that capacity. We had to fight it with our own local taxes, with some benefits from the State of Indiana. We used to do it the old-fashioned way and we had to do it with very limited resources. We saw the national security situation handled by the Federal Government.

There are problems with regard to our borders, international problems. Everyone in this debate would like to do more with regard to that. But the proponents of this amendment did not ask for additional moneys or additional revenues that the taxpayers of this country might provide. Instead, they looked toward the 150 account. I think that was a mistake tactically. I hope it proves to be a mistake because I believe there are important goals being served by diminished sums of money available in the 150 account.

Mr. President, I know of no one on our side who wishes to debate further. As soon as the distinguished proponents of the bill are prepared to yield back their time, we are prepared to yield back our time. For the moment I yield the floor.

Mr. DeCONCINI. Mr. President, I ask unanimous consent the Senator from South Carolina [Mr. HOLLINGS] be added as a cosponsor.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. DeCONCINI. Mr. President, the senior Senator from Hawaii, who I have the greatest respect for and who serves as ranking member on the Foreign Operations Subcommittee, talked about the International Narcotics Control Program in the State Department, which is a very important area and an important program. If I am not mistaken, that program is roughly at $65 million. That is $65 million out of a budget amount here of $18.3 billion.

Our cut in function 150 is a little less than 2 percent. Two percent off of $65 million or $1.3 million, and what do we get in exchange for that? We get $163 million for Customs to stop those airplanes that are coming from some of these countries—$1.3 million is a good tradeoff to get more drug interdiction at our borders.

So we are not going to cut and hurt the international narcotics effort in the State Department. What we are going to do is stop those narcotics at the border through our air interdiction program.

I have some interesting statistics just to wind this up for today. Budget outlays for foreign aid, since President Reagan took office, have grown 113 percent. Military assistance grants in the past 6 years have grown 580 percent. Foreign military sale credits since 1980 have grown 96 percent. Economic support fund assistance has grown 80 percent. And the USIA, with those big suites in Paris and expenditures by the director and some of his staff, has grown 87 percent. Nobody is against the Voice of America. We are talking about less than a 2-percent cut out of a USIA that has grown 87 percent. And the State Department operating expenses during that period of time have grown by about 80 percent.

Now, do not tell this Senator and do not tell the people of Arizona or any place else that less than a 2-percent cut in international affairs in order to give us the necessary resources to do something about drugs coming across our borders, cannot be absorbed in function 150. I submit that it can.

U.S. ANTITERRORIST CAPABILITIES

Mr. ZORINSKY. Mr. President, I would like to express my support for the amendment offered by the distinguished Senators from South Dakota and Arizona, and to speak on behalf of an interest all my fellow Senators share: The protection of American citizens from the scourge of terrorism.

Recent world events have demonstrated that we must maintain constant vigilance in the war against international terrorism. The threat of terrorism is not absent in this Nation, but has been so effectively blunted by our domestic law enforcement agencies that we sometimes forget that terrorists have struck domestic targets and will surely attempt to do so in the future. With the Libyan terrorist network aroused and seeking vengeance against an American target, now is hardly the time to grow lax in our war against domestic acts of fanatical violence.

The amendment under consideration would contribute greatly to prevention of terrorism on our shores, and I am proud to join Senators ABDNOR and DECONCINI in sponsoring this legislation. I am also convinced that adequate funding levels for domestic antiterrorism cannot wait until fiscal 1987 and that recent events require this body to immediately restore the funds eliminated by the March 1 sequestration order. To offset this reduction, I will be proposing an amendment to the 1986 supplemental appropriations bill, and have informed the distinguished chairman and ranking member of the Appropriations Subcommittee of my intention to do so.

My amendment would simply restore the funding to the FBI, BATF, INS, Customs Service, and Secret Service that was cut by the Gramm-Rudman law. Like the amendment under consideration, my amendment will have an offset to ensure that it is also deficit neutral. Specifically, I will be proposing that NATO funding is reduced by the amount required by my amendment.

Mr. President, we must stand firm in the face of international terrorism, and provide our domestic law enforcement agencies with the financial ability to maintain their vigilance. I urge my colleagues to support my amendment to give these agencies this ability in the present year, and to support my distinguished colleagues in preserving our antiterrorist capabilities in the coming year.

The PRESIDING OFFICER. The Senator from Indiana.

Mr. LUGAR. Mr. President, I know of no further debate on this amendment. I yield to the distinguished Senator from South Dakota.

Mr. ABDNOR. Mr. President, Senator RUDMAN will not be here until Tuesday, and because debate on this amendment will end Monday I ask unanimous consent that he be allowed to speak for 5 minutes, if he so desires, before the vote on this amendment.

The PRESIDING OFFICER. Is there objection?

Mr. LUGAR. Mr. President, reserving the right to object, and I will not object, let me indicate to the distinguished Senator from South Dakota, apparently the distinguished chairman of the Budget Committee would not want me to yield back all time on this side. I understand that is probably true on both sides.

I have no idea as to what the order of business will be on Tuesday. I suppose we are coming up to votes at that point. We have no objection to the distinguished Senator from New Hampshire having an opportunity to speak for 5 minutes on that day.

Mr. ABDNOR. We are not sure. He indicated that he would like to have 5 minutes before the vote on Tuesday so that he may speak at that time.

The PRESIDING OFFICER. There being no objection, it is so ordered.

Mr. WALLOP. Mr. President, I have sought the floor today to speak in dismay about the budget process. I cannot speak in support of the pending budget resolution, the so-called Domenici-Chiles package. I would begin my comments by repeating the advice an Irishman gave to a traveler seeking directions. He said, "If I was you, I wouldn't start from here." I would like to offer this same advice to my colleague from New Mexico, the chairman of the Budget Committee.

There have been a number of bizarre occurrences affecting the budget process of late. First, we have the perennial expectation that the Congress will not meet any of the timetables set for generating a budget resolution. This coupled with the certainly that we will have a reconciliation bill before us at some point during the year. The process has gotten so backed up that the reconciliation bill which we were working on last year was signed into law only a few weeks ago. I expect at some point in the not-too-distant future, we will have to simply skip an entire fiscal year because we have gotten so far behind in the budget process. This would not be too bad if we could also skip the Federal spending for that lost fiscal year as well. However, I doubt that we would ever fail to pass a continuing resolution, no matter how much it disarrays the budget process.

This year is proving to be no different than any recent year. The House of Representatives refuses to do anything to develop a budget resolution, with the exception of a gratuitous, partisan vote rejecting the President's proposed budget for this fiscal year. The Senate Budget Committee has forged ahead to produce the budget resolution now pending in the Senate. In light of what the committee has produced, it may have been preferable to adopt the House posture and do nothing.

The committee resolution is obnoxious for several reasons. In the first place, budget levels for defense are mischievous in that they create the illusion that we are meeting our rearmament goals. However, the Domenici-Chiles resolution is $25 billion below the President's budget request for fiscal year 1987 authority and $28 billion below the budget authority provided in the Senate's version of the budget resolution only last year. What may we ask, happens to the resolve of the Budget Committee in matters of national security? I will tell you what national survival is sacrificed on the altar of perceived political survival. Having talked so bravely about defense waste, they suddenly convinced themselves there was only waste and no need. While the final 1985 budget resolution had a lower defense number than the Senate version, it did provide for 3 percent real growth for fiscal year 1987.

The pending budget resolution does not provide the 3 percent growth. Defense spending is basically frozen. From a strategic perspective, this is a dangerous freeze. When President Reagan assumed office in 1981, he pledged to reverse the "decade of neglect" in defense spending. He also expressed his determination to respond to the burgeoning Soviet military menace. During the 10 years while we let our military forces slip in every regard, the Russians were relentlessly building their military forces. Since 1970, the Soviets have outspent the United States by $500 billion in expenditures on weapons, facilities, and research.

Since 1981, we have attempted to close this gap, to rebuild our Armed Forces. The first budget resolution under the Reagan administration set defense spending targets with this objective in mind. Despite the need to improve our military forces, defense outlays have been reduced, by the Congress, a total of $177 billion between fiscal years 1982 and 1986 below the target spending first outlined in 1981. Obviously, we have not gone on the proverbial drunken spree when it

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comes to defense spending during the 1980's. All we have done is try to reverse the de facto disarmament of the 1970's.

The resolution reported by the Budget Committee is a proposal based on compromise. Often, in politics, compromise is the necessary route to soothe passions and establish public policy. In this spirit of compromise, defense spending was sacrificed. This is compromise which does not work. It is doubtful that Libya will give up terrorism as an official state policy because the United States will spend less money on defense. The Soviet Union will not withdraw its army of occupation in Afghanistan because we are reducing military spending. And, Cuba will not forego its attempts to foster red colonialism in Central America if the Senate adopts this compromise defense budget. The real world can present a harsh face at times, and it does us little good to compromise in confronting this reality.

Another aspect of the budget which is utterly fraudulent is the requirement for a tax increase. Just at the moment when we have quenched the fires of inflation, when the economy has been set for a period of long-term growth, we are asked to crush the recovery. There is one incentive in public policy to spur real economic growth in the private sector. That incentive is stable taxes. But, now we are expected to pass a tax increase. This battle had been fought in 1984, and 49 States voted against a tax increase. President Reagan has adamantly opposed any new taxes.

Now, under the guise of balancing the budget, we are asked to provide a tax increase. However, even before the collapse of inflation in recent months, both OMB and CBO produced 5-year forecasts showing the deficit declining to less than 2 percent of GNP by 1990, without additional budget cuts or new taxes. But, we are being asked to increase taxes. We are falling on purpose into a trap. Since the deficits are already on a downward path, then the hidden purpose of a tax increase is evident. It is an excuse for a new outburst of Federal domestic spending. In 1984, we did pass a tax increase with the Deficit Reduction Act. We have yet to see 1 cent of this increase to go for deficit reduction. Instead, the revenue has gone for increased Federal spending. Some here in Congress have not learned the lessons of the 1960's and 1970's. They want an expanded Federal sector meddling in every aspect of our lives. While we thought Big Brother died in 1984, the Budget Committee seeks to resurrect him in 1986.

The tax reductions enacted in the early 1980's have been blamed for the current deficits—most vociferously by those seeking a tax increase. This is one of those inaccuracies which repeated often enough become part of the popular mythology. And, before we know it, taxes will be increased.

What really happened with taxes since 1981 is that the net effect of the cut in individual rates has merely protected the American worker from being pushed into higher tax brackets because of inflation. We have not cut taxes, we have simply neutralized the Tax Code for inflation. The cuts in corporate rates have restructured such taxes to eliminate disincentives to invest in productive plant and equipment. The cuts also removed some of the inflationary bias in corporate taxes.

In brief, defense spending over the past 5 years has focused on improved military preparedness to recover from past neglect. Tax reductions have kept taxes neutral for inflation. It is no secret that we are now faced with significant budget deficits—not as far in the future as we can see, but at least for the next 4 years. Taxes and defense are blamed, but the actual problem is continued domestic spending. Over the past 5 years, our so-called budget-slashing efforts have actually merely slowed the growth in domestic spending. It was not until last year that the deficit took a downward path, thanks only to cuts in defense spending rather than domestic spending.

The President has three budget goals: No tax increase; maintenance of defense spending; protection of Social Security. The only goal met by the budget resolution is the last one—it protects Social Security from budget cuts. By asking us to approve higher taxes and lower defense spending, we are left no choice but to reject this resolution. Rejecting this resolution does not mean we would not have a budget; it would not initiate the automatic budget cuts of the Gramm-Rudman-Hollings Act.

We do have an alternative. We should revive the budget resolution passed by the Senate last year. This resolution would provide $81 billion in budget reductions over 3 years above what the Domenici-Chiles resolution provides. It does not increase taxes. It does provide for small real growth in defense spending. It is a resolution that would lead to a budget surplus by 1990 if current budget assumptions are adjusted to reflect the actual price of oil. This is a sensible alternative. I suggest that we reject the pending resolution and adopt the resolution put together by Chairman Domenici last year. By this single bold stroke, we would reject the popular myths that have grown up around, and disturbed, the budget process. Mythology usually requires a hero to triumph over some monstrous evil. It is time for the Senate to become the hero, slay the dragon of deficits, throw off the sequestering haircoat, and proudly wear the victory laurels of autumn.

ANDREWS/HOLLINGS EDUCATION AMENDMENT

Mr. DeCONCINI. Mr. President, I strongly supported the amendment offered yesterday by Senators Andrews and Hollings to the concurrent budget resolution for fiscal year 1987 to restore funding for function 500 by $1.2 billion for fiscal year 1987. The amendment restores funding for the basic education programs to current service levels plus inflation.

Although we are facing a deficit crisis, I voted for the Andrews-Hollings amendment because I happen to believe that education must remain a national priority. Adequate funding for education is essential for continued growth and development of our country. As a Member of Congress, I feel that it is my responsibility to ensure that the education of our children remains protected as insurance against a faulty future.

Although the cost of the amendment is offset through unspecified revenue increases, it is not my intent nor my desire that any of these funds come from an increase in personal income taxes.

Mr. President, there are approximately 25 million Americans who cannot read the front page of a newspaper and an additional 35 million who read below the level needed to function successfully in our society. These statistics are shocking and shameful and should be enough for us to realize that education has to be one of our national priorities. Report after report supports these embarrassing figures. Reducing our commitment to education can only exacerbate this already intolerable problem.

We do have many challenges facing us today and the budget deficit is at the top of the list. However, our jobs as elected officials are to establish priorities and to balance the budget. I am committed to both of these goals.

In an alert, prepared by the Committee for Education Funding, we are reminded by its member organizations that we cannot continue to mortgage our children's future in order to finance the budget deficit. We cannot deny educational opportunities and other vital services to children if we intend to remain a leader in the free world.

Mr. President, I wish to state once more I supported the Andrew-Hollings amendment because education is a priority. I want to reiterate, however, that the increased revenue necessary to fund the amendment should not and must not come from an increase in personal income taxes. There are numerous ways to obtain the necessary revenues to fund this modest increase for education. The most obvious example is a minimum corporate tax.

It is simply not right or equitable that profitable U.S. corporations, through skillful and legal manipula-

tions of the Tax Code, avoid paying taxes. Let's look at the tax record of some of our largest corporations.

In 1983 General Dynamics received DOD contracts totaling $6.6 billion; they showed a profit that same year of $492.5 million but paid no dollars in corporate income tax to the Federal Government.

General Electric had $4.5 billion in DOD contracts in 1983; they had a profit of $2.4 billion, yet paid no dollars in corporate income tax.

Also, in 1983, the Boeing Corp. received $4.4 billion in DOD contracts; their annual statement showed a profit of $475 million; they, too, paid no tax.

If these corporations paid a minimum corporate tax, we could easily fund this education amendment and many other vital services. For these reasons and those raised by my colleagues, I supported the Andrews-Hollings education amendment and was pleased that it was adopted by such an overwhelming vote.

ROUTINE MORNING BUSINESS

Mr. LUGAR. Mr. President, I know of no further debate on this amendment tonight. Therefore, I ask unanimous consent that there now be a period for the transaction of routine morning business not to extend beyond 6:20.

The PRESIDING OFFICER. Is there objection? Without objection, it is so ordered.

KURT WALDHEIM

Mr. GORE. Mr. President, I rise to address the matter of Kurt Waldheim. Last night marked the beginning of the Jewish festival of Passover. Our Jewish colleagues, friends, and fellow citizens gathered in their homes at their tables, in the peace and freedom of our beloved America, to participate in the first of two ritual Passover meals. These meals—memorializing ceremonies which once took place in the high temple in Jerusalem—celebrate two great events in history: The deliverance of the Jews from bondage and the threat of extermination; and the definitive appearance of the one God before a multitude of ordinary humanity—of whom He intended to create a nation that would bear his mark and hold his covenant. It is, arguably, a seminal religious event, since we may trace from it not only the lines that run to present day Judaism but to the worlds of Christianity and of Islam.

All those partaking of the Passover Seder are deeply aware that the exodus from Egypt was merely the first in a series of miraculous escapes from certain doom, across the millenna and right down to our own times, within the memory of the living. Indeed, it is our own epoch—the epoch of industrial technology, of science, of enlightenment—which will carry forever the blot of having produced the single most concerted and barbaric assault upon the continuity of the Jewish people, and, indeed as a member of other nations as well. The record of Nazi activities during the Holocaust staggers the mind, and defies any explanation that ignores the reality of Evil as a force at large in the world.

That is why for me it seems unusually appropriate to take up, on this day, the subject of Kurt Waldheim, former Secretary General of the United Nations and now candidate for the Presidency of the Republic of Austria.

Every man's reputation must be held sacred, and by none more than those of us who speak in this Chamber without fear of prosecution for libel. And so, I shall restrict myself to an accounting of what I have learned.

In memoirs and in biographical statements, Mr. Waldheim claims that he spent the wartime years of 1942 to 1944 recuperating from wounds received on the eastern front and studying for his law degree in Vienna. For 40 years, the world believed this. But Nazi war documents bearing Waldheim's own signature conclusively reveal that during those years he continued to serve in the Balkan countries, and that he was involved in atrocities the likes of which we have seen in the cases of Josef Mengele, Klaus Barbie, and Adolf Eichmann.

Waldheim's Nazi connections can be traced back earlier than 1942. According to documents found in the Austrian Archives, he joined the Nazi Student Union on April 1, 1938, 3 weeks after the incorporation of Austria into the Third Reich. Later that year, on November 18, he joined a mounted unit of the Sturmabteilung (S.A.), better known in this country as the Brownshirts. That same month, the Brownshirts were involved in a horrific night of violence and murder, the Kristallnacht, where they killed Jews, burned their homes and synagogues, looted their shops, and kidnaped and tortured the survivors in cities all over Germany and Austria.

When confronted by this evidence, Waldheim first denied it, then said that these organizations were only garden variety parts of the Nazi social structure, and finally claimed that his father—whom he previously said had nothing to do with the Nazis—had signed him up.

In 1939, Waldheim entered the military and in 1942, according to German military records, was assigned to the German Army command headquartered in Salonika, Greece. He served with rank of oberleutnant to Gen. Alexander von Lohr, under whose command numerous atrocities against Serbian, Croatian, and Greek civilians took place. Lohr was hanged as a Nazi war criminal in 1947.

The organizational chart of the German high command places Waldheim at the head of section 03, a division whose responsibilities included delivering intelligence briefings to the chief of staff; carrying out the zunderauffgaffen—special tasks—such as deportations, assassinations, and mass terror; and interrogating prisoners, which sometimes required the torture of American, British, French, and Balkan citizens.

While General Lohr and his oberleutnant directed operations in the Balkans, the Ustasha—Croatian fascists—brought about the wholesale destruction of the Jews of Yugoslavia and Greece—with direct aid from their Nazi friends. The Kozara massacre, which is to Yugoslavians what Auschwitz is to Jews, was carried out under the orders of the German commander of the Southeast command. In June 1942, 45,000 troops were given the task of encircling and destroying all Serbian and Jewish partisan units in the Kozara and Posara mountains. All those captured were to be shot dead and the male population over the age of 14 was to be transported to concentration camps. By the end of July, German and Ustasha soldiers had combed the mountains, set fire to the villages, and killed 500 of the wounded partisans. Out of 70,000 villagers—mostly women, children, and old people, 25,000 were dead or left to die of starvation. Others were taken to the Ustasha camp, where only a few prisoners escaped.

On September 9, 1942, the Ustasha awarded Waldheim with the King Zvonimir medal for "merit under fire." Of the 45,000 troops, only 3 soldiers received this honor from fascists—one of them was Waldheim.

Six months later, Waldheim left Croatia for Greece, where the Germans began to deport Salonika's 46,000 Jews, 45,000 of them to Auschwitz and the rest to Bergen-Belsen. Waldheim claims that, living 4 miles outside of Salonika, he knew nothing of this mass deportation. He claims that he was only an interpreter, not mentioning that he would necessarily be privy to intelligence about such a major "special task." In his position as head of section 03, he would have been expected to help supervise the operation.

Another campaign in which Waldheim took part was the "Black Operation" of May 1943, where prisoners of the German and Italian commands in the area were shot en masse. Wednesday's Washington Post cites a Yugoslavian report stating that Waldheim took part in "murder" and "putting hostages to death" from April 1944 to May 1945.

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This latest evidence was part of a U.N. War Crimes Commission file kept in U.N. vaults for the past 38 years. In 1948, the Commission assigned Waldheim's case its highest classification, one reserved for suspects like Mengele and Eichmann whom the Commission believed should merit prosecution. There is painful irony in the fact that during the decade while Waldheim was Secretary General of the United Nations, his war crimes file—with its summary of the evidence gathered against him—gathered dust in the U.N. basement.

Whether or not Kurt Waldheim is a war criminal is something that ought to have been established decades ago in a court of law. I believe the emerging facts may lead many people to firm conclusions, but we shall never have an ultimate test before the bar of justice. On the other hand, whether or not Kurt Waldheim is an honest man is, in my opinion, already known. His is a career built upon a foundation laid across a concealed and denied past, spent at the center of some of the most brutal events since the atrocities of Genghis Kahn. He is a man who acknowledges the truth about his past only insofar as others succeed in driving him from the safety of one lie to the next.

Mr. President, the people of Austria must soon judge the candidacy of Kurt Waldheim. Many in this country and abroad may believe that their decision ought not to be embarassed by accusations such as these. But there is no choice. What was hidden has found its voice. It is the voice of innocent people slaughtered by the millions, of whom the Jews were first in number though among a multitude of nationalities. No man whose life's path led him into the heart of that darkness was ever fit for public office. No man who built a life by denying such a past should ever hold high public trust again.

Mr. President, I ask unanimous consent that following my statement there be printed in the RECORD the prepared statement of Eli Rosenbaum, general counsel of the World Jewish Congress, delivered before a committee of the other body 2 days ago.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

PREPARED STATEMENT OF ELI M. ROSENBAUM, GENERAL COUNSEL, WORLD JEWISH CONGRESS

Mr. Chairman, I am pleased to appear today to testify on behalf of the World Jewish Congress with respect to the WJC's ongoing investigation of the wartime activities of former United Nations Secretary-General Kurt Waldheim.

At the outset, I would like to stress that our investigation of this exceedingly complex case is still a very young one. Although we have learned and revealed to the world many previously concealed facts about Kurt Waldheim's past, we expect to unearth a great deal of additional information in the coming weeks, months and years. This information will, without exception, be made available to the public.

From the time that this investigation was authorized by our president, Edgar M. Bronfman, the WJC's goal has simply been to uncover the full unvarnished truth. Regrettably, this task has been complicated immeasurably by Dr. Waldheim's continued dissembling about his past. As a result, we are faced with one of the most complex Nazi investigations ever undertaken anywhere, one that will take a long time to complete. If I may be permitted to offer a comparison, it would be with the case of Klaus Barbie, the "Butcher of Lyons." Barbie's activities were largely confined to the area of Lyons, France. He has not yet come to trial, despite the fact that investigators gathered evidence about him for many years prior to his transfer from Bolivia to France in 1983, and have continued to do so during the nearly three years that he has been in French custody. Waldheim, by comparison, was active on the Russian Front and thereafter throughout the Balkans. He served on the staff of the High Command of an Army Group of some 400,000 men, which Command created hundreds of thousands—if not millions—of documents, which are now scattered among archives throughout the world.

We are keenly interested, as well, in determining how Kurt Waldheim was able to carry off this elaborate deception over a period of fully four decades. The WJC, which possesses official non-governmental organization (NGO) status at the United Nations, is profoundly saddened by the manner in which Waldheim was able to defile that important world body—an organization which, ironically, was formed in response to the horrors perpetrated by the Nazis and their acolytes.

The revelations concerning Kurt Waldheim's past have emanated principally from two sources. The facts of his prewar activities have come to light primarily as a result of the work of a number of Austrian journalists. The key disclosures pertaining to Waldheim's wartime whereabouts and activities have come from my organization. I would like, with the Chairman's permission, to review very briefly the most salient facts revealed to date, and then to present some information bearing upon Kurt Waldheim's credibility—or, more correctly, his obvious lack of same.

As a result of the investigative efforts of a small group of Austrian journalists, we now have documents showing irrefutably that Kurt Waldheim, who has long boasted of his purported anti-Nazi attitude before and during the war, actually belonged to at least three Nazi organizations. On April 1, 1938 only three weeks after Austria became part of the German Reich—he was enrolled as a member of the Nazi Student Union (NS-Studentenbund). Then, on November 18, 1938—less than two weeks after the infamous anti-Jewish rampage now known as "The Night of Broken Glass" (Kristallnacht)—Waldheim became a member of a mounted unit of the dreaded Sturmabtellung (SA)—Hitler's brownshirted stormtroopers. Finally, Waldheim also was enrolled as a member of the NS-Reiterkorps, a mounted affiliate of the Nazi Party.

Kurt Waldheim's military service during the Second World War began with his participation in the 1941 invasion of the Soviet Union while serving with the 45th Infantry Division of the Wehrmacht. On December 18 of that year, he was briefly hospitalized as a result of a minor wound which had become infected. In countless statements over the years made in books, articles, campaign literature and the like, Waldheim has falsely stated in the most deliberate and cunning fashion that his military service ended with this hospitalization. For example, in his 1977 book, "The Challenge of Peace," he writes as follows at page 24:

"The knowledge that I was serving in the German Army was hard to bear. Deliverance from my bitter situation finally came when our unit moved into active combat on the Eastern Front in 1941. I was wounded in the leg and medically discharged.

"By the time I was repatriated [to Vienna] in 1942, it had become impossible to leave the country. The borders had been closed and were being heavily patrolled. Everywhere the most ordinary movement was restricted, and the authorities dealt arbitrarily with anyone who did not conform to the regulations. I was permitted to resume my studies toward a Doctorate in Law, which I obtained some two years later."

In fact, records obtained by the WJC from archives in West Berlin state that Waldheim returned to active service after only two-and-one-half months convalescence and leave. As he now admits, he was assigned to the staff of Army High Command 12 (AOK 12) in the Balkans, arriving in Yugoslavia by April 1942 attached to the Command Staff of the "Combat Group West Bosnia" (Kampfgruppe Westbosnien). Except for a few brief leaves, Waldheim would spend the rest of the war serving in the Balkans in the armed forces of Nazi Germany.

During the summer of 1942, the Kampfgruppe Westbosnien directed a notoriously brutal anti-partisan campaign in the area of the Kozara mountain range. Thousands of anti-Nazi resistance fighters and unarmed civilians were slaughtered and more than 60,000 persons—primarily women and children—were deported to concentration camps in what has come to be known as the Kozara Massacres. At the U.S. National Archives, we located last month a contemporaneous German account which candidly referred to the operation as a "final liquidation" of "Untermenschen" (subhumans) carried out "without pity or mercy," because only "a cold heart can command what needs to be commanded." This is language of a type ordinarily seen only in SS documents—not in Wehrmacht reports. The very first page appended to this report is a listing of 34 men singled out for meritorious service—just 34 men among the 15,000 to 25,000 Axis forces engaged in that operation. Lieutenant Waldheim is number 25 on the list. For his exemplary service, Waldheim also received a high award of the notorious Nazi puppet government of Coratia: the "King Zvonimir" medal, conferred in silver with oakleaves "for service under enemy fire." Documents obtained from archives in Yugoslavia show that Waldheim was recommended for this award by no less a personage than Generalmajor Friederich Stahl, the Wehrmacht officer who directed Mount Kozara operation. After the war, Stahl admitted to his Allied questioners that he had authorized "reprisal" executions of civilians, pursuant to which as many as 100 unarmed civilians would be murdered for every German solider killed by the resistance.

In December 1942, Waldheim was promoted to Oberleutnant (First Lieutenant). On or about March 31 of the following year, he arrived in Salonika, Greece, as a senior intelligence officer in Ic/AO (intelligence) group of the High Command of Army Group E (which had absorbed the former

AOK 12 as of January 1943). His commander-in-chief was the notorious Wehrmacht General Alexander Loehr, who was hanged after the war as a Nazi war criminal.

In conjunction with the SS, Wehrmacht personnel serving under General Loehr directed the deportation of the Jewish community of Salonika to the Auschwitz death camp—where they were immediately killed in the gas chambers. These deportations began some two weeks before Waldheim's arrival and were largely completed by mid-May. During this two-month period, more than 40,000 Jews were transported to Poland. Nearly every day, 2,000 to 2,500 Jewish men, women and children were stuffed into Wehrmacht trains and hauled off to Auschwitz. Waldheim insists that he not only had nothing to do with this atrocity, but that he did not even notice that any Jews disappeared. One-fifth of the population vanished in just two months, and, incredibly, Kurt Waldheim saw and heard nothing of it. Last month, Col. Roman Loos, the former head of the German Geheimfeldpolizei (Secret Field Police) in the area was quoted by the Associated Press as exclaiming, "He didn't know about that? That was known to everybody."

Captured German documents housed at the U.S. National Archives shed considerable light on Waldheim's responsibilities while serving on the staff of the man whom historian Gerald Reitlinger characterized as "perhaps more implicated in Jewish deportations than any other Wehrmacht commander."

A December 1, 1943 organization chart for Army Group E (Microfilm Series T-311, Roll 181, Frame 0007) states that Waldheim was the chief "03" officer in Group Ic/AO. His listed responsibilities included: preparing and presenting morning and evening briefings for the General Staff, prisoner interrogations in Greece and adjacent areas, as well as unspecified "Sonderaufgaben"—"special tasks." Such terminology was of a type used by the Nazis to denote operations too distasteful to describe further—typically, secret measures of mass terror or torture, kidnapping and execution.

Waldheim's responsibility for prisoner interrogations extended through much of the Balkans, and included interrogations conducted inside and outside Army Group E's headquarters. Interrogation under the Germans often involved torture, and usually ended in execution. We have not yet located any survivors of such interrogations. It should be noted that the word "prisoners" is not necessarily limited to military POWs. In this theatre, it referred to partisans and civilians as well.

According to the aforementioned captured document, Waldheim was also responsible for personnel matters within the intelligence group. In intelligence, this was an especially sensitive area, particularly after the attempt on Hitler's life, when the "political reliability" of personnel achieved paramount importance.

On May 22, 1943, Waldheim took part in an important meeting at the airstrip in Podgorica, Yugoslavia. He appears in a now-famous photograph of that meeting released last month by the World Jewish Congress. Attended by Wehrmacht, Waffen-SS and Italian officers, the meeting soon degenerated into a heated quarrel over who was to direct the so-called "Black Operation" ("Unternehmen Schwarz"). That operation, one of the most brutal anti-partisan campaigns of the war, was already well under way at the time of the meeting at the airstrip. According to Professor Jozo Tomasevich, the shooting of partisan prisoners—long standard operating procedure for Axis forces in Europe—"reached its peak" during the Black Operation.

Dozens of intelligence reports signed by Waldheim have been found by World Jewish Congress researchers at the U.S. National Archives. Time after time, Waldheim reported on "Sauberung" ("cleansing" or "mopping up") operations—an expression often employed by the Germans as a euphemism for mass executions and/or deportations.

One secret report signed by Waldheim was actually used by U.S. prosecutors at Nuremberg as evidence of Nazi war crimes committed in Greece. The report, dated August 11, 1944, is part of Nuremberg document NOKW-935. Read in open court on August 18, 1947 at the Palace of Justice in Nuremberg, the document reports on mass shootings in Athens. Ominously, it also identifies the area south of Iraklion on the island of Crete as one of widespread partisan activity. Under orders issued by General Loehr a year earlier, such activity was to be responded to by "shooting or hanging of hostages, destruction of the surrounding localities, etc." (Nuremberg document NOKW-155). Indeed, document NOKW-935 reveals that two days after Waldheim's report, German forces launched a reprisal "cleansing operation" southwest of Iraklion, in which two villages were destroyed and twenty hostages were shot to death.

According to testimony given by former Wehrmacht colleagues of Waldheim to the Yugoslav War Crimes Commission, Waldheim was deeply involved in the planning of other brutal reprisal measures. These witnesses reportedly testified that Waldheim made recommendations for such reprisals, for approval by his immediate superior officer. One witness—Egbert Hilker—testified that Waldheim was specifically responsible for a reprisal committed in October 1944, when three villages between the towns of Kocani and Stip were burned. 114 people perished in this reprisal.

As a result of documentary and testimonial evidence gathered on Waldheim by the Yugoslav War Crimes Commission, it concluded in a December 18, 1947 decision that Waldheim was a fugitive Nazi war criminal whose extradition to Yugoslavia is "mandatory." Waldheim was subsequently listed as an accused Nazi criminal by the United Nations War Crimes Commission. Thus, during the ten years that Secretary-General Kurt Waldheim sat on the 38th floor of the United Nations building in New York, elsewhere in the U.N. complex there was to be found a U.N. War Crimes Commission file on Nazi war crimes suspect number 79/724—"Waldheim, Kurt."

Waldheim was also listed in 1948 on the final "Central Registry of War Criminals and Security Suspects" (CROWCASS) compiled by the United States Army. Under the heading "reason wanted," there is a one-word entry: "murder." The WJC is troubled by the fact that the Department of the Army, in responding to my February 10, 1986 Freedom of Information Act request for all pre-1950 documents referring or relating to Waldheim, supplied us with three innocuous documents, none of which related to Waldheim's military service. The Army insisted that these were the only locatable Army documents responsive to our request.

One can readily imagine our shock upon subsequently discovering Waldheim's name on a CROWCASS list at the National Archives. This episode is particularly distressing in light of my experience while serving from 1980 through 1983 as a trial attorney with the Justice Department's Office of Special Investigations—the special unit of the Criminal Division responsible for investigating and prosecuting suspected Nazi war criminals residing in the United States. In each of OSI's more than one thousand investigations, a request for a background check has routinely been forwarded to the Department of the Army. Never in my experience was there an instance in which the fact that an individual was listed in the CROWCASS registry failed to emerge in the Army's response to an OSI request for information on that individual.

Unfortunately, time does not permit me to recite the full littany of Kurt Waldheim's misrepresentations concerning his past. A few examples my be instructive, however. Incredibly, Waldheim continues to deny membership in the SA, NS-Studentenbund, and NS-Reiterkorps. This denial, however, has been of an "on again, off again" variety. Since the controversy over his past erupted last month, Waldheim has, on a few occasions, actually admitted these memberships. He has offered a bizarre series of mutually exclusive "explanations" for these affiliations, including: (1) he belonged to groups that were later "absorbed" by the Nazi organizations, (2) his father enrolled him without his knowledge, and (3) he joined in order to be able to continue his university studies.

An indication of Waldheim's lack of integrity in responding to the facts which have been discovered about his past may be found in a document which he has distributed in the United States through his son, Gerhard. The document purports to be a compilation of statements made by prominent invdividuals in support of the elder Waldheim. Among those said to support him are Javier Perez de Cuellar, the current U.N. Secretary-General, famed Nazi-hunter Simon Wiesenthal, former Austrian Chancellor Bruno Kreisky, and Holocaust historian Professor Hagen Fleischer.

However, on April 18, Mr. Alvaro de Soto, Special Assistant to Secretary-General Perez de Cuellar, advised the WJC that the Secretary-General had never made any statement of support for Waldheim in connection with the inquiry into the latter's past.

The WJC has collected some of the statements made on the Waldheim affair by the other individuals just mentioned. These statements in fact are quite condemnatory of Waldheim. Thus, Simon Weisenthal has said, "I don't believe that he knew nothing about the deportations of the Jews during the time he was in Greece (Newsweek, April 7, 1986). Professor Fleischer has charged that Waldheim's claim not to have known about deportations from Salonika in 1943 is "not credible" and his claim of ignornance regarding the 1944 deportations of Jews from Crete, Rhodes and Corfu is "a provocation" (Reuters, April 13, 1986). Similarly, former Chancellor Kreisky angrily complained to U.S. News & World Report last week, "I was deceived. The curriculum vitae that Waldheim gave me so we would support him was a lie." (Issue of April 28, 1986)

Waldheim's deceit truly knows no bounds. Last Friday, we revealed that Waldheim's April 6 memorandum purporting to describe his military career was surreptitiously altered six days later. The April 6 version—which was provided by his son to the U.S. Department of Justice—says he returned to

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Salonika in April 1943. Although Waldheim has consistently admitted since March 2 of this year that he returned to the Salonika area in late March/early April 1943, during the height of the deportations of Jews there, his new memo says he returned to Salonika in July 1943. This quiet change was never brought to the attention of members of the press and others who received the new memo.

Permit me to conclude, Mr. Chairman, with a public challenge to Kurt Waldheim. Last week, during a meeting in New York between Gerhard Waldheim and WJC Executive Director Elan Steinberg, Mr. Waldheim stated that his father is in possession of a copy of the U.N. War Crimes Commission suspect file pertaining to this own case. The younger Mr. Waldheim agreed to provide the WJC with a copy of that file. We have, as yet, received nothing.

Gerhard Waldheim is here today and is scheduled to testify next. I have reason to believe that he may have a copy of the U.N. file with him now. If, as Kurt Waldheim asserts, he has nothing to hide, then let him make that file available to this subcommittee now or agree to provide it within 48 hours.

The world has been cruelly deceived by Kurt Waldheim. For ten years, the chief human rights officer of the planet was an accused war criminal. It is long past time for all the facts to come out. It is ludicrous for Waldheim to maintain that his fabrications were "unintentional." It is indecent of Waldheim to implore, as he did in an interview last week, "Forty-one years after the end of the war, there should be an end to this." (Der Speigel, April 14, 1986). And it is obsene for Gerhard Waldheim to come to our country and defend his father by comparing—as he did in the Washington Post on April 13—the experiences of the Nazi troops in the Balkans with those of American veterans of the Vietnam war.

That concludes my prepared text, and I would be happy to answer questions from the Committee. Thank you.

Mr. GORE. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. SIMPSON. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

ORDERS FOR MONDAY, APRIL 28, 1986

Mr. SIMPSON. Mr. President, after conferring with the Democratic leader on these matters, I ask unanimous consent that when the Senate convenes on Monday, April 28, the reading of the Journal be dispensed with, no resolutions come over under the rule, the call of the calendar be dispensed with, and following the recognition of the two leaders under the standing order, there be special orders in favor of Senators HAWKINS, CRANSTON, and PROXMIRE, for not to exceed 5 minutes each, to be followed by a period for the transaction of routine morning business not to extend beyond the hour of 12 noon, with Senators permitted to speak therein for not more than 5 minutes each; and provided further that the morning hour be deemed to have expired.

Mr. BYRD. Mr. President, reserving the right to object.

The PRESIDING OFFICER. The Democratic leader.

Mr. BYRD. Mr. President, I remove my reservation.

The PRESIDING OFFICER. Without objection, it is so ordered.

ORDER TO HOLD H.R. 1116 AT THE DESK

Mr. SIMPSON. Mr. President, I ask unanimous consent that H.R. 1116, Garrison Diversion Unit Reformulation Act of 1986, just received from the House of Representatives, be held at the desk until the close of business on Monday, April 28, 1986.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. SIMPSON. Mr. President, it was the intention—and I share this with the Democratic leader—of the majority leader to pass H.R. 1116 today. It is my understanding now that the minority leader is not in a position to do that tonight, but will attempt to clear its passage between now and Monday.

Mr. BYRD. Mr. President, if the distinguished assistant Republican leader will yield, that is correct. We on this side have been working on clearing this measure for passage. I think we have made significant progress toward that end and I will continue.

Mr. SIMPSON. I thank the Democratic leader for that helpful note.

DOCUMENTATION OF VESSEL "MARILYN" IN THE COASTWISE TRADE

Mr. SIMPSON. Mr. President, I ask unanimous consent that the Senate now turn to Calendar Item No. 626, H.R. 739, dealing with the vessel *Marilyn*.

The PRESIDING OFFICER. The clerk will report.

The assistant legislative clerk read as follows:

A bill (H.R. 739) relating to the documentation of the vessel *Marilyn* to be employed in the coastwise trade.

The PRESIDING OFFICER. Is there objection to the request of the Senator from Wyoming?

Mr. BYRD. Mr. President, there is no objection on this side.

There being no objection, the Senate proceeded to consider the bill, which had been reported from the Committee on Commerce, Science, and Transportation, with an amendment to strike out all after the enacting clause, and insert the following:

That subtitle II of title 46, United States Code, is amended as follows:

(1) In section 2101(14)(C), strike "Material" and substitute "Materials".

(2) Section 2101(21) is amended as follows:

(A) In subclause (A)(ii), strike "crewmember." and substitute "crewmember or other individual engaged in the business of the vessel who has not contributed consideration for carriage on board the vessel.".

(B) Strike subclause (B)(v)-(vii) and substitute the following:

"(v) a guest on board a vessel being operated only for pleasure who has not contributed consideration for carriage on board; or

"(vi) an individual on board a towing vessel of at least 50 gross tons who has not contributed consideration for carriage on board.".

(C) At the end, add the following new subclause:

"(F) on a sailing school vessel, means an individual carried on the vessel except—

"(i) the owner or representatives of the owner;

"(ii) the master or a crewmember engaged in the business of the vessel who has not contributed consideration for carriage and who is paid for services;

"(iii) an employee of the owner of the vessel engaged in the business of the owner, except when the vessel is operating under a demise charter;

"(iv) an employee of the demise charterer of the vessel engaged in the business of the demise charterer;

"(v) a guest on board the vessel who has not contributed consideration for carriage on board; or

"(vi) a sailing school instructor or sailing school student.".

(D) Strike "or a sailing school vessel," in clause (B).

(3) In section 3302(i)(5), strike "charter" and substitute "charterer".

(4) At the end of section 3302, add the following new subsection:

"(k) Only the boiler, engine, and other operating machinery of a steam vessel that is a recreational vessel of not more than 65 feet overall in length are subject to inspection under section 3301(9) of this title.".

(5)(A) Section 3304 is amended as follows:

(i) In the section catchline, strike "Carrying" and substitute "Transporting".

(ii) In subsection (a), strike "carrying cargo that carries" and "vessel." and substitute "transporting cargo that transports" and "vessel if the vessel is otherwise subject to inspection under this chapter.", respectively.

(iii) In subsection (b), strike "Before an individual in addition to the crew is carried" and substitute "Except when subsection (e) of this section applies, before an individual in addition to the crew is transported".

(iv) In subsection (c), strike "The privilege" and substitute "A privilege".

(v) Add at the end the following new subsection:

"(e) The Secretary may by regulation allow individuals in addition to the crew to be transported in an emergency or under section 2304 of this title.".

(B) In item 3304 in the analysis of chapter 33, strike "Carrying" and substitute "Transporting".

(6) In section 3318(f), before clause (1), strike "then" wherever it appears and substitute "than".

(7)(A) Section 3503 is amended as follows:

(i) Insert "(a)" at the beginning of the section.

(ii) Strike the last sentence and substitute "Before November 1, 1993, this section does not apply to a vessel in operation before January 1, 1968, and operating only on the inland rivers.".

(iii) Add at the end the following:

"(b)(1) When a vessel is exempted from the fire-retardant standards of this section—

"(A) the owner or managing operator of the vessel shall notify prospective passengers that the vessel does not comply with applicable fire safety standards due primarily to the wooden construction of passenger berthing areas;

"(B) the owner or managing operator of the vessel may not disclaim liability to a passenger for death, injury, or any other loss caused by fire due to the negligence of the owner or managing operator; and

"(C) the penalties provided in section 3504(c) of this title apply to a violation of this subsection.

"(2) The Secretary shall prescribe regulations under this subsection on the manner in which prospective passengers are to be notified.".

(B) Until the regulations required by subclause (A) of this clause become effective, the owner or managing operator shall notify prospective passengers in all promotional literature and on each ticket that the vessel does not comply with those standards due primarily to the wooden construction of passenger berthing areas.

(8) In section 3714(a)(4), strike "charter" and substitute "charterer".

(9) Section 4308 is amended by striking "operator" wherever it appears and substituting "individual in charge".

(10) In section 7111, strike "Part" and substitute "part".

(11) In section 7312(e), strike "able seaman-limited" and substitute "able seamen-limited".

(12) Section 8104(k) is amended by striking "watchers" and substituting "watches".

(13) In section 8502(a)(4)(A), strike "Part" and substitute "part".

(14) Chapter 89 is amended as follows:

(A) In item 8903 in the chapter analysis, strike "Uninspected" and substitute "Self-propelled, uninspected".

(B) In the catchline of section 8903, strike "Uninspected" and substitute "Self-propelled, uninspected".

(C) In the text of section 8903, strike "An" and substitute "A self-propelled,".

(15) In section 10709(a)(1), before clause (A)—

(A) strike "then $1,500 in value, and" and substitute "than $1,500 in value, the court,"; and

(B) strike "wages, the court" and substitute "wages,".

(16) Section 12122(a) is amended by adding at the end the following sentence: "Each day of continuing violation is a separate violation.".

(17) In section 13102(a)(4), strike "coordinate carrying the State" and substitute "coordinate carrying out the State".

(18) Section 13104(b) is amended by inserting after "Secretary" the words "for State recreational boating safety programs".

(19) Chapter 111 is amended as follows:

(A) At the end of the chapter analysis, add the following new item:

"11112. Master's lien for wages.".

(B) At the end of the chapter, add the following new section:

"§ 11112. Master's lien for wages

"The master of a documented vessel has the same lien against the vessel for the master's wages and the same priority as any other seaman serving on the vessel.".

Sec. 2. (a) The Coast Guard may enter into a lease in excess of 1 fiscal year to acquire a site on the State pier in New Bedford, Massachusetts, for construction of maintenance assistance team and vessel support facilities on that pier.

(b) Any lease under this section is effective only to the extent that amounts are provided for in appropriations laws.

(c) Notwithstanding section 322 of the Act of June 30, 1932 (40 U.S.C. 278a), and beginning in fiscal year 1986, the Coast Guard may spend appropriated amounts for the construction of fixed facilities and improvements on that portion of the State pier leased from Massachusetts for the use of a maintenance assistance team and Coast Guard vessels.

Sec. 3. The body of water known as Lawyer's Ditch located at block 5,000 in the city of Newark, county of Essex, New Jersey, is declared to be a nonnavigable waterway of the United States within the meaning of the General Bridge Act of 1946 (33 U.S.C. 525 et seq.).

Sec. 4. The Coast Guard may enter into any agreement or letter of intent with a municipal utility within the Seventeenth Coast Guard District to provide electricity to a Coast Guard facility without complying with the provisions of section 4 of Public Law 98-557.

Sec. 5. Bayou Lafourche, in the State of Louisiana, between Canal Boulevard, city of Thibodaux, parish of Lafourche and the Southern Pacific Railroad bridge crossing the bayou, city of Thibodaux, parish of Lafourche, is hereby declared to be a nonnavigable waterway of the United States within the meaning of the General Bridge Act of 1946 (33 U.S.C. 525 et seq.).

Sec. 6. Notwithstanding sections 12105, 12106, 12107, and 12108 of title 46, United States Code, and section 27 of the Merchant Marine Act, 1920 (46 U.S.C. App. 883), as applicable on the date of enactment of this Act, the Secretary of the department in which the Coast Guard is operating may issue a certificate of documentation for the following vessels: Marilyn, Maryland registration number MD 3533 AA; Royal Star, Michigan registration number MC 9797 J; Alaskan Shores, United States official number 603879; Shearwater, United States official number 260827; Gypsy Rose, California registration number CF 4291 HF; Eliminator, United States official number 507572; Puka Kai, United States official number 677462; Lobster House, Panama registration number 494-PEXT; Jane E. Bahamian registration number 315924; and Diane M. Bahamian official number 315925, except that such vessels Jane E. and Diane M. may be operated under such documentation only in the waters of the Atlantic Ocean and the Gulf of Mexico.

Sec. 7. Section 2(a) of the Act entitled "An Act to facilitate increased enforcement by the Coast Guard of laws relating to the importation of controlled substances, and for other purposes", approved September 15, 1980 (21 U.S.C. 955b(a)), is amended by inserting immediately before the period the following: ", except that an event otherwise qualifying as an arrangement under such section does not lose that qualification by the fact that consent to, or the terms of, such arrangement are communicated by radio, telephone, or other similar means, or by how specific such arrangement is as to the vessel to which such arrangement applies".

Sec. 8. The Coast Guard may enter into a cost-sharing arrangement with the city of Cape May, New Jersey, under which the city of Cape May will provide necessary roadway improvement on and along Pennsylvania Avenue between Pittsburg and Buffalo Avenues, as abutted by housing owned by the Coast Guard. For purposes of entering into such an arrangement, the Coast Guard may expend from previously-appropriated funds an amount not to exceed $200,000 on a nonrecurring basis.

Sec. 9. Section 2103 of title 46, United States Code, is amended by striking all after "subtitle" the third time it appears and substituting". The Secretary may prescribe regulations to carry out the provisions of this subtitle.".

Sec. 10. Section 4370(a) of the Revised Statutes of the United States (46 U.S.C. App. 316(a)) is amended—

(1) by stiking all from "a certificate of registry," through "the Act of June 7, 1918, as amended (U.S.C., 1934 edition, Supp. IV, title 46, sec. 288)," and substituting "a certificate of documentation issued under sections 12106 or 12107 of title 46, United States Code,"; and

(2) by striking "a vessel of foreign registry, or a vessel in distress", and substituting "a vessel in distress".

Sec. 11. Section 3 of the Shipping Act of 1984 (46 U.S.C. App. 1702) is amended—

(1) in paragraph 6, (A) by striking the period at the end of subparagraph (B) and substituting a comma, and (B) by adding at the end thereof the following: "except that the term does not include a common carrier engaged in ocean transportation by ferry boat, ocean tramp, or chemical parcel-tanker. As used in this paragraph, 'chemical parcel-tanker' means a vessel whose cargo-carrying capability consists of individual cargo tanks for bulk chemicals that are a permanent part of the vessel, that have segregation capability with piping systems to permit simultaneous carriage of several bulk chemical cargoes with minimum risk of cross-contamination, and that has a valid certificate of fitness under the International Maritime Organization Code for the Construction and Equipment of Ships Carrying Dangerous Chemicals in Bulk."; and

(2) in paragraph (18), by striking all from the semicolon and substituting a period.

Sec. 12. Notwithstanding the provisions of the Act entitled "An Act to authorize the Secretary of Commerce to sell two obsolete vessels to Coast Line Company and for other purposes", approved June 3, 1980 (Public Law 96-260; 94 Stat. 435), the Secretary of Transportation shall permit the vessels Pictor, United States official number 243529, Procyon, United States official number 244022, and Zelima, United States official number 248207, to be scrapped in the foreign market if—

(1) the purchaser of such vessels and the country in which such vessels are to be scrapped are acceptable to the Secretary of Transportation; and

(2) the seller of any such vessel agrees in writing to reimburse the United States a reasonable amount, acceptable to the Secretary of Transportation, of not less than one-half of the profits realized from such sale.

Sec. 13. Notwithstanding any other provision of law or any agreement with the United States Government, the vessels Paul Bunyan, United States official number 602272, and John Henry, United States official number 599294, may be sold to a foreign purchaser or purchasers if—

(1) the person desiring to sell the vessel submits to the Secretary of Transportation and the Secretary of the Navy a written offer under which the Secretary of Transporta-

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tion may elect to acquire either or both vessels for the National Defense Reserve Fleet or the Secretary of the Navy may elect to acquire either or both vessels for the Ready Reserve Fleet, under the same terms and conditions as those offered by the foreign purchaser or purchasers; and

(2) neither Secretary elects to acquire the vessel within 60 days after the date on which a written offer is submitted to the Secretaries under paragraph (1) of this subsection.

The PRESIDING OFFICER. The question is on agreeing to the committee amendment.

The committee amendment was agreed to.

Mr. DANFORTH. Mr. President, I am offering today H.R. 739, as reported by the Commerce Committee, making changes in laws administered by or affecting the Coast Guard and other Federal agencies with responsibilities for maritime programs.

H.R. 739 was received from the House and referred to the Commerce Committee on December 4, 1985. It waived the application of Jones Act restrictions, authorizing the Coast Guard to issue documentation for eight vessels.

The provisions of H.R. 739 were modified and included in an amendment of H.R. 2466 which was adopted by unanimous consent in the Senate on December 19, 1985, and in the House on January 29, 1986. H.R. 2466 was vetoed by the President on February 14, 1986.

H.R. 739 as reported by the committee contains those provisions of the previously adopted H.R. 2466 which were not identified as objectionable by the President in his veto message. They include: technical amendments to subtitle II of title 46; an extension of the exemption allowing continued operation of the Delta Queen paddlewheel riverboat; long-term leasing authority for the Coast Guard; declaration of two waterways as nonnavigable for purposes of bridge-permitting laws; authority for the Coast Guard to contract for electrical power on St. Paul Island, AK; Jones Act waivers; provisions to facilitate drug enforcement by the Coast Guard; authority for the Coast Guard to share costs of road improvements in Cape May, NJ; elimination of a loophole that allows foreign tugs to tow foreign-registry vessels in U.S. ports; clarification that chemical parcel-tankers are not "common carriers" under the Shipping Act and are, therefore, not exempt from the antitrust laws; and authority for vessles to be sold to foreign purchasers.

The provisions of the bill as reported are the result of extensive discussions with representatives of the affected public and are supported by them. The text of the amendment also has been discussed with members of the House Merchant Marine and Fisheries Committee and the administration to ensure that it will be welcomed and considered favorably and expeditiously.

Mr. President, the bill as reported reflects a consensus and I ask my colleagues to support it.

Mr. HOLLINGS. Mr. President, there is one provision of this Senate amendment to H.R. 739 that is of particular value to South Carolina and other States ravaged by the influx of illegal drugs from abroad. This provision, section 7 of the amendment, addresses a question raised in the courts regarding the Coast Guard's law enforcement practices with respect to foreign-flag vessels suspected of drug trafficking.

Under international law, a foreign vessel operating outside the U.S. 12-mile contiguous zone and territorial sea is generally subject only to the jurisdiction of its flag country. However, U.S. law allows the Coast Guard to board and seize a suspicious foreign-flag vessel on the high seas if permitted to do so by treaty or other arrangement with the nation whose flag the vessel is flying.

The typical situation arises after the suspect vessel's master refuses a Coast Guard cutter's request to board. The captain of the cutter then must send his boarding request and supporting information up the chain of command to Coast Guard Headquarters and the State Department. This is usually done by telephone, followed by written message. The State Department in turn, through the affected American embassy, seeks the cooperation of the country whose registry is being claimed. The necessary special arrangement for boarding and possible seizure usually consists of oral communications by the flag nation, confirmed by subsequent messages or diplomatic notes. Some lower courts here in the United States have questioned the validity of these special arrangements, asserting that the underlying law calls for a more formal agreement.

The Justice Department, Coast Guard, and other Federal agencies involved in the fight against the illegal drug trade have urged statutory confirmation of the legality of the present practices. Even under the special arrangements procedure, U.S. law enforcement agencies have an awesome task. As is obvious from the description of this procedure, days can pass while the Coast Guard cutter awaits the flag-country's approval to board. In the meantime rapid weather changes can hamper the cutter's ability to keep in range of the suspect vessel. In addition, enough time may elapse to allow the suspect vessel to escape into a third country's waters, or to permit contraband drugs and other evidence to be disposed of over the side.

Section 7 makes it clear that boarding and seizure authority granted by an agreement via telephone, radio, or other similar means qualifies as a legitimate arrangement under U.S. law. This change will further strengthen Public Law 96-350, which has been very successful in facilitating the convictions of maritime drug smugglers. Prior to the 1980 enactment of that law, which I supported, only 64 percent of those arrested by the Coast Guard were accepted for prosecution, and then only 45 percent of those tried were convicted. In contrast, Coast Guard 7th District statistics for 1984 indicate that 76 percent of those arrested were accepted for prosecution, and of those cases 85 percent resulted in guilty verdicts in Federal court.

I urge approval of this and other provisions in the Senate amendment to H.R. 739.

The PRESIDING OFFICER. If there is no further debate, the question is on the engrossment of the amendment and the third reading of the bill.

The amendment was ordered to be engrossed and the bill to be read a third time.

The bill (H.R. 739), as amended, was read the third time, and passed. The title was amended so as to read "An Act to make miscellaneous changes in laws affecting the U.S. Coast Guard, and for other purposes".

Mr. SIMPSON. I move to reconsider the vote by which the bill was passed.

Mr. BYRD. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

PHOTOGRAPHS OF THE SENATE CHAMBER

Mr. SIMPSON. Mr. President, after conferring with the Democratic leader on this measure, I ask unanimous consent that the Rules Committee regulations pertaining to taking photographs of the Senate Chamber, regulation No. 4, Senate wing of the Capitol, be waived on Friday, April 25, for the purpose of allowing television cameras and still cameras to photograph the Chamber prior to the installation of television cameras in the Senate Chamber.

The PRESIDING OFFICER. Is there objection? Without objection, it is so ordered.

AUTHORIZATION FOR TESTIMONY OF A SENATE EMPLOYEE

Mr. SIMPSON. Mr. President, I send a resolution to the desk in behalf of Senator DOLE, and Senator BYRD, and ask for its immediate consideration.

The PRESIDING OFFICER. The clerk will report.

The assistant legislative clerk read as follows:

A resolution (S. Res. 389) to authorize testimony of a Senate employee.

The PRESIDING OFFICER. Is there objection to the immediate consideration of the resolution?

There being no objection, the Senate proceeded to consider the resolution.

Mr. DOLE. Mr. President, the U.S. attorney for the district of Maine has obtained a subpoena for the testimony of Gayle Cory, an employee in Senator MITCHELL's Washington office, at a criminal trial which began this week in the case of *United States* v. *Robert Christopher Ingraham,* (Cr. No. 85-00051-B (D. Maine)).

The defendant in that case is charged with violating 18 U.S.C. § 875(c), which prohibits the interstate communication of threats to injure individuals. The indictment alleges that the defendant mailed to Senator MITCHELL's office a letter threatening a number of government officials, including Senator MITCHELL and the Governor of Maine.

This resolution would authorize Ms. Cory, who handled the letter for Senator MITCHELL when it was received in his office, to testify at this trial. This is in keeping with our practice of facilitating justice consistent with the privileges and rights of the Senate.

The PRESIDING OFFICER. The question is on agreeing to the resolution.

The resolution (S. Res. 389) was agreed to.

The preamble was agreed to.

The resolution with its preamble, reads as follows:

S. RES. 389

A resolution (S. Res. 389), to authorize testimony of a Senate employee.

Whereas, in the case of "United States v. Robert Christopher Ingraham," Criminal No. 85-00051-B, pending in the United States District Court for the District of Maine, the United States Attorney has obtained a subpoena for the testimony of M. Gayle Cory, an employee in Senator Mitchell's Washington office;

Whereas, by the privileges of the Senate of the United States and Rule XI of the Standing Rules of the Senate, no evidence under the control or in the possession of the Senate can, by the judicial process, be taken from such control or possession but by permission of the Senate;

Whereas, when it appears that the testimony of an employee of the Senate is needful for use in any court for the promotion of justice, the Senate will take such action thereon as will promote the ends of justice consistent with the privileges and rights of the Senate: Now, therefore be it

Resolved, That M. Gayle Cory is authorized to appear and to testify in the case of "United States v. Robert Christopher Ingraham," except concerning matters which may be privileged.

Mr. SIMPSON. Mr. President, I move to reconsider the vote by which the resolution was agreed to.

Mr. BYRD. Mr. President, I move to lay that motion on the table.

The motion to lay on the table was agreed to.

TECHNICAL CORRECTIONS TO THE HIGHER EDUCATION ACT

Mr. SIMPSON. Mr. President, I ask unanimous consent that the Labor Committee be discharged from further consideration of S. 2329, "Technical Corrections to the Higher Education Act," and I ask for its immediate consideration.

The PRESIDING OFFICER. The clerk will report.

The assistant legislative clerk read as follows:

A bill (S. 2329), to make technical corrections in the higher education title of the Consolidated Omnibus Budget Reconciliation Act of 1985.

The PRESIDING OFFICER. Is there objection to the immediate consideration of the bill?

There being no objection, the Senate proceeded to consider the bill.

The PRESIDING OFFICER. The bill is before the Senate and open to amendment. If there be no amendment to be proposed, the question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed for a third reading, was read the third time, and passed, as follows:

S. 2329

A bill (S. 2329), to make technical corrections in the higher education title of the Consolidated Omnibus Budget Reconciliation Act of 1985.

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "Student Financial Assistance Technical Corrections Act of 1986".

SEC. 2. (a) Section 16014(b) of the Consolidated Omnibus Budget Reconciliation Act of 1985 (hereafter in this Act referred to as "the Act") is amended)—

(1) by redesignating paragraphs (1), (2), and (3) as paragraphs (2), (3), and (4), respectively; and

(2) by inserting before paragraph (2), as redesignated by clause (1), the following new paragraph:

"(1) Section 428(c)(1)(A) of the Act is amended by inserting before the period at the end of the first sentence of such section a comma and the following: 'including the administrative costs of supplemental preclaim assistance for default prevention as defined in paragraph (6)(C)'.".

(b) Section 16016 of the Act is amended by striking out "section 435(d)(1)(D)" and inserting in lieu thereof "section 435(g)(1)(D)".

(c) The second sentence of section 16023 of the Act is amended by striking out "to the Secretary" and inserting in lieu thereof "by the Secretary".

(d)(1) Section 16041(b)(1) of the Act is amended by striking out "January 1, 1986" and inserting in lieu thereof "July 1, 1986".

(2) Section 16041(d) of the Act is amended by striking out "January 1, 1986" and inserting in lieu thereof "July 1, 1986".

Mr. SIMPSON. Mr. President, I move to reconsider the vote by which the bill was passed.

Mr. BYRD. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

AUTHORITY FOR COMMITTEE ON FOREIGN RELATIONS TO FILE REPORT

Mr. SIMPSON. Mr. President, I ask unanimous consent that during the adjournment of the Senate over until Monday, April 28, the Foreign Relations Committee be authorized to file a report to accompany Senate Joint Resolution 318, between 10 a.m. and 6 p.m. on Friday, April 25, 1986.

The PRESIDING OFFICER. Without objection, it is so ordered.

GOVERNANCE OF THE INSULAR AREAS OF THE UNITED STATES

Mr. SIMPSON. Mr. President, I ask unanimous consent that the Senate now turn to the consideration of Calendar Item No. 511, H.R. 2478, regarding the territories of the United States.

The PRESIDING OFFICER. The clerk will report.

The assistant legislative clerk read as follows:

A bill (H.R. 2478) to amend the Revised Organic Act of the Virgin Islands, to amend the Covenant To Establish a Commonwealth of the Northern Mariana Islands, to amend the Organic Act of Guam, to provide for the governance of the insular areas of the United States, and for other purposes.

The PRESIDING OFFICER. Is there objection to the immediate consideration of the bill?

There being no objection, the Senate proceeded to consider the bill which had been reported from the Committee on Energy and Natural Resources, with amendments, as follows:

(The parts of the bill intended to be stricken are shown in boldface brackets, and the parts of the bill intended to be inserted are shown in italic.)

H.R. 2478

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That section 12 of the Revised Organic Act of the Virgin Islands (48 U.S.C. 1593) is amended to read as follows:

"SEC. 12. (a) The people of the Virgin Islands shall have the rights of initiative and recall to be exercised as provided in subsection (b) and subsection (c), respectively.

"(b)(1) An initiative may enact, amend, or repeal any law, except that an initiative shall not be used to repeal a law declared by the legislature at the time of passage to be an emergency law necessary for the preservation of the public health, safety, or peace.

"(2) An initiative that proposes a reduction of taxes shall also provide for an equivalent reduction of expenditures or an equivalent increase in revenues from other sources.

"(3) An initiative shall address one subject only and matters reasonably related to that subject.

"(4) The ballot question shall be in such form that a 'yes' vote is a vote in favor of

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the proposal and a 'no' vote is a vote against the proposal.

"(5) A copy of the proposed initiative petition, including a complete text of the proposed law and containing signatures equal to at least 1 percent of the voters of each legislative district or 4 percent of all voters of the Virgin Islands must be submitted to the Supervisor of Elections prior to circulation for ballot qualification. The Supervisor of Elections must determine within 10 days after the submission whether the preliminary signatures are sufficient. If so determined, the Supervisor of Elections shall refer the preliminary petition to an initiative titling board consisting of the Attorney General, the Supervisor of Elections, and the legislative counsel of the legislature. The board shall, in an open hearing, prepare the official ballot title, the submission question, and a summary of the initiative proposal, and this preparation shall be completed within 30 days after referral.

"(6) After the ballot title has been written, proponents of the initiative proposal shall have a maximum of 180 days to circulate the petition. Petitions containing signatures equal to at least 10 percent of the voters of each legislative district or 41 percent of all voters of the Virgin Islands must be submitted to the Supervisor of Elections. The Supervisor shall have 15 days to determine that the minimum number of valid signatures are contained in the petition and he shall forward the certified proposal to the legislature which must accept or reject the measure within 30 days. If approved, the initiative shall take effect in accordance with its terms. If the legislature does not approve, the initiative shall be submitted to the voters at the next general election, unless the legislature approves a special election for this purpose. The legislature may submit its own version of the initiative to the voters. Should both measures be approved by the voters, the measure receiving the higher number of votes shall prevail. The voters shall have a clear alternative of rejecting either version or the entire proposition.

"(7) An initiative submitted to the voters shall take effect if the initiative is approved by a majority of persons voting and if a majority of the voters of the Virgin Islands vote on the initiative. An initiative may not be vetoed by the Governor, and when approved by the voters, may not be amended or repealed by the legislature during the 3-year period after its approval unless the legislature acts by a two-thirds majority.

"(8) The legislature may provide the manner in which petitions shall be circulated, filed, certified, and the ballot question shall be submitted to the voters.

"(c)(1) An elected public official of the Virgin Islands may be removed from office by a recall election carried out under this subsection. The grounds for recall are any of the following: lack of fitness, incompetence, neglect of duty, or corruption.

"(2) A recall election may be initiated by a two-thirds vote of the members of the legislature or by a petition under this subsection.

"(3) Prior to circulation a recall petition which identifies by name and office the official being recalled and which states the grounds for recall shall be submitted to the Supervisor of Elections. The sponsors of the recall petition shall be allowd a period of 60 days after such submission for filing with the Supervisor of Elections a list of signatures equal in number to at least 50 percent of the whole number of votes cast for that office in the last general election at which that office was filled. The Supervisor of Elections shall have 15 days in which to determine whether the minimum number of valid signatures are contained in the recall petition.

"(4) A special recall election shall be held with respect to an elected public official not earlier than 30 days after a vote of the legislature under paragraph (2) or a determination of the board of elections under paragraph (3), as the case may be, and not later than 60 days after such vote or detemination.

"(5) An official shall be removed from office upon approval of the recall in an election in which at least two-thirds of the number of persons voting for such official in the last preceding general election at which such official was elected vote in favor of recall and in which those so voting constitute a majority of all those participating in such recall election.

"(6) No recall election shall be held with respect to an elected public official—

"(A) during the first year of the first term of office of the official; or

"(B) less than 3 months before a general election for the office.

"(d) As used in this section, the term—

"(1) 'law' means a law of the Virgin Islands; and

"(2) 'voter' means a registered voter who is eligible to vote on the issue or for the office involved.".

[Sec. 2. Appropriations through fiscal year 1986, made under authorization of subsection (c) of section 702 of the Covenant to Establish a Commonwealth of the Northern Mariana Islands in Political Union with the United States of America, approved by Public Law 94-241, may be expended for capital improvement projects which facilitate the economic development of the commonwealth.]

Sec. 2. A total of up to $4,000,000 of funds currently reserved for use by the economic development loan fund, as established under subsection (c) of section 702 of the Covenant to Establish a Commonwealth of the Northern Mariana Islands in Political Union with the United States of America, approved by Public Law 94-241, may be expended for capital improvement projects, provided that such funds become available for use by the economic development loan fund and such funds are not obligated for economic development loans.

Sec. 3. The first sentence of section 4(a) of the Act of November 20, 1963 (77 Stat. 339) is amended to read as follows: "(a) Except as otherwise provided by law, the governments of the Virgin Islands, Guam, and American Samoa, shall have concurrent civil and criminal jurisdiction with the United States with regard to property owned, reserved, or controlled by the United States in the Virgin Islands, Guam, and American Samoa respectively.".

Sec. 4. Effective October 1 [1985,] *1986,* there are authorized to be appropriated $1,200,000 to the Secretary of the Interior for grants to the College of the Virgin Islands for projects related to the Eastern Caribbean Center, to remain available until expended.

Sec. 5. Section 29(b) of the Organic Act of Guam (64 Stat. 392) is amended by striking out "Governor" and inserting in lieu thereof "Government of Guam".

Sec. 6. The Secretary of the Interior is authorized and directed to develop, in consultation with the Governor of the Virgin Islands, options for the future use or disposition of Water Island which would contribute to economic growth in and make the island an integral part of the Virgin Islands community. The Secretary shall submit such options to the Committee on Interior and Insular Affairs of the House of Represenatatives and the Committee on Energy and Natural Resources of the Senate within 10 days after the convening of the 100th Congress.

Sec. 7. Section 901(a) of part I of title I of the Act of June 19, 1968 (82 Stat. 225, as amended, 42 U.S.C. 3791(a)) is further amended—

(1) in paragraph (2)—

(A) by striking out "and"; and

(B) by inserting before the semicolon the following: ", American Samoa, Guam, and the Northern Mariana Islands. *Provided,* That for the purposes of section 407(a) American Samoa, Guam, and the Northern Mariana Islands shall be considered as one State and that, for these purposes, 33 per centum of the amounts allocated shall be allocated to American Samoa, 50 per centum to Guam, and 17 per centum to the Northern Mariana Islands"; and (2) in paragraph (3)—

(A) by striking out ", Guam, American Samoa" and inserting "and" in lieu thereof, and

(B) by striking out all that appears after "Pacific Islands" and inserting a semicolon in lieu thereof.

Sec. 8. (a) Section 8a of the Act of September 2, 1937 (50 Stat. 916, as amended and supplemented, 16 U.S.C. 669g-1) is amended by deleting the word "Act," the first place it appears and inserting in lieu thereof: "Act, and hunter safety programs as provided by section 8(b) of this Act,".

(b) Section 4(b) of the Act of September 2, 1937 (50 Stat. 916, as amended and supplemented, 16 U.S.C. 669c(b)) is further amended by striking the period at the end of the first sentence and adding: "and Guam, the Virgin Islands, American Samoa, and the Northern Mariana Islands shall each be apportioned one-sixth of 1 per centum of such revenues.".

Sec. 9. Land Grant College.—(a) Section 506 of the Education Amendments of 1972, Public Law 92-318 (86 Stat. 235), is amended—

(1) by inserting ", the Northern Marianas College," immediately after "the College of Micronesia" in subsection (a); and

(2) by striking out "Virgin Islands, Guam, American Samoa, and Micronesia"; each place it appears in subsection (b) and inserting in lieu thereof "Virgin Islands, Guam, American Samoa, the Northern Mariana Islands, and the Trust Territory of the Pacific Islands (other than the Northern Mariana Islands)".

(b) Section 5 of the Act of August 30, 1890, c.841, 26 Stat. 417 (the Second Morrill Act), as added by section 506(c) of Public Law 92-318 (86 Stat. 235) is amended by striking out "and Micronesia, and Guam" and inserting in lieu thereof "Guam, the Northern Mariana Islands, and the Trust Territory of the Pacific Islands (other than the Northern Mariana Islands)".

(c) Subsection (c) of section 1361 of Public Law 96-374 (94 Stat. 1367) is amended by striking out "American Samoa and in Micronesia" and inserting in lieu thereof "American Samoa, the Northern Mariana Islands and the Trust Territory of the Pacific Islands (other than the Northern Mariana Islands)".

(d) Section 22 of the Act of June 29, 1935, c.388, 49 Stat. 439, as amended (7 U.S.C. 329) is further amended—

(1) by striking out "and Guam" wherever it appears and inserting in lieu thereof "Guam, and the Northern Mariana Islands";

(2) by striking out "$8,100,000" and inserting in lieu thereof "$8,250,000"; and

(3) by striking out "$4,360,000" and inserting in lieu thereof "$4,380,000".

(e) The first sentence of section 3(b)(2) of the Act of May 8, 1914, c.79, 38 Stat. 372, as amended (7 U.S.C. 343), is further amended by striking out "and Guam" and inserting in lieu thereof "Guam, and the Northern Mariana Islands".

(f) Section 10 of the Act of May 8, 1914, c.79, 38 Stat. 372, as added by section 1(i) of Public Law 87-749 (76 Stat. 745) and as amended (7 U.S.C. 349), is further amended to read as follows: "The term 'State' means the States of the Union, Puerto Rico, the Virgin Islands, Guam and the Northern Mariana Islands.".

Mr. SIMPSON. Mr. President, I ask unanimous consent that the committee amendments be withdrawn.

The PRESIDING OFFICER. Is there objection? Without objection, it is so ordered.

AMENDMENT NO. 1804

(Purpose: To make necessary changes to H.R. 2478, regarding the territories of the United States)

Mr. SIMPSON. Mr. President, I send an amendment to the desk on behalf of Senator Weicker and ask for its immediate consideration.

The PRESIDING OFFICER. The clerk will report.

The assistant legislative clerk read as follows:

The Senator from Wyoming [Mr. Simpson], for Mr. Weicker, proposes an amendment numbered 1804.

Mr. SIMPSON. Mr. President, I ask unanimous consent that further reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

Strike the text of section 2 and add the following new text:

"Sec. 2. A total of up to $4,000,000 of funds currently reserved for use by the economic development loan fund, as established under subsection (c) of section 702 of the Covenant to Establish a Commonwealth of the Northern Mariana Islands in Political Union with the United States of America, approved by Public Law 94-241, may be expended for capital improvement projects, provided that such funds become available for use by the economic development loan fund and such funds are not obligated for economic development loans.".

Strike the text of section 4 and the following new text:

"Sec. 4. Effective October 1, 1986, there are authorized to be appropriated $1,500,000 for grants to the College of the Virgin Islands for projects related to the Eastern Caribbean Center, to remain available until expended.".

In section 8 delete "669g-l" and insert "669h" in lieu thereof, and at the end of the bill add the following new sections:

"Sec. 9. (a) Section 506 of the Education Amendments of 1972, Public Law 92-318 (86 Stat. 235) is amended by inserting, 'the Northern Marianas College', after 'the College of Micronesia' in subsection (a).

"(b) Section 5 of the Act of August 30, 1980, c. 841, 26 Stat. 417 (the Second Morill Act), as added by section 506(c) of Public Law 92-318 (86 Stat. 235) is amended by striking out 'and Micronesia, and Guam' and inserting in lieu thereof 'Guam, the Northern Mariana Islands, and the Trust Territory of the Pacific Islands (other than the Northern Mariana Islands)'.

"(c) Subsection (c) of section 1361 of Public Law 96-374 (94 Stat. 1367) is amended by striking out 'American Samoa and in Micronesia' and inserting in lieu thereof 'American Samoa, the Northern Mariana Islands, and the Trust Territory of the Pacific Islands (other than the Northern Mariana Islands)'.

"(d) Section 22 of the Act of June 29, 1935, c. 388, 49 Stat. 439, as amended (7 U.S.C. 329) is further amended—

"(1) by striking out 'and Guam' wherever it appears and inserting in lieu thereof 'Guam, and the Northern Mariana Islands';

"(2) by striking out '$8,100,000' and inserting in lieu thereof '$8,250,000'; and

"(3) by striking out '$4,360,000' and inserting in lieu thereof '$4,380,000'.

"(e) The first sentence of section 3(b)(2) of the Act of May 8, 1914, c.79, 38 Stat. 372, as amended (7 U.S.C. 343), is further amended by striking out 'and Guam' and inserting in lieu thereof 'Guam, and the Northern Mariana Islands'.

(f) Section 10 of the Act of May 8, 1914, C.79, 38 Stat. 372, as added by section 1(i) of Public Law 87-749 (76 Stat. 745) and as amended (7 U.S.C. 349), is further amended to read as follows: 'The term 'State' means the States of the Union, Puerto Rico, the Virgin Islands, Guam and the Northern Mariana Islands.'.

"Sec. 10. The Covenant to Establish a Commonwealth of the Northern Mariana Islands in Political Union with the United States of America approved by Public Law 94-241 (90 Stat. 263) is amended

"(1) in section 703, subsection (a), after the words, 'section 702' add the words 'and section 705';

"(2) in section 704, subsection (a), after the words 'section 702' add the words 'and section 705';

"(3) in section 704, delete subsection (c), and redesignate subsection (d) as subsection (c);

"(4) after section 704 add a new section 705, as follows:

"Sec. 705. Enactment of this section by the United States Congress and approval by the President shall constitute a commitment and pledge of the full faith and credit of the United States for the payment of $228,000,000 at guaranteed annual amounts of direct grant assistance for the Government of the Northern Mariana Islands for an additional period of seven fiscal years after the expiration of the initial seven-year period specified in section 702, which assistance shall be provided according to the agreement of the special representatives on future United States financial assistance for the Government of the Northern Mariana Islands, executed July 10, 1985, between the special representative of the President of the United States and the special representatives of the Governor of the Northern Mariana Islands. The islands of Rota and Tinian shall each receive no less than a ⅙ share and the island of Saipan shall receive no less than ⅔ share of annualized capital improvement project funds which shall be no less than 80 percent of the capital development funds identified in the schedule of payments in paragraph 2 of part II of the agreement of the special representatives."; and

"(5) in section 1003, subsection (b), delete 'Article VII, Sections' and insert in lieu thereof '701-704,'; redesignate subsection (c) as subsection (d); and add a new subsection (c) as follows:

"(c) Section 705 will become effective as of October 1, 1985.".

"Sec. 11. Public Law 96-193 is amended by adding the following new section at the end of title III:

"Sec. 306. (a) The Secretary shall provide an exemption from applicable noise standards to permit the operation of any noncomplying aircraft if the operator is flying such aircraft between Honolulu or other nations and points in the United States Pacific territories or the Trust Territory of the Pacific Islands (or successor political entities). No such noncomplying aircraft shall be allowed to operate at any other United States airports.

"(b) Nighttime noise restrictions for aircraft operating pursuant to subsection (a) of this section shall be inapplicable in Honolulu, the United States Pacific territories and the Trust Territory of the Pacific Islands, (or successor political entities), provided that the State of Hawaii institutes nighttime noise restrictions for Honolulu International Airport, with equal application to all operators, that are no more restrictive than the existing restrictions.".

"Sec. 12. (a) In awarding assistant grants, consolidated under the provisions of title V of the Act entitled 'An act to authorize certain appropriations for the territories of the United States, to amend certain acts related thereto, and for other purposes', (91 Stat. 1159, as amended), to the Trust Territory of the Pacific Islands, American Samoa, Guam, the Northern Mariana Islands or the Virgin Islands, the Administrator of the Environmental Protection Agency may, in his discretion, adjust or otherwise modify maintenance or level of effort requirements.

"(b) In awarding grants to the Trust Territory of the Pacific Islands, American Samoa, Guam, the Northern Mariana Islands and the Virgin Islands under section 201(g)(1) of the Clean Water Act (33 U.S.C. 1251 et seg.), the Administrator of the Environmental Protection Agency may waive limitations regarding grant eligibility for sewerage facilities and related appurtenances, insofar as such limitations relate to collector sewers, based upon a determination that applying such limitations could hinder the alleviation of threats to public health and water quality. In making such a determination, the Administrator shall take into consideration the public health and water quality benefits to be derived and the availability of alternate funding sources. The administrator shall not award grants under this section for the operation and maintenance of sewerage facilities, for construction of facilities which are not an essential component of the sewerage facilities, or any other activities or facilities which are not concerned with the management of wastewater to alleviate threats to public health and water quality.

"Sec. 13. Section 29 of the Organic Act of Guam (64 Stat. 392) is amended by adding the following new subsection (c):

"(c) the Government of Guam may establish an Office of Public Prosecutor and an Office of Public Auditor.".

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"SEC. 14. Section 101(a)(15)(D) of the Immigration and Nationality Act (8 U.S.C. 1101(a)(15)(D)) is amended by inserting '(i)' after '(D)' and by adding at the end the following new clause:

"(ii) and alien crewman serving in good faith as such in any capacity required for normal operations and service aboard a fishing vessel having its home port or an operating base in the United States who intends to land temporarily in Guam and solely in pursuit of his calling as a crewman and depart from Guam with the vessel on which he arrived. For the purposes of this clause, an alien crewman shall be considered to have departed from Guam after leaving the territorial waters of Guam, without regard to whether the alien arrives in a foreign state before returning to Guam;".

"SEC. 15. Subsection 212(1) of the Immigration and Nationality Act (8 U.S.C. 1182) is amended as follows:

"(l)(1) The requirement of paragraph (26)(B) of subsection (a) of this section may be waived by the Attorney General, the Secretary of State, and the Secretary of the Interior, acting jointly, in the case of an alien applying for admission as a nonimmigrant visitor for business or pleasure and solely for entry into and stay on Guam for a period not to exceed fifteen days, if the Attorney General, the Secretary of State, and the Secretary of the Interior, after consultation with the Governor of Guam jointly determined that—

"(A) an adequate arrival and departure control system has been developed on Guam, and that

"(B) such a waiver does not represent a threat to the welfare, safety, or security of the United States, taking into account the conditions prevailing on, and the location of, Guam.

"(2) An alien may not be provided a waiver under this subsection unless the alien has waived any right—

"(A) to review or appeal under this Act of an immigration officer's determination as to the admissibility of the alien at the port of entry into Guam, or

"(B) to contest, other than on the basis of an application for asylum, any action for deportation against the alien.

"(3) Any personnel employed by the Immigration and Naturalization Service in order to implement the provisions of this subsection shall not be counted for the purposes of personnel ceilings or other limitations on the number of employees in either the Immigration and Naturalization Service or the Department of Justice.

"(4) Assignments of employees of the territory of Guam to the Immigration and Naturalization Service under section 3374 of title 5, United States Code, shall not be subject to the time limitation provided for in section 3372(a) of title 5, United States Code.

"(5) The Attorney General is authorized to accept from the Territory of Guam reimbursement for the increased cost of administering the Immigration and Nationality Act resulting from this subsection.

"(6) The Attorney General, after consultation with the Secretary of State, the Secretary of the Interior, and the Governor of Guam, shall issue regulations governing the admission of nonimmigrant aliens pursuant to the visa waiver authorized by this subsection.".

Mr. WEICKER. Mr. President, on December 3, of last year I chaired a hearing in the Committee on Energy and Natural Resources on three legislative proposals regarding the territories. Since that time the committee has reported two of the measures unanimously, H.R. 2478 and Senate Joint Resolution 192, and they are now ready for consideration by the full Senate. I am pleased to be joined by my distinguished colleagues, the chairman and ranking member of the committee, Senators McCLURE and JOHNSTON, in offering an amendment to one of these territorial measures, H.R. 2478. This amendment has five parts. First, it would replace the text of section 2 in order to clarify the use of economic development loan funds for capital improvement projects in the Northern Mariana Islands. Second, it would replace the text of section 4 to respond to a request from the College of the Virgin Islands that the authorization for the Eastern Caribbean Center be shifted from the Secretary of the Interior to the Agency for International Development. Third, the amendment would make a technical change in section 8. Fourth, the amendment adds a new section to the bill granting land grant status to the Northern Mariana College. This new section is a slight modification of one of the committee amendments reported with H.R. 2478 and which was considered and approved by the committee. Finally, the fifth purpose of this amendment is to add the provisions of Senate Joint Resolution 192, as amended, to the end of H.R. 2478 and thereby combine the two reported measures as one.

As combined with Senate Joint Resolution 192, H.R. 2478 will have 15 provisions regarding the territories. Some of these items, such as continuation of financial assistance to the Northern Mariana Islands, are of critical importance. Other provisions are less critical but are important for enacting several necessary authorizations, clarifying amendments and program modifications designed to meet the needs of the U.S. territories of Guam, the Northern Mariana Islands, American Samoa, and the Virgin Islands.

I would like to acknowledge the efforts of the members and staff of several subcommittees for their cooperation and assistance in developing these provisions. These subcommittees are: the Subcommittee on Aviation, the Subcommittee on Environmental Pollution, the Subcommittee on Western Hemisphere Affairs, the Subcommittee on Immigration and Refugee Policy and the Subcommittee on Education, Arts and Humanities. I have prepared a section-by-section analysis of the 15 provisions, as amended. I urge my colleagues to join with us in adoption of this amendment and in passage of H.R. 2478.

I ask unanimous consent that the section-by-section analysis be printed in the RECORD.

There being no objection, the section-by-section analysis was ordered to be printed in the RECORD, as follows:

SECTION-BY-SECTION ANALYSIS

Section 1 would amend section 12 of the Revised Organic Act of the Virgin Islands to grant the people of the Virgin Islands the authority to make law by initiative and to recall elected officials. A similar provision had been included in the territorial constitution which was defeated in a local referendum (although the initiative and recall provisions were not controversial). Section 101 of Public Law 97-357 provided similar authority to the people of Guam.

Section 2 would authorize the Government of the Northern Mariana Islands (NMI) to expend unspent economic development loan funds for capital improvements projects. Section 702(c) of the Covenant between the United States and NMI, Public Law 94-241, provided a total of $23 million over 7 years for funding of economic development loans, an amount which NMI officials believe is greater than is needed. At the same time, there is an acute need for basic improvements to the islands' infrastructure. The provisions would permit the transfer of already appropriated funds to higher priority needs. It is intended that only funds which are not obligated for loans by the Fund managers shall be available to be transferred. Further, it is not intended for this authority to be open-ended; the language specifically limits the total of the funds which may be transferred to $4 million.

Section 3 would amend section 4(a) of Public Law 88-183 to grant the Virgin Islands, Guam and American Samoa full civil and criminal concurrent jurisdiction with the United States over Federal property in these territories to the extent that local laws do not conflict with Federal laws. Public Law 88-183 granted territorial governments concurrent jurisdiction over "parties found, acts performed and offenses committed" on Federal property. It was intended to be a general grant of concurrent jurisdiction. However, a Federal court in the Virgin Islands last year cast doubt on this by ruling that a local access law could not be enforced on Federally-owned Water Island (Water Isle Hotel and Beach Club Ltd. vs. Kon Tiki, St. Thomas, Inc. Civil No. 1983-284 Dist. Court V.I. March 27, 1984).

Section 4 would authorize $1.5 million in multi-year funding for the Eastern Caribbean Center which was proposed in the President's Caribbean Basin Initiative. The Center is to promote Caribbean regional development through cooperative technical assistance programs. The Center was established at the College of the Virgin Islands in 1985 under an authorization to the Secretary of the Interior. Since that time, the College of the Virgin Islands has requested that the authorization be shifted to the United States Agency for International Development (USAID). This section provides for a general authorization which does not specify the USIA. However, there is an informal agreement that the USIA is the appropriate agency to administer this authorization. It is anticipated that the House of Representatives will develop more specific language describing this authorization and will amend this section during House consideration.

Section 5 would amend section 29(b) of the Organic Act of Guam, which assigns the authority to organize the Guam education system, by replacing the word "Governor"

with "Government of Guam". The Guam Board of Education and the Legislature of Guam have requested that this change be made. However, the Governor opposes the change which would allow for an increase in the number of Guam officials involved in education policy. It is the intention of the Committee that the Government of Guam, not the U.S. Congress, shall determine how to allocate the authority to organize the Guam education system. This provision does not preclude delegation of this authority to the Governor under local law nor does it require that there be any changes to the current organization of the education system.

Section 6 would direct the Secretary of the Interior to develop options for the future status of Water Island and report to Congress by the beginning of the 100th Congress. This 500 acre island in St. Thomas Harbor is owned by the Federal government and has been leased to a hotel operator since 1952. The lease expires in 1992. Two issues which are of particular concern and underscore the need for this report are: one, that the current lease requires full payment to the leaseholder for all improvements if the lease is not renewed; and two, Public Law 96-205 bars any change in the lease without Congressional approval. Options must be developed for Congressional consideration before the Secretary of the Interior can begin negotiations with the leaseholder on future status.

Section 7 would amend section 901 of the Justice Assistance Act, Public Law 98-473 to make American Samoa, Guam and the Northern Mariana Islands eligible to receive grants as a single state. Because of their relatively small size, Guam would be eligible for one-half of a state allocation, American Samoa a one-third share and NMI a one-sixth share. This assistance has been sought by the Pacific territories to help cope with growing crime problems.

Section 8 would make the territories eligible to participate in the Hunter Safety Program of the Federal Aid in Wildlife Restoration Act of 1937. The provision would amend the law to allocate one-sixth of 1 percent of the program's funds to each of the four smaller territories. Puerto Rico is already eligible.

Section 9 extends program eligibility for the Land Grant College Program to the College of the Northern Mariana Islands. Because of the small size of the College of the Northern Mariana Islands, this provision does not authorize the college for the $3 million endowment which has usually been included in the extension of program eligibility. It is intended that the college be eligible for all program grants and benefits extended to other member colleges except for the endowment.

Section 10 would implement the agreement of the Special Representatives on the Future United States Financial Assistance for the Northern Mariana Islands which modifies the conditions for financial assistance to the islands. In 1976, Congress approved a Covenant to Establish a Commonwealth of the Northern Mariana Islands (CNMI) in Political Union with the United States (Public Law 94-241). Article VII of this Covenant pledges the full faith and credit of the United States to seven years of financial support to the CNMI for its operations and economic development.

Section 902 of the Covenant requires that special representatives of the United States and CNMI meet at least 1 year prior to the expiration of the period of financial assistance to consider and make recommendations regarding future multiyear financial assistance. Section 704(d) of the Covenant provides that the level of payments will continue until Congress appropriates a different amount or "otherwise provides by law." Having met, on July 10, 1985, the Special Representatives on Future United States Financial Assistance for the CNMI reached an agreement on funding for the next seven year period.

Upon enactment of Section 10, this agreement will provide the framework for the U.S. financial assistance to the CNMI for the second 7-year period, fiscal years 1986 through 1992. It would provide $228 million over the next 7-years for three general activities; $100.5 million for Government operations; $126 million for capital development, and $1.5 million for special programs.

Section 11 would amend title III of Public Law 96-193 to provide an exemption from aircraft noise standards for aircraft flying between Honolulu, Hawaii, or other nations, and the United States Pacific territories or the Trust Territory of the Pacific Islands (or successor political entities). The section would further provide that the State of Hawaii shall be authorized to institute nighttime noise restrictions for Honolulu airport which would be no more restrictive than those which currently apply. The intent of this provision is to increase air service in these insular areas where it is essential for economic and social development. The current restrictions were developed in response to a noise problem which is minimal in the territories because aircraft operate over water. In addition, the region's two largest airports, in Guam and Honolulu, are also used by military aircraft which do not need to meet the noise restrictions. The high cost of compliance with the noise restrictions has resulted in more harm than benefit to these islands. The cost, generally over $2 million per aircraft, has discouraged operators from serving these markets or it has forced them to cease operations altogether. Although the exemption in Honolulu is more limited, to daytime flights, it is necessary to include Honolulu in order to assure that there is an opportunity for mail, freight and passenger service to the United States to develop adequately.

Section 12 would provide flexibility to the Administrator of the Environmental Protection Agency (EPA) to modify certain water quality grant requirements and limitations which he may determine are not appropriate to conditions in the territories. For example, water and power service, on which water treatment facilities depend, are generally less developed and reliable in the territories than in mainland areas. As a result, the territories have lagged behind mainland areas in meeting eligibility requirements and in taking advantage of water quality grants. Because these grants are now being phased-out, the territories may lose the opportunity to take full advantage of the grants despite a significant threat to public health and water quality. It is intended that the Administrator of the EPA will use the flexibility granted by this provision to waive requirements, including time limitations on grants, to alleviate threats to the public health and quality, and to encourage the development of water treatment facilities. The provision would allow Federal funds to be used for the construction of sewage collection systems to receive sewage from household connections and transport it to interceptor or trunk sewers, provided the required findings related to threats to public health are made. The Clean Water Act does not permit use of Federal funds for the installation of house connector lines to sewage collection systems.

Section 13 would add a new paragraph (c) to section 29 of the Organic Act of Guam, authorizing the Government of Guam to establish independent offices for Prosecutor and Auditor. It is intended that the Government of Guam, not the U.S. Congress, shall determine how to allocate the authority to establish and organize each of these two separate offices. This provision does not preclude delegation of this authority to the Governor under local law nor does it require that there be any changes to the current organization of these offices.

Section 14 would amend the Immigration and Nationality Act to correct an inconsistency in the immigration law which allows alien crewmen on foreign vessels to enter Guam for shore leave while denying the same alien crewmen entry to Guam if they work on U.S.-registered vessels. This discriminatory treatment favoring foreign vessels has resulted in severe morale problems on U.S. vessels and, in one case, led to violence when immigration officers attempted to enforce the law. This section is intended to alleviate this problem. Aliens otherwise admissible as crewmen under Section 101(a)(15)(D) of the Act would be able to periodically come into Guam on the fishing vessel on which they are serving and be admissible as "D" crewmen, without the necessity of first entering a foreign country before returning to the United States.

Section 15 would amend subsection 212(1) of the Immigration and Nationality Act which was enacted by Congress in 1984 (Public Law 98-454) to provide for a limited 15-day visa waiver for visitors to Guam. The unique conditions prevailing on Guam and its isolated location provide sufficient safeguards for the welfare, safety and security of the United States to justify a broad application of the visa waiver system. Guam's isolation as an island in the Pacific Ocean easily allows for the restriction of visa waiver recipients to the Territory thereby preventing them from traveling onward to Hawaii and the mainland. Guam's small area and its relatively small population ensure that any nonimmigrants who overstay the visa waiver period of fifteen days can be quickly located and removed. The waiver of remedies provision contained in this legislation also ensures that there will be little if any administrative cost attributable to appeals of entry denials to visa waiver applicants. Given the inherent protections which Guam offers the welfare, safety and security of the United States the visa waiver system should be liberally applied to a broad range of countries. In particular, the visa denial rates through 16% for the preceding calendar year, including but not limited to South Korea and Taiwan. It is intended that the visa waiver program should initially be given wide application. If threats to the welfare, safety or security of the United States develop those threats should be dealt with on a country by country basis.

Mr. SIMPSON. Mr. President, I move adoption of the amendment.

The PRESIDING OFFICER. The question is on agreeing to the amendment.

The amendment (No. 1804) was agreed to.

The PRESIDING OFFICER. The bill is before the Senate and open to further amendment. If there be no

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further amendment to be proposed, the question is on the engrossment and third reading of the bill.

The bill (H.R. 2478), as amended, was ordered to be engrossed for a third reading, was read the third time, and passed.

Mr. SIMPSON. Mr. President, I move to reconsider the vote by which the bill was passed.

Mr. BYRD. Mr. President, I move to lay that motion on the table.

The motion to lay on the table was agreed to.

EXECUTIVE CALENDAR

Mr. SIMPSON. Mr. President, I would like to inquire of the Democratic leader if he is in a position to consider the nomination of Robert J. Bryan, of Washington, to be U.S. district judge for the western district of Washington.

Mr. BYRD. Mr. President, that nomination has been cleared on this side of the aisle. We are ready to proceed.

EXECUTIVE SESSION

Mr. SIMPSON. Mr. President, I ask unanimous consent that the Senate go into executive session to consider the nomination of Robert J. Bryan.

The PRESIDING OFFICER. Without objection, it is so ordered.

THE JUDICIARY

The assistant legislative clerk read the nomination of Robert J. Bryan, of Washington, to be U.S. district judge for the western district of Washington.

Mr. GORTON. Mr. President, Senator Evans and I are delighted to have this nomination of Judge Bryan before the Senate for two reasons. The first is that this specific position in the western district of Washington was created because of an immense need for an additional judge, especially in the southern division of that district.

Even more important, however, is the fact that Senator Evans and I have an immense delight in having had the President nominate a candidate of such impeccable qualifications.

Robert Bryan first became a member of the bench when he was appointed to the superior court for Kitsap County in 1967 by the then Governor of the State of Washington, who sits on the other side of Judge Bryan right now.

He served for 17 years until his retirement from that position in 1984. Lawyer evaluation polls in the State of Washington ranked him either at the top or right at the top of all of the superior court judges in the State almost from the beginning of his career on the bench.

He was overwhelmingly characterized as excellent in each area of review in the way judges are reviewed there—legal ability, judicial temperament, availability, integrity, hard work, and the like—precisely the kind of person we need in our courts.

For the last 2 years, he has had a refresher in what it is like in the private sector in one of the most distinguished law firms in Seattle. His personal credentials match those of his professional credentials. He has given freely of his time not only to the legal community in the State of Washington, but to many other worthy causes as well.

I may say in passing, Mr. President, that at his nomination hearing before the Senate Judiciary Committee, I commented on physical similarities between Judge Bryan and our distinguished senior Senator from New Jersey [Mr. Bradley]. Judge Bryan was also at one time an outstanding basketball player.

Like our great colleague, he maybe cannot get quite so far off the floor now as he could at that time, but it is simply another illustration of his success and of a background which is so broad and includes so many important positions as to make him overwhelmingly qualified for this position.

The PRESIDING OFFICER. Without objection, the nomination is confirmed.

Mr. SIMPSON. Mr. President, I move to reconsider the vote by which the nomination was confirmed.

Mr. BYRD. Mr. President, I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. SIMPSON. Mr. President, I ask unanimous consent that the President be immediately notified that the Senate has given its consent to this nomination.

The PRESIDING OFFICER. Without objection, it is so ordered.

LEGISLATIVE SESSION

Mr. SIMPSON. Mr. President, I ask unanimous consent that the Senate now resume legislative session.

The PRESIDING OFFICER. Without objection, it is so ordered.

PERMISSION FOR THE COMMITTEE ON BANKING, HOUSING, AND URBAN AFFAIRS TO INTRODUCE LEGISLATION

Mr. SIMPSON. Mr. President, I ask unanimous consent that the Committee on Banking, Housing, and Urban Affairs, under the jurisdiction of Senator Garn have 30 minutes after the Senate adjourns this evening in order to introduce a bill.

The PRESIDING OFFICER. Without objection, it is so ordered.

MESSAGES FROM THE PRESIDENT RECEIVED DURING RECESS

Under the authority of the order of the Senate of January 3, 1985, the Secretary of the Senate, on April 23, 1986, during the recess of the Senate, received a message from the President of the United States submitting sundry nominations and a withdrawal; which were referred to the appropriate committees.

(The nominations and withdrawal received on April 23, 1986, are printed at the end of the Senate proceedings.)

MESSAGES FROM THE PRESIDENT

Messages from the President of the United States were communicated to the Senate by Ms. Sara Currence Emerry, special assistant to the executive clerk of the White House, one of his secretaries.

EXECUTIVE MESSAGES REFERRED

As in executive session, the Presiding Officer laid before the Senate messages from the President of the United States submitting sundry nominations which were referred to the appropriate committees.

(The nominations received today are printed at the end of the Senate proceedings.)

STRUCTURE AND STRENGTH OF THE DEFENSE ESTABLISHMENT—MESSAGE FROM THE PRESIDENT—PM 138

The PRESIDING OFFICER laid before the Senate the following message from the President of the United States; which was referred to the Committee on Armed Services:

To the Congress of the United States:

On February 26, I spoke to the American people of my highest duty as President—to preserve peace and defend the United States. I outlined the objectives on which our defense program has rested. We have been firmly committed to rebuilding America's strength, to meeting new challenges to our security, and to reducing the danger of nuclear war. We have also been dedicated to pursuing and implementing defense reforms wherever necessary for greater efficiency or military effectiveness.

With these objectives in mind, I address the Congress on a subject of central importance to all Americans—the future structure and organization of our defense establishment.

Extensive study by the Armed Services Committees of the Senate and the House of Representatives has produced numerous proposals for far-reaching changes in the structure of

the Department of Defense, including the organization of our senior military leadership. These proposals, sponsored by members with wide knowledge and experience in defense matters, are now pending before the Congress.

In addition, a few weeks ago I endorsed the recommendations of the bipartisan President's Blue Ribbon Commission on Defense Management, chaired by David Packard, for improving overall defense management including the crucial areas of national security planning, organization, and command.

For more effective direction of our national security establishment and better coordination of our Armed Forces, I consider some of these proposals to be highly desirable, and I have recently taken the administrative steps necessary to implement these improvements. In this message, I wish to focus on the essential legislative steps that the Congress must take for these improvements to be fully implemented.

Together, the work of the Packard Commission and the Congress represents certainly the most comprehensive review of the Department of Defense in over a generation. Their work has been the focus of an historic effort to help chart the course we should follow now and into a new century. While we will continue to refine and improve our defense establishment in the future, it will be many years before changes of this scope are again considered. Given these unique circumstances, I concluded that my views as President and Commander in Chief should be laid before the Congress prior to the completion of legislative action.

EXECUTIVE AND LEGISLATIVE RESPONSIBILITIES

In forwarding this message, I am cognizant of the important role of the Congress in providing for our national defense. We must work together in this endeavor. However, any changes in statute must not infringe on the constitutionally protected responsibilities of the President as Commander in Chief. Any Legislation in which the issues of Legislative and Executive responsibilities are confused would be constitutionally suspect and would not meet with my approval.

My views concerning legislation on defense reorganization now pending in the House and Senate reflect a reasoned and open-minded approach to the issues, while maintaining a close watch on the constitutional responsibilities and prerogatives of the Presidency. While I had considered forwarding a separate bill to the Congress, I concluded that this was not necessary since many of the legislative recommendations of the Packard Commission are already pending in one or more bills. However, additional changes in law are also proposed in those other bills, and such changes must be carefully weighed.

Certain changes in the law are necessary to accomplish the objectives we seek. Among these are the designation of the Chairman of the Joint Chiefs of Staff as the principal military adviser to the President, the Secretary of Defense, and the National Security Council, and the Chairman's exclusive control over the Joint Staff; the creation of a new Vice Chairman of the Joint Chiefs of Staff; and the creation of a new Level II position of Under Secretary of Defense for Acquisition.

Other proposed changes in law are, in my judgment, not required. It is not necessary to place in law those aspects of defense organization that can be accomplished through executive action. Nevertheless, if such changes are recommended by the Congress, I will carefully consider them, provided they are consistent with current policy and practice and do not infringe upon the authority or reduce the flexibility of the President or the Secretary of Defense.

GENERAL PRINCIPLES

The organization of our present-day defense establishment reflects a series of important reforms following World War II. These reforms were based upon the harsh lessons of global war and were hastened by the new military responsibilities and threats facing our Nation. They culminated in 1958 with the reorganization of the Department of Defense under President Eisenhower.

President Eisenhower's experience of high military command has few parallels among Presidents since George Washington. The basic structure for defense that he laid down in 1958 has served the Nation well for over 25 years. The principles that governed his reorganization proposals are few but fundamental. They are of undiminished importance today.

First, the proper functioning of our defense establishment depends upon civilian authority that is unimpaired and capable of strong executive action.

As civilian head of the Department, the Secretary of Defense must have the necessary latitude to shape operational commands, to establish clear command channels, to organize his Office and Department of Defense agencies, and to oversee the administrative, training, logistics, and other functions of the military departments.

Second, if our defense program is to achieve maximum effectiveness, it must be genuinely unified.

A basis theme of defense reorganization efforts since World War II has been to preserve the valuable aspects of our traditional service framework while nonetheless achieving the united effort that is indispensable for our national security. President Eisenhower counseled that separate "service responsibilities and activities must always be only the branches, not the central trunk of the national security tree."

Unified effort is not only a prerequisite for successful command of military operations during wartime, today, it is also indispensable for strategic planning and for the effective direction of our defense program in peacetime. The organization of our senior military leadership must facilitate this unified effort. The highest quality military advice must be available to the President and the Secretary of Defense on a continuing basis. This must include a clear, single, integrated military point of view. Yet, at the same time, it must not exclude well-reasoned alternatives.

Third, the character of our defenses must keep pace with rapid changes in the military challenges we face.

President Eisenhower observed a revolution taking place in the techniques of warfare. Advancing technology, and the need to maintain a vital deterrent, continually test our ability to introduce new weapons into our armed forces efficiently and economically. It is increasingly critical that our forces be able to respond in a timely way to a wide variety of potential situations. These range across a spectrum from full mobilization and deployment in case of general war, to the discriminating use of force in special operations. To respond successfully to these changing circumstances and requirements, our defense organization must be highly adaptable.

Where the roles and responsibilities of each component of our defense establishment are necessarily placed in law, they must be clear and unambiguous, but not so constrained or detailed as to impair operational flexibility or the common sense of those in positions of responsibility. Laws must not be written in response to the strengths and weaknesses of individuals who now serve. Instead, they should establish sound, fundamental relationships among and between civilian and military authorities, relationships that reflect the proper balance between our traditions and heritage and the practical considerations unique to military matters.

SPECIAL RELATIONSHIPS BETWEEN THE PRESIDENT AND CERTAIN SUBORDINATES

I noted earlier that President Eisenhower brought to his Presidency a unique perspective and unprecedented military experience. Few Presidents have come into this office as well prepared as he to assume the responsibilities of Commander in Chief. This fact places a heavy burden on our defense establishment and requires the continued development of key institutions and relationships that constitute the framework of our current organization.

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It has been my experience that within this framework there is a special relationship between the President, the Secretary of Defense, and the Combatant Commanders. In providing for the timely and effective use of the armed forces in support of our foreign policy, our entire defense establishment is focused on supporting this special relationship and making it as effective as possible. All other aspects of our defense organization must be subordinate to this purpose.

The Secretary of Defense. In particular, the law places broad authority and heavy responsibilities on the Secretary of Defense. The Secretary, in his responsibility as head of the defense establishment and in executing the directives of the Commander in Chief, embodies the concept of civilian control. No one but the President of the United States and the Secretary of Defense is empowered with command authority over the armed forces. In managing the Department of Defense the Secretary must retain the authority and flexibility necessary to fulfill these broad responsibilities.

Thus, where the Congress seeks statutory changes that would affect the Secretary of Defense, I will apply the following criteria:

—I will support efforts to strengthen the authority of the Secretary of Defense if there are areas in the law where his current authority is not sufficiently clear.

—The Secretary's authority should be delegated as he sees fit, and such delegation should never be mandated in the law apart from his concurrence and approval.

—The strengthening of other offices or components of the defense establishment should never be, nor appear to be, at the expense of the authority of the Secretary of Defense.

The Combatant Commanders. The Unified and Specified Commanders are the individuals in whom the American people and our defense establishment place warfighting responsibilities. The Secretary and I consult the Combatant Commanders for their joint and operational points of view in determining how our military forces should be used and in determining our military requirements for important geographic and functional areas. Their successes in any future conflict would depend in large measure on how well we plan for their needs in today's defense budgets.

With this in mind, the Secretary initiated regular meetings with the Combatant Commanders and has provided them greater access to the Department's internal budget process. In addition, I am implementing the recommendations of the Packard Commission to improve the channel of communications between the President, the Secretary, and the Combatant Commanders; to provide broader authority to those Commanders to structure their subordinate commands; to provide options in the organizational structure of Combatant Commands for the shortest possible chains of command consistent with proper supervision and support; and to provide for flexibility where issues or situations overlap the current geographical boundaries of the Combatant Commands.

These changes reflect an evolutionary and positive trend towards strengthening the role of the operational commanders within the defense establishment. While I hope and expect this trend will continue, it is not necessary that these efforts be mandated in the law. If the Congress wishes to elaborate on the current law, there are several important issues that should be considered:

—In organizing our forces to maximize their combat potential under a variety of circumstances, the President and Secretary of Defense must retain the authority for establishing Combatant Commands; for prescribing their force structure; and for oversight of the assignment of forces by the Military Departments. To be effective, this authority requires broad latitude and flexibility and calls for a minimum amount of statutory constraint. Restrictions in the law that prohibit the establishment of certain command arrangements should be repealed. My authority as Commander in Chief is sufficient to deal with any necessary command arrangements or adjustments in the assignment of forces that unforeseen circumstances could require.

—In moving to strengthen the role of the Combatant Commanders we must establish an appropriate balance between enhancing their influence in resource allocation and maintaining their focus on joint training and operational planning. The Combatant Commanders must have sufficient authority and influence to accomplish their mission, within the constraints necessarily established by the Secretary, without being burdened with administrative responsibilities that detract from their primary role as operational commanders.

—Finally, we must not legislate departmental procedures. The changes I have initiated concerning the defense planning and budgeting process provide for the further development of the role of the Combatant Commanders. It is neither necessary nor appropriate for the Department's internal resource allocation process to be defined in law. The establishment and evolution of such procedures must remain the prerogative of the Secretary of Defense.

The Chairman of the Joint Chiefs of Staff. In the relationship between the President, the Secretary of Defense, and the Combatant Commanders, there is a special role for the Chairman of the Joint Chiefs of Staff. The Chairman ranks above all other officers and devotes all of his time to joint issues. I deal with him or his representative on a regular basis and he serves as the primary contact for the Secretary and me on operational military matters. As a matter of practice, the Chairman also functions within the chain of command by transmitting to the Combatant Commanders those orders I give to the Secretary. Under the directive I recently signed to implement the recommendations of the Packard Commission, this practice will be broadened and strengthened.

In this regard, I have concluded that the Chairman's unique position and responsibilities are important enough to be set apart and established in law, and that he should be supported by a military staff responsive to his own needs and those of the President and the Secretary of Defense. In reaching this judgment I have carefully weighed the view that concentration of additional responsibility in the Chairman could limit the range of advice provided to me and the Secretary, or somehow undermine the concept of civilian control. While this concern is understandable, it does not apply to the structural changes I would endorse. Since the Chairman and the Joint Chiefs of Staff will continue to function together as military advisers and the Secretary's military staff, and the Chairman will continue to report directly to the President and the Secretary of Defense, none of the new responsibilities of the Chairman that I propose would diminish the authority or control of the Secretary of Defense. Accordingly, I support legislation that will accomplish the following objectives:

—Designate the Chairman of the Joint Chiefs of Staff as the principal uniformed military adviser to the President, the National Security Council, and the Secretary of Defense;

—Place the Organization of the Joint Chiefs of Staff and the Joint Staff under the exclusive direction of the Chairman, to perform such duties as he prescribes to support the Joint Chiefs of Staff and respond to the President and the Secretary of Defense; and

—Create the new position of Vice Chairman of the Joint Chiefs of Staff and make the Vice Chairman a member of the Joint Chiefs of Staff.

While recognizing and providing for the special role of the Chairman in the law, the basic structure of the Joint Chiefs of Staff should be retained. The advantages and disadvantages of the current system, in which the Chiefs of the Services provide advice concerning both their military Service and joint issues, have been debated for many years and are well known. I believe that certain disadvantages will be remedied by a stronger Chairman without sacrificing the advantages of the current system. I find that the Chiefs of the Services are highly knowledgeable regarding particular military capabilities. And, just as important, joint military perspectives on both resource allocation and operations, developed under the Chairman's leadership, must be upheld and supported at the highest levels of the Military Departments.

For these reasons, as we take the appropriate steps to strengthen the role of the Chairman, the law must ensure that:

—The Service Chiefs remain members of the Joint Chiefs of Staff; and that, in addition to the views of the Chairman, the President is also provided with the views of other members of the Joint Chiefs of Staff.

—In addition, in creating the new position of Vice Chairman, the law must provide flexibility for the President and Secretary of Defense to determine who shall serve as Acting Chairman in the Chairman's absence.

In our efforts to strengthen the ability of the Chairman and the Joint Chiefs of Staff to be responsive to the civilian leadership, we must also make certain that the military establishment does not become embroiled in political matters. The role of the Chairman and other members of the Joint Chiefs of Staff is strictly advisory in nature and, with the armed forces as a whole, they serve the American people with great fidelity and dedication. In my view, changes in the tenure of the Chairman or other senior officers that are tied to the civilian electoral process would endanger this heritage. I oppose any bill whose provisions would have the effect of politicizing the military establishment.

ACQUISITION REFORM

The Packard Commission has pointed out what we all know to be true: that our historic ups and downs in defense spending have cost us dearly over the long term. For many years there has been chronic instability in both top-line funding and individual programs. This has eliminated key economies of scale, stretched out programs, and discouraged defense contractors from making the long-term investments required to improve productivity. To end this costly cycle, we must find ways to provide the stability that will allow the genius of American ingenuity and productivity to flourish.

We also know that Federal law governing procurement has become overwhelmingly complex. Each new statute adopted by the Congress has spawned more administrative regulation. As laws and regulations have proliferated, defense acquisition has become ever more bureaucratic and encumbered by overstaffed and unproductive layers of management. We must both add and subtract from the body of law that governs Federal procurement, cutting through red tape and replacing it with sound business practices, innovation, and plain common sense.

The procurement reforms I have begun within the Executive branch cannot reach their full potential without the support of the Congress. We must work together in this critical period, where so many agree that our approach to defense procurement in both the Executive and Legislative branches is in need of repair. However, in moving forward to implement needed reforms, I urge the Congress to show restraint in the use of more legislation as a solution to our current problems.

The Commission identified the need for a full-time defense acquisition executive with a solid industrial background. This executive would set overall policy for procurement and research and development, supervise the performance of the entire acquisition system, and establish policy for the oversight of defense contractors. I concur with this recommendation.

—The Congress should create by statute the new Level II position of Under Secretary of Defense for Acquisition through the authorization of an additional Level II appointment in the Office of the Secretary of Defense.

Beyond this initiative, however, further change to the acquisition organization of the Department of Defense should be left to the Executive branch. The procurement reforms I have recently set in motion are fundamental and far-reaching and should be allowed to proceed without the burden of further piecemeal changes. I call on the Congress to demonstrate restraint in two particular areas:

—First, with the exception of changes to procurement of anti-fraud laws I have already endorsed, we should refrain from further action to add new procurement laws to our statutes pending the complete review of all Federal statutes governing procurement that I have recently directed. The vast body of procurement law that now exists must be simplified, consolidated, and made responsive to our national security needs.

—And second, we should take no further action to add new laws that would restrict the authority of the Secretary of Defense to hire and retain the high quality of personnel needed to administer the Department of Defense's acquisition program.

If citizens from the private sector who participate in the conduct of government are unfairly prohibited from returning to their livelihood, it will not be just their willingness to serve that will suffer. The Nation will suffer as well. I will later report to the Congress on steps I am taking or that I propose the Congress take in these areas. And I will also review and report on the accountability of the defense industry to the Department of Defense, and to the American people. This review will address the ethics of the industry, the Department of Defense's oversight responsibility, and the role of the Department's Inspector General. I urge the Congress not to act in these important areas until it has had an opportunity to review my report.

While the Department of Defense and Executive branch are focused on implementing the details of these reforms, I urge the Congress to focus its attention on the structural and procedural reforms that are also essential for the stability we seek.

Two-year defense budgets are an essential step toward stability. I urge the Congress to develop internal procedures for the authorization and appropriation of defense budgets on a biennial basis, beginning with the FY 1988 budget. My FY 1988 defense budget will be structured with this in mind.

The Congress should encourage the use of multiyear procurement where appropriate on a significantly broader scale. Multiyear procurement is a strong force for stability and efficiency. We have already saved billions of dollars through multiyear procurement and have never broken a contract or suffered a single loss to date. We want to continue and expand our efforts in this important area.

Milestone funding of research and development programs is also a form of multiyear contracting. I will work with the Congress to select appropriate programs to be base-lined in cost over a multiyear period so that these programs can be funded in an orderly and stable fashion. If we know what we want to accomplish, we can set a proper ceiling on costs and manage our program within those costs. I urge the Congress to support milestone funding and the base-lining concept of placing a ceiling on research and development costs.

Finally, there are some forty different committees or subcommittees that claim jurisdiction over some aspect of the defense program. This fragmented oversight process is a source of confusion, and it impedes the cooperation

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between the Congress and the Executive branch so necessary to effective defense management. I urge the Congress to return to a more orderly process involving only a few key committees to oversee the defense program. Only with such reform can we achieve the full benefits of those changes now underway within the Department of Defense.

Working together, we have accomplished a great deal over the past five years. Yet there is more to be done. This effort represents a new beginning for our defense establishment. When these reforms have been achieved we will have:

—Developed a rational process for the Congress and the President to reach enduring agreement on national military strategy, the forces to carry it out, and the stable levels of funding that should be provided for defense;

—strengthened the ability of the military establishment to provide timely and integrated military advice to civilian leadership;

—improved the efficiency of the defense procurement system and made it more responsive to future threats and technological needs; and

—reestablished the bipartisan consensus for a strong national defense.

The Packard Commission has charted a three-part course for improving our Nation's defense establishment. I have already directed implementation of its recommendations where that can be accomplished through Executive action. In this message, I ask that the Congress enact certain changes in law that will further improve the organization and operation of the Department of Defense. Now, the remaining requirement for reform lies within the Congress itself.

I began this message by emphasizing the important role of Congress in our defense establishment. In the organizational changes we now address, the Congress should be commended for fulfilling its broad responsibility to make laws to organize and govern the armed forces. However, with respect to the changes we must consider in the areas of budget, resource allocation, and procurement, the future is much less certain. To establish the stability essential for the successful and efficient management of our defense program, the Congress must be more firmly committed to its constitutional obligations to raise and support the armed forces.

Within the limits of my authority as President, I will continue to improve and refine the national security apparatus within the Executive branch. And I will support any further changes in procedures, regulations, or statutes, that would improve the long-term stability, effectiveness, and efficiency of our defense effort.

In having fully committed ourselves to implementing the Packard Commission's recommendations, this Administration has overcome the difficult bureaucratic terrain that has stood in the path of previous efforts. Now, we face a broad ocean of necessary congressional reforms in which the currents of politics and jurisdiction are equally treacherous. We must not stop at the water's edge.

Only meaningful congressional reform can complete our efforts to strengthen the defense establishment and develop a rational and stable budget process—a process that provides effectively and efficiently for America's security over the long haul.

With a spirit of cooperation and bipartisanship, confident that we can rise to this occasion, I stand ready to work with the Congress and meet the challenge ahead.

Ronald Reagan.

The White House, *April 24, 1986.*

ANNUAL REPORT OF THE ACTION AGENCY—MESSAGE FROM THE PRESIDENT—PM 139

The PRESIDING OFFICER laid before the Senate the following message from the President of the United States, transmitting, together with an accompanying report; which was referred to the Committee on Labor and Human Resources:

To the Congress of the United States:

In accordance with Section 407 of the Domestic Volunteer Services Act of 1973, as amended (42 U.S.C. 5047), I transmit herewith the Annual Report of the ACTION Agency for Fiscal Year 1985.

Ronald Reagan.

The White House, *April 24, 1986.*

MESSAGES FROM THE HOUSE

At 12:57 p.m., a message from the House of Representatives, delivered by Ms. Goetz, one of its reading clerks, announced that the House has passed the following bills, in which it requests the concurrence of the Senate:

H.R. 1116. An act to implement certain recommendations made pursuant to Public Law 98-360; and

H.R. 4420. An act to amend title 10, United States Code, to revise the retirement system for new members of the uniformed services, and for other purposes.

MEASURES REFERRED

The following bill was read the first and second times by unanimous consent, and referred as indicated:

H.R. 4420. An act to amend title 10, United States Code, to revise the retirement system for new members of the uniformed services, and for other purposes; to the Committee on Armed Services.

MEASURE HELD AT THE DESK

The following was ordered held at the desk by unanimous consent until the close of business Monday, April 28, 1986:

H.R. 1116. An act to implement certain recommendations made pursuant to Public Law 98-360.

EXECUTIVE AND OTHER COMMUNICATIONS

The following communications were laid before the Senate, together with accompanying papers, reports, and documents, which were referred as indicated:

EC-3034. A communication from the Chief, Program Liaison Division, Department of the Air Force, transmitting pursuant to law, a report on Experimental, Developmental, and Research Contracts of $50,000 or more during July 1-December 31, 1985; to the Committee on Armed Services.

EC-3035. A communication from the Principal Assistant Secretary of the Navy transmitting, pursuant to law, a report on a decision to convert the Base Operating Support functions at the Naval Air Facility, El Centro, CA, to performance under contract; to the Committee on Armed Services.

EC-3036. A communication from the Comptroller of the Currency transmitting, pursuant to law, the 1985 Consumer Complaint Processing Activities report; to the Committee on Commerce, Science, and Transportation.

EC-3037. A communication from the Secretary of Energy transmitting, pursuant to law, a report on the progress of discussions on California offshore oil and gas leasing; to the Committee on Energy and Natural Resources.

EC-3038. A communication from the Secretary of Health and Human Resources transmitting, pursuant to law, the annual report on Aid to Families With Dependent Children; to the Committee on Finance.

EC-3039. A communication from the Comptroller General of the United States transmitting, pursuant to law, a report entitled "Medicare-Existing Contract Authority Can Provide for Effective Program Administration"; to the Committee on Finance.

EC-3040. A communication from the Secretary of Health and Human Services transmitting, pursuant to law, a report on the Hill-Burton Uncompensated Services Requirement Related to Nursing Homes and Hospitals; to the Committee on Finance.

EC-3041. A communication from the Secretary of State transmitting, pursuant to law, a report on the Department's activities related to minority recruitment and equal employment efforts; to the Committee on Foreign Relations.

EC-3042. A communication from the Assistant Legal Adviser for Treaty Affairs, Department of State, transmitting, pursuant to law, copies of international agreements, other than treaties, entered into by the U.S. within the 60 days prior to April 18, 1986; to the Committee on Foreign Relations.

EC-3043. A communication from the Chairman of the D.C. Council transmitting, pursuant to law, a copy of D.C. ACT 6-156; to the Committee on Governmental Affairs.

EC-3044. A communication from the Acting Chairman of the U.S. Merit Systems Protection Board transmitting, pursuant to law, the annual report on the MSPB Ap-

peals Decisions for fiscal year 1985; to the Committee on Governmental Affairs.

EC-3045. A communication from the Chairman of the National Transportation Safety Board transmitting, pursuant to law, the Board's Government in the Sunshine report to the Committee on Governmental Affairs.

EC-3046. A communication from the Chairman of the Interstate Commerce Commission transmitting, pursuant to law, the Commission's Government in the Sunshine report; to the Committee on Governmental Affairs.

EC-3047. A communication from the Vice President of Freddie Mac transmitting, pursuant to law, the 1984 financial statement for Freddie Mac's Employees' Pension Plan; to the Committee on Governmental Affairs.

EC-3048. A communication from the Chairman of the National Transportation Safety Board transmitting, pursuant to law, the 1985 Freedom of Information report; to the Committee on the Judiciary.

EC-3049. A communication from the Controller of the Boys Clubs of America transmitting, pursuant to law, the Boys Clubs audited financial report for 1985; to the Committee on the Judiciary.

EC-3050. A communication from the Executive Director of the Civil Air Patrol transmitting, pursuant to law, the Patrol's 1986 Annual Report; to the Committee on the Judiciary.

EC-3051. A communication from the Secretary of Education transmitting, pursuant to law, a report on Departmental control of paperwork; to the Committee on Labor and Human Resources.

REPORTS OF COMMITTEES

The following reports of commitees were submitted:

By Mr. DANFORTH, from the Committee on Commerce, Science, and Transportation, with an amendment in the nature of a substitute and an amendment to the title:

S. 1750. A bill to amend the Federal Aviation Act of 1958, as amended, to increase civil penalty limits for safety violations by persons engaged in commercial aircraft operations, and for other purposes (Rept. No. 99-286).

By Mr. CHAFFEE, from the Committee on Environment and Public Works, with an amendment in the nature of a substitute:

S. 1813. A bill to amend and extend the Atlantic Striped Bass Conservation Act, and for other purposes (Rept. No. 99-287).

By Mr. THURMOND, from the Committee on the Judiciary, without amendment and an amended preamble:

H.J. Res. 462. Joint resolution to designate May 25, 1986, as "Hands Across America Day," for the purpose of helping people to help themselves, and commending United States Support of Artists for Africa for their efforts toward combating domestic hunger with a nationwide linkup coast-to-coast human chain 4,000 miles long.

By Mr. McCLURE, from the Committee on Energy and Natural Resources, with an amendment in the nature of a substitute:

S. 1225. A bill to amend the Atomic Energy Act of 1954, as amended, to establish a comprehensive, equitable, reliable, and efficient mechanism for full compensation of the public in the event of an accident resulting from activities undertaken under contract with the Department of Energy or activities undertaken by Nuclear Regulatory Commission licensees involving nuclear materials.

By Mr. THURMOND, from the Committee on the Judiciary, without amendment:

S. 2216. A bill to designate September 17, 1987, the bicentennial of the signing of the Constitution of the United States, as "Constitution Day," and to make such day a legal public holiday.

EXECUTIVE REPORTS OF COMMITTEES

The following executive reports of committees were submitted:

By Mr. THURMOND, from the Committee on the Judiciary:

James Larry Edmondson, of Georgia, to be U.S. circuit judge for the 11th Circuit; and

Henry E. Hudson, of Virginia, to be U.S. attorney for the eastern district of Virginia for the term of 4 years.

INTRODUCTION OF BILLS AND JOINT RESOLUTIONS

The following bills and joint resolutions were introduced, read the first and second time by unanimous consent, and referred as indicated:

By Mr. DIXON (for himself and Mr. Simon):

S. 2363. A bill to amend the Tariff Schedules of the United States to provide for rates of duty on imported speedometers used on exercise equipment consistent with those on bicycle speedometers; to the Committee on Finance.

By Mr. PROXMIRE:

S. 2364. A bill to amend the Internal Revenue Code of 1954 to provide that no foreign tax credit, and no-deduction, shall be allowed for taxes paid of accrued to Libya during the period any declaration by the President of a national emergency is in effect with respect to Libya and to provide that the exclusion from gross income of earned income of U.S. citizens living abroad shall not apply to income attributable to Libya during such period; to the Committee on Finance.

By Mr. BURDICK:

S. 2365. A bill to amend the Agricultural Act of 1949 to improve procedures for the rotation of grain in the producer reserve program, and for other purposes; to the Committee on Agriculture, Nutrition, and Forestry.

By Mr. CRANSTON:

S. 2366. A bill for the relief of Merlene Ottey-Page; to the Committee on the Judiciary.

By Mr. MATSUNAGA (for himself, Mr. Inouye, Mr. Cranston and Mr. Wilson):

S. 2367. A bill to provide for the duty-free entry of certain structures and parts for use in the W.M. Keck Observatory Project, and for other purposes; to the Committee on Finance.

By Mr. DOLE (for himself, Mr. Durenberger and Mr. Bentsen):

S. 2368. A bill to amend part B of title XVIII to provide for improved procedures for payment for physicians' services under the medicare program, and for other purposes; to the Committee on Finance.

By Mr. FORD:

S. 2369. A bill to authorize the Interstate Commerce Commission to adjust rail rates to reflect cost decreases due to inflation; to the Committee on Commerce, Science, and Transportation.

By Mr. MURKOWSKI:

S. 2370. A bill to allow the Francis Scott Key Foundation, Inc. to erect a memorial in the District of Columbia; to the Committee on Energy and Natural Resources.

By Mr. ROTH:

S. 2371. A bill to amend the Social Security Act to make administrative improvements in the programs of aid to families with dependent children and child support enforcement, and for other purposes; to the Committee on Finance.

By Mr. GARN (by request):

S. 2372. A bill to preserve the authority of the Federal banking supervisory agencies to arrange interstate acquisitions and mergers for failed and failing banks, and for other purposes; to the Committee on Banking, Housing, and Urban Affairs.

By Mr. GORE:

S.J. Res. 330. Joint resolution to designate May 7, 1986, as National Barrier Awareness Day; to the Committee on the Judiciary.

By Mr. HELMS:

S.J. Res. 331. Joint resolution prohibiting the proposed sale of integrated avionics system kits to the People's Republic of China; to the Committee on Foreign Relations.

SUBMISSION OF CONCURRENT AND SENATE RESOLUTIONS

The following concurrent resolutions and Senate resolutions were read, and referred (or acted upon), as indicated:

By Mr. ROTH (for himself and Mr. Dole):

S. Res. 388. Resolution expressing the sense of the Senate that the Congressional Budget Office and the Office of Management and Budget provide updated baseline and current service estimates for fiscal 1987-91; to the Committee on the Budget and the Committee on Governmental Affairs, jointly, pursuant to the order of August 4, 1977, with instructions that if one committee reports, the other committee has 30 days of continuous session to report or to be discharged.

By Mr. SIMPSON (for Mr. Dole (for himself and Mr. Byrd)):

S. Res. 389. Resolution to authorize testimony of a Senate employee; considered and agreed to.

STATEMENTS ON INTRODUCED BILLS AND JOINT RESOLUTIONS

By Mr. DIXON (for himself and Mr. Simon):

S. 2363. A bill to amend the Tariff Schedules of the United States to provide for rates of duty on imported speedometers used on exercise equipment consistent with those on bicycle speedometers; to the Committee on Finance.

RATES OF DUTY ON IMPORTED BICYCLE SPEEDOMETER

● Mr. DIXON. Mr. President, today, Senator Paul Simon and I are introducing a bill which will address an inequity which has caused major harm to a company in Illinois—Stewart-Warner Corp.

Our bill would amend the tariff schedules so that the duty levied on certain bicycle speedometers imported

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for use on exercise equipment would be identical to that which is levied on all other imported bicycle speedometers.

The main use of speedometers, other than on motorized vehicles, are for bicycles or stationary exercise bicycles. The speedometers used on both are essentially identical.

The sole remaining domestic manufacturer of speedometers for bicycles is Stewart-Warner Corp. The speedometer it manufactures has been used on exercise equipment since 1935.

These speedometers have a commonality of major parts. The major cost of a bicycle speedometer is in the speedometer head, which is more than 60 percent of the total cost. That part is the same on all speedometers.

The cable, which is the next most expensive component of a bicycle speedometer, is also identical to that for an exercise bicycle. The only difference is in the length.

The most inexpensive component of a bicycle speedometer is the drive mechanism. There are four types, and all are essentially interchangeable for bicycles and exercycles.

Mr. President, we have a tariff law which currently charges two different rates for essentially the same part, depending on how it is used. That makes no sense at all. The difference is substantial—18.3 percent ad valorem for bicycle speedometers and 0.6 percent ad valorem for exerciser-type speedometers. This is a big disparity for an item which is essentially the same part used on related equipment.

In the past 3 years, Stewart-Warner's share of the bicycle-type speedometer market has declined from 40 percent to 20 percent, and its work force employed in the production of this product has declined by two-thirds.

I urge the Senate Finance Committee to rectify this inequity at its earliest opportunity.●

By Mr. PROXMIRE:

S. 2364. A bill to amend the Internal Revenue Code of 1954 to provide that no foreign tax credit, and no deduction, shall be allowed for taxes paid or accrued to Libya during the period any declaration by the President of a national emergency is in effect with respect to Libya and to provide that the exclusion from gross income of earned income of U.S. citizens living abroad shall not apply to income attributable to Libya during such period; to the Committee on Finance.

LIMITING TAX BREAKS FOR U.S. CORPORATIONS OPERATING IN LIBYA

Mr. PROXMIRE. Mr. President, the American taxpayers are subsidizing Muammar Qadhafi's terrorist regime.

Unbelievable, you say? How could we be subsidizing a regime that attacks U.S. citizens abroad, funds terrorist organizations around the world, and is considered a hostile foreign power? How could the White House, the Department of Defense, the Department of State allow our country to subsidize a country we just found it necessary to attack with military force?

Well, Mr. President, it is happening right now, today, as five American oil companies continue to operate in Libya alone with two American construction firms—all of them contributing to the Libyan economy by producing or selling oil or working on construction projects and in turn reaping huge tax benefits from our Treasury—benefits from the pockets of every tax paying American.

The five oil companies make large royalty tax payments to Qadhafi—up to 92 cents on the dollar. That means every time they pump a dollars' worth of oil, Colonel Qadhafi earns another 92 cents in income. And the U.S. corporation turns around and takes a tax credit on their income tax forms for operating abroad and it deducts as a business expense the taxes and royalties it pays to Qadhafi. In addition, Americans engaged in operating these oil firms in Libya can take an $80,000 exclusion on their income taxes.

While U.S. corporations are supposed to be out of Libya under the terms of the President's order, five oil companies sought and were granted an extension of time until June during which they could continue to operate, distribute, and sell oil from Libya while they are theoretically finding a way to sell their assets.

In order to resume oil activities in the aftermath of the President's order, these five oil companies paid, and let me emphasize this point, they paid Qadhafi $130 million in back taxes. $130 million to Qadhafi after the President told every American commercial venture in Libya to get out. But then the Treasury Department turned around and said to oil companies—"well it does not apply to you. You have an extension of time. You can continue to operate. You can continue to pay Qadhafi millions in taxes and royalties. You can continue to prop up his regime. You can continue to support him economically. And you can continue to charge the American taxpayer for these activities through the Tax Code."

No wonder, Mr. President, our European allies question our policies under these circumstances. How can we continue to criticize our European allies when United States firms are operating in Libya with the approval of our own Government?

Mr. President, this situation has to stop. Either we are serious about stopping Qadhafi or we are not. If those five oil companies leave Libya, it might cause a loss of assets and it may not mean a drop in oil production if Qadhafi can move in and run them efficiently. But it just as easily might mean disruptions in their oil operations. It might hurt.

Mr. President, today I am introducing legislation with three purposes: First, to deny tax credits to United States firms operating in Libya; second, to deny the taking of tax and royalties as a business deduction by United States firms operating in Libya; and third, to deny the $80,000 personal income tax exclusion for United States citizens working in Libya.

Great credit should be given to my Wisconsin congressional colleague [Mr. Obey] for discovering this situation and moving legislatively to stop it. He has demonstrated great leadership on this matter and every taxpayer owes him a debt.

I urge my colleagues to examine this legislation and join with me in cosponsoring and voting for this bill.

Mr. President, I ask unanimous consent that the text of the bill be printed in the Record.

There being no objection, the bill was ordered to be printed in the Record, as follows:

S. 2364

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. DENIAL OF FOREIGN TAX CREDIT, ETC. FOR TAXES PAID OR ACCRUED TO LIBYA WHILE DECLARATION OF NATIONAL EMERGENCY IS IN EFFECT.

Section 901 of the Internal Revenue Code of 1954 (relating to taxes of foreign countries and of possessions of the United States) is amended by redesignating subsection (i) as subsection (j) and by inserting after subsection (h) the following new subsection:

"(i) Denial of Foreign Tax Credit, Etc. For Taxes Paid or Accrued to Libya While Declaration of National Emergency in Effect.—

"(1) In general.—Notwithstanding any other provision of this part—

"(A) no credit shall be allowed under subsection (a) for any income, war profits, or excess profits taxes paid or accrued (or deemed paid under section 902 or 960) to Libya during any period during which a declaration described in paragraph (3) is in effect with respect to Libya, and

"(B) income from sources within Libya which is attributable to such period shall not be taken into account as income from sources without the United States under section 904(a).

"(2) Denial of deduction.—No deduction shall be allowed under this chapter for any taxes for which a credit is not allowable under paragraph (1)(A).

"(3) Declaration described.—A declaration is described in this paragraph if it is a declaration by the President of a national emergency under section 202 of the International Emergency Economics Powers Act after a finding that the policies and actions of Libya (or the government thereof) constitute an unusual and extraordinary threat to the national security and foreign policy of the United States."

SEC. 2. EXCLUSION FROM GROSS INCOME OF EARNED INCOME OF U.S. CITIZENS LIVING ABROAD SHALL NOT APPLY TO INCOME ATTRIBUTABLE TO LIBYA WHILE DECLARATION OF NATIONAL EMERGENCY IS IN EFFECT.

Subsection (b) of section 911 of the Internal Revenue Code of 1954 (relating to citizens or residents of the United States living abroad) is amended by adding at the end thereof the following new paragraph:

"(3) Foreign earned income not to include income attributable to Libya while declaration of national emergency is in effect.—The foreign earned income for an individual shall not include amounts attributable to sources within Libya during any period during which a declaration described in section 901(i)(3) is in effect with respect to Libya. For purposes of the preceding sentence, an amount shall be treated as attributable to a period if the services to which such amount is attributable are performed during such period."

SEC. 2. EFFECTIVE DATES.

(a) Section 1.—The amendments made by section 1 shall apply to taxes paid or accrued (or deemed paid under section 902 or 960 of the Internal Revenue Code of 1954) after December 31, 1985, in taxable years ending after such date.

(b) Section 2.—The amendment made by section 2 shall apply to amounts received after December 31, 1985, in taxable years ending after such date.

By Mr. BURDICK:

S. 2365. A bill to amend the Agricultural Act of 1949 to improve procedures for the rotation of grain in the producer reserve program, and for other purposes; to the Committee on Agriculture, Nutrition, and Forestry.

ROTATION OF GRAIN IN PRODUCER RESERVE PROGRAM

Mr. BURDICK. Mr. President, today I am introducing a bill designed to help the farmer weather the credit crisis he currently faces. We all know of the terrible problems many farmers are having obtaining credit to put in their crops and continue their operations.

One-third of all farms with annual sales over $40,000 face financial difficulties. According to USDA:

> This development is especially critical because commercial farms—those with sales between $50,000 and $500,000—although only 34 percent of all farms, account for 90 percent of all farm sales.

It can no longer be said that those farmers going out of business are primarily those who were poor managers or who failed to adapt to changing economic trends in agriculture. Low commodity prices and a continuing decline in farmland values are negatively affecting the viability of operations that have lower than a 40-percent debt-to-asset ratio, but that have a negative cash flow.

The vulnerability of farmers at higher debt-to-asset ratios is even greater: 11 percent of all commercial farmers are currently classified as technically insolvent—their debt is larger than the value of the assets they own; 12 percent are classified as very highly leveraged—debt-to-asset ratios between 70 and 100 percent; and 22 percent are classified as highly leveraged—debt-to-asset ratios between 40 and 70 percent. It is highly likely that producers in these three categories will continue to go out of business at a higher than normal rate.

I want my colleagues to keep in mind that the farm statistics are much worse for certain parts of the country than for others. In my State of North Dakota, farmers have the second highest debt level among farm operators in nine Midwestern States. In January 1986, North Dakota's debt-to-asset ratio was 35 percent—up from 33 percent 1 year earlier. Fifteen percent of North Dakota's farmers and ranchers had ratios of 70 percent or greater.

Our farmers reported that 17.4 percent were delinquent on payments reporting an average debt of $312,000, an increase of $44,100 over last year. On the average, debt of a delinquent operator equaled 67 percent of the operator's assets. This is up 11 percent from last year's level of 60 percent.

In view of these sobering statistics, it is no wonder that our farmers are having trouble getting credit at their local bank, the Farm Credit System, or the Farmers Home Administration.

I believe there is something we can do short of giving them a direct loan on which they must pay interest. And that is the purpose of the bill I am introducing today.

Currently, farmers who have grain in the farmer-owned reserve are allowed to rotate their grain stocks in order to keep them fresh. Thirty days prior to harvest, or in some cases 60 days, farmers can remove grain from their reserve bins, market it, and replace the grain after harvest. They are not allowed to have the money from the grain until after the stocks are replaced.

My bill would expand that period to 120 days prior to harvest. This legislation would also allow the farmers to use the money from the grain they market during that 120-day period. Under this change in the law, farmers would be able to obtain cash in the spring to help them service their machinery, buy their seed and fertilizer, and otherwise put in their crop. Then, when harvest is complete, farmers can replace into the reserve the grain that they had earlier taken out.

The effect of the bill is to make operating funds available to the farmers at no interest. Furthermore, there would be no additional cost to the Government.

A number of side benefits would also result. The availability of grain storage is a chronic problem for many farmers. At harvest time, the local elevator fills up, transportation is congested, farmers do not have additional room on their farms, and many end up dumping their grain on the ground. By allowing the early marketing of reserve grain, farmers could make room for their harvest. In addition, this grain would be made available to the market at a time of the year when transportation is not as congested as in the harvest season, which would be of tremendous help to country elevators as well as farmers.

I urge my colleagues to support this legislation, and I hope that we can act on it soon in order to benefit the farmers who are so in need of credit relief.

Mr. President, I ask unanimous consent that the bill be printed in the Record.

There being no objection, the bill was ordered to be printed in the Record, as follows:

S. 2365

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. ROTATION OF GRAIN IN PRODUCER RESERVE PROGRAM.

Section 110(g) of the Agricultural Act of 1949 (7 U.S.C. 1445e(g)) is amended—

(1) by designating the first and second sentences as paragraphs (1) and (2), respectively;

(2) by striking out "The" in paragraph (2) (as so designated) and inserting in lieu thereof "Except as provided in paragraphs (3) and (4), the"; and

(3) by adding at the end thereof the following new paragraphs:

"(3) A producer may rotate stocks of grain stored under the program authorized by this section at any time within 120 days after approval of the rotation is granted by the Secretary.

"(4) A producer may use funds made available from the rotation of such stocks, before replacement of such stocks, to defray agricultural operating expenses of the producer.".

By Mr. MATSUNAGA (for himself, Mr. Inouye, Mr. Cranston, and Mr. Wilson):

S. 2367. A bill to provide for the duty-free entry of certain structures and parts for use in the W.M. Keck Observatory project, Mauna Kea, Hawaii; to the Committee on Finance.

DUTY-FREE ENTRY OF CERTAIN STRUCTURES AND PARTS FOR THE W.M. KECK OBSERVATORY PROJECT

Mr. MATSUNAGA. Mr. President, I am today introducing, along with my distinguished senior Senator from Hawaii [Mr. Inouye] and equally distinguished colleagues from California [Mr. Cranston] and [Mr. Wilson] as cosponsors, a bill, S. 2367, which will provide for the duty-free entry of certain structures and parts to be used in the W.M. Keck Observatory project at Mauna Kea, HI.

Mr. President, this project of the California Association for Research in Astronomy [CARA] will be entirely financed with private funds contributed by the W.M. Keck Foundation and other supporters of astronomy at the California Institute of Technology and the University of California. Once the telescope is installed and the observa-

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tory completed in 1992, its operating costs will be assumed by the University of California system, and will be shared between scientists from Cal Tech, the University of California and the University of Hawaii, on whose land this project will be built. This new facility will be twice as large as the 200-inch Hale telescope on Mount Palomar and will enable scientists to peer 12 billion years into the past, three-quarters of the way to the origins of the universe. The telescope will be powerful enough to see a single candle on the Earth's moon or a black hole at the center of the galaxy. The W.M. Keck telescope, which will operate with optical and infrared capability, will assist American scientists in answering some of the most perplexing and difficult astronomical riddles.

Mr. President, the proposed legislation is necessary because the U.S. Customs Service of the Department of the Treasury has denied an application for duty-free entry of mirror blanks for the multiple mirror telescope being erected on Mauna Kea. The Customs Service determined that since the mirror blanks are components as defined by 15 CFR 301.2(k) of the regulations of the Departments of Commerce and Treasury, the imported components may not enter duty free under item 851.60 of the Tariff Schedules of the United States [TSUS]. However, the California Institute of Technology asserts that the mirror blanks are not components but would more aptly be described as instruments and thus eligible for exemption under item 851.60 TSUS.

The legislation which I am introducing today with my three cosponsors would provide that the mirror blanks, which must be imported for finishing from West Germany, and the dome, which must be imported from a specialty steel plant in Canada, shall not be subject to duties. Mr. President, as we have done in similar cases in the past, we should grant duty-free entry of the structures and parts for use in the proposed W.M. Keck Observatory in keeping with our commitment to scientific research and exploration. I urge expeditious and favorable consideration of the measure so that the construction of this extraordinary project may proceed without delay.

There being no objection, the bill was ordered to be printed in the Record, as follows:

S. 2367

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the Secretary of the Treasury is authorized and directed to admit free of duty the following articles for the use of the California Association for Research in Astronomy in the construction of the optical telescope for the W.M. Keck Observatory Project, Mauna Kea, Hawaii:

(1) The telescope structure.

(2) The observatory domes, produced by Brittain Steel, Ltd., of Vancouver, British Columbia, Canada.

(3) The primary mirror blanks, produced by the Schott Glassworks, Frankfurt, Federal Republic of Germany.

If the liquidation of the entry of any such article has become final, the entry shall be reliquidated and the appropriate refund of duty made.

By Mr. DOLE (for himself, Mr. Durenberger, and Mr. Bentsen):

S. 2368. A bill to amend part B of title XVIII to provide for improve procedures for payment for physicians' services under the Medicare Program, and for other purposes; to the Committee on Finance.

MEDICARE PHYSICIAN PAYMENT REFORM ACT

Mr. DOLE. Mr. President, I am pleased to join my distinguished colleagues Senators Durenberger and Bentsen in introducing a bill that reaffirms our intention to work toward needed reforms in the way we pay physicians in the Medicare Program. While all of us are aware that precipitous changes in this area will not work and could be detrimental to everyone concerned, let us recognize that the present system, referred to as customary, prevailing, and reasonable [CPR], is in terrible shape. Absolutely no one, not Medicare beneficiaries, physicians, the Medicare carriers, the Congress, nor the administration, believes that the current payment mechanism should be preserved. It is unfair, inflationary, and, perhaps worst of all, unintelligible.

For these reasons alone we must agree that the time is right to lay the foundation for alternative payment approaches. My colleagues and I propose to do just that—to begin to establish principles for payment reform. We welcome comments and suggestions on the bill we have introduced.

OBJECTIVES OF PAYMENT REFORM

Our efforts in the area of Medicare physician payment reform must be consistent with our objectives for the Medicare Program in general. It is our job to assure that Medicare beneficiaries continue to maintain access to quality medical services both now and in the future. Access to needed services as well as the quality of those services are certainly paramount concerns in any system reform we may envision. Yet we must not forget that we are also charged with a responsibility to future Medicare beneficiaries. Our information and experience tell us that the future is in jeopardy.

The 1986 annual report of the boad of trustees of the Federal Supplemental Medical Insurance [SMI] Trust Fund has recommended that Congress take action to curtail the programs rapid growth. The Congressional Budget Office has warned us that, despite continuation of a freeze in physican payments throughout 1985, the growth rates for total reimbursements and for reimbursements per Medicare beneficiary doubled from 1984 to 1985 and the rate of growth in real reimbursements per enrollee quadrupled—from 2.7 percent in 1984 to 10.8 percent in 1985.

My colleagues and I believe that reforms in the way Medicare pays physicians will be critical to the continued stability and actuarial soundness of the SMI Trust Fund. And that's also our job—to fulfill our commitment to the future.

PERIOD OF REFORM

The distinguished Senators from Minnesota and Texas, Senators Durenberger and Bentsen, as well as this Senator, would like nothing better than to offer an instant solution to our current dilemma. Let me warn that those who argue for a quick and simplistic solution are at risk of seriously endangering the Medicare Program and those individuals whose very lives may be at stake. Similarly, those who would do nothing fail to recognize the immediacy of the problem. We have an old system that is out of place in today's world. For more than a decade we have locked into place a payment mechanism that is, at best, inconsistent in taking into account legitimate variations in practice costs, that distorts physicians' choices in undesirable ways and fails to foster cost-conscious behavior.

We must move forward. While I agree that, in the short run, will be obliged to take immediate action on some glaring problems under the current customary, prevailing and reasonable system, we cannot stop there. We must continue our efforts to construct a relative value scale that will serve as a basis for construction of a new payment system. At this time I personally view a fee schedule as logical, necessary, and a more equitable basis of payment. Further, regardless of any ultimate goals for the future, a fee schedule will still be an asset. In fact, a well-constructed and well-maintained relative value scale will serve multiple aims, regardless of the future direction of physician payment, whether that future includes capitation, per case payments, or fee schedules. As we indicated in the Consolidated Budget Act of 1985, I expect that we will proceed as rapidly as possible toward that end.

Seminal research on the construction of a relative value scale is being conducted by Doctors William Hsiao and William Stason at Harvard. The results of that study should be available in approximately 2 years. I am looking forward to the results of that major undertaking and feel confident that the researchers and the medical profession will join together to accomplish what needs to be done.

DEVELOPMENT OF A FEE SCHEDULE

A relative value system does not, in and of itself, solve our physician payment problem. The results must be transferred into dollar values and a simple multiplier will not work. My colleagues and I are seeking the construction of a multiplier or adjuster that will take into account legitimate variations in physician practice costs and one that will put an end to unfair discrimination experienced by those practitioners who locate in areas where services have often been unfairly undervalued.

In particular, we have identified our commitment to develop a payment system that no longer overstates urban/rural differences in cost for physicians. Physicians who practice in rural areas should be fairly reimbursed for their services, as should their urban counterparts. The only way to accomplish equitable reimbursement reform is to eliminate historic imbalances and to be sure that adequate information systems are in place to keep the system current and responsible to regional and local needs.

SUMMARY OF THE BILL

Our bill consist of four major provisions:

First, we have established parameters for the use of so-called inherently reasonable determinations concerning physician payment. Specifically, we set forth a process that includes requiring public as well as professional review and comment of short-term revisions in the way Medicare pays physicians.

Second, in addition to restating our intent to support the construction of a relative value scale, we require the development of an index that is designed to more accurately account for legitimate variations in the cost of a physicians's practice. We seek to minimize the current wide disparity in payment rates particularly the urban/rural differential.

Third, the system used to classify physician services, called the Health Care Financing Administration's Common Procedural Codes [HCPCS], will remain the basis of payment. However, the payment categories, not the codes, shall be collapsed and restructured in order to limit incentives to provide greater volume and intensity of services.

Fourth, the current medical economic index, which has been reestimated to adjust for prior overstatement of the "housing" versus "rental" component of the index, shall be phased for over a 2-year period instead of the single adjustment proposal of the administration.

The Finance Committee will begin hearings on physician payment in the Medicare Program this week. I am looking forward to continuing our work on this important area and, again, I would like to encourage comments and suggestions from my colleagues as we proceed.

Mr. President, I ask unanimous consent that the text of the bill be printed in the Record.

There being no objection, the bill was ordered to be printed in the Record, as follows:

S. 2368

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "Medicare Physician Payment Reform Act of 1986".

SEC. 2. PROCEDURES FOR ESTABLISHMENT OF SPECIAL LIMITS ON REASONABLE CHARGES.

(a) Factors Taken Into Account in Determining Inherent Reasonableness of Charges.—Section 1842(b)(8) of the Social Security Act (42 U.S.C. 1395u(b)(8)), as added by section 9304(a) of the Consolidated Omnibus Budget Reconciliation Act of 1985, is amended—

(1) by redesignating subparagraphs (A) and (B) as clauses (i) and (ii), respectively;

(2) by inserting "(A)" after "(8)"; and

(3) by adding at the end thereof the following new subparagraph:

"(B)(i) The factors pursuant to subparagraph (A)(1) with respect to payment for physicians' services may include, but shall not be limited to, the following:

"(I) prevailing charges for a service in a particular locality are significantly in excess of or below prevailing charges in other comparable localities;

"(II) the programs established under this title and title XIX are the sole or primary sources of payment for a service;

"(III) the marketplace for a service is not truly competitive because of a limited number of physicians who perform that service;

"(IV) there have been increases in charges for a service that cannot be explained by inflation or technology;

"(IV) the charges do not reflect changing technology, increased facility with that technology, or reductions in acquisition or production costs; or

"(VI) the prevailing charges for a service under this part are substantially higher than the payments made for the service by other purchasers in the same locality.

"(ii) The factors considered under subparagraph (A)(ii) shall take into account regional differences in fees, unless there is substantial economic justification for a uniform fee or a uniform payment limit. Such substantial economic justification must be explained by the Secretary in the rulemaking process.".

(b) Procedures.—Section 1842(b) of the Social Security Act (42 U.S.C. 1395u(b)), as amended by section 9304(a) of the Consolidated Omnibus Reconciliation Act of 1985, is amended by adding at the end thereof the following new paragraph:

"(9)(A) In the case of any physicians' service with respect to which the Secretary—

"(i) determines that the application of this subsection results in the determination of a reasonable charge that, by reason of its grossly excessive or grossly deficient amount, is not inherently reasonable, and

"(ii) proposes to establish a reasonable charge that is realistic and equitable or a methodology for arriving at such a change,

the Secretary shall publish notice of such proposal in the Federal Register.

"(B) A notice required by subparagraph (A) shall specify the charge or methodology proposed to be established with respect to a service and shall explain the factors and data that the Secretary took into account in determining the charge or methodology so specified.

"(C) After publication of the notice required by subparagraph (A), the Secretary shall allow not less than 60 days for public comment on the proposal.

"(D) In addition to carrying out its functions under section 1845, the Physician Payment Review Commission (hereafter in this paragraph referred to as the 'Commission') shall comment on any such proposal within the period of comment allowed by the Secretary pursuant to subparagraph (C).

"(E)(i) Taking into consideration the comments made by the Commission and the public, the Secretary shall publish in the Federal Register a final determination with respect to the reasonable charge or methodology to be established with respect to the service.

"(ii) A final determination published pursuant to clause (i) shall explain the factors and data that the Secretary took into consideration in making the final determination, and shall include and respond to the comments made by the Commission pursuant to subparagraph (D).".

(c) Effective Date.—The amendment made by this section shall apply to regulations promulgated as final regulations after April 1, 1986.

SEC. 3. DEVELOPMENT OF FEE SCHEDULE FOR PHYSICIANS' SERVICES.

(a) Recommendation.—Section 1845(e) of the Social Security Act, as added by section 9305(b) of the Consolidated Omnibus Budget Reconciliation Act of 1985, is amended by adding at the end thereof the following new paragraph:

"(4)(A) In making recommendations with respect to the application of the relative value scale for purposes of establishing a fee schedule, the Secretary shall—

"(i) develop and assess an appropriate index to be used for making adjustments to reflect justifiable differences in the costs of practice based upon geographic location without exacerbating the geographic maldistribution of physicians, and

"(ii) assess the advisability and feasibility of developing an appropriate adjustment to assist in attracting and retaining physicians in medically underserved areas.

"(B) In carrying out the requirements of subparagraph (A), the Secretary shall take into consideration the recommendations made by the Physician Payment Review Commission.

"(C)(i) The Secretary shall develop an interim index under subparagraph (A)(i) prior to July 1, 1987, based upon the most accurate and recent data that is available with respect to the costs of practice.

"(ii) The Secretary shall collect data with respect to the costs of practice (including, but not limited to, data on nonphysician personnel costs, malpractice insurance costs, and commercial rents) for the purpose of refining the index under subparagraph (A)(i) prior to July 1, 1988, and periodically updating the index thereafter.

"(D) In conjunction with developing an index under subparagraph (A), the Secretary shall conduct a study of the advisability of redefining the pay localities designated by carriers.".

(c) Duties of Physician Payment Review Commission.—Section 1845(b)(3) of such

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Act is amended by inserting "and respecting the index and the adjustment described in subsection (e)(4)(A)" after "subsection (e)".

SEC. 4. DEVELOPMENT AND USE OF HCFA COMMON PROCEDURE CODING SYSTEM.

(a) DEVELOPMENT.—Not later than July 1, 1987, the Secretary of Health and Human Services (hereafter in this section referred to as the "Secretary") shall simplify the payment methodology under the HCFA Common Procedure Coding System to ensure that such methodology minimizes the possibility of overstating the intensity or volume of services provided.

(b) HOSPITALS.—Not later than July 1, 1987, each carrier with which the Secretary has entered into a contract under section 1842 of the Social Security Act, and each fiscal intermediary which processes claims under part B of title XVIII of such Act, shall require hospital providers of outpatient services to adopt and utilize the HCFA Common Procedure Coding System for purposes of such part.

(c) CARRIERS AND INTERMEDIARIES.—Not later than January 1, 1988, each carrier with which the Secretary has entered into a contract under section 1842 of the Social Security Act, and each fiscal intermediary which processes claims under part B of title XVIII of such Act, shall adopt and utilize the payment methodology based on the HCFA Common Procedure Coding System (as revised by the Secretary in accordance with subsection (a)) for purposes of such part.

SEC. 5. MEDICARE ECONOMIC INDEX FOR PHYSICIANS' SERVICES.

(a) IMPLEMENTATION OF CERTAIN ADJUSTMENT.—The adjustments to the medicare economic index for physicians' services proposed by the Secretary of Health and Human Services (hereafter in this section referred to as the "Secretary") to take into account the retroactive revision of the data and statistics relating to office space on which earlier adjustments to the index required by section 1842(b)(3) of the Social Security Act were based shall be made in two stages, with one-half of such adjustment to be made to the index to become effective January 1, 1987, and one-half of such adjustment to be made to the index to become effective January 1, 1988.

(b) NOTIFICATION OF CHANGES.—The Secretary shall publish notice of any proposed change in the methodology, basis, or elements of the medicare economic index for physicians' services in the Federal Register and shall allow not less than 60 days for public comment on the proposal. Taking into consideration the comments made by the public, the Secretary shall publish in the Federal Register a final determination with respect to such proposal.

Mr. **DURENBERGER**. Mr. President, today I am proud to introduce, along with my distinguished colleagues, Senators DOLE and BENTSEN, a bill which will reform the way in which Medicare pays physicians—by specifying Medicare policy guidelines for setting "inherently reasonable" physician fees and by laying out a roadmap for further reform of fee-for-service physician payment. The bill itself is short and simple—but the framework it lays out will guide far-reaching future changes in Medicare payments to physicians.

HEALTH CARE REFORM

The Medicare Program is undergoing a process of fundamental reform that is far from over. The goal of that process is not budget cutting per se, it is health policy reform. We are changing the incentives that the program provides to hospitals, doctors, and elderly and disabled beneficiaries so that the Medicare Program contributes to a more efficient health care market—a health care system which provides real value for the dollars spent. And we are simplifying the program so that Medicare beneficiaries can know the dollar value of their coverage before they purchase a service and can use that knowledge to their advantage as wise health care consumers.

This Medicare reform is proceeding in several areas: Prospective payment for hospitalization per episode of illness has removed the inflationary incentives that were inherent in the old retrospective, cost-based reimbursement for hospital care. And Medicare beneficiaries now have the freedom to enroll in a HMO or prepaid plan and opt out of the traditional Medicare Program.

I have said repeatedly that beneficiary choice of health plans is the future of Medicare. In time I can foresee Medicare getting out of the insurance business and looking more like the Federal employee health benefits plans where Federal employees are given the choice between alternative coverage plans. Thus, Medicare would continue to pay for insurance coverage, but beneficiaries would get to choose the type of health insurance coverage they prefer.

The HMO option has already been chosen by more than 500,000 beneficiaries. In the future we will expand on the types of plans that are allowed to offer health care packages to Medicare beneficiaries. This process, however, will necessarily be gradual. A shift for the majority of those who participate in Medicare to competitive plans is years away, and will come about slowly as efficient, quality plans become more available and as tastes of Americans change.

Obviously, the process of reform can't wait for competitive health plans to one day spring up in full bloom all over the country. The competitive health care marketplace for plans is growing gradually—as it should. In the meantime, we must continue with prospective payment reform of the traditional Medicare Program. This reform will pay off by simplifying the Medicare Program for the beneficiaries and providing better incentives for high quality efficient delivery of services in the health care marketplace. Therefore, it is important to turn our Medicare reform effort to physician payment, just as the Congress has restructured payment for hospitalization.

When the per episode-of-illness payment scheme—payment by diagnosis related groups [DRG's]—was established in 1983, many of us in Congress envisioned that it would eventually be applied to all of the health care costs related to a given illness. I was an especially vocal adherent of that prospect at the time. I believed it would make the program simpler for beneficiaries, reduce the number of forms they had to contend with, and give all providers positive incentives to give cost effective as well as quality care. But we needed methodologies on how to construct DRG's which would apply to physicians' services and other non-inpatient hospital services.

The research, mandated by the Social Security Amendments of 1983, was carried out and last fall, at a hearing of the Finance Committee's Health Subcommittee, I learned that there are many problems with applying DRG's to both hospitals and doctors for their services through one combined payment, and that the physician DRG for many services may be impractical.

So we must pursue other types of prospective payment reform for physicians—a type of reform that is less revolutionary perhaps but not less important. Therefore, rather than making a quantum leap to a brand new payment method for all physicians' services, we will address—one-by-one—the improper economic incentives which are currently built into Medicare and the complexity with which beneficiaries must struggle.

MEDICARE PHYSICIAN PAYMENT REFORM

Medicare beneficiaries, individual physicians, and organized medicine agree that the current "customary, prevailing, and reasonable" charge formula for physician reimbursement under Medicare is complex, unfair, inefficient, and must be changed.

For example, there are tremendous geographic variations in what Medicare considers a "reasonable charge" for a particular service. Some difference in fees across this vast Nation are to be expected, just as the cost of living differs across the country. But there is no reason that Medicare should pay twice as much for by-pass surgery in Manhattan as it pays for the same procedure in Minneapolis and St. Paul. Or that Medicare should pay anywhere from $30 to $103.15 for an initial comprehensive office visit. That isn't just variation—it's ludicrous.

Second, the Medicare reimbursement formula contains no procedure for modifying approved charges to reflect changes in medical practice over time. Physicians' allowed charges under Medicare are set high for new procedures. But when efficiency is gained through improvements in technology, or when formerly complicated

or high risk procedures become relatively routine, the change is not reflected in lower fees. Cataract extractions are a prime example of this "downward stickiness" of the Medicare payment formula—the time it takes to perform the procedure has dropped by nearly 50 percent, along with the level of risk to the patient and the frequency with which hospitalization is necessary, yet the price for the physician's service keeps going up.

Third, there is also considerable variation between what Medicare pays general practitioners and what it pays specialists for the same service. Under the current system, Medicare's insurance carriers have the power to decide whether to pay a specialist a higher fee than a generalist. They often do recognize such a difference in fees, which then becomes built into Medicare's reimbursement formula and produces higher and higher payments to specialists in following years—all without a sufficient evaluation over time as to whether or not what a specialist provides is really a different service.

Fourth, Medicare's "reasonable charge" formula locks physicians who began practicing decades ago into their old low fees and allows only limited periodic increases, while new physicians just starting to practice can receive higher "allowed charges" from Medicare because they have no past to bind them. For example, most Blue Shield plans allow new doctors to set their fees at the 80th or 90th percentile of the established customary fees in their locality. This means that new doctors can often get from Medicare the same fees as the most expensive doctors are charging, while experienced doctors providing the same services find their fees controlled more tightly and held to a lower level.

Fifth, physicians performing procedures, such as tests or surgery, are reimbursed at rates that far exceed the approved charges for visits which consist of examining the patient, taking a medical history, or providing medical counsel. I met with a family physician the other day who received less for treating a patient's heart condition over a period of years—over 55 hours of service—than her surgeon received for performing a 4-hour procedure. So in terms of Medicare dollars for physicians, actions speak louder than words—and even louder than diagnosis and conservative medical practice. This is a powerful incentive which may lead some unscrupulous physicians to perform unnecessary tests in order to maximize their income. This unnecessary care represents an additional cost to patients and a risk to their health. And we all know it does occur.

Sixth, the formula for determining what Medicare will pay physicians is confusing, both to physicians and to beneficiaries. Medicare beneficiaries can't possibly know in advance how much the CPR formula will allow any particular doctor to be paid. Therefore, they can't know before they receive the service and file their claims with Medicare exactly how much of the charge they will be personally liable for. With this lack of information, they can't possibly be wise health care consumer or go shopping for a physician that they are able and willing to afford. They can look for participating physicians in the hope that those physicians will charge the lowest prices, but that ain't necessarily so.

In the current system, then, competition and consumer choice based on economy and quality is all but impossible. Without any advance information about what Medicare will pay, patients can't make independent choices among physicians; and without an informed, powerful consumer population, physicians do not have to compete on price or convenience or quality.

An article by two physician payment experts in HCFA's Office of Research appeared in the June 1985 New England Journal of Medicine and summed up the situation very well:

> . . . the payment system encourages physicians to specialize, to practice in urban and suburban areas, and to perform services in hospital settings—all in the face of stated national policies of encouraging primary care, rural practice, and out-of-hospital services.

Furthermore, the formula which determines how much Medicare will pay for a physician's service inevitably leads to increased charges. Medicare pays the lower of actual, customary, and prevailing charges. So physicians have an incentive to raise their charges to at least the level of prevailing charges in the community. The meaning of this to Medicare patients is even more profound than it is to the Medicare Program—to get a small increase in the amount Medicare will pay, doctors must make big increases in the amounts they ask patients to pay.

What can end this torturous spiral? In the past 2 years, freezes on actual fees have been used to control the growth in Medicare Program costs. But freezes are budget actions that make no health policy sense—they don't adequately differentiate between efficient and inefficient providers of health care. Freezes allow inefficient doctors with high approved charges under Medicare to continue to receive those high charges. And they force doctors who have held their charges down to continue to hold them down even though a new, young doctor down the street can receive 50 percent more for the same service while subject to the same freeze.

Clearly, freezes are inappropriate and unfair, and other avenues for controlling costs as well as reform must be taken.

COBRA

The Consolidated Omnibus Budget Reconciliation Act of 1985 sketched out some general guidelines for the Department of Health and Human Services [HHS] to pursue for continued refinement of Medicare physician payment. First, it established a Physician Payment Review Commission, comparable to the Prospective Payment Commission for Medicare, which would advise the HHS Secretary and Congress on future physician payment reform initiatives. Second, it instructed the Secretary, with the Commission's help, to come up with a relative value scale for physicians' services and with recommendations for using that RVS to establish a fee schedule to replace the CPR system for paying physicians. Third, it instructed the Secretary in the meantime to refine CPR by promulgating regulations to specify which fees are currently set so high or so low that they are inherently unreasonable and thus require revision immediately regardless of what the customary, prevailing, or actual billed charge is.

COBRA laid out a broad outline of future policy. It did not contain sufficient specifics regarding the policy concerns that need to be taken into account by the Department or procedural safeguards that should be followed to protect beneficiaries and physicians from the fallout of any fee revisions by the Secretary.

THE ADMINISTRATION'S FISCAL YEAR 1987 BUDGET

What has the administration proposed as "physician payment reform" for fiscal year 1987? Frankly, the administration's fiscal year 1987 Medicare budget basically tells Congress "Don't call us, we'll call you." The administration plans to wipe out a Medicare economic index adjustment to physician's fees that is 30 months overdue, to impose new utilization controls on physician practices, and to make the first nationwide reductions in fees that it considers inherently unreasonable—all without sufficient assessment of the ultimate impact on Medicare beneficiaries or a proper day in court for the physicians affected, and all by instructions to insurance carriers who pay the Medicare part B claims or small print notices in the Federal Register.

The bill we are introducing today makes clear that physician payment reform is an act of health policy which requires congressional direction and close public scrutiny—it is not a cover for covert budget savings.

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COBRA established some guidelines for the future. It instructed the Secretary on a direction for physician payment reform. But, after seeing the administration's fiscal year 1987 budget for Medicare, it is clear that the Congress has to reiterate its message and be even more specific about its intent.

S. 2368 the bill has three major provisions.

First, it lays out the process which the HHS Secretary would have to follow in order to revise what Medicare will pay doctors when the statutory "CPR" formula produces an inherently unreasonable fee. And it stresses Congress' concern about physicians who are actually underpaid for their services.

Second, it spells out specific factors that Congress would like the Secretary and the Physician Payment Review Commission to consider when developing a relative value scale upon which a fee schedule could be based.

This will make sure that the fee schedule that is developed does not exacerbate the current problem of geographic maldistribution of physicians, and does not hamper access for Medicare beneficiaries by allowing fees which don't recognize local costs of practice and therefore drive physicians away from Medicare patients.

Finally, the bill softens the budget-motivated blow that the administration plans to deal to doctors regarding the Medicare Economic Index—or MEI.

The administration has proposed keeping the MEI so low that there would be almost no increase in prevailing charges. The administration claims this is necessary because the increase that was allowed in the past was based on the wrong statistics: The office space component of the MEI, which reflects the cost to a physician of maintaining an office, has been based in the past on the housing cost component of the Consumer Price Index. Last year, the Bureau of Labor Statistics decided to use rental costs rather than mortgage costs as the measure of housing costs for the CPI.

The Bureau of Labor Statistics intends to use these new components from now on. But the administration intends to go back to the first year that the MEI existed, figure out what it would have been had the different component been used, and then subtract from physicians' payments this year the amount that would not have been paid to physicians in the past if the different MEI had been used.

This bill recognizes that it is not fair to repossess 13 years of mistaken payments from doctors all in 1 year. The same kind of statistical adjustment was made to Social Security payments recently but no one suggested that we ask Social Security recipients to give the program any refunds. Nothing in the Medicare law requires that we hit doctors with this all in 1 year either.

Medicare will be called on to contribute to deficit reduction, but this bill would phase in the adjustment so that doctors won't be hit so hard, and won't have as great an incentive to refuse assignment.

More work will need to be done in the future. Beneficiaries still face inappropriate deductibles and copayments. I believe this can be best addressed through restructuring of the Medicare benefit to fit the needs of today's seniors. Our work on catastrophic coverage should provide a means for this restructuring. And I hope the Private/Public Sector Advisory Committee on Catastrophic Health upon which I sit will take a broad view of restructuring. It is needed.

Also, S. 2368, and the direction it sets, focus on fairness of fees, not volume of services. Even a refined Medicare payment scheme still provides incentives to do more, and to upcode. Further work will have to be done to promote quality at a reasonable price. In the long run, capitation—prepaid health care in its various forms—may be the only means to encourage the provision of all the care beneficiaries need rather than all the care for which they and Medicare can be billed.

In the meantime, I am pleased to join my colleagues today to introduce S. 2368. By promoting greater fairness between physician specialties, greater fairness between new and experienced physicians, greater fairness regarding geographic disparity in charges, and greater flexibility in adjusting to change in technology, we can create a physician payment system which will not influence physicians to consider anything but their best medical judgment in delivering services to Medicare patients.

Mr. BENTSEN. Mr. President, I am pleased to join my colleagues from Kansas and Minnesota in introducing S. 2368, the Medicare Physician Payment Reform Act of 1986.

As many of our colleagues are aware, the President's budget proposal for fiscal year 1987 includes numerous provisions designed to save approximately $1.3 billion in physician reimbursement over the next 3 years. The savings are contingent on the use of an inherent reasonableness standard to implement regulatory changes in the reimbursement rates for certain services and procedures, and on modification of the Medical Economic Index [MEI] by which fee schedules are adjusted.

To carry out these proposals, the administration plans to reduce reimbursement rates for three procedures—coronary bypasses, cataract removal, and implantation of pacemakers—by approximately 10 percent. In addition, the Health Care Financing Administration recommends significant curtailment or elimination or reimbursement for assistants at surgery and standby anesthesia. Finally, the MEI would be rebased retroactively to 1973 to account for a change in the housing component of the index. The net effect of the MEI recalculation would be a drop from 2.8 to 0.8 percent in the fee schedule update for 1987, at a cost of $750 million over 3 years to physicians.

The Medicare Payment Reform Act of 1986 is an effort to revise the administration's recommendations to ensure that, where financing reform could impact the way in which medicine is practiced, physicians are an integral part of the decisionmaking process.

Specifically, S. 2368 requires that, in defining inherent reasonableness, the administration consult with the Physician Payment Assessment Commission to ensure that increases or decreases in the pricing of services are undertaken only after the potential effect on the quality of care is evaluated. To preclude hasty adoption of changes in reimbursement policy, the Secretary of HHS would be required to follow formal rulemaking procedures, including a 60-day public comment interval.

For, while it makes little sense for Medicare to pay vastly different rates for the same procedure performed on similar patients in a given geographic area, there are legitimate circumstances under which physicians may feel it is in the patient's best interest to have present an assistant at surgery or an anesthesiologist on standby status. The professional judgment of physicians is critical to the success of reimbursement policy reform that is in the best interest of Medicare beneficiaries.

With respect to recalibration of the MEI, I believe it is fair to say that the authors of this bill are unanimous in our view that a 0.8 percent increase in the fee screen is tantamount to an extension of the fee freeze for a third year. Though we concur that the Bureau of Labor Statistics methodological argument in favor of a new housing factor is compelling, we believe that rebasing should be phased in over at least 2 years—if not three—in order to permit physicians a reasonable increase in their fees. I should like to stress that we are not alone in our view, and that the American Association of Retired Persons has repeatedly warned that failure to mitigate the effects of these proposals will ultimately result in significant cost shifting to the elderly because fewer and fewer physicians will agree to take claims on assignment.

Finally, Mr. President, S. 2368 calls for a series of changes in the data base used to determine the costs of physician services. The intent of these provisions is to create a uniform standard

of information that will be useful to providers and policy makers in future years. Today, it is exceedingly difficult, if not impossible, to make accurate comparative judgments about the relative costs of health care in different areas of the country. If we are to be prepared to make the best use of the results of the relative value scale study currently underway at Harvard, then it is imperative that we begin to collect and maintain data in a systematic and comparable format. This bill instructs the Secretary of HHS to develop and implement such an information base.

While S. 2368 represents, in my judgment, a significant improvement over the administration's budget recommendations, it is by no means etched in concrete. It is my hope that on April 25, when the Finance Committee's Subcommittee on Health holds its physician reimbursement hearing, interested individuals and groups will take the opportunity to suggest improvements in the legislative language we offer today. In particular, I invite providers familiar with records keeping systems used by small hospitals, to review section 4 of the bill. Although we have tried to ease the transition onto the common coding procedure by postponing the effective date to January 1, 1988, I am concerned that smaller hospitals with limited personnel and financial resources not be unduly penalized by an unrealistic timetable for implementing this change.

We invite our colleagues to join with us in pursuit of a reasonable physician reimbursement reform measure. Enactment of these or similar provisions should generate immediate savings in the Medicare Program and, perhaps more importantly, will establish a systematic process for periodic review of reimbursement rates and policies.

By Mr. FORD:

S. 2369. A bill to authorize the Interstate Commerce Commission to adjust rail rates to reflect cost decreases due to deflations; to the Committee on Commerce, Science, and Transportation.

DEFLATION AND RAIL RATES

Mr. FORD. Mr. President, during the 98th Congress, I introduced a bill, S. 1081, relating to rail rates and cost decreases. Recent events at the Interstate Commerce Commission have suggested it is time to take a second look at this issue.

On April 11, 1986, the ICC approved the second quarter 1986 Rail Cost Adjustment Factor [RCAF] submitted by the Association of American Railroads. The second quarter RCAF is 1.023 down from 4.3 percent from the first quarter figure of 1.069. The ICC stated that virtually all of the decline is due to a decrease in the price paid by the railroads for diesel fuel. If there is a big decrease in the cost of providing the transportation service, then the shipper should benefit. The ICC made no comment on the petition filed on March 12, 1986, by the National Industrial Transportation League to recover the costs of substantially declining fuel prices for the first quarter RCAF.

When the Congress passed the Staggers Rail Act of 1980, Congress sought to help the railroads recover their inflationary costs with minimal regulatory intervention. Automatic increases in the Staggers Act replaced the time-consuming general rate increase proceedings which were characteristic prior to 1980. Section 203 of the act, 49 U.S.C. 10707(a) states that the ICC shall publish a rail cost adjustment factor at least quarterly as a basis for a zone of rail rate flexibility for individual carrier rate changes.

At no time during the drafting of the Staggers Act did the sponsors ever envision a situation where the cost-of-living rate would decrease instead of increase, since the act was drafted during an economic period when inflation was rising steadily. Therefore, section 203 is silent on the issue of rate decreases when there is a reduction in inflationary costs from the previously published rail cost adjustment factor. Today, due to various causes, some railroad costs are actually decreasing.

Pursuant to the mandate of section 203 of the Staggers Act, the Commission adopted a cost recovery index which measures the changes in the average price of goods and services purchased by the railroads in providing transportation services. Ex Parte No. 290 (Sub-No. 2), Railroad Cost Recovery Procedures, 364 I.C.C. 841 (1981). Thereafter, the Commission published an index of costs by which railroads may multiply their rates on a quarterly basis. Rates increased by the cost index are immune from challenge on reasonableness grounds.

The Commission's decision in Ex Parte No. 290 (Sub-No. 2), supra, was affirmed by the U.S. Court of Appeals for the District of Columbia on May 4, 1982. On April 19, 1982, the Commission ordered the proceeding reopened.

In that April 19, 1982, decision, the Commission denied a petition for a declaratory order on decreases in the index. This request was filed by the National Industrial Traffic League. The Commission stated that section 203 of the Staggers Act did not appear to contemplate reductions, nor did the Commission's Ex Parte No. 290 (Sub-No. 2) rules.

When the ICC made the announcement for the second quarter RCAF, it also decided to reconsider its cost escalation factor. The ICC will publish a proposed rulemaking that will propose changing the RCAF rules to require that rates increased through the RCAF be reduced when the RCAF declines. I take no position on whether the 1982 ruling on this matter is correct. I do believe that passage of this legislation will solve the dilemma once and for all. Should the ICC change the procedure administratively it is certain that the railroads will seek to overturn the rule. Since the ICC said 4 years ago that they cannot do what they are seeking to do now, the issue is certain to end up in the courts.

It is time for Congress to correct this oversight in the Staggers Act. Shippers and eventually consumers should benefit from the reduction of costs to the railroads due to deflation.

By Mr. MURKOWSKI:

S. 2370. A bill to allow the Francis Scott Key Park Foundation, Inc., to erect a memorial in the District of Columbia; to the Committee on Energy and Natural Resources.

FRANCIS SCOTT KEY MEMORIAL

● Mr. MURKOWSKI. Mr. President, it is a pleasure for me to introduce today a bill authorizing establishment of a memorial to honor Francis Scott Key.

Generations of Americans have expressed their deepest partriotism while singing the moving verses of our national anthem, but few know much about the man who penned these important words. Key composed this patriotic song during the War of 1812 while on a mission to free an aging physician captured by the British. Even though he succeeded, Key himself was arrested because he knew of the imminent British plans to attack Baltimore. While under guard, he witnessed "the bombs bursting in air" over Fort McHenry. "By the dawn's early light" he saw that "our flag was still there," signaling defeat of the British. The immortal words of our national anthem, written 172 years ago, continue to capture the spirit of our great Nation. The "Star Spangled Banner" is our patriotic hymn, an affirmation of the love of country, and pride in our Nation which all Americans hold for the "land of the free and home of the brave."

To help ensure the significance of his legacy and those fateful early years of our Nation's history, the Francis Scott Key Foundation was formed in 1983 to achieve the goal of building a park in honor of the father of our national anthem. The foundation has embarked on a campaign to raise funds necessary to build the park, and over $130,000 has been donated to date. The funds have been contributed from individuals, corporations, and foundations. The bill I am introducing today will take advantage of these efforts and will authorize the construction of a memorial to Francis Scott Key at no expense to the taxpayer.

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It is only fitting that we memorialize Francis Scott Key, the author of the "Star Spangled Banner." His life provides an inspiration to Americans by symbolizing the potential in each of us to make voluntary and extraordinary contributions to our country. We want to be reminded of his joy and, through it, our unique national heritage of freedom, human rights, and a free government. Mr. President, I urge the Senate to act favorably upon this legislation.●

By Mr. ROTH:

S. 2371. A bill to amend the Social Security Act to make administrative improvements in the programs of aid to families with dependent children and child support programs, and for other purposes; to the Committee on Finance.

FAMILY ASSISTANCE AND CHILD SUPPORT ENFORCEMENT ADMINISTRATIVE IMPROVEMENTS ACT

● Mr. ROTH. Mr. President, Daniel Webster, while standing on this floor some 140 years ago, said that labor is one of the great elements of society, one that upholds the great fabric of the State. And I can think of no better way than to quote Senator Webster to introduce the Family Assistance and Child Support Enforcement Administrative Improvements Act of 1986.

This legislation accompanies S. 1081, the Social Welfare Amendments of 1985, and in partnership will realize President Reagan's 1987 budget recommendations for the Aid to Families with Dependent Children and the Child Support Enforcement Programs.

As this distinguished body well knows, there is cause for concern about our country's social programs. Financially, the rapid growth in programs such as AFDC and Child Support Enforcement are making it difficult for us to see ourselves out of a deficit-ridden future. Of course, I understand the need for, and I support, strong, well-administered, and productive social services. I understand that we can't do everything for everyone everywhere, but I believe we can do something for someone somewhere. And I believe we must.

With this in mind, I see as our task to turn the support we offer into opportunity—opportunity both for the States with whom we share social responsibility and for the recipients of our services.

Currently, there is a serious discrepancy between various States and their expenditures for AFDC administration. And as current law mandates that the Federal Government match these administrative costs dollar for dollar it's unfair for the taxpayer and unfair for the well-managed, financially responsible States that those with excessive administrative costs are making more money for their inefficiency.

Therefore, I'm introducing this bill to bring equity to the process by reducing AFDC reimbursement for particularly high administrative costs. Under this Family Assistance and Child Support Enforcement Administrative Improvements Act of 1986, State administrative expenditures—based on a per recipient scale—that exceed 175 percent of the median for all States, will be matched by Federal dollars at a lower percentage. Instead of the standard 50 percent, the matching rate will be decreased to 25 percent for costs which exceed the 175 percent threshold.

This strategy was first recommended by the Grace Commission, and I believe it will serve as an effective alternative to the cap on Federal matching that is currently contained in S. 1081.

But this is not all the bill will do. This Administrative Improvements Act will also make the matching rate for statewide development of automatic data processing systems consistent with that of the Food Stamp Program by reducing the AFDC rate from 90 to 75 percent in 1987. There will also be a reduced match for automated data processing in the Child Support Enforcement Program. After giving States 3 years to complete their statewide systems development, the Federal matching will be reduced to the regular 50-percent rate for administrative costs. Additionally, the bill will accelerate the schedule provided for under current law to reduce the matching rate for child support enforcement program administrative costs by 4 percent.

These proposals are part of a broad effort to bring greater consistency in the level of Federal matching for entitlement program data systems development and to hold down administrative costs in a time of tight resources without limiting benefits to the poor. These proposals will result in a net savings of $56 million.

At this time, Mr. President, I want to urge my colleagues to support the remaining administration proposals contained in S. 1081. The provision I've introduced today only replaces the proposed cap on Federal matching. The bill will still contain the cornerstone of the administration's AFDC reform proposals—the new work programs.

Through its enactment, there will be an expansion in the opportunities for welfare recipients to get involved in work and labor-related activities. The bill will require all employable AFDC applicants and recipients to participate in some degree of activity as a condition of eligibility. Of course, States will design their appropriate work programs with a choice of several optional activities including the Community Work Experience Programs (Workfare), job search, grant diversion, and training under the Job Training Partnership Act.

In keeping with the State-Federal partnership which the AFDC program represents, all administrative costs associated with implementing and running work programs will be matched at an open-ended 50-percent rate, and work-related expenses will not be subject to the rules governing AFDC administrative costs.

It's clear that work programs for welfare recipients are effective. They offer, for the first time, a positive solution to the problem of long-term welfare dependency. They give welfare recipients the tools and motivation needed to become self-sufficient, and they bolster morale and self-esteem. And the community benefits.

S. 1081 will also benefit the community, the taxpayer, and the recipient by targeting benefits more carefully. First, to give caretakers of older children the incentive to be employed, it's proposed that AFDC benefits be eliminated when the youngest child reaches age 16. Second, in an effort to encourage parental responsibility for AFDC recipients who are still minors, the legislation also requires that minor caretaker relatives live with their parents—with certain exceptions—in order to receive AFDC assistance.

Mr. President, I strongly urge this body to enact the proposals that are contained in S. 1081, and I ask unanimous consent that the bill be printed into the CONGRESSIONAL RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 2371

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "Family Assistance and Child Support Enforcement Administrative Improvements Act".

TITLE I—AID TO FAMILIES WITH DEPENDENT CHILDREN

REDUCED FEDERAL MATCHING RATE FOR STATEWIDE MECHANIZED CLAIMS PROCESSING AND INFORMATION RETRIEVAL SYSTEMS

Sec. 101. (a) Efective October 1, 1986, section 403(a)(3)(B) of the Social Security Act is amended by striking out "during such quarter" and inserting in lieu thereof "during quarters in any fiscal year prior to fiscal year 1987, or 75 per centum in the case of quarters in fiscal year 1987, 1988, or 1989,".

(b) Effective October 1, 1989, section 403(a)(3) of the Act is amended—

(1) by striking out all down through subparagraph (C) and inserting in lieu thereof:

"(3) in the case of any State, an amount equal to one-half of the total amounts expended during such quarter as found necessary by the Secretary for the proper and efficient administration of the State plan (including as expenditures under this paragraph the value of any services furnished, and the amount of any payments made (to cover expenses incurred by individuals

under a program of employment search), under section 402(a)(35)(B)),"; and

(2) by striking out "(as described in the parenthetical phrase in subparagraph (C))" and inserting in lieu thereof "(as described in the preceding parenthetical phrase)".

REDUCTIONS IN MATCHING RATE FOR EXCESS ADMINISTRATIVE COSTS

Sec. 102. (a) Section 403(a)(3)(C) of the Social Security Act (as amended by section 101 of this Act) is further amended—

(1) by inserting "subject to the limitations prescribed below in this paragraph" immediately after "(3)";

(2) by inserting "(i)" immediately after "except that", and

(3) by striking out the semicolon at the end of paragraph (3) and inserting in lieu thereof ", and (ii) in the case of any State other than Puerto Rico, the Virgin Islands and Guam, 25 per centum (rather than one-half) of that portion of the amounts described in subparagraph (C) and expended during any quarter in fiscal years after fiscal year 1986 that constitute a State's excess administrative costs, as determined in accordance with subsection (e); and".

(b) Section 403 of the Act is further amended by adding after and below subsection (d) the following new subsection:

"(e)(1) For purposes of applying the second limitation prescribed in subsection (a)(3), the excess administrative costs of any State to which such limitation applies means that portion of the State's per recipient administrative costs (as defined in paragraph (2)) that exceed 175 per centum of the national median of such costs for all such States.

"(2) As used in this subsection—

"(A) a State's 'per recipient administrative costs' in a fiscal year means the ratio of the amounts expended by such State during quarters in such fiscal year for the proper and efficient operation of the State plan (other than expenditures of the type described in subsection (a)(3)(B), or expenditures directly related to carrying out section 402(a) (19) or (35), section 409, section 414, or to conducting other employment related activities under the State plan), and for which Federal financial participation is claimed and allowed, to the average monthly number of individuals receiving aid under the plan in such year;

"(B) the national median of the per recipient administrative costs of all the States to which the second limitation in subsection (a)(3) applies shall be determined by establishing the median of such costs for the most recent 4-quarter period preceding the fiscal year concerned, adjusted by the change in the GNP deflator (as defined in subparagraph (C)), if the latest quarter in such 4-quarter period is not one of the three quarters immediately preceding the start of such fiscal year, with respect to which the Secretary determines that sufficient data are available to reasonably establish such median, taking into consideration both the States' need for advance notice in order to make fiscal planning decisions, and the benefits to the Federal and State governments of employing the most recent data in order to reflect progress made by other States in reducing per recipient administrative costs; and

"(C) the 'change in the GNP deflator' for any fiscal year concerned in subparagraph (B) means the ratio of (i) the gross national product implicit price deflator, measured for the second quarter of such fiscal year, published by the Bureau of Economic Analysis, Department of Commerce, before August 31 of such fiscal year, to (ii) such deflator, as so measured, for the 4-quarter period selected for purposes of such subparagraph (B).".

(c) Effective October 1, 1989—

(1) Section 403(a)(3) of the Act (as revised by section 102 of this Act) is amended by striking out "subparagraph (C)" and inserting in lieu thereof "this paragraph", and

(2) Section 403(e)(2)(A) of the Act (as added by subsection (b) of this section) is amended by striking out "expenditures of the type described in subsection (a)(3)(B), or".

(d) The amendments made by subsections (a) and (b) of this section shall be effective October 1, 1986.

TITLE II—CHILD SUPPORT ENFORCEMENT

REDUCTION IN FEDERAL MATCHING RATE FOR AUTOMATIC DATA PROCESSING AND INFORMATION RETRIEVAL SYSTEMS

Sec. 201. Section 455(a)(1)(B) of the Social Security Act is amended by striking out "90 percent" and inserting in lieu thereof "(i) 90 percent, in the case of quarters in fiscal years prior to 1987, (ii) 85 percent, in the case of quarters in fiscal year 1987, (iii) 75 percent in the case of quarters in fiscal year 1988 or 1989, and (iv) the rate specified in 455(a)(2)(C) for quarters in fiscal year 1990 or any fiscal year thereafter,".

REDUCTION IN FEDERAL MATCHING RATE FOR ADMINISTRATIVE COSTS GENERALLY

Sec. 202. (a) Section 455(a)(2) is amended—

(1) by striking out "1986, and 1987," from subparagraph (A) and inserting in lieu thereof "and 1986, and",

(2) by amending subparagraph (B) to read "66 percent for fiscal year 1987 and each fiscal year thereafter.", and

(3) by striking out subparagraph (C).

(b) Section 455(a)(1)(B)(iii) of the Act (as amended by section 201 of this Act) is further amended by striking out "455(a)(2)(C)" and inserting in lieu thereof "455(a)(2)(B)".●

By Mr. GARN (by request):

S. 2372. A bill to preserve the authority of the Federal banking supervisory agencies to arrange interstate acquisitions and mergers for failed and failing banks, and for other purposes; to the Committee on Banking, Housing, and Urban Affairs.

FINANCIAL INSTITUTIONS EMERGENCY ACQUISITIONS AMENDMENTS

● Mr. GARN. Mr. President, today I am introducting by request amendments to title I of the Garn-St Germain Act. The amendments provide increased flexibility for the Federal bank regulators in minimizing the adverse effects of failing banks. In essence, the bill would lower the threshold size from $500 million to $250 million for an institution which could be sold across State lines, expands the approval of interstate acquisition from closed banks only to banks which the regulators believe are in danger of failing, and gives the Federal bank regulators authority to resolve problems with regard to chains of banks in multibank holding company States.

Mr. President, I ask unanimous consent that the text of the bill, a letter from the Federal Deposit Insurance Corporation and the Board of Governors of the Federal Reserve System, and a section-by-section analysis of the bill be printed in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

S. 2372

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SHORT TITLE

Section 1. This Act may be cited as the "Financial Institutions Emergency Acquisitions Amendments of 1986."

ASSISTED EXTRAORDINARY ACQUISITIONS

Sec. 2. Section 13(f) of the Federal Deposit Insurance Act (12 U.S.C. 1823(f)) is amended—

(1) by amending paragraph (1) to read as follows:

"(1)(A) Whenever the appropriate Federal banking agency is informed that an out-of-State bank or holding company is considering acquiring, directly, or indirectly, an insured bank with total assets of $250,000,000 or more that is in danger of closing, such agency shall (A) notify the Corporation of such, (B) consult with the Corporation before taking any action with respect to any such acquisition, and (C) provide the Corporation with notice of any final action taken.

"(B) Except as provided in paragraph (9), the provisions of this subsection shall be used exclusively in connection with any acquisition by or merger with an out-of-State bank or holding company with respect to which the Corporation provides assistance under its powers in subsection (c) and shall not be applicable if the Corporation does not provide such assistance. Nothing contained in this subsection shall be construed to limit the Corporation's powers in subsection (c) to assist a transaction."

(2) by striking out "$500,000,000" in subparagraph (2)(A) and inserting in lieu thereof "$250,000,000".

(3) by amending subparagraph (3) to read as follows:

"(3)(A)(i) Whenever the appropriate Federal or State chartering authority has certified in writing that an insured bank with total assets of $250,000,000 or more (as determined from its most recent report of condition) is in danger of closing, the insured bank may merge with or its assets may be purchased by and its liabilities assumed by another depository institution, including an insured depository institution located in the State where the insured bank is chartered but established by an out-of-State bank or holding company, or its shares may be acquired by an out-of-State bank or holding company.

"(ii) Whenever the appropriate Federal or State chartering authority has certified in writing that one or more insured bank subsidiaries of a holding company are in danger of closing and such bank or banks hold aggregate assets equal to $250,000,000 or more (as determined from their most recent reports of condition) and such bank or banks represent 33 percent or more of the total assets of all insured bank subsidiaries (as determined from their most recent reports of condition) of such holding company, an out-of-State bank or holding company may (a) purchase the shares of or otherwise acquire the holding company that controls such bank or banks and all of such holding com-

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pany's subsidiary banks or (b) purchase the shares or otherwise acquire any such bank or banks in danger of closing and/or establish one or more newly chartered banks located in the State where such banks in danger of closing are chartered for the purpose of merging with or purchasing the assets and assuming the liabilities of such banks, provided the aggregate total assets of such banks that are acquired equal $250,000,000 or more. Any out-of-State bank or holding company which, pursuant to clause (b), purchases shares of, or establishes a newly chartered bank for the purpose of merging with or acquiring the assets and assuming the liabilities of, such bank or banks in danger of closing may purchase the shares of or otherwise acquire any bank which is affiliated with such bank or banks.

"(iii) The Corporation may assist a merger or acquisition permitted under subparagraph (A) only where the board of directors or trustees of the insured bank has requested in writing that the Corporation assist a merger or a purchase.

"(B) Whenever the Corporation provides assistance, directly or indirectly, under the authority of subsection (c), to an insured bank and such bank was eligible at the time such assistance was given to be acquired by an out-of-State bank or holding company, pursuant to subparagraph (A), the bank shall remain eligible to be acquired, to the same extent that it was eligible when assistance was granted, by an out-of-State bank or holding company so long as the Corporation's assistance remains outstanding. If, at the time such assistance was granted to an insured bank or to affiliated insured banks, such bank's or banks' parent holding company or other affiliated banks were eligible also to be acquired by an out-of-State bank or holding company, pursuant to subparagraph (a)(ii), they shall remain eligible for such acquisition to the same extent as they were when the assistance was granted, so long as such assistance remains outstanding.

"(C) Where otherwise lawfully required, a transaction under this paragraph (3) must be approved by the primary Federal or State supervisor of all parties thereto.

"(D)(i) Before assisting a merger or acquisition permitted under subparagraph (A) or taking final action under subparagraph (B), the Corporation shall consult the State bank supervisor of the State in which the bank in danger of closing is chartered.

"(ii) The State bank supervisor shall be given a reasonable opportunity, and in no event less than forty-eight hours, to object to the use of the provisions of this paragraph.

"(iii) If the State supervisor objects during such period, the Corporation may use the authority of this paragraph only by a unanimous vote of the Board of Directors. The Board of Directors shall provide to the State supervisor, as soon as practicable, a written certification of its determination."

(4) by redesignating subparagraphs (i) through (iii) of paragraph (4) as subparagraphs (A) through (C), respectively.

(5) by amending newly redsignated subparagraph (4)(A) to read as follows:

"(A) Neither section 3(d) of the Bank Holding Company Act of 1956, section 408(e)(3) of the National Housing Act, any provision of State law, nor the constitution of any State, shall bar approval, consummation or retention of an acquisition authorized under paragraph (2) or (3) except that an out-of-State bank may make such an acquisition only if such ownership is otherwise specifically authorized."

(6) by adding new subparagraphs (D) and (E) to paragraph (4) as follows:

"(D) An out-of-State bank holding company that acquires, directly or indirectly, a bank under paragraph (2) or (3) shall thereafter be entitled to acquire additional banks located in the three largest metropolitan or consolidated metropolitan statistical areas or cities in any State in which the acquired bank is located to the same extent as a bank holding company that is principally located (as such term is defined in section 3(d) of the Bank Holding Company Act of 1956) in such State.

"(E) A holding company which, directly or indirectly, acquires control of one or more banks or a holding company under paragraph (2) or (3) shall not, by reason of such acquisition or expansion, be required as the result of the law of any State to divest any other bank or banks or be prevented from acquiring, directly or indirectly, any other banks or holding company."

(7) by striking "to permit" in paragraph (5).

(8) by striking out "closed" the second time it appears and "bank" the sixth time it appears in subparagraph (6)(A).

(9) by redesignating subparagraphs (B) and (C) in paragraph (8) as subparagraphs (D) and (E), respectively, and by inserting after subparagraph (A) the following new subparagraphs:

"(B) a bank is 'in danger of closing' if:

"(i) the bank is not likely to be able to meet the demands of its depositors or pay its obligations in the normal course and there is no reasonable prospect for it to do so without federal assistance; or

"(ii) the bank has incurred or is likely to incur losses that will deplete all or substantially all of its capital and there is no reasonable prospect for replenishment of the bank's capital without federal assistance; or

"(iii) other grounds exist or are likely to exist under applicable State law for closing the bank; and

"(C) banks are 'affiliated' if each is a subsidiary (as defined in section 2(d) of the Bank Holding Company Act of 1956) of the same holding company; and"

(10) by adding a new paragraph (9) to read as follows:

"(9) Nothing in this subsection shall prevent the Corporation, in its sole discretion, from assisting, directly or indirectly, the acquisition of an open or closed insured bank by an out-of-State bank or holding company where such an acquisition is otherwise authorized under applicable State law."

(11) by adding a new paragraph (10) to read as follows:

"(10) In any transaction authorized under this subsection, no assistance by the Corporation shall be provided to a subsidiary of a holding company that is not an insured bank."

UNASSISTED EXTRAORDINARY ACQUISITIONS

SEC. 3. Section 3(d) of the Bank Holding Company Act (12 U.S.C. 1842(d)) is amended by designating the first paragraph thereof as paragraph (1) and inserting at the end thereof the following new paragraphs:

"(2) Notwithstanding the provisions of paragraph (1) of this subsection or any provision of state law or the constitution of any state.

"(A) a bank holding company may acquire and retain the shares or assets of—

"(i) a bank located in another state if such bank has total assets of $250 million or more and is in danger of closing; or

"(ii) Two or more affiliated banks in danger of closing that together hold assets that total $250 million or more and that represent 33 percent of the total assets of all affiliated banks;

"(B) a bank holding company that acquires a bank or banks in danger of closing under subparagraph (A) may acquire a bank holding company that controls such bank or banks and/or may acquire the assets or shares of any bank affiliated with such bank or banks, provided in either case that the total assets of such bank or banks in danger of closing represent at least 33 percent of the total assets of all affiliated banks;

"(C) A bank holding company that acquires the assets or shares of a bank in danger of closing under subparagraph (A) or (B) may acquire additional banks located in the three largest metropolitan or consolidated metropolitan statistical areas or cities in any state in which a bank acquired pursuant to this paragraph is located to the same extent as a bank holding company that is principally located (as defined in paragraph (1) hereof) in such state;

"(D) A bank holding company that acquires and retains control of one or more banks pursuant to this paragraph shall not, by reason of such acquisition or retention, be required to divest any other bank or banks or be prevented from acquiring any other banks.

"(3) A bank holding company may not acquire the shares or assets of a bank or bank holding company under paragraph (2) (A) or (B) unless the acquisition has been approved by the board of directors of such bank or of a bank holding company that controls such bank.

"(4)(A) A bank is in danger of closing if the appropriate federal or state chartering authority certifies in writing that:

"(i) the bank is not likely to be able to meet the demands of its depositors or pay its obligations in the normal course and there is no reasonable prospect for it to do so without federal assistance; or

"(ii) the bank has incurred or is likely to incur losses that will deplete all or substantially all of its capital and there is no reasonable prospect for replenishment of the bank's capital without federal assistance; or

"(iii) other grounds exist or are likely to exist under applicable State law for closing the bank.

"(B) A bank is affiliated with another bank if each is a subsidiary of the same bank holding company.

"(C) The assets of a bank shall be determined on the basis of its most recent report of condition.

"(5)(A) No bank in danger of closing or bank holding company that controls such bank shall enter into any discussions relating to the acquisition of such bank under paragraph (2) unless—

"(i) the State bank supervisor for each state in which such bank or its affiliated banks is located has been notified of such proposed discussions, and

"(ii) such bank or bank holding company has attempted to arrange an acquisition that does not require assistance under section 13(c) of the Federal Deposit Insurance Act or use of the interstate provisions of paragraph (2). An application submitted under paragraph (2) (A) or (B) must describe efforts made by such bank or bank holding company to satisfy this requirement and the reasons for the rejection of any proposals submitted.

"(B) Before approving an application pursuant to paragraph (2) involving a bank in danger of closing or its affiliated banks, the

Board shall consult the State bank supervisor of the State or States in which the bank or banks are located.

"(C) The State bank supervisor or supervisors shall be given a reasonable opportunity, and in no event less than forty-eight hours, to object to approval of the application.

"(D) Except as provided in subparagraph (E), the Board shall not approve the application if, during the notice period provided in subparagraph (C), such State bank supervisor certifies to the Board that—

"(i) a person or persons have, prior to the notice period in subparagraph (C), offered or attempted to offer to acquire each of the banks in danger of closing in a transaction that does not require assistance under section 13(c) of the Federal Deposit Insurance Act or use of the interstate provisions of paragraph (2), and

"(ii) such person or persons, in the judgment of such State bank supervisor, are likely to be able to secure all regulatory approvals necessary to consummate such acquisition promptly, and to comply with all applicable financial and managerial and other regulatory requirements, including recapitalizing all such banks in danger of closing without impairing the financial resources of the acquiring person or persons.

"(E) The Board may approve the application if the Board determines that the person or persons certified by the State bank supervisor under subparagraph (D) do not have the financial resources necessary to obtain regulatory approval to acquire such bank, including the resources to recapitalize all such banks in danger of closing without impairing the financial resources of the acquiring person or persons, or that such person or persons do not meet other applicable regulatory requirements.

"(6) If the Board has received a certification from the appropriate federal or state chartering authority pursuant to paragraph (2) or section 13(f) of the Federal Deposit Insurance Act that a bank is in danger of closing, the Board may dispense with the notice and hearing requirements of section 3(b) of this Act with respect to any application received to acquire such bank or its affiliated banks and may reduce the post-approval waiting period of section 11 of this Act to five days or, if the Board finds that immediate action is necessary to prevent the probable failure of any such banks, eliminate such period."

WAIVER OF NOTICE REQUIREMENTS

SEC. 4. Section 4(c)(8) of the Bank Holding Company Act (12 U.S.C. 1843(c)(8)) is amended by adding a new sentence to the end thereof to read as follows:

"In the event an application is filed under this paragraph in connection with an application by a bank holding company to acquire control of a bank in danger of closing or its affiliated banks pursuant to section 3(d)(2) of this Act or section 13(f) of the Federal Deposit Insurance Act, the Board may dispense with the notice and hearing requirement of this paragraph and the Board may approve or deny the application under this paragraph without notice or hearing."

SUNSET PROVISIONS

SEC. 5. (a) Section 141(a) of the Garn-St Germain Depository Institutions Act of 1982 (12 U.S.C. 1464 note) is amended by striking out "April 15, 1986" and inserting in lieu thereof "April 15, 1991".

(b) Effective upon April 15, 1991, the provisions of law amended by this Act shall be amended to read as they would without such amendments.

(c) The repeal or termination by section 5 of any amendment made by this Act shall have no effect on any action taken or authorized while such amendment was in effect.

FEDERAL DEPOSIT INSURANCE CORPORATION, BOARD OF GOVERNORS OF THE FEDERAL RESERVE SYSTEM,
April 23, 1986.

Hon. JAKE GARN,
Chairman, Committee on Banking, Housing, and Urban Affairs, U.S. Senate, Washington, DC.

DEAR CHAIRMAN GARN: By letter of April 8, we, together with the Comptroller of the Currency, wrote to you asking that Congress extend and liberalize the emergency acquisition provisions of the Garn-St Germain Depository Institutions Deregulation Act of 1982. Congress has now passed a 90-day extension of that Act.

With respect to liberalizing the emergency acquisition provisions, in that letter we recommended a number of changes designed to strengthen the ability of the regulators to deal with problem situations including authority to permit the out-of-state acquisition of failing banks and the out-of-state acquisition of a bank holding company when the failing bank exceeds the statutory size threshold and represents a sizable part of the holding company system. We also recommended that the asset size of banks eligible to be acquired be reduced from $500 million to $250 million.

We are forwarding to you at this time proposed legislation to implement these recommendations. The Comptroller of the Currency has initiated the Administration's formal review of this bill. It is our hope that Congress will be able to consider these matters at the earliest opportunity.

Sincerely,

L. WILLIAM SEIDMAN.
PAUL A. VOLCKER.

SECTION-BY-SECTION ANALYSIS OF THE PROPOSED ASSISTED AND UNASSISTED EXTRAORDINARY ACQUISITION AMENDMENTS

Section 1. This section defines the Act as the "Financial Institutions Emergency Acquisition Amendments of 1986."

Sec. 2. Subsection 13(f) of the Federal Deposit Insurance Act, which was enacted as part of Title I of the Garn-St Germain Act, currently permits interstate acquisitions for banks with assets of $500 million or more—but only under limited conditions. Stock institutions, including all eligible commercial banks, may be acquired only if they are closed. An eligible mutual savings bank may be acquired prior to closing—but only if its board of trustees and chartering authority specify in writing that it is in danger of closing and request the FDIC to assist an acquisition or merger. If a bank is acquired by an out-of-state bank holding company the bank may branch throughout the State to the same extent as an in-State national bank. Absent specific State authorizing legislation, however, bank holding companies may not be acquired by out-of-State holding companies and an out-of-State holding company that acquires a bank under subsection 13(f) may not expand in the State other than by branching of the newly acquired bank. This means in unit banking States, the out-of-State bank holding company's entry is limited to the existing office site of the bank it acquires.

The amendments to subsection 13(f) will change existing legislation in four crucial areas. First, the amendments will permit qualified stock institutions, as well as mutual savings banks, to be acquired by out-of-State holding companies before they fail. Second, they lower the threshold measurement for eligibility for both closed and failing banks from $500,000,000 to $250,000,000. Third, the amendments permit a holding company to be sold, in whole or in part, to an out-of-State holding company if the in-State holding company has a bank subsidiary or subsidiaries with aggregate banking assets of $250,000,000 or more in danger of closing and such bank or banks represent 33% or more of the holding company's banking assets. Finally, they allow an acquiring out-of-State bank holding company limited expansion rights in the State of acquisition through the bank holding company structure.

Paragraph (1).—New subparagraph (A) provides for notice and consultation between the appropriate Federal banking agency (if not the FDIC) and the FDIC when such banking agency is informed that an out-of-State bank or holding company is considering acquiring an insured bank with total assets of $250 million or more that is in danger of closing. This is intended to provide the FDIC with early notice of any possible transactions involving large banks in danger of closing, even if it appears that FDIC assistance will not be required, in the event that FDIC assistance becomes necessary and the FDIC must utilize the procedures of subsection 13(f).

Subparagraph (B) provides that if the FDIC grants assistance pursuant to its powers under subsection 13(c) of the Federal Deposit Insurance Act, the procedures contained in subsection 13(f) shall be followed in any eligible merger or acquisition transaction involving an out-of-State bank or holding company. The FDIC, however, may, in its sole discretion, choose to follow applicable State law rather than the procedures of subsection 13(f) (see paragraph 9). These procedures, including notice to and an opportunity for objection by the state bank supervisor and re-bidding procedures under certain circumstances, are contained in the current law. If the FDIC does not provide assistance under subsection 13(c), subsection 13(f) is not applicable and any eligible transaction will be subject only to the normal approval requirements under State or Federal law.

Paragraph (2).—This paragraph is amended to reduce the $500 million asset minimum for interstate acquisitions of closed banks to $250 million. This change is in response to the significant increase in the number of bank failures and the FDIC's increased difficulty in finding in-State purchasers for banks, especially banks whose assets are $250 million or more. It thereby reduces the demand upon the FDIC's resources and affords banks with assets of $250 million or more equal treatment with larger banks.

The remainder of paragraph 2 is unchanged. It provides, among other things, that in any interstate transaction involving a closed bank meeting the size requirement: (i) all other applicable approvals must be obtained; (ii) there shall be notice and an opportunity for objection by the State bank supervisor (whether the closed bank has a State or Federal charter); and (iii) if the State bank supervisor objects, the FDIC's Board of Directors may exercise its authority only by unanimous vote.

Paragraph (3).—Subparagraph (A)(i) extends the emergency interstate acquisition provisions to banks with assets of $250 million or more that, although not closed, have

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been determined by their Federal or State chartering authority to be in danger of closing. The subsection parallels subparagraph (2)(A), by allowing out-of-State banks and holding companies to establish a new bank to acquire the bank in danger of closing. It also allows an acquisition to be done directly.

The current law contains a comparable provision for mutual savings banks, but not for other FDIC-insured banks. Experience has demonstrated that by the time a bank has actually been closed, the value of its franchise may have been dissipated if not eliminated. In addition, the process of decline into insolvency can create an adverse effect in the financial community. By permitting an interstate acquisition of a commercial bank in danger of closing, but before it is actually closed, the potential for finding a private solution with a lesser commitment of FDIC funds is substantially improved. Such a process also would help maintain the stability of and confidence in the banking system as a whole.

Subparagraph 3(A)(ii) extends the emergency interstate acquisition provisions to holding companies that have a subsidiary bank or banks with aggregate assets of $250 million or more in danger of closing and such bank or banks represent 33 percent or more of the total assets of the holding company's banking subsidiaries. If the Federal or State chartering authority has determined that such a bank or banks are in danger of closing, an out-of-State bank or holding company may (a) purchase the stock of or otherwise acquire the holding company that controls such bank(s) as well as all of such holding company's other subsidiary banks or (b) acquire the bank or banks in danger of closing. Before the FDIC can assist a merger or acquisition, the board of directors of the bank in danger of closing must request in writing that FDIC assist a merger or purchase.

An out-of-State bank or holding company that purchases from another holding company a bank or banks in danger of failing with aggregate assets of $250 million or more under clause (b) would be permitted to acquire other bank subsidiaries of the holding company. Under this subparagraph, more than one out-of-State holding company may acquire portions of a single holding company, providing that each of the out-of-State holding companies purchases a bank or set of banks, each of which is in danger of closing, that has total assets of $250 million or more, and provided that all subsidiary banks that are in danger of closing account for at least 33% of the assets of all banks subsidiaries of the holding company.

There is no comparable provision in the present law. This provision is, however, essential if the Garn-St Germain extraordinary acquisition provisions are to be effective in States which permit multi-bank holding companies, but do not permit statewide banking. A number of States presently have such a banking structure.

The current Garn-St Germain provisions do not work effectively in such States, particularly where it is the lead bank in the holding company system that is in danger of closing. Potential bidders are deterred because they are limited to a single location and the most troubled part of the banking organization. Even if a bidder can be found for the lead bank, the continued viability of the other banks in the holding company system may be threatened by the loss of the lead bank. This is particularly the case where there are substantial financial relationships between the lead bank and the other banks in the holding company system. Thus, the adoption of this provision could substantially reduce the financial demands on the FDIC, as well as the adverse effects on the communities served.

Subparagraph (B) provides that if a bank or holding company is eligible to be acquired by an out-of-State bank or holding company under subparagraph (A), but the FDIC provides financial assistance to prevent the closing, so long as FDIC assistance remains outstanding, the bank, its holding company, and its bank affiliates can be sold to an out-of-State bank or holding company to the same extent it could have been when assistance was given. This subparagraph applies only when assistance was granted after April 15, 1986.

Subparagraphs (C) and (D) are essentially unchanged from current law.

Paragraph (4).—Subparagraph (A) has been changed to confirm that a multiple savings and loan holding company can acquire an FDIC-insured Federal savings bank across state lines. Subparagraphs (B) and (C) are unchanged.

New subparagraph (D) provides that an out-of-State holding company that acquires a bank or holding company under subsection 13(f) may, at any time, acquire additional banks located in the three largest metropolitan or consolidated metropolitan statistical areas or cities in each state in which a bank acquired under subsection 13(f) is located to the same extent that a holding company located in each of those states may expand. This amendment complements the flexibility provided under subparagraph 3(A) and is supported by the same policy considerations. It is particularly essential in unit banking States where bidders for troubled institutions are deterred by the lack of further expansion possibilities.

Subparagraph (E) provides that an out-of-State bank or holding company that acquires and retains control, directly or indirectly, of a bank under this subsection shall not be required under State law, as a result of such acquisition, to divest any other bank or be prevented from acquiring any other bank in a different State. This paragraph does not prevent the requirement of divestiture to comply with competitive, antitrust and similar standards imposed under Federal law.

This provision, which is not contained in the current law, is in response to State law developments after passage of Garn-St Germain, and is necessary to enable a number of banks to make acquisitions under Garn-St Germain. The regional interstate banking bills of several States require that all of a bank holding company's subsidiary banks be located within a defined region. Accordingly, an out-of-State holding company which has acquired a bank in such a State would be required to divest that bank if it made an acquisition under Garn-St Germain outside the region. This provision would pre-empt such State laws only with respect to Garn-St Germain acquisitions.

Paragraphs (5), (6), and (7).—These paragraphs contain provisions relating to the solicitation of offers by the FDIC, resolicitation of bids under certain circumstances, and applicable antitrust standards. They are essentially unchanged from current law.

Paragraph (8).—New subparagraph (B) prescribes when a bank is "in danger of closing" and new subparagraph (C) defines when banks are affiliated for purposes of holding company acquisition under subparagraph (3).

Paragraph (9).—This paragraph permits the FDIC, in its sole discretion, to assist an interstate transaction under the authority of state law rather than under this subsection. This provision affords the FDIC additional flexibility where a state has enacted its own interstate acquisition authority, but does not in any way limit the FDIC's authority under subsection 13(f).

Paragraph (10).—This paragraph confirms that FDIC assistance in a transaction authorized under subsection 13(f) shall not be provided to any subsidiary of a holding company which is not an insured bank. This paragraph, however, is not intended to prevent an intermediate holding company from being a conduit for FDIC assistance ultimately intended for an insured bank.

SEC. 3. The Douglas Amendment to the Bank Holding Company Act provides that a bank holding company may not acquire a bank in another State unless that State has specifically authorized the acquisition by statute. This section would amend the Douglas Amendment to permit bank holding companies, under certain circumstances, to acquire banks located in another state where the banks are in danger of closing. This provision would only permit acquisitions of troubled banks that do not involve financial assistance from the FDIC. Acquisitions of troubled banks that involve financial assistance from the FDIC are governed by the preceding sections of this bill. Permitting the Federal Reserve Board to approve acquisitions of banks in danger of closing where the proposed acquisition does not require financial assistance from the FDIC will permit resolution of problems involving banks in serious and identifiable financial difficulties before those problems reach the stage when they require federal financial assistance, thus reducing potential demand on the FDIC's resources.

Subparagraph (2)(A).—This subparagraph would amend the Douglas Amendment to allow a bank holding company to acquire a bank in another State when the bank is in danger of closing and has total assets of at least $250 million. This paragraph would also permit an out-of-State bank holding company to acquire a group of smaller banks that are subsidiaries of the same bank holding company if (1) each of the banks is in danger of closing, (2) the combined assets of group of banks to be acquired is at least $250 million, and (3) the banks in danger of closing are owned by a bank holding company and represent at least 33 percent of the total assets of all bank subsidiaries of that holding company.

Subparagraph (2)(B).—This subparagraph provides that a bank holding company that acquires a failing bank under this section may, as part of the transaction in which it acquires the failing bank, also acquire the parent holding company of the failing bank as well as any of the holding company's other subsidiary banks. Wherever located, provided that the banks in danger of closing represent at least 33 percent of the total assets of all of the parent holding company's subsidiary banks. In this regard, the legislation would allow more than one out-of-State bank holding company to acquire portions of a single bank holding company, including healthy bank subsidiaries of the holding company, provided that each of the out-of-State bank holding companies purchases a bank or set of banks, each of which is in danger of closing, that has total assets of $250 million or more and provided that all subsidiary banks that are in danger of closing together account for at least 33 percent of the assets of all bank subsidiaries of the bank holding company. An out-of-State bank holding company may not acquire a healthy bank or a bank holding company under this provision unless the out-of-State bank holding company simultaneously acquires an affiliated bank or group of banks in danger of closing.

Subparagraph (2)(C).—This subparagraph provides that an out-of-State bank holding company that acquires a failing bank under this legislation may, at any time, acquire additional banks located in the three largest metropolitan or consolidated metropolitan statistical areas or cities in each state in which a bank acquired under this section is located to the same extent that a bank holding company located in each of those states may expand. This places the out-of-State bank holding company on an equal footing with in-State bank holding companies in the three largest metropolitan areas in the state.

Subparagraph (2)(D).—This subparagraph provides that an out-of-State bank holding company that acquires a failing bank under this legislation could not be required under State law to divest other banks that it owns, as may be required under certain of the regional interstate banking compacts in existence today. This subparagraph does not prevent any divestiture that may be required to comply with competitive, antitrust, and similar standards imposed under federal law.

Paragraph (3).—This paragraph provides that out-of-State bank holding companies may make an acquisition under this provision only if the acquisition is approved by the board of directors of each bank to be acquired or by the board of directors of the parent bank holding company of such banks.

Subparagraph (4)(A).—This subparagraph provides that, before the Federal Reserve Board may approve an acquisition under this section, the Comptroller of the Currency in the case of national banks and the State bank supervisor in the case of State banks must certify to the Board that the bank to be acquired is in danger of closing. The bill defines a bank in danger of closing in the same manner as defined above in connection with acquisitions that involve federal financial assistance.

Subparagraph (4)(B).—This subparagraph defines affiliated banks as banks that are subsidiaries of the same bank holding company, as those terms are defined in the Bank Holding Company Act.

Subparagraph (5)(A).—This subparagraph requires that, before a bank in danger of closing or the parent bank holding company of such a bank enters into any discussions with an out-of-State bank holding company relating to the possible interstate acquisition of the bank without federal assistance under the provisions of this bill, the bank or its parent bank holding company must notify the State bank supervisor in each State in which the bank or any of its affiliated banks are located. This provision would permit the State bank supervisor an opportunity to ascertain whether an acceptable in-State or in-region solution exists for the troubled bank that does not require FDIC assistance. The bank in danger of closing or parent bank holding company must also attempt to arrange for an acquisition of the bank in danger of closing by an in-State or in-region bank holding company, an individual, or any other party that does not require use of the provisions of this section in a transaction that does not require federal assistance. Subparagraph (5)(A)(ii) provides that any application submitted by an out-of-State bank holding company to acquire a bank or bank holding company under this provision must describe efforts by the bank in danger of closing or its parent bank holding company to arrange an in-State or in-region acquisition and the reasons for rejection of any proposals submitted.

Subparagraphs (5) (B) and (C).—These subparagraphs require, in addition, that the Federal Reserve Board consult with the State supervisor of the State or States in which each of the banks to be acquired under this section is located, and provides the appropriate State supervisors at least 48 hours to comment on the acquisition. As noted, the State supervisor will have been notified under the preceding subparagraph before the bank or holding company opened discussions with an out-of-State or out-of-region banking holding company.

Subparagraph (5)(D).—This subparagraph prohibits the Federal Reserve Board from approving an interstate acquisition under this paragraph over the objection of the appropriate State supervisor, if the State supervisor certifies that a person or group of persons (1) stands ready to acquire each of the banks in danger of closing without use of the interstate acquisition provisions of this bill and without federal assistance; (2) offered, or attempted to offer, to purchase the banks in danger of closing prior to the time that the out-of-State bank holding company submitted its application under this provision to the Board; and (3) has the financial and managerial resources necessary to receive all required regulatory approvals promptly and to recapitalize all of the banks in danger of closing without impairing the financial resources of the acquiring parties and without federal assistance. This provision permits the relevant State supervisor to exercise a preference for individuals or for bank holding companies located within the State in which the bank in danger of closing is located or in a State from which an interstate acquisition is permitted under state law enacted pursuant to the Douglas Amendment (for example, a bank holding company located in a State that has entered into a regional compact or other interstate arrangement with the State in which the failing bank is located).

Subparagraph (5)(E).—This subparagraph permits the Federal Reserve Board to approve an acquisition by an out-of-state bank holding company in the event that a person or group of persons certified by the State supervisor does not receive all necessary regulatory approvals, or the Federal Reserve Board determines that the person or group of persons does not have the financial or managerial resources necessary to recapitalize the failing banks and, thereafter, to continue to meet all applicable regulatory requirements. Under this provision, the in-state or in-region offer certified by the supervisor does not have to match or exceed the offer by an out-of-state bank holding company. The only limitation on the in-State or in-region offer is that it must result in acquisition of all of the banks in danger of closing without any financial assistance from the Federal Deposit Insurance Corporation.

Paragraph (6).—This paragraph authorizes the Federal Reserve Board to waive the requirements of notice to the appropriate chartering authority and opportunity for hearing ordinarily applicable to the acquisition by a bank holding company of a bank under section 3 of the Bank Holding Company Act for any acquisition authorized under this section or under the emergency provisions of section 13(f) of the Federal Deposit Insurance Act. This would enable the Board to waive the notice and hearing requirements of the Act in the event an out-of-State bank holding company was acquiring not only the failing bank but also the parent holding company and its other subsidiary banks. As described above, this section provides that the chartering authority be given notice of a proposed acquisition under this section and provides a mechanism for the State supervisor to object to the proposed acquisition.

This paragraph also authorizes the Board to shorten the post-approval waiting period required under section 11 of the Bank Holding Company Act for an acquisition approved under this paragraph, and to waive this period entirely to permit immediate acquisition of any or all of the banks to be acquired where the Board finds that immediate action is necessary to prevent probably failure of any of the banks acquired under this section.

Sec. 4. This section permits the Federal Reserve Board to waive the provisions of section 4(c)(8) of the BHC Act that require notice and opportunity for hearing prior to the acquisition by a bank holding company of a nonbanking company where the proposed acquisition is in connection with an application by a bank holding company to acquire a bank in danger of closing under the provisions of this legislation.

Sec. 5. This section extends for five years the sunset of the emergency provision of Title I of the Garn-St Germain Act and sunsets the provision added by this Act as well in five years.

By Mr. HELMS:

S.J. Res. 331. Joint resolution prohibiting the proposed sale of integrated avionics system kits to the People's Republic of China; to the Committee on Foreign Relations.

PROHIBITING SALE OF ADVANCED AVIONICS KITS TO THE PEOPLE'S REPUBLIC OF CHINA

Mr. HELMS. Mr. President, one of the most perilous issues hanging in the balance is the impending sale of $550 million of advanced fighter aircraft technology to Communist China.

None of our Asian friends supports this sale. Our major allies in East Asia, the Association of Southeast Asian Nations, South Korea, Japan, and especially Taiwan all oppose arms sales to the People's Republic of China.

In addition to the lack of support by our Asian friends, the purpose of this sale is misguided. The F-8 was designed 20 years ago to counter a high-flying, subsonic Soviet bomber threat. Now, however, with an abundance of SS-20's and Backfire bombers in the region, the Soviet Union is not likely to send slow, high altitude bombers over China. This means that the deterrent capability of the enhanced F-8 is of marginal utility against the Soviet Union, but the improved F-8 can make a big difference in regional conflicts between China and her smaller non-Communist neighbors, such as Taiwan.

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It is being said that the avionics package is an end-item sale, and does not involve the transfer of design or production technologies. The most important aspect of this sale to the PRC may not be just the avionics packages, but the technology within the packages and the possibility of integrating that technology with other systems. This sale should be viewed as a building block to substantial improvement in China's air force.

Another adverse effect of the sale would be upsetting of the balance of power in the Taiwan Strait. The Taiwanese fighters—aging F-5E's and F-104's which will soon be obsolete—are already outnumbered 16 to 1 by the PRC. The upgrading of the PRC's F-8 would transfer air superiority to the PRC.

Mr. President, for all of the abovementioned reasons, I am introducing a joint resolution prohibiting the proposed sale of integrated avionics systems kits to the People's Republic of China. I ask unanimous consent that the resolution be printed in the Record at the conclusion of my remarks.

There being no objection, the joint resolution was ordered to be printed in the Record, as follows:

S.J. Res. 331

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled, That the issuance of a letter of offer with respect to the proposed sale to the People's Republic of China of integrated avionics system kits (and related defense articles and defense services) described in the certification transmitted to the Speaker of the House of Representatives and the chairman of the Committee on Foreign Relations of the Senate pursuant to section 36(b) of the Arms Export Control Act on April 8, 1986 (Transmittal Numbered 86-27) is hereby prohibited.

ADDITIONAL COSPONSORS

S. 873

At the request of Mr. Chafee, the name of the Senator from Utah [Mr. Hatch] was added as a cosponsor of S. 873, a bill to amend title XIX of the Social Security Act to assist severely disabled individuals to attain or maintain their maximum potential for independence and capacity to participate in community and family life.

S. 1060

At the request of Mr. D'Amato, the name of the Senator from Iowa [Mr. Grassley] was added as a cosponsor of S. 1060, a bill to amend title II of the Social Security Act to protect the benefit levels of individuals becoming eligible for benefits in or after 1979 by eliminating the disparity—resulting from changes made in 1977 in the benefit computation formula—between those levels and the benefit levels of persons who became eligible for benefits before 1979.

S. 1372

At the request of Mr. Heinz, the name of the Senator from California [Mr. Wilson] was added as a cosponsor of S. 1372, a bill to amend the Internal Revenue Code of 1954 to provide incentives for the establishment of statewide insurance pools to provide health insurance to high-risk individuals.

S. 1494

At the request of Mr. Inouye, his name was withdrawn as cosponsor of S. 1494, a bill to amend title 23, United States Code, to limit outdoor advertising adjacent to Interstate and Federal-aid primary highways.

S. 1546

At the request of Mr. Heinz, the name of the Senator from North Dakota [Mr. Burdick] was added as a cosponsor of S. 1546, a bill to amend the Internal Revenue Code of 1954 to allow an individual a credit against income tax for certain expenditures for the purpose of reducing randon levels in the principal residence of the individual.

S. 1622

At the request of Mr. Melcher, the name of the Senator from Illinois [Mr. Simon] was added as a cosponsor of S. 1622, a bill to promote the development of Native American Culture and Art.

S. 1640

At the request of Mr. Grassley, the name of the Senator from Rhode Island [Mr. Pell] was added as a cosponsor of S. 1640, a bill to amend title XVIII of the Social Security Act to provide for coverage under the Medicare Program of services performed by a physician assistant.

S. 1655

At the request of Mr. Specter, the name of the Senator from Alabama [Mr. Denton] was added as a cosponsor of S. 1655, a bill to amend the Unfair Competition Act of 1916 and Clayton Act to provide for private enforcement of the Unfair Competition statute in the event of unfair foreign competition, and to amend title 28 of the United States Code to provide for private enforcement of the Customs fraud statute.

S. 2050

At the request of Mr. Metzenbaum, the names of the Senator from Kentucky [Mr. Ford] and the Senator from Ohio [Mr. Glenn] were added as cosponsors of S. 2050, a bill to notify workers who are at risk of occupational disease in order to establish a system for identifying and preventing illness and death of such workers, and for other purposes.

S. 2087

At the request of Mr. Proxmire, the name of the Senator from Minnesota [Mr. Durenberger] was added as a cosponsor of S. 2087, a bill to amend part B of title XIX of the Public Health Service Act to specify the method of determining State allotments.

S. 2168

At the request of Mr. Thurmond, the names of the Senator from Wyoming [Mr. Simpson] and the Senator from Oklahoma [Mr. Nickles] were added as cosponsors of S. 2168, a bill to amend title 38, United States Code, to improve veterans' benefits for former prisoners of war.

S. 2181

At the request of Mr. D'Amato, the name of the Senator from New Jersey [Mr. Lautenberg] was added as a cosponsor of S. 2181, a bill entitled the "Construction Industry Labor Law Amendments of 1986."

At the request of Mr. Levin, his name was added as a cosponsor of S. 2181, supra.

S. 2191

At the request of Mr. Roth, the name of the Senator from Maine [Mr. Mitchell] was added as a cosponsor of S. 2191, a bill to amend the Federal Aviation Act of 1958 so as to prohibit reprisals against certain officers, employees, or contractors of air carriers.

S. 2261

At the request of Mr. Humphrey, the name of the Senator from Texas [Mr. Gramm] was added as a cosponsor of S. 2261, a bill to amend the Service Contract Act of 1965 to reform the administration of such act, and for other purposes.

S. 2273

At the request of Mr. Kasten, the name of the Senator from Oklahoma [Mr. Boren] was added as a cosponsor of S. 2273, a bill to amend the Internal Revenue Code of 1954 to deny the tax exemption for interest on industrial development bonds used to finance acquisition of farm property by foreign persons.

S. 2274

At the request of Mr. Kasten, the name of the Senator from Oklahoma [Mr. Boren] was added as a cosponsor of S. 2274, a bill to provide that certain individuals who are not citizens of the United States and certain persons who are not individuals shall be ineligible to receive financial assistance under the price support and related programs administered by the Secretary of Agriculture.

S. 2280

At the request of Mr. Wilson, the names of the Senator from Nebraska [Mr. Zorinsky], the Senator from Alabama [Mr. Denton], the Senator from Montana [Mr. Baucus], the Senator from North Dakota [Mr. Andrews], and the Senator from Nevada [Mr. Hecht] were added as cosponsors of S. 2280, a bill to amend the Agricultural Act of 1949 to suspend the application of the milk production termination program in order to minimize the adverse affect of the program on beef, pork, and lamb producers.

S. 2288

At the request of Mr. Chiles, the name of the Senator from Oregon [Mr. Hatfield] was added as a cosponsor of S. 2288, a bill to amend title XIX of the Social Security Act to permit States the option of providing prenatal, delivery, and postpartum care to low-income pregnant women and of providing medical assistance to low-income infants under 1 year of age.

S. 2294

At the request of Mr. Weicker, the names of the Senator from Massachusetts [Mr. Kennedy], and the Senator from Maryland [Mr. Sarbanes] were added as cosponsors of S. 2294, a bill to reauthorize certain programs under the Education of the Handicapped Act, to authorize an early intervention program for handicapped infants, and for other purposes.

S. 2295

At the request of Mr. Goldwater, the name of the Senator from North Dakota [Mr. Andrews], was added as a cosponsor of S. 2295, an original bill to amend title 10, United States Code, to reorganize and strengthen certain elements of the Department of Defense, to improve the military advice provided the President, the National Security Council, and the Secretary of Defense, to enhance the effectiveness of military operation, to increase attention to the formulation of strategy and to contingency planning, to provide for the more efficient use of resources, to strengthen civilian authority in the Department of Defense, and for other purposes.

S. 2336

At the request of Mr. Denton, the names of the Senator from Oklahoma [Mr. Nickles], and the Senator from Nevada [Mr. Hecht] were added as cosponsors of S. 2335, a bill to protect U.S. citizens from terrorism.

S. 2348

At the request of Mr. Moynihan, the names of the Senator from Wyoming [Mr. Wallop], and the Seantor from Nebraska [Mr. Zorinsky] were added as cosponsors of S. 2348, a bill to authorize the procurement and installation of cryptographic equipment at satellite communications facilities within the United States, and for other purposes.

SENATE JOINT RESOLUTION 134

At the request of Mr. Biden, the names of the Senator from West Virginia [Mr. Byrd], and the Senator from Georgia [Mr. Nunn] were added as cosponsors of Senate Joint Resolution 134, a joint resolution to designate "National Safety in the Workplace Week."

SENATE JOINT RESOLUTION 274

At the request of Mr. Grassley, the names of the Senator from Georgia [Mr. Nunn], the Senator from Idaho [Mr. McClure], and the Senator from New Hampshire [Mr. Humphrey] were added as cosponsors of Senate Joint Resolution 274, a joint resolution to designate the weekend of August 1, 1986, through August 3, 1986, as "National Family Reunion Weekend."

SENATE JOINT RESOLUTION 316

At the request of Mr. Cranston, the names of the Senator from Missouri [Mr. Eagleton], and the Senator from South Dakota [Mr. Abdnor] were added as cosponsors of Senate Joint Resolution 316, a joint resolution prohibiting the sale to Saudi Arabia of certain defense articles and related defense services.

SENATE JOINT RESOLUTION 318

At the request of Mr. Abdnor, the names of Senator from Hawaii [Mr. Matsunaga], the Senator from Mississippi [Mr. Cochran], and the Senator from Indiana [Mr. Lugar] were added as cosponsors of Senate Joint Resolution 318, a joint resolution designating November 1986 as "National Diabetes Month."

SENATE JOINT RESOLUTION 323

At the request of Mr. D'Amato, the names of the Senator from New Jersey [Mr. Bradley], the Senator from Maine [Mr. Mitchell], the Senator from Maryland [Mr. Sarbanes], the Senator from Maine [Mr. Cohen], and the Senator from New Hampshire [Mr. Rudman] were added as cosponsors of Senate Joint Resolution 323, a joint resolution to designate May 21, 1986, as "National Andrei Sakharov Day."

SENATE CONCURRENT RESOLUTION 126

At the request of Mr. Heinz, the names of the Senator from Oregon [Mr. Hatfield], the Senator from Maine [Mr. Mitchell], the Senator from Nevada [Mr. Hecht], the Senator from Arizona [Mr. Goldwater], the Senator from Hawaii [Mr. Inouye], and the Senator from Michigan [Mr. Riegle] were added as cosponsors of Senate Concurrent Resolution 125, a concurrent resolution recognizing the achievements of the Ireland Fund and its founder, Dr. Anthony J.F. O'Reilly.

SENATE RESOLUTION 208

At the request of Mr. Durenberger, the name of the Senator from Illinois [Mr. Dixon] was added as a cosponsor of Senate Resolution 208, a resolution to urge Federal agencies with flood control responsibilities to plan for and execute efficient and effective cooperation and technical assistance to State and local governments to mitigate the consequences of the high water levels on the Great Lakes.

SENATE RESOLUTION 303

At the request of Mr. Heinz, the name of the Senator from Nevada [Mr. Hecht] was added as a cosponsor of Senate Resolution 303, a resolution to express the sense of the Senate with respect to proposals currently before the Congress to tax certain employer-paid benefits and other life-support benefits.

AMENDMENT NO. 1800

At the request of Mr. Moynihan, the names of the Senator from Minnesota [Mr. Durenberger] and the Senator from Iowa [Mr. Harkin] were added as cosponsors of amendment No. 1800 proposed to Senate Concurrent Resolution 120, an original concurrent resolution setting forth the congressional budget for the U.S. Government for the fiscal years 1987, 1988, and 1989.

SENATE RESOLUTION 388—RELATING TO THE PROVISION OF UPDATED BASELINE AND CURRENT SERVICE ESTIMATES FOR FISCAL YEARS 1987 THROUGH 1991

Mr. ROTH (for himself and Mr. Dole) submitted the following resolution; which was referred jointly pursuant to the order of August 4, 1977, to the Committee on the Budget and the Committee on International Affairs:

S. Res. 388

Whereas the rate of interest in the CPI has fallen, suggesting the likelihood of cost of living and other outlay savings;

Whereas economic conditions have significantly changed since the current services and baseline budget estimates were prepared;

Whereas long-term interest rates are now approximately 1.5 percentage points lower than forecast by CBO, implying substantial net interest savings;

Whereas oil prices are approximately $10 per barrel below the level forecast by CBO, directly and indirectly lowering outlays and raising economic growth;

Whereas Congress has enacted the reconciliation and other legislation which further reduces the fiscal 1987 deficit;

Whereas under the Gramm-Rudman-Hollings statute, the Congress requires the most accurate data available pursuant to enactment of a budget that avoids a sequester order: Now, therefore be it

Resolved, That—

(1) the Director of the Congressional Budget Office, in conjunction with the Director of the Office of Management and Budget, shall report to the Congress as soon as possible but no later than May 16th, his revised estimates of total revenues, budget authority, outlays and the deficit for fiscal years 1987-1991; and

(2) that, the report shall contain any additional views or analyses as either director deems necessary.

Mr. ROTH. Mr. President, it's been said that ignorance never settles a question. Plato insisted that before one begins a debate, one best define his terms and check his facts.

I realize these axioms are old, and perhaps a bit banal, but I believe they're most appropriate to keep in mind as we embark on establishing the budget resolution and set the course for our Nation's economic policy over the next 3 years.

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Presently, we are preparing to move ahead and base our entire fiscal policy on what many economists believe are outdated assumptions. And I'm concerned about the consequences, I'm concerned that this Congress—and even the White House—cannot get together on the Congressional Budget Office's baseline and current service estimates for fiscal 1987 through 1991.

I believe everyone in Congress would agree that since the Congressional Budget Office made its fiscal projections in February, America's economic condition has dramatically changed. Fortunately, these changes have been beneficial, not only to our constituents, but to the financial foundation of our Government.

As we meet today, oil prices are down 50 percent since the Congressional Budget Office produced its budget baseline only 3 months ago. Interest rates are down 1½ percentage points for long-term Treasury debt, and the projection for our gross national product in the first quarter of this year shows an increase of 3.2 percent without any increase in inflation.

Unfortunately, as we are dashing to meet the demands of Gramm-Rudman-Hollings, we appear unwilling to consider the full impact of these new facts. And while we still cannot be certain that this economic turnaround will have a significant impact on our meeting the $154 billion Gramm-Rudman target, we are quickly dismissing it before we understand how it affects the bottom line.

And frankly, while I commend my colleagues who have designed respective proposals to help us meet the target, I am concerned by murmurings of a 3-year tax increase, especially when we do not have all the facts—when we do not even know if it is necessary.

And the subject of tax increase brings us another important point. Meeting Gramm-Rudman is not the only factor involved in the budgetary equation. Today we are witnessing one of the greatest economic comebacks since the post-Depression years. Wall Street, this past week, racked up over 60 points, and the analysts are calling the market and the economy Congress-proof. The word is that Washington can do nothing to stifle the present growth, to dramatically increase either inflation or the interest rates—that is we can do nothing except raise taxes. This alone will kill our progress.

Fortunately, Mr. President, the people of America are not crying out for a tax increase. Therefore, it would appear that our duty is easy: Stay the course and do exactly what President Reagan has suggested—allow the improving economy, along with well-directed cuts in Government spending, to take care of the deficit. To do otherwise would be foolish, especially if the deficit is lower than we think.

And frankly, I am encouraged by the overwhelming possibilities once we know where we are. I believe the deficit can eventually be beat without an enormous tax increase—especially if we do what is necessary to promote the present recovery into the future.

But decisions must be made quickly. And we need correct information. Therefore, today I am submitting, together with Senator Dole, a resolution that calls upon the Congressional Budget Office in conjunction with the Office of Management and Budget to issue revised estimates on the current status of our deficit, unless our decisions are to be made out of ignorance. And frankly, there is nothing more terrible than to see ignorance in action.

SENATE RESOLUTION 389—AUTHORIZING TESTIMONY BY A SENATE EMPLOYEE

Mr. SIMPSON (for Mr. Dole, for himself and Mr. Byrd) submitted the following resolution; which was considered and agreed to:

S. Res. 389

Whereas, in the case of *United States* v. *Robert Christopher Ingraham*, Criminal No. 85-00051-B, pending in the United States District Court for the District of Maine, the United States Attorney has obtained a subpoena for the testimony of M. Gayle Cory, an employee in Senator Mitchell's Washington office;

Whereas, by the privileges of the Senate of the United States and Rule XI of the Standing Rules of the Senate, no evidence under the control or in the possession of the Senate can, by the judicial process, be taken from such control or possession but by permission of the Senate;

Whereas, when it appears that the testimony of an employee of the Senate is needful for use in any court for the promotion of justice, the Senate will take such action thereon as will promote the ends of justice consistent with the privileges and rights of the Senate: Now, therefore, be it

Resolved, That M. Gayle Cory is authorized to appear and to testify in the case of *United States* v. *Robert Christoper Ingraham*, except concerning matters which may be privileged.

AMENDMENTS SUBMITTED

FIRST CONCURRENT RESOLUTION ON THE BUDGET

METZENBAUM (AND OTHERS) AMENDMENT NO. 1801

Mr. METZENBAUM (for himself) Mr. Sarbanes, and Mr. Bumpers, proposed an amendment to the concurrent resolution (S. Con. Res. 120) setting forth the congressional budget for the U.S. Government for the fiscal years 1987, 1988, and 1989; as follows:

On page 2, increase the amount on line 3 by $145,000,000.

On page 2, increase the amount on line 4 by $42,000,000.

On page 2, increase the amount on line 5 by $10,000,000.

On page 2, increase the amount on line 8 by $145,000,000.

On page 2, increase the amount on line 9 by $42,000,000.

On page 2, increase the amount on line 10 by $10,000,000.

On page 2, increase the amount on line 19 by $200,000,000.

On page 2, increase the amount on line 24 by $145,000,000.

On page 2, increase the amount on line 25 by $42,000,000.

On page 3, increase the amount on line 1 by $10,000,000.

On page 5, increase the amount on line 5 by $145,000,000.

On page 5, increase the amount on line 6 by $42,000,000.

On page 5, increase the amount on line 7 by $109,000,000.

On page 5, increase the amount on line 10 by $200,000,000.

On page 5, increase the amount on line 15 by $145,000,000.

On page 5, increase the amount on line 16 by $42,000,000.

On page 5, increase the amount on line 17 by $10,000,000.

On page 17, increase the amount on line 16 by $125,000,000.

On page 17, increase the amount on line 17 by $76,000,000.

On page 17, increase the amount on line 25 by $35,000,000.

On page 18, increase the amount on line 8 by $10,000,000.

On page 19, increase the amount on line 18 by $75,000,000.

On page 19, increase the amount on line 19 by $69,000,000.

On page 20, increase the amount on line 4 by $7,000,000.

On page 33, increase the amount on line 13 by $145,000,000.

On page 33, increase the first amount on line 14 by $42,000,000.

On page 33, increase the second amount on line 14 by $10,000,000.

On page 44, increase the amount on line 6 by $145,000,000.

On page 44, increase the first amount on line 7 by $42,000,000.

On page 44, increase the second amount on line 7 by $10,000,000.

BUMPERS AMENDMENT NO. 1802

Mr. BUMPERS (for himself and Mr. Exon) proposed an amendment to the concurrent resolution (S. Con. Res. 120), supra; as follows:

On page 7, decrease the amount on line 12 by $25,000,000.

On page 7, decrease the amount on line 13 by $17,000,000.

On page 7, decrease the amount on line 22 by $4,000,000.

On page 8, decrease the amount on line 7 by $3,000,000.

On page 17, decrease the amount on line 16 by $25,000,000.

On page 17, decrease the amount on line 17 by $17,000,000.

On page 17, decrease the amount on line 25 by $4,000,000.

On page 18, decrease the amount on line 8 by $3,000,000.

DeCONCINI (AND OTHERS) AMENDMENT NO. 1803

Mr. DeCONCINI (for himself, Mr. Abdnor, Mr. Zorinsky, Mr. Bentsen, Mr. Wilson, and Mr. Melcher) proposed an amendment to the concurrent resolution (S. Con. Res. 120), supra; as follows:

On page 2, decrease the amount on line 19 by $63,000,000.

On page 5, decrease the amount on line 10 by $63,000,000.

On page 7, decrease the amount on line 12 by $163,000,000.

On page 7, decrease the amount on line 13 by $84,000,000.

On page 23, increase the amount on line 2 by $200,000,000.

On page 23, increase the amount on line 3 by $168,000,000.

On page 24, decrease the amount on line 2 by $100,000,000.

On page 24, decrease the amount on line 3 by $84,000,000.

GOVERNANCE OF CERTAIN INSULAR AREAS OF THE UNITED STATES

WEICKER AMENDMENT NO. 1804

Mr. SIMPSON (for Mr. Weicker) proposed an amendment to the bill (H.R. 2478) to amend the Revised Organic Act of the Virgin Islands, the amend the Convenant to Establish a Commonwealth of the Northern Mariana Islands, to amend the Organic Act of Guam, to provide for the governance of the insular areas of the United States, and for other purposes; as follows:

Strike the text of section 2 and add the following new text:

"Sec. 2. A total of up to $4,000,000 of funds currently reserved for use by the economic development loan fund, as established under subsection (c) of section 702 of the Convenant to Establish a Commonwealth of the Northern Mariana Islands in Political Union with the United States of America, approved by Public Law 94-241, may be expended for capital improvement projects, provided that such funds become available for use by the economic development loan fund and such funds are not obligated for economic development loans".

Strike the text of section 4 and add the following new text:

"Sec. 4. Effective October 1, 1986, there are authorized to be appropriated $1,500,000 for grants to the College of the Virgin Islands for projects related to the Eastern Caribbean Center, to remain available until expended.".

In section 8 delete "669g-l" and insert "669h" in lieu thereof, and at the end of the bill add the following new sections:

"Sec. 9. (a) Section 506 of the Education Amendments of 1972, Public Law 92-318 (86 Stat. 235) is amended by inserting, 'the Northern Marianas College', after 'the College of Micronesia' in subsection (a).

"(b) Section 5 of the Act of August 30, 1980, c. 841, 26 Stat. 417 (the Second Morill Act), as added by section 506(c) of Public Law 92-318 (86 Stat. 235) is amended by striking out 'and Micronesia, and Guam' and inserting in lieu thereof 'Guam, the Northern Mariana Islands, and the Trust Territory of the Pacific Islands (other than the Northern Mariana Islands)'.

"(c) Subsection (c) of section 1361 of Public Law 96-374 (94 Stat. 1367) is amended by striking out 'American Samoa and in Micronesia' and inserting in lieu thereof 'American Samoa, the Northern Mariana Islands, and the Trust Territory of the Pacific Islands (other than the Northern Mariana Islands)'.

"(d) Section 22 of the Act of June 29, 1935, c. 388, 49 Stat. 439, as amended (7 U.S.C. 329) is further amended—

"(1) by striking out 'and Guam' wherever it appears and inserting in lieu thereof 'Guam, and the Northern Mariana Islands';

"(2) by striking out '$8,100,000' and inserting in lieu thereof '$8,250,000'; and

"(3) by striking out '$4,360,000' and inserting in lieu thereof '$4,380,000'.

"(e) The first sentence of section 3(b)(2) of the Act of May 8, 1914, c.79, 38 Stat. 372, as amended (7 U.S.C. 343), is further amended by striking out 'and Guam' and inserting in lieu thereof 'Guam, and the Northern Mariana Islands'.

(f) Section 10 of the Act of May 8, 1914, C.79, 38 Stat. 372, as added by section 1(i) of Public Law 87-749 (76 Stat. 745) and as amended (7 U.S.C. 349), is further amended to read as follows: 'The term 'State' means the States of the Union, Puerto Rico, the Virgin Islands, Guam and the Northern Mariana Islands.'.

"SEC. 10. The Convenant to Establish a Commonwealth of the Northern Mariana Islands in Political Union with the United States of America approved by Public Law 94-241 (90 Stat. 263) is amended

"(1) in section 703, subsection (a), after the words 'section 702' add the words 'and section 705';

"(2) in section 704, subsection (a), after the words 'section 702' add the words 'and section 705';

"(3) in section 704, delete subsection (c), and redesignate subsection (d) as subsection (c);

"(4) after section 704 add a new section 705, as follows:

"Sec. 705. Enactment of this section by the United States Congress and approval by the President shall constitute a commitment and pledge of the full faith and credit of the United States for the payment of $228,000,000 at guaranteed annual amounts of direct grant assistance for the Government of the Northern Mariana Islands for an additional period of seven fiscal years after the expiration of the initial seven-year period specified in section 702, which assistance shall be provided according to the agreement of the special representatives on future United States financial assistance for the Government of the Northern Mariana Islands, executed July 10, 1985, between the special representative of the President of the United States and the special representative of the Governor of the Northern Mariana Islands. The islands of Rota and Tinian shall each receive no less than a ⅕ share and the island of Saipan shall receive no less than ⅗ share of annualized capital improvement project funds which shall be no less than 80 percent of the capital development funds identified in the schedule of payments in paragraph 2 of part II of the agreement of the Special representatives."; and

"(5) in section 1003, subsection (b), delete 'Article VII, Sections' and insert in lieu thereof '701-704,'; redesignate subsection (c) as subsection (d); and add a new subsection (c) as follows:

"(c) Section 705 will become effective as of October 1, 1985.".

"Sec. 11. Public Law 96-193 is amended by adding the following new section at the end of title III:

"Sec. 306. (a) The Secretary shall provide an exemption from applicable noise standards to permit the operation of any noncomplying aircraft if the operator is flying such aircraft between Honolulu or other nations and points in the United States Pacific territories or the Trust Territory of the Pacific Islands (or successor political entities). No such noncomplying aircraft shall be allowed to operate at any other United States airports.

"(b) Nighttime noise restrictions for aircraft operating pursuant to subsection (a) of this section shall be inapplicable in Honolulu, the United States Pacific territories and the Trust Territory of the Pacific Islands (or successor political entities), provided that the State of Hawaii institutes nighttime noise restrictions for Honolulu International Airport, with equal application to all operators, that are no more restrictive than the existing restrictions.".

"Sec. 12. (a) In awarding assistant grants, consolidated under the provisions of title V of the Act entitled 'An act to authorize certain appropriations for the territories of the United States, to amend certain acts related thereto, and for other purposes'. (91 Stat. 1159, as amended), to the Trust Territory of the Pacific Islands, American Samoa, Guam, the Northern Mariana Islands or the Virgin Islands, the Administrator of the Environmental Protection Agency may, in his discretion, adjust or otherwise modify maintenance or level of effort requirements.

"(b) In awarding grants to the Trust Territory of the Pacific Islands, American Samoa, Guam, the Northern Mariana Islands and the Virgin Islands under section 201(g)(1) of the Clean Water Act (33 U.S.C. 1251 et seq.), the Administrator of the Environmental Protection Agency may waive limitations regarding grant eligibility for sewerage facilities and related appurtenances, insofar as such limitations relate to collector sewers, based upon a determination that applying such limitations could hinder the alleviation of threats to public health and water quality. In making such a determination, the Administrator shall take into consideration the public health and water quality benefits to be derived and the availability of alternate funding sources. The Administrator shall not award grants under this section for the operation and maintenance of sewerage facilities, for construction of facilities which are not an essential component of the sewerage facilities, or any other activities or facilities which are not concerned with the management of wastewater to alleviate threats to public health and water quality.

"Sec. 13. Section 29 of the Organic Act of Guam (64 Stat. 392) is amended by adding the following new subsection (c):

"(c) the Government of Guam may establish an Office of Public Prosecutor and an Office of Public Auditor.".

"Sec. 14. Section 101(a)(15)(D) of the Immigration and Nationality Act (8 U.S.C. 1101(a)(15)(D)) is amended by inserting '(i)' after '(D)' and by adding at the end the following new clause:

"(ii) an alien crewman serving in good faith as such in any capacity required for normal operations and service aboard a fishing vessel having its home port or an operating base in the United States who intends to land temporarily in Guam and solely in pur-

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suit of his calling as a crewman and depart from Guam with the vessel on which he arrived. For the purposes of this clause, an alien crewman shall be considered to have departed from Guam after leaving the territorial waters of Guam, without regard to whether the alien arrives in a foreign state before returning to Guam;".

"SEC. 15. Subsection 212(1) of the Immigration and Nationality Act (8 U.S.C. 1182) is amended as follows:

"(1)(1) The requirement of paragraph (26)(B) of subsection (a) of this section may be waived by the Attorney General, the Secretary of State, and the Secretary of the Interior, acting jointly, in the case of an alien applying for admission as a nonimmigrant visitor for business or pleasure and solely for entry into and stay on Guam for a period not to exceed fifteen days, if the Attorney General, the Secretary of State, and the Secretary of the Interior, after consultation with the Governor of Guam jointly determined that—

"(A) an adequate arrival and departure control system has been developed on Guam, and that

"(B) such a waiver does not represent a threat to the welfare, safety, or security of the United States, taking into account the conditions prevailing on, and the location of, Guam.

"(2) An alien may not be provided a waiver under this subsection unless the alien has waived any right—

"(A) to review or appeal under this Act of an immigration officer's determination as to the admissibility of the alien at the port of entry into Guam, or

"(B) to contest, other than on the basis of an application for asylum, any action for deportation against the alien.

"(3) Any personnel employed by the Immigration and Naturalization Service in order to implement the provisions of this subsection shall not be counted for the purposes of personnel ceilings or other limitations on the number of employees in either the Immigration and Naturalization Service or the Department of Justice.

"(4) Assignments of employees of the territory of Guam to the Immigration and Naturalization Service under section 3374 of title 5, United States Code, shall not be subject to the time limitation provided for in section 3372(a) of title 5, United States Code.

"(5) The Attorney General is authorized to accept from the Territory of Guam reimbursement for the increased cost of administering the Immigration and Nationality Act resulting from this subsection.

"(6) The Attorney General, after consultation with the Secretary of State, the Secretary of the Interior, and the Governor of Guam, shall issue regulations governing the admission of nonimmigrant aliens pursuant to the visa waiver authorized by this subsection.".

AUTHORITY FOR COMMITTEES TO MEET

SUBCOMMITTEE ON STRATEGIC AND THEATER NUCLEAR FORCES

Mr. DOMENICI. Mr. President, I ask unanimous consent that the Strategic Subcommittee of the Committee on Armed Services be authorized to meet during the session of the Senate on Thursday, April 24, in open and closed session, to consider antitactical ballistic missiles system development activities.

The PRESIDING OFFICER. Without objection, it is so ordered.

SUBCOMMITTEE ON NATURAL RESOURCES DEVELOPMENT AND PRODUCTION

Mr. DOMENICI. Mr. President, I ask unanimous consent that the Subcommittee on Natural Resources Development and Production of the Committee on Energy and Natural Resources be authorized to meet during the session of the Senate on Thursday, April 24, to hold a hearing to consider S. 1322, to amend the Geothermal Steam Act of 1970.

The PRESIDING OFFICER. Without objection, it is so ordered.

SUBCOMMITTEE ON RURAL DEVELOPMENT OVERSIGHT, AND INVESTIGATIONS

Mr. SIMPSON. Mr. President, I ask unanimous consent that the Subcommittee on Rural Development Oversight, and Investigations, of the Committee on Agriculture, be authorized to meet during the session of the Senate on Thursday, April 24, 1986, in order to conduct a hearing on S. 1121, a bill to encourage foreign agricultural trade.

The PRESIDING OFFICER. Without objection, it is so ordered.

ADDITIONAL STATEMENTS

REORGANIZATION OF THE DEPARTMENT OF DEFENSE

● Mr. GOLDWATER. Mr. President, within a relatively short time, the Senate will be taking up the matter of reorganization of the Department of Defense, which the Armed Services Committee has been studying and working on for over 3 years.

Many comments about this reorganization and the need for it have come from military people of all ranks. I treasure and look forward to the observations, whether they be critical or supportive, of these men in uniform.

Gen. William C. Westmoreland, who commanded our forces in Vietnam has written a very thoughtful article on the need for changes in the Joint Chiefs of Staff. Although I may not agree with all of General Westmoreland's recommendations, I do think that he has made a valuable contribution to the debate on defense reorganization.

So many people seem to be afraid that any changes in the Joint Chiefs would result in the so-called Prussian Military System. This is absolutely untrue. The Prussian System would never work in America. If Germany, which worked under the Prussian System in World Wars I and II, had any competence or intelligence at the leadership level, those Wars could have well been another story.

As General Westmoreland points out, planning is really the secret of success in battle. The Joint Chiefs should have a better opportunity and the greatest spectrum of experience available to provide the finest planning possible.

Mr. President, I ask that this article be inserted in the RECORD.

The article follows:

OVERHAULING THE JOINT CHIEFS OF STAFF

(By Gen. William C. Westmoreland)

There has been considerable interest recently in proposals for the restructuring of the U.S. military decision-making apparatus and the organization of the Joint Chiefs of Staff in particular. Sens. Barry Goldwater (R-Ariz.) and Sam Nunn (D-Ga.) have supported some specific proposals for such modifications. While change may be necessary, it needs to be approached with due regard and understanding of the complex factors involved in decision-making at the national security level.

In examining the modus operandi for decision-making on national defense matters, it is helpful to outline the responsibilities of the organization as it now stands, detail the problems that would invite a change and then make suggestions for change.

The essential functions involving military readiness are planning, force development and operations/execution. These three apparently simple functions become complex because so many organizations have an input in the military decision of the nation: the military of the Pentagon, civilians in the Department of Defense, the White House, the State Department, the Central Intelligence Agency and congress. While the checks and balances created by this multiple input are essential in an open society and to a democracy, care must be taken that the checks and balances do not bind the system to the point that it cannot effectively function. There have been times when that situation seemed imminent.

In my years working in the Department of Defense. I have never seen a decision made in anything but good faith. It is the mechanisms themselves that can breed less than optimum results. One of the areas in which change could bring improvement is the structure of the congressional committees.

REFORM ON THE HILL

Among the mechanisms that are addressed by the proposals of Sens. Goldwater and Nunn suggesting a retooling of the Joint Chiefs of Staff is the role of the congressional committees. At present, two committees—the Armed Services Committee and the Appropriations Committee—exist in each house of congress. Numbers of defense officials and their staffs spend an inordinate amount of time preparing documents and testifying before these four committees. The function of these committees is important, but it is well within reason to streamline the process.

Based on my experience, the problems connected with the congressional committees are these: 1) the committees are not well coordinated among themselves, 2) the committees are too large, 3) they tend to deal too much in politics, 4) a number of members do not do their homework and therefore are not well informed and 5) some members often cannot "see the forest for the trees"—sometimes they seem to concentrate on political nitpicking rather than heeding the reasons for the committees' existence.

To help eliminate the sluggishness of these committees, they should be trimmed down to size, with a membership that is more carefully selected. All members of these committees should take the time to become experts on defense (although many already are) rather than having to depend on the recommendations of their relatively junior staffs whose knowledge based on research is no substitute for mature experience.

To alleviate the redundancies of time-consuming committee hearings, joint committees or joint committee hearings can be very useful, with the Armed Services and Defense Appropriations committees meeting together on occasion. The people who deal with acquisition approval and those who approve the money for the systems could question the same witnesses at the same time, avoiding the necessity of witnesses repeating the same information to separate groups. In addition, joint Senate-House committee sessions might save time and effort. The chairmanship of each of these committees is a powerful position in both the House and Senate, and this proposal would not diminish those positions, but it could encourage a more timely accommodation in views between the two.

PLANNING, AN ESSENTIAL FUNCTION

There is a great need to devleop an integrated plan addressing and spelling out a feasible strategy compatible with government objectives. Developing objectives and potential military actions is an ongoing task that should be the focus of the Joint Chiefs of Staff. This work has been frustrated because of a far too weak interface among the multiple agencies of government involved, particularly since frequently that interface is confrontational rather than cooperative.

To develop military forces that are consistent with the national objectives is also the responsibility of the JCS. The Joint Staff must develop the requirement for operational forces based on joint operational planning, more specifically, the number of ground divisions, air wings and naval battle groups required by the operational commands. Then the staff must perform the most difficult task of tailoring the force to conform to budgetary constraints and make an assessment of attendant risks.

The armed services must continue to organize, train and equip the basic fighting elements of the force. This is essential since the tactical elements are designed in careful consideration of combat doctrine, the development of which can only be a function of the individual armed forces, of course, in coordination with the other services as appropriate. Worthy fighting "teams" involve the integration of material tactics, technology and highly trained tactical commanders and men. It requires close and continous interaction between the armed services and defense industry. It requires schools, training grounds and experienced and demanding supervisors. Only the individual armed services can accomplish this function, and in such capacity they must be permitted to deal with congress.

As acquisition and the procurement of materiel and supplies takes place, parochial interests can become a frustrating factor. In the congressional context, procurement involves a relationship between private business and congress. Business interests represent a constituency of individual congressional members, and their success has an impact on the economic life of a member's district.

The military is responsible for making sure that procurement is compatible with force development. This complex function needs greater attention. Under the present system, there is a vagueness as to who is responsible for what functions and why.

The service secretaries are the primary officials to support the details of service procurement before congress and must deal directly with the congressional committees.

OPERATIONS AND EXECUTION

Once plans are in place and force development designed to support those objectives is on track, attention turns to preparation for execution of those "blueprints." Under the JCS are the unified commanders. In each geographical region, these work with "service component commanders." It is important that the authority of the unified commanders be increased.

For administrative and logistical purposes, the service component commanders must be able to "ride herd" on their functions. But the unified commander must have the ability to override their decisions. On a practical level, this already exists. The unified commander is not only the responsible leader but has the support of the Joint Chiefs of Staff. However, there will always be ambiguities from time to time in territorial responsibilities and conflicts in service doctrine. The Joint Staff must be alert to these and have them settled promptly by the chairman or the secretary of defense. There were unnecessary delays in deciding such matters in Vietnam. In Vietnam, there was a joint command under a unified commander. Such an arrangement will be required in future situations.

THE JCS

The organization of the Joint Chiefs of Staff is the mechanism to implement the three functional areas of planning, force development and operations/execution. It would be a terrible mistake to break up the Joint Chiefs of Staff and put authority for these decisions into a committee of officers who do not have firsthand information and do not bear the responsibility for their respective services. Nothing is quite as sobering, nothing creates such objectivity, as responsibility and knowledge. A remoteness between the facts and a perception of the facts can be dangerous.

The chairman deserves greater authority and operational responsibility. He should have the authority to override the views of a service chief of staff with the proviso that when he takes his recommendations to the secretary of defense, or the president, the dissenting service chief would not only be allowed, but required, to accompany the chairman and present his opposing views. Thus, both authorities will then have the benefit of the minority view.

Rather than having a deputy chairman, the chairman should have, in effect, his own chief of staff—a three-or four-star officer. I agree with the policy of recent chairman Gen. John W. Vessey that the most practical and healthy arrangement is for each service chief to rotate into the position of acting vice chairman for a four-month period each year, rather than have a full-time vice chairman. This rotation would keep the service chiefs more abreast of joint events, as well as provide for a sudden loss of the chairman. In an emergency, a full-time vice chairman would probably be needed and could be appointed.

COMMAND AUTHORITY

Once a decision has been made in accordance with the Constitution and by the congress to go to war, the command structure should be streamlined.

The chairman of the Joint Chiefs of Staff should have command authority to execute approved plans through the unified commanders. During time of war, the conduct of the war should be in the hands of the Joint Chiefs of Staff, operating on behalf of the commander in chief, the president.

The secretary of defense should be cut out of the tactical operational chain in time of war, as was done in World War II. The secretary should concentrate on procurement, logistics and administrative functions, while the president and an appointed military chief of staff to the president (as Adm. Leahy in World War II) should deal with the JCS chairman, who would be responsible for the execution of plans. The National Security Council would, of course, continue on as advisers to the president.

During the war in Vietnam, the president had to contend with multiple advisory voices. One problem then was that the Joint Staff did not have the influence that it deserved, primarily because it did not have visibility and recognized competence. This problem needs to be addressed and resolved.

THE JOINT STAFF

The time has arrived to have a highly professional, recognized and dedicated Joint Staff. the Joint Staff would consist of about 500 officers who volunteer for such an assignment after 15 years of active service. These officers would have graduated from a senior military service school and be recommended by the college commandant as officers especially qualified and fit for this type of service. They would have already made their mark in their respective services and be considered of exceptional ability. The policy of limiting the tour of an officer serving on the Joint Staff reduces the professionalism and expertise of that important body. The flashback to the German Imperial General Staff as a reason for opposing a stronger and more efficient Joint Staff in the context of the U.S. Constitution is illogical.

The Joint Staff would contain appropriate specialists in appropriate areas and functions. Systems analysts and historians would be included; such specialists can alert planners to pitfalls and imbue decisions with a sense of reality. A highly professional Joint Staff will be sensitive to probable enemy reactions. All factors must be analyzed and presented to civilian authority. Civilian officials, despite their education and brilliance, cannot be expected at the staff level to grapple with the unique problems associated with the commitment of U.S. forces. A highly select, dedicated, competent, professional Joint Staff can and must. An image of competence, thoroughness born of performance, is important for the Joint Staff and would be in the national interest. That image does not now exist.

Officers selected to serve on the Joint Staff would in most cases be stationed with their families in the Washington, D.C., area. This becomes an attractive emolument since most would have children in their teens—when frequent movement of the family tends to become a hardship. The officer would not be denied advancement since all general-officer positions on the Joint Staff—and there would be a number—would be promoted from within the Joint Staff.

The impetus for service on this staff for the remainder of one's military career should come from a combination of motivation and expertise. These officers would be

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paid through their respective services but professionally divorced from them. They would don another uniform—civilian clothes. This group would be the staff for the chairman and the military staff for the Defense Department and the president. A number could be authorized on a tour basis for service with a unified commander either in the United States or at overseas posts and as faculty members at the senior service schools of the armed forces.

Officers of the Joint Staff dealing with operational planning would be constantly making trips to troop units and ships to keep abreast of operational capabilities. Building on the experience of their years in the service, these officers will stay current on what is going on at the troop and ship level.

To perform effectively, the chief of each armed service would, of course, retain his own staff commensurate with his function and in consideration of the expanded role of the Joint Staff. Through the chief of the service and by bilateral contact between his staff and members of the Joint Staff, cross-fertilization by the sharing of knowledge and experience would be accomplished. Liaison officers would be exchanged from time to time to facilitate integrated planning and coordination of operations.

To help resolve the problem of insufficient interface between the military and the other segments of the bureaucracy, I would like to see the Joint Staff encourage and institutionalize integrated strategy planning. A team from the State Department, the CIA and other appropriate agencies in residence with strategic planners of the Joint Staff would help realize that goal. This liaison would keep appropriate parties informed during all phases of the development of plans and foster a strategy on an integrated basis in contrast to a unilateral or confrontational development, which frequently occurs.

The lack of an integrated development of strategic plans has been a serious weakness. A strong, professional Joint Staff, with recognized and appreciated expertise, can do a great deal in improving the quality and timeliness of plans and hence should expedite sound decisions at the senior level of government. This would also help eliminate the need for many of the ad hoc task forces that are floating around now. Many of them are formed on the basis of expediency rather than expertise. Often they are created to buy time or for political purposes.

This is not to say that there is no place for additional committees. The JCS has more flexibility than many people realize. If they wanted to, the Joint Chiefs could set up a temporary or permanent advisory board consisting of retired senior officers or even perhaps highly respected senior officers on active duty. This board could be focused on a particular course of action or any measure or project the JCS has in mind.

Strangely, the proposal now before congress will not improve the professionalism of the Joint Staff. It may actually reduce it by institutionalizing the turnover of personnel and by not providing incentives to develop important expertise.

There is initiative in the congress for change. The time is ripe to develop a stronger Joint Staff mechanism that is effective and sustainable. The three necessary steps to a better and more efficient national security are a strategy compatible with the objective of the nation; development of the forces within budgetary constraints to support the strategy, and detailed plans to execute the necessary operational measures. A group of professionally oriented, specially selected officers, part of an organization dedicated to U.S. national security, would be the best method of developing such a sound and viable program. These officers cannot do it alone. They must have guidance as to the objectives of their country. They must have the cooperation of the State Department and the benefit of intelligence developed by the Central Intelligence Agency and the Defense Intelligence Agency. They need the civilian secretaries to deal with procurement of materiel and manpower and to provide a strong interface with congress. But at the heart of the modus operandi is a professional Joint Staff.●

U.S. TRADE DEFICIT

● **Mr. ABDNOR.** Mr. President, on September 24 of last year I read in an article in the business section of the Washington Post, and I quote, "that a realistic figure on the impact of unfair Japanese trade practices on the United States trade deficit is in the $6 to $8 billion range, and that much of this is offset by United States restrictions on steel, textiles, food and other imports." The article contends that last year's $50 billion United States merchandise trade deficit with Japan was caused by the overvalued dollar, and not by Japanese trade barriers to American products. Frankly, I am not all that convinced by this argument. In 1983, the United States merchandise trade deficit with Japan was just over $20 billion. In 1985, only 2 years later, that figure soared to over $50 billion. It strains the imagination just a little bit to think that an increase of 150 percent can be attributed solely to fluctuations in currencies.

American trade policy, since the passage of the Reciprocal Trade Act in 1935, has been founded on the philosophy that free trade is the best promoter of growth both in the United States and within the world economy. Mr. President, I have always been a staunch believer in free trade, and I have not forgotten how the Smoot-Hawley Tariff Act of 1930 helped in aiding and abetting the coming of the Great Depression. However, free trade can only mean one thing: reciprocity. In my State alone, South Dakota, I have seen how unfair trade practices by the EEC have crippled our wheat exports. As with our merchandise trade deficit to Japan, economists tell me it's because the dollar has been overvalued for most of the last 5 years. Well, partially it is because of the dollar, but it is also because our competitors have, in a number of industries, created unfair trade barriers to our products.

Mr. President, in the month of February of this year we imported over $1 billion worth of automobile parts from Japan. The month before we imported $857 million in parts. In reality what has happened is that Japan has flooded our markets with their automobile exports, and then turned around and flooded these same markets with Japanese made replacement parts, ignoring by and large the purchase of American equivalent parts. Meanwhile, when we try to push our telecommunications equipment or our semiconductors, we find these markets are constricted because of Japanese trade barriers. The use of discriminatory standards and investment restrictions are techniques often employed by the Japanese to keep American products out.

I am not, nor do I ever hope to be, a strong proponent of protectionist legislation. On the other hand, I voted last year in favor of a Senate resolution directing the President to take stronger actions against Japan for its closed market policies. I am not fond of threats which usually consist of empty rhetoric, but I would like to suggest to our trading competitors that America can no longer afford trade deficits which run in excess of $145 billion.●

NAUM AND INNA MEIMAN: FRIENDS

● **Mr. SIMON.** Mr. President, Naum and Inna Meiman are friends of mine. They are a wonderful couple living in the Soviet Union who wish to emigrate to Israel. This wish has caused many problems for the Meimans.

Since Naum applied to emigrate over 10 years ago, he has been harassed. Although he is a respected scientist, Naum has been isolated from the scientific community. Along with this, his phone has been cut off and almost all his mail continues to be confiscated. Inna also suffers at the hands of the Soviet Government. She has cancer, and although the Soviet doctors have told Inna that there is nothing more they can do for her, the Soviets refuse to grant her permission to go to Israel to receive more advanced medical treatment.

No one likes to see their friends mistreated. I am deeply troubled when I am forced to watch my friends, the Meimans, suffer. They deserve the chance to be happy.

I implore the officials in the Soviet Union to let the Meimans emigrate to Israel.●

IN SUPPORT OF SOVIET JEWRY

● **Mr. D'AMATO.** Mr. President, I am pleased to participate in the 1986 Congressional Call to Conscience, an important effort designed to focus attention on Soviet human rights violations. As chairman of the Commission on Security and Cooperation in Europe, I am particularly concerned over the plight of members of the Jewish community in the U.S.S.R., the world's third largest.

In 1975, the Soviet Union joined the United States and Canada as well as 32 other European nations in signing the Helsinki Final Act. Basket 3 of the accords contains crucial provisions pertaining to human rights. Currently, representatives of each of the signatory countries are meeting in Bern, Switzerland, to review compliance with this aspect of the act. On Tuesday, I chaired a hearing of the Commission on East-bloc emigration policies and human contacts. During the course of the hearing a number of experts provided testimony which painted a clear picture of the bleak situation faced by Soviet Jews today.

My concerns regarding Soviet Jewry are twofold: a desire to help those who seek to emigrate from the Soviet Union, and to ensure that the rights of those who remain behind are safeguarded.

Despite assertions by Soviet authorities that those Soviet Jews who wish to emigrate have already done so, 380,000 Soviet Jews have requested letters of invitation from relatives in Israel, the first step in the arduous emigration process. The Final Act clearly states that, "The participating states will deal in a positive and humanitarian spirit with the application of persons who wish to be reunited with members of their family." Nevertheless, the Soviet Union continues to deny this basic right to thousands of Soviet Jews.

Soviet Jewish emigration, which reached a peak in 1979 when 51,000 Soviet Jews were permitted to leave, has fallen off to little more than a trickle. During 1985, 1,140 Soviet Jews received visas enabling them to be reunited with relatives in Israel. Thus far this year, visas have been issued to 79 in January, 84 in February, and 47 in March.

Estimates indicate that at least 20,000 Soviet Jews have been refused permission to emigrate. Of these "refuseniks," as they are come to be called, hundreds have languished for more than 10 years while waiting to join their families.

Those who request permission to emigrate often do so at great personal risk. Many are fired from their jobs, denied access to education and subjected to other forms of harassment by the secret police—the KGB.

The Soviet Union has undertaken a concerted effort to eliminate all forms of Jewish culture. Hebrew teachers are imprisoned for teaching the Hebrew language. Parents are arrested for providing their children with religious instruction. The Soviets have gone so far as to establish an "anti-Zionist committee" wich serves to spread propaganda denigrating Jews and rekindling the fires of anti-Semitism in the U.S.S.R.

The cries of human suffering ring out loud and clear despite Soviet attempts to squelch them. It is our responsibility to respond.

As Anatoly Shcharansky recently stated after his release from the Soviet gulag, "It is more necessary than ever now for international public opinion to press the Soviet Union on these matters. It is high time for Moscow to begin complying with the Helsinki agreement signed in 1975."

As chairman of the Helsinki Commission, I urge my colleagues to join me in speaking out in support of Soviet Jewry.●

MAINE LOBSTERMEN'S ASSOCIATION AND ED BLACKMORE

● **Mr. COHEN.** Mr. President, when one thinks of Maine, perhaps the first image which comes to mind is the Maine lobsterman—a craggy, independent soul who embodies the qualities of independence and hard work which Maine is known for.

For the past 14 years, the lobstermen of Maine have looked to Ed Blackmore of Stonington, ME, for leadership and guidance. Ed, the president of the Maine Lobstermen's Association, has fought and won many battles in behalf of his fellow lobstermen during those 14 years.

I met Ed when I first ran for Congress in 1972, and he has been a strong supporter and good friend ever since. The Boston Globe recently published an article concerning Ed and his work in behalf of the Maine lobstermen, and I ask that the article be included in the RECORD at this time.

The article follows:

[From the Boston Globe, Apr. 20, 1986]

LOBSTERMAN TRADES UNDERWATER TRAPS FOR POLITICAL ONES OF MAINE STATE HOUSE

(By Denise Goodman)

NOBLEBORO, MAINE.—In many ways, Ed Blackmore is the quintessential lobsterman. During two years of military service, Blackmore said, he dreamed of "getting home, getting about and dropping some traps . . . of being out there on the water, being your man, making your own decisions.

But over the last 14 years, as president of the 1,000-member Maine Lobsterman's Association, Blackmore gradually traded his traps for a desk and lobbying forays in the State House. Along the way, he began to bridge the gap between the lobstermen and the scientists who study the shellfish they harvest. The 31 years he put in hauling traps summer and winter have given Blackmore a special credibility with the legislators he urges to support lobster conservation measures.

Asked what it's like to represent 1,000 independent lobstermen, Blackmore quickly responds, "You get a lot of phone calls with everyone beating you over the head."

And then: "Once in a while somebody calls and says I did a good job and that makes it worthwhile."

Developing a position on recent legislation to increase the minimum size of legally harvestable lobsters is a case in point. At first, Blackmore said, his 15-member board was split. But because lobstermen are so independent, Blackmore regularly polls them on legislative issues and on this one, the result showed 74 percent favored the bill.

Every lobster harvesting state has a $3\frac{3}{16}$-inch minimum—from the eye socket to the end of the body shell—for legal "keepers." The Maine bill, adopted earlier this month, would gradually increase that size to $3\frac{5}{16}$ by 1992 if, and it's a big if, all the other states adopt similar measures and agree to throw back female lobsters that Mainers have "V-notched."

As a conservation measure, Maine fishermen mark every egg-bearing female lobster they catch with a "V" and throw them back. But because other states have no similar practice, Blackmore said, when those lobsters most likely to reproduce migrate to waters off other states' shores, they are usually harvested.

Last year, Blackmore's troops successfully defeated efforts to repeal another unique Maine conservation law, a five-inch maximum, from eye to back of body, for harvestable lobsters.

Scientists estimate that 90 percent of lobsters now caught have no chance to reproduce and say the larger minimum would allow more to bear eggs before they are trapped. But Maine lobstermen put more emphasis on the V-notch and maximum-size provision, Blackmore said, because mature female lobsters will bear up to 60,000 eggs a year, 10 times the number their minimum-sized counterparts will produce.

Born in the Down East fishing village of Stonington where he first lobstered with his grandfather, Blackmore, 58, said Maine lobstermen have a special feeling for their vocation.

LOBSTERING "A HERITAGE"

"We're more conservation minded because we don't have the economic options the others have," Blackmore said. "In other states, lobstering is more of an economic thing. Here, it's more of a heritage." If the resource is depleted, Maine fishermen would have little choice but to sell their island or coastal mainland homes and move inland to find work, he explained. "And the more offshore the island is, the more ornery people are about protecting the lobster resource," he added.

Blackmore said he discovered the value of scientific research when he served for three years on the New England Fisheries Management Council. "Whatever I said didn't mean anything because I couldn't document it," he noted.

Convincing his fellow lobstermen was not easy, he said, because too often the fishermen saw scientists as "bureaucrats who protect their backside," often didn't make their findings public and, when they did, "didn't put them in language people could understand."

Blackmore has built the association from 245 to 1,000 members and its annual budget from loose change to nearly $60,000. Much of his time is taken up keeping a watchful eye on state and federal legislation covering everything from boat taxes to gear conflicts.

Although he hasn't fished for a decade, Blackmore still lives with his family in Stonington. He said he talked his son out of lobstering because "a lobsterman reaches his peak at 40, and then you just work harder and harder to stay where you are . . . I told him, 'Son, if you're smart, you'll stay on the docks and take money from the fishermen when they come in.'" Heeding that advice, his son opened his own marine electronics business.

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A DEEP SENSE OF TRADITION

Even as Blackmore leads Maine lobstermen to a heightened awareness of modern, scientific and political issues, Blackmore retains a deep sense of their traditions, including a self-regulating system that outsiders might consider vigilantism.

"You can't live in Bangor all your life, buy a boat and run down to Stonington and put a bunch of traps out," he warned. "You can put them out, but you may not get them back. You have to get along with your peers." Even as a Stonington native, he explained, he didn't fish some areas because "the bay was divided up among families who traditionally fished certain spots."

Get too close to the line, Blackmore said, "and you may find your trap warp wrapped around the pot buoy spindle, back to. That's just a warning." The next "infraction" could mean losing traps, he added. "It's a good system. I don't say it's right, but it works."●

THE DEFENSE BUDGET

● Mr. SIMON. Mr. President, the Senate Budget Committee voted wisely when they approved a defense budget giving the Pentagon $295 billion in spending authority for the 1987 fiscal year. In a letter to the Budget Committee prior to their vote, I advocated adoption of a zero real growth for defense, close to the level the committee eventually voted for.

Defense spending is an emotionally charged issue. I support a strong defense, as do all my colleagues. We differ on how to get there, but we all agree on the end goal. With Gramm-Rudman, we have no alternative but to pass a responsible budget to avoid the automatic cuts. This means that growth in defense spending, which has grown more than any other budget function since President Reagan took office, must be constrained.

The argument is often made that cutting defense, or keeping spending authority level, harms us by encouraging our enemies. Nothing could be farther from the truth. Our adversaries do not focus on how much we spend; they focus on what we get for these expenditures. This point is all too often overlooked.

We have a good example of misplaced priorities in the events of the past few days. In the aftermath of our military strikes against Libya, we have to ask ourselves if the never-ending nuclear arms race in being waged at the expense of the war against terrorism. Even some of our spending on conventional weaponry has to be reevaluated: Are we buying the right kinds of equipment and conducting adequate training to combat the new threats posed by international terrorism?

When you include our allies in the balance of forces between East and West, the numbers look much less frightening, and in fact start to look encouraging. Our allies spend much more on defense than the Soviet Union's Warsaw Pact allies. NATO-Europe would be much more politically reliable in the event of external aggression. And our troops in Europe are not policing the local populace, as are many Soviet troops in Eastern Europe

We too seldom consider that the U.S.S.R. has real vulnerabilities: A weak economy; a long and sometimes hostile frontier with China that requires one-fourth of the Red army's manpower—contrast this with our long and peaceful borders with Canada and Mexico that do not require any real defenses; a draining war in Afghanistan; and economically weak allies, from Cuba to Poland.

These and other good points are made in a recent article in the Baltimore Sun by Jeffrey Record, entitled "Reckoning the Military Balance." We have to start getting more bang for the buck, through defense reorganization, procurement reform, arms control, and a more realistic assessment of the military balance and the real threats facing us today. I commend Mr. Record's article to my colleagues, and ask that it be printed in the RECORD in full.

[From the Baltimore Sun, Apr. 1, 1986]

RECKONING THE MILITARY BALANCE

(By Jeffrey Record)

WASHINGTON.—During the past weeks the Reagan administration has treated the nation to a plethora of pessimistic assessments of the U.S.-Soviet military balance. The immediate purpose of these assessments, most of which are the truth but far from the whole truth, is clear: to restore eroding public and Congressional support for major real increases in U.S. defense spending.

The administration's argument is twofold. First, that the U.S.-Soviet military balance has continued to deteriorate during the past several years, despite a U.S. military buildup of a magnitude unparalleled in peacetime. Second, and because of the worsening balance, the Defense Department's fiscal 1987 budget, which represents an increase after inflation of 8 percent over last year's budget, ought to be exempted from congressional spending cuts aimed at reducing overall federal budgetary deficits that are also historically unprecedented.

Once again, the administration wants a strong national defense but is unwilling to pay for it. Never mind that the present deficit crisis is attributed in large measure to the Reagan administration's own voodoo economic policies (you can lower taxes, increase outlays, or balance the budget, but you cannot do all three simultaneously). And never mind that declining public confidence in Caspar W. Weinberger's Pentagon stems mainly from the Pentagon's predictable inability to absorb efficiently the mountains of cash thrown so abruptly and indiscriminately at it by an administration that still seems not to have grasped the fact that the U.S. military has become simply another vast government bureaucracy.

The U.S.-Soviet military balance may indeed have deteriorated since 1981, justifying the administration's proposed increase in defense spending. But how is that balance to be measured? Administration assessments, complete with pretty charts and graphs, focus on simple numerical comparisons between U.S. and Soviet forces; raw numbers of men, tanks, ships, planes, divisions, and so on. And, to be sure, it turns out to no one's surprise that in almost every index of things that can be counted the Soviets have more than the United States. The Soviets have 5.3 million men under arms to our 2.2 million; 55,000 tanks to our 14,000; 289 major surface naval combatants to our 200; 8,000 tactical aircraft to our 5,400; and 209 army divisions to our 27.

But such numerical disparities, while disturbing, hardly tell us much about the outcome of a future war. First of all, to compare only U.S. and Soviet military power is to ignore what is perhaps America's greatest remaining strategic advantage over the Soviet Union—namely, the presence of rich, militarily powerful, and politically reliable allies. For example, in Europe, which remains the principal military focus of both superpowers, a confrontation between the United States and the Soviet Union would automatically engage their respective European allies, and the size and fighting power of America's NATO allies dwarf that of Moscow's Warsaw Pact allies, most of which are, in addition to being a drain on the Soviet treasury, small, poor, and of uncertain political loyalty. The NATO alliance as a whole suffers no pronounced numerical disadvantages in major categories of military forces *vis a vis* the Warsaw Pact.

The balance of respective allies in the Far East is even more favorable to the United States. Leave aside the fact that most Soviet forces in the Far East are deployed against a foreign ally, China. In a war with the United States the Soviet Union could at best hope to count on only North Korea and Vietnam—rather sorry compensation for South Korea, Japan, Australia, and the Philippines. Moreover, the Soviets would face formidable logistical problems in Asia. With the exception of the trans-Siberian railroad, some stretches of which run perilously close to the Chinese border, there is no continuous land line of communication connecting the Soviet Union's military and industrial heartland with her Far Eastern provinces.

Second, much of Soviet power cannot be fairly counted in the U.S.-Soviet military balance because it is allocated to the protection of the Soviet empire from threats other than those "posed" by the United States and its allies. Soviet military problems are far more numerous and quite different than those facing the United States. For example, whereas U.S. forces in Europe are burdened by no internal police functions, many of the 30 Soviet divisions deployed in Eastern Europe are stationed there to enforce that region's political loyalty to Moscow. Additionally, in contrast to the United States, which has no enemies along its borders, the Soviet Union deploys fully one-quarter of its army opposite China. Indeed, it has been said that the Soviet Union is the only country in the world surrounded by hostile communist states. The United States, rich in allies and secure along its own borders, does not need 55,000 tanks and a 209-division army.

Third, and perhaps most important of all, numbers are but one of many indices of military power, and not necessarily the most important. History repeatedly has shown that numerical inferiority can be more than offset by superiority in such crucial intangibles as strategy, tactics, organization, training, leadership, group cohesion, combat experience, and individual morale. If numbers alone were decisive, Alexander the Great would never have made it across the Bosporus; the United States might still be saluting the Union Jack; Anglo-French forces would have defeated Hitler in 1940; Israel would have lost all its wars; the United States would have trounced Vietnam; and the Soviet Union long ago would have eliminated any vestige of resistance to its occupation of Afghanistan.

None of this is to play down the formidable challenges that burgeoning Soviet military poses to the Free World. It is simply to recognize that numbers are but one ingredient of true military effectiveness. It is also to recognize that since the days of Peter the Great. Russia has traditionally enjoyed a significant numerical advantage over her military opponents, but nevertheless has suffered repeated military disasters at the hands of smaller though qualitatively superior enemies.●

THE LITTLE TOWN THAT COULD

● Mr. McCONNELL. Mr. President, I am proud to bring to the attention of the Senate the story of a small community in rural southwestern Kentucky, once a thriving port along the Mississippi River, which is showing the strength of commitment and determination to rise from its own decline.

Hickman, KY, which suffered when the railroad revolution in the latter half of the 19th century brought competition to commerce on the waterways, has now bought its own railroad, the Tennken Railroad. With its show of commitment to revitalization, it has won an enterprise zone designation from the Commonwealth of Kentucky which has, in turn, spurred new growth in Hickman's economy.

Hickman's resurgence, with the help of Kentucky's Enterprise Zone Program, is another example of the value of this economic development concept. I hope the day is not too distant when Congress will enact Federal Enterprise Zone legislation to augment successes which State-created zones are enjoying.

I ask that the following article, entitled "Hickman—The Little Town That Could," by Hal Greer, be printed in the RECORD. It appeared in the January 1986 issue of the U.S. Department of Housing and Urban Development's publication, "Enterprise Zone Notes."

The article follows:

HICKMAN—THE LITTLE TOWN THAT COULD

(By Hal Greer)

Hickman is a small rural community of 3,000 located on the Mississippi River in far western Kentucky. It is nearer to five other state capitals than it is to its own. Like many communities on major rivers, Hickman thrived as a boisterous river port early in the 19th century. It was a center of trade and commerce until the railroads revolutionized transportation. Then once lively river towns, like Hickman, became little hamlets almost overwhelmed by progress.

The 1980 census showed that Hickman continued to lose population, particularly its young people, due to the lack of job opportunities in the area. But instead of ignoring the worsening situation, Hickman decided to do something about its plight.

The first application the Kentucky Enterprise Zone Authority received for an Enterprise Zone designation was from Hickman. The state awarded Hickman a zone designation in 1983, not only because of the need existing in the area but also because of the show of community organization and determination. Local commitment to the program led Hickman to offer special natural gas rates for businesses, and to reduce the city's real estate and tangible property ad valorem tax rates to one mill per $100 of assessment, for qualifying businesses.

Hickman impressed the Kentucky Enterprise Zone Authority with its purchase and restoration of 51.7 miles of railroad track linking the town to the main line in Dyersburg, Tennessee. The rail spur has significant value for Sigri Carbon Company, the city's major industrial employer. The $2 million project, headed by the Hickman River City Development Corporation, required assistance from the Kentucky Commerce Cabinet (state community development block grants), the state Department of Transportation, and the Tennessee Valley Authority (TVA). The Tennken Railroad made necessary track improvements before the sale. Now, a year later, Hickman's rail line operates in the black.

Progress in developing a new riverport complex that could handle virtually any type of cargo transported on inland waterways further impressed the Enterprise Zone Authority. Authority members felt that Hickman had taken a positive step by establishing a task force to unite the leadership from all segments of the community—city and county governments, business and industry—to develop a master plan for effective development.

To date, 24 small businesses have expanded or located in the Hickman Enterprise Zone, creating or saving 200 plus jobs. Ash-Tex, a new plant specializing in textile finishing (e.g. washing, pressing, special stitching, and labeling blue jeans) expects to hire 200 employees during the next 18 months. It is well on its way toward the goal with 70 workers already on the job. Mr. Jerry Gurien, the plant owner, says "We are excited by the possibilities of the Enterprise Zone benefits. In fact, it will give us a good start in a new venture that will be very beneficial in the long run. Future development can expect to use the zone tool as leverage for any expansions or growth. We would encourage any businessman or industrialist to look at the area's potential and the local initiative evidenced by the aggressive community cooperation."

James M. Everett, Fulton County Judge/Executive, said, "We are pleased with the tremendous coming together of local initiatives to develop the total economic potential. The Enterprise Zone is a tool of economic development—a very good tool. Local and state incentives, and, hopefully, federal incentives in the future, add new reasons for businesses and industries needing and looking for expansion or new developments."

Hickman has just completed work on a video to market its Enterprise Zone and port facilities. The film is a cooperative effort among the city, the Kentucky Commerce Cabinet, Murray State University, and TVA.

The Hickman Economic Development Task Force is asking about Foreign Trade Zones and their benefits to industry. They may decide they want one. Anyone want to guess what will come next?

KENTUCKY ENTERPRISE ZONE INCENTIVES

Exemption from State income tax on the gain from the sale of qualified property.

Exemption from State tax on interest earned from loans to qualified businesses.

Exemption from sales and use tax on building materials, and equipment and machinery which a qualified business purchases for use in the zone.

Exemption from motor vehicle usage tax on vehicles used by qualified businesses in the zone.

State net operating losses may be carried forward by qualified businesses for the life of the zone.

Neighborhood Enterprise Associations with zone residents as members can lease for at least 99 years, at no more than $1, any State and local property not in use.

SURVIVORS OF ABORTION: THE DREADED COMPLICATION

● Mr. HUMPHREY. Mr. President, when tiny infants survive abortion they do not enjoy equality before the law. Premature children will be rushed to neonatal care units, occasionally via ambulances and even helicopters. This is not the case for the survivors of abortions. A child who lives through an abortion in the second or third trimester may be as fully formed as the "preemie," but he or she receives different care.

The article I am submitting today describes in brutal detail two typical "medical procedures" for the treatment of abortion survivors. I urge my colleagues in the Senate to consider the words of nurse Kathleen Malloy. She was ashamed of her profession when this article was published in Florida, back in 1979. We should be ashamed that this sort of behavior even now occurs daily in our Nation.

The article follows:

NURSE TO SENATE: ASHAMED OF PROFESSION

(By Dick Conklin)

NURSE'S TESTIMONY

"I'm a housewife and a registered nurse from Jacksonville. I retired from the nursing profession when I became pregnant with my first child and stayed retired until my fourth child was in the sixth grade. I then returned to work in my local hospital in the labor and delivery room. Many things progressed in those years—some things regressed. I learned by seeing with my own eyes that to have an abortion is to rid oneself of a human being.

"I worked the 11 p.m. to 7 a.m. shift, and when we weren't busy I'd go out to help with the newborns. One night when I went to the nursery, I saw a bassinet outside the nursery. There was a baby in this bassinet—a crying, perfectly formed baby—but there was a difference in this child. She had been scalded. She was the child of a saline abortion.

"This little girl looked as if she had been put in a pot of boiling water. No doctor, no nurse, no parent to comfort this hurt, burned child. She was left alone to die in pain. They wouldn't let her inside the nursery—they didn't even bother to cover her.

"I was ashamed of my profession that night! It's hard to believe this can happen in our modern hospital but it does. It happens

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all the time. I thought a hospital was a place to heal the sick—not a place to kill.

"I asked a nurse in another hospital what they do with their babies who are aborted by saline. Unlike the hospital where I work, where the baby was left alone struggling for breath, their hospital puts the infant in a bucket and puts the lid on. Suffocation! Death by suffocation!

"Another nurse said she had to stop helping with abortions. The little servered arms and legs from a suction abortion were just too much for her to look at.

"Gentleman . . . ladies . . . aren't you happy our moms weren't born in this generation. It could have been one of us that ended in that lonely bassinet—or in that ugly bucket. We must respect life. Please, I ask you to support a constitutional convention . . . thanks for listening."●

NOTICE PERMITTING ACCEPTANCE OF A GIFT OF EDUCATIONAL TRAVEL FROM A FOREIGN ORGANIZATION

● Mr. RUDMAN. Mr. President, it is required by paragraph 4 of rule 35 that I place in the CONGRESSIONAL RECORD notices of Senate employees who participate in programs, the principal objective of which is educational sponsored by a foreign government or a foreign educational or charitable organization involving travel to a foreign country paid for by that foreign government or organization.

The select committee has received a request for a determination under rule 35, for Mr. Peter D. Lennon, a member of the staff of the Democratic Policy Committee, to participate in a program in Brussels and Norway, sponsored by the NATO Information Service, last October 13-18, 1985.

The committee has determined that participation by Mr. Lennon in the program in Brussels and Norway, at the expense of the NATO Information Service, was in the interest of the Senate and the United States.●

TEST BAN

● Mr. SIMMON. Mr. President, Dr. Robert O. Byrd, former faculty member at North Park College in Illinois and now a resident of Ontario, Canada, sent me an editorial from the Toronto Globe and Mail about the test ban.

We should listen when our friends who believe in Western values as much as we do, say we're making a great mistake.

The final line of the editorial is, "It is a sad thing to have to say, but it is Mr. Reagan's 'dynamism,' not Mr. Gorbachev's, that worries the world."

I ask that the editorial be printed in the RECORD, and I urge my colleagues to read it.

The editorial follows:

[From the Toronto Globe and Mail, Apr. 2, 1986]

CASE FOR A TEST BAN

The purpose of arms control agreements and nuclear test bans is not to rid the world of nuclear weapons, which is, unfortunately, unrealistic. It is to increase stability in the military relationship among the major powers. Stability reduces the risk of war on technical and psychological grounds. And stability reduces the cost of deterrence, allowing more devotion to other human needs.

This is why Soviet leader Mikhail Gorbachev's campaign for a comprehensive nuclear test ban treaty (which would include underground explosions) is so immediately attractive. It offers stability at zero level of activity (recalling former prime minister Pierre Trudeau's concept of nuclear "suffocation"), a prospect of unusual clarity in the complex business of arms control. Mr. Gorbachev enhances his proposal by agreeing to on-site verification and adds political force by implying that his attendance at another superpower summit may be conditional on the American response.

The American response is negative. Early explanations for this referred to supposed "testgap" between the Soviets and Americans, or to the existence of more sophisticated U.S. devices in need of regular checking. It is now apparent that the U.S. nuclear test program is also part of the Strategic Defence Initiative which so inspires President Ronald Reagan. The United States is working on nuclear-powered X-ray lasers, a particularly "promising" possibility that would fail to a comprehensive test ban treaty. This helps to explain the vigor of Mr. Gorbachev's very public posture, and the curtness of the American response.

Here is another illustration of how Mr. Reagan's SDI reduces the prospect for stability in arms and nuclear testing, at least in the medium term. The SDI introduces an enormous new dynamic into superpower military relations precisely when the Soviets (and most of the rest of the world) are looking for more predictability.

The SDI is not just another weapons system. It presumes a radically different concept of deterrence—defense instead of mutually assured destruction—that would require decades and huge expenditures to realize (if it proves technically feasible). Perniciously, this forced reversal of military doctrine would create enormous instability as it was implemented, and its outcome would be no different from what we have already achieved—a military checkmate. (No one should doubt that the Soviets would follow America's lead.)

Mr. Reagan's claim that the new balance would be superior because it is non-nuclear ignores the destructive and offensive potential of laser and particle-beam technology (some of which may be nuclear-based), forgets that nuclear weapons will still exist, and discounts the risks and waste of moving from one doctrine to another.

The Soviet Union appears to want affordable stability in its military relations with the United States. Despite this, and even without the SDI, a new agreement on strategic arms and intermediate nuclear weapons reduction would be difficult. (The Soviets are not bear cubs, Lawrence S. Hagan, research director at the Canadian Centre for Arms Control and Disarmament, recently described Soviet arms control proposals at Geneva as "patently one-sided, designed to strike at the heart of U.S. and NATO technology, capability and strategy.") But without the SDI, a comprehensive test ban treaty would be possible (which could be expanded to anti-satellite and strategic defense programs), and the prospect of reducing the very nuclear arms Mr. Reagan hopes to nullify would be less the chimera it now appears.

It is a sad thing to have to say, but it is Mr. Reagan's "dynamism," not Mr. Gorbachev's, that worries the world.●

THE ACCESSION OF SPAIN AND PORTUGAL TO THE EUROPEAN COMMUNITY

● Mr. WILSON. Mr. President, last Thursday, the Senate unanimously agreed to a resolution urging the President to use his full authority to retaliate against the new restrictions on grains and oilseeds in Spain and Portugal, unless the United States receives prompt and complete compensation for any loss of trade resulting from the enlargement of the European Community. It was my hope that this resolution would strengthen the hand of Secretary Lyng and Ambassador Yeutter as they made one final attempt last weekend to resolve this dispute with the Europeans. Unfortunately, early reports of that meeting indicate that the Europeans remain intransigent and refuse to negotiate a reasonable solution to the problem.

By way of background, some of my colleagues may recall the floor remarks I made on the subject of the European Community enlargement 2 months ago, before the new import restrictions on grains and soybeans in Spain and Portugal went into effect March 1.

Subsequently, 20 of my colleagues joined me in a letter to the President to urge him to pursue to the fullest extent the American right to compensation under the rules of international trade by preparing and using a comprehensive list of items for retaliation against the European Community.

I am encouraged that on March 31, the President announced such a list of retaliatory commodities, which includes imports of European wine, cheese, mineral waters, pork and cakes. By announcing these possible measures, the President has elected to demonstrate that the United States will no longer stand idly by and let the American farmer pay the price for the enlargement of the European Community.

Regrettably, in response to our assertion of rights expressly provided for under GATT, the European Community has again targeted many American agricultural commodities for counter-retaliation. This time, many of California's lucrative products, such as wine, prunes, fruit juices, and California's $185 million worth of almond exports to Europe, are on the European Community's hit list.

Although California producers ask nothing more than a fair market in which to compete, once again, they might be the victims of unfair agricultural trade practices by other governments. And it is California, again, which might be made to pay the price to defend American grain and soybean exports.

So many of you here today may wonder why I—a Senator from California—feel so strongly about the enlargement of the European Community which, for now, harms our grain and soybean producers. My reasoning is clear and simple.

Ultimately, the enlargement of the European Community will affect all sectors of American agriculture. Thanks to the subsidies of the common agricultural policy, Spain and Portugal may become the "Californias of Europe," producing and exporting abundant supplies of subsidized fruits, nuts, and vegetables. And as those subsidies continue to flow, Spain and Portugal will threaten to strip California exporters of their hard-earned markets in Europe and abroad, in the same way that American grain and soybean exporters are currently losing their European markets.

In my view, all of American agriculture must unite behind this issue, because ultimately it will affect all of American agriculture.

We can no longer afford to divide American agriculture only to let the European Community conquer it. We must look ahead to the 10 years it will take for Spain and Portugal to fully integrate their agriculture with the European Community. Unless American agriculture stands united now, from the outset, to defend the legitimate rights of every American farmer in this process, agricultural producers of numerous other commodities may lose many export markets forever.

Yesterday, the Joint Economic Committee held a timely and informative hearing on this critical issue, during which testimony was received from Government witnesses, including officials from the Department of Agriculture and the U.S. Trade Representative, as well as industry representatives. One such witness, Dwayne Andreas, who is chairman and CEO of Archer Daniels Midland, provided the committee with a very informative and insightful statement about our relationship with the European Community. Indeed, his testimony is among the best explanations of the historical roots of this dilemma, its impact upon our Nation's farmers, and recommended it to all of my colleagues and ask that it be printed in the CONGRESSIONAL RECORD.

The statement follows:

EUROPEAN COMMUNITY AGRICULTURAL TRADE PRACTICES

Good morning and thank you for inviting me to appear before you today. My name is Dwayne Andreas. I am Chairman of the Board and Chief Executive Officer of Archer Daniels Midland Company. ADM is a food processing company located in the heart of America's farm country. We have 175,000 farmer shareholders and are partners in global merchandising of farm crops with cooperatives that represent more than 2 million farmers. ADM is unique in that it is the only public company entirely devoted to processing, marketing, and moving agricultural products. Together with our affiliates and subsidiaries, we market, manage, and move approximately 75 million tons annually around the world.

If we are to understand the effects on U.S. agriculture of the Common Agricultural Policy of the European Economic Community, we should go back in history and examine a little-publicized report dated August 24, 1960. It was in the early 1960's that we negotiated the famous Kennedy Round which set the stage for vast uneconomic ventures in the years to come.

Secretary of Agriculture Ezra Taft Benson, after an extensive trip through several Common Market countries, submitted the following most perceptive recommendations and conclusions:

1. "I am very much concerned about the preponderant support I found for higher rather than lower support levels in some countries. The potential for production increases in the Common Market area is great. If stimulated by high prices, production increases for grains, oil seeds, and livestock products can make the area more self-sufficient and reduce our traditional dollar exports in this part of Europe. It is essential that the United States continue to follow a liberal trade policy. Thus, our moral position in urging greater imports of U.S. farm products into dollar export areas will be sustained. I found this to be so on my trip."

2. "I found that our current export potential in this area was being hampered by protective devices which inhibited trade in agricultural commodities. These current restrictions on our exports, many of them discriminatory in nature, should be removed as rapidly as possible."

3. "If the EEC adopts the protective import program which has been proposed, this could easily result in reduced exports from the United States. This could create serious problems in the development of mutually beneficial and more liberal trade policies."

4. "We must continue to impress the individual members of the Common Market that the U.S. is basing its strong support for the community on the assumption that an outward-looking policy which will contribute to expansion of the multilateral trade on a non-discriminatory basis will be developed. I find it difficult to see how they can develop an outward-looking policy under a system which utilizes, for many agricultural commodities, unlimited variable import levies against the competition of imports."

5. "High price supports would force the Community to implement them by trade-restricting devices which would interfere with normal commercial relations. This could relegate outside countries to the status of residual suppliers. This would do irreparable harm to GATT since one of its primary objectives is to expand total trade, including agriculture. High price supports in the United States would weaken our position in making a strong objection of high supports in other countries."

6. "During the 6 to 9 years transition to the Common Agricultural Policy, the amount of protection should be reduced progressively so that the trade of the EEC with other free countries will expand on a mutually-beneficial basis. We cannot expect sudden policy shifts without disruptions.

7. "Our use of some P.L. 480 funds for market development has achieved considerable success in Western Europe. This program, in cooperation with American industry, should be strengthened and enlarged."

Now, 26 years later, we find the following devastating results:

On April, 1, 1986, the U.S. average farm price per bushel of wheat was $3.17 per bushel. The variable import levy was $4.24 per bushel on top of that.

For corn, the average price received by U.S. farmers for corn was $2.31 per bushel. To enter the Common Market, the importer had to pay an additional $3.49 per bushel.

Our surplus corn is converted into ethanol which costs about $1.20 a gallon. Spain buys ethanol from its farmers for about $4.00 a gallon then sells it to a Jamaican company for 40 cents a gallon. The Jamaican company passes it through a pipe to dehydrate it, an operation that could be performed in the U.S. for less than 5 cents a gallon, then calls it a CBI product and brings it in the United States without paying the 60 cents a gallon duty.

When it is used here, it benefits from another 60 cents tax concession which was enacted as a National Security Measure to help us be independent of imports and to help corn growers market their corn, despite the obvious fact that every 100 million gallons replaces 40 million bushels of corn and costs our government more than $60 million in revenue.

For grain sorghum, the U.S. producer received $3.68 per cwt., and the import levy was an additional $3.66 cwt.

For broilers, the import levy is approximately 15 cents per pound. The Common Market's export subsidy on broilers is now 11 cents per pound. They now dominate world troller trade with subsidies although we are the low-cost producer.

Wheat flour is so heavily subsidized into export that the EEC share of world trade in flour has gone from 20% to 60% while ours has gone from 60% down to 20%, even though the U.S. is by far the lowest-cost producer. This has cost us $13 billion in flour exports since 1970.

Foreign federal treasuries destroy the law of comparative advantage.

At the time the Benson report was written, the EEC was a much larger grain importer, buying up to 20 million tons of grain per year. Recently, it has been exporting about 5 million tons per year plus more sugar, poultry, eggs, and dairy products than any single country in the world and, except for Argentina, is the greatest beef exporter in the world. Only Canada and the U.S. exceed the EEC in wheat exports.

The ascendancy of the EEC position reflects the full effects of the Common Agricultural Policy's use of expensive and complex devices, such as high price supports and export subsidies. These tactics are buttressed by variable import levies and feed manufacturing requirements to use EEC surplus products. More recently, to reduce protein meal imports, extremely high returns are provided for Common Market producers of soybeans (about $15 per bushel). Also, rapeseed and sunflower seed are sold to processors at 30% of the price farmers receive. That is part of the EEC effort to drive U.S. soybeans from the marketplace.

With all these expensive economic incentives for production, surpluses are the inevitable result. These surpluses are disposed of by utilizing a device called export restitutions (which we call export subsidies).

Probably the worst case scenario is that of sugar. Sugar is supported at about 27 cents per pound and dumped into the world

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market at the raw sugar equivalent—as low as 3 cents per pound. The EEC sugar policy is costing developing countries some $6.4 billion annually in lost income. It is my judgment that the U.S. would not need a sugar program if the EEC should stop its dumping program.

On a global basis, U.S. agricultural exports are severely depressed from a dollar peak in 1981 of almost $44 billion to a 1986 USDA estimate of $28 billion—a drop of more than 35% in 5 years. I do not mean to imply that this reduction in exports is all due to EEC policies. Actually, it is due to several factors, including, but not limited to, recessions and even depressions in several potential importing countries. Additional causes are the International Monetary Fund and related debt constraints of third world countries, and the value of the dollar relative to the currencies of other exporters. (This latter case is being corrected but will not show immediate results.)

Moreover, the relatively high loan rates in the U.S. have been a contributing factor to making us a residual supplier. The 1985 Food Security Act will enable the U.S. to be much more competitive—if the authorities provided therein are implemented wisely.

Nevertheless, USDA and others agree that EEC export and production are costing U.S. farmers the loss of about $6 billion annually in export markets and about a billion more annually in farm income because of depressed prices.

A recent study by the Australian Bureau of Agricultural Economics reveals that the EEC policies have "depressed world prices of major temperate agricultural products by, on average, some 16 percent."

Ironically, all this massive subsidizing of EEC production, costing the Common Market over $14 billion a year, is possible because the U.S. negotiators agreed to it in the Kennedy Round and because the U.S pays tens of billions of dollars toward EEC countries' defense costs, leaving them with enough tax income to carry out this program.

Fundamentally, the formation of the CAP resulted in an increase in protection against agricultural commodities from non-member countries. Actually, what we see is insulation, with few exceptions, from outside competition and the internal supports well above world price levels. Internal stability, buttressed by the variable levy and other devices, creates external price destabilization, especially when world-wide dumping occurs.

I am certain that U.S. government witnesses will advise this Committee that the Administration policy is strongly against the EEC policies which distort trade and do damage to the concept of comparative advantage. Successive administrations have been saying this for years, so frequently that we are known in Europe as "Paper Tigers". The U.S. government sends strong notes, and the EEC sends grain and other products.

I understand that Secretary Benson, on his historic trip, was told that the CAP was to be the glue that would hold the EEC together. However, I feel that this objective could have been achieved at much less cost to the non-EEC countries. It will be difficult at this point in history to resolve the basic differences between the EEC and the U.S.—yet settle or ameliorate them we must. There are many within the EEC who recognize that the costs, increasing at a rapid rate, will force a restructuring of the CAP. The new U.S. legislation will increase export subsidy costs to the EEC.

RECOMMENDATIONS

1. Last year I chaired the President's Task Force on International Free Enterprises dealing with Trade and Aid. We made several recommendations, some of which have been adopted.

One of the most important recommendations was that we double the P.L. 480 program which has successfully functioned to move food and food products into additional consumption globally.

We should implement that recommendation forthwith and invite the EEC to join with us by contributing an equal amount to parts of the world which otherwise could not afford it. High-level EEC officials have expressed interest in such a coordinated effort. This could be done without legislation or appropriations simply by donating surpluses to the P.L. 480 administration like we do for the BICEP program. Such a program aggressively administered could solve most of the surplus problems by increasing consumption for essential humanitarian reasons. Economic benefits would be enormous.

2. There should be a recognition that the Current General Agreement on Tariffs and Trade (GATT) has had very little effect on agricultural trade. The next round of trade negotiations must resolve this problem—or cease to be a factor in world market disputes. There must be a commitment to improvement of the conduct of all parties involved in agricultural trade.

3. It is both the U.S. and the EEC interests to resolve the problems inherent in the strong competitiveness for export markets. The U.S. has unilaterally made efforts to adjust output and stocks. However, the 1983 PIK program, which resulted in sharp downward production adjustments, was accompanied by increases in non-U.S. production. Therefore, the EEC and the U.S. should meet to agree on production restraint policy. With the long U.S. history of production control efforts, the conferences can be mutually profitable.

4. If the EEC and the U.S. could agree to each reduce sugar and fructose production by about 2 million tons annually, world sugar markets would become market oriented once again. U.S. import quotas could be increased or even eliminated with resulting economic benefits to the CBI and developing countries.

5. Policy changes should become a matter of bilateral discussion with the objective of avoiding injury to the other country and possibly to third countries. The interests of low-income, developing countries must be on the continuing agenda.

6. Our Task Force recommended that at least $7 billion should be made available for mixed credit through the Export Import Bank to match the mixed credits proliferating from other Western countries.

I applaud the Administration's recent decision to start with $300 million for that purpose. Twenty times that much is needed to revive exports and to bring the countries who abuse mixed credits to the bargaining table.

I do not mean to imply that the above are a complete list of possible recommendations. None of these suggestions will be easy to accomplish. However, failure to make economic sense through negotiations is unthinkable and much more difficult.

In closing, I would like to comment in another vein on our attitude toward the EEC Commissioners. We must be careful to not be too critical of them. A number of them disagree just as we do with their policies. But they are obligated to carry out programs and policies which we—our negotiators—contractually agreed to long ago. So we share the responsibility.

I applaud the free-market orientation of this Administration. But we in business often question whether doctrinaire economists in government, most of whom have no practical business experience, realize that very often, when preoccupied with the ideaology of free trade practices in a world which has abandoned free trade, they are in fact saying to our people and institutions: "Workers, farmers, cooperatives, corporations, go ahead—compete directly with foreign governments who engage in business using subsidies and state trading. If that means you become unemployed or go broke, so be it. It's part of the system." This is utter nonsense, and the dire consequences of neglecting trade policy are already evident.●

INTERPRETATIVE RULING OF THE SELECT COMMITTEE ON ETHICS

● Mr. **RUDMAN**. Mr. President, on behalf of the Select Committee on Ethics, I submit for the information of the Senate, an interpretative ruling on the use of Senate letterhead by Members of the Senate in connection with campaign fundraising efforts. This interpretative ruling is issued pursuant to section 206 of Senate Resolution 110, 95th Congress.

This ruling was the subject of a "Dear Colleague" letter which was dated April 14, 1986.

Interpretative rulings by the committee may be relied upon by an individual involved in a specific transaction or activity which is indistinguishable in all its material aspects from the facts on which a ruling has been rendered. The committee encourages written requests for rulings on specific situations not clearly covered by the Code of Official Conduct. The committee will continue to respond to written requests for interpretations, treat such requests confidentially, and publish its rulings with appropriate deletions to protect the privacy of individuals who seek committee guidance.

I ask that the ruling be printed in the RECORD.

The ruling on the use of Senate letterhead is as follows:

INTERPRETATIVE RULING No. 409

QUESTION CONSIDERED

Is the advisory Opinion of the Select Committee, issued on August 14, 1978, regarding the use of letterhead and/or envelopes which utilize the words "United States Senate" and "Official Business" or any combination thereof, applicable to a Senator's funds or support for a campaign for election or reelection to any Federal, State, or local office?

ADVISORY OPINION

"It is the opinion of the Select Committee that it is improper conduct which reflects upon the Senate for a Senator to authorize or allow a non-Senate individual, group, or organization to use the words 'United States Senate' and 'Official Business,' or any combination thereof, on any letterhead or envelope. The use of a Senator's name followed by the words, 'United States Senate', is not hereby deemed improper."

FACTS

In an invitation which was written on official Senate letterhead which includes the words "United States Senate, Washington, D.C., 20510", a Senator invited individuals to a dinner which was directly connected to the raising of funds for his campaign for reelection. The letter of invitation was prepared by the Senator himself and was sent from his office.

DISCUSSION

The Select Committee's Advisory Opinion of August 14, 1976 on the use of the words "United States Senate" on letterhead and envelopes was prompted by the receipt of a substantial amount of correspondence from the public concerning the use by non-Senate groups and organizations of facsimiles of United States Senate letterhead in their fundraising appeals. Typically, prior to August 14, 1978, a Senator would agree to write a fundraising letter on behalf of a non-Senate group or organization and allow that organization to include the Senator's letter in a fundraising appeal to be sent by that group or organization. In most instances, the Senator's letter was written on a facsimile of official United States Senate letterhead and in many instances was mailed in envelopes which bore the return address of the United States Senate. The concern expressed by the public was that they were misled into believing that the mailing was from the Senator whose letterhead was used when, in fact, it was really from a private group. As a result, the Committee developed an Advisory Opinion, pursuant to its authority under S. Res. 110 and S. Res. 338, to issue Advisory Opinions on actions which might tend to reflect discredit upon the Senate. The Advisory Opinion concluded that it was improper for a Member of the Senate to allow a non-Senate organization or group to use letterhead or envelopes which contained the words "United States Senate" and/or "Official Business." During the development of the Advisory Opinion, concern was expressed by some Members of the Committee that while the Advisory Opinion should restrict the use of Senate letterhead by non-Senate groups or organizations, such as campaign committees, the Advisory Opinion should not preclude a Senator's personal use of his letterhead for whatever correspondence the Senator thought appropriate. As a result, the Advisory Opinion included, as a last sentence, a proviso that "the use by a Senator of his or her own name followed by the words 'United States Senate' is not hereby deemed improper."

Since the adoption of this Advisory Opinion, the Committee has been asked by Senators on several occasions about the application of the Advisory Opinion to various types of mailings in which the Senator was interested. In these Interpretative Rulings, the Committee has taken the position that while it is improper and a violation of the Advisory Opinion for a Senator to allow a campaign committee or any other non-Senate organization to prepare a mailing which uses letterhead that contains the words "United States Senate" on the masthead of the letter (see, IR #169 and #254), the Advisory Opinion would not preclude a Member from writing a personal letter on Senate letterhead from his own office (see, IR #264, #270, and #365).

Because of a concern that the last sentence of the Advisory Opinion was being interpreted too broadly by Members and staff, the Committee reviewed the previous interpretations of the application of the Advisory Opinion and concluded that the Advisory Opinion does preclude a Senator from using letterhead and/or envelopes containing the words "United States Senate" and/or "Official Business", or any combinaton thereof, for any correspondence, even that prepared personally by the Senator, which solicits a financial contribution or other form of assistance for any campaign for election or reelection to any Federal, State, or local office. Where a Senator desires to correspond with members of the public about a campaign-related matter, such correspondence should be prepared on letterhead which has been paid for by the Senator's personal funds or funds derived from his campaign committee and which does not employ the words "United States Senate" and/or "Official Business."

RULING

The Select Committee's Advisory Opinion of August 14, 1978 on the use of official letterhead does apply to and therefore restricts a Senator's personal use of letterhead and/or envelopes which utilize the words "United States Senate" and/or "Official Business" or any combination thereof, where the correspondence involves a request for a financial contribution or other form of assistance for any campaign for election or reelection to any Federal, State, or local office. Additionally, this ruling would preclude the use of such official letterhead by a Senator to write "thank-you" letters to contributors or campaign workers.

Lastly, through previous Interpretative Rulings, the Select Committee has approved the use of letterhead, by a Senator, which uses the Senator's name followed by "United States Senator." This latter form of letterhead could be used to address correspondence which involved campaign-related topics, including "thank-you" notes for participation in a campaign.●

DAYLIGHT SAVING TIME

● Mr. **GORTON**. Mr. President, many of my colleagues are probably aware that this Sunday, April 27, marks the beginning of this year's 6-month observance of daylight saving time. Many also know that I have proposed a bill and more recently an amendment which would extend daylight saving time by changing the starting date from the last Sunday of April to the first Sunday of April.

Daylight saving time is something which many of us take for granted. We turn our clocks forward every spring and backward each fall without considering the potential effects of changing the duration of daylight saving time. We all know that daylight saving time causes sunrise and sunset to occur an hour later in the day, but many of the effects of this change are not at all obvious. Consequently, when Congress considers legislation to extend daylight saving time, the debate is characterized by recitation of sunrise and sunset times and analysis of statistics relating to traffic safety, crime, and energy consumption. Through all of this, it is not easy to grasp the facts.

I would like to suggest to my colleagues that one simple way to understand this issue is to get up Saturday morning and watch the earliest sunrise of the year. If you are here in Washington, the sunrise tomorrow will be at 5:17 a.m. Of course, it will begin to get light about 30 minutes earlier, so if you want to see the crack of dawn, by its official definition, you will have to get up at, or stay up until, about 4:47 a.m.

Many of us will be in our home States tomorrow and will have the opportunity to see first-hand how my amendment would affect their States. I will be in Seattle, where sunrise tomorrow will occur at 5:01 a.m., and the first daylight will be visible at about 4:31 a.m.

The purpose of my amendment, and of daylight saving time, is to make the sunrises and sunsets coincide with the way we live. Under current law, the earliest sunrises of the year occur in April. This year in Washington, DC, the 18 earliest sunrises of the year are those from April 9-26. This period coincides almost exactly with the period of time—April 6-26—which would have been affected this year by my amendment. Tomorrow's sunrise in Washington will be 26 minutes earlier than sunrise on June 21, the day with the most daylight of the year. This year, daylight saving time begins 55 days before this "longest day of the year" and ends 127 days afterward. Clearly, our present system is imbalanced, and much of our April daylight is wasted.

Along with the distinguished Senators from Maine, Senator MITCHELL, California, Senators CRANSTON and MITCHELL, and Rhode Island, Senator PELL, I have sent my colleagues a letter describing the amendment and a chart showing sunrise and sunset times for towns in Senators' home States. I hope that these materials will convince our colleagues that daylight saving time in April will enable us to make better use of our daylight hours. I urge those who are skeptical to get up early Saturday morning, watch the earliest sunrise of the year, and think about how useful an hour of sunlight would be early Saturday evening.●

AMBASSADOR ROSENNE'S THOUGHTS ON TERRORISM

● Mr. **LEVIN**. Mr. President, I would like to commend to my colleagues a recent speech given by Israel's Ambassador to the United States, Meir Rosenne. The occasion was the annual policy conference of the Americans Israel Public Affairs Committee, and the subject of Ambassador Rosenne's address was the problem of terrorism.

Besides giving us the perspective of a country which is perhaps more experi-

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enced than any other in dealing with terrorism, Ambassador Rosenne has achieved in this speech a unique blend of the emotional and the rational. He evokes the searing images of terrorism, images that sicken and sadden us: the brutal slayings of innocent civilians and the glorification of those who carry out these terrorist acts as freedom fighters. But he also provides a carefully reasoned analysis of the problem of terrorism and what we can do about it. Ambassador Rosenne tells us who bears responsiblity for the persistence of terrorism; he sets out the basic principles we should follow when acting against terrorists; and he identifies some of the approaches we can take to combat terrorism in the long run.

Ambassador Rosenne has made an extremely useful contribution to the debate over how best to deal with terrorism, and I hope that my colleagues will take the time to read his speech.

I ask that the text of Ambassador Rosenne's speech be printed in the RECORD.

The speech follows:

[AIPAC Conference, April 6, 1986]

ADDRESS BY AMBASSADOR MEIR ROSENNE—TERRORISM: WHO IS RESPONSIBLE, WHAT CAN BE DONE

I will speak today on the problem of terrorism—who is responsible for it, and what can be done to combat it.

Whenever I address the problem of terrorism, my mind is assailed by searing images which I cannot escape:

The slaughter of the Israeli athletes at the 1972 Munich Olympics.

The execution of Leon Klinghoffer, shot and pushed into the sea.

The killing of the 11-year old daughter of the American journalist at Rome airport.

The standing ovation given to Yasser Arafat by the United Nations in 1974, when Secretary General Waldheim greeted him, and he sat with his gun in the chair reserved for Presidents.

The standing ovation at the 1980 World Conference on Women in Copenhagen, afforded to the PLO terrorist Leila Haled, who hijacked a plane.

The terrorist holding his hand over the mouth of the pilot of TWA Flight 874 at Beirut airport last year.

The decapitated body of a five-year-old girl in Nahariya, in 1981.

The body of the American (woman) photographer on the beach at Herzlia, when Arafat's men killed a bus-load of 80 Israelis on the road to Haifa.

The freeing of the Entebbe hostages by the Israeli commandos in 1976.

These are the images. Those were the victims. Anyone sitting in this room could have been one of those victims. We have short memories, but the survivors—the sons and daughters, husbands and wives and parents—will live with the trauma for the rest of their lives.

We have become so used to terrorism that we tend to forget that anyone under 20 doesn't even know that there were times when you could board a plane without X-ray screening. Life will soon become unbearable unless we decide immediately to take the steps necessary to put an end to this disease.

Two things are required—political wisdom and moral will.

First comes a proper understanding of terrorism. Then it is a question of the will to act. So we must ask two questions: Who is responsible for the persistence of terrorism, and what can be done to combat it?

(1) The responsibility lies with those democratic states that thought that Israel would be the only victim. Now they see their own innocent citizens victimized.

(2) The responsibility lies with those who make a distinction between terrorists, saying that Abu Nidal is a "bad" terrorist but Arafat is a "good" terrorist.

My friends, there is no such thing as a good terrorist, and anyone who makes such a distinction in effect condones and encourages terrorism. Indeed, such distinctions inevitably paralyze action whenever terrorism rears its ugly head.

(3) The responsibility lies with the West European states of the European Economic Community that; because of oil, adopted a resolution in November 1973, following the invasion of Israel by Syria and Egypt, condemning the victims rather than the aggressors.

(4) The responsibility lies with those who for years refused the extradition of terrorists, but instead let them go free.

I shall never forget that, when I served as Legal Advisor to Israel's Foreign Ministry, Israel requested, jointly with West Germany and in conformity with our extradition treaty, the extradition of Abu Daoud, the terrorist conspirator who organized the Munich killings; he was set free because there was fear of retaliation by the PLO and Arafat.

(5) The responsibility lies with all those Western states that have accorded virtual diplomatic status to the PLO and have permitted PLO offices to function, with respectability and legitimacy, as bases from which to launch their terrorist murder.

(6) The responsibility lies with all those states, in all corners of the world, whose ambassadors accorded a standing ovation to Arafat after he addressed the UN General Assembly.

Let's face it: The hands that applauded there were condoning the atrocities committed by the terrorists before and after that dark day in 1974.

(7) The responsibility lies with those states that regard the terrorist gangs as comradely anti-Western and anti-democratic forces, and permit them to be trained on their territories, and provide them with weapons and ammunition, funds, diplomatic, political, economic, and intelligence and moral support.

It has long since been amply demonstrated—especially in the vast amount of PLO documents captured in the 1982 Lebanon war—that the Soviet Union is at the heart of this enterprise, in league with its East German and other allies. These states are accomplices in the commission of terrorist atrocities.

(8) The responsibility lies with the United Nations which only this year, for the first time in its history, adopted a resolution, in the Security Council, condemning terrorism. But this ignoble, decades-long delay should come as no surprise: This was the same UN that refused to condemn anti-semitism in 1964, and that equated Zionism with Nazism in 1975.

(9) The responsibility lies with states like Syria, Libya, Iraq, Iran, that organize, direct and support proxy terrorist forces, and provide every kind of practical assistance to the terrorists. These are lawless states engaged in lawless actions—they are guilty of state terrorism.

(10) The responsibility lies with those who seek the "root causes" of terrorism, and who seek to "explain" or "understand" the terrorists and their motivations and aspirations. Such explanations function in effect to justify terrorist acts.

This fashionable "understanding" is a form of moral confusion. All over the world there are all sorts of groups with all sorts of grievances. If "understanding" were to be extended to their "root causes," they would have carte blanche to murder, in order to gain "redress". Should they be permitted to run amok with their Kalashnikovs?

Mass murder is mass murder, and no grievance can justify it, nor will "understanding" avert or eliminate terrorism.

(11) The responsibility lies with the countries that condemned Israel for having taken action, at great risk to itself, against PLO headquarters outside Tunis. The UN Security Council resolution condemning the raid was an encouragement to even more terrorism. Instead of punishing the aggressor, the victim was indicted. And now the PLO fighters boast publicly of being back in Beirut, in force.

(12) The responsibility lies with the oil-producing states that exploited their extortionate "oil weapon" to try to impose solutions that would have brought about the end of the State of Israel. And it was a sad moment in European history to see how democratic states were ready to accept the *diktat* of hoodlums in place of the principles of enlightened diplomacy.

Even though this problem no longer exists, it is worth remembering, for the future . . .

What can be done?

First, we have to realize that terrorism did not begin with the problem of the Palestinian Arabs, and it will not end if and when that problem is resolved.

Terrorism is rooted in the culture of violence in some countries. Internecine Arab terrorism for example, is a natural part of Mideast politics, and this atmosphere is hospitable to the extension of terrorism beyond the Arab world itself—against Israel, against France, against Britain, etc. It is in the context of that traditional culture of violence that the terrorism perpetrated against Israel by the Arab world is to be understood.

Second, we have to realize that there is no appeasing terrorists, who threaten not only Israel but Western democratic society. Those nations, especially in Western Europe, that have appeased the PLO should have learned from their own bitter historical experience that appeasement only inspires contempt, scorn, and further aggression.

Acting on these basic principles, democratic states have an array of weapons to use against terrorism.

(1) There are enough legal tools available—international conventions against terrorism, hijacking, extradition. Unfortunately, these legal instruments are rarely if ever enforced. All civilized nations must adhere to and implement them.

(2) All offices of terrorist organizations, such as those of the PLO, should be closed and their operations banned.

(3) It should be made clear by the political decisions of democratic governments that there can be no bonus for terrorism. No one should try to pacify a terrorist organization

such as the PLO by granting it the privilege of being a party to any political or diplomatic negotiation. Any attempt to compromise, in any shape, manner or form, with terrorist gangs will only encourage terrorism.

(4) There must be a total ban on landing rights in the democratic countries for the airplanes of states—like Libya, Syria, Iran, Iraq—that encourage terrorism.

(5) No commercial exchanges, no economic relations, should be established with countries that provide assistance to terrorist organizations, and sanctions should be taken against such states.

We do not think there is any justification for considering Saudi Arabia a peace-loving country, so long as it provides—as it has been doing for years—$250 million a year to the PLO—funds that are used for killing Americans, Israelis, and other innocents.

(6) There must be closer cooperation in the exchange of intelligence information among democratic governments. Fortunately, the framework for a system for such exchange already exists; it should be broadened and strengthened.

(7) The role of the mass media, especially television, in providing instant, intense and wide-ranging attention to acts of international terrorism must be very carefully evaluated. On the one hand, there are the fundamental freedoms of press and speech to be zealously protected. On the other hand, we must recognize that those very freedoms are abused and exploited by the terrorists—for what they seek, above all, is publicity.

The tension between freedom and the requirements of security is not new, nor is it restricted to the area of terrorism. Very possibly, this is a tension that will never be fully resolved, and will always remain a dilemma for democratic societies to grapple with, especially in emergency situation. But in doing so, we should always be keenly aware of the dangers to our freedoms posed by those who would curtail or destroy them.

(8) Finally, a profoundly important moral/intellectual dimension. All too often, people in democratic societies praise, or at least condone, so-called national liberation movements for using terrorist means to gain their ends.

A legitimate movement of freedom fighters for national liberation does not, like the PLO, use violence as a first resort—does not target innocent civilians—does not, like the PLO, aim to annihilate its adversary.

Acceptance of such behavior reflects not only a debasement of language, but a deep moral and intellectual confusion, which must be rigorously clarified and rejected if we are to be able to act decisively against terrorism.

It has become fashionable to include something on terrorism at every conference on the Middle East. But I did not come here this afternoon to add my bit to this fad.

I came to express my solidarity, and the solidarity of the State of Israel—and, if I may say so, of the Jewish people—with all the victims of terrorism and their families:

With all those who lost their dear ones at airports in Paris, Vienna, Rome, Munich . . . .

With the members of the various diplomatic corps still held in capacity . . . .

With the American Ambassador to the Sudan who was murdered by Arafat's men in 1972 . . . .

With Bar Simantov, my Counselor of the Embassy in Paris, who was shot down on Saturday, April 3, 1982, in front of his wife and his eight-year-old daughter . . . .

With the innocent civilian patrons of department stores and cafes in Rome and Paris . . . .

With my dear friend and close colleague of 30 years—Shlomo Argov—a man of great humanity and a diplomat of unequalled talent and skill who in the 1960s and 1970s served Israel in this city of Washington with distinction, devotion and pride—and subsequently our Ambassador in England, who was gunned down in the streets of London four years ago—and who, now paralyzed, is doomed to spend the rest of his life in a wheel chair in Jerusalem.

We who meet here, in an AIPAC conference, have a solemn moral obligation to remember the fate of Shlomo Argov and all the other victims, to let that memory and those images spur us on to determined and vigorous efforts to battle terrorism to the end.

Thank you very much.●

THE 1986 CONGRESSIONAL CALL TO CONSCIENCE

● **Mr. CHAFEE.** Mr. President, I would like to take a few minutes on this first day of Passover to join once again in the congressional call to conscience for Soviet Jewry.

As Jews all over the United States gather to observe Passover traditions, let us not forget that the Jews of the Soviet Union are not so lucky. While in this country Jews are free to express their religious and cultural heritage freely and without fear of persecution, Soviet Jews face a daily struggle with a government which oppresses them simply for being Jewish. I have spoken with Jewish leaders from Rhode Island about the situation of Soviet Jews, and I have read newspaper and magazine reports. By all accounts, there is no evidence to indicate that the latest Soviet crackdown on Jewish activities, which began in 1984, is letting up.

As is well known, Soviet authorities have long persecuted Jews, but since 1984 we have seen a particularly virulent wave of anti-Semitism issuing from the Kremlin. Hebrew teaching and other Jewish cultural activities are viewed as antistate activities. Soviet citizens who insist on retaining their Jewish identity—by, for example, observing the feast of Passover—place themselves in great danger. The odds are that they will be harassed, stripped of professional positions and titles, rejected by universities, and in general treated as nonpersons. The personal stories of Soviet Jews today read like chapters from Orwell's "1984" replete with false arrests and accusations, trumped-up charges, and psychological terrorism.

I recently heard from Rabbi Chaim Casper, director of the B'nai B'rith Hillel Foundation at the University of Rhode Island, that authorities in Soviet Georgia plan to demolish one of only two synagogues left in the capital city of Tbilisi. Twenty thousand Jews live in this city, and they are understandably opposed to this, yet another Soviet attempt to stamp out Judaism. I have written to the Soviet Ambassador here, expressing my opposition to the destruction of Tbilisi's Ashkenazi Synagogue, but I do not expect to receive a response.

That is perhaps the most frustrating aspect of our efforts to fight repression of Soviet Jews: the thick, unresponsive wall of the Soviet bureaucracy. We in Congress join the President and other American leaders in making frequent calls to Soviet leaders to stop the oppression of Soviet Jews. But our requests that the Soviets reopen the doors of emigration which were, in effect, closed tightly in 1984, seem to go unheeded; usually, the only response is silence.

I am here today to remind my colleagues that our efforts are worth it. Jewish emigration totals have plummeted from more than 50,000 in 1979 to just 1,138 last year. The stories of refuseniks trampled upon by Soviet authorities for their desire to emigrate continue to reach the West. These facts give us all the more reason to redouble our efforts on behalf of Soviet Jews. The example of Anatoly Shcharansky, who languished in prison for 8 years until his sudden release a few months ago, should inspire us to continue our pressure on Soviet authorities. They must not be let to think that the release of Shcharansky was enough. President Reagan's efforts on behalf of Shcharansky paid off, and now we must work to obtain similar results for the thousands of refuseniks who may not be as famous as Shcharansky, but whose stories are no less tragic.

One such story is that of Boris Agarkov, a 48-year-old computer scientist from Leningrad. Although Soviet authorities allowed Boris to visit Israel in 1966 as part of an official delegation, he and his family were later refused permission to emigrate there. Both Boris and his wife Geralina lost their jobs as a result of their applications for exit visas, and have since faced serious financial problems. Despite his training in computers, Boris now works as a garage attendant. Boris' son, Dimitri, has also suffered for being a member of a refusenik family. He was expelled from school in 1985, officially because he was a backward student; actually it was because he married an American. He too has applied for an exit visa, which was denied, and his wife has been denied entry to visit him.

The Agarkov family's tragic story could be repeated over and over again, with different names and cities but the same pattern of persecution. I hope all of my colleagues will join me in continuing to press the Soviet Government for an end to this persecution. Soviet policy denies Jews some of the most basic human rights—the

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right to think and believe as one chooses, and to preserve one's cultural heritage. During this feast of Passover, when Jews the world over celebrate their rich traditions, let us hope that our plea is heard by Soviet leaders, and that they grant those basic rights to their Jewish citizens, or let them move to countries where they can live freely and openly as Jews.●

PROGRAM

Mr. SIMPSON. Mr. President, I have just shared with the Democratic leader the following recap for Monday, April 28, 1986, in connection with our duties.

The Senate will convene at 11 a.m., following adjournment.

Under the standing order, the two leaders will be recognized for 10 minutes each.

There will be special order in favor of the following Senators, for not to exceed 5 minutes each: Senators HAWKINS, CRANSTON, and PROXMIRE.

There will be routine morning business not to extend beyond the hour of 12 noon, with statements therein limited to 5 minutes each.

Following morning business, the Senate will resume consideration of the unfinished business, Senate Concurrent Resolution 120, the budget resolution. Time will be running against the resolution but no votes will occur prior to 11 a.m. on Tuesday, April 29.

Mr. President, I thank the Democratic leader for his assistance throughout the day in arriving at this particular schedule.

Mr. BYRD. Mr. President, I thank the distinguished acting Republican leader, who is always most cooperative and courteous and considerate.

Mr. SIMPSON. I thank the Democratic leader.

ADJOURNMENT UNTIL MONDAY, APRIL 28, 1986 AT 11 A.M.

Mr. SIMPSON. Mr. President, I move, in accordance with the previous order, that the Senate stand in adjournment until 11 a.m. on Monday, April 28.

The motion was agreed to and, at 6:45 p.m., the Senate adjourned until Monday, April 28, 1986, at 11 a.m.

NOMINATIONS

Executive nominations received by the Secretary of the Senate April 23, 1986, under authority of the order of the Senate of January 3, 1985:

EXPORT-IMPORT BANK OF THE UNITED STATES

William F. Ryan, of New Jersey, to be first vice president of the Export-Import Bank of the United States for the remainder of the term expiring January 20, 1989, vice John A. Bohn, Jr.

IN THE AIR FORCE

The following Air National Guard of the United States Officers for promotion in the Reserve of the Air Force under the provisions of sections 593 and 8379, title 10 of the United States Code. Promotions made under section 8379 and confirmed by the Senate under section 593 shall bear an effective date established in accordance with section 8374, title 10 of the United States Code, effective date in parenthesis.

LINE OF THE AIR FORCE

To be Lieutenant colonel

Maj. Archie D. Barnes, 413-64-8071, (11/22/85).

Maj. Gerald E. Barron, 161-32-2295, (11/3/85).

Maj. Archie J. Berberian II, 036-32-4968, (12/8/85).

Maj. Russell T. Birmingham Jr., 415-72-2084, (10/1/85).

Maj. James P. Bresnahan, 496-44-1976, (12/5/85).

Maj. William A. Buckley, 005-38-0338, (12/8/85).

Maj. Gary R. Cazier, 452-58-4939, (12/18/85).

Maj. Edwin E. Chunghoon, 576-36-4489, (6/20/85).

Maj. Geoffrey L. Collins, 445-42-6339, (1/3/86).

Maj. George W. Dewey, 325-38-3081, (12/7/85).

Maj. Richard A. Doering, 544-46-1161, (11/17/85).

Maj. Edward F. Farwell, Jr., 006-50-5221, (11/2/85).

Maj. Michael J. Fisher, 517-50-3471, (10/20/85).

Maj. John R. Glover, 226-56-4855, (11/18/85).

Maj. Robert D. Green, 548-68-0878, (12/18/85).

Maj. Robert E. Grisnik, 175-32-4130, (5/5/85)

Maj. Wesley E. Hallowell, 006-42-0722, (11/2/85).

Maj. Linville L. Holley, Jr., 415-74-4131, (11/1/85).

Maj. William C. Kearney, 237-66-3172, (12/8/85).

Maj. Roy A. Keyt, 352-36-2809, (10/10/85).

Maj. James A. McDevitt, 535-40-7885, (12/11/85).

Maj. Samuel J. McDowell, 241-76-2883, (10/20/85).

Maj. Charles B. Meeks, 315-32-4010, (12/16/85).

Maj. David L. Midgley, 529-58-1338, (11/16/85).

Maj. Mark F. Miller, 388-42-6848, (12/17/85).

Maj. Thomas O. Monberg, 316-44-8324, (11/3/85).

Maj. Frank A. Moseley, 261-62-0197, (10/5/85).

Maj. James L. Overholt, 328-36-1749, (12/7/85).

Maj. Alan L. Paige, 507-56-9624, (11/2/85).

Maj. William F. Parker, 426-82-4297, (12/6/85).

Maj. Jack E. Pendleton, 553-64-6865, (10/15/85).

Maj. David L. Petersen, 393-40-5047, (11/15/85).

Maj. Albert P. Richards, Jr., 034-32-7550, (11/17/85).

Maj. Michael G. Roehr, 497-44-8355, (10/20/85).

Maj. William F. Rothert, 271-40-2831, (11/27/85).

Maj. George F. Scoggins, Jr., 513-42-5952, (12/8/85).

Maj. Robert E. Sellers, 250-72-3343, (11/14/85).

Maj. Franklin Standifer, 412-46-4872, (9/30/85).

Maj. Nelson. F. Tejada, 582-92-1245, (10/29/85).

Maj. Richard D. Trebesch, 517-56-2886, (10/15/85).

Maj. Joseph A. Vernon, 518-52-1688, (11/7/85).

Maj. William D. Whittaker, 203-34-1426, (11/15/85).

Maj. Shelby A. Wilson II, 266-80-6870, (12/5/85).

CHAPLAIN

To be lieutenant colonel

Maj. John D. Vail, 213-40-5665, (11/17/85).

MEDICAL CORPS

To be lieutenant colonel

Maj. John T. Diegel, 470-50-2617, (12/7/85).

Maj. John C. Hisley, 213-36-9751, (10/19/85).

DENTAL CORPS

To be lieutenant colonel

Maj. Robin R. Neil, 517-46-2499, (10/19/85).

Maj. Paul Rebek, 515-42-2151, (11/3/85).

IN THE ARMY

The following-named Reserve Officers' Training Corps cadets for appointment in the Regular Army of the United States, in the grade of second lieutenant, under the provisions of title 10, United States Code, section 531, 532, 533:

Abraham, Brian S., 213-84-6927
Acevedo, David P., 526-61-5339
Adams, William J., 229-02-0205
Ahn, Jason J., 467-33-0840
Albrecht, Wendy K., 409-29-1224
Allison, Kellie M., 403-15-8834
Alston, Oran L., 323-54-4275
Anderson, Curtis A., Jr., 496-72-1895
Anderson, Kurt B., 181-46-5728
Anderson, Tammy L., 375-78-7882
Appenfelder, Rebecca M., 273-60-3590
Applebaum, Kevin J., 045-70-8196
Arends, William J., 211-58-0821
Armstrong, David A., 308-80-0982
Armstrong, Jeffrey A., 212-86-3308
Armstrong, Kevin R., 160-58-6348
Artero, Matthew J., 249-33-4285
Austensen, Scott D., 215-84-7747
Avants, Cammie L., 526-33-6578
Avila, Robert A., 572-33-0013
Ayersman, David J., 234-17-8035
Babbitt, Jeffrey J., 469-90-5197
Bagley, Brian J., 516-92-4093
Bailey, Mamie M., 229-06-2609
Baker, Teresa J., 385-74-7830
Ball, Daniel R., 585-29-8805
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O'Neil, John E., 029-60-3457
O'Penshaw, Shane T., 529-21-8530
O'Quin, Deborah A., 315-80-2361
O'Reskovic, Robert S., 399-80-8616
Orr, Jennifer L., 095-64-0682
Ortiz, Jo C., 449-47-5833
Oshea, Kenneth P., 560-25-1313
Oubre, Michael S., 558-08-9732
Owens, Derek A., 227-82-1660
Owens, Jimmie D., 432-39-1290
Pace, Patricia A., 264-79-3194
Padgett, Nancy K., 568-53-9525
Palombo, Peter 039-32-0812
Papson, Martha E., 135-60-0447
Parker, Erik N., 362-82-0484
Parrish, Gregory M., 454-31-9086
Pate, Christopher L., 240-02-8994
Patrick, Amy J., 294-50-2840
Patton, Russ E., 566-78-7325
Payne, Thomas L., 401-13-9032
Pease, Christopher W., 539-60-0054
Pendergast, Clinton R., 248-37-0062
Penny, Brent A., 234-13-3191
Perez, Timothy J., 552-47-0064
Perez, Yolanda, 584-47-2279
Perna, Michelle L., 577-72-6865
Perry, Alan R., 259-31-2898
Perry, Warren A., 118-62-1405
Pershing, David R., 290-68-3738
Peters, Jeffrey E., 550-27-1934
Peterson, Richard, 317-60-6182
Petray, David R., 448-60-5401
Petters, Susan A., 267-35-0347
Phillips, Wilfred L., Jr., 244-29-9276
Pickett, Maurice S., 252-04-4815
Pietz, Harald W., 424-98-9437
Piskator, John M., 011-60-4161
Polk, Cary L., 229-11-0536
Popovics, Peter J., 098-58-2980
Porter, Robert L., 379-68-1825
Potter, Kathryn B., 193-56-6489
Pouget, Nicole, 061-60-8165
Pribilski, Raymond 457-98-6682
Pritzl, Gregory E., 390-48-4860
Profenno, Michael E., 006-62-5407
Provorse, Andrew P., 507-02-9974
Pruett, Edward G., 266-73-9265
Puchot, Raymond C., 454-49-2045
Quets, Warren D., 263-51-8457
Quichocho, David E., 586-66-9899
Quigley, Kathleen T., 164-62-8486
Quinn, Stephen M., 231-15-0160
Rackley, Mary K., 263-98-1078
Rademaker, Anthony J., 407-68-0240
Rafledine, Marc S., 362-74-7330
Raimey, Timothy A., 280-58-0503
Rainey, Dinah L., 565-13-2433
Ramirez, Martin D., 216-82-5901
Ramos, Loren E., 573-15-0756
Ramskill, James E., 519-72-6889
Ratliff, Kristine A., 485-86-6884
Rauchle, Robert W., 357-60-1192
Ray, Wayne T., 429-15-3010
Readshaw, Randy W., 192-60-2735
Reed, Karl D., 006-62-3265
Reilly, Dan J., 348-66-5670
Reilly, John G., 063-62-7591
Renfro, James G., Jr., 012-62-4962
Reynolds, Elizabeth S., 228-13-7275
Reynolds, Robert F., 034-50-1902
Rice, Charles L., Jr., 437-21-0399
Rice, Kenneth E., 421-98-5989
Rich, Stuart E., 265-88-6000
Richardson, Michael R., 420-04-1024
Richter, Christine M., 069-54-0578
Rios, John, 583-74-5766
Rivera, Branda I., 114-58-8194
Rizner, Michael J., 294-64-9629
Roberts, Angela M., 216-92-3567
Roberts, Mark A., 079-46-8179
Roberts, Rebecca E., 221-36-8980
Robinson, Jaymi L., 542-94-5945
Robinson, Suzanne E., 227-13-5990
Rodes, Kenneth A., 267-51-5143
Rogers, Clay T., 538-86-3002
Rose, Paul N., 453-41-1349
Rosenblum, David A., 257-06-5680
Ross, Charles D., 503-70-2363
Ross, William L., III, 213-64-0443
Roue, Linda K., 471-88-3508
Routzahn, Deborah M., 154-62-1812
Rowe, Sheryl A., 088-50-7869
Rubendall, Mary K., 194-60-1964
Sabisch, James P., 126-38-9986
Salvato, Vito S., 386-64-3259
Sarnecki, Philip H., 514-76-0972
Sarvak, Michael J., 009-46-8059
Scalsky, David W., 148-58-8646
Scalzitti, Judy M., 343-62-2328
Scaven, Gregory J., 151-50-2924
Scearce, Catherine E., 230-84-1001
Schaefer, Merideth A., 286-58-0774
Schley, Timothy R., 548-33-2682
Scofield, Bradley B., 307-84-6715
Scott, David C., 249-04-8390
Scott, Kelvin K., 264-67-4152
Scott, Kevin R., 056-60-6359
Scott, Sharon M., 433-08-4927
Scudder, Michael A., 488-80-4358
Searles, James A., 493-76-8996
Sebastyn, John J., 021-48-3620
Seidl, Kevin., 217-58-7536
Seiffert, Kenneth D., 261-73-0341
Sharp, Cynthia L., 151-50-7454
Shealy, Benjamin L., 247-19-3003
Shepard, Brian J., 108-44-6107
Shepard, Richard L., 515-78-4700
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Silverman, Adam D., 140-68-3128
Sims, John D., 578-84-5461
Slattery, Timothy E., 314-80-8079
Smead, Stuart W., 101-54-1555
Smiley, Alfred A., 553-90-0048
Smith, Christine A., 108-56-0806
Smith, Gregory E., 264-98-4097
Smith, Jeanne C., 223-94-2152
Smith, Jonathan M., 231-19-8820
Smith, Michael V., 563-13-9288
Smith, Tajuanna M., 094-62-6874
Smith, Todd L., 400-08-4571
Snodgrass, Bond W., 534-80-1003
Snyder, Paul J., Jr., 454-37-2367
Sokolosky, Johnny W., 242-29-5161
Sokolowski, Ronald E., 122-50-2323
Soma, James M., 503-74-2804
Soto, Eugenio, 582-69-7686
Souder, Jeffrey K., 209-42-3065
Spehn, Julie M., 329-68-1979
Springer, Pamela S., 377-68-3148
Stallings, Ronald R., 240-08-0012
Stanley, Tyron D., 247-33-5295
Starke, Timothy J., Jr., 264-47-6111
Starnes, Alvin B., 245-13-6258
Stathis, Andrew M., 034-52-2838
Stedman, Cynthia L., 152-54-1784
Steele, Susan E., 194-58-4604
Steele, William T., 238-02-0990
Steenburgh, Charles J., Jr., 230-17-1466
Steenstry, Cheryl L., 491-82-1430
Stella, Lisa A., 071-62-4235
Stelling, Froylan 437-35-6343
Stephan, Mary B., 166-60-2807
Stevens, Gail M., 110-62-9162
Stevenson, Robert M., 222-56-4183
Stewart, Donald F., 587-21-9710
Stewart, Lewis E., 245-94-0129
Stieghan, David S., 466-80-1526
Stone, Andrew T., 261-92-8269
Stovall, Stuart G., 254-29-5214
Strenn, Michael J., 393-68-9598
Strickland, Laura J., 523-21-2595
Strong, William A., 133-60-1334
Strother, Darrell R., 410-23-2688
Styrculapaugh, Yvonne J., 283-74-6917
Swanton, Edward J., 093-54-9504
Szcepkowski, Dean E., 312-74-0680
Tacheny, Barbara A., 446-64-4682
Taglieri, Carmine F., 551-25-9971
Talkington, Mark E., 322-40-2774
Tally, Jeffrey L., 562-15-7678
Taylor, Erin R., 482-90-9135
Taylor, Randy S., 298-70-4738
Tedesco, Vincent J., III, 523-04-3181
Tejki, Rudolph J., 066-62-3604
Teofilak, Michele B., 167-58-5985
Terry, Jerome P., 363-88-3914
Testerman, Tamra L., 585-04-4531
Thigpen, Quinlan, 420-90-7030
Thomas, Glenn L., 243-04-9063
Thorner, Paige L., 008-56-3806
Thornton, David A., 519-78-8758
Thrasher, Robert H., Jr., 251-29-9971
Todhunter, Eric J., 228-17-6033
Tokar, John A., 217-80-9048
Toon, Todasco, 243-29-1561
Tosi, Eric G., 151-68-3114
Touzinsky, Thomas A., 345-66-2159
Trantow, George D., 398-62-8703
Trexler, Michael P., 202-52-6361
Troiano, Gabriel R., 075-42-0082
Tuchmann, Leslie, 045-68-3310
Tulowitzky, Jeffrey W., 577-88-5182
Tumilty, Victor L., 231-96-4762
Tuohy, Jennifer D., 152-68-4653
Turner, George E., 223-04-4557
Turner, John S., 266-21-5217
Turner, Kathy M., 390-86-8154
Vachon, Stephen E., 380-80-8890
Vanasse, Margaret M., 014-62-2685
Vanbeek, Lynn M., 504-80-4826
Vanchau, Boilan N., 586-48-2361
Vandorn, Pamela J., 515-48-8360
Vanslambrook, David E., 366-78-2579
Vantricht, Deborah A., 343-50-0827
Velicer, Anthony D., 391-50-6471
Vogel, John C., 390-80-3760
Vogler, Louis A., 526-69-1673
Volk, Ann M., 206-52-4219
Wack, Colleen D., 095-52-4194
Wade, Robin L., 440-70-1039
Wade, Suzanne Z., 532-84-9263
Wagner, Ted C., 456-23-7471
Waite, Eduardo, 263-77-0341
Walker, Alma R., 228-08-6694
Walker, Johnny L., 252-08-5995
Wall, William T., 230-15-3484
Wang, Todd A., 512-66-6973

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Warg, David J., 013-38-2817
Washer, Thomas F., II, 414-19-0571
Watkins, Mark V., 404-11-3076
Watson, Colleen M., 008-56-7216
Watson, Wesley E., 403-80-8491
Watt, David B., 382-70-9040
Webb, Kathryn M., 226-13-4107
Wellons, Dave, 544-68-6470
Wentworth, Stefanie M., 155-56-5894
Wheeler, Todd M., 209-38-1802
White, Jeffrey D., 479-96-5460
White, Nancy M., 381-74-8837
White, Robert L., Jr., 406-92-0020
White, Robert P., 561-47-8254
White, Sandra D., 255-27-4375
Wholey, Susan M., 241-25-3987
Wilhelm, Fredrick S., Jr., 544-78-8246
Wilkes, Harry F., 248-02-1243
Williams, Carri M., 212-90-0102
Williams, Larry D., 344-86-6120
Williams, Lynne A., 226-96-4557
Williams, Robert L., 543-70-5822
Willis, Keith A., 359-64-7279
Wilson, Gerald K., 423-06-0639
Wilson, Scott A., 523-21-8793
Wilson, Stanley W., Jr., 228-11-4010
Wilson, Suzanne M., 077-62-6172
Windley, Barbie R., 039-40-1330
Winkler, Martha J., 511-78-0722
Winter, Maurice G., Jr., 249-31-4703
Wise, Teresa L., 352-50-8202
Wisniewski, Lisa C., 211-56-7728
Witkowski, Colleen R., 143-68-8689
Wolf, Whitney K., 500-78-8345
Wolslagel, Donna M., 516-90-7433
Wood, Michael D., 229-19-3603
Wood, Suzanne M., 057-58-3026
Woodruff, William J., 413-31-3734
Worman, Stephen L., 564-41-9810
Wright, Charles S., 533-86-0405
Wright, Clifton C., 250-13-6820
Wright, Valentia M., 369-72-8267
Wulfhorst, Kevin C., 192-56-7981
Yost, Kim E., 085-44-9307
Young, Andrea L., 260-29-8535
Young, Reed F., 055-42-0366
Youngquist, Kenneth E., 472-82-4133
Yukevich, Stanley M., 243-06-8671
Zavarelli, John V., 524-19-8081
Zurschmit, Scott W., 564-41-8837
Zweizig, Linda B., 163-54-6493

IN THE NAVY

The following-named lieutenant commanders in the line of the Navy for promotion to the permanent grade of commander, pursuant to title 10, United States Code, section 624, subject to qualifications therefor as provided by law:

UNRESTRICTED LINE OFFICER (11XX/13XX)

Adams, Mary Raftery
Ahearn, James Vincent Jr.
Akins, Glendon Leo, Jr.
Allen, Andrew J.
Allen, Harry Eugene
Allin, Robert Wesley
Allison, George Boardman
Alston, Robert William
Anderson, Robert Alton
Andre, Duane Alan
Angelo, James Warren
Aoki, Anne Louise
Architzel, David
Ardan, Nicholas Ivan, III
Armistead, Reginald Gray, Jr.
Arnold, Robert Bruce
Arnold, William Glenn
Ashbridge, George, IV
Aten, John Joseph
Aukland, Bruce Michael
Ault, Jon Franklin
Averill, Robert Cameron
Axelrod, William Harold
Baas, Daniel Louis
Babbitt, James Charlton, Jr.
Babcock, Rowland Alvin, Jr.
Bagley, Edward Garland, III
Bailey, Claudia Lynn
Baker, Thomas Allan
Barnhill, Arizona Wendell
Behringer, Stephen Edward
Belcher, John Charles
Benedict, William Lance
Benn, Charles Michael
Bennett, Robert Wesley, Jr.
Berger, Janellyn Lu
Berry, George Zellner
Besal, Robert Eugene
Betancourt, Jose Luis, Jr.
Bixler, Charles Harley
Blackwell, Theodore I., Jr.
Blakey, Blake Victor, Jr.
Blanchard, Robert Kevin
Blomeke, High Douglas
Bolan, Gregory Edward
Boniface, William Scott
Boose, Marion Sanford, Jr.
Booth, James Elliott
Boroff, Jeffrey Lee
Bostaph, Joseph Timothy
Boughton, Phillip Gary
Bowlin, James Allen
Boyington, John Edward, Jr.
Boyle, Jerome Pillow
Branson, James Lee
Brattland, Michael Gordon
Brewer, Craig Walter
Brick, James Michael
Brinkac, Michael Joseph
Brown, David Kearney
Brown, David Nelson, III
Brown, Frank Hyatt
Brown, Nellie Ruth
Buford, Gaston Reedy, Jr.
Bullough, Bruce Lynn
Burdett, Peter Scott
Burdette, Allen Leamon, II
Buschmann, Roger Louis
Butler, James Paul
Byrd, John Thomas
Cahoon, David Clinton
Calcaterra, Frank Sal
Caldwell, Warren Lee, Jr.
Canavan, Michael Patrick
Candalor, Michael Bruno
Cantfil, Scott Thomas
Caplinger, Lanny Wade
Carlin, James Joseph, Jr.
Carlson, Dennis John
Carlson, Donald John
Carmichael, John Scott
Carr, Margrette
Carrier, Guy Joseph
Carter, Larry James
Carter, Leslie Roy
Carter, William Lee
Casper, David Carl
Civiello, Constance Emily
Clements, Susanlee Porter
Cochrane, Michael Jon
Coggins, Andrew Oscar, Jr.
Collier, Dewey Russell
Condor, Robert W.
Condon, Thomas John
Conner, Hilton Leroy, Jr.
Conroy, James Leo
Cook, Larry Earl
Cook, Robert Bartlett, Jr.
Cook, William Eckford, Jr.
Cooke, Wilbur Orlean, Jr.
Coon, Ralph Herbert, Jr.
Coonan, Robert Paul
Cooper, Michael Robert
Cooper, Thomas Charles
Corcoran, Thomas Charles
Cosgrove, Patrick Eugene
Cottrel, William Russell
Coulter, Daley Thomas
Coyle, Gary Leonard
Craig, Michael Christopher
Cramer, Mark Jay
Crawford, Mary Perri
Crim, Mark Adren
Crocker, David Mark
Cross, James Kilpatrick
Crouch, Orren Rayburn
Crowell, Charles Davis
Curtsinger, Delbert Anthony
Cutter, Duane Starr
Darcy, Thomas Francis
Darling, Sherrill Thompson
Darwin, George Robert
Davidson, Michael Arthur
Davidsson, Jeffrey John
Davis, Dean Omega, Jr.
Davis, Richard Earle, Jr.
Davis, Rodney Michael
Day, James Copeland
Day, Sharon Parrish
Deal, Rocklun Allen
Dean, Dennis Ross
Demasi, Francis Dominick
Demeo, Michael Joseph
Denham, Stanley Alvin
Dennis, Ronald Wayne
Devlin, John Charles
Dick, Lawrence Lee
Dilgren, Glen Alaric
Disy, Edward George, Jr.
Dohse, John Frederick
Donaldson, William S.
Donihi, Burleson Mills
Donlon, Stephen Edward
Doyle, Patrick Robert
Drews, Robert Adam
Driscoll, Joseph Francis
Dudek, David Paul
Duffy, Michael Edward
Duguid, Roger Alan
Dundas, Geoffrey Winn
Dunscombe, Bruce E.
Dussman, Thomas Raymond, Jr.
Edwards, Mark Jackson
Elder, Alfred
Elles, Christopher Jacob
Ellis, Jimmy Lee
Ellis, Robert Boyce
Emmert, Mark Albert
Engelhardt, Bruce Bidwell
Ensley, Lee Michael
Erwin, Troy James
Etter, Alan Yancy
Eubanks, Richard Marcus
Evans, Gary Glen
Evans, James Marvin
Evers, William Barton
Fahy, Dorothy Ellen
Falkey, Mark Steven
Fargo, Dennis Kenneth
Farmer, Linwood Earl, Jr.
Feldman, Brian Darrell
Fennessey, Donald Brian
Ferguson, Kevin James
Ferree, William Daniel
Ferris, Judith Boyle
Filanowicz, Robert Walter
Finch, Marnee Lee
Finkelstein, Mark Arnold
Finney, Robert Dean
Fischbeck, Jeffrey Allen
Fisher, Calvin
Fisher, John Walker
Fisher, Joseph Timothy
Fitzsimmons, Michael Joseph
Fleming, Richard Peter, Jr.
Flenniken, Michael Elmo
Flood, John Thomas, Jr.
Flynt, David Byron
Ford, John Fielding
Foster, Thomas Wayne
Foster, Willie Ronald
Foti, Stephen Gino

Fournier, Dean Norman
Fowler, John Darwin
Fowler, Larry Richard
Fox, Donald Clyde
Frahler, Donald Andrew
Frank, Richard Roger
Franklin, Roland Michael
Franze, Charles Raymond
Fraser, Powell Alexander, Jr.
Frederick, Stephen Edmund
Frump, David Arthur
Fullerton, John Alan
Gaines, James Egelston, Jr.
Garden, George Carrington, Jr.
Gardner, Grant Everett
Garrett, Patrick Martin
Gaskins, James Yost
Gavett, Wallace Leonard, Jr.
Gear, Bud Stanwood
Geel, Richard Alan
Geiger, Donald Gene
Geiger, Edward Charles
Geist, Gregory David
Geister, Joel Albert, Jr.
Gerard, Gregory Lawrence
Gerken, William John
Giannotti, Bruce Bennett
Giarra, Paul Severin
Gibney, William James
Gibson, William Lewis
Givens, Joel Dennis
Glass, Joseph William
Glick, Dean F.
Glover, Ronald Burton
Goddard, James Reed, Jr.
Goessling, James R.
Golden, Mary Frances Sidor
Gooding, Brent Baker
Goodwin, Thomas John
Gordon, Douglas Thomas
Gorris, Frederick David
Gray, Richard John
Greaser, Donald Charles
Griffin, Paul Michael
Grissom, Mark Patterson
Grosel, Joseph Jeffery
Grover, James C.
Guest, Frank Benjamin, III
Gutierrez, Kathleen Connor
Hagy, Michael Richard
Hahn, Keith Dennis
Haizlip, John Threlkeld
Hall, Gary Michael
Hammond, Gary Richard
Hancock, William Allen
Hare, Robert Lee
Harkness, Mary Anne
Harrington, Carol Ann
Harris, James Daniel
Harrisonbrown, Dorothy S.
Harrop, John Kaenel
Hart, David Thomas, Jr.
Hartrick, Thomas Frederick
Hartzog, Mary Pauline
Hathway, Clifford Newton, Jr.
Hawkins, Jeffrey Alan
Hayes, Allison Curtis
Hearding, David Warren
Heatley, Charles James, III
Hebdon, David Eugene
Hederstrom, Paul H.
Hedrick, Michael Keith
Heimgartner, Kenneth Floyd
Hennessy, Paul Barrett
Henry, Christopher Ryan
Hergenroeder, James
Hessdoerfer, Ronald Carl
Higgins, Paul Michael
Hill, Clarence Ebbert
Hill, Martin Ray
Hively, Howard D.
Hobbs, Philip Gary
Hobgood, Gordon Benjamin, Jr.
Hodson, Brian Jay
Holden, Timothy Aloysius
Holdredge, Robert Leslie
Holland, James Edward
Hollingsworth, Arnold Gilmor
Holloway, James Curtis
Holmes, Thomas Robert
Holzmann, Kenneth Ralph
Homier, Paul Anthony, Jr.
Honey, Ronald Dudley
Hopkins, Hubert Denning, Jr.
Hopper, William Frank
Hopping, Robert D.
Horne, Charles Henry, Jr.
Howe, Robert Henry
Howell, Wayne Morris
Hrenko, John, Jr.
Hufford, Harriett Mary
Hughes, Ronald Alan
Hughes, Thomas Frederick
Hugill, Joseph Ray
Husser, Louis, Andrew, Jr.
Indorf, John William, Jr.
Ingalsbe, Stephen Ramage
Inglish, Gary Kent
Irlam, Ross Edward
Jackson, Andrew Hugh
Jackson, David Leon
Jackson, Jimmie Ray
Jackson, John Edward, Jr.
Jackson, William Pierce, Jr.
James, Robert Boe
James, Ronald Boynton
Jankura, Edwin Stephen, Jr.
Jarrett, Stephen McAllister
Jaskunas, Thomas Michael
Jewell, Keith Alan
Jobe, Terry Lynn
Johns, Stephen Bunnell
Johnson, Charles Scott
Johnson, Garland Russell, Jr.
Johnson, Herman Raymond
Johnson, Michael Dean
Jordan, Timothy Gaius
Jorvig, Daniel Alden
Joslin, William Daniel, Jr.
Kallin, Peter Lindel
Kalstad, Kendall William
Kaye, Theodore Lawrence
Keefe, Daniel Stanton
Keith, Douglas Wayne
Keithly, Thomas Morken
Kelly, John Michael
Kelso, Jesse Johnston
Kennedy, Kristopher Morris
Kern, Dennis James
Kessler, Paul Kenderson, Jr.
Kester, Lawrence Verne
Kindel, George Finley
King, Kendall James
Kirk, Bruce Reed
Klein, Terry Owens
Klinker, Patrick Joseph
Kluever, Patrick Robert
Konya, Bruce Richard
Kopacz, Anthony Joseph
Koss, Andrew James
Kren, John Joseph
Kryske, Lawrence Michael
Kubovchik, John Francis, Jr.
Kujat, Edward Joseph
Kysar, Billy Dean
Lambert, Robert Bradley
Landers, Coleman Arthur
Larsen, Christopher Stephen
Larsen, Thomas Carl
Lauderdale, Donnie Aubrey
Laughter, Selwyn Shuford
Lawler, John Clinton
Lee, Richard Patrick
Lee, Thomas Early
Leib, Robert Conard
Lentz, Linda Mary
Leonard, Raymond Earle, III
Leverette, Glen
Lewandowski, Lawrence Anthony
Liggett, Robert David
Lillard, William Ashby, III
Littleton, Joseph Sharp, III
Littleton, Leland Kron, Jr.
Livelsberger, Francis Stephen
Lobue, James Joseph
Logue, Stephen John
Long, Robert Henry
Lukaszewicz, Joseph Thomas
Lulu, Michael Joseph
Lutkenhouse, Michael Anthony
Lynch, Vincent Joseph
Mack, Stanley John
MacLuskie, John Robert
Maggi, Robert William
Main, Glenn Allan
Mallon, Paul Joseph
Mannel, Robert Paul
Manning, Walter William
Manning, William Beverly, III
Marion, Kenneth Thomas
Marra, Kenneth Joseph
Marshall, William James
Martello, Keith Wallace
Martin, Colin Leslie
Maskew, Rodney Max
Mason, Charles Manning, Jr.
Mason, Lee Charles, II,
Mathis, Don Wade
Mayhew, Lance Harrison
McAfee, William Taylor
McAllister, James Paul
McCarthy, Morton Everest, Jr.
McCarty, James Douglas
McCarville, Patrick Anthony
McClung, Doyle Curtis
McCort, Daniel Ralph
McElraft, Ronald Dean
McElroy, Daniel Wallace
McGalliard, Gene Richard
McGinn, Leo Francis, Jr.
McGraw, William Lloyd
McLane, Robert Lewis
McQueeney, Michael Edward
McWilliams, Hugh Newton
Mears, George Henry
Meeley, William Anthony, Jr.
Mercurio, Stephen Francis
Meyer, Daniel Harry
Meyer, John Gregory
Meyer, Thomas Leslie
Meyers, John Earl
Meyers, William Arthur
Miller, David Ross
Miller, Dennis Wayne, Jr.
Mills, Phillip Horne
Milner, Daniel Dewitt
Mitchell, Alfred Warren
Mitchell, Monika Ursula
Molloy, William Earl, Jr.
Moody, Richard Alan
Moore, Richard Bruce
Morgan, John Cabe, Jr.
Morin, James Brendon, Jr.
Morral, Dennis Gilbert
Morreale, Bruce Vincent
Morris, William Denton
Morrison, Thomas Robert
Mulder, Keith Paul
Mullarky, John Walter
Muncie, John Clifton
Munns, Charles Lyndsey
Murphy, George Joseph, III,
Myers, David Edward
Myers, Ronald Louis
Neihart, Charles William, Jr.
Nelson, David James
Nelson, Jeffrey Robert
Nelson, Robert Charles
Nelson, Robert Edward
Nelson, William Hardage
Nemec, Johnnie Frank
Nesbitt, Allan Preston, III

Nestor, Don Alan
Newton, Danny Ray
Nibbs, Alan McLeod, Jr.
Nichols, David Charles, Jr.
Noland, James Terry, Jr.
Norman, Richard Michael
Norrbom, Timothy John
Nottke, Bruce Alden
O'Brien, Paul Edward, Jr.
Offerle, Robert Anthony
O'Keefe, James George
O'Leary, Joseph Lennon
O'Rbann, Carl Theordore, III
Otto, David Thomas
Pacentrilli, Larry Anthony
Palmatier, Philip Frank, Jr.
Papineau, Larry Regan
Parker, Lutrelle Fleming, Jr.
Parker, Robin M.
Parlet, Robert Dale
Peck, James Eugene
Penix, Larry Ellis
Perry, James Walter
Perry, Robert Paul
Peters, Donald Eugene
Peters, Kenneth Warren
Petersen, Richard Merle
Pfeiffer, Frank Gaines
Phillips, Donald Wayne
Phillips, James Glenn, III
Pickett, Russell Ames
Piecuch, John Leon
Pilcher, Ray C., Jr.
Pine, John Steven
Plautz, Dennis Hoyt
Pledger, James Edgar
Poe, Deen Owen
Poorman, Kenneth Alan
Powell, Frank Russell
Prendergast, Timothy Edwin
Preston, Randall Dills
Prevatte, Carolyn Virginia
Ptacek, John Wayne
Puccini, Bruce Anthony Josep
Pyles, Steve
Quadri, Anto Stefan
Quigley, Thomas King
Rankin, Robert Howell
Ratcliff, Ronald Everett
Reed, William Keeler
Reeve, Edward Joseph
Reeves, Jerry David
Reeves, Wayne Ronald
Reisinger, Allen Eugene
Remshak, Christopher Jon
Repicky, John Joseph, Jr.
Resing, David Claude
Resser, Stephen F.
Rhiddlehoover, Suzanne
Richardson, James Dana
Riess, Robert Eugene
Rigot, William Laswell, Jr.
Roberts, John David Frederic
Roberts, Paul Edward
Robison, Richard Alan
Rogers, James Ernest
Rogers, William Armstard, Jr.
Rollins, David Campbell
Ross, Jim Allison
Ross, Nicklous James
Ross, Robert Richard
Roughead, Gary
Roulstone, Douglas Robert
Rutherford, Lindell Gene
Sack, Alvin Lee
Sackett, Craig Pinard
Salemi, Edward Michael
Santapaola, Donald Jack
Sarraino, Michael
Schaffter, Alan Bruce
Schmidt, Charles Richard
Schmidt, Jonathan Blake
Schmidt, Wesley Henry, Jr.
Schork, John Forrest
Schubert, Jerry Lee
Schwalier, Charles Dale, II
Schwiering, David Alan
Scott, Bruce Bob
Scott, James Robert
Scott, Robert John
Scudder, Stephen Vincent
Sedivy, Dean Gordon
Seeley, James Robert
Shalles, Siegfried Lee
Shaver, Eric Bruce
Shaw, John Damon
Shay, Jon Vincent
Sheehy, Hugh Francis
Shekem, Murat
Shemella, Paul
Sheppard, William Lester, Jr.
Sherrard, Martin Victor
Shery, Kevin J.
Sherwood, Roger Raymond
Shields, Robert Bishop
Shon, Michael David
Shurtleff, William Hall, IV
Sieve, Glennon Lambert
Silverio, Stephen Ralph
Sipe, Charles Regis, Jr.
Skurski, Paul Roy
Smart, Mary Grace Heagney
Smith, Frederic D.
Smith, Gene Arnold
Smith, Janvier King
Smith, Robert Edward
Smith, Wayne Edward
Snead, Leonard Alexander, III
Snodgrass, Dale Oglesby
Snyder, Thomas Edward
Snyder, William Lester
Sohl, John Herman, III
Sonntag, Steven Jay
Spencer, Charles Henry, Jr.
Squires, Monte Arthur
Standridge, Elmer Lawrence J.
Stanton, Donald Clifford
Stanton, Ronald Andrew
Stark, Terry Michael
Steele, Scott Leslie
Stephens, Robert Carroll
Stephenson, Walter Wade
Stettler, Gerald Allen
Stevens, Gene Allen
Steward, Daniel Nicholas
Stewart, James Robert
Stine, Jeffrey Lawson
Stites, Lloyd Thomas, Jr.
Stoddard, David Victor
Stoddard, Larry Charles
Stoehr, Dale Erwin
Stone, Jeffrey Morris
Stoner, Donald Winston
Storm, Bradley Douglas
Strickland, Peter Benham
Strickler, Richard Wayne
Stricklin, Ted Alan
Stringer, Richard Howard
Stuckert, Bruce Taylor
Swanberg, Geoffrey Merritt
Swift, Lloyd Francis Knapp
Szoka, Michael Allen
Taber, James Charles
Talbot, Gerald Lloyd, Jr.
Tate, Russell Eric
Taylor, Lee Bradford
Taylor, Paul Edwin
Teply, John Frederick
Tetlow, Philip Christopher
Thomas, Joseph Walter
Thomas, Michael Glenn
Thomas, Scott Shingle
Thomson, Alan Douglas
Thomson, Timothy
Thorne, Silas Owens, III
Thornton, James Terry
Thorpe, James William, Jr.
Tilley, John Alvyn, Jr.
Tindall, Norman Joe
Tindle, John Richard
Tipsword, William Harold, Jr.
Tomaszeski, Steven John
Toney, James H.
Tornatore, Gary Paul
Trabona, Robert Joseph
Traverso, Timothy Joseph
Tussey, David Alan
Tuttle, Larry Jerome
Uebelherr, Michael Frederick
Ulrich, Edward Dewayne
Uricoli, Eugene Francis
Vatikiotis, Darlene Weidler
Vaughn, David Roy
Veldstra, Daniel Roy
Venable, Ted Jeffrey
Vickers, Sammy Lee
Vogan, Charles Scott, Jr.
Vogt, Michael Carl
Volpe, Joseph Michael, Jr.
Voros, Charles Douglas
Voss, Cary Van
Voter, James Conant
Wallace, Edward Charles
Walmsley, Stephen Robert
Ward, John Joseph, Jr.
Wardrobe, James Eugene
Ware, Jerry Steven
Warr, Paul Melbourne
Warren, Floyd Dewey, Jr.
Watt, Alexander Young, Jr.
Watwood, William Britt
Weatherspoon, Stephen Salve
Wedding, Gregory Louis
Westover, Steven Bruce
Wheeler, Dennis Ralph
Wheeler, William Gary
White, Joseph Wheeler
White, Phillip Joseph
Whitney, John Douglas
Wiley, Ronald Allen
Wilfong, Dallas George, III
Wilhelmy, Mark Desloge
Wilkinson, Joseph Brooks, Jr.
Willard, Robert Frederick
Willburn, Alan Bruce
Williams, Robert Edward, Jr.
Williams, Russell Lee
Williams, Thomas Richard, Jr.
Willis, Leland Stanf, III
Wingo, Theodore Oscar
Winney, Justin William, Jr.
Withers, Thomas Roy
Wood, Charles Andrew
Worthington, John Reid
Wright, Oliver Lee, III
Wright, Richard Francis
Wright, Richard Lee
Wylie, George Joseph
Young, Charles Selden Backus
Young, Gordon Allen
Zeller, Chester Arthur, Jr.
Zimmerman, Kenneth Ronald
Zito, Hugh John

ENGINEERING DUTY OFFICER (14XX)

Ainsley, William Lowther, III
Baugh, Dale Eric
Blanton, Gerald Bertram
Boyd, William Kirk, Jr.
Brady, Edward Daniel
Bruner, Todd Thornton Whitne
Clayton, Irving Brodribb, III
Cummings, Jon Richard
Cuzzocrea, John Leo
Daley, Michael John
Dunn, James Patrick, Jr.
Dwyer, Dennis Michael
Endicott, David Carlisle
Goldsby, Richard Earl
Guiles, Richard Howland
Haberlandt, Frederick Robert
Haddock, James Max

Halwachs, James Edward
Harvey, Gerald Alan
Hatcher, William Lloyd, III
Hill, James Allan
Hogen, David John
Holland, Howard Michael
Hopper, James Harris, III
Jenkins, Jerry McKinley
Jorgensen, Paul C.
Joseph, Alfred Michael
Kasdorf, Roy Edward
Langston, Marvin J.
Loser, David A.
Mahle, Gary George
Maixner, Michael Rex
Manvel, John Talbot, Jr.
Mayes, Larry Leroy
Mead, Gregory Gower
Mellor, Martin Warren
Meyett, Robert Stephen
Moranville, Mark Sheridan
Mortenson, Victor Adelbert J.
Mullican, James Neal
Needham, William Donald
Nickodem, Peter Webb
Olechnovich, Paul Jerome Vic
Ott, Andrew Anthony
Patton, James Wesley
Pence, Derry Thomas
Poland, Marc Maier
Preisel, John Henry, Jr.
Ransbotham, James Irvine, Jr.
Roberts, Warren Leigh
Rockwell, Richard Thornton
Rubel, William Richard
Sanford, Gregory Benson
Schaubel, Raymond Charles
Schiesser, William Andrew
Smith, Douglas Edwin
Sontheimer, Richard Francis
Strawbridge, Carl Neilson
Watterson, Kent Braden
Wyse, Frederick Calhoun

AERONAUTICAL ENGINEERING DUTY OFFICER (AERONAUTICAL ENGINEERING) (151X)

Almquist, Thomas Victor
Bal, Eugene, III
Blake, Jimmie Oliver
Burnett, Joseph Lawrence
Duke, Boyce Wayne
Ferrell, Dennis Richard
Grafton, Thomas Albert, III
Gregory, Erik Stuart
Hargrave, Douglas Francis, Jr.
Hill, William John
Jimenez, Jose Salvador
Kenney, Paul Stephen
Knolhoff, Larry Edward
Koorey, Alfred Joseph, Jr.
Mills, Donald Max
Morandi, Theodore Raymond
Mugg, William Allan
Neel, David L.
Panos, Christopher William
Posnett, William Lenard, III
Reightler, Kenneth Stanley, J.
Ruputz, Philip Nmn
Russell, Robert Wayne
Seckinger, David Neil
Smith, Stephen Wayne
Zajicek, Richard Gene

AERONAUTICAL ENGINEERING DUTY OFFICER (AVIATION MAINTENANCE) (152X)

Bachmann, Michael Charles
Banek, Edward Adam, Jr.
Barnett, Eben Edgar, II
Edwards, Kenneth Paul
Elliott, Margaret Louise
Hobbs, Dennis Albert
Myette, Kevin Milton
Orton, Frederick Charles
Schwartz, Michael Norman
Stahler, William Donald
Walsh, Daniel Patrick
Youngman, Kenneth Ray, Jr.

SPECIAL DUTY OFFICER (CRYPTOLOGY) (161X)

Bohannan, Gary William
Chin, Francis Wai Liang
Cranshaw, William Raymond
Crowley, Thomas Noble
Daly, Joseph Thomas, III
Eichel, Laurence Alan
Engh, Robert Harald
Grant, Francis Joseph, Jr.
Gravell, William
Hardaway, James Hallowell
Harrison, John Joseph
Heuer, Edward David
Ingalls, Bryan William
Kellogg, Robert Lea
Ketron, Michael Gordon
Kuehne, Kenneth Wesley
Laino, Karen Ann
Mast, Peter A.
Meyers, William Joseph
Nickelson, Bobby Lynn
O'Neill, Richard Patrick
Pistochini, Mark David
Rucker, Steven Warren
Ryder, Curtis Myles
Sare, Michael Joseph
Sheppard, Dennis Dean
Snell, Stephen Farnham
Streiff, Edward James
Sueirro, Allen Michael
Tamburello, Charles
Whitehead, Oliver Windell

SPECIAL DUTY OFFICER (INTELLIGENCE) (163X)

Allison, John Simmons, Jr.
Barkell, Richard Colin
Beavers, Michael Cornelius
Carrington, David Richard
Chambers, Regan Scott
Danforth, Lawrence Wayne
Fisher, Richard John
Hirst, William Clarence, Jr.
Jacobson, Jim Harold
Lewis, Paul Scott
Marshall, Robert Edwin, Jr.
Meek, Terry Lynn
Murray, John Joseph
Oleszko, Lawrence Anthony
Olsen, Alfred James
Pflueger, Michael Patrick
Posey, Kelly Gene
Roark, Louis Keith
Robinson, Evan Dahlstrom
Rosenthal, Mark Louis
Seigel, Thomas Gary
Shankles, Jackie Wayne
Smith, Richard Thomas
Tzavellas, Theodore Elefther
Ustick, Robert Woodbridge, II
Wakefield, Stanley Irvin
Watson, Joseph Adrian
Zeigler, Howell Conway

SPECIAL DUTY OFFICER (PUBLIC AFFAIRS) (166X)

Clawson, Stephen Harvey
Haney, Connie L.
Harlow, William Robert, Jr.
Humphries, Authur Allen
Keefer, Joel David
Neuhart, Mark Dickens
Rable, William John
Stull, Mark Judson

SPECIAL DUTY OFFICER (OCEANOGRAPHY) (180X)

Barbor, Kenneth Eicher
Booker, Robert William
Corbin, James Harold
Foster, Michael Stephen
Johnson, William Fawver
Kelly, Patrick Robert
Mason, James Robert
Quinn, Paul Francis
Schnoor, Robert Timothy
Schwenke, George William
Smith, Bradley Phillip
Whitford, Dennis James

LIMITED DUTY OFFICER (61XX/64XX)

Anderson, Edward William
Bassett, William Thomas
Bates, William Arthur, Jr.
Beck, Donald Dean
Bence, Ronald Paul
Bledsoe, John Richard
Boyar, John Anthony
Brown, Tommy Albert
Carroll, Charles Earl
Christensen, Erick Thomas
Dalton, Merrill Albert
Delong, Richard Clair
Deneen, Brian Michael
Earnest, William Grover
Godfrey, Thomas James
Gordon, Harry Jay, III
Gracia, Javier
Gustin, Bruce Albert, III
Holcomb, William Kenneth
Hull, Roger Leroy
Hurley, Lawrence Edward
James, Richard Holland
Jones, Preston Leon
Kilmer, Harold Bruce, Jr.
Landick, Richard Earl, Jr.
Lutes, Jack
Martin, Kenneth Ronald
McCollum, James Wayne
Parsons, Walter Paschall
Petty, William Milton
Pierce, Billie Joe
Power, Jerry Ruel
Rhine, Russell L.
Ruth, Jack LeRoy
Seal, Warren George
Sheehan, LeRoy Edmund
Shipley, Thomas Edward
Spangler, Ralph Graham
Stegeman, Ronald Adam
Stolarz, Robert Michael
Ventgen, Robert John
Wollam, Neil Robert

IN THE ARMY

The following-named cadets, graduating class of 1986, U.S. Military Academy, for appointment in the Regular Army of the United States, in the grade of second lieutenant, under the provisions of title 10, United States Code, sections 531, 532, 533, and 4353:

Adams, Eric D., 169-40-1600
Adsit, Rhys K., 560-61-8223
Albino, Robert A., Jr., 120-58-7479
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Allen, Jeffrey C., 238-98-1167
Andersen, Curtis W., 468-88-3304
Anderson, David E., 511-80-5809
Anderson, Frank H., III, 230-17-4553
Anderson, Michael E., 512-80-7713
Anderson, Tom D., 461-02-8768
Andrews, Douglas A., 216-74-7242
Anglin, Ronald F., 256-31-5226
Antoch, Steven T., 037-48-5505
Antonietti, Patrick M., 516-86-5976
Appleman, Patrick R., 328-46-8979
Arbanas, Kevin A., 529-17-5693
Archinal, Thomas O., 369-82-2370
Arens, Mary B., 382-84-5696
Armonda, Rocco A., 389-88-7770
Arndt, Theresa E., 342-70-2257
Arnholt, Alan T., 223-23-8729
Arthur, Michael W., 459-31-0252
Arts, Yolanda E., 378-84-7426
Ashley, Ricanthony, R., 311-76-6041
Atkins, John T., 240-98-9640
Aubrey, Mark A., 147-66-8649

BEST COPY AVAILABLE

Bachleda, John S., Jr., 154-60-7795
Bacon, Colyn K., 398-84-2334
Bacot, John S., Jr., 251-11-0438
Badami, Victor 112-58-1052
Badovinac, John M., 584-77-0202
Bagnal, Joel B., 134-60-3615
Baier, William G., 216-90-2906
Baker, Eugene A., 149-56-0064
Balentine, Steve M., 447-62-4421
Balkovetz, William R., 516-72-4792
Balsbough, Douglas J., 208-58-8714
Bantug, Aniceto D., IV, 126-62-7021
Barbee, Michael, J., 257-25-5538
Barraclough, Brett A., 178-56-5406
Barrington, John S., 022-52-5828
Barush, Rhonda L., 126-54-0087
Basnett, William W., Jr., 260-29-9754
Bass, Samuel J., 498-78-1653
Bates, Tommie W., 038-42-4672
Baum, David S., 319-64-6600
Baum, James F., 466-15-3267
Baum, Jeffrey L., 296-66-0364
Baumgardner, James B., 553-65-5294
Bazemore, Cleveland D., 071-60-6420
Beane, William T., 004-50-3841
Beasley, Arthur B., 264-19-4104
Bechtel, Peter B., 001-50-4039
Beck, Bruce A., 454-43-9104
Bedell, Douglas W., 023-58-8457
Belanger, James R., 369-78-9568
Belcher, Edward W., 458-45-7456
Bell, James C., 533-80-5600
Bellucci, Nicholas V., Jr., 066-46-5192
Belmont, Kevin S., 431-27-0318
Benavides, Sandra E., 051-62-1563
Bencivenga, John W., 118-50-6740
Beninati, Albert F., Jr., 032-52-8099
Benouis, Kemal I., 575-90-6964
Benson, Kirk C., 537-80-8162
Bertha, Michael, 104-58-1991
Berton, Anne T., 461-47-1707
Bessmer, Andrew P., 056-56-5768
Biebuyck, Burt A., 380-84-7598
Biggs, Philip M., 223-90-0510
Billie, John S., 236-13-3704
Birchfield, William R., 262-79-6764
Bisek, Dale B., 477-86-3472
Bittle, Russell H., Jr., 205-38-7037
Black, Douglas C., 464-31-0538
Blakely, Kenneth C., 453-49-2251
Bleszinski, Gregory S., 023-58-3359
Blevins, Howard L., 340-62-2986
Blevins, Jonathan D., 228-15-5076
Bond, George W., 381-56-9158
Bons, Vincent C., 095-62-8074
Bonsavage, David A., Jr., 191-60-7894
Booth, Darren K., 536-72-6878
Borgerding, Christopher N., 547-47-6150
Born, John K., 520-76-8757
Bost, Jeffrey W., 526-61-7748
Boule, John R., II, 123-64-5522
Bowsky, Sidney, 074-62-2606
Boykin, Oswald S., III, 578-92-1010
Boylan, Therese E., 231-19-7833
Bradford, Richard L., 249-25-9332
Bradley, Mark K., 427-33-2077
Bradley, Stephen D., 051-62-5740
Brady, Mary M., 301-74-2068
Brady, Matthew, 095-60-2331
Brau, John W., Jr., 264-87-2164
Brechbuhl, T.U., 100-52-2294
Breen, James S., 429-11-2851
Brent, Nicholas R., 534-78-3115
Brick, Mark F., 223-96-8122
Bridge, Winston J., 022-38-8440
Bridgeman, Myra J., 306-72-6823
Brittain, Thomas H., 214-68-8080
Britten, David M., 032-54-0568
Brooks, Stephen E., 030-38-4132
Brown, Jeffery A., 524-19-2632
Brown, John F. 485-90-9864
Brown, Todd, D., 038-48-0760
Bruner, Scott F., 513-74-3219
Bruno, Jeffrey B., 399-52-5410
Brunot, Edward L., 571-49-1280
Bryant, Mark A., 542-96-7076
Buck, James A., 091-60-3418
Buckley, Aaron A., 331-56-7341
Buckner, Matthew D., 454-19-5360
Bulatao, Brian J., 171-48-8906
Bullard, Robert L., 264-39-1921
Bump, Christopher T., 530-78-7888
Bunn, Andy K., 238-19-0766
Burnham, Keith N., 002-54-5741
Burns, William K., 015-58-9508
Butts, Gregory K., 419-08-5112
Cabrey, Richard M., 528-29-5978
Callahan, John M. 062-62-2056
Callahan, Terence R., 043-72-4076
Callari, Charlotte 141-70-1752
Calloway, Dennis L., 376-82-9041
Campagna, Tedson, J., 200-52-2276
Cannon, John L., 419-02-6862
Cannon, Stephen C., 136-44-3132
Cannon, Steven R., 218-90-5558
Canter, Gregory L., 225-17-3249
Cantey, Duane E., 247-92-8963
Capezzuto, Louis J., 141-56-9476
Cardin, Steven G., 486-82-7724
Carew, Laura, M., 562-53-8759
Carniglia, Bruce F., 229-19-6800
Carpenter, Forrest L., 525-27-3822
Carr, Scott A., 224-19-7664
Carrick, Kenneth G., 147-50-2790
Carstens, Roger D., 537-78-3492
Carter, Richard L., Jr., 248-98-2797
Cartledge, Thomas E., Jr., 072-54-4728
Carty, Robert J., 179-60-6399
Casey, James R., 267-63-9098
Cashin, Matthew, D., 371-86-2237
Cavin, Charles E., Jr., 224-19-0357
Chaisson, Scott S., 017-58-9503
Chambers, Benjamin, III, 434-41-6356
Champion, Wendell, M., 084-58-5606
Chapel, James S., 460-35-8528
Chaplin, David W., 037-42-5458
Charron, Daniel J., 523-02-3413
Chiarello, Christopher P., 113-64-8381
Childs, Willie J., 256-27-9240
Chinn, Michael K., 466-90-5840
Choi, Fredrick S., 553-33-9072
Chopp, Michael C., 395-66-2894
Christ, Matthew D., 103-62-1636
Clancy, James T., Jr., 111-50-4791
Clark, Christopher T., 478-96-8502
Clark, Curt J., 382-86-0311
Clark, Harley W., 007-72-1741
Clark, Linda J., 309-80-8116
Clarke, Harris G., 439-02-8688
Clayborn, Cary G., 431-41-4560
Cleland, Dale D., 376-76-6362
Clemons, Ross M., 261-92-2467
Climer, Charles T., Jr., 330-68-4060
Coats, Mark B., 367-70-9000
Cole, Christopher, 121-62-9009
Collier, Craig A., 371-84-4119
Collins, Michelle L., 342-62-9203
Collison, John A., 458-84-3130
Columbus, Edward M., 542-90-0063
Connelly, Patrick R., 466-15-8926
Connor, Glenn M., 151-56-2946
Connor, Mark P., 185-56-2996
Conrad, Eric R., 564-57-0764
Conroe, Mark F., 505-02-0113
Conway, Maryellen, 144-68-1820
Cook, William W., 415-02-8813
Cooke, Berkley E., 231-13-1153
Cooper, Byron W., 558-08-4848
Cornman, Richard W., Jr., 305-72-1300
Corsi, John M., 276-58-4609
Costello, Neil F., 028-60-2050
Costen, Wanda M., 054-60-7309
Cotter, Craig D., 523-17-1619
Cotton, Roger D., 262-63-4298
Courtoglous, David P., 017-60-0398
Crawford, James H., 254-06-9412
Creeden, William P., 046-72-4193
Creekmore, Joseph P., Jr., 213-68-4946
Crenshaw, Cynthia D., 254-31-9849
Creveling, Chad E., 008-50-4629
Cummings, Edward H., Jr., 245-29-9247
Cummings, Steven F., 547-31-5642
Curran, Gerard P., 056-64-9216
Curran, Michael J., 027-50-1665
Curry, Michael L., 450-37-6791
Curtis, Howard Z., Jr., 011-60-5994
Curtis, Kenneth S., 569-90-4254
Cushman, Charles B., Jr., 247-45-2863
Cusick, Patrick R., 064-60-1614
Daly, Patrick, 096-62-4150
Damico, Daniel S., 207-42-5596
Davis, Bruce J., 346-46-9433
Davis, Charles E., IV, 230-78-5741
Davis, Sharri J., 490-74-4291
Davis, Steven M., 533-54-2084
Davis, Tanya L., 094-62-8279
Davis, Thomas E., 397-70-3687
Day, John W., 307-84-3143
Day, Richard A., 166-60-0888
Defilippo, Thomas F., 074-40-4659
Deignan, Paul B., Jr., 469-80-4928
Deleon, Ramon C., Jr., 231-92-5423
Delgadojenkins, Jesus H., 262-85-2962
Delgiorno, Julie A., 058-48-0767
Delong, Terrence P., 281-56-4300
Dempsey, Andrew D., 013-42-4027
Depinto, Joseph M., 335-66-1596
Desroches, David B., 558-43-8380
Diciro, Lisa D., 497-66-6622
Dierks, Darcy L., 485-88-5137
Dimeo, David F., 024-60-4378
Diorio, James F., 149-54-8769
Diruzza, Barry S., 028-56-8678
Dishman, Michael D., 508-64-7375
Ditrollo, Mark C., 173-48-6981
Doescher, Craig T., 121-60-9773
Dole, Joseph P., Jr., 016-42-3320
Domke, Gary D., 474-86-9152
Donaldson, Randall E., 499-66-4370
Donaldson, Scott E., 567-65-5363
Donovan, George T., Jr., 402-76-7483
Donovan, Sean P., 003-60-1949
Dorman, Dean E., 092-64-6524
Dougherty, Edward W., III, 270-68-0499
Douthit, Robert L., 422-76-3258
Downey, Shane K., 044-52-4792
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Doyle, Wayne B., 373-80-5730
Drevik, Kevin T., 415-78-3066
Drinkwine, Brian M., 118-54-2528
Drisdale, Leighton S., 214-76-2884
Dryfoos, Llewellyn F., III, 211-60-0718
Duke, William D., 248-90-0988
Duncan, Jeffrey A., 478-88-0811
Dunlap, Todd J., 537-70-1786
Dymek, Chester F., III, 339-62-5421
Echols, Patrick T., 259-31-8736
Eckelbarger, Robert J., 214-88-5763
Eddy, Michael P., 532-82-9255
Edwards, Keevin B., 229-76-0440
Egeling, Brian J., 071-56-4803
Eger, Andrew C., 552-25-1449
Eiseman, Andrew S., 217-96-4722
Elliot, Carolyn M., 352-50-8635
Elliott, Joseph M., 539-82-5721
Elliott, Joshua M., II, 561-31-3545
Elliott, Robert E., 335-52-4408
Elliott, Steven R., 318-68-5907
Ellis, Michael D., 379-86-6605
Elmore, Douglas S., 460-29-4357
Endres, Michael T., 140-72-8827
Enochs, Gregory J., 350-62-3026
Erkins, Phyllis R., 225-19-2224
Esper, Mark T., 167-60-5834
Ethen, Stephen C., 475-78-6819
Etheredge, Tod S., 427-35-7248
Everett, Orel M., 461-49-6874
Fakkema, Dale S., 536-66-3517
Farley, John H., 159-54-3677
Farmer, Nacolia F., 250-41-1307
Farrell, Kevin W., 072-48-9546
Fasone, James, 226-80-7035

Faulkner, Timothy A., 243-02-4482
Fauth, Bruce W., 504-90-5050
Feeney, Peter J., 134-62-7938
Felts, Benjamin R., Jr., 229-19-7729
Fenton, Gregory P., 167-40-5438
Ferrier, Michael S., 228-19-0899
Fetko, Linda L., 261-91-5893
Field, Robert C., III., 410-33-3987
Finley, Terrence P., 174-54-4312
Fisher, Mark D., 214-88-5555
Fitzharris, Gregory P., 158-46-3082
Flanagan, Michael P., 223-17-1333
Flanagan, Timothy, 082-62-4767
Fleming, Lorie N., 341-66-7118
Flint, David C., 034-56-0652
Flowers, Franklin S., 258-11-8787
Fluekiger, Charles N., 393-80-3911
Fogtman, Robert K., 457-47-0064
Folse, Brett D., 249-45-8654
Fontaine, Joan M., 501-84-7854
Fontes, Robin L., 519-80-9887
Ford, Timothy R., 262-75-2969
Fortunato, Matthew J., 167-60-5729
Foster, Kevin L., 052-58-0245
Fowler, Thomas M., 090-56-6322
Fralen, David N., 024-54-2966
Freeman, Neal O., 310-80-0228
French, Richard L., 548-55-9350
Froelich, Edward G., 128-56-3121
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Sonntag, Kurt L., 553-57-9060
Souza, Anthony F., 013-62-8872
Spangler, Jill E., 537-72-1590
Spaulding, Carolyn A., 103-62-0099
Spears, Russell B., 256-19-5679
Spellmon, Scott A., 152-70-9011
Spingler, Michael S., 152-58-9589
Spudich, Josef W., 356-40-5847
Spurlock, Norman R., 140-66-6900
Spurr, Newton M., 015-56-7437
Stancliff, Jeffrey A., 002-60-6303
Stanjones, Joseph S., III, 129-62-7447
Stanton, Matthew M., 027-58-7361
Starbuck, Dustin M., 296-52-4694
Starostanko, Albert J., 189-56-8672
Staudt, Pernell N., 484-64-1471
Stebbins, Troy D., 392-84-8177
Steele, Kevin P., 200-50-5581
Steele, Timothy H., 572-45-0565
Steffes, Stephen J., 366-66-3753
Stephens, Stephanie L., 236-94-5861
Stewart, Katherine A., 042-68-5354
Stokan, Lori A., 159-50-9599
Stone, Steven W., 585-96-8516
Stonge, Laurence, 529-25-1556
Stopa, Craig J., 316-78-8475
Storms, Russell L., 154-60-8678
Stouffer, Anne M., 461-43-3299
Stradinger, John M., 467-86-2876
Straub, Robert W., Jr., 362-90-1341
Strebeck, Frances D., 456-39-7643
Stredler, Daniel C., 461-84-1224
Strickler, Jon E., 214-80-4593
Strifler, Steven W., 463-27-9842
Strong, Bryan D., 375-80-3730
Stroup, Carrie M., 265-83-2287
Studebaker, Lisa A., 562-53-8146
Stueve, Kent M., 474-86-9347
Sturdivant, Rodney X., 568-53-9432
Sturgeon, Michael S., 068-60-1472
Sullivan, Joseph H., 080-58-0304
Sutton, John H., 238-29-8892
Sweeney, Brian P., 368-84-0173
Switzer, Michael R., 560-37-8333
Szoka, Thomas G., 381-84-2159
Szuberla, Curt A., 088-50-3460
Tafares, David A., 067-62-6176
Tappert, Karl W., 144-64-8538
Taylor, Marc A., 136-72-0078
Telthorst, Thomas R., 512-80-3896
Thelen, David A., 508-96-0646
Thomas, David G., 045-68-7693
Thomas, Dawn M., 436-41-2100
Thompson, Jeffrey E., 245-29-6264
Thompson, Mark W., 376-70-7170
Thomson, John C., III, 454-49-5475
Thornton, Harkley R., 267-92-1493
Thramann, Jeffrey J., 140-70-9841
Tierney, Christopher L., 473-90-0657
Timmer, Christopher B., 377-88-8891
Tofferi, Jeanne K., 007-68-2687
Tolmachoff, Mark A., 526-71-8808
Tolson, Todd F., 218-78-1880
Tomlinson, Roy C., 223-21-1487
Tonkinson, Brien W., 579-92-4522
Townley, Robert C., 259-15-0422
Travaglini, Richard, 030-54-2260
Trollan, Vincent P., 573-65-0830
Tubbs, Lawrence L., 554-59-5514
Tumminello, Albert J., III, 070-54-5426
Turner, Karen A., 463-08-9170
Turner, William A., 227-23-5349
Turpening, Steven E., 272-60-3228
Upp, Thomas A., 300-72-3902
Upton, Bradley J., 113-64-9244
Urban, David J., 182-52-1040
Urbauer, Kristine J., 356-66-7479
Vakkur, Mark, 311-84-2674
Vankirk, Matthew F., 340-66-3367
Vanstraten, Steven J., 231-84-1632
Vass, Steven, IV, 104-64-1335
Velliquette, John W., Jr., 088-60-8148
Venezia, Patrick J., 409-29-7887
Vickers, John H., 046-44-2084
Visosky, Mark M., 261-51-5953
Vlasak, Marian E., 218-88-4958
Volkman, David N., 284-46-0924
Vonheeringen, Mark R., 547-55-6148
Voris, Thomas E., 570-39-2721
Voytek, Thomas M., 049-46-6621
Vredenburgh, William E., 071-56-8373
Vrindten, Robert F., 138-68-0980
Wade, Amanda M., 395-58-6463
Wagner, John H. III, 321-52-0664
Waite, Mark K., 377-66-6092
Wallace, Michael W., 450-25-4949
Wallace, Nathan E., 564-51-1143
Walrath, Kevin S., 507-04-0214
Walter, William C., 427-33-1358
Ward, George W., III, 117-64-9818
Ward, William E., 261-47-2204
Warnock, Stephen H., 376-64-3111
Warren, Kimberly K., 231-80-3007
Warren, Vance A., 244-25-1904
Washington, Valerie L., 572-51-9478
Watson, Dennis E., 037-42-6600
Weidinger, Kendal K., 517-92-8170
Weilep, Roger A., 531-88-0438
Weiler, Kevin D., 315-78-9174
Weiss, Thomas W., 331-60-4842
Wendel, John M., 332-48-6200
Wenneson, Thomas H., 229-88-9486
Werntz, David A., 158-64-7888
Wesley, Eric J., 555-45-6512
Weston, Jeffrey J., 587-82-7992
Whale, George L., 431-35-4567
Whipple, Eric N., 347-64-2451
Whitaker, Kevin L., 230-11-0452
White, James S., Jr., 498-58-2828
White, Robert E., Jr., 452-45-1343
Whitlock, Joseph E., 249-82-9376
Whitmarsh, Steven J., 560-90-7756
Whitney, Justin E., 006-66-6139
Wiggins, Robert G., 560-51-8881
Wilk, Thomas J., 002-60-2515
Williams, Antonio, 352-54-1753
Williams, Bryan R., 145-42-8179
Williams, Charles E., Jr., 226-15-2005
Williams, George S., III, 100-54-9206
Williams, Jeffrey W., 410-29-4669
Williams, Thearon M., 364-70-5901
Wilson, Eric B., 465-45-9946
Wilson, Jonathan R., 306-82-4661
Wilson, Troy S., 229-17-3933
Wineinger, Robert K., 305-84-0437
Wisnosky, David, 145-68-8414
Witherspoon, Michael H., 121-54-5736
Witzmann, Robert G., 037-34-4130
Wolf, Mark D., 114-58-5189
Wolken, Randall B., 506-84-5323
Wolter, Andreas, 526-57-1835
Womack, Scott E., 260-90-8326
Woodring, Walter G., 218-94-8319
Woodring, William O., 218-94-8318
Worsfold, Paul J., 346-66-6745
Wright, Gregory D., 104-58-3326
Wucik, Joseph A., III, 036-50-0614
Wyrwas, Monica L., 117-58-8474
Yentz, James G., 193-58-9461
Yi, Kenston K., 294-66-9814
Yordan, Edward G., 131-60-1073
Yost, Philip D., 282-64-5248
Young, Lisa V., 265-73-6690
Young, Michael W., 128-42-7900
Zeidan, Fouad S., 315-72-8365
Zelaya, Alfonso E., 559-65-5699
Zick, Allen M., 389-78-9515
Zinnen, Robert O., Jr., 329-42-3783
Ziomek, William J., 048-50-5617
Zoppa, Bernard J., Jr., 341-68-7519

Executive nominations received by the Senate April 24, 1986:

DEPARTMENT OF AGRICULTURE

Christopher Hicks, of Maryland, to be general counsel of the Department of Agriculture, vice Daniel Oliver.

IN THE MARINE CORPS

The following-named officer, under the provisions of title 10, United States Code, section 601, to be assigned to a position of importance and responsibility designated by the President under title 10, United States Code, section 601:

To be lieutenant general

Maj. Gen. Frank E. Petersen, Jr., 511-26-1935, U.S. Marine Corps.

The following-named officer, under the provisions of title 10, United States Code, section 601, to be assigned to a position of importance and responsibility designated by

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the President under title 10, United States Code, section 601:

To be lieutenant general

Maj. Gen. John Phillips, 036-20-8679, U.S. Marine Corps.

THE JUDICIARY

Evelyn E. Crawford Queen, of the District of Columbia, to be an associate judge of the Superior Court of the District of Columbia for a term of 15 years, vice George H. Revercomb.

CONFIRMATION

Executive nomination confirmed by the Senate April 24, 1986:

THE JUDICIARY

Robert J. Bryan, of Washington, to be U.S. district judge for the western district of Washington.

WITHDRAWAL

Executive nomination withdrawn from the Senate April 23, 1986:

Kenneth John Hill, of Virginia, to be a member of the National Transportation Safety Board for the remainder of the term expiring December 31, 1986, vice Donald D. Engen, resigned, which was sent to the Senate on January 22, 1986.

EXTENSIONS OF REMARKS

HELPING PUBLIC HOUSING AUTHORITIES HELP THEMSELVES

HON. WYCHE FOWLER, JR.

OF GEORGIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, April 24, 1986

Mr. FOWLER. Mr. Speaker, as we review the Federal commitment to housing assistance programs, I would like to share with you one local housing authority's efforts to develop alternative sources of funding and greater self-sufficiency. The following speech was delivered by Samuel A. Hider of the Atlanta Housing Authority at a recent meeting of the Public Housing Directors Association trustees. I believe it contains some creative, worthwhile suggestions as to ways in which housing authorities can help themselves. I also believe that Mr. Hider's comments exemplify a responsible, considered reaction to the prospect of declining Federal assistance. Therefore, I would like to submit the following statement for the RECORD.

WHAT ARE WE DOING TO HELP OURSELVES?

(Speech delivered to PHADA Trustees, Dallas, TX, March 24, 1986, Samuel A. Hider, Executive Director, Atlanta Housing Authority)

The year of 1986 brought new challenges as well as old ones to housing authorities throughout our nation—balanced budgets, the Gramm-Rudman-Hollings Bill, and dwindling federal dollars. We, as housing administrators, have in the past shared our responsibilities when our budgets have been reduced from a 100% operating level.

To meet these new challenges, some of the avenues we have traveled in Atlanta were—first—to meet with our Mayor, City Council members and County Commissioners to keep them informed of the plight of public housing and the 50,000 tenants that we serve. We then scheduled meetings with the community at large, civic organizations, Chamber of Commerce, Minister's Union, United Way and business interests. Our first thought was to keep the community informed of the Atlanta Housing Authority's programs and objectives and the effect the Gramm-Rudman-Hollings Bill will have on the Authority's ability to render services to our tenants by keeping the projects in decent, safe and sanitary condition.

Public housing agencies can re-evaluate and re-vamp goals and objectives for less spending. The federal government can and will reduce subsidy to our programs. But these actions alone will not lead to balancing the nation's deficit. In light of this, we are suggesting ways in which housing authorities can help themselves.

After meeting with the various groups I have mentioned, here are some of the things we have undertaken in Atlanta. We have called upon private industries and businesses to form Public/Private Partnerships. The primary focus of the Partnership Campaign was to develop local resources to eventually become less dependent upon federal subsidy.

Our tenants have telephones and are loyal users of Bell System services. In view of that the BellSouth's commitment to community service, the Authority entered into a partnership that led to the weatherization of more than 12,000 units of public housing, summer employment for public housing youth and job preparedness counseling for youth. The Authority's summer weatherization program has been funded by BellSouth, over a four-year period, at a cost of $107,335. Even more importantly, we have improved tenant relations by providing job training and employment.

Similarly, realizing that they too have a commitment to their clients, the Authority approached Georgia Power Company with a partnership proposal. That partnership has provided more than $100,000, in labor to weatherize our apartments.

The summer weatherization program trained youth from our property sites to do jobs like weatherstripping of doors and windows, caulking, installation of showerheads and other energy conservation measures.

A positive result of these programs has been permanent employment for some of our young residents; while others gained valuable experience of working on jobs, being responsible for reporting to work and developing work habits.

Another program that has worked well for the Atlanta Housing Authority is our Adult Services Program. Many of our elderly receive medical service from doctors' and nurses' groups. Each year the elderly have taken extensive trips throughout the country and abroad at a minimum cost. A group just returned from London and Paris for four days and three nights which I am told was most enjoyable.

The Adult Services Program has formed partnerships with Special Audiences, Inc. which commissioned artist Charlotte Riley Whitt to produce three paintings for elderly highrise buildings. An ongoing partnership with Special Audiences allows seniors to attend various cultural functions. Partnerships with several health care organizations has enabled the Authority to provide medical services to tenants. Some of these partnerships include the Morehouse College School of Medicine, Metro Home Health, Atlanta Eye Consultants and Grady Memorial Hospital.

Another area of working with our tenants is to create vacancy preparation teams with tenants by providing paint, brushes and rollers, and cleaning equipment, training them on preparing vacant units where only minimum preparation is needed before re-occupancy can take place. It increases the income of those tenants as well as provides training for them and helps the Housing Authority to reduce vacancies at a reasonable cost.

Other ways of reducing expenses have been to review our telephone system. A Housing Authority of our size has a very elaborate telephone system. After reviewing a number of newly developed telephone systems, as well as Southern Bell and AT&T, we were able to re-write our contract and provide the same level of service thereby saving the Authority a considerable amount of money.

We have reviewed our legal services contract. Because of the growing demand for legal services and legal advice due to increased amount of suits being levied against the Housing Authority and contracts needing scrutiny, we went to an in-house staff Counsellor, which was another means of reducing costs.

A Scholarship Program is being developed. Private industry and businesses are asked to contribute to the fund to provide scholarships for youth living in the projects who excel in academics and meet the criteria for the scholarship eligibility.

Some of our staff have organized Track Teams that work with the Atlanta Track Club. Out of that Club have come state winners; hopefully, we will produce Olympic stars in years to come.

Our city passed an ordinance that all dwelling units in Atlanta must have smoke detectors. After meeting with City Officials and our Public Safety Commissioner and discussing the limited funds the Housing Authority had to operate on, smoke detectors were donated by the City and another organizations for all housing units operated by the Atlanta Housing Authority.

We are developing a Speaker's Bureau and schedule for the Executive Director and the Commissioners to meet and address schools and other organizations to support their Housing Authority.

Carver High School Principal Norris Hogans and the Atlanta Housing Authority have formed a partnership in identifying at least fifteen young girls who have various backgrounds and experiences and have decided to turn stumbling blocks into stepping stones and excel in their scholastic achievement, remain in school and not get pregnant.

These young ladies from a group called "The Cotillions". The Housing Authority uses them for ushers in various activities in and around the Authority. We will assist them in attending social functions in and around Atlanta to give them as much exposure in our society as possible, and to continue to motivate these young poeple to climb the ladder of success. It is our goal that they serve as role models who moved from the public housing life style to becoming self-supporting members of our society.

Running the Housing Authority is the responsibility of all citizens of a City and Town. We provide shelter for those who can least afford to buy a home of their own. Our projects are old and need major renovation, gas lines, and new heating systems. Without federal dollars these improvements seem to be impossible. With the cooperation of our citizens, Housing Authorities can take their share of budget cuts and still run a well-managed Authority that will provide decent, safe and sanitary living.

● This "bullet" symbol identifies statements or insertions which are not spoken by a Member of the Senate on the floor.

Matter set in this typeface indicates words inserted or appended, rather than spoken, by a Member of the House on the floor.

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A POETIC TRIBUTE TO THE "CHALLENGER" ASTRONAUTS

HON. DOUG BEREUTER

OF NEBRASKA

IN THE HOUSE OF REPRESENTATIVES

Thursday, April 24, 1986

Mr. BEREUTER. Mr. Speaker, the tragic loss of the *Challenger* crew will never fade from our memory. Their ill-fated mission will be. remembered by every American who watched their story unfold under the glare of television cameras.

Recently a fellow Nebraskan shared with me a poem that she wrote in memory of the astronauts. In brief, but heartfelt words, she captures the feeling many of us share.

I request permission to have Mrs. Donna Crebbin's poem printed in the CONGRESSIONAL RECORD so that my colleagues can experience the vision she captures in poetry.

7 IN HEAVEN

Beyond—is space—a mystery!
Seven brave people are now history!
Undaunted, courageous, so full of life!
Probably good moments, but also strife
Gone! Where? To see God's face?
And embrace them He did!
He loves every race!
Their images may soon fleetingly pass
But never their bravery, how can one surpass?
It's fleeting! It's final! when the curtain comes down,
And not one of us gets a chance to go back around.
How many can say at the end of their flight,
"I accomplished my mission—I fought a good fight!"
God bless these astronauts—at peace now in space!
Let's remember their courage and try to keep pace!

TRIBUTE TO MAYOR SILVIO BANAL

HON. DOUGLAS APPLEGATE

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Thursday, April 24, 1986

Mr. APPLEGATE. Mr. Speaker, I rise today to honor Mayor Silvio Banal who has recently retired from 22 years of public service as mayor of Dillonvale.

Mayor Banal, admirably referred to as "Curly" by his friends, retired on March 15. He had been actively involved in village government and the Democratic Party for nearly three decades. He was elected to the Village Council in 1957, and served as council president pro tem before becoming mayor in 1964.

Since 1964, Banal has served Dillonvale as a dedicated mayor. During his term as mayor, he was instrumental in the organization of the Dillonvale Emergency Medical Service Squad, the construction of two banks, a playground, a senior citizen's center, the completion of two municipal annexations, and numerous street improvements and bridge repairs.

Banal has also been actively involved in the village and surrounding area as a member of St. Adalbert's Catholic Church, the Knights of Columbus, the Eastern Ohio Mayors' Association and the Democratic Party executive, and central committees.

Banal retired from the Consolidated Coal Co.'s Piney Fork highwall mine as superintendent in 1973, having advanced in the industry after beginning as a coal driller at the Dun Glen mine in 1936. While employed by Consolidated Coal Co., as a mine foreman, he contributed to the openings of the Franklin, Friendship, Georgetown No. 11, and Rose Valley No. 6 mines.

A testimonial dinner is being held on Mayor Banal's behalf on May 2 to honor his many successful years as mayor of Dillonvale in keeping with the highest traditions of community service.

Mr. Speaker, it is with great pleasure that I pay tribute to a man who is not only a friend, but an inspiration to the people and the community he has served for many years with such distinction. To mark Silvio Banal's departure from office, I ask that my colleagues join me in wishing him the best of luck in all of his future endeavors.

A LETTER FROM CHILE

HON. MICHAEL D. BARNES

OF MARYLAND

IN THE HOUSE OF REPRESENTATIVES

Thursday, April 24, 1986

Mr. BARNES. Mr. Speaker, the news from Chile has not been good lately, but it has a hard time finding its way into the papers when put up against the daily headlines from Nicaragua and Libya. Therefore, I have made an attempt to keep my colleagues aware of what happens in Chile by inserting articles of note in the CONGRESSIONAL RECORD.

Today, however, I would like to share with my colleagues not just another analysis, but rather the words and thoughts of a Chilean college student. I think this young man conveys, more poignantly than any news story ever could, the frustration and anger felt in Chile, particularly by the generation of Chileans who have known nothing but the repression of General Pinochet. These young people have not had the opportunity to experience Chile's long and proud tradition of democratic rule, they have never seen the doors of the National Congress open, and they have never had the opportunity to cast their vote in favor of or against the government that rules them.

I hope that my colleagues will hear the message that this young Chilean is sending us—they need the active and sustained support of the United States to bring about a democratic transition in Chile. Without pressure from the United States, General Pinochet will extend his 13-year reign as Chile's dictator to the end of this century.

Following are excerpts of the letter and the text of a UPI wire story from Santiago, dated April 18, 1 week after the letter was written.

APRIL 11, 1986.

As far as politics go, I am completely confused and very frustrated. I have begun to get involved with the Centro de Alumnos (student council), and have had some contact with the student movement. I really don't know what to make of it all.

The national and international situation is also completely baffling. Here's how I see it. For some reason, Reagan begins to talk about coming down on Pinochet. From that, we get State Department and Shultz statements. Then the government panics, frets for a while—with the usual diplomatic comments—and waits to see what will happen. From the United States—nothing, so they begin to relax. They realize it is all rubbish. I don't believe the U.S. will do anything.

Last week things seemed shaky and rumors came and went. Then, toward the end of the week, the government began to move again. First a statement by the Minister of Education to close all campus branches that weren't completely filled, mostly in the provinces. The reason that spots weren't filled was because the inscription went up from 6,000 to 25,000 pesos, and most people couldn't afford it. So the students went crazy and got ready for a fight. Throughout the year, the mobilization has been Mondays and Wednesdays for students, and Fridays for the women. This past Monday, about a thousand students arrived from the provinces where the campus branches had been closed. They slept Monday night at San Joaquin and were scheduled to march to the Ministry of Education on Wednesday. Tuesday night there were riots in a few of the shantytowns and a carabinero (policeman) was killed. There was a big deal on television. Wednesday the student march was severely repressed. Forty students, among them three student council leaders, were jailed. The council went crazy and called for a sit-in at the main campus building. Things looked bad. Wednesday night they released some students, but also announced that another carabinero had been killed, and another had been kidnapped. A five thousand man search began.

On the news, nothing was said about the jailed students, and more incredibly, the Interior Minister was hinting that the increasing violence might make it necessary to impose a state of siege. They are getting ready for some serious repression, but they wouldn't do it if there was the slightest possibility of U.S. action.

I hate to be cynical, but there seems to be just talk and no action from the United States and I don't see why that should change. Isn't it absurd, here we are again looking to the United States for salvation. This country is messed up, we really have no future.

I can't believe the excuse about the successor problem. It is more than obvious that any compromise to replace the military will have to be done with the right. There are plenty of people who could do it. A nationalist like Jarpa, or if they want the Christian Democrats, there is Valdez or even Zaldivar. If they want neutrals, they can always choose someone like Retamal. That's not the problem. The only reason for Reagan to want to change things here is for some propaganda reason or maybe as a bargaining chip for Nicaragua. But all that is really much more complicated than I can deal with, he may just get into Nicaragua without having to bother about Chile—especially if Ortega keeps it up. I would like to know what you think. I am very confused, and quite angry.

SANTIAGO, CHILE (UPI).—Soldiers in combat gear surrounded three university campuses Thursday, and riot police arrested hundreds of demonstrators during a third day of student unrest across Chile.

Police said 471 demonstrators were arrested, raising the number of students arrested to 632 since the protests began Tuesday.

Heavily armed police stormed the University of Chile's economics school and dislodged student occupiers at gunpoint, forcing them to walk out with their hands on their heads.

Earlier, troops with blackened faces carrying automatic weapons surrounded the Metropolitan University and the arts school of the University of Chile as police rounded up students and drove them away in buses.

"The military action against the universities is absolutely out of all proportion," said the president of the University of Chile student union, Humberto Burotto, who was arrested in the third raid.

The protest, which halted classes at most of the country's 27 universities, was called by student organizations seeking the restoration of university autonomy and an end to intervention in the schools by the military government of President Augusto Pinochet.

The students are demanding an end to the direct appointment of top university officials by the military government and a return to the internal election of school authorities.

Burotto denied government accusations that arms had been found by police on one of the campuses.

University authorities suspended classes at the schools after the demonstrations, which began Tuesday, erupted into in violent clashes with police.

FORMER MEMBERS GUIDE

HON. LINDY (MRS. HALE) BOGGS

OF LOUISIANA

IN THE HOUSE OF REPRESENTATIVES

Thursday, April 24, 1986

Mrs. BOGGS. Mr. Speaker, I am introducing a resolution to authorize the printing of a research guide to assist scholars, archivists, and historians to locate the historical papers, memoirs, diaries, and other memorabilia of former Members of the House of Representatives. This publication, the "Guide to Research Collections of Former Members of the U.S. House of Representatives, 1789–1987," is a project of the Office of the Bicentennial and was prepared under the supervision of the historian of the House, Dr. Raymond Smock.

This project has been endorsed by the Commission on the U.S. House of Representatives Bicentenary as an important element in our preparations for the celebration of the 200th anniversary of the U.S. Constitution in 1987 and the bicentennial of the legislative branch of our Government in 1989.

I am joined in sponsoring this resolution by several of my colleagues on the Commission, Mr. GINGRICH, Mr. HENRY, and Mr. SHARP. I would like to insert a more complete explanation of the purpose of our legislation immediately following my remarks, along with the text of the resolution.

H. RES. 434

Resolution authorizing printing of the compilation of materials entitled Guide to Research Collections of Former Members of the United States House of Representatives, 1789-1987"

Resolved, That the compilation of materials entitled "Guide to Research Collections of Former Members of the United States House of Representatives, 1789-1987" (prepared by the Office for the Bicentennial of the House of Representatives) shall be printed as a House document, with illustrations and suitable binding. In addition to the usual number, 5,000 copies of such document shall be printed for the use of the Office for the Bicentennial of the House of Representatives.

GUIDE TO RESEARCH COLLECTIONS OF FORMER MEMBERS OF THE U.S. HOUSE OF REPRESENTATIVES—1789-1987

This publication will provide a vital resource for all researchers interested in the history of the Congress. A nationwide survey, launched by the Office for the Bicentennial in April 1985 is locating the manuscript collections and other historical materials of the approximately 10,000 former Members of the House of Representatives. The Guide will present the results of this survey along with descriptions of the manuscripts, diaries, oral histories, photographs and memorabilia of former Representatives.

The national survey relies on enthusiastic state coordinators and other volunteers in all fifty states. The coordinators, who generously have agreed to assist in this national bicentennial effort, are persons who are familiar with the local repositories likely to contain papers of former Members. The volunteers also provide a means of communication between libraries and archives within their respective states and between the states and the Office for the Bicentennial. Already the survey is complete in seventeen states and material from others arrives daily.

Meanwhile, the staff of the Office for the Bicentennial is searching archival resources in Washington and examining collection guides published by major repositories. They have found, for example, about five hundred former Members of Congress represented in the collections of the Boston Public Library. The Office for the Bicentennial searched the 720 card catalog drawers of the National Union Catalog of Manuscript Collections at the Library of Congress. Information from all these sources is compiled, edited, and entered into a specially-designed computer program, thereby creating a data base and a publication file simultaneously.

The number of individuals serving in the House, particularly in the nineteenth century when most Members remained for only a term or two, and the often random dispersal of personal papers have prevented scholars from recreating a comprehensive account of many aspects of the history of the House of Representatives. By establishing a central file for information on the location of surviving manuscripts, the survey and guide will open a new range of opportunities for research. Historians will have access to the collections of powerful Speakers and the papers of little known Members who served only a short time. The range and diversity of sources included in the guide undoubtedly will contribute to a richer, more balanced view of earlier Congresses.

The initial returns from the survey demonstrate the difficulties historians have faced without a central guide to the records of former Members. Many of the collections are scattered far from the home state of an individual Member. Papers of Maine Congressman Elisha Hunt Allen are in the Hawaii Public Archives. A letter book kept during the Revolutionary War by Elias Boudinot, later a Congressman from New Jersey, is in the State Historical Society of Wisconsin. While some collections are completely housed in a single repository, many are divided among several libraries and archives. The papers of Henry Clay are located in at least eighteen repositories from Massachusetts to California.

Although research on the House of Representatives will continue to require visits to numerous archives, the survey reports convincingly establish the value of searching out the varied papers of former Members. The many diaries and private letters in these collections contain the most descriptive and personal accounts of congressional business. A memoir of William Armistead Burwell of Virginia describes his service as President Jefferson's secretary and his early years in Congress. Abijah Bigelow's letters to his wife in Massachusetts, written between 1810 and 1815, describe congressional debates, reaction to the War of 1812, and daily life in Washington. The correspondence of James Hepburn Campbell of Pennsylvania chronicles the events in Washington during the early months of the Civil War.

By drawing on the materials catalogued in the *Guide* and the new entries in the *Bicentennial edition of the Biographical Directory of the United States Congress*, researchers will be able to tap the whole spectrum of sources available for individual Members. The ability to locate the extant sources on any number of Representatives from former Congresses will encourage historians to draw a more comprehensive picture of the distinct role of the House of Representatives. The publication of this *Guide* will make an important contribution to the Bicentennial of the House of Representatives and it will be of lasting value long after the Bicentennial is over.

AFGHANISTAN: THE CRIMES CONTINUE

HON. JIM COURTER

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Thursday, April 24, 1986

Mr. COURTER. Mr. Speaker, sometimes we seem to have fallen silent on the struggle in Afghanistan. But the war in that country involves nothing less than the extermination of whole portions of the population, and such crimes deserve something well beyond silence.

One of the leaders on this issue has been the Honorable GORDON HUMPHREY of New Hampshire, and the April edition of American Legion magazine carries another of his essays on the continuing tragedy. I want to recommend it to my colleagues in the House, and so I ask that it be placed in the RECORD of today.

[From American Legion Magazine, April 1986]

AFGHANISTAN: CRIES IN THE WILDERNESS

(By Senator Gordon J. Humphrey)

Six years ago, Soviet tanks rolled into Afghanistan and began a campaign of genocide that has killed some one million Afghan men, women and children. Approximately four million have fled from their country, mainly to Pakistan. Millions more have been driven from their homes, forced into internal exile, leaving one third of the original population of 15 million.

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The numbers are staggering to comprehend, but the war still goes largely unnoticed by the rest of the world. It is a closed and silent war—the Kremlin has succeeded in hiding it from civilized people everywhere.

Moscow has a long-range view of the war—to outlast the freedom fighters. The Kremlin has referred to its colonization campaigns of the 1920s and 30s in what is now Soviet Central Asia as a model for the current strategy in Afghanistan. This is the calculating, steamrolling nature of the communist machine. It's hard for Americans to understand that kind of strategy. Because we misunderstand the nature of the war, and because the facts are not out in plain view, we fall prey to characterizations of the war as a "stalemate" where not much is happening. We are led to believe that the Soviets are losing their resolve and that the freedom fighters don't need our help. Gorbachev leads us, like the Pied Piper, with his pretty songs of "peace offensive" and "troop withdrawal."

What was once a pastoral nation of proud farmers and villagers has been transformed into a bloody battlefield where some 118,000 Soviet troops commit unspeakable torture and murder.

"A whole nation is dying," said Mohammed Eshaq, a resistance leader from Afghanistan's Panjsher Valley. He and scores of other refugees, resistance fighters and victims were interviewed extensively and quoted in two human rights reports by Helsinki Watch and Asia Watch: "Tears, Blood, and Cries" and "To Die in Afghanistan." Eshaq described in one report the fate of two elderly brothers in his village during a communist incursion: "The Russians came, tied dynamite to their backs and blew them up." The Soviets tie up men, women and children, pour gasoline on them and burn them alive. Refugees have testified that the communist soldiers systematically enter households and execute all the inhabitants, including women and children. Pregnant women are disemboweled with bayonets. Entire families and villages are herded into their homes, which are then blown up and burned. Parents are executed before their children's eyes.

Thousands of Afghan children are separated from their families by deceit or force, then shipped to Russia for Marxist indoctrination and training. They learn to fight and to spy for the Soviets. Many of the children who are not plucked from their war-torn homeland are killed and maimed by bombs, disguised to look like toys, which explode when curious children pick them up. The Soviets have destroyed food supplies and irrigation canals, burned orchards and wheat fields, and massacred livestock. They have bombed hospitals and executed or imprisoned the doctors.

The United States has dragged its feet on providing aid to the Afghans. Congress has secured some U.S. support for the freedom fighters, but the State Department has thwarted increases in aid. When aid was finally authorized for 1985, the State Department took seven months to allocate a paltry $6 million to relief agencies. Congress recently appropriated an additional $15 million for humanitarian aid despite more reluctance from the State Department. Without the congressional initiative, there would have been no new money at all.

Many of the volunteer medical and charitable organizations aiding wounded Afghan freedom fighters and refugees say the funds promised by State Department officials are not arriving on a timely basis.

The Afghan freedom fighters need military and humanitarian aid more desperately than ever, but Congress cannot provide that assistance by itself. The administration must live up to its rhetoric and its promises.

The current administration has said that free people have a moral obligation to support those willing to fight for their liberty. The brave freedom fighters of Afghanistan have been fighting—and dying—for six years. It is hard to imagine a more compelling cause for our support.

BEARING THE BURDEN

HON. DOUG BEREUTER

OF NEBRASKA

IN THE HOUSE OF REPRESENTATIVES

Thursday, April 24, 1986

Mr. BEREUTER. Mr. Speaker, the American bombing raid on Libya has been the focus of enormous public attention in the United States. But in contrast to many other major foreign policy issues of the day, it has not been controversial. There are those, to be sure, who opposed the raid on various grounds, but a substantial majority of Americans feel that President Reagan had no choice but to respond as he did. A recent editorial in the Norfolk Daily News makes the point that we dealt with Qadhafi "in the only way possible." I commend the editorial to my colleagues.

[From the Norfolk Daily News, Apr. 16, 1986]

BEARING THE BURDEN

It would be preferable for the American government to combat terrorists covertly, James Bond style. Obtaining specific information about who they are, where they are and then having clandestine agents on the scene to rout them out would be the ideal way to handle Moammar Khadafy's terrorists; or any others.

That happens only in the movies. In the real world today there are no activities of the Central Intelligence Agency which do not risk disclosure. A department of dirty tricks which might once have been engaged to deal with a Khadafy more on his own terms has been disbanded. Information sharing with committees of Congress which are held to have special interests in the plans and performance of intelligence agencies proves a special risk. Confidentiality is difficult to maintain. Policy critics seem quick to reveal more than they should, in the interests of another worthy objective, which is openness in the conduct of all the nation's affairs.

When it comes to terrorism of the sort sponsored by Col. Moammar Khadafy's government in Libya, that leaves no other recourse than a military strike.

President Reagan has used American force wisely, in a timely way, with more than sufficient warning to Col. Khadafy and with adequate consultation with members of Congress as well.

In this positive action taken Monday we are reminded of the words uttered long ago, by President Kennedy in his 1961 inaugural:

"Let the word go forth from this time and place, to friend and foe alike, that the torch has been passed to a new generation of Americans—born in this country, tempered by war, disciplined by a hard and bitter peace, proud of our ancient heritage—and unwilling to witness or permit the slow undoing of those human rights to which this nation has always been committed, and to which we are committed today at home and around the world."

It had become clear in the subsequent two decades that there was much hesitancy, despite extreme provocation, to resort to force or even to recognize terrorism's undoing of human rights. Global involvement has been regarded as much too costly.

The additional thoughts, so well put by the young president, had almost been mocked: "Let every nation know, whether it wishes us well or ill, that we shall pay any price, bear any burden, meet any hardship, support any friend, oppose any foe to assure the survival and the success of liberty."

Perhaps surprisingly, there is in the person of Ronald Reagan a member of an old generation willing, as more timid and hopeful souls are not, to recognize that the survival and success of liberty are not without risk and sacrifice.

The nation has acted to deal with Col. Khadafy in the only way possible. Until he changes or is replaced by those who reject the philosophy of pursuing their objectives through terrorism, more such actions will be required.

OPENING FOREIGN MARKETS BY UNDERSTANDING THEM

HON. PHILIP M. CRANE

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Thursday, April 24, 1986

Mr. CRANE. Mr. Speaker, the U.S. trade deficit is the subject of growing concern in Congress and the Nation. As concern grows, it is important that solutions be found that are within the parameters of the free trade environment.

Experiments in protectionism have proven costly and ineffective over the years. Protectionism invites retaliation by our trading partners and risks economic disaster. We cannot afford to forget the lessons taught by the disastrous Smoot-Hawley Act which led to the Great Depression.

The only things industries are protected from by protectionist measures are the realities of the marketplace. This encourages companies to put off needed modernizations and product improvements, further delaying the day when American products will compete more favorably in world markets once again.

Perhaps part of the trade imbalance problem is, as Tom Peters recently wrote in U.S. News & World Report, that American industry does not always succeed in adjusting to the needs of foreign markets. Protectionist measures would misdirect the energy of both American industry and the Congress. Let us instead direct our energy to solving the fundamental problems of our trade imbalance. In Congress, this means developing sound fiscal policies to reduce the budget deficit. In industry, it means, in part, tailoring American productions more closely to the needs of foreign markets.

As consumers, Americans expect other countries to tailor their goods and services to suit the American market. Foreign markets have the right to expect no less from us. Indeed, we cannot reasonably expect foreign consumers to buy our products if they do not

meet their needs. To be competitive abroad, we need to apply the same standard of market sensitivity to ourselves that we demand of our foreign suppliers here.

I have included the article by Mr. Peters that appeared in the March 3, 1986, issue of U.S. News & World Report. I would urge my colleagues and many sectors of American industry to give it serious thought:

CLOSED MINDS CAN'T OPEN MARKETS

The U.S. achieved its export dominance in the aftermath of World War II, when no competition from abroad existed. For two decades after the war, our strategy was to peddle products past their prime overseas, with little attempt to tailor these goods to foreign tastes.

Things have changed. Not only have foreign economies rebounded, but they have become stiff competitors overseas as well as in the U.S. It is increasingly difficult for us to gain access to new markets or even to hold our own in old ones. The truth is, our previous successes abroad were won because there were no alternatives, not because we had honed our international management skills.

For instance, Detroit managed to sell only 1,300 cars to Japan last year. But BMW, the favorite car of Japan's "yuppies," sold 6,000 autos, an increase of 50 percent from the year before. How does BMW succeed where we fail? The reason is that we refuse to adjust to the Japanese convention of putting steering wheels on the right. By not doing so, we're caught in a vicious circle. We assume the Japanese don't cotton to American cars, so we don't extend ourselves to meet their needs. It is tempting to blame our difficulties on unfair subsidies by foreign governments to their domestic industries. But the truth is we are shooting ourselves in the foot.

A recent UNESCO study ranks American people next to last on sensitivity to other cultures. Sixty-one percent of our business schools do not offer any international courses. The number of students who studied Japanese only grew from 9,500 to 11,500 during the decade from 1973 to 1983 when the Japanese challenge mushroomed. Just one of the 415 board members from the top 25 U.S. export companies is Japanese—at Hewlett-Packard.

If you still wonder why we are at such a disadvantage, consider that fewer than one third of *Fortune* 500 chief executives had any foreign tour of duty during their careers. Yet Sony Chairman Akio Morita lived in New York for two years before his company launched its products here, sniffing out the market. Today, five of his children are working in Sony operations in the United States. Mitsubishi has 700 people in New York devoted solely to studying U.S. markets. Thirty thousand Japanese nationals are on the payrolls of Japanese companies in the United States. Japanese citizens in Manhattan alone number 96,000. By contrast, a paltry 800 American citizens work in all of Japan.

Will a surcharge on Japanese goods overcome this barrier? No, only one thing will: Listening. Just look at some savvy U.S. companies that have benefited by tuning in instinctively.

Coca-Cola spent a dozen unprofitable years before it gained a foothold in Japan. All its products but Coca-Cola were changed to accommodate a Japanese preference for a sweeter taste. It now has captured 60 percent of the soft-drink market. Schick commands a 70 percent share of the Japanese disposal-razor market. It beat Gillette because it mastered the ins and outs of Japan's wholly different distribution system, and patiently built relationships with Japanese distributors, while Gillette was insensitive to this problem.

In the early '80s, it took telecommunication-equipment manufacturer Rolm 20 visits to gain the company's first small order from the Japanese, but Rolm stuck with it. An even better example is IBM, which recently purchased Rolm. Big Blue's computers are fine enough, as always, but Japanese industry experts attribute IBM's $3.1 billion in sales to Japan last year to its longtime devotion to offshore product development. IBM simply is willing to listen to the customers and adapt products to their needs. The firm never quits pressing. Last year it moved its entire Pacific region headquarters from Armonk, N.Y., to Tokyo.

Borg-Warner is delighted to provide transmissions for Nissan's 280Z and 300ZX. Nissan insists that every part be polished to a high finish, even parts completely hidden from the customers' view. Borg-Warner did it and got the business.

There is no other magic. Executives who are successful in Japan report the same set of factors for their success time after time. "Form is as important as substance." "Relationships are key." "Extended contact." "Patience." "Sell yourself before you sell the product." "Americans fail to focus on the intangibles." "Continuity of management." "Delicate and continuous stroking." "No hit and run." "Direct and regular senior-person contact." "Contact at multiple levels."

A senior marketing executive at Seattle-based John Fluke Manufacturing Company says that its success turned on providing "all the features the Japanese want, and sales persons fluent in the Japanese language and trained in the benefits of the product." He adds: "These sound like simple things. But you'd be surprised how infrequently American companies pay attention to those things in foreign markets."

Our closed minds and centuries-old isolationist bent, not the policies of host-country governments, lead to most of our failures abroad. And not just in Japan.

Pizza Hut has learned exactly what customers want overseas. Mexicans demand jalapeño toppings; Canadians prefer bacon; and Koreans insist on low salt. Japan? Pizza Hut sells millions of pizzas there—mostly with generous portions of squid.

HOUSE PASSAGE OF H.R. 44, ELECTRIC CONSUMERS PROTECTION ACT

HON. WILLIAM E. DANNEMEYER

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, April 24, 1986

Mr. DANNEMEYER. Mr. Speaker, I support H.R. 44, the Electric Consumers Protection Act, as amended by the Committee on Energy and Commerce on which I serve, and passed by the House on Monday of this week, April 21.

The standards and procedures which apply to the relicensing of non-Federal hydroelectric projects are of considerable importance to the State of California in general and to the district I represent in particular. California has abundant hydropower resources which provide consumers with a low-cost source of electricity. All utilities in the State, publicly and privately owned alike, understandably seek to obtain the benefits of this resource for their respective consumers. This is particularly true in my district, which is served in part by an investor-owned utility and in part by a municipal utility. The municipal utility is in the city of Anaheim, the largest city in my district, and serves 93,000 ratepayers, most of whom are my constituents. By the same token, the rest of the district receives power from the private utility. I have sought to do my best to help come up with a balanced proposal that lets all utilities compete on fair terms for this resource. H.R. 44 as amended by the committee and passed by the House represents such an approach.

The particular issue which prompted congressional legislation in the first place is whether or not a preference for a municipal utility applies to the relicensing of hydro projects just as it does when an original license is issued. The Federal Energy Regulatory Commission confirmed in 1980 that such a municipal preference does apply to relicensing. The 11th U.S. Court of Appeals upheld this result and the U.S. Supreme Court denied certiorari. A panel of the U.S. Court of Appeals for the District of Columbia Circuit reached the same conclusion late last year. The latter case is being heard on appeal by the entire D.C. circuit court at the present time.

Current law, then, as interpreted by the courts to date, is that a municipal preference applies to relicensing under the Federal Power Act. I have long believed that this question is best answered by Congress. The issue, therefore, is no longer whether the preference will be changed. The real question now is whether it will be changed in such a way as to preserve effective competition or not. The importance of H.R. 44 is that while it eliminates the municipal preference, it does not go beyond that and swing the pendulum to the side of giving a preference to the existing licensee, whether public or private. Rather, there is no statutory preference for any party under this legislation. The existing licensee already has the benefit of operational knowledge from running the facility and the challenging applicant can seek to win the license by coming up with a better plan. In short, with the mask of preference for any applicant removed, all of them may compete on a stand-up basis to convince FERC that their application is the best adapted to the public interest.

While the law should be changed, fairness and equity demand that we not make changes in the law retroactively apply to cases pending at FERC which were commenced under existing law and held up at FERC while the debate over municipal preference has taken place. Most of the 10 affected projects are in my State of California. In two of the projects, the municipal utility in my district joined with others in California to form a consortium to compete for projects now operated by the private utility that serves the northern part of our State. This consortium has spent at least $3.5 million in legal fees, engineering analyses, and environmental reports to pursue the applications. However, the change in the law con-

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tained in H.R. 44 does much more than affect these costs for it also takes away from them the opportunity to obtain power under the terms of existing law.

Given the importance of this issue to my district, I was pleased to be able to have worked with my colleagues in the delegation who are similarly situated, led by the gentleman from California [Mr. MATSUI]. Together with our colleagues on the committee, and others from our delegation, we came up with section 10 in H.R. 44. This provision will force the competing parties to negotiate a settlement, or FERC will impose one, if the new law is to apply to these projects. The compensation must include both the reasonable costs incurred by the competing applicant and a reasonable percentage of the net investment value of the project in question. The bill contains factors that FERC shall take into consideration in determining the appropriate compensation and may award such amount that it finds to be reasonable based upon how the factors relate to any given project. It is imperative that any bill which comes out of conference contains satisfactory compensation for these projects, as the House bill provides.

In addition to the above, the legislation also provides more flexibility for FERC to award adequate compensation when a project does change hands, strengthens the environmental criteria with particular emphasis on the impact of hydro projects on fish and wildlife, and makes certain that if a project is transferreed the transferee can obtain access, on reasonable terms, to needed transmission facilities.

In conclusion, Mr. Speaker, while this legislation resolves the questions about municipal preference, there are other items on the agenda of electric issues that merit our further consideration. We have witnessed the consumer benefits, in the form of lower rates, which flow to ratepayers of natural gas utilities by virtue of more access to natural gas pipeline transmission facilities. This is a lesson we should keep in mind for regulating the transmission of electricity as well.

INTERNAL REVENUE SERVICE

HON. LEE H. HAMILTON

OF INDIANA

IN THE HOUSE OF REPRESENTATIVES

Thursday, April 24, 1986

Mr. HAMILTON. Mr. Speaker, I would like to insert my Washington Report for Wednesday, April 23, 1986, into the CONGRESSIONAL RECORD:

INTERNAL REVENUE SERVICE

The Internal Revenue Service (IRS) is the federal agency everyone loves to hate. Every member of Congress hears a litany of complaints about the IRS—especially at this time of year. Taxpayers have trouble getting tax advice from the IRS, and many feel harassed by it. They complain they are treated as if they are guilty until they prove their innocence. Tax counselors complain that the IRS is far behind in writing regulations to clarify the law. Errors plague the system, and phone calls and letters to the IRS go unanswered.

Once regarded as a paragon of efficiency among federal agenices, the IRS is quickly losing the respect that has kept taxpayers in line. A shortage of funds, manpower, and political support has taken its toll at the agency, and increasing numbers of Americans believe that they risk little by cheating on their taxes. All of us have an interest in an IRS able to administer effectively the nation's tax laws and to collect its revenues. When one American cheats on his taxes, the rest of us have to pay more.

The most immediate concern facing the IRS is avoiding a repeat of the 1985 debacle when, at the height of tax season, its new computer system broke down. Thousands of taxpayers were dunned for taxes they did not owe, millions of refunds were delayed for months, and understaffed IRS telephone lines went unanswered while inquirers fumed. But the mishap cost the IRS more than frazzled nerves. Ultimately, an additional $69 million was spent by the agency to cover interest on delayed returns, employee overtime pay, and productivity losses.

The most costly result has been the damage done to IRS credibility. Traditionally, the agency has relied largely on voluntary compliance in revenue gathering, but cheating is now on the rise as growing numbers of taxpayers are tempted to test the IRS's scrutiny. Contrary to popular belief, illegal activities and large corporations account for only a small portion of tax cheating, just 10% and 7% respectively. Ordinary citizens are responsible for the vast majority—over 80%—of the tax cheating that goes on in the U.S.

The rapid decline in tax compliance is particularly alarming in light of the federal budget deficit crisis. Compared to a deficit of $180 billion this year, tax cheating cost the Treasury an estimated $107 billion in 1985, up from $23 billion in 1973. By 1990, it could reach $160 billion. In the frantic attempt to reduce the deficit without raising new taxes, many members of Congress are realizing that improved tax compliance could bring large sums into federal coffers with no pain to the honest taxpayer.

Reducing the "tax gap" will not be easy, as the agency has suffered years of neglect. In the early 1970s, after the IRS was used to harass political enemies of the administration, its funding was curbed. The request for the new IRS computer system originated in 1970, but funding was delayed until 1982, and the new system came on line only last year. Chronic funding shortages have also made it difficult to hire and retain qualified personnel. In any given tax season, only 40% of the seasonal employees—those primarily handling returns—have had previous experience at IRS. Audit staff has dwindled, and the proportion of returns audited has fallen steadily, from 5% in the 1960s, to 1.2% last year.

If tax compliance is to improve, the IRS must reestablish its reputation as an efficient and credible federal agency. Toward this end, the agency has taken steps to prevent a repeat of last year's confusion. Software bugs have been removed, enabling IRS computers to work 68% faster than last year, and overall computer capacity has been increased by 40% over 1985. The President has proposed adding 7500 auditors by 1988, which could have a large payoff in revenues. A Congressional Budget Office study concluded that every additional $1 spent on compliance enforcement could generate as much as $16 in unpaid revenues. In addition, the House-passed tax reform bill, now pending in the Senate, includes measures to boost penalties for tax evasion. That could generate an additional $8.3 billion by 1991, and, like expanded audit coverage, creates added incentives for compliance by taxpayers.

Far more will have to be done, however, to assure the smooth operation of the IRS on into the next century. It has been understaffed, underfunded, undertrained, and underequipped. The IRS is planning to expand its conputerized auditing systems, which nabbed 6 million faulty returns last year. It is also experimenting with computerized tax filing services, which, for a small fee, will feed tax returns directly into IRS computers, eliminating the need for cumbersome paper returns. But such modernization programs will go nowhere without adequate political and fiscal support. The Administration, realizing that previous attempts to limit funds for the IRS have cost the government billions in lost revenue, requested $340 million in additional funding for the agency for 1988. In my view, adequate funding for the IRS must continue despite current attempts to reduce federal spending and the deficit. Members of Congress must remember that the IRS can increase revenues just by being able to enforce the law.

On a more fundamental level, the problem of tax evasion lies less with the IRS than with the tax code itself. As long as the tax code is so complex that even two IRS tax counselors can interpret it differently, as long as taxpayers with the same income pay widely different taxes, as long as wealthy individuals and successful corporations can avoid taxes altogether, and as long as special interests appear to receive tax breaks at the expense of all others, compliance with the tax code will continue to decline. Overhauling the IRS will not solve the problem if most taxpayers believe the tax code is fundamentally unfair. That is why the thrust of tax reform—to reduce tax rates, plug tax loopholes, and ensure that all taxpayers are paying their fair share of taxes—is so important. Reforming the IRS is necessary for improving taxpayer compliance, but so is reforming the tax code.

ARMENIAN GENOCIDE

SPEECH OF

HON. MEL LEVINE

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, April 22, 1986

Mr. LEVINE of California. Mr. Speaker, I want to commend my colleagues for reserving this time to enable us to participate in this special order commemorating the 71st anniversary of the beginning of the genocide of the Armenian people.

The Armenian genocide began with the roundup by the Ottoman Turkish Government of Armenian community intellectuals in Istanbul, who were then executed in cold blood. Before it was over, 1½ million Armenians were brutally slaughtered in a rampage that lasted for 2 years.

Although this slaughter was unprecedented in modern times, it went largely ignored by the world. Yes, there were reports of the heinous deeds being committed, but, as it seems with other systematic, mass murders, little if anything was done to stop it from happening. But it did happen, and we must not forget that it did.

The survivors of the Armenian genocide to this day suffer not only the traumatic scars of seeing their families and loved ones cruelly tortured and murdered, but they and their children suffer the indignity of having every Turkish Government deny the atrocities committed in 1915.

We have heard the word genocide spoken often in this Chamber, and its meaning never ceases to conjur up visions of heinous and horrific deeds. The memory of the Armenian genocide and its historical importance must be kept alive, and we must reject any attempts to bury it in the sands of history. As with all genocides, we must remember that they happened so that they will not happen again.

COMMEMORATIVE LEGISLATION

HON. BOB LIVINGSTON

OF LOUISIANA

IN THE HOUSE OF REPRESENTATIVES

Thursday, April 24, 1986

Mr. LIVINGSTON. Mr. Speaker, in the past week, my staff has spent several hours organizing, answering, and generally handling more than a dozen "dear colleagues" concerning commemorative legislation. These requests for cosponsorship pour into my office each morning, calling for me to add my name to everything from "National Food Bank Week" to "National Digestive Disease Awareness Week." Now, while I understand the role that this type of legislation can play in alerting our citizens to important events and problems in our society, I feel that Congress is not the best institution to handle the situation. Therefore, I would like to express my support for H.R. 479. This bill, introduced by my colleague, WILLIAM WHITEHURST, would turn this responsibility over to a commission that would inexpensively make recommendations to the President who would make the final decisions on these matters; taking this expensive practice out of the hands of already overworked congressional staffs. You hear a lot of talk these days about cutting the budget and restricting spending. I feel that this type of pork-barrel legislation should have been the first to be cut. Mr. WHITEHURST has repeatedly stressed that passing this legislation would save in the area of $1 million per year. Although passing this legislation will not solve our financial problems, it will be a good start and will send a message to those we represent that we can recognize frivolous and wasteful spending and do something about it.

WEST PARK TERRACE: RETIREMENT AS IT SHOULD BE

HON. THOMAS A. LUKEN

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Thursday, April 24, 1986

Mr. LUKEN. Mr. Speaker, on May 4, West Park Community, a retirement community in Cincinnati, will open an apartment complex that is so innovative and exciting, I would like to share with my colleagues this new concept of retirement living.

Called West Park Terrace, these apartments are really a carefully planned village that provide every need and recreation for the senior citizen who can live independently. West Park Terrace will offer a full service bank, a dining room with a chef, a general store, a cocktail lounge, a health spa, a beauty shop, and an arts and crafts center. In addition, residents have access to a health clinic, with doctors who do make house calls. West Park also built special apartments in West Park Terrace that are specially accessible for handicapped seniors.

West Park does not just provide retirees with a place to live, it provides them a way of life that is active and enjoyable. Too often, Mr. Speaker, our society takes for granted our elder Americans, who deserve a pleasant and diginified retirement. The concept behind West Park Terrace rejects the myth that senior citizens are too old to enjoy exercise, learn new skills, or continue the pursuit of a busy social life. And, the community is attentive to the special needs of seniors, by offering medical care and other services in close proximity. At West Park Terrace, seniors do not have to fear walking or living alone, because its village setup provides security as well.

I am impressed by this new style of retirement living because I think it gives everything our seniors have always asked for from retirement: Independence, dignity, immediate medical attention if necessary, safety, and continued enjoyment of activities they have pursued all their adult lives.

American retirees do not want to lean on the government, they want a comfortable and secure retirement, with self-sufficiency and respect for their maturity. I commend West Park for creating a retirement lifestyle that fulfills these well-deserved requests.

PLIGHT OF SOVIET JEWRY

HON. JOHN McCAIN

OF ARIZONA

IN THE HOUSE OF REPRESENTATIVES

Thursday, April 24, 1986

Mr. McCAIN. Mr. Speaker, I am indeed pleased to once again join the Congressional Call to Conscience Vigil for Soviet Jews. This year has already been marked by the release of Anatoly Shcharansky, formerly one of the best known Jewish prisoners of conscience in the Soviet Union. As a member of the Congressional coalition for Soviet Jews, as well as the Congressional Human Rights Caucus, I believe it is vital that we reaffirm our dedication to the cause for which Shcharansky served so many years in prison.

Although the release of Anatoly Shcharansky may appear promising, the Soviet leadership has given no indication that it will permit Jewish emigration to occur on a significant scale. In many ways, Shcharansky's case was typical of the Soviet Jewish experience. Once a highly respected computer scientist, his application to emigrate and his involvement in Jewish cultural activities soon cost him his job and eventually landed him in prison, where he spent the last 7 years.

Shcharansky's liberation was touted by the Soviets as a trade, an exchange for convicted spies, and this too is typical of the official Soviet attitude toward its Jewish citizens. The Soviet press is openly anti-Semitic. One popular pulication recently claimed that "Zionists are trying to infiltrate all spheres of public life." Last year, a so-called documentary was broadcast in Leningard detailed the Jewish conspiracies against the Government. Hebrew teachers are frequently arrested on trumped-up drug charges, and any cultural activist is commonly subject to a series of arrests, searches, and threats.

There are approximately 2.5 million Jews living in the Soviet Union today, the third largest Jewish population in the world, following the United States and Israel. Most of these people live in the urban areas, and, when permitted, have been among the most educated and industrious of Soviet citizens. Yet this exemplary group has increasingly become the object of a cold-blooded campaign of cultural and religious persecution.

Prevented from teaching or learning Jewish history and traditions, they are, in addition, denied the opportunity to emigrate. There are over 350,000 Soviet Jews who are waiting to leave. Some have been waiting for over 10 years, and many have, like Anatoly Shcharansky, spent that time in prison.

My own adopted refusenik, Feliks Kochubievsky, was also a prisoner of conscience. Released last spring, he has been waiting with his wife since 1978 to rejoin their sons in Israel. Mr. Kochubievsky's request for a visa resulted in the loss of his job as a highly respected senior electrical engineer, and ultimately in his arrest as a subversive. This criminal was a former recipient of the Soviet Order of Merit for Patriotic Work.

His request for a visa was refused for the same reason Shcharansky was originally denied—regime considerations. According to the Soviet officials, the presence of these individuals abroad would be damaging to national security. By far the most popular and convenient excuse used by the Government, its merit lies in the fact that it can be applied to those who have served in the military. Military service is, of course, compulsory in the U.S.S.R.

Anatoly Shcharansky's eventual liberation can be directly attributed to continued pressure from the West, and to the unfailing efforts of his wife, Avital. Feliks Kochubievsky and his wife, Valentina, have not been so fortunate. They are both still waiting. We owe it to the thousands of other refuseniks, as well as those who have served or are serving time as prisoners of conscience, to renew the pressure on the Soviet Government.

Mr. Gorbachev's recent and alarming statement that "the so-called problem of Jews in the Soviet Union does not exist" should be a warning. While permitting Helena Bonner to visit the West for medical treatment, and releasing Anatoly Shcharansky would seem to be proof of their growing understanding of good public relations, the contrast between the over 50,000 Soviet Jews who were permitted to leave in 1979, and the paltry 1,140 who left in 1985 is stunning, and, I think, speaks for itself.

Progress cannot be measured by Soviet rhetoric or by grand gestures, but only by counting the number of Jews actually allowed

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to leave. The Soviet Government would like to use Shcharansky's release as a diversion. The truth is that emigration is down, with only 53 Jews allowed to leave in March. That is the lowest figure since last summer.

Soviet Jews need a long-term, regularized emigration policy. General Secretary Gorbachev is planning a visit to the United States, and the Soviets have expressed an interest in expanding trade with American businesses. We must make it clear that improved relations are inextricably tied to the Soviet human rights record, and I am proud to have the opportunity to make my appeal for Soviet Jews through the Congressional Call to Conscience.

A TRIBUTE TO COL. LEE H. TUCKER

HON. DAN MICA

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Thursday, April 24, 1986

Mr. MICA. Mr. Speaker, I would like to take a moment to speak about a veteran living in my district. His name is Col. Lee H. Tucker and he dutifully served this country's Army for over 32 years.

Colonel Tucker was appointed executive director of the Soldier's Savings Program during the Second World War. He was selected for the enthusiasm, initiative, and determination he had displayed in his duties. Under his leadership, the program reached an all-time high of 94.9 percent participation among civilian personnel of the military establishment.

I would like to quote from a September 1945 recommendation that Colonel Tucker be awarded the Legion of Honor. It states:

> Colonel Tucker, in making his outstanding contribution to this most important phase of the War, displayed a willingness to venture into uncharted fields, unusual leadership in developing teamwork among all commands, initiative, foresight, keen intellect, organizational ability, tremendous enthusiasm, and outstanding devotion to duty.

As Colonel Tucker approaches his 91st birthday on May 30, I would ask that every Member of this body join together in recognition of the outstanding achievements of this veteran.

Although he has never been formally recognized by the U.S. Army for these services, let this proclamation stand as an official recognition in honor of Col. Lee H. Tucker, for the superior performance of his duties as executive director of the Soldier's Savings Program.

HONOR THE VICTIMS OF GENOCIDE WITH PEACE

SPEECH OF

HON. MAJOR R. OWENS

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, April 22, 1986

Mr. OWENS. Mr. Speaker, in 1985 we marked the 70th anniversary of the Armenian geoncide. A relatively small national group who happened to be caught in the middle of World War I were quietly killed or marched off to uninhabitable areas where starvation and disease proved a cheap substitute for bullets.

Since World War I, genocides have occurred with devastating regularity. World War II saw a number of genocidal attacks on whole peoples. The Jews and Gypsies of Europe, Balkan peoples, and others who were viewed as racially inferior or simply in the way of the war. Resistance to occupation was dealt with by mass murders of men, women, and children.

Since World War II, there have been further genocides for different reasons in different places. The Cambodian genocide directed against those who were in even the most remote way connected with the past, stands as a recent example of this particular horror. It seems that we have learned how to destroy, but the road to peaceful resolution of disputes and the recognition of all people's right to exist has not yet opened.

As we remember the Armenian genocide we are forced to look at similar episodes and consider just how we might avoid such horrors in the future. To begin with, we might consider developing international agreements on the conduct of modern war. Although everyone can agree that aerial bombardments are likely to cause civilian casualties, the world community has not come up with an agreement to cease this particular horror. One way in which we might honor those who died in genocides might be to begin work on controlling this modern form of genocide. We might also look to all of the destructive capability of modern warfare and commit ourselves to avoiding war and the use of the destructive weapons that are available.

The hatred and ignorance which are necessary conditions for a genocide to occur have grown far too costly in human lives and suffering to be borne any longer. Rational self interest dictates that we abandon the seduction of the easy solution and start to apply our knowledge and our will toward creating a more peaceful world for ourselves and all of our fellow human beings. Victims of a genocide can never be avenged. They can only be honored by our commitment to preventing such horrors in the future.

PERSONAL EXPLANATION, VOTE ON HOUSE RESOLUTION 432

HON. DENNY SMITH

OF OREGON

IN THE HOUSE OF REPRESENTATIVES

Thursday, April 24, 1986

Mr. DENNY SMITH. Mr. Speaker, yesterday I was unavoidably detained on official business, and therefore missed rollcall vote No. 97, on the question of whether the House should consider House Resolution 432. This resolution would effectively reinstate the previous limits on Members' earned outside income. This limit on outside income had been raised on Tuesday, April 22, as a result of a unanimous-consent request.

Had I been present, I would have voted "yes" on the question of immediate consideration of House Resolution 432.

TEST BAN FOLLY

HON. GERALD B.H. SOLOMON

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, April 24, 1986

Mr. SOLOMON. Mr. Speaker, sometime in the near future we will consider the urgent supplemental appropriation for fiscal year 1986.

It is possible that an amendment by Congresswoman SCHROEDER to cut off all funds for U.S. nuclear testing may be made in order. I strongly oppose this amendment and intend to speak against it if we take up this question.

Because of this, I would like to bring to the attention of my colleagues two editorials which recently appeared in the New York Times and the Washington Post. Both raise serious questions about the advisability of a nuclear testing moratorium at the present time.

I would urge all of my colleagues to read both of these editorials and join me in opposing the Schroeder amendment:

[From the Washington Post, Apr. 7, 1986]

THE TEST BAN TALK

What about a nuclear test ban? The treaty of 1963 banned explosions in the atmosphere, in space and undewater, repeated efforts to extend the treaty to underground tests have failed. Different administrations, including Jimmy Carter's have determined that it was more urgent to level off or reduce existing weapons than to fashion a ban on testing that would head off new weapons. They have felt that some new weapons should be tested—at least weapons, such as Midgetman, that serve the purpose of taking existing arsenals off a hair trigger. Verification has always been in contention. So has reliability testing: in a nuclear world, testing helps provide assurance that stockpiled weapons are accident-proof and that they work.

Nonetheless the test ban issue is back. It was nowhere near center stage at the Reagan-Gorbachev summit. There President Reagan was insistent on wanting to develop, and therefore test, some new weapons, including the model of his Strategic Defense Initiative, with a nuclear trigger. But the Soviet Union has been pushing it all the same.

On the American side, a ban plays to 1) people's desire to do something about a seemingly endless process of arms-building, and 2) fears that arms are controlling governments instead of the other way around. Many people understand that a test ban would leave both powers with large arsenals, arsenals more dangerous than they need be. Especially when other arms control progress looks dim, however, a market expands for an arms-control step that is, as Mikhail Gorbachev says, the "simplest" around.

Actually, on the Soviet side, other considerations appear to govern. Arguing for a ban, Mr. Gorbachev has stated that doubts that might grow about the reliability of one's nuclear arms, if they were not tested, could slow down a reach for the trigger in a crisis. This seems silly; no less implausible, considering its source, is the lament that further underground tests will "deface our beautiful planet."

His more serious calculation may be that the Soviets have more to lose than gain from a foot-to-the-floor technological and economic competition with the United States. If this is so, however, the Soviets can ease their burden by arms reductions. Moscow may also hope a ban will shut down SDI. Again, if this is so, Moscow can come in the front door in Geneva where space arms are already on the table; a test ban is the back door. Moscow may also calculate that a closed society can shave compliance or resume testing more easily than an open society. If this is so, it is no comfort to Americans.

Two weekends ago, Mr. Gorbachev offered Mr. Reagan what he said was a last chance to join the seven-month Soviet unilateral testing moratorium. He proposed an early one-issue summit in Europe to start negotiating a full treaty ban. The administration at once complained about being pressed in public. For rejecting the offer, it will pay a certain price in international and domestic opinion. But a bad weekend in the propaganda wars is not going to turn Mr. Reagan around. Congress, in the unlikely event that a majority was so disposed, could seek to enforce a moratorium by denying test funds, but it cannot compel him to negotiate a ban.

We do not say any of this cheerfully. Mr. Reagan had reason to say no to Mr. Gorbachev on a test ban, even though in saying no he is turning down the one arms control agreement within visible reach. He is saying, too—otherwise, he could not be taken seriously—that he can do better. Let him do so.

[From the New York Times, Mar. 31, 1986]

THE TEST BAN SHIBBOLETH

Mikhail Gorbachev sings a seductive tune in demanding a complete halt to further testing of nuclear weapons. The campaign is going so well that he has twice extended a self-imposed moratorium on Soviet nuclear testing, piously declared last July to mark the 40th anniversary of the American bombing of Hiroshima.

In the battle for public opinion, Mr. Gorbachev seems to be advancing easily. Last week 63 Members of the House and Senate wrote the White House urging Mr. Reagan to call off an American nuclear test. Other Members want to withhold money for American tests so long as the Soviet moratorium continues. With its peremptory refusal even to consider a complete test ban, the Administration plays into Mr. Gorbachev's hands.

The President's two principal arguments are that nuclear explosions are necessary to maintain the reliability of the nuclear stockpile and that a ban would be unenforceable because Soviet cheating could not be detected. He is widely disputed by scientists outside the Government.

Proponents of a test ban argue cogently that it is one way to cool the nuclear arms race and to encourage nonnuclear powers to remain so. They contend that a test ban would lock in the present American advantage in the design of nuclear warheads. The demand for a test ban has thus become the touchstone of sincere peace seekers.

But Mr. Gorbachev's persistence and Mr. Reagan's resistance probably have little to do with sincerity about arms control. A test ban now, without other agreements, would appear to do a great deal more for the Soviet Union than it has yet admitted: it would kill development of the nuclear-powered X-ray laser, a device that some see as the most promising technical component of President Reagan's antimissile defense initiative.

However misconceived that "Star Wars" program, the Administration is not obliged to kill it for free. It should be bargained away in orderly fashion, for sizable reductions in nuclear stockpiles.

"Star Wars" aside, why should a test ban be a prepayment for a major arms control agreement? The Administration is pursuing arms talks with the Soviet Union across a wide front; to hang toughest on the items the Russians want most is not a bad tactic provided the negotiations are sincerely pursued. And if the Administration were not sincere, there is no way to make it so except at the ballot box.

Instead of urging the Administration to throw in its hand on the test-ban issue, Congress would do better to elucidate the underlying facts. Would a test ban really halt the arms race? It would freeze technical change in warhead design, but not all changes have been bad. A freeze 20 years ago would have prevented development of lower yield warheads and of permissive action links, the safety devices that prevent unauthorized use of nuclear weapons. What can one predict for a freeze now?

The Livermore and Los Alamos laboratories that design nuclear weapons have a vigorous interest in opposing a test ban; it would put them largely out of business. Congress should rigorously examine their contentions that stockpile testing is necessary and that seismic monitoring could not detect Soviet cheating.

Securing the answers to such questions would help lay the ground for a test-ban negotiation. Shouting at the White House, especially during the din of Mr. Gorbachev's public relations campaign, will not.

ELYSIUM THEATRE HONORS ACTRESS/DIRECTOR LEE GRANT

HON. TED WEISS

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, April 24, 1986

Mr. WEISS. Mr. Speaker, on Tuesday, April 22, at the National Arts Club in New York City, the world-renowned actress, Lee Grant, was awarded the Erwin Piscator Award for achievement in acting, directing and education. This ceremony took place at a luncheon sponsored by the Elysium Theatre Co., an international repertory group located in the congressional district which I represent.

It is particularly fitting that Ms. Grant be the recipient of this prize. She embodies in her life and in her work the principles for which Erwin Piscator stood in illuminating interpersonal relationships and in relating individuals to their environment and to society.

Ms. Grant's entire life has been devoted to the performing arts, having begun her career at the age of 4 on the stage of the Metropolitan Opera. At 14, she won a scholarship to New York's Neighborhood Playhouse which led to her Broadway debute in "Detective Story," for which she was awarded the Critic Circle Award.

Hers has been a career highlighted with recognition and achievement. She is the recipient of the Best Actress Award, two Emmys, and the Academy Award for Best Supporting Actress in "Shampoo." In her recent career in film and stage, she has explored experiences that major studios rarely handle. In 1983, she received the Congressional Arts Caucus Award for outstanding achievement in acting and independent filmmaking. Her dedication, talent, and creative energy have touched the lives of everyone who has had contact with her. We are proud of her and grateful to her for having enriched our lives.

MARIE KINZLER—CARNEGIE'S EDITOR EMERITUS

HON. DOUG WALGREN

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, April 24, 1986

Mr. WALGREN. Mr. Speaker, I want to take a moment to salute one of my district's most outstanding newspaper women—Marie Kinzler—a woman who has been chosen by the Chartiers Valley Commission on Human Relations to receive its 1986 Community Service Award.

I have known Marie Kinzler for many years, really from the first days of my political life when I walked into her office at the Carnegie Signal-Item and urged her to write about this young, unknown candidate for Congress. She did, as she would for any area resident with an interesting story to tell.

Marie Kinzler's professionalism as a newsperson is the result of years of experience. A lifelong resident of the South Hills, Marie began writing for newspapers in the seventh grade, where she first wrote and later edited the Scott-T-News, her school newspaper. Her first boss was long-time friend Judge John Brosky who edited the Scott-T-News when Marie was a seventh-grader.

In January 1950 Marie joined the Carnegie Signal-Item, a weekly paper for residents in the Chatiers Valley owned and operated by another excellent newspaperman, Jim Knepper, now Pennsylvania's Secretary of Labor and Industry. When Marie joined the paper, the Signal-Item was an 8-page newspaper with a circulation of 1,800—when she retired from the paper in September 1984, the Signal-Item was often a 22-page paper with over 11,000 readers.

The growth of the paper is only one measure of Marie Kinzler's contribution to the communications business in the Chartiers Valley. Equally important, perhaps more important, has been Marie's willingness to help so many community groups and individual volunteers get the attention and notice they need and deserve to do the good that they have done in our community.

Mr. Speaker, I salute Marie Kinzler, and with her husband Steve, son Steve, and her many friends, I join in congratulating Marie on being so justly honored with the Community Service Award of the Chartiers Valley Commission on Human Relations. As Marie continues her work now as assistant to the president of Knepper Press, I count myself and the people of the Chartiers Valley very lucky to have Marie Kinzler as a friend.

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LYDIA KIM—OUTSTANDING YOUNG WOMAN

HON. PAUL B. HENRY

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Thursday, April 24, 1986

Mr. HENRY. Mr. Speaker, I am pleased today to recognize and honor 13-year-old Lydia Kim, who, as the winner of the 1986 Greater Grand Rapids Area Spelling Bee, will be representing Grand Rapids, MI, and the Grand Rapids Press in the National Spelling Bee held this May in Washington, DC.

As an eighth grader, this was the last opportunity for Lydia to enter the local spelling bee and win the coveted trip to the national finals. With the help of her father, a local pediatrician, Lydia spent long hours pouring over the dictionary and list of words supplied to the contestants. Her mother helped by encouraging her daughter to participate in outings that served to ease the tension and relax the serious and shy young student.

Lydia, spelling champion of the East Grand Rapids Public Schools for 3 of the last 4 years, met the challenges of the competition with confidence and poise. With the spirit and nerves of steel exhibited by her idol, Olympic Medalist Mary Lou Retten, Lydia, without flinching, defeated 24 other students by correctly spelling more that 100 words throughout the grueling 3-hour competition.

An academically advanced student, Lydia is listed on the honor roll and good citizenship list of her school She also finds time to play the violin and piano and is a member of the East Grand Rapids swimming team. Born in Des Moines, IA, Lydia is the daughter of Dr. Ihl and Monica Kim who came to this country from South Korea. Lydia follows in the footsteps of her sister, Susie, who also won a school spelling championship.

Mr. Speaker, Lydia Kim is an outstanding young woman and a tribute to the youth of America. I am pleased to offer my congratulations and admiration for her successful efforts in winning the regional spelling bee and wish her the best of luck as she goes on to compete in the national contest in May.

DODGE MORGAN'S EXTRAORDINARY ACHIEVEMENT

HON. JOHN R. McKERNAN, JR.

OF MAINE

IN THE HOUSE OF REPRESENTATIVES

Thursday, April 24, 1986

Mr. McKERNAN. Mr. Speaker, it is my pleasure today to relate to my colleagues the extraordinary and inspiring accomplishment of Mr. Dodge Morgan, a resident of Cape Elizabeth, ME.

On April 11, Mr. Morgan completed something that no American before him, and only three others in the world, had done. On that day, after a record 150 days, 1 hour, and 6 minutes, and more than 26,000 miles, Dodge Morgan completed a single-handed circumnavigation of the globe aboard a 60-foot sailboat, the *American Promise.*

By Mr. Morgan's own account, it takes a good boat, an iron will, and luck to sail around the world alone. I would agree with him; however, I believe it takes more—it takes courage, self-reliance, independence, and, above all, a level of self-understanding that enables one to overcome adversity. Mr. Morgan has all of these qualities and then some.

A former Air Force fighter pilot, news reporter, and advertising executive, Dodge Morgan sold his electronics firm and brought to reality a dream he had had to sail around the world—a dream inspired by a trip he made in the 1960's from Maine to Alaska aboard a 36-foot schooner.

Dodge Morgan's achievement should be a source of pride and inspiration to us all. His feat is one of courage, determination, and perseverance, and I, therefore, ask the U.S. House of Representatives to join me in applauding Mr. Morgan and in welcoming him home.

NATIONAL POLICY AND TECHNOLOGY FOUNDATION ACT OF 1985

HON. GEORGE E. BROWN, JR.

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, April 24, 1986

Mr. BROWN of California. Mr. Speaker, today I wish to discuss for the consideration of my colleagues, the National Policy and Technology Foundation Act of 1985 that I recently introduced as H.R. 3997. Joining me as cosponsors of the bill are Congressmen BEILENSON, BERMAN, BONIOR (MI), CONYERS, CROCKETT, DIXON, DYMALLY, EDGAR, FAZIO, FORD (MI), GUARINI, HAWKINS, HERTEL (MI), LEVINE (CA), LUNDINE, MACKAY, MCKINNEY, MITCHELL, NELSON (FL), PANETTA, RANGEL, TORRES, UDALL, WALGREN, WAXMAN, and WEISS.

The National Policy and Technology Foundation Act was introduced to focus congressional attention on the need for legislative flexibility and the correction of structural deficiencies in our basic governmental institutions that threaten the long-term economic foundations and quality of life in the United States.

INTRODUCTION

Sometime, nearly four decades ago, with the United States enjoying the world's highest standard of living and a seemingly invincible industrial plant, the Nation's Industrial base began to erode and the country's quality of life entered into a long-term decline. Held captive by past success and its own conventional wisdom, the Nation ignored many danger signs. Finally, in the late 1970's and early 1980's the loss of consumer electronics markets, followed by steel and automobiles, made it clear that America's leadership and prosperity were being lost—perhaps forever.

The country is experiencing a broadly based structural phenomena that is indescribable in terms of classical economic models. The regression of American trade and economy are being matched by a concurrent deterioration of the relative American life quality. If the trend of the past 40 years foretell America's future, our children will have much less to be thankful for than their parents.

Industry provides most of the material goods of our society and generates much of the revenues used to finance our social services. However, by almost any standard, American industry is ill and shows few signs of regaining its ability to compete in world markets. The dreary statistics documenting the United States' inability to meet current international competition are too well known to repeat. The LICIT Report of April 1983 presents a grim picture of world market share trends. During the 15-year period from 1965 to 1980, in 12 major manufacturing categories ranging from iron and steel to aircraft and computers, France and Japan each increased their percentage of world market share in eight categories. West Germany increased its share in five categories and now leads the United States (5 to 4). United States' market share on the other hand declined in 10 out of 12 categories. The result of our eroding industrial competence is a $150 billion U.S. trade deficit for 1985 and a drop in relative U.S. GNP/capita from first place after WWII to 10th place today. The President's Commission on Industrial Competitiveness points out: "Real hourly compensation in the United States has remained virtually stagnant since 1973. Since 1979 it has actually declined."

National life quality is obviously influenced by the national GNP/capita, but the actual quality of life is given by other environments such as education, health, personal security, pollution, etc. In each of these areas, the United States life quality is not outstanding.

Educational test scores have been dropping steadily in the United States while functional illiteracy remains at close to 20 percent. Our ability to allocate our educational resources to effectively serve national needs is questionable. During the past decade, with high technology industry often struggling to satisfy its demand for experienced engineers, California's production of electrical engineers decreased by nearly 30 percent while the output of lawyers increased 300 percent. It would seem that we plan to litigate our way back to industrial preeminence. Japan, on the other hand, produces twice as many engineers as the United States, but the entire country employs fewer attorneys than are found practicing in Los Angeles County.

In spite of our enormous investment in medical research and health delivery, Americans are not relatively healthy. Today the Japanese and the Swedes, contributing little to medical science, are the world's healthiest people with the lowest infant mortality rates and the longest life spans.

In other life quality areas the country is doing no better. Crime is excessive; the average American is more conscious than ever of muggings, burglary and widespread use of narcotics. The Nation's physical environments are being damaged by pollutants. Acid rain is destroying Eastern forests and lakes. Smog levels in our major cities remain high.

WHY A NATIONAL POLICY AND TECHNOLOGY FOUNDATION?

Centralized national planning is neither practical nor desirable for our society. Large scale national plans take so long to produce and put in place that the dynamics of a modern industrial society render such plans

obsolete before they can be implemented. Central national planning, therefore, is simply not useful.

On the other hand, only the Government can take responsibility for the creation and maintenance of coherent national policy in the national interest. Rational planning and investment by the private sector, individual and corporate, cannot exist independent of government policy. In reality, the very rationality of a business decision almost inevitably depends upon its consistency with national policy. Conversely, in the face of inconsistent, incoherent, conflicting or invisible national policy, private planning and investment becomes a high stakes gamble instead of a reasoned exercise.

Congressman LEON E. PANETTA of the House Agricultural Committee in the Los Angeles Times, May 12, 1985, said: "Counterproductive and conflicting Federal laws and policies abound in agriculture to the point where they sometimes sound like 'Alice in Wonderland' creations. For example there are: Tax policies that encourage investors to begin raising unneeded, irrigated crops on easily erodible soil in Nebraska using scarce water at the same time the Government is fighting soil erosion and looking for ways to conserve that water."

Allen Paul, President of the Agriculture Council of America observed: "There ain't nobody responsible, nobody accountable. . . . We just don't have an integrated farm policy."

The consequences of inconsistent national policy appear everywhere. Monetary policies established to combat inflation contribute to an overpriced dollar that made U.S. goods uncompetitive in world markets and created a $150-billion trade deficit. Conflicting macro policies, which frequently insulate economic sectors from market forces, drive U.S. farmers bankrupt and allowed Argentine wheat to be delivered in Minnesota at less than U.S. cost.

The problem is deep-seated. Institutional rigidity has precluded changes in our basic institutions and institutional deficiencies insured that the need for change was not perceived. The country's present institutional structure is flawed and unsuited for the dynamics of a modern world—lacking means to facilitate the integrated public-private policies so necessary to the country's long term interest.

Policy conflict begins at the data level with micro information gathered by very specialized agencies charged with making micro policy. There are no mechanisms to gather data on a more global basis, assess the consequences of both micro and macro policy and propose the modifications necessary to create integrated, coherent and consistent national policy in the long term public interest.

Although every Government department and most important agencies have policy sections, their scope is generally limited to gathering micro data to provide micro policy for their host. Regardless of capabilities or desire to do more, they are restricted both by the data available and their franchise. Even if adequate data were made available, the United States has not established a formal system for monitoring the international trends and developments that impact our economy and quality of national life. Commercial opportunities arise and are forever lost while economic challenges mature into major crises without an early warning system to alert our Government and industry.

Micro policies proliferate within major Government departments with little analysis of their interaction and collective effectiveness. Macro policy is created, often in response to an ideology, and with negligible assessment of long term consequences. The experimental and changing nature of national policy is largely ignored. Formal means to evaluate policy consequences are seldom installed. National policy is almost entirely reactive. A 40-year decline in international trade competitiveness is recognized only after much of American industry has been driven off shore and exploding trade deficits make the United States a debtor nation for the first time in 70 years.

It is at the integrated policy structure level that the U.S. institutional deficiencies become most painful. Means do not exist to consider, much less assess, the interrelationship between national macro policies such as monetary policy, inflation policy, trade policy, industrial initiatives, tax policies, saving policy, life quality policies, etc. The Nation does not possess institutions capable of proposing integrated national policy alternatives and assessing their expected long term consequences. Until this deficiency is relieved, the Nation will continue to dissipate its considerable resources and stagger from one avoidable crisis to another.

In recent years the consequences of the Nation's institutional deficiencies have become more evident. Failures of the formal national policy making system have finally culminated in the Gramm-Rudman Act.

Gramm-Rudman represents a massive breakdown of the legislative process. The act was passed by a frustrated Congress unable to resolve a runaway budget crisis. But Gramm-Rudman is not the first nor will it be the last of major national issues for which the Congress and the administration will be unable to provide adequate national policy. Like the Social Security crisis of 2 years ago Gramm-Rudman flows basically from structural and institutional deficiencels and not from a lack of dedication or the desire to perform by the Congress or the administration.

The Nation's leading trade competitors have long enjoyed well established institutional means for developing national policy and obtaining the necessary public consensus. Germany's Stability and Growth Act of 1966 established a tripartite consultation process among labor, business, and government. Japan's MITI has 35 associated independent councils with over 200 standing committees that insure the effective participation of every segment of Japanese society.

Unlike our trade competitors, the U.S. Congress simply does not have the tools to cope with the far-reaching complexity of the problems of a modern global society. Without the means to anticipate pending crises before they become critical, develop an adequate data base, formulate and assess policy alternatives and in particular, generate the national consensus necessary for public acceptance, the United States is assured of a future with more Gramm-Rudmans.

The country needs to put in place the means to recognize world change that will require adjustments in its national policies and it needs the means to effectively initiate and facilitate policy change. Specifically, a consensus-driven mechanism is required to rationalize national policy by anticipating changing conditions, assessing the long term consequences of existing and proposed policy and recommending to the Congress and the President self-consistent, mutually supporting national policies. With continually changing world markets and international competition that shapes its policies and strategies to match the changing market, it becomes axiomatic that the United States must be able to readily reshape its policies and institutions for compatibility with the changing times.

The Nation's policy facilitating agencies are also incomplete. Although the Federal Government now provides substantial funding for science, and technological support for selected industries such as agriculture, aviation and commercial fisheries, we presently lack the institutional capacity and civilian agencies to focus programs upon the competitive performance of our economy as a whole. Congress has responsibility for designating the appropriate agencies to implement national policies. In practice, however, implementation of important policies may languish for lack of an existing competent agency to pursue them. In the broadest sense, the Nation does not possess for our new technology development needs the equivalent of the National Science Foundation or the National Arts and Humanities Foundations. The National Policy and Technology Foundation would consolidate technology related activities which are not now closely tied to an agency mission and would insure that the Federal Government will assume suitable responsibilities for needed civilian technology which have heretofore not been adequately discharged by any sector of society.

The combining of existing governmental functions into a new foundation with responsibility for facilitating national policy and the technology supportive of that policy finds its counterpart in the principal policy agencies for some of our major trade competitors. Japan's MITI is heavily involved in insuring the excellence of that nation's technology.

NEEDS ADDRESSED BY THE NATIONAL POLICY AND TECHNOLOGY FOUNDATION

While it might be convenient to blame the Nation's present difficulties upon one or the other political party or upon a particular ideology, this would belie the facts. Our regression has steadily progressed for nearly 40 years under the stewardship of both parties. The data would demonstrate that the United States is in the midst of a long-term decline resulting from 200-year-old structural deficiencies that render our institutions incapable of discharging the policy responsibilities of a modern society. The rigidity and structural deficiencies of America's basic institutions have existed so long, they are almost impossible to perceive or to question. John Kemeny, Chairman of the President's Three Mile Island Commission, after studying that disaster, was forced to the conclusion that the fault lay more with obsolescence of U.S. institutions than with the reactor operators. "The present

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system does not work. It was designed for a much earlier and simpler age. The only way to save American democracy is to change the fundamental decision-making process at the Federal level, so it can come to grips with the enormous and complex issues that face the Nation."

To confront most large scale national problems, the Congress has need for effective, nonpartisan institutional means for creating coherent, consistent national policy in the public interest. Indeed, there is often great difficulty in recognizing or even defining long term public interest. When faced with complex, legitimate, and conflicting demands, our national institutions are too often inadequate, causing the political process to fail.

The National Policy and Technology Foundation has been designed as an effective, efficient, nonpartisan national policy mechanism. Existing agencies and bureaus are brought together to provide Congress with the badly needed early warning system, comprehensive policy data base, policy assessment and the public consensus necessary to reduce legislative gridlock. The Foundation draws upon the lessons learned from the policy institutions of our more successful trade competitors and from our own national experience to offer a bipartisan approach to achieving and facilitating integrated national policy.

The number of studies and congressional bills addressing various manifestations of America's loss of economic and industrial leadership has been increasing. The pressures of the times are seen to be forcing the restructuring of the basic institutions necessary to maintain the national life quality and trade competitiveness. The administration has considered two significant reorganization initiatives involving the creation of two new Cabinet level agencies: a Department of International Trade and Industry [DITI] and a Department of Science and Technology. At the same time, thoughtful proposals such as those by the President's Commission on Industrial Competitiveness and the House Republican Research Committee have invariably come to propose major changes in national policy. There has been a direct or at least tacit recognition that the Nation's need to resolve complex national issues such as trade competitiveness requires the addressing of a host of national policies in a coherent manner.

The House Republican Research Committee's "Agenda for Meeting America's Competitive Challenge" targets the process of innovation to improve the Nation's competitiveness. While the agenda does not directly address the general issue of conflicting national policies, its emphasis is upon the broad spectrum of national policies that must come together to improve our trade competitiveness. The impact upon U.S. trade competitiveness of monetary policy, tax policy, education and retraining policies, trade policy, capital formation policy, intellectual property policy, antitrust policy, national R&D policy and regulation policies has been carefully defined. The proposed Foundation is structured to provide long term attention to the national policy issues that the "agenda" has raised.

America's declining ability to compete in the international marketplace is one of the more serious consequences of the structural deficiencies of our country's national policy institutions. The President's Commission on Industrial Competitiveness [Young Commission] dispelled many of our most cherished trade myths. Four institutional policy needs are found in the Young Commission report that coincide with the basic functions of the Foundation. The Foundation would provide:

> 1. A high quality, comprehensive readily accessed international and domestic information and data base.
>
> The Young Commission observes: "One reason few U.S. firms export is that they lack critical information about foreign markets. Such information currently exists within Government, but it is not readily available."
>
> 2. First rate, independent capabilities for the analysis of national problems and opportunities and the assessment of policy alternatives—their interdependence and interaction:
>
> The Young Commission found "The competitiveness issues facing America today are not new, yet they remain unsolved. The ability of the political decision making process to deal with them is impeded by conflict along the very sectors needed to solve the problems we face. Policy makers must deal with widely disparate points of view presented by a diversity of interested parties. Often there is not even agreement as to the facts of the issue much less a shared understanding of the tradeoffs in the policy options under discussion."
>
> 3. Highly visible societally representative means for achieving national policy consensus.
>
> The Young Commission recommends "Government can be strengthened significantly by providing a forum in which consensus can be reached on the facts of an issue and in which implicit tradeoffs among policy options can be made explicit."
>
> 4. Means to facilitate and implement those policies for which there is no presently existing suitable organization.
>
> The Young Commission wrote ". . . we should be concerned by the fact that the Federal government conducts its R&D . . . in agencies and organizations with no common management. Each research entity has a mission independent of the others and none has industrial competitiveness as a goal."

DESCRIPTION OF THE BILL

The National Policy and Technology Act of 1985 establishes the Foundation as an independent agency in the executive branch of the Federal Government.

STRUCTURE OF THE FOUNDATION

The Foundation would have nine main branches and appropriate independent public councils.

First, The National Information Office.—This office would develop in cooperation with other public and private agencies, the comprehensive, coherent National Information and Statistics Policy necessary to the creation of a National Information System.

Information and data required for the informed, effective operation of the Nation's public and private policy makers would be provided. The basic factors influencing the national economy and life quality would be continuously monitored including United States and foreign: Economies, trade, production, market and industrial trend indicators, customs, tariffs, regulations, commodities, energy, market opportunities, technological innovation, scientific advances, industrial competitiveness, industrial policy and strategy, government and business policies, educational policies and resource allocation strategies.

A national computer network with remote terminals would provide ready access to the national data base by public and private users.

The National Technical Information Service of the Department of Commerce would become part of the National Information Office.

Second, National Office of Policy, Analysis and Assessment.—This office would provide a vehicle for comprehensive examination of the U.S. policy structure. Interrelationship of existing and proposed national policies including life quality, societal, economic, industrial, monetary, et cetera, policies and their combined future impact upon the Nation's standard of living, international competitiveness, industrial competence and technological development would be continuously evaluated. Particular attention would be given to conflict between micro policies and the coherence and consistency among macro policies needed to form integrated national policy.

Drawing upon the data banks of the National Information Office, the Policy Office would provide an early warning system to identify emerging national and sectorial problems, opportunities and needs before they assume crisis proportions. In cooperation with existing Federal policy groups and other concerned public and private bodies, critical issues would be evaluated. Alternative policies and programs to resolve national problems, needs and opportunities would be assessed and furnished to the appropriate councils for public reevaluation and debate. The evaluations and assessments of the Office of Policy would serve as points of departure for the public deliberation of the councils. The National Science Foundation's Division of Policy Research and Analysis would be transferred and serve as the nucleus of this office.

Third, Office of National Programs.—This office would undertake the applied research and development required to develop proposed policies in those areas of national concern not adequately supported by other agencies or the private sector. Cooperative industry, government, university and professions programs would be encouraged and facilitated. Commercialization and deployment of resulting new technology would be the responsibility of the private sector. Typical large scale, one time national programs could be the fifth generation computer, the unmanned garment factory, and the very high speed, large scale integrated circuit program which went by default to the DOD. The National Science Foundation's Applied Research and Problem Focused Research Divisions would be transferred to form the initial core program of the Office.

Fourth, Office of the Professions.—The office would support fundamental research in the engineering disciplines and nationally needed development and applied research in public professions not adequately supported from other sources. The National Science Foundation's engineering divisions would be transferred to the Office of the Professions and could constitute the initial programs of the Office.

Many critical national issues require multidiscipline, multiprofession resolution. Mechanisms including cross-disciplinary and multiprofessional activities would be investigated to facilitate implementation of cooperative public-private understandings in the national interest.

Fifth, Office of Institutional and Human Resources Development.—This office would include the Centers for Industrial Technology authorized by Public Law 96–40. The Office would have responsibility to join government, university, industry and professions in cooperative activities including generic development useful to many industries and training of individuals for innovation, industrial competence and international competitiveness.

Cooperative government, industry, university, and Federal laboratory efforts to establish technical and economic feasibility in the matter of Government mandated industrial health, safety, and environmental regulation, would be important activities of the Centers. Technological and societal systems needed for long-term resolution of major industry-environmental questions such as acid rain, would be considered.

Quantitative projections of human resources needs would be made. Training and retraining programs, new curricula and educational institutions to meet these needs along with those caused by technological displacement and the unmanning of the Nation's factories would be proposed. Encouragement and assistance for minorities and women to enter the professions would be offered.

Sixth, Office of Small Business.—This office would materially improve the resources and capabilities of U.S. small business, including upgrading production technology by grants and incentives for cooperative industry-wide development and research, promotion of computerization, training of personnel, et cetera. The small business innovation program of the National Science Foundation would be transferred to the National Policy and Technology Foundation.

A major undertaking would be the creation of the Federal Technology and Professions Extension Service to be the counterpart of the U.S. Agriculture Extension System. Ready access would be provided for individuals, companies and industries to advice, support and expert consultation upon the latest manufacturing processes, management systems, quality assurance methods, production techniques, personnel procedures, computer applications financial controls, et cetera. These programs would be coordinated with existing State technology, professions, or industrial programs to avoid duplication or adverse impact.

Seventh, Office of Intergovernmental Technology and Professions Delivery System.—This office would facilitate the integration of the latest professions delivery system and technology advances into the policy formulation and delivery systems management of State and local governments. Cooperation between government (local and State) with the university's professional schools would be supported. The Office and universities would offer resources particularly suited to massive problems such as solid and toxic waste disposal that go beyond the resources and boundaries of conventional jurisdictions. The intergovernmental programs of the National Science Foundation would be transferred and serve as the nucleus of this Office.

Eighth, National Bureau of Standards.—The Bureau would be transferred intact from the Department of Commerce to serve as an operating laboratory for the Foundation. Present duties and programs of the Bureau are quite compatible with Foundation responsibilities. Where appropriate, mechanisms would be developed to foster public-private partnerships involving the Bureau and the Federal Laboratories in the applied research and development often required for implementation of specific policies in the national interest.

Ninth, Patent and Trademark Office.—The classification, evaluation and protection of invention and technology innovation function of the office makes it reasonable to transfer the Office from the Department of Commerce to the National Policy and Technology Foundation.

Councils.—Superimposed upon the Foundation's structure is a series of independent councils. Council members would be appointed by the Director from outside the Foundation and would include leaders in concerned industry, labor, general consumers and experts from a wide spectrum of society including academia, mass media, finance, government, environmentalists and the professions.

The councils, serving as deliberative public forums for national policy, are the crucial link to the public and the key to the successful function of the Foundation. By serving as an early warning system, offering a comprehensive policy data base and providing policy analysis and assessment, alternative evaluations and area expertise, the Foundation becomes the base from which the councils can work. It is the councils upon their own initiative or in response to requests from the President, Congress or the Directors that would take the lead in investigating and deliberating on long term and basic national policy. The councils would redefine problems, hold public forums, assess alternatives and suggest policy options. It is the councils' voices that would be heard through the policy papers submitted to Congress and the President and which would carry the weight of a "public consensus."

MANAGEMENT OF THE FOUNDATION

The Foundation would have a Director, a Deputy Director and nine Assistant Directors—one for each branch. It would also have a National Policy and Technology Board.

National Policy and Technology Board.—The Board would have 24 members and the Director. Specific responsibilities would include establishing Foundation policy, budget and program review, grant approval and biannual reports to the President for submission to Congress of the important national policy issues, emerging problems and opportunities along with the Foundation's recommendations for such policy legislation as may be deemed appropriate. Members would be Presidential appointees and would be selected from people prominent in a wide variety of fields inicuding the professions, labor, entrepreneurship, management, education, industry, government, technology and trade. To avoid dominance by the Federal Government, the Board would be expected to independently represent all segments of society. Nominations for the Board should be widely solicited including from the Board itself, the national academies, professional societies, business associations, labor associations and other appropriate organizations. Board members would be appointed for 6 year terms. For continuity terms would be staggered.

The intent of the Board along with the councils is to insure that the community of those affected by National Policy will have a say in the operation of the Foundation and the creation of a national consensus for the resulting national policy recommendations.

Director and Assistant Directors.—The Director, the Deputy Director and the nine Assistant Directors of the Foundation would be Presidential appointees at executive levels II, III and IV respectively. The Directors' term of appointment would be 6 years.

In order to permit the strong central operation needed to coordinate activities of the various branches of the Foundation, all authority over the Foundation, other than that reserved to the Board has been given to the Director. The Director may delegate parts of that authority and would be expected to do so, but would always have the ability to take personal control of any aspect of the Foundation operations.

FOUNDATION OPERATION—POLICY FACILITATION

Facilitating the creation and where appropriate the implementation of coherent national policy in the long term public interest is the basic need to be satisfied by the National Policy and Technology Foundation.

The National Information Office would collect, organize and disseminate international and national information, data and statistics for public-private policy makers.

The Office of Policy, Analysis and Assessment would continuously evaluate data from the National Information Office to identify pending national needs, opportunities or problems. Alternative policy options would be proposed, evaluated and assessed by the Policy Office for consideration by the councils.

Independent public councils utilizing the data, evaluations and assessments of the Policy Office and other sources would respond to requests from the President, Congress, Foundation Directors or upon their own initiative. Councils would provide public forums that openly debate and redefine national policy issues and thus generate the public consensus necessary to avoid legislative grid lock.

With public recognition and acceptance of the equity of the tradeoffs and sacrifices inherent in resolution of any large scale public issue, the Congress and the President would have renewed flexibility to create and legislate consistent integrated national policy in the public interest. Responsibility for the implementation of designated sectors of these policies would be assigned by Congress to appropriate agencies. These could include activities which would be brought together in the Foundation from uncertain homes in bureaus scattered throughout the Federal Government.

Advancement of the Nation's civilian technological and professional capabilities would

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be offered by the Office of National Programs, the Office of the Professions, and the National Bureau of Standards. Emphasis would be upon facilitating policies and programs of substantial national interest where sufficient timely development cannot be expected from the private sector alone due to high risk, long lead time or the sheer magnitude of the required resources.

The Office of Institutional and Human Resource Development would be responsible for technology and professions institutional and human resource development. Stressing public-private cooperation, emphasis would be placed upon the long-term development of human resources and the creation of generic technology useful for many industries.

The United States still leads the world in basic research and technological innovation. However, we too frequently fall behind other nations which have more successfully deployed and utilized technology and systems often originated in the United States. Improving technology transfer and deployment in the United States would be an important responsibility of the Office of Small Business, the Office of Intergovernmental Technology and Professional Delivery Systems and the Patent and Trademark Office.

COORDINATION OF PROGRAMS

A separate section of the National Policy and Technology Foundation Act, section 12, requires close coordination of the Foundation's programs with other programs of the Federal Government, with the private sector and with State and local government programs.

A standing National Foundation Coordinating Board with five members each from the Boards of the National Policy and Technology Foundation, the National Foundation on the Arts and Humanities and the National Science Foundation would be appointed to provide recommendations to improve the collective effectiveness of the three Foundations in the national interest. To the greatest extent feasible, extramural basic research fields which the Foundation wishes to advance should be channeled through the National Science Foundation. Studies in societal value systems and ethics needed to support regulatory cost/benefit analyses would be coordinated with the applied humanities programs of the National Foundation on the Arts and Humanities.

Section 12 also requires that the Policy and Technology Foundation coordinate its small business activities with those of the Small Business Administration. Other coordination is required in other sections of the act. The National Information Office in cooperation with public and private agencies would seek to develop a coherent National Information and Statistics Policy that would lead to the development of readily accessed, comprehensive, computerized National Information and Statistics Data Banks. The Office of Policy, Analysis and Assessment is specifically charged with cooperating and coodinating with other policy bodies of Federal, State and local governments. The Federal Technology and Professions Extension Service is required to coordinate with existing programs such as State Technology Services to avoid duplication or adverse impact. Assistance would be provided to the President's Office of Science and Technology Policy and Analysis.

AUTHORIZATIONS

The act would provide for authorization of activities in fiscal year 1986. Any funds for years beyond 1986 would have to be authorized by future acts. We estimate that the fiscal year 1987 funding for the existing functions proposed to be transferred to the Foundation is about $500 million. We believe that a realistic level of funding for the first full year of operation of the Foundation should be about 20 percent more, or about $600 million. The precise level of authorization would be determined after hearings and a more precise determination of the final makeup of the Foundation.

While $600 million is a substantial expenditure, it represents less than 20 percent of the annual budget of Japan's MITI [Ministry of International Trade and Industry] which is that nation's leading instrument for facilitating national policy. The proposed budget also is substantially less than that of MITI's Agency of Industrial Science and Technology which includes the Japanese equivalent of the U.S. Bureau of Standards.

The success of our trade competitors in coordinating their national policies and advancing their technological competence to secure increased market share can be attributed to their creation and funding of competent national policy instruments.

SUMMARY

The concept of a National Policy and Technology Foundation grows from recognition of the limitations and resulting failures of the present national policy process. There is a clear need to correct the structural shortcomings of national policy institutions that have led to Gramm-Rudman. There is a need to provide the Congress with an effective nonpartisan mechanism for the creation and facilitation of consistent national policy. To satisfy the foregoing need, the Foundation would offer a comprehensive policy data base, policy alternative analysis and assessment, public policy review and consensus and finally—where appropriate—agencies to implement policy and supporting civilian technology.

The National Policy and Technology Foundation would be an independent agency with associated public councils and nine main branches for national information, policy analysis and assessment, national problem focused programs, the professions including engineering, institutional and human resource development, small business, intergovernmental technology and professions delivery systems, the National Bureau of Standards, and the Patent and Trademark Office. The agency would have programs transferred from NSF—almost all of engineering and applied science—and from the Department of Commerce—almost all of the programs of the Assistant Secretary of Commerce for Science and Technology. Responsibility for the centers for industrial technology would reside in the institutional and human resource development branch.

Governance for the Foundation would be handled by a Director and a National Policy and Technology Board patterned in organization but not composition after the National Science Board. Key functions of the Board would be to establish the policies of the Foundation and review the Foundation's budget and programs. The Director would have all powers not assigned to the Board and would be assisted by a deputy and nine assistants, one for each branch.

The bill contains authorization for fiscal year 1986 of $600 million with a line item for each of the nine branches. Additional authorizations will be required for succeeding years. It is expected that the economics to be realized from the Foundation will more than make up for the appropriations required above that presently budgeted for the existing agencies and activities that will be incorporated into the Foundation.

The bill requires close cooperation between the National Policy and Technology Foundation, the agencies and the private sector. A national Foundation Coordinating Board with equal membership from the Boards of the three National Foundations—Policy and Technology, Science, and Arts and Humanities, shall provide recommendations to improve the collective effectiveness of the three Foundations in the national interest.

HOUSE OF REPRESENTATIVES—*Monday, April 28, 1986*

The House met at 12 noon.

The Venerable Frederick C. Byrd, archdeacon of the Episcopal Diocese of upper South Carolina, Columbia, SC, offered the following prayer:

Father, You have given us this good land for our heritage. May we always prove ourselves a people mindful of Your favor and may we show our thankfulness through good stewardship.

Bless and guide the Members of this House here assembled. Give them courage, wisdom, and foresight to meet the needs and well-being of all our people.

By faithful administration and wise laws, may the rights of all be protected and may our Nation be enabled to fulfill Your purposes.

Give grace, O Lord, to these Your servants and keep our Nation under Your care. Lord, hear our prayer. Amen.

THE JOURNAL

The SPEAKER. The Chair has examined the Journal of the last day's proceedings and announces to the House his approval thereof.

Pursuant to clause 1, rule I, the Journal stands approved.

ARCHDEACON FREDERICK C. BYRD

(Mr. DERRICK asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. DERRICK. Mr. Speaker, it is my distinct pleasure today to welcome a very close, life-long friend as our guest chaplain.

The Venerable Frederick Byrd is the archdeacon of upper South Carolina and truly one of the State's outstanding religious leaders.

A native of Ridge Spring, the archdeacon attended Clemson University, where he served as student chaplain during his senior year. Following his graduation, he worked for 1 year for the Sergeant at Arms in the U.S. Senate. Later, he attended Virginia Theological Seminary in nearby Alexandria and received his B.D. and masters of divinity degree.

He began serving the Episcopal Church in Greenville, SC, became vicar in 1969 and was appointed archdeacon 10 years later.

His many diocesan activities are rivaled only by his civic pride.

The archdeacon is a highly esteemed clergyman among his colleagues and parishioners. He has touched countless lives—mine included—and he has my thanks for a very thoughtful prayer.

UNCLE SAM PLUCKED CLEAN

(Mr. DANNEMEYER asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. DANNEMEYER. Mr. Speaker, Aesop told us about a man whose hair was turning grey. He kept two mistresses, one younger, and the other older than himself. The young woman did not like the idea of having an older man for a lover, so she pulled out his grey hairs. The older woman was ashamed of having a younger man make love to her, and when he came to her, she kept pulling out the black hairs from his head. So between them, the two women succeeded in making this man completely bald.

According to a report in the Wall Street Journal, separate analyses by the White House Budget Office and the Senate Budget Committee indicate that recent declines in interest rates, oil prices, and inflation may make the budget deficit for fiscal year 1987 worse, not better as earlier projected.

Mr. Speaker, Uncle Sam has tried the high dollar, and he has tried the low dollar, both with the same dismal results in the form of devastating budget deficits and an astronomical public debt. Maybe if Uncle Sam settled down, and got married to a dollar of fixed gold value, then his newly found husbandry would save him from the ignominy of being plucked clean in plain view of the whole world.

THE ADMINISTRATION SHOULD TAKE ACTION BEFORE THE PEOPLES' CONFIDENCE IS LOST

(Mrs. SCHROEDER asked and was given permission to address the House for 1 minute and to revise and extend her remarks.)

Mrs. SCHROEDER. Mr. Speaker, I rise today to commend a very courageous reporter. A reporter named Howard Kurtz has been doing all sorts of work in this town for a long time, about the standards of government, about the public trust, and about what it means to be in charge of the public money.

In the Sunday, April 27, Washington Post, he printed the whole long listing of senior Reagan administration appointees who have come under investigation, or have been accused of improper conduct, or who have resigned under fire, who have been dismissed, or whose nominations have been withdrawn or rejected.

The list was compiled by him from a review of past investigations by newspapers and wire service accounts, since President Reagan took office. It filled two pages in the Sunday paper.

I want to commend the Washington Post for printing it and I want to commend Howard Kurtz for having the courage to collect it all; and I certainly hope action is taken, because if we lose confidence in the people who are the trustees of this great Government, we are in real trouble.

REQUIRING UNITED STATES OIL COMPANIES TO CEASE OPERATIONS IN LIBYA

(Mr. LEVINE of California asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. LEVINE of California. Mr. Speaker, the President has identified Libya as the primary sponsor of international terrorism. Its leader, Muammar Qadhafi, has been responsible for the murder of innocent men, women, and children.

In response to Libya's attacks on Americans, President Reagan has ordered all Americans in Libya to leave that country. We have been involved in intensive negotiations with our European allies to convince them to bring greater economic and political pressure on Libya.

And, last week, the President committed United States military power to the fight against Libyan terrorism.

Yet, this administration has given its approval to five American oil companies to continue their operations in Libya.

These oil companies sold more than 100 million barrels of oil last year on behalf of Libya. This produced nearly $2 billion in revenues—the vast majority of Libya's cash assets. The money produced by those oil companies helped Mr. Qadhafi buy the missiles he used to kill two brave American pilots.

My distinguished colleague from Maine, Olympia Snowe and I will introduce legislation to require these five oil companies to cease their operations in Libya. I urge my colleagues to join with us in our efforts to deprive Qadhafi of $2 billion he needs to continue his murderous foreign policy.

☐ This symbol represents the time of day during the House proceedings, e.g., ☐ 1407 is 2:07 p.m.

Matter set in this typeface indicates words inserted or appended, rather than spoken, by a Member of the House on the floor.

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REQUEST FOR PERMISSION FOR COMMITTEE ON FOREIGN AFFAIRS TO FILE REPORT ON HOUSE JOINT RESOLUTION 589, DISAPPROVING SALE OF MISSILES TO SAUDI ARABIA

Mr. FASCELL. Mr. Speaker, I ask unanimous consent that the Committee on Foreign Affairs have until midnight tonight to file its report on House Joint Resolution 589, a resolution to disapprove the sale of certain missiles to Saudi Arabia.

The SPEAKER. Is there objection to the request of the gentleman from Florida?

Mr. LUNGREN. Mr. Speaker, reserving the right to object, I have no word, and I have been informed that our side has not been informed of this.

Mr. Speaker, would the gentleman tell me whether the gentleman from Michigan [Mr. BROOMFIELD] has been informed and agrees to this procedure?

Mr. FASCELL. Mr. Speaker, will the gentleman yield under his reservation?

Mr. LUNGREN. I yield to the gentleman from Florida.

Mr. FASCELL. I thank the gentleman for yielding.

Mr. Speaker, I cannot tell the gentleman that with any assurance.

Mr. LUNGREN. Would the gentleman withhold the request so that we can check it out on our side for procedure?

Mr. FASCELL. Absolutely.

Mr. Speaker, I withdraw my request temporarily.

NATIONAL NURSING HOME RESIDENTS DAY

Mr. DYMALLY. Mr. Speaker, I ask unanimous consent that the Committee on Post Office and Civil Service be discharged from further consideration of the Senate joint resolution (S.J. Res. 264) designating April 28, 1986, as "National Nursing Home Residents Day," and ask for its immediate consideration.

The Clerk read the title of the Senate joint resolution.

The SPEAKER. Is there objection to the request of the gentleman from California?

There was no objection.

The Clerk read the Senate joint resolution, as follows:

S.J. RES. 264

Whereas over one million older Americans reside in nursing homes and one in five older Americans likely will reside in a nursing home at some time;

Whereas nursing home residents have contributed to the growth, development, and progress of this Nation and, as elders, offer a wealth of knowledge and experience;

Whereas Congress recognizes the importance of the continued participation of these institutionalized senior citizens in the life of our Nation;

Whereas in an effort to foster reintegration of these citizens into their communities Congress encourages community recognition of and involvement in the lives of nursing home residents;

Whereas the Congress recognizes the importance of safeguarding the rights of nursing home residents; and

Whereas it is appropriate for the American people to join in support of nursing home residents to demonstrate their concern and respect for these citizens: Now, therefore, be it

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled, That April 28, 1986, is designated as "National Nursing Home Residents Day", a time of renewed recognition, concern, and respect for the Nation's nursing home residents. The President is authorized and requested to issue a proclamation calling upon the people of the United States to observe this day with appropriate ceremonies and activities.

Mr. BIAGGI. Mr. Speaker, I wish to add my support for House Joint Resolution 533, the resolution authored by the distinguished gentleman from Florida and the former chairman of the House Select Committee on Aging, Mr. PEPPER, which would designate today, April 28, 1986, as "National Nursing Home Residents Day."

I would like to commend Representative PEPPER for introducing this resolution. Today is a day for the general public to pay tribute to the past, present, and future contributions of our Nation's 1½ million nursing home residents. It is a day when we recognize that nursing home residents have made significant contributions to the growth, development, and progress of this Nation. We appreciate the fact that, as elders, nursing home residents offer a wealth of knowledge and experience.

It is my regret that I am not able to offer this statement of support in person, but I can assure my colleagues of an excellent reason for my absence. The House Select Committee on Aging's Subcommittee on Human Services, which I have the honor to chair, is celebrating National Nursing Home Residents Day by conducting a hearing in New York City in conjunction with New York's celebration of Nursing Home Residents Day which salutes New York State's 100,000 nursing home residents.

This hearing focuses on a major new report issued by the Institute of Medicine of the National Academy of Science entitled, "Improving the Quality of Care in Nursing Homes." The 300 page report ordered by Congress in 1983, following attempts by the administration to weaken the Government's system of protecting nursing home residents, represents the first ever independent national review of nursing home care and the role of government in assuring quality.

The overriding conclusion of the Institute of Medicine report confirms concerns that I and many other Members of Congress have had for some time. As the report states:

> There is broad consensus that government regulation of nursing homes, as it now functions, is not satisfactory because it allows too many marginal or substandard nursing homes to continue in operation.

A second conclusion from the report states:

> New stronger regulations focused on patient well being rather than on facilities and staffing are needed to assure that the 1.5 million residents in our nation's 15,000 nursing homes receive high quality care and experience a better quality of life.

The simple fact is that this administration for the past 5 years has weakened the Federal commitment to protecting nursing home residents when they should have been strengthening it. Additionally, all one has to do is remember the effort by the administration in 1982 to reduce the number of nursing home inspections. This is not satisfactory, and it is our responsibility as the Congress of the United States to work to change this, to go forward and adopt the recommendations from the Institute of Medicine Study, and to begin our quest for nursing home reforms.

Nursing Home Residents Day 1986 is a good day to begin this quest. The legislative and regulatory framework governing nursing homes has remained essentially unchanged for the past decade. It is time for the framework to adapt to modern times and respond to modern challenges.

I wish to take this opportunity to salute the outstanding work of two organizations, one national and one in New York City who have both been leaders as advocates for nursing home residents. The first is the National Citizens Coalition for Nursing Home Reform based in Washington, DC, whose efforts have produced a number of important reforms in place today in nursing homes. At the New York City level, I would like to salute the Coalition for Institutionalized Aged and Disabled and its executive director, Vic Rosenthal, who for the past 13 years have been in the forefront of leadership on behalf of nursing home residents in the New York Metropolitan area.

Finally, I would like to pay homage to the residents of nursing homes themselves who have enriched our lives and warmed our hearts. Passage of this resolution would symbolize the Nation's concern, admiration, and respect for these very special people.

Ms. SNOWE. Mr. Speaker, I join my colleagues in celebrating April 28 as "National Nursing Home Residents Day." This special day is aimed at the over 1.5 million older persons who reside in 15,000 nursing homes across the country.

While only about 5 percent of older persons live in nursing homes at any given time, about 1 in 5 will reside in a nursing home at some point in their lives. Most of these residents are disproportionately very old, female, and without a spouse. It is crucial that we work to assure their continued participation in the community and that we develop mechanisms by which to ensure that their rights and freedoms are extended despite institutionalization.

Beginning in 1983, because of growing concern over the process of certifying the eligibility of nursing homes, the Institute of Medicine [IOM] of the National Academy of Sciences undertook to study nursing home regulations. Their goal was to "ensure that any person requiring nursing home care be able to enter any certified nursing home and receive appropriate care, be treated with courtesy, and enjoy continued civil and legal rights".

While there are many fine, well-run nursing homes, if there is even one which provides inadequate or deficient care, then there are too many. For this reason, as the IOM study indicated, there must be greater, not less, regulation.

With that notion in mind, on February 27, 1986, I introduced H.R. 4279, the long-term care patients' rights bill of 1986. Nineteen of my colleagues joined me in taking this important step in protecting the rights of those who are most vulnerable—residents of long-term care facilities.

It is incredible that there are no Federal statutes which ensure the rights of residents in long-term care facilities. Currently, the only protection of rights for nursing home residents is found in regulations. Furthermore, it is difficult for residents to have their rights enforced when a violation occurs. H.R. 4279 establishes a multitiered mechanism of enforcement which includes the facility, the State, and oversight by the Secretary of HHS. In addition, there are provisions to prohibit discrimination by nursing homes against Medicaid recipients and to strengthen the role of the ombudsman with respect to access to records and individuals. In order for a State to receive Medicaid funds, the State must develop a plan whereby it will assure these minimum rights. By linking rights and enforcement to Medicaid, oversight is placed with the State rather than the individual facility. In this way, the enforcement of rights will apply to all long-term facilities regardless of the method of payment of the residents.

Nursing home residents continue to play an important role in the family and in the community. Thus, it is with great pleasure that I salute nursing home residents on their special day.

The Senate joint resolution was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

GENERAL LEAVE

Mr. DYMALLY. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks on the Senate joint resolution just passed.

The SPEAKER. Is there objection to the request of the gentleman from California?

There was no objection.

COMMUNICATION FROM THE CLERK OF THE HOUSE

The **SPEAKER** laid before the House the following communication from the Clerk of the House of Representatives:

WASHINGTON, DC, *April 28, 1986.*

Hon. THOMAS P. O'NEILL, Jr.,
The Speaker, House of Representatives, Washington, DC.

DEAR MR. SPEAKER: Pursuant to the permission granted in Clause 5, Rule III of the Rules of the U.S. House of Representatives, I have the honor to transmit sealed envelopes received from the White House as follows:

At 3:35 p.m. on Thursday, April 24, 1986 and

(1) Said to contain a message from the President wherein he transmits the FY '85 Report of ACTION; and

(2) Said to contain a message from the President concerning reorganization of the defense establishment; and

At 10:15 on Friday, April 25, 1986 and

(3) Said to contain a message from the President wherein he transmits proposed legislation, entitled "Philippines Assistance Act of 1986."; and

(4) Said to contain a message from the President wherein he reports three rescision proposals in accordance with the Impoundment Control Act of 1974.

With kind regards I am,
Sincerely,
BENJAMIN J. GUTHRIE,
Clerk,
House of Representatives.

ANNUAL REPORT OF ACTION AGENCY—MESSAGE FROM THE PRESIDENT OF THE UNITED STATES

The **SPEAKER** laid before the House the following message from the President of the United States; which was read and, together with the accompanying papers, referred to the Committee on Education and Labor.

(For message, see proceedings of the Senate of Thursday, April 24, 1986, at page S4853.)

REORGANIZATION OF THE DEFENSE ESTABLISHMENT—MESSAGE FROM THE PRESIDENT OF THE UNITED STATES (H. DOC. NO. 99-209)

The **SPEAKER** laid before the House the following message from the President of the United States; which was read and referred to the Committee on Armed Services and ordered to be printed.

(For message, see proceedings of the Senate of Thursday, April 24, 1986, at page S4849.)

PHILIPPINES ASSISTANCE ACT OF 1986—MESSAGE FROM THE PRESIDENT OF THE UNITED STATES (H. DOC. NO. 99-210)

The **SPEAKER** laid before the House the following message from the President of the United States; which was read and, together with the accompanying papers, referred to the Committee on Foreign Affairs and ordered to be printed.

(For message, see proceedings of the Senate of today, Monday, April 28, 1986.)

DEPARTMENT OF DEFENSE—MILITARY RESCISSIONS—MESSAGE FROM THE PRESIDENT OF THE UNITED STATES (H. DOC. NO. 99-211)

The **SPEAKER** laid before the House the following message from the President of the United States; which was read and, together with the accompanying papers, referred to the Committee on Appropriations and ordered to be printed.

(For message, see proceedings of the Senate of today, Monday April 28, 1986.)

WITHDRAWAL OF NAME OF MEMBER AS COSPONSOR OF HOUSE RESOLUTION 433

Mr. ANNUNZIO. Mr. Speaker, I ask unanimous consent to withdraw my name as a cosponsor of House Resolution 433.

The SPEAKER. Is there objection to the request of the gentleman from Illinois?

There was no objection.

ANNOUNCEMENT BY THE SPEAKER

The SPEAKER. Pursuant to the provisions of clause 5 of rule I, the Chair announces that he will postpone further proceedings today on each motion to suspend the rules on which a recorded vote or the yeas and nays are ordered, or on which the vote is objected to under clause 4 of rule XV.

Such rollcall votes, if postponed, will be taken on Tuesday, April 29, 1986.

SEXUAL MOLESTATION OF MINORS ON INDIAN RESERVATIONS

Mrs. SCHROEDER. Mr. Speaker, I move to suspend the rules and pass the bill (H.R. 3826) to amend section 1153 of title 18, United States Code, to make felonious sexual molestation of a minor an offense within Indian country, as amended.

The Clerk read as follows:

H.R. 3826

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. CRIMINAL PENALTY FOR FELONIOUS SEXUAL MOLESTATION OF A MINOR IN INDIAN COUNTRY.

Section 1153 of title 18, United States Code, is amended by inserting "felonious sexual molestation of a minor," after "involuntary sodomy," in the first undesignated paragraph.

SEC. 2. TECHNICAL AMENDMENTS.

Section 1153 of title 18, United States Code, as amended by section 1, is further amended by—

(1) inserting at the beginning of the section the following heading:

"§ 1153. Offenses committed within Indian country";

(2) designating the first undesignated paragraph as subsection (a); and

(3) striking out the second and third undesignated paragraphs and inserting in lieu thereof the following new subsection:

"(b) Any offense referred to in subsection (a) of this section that is not defined and punished by Federal law in force within the exclusive jurisdiction of the United States shall be defined and punished in accordance with the laws of the State in which such of-

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fense was committed as are in force at the time of such offense.".

The **SPEAKER**. Is a second demanded?

Mr. **LUNGREN**. Mr. Speaker, I demand a second.

The **SPEAKER**. Without objection, a second will be considered as ordered.

There was no objection.

The **SPEAKER**. The gentlewoman from Colorado [Mrs. Schroeder] will be recognized for 20 minutes and the gentleman from California [Mr. Lungren] will be recognized for 20 minutes.

The Chair recognizes the gentlewoman from Colorado [Mrs. Schroeder].

Mrs. **SCHROEDER**. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, H.R. 3826 addresses a problem of great concern to Indian tribes and organizations and to Indian people living on reservations. The problem is sexual abuse of Indian children. Under the present statutory scheme, to use the words of the Navajo Nation, "Indian children residing on reservations are not accorded the same protections as other American children."

A provision of Federal law known as the Major Crimes Act authorizes Federal prosecution of an Indian who commits certain "major crimes" against Indians in Indian country. The crimes listed in the Major Crimes Act include a number of sex crimes—rape, assault with intent to commit rape, "statutory rape," and involuntary sodomy. It does not include child sexual abuse, however. Thus, unless the offender's conduct constitutes one of the listed offenses, only the tribal court can try the Indian offender, and the maximum punishment that the tribal court can impose, no matter how aggravated the conduct, is 6 months imprisonment and a $500 fine. For this reason, the National Congress of American Indians last year adopted a resolution stating that "it is necessary and crucial to effective law enforcement on Indian reservations and to protect the mental health and physical well-being of Indians" that the Major Crimes Act be amended to permit Federal prosecution of serious child sexual abuse offenses. H.R. 3826 does just that.

The bill adds to the list of offenses in the Major Crimes Act the offense of "felonious sexual molestation of a minor," a term that is to be defined by incorporating State law. Since the term "felonious sexual molestation of a minor" is used in a generic or descriptive sense, the State law does not have to have that precise title in order to be incorporated. Thus, a State law called "indecent liberties," for example, would be incorporated. The bill also makes a number of technical changes in the Major Crimes Act that do not affect substance.

H.R. 3826 is supported by the National Congress of American Indians, the Navajo Nation, the American Indian Law Center of Albuquerque, NM, and the Quinault Indian Nation. It is also endorsed by the Department of Justice. A bill identical to H.R. 3826 except for the technical amendments unanimously passed the other body late last year. I urge my colleagues to vote for the bill.

Mr. Speaker, I reserve the balance of my time.

Mr. **LUNGREN**. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I rise in support of H.R. 3826.

This bill, which is similar to legislation passed already by the Senate (S. 1818), would add sexual assault against a minor to the Indian Major Crimes Act (18 U.S.C. 1153), the law denominating several serious assaultive offenses occurring on Indian reservations as subject to Federal jurisdiction.

Crimes which are not listed in the Major Crimes Act are punished according to State law unless both the offender and the victim are Indian, in which case the offense is subject to punishment by tribal courts. Tribal courts, however, are limited to imposing incarcerative sentence of no more than 6 months.

Adding this offense to the Major Crimes Act would allow Federal courts to prosecute Indian as well as non-Indian sexual molesters of Indian children. The definition of, and penalties for, that offense would be as prescribed by respective State laws.

H.R. 3826 addresses a problem of great concern to Indian tribes and Indian people living on reservations; namely, the sexual abuse of Indian children. Under current law, Indian children are not accorded the same protection as are non-Indian children, making this bill necessary.

Mr. Speaker, H.R. 3825 is noncontroversial. It has the support of the administration and it deserves the support of this body. I urge its adoption today.

Mr. Speaker, I yield back the balance of my time.

Mrs. **SCHROEDER**. Mr. Speaker, I yield back the balance of my time.

Mr. MILLER of California. Mr. Speaker, sexual abuse of children is, unfortunately, a tragedy of significant proportion in our country. It is a crime that occurs in all segments of the society and cuts across racial, ethnic, and economic lines.

I congratulate Congressman Boucher for introducing H.R. 3826, legislation to amend the Major Crimes Act to include the crime of "felonious sexual molestation of minors" on Indian reservations. I congratulate Chairman Conyers for bringing it before us today. This bill closes an existing gap in the Federal legal system with regard to child sexual molestation, and is an important first step in dealing with this serious national problem. I am pleased to be cosponsor of this important legislation.

Recently, the Select Committee on Children, Youth, and Families, which I chair, traveled thousands of miles, visiting reservations, schools, homes, and clinics. We talked to dozens of native Americans in our continuing effort to learn about families with special needs. At those hearings, we learned that Indian children are also falling victim to sexual abuse.

The Colville Tribe in the State of Washington reported to us that there were 3 child sexual abuse cases in 1983, 25 in 1985. Witnesses from other tribes, including the Pima and Maricopa from the Gila River Indian community in Arizona, reported that child sexual abuse is a growing problem on reservations.

Social service agencies and tribal courts are overwhelmed with cases, and tribal prosecutors, like the one I spoke with at the Yakima Reservation, are frustrated by their inability to impose more than a 6-month sentence for molestation cases not covered under Federal law.

The need to take steps to address the problem of child sexual abuse on Indian reservations was a recurrent theme in the site visits and hearings conducted by the select committee.

In New Mexico, Toni Martorelli, director of the New Mexico Governor's Office on Children and Youth, told the committee that when sexual abuse of Indian children occurs on the reservation, the institutional arrangements and legal authority are not present to deal with the abuse.

Washington State, recognizing the growing problems, recently awarded 3-year grants to three Indian tribes to develop child sexual abuse prevention and treatment projects. Testimony at the committee's Seattle hearing from the director of the Skokomish sexual abuse prevention and treatment project indicates that child sexual abuse occurs as frequently among the Indian population as the mainstream population. As the committee has documented, this means that one out of every four to five Indian girls and one out of every six to eight Indian boys is likely to be sexually abused before they reach the age of 18.

Additional testimony from a Skokomish Tribal Council member, who had been sexually abused herself at age 7, underscored the need to provide counseling services for child abusers. Ms. Lucy Peterson told the committee that the man who had abused her, and his adult son, were arrested for abusing two 7-year-old girls. Charges against the older man were dismissed. His son was convicted under the State court system, given a 6-month jail sentence, and no counseling. Expressing great frustration with this outcome, Ms. Peterson emphasized the need to educate criminal justice personnel at all levels about child sexual abuse, and to provide treatment services to help prevent further abuse once a perpetrator is released to the community.

Currently, those who molest Indian children on reservations can only be prosecuted under the tribal court system. Tribal courts may impose a maximum penalty of 6 months imprisonment and a $500 fine. Those who molest non-Indian children off reservations are subject to State law, which frequently imposes a much stiffer penalty.

H.R. 3826 corrects this inequity by designating child sexual molestation as a Federal crime, and allowing the appropriate penalty to be imposed under existing State law.

While urging select committee members to endorse the legislation under consideration today, Ms. Martorelli also warned that simple prosecution without treatment for victims and perpetrators does not solve the whole problem.

The Select Committee on Children, Youth, and Families has learned first hand about the rising tide of child sexual abuse among the Nation's Indian population. H.R. 3826 is an important legislative measure which can do a great deal to address this serious social problem.

In addition, I would hope that Members will also recognize that prosecution of offenders, while important, will not eliminate the problem of sexual abuse. As so many witnesses told the select committee, more needs to be done to prevent abuse from ever occuring, and treatment servcies must be made available to the offenders and their families.

I commend Congressman Boucher and Chairman Conyers for their leadership in recognizing the need to close a gap in the Federal criminal law, and for taking action which will help protect Indian children.

The **SPEAKER** pro tempore (Mr. Gray of Illinois). The question is on the motion offered by the gentlewoman from Colorado [Mrs. Schroeder] that the House suspend the rules and pass the bill, H.R. 3826, as amended.

The question was taken; and (two-thirds having voted in favor thereof) the rules were suspended and the bill, as amended, was passed.

A motion to reconsider was laid on the table.

GENERAL LEAVE

Mrs. **SCHROEDER**. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks on the bill just passed.

The **SPEAKER** pro tempore. Is there objection to the request of the gentlewoman from Colorado?

There was no objection.

Mrs. **SCHROEDER**. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the Senate bill (S. 1818) to prevent the sexual molestation of children in Indian country, and ask for its immediate consideration in the House.

The Clerk read the title of the Senate bill.

The **SPEAKER** pro tempore. Is there objection to the request of the gentlewoman from Colorado?

There was no objection.

The Clerk read the Senate bill, as follows:

S. 1818

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That section 1153 of title 18, United States Code, is amended by inserting "felonious sexual molestation of a minor," after "involuntary sodomy," each place it appears.

MOTION OFFERED BY MRS. SCHROEDER

Mrs. **SCHROEDER**. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mrs. Schroeder moves to strike all after the enacting clause of the Senate bill, S. 1818, and to insert in lieu thereof the provisions contained in H.R. 3826, as passed by the House.

The motion was agreed to.

The Senate bill was ordered to be read a third time, was read the third time, and passed.

The title of the Senate bill was amended so as to read: "An Act to amend section 1153 of title 18, United States Code, to make felonious sexual molestation of a minor an offense within Indian country."

A motion to reconsider was laid on the table.

A similar House bill H.R. 3826, was laid on the table.

VICTIMS OF CRIME TECHNICAL AMENDMENTS ACT OF 1986

Mrs. **SCHROEDER**. Mr. Speaker, I move to suspend the rules and pass the bill (H.R. 2998) to make technical amendments to title 18, United States Code, relating to victims of crime and to the Victims of Crime Act of 1984, as amended.

The Clerk read as follows:

H.R. 2998

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the "Victims of Crime Technical Amendments Act of 1986".

SEC. 2. CROSS REFERENCE ELIMINATION.

Section 3671(a) in the chapter 232 of title 18, United States Code, which relates to special forfeiture of collateral profits of crime is amended by striking out "chapter 227 or 231 of".

SEC. 3. REDESIGNATION OF DUPLICATE SECTIONS AND CHAPTER.

(a) Section Redesignation.—Sections 3671 and 3672 in the chapter 232 of title 18, United States Code, which relates to special forfeiture of collateral profits of crime are redesignated as sections 3681 and 3682, respectively.

(b) Clerical Amendment.—The table of sections at the beginning of the chapter 232 of title 18, United States Code, which relates to special forfeiture of collateral profits of crime is amended by striking out "3671" and "3672" and inserting in lieu thereof "3681" and "3682", respectively.

(c) Chapter Designation.—The chapter 232 of title 18, United States Code, which relates to special forfeiture of collateral profits of crime is redesignated as chapter 232A.

(d) Table of Chapters.—The table of chapters at the beginning of part II of title 18, United States Code, is amended by striking out the item relating to chapter 232 which relates to special forfeiture of collateral profits of crime and inserting in lieu thereof the following:

"232A. Special forfeiture of collateral profits of crime .... 3681".

SEC. 4. CROSS REFERENCE AND INTERNAL SUBSECTION REDESIGNATION.

Section 1407 of the Victims of Crime Act of 1984 is amended—

(1) in subsection (h) by striking out "1302" and inserting in lieu thereof "1402"; and

(2) by redesignating subsection (h) as subsection (g).

SEC. 5. REPEAL OF SECTION 1410 OF THE VICTIMS OF CRIME ACT OF 1984.

The Victims of Crime Act of 1984 is amended by striking out section 1410.

The **SPEAKER** pro tempore. Pursuant to the rule, a second is not required on this motion.

The gentlewoman from Colorado [Mrs. Schroeder] will be recognized for 20 minutes and the gentleman from California [Mr. Lungren] will be recognized for 20 minutes.

The Chair recognizes the gentlewoman from Colorado [Mrs. Schroeder].

Mrs. **SCHROEDER**. Mr. Speaker, I yield myself as much time as I may consume.

Mr. Speaker, H.R. 2998 makes nonsubstantive changes in provisions of the Victims of Crime Act and in provisions of title 18 related to crime victims. The bill simply corrects typographical errors and cross-references, changes section and chapter numbers to eliminate duplication, and deletes a provision that makes a conforming change in a section that has been repealed. All the provisions of the bill are consistent with recommendations made by the Justice Department and have been reviewed by other interested parties. I am unaware of any opposition to any part of the bill.

H.R. 2998 bill is a noncontroversial, housekeeping measure. I urge support for it.

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Mr. **LUNGREN**. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I rise in support of H.R. 2998.

This bill makes changes merely of a technical nature to the Victims of Crime Act of 1984.

The bill corrects obvious errors in style and cross referencing and is neither substantive nor controversial. The changes made by the bill are consistent with recommendations of the Department of Justice and have not been objected to by any interested party.

For example, it has been discovered that because of the Comprehensive Crime Control Act of 1984 there are now two sections, 3671 and 3672. This bill would correctly redesignate these duplicate sections.

Mr. Speaker, I urge my colleagues to support this legislation.

Mr. Speaker, I yield back the balance of my time.

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Mrs. SCHROEDER. Mr. Speaker, I have no further requests for time, and I yield back the balance of my time.

The SPEAKER pro tempore. The question is on the motion offered by the gentlewoman from Colorado [Mrs. SCHROEDER] that the House suspend the rules and pass the bill, H.R. 2998, as amended.

The question was taken; and (two-thirds having voted in favor thereof) the rules were suspended and the bill, as amended, was passed.

A motion to reconsider was laid on the table.

GENERAL LEAVE

Mrs. SCHROEDER. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks on H.R. 2998, the bill just passed.

The SPEAKER pro tempore. Is there objection to the request of the gentlewoman from Colorado?

There was no objection.

PATRICK HENRY HOME NATIONAL HISTORIC SITE

Mr. VENTO. Mr. Speaker, I move to suspend the rules and pass the Senate joint resolution (S.J. Res. 187) designating Patrick Henry's last home and burial place, known as Red Hill, in the Commonwealth of Virginia, as a national memorial to Patrick Henry.

The Clerk read as follows:

S.J. RES. 187

Whereas Patrick Henry was a great orator and leader of the Revolutionary cause in the struggle for independence and in the establishment of a new Government of the United States of America; and

Whereas fifty years ago on August 15, 1935, the Congress authorized establishment of Red Hill, Patrick Henry's last home and burial place, as a national monument in tribute and recognition of his service to his country, and the authorization was repealed in 1944 due to insufficient appropriations during distressful times; and

Whereas the Patrick Henry Memorial Foundation in 1944 acquired Red Hill, located in Charlotte County, Virginia, and has both reconstructed his home and restored his original cottage law office and grounds as a shrine and museum, in commemoration of the entire life of Patrick Henry; and

Whereas Red Hill is listed on the National Register of Historic Places; and

Whereas the Virginia General Assembly, in its 1985 legislative session, has enacted Senate Joint Resolution 82, calling for national recognition and stewardship of Red Hill by the Federal Government; and

Whereas Scotchtown, Saint John's Church, and Hanover County Courthouse are designated National Historic Landmarks, due to their historical significance, integrity and representation of key moments of Patrick Henry's revolutionary contributions; and

Whereas May 29, 1736, was the birthdate of Patrick Henry, and Scotchtown, Saint John's Church, and Hanover County Courthouse and Red Hill are together planning commemorative activities for the two hundred and fiftieth anniversary of Patrick Henry's birth during 1986; and

Whereas it would be appropriate for Congress, as part of the 1986 commemorative activities, to honor for the benefit of present and future generations the entire life of Patrick Henry by a national memorialization of this American Patriot's burial place at Red Hill, where are also preserved his original cottage law office, his reconstructed home, and museum' articles depicting his life and work: Now, therefore, be it

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled, That the last home and burial place of Patrick Henry in Charlotte County, Commonwealth of Virginia, known as Red Hill, is hereby designated as a National Memorial to Patrick Henry, and shall be known as: the Red Hill Patrick Henry National Memorial. The Secretary of the Interior is authorized and directed to take appropriate action to assure that this Memorial is announced in the Federal Register, and that official records and lists are amended, in due course, to reflect this addition as being included along with other national memorials established by Act of Congress.

SEC. 2. The Secretary of the Interior, with the concurrence of the owner of the property, is authorized and directed to place at the gravesite on or by June 6, 1986, the anniversary of Patrick Henry's death, an appropriate plaque or marker bearing an inscription commensurate with the contributions of Patrick Henry to the American Revolution and with the patriotism his words and deeds continue to inspire in all Americans: *Provided,* That the ownership of Red Hill remains non-Federal, and that the costs of such plaque or marker, and of its inscription and maintenance, as well as the costs of operations and maintenance for the estate shall be borne from non-Federal funds, services, or materials.

The SPEAKER pro tempore. Pursuant to the rule, a second is not required on this motion.

The gentleman from Minnesota [Mr. VENTO] will be recognized for 20 minutes and the gentleman from California [Mr. LAGOMARSINO] will be recognized for 20 minutes.

The Chair recognizes the gentleman from Minnesota [Mr. VENTO].

Mr. VENTO. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, Senate Joint Resolution 187 commemorates the life and achievements of American patriot and statesman, Patrick Henry, by designating his last home and burial place, located in Charlotte County, VA, as the "Red Hill Patrick Henry National Memorial."

This measure is identical to House Joint Resolution 373, introduced by our colleague DAN DANIEL. In addition to designating Red Hill as a national memorial, the resolution directs the Secretary of the Interior to announce the designation in the Federal Register, amend memorial listings to include the site, and place a plaque or marker at Henry's gravesite. The cost of the plaque or marker is to be borne by private sources.

The resolution before us provides that ownership of Red Hill remains non-Federal and that the cost of operations and maintenance for the estate shall be borne from non-Federal funds, services, or materials. The Patrick Henry Memorial Foundation, which has owned and operated the site for over 40 years, will continue to be responsible for the care and management of the estate under this resolution.

The Red Hill estate contains Henry's grave, original cottage law office and a reconstruction of the home he occupied from 1796 until his death in 1799.

Mr. Speaker, May 29, 1986, marks the 250th anniversary of the birth of this great American patriot. Passage of this resolution will be a timely contribution to the planned celebrations honoring the life and achievements of Patrick Henry.

Mr. Speaker, I reserve the balance of my time.

Mr. LAGOMARSINO. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I would like to briefly comment on Senate Joint Resolution 187, to designate the Red Hill Patrick Henry National Memorial.

This legislation, which has already passed the Senate, pays tribute to the numerous achievements and contributions of Patrick Henry by designating his last home and burial place, Red Hill, as a national memorial. While there are currently three national historic landmarks associated with the American Revolution patriot, Congress has never established a national memorial in his honor.

The bill requires placement of a plaque or marker describing Patrick Henry's contributions to our Nation, at his gravesite by June 6, 1986, the anniversary of his death. Furthermore, the bill requires that the ownership of Red Hill remain private and that no Federal funds be used for any costs associated with the memorial.

Mr. Speaker, Red Hill is currently listed on the National Register of Historic Places. The three historic landmarks associated with Patrick Henry—Scotchtown, St. John's Church and Hanover County Courthouse, have unanimously endorsed Red Hill's designation. Furthermore, numerous commemorative activities are planned for the 250th anniversary of Patrick Henry's birth in May. In addition, the bill enjoys broad, bipartisan support. Therefore, I feel it is entirely appropriate for Congress to honor the great American patriot Patrick Henry, through designation of Red Hill as a national memorial.

I urge all of my colleagues to support this measure.

Mr. DANIEL. Mr. Speaker, in a day when we are lacking for many national political heroes, Patrick Henry strikes

a pleasant memory in the minds of most of us.

His rallying cries in the tension-ridden days prior to the American Revolution brought hope to other colonists of less zeal and vigor and provided encouragement to the timid.

"I know not what course others may take, but give me liberty or give me death," he thundered from Richmond's St. John's Church—and because of his words, others were inspired to do more than they had set out to accomplish.

We live in such an era today, where the stakes are even greater than they were in the 1770's, and badly we need statesmen of his statue to sound the clarion call for action. We need men and women, imbued with his courage, vision, and wisdom, but even more, we need to recapture his singleness of purpose which recognized a job to be done and provided the resoluteness to do it. These were the times when leaders purposed to dedicate their lives, their fortunes, and their sacred honor—and they did. It required courage to do what they did—and once they begun, that cost ceased to be a factor.

How well the Congress could use some Patrick Henrys today. What an impact we could make—and how much clearer would be our call for rightness in the world.

Two hundred and fifty years have passed since Partick Henry was born, and the purpose of the resolution we have before us today is to establish a national memorial to one of the really great patriots of all time.

Mr. Henry would probably be pleased, too, that the memorial will not require the expenditure of Federal funds. It would be established at his last home and burial place—at Red Hill, in Charlotte County, VA. Each year, thousands of Americans and those from other lands visit the gravesite, his law office, and other points of interest at this historic estate.

Passage of this resolution would allow the placement of a plaque, designating Red Hill as a national memorial, and in so doing, we would further honor this great American on the occasion of his 250th birthday on May 29.

The Senate approved the resolution on December 3d last year and the Virginia delegation has worked in concert to further this cause. Our proposal has been endorsed by the Governor's Patrick Henry Memorial Commission and the governing bodies of the other three nationally-recognized institutions which honor Mr. Henry—St. John's Church, where he made his famous speech; Hanover County Courthouse, where he practiced law; and Scotchtown, where he lived earlier in his life.

Hundreds of Virginians and numerous interested organizations and individuals around the country have expressed satisfaction and support in this endeavor.

I know of no opposition, apart from the technical misgivings expressed by the National Park Service.

Actually, this recognition is long in coming. On August 15, 1935, the Congress authorized Red Hill as a national monument in tribute and recognition of Mr. Henry's service to his country. The late Senator Carter Glass, who sponsored the legislation, intended that the Government would purchase the property and maintain it under the National Park System. However, because there was no agreement on price and the project became bogged down, the authorization was repealed in 1944. The estate then was acquired by the Patrick Henry Memorial Foundation, and that organization has been maintaining it since.

The foundation's primary motivation is to inspire more interest in, and attention to, the life of Patrick Henry. It is felt that public attention which is drawn to his memory on the occasion of his 250th birthday will enhance interest in each of the sites which seek to honor his name.

We all benefit when we revisit the scenes of our former national achievements. Who is to say what the course of this Nation might have been without the leadership of Patrick Henry and others among the patriots who led that noble cause?

Our contribution, in keeping their memory alive, is indeed a vital part in perpetuating the objectives for which they stood.

I urge passage of the resolution.

Mr. LAGOMARSINO. Mr. Speaker, I yield back the balance of my time.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Minnesota [Mr. VENTO] that the House suspend the rules and pass the Senate Joint Resolution 187.

The question was taken; and (two-thirds having voted in favor thereof) the rules were suspended and the Senate joint resolution was passed.

A motion to reconsider was laid on the table.

GENERAL LEAVE

Mr. VENTO. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks on the Senate joint resolution just passed.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Minnesota?

There was no objection.

INDIAN HEALTH CARE AMENDMENTS OF 1986

Mr. UDALL. Mr. Speaker, I move to suspend the rules and pass the bill (H.R. 4600) to reauthorize and amend the Indian Health Care Improvement Act, and for other purposes, as amended.

The Clerk read as follows:

H.R. 4600

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the "Indian Health Care Amendments of 1986".

SEC. 2. REFERENCE.

Except as otherwise specifically provided, whenever in this Act an amendment or repeal is expressed in terms of an amendment to, or a repeal of, a section or other provision, the reference shall be considered to be made to a section or other provision of the Indian Health Care Improvement Act (25 U.S.C. 1601, et seq.).

TITLE I—INDIAN HEALTH MANPOWER

SEC. 101. HEALTH PROFESSIONS RECRUITMENT PROGRAM FOR INDIANS.

Subsection (c) of section 102 (25 U.S.C. 1612(c)) is amended to read as follows:

"(c) There are authorized to be appropriated for the purpose of carrying out the provisions of this section—

"(1) $700,000 for fiscal year 1987,

"(2) $700,000 for fiscal year 1988, and

"(3) $700,000 for fiscal year 1989.".

SEC. 102. HEALTH PROFESSIONS PREPARATORY SCHOLARSHIP PROGRAM.

(a) SCHOLARSHIPS.—Section 103 (25 U.S.C. 1613) is amended by striking out subsection (d) and inserting in lieu thereof the following:

"(d) The Secretary shall not deny scholarship assistance to an eligible applicant under this section solely on the basis of the applicant's scholastic achievement if such applicant has been admitted to, or maintained good standing at, an accredited institution.

"(e) There are authorized to be appropriated for the purpose of carrying out the provisions of this section—

"(1) $3,000,000 for fiscal year 1987,

"(2) $3,500,000 for fiscal year 1988, and

"(3) $4,000,000 for fiscal year 1989.".

(b) EXPENSES.—Subsection (c) of section 103 is amended by striking out "expenses" and inserting in lieu thereof "expenses of a grantee while attending school full time".

SEC. 103. HEALTH PROFESSIONS SCHOLARSHIP PROGRAM.

(a) PROGRAM.—Section 104 is amended to read as follows:

"INDIAN HEALTH PROFESSIONS SCHOLARSHIPS

"SEC. 104. (a) In order to provide health professionals to Indian communities, the Secretary, acting through the Service and in accordance with this section, shall make scholarship grants to Indians who are enrolled full time in schools of medicine, osteopathy, podiatry, dentistry, veterinary medicine, nursing, optometry, public health, and allied health professions. Such scholarships shall be designated Indian Health Scholarships and shall be made in accordance with section 338A of the Public Health Service Act (42 U.S.C. 254l) except as provided in subsection (b) of this section.

"(b)(1) The Secretary, acting through the Service, shall determine who shall receive such scholarships and shall determine the distribution of such scholarships among such health professions on the basis of the relative needs of Indians for additional service in such health professions.

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"(2) An individual shall be eligible for a scholarship under subsection (a) in any year in which such individual is enrolled full time in a health profession school referred to in subsection (a).

"(3) The active duty service obligation prescribed under section 338B of the Public Health Service Act (42 U.S.C. 254m) shall be met by a recipient of an Indian Health Scholarship by service in the Indian Health Service, including service or employment under a contract under the Indian Self-Determination Act (Public Law 93-638); employment in a program assisted under title V of this Act; or in the private practice of his profession if, as determined by the Secretary, such practice is situated in a physician or other health professional shortage area and addresses the health care needs of a substantial number of Indians.

"(c) For the purpose of this section, the term 'Indian' has the same meaning given that term by subsection (c) of section 4 of this Act, including all individuals described in clauses (1) through (4) of that subsection.

"(d) There are authorized to be appropriated for the purpose of carrying out the provisions of this section—

"(1) $4,000,000 for fiscal year 1987,

"(2) $4,500,000 for fiscal year 1988, and

"(3) $5,000,000 for fiscal year 1989.".

(b) Technical.—Section 338G of the Public Health Service Act (42 U.S.C. 254r) is repealed.

SEC. 104. INDIAN HEALTH SERVICE EXTERN PROGRAM.

Subsection (d) of section 105 (25 U.S.C. 1614) is amended to read as follows:

"(d) There are authorized to be appropriated for the purpose of carrying out the provisions of this section—

"(1) $1,000,000 for fiscal year 1987,

"(2) $1,000,000 for fiscal year 1988, and

"(3) $1,000,000 for fiscal year 1989.".

SEC. 105. CONTINUING EDUCATION ALLOWANCES.

Subsection (b) of section 106 (25 U.S.C. 1615 (b)) is amended to read as follows:

"(b) There are authorized to be appropriated for the purpose of carrying out the provisions of this section—

"(1) $300,000 for fiscal year 1987,

"(2) $300,000 for fiscal year 1988, and

"(3) $300,000 for fiscal year 1989.".

TITLE II—HEALTH SERVICES

SEC. 201. IMPROVEMENT OF INDIAN HEALTH STATUS.

Section 201 is amended to read as follows:

"INDIAN HEALTH CARE IMPROVEMENT FUND

"Sec. 210. (a)(1) To further implement the national policy of raising the health status of Indians to a zero level of deficiency as defined in subsection (c) by eliminating backlogs in health care services and meeting unmet Indian health needs as soon as possible and in an equitable manner, the Secretary is authorized to expend, through the Service, over the 2 year period beginning with fiscal year 1988 the amounts authorized to be appropriated by subsection (h) of this section. Funds requested under this section shall be separately stated in the Service budget request as submitted to Congress under section 1104 of title 31, United States Code, and funds appropriated under this section shall not be used to offset or limit appropriations made to the Service under authority of the Act of November 2, 1921 (25 U.S.C. 13), or any other law. Funds appropriated under this section in any fiscal year shall be included in the base budget of the Service for the purpose of determining appropriations under this section in subsequent fiscal years.

"(2) Nothing in this section is intended to diminish the primary responsibility of the Service to eliminate existing backlogs in unmet health care needs, nor is it intended to discourage the Service from undertaking additional efforts to achieve parity among tribes.

"(b)(1) Funds appropriated under this section shall be expended to augment the ability of the Service to meet the following health service responsibilities—

"(A) clinical care (direct or indirect);

"(B) preventive health;

"(C) dental care (direct or indirect);

"(D) mental health, including community mental health services, inpatient mental health services, dormitory mental health services, therapeutic and residential treatment centers, and training of traditional Indian practitioners;

"(E) emergency medical services;

"(F) treatment and control of, and rehabilitative care related to, alcoholism among Indians;

"(G) accident prevention programs;

"(H) community health representative programs;

"(I) home health care; and

"(J) maintenance and repair.

"(2) Where any funds allocated to a service unit are used for a contract under the Indian Self-Determination Act, a reasonable proportion of such funds may be used for health planning, training, technical assistance, and other administrative support functions.

"(3)(A) To the extent that all or a portion of the funds appropriated under subsection (h) are required to raise tribes which are below a level II deficiency, as defined in subsection (c)(2), to such level, such funds shall not be available for allocation to service units serving only tribes at or above such level. Funds appropriated under this section shall be allocated on a service unit basis. Apportionment of a service unit's allocation of funds among the health service responsibilities listed in paragraph (1) shall be as determined by the Service and the Indian tribe or tribes whose deficiency level was the basis on which the funds were allocated.

"(B) In the case of multitribal service units, the allocation of funds under this section shall be made, apportioned, and expended upon the basis of the health resources deficiency level of each separate tribe within that service unit.

"(c)(1) Within 60 days of the date of enactment of the Indian Health Care Amendments of 1986, the Secretary shall submit to the Congress the current health services priority system report of the Service for each tribe including units serving newly recognized or acknowledged tribes. Such report shall contain—

"(A) the methodology for determining tribal health resources deficiencies; the level of health resources deficiency for each tribe; the amount of funds necessary to raise all tribes below a level II deficiency to a level II deficiency; the amount of funds necessary to raise all tribes below a level I deficiency to a level I deficiency; and the amount of funds necessary to raise all tribes to a zero level of deficiency;

"(B) an estimate of—

"(i) the amount of health service funds appropriated under the authority of this or any other Act for the preceding fiscal year which is allocated to each service unit; and

"(ii) the number of Indians eligible for health services in each service unit and each tribe; and

"(C) an evaluation of—

"(i) the preventive health, health protection, and health promotion needs of Indians identified in tribal specific health plans;

"(ii) the preventive health, health protection, and health promotion services necessary to meet such needs;

"(iii) the resources which would be required to enable the Service to provide such services; and

"(iv) the resources currently available to the Service which could be used to provide such services.

"(2) For purposes of this section, health resources deficiency levels shall be defined as follows:

"Level I—0 to 20 percent deficiency,

"Level II—21 to 40 percent deficiency,

"Level III—41 to 60 percent deficiency,

"Level IV—61 to 80 percent deficiency,

"Level V—81 to 100 percent deficiency,

"(3) The Secretary shall establish by regulation procedures which allow any Indian tribe to petition the Secretary for a review of any determination of the health resources deficiency level of such tribe.

"(d) Upon enactment of the Indian Health Care Amendments of 1986, the Secretary, acting through the Service, shall take all necessary action, in cooperation with each Indian tribe, to bring current the tribal specific health plans which were developed as a part of the plan required by section 703 of this Act and which formed the basis for such plan in response to the requirements of section 701 of this Act. These plans shall be based upon the methodology submitted under subsection (c), as may be further modified through tribal consultation, and shall form the basis for the health services priority system report to be submitted by the Secretary for fiscal years 1987, 1988, and 1989. Such reports shall be submitted to the Congress not more than 30 days after the submission of the annual budget for such fiscal years to the Congress by the President.

"(e) The Secretary, acting through the Service, shall expend directly or by contract not less than 1 percent of the funds appropriated under subsection (h) for research in the areas of Indian health care set out in subparagraphs (A) through (G) of subsection (b)(1). Indian tribes and tribal organizations contracting with the Service pursuant to the Indian Self-Determination Act shall be given an equal opportunity to compete for and receive such research funds.

"(f) Programs administered by any Indian tribe or tribal organization under the authority of the Indian Self-Determination Act shall be eligible for funds appropriated pursuant to subsection (h) of an equal basis with programs that are administered directly by the Indian Health Service.

"(g) The President shall include with the budget submitted under section 1105 of title 31, United States Code, for each fiscal year a separate statement which specifies the total amount obligated or expended in the most recently completed fiscal year to carry out subsection (d) and to carry out each of the subparagraphs of subsection (b)(1).

"(h) There are authorized to be appropriated for the purpose of carrying out the provisions of this section—

"(1) $10,000,000 for fiscal year 1988, and

"(4) $10,000,000 for fiscal year 1989.

Any funds appropriated under this subsection shall be designated as the 'Indian Health Care Improvement Fund'.".

SEC. 202. CATASTROPHIC HEALTH PROGRAM.

Sec. 202. Title II is amended by adding the end thereof the following new section:

"CATASTROPHIC HEALTH PROGRAM

"Sec. 202. (a) There is established an Indian Catastrophic Health Emergency Fund (hereinafter in this section referred to as the 'Fund') to be administered by the Secretary, acting through the Service, solely for the purpose of meeting the extraordinary medical costs associated with the treatment of victims of disasters or catastrophic illnesses falling within the responsibility of the Service. The Fund shall be administered by the central office of the Service and shall not be allocated, apportioned, or delegated on a service unit or area office basis. Funds appropriated under subsection (c) shall not be used to offset or limit appropriations made to the Service under authority of the Act of November 2, 1921 (25 U.S.C. 13), or any other law. No part of the Fund or its administration shall be subject to contract or grant under any law, including the Indian Self-Determination Act (Public Law 93-638).

"(b) The Secretary shall, through the promulgation of regulations consistent with the provisions of this section—

"(1) establish a definition of disasters and catastrophic illnesses for which the cost of treatment, whether provided under contract or directly by the Service, would qualify for payment from the Fund; and which shall provide that a service unit shall not be eligible for reimbursement for the cost of treatment from the Fund until its cost of treating any victim of such catastrophic illness or disaster shall have reached a certain threshold cost which the Secretary shall establish at not less than $10,000 or not more than $20,000;

"(2) establish a procedure for the reimbursement of service units or facilities rendering treatment or, whenever otherwise authorized by the Service, the reimbursement of nonservice facilities or providers rendering treatment;

"(3) establish a procedure for payment from the Fund where the exigencies of the medical circumstances warrant treatment prior to the authorization of such treatment by the Service; and

"(4) establish a procedure that will assure that no payment shall be made from the Fund to any provider to the extent that the provider is eligible to receive payment for the treatment from any other Federal, State, local, or private source of reimbursement for which the patient is eligible or by which the patient is covered.

"(c) There are authorized to be appropriated for the purpose of carrying out the provisions of this section—

"(1) $3,000,000 for fiscal year 1988, and

"(2) for fiscal year 1989, such sums as may be necessary to maintain the Fund at $3,000,000.

Funds appropriated under this subsection shall remain available until expended.

"(d) By no later than January 1, 1989, the Secretary shall report to Congress on the operation of the Fund. Such report shall include—

"(1) the number and nature of disasters and catastrophic illnesses for which reimbursement was sought;

"(2) the costs associated with such disasters or illnesses;

"(3) the amounts reimbursed by the Fund in connection with such disasters and illnesses;

"(4) the effect of the Fund on the ability of service units to meet the health needs of their service populations; and

"(5) the Secretary's recommendations regarding the future operation of the Fund.".

SEC. 203. COMPETITIVE PROCUREMENT.

Sec. 203. Title II is amended by adding at the end thereof the following new section:

"COMPETITIVE PROCUREMENT

"Sec. 203. (a) Notwithstanding any other provision of law, the Secretary, acting through the Service, may waive any statutory or administrative requirement for competitive procurement of health services if, in the judgment of the Chief Medical Officer who will have jurisdiction over such health services, such competitive procurement would compromise the accessibility, quality, or continuity of health services or would not result in any appreciable competition or savings.

"(b) Notwithstanding any other provision of law, the Secretary, acting through the Service, shall reject any bid submitted under any statutory or administrative requirement for competitive procurement of health services upon the certification of the Chief Medical Officer who will have jurisdiction over such health services that acceptance of such bid would compromise the accessibility, quality, and continuity of health services.".

SEC. 204. PREVENTIVE HEALTH, HEALTH PROTECTION, AND HEALTH PROMOTION.

Title II, as amended by sections 202 and 203 of this Act, is further amended by adding at the end the following new section:

"PREVENTIVE HEALTH, HEALTH PROTECTION, AND HEALTH PROMOTION

"Sec. 204. (a) The Congress finds that—

"(1) preventive health, health protection, and health promotion services will—

"(A) improve the health and well-being of Indians; and

"(B) reduce the expenses for medical care of Indians;

"(2) preventive health, health protection, and health promotion services should be provided by the coordinated efforts of Federal, State, local, and tribal governments; and

"(3) in addition to the provision of primary health care, the Service should provide preventive health, health protection, and health promotion services to Indians.

"(b) The Secretary, acting through the Service, shall—

"(1) require, by regulation, that each Indian tribe include within any tribal specific health plan submitted to the Secretary—

"(A) an identification of the preventive health, health protection and health promotion needs of such tribe; and

"(B) a comprehensive plan for providing such services to such tribe;

"(2) develop from tribal specific health plans a comprehensive plan for the provision by the Service of preventive health, health protection, and health promotion services to Indians;

"(3) establish a schedule for the provision of such services by the Service; and

"(4) provide such services to Indians in accordance with such comprehensive plan and schedule.".

TITLE III—HEALTH FACILITIES

SEC. 301. HEALTH FACILITIES.

Section 301 (25 U.S.C. 1631) is amended to read as follows:

"HEALTH FACILITIES

"Sec. 301. (a)(1) Within 60 days after the date of enactment of the Indian Health Care Amendments of 1986, the Secretary shall submit to the Congress a report which shall set forth the current health facilities priority system of the Service and which shall include the planning, design, construction, or renovation needs for the ten top priority inpatient care facilities and the ten top priority ambulatory care facilities together with required staff quarters, the justification for such priority listings, and the projected cost of such projects. The report shall also include the methodology adopted by the Service in establishing priorities under its health facilities priority system.

"(2)(A) Within 30 days of the submission of the annual budget to the Congress by the President for each of the fiscal years 1988 and 1989, the Secretary shall submit to the Congress a report which complies with the requirements for paragraph (1).

"(B) In preparing such report in such fiscal years, the Service shall consult with tribes and tribal organizations including those tribes or tribal organizations operating health programs or facilities with funds from the Service under the Indian Self-Determination Act, and shall review the needs of these tribes and tribal organizations for inpatient and outpatient facilities, including their needs for renovation and expansion of existing facilities.

"(3) The Service shall use the same criteria for each of the fiscal years 1988 and 1989 to evaluate the needs of facilities operated under contract under the Indian Self-Determination Act as it uses to evaluate the needs of facilities operated directly by the Service in such fiscal years.

"(4) The Secretary shall ensure that the planning, design, construction, and renovation needs of Service and non-Service facilities which are the subject of a contract for health services entered into under the Indian Self-Determination Act are fully and equitably integrated into the development of the health facility priority system.

"(b)(1) All funds appropriated under the Act of November 2, 1921 (25 U.S.C. 13), for the planning, design, construction, or renovation of health facilities for the benefit of a tribe or tribes shall be subject to the provisions of sections 103 and 104(b) of the Indian Self-Determination Act. The United States shall hold title to any facility constructed under a grant pursuant to section 104(b) of that Act.

"(2) Any tribal contractor or grantee shall expend the funds described in paragraph (1) for the purpose for which appropriated pursuant to rules and regulations established by the Secretary for contracting and procurement.

"(c) Prior to the expenditure of, or the making of any firm commitment to expend, any funds appropriated for facilities planning and design, construction, or renovation under the Act of November 2, 1921 (25 U.S.C. 13), the Secretary, acting through the Service, shall—

"(1) consult with any Indian tribe that would be significantly affected by such expenditure for the purpose of determining and, wherever practicable, honoring tribal preferences concerning size, location, type, and other characteristics of any facility on which such expenditure is to be made, and

"(2) ensure, wherever practicable, that such facility, not later than one year after its construction or renovation, shall meet the standards of the Joint Commission on Accreditation of Hospitals.

"(d) The Secretary shall not close, under any existing authority, any Service hospital or other outpatient health care facility or any portion thereof unless he has submitted to the Congress at least one year prior to the planned closure date an evaluation of the impact of the proposed action which shall include the following factors—

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"(1) accessibility of alternative health care resources for the service population;

"(2) cost effectiveness of the closure;

"(3) quality of health care to be provided to the service population after closure;

"(4) availability of contract health care funds to maintain current levels of service; and

"(5) the views of the Indian tribe or tribes served by such facility on the planned closure.

This subsection shall not be applicable to temporary closures where such closure is specifically determined to be necessary to avoid jeopardizing the health or safety of patients.".

SEC. 302. SAFE WATER AND SANITARY WASTE DISPOSAL FACILITIES.

Section 302 (25 U.S.C. 1632) is amended to read as follows:

"SAFE WATER AND SANITARY WASTE DISPOSAL FACILITIES

"SEC. 302. (a)(1) Congress finds that—

"(A) the provision of safe water supply and sanitary sewage and solid waste disposal systems is primarily a health consideration and function;

"(B) Indian people suffer an inordinately high incidence of disease, injury, and illness directly attributable to the absence or inadequacy of such facilities;

"(C) the long-term cost to the United States of treating and curing such disease, injury, and illness is substantially greater than the short-term cost of providing such facilities and other preventive health measures;

"(D) many Indian homes and communities still lack safe water supply and sanitary sewage and solid waste disposal facilities; and

"(E) it is in the interest of the United States and it is the policy of the United States that all Indian communities and Indian homes, new and existing, be provided with safe and adequate water supply and sanitary sewage and solid waste disposal facilities as soon as possible.

"(2) Congress reaffirms the primary responsibility and authority of the Service to provide the necessary sanitation facilities and services as provided in section 7 of the Act of August 5, 1954 (42 U.S.C. 2004a).

"(b) Beginning in fiscal year 1987, the Secretary, acting through the Service, shall develop and begin implementation of a 10 year plan to provide safe water supply and sanitary sewage and solid waste disposal facilities to existing Indian homes and communities and to new and renovated Indian homes.

"(c)(1) Within 60 days of the date of the enactment of the Indian Health Care Amendments of 1986, the Secretary shall report to Congress on the Service's sanitation facilities priority system. The Secretary, in preparing such report, shall uniformly apply the methodology for determining sanitation deficiencies to all Indian tribes. Such report shall identify the methodology for determining sanitation deficiencies; the level of deficiency for each Indian community or tribe; the amount of funds necessary to raise all communities to a level I deficiency; and the amount of funds necessary to raise all communities or tribes to a zero level of deficiency. For the purpose of such report—

"(A) a level I deficiency means a sanitation system which complies with all applicable water supply and pollution control laws and regulations in which the defined deficiencies consist of routine replacement, repair, or maintenance needs;

"(B) a level II deficiency means a sanitation system which complies with all applicable water supply and pollution control laws and regulations in which the defined deficiencies consist of capital improvements necessary to improve the facilities to meet the needs of the communities for domestic sanitation facilities;

"(C) a level III deficiency means a sanitation system which has an inadequate or partial water supply and sewage disposal facility which does not comply with applicable water supply and pollution control laws and regulations or which has no solid waste disposal facility;

"(D) a level IV deficiency means a sanitation system which lacks either a safe water supply system or a sewage disposal system; and

"(E) a level V deficiency means the absence of a safe water supply and sewage disposal system.

Any tribe or community which lacks the operation and maintenance capability to meet all applicable water supply and pollution control laws and regulations shall be deemed to have a rating no higher than a level III deficiency.

"(2)(A) Within 30 days of the submission of the annual budget to the Congress by the President for fiscal years 1988 and 1989, the Secretary shall submit a report to the Congress which meets the requirements of paragraph (1).

"(B) In preparing such report for each of the fiscal years 1988 and 1989, the Secretary, acting through the Service, shall consult with tribes and tribal organizations including those operating health care programs or facilities under contracts under the Indian Self-Determination Act to determine the sanitation needs of each tribe.

"(d)(1) To clarify the powers conferred by subsection (a) of section 7 of the Act of August 5, 1954 (42 U.S.C. 2004a), the Secretary, acting through the Service, is authorized to provide—

"(A) financial and technical assistance to Indian tribes and communities in the establishment, training, and equipping of utility organizations to operate and maintain Indian sanitation facilities,

"(B) ongoing technical assistance and training in the management of utility organizations, and

"(C) operation and maintenance assistance for, and emergency repairs to, tribal sanitation facilities when necessary to avoid a health hazard or to protect the Federal investment in sanitation facilities in situations where the community, tribe, or family is not financially or technically capable of performing the required emergency repairs with their own resources.

"(2)(A) This section is not intended to diminish the primary responsibilities of the Indian community or tribe to establish, collect, and utilize reasonable user fees, or otherwise set aside funding, for the purpose of operation and maintenance of sanitation facilities.

"(B) The financial and technical capability of an Indian tribe or community to safely operate and maintain a sanitation facility shall not be a precondition for the provision or construction of such facilities and the Secretary may not require a tribe or community to accept a transfer of such facilities where he has determined the tribe or community does not have, or may not be reasonably expected to achieve, such capability.

"(e) Programs administered by Indian tribes or tribal organizations under the authority of the Indian Self-Determination Act shall be eligible for—

"(1) funds appropriated pursuant to subsection (f), and

"(2) funds appropriated for the purpose of providing water supply or sewage disposal services,

on an equal basis with programs that are administered directly by the Indian Health Services.

"(f)(1) There are authorized to be appropriated for each of the fiscal years 1988 and 1989, $3,000,000 for the purpose of providing funds necessary to implement the expanded responsibilities of the Service under subsection (d).

"(2) In addition to the amount authorized under paragraph (1), there are authorized to be appropriated for each of the fiscal years 1988 and 1989, $850,000 for the purpose of providing thirty new full-time equivalents for the Service which shall be used to carry out the expanded responsibilities of the Service under subsection (d).".

SEC. 303. USE OF NONSERVICE FUNDS FOR RENOVATION.

Section 305 (25 U.S.C. 1634) is amended to read as follows:

"EXPENDITURE OF NONSERVICE FUNDS FOR RENOVATION

"SEC. 305. (a) An Indian tribe is authorized to expend—

"(1) any funds of such tribe, including funds in trust by the United States for such tribe the use of which is not otherwise restricted by law, and

"(2) any funds appropriated under Federal law which are not appropriated for expenditure through the Service and which are not otherwise restricted by law,

for the purpose of making any major renovation or modernization of any Service facility or of any other Indian health facility operated pursuant to a contract entered into under the Indian Self-Determination Act (including an expenditure for the planning or designing of such renovation or modernization) if the requirements of subsection (b) are met.

"(b) The requirements of this subsection are met with respect to any renovation or modernization if the renovation or modernization—

"(1) does not require or obligate the Secretary to provide any additional employees or equipment,

"(2) is approved by the appropriate area director of the Service, and

"(3) is administered by the Indian tribe in accordance with the rules and regulations prescribed by the Secretary with respect to construction or renovation of Service facilities.

"(c) A renovation or modernization shall not be authorized by this section if such renovation or modernization would require the diversion of funds appropriated to the Service for any project which has a higher priority under the health facility priority system of the Service.".

SEC. 304. BETHEL, ALASKA, HOSPITAL.

Title III is amended by adding at the end thereof the following new section:

"BETHEL, ALASKA, HOSPITAL

"SEC. 306. (a) If a final administrative ruling by the Department of the Interior holds that the Bethel Native Corporation is entitled to conveyance of the title to the real property described in subsection (d)(1) under the Alaska Native Claims Settlement Act, such ruling shall not be subject to judicial review and title to such property shall be conveyed to the Bethel Native Corporation.

"(b) The Secretary is authorized, notwithstanding any other provision of law, to enter into an agreement with Bethel Native Corporation for an exchange of the real property described in subsection (d)(1) for—

"(1) the lands described in subsection (d)(2), or

"(2) any other Federal property which Bethel Native Corporation would have been able to select under the Alaska Native Claims Settlement Act.

"(c) If an agreement for the exchange of land is not entered into under subsection (b) by the date that is 90 days after the date of the ruling described in subsection (a), the Secretary shall purchase the lands described in subsection (d)(1) at fair market value.

"(d)(1) The real property referred to in subsection (a) is United States Survey Numbered 4000 other than the lands described in paragraph (2).

"(2) The lands referred to in subsection (b)(1) are the lands identified as tracts A and B in the determination AA-18959 of the Bureau of Land Management issued on September 30, 1983, pursuant to the Alaska Native Claims Settlement Act.".

TITLE IV—ACCESS TO HEALTH SERVICES

SEC. 401. MEDICAID PROVISIONS.

(a) SKILLED NURSING FACILITY.—Section 1911 of the Social Security Act is amended by striking out "or skilled nursing facility" each place it appears and inserting in lieu thereof in each instance "skilled nursing facility, or any other type of facility which provides services of a type otherwise covered under the State plan".

(b) REIMBURSEMENT.—Section 1911 of the Social Security Act is amended by adding at the end thereof the following new subsections:

"(c) The Secretary is authorized to enter into agreements with the State agency for the purpose of reimbursing such agency for health care and services provided in Indian Health Service facilities to Indians who are eligible for medical assistance under the State plan.

"(d) Notwithstanding any other provision of law, payments to which any facility of the Indian Health Service (including a hospital, intermediate care facility, skilled nursing facility, or any other type of facility which provides services of a type otherwise covered under the State plan) is entitled under a State plan approved under this title by reason of this section shall be placed in a special fund to be held by the Secretary and used by him (to such extent or in such amounts as are provided in appropriation Acts) exclusively for the purpose of making any improvements in the facilities of such Service which may be necessary to achieve compliance with the applicable conditions and requirements of this title. In making payments from such fund, the Secretary shall ensure that each service unit of the Indian Health Service receives at least 50 percent of the amounts to which the facilities of the Indian Health Service, for which such service unit makes collections, are entitled by reason of this section, if such amount is necessary for the purpose of making improvements in such facilities in order to achieve compliance with the conditions and requirements of this title. This subsection shall cease to apply when the Secretary determines and certifies that substantially all of the health facilities of such Service in the United States are in compliance with such conditions and requirements.".

(c) REPEALS.—Subsections (b) and (c) of section 402 of the Indian Health Care Improvement Act (42 U.S.C. 1396j, note) are repealed.

(d) EFFECTIVE DATE.—The amendments made by this section shall apply to health care services performed on or after the date of the enactment of this Act.

SEC. 402. STUDY OF BARRIERS TO MEDICAID PARTICIPATION.

Title IV is amended by adding at the end thereof the following new section:

"STUDY OF BARRIERS TO MEDICAID PARTICIPATION

"SEC. 405. (a) The Secretary shall, in consultation with Indian tribes and tribal organizations, conduct a study of any barriers which may prevent Indians from receiving medical assistance under State plans approved under title XIX of the Social Security Act.

"(b) By no later than the date which is one year after the date of enactment of the Indian Health Care Amendments of 1986, the Secretary shall submit to the Congress a report on the study conducted under subsection (a). Such report shall include—

"(1) recommendations for legislation which—

"(A) would remove any barriers identified in such study which prevent Indians from receiving medical assistance under plans described in subsection (a) and,

"(B) would encourage participation by Indians in such plans; and

"(2) estimates, by service unit, of—

"(A) the number of Indians potentially eligible for medical assistance under such plans, and

"(B) the number of Indians receiving medical assistance under such plans.".

TITLE V—URBAN INDIAN HEALTH SERVICES

SEC. 501. REVISION OF PROGRAM.

Title V (25 U.S.C. 1651, et seq.) is amended to read as follows:

"TITLE V—HEALTH SERVICES FOR URBAN INDIANS

"PURPOSE

"SEC. 501. The purpose of this title is to encourage the establishment of programs in urban centers to make health services more accessible to urban Indians.

"CONTRACTS WITH URBAN INDIAN ORGANIZATIONS

"SEC. 502. The Secretary, through the Service, shall enter into contracts with urban Indian organizations to assist such organizations to establish and administer, in the urban centers in which such organizations are situated, programs which meet the requirements set forth in this title. The Secretary, through the service, shall include such conditions as the Secretary considers necessary to effect the purpose of this title in any contract which the Secretary enters into with any urban Indian organization pursuant to this title.

"CONTRACTS FOR THE PROVISION OF HEALTH CARE OF REFERRAL SERVICES

"SEC. 503. (a) The Secretary, through the Service, shall enter into contracts with urban Indian organizations for the provision of health care or referral services for urban Indians residing in the urban centers in which such organizations are situated. Any such contract shall include requirements that the urban Indian organization successfully undertake to—

"(1) determine the population of urban Indians residing in the urban center in which such organization is situated who are or could be recipients of health care or referral services;

"(2) determine the current health status of urban Indians residing in such urban center;

"(3) determine the current health care needs of urban Indians residing in such urban center;

"(4) identify all public and private health services resources within such urban center which are or may be available to urban Indians;

"(5) determine the use of public and private health services resources by the urban Indians residing in such urban center;

"(6) assist such health services resources in providing services to urban Indians;

"(7) assist urban Indians in becoming familiar with and utilizing such health services resources;

"(8) provide basic health education to urban Indians;

"(9) establish and implement manpower training programs to accomplish the referral and education tasks set forth in clauses (6) through (8) of this subsection;

"(10) identify gaps between unmet health needs of urban Indians and the resources available to meet such needs;

"(11) make recommendations to the Secretary and Federal, State, local, and other resource agencies on methods of improving health service programs to meet the needs of urban Indians; and

"(12) where necessary, provide, or enter into, contracts for the provision of, health care services for urban Indians.

"(b) The Secretary, through the Service, shall by regulation prescribe the criteria for selecting urban Indian organizations to enter into contracts under this section. Such criteria shall, among other factors, include—

"(1) the extent of unmet health care needs of urban Indians in the urban center involved;

"(2) the size of the urban Indian population in the urban center involved;

"(3) the accessibility to, and utilization of, health care services (other than services provided under this title) by urban Indians in the urban center involved;

"(4) the extent, if any, to which the activities set forth in subsection (a) would duplicate—

"(A) any previous or current public or private health services project in an urban center that was or is funded in a manner other than pursuant to this title; or

"(B) any project funded under this title;

"(5) the capability of an urban Indian organization to perform the activities set forth in subsection (a) and to enter into a contract with the Secretary under this section;

"(6) the satisfactory performance and successful completion by an urban Indian organization of other contracts with the Secretary under this title;

"(7) the appropriateness and likely effectiveness of conducting the activities set forth in subsection (a) in an urban center; and

"(8) the extent of existing or likely future participation in the activities set forth in subsection (a) by appropriate health and health-related Federal, State, local, and other agencies.

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"CONTRACTS FOR THE DETERMINATION OF UNMET HEALTH CARE NEEDS

"SEC. 504. (a) The Secretary, through the Service, may enter into contracts with urban Indian organizations situated in urban centers for which contracts have not been entered into under section 503. The purpose of a contract under this section shall be the determination of the matters described in subsection (b)(1) in order to assist the Secretary in assessing the health status and health care needs of urban Indians in the urban center involved and determining whether the Secretary should enter into a contract under section 503 with the urban Indian organization with which the Secretary has entered into a contract under this section.

"(b) Any contract entered into by the Secretary under this section shall include requirements that—

"(1) the urban Indian organization successfully undertake to—

"(A) document the health care status and unmet health care needs of the urban Indians in the urban center involved;

"(B) with respect to urban Indians in the urban center involved, determine the matters described in clauses (2), (3), (4), and (8) of section 503(b); and

"(2) the urban Indian organization complete performance of the contract within one year after the date on which the Secretary and such organization enter into such contract.

"(c) The Secretary may not renew any contract entered into under this section.

"EVALUATIONS; CONTRACT RENEWALS

"SEC. 505. (a) The Secretary, through the Service, shall develop procedures to evaluate compliance with, and performance of, contracts entered into by urban Indian organizations under this title. Such procedures shall include provisions for carrying out the requirements of this section.

"(b) The Secretary, through the Service, shall conduct an annual onsite evaluation of each urban Indian organization which has entered into a contract under section 503 for purposes of determining the compliance of such organization with, and evaluating the performance of such organization under, such contract.

"(c) If, as a result of the evaluations conducted under this section, the Secretary determines that an urban Indian organization has not complied with or satisfactorily performed a contract under section 503, the Secretary shall, prior to renewing such contract, attempt to resolve with such organization the areas of noncompliance or unsatisfactory performance and modify such contract to prevent future occurrences of such noncompliance or unsatisfactory performance. If the Secretary determines that such noncompliance or unsatisfactory performance cannot be resolved and prevented in the future, the Secretary shall not renew such contract with such organization and is authorized to enter into a contract under section 503 with another urban Indian organization which is situated in the same urban center as the urban Indian organization whose contract is not renewed under this section.

"(d) In determining whether to renew a contract with an urban Indian organization under section 503, or whether to enter into a contract with an urban Indian organization under section 503 which has completed performance of a contract under section 504, the Secretary shall review the records of the urban Indian organization, the reports submitted under section 507, and, in the case of a renewal of a contract under section 503, shall consider the results of the onsite evaluations conducted under subsection (b).

"OTHER CONTRACT REQUIREMENTS

"SEC. 506. (a) Contracts with urban Indian organizations pursuant to this title shall be in accordance with all Federal contracting laws and regulations except that, in the discretion of the Secretary, such contracts may be negotiated without advertising and need not conform to the provisions of the Act of August 24, 1935, as amended.

"(b) Payments under any contracts pursuant to this title may be made in advance or by the way of reimbursement and in such installments and on such conditions as the Secretary deems necessary to carry out the purposes of this title.

"(c) Notwithstanding any provision of law to the contrary, the Secretary may, at the request or consent of an urban Indian organization, revise or amend any contract entered into by the Secretary with such organization under this title as necessary to carry out the purposes of this title.

"(d) In connection with any contract entered into pursuant to this title, the Secretary may permit an urban Indian organization to utilize, in carrying out such contract, existing facilities owned by the Federal Government within the Secretary's jurisdiction under such terms and conditions as may be agreed upon for the use and maintenance of such facilities.

"(e) Contracts with urban Indian organizations and regulations adopted pursuant to this title shall include provisions to assure the fair and uniform provision to urban Indians of services and assistance under such contracts by such organizations.

"REPORTS AND RECORDS

"SEC. 507. (a) For each fiscal year during which an urban Indian organization receives or expends funds pursuant to a contract under this title, such organization shall submit to the Secretary a quarterly report including—

"(1) in the case of a contract under section 503, information gathered pursuant to clauses (10) and (11) of subsection (a) of such section;

"(2) information on activities conducted by the organization pursuant to the contract;

"(3) an accounting of the amounts and purposes for which Federal funds were expended; and

"(4) such other information as the Secretary may request.

"(b) The reports and records of the urban Indian organization with respect to a contract under this title shall be subject to audit by the Secretary and the Comptroller General of the United States.

"(c) The Secretary shall allow as a cost of any contract entered into under section 503 the cost of an annual private audit conducted by a certified public accountant.

"LIMITATION ON CONTRACT AUTHORITY

"SEC. 508. The authority of the Secretary to enter into contracts under this title shall be to the extent, and in an amount, provided for in appropriation Acts.

"AUTHORIZATIONS

"SEC. 509. There are authorized to be appropriated for contracts under this title—

"(1) $10,000,000 for fiscal year 1987,

"(2) $10,500,000 for fiscal year 1988, and

"(3) $11,000,000 for fiscal year 1989.".

TITLE VI—ORGANIZATIONAL IMPROVEMENTS

SEC. 601. ESTABLISHMENT OF INDIAN HEALTH SERVICE AS AN AGENCY OF THE PUBLIC HEALTH SERVICE.

(a) AMENDMENT.—Title VI (25 U.S.C. 1661) is amended to read as follows:

"TITLE VI—ORGANIZATIONAL IMPROVEMENTS

"SEC. 601. ESTABLISHMENT OF THE INDIAN HEALTH SERVICE AS AN AGENCY OF THE PUBLIC HEALTH SERVICE.

"Title VI is amended to read as follows:

"ESTABLISHMENT OF THE INDIAN HEALTH SERVICE AS AN AGENCY OF THE PUBLIC HEALTH SERVICE

"SEC. 601. (a) In order to more effectively and efficiently carry out the responsibilities, authorities, and functions of the United States to provide health care services to Indians and Indian tribes, as are or may be provided by Federal statutes or treaties, there is established within the Public Health Service of Health and Human Services the Office of Indian Health Service. The Indian Health Service shall be administered by a Director, who shall be appointed by the President, by and with the advice and consent of the Senate. The Director of the Indian Health Service shall report to the Secretary through the Assistant Secretary for Health, of the Department of Health and Human Services, and shall not report to, or be under the supervision of, any other officer or employee of such Department.

"(b) The Indian Health Service shall be an agency within the Public Health Service of the Department of Health and Human Services, and shall not be an office, component, or unit of any other agency of the Department.

"(c) The Secretary shall carry out through the Director of the Indian Health Service—

"(1) all functions which were, on the day before the date of enactment of the Indian Health Care Amendments of 1985, carried out by or under the direction of the individual serving as Director of the Indian Health Service on such day;

"(2) all functions of the Secretary relating to the maintenance and operation of hospital and health facilities for Indians and the planning for, and the provision and utilization of, health services for Indians; and

"(3) all health programs under which health care is provided to Indians based upon their status as Indians which are administered by the Secretary, including (but not limited to) programs under—

"(A) this Act;

"(B) the Act of November 2, 1921 (25 U.S.C. 13);

"(C) the Act of August 5, 1954 (68 Stat. 674);

"(D) the Act of August 16, 1957 (71 Stat. 370); and

"(E) the Indian Self-Determination and Education Assistance Act (Public Law 93-638).

"(d)(1) Notwithstanding any other provision of law, the Secretary may not reorganize, alter, or discontinue the Indian Health Service or allocate or reallocate any function which this section specifies shall be performed by the Director of the Indian Health Service or by the Secretary of Health and Human Services through the Director of the Indian Health Service.

"(2) Paragraph (1) shall not apply to any action taken by the Director of the Indian Health Service which the Director of the

Indian Health Service determines to be appropriate.

"(e)(1) The Director of the Indian Health Service shall have the authority—

"(A) except to the extent provided in paragraph (2), to appoint and compensate employees for the Service in accordance with title 5, United States Code;

"(B) to enter into contracts for the procurement of goods and services to carry out the functions of the Service; and

"(C) to manage, expend, and obligate all funds appropriated for the Service.

"(2) Notwithstanding any other law, the provisions of section 12 of the Act of June 18, 1934 (48 Stat. 986; 25 U.S.C. 472) shall apply to all personnel actions taken with respect to new positions created within the Service as a result of its establishment under subsection (a).

"MANAGEMENT INFORMATION SYSTEM; ACCESS TO PATIENT'S RECORDS

"SEC. 602. (a) The Secretary shall establish an automated management information system for the Service.

"(b) the information system established under subsection (a) shall include—

"(1) a cost accounting system,

"(2) a patient care information system for each area served by the Service, and

"(3) a privacy component that protects the privacy of patient information held by, or on behalf of, the Service.

"(c) Notwithstanding any other provisions of law, each patient shall have reasonable access to the medical or health records of such patient which are held by, or on behalf of, the Service.

"(d)(1) The Secretary shall provide—

"(A) all tribes or tribal organizations providing health services under a contract with the Service under the Indian Self-Determination Act, and

"(B) all urban Indian organizations providing health services under a contract with the Service under section 503 of this Act,

automated management information systems which meet the management information needs of each such tribe or organization with respect to the treatment by the tribe or organization of patients of the Service and which meet the management information needs of the Service.

"(2) The Secretary shall reimburse each such tribe or organization for the part of the cost of the operation of a system provided under paragraph (1) which is attributable to the treatment by the tribe or organization of patients of the Service.

"(3) The Secretary shall provide systems under paragraph (1) to tribes and organizations providing health services in California not later than September 30, 1986.".

(b) TRANSFERS.—All personnel, records, equipment, facilities, and interests in property that are administered by the Indian Health Service on the day before the date on which the amendments made by this section take effect shall be transferred to the Indian Health Service established by the amendment made by subsection (a) of this section. All transfers must be accomplished within 9 months of the date of enactment of this title. The Secretary is authorized to waive the Indian preference laws on a case-by-case basis for temporary transfers involved in implementing this title during such 9 month period.

(d) EFFECTIVE DATE.—Section 601 of the Indian Health Care Improvement Act added by subsection (a) of this section shall take effect 9 months from the date of the enactment of this Act.

TITLE VII—MISCELLANEOUS

SEC. 701. LEASING AND OTHER CONTRACTS.

Section 704 (25 U.S.C. 1674) is amended—

(1) by striking out "Notwithstanding", and inserting in lieu thereof "(a) Notwithstanding", and

(2) by adding at the end thereof the following new subsection:

"(b) The Secretary may enter into leases, contracts, and other legal agreements with Indian tribes or tribal organizations which hold—

"(1) title to;

"(2) a leasehold interest in; or

"(3) a beneficial interest in (where title is held by the United States in trust for the benefit of a tribe);

facilities used for the administration and delivery of health services by the Indian Health Service or by programs operated by tribes or tribal organizations to compensate such tribes or tribal organizations for costs associated with the use of such facilities for such purposes. Such costs include rent, depreciation based on the useful life of the building, principal and interest paid or accrued, operation and maintenance expenses, and other expenses determined by regulation to be allowable.".

SEC. 702. JUVENILE ALCOHOL AND DRUG ABUSE.

Section 706 (25 U.S.C. 1676) is amended to read as follows:

"JUVENILE ALCOHOL AND DRUG ABUSE

"SEC. 706. (a) Within 180 days of the date of enactment of the Indian Health Care Amendments of 1986, the Secretary shall enter into an agreement with the Secretary of the Interior and the Secretary of Education to coordinate the efforts of their Departments related to alcohol and drug abuse among Indian juveniles. The agreement shall provide for the identification and coordination of available resources and programs to combat Indian juvenile alcohol and drug abuse through prevention, education, counseling, and referral. The Secretary shall publish such agreement in the Federal Register within 30 days after an agreement has been entered into pursuant to this subsection.

"(b) The Secretary, acting through the Service and in consultation and cooperation with the Secretary of the Interior and the Secretary of Education, shall develop a program to provide training in—

"(1) preventive education;

"(2) the identification of juvenile alcohol and drug abusers; and

"(3) counseling techniques on juvenile alcohol and drug abuse.

Such training shall be provided to elementary and secondary teachers and counselors—

"(A) in schools operated by the Bureau of Indian Affairs;

"(B) in schools operated under contract with the Bureau of Indian Affairs; and

"(C) in public schools on or near Indian reservations (including public schools in Oklahoma and Alaska with significant numbers of Indian students).

The Service may provide such training either directly or through contract with qualified private or public entities.

"(c) The Secretary of the Interior, acting through the Bureau of Indian Affairs and in consultation with the Service, shall review existing literature and reports on juvenile alcohol and drug abuse, including studies and school curricula and any other material relevant to an understanding of the problem of juvenile alcohol and drug abuse, and shall make available the results of such review to the schools described in subsection (b).

"(d) The Secretary shall establish an Office of Alcohol and Drug Abuse within the Service which shall be responsible for the administration of programs and authorities of the Service in the field of alcohol and drug abuse. The Office shall have assigned to it a number of full-time equivalent positions which shall not be less than eight full-time equivalent positions in the Central Office of the Service and one full-time equivalent position in each Service area and Program Office.

"(e) For the purpose of implementing subsection (b) there is authorized to be appropriated $1,500,000 for each of the fiscal years 1987 and 1988.".

SEC. 703. ARIZONA AS A CONTRACT HEALTH SERVICE DELIVERY AREA; FORMERLY RECOGNIZED TRIBES IN CALIFORNIA.

Subsection (a) of section 708 (25 U.S.C. 1678(a)) is amended—

(1) by striking out "1984" and inserting in lieu thereof "1989", and

(2) by striking out "Indians in such State" and inserting in lieu thereof "members of federally recognized Indian tribes of Arizona".

SEC. 704. ELIGIBILITY OF CALIFORNIA INDIANS.

Section 709 (25 U.S.C. 1679) is amended to read as follows:

"ELIGIBILITY OF CALIFORNIA INDIANS

"SEC. 709. The following California Indians shall be eligible for care from the Service:

"(1) Any member of a federally recognized Indian tribe.

"(2) Any descendant of an Indian who was residing in California on June 1, 1852, but only if such descendant—

"(A) is living in California,

"(B) is a member of the Indian community served by a local program of the Service, and

"(C) is regarded as an Indian by the community in which such descendant lives.

"(3) Any Indian who holds trust interests in public domain, national forest, or Indian reservation allotments in California.

"(4) Any Indian in California who is listed on the plans for distribution of the assets of California rancherias and reservations under the Act of August 18, 1958 (72 Stat. 619), and any descendant of such an Indian.

Paragraph (4) shall not apply after September 30, 1988.".

SEC. 705. CALIFORNIA AS A CONTRACT HEALTH SERVICE DELIVERY AREA.

Section 710 (25 U.S.C. 1680) is amended to read as follows:

"CALIFORNIA AS A CONTRACT HEALTH SERVICE DELIVERY AREA

"SEC. 710. The State of California, excluding the counties of Alameda, Contra Costa, Los Angeles, Marin, Orange, Sacramento, San Francisco, San Mateo, and Santa Clara, shall be designated as a contract health service delivery area by the Service for the purpose of providing contract health services to Indians in such State.".

SEC. 706. CONTRACT HEALTH FACILITIES.

SEC. 707. (a) Title VII is amended by adding at the end thereof the following new section:

"CONTRACT HEALTH FACILITIES

"SEC. 711. (a) The Indian Health Service shall provide funds for health care programs and facilities operated by tribes and tribal organizations under contracts with

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the Indian Health Service under the Indian Self-Determination Act—

"(1) for the maintenance and repair of clinics owned or leased by such tribes or tribal organizations,

"(2) for employee training,

"(3) for cost-of-living increases for employees, and

"(4) for any other expenses relating to the provision of health services,

on the same basis as such funds are provided to programs and facilities operated directly by the Indian Health Service.

"(b) In the case of eligible California Indians as defined by section 709 who are not members of Indian tribes or eligible for membership in such tribes, the Secretary may not enter into a contract to provide health services to such Indians under section 103 of the Indian Self-Determination Act if 51 per centum of the adult population of such Indians object prior to the award of such contract through any legally established organization of Indians representative of such Indians, in which case the Secretary, acting through the Service, shall make alternate arrangements for the delivery of health care services to such Indians. In making such alternative arrangements for such Indians, the Service may—

"(1) provide services directly to some or all of such Indians through its own facilities,

"(2) purchase services for some or all of such Indians on a contract basis,

"(3) contract with a qualified organization representing some or all of such Indians for the provision of services under the terms of the third proviso of the first paragraph under the heading "Secretary" in the division relating to general provisions of the Act of April 30, 1908 (35 Stat. 71, chapter 153; 25 U.S.C. 47), popularly known as the Buy Indian Act, or

"(4) make other effective arrangements for the delivery of health care services to such Indians.

"(c) Nothing in this section shall be construed to restrict or interfere with the right of any Indian tribe to contract for health services on behalf of its own members.".

SEC. 707. NATIONAL HEALTH SERVICE CORPS.

(a) NATIONAL HEALTH SERVICE CORPS.—Title VII, as amended by section 706 of this Act, is further amended by adding at the end thereof the following new section:

"NATIONAL HEALTH SERVICE CORPS

"SEC. 712. The Secretary of Health and Human Services shall not—

"(1) remove a member of the National Health Service Corps from a health facility operated by the Indian Health Service or by a tribe or tribal organization under contract with the Indian Health Service under the Indian Self-Determination Act; or

"(2) withdraw funding used to support such member,

unless the Secretary, acting through the Service, has ensured that the Indians receiving services from such member will experience no reduction in services.

"(b) EFFECTIVE DATE.—The amendment made by subsection (a) of this section shall take effect as of January 1, 1984.".

SEC. 708. ADDITIONAL PROVISIONS.

Title VII, as amended by sections 706 and 707 of this Act, is further amended by adding at the end thereof the following new sections:

"SERVICE TO INELIGIBLE PERSONS

"SEC. 713. (a)(1) The Secretary, acting through the Service, may provide or authorize the provision of medical care, treatment, or benefits by the Service to persons who are not otherwise eligible for such services in health facilities maintained by the Service or contracted under the Indian Self-Determination Act (Public Law 93-638) or through contract health care services, subject to the limitations of this section.

"(2) Persons eighteen years of age or under who are the natural or adopted children (including foster- and step-children), legal wards, or orphans of an eligible Indian person and who are not otherwise eligible for the medical care, treatment, or benefits of the Service shall be eligible for all such services on the same basis and subject to the same rules as apply to eligible Indians until their nineteenth birthday. The existing potential medical needs of such persons shall be taken into consideration by the Service in determining the need for, or the allocation of, its health resources. Any such person who has been determined to be legally incompetent prior to their nineteenth birthday shall remain eligible for such services until one year after the date such disability has been removed.

"(3) Non-Indian spouses of eligible Indians or spouses of Indian descent who are not otherwise eligible for the medical care, treatment, or benefits of the Service shall not be eligible for the medical care, treatment, or benefits of the Service unless they are made eligible, as a class, by an appropriate resolution of the governing body of the relevant Indian tribe. The medical needs of persons made eligible under this subsection shall not be taken into consideration by the Service in determining the need for, or allocation of, its health resources.

"(b)(1)(A) At the request of the Indian tribe or tribes included within the service area of any service unit of the Service, the Secretary may authorize the medical care and treatment of otherwise ineligible persons residing within such service area in health facilities maintained and operated by the Service.

"(B) Persons receiving medical care and treatment under this subsection shall be liable for the payment for such services under a fee schedule adopted by the Secretary which, in the judgment of the Secretary, shall result in reimbursement in an amount not less than the actual cost of providing the service. Fees collected under this subsection, including medicare or medicaid reimbursements under titles XVIII and XIX of the Social Security Act, shall be credited to the account of the facility providing the service and shall be used solely for the provision of health services within that facility. Fees collected pursuant to this subsection shall be available for expenditure within such facility for not to exceed one fiscal year after the fiscal year in which collected.

"(2)(A) Except as provided in subparagraph (B), where the governing body of an Indian tribe or, in the case of a multitribal service area, any Indian tribe revokes its concurrence to the provision of services under paragraph (1)(A), the Secretary's authority to provide such service shall terminate at the end of the fiscal year following the fiscal year in which such revocation was adopted.

"(B) In California, in the case of a multitribal service area, unless 51 per centum or more of the Indian tribes in the service area revoke their concurrence to the provision of services under paragraph (1)(A), the authority to provide such service shall not be affected.

"(3)(A) In the case of health facilities operated directly by the Service, such medical care and treatment may be provided under this subsection only where the Secretary and the affected tribe or tribes have jointly determined that—

"(i) the provision of such service will not result in a denial or diminution of services to eligible Indian persons; and

"(ii) there is no reasonable alternative health facility or service, within or without the service unit area, available to meet the medical needs of such person.

"(B) In the case of health facilities operated under contract under the Indian Self-Determination Act, the governing body of the Indian tribe or tribal organization providing health services under a contract with the Service under the Indian Self-Determination Act is authorized to determine the eligibility for such services of persons who are not otherwise eligible for such services. Such determination shall be in accordance with the requirements of this section.

"(4) The Service may continue to provide medical care, treatment, and benefits to persons not provided service under subsection (a) or (b) to achieve stability in a medical emergency, to prevent the spread of a communicable disease or otherwise deal with a public health hazard; to provide care to non-Indian women pregnant with an eligible Indian's child for the duration of the pregnancy through post partum, or to immediate family members of an eligible person where such care is directly related to the treatment of the eligible person.

"(5) Hospital privileges in health facilities operated and maintained by the Service or operated under contract under the Indian Self-Determination Act may be extended to non-Service health care practitioners. Such non-Service health care practitioners shall not be regarded as employees of the Federal Government for purposes of the provisions of title 28 of the United States Code relating to Federal tort claims except in the course of providing services to eligible persons as a part of the conditions under which privileges are extended under this subsection.

"RESTRICTIONS ON THE USE OF INDIAN HEALTH SERVICE APPROPRIATIONS

"SEC. 714. (a) Unless otherwise specifically provided, any restriction placed on the use of appropriations for Indian health services shall not be interpreted—

"(1) to apply to the use of funds other than such appropriated funds by an entity with a contract with the Indian Health Service;

"(2) to prohibit the support of litigation with such other funds; or

"(3) to prohibit the promotion of public support for or opposition to any legislative proposal with such other funds.

"(b) The Service may not offset or limit the amount of funds obligated to any entity under contract with the Service because of the use of funds, other than funds appropriated to the Indian Health Service, by such entity for the purposes described in paragraphs (1) through (3) of subsection (a).

"INFANT AND MATERNAL MORTALITY

"SEC. 715. (a) Not later than January 1, 1987, the Secretary shall develop and begin implementation of a plan to achieve the following objectives by January 1, 1991:

"(1) Reduction of the rate of Indian infant mortality in each Area Office of the Service to twelve deaths per one thousand live births or to that of the United States population, whichever is lower.

"(2) Reduction of the rate of maternal mortality in each Area Office of the Service

to five deaths per one hundred thousand live births or to that of the United States population, whichever is lower.

"(b) The Secretary shall report to Congress on January 1 of each year beginning after fiscal year 1987 on the progress that has been made toward achieving the objectives described in subsection (a).

"CONTRACT HEALTH SERVICES FOR THE TRENTON SERVICE AREA

"SEC. 716. The Secretary, acting through the Service, is directed to provide contract health services to members of the Turtle Mountain Band of Chippewa Indians that reside in the Trenton Service Area of Divide, McKenzie, and Williams counties of North Dakota and the adjoining counties of Richland, Roosevelt, and Sheridan in the State of Montana.".

SEC. 709. INDIAN HEALTH SERVICE AND VETERANS' ADMINISTRATION HEALTH FACILITIES AND SERVICES SHARING.

Title VII, as amended by sections 706, 707, and 708 of this Act, is further amended by adding at the end thereof the following new sections:

"INDIAN HEALTH SERVICE AND VETERANS' ADMINISTRATION HEALTH FACILITIES AND SERVICES SHARING

"SEC. 717. (a) The Secretary shall examine the feasibility of entering into an arrangement for the sharing of medical facilities and services between the Indian Health Service and the Veterans' Administration and shall, in accordance with subsection (b), prepare a report on the feasibility of such an arrangement and submit such report to the Congress not later than September 30, 1987.

"(b) The Secretary may not make any recommendation under subsection (a) nor take any action under subchapter IV of part VI of title 38, United States Code which would impair—

"(1) the priority access of any Indian to health care services provided through the Indian Health Service;

"(2) the quality of health care services provided to any Indian through the Indian Health Service;

"(3) the priority access of any veteran to health care services provided by the Veterans' Administration;

"(4) the quality of health care services provided to any veteran by the Veterans' Administration;

"(5) the eligibility of any Indian person to receive health services through the Indian Health Service; or

"(6) the eligibility of any Indian person who is a Veteran, to receive health services through the Veterans' Administration.

"NAVAJO ALCOHOL REHABILITATION DEMONSTRATION PROGRAM

"SEC. 718. (a) The Secretary shall make grants to the Navajo tribe to establish a demonstration program in the city of Gallup, New Mexico, to rehabilitate adult Navajo Indians suffering from alcoholism or alcohol abuse.

"(b) The Secretary, acting through the National Institute on Alcohol Abuse and Alcoholism, shall evaluate the program established under subsection (a) and submit a report on such evaluation to the appropriate Committees of Congress by January 1, 1990.

"(c)(1) There is authorized to be appropriated for the purposes of this section $400,000 for each of the fiscal years 1988 and 1989.

"(2) Not more than 10 percent of the funds appropriated under paragraph (1) for any fiscal year may be used for administrative purposes.

"STUDY OF HEALTH CARE NEEDS OF NATIVE HAWAIIANS AND OTHER NATIVE PACIFIC ISLANDERS

"SEC. 719. (a)(1) The Secretary shall conduct a study of the physical and mental health care needs of Native Hawaiians and other Native American Pacific Islanders.

"(2) In conducting the study required under paragraph (1), the Secretary shall consult with the Commissioner of the Administration for Native Americans, the Administrator of the Alcohol, Drug Abuse, and Mental Health Administration, the Director of the Indian Health Service, leaders in the field of health care, and representatives of Native Hawaiians and other Native American Pacific Islanders.

"(b) By no later than the date that is 1 year after the date of enactment of the Indian Health Care Amendments of 1986, the Secretary shall submit to the Congress a report on the study conducted under subsection (a). Such report shall include—

"(1) an assessment of the access of, and barriers to, Native Hawaiians and other Native American Pacific Islanders in receiving physical and mental health care services,

"(2) an assessment of the physical and mental health care needs of Native Hawaiians and other Native American Pacific Islanders, and

"(3) specific recommendations for the development of a national strategy to address such needs.".

SEC. 710. DEFINITIONS.

Section 4 (25 U.S.C. 1603) is amended by striking out subsections (i), (j), and (k), and by inserting in lieu thereof the following new subsections:

"(i) 'Area Office' means an administrative entity including a program office, within the Indian Health Service through which services and funds are provided to the service units within a defined geographical area; and

"(j) 'Service Unit' means an administrative entity within the Indian Health Service or a tribe or tribal organization operating health care programs or facilities with funds from the Service under the Indian Self-Determination Act through which services are provided, directly and by contract, to the eligible Indian population within a defined geographic area.

"(k) 'Native Hawaiian' means any individual who has any ancestors that were natives, prior to 1778, of the area that now comprises the State of Hawaii.

"(l) 'Native American Pacific Islander' means—

"(1) any Native Hawaiian,

"(2) any of the indigenous people residing in Guam, American Samoa, the Trust Territory of the Pacific Islands, or the Northern Mariana Islands; or

"(3) any individual whose direct ancestors are from Guam, American Samoa, the Trust Territory of the Pacific Islands, or the Northern Mariana Islands.".

The **SPEAKER** pro tempore. Is a second demanded?

Mr. McCAIN. Mr. Speaker, I demand a second.

The **SPEAKER** pro tempore. Without objection, a second will be considered as ordered.

There was no objection.

The **SPEAKER** pro tempore. The gentleman from Arizona [Mr. UDALL] will be recognized for 20 minutes and the gentleman from Arizona [Mr. McCAIN] will be recognized for 20 minutes.

The Chair recognizes the gentleman from Arizona [Mr. UDALL].

GENERAL LEAVE

Mr. UDALL. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks on H.R. 4600, the bill presently under consideration.

The **SPEAKER** pro tempore. Is there objection to the request of the gentleman from Arizona?

There was no objection.

Mr. UDALL. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, the central purpose of H.R. 4600 is to deal with the critical health problems of Indian tribes and their members and to mandate badly needed reform in the administration of Indian health programs.

In carrying out this purpose, H.R. 4600—

Reauthorizes funding for the very popular and effective Indian health manpower programs and the urban Indian health programs;

Establishes a few new programs and efforts to improve Indian health conditions; and

Makes basic reforms in the administration of Indian health programs by the Indian Health Service.

H.R. 4600 is the result of a compromise between the Interior Committee and the Committee on Energy and Commerce. Both committees considered and reported H.R. 1426 after a joint referral. However, each of the committees reported that bill with differing amendments. Those differences have been resolved in H.R. 4600.

In addition, H.R. 4600 makes significant reductions in the authorization levels contained in H.R. 1426. As reported, H.R. 1426 had an overall authorization level of $352 million over a 4-year period. H.R. 4600 has reduced that to $99 million over a 2-year period.

These reductions have been adopted for two reasons. First, it is a responsible action in light of existing budget constraints. Second, the authorization levels in H.R. 4600 are more realistic in terms of the historical level of appropriations for these programs.

Mr. Speaker, this Nation has a moral and legal obligation to deal effectively with the health problems of the Indian people. Despite that obligation, the health conditions among Indians are deplorable. One health professional appearing before our committee has likened health conditions among the Indian people to that of underdeveloped, Third World nations. That is unacceptable.

Mr. Speaker, H.R. 4600 is not a complete answer to the problems of Indian

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health and health administration. But it will, if enacted and honestly implemented, bring about positive improvement in Indian health.

I urge the members to support passage of H.R. 4600.

Mr. Speaker, I reserve the balance of my time.

Mr. McCAIN. Mr. Speaker, I yield 4 minutes to my distinguished colleague, the gentleman from Utah [Mr. Nielson].

Mr. NIELSON of Utah. Mr. Speaker, I rise in support of H.R. 4600, the Indian Health Care Amendments of 1986.

As mentioned by my colleague, the gentleman from Arizona, H.R. 4600 is a compromise introduced by Chairman Waxman and Chairman Udall containing authorization levels significantly less than either of the 2 committees put together last year.

The legislation reported out of the Committee on Energy and Commerce and the Committee on Interior and Insular Affairs had numbers about three times what are now in the bill.

During the markup of the Indian health care legislation, I introduced several amendments to reduce authorization for several of the titles of the bill. Some of these amendments were adopted by the committee, others were not. One of the amendments which I offered which was not adopted would have stricken the new authority for a catastrophic fund. I am not convinced that a catastrophic fund makes any sense. I am encouraged that the authorization of the fund has been reduced from $12 million to $3 million in this version, and other aspects of the bill have been reduced considerably, so the total funding is much less.

I do support the bill at the present time because they have made more sacrifices in other areas to make room for this new program. It is a revolving-fund program and if it does not work we can always drop it out of further versions later on.

Several of the new authorities contained in title VII of H.R. 1426 have been striken from H.R. 4600, which makes it a better bill. I do not think this is the time to introduce new programs into our operation and our fiscal restraint.

H.R. 4600 authorizes under $100 million over the next 3 fiscal years. In contrast, the Energy and Commerce Committee version was $212 million for the same fiscal years. This is a very significant reduction. In my memory, in the short time I have been here, this is the most conservative health care bill ever put out and brought to the floor.

The Indian Health Care Improvement Act, however, was first enacted in 1976. It was designed to bring the health status of American Indians and Alaska natives up to a level equal to that of the general population. We have made some progress in reaching that goal but must continue to fund specific programs to completely succeed. Passage of H.R. 4600 will go a long way in helping that process.

There is only one area about which I am disappointed, and that is in the funding of the Indian health programs. We had proposed in the Energy and Commerce Committee to give priority in funding to those States where Indians have received very little in the way of health care. In some States, the per capita care is very much lower than other States. That was taken out of the compromise bill. I am sorry that happened. I think we should have an equitable formula for funding our Indian health care needs.

I do, however, applaud Chairman Waxman and Chairman Udall for recognizing the current fiscal climate and preparing legislation as responsible as this is.

I urge my colleagues to support this legislation.

Mr. UDALL. Mr. Speaker, I yield such time as he may consume to the gentleman from California [Mr. Waxman], the distinguished subcommittee chairman, without whose help we would not be here today.

Mr. WAXMAN. Mr. Speaker, I rise in strong support of H.R. 4600, the Indian Health Care Amendments of 1986.

First let me thank the distinguished chairman of the Committee on Interior and Insular Affairs, Mr. Udall, for bringing this bill before the House. This is yet another example of his longstanding leadership in assuring that the Federal Government fulfills its moral and legal responsibilities to the Indian people.

H.R. 4600 would revise and extend, for 3 years, the Indian Health Care Improvement Act. This legislation was first enacted in 1976 to raise the health status of American Indians and Alaska Natives to the level of the general U.S. population.

While there has been an improvement in the health status of Native Americans over the last 10 years, much remains to be done. In a recent report, the Office of Technology Assessment found that Indians still suffer from mortality rates that are higher than the national average. According to OTA, the most recent available data show that death rates were higher among Indians for liver disease, pneumonia, diabetes, kidney disease, homicide, suicide, among others. The Indian death rate from tuberculosis—a preventable disease that is almost unknown except among the homeless and Asian refugees—is seven times that of the U.S. population.

Clearly, this is an unacceptable situation. H.R. 4600 offers some remedies. It creates a framework within which the Federal Government can help the tribes to improve the health status of their people.

H.R. 4600 represents a compromise between bills reported out last May by the Interior Committee and the Energy and Commerce Committee. It contains most of the provisions reported out by each committee, with one major exception: the authorization levels have been cut by 70 percent. Total authorizations in H.R. 4600 for the 3-year period are only $99.1 million.

This is the absolute base minimum that both committees can, in good conscience, recommend. The Native American population is desparately poor. The poverty rate among American Indians is more than twice as high as that among the U.S. population as a whole. In 1980, a staggering 45 percent of Indians living on reservations were poor. While some tribes may be the beneficiaries of oil or mineral wealth, this is a population that for the most part lacks the resources necessary to assure decent health status.

Chairman Udall has already summarized the provisions in this bill. I would only note that the provisions authorized by the Energy and Commerce Committee are more fully explained in House Report 99-94, part 2.

I want to take a minute to highlight one provision of particular consequence.

First, the bill would extend current programs for health professions recruitment and education, in order to increase the supply of Indian physicians, dentists, nurses, and other health professionals. The OTA study found that the Indian Health Service is already badly understaffed, with 1,500 health professions positions unfilled in 1985. Without continued development of Indian health professionals, it will be even more difficult for the IHS to provide needed care to Indians living in remote areas where medical personnel are in short supply.

Second, the bill would establish a Health Care Improvement Fund, authorized at $10 million in fiscal year 1988 and $10 million in fiscal year 1989. The purpose of this fund is to identify the tribes with the greatest deficiencies in health care resources, and to target additional funds to those tribes. The OTA study found that the current allocation of IHS hospital and clinic funds among different tribes and different areas is inequitable. H.R. 4600 will not remedy this misallocation. It does not authorize any reallocation of base funding. However, it does require the IHS to rank the tribes by level of deficiency, and it does allow the Appropriations Committee to begin to direct additional resources to those that are worst off.

The bill would reauthorize the urban Indian health program, which provides outpatient health care and referral services to some 400,000 Indians through clinics in 37 different cities throughout the country. Eight of these projects are in California, which has the largest urban Indian population of any State, and more than one-fourth of all the urban Indians in the country. While the urban projects get much of their funding from other sources, such as private insurance, Medicare, and Medicaid, they would not be able to survive without the core funding that this program provides. H.R. 4600 would reauthorize the program at basically current services levels: $10 million in fiscal year 1987, $10.5 million in fiscal year 1988, and $11 million in fiscal year 1989.

Before concluding, I want to respond to the administration's criticism of section 704, which clarifies the eligibility of California Indians. The sole purpose of this section is to codify current IHS policy and practice with regard to who is eligible for IHS-funded services in California. This provision does not, and is not intended to, expand the number of Indians eligible for services in California. It is, however, explicitly designed to prevent the Department from stripping over 45,000 California Indians of their eligibility for health care by administrative fiat.

The numbers say it all. According to the Census Bureau, there are about 215,000 Indians living in California—more than in any other State. Of these, the IHS now considers only about 72,000 eligible for its services in California. That's only about one-third of all the Indians in the State. The proposed IHS regulations, which I understand are soon to be published, would deny even more Indians access to IHS-funded services, by limiting eligibility to roughly 24,000.

The IHS gives only one rationale for this drastic change in policy: Indian health funds are limited, so eligibility must be tightened. This is flatly unacceptable.

In its study, the OTA found that more specific eligibility criteria are needed. It is precisely that specificity that section 704 of this bill provides. Four discreet categories of California Indians are identified as eligible for IHS services: First, members of federally recognized tribes; second, descendants of California Indians who are members of the Indian community served by the IHS and who are regarded as Indians by that community; third, holders of certain trust interests; and fourth, individuals listed for distributions of certain rancheria and reservation assets. Those who meet these criteria are eligible for IHS services. Those who do not, are not.

The language of this provision is exactly the same as the language that was approved by both the House and the Senate 2 years ago.

The provision does not increase the number of Indians eligible for IHS services in California.

It will not require an increase in the amount of IHS funds allocated to the California area office.

It does not increase the cost of the bill.

All that it does is codify current eligibility policy and practice in order to prevent the Department from denying some 45,000 California Indians access to IHS-funded services.

Let me conclude with a few observations about this bill.

It has bipartisan support, because the health of Indians is not a partisan issue.

This bill has the support of Indian tribes.

Its cost to the Federal Government is trivial, but its importance to the Indian people is great.

Finally, this bill is long overdue. The Indian Health Care Improvement Act expired in 1984. The Appropriations Subcommittee on Interior, under the committed leadership of Mr. Yates, has nonetheless continued funding for some of these authorities. Obviously, we cannot expect this arrangement to continue indefinitely. The time for moving forward with this reauthorization is now.

I urge you to vote to suspend the rules and pass H.R. 4600.

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Mr. McCAIN. Mr. Speaker, I yield myself as much time as I may consume.

I rise in strong opposition to the placing of H.R. 4600 on the Suspension Calendar. The Indian Health Care Improvement Act was enacted in 1976, and I quote, in "response to documented deficiencies in the health status of the Indian people * * *. In the view of the committee, the Federal Government has a legal and moral responsibility to assure that the health status of the Indian people is at parity with that of the general U.S. population." Mr. Speaker, those are lofty sentiments which I share. Those words are from the Committee on Energy and Commerce report on H.R. 1426—the bill we should in all good conscience be considering today. Instead, for several reasons I shall outline, we are considering H.R. 4600, a mere shadow of H.R. 1426, and of the original Indian Health Care Improvement Act. Therefore, Mr. Speaker, I must adamantly oppose consideration of this legislation on the Suspension Calendar.

As chairman of the Republican Task Force on Indian Affairs and from first-hand experience visiting Indian reservations, I know all too well the health status of Indian tribes and their people. Based on the Constitution, historical development, treaties, and statutes, the United States has a legal obligation to provide adequate health care and services to the Indian tribes and their members. It is an obligation we have not fulfilled. Instead, H.R. 4600 would actually send a signal to Indian tribes—a message that Congress no longer believes it has a duty to Indian tribes.

I don't believe that this is the intent of Chairman Udall and the members of the Interior Committee. We reported out a responsible piece of legislation, H.R. 1426, which clearly delineated what we believed were the priorities in Indian health and directions for the administration to follow in providing health care of Indian tribes. H.R. 1426 is a fine piece of legislation based on over 3 years of hearing, markups, and floor consideration. It is an improved version of the legislation vetoed by the President in the last days of the 98th Congress.

H.R. 4600 is a "gutted" version of the Indian health care amendments, and was done only for the purpose of meeting the House rules for getting on the Suspension Calendar. Let me illustrate—H.R. 1426 elaborately authorizes $352 million for Indian health programs over a 4-year period, H.R. 4600 authorizes $99.2 million over 3 years, and some authorizations are much too low to address real problems. For example, under the provisions of H.R. 4600, $6 million are authorized for the catastrophic fund. H.R. 1426 authorizes a fund of $12 million and amounts necessary to annually maintain the fund at $12 million. The purpose of the fund is to meet "extraordinary medical costs associated with the treatment of the victims of disasters or catastrophic illness." Again, I am quoting the Energy and Commerce Committee report. Mr. Speaker, the catastrophic provision in H.R. 4600 is a joke on the Indian people—it provides no catastrophic protection for these emergencies.

The question I have to ask, Mr. Speaker, is why? Why gut a bill to be on the Suspension Calendar? Why not allow the House the opportunity to debate and vote on any disagreements Members may have concerning different versions of H.R. 1426?

Mr. Speaker, I believe H.R. 4600 was formulated to avoid debate and a vote on what are referred to as the California eligibility issues. It is not a minor issue, as certain Members would have it. And the "Dear Colleague" letter put out by Messrs. Waxman and Udall was incorrect about the administration's opposition to H.R. 4600. They stated that the President's veto statement cited two provisions as the reason for the veto in the 98th Congress. The President cited two major items and five other contributing items, including the California eligibility issue and please note that the ad-

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ministration has again sent a veto signal.

Let me briefly state why I oppose a change in the current law on California eligibility:

Indian tribes oppose the provisions—the National Tribal Chairman's Association and Indian tribes from Arizona, New Mexico, New York, Montana, Minnesota, Oklahoma, Washington, Oregon, North Carolina, and even California have contacted me about their opposition to these eligibility issues.

The Waxman provisions would allow Federal health benefits to thousands of persons who are not truly Indians and thus make it difficult for real Indians and tribes to achieve the stated goals of this legislation and the committee reports.

The Waxman provisions would provide a precedent for many individuals nationally to receive Federal funding without a historical or legal claim to those services, unlike tribes.

The Waxman provisions would change the basis for Federal/tribe relations from a political government-to-government basis to one based on race, which may, as a suspect classification, be subject to a constitutional challenge. I greatly fear that a "Bakke type" decision of reverse discrimination may result. Such a decision could endanger all Indian programs.

Mr. Speaker, these are just a few of my objections to the Waxman California issues and provisions. My objection today is that we, as a deliberative body, will not have the opportunity to debate and vote on these issues. In the Interior and Insular Affairs Committee we did debate and vote—and we voted these provisions out of H.R. 1426. I believe that the House would do likewise, if allowed to. However, we are not allowed such a debate. I strongly object to avoiding this issue. We are doing a disservice to the Indian people. We are giving the majority of Indian people only half a loaf to protect a group of people that do not have Federal recognition. In doing that we make a mockery of everything we do concerning Indians in which we require that there be Federal recognition. It is an insult to the intelligence of Indian tribes across the Nation. Therefore, Mr. Speaker, I oppose H.R. 4600 and I urge my colleagues to do likewise.

Mr. RANGEL. Mr. Speaker, I rise in support of H.R. 4600, the "Indian Health Care Amendments Act of 1986." As chairman of the Select Committee on Narcotics Abuse and Control, I would like to focus my remarks on title VII, section 702, "Juvenile Alcohol and Drug Abuse."

Drug and alcohol abuse among our adolescent population has reached epidemic proportions. The National Institute on Drug Abuse's annual survey of high school seniors indicates that more than 60 percent of the students surveyed had used drugs. While only a few studies have focused on subgroups of minority students, the available evidence indicates that drug involvement among Indian youth is very high, particularly for marijuana, alcohol, inhalants and stimulants.

Moreover, although the treatment admission information available is also very limited, indications are that the ratio of treatment in the Nation per 100,000 population is greater for American Indians than whites. The most commonly reported drugs of abuse are heroin, marijuana, PCP, and "other"—usually designating inhalants.

The need for drug abuse prevention and education programs—now commonly referred to as "demand reduction" strategies—across the Nation is generally accepted. I have attempted to address this problem in H.R. 4155, the "Drug Abuse Education Act of 1986." In order to provide such programs for Indian youth, several additional obstacles must be addressed. Section 702 begins to address the problem of providing drug and alcohol education and prevention programs for Indian youths by responding to some of those barriers.

First, no agency is designated to provide alcohol and drug abuse education for Indian youth. Rather, the responsibilities are dispersed among three agencies—the Department of Health and Human Services (Indian Health Service), the Department of the Interior (Bureau of Indian Affairs), and the Department of Education. Section 702, addresses the problem of coordination by mandating that the Secretary of Health and Human Services enter into an agreement with the Secretary of the Interior and the Secretary of Education to coordinate the efforts of their Departments related to alcohol and drug abuse among Indian juveniles. The agreement will provide for the identification and coordination of available resources and programs to combat Indian juvenile alcohol and drug abuse through prevention, education, counseling, and referral.

A second barrier to drug and alcohol education and prevention programs for Indian youth is the lack of teachers and counselors trained to deal with these problems. Section 702 also requires the three Secretaries to develop a program to provide training in preventive education, identification of abusers, and counseling techniques. This training would be made available to teachers and counselors in BIA schools, schools under BIA contract, and public schools on or near Indian reservations.

Third, essential to good programming and an effective response is an understanding of the problem and an awareness of what has worked. Accordingly, section 702, requires that the BIA, in consultation with the Indian Health Service review the relevant literature, including the literature on school curricula. This information would then be made available to the appropriate schools.

Fourth, section 702, addresses the problem of implementation. It provides for the establishment of an Office of Alcohol and Drug Abuse within the Service. This office would be responsible for all Indian Health Service alcohol and drug abuse programs.

I would, however, emphasize that section 702 is just a first step in the fight against drug and alcohol abuse among Indian youth. Accordingly, it does not eliminate the need for comprehensive legislation such as H.R. 1156, the "Indian Juvenile Alcohol and Drug Abuse Prevention Act." This legislation, which I am proud to cosponsor, was introduced by the gentleman from Nebraska. It provides not only for drug and alcohol abuse education for Indian youth, but for treatment and rehabilitation, family services, and crisis intervention. By addressing the problems of resource coordination, teacher training, and the assessement of available information, section 702 lays the groundwork for such a comprehensive approach.

At this time, I would like to endorse strongly section 702 of H.R. 4600. Drug and alcohol abuse education and prevention programs for Indian youth are a special and critical need. Section 702 provides the necessary foundation from which we can begin to confront this problem. I would urge my colleagues to support this measure.

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Mr. UDALL. Mr. Speaker, I have no further requests for time, and I yield back the balance of my time.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Arizona [Mr. UDALL] that the House suspend the rules and pass the bill, H.R. 4600, as amended.

The question was taken.

Mr. McCAIN. Mr. Speaker, on that I demand the yeas and nays.

The yeas and nays were ordered.

The SPEAKER pro tempore. Pursuant to clause 5 of rule I, and the Chair's prior announcement, further proceedings on this motion will be postponed.

YOUNG ASTRONAUT PROGRAM MEDAL ACT

Mr. ANNUNZIO. Mr. Speaker, I move to suspend the rules and pass the bill (H.R. 2578) to provide for the striking of medals to commemorate the Young Astronaut Program.

The Clerk read as follows:

H.R. 2578

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SHORT TITLE

SECTION 1. This Act may be cited as the "Young Astronaut Program Medal Act".

MEDALS

SEC. 2. (a) In commemoration of the Young Astronaut Program and its educational objectives, the Secretary of the Treasury shall strike and deliver to the Young Astronaut Council not more than 750,000 medals with suitable emblems, devices, and inscriptions to be determined by the Secretary after consultation with the Council and the Commission of Fine Arts.

(b) The medals, which may be disposed of by the Council at a premium, may be delivered at such times as may be required by the Council in quantities of not less than 2,000, except that no medals shall be struck by the Secretary after December 31, 1987.

COSTS

SEC. 3. (a) The Secretary shall cause such medals to be struck and delivered at not less than the cost of manufacturing such medals (including labor, materials, dies, use of machinery, and overhead expenses) plus a surcharge equal to 10 percent of such cost of manufacturing.

(b) Security satisfactory to the Director of the Mint shall be furnished to indemnify the United States for full payment of such costs.

METAL CONTENT

SEC. 4. The medals authorized to be struck and delivered under this Act shall be struck in gold, silver, and bronze and in such size or sizes as shall be determined by the Secretary in consultation with the Council.

NATIONAL MEDALS

SEC. 5. The medals provided for in this Act are national medals for purposes of chapter 51 of title 31, United States Code.

EXAMINATION OF RECORDS

SEC. 6. The Comptroller General of the United States shall have the right to examine all books, documents, and other records of the Council which are related to the medals authorized under this Act, including all books, documents, and records regarding the marketing of such medals.

DEFINITIONS

SEC. 7. for purposes of this Act—

(1) the term "Council" means the Young Astronaut Council; and

(2) the term "Secretary" means the Secretary of the Treasury.

The SPEAKER pro tempore. Pursuant to the rule, a second is not required on this motion.

The gentleman from Illinois [Mr. ANNUNZIO] will be recognized for 20 minutes and the gentleman from Indiana [Mr. HILER] will be recognized for 20 minutes.

The Chair recognizes the gentleman from Illinois [Mr. ANNUNZIO].

Mr. ANNUNZIO. Mr. Speaker, I yield myself such time as I may consume.

GENERAL LEAVE

Mr. ANNUNZIO. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks on the bill, H.R. 2578.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Illinois?

There was no objection.

Mr. ANNUNZIO. Mr. Speaker, last May I introduced H.R. 2578, the Young Astronaut Program Medal Act. The legislation authorizes the U.S. Mint to strike medals commemorating the Young Astronaut Program. The medals would be sold to the nonprofit Young Astronaut Council at cost, plus a 10-percent surcharge. The council in turn will sell the medals to raise money to help fund the program.

The Young Astronaut Program seeks to prepare young people to meet the vast challenges that a technological future presents. Its curriculum stresses math and science concepts and is a valuable tool for elementary and secondary school teachers. The program will help make them better citizens and increase their skills in math and science.

As a former teacher in the Chicago high schools, I wholeheartedly agree with the objectives of the program. I am sure that the American people will continue to cooperate with the Young Astronaut Program, and that its achievements will reach the highest level.

Last September the council launched its "decade of discovery." This marks an exciting period during which the council will help our Nation's schoolchildren meet the challenges of today's emerging technology. The program will assure that America maintains its position as the world leader in science and technology.

Unfortunately, our children are woefully ill prepared for the future. They must master computers, lasers, robots, and microwaves: They must understand advanced math, physics, electronics, and the rest. This will be absolutely essential in the next decade: Otherwise they won't be able to operate the everyday equipment of the future.

We trail other industrialized nations in our relative lack of emphasis, curricula, and teaching of math and science. The National Institute of Education has concluded that the United States has less higher-skilled manpower than an information based, high technology society requires for the future. The Young Astronaut Program will help correct this deficiency.

To assist the council in meeting this goal and to commemorate the "decade of discovery," H.R. 2578 authorizes the U.S. Mint to strike up to 750,000 gold, silver, and bronze medals for the council to sell to the public. The council will pay the Mint for the cost of manufacture plus a 10-percent surcharge. The proceeds from the sales to the public will help the council fulfill its goal of having a Young Astronaut Program in every elementary and junior high school in America.

The terrible disaster that befell the Space Shuttle *Challenger* on January 28 was particularly disturbing to our Nation's schoolchildren. They had eagerly looked forward to hearing the first teacher in space give science lessons in space from the shuttle. Though their sense of loss is deep, their interest in space remains unquenched.

These medals and the program they commemorate and support are an appropriate memorial to the six astronauts and the teacher who rode with them on the brief and tragic final journey of the *Challenger*.

H.R. 2578 is cosponsored by 223 Members of the House. One of the House sponsors is the distinguished gentleman from Florida [Mr. NELSON] who serves as honorary vice chairman of the Young Astronaut Council. As we all know, Congressman NELSON has flown on the space shuttle, and I commend him for the time and effort he has put into the Young Astronaut Program. All the cosponsors recognize that this program, at no cost to the Federal Government, will help meet an important national educational goal.

Our children still look to space and space exploration for inspiration and wonder. The Young Astronaut Program capitalizes on that excitement to give them the math and science skills to reach the stars they gaze at. Passage of H.R. 2578 will help them fullfill the dream.

Mr. HILER. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I join Chairman ANNUNZIO in support of H.R. 2578, the Young Astronaut Program Medal Act.

This bill provides for the U.S. Mint to strike up to 750,000 medals for the Young Astronaut Council. The council will use these medals to raise additional funding for the Young Astronaut Program, as well as to help establish the credibility of the program. Since the Young Astronaut Council will purchase these medals from the Treasury at cost plus a 10-percent surcharge and will put up sufficient collateral to cover costs, this medal program will not cost the American taxpayer a cent.

Mr. Speaker, the Young Astronaut Council has embarked on an important mission that deserves our strongest support. The Young Astronaut Program, which the council administers, encourages American schoolchildren to reach for the stars through mastery of the science and math skills necessary to meet the challenges of a high-tech society.

Many American children now shrink away from math and science classes. Like the ostrich that hides its head in the sand to escape something it does not want to face, many of our young people hide their heads in the easy school courses to escape the rigors of math and science. This attitude on the part of our youth cannot be allowed to continue. If we do not adopt initiatives to encourage the mastery of the academic skills that underpin a high-tech society, our Nation will cease to prosper in a world increasingly dominated by technology.

The Young Astronaut Program is an important initiative which seeks to turn around this untenable situation. And although the program is less than 2 years old, it appears to be making progress toward realizing this goal.

I was particularly impressed by the testimony of a schoolgirl from Takoma Park, MD, who recently appeared before the Consumer Affairs and Coinage Subcommittee in support of the Young Astronaut Program Medal Act. This young lady recounted how she used to dislike the study of

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science. Math was not one of her favorite subjects either. Then through her school, she become involved in the Young Astronaut Program, which uses the excitement of the space program to generate interest in the study of math and science. As a result of this program, science actually become her favorite subject. She now feels better about math too. I am confident that as this program is extended throughout our country, many other schoolchildren will have similar stories to tell.

Mr. Speaker, I am pleased to say that the U.S. Congress is not the only Government entity taking an interest in this meritorious program. For example, in my own State of Indiana, Gov. Robert Orr proclaimed September 30, 1985, as Young Astronaut Day. This day was selected because it is the anniversary date of the establishment of NASA.

And so today, I call upon my colleagues in the House of Representatives to join Chairman ANNUNZIO and me in support of the Young Astronaut Program Medal Act. The launching of this medal program represents a small step toward preserving and promoting our prosperity in a world pervaded by technology, but it is an important one.

Mr. ANNUNZIO. Mr. Speaker, I yield whatever time he may consume to the distinguished gentleman from Florida [Mr. NELSON].

Mr. NELSON of Florida. Mr. Speaker, I thank the chairman for yielding.

Both the gentleman from Indiana and the gentleman from Illinois have spoken about the enthusiasm that is pervasive in the schools, and this is such an accurate statement. We were concerned right after this national tragedy that we all participated in whether or not it was going to have some kind of psychological scar on the school students all across this Nation.

My own personal experience, having been into a number of schools all across this land, is that it is exactly the opposite. The fact is just what the gentleman has said; the enthusiasm has come to the fore, and that is bound to have an effect as we realize we must make up for the deficiencies in math and science and the production of numbers of engineers that we have to have for the future of America, so much of which that future is going to depend on high tech.

Therefore, Mr. Speaker, it is my privilege to be here to join in helping to support this legislation.

My colleagues, Senator JOHN GLENN, Senator JAKE GARN, and I, are the honorary vice chairmen of the National Young Astronaut Program, so it is my delight to be here to thank both of these gentlemen for their initiative and their leadership in striking this medal in commemoration of the Young Astronaut Program.

Mr. ANNUNZIO. Mr. Speaker, I have no further requests for time, and I yield back the balance of my time.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Illinois [Mr. ANNUNZIO] that the House suspend the rules and pass the bill, H.R. 2578.

The question was taken; and (two-thirds having voted in favor thereof) the rules were suspended and the bill was passed.

A motion to reconsider was laid on the table.

□ 1300

Mr. ANNUNZIO. Mr. Speaker, I ask unanimous consent for the immediate consideration of the Senate bill (S. 1952) to provide for the striking of medals to commemorate the Young Astronaut Program.

The Clerk read the title of the Senate bill.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Illinois?

There was no objection.

The Clerk read the Senate bill, as follows:

S. 1952

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SHORT TITLE

SECTION 1. This Act may be cited as the "Young Astronaut Program Medal Act".

MEDALS

SEC. 2. (a) In commemoration of the Young Astronaut Program and its educational objectives, the Secretary of the Treasury shall strike and deliver to the Young Astronaut Council not more than 750,000 medals with suitable emblems, devices, and inscriptions to be determined by the Secretary after consultation with the Council and the Commission of Fine Arts.

(b) The medals, which may be disposed of by the Council at a premium, may be delivered at such times as may be required by the Council in quantities of not less than 2,000, except that no medals shall be struck by the Secretary after December 31, 1987.

COSTS

SEC. 3. (a) The Secretary shall cause such medals to be struck and delivered at not less than the cost of manufacturing such medals (including labor, materials, dies, use of machinery, and overhead expenses) plus a surcharge equal to 10 percent of such cost of manufacturing.

(b) Security satisfactory to the Director of the Mint shall be furnished to indemnify the United States for full payment of such costs.

METAL CONTENT

SEC. 4. The medals authorized to be struck and delivered under this Act shall be struck in gold, silver, and bronze and in such size or sizes as shall be determined by the Secretary in consultation with the Council.

NATIONAL MEDALS

SEC. 5. The medals provided for in this Act are national medals for purposes of chapter 51 of title 31, United States Code.

EXAMINATION OF RECORDS

SEC. 6. The Comptroller General of the United States shall have the right to examine all books, documents, and other records of the Council which are related to the medals authorized under this Act, including all books, documents, and records regarding the marketing of such medals.

DEFINITIONS

SEC. 7. For purposes of this Act—

(1) the term "Council" means the Young Astronaut Council; and

(2) the term "Secretary" means the Secretary of the Treasury.

The Senate bill was ordered to be read a third time, was read a third time, and passed, and a motion to reconsider was laid on the table.

A similar House bill, H.R. 2578, was laid on the table.

FEDERAL WORKERS, MEMBERS FACE DUAL RETIREMENT DEDUCTIONS

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Michigan [Mr. FORD] is recognized for 5 minutes.

Mr. FORD of Michigan. Mr. Speaker, I rise to alert my colleagues to the fact that Federal employees—and Members of Congress as well—will, in effect, have their pay cut midnight Wednesday unless there is an agreement between this body and the Senate on a new supplemental retirement plan.

If we are unable to agree, those Federal employees hired after December 31, 1983, and Members will be covered both by Social Security and the Civil Service Retirement System. In effect, this will amount to a pay cut of almost 6 percent.

Congress, in 1983, passed legislation to extend Social Security to all Federal employees hired after December 31 of that year. The extension of Social Security coverage required that Congress develop a new retirement system for new workers and coordinate it with Social Security.

The Committee on Post Office and Civil Service moved quickly and responsibly to develop such a plan, realizing that here was a golden opportunity to create a new pension system with the best features found in the private sector.

With this in mind, the committee employed Hay Associates, one of the Nation's most prestigious consulting firms in the area of private pension plans. At the same time, the committee asked the Congressional Research Service to conduct an exhaustive analysis of the key issues involved to help us put together this new system.

Next, the committee held several days of hearings and heard testimony from dozens of pension experts, personnel managers, and union representatives.

The result was H.R. 3660, the Federal Civil Service Supplemental Retirement System Act, which passed the committee last fall.

As chairman of the committee, Mr. Speaker, I want to say that I believe that the understanding we have with the Senate on this bill is eminently fair and reasonable and a sound approach to melding two separate retirement

systems into one. To achieve this, the committee worked long and hard, with able assistance from Congresswoman MARY ROSE OAKAR and Congressman GENE TAYLOR.

For months now, our committee has had discussions with the other body in an attempt to reconcile our differences.

The reason we are in this dilemma, I am told, is that the administration, which, for 5 years, has waged a war on Federal employees and retirees, insists on further reducing the cost—and hence the benefits—of the retirement system, ignoring the fact that Members of both the House and Senate with many, many years of experience in these matters have reached an informal agreement.

I want to point out that we already have reduced the cost. The plan we have under consideration would be less than 23 percent of payroll, compared to 25 percent under the current system.

Moreover, the cost to the Government will be 31 percent if we fail to reach agreement by midnight Wednesday.

This is indeed a complicated issue. And this is why, early on, we sought the assistance of Hay and the Congressional Research Service. I think now for the administration to play the role of obstructionist in an area that we have explored carefully and responsibly is unconscionable.

We have done our job. We have developed a fair and sensible plan. And we have reached an informal agreement with the other side. Given both the economics and the politics of the problem, this was no simple task.

Outside of the administration, there simply is no consensus to cut economic corners anymore.

Mr. Speaker, I bring up the matter only to alert my colleagues—and to remind them that whatever onus there is rests entirely on the shoulders of the administration.

I include here a copy of a letter I have written to Senator WILLIAM ROTH. I certainly hope that, before the deadline, we can resolve this problem.

COMMITTEE ON POST OFFICE
AND CIVIL SERVICE,
Washington, DC, April 23, 1986.

Hon. WILLIAM V. ROTH, JR.,
Chairman, Committee on Governmental Affairs, U.S. Senate, Washington, DC.

DEAR MR. CHAIRMAN: As you know, our committees have been working diligently for several months trying to reach an agreement on a new retirement system for Federal workers whose service after December 31, 1983, is covered by social security.

Even though we have an informal understanding concerning most of the major provisions of the new retirement system, the conferees have not yet been able to meet and finalize an agreement. I am informed that the main reason for the continuing delay in resolving this issue is the Administration's desire to further reduce the cost of the retirement system.

The cost to the government of the retirement plan we have under consideration would be less than 23%, lower than the 25% cost of the current system and significantly less than the 31% of pay it will cost the government if we fail to reach agreement by midnight April 30, 1986.

Both the House and Senate Budget Committees are anticipating significant savings of $9 billion dollars over five years if we enact the new system under consideration. All of these savings will be lost if we do not meet our deadline and hundreds of thousands of Federal employees, including Members, will have their salaries reduced dramatically to pay for "double coverage".

I, therefore, request a meeting of the conferees so that both sides can have an opportunity to vote on a new system before the deadline.

A temporary delay or extension of the interim system is not a desirable option as we have expended an enormous amount of time and energy on our agreement.

Therefore, dual coverage will take effect on May 1 unless we can reach a final agreement in the next few days. I think you will agree that double coverage would be a most unfortunate result after all our efforts.

I feel constained, therefore, to alert the House leadership that double coverage at this point appears to be a very real possibility.

With kind regards,
Sincerely,
WILLIAM D. FORD, *Chairman.*

CHILD ABUSE—A NATIONAL PROBLEM

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Florida [Mr. NELSON] is recognized for 5 minutes.

Mr. NELSON of Florida. Mr. Speaker, the month of April has been designated as "National Child Abuse Prevention Month." Too often we hear of incidents of child abuse occurring in our Nation today. Just one episode of child abuse is one too many, and it is our duty, as responsible adults, to make our children aware of this abhorrent problem so that they may protect themselves from this atrocity.

Child abuse occurs regardless of one's economic, race, and ethnic boundaries. Often the abusive parent was an abused child and, therefore, it is critical to provide help to the parent as well as to the abused child in order to break the cycle of abuse.

Now more than ever we are hearing about incidents of child abuse, because for the first time, the problem has been formally identified due to the long awaited attention it has received. Self-help groups have been formed around the country so that parents as well as abused children can receive much needed assistance. Parents can receive guidance from Parents Anonymous, a self-help group with a 24-hour hotline for parents in crisis. The toll-free number is 800–663–3520. In addition, the National Committee for Prevention of Child Abuse has chapters throughout the country. The main address is 332 South Michigan Avenue, Suite 1250, Chicago, IL 60604, telephone 312–663–3520.

In my own State of Florida, the 1985 legislature passed the Child Abuse Prevention Training Act of 1985, to provide assistance to school personnel in the identification and prevention of child abuse. This act also provides for training centers to provide information on prevention and assistance to local community personnel. I think it is vital that our Nation's schools and community officials be aware of this problem, for school officials spend quality time with our children, and should be trained to assist in the prevention of child abuse. Mr. Speaker, I am a cosponsor of several bills which would enforce strict penalties on child abusers and enact child protection reforms in our legal system for the abused child. In addition, I will continually offer my support, as should my colleagues, to the needs of the abused child.

SPECIAL ORDERS GRANTED

By unanimous consent, permission to address the House, following the legislative program and any special orders heretofore entered, was granted to:

(The following Members (at the request of Mr. ANNUNZIO) to revise and extend their remarks and include extraneous material:)

Mr. FORD of Michigan, for 5 minutes, today.

Mr. NELSON of Florida, for 5 minutes, today.

Mr. ANNUNZIO, for 5 minutes, today.

EXTENSION OF REMARKS

By unanimous consent, permission to revise and extend remarks was granted to:

(The following Members (at the request of Mr. HILER) and to include extraneous matter:)

Mr. DIOGUARDI in two instances.
Mr. RINALDO.
Mr. MICHEL.
Mr. BEREUTER in three instances.
Mr. FIELDS.

(The following Members (at the request of Mr. ANNUNZIO) and to include extraneous matter:)

Mr. YATRON.
Mr. FLORIO.
Mr. ANDERSON in 10 instances.
Mr. GONZALEZ in 10 instances.
Mr. BROWN of California in 10 instances.
Mr. ANNUNZIO in 8 instances.
Mr. JONES of Tennessee in 10 instances.
Mr. BONER of Tennessee in 5 instances.
Mr. RANGEL.
Mr. ROE.
Mr. BREAUX.

ADJOURNMENT

Mr. ANNUNZIO. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 1 o'clock and 3 minutes p.m.), the House adjourned until tomorrow, Tuesday, April 29, 1986, at 12 o'clock noon.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of rule XXIV, excutive communications were taken from the Speaker's table and referred as follows:

3371. A letter from the Secretary of Agriculture, transmitting a draft of proposed

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legislation to repeal the Federal Seed Act and a related provision of the Federal Noxious Weed Act; to the Committee on Agriculture.

3372. A letter from the Acting Director, Defense Security Assistance Agency, transmitting notification of the Department of the Navy's proposed letter of offer to Portugal for defense articles estimated to cost in excess of $50 million (Transmittal No. 86-33), pursuant to 10 U.S.C. 133b (96 Stat. 1288); to the Committee on Armed Services.

3373. A letter from the Secretary of Education, transmitting notification of final funding priorities for NIHR-research fellowships, pursuant to 20 U.S.C. 1232(d)(1); to the Committee on Education and Labor.

3374. A letter from the Secretary of Labor, transmitting a report on the enforcement activities under Fair Labor Standards Act for the period of October 1, 1984, through September 30, 1985, and other activities for the period of January 1, 1985, through December 31, 1985, pursuant to 29 U.S.C. 204(d)(1); to the Committee on Education and Labor.

3375. A letter from the Secretary of Agriculture, transmitting a report on activities under the Youth Conservation Corps Act, pursuant to Public Law 92-597, section 5; to the Committee on Education and Labor.

3376. A letter from the Acting Director, Defense Security Assistance Agency, transmitting notification of the Department of the Navy's proposed letter of offer to Portugal for defense articles and services estimated to cost $216 million (Transmittal No. 86-33), pursuant to 22 U.S.C. 2776(b); to the Committee on Foreign Affairs.

3377. A letter from the Chairman, Interstate Commerce Commission, transmitting the 1985 annual report on the Commission's compliance with the laws relating to open meetings of agencies of the Government (Government in the Sunshine Act), pursuant to 5 U.S.C. 552b(j); to the Committee on Government Operations.

3378. A letter from the Acting Chairman, Merit Systems Protection Board, transmitting the sixth annual report on the MSPB appeals decisions for fiscal year 1985, pursuant to 5 U.S.C. 1205(a)(3); to the Committee on Post Office and Civil Service.

3379. A letter from the Assistant Secretary of Army (Civil Works), transmitting the national hydroelectric power resources study, pursuant to Public Law 94-587, section 167(b); to the Committee on Public Works and Transportation.

3380. A letter from the Chairman of the Board of Directors, U.S. Institute of Peace, transmitting a draft of proposed legislation to amend the U.S. Institute of Peace Act (Public Law 98-525) in order to provide authorization for appropriations for fiscal years 1987 and 1988; jointly, to the Committee on Education and Labor and Foreign Affairs.

3381. A letter from the Secretary of State, transmitting a report on the Foreign Service minority recruitment program, pursuant to 22 U.S.C. 3905(d); jointly, to the Committees on Foreign Affairs and Post Office and Civil Service.

3382. A letter from the Secretary of Health and Human Services, transmitting the annual report on the aid to families with dependent children [AFDC] homemaker/home health aide demonstration, pursuant to 42 U.S.C. 632a; jointly, to the Committee on Ways and Means and Energy and Commerce.

3383. A letter from the Comptroller General of the United States, transmitting the study of the Health Care Financing Administration's ability to manage competitive bidding for agreements and contracts under sections 1816 and 1842 of the Social Security Act (GAO-HRD-86-48), pursuant to Public Law 98-369, section 2326(e)(2) (98 Stat. 1088); jointly, to the Committee on Government Operations, Ways and Means, and Energy and Commerce.

3384. A letter from the Comptroller General of the United States, transmitting a report entitled: "Nuclear Winter, Uncertainties Surround the Long-Term Effects of Nuclear War"; jointly, to the Committees on Government Operations, Armed Services, Foreign Affairs, and Science and Technology.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. UDALL: Committee on Interior and Insular Affairs. Senate Joint Resolution 187. Joint resolution designating Patrick Henry's last home and burial place, known as Red Hill, in the Commonwealth of Virginia, as a National Memorial to Patrick Henry (Rept. 99-557). Referred to the House Calendar.

SUBSEQUENT ACTION ON A REPORTED BILL SEQUENTIALLY REFERRED

Under clause 5 of rule X, the following action was taken by the Speaker:

The Committee on the Judiciary discharged from further consideration of H.R. 3559; H.R. 3559 referred to the Committee of the Whole House on the State of the Union.

PUBLIC BILLS AND RESOLUTIONS

Under clause 5 of rule X and clause 4 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. BREAUX:

H.R. 4690. A bill to require the Secretary of Commerce to promulgate emergency regulations with respect to conservation and management of redfish fisheries in the Gulf of Mexico, to impose a moratorium on fishing for redfish in the gulf until such regulations are promulgated, and to require the Secretary to conduct a research program with respect to such fisheries for purposes of developing a fishery management plan for redfish in the gulf; to the Committee on Merchant Marine and Fisheries.

By Mr. FUQUA (for himself, Mr. Lujan, Mr. Nelson of Florida, Mr. Walker, Mr. Volkmer, Mr. Boehlert, Mr. Ralph M. Hall, Mr. Packard, Mr. Mineta, Mrs. Meyers of Kansas, Mr. Andrews, Mr. Reid, Mr. Smith of New Hampshire, Mr. Gordon, Mr. Barton of Texas, Mr. Slaughter, and Mr. Monson):

H.R. 4691. A bill to authorize appropriations for the National Aeronautics and Space Administration, and for other purposes; to the Committee on Science and Technology.

By Mr. RANGEL (for himself and Mr. Gilman):

H.R. 4692. A bill entitled, the "Armed Drug Trafficking Act"; to the Committee on the Judiciary.

By Mr. STENHOLM:

H.R. 4693. A bill to authorize the Corps of Engineers to issue permits under the Clean Water Act and the River and Harbor Act for construction of a water resources project in the State of Texas; to the Committee on Public Works and Transportation.

By Mr. COBEY:

H.J. Res. 612. Joint resolution to designate the week beginning February 1, 1987, as "National VITA Week", to the Committee on Post Office and Civil Service.

By Mr. FRENZEL:

H. Res. 435. Resolution amending rule XLVI of the rules of the House to require greater economy in mass mailing and other uses of the frank by Members of the House, and for other purposes; to the Committee on Rules.

MEMORIALS

Under clause 4 of rule XXII, memorials were presented and referred as follows:

346. By the SPEAKER: Memorial of the Legislature of the State of Minnesota, relative to the Mississippi River National Heritage Corridor Act of 1986; to the Committee on Interior and Insular Affairs.

347. Also, memorial of the Senate of the State of Hawaii, relative to the completion of the Department of Energy's MOD-5B research wind turbine at Kahuku, HI; to the Committee on Science and Technology.

348. Also, memorial of the Senate of the State of Hawaii, relative to establishing satellite remote sensing receiving stations in Hawaii, Guam, and Midway; jointly, to the Committees on Merchant Marine and Fisheries and Science and Technology.

ADDITIONAL SPONSORS

Under clause 4 of rule XXII, sponsors were added to public bills and resolutions as follows:

H.R. 512: Mr. McCain.

H.R. 598: Mr. Gekas.

H.R. 880: Mr. Bates, Mr. Hayes, Mr. Ridge, Mr. Martinez, Mr. Fish, and Mr. Williams.

H.R. 1719: Mr. Dornan of California.

H.R. 2578: Mr. AuCoin.

H.R. 2860: Mr. Gekas.

H.R. 2943: Mr. Crane, Mr. Traxler, Mr. Dowdy of Mississippi, and Mr. Smith of New Hampshire.

H.R. 3000: Mr. Reid.

H.R. 3040: Mr. Wolpe, Mr. Boehlert, Mr. Gekas, and Mr. Horton.

H.R. 3222: Mr. Siljander.

H.R. 3521: Mr. Early, Mr. DeLay, Mr. Boland, Mr. Lott, Mr. Frenzel, Mr. Whittaker, Mr. Swift, Mr. Hatcher, Mr. Weber, Mr. de Lugo, Mr. Strang, Mr. Hammerschmidt, Mr. Spratt, Mr. Atkins, Mr. Solomon, Mr. Hutto, Mr. Ireland, Mr. Taylor, Mrs. Smith of Nebraska, Mr. Gray of Illinois, and Mr. Durbin.

H.R. 3817: Mr. Sisisky, Mr. Hunter, Mr. Savage, Mr. Lewis of Florida, Mr. Biaggi, Mr. Oberstar, Mr. Bevill, Mr. Hubbard, Mr. Lehman of California, Mrs. Boxer, and Mrs. Boggs.

H.R. 3835: Mr. Barnes.

H.R. 4025: Mr. Young of Missouri, Mr. Alexander, Mr. O'Brien, and Mr. Sundquist.

H.R. 4287: Mr. Kanjorski, Mr. Kildee, Mr. Scheuer, Mr. Clay, Mr. Weaver, Mr. Yatron, and Mr. Wirth.

H.R. 4304: Mr. Saxton.

H.R. 4311: Mr. Sabo, Mr. Wirth, Ms. Kaptur, Mr. Traxler, Mr. Torricelli, Mr. McCloskey, Mr. Foglietta, Mr. Russo, Mr. Hertel of Michigan, Mr. Barnes, Mr. Carr, and Mr. Borski.

H.R. 4442: Mr. Carney, Mr. Fields, Mr. Kolbe, Mr. Lewis of Florida, and Mr. Pursell.

H.R. 4485: Mr. Fazio, Mr. Scheuer, Mr. Lehman of Florida, Mr. Howard, Mr. Mrazek, Mr. Dellums, Ms. Kaptur, Mr. Russo, Mr. Weaver, Mr. Mitchell, Mrs. Collins, and Mr. Barnes.

H.R. 4568: Mr. Huckaby, Mr. Gilman, Mr. Ralph M. Hall, and Mr. de Lugo.

H.R. 4647: Mr. Stangeland.

H.R. 4653: Mr. Roberts.

H.J. Res. 297: Mr. Whitten, Mrs. Bentley, and Mr. Panetta.

H.J. Res. 475: Mr. Coelho, Mr. Kostmayer, Mr.. Tauzin, Mr. Miller of California, and Mr. Hamilton.

H.J. Res. 500: Mr. Hayes, Mr. Franklin, Mr. Saxton, Mr. Blaz, Mr. Callahan, Mr. Frost, Mr. Skelton, and Mr. Hansen.

H.J. Res. 510: Mr. McKinney, Mr. Derrick, Mr. Coleman of Texas, Mr. Pashayan, Mr. Jones of Tennessee, Mrs. Meyers of Kansas, Mr. Lewis of California, Mr. Torricelli, Mr. Bevill, Mr. Morrison of Washington, Mr. Shelby, Mr. Brown of California, Mr. Walker, and Mr. de Lugo.

H.J. Res. 531: Mr. Kasich, Mr. Bilirakis, Mrs. Lloyd, Mr. Vander Jagt, Mr. Gingrich, Mr. Dowdy of Mississippi, and Mr. Quillen.

H.J. Res. 533: Mr. Traxler, Mr. Perkins, Mr. Richardson, Mr. Jacobs, Mr. Dyson, Mr. Wilson, Mr. Gekas, Mr. Kemp, Mr. Sunia, Mr. Moorhead, Mr. Weiss, Mr. Green, Mr. Rose, Mr. Levin of Michigan, Mr. Staggers, Mr. Barnes, Mr. Towns, Mr. Conyers, Mr. Blaz, Mrs. Holt, Mr. Bevill, Mr. Ackerman, Mr. Reid, Mr. Boner of Tennessee, Mr. Borski, Mr. Boucher, Mr. Callahan, Mr. Nielson of Utah, Mr. Conte, Mr. Walgren, Mr. Bliley, Mr. Young of Alaska, Mr. Miller of Washington, Mr. Ritter, Mr. Kastenmeier, Mr. Solomon, Mr. Coats, Mr. Moakley, Mr. Coughlin, Mr. Fuster, Mr. Davis, Mr. Gunderson, Mr. Hall of Ohio, Mr. Hefner, Mr. Henry, Mr. Brooks, Mr. Robert F. Smith, Mr. Hunter, Mr. Guarini, Mr. Ireland, Ms. Kaptur, Mrs. Kennelly, Mr. Franklin, Mrs. Vucanovich, Mr. Hammerschmidt, Mr. Hayes, Mr. Daniel, Mr. Wirth, Mr. Duncan, Mr. Gray of Illinois, Mr. Chappell, Mr. Crockett, Mr. Markey, Mr. Roe, Mr. Donnelly, Mr. Solarz, Mr. AuCoin, Mr. Lagomarsino, Mr. Kolter, Mr. Murphy, Mr. Vento, Mr. Frank, Mr. Breaux, Mr. Boehlert, Mr. Daschle, Mr. Wolpe, Mr. Saxton, Mr. Erdreich, Mr. Bilirakis, Mr. Kramer, Mr. Carper, Mr. Murtha, Mr. Waxman, Mr. Martin of New York, Mr. Price, Mr. Hughes, Mr. Morrison of Connecticut, Mr. Lantos, Mr. Neal, Mr. Ortiz, Mr. DeWine, Mr. Bustamante, Mr. Coelho, Mr. Fuqua, Mr. Heftel of Hawaii, Mr. Hutto, Mr. Young of Missouri, Mr. Thomas of Georgia, Mr. de la Garza, Mr. Roybal, Mr. Wyden, Mr. Regula, Mr. Foley, Mr. Sisisky, Mr. Coyne, Mr. Howard, Mr. Chappie, Mr. Lent, Mr. Carney, Mrs. Lloyd, Mr. McHugh, Mr. Kostmayer, Mrs. Boxer, Mr. Dowdy of Mississippi, Mr. Akaka, Mr. Fauntroy, Mr. Feighan, Mr. Darden, Mr. Frenzel, Mr. Sabo, Mr. Bonior of Michigan, Mr. Matsui, Mr. Anthony, Mrs. Meyers of Kansas, Mr. Oberstar, Mr. Owens, Mr. Roberts, Mr. Savage, Mr. Stenholm, Mr. Anderson, Mr. Rowland of Georgia, Mr. Snyder, Mr. Yatron, Mr. Quillen, Mr. Wheat, Mr. Tallon, Mr. de Lugo, Mr. Schumer, Mr. Applegate, Mr. Taylor, Mr. Bedell, Mr. Gonzalez, Mr. Fish, Mr. Stokes, Mr. Gallo, Mr. Durbin, Mr. Smith of Iowa, Mr. Shelby, Mr. Shaw, Mr. Gejdenson, Mr. Spratt, Mr. Frost, Mr. Hansen, Mr. Hyde, Mr. Fowler, Mr. Yates, Mr. Wylie, Mr. Mineta, Mr. Lujan, Mr. Dellums, Mrs. Collins, Mr. Sikorski, Mr. Mack, Mr. Courter, Mrs. Long, Mr. Kasich, Mr. Edgar, Mr. McEwen, Mr. Whittaker, Mr. Hertel of Michigan, Mr. Tauke, Mr. Bennett, Mr. Dixon, Mr. Foglietta, Mr. Lehman of California, Mr. Lowery of California, Mr. Martinez, Mr. Monson, Mr. Myers of Indiana, Mr. Denny Smith, Mr. Synar, Mr. Young of Florida, Mr. Weaver, Mr. Kolbe, and Mr. Shumway.

H.J. Res. 562: Mr. Barnes, Mr. Lantos, Mr. Chappie, Mr. Saxton, Mr. Henry, Mr. Wilson, Mr. Hefner, Mr. Green, Mr. Yates, Mr. Sunia, Mr. Smith of New Hampshire, Mr. Smith of New Jersey, Mr. Bevill, Mr. Jones of North Carolina, Mr. Gray of Illinois, Mr. English, Mr. Feighan, Mr. Fields, Mr. Strang, Mr. Broomfield, Mr. Carper, Mr. Jenkins, Mr. Ortiz, Mr. Pashayan, Mr. Matsui, Mr. Scheuer, Mr. Daniel, Mr. Carney, Mr. Mollohan, Mr. Dymally, Mr. Richardson, Mr. Hoyer, Mr. DeWine, Mr. Lujan, Mr. Loeffler, Mr. Gilman, Mr. Lowry of Washington, Mr. Moody, Mr. Bliley, Mr. Bennett, Mr. Lungren, Mr. Ritter, Mr. Anthony, Mr. Roberts, Mr. Rinaldo, Mr. DioGuardi, Mr. Crane, Mr. Gunderson, Mr. Hutto, Mr. Tauke, Mrs. Collins, Mr. Wyden, Mr. Kostmayer, Mr. Markey, Mr. Denny Smith, Mr. Kasich, Mr. Lowery of California, Mrs. Bentley, Mr. Jacobs, Mr. Borski, Mr. Ireland, Mr. Frost, and Mr. Hyde.

H.J. Res. 589: Mr. Dymally and Mr. Leach of Iowa.

H.J. Res. 606: Mr. Durbin.

H. Con. Res. 148: Mr. Rangel.

H. Con. Res. 261: Mr. Bates, Mr. Porter, Mr. Pepper, Mr. Hayes, Mr. Dwyer of New Jersey, and Mr. Hughes.

H. Con. Res. 315: Mr. Mrazek, Mrs. Lloyd, and Mr. Gekas.

H. Res. 408: Mr. Frost, Mr. Morrison of Connecticut, Mr. Ackerman, Mr. Mrazek, and Mr. Glickman.

H. Res. 417: Mr. Bentley and Mr. Burton of Indiana.

H. Res. 424: Mr. Fazio, Mr. Gekas, Mr. Young of Florida, Mr. Evans of Illinois, Mr. Smith of Florida, and Mr. Davis.

DELETIONS OF SPONSORS FROM PUBLIC BILLS AND RESOLUTIONS

Under clause 4 of rule XXII, sponsors were deleted from public bills and resolutions as follows:

H. Res. 433: Mr. Annunzio.

PETITIONS, ETC.

Under clause 1 of rule XXII, petitions and papers were laid on the Clerk's desk and referred as follows:

319: By the SPEAKER: Petition of the Township Council of Delran, NJ, relative to proposing an amendment to the 16th amendment to the Constitution of the United States; to the Committee on the Judiciary.

320. Also, petition of the board of trustees, Glenside Public Library District, DuPage County, IL, relative to portions of H.R. 3838 pertaining to tax-exempt financing for local governments; to the Committee on Ways and Means.

321. Also, petition of the president and board of trustees, village of Park Forest, Cook and Will Counties, IL, relative to provisions of H.R. 3838 relating to tax-exempt financing for local governments; to the Committee on Ways and Means.

322. Also, petition of the mayor and board of trustees, village of Lincolnshire, Lake County, IL, relative to portions of H.R. 3838 pertaining to tax-exempt financing for local governments; to the Committee on Ways and Means.

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SENATE—*Monday, April 28, 1986*

The Senate met at 11 a.m., and was called to order by the President pro tempore [Mr. THURMOND].

PRAYER

The Chaplain, the Reverend Richard C. Halverson, D.D., offered the following prayer:

Let us pray.

I will sing to the Lord for He is highly exalted. The Lord is my strength and my song. He has become my salvation. He is my God and I will praise Him. My father's God and I will exalt Him.—Moses' prayer, Exodus 15:1-2.

God of Abraham, Isaac and Israel, on this fifth day of Passover, we remember Your great salvation and deliverance. We celebrate the liberation of the Old Testament people of God, and we worship You O Lord Who delivers all who seek You. We thank You, Lord, for the benefits which have accrued to the world through that emancipation. We thank You for the incalculable contribution the Jewish people have made to history, in music, art, drama, literature, education, science, technology, finance, and commerce. We thank You for their moral and spiritual influence in giving us the Bible, the Ten Commandments, the centrality of the family, and the Savior. We thank You for their resilience and perseverance century by century. Thank You, Mighty God, for what Passover means to all of us.

As we close this prayer, Heavenly Father, we pray for President and Mrs. Reagan in their travels. Protect them from danger, keep them healthy, prosper the purpose of this journey, and return them safely home. Likewise, we pray for those who accompany them—their support team, the press and media. We pray this to the glory of Your name. Amen.

RECOGNITION OF THE MAJORITY LEADER

The PRESIDENT pro tempore. The Chair now recognizes the able majority leader, Senator ROBERT DOLE.

Mr. DOLE. Mr. President, I thank the distinguished Senator from South Carolina [Mr. THURMOND].

SCHEDULE

Mr. DOLE. Mr. President, under the standing order, the leaders have 10 minutes each, followed by special orders in favor of Senators HAWKINS, CRANSTON, and PROXMIRE, with routine morning business not to extend beyond 12 noon, with Senators permitted to speak therein for not more than 5 minutes.

Following morning business, the Senate will resume the unfinished business, Senate Concurrent Resolution 120, the budget resolution, and pending is the DeConcini amendment No. 1803.

By previous consent there will be no rollcall votes today, but we hope to be able to debate at least four or five amendments and have votes occur on those no eariler than 11 a.m. tomorrow, and I hope the votes would start tomorrow morning. We have 25 hours left on the budget resolution. It would be my hope that we can complete action on the budget resolution this week. We have a lot of work to do before the recess which starts in late May, May 21, and I will try to compile a list of what I consider to be must legislation which I will give to the distinguished minority leader so we will have it tomorrow when we have our discussions in both Republican and Democratic policy luncheons. So I would hope that we could have the cooperation of all of our colleagues.

One question I have been asked by a number of colleagues is, will we be required to come back Thursday, the 29th and Friday, the 30th, and I guess, as I have tried to indicate, the answer would depend on whether or not we have completed some of the legislative musts before that time. I know there is a great deal of interest, after the budget resolution has been disposed of, in a number of items I would hope to bring up. One is a simple sense-of-the-Senate resolution that is being blocked by someone, sponsored by 52 Senators, 31 Republicans and 21 Democrats, which simply indicates that the Farm Credit System should do certain things to help not only the System but to help borrowers, farmers, and I, for the life of me, cannot understand what has blocked that for about 3 weeks.

In addition there is a little bill pending which would provide opportunities for the two sons of the two pilots who lost their lives in Libyan raids to attend the Air Force Academy. That is being held up by someone. I am not certain whether we can move to that. But hopefully we can dispose of it.

There are other items that have been held for some time. We have the Newman nomination, which I think may be resolved. I have met this morning with the nominee, along with Senator HELMS, who has been holding that nomination. So there are a number of rather minor items that I hope we can dispose of between now and the end of the week.

There are some who would like to bring up the Saudi arms sale and there are just as many who would like to bring up the gun bill following the budget resolution. They are both privileged matters so perhaps we can work out some understanding with all the parties about when we might do these things.

I am advised the distinguished chairman of the Armed Services Committee, Senator GOLDWATER, would very much like to take up the military reorganization bill. He believes that will take 2 or 3 days. There is still an interest in a trade bill before we recess and, of course, the supplemental appropriations bill and perhaps the Malt Beverage Act if we could do that quickly. I am not certain that can be done quickly. Senator GORTON, Senator MITCHELL, and others would also like a vote on daylight saving time. And also there is the drug export bill.

So I would suggest there are probably some things we cannot do, maybe other things will crop up we can do, but it is my hope that we can leave on the 21st with a feeling that we are pretty much on schedule. I assume we will be having a number of both authorization and appropriation bills when we return. It has also been the hope of the chairman of the Finance Committee that we would be in position to take up the tax bill following the Memorial Day recess, which would mean that we would have to complete committee action on the tax bill, of course, before the recess and give the drafters a couple of weeks, I would guess, to put that together.

In any event, I will try to furnish the distinguished minority leader a list no later than, say, 4 o'clock this afternoon.

RECOGNITION OF THE MINORITY LEADER

The PRESIDING OFFICER (Mr. PRESSLER). Under the previous order, the minority leader is recognized.

SCHEDULE

Mr. BYRD. Mr. President, I have listened to the distinguished majority leader. He has indicated that there are questions on both sides of the aisle as to whether or not the Senate will be in session on May 29 and May 30, Thursday and Friday, the last week of May.

It would be my hope that the distinguished majority leader could announce at a time soon that the Senate will not be in on those 2 days. There will be a number of Senators on both sides who will be traveling on official business of the Senate, and I would imagine that the attendance will not be the best on those 2 days.

● This "bullet" symbol identifies statements or insertions which are not spoken by the Member on the floor.

So I think the earlier that the leadership on both sides can announce to our respective sides that those 2 days will be clear, the better it will be for Senators as they attempt to accommodate their schedules to the Senate program.

Mr. President, the distinguished majority leader also indicated that he might want to take up the nomination of Donald Newman. As he indicated, there are no objections on this side to proceeding with that nomination. So, at his convenience, we could move to that.

INTERNATIONAL TERRORISM AND CIVIL AVIATION SECURITY

Mr. BYRD. Mr. President, the advent of international terrorism underscores the necessity for effective security at airports in the United States and abroad. The international community must act to prevent the sacrifice of the lives of innocent travelers at the hands of terrorism. Too often, in the aftermath of another bloody terrorist episode, we discover that lax airport security provided the opportunity for terrorists to carry out their grim mission of vengeance and death.

However, the problem of providing effective security for air travelers is not simply limited to airports outside the United States. It is a problem which has been given inadequate attention in the United States as well. Indeed, it is a problem of no small significance right here in Washington, DC. If we are not vigilant, this city, and the buildings in it, could easily become a prime target for terrorist activities.

For example, in January of this year, the Washington Post reported that the FAA police force at National and Dulles International Airports is understaffed, inexperienced, and suffering from severe morale problems. Low pay, according to the Post story, is one of the principal reasons for this situation, and has been attributed as the principal reason that the annual turnover rate for the FAA police had climbed to 66 percent.

Indeed, FAA police are paid less than members of seven other police forces in the Washington area. For example, the starting salary for the National Zoological Park Police is almost $3,000 per year more than the starting salary for FAA police. The starting salary for Alexandria police is about $6,000 higher. In other words, Mr. President, Federal police at the National Zoo are paid more to guard monkeys and snakes there than the FAA police officers who are responsible for the security of an estimated 50,000 ticketed passengers per day at the two Washington area airports.

According to a recent Washington Post story, the situation was corrected to some extent earlier this month when FAA Police were granted a pay raise of up to 22 percent. This action brings the starting salary for FAA Police within $500 of the starting salary for National Zoo Police. The new starting salary is still about $3,500 less than the starting salary for Alexandria Police. This special pay increase is not, however, permanent and must be reviewed annually.

Mr. President, there is an old saying which is well known to us all—you get just what you pay for. It would appear that bit of wisdom has been ignored for too long in this case.

With the increased concern over terrorism, the FAA has indicated a greater appreciation of the need to provide improved security for civil aviation in the United States. Following the hijacking of TWA flight 847 in Athens, Greece, last June 14, the FAA began to require pilots and flight attendants to undergo 8 hours of training in procedures to use against terrorists. Starting next year, pilots and flight attendants must undergo such training on an annual basis. Unfortunately, Mr. President, there may be less to this new initiative than meets the eye.

According to a recent story which appeared in the Dallas Morning News, the antiterrorist security training being provided airline pilots and flight attendants is a source of concern and derision. Furthermore, the effectiveness of the training program in preparing its students to handle a crisis involving terrorists is seriously questioned.

The FAA now requires that all pilots and flight attendants serving on international flights undergo 8 hours of initial antiterrorist training. Crew members on domestic flights must undergo such training by September 1. However, the Morning News reports, the security training program consists primarily of watching more than 5 hours of videotapes and working with written material for 2 hours. In addition, there is some discussion time and an open book examination. This security training package was approved by the FAA and put together by the Airline Transport Association, an airline industry group.

Accounts of the training sessions provided in the Morning News story indicate that needlepoint, reading books and newspapers, doing one's fingernails, or sleeping are the primary activities at many of the courses. One pilot indicated that his so-called instructor for the required course entered the room only to change videotapes.

Even though the Airline Transport Association now recognizes that there are problems with the program, an FAA spokesman is quoted in the Morning News story as saying that the quality of the program is very high, and that the FAA has "no reason to think that it wasn't very effective."

Mr. President, if the Dallas Morning News report is an accurate account of the situation, this is simply unacceptable. My colleagues, I am sure, share my conviction that the Federal Government should play a lead role in ensuring that American air travelers are protected from the attacks of international terrorists.

Mr. President, as we now know, there is a need for increased vigilance and attention to enhancing the security of major airports in the United States and abroad. This is another area of FAA responsibility which has been growing in importance as a result of recent events. Accordingly, I have written to FAA Administrator Donald Engen and asked him to conduct a thorough review of FAA Civilian Aviation Security Programs in light of the heightened risk of terrorist attacks at airports around the world, including major airports in the United States.

Mr. President, I ask unanimous consent that my letter to Mr. Engen and the articles from the Washington Post and the Dallas Morning News, to which I referred in my remarks, be printed in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

U.S. SENATE,
OFFICE OF THE DEMOCRATIC LEADER,
Washington, DC.

DONALD D. ENGEN,
Administrator, Federal Aviation Administration, Independence Avenue, SW., Washington, DC.

DEAR MR. ENGEN: I am writing to ask you to conduct a thorough review of FAA's civilian aviation security programs in light of the heightened risk of terrorist attacks at airports around the world, including major airports in the United States. Such a review would be timely because there is speculation that the aftermath of the American action against Libya may involve an escalation of terrorist actions against innocent air travelers by those who direct such attacks.

I have been concerned by recent accounts in the media which indicate that there may be significant weaknesses in the FAA's efforts to provide civilian aviation security. For example, in January the Washington Post ran a story regarding the low pay of FAA police at Dulles and National airports, and the impact of the pay scale on the security at those airports. A recent Post article indicates that a special pay increase for FAA police at those airports has been approved. However, it appears that the new starting pay levels may still be below that of other police forces in the area. In addition, the Dallas Morning News recently ran a critical story on the FAA-sponsored anti-terrorist training program provided to pilots and fight crews.

I understand that these stories do not provide a full account of the work underway at the FAA in the area of civil aviation security. However, they do highlight some prob-

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lems which should be examined closely. In view of increased tensions arising from the possible escalation of terrorist violence, it would seem that prudence would dictate a thorough review of FAA aviation security programs. Such a review should seek to ensure that FAA programs dealing with security personnel, procedures, and equipment are being implemented and developed in a timely manner to enhance the effectiveness of civil aviation security in the near-term, as well as the longer-term future.

Thank you for your attention to this matter. I look forward to hearing from you.

Sincerely,

ROBERT C. BYRD.

[From the Washington Post, Apr. 14, 1986]

FAA Police: Low Pay, Poor Morale

(By Michael Specter)

The FAA police force at National and Dulles International airports—responsible for ensuring the safety of more than 50,000 ticketed passengers each day—is understaffed, inexperienced and suffering severe moral problems, according to police officers, government officials and a recent General Accounting Office report.

With recent terrorist attacks at airports in Rome and Vienna, new demands have been placed on airport security forces in the United States. But this week there were 39 vacancies in the police staff that guards Dulles and National, said Federal Aviation Administration officials. Currently there are 100 active officers.

FAA officials and congressional sources agree that low pay has made it difficult to keep a qualified staff up to its appropriate level, but the FAA denies that there is any security problem at either airport.

"For years and years we have had such a bad pay scale that we just can't keep those jobs filled. . . . We have said it so long we sound like a broken record," said James A Wilding, director of the FAA's Metropolitan Washington Airports organization that operates Dulles and National. "But I would really like to make a sharp distinction between that frustration and anything I believe could be called a security problem. We feel very strongly about the security posture of these two airports."

Others, however, say that without a larger police presence, the FAA cannot adequately protect two of America's most prominent airports—facilities used daily by dignitaries.

Under FAA regulations, airlines handle screening of passengers and carry-on luggage at all airports in the country. But the airport operator—it is usually a city but in the case of Dulles and National it is the FAA—is responsible for other security measures, such as preventing people from gaining access to parked planes, enforcing laws and arresting people suspected of committing crimes.

A 1983 letter from four prominent members of Congress asked the GAO to investigate pay and staffing levels at the two airports because "we have received information indicating that public safety at National and Dulles airports is threatened by an underpaid, understaffed and overworked police force serving those airports."

The FAA and its critics agree that more than a year after that request was made and at a time when new demands are being made on airport security forces, pay and staffing problems for FAA police officers have persisted.

"When you talk about Dulles and National you are talking about a tragedy that is just waiting to happen," said Rep. Mario Biaggi (D-N.Y.), who said last week he soon will introduce legislation that would exempt the FAA police from budget cuts mandated by the Gramm-Rudman-Hollings balanced budget act. "Those airports have such high public visibility it is just outrageous that we allow this to continue."

Biaggi and others say the reason the FAA cannot recruit and retain an adequate force is that police officers are paid far less than they would receive in any neighboring jurisdiction. A 1985 GAO report also found that FAA police officers were paid less than members of seven other federal police forces with officers in the Washington area.

"You've got people guarding monkeys and snakes that make more money than we do," said Robert Tyng, a sergeant who has worked for the FAA for 13 years and now earns an annual base salary of $19,606. "The government looks at National Airport like it was a quiet little out of the way place where nothing happens. But the 1940's are over."

In 1985, the minimum starting salary for an FAA police officer was $14,298. By comparison, the starting pay for an officer with the National Zoological police was $17,221. In the nearby city of Alexandria, minimum starting pay for a new police recruit is $20,262.

Last fall, Transportation Secretary Elizabeth Hanford Dole requested a pay increase of more than 10 percent across the board for FAA police officers.

The Office of Personnel Management cut the request, saying FAA police are not underpaid, but that other federal police officers are paid too much.

OPM has agreed to increase pay for low-ranking officers between 6 and 10 percent in the coming fiscal year. But as the GAO report points out, that will not nearly keep pace with other area police forces.

Interviews with many current officers at both airports confirm a finding of the GAO report: Morale among FAA police is poor. "Of 95 officers interviewed for the report, 76 percent said morale was "very low," 22 percent said it was "low," and 2 percent said they were "uncertain." No officer interviewed for the GAO report or by The Washington Post said morale on the force was good.

To compensate for the staff shortages, officers have been working vast amounts of overtime. In 1985, the police at the two airports earned almost $900,000 in overtime compensation, according to the FAA.

"We do not like to have people work that kind of overtime," said Wilding. "Those are nerve-racking jobs and we don't want people working double shifts. Right now, it seems the lesser of available evils to us."

Although many of the officers welcome the extra income, they say that in the long run that kind of overtime may cause more harm than good.

An incident last week at National frightened and angered several officers. A man was about to board a People's Express flight to Newark when a search of his carry-on luggage made officers gasp.

"It looked exactly like a bomb, it had fake dynamite, a clock and wires," said Lt. Alan Fahey, a day shift supervisor with the FAA police at National. "We were shocked and scared. We are spread so thin. This time it was a sick joke. Next time it won't be."

The man was arrested and later released.

"It's a very demanding job," said Lt. Thomas Holderness. "And then some jerk comes along with a wooden bomb. There is a feeling that something bad is going to happen.

"At Dulles, we are responsible for protecting about 12,000 acres. We also patrol many of the roads that come toward the airport. We want to do our job well, but it's hard when you work every day of your life. I have men who practically live on food stamps working at Dulles."

The number of passengers using Dulles has grown more than 100 percent in the past year and arrests there have increased as well. In 1985; there were 200 arrests at National and 100 at Dulles, according to rough figures kept by the police. Sixty-two people were charged with weapons violations at National in 1985. Statistics for Dulles are not yet available from the FAA.

There were 1,750 reports of incidents requiring FAA police investigation at the two airports in 1985, according to the station commander at National.

The FAA officers, who undergo eight weeks of training at the Federal Law Enforcement Training Center in southeast Georgia, are armed with .38 caliber revolvers.

"These are like little towns with transient populations," said Lt. Fahey. "Robbery, murder, theft and drugs. If you have it in America aren't you going to have it at the airport?"

"I know it sounds bad asking for more money," said one veteran of the FAA police at National Airport. "But we need it and if we don't get it we are not going to be able to protect the people who go through this terminal. I enjoy my job, but every once in a while I ask myself how much longer I can let this happen."

[From the Washington Post, Apr. 4, 1986]

U.S. Citing Security Needs, Raises National and Dulles Police Pay

(By Michael Specter)

The Reagan administration, citing serious concerns over security at National and Dulles International airports, announced substantial pay increases yesterday for the federal police officers charged with ensuring the safety of passengers at both airports.

A senior administration official, who asked not to be named, said White House chief of staff Donald T. Regan personally endorsed the pay increases of up to 22 percent for the Federal Aviation Administration police force. Officers on the force long have contended they are so poorly paid that airport security is questionable. Tuesday, the day before a bomb exploded aboard a TWA flight over Greece, they mounted a renewed media campaign on the issue.

Administration officials said the decision to grant the pay increases came in response to a Tuesday letter from Transportation Secretary Elizabeth Hanford Dole and was not prompted by concerns over terrorism or the TWA bombing.

"Everyone in this administration from the president on down wants to assure that travelers at those airports are safe," Constance Horner, director of the Office of Personnel Management, said as she announced the raises.

The increases, ranging from $727 to $3,380 a year, have been sought for years by the FAA. Dole has said that low pay—no police force in the metropolitan area pays its officers less—has made it nearly impossible to retain qualified staff members for more than a year or two.

There are 97 officers and 37 vacancies on the force charged with guarding National and Dulles, the only two commercial air-

ports in the nation owned and operated by the federal government.

Yesterday, in part because of new security measures that have been adopted to counter potential terrorists, police at National evacuated part of the North Terminal after bomb-sniffing dogs reacted positively to an unclaimed package in a bathroom. Police said the package turned out to be a pound of cocaine, surrounded by nitrate—an ingredient in gunpowder.

"We have been working hard on this security and pay issue for a long time," said Stephen Hayes, the FAA's assistant administrator for public affairs. "Of course, by itself the pay raise is not the whole answer to security, but it's an important step and we're very pleased."

Tuesday, the same day several FAA police officers called a news conference at Dulles to complain about security, Secretary Dole wrote Horner asking for immediate response to what Dole called "the critical staffing and pay problems that continue to exist" for police at the airports. She wrote that despite a small pay increase that became effective in January for FAA police, the turnover rate had climbed from 55 percent to 66 percent.

"The vacancy rate which FAA continues to experience despite the January salary increase clearly is unacceptable with the increased emphasis on security at our airports," the letter stated.

Yesterday's increases, most of which were for the maximum amount allowed under present law, are not permanent, according to OPM. As a rule, special pay increases are reviewed once a year and can be adjusted at that time.

In 1985 the minimum starting salary for an FAA police officer was $14,298. In January that figure rose to $14,578, and yesterday's announcement will put the salary at $16,723. By comparison, the starting pay for an officer with the National Zoological police is $17,221. In Alexandria minimum starting pay for a new police recruit is $20,262.

Under FAA regulations, airlines handle screening of passengers and carry-on luggage at all public airports in the country. But the airport operator, most often a city, is responsible for other security measures, such as protecting aircraft and enforcing laws.

"The men who guard these airports and the thousands of people who use them each day are finally being recognized," said Lt. Thomas Holderness, the FAA station commander at Dulles. "The stress and the overtime have been overwhelming and this should help."

At her news conference Horner said, "There is something wrong with the federal pay structure" when the law interferes with security needs.

[From the Dallas Morning News, Apr. 19, 1986]

Anti-Terrorist Tedium—Airline Crews Disdain Required Security Training as Boring, Unhelpful

(By Tom Howlett)

At his government-required anti-terrorist training session recently, a captain for a major airline says, "the bits of information were so few and far between that people weren't even paying attention."

His instructor for the eight-hour course entered the room only to change videotapes.

"People were talking, they were doing other things . . . including reading the paper," the captain recalled. "I'd leave for 20 minutes at a time and take care of business. I'd come back into a bull session, with tapes running."

At her anti-terrorist training course, a senior flight attendant remembers, colleagues did needlepoint as some videotapes on terrorists from the early 1970s rolled.

It was kind of like sitting in your living room watching your favorite TV show. You could be doing your nails, you could be doing your needlepoint, or you could be reading a book," she said. "It's kind of sad, isn't it?"

Required for the first time this month "to protect U.S. civil aviation against international terrorism," the security training being given by airlines is a source of concern and derision among many pilots and flight attendants, who say they doubt they are now better prepared to handle such a crisis.

"Captains, are supposed to be the in-flight security coordinator and give a briefing to flight attendants. I don't even know what to tell them," said Roger Brooks, a Frontier Airlines captain. "It's a poor deal."

Recalling his required anti-terrorist training session, Braniff pilot Bill Burke said: "It was just kind of an insult when you've been flying for 28 years and somebody says, 'If you see someone with a gun coming down the ramp, don't let them on the plane.' Well, there's not a great deal you can do to stop the dang thing.

"You say, 'My gosh, what am I doing sitting here and getting this kind of nonsense.' "

The Federal Aviation Administration ordered the new training requirement last July after the June 14 hijacking of Trans World Airways Flight 847 in Athens.

Starting this month, all pilots and flight attendants serving on international flights need to have received eight hours of initial anti-terrorist training. Crew members on domestic flights must receive the training by Sept. 1.

In addition, airlines must give pilots and flight attendants recurrent training against terrorists on an annual basis starting next year.

FAA spokesman Fred Farrar said the quality of the new program has been "very high." "We have no reason to think that it wasn't effective," he said.

But the Air Transport Association, the airlines' major lobbying group, recommends the rule be withdrawn and revised and many pilots and flight attendants describe some training information as stale and the prevalent videotape approach to teaching unsatisfactory.

"We're the ones who are going to suffer the brunt of any terrorist activity, and I think there's something the airline industry could put together that would be far more informative and protective," said Lana Holmes, an Eastern Airlines flight attendant. "I found the videos were really not up to date as they should have been."

One flight attendant for a major airline said her anti-terrorist training session "was without a doubt the worst class in any area in any subject I have ever had. I am a college graduate, and that was the worst thing."

Complaints center on the common format for the training, which falls short of expectations of role-playing, drills and lively discussions.

Instead, most major airlines show crew members slightly more than five hours of videotapes and two hours of written material combined with discussion time and an open-book test, airline officials said. This FAA-approved security package was put together by the Airline Transport Association, which make it available to airlines for about $450.

Although video segments on bomb identification and terrorist profiles are engaging, much of the information is dated, too long and uninteresting, pilots and flight attendants said in interviews.

Classes often lack live instruction or discussion, and test-taking can become a group effort with answers shared, they said.

One problem lies with an overlong interview of a hijacker in prison, according to those who have received the training, and another film discusses a code word for terrorist situations that only applies to a couple of carriers.

At many airlines, pilots and flight attendants receive their antiterrorist training separately despite the need for coordination in the event of such a crisis.

"There isn't that discussion or opportunity to interact as a crew," said Nancy Garcia, director of health and safety for Teamsters Local 2077, representing flight attendants at Northwest, PSA and World Airways, "I think what people are really groping for is an opportunity to talk about the issues."

Airline representatives acknowledge problems with the program.

Tom Tripp, spokesman for the Air Transport Association, said his group collected videotapes from a wide range of sources simply to meet the eight-hour requirement established by the FAA, which has not offered guidance on what is needed.

"We've had absolutely no specifications or instructions or input from the FAA," Tripp said. "The truth of the matter is we still don't understand what is deficient in current flight crew member training."

The FAA denied it has failed to help, but would not elaborate.

At Southwest Airlines, which uses the Air Transport Association's combined video and homestudy program, Training Coordinator Jim Federer said. "Some of the good was probably lost because there was so much garbage in the information.

"Some of them (videotapes) are horrible, and others are excellent," he said.

But Southwest and other airlines use the association package despite its shortcomings because the costs of developing a new program and then seeking FAA approval make alternatives impractical, he said.

The key, he said, is lively instruction to supplement the videotapes and written work.

Braniff's Fred Stauffer, a captain who serves as director of training, agreed, saying the success of antiterrorist training depends on "getting them pumped up to see it."

Shortly after the airline started its security effort last November, one pilot "was so bored he laid down on the floor and slept."

Stauffer met with the pilot and sent him through the course again.

"We wouldn't put up with any foolishness because it's too serious to take lightly."

Mr. BYRD. Mr. President, do I have any time remaining?

The PRESIDING OFFICER. One minute and 20 seconds.

Mr. BYRD. I thank the Chair.

I yield the floor.

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RECOGNITION OF SENATOR PROXMIRE

The PRESIDING OFFICER. Under the previous order, the Senator from Wisconsin [Mr. PROXMIRE] is recognized for not to exceed 5 minutes.

☐ 1120

SHOULD SOVIET CHEATING END ARMS CONTROL PACTS WITH THE U.S.S.R.?

Mr. PROXMIRE. Mr. President, the charges of deliberate and wholesale cheating by the Soviet Union on arms control treaty agreements are becoming an increasingly serious threat to rational American military and foreign relations policies as well as arms control policies. If the Soviets are cheating as willfully and flagrantly as some Members of Congress and some Defense Department spokesmen contend, this country cannot and should not continue to negotiate arms control treaties. We should directly renounce the treaties with the Soviet Union we have signed. We should sharply increase our military buildup and raise our taxes heavily to pay for it. We should prod our allies to increase their military strength. We should recognize and accept the cruel and painful fact that arms control is dead and rely entirely on military strength.

On the other hand, if the Soviet Union has been generally complying with the arms control treaties, if the agreements have limited their military buildup significantly then our policies should be quite different. In the latter case we should honor and abide by the treaties. We should also push aggressively to negotiate new agreements that would limit the military buildup on both sides. If the Soviets are complying with the arms control agreements, the prospects for world peace and for relief for the immense burdens and dangers of the arms race are much greater.

WHAT IS IT?

So which is it? It is critical that we know the truth. We shouldn't permit our yearning for peace and reduced military spending to lure us into wishful thinking that the Soviets have been abiding by the terms of the nuclear weapons agreements, if they have not. On the other hand, we should not permit the understandable suspicion and distrust of our Soviet adversary, or our hatred of communism to push us into an automatic, knee-jerking, flag-waving condemnation of Soviet behavior that ignores the facts. Regardless of our bias we can only serve the interests of our country if we insist on the truth and the whole truth. So what are the facts? Have the Russians been cheating so flagrantly that we should abandon arms control negotiations and concentrate on a military buildup? The heart of this problem, Mr. President, is whether Russian violations have had any real military significance.

SENATOR NUNN'S JUDGMENT

Fortunately, Mr. President, we have what I think most Members of the Congress will accept as a competent and reasonably objective authority on the facts. Senator SAM NUNN has earned the respect of all Members of this body as a military expert. On April 15, Senator NUNN wrote a letter to the President of the United States. Senator NUNN attached to that letter a chart summarizing the record of Soviet compliance with strategic arms control treaties. In that letter Senator NUNN specified three "clear violations" by the Soviet Union of strategic arms control treaties in the judgment of Senator NUNN. They were Krasnoyarsk radar, the SS-25 missile and encryption of telemetry.

KRASNOYARSK RADAR

In each of these cases the Russians vehemently deny that they violated an arms control treaty. I agree with Senator NUNN they did violate a treaty in each instance. But the violation in each case has little or no military significance. Furthermore in each case there is at least an element of ambiguity in the treaty that explains the Russian contention that they did not technically violate the treaty. The Krasnoyarsk radar is a violation because of its location. Such radars are only permitted under the ABM Treaty on the perimeter of each superpower. This Russian radar is nearly a thousand miles inside the Russian border. The Russians claim its purpose is not for detecting ICBM's which would be prohibited by the ABM Treaty. They claim it is designed only to detect satellites in orbit. At any rate the Soviet has not backed up the radar with anti-ICBM hardware capable of intercepting or otherwise stopping an ICBM attack. So the radar has little military significance.

SS-25 "NEW" MISSILE?

We construe the SS-25 as a "new" missile and therefore a violation of the SALT II Treaty. We so construe it because of its reentry-vehicle to throw-weight ratio, its concealment of its launcher and the use of the remaining SS-7 ICBM support system. Again I agree with Senator NUNN that this is, indeed, a technical violation. The Russians claim it is not a new missile. They argue that it is simply a replacement for the SS-11. They contend U.S. estimates of the SS-11 RV-throw-weight ratio was underestimated. They disagree on our charges regarding the use of the remaining SS-7 ICBM support facilities. Is this Soviet violation militarily significant? No. Whether the SS-25 is a replacement or a new weapon system adds little to Soviet strategic power.

ENCRYPTION OF TELEMETRY

Finally, how about the encryption of telemetry from Soviet weapons tests? Senator NUNN calls this a clear violation of the SALT II Treaty. Is it? Consider. The Second Strategic Arms Limitation Treaty (SALT II) explicitly prohibits any encrypting (which is concealing by using a secret code) their telemetry (which is the transmission of testing data from weapons tests,) if that encoding prevents verification of compliance with arms control treaties. The Soviets argue that although they have encoded much data from tests, they have not encoded test data relating to verification. I agree with Senator NUNN that here again the Soviets have violated a treaty. I also agree with Senator NUNN's solution. He proposes that our response should be to put more resources into independent monitoring of their test performance, so that we don't have to rely on Soviet test data. It seems likely that we can verify testing data, independently of Soviet telemetry. If we cannot, we should insist on renegotiating the treaty to flatly and completely ban the encoding of telemetry period.

So in summary it appears that while each of these three Soviet actions appear to be a violation. None of them constitute a militarily significant advantage for the Soviet Union that this country cannot overcome.

SOVIET COMPLIANCE RECORD

In contrast to these three instances of violations, Senator NUNN provides no less than 11 examples of significant compliance by the Soviets with strategic arms control agreements. Most of these have serious strategic implications. Here they are: Reduced backfire bomber production rate to below 30 per year; removed prohibited SS-16 equipment at Plesetsk; observed the 150-kiloton nuclear testing limit; agreed to a new common understanding on concurrent testing of air defense and ABM components; complied with the 62/950 SALT I limit on SSBN's/SLBM's; complied with the SALT I limit of 1410 ICBM's; complied with the SALT II limit of 820 MIRV'd ICBM's; complied with the SALT II limit of 1200 MIRV'd ICBM's and SLBM's; complied with the SALT II limit of 1320 total MIRV'd SNDV's; complied with SALT II warhead fractionization limits; dismantled older SNDV's to remain within 2504 cap.

CONCLUSION: ARMS CONTROL IN U.S. INTEREST

Mr. President, it is clear from this record, as presented by Senator NUNN, that overall the Soviet Union's compliance with nuclear arms control treaties overwhelmingly outweighs its violations. It is clear that these arms control treaties emphatically serve the national security interests of the United States. This record provides the chapter and verse proof that it would be a

tragic mistake from every standpoint for this country to renounce these strategic arms control treaties with the Soviet Union. On the contrary on the basis of the clear experience with the treaties we have negotiated to date, we should press ahead with further agreements to limit the nuclear arms race. In doing so we will save hundreds of billions of dollars. We will serve the interest of American freedom. We will make the world a safer place.

MYTH OF THE DAY

Mr. PROXMIRE. Mr. President, my myth of the day is that the vast majority of our Nation's nearly 8½ million unemployed workers are receiving unemployment compensation benefits.

Losing a job is a terrible blow to an individual and his or her family. Even under the most generous unemployment compensation programs, only a portion of a worker's salary is replaced by unemployment benefits.

Even with these benefits, the families of unemployed workers are often forced to postpone all but absolutely necessary spending and may have to go into debt. How much tougher the situation becomes if no unemployment compensation benefits are available while a worker seeks a new job.

This is why we should concern ourselves with the fact that there has been an astonishing decline in the percentage of those unemployed individuals who are collecting unemployment insurance benefits. If we look at the most recent statistics, we see that only 3.2 million of the unemployed, or a mere 38 percent, are currently receiving these benefits.

The declining coverage of unemployment compensation benefits is the result of a number of factors.

First, many States have severely tightened their eligibility rules for receiving UI benefits.

Second, the Federal Government has discontinued certain national programs for the long-term unemployed.

Third, two back-to-back recessions in the early 1980's left many workers without enough weeks on the job to qualify for coverage.

Fourth, a growing number of workers, especially women, are finding employment in temporary or other jobs which are not covered under the current unemployment insurance system.

Clearly, there are gaping holes in the unemployment insurance system safety net, and these gaps appear to be growing frighteningly larger.

FINANCIAL HOLDINGS OF SENATOR WILLIAM PROXMIRE

Mr. PROXMIRE. Mr. President, in 1963, 1965, 1967, and 1970, and yearly since 1972, I have submitted for the RECORD a history of my financial holdings from the time I was first elected to the Senate in 1957 until April 1985. In order to bring the full record up to date, I submit herewith the history of my financial holdings since April 1985.

My assets include ownership of a home in Madison, WI, on which I owe a mortgage to the former owners; ownership of my home and furnishings in Washington, DC, on which I owe a mortgage to the Perpetual American Bank; ownership of a 1980 automobile; ownership of one checking account in a Washington, DC bank; one checking account in a Madison, WI, bank and one savings account in a Madison, WI, bank. I hold State and municipal bonds totaling, $65,000 and two Shearson Lehman Managed Municipal Fund accounts totaling $70,934.

I estimate my net worth to be about $590,726.

To the best of my knowledge this is an accurate record of my financial holdings and obligations.

I herewith submit a balance sheet showing my net worth and how it was arrived at, and copy of my 1985 Federal income tax return.

I paid $50,907 to the Federal Government in taxes on my 1985 income; in addition, I paid $14,018 to the State of Wisconsin on 1985 income; I also paid $2,792 in Social Security payroll taxes; my wife also paid $5,536 in income taxes to the District of Columbia; I also paid $1,278 in property taxes in Madison, WI, and $4,550 in property taxes on our Washington home, for a total of $79,081 in taxes.

Mr. President, I ask unanimous consent to have printed in the RECORD the balance sheet and copy of my Federal income tax return.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

Net worth of Senator William Proxmire as of April 25, 1986

Municipal and State bonds	$65,000
2 checking and 1 savings account:	
National Bank of Washington	1,136
Madison, WI, checking	918
Madison, WI, savings	1,069
Shearson Lehman managed municipal fund No. 1	70,756
Shearson Lehman managed municipal fund No. 2	5,178
1980 Buick Regal (blue book retail value)	3,875
3097 Ordway St., NW.:	
Assessed value	365,545
Mortgage value	(51,914)
Furnishings	20,000
118 Bradford Lane, Madison, WI:	
Assessed value	48,500
Mortgage value	(33,067)
Cash deposit in civil service retirement	93,733
Total	590,726

U.S. INDIVIDUAL INCOME TAX RETURN, WILLIAM AND ELLEN H. PROXMIRE, 1985

7. Wages, salaries, tips, etc. (Attach Form(s) W-2.), $156,131.

8. Interest income (also attach Schedule B if over $400), $1,338.

9c. Subtract line 9b from line 9a and enter the result, $1,674.

10. Taxable refunds of state and local income taxes, if any, from the worksheet on page 9 of instructions, $4,501.

12. Business income or (loss) (attach Schedule C), $23,975.

18. Rents, royalties, partnerships, estates, trusts, etc. (attach Schedule E), $3,360.

23. Add lines 7 through 22. This is your total income, $184,259.

31. Add lines 24 through 30, $12,332.

32. Subtract line 31 from line 23. This is your adjusted gross income. If this line is less than $11,000 and a child lived with you, see "Earned Income Credit" (line 59) on page 16 of instructions. If you want IRS to figure your tax, see page 18 of instructions, $171,927.

33. Amount from line 32 (adjusted gross income), $171,927.

34a. If you itemize, attach Schedule A (Form 1040) and enter the amount from Schedule A, line 26, $27,696.

35. Subtract line 34a or line 34e, whichever applies, from line 33, $144,231.

36. Multiply $1,040 by the total number of exemptions claimed on line 61 (see page 14), $4,160.

37. Taxable income. Subtract line 36 from line 5. Enter the result (but not less than zero), $140,071.

38. Enter tax here. Check if from Tax Rate Schedule X, Y, or Z, $50,967.

40. Add lines 38 and 39. Enter the total, $50,967.

45. Add lines 41 through 44. These are your total personal credits, $60.

46. Subtract line 45 from 40. Enter the result (but not less than zero), $50,907.

50. Subtract line 49 from 46, $50,907.

56. Add lines 50 through 55. Total tax, $50,907.

57. Federal income tax withheld, $45,010.

64. Add lines 57 through 63. Total payments, $45,010.

68. If line 56 is larger than line 64, enter amount you owe. Attach check of money order for full amount payable to "Internal Revenue Service." Write your social security number and "1985 Form 1040" on it, $5,897.

2a. Doctors, dentists, nurses, hospitals, insurance premiums "you paid for medical and dental care, etc., $1,642.

2c. Other (list—include hearing aids, dentures, eyeglasses, etc.) eyeglasses, $222.

3. Add lines 1 through 2c, and write the total here, $1,864.

4. Multiply the amount on Form 1040, line 33, by 5%. (.05), $8,596.

5. Subtract line 4 from line 3. If zero or less, write -0-. Total medical and dental, 0.

6. State and local income taxes, $12,629.

7. Real estate taxes, $4,551.

8a. General sales tax (see sales tax tables in instruction booklet), $706.

8b. General sales tax on motor vehicles, $300.

10. Add the amounts on lines 6 through 9. Write the total here. Total taxes, $18,186.

1a. Home mortgage interest you paid to financial institutions, $4,364.

13. Other interest you paid (list): DC Nat., $27; State of Wisconsin, $126; See attached, $4,710; $4,863.

14. Add the amounts on lines 11a through 13. Write the total here. Total interest, $9,227.

15a. Cash contributions. (If you gave $3,000 or more to any one organization, report those contributions on line 15b.) See attached, $1,983.

18. Add the amounts on lines 15a through 17. Write the total here. Total contributions, $1,983.

21. Tax return preparation fee, $1,350.

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22. Other, Senate office exp. $81; see attached, 2106, $409; $490.

23. Add the amounts on line lines 20 through 22. Write the total here. Total miscellaneous, $1,840.

24. Add the amounts on lines 5, 10, 14, 18, 19, and 23. Write your answer here, $31,236.

25. If you checked Form 1040, $3,540.

26. Subtract line 25 from line 24. Write your answer here and on Form 1040, line 34a. (if line 25 is more than line 24, see the instructions for line 26 on page 22.), $27,696.

Schedule B—Interest and Dividend Income

PART I—INTEREST INCOME

2. Other interest income: Chevy Chase S&L, H, $434; D.C. Natl. Bk., J, $424; United Bk. 271-601, H, $133; United Bk. 176-014, H, $347.

3. Add the amounts on lines 1 and 2. Write the total here and on Form 1040, line 8, $1,338.

PART II—DIVIDEND INCOME

4. Dividend income: Shearson Dailey, H, $1,674.

5. Add the amounts on line 4. Write the total here, $1,674.

PART III—FOREIGN ACCOUNTS AND FOREIGN TRUSTS

11. At any time during the tax year, did you have an interest in or a signature or other authority over a financial account in a foreign country (such as a bank account, securities account, or other financial account)? (See page 23 of the instructions for exceptions and the filing requirements for From TD F 90-22.1). No.

12. Were you the grantor of, or transferor to, a foreign trust which existed during the current tax year, whether or not you have any beneficial interest in it? If "Yes," you may have to file Forms 3520, 3520-A, or 926. No.

Profit or (Loss) From Business or Profession

Speaker services

PART I—INCOME

1a. Gross receipts or sales, $24,000.

1c. Subtract line 1b from line 1a and enter the balance here, $24,000.

3. Subtract line 2 from line 1c and enter the gross profit here, $24,000.

5. Add lines 3, 4a, and 4b. This is the gross income, $24,000.

PART II—DEDUCTIONS

26. Taxes, $100.

32. Add amounts in columns for lines 6 through 31. These are the total deductions, $100.

33. Net profit or (loss). Subtract line 32 from line 5 and enter the result. If a profit, enter on Form 1040, line 12, and on Schedule $E, Part I, line 2 (or Form 1041, line 5). If a loss you must go on to line 34, $23,900.

Writer literature

PART I—INCOME

1a. Gross receipts or sales, $175.

1c. Subtract line 1b from line 1a and enter the balance here, $175.

3. Subract line 2 from line 1c and enter the gross profit here, $175.

5. Add lines 3, 4a, and 4b. This is the gross income, $175.

PART II—DEDUCTIONS

18. Legal and professional services, $100.

32. Add amounts in columns for lines 6 through 31l. These are the total deductions, $100.

33. Net profit or (loss). Subtract line 32 from line 5 and enter the result. If a profit, enter on Form 1040, line 12, and on Schedule SE, Part I, line 2 (or Form 1041, line 5). If a loss, you MUST go on to line 34, $75.

Supplemental Income Schedule

PART I—RENTAL AND ROYALTY INCOME OR LOSS

3a. Rents received, $4,680.

8. Insurance, $204.

10. Mortgage interest paid to financial institutions (see Instructions), $4,968.

14. Taxes (Do not include Windfall Profit Tax here. See Part III line 34.), $1,278.

18. Total expenses other than depreciation and depletion. Add lines 4 through 17, $6,450.

19. Depreciation expense (see Part V instructions), or depletion, $1,590.

20. Total. Add lines 18 and 19, $8,040.

23. Add properties with losses on line 21, and write the total (losses) here, $3,360.

24. Combine amounts on lines 21 and 28, and write the net profit or (loss) here, $3,360.

26. Total rental or royalty income or (loss). Combine amounts on lines 24 and 25, and write the total here. If Parts II and III on page 2 do not apply to you, write the amount from line 26 on Form 1040, line 18. Otherwise, include the amount in line 36 on page 2 of Schedule E, $3,360.

PART IV—SUMMARY

36. Total income or (loss). Combine lines 26, 30, 32 and 35. Write total here on Form 1040, line 18, $3,360.

Deduction for a Married Couple When Both Work

STEP 1—FIGURE YOUR EARNED INCOME

1. Wages salaries, tips, etc., from Form 1040, line 7. (Do not include nondisability pensions or annuities), (a) $75,100; (b) $81,031.

2. Net profit or (loss) from self-employment (from Schedules C and F (Form 1040), Schedule K-1 (Form 1065), and any other earned income), (a) $23,975.

3. Add lines 1 and 2. This is your total earned income, (a) $99,075; (b) $81,031.

STEP 2—FIGURE YOUR QUALIFIED EARNED INCOME

4. Adjustments from Form 1040, lines 25, 26, 27, and any repayment of sub-pay included on line 31, (a) $3,000; (b) $6,332.

5. Subtract 4 from line 3. This is your qualified earned income. If the amount in column (a) or (b) is zero (-0-) or less, stop here. You may not take this deduction, (a) $96,075; (b) $74,699.

STEP 3—FIGURE YOUR DEDUCTION

6. Compare the amounts in columns (a) and (b) of line 5 above. Write the smaller amount here. (write either amount if 5(a) and 5(b) are the same.) Do not write more than $30,000; $30,000.

8. Multiply the amount on line 6 by the percentage on line 7. This is the amount of your deduction. Write the answer here and on Form 1040, line 30, $3,000.

Employee Business Expenses

William Proxmire

PART 1—EMPLOYEE BUSINESS EXPENSES DEDUCTIBLE IN FIGURING ADJUSTED GROSS INCOME

4. Travel expenses while away from home overnight including meals, lodging, airplane, car rental, taxi, etc, $3,000.

7. Add lines 1 through 6, $3,000.

9. If line 7 is more than line 8, enter difference here and on Form 1040, line 25, $3,000.

Ellen H. Proxmire

PART I—EMPLOYEE BUSINESS EXPENSES DEDUCTIBLE IN FIGURING ADJUSTED GROSS INCOME

1. Vehicle expenses from Part II, lines 15 or 22, $4,332.

7. Add lines 1 through 6, $4,332.

9. If line 7 is more than line 8, enter difference here and on Form 1040, line 25, $4,332.

PART II—VEHICLE EXPENSES (USE EITHER YOUR ACTUAL EXPENSES OR THE STANDARD MILEAGE RATE)

Section A.—General Information (Vehicle 1)

2. Total mileage vehicle was used during 1985, 8,000 miles.

3. Miles included on line 2 that vehicle was used for business, 5,600 miles.

4. Percent of business use (divide line 3 by line 2), 70 percent.

5. Average daily round trip commuting distance, 5 miles.

6. Miles included on line 2 that vehicle was used for commuting, 1,250 miles.

7. Other personal mileage (subtract line 6 plus line 3 from line 2), 1,150 miles.

8. Do you (or your spouse) have another vehicle available for personal purposes? Yes.

10. Do you have evidence to support your deductions? Yes. If yes, is the evidence written? Yes.

Section C.—Actual Expense (Vehicle 1)

16. Gasoline, oil, repairs, vehicle insurance, etc., see attchd. $6,189.

19. Add lines 16 through 18, $6,189.

20. Multiply line 19 by the percentage on Part II, line 4, $4,332.

22. Add lines 20 and 21 Enter total here and on Part I line 9, $4,332.

Depreciation and Amortization

PART I—DEPRECIATION.

Section C.—Depreciation of Nonrecovery Property

8. Other depreciation (see instructions), $1,590.

Section D.—Summary

9. Total (Add deductions on lines 3 through 8). Enter here and on the Depreciation line of your return (Partnerships and S corporations—Do NOT include any amounts entered on line 3.), $1,590.

Detail Depreciation Schedule

118 Land: Date placed in service, 11/22/80; cost or other basis, $11,500.

118 Bradford: Date placed in service, 11/22/80; cost or other basis, $31,800; depreciation allowed or allowable in earlier years, $6,625; method of figuring deprection, S/L; life or recovery period, 20/00; Federal depreciation for this year, $1,590; State depreciation for this year, $1,590.

Total State: Cost or other basis, $43,300; depreciation allowed or allowable in earlier years, $6,625; State depreciation for this year, $1,590.

Total Federal: Cost or other basis, $43,300; depreciation allowed or allowable in earlier years, $6,825; Federal depreciation for this year, $1,590.

Investment Interest Expense Deduction

PART II—INTEREST ON INVESTMENT DEBTS INCURRED AFTER SEPTEMBER 10, 1975

5. Interest expense on investment debts incurred after September 10, 1975, $4,968.

7. Total investment interest expense (add lines 5 and 6), $4,968.

8(a). Individuals enter $10,000 ($5,000 if married filing separately), $10,000.

10(a). Total net investment income (amount from line 4 if Part I is used), $4,620.

11. Excess expenses from "net lease property," $1,770.

12. Limitation on deduction (add lines 8(a), (b), 9, 10(b) and 11), $16,390.

13. Allowable investment interest deduction—Enter the smaller of line 7 or line 12 (see instructions), $4,968.

Form 2106—Supplemental Schedule

AUTO EXPENSES

Car 1: Gasoline, oil, repairs, etc., $1,885; $4,304; Total to part II, line 16 form 2106, $6,189.

OTHER BUSINESS EXPENSES

Dues and publication: Federal, $409; State, $409. Total to itemized deductions: Federal, $409; State, $409. Total to part I, line 5 form 2106: Federal, $0; State, $0.

EARNINGS, 1985

	Gross	Federal withholding tax	FICA	State withholding tax	City withholding tax
U.S. Senate (H)	$75,100	$27,666	$2,792	$6,368	
Washington, DC (W)	81,031	17,344	2,792		
Total	156,131	45,010	5,584	6,368	

ITEMIZED DEDUCTIONS

Contributions	50 percent	30 percent		20 percent	Non-cash	Total
		Capital gain	Other			
By check (H)	$1,408					
By check (W)	575					
Total	1,983					$1,983
Carryover	0					0
Allowable	1,983					
Allowable contributions to sched. A, line 18						1,983

INTEREST EXPENSE

Payee	Home mortgage paid to individuals	Other
Bank of Wilmington		$1,537
1st Wisconsin Bank		589
New		1,168
Credit cards		1,416
Total to sched. A, line 110	0	
Total to sched. A, line 18		4,710

Name: Senator William and Ellen Proxmire SSN:(H) 117-12-9969. SSN: (W) 395-26-3362.

Address: 118 Bradford Lane.

City, State, ZIP: Madison, Wisconsin 53714.

CERTIFICATE

I hereby certify that I was in travel status in the Washington, DC, area, away from my home in my home State of Wisconsin, in the performance of my official duties as a Member of Congress for 251 days during the year 1985 and that my deductible living expenses while in such travel status amounted to $3,000.

(Signature of Member)

Note: (If such living expenses exceeded $3,000, the deduction is limited under section 162(2) of the Internal Revenue Code of 1954 to $3,000).

Mr. PROXMIRE. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk called the roll.

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Mr. DOMENICI. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

The Senator from New Mexico.

SENATOR HAWKINS' SPECIAL ORDER

Mr. DOMENICI. Mr. President, I understand that the distinguished junior Senator from Florida Mrs. HAWKINS has a special order.

The PRESIDING OFFICER. The Senator is correct.

Mr. DOMENICI. I ask unanimous consent that the Senator from New Mexico [Mr. DOMENICI] be permitted to use her time in her behalf.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. DOMENICI. Mr. President, I am speaking in behalf of Senator HAWKINS and delivering a statement prepared by her, entitled "Panama, the Giant Money Laundering Machine."

Panama—The Giant Money Laundering Machine

Mrs. HAWKINS. Mr. President, Panama—known to every American schoolchild as the site of the Panama Canal, one of the great engineering marvels of our time—has emerged as the drug laundering capital of the western hemisphere. The enormous profits churned by narcotics trafficking require safekeeping, circulation, investment and sporadic movement from one location to another to accomplish specific objectives. Sometimes the money is used to invest in legitimate businesses or real estate, sometimes to buy more drugs or sometimes to oil the transportation machinery needed by the drug fraternity, things such as planes, boats, warehouses, or simple bribery of public officials. At other times the money is simply deposited in banks to earn interest, which later will be plowed into various enterprises. At times, it figures in foreign currency exchange or as a means to buy weapons and ammunition earmarked for terrorists or insurgent groups.

Panama's drug abuse problem centers on marijuana, cocaine, and paint thinner. Marijuana is grown locally and also is imported from Colombia. Colombia is the major source country for cocaine, consumption of which is increasing and causing concern to Panamanian authorities. Panama serves as a transfer point for narcotics moving from South America to the United States and for chemicals used in drug processing enroute from the U.S. and Europe to South America. Drugs come into Panama from light planes and small coastal vessels, and then are switched to other aircraft or vessels for movement to the U.S. Panama also serves as a warehouse for storage of drugs prior to shipment somewhere else.

Panama's main role in the murky world of international narcotics trafficking is as a giant money laundering machine. Some 120 banks operate in Panama with total deposits of more than $30 billion. Financial institutions are attracted to Panama because of favorable banking conditions, notably that profits earned outside of Panama are exempt from local taxation. In addition, Panama has strict banking secrecy laws, stricter even than those of Switzerland. Corporations can be set up quickly and easily and the American dollar is the currency of the day. All of these factors add up to a very favorable climate for money laundering of all kinds, particularly laundering the ill-gotten proceeds of the illicit narcotics trade. Most of the money enters Panama in bulk cash and leaves via electronic transfer. That marvel of the high-tech age allows for a lot of financial hanky-panky.

Other banking centers with tight secrecy laws, such as the Dutch Antilles, Cayman Islands, or Switzerland, have agreements with the United States to reveal financial records in major criminal cases. But with Panama, there are no agreements, and secrecy is absolute. Many of the bank accounts are numbered. And many bankers do not ask questions when armored cars pull up to their doors with suitcases or crates of $20 bills or larger denominations. Small wonder that drug traffickers are drawn to Panama's banking system.

The arrogance of drug traffickers has no bounds. In one instance, they brazenly set up their own bank. Gilberto Rodriguez Orjuela, a notorious Colombian drug smuggler, acquired controlling interest in the First Inter-Americas Bank of Panama. But his luck ran out. Spanish authorities jailed him and he is awaiting action on extradition requests filed by both Colombia and the U.S. The Panamanian Banking Commission, responsible for overseeing liquidation of bank assets, took control of the bank, which was literally awash in millions of narcotics dollars. A Banking Commission official remarked whimsically, "It's the first time in history that a bank was closed down because it was too liquid."

Another factor that makes Panama a haven for money laundering is the anonymity with which a company can be organized and the laxity of its financial reporting requirements. There are more than 150,000 corporations on file. It is easy to go into business. For a fee of $1,200, a local law firm will set up a paper corporation and name directors to the board to camouflage the identity of the real owners. The net result is that Panama is virtually a magnet for narcotics dollars looking for a place to hide.

Many of the large drug deals are made in Panama hotels, bars, and law offices. One senior law enforcement official observed recently that Panama "is not only the center of laundering proceeds, but it's a center for cutting the deals, for making payments, for meetings. It's like the corporate center for drug trafficking."

Mr. President, more and more I am convinced that we are not going to gain ground in the war against drugs unless Panama tightens up on its banking practices and banks are compelled to accept their social responsibilities in helping combat drug money laundering.

ROUTINE MORNING BUSINESS

The PRESIDING OFFICER. Under the previous order, there will now be a period for the transaction of routine morning business for not to extend beyond the hour of 12 noon, with

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statements therein limited to 5 minutes each.

TRIBUTE TO DR. LOUISE BRANSCOMB

Mr. HEFLIN. Mr. President, I am proud to rise today to congratulate Dr. Louise Branscomb of Birmingham, AL, for her selection as one of the outstanding 100 women in Mission for the 20th century. Dr. Branscomb was one of 38 living honorees selected by the 1.2 million members of the United Methodist women organization for both pioneer and significant accomplishments through the organization. She has been recognized for the advancement of women in medicine, in the church, and in the community.

Dr. Branscomb graduated from Johns Hopkins University and practiced gynecology in Birmingham from 1931 to 1975. In 1944 and 1945, she served as a surgeon with the U.S. Public Health Service in North Africa and Greece. Then, during the 1960's, she initiated meetings on integration between church women and educators in Alabama, and served on the county interracial council and the mayor's interracial committee.

Throughout her life, Dr. Branscomb has labored to ensure that people are judged for their capabilities and contributions. Her efforts have been essential in guaranteeing that all people are given the opportunity to accomplish all that they can. Because of her excellent work and involvement many doors are now open which would be shut—countless people are contributing to society and their communities who might have been excluded. We are all at an advantage because of her labor. I commend Dr. Branscomb's courage, and dedication. She has set a great example for her State and her Nation.

Mr. President, I ask unanimous consent that an article from the United Methodist Christian Advocate be printed in the CONGRESSIONAL RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

[From the United Methodist Christian Advocate, April 18, 1986]

DR. BRANSCOMB HONORED AS OUTSTANDING WOMAN IN MISSION

NEW YORK.—Dr. Louise Branscomb of Birmingham has been nominated as one of the outstanding 100 Women in Mission for this century by the 1.2 million members of the United Methodist Women organization.

The honor, which is part of the organization's Centennial Era Celebration, was awarded to women active in United Methodist Women or its predecessor women's missionary societies.

According to the selection committee, "Limiting the number to only 100 does not obscure, but rather, emphasizes that those selected are representative of hundreds, perhaps even thousands, of other women very like them." The committee explains that the number 100 was set to emphasize the century of mission involvement." Those honored included pioneer "firsts" in mission and women with significant accomplishment through the organization.

Ms. Branscomb, one of the 38 living honorees, is a pioneer for women's rights in medicine, in the church and in the community. A graduate of John Hopkins University, she practiced gynecology in Birmingham, from 1931 to 1975 and served as surgeon in the United States Public Health Service in North Africa and Greece from 1944 to 1945.

During the 1960's, Ms. Branscomb initiated meetings on integration between church women and educators in Alabama. She also served on the County Interracial Council and the Mayor's Interracial Committee.

Currently, Ms. Branscomb is active in community institutions and organizations related to health, education and housing. Her biography will appear in They Went Out Not Knowing, an encyclopedia on the 100 Women In Mission, scheduled for release this month.

Dr. Branscomb has served as a member of the North Alabama Annual Conference from her church, McCoy United Methodist Church, for many years and was a delegate to General Conference in 1984.

TRIBUTE TO PATRICIA PATTERSON McKENZIE

Mr. HEFLIN. Mr. President, it is with a heavy heart that I rise today to share with my colleagues the passing of Patricia Patterson McKenzie, the mayor of Atmore, AL. Her death is a sad blow to the many, many people who knew her and who benefited from the great work that she did.

Throughout her life, Mrs. McKenzie was devoted to people. She once said that, "I've always tried to have empathy for all different groups of people and their problems." It was this concern for others and the ability to understand their needs that enabled Mayor McKenzie to bring them together, and to lead them to accomplishments which would have been impossible if attempted alone. She said that, "People can accomplish so much when they work together." Mayor McKenzie, however, was able to provide these people with guidance and leadership that was essential to the success of each goal that was set, of each objective that was undertaken.

Patricia McKenzie graduated from Murphy High School in Mobile, AL, and then earned degrees in psychology and sociology from the University of Alabama. She dedicated herself to public service from an early age. During World War II, she worked for the Air Warning Service in Mobile, and did volunteer work for the Air Force. Since then, she devoted her talents to many different causes and organizations. She was a sustaining member of the Junior League of Mobile, was an advisory member of the Atmore Junior Service League, was actively involved with the American Cancer Society, the March of Dimes, and was president of the United Fund of Atmore. In her service with each of these organizations, Mayor McKenzie added an interest and a zeal that insured results. Her contribution was great. Her participation was crucial.

After so many tremendous contributions, after helping in so many different areas, Patricia McKenzie ran and was elected to the Atmore City Counsel in 1972. Again, her energy and participation was immediately apparent, and her presence in municipal government was a great asset to her city. In addition to this service, she became involved in the Alabama League of Municipalities, serving as a director for 8 years, and was active with the National League of Cities. Then, in 1976, she became the first woman to be elected mayor of Atmore.

Mayor McKenzie was one of the most capable, competent government officials that I have ever known. Her popularity among her constitutents was evident from her three successful bids for reelection. Her accomplishments demonstrate her great effectiveness as a mayor. During her tenure, the city built a new library, improved and expanded their water system, installed a natural gas pipeline to guarantee uninterrupted gas to industry, provided for better parking, built a sewer treatment plant with 85 percent grant money, and spent $8 million in grant money to improve an ailing section of town. Additionally, Mrs. McKenize was instrumental in both persuading the Escambia County Industrial Development office to locate in Atmore, and in improving the industrial park. High on her list of contributions is the building of a new civic center. Construction has just begun on a center to be named in her honor which will provide facilities for entertainment and recreation for the city of Atmore. I am very sorry that she was unable to see it completed, for I know that it would have given her great pleasure.

Mr. President, each of Mayor McKenzie's tremendous accomplishments has greatly improved the condition of Atmore and enables the citizens to enjoy a better lifestyle. Additionally, these achievements have helped the city compete for new industry. Atmore is, thus, better prepared to face the future, to grow, and to prosper.

Throughout her life, Patricia McKenize possessed an indomitable spirit and an invincible optimism. She took great joy in life, and in helping others. When faced with the cancer that took her life, she demonstrated immense courage and perseverance. She never relented in her struggle, but tirelessly labored to enhance the welfare and well-being of all that she could. The city of Atmore, and the State of Alabama have lost a great citizen. I, and many others, have lost a

great friend. However, her example remains to persuade others to become involved and to contribute to organizations, communities, and government. We should all strive to work as Patricia McKenzie did—to selflessly give of ourselves for the benefit of others.

Mr. President, I ask unanimous consent that the attached articles be included in the RECORD. They tell of Mayor McKenzie's life and achievements.

There being no objection, the articles were ordered to be printed in the RECORD, as follows:

COURAGEOUS BATTLE OF ATMORE'S FIRST LADY

(By Kathy Jumper)

After 14 years in politics, Atmore Mayor Patricia Patterson McKenzie has finally slowed down. But not by choice.

She's been battling cancer since last June.

Her clear, blue-gray eyes shine with optimism. She props herself up in a hospital bed set up in her home. Blooming azaleas and family photos fill the room. A telephone, her link to the office, is a reach away.

Not being able to go to work hurts the most.

"That's what's so frustrating," says the 68-year-old Atmore native. "To be confined to bed and not be able to go to work and do any of those things. But you just have to live one day at a time; and make up your mind that you won't let it get you.

"I've had an extremely full life. But I don't think anyone's ever ready to turn loose."

In her third term as mayor, she learned she had cancer in her lungs and liver last summer. She had a remission in late September and promptly went back to work. But the day before Christmas 1985, she discovered the cancer had spread to her spinal cord. Today, she can't sit up or walk without help. Her stylish gray hair has fallen out from the chemotherapy.

But her spunk and fighting spirit remain. She keeps in constant touch with her office.

"I'm running things from my bed and with the mayor pro-tem, Eddie Staff," she said. "When it came time, when I couldn't do anything, I would resign.

"If I were well now, I'd be right down there, getting ready to go to Washington, D.C."

She's been on the go since her school days in Mobile. After graduating from Murphy High School, she earned a degree in sociology and psychology at the University of Alabama. She made her debut here and began a lifetime of volunteer work with the Junior League, Cancer Society and other organizations.

She came back to Atmore to nurse her ailing parents. She married an Atmore native and they had three daughters. Her family owned land and mineral rights there and after her brothers died a year apart, the family business became her responsibility.

"I missed Mobile a lot at first," she adds. "The many years I've made my life up here, I've enjoyed. I'm happy.

She was a 54-year-old grandmother when she decided to run for city council in 1972. "I didn't want to just play cards all the time," she said, smiling. "I thought I'd try it and see how I liked municipal government. I ran for council and really got interested. I started going to national conventions. I really got involved in the Alabama League of Municipalities. I've been a director for eight years."

The next step was mayor.

"I've worked hard in running for mayor," she recalls. "I was the first woman mayor of Atmore and there were not many women mayors in Alabama at the time.

Running a town was never a problem. "It depends on your attitude, whether you're reasonable and able to work things out," she said. "Sometimes, the worst mistake women make is to rush into a situation and prejudge things. And then hang onto that judgment and not be willing to give and take and see what the other side is talking about. I really tried to look at all sides and do what's best for the town as a whole."

The town of 10,000 has prospered with their lady mayor.

She—and the council's pluses include: improving the industrial park and bringing in new industry; building a sewer treatment plant with 85 percent grant money; persuading the Escambia County Industrial Development Office to locate here; constructing a new library; spending $8 million in grant monies to improve a predominantly black section of town; and gaining recent approval from state Highway Director Ray Bass to build the Jacks Spring Road interchange.

The city's most recent project is the building of a new civic center, which will be named after the mayor. "I think they thought I'd be dead by now," she quips. Construction starts next month. "Hopefully, I'll see the start of it and, hopefully, maybe the end of it," she adds.

Her most satisfying moments? She hesitates, not wanting to sound as if she's patting herself on the back. "I guess being reelected as many times as I have, it makes you feel good, she said. "You feel you've undoubtedly pleased your constituents.

"The fact that we've been able to work well with the school board, county school board and county commission has also been an upbeat kind of thing. People can accomplish so much more when they work together.

"I've always tried to have empathy for all different groups of people and their problems."

She's proud of her city. "You'll find Atmore a very friendly, warm town." she said, "There's a good cross section of population. Almost anyone can find a niche or group of people they can enjoy."

No regrets?

"No, not really," she says. "Sometimes, I think I neglected my five grandchildren a little bit. I don't guess I really did because they enjoyed having a grandmother that was a mayor."

ATMORE MOURNS THE LOSS OF ITS FIRST LADY

The City of Atmore suffered a great loss Wednesday with the death of Mayor Patricia Patterson McKenzie.

The 68-year-old mayor had been battling cancer of the lungs and liver since last June. In December, she learned that the cancer had spread to her spinal cord.

Mayor McKenzie died Wednesday at 4:05 a.m. at her home on Alexandra Drive.

Mayor pro-tem Eddie Staff Jr. said that she has "done an awful, awful lot for this town. She's irreplaceable." U.S. Sen. Howell Heflin, D-Ala., described her as "a lovely, gracious lady and an effective, efficient government official. She was one of the finest city officials of the state and she will be sincerely and truly missed by many, many people including the people of Atmore and far beyond Atmore."

She was born December 5, 1917 in New Orleans, La. She was a graduate of Murphy High School in Mobile and attended Prep School-Ogantz in Pittsburgh, Penn., Sweet Briar College, and received her degree in sociology and psychology at the University of Alabama.

During World War II, she worked for the Air Warning Service in Mobile and did volunteer work for the Air Force.

She was married to John Albert McKenzie.

Mayor McKenzie was the first woman appointed to the Board of Directors at the First National Bank of Atmore which her father, Harry Howard Patterson, helped to establish.

In 1972, at the age of 54, she was elected to the Atmore City Council. She became involved in the Alabama League of Municipalities in which she served as a director for eight years.

She was elected the first woman mayor of Atmore in 1976. While in office she and the city council were involved in the improvement of the industrial park and the locating of new industry, the building of a sewer treatment plant with 85 percent grant money; spent $8 million in grant monies to improve a section of town; pursuaded the Escambia County Industrial Development Authority to locate its office here.

Other achievements by Mayor McKenzie and the city council include the improvement and expansion of the water system throughout the entire city and the lowering of fire insurance rates; the installation of a natural gas pipeline to guarantee uninteruptable gas to industry; the construction of the Brushy Creek Watershed to improve drainage in Atmore; the provision of more and better off-street parking downtown; improved railroad crossings at several streets; and the construction of new library.

Recent accomplishments were the gaining of approval from the state highway director to build an interchange at Jack Springs Road and the building of the new civic center which will be named after Mayor McKenzie.

The mayor was active in the community and state belonging to such organizations as the South Alabama Regional Planning Commission as a board member; the Planning and Advisory Board Community Action Agency; and the Policy Committee of the National League of Cities.

She was a board member of the Atmore Area Chamber of Commerce, an honorary member of the Atmore Pilot Club, a member of the Atmore Country Club, an advisory member of the Atmore Junior Service League, and a sustaining member of the Junior League of Mobile.

She served as chairman of the March of Dimes in 1970 and was the 1976–77 president of the United Fund of Atmore.

Mrs. McKenzie's personal philosophy was "Try to be tough and able to take it, but also be compassionate, and above all not vengeful. When things get really difficult, just stop and thank God for giving you one of the most interesting and challenging jobs in the world."

She was recognized as the "Citizen of the Year" by the Atmore Area Chamber of Commerce in 1979. In 1984, she received the Outstanding Community Leadership Award from the Alabama Cooperative Extension Service, and just recently she was awarded a Certificate of Recognition from the Alabama State Council on the Arts and Humanities at Montgomery.

Her hobbies include gulf fishing, bridge, hunting, and swimming in the gulf.

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Services were held Friday, April 4, at Trinity Episcopal Church with Rev. Albert Kennington, Rev. Dave Dabria and Rev. Tim Kluppfenstein officiating.

Burial was in Oak Hill Cemetery with Johnson-Quimby Funeral Home directing.

Active pallbearers were John Garrard, Eddie Staff, Jr., Eldred Pritchett, Ralph Smith, Dr. J.B. Thomas, Ben Haley, Robin Swift, Jr., Hugo Esneul, James Dixon, and Billy Duffield.

Survivors include her husband, John Albert McKenzie; three daughters, Celine Wood Meador (Mrs. Aubrey Allen Meador) of Birmingham, Emilie Wood Mims (Mrs. John Clifton Mims) of Atmore, and Clarice Wood Horton (Mrs. Lowell Clinton Horton) of Gulf Breeze, and seven grandchildren, Ashley Alexandra Robinson, Jason Tucker Mims, Rachael Howard Mims, Alexandra Celine Givens, Celine Cathering Givens, Lowell Clinton Horton II, and Helen Anne Horton.

A Patricia Patterson McKenzie Fund for the Needy-Elderly has been established at the First National Bank of Atmore. Contributions may be made at the bank or at Atmore City Hall, c-o Ann Staff, fund director.

FUNERAL FRIDAY FOR ATMORE'S MAYOR PATRICIA MCKENZIE

ATMORE, Ala.—Funeral services for three-term Mayor Patrica Patterson McKenzie, 68, who died Wednesday morning at home with her family, will be held at 11 a.m. Friday at Trinity Episcopal Church on Carney Street in Atmore. The wake will be held at church from 2 p.m. until 9 p.m. Thursday.

Burial will follow funeral services at Oakhill Cemetery here.

Eddie Staff Jr., who served as mayor pro tem during Mrs. McKenzie's 10-month illness, said Wednesday the late mayor had "done an awful, awful lot for this town. She's irreplaceable."

Ann Staff, Mrs. McKenzie's secretary, said a Patrica Patterson McKenzie Fund for the Needy/Elderly has been established at the First National Bank of Atmore. Contributions may be made at the bank or at Atmore City Hall, c/o Ann Staff, fund director.

Mrs. McKenzie, an Atmore native, was told in June 1985 that she had cancer in her lungs and liver. On Christmas Eve she discovered the cancer had spread to her spinal cord. She was in her third term as mayor.

She was born Dec. 5, 1917, in New Orleans, La., and graduated from Murphy High School in Mobile. She earned a degree in sociology and psychology at the University of Alabama. She made her debut in Mobile and began a lifetime of volunteer work with the Junior Leauge, Cancer Society and other organizations.

She moved back to Atmore to nurse her ailing parents. She married an Atmore native.

In 1972, at the age of 54, Mrs. McKenzie was elected to the Atmore city council. While on the council she became involved in the Alabama League of Municipalities and was a director for eight eight years.

She was the first woman mayor of Atmore. She and the city council improved the industrial park; brought new industry to Atmore; built a sewer treatment plant; and built a new library.

The city's most recent project is a new civic center that will be named after the mayor.

In addition to serving as mayor for three terms, Mayor McKenzie served for many years on the First National Bank's Board of Directors. She also headed her family's mineral leasing business.

She is survived by her husband, John Albert McKenzie of Atmore; three daughters, Celine Wood Meador of Birmingham, Emilie Wood Mims of Atmore, and Clarice Wood Horton of Gulf Breeze, Fla.; and five grandchildren.

Mrs. McKenzie was the subject of a story published Sunday, March 30, in the Press Register's magazine, Port City.

Mr. DOMENICI. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

□ 1200

Mr. DOMENICI. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

CONCLUSION OF MORNING BUSINESS

The PRESIDING OFFICER. Is there further morning business? If not, morning business is closed.

CONCURRENT RESOLUTION ON THE BUDGET, FISCAL YEAR 1987

The PRESIDING OFFICER. The clerk will report the unfinished business.

The assistant legislative clerk read as follows:

A concurrent resolution (S. Con. Res. 120) setting forth the congressional budget for the United States Government for the fiscal years 1987, 1988, and 1989.

The Senate resumed consideration of the concurrent resolution.

Pending:

DeConcini Amendment No. 1803, to increase budget authority and outlays for fiscal year 1987 for functional category 730, administration of justice.

Mr. DOMENICI. Mr. President, I yield myself time off the resolution.

The PRESIDING OFFICER. The Senator may proceed.

Mr. DOMENICI. Mr. President, it will be my intention to once again ask for a quorum call and ask that it be charged equally to both sides. I do want to call to the Senators' attention that while there is some time remaining on the DeConcini-Abdnor amendment, we will attempt to work out consent with the minority so that the remainder of the time will take place tomorrow morning immediately before 11 o'clock, to be followed by a vote.

That means we are going to open for other amendments this afternoon. It was the Senate's intention that amendments could be called up, even though they could not be voted on until tommorrow. Tomorrow's votes will be stacked in the order that the amendments came to the floor, or in an agreed upon order if such be different. We know there are some 12 to 14 amendments. We clearly would like to have some of them come up today. But in any event, we will be using time off the budget resolution, which I understand was 25 hours when we started 2 minutes ago.

Having said that, I urge Senators who have amendments to contact us to see if there is some way we can accommodate them this afternoon. By the time we get started tommorrow we will be down into the 18-, 19-hour range for all the amendments and for all remaining debate on the budget resolution.

Now, Mr. President, I suggest the absence of a quorum and ask that it be charged equally to both sides.

The PRESIDING OFFICER. Without objection, it is so ordered. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

□ 1300

Mr. BRADLEY. Madam President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER (Mrs. KASSEBAUM). Without objection, it is so ordered.

Mr. BRADLEY. Madam President, I ask unanimous consent that the pending amendment be set aside so I may call up an amendment.

The PRESIDING OFFICER. Without objection, it is so ordered.

AMENDMENT NO. 1805

(Purpose: To express the sense of the Congress that funds deferred under deferral D86-37 and deferral D86-10A should be obligated immediately)

Mr. BRADLEY. Madam President, I send an amendment to the desk and ask for its immediate consideration.

The PRESIDING OFFICE. The amendment will be stated.

The legislative clerk read as follows:

The Senator from New Jersey [Mr. BRADLEY], for himself, Mr. JOHNSTON, Mr. METZENBAUM, and Mr. BOREN proposes an amendment numbered 1805.

Mr. BRADLEY. I ask unanimous consent that further reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

At the end of the resolution add the following:

SEC. . It is the sense of the Congress that the Congress intends to disapprove the deferral proposed in D86-37 and D86-10A.

Mr. BRADLEY. Madam President, the amendment I am proposing simply expresses the Senate's intentions to pursue an active policy with respect to the U.S. Strategic Petroleum Reserve. The amendment is cosponsored by Senators JOHNSTON, METZENBAUM and BORAN. The amendment would add to the budget resolution nonbinding language which would reflect the Senate's intentions to disapprove two deferrals of SPR funds totaling over

$600 million. Last Tuesday, I introduced a sense-of-the-Senate Resolution which had the same goal. Senators MCCLURE, FORD, and WARNER were also cosponsors of that resolution and I hope they will join me in support of this amendment.

The Senate has voted repeatedly and consistently to support a substantial SPR stockpile. Quite simply, continuing to expand the SPR is good energy policy, it is sound national security policy, and it is prudent budget policy.

The U.S. oil market is a reflection of the world market: as world oil prices move, so do U.S. prices. This market orientation is the keystone of U.S. energy policy. U.S. prices no longer depend on the level of oil imports, they fluctuate based on the conditions in the world market. The danger we face from a free market policy is that sudden swings in price or supply—caused by panic, speculation or some natural disaster—can have severe economic impact.

The best way we have to cushion our economy from sudden changes is an adequate stockpile of oil in the strategic petroleum reserve.

This stockpile is an essential component of a sound national security strategy. As we have seen in the past, a swing in the market can also result from hostile action. Oil is a strategic commodity necessary for our military capacity as well as our industry. We have seen in the Iraq-Iran war that oil fields, refineries and tankers are prime targets for attack. A large SPR counters this threat to national security. Again, however, our confidence in the reserve is directly related to its size.

Investment in the SPR is a prudent budgetary decision. In today's oil market, with prices at an historic low in real terms, it makes no sense that the United States forgo this opportunity to increase our long-run security and add to the reserve. As an asset, the value of oil will only increase. I would not be surprised if future analysis showed that the taxpayer actually made money on SPR Oil purchases made today.

□ 1310

Finally, expanding the SPR will have a salutary impact on the economy of a number of hard-pressed States. We are all aware of the effects that the recent drop in oil prices has had on domestic producers: the layoffs in the oil-producing States, the shut-in marginal producers and the declining expenditures for oil exploration and production. We are also very aware of the immense beneficial effects of low oil prices on the U.S. consumers: heating oil and gasoline prices well under $1 per gallon, a Dow Jones average heading toward 2,000, and an enormous boost in our economic growth and low inflation—all stemming from the low oil prices.

This amendment puts President Reagan on notice that the Senate intends to take the one action which can benefit both consumers and producers. The over $600 million being deferred by the President could buy over 50 million barrels of oil. Such a large purchase would help stabilize oil markets. It would show producers that the U.S. Government recognizes a bargain and can act accordingly. Additionally, a larger SPR means increased energy security for domestic consumers. With over 70 percent of the world's proven reserves in the Middle East or Communist nations, the value of such security should be as obvious to the President as it is to the Congress.

The arguments are many, and the conclusion is not subtle. We need a large SPR and now is the time to fill it. President Reagan has the funds available to add to the SPR and he should use them. This amendment tells the President that, absent his decision to spend the funds Congress has already appropriated, the Senate will join the House in rejecting the deferral of funds for the SPR.

I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The bill clerk proceeded to call the roll.

□ 1350

Mr. BOSCHWITZ. Madam President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

(Later, the following occurred:)

Mr. DOMENICI. Mr. President, I understand that Senator BRADLEY would be willing to dispose of his amendment at this time without a rollcall vote. Instead, we will adopt it by a voice vote.

While I may agree with the distinguished senior Senator from New Jersey with reference to two strategic petroleum reserve deferrals that are alluded to in his sense of the Senate resolution, I was reluctant to proceed on the budget resolution because you cannot overturn deferrals in a budget resolution. An overturn of a deferral requires an act of Congress that must be signed by the President. So, on overturn of a deferral requires a legislative vehicle—normally, as the distinguished Presiding Officer knows, as part of an appropriations bill.

The distinguished Senator from New Jersey wants to use the budget resolution for a sense of the Senate resolution, establishing an intent that these two deferrals should be overturned. Since I do not think we should use the budget resolution in this manner, I obviously was reluctant to accept it, and I still am. But I understand that we have many things to do and that probably Senators may like to express themselves in favor of overturning these deferrals. As we proceed with a supplemental appropriation bill or other appropriate legislative vehicle, the Senate can decide whether to accept or reject the SPRO deferrals.

If we adopt this resolution, I am concerned other Senators would want to adopt similar amendments on other deferrals and hundreds of accounts that are handled by the administration one way or another. Therefore, I am reluctant to agree to adopt this amendment.

However, looking at it from the standpoint of the Senator from New Jersey and his persuasiveness—he probably would win tomorrow if we had an up-and-down vote—I have decided that, while I will oppose it, I would like to let it move through the Senate today.

Mr. BRADLEY. Mr. President, I thank the distinguished chairman of the Budget Committee for his comments.

This is a statement of intent that when a vehicle does come along, we will move to essentially reject the deferral that the President has made in this area, thereby allowing over $600 million that Congress has already appropriated to fill the strategic petroleum reserve to be spent to put oil in stockpile, to hedge against the danger of an oil supply disruption, to be able to purchase that oil when it is very cheap, at $10 a barrel, and to provide for the national security of our country.

Mr. President, I am very pleased that the distinguished Senator from New Mexico has seen fit to accept this amendment. It is a very clear declaration of congressional intent.

I yield to the distinguished minority manager.

Mr. CHILES. I thank the Senator from New Jersey.

I just want to say that I intend to vote with him on the amendment. I know he has long felt that now is the time we should do something. While it is not a binding amendment, I think it is an expression of the Senate, and at times when we have an opportunity to buy oil at a cheap price, the best protection this country could have would be to fill the strategic petroleum reserve.

I congratulate the Senator on the amendment. I intend to vote with him.

Mr. BRADLEY. I thank the Senator from Florida.

I expect that sometime in the next several months, there could be a consumer-producer coalition that could come behind this, when these funds are needed to assure the energy security and national security of our Nation, as well as provide a market for oil producers in this country.

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So, Mr. President, with that stated, I am prepared to yield back the remainder of my time.

Mr. DOMENICI. I yield myself 1 minute on the resolution.

Mr. President, I say to the Senator from New Jersey that if we could find some money to pay for increased funding for the strategic petroleum reserve, I not only would be in favor of overturning these deferrals but also buying more oil, not less. I have constantly favored the development of a strategic petroleum reserve. But, as Budget Committee chairman, I can state that we do not have enough money to pay for many of our programs unless we borrow it.

Frankly, with oil at the price it is and our producers in this country feeling the effects of this tremendous drop in price, just as the American people felt the tremendous consequences of the surge in price, I think everything ought to be done to minimize the long-term negative effects of the recent price decline.

I would not even be averse to raising new money to buy strategic petroleum, and I want the Senator to know that. He does not come from an oil-producing State, as I do, but he has been a staunch advocate of getting ready for the inevitable. I believe that the inevitable is not only an oil shortage some day but also that the time will arrive in the near future when the price of oil will be much, much higher than it is today.

The PRESIDING OFFICER. Is there further debate on the amendment? If not, the question is on agreeing to the amendment of the Senator from New Jersey.

The amendment (No. 1805) was agreed to.

Mr. BRADLEY. Mr. President, I move to reconsider the vote by which the amendment was agreed to.

Mr. CHILES. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

(Conclusion of later proceedings.)

Mr. BOSCHWITZ. Madam President, I ask unanimous consent that further time on the quorum call that I will put in at the conclusion of this unanimous-consent request be charged not against the Bradley amendment but rather be charged against the bill equally divided so that no further time will be charged against the Bradley amendment.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. BOSCHWITZ. Madam President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

☐ 1530

(During the call of the roll Mr. Boschwitz occupied the chair.)

Mr. DOMENICI. Mr. President, I ask unanimous consent that the clerk dispense with the further reading of the roll.

The PRESIDING OFFICER (Mr. Cochran). Without objection, it is so ordered.

Mr. DOMENICI. Mr. President, I have been discussing with the minority and with the majority leader a unanimous-consent proposal that relates to the DeConcini amendment, and I would like to propound it at this time.

Mr. President, following morning business at 10:30 a.m. on tomorrow, I ask unanimous consent that there be a time agreement on the DeConcini amendment, which has been temporarily laid aside, amendment No. 1803 to the budget resolution, as follows: Five minutes under the control of Senator Rudman, 5 minutes under the control of Senator Domenici, and 20 minutes under the control of Senator DeConcini. I also ask unanimous consent that no amendments be in order to the DeConcini amendment, and following the conclusion of the 30 minutes above on the DeConcini amendment the Senate proceed to vote in relation to the DeConcini amendment No. 1803.

Mr. BYRD addressed the Chair.

The PRESIDING OFFICER. Is there objection?

Mr. BYRD. Reserving the right to object—I do not expect to object—are we to understand then that the amendment by Mr. DeConcini will be the first matter of pending business immediately after the conclusion of morning business?

The PRESIDING OFFICER. The Senator is correct.

Mr. BYRD. I thank the Chair, and I have no objection.

The PRESIDING OFFICER. Is there objection to the unanimous-consent request?

Mr. DOMENICI. Reserving the right to object for purposes of an inquiry, I had told the distinguished Senator from Arizona that I might table his amendment when it was appropriate. I understand there is no misunderstanding that a tabling motion would be in order under the unanimous-consent proposal as presently pending.

Mr. BYRD. Mr. President, if I may respond to that, there is no misunderstanding on this side.

Mr. DOMENICI. I thank the Senator.

The PRESIDING OFFICER. Is there objection to the unanimous-consent request? Without objection, it is so ordered.

GARRISON DIVERSION UNIT

Mr. ANDREWS. Mr. President, I ask unanimous consent the Senate now turn to H.R. 1116, the Garrison diversion unit reauthorization.

The PRESIDING OFFICER. Is there objection?

Mr. BYRD. Mr. President, reserving the right to object, I do not think there will be much time used. I do not intend to object. Will this time be charged against the time on the budget resolution?

Mr. ANDREWS. Mr. President, I ask unanimous consent that we proceed for 3 minutes not to be charged to the budget resolution.

Mr. BYRD. Mr. President, I thank the Senator.

The PRESIDING OFFICER. Is there objection? Without objection, it is so ordered.

The clerk will report.

The legislative clerk read as follows:

A bill (H.R. 1116) to implement certain recommendations made pursuant to Public Law 98–180.

The Senate proceeded to consider the bill.

Mr. ANDREWS. Mr. President, the Garrison diversion unit is a reclamation and water supply project for the State of North Dakota that was authorized by this Congress in 1965. Since that time there have been some environmental questions and some questions from the Canadians. This body passed last year, Mr. President, a resolution calling for the setting up of a commission to restudy the report. That commission has acted. The report has been studied by the other body, and while the final results in the other body after 7 long months are not what we in North Dakota nor perhaps too many others would like, it is a compromise. It is the best package we can get and we would hope that we can pass it through the Senate because we are long behind the time that we needed to get it. There is a drop-dead date of March 31 on it. I appreciate the cooperation on our side of the aisle and I assure, Mr. President, the Senate that the senior Senator from North Dakota, my colleague, Senator Burdick and I have worked, when I was in the other body and now here, together solidly for this project which has the bipartisan support of the people of North Dakota and is now supported by the environmental groups as well as the Canadians and the rest. I urge its passage and yield to my colleague, the distinguished senior Senator from North Dakota.

Mr. BURDICK addressed the Chair.

The PRESIDING OFFICER. The Senator from North Dakota.

Mr. BURDICK. The passage of this bill today means a great deal to water development in North Dakota and to the entire Missouri River Valley. The fact that it will pass by consent indicates the support this Senate will give to water development throughout this Nation. This is really a great day for North Dakota. It is a great day for the Nation. It is a great day for conservation and development of our water resources.

Mr. ANDREWS. Mr. President, I move passage of the bill.

The PRESIDING OFFICER. The bill is before the Senate and open to amendment. If there be no amendment to be offered, the question is on the third reading and passage of the bill.

The bill (H.R. 1116) was ordered to a third reading, was read the third time, and passed.

Mr. ANDREWS. I move to reconsider the vote by which the bill was passed.

Mr. BURDICK. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

CONCURRENT RESOLUTION ON THE BUDGET, FISCAL YEAR 1987

The Senate continued with consideration of the concurrent resolution.

The PRESIDING OFFICER. Who yields time?

Mr. DOMENICI. Mr. President, I yield myself time off the resolution. As I understand it, we are presently talking with Senator Bradley about his amendment, which is pending, because we have temporarily laid aside the DeConcini amendment. The Bradley amendment is a sense-of-the-Senate proposal, and I understand that he is either on the way here so that we might dispose of his amendment today without the need for a rollcall vote. Because of that and if I might have the understanding of my friend, Senator Melcher, I am prepared to join him in asking that the Bradley amendment be temporarily laid aside so that the Senator might proceed with his amendment. If the Senator from Montana would agree with us that, in the event we can work out something to dispose of the Bradley amendment expeditiously and without a rollcall vote today, we would then return to the Bradley amendment.

Mr. MELCHER. Mr. President, if the Senator from New Mexico will yield——

Mr. DOMENICI. I will be pleased to yield.

Mr. MELCHER [continuing]. I would be perfectly agreeable to such an arrangement and I am ready to offer my amendment now.

Mr. DOMENICI. Might I ask the Senator before we proceed with his amendment, is the Senator amenable to a unanimous-consent agreement with reference to reducing the 1-hour time which the Senator has on the amendment? We are clearly willing to waive a substantial portion of ours. Perhaps we can do that after the Senator has discussed the amendment a bit. I understand that we would be willing to reduce the time that would remain tomorrow before the vote to 10 or 5 minutes on our side. If the Senator would also agree to reduce some of his time on the amendment tonight, we would save that much more time.

Mr. MELCHER. Mr. President, if the distinguished chairman will yield, I would be delighted to only use about 15 minutes today and relinquish all of my time other than reserving 15 minutes for tomorrow just prior to the vote.

Mr. DOMENICI. We will work that out and propound the unanimous-consent request as soon as we have heard from Senator Bradley.

Now, Mr. President, I ask unanimous consent that the Bradley amendment be temporarily laid aside so that Senator Melcher may proceed with his amendment.

The PRESIDING OFFICER. Is there objection? Without objection, it is so ordered. The Senator from Montana is recognized.

AMENDMENT NO. 1806

(Purpose: To transfer $21 million from function 50 (national defense) to function 270 (energy) to fund research and development of magnetohydrodynamic [MHD] generators)

Mr. MELCHER. Mr. President, I have an amendment which I send to the desk and ask for its immediate consideration.

The PRESIDING OFFICER. The clerk will report the amendment.

The legislative clerk read as follows:

The Senator from Montana [Mr. Melcher] proposes an amendment numbered 1806:

☐ 1540

Mr. MELCHER. Mr. President, I ask unanimous consent that reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

On page 6, line 10, strike "$295,100,000,000" and insert in lieu thereof "$295,079,000,000"

On page 6, line 11, strike "$280,000,000,000" and insert in lieu thereof "$279,979,000,000"

On page 9, line 16, strike "$4,900,000,000" and insert in lieu thereof "$4,921,000,000"

On page 9, line 17, strike "$5,000,000,000" and insert in lieu thereof "$5,021,000,000"

Mr. MELCHER. Mr. President, the purpose of this amendment is to transfer $21 million from function 50, which is national defense, to section 270, which is energy. While this is a rather modest amendment transferring $21 million from the Defense Department to the Department of Energy, it is a very important amendment.

This amendment deals with magnetohydrodynamics. It is 20 letters in 1 word, which is always abbreviated to MHD. MHD is a method of generating electricity by burning fuel at a very high temperature in an electromagnetic field.

Farrady, in the last century, established the principle. Researchers have pursued its application since then, to make it practical, to make it feasible.

The pursuit of research in MHD has been principally in Russia, Japan, and the United States. Russia pulled ahead about 20 years ago, and it remains ahead now.

Their research and development and engineering applications in MHD are far ahead of ours. They have on line MHD generators which can generate electricity to be used commercially. We are behind in this regard; and while we have had probably the second spot in research and development for MHD, it is regrettable that we are behind the Soviet Union.

MHD is a highly efficient method of generating electricity. This process recovers about 50 percent more electricity out of a single unit of fuel than you can get out of conventional methods that are now used. The fuels that are used as feed stock in the MHD process are oil, natural gas, or coal.

Most of the research in the United States has been on the generation facilities for the use of electricity for commercial uses. This continues to be a very important part of our basic research for better utilization of fuels to create more electricity per unit of fuel.

But now MHD is becoming very significant for national defense as well, particularly in developing laser weapons to be used in space.

I must add right here, Mr. President, that the MHD units for this purpose would probably be much smaller than we have worked with to date. We are thinking in terms of 15 megawatts, and we are thinking of using solid fuels.

Returning, in general, to where the research has been conducted for MHD, let me list some of the institutions and some of the localities where MHD research has been carried out. The Department of Energy has Component Development Integration Facilities for MHD in Butte, MT. The University of Tennessee has done significant work on MHD research. The University of Mississippi had been involved in MHD research for about 30 years. Generally speaking, there have been contracts for MHD research in many other research institutions.

Some of the contractors that have been involved in MHD research are Avco, General Electric, Westinghouse, and TRW.

A few days ago, to be exact, on April 14, the Senator from Utah, Senator Hatch, brought to the attention of the Senate the MHD gap in national defense. The University of Tennessee

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Space Institute for a number of years worked with both the Army and the Air Force in the Department of Defense in pursuing MHD research applications that would be prudent and wise for national defense.

The MHD pulse generator is the one that the Air Force and others are most interested in developing. The Air Force continues to pursue it but without much vigor.

What Senator HATCH demonstrated in a statement on April 14 is that the Soviet Union, on the other hand, has pursued it with vigor in its own basic research and development for laser weapons in outer space. That is where the 15-megawatt pulse generator reference that I made earlier comes from. We believe, from information that we have from the Department of State and the Department of Defense, that the Soviet Union has been quite successful in building such a pulse generator.

So far, we have not. In fact, our research and development for MHD, in general, has waned during the past several years. We now see that it has no place in the President's energy budget for several years. It has been zero budgeted. In other words, there is no more research and development for the MHD process of any size, at least through the Department of Energy. That is a regrettable situation and one that must be reversed.

Congress itself has always appropriated money, about $30 million a year, during the past 3 years so that our basic research in MHD will not go completely out the window. We would continue it even though under a very limited amount of funds.

I think that, too, is a mistake. I believe it is absolutely essential that we heed the advice of Senator HATCH and others who have raised the question of why we are not pursuing it more vigorously for national defense purposes; that is, pursuing the basic research for MHD application for pulse generation to be utilized in laser weapons in outer space. This is basic research and one that should not be neglected.

I believe it is time that we take note of this in this budget resolution. The purpose of my amendment, although a very modest amendment, is to show the intent of Congress in adopting the budget resolution, that we want this work to be pursued by the Air Force, Army, and others in the Department of Defense, and to be carefully done under the auspices of the Department of Energy.

Let me explain. The Department of Energy is the body that should continue to have jurisdiction over this type of research and development because they have had jurisdiction over what has been done in MHD research to date. The Department of Defense would work with DOD and contract out the type of research and development application that should be carried out.

The research itself would be done through a number of different research institutions, and undoubtedly the University of Tennessee Space Institute would be involved, the University of Mississippi would be involved, and other research institutions in other parts of the country.

What is essential is that we renew our efforts as vigorously as possible and as soon as possible to see what application could be made of this process which is the most promising of energy research and development for certain applications of any that are before us now.

The MHD principle, well over a century old, simply has not yet come into practice as far as being practical, properly engineered, properly designed for purposes here in the United States. National defense is one of its important applications in terms of the pulse generator of a small size to be used with lasers, but there are many more applications to pursue, most of them of a peaceful nature.

We can no longer afford to ignore any of them but surely in a budget with $295 billion for national defense we can afford to take $21 million of that to direct at the proper application and proper use for research and development from the Department of Defense, transfer that to the Department of Energy, and pursue the goals for MHD.

Mr. President, I yield the floor.

The PRESIDING OFFICER. Who yields time?

Mr. DOMENICI. Mr. President, I yield myself as much time as I use.

The PRESIDING OFFICER. The Senator is recognized.

Mr. DOMENICI. Mr. President, let me say to my friend from Montana, Senator MELCHER, that we are shortly going to propose a unanimous-consent agreement that will reserve 15 minutes for him and 15 minutes for the Senator from New Mexico in opposition, which will follow immediately after the disposition of the DeConcini amendment on tomorrow. We are waiting to clear that.

I do not want to use more than 15 minutes, at which time I will indicate why I oppose the amendment.

If the Senator from Montana needs additional time, I am delighted to yield the floor at this time. If he does not, while we are waiting for the unanimous consent, I would seek a quorum call and charge it to the resolution equally.

Mr. MELCHER. Mr. President, if the chairman will yield, I seek no more time to discuss the amendment today. The proposal that the distinguished chairman has made for tomorrow is perfectly agreeable with me.

Mr. DOMENICI. I might just say to my friend from Montana, the unanimous consent that we will propose will leave the latitude for either an up-or-down vote or a tabling vote on his amendment. I hope the Senator understands we have made this arrangement on all the amendments and we make a similar arrangement on his amendment also.

With that, he does not have to wait here. The unanimous consent will be consistent with what I have told him. We will reserve him 15 minutes and we will have 15 minutes in opposition.

I thank the Senator.

Mr. MELCHER. I thank the chairman.

Mr. DOMENICI. I suggest the absence of a quorum and ask unanimous consent that it be charged equally.

The PRESIDING OFFICER (Mr. MCCONNELL). Without objection, it is so ordered.

The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

☐ 1610

Mr. DOMENICI. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. The Senator from New Mexico.

Mr. DOMENICI. Mr. President, I yield myself time off the resolution.

The PRESIDING OFFICER. The Senator from New Mexico.

U.S. DEBT

Mr. DOMENICI. Mr. President, sometime back I spoke here on the Senate floor about the tremendous growth of debt in the United States, individual debt, consumer debt, corporate debt, and last but not least, public debt of the United States in behalf of her people, that debt which now has surpassed $2 trillion.

I called the speech which I gave "Borrowed Money on Borrowed Time." I noted with interest that the distinguished Chairman of the Board of Governors of the Federal Reserve System, Mr. Paul Volcker, testified before a subcommittee of the U.S. House, the Subcommittee on Telecommunications, Consumer Protection, and Finance. In that testimony, which was delivered on April 23 of this year, the Chairman of the Board of Governors of the Federal Reserve System followed the same theme and the same thesis, using the most recent records and evidence at his disposal. His testimony expands on this tremendous phenomenon, which has occurred in the United States in the past decade, of increased corporate, individual, and public debt.

A number of interesting observations were made by the distinguished Chairman of the Board of Governors. While his entire testimony is not related solely to that issue, I find no way to

separate out the part which is relevant to borrowed money and borrowed time. I think it is testimony of such relevance with reference to our debate here on the floor in terms of fiscal policy and the Federal Government's requirements to borrow money to pay for the things that we as policymakers, Congress and the President, determine that our people need. I ask unanimous consent the testimony of the distinguished Chairman of the Board of Governors as I have described it be made a part of the RECORD at this time.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

STATEMENT BY PAUL A. VOLCKER, CHAIRMAN, BOARD OF GOVERNORS OF THE FEDERAL RESERVE SYSTEM

I appreciate this opportunity to discuss the rapid growth of debt in the United States and its possible implications for our financial markets and economy. As you know, this is a subject about which I have expressed some concern from time to time over the past few years, and I welcome an exploration of the many difficult and complex issues it raises. Given those difficulties and complexities, no single hearing can do more than identify tendencies, raise questions, and point to areas for further study. In that sense, this testimony is more descriptive than prescriptive, but I think it does suggest the importance of the subject.

The increase in indebtedness since the early 1980's certainly has been extraordinary.[1] The debt of domestic nonfinancial sectors—the measure of credit monitored by the Federal Open Market Committee—has increased at rates ranging from around 11 to 14 percent in each of the three years of the current economic expansion. This growth has been much faster than the nominal increase in GNP and income, breaking a pattern that had persisted through most of the postwar period.

Until the early 1980s debt and income expanded at roughly comparable rates over time, and the ratio of debt to income fluctuated at or just below 140 percent. Since then, however, as debt expansion far outpaced the growth of income, this ratio has risen sharply to almost 170 percent at the end of 1985. Historically, changes of that magnitude, up or down, are unusual except in highly disturbed economic circumstances—depressions, wars, or major inflations—not just in the U.S. but also, so far as comparable statistics are readily available, in other major countries. That itself raises questions as to what is different now.

In that connection, I should emphasize that there is nothing particularly significant or alarming, in itself, about one or another ratio of debt to income. Even if the statistics were fully comparable and accurate through time, there are a number of reasons why the ratios might change over time or between countries. One major influence, for instance, is the amount of financial intermediation characteristic of an economy. The data I just cited nets out debt of defined financial intermediaries—banks, thrifts, finance companies and other "financial" firms. But "non-financial" firms and governments both lend and borrow, more today than before, and, from one point of view, the related debt is double counted in the data. Stated another way, offsetting borrowings and loans on balance sheets of firms may not suggest the same risks and "leveraging" as borrowings not matched by comparable financial assets.

However, even after allowing for identified areas of double counting or greater intermediation—for instance, the spate of advance refundings late last year by state and local governments—the overall data do strongly suggest greater "leveraging" among borrowers; that is a larger burden of interest and principal payments relative to net worth and income streams. In the corporate sector, the same conclusion is implicit in the massive net retirement of equity recently, amounting to some $150 billion over the last two years, even though retained earnings have been rising.

The willingness to take on large volumes of additional debt certainly has not impeded the economic expansion. To some degree, the high levels of borrowing have helped support the spending needed to keep the economy growing. However, at some point a rising debt load is not sustainable. Debt cannot rise without limit relative to the income needed to service it, and increased leveraging implies smalls safety margins to deal with economic adversity. Consequently, continuing rapid growth of debt has disturbing implications for the fragility of the financial system over time, and the question is especially apropos at a time when certain important groups of borrowers are already under severe financial stress. The vulnerability of the economy to unanticipated increases in interest rates or a shortfall in income appears to be increasing, rather than the reverse. Surely we must be concerned about achieving a better balance in the sources of our economic expansion if we wish it to be sustained.

SOURCES OF CREDIT GROWTH

The very structure of the growth of debt in the last few years reflects underlying imbalances in our national economy. To a considerable extent, the unusually rapid growth of debt in recent years directly reflects the borrowing by the Federal Government to finance an unprecedented string of budget deficits. Usually, budget deficits and federal borrowing decline as the economy recovers from recession, boosting tax receipts. In the last three years, by contrast, the budget deficit has remained extraordinarily high during the expansion, and federal debt held by the public has grown by more than 15 percent each year.

The Federal Government is our strongest borrower, and an increase in the federal debt ordinarily would not connote greater weakness in our credit structure. Even then, however, the need to service that debt requires higher taxation than would otherwise be necessary—with consequences for economic efficiency—and pressure of government debt service have historically sometimes led to excess money creation and inflation.

Viewed from an economy-wide perspective, large borrowings by the Federal Government have typically been accompanied by small increases in private debt. In the current setting, however, borrowing by nonfederal sectors also has been unusually strong, with household, business, and state and local government indebtedness all rising relative to GNP.

In that sense, it's hard to see direct evidence of "crowding out" of private borrowing. In substantial part, the simultaneous rapid expansion of both federal and private debt has been a reflection of the relative ease with which this country has attracted savings and capital from other countries in recent years.

In effect, there has been a massive imbalance between the generation of loanable funds at home and the amount of borrowings. The resulting pressures on interest rates have been moderated by the capital inflow from abroad. But that inflow exacts a price. The net transfer of financial resources has been accompanied by a similar transfer of real resources to the U.S.—or to put it in more comprehensible language, record trade deficits. And we have, in the space of a few years, reversed our position as the largest world creditor (net) and are in the process of becoming the largest world debtor.

We don't want those developments to continue indefinitely—ultimately they are both politically and economically unsustainable. The willingness of foreigners to advance credit to the U.S. is not inexhaustible, and the capital inflow and related trade deficit has been maintained at the expense of our own manufacturing industry.

Moreover, for a country as well as an individual or business, rising debt levels imply greater obligations to make interest payments out of future income. This would be less of a concern if the foreign savings could be seen as being used to build up our domestic productive capacity, improving our prospects for growth and giving us a stronger base from which to make interest or dividend payments abroad. But with domestic investment spending relatively modest in recent quarters, it seems evident that in large measure the foreign lending is going, directly or indirectly, to fill the deficiency in domestic saving created by federal deficits. In a real sense, the rapid growth of federal debt and imbalance in foreign transactions has placed a mortgage on our future.

Perhaps the most striking evidence of greater willingness to incur debt can be found in the substitution of debt for equity associated with the wave of mergers, leveraged buyouts, and stock repurchase programs over the last few years. These activities resulted in the gross retirement of around $100 billion in outstanding equity of nonfinancial corporations in 1984 and again in 1985, funded in the initial stages primarily by new debt issues, amounts not nearly offset by new sales of equity.

The unusual volume of equity retirements may have accounted for roughly one percentage point of debt growth each of the last two years. While some of this debt may subsequently be paid down through sales of assets, or with equity obtained by sales of stock or internally generated cash flow, it seems clear that at least for some time a significant number of businesses will be carrying more debt, and therefore greater financial exposure, than if these corporate restructurings had not occurred.

These concerns are mitigated by the substantial profits and cash flow of many businesses, so that equity and cash cushions have been better maintained than debt data alone might suggest. Moreover, the recent surge in stock prices has greately bolstered the market value of corporate equity—ratios of market valuations of corporate debt to equity have actually declined in the past year. Declining interest rates also moderate the debt burden. Nonetheless, the trend in debt creation, if extended, would imply some increase in financial risk for the economic system.

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[1] The attached charts and tables illustrate various aspects of recent debt growth.

In the household sector, savings rates have been unusually low and both consumer and mortgage indebtedness has risen much more rapidly than disposable income. Some part of the rise in the ratio of debt to income for households—which stands at a postwar high—undoubtedly reflects lengthening debt maturities, shifting demographics, and greater convenience use of credit, rather than an underlying increase in debt burdens. Even so, it appears that households, like businesses, have become more willing to take on debt, at the expense of more vulnerable financial positions.

SHIFTING ATTITUDES TOWARD DEBT

The reasons for the apparent shift in attitudes are not easily identified and quantifiable. It is evident that the tax system favors debt over equity sources of funds for businesses through its differential treatment of interest and dividend payments. It also encourages household borrowing by allowing unlimited deductions for interest expenses. However, these provisions and their incentives have not substantially changed in the 1980s, and lower marginal tax rates tend to reduce the incentives.

The inflation experience of the 1970s probably had a profound effect on attitudes toward debt. During much of that period, inflation rates outstripped interest rates, making leveraged buying a seemingly attractive economic strategy. Some borrowers may have expected inflation to pick up again as the economy expanded after 1982, inducing them to buy in advance of price increases and in anticipation of repaying debts in dollars of lower real value. Perhaps they looked to some degree to the borrowing patterns of the Federal Government as justification of a view that debt creation is benign.

This tactic might have seemed quite risky and unattractive if borrowing had to be done at the high long-term rates prevailing over this period. But the greater availability of short- and floating-rate instruments reduced the risk considerably, since if inflation did not rebound, short-term rates would be expected to move lower.

The shift to floating rate instruments is but one example of innovations in financial markets that have played a role in supporting, if not encouraging, the growth of debt. The proliferation of techniques such as interest rate swaps, securitization of loan portfolios, and third-party guarantees may have given borrowers access to sources of funds that might otherwise have been closed to them, and reduced preceptions of risk. Many smaller or growing companies have long used low or unrated bonds as an important financing technique, and those securities clearly have a legitimate role in finance. But recent innovations, relying on the use of such bonds to finance large takeovers of well-established companies, seem to have opened new channels from lenders to borrowers, increasing the flow of credit for particular uses.

For intermediaries, the rapid development of secondary markets at home and abroad for loans of various types has enabled them to originate a far larger volume of credit than would be consistent with their own command over resources. In addition, concerns over exposure to interest rate fluctuations probably do not constrain asset growth at banks or thrifts to the degree they once did, given the greater opportunities to structure both assets and liabilities to manage the degree of interest rate risk.

At the same time, elimination of most deposit rate ceilings allows depository institutions to compete for funds for lending under a variety of circumstances, even if interest rates were to rise sharply. And the lifting of many usury ceilings has meant that lenders would continue to be willing to make credit available under such conditions. Thus, deregulation has substantially diminished the threat of constraints on credit availability as credit markets tighten, though it may also imply a wider swing in interest rates over the cycle.

From one perspective, these developments have increased the efficiency of our credit markets and improved the distribution of saving among competing uses. The greater variety of instruments available enables borrowers to tailor the maturity and other characteristics of debt to their specific needs or expectations. And with deregulation, borrowers probably feel a greater sense of assurance that funds will be available to roll over existing debt, even if interest rates should rise. On the supply side of the credit market, the ability of intermediaries to reduce interest rate risk, to compete for funds without regulatory constraint, and to replenish lendable funds through sales of assets probably has encouraged a more aggressive pursuit of lending opportunities and an eager embrace of innovative techniques to appeal to borrowers.

CONSEQUENCES AND CONCERNS

On balance, the net effect of shifting attitudes and financial innovation appears to have been to increase the expansion of private debt. Many of the particular techniques developed are designed to reduce risks for one or more of the parties directly involved. The larger question remains as to whether risks have, in fact, been reduced on balance for the financial system and the economy as a whole. The increase in total debt burdens, the longer and larger chain of transactions between ultimate borrowers and lenders with a diffusion and possible widening of credit judgment, the greater internationalization of the system all raise questions.

One thing seems reasonably clear. More of the risk of unexpected movements in interest rates has been shifted onto borrowers. Most recently, borrowers have benefitted from this shift, as declining interest rates have reduced their interest costs and enabled them to extend debt maturities at considerably lower rates than if they had been using long-term credit all along. But the strategy can, and does, carry considerable risk that an unanticipated rise in interest rates could sap the financial strength and creditworthiness of a substantial number of borrowers.

My general concern relates primarily to the degree to which the continuing buildup of debt may, as a by-product of eroding financial positions, leave a substantial number of borrowers so extended that they would have great difficulty dealing with unanticipated financial setbacks. Of course, borrowers ordinarily do not take on debt they expect, with any high degree of probability, will cause them problems ahead (although even that assumption may not be valid with respect to a relatively few depository institutions in hard-pressed financial circumstances that have been willing, in effect, to make high-stake gambles with insured depositors' money). Nonetheless, the larger the share of income devoted to debt servicing in relatively prosperous times or the smaller the equity cushion—and that has been the trend over rather a long period of time—the more likely is it that an unexpected shortfall in income or rise in interest rates will lead to problems in meeting obligations.

For individual borrowers, income could weaken owing to factors beyond their control, reflecting conditions in a particular region or industry as well as a general downturn in the economy. A substantial rise in interest rates could prove especially troublesome, given the still heavy reliance on short-term or floating-rate debt. Many borrowers may minimize such possibilities—and economic policy typically works to limit the risk. But all of history suggests it would be short-sighted to behave as if such possibilities did not exist.

The agricultural sector of our economy provides ample evidence of the effect of unexpected developments on highly leveraged borrowers. Those farmers who went deeply into debt in the late 1970s in anticipation of maintenance of higher land and crop prices are experiencing the most agonizing difficulties as these expectations are not fulfilled. Their problems in turn have serverely weakened a number of agricultural lenders.

Potential vulnerabilities are suggested not only by elevated debt-to-income ratios throughout the economy, but also by the deterioration or disappointing performance of certain more direct indicators of financial distress at a time of rising economic activity generally. Corporate bond downgradings, for example, have trended sharply higher over the past two years, reflecting in part concerns about the effects of additional leveraging on the financial strength of certain corporations. In addition, problems in the household sector are indicated by some upward tendency in delinquency rates on consumer and mortgage loans or other measures of financial distress during the expansion period.

In another vein, I addressed earlier some of the implications of our growing dependence on capital and credit from abroad. That is hardly a dependable source of financing for years to come, and indeed will shrink as our trade balance improves, as we hope.

I do not suggest that these developments point to some inexorable accumulation of debilitating financial difficulty. Indeed, there are a number of developments currently working in the opposite direction. Recent substantial declines in interest rates and increases on financial positions. The fall in rates by itself will reduce debt servicing burdens, and both firms and households have taken advantage of the considerable downward movement in long-term rates to lengthen the maturities of their liabilities, locking in lower rates and reducing exposure to an unanticipated rise in short-term rates. The higher stock prices are currently strengthening the financial positions of many individuals and companies. New stock issues have picked up. And recent regulatory and supervisory initiatives can help.

At the same time, enough has gone on, and continues to go on, to raise clear warning signals to justify further analytic effort, and to support action in areas where such action is plainly warranted.

ADDRESSING THE CONCERNS

We know enough to understand that disproportionate increases in debt extended over years do not constitute a solid, sustainable base for satisfactory economic growth and stability indefinitely into the future. Ultimately, debt can only be serviced from income. If that relationship is strained, financial pressures will jeopardize further growth in income itself, aggravating the difficulties. The time to act is before the strains become oppressive, not after.

The most direct step that can be taken by the government itself to address concerns about the growth of debt is to decrease, and eventually eliminate, the federal budget deficit. Such a course will reduce pressures on domestic credit markets, freeing domestic savings to be channelled into domestic investment and encouraging further restructuring of balance sheets through greater reliance on long-term debt and equity. By promoting better balance between spending and income domestically, it will also work to reducing dependence on foreign capital.

Some of these effects already were discernible as the Gramm-Rudman-Hollings legislation moved toward passage late last year; the improved outlook for budget balance appeared to contribute materially to the decline in rates on bonds and fixed-rate mortgages, in an environment in which the dollar was also depreciating toward levels more consistent with restoring the international competitive position of U.S. products. Concrete actions to implement the law will provide a constructive background for financial markets over coming years, partly by its direct effects and partly by reducing the chances of a resurgence in inflationary pressures.

Beyond that step, I believe the time has come for Congress to also address those elements of our tax code that so strongly favor debt finance. While that "bias" has long existed, other changes in the economic and financial environment seem to have had the effect of making it more important in decisionmaking.

The original Treasury tax reform proposal had some limited elements that moved in the right direction; they have subsequently been dropped or sharply diluted. One lesson, I suppose, is that no strong constituency has emerged for a reform with such diffuse and seemingly indirect benefits. But I also believe that other efforts to reduce excessive insignificance so long as that basic bias imbedded in the tax system exists.

I noted that deregulation and innovation may encourage growth of debt. Those changes respond to basic technological and competitive forces that cannot be denied. We can, however, respond in constructive ways, strengthening when necessary oversight of key markets and intermediaries so that they do not become the unwitting vehicles for the spread of problems through the economy.

To this end, the Federal Reserve, working in concert with other regulators of depository institutions, has stepped up its examination of banks and bank holding companies, tightened capital standards, and proposed keying those standards to the risk profile of the banks. We and the other bank regulators are also acting to deal with present points of strain, particularly in the agricultural and energy areas, through a variety of techniques. We have also joined with the other regulators in requesting that Congress extend and liberalize legislative authorization for interstate acquisition of troubled institutions.

These are essentially defensive measures, designed to keep immediate problems from infecting the financial system more generally by easing adjustments by individual institutions and local areas. They are not, and cannot be, a substitute for forward-looking structural change.

In that connection, it seems to me imperative to clarify and modernize the laws governing the structure of our depository and financial systems. Too often in recent years, old legislation has clashed with new market facts. Accommodation is achieved more by the exploitation of perceived loopholes in existing law than by a well-considered design of how we want the financial system to evolve. Distinctions among banking, other financial institutions, and commercial firms are fast eroding with little considered debate—and less action—to guide the process.

For a long time, as the result of the lessons of the past financial crises, the unique role of banking and the payments system in our economy has, in concept, been recognized through provision of a federal "safety net," backed up by special oversight and supervision. Today, the distinctions underlying that approach are rapidly eroding, raising new questions about our ability to maintain the stability of the whole. The situation cries out for review and for new laws, adapted to the problem of today and tomorrow.

Nor can we evade a review of the basic safeguards and trading practices in other key sectors of financial markets, given the complex interdependencies that exist. One specific example came to your attention last year, and the Committee responded by providing a legislative framework for limited surveillance and regulation of the government securities market. As you know, action has not yet been completed on that matter.

CONCLUSION

In one sense, the extraordinary volume of credit flows in recent years is a tribute to the efficiency and innovative instincts of financial intermediaries, borrowers, and lenders alike. There has been rapid and effective response to new technological possibilities.

Those same developments also highlight the complex interactions involved and the new interdependencies created. And, in the end, credit creation is constructive only to the extent the obligations are manageable in relation to income.

It is in those areas that questions arise.

I must emphasize that the government can take a number of basic steps to address concerns about the rapid growth of debt. These include, most importantly, a balanced approach to economic policy, including cutting excessive budget deficits and a fresh look at some important provisions of the tax code. Government must also provide a supervisory and regulatory structure to promote a sound financial system.

Ultimately, and quite properly in our free market economy, the strength of our financial system must also ultimately rest on the prudent decisions of private parties. Borrowers and lenders must recognize risks and act to manage them. In such a context, the growth of debt would hold no concerns for us, but rather would be seen as an integral part of a healthy and active economy.

DEBT-TO-EQUITY RATIOS NONFINANCIAL CORPORATIONS

[In percent]

	Debt (par) [1] equity (current)	Debt (market) [2] equity (market)
End of period:		
1962	38.4	42.4
1964	40.8	37.7
1966	45.1	43.4
1968	45.6	35.6
1970	46.5	48.0
1971	45.6	46.7
1972	45.4	45.4
1973	45.0	61.9
1974	40.7	91.1
1975	38.1	72.0
1976	37.4	72.9
1977	38.0	84.0
1978	37.0	87.5
1979	36.8	79.0
1980	35.2	60.4
1981	35.2	70.3
1982	36.3	71.5
1983	36.6	63.4
1984	41.8	75.0
1985	46.5	72.8

[1] Debt is valued at par, and equity is balance sheet net worth with tangible assets valued at replacement cost.

[2] The market value of debt is an estimate based on par value and ratios of market to par values of NYSE bonds; equity value is based on market prices of outstanding shares.

ESTIMATES OF NET EQUITY ISSUES OF NONFINANCIAL CORPORATIONS

[In billions of dollars, annual rate]

	New issues (including direct sales)	Retirements	Net change
1981	21.5	33.0	−11.5
1982	28.9	17.5	11.4
1983	40.0	11.7	28.3
1984	18.0	92.5	−74.5
1985	24.9	106.5	−81.6
1985:			
1st quarter	19.7	104.0	−84.3
2d quarter	27.9	95.0	−67.1
3d quarter	25.0	100.0	−75.0
4th quarter	27.0	127.0	−100.0

Mr. DOMENICI. Mr. President, I suggest the absence of a quorum, and I ask unanimous consent that it be charged equally to both sides.

The PRESIDING OFFICER. Without objection, it is so ordered.

The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. DOMENICI. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

The Senator from New Mexico.

THE BUDGET RESOLUTION

(By request of Mr. BYRD, the following statement was ordered to be printed in the RECORD:)

● **Mr. HART.** Mr. President, this year marks the 40th anniversary of the Employment Act of 1946, perhaps one of the most significant attempts by the Congress to write economic policy into the law. The act charges the Federal Government to use "all practicable means" to "promote maximum employment, production and purchasing power." You can quarrel with the aspirations of this law, but it was written with the understanding that this Government can help set a positive course for our Nation's future.

This year also marks the first time Congress will produce a budget under the new procedures mandated by

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Gramm-Rudman. Gramm-Rudman, in contrast with the Employment Act of 1946, begins from the flawed premise that the Nation's leaders should function as accountants or bystanders, but not visionaries. It's based on a philosophy that the market, and the market alone, is capable of providing improvements we need most—in education, innovation, skills, productivity, global trade, and basic industry—to help our people prepare for the challenges of the future.

Mr. President, it is my belief—a belief that is at the core of what my party represents—that the budget of the United States is more than a list of numbers or an equation of revenues and spending. Fundamentally, it is a mirror of our values and our priorities. The choices embodied in our Federal budgets amount to nothing less than our vision for America's future. The budgets we choose in the late 1980's should be a blueprint for the Nation we want for our children in the year 2000.

Our great and gifted Nation faces difficult challenges: Stubborn unemployment rates; a record trade deficit; the loss of 2 million jobs to foreign competition in manufacturing, information industries, and services; high illiteracy and dropout rates. In candor, we must acknowledge that these are problems that neither the magic of the free market nor the immense goodwill of the American public can solve on their own.

Instead, these are challenges that demand a blueprint for investment in our people, our schools, our factories—indeed, investments in our very survival as a economic power. These challenges cannot be subordinated to reducing the deficit if we are to provide for a strong America in the decades to come.

In the next few days, the country will be able to compare a variety of very different visions for the Nation's future, as expressed in the budget.

Although it will not be a part of this debate, I think someone should acknowledge the administration's budget for 1987.

This proposal attracted 7 votes in the Budget Committee and all of 12 on the floor of the House. It was rejected, like other administration budgets, because it failed to reflect the goals most Americans share for the country. It proposed a 12-percent increase in defense spending, higher debts, more wasteful spending, and diminished investments in the future. CBO said that this proposal did not meet the deficit reduction targets in Gramm-Rudman; or committee determined that it did not meet the requirements of our future. When Senator DOMENICI offered just the 40-plus program reductions and terminations of their budget, his amendment received just 14 votes. This speaks volumes about the relevance of the administration's budget to this debate.

The supporters of the administration's priorities will come forward with a proposal to cut needed investments in education, health, and training for workers and maintain tax giveaways for the wealthy—all to lard on more spending for defense. The resolution already contains a 2.8-percent increase for the Pentagon; this, after 6 years of 7-percent-plus growth in defense. The defense number contained in this resolution, in my judgment, provides budget stability for a strong national defense. But for those who believe that the only measure of our preparedness is now much we are spending, this will not be enough.

There is also the underlying resolution, the bipartisan compromise. It is the first budget in 5 years that uses revenues, defense, and domestic spending restraint in even measure to make some sense of the budgetary chaos created by Reaganomics. Senators DOMENICI and CHILES deserve credit for trying to reverse the flawed priorities that have haunted our budgets since 1981. Given the existence of Gramm-Rudman, this compromise makes the best of a bad situation.

Finally, there is the Democratic alternative which I have coauthored with Senator CHILES. Later in the debate, the Senator from Colorado, and the Senator from Florida, joined by a dozen of our colleagues, will challenge this body to do a little more than rearrange the austerity of Gramm-Rudman. This amendment would commit the country in 1987 to $3 billion in key investments—for education, science, retraining, and basic research. It is a statement by its supporters that our goal shouldn't be cutting a little less; it should be accomplishing a lot more.

Accomplishing more for America will cost more. As the law requires, our amendment will pay for these investments dollar-for-dollar with new revenues. Our amendment makes clear that added revenues to fund essential investments should not, must not, and will not come from the income taxes paid by low- and middle-income Americans.

This amendment is worth the money it costs. Senator CHILES and I believe that our people are willing to spend money to help our economy grow, to create new opportunities, to meet and overcome the challenges we face from abroad. In contrast to the borrow and spend philosophy which has animated the Reagan budgets for 6 years, we are proposing a modest "pay-as-you-invest proposal" to help secure this country's future.

By emphasizing investments in our economy, this amendment does not disregard national security or downplay social justice in America. Rather, it reflects a belief that economic growth is inseparable from both national security and social justice. A strong economy will increase our influence abroad and enable us to meet our global commitments. A strong economy will increase the availability of jobs, opportunity, and hope. Ultimately, no military program strengthens our defense if it bankrupts our economy; and social programs will never be fully compassionate if our economy cannot generate the resources to support a humane public agenda.

These are the visions the country will compare during the debate on the budget resolution. I urge our Senate colleagues, and, indeed, the American people, to ask which vision will create a more competitive economy and a nation stronger in muscle and spirit.

WHY WE NEED A CHANGE IN DIRECTION

Mr. President, during the hearings on the budget resolution, the Director of the Office of Management and Budget, Mr. Miller, testified before our committee. He recited a series of extravagent claims about the performance of the economy which he said resulted from "steadfast adherence to the economic program the President presented in February of 1981 * * *."

We've heard this litany before. But when he said "family income is at an all-time high," Senator MOYNIHAN and I had to object. Of course, this claim, like the others, is not true. Since 1973, real median family income has dropped more than 6 percent.

Mr. Miller's comments reflect an attitude that pervades this administration. Certainly, a President is entitled to have a cadre of true believers who accept the optimism and the hyperbole of the press releases and the advance teams. But the Senate would be shirking its responsibility if it were to base fundamental decisions about our economic future on the jazz age rhetoric of a nostalgic administration.

The decision must be made with the facts. If the facts measure up to the happy-days conclusions offered by this administration, then, they're right—we need not change course. But if the performance of the economy reveals a gap between the rhetoric and the reality, it will be time for a new direction. So, let's look at the record.

Through fiscal 1981, the deficit consumed 2.2 percent of the gross national product. It now accounts for 5 percent of GNP. In real terms, tax receipts are down; interest payments and defense expenditures are way up; and all other Government spending has been slashed. The program that was supposed to balance the budget in 4 years has instead doubled the national debt.

In 3 years, by borrowing $400 billion from abroad, we have gone from being the World's largest creditor to the world's largest debtor. Unprecedented budget and trade deficits have combined to cripple our competitive position in world trade. In spite of promising reductions in the dollar's overvaluation, it will take years for many of our industries to recover; for many businesses and skilled workers, it is already too late.

Over the past 18 months, economic growth has averaged 2 percent. Over the past 4½ years, it averaged 2.5 percent, well below historical averages.

The level of savings and investment in our economy, so critical to productivity, is at the lowest level in 50 years.

In 1981, when the administration submitted its economic program, it predicted that Carter-era policies would generate "only" 9 million jobs. In fact, after a $750 billion tax bonanza, after a trillion-and-a-half dollars in defense; and $240 billion in spending cuts, just 9 million jobs were created between 1981 and 1984. Thus, beyond creating historically high deficits, their program did nothing to create jobs.

But we do have more discouraged workers than before. We do have a 3-year record of stagnant incomes. And thoughout this much-heralded recovery, black teenage unemployment hasn't once fallen below 40 percent. Overall, unemployment is no better than when the prior administration left office.

The President, in his recent State of the Union Address, called this record an "economic miracle." But hear and heed the words of his former Budget Director, Mr. Stockman:

> The fundamentals I look at are not a miracle. Our savings rate is the lowest in modern times. Last year productivity growth was flat when our whole theory was we were going to cause an explosion of productivity growth and rising real incomes . . . . We have conducted the greatest free lunch fiscal policy of modern times. We have doubled the national debt in four or five years. And it'll keep rising unless this policy is changed.

GROWTH AND INVESTMENT: THE ALTERNATIVE

Fundamentally, that is precisely what this debate is about—changing policies. For 6 years, we have been on a borrow-and-spend binge: Borrowing to pay for a wasteful military buildup; borrowing to finance ill-conceived and unproductive tax cuts; borrowing to subsidize leveraged buyouts, so that powerful interests can rearrange the corporate landscape without adding to the productive capacity of the Nation.

And yet, in a time of profound economic danger, we are budgeting like boosters for economic appeasement—determined to ignore or surrender to the tremendous social and technological forces challenging this Nation.

We cannot sustain our economic leadership as long as our major competitors like Japan educate their children 2 months more each year than we do, graduate more engineers, spend more money promoting their exports devote more attention to maintaining their economic circulatory system—their roads, bridges, and ports, and commit more energy to designing the economic circulatory system of their future—supercomputers and fibre-optic cables.

My colleagues can speak for themselves, but I believe that the budget of the United States should have higher goals than obsolete factories, displaced workers, dilapidated schools, and a future for our children of declining expectations.

That's the future sketched between the lines of Gramm-Rudman. The committe resolution might delay that future. But the adoption of the growth and investment alternative will steer us toward an altogether different future—a better future.

Mr. President, I ask that information about this alternative amendment and tabular material detailing the declining commitment in our budgets to programs which invest in our future be made a part of the RECORD.

The material follows:

SELECTED GROWTH AND INVESTMENT ORIENTED EXPENDITURES

[Dollar amounts in millions]

	Total	Total fiscal year 1982 dollars	As a share of the budget (percent)	As a share of GNP (percent)
Fiscal year:				
1962	$3,778	$13,584.7	3.54	0.68
1963	5,437	18,799.6	4.88	.92
1964	7,584	25,798.7	6.40	1.20
1965	8,863	29,603.8	7.50	1.32
1966	11,628	37,295.8	8.64	1.57
1967	11,865	36,823.8	7.54	1.50
1968	13,405	39,567.7	7.53	1.57
1969	12,736	35,397.8	6.94	1.37
1970	13,147	34,230.1	6.72	1.33
1971	13,793	33,430.5	6.56	1.30
1972	15,497	35,443.8	6.72	1.35
1973	16,232	34,847.9	6.61	1.26
1974	16,022	31,448.1	5.95	1.13
1975	19,289	34,012.2	5.80	1.27
1976	23,001	37,726.7	6.19	1.35
1977	25,295	38,486.2	6.18	1.31
1978	30,930	43,974.9	6.74	1.42
1979	33,814	44,340.8	6.72	1.38
1980	37,118	43,913.2	6.28	1.39
1981	39,472	42,282.6	5.82	1.32
1982	34,497	34,496.7	4.63	1.10
1983	34,538	33,178.1	4.27	1.04
1984	35,216	32,612.1	4.13	.95
1985	38,431	34,360.9	4.06	.98
1986	40,160	34,835.9	4.10	.96
1962–81 (percent)	13.14	6.16	2.66	3.57
1981–86 (percent)	.35	−3.80	−6.77	−6.20

NOTE.—Selected expenditures comprise those budget subfunctions predominantly oriented to growth and investment; they include outlays in the following areas: space, science, and technology, agricultural research and services, educated and training, and health research and training. Growth and investment oriented expenditures in subfunctions predominantly oriented toward other purposes are not included.

U.S. SENATE,
Washington, DC, April 28, 1986.

DEAR COLLEAGUE: This week in the Senate, members will debate the Budget Resolution and will vote on a number of amendments to that measure.

With Senators CHILES, BYRD, and others, I offer an amendment—The Growth and Investment Initiative—which proposes several billion dollars in investments over three years. The investments, funded with new revenues, will be in the areas of science, education, technology development, training and trade promotion.

Cosponsors of the Hart-Chiles amendment include Sens. KENNEDY, RIEGLE, ROCKEFELLER, KERRY, MATSUNAGA, SIMON, BINGAMAN, HARKIN, SASSER, DECONCINI and SARBANES.

The attached materials describe the amendment. I would appreciate your consideration of the proposal. If you have any further questions, or wish to cosponsor this amendment, please contact Mark Steitz (45852) of my staff.

Sincerely,

GARY HART.

THE HART-CHILES GROWTH AND INVESTMENT INITIATIVE

The Hart-Chiles Growth and Investment initiative would invest $3.0 billion more in fiscal year 1987 and $17.1 billion more over the next three years, compared to the bipartisan compromise. These investments would be financed through increased taxes—the amendment includes, however, language expressing the sense that these revenues not come from increasing income taxes on low and middle income Americans.

As the attached table shows, the amendment contemplates three major initiatives: investments in science and technology, in resource development, and in education and training.

The science and technology initiatives include:

New Investment in technology development focused on biomedical and biotechnical research, supercomputers, robotics, fiber optics and other advanced processes; and

Increased basic research through the NSF and other research organizations.

The resource development initiative is designed to develop our nation's energy, agricultural, metalurgical and other natural resources.

The education and training initiatives, accounting for roughly two-thirds of the funds in the amendment, aim to restore the nation's historic commitments to our childrens' future and a skilled and flexible labor force. The amendment would:

Invest in skills critical to our growing and changing economy including math, science, and foreign language programs;

Ensure a quality education for the children most at risk—those 14 million growing up in poverty; more will be invested in successful programs with proven track records, such as Head Start, compensatory education and Pell grants, as well as new public/private partnership, demonstration, and educational excellence initiatives;

Combat adult illiteracy and growing high school dropout rates; and

Reaffirm our commitment to training dislocated and disadvantaged workers by increasing participation in current, successful programs and establishing pilot programs to develop new approaches.

THE GROWTH AND INVESTMENT INITIATIVE—HART-CHILES

[Increases over SBC resolution, billions of dollars]

	1987	1988	1989	1987–89 total
INVESTMENTS IN SCIENCE AND TECHNOLOGY				
Advance Basic Science (F. 250):				
Budget authority	0.3	0.4	0.6	1.3
Outlays	.2	.3	.5	1.0
Develop innovative technologies:				
Health (F. 550):				
Budget authority	.3	.7	1.0	2.0
Outlays	.2	.5	.8	1.5
Industry and commerce (F. 370):				
Budget authority	.2	.2	.2	.6
Outlays	.2	.2	.2	.6
Subtotal:				
Budget authority	.8	1.3	1.8	3.9
Outlays	.6	1.0	1.5	3.1

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THE GROWTH AND INVESTMENT INITIATIVE—HART-CHILES—Continued

[Increases over SBC resolution, billions of dollars]

	1987	1988	1989	1987–89 total
INVESTMENTS IN RESOURCE DEVELOPMENT				
Energy (F. 270):				
Budget authority	.3	.3	.4	1.0
Outlays	.2	.2	.3	0.7
Agriculture (F. 350):				
Budget authority	.3	.3	.4	1.0
Outlays	.3	.3	.3	0.9
Other natural resources (F. 300):				
Budget authority	.1	.2	.4	0.7
Outlays	.1	.2	.3	0.6
Subtotal:				
Budget authority	.7	.8	1.2	2.7
Outlays	.6	.7	.9	2.2
INVESTMENTS IN EDUCATION AND TRAINING (F. 500)				
Education:				
Budget authority	1.7	4.8	5.4	11.9
Outlays	1.3	2.0	4.3	7.6
Training:				
Budget authority	.8	3.1	3.7	7.6
Outlays	.5	.9	2.8	4.2
Subtotal:				
Budget authority	2.5	7.9	9.1	19.5
Outlays	1.8	2.9	7.1	11.8
Grand total:				
Budget authority	4.0	10.0	12.1	26.1
Outlays	3.0	4.6	9.5	17.1

CONCURRENT RESOLUTION ON THE BUDGET, FISCAL YEAR 1987

The Senate continued with the consideration of the concurrent resolution.

UNANIMOUS-CONSENT AGREEMENT

Mr. DOMENICI. Mr. President, I have been working with the minority and the distinguished majority leader with reference to our notion this past Thursday to stack some votes for Tuesday, and to use some time today. In pursuance of that proposition I make the following two unanimous-consent requests.

Mr. President, I ask unanimous consent that when the Senate resumes the unfinished business on tomorrow that 20 hours be considered as remaining on the resolution.

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Mr. BYRD. Mr. President, reserving the right to object. I have no objection.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. DOMENICI. Mr. President, I further ask unanimous consent that after the vote on the DeConcini amendment No. 1803, there be 30 minutes of debate equally divided between the Senator from New Mexico [Mr. DOMENICI] and the Senator from Montana [Mr. MELCHER] on the Melcher amendment; that there be no amendments in order to the Melcher amendment; and, following the expiration of time or yielding back of time on the amendment, that a vote occur immediately in relation to the Melcher amendment to Senate Concurrent Resolution 120, the budget resolution.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. DOMENICI. Now, Mr. President, what this means is that if all time is used on the Melcher amendment, a rollcall vote can be expected in relation to the amendment at 11:50 a.m. This may cause us to run over a few moments into the 12 noon to 2 p.m. recess. This has been checked with the majority leader and, I understand, the minority leader, who is here, has no objection.

Mr. President, I did make a commitment on the floor Thursday, because the distinguished Senator from Massachusetts, Senator KENNEDY, had been waiting a long time to propose an amendment. It is my intention, and I believe the distinguished ranking minority member, the Senator from Florida, Senator CHILES, concurs, that when we dispose of the Melcher amendment we will move to the Kennedy amendment on Medicare, if the senior Senator from Massachusetts is prepared. I hope that he will be advised that this is our intention, to accommodate him in that manner.

I also would ask that the distinguished chairman of the Finance Committee, Senator PACKWOOD, and the distinguished chairman of the subcommittee of the Finance Committee which has jurisdiction over Medicare, understand that the Kennedy amendment will, in all probability, come to the floor sometime shortly after the expiration of the 12 noon recess. If they are available to give their comments on the floor of the Senate, the Senator from New Mexico would greatly appreciate that. I will advise their offices personally.

I yield the floor.

Mr. BYRD. Mr. President, has morning business been ordered?

The PRESIDING OFFICER. It has not been.

ROUTINE MORNING BUSINESS

Mr. DOMENICI. Mr. President, I ask unanimous consent that there now be a period for the transaction of routine morning business, and that there be no time limitation for the distinguished minority leader with reference to remarks that he might want to make.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. BYRD. Mr. President, I thank the distinguished Senator from New Mexico, the manager of the budget resolution and chairman of the Budget Committee.

MESSAGES FROM THE PRESIDENT RECEIVED DURING ADJOURNMENT

Under the authority of the order of the Senate of January 3, 1985, the Secretary of the Senate, on April 25, 1986, received a message from the President of the United States, transmitting sundry nominations, which were referred to the Committee on Armed Services.

(The nominations received on April 25, 1986, are printed at the end of the Senate proceedings.)

RESCISSION OF CERTAIN BUDGET AUTHORITY—MESSAGE FROM THE PRESIDENT RECEIVED DURING ADJOURNMENT—PM 140

Under the authority of the order of the Senate of January 3, 1985, the Secretary of the Senate, on April 25, 1986, received the following message from the President of the United States, together with accompanying papers; which, pursuant to the order of January 30, 1975, was referred jointly to the Committee on Appropriations, the Committee on Armed Services, and the Committee on the Budget:

To the Congress of the United States:

In accordance with the Impoundment Control Act of 1974, I herewith report three rescission proposals totaling $114,500,000 affecting programs in the Department of Defense—Military.

The details of these rescission proposals are contained in the attached report.

RONALD REAGAN.

THE WHITE HOUSE, *April 25, 1986.*

PHILIPPINES ASSISTANCE LEGISLATION—MESSAGE FROM THE PRESIDENT RECEIVED DURING ADJOURNMENT—PM 141

Under the authority of the order of the Senate of January 30, 1985, the Secretary of the Senate, on April 25, 1986, received the following message from the President of the United States, together with accompanying papers; which was referred to the Committee on Foreign Relations:

To the Congress of the United States:

I hereby transmit for the consideration of the Congress proposed legislation, entitled "Philippines Assistance Act of 1986," which authorizes supplemental economic and military assistance for the Philippines.

The bill authorizes a total of $150 million in supplemental assistance for the Philippines, of which $100 million is to be used for Economic Support Fund activities and $50 million is to be used for the Military Assistance Program. A supplemental appropriation request for fiscal year 1986 is concurrently being transmitted to the Congress.

Through the inauguration of President Aquino, the Philippines has been offered an historic opportunity to effect significant structural and institutional reforms that will bring the benefits of peace and prosperity to all

of its citizens. The special relationship that the people of the United States share with the people of the Philippines strongly warrants our renewed commitment in support of these efforts. I urge the Congress to act without delay on this legislation.

RONALD REAGAN.

THE WHITE HOUSE, *April 25, 1986.*

MESSAGES FROM THE PRESIDENT

Messages from the President of the United States were communicated to the Senate by Mr. Saunders, one of his secretaries.

EXECUTIVE MESSAGES REFERRED

As in executive session, the Presiding Officer laid before the Senate messages from the President of the United States submitting a nomination which was referred to the Committee on Labor and Human Resources.

(The nominations received today are printed at the end of the Senate proceedings.)

MESSAGES FROM THE HOUSE

At 3:54 p.m., a message from the House of Representatives, delivered by Ms. Goetz, one of its reading clerks, announced that the House has passed the following bill and joint resolutions, without amendment:

S. 1952. An act to provide for the striking of medals to commemorate the Young Astronaut Program;

S.J. Res. 187. Joint resolution designating Patrick Henry's last home and burial place, known as Red Hill, in the Commonwealth of Virginia, as a National Memorial to Patrick Henry; and

S.J. Res. 264. Joint resolution designating April 28, 1986, as "National Nursing Home Residents Day".

MEASURE PLACED ON THE CALENDAR

The following was read the second time and placed on the calendar:

H.R. 281. An act to amend the National Labor Relations Act to increase the stability of collective bargaining in the building and construction industry.

PETITIONS AND MEMORIALS

The following petitions and memorials were laid before the Senate and were referred or ordered to lie on the table as indicated:

POM-632. Resolution adopted by the Senate of the Legislature of Hawaii; to the Committee on Appropriations.

RESOLUTION 108

"Whereas, termination of the MOD-5B wind project would mean the loss of years of effort to determine the technical and economic viability of large wind turbines as a means of reducing our Nation's dependence on non-renewable fuels; and

"Whereas, Hawaii is extremely dependent on imported oil for more than 90 percent of its energy needs and has a vital stake in research to find alternatives to fossil fuels; and

"Whereas, the U.S. Government already has a contract with Hawaiian Electric Industries to purchase the MOD-5B upon completion and conduct the necessary research to determine the viability of such large wind turbines; and

"Whereas, termination of the MOD-5 program so close to completion would represent the waste of more than $70 million spent to date and several million dollars more that will be required to dismantle the MOD-5B and return the site to its original condition; now, therefore, be it

"Resolved, by the Senate of the Thirteenth Legislature of the State of Hawaii, Regular Session of 1986, That the Congress of the United States of America be asked to maintain the current appropriation for the MOD-5 research program; and

"Be it further resolved, that Congress is asked to make such further appropriation for Fiscal Year 1987 as may be necessary to complete this valuable research program; and

"Be it further resolved, that certified copies of this resolution is transmitted to the members of Hawaii's congressional delegation, the President of the United States, the President of the United States Senate, the Speaker of the United States House of Representatives, the Governor of Hawaii, and the Secretary of the United States Department of Energy."

POM-633. Joint resolution adopted by the Legislature of the State of Alaska; to the Committee on Commerce, Science, and Transportation:

JOINT RESOLUTION

"Whereas remote sensing of the ocean is playing an increasingly important role in fishery research, fish harvesting, and marine safety along the Pacific Coast of the United States and Canada; and

"Whereas satellite sensors give a unique view of the ocean surface and provide extensive and detailed images of sea surface temperature, color, mixed layer depth, currents, and wave action; and

"Whereas the oceanic measurements taken by the satellite are used in determining variations in ocean conditions that play key roles in causing fluctuations in stocks of fishes and their vulnerability to harvesting; and

"Whereas this timely information on the changing ocean, rather than on average ocean conditions, is necessary to understand and eventually predict the effects of the marine environment on fish populations; and

"Whereas up-to-date weather information can provide the fishing fleet accurate weather data that will increase the safety and efficiency of fish harvesting; and

"Whereas the use of satellite sensors combined with conventional data collection techniques provides a powerful tool toward ensuring the wise use of living marine resources; and

"Whereas this information can provide valuable clues as to where foreign fishing fleets may be targeting certain North American fish stocks on the high seas; and

"Whereas these clues can lead the United States Coast Guard and other enforcement agencies to the precise locations where harmful interception of North American fish are taking place; and

"Whereas several manufacturers have developed oceanographic color displays designed to receive signals from a satellite and to display, in color, an absolute surface temperature distribution for a large water area; and

"Whereas in order to provide this information to fishermen, enforcement agencies, and research facilities, receiving stations need to be established in Alaska to monitor the North Pacific region; and

"Whereas an all-weather satellite is needed to provide this detailed information because it is not dependent on cloud cover conditions; and

"Whereas the National Aeronautics and Space Administration has abandoned the Gilmore Creek Satellite Receiving Station and this station can be used by the National Weather Service to receive satellite data in Alaska; be it

"*Resolved* that the Alaska State Legislature finds establishment of all-weather satellite and receiving stations would benefit the fishermen, marine researchers, enforcement agents, and merchant mariners of the United States and Alaska; and be it

Further resolved that the Alaska State Legislature respectfully requests the United States Congress to establish an all-weather monitoring satellite for the waters of the North Pacific Ocean; and be it

Further resolved that the legislature respectfully requests that Congress transfer NASA's Gilmore Creek Satellite Receiving Station to the National Weather Service and provide funding for its use; and be it

Further resolved that the legislature also requests that funds be allocated for the purchase of oceanographic color displays for the receiving stations and for the distribution of this data to fishermen, researchers, enforcement agencies, and merchant mariners."

POM-634. Resolution adopted by the House of Representatives of the Commonwealth of Massachusetts; to the Committee on Energy and Natural Resources:

"RESOLUTION

"Whereas, on June twenty-fifth, nineteen hundred and fifty, Communist forces of the Korean People's Army launched an offensive against the Republic of Korea; and

"Whereas, in response to this atrocious act of aggression against freedom, the President of the United States, Harry S. Truman, on Tuesday, June twenty-seventh, nineteen hundred and fifty, ordered United States Air and Sea Forces to give the Korean Government troops, cover and support, thus beginning involvement of the United States in the Korean conflict which ended on July twenty-seventh, nineteen hundred and fifty-three; and

"Whereas, of the six million Korean era veterans, fifty-four thousand, two hundred and thirty-five Americans were killed in action and eight thousand, one hundred and seventy-seven are unaccounted for, including three hundred and eighty-nine who were prisoners of war; and

"Whereas, these Americans served their country with dignity, displaying the ideals of America, fighting for freedom on foreign territory, far from home and loved ones; and

"Whereas, those Americans who had made the supreme sacrifice, and those Americans who were willing to make the supreme sacrifice of life, remain the only veterans not recognized with a memorial in our country's capital; now therefore be it

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"Resolved, That the Massachusetts House of Representatives hereby urges Congress, the President and the Veterans' Administration of the United States to commemorate the Korean era veteran with an appropriate memorial in Washington, D.C.; and be it further

"Resolved, That copies of these resolutions be sent by the Clerk of the House of Representatives to the President of the United States, the presiding officer of each branch of Congress, the Director of the Veterans' Administration and to the members thereof from this Commonwealth.

POM-635. Joint resolution adopted by the Legislature of the State of Idaho; to the Committee on Energy and Natural Resources:

A JOINT MEMORIAL

"Whereas, the Idaho State Legislature recognizes and appreciates the necessity of immediately addressing and reducing the federal deficit, by the reduction of federal spending, including some cuts in transfer payments to the states for public education support and land grant universities; and

"Whereas, Congress has adopted the Gramm-Rudman-Hollings Act which is estimated to cut federal payments to Idaho by approximately $50 million for the next eighteen months; and

"Whereas, the Idaho State Legislature is willing to accept cuts which equally impact on all of the states and which will require all states to increasingly shoulder the responsibilities for funding of necessary programs, including public education, with state-level revenue; and

"Whereas, the economic and tax base of Idaho is not as fully developed as necessary to provide maximum support for education as is the case in other states which do not experience 64% federal land ownership within their boundaries; and

"Whereas, Federal Forest Reserve Funds and Impact Aid Funds (P.L. 874) payments to Idaho public schools could be reduced or eliminated by Congress or the automatic cuts in the Gramm-Rudman-Hollings Act; and

"Whereas, federal "in lieu of" tax payment funds, which previously supported public education and other state and local government functions based on this federal ownership acreage, are also proposed for reduction or elimination; and

"Whereas, the State of Idaho, through our constitutional Land Board, working with all potentially affected lessees and adjacent owners to avoid or minimize economic, recreational, or other impacts, is prepared to assist the Federal Government in selecting appropriate sections of land for transfer. Now, therefore, be it *Resolved by the members of the Second Regular Session of the Forty-eighth Idaho Legislature, the Senate and the House of Representatives concurring therein,* that Congress, with the advice of the Secretary of the Interior and the Secretary of Agriculture of the United States, authorize the transfer of two additional sections per township from federal lands to the State of Idaho for state ownership and for the sole and exclusive purpose of supporting public schools and institutions of higher education in Idaho.

"Be it further resolved that the Secretary of the Senate be, and she is hereby authorized and directed to forward a copy of this Memorial to the President of the Senate and the Speaker of the House of Representatives of Congress, the congressional delegation representing the State of Idaho in the Congress of the United States, the Secretary of the Interior of the United States, and the Secretary of Agriculture of the United States."

POM-636. Resolution adopted by the Legislature of the State of Minnesota; to the Committee on Energy and Natural Resources:

"A RESOLUTION

"Whereas, the Mississippi River traverses ten states and has a profound impact on the commerce, tourism, and manufacturing in those states; and

"Whereas, the river's course is abundant in historical sites, natural areas, wildlife refuges, industrial sites, population centers, and other areas that are integral to our national heritage; and

"Whereas, it is appropriate that the federal government undertake significant efforts to retain, enhance, and interpret, for present and future generations, the cultural, historical, natural, recreational, and economic resources of the corridor that are consistent with industrial and economic growth; and

"Whereas, the Congress of the United States is considering the Mississippi River National Heritage Corridor Act of 1986 that, if adopted, will ensure that the above activities in the corridor will be instituted; now, therefore, be it

Resolved by the Legislature of the State of Minnesota that it urges the Congress of United States to immediately enact, and the President of the United States approve, the Mississippi River National Heritage Corridor Act of 1986.

Be it further resolved that the Secretary of State of the State of Minnesota is directed "to prepare certified copies of this memorial and transmit them to the President of the United States, the President and Secretary of the United States Senate, the Speaker and Chief Clerk of the United States House of Representatives, and to Minnesota's Senators and Representatives in Congress."

POM-637. Resolution adopted by the Borough Council of Stone Harbor, NJ, opposing the research burning of toxic chemicals in the ocean; to the Committee on Environment and Public Works.

POM-638. Joint resolution adopted by the Legislature of the State of Idaho; to the Committee on Environment and Public Works.

JOINT RESOLUTION

"Whereas, a recent administrative decision by the U.S. Army Corps of Engineers would require the City of Orofino to compensate the federal government up to $60,000 annually for hydropower loss in order for the Idaho community to divert water from behind Dworshak Dam for municipal and domestic purposes; and

"Whereas, the Corps has in the past taken the position that it does not need a state water right because it only passes water through the dam; and

"Whereas, the Corps should not be entitled to compensation for loss of a water right which it does not claim; and

"Whereas, the policy behind the Corps administrative decision could have a devastating impact for existing and future water use development in Idaho, the Northwest and the Nation, should the Corps require compensation for loss of power for any diversion of water upstream from one of its power generation dams in any river basin, now, therefore, be it

"Resolved by the members of the Second Regular session of the Forty-eighth Idaho Legislature, the Senate and the House of Representatives concurring therein that the Secretary of Defense, Caspar W. Weinberger, be encouraged to reverse the decision of the U.S. Army Corps of Engineers requiring compensation for loss of hydropower generation resulting from upstream uses of water in the public interest and enunciate a corps policy of compliance with state water allocation statutes.

"Be it further resolved that the United States Congress enact legislation providing that hydropower facilities constructed by the Corps have only such water rights as explicitly authorized by Congress or as have been developed under applicable state law and that compensation is not required for loss of hydropower generation resulting from upstream water use development.

"Be it further resolved that the Secretary of the Senate be, and she is hereby authorized and directed to forward a copy of this Memorial to the Secretary of Defense, Caspar W. Weinberger, to the President of the Senate and the Speaker of the House of Representatives of Congress, and to the congressional delegation representing the State of Idaho in the Congress of the United States."

POM-639. Resolution adopted by the Board of Education of Community High School District No. 218, Oak Lawn, IL, opposing certain provisions of H.R. 3838; to the Committee on Finance.

POM-640. Resolution adopted by the Board of Education of Oak Lawn Community High School, District No. 229, Oak Lawn, IL, opposing certain provisions of H.R. 3838; to the Committee on Finance.

POM-641. Resolution adopted by the Board of Trustees of the Village of Park Forest, IL, opposing certain provisions of H.R. 3838; to the Committee on Finance.

POM-642. Resolution adopted by the South Palos Township Sanitary District, Cook County, IL, opposing certain provisions of H.R. 3838; to the Committee on Finance.

POM-643. Resolution adopted by the Board of Education of School District No. 127, Cook County, IL, opposing certain provisions of H.R. 3838; to the Committee on Finance.

POM-644. Resolution adopted by the Board of Trustees of the Village of Lincolnshire, IL, opposing certain provisions of H.R. 3838; to the Committee on Finance.

POM-645. Resolution adopted by the Glenside Public Library District, DuPage County, IL, opposing certain provisions of H.R. 3838; to the Committee on Finance.

POM-646. Joint resolution adopted by the Legislature of the State of California, to the Committee on Finance.

"RESOLUTION

"Whereas, Federal and state solar energy tax credits have been an effective stimulus for the development of a new industry in the State of California, providing jobs and otherwise contributing to the state's economic development; and

"Whereas, Since the enactment of the California solar tax credit, the combined federal/state incentive has resulted in the dramatic growth of the solar industry in California; and

"Whereas, The benefits to the citizens of California from this growing solar industry include increased energy supply, a cleaner

environment, and new job opportunities; and

"Whereas, The solar energy tax credits have been an effective economic incentive to encourage individuals and businesses to invest in renewable energy technologies; and

"Whereas, The utilization of solar energy offers an opportunity to lessen dependence upon our country's limited energy resources and foreign imports; and

"Whereas, Solar energy is an environmentally clean, safe, and sound form of energy development; and

"Whereas, The interest of the people of the State of California is served by keeping the combined strength of the federal/state solar tax incentives; and

"Whereas, The federal solar tax credit expires on December 31, 1985, and the California state tax credit has been extended on a reduced basis through December 31, 1986; and

"Whereas, The State of California supports a balanced United States energy policy; now, therefore, be it

"Resolved by the Assembly and the Senate of the State of California, jointly, That the Legislature of the State of California respectfully memorializes the President and the Congress of the United States to support extension of the federal solar tax credit with a graduated phaseout of the credit; and, be it further

"Resolved, That the Chief Clerk of the Assembly transmit copies of the resolution to the President and Vice President of the United States, to the Speaker of the House of Representatives, to the Chairpersons of the House and Senate Committees of Ways and Means and Finance, and to each Senator and Representative from California in the Congress of the United States."

POM-647. Joint resolution adopted by the Legislature of the State of Alaska; to the Committee on Foreign Relations:

"JOINT RESOLUTION

"Whereas the Navarin Basin oil and gas lease sale in April 1984, resulted in total accepted bids of $631,200,000, of which $108,174,000 was for an area claimed by the Soviet Union; and

"Whereas the winning bidders for the 17 tracts in the area claimed by the Soviet Union not only are precluded from exploring for oil and gas in these valuable seabed areas, but their bid deposit money is being held in a suspense account by the U.S. Department of the Interior and is yielding only the U.S. Treasury rate of return; and

"Whereas there are hundreds of American jobs at stake at the drilling sites and at industry support sites; and

"Whereas the question of territorial jurisdiction also has implications for bottom fishery operations for American fishermen; and

"Whereas the normal depiction of lines on the globe are by the arc of a great circle, especially when they involve great distances in the open ocean, such as the 1867 Convention Line marking the boundary between the United States and Russia; and

"Whereas the U.S. Department of State's International Boundary Study #14 ("U.S.-Russia Convention Line of 1867"), which was published in 1965, depicted the 1867 Convention Line by arcs of a great circle; and

"Whereas discussions have been conducted between the U.S. Department of State and the Soviet Government over this issue since 1981, with the latest round being held in Moscow on July 23 and 24, 1984, with the American delegation led by Davis R. Robinson, the Legal Adviser of the U.S. Department of State; and

"Whereas Article IV, Sec. 3 of the United States Constitution provides that 'The Congress shall have power to dispose of and make all needful rules and regulations respecting the territory or other property belonging to the United States; and

"Whereas the western-most limit to the oil and gas leasing program of the U.S. Department of the Interior for the Outer Continental Shelf in the Bering Sea has been set by the U.S. Department of State at the U.S.-Russia Convention Line of 1867;

"Whereas the leasing program involving the 1867 Convention Line in the Bering Sea includes the Navarin Basin and the Norton Basin; and

"Whereas there are highly significant oil and gas deposits estimated by the U.S. Department of the Interior in these basins; and

"Whereas these potential hydrocarbon deposits are a vital part of the future energy production for the United States and its goal of energy independence; and

"Whereas the leasing schedule for sales of oil and gas includes the Navarin Basin in April 1984 and March 1986, the St. George Basin in May 1985 and April 1987, and the Norton Basin in December 1985; and

"Whereas the area is estimated to contain approximately 100,000 tons of sustainable yield of pollock that is presently being fished exclusively by foreign fishing fleets; and

"Whereas during the announcement of the Navarin Basin's April 1984 sale, the Department of the Interior revealed that the Soviet Union was demanding part of the Outer Continental Shelf in the Navarin Basin and that the Department of State was requiring that the proposed oil and gas lease sales in the area claimed by the Soviet Government be held in abeyance, that is, the bids received and retained but the leases not awarded until the matter is resolved; and

"Whereas the Federal Register announcement described the dispute as follows:

" 'The differing claims relate to differing depictions of the line established by the 1867 Convention Ceding Alaska between the United States and Russia. The United States depicts the 1867 Convention Line as the maritime boundary by arcs of a great circle while the Soviet Union depicts the 1867 Convention Line as rhumb lines.'; and

"Whereas the area of the Outer Continental Shelf demanded by the Soviet Union between the arc-of-a-great-circle and the rhumbline depictions in the Bering Sea amounts to approximately 18,000 square miles; and

"Whereas an agreement to concede this area to the Soviet Union would contribute to the petroleum production and bottom fishery potential of the Soviet Union;

"Be it resolved that the Alaska State Legislature finds that it is in the best interests of the United States and of the State of Alaska that the U.S. Department of State not yield to the demands of the Soviet Union to set the western-most Outer Continental Shelf limit of the United States in the Bering Sea by a rhumb-line depiction rather than the arc-of-a-great-circle depiction of the U.S.-Russia Convention Line of 1867; and be it

"Further Resolved that this resolution be understood as the sentiments of the State of Alaska concerning the interests of the United States in adhering to the arc-of-a-great-circle depiction in the diplomatic discussions regarding the question; and be it

"Further resolved the United States Department of State is urged to adopt a firm stance and aggressively pursue a resolution of the Bering Sea Boundary dispute favorable to the interests of the government and the people of the United States."

POM-648. Joint resolution adopted by the Legislature of the State of Idaho; to the Committee on Foreign Relations:

"JOINT RESOLUTION

"Whereas, the Sandinista government of Nicaragua is a notoriously repressive regime, with a record of violations of human rights including genocide of the Miskito Indians and torture and imprisonment of citizens who voice legitimate opposition to the government; and

"Whereas, the government of Nicaragua is openly involved in the export of communism through the region, including violations of the borders of neighboring countries, involvement of guerrillas in attacks against neighboring governments, and a public vow to bring communist revolution through Central America; and

"Whereas, the Sandinista regime is the recipient in these efforts of extensive aid from the Soviets and other Soviet bloc nations, from the communist government of Cuba, and from the government of Libya and the PLO; and

"Whereas, America has traditionally and historically supported the efforts of the Freedom Fighters in Nicaragua, and has encouraged their legitimate efforts to resist communism in their nation and to restore freedom and democracy in Nicaragua; and

"Whereas, victory of the Sandinista regime in Nicaragua constitutes a threat to the vital security and economic interest of Central America and consequently represents a threat to the security of the United States; and

"Whereas, there is now pending before the Congress of the United States a program of military assistance for the Freedom Fighters of Nicaragua which is essential to their success and to the future of freedom in the Western Hemisphere; now, therefore, be it

Resolved by the members of the Second Regular Session of the Forty-eighth Idaho Legislature, the House of Representatives and the Senate concurring therein that the Legislature of the State of Idaho urges the Congress of the United States to join with the President of the United States in providing essential assistance to the Freedom Fighters of Nicaragua in their efforts to resist the repressive regime of the Sandinista government.

"Be it further resolved that the Chief Clerk of the House of Representatives be, and she is hereby authorized and directed to forward copies of this Memorial to the President of the United States, the President of the Senate and the Speaker of the House of Representatives of Congress, and the honorable congressional delegation representing the State of Idaho in the Congress of the United States."

POM-649. Resolution adopted by the Board of Supervisors, County of Los Angeles, CA, favoring an anti-drug operation in Los Angeles County involving Federal and military services; to the Committee on the Judiciary.

POM-650. Resolution adopted by the mayor and Township Committee of Voor-

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hees, NJ, favoring a constitutional convention to propose an amendment relating to taxation of interest income; to the Committee on the Judiciary.

POM-651. Resolution adopted by the United Steelworkers of America, Local Union 1104, Lorain, OH, supporting Save American Industry/Jobs Day; to the Committee on the Judiciary.

POM-652. Petition from a citizen of Concord, NH, favoring enactment of H.R. 3649; to the Committee on the Judiciary.

POM-653. Petition from a citizen of Concord, NH, favoring the enactment of H.R. 3649; to the Committee on the Judiciary.

REPORTS OF COMMITTEES

The following reports of committees were submitted:

By Mr. GARN, from the Committee on Banking, Housing, and Urban Affairs:

Special Report entitled "First Monetary Policy Report for 1986" (with additional views) (Rept. No. 99-289).

INTRODUCTION OF BILLS AND JOINT RESOLUTIONS

The following bills and joint resolutions were introduced, read the first and second time by unanimous consent, and referred as indicated:

By Mr. STAFFORD (by request):

S. 2373. A bill to encourage the standardization of nuclear powerplants, to improve the nuclear licensing and regulatory process, to amend the Atomic Energy Act of 1954, and for other purposes; to the Committee on Environment and Public Works.

By Mr. HEINZ:

S. 2374. A bill to amend the Job Training Partnership Act to provide for remedial education assistance for dislocated workers, and for other purposes; to the Committee on Labor and Human Resources.

By Mr. BENTSEN (for himself and Mr. Wallop):

S. 2375. A bill to disapprove of certain deferrals of Strategic Petroleum Reserve budget authority, to authorize additional appropriations with respect to the Strategic Petroleum Reserve, and to increase oil import fees; to the Committee on Finance.

By Mr. THURMOND (by request):

S. 2376. A bill to authorize appropriations for the purpose of carrying out the activities of the Department of Justice for fiscal year 1987 and for other purposes; to the Committee on the Judiciary.

By Mr. HEINZ:

S. 2377. A bill to make a technical modification in the Excellence in Education Act; to the Committee on Labor and Human Resources.

By Mr. LUGAR (by request):

S. 2378. A bill to authorize supplemental economic and military assistance for the Philippines, and for other purposes; to the Committee on Foreign Relations.

By Mr. PRYOR:

S. 2379. A bill to repeal the application of Revenue Ruling 86-63, relating to the deductibility of contributions to university athletic funds; to the Committee on Finance.

By Mr. QUAYLE:

S. 2380. A bill to amend title 10, United States Code, to require the head of a Department of Defense agency to consider the foreign policy objectives of the United States before entering into a procurement contract with a foreign government or an instrumentality of a foreign government; to the Committee on Armed Services.

STATEMENTS ON INTRODUCED BILLS AND JOINT RESOLUTIONS

By Mr. STAFFORD (by request):

S. 2373. A bill to encourage the standardization of nuclear powerplants, to improve the nuclear licensing and regulatory process, to amend the Atomic Energy Act of 1954, and for other purposes; to the Committee on Environment and Public Works.

NUCLEAR FACILITY STANDARDIZATION ACT

Mr. STAFFORD. Mr. President, I am introducing the text of a bill that was introduced by request by Senator McClure on February 18. The purpose of my action is to clear up confusion caused by the mistaken referral of that bill, the Nuclear Facility Standardization Act of 1986.

The text of the bill was drafted and transmitted to Congress by the Department of Energy in an executive communication, EC-1114. The bill is intended to encourage standardization of designs of nuclear powerplants and to improve the nuclear licensing and regulatory process.

The executive communication was mistakenly referred to the Committee on Energy and Natural Resources, as was the bill incorporating the Department's draft legislation.

The subject matter of the legislation is clearly within the jurisdiction of the Committee on Environment and Public Works. The introduction and referral today should clarify any confusion over the question of appropriate Senate jurisdiction.

I ask unanimous consent that the bill be printed in the Record.

There being no objection, the bill was ordered to be printed in the Record, as follows:

S. 2373

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "Nuclear Facility Standardization Act of 1986".

FINDINGS AND PURPOSES

Sec. 2. (a) The Congress, recognizing that an effective and efficient licensing and regulatory process, for siting, construction, and operation of nuclear powerplants, which meets safety and environmental criteria is in the national interest, finds and declares that—

(1) interstate commerce is substantially affected by the siting, construction, and operation of nuclear powerplants;

(2) opportunity for meaningful public participation in the siting and licensing of nuclear powerplants should be assured;

(3) there is a need to encourage the development and use of standardized nuclear powerplant designs because (A) these designs would benefit public health and safety by concentrating the resources of designers, engineers, and vendors on particular designs, by stimulating standardized programs of construction practice and quality assurance, by improving the training of personnel, and by fostering more effective maintenance and improved operations; and (B) the use of these designs would permit a more effective and efficient licensing and inspection process;

(4) the licensing process will be facilitated by selecting and approving a site for a nuclear powerplant in advance of a commitment to construct a facility at that site;

(5) the licensing and regulatory process will be facilitated if licensing decisions are made as early as possible in the process and if issues resolved in Nuclear Regulatory Commission proceedings are not reconsidered in the absence of a showing required by this Act and the regulations of the Nuclear Regulatory Commission;

(6) consistent with the adequate protection of the public health and safety and the common defense and security, the regulatory process should provide greater stability in licensing standards and criteria for approved designs of nuclear powerplants;

(7) consistent with the paramount responsibility of the Nuclear Regulatory Commission to protect the public health and safety, and recognizing that the elimination of all risk is an unattainable goal for any energy source, it is appropriate and in the public interest for the Nuclear Regulatory Commission to consider the economic consequences of its regulatory practices, including the cost of safety requirements; and

(8) the Nuclear Regulatory Commission should adopt regulations setting forth criteria to govern all additions, deletions, and modifications to its regulatory requirements; these regulations should require a systematic, centralized, and documented review of the concerns that give rise to the proposed change, the improvement in safety that would result from adoption of the proposed change, estimates of costs or other impacts on potentially affected licensees and the public, taking into account, if facility specific, the remaining life of the facility, and such other matters as the Commission determines to be necessary.

(b) The purposes of this Act are—

(1) to facilitate the development and use of standardized designs and the use of preapproved sites for nuclear powerplants;

(2) to provide for the issuance of a license to construct and operate a nuclear powerplant under conditions that enhance the protection of the public health and safety and are in accord with the common defense and security; and

(3) to improve the stability of licensing standards and criteria for nuclear powerplants and prior Commission licensing approvals.

TITLE I—LICENSING AND REGULATORY REFORM

APPROVAL OF STANDARDIZED DESIGNS

Sec. 101. The Atomic Energy Act of 1954 is amended by adding after section 191 (42 U.S.C. 2241) a new section 193 to read as follows:

"Sec. 193. Approval of Standardized Designs.—

"a. The Commission shall establish procedures to permit the approval of standardized designs for a production or utilization facility to be licensed by the Commission and the approval of designs for any major subsystem of such a facility that represents a discrete element of the facility, as defined by the Commission, upon application by any person, after providing an opportunity for public hearing under section 189 of this Act, notwithstanding the fact that an application for a construction permit or construction and operating license for the facility has not been filed.

"b. Notwithstanding section 161 w. of this Act or the Independent Offices Appropriation Act of 1952, the Commission shall not require an application filing or issuance fee for an application for approval or for an amendment or renewal of an approval under this section. The Commission may allocate the costs that would otherwise have been defrayed by fees required of applicants under this section among applicants for permits or licenses who propose to use the approved design. If there is no application for a construction permit or a construction and operating license within ten years from the initial date of issuance of the approval, then the holder of the design approval shall pay the filing and issuance fees at the end of the ten year period.

"c. (1) After considering the information submitted in the application, and after providing an opportunity for public hearing under section 189 of this Act, the Commission shall issue an approval under this section if it determines that the design will comply with this Act, the rules and regulations of the Commission, and will not be inimical to the common defense and security or to the health and safety of the public.

"(2) Subject to section 187 of this Act, a design approval may be amended or modified in a design amendment proceeding. In a design amendment proceeding, the Commission shall not admit an issue that has been considered and decided in the design approval proceeding or an earlier design amendment proceeding unless the Commission determines that there is a material issue in dispute that cannot be resolved with sufficient accuracy except in a hearing and—

"(A) the issue could not have been considered and decided in a proceeding for the issuance, modification, or amendment of a design approval; or

"(B) a showing has been made that there is a nonconformance with the design approval that could materially and adversely affect the safe operation of a facility using the design.

"(3) A change to the design approval required by the Commission shall not apply to a construction permit or construction and operating license incorporating the design approval unless (A) the licensee requests the change, or (B) the requirements of section 187 of this Act are satisfied with respect to the change.

"d. (1) An approval issued by the Commission under this section may be incorporated by reference in, and shall be conclusive with respect to, an application for a construction permit or a construction and operating license if the application meets the conditions of the approval and is filed within a period of ten years from the date of issuance or renewal of the approval.

"(2)(A) Not less than twelve nor more than eighteen months prior to the expiration of the ten-year period provided under paragraph (1), the holder of the design approval may apply for a renewal of the approval. Upon review, the Commission may renew the approval for additional ten-year periods from the date of renewal.

"(B) Upon application for renewal of an approval issued under subsection c. of this section, the Commission shall renew the approval unless it finds, based on significant new information relevant to the design, that the design will not comply with this Act or the Commission's rules and regulations for protection of the public health and safety and the common defense and security.

"e. (1) The Commission shall approve an amendment to a design approval issued under this section upon application by the holder of the design approval if the Commission determines that the amendment will comply with this Act and the Commission's regulations.

"(2) An amendment approved by the Commission under paragraph (1) shall apply to an application for a construction permit or construction and operating license incorporating the design approval for which the amendment has been granted that is filed after the effective date of the amendment.

"(3) An amendment approved by the Commission under paragraph (1) shall not apply to an application for a construction permit or construction and operating license incorporating the design approval for which the amendment has been granted that is filed before the effective date of the amendment unless (A) the applicant requests that the amendment apply to the application, or (B) the requirements of section 187 are satisfied with respect to the amendment.

"f. The holder of a permit, license, or approval may deviate from any aspect of the permit, license, or approval, without prior Commission approval unless the deviation involves a change in technical specifications incorporated in the permit, license, or approval or an unreviewed safety question. A deviation that involves changes to technical specifications or unreviewed safety problems shall be proposed to the Commission as an amendment to the permit, license, or approval.

"g. A final Commission determination on an application filed under sections 193 a. or d. of this Act is a final order of the Commission for purposes of section 189 b. of this Act.".

EARLY SITE APPROVAL

Sec. 102. The Atomic Energy Act of 1954 is amended by adding after section 193, as added by this Act, a new section 194 to read as follows:

"Sec. 194. Early Site Approval.—

"a. The Commission shall establish procedures to issue a site permit for approval of a site for one or more production or utilization facilities upon the application of any person, notwithstanding the fact that an application for a construction permit or a construction and operating license for the facility or facilities has not been filed.

"b. (1) After considering all information submitted by an applicant, and after providing the opportunity for a public hearing under section 189 of this Act, the Commission shall issue a site permit subject to conditions that it considers appropriate if it determines that the proposed site is suitable for the construction and operation of the facility or facilities described in the application and that use of the proposed site will not be inimical to the common defense and security or to the health and safety of the public.

"(2) In a subsequent Commission proceeding involving use of a site for which a site permit has been granted under this section, the Commission shall not admit an issue that has been considered and decided in the site permit proceeding unless the Commission determines that there is a material issue in dispute that cannot be resolved with sufficient accuracy except in a hearing and—

"(A) the issue could not have been considered and decided in a proceeding for the issuance, modification, or amendment of a site permit; or

"(B) a showing has been made that there is a nonconformance with the site permit that could materially and adversely affect the safe operation of a facility at the site.

"(3) A final Commission determination on an application filed under this section is a final order of the Commission for the purposes of section 189 b. of this Act.

"c. (1) A site permit issued under this section may be incorporated by reference in, and shall be conclusive with respect to, an application for a construction permit or a construction and operating license if the application meets the conditions of the site permit and is filed within ten years from the date of issuance or renewal of the site permit.

"(2)(A) Not less than twelve nor more than eighteen months before the expiration of the ten-year period, a site permit holder may apply for a renewal of the site permit. Upon review, the Commission may review a site permit for additional ten-year periods from the date of renewal.

"(B) Upon application for renewal of a site permit, the Commission shall renew the site permit unless it finds, based on significant new information that the site will not comply with this Act of the Commission's rules and regulations for protection of the public health and safety and the common defense and security.

"d. Approval of a site under this section does not preclude its approval for use as a site for an alternate or modified type of energy facility or for any other purpose.

"e. The Commission may issue a site permit with respect to limited aspects of the suitability of the site for its intended purpose, under rules and regulations the Commission considers appropriate.".

CONSTRUCTION PERMITS, OPERATING LICENSES, AND CONSTRUCTION AND OPERATING LICENSES

Sec. 103. Section 185 of the Atomic Energy Act of 1954 (42 U.S.C. 2235) and its catchline are amended to read as follows:

"Sec. 185. Construction Permits, Operating Licenses, and Construction and Operating Licenses.—

"a. An applicant for a license to construct or modify a production or utilization facility shall, if the application is consistent with the provisions of this Act, the rules and regulations of the Commission, and public health and safety and the common defense and security be initially granted a construction permit, after the Commission has provided an opportunity for a public hearing under section 189 of this Act. Upon the filing of additional information by the applicant needed to bring the original application up to date and after the Commission has provided an opportunity for a public hearing under section 189 of this Act, the Commission shall issue an operating license to the applicant upon finding that the facility authorized has been constructed and will operate in conformity with the application as amended, the provisions of this Act, and the rules and regulations of the Commission. For all other purposes of this Act, a construction permit is a 'license'.

"b. (1) The Commission shall issue a construction and operating license to an applicant for a commercial production or utilization facility, after providing an opportunity for a public hearing under section 189 of this Act, if the application contains sufficient information to enable the Commission to determine that there is reasonable assurance that the facility will be constructed

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and will operate in conformity with the application, the provisions of this Act, and the rules and regulations of the Commission. The Commission shall incorporate in the construction and operating license a phased-approval procedure for construction quality assurance. The Commission also shall incorporate in the construction and operating license the inspections, tests, analyses, and acceptance criteria therefor, that are necessary to provide reasonable assurance that the plant has been constructed and will operate in accordance with the license. The Commission procedure also may provide for inspections by the licensee's designated quality assurance inspectors, designated engineering and inspection representatives, and Commission inspectors.

"(2) Before a facility licensed under this subsection may begin operation, the utility shall notify the Commission of its readiness to operate the facility. Based on this notification, the Commission shall publish in the Federal Register a notice of intended operation of the facility, and shall provide a thirty-day period during which any person may file a written objection to operation on the basis that the facility has not been constructed or will not operate in conformity with the license. An objection must set forth in reasonable detail the facts and arguments upon which the objection is based, and may be accompanied by a request for a hearing. If a hearing is requested, the Commission shall conduct a hearing if it determines that there is a material issue in dispute that cannot be resolved with sufficient accuracy except in a hearing and—

"(A) the issue was not and could not have been considered and decided in a proceeding for the issuance, modification, or amendment of a license, permit, or approval for that facility, its site, or design; or

"(B) a showing has been made that there is a nonconformance with the license that could materially and adversely affect the safe opposition of the facility.

The Commission also shall determine whether the hearing must be commenced or completed before facility operation begins in order to provide reasonable assurance of the protection of the public health and safety and common defense and security.".

MODIFICATIONS

Sec. 104. Section 187 of the Atomic Energy Act of 1954 (42 U.S.C. 2237) and its catchline are amended to read as follows:

Sec. 187. Modifications.—

"a. The Commission shall not require nor take an action to cause a change to a design approval; a site permit; a production or utilization facility for which a construction permit, operating license, or construction and operating license has been issued; the design of the facility; the procedures under which the facility is to be constructed or operated; or the organization required to construct or operate the facility, unless the Commission determines that the proposed change would result in a substantial improvement in overall safety of facility operation required under this Act and, for a production or utilization facility, is justified when taking account of the remaining life of the facility after considering the following factors—

"(1) the potential reduction in the risk to the public from the accidental off-site release of radioactive material;

"(2) the potential impact on radiological exposure of facility employees;

"(3) the installation and continuing costs associated with the proposed change, including the cost of construction delay or effect on continuity of service;

"(4) the potential safety impact of changes in plant or operational complexity including the effect on other proposed and existing requirements;

"(5) the estimated resource burden on the Commission associated with the proposed change and the availability of the resources;

"(6) the potential impact of differences in facility type, design, or age on the relevancy and practicality of the proposed change;

"(7) whether the proposed change is an interim or final requirement and, if interim, the justification for imposing the proposed change on an interim basis; and

"(8) such other matters as the Commission determines to be necessary.

"b. The Commission shall establish a centralized, systematic, and documented review process to evaluate and consider a proposed change. The Commission may make the proposed change effective, after its determination has been made, only by an amendment to the license or by issuing a rule, regulation, order, or amendment thereof. This section does not apply if the Commission determines that immediate action to impose a proposed change is necessary to protect the public health and safety or the common defense and security. If the Commission determines that immediate action is necessary, it shall document its determination after the fact.".

TITLE II—CONFORMING AMENDMENTS

ANTITRUST PROVISIONS

Sec. 201. The first sentence of section 105c.(2) of the Atomic Energy Act of 1954 (42 U.S.C. 2135c.(2)) is amended by striking "a license to construct or operate" and inserting in its place "a license to construct, operate, or construct and operate".

LICENSE APPLICATION REVIEW

Sec. 202. Subsection 182b. of the Atomic Energy Act of 1954 (42 U.S.C. 2232b.) is amended to read as follows:

"b. The Advisory Committee on Reactor Safeguards shall review an application to grant, amend, or renew a license, construction permit, construction and operating license, or site permit. The Committee shall review each application for design approval, each proposed amendment or renewal of a design approval, and any application under section 103, 104, or 194 of this Act that the Commission refers to the Committee. The Committee shall submit a report to the Commission on each application, design approval or proposed amendment, or renewal of a rule that it reviews. The Committee decision to review or fail to review an application or proposed amendment or renewal of a design approval and the Commission decision to refer or not refer an application to the Committee, is not subject to judicial review. Except to the extent that security classification prevents disclosure, any report required by this subsection shall be made part of the record of the application or rulemaking proceeding and available to the public.".

REVOCATION

Sec. 203. Section 186a. of the Atomic Energy Act of 1954 (42 U.S.C. 2236a.) is amended by inserting—

(1) "or site permit or design approval" after "license", wherever it appears; and

(2) ", 193, or 194" after "182".

ATOMIC SAFETY AND LICENSING BOARD

Sec. 204. Section 191a. of the Atomic Energy Act of 1954 (42 U.S.C. 2241a.) is amended by—

(1) striking "or" after "license" and inserting in its place a comma; and

(2) inserting "site permit, or design approval" after "authorization".

TABLE OF CONTENTS

Sec. 205. The table of contents of the Atomic Energy Act of 1954 is amended by—

(1) striking the item relating to section 185 and inserting in its place the following:

"Sec. 185. Construction Permits, Operating Licenses, and Construction and Operating Licenses.";

(2) striking the item relating to section 187 and inserting in its place the following:

"Sec. 187. Modifications."; and

(3) adding after the item relating to section 191 the following:

"Sec. 193. Approval of Standardized Designs.

"Sec. 194. Early Site Approval.".

By Mr. HEINZ:

S. 2374. A bill to amend the Job Training Partnership Act to provide for remedial educational assistance for dislocated workers, and for other purposes; to the Committee on Labor and Human Resources.

DISLOCATED WORKERS ASSISTANCE AMENDMENTS ACT

Mr. HEINZ. Mr. President, I would like to take a few minutes to commend the Budget Committee for providing $175 million for title III of the Job Training Partnership Act, which compares with a $110 million appropriation last year. This title provides assistance to displaced workers—those unemployed workers who held their previous job for 3 or more years and are unemployed through no fault of their own. The Office of Technology Assessment estimates that there are over 2 million such workers in this country, and the assistance they receive is minimal at best. My reason for taking the floor at this time is to remind my colleagues that many, many regions across the country continue to suffer prolonged unemployment, while money for job training has been reduced by 58 percent over the last 5 years. So when I say to my colleagues that I am pleased there is a little more money in the budget this year than the $110 million appropriated last year, the fact remains that a lot more is needed if we are to return these workers to productive employment.

Mr. President, when we approved the Labor-HHS-Education and Related Agencies appropriation, I took the floor to express my concern that continued lowfunding of the Job Training Partnership Act, and in particular the dislocated worker portion of that act, would dim the future of distressed communities. Since that time, many more communities in the South and West have begun to feel the terrible

effects of joblessness. This is not the time to short-fund a program which invests in the future of our cities and towns by making investments in skilled and productive human beings.

In fiscal year 1985, $222 million was appropriated for title III. That amount would aid only 150,000 of the millions who are dislocated in our economy. The budget resolution before us, by providing $50 million less than the 1985 appropriation, means that even fewer workers will receive assistance. There is sufficient budget authority within function 500 to bring JTPA title III back to its proper funding level without denying other worthy programs their money.

Mr. President, a number of people have criticized JTPA title III for spending down its money slowly, and for a disorganized start. I recognize these problems and I intend to introduce—indeed, I shall today introduce legislation to correct them.

This legislation would provide a renewed emphasis on remedial education and vocational skills training in title III, and require the States to report the mix of services they offer to dislocated workers. Effective skills training and job search assistance are the best ways to return productive citizens to full-time employment.

That is not only my personal opinion. It is borne out by an OTA study, "Technology and Structural Unemployment," which Senator Dole and I requested. I ask unanimous consent that a segment of that study be printed in the Record.

There being no objection, the segment of the report was ordered to be printed in the Record, as follows:

Displaced Worker Programs

Displaced workers are not the only unemployed workers. According to the definition of displacement of the U.S. Department of Labor, displaced workers accounted for about 14 percent of unemployment in January 1984. Displaced workers have the advantage of established work histories and good work habits, and many have some transferable skills. As a result, they are usually more employable than disadvantaged workers or unemployed teenagers, many of whom lack acceptable work habits such as demonstrated willingness to show up on time and put in the requisite number of hours. In view of the greater problems of the disadvantaged and current constraints on public spending, some observers question whether the government should provide special services for displaced workers.

One justification for government programs for displaced workers is that these people bear a disproportionate share of the burden for having a dynamic, adaptable, and generally open economy. Displaced worker programs may be viewed as the price society pays for an open trade policy and for a labor market that permits private employers considerable latitude in hiring and firing—much more than in some other industrialized countries. Another justification is that displaced worker programs can also help society avoid other kinds of expenditure, such as unemployment insurance, food stamps, Medicaid, and welfare that arise during long stretches of unemployment. Little recent information is available on the extent to which displaced worker programs substitute for other kinds of social expenditures, but earlier studies, evaluating the displaced worker program of the 1960s, found that savings in welfare and other transfer payments were large enough to pay back the investment of public funds in 2 to 4 years.

Concern over displacement, and government programs designed to serve displaced workers, tend to wax with unemployment and wane as employment recovers. In 1962, concerned with rising unemployment rates and fearing that automation would aggravate unemployment, Congress provided special funding for displaced workers in the Manpower development and Training Act [MDTA]. Within 2 years, however, a prosperous economy and falling unemployment caused a shift in the emphasis of government employment and training programs, toward assistance for disadvantaged workers. The unemployment rate stayed low through out the 1960s, partly due to the enormous fiscal stimulus of the Vietnam conflict and the Great Society programs. In the 1970s, unemployment rates again edged up. By the late 1970s, unemployment in a nonrecession economy had risen to 7 percent, and it hit a post-World War II high of 10.8 percent in December 1982, at the depth of the recession. Concern over displacement reemerged strongly.

Concern was translated into action with the 1982 Job Training Partnership Act [JTPA, Public Law 97-300]. Title III of JTPA authorized services for displaced workers. In October 1983, State Title III programs to serve displaced workers were initiated. Federal funding of $223 million was provided for a startup period of 21 months. JTPA Title III was the first Federal program designed to serve all groups of displaced workers since the beginning of MDTA, in the early 1960s.

Although unemployment remains high by the standards of the past four and a half decades, it has fallen from its peak in the 1981-82 recession. In mid-1985, civilian unemployment fluctuated between 7 and 7.5 percent for nearly a year, dipping to 7 percent in August. With the unemployment rate falling from recession highs, concern over displaced workers also lessened.

The economic recovery neither stopped nor even greatly reduced displacement. Displacement is an ongoing process, associated with technical and economic change, and the problems of displacement are not the same as those of general or cyclical unemployment. Plant closings and mass layoffs, major contributors to displacement, are continuing during the recovery. Moreover, plant closings and mass layoffs are by no means confined to mature industries such as steel, textiles, and automobiles. For example, in Santa Clara County (California's Silicon Valley) semiconductor industry employment fell by about 2,000 in a few months, from 51,000 in November 1984 to 49,000 in May 1985. In the semiconductor industry as a whole, employment fell by 9,600 between its peak in December 1984 and July 1985.

The need for services to displaced workers does not vanish during economic recovery and growth. There is a continuing need for displaced worker services in an economy that is changing as rapidly as that of the United States. The demand for services may be greater during recessions, when it is more difficult for displaced workers to find jobs on their own. Displacement itself may increase during recessions, as some marginally competitive firms close or permanently cut back production and employment. For example, employment losses in the textile industry have been heavy during recessions, and these losses have not been made up during recoveries. According to the BLS survey, over 1.2 million workers were displaced even in 1979, by most standards a healthy year economically.

PERFORMANCE OF JTPA TITLE III

Judgments about the effectiveness of Title III should be made cautiously at this point. JTPA Title III is the first comprehensive program for displaced workers in nearly 20 years. Most States have had to spend some part of the first 2 years of Title III's existence organizing to serve displaced workers. Few projects have yet learned how to cope with differing economic circumstances and changing populations of displaced workers. As a result, some projects and States have spent their initial allotments of funds quite slowly, leaving $184.5 million in unspent, but probably mostly obligated, funds by June 1985.

Title III served 96,100 workers in its first 9 months, and another 132,200 workers were newly enrolled in the full program year July 1984-June 1985. This is probably less than 5 percent of the eligible population. In 1983 over 3 million adult workers were displaced from their jobs, according to the BLS survey; most of these workers were eligible for Title III services. So far, the number of workers served per year by Title III is about 3.5 times the number of workers served by the Industrial Adjustment Service [IAS] of Canada, while the U.S. work force is almost 10 times larger than Canada's.

IAS and Title III are different: the Title III program offers a broad range of services, including counseling, job search and placement assistance, vocational training, and education. The IAS program is focused on helping displaced workers find new jobs quickly, offering services immediately on notification of mass layoffs or plant closings. The IAS program does not itself provide vocational training or education, but can refer workers to Canada's extensive, free adult training program. However, IAS reaches many more workers, in relation to the size of the Canadian labor than Title III does for the U.S. work force. If a program similar to the IAS existed in the United States, the number of people seeking services from ITPA Title III might well increase.

So far in a number of respects, the Title III program seems to be working in accordance with major emphases in the law. The Federal role is minor, and States are in control of the program. The influence of the private sector is strong, particularly in the emphasis on placement, low costs, and marketing the program to potential employers. The act's limits on administrative and support services have been satisfied.

Whether Title III is an effective and sufficient response to the problem of worker displacement is questionable. One important question is whether the heavy emphasis on placement may divert attention and resources away from training. The limited information available on program spending indicates that vocational skills training in Title III programs is probably sparse. Generally, the majority of displaced workers are much more interested in returning to work than in training or education, although a significant minority of the people may become interested in training opportunities. While retraining for strictly "high-technology" skills and occupations may have been over-emphasized in the past, training is still a very important component of well-run displaced worker programs. For many displaced workers, training is the best route back to a job with reasonable opportunities for advancement. This is particularly true for unskilled or semi-skilled manufacturing production workers, whose former jobs were based largely on routine manual and mental skills. Many of these people need substantial retaining or education to get tood jobs in the service-producing sectors, where most new jobs are being created.

In well-run programs such as the Downriver Community Conference in Wyandotte, Michigan, and the reemployment program at the former Ford assembly plant in Milpitas, California, a substantial minority of workers—20 to 35 percent—are likely to choose and benefit from vocational skills training. It should be emphasized that these percentages would be much lower without these programs' strong commitment to counseling and encouraging workers who are qualified to consider training.

A substantial barrier to retraining for displaced workers who are interested and qualified is that few adults can undertake it without income support. Basic unemployment insurance [UI] benefits, lasting 26 weeks, are the main source of income for most workers in training. Some training institutions and programs have adapted effective courses to fit this constraint, but by no means all. Extensive training, without other sources of financial support than basic UI, is often infeasible.

Judging by available numbers on spending, emphasis on and commitment to training may not be characteristic of JTPA Title III projects. In the initial 9 months of Title III, spending per worker averaged $768 and in the following program year $895, far less than the approximately $3,000 spent on each worker at the Ford Milpitas plant, where training—usually the most expensive service offered in any displaced worker project—was emphasized heavily. However, information on Title III program spending and services are both too limited and too out-of-date to judge the effectiveness and appropriateness of the program's training component.

Another concern is the low priority most State Title III programs give to remedial or brush-up education for displaced workers, even though displaced workers who lack good basic skills will increasingly be forced to take low-wage jobs. A substantial proportion of U.S. workers are poorly equipped to learn new job skills, except for relatively elementary ones, because they have deficiencies in basic education, or use only a narrow range of job skills that do not transfer easily to difficult occupations.

While estimates of adult functional illiteracy are both outdated and misleading, it is clear that large numbers of adults lack adequate skills in reading, writing, mathematics, problem-solving, and communications. These people will find it increasingly difficult to compete successfully for good new jobs once displaced, or to qualify for occupational skills training. Many people require remedial education before they can benefit from other kinds of training.

Lack of basic skills in the work force is a problem for U.S. businesses as well as for individuals. The lack may manifest itself in sluggish productivity growth, increased needs for supervision, and deficient product quality. These costs are difficult to quantify but are probably substantial. While private firms can and sometimes do provide basic education to employees, many employers feel with some justification, that it is the job of the public school system, not business, to make sure that people enter the work force with adequate basic skills.

Retraining programs, which usually stress placement, often do not emphasize basic skills or remedial education. As a result, many people with basic skills problems receive no help at all from Title III projects. Few States have made remedial education an integral part of Title III services, although some with large numbers of non-English speaking workers have given it considerable attention. Most State directors of Title III programs see little need for providing remedial education, because they believe displaced workers have adequate basic skills, because remedial education is available elsewhere, or because of lack of interest on the part of the displaced workers. Project staff who work directly with displaced workers often see the matter differently; a number of projects have reported that one-fifth to one-third of their clients cannot read or figure at the sixth-grade level. Many displaced workers lack the basic skills which would qualify them for good new jobs or for training in skilled occupations. This is especially true of those who formerly held semi-skilled or unskilled jobs—the same workers who are especially vulnerable to displacement. Displaced worker programs can offer very effective remedial education services, as some outstanding individual projects have shown.

Mr. HEINZ. Let me recapitulate for a moment about what OTA found:

First, Mr. President, OTA found that less than 5 percent—1 in 20—of displaced workers ever receive assistance from JTPA—less than 5 percent.

Second, OTA found that most assistance takes the form of low-cost job search assistance. Higher cost items such as life-sustaining stipends, vocational skills training, and remedial education are all but ignored in many parts of the country, including hard-hit areas such as Pennsylvania.

My legislation would provide authority for the Department of Labor to issue $10 million in grants to the States for remedial education. Thus, this important part of job training will be removed from the general service mix of JTPA title III and given its own line of funds. OTA estimated that over 20 percent of the dislocated workers required remedial education before entering job training or job searches. My legislation gives remedial education the priority that it is completely lacking in the present service mix.

In addition, the bill requires the States to report plans for improving vocational skills training to dislocated workers, and requires the Department of Labor to assist the States in developing and implementing vocational education programs, if the States request the assistance.

Lastly, my legislation would require the States to report to us on the number and types of services dislocated workers presently receive, and how much is spent on each service. It is inconceivable that this type of basic information on an important program has never been provided before.

As a case in point, my hometown afternoon newspaper, the Pittsburgh Press, recently ran a detailed series on the empty promises of the Job Training Partnership Act. The articles detailed a sad and terrible story: The lost dollars, workers sent on endless and fruitless job searches, and worse. One of the cruelest aspects of the program is its inability to fund training programs for the poorest of the unemployed. As Charles Kisner of North Versailles Township said, "This program does not work for people with no income." He received $3 a day for his training. It did not even cover his bus fare to the classroom.

I ask unanimous consent that the articles from the Press appear in the Record.

There being no objection, the articles were ordered to be printed in the Record, as follows:

[From the Pittsburgh Press, Apr. 13, 1986]

REAL HELP ELUSIVE IN JOB TRAINING PARTNERSHIP

(By Paul Maryniak)

As hundreds of unemployed steelworkers protested outside The Pittsburgh Hilton and Towers, Downtown, Ronald Reagan on a dreary day in April 1983 heralded the birth of his $2.9 billion Job Training Partnership Act.

JTPA is the federal government's latest attempt to teach ghetto teenagers to read and write well enough to secure jobs, equip welfare recipients with skills for productive employment and retrain workers affected by factory shutdowns.

Like previous federal programs of this kind, JTPA uses tax dollars to fund full-time classroom instruction, on-the-job training and job-hunting.

Unlike past programs, JTPA asks business leaders to work with government bureaucrats in running it.

That partnership, Reagan said, would ensure JTPA "wouldn't be a bureaucratic boondoggle, but would provide real help."

Three years after Reagan's campaign address, a study by The Pittsburgh Press has found JTPA's "real help" is mired in a bureaucratic tangle that throws millions of dollars into dead-end training programs.

Millions more allocated for JTPA by Congress lie idle in the U.S. Treasury because states, including Pennsylvania, haven't set up programs to serve the unemployed.

An estimated 42 million economically disadvantaged people and 1.3 million dislocated workers who have been bypassed by economic recovery also have been bypassed by JTPA.

Between July 1984 and June last year, the program's first full operating year, it served about 3 percent of the jobless poor and about 5 percent of the victims of plant shutdowns.

Those lucky enough to get into JTPA programs are often teased with promises of jobs that don't materialize or don't last.

The Labor Department reported the placement of 64 percent of 647,300 people who completed programs for the poor and

65 percent of 113,600 who were in dislocated workers programs in 1984–85.

But U.S. Department of Labor officials don't define placement. They count both full- and part-time jobs in the figures they use, to tout JTPA's success. Andy they don't know how long the jobs last.

The Pittsburgh Press study of JTPA was based on a review of hundreds of documents from the U.S. Labor Department, the U.S. General Accounting Office, Congress, the Pennsylvania Department of Labor and Industry, Allegheny County and City of Pittsburgh agencies, and various national associations.

More than 150 JTPA participants and officials were interviewed.

Those documents and interviews showed JTPA more often is a multi-billion-dollar illusion offering empty promises to people like Elmer Golock, 51, of North Huntingdon in Westmoreland County.

Golock joined a JTPA job-search club in October 1984 shortly after he lost his laborer's job with Westinghouse Electric Corp., where he worked for 20 years.

"We spent 35 hours a week in a room with free long-distance telephone service, classified ads from out-of-town newspapers and workshops on how to look for a job. It wasn't much of a program," said the unemployed father of five.

Cheryl Boyd, 31, of Pittsburgh's Uptown District also found nothing but empty promises from JTPA.

A single mother who is working a temporary job to qualify for welfare, Miss Boyd found the Pittsburgh JTPA program "a waste of my time."

"I want on-the-job training. I don't care what it pays because I figure I can work my way up if I get my foot in the door. But the city people just keep saying 'Call back.' They seem terribly overworked," she said.

John Ezell, 21, of Oakland just got a job in Florida a few weeks ago—but not through the JTPA-funded electronics school he attended last year. It packed up and left town before delivering its promised job-placement assistance to trainees.

Miss Boyd, Golock and Ezell are among an estimated 2.5 million economically disadvantaged Pennsylvanians and 184,000 workers in the state idled by factory layoffs.

JTPA served 40,071 needy Pennsylvanians and 10,276 dislocated workers in 1984–85. Of those trainees, 17,136 poor people and 3,152 dislocated workers found jobs.

Yet, Pennsylvania failed to spend nearly $56 million in JTPA funds it received last year.

Nationally, federal labor officials said states never used $758.5 million in JTPA funds for the economically disadvantaged and $343.5 million for dislocated workers.

When Congress saw those figures last fall, it slashed appropriations for the dislocated workers program by 69.2 percent.

Pennsylvania reaped a bitter harvest for not spending 62.9 percent of its $21.7 million dislocated workers appropriation within the federal time limit—the state's 1986–87 funds were cut in half.

"The spending figures were distorted by the federal government for its own purposes. All our money was allocated for dislocated workers programs in 1984–85, but might not have been spent until the new program year began," said state JTPA director Mike Acker.

"We're saying the systems are too slow and the money is therefore unnecessary," countered U.S. Department of Labor budget officer Jack Rapport.

"There's some truth to both sides," observed Robert Knight, executive director of the National Association of Private Industry Councils, the groups of business and community leaders who guide local JTPA spending.

"The feds ignore the very large lag time" before allocated funds actually are spent, Knight said. "But the expenditure rate didn't go near what it should to sustain a quarter-billion-dollar-a-year program."

LITTLE PUBLICITY

Many times, dislocated workers and the poor never hear about JTPA.

Only this year has Pennsylvania begun a marketing program to reach them. For almost two years, state officials never put notices about JTPA in the envelopes containing unemployment or welfare checks.

Edward Pepper, 21, of North Braddock wishes he had known about JTPA before he spent $2,000 on tuition for a truck-driving school—which could have been covered by the program had he been enrolled.

He entered JTPA last year after quitting a job with a trucking firm that took $1,200 a month from his pay to cover leasing the vehicle.

"I was getting only about $400 a month for myself after the fee. I got in the hole real fast. Now I've got a student loan to pay and I'm still waiting for JTPA to help me find a job," said Pepper.

Often the needy can't get into JTPA programs because of its strict income eligibility requirements.

Renee Lagrotteria, 21, of Penn Hills is considered ineligible even though she, her husband and child live on only $100 a week.

"I wanted to get some training in the medical field, but they told me I was ineligible because we live with my husband's parents," she said. "They told me to move out. But we can't afford a place on our own."

Dislocated workers don't confront income eligibility standards.

But they, like the needy, often face a no-win situation when they try to avail themselves of training.

They cannot afford full-time instruction in a classroom on the $3 or $9 a day, depending on their need, they get from JTPA.

"This program does not work for people with no income," said Charles Kisner, 44 of North Versailles, who lost his 15-year steel job in 1983.

"I was in a school for a few months, but I quit. The $3 a day didn't even pay my bus fare. I've got a mortgage payment, a wife and two kids and I'm trying to make a go of things on $131 a month in food stamps and working as a bartender for $3.62 an hour 26 hours a week, Kisner said.

Even if they do stay in full-time classroom instruction, many JTPA trainees emerge no better off.

Studies have found JTPA nationally consists largely of short-term, low-cost training programs. It is "an efficient personnel office for businesses," consultant Gary Walker told Congress last May.

The Labor Department, in the Feb. 3 Federal Register, acknowledged that experts "expressed concern that the adult standards were too stringent and that as a result programs would be forced to avoid serving the hard to serve."

"I wanted to get into robotics but they told me I was too old," said Regis Wirkowski, 45, of Etna.

"One guy told me that schools want people who stand to work for 20 years in that field. They told me they'd call me if they thought there was some other kind of training program, but they never did," said Wirkowski, whose family of five children survive on welfare.

Some people like Joseph and Phyllis Brentzel of Westmoreland County, got real help from JTPA.

When Brentzel, 39, of North Huntingdon lost his job as a machinist in November 1984 after 15 years at Westinghouse, he and his 36-year-old wife in March of last year entered JTPA program that taught them how to write resumes and copy letters.

By June, Brentzel found one part-time and a full-time job. And Mr. Brentzel now works as a JTPA counselor in Uniontown.

But William Tomko of West Millin is more typical of JTPA's service.

A 32-year-old ex-steelworker Tomko last year made a 62-mile-round-trip trek to a robotics school five days a week after Allegheny County's JTPA program agreed to pay his tuition.

He has a diploma, but no job to support his wife and three children. "This program helped me get knowledge" said Tomko, "but the JTPA people aren't much help in lining up a job. I've gone on one interview through them and 12 on my own."

When Tom Nestor lost his job with U.S. Steel in September 1983, he hoped the county JTPA program would help him secure a job that would earn him enough money to support his wife and three children.

Instead of help, the 29-year-old Sheraden man found "a game."

"They give you directories of companies and have you call vice presidents to get around the personnel office, but all that happens is you get transferred to the personnel office anyway," said Nestor.

"It's frustrating," he said. "The federal government gives out a bunch of bucks to get us working and the only people who seem to have jobs are these bureaucrats who run these programs. They think nothing of sending you $3-an-hour jobs."

Pennsylvanians who have secured employment through JTPA got jobs that paid an average $4.71 an hour—slightly higher than the national JTPA average wage of $4.61 and well above the federal mimimum wage of $3.35.

In alalyzing 11,544 of the 15,293 jobs obtained by trainees in 1984–85 programs for the disadvantaged, the state found most placements occurred in precision production, paying an average $5.23 an hour. The 2,339 jobs in this field represented 20 percent of all JTPA-filled jobs.

The next-highest number of jobs were in administrative support, mainly secretaries and clerical positions. The 2,147 jobs obtained by trainees represented 18.4 percent of all placements and paid an average $4.71 an hour.

Jobs like fast-food work and janitorial help accounted for the third-highest number of placements—17.9 percent—and paid an average $3.86 an hour.

Six JTPA programs—covering Pittsburgh, Philadelphia, Harrisburg, the Johnstown-Altoona area, Lackawanna County and Washington and Green counties—recorded the highest percentage of placements in service occupations.

Average wages in those jobs were less than $3.90 an hour.

"I have no problem with the average wages being paid in those jobs, especially when you consider many of the people never worked steadily before," state JTPA director Acker said.

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But many unemployed people like Tom, 42, of Monroeville, do have a problem with the wages JTPA-filled jobs offer.

Tom is a dislocated steelworker who doesn't want his full name published because his 15-year-old son, one of two children, "is embarrassed enough to be going to school with kids who can afford a lot more than I can give him."

In 1984, Tom was laid off from his laborer's post at Westinghouse after 17 years on the job. Tom and his family are living with his father because their only income is $200 a month in food stamps.

Forced to quit a training program because he could not live on the $3 a day he received for full-time classroom instruction, Tom has been offered jobs by JTPA. But he has turned them down because they pay $5 an hour—half his old pay.

"They wanted me to go to Carnegie for a forklift job. Getting out there would run me $25 a week for gas. The job didn't pay any benefits and it meant I'd be taking home $150 a week. How am I supposed to pay for my car insurance, medical insurance and everything else?"

Critics and supporters of JTPA agree that no one can expect any public employment program to place people in jobs that pay what trainees think is an acceptable wage.

But many experts say no one knows enough about the jobs trainees are getting through JTPA.

"Although the data indicate over 9,600 youth and adults were placed in employment, very little is known about the quality of placements," said a report in March of last year by the Michigan Legislative Audit Bureau of that state's program—one of 10 most-heavily funded in the country.

Until recently, the U.S. Labor Department has bent to White House staffers who oppose monitoring how long JTPA jobs last because they felt it was too costly.

But groups like the AFL-CIO and the National Alliance of Businessmen say the information is needed badly.

They echoed the remarks made to The Pittsburgh Press by Robert Knight, executive director of the National Association of Private Industry Councils.

"If you can't address job retention," he said, "you can't do a lot to justify this program from either the perspective of the employer or the perspective of public investment."

Federal labor officials are now developing a monitoring system—but they still won't define placements.

That issue is raising concerns abour fraud and other abuse in JTPA nationally while audits raise allegations of mismanagement in Western Pennsylvania.

[From the Pittsburgh Press, Apr. 14, 1986]

PROGRAM DESIGNED TO AVOID REPEAT OF CETA SCANDALS

(By Paul Maryniak)

For two days in January 1979 close to 50 people filed through Common Pleas Court to receive their punishment for pleading guilty to charges in the Allegheny County Manpower scandal.

That scandal—one of the most notorious public corrruption cases in recent Pittsburgh history—cost taxpayers at least $300,000 in training funds lost through fraud.

Prosecutors said they could not account for as much as $3 million they said was squandered through mismanagement.

Scandals like the Manpower case were common across the nation when the Comprehensive Employment and Training Act was the primary federal effort to help train the unemployed. It was replaced by the Job Training Partnership Act in 1983.

No one knows how much of the $60 billion in CETA funds appropriated nationally between 1973 and 1983 was squandered or simply stolen.

But even the most conservative government reports say hundreds of millions of dollars annually were lost because of inadequate financial controls and lax management.

In the Manpower case, for example, convicted administrator Robert Hawkins and other aides used phony names of participants to siphon thousands of dollars in funds that were supposed to help poor people stay in school. Hawkins recently completed a six-year prison term.

Two years ago, federal prosecutors in Pittsburgh convicted two administrators of a CETA-funded job training program in McKeesport of embezzling more than $200,000. They used the money to buy fancy cars and jewelry and to throw lush parties for their friends.

To eliminate abuse—and reduce the red tape that engulfed the U.S. Labor Department's job training administration—JTPA shifted oversight and planning for the program from Washington to the states.

But the red tape that swamped federal officials under CETA now swamps the states, according to two separate consultant studies performed for the federal government, in the past two years.

Those studies also suggest JTPA administrators, anxious to avoid CETA's bad image, are focusing on programs that serve only those who need short-term training.

Yet, no study suggests that CETA was any more successful in accomplished the federal mission of providing the unemployed with skills.

Diane, a Penn Hills single mother of two, is so embarrassed about being on welfare she requested anonymity.

A 24-year-old woman, she is a veteran of federal jobs programs.

In the hope of securing full-time employment six years ago, she enrolled in CETA.

"All I got in three years was three government jobs. They each lasted 1,000 hours. I couldn't understand why none of them turned into fulltime jobs. All my employers said I was a good worker," she said.

Two years ago, Diane enrolled in Allegheny County's JTPA program.

Since then, she has been sent on three interviews. Each time, she said the prospective employer had not been told she was coming.

"The biggest difference between CETA and JTPA was at least I had a job for a while under CETA," she said.

Actually the biggest difference between CETA and JTPA is money.

Total funds provided for JTPA today are only a third of the $9.53 billion that went to CETA during the high point in its funding in 1978.

More than half of CETA's funds went to local governments to create jobs that theoretically were to lead to full-time employment.

But the Reagan Administration felt that public-service employment was nothing more than a subsidy for state and local governments that gave people dead-end jobs.

JTPA eliminated public-service employment.

It also drastically limited stipends for training—generally averaging $90 every two weeks under CETA—that gave people an income while they were in full-time classroom instruction.

Those limits to Allegheny County and Pittsburgh translate into $3 or $9 a day, depending on need.

The U.S. General Accounting Office last November said another local JTPA program in Pennsylvania, which it did not identify, provided no support to trainees with a monthly income greater than $87.

Officials say the lack of financial support particularly hurts workers who have lost jobs through plant shutdowns and need to develop new skills. Unlike people in programs for the economically disadvantaged, dislocated workers often can't qualify for welfare.

Bernard Powers, director of the Allegheny County Federal Programs Department, said insufficient support for full-time classroom trainees forces dislocated workers "to make sacrifices at a time when they have already lost so much.

I'm not in favor of government giveaways," Powers said. "But many people leave us because they can't afford to be trained."

Mr. HEINZ. Mr. President, this is an issue for my colleagues to consider very carefully. I know of few States which do not have large pockets of unemployment, and as we have seen in recent months a boom can turn into a bust very quickly. I ask unanimous consent that the bill and a section-by-section analysis of its contents be printed in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

S. 2374

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "Dislocated Workers Assistance Amendments Act".

SEC. 2. Section 3(c) of the Job Training Partnership Act (hereinafter in this Act referred to as the "Act") is amended by inserting "(1)" after the subsection designation and by adding at the end thereof the following new paragraph:

"(2) There are authorized to be appropriated $10,000,000 for fiscal year 1987 and for each succeeding fiscal year to carry out section 309.".

SEC. 3. (a) Title III of the Act is amended by adding at the end thereof the following new sections:

"REMEDIAL EDUCATION PROGRAM

"SEC. 309. (a) Upon application by a State for a grant under this section, the Secretary shall make grants to each State in each fiscal year in an amount not to exceed the State's allotment under subsection (b) for remedial education programs for displaced workers assisted under this title.

"(b)(1) From the amount for each fiscal year appropriated pursuant to section 3(c) of this Act, the Secretary shall allot to each State an amount which bears the same ratio to the amount appropriated in each fiscal year as the population of the State bears to the population of all States.

"(2) The Secretary may reallot to other States the allotments described under paragraph (1) whenever the Secretary determines that a State has not requested or will not need the assistance authorized by this section.

"STATE REPORTING REQUIREMENTS; TECHNICAL ASSISTANCE

"SEC. 310. No later than October 1 of each year, each State administering programs pursuant to this title shall submit a report to the Secretary of the activities of such programs performed in the preceding fiscal year which shall include—

"(1) a summary of the activities such State engaged in pursuant to section 303;

"(2) the relative amount of resources and funds which were used for each such activity from the available resources and funds for all such activities; and

"(3) recommendations and procedures to provide for a more equitable use of funds for vocational skills training.

"(b) The Secretary shall, upon application by a State, furnish technical assistance to that State in the implementation of the employment and training assistance program authorized by this title, designed to assure a more successful placement record for dislocated workers.".

(b) Section 303 of the Act is amended by adding at the end thereof the following new subsection:

"(c) Financial assistance under this title from allocations made under section 301 may not be used for remedial education.".

(c) The table of contents of the Act is amended by adding after item "Sec. 308." the following:

"Sec. 309. Remedial education program.
"Sec. 310. State reporting requirements; technical assistance.".

SECTION-BY-SECTION ANALYSIS, "DISLOCATED WORKERS ASSISTANCE AMENDMENTS ACT"

Section 1. Remedial education program:

Section 1 gives remedial education a priority in JTPA. States may apply to the Department of Labor for remedial education grants, which are to be used for education and skills training for displaced workers. $10 million is authorized to be apportioned to each State on the basis of the number of certified title III trainees in the State.

Remedial education is removed from the service mix within the Title III program. The grant program is a separate activity, to be coordinated with the displaced worker program.

Section 2. State reporting requirements and technical assistance:

Section 2 requires the states to provide the Department of Labor with an annual report detailing the services provided to displaced workers. The state must also include recommendations for improvements in vocational training.

The Department of Labor must provide technical assistance in developing job training programs to any state which requests such assistance.

Mr. HEINZ. Mr. President, over 2 million displaced workers remain unemployed. Those who found new jobs are employed part time or have taken substantial pay cuts and many remain at risk of becoming unemployed again. According to OTA, job skills training is the best way to reemploy these workers. Unfortunately, OTA also found that the funding level for an effective Skills Training Program should be $2,000 per enrollee. JTPA seldom provides over $500 per enrollee—when training is provided at all.

Mr. President, I hope I have made my point very clear. The displaced workers need training. They need remedial education; $175 million is not going to provide it. My colleagues must understand that I am prepared to defend JTPA, and will do so later in the year.

By Mr. BENTSEN (for himself and Mr. WALLOP):

S. 2375. A bill to disapprove of certain deferrals of Strategic Petroleum Reserve budget authority, to authorize additional appropriations with respect to the Strategic Petroleum Reserve, and to increase oil import fees; to the Committee on Finance.

DISAPPROVAL OF DEFERRAL OF CERTAIN STRATEGIC PETROLEUM RESERVE BUDGET AUTHORITY

Mr. BENTSEN. Mr. President, the oil crisis of 1973 was a searing national event. For the first time in our Nation's peacetime history, a vital raw material was manipulated by foreign producers. And we remember the results all too well: shortages, gasoline lines that stretched around the block, odd-even license plates systems to control fuel use, and massive energy conservation and fuel switching investments that diverted billions of dollars from productive investments.

It took our Nation several years to piece together an effective response. But once we began, a broad national energy policy consensus emerged. It had many components, including energy conservation, mandatory fuel economy standards, the use of coal in place of oil, and many others. All of these steps were taken with one simple objective in mind: To reduce our Nation's reliance on imported oil. And the policy worked. Net oil imports in the peak import year of 1977 reached 8.6 million barrels or 47 percent of total U.S. consumption. By last year, net imports had dwindled to a bare 27 percent of oil use, a dramatic improvement.

A key part of that successful oil policy was establishment of an insurance policy, a strategic petroleum reserve, or SPR. The concept underlying SPR is simple: Our national security is greatly enhanced if this Nation has the ability to be energy independent—to be free of reliance on imported oil—for a limited period of time. The SPR will discourage a repeat of the 1973 embargo when our foreign policy was held hostage to foreign oil. And the larger SPR is, the greater is the deterrent to another embargo. The SPR will give oil producers—be they Iran or Libya or elsewhere—fair warning that oil embargos will not bring the United States to her knees. We will have the will and the means to retain a stout national defense and steady foreign policy.

These high-sounding words were backed by deeds. In 1977, we established a target of a SPR containing 750 million barrels of oil. With net oil imports of 8.5 million barrels per day in 1977, that was enough oil to replace imports for 90 days.

ADMINISTRATION POLICY TOWARD SPR

Progress on meeting the 750 million barrel target has been slow but steady. The Department of Energy estimates, for example, that SPR will contain 502 million barrels or two-thirds of the target by the end of this coming May. The administration in past years has not always worked eagerly to meet the congressional target. This foot-dragging came to a head in January when the administration proposed to freeze SPR at 502 million barrels. It requested no funding for fiscal year 1987 designed to move us closer toward our original target. Indeed, the administration is sitting on some $578 million in deferred congressionally appropriated funds from past years for the purchase of additional crude oil for SPR. And it was deferred an additional $41 million in congressional appropriations targeted to expand SPR capacity beyond the current 519 million barrels. Last week, it released another $157 million in deferred funds under threat of a GAO lawsuit.

The administration is failing to meet the congressional oil reserve target. It says our reserves are high enough. They are wrong. Here is what they say. Last year, net oil imports were 4.3 million barrels a day, exactly one-half the 1977 level. The administration argues that this lower import level translates into more insurance today compared to 1977 with less oil reserves. And indeed, the current 500 million barrel SPR will replace net oil imports for 116 days if oil imports remain at 1985 levels. The administration believes we can get more for less. But I was always taught that you rarely, if ever, get more for less. If the deal looks Too good to be true, that's probably what it is: Too good to be true.

And here is the catch: The administration's policy on SPR assumes that oil producers and consumers will ignore the recent freefall in oil prices to $10 or $11 per barrel and that U.S. oil imports will not rise. The administration's oil reserve policy assumes our Nation will act in the future like oil is still $29 a barrel.

Twenty-nine dollars per barrel is what oil prices have averaged since 1977. That is why U.S. oil production has risen since 1977. That is why U.S. crude oil reserves are higher today than they have been in a number of years. That is why U.S. oil consumption was lower last year than in 1977. And that is largely why foreign oil imports have dropped since then by half. But we all know oil prices can only go one way in the future. And we need an oil reserve policy designed for that future.

The administration's oil reserve policy is designed for the past. The ad-

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ministration hopes we will close our eyes and ears to the lightening and thunder rumbling across the world as oil prices have dropped by over 60 percent in recent months. It hopes we will turn our backs on economics and the market. It hopes America will not increase oil use at the lower prices. And it hopes the oil patch will maintain production and exploration despite the free-fall in oil prices.

Well, that is all too good to be true. The manipulated reduction in oil prices by the Organization of Petroleum Exporting Countries [OPEC] since November has left the administration's oil reserve policy in shambles. If a SPR of 500 million barrels was adequate at 1985 prices, it sure isn't adequate at today's prices. And it will be markedly inadequate tomorrow.

OIL SUPPLY AND DEMAND OUTLOOK

Oil prices are set by OPEC. And OPEC wants lower prices to drive out non-OPEC production in areas like Texas and the North Sea. OPEC has shown a willingness to drive the price down and keep it down until its policy succeeds. And Norway's recently announced cut in her North Sea oil exploration budget shows that it may well succeed.

The collapse in oil prices engineered by OPEC is cutting like a raging brushfire throughout the oil patch. Oil company after oil company has announced dramatic reduction in investment and exploration. Reductions already announced will cut energy industry investment by over $11 billion this year, or 24 percent. Compared to its 1981 peak, energy industry investment will be down $49 billion, or 60 percent this year. Declining investment by energy firms will drag all investment down this year. As a result, total U.S. business investment is now projected to be flat this year and to decline at least 5 percent in 1987.

Oil industry employment is off sharply, as well. Some 33,000 jobs have been lost in the Texas drilling industry alone. And each oil industry job supports as many as five other jobs. These ripple effects of lower oil prices are cutting across the oil patch, reaching into many areas of my State of Texas, the West, and Southwest. The unemployment rate for Texas in March was up 1.7 percentage points over January's rate. And if oil prices rebound to hover even at $15 per barrel, my State will still lose up to 250,000 jobs in the next 3 years, and $30 billion in lost incomes.

We have heard a great deal about falling farmland values. But they have been matched or exceeded by the fall in value of oil and gas assets in recent months. Indeed, Standard & Poors has downgraded the credit ratings of six of Texas' biggest banks. Thirty-four banks failed last year in the Southwestern energy-producing States. More will follow this year. And one of Texas' largest S&L's is being reorganized because our weak domestic energy sector has pulled the rug from beneath the real estate market.

My State of Texas will fight back. But our Nation will not recover so easily. As I said earlier, we imported 27 percent of our oil last year—a dramatic improvement over the dangerous years in the late seventies when oil imports rose to 47 percent. With over 7 of every 10 barrels of oil coming from our own wells last year, we enjoyed energy security.

But we are losing that security daily now as oil prices drop. Oil drilling and exploration has ground to a near halt. Rigs are being stacked all across this Nation. Atlantic Richfield is shutting down over half its drilling rigs in Alaska as prices plunge. A startling low 865 rotary rigs are now in operation, the lowest level since the desperately dark days of the fifties when production far outstripped reserves. Virtually every oil company is in the midst of gutting oil exploration budgets and laying off field engineers and seismic crews. Cuts of up to 50 percent have been made by firms like Amoco, Phillips, and Atlantic Richfield. And the decline will continue, eroding our oil reserve base for years to come.

Data Resources has just predicted that domestic crude oil reserves will plunge 20 percent to 23 billion barrels over the next 4 years—the largest drop in our history.

Alaskan oil production will now peak next year. By 1991, its production will be down by half. Most vulnerable, however, are small so-called stripper wells—wells producing up to 10 barrels daily. We have some 452,000 of these wells. And they have been providing a crucial margin to oil supplies for years. Many strippers are isolated and expensive to maintain. But they will be able to produce for many years more if prices rebound. At present prices, however, they are being closed by the thousands. Phillips Petroleum, for example, is arbitrarily shutting down low volume strippers when maintenance becomes necessary. Expensive oil produced from wells with enhanced recovery techniques in California will be closed too, along with some Alaskan production. The loss of stripper production is the most serious. The Interstate Compact Commission has estimated that 40.8 percent of our stripper wells will be abandoned as uneconomical if oil stays at $10 per barrel. That would mean 184,000 wells being closed and the loss of 638,000 barrels of production.

A good number of these wells will need to be cemented shut to comply with State and Federal environmental laws, their production lost essentially forever. That's why firms like Atlantic Richfield and Union Oil Company are projecting a 1 million barrels decline in overall U.S. oil production this year.

All of that oil must be replaced with imports. In January and February, production was down 40,000 barrels per day. By March, the loss had accelerated to 75,000 barrels per day in less production than in 1985. As prices fall, oil imports will surge with rising demand, as well. The collapse of energy prices has left the administration without an energy policy. Indeed, it seems bent on encouraging consumption, not conservation. It has urged a roll back of the auto fuel economy standards which played a pivotal role in limiting the recent growth of domestic gasoline consumption. As a result, Conoco is projecting a 10 to 15 percent jump in driving this year. Moreover, the administration is seeking to throw out standards to conserve energy in Federal offices which capped temperatures at 68 degrees in winter and held them no lower than 76 degrees in summer.

Falling oil prices are also causing major industrial users to increasingly switch back to oil from coal and gas. Firms announcing major switches include Boeing, Southwest Forest Products, Grumman, LTV Corporation, and Goodyear. Overall since February, U.S. oil demand is up 5 percent, paced by jet fuel and gasoline. And we are using 800,000 barrels per day more thus far in 1986 compared to 1985.

RISING OIL IMPORTS AND DECLINING ENERGY SECURITY

Declining oil production and more consumption means greater imports. It means an erosion of reliable energy supplies and a deterioration in national security. Indeed, the drop in oil prices will dramatically heighten our Nation's oil vulnerability. The drop in production means higher oil imports. The rise in consumption means higher oil imports. Already this year, oil imports are up 18 percent or 750,000 barrels a day. And those higher oil imports will increasingly come from OPEC sources. Moreover, the longer oil prices remain at present levels, the greater will be the loss of production and the increase in foreign oil imports.

I asked the Library of Congress to examine the impact of lower oil prices on oil import levels. Their report was finished March 24, 1986, and contains the most comprehensive evaluation thus far of the looming threat to energy security posed by the OPEC manipulation of oil prices. The study is entitled, "Oil Price Decreases: Illustrative Effects on U.S. Oil Use, Production, and Imports."

The report doesn't pull punches. It shows that domestic oil production will decline nearly 30 percent to 7.5 million barrels a day in 1989 if prices stay around $10 per barrel. If prices rally to $15 per barrel, production will decline 20 percent, to 8.6 million barrels per day. Consumption was found to rise dramatically at today's low

prices, as well. If prices stay at $10 per barrel, domestic oil use will jump a third by 1989 to 20.3 million barrels a day. At $15 per barrel, it will rise about 20 percent to 18.6 million barrels daily.

Both these trends will see imports shooting sky high very soon. At $10 per barrel, oil imports will surge 150 percent to 12.8 million barrels by 1989 from 5.1 million barrels in 1985. We export over half a million barrels daily. So net oil imports in 1989 are projected in this Library of Congress study to reach 12.3 million barrels at a price of $10 per barrel. At a price of $15 per barrel, net imports will jump to 9.5 million barrels, still up 125 percent from net oil imports in 1985.

Surprised? You shouldn't be. American consumers and producers are economically savvy; they react rationally to changing prices. And, their behavior will sharply erode the national energy insurance policy embodied in the SPR.

As the attached table shows, a 500 million barrel SPR will provide a 116-day reserve if net oil imports remain at the 1985 level. We will very likely never see oil imports that low again in our lifetime. At the lower oil prices now prevailing, the surge in imports has already dramatically eroded the reserve cushion of that 500 million barrels. Indeed, as the attached table shows, the 116-day cushion in 1985 will shrink sharply this year and into the future.

Since oil imports will increase faster if oil is at $10 per barrel, the reserve in SPR shrinks more quickly at $10 per barrel than if prices rebound to $15 per barrel. In either case, the insurance value of the SPR reserve will fall drastically in the immediate future as oil imports jump. This year alone, the insurance value of the SPR reserve will be eroded by half if oil holds around $10 per barrel. And the insurance value will drop a sharp 34 percent if oil rises to $15 per barrel. In other words, during 1986 alone, as much as one-half of the insurance value of SPR will be eroded by rising imports. And by 1989, SPR's insurance value will be worth considerably less than half its 1985 value. Indeed, it could well have less than half its targeted value of providing a 90-day oil reserve for our Nation. If oil remains at $10 per barrel, it will contain oil for a bare 41 days.

STRATEGIC PETROLEUM RESERVE INSURANCE DAYS

Year	Import replacement days available in the strategic petroleum reserve	
	$10 per barrel	$15 per barrel
1985	116	116
1986	58	77
1987	55	67
1988	47	60
1989	41	53

OUR OIL INSURANCE POLICY IN DISARRAY

The administration has been accused of having no energy policy. Based on administration inaction on SPR and retreat on energy conservation, those accusations are on target.

But it looks to me as though it has a confused national security policy as well. Sitting on its hands while our Nation's energy insurance policy erodes is imperiling our national security. It is setting the Nation up for energy blackmail again just as we were challenged in 1973.

The administration's oil reserve policy is a nonpolicy. It will result in a dramatic reduction in our Nation's oil security as oil imports continue rising. That policy has three other features which need reform.

First, the policy is actually weakening the domestic energy market, further eroding our energy security. According to DOE, if the SPR expansion to 750 million barrels was put back on track, an additional 100,000 to 200,000 barrels of crude a day could be purchased on domestic oil markets open the next 5 years. Moreover, if production at the naval petroleum reserve at Elk Hills was reduced to conserve it for an emergency, some 75,000 barrels a day of production would be withdrawn from domestic markets. Taken together, those two steps would dramatically enhance our oil security and stabilize the domestic oil market and prices by adding 175,000 barrels a day of new demand this year and 275,000 barrels per day in 1988 and thereafter.

Second, current administration oil reserve policy is to buy dear and sell cheap. The Government has paid an average $29.06 per barrel for the crude now in SPR, but is selling potential reserves from Elk Hills at $8.88 per barrel. It makes far more sense for the administration to reverse course and begin buying oil for the reserve now rather than selling it.

Third, the administration has proposed to sell the Elk Hills Naval Petroleum Reserves. And it has continued pumping that field despite the dramatic erosion now occurring in the insurance value of our oil reserves. We shoud be adding to those reserves, not depleting them.

TOWARD A NEW OIL RESERVE POLICY

What should be done? First, the administration must expand SPR. It should accept the congressional mandate that requires a 90- or 120-day reserve of oil. The prospective 60-day reserve we will have at the end of this year and the prospective 41-day reserve we could have by 1989 if oil prices remain at present prices is simply inadequate. And second, the administration should stop pumping oil from the deep reservoirs at Elk Hills Naval Petroleum Reserves pending a full review of prices there and the role Elk Hill reserves should play in our national oil reserve system.

OUTLINE OF LEGISLATION

STRATEGIC PETROLEUM RESERVES

The administration should reverse direction and accept the congressional 750 million barrel target. Moreover, the Department of Energy must promptly undertake studies to identify where an additional 250 million barrels of capacity can be located in the event a 1 billion barrel reserve is needed in the future.

CAPACITY EXPANSION

The Department of Energy plans to have 519 million barrels of SPR capacity on hand by early 1987. It will cost DOE $41 million including $9 million for surface work to raise that capacity to 600 million barrels at the existing Bryan Mound and West Hackberry SPR sites. That money has already been appropriated, but deferred by the administration.

According to DOE, despite the release of $157 million in deferred funds 2 weeks ago, an additional $163 million is needed to raise the SPR capacity by 150 million additional barrels to a total 750 million barrels. That expansion has two components. It would involve opening a new site of 140 million barrel capacity at Big Hill, TX, at a cost of $148 million. This project carries a total cost of $300 million, but $152 million is now being spent by DOE. Second, a new 10 million barrel cavern at the existing Bayou Choctow site near Baton Rouge must be created at a cost of $15 million. This project carries a total cost of $20 million, but $5 million is now being spent by DOE.

The capacity expansion to 750 million should begin immediately. It is a 5-year job at best, and the sooner we begin, the sooner the erosion in our insurance policy can be stemmed. Congress had appropriated $198 million for capacity expansion. But the administration deferred those funds. Under threat of court order, $157 million of those funds were released last week by the administration, leaving $41 million in construction money still deferred. The legislation I am introducing today will reappropriate that $41 million, and authorizes $163 million more to (a) expand SPR capacity to 750 million barrels and (b) to conduct preliminary survey site work for another 250 million barrels of capacity for a total potential SPR of 1 billion barrels.

OIL FILL

In addition, the administration should carry out the congressional mandate to fill SPR to 750 million barrels. By the end of May, 502 million barrels of crude will be in SPR. Some 250 million more barrels are needed to bring the reserve to its target of 750 million barrel capacity. And the administration should begin planning now to make these purchases as new capacity is opened at West Hackberry, Bryan Mound, Big Hill, and Bayou

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Choctaw. Congress has already appropriated $578 million for such purchases. But like funding for capacity expansion, the administration has deferred these funds. My legislation will reauthorize that $578 million and authorize an additional $1 billion in fiscal year 1987, 1988, and 1989 to provide funds for the purchase of 250 million more barrels of crude oil for SPR.

I noted earlier that the administration has paid an average of $29.06 for the oil current in SPR. The oil I propose we buy now for SPR will cost considerably less, perhaps only a third as much, a bargain in anyone's book.

STRIPPER WELLS

DOE estimates that the fill capacity of SPR is now 100,000 barrels a day. That fill rate could grow to 200,000 barrels per day in 1988 as the Big Hill site is leeched and filled. The additional crude oil to be purchased under my legislation for SPR should come from domestic stripper wells which would otherwise be capped in today's weak market. Anything we can do to strengthen the demand for oil and especially stripper oil, will help firm up the oil market. In particular, buying stripper crude which would otherwise be lost will keep these vitally important wells on-line, and add to our Nation's oil reserves.

FINANCING SPR

Over $4 billion will be needed to raise our oil reserve to 750 million barrels. With the budget deficit ballooning, I believe these funds should come from an increase in our existing custom's duties on imported crude and oil products. That fee is quite small now, ranging from a nickel (5.25¢) to a dime (10.5¢) a barrel for imported crude, for example. Raising these customs duties to between 21 cents and 42 cents, with proportionate increases on imported oil products as my legislation proposes, will produce $850 million a year according to the U.S. International Trade Commission.

ELK HILLS NAVAL PETROLEUM RESERVE

Far and away the Government's largest natural oil reserve is the Elk Hills field in Kern County, CA. It is one of the three naval petroleum reserve sites, and contains some 700 million barrels of high quality crude reserves. The administration has proposed selling these reserves. I have reservations about the wisdom of that sale. But I am even more concerned about an immediate problem at Elk Hills.

The Government is presently selling about 93,000 barrels a day there at a 30-percent discount from posted prices in the local Kern County market. Currently, these sales of Elk Hills crude average $8.88 per barrel, over $4 per barrel below the $13.28 posted price. The administration and DOE's willingness to accept such low prices when that oil will be far more valuable in the future raises dramatic questions in my mind regarding the administration's management of Elk Hills. We have bought oil at an average $29.06 per barrel for SPR, yet are selling oil from the Elk Hills reserve at $8.88 per barrel. That is an energy policy of buy high and selling low. And it is an energy policy that needs review. Specifically, 80 percent of the Government's 93,000 barrel per day share of Elk Hill's production is from deep wells. And it may well be that some or all that production can be shut in without harming reservoir integrity, and kept as part of our national oil reserve. I question the wisdom of depleting oil from a national reserve at $8.88 a barrel when it would be worth two or three times that as part of our national oil reserve when OPEC jacks prices up again in the future.

I am concerned with more than the price we are receiving from Elk Hills. We are selling crude from there when it could conceivably be retained as part of our strategic petroleum reserve. The Department of Energy contends that Elk Hills is on the west coast while we need reserves stored in the gulf coast. Yet in a prolonged energy crisis, Elk Hills production could well be valuable either in swap arrangements or even transhipped to the gulf cost. Moreover, North Slope production will begin to decline after next year. And Elk Hills production could partially replace that lost oil production in a crisis.

There are more questions than answers right now involving Elk Hills. And my legislation calls for a pause in the production of its deep wells for 6 months while Congress and the administration examine all aspects of this national asset in light of our need for expanded crude oil reserves. This pause in production will affect only that portion of Elk Hills output which can be shut in temporarily without harming reservoir integrity. Moreover, this pause will not affect that small portion of the Elk Hills output which is owned by Chevron. My legislation will permit Chevron to continue taking its share of production from Elk Hills at up to the actual levels of production it received in 1985.

Mr. President, I ask unanimous consent that a factsheet on this legislation be printed in the RECORD.

There being no objection, the factsheet was ordered to be printed in the RECORD, as follows:

FACT SHEET: ENERGY SECURITY ACT: ELK HILLS

Review of Elk Hills Naval Petroleum Reserve: Elk Hills is by far the nation's largest Naval Petroleum Reserve. Yet, its high quality crude is currently being sold rather than preserved as part of the United States oil reserve. Moreover, the crude is being sold at $8.88 per barrel, some 30 percent below the prevailing price for similar crude from nearby oil fields. This Act mandates a six-month pause in sales from the deep wells at Elk Hills pending review of pricing practices there. That freeze will preserve 75,000 barrels per day in our nation's Reserves. In combination with expansion of the Strategic Petroleum Reserve, this will boost demand for domestic oil production by 175,000 barrels daily.

STRATEGIC PETROLEUM RESERVE

I. Capacity Expansion:

Target Capacity Called for by Energy Security Act: 750 million barrels.

Current Administration Target: 502 million barrels.

Additional Capacity and Cost (Department of Energy Data): Expansion of Storage Capacity to 750 million barrels will require additional reserves at Bryan Mound, West Hackberry, Bayou Choctaw, and Big Hill salt caverns.

Under threat of court suit, the Administration released $157 million for this expansion in mid-April. An additional $204 million is needed, of which $41 million has been appropriated, but deferred by the Administration. This Act reappropriates those funds and authorizes the balance for FY 1987. These funds will also permit a preliminary survey to be initiated to assess where capacity exists to raise total reserves to one billion barrels, if needed.

II. Crude Oil Purchase: Crude oil to complete the 750 million capacity reserve could cost an estimated $3.5 billion over the next five years. $578 million of these funds has been appropriated, but deferred by the Administration. The Act reappropriates those funds and authorizes the additional $3 billion needed for this bill.

III. Stripper Priority for Reserve Oil Purchases: Falling oil prices have jeopardized high-cost stripper well production. In some cases, these vulnerable wells have already been capped. And many other wells face eminent closure, prematurely ending their useful lives, as routine maintenance comes due. The Interstate Oil Compact Commission has estimated that as many as 184,000 of our 452,000 stripper wells will be closed this year. This Act requires the Secretary of Energy to purchase crude for the further expansion of the Strategic Petroleum Reserve to the maximum extent possible from imperiled stripper wells in danger of being capped.

IV. Strategic Petroleum Reserve Insurance Values:

Original Reserve Insurance Target: 750 million barrels or 90 days replacement of imports at the 1977 rate of importation.

Current Administration Reserve Target: $500 million barrels or 116 days replacement of imports at the 1985 rate of importation.

Future Insurance Reserve: The present 500 million capacity oil reserve provided insurance for 116 days of imports in 1985. Oil imports are up 18 percent thus far in 1986, eroding the reserve coverage to 100 days. By year-end, it will be worth as little as 60 days, barely two-thirds the initial Congressional target of 90 days. This Act will boost the Strategic Petroleum Reserve's insurance values by 50 percent as quickly as possible.

STRATEGIC PETROLEUM RESERVE INSURANCE DAYS

Year	Import replacement days available in the strategic petroleum reserve	
	$10 per barrel	$15 per barrel
1985	116	
1986	58	77
1987	55	67
1988	47	60
1989	41	53

Source: Library of Congress, Congressional Research Service.

V. Funding for Reserve Expansion: To provide the funds appropriated and authorized by this Act, the Energy Security Act increases the current customs duty on crude oil imports and oil product imports by $850 million annually beginning next January. The across-the-board increase is proportionate. For example, the current fee on imported crude of 5¢ to 10¢ per barrel will rise to a range of 21¢ to 42¢ per barrel.

By Mr. THURMOND (by request):

S. 2376. A bill to authorize appropriations for the purpose of carrying out the activities of the Department of Justice for fiscal year 1987 and for other purposes; to the Committee on the Judiciary.

DEPARTMENT OF JUSTICE APPROPRIATION AUTHORIZATION

Mr. THURMOND. Mr. President, at the request of the administration, today I am introducing a bill authorizing certain activities of, and appropriations for, the Department of Justice.

As it has for the last 3 years, the Department has recommended legislation to authorize appropriations for the approaching fiscal year and to permanently include in the United States Code various authorities which historically have been part of the annual authorization bill.

Mr. President, Senator BIDEN and I have agreed with the Department that certain authorizations, such as those relating to the purchase of vehicles and firearms, should be made permanent in order to eliminate the disruptive effects of their needless inclusion in the annual authorization process. Although the Judiciary Committee reported, and the Senate approved, authorization bills in 1984 and 1985 which included these permanent authorizations, the House unfortunately did not consider those bills. In fact, Congress has not enacted a Department of Justice authorization bill for the last 7 fiscal years. I am hopeful that this year Congress will break this disappointing practice.

Mr. President, the principal features of the Department of Justice's proposed appropriation authorization request includes increases to be used: To construct additional facilities to ease the overcrowding the Federal Prison System; to continue the efforts of the Drug Enforcement Administration and the Federal Bureau of Investigation; to update and modernize information management capabilities; and, to defend claims against the Federal Government. Decreases are recommended in administration costs, several criminal justice system grants, and travel, meal and lodging costs incurred by State and local officials training at Department of Justice facilities. Other decreases are recommended in programs where the workload has declined or an alternative source of funding is available. Further the administration proposes to terminate five programs that were funded in 1986. These are: The President's Commission on Organized Crime, the Juvenile Justice Grant Program, the Drug Enforcement Administration's State Drug Division Grant Program, the Regional Information Sharing System Grant Program, and the State Justice Institute.

Mr. President, I ask unanimous consent that a copy of the bill which I am introducing, the letter of transmittal from the Department of Justice, and section-by-section anaylsis of the bill be printed in the RECORD following my remarks.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

S. 2376

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "Department of Justice Appropriation Authorization Act, Fiscal Year 1987."

TITLE I—1987 FISCAL YEAR AUTHORIZATION

SEC. 2. There are authorized to be appropriated for the fiscal year ending September 30, 1987, to carry out the activities of the Department of Justice (including any bureau, office, board, division, commission, or subdivision thereof) the following sums:

(1) For General Administration: $73,708,000;

(2) For the United States Parole Commission $10,420,000;

(3) For General Legal Activities, $584,099,000; which shall include

(A) not to exceed $50,000 which may be transferred from the "Alien Property Funds, World War II," for the general administrative expenses of alien property activities;

(B) not to exceed $20,000 for unusual expenses necessary in the collection of evidence, to be expended under the direction of the Attorney General and accounted for solely on the certificate of the Attorney General or Deputy Attorney General; and

(C) not to exceed $6,000,000 of those funds appropriated for litigation-support contracts, which amount shall remain available until September 30, 1988;

(4) For the Foreign Claims Settlement Commission: $596,000;

(5) For the Antitrust Division: $50,009,000;

(6) For the United States Marshals Service: $176,759,000; which shall include not to exceed $1,350,000 for planning, construction, renovation, maintenance, remodeling, and repair of buildings and the purchase of equipment incident thereto for protected witness safesites.

(7) For the Oversight of Bankruptcy Cases: $11,663,000

(8) For the Support of United States Prisoners in non-Federal institutions: $54,180,000; which amounts shall include sums available for reimbursements to appropriate health care providers for the care, diagnosis and treatment of United States prisoners and persons adjudicated in Federal courts as not guilty by reason of insanity, provided that such services shall be provided at rates that, in the aggregate, do not exceed the full cost of these services; and in addition $4,000,000 shall be available until expended under the Cooperative Agreement Program for the purpose of renovating, constructing, and equipping state and local correctional facilities.

(9) For Fees and Expenses of Witnesses: $34,676,000; which shall remain available until expended and which shall include such funds as may be made available under 18 U.S.C. 3525 for restitution or compensation for victims injured by protected witnesses; provided, that restitution of not to exceed $25,000 shall be paid to the estate of victims killed as a result of crimes committed by persons who have been enrolled in the Federal witness protection program, if such crimes were committed prior to October 12, 1984 and within two years after protection was terminated, notwithstanding any limitations contained in part (a) of 18 U.S.C. 3525;

(10) For the Community Relations Service: $32,009,000 of which $24,829,000 shall remain available until expended to make payments in advance for grants, contracts and reimbursable agreements and other expenses necessary under section 501(c) of the Refugee Education Assistance Act of 1980, (P.L. 96-422).

(11) For the Federal Bureau of Investigations: $1,278,410,000; which shall include

(A) not to exceed $70,000 to meet unforeseen emergencies of a confidential character to be expended under the direction of the Attorney General and to be accounted for solely on the certificate of the Attorney General or Deputy Attorney General;

(B) not to exceed $3,000,000 of those funds appropriated for research relating to investigative activities, which portion shall remain available until expended;

(C) not to exceed $10,000,000 of those funds appropriated for automated data processing and telecommunications and not to exceed $1,000,000 for undercover operations, which amounts shall remain available until September 30, 1988;

(D) not to exceed $15,000,000 of those funds appropriated for the expansion and renovation of the Bureau's New York field office, which amount shall remain available until expended; and

(E) not to exceed $45,000 for official receptions and representation expenses.

(12) For the Drug Enforcement Administration: $411,329,000; which shall include

(A) not to exceed $70,000 to meet unforeseen emergencies of a confidential character to be expended under the direction of the Attorney General and to be accounted for solely on the certificate of the Attorney General or the Deputy Attorney General;

(B) not to exceed $1,200,000 of those funds appropriated for research, which amount shall remain available until expended; and

(C) not to exceed $1,700,000. of those funds appropriated for the purchase of evidence and for payments for information, which amount shall remain available until September 30, 1988;

(13) For the Immigration and Naturalization Service: $609,393,000; which shall include

(A) not to exceed $50,000 to meet unforeseen emergencies of a confidential character to be expended under the direction of the

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Attorney General and to be accounted for solely on the certificate of the Attorney General or the Deputy Attorney General;

(B) not to exceed $400,000 of those funds appropriated for research, which amount shall remain available until expended; and

(C) not to exceed $425 per annum per employee for members of the Border Patrol and not to exceed $300 per annum per employee for Immigration Inspectors of the Immigration and Naturalization Service who are required by regulations or statute to wear a prescribed uniform in the performance of official duties.

(14) For the Federal Prison System, including the National Institute of Corrections: $767,454,000; which shall include

(A) $598,807,000 for Salaries and Expenses;

(B) $9,495,000 of those funds appropriated for carrying out the provisions of sections 4351 through 4353 of Title 18, United States Code, which established a National Institute of Corrections; which amount shall remain available until expended;

(C) $159,152,000 of those funds appropriated for planning, acquisition of sites and construction of new facilities; and for the purchase and acquisition of facilities and remodeling and equipping of such facilities for penal and correctional institutions; and for the payment of United States prisoners for work performed in these activities; which amount shall remain available until expended; and

(D) not to exceed $300 per annum per employee for those employees of the Federal Prisons System who are required by regulation or statute to wear a prescribed uniform in the performance of official duties.

TITLE II—PERMANENT ENABLING LEGISLATION

SEC. 3 (a) Part II of Title 28, United States Code, is amended by inserting after chapter 37 the following new chapter:

"CHAPTER 38—GENERAL AUTHORIZATIONS—DEPARTMENT OF JUSTICE

"Sec.
"577. General Authorizations
"578. Authorizations and Exemptions Available for Undercover Investigative Operations

"§577. General Authorizations—Department of Justice

"(a) The Attorney General or his designee is authorized to use Department of Justice appropriations to make payments for the conduct of the activities of the Department of Justice. Such payments may include payments for:

"(1) expenses, mileage, compensation, and per diem in lieu of subsistence, of witnesses as authorized by law; provided that no witness shall be paid more than one attendance fee for any one calendar day;

"(2) restitution or compensation pursuant to 18 U.S.C. 3525 for victims injured by protected witnesses;

"(3) advances of public moneys under 31 U.S.C. 3324; provided that travel advances to law enforcement personnel engaged in undercover activity shall be deemed public monies within the meaning of 31 U.S.C. 3527;

"(4) planning, acquisition of sites and construction of new law enforcement facilities; and construction, operation, remodeling and repair of buildings and facilities used for law enforcement purposes; and the purchase of necessary equipment and the payment of necessary expenses directly related to the conduct of these activities;

"(5) contracting with private organizations or entities for the safekeeping, care and subsistence of persons held under any legal authority;

"(6) the lease or purchase of passenger motor vehicles; provided that police type vehicles for law enforcement use may be purchased without regard to the general purchase price limitation for the fiscal year during which such a purchase is effected;

"(7) the purchase of firearms and ammunition for use by law enforcement officers and security personnel, and the participation in firearms competitions;

"(8) the purchase, lease, maintenance and operation of aircraft for law enforcement purposes;

"(9) the lease of real property, including space in buildings, without disclosure of the government's involvement; provided that any such lease and the non-disclosure of the government's involvement are necessary for law enforcement or foreign counterintelligence purposes, other than for an undercover investigative operation; provided further that such authority may be exercised only by those law enforcement bureaus listed in 28 U.S.C. 578(a);

"(10) miscellaneous and emergency expenses authorized or approved by either the Attorney General, the Deputy Attorney General, the Associate Attorney General or the Assistant Attorney General for Administration.

"(11) official reception and representation expenses;

"(12) attendance at meetings;

"(13) services of experts and consultants as authorized by 5 U.S.C. 3109;

"(14) services of interpretors and translators who are not citizens of the United States;

"(15) payment of rewards, the purchase of evidence and payment for information in connection with law enforcement;

"(16) the purchase of insurance for motor vehicles, boats and aircraft operated in official government business in foreign countries;

"(17) contracting with individuals for personal services abroad; provided that such individuals shall not be regarded as employees of the United States for the purpose of any law administered by the Office of Personnel Management; and

"(18) benefits for employees serving overseas as authorized under section 901(3), (5), (6A), (8), (9), and section 904 of the Foreign Service Act of 1980 (22 U.S.C. 4081(3), (5), (6A), (8), (9) and 22 U.S.C. 4084), and under the regulations issued by the Secretary of State;

"(b) The Attorney General or his designee is authorized to collect fees from state, local or prviate agencies or members of the public to defray all or part of the costs of any service, including training provided by the Federal Bureau of Investigation, the Drug Enforcement Administration and the National Institute of Corrections, which the Department of Justice may provide to such agencies or individuals. Any fees collected shall be credited to the appropriation accounts used to pay the expenses incurred in providing the service and shall be available in those accounts only to the extent specified in appropriations acts.

"(c)(1) The Attorney General is authorized to accept and utilize, on behalf of the United States, any gift, donation, or bequest of real or personal property for the purpose of aiding or facilitating the work of the Department of Justice, including Federal Prison Industries, Inc. No gift may be accepted:

"(A) that attaches conditions inconsistent with applicable laws or regulations, or

"(B) that is conditioned upon or will require the expenditure of appropriated funds unless such expenditure has been authorized by Act of Congress.

"(2) The Attorney General shall promulgate rules for accepting gifts pursuant to this provision, to ensure, among other things, that no gifts are accepted under circumstances that will create a conflict of interest for the Department of Justice.

"(3) Gifts and bequests of money and the proceeds from sales of property received as gifts or bequests that were not immediately useable by the Department of Justice may be credited to any appropriation or fund and shall remain available until expended, upon order of the Attorney General.

"(4) Gifts, bequests of property, and property acquired from the proceeds credited to appropriations or funds pursuant to subsection (3), and which are no longer required by the Department of Justice for its needs and the discharge of its responsibilities, shall be reported to the Administrator of General Services for transfer, donation, or other disposal in accordance with the provisions of the Federal Property and Administrative Services Act of 1949, as amended.

"(5) Property accepted pursuant to this section and the proceeds credited to appropriations of funds pursuant to subsection (3) shall be used as nearly as practicable in accordance with the terms of the gift or bequest.

"(6) For the purpose of Federal income, estate, and gift taxes, property accepted under subsection (a) of this section shall be considered as a gift or bequest to or for the use of the United States."

"(d)(1) The Attorney General or his designee is authorized to use appropriations for the Federal Bureau of Investigation to make payments for the conduct of its activities. Such payments may not be used to pay the compensation of any employee in the competitive service but may include payments for:

"(A) expenses necessary for the detection and prosecution of crimes against the United States;

"(B) protection of the person of the President of the United States and the person of the Attorney General;

"(C) investigations regarding official matters under the control of the Department of Justice and the Department of State, as may be directed by the Attorney General;

"(D) training in the United States and abroad for foreign law enforcement personnel, with the concurrence of the Secretary of State, as a counterpart to similar training programs designed for state and local officers; and

"(E) acquisition, collection, classification and preservation of identification and other records and their exchange with, and for the official use of, the duly authorized officials of the Federal Government, of States, cities and other institutions, such exchange to be subject to cancellation if dissemination is made outside the receiving departments on related agencies.

"(2) The Federal Bureau of Investigation may establish and collect fees for the processing of noncriminal employment and licensing fingerprint cards. Such fees shall represent the full cost of furnishing the service. The funds collected shall be credited to the Salaries and Expenses, Federal Bureau of Investigation appropriation without regard to 31 U.S.C. 3302(b), and shall be available, only to the extent specified in appropriations acts, until expended, to pay for salaries and other expenses incurred in operating the FBI Identification Division. No fee shall be assessed in connection with the processing of requests for criminal history records by criminal justice agencies for criminal justice purposes or for employment in criminal justice agencies.

"(e) The Attorney General or his designee is authorized to use appropriations for the Drug Enforcement Administration to make payments for the conduct of its activities. Such payments may include payments for expenses necessary for the detection and prosecution of crimes against the United States where such crimes arise from drug related activities, including but not limited to crimes enumerated in Title 21 of the United States Code.

"(f) The Attorney General or his designee is authorized to use appropriations for the Immigration and Naturalization Service to make payments for the conduct of its activities. Such payments may include payments for:

"(1) distribution of citizenship textbooks to aliens without cost to such aliens;

"(2) allowances to aliens for work performed while held in custody under the immigration laws;

"(3) refunds of maintenance bills, immigration fines and other items properly returnable, except deposits of aliens who become public charges and deposits to secure payment of fines and passage money;

"(4) the lease of horses from officers or employees of the Service;

"(5) acquisition of land as sites for enforcement fences, and expenses incident to the construction of such fences; and

"(6) expenses and allowances incurred in tracking lost persons, as required by public exigencies, in aid of State or local law enforcement agencies.

"(g) The Attorney General or his designee is authorized to use appropriations for the Bureau of Prisons to make payments for the conduct of its activities. Such payments may include payments for:

"(1) the administration, operation, and maintenance of Federal penal and correctional institutions, including supervision and support of United States prisoners in non-Federal institutions; and for inmate legal services within the Federal prison system;

"(2) construction of buildings at prison camps and acquisition of land as authorized by 18 U.S.C. 4010;

"(3) the labor of United States prisoners performed in the construction or remodeling of prison buildings or facilities; and

"(4) the purchase and exchange of farm products and livestock.

"(h) As used in this section the term "law enforcement" refers to the activities of the Federal Bureau of Investigation; the Drug Enforcement Administration; the Immigration and Naturalization Service; the Bureau of Prisons; and the United States Marshals Service; except that for the purposes of subsection (a)(4), "law enforcement" refers only to the activities, in the United States, of the Bureau of Prisons and, subject to the provisions of 8 U.S.C. 1252(c) and 18 U.S.C. 4003, of the Immigration and Naturalization Service.

"§578. Authorizations and Exemptions Available for Undercover Investigative Operations

"(a) Subject to the provisions of subsection (f) of this section, the authorizations and exemptions provided below may be utilized for undercover operations conducted by the following bureaus of the Department of Justice: The Federal Bureau of Investigation, the Drug Enforcement Administration, the Immigration and Naturalization Service and the United States Marshals Service. As used herein, the head of a bureau refers, respectively, to the Director of the Federal Bureau of Investigation, the Administrator of the Drug Enforcement Administration, the Commissioner of the Immigration and Naturalization Service and the Director of the United States Marshals Service.

"(b)(1) An exempt undercover operation refers to any operation designed and necessary to detect and prosecute crimes against the United States as to which the head of a bureau, or his designee, and the Attorney General, or his designee, have certified in writing that any action authorized by this section is necessary for the conduct of that undercover investigation; provided that as to undercover investigative operations of the Federal Bureau of Investigation any designee for the Director of the Federal Bureau of Investigation and any designee for the Attorney General shall be a member of the Undercover Operations Review Committee.

"(2) An exempt undercover operation also refers to any operation of the Federal Bureau of Investigation designed and necessary to collect foreign intelligence or to conduct foreign counterintelligence, as to which the Director of the Federal Bureau of Investigation, or the Assistant Director of the Intelligence Division if so designated by the Director, and the Attorney General, or the Counsel for Intelligence Policy if so designated by the Attorney General, have certified in writing that any action authorized by this section is necessary for the conduct of that undercover investigation.

"(3) The type of exemptions sought for each operation shall be specified on the certification and the use of the exemptions for each operation will be reviewed during the bureau pursuant to subsection (b) (1) or (2) of this section.

"(c)(1) Appropriations may be used for purchasing or leasing property, buildings, facilities, space, goods, insurance, licenses and any equipment necessary to establish and/or operate an undercover operation. These acquisitions shall be made in accordance with prevailing commercial practices so long as such practices are consistent with the purposes of the undercover operation. Laws applicable to federal acquisitions, federal property management and federal appropriations shall not apply to any acquisition for an exempt undercover operation where compliance with such laws would risk compromise of the undercover nature of the investigation.

"(2) Appropriations may be used to establish, acquire and/or operate proprietary corporations or business entities in accordance with prevailing commercial practices so long as such practices are consistent with the purposes of the undercover operation. Laws applicable to federal appropriations and government corporations shall not apply to any transaction for an exempt undercover operation where compliance with such laws would risk compromise of the undercover nature of the investigation.

"(3) Appropriations and the proceeds from an exempt undercover operation may be deposited in banks or other financial institutions and may be used to offset necessary and reasonable expenses incurred in such operation without deposit in the Treasury; provided that, as soon as any such proceeds are no longer necessary for the conduct of such operation, such proceeds or the balance of such proceeds remaining at the time shall be deposited in the Treasury of the United States as miscellaneous receipts.

"(d) If a corporation or business entity established or acquired as part of an undercover operation under subparagraph (2) of paragraph (c) with a net value of over $150,000 is to be liquidated, sold, or otherwise disposed of, the head of the bureau, as much in advance as he or his designee determines is practicable, shall report the circumstances to the Attorney General. The proceeds of the liquidation, sale, or other disposition, after obligations are met, shall be deposited in the Treasury of the United States as miscellaneous receipts.

"(e)(1) The Attorney General shall direct and supervise a detailed financial audit of each undercover investigative operation which is closed in fiscal year 1987, and each fiscal year thereafter, and shall, not later than 180 days after such undercover operation is closed, submit a report to the Congress concerning such audit.

"(2) For purposes of these audit and reporting requirements:

"(A) the term "closed" refers to the point in time at which—

"(i) all criminal proceedings (other than appeals) are concluded, or

"(ii) covert activities are concluded, whichever occurs later;

"(B) the terms 'undercover investigative operation' and 'undercover operation' mean any undercover investigative operation of a bureau (other than a foreign counterintelligence undercover investigative operation)—

"(i) in which—

"(a) the gross receipts (excluding interest earned) exceed $150,000, or

"(b) expenditures (other than expenditures for salaries of employees) exceed $150,000, and

"(ii) which is exempt from laws applicable to federal appropriations and government corporations.

"(f) The Commissioner of the Immigration and Naturalization Service, or his designee, and the Director of the United States Marshals Service, or his designee, shall include in the request for the Attorney General's certification required by subsection (b)(1) of this section: the expected time period for utilizing the exemptions, the expected resources to be committed, a description of the circumstances for using the exemptions, and a specification of the scope of the effort.

SEC. 3. (b) "The Attorney General or his designee is authorized to use Department of Justice appropriations to make payments for assistance to individuals under section 501(c) of the Refugee Education Assistance Act of 1980 (P.L. 96-422) without regard to section 501(e)(2)(B) of that Act, which prohibits such assistance to individuals with respect to whom a final, nonappealable, and legally enforceable order of deportation or exclusion has been entered. Such payments may include grants which shall be administered by the Community Relations Service."

SEC. 3. (c) Section 4082(c) of Title 18, United States Code, (62 Stat 850) is amended by striking the final words "as miscellaneous receipts" and inserting therefore the following: "to the credit of the appropriation available for such costs at the time such collections are made."

SEC. 3. (d) Section 6 of the Act of July 28, 1950 (64 Stat. 380), 8 U.S.C. 1555, is hereby repealed.

SEC. 3. (e) Section 4043 of Title 18, United States Code, and section 871(c) of Title 21, United States Code, are hereby repealed.

BEST COPY AVAILABLE

SEC. 4. (a) Section 1501 of Title 18, United States Code, and Section 581(a) of Title 28, United States Code, are amended, effective October 1, 1986, by adding the following two subsections:

"(11) Eastern District of Michigan.

"(12) Northern District of Ohio."

SEC. 4. (b) Section 408 of the act of November 6, 1978 (Public Law 95-598, 92 Stat. 2549, 2686-87) is hereby repealed.

SEC. 5. Chapter 303 of Title 18, United States Code, is amended by inserting after section 4043 the following new section

"§ 4044. Authority to Conduct Autopsies.

"A chief executive officer of a federal penal or correctional facility may, pursuant to rules and regulations of the Director, order an autopsy and related scientific or medical tests to be performed on the body of a deceased inmate of the facility in the event of homicide, suicide, fatal illness or accident, or unexplained death when it is determined that such autopsy or test is necessary to detect a crime, maintain discipline, protect the health or safety of other inmates, remedy official misconduct, or defend the United States or its employees from civil liability arising from the administration of the facility. To the extent consistent with the needs of the autopsy or of specific scientific or medical tests, provisions of local law protecting religious beliefs with respect to such autopsies shall be observed. Such officer may also order an autopsy or other post-mortem operation, including removal of tissue for transplanting, to be performed on the body of a deceased inmate of the facility, with the written consent of a person authorized to permit such an autopsy or post-mortem operation under the law of the State in which the facility is located."

SEC. 6. Chapter 307 of Title 18, United States Code, is amended as follows:

(a) the first paragraph of section 4121 is deleted and a new first paragraph is inserted as follows:

" 'Federal Prison Industries', a government corporation of the District of Columbia, shall be administered by a board of six directors, appointed by the President to serve at the will of the President. Members of the board who are not employees of the Federal Government or the District of Columbia shall be paid for their services at the daily equivalent of the rate prescribed for GS 18 of the General Schedule in section 5332 of Title 5, United States Code."

(b) following section 4128 a new section is inserted as follows:

"§ 4129. General authorizations—Federal Prison Industries, Inc.

"Federal Prison Industries, Incorporated, is authorized to make such expenditures and to make such contracts and commitments, without regard to fiscal year limitation, as may be necessary in carrying out the program set forth in the budget for the current fiscal year for such corporation, including purchase and hire of passenger motor vehicles."

SEC. 7. Section 4204(b) of Title 18, pertaining to the United States Parole Commission, is amended by adding at the end thereof the following new subsection:

"(a) the lease or purchase of passenger motor vehicles."

SEC. 8. Chapter 401 of Title 18, United States Code, is amended by deleting subsection (a) of section 5003 and inserting the following:

"(a) The Director of the Bureau of Prisons when proper and adequate facilities and personnel are available, is hereby authorized to contract with proper officials of a State, or Territory, or Indian Tribe, for the custody, care, subsistence, education, treatment, and training of persons convicted of criminal offenses in the courts of such State, Territory or Tribe: *Provided*, That any such contract shall provide for reimbursing the United States in full for all costs or other expenses involved; except that, where reimbursement from a State is not legally available, the contract shall provide for receiving in exchange persons convicted of criminal offenses in the courts of the United States, to serve their sentence in appropriate institutions or facilities of the State or Territory by designation as provided in Section 4082(b) of this title, this exchange to be made according to formulas or conditions which may be negotiated in the contract."

SEC. 9. Section 263 of title 22, United States Code, is amended by inserting the following at the end thereof:

"The Attorney General or his designee is also authorized to make payments from Department of Justice appropriations for expenses necessary to host, at intervals of ten years or longer, the annual meeting of the General Assembly of INTERPOL and to periodically sponsor INTERPOL conferences on topics of international crime."

SEC. 10. Section 1622d of title 22, United States Code, pertaining to the Foreign Claims Settlement Commission, is amended by adding at the end thereof the following new paragraph:

"The Commission is authorized to hire passenger motor vehicles, for field use only, and to purchase insurance for official motor vehicles used abroad. The Commission may advance funds abroad and may advance funds to other government departments or agencies in connection with reimbursable agreements. The Commission is also authorized to employ aliens abroad and, with the approval of the Secretary of State, to acquire necessary office space and living quarters and to maintain, repair, furnish and provide utilities for such properties."

TITLE III—UNITED STATES MARSHALS SERVICE

SEC. 11 (a) Chapter 37 of Title 28, United States Code, is amended such that sections 561, 562, 564, 565 and 566, shall read as follows:

"§ 561. United States Marshals Service

"(a) There is hereby established a United States Marshals Service as a bureau within the Department of Justice under the authority and direction of the Attorney General. The United States Marshals Service (hereinafter referred to in this chapter as the "Service") shall be headed by a Director appointed by the Attorney General.

"(b) The Director of the United States Marshals Service (hereinafter referred to in this chapter as the "Director") shall exercise the powers and duties set out in this chapter and such other powers and duties as may be vested in the Director pursuant to statute or delegation from the Attorney General.

"(c) The President shall appoint, by and with the advice and consent of the Senate, a United States Marshal for each judicial district of the United States, except that any Marshal appointed for the Northern Mariana Islands may at the time serve as Marshal in another district. Each United States Marshal shall be an official of the Service and shall serve under the direction and subject to the coordination of the Director.

"(d) Each Marshal shall be appointed for a term of four years. On expiration of his term, unless he shall resign or be removed by the President, a Marshal shall continue to perform the duties of his office until his successor is appointed and qualified or until a person is designated to act as Marshal in accordance with Section 562.

"(e) The Director shall designate places within a judicial district for the official station and offices of each Marshal. Each Marshal shall reside within the district for which he was appointed, except that—

"(1) the Marshals for the District of Columbia and for the Southern District of New York may reside within 20 miles thereof; and

"(2) any Marshal appointed for the Northern Mariana Islands who at the same time is serving in the same capacity in another district may reside in such other district.

"(f) The Director is authorized to select, appoint, employ, and fix compensation for Deputy Marshals and such officials and employees as shall be necessary to carry out the powers and duties of the Service and may designate such Deputy Marshals as law enforcement officers, in accordance with the policies and procedures he shall establish. Deputy Marshals, officials, and employees are subject to disciplinary action, including removal, by the Director.

"(g) The Director shall supervise and direct the United States Marshals Service in the performance of its duties, including criminal investigations, and in accounting for public moneys. Each official of the Service shall report any official proceedings, receipts, and disbursements and the condition of the office under the purview of such official as the Director requires.

"(h) The Director may delegate to any other official of the Service the authority to carry out any function of the Director.

"(i) There is authorized to be appropriated such sums as are necessary to exercise the powers and duties of the United States Marshals Service.

"§ 562. Vacancies

"(a) In the case of a vacancy in the office of United States Marshal, the Attorney General may designate a person to perform the functions and act as Marshal. The Attorney General shall not designate to act as Marshal a person whose appointment by the President to that office the Senate has refused to give its advice and consent.

"(b) Such person designated by the Attorney General may serve until the earliest of the following events:

"(1) the entry into office of a United States Marshal appointed by the President, pursuant to Article II, Section 2 of the Constitution;

"(2) the expiration of the thirtieth day following the end of the next session of the Senate; or

"(3) if such designee of the Attorney General is appointed by the President pursuant to section 561(c), said designee may serve until the expiration of the thirtieth day following the refusal of the Senate to give its advice and consent to the appointment by the President.

"§ 564. Powers as sheriff

"An official of the Service, in executing the laws of the United States within a State, may exercise the same powers which a sheriff of the State may exercise in executing the laws thereof.

§ 565. Expenses of United States Marshals Service

"The Service is authorized to—

"(a) establish procedures and to pay for:

"(1) the actual and necessary expenses associated with the offices established under section 561;

"(2) the expense of transporting prisoners, including the transporting between the United States and foreign countries of persons charged with crime, and including the cost of necessary guards and the travel and subsistence expenses of prisoners and guards;

"(3) the lease, acquisition, maintenance, and operation of aircraft and the lease and acquisition of law enforcement and passenger motor vehicles without regard to the general purchase price limitation for any current fiscal year and including the operation and maintenance for official use of vehicles seized and forfeited to the U.S. Government;

"(4) the purchase of firearms and ammunition and attendance at firearms matches and law enforcement competitions;

"(5) supervision of United States prisoners in non-federal institutions;

"(6) payment of rewards and the purchase of evidence and payments for information;

"(7) other necessary expenditures as required by law; and

"(b) enter into contracts and cooperative agreements, as authorized by the Attorney General, including contracts for personal guard and other personal services, and may utilize such contracts for the service of government process in lieu of service by U.S. Marshals or Deputy Marshals.

"§ 566. Powers and duties

"(a) The United States Marshals Service is authorized to provide for the safety and security of the Federal courts of the United States and provide other assistance in accordance with the policies established by the Attorney General.

"(b) Except as otherwise provided by law or the Federal Rules of Procedure, the United States Marshals Service shall execute all lawful writs, process and orders issued under the judicial authority of the United States, in accordance with the policies established by the Attorney General, and shall command all necessary assistance to execute its duties.

"(c) The Director, United States Marshals, and other law enforcement officers of the United States Marshals Service may carry firearms and may make arrests without warrant for any offense against the United States committed in their presence, or for any felony cognizable under the laws of the United States if they have reasonable grounds to believe that the person to be arrested has committed or is committing such felony.

"(d) The United States Marshals Service is authorized to investigate fugitive matters, both domestic and foreign, as directed by the Attorney General."

SEC. 11. (b) Chapter 37 of Title 28, United States Code, is further amended—

(a) by repealing sections 567, 568, 569, and 570;

(b) by renumbering sections 571, 572, 573, 574, 575, and 576 to read 567, 568, 569, 570, 571, and 572, respectively; and

(c) by adding the following new section:

"§ 573. Authorization for Certain Witness Security Expenses:

"The expenses incurred for the use of facilities in the protection of witnesses, and planning, acquisition, construction, renovation, maintenance, remodeling, and repair of buildings and the purchase of equipment incident thereto for protected witness safesites shall be paid from appropriations available to the Marshals Service."

SEC. 11. (c) Chapter 123 of Title 28, United States Codes, is amended such that Section 1921 shall read as follows:

"§ 1921. United States Marshals' fees

"(a)(1) The United States Marshals or Deputies shall routinely collect, and a court may tax as costs, fees for the following:

"(A) serving a writ of possession, partition, execution, attachment in rem, or libel in admiralty, warrant, attachment, summons, complaints, or any other writ, order or process in any case or proceedings;

"(B) serving a subpoena or summons for a witness or appraiser;

"(C) forwarding any writ, order, or process to another judicial district for service;

"(D) the preparation of any notice of sale, proclamation in admiralty, or other public notice or bill of sale;

"(E) the keeping of attached property (including boats, vessels, or other property attached or libeled), actual expenses incurred, such as storage, moving, boat hire, or other special transportation, watchmen's or keepers' fees, insurance, and an hourly rate including overtime for each Deputy Marshal required for special services, such as guarding, inventorying, and moving;

"(F) copies of writs or other papers furnished at the request of any party;

"(G) necessary travel in serving or endeavoring to serve any process, writ, or order, except in the District of Columbia, with mileage to be computed from the place where service is returnable to the place of service or endeavor; and

"(H) overtime expenses incurred by Deputy Marshals in the course of serving or executing civil process.

"(2) The Marshals shall collect, in advance, a deposit to cover the initial expenses for special services required under subparagraph (E), and periodically thereafter such amounts as may be necessary to pay such expenses until the litigation is concluded. This paragraph applies to all private litigants, including seamen proceeding pursuant to section 1916 of this title.

"(3) For purposes of subparagraph (G), if two or more services or endeavors, or if any endeavor and a service, are made in behalf of the same party in the same case on the same trip, mileage shall be computed to the place of service or endeavor which is most remote from the place where service is returnable, adding thereto any additional mileage traveled in serving or endeavoring to serve in behalf of that party. If two or more writs of any kind, required to be served in behalf of the same party on the same person in the same case or proceeding, may be served at the same time, mileage on only one such writ shall be collected.

"(b) The Attorney General shall from time to time prescribe by regulation the fees to be taxed and collected under subsection (a). Such fees shall to the extent practicable, reflect the actual and reasonable cost of the service provided.

"(c)(1) The United States Marshals Service shall collect a commission of 3 per centum of the first $1,000 collected and 1½ per centum on the excess of any sum over $1,000, for seizing or levying on property (including seizures in admiralty), disposing of such property by sale, setoff, or otherwise, and receiving and paying over money, except that the amount of the commission shall be within the range set by the Attorney General. If the property is not disposed of by Marshal's sale, the commission shall be in such amount, within the range set by the Attorney General, as may be allowed by the court. In any case in which the vessel or other property is sold by a public auctioneer, or by some party other than the Marshal or his Deputy, the commission authorized under this subsection shall be reduced by the amount paid to such auctioneer or other part. This subsection applies to judicially ordered sales and execution sales, without regard to whether the judicial order of sale constitutes a seizure or levy within the meaning of State law.

"(2) The Attorney General shall prescribe from time to time regulations which establish a minimum and maximum amount for the commission collected under paragraph (1).

"(d) The United States Marshals may require a deposit to cover any of the fees and expenses prescribed under this section.

"(e) Without regard to the provisions of 31 U.S.C. § 3302, the United States Marshals Service is authorized to credit amounts from fees and expenses collected (including amounts for overtime expenses) for the service of civil process, including complaints, summonses, subpoenas, and similar process and seizures, levies, and sales performed by the Marshals to its current appropriation account (Salaries and Expenses, United States Marshals) for the purpose, only, of carrying out those activities."

SEC. 11. (a) Chapter 301 of Title 18, United States Code, is amended to add the following new section:

"§ 4002A. Support of United States Prisoners in non-Federal Institutions

"The Attorney General or his designee is authorized to make payments from appropriations available for the support of United States Prisoners in Non-Federal Institutions for:

"(1) necessary clothing;

"(2) medical aid and necessary guard hire;

"(3) payment of rewards for assistance in the capture or information leading to the capture of a federal fugitive; and

"(4) entering into contracts or cooperative agreements with any State, territory, or political subdivision thereof, for the necessary construction, physical renovation, acquisition of equipment, supplies, or materials required to establish acceptable conditions of confinement and detention services in any state or local government which agrees to provide guaranteed bed space for federal detainees within that correctional system, in accordance with regulations issued by the Attorney General and which are comparable to the regulations issued under 18 U.S.C. § 4006, except that amounts made available for this purpose shall not exceed the average per-inmate-cost of constructing similar confinement facilities for the federal prison population; and, provided further that the availability of such federally assisted facility shall be assured for housing federal prisoners and the per diem rate charged for housing such federal prisoners shall not exceed allowable costs or other conditions specified in the contract or cooperative agreement."

TITLE IV—PROGRAM REDUCTIONS AND TERMINATIONS

SEC. 12. (a) Section 1402(c)(1) of the Comprehensive Crime Control Act of 1984 (P.L. 98-473, 98 Stat. 2171), 42 U.S.C. 10601(c)(1), is amended by deleting the period at the end thereof and adding the following:

"; except that excess funds shall be deposited in the general fund of the Treasury if in fiscal year 1986 the Fund reaches the sum of $64.9 million or if in fiscal years 1987 or 1988 the Fund reaches the sum of $35 million."

(b) Section 517(b) of the Comprehensive Crime Control Act of 1984 (P.L. 98–473, 98 Stat. 2075), 21 U.S.C. 873(d), is hereby repealed.

(c) Section 609 of the Comprehensive Crime Control Act of 1984 (P.L. 98–473, 98 Stat. 2088–90), 42 U.S.C. 3769 through 3679d, is hereby repealed.

(d) Part A, sections 204–206, Part B, sections 221–229, and Part C, sections 241–249, of the Juvenile Justice and Delinquency Prevention Act of 1974 (P.L. 93-415, 88 Stat. 1109), as amended by the Comprehensive Crime Control Act of 1984 (P.L. 98–473, 98 Stat. 2108), 42 U.S.C. 5611, are hereby repealed.

(e) The following sections of the Omnibus Crime Control and Safe Streets Act of 1968 (P.L. 90–351), as amended or added by the Comprehensive Crime Control Act of 1984 (P.L. 98–473, 98 Stat. 2080–2087), are hereby repealed: Sections 402 (1), (2) and (4); sections 403 through 408; and sections 501 through 506 (42 U.S.C. 3742 (1), (2) and (4); 42 U.S.C. 3743–3748; and 42 U.S.C. 3761–3766).

TITLE V—TABLES OF CHAPTERS AND SECTIONS

Sec. 13. The table of sections for chapter 301 of Title 18, United States Code, is amended by inserting after the item relating to section 4002 the following new item:

"4002A. Support for United States prisoners in non-Federal institutions.".

Sec. 14. The table of sections for chapter 303 of Title 18, United States Code, is amended by deleting the item relating to section 4043 and inserting the following new items:

"4043. Repealed."
"4044. Authority to conduct autopsies."

Sec. 15. The table of sections for chapter 307 of Title 18, United States Code, is amended by inserting after the item relating to section 4128 the following new item:

"4129. General authorizations—Federal Prison Industries, Inc."

Sec. 16. The table of chapters for part II of Title 28, United States Code, is amended by changing the item related to chapter 37 to read:

"37. United States Marshals Service 561."

and by inserting after the item relating to chapter 37 the following new item:

"38. General authorizations 577."

Sec. 17. The table of sections for chapter 37 of Title 38, United States Code, shall read as follows:

"561. United States Marshals Service."
"562. Vacancies.
"563. Oath of Office.
"564. Powers as Sheriff.
"565. Expenses of United States Marshals Service.
"566. Powers and duties.
"567. Disbursements of salaries and moneys.
"568. Collection of fees; accounting.
"569. Delivery of prisoners to successor.
"570. Delivery of unserved process to successor.
"571. Practice of law prohibited.
"572. Reemployment rights.
"573. Authorization for certain witness security expenses.

Sec. 18. The table of sections for Chapter 38 of Title 28 United States Code, shall read as follows:

"577. General authorizations."
"578. Authorizations and exemptions available for undercover investigative operations."

U.S. Department of Justice,
Office of Legislative and
Intergovernmental Affairs,
Washington, DC, April 10, 1986.
Hon. George Bush,
President, U.S. Senate, Washington, DC.

Dear Mr. President: On behalf of the Attorney General, I hereby transmit for the consideration of the Congress, the proposed Department of Justice Appropriation Authorization Act for Fiscal Year 1987.

The enclosed proposal contains five parts. Part I contains provisions related to the 1987 fiscal year annual authorization. Part II is permanent enabling legislation. Part III contains the proposed United States Marshals Service Act previously submitted to the Congress. Part IV contains provisions supporting determinations made by the President's 1987 Budget to reduce and terminate certain programs. Part V contains provisions that conform the various tables, code chapters and sections to the amendments made by the proposal. Finally, the proposal is accompanied by a detailed section-by-section analysis.

The Office of Management and Budget has advised this Department that there is no objection to the submission of this proposal to the Congress and that its enactment would be in accord with the Administration's program.

Sincerely,

John R. Bolton,
Assistant Attorney General.

Section-by-Section Analysis

TITLE I—1987 FISCAL YEAR AUTHORIZATION

Proposed Section 2:

This section of the bill authorizes 1987 fiscal year appropriations for various categories of activities conducted by the Department of Justice. Fourteen separate categories of appropriations are listed.[1] Within certain of these categories additional provisions are made for allowing a portion of an appropriation to be available on a multi-year or a no year basis. Similar language has been inserted in previous authorization and appropriation legislation and the amount authorized to be expended will equal the total of those amounts. For example, funds for the FBI's automated data processing and telecommunications expenses will be available for two years, and the FBI's and DEA's funds for research will be available until expended. Other provisions set maximum amounts which may be used for certain purposes, such as representation expenses, construction of witness safesites, unusual expenses necessary in the collection of evidence, and emergency expenses. Finally, there is a one year modification of the statute, 18 U.S.C. 3525, which authorizes compensation payments to the families of persons killed by then current participants in the witness protection program. The modification allows for compensation if the crime was committed within two years of the termination of the witness protection but prior to the effective date of the statute (October 12, 1984).

TITLE II—PERMANENT ENABLING LEGISLATION

Part II of the Bill contains authorizations that, for the most part, the Department had been obtaining in prior years on an annual basis. If Part II is enacted as permanent law, future Department of Justice authorizations bills will generally be confined to the true fiscal year authorization contained in Part I.

Proposed Bill Section 3(a):

Part II of Title 28, United States Code, is amended by inserting after chapter 37 the following new chapter:

"Sec.

"577. General Authorizations

"578. Authorizations and Exemptions Available for Undercover Investigative Operations

This section of the bill will amend Title 28, United States Code, by adding chapter 38, which will contain two sections. Proposed section 577 will provide permanent appropriations authorization for the various types of expenses incurred by the Department of Justice in the conduct of its activities. Proposed section 578 will provide specific authorizations and exemptions available only for undercover investigative operations.

Proposed Section 577:

General Authorizations—Department of Justice;

Proposed section 577 contains nine principal subsections. Subsection 577(a) contains eighteen authorization provisions which, in general, are available for all Department of Justice activities. Subsection 577(b) provides general gift acceptance authority and subsection 577(c) provides general authority to collect user fees. Subsections 577 (d), (e), (f) and (g) contain specific authorization provisions applicable, respectively, to the Federal Bureau of Investigation, the Drug Enforcement Administration, the Immigration and Naturalization Service, and the Bureau of Prisons. Subsection 577(h) defines the term law enforcement as used in the general authorization provisions of subsection 577(a).

Proposed Section 577(a):

The Attorney General or *his designee is authorized to use Department of Justice appropriations to make payments for the conduct of the activities of the Department of Justice. Such payments may include payments for:*

This provision allows appropriations for the Department of Justice to be used to support the Department's activities. Additional specific authorizations are provided in eighteen subsections.

Proposed Section 577(a)(1):

Expenses, mileage, compensation, and per diem in lieu of subsistence, of witnesses as authorized by law; provided that no witness shall be paid more than one attendance fee for any one calendar day:

This provision allows Department of Justice appropriations to be used to pay for the fees and expenses of witness and prohibits any multiple payment to a witness who attended more than one proceeding on the same day.

Proposed Section 577(a)(2):

Restriction or compensation pursuant to 18 U.S.C. 3525 for victims injured by protected witnesses;

Section 1208 of the Comprehensive Crime Control Act of 1984 (P.L. 98–473), codified as 18 U.S.C. 3525, authorizes the payment of restitution or compensation to victims injured by participants in the witness protection program. This provision authorizes such payments to be made from Department of Justice appropriations.

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[1] The appropriation for the Antitrust Division includes funds transferred from the Interstate Commerce Commission)

Proposed Section 577(a)(3):

Advances of public moneys under 31 U.S.C. 3324; provided that travel advances to law enforcement personnel engaged in undercover activity shall be deemed public monies within the meaning of 31 U.S.C. 3527;

This provision will give the Attorney General authority to permit advance payments on contracts and in other matters where it is in the interest of the Department of Justice to do so. The proviso regarding travel advances to law enforcement personnel engaged in undercover activity assures that the non-negligent loss of such funds will be reimbursable.

Proposed Section 577(a)(4):

Planning, acquisition of sites and construction of new law enforcement facilities; and construction, operation, remodeling and repair of buildings and facilities used for law enforcement purposes; and the purchase of necessary equipment and the payment of necessary expenses directly related to the conduct *of these activities;*

This provision will provide the Attorney General with construction and renovation authority. The authority granted is limited to buildings and facilities used for law enforcement purposes. The availability of this construction authority is limited to those law enforcement bureaus listed in proposed section 577(h).

Proposed Section 577(a)(5):

Contracting with private organizations or entities for the safekeeping, care and subsistence of persons held under any legal authority;

This provision will allow the Department of Justice, principally the Bureau of Prisons and the Immigration and Naturalization Service, to contract with private companies to provide prison and detention facilities.

Proposed Section 577(a)(6):

The lease or purchase of passenger motor vehicles; provided that police type vehicles for law enforcement use may be purchased without regard to the general purchase price limitation for the fiscal year during which such a purchase is effected;

The lease or purchase of passenger motor vehicles is generally prohibited by 31 U.S.C. 1343 unless specifically authorized by statute. This provision provides the necessary statutory authorization for such leases and purchases. The provision regarding police type vehicles is necessary because the required design features for such vehicles normally result in a higher purchase price than the general purchase price limitation for any given fiscal year.

Proposed Section 577(a)(7):

The purchase of firearms and ammunition for use by law enforcement officers and security personnel, and participation in firearms competitions;

This provision would authorize both the purchase of firearms and ammunition for use by law enforcement officers and security personnel and the participation in firearms competition by Department personnel.

Proposed Section 577(a)(8):

The purchase, lease, maintenance and operation of aircraft for law enforcement purposes;

The lease or purchase of aircraft is generally prohibited by 31 U.S.C. 1343 unless specifically authorized by statute. This provision provides the necessary statutory authorization for such leases and purchases.

Proposed Section 577(a)(9):

The lease of real property, including space in buildings, without disclosure of the government's involvement; provided that any such lease and the non-disclosure of the government's involvement are necessary for law enforcement or *foreign counterintelligence purposes, other than for an undercover investigative operation; provided further that such authority may be exercised only by those law enforcement bureaus listed in 28 U.S.C. 578(a)*

This provision will allow the rental of space for law enforcement and foreign counterintelligence investigations without disclosure of the government's involvement. Such authority is needed when obtaining lookout post and other offsite premises where procurement, banking and other regulatory statutes might require, directly or indirectly, the disclosure of the government's role in the transaction. Similar authority is provided separately in proposed section 578 for undercover investigative operations. This provision would provide the same exemptions available to certified exempt undercover operation under 28 U.S.C. 578(c)(1) except that this provision only applies to non-undercover operations:

Proposed Section 577(a)(10):

Miscellaneous and emergency expenses authorized or approved by either the Attorney General, the Deputy Attorney General, the Associate Attorney General or *the Assistant Attorney General for Administration*

This provision allows the use of funds in unforeseen circumstances, such as the appointment of a Special Counsel under the Ethics In Government Act.

Proposed Section 577(a)(11):

Official reception and representation expenses;

This provision authorizes the use of funds to pay the expenses of Department of Justice senior employees whose official positions entail the responsibility for establishing and maintaining relationships of value to the Department.

Proposed Section 577(a)(12):

Attendance at meetings;

This provision allows the Attorney General to authorize employees to attend meetings without regard to the prohibitions of 5 U.S.C. 5946.

Proposed Section 577(a)(13):

Services of experts and consultants as authorized by 5 U.S.C. 3109;

This provision permits payments to be made for the services of experts and consultants. Payment for such services is prohibited by 5 U.S.C. 3109 unless authorized by statute.

Proposed Section 577(a)(14):

Services of interpreters and translators who are not citizens of the United States;

Government employment is generally available only to United States citizens. This provision permits the employment of noncitizens solely in the capacities of interpreters and translators.

Proposed Section 577(a)(15):

Payment of rewards, the purchase of evidence and payment for information in connection with law enforcement;

These provisions allow law enforcement agencies to pay rewards, purchase evidence, and pay for information as part of their mission to conduct criminal and foreign counter intelligence investigations.

Proposed Section 577(a)(16):

The purchase of insurance for motor vehicles, boats and aircraft operated in official government business in foreign countries;

The United States government generally acts as a self insurer. In foreign countries, however, compulsory insurance laws and/or prudent business practice may require that motor vehicles, boats and aircraft be covered by private insurance policies. This provision will allow the Department of Justice to produce appropriate insurance coverage when doing business in foreign countries.

Proposed Section 577(a)(17):

Contracting with individuals for personal services abroad; provided that such individuals shall not be regarded as employees of the United States for the purpose of any law administered by the Office of Personnel Management; and

Government employment is generally available only to citizens of the United States. This provision would allow the Department of Justice to employ non-U.S. citizens in those foreign countries where the Department conducts activities. It will also allow the Department to employ U.S. citizens who reside abroad; in particular, the dependants of Foreign Service, military and other U.S. Government personnel. Such employees would not be entitled to the personnel benefits associated with United States government employment.

Proposed Section 577(a)(18):

Benefits for employees serving overseas as authorized under section 901 (3), (5), (6A), (8), (9), and section 904 of the Foreign Service Act of 1980 (22 U.S.C. 4081 (3), (5), (6A), (8), (9) and 22 U.S.C. 4084), and under the regulations issued by the Secretary of State;

This provision affords to Department of Justice employees serving overseas certain of the benefits provided for members of the foreign service. These benefits, as set forth in Title 22, include: travel expenses for family members (§ 4081(3)); medical care (§ 4081(5)); rest and recuperation travel (§ 4081(6A)); family visitation travel (§ 4081(8)); emergency family visitation (§ 4081(9)); and health care benefits (§ 4084).

Proposed section 577(b):

The Attorney General or his designee is authorized to collect fees from state, local or *private agencies or members of the public to defray all or part of the costs of any service, including training provided by the Federal Bureau of Investigation, the Drug Enforcement Administration and the National Institute of Corrections, which the Department of Justice may provide to such agencies or individuals. Any fees collected shall be credited to the appropriation accounts used to pay the expenses incurred in providing the service and shall be available in those accounts only to the extent specified in appropriations acts.*

This provision would authorize the Department of Justice to collect fees for services rendered to State, local or private agencies or members of the public. Fees would not exceed the costs of the services. Any moneys collected would be credited to the appropriation account used to pay the expenses of providing the service and would be available to the extent specified in appropriation acts.

Proposed section 577(c)

(1) The Attorney General is authorized to accept and utilize, on behalf of the United States, any gift, donation, or bequest of real

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or personal property for the purpose of aiding or facilitating the work of the Department of Justice, including Federal Prison Industries, Inc. No gift may be accepted:

(A) that attaches conditions inconsistent with applicable laws or regulations, or

(B) that is conditioned upon or will require the expenditure of appropriated funds unless such expenditure has been authorized by Acts of Congress.

(2) The Attorney General shall promulgate rules for accepting gifts pursuant to this provision, to ensure, among other things, that no gifts are accepted under circumstances that will create a conflict of interest for the Department of Justice.

(3) Gifts and bequests of money and the proceeds from sales of property received as gifts or bequests that were not immediately useable by the Department of Justice may be credited to any appropriation or fund and shall remain available until expended, upon order of the Attorney General.

(4) Gifts, bequests of property, and property acquired from the proceeds credited to appropriations or funds pursuant to subsection (3), and which are no longer required by the Department of Justice for its needs and the discharge of its responsibilities, shall be reported to the Administrator of General Services for transfer, donation, or other disposal in accordance with the provisions of the Federal Property and Administrative Services Act of 1949, as amended.

(5) Property accepted pursuant to this section and the proceeds credited to appropriations or funds pursuant to subsection (3) shall be used as nearly as practicable in accordance with the terms of the gift or bequest.

(6) For the purpose of Federal income, estate, or gift taxes, property accepted under subsection (a) of this section shall be considered as a gift or bequest to or for the use of the United States.

This provision would authorize the Attorney General to accepts gifts, donations, or bequests of real or personal property to aid the Department in carrying out its functions, including the functions of the Federal Prison Industries, Inc. Gifts that attach conditions inconsistent with applicable laws or that are conditioned upon or require the expenditure of appropriated funds (unless the expenditure had been authorized by Congress) may not be accepted. The Attorney General is required to establish rules to insure that no gifts are accepted that will create a conflict of interest for the Department.

Proposed Section 577(d)(1):

The Attorney General or his designee is authorized to use appropriations for the Federal Bureau of Investigation to make payments for the conduct of its activities. Such payments may not be used to pay the compensation of any employee in the competitive service but may include payments for:

This provision allows appropriations for the Federal Bureau of Investigation to be used to support the Bureau's activities. Payment from Bureau appropriations for the compensation of any employee in the competitive service is expressly forbidden. Additional specific authorizations are set out in subsections A through E.

Proposed Section 577(d)(1)(A):

Expenses necessary for the detection and prosecution of crimes against the United States;

Payments for the detection and prosecution of crimes against the United States include the expenses necessary for the FBI to conduct investigations of those violations of Federal law for which the FBI has responsibility. In addition to national priority areas of organized crime, foreign counterintelligence, terrorism and white-collar crime, the FBI has primary jurisdiction over numerous other Federal statutes concentrating on such areas as interstate crimes, forcible, crimes against banking institutions, civil rights, and fugitive investigations. Typical expenses include personnel compensation and benefits, travel and transportation of persons and property, rent, communications and utilities, capital and noncapital equipment, and supplies.

Proposed Section 577(d)(1)(B):

Protection of the person of the President of the United States and the person of the Attorney General;

Payments are utilized for the purposes of assuring the security of the President and of the Attorney General. Typical expenses include personnel compensation and travel costs.

Proposed Section 577(d)(1)(C):

Investigations regarding official matters under the control of the Department of Justice and the Department of State, as may be directed by the Attorney General;

This provision would allow the Attorney General to authorize payments to conduct investigations regarding official matters of concern to the Department of Justice and the Department of State.

Proposed Section 577(d)(1)(D):

Training in the United States and abroad for foreign law enforcement personnel as a counterpart to similar training programs designed for State and local officers; and

This section would extend explicit authority for the Federal Bureau of Investigation to provide training for foreign law enforcement personnel, either in the United States or abroad, with the concurrence of the Secretary of State. Heretofore, the conduct of the kind of training that would be explicitly authorized by this section has been justified as inherenty authorized as part of the Bureau's mission. The authority provided by this section would not change the statutory basis for, or the funding of, training of foreign law enforcement personnel carried out by the Bureau under arrangements with the Agency for International Development pursuant to the Foreign Assistance Act of 1961, as amended.

Proposed Section 577(d)(1)(E):

Acquisition, collection, classification and preservation of identification and other records and their exchange with, and for the official use of, the duly authorized officials of the Federal Government, of States, cities and other institutions, such exchange to be subject to cancellation if dissemination is made outside the receiving departments of related agencies.

This provision authorizes the collection and preservation of identification and other records and their exchange with authorized officials. Expenses include the maintenance at FBI Headquarters of the Central Records System, consisting of over six million investigative, personnel, applicant, administrative, and general case files, and the maintenance of fingerprint identification records submitted by over 20,000 authorized agencies. In addition, payments under the authorization include expenses of providing information contained in FBI records to other Federal agencies in compliance with Executive Order 10450 and to authorized officials of States, cities, and other institutions.

Proposed Section 577(d)(2):

The Federal Bureau of Investigation may establish and collect fees for the processing of noncriminal employment and licensing fingerprint cards. Such fees shall represent the full cost of furnishing the service. The funds collected shall be credited to the Salaries and Expenses, Federal Bureau of Investigation appropriation without regard to 31 U.S.C. 3302(b), and shall be available only to the extent specified in appropriations acts, until expended, to pay for salaries and other expenses incurred in operating the FBI Identification Division. No fee shall be assessed in connection with the processing of requests for criminal history records by criminal justice agencies for criminal justice purposes or for employment in criminal justice agencies.

This provision allows the Federal Bureau of Investigation to set fees for services rendered by the Identification Division and permits any collected fees to be used to pay for the operation of the Bureau's Identification Division.

Proposed Section 577(e):

The Attorney General or his designee is authorized to use appropriations for the Drug Enforcement Administration to make payments for the conduct of its activities. Such payments may include payments for expenses necessary for the detection and prosecution of crimes against the United States where such crimes arise from drug related activities, including but not limited to crimes enumerated in Title 21 of the United States Code.

This provision allows appropriations for the Drug Enforcement Administration to be used to support the Administration's activities. Payments are particularly authorized for the conduct of the Administration's principal mission, the detection and prosecution of drug related criminal offenses.

Proposed Section 577(f):

The Attorney General or his designee is authorized to use appropriation for the Immigration and Naturalization Service to make payments for the conduct of its activities. Such payments may include payments for:

This provision allows appropriations for the Immigration and Naturalization Service to be used to support the activities of the Service. Additional specific authorizations are set out in subsection (1) through (6).

Proposed Section 577(f)(1):

Distribution of citizenship textbooks to aliens without cost to such aliens;

This provision allows appropriations to be used to pay for citizenship textbooks which may be distributed, without costs, to aliens who are seeking or are interested in seeking United States citizenship.

Proposed Section 577(f)(2):

Allowances to aliens for work performed while held in custody under the immigration laws;

This provision will allow aliens to be paid for work which they perform while in custody under the immigration laws. Payment rates are set, from time to time, in Department of Justice appropriations acts.

Proposed Section 577(f)(3):

Refunds of maintenance bills, immigration fines and other items properly returnable, except deposits of aliens who become public charges and deposits of secure payment of fines and passage money;

This provision will allow appropriations for the Immigration and Naturalization

Service to be used to pay for refunds to which an alien may be properly entitled. Such appropriations may not, however, be used for refunds of any deposit by an alien who becomes a public charge, or of deposits made to secure payment of a fine or to secure payment of passage money.

Proposed Section 577(f)(4):

The lease of horses from officers or employees of the Service;

This provision will allow the Service to lease horses from its officers and employees notwithstanding general prohibitions against any agency entering into private business transactions with its employees. This authority benefits the Service because in remote border areas employees living in the region who own horses may be the best available providers of horses for lease. This authority currently exists as stated in section 1555 of Title 8.

Proposed Section 577(f)(5):

Acquisition of land as sites for enforcement fences, and expenses incident to the construction of such fences; and

This provision would give the Service limited land acquisition authority. Enforcement fences are constructed in border areas as a passive preventive measure which is used in conjunction with other strategies for controlling the flow of unlawful entrants.

Proposed Section 577(f)(6):

Expenses and allowances incurred in tracking lost persons, as required by public exigencies, in aid of State or local law enforcement agencies.

This provision will allow the Service to come to the aid of State and local law enforcement agencies when they are searching for a lost person. The Service is often in a unique position to provide such assistance due to its knowledge of, and access to, remote border areas.

Proposed Section 577(g):

The Attorney General or his designee is authorized to use appropriations for the Bureau of Prisons to make payments for the conduct of its activities. Such payments may include payments for:

This provision allows appropriations for the Bureau of Prisons to be used to support the activities of the Bureau. Additional specific authorizations are set out in subsections (1) thru (4).

Proposed Section 577(g)(1):

The administration, operation, and maintenance of Federal penal and correctional institutions, including supervision and support of United States prisoners in non-Federal institutions; and for inmate legal services within the Federal prison system;

This provision authorizes appropriations to be used to support the Bureau's principal mission of operating the federal penal system, including the supervision of prisoners in non-federal institutions and the delivery of appropriate legal services.

Proposed Section 577(g)(2):

Construction of buildings at prison camps and acquisition of land as authorized by 18 U.S.C. 4010;

This provision would give the Bureau construction authority in connection with facilities at prison camps and authority to acquire land. Land acquisitions are generally in the vicinity of prisons and for the purpose of perimeter security or site expansion.

Proposed Section 577(g)(3):

The labor of United States prisoners performed in the construction or remodeling of prison buildings on facilities; and

This provision would authorize the Bureau's use of prisoner labor in the construction and remodeling of prison buildings and facilities and would authorize the payment of prisoners for their labor.

Proposed Section 577(g)(4):

The purchase and exchange of farm products and livestock.

This provision would authorize the Bureau to purchase and exchange farm products and livestock. Such authority will facilitate the efficiency of the farm programs operated as part of the federal prison system.

Proposed Section 577(h):

As used in this section the term "law enforcement" refers to the activities of the Federal Bureau of Investigation; the Drug Enforcement Administration; the Immigration and Naturalization Service; the Bureau of Prisons; and the United States Marshals Service; except that for the purposes of subsection (a)(4), "law enforcement" refers only to the activities, in the United States, of the Bureau of Prisons and, subject to the provisions of 8 U.S.C. 1252(c) and 18 U.S.C. 4003, of the Immigration and Naturalization Service.

The general authorities set forth in proposed section 577(a) contain various references to authorities that are available for a purpose related to law enforcement. Proposed section 577(h) defines these references to law enforcement as indicating that the authority applies to the activities of five specific bureaus of the Department of Justice. The construction authority conferred by proposed section 577(a)(4) is available, however, only for the Bureau of Prisons and the Immigration and Naturalization Service.

Proposed Section 578:

Authorizations and Exemptions Available for Undercover Investigative Operations

Proposed section 578 contains provisions which authorize the use of appropriated funds for the conduct of undercover investigative operations. In addition, if certain approval procedures are followed, the proposed section exempts such operations from federal acquisition, appropriations, property management and government corporation laws which would otherwise be applicable to a federal agency. These exemptions may be used if complying with those federal laws would risk compromise of the undercover nature of the investigation.

Proposed Section 578(a):

The authorizations and exemptions provided below may be utilized for undercover operations conducted by the following bureaus of the Department of Justice: the Federal Bureau of Investigation, the Drug Enforcement Administration, the Immigration and Naturalization Service and the United States Marshals Service. As used herein, the head of a bureau refers, respectively, to the Director of the Federal Bureau of Investigation, the Administrator of the Drug Enforcement Administration, the Commissioner of the Immigration and Naturalization Service and the Director of the United States Marshals Service.

This provision lists the law enforcement bureaus that may utilize the authorizations and exemptions available for undercover investigation operations.

Proposed Section 578(b):

(1) An exempt undercover operation refers to any operation designed and necessary to detect and prosecute crimes against the United States as to which the head of a bureau, or his designee, and the Attorney General, or his designee, have certified in writing that any action authorized by this section is necessary for the conduct of that undercover investigation; provided that as to undercover investigative operations of the Federal Bureau of Investigation any designee for the Director of the Federal Bureau of Investigation and any designee for the Attorney General shall be a member of the Undercover Operations Review Committee.

(2) An exempt undercover operation also refers to any operation of the Federal Bureau of Investigation designed and necessary to collect foreign intelligence or to conduct foreign counterintelligence, as to which the Director of the Federal Bureau of Investigation, or the Assistant Director of the Intelligence Division if so designated by the Director, and the Attorney General, or the Counsel for Intelligence Policy if so designated by the Attorney General, have certified in writing that any action authorized by this section is necessary for the conduct of that undercover investigation.

(3) The type of exemptions sought for each operation shall be specified on the certification and the use of the exemptions for each operation will be reviewed during the operation by the official designated by the head of the bureau pursuant to subsection (b) (1) or (2) of this section.

This provision establishes high level approval procedures to be followed within the Department of Justice in order for an available exemption to be applicable to a given criminal law enforcement or foreign counterintelligence undercover investigation operation.

Proposed Section 578(c):

(1) Appropriations may be used for purchasing or leasing property, buildings, facilities, space, goods, insurance, licenses and any equipment necessary to establish and/or operate an undercover operation. These acquisitions shall be made in accordance with prevailing commercial practices so long as such practices are consistent with the purposes of the undercover operation. Laws applicable to federal acquisitions, federal property management and federal appropriations shall not apply to any acquisition for an exempt undercover operation where compliance with such laws would risk compromise of the undercover nature of the investigation.

(2) Appropriations may be used to establish, acquire and/or operate proprietary corporations or business entities in accordance with prevailing commercial practices so long as such practices are consistent with the purposes of the undercover operation. Laws applicable to federal appropriations and government corporations shall not apply to any transaction for an exempt undercover operation where compliance with such laws would risk compromise of the undercover nature of the investigation.

(3) Appropriations and the proceeds from an exempt undercover operation may be deposited in banks or other financial institutions and may be used to offset necessary and reasonable expenses incurred in such operation without deposit in the Treasury; provided that, as soon as any such proceeds are no longer necessary for the conduct of such operation, such proceeds or the balance of such proceeds remaining at the time shall

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be deposited in the Treasury of the United States as miscellaneous receipts.

This provision contains the three basic types of authorizations and exemptions available for undercover operations. Such operations may conduct their business transactions in accord with prevailing commercial practices. The exemptions available through this provision allow the undercover operation to proceed with these transactions without complying with certain classes of federal laws which would be applicable to such transactions solely because a government agency rather than a private entity, was a party to the transaction. These exemptions may be used if complying with the law in question would risk disclosure of the fact that the supposed private person or entity conducting the operation is, in fact, a government agent or agency.

Exemptions may be obtained from federal acquisition laws, property management laws, appropriation laws, and laws relating to government corporations. These categories of federal law may be defined, and the need for exemptions illustrated, as follows:

Federal acquisition laws govern the acquisition by contract of supplies or services by purchase or lease using appropriated funds. These activities are principally governed by Title 41 of the United States Code. Requirements that may be incompatible with undercover operations include: the requirement to advertise proposed purchases and proposed contracts for supplies or services, 41 U.S.C. § 5. and the inclusion of certain contract provisions such as the Walsh-Healey Act representations and stipulations required by 41 U.S.C. § 35, the requirement to purchase blind-made products, 41 U.S.C. §§ 46–48C; the prohibition on advance payment to contractors, 41 U.S.C. § 255; and the requirements for full and open competition, 41 U.S.C. § 253.

Federal property management laws govern the control and use of Federal real and personal property. These activities are principally governed by Title 40 of the United States Code. Restrictions that may be incompatible with undercover operations include; limitations on the leasing of space in the District of Columbia, 40 U.S.C. § 34; restrictions on construction loans for office buildings by Government Corporations, 40 U.S.C. § 33a; limitation on a Government Corporation's leasing of buildings in addition to the limitation on rental rates, 40 U.S.C. § 129; and the prohibition against the inclusion, in any lease, of any provision regarding the repair of real property, 40 U.S.C. § 303b.

Federal appropriations laws refer to any act of Congress that permits Federal agencies to incur obligations and to make payments out of the Treasury for specified purposes. Fiscal transactions are principally governed by Title 31 of the United States Code. Restrictions that may be incompatible with undercover operations include: the proscription against the depositing of money in banks or lending money 31 U.S.C. § 3302(a); the requirement that all proceeds shall be deposited into the Treasury 31 U.S.C. § 3302(b); the requirement that contracts and leases must be reexecuted at the beginning of each fiscal year 32 U.S.C. § 1341; the prohibition against the acceptance of voluntary services 31 U.S.C. § 1342; the proscription against installing telephones in private residence 31 U.S.C. § 1348; and the requirement that agreements be in writing in order to record an amount as an obligation 31 U.S.C. § 1501.

Government corporation laws govern corporations that are owned by the Federal Government. While undercover proprietaries are not government corporations in the classical sense, they nonetheless may meet the definition set out in 31 U.S.C. § 9101(1). Government corporations are principally governed by Title 31 of the United States Code. Requirements pertaining to Government corporations that may be incompatible with undercover operations include; the requirement that each corporation established or acquired by an agency be specifically authorized by Congress 31 U.S.C. § 9102; the requirement for budget submission 31 U.S.C. § 9103; and the limitation on the obligations that may be issued by a Government corporation, 31 U.S.C. § 9108.

Proposed Section 578(d):

If a corporation or business entity established or acquired as part of an undercover operation under subparagraph (2) of paragraph (c) with a net value of over $150,000 is to be liquidated, sold, or otherwise disposed of, the head of the bureau, as much in advance as he or his designee determines is practicable, shall report the circumstances to the Attorney General. The proceeds of the liquidation, sale, or other disposition, after obligations are met, shall be deposited in the Treasury of the United States as miscellaneous receipts.

This provision allows for the orderly liquidation of corporations or business entities valued in excess of $150,000, which have been acquired during an undercover operations. Any excess proceeds, after meeting obligations, are to be deposited in the Treasury as miscellaneous receipts.

Proposed Section 578(e):

(1) The Attorney General shall direct and supervise a detailed financial audit of each undercover investigative operation which is closed in fiscal year 1987, and each fiscal year thereafter, and shall, not later than 180 days after such undercover operation is closed, submit a report to the Congress concerning such audit.

(2) For purposes of these audit and reporting requirements: (A) the term "closed" refers to the point in time at which—

(i) all criminal proceedings (other than appeals) are concluded, or

(ii) covert activities are concluded, whichever occurs later;

(B) the terms 'undercover investigative operation' and 'undercover operation' means any undercover investigative operation of a bureau (other than a foreign counterintelligence undercover investigative operation)—

(i) in which—

(a) the gross receipts (excluding interest earned) exceed $150,000, or

(b) expenditures (other than expenditures for salaries of employees) exceed $150,000, and

(ii) which is exempt from laws applicable to federal appropriations and government corporations.

If an undercover investigative operation has made use of exemptions from federal appropriations laws and from laws regarding government corporations and has had receipts or expenditures in excess of $150,000 the Attorney General must direct and supervise an audit of the undercover operation once it has been closed. The results of the audit must be transmitted to Congress within 180 days after the undercover operation was closed. This audit requirement does not apply to foreign counterintelligence undercover operations.

Proposed Section 578(f)

(f) The Commissioner of the Immigration and Naturalization Service, or his designee, and the Director of the United States Marshals Service, or his designee, shall include in the certification required by subsection (b)(1) of this section: the expected time period for utilizing the exemptions, the expected resources to be committed, a description of the circumstances for using the exemptions, and a specification of the scope of the effort.

This provision provides that additional information shall be provided by the Immigration and Naturalization Service and the United States Marshals Service when either bureau certifies to the Attorney General that the action is necessary for the conduct of an undercover investigation. In addition to specifying the type of exemptions sought, the Commissioner of the Immigration and Naturalization Service or his designee and the Director of the United States Marshals Service shall include in the certification the expected time period for utilizing the exemptions, the expected resources to be committed, a description of the circumstances for using the exemptions, and a specification of the scope of the effort.

(Additional Authorizations)

Proposed bill section 3(b):

The Attorney General or his designee is authorized to use Department of Justice appropriations to make payments for assistance to individuals under section 501(c) of the Refugee Education Assistance Act of 1980 (P.L. 96–422) without regard to section 501(e)(2)(B) of the Act, which prohibits such assistance to individuals with respect to whom a final, nonappealable, and legally enforceable order of deportation or exclusion has been entered. Such payments may include grants which shall be administered by the Community Relations Service.

Title V of the Refugee Education Assistant Act of 1980 (P.L. 96–422) was enacted primarily to provide federal reimbursement for State and local government expenditures for Cuban and Haitian entrants. However, because of the way section 501(e) of the Act defines Cuban and Haitian entrants, funds provided for this program cannot be applied to Cuban and Haitian entrants who are under "final, nonappealable, and legally enforceable orders of deportation or exclusion." When Cuba refused to accept these individuals, this provision became necessary in order to overcome the restricting clause so benefits could be provided to these entrants. An agreement has been negotiated between the United States and Cuba which provides for repatriation of 2,746 Mariel Cubans. It is anticipated that this repatriation will ultimately have an effect on Community Relations Service activities; however, currently repatriation activities have ceased and therefore, it is not possible to predict when or to what extent, the reception, processing and care of Cubans and Haitians program will be effected.

Proposed bill section 3(c):

Section 4082(c) of Title 18, United States Code, (62 Stat. 850) is amended by striking the final words "as miscellaneous receipts" and inserting therefore the following:

"To the credit of the appropriation available for such costs at the time such collections are made."

This provision will allow the Bureau of Prisons to retain payments received from prisoners who are working in the community. Such payments may be collected under regulations issued by the Attorney General. The effect of this provision will be separately achieved when the new section 3622 of

Title 18, United States Code, becomes effective, That section was scheduled to become effective on November 1, 1986 but in Public Law 99-217 Congress extended the effective date by an additional twelve months.

Proposed bill section 3(d):

Section 6 of the Act of July 28, 1950 (64 Stat. 380), 8 U.S.C. 1555, is hereby repealed.

The provision will repeal the current authorization set out in Title 8 for the Immigration and Naturalization Service. These same authorizations will be available to the Service under 28 U.S.C. 577 as proposed above.

Proposed bill section 39(e):

Section 4043 of Title 18, United States Code (96 Stat. 1059), and section 871(c) of Title 21, United States Code (84 Stat. 1270), are hereby repealed.

This provision repeals specific gift acceptance authorizations for the Bureau of Prisons and the Drug Enforcement Administration. The Attorney General will be able to accept gifts for the benefit of any component of the Department under 28 U.S.C. 577(c) as proposed above.

Proposed bill section 4(a):

Section 1501 of Title 11, United States Code (92 Stat. 2652), and Section 581(a) of Title 28, United States Code (92 Stat. 2662), are amended, effective October 1, 1986, by adding the following two subsections:

"(11) Eastern District of Michigan.

"(12) Northern District of Ohio."

This provision will allow the appointment and functioning of a United States Trustee in each of two additional judicial districts.

Proposed bill section 4(b):

Section 408 of the Act of November 6, 1978 (Public Law 95-598, 92 Stat. 2549, 2886-87) is hereby repealed.

This provision will repeal the sunset provision which would otherwise terminate the United States Trustee program as of September 30, 1986.

Proposed bill section 5:

Chapter 303 of Title 18, United States Code, is amended by inserting after section 4043 the following new section "§ 4044. Authority to Conduct Autopsies.

"A chief executive officer of a federal penal or correctional facility may, pursuant to rules and regulations of the Director, order an autopsy and related scientific or medical tests to be performed on the body of a deceased inmate of the facility in the event of homicide, suicide, fatal illness or accident, or unexplained death when it is determined that such autopsy or test is necessary to detect a crime, maintain discipline, protect the health or safety of other inmates, remedy official misconduct, or defend the United States or its employees from civil liability arising from the administration of the facility. To the extent consistent with the needs of the autopsy or of specific scientific or medical tests, provisions of local law protecting religious beliefs with respect to such autopsies shall be observed. Such officer may also order an autopsy or other postmortem operation, including removal of tissue for transplanting, to be performed on the body of a deceased inmate of the facility, with the written consent of a person authorized to permit such an autopsy or postmortem operation under the law of the State in which the facility is located."

This provision would give the Bureau of Prisons authority to conduct autopsies in appropriate circumstances. Such authority is needed because of jurisdictional and practical difficulties that arise when state officers are asked to conduct autopsies within the federal enclave of a United States prison.

Proposed bill section 6:

Chapter 307 of Title 18, United States Code, is amended as follows:

(a) the first paragraph of section 4121 is deleted and a new first paragraph is inserted as follows:

"'Federal Prison Industries', a government corporation of the District of Columbia, shall be administered by a board of six directors, appointed by the President to serve at the will of the President. Members of the board who are not employees of the Federal Government or the District of Columbia shall be paid for their services at the daily equivalent of the rate prescribed for GS 18 of the General Schedule in section 5332 of Title 5, United States Code."

(b) following section 4128 a new section is inserted as follows:

"§ 4129. General authorization—Federal Prison Industries, Inc.

"Federal Prison Industries, Incorporated, is authorized to make such expenditures and to make such contracts and commitments, without regard to fiscal year limitations, as may be necessary in carrying out the program set forth in the budget for the current fiscal year for such corporation, including purchase and hire of passenger motor vehicles.

Chapter 307 of Title 18, United States Code, contains various sections dealing with the Federal Prison Industries, (FPI), Inc. FPI was created by Congress in 1934 and is a wholly-owned Government corporation. Its mission is to employ and train Federal inmates through a diversified program providing products with a minimum of competition to private industry and labor. Employment provides inmates with work, develops occupational knowledge and skills, and earns money for personal expenses and family assistance.

Proposed section 6 first amends section 4121 so as to authorize compensation for service as a member of the Board of Directors of FPI. The proposed section then enacts a new section 4129 which will provide FPI with appropriate authorizations for the conduct of its activities.

Proposed bill section 7:

Section 4204(b) of Title 18, pertaining to the United States Parole Commission, is amended by adding at the end thereof the following new subsection:

"(a) the lease or purchase of passenger motor vehicles."

The lease or purchase of passenger motor vehicles is generally prohibited by 31 U.S.C. 1343 unless specifically authorized by statute. Passenger vehicles are needed by the Parole Commission for transporting hearing examiners to hearing locations. This provision would give the Commission the necessary authority for acquiring passenger motor vehicles.

Proposed bill section 8:

Chapter 401 of Title 18, United States Code, is amended by deleting subsection (a) of section 5003 and inserting the following:

"(a) The Director of the Bureau of Prisons when proper and adequate facilities and personnel are available, is hereby authorized to contract with proper officials of a State, or Territory, or Indian Tribe, for the custody, care, subsistence, education, treatment, and training or persons convicted of criminal offenses in the courts of such State, Territory or Tribe: Provided, That any such contract shall provide for reimbursing the United States in full for all costs or other expenses involved; except that, where reimbursement from a State is not legally available, the contract shall provide for receiving in exchange persons convicted of criminal offenses in the courts of the United States, to serve their sentence in appropriate institutions or facilities of the State or Territory by designation as provided in Section 4082(b) of this Title, this exchange to be made according to formulas or conditions which may be negotiated in the contract."

This provision amends the section in Title 18, United States Code, which deals with the authority of the Bureau of Prisons to contract to accept state prisoners into federal custody. The principal changes which will result are: (1) that such contracts may now be made with territories and Indian tribes; and (2) that such contracts may now include inmates exchanges as part of the consideration in negotiating a custody contract.

Proposed bill section 9:

Section 263 of title 22, United States Code, is amended by inserting the following at the end thereof:

"The Attorney General on his designee is also authorized to make payments from Department of Justice appropriations for expenses necessary to host, at intervals of ten years or longer, the annual meeting of the General Assembly of INTERPOL and to periodically sponsor INTERPOL conferences on topics of international crime."

The additional legislative authority being proposed is extremely important to INTERPOL-USNCB. Currently, the United States, through the INTER-USNCB, is exerting a greater leadership role in the international organization. In this regard, the INTERPOL-USNCB, with substantial member country support, has successfully initiated an ongoing fiscal audit and review of the INTERPOL General Secretariat and plans are currently being made to implement a similar management review of the General Secretariat.

Additionally, during the recent meeting of the General Assembly, the United States achieved the support of the majority of the INTERPOL member countries in passing specific resolutions relating to international crime. The increasing leadership role of the United States in the international organization also is reflected by this country's successful efforts to seek and win the Presidency of INTERPOL in 1984. As United States involvement continues to expand, it is important that a highly credible United States image is maintained and that INTERPOL member countries perceive that the United States is assuming a greater participatory role in the organization.

One way to accomplish this objective is for the INTERPOL-USNCB to host the annual meeting of the INTERPOL General Assembly at intervals of approximately ten years or more. The proposed legislative language would clarify the USNCB's role in hosting such annual meetings and other conferences.

Proposed bill section 10:

Section 1622d of Title 22, United States Code, pertaining to the Foreign Claims Settlement Commission, is amended by adding at the end thereof the following new paragraph.

"The Commission is authorized to hire passenger motor vehicles, for field use only, and to purchase insurance for official motor vehicles used abroad. The Commission may advance funds abroad and may advance funds to other government departments or

agencies in connection with reimbursable agreements. The Commission is also authorized to employ aliens abroad and, with the approval of the Secretary of State, to acquire necessary office space and living quarters abroad and to maintain, repair, furnish and provide utilities for such properties.

This provision gives additional permanent spending authorizations to the Foreign Claims Settlement Commission. All of these authorizations have been available to Commission under language contained in the Department of Justice Appropriation Act for the 1986 fiscal year.

TITLE III—UNITED STATES MARSHALS SERVICE

The United States Marshals Service Act of 1985 has been introduced during the 99th Congress in both the House of Representatives (H.R. 4001) and the Senate (S. 2044). That bill, with certain editorial changes, has been integrated into the Department's Authorization bill as Part III.

Proposed section 11(a):

Chapter 37 of Title 28, United States Code, is amended such that sections 561, 562, 564, 565 and 566, shall read as follows:

This section of the Marshals Service Act enacts five new or replacement sections within Chapter 37 of Title 28, United States Code. These sections establish the United States Marshals Service (§ 561); provide for filing vacancies (§ 564); reaffirm a Marshal's power as a sheriff (§ 564); authorize the payment of necessary expenses (§ 565); and define the powers and duties of the Marshals Service (§ 566).

Proposed section 561: United States Marshals Service

(a) There is hereby established a United States Marshals Service as a bureau within the Department of Justice under the authority and direction of the Attorney General. The United States Marshals Service (hereinafter referred to in this chapter as the "Service") shall be headed by a Director appointed by the Attorney General.

(b) The Director of the United States Marshals Service (hereinafter referred to in this chapter as the "Director") shall exercise the power and duties set out in this chapter and as may be vested in the Director pursuant to statute or delegation from the Attorney General.

(c) The President shall appoint, by and with the advice and consent of the Senate, a United States Marshal for each judicial district of the United States, except that any Marshal appointed for the Northern Mariana Islands may at the same time serve as Marshal in another district. Each United States Marshal shall be an official of the Service and shall serve under the direction and subject to the coordination of the Director.

(d) Each Marshal shall be appointed for a term of four years. On expiration of his term, unless he shall resign or be removed by the President, a Marshal shall continue to perform the duties of this office until his successor is appointed and qualified or until a person is designated to act as Marshal in accordance with Section 562.

(e) The Director shall designate places within a judicial district for the official station and offices of each Marshal. Each Marshal shall reside within the district for which he was appointed except that—

(1) the Marshals for the District of Columbia and for the Southern District of New York may reside within 20 miles thereof; and

(2) any Marshal appointed for the Northern Mariana Islands who at the same time is serving in the same capacity in another district may reside in such other district.

(f) The Director is authorized to select, appoint, employ, and fix compensation for Deputy Marshals and such officials and employees as shall be necessary to carry out the powers and duties of the Service and may designate such Deputy Marshals as law enforcement officers, in accordance with the policies and procedures he shall establish. Deputy Marshals, officials, and employees are subject to disciplinary action, including removal, by the Director.

(g) The Director shall supervise and direct the United States Marshals Service in the performance of its duties, including criminal investigations, and in accounting for public moneys. Each official of the Service shall report any official proceedings, receipts, and disbursements and the condition of the office under the purview of such official as the Director requires.

(h) The Director may delegate to any other official of the Service the authority to carry out any function of the Director.

(i) There is authorized to be appropriated such sums as are necessary to exercise the powers and duties of the United States Marshals Service.

Proposed section 561 establishes the United States Marshals Service as a bureau within the Department of Justice under the authority and direction of the Attorney General. It provides for a Director appointed by the Attorney General and establishes the administrative and management authority necessary for the efficient and effective operation of the Service.

This section also includes the currently existing provision for the appointment by the President, by and with the advice and consent of the Senate, of United States Marshals for each judicial district of the United States, except for the Northern Mariana Islands wherein the Marshal may at the same time serve as Marshal in another district. Marshals are appointed to 4-year terms.

Administrative authorities contained in the amended section 561 relate to the selection and appointment of law enforcement and staff support personnel in accordance with applicable Federal Personnel regulations, and to the supervisory authority of the Director. This section also provides for the accounting of funds collected by the Marshals, and for the appropriation of such sums as may be necessary to exercise the powers and duties of the U.S. Marshals Service.

Proposed Section 562: Vacancies

(a) In the case of a vacancy in the office of United States Marshal, the Attorney General may designate a person to perform the functions and act as Marshal. The Attorney General shall not designate to act as Marshal a person whose appointment by the President to that office the Senate has refused to give its advice and consent.

(b) Such person designated by the Attorney General may service until the earliest of the following events:

(1) the entry into office a United States Marshal appointed by the President, pursuant to Article II, Section 2 of the Constitution;

(2) the expiration of the thirtieth day following the end of the next session of the Senate; or

(3) if such designee of the Attorney General is appointed by the President pursuant to section 561(c), said designee may service until the expiration of the thirtieth day following the refusal of the Senate to give its advice and consent to the appointment by the President.

Proposed section 562 provides for the appointment of an acting Marshal by the Attorney General in the case of a vacancy in such office. It also assures the temporary nature of such interim appointment by prohibiting the designation of any person whose appointment by the President to that office has been rejected by the Senate and by providing for the automatic termination of such interm appointments under specified circumstances.

Proposed Section 564: Power as Sheriff

An official of the Service, in executing the laws of the United States within a State, may exercise the same powers which a sheriff of the State may exercise in executing the laws thereof.

Proposed section 564 restates the historic authority of United States Marshals, in executing the laws of the United States, to exercise the same powers as a sheriff of a State. The only change modifies the language to clarify that such authority is also shared by other law enforcement officials of the United States Marshals Service.

Proposed Section 565: Expenses of United States Marshals Service

The Service is authorized to—

(a) establish procedures and to pay for:

(1) the actual and necessary expenses associated with the offices established under section 561;

(2) the expense of transporting prisoners, including the transportation between the United States and foreign countries of persons charged with crime, and including the cost of necessary guards and the travel and subsistence expenses of prisoners and guards;

(3) the lease, acquisition, maintenance, and operation of aircraft and the lease and acquisition of law enforcement and passenger motor vehicles without regard to the general purchase price limitation for any current fiscal year and including the operation and maintenance for official use of vehicles seized and forfeited to the U.S. Government;

(4) the purchase of firearms and ammunition and attendance at firearms matches and law enforcement competitions;

(5) supervision of United States prisoners in non-federal institutions;

(6) payment of rewards and the purchase of evidence and payments for information;

(7) other necessary expenditures as required by law; and

(b) enter into contracts and cooperative agreements, as authorized by the Attorney General, including contacts for personal guard and other personal services, and may utilize such contracts for the service of government process in lieu of service by U.S. Marshals of deputy Marshals.

Proposed section 565 consolidates into one section an enumeration of the various activities for which the Service is authorized to expend funds. These include the "actual and necessary" expenses associated with the operation of the Marshals Service offices in all Federal judicial districts; the expense of transporting prisoners; and acquisition, maintenance and operation of law enforcement of vehicles and aircraft; expenses relating to the supervision of Federal prisoners in non-federal institution; expenditures for firearms, ammunition and activities associated with the development of expertise in their use; and the payment of rewards and for information pertaining to authorized investigative activities. This section also permits the Service to enter into contracts and cooperative agreements, as authorized by the Attorney General, for the hiring of security guards and for the service of civil process.

Proposed Section 566: Powers and duties

(a) The United States Marshals Service is authorized to provide for the safety and security of the Federal courts of the United States and provide other assistance in accordance with the policies established by the Attorney General.

(b) Except as otherwise provided by law or the Federal Rules of Procedure, the United States Marshals Service shall execute all lawful writs, process and orders issued under the judicial authority of the United States, in accordance with the policies established by the Attorney General, and shall command all necessary assistance to execute its duties.

(c) The Director, United States Marshals, and other law enforcement officers of the United States Marshals Service may carry firearms and may make arrests without warrant for any offense against the United States committed in their presence, or for any felony cognizable under the laws of the United States if they have reasonable grounds to believe that the person to be arrested has committed or is committing such felony.

(d) The United States Marshals Service is authorized to investigate fugitive matters, both domestic and foreign, as directed by the Attorney General."

Proposed Section 566 specifies the duties of the Service with respect to the protection of the Federal courts and the execution of writs and process in accordance with policies established by the Attorney General. It also explicitly continues the authority currently provided by statute or delegation from the Attorney General to conduct investigations relating to the apprehension of fugitives, to carry firearms, and to make arrests.

Proposed Bill Section 11(b)

Chapter 37 of Title 28, United States Code, is further amended—

(a) by repealing section 567, 568, 569, and 570;

(b) by renumbering sections 571, 572, 573, 574, 575, and 576 to read 567, 568, 569, 570, 571, and 572, respectively; and

(c) by adding the following new sections:

This section of the Marshals Service Act repeals four existing sections in Title 28 whose provisions are incorporated, in whole or in part, in the previously amended sections enacted by Section 11(a) of the bill.

This section also renumbers certain of the sections in chapter 37 of Title 28. Finally this section adds a new section to Chapter 37 to Title 28.

Proposed Section 573

Authorization for Certain Witness Security Expenses:

The expenses incurred for the use of facilities in the protection of witnesses, and planning, acquisition, construction, renovation, maintenance, remodeling, and repair of buildings and the purchase of equipment incident thereto for protected witness safesites shall be paid from appropriations available to the Marshals Service.

Section 573 authorizes the expenditures of funds from appropriations available to the Marshals Service for facilities required in the protection of witnesses.

Proposed Bill Section 11 (c)

Chapter 123 of Title 28, United States Code, is amended such that section 1921 shall read as follows:

This section of the Marshals Service Act amends the provision in Title 28 which authorizes the Marshals Service to collect fees to defray the costs of providing services to private litigants in federal cases.

Proposed Section 1921 United States Marshals' fees

(a) (1) The United States Marshals or Deputies shall routinely collect, and a court may tax as costs, fees for the following:

(A) serving a writ of possession, partition, execution, attachment in rem, or libel in admiralty, warrant, attachment, summons, complaints, or any other writ, order or process in any case or proceedings;

(B) serving a subpoena or summons for a witness or appraiser;

(C) forwarding any writ, order, or process to another judicial district for service;

(D) the preparation of any notice of sale, proclamation in admiralty, or other public notice or bill of sale;

(E) the keeping of attachment property (including boats, vessels, or other property attached or libeled), actual expenses incurred, such as storage, moving, boat hire, or thier special transportation, watchmen's or keepers' fees, insurance, and an hourly rate including overtime for each Deputy Marshal required for special services, such as guarding, inventorying, and moving;

(F) copies of writs or other papers furnished at the request of any party;

(G) necessary travel in serving or endeavoring to serve any process, writ, or order, except in the District of Columbia, with mileage to be computed from the place where service is returnable to the place of service or endeavor; and

(H) ovetime expenses incurred by Deputy Marshals in the course of serving or executing civil process.

(2) The Marshals shall collect, in advance, a deposit to cover the initial expenses for special services required under subparagraph (e), and periodically thereafter such amounts as may be necessary to pay such expenses until the litigation is concluded. This paragraph applies to all private litigants, including seamen proceeding pursuant to section 1916 of ths title.

(3) For purposes of subparagraph (G), if two or more services or endeavors, or if any endeavor and a service, are made in behalf of the same party in the same case on the same trip, mileage shall be computed to the place of servcie or endeavor which is most remote from the place where service is returnable, adding thereto any additional mileage traveled in serving or endeavoring to serve in behalf of that party. If two or more writs of any kind, required to be served in behalf of the same party on the same person in the same case or proceeding, may be served at the same time, mileage for only one such write shall be collected.

(b) The Attorney General shall from time to time prescribe by regulation the fees to be taxed and collected under subsection (a). Such fees shall to the extent practicable, reflect the actual and reasonable cost of the service provided.

(c)(1) The United States Marshals Service shall collect a commission of 3 per centum of the first $1,000 collected and 1½ per centum on the excess of any sum over $1,000, for seizing or levying on property (including seizures in admiralty), disposing of such property by sale, setoff, or otherwise, and receiving and paying over money, except that the amount of the commission shall be within the range set by the Attorney General. If the property is not disposed of by Marshal's sale, the commission shall be in such amount, within the range set by the Attorney General, as may be allowed by the court. In any case in which the vessel or other property is sold by a public auctioneer, or by some party other than the Marshal or his Deputy, the commission authorized under this subsection shall be reduced by the amount paid to such auctioneer or other part. This subsection applies to judicially ordered sales and execution sales, without regard to whether the judicial order of sale constitutes a seizure or levy within the meaning of State law.

(2) The Attorney General shall prescribe from time to time regulations which establish a minimum and maximum amount for the commission collected under paragraph (1).

(d) The United States Marshals may require a deposit to cover any of the fees and expenses prescribed under this section.

(e) Without regard to the provision of 31 U.S.C. § 3302, the United States Marshals Service is authorized to credit amounts from fees and expenses collected (including amounts for overtime expenses) for the service of civil process, including complaints, summons, subpoenas, and similar process and seizures, levies, and sales performed by other marshals to its current appropriation account (Salaries and Expenses, United States Marshals) for the purpose, only, of carrying out those activities.

Proposed section 1921 allows the Attorney General to set fees collected from non-federal entities by United States Marshals in civil and criminal matters at levels reflecting the actual cost of the service provided. It also permits the Service to credit such fees collected to its curent appropriation and use such funds to defray oprating expenses for these activities. Under current law such fees are set at an artificially low level, well below the actual cost to the government, thus subsidizing at taxpayers' expense the service of non-federal government process.

Proposed Bill Section 11(d)

Chapter 301 of Title 18, United States Code, is amended to add the following new section:

This section of the Marshals Service Act originally authorized certain payments to be made from Marshals Service Appropriations. Since introduction of the Marshals Service Act, the President's Budget has maintained a separate appropriation for the Support of United States Prisoners rather than implementing a planned merger of this appropriation into the general appropriation for the Marshals Service. As a consequence, the language of the originally submitted Marshals Service Act has been changed to reflect the continued separate status for the Support of United States Prisoners appropriation.

Proposed Section 4002A

Support of United States Prisoners in non-Federal Institutions

The Attorney General or his designee is authorized to make payments from appropriations available for the support of United States Prisoners in non-Federal Institutions for:

(1) necessary clothing;

(2) medical aid and necessary guard hire;

(3) payment of rewards for assistance in the capture or information leading to the capture of a federal fugitive; and

(4) entering into contracts or cooperative agreements with any State, territory, or political subdivision thereof, for the necessary construction, physical renovation, acquisi-

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tion of equipments, supplies, or materials required to establish acceptable conditions of confinement and detention services in any state or local government which agrees to provide guaranteed bed space for federal regulations issued by the Attorney General and which are comparable to the regulations issued under 18 U.S.C. §4006, except that amounts made available for this purpose shall not exceed the average per-inmate-cost of constructing similar confinement facilities for the federal prison population; and, provided further that the availability of such federally assisted facility shall be assured for housing federal prisoners and the per diem rate charged for housing such federal prisoners shall not exceed allowable costs or other conditions specified in the contract or cooperative agreement.

Proposed Section 4002A authorizes payment from appropriated funds for the necessary clothing and medical care for federal prisoners in non-federal institutions and for the payment of rewards in connection with the capture of federal fugitives. It also provides and codifies the authority for the Cooperative Agreement Program under which the Marshals Service provides funds for state and local jail construction or modernization in exchange for the housing of federal prisoners.

TITLE IV—PROGRAM REDUCTIONS AND TERMINATIONS

The following provisions effectuate program reductions and terminations mandated by the President's 1987 Budget. These provisions are consistent with the need to reduce federal spending and limit expenditures of the Department to core functions.

Proposed Bill Section 12(a)

Section 1402(c)(1) of the Comprehensive Crime Control Act of 1984 (P.L. 98-473, 98 Stat. 2171), 42 U.S.C. 10601(c)(1), is amended by deleting the period at the end thereof and adding the following:

"; except that excess funds shall be deposited in the general fund of the Treasury if in fiscal year 1986 the fund reaches the sum of $64.9 million or if in fiscal year 1987 or 1988 the Fund reaches the sum of $35 million.

This provision would reduce the amount available to the Crime Victims Fund from collected fines. At present $100 million of collected fines is available to the Fund each year and any funds collected in excess of that amount are to be deposited in the general fund of the Treasury. The proposed amendment would reduce the amount available to the Fund to $64.9 million in fiscal year 1986 and $35 million in fiscal years 1987 and 1988. The present statute provides that no amounts will be deposited in the Fund after September 30, 1988.

Proposed Bill Section 12(b)

Section 517(b) of the Comprehensive Crime Control Act of 1984 (P.L. 98-473, 98 Stat 2075), 21 U.S.C. 873(d), is hereby repealed.

This provision would repeal the Attorney General's authority to make grants to state and local governments to assist in suppressing the diversion of controlled substances from legitimate medical, scientific and commercial use. This program has never been funded by Congress.

Proposed Bill Section 12(c)

Section 609 of the Comprehensive Crime Control Act of 1984 (P.L. 98-473, 98 Stat 2088-90), 42 U.S.C. 3769 thru 3769d, is hereby repealed.

This provision would repeal the authority of the Director of the Bureau of Justice Assistance to make grants to state and local governments to assist in the construction of correctional facilities. No monies have ever been appropriated for this program.

Proposed Bill Section 12(d)

Part A, Sections 204-206, Part B, sections 221-229, and Part C. sections 241-249, of the Juvenile Justice and Delinquency Prevention Act of 1974 (P.L. 93-415, 88 Stat. 1109), as amended by the Comprehensive Crime Control Act of 1984 (P.L. 98-473, 98 Stat. 2108), 42 U.S.C. 5611, are hereby repealed.

This provision would repeal the authority of the Administrator of the Office of Juvenile Justice and Delinquency Prevention to make grants to state and local governments for juvenile justice programs.

Proposed Bill Section 12(e)

The following sections of the Omnibus Crime Control and Safe Streets Act of 1968 (P.L. 90-351), as amended or added by the Comprehensive Crime Control Act of 1984 (P.L. 98-473, 98 Stat. 2080-2087), are hereby repealed: Sections 402(1), (2) and (4); sections 403 through 408 and sections 501 through 506 (42 U.S.C. 3742(1), (2) and (4); 42 U.S.C. 2743-3748; and 42 U.S.C. 3761-3766)

This provision would repeal the authority of the Director of the Bureau of Justice Assistance to make grants to State and local governments for certain programs to improve the functioning of the criminal justice system.

TITLE V—TABLES OF CHAPTERS AND SECTIONS

The provisions in this part of the bill correct tables of chapters and sections within the United States Code to conform to amendments effected earlier in the bill.

Proposed Bill Section 13

The table of sections for chapter 301 of Title 18, United States Code, is amended by inserting after the item relating to section 4002 the following new item:

"4002A. Support for United States prisoners in non-Federal institutions."

This provision should be enacted if proposed bill section 11(d) is enacted.

Proposed Bill Section 14

The table of sections for chapter 303 of Title 18, United States Code, is amended by deleting the item relating to section 4043 and inserting the following new items:

"4043. Repealed."
"4044. Authority to conduct autopsies."

This provision should be enacted if proposed bill sections 3(e) and 5 are enacted.

Proposed Bill Section 15

The table of sections for chapter 307 of Title 18, United States Code, is amended by inserting after the item relating to section 4128 the following new item:

"4219. General Authorizations—Federal Prison Industries, Inc."

This provision should be enacted if proposed bill section 6(b) is enacted.

Proposed Bill Section 16

The table of chapters for part II of Title 28, United States Code, is amended by changing the item related to chapter 37 to read:

"37. United States Marshals Service .. 561"

and by inserting after the item relating to chapter 37 the following new item:

"38. General Authorizations................ 577"

This provision should be enacted if proposed bill sections 3(a) read 11(a) the enacted.

Proposed Bill Section 17

The table of sections for chapter 37 of Title 28, United States Code, shall read as follows:

"561. United States Marshals Service."
"562. Vacancies."
"563. Oath of Office."
"564. Powers as Sheriff."
"565. Expenses of United States Marshals Service."
"567. Disbursements of salaries and moneys."
"568. Collection of fees, accounting."
"569. Delivery of prisoners to successor."
"570. Delivery of unserved process to successor."
"571. Practice of law prohibited."
"572. Reemployment rights."
"573. Authorization for Certain Witness Security Expenses."

This provision should be enacted if proposed bill sections 11(a) and 11(b) are enacted.

Proposed Bill Section 18

The table of sections for Chapter 38 of Title 28 United States Code, shall read as follows:

"577. General authorizations."
"578. Authorizations and exemptions available for undercover investigative operations."

This provision should be enacted if proposed bill section 3(a) is enacted.

By Mr. HEINZ:

S. 2377. A bill to make a technical modification in the Excellence in Education Act; to the Committee on Labor and Human Resources.

EXCELLENCE IN EDUCATION MODIFICATION

● Mr. HEINZ. Mr. President, today I am submitting a technical modification to the Excellence in Education Act, title VI of the Education for Economic Security Act. This program has thus far stimulated nearly 1,000 applications for funding, despite the Department of Education's unwillingness to spend money appropriated by the Congress to carry out the act.

The sum of $7.5 million has been appropriated, $5 million in fiscal year 1985 and $2.5 million in fiscal year 1986. The reason for the low appropriation in fiscal year 1986 was the continuing carryover of $5 million from the prior year. These appropriations were to be combined and the President's budget listed the full amount of $7.5 million as fiscal year 1986 moneys. The Department of Education, however, has indicated to me that they will only spend $5 million, left over from 2 years ago, on the program this year. The $2.5 million in fiscal year 1986 money remains in limbo.

The purpose of the act is to promote educational improvement by upgrading school curriculums through a renewed focus on basic education and basic skills. In addition, the measure provides incentives for outstanding teacher performance as well as encouraging private-sector involvement in educational excellence.

Under the authorizing statute $3 million is to go for projects which are jointly funded by business and local school districts in order to encourage the private sector in the upgrading of education. The Department has determined that it will spend down the money appropriated by Congress over the next 2 years, and thus the $3 million set-aside will take up virtually all of the money available in direct contradiction to the will of the Congress.

Because the Department of Education is determined in its opposition to a well-meaning set-aside provision, my modification will allow the set-aside for business-secured projects to take effect only when appropriations are at least $15 million for a fiscal year. It is important that we modify the act in this way, and I hope that Congress will act quickly on behalf of the technical correction.●

By Mr. LUGAR (by request):

S. 2378. A bill to authorize supplemental economic and military assistance for the Philippines, and for other purposes; to the Committee on Foreign Relations.

PHILIPPINES ASSISTANCE ACT

● Mr. LUGAR. Mr. President, by request, I introduce for appropriate reference a bill to authorize supplemental economic and military assistance for the Philippines, and for other purposes.

This proposed legislation has been requested by the President and I am introducing it in order that there may be a specific bill to which Members of the Senate and the public may direct their attention and comments.

I reserve my right to support or oppose this bill, as well as any suggested amendments to it, when the matter is considered by the Committee on Foreign Relations.

I ask unanimous consent that the bill be printed in the Record at this point, together with a section-by-section analysis of the bill and the message from the President to the Congress dated April 25, 1986.

There being no objection, the material was ordered to be printed in the Record, as follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SHORT TITLE

Section 1. This Act may be cited as the "Philippines Assistance Act of 1986".

ECONOMIC AND MILITARY ASSISTANCE

Sec. 2. (a) The Congress recognizes that the restoration of democracy through the inauguration of President Corazon Aquino provides the Philippines with an opportunity to rebuild the social and economic institutions necessary to achieve growth, prosperity and stability for the benefit of the people of the Philippines and the countries of the entire region. The Congress also recognizes that the economic and security issues confronting the Philippines make the task of achieving these objectives extremely difficult, depending in significant measure on the ability of the Government of the Philippines to undertake significant economic and military reforms, and the willingness of the United States and other supporters of democracy to assist the Government in those efforts.

(b) Accordingly, there are authorized to be appropriated to the President, in addition to amounts otherwise authorized to be appropriated for such purposes, for the fiscal year 1986—

(1) $100,000,000 to carry out the provisions of chapter 4 of part II of the Foreign Assistance Act of 1961, to be made available for the Philippines; and

(2) $50,000,000 to carry out the provisions of chapter 2 of part II of the Foreign Assistance Act of 1961, to be made available for the Philippines.

(c) Amounts appropriated under paragraph (1) are authorized to remain available until expended.

REPEAL

Sec. 3. Section 901 of the International Security and Development Cooperation Act of 1985 is repealed.

To the Congress of the United States:

I hereby transmit for the consideration of the Congress proposed legislation, entitled "Philippines Assistance Act of 1986," which authorizes supplemental economic and military assistance for the Philippines.

The bill authorizes a total of $150 million in supplemental assistance for the Philippines, of which $100 million is to be used for Economic Support Fund activities and $50 million is to be used for the Military Assistance Program. A supplemental appropriation request for fiscal year 1988 is concurrently being transmitted to the Congress.

Through the inauguration of President Aquino, the Philippines has been offered an historic opportunity to effect significant structural and institutional reforms that will bring the benefits of peace and prosperity to all of its citizens. The special relationship that the people of the United States share with the people of the Philippines strongly warrants our renewed commitment in support of these efforts. I urge the Congress to act without delay on this legislation.

Ronald Reagan.
The White House, *April 25, 1986.*

Section-by-Section Analysis

Section 1 states that the Act may be cited as the Philippines Assistance Act of 1986.

Section 2 recognizes that, through the inauguration of President Aquino, the Philippines has an opportunity to rebuild the social and economic institutions necessary for growth and prosperity. To assist the Philippines in this effort, as well as to help the Philippines address security needs, $100 million in additional Economic Support Fund assistance and $50 million in additional Military Assistance Program assistance is authorized.

Section 3 repeals section 901 of the International Security and Development Cooperation Act of 1985. That section contains statements of policy and earmarks of funds for the Philippines which had been enacted out of concern over the activities of the previous Philippines government.●

By Mr. PRYOR:

S. 2379. A bill to repeal the application of Revenue Ruling 86-63, relating to the deductibility of contributions to university athletic funds; to the Committee on Finance.

REPEAL OF REVENUE RULING 86-63

● Mr. PRYOR. Mr. President, today I'm introducing a bill to repeal Revenue Ruling 86-63, which was issued today by the Internal Revenue Service [IRS]. The bill provides that the tax law is to be applied without regard to this ruling.

Revenue Ruling 86-63 deals with contributions to athletic scholarship funds. Basically, it provides that if an individual gives money to an athletic scholarship program and receives the right to purchase season tickets on any basis—other than as a member of the general public—then no gift is involved. If there is no gift, then there is no charitable contribution under section 170 of the Internal Revenue Code.

Mr. President, in 1984 the IRS issued Revenue Ruling 84-132. This ruling essentially held that no charitable contribution was present when a donation was made to an athletic scholarship fund and the donor received preferred seating. After a great deal of congressional interest in this issue, the Treasury Department withdrew the ruling. A public hearing was then held by the IRS on January 7, 1985. Revenue Ruling 86-63 is the result of those hearings.

I am very concerned over the effect of this ruling on the ability of the colleges and universities in this country to raise money for scholarships for student-athletes. When the earlier ruling was issued I know many people who expressed serious concern over what would happen to donations. These funds are used primarily for scholarships for these students, and with this ruling hanging in the air, I'm afraid contributions will drop dramatically. All of us want to do all we can to maintain and strengthen our educational system, and with this ruling it seems that we're headed in the other direction.

I ask unanimous consent that a copy of the legislation I'm introducing today be printed at this point in the Record.

There being no objection, the bill was ordered to be printed in the Record, as follows:

S. 2379

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the Internal Revenue Code of 1954 shall be applied—

(1) without regard to Revenue Ruling 86-63 (and without regard to any other regulation, ruling, or decision reaching the same result as, or a result similar to, the result set forth in such Revenue Ruling), and

(2) with full regard to the rules in effect before Revenue Ruling 86-63.●

By Mr. QUAYLE:

S. 2380. A bill to amend title 10, United States Code, to require the head of a Department of Defense agency to consider the foreign policy objectives of the United States before entering into a procurement contract with a foreign government or an instrumentality of a foreign government; to the Committee on Armed Services.

CONSISTENCY IN DEFENSE CONTRACTING AND FOREIGN POLICY ACT

● Mr. QUAYLE. Mr. President, the recent raid on Libya has made it clear that the United States is ready and willing to fight state-supported terrorism even if it means taking military action against the states actually supporting terrorism. Ironically, however, our defense contracting procedures do not yet appear to reflect this commitment.

In specific, early last December the Department of Defense revealed that an Italian firm, nearly 15 percent of which is owned by an official financial arm of the Libyan Government, was the lowest bidder on a defense contract for tractor crawlers. Under existing Defense procurement practices, the Department tends to give preference to the lowest bidder, in this case, Fiat of Italy.

When congressional inquires were first made to determine the appropriateness of awarding Fiat the contract, administration officials indicated that Libya's influence on the firm was insufficient to bar Fiat from getting the contract. Shortly thereafter, the President announced a complete embargo on all U.S. business dealings with Libya.

Mr. President, in light of the embargo and the recent raid on Libya, questions have been raised concerning the legality of awarding Fiat the contract. The General Accounting Office has been asked to make such a determination. Legislation also has been suggested that would prohibit the transaction. Needless to say, the entire affair has been the cause of considerable controversy and embarrassment. After several more weeks of controversy, I would be surprised if the contract is let to Fiat unless the company manages to rid itself of its Libyan investors.

Mr. President, I think we can do better than this. Later this week I have scheduled a Defense Acquisition Policy Subcommittee hearing to review this case and to determine the likelihood of other such cases arising. At this time I also intend to solicit comments from the State and Defense Departments on legislation that I am introducing today.

My bill, the Consistency in Foreign Policy and Defense Contracting Act, would require the head of any contracting defense agency to determine if a prospective contractor is controlled or owned in whole or in part by a foreign government or an instrument of a foreign government. In such cases, he would have to determine further if awarding such a contract would be inconsistent with our Nation's foreign policy or national security objectives.

My bill would also require congressional notification before any release contract is entered into with a contractor owned or controlled in part by a foreign government listed by our Government as a state supporter of terrorism.

The intent of this bill is to prevent the sort of embarrassment and confusion associated with the Fiat case. Forewarned is forearmed when it comes to possibly controversial contracts. Certainly, Congress ought not to leave determinations and notification concerning these cases to ad hoc administrative actions.

Once congressional concerns are expressed concerning such contracts, I am confident that good sense will prevail. I also believe that this legislation will put reasonable pressure on the few firms that are partially owned by state supporters of terrorism. It will give clear notice that no further Department of Defense contracts are likely to be forthcoming unless and until they rid themselves of terrorist supporting investors.

Mr. President, I ask unanimous consent that the text of my bill along with several recent news clips concerning the Fiat case be printed in the Record.

There being no objection, the material was ordered to be printed in the Record, as follows:

S. 2380

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That (a)(1) chapter 141 of title 10, United States Code, is amended by adding at the end thereof the following new section:

"§ 2408. Foreign policy considerations in defense contracting

"(a)(1) Before an agency named in clause (1), (2), (3), or (4) of section 2303(a) of this title may enter into a contract under chapter 137 of this title with any contractor owned or controlled, in whole or in any substantial part, by a foreign government or an instrumentality of a foreign government, the head of the agency shall determine whether such contract (or the award of such contract) is inconsistent with the foreign policy and national security objectives of the United States.

"(2) In making a determination under paragraph (1), the head of the agency shall consider the relationship of the United States with the foreign government or instrumentality of such government, the extent of the ownership and control of the contractor by the foreign government or instrumentality, and whether proceeds of the contract or information available to the contractor as a result of the contract may be used for purposes inimical to the interests of the United States.

"(b) Before an agency referred to in subsection (a)(1) enters into a contract with any contractor owned or controlled, in whole or in any substantial part, by a foreign government included in the control list published under section 6(l) of the Export Administration Act of 1979 (50 U.S.C. App. 2405(l)), or by an instrumentality of any such government, the head of the agency shall transmit a report on the contract to Congress. The report shall identify the foreign government, the instrumentality (if any), the nature of the contract, and the reasons for entering into the contract.

"(c) The Secretary of Defense shall prescribe regulations to carry out this section.".

(2) The table of sections at the beginning of such chapter is amended by inserting at the end thereof the following new item:

"2408. Foreign policy considerations in defense contracting.".

(b) The amendment made by subsection (a)(1) shall take effect with respect to contracts awarded, modified, or extended on or after the date of the enactment of this Act.

[From the Defense News, Apr. 28, 1986]

Fiat's Libyan Ties May Poison U.S. Business

(By Tom Donnelly)

Washington.—President Reagan's executive order banning all trade with Libya may have thrown a monkey wrench into a number of the Pentagon's major weapons buys and poses a problem for one of the major European firms interested in participating in the Strategic Defense Initiative.

Reagan's Jan. 7 executive order banning the "performance by any United States person of any contract in support of industrial or other commercial or government project in Libya" has created difficulties for the U.S. subsidiaries of the giant Italian automobile firm Fiat SpA. The Libyan government, through the Libyan Arab Foreign Investment Co., owns roughly 13 percent of Fiat's voting stock and 14.9 percent of its nonvoting stock.

Several weeks ago, a Marine Corps award of a contract for 178 bulldozers to Fiat Allis, an American subsidiary of Fiat SpA based in Illinois, was held up because of a protest by one of the losing competitors for the contract.

J.I. Case Co., the second-lowest bidder, protested to the General Accounting Office (GAO). The GAO agreed to look at the protest, and the contract award has been held up until the GAO rules sometime in May.

James P. Wade, assistant secretary of defense for acquisitions and logistics, tells *Defense News,* "Current U.S. law does not provide the authority to deny the contract award in the situation. However, nothing is settled."

Surio Colombo, president of Fiat U.S.A., the holding company for Fiat's U.S. interests, says, "All the signs are that [the protest] will be denied. "All preliminary rulings have been in our favor. The Libyans have no access to power with Fiat, and not even marginal participation."

Last Thursday, two powerful House committee chairmen sent a letter to Defense Secretary Caspar W. Weinberger, strongly protesting the award of the bulldozer contract to the Fiat subsidiary. Rep. Les Aspin (D–Wis.), chairman of the House Armed Services Committee, and Rep. Jack Brooks (D–Texas), chairman of the House Government Operations Committee, told Weinberger, "It is our strong belief that the U.S. government, particularly the Department of Defense, should not be awarding lucrative contracts to any company which is substantially owned or controlled by foreign governments that are hostile to our country. With the award of this contract, we are indirectly providing financial support for Libya's sponsorship of worldwide terrorism."

Colombo says that because the Libyan interest involves no control of the company—Fiat SpA is 30 percent owned and entirely run by Italy's leading industrialist, Gianni Agnelli, and his family—the executive order does not apply.

However, if the protest is upheld, several other U.S. weapons programs might be in jeopardy. For example, Fiat also makes parts for the Pratt & Whitney PW2037 engine that will power the Air Force's C-17 transport aircraft and makes a number of gearboxes for the General Electric CF6-50C2 engine, powerplant for the KC-10 tanker. Bill Schuman, a General Electric spokesman in Washington, says, "We have received no instructions from the government about this." Fiat's share of the engine work is 4 percent of the Pratt & Whitney engine and, Schuman says, "about 5 percent" of the GE engine.

The Libyan Arab Foreign Investment Co. was created to invest the country's oil earnings in U.S. and European industrial firms. Fiat's Washington representative, Paolo Zannoni, says that Libya first bought into Fiat more than 10 years ago. Many Middle East oil states have created overseas investment firms to protect their oil earnings, and Wall Street defense investment experts speculate that it is quite likely that a number of these investment companies may well own stock in U.S. defense firms. Fiat's Colombo says that these firms, such as the Arab Banking Co., have substantial Libyan ownership.

The case of Fiat is particularly sensitive, as the firm is anxious to participate in the Strategic Defense Initiative (SDI). Fiat has been a strong lobbying arm within Italy for the program, pressuring the Italian government to make a commitment to SDI.

We went to the prime minister, the foreign minister and the parliament," says Colombo. "We've been most vocal in asking the government to make the political choice to be committed to SDI."

Fiat is anxious to try to rid itself of Libyan involvement, and the Libyan ownership has been an embarrassment to Agnelli and the firm, the Italian press has reported. In an interview with the Milan daily *Il Giornale* April 22, Fiat managing director Cesare Romitti admitted that the Libyan ownership is proving a drawback in its efforts to win business from the U.S. government. Agnelli has made a standing offer through its investment firm to buy back the Libyan shares.

[From the New York Times, Apr. 23, 1986]

Fiat Owners Seek Libya's Big Stake

(By E.J. Dionne)

Rome, April 22.—The Italian owners of Fiat S.p.A. have offered to buy back the large minority share that Libya owns in the company, a Fiat spokesman said today.

The Libyan Government, through the Libyan Arab Foreign Investment Company, owns 13 percent of Fiat's common voting shares and 15 percent of its nonvoting preferred shares, the Fiat spokesman said.

The spokesman, Camillo Frè, director of Fiat's international press relations, said that Libya had so far shown no interest in selling its shares. The Libyan investment company has been refusing to comment on its plans for the Fiat stake.

"There must be two people to make a deal," Mr. Frè said. "They don't want to get out. They've done quite well. They bought their shares for less than $400 million in 1976. The shares are now worth about $2.7 billion. That's not bad. And beyond that, they've gotten dividends."

EMBARRASSMENT FOR FIAT

Libya's ownership of such a large stake has been an embarrassment for Fiat, Italy's largest industrial company, and for the Agnelli family, which controls the sprawling concern. This problem was accentuated with the arrest Sunday of an employee of the Libyan investment company on suspicion of plotting a year ago to kill the United States Ambassador to Italy and the Saudi and Egyptian Ambassadors.

In an interview published today in Il Giornale, a Milan daily, Cesare Romiti, Fiat's managing director, acknowledged that the Libyan stake in the company was creating difficulties for Fiat in its effort to obtain public contracts in the United States.

"These problems are real," he said. "But I think the attitude of certain American sectors is excessive."

Fiat has expressed a strong interest in winning contracts for the Reagan Administration's Strategic Defense Initiative, known as "Star Wars."

The Libyan connection also fits badly with the repeated entreaties by Fiat's president and the country's most important industrialist, Gianni Agnelli, that Italy should think of itself more as a European nation than a Mediterranean one. Advocates of a "Mediterranean" Italy have encouraged close Italian ties to Arab countries.

A condition of the original agreement with Libya was that the company—in effect, the Agnelli family and its designates—remain free of any interference in its management. Mr. Frè said that Libya had shown no interest in having any role in company decisions and was apparently holding the shares only as an investment.

"Up to now, we've never had trouble with their participation," Mr. Frè said. "I must say they've behaved in a very correct way."

He said that the Agnelli family controlled 31 percent of the company, and that it could count on institutional investors and other corporate shareholders, such as the tire company Pirelli, in the event of "an impossible fight."

Mr. Romiti said that the Agnelli family, through IFI, its finance company, was prepared to buy back the Libyan shares at any time.

Although there have been rumors of a buyback of the Libyan shares in recent months, none of these have come to fruition, largely, it appears, because of Libya's reluctance to sell its shares. It is also unclear whether Libya would sell the shares at the current market rates or seek a higher price.

Mr. Frè said that finding the roughly $2.7 billion to buy back the shares from Libya would be "a minor problem." He noted that the IFI holdings amounted to $5.3 billion to $6 billion.●

ADDITIONAL COSPONSORS

S. 524

At the request of Mr. Armstrong, the name of the Senator from Maine [Mr. Mtichell] was added as a cosponsor of S. 524, a bill to recognize the organization known as the Retired Enlisted Association, Inc.

S. 707

At the request of Mr. Simon, the name of the Senator from West Virginia [Mr. Byrd] was added as a cosponsor of S. 707, a bill to amend title 38, United States Code, to provide disability and death allowances, compensation, health care, and other benefits to veterans and the survivors of veterans who participated in atomic tests or the occupation of Hiroshima and Nagasaki and suffer from diseases that may be attributable to ionizing radiation.

S. 1494

At the request of Mr. Gorton, the name of the Senator from Florida [Mrs. Hawkins] was withdrawn as a cosponsor of S. 1494, a bill to amend title 23, United States Code, to limit outdoor advertising adjacent to Interstate and Federal-aid primary highways.

S. 1622

At the request of Mr. Melcher, the name of the Senator from Hawaii [Mr. Inouye] was added as a cosponsor of S. 1622, a bill to promote the development of Native American Culture and Art.

S. 1997

At the request of Mr. Nickles, his name was added as a cosponsor of S. 1997, a bill to amend the Internal Revenue Code of 1954 to impose a tax on the importation of crude oil and refined petroleum products.

S. 2098

At the request of Mr. Bentsen, the name of the Senator from Louisiana [Mr. Johnston] was added as a cosponsor of S. 2098, a bill to establish a National Space Grant College Program.

S. 2180

At the request of Mr. Gorton the name of the Senator from Delaware [Mr. Biden] was added as a consponsor of S. 2180, a bill to authorize appropriations for activities under the Federal Fire Prevention and Control Act of 1974.

S. 2203

At the request of Mr. Stafford, the name of the Senator from Wisconsin [Mr. Kasten] was added as a cosponsor of S. 2203, a bill to establish a program to reduce acid deposition and for other purposes.

S. 2208

At the request of Mr. Kasten, the names of the Senator from Missouri [Mr. Danforth], the Senator from Tennessee [Mr. Gore], and the Senator from Vermont [Mr. Leahy] were added as cosponsors of S. 2208, a bill to establish the African Famine, Recovery and Development Fund for the relief, recovery, and long-term development of sub-Saharan Africa, and for other purposes.

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S. 2231

At the request of Mr. Nickles, his name was added as a cosponsor of S. 2231, a bill to amend the Federal Deposit Insurance Act.

S. 2255

At the request of Mr. Wilson, the name of the Senator from New Hampshire [Mr. Rudman] was added as a cosponsor of S. 2255, a bill to prohibit the expenditure of Federal funding for Congressional Newsletters.

S. 2284

At the request of Mr. Nickles, the name of the Senator from New Mexico [Mr. Bingaman] was added as a cosponsor of S. 2284, a bill to amend the Food Security Act of 1985 to require the Secretary of Agriculture to take certain actions to minimize the adverse effect of the milk production termination program on beef, pork, and lamb producers, and for other purposes.

S. 2294

At the request of Mr. Weicker, the name of the Senator from Virginia [Mr. Warner] was added as a cosponsor of S. 2294, a bill to reauthorize certain programs under the Education of the Handicapped Act, to authorize an early intervention program for handicapped infants, and for other purposes.

S. 2333

At the request of Mr. Durenberger, the name of the Senator from Arkansas [Mr. Pryor] was added as a cosponsor of S. 2333, a bill to amend title XIX of the Social Security Act to strengthen and improve medicaid services to low-income pregnant women and children.

S. 2350

At the request of Mr. Abdnor, the name of the Senator from Montana [Mr. Melcher] was added as a cosponsor of S. 2350, a bill to extend the period for filing a claim for credit or refund of Federal income taxes with respect to certain changes made by the Consolidated Omnibus Reconciliation Act of 1985 with respect to insolvent farmers.

SENATE JOINT RESOLUTION 134

At the request of Mr. Biden, the name of Senator from Arkansas [Mr. Bumpers] was added as a cosponsor of Senate Joint Resolution 134, joint resolution to designate "National Safety in the Workplace Week."

SENATE JOINT RESOLUTION 143

At the request of Mr. Gore, the name of Senator from New Jersey [Mr. Lautenberg] was added as a cosponsor of Senate Joint Resolution 143, joint resolution to authorize the Black Revolutionary War Patriots Foundation to establish a memorial in the District of Columbia at an appropriate site in Constitution Gardens.

SENATE JOINT RESOLUTION 298

At the request of Mr. Quayle, the name of the Senator from New Jersey [Mr. Lautenberg] was added as a cosponsor of Senate Joint Resolution 298, joint resolution to designate the week of October 5, 1986, through October 11, 1988, as "Mental Illness Awareness Week."

SENATE JOINT RESOLUTION 314

At the request of Mr. Quayle, the name of the Senator from Nebraska [Mr. Zorinsky] was added as a cosponsor of Senate Joint Resolution 314, joint resolution to designate the week beginning July 27, 1986, as "National Nuclear Medicine Week."

SENATE JOINT RESOLUTION 326

At the request of Mr. Wallop, the names of the Senator from California [Mr. Wilson], the Senator from Maine [Mr. Cohen], the Senator from Idaho [Mr. McClure], the Senator from North Carolina [Mr. Helms], the Senator from Texas [Mr. Gramm], the Senator from North Carolina [Mr. East], the Senator from Utah [Mr. Hatch], the Senator from Nevada [Mr. Hecht], the Senator from Idaho [Mr. Symms] the Senator from Iowa [Mr. Grassley], the Senator from Arizona [Mr. Goldwater], the Senator from South Carolina [Mr. Hollings], the Senator from Oklahoma [Mr. Nickles], and the Senator from South Dakota [Mr. Abdnor] were added as cosponsors of Senate Joint Resolution 326, joint resolution to proclaim May 21, 1986, as "Andrei Sakharov Honor and Freedom Day."

SENATE CONCURRENT RESOLUTION 117

At the request of Mr. Simon, the names of the Senator from Utah [Mr. Hatch], the Senator from Oklahoma [Mr. Nickles], the Senator from Maine [Mr. Mitchell], and the Senator from Minnesota [Mr. Boschwitz] were added as cosponsors of Senate Concurrent Resolution 117, concurrent resolution expressing the sense of the Congress in support of RIAS, the radio in the American Sector of Berlin.

SENATE RESOLUTION 303

At the request of Mr. Heinz, the name of the Senator from North Carolina [Mr. Helms] was added as a cosponsor of Senate Resolution 303, resolution to express the sense of the Senate with respect to proposals currently before the Congress to tax certain employer-paid benefits and other life-support benefits.

SENATE RESOLUTION 369

At the request of Mr. McConnell, the name of the Senator from North Carolina [Mr. East] was added as a cosponsor of Senate Resolution 369, resolution relating to trade between the United States and the Republic of Korea.

AMENDMENTS SUBMITTED

FIRST CONCURRENT RESOLUTION ON THE BUDGET

BRADLEY (AND OTHERS) AMENDMENT NO. 1805

Mr. BRADLEY (for himself, Mr. Johnston, and Mr. Metzenbaum) proposed an amendment to the concurrent resolution (S. Con. Res. 120) setting forth the congressional budget for the U.S. Government for the fiscal years 1987, 1988, and 1989; as follows:

At the end of the resolution add the following:

Sec. . It is the sense of the Congress that the Congress intends to disapprove the deferral proposed in D86-37 and D86-10A.

MELCHER AMENDMENT NO. 1806

Mr. MELCHER proposed an amendment to the concurrent resolution (S. Con. Res. 120), supra; as follows:

On page 6, line 10, strike "$295,100,000,000" and insert in lieu thereof "$295,079,000,000"

On page 6, line 11, strike "$280,000,000,000" and insert in lieu thereof "$279,979,000,000"

On page 9, line 16, strike "$4,900,000,000" and insert in lieu thereof "$4,921,000,000"

On page 9, line 17, strike "$5,000,000,000" and insert in lieu thereof "$5,021,000,000"

AUTHORITY FOR COMMITTEES TO MEET

SUBCOMMITTEE ON MILITARY CONSTRUCTION

Mr. HEINZ. Mr. President, I ask unanimous consent that the Subcommittee on Military Construction, of the Committee on Armed Services, be authorized to meet during the session of the Senate on Monday, April 28, 1986, in closed executive session in order to conduct a hearing on strategic homeporting.

The PRESIDING OFFICER. Without objection, it is so ordered.

ADDITIONAL STATEMENTS

BUDGET SCOREKEEPING REPORT

● Mr. DOMENICI. Mr. President, I hereby submit to the Senate the budget scorekeeping report for this week, prepared by the Congressional Budget Office in response to section 5 of the first budget resolution for fiscal year 1986. This report also serves as the scorekeeping report for the purposes of section 311 of the Congressional Budget Act, as amended.

The report follows:

U.S. Congress,
Congressional Budget Office,
Washington, DC, April 28, 1986.

Hon. Pete V. Domenici,
Chairman, Committee on the Budget,
U.S. Senate, Washington, DC.

Dear Mr. Chairman: The attached report shows the effects of congressional action on the budget for fiscal year 1986. The estimated totals of budget authority, outlays, and revenues are compared to the appropriate or recommended levels contained in the most recent budget resolution, Senate Concurrent Resolution 32. This report meets the requirements for Senate scorekeeping of section 5 of the Senate Concurrent Resolution 32 and is current through April 25, 1986. The report is submitted under section 308(b) and in aid of section 311 of the Congressional Budget Act, as amended.

No changes have occurred since my last report.

With best wishes,

Sincerely,

Rudolph G. Penner, *Director.*

CBO WEEKLY SCOREKEEPING REPORT FOR THE U.S. SENATE, 99TH CONGRESSS, 2D SESSION, AS OF APR. 25, 1986

[Fiscal year 1986—in billions dollars]

	Budget authority	Outlays	Revenues	Debt subject to limit
Current level [1]	1,057.1	980.7	778.6	1,989.7
Budget resolution, Senate Concurrent Resolution 32	1,069.7	967.6	795.7	[2] 2,078.7
Current level is:				
Over resolution by		13.1		
Under resolution by	12.6		17.1	89.0

[1] The current level represents the estimated revenue and direct spending effects (budget authority and outlays) of all legislation that Congress has enacted in this or previous sessions or sent to the President for his apporoval. In addition, estimates are included of the direct spending effects for all entitlement or other programs requiring annual appropriations under current law even though the appropriations have not be made. The current level excludes the revenue and direct spending effects of legislation that is in earlier stages of completion, such as reported from a Senate committee or passed by the Senate. The current level of debt subject to limit reflects the latest U.S. Treasury information on public debt transactions.

[2] The current statutory debt limit is $2,078.7 billion.

FISCAL YEAR 1986, SUPPORTING DETAIL FOR CBO WEEKLY SCOREKEEPING REPORT, U.S. SENATE, 99TH CONGRESS, 2D SESSION, AS OF APR. 25, 1986

[In millions of dollars]

	Budget authority	Outlays	Revenues
I. Enacted in previous sessions:			
Revenues			777,794
Permanent appropriations and trust funds.	723,778	629,772	
Other appropriations	525,778	544,947	
Offsetting receipts	−188,561	−188,561	
Total enacted in previous sessions.	1,060,679	986,159	777,794
II. Enacted this session:			
Commodity Credit Corporation urgent supplemental appropriation, 1986 (Public Law 99-243).			
Federal Employees Benefits Improvement Act of 1986 (Public Law 99-251).		4	
VA home loan guarantee amendments (Public Law 99-255).		−51	
Omnibus Budget Reconciliation Act of 1985 (Public Law 99-272).	−4,259	−6,001	765
Department of Agriculture urgent supplemental, 1986 (Public Law 99-263.			
Advance to hazardous substance response trust fund (Public Law 99-270).			
Total	−4,259	−6,048	765
III. Continuing resolution authority			
IV. Conference agreements ratified by both Houses.			
V. Entitlement authority and other mandatory items requiring further appropriation action:			
Veterans compensation	272	185	
Veterans readjustment benefits.	91	91	
Compact of free association	205	205	
Special benefits (Federal employees).	14	14	
Family social services	100	75	
Guaranteed student loans	6		
Payment to civil service retirement [1].	(37)	(37)	
Total entitlements	688	570	
Total current level as of Apr. 25, 1986.	1,057,108	980,681	778,559
1986 budget resolution (S. Con. Res. 32).	1,069,700	967,600	795,700
Amount remaining:			
Over budget resolution.		13,081	
Under budget resolution.	12,592		17,141

[1] Interfund transactions do not add to budget totals.

Note: Numbers may not add due to rounding.

AMERICAN HOSTAGES IN LEBANON

● Mr. SIMON. Mr. President, I would like to submit for the Record today, a copy of a letter sent to the President on April 26, 1985. It has been 1 year since colleagues on both sides of the aisle from both Houses joined together to ask the administration to redouble efforts to secure the release of our American hostages in Lebanon.

There is a paradox in the measure of progress in that effort. For the family of Rev. Benjamin Weir, successful progress has been made in his return. For the family of Peter Kilburn, despite our efforts, the results have been tragic. For the families of David Jacobsen and Thomas Sutherland, they have been cast into crisis since April 26, 1985. It is difficult to measure our progress.

With the families of William Buckley, Father Lawrence Martin Jenco, and Terry Anderson have committed themselves to continue their efforts on behalf of all the remaining hostages.

I believe it is extremely difficult for any of us to comprehend the turmoil, the pain and the confusion of these families during the past year. The much described "rollercoaster" experience is all too real to them. Some of them have been to Washington over 30 times. They have travelled to the United Nations, contacted numerous private organizations, appealed to embassy officials, witnessed innumerable staff and contact changes, held candlelight vigils, prayer services, taped public service announcements, launched postcard campaigns and scheduled more press interviews than they ever thought possible in 1 year. They have met with their President. They have worked with each other to form a close knit support group to push them forward when they lacked the energy and hope to see them through the new day. Where they may have experienced political failure, they have experienced personal growth and triumph.

There are those who would fail to understand the changes and reactions of the family members of hostages. They have experienced shock, anger, frustration and lack of confidence in elected and appointed officials. They have experienced, understandably, a compulsion to act and they have expressed resentment and confusion at the apparent lack of progress in gaining the safe release of their loved ones.

I have been taken by the comments of Timothy Kilburn, nephew of Peter Kilburn. He said in a recent press interview that he was not angry at the President for the death of his uncle. I share this, not from either a partisan or a political posture, but from a human one. Timothy Kilburn has shown us a glimpse of the noble self, the self to which we aspire, but so rarely express.

There is a great deal that we can learn from these families. As we struggle to understand terrorism, we can learn more about the effects of that terror. As we weigh the value of single, human lives in our day to day decisions, we can note the powerful love these Americans share.

And as we struggle, one year later, for resolutions to this crisis, we can look, paradoxically, at the courageous faith and leadership, the creative commitment and dedication of these hostages and their families. I urge my colleagues to renew their personal and public commitment to creatively and effectively work toward the resolution of this hostage crisis.

I ask that the attached letter be printed into the Record.

The letter follows:

U.S. Senate,
Washington, DC, May 10, 1985.

The President,
The White House,
Washington, DC.

Dear Mr. President: We are writing to express our deep concern for the safety and welfare of William Buckley, the Reverend Benjamin Weir, Peter Kilburn, Father Lawrence Martin Jenco and Terry Anderson, the five U.S. citizens who are being held hostage in Lebanon.

We know that the Department of State has been working through various channels to secure the hostages' release. While we recognize the process is a delicate one, we urge you to direct the Department to redouble its efforts and to become personally involved in efforts to obtain the hostages' release. Recent events in Lebanon make our request more urgent.

The families of these men anxiously hope and wait for news of their safe release. We would greatly appreciate your ensuring that all possible means to achieve this end are exhausted.

Cordially,

Alan Cranston, U.S. Senator; Paul Simon, U.S. Senator; George M. O'Brien, Member of Congress; Norman Y. Mineta, Member of Congress; Senators Pete Wilson, John H. Glenn, Jr., J. James Exon, Slade Gorton, Carl M. Levin, Alfonse M. D'Amato, Alan J. Dixon, J. Bennett Johnston, Wendell H. Ford, Daniel P. Moynihan, John C. Danforth, William S. Cohen, Jesse Helms, David Boren, Quentin N. Burdick, Bill Bradley, Daniel K. Inouye, Edward Zorinsky, Dale Bumpers, Dan Quayle, Max Baucus, Dennis DeConcini, Rudolph E. Boschwitz, Howard M. Metzenbaum, Tom Harkin, Paula Hawkins, Edward M. Kennedy, David Pryor, Donald W. Riegle, Jr., Paul S. Sarbanes, Strom Thurmond, Gordon J. Humphrey, William Proxmire, John D. Rockefeller, Gary Hart, Christopher J. Dodd, Lawton Chiles, David Durenberger, Howell T. Heflin, Ernest F. Hollings, John F. Kerry, Richard G. Lugar, George J. Mitchell, Albert Gore, Jr., John Heinz, Lloyd Bentsen, Frank R. Lautenberg, John Melcher, Frank H. Murkowski, Sam Nunn, James Sasser, John C. Stennis, Daniel J. Evans, Thomas F. Eagleton, Mark Andrews, Larry Pressler, Arlen Specter, Claiborne Pell, Nancy Landon Kassebaum, and Joseph R. Biden, Jr.;

Representatives Mike Lowry, Charles E. Schumer, Larry J. Hopkins, Ed Zschau, Austin J. Murphy, Ralph Regula, Robert J. Lagomarsino, James H. Scheuer, James M. Jeffords, Frank Horton, Joseph D. Early, Vic Fazio, Peter H. Kostmayer, Morris K. Udall, Nick Joe Rahall II, Bill Lowery, Howard L. Berman, Lee H. Hamilton, Bob Edgar, Peter W. Rodino, Norman D. Dicks, Wes Watkins, David E. Bonior, Thomas D. DeLay, William F. Clinger, Jr., Thomas R. Carper, Lawrence J. Smith, Major R. Owens, Bill Green, John Conyers, Jr., Sidney R. Yates, Cardiss Collins, John M. Spratt, Jr., Dan Coats, William H. Gray, Fred J. Eckert, George C. Wortley, Bill Richardson, William J. Hughes, Tony Coelho, Daniel K. Akaka, Melvin Price, Henry J. Hyde, Edward R. Madigan, Frank Annunzio, Gary L. Ackerman, Christopher H. Smith, Frederick C. Boucher, Harold L. Volkmer, Guy Vander Jagt, Patricia Schroeder, Henry A. Waxman, Jim Courter, Robert A. Young, Don Young, Jack Brooks, Barbara F. Vucanovich, Bruce F. Vento, Harley O. Staggers, Jr., Harry M. Reid, Sid Morrison, Barney Frank, Jerry Lewis, Thomas A. Daschle, Wyche Fowler, Jr., John E. Grotberg, Lynn Martin, Ted Weiss, Marty Russo, Benjamin A. Gilman, John Edward Porter, J. Roy Rowland, Dan Rostenkowski, Marge Roukema, Bobbi Fiedler, Dante B. Fascell, John J. LaFalce, Harris W. Fawell, Michael DeWine, Terry L. Bruce, Charles Wilson, Philip M. Crane, Dennis E. Eckart, Gene Chappie, Silvio O. Conte, F. James Sensenbrenner, Barbara A. Mikulski;

Representatives Robert A. Young, Stan Lundine, Norman F. Lent, Patricia Schroeder, Edward J. Markey, Walter E. Fauntroy, John Paul Hammerschmidt, Doug Walgren, James J. Howard, Mickey Leland, Bernard J. Dwyer, Nicholas Mavroules, Timothy J. Penny, Robert K. Dornan, Robert J. Mrazek, Barbara Boxer, Mel Levine, Buddy MacKay, Jim Moody, Mervyn M. Dymally, Sala Burton, Jaime B. Fuster, Pete Stark, Claude Pepper, George Miller, Charles A. Hayes, Bill Frenzel, Marcy Kaptur, John R. Miller, Helen Delich Bentley, Don Edwards, Walter B. Jones, Tom Lantos, Bruce F. Vento, Robert A. Roe, Michael D. Barnes, Bruce A. Morrison, Martin D. Sabo, Thomas J. Manton, Robert Garcia, Bobbi Fielder, John Bryant, William J. Coyne, Lindsay Thomas, Robert H. Michel, Julian C. Dixon, Mike Synar, Parren J. Mitchell, Berkley Bedell, Tony P. Hall, and Don Ritter.

AMERICAN LEGION HANDBOOK ON CAREERS AND SCHOLARSHIPS

● Mr. STEVENS. Mr. President, as part of its effort to help the young people of this country, the American Legion has published its 35th edition of "Need a Lift?" It is one of the best career and scholarship informational handbooks available.

The information in this book can be used by students, parents, and school counselors, and is presented in clear and concise terms. It is available for general distribution through the American Legion Education Program, Americanism and Children and Youth Division, Indianapolis, IN 46206, for a nominal fee of $1.

It is important for students to have as much information as is available about scholarships, and I ask that sections IV and V be printed in the Record.

The material follows:

Section IV: Sources of Scholarship and Other Forms of Financial Aid Available to All Students

A. FEDERAL PROGRAMS (SUBJECT TO CHANGE BECAUSE OF PENDING LEGISLATION)

1. U.S. Department of Education provides the largest source of funding for financial aid programs. These programs are listed in the following paragraphs. Applications are available at postsecondary schools and high schools. The "Student Guide: Five Federal Financial Aid Programs, 1985–86" may be obtained by writing to Federal Student Aid Programs, Department DEA-86, Pueblo, Colorado 81009.

a. College Work-Study Program (CWSP). This program provides employment to students enrolled in colleges and eligible postsecondary institutions who need financial aid to meet college expenses. The financial aid administrator sets the student's work schedule. In arranging a job and assigning a work schedule, the aid administrator takes into account the student's health, class schedule and academic progress.

b. Guaranteed Student Loan Program. (GSL) This program provides loans to students for educational expenses and is available from eligible lenders such as banks, credit unions, savings and loan associations, State agencies and schools. Students must be enrolled on at least a half-time basis in participating postsecondary institutions, ranging from vocational and technical schools to degree-granting institutions. The family income must be less than $30,000 or if over $30,000 the student must demonstrate finanical need. Students are eligible for Federal payment of interest charges of 8 percent on their loans during school years, during a 6-month grace period, and during authorized periods of deferment. A 5 percent origination fee is required at the time of disbursement of the funds.

Loans must be repaid. Repayment normally is over a 5–10 year period. The amount of the student's repayment depends on the size of his or her debt. The more the student borrows, the higher the payments will be. Failure to repay on a timely basis can damage a person's credit rating and may lead to legal action to recover the debt.

Deferment of payment may be granted during any period in which the borrower is attending a participating institution on a full-time basis, is engaged in approved graduate fellowship study of a course of study under a rehabilitation training program for disabled individuals, up to 3 years if temporarily totally disabled, up to 3 years while serving in the U.S. Armed Forces, the Commissioned Corps of the Public Health Service, Peace Corps, VISTA, or a comparable organization; or for a single period not exceeding 12 months if seeking and unable to find full-time employment, or up to 2 years while serving an internship required for professional practice.

Undergraduate students may borrow up to $2,500 per year, to a total of $12,500. Graduate students may borrow up to $5,000 per year to a total of $25,000 (including loans made at the undergraduate level). See Table II for the address of your state's agency.

c. National Direct Student Loan Program (NDSL). These loans are available to students enrolled at least half time in a regular program of study at a participating school, and have need of financial assistance to continue. Aggregate loans may not exceed $12,000 for a graduate student including under-graduate loans; $6,000 for students who have not completed their bachelor's but have completed 2 years leading to a bachelor's degree; $3,000 for any other student. Repayment of the loan begins six months after a borrower ceases to carry at least one half the normal academic work load and is to be repaid within 10 years. Interest of 5 percent will begin at the time the repayment period begins. Thereafter, should a borrower teach in a designated school located in a poverty area, or in a Headstart Program, or in a public or other non-profit elementary or secondary school for handicapped children, cancellation of the loan up to 10 percent is possible. Also for a member of the Armed Forces of the U.S. who serves in an area of hostilities, cancellation of up to 50 percent is possible. Rates of cancellation may be obtained from the institution's financial aid office.

d. Parent loans for undergraduate students (PLUS). PLUS loans are available to provide additional funds at 12 percent interest. Like GSL's, they are made by a lender such as a bank, credit union, or savings and loan association. Parents of dependent undergraduates or graduates may borrow $3,000 per year. Independent undergraduates may borrow $2,500 per year. All borrowers must begin repaying a PLUS loan within 60 days, unless the borrower is entitled to a deferment. All borrowers must begin paying

the interest within 60 days. The negotiation of each loan is between the student and the lending institution. Students who desire more information or wish to initiate a loan should discuss the matter with their lender and the financial aid administrator at their school. (See Table II).

e. Pell Grant Program. Formerly called the Basic Grant Program, this program makes funds available to eligible students attending participating colleges, community/junior colleges, vocational schools, technical institutes, hospital schools of nursing, correspondence schools and other participating postsecondary institutions. To be eligible, an applicant must be an undergraduate student enrolled on at least a half-time basis. Awards will depend on program funding. During the 1985–86 award period, individual awards may range up to $2,100. To apply for a Pell Grant, a student must complete the Federal form called "Application for Federal Student Aid" or one of several private or State need analysis applications which are used to determine eligibility for other sources of student aid: the Financial Aid Form (FAF), the Family Financial Statement (FFS), the Pennsylvania Higher Education Assistance Agency (PHEAA) form or the Student Aid Application for California (SAAC). Only one application is required. Further information may be obtained from the Office of Student Financial Aid at the institution or a high school guidance counselor.

f. Supplemental Educational Opportunity Grant (SEOG) Program. This grant program is for students with financial need and does not have to be paid back. Students must be enrolled at least half-time as an undergraduate or vocational student in a regular program of study at an educational institution participating in the program. Graduate students are not eligible. The amount of the award varies from $200 to $2,000 per year.

2. U.S. Department of Health and Human Services also administers programs of assistance for students enrolled in health professions programs.

Information on these programs may be obtained from the Health Resources and Services Administration, Bureau of Health Professions, 5600 Fishers Lane, Rockville, MD 20857 or the Office of Financial Aid at the school you plan to attend.

a. Exceptional Financial Need Scholarship Program for first-year students is for students with exceptional financial need. Purpose of the program is to encourage students to pursue careers in medicine, osteopathy, dentistry, optometry, pharmacy, podiatry or veterinary medicine. Citizens or Nationals of the United States may apply as well as lawful permanent residents of Puerto Rico. Virgin Islands, Guam, the trust territory, or the North Mariana Islands. Scholarships will cover (1) cost of tution for school year and other reasonable educational expenses plus a stipend of $599 per month for 12 consecutive months; (2) no service obligation accompanies the scholarship.

b. The Health Education Assistance Loan (Heal) Program is similar to the Guaranteed Student Loan Program of the U.S. Department of Education. Students of medicine, osteopathy, dentistry, podiatry, veterinary medicine and optometry, may borrow up to $20,000 a year, not to exceed a total of $80,000. Pharmacy, chiropratice, health administration, clinical psychology or public health students may borrow up to $12,500 per year, not to exceed a total of $50,000.

For students to take part in the program, their school must have an agreement with the Secretary.

The maximum interest is the average of the bond equivalent rates of the 91-day Treasury Bills auctioned for the previous quarter plus 3.5 percentage points, rounded to next higher ⅛ of 1 percent. The loan principal is repayable over a 10–25 year period starting 9–12 months after completion of training. However, payments of principal are not required during periods of up to 4 years of internship and residency training or up to 3 years of service in the Armed Forces, National Health Service Corps, Peace Corps or Volunteers in Service to America (VISTA). Deferments are also made during periods of full-time study. At HHS's discretion, borrowers may enter into agreement with HHS for repayment of loans, plus interest, at a rate of not more than $10,000 a year for each year of service in NHSC or in private practice in a health manpower shortage area. Minimum service period is 2 years.

c. The Health Professions Student Loan Program. Under this program, Federally supported loans are available at participating schools of medicine, dentistry, osteopathy, optometry, pharmacy, podiatry and veterinary medicine for students who need assistance to pursue a full-time course of study at the school. The amount of the loan depends upon the student's need as determined by the school; however, the maximum amount per academic year is the cost of tuition plus $2,500 or the amount of the financial need of the student, whichever is less. The loan is repayable over a 10-year period beginning one year after the student ceases to pursue a full-time course of study at a health professions school. During the repayment period, interest accrues on the total loan at the rate of 9 percent. Repayment on a loan may be deferred during periods of active military duty and service in the Peace Corps (up to three years each). Repayment may also be deferred during periods of advanced professional training, including internships and residencies. Obligation to repay the loan will be cancelled in the event of death, or permanent and total disability.

d. National Health Service Corps (NHSC) scholarships are awarded to U.S. citizens enrolled or accepted for enrollment as full-time students in accredited U.S. schools of allopathic or osteopathic medicine, dentistry, and other health disciplines needed for the mission of NHSC. These scholarships include a monthly living stipend and payment of school tuition. Each year of scholarships support incurs a year of Federal service obligation. The minimum service obligation is 2 years.

The NHSC places full-time primary health care practitioners in selected federally-designated Health Manpower Shortage Areas of the United States. Virtually all of these practitioners owe service obligations of 2 to 4 years due to their participation in the NHSC Scholarship Program.

Due to the limited appropriated funds which may be available, first-time scholarship awards for 1985–86 academic year will be restricted to students of allopathic or osteopathic medicine and dentistry who have been participants at their health professions schools of the Federal "Scholarship Program for First-Year Students of Exceptional Financial Need." No first-time awards will be available for pre-medical or pre-dental undergraduate education, or for students of medicine or dentistry entering their first year in 1985–86.

The scholarship program is administered by the Bureau of Health Care Delivery and Assistance, Division of Health Services Scholarships. For further information address: NHSC Scholarships, Parklawn Building, Room 7-16 5600 Fishers Lane, Rockville, Maryland 20857.

e. Minority Access to Research Careers Program (MARC) honors undergraduate research training awards. The Minority Access to Research Careers Program's Honors Undergraduate Research Training Program is designed to increase the number of well prepared minority students who can compete successfully for entry into graduate programs leading to the Ph.D. in a biomedical science. Its goal is also to help develop a strong science curriculum and research opportunities to prepare students for careers in biomedical science. A formal research experience for the recipient is an important feature of the program. Summer study and research should be part of the overall training program at outstanding institutions or laboratories selected to enhance and supplement in the trainee's formal course work and research training experience. The criteria for selection of trainees includes evidence that the candidate has clear potential to perform at a high level in the biomedical sciences and that the candidate demonstrates a determination to subsequently enter graduate programs leading to the Ph.D. degree. Applicants must be minority honor students in their third or fourth year of college. The college or university must have an enrollment drawn substantially from ethnic minority groups such as American Indians, Blacks, Hawaiians, Mexican Americans or Puerto Ricans.

Each school will make awards for stipend and tuition support for five to ten students. The award may include travel expenses to one national meeting closely related to a project.

Applications may be filed by February 1st or October 1st. Apply for information or application to: United States Department of Health and Human Services, National Institutes of Health, National Institute of General Medical Sciences, Westwood Building, Bethesda, Maryland 20205.

3. Other U.S. Department of Health and Human Services programs are:

a. Commissioned Officer Student Training and Extern Program (COSTEP). College students who have successfully completed a minimum of one year of study in medical, dental or veterinary school prior to assignment, and students who have completed a minimum of two years of a baccalaureate program prior to assignment in dietetics-nutrition, engineering, nursing, pharmacy, therapy, sanitary science or medical record administration are eligible to participate in the COSTEP Program. COSTEP assignments fall into two major categories: Medical and Hospital Services, Research and Public Health Practice. Successful candidates are commissioned as reserve officers in the Commissioned Corps of the Public Health Service and called to active duty during vacation periods. Applications must be received (1) not later than October 1 for positions during the period January through April; (2) not later than February 1 for positions during the period May through August; (3) not later than May 1 for positions during the period September through December. For further information write: COSTEP, Parklawn Building, Room 4-35, 5600 Fishers Lane, Rockville, MD 20857 (301) 443-6324.

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Note: This is not a scholarship, but is a job. The program's purpose is to recruit for the Commissioned Corps of the Public Health Service.

b. Professional Nurse Traineeship Program. Professional nurse traineeships are available through participating training institutions to help registered nurses prepare to teach in the various fields of nurse training, to serve in administrative or supervisory capacities, to serve as nurse practitioners, or to serve in other professional nursing specialities requiring advanced training. Traineeships provide a living stipend and tuition and fees as set by the participating training institution not to exceed $5,292. Trainees are selected by the training institutions. Further information and a list of participating institutions are available from the: Division of Nursing, Bureau of Health Professions, Health Resources and Services Administration, Room 5C-26, Parklawn Building, 5600 Fishers Lane, Rockville, MD 20857. Students should request information through the Dean of Nursing at their institution.

Note: This assistance is only for students studying at the master's or doctoral level.

c. Nursing Student Loan Program. Federally supported loans are available through participating schools of professional nursing for students who need assistance to pursue full-time or half-time courses of study. Amount of an individual loan depends on the general availability of student aid funds and on need as determined by the student's school; however, no loan may exceed $2,500 per academic year, and no student may receive more than a total of $10,000 for all years in loan assistance. The total loan is repayable over a 10-year period beginning nine months after the borrower completes or discontinues his other nursing studies. During the repayment period, interest accrues on the total loan at the rate of 6%. Repayment on a loan may be deferred during periods of active military duty and service in the Peace Corps and also during periods of advanced professional training in nursing. Obligation to repay the loan will be cancelled in the event of death or permanent and total disability. Contact the Director of Student Financial Aid at the school the student is attending or plans to attend.

4. The U.S. Department of Interior Administrators Programs Indian Tribal Grants and Loans. Over 45 Indian tribes have established their own Grant and Loan Programs to promote higher education for their members. Contacts for tribal assistance should be made through the U.S. Dept. of the Interior, Bureau of Indian Affairs, Washington, DC 20245, or through the Tribal Headquarters.

5. Indians Higher Education Grant Program is a program for students who are ¼ or more degree Indian, Eskimo, or Aleut of a tribal group being served by the Bureau and who are enrolled in accredited institutions of their choice in pursuit of an undergraduate or graduate degree. Must demonstrate financial need by the institution they are or will be attending. For information, write the U.S. Dept. of the Interior at the address above.

6. The U.S Information Agency sponsors the Fulbright Teacher Exchange Program. Under the Mutual Educational and Cultural Exchange for qualified American educators to work in elementary and secondary schools abroad and in some instances, institutions of higher education in the United Kingdom, Canada, Denmark, Switzerland, Italy, Germany and France. To be eligible, an applicant must be teaching currently as an elementary or secondary school teacher, college instructor, assistant, associate or full professor. Candidates must have at least a bachelor's degree, be a U.S. citizen at the time of application and have at least three years of successful full-time teaching experience. Two years are required for participation in summer seminars held in Italy and the Netherlands. The Government provides round-trip transportation to some countries for those selected to participate but no transportation is provided for dependents or for teachers going to Canada, Great Britain or Switzerland. A maintenance allowance, paid in the currency of the host country is based upon that country's cost of living. For teachers participating in the Exchange Program, the successful applicant's U.S. salary is continued by the participant's own school. Seminar grants may include round-trip transportation, tuition costs, but for some, the participants are responsible for their own maintenance expenses. Regional interviewing committees conduct preliminary screening of applicants. Annual recruitment date is October 15. Application forms can be obtained from and then submitted to the Teachers Exchange Branch, E-ASX, Room 248, U.S. Information Agency, 301 4th Street, S.W., Washington, D.C. 20547.

B. ASSISTANCE FOR UNDERGRADUATES ONLY

The AFL–CIO offers a scholarship guide with a wide variety of scholarships to post-secondary institutions including, two and four-year colleges and universities, graduate schools, culinary institutes, musicians training institutes, vocational, technical and nursing schools. Though most scholarships listed in the guide are available to union members and their families, some are available to the general public. Single copies are available without charge for union members only. Copies are $3.00 apiece for all others. Checks should be made payable to the Secretary-Treasurer AFL–CIO and sent to the AFL–CIO Department of Education, 815 16th Street, N.W., Washington, D.C. 2006.

Aid Association for Lutherans (AAL) (for undergraduates only) awards at least 400 All-College Scholarships annually, 200 of which are renewable and 200 nonrenewable scholarships. AAL also awards at least 25 renewable nursing scholarships annually through the Competitive Nursing Scholarship Progam. Each applicant must be a high school senior owning an AAL certificate of membership and insurance in his or her name. The CEEB SAT must be taken no later than December of the high school senior year. The American College Test (ACT) will also be accepted. Individual stipends for renewable scholarship, range from $500 to $1750 and are renewable for three additional years or until requirements for a baccalaureate degree are met, whichever is earlier. The 200 nonrenewable awards are for $500. Financial need is not considered until winners have definitely been selected. Competitive Nursing Scholarships are renewable for three additional years or until a Registered Nurse (RN) Certificate is obtained, whichever is earlier. Renewal is based on satisfactory academic progress and continuing AAL membership. Completed AAL applications must be submitted to College Scholarship Service/Sponsored Scholarship Programs before November 30. Applications may be secured by writing: Member and Family Benefits, Aid Association for Lutherans: Appleton, WI 54919. AAL scholarship assistance is also available to AAL members at Lutheran colleges, universities and seminaries participating in other AAL scholarship programs. For more details, contact the institution's financial aid office:

Aid Association for Lutherans (AAL) will be awarding up to 100 Vocational/Technical School Scholarships annually. Up to 50 scholarships will be awarded to persons who graduated from high school in previous years, and up to 50 scholarships will be awarded to graduating seniors each year. Applicants must own an AAL certificate of membership and insurance in their own name. Persons of any age may apply for their scholarships provided they will have completed high school or have a GED, and have a well-defined course of study. They must be enrolled or planning to enroll in an accredited vocational/technical institute or community college on either a full or half-time basis with the intent of completing requirements for a vocational diploma or an associate degree. Individual award amounts are $500 for full-time attendance and $250 for half-time attendance. Awards will be renewable for up to one year for full-time studies after the initial year and up to three half years after the initial half year, or until a degree/diploma is earned, whichever is earlier. Applications may be obtained by writing: Member and Family Benefits, Aid Association for Lutherans, Appleton, WI 54919.

American Business Women's Association. The more than 2000 chapters of the American Women's Association provide scholarships to women students who are beginning or continuing educational training for a business or professional career. Scholarships are awarded on a basis of financial need to students who have at least average grades. The amount of a scholarship is determined both by the applicant's need and the amount in a chapter's treasury. Students desiring sponsorship should contact a chapter of the Association. In most communities, chapters are listed with the Chamber of Commerce. If unavailable, applicants may contact the Scholarship Counselor at ABWA National Headquarters, 9100 Ward Parkway, P.O. Box 8728, Kansas City, MO 64114. Scholarship assistance is also available from the Stephen Bufton Memorial Education Fund, the national scholarship program of ABWA. Applicants who have achieved at least the Junior level in an accredited college or university are eligible for consideration for outright grants with a maximum of $800 and interest free loans with a maximum of $1,500. Repayment of loan notes commences approximately sixty days following the completion of studies. Monthly payments are $50 on $75 depending on the amount of the loan granted. Women students desiring consideration for grants and loans must also be sponsored by a chapter of the Association and should follow the procedure above for obtaining information on chapters in their communities.

American Medical Technologists' Scholarship Program offers five scholarships of $250 each to high school graduates interested in pursuing medical technology or medical assisting studies. Awards are based primarily on need, with consideration given to goals, school grades, activities, experience and personal references. Applicants must be enrolled, or contemplate enrolling in a school accredited by the Accrediting Bureau of Health Education Schools (list available by contacting the ABHES, 29089 U.S. 20 West, Elkhart, Indiana 46514), or enrolled or contemplate enrolling in a college, university or junior college medical technology or medical assisting program. May 1 is the filing deadline for applications and supporting documents from AMT, 710 Higgins Road, Park Ridge, IL 60068.

The American Society for Metals Foundation for Education and Research sponsors $500 undergraduate scholarships for students in metallurgy that are attending colleges or universities and are citizens of the United States, Canada or Mexico. Selection is based on interest in metallurgy, motivation, achievement, potential and scholarship. In addition, some individual A.S.M. chapters sponsor programs on a local or regional basis. ASMFER also supports scholarships through the National Merit Scholarship Program. For further information, write: American Society for Metals, Metals Park, OH 44073.

The Business and Professional Women's Foundation: Career Advancement Scholarships and the Clairol Loving Care Scholarships are awarded to women 25 and 30 years of age and older, respectively. The scholarship programs administered by the BPW Foundation provide financial assistance to raise the training level of mature women employed or seeking employment in the workforce, and to increase the pool of women qualified for positions that promise career opportunity. Scholarships are awarded for full-time or part-time programs of study. They may cover academic of vocational/paraprofessional/office skills training. Awards must be used for classes beginning after the date of the Selection Committee meeting at which they are granted; scholarships cannot be applied to payment for classes already in progress. Scholarships range from $100 to $1,000 for one year. The average award is between $400 and $700. Application forms are available between February 1 and April 1; July 1 and September 1. Requests for application forms should be made at the time they are available. The Foundation does not have a mailing list nor does it keep requests for application forms on hand. The applicant must be a woman 25 years of age or older and a citizen of the United States; be graduating within 24 months from July 1 if applying for the April 15 deadline, or January 1 if applying for the September 15 deadline; be officially accepted into an accredited program or course of study at a United States institution; demonstrate need for financial assistance to upgrade skills or complete education for career advancement; and have a definite plan to use the desired training to improve chances for advancement, to train for a new career field, or to enter or re-enter the job market. These scholarship programs do NOT cover: study at the doctoral level (this does not apply to law or medical students); correspondence courses; or post-doctoral studies. Information is available by writing: Business and Professional Women's Foundation, 2012 Massachusetts Avenue, NW, Washington, DC 20036. Additional scholarship and loan programs are available.

Club Managers Association of America maintains under-graduate scholarships for students enrolled at colleges and universities offering courses in Hotel, Restaurant and Institutional Management. These scholarships, normally made available to students who have completed at least one year of undergraduate work at a four-year school, are awarded on the basis of scholastic ability, financial need and interest in private club management. Information on high school, college or university training in preparation for a club industry position can be obtained by writing; the Club Managers Association of America, 7615 Winterberry Place, Bethesda, MD 20817.

The Education Council of the Graphic Arts Industry, Inc., Council's National Scholarship Trust Fund has awarded scholarships during the past 26 years for studies in printing management, printing technology and graphic arts education. For the school year beginning 1985–86, the Council has 50 new scholarships available in the fields of printing management engineering and teaching. Applications must be filed by January 15. Inquiries for summary of applications made available by the Graphic Arts Industry may be requested by writing: 4615 Forbes Avenue, Pittsburgh, PA 15213 ATTN: NSTF.

Educational Communications Scholarship Foundation provides a minimum of 50 awards annually of $1,000 each. Approximately 500 semi-finalists are selected on the basis of aptitude test scores, grade point average and leadership activities. Semi-finalists are required to write an essay which is evaluated by committee. Some consideration is given for need for financial aid, but this is not a major factor. Application must be submitted by June 1 and may be obtained in most high school guidance offices or write direct to: Educational Communications Scholarship Foundation, 721 N. McKinley Road, Lake Forest, IL 60045.

The Elks Foundation Scholarship Awards, for 56 years, have made it possible for many students to attend college. In recent years, the Foundation has awarded over $2,300,000 in scholarships. Any student in the graduating class of a high school or its equivalent who is a citizen of the U.S. and resident within the jurisdiction of the Benevolent & Protective Order of Elks, may file an application. Scholarship, leadership and financial need are the criteria by which applicants will be judged. Application blanks should be obtained from an officer of the local Elks Lodge or the Secretary of the State Elks Association and must be filed on or before February 1 with the Secretary or Lodge Foundation Chairman of the B.P.O. Elks Lodge in the city in which the applicant is a resident.

Entomological Society of America annually awards one $1,000 undergraduate scholarship sponsored by Bio Quip Corporation. Portions of the award are paid at the beginning of each semester or term. Students from Mexico, Canada or the United States must be an undergraduate pursuing a course of study in Entomology or a related field (Biology, Zoology, etc.) and show an interest in the Science of Entomology. Application deadline is June 1 each year. For further information, write: Entomological Society of America, 4603 Calvert Road College Park, MD 20740. Additional scholarships are available.

The Foundation of the National Student Nurses' Association offers a number of scholarships each year for Registered Nurses. Scholarships are awarded to Nurses for undergraduate studies and are based on financial need, academic achievement and a demonstrated commitment to nursing through involvement in nursing student organization and/or school and community activities. Requests for application deadline of February 1. Awards are made in April. For further information and application, send a self-addressed, stamped envelope with 44¢ postage to: Foundation of the National Student Nurses' Association, 555 West 57th Street, Suite 1325, New York, NY 10019.

The Harry S. Truman Memorial Scholarship Program, enacted by Public Law 93-642, is authorized to award scholarships, through nationwide competition, to persons who demonstrate outstanding potential for and who plan to pursue a career in public service. Scholarships awarded under this Act shall not exceed four academic years, neither shall they exceed the cost of tuition, fees, books, room and board, or $5,000 whichever is less for each year of study. Recipients must be college juniors in the initial year of the award. Each state shall be assured at least one recipient each year and the scholarships may apply to any institution of higher education offering courses of study or training to prepare persons for a career in government. The institution's nominations must be forwarded to the Foundation by December 1. Truman Scholarship Foundation, 712 Jackson Place, N.W., Washington, DC. 20006.

Horatio Alger Scholarship Program offers one $5,000 scholarship to a graduating senior each high school hosting a Horatio Alger Day. Eligibility requirements for the scholarship include: must be a Senior in high school, have a significant financial need and must participate in the Horatio Alger Day at his/her school. Grades, character, college entrance scores, school activities, community involvement and part-time/summer work record will also be considered in the final decision. Preliminary screening is accomplished by a committee of local school officials/staff. Final selection is made by the Horatio Alger Association of Distinguished Americans, Inc. A requirement for hosting a Horatio Alger Day is that the host school must provide an audience of at least 1,000 Junior/Senior students for the keynote speaker provided by the Association. Schools not having a Junior/Senior population sufficient to meet this requirement, will be required to extend invitations to neighboring schools to provide a minimum audience. Only one scholarship, however, will be awarded to the hosting school. For more information about the Horatio Alger Day and Horatio Alger Scholarship, contact the Horatio Alger Association for Distinguished Americans, Inc., One Rockefeller Plaza, Suite 1609, New York, NY 10020.

Knights of Columbus "Pro Deo and Pro Patria Scholarship Trust" is for undergraduate scholarships. The Knights of Columbus has an established trust fund which will provide annually $1,000 scholarships to members, to sons and daughters of living or deceased members. The fund will also annually provide two $1,000 scholarships to Columbian Squires. Awards will be made on the basis of academic excellence regardless of need and may be renewed annually subject to satisfactory academic performance. Five of these scholarships, and one for the Columbian Squire, are placed at The Catholic University of America. Students admitted to the freshman class may apply for these scholarships through the Director of Financial Aid, Catholic University of America, Washington, D.C. 20064. Final filing date of applications is February 1. Five of these scholarships and one for the Columbian Squire, may be used at a Catholic college of student's choice. Final filing date for these applications is March 1. Applications for these scholarships may be obtained from the Director of Scholarship Aid, Knights of Columbus, Supreme Council, Columbus Plaza, P.O. Drawer 1670, New Haven, CT 06507.

National Achievement Scholarship Program for outstanding Negro Students, a compensatory activity, created in 1964, is conducted by National Merit Scholarship Corporation (NMSC) which also administers

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the National Merit Scholarship Program (as described in the following paragraphs). All grants to the Achievement Program are specified for the purposes of honoring academically able black students and awarding them college undergraduate scholarships. Currently, over 675 Achievement Scholarships worth over $2 million are awarded in each annual competition.

To enter the Achievement Program, black high school students must take the PSAT/NMSQT (which simultaneously makes them participants in the Merit Program). mark a space on their answer sheets requesting consideration in the Achievement Program and meet NMSC eligibility requirements.

About 1,500 of the highest scoring eligible black students are designated Semifinalists in each Achievement Program. To ensure nationwide representation, semifinalists are named in each of several U.S. geographic regions, proportionate to each region's Negro population.

Semifinalists must meet further requirements and advance to Finalist standing in order to continue in the Achievement Scholarship competition. All winners are chosen from the Achievement Program Finalist group. The selection of winners includes an evaluation of each Finalist's academic record and test scores, extracurricular activities and attainments, and the endorsement and recommendation of the student's school.

Three types of Achievement Scholarships are awarded annually: About 350 are National Achievement $2,000 Scholarship that are single-payment awards. Every Finalist is considered for one of these awards. About 200 are corporate-sponsored four-year Achievement Scholarships for which winners must meet preferential criteria specified by the grantor organization, and are worth between $2,000 and $8,000 over the four college years. About 125 are college-sponsored Achievement Scholarships that provide between $250 and $2,000 during each of the winner's four undergraduate years of attendance at the sponsor college or university.

The PSAF/NMSQT Student Bulletin gives requirements students must meet to be eligible to participate in the Achievement Program and also lists sponsor organizations that currently provide support for Achievement Scholarships. A copy can often be obtained from the student's high school. Questions should be directed to: National Achievement Scholarship Program for Outstanding Negro Students, One American Plaza, Evanston, IL 60201 (312) 866-5100.

National Merit Scholarship Program is a nationwide competition for college undergraduate scholarships. The Merit Program is conducted by National Merit Scholarship Corporation (NMSC), an independent nonprofit organization, established in 1955 to administer this annual competition. Over 5,700 Merit Scholarships, valued at about $20 million, have been awarded each year in recent programs. Secondary school students throughout the U.S. enter the competition by taking the Preliminary Scholastic Aptitude Test/National Merit Scholarship Qualifying Test (PSAT/NMSQT) given by their schools in October. To participate, students must meet published eligibility requirements.

About 15,000 top-scoring students are designated in each Merit Program. The highest scorers in each state are named Semifinalists in numbers proportionate to the state's percentage of the National total of graduating high school seniors.

Semifinalists must meet further requirements and advance to Finalist standing in order to continue in the Merit Scholarship competition. All Merit Scholars are chosen from the group of approximately 13,500 finalists. The selection of winners includes an evaluation of each Finalist's test scores, academic and extracurricular achievements and the endorsement and recommendation of the student's school.

Three types of Merit Scholarships are awarded annually: at least 1,800 are National Merit $2,000 Scholarships that are single-payment awards allocated to winners on a state representation basis, and every Finalist is considered for one of these awards. Over 1,450 are corporate-sponsored four-year Merit Scholarships for which winners must meet preferential criteria specified by the grantor organization providing funding for the award, and that are worth between $2,000 and $8,000 over the four college years. About 2,450 are college-sponsored, four-year Merit Scholarships that provide between $250 and $2,000 during each of the winner's four undergraduate years of attendance at the sponsor college or university.

Details concerning eligiblity and the Merit Scholarships offered are published annually in the PSAT-NMSQT Student Bulletin, sent to high schools. Questions and requests for additional information should be sent to: NMSC, One American Plaza, Evanston, IL 60201 (312) 866-5100.

The National Association of Secondary School Principals and the National Honor Society sponsors the Century III Leaders Program which provides 102 $1,500 scholarships and 102 $500 awards (2 each per state and D.C.) and one $10,000 national award to high school seniors who are selected by their schools. For information, contact the school principal in September (in advance of the October 10 deadline), or write to: The National Association of Secondary School Principals, 1904 Association Drive, Reston, VA 22091.

National Presbyterian College Scholarships are offered by the Presbyterian Church (U.S.A.) to qualified Presbyterian young people entering as college freshmen any of the participating Presbyterian church-related colleges in the fall of each year. There are approximately 150 awards ranging from $100 to $1,400. There are honorary awards with no stipend where no need is shown. To qualify, applicants must be members of the Presbyterian Church U.S.A. Applications are available after mid-August and the filing deadline is December 1. Information may be secured by writing: National Presbyterian College Scholarships, Vocation Agency, Presbyterian Church (U.S.A.), 475 Riverside Drive, New York, NY 10115.

National 4-H Council, through 60 business corporations and foundations, offers more than 270 4-H college scholarships with total value of more than $250,000 and range from $500-$1,500. The majority are open only to current 4-H members who have won state honors in specific 4-H projects. (Other college scholarships, ranging in value from $500 to $1,000, are available to present or former 4-H members who either are in, or plan to attend, college. Applicants for the latter should have an interest in one of the following fields: (1) animal science; (2) veterinary medicine; (3) forestry; or, (4) agricultural home economics or closely related career fields.) For further information on eligibility requirements, write to State 4-H Leader at the State Land-Grant University. A list of these leaders may be obtained from the National 4-H Council, 7100 Connecticut Avenue, Chevy Chase, MD 20815.

RCA Corporation maintains one or more undergraduate scholarships at more than 30 colleges and universities. These scholarships, normally made available to students who have completed at least one year of undergraduate work, are available in the fields of physical science, engineering, broadcast journalism, industrial relations, business economics, telecommunications and procurement/materials management as specified at each institution. The selection of scholars is made by the college or university in each case and students already enrolled should apply to the Scholarship or Financial Aid Officer for further information. Also, up to 25 2-year vocational/technical career scholarships are awarded to children of employees. Graduate fellowships are maintained in journalism, electrical engineering, electronics and physics at seven universities and are open to any qualified graduate student enrolled at the institutions which select the Fellow and administer the grants. RCA also supports scholarships through the National Merit Scholarship Program and the National Achievement Scholarship Program for Outstanding Negro Students.

The Railroad Retirement Act provides monthly benefits for children who are students of deceased railroaders who were insured under the Act of Death. Dependent grandchildren of deceased railroaders may also be eligible if both natural parents are deceased or disabled. A student is defined as a child under age 19 in full-time attendance at an elementary school or a secondary school. Benefits continued until the student reaches age 19 or graduates from high school, whichever is earlier. Children who are students of retired railroad workers cannot qualify for benefits directly. However, a retired worker's benefit may be increased under a special guarantee provision of the Railroad Retirement Act. The address of the Railroad Retirement Board Office may be found in the telephone directory.

Samuel Robinson Scholarships are for undergraduate students enrolled in one of the Presbyterian-related colleges. No one may receive the scholarship more than once. Applicants must successfully recite the answers of the Westminster Shorter Catechism, and write a 2,000-word original essay on an assigned topic related to the shorter Catechism. Amount of Award: $500. Deadline: April 1. For further information, contact the financial aid officers at the Presbyterian-related colleges or Presbyterian Church (U.S.A.), 475 Riverside Drive, New York, New York 10015.

Science Talent Search, conducted by Science Service and sponsored by the Westinghouse Electric Corporation and the Westinghouse Educational Foundation, annually offers scholarships for boys and girls in their last year of high school. Awards are based on high school records, national test scores, recommendations of high school teachers, a thousand-word report on an independent science research project by the student and interviews by judges of the forty finalists at the Science Talent Institute in Washington, D.C. Awards include 10 scholarships of one $12,0900, two $10,000, three $7,500 and four $5,000. The remaining 30 finalists each receive Westinghouse Science Awards of $500. State Science Talent Searches are conducted currently with the National Competition in 36 states and the District of Columbia. Entry deadline date is December 15, Detailed information is

available from Science Service, 1719 N Street, N.W., Washington, D.C. 20036.

Soroptimist International of the Americas Youth Citizenship Award of $1,250 per Soroptimist region and a finalist award of $2,000 offered to high school seniors demonstrating good citizenship qualities. Citizenship qualities include integrity, worth and ability, and encourage youth to develop the highest concepts of patriotism and effective cooperation in home and community affairs. Deadline is December 15. For further information, contact Soroptimist International of the Americas, 1616 Walnut Street, Philadelphia, PA 19103.

Student Opportunity Scholarships. These scholarships are for young persons of limited opportunities, members of racial/ethnic groups who are related to the Presbyterian Church (U.S.A.). Must be entering college as an incoming freshman and apply to the college for financial aid. Amount of Award: $100 to $1,400. Those eligible should write between January 15 and March 15 to: Student Opportunity Scholarships, Presbyterian Church in the (U.S.A.), 475 Riverside Drive, Room 430, New York, NY 10115.

The Theodore A. Serrill Journalism Scholarship is offered annually by the National Newspaper Foundation to a Junior or Senior enrolled full-time in an accredited sequence of journalism. The scholarship program is designed to encourage study in the print media field. The scholarships, in the sums of $1,000, $500 and $250, are payable during the Junior or Senior year. The student must have at least a B average and a recommendation by the Dean, Director or Department Head of the school in which he/she is enrolled. Deadline is June 15. Write for an application to: Selection Committee, Serrill Scholarship, National Newspaper Foundation, 1627 K Street, N.W., Suite 400, Washington, D.C. 20006.

The Westinghouse Educational Foundation sponsors the following awards annually:

1. The Westinghouse Family Scholarship—five $10,000 and fifty $1,500 scholarships. Information on the Westinghouse Family Scholarship may be obtained from the Personnel Relations Office where the student's parent is or was (if deceased, retired or permanently disabled) employed.

2. The Science Talent Search—forty awards. The student should request his science teacher to write to Science Service, 1719 N Street, N.W., Washington, D.C. 20036 to obtain information and application forms.

3. 4-H Electric Program—4-H Club members should contact their local 4-H leader or County Extension Agent for information and application.

4. Bertha Lamme Scholarship—these scholarships are awarded to young women entering engineering as freshmen. For information write: Society of Women Engineers, United Engineering Center, Room 305, 345 East 47th Street, New York, N.Y. 10017.

5. National Achievement Scholarship Program for outstanding Negro students—five $2,000 scholarships. Information may be obtained through the National Merit Scholarship Corp., One American Plaza, Evanston, IL 60201.

Eligibility for each of these scholarships is limited to students residing in the United States. The Family Scholarship, The Science Talent Search and, The Bertha Lamme require that the applicant be in his or her last year of high school and applications must be submitted during the Fall months of their Senior year. Students aged 14 through 19 are eligible for the 4-H Electric Program.

Western Golf Association sponsor the Evans Scholars Foundation, which annually awards approximately 200 four-year scholarships to qualified caddies. Eligibility for Evans Scholarship: (1) candidates must have completed junior year in high school and rank in upper 25% of class; (2) must have caddied for a minimum of two years; and (3) must require financial assistance to attend college. Applications are available by writing Western Gulf Association, Golf, IL 60029.

C. ASSISTANCE FOR GRADUATES AND UNDERGRADUATES

The American Dental Hygienists' Association Foundation offer the following scholarships: (1) CERTIFICATE SCHOLARSHIP PROGRAM to students who are in a certificate/associate degree or bachelor's degree dental hygiene program, have completed at least one year in dental hygiene curriculum and have a minimum grade point average of 3.00 (on a 4.00 scale); (2) BACCALAUREATE DENTAL HYGIENE SCHOLARSHIP PROGRAM to students who have a minimum grade point average of 3.00 (on a 4.00 scale) and can provide evidence of acceptance as a full-time bachelor's degree candidate in an accredited four-year college or university; if a Baccalaureate Degree sought is not in Dental Hygiene, evidence of a Dental Hygiene Certificate or qualification for the Dental Hygiene Certificate within the current academic year must be provided. (3) GRADUATE DENTAL HYGIENE FELLOWSHIP PROGRAM to students who can provide evidence of acceptance as a full-time Master's or Doctoral degree candidate in a university program, are graduates of a certified associate dental hygiene program or baccalaureate program, and are licensed Dental Hygienists or will receive a bachelor's degree at the end of the current academic year. While being enrolled in a dental hygiene curriculum, must maintain a minimum grade point average of 3.00 (on a 4.00 scale). The maximum scholarship is $1,500, depending on need. Deadline for applications is May 1. Information and application may be obtained by writing: American Dental Hygienists' Association, 44 North Michigan Avenue, Suite 3400, Chicago, IL 60611.

The American Dental Hygienists' Association Foundation Research Grant Program makes research grant funds available for licensed dental hygienists or students pursuing a dental hygiene degree who submit a completed research grant application according to the specified guidelines. The purpose is to provide financial assistance to associate baccalaureate, master's, doctoral candidates and practicing dental, hygienists to implement research. All proposals and applications due by July 1 and awards are made in October of the year in usual amounts up to $1,500. Further information and application may be obtained by writing: American Dental Hygienists' Association Foundation, 444 Michigan Avenue, Suite 3400, Chicago, IL 60611.

The American Institute of Architects. Scholarships are available for the first professional degree candidate and for a graduate student in architecture. Graduate scholarships available for one academic year to study health facility design. Finally, a scholarship program is available for students from minority or disadvantage backgrounds. For further information write Director, Education Programs. The American Institute of Architects, 1735 New York Avenue, NW., Washington, DC, 20006.

ASMT Education & Research Fund, Inc. Medical technology students, who have completed the first semester of their sophomore year, may apply for a $3,000 Fisher Scientific Company Undergraduate scholarship. This scholarship will be paid in equal installments to one recipient for the junior and senior year in college. The Specialty Scholarship is available for graduate students. Scholarships are also offered by the Fund for interested students continuing their advanced education in certain specialty fields. Applications are available in October of each year. No application is sent between March 1 and October 1. The application deadline is March 1. The Fisher and the Graduate Specialty Scholarship applications are available from the ASMT Education & Research Fund, 330 Meadow Fern Dr., Houston, TX 77067.

The American Society of Heating, Refrigeration, Air Conditioning Engineers, Inc. offers grants-in-aid to full-time graduate students of ASHRAE-related technologies to encourage students to continue preparation for service in the industry. An application is made on the student's behalf by a faculty adviser. Up to $6,000 may be awarded during a calendar year. Applications are available from the Director of Research, American Society of Heating, Refrigeration and Air Conditioning Engineers, Inc., 1791 Tullie Circle, N.E., Atlanta, GA 30329.

The Dow Jones Newspaper Fund, Inc. is an organization to encourage talented young people to consider careers in journalism. The Journalism Career and Scholarship Guide, published by the Fund, provides information on what to study in college, where to study journalism/mass communications, general information on where jobs are and how to find them. It also lists more than $3 million in financial aid from universities and colleges, newspapers, professional societies and journalism-related organizations for students majoring in journalism/mass communications. Single copies of the Guide are available at no charge to interested individuals. Bulk orders are also available at $2.00 per copy. The Fund operates two editing internship programs: the Newspaper Editing Intern Program for College Juniors and the Minority Editing Intern Program for College Seniors.

The internships offer students the opportunity to earn scholarships after successfully completing a summer of paid employment as a copy editor on a daily newspaper. The Fund also sponsors: Urban Journalism Workshops that are designed for inner-city minority high school students; the Teacher Fellowship Program for inexperienced high school journalism teachers to attend summer publications workshops; and the Special Awards Program which ends in the naming of the High School Journalism Teacher of the Year. For information of these programs, as well as a copy of the Journalism Career and Scholarship Guide, write the Dow Jones Newspaper Fund, P.O. Box 300, Princeton, NJ. 08540.

Institute of Food Technologists administers fellowships and scholarships to students pursuing a program leading to a degree in the general field of Food Technology or Food Science. During the tenure of a scholarship, winners must be enrolled in an IFT approved U.S. or Canadian educational institution. Graduate fellowship winners may be enrolled in any U.S. or Canadian educational institution that is conducting fundamental research in food science or

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technology. Awards include 24 freshman and sophomore, and 37 junior and senior scholarships of $500 to $2,000; 14 graduate Fellowships up to $6,000. Deadline: Graduate Fellowships—February 1; Junior and Senior Scholarships—February 1, Sophomore Scholarships—March 1; Freshman Scholarships—February 15. Booklet, IFT Scholarship Fellowship Program and applications are available after September 15 from IFT Scholarship Department, 221 N. LaSalle St., Suite 2120, Chicago, IL 60601, or, from Department Head of approved institution.

The International Chiropractors Association has two scholarship programs, the Womens' Auxiliary and King Koll scholarship programs, which provide funds to student ICA chapters for distribution to student ICA members. ICA also furnishes career information to interested individuals. Upon request, ICA will send a list of chiropractic colleges. Write to the International Chiropractors Association, Career/Scholarship Information, 1901 L St., N.W., Suite 800, Washington, D.C. 20036.

Kappa Kappa Gamma Fraternity annually offers scholarships to female citizens of the U.S. or Canada who are juniors or seniors in college or graduate students working towards a degree in the field of rehabilitation. Applicants must have completed two years of study on a campus where there is a chapter or be a graduate student. Scholarships for both members/non-members are granted to assist in preparation for work with the mentally retarded, physically handicapped, socially deprived, emotionally disturbed and the aged. Awards are for $300–$1000. Graduate fellowships are also offered for members and non-members with high academic standing in fields other than rehabilitation. The same qualifications are required as with the rehabilitation scholarships. Deadline is February 15 and details are available by sending self-addressed stamped envelope to Kappa Kappa Gamma Fraternity Headquarters, P.O. Box 2079, Columbus, OH 43216.

The Material Handling Education Foundation, Inc. awards scholarships to students enrolled in programs of study pre-qualified by the Foundation. Majors in Industrial Engineering (and other programs in related areas) may qualify. This program should include an emphasis in material handling through direct and related courses and through independent study. To be eligible, students must be; beyond their second year of a Bachelor's program or beginning graduate study; U.S. citizens and maintaining at least a "B" average. The application deadline is early February; the forms are available from faculty members at approved institutions. For general information, you may write: The Material Handling Institute, 1326 Freeport Road, Pittsburgh, PA 15238.

The National Board of Civil Air Patrol has authorized scholarships to be awarded to Civil Air Patrol members each year in the following categories: Undergraduate, Advanced Undergraduate, Graduate and Technical/Vocational Scholarships. Deadline date is April 1. Information and forms may be secured from: Civil Air Patrol Unit Commanders or from National Headquarters, Civil Air Patrol/TT, Maxwell AFB, AL 36112.

National Congress of Parents and Teachers does not have a scholarship and loan program at a national level. A large number of state congresses have such programs and others are encouraging scholarship grants at council and local levels. Awards are made possible by dues received for memberships, memorial gifts and/or voluntary contributions from PTA's. Most are for teacher training education, but some are for family life education, guidance and counseling instruction, librarianship, teachers of exceptional children and in-service teachers' summer term work. Special fellowships offered. Inquiries should be sent to inquirer's state congress.

National Institute for the Foodservice Industry administers the following scholarship programs for students who are interested in a management career in the food service industry including hotel, restaurant and institutional management:

1. H.J. Heinz Company Scholarship Program

A. Junior/Community College Scholarship Award. For high school graduates enrolled or planning to enroll in a program leading to an associate degree in food service management at a junior/community college. Three scholarships at $1,900 each awarded annually. Basic amount of $950 per year is given for two years. Winners are expected to find summer employment related to food service management.

B. Senior College Scholarship Award. For students completing their second year in food service education in a four-year institution or those in a two-year program who wish to continue at a four-year institution. Seven scholarships at $2,600 each are awarded annually. Basic amount of $1,300 is given for two years. Winners are expected to find summer employment related to food service management.

C. Graduate Degree Fellowship. One fellowship at $2,000; one fellowship at $1,200; and, five fellowships at $1,000 each are awarded on a competitive basis to teachers and administrators enrolled in academic programs leading to a master's or doctorate degree to improve skills in teaching or administering food service career education.

2. Golden Plate Scholarship Program—Sponsored by International Food Service Manufacturers Association—offers approximately 100 awards to students enrolled or planning to enroll in a food service program in a junior/community, senior college or graduate school. The amount of each scholarship is $750. Awards are for one academic year.

Deadline filing date is April 1. Further information and applications may be obtained from: National Institute for the Foodservice Industry, 20 North Wacker Drive, Suite 2620 Chicago, IL 60606.

Nurses' Educational Funds is an organization which grants scholarships to registered nurses pursuing further full-time study through degree programs. Men and women who are members of The American Nurses Association and who qualify for these awards study in nursing programs accredited by the National League for Nursing in colleges and universities of their choice. Funds are contributed by nurses, business and industrial firms, organizations and individuals. The Board of Directors determines the amount and number of awards each year on the basis of availability of funds and the nature of applications. Deadline for applications is January 15 preceeding the academic year for which award is made. Write for application forms or additional information to Nurses' Educational Funds, 555 West 57th Street, New York, NY 10019.

The Rotary Foundation Scholarships are available to graduate or undergraduate students, journalists or teachers of the handicapped. Vocational scholarships are also available for artisans, technicians and professionals who have been employed in a technical or professional field for at least 2 years. Freedom From Hunger Scholarships will be granted to students from developing country districts working toward advanced degrees in agricultural studies. Age limit requirements vary with each scholarship. All scholarships are for one academic year in a country other than the recipient's own and provide for school fees, room and board, round trip airfare between home city and place of study and expenses for limited travel during the year. Applications are due October 1. Contact you local Rotary Club for details.

The Society of Exploration Geophysicists Foundation offers numerous scholarship opportunities to students who intend to pursue a college course directed toward a career in Geophysics. Scholarhips ranging from $750 to $1,000 annually are available to students wishing to enter college, already in college and at the graduate level. Applications must be filed prior to March 1. Applications and further information may be secured from the Society's Scholarship Committee, P.O. Box 702740, Tulsa, OK 74170.

The Society of Naval Architects and Marine Engineers annually awards both undergraduates and graduate scholarships to encourage study in naval architecture and marine engineering or closely related fields. All applicants must be a citizen of either the United States or Canada:

1. Undergraduate Awards, normally $1,000 each, are to be applied for by contacting one or more of the following schools directly: University of California (Berkeley); University of Michigan (Ann Arbor); Massachusetts Institute of Technology (Cambridge); State University of New York Maritime College (Fort Schuyler) and/or Florida Atlantic University (Boca Raton, FL). These are the only five schools where undergraduate awards are available.

2. Graduate Awards, which usually cover the cost of tuition at the college selected, are to be filed with the Society no later than February 1. Applications for graduate awards and information can be obtained by writing to: Mr. Robert G. Mende, Secretary and Executive Director, The Society of Naval Architects and Marine Engineers, One World Trade Center, Suite 1369, New York, New York 10048.

D. ASSISTANCE FOR GRADUATES ONLY

The American Association of University Women Educational Foundation awards approximately 70 fellowships annually ranging from $3,500 to $7,000 (up to $10,000 for postdoctoral fellowships) to women of the United States who have completed all requirements for the doctorate except the writing of the dissertation. Awards are also made to women for postdoctoral research and for the final year of study in the fields of law, final year of MBA, dentistry, medicine, osteopathic medicine, veterinary medicine and architecture. Applications are available after August 1 of each year. Deadline for application is December 15 except for MBA which is February 1. For further information, write to: Director of Educational Foundation Programs, AAUW, 2401 Virginia Avenue, N.W., Washington, D.C. 20037.

The American College of Hospital Administrators, offers a limited number of loans to assist worthy students to continue their professional education and training toward careers in hospital administration. Loans are available to students in a graduate program

in hospital or health services administration, accredited by the Accrediting Commission on Education for Health Services Administration, and acceptable to the American College of Hospital Administrators. Applicants must be student associates of ACHA, and demonstrate financial need. Applications must be endorsed by the University Program Course Director prior to submission. to ACHA's Student Loan Committee. For further information contact the American College of Hospital Administrators, 840 North Lake Shore Drive, Chicago, IL 60611.

The American Congress on Surveying and Mapping administers the following graduate fellowships: (1) American Association for Geodetic Surveying Fellowship—$2,000. (2) William A. Fischer Memorial Scholarship—$1,000. (3) Wild Heerbrugg Geodetic Fellowship—$4,000 and (4) Wild Heerbrugg Photogrammetric Fellowship—$4,000. Completed applications must be filed by January 15. For further information and application, contact Education Director, American Congress on Surveying and Mapping, 210 Little Falls Street, Falls Church, VA 22046

The American Osteopathic Association, through the Auxiliary to the American Osteopathic Association, annually awards one National Osteopathic College Scholarship of $4,000 and additional scholarships of $2,000. These scholarships cover the sophomore year of medical training. Awards are based on scholarships (top 20% of class), financial need, good moral attendance at a college of osteopathic medicine, motivation and aptitude for the osteopathic medical profession and citizenship in the U.S. or Canada. Deadline June 1 for receipt of applications. The National Osteopathic Foundation, individual Colleges of Osteopathic Medicine and other osteopathic state organizations administer loan funds. For information write: American Osteopathic Association, 212 East Ohio Street, Chicago, IL 60611

The Daniel and Florence Guggenheim Foundation offers Fellowships each year to approximately 10 young scientists and engineers for graduate study in energy conversion, transportation, jet propulsion, space flight and flight structures. The fellowships provide stipends ranging up to $5,000 depending on the level of advancement of the student, plus tuition. They are open to qualified science and engineering students who are residents of the United States or Canada. Students graduating in aerodynamics, fluid mechanics, engineering sciences, physics, physical chemistry, applied physics, applied mathematics, or, aeronautical, mechanical, chemical or civil engineering are sought. (The Fellowships are open to women as well as men.) The Fellowships will be used for study at The Daniel and Florence Guggenheim Laboratories at Princeton University, the Daniel and Florence Guggenheim Jet Propulsion Center at California Institute of Technology and the Daniel and Florence Guggenheim Institute of Flight Structures at Columbia University. Applications and additional information should be obtained directly from Princeton, California Institute of Technology or Columbia.

Dental Laboratory Technology Scholarships are available on complete information application to the American Fund for Dental Health. These are one-year scholarships, ranging from $500 to $600. Upon reapplication, a scholarship may be renewed for a second year by the Selection Committee if the student satisfactorily completes the first year and funding is available. Deadline date is June 1. For full information, write to: American Fund for Dental Health, Attn: Director of Programs, Suite 1630, 211 East Chicago Avenue, Chicago, IL 60611.

Dental Scholarships for Minority Students are available through the American Fund for Dental Health. Students selected under this program may receive up to $2,000 for their first year of dental school. Upon re-application and report of satisfactory progress, a grant for $2,000 may be renewed for the second year of dental studies. A maximum of $4,000 may be paid over a two-year period. To be eligible, students must be U.S. citizens from the following minority groups under-represented in the dental profession—American Indians, Blacks, Mexican-Americans and Puerto Ricans. They must be entering their first year of dental school and application deadline is May 1. Applications are available from the Student Affairs or Financial Aid Office of the dental school they plan to attend. Write: American Fund for Dental Health, Attn: Director of Programs, Suite 1630, 211 E. Chicago Avenue, Chicago, IL 60611.

Eisenhower Memorial Scholarship Foundation, Inc., awards several graduate scholarships, ranging from $1,000 to $3,000 at the discretion of the Board of Trustees and upon the recommendation of the Graduate Scholarship Committee. Applicants must be U.S. citizens having an academic degree equivalent to a Bachelor's Degree from an accredited college or university. Students interested should also have a plan of study or research which will advance the applicant's professional competence and have intentions of devoting full-time graduate study during the scholarship year. Financial need will not be a consideration. Awards will be based on those applicants who appear most likely to make the greatest contributions and of becoming thought leaders in the area of advancing the principles of individual freedom, patriotism, limited government and free-market economics. The award is for one academic year and is not renewable. For further information and application write: Eisenhower Memorial Scholarship Foundation, Inc., 539 South Walnut, Bloomington, IN 47401, or call Mr. E.M. Sears, Executive Director by phone (812) 332-2257.

Foreign Area Programs of the Social Science Research Council and the American Council of Learned Societies offer fellowships for doctoral dessertation research in social science and humanistic fields related to many foreign areas. Since these programs reflect the distinctive needs and character of the area, a general account of terms and conditions cannot be offered here. Inquiries should be directed to Social Science Research Council, Fellowships and Grants, 605 Third Avenue, New York, NY 10158.

The Institute of International Education offers American college graduates approximately 700 scholarships for study in foreign countries, about 500 of which are provided under the Fulbright Program. Over two hundred of the scholarships are financed by various foreign governments, foreign universities and private donors. In most cases, the scholarships provide travel expenses and partial or complete tuition and maintenance for a full academic year. Students now enrolled in colleges or universities should first consult with their campus Fulbright Program Advisers. Deadline is October 31, 1984. Further information and application forms are available from the Institute of International Education, Division of Study Abroad Programs, 809 United Nations Plaza, New York, N.Y. 10017, or from any of the Institute's regional offices in Chicago, Denver, Atlanta, Houston and San Francisco.

The Knights of Columbus Graduate Fellowships are established at the Catholic University of America, Washington, D.C., for work in the fields offered in the Graduate School. The followships cover room, board and tuition, and may be renewed annually up to three years.

For these awards, preference is given to members of the Knights of Columbus, to the wife, son, daughter or sister of a member. The member must be in good standing in the Order; if deceased, he must have been in good standing at the time of his death.

These Fellowships are administered by the Graduate School of the Catholic University for applicants who have been accepted for graduate work there. Application forms may be obtained from the Director of Financial Aid, Catholic University of America, Washington, D.C. 20064.

The Knights of Columbus Bishop Charles P. Greco Graduate Fellowships, established in 1973, for members, their wives, sons and daughters and for the widow and children of a deceased member. These fellowships are for full-time graduate study leading to a Master's degree in a program designed for the preparation of classroom teachers of mentally retarded children. The fellowship is granted to a candidate at the beginning of his program of study and offers financial assistance for the educational costs at the graduate school up to a maximum of $500 a semester. The grant is renewable each succeeding semester of the program to a maximum of four semesters upon evidence of satisfactory performance. The deadline is May 1. Application forms may be obtained from the Committee on Fellowships, Knights of Columbus, P.O. Drawer 1670, New Haven, CT 06507.

National Medical Fellowships, Inc., awards scholarships to members of the four under-represented minority groups, (Native Americans, American Blacks, Mexican Americans and Mainland Puerto Ricans) who have been accepted by or are attending accredited schools of allopathic and osteopathic accredited schools of medicine in the U.S. Applicants must be U.S. citizens.

NMF General Scholarship awards are based on financial need and are awarded to first and second-year medical students. Special merit awards are granted to outstanding juniors and seniors.

Applications should be requested from The Scholarship Program, National Medical Fellowships, 250 West 57th Street, New York, NY 10107. All NMF applications are available in March. The deadline for entering medical students is August 30 and from currently enrolled students is April 26.

The National Wildlife Federation annually awards a limited number of graduate fellowships of up to $4,000 for study at an accredited college or university in the field of natural resources conservation. Research which is carried out as part of a research program, may be considered within this fellowship program. The deadline is December 31. Write to: The Executive Vice President, National Wildlife Federation, 1412 Sixteenth St., N.W., Washington, D.C. 20036.

Woodrow Wilson National Fellowship Foundation conducts the following programs in higher education:

(1) Mellon Fellowships for Graduate Studies in the Humanities for beginning graduate students who plan careers in college teaching. (For more information on Mellon

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write: P.O. Box 288, Princeton, NJ.) (2) Charlotte W. Newcombe Dissertation Fellowships for Ph.D. candidates writing on topics of religious and ethical values in all fields. Application Request Deadline—December 23, of each year. (3) Women's Studies Research Grants for Ph. D. candidates writing their dissertations on a topic concerning women. Application Request Deadline—November 14, of each year. (4) Administrative Internships which place holders of M.B.A. and other professional degrees in management positions at developing colleges. (5) Visiting Fellows Program which sends professionals to college campuses for a week at a time. (6) Faculty Development Awards for former Woodrow Wilson Fellows.

Applicants interested in the above programs should write for further information to: Woodrow Wilson National Fellowship Foundation, Box 642, Princeton, New Jersey 08540.

Section V: Other Private and State Sources of Loans

The following loans represent funds available through private sources. Information on sources of Guaranteed Student Loans for each state is found in Table II.

The American Optometric Association, has provided funds to establish a special reserve with the United Student Aid Funds. This enables optometry students to borrow money from financial institutions at a low interest rate. USAF guarantees the loan, supported by the AOA reserve. USAF is a nonprofit corporation which endorses low-cost loans made by participating hometown financial institutions to deserving students. In order to qualify for the loans, the AOA student member must be in good academic standing, pursuing a Doctor of Optometry degree and be beginning his first, second, third or fourth year of graduate study at an accredited college of optometry. He must have demonstrated a definite need for financial assistance to meet educational expenses. An eligible student may borrow up to $5,000 per academic year under all guaranteed student loan programs or $25,000 for an entire academic career including undergraduate and graduate study. Applications can be obtained until January 30. For futher information and application form, write: The American Optometric Association, 243 North Lindbergh Blvd., St. Louis, MO 63141.

Pickett and Hatcher Educational Fund makes loans to undergraduate students with current preference given to students who are residents of the Southeastern portion of the United States (Alabama, Florida, Georgia, Kentucky, Mississippi, North Carolina, South Carolina, Tennessee and Virginia) and who are enrolled full-time, for a minimum of 15 credit hours, in colleges and universities offering broad liberal arts education. Loans are not available to students in vocational schools or business colleges, or those planning to enter the professions of medicine, law, or the ministry. The loans may include amounts required for fees tuition, room and board, up to $2,400 for an academic year, with the total amount borrowed not to exceed $9,600. (Interest on loans is payable quarterly at a rate of 2% per annum while in college and monthly at a rate of 6% per annum after a student leaves college or ceases to take at least 9 credit hours.) Monthly payments on principal amount to at least ten percent of the borrower's income or 1/12 of 10% of total amount borrowed, whichever is larger. Deadline: July 1. For more information and application form write: Pickett and Hatcher Educational Fund, P.O. Box 8169, Columbus, GA 31908.

United Student Aid Funds, Inc. brings together public spirited financial institutions throughout the United States to make low-cost educational loans available to post-secondary and professional students. Guaranteed Student Loans for undergraduates are available up to $2,500 yearly to a cumulative maximum of $12,500; loans to graduate/professional students are available up to $5,000 yearly to a cumulative maximum of $25,000, including amounts borrowed as an undergraduate. The current interest rate for this program is 8%.

The PLUS program is also available to parents of dependent undergraduates, graduate students and independent undergraduate students. Parents may borrow up to $3,000 per year for each dependent undergraduate. Graduate/professional students may borrow up to $3,000 per year in addition to what they borrow under the Guaranteed Student Loan Program. Independent undergraduate students may borrow up to $2,500 per year including amounts borrowed under the Guaranteed Student Loan Program. The interest rate for this program is currently 12%. For further information, contact United Student Aid Funds, Inc., 8085 Knue Road, P.O. Box 50827, Indianapolis, Indiana 46250, or call toll-free, 800-LOAN-USA (Nationwide) or 800-382-4506, if calling from Indiana.

Table II: Sources of Information on the Guaranteed Student Loan Programs and State Scholarship Programs

ALABAMA

Alabama Commission on Higher Education, 1 Court Square, Suite 221, Montgomery, AL 36197.

GSL and State aid: (205) 269-2700.

ALASKA

Alaska Commission on Postsecondary Education, 400 Willoughby Avenue, Pouch FP, Juneau, AK 99811.

State Aid: (907) 465-2962.

ARIZONA

GSL: Arizona Educational Loan Program, 2600 N. Central Avenue, Suite 621, Phoenix, AZ 85004, (602) 252-5793.

State Aid: Arizona Commission for Postsecondary Education, 1645 W. Jefferson, #127, Phoenix, AZ 85007, (602) 255-3109.

ARKANSAS

GSL: Student Loan Guarantee Foundation of Arkansas, 219 South Victory Road, Little Rock, AR 72202, (501) 371-2634.

State Aid: Dept. of Higher Education, 1301 W. Seventh Street, Little Rock, AR 72202, (501) 371-1441. ext. 56.

CALIFORNIA

California Student Aid Commission, 1410 Fifth Street, Sacramento, CA 95814.

GSL: (916) 323-0435.

State Aid: (916) 445-0880.

COLORADO

GSL: Colorado Student Loan Program, 11990 Grant Street, Suite 500, Northglenn, CO 80233, (303) 450-9911.

State Aid: Colorado Commission on Higher Education, 1300 Boardway, 2nd Floor, Denver, CO 80203, (303) 866-4034.

CONNECTICUT

GSL: Connecticut Student Loan Foundation, 25 Pratt Street, Hartford, CT 06103, (203) 547-1510.

State Aid: Connecticut Department of Higher Education, 61 Woodland Street, Hartford, CT 06105, (203) 566-2618.

DELAWARE

GSL: Delaware Higher Education Loan Program, P.O. Box 7139, Wilmington, DE 19803, (302) 478-3000 ext. 203.

State Aid: Delaware Postsecondary Education Commission, Carvel State Office Building, 820 N. French Street, 4th Floor, Wilmington, DE 19801, (302) 571-3240.

DISTRICT OF COLUMBIA

GSL: Higher Education Assistance Foundation Loan Program of Washignton, DC., 1030 15th Street, N.W., Suite 1050, Washington, DC 20005, (202) 289-4500.

State Aid: Office of Postsecondary Education, Research and Assistance, D.C. Dept. of Human Services, 1331 H Street, N.W., Suite 600, Washington, DC 20005, (202) 727-3688.

FLORIDA

Office of Student Financial Assistance, Florida Dept. of Education, Knott Building, Tallahassee, FL 32301.

GSL: (904) 488-8093.

State Aid: (904) 488-6181.

GEORGIA

Georgia Higher Education Assistance Corporation, 2082 East Exchange Place, Suite 200, Tucker, GA 30084.

GSL: (404) 493-5467.

State Aid: (404) 493-5451.

HAWAII

GSL: Hawaii Education Loan Program, 1314 S. King St., Suite 962, Honolulu, HI 96814, (808) 536-3731.

State Aid: State Postsecondary Education Commission, 124F Bachman Hall, Univ. of Hawaii, 2444 Dole Street, Honolulu, HI 96822, (808) 948-8213.

IDAHO

GSL: Student Loan Fund of Idaho, Inc., Processing Center, P.O. Box 730, Fruitland, ID 83619, (208) 452-4058.

ILLINOIS

GSL: Illinois Guaranteed Loan Program, 106 Wilmot Road, Deerfield, IL 60015, (312) 945-7040.

State Aid: Illinois State Scholarship Commission, 106 Wilmot Road Deerfield, IL 60015, (312) 948-8550.

INDIANA

State Student Assistance Commission of Indiana, 964 N. Pennsylvania St., 1st Floor, Indianapolis, IN 46204.

GSL: (317) 232-2366.

State Aid: (317) 232-2350.

IOWA

Iowa College Aid Commission, 201 Jewett Building, 9th and Grand, Des Moines, IA 50309.

GSL: (515) 281-4890.

State Aid: (515) 281-3501.

KANSAS

GSL: Higher Education Assistance Foundation, 34 Corporate Woods, 10950 Grand View Drive, Suite 270, Overland Park, KS 66210, (919) 648-4255.

State Aid: Kansas Board of Regents, Suite 609, Capitol Tower, 400 S.W. Eighth Street, Topeka, KS 66603, (913) 296-3421.

KENTUCKY

Kentucky Higher Education Assistance Authority, 1050 U.S. 127 South, West Frankfort Office Complex, Frankfort KY 40601.

GSL and State Aid: (502) 564-7990.

LOUISIANA

Governor's Special Commission on Education Services, 4637 Jamestown Street, P.O. Box 44127, Baton Rouge, LA 70804.

GSL and State Aid: (504) 925-3830.

MAINE

State Dept. Of Educational and Cultural Services, Div. of Higher Education Services, State House Station 119, Augusta, ME 04333.

GSL and State Aid: (207) 289-2183.

MARYLAND

GSL: Maryland Higher Education Loan Corporation, 2100 Guilford Avenue, Baltimore, MD 21218, (301) 659-6555.

State Aid: Maryland State Scholarship Board, 2100 Guilford Avenue, Baltimore, MD 21218, (301) 659-6420.

MASSACHUSETTS

GSL: Massachusetts Higher Education Assistance Corporation, 330 Stuart Street, Boston, MA 02116, (617) 426-9796.

State Aid: Massachusetts Board of Regents of Higher Education, Scholarship Office, 330 Stuart Street, Boston, MA 02116, (617) 727-9420.

MICHIGAN

GSL: Michigan Department of Education, Box 30047, Lansing, MI 48909, (517) 373-0760.

State Aid: Michigan Dept. of Education, P.O. Box 30008, Lansing, MI 48909, (517) 373-3394.

MINNESOTA

GSL: Higher Education Assistance Foundation (HEAF), Hemar Building, 85 E. Seventh Street, St. Paul, MN 55101, (612) 227-7661.

State Aid: Minnesota Higher Education Coordinating Board, 400 Capitol Square, 550 Cedar Street, St. Paul, MN 55101, (612) 296-3974.

MISSISSIPPI

GSL: Mississippi Guarantee Student Loan Agency, 3825 Ridgewood Road, P.O. Box 342, Jackson, MS 39205, (601) 982-6663.

State Aid: Mississippi Post-Secondary Education Financial Assistance Board, P.O. Box 2336, Jackson, MS 39225-2336, (601) 982-6168.

MISSOURI

Coordinating Board for Higher Education, P.O. Box 1438, Jefferson City, MO 65102,

GSL and State Aid: (314) 751-3940.

MONTANA

GSL and State Aid: Montana University System, 33 South Last Chance Gulch, Helena, MT 59620, (406) 444-6570.

NEBRASKA

Higher Education Assist. Foundation, Cornhusker Bank Building, 11th and Cornhusker Hwy, Suite 304, Lincoln, NE 68521, (402) 476-9129.

State Aid: Nebraska Coordinating Commission for Postsecondary Education, 301 Centennial Mall South, P.O. Box 95005, Lincoln, NE 68509, (402) 471-2847.

NEVADA

GSL: Nevada State Department of Education, 400 West King Street, Carson City, NV 89710, (702) 885-5914.

State Aid: University of Nevada Reno, Rm. 200 TSSC, Reno, NV 89557, (702) 784-4666.

NEW HAMPSHIRE

GSL: New Hampshire Higher Education, Education Assistance, 44 Warren Street, P.O. Box 877, Concord, NH 03301, (603) 225-6612, ALPS: 1-800-236-2577, (Outside NH: 1-800-525-2577).

State Aid: New Hampshire Postsecondary Education Commission, 61 South Spring Street, Concord, NH 03301, (603) 271-2555.

NEW JERSEY

GSL: New Jersey Higher Education Assistance Authority, C.N. 540, Trenton, NJ 08625, (609) 292-3906.

State Aid: Department of Higher Education, Office of Student Assistance, 4 Quakerbridge Plaza, C.N. 540, Trenton, NJ 08625, (800) 792-8670 (within NJ) (609) 292-4390.

NEW MEXICO

GSL: New Mexico Educational Assistance Foundation, P.O. 27020, Albuquerque, NM 87125-7020, (505) 843-7010.

State Aid: Board of Educational Finance, 1068 Cerrillos Road, Santa Fe, NM 87501-4295, (505) 827-8300.

NEW YORK

New York State Higher Education Services Corporation, 99 Washington Avenue, Albany, NY 12255.

GSL: (518) 473-1574.

State Aid: (518) 474-5642.

NORTH CAROLINA

North Carolina State Education Assistance Authority, P.O. Box 2688, Chapel Hill, NC 27515-2688.

GSL and State Aid: (919) 549-8614.

NORTH DAKOTA

GSL: Bank of North Dakota Student Loan Division, 700 Main Street, Drawer 1657, Bismarck, ND 58501, (701) 224-5656.

State Aid: North Dakota Student Financial Assistance Program, 10th Floor, State Capitol, Bismarck, ND 58505, (701) 224-4114.

OHIO

GSL: Ohio Student Loan Commission, P.O. Box 16610, Columbus, OH 43216, (614) 466-3091.

State Aid: Ohio Board of Regents Student Assistance Office, 3600 State Office Tower, 30 East Broad Street, Columbus, OH 43215, (614) 466-7420.

OKLAHOMA

Oklahoma State Regents for Higher Education, 500 Education Building, State Capitol Complex, Oklahoma City, OK 73105.

GSL: (405) 521-8262.

State Aid: (405) 521-2444.

OREGON

Oregon State Scholarship Commission, 1445 Willamette Street, #9, Eugene, OR 97401.

GSL: (800) 452-8807 (within OR). (503) 686-3200.

State Aid: (503) 686-4166, (800) 452-8807.

PENNSYLVANIA

Pennsylvania Higher Education Assistance Agency, 660 Boas Street, Harrisburg, PA 17102.

GSL: (800) 692-7392 (within PA), (717) 257-2860.

State Aid: (800) 692-7435 (within PA), (717) 257-2800.

RHODE ISLAND

Rhode Island Higher Education Assistance Authority, 274 Weybosset Street, Providence, RI 02903.

GSL and State Aid: (401) 277-2050.

SOUTH CAROLINA

GSL: South Carolina Student Loan Corporation, Interstate Center, Suite 210, P.O. Box 21487, Columbia, SC 29221, (803) 798-0916.

State Aid: Higher Education Tuition Grants Agency, 411 Keenan Bldg., Box 11638, Columbia SC 29211, (803) 758-7070.

SOUTH DAKOTA

GSL: South Dakota Education Assistance Corporation, 115 First Avenue, SW, Aberdeen, SD 57401, (605) 225-6423.

State Aid: Department of Education and Cultural Affairs, Richard F. Kneip Building, 700 North Illinois Street, Pierre, SD 57501, (605) 773-3134.

TENNESSEE

Tennessee Student Assistance Corporation, B-3 Capitol Towers, Suite 9, Nashville, TN 37219.

GSL and State Aid: (800) 342-1663 (within TN), (615) 741-1346.

TEXAS

GSL and PLUS: Texas Guaranteed Student Loan Corporation, P.O. Box 15996, Austin, TX 78761, (512) 835-1900, in Texas: (800) 252-9743.

State Aid: Coordinating Board, Texas College and University System, P.O. Box 12788, Capitol Station, Austin, TX 78711, (512) 475-8169.

UTAH

GSL: Loan Servicing Corporation, P.O Box 31802, Salt Lake City, UT 84131, (801) 487-4448.

State Aid: Utah State Board of Regents, 355 West North Temple, 3 Triad Center, Suite 550, Salt Lake City, UT 84180-1205, (801) 538-5247.

VERMONT

Vermont Student Assistant Corporation, Champlain Mill, P.O. Box 2000, Winooski, VT 05404.

GSL and State Aid: 1-(800) 642-3177 (within VT), (802) 655-9602.

VIRGINIA

GSL: Virginia State Education Assistance Authority, 6 North Sixth Street, Suite 300, Richmond, VA 23219, (804) 786-2035.

State Aid: State Council of Higher Education for Virginia, James Monroe Building, 101 N. 14th Street, Richmond, VA 23219, (804) 225-2141.

WASHINGTON

GSL: Washington Student Loan Guaranty Association, 500 Colman Building, 811 First Avenue, Seattle, WA 98104, (206) 625-1030.

State Aid: Council for Postsecondary Education, 908 East Fifth Avenue, Olympia WA 98504, (206) 753-3571.

WEST VIRGINIA

GSL: Higher Education Assistance Foundation, Higher Education Loan Program of West Virgina, Inc., P.O Box 591, Charleston, WV 25322, (304) 346-7211.

State Aid: West Virginia Board of Regents, P.O. Box 4007, Charleston, WV 25364, (304) 347-1211.

WISCONSIN

GSL: Wisconsin Higher Education Corporation, 137 East Wilson Street, Madison, WI 53702, (608) 266-2897.

State Aid Wisconsin Higher Education Aids Board, P.O. Box 7885, Madison, WI 53707, (608) 266-1660.

WYOMING

GSL: Higher Education Assistance Foundation, American National Bank Building, 20 Street at Capital, Suite 320, Cheyenne, WY 82001, (307) 635-3259.

State Aid: Wyoming Community College Commission, 1720 Carey Avenue, Boyd Building, Fifth Floor, Cheyenne, WY 82002, (307) 777-7763.

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AMERICAN SAMOA

GSL: Pacific Islands Education Loan Program, United Student Aid Fund, Inc., 1314 South King St. Suite 962, Honolulu, Hawaii 96814, (808) 536–3731.

State Aid: American Samoa Community College, P.O. Box 2609, Pago Pago, American Samoa 96799, (684) 699–9155.

COMMONWEALTH OF THE NORTHERN MARIANA ISLANDS

GSL: See American Samoa.

State Aid: Northern Marianas College Board of Regents, P.O. Box 1250, Saipan, CM 96950, (Saipan) 7542/7642.

GUAM

GSL: See American Samoa.

State Aid: University of Guam, UOG Station, Mangilao, Guam 96913, (671) 734–2920/9.

PUERTO RICO

GSL: Higher Education Assistance Corporation, P.O. Box 42001, Minillas Station, Santurce, Puerto Rico 00940, (809) 726–2525.

State Aid: Council on Higher Education, Box F-UPR Station, San Juan, Puerto Rico 00931, (809) 751–5082/1136.

TRUST TERRITORY

GSL: See American Samoa.

State Aid: Community College of Micronesia, P.O. Box 159, Kolonia, Ponape, F.S.M. 96941, (Ponape) 480 or 479, (Saipan) 9870.

VIRGIN ISLANDS

Board of Education, OB No. 1, P.O. Box 9128, Charlotte Amalie, St. Thomas, Virgin Islands 00801.

GSL and State Aid: (809) 774–4546.

USA Funds, Inc., United Student Aid Funds Processing Center, P.O. Box 50827, Indianapolis, IN 46250, (800) 382–4506 (Indiana only), (800) LOAN USA (Other States).

SECTION VI: STATE EDUCATIONAL BENEFITS

Most states, including the District of Columbia, have statutes which authorize educational assistance for students. To be eligible for these benefits, the applicants must have made reasonably good grades in high school or meet academic standards acceptable to the school in which they are presently enrolled. In many instances, but not all, states establish as one eligibility requirement that applicants be in need of financial help to obtain the desired education. In addition, some states have authorized educational benefits for veterans and their dependents, particularly the children of deceased and disabled veterans. Included is a summary of educational benefits for veterans and their dependents presented in abbreviated form on the following pages: (See TABLE III). In using this summary, it is important to remember:

1. The summary presents only general information concerning each state and does not pretend to be either complete or authoritative because of legislative changes that occur;
2. More complete information and application forms should be obtained from the division of government responsible for the administration of these laws in the respective states;
3. While we have attempted to give up-to-date information, state laws and appropriations do change from time to time;
4. In practically all instances, educational benefits authorized can only be provided if the necessary state appropriations are made.

Application for state educational aid should normally be made well in advance of the anticipated date of enrollment. Get the answers to your individual questions, more detailed information and application forms from the designated division of government in each state. See Table II for the address of your state agency.●

AMNESTY URGED FOR DOREL CATARAMA

● Mr. SIMON. Mr. President, the case of Dorel Catarama has become a symbol of what many believe to be religious oppression in Romania.

While Romanian officials disagree, the evidence appears overwhelming that charges leveled against Mr. Catarama are trumped up.

Dorel Catarama is imprisoned in Romania on charges of embezzlement and possession of foreign currency. But Amnesty International believes the real reason for his imprisonment is his religious activities as a Seventh-day Adventist and his family's refusal to return to Romania after a visit to the United States in 1982.

Released prisoners have described Mr. Catarama's treatment as extraordinarily brutal.

I recently met with representatives of the Romanian Parliament. It was a cordial, yet frank meeting.

I think the simple gesture of granting Dorel Catarama amnesty would go a long way to showing the United States that Romania is serious about improving its record on human and religious rights.●

NAUM AND INNA MEIMAN: LET THEM GO BEFORE IT IS TOO LATE

● Mr. SIMON. Mr. President, Naum and Inna Meiman are suffering. The Meimans are a Soviet couple who have applied to emigrate numerous times and have always been refused. Naum has experienced harassment by Soviet authorities for over 10 years.

Now, Inna is critically ill. Her cancer is treatable according to Western medical authorities, but the Soviet doctors have told her there is nothing more that they can or will do. Time is running out for Inna. She must have the advanced medical treatment being offered to her in the West to live.

Naum is an older man who also has little time left. What do the Soviets gain by holding this elderly and sick couple? They certainly are not gaining in the public relations area.

I strongly urge the Soviets to allow the Meimans to emigrate to Israel.●

SURVIVORS OF ABORTION: THE DREADED COMPLICATION

● Mr. HUMPHREY. Mr. President, last week I submitted several articles regarding infants who survive abortions. It has been demonstrated that 300 to 400 infants live through second and third-term abortions each year. The articles quite candidly pointed out how ill-equipped the medical community is to deal with this "complication" in a consistently humane fashion.

The two procedures which can result in live births are saline injections and prostaglandin treatments. Another method which is rapidly gaining acceptance is known as "dilatation and evacuation." It involves cutting up a tiny infant into pieces and removing him or her from the mother. This procedure does not result in a live birth.

The popularity of this procedure is due primarily to its efficacy. There are not troubling dilemmas for the patient because the fetus never survives. But something unexpected has occurred. "D & E" is exacting a high toll on the medical practitioners themselves. The following paper was delivered by two such physicians at the 1978 meeting of the Association of Planned Parenthood Physicians in San Diego, CA.

I ask that the paper be printed in the RECORD.

The paper follows:

WHAT ABOUT US? STAFF REACTIONS TO THE D&E PROCEDURE

(Warren M. Hern, M.D., M.P.H., and Billie Corrigan, R.N., M.S.)

A major controversy has emerged during the last few years concerning the technical risks and acceptability of the "dilatation and evacuation" (D&E) abortion performed during the second trimester of pregnancy. Multi-center studies reported by the Center for Disease Control demonstrate a lower risk of major complications for D&E by comparison with saline and prostaglandin amnioinfusion abortions. There are wide differences of opinion about the use of laminaria vs. manual dilatation and about the desirability or need for single or multiple laminaria treatment.

Several authors agree that the D&E procedure is easier emotionally for the patient since she does not have to deliver a fetus which may have signs of life. There is recognition that the emotional trauma of the experience is transferred from the patient to those who are performing the abortion. This problem, however, has received little attention.

The present study is the result of nearly four years of direct experience by staff members of a small, private, ambulatory abortion facility where D&E procedures are performed up to 22 menstrual weeks gestation. The senior author has performed over 300 of these procedures in this setting. Both authors have noted intense reactions in themselves and in other staff members to the D&E procedure. The study of these reactions is considered to be important since the feelings and attitudes of those providing abortion services have a profound effect on the quality of care experienced by the patients. These reactions may, in fact, determine whether the patient even receives the care she requests. It has been clear from the beginning, for example, that some staff members are unable to assist with late abortion procedures due to their reaction to it or belief that it was wrong to perform an abortion beyond a certain week of gestation.

MATERIALS AND METHODS

Twenty-three present and former staff members of the clinic were polled via questionnaire to determine whether they had assisted with D&E procedures and, if so, what their reactions had been. The questionnaire asked the respondent to specify the role in which he or she had assisted the patients: doctor, nurse, telephone contact, receptionist, or other; it also asked how many patients the respondent had assisted in this capacity. Respondents were asked to describe their thoughts about the moral, legal, medical and other aspects of second trimester abortions and to state their primary feelings about the patients having late abortions, the procedure itself, the medical risks, the visual impact of the fetus, and the doctor. Respondents were asked to list and explain the differences that existed for them in assisting with first vs. second-trimester abortions. They were asked to specify whether there was a limit in length of pregnancy beyond which they would not assist with abortion and to give the reasons. Respondents were asked to describe uncertainties and changes in their feelings about these matters and invited to describe other reactions or impact such as dreams or preoccupations with the procedure while not at work.

Fifteen present and former staff members responded to the questionnaire and these were interviewed individually to followup questions raised in the written response.

From a technical point of view, the D&E procedure using a multiple laminaria technique described elsewhere has been used in this series with an exceedingly low complication rate. Operative complications such as hemorrhage and retained fetal parts have occurred more than in first trimester procedures but no truly major complications have occurred. Patients receive three laminaria treatments over a period of 42 hours followed by supplemental manual dilatation up to 2.5cm under local anesthesia. Each counselor is assigned one patient and follows that patient through each step including laminaria changes, procedure, and recovery room. Procedure times varies from an average of 15–20 minutes initially to less than 10 minutes currently, reflecting experience and improved technique by the operator. Blood loss averages between 100–250cc depending on the length of gestation, is often negligible and rarely exceeds 500cc. Two patients have been hospitalized overnight for observation; one for a suspected perforation and another for operative hemmorrhage due to uterine atony.

RESULTS

Of the 15 respondents, all approved of the second trimester procedure in principle but 8 had several reservations along with their approval. Most respondents felt sympathetic or protective toward the patient, but four expressed feelings of resentment, irritation, or anger toward patients who had waited so long before seeking abortion. Positive comments about the D&E procedure itself were in the minority; only three expressed views that it was a better alternative for the patient. The rest thought that the procedure was difficult, tedious, riskier, painful for everyone, and feared major complications. Nine were quite preoccupied with the medical risks while six were not concerned or did not comment. Reactions to viewing the fetus ranged from "I haven't looked" to shock, dismay, amazement, disgust, fear, and sadness. Attitudes toward the doctor were those of sympathy, wonder at how he could perform the procedure at all, and a desire to protect him from the trauma. Two felt that it must eventually damage him psychologically.

Differences between first trimester and second trimester D&E procedures noted by the respondents included an increased fear of complications in the late procedures, the visual impact of the fetus, and the violence. About a third felt that the procedure was longer and harder on the patients and several thought it was more difficult to rationalize or intellectualize the D&E procedure.

Ten respondents thought that there was a limit to the length of pregnancy which could be interrupted with opinions ranging from 12 weeks to 24-26 weeks.

Most respondents expressed considerable ambivalence and shifting feelings toward the late procedure depending to some extent on familiarity with amnioinfusion procedures and experience with the D&E procedure. About half felt more positive with greater D&E experience and about half had more conflict or felt "burnt out". One respondent expressed increasing resentment of the casual attitudes of some patients considering the emotional cost to those providing the service.

Two respondents described dreams which they had had related to the procedure. Both described dreams of vomiting fetuses along with a sense of horror. Other dreams revolved around a need to protect others from viewing fetal parts, dreaming that she herself was pregnant and needed an abortion or was having a baby.

Six respondents denied any preoccupation with the D&E procedure outside the clinic. Several others felt that the emotional strain affected interpersonal relationships significantly or resulted in other behavior such as an obsessive need to talk about the experience. In this group, a common observation was that personal problems outside the clinic made it much more difficult to handle the stress of the D&E procedure.

DISCUSSION

One of the questions which emerges from these interviews is whether there is a relationship between the role played and the attitude toward the D&E procedure. In general, it appears that the more direct the physical and visual involvement (i.e. nurses, doctor), the more stress experienced. This is evident both in conscious stress and in unconscious manifestations such as dreams. At least, both individuals who reported several significant dreams were in these roles.

Is there a relationship between the number of D&E procedures performed or participated in and attitudes toward them? The evidence is equivocal since some respondents reported more tension as they participated in more procedures and some felt more comfortable. All agreed that there was more psychological stress than with first trimester procedures.

We discerned that the following psychological defenses were used by staff members at various times to handle the traumatic impact of the destructive part of the operation: denial, sometimes through literal distance from viewing the procedure itself; projection, as evidenced by concern or anguish for other staff members assisting with or performing the procedure; and intellectualization. Popularly, the latter took the form of discussing the pros and cons of performing the D&E procedure and rationalizing its value.

There is no question that the properly performed D&E procedure, aside from its advantages in risk reduction, is more traumatic for the operator and assistants them for the patient. An improperly performed D&E would be traumatic for the patient as well. Technically, however, it is possible to reduce discomfort and trauma to the patient to a minimum consistent with the medical objective of emptying the uterus with the least damage to the cervix and other pelvic structures.

The most important challenges in late abortion are not the technical questions of medical treatment. These yield to persistence, immigration, surgical skill, and commitment to standards of medical excellence. The most difficult thing is how we feel about doing it. We have produced an unusual dilemma. A procedure is rapidly becoming recognized as the procedure of choice in late abortion, but those capable of performing or assisting with the procedure are having strong personal reservations about participating in an operation which they view as destructive and violent. The same people who cannot help with the procedure applaud its introduction because of increased safety for the patient. Some part of our cultural and perhaps even biological heritage recoils at a destructive operation on a form that is similar to our own, even while we may know that the act has a positive effect for a living person. No one who has not performed this procedure can know what it is like or what it means; but having performed it, we are bewildered by the possibilities of interpretation.

We have reached a point in this particular technology where there is no possibility of denial of an act of destruction by the operator. It is before one's eyes. The sensations of dismemberment flow through the forceps like an electric current. It is the crucible of a raging controversy, the confrontation of a modern existential dilemma. The more we seem to solve the problem, the more intractable it becomes.●

CONSTRUCTION INDUSTRY LABOR LAW AMENDMENTS

Mr. BYRD. Mr. President, on behalf of Senator KENNEDY, I ask that the measure, H.R. 281, which appears on the calendar of bills and joint resolutions read the first time be read the second time.

The PRESIDING OFFICER. The clerk will report.

The assistant legislative clerk read as follows:

> A bill (H.R. 281) to amend the National Labor Relations Act to increase the stability of collective bargaining in the building and construction industry.

Mr. DOMENICI. Mr. President, I object to any further consideration of the measure.

The PRESIDING OFFICER. Objection having been heard to further consideration of the bill after its second reading, pursuant to rule XIV the bill will be placed on the calendar.

ORDER OF PROCEDURE

Mr. DOMENICI. Mr. President, I think Senators know, but let me now repeat more explicitly, there will be no further action today on the budget resolution. It will return to the calendar as per the unanimous consent agreements which are obvious in the RECORD. I understand from the distinguished leader, Senator DOLE, that he

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intends to not only dispose of the amendments which are the subject matter of unanimous-consent agreements, but that we will proceed with additional amendments and that there will be a significant number of votes following the two which have been arranged.

Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. BYRD. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. BYRD. Mr. President, has the distinguished manager of the budget resolution announced that there will be no further action on that resolution today?

The PRESIDING OFFICER. He has.

Mr. BYRD. I thank the Chair.

Mr. President, has the order already been entered as to the time that will remain to be allotted to both sides on the budget resolution by tomorrow? Has that order already been entered?

The PRESIDING OFFICER. The order has been entered that, as of tomorrow, there will be 20 hours that remain.

Mr. BYRD. Very well. Then the time that I shall take at this point does not come off the time of the budget resolution. Am I correct?

The PRESIDING OFFICER. The Senator is correct.

☐ 1630

Mr. BYRD. Mr. President, anytime the majority leader wishes to transact additional Senate business or if any other Senator wishes to have the floor, I shall be glad to relinquish the floor. I ask unanimous consent that in that event, the Congressional Record not show an interruption of my speech.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. BYRD. Mr. President, this is a continuation of the series of floor speeches which I have been delivering on the subject of the U.S. Senate since March 1980. As I recall, this is the 82d of such speeches, and the title of today's speech is *The Senate and a Bipartisan Foreign Policy*, 1953-60.

THE UNITED STATES SENATE

THE SENATE AND A BIPARTISAN FOREIGN POLICY, 1953-1960

Mr. BYRD. Mr. President, the late Francis Wilcox was an astute observer of the United States Senate's role in foreign policy, both from his posts as the first chief of staff of the Senate Foreign Relations Committee, and as an Assistant Secretary of State in the Eisenhower administration. During his tenure with the committee and the Department of State, the foreign policy of the United States was frequently and correctly described as a bipartisan policy. Democrats and Republicans alike agreed that politics stopped at the water's edge. While there was still much criticism of individual policies and policy-makers, a broad-based consensus in the government and in the country supported the fundamental objectives of the United States in those difficult early years of the Cold War. Such bipartisanship lasted until the Vietnam War in the 1960's, when legislative-executive relations became intensely estranged. Having witnessed the rise and fall of bipartisanship, Dr. Wilcox once recorded what he considered as the ideal conditions for a bipartisan foreign policy:

> First, when the White House and the administration are controlled by one party, and the Congress is controlled by the other party—as in the case of the 80th Congress—when cooperation becomes absolutely essential; the government can't function in that kind of a situation unless you have a bipartisan approach. Secondly, when there is a fairly good consensus in the country about the basic principles or goals of our foreign policy and the way it should be conducted. . . . Thirdly, the kind of leadership on Capitol Hill that can command the confidence of the Congress and the executive and be willing to deemphasize politics while working for the national interest. And fourthly the kind of strong leadership in the White House that is willing to accord Congress its rightful place in the constitutional scheme of things and is willing to consult frequently with Congress on important foreign policy questions.[1]

Today, in my continuing series of addresses on the history of the United States Senate, I should like to take Dr. Wilcox's wise prescription for bipartisanship as a means of examining the Senate's role in the foreign policy of the United States between 1953 and 1960—a crucial decade for this Nation and this institution. It was a period of grave challenges and dramatic decisions affecting the survival of humanity on this globe. It was also a period when the executive branch used foreign policy as a means of strengthening presidential power vis-a-vis Congress. This was an ironic situation because General Dwight D. Eisenhower had run for the presidency in 1952 deeply opposed to executive aggrandizement. Yet, as Professor Arthur Schlesinger has pointed out in his important book, *The Imperial Presidency*, by the end of his second term, Eisenhower had accelerated the transfer of power from Congress to the presidency. "Two things had happened," Schlesinger wrote: "the belief that the world was greatly endangered by the spread of communism had generated a profound conviction of crisis in the United States; and the conviction of crisis had generated a foreign policy that placed the separation of powers prescribed by the American Constitution under unprecedented, and at times unbearable, strain."[2]

In 1953, war still raged in Korea; the United States had 3.6 million men in uniform, and was allocating billions of dollars for military expenditures. All of this enormously strengthened the president as Commander-in-Chief. Although critical of some aspects of strategy and policy, Congress still tended to defer to the president on matters of warfare and national security. It is also important to remember that the two parties at that time fundamentally viewed the world situation in the same way. The Republican Eisenhower inherited his basic national security structure from the Democratic Truman, and adopted the broad outlines of his policies.

In June 1953, President Eisenhower convened a six-week, top-secret policy study, conducted in the penthouse solarium of the White House. "Operation Solarium" drafted the policy statements that guided the next eight years of American foreign policy initiatives under Eisenhower. Only recently were the records of "Operation Solarium" declassified, and they make most interesting reading. We find, for instance, that Eisenhower rejected the 1952 Republican campaign promise of rolling back Soviet control of Eastern Europe, and instead decided to concentrate his efforts on building a position of strength so that other nations would respect American interests and see the United States as a source of support. This strategy required that the United States use any means possible, from conventional ground troops to nuclear weapons, to deter aggression. The United States and its allies would strengthen themselves to prevent political or military gains by the Communists and to diminish Soviet influence in the world. Essentially, this was a continuation of the policies forged under Harry Truman.[3]

Eisenhower began his presidency with a broad national consensus on foreign policy and strong bipartisan support in the Congress. The greatest difficulty he encountered was not from the opposition party but from critics within his own party. In a previous address I discussed the peculiar crusade of Senator Joseph R. McCarthy, whose hunt for Communists in government deeply shook the Department of State, driving competent, independent-minded men out of policy-making positions, and severely depressing the morale of those who remained. Opposition came also from Senator William Knowland, who in the summer of 1953 became the Republican majority leader. Knowland's close attachments to the government

of Chiang Kai-shek had won him the nickname of "the senator from Formosa." A man of principle, Knowland was willing to fight even the titular leader of his own party if they disagreed on an issue.

But it was silver-maned Senator John Bricker from Ohio who made the most direct assault on Eisenhower's foreign policy leadership. In 1951, Senator Bricker began introducing an amendment to the Constitution which would prohibit the United States from entering into any international agreements that might affect the rights and freedoms of the people or the character and structure of the government. What motivated Bricker was a concern that American participation in the UN Charter and human rights covenant might somehow override American laws. As it evolved, however, the main thrust of the Bricker Amendment came to be: "Congress shall have power to regulate all executive and other agreements with any foreign power or international organization."

Many Republicans saw the Bricker Amendment as a vehicle for preventing presidents from entering into unsupervised executive agreements such as the one Roosevelt reached with Stalin and Churchill at Yalta. Mrs. Phyllis Schlafly, already a political activist in 1953, called the Bricker Amendment "the most important and necessary legislation that the present Congress can pass." The amendment also won support from such groups as the American Bar Association, the Chamber of Commerce, and the Daughters of the American Revolution.[4]

When Senator Bricker reintroduced his amendment at the beginning of the 83rd Congress, he had 62 co-sponsors, including 45 of the 48 Senate Republicans. The amendment frightened many experts in the State Department. Some interpreted it as meaning that future treaties would have to be ratified by each of the states. Seeing the amendment as a congressional attempt to reduce the powers of the president over foreign policy, Eisenhower was determined to block that effort. He and Secretary of State John Foster Dulles met with Senator Bricker but could not budge him, for Bricker, as Eisenhower noted, had "gotten almost psychopathic on the subject." The president became so frustrated over his dealings with the senator that he once remarked to his press secretary, James Hagerty: "If it's true that when you die the things that bothered you most are engraved on your skull, I am sure I'll have there the mud and dirt of France during the invasion and the name of Senator Bricker."[5]

As the Eisenhower administration fought desperately to delay and defeat the Bricker amendment, it turned to the chairman of the Foreign Relations Committee for help. The chairman, Alexander Wiley of Wisconsin, suffered badly by comparison with his predecessors, Arthur Vandenberg and Tom Connally. An amiable politician, he simply lacked the knowledge, interest, and prestige to handle that job competently. Secretary Dulles found it impossible to discuss substantive issues of foreign policy with Senator Wiley. But Wiley was an administration loyalist, and he fought tooth and toenail in opposition to the Bricker Amendment. Pat Holt, a member of the Foreign Relations Committee staff, and later its director, recalled that "there were *endless* hours spent fooling around with words" on the Bricker Amendment, "what hypothetical situations would this particular formulation apply to, and so on. In this process there were a good many meetings in the White House with Eisenhower and John Foster Dulles and various senators who were interested in it. Wiley's principal function in these meetings was to stiffen the spine of the Eisenhower administration and keep them from agreeing to something which they would probably regret." Senator Wiley, according to Pat Holt, "had a gut feeling that it would do violence to the Constitution." Wiley showed considerable political courage, lined up against most of the senators from his own party, and in the face of a substantial mail campaign in favor of the treaty. "I've got 10,000 letters supporting the Bricker Amendment," he once commented, "but three million people voted in Wisconsin in the last election, and I haven't heard from the other 2,990,000 of them."[6]

☐ 1640

In addition to help from Senator Wiley, the Eisenhower administration looked to Senate Democrats. In January 1954, Eisenhower and Dulles met with Senator Walter George, ranking Democrat on the Foreign Relations Committee, to find a way to prevent passage of the amendment. Senate Democratic Leader Lyndon Johnson welcomed this opportunity to help save the president from isolationists in his own party. Senators Johnson and George, and the Democratic Policy Committee thus began drafting an alternative resolution. This one stated that: "An international agreement other than a treaty shall become effective as internal law in the United States only by an act of the Congress." Even this version, however, raised objections from the Department of State as restricting presidential authority. In February, the Senate voted down the Republican version of the Bricker amendment by a substantial margin but then came very close to passing the Democratic version. Eisenhower marshaled all of his lobbying skills to persuade members to vote against the George substitute and managed to defeat it by a single vote. It was the late Senator Harley Kilgore of West Virginia, who cast that decisive vote. The Bricker amendment was finally dead.[7]

In July 1953, the United Nations and North Korea signed an armistice at Panmunjon, ending the Korean war. Immediately, American concerns were focused on another Asian trouble spot, Indochina. There the French were holding an increasingly precarious position against nationalist forces led by Ho Chi Minh. In his first appearances before the Senate Foreign Relations Committee and the House Foreign Affairs Committee, Secretary Dulles drew special attention to this region. "In some ways it is more dangerous, I would think, than any other situation in the world," he told the Congressmen, "because the loss of Indochina would probably have even more serious repercussions upon the Indian-Asian population than even the loss of South Korea and, also, because what is going on in Indochina has very serious repercussions in Europe and upon the mood of France, and the willingness of the French to move in partnership with Germany toward the creation of unity and security in Europe."[8]

Senate concern over the course of events in Indochina became evident during the debate over President Eisenhower's request in 1953 for an additional $400 million in military aid for that region. The House passed the bill with little opposition, but the Senate engaged in a sharp debate on the matter. Senator Barry Goldwater of Arizona introduced an amendment requiring the French to set a target date for the complete independence of Indochina. Senator Goldwater argued that unless the political aspirations of the people of Indochina were met, the United States would inevitably be drawn into military conflict in the region. The only way to "prevent our boys from ending up in the jungles of southeast Asia," said Senator Goldwater, was "to ask France, * * *, to grant independence and the right of freedom to those people who have fought so long for their independence and freedom."

Senator John F. Kennedy of Massachusetts agreed with Senator Goldwater that the war could never be won unless "large numbers of the people of Vietnam are won over from their sullen neutrality and open hostility to it and fully support its successful conclusion." This could never be done, Kennedy asserted, unless the people of Indochina were assured of their independence at the conclusion of the war. Kennedy, however, wanted to avoid "an ultimatum" to the French and offered a substitute for Goldwater's amendment, that all mutual security funds spent in Indochina would be administered in such a way as to encourage the freedom and independence of the people there. Even this measure was considered too drastic, and the Senate defeated Kennedy's proposal by a 64 to 17 vote. Considering the roles they would later play in the Vietnam war, it is interesting to note that Senators GOLDWATER and Kennedy sponsored these cautionary amendments, and Senator Lyndon Johnson voted against them.

Congress voted the $400 million for Indochina, but the French immediately asked for another $385 million, warning that without it they might have to withdraw from the area. The Eisenhower administration agreed to the increase, and Thruston Morton, then assistant secretary of state for congressional relations, came to Capitol Hill to brief the influential Senator Richard Russell. Morton later recalled that Senator Russell told him, "You are pouring it down a rathole; the worst mess we ever got into, this Vietnam. The president has decided it. I'm not going to say a word of criticism. I'll keep my mouth shut, but I'll tell you right now we are in for something that is going to be one of the worst things this country ever got into." What a tragedy that Richard Russell's prophetic warning was not heeded!

In addition to increased financial aid, the Eisenhower administration wanted to send 200 aircraft technicians to assist the French. Senator Mike Mansfield, who had traveled through Indochina and who was as familiar with that region as any member of the Senate, approved the sending of these troops but warned that it was up to the people of Indochina rather than the United States to fight this war. Senator JOHN STENNIS voiced similar concerns: "I am afraid, we will move to a point from which there will be no return," he warned.[9]

In March, the Viet Minh attacked the French garrison at Dienbienphu. Some observers feared that the loss of Dienbienphu might mean the loss of all of Indochina. Should the United States intervene militarily to save the French? Secretary of State Dulles and Admiral Arthur Radford, Chairman of the Joint Chiefs of Staff, leaned toward intervention. In a press conference Eisenhower made his famous analogy of falling dominoes to describe the situation: if the Communists knocked one over, all the rest would fall. By April 1, the situation had so deteriorated that policy planners were considering an American air strike to aid the French garrison. The administration drafted a joint resolution empowering the president to use American forces to resist aggresion in Southeast Asia. On April 3, Secretary Dulles called congressional leaders to the State Department for a briefing. There, Radford and Dulles warned of the consequences of a Communist victory and urged that the president be given congressional support to use military power.

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Senate Republican Leader William Knowland supported the venture, but Democratic leaders were skeptical. Senator Earl Clements asked Admiral Radford if the plan for an American air strike at Dienbienphu had the support of other members of the Joint Chiefs of Staff. No, Radford replied. How many agreed with him? None, said the Admiral. "How do you account for that?" Clements demanded. "I have spent more time in the Far East than any of them and I understand the situation better," Radford insisted. Senator Lyndon Johnson then asked whether Secretary Dulles had consulted with other nations who would be allies in the intervention. Dulles said he had not. By the end of the meeting, congressional Republicans and Democrats alike advised Dulles to seek allies for the plan and not to plan on unilateral American action.[10]

Back at the Capitol, Senator Lyndon Johnson met with a small group of Democratic senators and gave them "a vivid, muscular and athletic recounting" of the meeting with Dulles. When the support of the congressional leaders had been solicited, Johnson told them, he had pounded on the desk to emphasize his opposition. It was clear from such displays that the administration could not count upon uncritical congressional support unless it could demonstrate strong pledges of assistance from American allies. On April 6, for instance, Senator John Kennedy in a speech in the Senate stated that he favored a policy of united action by many nations. "But to pour money, materiel, and men into the jungles of Indochina without at least a remote prospect of victory would be dangerously futile and self-destructive." Senator JOHN STENNIS added: "I do not believe that Congress would ever vote, or should vote, to have the United States go in on a unilateral basis. It would have to be a united effort; not a token effort, but a real united effort."

Secretary Dulles flew to London to persuade the British to join in a united front in Indochina, but to no avail. British Foreign Minister Anthony Eden recalled in his memoirs that Prime Minister Winston Churchill had decided it would be a mistake for the British to join the United States in sending troops into Indochina. "Sir Winston summed up the position by saying that what we were being asked to do was to assist in misleading Congress into approving a military operation, which would in itself be ineffective, and might well bring the world to the verge of a major war." The British refusal to intervene undercut Dulles' efforts and convinced Eisenhower not to involve the United States militarily at Dienbienphu. "Without allies and associates," the president told his staff, "the leader is just an adventurer, like Genghis Kahn." On May 7, 1954, the garrison at Dienbienphu fell to the Communists. This set in motion the independence of Indochina from France, and its partition at the Geneva Conference, into Laos, Cambodia, and North and South Vietnam.[11]

President Eisenhower has received commendation from historians for his decision not to intervene at Dienbienphu. In light of subsequent events in Vietnam, he clearly made the right decision. When we consider that Secretary Dulles had in his pocket a draft resolution calling for American military intervention, and that Vice President Nixon was suggesting that American troops might need to be sent to Indochina if the French withdrew, Eisenhower was the model of a cautious, rational, pragmatic national leader. However, we should keep in mind that strong congressional opposition to unilateral intervention had exerted a moderating influence on the administration and reminded it of the need to seek allies. This was the conclusion of Chalmers Roberts' famous article on "The Day We Didn't Go to War." Congress had helped the administration face reality.

In 1954, Democrats won majorities in both the Senate and the House, and for the rest of Eisenhower's administration the Republican president had to deal with a Democratic Congress. In some ways, Eisenhower had an easier time with Congress after the Democrats took charge. No longer did he need to agonize over John Bricker's amendment or McCarthy's harassment of the State Department and the Army. Now he dealt with Lyndon Johnson rather than Bill Knowland as majority leader, with Sam Rayburn rather than Joe Martin as Speaker of the House. And recalling one of Francis Wilcox's precepts, with which I began this talk, a bipartisan approach to foreign policy seems to work best when the presidency and Congress are controlled by different parties: it forces both sides to act responsibly and with some degree of mutuality.

As president, Eisenhower wanted to open "lines of communication" with Congress. We often forget, when considering his military background, that in the early 1930's Eisenhower had served as General MacArthur's aide-de-camp, and had handled congressional relations for the Army. He was no stranger to Washington's ways. Secretary Dulles was also aware of the example of his predecessor, Dean Acheson's poor relations with Congress, and he went out of his way to consult with congressional leaders on major issues. The Eisenhower administration

created the first legislative liaison unit in the White House, with regular liaison officers assigned to work with the Senate and House. President Eisenhower wrote that he "early embarked on a program of discussing issues, in a social atmosphere, with groups of Congressmen and senators of both parties, in the hope that personal acquaintance would help smooth out the difficulties inherent in partisanship."[12]

Eisenhower and Dulles' efforts to build links to Congress paid off in the bipartisan support they were able to win, fairly consistently, during the 1950's. Take, for example, the crisis that developed in the Formosa Straits in 1954 and '55. In September, 1954, the Chinese Communists commenced artillery shelling of the island of Quemoy, which was occupied by the Nationalist Chinese under Chiang Kai-shek. Occasionally, this artillery fire was supplemented by air attacks, and an invasion from Mainland China seemed imminent. In a message on January 24, 1955, President Eisenhower invited Congress "to participate now, by specific resolution, in measures designed to improve the prospect of peace," including "the use of the Armed Forces of the United States if necessary to assure the security of Formosa and the Pescadores."[13]

Now, the Congress which had cautioned President Eisenhower against intervention in Indochina was not eager to initiate any action which might lead to war with the People's Republic of China. In addition, as Senator John Sparkman recalled, "There was on the /Foreign Relations/ Committee at this time a profound distrust of Chiang and his intentions. Dulles did his best to allay these fears, telling the committee that he had explicit commitments from Chiang not to undertake a return to the mainland without U.S. approval." The Foreign Relations and Armed Services committees met jointly in closed session to hear Secretary Dulles' justification of the proposed resolution. The resolution was "absolutely necessary," said Dulles because "there is at least doubt as to whether or not the president could, without congressional authorization, take the kind of action which I am talking about. The area of authority as between the president and the Congress in these matters is admittedly a shady one." The venerable Alben Barkley, former majority leader and vice president, now returned for his last term in the Senate, asked the question on everyone's mind: "Would it be fair to describe this resolution as a predated declaration of war?" Secretary Dulles replied that "the president does not interpret this as a declaration of war, and if there were a situation to arise which in his opinion called for a declaration of war, he would come back again to the Congress."[14]

With such assurances, both the Senate and House quickly approved the Formosa Resolution. At that time, I was a member of the House Foreign Affairs Committee. By asking Congress for a joint resolution when the government faced the possibility of military engagement overseas, President Eisenhower did what President Truman had neglected to do after the Korean invasion. Professor Arthur Schlesinger has noted that in contrast to earlier resolutions in American history, the Formosa Resolution ordered no action and named no enemy. "Rather it committed Congress to the approval of hostilities without knowledge of the specific situation in which the hostilities would begin." But Congress was in no mood to challenge the assumptions of presidential leadership in foreign and military affairs. As Majority Leader Lyndon Johnson said: "We are not going to take the responsibility out of the hands of the constitutional leader and try to arrogate it to ourselves."[15]

The president returned to Congress with a similar request two years later, this time dealing with the Middle East. In 1956, Great Britain, France, and Israel had invaded Egypt to seize the Suez Canal. The United States had opposed the invasion and forced its allies to retreat. In the process. Great Britain, upon whom we had relied as the chief bulwark against Soviet intervention in the Middle East, lost its prestige and influence in the region. Secretary Dulles, perceiving a dangerous power vacuum in the Middle East that the Soviets would be tempted to exploit, sought some means of injecting the United States into the Middle East, a region in which this country had long played only a peripheral role. The difficult question was how we could replace the British bulwark without taking on the hated mantle of colonialism. With these issues in mind, President Eisenhower appeared before Congress on January 5, 1957, to request authority to send American armed forces to the Middle East if necessary to preserve the territorial independence of nations there from international communism.

Once again the question of a "predated declaration of war" was raised, this time by Senator Hubert Humphrey. Secretary Dulles objected to the term, attributing the peaceful outcome of the Formosa Crisis to the authority granted by the Formosa Resolution. "I would call it a declaration of peace rather than a declaration of war because I think that without this we are in great danger of getting into war," Dulles observed. But unlike the Formosa Resolution, which rushed through Congress with a minimum debate, the Middle East Resolution, or "Eisenhower Doctrine" as the press called it, was the subject of extensive Senate scrutiny. The House approved the resolution by a wide margin on January 30. However, the Senate Foreign Relations and Armed Services committees held joint hearings in public and executive sessions between January 28 and February 12, and the Senate debated the resolution for twelve days before passing it on March 5.[16]

□ 1700

Mr. President, I would like to read some of the comments made by members of the Senate in the closed-door hearings on the Middle East Resolution. These hearings were classified and closed until 1979 when they were published by the Senate Foreign Relations Committee as part of its "Historical Series." In previous remarks I have cited the volumes in this series for the Truman administration. I am pleased that the committee has opened and published its executive session transcripts for all of the Eisenhower administration and that it is currently publishing volumes covering the Kennedy years. This series, which the committee launched in 1973, has been praised by diplomatic historians as a critical research tool for understanding the historic role of Congress in the formulation of American foreign policy. I commend Chairman RICHARD LUGAR and other members of the Foreign Relations Committee for this important public service.

One of those most skeptical of the Middle East Resolution was Senator J. William Fulbright of Arkansas. Although not yet chairman of the Foreign Relations Committee, Senator Fulbright was already recognized as the Senate's leading expert in international relations. Senator Fulbright had supported the Formosa Resolution, but now had his doubts. In a speech in the Senate on February 11, he charged that there had been "no real prior consultation with Congress, nor will there be any sharing of power. The whole manner of presentation of this resolution—leaks to the press, speeches to specially summoned Saturday joint sessions, and dramatic secret meetings of the Committee on Foreign Relations after dark one evening before the Congress was even organized, in an atmosphere of suspense and urgency—does not constitute consultation in the true sense. All this was designed to manage Congress, to coerce it into signing this blank check."

In the closed sessions, other senators expressed similar concerns about the resolution. Senator Richard Russell objected that it left Congress "as an appendage of the executive branch in dealing with this very vital and important matter." Senator Russell continued: "In my opinion, the Congress of the United States is being treated as a group of children, and very small chil-

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dren, and children with a very low IQ at that, in the manner that this resolution has been presented to us * * *. I think that the Congress, if it is going to preserve its own self esteem, ought to have more information than we have on it." "I don't wish to pose as a prophet," Senator Russell said, "but I unhesitatingly say that if we pass this resolution in this fashion, that from here on out we will never get back in control of your program in this area * * *. It may be going for the next 25 or 30 years, and the Congress will never regain control of it. It will from here on out be in the hands of the executive branch of the Government."[17]

Senator Sam Ervin of North Carolina counseled: "The Constitution of the United States, as I construe it, contemplates that the Armed Forces of the United States, will not be put into an offensive war * * * without the consent of Congress; and here this first part of this resolution says that the president can put our Armed Forces against some enemy which has not yet been selected, in the Middle East. The resolution is not directed against Russia; it is directed against the nations which we fear will become Communist in the Middle East * * * and it is a a perfect invitation for another Korea, with Russia furnishing arms, and us furnishing the boys to do the dying."[18]

Senator Wayne Morse of Oregon argued: "You have got a resolution here which, for the first time, suggests that the President of the United States can exercise discretion to proceed to protect the territorial integrity of some other country somewhere in the world attacked by some Communist country, because he thinks that eventually that may involve the security of the United States, and I think that is an absurd stretching of that alleged emergency power on the part of the president, and I think it would be a clear violation of the constitutional power of the president."[19]

The members of the Senate Foreign Relations and Armed Services committees wrestled long and hard with what Richard Russell called the "shadowland" between the president's authority to use military forces and the need for a declaration of war. They finally amended the Middle East Resolution to strike out the idea of a congressional authorization and to leave the resolution as more of a declaration of U.S. policy in the Middle East. "The effect on Eisenhower," Professor Schlesinger has noted, "was to convince him less of the need for serious consultation with Congress than of his inherent authority to employ armed forces at presidential will." The next year, when the president sent American troops to Lebanon, he did not invoke the Middle East resolution, or ask Congress for any approval, but instead acted under his authority as Commander-in-Chief.[20]

There is a historical postscript to this fascinating debate over the Middle East Resolution. As I pointed out, the two committees deliberated for several weeks on this issue and made significant changes in the text of the resolution. By contrast, when President Lyndon Johnson presented the Congress with the Gulf of Tonkin Resolution in 1964 there was neither protracted nor significant debate in committee or on the floor. Why so much attention to one and not to the other? It is hard to say for sure, but perhaps the effect of so many resolutions in support of presidential use of armed forces, from Formosa in 1955 through the Middle East Resolution in 1957 and the Cuba and Berlin resolutions in 1962, helped lull the Congress into inattentiveness. The constitutional scruples that members had agonized over earlier were put aside in 1964, much to the later regret even of the resolution's sponsors. Reading through these observations by Senators Fulbright, Russell, and Ervin over the Middle East Resolution, one might wish that they had raised the same warning flags over Vietnam. Only Senator Wayne Morse was consistent in his suspicion of both measures.

☐ 1710

Mr. President, I think it is clear from my discussion of such issues as the Formosa and Middle East resolutions that President Eisenhower received strong support and helpful advice from the Congress during the 1950's. But despite the bipartisan endorsement of our foreign policies, and the administration's efforts to build and maintain strong links to Congress, there remained significant areas where the administration acted independently, without consulting or informing Congress of its activities. We know now, as we did not know then, that the Eisenhower administration made unprecedented use of covert activities to shape American foreign policy. We know now, as we did not know then, that the Central Intelligence Agency helped overthrow the government of Mohammed Mossadegh in Iran in 1953 and helped the Shah of Iran return to power. We know now, as we did not know then, that the CIA organized the revolution in Guatemala that overthrew the government of Jacobo Arbenz Guzman in 1954. There was no congressional oversight of intelligence activities at that time. The only member of the Senate regularly informed of CIA activities was Senator Richard Russell, chairman of the Armed Services Committee and of the military appropriations subcommittee. During the 1950's, Senator Mike Mansfield began to call for a special committee to oversee the CIA, but this call went unheeded for another twenty years.

There was a price to pay for Congress' lack of involvement in intelligence issues, and the price included such avoidable blunders as the U-2 affair in 1960 and the Bay of Pigs invasion in 1961. The CIA had used its high flying U-2 planes to gather extraordinary information about the closed Soviet society, but they continued the flights to the very eve of President Eisenhower's summit meeting with Premier Nikita Khrushchev. When the plane piloted by Francis Gary Powers was shot down on May 1, 1960, the Eisenhower administration was caught in a clumsy lie, pretending it had been a weather flight. Eventually, the president conceded the intelligence-gathering nature of the flight, but refused to apologize to the Soviets, and Khrushchev stormed out of the summit meeting. We also know now, but did not know then, that in March 1960, President Eisenhower gave the CIA authorization to begin training Cuban refugees for an invasion of Cuba, which a year later, at the beginning of John Kennedy's administration, ended in complete failure at the Bay of Pigs. Had a congressional intelligence committee existed at that time, or had congressional leaders been at all consulted in advance one suspects that cautionary warnings would have been raised that could have saved the administration from international embarrassment.

By the end of Eisenhower's second term a sense of congressional disenchantment with the administration's foreign policies had developed. In 1959, Senator Hubert Humphrey was complaining that "the slogan of 'bipartisanship' has too often been invoked to muzzle criticism of administration mistakes." One study by the Foreign Relations Committee noted that: "As the President's second term ran out, public debate, in its preoccupation with the U-2 incident and missile-gap controversy, had begun to show some signs of the development of the kind of 'credibility gap' that had plagued President Truman in his last years."

Mr. President, I began my remarks today with Dr. Francis Wilcox's ingredients for an ideal bipartisan arrangement on foreign policy. In brief these were: (1) Congress and the presidency should be controlled by opposite parties; (2) there should be national consensus on foreign policy; (3) leadership on Capitol Hill that commands respect in both Congress and the executive branch and that is willing to deemphasize politics; and (4) a presidency that is willing to recognize Congress' constitutional role in foreign policy and to consult with it frequently on important international matters. To a remarkable degree, these conditions existed during the 1950's while Dwight

Eisenhower was President and Lyndon Johnson was Senate majority leader—and that is a credit to both of those men. And yet, despite the national consensus, despite the inherent congressional support for presidential leadership in foreign policy, despite the president's good intentions of opening communications links with Congress, the bipartisanship of the Eisenhower years did not produce entirely satisfactory results. As one Foreign Relations Committee study concluded: "On balance/there was/little to indicate that Congress had become anything like an equal partner in the making of foreign policy or given access to the inner councils. Good intentions, it would seem on the basis of this evidence, were not enough in themselves to lower the barriers to an open executive-legislative relationship."[21]

Mr. President, I ask unanimous consent to have printed in the Record, footnotes, to "Senate and Bipartisan Foreign Policy."

There being no objection, the footnotes were ordered to be printed in the Record, as follows:

Footnotes to "Senate and Bipartisan Foreign Policy"

[1] *Francis O. Wilcox, Chief of Staff, Senate Foreign Relations Committee, 1947-1955* (Oral History Interviews, 1984, Senate Historical Office), 205-6.

[2] Arthur M. Schlesinger, Jr., *The Imperial Presidency* (New York, 1974), 163.

[3] William B. Pickett, "The Eisenhower Solarium Notes," *The Society for Historians of American Foreign Relations Newsletter*, XVI (June 1985), 1-10.

[4] Duane A. Tananbaum, "Bricker Amendment Controversy," *Diplomatic History*, IX (Winter 1985), 73-83.

[5] Stephen A. Ambrose, Eisenhower, *The President* (New York, 1984), 68-70, 154-5.

[6] *Francis O. Wilcox, Chief of Staff, Senate Foreign Relations Committee*, Senate Historical Office Oral History Interviews, 1984, 132-3; *Pat M. Holt, Chief of Staff, Foreign Relations Committee*, Senate Historical Office Oral History Interviews, 1980, 102-4.

[7] Tananbaum, "Bricker Amendment Controversy," 74-93.

[8] U.S. Congress, Senate, Committee on Foreign Relations, *The U.S. Government and the Vietnam War: Executive and Legislative Roles and Relationships, Part I, 1945-1961*, Senate Print 98-185, 98th Cong., 2nd sess. (Washington, 1984), 120.

[9] Ibid., 129-63.

[10] Chalmers Roberts, "The Day We Didn't Go to War," *Washington Post*, June 7, 1954.

[11] *The U.S. Government and the Vietnam War*, 163-227; Stanley Karnow, *Vietnam, a History*, (New York, 1983), 197.

[12] U.S. Congress, Senate, Committee on Foreign Relations, *Congress, Information and Foreign Affairs*, Committee Print, 95th Cong., 2nd sess. (Washington, 1978), 29-30.

[13] U.S. Congress, Senate, Committee on Foreign Relations, *Executive Sessions of the Senate Foreign Relations Committee (Historical Series), Volume VII, Eighty-Fourth Congress, First Session, 1955* (Washington, 1978), 65.

[14] Ibid., 37, 104.

[15] Schlesinger, *The Imperial President*, 159-60.

[16] U.S. Congress, Senate, Committee on Foreign Relations, *Executive Sessions of the Senate Foreign Relations Committee Together with Joint Sessions with the Senate Armed Services Committee (Historical Series), Volume IX, Eighty-Fifth Congress, First Session, 1957* (Washington, 1979), 20.

[17] Ibid., 1, 245-6, 267.

[18] Ibid., 297.

[19] Ibid., 310.

[20] Schlesinger, *The Imperial Presidency*, 162.

[21] Committee on Foreign Relations, *Congress, Information and Foreign Affairs*, 38-40.

Mr. BYRD. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER (Mr. Gorton). The clerk will call the roll.

The legislative clerk proceeded to call the roll.

☐ 1750

Mr. DOLE. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

SENATE AGENDA

Mr. DOLE. Mr. President, let me indicate to my colleagues on both sides through their officer that we do hope to complete action on the budget resolution this week. As I understand, when we start tomorrow at 10:30 there will be 20 hours remaining. I am also advised the distinguished chairman of the committee, Senator Domenici, will not be able to go late on Wednesday evening. He has a longstanding commitment. I would guess we would probably go quite late tomorrow night and probably very late on Thursday night, with a good chance of some action on Friday.

So I would indicate to my colleagues that I am not in a position to indicate what the schedule will be on this coming Friday. I would plan on being in session if I were anyone who might be listening.

Mr. President, I would also hope that before we make a decision on whether to extend the Memorial Day recess for 2 days on the 29th and 30th of May, Thursday and Friday of that week, that we can reach some agreement that we can take care of the following matters:

The House message to accompany S. 49, the gun bill; S. 2295, the military reorganization bill; trade legislation, to be more clearly defined by Senators Danforth and Metzenbaum; general supplemental appropriations bill, if available; S. 2231, the Federal Deposit Insurance Act; S. 2180, the daylight savings time vehicle; S. 41, the Malt Beverage Act; S. 1848, drug export bill; a Senate concurrent resolution with respect to farm credit offered by 53 Senators, and discharge and pass S. 2339, dealing with the schooling of the two children of the deceased F-111 pilots killed in the strike on Libya.

☐ 1740

I am not certain that is the total list, Mr. President, but I have asked my staff to prepare a list. We hope to give what I have by the close of business to the distinguished minority leader. If there are any items to be added, I can do that tomorrow.

ORDERS FOR TUESDAY

RECESS UNTIL 9:30 A.M.

Mr. DOLE. Mr. President, I ask unanimous consent that when the Senate completes its business today, it stand in recess until the hour of 9:30 a.m. on Tuesday, April 29, 1986.

The PRESIDING OFFICER. Without objection, it is so ordered.

RECOGNITION OF CERTAIN SENATORS

Mr. DOLE. Mr. President, I ask unanimous consent that, following the recognition of the two leaders under the standing order, there be special orders for the following Senators for not to exceed 5 minutes each—Senators Hawkins, Cranston, Wallop, and Proxmire.

The PRESIDING OFFICER. Without objection, it is so ordered.

PERIOD FOR TRANSACTION OF ROUTINE MORNING BUSINESS

Mr. DOLE. I ask unanimous consent that, following the special orders just identified, there be a period for the transaction of routine morning business not to extend beyond the hour of 10:30 a.m. with Senators permitted to speak therein for not more than 5 minutes each.

The PRESIDING OFFICER. Without objection, it is so ordered.

PROGRAM

Mr. DOLE. Mr. President, at 10:30 a.m., by a previous unanimous-consent agreement, the Senate will resume consideration of the DeConcini amendment No. 1803 to the budget resolution under the following time agreement:

That 5 minutes under the control of Senator Rudman; 5 minutes under the control of Senator Domenici; 20 minutes under the control of Senator DeConcini.

No amendments are in order to the DeConcini amendment, and following the conclusion or yielding back of time, the Senate will proceed to vote in relation to amendment No. 1803. Therefore, a rollcall could occur as early at 11 a.m., on Tuesday.

Following the vote on the DeConcini amendment, the Senate will proceed to the consideration of the Melcher amendment under the following time agreement: 30 minutes on the amendment to be equally divided between the Senator from New Mexico [Mr. Domenici] and the Senator from Montana [Mr. Melcher].

No amendments are in order to the Melcher amendment, and following the conclusion or yielding back of time, a vote will occur in relation to that amendment.

ORDER FOR RECESS FROM 12 NOON UNTIL 2 P.M. TOMORROW

Mr. President, I ask unanimous consent that the Senate stand in recess tomorrow between the hours of 12

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noon and 2 p.m. in order for the weekly party caucuses to meet. This could be extended briefly if we run over on a vote on the Melcher amendment.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. DOLE. At 2 p.m., the Senate will resume consideration of Senate Concurrent Resolution 120, the budget resolution.

RECESS UNTIL TUESDAY, APRIL 29, 1986 AT 9:30 A.M.

Mr. DOLE. Mr. President, there being no further business to come before the Senate, I move in accordance with the previous order, that the Senate stand in recess until 9:30 a.m. on Tuesday, April 29, 1986.

The motion was agreed to and, at 5:42 p.m., the Senate recessed until Tuesday, April 29, 1986, at 9:30 a.m.

NOMINATIONS

Executive nominations received by the Secretary of the Senate April 25, 1986, under authority of the order of the Senate of January 3, 1985:

In the Army

The following-named Army National Guard of the United States officers for promotion in the Reserve of the Army of the United States, under the provisions of title 10, United States Code, section 3385:

ARMY PROMOTION LIST

To be colonel

Biondi, Philip J., 048-26-8446
Campbell, James F., Jr., 267-44-2434
Dampier, William E., 263-62-1599
Everett, Leslie T., Jr., 241-64-2836
Kaigle, Gerald N., 009-20-8702
King, William O., 243-46-7044
Mabey, Robert D., 528-56-1503
McNamara, Michael P., 374-34-9265
O'Hare, Joseph L., Jr., 027-26-4279
Prendergast, John E., 516-44-6544
Reed, James F., III, 022-30-0834
Stiefvater, Dennis B., 505-38-6641
Szczygiel, David P., 066-32-4075
Williamson, Ronald F., 504-46-3536

MEDICAL CORPS

To be colonel

Buckman, James F., 534-38-3036
Orso, Ronald W., 421-58-0106

ARMY PROMOTION LIST

To be lieutenant colonel

Andres, Charles W., 475-50-6287
Bell, Phillip R., 254-54-3460
Bierhaus, Paul O., 359-34-0604
Broderick, Robert A., 575-38-8210
Brooks, Alan W., 034-32-7291
Downey, Ronald O., 173-38-6193
Ferrari, Mark E., 089-38-8387
Ferreira, Joseph L., 077-38-6311
Gregory, James K., Jr., 229-54-0260
Hagie, Diana C., 509-44-0339
Ham, David R., 222-28-0604
Hockensmith, James R., 210-28-9562
Jackson, Stephen R., 521-62-6586
Johnston, Donald W., 504-48-8196
Kerwood, Ronald K., 377-38-0429
Knauer, Richard J., Jr., 220-42-8612
Kovacs, Alex D., Jr., 289-38-6631
Leahigh, James F., 579-58-1182
Lee, James E., 509-36-7673
Lee, Percy H., Jr., 423-54-3766
Marler, Danny G., 445-48-8821
McElwee, Williams A., 022-34-0294
McGee, Joseph M., 419-54-8710
Rahkola, William A.R., 475-46-5893
Richburg, Billy J., 417-56-1562
Richcreek, Larry L., 271-46-1231
Roberts, Harry L., 450-72-3189
Rogers, William J., 441-42-5724
Sanfason, David B., 010-34-3359
Siler, Lawrence E., 096-32-8064
Steele, Willie W., Jr., 425-88-3808
Stevens, John E., 203-36-5894
Taylor, Edwin V., Jr., 417-58-1044
Tooles, John F., 505-60-6818
Truax, Dwayne S., 009-32-2709
Watkins, Roger E., 419-56-2310
Whiles, Michael P., 533-42-2570
Wood, Ernest E., 578-58-9193

CHAPLAIN

To be lieutenant colonel

Ade, Emmett M., II, 316-48-8710
Staehling, Gerald M., 391-38-2469

ARMY NURSE CORPS

To be lieutenant colonel

Carroll, Frances M., 501-26-5577
Massey, Jean A., 416-72-7824
McAllister, Kathryn, B, 528-40-5304
Schulte, William E., 146-36-8968
Thompson, Carol E., 256-74-6149

MEDICAL CORPS

To be lietuenant colonel

Bobo, Edgar E., 426-62-5392

MEDICAL SERVICE CORPS

To be lieutenant colonel

Boremski, Ronald J., 053-34-8867
Johnson, Wesley L., 440-42-9137
Jones, Autrey D., 427-78-0816
Majerus, Thomas C., 468-56-3876
Moore, Thomas M., 313-48-1631

The following-named Army National Guard of the United States officers for appointment in the Reserve of the Army of the United States, under the provisions of title 10, United States Code, sections 593 and 3353:

MEDICAL CORPS

To be lieutenant colonel

Smith, Claude K., 438-30-6999

In the Marine Corps

Capt. Timothy W. Foley, U.S. Marine Corps, for appointment to the grade of major, under the provisions of title 10, United States Code, section 6222.

In the Marine Corps

The following-named Marine Corps Enlisted Commissioning Education Program graduate for permanent appointment to the grade of second lieutenant in the U.S. Marine Corps, pursuant to title 10, United States Code, section 531:

Joseph P. Davis, 1611

The following-named Naval Reserve Officers Training Corps graduate for permanent appointment to the grade of second lieutenant in the U.S. Marine Corps, pursuant to title 10, United States Code, sections 531 and 2107:

Walter O. McClenney, 1364

Executive nominations received by the Senate April 28, 1986:

National Foundation on the Arts and the Humanities

Lynne Vincent Cheney, of Wyoming, to be chairperson of the National Endowment for the Humanities for a term of 4 years, vice William J. Bennett.

EXTENSIONS OF REMARKS

IMPROPER ASBESTOS DISPOSAL IS A POTENTIALLY DEADLY PROBLEM

HON. JAMES J. FLORIO

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Monday, April 28, 1986

Mr. FLORIO. Mr. Speaker, for the second time in recent weeks deadly asbestos debris has been discovered in an abandoned building in Camden, NJ. Asbestos is a known carcinogen which can cause lung cancer, mesothelioma or asbestosis when airborne fibers of the mineral are inhaled. Exposure to airborne asbestos fibers is particularly dangerous for children since they breathe five times faster than adults.

In the first Camden incident, plastic bags stuffed with asbestos debris were found in the basement of an abandoned house. Fortunately, the bags were not damaged, but if children playing in the house had come across these bags and ripped them open, the results could have been deadly. The second Camden incident is even more dangerous. Several lengthy pieces of asbestos-containing material were dumped unwrapped in an abandoned building. It seems likely the people wandering through the building were exposed to airborne fibers if they passed in the vicinity of the materials.

Currently, contractors who perform asbestos abatement work do not have to be accredited. The Environmental Protection Agency [EPA] has decided against promulgating regulations that would establish a contractor accreditation program and prescribe proper disposal of asbestos debris. The results of this Federal inaction are frightening. EPA estimates that 75 percent of all school asbestos cleanup work has been done improperly because without Federal regulations guiding cleanup work, this difficult, dangerous activity is often left to disreputable contractors who deliberately skip safety precautions or use slipshod methods. Improper abatement work is worse that no cleanup work at all because more hazardous fibers are released into the air than if the asbestos had not been treated.

Furthermore, these disreputable contractors are likely incorrectly disposing of asbestos debris in order to save money. The Camden incidents, and other countless unknown disposal problems are the unfortunate result. Congress must act now to end this problem.

Senator STAFFORD and I have introduced legislation that would force contractors who do school cleanup work to be fully trained and accredited and would require the proper disposal of asbestos debris. The Asbestos Hazard Emergency Response Act of 1986 (H.R. 4311) also establishes a roadmap showing school officials how to properly inspect for hazardous asbestos and how they should clean it up once it is found. Following the establishment of standards, schools will be required to inspect where they have not done so already and prepare and implement cleanup plans for any hazardous asbestos found in buildings.

Proper cleanup only alleviates part of the problem. Asbestos must also be disposed of correctly so situations like the one in Camden can be avoided. We must act now to end this national problem.

I urge my colleagues to cosponsor this legislation and commend an article from the Courier-Post detailing this example of improper asbestos dumping in Camden.

Asbestos Found in Abandoned City Property

CAMDEN.—Potentially dangerous asbestos has been found in another city-owned, abandoned property.

It was the second time in a month that police and city officials have had to deal with the expensive problem of removing the material left there illegally.

The latest discovery was reported at 1039 Diamond St., near Haddon Avenue and Mount Vernon Street, yesterday afternoon by a neighbor who complained to the mayor's office.

The neighbor, Daniel Torres, said he noticed the material in the two-story row house about two weeks ago. There are at least four pieces of material about 4 or 5 feet in length with approximate diameter of 12 inches.

Walter Richardson, the public works director, speculated that the material had been used to wrap high pressure steam lines. He said he would ask business administrator Richard Cummings to declare an emergency and allow the city to hire a contractor to remove the material, hopefully sometime today.

Richardson said he did not know how much the job would cost and his aides could not immediately determine the cost of a similar emergency removal last month.

That asbestos was found in six specially marked bags in a building at 430 Chestnut St., approximately two miles from the Diamond Street building. Concerned neighbors asked the city to demolish the building and it was torn down.

Richardson said he does not know whether it will be necessary to demolish the fire-damaged and stripped Diamond Street building immediately. The building had been boarded up, but some of the boards have been removed.

The Chestnut Street asbestos also prompted an investigation by Detective Richard Arensberg that resulted in illegal dumping charges now pending against three men. Arensberg said yesterday he has begun an investigation of the Diamond Street complaint.

AN EDITORIAL VIEWPOINT

HON. DOUG BEREUTER

OF NEBRASKA

IN THE HOUSE OF REPRESENTATIVES

Monday, April 28, 1986

Mr. BEREUTER. Mr. Speaker, the American people have run out of patience with the murderous terrorism of Libya's Colonel Qadhafi. As a recent eiditorial in the York News-Times makes clear, we have tried diplomacy, economic sanctions, and warnings, all to no avail. We then resorted to the only option left to us, military force. Let us hope, as the News-Times does, that this time we got Qadhafi's attention.

The editorial follows:

[From the York (NE) News-Times, Apr. 15, 1986]

Reason Fails With Khadafy, Bombs May Get His Attention

While not all Americans are going to jump for joy about the United States' air strikes against Libya Monday evening, alternatives to that action apparently have been exhausted. It seems obvious that dealing with those who operate outside the realm of civilized activities requires somewhat different procedures than when sane and civilized persons are negotiating.

At a meeting in Lincoln last weekend, a colleague commented that it was ridiculous to bring the full force of the United States as a premiere power in the world against a small and essentially weak nation like Libya. However, that thinking is a bit simplistic since aggression such as the indiscriminate slaughter effectuated by Khadafy cannot be solved by communications between rational persons. Idiots like Khadafy delight in kicking someone in the shins when there is no possibility of reprisal.

I hate war. I hate aggressive action such as that initiated Monday night, because I know in the long run we are going to lose some good, young servicemen through the mad-dog actions of a weird Arab. But we must compare against it the fact that Khadafy is so insane as to instigate actions to kill those Americans who are especially dangerous to him—elderly men, women and young children tourists.

The United States, at least, has the common decency to attack military or paramilitary targets rather than wholesale bombing or rocket attacks on civilian populations. Additionally, there was, if everyone is telling the truth, "direct, precise and irrefutable" evidence that Khadafy planned and carried out the terrorist attack in the West Berlin night club about 10 days ago. This, at least, justified the air strikes against terrorist facilities.

Is it possible to deal with Khadafy? We've tried diplomacy, economic sanctions, warnings, etc. He has found, apparently blissfully ignorant of the fact, that America, despite indications to the contrary, will not sit still forever, that no longer will we deal with him as a little boy kicking a grownup in the

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● This "bullet" symbol identifies statements or insertions which are not spoken by a Member of the Senate on the floor.
Matter set in this typeface indicates words inserted or appended, rather than spoken, by a Member of the House on the floor.

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shins, but as someone who should be held responsible for his irrational and idiotic behavior. * * *

Khadafy's indiscriminate slaughter is inexcusable as a civilized act among humans. He is, without question, a different kind of individual and outside the realm of civilized personnel. Whether he is capable of understanding what has happened is not known. One can only hope, as pointed out above, that the hit on the head with a two-by-four has gotten his attention. I do not like the American reaction to Khadafy's terrorism, but I cannot see any other solution.

What was done was the least palatable solution; but any other action has already been tried and failed. Let's hope this one works.

WINNING SPEECH

HON. JOSEPH J. DioGUARDI

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Monday, April 28, 1986

Mr. DIOGUARDI. Mr. Speaker, I would like to include in the RECORD for my colleagues' review, the winning speech from the American Legion New York State 49th Annual Oratorical Contest. The contest, which took place in New Rochelle, NY, was won by Kedra Small of City Honors High in Buffalo. Congratulations to Kedra for her winning speech which follows:

THE CONSTITUTION: FOUNDATION OF A NATION

(By Kedra Small)

Every country has its foundation, but just as a house cannot stand for long without a good foundation, neither can a nation. America has endured for over two centuries because its foundation is a unique covenant, the United States Constitution.

As citizens of this great country we cannot help but appreciate the difficult task of our Founding Fathers who wrote such an extraordinary document which contains the Preamble, seven Articles and to this date 26 amendments.

On May 25, 1787, our Founding Fathers gathered in Philadelphia. There were great fears in our country at that time. We had fought hard and won independence from England, and we were facing chaos in our union under the weak document known as the Articles of Confederation. The men who gathered together knew that specific principles had to be established which would unite our country and most importantly provide for the rights of the people.

Our Founding Fathers were wise men, George Washington and James Madison from the State of Virginia, Alexander Hamilton from New York, and Benjamin Franklin from Pennsylvania, to name just a few.

It was recorded that George Washington said, "Let us raise a standard to which the wise and honest can repair! The event is in the hands of God." After these words, the framers of our Constitution began to debate and decide. Word by word, they fashioned the foundation and the framework, so unique, so new that it was like building a steel high-rise in the age of wood and stone, better able to endure the ravages of the winds of history. In this foundation and framework were the principles which provide for our national stability and personal security.

The checks and balance system, the first great wall of the foundation, insures the separation of powers. This great principle insures that America has a Federal Government. It is the principle that pertains to our three branches.

The Executive Branch holds the highest office in our country, the President who executes our laws and has the power of the veto.

The Legislative Branch consists of Congress, with both the House of Representatives and the Senate. This is where the laws of the land are made. The Congressional Members of both Houses are elected directly by the people and have the power to enact new Legislation with the power to overrule a veto by the President.

The Judicial Branch is our Supreme Court, with its nine Justices who interpret our laws and whose rulings over often controversial issues constitute the supreme law of the land.

The second wall in our foundation, the second principle is the Constitution's dual form of government. This enables our National and State Governments to function separately and also collaborating as one.

The third great wall of our foundation is the third principle. It is very important because it stresses another great right given in the Constitution. It is the principle of having a government by representation and it goes hand in hand with our right to vote. Whether it is by the people directly or indirectly, our elected officials are in office to serve our needs.

And finally, but not the least important is the fourth wall, the amending process. The framers of the Constitution were able to see into the future and recognize that the needs of the Nation would change in order for it to grow and prosper.

Separation of powers, dual form of government, representation of the people, and the amending process are the four principles, the four great walls which form the foundation and give stability to our nation. "This strong document, unique in all of history, has held our country and its citizens together through all the struggles that we have triumphed over: a great Civil War which nearly tore our Nation apart, the assassinations of three Presidents, two world wars and a great world-wide economic depression."[1]

In 1787, our Founding Fathers wrote: "We the people of the United States, in order to form a more perfect union, establish justice, insure domestic tranquillity, provide for the common defense, promote the general welfare, and secure the blessings of liberty, to ourselves and our posterity do ordain and establish this Constitution for the United States of America.

Ladies and gentlemen, this covenant will not remain strong without the knowledge and support of every American.

We must realize, as Thomas Paine wrote: "Those who expect to reap the blessings of freedom must undergo the fatigue of supporting it." The rights accorded us in this document will not continue to benefit us and future generations unless we take responsibility and become involved in the decisions of our lawmakers.

But how do we assume these responsibilities?

Vote! We must vote and become actively involved in the political process.

Write! We must write to our elected officials in Congress.

Call! We must call our local political leaders, the mayor, our councilmen, and our county legislators.

We must keep informed about the issues and make sure that our legislators at every level, hear our voices. We must speak out against injustice, for in every age there are those who lust for power and attempt to undermine our freedom, bit by bit, piece by piece.

Sir Thomas Moore stated: "All that is necessary for the forces of evil to win in the world is for good men to stand by and do nothing."

But I say to you that all that is necessary for America to lose its freedom is for good men and women to stand by and do nothing.

The United States of America, with all its freedoms and benefits can only survive on the strength and support of the people, because, ladies and gentlemen, the Constitution survives through us.

As citizens of the United States, it is not only our duty to be aware of the principles in this document but to utilize them fully. We should no longer sit back and take for granted the Freedom of Religion, Freedom of Press, Freedom of Speech, the Right to Assembly and the Right to Petition, which are guaranteed to us in the Bill of Rights.

This document is a safeguard from the oppression of the tyrant. For there are always those in every age who lust for power. Our Constitution protects us from these would be tyrants.

From all the movements of the past, we have but a small task which is to keep this covenant strong, and above all know and understand the full meaning of what its words mean. Yes, ladies and gentlemen, to appreciate and to understand the meaning of these words is the duty of every American citizen.

At the close of the Constitutional Convention, on the backrest of the chair in which George Washington was seated, unknown to those in the room was a painting which depicted a Sun. As the long meeting came to close, the men made preparations to leave. Upon noticing the painting which was protrayed on the back of the chair, a lively discussion broke out as to whether the painting was a rising Sun or a setting Sun, until Benjamin Franklin concluded: "Now we know what it is. It is a rising Sun."

Let us, as citizens of this country, always remember this time in 1787, when a new Nation was born.

Let us have a never ending appreciation in this covenant with its separation of powers, dual form of government, representation of the people and the amending process.

May the Constitution always shine its light of stability and assurance on this country, because, ladies and gentleman, it is a rising Sun.

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[1] Quote from Robin Wolfgang's American Legion Speech, 1984.

CONGRESSMAN GILMAN SUPPORTS BIPARTISAN ACID RAIN INITIATIVE

HON. BENJAMIN A. GILMAN

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Monday, April 28, 1986

Mr. GILMAN. Mr. Speaker, I rise in strong support of H.R. 4567, a promising bill that addresses an environmental problem in urgent need of Federal attention. Acid depositation, or, as it is commonly known, acid rain, is a primary concern to all who care about our environment, and has been a sore point in United States-Canadian relations. As a member of the 92 Group's Task Force on Acid Rain and an original cosponsor of this bill, I am pleased that the task force, in cooperation with the gentleman from California [Mr. WAXMAN], has been able to fashion legislation which significantly reduces the two pollutants most closely linked with acid rain; sulfur dioxide and nitrogen oxides. I am also heartened by the flexibility that this bill, the Acid Deposition Control Act of 1986, gives to the States to achieve these reductions. I wish to thank the gentleman from Minnesota [Mr. SIKORSKI], the gentleman from New Mexico [Mr. RICHARDSON], the gentlemen from Massachusetts [Mr. CONTE], and most especially my colleague from New York [Mr. BOEHLERT], who spearheaded the task force's efforts, for introducing this comprehensive, bipartisan measure. I also wish to commend the gentleman from Iowa [Mr. TAUKE], for the leadership he provided in bringing together a viable compromise on this issue.

My congressional district encompasses a large portion of the scenic Hudson River Valley. It is areas such as this which face incalculable damage from acid rain, and it is for areas such as this that the Federal Government must act expeditiously before irreversible damage occurs. Both the United States and Canada have stated, through endorsement of the Joint Report of the Special Envoys on Acid Rain, that "acidic emissions transported throughout the atmosphere undoubtedly are contributing to the acidification of sensitive areas in both [countries]. The potential for long-term socioeconomic costs are high." While per-year structural damage costs due to acid rain are difficult to quantify, estimates run into the billions. The damage done to aquatic ecosystem, forests, and the quality of life to all who enjoy the outdoors, is even more difficult to measure. What is clear, however, is that it is imperative that Congress act quickly to enact legislation to remedy this international problem.

Previous congressional attempts to address the acid rain problem have failed, in part, because they were tailored to specific geographical areas of the country and consequently did not garner national support. Each geographical area of the country contributes to, and is affected by, acid rain differently. Some States, such as my own, New York, have already adopted acid rain measures, while many others have not. Therefore, the most logical approach is to coordinate State action by establishing Federal emissions standards, allowing the States themselves to determine the best method to meet these standards. H.R. 4567 will reduce sulfur dioxide emissions by 10 million tons and nitrous oxides emissions by approximately 4 million tons by 1997, yet permits States and utilities to reduce their emissions without prohibitively high socioeconomic costs.

H.R. 4567 has several advantages over previous legislative initiatives. First, and most importantly given the need to trim Federal spending, the bill finances itself with a modest tax on electricity to be determined by the Administrator of the Environmental Protection Agency. The maximum cost to consumers from this tax is 50 cents on the typical monthly electric bill. The bill also sets two statewide emissions rate standards for sulfur dioxide, one to be met by 1993, the other to be met by 1997, which allows the States adequate time to comply with the standards in a manner best suited to them. The 1993 standard will further ensure that States act in a timely fashion to reduce their emissions rate of sulfur dioxide. In accordance with this legislation, coal-burning electric utilities will not bear the sole responsibility of reducing sulfur dioxide and nitrous oxides emissions to help curb acid rain. Mobile sources, industrial boilers, and smelters will also be called upon to reduce their emissions of these pollutants. Congress will also be evaluating the progress of emissions reductions, and will be afforded the opportunity to adopt correctional legislation following completion of the first phase in 1993.

I believe this bill represents negotiations in good faith by both sides of the aisle. The fact that 46 Republicans and 104 Democrats are original cosponsors of H.R. 4567 is indicative of the bipartisan nature of this issue and this legislation. We have studied the problems for years. The casual link between sulfur dioxide, nitrous oxides, and other pollutants to acid rain is definite, even if it is not fully understood. Congress must take the initiative on what is probably the most challenging environmental problem of this decade. As David Gardiner, the legislative director of the Sierra Club, stated in regard to this measure: "This is the right bill at the right time."

Accordingly, I request that a summary of this bill be inserted at this point in the RECORD, and commend it to my colleagues' immediate attention and urge their cosponsorship.

SUMMARY OF H.R. 4567, THE ACID DEPOSITION ACT OF 1986

The program would result in a 10 million ton reduction in sulfur dioxide emissions and a four million ton reduction in nitrogen oxide emissions from a 1980 base by 1997, through the following steps:

(1) State-developed strategies are required to reduce emissions. A two-phase program is mandated, giving states until 1993 to reduce sulfur emissions by five million tons from electric utilities, and until 1997 to reduce sulfur emissions by an additional five million tons from major stationary sources. States are given until 1997 to reduce nitrogen oxide emissions by about two million tons from electric utilities and industries boilers. Each state would have the flexibility to pursue any control strategy within each source category to achieve the required reductions. Failure of a state to submit an approvable plan would result in congressionally imposed emissions limitations. Western smelters would have to be in compliance with the Clean Air Act by 1988.

(2) A congressional mid-course correction is possible before second phase. The EPA is required to submit a study to Congress in 1993, to determine the reduction in acid rain achieved under phase I of the program, and the feasibility to meeting phase II requirements. If Congress fails to adjust the program by January 1994, phase II requirements go into effect.

(3) A Federal interest subsidy program will keep residential electric rates from increasing more than 10 percent. A Governor can receive Federal assistance if he decides to require the use of control technology to protect coal production while reducing sulfur emissions. A Federal trust fund is created by levying a fee on electricity generated not to exceed ½ mill per kilowatt-hour (about 25 to 50 cents per month on a typical electrical bill). The fund would be available to pay for interest on loans or bonds for control technology to maintain electric rates below a 10 percent increase.

(4) Tougher standards for new power plants. The new source performance standards would be tightened for nitrogen oxide emissions from new power plants. This tightening would reduce nitrogen oxide emissions by about one million tons by 1997.

(5) Tighter standards for new cars and trucks. Beginning in model year 1988, new trucks would have to meet tighter standards for nitrogen oxide emissions. The levels required for trucks would be comparable to those already achieved by new cars. Beginning in model year 1989, new cars would have to meet tighter standards for nitrogen oxide emissions. These standards would reduce nitrogen oxide emissions by about one million tons by 1997.

(6) Instructs the Secretary of State to negotiate emissions limitations with Mexico to ensure that its Nacazari smelter does not excessively pollute the southwestern United States.

THE JOINT BALTIC AMERICAN NATIONAL COMMITTEE'S 25TH ANNIVERSARY

HON. ROBERT H. MICHEL

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Monday, April 28, 1986

Mr. MICHEL. Mr. Speaker, on May 1, 1986, the Joint Baltic American National Committee (JBANC) will mark its 25th anniversary by awarding the Baltic Freedom Award to Members of Congress and other Government officials.

Among those to be honored will be our colleague, BILL CARNEY of New York, and Senators WILLIAM ARMSTRONG and DON RIEGLE.

Linas Kojelis, Special Assistant to the President, Office of Public Liaison; Mark Palmer, Deputy Assistant Secretary for European Affairs at the State Department, and the staff of the Commission on Security and Cooperation in Europe, will also be honored.

JBANC was established on April 27, 1961, by the three central national organizations of Baltic Americans—the Estonian American National Council, the American Latvian Association, and the Lithuanian American Council.

In its recent annual report, JBANC stated:

> Despite the occupation of Estonia, Latvia, and Lithuania by Soviet forces for over 45 years, the struggle for re-establishing freedom and independence of the Baltic republics continues. The Baltic people today continue to maintain their national identities in the face of cruel oppression and increased Soviet attempts to russify their countries. Baltic refugees and their descendants in the West are faced with an equally important fight to keep the Baltic issue alive in countries that frequently display indifference or ignorance to their plight and that of their countrymen.

As you know, the United States has never recognized and does not now recognize the incorporation—by force and violence and de-

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portations and assassinations and terror—of Estonia, Latvia, and Lithuania into the Soviet Union. This crime against humanity took place when the Communist Party controlling the Soviet Union joined with its treaty ally, Hitler's Nazi Party controlling Germany, in dividing Eastern Europe between them.

How often do you see this terrible story on television "docudramas"? How many times do you see the Soviet Embassy picketed by Americans of non-Baltic birth in a show of solidarity with the Baltic people? How often do we see articles in our news magazines about the plight of the Baltic people and of the terror they have endured? Rarely, if ever, in each case. Our collective memory suffers from "selective indignation" when it comes to crying out against human rights violations. There are some crimes—the violation of the Baltic States among them—that have gone down the memory hole. JBANC reminds us of the tragic fate of the Baltic people and in doing so, performs a service not only for the Baltic people, but for our national character.

During a recent debate, I said that we do not want to see Nicaragua, Costa Rica, and Honduras go the way of Estonia, Latvia, and Lithuania. I believe that the more we know about the facts of the forced incorporation of these proud nations into the Communist police state we call the Soviet Union, the more we understand the need to be of help in every effective way, to those fighting today to avoid a similar fate, all over the world.

HART HONORED FOR ESSAY

HON. JAMES J. FLORIO

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Monday, April 28, 1986

Mr. FLORIO. Mr. Speaker, I would like to bring to the attention of my colleagues the civic and scholarly achievement of an outstanding resident of New Jersey's First Congressional District, Michele Hart.

Michele was recently honored by the New Jersey Association of Conservation Districts for placing first in the 1985 conservation essay contest. Michele's essay is entitled, "Why We Need To Conserve Soil on Farmland," and represents the kind of intelligence, insight, and imagination which will lead our great Nation into the 21st century. For as much as development is important to the economic health of our country, I am certain that my colleagues would agree that agriculture is the heart of a strong, healthy America.

I am grateful to the New Jersey Association of Conservation Districts for sponsoring this contest and for promoting a greater awareness in New Jersey of the importance of soil conservation.

Mr. Speaker, I am sure our colleagues would be pleased to join with me, Michele's family and friends, and the entire community in paying tribute to her outstanding achievement.

Please allow me to share Michele's essay with the House of Representatives:

WHY WE NEED SOIL CONSERVATION ON FARMLANDS

Conserving soil on farmlands is very important, and there are many reasons why we need to do so. One such reason is that the probability of being able to start a farm on a piece of land which man has never interfered with is low. If a farmer could start work as nature does, he could doubtlessly maintain fertility and crop production at a high standard. But, because this is unlikely, man must learn to conserve his farmland soil to keep productivity high. After all, if a man dedicates his life to producing food for society, he dedicates his life to the soil which will work for him.

Farmland soil is continually plagued by soil erosion. Soil erosion may be so gradual that serious damage is done before the farmer is aware of what is happening. Each time a hard rain hits bare land, soil is torn loose and swept away. With each drop of rain that hits the earth there is an explosion sending wet soil in every direction. Not only is soil torn loose to be washed away but also available nutrients are dissolved and carried away. Because of soil, sheet, gully, wind, and water erosion, farmland is disappearing and conservation is the only method of regaining it. It must be realized that soil is a natural resource which can be exhausted. The belief of its indestructability is a common misconception that must be corrected.

In addition to protecting and improving the land, soil conservation yields many side benefits. It helps lower the cost of farm production. This increases farmers' profit and helps lower the cost of food and clothing to city dwellers. Soil conservation helps check drought damage in dry seasons and reduces flood crests in small and large streams in wet times. It reduces siltation of streams, reservoirs, and harbors, helping to insure a cleaner water supply for cities and towns, improves navigation, and provides a better habitat for fish and other wildlife. Conservation methods do away with the ugly scars of erosion and provide a more beautiful countryside in which to work and play.

PUTTING STOP TO TERRORISM

HON. DOUG BEREUTER

OF NEBRASKA

IN THE HOUSE OF REPRESENTATIVES

Monday, April 28, 1986

Mr. BEREUTER. Mr. Speaker, I believe the American people are united behind President Reagan in his decision on the use of military force against terrorist targets in Libya. A recent editorial in the Wayne Herald argues that since diplomacy, economic sanctions, and public condemnation had not worked, the President had to use a last resort, air strikes on Libyan terrorist bases. The editorial goes on to point out how terrorism can threaten all of us, even citizens in the heartland, far from the usual scene of terrorist actions. That is a valid point. Terrorism is a threat to all of us, to democracies, and to the American way of life. It must be countered effectively, as the Herald points out, "on a worldwide basis."

[From the Wayne (NE) Herald, Apr. 17, 1986]

PUTTING STOP TO TERRORISM

(By Chuck Hackenmiller)

What the United States military did on Monday, strike at Libyan targets, was a bold but necessary move in an effort to control the terrorism carried out at will by Moammar Khadafy and his followers.

In the past, Khadafy had been repeatedly warned of his regime's participation in terrorist activities popping up throughout the world.

He had responded with arrogance and spite—and with more terrorist acts.

Diplomacy didn't work with Khadafy. Neither did public condemnation of his regime's action or United States economic sanctions. One of several last resorts remained and that was for President Reagan to conduct air strikes on the Libyan terrorist bases.

The bombing at the La Belle discotheque in West Germany was, as "irrefutable" evidence points, executed under the direct orders of the Libyan regime. * * *

Ripples of the terrorist acts bring on the understandable concern of individuals who have children or relatives serving at terrorist-prone areas. It can extend close to home.

And that is why we must be concerned with controlling widespread terrorism on a worldwide basis.

REDFISH CONSERVATION AND MANAGEMENT ACT OF 1986

HON. JOHN B. BREAUX

OF LOUISIANA

IN THE HOUSE OF REPRESENTATIVES

Monday, April 28, 1986

Mr. BREAUX. Mr. Speaker, the legislation that I am introducing today may well be among my last as a member of this great House of Representatives, but it is certainly far from the least significant. In many respects this bill represents a manifestation of an increasingly recognized need to fundamentally reassess the system by which this Nation manages its marine fishery resources.

For years, as chairman of the Subcommittee on Fisheries and Wildlife Conservation and the Environment, I have vigorously encouraged and promoted the full development of the U.S. fishing industry. The resources of the sea offer our people superior recreation and a very healthy diet. Fisheries also provide a very significant potential for employment and economic activity. For example, the development of fisheries in, for example, my home State of Louisiana will be central to our efforts to effect a transition away from an oil and gas dependent economy and to restore economic stability.

But, as was always contemplated by those of us who have devoted much time to this area of law, fisheries development in the United States was intended to be held synonymous with wise resource utilization through the application of thoughtful and effective conservation and management regimes. I, and a number of distinguished Members of Congress, have made a substantial effort to develop and perfect the Fishery Conservation and Management Act and various international fishery agreements to which the United States is a party. Our objective has been to require that fishery utilization and development go hand in hand with resource conservation and management. Our goal has been to ensure that our living marine resources remain renewable for all generations to come.

With disturbing frequency, however, I have been witness to the failure of this system to achieve our intended goals and objectives. Time and time again I have seen the Federal fishery managers confronted with a situation where its already too late, where the resource is overfished and damaged, and where all of our efforts are to restore rather than conserve and manage a fishery. Our great technology has now enabled us to develop fisheries at a "gold rush" pace; far exceeding the pace of the fishery management system we created. Because fishery resources and the fishing industry are so complex, so too is the conservation and management system we have developed. In order to consider and account for all that need be, this system requires a timeframe that, by definition, can no longer respond in a timely fashion to rapid fishery development. Federal fishery management has become crises management; a little too little, a little too late.

In the Gulf of Mexico, possibly the most familiar and popular of fishes is the redfish, also known as the red drum. I can say with no lack of experience that this is a premier gamefish and, as the world has now also discovered, a superior food fish. Ironically, these attributes also threaten to be the demise of this great resource.

Since the "cajun rage" has hit this Nation's finer restaurants, the demand for redfish has grown astronomically. Since 1980, the commercial harvest of redfish in the gulf has grown by nearly 400 percent, and that is acknowledged by the scientists to be a very conservative estimate. In order to satisfy the demands of the now enlightened American diner, gulf fishermen are forced to move further and further offshore in the gulf to find large quantities of these fish. Unfortunately, it is in these offshore waters, which are primarily under Federal jurisdiction, that the large breeding stock of redfish reside. It is this stock on which the reproductive capacity and the very future of this resource depend.

The redfish crisis is that, while these fish are under the jurisdiction and stewardship of the U.S. Government, absolutely no Federal conservation or management provisions exist for this species. Furthermore, our scientific understanding of this resource is so limited, we hardly know what to do about it. Fishermen, commercial and recreational alike, are now completely free to harvest this resource at will and our scientists cannot tell us with any certainty just how much damage is being done. Only the years of experience and intuition of these experts can tell us that no species can for long sustain the kind of fishing pressure now developing on the redfish in Federal waters. Some type of management provisions must be quickly applied, but none currently exist.

Under normal procedures, it could take 2 years for a Federal management plan to be developed and implemented. By then, there might not be enough redfish to worry about. The purpose of this legislation is to allow both our scientists and our Federal fishery conservation and management system to essentially "catch up" to the fishery development process before this resource is irreparably damaged. For once I'd like to see us put the conservation of the resource first. For once I'd like to see us manage a healthy fishery before a crisis develops, rather than see us struggle to restore a fishery that has already collapsed.

The provisions of this legislation are simple and are designed to phase in, through a three-step process, a full-scale Federal fishery management plan for redfish. The first step is to put a temporary halt to the harvest of redfish in Federal waters. The next step is to direct the Secretary of Commerce, through the National Marine Fisheries Service, to develop and implement emergency interim management regulations which apply to the waters under Federal jurisdiction. The legislation gives the Secretary 90 days from the date of enactment to promulgate such regulations and, upon that date, the initial moratorium will be replaced with such regulations.

The third step in the process is for the Gulf of Mexico Regional Fishery Management Council to develop and implement a Federal fishery management plan for redfish which will apply permanently. As I indicated earlier, this process can take 2 years and upon completion would replace the Secretary's interim emergency regulations. As such, I think the legislation provides a very fair and livable mechanism for protecting the redfish resource during the process of developing a sound Federal management regime in the Gulf of Mexico.

Another very important provision of this legislation is one that directs the Secretary of Commerce, again through the National Marine Fisheries Service, to immediately commence a 2-year scientific research program on redfish. Effective fishery management decisions are impossible without a high degree of understanding of the population dynamics and various behaviors of a fishery resource and so this provision is central to the overall objective of achieving a constructive Federal management regime for redfish.

Mr. Speaker, the process I have outlined deviates somewhat from the normal fishery management plan development process to which many have grown accustomed, and so will "rock the boat" of those more comfortable with precedent. But as I have explained, our precedents have not always worked. The "gold rush" is on for redfish, and without this legislation, the redfish is a deadfish by any other name.

SAVE THE COOPERATIVE EXTENSION SERVICE

HON. WILLIAM O. LIPINSKI

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Monday, April 28, 1986

Mr. LIPINSKI. Mr. Speaker, I rise today in support of maintaining a strong and vibrant Cooperative Extension Service. The extension has not only been instrumental in providing rural families with much-needed information on the technological and managerial aspects of farming, but has greatly enriched the lives of urban dwellers. Indeed, the majority of my own district is urban and has benefited from programs that fall under the extension's budget, especially the 4–H program. I realized that 4–H was popular in my district, but had no idea how popular. After hearing that the program would be subject to severe cuts under the President's budget or virtually eliminated through rewording of the Smith-Lever Act, over 1,000 of my constituents signed a petition to voice their disapproval.

According to one constituent who wrote to my office, there are 98 volunteer adult leaders for every paid staff person in the 4–H program in the city of Chicago. I agree with his conclusion that you would have to look hard and long for a more efficient use of American tax dollars. 4–H provides an opportunity for the youth of Chicago and of our Nation in general to develop into responsible and productive citizens. Youth are able to choose from a variety of activities, including such diverse areas as public speaking and urban gardening, which insure a rich atmosphere of interaction. Without a vital 4–H, many urban youth would have next to nothing in relation to alternative activities—something that could have serious consequences.

In this time of budgetary constraint and fiscal austerity, most understand that Federal spending will have to be curtailed in certain areas. With regard to funding of the extension, States have already begun to pay more of the cost of programs like 4–H. However, to cut Federal funding by nearly 60 percent as proposed by the administration, is both unfair and irresponsible. The extension makes up only seven-tenths of 1 percent of the USDA budget, has proved itself to be of invaluable service to farmers and others, and yet is being subjected to huge budget cuts. Our Nation cannot afford to lose the opportunity to invest in the future of American farmers and American youth.

SOVIET JEWRY

HON. TED WEISS

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Monday, April 28, 1986

Mr. WEISS. Mr. Speaker, I am proud to participate today in the "Congressional Call to Conscience Vigil for Soviet Jews," and I thank my colleague, TOM KINDNESS, for organizing this event.

The Soviet Union's 1.8 million Jews live under a regime that routinely interferes with the exercise of their religion and violates their human rights. Denied even those rights that are extended to other religions in the Soviet Union, Jews are permitted no Hebrew publications, no organization, and no regular ties with fellow Jews abroad. Their country contains fewer than 60 functioning synagogues, and not a single rabbinical school.

Among those now enduring the fate of the refuseniks are Sonia Furman and her daughter Asya. For 13 years, Sonia and Asya have been separated from their son and brother, Yakov, who in 1973 was among the lucky few allowed by the Soviet Government to emigrate. Their attempts to emigrate and join Yakov in Israel have now twice been denied.

Asya first applied for an exit visa in December 1978, and for 6 months heard nothing from the government. In the meantime, Asya's father wrote an article for a government newspaper called "Curse on Zionism Which Divid-

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ed My Family." In May 1979, she learned that her request had been denied on the grounds that she lacked her father's consent and on the basis of public opinion. Asya's parents had been divorced for years. Later Soviet officials acknowledged that the fact that Asya lacked her father's consent was not a valid basis for denying her emigration, but still she was not granted an exit visa.

Asya's troubles did not end there. In the same month that she was first refused emigration, Asya was fired from her job as a music teacher for the blind. It took several years before Asya was able to get a position as a cashier at a photo studio.

Both Sonia and Asya have since applied for emigration but have been denied. The only explanation the government offered for this decision was that there is "no reason for them to leave the Soviet Union."

Today, I call upon the Soviet Union to grant exit visas to Sonia and Asya Furman and allow them to reunite as a family with Yakov in Israel.

TRIBUTE TO BARBARA AMEDURI

HON. JAMES J. FLORIO

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Monday, April 28, 1986

Mr. FLORIO. Mr. Speaker, citizens of Camden County, NJ, were saddened recently by the tragic loss of Barbara Jones Ameduri in an automobile accident.

Ms. Ameduri moved from Orange County, CA, to Voorhees, NJ, 3 years ago. She quickly became active in civic affairs and political campaigns, serving as a Republican committeewoman for Camden County.

This accident occurred just before Ms. Ameduri was to move to Springfield, MO, with her husband, Dr. Clifford J. Ameduri, a physician at Our Lady of Lourde's Medical Center.

Mr. Speaker, we all have individuals in our districts who are dedicated to the political process and who work to better their communities. Barbara Ameduri was one such person, and her loss is greatly felt by her family and all who knew her.

The Courier-Post newspaper obituary follows:

Barbara Jones Ameduri, County Committeewoman

Voorhees.—Services for Barbara Jones Ameduri, a Republican Camden County committeewoman who died in an automobile accident Monday, will be private.

Mrs. Ameduri, 35, of the Sturbridge Lakes section of Voorhees, was active in local Republican politics.

A native of Buffalo, N.Y., she lived in California before moving to Voorhees in 1982.

A graduate of Criss College, she had an associate degree in computer programming and worked in the insurance field. She was attending Camden County College working toward a bachelor's degree in finance.

"She was relatively new to the county committee, but she seemed to be an outstanding woman," said George F. Geist, Camden County Republican chairman. "She was very dedicated to her community."

Mrs. Ameduri was interested in the preservation of wildlife and was a member of the American Museum of Natural History. She was an avid weight lifter and a world traveler, having visited India, the Soviet Union and many parts of Europe.

Surviving are her husband, Dr. Clifford J.; her mother, Flozell Jones of Florida; her father, Ulysses Jones of Buffalo; and her grandmother, Lee Stearman of Buffalo.

A Barbara Jones Ameduri Scholarship Fund has been established for the preservation and study of wildlife. Contributions may be sent in care of Ronald Capuccio, Esq., 212 Haddon Ave., Westmont, N.J. 08108.

NEBRASKA NEWSPAPER COMMENTS ON LIBYA ATTACK

HON. DOUG BEREUTER

OF NEBRASKA

IN THE HOUSE OF REPRESENTATIVES

Monday, April 28, 1986

Mr. BEREUTER. Mr. Speaker, the one word I hear more than any other in connection with the American bombing raid on Libya is "justified." That, apparently, is what most Americans believe. As a recent article in the Nebraska City News Press makes clear, the view is that it was time that someone stepped up and did something. The editorial for the News Press is convinced that appeasement is a futile course, and it argues that even if some lives are lost, we have no choice but to confront Qadhafi and others of his ilk.

I commend the article to my colleagues.

Recent Attack on Libya Was Justified

The United States' attack on Libya Monday night was justified, and it is my hope that should Mr. Khadafy continue his terroristic tactics, President Reagan will again order U.S. bombers into Libya.

There. I've come right out and said it, and you all probably think I'm some sort of bleeding heart, dyed-in-the-wool warmonger just itching to pull the trigger. Well, I'm not. I'm just a 23-year-old American who thinks it's about time that someone stepped up and did something about terrorism.

Most of the editorialists in the nation seem to feel that our bombing of Libya will prompt Khadafy to step up his terroristic tendencies, and there is no doubt in my mind that terrorism will increase in Europe and other countries.

But common sense tells me that if bombs are dropped on his home every time he kills someone, Khadafy will be less eager to blow up airplanes and harm innocent people.

The experts say that Khadafy envisions himself as a martyr to his cause, that by bombing his homeland the United States will just enhance his reputation and bring him closer to his dream.

But it doesn't take a student of modern history to know that once a maniacal leader is disposed of, his followers do not usually follow in his footsteps (i.e. Hitler, Mussolini, etc.).

The only thing that has distressed me about the whole situation is the fact that our "allies" have really come through with flying colors, although it is not totally unexpected. Naturally they have more reasons to be afraid of Khadafy because the European community is much more vulnerable to terrorism.

Great Britain and West Germany seem to be the only nations on our side. What about France? Well, that nation seem to have forgotten that without the United States, there would have been no stopping Adolf Hitler in World War II, and France would have never been liberated.

Other nations seem to owe us a similar debt, but they choose to denounce our efforts to end terrorism, and instead they remain neutral in hopes that Khadafy and his Middle East buddies will continue to ship them oil.

They hope to ignore and appease Khadafy, hoping that he will spare them his terror. It seems to me that the European community tried to appease Adolf Hitler once before in 1938, and we ended up with the extermination of 6 million Jews. In other words, if ignorance is bliss, France and the like ought to be in ecstasy.

As for the Soviet Union, it is quite logical that they denounce anything the United States does, forgetting that they've been violating Afghanistan for several years now.

In the long run, we will undoubtedly see terrorism increased around the world, and some lives will be lost in the struggle. But by choosing to confront Khadafy and the other terroristic madmen of the world, we are showing that at least one nation, the greatest nation on earth, is not going to sit around and let the few rule the many.

ARMED DRUG TRAFFICKING ACT

HON. CHARLES B. RANGEL

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Monday, April 28, 1986

Mr. RANGEL. Mr. Speaker, today I am introducing a bill entitled the "Armed Drug Trafficking Act," which would amend 19 U.S.C. section 924(c) to include narcotics offenses as crimes of violence under this statute. The effect of this amendment would be to impose an additional 5-year term on individuals who carry a firearm during the commission of a narcotics crime.

On November 26, 1985, the Circuit Court of Appeals in New York State reversed and vacated a sentence imposed by U.S. District Judge John F. Keenan on a drug dealer. In substance the decision held that the Federal violent crime statute providing for a minimum 5-year jail sentence for carrying firearms in the commission of a violent crime cannot be applied to narcotics offenders. If felonies involving the sale and distribution of narcotics are to be deemed crimes of violence for purposes of section 924(c), the court observed, Congress should amend the law.

Drug dealers are not tolerant of mistakes or excuses, many of them will kill to accomplish their objectives. They have no regard for human life, they are motivated by greed. Violence and intimidation are part of the daily stock in trade of professional narcotics traffickers. The abduction and murder of DEA Special Agent Enrique Camarena in Mexico last year, and the violence that has now become commonplace in South Florida and along the Southwest border attest that narcotics offenses are crimes of violence.

Mr. Speaker, Senator Alfonse D'Amato attempted to add this provision as an amendment to the continuing resolution bill last year; however, the amendment was dropped in conference. On December 4, 1985, he introduced S. 1894 to accomplish this objective. S. 1894 has been referred to the Senate Committee on the Judiciary, Subcommittee on Criminal Law, however, to date no hearings have been held on the bill. My bill is identical to S. 1894, and I am hopeful that the House Judiciary Committee will be able to act on it expeditiously.

I am pleased that Congressman Benjamin A. Gilman, the ranking minority member of the Select Committee on Narcotics Abuse and Control, has joined me in cosponsoring the "Armed Drug Trafficking Act." Our former colleague, Edward Koch, now the mayor of New York City, has taken an active interest in this issue and supports passage of this legislation.

TRIBUTE TO AMERICANS OF LATVIAN HERITAGE

HON. GUS YATRON

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Monday, April 28, 1986

Mr. YATRON. Mr. Speaker, I rise to pay tribute to the many Americans of Latvian heritage. Latvian Americans have contributed significantly to the richness and success of our society, deeply involved in civic, educational, charitable, and religious activities. They have also been one of the true defenders of freedom around the world, and have actively worked to promote the democratic principles and basic human rights which serve as the foundation of our own society.

It is one of the great tragedies of modern times that Latvians in the U.S.S.R. still suffer under the heavy hand of Soviet oppression. Denied basic human rights, with all manifestations of cultural identity ruthlessly suppressed, they have, nevertheless, valiantly and courageously maintained their traditions and heritage. They have not lost their thirst for freedom and they should serve as an inspiration to all of us. As chairman of the House Subcommittee on Human Rights and International Organizations, I have a deep respect for these people and their efforts to overcome the brutal and relentless Soviet tyranny. I have actively worked in support of the Latvian cause and will continue to do so until their freedom is achieved.

On May 2–4 this year, several hundred leaders of Latvian American organizations throughout the United States will gather in Washington, DC, to attend the 35th annual Congress of the American Latvian Association. This is a most noteworthy event, and I have submitted to the Congressional Record a copy of a press release from the ALA which provides details about the event as well as the Latvian people.

HONORING THE HOLLISWOOD SCHOOL OF QUEENS COUNTY, NY

HON. GARY L. ACKERMAN

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Monday, April 28, 1986

Mr. ACKERMAN. Mr. Speaker, I rise today to commend and congratulate the Holliswood School (P.S. 178) of Queens County, NY, on the occasion of its 35th anniversary, which will be celebrated the week of May 12, 1986.

Mr. Speaker, P.S. 178 is truly unique. From kindergarten through the sixth grade, it offers special programs that most other students cannot take until they reach high school. These youngsters can choose from a variety of subjects that range from Latin and Spanish to a music program for gifted children. All Holliswood students are instructed in art, gym, computer, and a special advanced science program. The school has been recognized citywide for excellence; both its science lab and its publications center have won special awards.

Mr. Speaker, in an age when too few schools can offer even the basics, P.S. 178 goes far beyond. It gives its students a look at the exciting worlds of science, physical fitness, and culture—without neglecting a firm grounding in the reading, writing, and math skills they will need to exploit those worlds. The true atmosphere of education that the faculty and administrators have encouraged at the Holliswood School is a gift that the young scholars will be able to savor through their years of schooling and on to adult life.

To celebrate the school's 35th anniversary, the faculty and parents, under the direction of the excellent principal, Carol Harris, have organized a week of education and fun for the students. The events will culminate with a symposium, on Wednesday, May 14, featuring a panel of community leaders, alumni, parents, and special guests from the media.

Mr. Speaker, we in Queens County, NY, are very proud of the Holliswood School because we are honored by its achievements. I call now on all of my colleagues in the House of Representatives to join with me in paying tribute to the Holliswood School, upon the momentous occasion of its 35th anniversary, and in extending the school, its students, faculty, administration and alumni our best wishes as it embarks on its next 35 years.

TRIBUTE TO LILLIAN KATZ

HON. JOSEPH J. DioGUARDI

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Monday, April 28, 1986

Mr. DioGUARDI. Mr. Speaker, I rise today to pay tribute to Lillian Katz, founder and chief executive officer of Lillian Vernon Corp., whose company will be celebrating its 35th anniversary this year.

Lillian Katz emigrated from Europe at the age of 10. In 1951, Mrs. Katz decided to supplement her husband's income by starting her own business at home. Despite being a female entrepreneur and being pregnant with her oldest son, she began the process of turning a $2,000 investment into a multimillion-dollar company. Soon after Lillian Vernon's founding, Mrs. Katz decided to utilize her creativity and began designing her own products for mail order sales, and her small company began to grow rapdily. In 1965, the Lillian Vernon Corp. began to manufacture products for other companies such as Revlon and Avon. In 1970, the company, under Mrs. Katz's helmsmanship, decided to devote its efforts toward growth. Since that time, the company has soared to incredible heights.

Even though the Lillian Vernon Corp. has grown to be a mail order giant, "they are still proud to call themselves a family firm." The benefits which employees receive range from employee health programs to gifts for the holiday season. There is even a CPR training program available to the members of the Lillian Vernon corporate family.

Not only is the company generous to the people within the corporation, but they also continue to extend their generosity into the communities of Westchester County, NY. Lillian Katz has made many donations, including: children's furniture for day care centers, a room in the Mount Vernon Hospital, and a nine-passenger van for the handicapped. Also, the company has participated in several blood drives, and they have founded a summer concert series, the "Run for Help" marathon, and a physical education program for the handicapped.

Mrs. Katz has made many contributions to Westchester County. She has created numerous jobs and has generously contributed to various charities. She has proven that being successful does not encompass making profits alone, but being an active part of the community as well. Lillian Katz is not just a businesswoman; she is a model citizen we can all be proud of.

SENATE COMMITTEE MEETINGS

Title IV of Senate Resolution 4, agreed to by the Senate on February 4, 1977, calls for establishment of a system for a computerized schedule of all meetings and hearings of Senate committees, subcommittees, joint committees, and committees of conference. This title requires all such committees to notify the Office of the Senate Daily Digest—designated by the Rules Committee—of the time, place, and purpose of the meetings, when scheduled, and any cancellations or changes in the meetings as they occur.

As an additional procedure along with the computerization of this information, the Office of the Senate Daily Digest will prepare this information for printing in the Extensions of Remarks section of the Congressional Record on Monday and Wednesday of each week.

Any changes in committee scheduling will be indicated by placement of an asterisk to the left of the name of the unit conducting such meetings.

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Meetings scheduled for Tuesday, April 29, 1986, may be found in the Daily Digest of today's RECORD.

MEETINGS SCHEDULED

APRIL 30

9:00 a.m.

Armed Services

To resume hearings on S. 2199, authorizing funds for fiscal year 1987 for the Department of Defense, focusing on Guard and Reserve.

SR-222

9:15 a.m.

*Commerce, Science, and Transportation

Business meeting, to consider the nomination of James C. Fletcher, of Virginia, to be Administrator of the National Aeronautics and Space Administration.

SR-253

9:30 a.m.

Appropriations

Commerce, Justice, State, the Judiciary, and Related Agencies Subcommittee

To hold hearings on proposed budget estimates for fiscal year 1987 for the Office of U.S. Trade Representative, and the Federal Communications Commission.

S-146, Capitol

Labor and Human Resources

To hold oversight hearings on the human resources impact of reentry of women into education and the labor force.

SD-430

Select on Intelligence

To resume closed hearings on proposed legislation authorizing funds for fiscal year 1987 for the intelligence community.

SH-219

10:00 a.m.

Agriculture, Nutrition, and Forestry

To resume hearings on S. 2346 and S. 2215, bills to authorize funds for the Federal Insecticide, Fungicide, and Rodenticide Act (FIFRA), establishing the standards by which the Environmental Protection Agency regulates the production and application of pesticide used for agricultural and other purposes.

SR-332

Appropriations

HUD-Independent Agencies Subcommittee

To hold hearings on proposed budget estimates for fiscal year 1987 for the Department of Housing and Urban Development and certain independent agencies.

SD-124

Energy and Natural Resources

Business meeting, to consider pending calendar business.

SD-368

Foreign Relations

To hold hearings on S. 2015 and H.R. 4151, bills to provide for the security of United States diplomatic personnel, facilities, and operations.

SD-419

Governmental Affairs

Civil Service, Post Office, and General Services Subcommittee

To resume hearings on S. 1327, to establish higher minimum rates of basic pay in geographic areas where the Federal Government is experiencing significant recruitment and retention problems, S. 1727, to establish alternative personnel management systems for scientific and technical employees, and provisions of S. 2082, to improve the management of major defense acquisition programs, to establish a Defense Acquisition Service, and to limit employment contracts between senior officials of the Department of Defense and defense contractors.

SD-342

Judiciary

Security and Terrorism Subcommittee

To resume oversight hearings on certain activities of the Federal Bureau of Investigation, Department of Justice.

SD-226

1:30 p.m.

Appropriations

HUD-Independent Agencies Subcommittee

To hold hearings on proposed budget estimates for fiscal year 1987 for the Department of Housing and Urban Development and certain independent agencies.

SD-124

2:00 p.m.

Agriculture, Nutrition, and Forestry

To continue hearings on S. 2346 and S. 2215, bills to authorize funds for the Federal Insecticide, Fungicide, and Rodenticide Act (FIFRA), establishing the standards by which the Environmental Protection Agency regulates the production and application of pesticide used for agricultural and other purposes.

SR-332

Appropriations

Agriculture, Rural Development and Related Agencies Subcommittee

To hold hearings on proposed budget estimates for fiscal year 1987 for the Food and Drug Administration of the Department of Health and Human Services, and the Commodity Futures Trading Commission.

SD-138

Armed Services

Preparedness Subcommittee

To resume open and closed hearings on S. 2199, authorizing funds for fiscal year 1987 for the Department of Defense, focusing on the National Strategic Stockpile; and to mark up S. 2102, to prescribe the method for determining the quantity and classification of any materials to be stockpiled under the Strategic and Critical Materials Stock Piling Revision Act (P.L. 96-41).

SR-222

Judiciary

To hold hearings on pending nominations.

SD-226

MAY 1

8:30 a.m.

Veterans' Affairs

To resume hearings in closed session on the reported sightings of live military personnel missing in action in Southeast Asia.

SH-219

9:30 a.m.

Appropriations

Labor, Health and Human Services, Education, and Related Agencies Subcommittee

To hold hearings on proposed budget estimates for fiscal year 1987 for the Departments of Labor, Health and Human Services, and Education, and certain related agencies.

SD-116

10:00 a.m.

Appropriations

Defense Subcommittee

To hold hearings on proposed budget estimates for fiscal year 1987 for certain defense programs.

SD-192

Appropriations

Foreign Operations Subcommittee

To hold hearings on proposed budget estimates for fiscal year 1987, focusing on environmental implications of Multilateral Development Bank lending policies.

SD-124

Appropriations

Interior and Related Agencies Subcommittee

To hold hearings on proposed budget estimates for fiscal year 1987 for territorial governments.

SD-138

Armed Services

Manpower and Personnel Subcommittee

To resume hearings on S. 2199, authorizing funds for fiscal year 1987 for the Department of Defense.

SR-232A

Energy and Natural Resources

Natural Resources Development and Production Subcommittee

To hold oversight hearings on the impact of coal and electricity imports on the domestic coal industry.

SD-366

Foreign Relations

Business meeting, to consider pending calendar business.

SD-419

Judiciary

Business meeting, to consider pending calendar business.

SD-228

10:30 a.m.

Banking, Housing, and Urban Affairs

To hold hearings on S. 571, proposed Drug Money Seizure Act.

SD-538

11:00 a.m.

Veterans' Affairs

To continue hearings on the reported sightings of live military personnel missing in action in Southeast Asia.

SR-418

2:00 p.m.

Appropriations

Interior and Related Agencies Subcommittee

To hold hearings on proposed budget estimates for fiscal year 1987 for territorial affairs, Department of the Interior.

SD-192

4:00 p.m.

Finance

To hold hearings on the nomination of Dorcas R. Hardy, of California, to be Commissioner of Social Security, Department of Health and Human Services.

SD-215

MAY 2

10:00 a.m.

Appropriations

Defense Subcommittee

To hold closed hearings to review proposed budget estimates for fiscal year 1987 for intelligence programs.

S-407, Capitol

MAY 5

1:30 p.m.

Finance

International Trade Subcommittee

To hold hearings on miscellaneous tariff bills.

SD-215

2:00 p.m.

Energy and Natural Resources

Energy Research and Development Subcommittee

To hold hearings to review the Department of Energy nuclear research and development program policy.

SD-366

MAY 6

9:30 a.m.

Appropriations

Labor, Health and Human Services, Education, and Related Agencies Subcommittee

To hold hearings on proposed budget estimates for fiscal year 1987 for the Departments of Labor, Health and Human Services, and Education, and certain related agencies.

SD-116

10:00 a.m.

Appropriations

Defense Subcommittee

To hold hearings on proposed budget estimates for fiscal year 1987 for Air Force aircraft procurement programs.

SD-192

2:00 p.m.

Select on Intelligence

Closed business meeting, to mark up proposed legislation authorizing funds for fiscal year 1987 for the intelligence community.

SH-219

MAY 7

9:30 a.m.

Appropriations

Commerce, Justice, State, the Judiciary, and Related Agencies Subcommittee

To hold hearings on proposed budget estimates for fiscal year 1987 for the Supreme Court of the United States, U.S. District Courts/Courts of Appeals, and the Commission on the Bicentennial of the U.S. Constitution.

S-146, Capitol

Labor and Human Resources

To hold oversight hearings on medical malpractice.

SD-430

Select on Intelligence

Closed business meeting, to continue markup of proposed legislation authorizing funds for fiscal year 1987 for the intelligence community.

SH-219

10:00 a.m.

Appropriations

Transportation and Related Agencies Subcommittee

To hold hearings on proposed budget estimates for fiscal year 1987 for the Urban Mass Transportation Administration, Department of Transportation, and the Washington Metropolitan Area Transit Authority.

SD-138

Energy and Natural Resources

Business meeting, to consider pending calendar business.

SD-366

2:00 p.m.

Select on Indian Affairs

To hold hearings on S. 2280, to settle certain claims arising out of activities on the Pine Ridge Indian Reservation, and S. 2243, to improve the health status of Native Hawaiians.

SD-124

MAY 8

9:30 a.m.

Appropriations

Labor, Health and Human Services, Education, and Related Agencies Subcommittee

To hold hearings on proposed budget estimates for fiscal year 1987 for the Departments of Labor, Health and Human Services, and Education, and certain related agencies.

SD-116

Commerce, Science, and Transportation

Science, Technology, and Space Subcommittee

To resume hearings on proposed legislation authorizing funds for fiscal year 1987 for the National Aeronautics and Space Administration, focusing on the space transportation system.

SR-253

10:00 a.m.

Appropriations

Defense Subcommittee

To hold hearings on proposed budget estimates for fiscal year 1987 for strategic systems.

SD-192

Appropriations

Transportation and Related Agencies Subcommittee

To hold hearings on proposed budget estimates for fiscal year 1987 for the Federal Aviation Administration, Department of Transportation.

SD-138

Environment and Public Works

Toxic Substances and Environmental Oversight Subcommittee

To hold oversight hearings on the government approval of the release of genetically-engineered organisms.

SD-406

2:00 p.m.

Appropriations

Interior and Related Agencies Subcommittee

To hold hearings on proposed budget estimates for fiscal year 1987 for the Holocaust Memorial Council and the Smithsonian Institution.

SD-192

Judiciary

To resume hearings on white collar crime in the United States, focusing on the E.F. Hutton investigation.

SD-226

MAY 9

9:30 a.m.

Finance

Health Subcommittee

To hold hearings to examine the condition of rural hospitals under the Medicare program

SD-215

MAY 13

9:00 a.m.

Office of Technology Assessment

The Board, to meet to consider pending business items.

EF-100, Capitol

9:30 a.m.

Appropriations

Labor, Health and Human Services, Education, and Related Agencies Subcommittee

To hold hearings on proposed budget estimates for fiscal year 1987 for the Departments of Labor, Health and Human Services, and Education, and certain related agencies.

SD-116

10:00 a.m.

Commerce, Science, and Transportation

Merchant Marine Subcommittee

To hold hearings on proposed legislation authorizing funds for the U.S. Coast Guard, and H.R. 1362, to revise, consolidate, and enact certain laws related to load lines and measurement of vessels as parts C and J of subtitle II of title 46, U.S. Code.

SR-253

Energy and Natural Resources

Business meeting, to consider pending calendar business.

SD-366

2:00 p.m.

Judiciary

Administrative Practice and Procedure Subcommittee

To hold hearings on S. 673, to establish a specialized corps of judges necessary for certain Federal proceedings required to be conducted, and S. 580, to ensure the independence of certain administrative law judges.

SD-226

MAY 14

9:30 a.m.

Appropriations

Labor, Health and Human Services, Education, and Related Agencies Subcommittee

To hold hearings on proposed budget estimates for fiscal year 1987 for the Health Resources and Services Administration, Department of Health and Human Services.

SD-116

Appropriations

Commerce, Justice, State, the Judiciary, and Related Agencies Subcommittee

To hold hearings on proposed budget estimates for fiscal year 1987 for the Legal Services Corporation, and the Securities and Exchange Commission.

S-146, Capitol

Labor and Human Resources

Business meeting, to consider pending calendar business.

SD-430

Select on Intelligence

To hold closed hearings on intelligence matters.

SH-219

10:00 a.m.

Appropriations

Transportation and Related Agencies Subcommittee

To hold hearings on proposed budget estimates for fiscal year 1987 for the Department of Transportation and certain related agencies.

SD-138

Environment and Public Works

To hold hearings on H.R. 2403, to require that public buildings constructed or altered under the Public Buildings Act shall be in compliance with nationally recognized building codes and State, and local zoning laws, and proposed legislation authorizing funds for

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head of a Department of Defense agency to consider the foreign policy objectives of the United States before entering into a procurement contract with a foreign government or an instrumentality of a foreign government; to the Committee on Armed Services.

CONSISTENCY IN DEFENSE CONTRACTING AND FOREIGN POLICY ACT

● Mr. QUAYLE. Mr. President, the recent raid on Libya has made it clear that the United States is ready and willing to fight state-supported terrorism even if it means taking military action against the states actually supporting terrorism. Ironically, however, our defense contracting procedures do not yet appear to reflect this commitment.

In specific, early last December the Department of Defense revealed that an Italian firm, nearly 15 percent of which is owned by an official financial arm of the Libyan Government, was the lowest bidder on a defense contract for tractor crawlers. Under existing Defense procurement practices, the Department tends to give preference to the lowest bidder, in this case, Fiat of Italy.

When congressional inquires were first made to determine the appropriateness of awarding Fiat the contract, administration officials indicated that Libya's influence on the firm was insufficient to bar Fiat from getting the contract. Shortly thereafter, the President announced a complete embargo on all U.S. business dealings with Libya.

Mr. President, in light of the embargo and the recent raid on Libya, questions have been raised concerning the legality of awarding Fiat the contract. The General Accounting Office has been asked to make such a determination. Legislation also has been suggested that would prohibit the transaction. Needless to say, the entire affair has been the cause of considerable controversy and embarrassment. After several more weeks of controversy, I would be surprised if the contract is let to Fiat unless the company manages to rid itself of its Libyan investors.

Mr. President, I think we can do better than this. Later this week I have scheduled a Defense Acquisition Policy Subcommittee hearing to review this case and to determine the likelihood of other such cases arising. At this time I also intend to solicit comments from the State and Defense Departments on legislation that I am introducing today.

My bill, the Consistency in Foreign Policy and Defense Contracting Act, would require the head of any contracting defense agency to determine if a prospective contractor is controlled or owned in whole or in part by a foreign government or an instrument of a foreign government. In such cases, he would have to determine further if awarding such a contract would be inconsistent with our Nation's foreign policy or national security objectives.

My bill would also require congressional notification before any release contract is entered into with a contractor owned or controlled in part by a foreign government listed by our Government as a state supporter of terrorism.

The intent of this bill is to prevent the sort of embarrassment and confusion associated with the Fiat case. Forewarned is forearmed when it comes to possibly controversial contracts. Certainly, Congress ought not to leave determinations and notification concerning these cases to ad hoc administrative actions.

Once congressional concerns are expressed concerning such contracts, I am confident that good sense will prevail. I also believe that this legislation will put reasonable pressure on the few firms that are partially owned by state supporters of terrorism. It will give clear notice that no further Department of Defense contracts are likely to be forthcoming unless and until they rid themselves of terrorist supporting investors.

Mr. President, I ask unanimous consent that the text of my bill along with several recent news clips concerning the Fiat case be printed in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

S. 2380

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That (a)(1) chapter 141 of title 10, United States Code, is amended by adding at the end thereof the following new section:

"§ 2408. Foreign policy considerations in defense contracting

"(a)(1) Before an agency named in clause (1), (2), (3), or (4) of section 2303(a) of this title may enter into a contract under chapter 137 of this title with any contractor owned or controlled, in whole or in any substantial part, by a foreign government or an instrumentality of a foreign government, the head of the agency shall determine whether such contract (or the award of such contract) is inconsistent with the foreign policy and national security objectives of the United States.

"(2) In making a determination under paragraph (1), the head of the agency shall consider the relationship of the United States with the foreign government or instrumentality of such government, the extent of the ownership and control of the contractor by the foreign government or instrumentality, and whether proceeds of the contract or information available to the contractor as a result of the contract may be used for purposes inimical to the interests of the United States.

"(b) Before an agency referred to in subsection (a)(1) enters into a contract with any contractor owned or controlled, in whole or in any substantial part, by a foreign government included in the control list published under section 6(l) of the Export Administration Act of 1979 (50 U.S.C. App. 2405(l)), or by an instrumentality of any such government, the head of the agency shall transmit a report on the contract to Congress. The report shall identify the foreign government, the instrumentality (if any), the nature of the contract, and the reasons for entering into the contract.

"(c) The Secretary of Defense shall prescribe regulations to carry out this section.".

(2) The table of sections at the beginning of such chapter is amended by inserting at the end thereof the following new item:

"2408. Foreign policy considerations in defense contracting.".

(b) The amendment made by subsection (a)(1) shall take effect with respect to contracts awarded, modified, or extended on or after the date of the enactment of this Act.

[From the Defense News, Apr. 28, 1986]

FIAT'S LIBYAN TIES MAY POISON U.S. BUSINESS

(By Tom Donnelly)

WASHINGTON.—President Reagan's executive order banning all trade with Libya may have thrown a monkey wrench into a number of the Pentagon's major weapons buys and poses a problem for one of the major European firms interested in participating in the Strategic Defense Initiative.

Reagan's Jan. 7 executive order banning the "performance by any United States person of any contract in support of industrial or other commercial or government project in Libya" has created difficulties for the U.S. subsidiaries of the giant Italian automobile firm Fiat SpA. The Libyan government, through the Libyan Arab Foreign Investment Co., owns roughly 13 percent of Fiat's voting stock and 14.9 percent of its nonvoting stock.

Several weeks ago, a Marine Corps award of a contract for 178 bulldozers to Fiat Allis, an American subsidiary of Fiat SpA based in Illinois, was held up because of a protest by one of the losing competitors for the contract.

J.I. Case Co., the second-lowest bidder, protested to the General Accounting Office (GAO). The GAO agreed to look at the protest, and the contract award has been held up until the GAO rules sometime in May.

James P. Wade, assistant secretary of defense for acquisitions and logistics, tells *Defense News*, "Current U.S. law does not provide the authority to deny the contract award in the situation. However, nothing is settled."

Surio Colombo, president of Fiat U.S.A., the holding company for Fiat's U.S. interests, says, "All the signs are that [the protest] will be denied. "All preliminary rulings have been in our favor. The Libyans have no access to power with Fiat, and not even marginal participation."

Last Thursday, two powerful House committee chairmen sent a letter to Defense Secretary Caspar W. Weinberger, strongly protesting the award of the bulldozer contract to the Fiat subsidiary. Rep. Les Aspin (D-Wis.), chairman of the House Armed Services Committee, and Rep. Jack Brooks (D-Texas), chairman of the House Government Operations Committee, told Weinberger, "It is our strong belief that the U.S. government, particularly the Department of Defense, should not be awarding lucrative contracts to any company which is substantially owned or controlled by foreign governments that are hostile to our country. With the award of this contract, we are indirectly providing financial support for Libya's sponsorship of worldwide terrorism."

Colombo says that because the Libyan interest involves no control of the company—Fiat SpA is 30 percent owned and entirely run by Italy's leading industrialist, Gianni Agnelli, and his family—the executive order does not apply.

However, if the protest is upheld, several other U.S. weapons programs might be in jeopardy. For example, Fiat also makes parts for the Pratt & Whitney PW2037 engine that will power the Air Force's C-17 transport aircraft and makes a number of gearboxes for the General Electric CF6-50C2 engine, powerplant for the KC-10 tanker. Bill Schuman, a General Electric spokesman in Washington, says, "We have received no instructions from the government about this." Fiat's share of the engine work is 4 percent of the Pratt & Whitney engine and, Schuman says, "about 5 percent" of the GE engine.

The Libyan Arab Foreign Investment Co. was created to invest the country's oil earnings in U.S. and European industrial firms. Fiat's Washington representative, Paolo Zannoni, says that Libya first bought into Fiat more than 10 years ago. Many Middle East oil states have created overseas investment firms to protect their oil earnings, and Wall Street defense investment experts speculate that it is quite likely that a number of these investment companies may well own stock in U.S. defense firms. Fiat's Colombo says that these firms, such as the Arab Banking Co., have substantial Libyan ownership.

The case of Fiat is particularly sensitive, as the firm is anxious to participate in the Strategic Defense Initiative (SDI). Fiat has been a strong lobbying arm within Italy for the program, pressuring the Italian government to make a commitment to SDI.

We went to the prime minister, the foreign minister and the parliament," says Colombo. "We've been most vocal in asking the government to make the political choice to be committed to SDI."

Fiat is anxious to try to rid itself of Libyan involvement, and the Libyan ownership has been an embarrassment to Agnelli and the firm, the Italian press has reported. In an interview with the Milan daily *Il Giornale* April 22, Fiat managing director Cesare Romitti admitted that the Libyan ownership is proving a drawback in its efforts to win business from the U.S. government. Agnelli has made a standing offer through its investment firm to buy back the Libyan shares.

[From the New York Times, Apr. 23, 1986]

FIAT OWNERS SEEK LIBYA'S BIG STAKE

(By E.J. Dionne)

ROME, April 22.—The Italian owners of Fiat S.p.A. have offered to buy back the large minority share that Libya owns in the company, a Fiat spokesman said today.

The Libyan Government, through the Libyan Arab Foreign Investment Company, owns 13 percent of Fiat's common voting shares and 15 percent of its nonvoting preferred shares, the Fiat spokesman said.

The spokesman, Camillo Fré, director of Fiat's international press relations, said that Libya had so far shown no interest in selling its shares. The Libyan investment company has been refusing to comment on its plans for the Fiat stake.

"There must be two people to make a deal," Mr. Fré said. "They don't want to get out. They've done quite well. They bought their shares for less than $400 million in 1976. The shares are now worth about $2.7 billion. That's not bad. And beyond that, they've gotten dividends."

EMBARRASSMENT FOR FIAT

Libya's ownership of such a large stake has been an embarrassment for Fiat, Italy's largest industrial company, and for the Agnelli family, which controls the sprawling concern. This problem was accentuated with the arrest Sunday of an employee of the Libyan investment company on suspicion of plotting a year ago to kill the United States Ambassador to Italy and the Saudi and Egyptian Ambassadors.

In an interview published today in Il Giornale, a Milan daily, Cesare Romiti, Fiat's managing director, acknowledged that the Libyan stake in the company was creating difficulties for Fiat in its effort to obtain public contracts in the United States.

"These problems are real," he said. "But I think the attitude of certain American sectors is excessive."

Fiat has expressed a strong interest in winning contracts for the Reagan Administration's Strategic Defense Initiative, known as "Star Wars."

The Libyan connection also fits badly with the repeated entreaties by Fiat's president and the country's most important industrialist, Gianni Agnelli, that Italy should think of itself more as a European nation than a Mediterranean one. Advocates of a "Mediterranean" Italy have encouraged close Italian ties to Arab countries.

A condition of the original agreement with Libya was that the company—in effect, the Agnelli family and its designates—remain free of any interference in its management. Mr. Fré said that Libya had shown no interest in having any role in company decisions and was apparently holding the shares only as an investment.

"Up to now, we've never had trouble with their participation," Mr. Fré said. "I must say they've behaved in a very correct way."

He said that the Agnelli family controlled 31 percent of the company, and that it could count on institutional investors and other corporate shareholders, such as the tire company Pirelli, in the event of "an impossible fight."

Mr. Romiti said that the Agnelli family, through IFI, its finance company, was prepared to buy back the Libyan shares at any time.

Although there have been rumors of a buyback of the Libyan shares in recent months, none of these have come to fruition, largely, it appears, because of Libya's reluctance to sell its shares. It is also unclear whether Libya would sell the shares at the current market rates or seek a higher price.

Mr. Fré said that finding the roughly $2.7 billion to buy back the shares from Libya would be "a minor problem." He noted that the IFI holdings amounted to $5.3 billion to $6 billion.●

ADDITIONAL COSPONSORS

S. 524

At the request of Mr. ARMSTRONG, the name of the Senator from Maine [Mr. MTICHELL] was added as a cosponsor of S. 524, a bill to recognize the organization known as the Retired Enlisted Association, Inc.

S. 707

At the request of Mr. SIMON, the name of the Senator from West Virginia [Mr. BYRD] was added as a cosponsor of S. 707, a bill to amend title 38, United States Code, to provide disability and death allowances, compensation, health care, and other benefits to veterans and the survivors of veterans who participated in atomic tests or the occupation of 'Hiroshima and Nagasaki and suffer from diseases that may be attributable to ionizing radiation.

S. 1494

At the request of Mr. GORTON, the name of the Senator from Florida [Mrs. HAWKINS] was withdrawn as a cosponsor of S. 1494, a bill to amend title 23, United States Code, to limit outdoor advertising adjacent to Interstate and Federal-aid primary highways.

S. 1622

At the request of Mr. MELCHER, the name of the Senator from Hawaii [Mr. INOUYE] was added as a cosponsor of S. 1622, a bill to promote the development of Native American Culture and Art.

S. 1997

At the request of Mr. NICKLES, his name was added as a cosponsor of S. 1997, a bill to amend the Internal Revenue Code of 1954 to impose a tax on the importation of crude oil and refined petroleum products.

S. 2098

At the request of Mr. BENTSEN, the name of the Senator from Louisiana [Mr. JOHNSTON] was added as a cosponsor of S. 2098, a bill to establish a National Space Grant College Program.

S. 2180

At the request of Mr. GORTON the name of the Senator from Delaware [Mr. BIDEN] was added as a consponsor of S. 2180, a bill to authorize appropriations for activities under the Federal Fire Prevention and Control Act of 1974.

S. 2203

At the request of Mr. STAFFORD, the name of the Senator from Wisconsin [Mr. KASTEN] was added as a cosponsor of S. 2203, a bill to establish a program to reduce acid deposition and for other purposes.

S. 2208

At the request of Mr. KASTEN, the names of the Senator from Missouri [Mr. DANFORTH], the Senator from Tennessee [Mr. GORE], and the Senator from Vermont [Mr. LEAHY] were added as cosponsors of S. 2208, a bill to establish the African Famine, Recovery and Development Fund for the relief, recovery, and long-term development of sub-Saharan Africa, and for other purposes.

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S. 2231

At the request of Mr. NICKLES, his name was added as a cosponsor of S. 2231, a bill to amend the Federal Deposit Insurance Act.

S. 2255

At the request of Mr. WILSON, the name of the Senator from New Hampshire [Mr. RUDMAN] was added as a cosponsor of S. 2255, a bill to prohibit the expenditure of Federal funding for Congressional Newsletters.

S. 2284

At the request of Mr. NICKLES, the name of the Senator from New Mexico [Mr. BINGAMAN] was added as a cosponsor of S. 2284, a bill to amend the Food Security Act of 1985 to require the Secretary of Agriculture to take certain actions to minimize the adverse effect of the milk production termination program on beef, pork, and lamb producers, and for other purposes.

S. 2294

At the request of Mr. WEICKER, the name of the Senator from Virginia [Mr. WARNER] was added as a cosponsor of S. 2294, a bill to reauthorize certain programs under the Education of the Handicapped Act, to authorize an early intervention program for handicapped infants, and for other purposes.

S. 2333

At the request of Mr. DURENBERGER, the name of the Senator from Arkansas [Mr. PRYOR] was added as a cosponsor of S. 2333, a bill to amend title XIX of the Social Security Act to strengthen and improve medicaid services to low-income pregnant women and children.

S. 2350

At the request of Mr. ABDNOR, the name of the Senator from Montana [Mr. MELCHER] was added as a cosponsor of S. 2350, a bill to extend the period for filing a claim for credit or refund of Federal income taxes with respect to certain changes made by the Consolidated Omnibus Reconciliation Act of 1985 with respect to insolvent farmers.

SENATE JOINT RESOLUTION 134

At the request of Mr. BIDEN, the name of Senator from Arkansas [Mr. BUMPERS] was added as a cosponsor of Senate Joint Resolution 134, joint resolution to designate "National Safety in the Workplace Week."

SENATE JOINT RESOLUTION 143

At the request of Mr. GORE, the name of Senator from New Jersey [Mr. LAUTENBERG] was added as a cosponsor of Senate Joint Resolution 143, joint resolution to authorize the Black Revolutionary War Patriots Foundation to establish a memorial in the District of Columbia at an appropriate site in Constitution Gardens.

SENATE JOINT RESOLUTION 298

At the request of Mr. QUAYLE, the name of the Senator from New Jersey [Mr. LAUTENBERG] was added as a cosponsor of Senate Joint Resolution 298, joint resolution to designate the week of October 5, 1986, through October 11, 1986, as "Mental Illness Awareness Week."

SENATE JOINT RESOLUTION 314

At the request of Mr. QUAYLE, the name of the Senator from Nebraska [Mr. ZORINSKY] was added as a cosponsor of Senate Joint Resolution 314, joint resolution to designate the week beginning July 27, 1986, as "National Nuclear Medicine Week."

SENATE JOINT RESOLUTION 326

At the request of Mr. WALLOP, the names of the Senator from California [Mr. WILSON], the Senator from Maine [Mr. COHEN], the Senator from Idaho [Mr. MCCLURE], the Senator from North Carolina [Mr. HELMS], the Senator from Texas [Mr. GRAMM], the Senator from North Carolina [Mr. EAST], the Senator from Utah [Mr. HATCH], the Senator from Nevada [Mr. HECHT], the Senator from Idaho [Mr. SYMMS] the Senator from Iowa [Mr. GRASSLEY], the Senator from Arizona [Mr. GOLDWATER], the Senator from South Carolina [Mr. HOLLINGS], the Senator from Oklahoma [Mr. NICKLES], and the Senator from South Dakota [Mr. ABDNOR] were added as cosponsors of Senate Joint Resolution 326, joint resolution to proclaim May 21, 1986, as "Andrei Sakharov Honor and Freedom Day."

SENATE CONCURRENT RESOLUTION 117

At the request of Mr. SIMON, the names of the Senator from Utah [Mr. HATCH], the Senator from Oklahoma [Mr. NICKLES], the Senator from Maine [Mr. MITCHELL], and the Senator from Minnesota [Mr. BOSCHWITZ] were added as cosponsors of Senate Concurrent Resolution 117, concurrent resolution expressing the sense of the Congress in support of RIAS, the radio in the American Sector of Berlin.

SENATE RESOLUTION 303

At the request of Mr. HEINZ, the name of the Senator from North Carolina [Mr. HELMS] was added as a cosponsor of Senate Resolution 303, resolution to express the sense of the Senate with respect to proposals currently before the Congress to tax certain employer-paid benefits and other life-support benefits.

SENATE RESOLUTION 369

At the request of Mr. MCCONNELL, the name of the Senator from North Carolina [Mr. EAST] was added as a cosponsor of Senate Resolution 369, resolution relating to trade between the United States and the Republic of Korea.

AMENDMENTS SUBMITTED

FIRST CONCURRENT RESOLUTION ON THE BUDGET

BRADLEY (AND OTHERS) AMENDMENT NO. 1805

Mr. BRADLEY (for himself, Mr. JOHNSTON, and Mr. METZENBAUM) proposed an amendment to the concurrent resolution (S. Con. Res. 120) setting forth the congressional budget for the U.S. Government for the fiscal years 1987, 1988, and 1989; as follows:

At the end of the resolution add the following:

SEC. . It is the sense of the Congress that the Congress intends to disapprove the deferral proposed in D86-37 and D86-10A.

MELCHER AMENDMENT NO. 1806

Mr. MELCHER proposed an amendment to the concurrent resolution (S. Con. Res. 120), supra; as follows:

On page 6, line 10, strike "$295,100,000,000" and insert in lieu thereof "$295,079,000,000"

On page 8, line 11, strike "$280,000,000,000" and insert in lieu thereof "$279,979,000,000"

On page 9, line 16, strike "$4,900,000,000" and insert in lieu thereof "$4,921,000,000"

On page 9, line 17, strike "$5,000,000,000" and insert in lieu thereof "$5,021,000,000"

AUTHORITY FOR COMMITTEES TO MEET

SUBCOMMITTEE ON MILITARY CONSTRUCTION

Mr. HEINZ. Mr. President, I ask unanimous consent that the Subcommittee on Military Construction, of the Committee on Armed Services, be authorized to meet during the session of the Senate on Monday, April 28, 1986, in closed executive session in order to conduct a hearing on strategic homeporting.

The PRESIDING OFFICER. Without objection, it is so ordered.

ADDITIONAL STATEMENTS

BUDGET SCOREKEEPING REPORT

● Mr. DOMENICI. Mr. President, I hereby submit to the Senate the budget scorekeeping report for this week, prepared by the Congressional Budget Office in response to section 5 of the first budget resolution for fiscal year 1986. This report also serves as the scorekeeping report for the purposes of section 311 of the Congressional Budget Act, as amended.

The report follows:

U.S. CONGRESS,
CONGRESSIONAL BUDGET OFFICE,
Washington, DC, April 28, 1986.

Hon. PETE V. DOMENICI,
Chairman, Committee on the Budget,
U.S. Senate, Washington, DC.

DEAR MR. CHAIRMAN: The attached report shows the effects of congressional action on the budget for fiscal year 1986. The estimated totals of budget authority, outlays, and revenues are compared to the appropriate or recommended levels contained in the most recent budget resolution, Senate Concurrent Resolution 32. This report meets the requirements for Senate scorekeeping of section 5 of the Senate Concurrent Resolution 32 and is current through April 25, 1986. The report is submitted under section 308(b) and in aid of section 311 of the Congressional Budget Act, as amended.

No changes have occurred since my last report.

With best wishes,

Sincerely,

RUDOLPH G. PENNER, *Director.*

CBO WEEKLY SCOREKEEPING REPORT FOR THE U.S. SENATE, 99TH CONGRESSS, 2D SESSION, AS OF APR. 25, 1986

[Fiscal year 1986—in billions dollars]

	Budget authority	Outlays	Revenues	Debt subject to limit
Current level [1]	1,057.1	980.7	778.6	1,989.7
Budget resolution, Senate Concurrent Resolution 32	1,069.7	967.6	795.7	[2] 2,078.7
Current level is:				
Over resolution by		13.1		
Under resolution by	12.6		17.1	89.0

[1] The current level represents the estimated revenue and direct spending effects (budget authority and outlays) of all legislation that Congress has enacted in this or previous sessions or sent to the President for his apporoval. In addition, estimates are included of the direct spending effects for all entitlement or other programs requiring annual appropriations under current law even though the appropriations have not be made. The current level excludes the revenue and direct spending effects of legislation that is in earlier stages of completion, such as reported from a Senate committee or passed by the Senate. The current level of debt subject to limit reflects the latest U.S. Treasury information on public debt transactions.

[2] The current statutory debt limit is $2,078.7 billion.

FISCAL YEAR 1986, SUPPORTING DETAIL FOR CBO WEEKLY SCOREKEEPING REPORT, U.S. SENATE, 99TH CONGRESS, 2D SESSION, AS OF APR. 25, 1986

[In millions of dollars]

	Budget authority	Outlays	Revenues
I. Enacted in previous sessions:			
Revenues			777,794
Permanent appropriations and trust funds.	723,778	629,772	
Other appropriations	525,778	544,947	
Offsetting receipts	−188,561	−188,561	
Total enacted in previous sessions.	1,060,679	986,159	777,794
II. Enacted this session:			
Commodity Credit Corporation urgent supplemental appropriation, 1986 (Public Law 99-243).			
Federal Employees Benefits Improvement Act of 1986 (Public Law 99-251).		4	
VA home loan guarantee amendments (Public Law 99-255).		−51	
Omnibus Budget Reconciliation Act of 1985 (Public Law 99-272).	−4,259	−6,001	765
Department of Agriculture urgent supplemental, 1986 (Public Law 99-263.			
Advance to hazardous substance response trust fund (Public Law 99-270).			
Total	−4,259	−6,048	765
III. Continuing resolution authority			
IV. Conference agreements ratified by both Houses.			
V. Entitlement authority and other mandatory items requiring further appropriation action:			
Veterans compensation	272	185	
Veterans readjustment benefits	91	91	
Compact of free association	205	205	
Special benefits (Federal employees).	14	14	
Family social services	100	75	
Guaranteed student loans	6		
Payment to civil service retirement [1].	(37)	(37)	
Total entitlements	688	570	
Total current level as of Apr. 25, 1986.	1,057,108	980,681	778,559
1986 budget resolution (S. Con. Res. 32).	1,069,700	967,600	795,700
Amount remaining:			
Over budget resolution.		13,081	
Under budget resolution.	12,592		17,141

[1] Interfund transactions do not add to budget totals.

Note: Numbers may not add due to rounding.

AMERICAN HOSTAGES IN LEBANON

● Mr. SIMON. Mr. President, I would like to submit for the RECORD today, a copy of a letter sent to the President on April 26, 1985. It has been 1 year since colleagues on both sides of the aisle from both Houses joined together to ask the administration to redouble efforts to secure the release of our American hostages in Lebanon.

There is a paradox in the measure of progress in that effort. For the family of Rev. Benjamin Weir, successful progress has been made in his return. For the family of Peter Kilburn, despite our efforts, the results have been tragic. For the families of David Jacobsen and Thomas Sutherland, they have been cast into crisis since April 26, 1985. It is difficult to measure our progress.

With the families of William Buckley, Father Lawrence Martin Jenco, and Terry Anderson have committed themselves to continue their efforts on behalf of all the remaining hostages.

I believe it is extremely difficult for any of us to comprehend the turmoil, the pain and the confusion of these families during the past year. The much described "rollercoaster" experience is all too real to them. Some of them have been to Washington over 30 times. They have travelled to the United Nations, contacted numerous private organizations, appealed to embassy officials, witnessed innumerable staff and contact changes, held candlelight vigils, prayer services, taped public service announcements, launched postcard campaigns and scheduled more press interviews than they ever thought possible in 1 year. They have met with their President. They have worked with each other to form a close knit support group to push them forward when they lacked the energy and hope to see them through the new day. Where they may have experienced political failure, they have experienced personal growth and triumph.

There are those who would fail to understand the changes and reactions of the family members of hostages. They have experienced shock, anger, frustration and lack of confidence in elected and appointed officials. They have experienced, understandably, a compulsion to act and they have expressed resentment and confusion at the apparent lack of progress in gaining the safe release of their loved ones.

I have been taken by the comments of Timothy Kilburn, nephew of Peter Kilburn. He said in a recent press interview that he was not angry at the President for the death of his uncle. I share this, not from either a partisan or a political posture, but from a human one. Timothy Kilburn has shown us a glimpse of the noble self, the self to which we aspire, but so rarely express.

There is a great deal that we can learn from these families. As we struggle to understand terrorism, we can learn more about the effects of that terror. As we weigh the value of single, human lives in our day to day decisions, we can note the powerful love these Americans share.

And as we struggle, one year later, for resolutions to this crisis, we can look, paradoxically, at the courageous faith and leadership, the creative commitment and dedication of these hostages and their families. I urge my colleagues to renew their personal and public commitment to creatively and effectively work toward the resolution of this hostage crisis.

I ask that the attached letter be printed into the RECORD.

The letter follows:

U.S. SENATE,
Washington, DC, May 10, 1985.

The PRESIDENT,
The White House,
Washington, DC.

DEAR MR. PRESIDENT: We are writing to express our deep concern for the safety and welfare of William Buckley, the Reverend Benjamin Weir, Peter Kilburn, Father Lawrence Martin Jenco and Terry Anderson, the five U.S. citizens who are being held hostage in Lebanon.

We know that the Department of State has been working through various channels to secure the hostages' release. While we recognize the process is a delicate one, we urge you to direct the Department to redouble its efforts and to become personally involved in efforts to obtain the hostages' release. Recent events in Lebanon make our request more urgent.

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The families of these men anxiously hope and wait for news of their safe release. We would greatly appreciate your ensuring that all possible means to achieve this end are exhausted.

Cordially,

Alan Cranston, U.S. Senator; Paul Simon, U.S. Senator; George M. O'Brien, Member of Congress; Norman Y. Mineta, Member of Congress; Senators Pete Wilson, John H. Glenn, Jr., J. James Exon, Slade Gorton, Carl M. Levin, Alfonse M. D'Amato, Alan J. Dixon, J. Bennett Johnston, Wendell H. Ford, Daniel P. Moynihan, John C. Danforth, William S. Cohen, Jesse Helms, David Boren, Quentin N. Burdick, Bill Bradley, Daniel K. Inouye, Edward Zorinsky, Dale Bumpers, Dan Quayle, Max Baucus, Dennis DeConcini, Rudolph E. Boschwitz, Howard M. Metzenbaum, Tom Harkin, Paula Hawkins, Edward M. Kennedy, David Pryor, Donald W. Riegle, Jr., Paul S. Sarbanes, Strom Thurmond, Gordon J. Humphrey, William Proxmire, John D. Rockefeller, Gary Hart, Christopher J. Dodd, Lawton Chiles, David Durenberger, Howell T. Heflin, Ernest F. Hollings, John F. Kerry, Richard G. Lugar, George J. Mitchell, Albert Gore, Jr., John Heinz, Lloyd Bentsen, Frank R. Lautenberg, John Melcher, Frank H. Murkowski, Sam Nunn, James Sasser, John C. Stennis, Daniel J. Evans, Thomas F. Eagleton, Mark Andrews, Larry Pressler, Arlen Specter, Claiborne Pell, Nancy Landon Kassebaum, and Joseph R. Biden, Jr.;

Representatives Mike Lowry, Charles E. Schumer, Larry J. Hopkins, Ed Zschau, Austin J. Murphy, Ralph Regula, Robert J. Lagomarsino, James H. Scheuer, James M. Jeffords, Frank Horton, Joseph D. Early, Vic Fazio, Peter H. Kostmayer, Morris K. Udall, Nick Joe Rahall II, Bill Lowery, Howard L. Berman, Lee H. Hamilton, Bob Edgar, Peter W. Rodino, Norman D. Dicks, Wes Watkins, David E. Bonior, Thomas D. DeLay, William F. Clinger, Jr., Thomas R. Carper, Lawrence J. Smith, Major R. Owens, Bill Green, John Conyers, Jr., Sidney R. Yates, Cardiss Collins, John M. Spratt, Jr., Dan Coats, William H. Gray, Fred J. Eckert, George C. Wortley, Bill Richardson, William J. Hughes, Tony Coelho, Daniel K. Akaka, Melvin Price, Henry J. Hyde, Edward R. Madigan, Frank Annunzio, Gary L. Ackerman, Christopher H. Smith, Frederick C. Boucher, Harold L. Volkmer, Guy Vander Jagt, Patricia Schroeder, Henry A. Waxman, Jim Courter, Robert A. Young, Don Young, Jack Brooks, Barbara F. Vucanovich, Bruce F. Vento, Harley O. Staggers, Jr., Harry M. Reid, Sid Morrison, Barney Frank, Jerry Lewis, Thomas A. Daschle, Wyche Fowler, Jr., John E. Grotberg, Lynn Martin, Ted Weiss, Marty Russo, Benjamin A. Gilman, John Edward Porter, J. Roy Rowland, Dan Rostenkowski, Marge Roukema, Bobbi Fiedler, Dante B. Fascell, John J. LaFalce, Harris W. Fawell, Michael DeWine, Terry L. Bruce, Charles Wilson, Philip M. Crane, Dennis E. Eckart, Gene Chappie, Silvio O. Conte, F. James Sensenbrenner, Barbara A. Mikulski;

Representatives Robert A. Young, Stan Lundine, Norman F. Lent, Patricia Schroeder, Edward J. Markey, Walter E. Fauntroy, John Paul Hammerschmidt, Doug Walgren, James J. Howard, Mickey Leland, Bernard J. Dwyer, Nicholas Mavroules, Timothy J. Penny, Robert K. Dornan, Robert J. Mrazek, Barbara Boxer, Mel Levine, Buddy MacKay, Jim Moody, Mervyn M. Dymally, Sala Burton, Jaime B. Fuster, Pete Stark, Claude Pepper, George Miller, Charles A. Hayes, Bill Frenzel, Marcy Kaptur, John R. Miller, Helen Delich Bentley, Don Edwards, Walter B. Jones, Tom Lantos, Bruce F. Vento, Robert A. Roe, Michael D. Barnes, Bruce A. Morrison, Martin D. Sabo, Thomas J. Manton, Robert Garcia, Bobbi Fielder, John Bryant, William J. Coyne, Lindsay Thomas, Robert H. Michel, Julian C. Dixon, Mike Synar, Parren J. Mitchell, Berkley Bedell, Tony P. Hall, and Don Ritter.

AMERICAN LEGION HANDBOOK ON CAREERS AND SCHOLARSHIPS

● Mr. STEVENS. Mr. President, as part of its effort to help the young people of this country, the American Legion has published its 35th edition of "Need a Lift?" It is one of the best career and scholarship informational handbooks available.

The information in this book can be used by students, parents, and school counselors, and is presented in clear and concise terms. It is available for general distribution through the American Legion Education Program, Americanism and Children and Youth Division, Indianapolis, IN 46206, for a nominal fee of $1.

It is important for students to have as much information as is available about scholarships, and I ask that sections IV and V be printed in the RECORD.

The material follows:

SECTION IV: SOURCES OF SCHOLARSHIP AND OTHER FORMS OF FINANCIAL AID AVAILABLE TO ALL STUDENTS

A. FEDERAL PROGRAMS (SUBJECT TO CHANGE BECAUSE OF PENDING LEGISLATION)

1. U.S. Department of Education provides the largest source of funding for financial aid programs. These programs are listed in the following paragraphs. Applications are available at postsecondary schools and high schools. The "Student Guide: Five Federal Financial Aid Programs, 1985–86" may be obtained by writing to Federal Student Aid Programs, Department DEA-86, Pueblo, Colorado 81009.

a. College Work-Study Program (CWSP). This program provides employment to students enrolled in colleges and eligible postsecondary institutions who need financial aid to meet college expenses. The financial aid administrator sets the student's work schedule. In arranging a job and assigning a work schedule, the aid administrator takes into account the student's health, class schedule and academic progress.

b. Guaranteed Student Loan Program. (GSL) This program provides loans to students for educational expenses and is available from eligible lenders such as banks, credit unions, savings and loan associations, State agencies and schools. Students must be enrolled on at least a half-time basis in participating postsecondary institutions, ranging from vocational and technical schools to degree-granting institutions. The family income must be less than $30,000 or if over $30,000 the student must demonstrate finanical need. Students are eligible for Federal payment of interest charges of 8 percent on their loans during school years, during a 6-month grace period, and during authorized periods of deferment. A 5 percent origination fee is required at the time of disbursement of the funds.

Loans must be repaid. Repayment normally is over a 5–10 year period. The amount of the student's repayment depends on the size of his or her debt. The more the student borrows, the higher the payments will be. Failure to repay on a timely basis can damage a person's credit rating and may lead to legal action to recover the debt.

Deferment of payment may be granted during any period in which the borrower is attending a participating institution on a full-time basis, is engaged in approved graduate fellowship study of a course of study under a rehabilitation training program for disabled individuals, up to 3 years if temporarily totally disabled, up to 3 years while serving in the U.S. Armed Forces, the Commissioned Corps of the Public Health Service, Peace Corps, VISTA, or a comparable organization; or for a single period not exceeding 12 months if seeking and unable to find full-time employment, or up to 2 years while serving an internship required for professional practice.

Undergraduate students may borrow up to $2,500 per year, to a total of $12,500. Graduate students may borrow up to $5,000 per year to a total of $25,000 (including loans made at the undergraduate level). See Table II for the address of your state's agency.

c. National Direct Student Loan Program (NDSL). These loans are available to students enrolled at least half time in a regular program of study at a participating school, and have need of financial assistance to continue. Aggregate loans may not exceed $12,000 for a graduate student including under-graduate loans; $6,000 for students who have not completed their bachelor's but have completed 2 years leading to a bachelor's degree; $3,000 for any other student. Repayment of the loan begins six months after a borrower ceases to carry at least one half the normal academic work load and is to be repaid within 10 years. Interest of 5 percent will begin at the time the repayment period begins. Thereafter, should a borrower teach in a designated school located in a poverty area, or in a Headstart Program, or in a public or other non-profit elementary or secondary school for handicapped children, cancellation of the loan up to 10 percent is possible. Also for a member of the Armed Forces of the U.S. who serves in an area of hostilities, cancellation of up to 50 percent is possible. Rates of cancellation may be obtained from the institution's financial aid office.

d. Parent loans for undergraduate students (PLUS). PLUS loans are available to provide additional funds at 12 percent interest. Like GSL's, they are made by a lender such as a bank, credit union, or savings and loan association. Parents of dependent undergraduates or graduates may borrow $3,000 per year. Independent undergraduates may borrow $2,500 per year. All borrowers must begin repaying a PLUS loan within 60 days, unless the borrower is entitled to a deferment. All borrowers must begin paying

the interest within 60 days. The negotiation of each loan is between the student and the lending institution. Students who desire more information or wish to initiate a loan should discuss the matter with their lender and the financial aid administrator at their school. (See Table II).

e. Pell Grant Program. Formerly called the Basic Grant Program, this program makes funds available to eligible students attending participating colleges, community/junior colleges, vocational schools, technical institutes, hospital schools of nursing, correspondence schools and other participating postsecondary institutions. To be eligible, an applicant must be an undergraduate student enrolled on at least a half-time basis. Awards will depend on program funding. During the 1985–86 award period, individual awards may range up to $2,100. To apply for a Pell Grant, a student must complete the Federal form called "Application for Federal Student Aid" or one of several private or State need analysis applications which are used to determine eligibility for other sources of student aid: the Financial Aid Form (FAF), the Family Financial Statement (FFS), the Pennsylvania Higher Education Assistance Agency (PHEAA) form or the Student Aid Application for California (SAAC). Only one application is required. Further information may be obtained from the Office of Student Financial Aid at the institution or a high school guidance counselor.

f. Supplemental Educational Opportunity Grant (SEOG) Program. This grant program is for students with financial need and does not have to be paid back. Students must be enrolled at least half-time as an undergraduate or vocational student in a regular program of study at an educational institution participating in the program. Graduate students are not eligible. The amount of the award varies from $200 to $2,000 per year.

2. U.S. Department of Health and Human Services also administers programs of assistance for students enrolled in health professions programs.

Information on these programs may be obtained from the Health Resources and Services Administration, Bureau of Health Professions, 5600 Fishers Lane, Rockville, MD 20857 or the Office of Financial Aid at the school you plan to attend.

a. Exceptional Financial Need Scholarship Program for first-year students is for students with exceptional financial need. Purpose of the program is to encourage students to pursue careers in medicine, osteopathy, dentistry, optometry, pharmacy, podiatry or veterinary medicine. Citizens or Nationals of the United States may apply as well as lawful permanent residents of Puerto Rico. Virgin Islands, Guam, the trust territory, or the North Mariana Islands. Scholarships will cover (1) cost of tution for school year and other reasonable educational expenses plus a stipend of $599 per month for 12 consecutive months; (2) no service obligation accompanies the scholarship.

b. The Health Education Assistance Loan (Heal) Program is similar to the Guaranteed Student Loan Program of the U.S. Department of Education. Students of medicine, osteopathy, dentistry, podiatry, veterinary medicine and optometry, may borrow up to $20,000 a year, not to exceed a total of $80,000. Pharmacy, chiropratice, health administration, clinical psychology or public health students may borrow up to $12,500 per year, not to exceed a total of $50,000.

For students to take part in the program, their school must have an agreement with the Secretary.

The maximum interest is the average of the bond equivalent rates of the 91-day Treasury Bills auctioned for the previous quarter plus 3.5 percentage points, rounded to next higher ⅛ of 1 percent. The loan principal is repayable over a 10–25 year period starting 9–12 months after completion of training. However, payments of principal are not required during periods of up to 4 years of internship and residency training or up to 3 years of service in the Armed Forces, National Health Service Corps, Peace Corps or Volunteers in Service to America (VISTA). Deferments are also made during periods of full-time study. At HHS's discretion, borrowers may enter into agreement with HHS for repayment of loans, plus interest, at a rate of not more than $10,000 a year for each year of service in NHSC or in private practice in a health manpower shortage area. Minimum service period is 2 years.

c. The Health Professions Student Loan Program. Under this program, Federally supported loans are available at participating schools of medicine, dentistry, osteopathy, optometry, pharmacy, podiatry and veterinary medicine for students who need assistance to pursue a full-time course of study at the school. The amount of the loan depends upon the student's need as determined by the school; however, the maximum amount per academic year is the cost of tuition plus $2,500 or the amount of the financial need of the student, whichever is less. The loan is repayable over a 10-year period beginning one year after the student ceases to pursue a full-time course of study at a health professions school. During the repayment period, interest accrues on the total loan at the rate of 9 percent. Repayment on a loan may be deferred during periods of active military duty and service in the Peace Corps (up to three years each). Repayment may also be deferred during periods of advanced professional training, including internships and residencies. Obligation to repay the loan will be cancelled in the event of death, or permanent and total disability.

d. National Health Service Corps (NHSC) scholarships are awarded to U.S. citizens enrolled or accepted for enrollment as full-time students in accredited U.S. schools of allopathic or osteopathic medicine, dentistry, and other health disciplines needed for the mission of NHSC. These scholarships include a monthly living stipend and payment of school tuition. Each year of scholarships support incurs a year of Federal service obligation. The minimum service obligation is 2 years.

The NHSC places full-time primary health care practitioners in selected federally-designated Health Manpower Shortage Areas of the United States. Virtually all of these practitioners owe service obligations of 2 to 4 years due to their participation in the NHSC Scholarship Program.

Due to the limited appropriated funds which may be available, first-time scholarship awards for 1985–86 academic year will be restricted to students of allopathic or osteopathic medicine and dentistry who have been participants at their health professions schools of the Federal "Scholarship Program for First-Year Students of Exceptional Financial Need." No first-time awards will be available for pre-medical or pre-dental undergraduate education, or for students of medicine or dentistry entering their first year in 1985–86.

The scholarship program is administered by the Bureau of Health Care Delivery and Assistance, Division of Health Services Scholarships. For further information address: NHSC Scholarships, Parklawn Building, Room 7-16 5600 Fishers Lane, Rockville, Maryland 20857.

e. Minority Access to Research Careers Program (MARC) honors undergraduate research training awards. The Minority Access to Research Careers Program's Honors Undergraduate Research Training Program is designed to increase the number of well prepared minority students who can compete successfully for entry into graduate programs leading to the Ph.D. in a biomedical science. Its goal is also to help develop a strong science curriculum and research opportunities to prepare students for careers in biomedical science. A formal research experience for the recipient is an important feature of the program. Summer study and research should be part of the overall training program at outstanding institutions or laboratories selected to enhance and supplement in the trainee's formal course work and research training experience. The criteria for selection of trainees includes evidence that the candidate has clear potential to perform at a high level in the biomedical sciences and that the candidate demonstrates a determination to subsequently enter graduate programs leading to the Ph.D. degree. Applicants must be minority honor students in their third or fourth year of college. The college or university must have an enrollment drawn substantially from ethnic minority groups such as American Indians, Blacks, Hawaiians, Mexican Americans or Puerto Ricans.

Each school will make awards for stipend and tuition support for five to ten students. The award may include travel expenses to one national meeting closely related to a project.

Applications may be filed by February 1st or October 1st. Apply for information or application to: United States Department of Health and Human Services, National Institutes of Health, National Institute of General Medical Sciences, Westwood Building, Bethesda, Maryland 20205.

3. Other U.S. Department of Health and Human Services programs are:

a. Commissioned Officer Student Training and Extern Program (COSTEP). College students who have successfully completed a minimum of one year of study in medical, dental or veterinary school prior to assignment, and students who have completed a minimum of two years of a baccalaureate program prior to assignment in dietetics-nutrition, engineering, nursing, pharmacy, therapy, sanitary science or medical record administration are eligible to participate in the COSTEP Program. COSTEP assignments fall into two major categories: Medical and Hospital Services, Research and Public Health Practice. Successful candidates are commissioned as reserve officers in the Commissioned Corps of the Public Health Service and called to active duty during vacation periods. Applications must be received (1) not later than October 1 for positions during the period January through April; (2) not later than February 1 for positions during the period May through August; (3) not later than May 1 for positions during the period September through December. For further information write: COSTEP, Parklawn Building, Room 4-35, 5600 Fishers Lane, Rockville, MD 20857 (301) 443-6324.

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NOTE: This is not a scholarship, but is a job. The program's purpose is to recruit for the Commissioned Corps of the Public Health Service.

b. Professional Nurse Traineeship Program. Professional nurse traineeships are available through participating training institutions to help registered nurses prepare to teach in the various fields of nurse training, to serve in administrative or supervisory capacities, to serve as nurse practitioners, or to serve in other professional nursing specialities requiring advanced training. Traineeships provide a living stipend and tuition and fees as set by the participating training institution not to exceed $5,292. Trainees are selected by the training institutions. Further information and a list of participating institutions are available from the: Division of Nursing, Bureau of Health Professions, Health Resources and Services Administration, Room 5C-26, Parklawn Building, 5600 Fishers Lane, Rockville, MD 20857. Students should request information through the Dean of Nursing at their institution.

NOTE: This assistance is only for students studying at the master's or doctoral level.

c. Nursing Student Loan Program. Federally supported loans are available through participating schools of professional nursing for students who need assistance to pursue full-time or half-time courses of study. Amount of an individual loan depends on the general availability of student aid funds and on need as determined by the student's school; however, no loan may exceed $2,500 per academic year, and no student may receive more than a total of $10,000 for all years in loan assistance. The total loan is repayable over a 10-year period beginning nine months after the borrower completes or discontinues his other nursing studies. During the repayment period, interest accrues on the total loan at the rate of 6%. Repayment on a loan may be deferred during periods of active military duty and service in the Peace Corps and also during periods of advanced professional training in nursing. Obligation to repay the loan will be cancelled in the event of death or permanent and total disability. Contact the Director of Student Financial Aid at the school the student is attending or plans to attend.

4. The U.S. Department of Interior Administrators Programs Indian Tribal Grants and Loans. Over 45 Indian tribes have established their own Grant and Loan Programs to promote higher education for their members. Contacts for tribal assistance should be made through the U.S. Dept. of the Interior, Bureau of Indian Affairs, Washington, DC 20245, or through the Tribal Headquarters.

5. Indians Higher Education Grant Program is a program for students who are ¼ or more degree Indian, Eskimo, or Aleut of a tribal group being served by the Bureau and who are enrolled in accredited institutions of their choice in pursuit of an undergraduate or graduate degree. Must demonstrate financial need by the institution they are or will be attending. For information, write the U.S. Dept. of the Interior at the address above.

6. The U.S Information Agency sponsors the Fulbright Teacher Exchange Program. Under the Mutual Educational and Cultural Exchange for qualified American educators to work in elementary and secondary schools abroad and in some instances, institutions of higher education in the United Kingdom, Canada, Denmark, Switzerland, Italy, Germany and France. To be eligible, an applicant must be teaching currently as an elementary or secondary school teacher, college instructor, assistant, associate or full professor. Candidates must have at least a bachelor's degree, be a U.S. citizen at the time of application and have at least three years of successful full-time teaching experience. Two years are required for participation in summer seminars held in Italy and the Netherlands. The Government provides round-trip transportation to some countries for those selected to participate but no transportation is provided for dependents or for teachers going to Canada, Great Britain or Switzerland. A maintenance allowance, paid in the currency of the host country is based upon that country's cost of living. For teachers participating in the Exchange Program, the successful applicant's U.S. salary is continued by the participant's own school. Seminar grants may include round-trip transportation, tuition costs, but for some, the participants are responsible for their own maintenance expenses. Regional interviewing committees conduct preliminary screening of applicants. Annual recruitment date is October 15. Application forms can be obtained from and then submitted to the Teachers Exchange Branch, E-ASX, Room 248, U.S. Information Agency, 301 4th Street, S.W., Washington, D.C. 20547.

3. ASSISTANCE FOR UNDERGRADUATES ONLY

The AFL-CIO offers a scholarship guide with a wide variety of scholarships to post-secondary institutions including, two and four-year colleges and universities, graduate schools, culinary institutes, musicians training institutes, vocational, technical and nursing schools. Though most scholarships listed in the guide are available to union members and their families, some are available to the general public. Single copies are available without charge for union members only. Copies are $3.00 apiece for all others. Checks should be made payable to the Secretary-Treasurer AFL-CIO and sent to the AFL-CIO Department of Education, 815 16th Street, N.W., Washington, D.C. 2006.

Aid Association for Lutherans (AAL) (for undergraduates only) awards at least 400 All-College Scholarships annually, 200 of which are renewable and 200 nonrenewable scholarships. AAL also awards at least 25 renewable nursing scholarships annually through the Competitive Nursing Scholarship Progam. Each applicant must be a high school senior owning an AAL certificate of membership and insurance in his or her name. The CEEB SAT must be taken no later than December of the high school senior year. The American College Test (ACT) will also be accepted. Individual stipends for renewable scholarship, range from $500 to $1750 and are renewable for three additional years or until requirements for a baccalaureate degree are met, whichever is earlier. The 200 nonrenewable awards are for $500. Financial need is not considered until winners have definitely been selected. Competitive Nursing Scholarships are renewable for three additional years or until a Registered Nurse (RN) Certificate is obtained, whichever is earlier. Renewal is based on satisfactory academic progress and continuing AAL membership. Completed AAL applications must be submitted to College Scholarship Service/Sponsored Scholarship Programs before November 30. Applications may be secured by writing: Member and Family Benefits, Aid Association for Lutherans: Appleton, WI 54919. AAL scholarship assistance is also available to AAL members at Lutheran colleges, universities and seminaries participating in other AAL scholarship programs. For more details, contact the institution's financial aid office.

Aid Association for Lutherans (AAL) will be awarding up to 100 Vocational/Technical School Scholarships annually. Up to 50 scholarships will be awarded to persons who graduated from high school in previous years, and up to 50 scholarships will be awarded to graduating seniors each year. Applicants must own an AAL certificate of membership and insurance in their own name. Persons of any age may apply for their scholarships provided they will have completed high school or have a GED, and have a well-defined course of study. They must be enrolled or planning to enroll in an accredited vocational/technical institute or community college on either a full or half-time basis with the intent of completing requirements for a vocational diploma or an associate degree. Individual award amounts are $500 for full-time attendance and $250 for half-time attendance. Awards will be renewable for up to one year for full-time studies after the initial year and up to three half years after the initial half year, or until a degree/diploma is earned, whichever is earlier. Applications may be obtained by writing: Member and Family Benefits, Aid Association for Lutherans, Appleton, WI 54919.

American Business Women's Association. The more than 2000 chapters of the American Women's Association provide scholarships to women students who are beginning or continuing educational training for a business or professional career. Scholarships are awarded on a basis of financial need to students who have at least average grades. The amount of a scholarship is determined both by the applicant's need and the amount in a chapter's treasury. Students desiring sponsorship should contact a chapter of the Association. In most communities, chapters are listed with the Chamber of Commerce. If unavailable, applicants may contact the Scholarship Counselor at ABWA National Headquarters, 9100 Ward Parkway, P.O. Box 8728, Kansas City, MO 64114. Scholarship assistance is also available from the Stephen Bufton Memorial Education Fund, the national scholarship program of ABWA. Applicants who have achieved at least the Junior level in an accredited college or university are eligible for consideration for outright grants with a maximum of $800 and interest free loans with a maximum of $1,500. Repayment of loan notes commences approximately sixty days following the completion of studies. Monthly payments are $50 on $75 depending on the amount of the loan granted. Women students desiring consideration for grants and loans must also be sponsored by a chapter of the Association and should follow the procedure above for obtaining information on chapters in their communities.

American Medical Technologists' Scholarship Program offers five scholarships of $250 each to high school graduates interested in pursuing medical technology or medical assisting studies. Awards are based primarily on need, with consideration given to goals, school grades, activities, experience and personal references. Applicants must be enrolled, or contemplate enrolling in a school accredited by the Accrediting Bureau of Health Education Schools (list available by contacting the ABHES, 29089 U.S. 20 West, Elkhart, Indiana 46514), or enrolled or contemplate enrolling in a college, university or junior college medical technology or medical assisting program. May 1 is the

filing deadline for applications and supporting documents from AMT, 710 Higgins Road, Park Ridge, IL 60068.

The American Society for Metals Foundation for Education and Research sponsors $500 undergraduate scholarships for students in metallurgy that are attending colleges or universities and are citizens of the United States, Canada or Mexico. Selection is based on interest in metallurgy, motivation, achievement, potential and scholarship. In addition, some individual A.S.M. chapters sponsor programs on a local or regional basis. ASMFER also supports scholarships through the National Merit Scholarship Program. For further information, write: American Society for Metals, Metals Park, OH 44073.

The Business and Professional Women's Foundation: Career Advancement Scholarships and the Clairol Loving Care Scholarships are awarded to women 25 and 30 years of age and older, respectively. The scholarship programs administered by the BPW Foundation provide financial assistance to raise the training level of mature women employed or seeking employment in the workforce, and to increase the pool of women qualified for positions that promise career opportunity. Scholarships are awarded for full-time or part-time programs of study. They may cover academic of vocational/paraprofessional/office skills training. Awards must be used for classes beginning after the date of the Selection Committee meeting at which they are granted; scholarships cannot be applied to payment for classes already in progress. Scholarships range from $100 to $1,000 for one year. The average award is between $400 and $700. Application forms are available between February 1 and April 1; July 1 and September 1. Requests for application forms should be made at the time they are available. The Foundation does not have a mailing list nor does it keep requests for application forms on hand. The applicant must be a woman 25 years of age or older and a citizen of the United States; be graduating within 24 months from July 1 if applying for the April 15 deadline, or January 1 if applying for the September 15 deadline; be officially accepted into an accredited program or course of study at a United States institution; demonstrate need for financial assistance to upgrade skills or complete education for career advancement; and have a definite plan to use the desired training to improve chances for advancement, to train for a new career field, or to enter or re-enter the job market. These scholarship programs do NOT cover: study at the doctoral level (this does not apply to law or medical students); correspondence courses; or post-doctoral studies. Information is available by writing: Business and Professional Women's Foundation, 2012 Massachusetts Avenue, NW, Washington, DC 20036. Additional scholarship and loan programs are available.

Club Managers Association of America maintains under-graduate scholarships for students enrolled at colleges and universities offering courses in Hotel, Restaurant and Institutional Management. These scholarships, normally made available to students who have completed at least one year of undergraduate work at a four-year school, are awarded on the basis of scholastic ability, financial need and interest in private club management. Information on high school, college or university training in preparation for a club industry position can be obtained by writing: the Club Managers Association of America, 7615 Winterberry Place, Bethesda, MD 20817.

The Education Council of the Graphic Arts Industry, Inc., Council's National Scholarship Trust Fund has awarded scholarships during the past 26 years for studies in printing management, printing technology and graphic arts education. For the school year beginning 1985-86, the Council has 50 new scholarships available in the fields of printing management engineering and teaching. Applications must be filed by January 15. Inquiries for summary of applications made available by the Graphic Arts Industry may be requested by writing: 4615 Forbes Avenue, Pittsburgh, PA 15213 ATTN: NSTF.

Educational Communications Scholarship Foundation provides a minimum of 50 awards annually of $1,000 each. Approximately 500 semi-finalists are selected on the basis of aptitude test scores, grade point average and leadership activities. Semi-finalists are required to write an essay which is evaluated by committee. Some consideration is given for need for financial aid, but this is not a major factor. Application must be submitted by June 1 and may be obtained in most high school guidance offices or write direct to: Educational Communications Scholarship Foundation, 721 N. McKinley Road, Lake Forest, IL 60045.

The Elks Foundation Scholarship Awards, for 56 years, have made it possible for many students to attend college. In recent years, the Foundation has awarded over $2,300,000 in scholarships. Any student in the graduating class of a high school or its equivalent who is a citizen of the U.S. and resident within the jurisdiction of the Benevolent & Protective Order of Elks, may file an application. Scholarship, leadership and financial need are the criteria by which applicants will be judged. Application blanks should be obtained from an officer of the local Elks Lodge or the Secretary of the State Elks Association and must be filed on or before February 1 with the Secretary or Lodge Foundation Chairman of the B.P.O. Elks Lodge in the city in which the applicant is a resident.

Entomological Society of America annually awards one $1,000 undergraduate scholarship sponsored by Bio Quip Corporation. Portions of the award are paid at the beginning of each semester or term. Students from Mexico, Canada or the United States must be an undergraduate pursuing a course of study in Entomology or a related field (Biology, Zoology, etc.) and show an interest in the Science of Entomology. Application deadline is June 1 each year. For further information, write: Entomological Society of America, 4603 Calvert Road College Park, MD 20740. Additional scholarships are available.

The Foundation of the National Student Nurses' Association offers a number of scholarships each year for Registered Nurses. Scholarships are awarded to Nurses for undergraduate studies and are based on financial need, academic achievement and a demonstrated commitment to nursing through involvement in nursing student organization and/or school and community activities. Requests for application deadline of February 1. Awards are made in April. For further information and application, send a self-addressed, stamped envelope with 44¢ postage to: Foundation of the National Student Nurses' Association, 555 West 57th Street, Suite 1325, New York, NY 10019.

The Harry S. Truman Memorial Scholarship Program, enacted by Public Law 93-642, is authorized to award scholarships, through nationwide competition, to persons who demonstrate outstanding potential for and who plan to pursue a career in public service. Scholarships awarded under this Act shall not exceed four academic years, neither shall they exceed the cost of tuition, fees, books, room and board, or $5,000 whichever is less for each year of study. Recipients must be college juniors in the initial year of the award. Each state shall be assured at least one recipient each year and the scholarships may apply to any institution of higher education offering courses of study or training to prepare persons for a career in government. The institution's nominations must be forwarded to the Foundation by December 1. Truman Scholarship Foundation, 712 Jackson Place, N.W., Washington, DC. 20006.

Horatio Alger Scholarship Program offers one $5,000 scholarship to a graduating senior each high school hosting a Horatio Alger Day. Eligibility requirements for the scholarship include: must be a Senior in high school, have a significant financial need and must participate in the Horatio Alger Day at his/her school. Grades, character, college entrance scores, school activities, community involvement and part-time/summer work record will also be considered in the final decision. Preliminary screening is accomplished by a committee of local school officials/staff. Final selection is made by the Horatio Alger Association of Distinguished Americans, Inc. A requirement for hosting a Horatio Alger Day is that the host school must provide an audience of at least 1,000 Junior/Senior students for the keynote speaker provided by the Association. Schools not having a Junior/Senior population sufficient to meet this requirement, will be required to extend invitations to neighboring schools to provide a minimum audience. Only one scholarship, however, will be awarded to the hosting school. For more information about the Horatio Alger Day and Horatio Alger Scholarship, contact the Horatio Alger Association for Distinguished Americans, Inc., One Rockefeller Plaza, Suite 1609, New York, NY 10020.

Knights of Columbus "Pro Deo and Pro Patria Scholarship Trust" is for undergraduate scholarships. The Knights of Columbus has an established trust fund which will provide annually $1,000 scholarships to members, to sons and daughters of living or deceased members. The fund will also annually provide two $1,000 scholarships to Columbian Squires. Awards will be made on the basis of academic excellence regardless of need and may be renewed annually subject to satisfactory academic performance. Five of these scholarships, and one for the Columbian Squire, are placed at The Catholic University of America. Students admitted to the freshman class may apply for these scholarships through the Director of Financial Aid, Catholic University of America, Washington, D.C. 20064. Final filing date of applications is February 1. Five of these scholarships and one for the Columbian Squire, may be used at a Catholic college of student's choice. Final filing date for these applications is March 1. Applications for these scholarships may be obtained from the Director of Scholarship Aid, Knights of Columbus, Supreme Council, Columbus Plaza, P.O. Drawer 1670, New Haven, CT 06507.

National Achievement Scholarship Program for outstanding Negro Students, a compensatory activity, created in 1964, is conducted by National Merit Scholarship Corporation (NMSC) which also administers

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the National Merit Scholarship Program (as described in the following paragraphs). All grants to the Achievement Program are specified for the purposes of honoring academically able black students and awarding them college undergraduate scholarships. Currently, over 675 Achievement Scholarships worth over $2 million are awarded in each annual competition.

To enter the Achievement Program, black high school students must take the PSAT/NMSQT (which simultaneously makes them participants in the Merit Program), mark a space on their answer sheets requesting consideration in the Achievement Program and meet NMSC eligibility requirements.

About 1,500 of the highest scoring eligible black students are designated Semifinalists in each Achievement Program. To ensure nationwide representation, semifinalists are named in each of several U.S. geographic regions, proportionate to each region's Negro population.

Semifinalists must meet further requirements and advance to Finalist standing in order to continue in the Achievement Scholarship competition. All winners are chosen from the Achievement Program Finalist group. The selection of winners includes an evaluation of each Finalist's academic record and test scores, extracurricular activities and attainments, and the endorsement and recommendation of the student's school.

Three types of Achievement Scholarships are awarded annually: About 350 are National Achievement $2,000 Scholarship that are single-payment awards. Every Finalist is considered for one of these awards. About 200 are corporate-sponsored four-year Achievement Scholarships for which winners must meet preferential criteria specified by the grantor organization, and are worth between $2,000 and $8,000 over the four college years. About 125 are college-sponsored Achievement Scholarships that provide between $250 and $2,000 during each of the winner's four undergraduate years of attendance at the sponsor college or university.

The PSAF/NMSQT Student Bulletin gives requirements students must meet to be eligible to participate in the Achievement Program and also lists sponsor organizations that currently provide support for Achievement Scholarships. A copy can often be obtained from the student's high school. Questions should be directed to: National Achievement Scholarship Program for Outstanding Negro Students, One American Plaza, Evanston, IL 60201 (312) 866-5100.

National Merit Scholarship Program is a nationwide competition for college undergraduate scholarships. The Merit Program is conducted by National Merit Scholarship Corporation (NMSC), an independent nonprofit organization, established in 1955 to administer this annual competition. Over 5,700 Merit Scholarships, valued at about $20 million, have been awarded each year in recent programs. Secondary school students throughout the U.S. enter the competition by taking the Preliminary Scholastic Aptitude Test/National Merit Scholarship Qualifying Test (PSAT/NMSQT) given by their schools in October. To participate, students must meet published eligibility requirements.

About 15,000 top-scoring students are designated in each Merit Program. The highest scorers in each state are named Semifinalists in numbers proportionate to the state's percentage of the National total of graduating high school seniors.

Semifinalists must meet further requirements and advance to Finalist standing in order to continue in the Merit Scholarship competition. All Merit Scholars are chosen from the group of approximately 13,500 finalists. The selection of winners includes an evaluation of each Finalist's test scores, academic and extracurricular achievements and the endorsement and recommendation of the student's school.

Three types of Merit Scholarships are awarded annually: at least 1,800 are National Merit $2,000 Scholarships that are single-payment awards allocated to winners on a state representation basis, and every Finalist is considered for one of these awards. Over 1,450 are corporate-sponsored four-year Merit Scholarships for which winners must meet preferential criteria specified by the grantor organization providing funding for the award, and that are worth between $2,000 and $8,000 over the four college years. About 2,450 are college-sponsored, four-year Merit Scholarships that provide between $250 and $2,000 during each of the winner's four undergraduate years of attendance at the sponsor college or university.

Details concerning eligiblity and the Merit Scholarships offered are published annually in the PSAT-NMSQT Student Bulletin, sent to high schools. Questions and requests for additional information should be sent to: NMSC, One American Plaza, Evanston, IL 60201 (312) 866-5100.

The National Association of Secondary School Principals and the National Honor Society sponsors the Century III Leaders Program which provides 102 $1,500 scholarships and 102 $500 awards (2 each per state and D.C.) and one $10,000 national award to high school seniors who are selected by their schools. For information, contact the school principal in September (in advance of the October 10 deadline), or write to: The National Association of Secondary School Principals, 1904 Association Drive, Reston, VA 22091.

National Presbyterian College Scholarships are offered by the Presbyterian Church (U.S.A.) to qualified Presbyterian young people entering as college freshmen any of the participating Presbyterian church-related colleges in the fall of each year. There are approximately 150 awards ranging from $100 to $1,400. There are honorary awards with no stipend where no need is shown. To qualify, applicants must be members of the Presbyterian Church U.S.A. Applications are available after mid-August and the filing deadline is December 1. Information may be secured by writing: National Presbyterian College Scholarships, Vocation Agency, Presbyterian Church (U.S.A.), 475 Riverside Drive, New York, NY 10115.

National 4-H Council, through 60 business corporations and foundations, offers more than 270 4-H college scholarships with total value of more than $250,000 and range from $500-$1,500. The majority are open only to current 4-H members who have won state honors in specific 4-H projects. (Other college scholarships, ranging in value from $500 to $1,000, are available to present or former 4-H members who either are in, or plan to attend, college. Applicants for the latter should have an interest in one of the following fields: (1) animal science; (2) veterinary medicine; (3) forestry; or, (4) agricultural home economics or closely related career fields.) For further information on eligibility requirements, write to State 4-H Leader at the State Land-Grant University. A list of these leaders may be obtained from the National 4-H Council, 7100 Connecticut Avenue, Chevy Chase, MD 20815.

RCA Corporation maintains one or more undergraduate scholarships at more than 30 colleges and universities. These scholarships, normally made available to students who have completed at least one year of undergraduate work, are available in the fields of physical science, engineering, broadcast journalism, industrial relations, business economics, telecommunications and procurement/materials management as specified at each institution. The selection of scholars is made by the college or university in each case and students already enrolled should apply to the Scholarship or Financial Aid Officer for further information. Also, up to 25 2-year vocational/technical career scholarships are awarded to children of employees. Graduate fellowships are maintained in journalism, electrical engineering, electronics and physics at seven universities and are open to any qualified graduate student enrolled at the institutions which select the Fellow and administer the grants. RCA also supports scholarships through the National Merit Scholarship Program and the National Achievement Scholarship Program for Outstanding Negro Students.

The Railroad Retirement Act provides monthly benefits for children who are students of deceased railroaders who were insured under the Act of Death. Dependent grandchildren of deceased railroaders may also be eligible if both natural parents are deceased or disabled. A student is defined as a child under age 19 in full-time attendance at an elementary school or a secondary school. Benefits continued until the student reaches age 19 or graduates from high school, whichever is earlier. Children who are students of retired railroad workers cannot qualify for benefits directly. However, a retired worker's benefit may be increased under a special guarantee provision of the Railroad Retirement Act. The address of the Railroad Retirement Board Office may be found in the telephone directory.

Samuel Robinson Scholarships are for undergraduate students enrolled in one of the Presbyterian-related colleges. No one may receive the scholarship more than once. Applicants must successfully recite the answers of the Westminster Shorter Catechism, and write a 2,000-word original essay on an assigned topic related to the shorter Catechism. Amount of Award: $500. Deadline: April 1. For further information, contact the financial aid officers at the Presbyterian-related colleges or Presbyterian Church (U.S.A.), 475 Riverside Drive, New York, New York 10015.

Science Talent Search, conducted by Science Service and sponsored by the Westinghouse Electric Corporation and the Westinghouse Educational Foundation, annually offers scholarships for boys and girls in their last year of high school. Awards are based on high school records, national test scores, recommendations of high school teachers, a thousand-word report on an independent science research project by the student and interviews by judges of the forty finalists at the Science Talent Institute in Washington, D.C. Awards include 10 scholarships of one $12,0900, two $10,000, three $7,600 and four $5,000. The remaining 30 finalists each receive Westinghouse Science Awards of $500. State Science Talent Searches are conducted currently with the National Competition in 36 states and the District of Columbia. Entry deadline date is December 15, Detailed information is available from Science Service, 1719 N Street, N.W., Washington, D.C. 20036.

Soroptimist International of the Americas Youth Citizenship Award of $1,250 per Soroptimist region and a finalist award of $2,000 offered to high school seniors demonstrating good citizenship qualities. Citizenship qualities include integrity, worth and ability, and encourage youth to develop the highest concepts of patriotism and effective cooperation in home and community affairs. Deadline is December 15. For further information, contact Soroptimist International of the Americas, 1616 Walnut Street, Philadelphia, PA 19103.

Student Opportunity Scholarships. These scholarships are for young persons of limited opportunities, members of racial/ethnic groups who are related to the Presbyterian Church (U.S.A.). Must be entering college as an incoming freshman and apply to the college for financial aid. Amount of Award: $100 to $1,400. Those eligible should write between January 15 and March 15 to: Student Opportunity Scholarships, Presbyterian Church in the (U.S.A.), 475 Riverside Drive, Room 430, New York, NY 10115.

The Theodore A. Serrill Journalism Scholarship is offered annually by the National Newspaper Foundation to a Junior or Senior enrolled full-time in an accredited sequence of journalism. The scholarship program is designed to encourage study in the print media field. The scholarships, in the sums of $1,000, $500 and $250, are payable during the Junior or Senior year. The student must have at least a B average and a recommendation by the Dean, Director or Department Head of the school in which he/she is enrolled. Deadline is June 15. Write for an application to: Selection Committee, Serrill Scholarship, National Newspaper Foundation, 1627 K Street, N.W., Suite 400, Washington, D.C. 20006.

The Westinghouse Educational Foundation sponsors the following awards annually:

1. The Westinghouse Family Scholarship—five $10,000 and fifty $1,500 scholarships. Information on the Westinghouse Family Scholarship may be obtained from the Personnel Relations Office where the student's parent is or was (if deceased, retired or permanently disabled) employed.

2. The Science Talent Search—forty awards. The student should request his science teacher to write to Science Service, 1719 N Street, N.W., Washington, D.C. 20036 to obtain information and application forms.

3. 4-H Electric Program—4-H Club members should contact their local 4-H leader or County Extension Agent for information and application.

4. Bertha Lamme Scholarship—these scholarships are awarded to young women entering engineering as freshmen. For information write: Society of Women Engineers, United Engineering Center, Room 305, 345 East 47th Street, New York, N.Y. 10017.

5. National Achievement Scholarship Program for outstanding Negro students—five $2,000 scholarships. Information may be obtained through the National Merit Scholarship Corp., One American Plaza, Evanston, IL 60201.

Eligibility for each of these scholarships is limited to students residing in the United States. The Family Scholarship, The Science Talent Search and, The Bertha Lamme require that the applicant be in his or her last year of high school and applications must be submitted during the Fall months of their Senior year. Students aged 14 through 19 are eligible for the 4-H Electric Program.

Western Golf Association sponsor the Evans Scholars Foundation, which annually awards approximately 200 four-year scholarships to qualified caddies. Eligibility for Evans Scholarship: (1) candidates must have completed junior year in high school and rank in upper 25% of class; (2) must have caddied for a minimum of two years; and (3) must require financial assistance to attend college. Applications are available by writing Western Gulf Association, Golf, IL 60029.

C. ASSISTANCE FOR GRADUATES AND UNDERGRADUATES

The American Dental Hygienists' Association Foundation offer the following scholarships: (1) CERTIFICATE SCHOLARSHIP PROGRAM to students who are in a certificate/associate degree or bachelor's degree dental hygiene program, have completed at least one year in dental hygiene curriculum and have a minimum grade point average of 3.00 (on a 4.00 scale); (2) BACCALAUREATE DENTAL HYGIENE SCHOLARSHIP PROGRAM to students who have a minimum grade point average of 3.00 (on a 4.00 scale) and can provide evidence of acceptance as a full-time bachelor's degree candidate in an accredited four-year college or university; if a Baccalaureate Degree sought is not in Dental Hygiene, evidence of a Dental Hygiene Certificate or qualification for the Dental Hygiene Certificate within the current academic year must be provided. (3) GRADUATE DENTAL HYGIENE FELLOWSHIP PROGRAM to students who can provide evidence of acceptance as a full-time Master's or Doctoral degree candidate in a university program, are graduates of a certified associate dental hygiene program or baccalaureate program, and are licensed Dental Hygienists or will receive a bachelor's degree at the end of the current academic year. While being enrolled in a dental hygiene curriculum, must maintain a minimum grade point average of 3.00 (on a 4.00 scale). The maximum scholarship is $1,500, depending on need. Deadline for applications is May 1. Information and application may be obtained by writing: American Dental Hygienists' Association, 44 North Michigan Avenue, Suite 3400, Chicago, IL 60611.

The American Dental Hygienists' Association Foundation Research Grant Program makes research grant funds available for licensed dental hygienists or students pursuing a dental hygiene degree who submit a completed research grant application according to the specified guidelines. The purpose is to provide financial assistance to associate baccalaureate, master's, doctoral candidates and practicing dental, hygienists to implement research. All proposals and applications due by July 1 and awards are made in October of the year in usual amounts up to $1,500. Further information and application may be obtained by writing: American Dental Hygienists' Association Foundation, 444 Michigan Avenue, Suite 3400, Chicago, IL 60611.

The American Institute of Architects. Scholarships are available for the first professional degree candidate and for a graduate student in architecture. Graduate scholarships available for one academic year to study health facility design. Finally, a scholarship program is available for students from minority or disadvantage backgrounds. For further information write Director, Education Programs. The American Institute of Architects, 1735 New York Avenue, NW., Washington, DC, 20006.

ASMT Education & Research Fund, Inc. Medical technology students, who have completed the first semester of their sophomore year, may apply for a $3,000 Fisher Scientific Company Undergraduate scholarship. This scholarship will be paid in equal installments to one recipient for the junior and senior year in college. The Specialty Scholarship is available for graduate students. Scholarships are also offered by the Fund for interested students continuing their advanced education in certain specialty fields. Applications are available in October of each year. No application is sent between March 1 and October 1. The application deadline is March 1. The Fisher and the Graduate Specialty Scholarship applications are available from the ASMT Education & Research Fund, 330 Meadow Fern Dr., Houston, TX 77067.

The American Society of Heating, Refrigeration, Air Conditioning Engineers, Inc. offers grants-in-aid to full-time graduate students of ASHRAE-related technologies to encourage students to continue preparation for service in the industry. An application is made on the student's behalf by a faculty adviser. Up to $6,000 may be awarded during a calendar year. Applications are available from the Director of Research, American Society of Heating, Refrigeration and Air Conditioning Engineers, Inc., 1791 Tullie Circle, N.E., Atlanta, GA 30329.

The Dow Jones Newspaper Fund, Inc. is an organization to encourage talented young people to consider careers in journalism. The Journalism Career and Scholarship Guide, published by the Fund, provides information on what to study in college, where to study journalism/mass communications, general information on where jobs are and how to find them. It also lists more than $3 million in financial aid from universities and colleges, newspapers, professional societies and journalism-related organizations for students majoring in journalism/mass communications. Single copies of the Guide are available at no charge to interested individuals. Bulk orders are also available at $2.00 per copy. The Fund operates two editing internship programs: the Newspaper Editing Intern Program for College Juniors and the Minority Editing Intern Program for College Seniors.

The internships offer students the opportunity to earn scholarships after successfully completing a summer of paid employment as a copy editor on a daily newspaper. The Fund also sponsors: Urban Journalism Workshops that are designed for inner-city minority high school students; the Teacher Fellowship Program for inexperienced high school journalism teachers to attend summer publications workshops; and the Special Awards Program which ends in the naming of the High School Journalism Teacher of the Year. For information of these programs, as well as a copy of the Journalism Career and Scholarship Guide, write the Dow Jones Newspaper Fund, P.O. Box 300, Princeton, NJ. 08540.

Institute of Food Technologists administers fellowships and scholarships to students pursuing a program leading to a degree in the general field of Food Technology or Food Science. During the tenure of a scholarship, winners must be enrolled in an IFT approved U.S. or Canadian educational institution. Graduate fellowship winners may be enrolled in any U.S. or Canadian educational institution that is conducting fundamental research in food science or

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technology. Awards include 24 freshman and sophomore, and 37 junior and senior scholarships of $500 to $2,000; 14 graduate Fellowships up to $6,000. Deadline: Graduate Fellowships—February 1; Junior and Senior Scholarships—February 1, Sophomore Scholarships—March 1; Freshman Scholarships—February 15. Booklet, IFT Scholarship Fellowship Program and applications are available after September 15 from IFT Scholarship Department, 221 N. LaSalle St., Suite 2120, Chicago, IL 60601, or, from Department Head of approved institution.

The International Chiropractors Association has two scholarship programs, the Womens' Auxiliary and King Koll scholarship programs, which provide funds to student ICA chapters for distribution to student ICA members. ICA also furnishes career information to interested individuals. Upon request, ICA will send a list of chiropractic colleges. Write to the International Chiropractors Association, Career/Scholarship Information, 1901 L St., N.W., Suite 800, Washington, D.C. 20036.

Kappa Kappa Gamma Fraternity annually offers scholarships to female citizens of the U.S. or Canada who are juniors or seniors in college or graduate students working towards a degree in the field of rehabilitation. Applicants must have completed two years of study on a campus where there is a chapter or be a graduate student. Scholarships for both members/non-members are granted to assist in preparation for work with the mentally retarded, physically handicapped, socially deprived, emotionally disturbed and the aged. Awards are for $300-$1000. Graduate fellowships are also offered for members and non-members with high academic standing in fields other than rehabilitation. The same qualifications are required as with the rehabilitation scholarships. Deadline is February 15 and details are available by sending self-addressed stamped envelope to Kappa Kappa Gamma Fraternity Headquarters, P.O. Box 2079, Columbus, OH 43216.

The Material Handling Education Foundation, Inc. awards scholarships to students enrolled in programs of study pre-qualified by the Foundation. Majors in Industrial Engineering (and other programs in related areas) may qualify. This program should include an emphasis in material handling through direct and related courses and through independent study. To be eligible, students must be; beyond their second year of a Bachelor's program or beginning graduate study; U.S. citizens and maintaining at least a "B" average. The application deadline is early February; the forms are available from faculty members at approved institutions. For general information, you may write: The Material Handling Institute, 1326 Freeport Road, Pittsburgh, PA 15238.

The National Board of Civil Air Patrol has authorized scholarships to be awarded to Civil Air Patrol members each year in the following categories: Undergraduate, Advanced Undergraduate, Graduate and Technical/Vocational Scholarships. Deadline date is April 1. Information and forms may be secured from: Civil Air Patrol Unit Commanders or from National Headquarters, Civil Air Patrol/TT, Maxwell AFB, AL 36112.

National Congress of Parents and Teachers does not have a scholarship and loan program at a national level. A large number of state congresses have such programs and others are encouraging scholarship grants at council and local levels. Awards are made possible by dues received for memberships, memorial gifts and/or voluntary contributions from PTA's. Most are for teacher training education, but some are for family life education, guidance and counseling instruction, librarianship, teachers of exceptional children and in-service teachers' summer term work. Special fellowships offered. Inquiries should be sent to inquirer's state congress.

National Institute for the Foodservice Industry administers the following scholarship programs for students who are interested in a management career in the food service industry including hotel, restaurant and institutional management:

1. H.J. Heinz Company Scholarship Program

A. Junior/Community College Scholarship Award. For high school graduates enrolled or planning to enroll in a program leading to an associate degree in food service management at a junior/community college. Three scholarships at $1,900 each awarded annually. Basic amount of $950 per year is given for two years. Winners are expected to find summer employment related to food service management.

B. Senior College Scholarship Award. For students completing their second year in food service education in a four-year institution or those in a two-year program who wish to continue at a four-year institution. Seven scholarships at $2,600 each are awarded annually. Basic amount of $1,300 is given for two years. Winners are expected to find summer employment related to food service management.

C. Graduate Degree Fellowship. One fellowship at $2,000; one fellowship at $1,200; and, five fellowships at $1,000 each are awarded on a competitive basis to teachers and administrators enrolled in academic programs leading to a master's or doctorate degree to improve skills in teaching or administering food service career education.

2. Golden Plate Scholarship Program—Sponsored by International Food Service Manufacturers Association—offers approximately 100 awards to students enrolled or planning to enroll in a food service program in a junior/community, senior college or graduate school. The amount of each scholarship is $750. Awards are for one academic year.

Deadline filing date is April 1. Further information and applications may be obtained from: National Institute for the Foodservice Industry, 20 North Wacker Drive, Suite 2620 Chicago, IL 60606.

Nurses' Educational Funds is an organization which grants scholarships to registered nurses pursuing further full-time study through degree programs. Men and women who are members of The American Nurses Association and who qualify for these awards study in nursing programs accredited by the National League for Nursing in colleges and universities of their choice. Funds are contributed by nurses, business and industrial firms, organizations and individuals. The Board of Directors determines the amount and number of awards each year on the basis of availability of funds and the nature of applications. Deadline for applications is January 15 preceeding the academic year for which award is made. Write for application forms or additional information to Nurses' Educational Funds, 555 West 57th Street, New York, NY 10019.

The Rotary Foundation Scholarships are available to graduate or undergraduate students, journalists or teachers of the handicapped. Vocational scholarships are also available for artisans, technicians and professionals who have been employed in a technical or professional field for at least 2 years. Freedom From Hunger Scholarships will be granted to students from developing country districts working toward advanced degrees in agricultural studies. Age limit requirements vary with each scholarship. All scholarships are for one academic year in a country other than the recipient's own and provide for school fees, room and board, round trip airfare between home city and place of study and expenses for limited travel during the year. Applications are due October 1. Contact you local Rotary Club for details.

The Society of Exploration Geophysicists Foundation offers numerous scholarship opportunities to students who intend to pursue a college course directed toward a career in Geophysics. Scholarhips ranging from $750 to $1,000 annually are available to students wishing to enter college, already in college and at the graduate level. Applications must be filed prior to March 1. Applications and further information may be secured from the Society's Scholarship Committee, P.O. Box 702740, Tulsa, OK 74170.

The Society of Naval Architects and Marine Engineers annually awards both undergraduates and graduate scholarships to encourage study in naval architecture and marine engineering or closely related fields. All applicants must be a citizen of either the United States or Canada:

1. Undergraduate Awards, normally $1,000 each, are to be applied for by contacting one or more of the following schools directly: University of California (Berkeley); University of Michigan (Ann Arbor); Massachusetts Institute of Technology (Cambridge); State University of New York Maritime College (Fort Schuyler) and/or Florida Atlantic University (Boca Raton, FL). These are the only five schools where undergraduate awards are available.

2. Graduate Awards, which usually cover the cost of tuition at the college selected, are to be filed with the Society no later than February 1. Applications for graduate awards and information can be obtained by writing to: Mr. Robert G. Mende, Secretary and Executive Director, The Society of Naval Architects and Marine Engineers, One World Trade Center, Suite 1369, New York, New York 10048.

D. ASSISTANCE FOR GRADUATES ONLY

The American Association of University Women Educational Foundation awards approximately 70 fellowships annually ranging from $3,500 to $7,000 (up to $10,000 for postdoctoral fellowships) to women of the United States who have completed all requirements for the doctorate except the writing of the dissertation. Awards are also made to women for postdoctoral research and for the final year of study in the fields of law, final year of MBA, dentistry, medicine, osteopathic medicine, veterinary medicine and architecture. Applications are available after August 1 of each year. Deadline for application is December 15 except for MBA which is February 1. For further information, write to: Director of Educational Foundation Programs, AAUW, 2401 Virginia Avenue, N.W., Washington, D.C. 20037.

The American College of Hospital Administrators, offers a limited number of loans to assist worthy students to continue their professional education and training toward careers in hospital administration. Loans are available to students in a graduate program

in hospital or health services administration, accredited by the Accrediting Commission on Education for Health Services Administration, and acceptable to the American College of Hospital Administrators. Applicants must be student associates of ACHA, and demonstrate financial need. Applications must be endorsed by the University Program Course Director prior to submission to ACHA's Student Loan Committee. For further information contact the American College of Hospital Administrators, 840 North Lake Shore Drive, Chicago, IL 60611.

The American Congress on Surveying and Mapping administers the following graduate fellowships: (1) American Association for Geodetic Surveying Fellowship—$2,000. (2) William A. Fischer Memorial Scholarship—$1,000. (3) Wild Heerbrugg Geodetic Fellowship—$4,000 and (4) Wild Heerbrugg Photogrammetric Fellowship—$4,000. Completed applications must be filed by January 15. For further information and application, contact Education Director, American Congress on Surveying and Mapping, 210 Little Falls Street, Falls Church, VA 22046

The American Osteopathic Association, through the Auxiliary to the American Osteopathic Association, annually awards one National Osteopathic College Scholarship of $4,000 and additional scholarships of $2,000. These scholarships cover the sophomore year of medical training. Awards are based on scholarships (top 20% of class), financial need, good moral attendance at a college of osteopathic medicine, motivation and aptitude for the osteopathic medical profession and citizenship in the U.S. or Canada. Deadline June 1 for receipt of applications. The National Osteopathic Foundation, individual Colleges of Osteopathic Medicine and other osteopathic state organizations administer loan funds. For information write: American Osteopathic Association, 212 East Ohio Street, Chicago, IL 60611

The Daniel and Florence Guggenheim Foundation offers Fellowships each year to approximately 10 young scientists and engineers for graduate study in energy conversion, transportation, jet propulsion, space flight and flight structures. The fellowships provide stipends ranging up to $5,000 depending on the level of advancement of the student, plus tuition. They are open to qualified science and engineering students who are residents of the United States or Canada. Students graduating in aerodynamics, fluid mechanics, engineering sciences, physics, physical chemistry, applied physics, applied mathematics, or, aeronautical, mechanical, chemical or civil engineering are sought. (The Fellowships are open to women as well as men.) The Fellowships will be used for study at The Daniel and Florence Guggenheim Laboratories at Princeton University, the Daniel and Florence Guggenheim Jet Propulsion Center at California Institute of Technology and the Daniel and Florence Guggenheim Institute of Flight Structures at Columbia University. Applications and additional information should be obtained directly from Princeton, California Institute of Technology or Columbia.

Dental Laboratory Technology Scholarships are available on complete information application to the American Fund for Dental Health. These are one-year scholarships, ranging from $500 to $600. Upon reapplication, a scholarship may be renewed for a second year by the Selection Committee if the student satisfactorily completes the first year and funding is available. Deadline date is June 1. For full information, write to: American Fund for Dental Health, Attn: Director of Programs, Suite 1630, 211 East Chicago Avenue, Chicago, IL 60611.

Dental Scholarships for Minority Students are available through the American Fund for Dental Health. Students selected under this program may receive up to $2,000 for their first year of dental school. Upon re-application and report of satisfactory progress, a grant for $2,000 may be renewed for the second year of dental studies. A maximum of $4,000 may be paid over a two-year period. To be eligible, students must be U.S. citizens from the following minority groups under-represented in the dental profession—American Indians, Blacks, Mexican-Americans and Puerto Ricans. They must be entering their first year of dental school and application deadline is May 1. Applications are available from the Student Affairs or Financial Aid Office of the dental school they plan to attend. Write: American Fund for Dental Health, Attn: Director of Programs, Suite 1630, 211 E. Chicago Avenue, Chicago, IL 60611.

Eisenhower Memorial Scholarship Foundation, Inc., awards several graduate scholarships, ranging from $1,000 to $3,000 at the discretion of the Board of Trustees and upon the recommendation of the Graduate Scholarship Committee. Applicants must be U.S. citizens having an academic degree equivalent to a Bachelor's Degree from an accredited college or university. Students interested should also have a plan of study or research which will advance the applicant's professional competence and have intentions of devoting full-time graduate study during the scholarship year. Financial need will not be a consideration. Awards will be based on those applicants who appear most likely to make the greatest contributions and of becoming thought leaders in the area of advancing the principles of individual freedom, patriotism, limited government and free-market economics. The award is for one academic year and is not renewable. For further information and application write: Eisenhower Memorial Scholarship Foundation, Inc., 539 South Walnut, Bloomington, IN 47401, or call Mr. E.M. Sears, Executive Director by phone (812) 332-2257.

Foreign Area Programs of the Social Science Research Council and the American Council of Learned Societies offer fellowships for doctoral dessertation research in social science and humanistic fields related to many foreign areas. Since these programs reflect the distinctive needs and character of the area, a general account of terms and conditions cannot be offered here. Inquiries should be directed to Social Science Research Council, Fellowships and Grants, 605 Third Avenue, New York, NY 10158.

The Institute of International Education offers American college graduates approximately 700 scholarships for study in foreign countries, about 500 of which are provided under the Fulbright Program. Over two hundred of the scholarships are financed by various foreign governments, foreign universities and private donors. In most cases, the scholarships provide travel expenses and partial or complete tuition and maintenance for a full academic year. Students now enrolled in colleges or universities should first consult with their campus Fulbright Program Advisers. Deadline is October 31, 1984. Further information and application forms are available from the Institute of International Education, Division of Study Abroad Programs, 809 United Nations Plaza, New York, N.Y. 10017, or from any of the Institute's regional offices in Chicago, Denver, Atlanta, Houston and San Francisco.

The Knights of Columbus Graduate Fellowships are established at the Catholic University of America, Washington, D.C., for work in the fields offered in the Graduate School. The followships cover room, board and tuition, and may be renewed annually up to three years.

For these awards, preference is given to members of the Knights of Columbus, to the wife, son, daughter or sister of a member. The member must be in good standing in the Order; if deceased, he must have been in good standing at the time of his death.

These Fellowships are administered by the Graduate School of the Catholic University for applicants who have been accepted for graduate work there. Application forms may be obtained from the Director of Financial Aid, Catholic University of America, Washington, D.C. 20064.

The Knights of Columbus Bishop Charles P. Greco Graduate Fellowships, established in 1973, for members, their wives, sons and daughters and for the widow and children of a deceased member. These fellowships are for full-time graduate study leading to a Master's degree in a program designed for the preparation of classroom teachers of mentally retarded children. The fellowship is granted to a candidate at the beginning of his program of study and offers financial assistance for the educational costs at the graduate school up to a maximum of $500 a semester. The grant is renewable each succeeding semester of the program to a maximum of four semesters upon evidence of satisfactory performance. The deadline is May 1. Application forms may be obtained from the Committee on Fellowships, Knights of Columbus, P.O. Drawer 1670, New Haven, CT 06507.

National Medical Fellowships, Inc., awards scholarships to members of the four under-represented minority groups, (Native Americans, American Blacks, Mexican Americans and Mainland Puerto Ricans) who have been accepted by or are attending accredited schools of allopathic and osteopathic accredited schools of medicine in the U.S. Applicants must be U.S. citizens.

NMF General Scholarship awards are based on financial need and are awarded to first and second-year medical students. Special merit awards are granted to outstanding juniors and seniors.

Applications should be requested from The Scholarship Program, National Medical Fellowships, 250 West 57th Street, New York, NY 10107. All NMF applications are available in March. The deadline for entering medical students is August 30 and from currently enrolled students is April 26.

The National Wildlife Federation annually awards a limited number of graduate fellowships of up to $4,000 for study at an accredited college or university in the field of natural resources conservation. Research which is carried out as part of a research program, may be considered within this fellowship program. The deadline is December 31. Write to: The Executive Vice President, National Wildlife Federation, 1412 Sixteenth St., N.W., Washington, D.C. 20036.

Woodrow Wilson National Fellowship Foundation conducts the following programs in higher education:

(1) Mellon Fellowships for Graduate Studies in the Humanities for beginning graduate students who plan careers in college teaching. (For more information on Mellon

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write: P.O. Box 288, Princeton, NJ.) (2) Charlotte W. Newcombe Dissertation Fellowships for Ph.D. candidates writing on topics of religious and ethical values in all fields. Application Request Deadline—December 23, of each year. (3) Women's Studies Research Grants for Ph. D. candidates writing their dissertations on a topic concerning women. Application Request Deadline—November 14, of each year. (4) Administrative Internships which place holders of M.B.A. and other professional degrees in management positions at developing colleges. (5) Visiting Fellows Program which sends professionals to college campuses for a week at a time. (6) Faculty Development Awards for former Woodrow Wilson Fellows.

Applicants interested in the above programs should write for further information to: Woodrow Wilson National Fellowship Foundation, Box 642, Princeton, New Jersey 08540.

SECTION V: OTHER PRIVATE AND STATE SOURCES OF LOANS

The following loans represent funds available through private sources. Information on sources of Guaranteed Student Loans for each state is found in Table II.

The American Optometric Association, has provided funds to establish a special reserve with the United Student Aid Funds. This enables optometry students to borrow money from financial institutions at a low interest rate. USAF guarantees the loan, supported by the AOA reserve. USAF is a nonprofit corporation which endorses low-cost loans made by participating hometown financial institutions to deserving students. In order to qualify for the loans, the AOA student member must be in good academic standing, pursuing a Doctor of Optometry degree and be beginning his first, second, third or fourth year of graduate study at an accredited college of optometry. He must have demonstrated a definite need for financial assistance to meet educational expenses. An eligible student may borrow up to $5,000 per academic year under all guaranteed student loan programs or $25,000 for an entire academic career including undergraduate and graduate study. Applications can be obtained until January 30. For futher information and application form, write: The American Optometric Association, 243 North Lindbergh Blvd., St. Louis, MO 63141.

Pickett and Hatcher Educational Fund makes loans to undergraduate students with current preference given to students who are residents of the Southeastern portion of the United States (Alabama, Florida, Georgia, Kentucky, Mississippi, North Carolina, South Carolina, Tennessee and Virginia) and who are enrolled full-time, for a minimum of 15 credit hours, in colleges and universities offering broad liberal arts education. Loans are not available to students in vocational schools or business colleges, or those planning to enter the professions of medicine, law, or the ministry. The loans may include amounts required for fees tuition, room and board, up to $2,400 for an academic year, with the total amount borrowed not to exceed $9,600. (Interest on loans is payable quarterly at a rate of 2% per annum while in college and monthly at a rate of 6% per annum after a student leaves college or ceases to take at least 9 credit hours.) Monthly payments on principal amount to at least ten percent of the borrower's income or 1/12 of 10% of total amount borrowed, whichever is larger. Deadline: July 1. For more information and application form write: Pickett and Hatcher Educational Fund, P.O. Box 8169, Columbus, GA 31908.

United Student Aid Funds, Inc. brings together public spirited financial institutions throughout the United States to make low-cost educational loans available to post-secondary and professional students. Guaranteed Student Loans for undergraduates are available up to $2,500 yearly to a cumulative maximum of $12,500; loans to graduate/professional students are available up to $5,000 yearly to a cumulative maximum of $25,000, including amounts borrowed as an undergraduate. The current interest rate for this program is 8%.

The PLUS program is also available to parents of dependent undergraduates, graduate students and independent undergraduate students. Parents may borrow up to $3,000 per year for each dependent undergraduate. Graduate/professional students may borrow up to $3,000 per year in addition to what they borrow under the Guaranteed Student Loan Program. Independent undergraduate students may borrow up to $2,500 per year including amounts borrowed under the Guaranteed Student Loan Program. The interest rate for this program is currently 12%. For further information, contact United Student Aid Funds, Inc., 8085 Knue Road, P.O. Box 50827, Indianapolis, Indiana 46250, or call toll-free, 800-LOAN-USA (Nationwide) or 800-382-4506, if calling from Indiana.

TABLE II: SOURCES OF INFORMATION ON THE GUARANTEED STUDENT LOAN PROGRAMS AND STATE SCHOLARSHIP PROGRAMS

ALABAMA

Alabama Commission on Higher Education, 1 Court Square, Suite 221, Montgomery, AL 36197.

GSL and State aid: (205) 269-2700.

ALASKA

Alaska Commission on Postsecondary Education, 400 Willoughby Avenue, Pouch FP, Juneau, AK 99811.

State Aid: (907) 465-2962.

ARIZONA

GSL: Arizona Educational Loan Program, 2600 N. Central Avenue, Suite 621, Phoenix, AZ 85004, (602) 252-5793.

State Aid: Arizona Commission for Postsecondary Education, 1645 W. Jefferson, #127, Phoenix, AZ 85007, (602) 255-3109.

ARKANSAS

GSL: Student Loan Guarantee Foundation of Arkansas, 219 South Victory Road, Little Rock, AR 72202, (501) 371-2634.

State Aid: Dept. of Higher Education, 1301 W. Seventh Street, Little Rock, AR 72202, (501) 371-1441. ext. 56.

CALIFORNIA

California Student Aid Commission, 1410 Fifth Street, Sacramento, CA 95814.

GSL: (916) 323-0435.

State Aid: (916) 445-0880.

COLORADO

GSL: Colorado Student Loan Program, 11990 Grant Street, Suite 500, Northglenn, CO 80233, (303) 450-9911.

State Aid: Colorado Commission on Higher Education, 1300 Boardway, 2nd Floor, Denver, CO 80203, (303) 866-4034.

CONNECTICUT

GSL: Connecticut Student Loan Foundation, 25 Pratt Street, Hartford, CT 06103, (203) 547-1510.

State Aid: Connecticut Department of Higher Education, 61 Woodland Street, Hartford, CT 06105, (203) 566-2618.

DELAWARE

GSL: Delaware Higher Education Loan Program, P.O. Box 7139, Wilmington, DE 19803, (302) 478-3000 ext. 203.

State Aid: Delaware Postsecondary Education Commission, Carvel State Office Building, 820 N. French Street, 4th Floor, Wilmington, DE 19801, (302) 571-3240.

DISTRICT OF COLUMBIA

GSL: Higher Education Assistance Foundation Loan Program of Washigngton, DC., 1030 15th Street, N.W., Suite 1050, Washington, DC 20005, (202) 289-4500.

State Aid: Office of Postsecondary Education, Research and Assistance, D.C. Dept. of Human Services, 1331 H Street, N.W., Suite 600, Washington, DC 20005, (202) 727-3688.

FLORIDA

Office of Student Financial Assistance, Florida Dept. of Education, Knott Building, Tallahassee, FL 32301.

GSL: (904) 488-8093.

State Aid: (904) 488-6181.

GEORGIA

Georgia Higher Education Assistance Corporation, 2082 East Exchange Place, Suite 200, Tucker, GA 30084.

GSL: (404) 493-5467.

State Aid: (404) 493-5451.

HAWAII

GSL: Hawaii Education Loan Program, 1314 S. King St., Suite 962, Honolulu, HI 96814, (808) 536-3731.

State Aid: State Postsecondary Education Commission, 124F Bachman Hall, Univ. of Hawaii, 2444 Dole Street, Honolulu, HI 96822, (808) 948-8213.

IDAHO

GSL: Student Loan Fund of Idaho, Inc., Processing Center, P.O. Box 730, Fruitland, ID 83619, (208) 452-4058.

ILLINOIS

GSL: Illinois Guaranteed Loan Program, 106 Wilmot Road, Deerfield, IL 60015, (312) 945-7040.

State Aid: Illinois State Scholarship Commission, 106 Wilmot Road Deerfield, IL 60015, (312) 948-8550.

INDIANA

State Student Assistance Commission of Indiana, 964 N. Pennsylvania St., 1st Floor, Indianapolis, IN 46204.

GSL: (317) 232-2366.

State Aid: (317) 232-2350.

IOWA

Iowa College Aid Commission, 201 Jewett Building, 9th and Grand, Des Moines, IA 50309.

GSL: (515) 281-4890.

State Aid: (515) 281-3501.

KANSAS

GSL: Higher Education Assistance Foundation, 34 Corporate Woods, 10950 Grand View Drive, Suite 270, Overland Park, KS 66210, (919) 648-4255.

State Aid: Kansas Board of Regents, Suite 609, Capitol Tower, 400 S.W. Eighth Street, Topeka, KS 66603, (913) 296-3421.

KENTUCKY

Kentucky Higher Education Assistance Authority, 1050 U.S. 127 South, West Frankfort Office Complex, Frankfort KY 40601.

GSL and State Aid: (502) 564-7990.

LOUISIANA

Governor's Special Commission on Education Services, 4637 Jamestown Street, P.O. Box 44127, Baton Rouge, LA 70804.

GSL and State Aid: (504) 925-3630.

MAINE

State Dept. Of Educational and Cultural Services, Div. of Higher Education Services, State House Station 119, Augusta, ME 04333.

GSL and State Aid: (207) 289-2183.

MARYLAND

GSL: Maryland Higher Education Loan Corporation, 2100 Guilford Avenue, Baltimore, MD 21218, (301) 659-6555.

State Aid: Maryland State Scholarship Board, 2100 Guilford Avenue, Baltimore, MD 21218, (301) 659-6420.

MASSACHUSETTS

GSL: Massachusetts Higher Education Assistance Corporation, 330 Stuart Street, Boston, MA 02116, (617) 426-9796.

State Aid: Massachusetts Board of Regents of Higher Education, Scholarship Office, 330 Stuart Street, Boston, MA 02116, (617) 727-9420.

MICHIGAN

GSL: Michigan Department of Education, Box 30047, Lansing, MI 48909, (517) 373-0760.

State Aid: Michigan Dept. of Education, P.O. Box 30008, Lansing, MI 48909, (517) 373-3394.

MINNESOTA

GSL: Higher Education Assistance Foundation (HEAF), Hemar Building, 85 E. Seventh Street, St. Paul, MN 55101, (612) 227-7661.

State Aid: Minnesota Higher Education Coordinating Board, 400 Capitol Square, 550 Cedar Street, St. Paul, MN 55101, (612) 296-3974.

MISSISSIPPI

GSL: Mississippi Guarantee Student Loan Agency, 3825 Ridgewood Road, P.O. Box 342, Jackson, MS 39205, (601) 982-6663.

State Aid: Mississippi Post-Secondary Education Financial Assistance Board, P.O. Box 2336, Jackson, MS 39225-2336, (601) 982-6168.

MISSOURI

Coordinating Board for Higher Education, P.O. Box 1438, Jefferson City, MO 65102,

GSL and State Aid: (314) 751-3940.

MONTANA

GSL and State Aid: Montana University System, 33 South Last Chance Gulch, Helena, MT 59620, (406) 444-6570.

NEBRASKA

Higher Education Assist. Foundation, Cornhusker Bank Building, 11th and Cornhusker Hwy, Suite 304, Lincoln, NE 68521, (402) 476-9129.

State Aid: Nebraska Coordinating Commission for Postsecondary Education, 301 Centennial Mall South, P.O. Box 95005, Lincoln, NE 68509, (402) 471-2847.

NEVADA

GSL: Nevada State Department of Education, 400 West King Street, Carson City, NV 89710, (702) 885-5914.

State Aid: University of Nevada Reno, Rm. 200 TSSC, Reno, NV 89557, (702) 784-4666.

NEW HAMPSHIRE

GSL: New Hampshire Higher Education, Education Assistance, 44 Warren Street, P.O. Box 877, Concord, NH 03301, (603) 225-6612, ALPS: 1-800-236-2577, (Outside NH: 1-800-525-2577).

State Aid: New Hampshire Postsecondary Education Commission, 61 South Spring Street, Concord, NH 03301, (603) 271-2555.

NEW JERSEY

GSL: New Jersey Higher Education Assistance Authority, C.N. 540, Trenton, NJ 08625, (609) 292-3906.

State Aid: Department of Higher Education, Office of Student Assistance, 4 Quakerbridge Plaza, C.N. 540, Trenton, NJ 08625, (800) 792-8670 (within NJ) (609) 292-4390.

NEW MEXICO

GSL: New Mexico Educational Assistance Foundation, P.O. 27020, Albuquerque, NM 87125-7020, (505) 843-7010.

State Aid: Board of Educational Finance, 1068 Cerrillos Road, Santa Fe, NM 87501-4295, (505) 827-8300.

NEW YORK

New York State Higher Education Services Corporation, 99 Washington Avenue, Albany, NY 12255.

GSL: (518) 473-1574.

State Aid: (518) 474-5642.

NORTH CAROLINA

North Carolina State Education Assistance Authority, P.O. Box 2688, Chapel Hill, NC 27515-2688.

GSL and State Aid: (919) 549-8614.

NORTH DAKOTA

GSL: Bank of North Dakota Student Loan Division, 700 Main Street, Drawer 1657, Bismarck, ND 58501, (701) 224-5656.

State Aid: North Dakota Student Financial Assistance Program, 10th Floor, State Capitol, Bismarck, ND 58505, (701) 224-4114.

OHIO

GSL: Ohio Student Loan Commission, P.O. Box 16610, Columbus, OH 43216, (614) 466-3091.

State Aid: Ohio Board of Regents Student Assistance Office, 3600 State Office Tower, 30 East Broad Street, Columbus, OH 43215, (614) 466-7420.

OKLAHOMA

Oklahoma State Regents for Higher Education, 500 Education Building, State Capitol Complex, Oklahoma City, OK 73105.

GSL: (405) 521-8262.

State Aid: (405) 521-2444.

OREGON

Oregon State Scholarship Commission, 1445 Willamette Street, #9, Eugene, OR 97401.

GSL: (800) 452-8807 (within OR). (503) 686-3200.

State Aid: (503) 686-4166, (800) 452-8807.

PENNSYLVANIA

Pennsylvania Higher Education Assistance Agency, 660 Boas Street, Harrisburg, PA 17102.

GSL: (800) 692-7392 (within PA), (717) 257-2860.

State Aid: (800) 692-7435 (within PA), (717) 257-2800.

RHODE ISLAND

Rhode Island Higher Education Assistance Authority, 274 Weybosset Street, Providence, RI 02903.

GSL and State Aid: (401) 277-2050.

SOUTH CAROLINA

GSL: South Carolina Student Loan Corporation, Interstate Center, Suite 210, P.O. Box 21487, Columbia, SC 29221, (803) 798-0916.

State Aid: Higher Education Tuition Grants Agency, 411 Keenan Bldg., Box 11638, Columbia, SC 29211, (803) 758-7070.

SOUTH DAKOTA

GSL: South Dakota Education Assistance Corporation, 115 First Avenue, SW, Aberdeen, SD 57401, (605) 225-6423.

State Aid: Department of Education and Cultural Affairs, Richard F. Kneip Building, 700 North Illinois Street, Pierre, SD 57501, (605) 773-3134.

TENNESSEE

Tennessee Student Assistance Corporation, B-3 Capitol Towers, Suite 9, Nashville, TN 37219.

GSL and State Aid: (800) 342-1663 (within TN), (615) 741-1346.

TEXAS

GSL and PLUS: Texas Guaranteed Student Loan Corporation, P.O. Box 15996, Austin, TX 78761, (512) 835-1900, in Texas: (800) 252-9743.

State Aid: Coordinating Board, Texas College and University System, P.O. Box 12788, Capitol Station, Austin, TX 78711, (512) 475-8169.

UTAH

GSL: Loan Servicing Corporation, P.O Box 31802, Salt Lake City, UT 84131, (801) 487-4448.

State Aid: Utah State Board of Regents, 355 West North Temple, 3 Triad Center, Suite 550, Salt Lake City, UT 84180-1205, (801) 538-5247.

VERMONT

Vermont Student Assistant Corporation, Champlain Mill, P.O. Box 2000, Winooski, VT 05404.

GSL and State Aid: 1-(800) 642-3177 (within VT), (802) 655-9602.

VIRGINIA

GSL: Virginia State Education Assistance Authority, 6 North Sixth Street, Suite 300, Richmond, VA 23219, (804) 786-2035.

State Aid: State Council of Higher Education for Virginia, James Monroe Building, 101 N. 14th Street, Richmond, VA 23219, (804) 225-2141.

WASHINGTON

GSL: Washington Student Loan Guaranty Association, 500 Colman Building, 811 First Avenue, Seattle, WA 98104, (206) 625-1030.

State Aid: Council for Postsecondary Education, 908 East Fifth Avenue, Olympia WA 98504, (206) 753-3571.

WEST VIRGINIA

GSL: Higher Education Assistance Foundation, Higher Education Loan Program of West Virgina, Inc., P.O Box 591, Charleston, WV 25322, (304) 345-7211.

State Aid: West Virginia Board of Regents, P.O. Box 4007, Charleston, WV 25364, (304) 347-1211.

WISCONSIN

GSL: Wisconsin Higher Education Corporation, 137 East Wilson Street, Madison, WI 53702, (608) 266-2897.

State Aid Wisconsin Higher Education Aids Board, P.O. Box 7885, Madison, WI 53707, (608) 266-1660.

WYOMING

GSL: Higher Education Assistance Foundation, American National Bank Building, 20 Street at Capital, Suite 320, Cheyenne, WY 82001, (307) 635-3259.

State Aid: Wyoming Community College Commission, 1720 Carey Avenue, Boyd Building, Fifth Floor, Cheyenne, WY 82002, (307) 777-7763.

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AMERICAN SAMOA

GSL: Pacific Islands Education Loan Program, United Student Aid Fund, Inc., 1314 South King St. Suite 962, Honolulu, Hawaii 96814, (808) 536-3731.

State Aid: American Samoa Community College, P.O. Box 2609, Pago Pago, American Samoa 96799, (684) 699-9155.

COMMONWEALTH OF THE NORTHERN MARIANA ISLANDS

GSL: See American Samoa.

State Aid: Northern Marianas College Board of Regents, P.O. Box 1250, Saipan, CM 96950, (Saipan) 7542/7642.

GUAM

GSL: See American Samoa.

State Aid: University of Guam, UOG Station, Mangilao, Guam 96913, (671) 734-2920/9.

PUERTO RICO

GSL: Higher Education Assistance Corporation, P.O. Box 42001, Minillas Station, Santurce, Puerto Rico 00940, (809) 726-2525.

State Aid: Council on Higher Education, Box F-UPR Station, San Juan, Puerto Rico 00931, (809) 751-5082/1136.

TRUST TERRITORY

GSL: See American Samoa.

State Aid: Community College of Micronesia, P.O. Box 159, Kolonia, Ponape, F.S.M. 96941, (Ponape) 480 or 479, (Saipan) 9870.

VIRGIN ISLANDS

Board of Education, OB No. 1, P.O. Box 9128, Charlotte Amalie, St. Thomas, Virgin Islands 00801.

GSL and State Aid: (809) 774-4546.

USA Funds, Inc., United Student Aid Funds Processing Center, P.O. Box 50827, Indianapolis, IN 46250, (800) 382-4506 (Indiana only), (800) LOAN USA (Other States).

SECTION VI: STATE EDUCATIONAL BENEFITS

Most states, including the District of Columbia, have statutes which authorize educational assistance for students. To be eligible for these benefits, the applicants must have made reasonably good grades in high school or meet academic standards acceptable to the school in which they are presently enrolled. In many instances, but not all, states establish as one eligibility requirement that applicants be in need of financial help to obtain the desired education. In addition, some states have authorized educational benefits for veterans and their dependents, particularly the children of deceased and disabled veterans. Included is a summary of educational benefits for veterans and their dependents presented in abbreviated form on the following pages: (See TABLE III). In using this summary, it is important to remember:

1. The summary presents only general information concerning each state and does not pretend to be either complete or authoritative because of legislative changes that occur;

2. More complete information and application forms should be obtained from the division of government responsible for the administration of these laws in the respective states;

3. While we have attempted to give up-to-date information, state laws and appropriations do change from time to time;

4. In practically all instances, educational benefits authorized can only be provided if the necessary state appropriations are made.

Application for state educational aid should normally be made well in advance of the anticipated date of enrollment. Get the answers to your individual questions, more detailed information and application forms from the designated division of government in each state. See Table II for the address of your state agency.●

AMNESTY URGED FOR DOREL CATARAMA

● Mr. SIMON. Mr. President, the case of Dorel Catarama has become a symbol of what many believe to be religious oppression in Romania.

While Romanian officials disagree, the evidence appears overwhelming that charges leveled against Mr. Catarama are trumped up.

Dorel Catarama is imprisoned in Romania on charges of embezzlement and possession of foreign currency. But Amnesty International believes the real reason for his imprisonment is his religious activities as a Seventh-day Adventist and his family's refusal to return to Romania after a visit to the United States in 1982.

Released prisoners have described Mr. Catarama's treatment as extraordinarily brutal.

I recently met with representatives of the Romanian Parliament. It was a cordial, yet frank meeting.

I think the simple gesture of granting Dorel Catarama amnesty would go a long way to showing the United States that Romania is serious about improving its record on human and religious rights.●

NAUM AND INNA MEIMAN: LET THEM GO BEFORE IT IS TOO LATE

● Mr. SIMON. Mr. President, Naum and Inna Meiman are suffering. The Meimans are a Soviet couple who have applied to emigrate numerous times and have always been refused. Naum has experienced harassment by Soviet authorities for over 10 years.

Now, Inna is critically ill. Her cancer is treatable according to Western medical authorities, but the Soviet doctors have told her there is nothing more that they can or will do. Time is running out for Inna. She must have the advanced medical treatment being offered to her in the West to live.

Naum is an older man who also has little time left. What do the Soviets gain by holding this elderly and sick couple? They certainly are not gaining in the public relations area.

I strongly urge the Soviets to allow the Meimans to emigrate to Israel.●

SURVIVORS OF ABORTION: THE DREADED COMPLICATION

● Mr. HUMPHREY. Mr. President, last week I submitted several articles regarding infants who survive abortions. It has been demonstrated that 300 to 400 infants live through second and third-term abortions each year. The articles quite candidly pointed out how ill-equipped the medical community is to deal with this "complication" in a consistently humane fashion.

The two procedures which can result in live births are saline injections and prostaglandin treatments. Another method which is rapidly gaining acceptance is known as "dilatation and evacuation." It involves cutting up a tiny infant into pieces and removing him or her from the mother. This procedure does not result in a live birth.

The popularity of this procedure is due primarily to its efficacy. There are not troubling dilemmas for the patient because the fetus never survives. But something unexpected has occurred. "D & E" is exacting a high toll on the medical practitioners themselves. The following paper was delivered by two such physicians at the 1978 meeting of the Association of Planned Parenthood Physicians in San Diego, CA.

I ask that the paper be printed in the Record.

The paper follows:

WHAT ABOUT US? STAFF REACTIONS TO THE D&E PROCEDURE

(Warren M. Hern, M.D., M.P.H., and Billie Corrigan, R.N., M.S.)

A major controversy has emerged during the last few years concerning the technical risks and acceptability of the "dilatation and evacuation" (D&E) abortion performed during the second trimester of pregnancy. Multi-center studies reported by the Center for Disease Control demonstrate a lower risk of major complications for D&E by comparison with saline and prostaglandin amnioinfusion abortions. There are wide differences of opinion about the use of laminaria vs. manual dilatation and about the desirability or need for single or multiple laminaria treatment.

Several authors agree that the D&E procedure is easier emotionally for the patient since she does not have to deliver a fetus which may have signs of life. There is recognition that the emotional trauma of the experience is transferred from the patient to those who are performing the abortion. This problem, however, has received little attention.

The present study is the result of nearly four years of direct experience by staff members of a small, private, ambulatory abortion facility where D&E procedures are performed up to 22 menstrual weeks gestation. The senior author has performed over 300 of these procedures in this setting. Both authors have noted intense reactions in themselves and in other staff members to the D&E procedure. The study of these reactions is considered to be important since the feelings and attitudes of those providing abortion services have a profound effect on the quality of care experienced by the patients. These reactions may, in fact, determine whether the patient even receives the care she requests. It has been clear from the beginning, for example, that some staff members are unable to assist with late abortion procedures due to their reaction to it or belief that it was wrong to perform an abortion beyond a certain week of gestation.

MATERIALS AND METHODS

Twenty-three present and former staff members of the clinic were polled via questionnaire to determine whether they had assisted with D&E procedures and, if so, what their reactions had been. The questionnaire asked the respondent to specify the role in which he or she had assisted the patients: doctor, nurse, telephone contact, receptionist, or other; it also asked how many patients the respondent had assisted in this capacity. Respondents were asked to describe their thoughts about the moral, legal, medical and other aspects of second trimester abortions and to state their primary feelings about the patients having late abortions, the procedure itself, the medical risks, the visual impact of the fetus, and the doctor. Respondents were asked to list and explain the differences that existed for them in assisting with first vs. second-trimester abortions. They were asked to specify whether there was a limit in length of pregnancy beyond which they would not assist with abortion and to give the reasons. Respondents were asked to describe uncertainties and changes in their feelings about these matters and invited to describe other reactions or impact such as dreams or preoccupations with the procedure while not at work.

Fifteen present and former staff members responded to the questionnaire and these were interviewed individually to followup questions raised in the written response.

From a technical point of view, the D&E procedure using a multiple laminaria technique described elsewhere has been used in this series with an exceedingly low complication rate. Operative complications such as hemorrhage and retained fetal parts have occurred more than in first trimester procedures but no truly major complications have occurred. Patients receive three laminaria treatments over a period of 42 hours followed by supplemental manual dilatation up to 2.5cm under local anesthesia. Each counselor is assigned one patient and follows that patient through each step including laminaria changes, procedure, and recovery room. Procedure times varies from an average of 15-20 minutes initially to less than 10 minutes currently, reflecting experience and improved technique by the operator. Blood loss averages between 100-250cc depending on the length of gestation, is often negligible and rarely exceeds 500cc. Two patients have been hospitalized overnight for observation; one for a suspected perforation and another for operative hemmorrhage due to uterine atony.

RESULTS

Of the 15 respondents, all approved of the second trimester procedure in principle but 8 had several reservations along with their approval. Most respondents felt sympathetic or protective toward the patient, but four expressed feelings of resentment, irritation, or anger toward patients who had waited so long before seeking abortion. Positive comments about the D&E procedure itself were in the minority; only three expressed views that it was a better alternative for the patient. The rest thought that the procedure was difficult, tedious, riskier, painful for everyone, and feared major complications. Nine were quite preoccupied with the medical risks while six were not concerned or did not comment. Reactions to viewing the fetus ranged from "I haven't looked" to shock, dismay, amazement, disgust, fear, and sadness. Attitudes toward the doctor were those of sympathy, wonder at how he could perform the procedure at all, and a desire to protect him from the trauma. Two felt that it must eventually damage him psychologically.

Differences between first trimester and second trimester D&E procedures noted by the respondents included an increased fear of complications in the late procedures, the visual impact of the fetus, and the violence. About a third felt that the procedure was longer and harder on the patients and several thought it was more difficult to rationalize or intellectualize the D&E procedure.

Ten respondents thought that there was a limit to the length of pregnancy which could be interrupted with opinions ranging from 12 weeks to 24-26 weeks.

Most respondents expressed considerable ambivalence and shifting feelings toward the late procedure depending to some extent on familiarity with amnioinfusion procedures and experience with the D&E procedure. About half felt more positive with greater D&E experience and about half had more conflict or felt "burnt out". One respondent expressed increasing resentment of the casual attitudes of some patients considering the emotional cost to those providing the service.

Two respondents described dreams which they had had related to the procedure. Both described dreams of vomiting fetuses along with a sense of horror. Other dreams revolved around a need to protect others from viewing fetal parts, dreaming that she herself was pregnant and needed an abortion or was having a baby.

Six respondents denied any preoccupation with the D&E procedure outside the clinic. Several others felt that the emotional strain affected interpersonal relationships significantly or resulted in other behavior such as an obsessive need to talk about the experience. In this group, a common observation was that personal problems outside the clinic made it much more difficult to handle the stress of the D&E procedure.

DISCUSSION

One of the questions which emerges from these interviews is whether there is a relationship between the role played and the attitude toward the D&E procedure. In general, it appears that the more direct the physical and visual involvement (i.e. nurses, doctor), the more stress experienced. This is evident both in conscious stress and in unconscious manifestations such as dreams. At least, both individuals who reported several significant dreams were in these roles.

Is there a relationship between the number of D&E procedures performed or participated in and attitudes toward them? The evidence is equivocal since some respondents reported more tension as they participated in more procedures and some felt more comfortable. All agreed that there was more psychological stress than with first trimester procedures.

We discerned that the following psychological defenses were used by staff members at various times to handle the traumatic impact of the destructive part of the operation: denial, sometimes through literal distance from viewing the procedure itself; projection, as evidenced by concern or anguish for other staff members assisting with or performing the procedure; and intellectualization. Popularly, the latter took the form of discussing the pros and cons of performing the D&E procedure and rationalizing its value.

There is no question that the properly performed D&E procedure, aside from its advantages in risk reduction, is more traumatic for the operator and assistants them for the patient. An improperly performed D&E would be traumatic for the patient as well. Technically, however, it is possible to reduce discomfort and trauma to the patient to a minimum consistent with the medical objective of emptying the uterus with the least damage to the cervix and other pelvic structures.

The most important challenges in late abortion are not the technical questions of medical treatment. These yield to persistence, immigration, surgical skill, and commitment to standards of medical excellence. The most difficult thing is how we feel about doing it. We have produced an unusual dilemma. A procedure is rapidly becoming recognized as the procedure of choice in late abortion, but those capable of performing or assisting with the procedure are having strong personal reservations about participating in an operation which they view as destructive and violent. The same people who cannot help with the procedure applaud its introduction because of increased safety for the patient. Some part of our cultural and perhaps even biological heritage recoils at a destructive operation on a form that is similar to our own, even while we may know that the act has a positive effect for a living person. No one who has not performed this procedure can know what it is like or what it means; but having performed it, we are bewildered by the possibilities of interpretation.

We have reached a point in this particular technology where there is no possibility of denial of an act of destruction by the operator. It is before one's eyes. The sensations of dismemberment flow through the forceps like an electric current. It is the crucible of a raging controversy, the confrontation of a modern existential dilemma. The more we seem to solve the problem, the more intractable it becomes.●

CONSTRUCTION INDUSTRY LABOR LAW AMENDMENTS

Mr. BYRD. Mr. President, on behalf of Senator Kennedy, I ask that the measure, H.R. 281, which appears on the calendar of bills and joint resolutions read the first time be read the second time.

The PRESIDING OFFICER. The clerk will report.

The assistant legislative clerk read as follows:

A bill (H.R. 281) to amend the National Labor Relations Act to increase the stability of collective bargaining in the building and construction industry.

Mr. DOMENICI. Mr. President, I object to any further consideration of the measure.

The PRESIDING OFFICER. Objection having been heard to further consideration of the bill after its second reading, pursuant to rule XIV the bill will be placed on the calendar.

ORDER OF PROCEDURE

Mr. DOMENICI. Mr. President, I think Senators know, but let me now repeat more explicitly, there will be no further action today on the budget resolution. It will return to the calendar as per the unanimous consent agreements which are obvious in the Record. I understand from the distinguished leader, Senator Dole, that he

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intends to not only dispose of the amendments which are the subject matter of unanimous-consent agreements, but that we will proceed with additional amendments and that there will be a significant number of votes following the two which have been arranged.

Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. BYRD. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. BYRD. Mr. President, has the distinguished manager of the budget resolution announced that there will be no further action on that resolution today?

The PRESIDING OFFICER. He has.

Mr. BYRD. I thank the Chair.

Mr. President, has the order already been entered as to the time that will remain to be allotted to both sides on the budget resolution by tomorrow? Has that order already been entered?

The PRESIDING OFFICER. The order has been entered that, as of tomorrow, there will be 20 hours that remain.

Mr. BYRD. Very well. Then the time that I shall take at this point does not come off the time of the budget resolution. Am I correct?

The PRESIDING OFFICER. The Senator is correct.

☐ 1630

Mr. BYRD. Mr. President, anytime the majority leader wishes to transact additional Senate business or if any other Senator wishes to have the floor, I shall be glad to relinquish the floor. I ask unanimous consent that in that event, the CONGRESSIONAL RECORD not show an interruption of my speech.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. BYRD. Mr. President, this is a continuation of the series of floor speeches which I have been delivering on the subject of the U.S. Senate since March 1980. As I recall, this is the 82d of such speeches, and the title of today's speech is *The Senate and a Bipartisan Foreign Policy*, 1953–60.

THE UNITED STATES SENATE

THE SENATE AND A BIPARTISAN FOREIGN POLICY, 1953–1960

Mr. BYRD. Mr. President, the late Francis Wilcox was an astute observer of the United States Senate's role in foreign policy, both from his posts as the first chief of staff of the Senate Foreign Relations Committee, and as an Assistant Secretary of State in the Eisenhower administration. During his tenure with the committee and the Department of State, the foreign policy of the United States was frequently and correctly described as a bipartisan policy. Democrats and Republicans alike agreed that politics stopped at the water's edge. While there was still much criticism of individual policies and policy-makers, a broad-based consensus in the government and in the country supported the fundamental objectives of the United States in those difficult early years of the Cold War. Such bipartisanship lasted until the Vietnam War in the 1960's, when legislative-executive relations became intensely estranged. Having witnessed the rise and fall of bipartisanship, Dr. Wilcox once recorded what he considered as the ideal conditions for a bipartisan foreign policy:

> First, when the White House and the administration are controlled by one party, and the Congress is controlled by the other party—as in the case of the 80th Congress—when cooperation becomes absolutely essential; the government can't function in that kind of a situation unless you have a bipartisan approach. Secondly, when there is a fairly good consensus in the country about the basic principles or goals of our foreign policy and the way it should be conducted. . . . Thirdly, the kind of leadership on Capitol Hill that can command the confidence of the Congress and the executive and be willing to deemphasize politics while working for the national interest. And fourthly the kind of strong leadership in the White House that is willing to accord Congress its rightful place in the constitutional scheme of things and is willing to consult frequently with Congress on important foreign policy questions.[1]

Today, in my continuing series of addresses on the history of the United States Senate, I should like to take Dr. Wilcox's wise prescription for bipartisanship as a means of examining the Senate's role in the foreign policy of the United States between 1953 and 1960—a crucial decade for this Nation and this institution. It was a period of grave challenges and dramatic decisions affecting the survival of humanity on this globe. It was also a period when the executive branch used foreign policy as a means of strengthening presidential power vis-a-vis Congress. This was an ironic situation because General Dwight D. Eisenhower had run for the presidency in 1952 deeply opposed to executive aggrandizement. Yet, as Professor Arthur Schlesinger has pointed out in his important book, *The Imperial Presidency*, by the end of his second term, Eisenhower had accelerated the transfer of power from Congress to the presidency. "Two things had happened," Schlesinger wrote: "the belief that the world was greatly endangered by the spread of communism had generated a profound conviction of crisis in the United States; and the conviction of crisis had generated a foreign policy that placed the separation of powers prescribed by the American Constitution under unprecedented, and at times unbearable, strain."[2]

In 1953, war still raged in Korea; the United States had 3.6 million men in uniform, and was allocating billions of dollars for military expenditures. All of this enormously strengthened the president as Commander-in-Chief. Although critical of some aspects of strategy and policy, Congress still tended to defer to the president on matters of warfare and national security. It is also important to remember that the two parties at that time fundamentally viewed the world situation in the same way. The Republican Eisenhower inherited his basic national security structure from the Democratic Truman, and adopted the broad outlines of his policies.

In June 1953, President Eisenhower convened a six-week, top-secret policy study, conducted in the penthouse solarium of the White House. "Operation Solarium" drafted the policy statements that guided the next eight years of American foreign policy initiatives under Eisenhower. Only recently were the records of "Operation Solarium" declassified, and they make most interesting reading. We find, for instance, that Eisenhower rejected the 1952 Republican campaign promise of rolling back Soviet control of Eastern Europe, and instead decided to concentrate his efforts on building a position of strength so that other nations would respect American interests and see the United States as a source of support. This strategy required that the United States use any means possible, from conventional ground troops to nuclear weapons, to deter aggression. The United States and its allies would strengthen themselves to prevent political or military gains by the Communists and to diminish Soviet influence in the world. Essentially, this was a continuation of the policies forged under Harry Truman.[3]

Eisenhower began his presidency with a broad national consensus on foreign policy and strong bipartisan support in the Congress. The greatest difficulty he encountered was not from the opposition party but from critics within his own party. In a previous address I discussed the peculiar crusade of Senator Joseph R. McCarthy, whose hunt for Communists in government deeply shook the Department of State, driving competent, independent-minded men out of policy-making positions, and severely depressing the morale of those who remained. Opposition came also from Senator William Knowland, who in the summer of 1953 became the Republican majority leader. Knowland's close attachments to the government

of Chiang Kai-shek had won him the nickname of "the senator from Formosa." A man of principle, Knowland was willing to fight even the titular leader of his own party if they disagreed on an issue.

But it was silver-maned Senator John Bricker from Ohio who made the most direct assault on Eisenhower's foreign policy leadership. In 1951, Senator Bricker began introducing an amendment to the Constitution which would prohibit the United States from entering into any international agreements that might affect the rights and freedoms of the people or the character and structure of the government. What motivated Bricker was a concern that American participation in the UN Charter and human rights covenant might somehow override American laws. As it evolved, however, the main thrust of the Bricker Amendment came to be: "Congress shall have power to regulate all executive and other agreements with any foreign power or international organization."

Many Republicans saw the Bricker Amendment as a vehicle for preventing presidents from entering into unsupervised executive agreements such as the one Roosevelt reached with Stalin and Churchill at Yalta. Mrs. Phyllis Schlafly, already a political activist in 1953, called the Bricker Amendment "the most important and necessary legislation that the present Congress can pass." The amendment also won support from such groups as the American Bar Association, the Chamber of Commerce, and the Daughters of the American Revolution.[4]

When Senator Bricker reintroduced his amendment at the beginning of the 83rd Congress, he had 62 co-sponsors, including 45 of the 48 Senate Republicans. The amendment frightened many experts in the State Department. Some interpreted it as meaning that future treaties would have to be ratified by each of the states. Seeing the amendment as a congressional attempt to reduce the powers of the president over foreign policy, Eisenhower was determined to block that effort. He and Secretary of State John Foster Dulles met with Senator Bricker but could not budge him, for Bricker, as Eisenhower noted, had "gotten almost psychopathic on the subject." The president became so frustrated over his dealings with the senator that he once remarked to his press secretary, James Hagerty: "If it's true that when you die the things that bothered you most are engraved on your skull, I am sure I'll have there the mud and dirt of France during the invasion and the name of Senator Bricker."[5]

As the Eisenhower administration fought desperately to delay and defeat the Bricker amendment, it turned to the chairman of the Foreign Relations Committee for help. The chairman, Alexander Wiley of Wisconsin, suffered badly by comparison with his predecessors, Arthur Vandenberg and Tom Connally. An amiable politician, he simply lacked the knowledge, interest, and prestige to handle that job competently. Secretary Dulles found it impossible to discuss substantive issues of foreign policy with Senator Wiley. But Wiley was an administration loyalist, and he fought tooth and toenail in opposition to the Bricker Amendment. Pat Holt, a member of the Foreign Relations Committee staff, and later its director, recalled that "there were *endless* hours spent fooling around with words" on the Bricker Amendment, "what hypothetical situations would this particular formulation apply to, and so on. In this process there were a good many meetings in the White House with Eisenhower and John Foster Dulles and various senators who were interested in it. Wiley's principal function in these meetings was to stiffen the spine of the Eisenhower administration and keep them from agreeing to something which they would probably regret." Senator Wiley, according to Pat Holt, "had a gut feeling that it would do violence to the Constitution." Wiley showed considerable political courage, lined up against most of the senators from his own party, and in the face of a substantial mail campaign in favor of the treaty. "I've got 10,000 letters supporting the Bricker Amendment," he once commented, "but three million people voted in Wisconsin in the last election, and I haven't heard from the other 2,990,000 of them."[6]

☐ 1640

In addition to help from Senator Wiley, the Eisenhower administration looked to Senate Democrats. In January 1954, Eisenhower and Dulles met with Senator Walter George, ranking Democrat on the Foreign Relations Committee, to find a way to prevent passage of the amendment. Senate Democratic Leader Lyndon Johnson welcomed this opportunity to help save the president from isolationists in his own party. Senators Johnson and George, and the Democratic Policy Committee thus began drafting an alternative resolution. This one stated that: "An international agreement other than a treaty shall become effective as internal law in the United States only by an act of the Congress." Even this version, however, raised objections from the Department of State as restricting presidential authority. In February, the Senate voted down the Republican version of the Bricker amendment by a substantial margin but then came very close to passing the Democratic version. Eisenhower marshaled all of his lobbying skills to persuade members to vote against the George substitute and managed to defeat it by a single vote. It was the late Senator Harley Kilgore of West Virginia, who cast that decisive vote. The Bricker amendment was finally dead.[7]

In July 1953, the United Nations and North Korea signed an armistice at Panmunjon, ending the Korean war. Immediately, American concerns were focused on another Asian trouble spot, Indochina. There the French were holding an increasingly precarious position against nationalist forces led by Ho Chi Minh. In his first appearances before the Senate Foreign Relations Committee and the House Foreign Affairs Committee, Secretary Dulles drew special attention to this region. "In some ways it is more dangerous, I would think, than any other situation in the world," he told the Congressmen, "because the loss of Indochina would probably have even more serious repercussions upon the Indian-Asian population than even the loss of South Korea and, also, because what is going on in Indochina has very serious repercussions in Europe and upon the mood of France, and the willingness of the French to move in partnership with Germany toward the creation of unity and security in Europe."[8]

Senate concern over the course of events in Indochina became evident during the debate over President Eisenhower's request in 1953 for an additional $400 million in military aid for that region. The House passed the bill with little opposition, but the Senate engaged in a sharp debate on the matter. Senator BARRY GOLDWATER of Arizona introduced an amendment requiring the French to set a target date for the complete independence of Indochina. Senator GOLDWATER argued that unless the political aspirations of the people of Indochina were met, the United States would inevitably be drawn into military conflict in the region. The only way to "prevent our boys from ending up in the jungles of southeast Asia," said Senator GOLDWATER, was "to ask France, * * *, to grant independence and the right of freedom to those people who have fought so long for their independence and freedom."

Senator John F. Kennedy of Massachusetts agreed with Senator GOLDWATER that the war could never be won unless "large numbers of the people of Vietnam are won over from their sullen neutrality and open hostility to it and fully support its successful conclusion." This could never be done, Kennedy asserted, unless the people of Indochina were assured of their independence at the conclusion of the war. Kennedy, however, wanted to avoid "an ultimatum" to the French and offered a substitute for GOLDWATER's amendment, that all mutual security funds spent in Indochina would be administered in such a way

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as to encourage the freedom and independence of the people there. Even this measure was considered too drastic, and the Senate defeated Kennedy's proposal by a 64 to 17 vote. Considering the roles they would later play in the Vietnam war, it is interesting to note that Senators GOLDWATER and Kennedy sponsored these cautionary amendments, and Senator Lyndon Johnson voted against them.

Congress voted the $400 million for Indochina, but the French immediately asked for another $385 million, warning that without it they might have to withdraw from the area. The Eisenhower administration agreed to the increase, and Thruston Morton, then assistant secretary of state for congressional relations, came to Capitol Hill to brief the influential Senator Richard Russell. Morton later recalled that Senator Russell told him, "You are pouring it down a rathole; the worst mess we ever got into, this Vietnam. The president has decided it. I'm not going to say a word of criticism. I'll keep my mouth shut, but I'll tell you right now we are in for something that is going to be one of the worst things this country ever got into." What a tragedy that Richard Russell's prophetic warning was not heeded!

In addition to increased financial aid, the Eisenhower administration wanted to send 200 aircraft technicians to assist the French. Senator Mike Mansfield, who had traveled through Indochina and who was as familiar with that region as any member of the Senate, approved the sending of these troops but warned that it was up to the people of Indochina rather than the United States to fight this war. Senator JOHN STENNIS voiced similar concerns: "I am afraid, we will move to a point from which there will be no return," he warned.[9]

In March, the Viet Minh attacked the French garrison at Dienbienphu. Some observers feared that the loss of Dienbienphu might mean the loss of all of Indochina. Should the United States intervene militarily to save the French? Secretary of State Dulles and Admiral Arthur Radford, Chairman of the Joint Chiefs of Staff, leaned toward intervention. In a press conference Eisenhower made his famous analogy of falling dominoes to describe the situation: if the Communists knocked one over, all the rest would fall. By April 1, the situation had so deteriorated that policy planners were considering an American air strike to aid the French garrison. The administration drafted a joint resolution empowering the president to use American forces to resist aggresion in Southeast Asia. On April 3, Secretary Dulles called congressional leaders to the State Department for a briefing. There, Radford and Dulles warned of the consequences of a Communist victory and urged that the president be given congressional support to use military power.

□ 1650

Senate Republican Leader William Knowland supported the venture, but Democratic leaders were skeptical. Senator Earl Clements asked Admiral Radford if the plan for an American air strike at Dienbienphu had the support of other members of the Joint Chiefs of Staff. No, Radford replied. How many agreed with him? None, said the Admiral. "How do you account for that?" Clements demanded. "I have spent more time in the Far East than any of them and I understand the situation better," Radford insisted. Senator Lyndon Johnson then asked whether Secretary Dulles had consulted with other nations who would be allies in the intervention. Dulles said he had not. By the end of the meeting, congressional Republicans and Democrats alike advised Dulles to seek allies for the plan and not to plan on unilateral American action.[10]

Back at the Capitol, Senator Lyndon Johnson met with a small group of Democratic senators and gave them "a vivid, muscular and athletic recounting" of the meeting with Dulles. When the support of the congressional leaders had been solicited, Johnson told them, he had pounded on the desk to emphasize his opposition. It was clear from such displays that the administration could not count upon uncritical congressional support unless it could demonstrate strong pledges of assistance from American allies. On April 6, for instance, Senator John Kennedy in a speech in the Senate stated that he favored a policy of united action by many nations. "But to pour money, materiel, and men into the jungles of Indochina without at least a remote prospect of victory would be dangerously futile and self-destructive." Senator JOHN STENNIS added: "I do not believe that Congress would ever vote, or should vote, to have the United States go in on a unilateral basis. It would have to be a united effort; not a token effort, but a real united effort."

Secretary Dulles flew to London to persuade the British to join in a united front in Indochina, but to no avail. British Foreign Minister Anthony Eden recalled in his memoirs that Prime Minister Winston Churchill had decided it would be a mistake for the British to join the United States in sending troops into Indochina. "Sir Winston summed up the position by saying that what we were being asked to do was to assist in misleading Congress into approving a military operation, which would in itself be ineffective, and might well bring the world to the verge of a major war." The British refusal to intervene undercut Dulles' efforts and convinced Eisenhower not to involve the United States militarily at Dienbienphu. "Without allies and associates," the president told his staff, "the leader is just an adventurer, like Genghis Kahn." On May 7, 1954, the garrison at Dienbienphu fell to the Communists. This set in motion the independence of Indochina from France, and its partition at the Geneva Conference, into Laos, Cambodia, and North and South Vietnam.[11]

President Eisenhower has received commendation from historians for his decision not to intervene at Dienbienphu. In light of subsequent events in Vietnam, he clearly made the right decision. When we consider that Secretary Dulles had in his pocket a draft resolution calling for American military intervention, and that Vice President Nixon was suggesting that American troops might need to be sent to Indochina if the French withdrew, Eisenhower was the model of a cautious, rational, pragmatic national leader. However, we should keep in mind that strong congressional opposition to unilateral intervention had exerted a moderating influence on the administration and reminded it of the need to seek allies. This was the conclusion of Chalmers Roberts' famous article on "The Day We Didn't Go to War." Congress had helped the administration face reality.

In 1954, Democrats won majorities in both the Senate and the House, and for the rest of Eisenhower's administration the Republican president had to deal with a Democratic Congress. In some ways, Eisenhower had an easier time with Congress after the Democrats took charge. No longer did he need to agonize over John Bricker's amendment or McCarthy's harassment of the State Department and the Army. Now he dealt with Lyndon Johnson rather than Bill Knowland as majority leader, with Sam Rayburn rather than Joe Martin as Speaker of the House. And recalling one of Francis Wilcox's precepts, with which I began this talk, a bipartisan approach to foreign policy seems to work best when the presidency and Congress are controlled by different parties: it forces both sides to act responsibly and with some degree of mutuality.

As president, Eisenhower wanted to open "lines of communication" with Congress. We often forget, when considering his military background, that in the early 1930's Eisenhower had served as General MacArthur's aide-de-camp, and had handled congressional relations for the Army. He was no stranger to Washington's ways. Secretary Dulles was also aware of the example of his predecessor, Dean Acheson's poor relations with Congress, and he went out of his way to consult with congressional leaders on major issues. The Eisenhower administration

created the first legislative liaison unit in the White House, with regular liaison officers assigned to work with the Senate and House. President Eisenhower wrote that he "early embarked on a program of discussing issues, in a social atmosphere, with groups of Congressmen and senators of both parties, in the hope that personal acquaintance would help smooth out the difficulties inherent in partisanship."[12]

Eisenhower and Dulles' efforts to build links to Congress paid off in the bipartisan support they were able to win, fairly consistently, during the 1950's. Take, for example, the crisis that developed in the Formosa Straits in 1954 and '55. In September, 1954, the Chinese Communists commenced artillery shelling of the island of Quemoy, which was occupied by the Nationalist Chinese under Chiang Kai-shek. Occasionally, this artillery fire was supplemented by air attacks, and an invasion from Mainland China seemed imminent. In a message on January 24, 1955, President Eisenhower invited Congress "to participate now, by specific resolution, in measures designed to improve the prospect of peace," including "the use of the Armed Forces of the United States if necessary to assure the security of Formosa and the Pescadores."[13]

Now, the Congress which had cautioned President Eisenhower against intervention in Indochina was not eager to initiate any action which might lead to war with the People's Republic of China. In addition, as Senator John Sparkman recalled, "There was on the /Foreign Relations/ Committee at this time a profound distrust of Chiang and his intentions. Dulles did his best to allay these fears, telling the committee that he had explicit commitments from Chiang not to undertake a return to the mainland without U.S. approval." The Foreign Relations and Armed Services committees met jointly in closed session to hear Secretary Dulles' justification of the proposed resolution. The resolution was "absolutely necessary," said Dulles because "there is at least doubt as to whether or not the president could, without congressional authorization, take the kind of action which I am talking about. The area of authority as between the president and the Congress in these matters is admittedly a shady one." The venerable Alben Barkley, former majority leader and vice president, now returned for his last term in the Senate, asked the question on everyone's mind: "Would it be fair to describe this resolution as a predated declaration of war?" Secretary Dulles replied that "the president does not interpret this as a declaration of war, and if there were a situation to arise which in his opinion called for a declaration of war, he would come back again to the Congress."[14]

With such assurances, both the Senate and House quickly approved the Formosa Resolution. At that time, I was a member of the House Foreign Affairs Committee. By asking Congress for a joint resolution when the government faced the possibility of military engagement overseas, President Eisenhower did what President Truman had neglected to do after the Korean invasion. Professor Arthur Schlesinger has noted that in contrast to earlier resolutions in American history, the Formosa Resolution ordered no action and named no enemy. "Rather it committed Congress to the approval of hostilities without knowledge of the specific situation in which the hostilities would begin." But Congress was in no mood to challenge the assumptions of presidential leadership in foreign and military affairs. As Majority Leader Lyndon Johnson said: "We are not going to take the responsibility out of the hands of the constitutional leader and try to arrogate it to ourselves."[15]

The president returned to Congress with a similar request two years later, this time dealing with the Middle East. In 1956, Great Britain, France, and Israel had invaded Egypt to seize the Suez Canal. The United States had opposed the invasion and forced its allies to retreat. In the process. Great Britain, upon whom we had relied as the chief bulwark against Soviet intervention in the Middle East, lost its prestige and influence in the region. Secretary Dulles, perceiving a dangerous power vacuum in the Middle East that the Soviets would be tempted to exploit, sought some means of injecting the United States into the Middle East, a region in which this country had long played only a peripheral role. The difficult question was how we could replace the British bulwark without taking on the hated mantle of colonialism. With these issues in mind, President Eisenhower appeared before Congress on January 5, 1957, to request authority to send American armed forces to the Middle East if necessary to preserve the territorial independence of nations there from international communism.

Once again the question of a "predated declaration of war" was raised, this time by Senator Hubert Humphrey. Secretary Dulles objected to the term, attributing the peaceful outcome of the Formosa Crisis to the authority granted by the Formosa Resolution. "I would call it a declaration of peace rather than a declaration of war because I think that without this we are in great danger of getting into war," Dulles observed. But unlike the Formosa Resolution, which rushed through Congress with a minimum debate, the Middle East Resolution, or "Eisenhower Doctrine" as the press called it, was the subject of extensive Senate scrutiny. The House approved the resolution by a wide margin on January 30. However, the Senate Foreign Relations and Armed Services committees held joint hearings in public and executive sessions between January 28 and February 12, and the Senate debated the resolution for twelve days before passing it on March 5.[16]

□ 1700

Mr. President, I would like to read some of the comments made by members of the Senate in the closed-door hearings on the Middle East Resolution. These hearings were classified and closed until 1979 when they were published by the Senate Foreign Relations Committee as part of its "Historical Series." In previous remarks I have cited the volumes in this series for the Truman administration. I am pleased that the committee has opened and published its executive session transcripts for all of the Eisenhower administration and that it is currently publishing volumes covering the Kennedy years. This series, which the committee launched in 1973, has been praised by diplomatic historians as a critical research tool for understanding the historic role of Congress in the formulation of American foreign policy. I commend Chairman RICHARD LUGAR and other members of the Foreign Relations Committee for this important public service.

One of those most skeptical of the Middle East Resolution was Senator J. William Fulbright of Arkansas. Although not yet chairman of the Foreign Relations Committee, Senator Fulbright was already recognized as the Senate's leading expert in international relations. Senator Fulbright had supported the Formosa Resolution, but now had his doubts. In a speech in the Senate on February 11, he charged that there had been "no real prior consultation with Congress, nor will there be any sharing of power. The whole manner of presentation of this resolution—leaks to the press, speeches to specially summoned Saturday joint sessions, and dramatic secret meetings of the Committee on Foreign Relations after dark one evening before the Congress was even organized, in an atmosphere of suspense and urgency—does not constitute consultation in the true sense. All this was designed to manage Congress, to coerce it into signing this blank check."

In the closed sessions, other senators expressed similar concerns about the resolution. Senator Richard Russell objected that it left Congress "as an appendage of the executive branch in dealing with this very vital and important matter." Senator Russell continued: "In my opinion, the Congress of the United States is being treated as a group of children, and very small chil-

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dren, and children with a very low IQ at that, in the manner that this resolution has been presented to us * * * . I think that the Congress, if it is going to preserve its own self esteem, ought to have more information than we have on it." "I don't wish to pose as a prophet," Senator Russell said, "but I unhesitatingly say that if we pass this resolution in this fashion, that from here on out we will never get back in control of your program in this area * * * . It may be going for the next 25 or 30 years, and the Congress will never regain control of it. It will from here on out be in the hands of the executive branch of the Government."[17]

Senator Sam Ervin of North Carolina counseled: "The Constitution of the United States, as I construe it, contemplates that the Armed Forces of the United States, will not be put into an offensive war * * * without the consent of Congress; and here this first part of this resolution says that the president can put our Armed Forces against some enemy which has not yet been selected, in the Middle East. The resolution is not directed against Russia; it is directed against the nations which we fear will become Communist in the Middle East * * * and it is a a perfect invitation for another Korea, with Russia furnishing arms, and us furnishing the boys to do the dying."[18]

Senator Wayne Morse of Oregon argued: "You have got a resolution here which, for the first time, suggests that the President of the United States can exercise discretion to proceed to protect the territorial integrity of some other country somewhere in the world attacked by some Communist country, because he thinks that eventually that may involve the security of the United States, and I think that is an absurd stretching of that alleged emergency power on the part of the president, and I think it would be a clear violation of the constitutional power of the president."[19]

The members of the Senate Foreign Relations and Armed Services committees wrestled long and hard with what Richard Russell called the "shadowland" between the president's authority to use military forces and the need for a declaration of war. They finally amended the Middle East Resolution to strike out the idea of a congressional authorization and to leave the resolution as more of a declaration of U.S. policy in the Middle East. "The effect on Eisenhower," Professor Schlesinger has noted, "was to convince him less of the need for serious consultation with Congress than of his inherent authority to employ armed forces at presidential will." The next year, when the president sent American troops to Lebanon, he did not invoke the Middle East resolution, or ask Congress for any approval, but instead acted under his authority as Commander-in-Chief.[20]

There is a historical postscript to this fascinating debate over the Middle East Resolution. As I pointed out, the two committees deliberated for several weeks on this issue and made significant changes in the text of the resolution. By contrast, when President Lyndon Johnson presented the Congress with the Gulf of Tonkin Resolution in 1964 there was neither protracted nor significant debate in committee or on the floor. Why so much attention to one and not to the other? It is hard to say for sure, but perhaps the effect of so many resolutions in support of presidential use of armed forces, from Formosa in 1955 through the Middle East Resolution in 1957 and the Cuba and Berlin resolutions in 1962, helped lull the Congress into inattentiveness. The constitutional scruples that members had agonized over earlier were put aside in 1964, much to the later regret even of the resolution's sponsors. Reading through these observations by Senators Fulbright, Russell, and Ervin over the Middle East Resolution, one might wish that they had raised the same warning flags over Vietnam. Only Senator Wayne Morse was consistent in his suspicion of both measures.

□ 1710

Mr. President, I think it is clear from my discussion of such issues as the Formosa and Middle East resolutions that President Eisenhower received strong support and helpful advice from the Congress during the 1950's. But despite the bipartisan endorsement of our foreign policies, and the administration's efforts to build and maintain strong links to Congress, there remained significant areas where the administration acted independently, without consulting or informing Congress of its activities. We know now, as we did not know then, that the Eisenhower administration made unprecedented use of covert activities to shape American foreign policy. We know now, as we did not know then, that the Central Intelligence Agency helped overthrow the government of Mohammed Mossadegh in Iran in 1953 and helped the Shah of Iran return to power. We know now, as we did not know then, that the CIA organized the revolution in Guatemala that overthrew the government of Jacobo Arbenz Guzman in 1954. There was no congressional oversight of intelligence activities at that time. The only member of the Senate regularly informed of CIA activities was Senator Richard Russell, chairman of the Armed Services Committee and of the military appropriations subcommittee. During the 1950's, Senator Mike Mansfield began to call for a special committee to oversee the CIA, but this call went unheeded for another twenty years.

There was a price to pay for Congress' lack of involvement in intelligence issues, and the price included such avoidable blunders as the U-2 affair in 1960 and the Bay of Pigs invasion in 1961. The CIA had used its high flying U-2 planes to gather extraordinary information about the closed Soviet society, but they continued the flights to the very eve of President Eisenhower's summit meeting with Premier Nikita Khrushchev. When the plane piloted by Francis Gary Powers was shot down on May 1, 1960, the Eisenhower administration was caught in a clumsy lie, pretending it had been a weather flight. Eventually, the president conceded the intelligence-gathering nature of the flight, but refused to apologize to the Soviets, and Khrushchev stormed out of the summit meeting. We also know now, but did not know then, that in March 1960, President Eisenhower gave the CIA authorization to begin training Cuban refugees for an invasion of Cuba, which a year later, at the beginning of John Kennedy's administration, ended in complete failure at the Bay of Pigs. Had a congressional intelligence committee existed at that time, or had congressional leaders been at all consulted in advance one suspects that cautionary warnings would have been raised that could have saved the administration from international embarrassment.

By the end of Eisenhower's second term a sense of congressional disenchantment with the administration's foreign policies had developed. In 1959, Senator Hubert Humphrey was complaining that "the slogan of 'bipartisanship' has too often been invoked to muzzle criticism of administration mistakes." One study by the Foreign Relations Committee noted that: "As the President's second term ran out, public debate, in its preoccupation with the U-2 incident and missile-gap controversy, had begun to show some signs of the development of the kind of 'credibility gap' that had plagued President Truman in his last years."

Mr. President, I began my remarks today with Dr. Francis Wilcox's ingredients for an ideal bipartisan arrangement on foreign policy. In brief these were: (1) Congress and the presidency should be controlled by opposite parties; (2) there should be national consensus on foreign policy; (3) leadership on Capitol Hill that commands respect in both Congress and the executive branch and that is willing to deemphasize politics; and (4) a presidency that is willing to recognize Congress' constitutional role in foreign policy and to consult with it frequently on important international matters. To a remarkable degree, these conditions existed during the 1950's while Dwight

Eisenhower was President and Lyndon Johnson was Senate majority leader—and that is a credit to both of those men. And yet, despite the national consensus, despite the inherent congressional support for presidential leadership in foreign policy, despite the president's good intentions of opening communications links with Congress, the bipartisanship of the Eisenhower years did not produce entirely satisfactory results. As one Foreign Relations Committee study concluded: "On balance/there was/little to indicate that Congress had become anything like an equal partner in the making of foreign policy or given access to the inner councils. Good intentions, it would seem on the basis of this evidence, were not enough in themselves to lower the barriers to an open executive-legislative relationship."[21]

Mr. President, I ask unanimous consent to have printed in the RECORD, footnotes, to "Senate and Bipartisan Foreign Policy."

There being no objection, the footnotes were ordered to be printed in the RECORD, as follows:

FOOTNOTES TO "SENATE AND BIPARTISAN FOREIGN POLICY"

[1] *Francis O. Wilcox, Chief of Staff, Senate Foreign Relations Committee, 1947-1955* (Oral History Interviews, 1984, Senate Historical Office), 205-6.

[2] Arthur M. Schlesinger, Jr., *The Imperial Presidency* (New York, 1974), 163.

[3] William B. Pickett, "The Eisenhower Solarium Notes," *The Society for Historians of American Foreign Relations Newsletter*, XVI (June 1985), 1-10.

[4] Duane A. Tananbaum, "Bricker Amendment Controversy," *Diplomatic History*, IX (Winter 1985), 73-83.

[5] Stephen A. Ambrose, Eisenhower, *The President* (New York, 1984), 68-70, 154-6.

[6] *Francis O. Wilcox, Chief of Staff, Senate Foreign Relations Committee*, Senate Historical Office Oral History Interviews, 1984, 132-3; *Pat M. Holt, Chief of Staff, Foreign Relations Committee*, Senate Historical Office Oral History Interviews, 1980, 102-4.

[7] Tananbaum, "Bricker Amendment Controversy," 74-93.

[8] U.S. Congress, Senate, Committee on Foreign Relations, *The U.S. Government and the Vietnam War: Executive and Legislative Roles and Relationships, Part I, 1945-1961*, Senate Print 98-185, 98th Cong., 2nd sess. (Washington, 1984), 120.

[9] Ibid., 129-63.

[10] Chalmers Roberts, "The Day We Didn't Go to War," *Washington Post*, June 7, 1954.

[11] *The U.S. Government and the Vietnam War*, 163-227; Stanley Karnow, *Vietnam, a History*, (New York, 1983), 197.

[12] U.S. Congress, Senate, Committee on Foreign Relations, *Congress, Information and Foreign Affairs*, Committee Print, 95th Cong., 2nd sess. (Washington, 1978), 29-30.

[13] U.S. Congress, Senate, Committee on Foreign Relations, *Executive Sessions of the Senate Foreign Relations Committee (Historical Series), Volume VII, Eighty-Fourth Congress, First Session, 1955* (Washington, 1978), 65.

[14] Ibid., 87, 104.

[15] Schlesinger, *The Imperial President*, 159-60.

[16] U.S. Congress, Senate, Committee on Foreign Relations, *Executive Sessions of the Senate Foreign Relations Committee Together with Joint Sessions with the Senate Armed Services Committee (Historical Series), Volume IX, Eighty-Fifth Congress, First Session, 1957* (Washington, 1979), 20.

[17] Ibid., 1, 245-6, 267.

[18] Ibid., 297.

[19] Ibid., 310.

[20] Schlesinger, *The Imperial Presidency*, 162.

[21] Committee on Foreign Relations, *Congress, Information and Foreign Affairs*, 38-40.

Mr. BYRD. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER (Mr. GORTON). The clerk will call the roll.

The legislative clerk proceeded to call the roll.

□ 1750

Mr. DOLE. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

SENATE AGENDA

Mr. DOLE. Mr. President, let me indicate to my colleagues on both sides through their officer that we do hope to complete action on the budget resolution this week. As I understand, when we start tomorrow at 10:30 there will be 20 hours remaining. I am also advised the distinguished chairman of the committee, Senator DOMENICI, will not be able to go late on Wednesday evening. He has a longstanding commitment. I would guess we would probably go quite late tomorrow night and probably very late on Thursday night, with a good chance of some action on Friday.

So I would indicate to my colleagues that I am not in a position to indicate what the schedule will be on this coming Friday. I would plan on being in session if I were anyone who might be listening.

Mr. President, I would also hope that before we make a decision on whether to extend the Memorial Day recess for 2 days on the 29th and 30th of May, Thursday and Friday of that week, that we can reach some agreement that we can take care of the following matters:

The House message to accompany S. 49, the gun bill; S. 2295, the military reorganization bill; trade legislation, to be more clearly defined by Senators DANFORTH and METZENBAUM; general supplemental appropriations bill, if available; S. 2231, the Federal Deposit Insurance Act; S. 2180, the daylight savings time vehicle; S. 41, the Malt Beverage Act; S. 1848, drug export bill; a Senate concurrent resolution with respect to farm credit offered by 53 Senators, and discharge and pass S. 2339, dealing with the schooling of the two children of the deceased F-111 pilots killed in the strike on Libya.

□ 1740

I am not certain that is the total list, Mr. President, but I have asked my staff to prepare a list. We hope to give what I have by the close of business to the distinguished minority leader. If there are any items to be added, I can do that tomorrow.

ORDERS FOR TUESDAY

RECESS UNTIL 9:30 A.M.

Mr. DOLE. Mr. President, I ask unanimous consent that when the Senate completes its business today, it stand in recess until the hour of 9:30 a.m. on Tuesday, April 29, 1986.

The PRESIDING OFFICER. Without objection, it is so ordered.

RECOGNITION OF CERTAIN SENATORS

Mr. DOLE. Mr. President, I ask unanimous consent that, following the recognition of the two leaders under the standing order, there be special orders for the following Senators for not to exceed 5 minutes each—Senators HAWKINS, CRANSTON, WALLOP, and PROXMIRE.

The PRESIDING OFFICER. Without objection, it is so ordered.

PERIOD FOR TRANSACTION OF ROUTINE MORNING BUSINESS

Mr. DOLE. I ask unanimous consent that, following the special orders just identified, there be a period for the transaction of routine morning business not to extend beyond the hour of 10:30 a.m. with Senators permitted to speak therein for not more than 5 minutes each.

The PRESIDING OFFICER. Without objection, it is so ordered.

PROGRAM

Mr. DOLE. Mr. President, at 10:30 a.m., by a previous unanimous-consent agreement, the Senate will resume consideration of the DECONCINI amendment No. 1803 to the budget resolution under the following time agreement:

That 5 minutes under the control of Senator RUDMAN; 5 minutes under the control of Senator DOMENICI; 20 minutes under the control of Senator DECONCINI.

No amendments are in order to the DeConcini amendment, and following the conclusion or yielding back of time, the Senate will proceed to vote in relation to amendment No. 1803. Therefore, a rollcall could occur as early at 11 a.m., on Tuesday.

Following the vote on the DeConcini amendment, the Senate will proceed to the consideration of the Melcher amendment under the following time agreement: 30 minutes on the amendment to be equally divided between the Senator from New Mexico [Mr. DOMENICI] and the Senator from Montana [Mr. MELCHER].

No amendments are in order to the Melcher amendment, and following the conclusion or yielding back of time, a vote will occur in relation to that amendment.

ORDER FOR RECESS FROM 12 NOON UNTIL 2 P.M. TOMORROW

Mr. President, I ask unanimous consent that the Senate stand in recess tomorrow between the hours of 12

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noon and 2 p.m. in order for the weekly party caucuses to meet. This could be extended briefly if we run over on a vote on the Melcher amendment.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. DOLE. At 2 p.m., the Senate will resume consideration of Senate Concurrent Resolution 120, the budget resolution.

RECESS UNTIL TUESDAY, APRIL 29, 1986 AT 9:30 A.M.

Mr. DOLE. Mr. President, there being no further business to come before the Senate, I move in accordance with the previous order, that the Senate stand in recess until 9:30 a.m. on Tuesday, April 29, 1986.

The motion was agreed to and, at 5:42 p.m., the Senate recessed until Tuesday, April 29, 1986, at 9:30 a.m.

NOMINATIONS

Executive nominations received by the Secretary of the Senate April 25, 1986, under authority of the order of the Senate of January 3, 1985:

In the Army

The following-named Army National Guard of the United States officers for promotion in the Reserve of the Army of the United States, under the provisions of title 10, United States Code, section 3385:

ARMY PROMOTION LIST

To be colonel

Biondi, Philip J., 048-26-8448
Campbell, James F., Jr., 267-44-2434
Dampler, William E., 263-62-1599
Everett, Leslie T., Jr., 241-64-2836
Kaigle, Gerald N., 009-20-8702
King, William O., 243-46-7044
Mabey, Robert D., 528-56-1503
McNamara, Michael P., 374-34-9265
O'Hare, Joseph L., Jr., 027-26-4279
Prendergast, John E., 516-44-6544
Reed, James F., III, 022-30-0834
Stiefvater, Dennis B., 505-38-6641
Szczygiel, David P., 066-32-4075
Williamson, Ronald F., 504-46-3536

MEDICAL CORPS

To be colonel

Buckman, James F., 534-38-3038
Orso, Ronald W., 421-58-0106

ARMY PROMOTION LIST

To be lieutenant colonel

Andres, Charles W., 475-50-6287
Bell, Phillip R., 254-54-3460
Bierhaus, Paul O., 359-34-0804
Broderick, Robert A., 575-38-8210
Brooks, Alan W., 034-32-7291
Downey, Ronald O., 173-38-6193
Ferrari, Mark E., 089-38-8387
Ferreira, Joseph L., 077-38-6311
Gregory, James K., Jr., 229-54-0260
Hagle, Diana C., 509-44-0339
Ham, David R., 222-28-0604
Hockensmith, James R., 210-28-9582
Jackson, Stephen R., 521-62-6586
Johnston, Donald W., 504-48-8196
Kerwood, Ronald K., 377-38-0429
Knauer, Richard J., Jr., 220-42-8612
Kovacs, Alex D., Jr., 289-38-6831
Leahigh, James F., 579-58-1182
Lee, James E., 509-36-7673
Lee, Percy H., Jr., 423-54-3786
Marler, Danny G., 445-48-8821
McElwee, Williams A., 022-34-0294
McGee, Joseph M., 419-54-8710
Rahkola, William A.R., 475-46-5893
Richburg, Billy J., 417-56-1582
Richcreek, Larry L., 271-46-1231
Roberts, Harry L., 450-72-3189
Rogers, William J., 441-42-5724
Sanfason, David B., 010-34-3359
Siler, Lawrence E., 096-32-8064
Steele, Willie W., Jr., 425-88-3808
Stevens, John E., 203-36-5894
Taylor, Edwin V., Jr., 417-58-1044
Tooles, John F., 505-60-6818
Truax, Dwayne S., 009-32-2709
Watkins, Roger E., 419-56-2310
Whiles, Michael P., 533-42-2570
Wood, Ernest E., 578-58-9193

CHAPLAIN

To be lieutenant colonel

Ade, Emmett M., II, 316-46-8710
Staehling, Gerald M., 391-38-2469

ARMY NURSE CORPS

To be lieutenant colonel

Carroll, Frances M., 501-26-5577
Massey, Jean A., 416-72-7824
McAllister, Kathryn, B, 528-40-5304
Schulte, William E., 146-36-8968
Thompson, Carol E., 256-74-8149

MEDICAL CORPS

To be lietuenant colonel

Bobo, Edgar E., 426-62-5392

MEDICAL SERVICE CORPS

To be lieutenant colonel

Boremski, Ronald J., 053-34-8867
Johnson, Wesley L., 440-42-9137
Jones, Autrey D., 427-78-0816
Majerus, Thomas C., 468-56-3876
Moore, Thomas M., 313-48-1831

The following-named Army National Guard of the United States officers for appointment in the Reserve of the Army of the United States, under the provisions of title 10, United States Code, sections 593 and 3353:

MEDICAL CORPS

To be lieutenant colonel

Smith, Claude K., 438-30-6999

In the Marine Corps

Capt. Timothy W. Foley, U.S. Marine Corps, for appointment to the grade of major, under the provisions of title 10, United States Code, section 6222.

In the Marine Corps

The following-named Marine Corps Enlisted Commissioning Education Program graduate for permanent appointment to the grade of second lieutenant in the U.S. Marine Corps, pursuant to title 10, United States Code, section 531:

Joseph P. Davis, 1811

The following-named Naval Reserve Officers Training Corps graduate for permanent appointment to the grade of second lieutenant in the U.S. Marine Corps, pursuant to title 10, United States Code, sections 531 and 2107:

Walter O. McClenney, 1364

Executive nominations received by the Senate April 28, 1986:

National Foundation on the Arts and the Humanities

Lynne Vincent Cheney, of Wyoming, to be chairperson of the National Endowment for the Humanities for a term of 4 years, vice William J. Bennett.

EXTENSIONS OF REMARKS

IMPROPER ASBESTOS DISPOSAL IS A POTENTIALLY DEADLY PROBLEM

HON. JAMES J. FLORIO

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Monday, April 28, 1986

Mr. FLORIO. Mr. Speaker, for the second time in recent weeks deadly asbestos debris has been discovered in an abandoned building in Camden, NJ. Asbestos is a known carcinogen which can cause lung cancer, mesothelioma or asbestosis when airborne fibers of the mineral are inhaled. Exposure to airborne asbestos fibers is particularly dangerous for children since they breathe five times faster than adults.

In the first Camden incident, plastic bags stuffed with asbestos debris were found in the basement of an abandoned house. Fortunately, the bags were not damaged, but if children playing in the house had come across these bags and ripped them open, the results could have been deadly. The second Camden incident is even more dangerous. Several lengthy pieces of asbestos-containing material were dumped unwrapped in an abandoned building. It seems likely the people wandering through the building were exposed to airborne fibers if they passed in the vicinity of the materials.

Currently, contractors who perform asbestos abatement work do not have to be accredited. The Environmental Protection Agency [EPA] has decided against promulgating regulations that would establish a contractor accreditation program and prescribe proper disposal of asbestos debris. The results of this Federal inaction are frightening. EPA estimates that 75 percent of all school asbestos cleanup work has been done improperly because without Federal regulations guiding cleanup work, this difficult, dangerous activity is often left to disreputable contractors who deliberately skip safety precautions or use slipshod methods. Improper abatement work is worse that no cleanup work at all because more hazardous fibers are released into the air than if the asbestos had not been treated.

Furthermore, these disreputable contractors are likely incorrectly disposing of asbestos debris in order to save money. The Camden incidents, and other countless unknown disposal problems are the unfortunate result. Congress must act now to end this problem.

Senator STAFFORD and I have introduced legislation that would force contractors who do school cleanup work to be fully trained and accredited and would require the proper disposal of asbestos debris. The Asbestos Hazard Emergency Response Act of 1966 (H.R. 4311) also establishes a roadmap showing school officials how to properly inspect for hazardous asbestos and how they should clean it up once it is found. Following the establishment of standards, schools will be required to inspect where they have not done so already and prepare and implement cleanup plans for any hazardous asbestos found in buildings.

Proper cleanup only alleviates part of the problem. Asbestos must also be disposed of correctly so situations like the one in Camden can be avoided. We must act now to end this national problem.

I urge my colleagues to cosponsor this legislation and commend an article from the Courier-Post detailing this example of improper asbestos dumping in Camden.

Asbestos Found in Abandoned City Property

CAMDEN.—Potentially dangerous asbestos has been found in another city-owned, abandoned property.

It was the second time in a month that police and city officials have had to deal with the expensive problem of removing the material left there illegally.

The latest discovery was reported at 1039 Diamond St., near Haddon Avenue and Mount Vernon Street, yesterday afternoon by a neighbor who complained to the mayor's office.

The neighbor, Daniel Torres, said he noticed the material in the two-story row house about two weeks ago. There are at least four pieces of material about 4 or 5 feet in length with approximate diameter of 12 inches.

Walter Richardson, the public works director, speculated that the material had been used to wrap high pressure steam lines. He said he would ask business administrator Richard Cummings to declare an emergency and allow the city to hire a contractor to remove the material, hopefully sometime today.

Richardson said he did not know how much the job would cost and his aides could not immediately determine the cost of a similar emergency removal last month.

That asbestos was found in six specially marked bags in a building at 430 Chestnut St., approximately two miles from the Diamond Street building. Concerned neighbors asked the city to demolish the building and it was torn down.

Richardson said he does not know whether it will be necessary to demolish the fire-damaged and stripped Diamond Street building immediately. The building had been boarded up, but some of the boards have been removed.

The Chestnut Street asbestos also prompted an investigation by Detective Richard Arensberg that resulted in illegal dumping charges now pending against three men. Arensberg said yesterday he has begun an investigation of the Diamond Street complaint.

AN EDITORIAL VIEWPOINT

HON. DOUG BEREUTER

OF NEBRASKA

IN THE HOUSE OF REPRESENTATIVES

Monday, April 28, 1986

Mr. BEREUTER. Mr. Speaker, the American people have run out of patience with the murderous terrorism of Libya's Colonel Qadhafi. As a recent eiditorial in the York News-Times makes clear, we have tried diplomacy, economic sanctions, and warnings, all to no avail. We then resorted to the only option left to us, military force. Let us hope, as the News-Times does, that this time we got Qadhafi's attention.

The editorial follows:

[From the York (NE) News-Times, Apr. 15, 1986]

Reason Fails With Khadafy, Bombs May Get His Attention

While not all Americans are going to jump for joy about the United States' air strikes against Libya Monday evening, alternatives to that action apparently have been exhausted. It seems obvious that dealing with those who operate outside the realm of civilized activities requires somewhat different procedures than when sane and civilized persons are negotiating.

At a meeting in Lincoln last weekend, a colleague commented that it was ridiculous to bring the full force of the United States as a premiere power in the world against a small and essentially weak nation like Libya. However, that thinking is a bit simplistic since aggression such as the indiscriminate slaughter effectuated by Khadafy cannot be solved by communications between rational persons. Idiots like Khadafy delight in kicking someone in the shins when there is no possibility of reprisal.

I hate war. I hate aggressive action such as that initiated Monday night, because I know in the long run we are going to lose some good, young servicemen through the mad-dog actions of a weird Arab. But we must compare against it the fact that Khadafy is so insane as to instigate actions to kill those Americans who are especially dangerous to him—elderly men, women and young children tourists.

The United States, at least, has the common decency to attack military or paramilitary targets rather than wholesale bombing or rocket attacks on civilian populations. Additionally, there was, if everyone is telling the truth, "direct, precise and irrefutable" evidence that Khadafy planned and carried out the terrorist attack in the West Berlin night club about 10 days ago. This, at least, justified the air strikes against terrorist facilities.

Is it possible to deal with Khadafy? We've tried diplomacy, economic sanctions, warnings, etc. He has found, apparently blissfully ignorant of the fact, that America, despite indications to the contrary, will not sit still forever, that no longer will we deal with him as a little boy kicking a grownup in the

● This "bullet" symbol identifies statements or insertions which are not spoken by a Member of the Senate on the floor.
Matter set in this typeface indicates words inserted or appended, rather than spoken, by a Member of the House on the floor.

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shins, but as someone who should be held responsible for his irrational and idiotic behavior. * * *

Khadafy's indiscriminate slaughter is inexcusable as a civilized act among humans. He is, without question, a different kind of individual and outside the realm of civilized personnel. Whether he is capable of understanding what has happened is not known. One can only hope, as pointed out above, that the hit on the head with a two-by-four has gotten his attention. I do not like the American reaction to Khadafy's terrorism, but I cannot see any other solution.

What was done was the least palatable solution; but any other action has already been tried and failed. Let's hope this one works.

WINNING SPEECH

HON. JOSEPH J. DioGUARDI

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Monday, April 28, 1986

Mr. DIOGUARDI. Mr. Speaker, I would like to include in the RECORD for my colleagues' review, the winning speech from the American Legion New York State 49th Annual Oratorical Contest. The contest, which took place in New Rochelle, NY, was won by Kedra Small of City Honors High in Buffalo. Congratulations to Kedra for her winning speech which follows:

THE CONSTITUTION: FOUNDATION OF A NATION

(By Kedra Small)

Every country has its foundation, but just as a house cannot stand for long without a good foundation, neither can a nation. America has endured for over two centuries because its foundation is a unique covenant, the United States Constitution.

As citizens of this great country we cannot help but appreciate the difficult task of our Founding Fathers who wrote such an extraordinary document which contains the Preamble, seven Articles and to this date 26 amendments.

On May 25, 1787, our Founding Fathers gathered in Philadelphia. There were great fears in our country at that time. We had fought hard and won independence from England, and we were facing chaos in our union under the weak document known as the Articles of Confederation. The men who gathered together knew that specific principles had to be established which would unite our country and most importantly provide for the rights of the people.

Our Founding Fathers were wise men, George Washington and James Madison from the State of Virginia, Alexander Hamilton from New York, and Benjamin Franklin from Pennsylvania, to name just a few.

It was recorded that George Washington said, "Let us raise a standard to which the wise and honest can repair! The event is in the hands of God." After these words, the framers of our Constitution began to debate and decide. Word by word, they fashioned the foundation and the framework, so unique, so new that it was like building a steel high-rise in the age of wood and stone, better able to endure the ravages of the winds of history. In this foundation and framework were the principles which provide for our national stability and personal security.

The checks and balance system, the first great wall of the foundation, insures the separation of powers. This great principle insures that America has a Federal Government. It is the principle that pertains to our three branches.

The Executive Branch holds the highest office in our country, the President who executes our laws and has the power of the veto.

The Legislative Branch consists of Congress, with both the House of Representatives and the Senate. This is where the laws of the land are made. The Congressional Members of both Houses are elected directly by the people and have the power to enact new Legislation with the power to overrule a veto by the President.

The Judicial Branch is our Supreme Court, with its nine Justices who interpret our laws and whose rulings over often controversial issues constitute the supreme law of the land.

The second wall in our foundation, the second principle is the Constitution's dual form of government. This enables our National and State Governments to function separately and also collaborating as one.

The third great wall of our foundation is the third principle. It is very important because it stresses another great right given in the Constitution. It is the principle of having a government by representation and it goes hand in hand with our right to vote. Whether it is by the people directly or indirectly, our elected officials are in office to serve our needs.

And finally, but not the least important is the fourth wall, the amending process. The framers of the Constitution were able to see into the future and recognize that the needs of the Nation would change in order for it to grow and prosper.

Separation of powers, dual form of government, representation of the people, and the amending process are the four principles, the four great walls which form the foundation and give stability to our nation. "This strong document, unique in all of history, has held our country and its citizens together through all the struggles that we have triumphed over: a great Civil War which nearly tore our Nation apart, the assassinations of three Presidents, two world wars and a great world-wide economic depression." [1]

In 1787, our Founding Fathers wrote: "We the people of the United States, in order to form a more perfect union, establish justice, insure domestic tranquility, provide for the common defense, promote the general welfare, and secure the blessings of liberty, to ourselves and our posterity do ordain and establish this Constitution for the United States of America.

Ladies and gentlemen, this covenant will not remain strong without the knowledge and support of every American.

We must realize, as Thomas Paine wrote: "Those who expect to reap the blessings of freedom must undergo the fatigue of supporting it." The rights accorded us in this document will not continue to benefit us and future generations unless we take responsibility and become involved in the decisions of our lawmakers.

But how do we assume these responsibilities?

Vote! We must vote and become actively involved in the political process.

Write! We must write to our elected officials in Congress.

Call! We must call our local political leaders, the mayor, our councilmen, and our county legislators.

We must keep informed about the issues and make sure that our legislators at every level, hear our voices. We must speak out against injustice, for in every age there are those who lust for power and attempt to undermine our freedom, bit by bit, piece by piece.

Sir Thomas Moore stated: "All that is necessary for the forces of evil to win in the world is for good men to stand by and do nothing."

But I say to you that all that is necessary for America to lose its freedom is for good men and women to stand by and do nothing.

The United States of America, with all its freedoms and benefits can only survive on the strength and support of the people, because, ladies and gentlemen, the Constitution survives through us.

As citizens of the United States, it is not only our duty to be aware of the principles in this document but to utilize them fully. We should no longer sit back and take for granted the Freedom of Religion, Freedom of Press, Freedom of Speech, the Right to Assembly and the Right to Petition, which are guaranteed to us in the Bill of Rights.

This document is a safeguard from the oppression of the tyrant. For there are always those in every age who lust for power. Our Constitution protects us from these would be tyrants.

From all the movements of the past, we have but a small task which is to keep this covenant strong, and above all know and understand the full meaning of what its words mean. Yes, ladies and gentlemen, to appreciate and to understand the meaning of these words is the duty of every American citizen.

At the close of the Constitutional Convention, on the backrest of the chair in which George Washington was seated, unknown to those in the room was a painting which depicted a Sun. As the long meeting came to close, the men made preparations to leave. Upon noticing the painting which was protrayed on the back of the chair, a lively discussion broke out as to whether the painting was a rising Sun or a setting Sun, until Benjamin Franklin concluded: "Now we know what it is. It is a rising Sun."

Let us, as citizens of this country, always remember this time in 1787, when a new Nation was born.

Let us have a never ending appreciation in this covenant with its separation of powers, dual form of government, representation of the people and the amending process.

May the Constitution always shine its light of stability and assurance on this country, because, ladies and gentleman, it is a rising Sun.

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[1] Quote from Robin Wolfgang's American Legion Speech, 1984.

CONGRESSMAN GILMAN SUPPORTS BIPARTISAN ACID RAIN INITIATIVE

HON. BENJAMIN A. GILMAN

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Monday, April 28, 1986

Mr. GILMAN. Mr. Speaker, I rise in strong support of H.R. 4567, a promising bill that addresses an environmental problem in urgent need of Federal attention. Acid depositation, or, as it is commonly known, acid rain, is a primary concern to all who care about our environment, and has been a sore point in United States-Canadian relations. As a member of the 92 Group's Task Force on Acid Rain and an original cosponsor of this bill, I am pleased that the task force, in cooperation with the gentleman from California [Mr. WAXMAN], has been able to fashion legislation which significantly reduces the two pollutants most closely linked with acid rain; sulfur dioxide and nitrogen oxides. I am also heartened by the flexibility that this bill, the Acid Deposition Control Act of 1986, gives to the States to achieve these reductions. I wish to thank the gentleman from Minnesota [Mr. SIKORSKI], the gentleman from New Mexico [Mr. RICHARDSON], the gentlemen from Massachusetts [Mr. CONTE], and most especially my colleague from New York [Mr. BOEHLERT], who spearheaded the task force's efforts, for introducing this comprehensive, bipartisan measure. I also wish to commend the gentleman from Iowa [Mr. TAUKE], for the leadership he provided in bringing together a viable compromise on this issue.

My congressional district encompasses a large portion of the scenic Hudson River Valley. It is areas such as this which face incalculable damage from acid rain, and it is for areas such as this that the Federal Government must act expeditiously before irreversible damage occurs. Both the United States and Canada have stated, through endorsement of the Joint Report of the Special Envoys on Acid Rain, that "acidic emissions transported throughout the atmosphere undoubtedly are contributing to the acidification of sensitive areas in both [countries]. The potential for long-term socioeconomic costs are high." While per-year structural damage costs due to acid rain are difficult to quantify, estimates run into the billions. The damage done to aquatic ecosystem, forests, and the quality of life to all who enjoy the outdoors, is even more difficult to measure. What is clear, however, is that it is imperative that Congress act quickly to enact legislation to remedy this international problem.

Previous congressional attempts to address the acid rain problem have failed, in part, because they were tailored to specific geographical areas of the country and consequently did not garner national support. Each geographical area of the country contributes to, and is affected by, acid rain differently. Some States, such as my own, New York, have already adopted acid rain measures, while many others have not. Therefore, the most logical approach is to coordinate State action by establishing Federal emissions standards, allowing the States themselves to determine the best method to meet these standards. H.R. 4567 will reduce sulfur dioxide emissions by 10 million tons and nitrous oxides emissions by approximately 4 million tons by 1997, yet permits States and utilities to reduce their emissions without prohibitively high socioeconomic costs.

H.R. 4567 has several advantages over previous legislative initiatives. First, and most importantly given the need to trim Federal spending, the bill finances itself with a modest tax on electricity to be determined by the Administrator of the Environmental Protection Agency. The maximum cost to consumers from this tax is 50 cents on the typical monthly electric bill. The bill also sets two statewide emissions rate standards for sulfur dioxide, one to be met by 1993, the other to be met by 1997, which allows the States adequate time to comply with the standards in a manner best suited to them. The 1993 standard will further ensure that States act in a timely fashion to reduce their emissions rate of sulfur dioxide. In accordance with this legislation, coal-burning electric utilities will not bear the sole responsibility of reducing sulfur dioxide and nitrous oxides emissions to help curb acid rain. Mobile sources, industrial boilers, and smelters will also be called upon to reduce their emissions of these pollutants. Congress will also be evaluating the progress of emissions reductions, and will be afforded the opportunity to adopt correctional legislation following completion of the first phase in 1993.

I believe this bill represents negotiations in good faith by both sides of the aisle. The fact that 46 Republicans and 104 Democrats are original cosponsors of H.R. 4567 is indicative of the bipartisan nature of this issue and this legislation. We have studied the problems for years. The casual link between sulfur dioxide, nitrous oxides, and other pollutants to acid rain is definite, even if it is not fully understood. Congress must take the initiative on what is probably the most challenging environmental problem of this decade. As David Gardiner, the legislative director of the Sierra Club, stated in regard to this measure: "This is the right bill at the right time."

Accordingly, I request that a summary of this bill be inserted at this point in the RECORD, and commend it to my colleagues' immediate attention and urge their cosponsorship.

SUMMARY OF H.R. 4567, THE ACID DEPOSITION ACT OF 1986

The program would result in a 10 million ton reduction in sulfur dioxide emissions and a four million ton reduction in nitrogen oxide emissions from a 1980 base by 1997, through the following steps:

(1) State-developed strategies are required to reduce emissions. A two-phase program is mandated, giving states until 1993 to reduce sulfur emissions by five million tons from electric utilities, and until 1997 to reduce sulfur emissions by an additional five million tons from major stationary sources. States are given until 1997 to reduce nitrogen oxide emissions by about two million tons from electric utilities and industries boilers. Each state would have the flexibility to pursue any control strategy within each source category to achieve the required reductions. Failure of a state to submit an approvable plan would result in congressionally imposed emissions limitations. Western smelters would have to be in compliance with the Clean Air Act by 1988.

(2) A congressional mid-course correction is possible before second phase. The EPA is required to submit a study to Congress in 1993, to determine the reduction in acid rain achieved under phase I of the program, and the feasibility to meeting phase II requirements. If Congress fails to adjust the program by January 1994, phase II requirements go into effect.

(3) A Federal interest subsidy program will keep residential electric rates from increasing more than 10 percent. A Governor can receive Federal assistance if he decides to require the use of control technology to protect coal production while reducing sulfur emissions. A Federal trust fund is created by levying a fee on electricity generated not to exceed ½ mill per kilowatt-hour (about 25 to 50 cents per month on a typical electrical bill). The fund would be available to pay for interest on loans or bonds for control technology to maintain electric rates below a 10 percent increase.

(4) Tougher standards for new power plants. The new source performance standards would be tightened for nitrogen oxide emissions from new power plants. This tightening would reduce nitrogen oxide emissions by about one million tons by 1997.

(5) Tighter standards for new cars and trucks. Beginning in model year 1988, new trucks would have to meet tighter standards for nitrogen oxide emissions. The levels required for trucks would be comparable to those already achieved by new cars. Beginning in model year 1989, new cars would have to meet tighter standards for nitrogen oxide emissions. These standards would reduce nitrogen oxide emissions by about one million tons by 1997.

(6) Instructs the Secretary of State to negotiate emissions limitations with Mexico to ensure that its Nacazari smelter does not excessively pollute the southwestern United States.

THE JOINT BALTIC AMERICAN NATIONAL COMMITTEE'S 25TH ANNIVERSARY

HON. ROBERT H. MICHEL

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Monday, April 28, 1986

Mr. MICHEL. Mr. Speaker, on May 1, 1986, the Joint Baltic American National Committee (JBANC) will mark its 25th anniversary by awarding the Baltic Freedom Award to Members of Congress and other Government officials.

Among those to be honored will be our colleague, BILL CARNEY of New York, and Senators WILLIAM ARMSTRONG and DON RIEGLE.

Linas Kojelis, Special Assistant to the President, Office of Public Liaison; Mark Palmer, Deputy Assistant Secretary for European Affairs at the State Department, and the staff of the Commission on Security and Cooperation in Europe, will also be honored.

JBANC was established on April 27, 1961, by the three central national organizations of Baltic Americans—the Estonian American National Council, the American Latvian Association, and the Lithuanian American Council.

In its recent annual report, JBANC stated:

> Despite the occupation of Estonia, Latvia, and Lithuania by Soviet forces for over 45 years, the struggle for re-establishing freedom and independence of the Baltic republics continues. The Baltic people today continue to maintain their national identities in the face of cruel oppression and increased Soviet attempts to russify their countries. Baltic refugees and their descendants in the West are faced with an equally important fight to keep the Baltic issue alive in countries that frequently display indifference or ignorance to their plight and that of their countrymen.

As you know, the United States has never recognized and does not now recognize the incorporation—by force and violence and de-

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portations and assassinations and terror—of Estonia, Latvia, and Lithuania into the Soviet Union. This crime against humanity took place when the Communist Party controlling the Soviet Union joined with its treaty ally, Hitler's Nazi Party controlling Germany, in dividing Eastern Europe between them.

How often do you see this terrible story on television "docudramas"? How many times do you see the Soviet Embassy picketed by Americans of non-Baltic birth in a show of solidarity with the Baltic people? How often do we see articles in our news magazines about the plight of the Baltic people and of the terror they have endured? Rarely, if ever, in each case. Our collective memory suffers from "selective indignation" when it comes to crying out against human rights violations. There are some crimes—the violation of the Baltic States among them—that have gone down the memory hole. JBANC reminds us of the tragic fate of the Baltic people and in doing so, performs a service not only for the Baltic people, but for our national character.

During a recent debate, I said that we do not want to see Nicaragua, Costa Rica, and Honduras go the way of Estonia, Latvia, and Lithuania. I believe that the more we know about the facts of the forced incorporation of these proud nations into the Communist police state we call the Soviet Union, the more we understand the need to be of help in every effective way, to those fighting today to avoid a similar fate, all over the world.

HART HONORED FOR ESSAY

HON. JAMES J. FLORIO

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Monday, April 28, 1986

Mr. FLORIO. Mr. Speaker, I would like to bring to the attention of my colleagues the civic and scholarly achievement of an outstanding resident of New Jersey's First Congressional District, Michele Hart.

Michele was recently honored by the New Jersey Association of Conservation Districts for placing first in the 1985 conservation essay contest. Michele's essay is entitled, "Why We Need To Conserve Soil on Farmland," and represents the kind of intelligence, insight, and imagination which will lead our great Nation into the 21st century. For as much as development is important to the economic health of our country, I am certain that my colleagues would agree that agriculture is the heart of a strong, healthy America.

I am grateful to the New Jersey Association of Conservation Districts for sponsoring this contest and for promoting a greater awareness in New Jersey of the importance of soil conservation.

Mr. Speaker, I am sure our colleagues would be pleased to join with me, Michele's family and friends, and the entire community in paying tribute to her outstanding achievement.

Please allow me to share Michele's essay with the House of Representatives:

WHY WE NEED SOIL CONSERVATION ON FARMLANDS

Conserving soil on farmlands is very important, and there are many reasons why we need to do so. One such reason is that the probability of being able to start a farm on a piece of land which man has never interfered with is low. If a farmer could start work as nature does, he could doubtlessly maintain fertility and crop production at a high standard. But, because this is unlikely, man must learn to conserve his farmland soil to keep productivity high. After all, if a man dedicates his life to producing food for society, he dedicates his life to the soil which will work for him.

Farmland soil is continually plagued by soil erosion. Soil erosion may be so gradual that serious damage is done before the farmer is aware of what is happening. Each time a hard rain hits bare land, soil is torn loose and swept away. With each drop of rain that hits the earth there is an explosion sending wet soil in every direction. Not only is soil torn loose to be washed away but also available nutrients are dissolved and carried away. Because of soil, sheet, gully, wind, and water erosion, farmland is disappearing and conservation is the only method of regaining it. It must be realized that soil is a natural resource which can be exhausted. The belief of its indestructability is a common misconception that must be corrected.

In addition to protecting and improving the land, soil conservation yields many side benefits. It helps lower the cost of farm production. This increases farmers' profit and helps lower the cost of food and clothing to city dwellers. Soil conservation helps check drought damage in dry seasons and reduces flood crests in small and large streams in wet times. It reduces siltation of streams, reservoirs, and harbors, helping to insure a cleaner water supply for cities and towns, improves navigation, and provides a better habitat for fish and other wildlife. Conservation methods do away with the ugly scars of erosion and provide a more beautiful countryside in which to work and play.

PUTTING STOP TO TERRORISM

HON. DOUG BEREUTER

OF NEBRASKA

IN THE HOUSE OF REPRESENTATIVES

Monday, April 28, 1986

Mr. BEREUTER. Mr. Speaker, I believe the American people are united behind President Reagan in his decision on the use of military force against terrorist targets in Libya. A recent editorial in the Wayne Herald argues that since diplomacy, economic sanctions, and public condemnation had not worked, the President had to use a last resort, air strikes on Libyan terrorist bases. The editorial goes on to point out how terrorism can threaten all of us, even citizens in the heartland, far from the usual scene of terrorist actions. That is a valid point. Terrorism is a threat to all of us, to democracies, and to the American way of life. It must be countered effectively, as the Herald points out, "on a worldwide basis."

[From the Wayne (NE) Herald, Apr. 17, 1986]

PUTTING STOP TO TERRORISM

(By Chuck Hackenmiller)

What the United States military did on Monday, strike at Libyan targets, was a bold but necessary move in an effort to control the terrorism carried out at will by Moammar Khadafy and his followers.

In the past, Khadafy had been repeatedly warned of his regime's participation in terrorist activities popping up throughout the world.

He had responded with arrogance and spite—and with more terrorist acts.

Diplomacy didn't work with Khadafy. Neither did public condemnation of his regime's action or United States economic sanctions. One of several last resorts remained and that was for President Reagan to conduct air strikes on the Libyan terrorist bases.

The bombing at the La Belle discotheque in West Germany was, as "irrefutable" evidence points, executed under the direct orders of the Libyan regime. * * *

Ripples of the terrorist acts bring on the understandable concern of individuals who have children or relatives serving at terrorist-prone areas. It can extend close to home.

And that is why we must be concerned with controlling widespread terrorism on a worldwide basis.

REDFISH CONSERVATION AND MANAGEMENT ACT OF 1986

HON. JOHN B. BREAUX

OF LOUISIANA

IN THE HOUSE OF REPRESENTATIVES

Monday, April 28, 1986

Mr. BREAUX. Mr. Speaker, the legislation that I am introducing today may well be among my last as a member of this great House of Representatives, but it is certainly far from the least significant. In many respects this bill represents a manifestation of an increasingly recognized need to fundamentally reassess the system by which this Nation manages its marine fishery resources.

For years, as chairman of the Subcommittee on Fisheries and Wildlife Conservation and the Environment, I have vigorously encouraged and promoted the full development of the U.S. fishing industry. The resources of the sea offer our people superior recreation and a very healthy diet. Fisheries also provide a very significant potential for employment and economic activity. For example, the development of fisheries in, for example, my home State of Louisiana will be central to our efforts to effect a transition away from an oil and gas dependent economy and to restore economic stability.

But, as was always contemplated by those of us who have devoted much time to this area of law, fisheries development in the United States was intended to be held synonymous with wise resource utilization through the application of thoughtful and effective conservation and management regimes. I, and a number of distinguished Members of Congress, have made a substantial effort to develop and perfect the Fishery Conservation and Management Act and various international fishery agreements to which the United States is a party. Our objective has been to require that fishery utilization and development go hand in hand with resource conservation and management. Our goal has been to ensure that our living marine resources remain renewable for all generations to come.

With disturbing frequency, however, I have been witness to the failure of this system to

achieve our intended goals and objectives. Time and time again I have seen the Federal fishery managers confronted with a situation where its already too late, where the resource is overfished and damaged, and where all of our efforts are to restore rather than conserve and manage a fishery. Our great technology has now enabled us to develop fisheries at a "gold rush" pace; far exceeding the pace of the fishery management system we created. Because fishery resources and the fishing industry are so complex, so too is the conservation and management system we have developed. In order to consider and account for all that need be, this system requires a timeframe that, by definition, can no longer respond in a timely fashion to rapid fishery development. Federal fishery management has become crises management; a little too little, a little too late.

In the Gulf of Mexico, possibly the most familiar and popular of fishes is the redfish, also known as the red drum. I can say with no lack of experience that this is a premier gamefish and, as the world has now also discovered, a superior food fish. Ironically, these attributes also threaten to be the demise of this great resource.

Since the "cajun rage" has hit this Nation's finer restaurants, the demand for redfish has grown astronomically. Since 1980, the commercial harvest of redfish in the gulf has grown by nearly 400 percent, and that is acknowledged by the scientists to be a very conservative estimate. In order to satisfy the demands of the now enlightened American diner, gulf fishermen are forced to move further and further offshore in the gulf to find large quantities of these fish. Unfortunately, it is in these offshore waters, which are primarily under Federal jurisdiction, that the large breeding stock of redfish reside. It is this stock on which the reproductive capacity and the very future of this resource depend.

The redfish crisis is that, while these fish are under the jurisdiction and stewardship of the U.S. Government, absolutely no Federal conservation or management provisions exist for this species. Furthermore, our scientific understanding of this resource is so limited, we hardly know what to do about it. Fishermen, commercial and recreational alike, are now completely free to harvest this resource at will and our scientists cannot tell us with any certainty just how much damage is being done. Only the years of experience and intuition of these experts can tell us that no species can for long sustain the kind of fishing pressure now developing on the redfish in Federal waters. Some type of management provisions must be quickly applied, but none currently exist.

Under normal procedures, it could take 2 years for a Federal management plan to be developed and implemented. By then, there might not be enough redfish to worry about. The purpose of this legislation is to allow both our scientists and our Federal fishery conservation and management system to essentially "catch up" to the fishery development process before this resource is irreparably damaged. For once I'd like to see us put the conservation of the resource first. For once I'd like to see us manage a healthy fishery before a crisis develops, rather than see us struggle to restore a fishery that has already collapsed.

The provisions of this legislation are simple and are designed to phase in, through a three-step process, a full-scale Federal fishery management plan for redfish. The first step is to put a temporary halt to the harvest of redfish in Federal waters. The next step is to direct the Secretary of Commerce, through the National Marine Fisheries Service, to develop and implement emergency interim management regulations which apply to the waters under Federal jurisdiction. The legislation gives the Secretary 90 days from the date of enactment to promulgate such regulations and, upon that date, the initial moratorium will be replaced with such regulations.

The third step in the process is for the Gulf of Mexico Regional Fishery Management Council to develop and implement a Federal fishery management plan for redfish which will apply permanently. As I indicated earlier, this process can take 2 years and upon completion would replace the Secretary's interim emergency regulations. As such, I think the legislation provides a very fair and livable mechanism for protecting the redfish resource during the process of developing a sound Federal management regime in the Gulf of Mexico.

Another very important provision of this legislation is one that directs the Secretary of Commerce, again through the National Marine Fisheries Service, to immediately commence a 2-year scientific research program on redfish. Effective fishery management decisions are impossible without a high degree of understanding of the population dynamics and various behaviors of a fishery resource and so this provision is central to the overall objective of achieving a constructive Federal management regime for redfish.

Mr. Speaker, the process I have outlined deviates somewhat from the normal fishery management plan development process to which many have grown accustomed, and so will "rock the boat" of those more comfortable with precedent. But as I have explained, our precedents have not always worked. The "gold rush" is on for redfish, and without this legislation, the redfish is a deadfish by any other name.

SAVE THE COOPERATIVE EXTENSION SERVICE

HON. WILLIAM O. LIPINSKI

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Monday, April 28, 1986

Mr. LIPINSKI. Mr. Speaker, I rise today in support of maintaining a strong and vibrant Cooperative Extension Service. The extension has not only been instrumental in providing rural families with much-needed information on the technological and managerial aspects of farming, but has greatly enriched the lives of urban dwellers. Indeed, the majority of my own district is urban and has benefited from programs that fall under the extension's budget, especially the 4–H program. I realized that 4–H was popular in my district, but had no idea how popular. After hearing that the program would be subject to severe cuts under the President's budget or virtually eliminated through rewording of the Smith-Lever Act, over 1,000 of my constituents signed a petition to voice their disapproval.

According to one constituent who wrote to my office, there are 98 volunteer adult leaders for every paid staff person in the 4–H program in the city of Chicago. I agree with his conclusion that you would have to look hard and long for a more efficient use of American tax dollars. 4–H provides an opportunity for the youth of Chicago and of our Nation in general to develop into responsible and productive citizens. Youth are able to choose from a variety of activities, including such diverse areas as public speaking and urban gardening, which insure a rich atmosphere of interaction. Without a vital 4–H, many urban youth would have next to nothing in relation to alternative activities—something that could have serious consequences.

In this time of budgetary constraint and fiscal austerity, most understand that Federal spending will have to be curtailed in certain areas. With regard to funding of the extension, States have already begun to pay more of the cost of programs like 4–H. However, to cut Federal funding by nearly 60 percent as proposed by the administration, is both unfair and irresponsible. The extension makes up only seven-tenths of 1 percent of the USDA budget, has proved itself to be of invaluable service to farmers and others, and yet is being subjected to huge budget cuts. Our Nation cannot afford to lose the opportunity to invest in the future of American farmers and American youth.

SOVIET JEWRY

HON. TED WEISS

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Monday, April 28, 1986

Mr. WEISS. Mr. Speaker, I am proud to participate today in the "Congressional Call to Conscience Vigil for Soviet Jews," and I thank my colleague, TOM KINDNESS, for organizing this event.

The Soviet Union's 1.8 million Jews live under a regime that routinely interferes with the exercise of their religion and violates their human rights. Denied even those rights that are extended to other religions in the Soviet Union, Jews are permitted no Hebrew publications, no organization, and no regular ties with fellow Jews abroad. Their country contains fewer than 60 functioning synagogues, and not a single rabbinical school.

Among those now enduring the fate of the refuseniks are Sonia Furman and her daughter Asya. For 13 years, Sonia and Asya have been separated from their son and brother, Yakov, who in 1973 was among the lucky few allowed by the Soviet Government to emigrate. Their attempts to emigrate and join Yakov in Israel have now twice been denied.

Asya first applied for an exit visa in December 1978, and for 6 months heard nothing from the government. In the meantime, Asya's father wrote an article for a government newspaper called "Curse on Zionism Which Divid-

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ed My Family." In May 1979, she learned that her request had been denied on the grounds that she lacked her father's consent and on the basis of public opinion. Asya's parents had been divorced for years. Later Soviet officials acknowledged that the fact that Asya lacked her father's consent was not a valid basis for denying her emigration, but still she was not granted an exit visa.

Asya's troubles did not end there. In the same month that she was first refused emigration, Asya was fired from her job as a music teacher for the blind. It took several years before Asya was able to get a position as a cashier at a photo studio.

Both Sonia and Asya have since applied for emigration but have been denied. The only explanation the government offered for this decision was that there is "no reason for them to leave the Soviet Union."

Today, I call upon the Soviet Union to grant exit visas to Sonia and Asya Furman and allow them to reunite as a family with Yakov in Israel.

TRIBUTE TO BARBARA AMEDURI

HON. JAMES J. FLORIO

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Monday, April 28, 1986

Mr. FLORIO. Mr. Speaker, citizens of Camden County, NJ, were saddened recently by the tragic loss of Barbara Jones Ameduri in an automobile accident.

Ms. Ameduri moved from Orange County, CA, to Voorhees, NJ, 3 years ago. She quickly became active in civic affairs and political campaigns, serving as a Republican committeewoman for Camden County.

This accident occurred just before Ms. Ameduri was to move to Springfield, MO, with her husband, Dr. Clifford J. Ameduri, a physician at Our Lady of Lourde's Medical Center.

Mr. Speaker, we all have individuals in our districts who are dedicated to the political process and who work to better their communities. Barbara Ameduri was one such person, and her loss is greatly felt by her family and all who knew her.

The Courier-Post newspaper obituary follows:

Barbara Jones Ameduri, County Committeewoman

Voorhees.—Services for Barbara Jones Ameduri, a Republican Camden County committeewoman who died in an automobile accident Monday, will be private.

Mrs. Ameduri, 35, of the Sturbridge Lakes section of Voorhees, was active in local Republican politics.

A native of Buffalo, N.Y., she lived in California before moving to Voorhees in 1982.

A graduate of Criss College, she had an associate degree in computer programming and worked in the insurance field. She was attending Camden County College working toward a bachelor's degree in finance.

"She was relatively new to the county committee, but she seemed to be an outstanding woman," said George F. Geist, Camden County Republican chairman. "She was very dedicated to her community."

Mrs. Ameduri was interested in the preservation of wildlife and was a member of the American Museum of Natural History. She was an avid weight lifter and a world traveler, having visited India, the Soviet Union and many parts of Europe.

Surviving are her husband, Dr. Clifford J.; her mother, Flozell Jones of Florida; her father, Ulysses Jones of Buffalo; and her grandmother, Lee Stearman of Buffalo.

A Barbara Jones Ameduri Scholarship Fund has been established for the preservation and study of wildlife. Contributions may be sent in care of Ronald Capuccio, Esq., 212 Haddon Ave., Westmont, N.J. 08108.

NEBRASKA NEWSPAPER COMMENTS ON LIBYA ATTACK

HON. DOUG BEREUTER

OF NEBRASKA

IN THE HOUSE OF REPRESENTATIVES

Monday, April 28, 1986

Mr. BEREUTER. Mr. Speaker, the one word I hear more than any other in connection with the American bombing raid on Libya is "justified." That, apparently, is what most Americans believe. As a recent article in the Nebraska City News Press makes clear, the view is that it was time that someone stepped up and did something. The editorial for the News Press is convinced that appeasement is a futile course, and it argues that even if some lives are lost, we have no choice but to confront Qadhafi and others of his ilk.

I commend the article to my colleagues.

Recent Attack on Libya Was Justified

The United States' attack on Libya Monday night was justified, and it is my hope that should Mr. Khadafy continue his terroristic tactics, President Reagan will again order U.S. bombers into Libya.

There. I've come right out and said it, and you all probably think I'm some sort of bleeding heart, dyed-in-the-wool warmonger just itching to pull the trigger. Well, I'm not. I'm just a 23-year-old American who thinks it's about time that someone stepped up and did something about terrorism.

Most of the editorialists in the nation seem to feel that our bombing of Libya will prompt Khadafy to step up his terroristic tendencies, and there is no doubt in my mind that terrorism will increase in Europe and other countries.

But common sense tells me that if bombs are dropped on his home every time he kills someone, Khadafy will be less eager to blow up airplanes and harm innocent people.

The experts say that Khadafy envisions himself as a martyr to his cause, that by bombing his homeland the United States will just enhance his reputation and bring him closer to his dream.

But it doesn't take a student of modern history to know that once a maniacal leader is disposed of, his followers do not usually follow in his footsteps (i.e. Hitler, Mussolini, etc.).

The only thing that has distressed me about the whole situation is the fact that our "allies" have really come through with flying colors, although it is not totally unexpected. Naturally they have more reasons to be afraid of Khadafy because the European community is much more vulnerable to terrorism.

Great Britain and West Germany seem to be the only nations on our side. What about France? Well, that nation seem to have forgotten that without the United States, there would have been no stopping Adolf Hitler in World War II, and France would have never been liberated.

Other nations seem to owe us a similar debt, but they choose to denounce our efforts to end terrorism, and instead they remain neutral in hopes that Khadafy and his Middle East buddies will continue to ship them oil.

They hope to ignore and appease Khadafy, hoping that he will spare them his terror. It seems to me that the European community tried to appease Adolf Hitler once before in 1938, and we ended up with the extermination of 6 million Jews. In other words, if ignorance is bliss, France and the like ought to be in ecstasy.

As for the Soviet Union, it is quite logical that they denounce anything the United States does, forgetting that they've been violating Afghanistan for several years now.

In the long run, we will undoubtedly see terrorism increased around the world, and some lives will be lost in the struggle. But by choosing to confront Khadafy and the other terroristic madmen of the world, we are showing that at least one nation, the greatest nation on earth, is not going to sit around and let the few rule the many.

ARMED DRUG TRAFFICKING ACT

HON. CHARLES B. RANGEL

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Monday, April 28, 1986

Mr. RANGEL. Mr. Speaker, today I am introducing a bill entitled the "Armed Drug Trafficking Act," which would amend 19 U.S.C. section 924(c) to include narcotics offenses as crimes of violence under this statute. The effect of this amendment would be to impose an additional 5-year term on individuals who carry a firearm during the commission of a narcotics crime.

On November 26, 1985, the Circuit Court of Appeals in New York State reversed and vacated a sentence imposed by U.S. District Judge John F. Keenan on a drug dealer. In substance the decision held that the Federal violent crime statute providing for a minimum 5-year jail sentence for carrying firearms in the commission of a violent crime cannot be applied to narcotics offenders. If felonies involving the sale and distribution of narcotics are to be deemed crimes of violence for purposes of section 924(c), the court observed, Congress should amend the law.

Drug dealers are not tolerant of mistakes or excuses, many of them will kill to accomplish their objectives. They have no regard for human life, they are motivated by greed. Violence and intimidation are part of the daily stock in trade of professional narcotics traffickers. The abduction and murder of DEA Special Agent Enrique Camarena in Mexico last year, and the violence that has now become commonplace in South Florida and along the Southwest border attest that narcotics offenses are crimes of violence.

Mr. Speaker, Senator Alfonse D'Amato attempted to add this provision as an amendment to the continuing resolution bill last year; however, the amendment was dropped in conference. On December 4, 1985, he introduced S. 1894 to accomplish this objective. S. 1894 has been referred to the Senate Committee on the Judiciary, Subcommittee on Criminal Law, however, to date no hearings have been held on the bill. My bill is identical to S. 1894, and I am hopeful that the House Judiciary Committee will be able to act on it expeditiously.

I am pleased that Congressman Benjamin A. Gilman, the ranking minority member of the Select Committee on Narcotics Abuse and Control, has joined me in cosponsoring the "Armed Drug Trafficking Act." Our former colleague, Edward Koch, now the mayor of New York City, has taken an active interest in this issue and supports passage of this legislation.

TRIBUTE TO AMERICANS OF LATVIAN HERITAGE

HON. GUS YATRON

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Monday, April 28, 1986

Mr. YATRON. Mr. Speaker, I rise to pay tribute to the many Americans of Latvian heritage. Latvian Americans have contributed significantly to the richness and success of our society, deeply involved in civic, educational, charitable, and religious activities. They have also been one of the true defenders of freedom around the world, and have actively worked to promote the democratic principles and basic human rights which serve as the foundation of our own society.

It is one of the great tragedies of modern times that Latvians in the U.S.S.R. still suffer under the heavy hand of Soviet oppression. Denied basic human rights, with all manifestations of cultural identity ruthlessly suppressed, they have, nevertheless, valiantly and courageously maintained their traditions and heritage. They have not lost their thirst for freedom and they should serve as an inspiration to all of us. As chairman of the House Subcommittee on Human Rights and International Organizations, I have a deep respect for these people and their efforts to overcome the brutal and relentless Soviet tyranny. I have actively worked in support of the Latvian cause and will continue to do so until their freedom is achieved.

On May 2–4 this year, several hundred leaders of Latvian American organizations throughout the United States will gather in Washington, DC, to attend the 35th annual Congress of the American Latvian Association. This is a most noteworthy event, and I have submitted to the Congressional Record a copy of a press release from the ALA which provides details about the event as well as the Latvian people.

HONORING THE HOLLISWOOD SCHOOL OF QUEENS COUNTY, NY

HON. GARY L. ACKERMAN

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Monday, April 28, 1986

Mr. ACKERMAN. Mr. Speaker, I rise today to commend and congratulate the Holliswood School (P.S. 178) of Queens County, NY, on the occasion of its 35th anniversary, which will be celebrated the week of May 12, 1986.

Mr. Speaker, P.S. 178 is truly unique. From kindergarten through the sixth grade, it offers special programs that most other students cannot take until they reach high school. These youngsters can choose from a variety of subjects that range from Latin and Spanish to a music program for gifted children. All Holliswood students are instructed in art, gym, computer, and a special advanced science program. The school has been recognized citywide for excellence; both its science lab and its publications center have won special awards.

Mr. Speaker, in an age when too few schools can offer even the basics, P.S. 178 goes far beyond. It gives its students a look at the exciting worlds of science, physical fitness, and culture—without neglecting a firm grounding in the reading, writing, and math skills they will need to exploit those worlds. The true atmosphere of education that the faculty and administrators have encouraged at the Holliswood School is a gift that the young scholars will be able to savor through their years of schooling and on to adult life.

To celebrate the school's 35th anniversary, the faculty and parents, under the direction of the excellent principal, Carol Harris, have organized a week of education and fun for the students. The events will culminate with a symposium, on Wednesday, May 14, featuring a panel of community leaders, alumni, parents, and special guests from the media.

Mr. Speaker, we in Queens County, NY, are very proud of the Holliswood School because we are honored by its achievements. I call now on all of my colleagues in the House of Representatives to join with me in paying tribute to the Holliswood School, upon the momentous occasion of its 35th anniversary, and in extending the school, its students, faculty, administration and alumni our best wishes as it embarks on its next 35 years.

TRIBUTE TO LILLIAN KATZ

HON. JOSEPH J. DioGUARDI

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Monday, April 28, 1986

Mr. DioGUARDI. Mr. Speaker, I rise today to pay tribute to Lillian Katz, founder and chief executive officer of Lillian Vernon Corp., whose company will be celebrating its 35th anniversary this year.

Lillian Katz emigrated from Europe at the age of 10. In 1951, Mrs. Katz decided to supplement her husband's income by starting her own business at home. Despite being a female entrepreneur and being pregnant with her oldest son, she began the process of turning a $2,000 investment into a multimillion-dollar company. Soon after Lillian Vernon's founding, Mrs. Katz decided to utilize her creativity and began designing her own products for mail order sales, and her small company began to grow rapdily. In 1965, the Lillian Vernon Corp. began to manufacture products for other companies such as Revlon and Avon. In 1970, the company, under Mrs. Katz's helmsmanship, decided to devote its efforts toward growth. Since that time, the company has soared to incredible heights.

Even though the Lillian Vernon Corp. has grown to be a mail order giant, "they are still proud to call themselves a family firm." The benefits which employees receive range from employee health programs to gifts for the holiday season. There is even a CPR training program available to the members of the Lillian Vernon corporate family.

Not only is the company generous to the people within the corporation, but they also continue to extend their generosity into the communities of Westchester County, NY. Lillian Katz has made many donations, including: children's furniture for day care centers, a room in the Mount Vernon Hospital, and a nine-passenger van for the handicapped. Also, the company has participated in several blood drives, and they have founded a summer concert series, the "Run for Help" marathon, and a physical education program for the handicapped.

Mrs. Katz has made many contributions to Westchester County. She has created numerous jobs and has generously contributed to various charities. She has proven that being successful does not encompass making profits alone, but being an active part of the community as well. Lillian Katz is not just a businesswoman; she is a model citizen we can all be proud of.

SENATE COMMITTEE MEETINGS

Title IV of Senate Resolution 4, agreed to by the Senate on February 4, 1977, calls for establishment of a system for a computerized schedule of all meetings and hearings of Senate committees, subcommittees, joint committees, and committees of conference. This title requires all such committees to notify the Office of the Senate Daily Digest—designated by the Rules Committee—of the time, place, and purpose of the meetings, when scheduled, and any cancellations or changes in the meetings as they occur.

As an additional procedure along with the computerization of this information, the Office of the Senate Daily Digest will prepare this information for printing in the Extensions of Remarks section of the Congressional Record on Monday and Wednesday of each week.

Any changes in committee scheduling will be indicated by placement of an asterisk to the left of the name of the unit conducting such meetings.

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Meetings scheduled for Tuesday, April 29, 1986, may be found in the Daily Digest of today's Record.

Meetings Scheduled

APRIL 30

9:00 a.m.
Armed Services
To resume hearings on S. 2199, authorizing funds for fiscal year 1987 for the Department of Defense, focusing on Guard and Reserve.
SR-222

9:15 a.m.
*Commerce, Science, and Transportation
Business meeting, to consider the nomination of James C. Fletcher, of Virginia, to be Administrator of the National Aeronautics and Space Administration.
SR-253

9:30 a.m.
Appropriations
Commerce, Justice, State, the Judiciary, and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1987 for the Office of U.S. Trade Representative, and the Federal Communications Commission.
S-146, Capitol

Labor and Human Resources
To hold oversight hearings on the human resources impact of reentry of women into education and the labor force.
SD-430

Select on Intelligence
To resume closed hearings on proposed legislation authorizing funds for fiscal year 1987 for the intelligence community.
SH-219

10:00 a.m.
Agriculture, Nutrition, and Forestry
To resume hearings on S. 2346 and S. 2215, bills to authorize funds for the Federal Insecticide, Fungicide, and Rodenticide Act (FIFRA), establishing the standards by which the Environmental Protection Agency regulates the production and application of pesticide used for agricultural and other purposes.
SR-332

Appropriations
HUD-Independent Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1987 for the Department of Housing and Urban Development and certain independent agencies.
SD-124

Energy and Natural Resources
Business meeting, to consider pending calendar business.
SD-366

Foreign Relations
To hold hearings on S. 2015 and H.R. 4151, bills to provide for the security of United States diplomatic personnel, facilities, and operations.
SD-419

Governmental Affairs
Civil Service, Post Office, and General Services Subcommittee
To resume hearings on S. 1327, to establish higher minimum rates of basic pay in geographic areas where the Federal Government is experiencing significant recruitment and retention problems, S. 1727, to establish alternative personnel management systems for scientific and technical employees, and provisions of S. 2082, to improve the management of major defense acquisition programs, to establish a Defense Acquisition Service, and to limit employment contracts between senior officials of the Department of Defense and defense contractors.
SD-342

Judiciary
Security and Terrorism Subcommittee
To resume oversight hearings on certain activities of the Federal Bureau of Investigation, Department of Justice.
SD-226

1:30 p.m.
Appropriations
HUD-Independent Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1987 for the Department of Housing and Urban Development and certain independent agencies.
SD-124

2:00 p.m.
Agriculture, Nutrition, and Forestry
To continue hearings on S. 2346 and S. 2215, bills to authorize funds for the Federal Insecticide, Fungicide, and Rodenticide Act (FIFRA), establishing the standards by which the Environmental Protection Agency regulates the production and application of pesticide used for agricultural and other purposes.
SR-332

Appropriations
Agriculture, Rural Development and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1987 for the Food and Drug Administration of the Department of Health and Human Services, and the Commodity Futures Trading Commission.
SD-138

Armed Services
Preparedness Subcommittee
To resume open and closed hearings on S. 2199, authorizing funds for fiscal year 1987 for the Department of Defense, focusing on the National Strategic Stockpile; and to mark up S. 2102, to prescribe the method for determining the quantity and classification of any materials to be stockpiled under the Strategic and Critical Materials Stock Piling Revision Act (P.L. 96-41).
SR-222

Judiciary
To hold hearings on pending nominations.
SD-226

MAY 1

8:30 a.m.
Veterans' Affairs
To resume hearings in closed session on the reported sightings of live military personnel missing in action in Southeast Asia.
SH-219

9:30 a.m.
Appropriations
Labor, Health and Human Services, Education, and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1987 for the Departments of Labor, Health and Human Services, and Education, and certain related agencies.
SD-116

10:00 a.m.
Appropriations
Defense Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1987 for certain defense programs.
SD-192

Appropriations
Foreign Operations Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1987, focusing on environmental implications of Multilateral Development Bank lending policies.
SD-124

Appropriations
Interior and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1987 for territorial governments.
SD-138

Armed Services
Manpower and Personnel Subcommittee
To resume hearings on S. 2199, authorizing funds for fiscal year 1987 for the Department of Defense.
SR-232A

Energy and Natural Resources
Natural Resources Development and Production Subcommittee
To hold oversight hearings on the impact of coal and electricity imports on the domestic coal industry.
SD-366

Foreign Relations
Business meeting, to consider pending calendar business.
SD-419

Judiciary
Business meeting, to consider pending calendar business.
SD-226

10:30 a.m.
Banking, Housing, and Urban Affairs
To hold hearings on S. 571, proposed Drug Money Seizure Act.
SD-538

11:00 a.m.
Veterans' Affairs
To continue hearings on the reported sightings of live military personnel missing in action in Southeast Asia.
SR-418

2:00 p.m.
Appropriations
Interior and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1987 for territorial affairs, Department of the Interior.
SD-192

4:00 p.m.
Finance
To hold hearings on the nomination of Dorcas R. Hardy, of California, to be Commissioner of Social Security, Department of Health and Human Services.
SD-215

MAY 2

10:00 a.m.
Appropriations
Defense Subcommittee
To hold closed hearings to review proposed budget estimates for fiscal year 1987 for intelligence programs.
S-407, Capitol

MAY 5

1:30 p.m.
Finance
International Trade Subcommittee
To hold hearings on miscellaneous tariff bills.
SD-215

2:00 p.m.
Energy and Natural Resources
Energy Research and Development Subcommittee
To hold hearings to review the Department of Energy nuclear research and development program policy.
SD-366

MAY 6

9:30 a.m.
Appropriations
Labor, Health and Human Services, Education, and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1987 for the Departments of Labor, Health and Human Services, and Education, and certain related agencies.
SD-116

10:00 a.m.
Appropriations
Defense Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1987 for Air Force aircraft procurement programs.
SD-192

2:00 p.m.
Select on Intelligence
Closed business meeting, to mark up proposed legislation authorizing funds for fiscal year 1987 for the intelligence community.
SH-219

MAY 7

9:30 a.m.
Appropriations
Commerce, Justice, State, the Judiciary, and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1987 for the Supreme Court of the United States, U.S. District Courts/Courts of Appeals, and the Commission on the Bicentennial of the U.S. Constitution.
S-146, Capitol

Labor and Human Resources
To hold oversight hearings on medical malpractice.
SD-430

Select on Intelligence
Closed business meeting, to continue markup of proposed legislation authorizing funds for fiscal year 1987 for the intelligence community.
SH-219

10:00 a.m.
Appropriations
Transportation and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1987 for the Urban Mass Transportation Administration, Department of Transportation, and the Washington Metropolitan Area Transit Authority.
SD-138

Energy and Natural Resources
Business meeting, to consider pending calendar business.
SD-366

2:00 p.m.
Select on Indian Affairs
To hold hearings on S. 2260, to settle certain claims arising out of activities on the Pine Ridge Indian Reservation, and S. 2243, to improve the health status of Native Hawaiians.
SD-124

MAY 8

9:30 a.m.
Appropriations
Labor, Health and Human Services, Education, and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1987 for the Departments of Labor, Health and Human Services, and Education, and certain related agencies.
SD-116

Commerce, Science, and Transportation
Science, Technology, and Space Subcommittee
To resume hearings on proposed legislation authorizing funds for fiscal year 1987 for the National Aeronautics and Space Administration, focusing on the space transportation system.
SR-253

10:00 a.m.
Appropriations
Defense Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1987 for strategic systems.
SD-192

Appropriations
Transportation and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1987 for the Federal Aviation Administration, Department of Transportation.
SD-138

Environment and Public Works
Toxic Substances and Environmental Oversight Subcommittee
To hold oversight hearings on the government approval of the release of genetically-engineered organisms.
SD-406

2:00 p.m.
Appropriations
Interior and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1987 for the Holocaust Memorial Council and the Smithsonian Institution.
SD-192

Judiciary
To resume hearings on white collar crime in the United States, focusing on the E.F. Hutton investigation.
SD-226

MAY 9

9:30 a.m.
Finance
Health Subcommittee
To hold hearings to examine the condition of rural hospitals under the Medicare program
SD-215

MAY 13

9:00 a.m.
Office of Technology Assessment
The Board, to meet to consider pending business items.
EF-100, Capitol

9:30 a.m.
Appropriations
Labor, Health and Human Services, Education, and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1987 for the Departments of Labor, Health and Human Services, and Education, and certain related agencies.
SD-116

10:00 a.m.
Commerce, Science, and Transportation
Merchant Marine Subcommittee
To hold hearings on proposed legislation authorizing funds for the U.S. Coast Guard, and H.R. 1362, to revise, consolidate, and enact certain laws related to load lines and measurement of vessels as parts C and J of subtitle II of title 46, U.S. Code.
SR-253

Energy and Natural Resources
Business meeting, to consider pending calendar business.
SD-366

2:00 p.m.
Judiciary
Administrative Practice and Procedure Subcommittee
To hold hearings on S. 673, to establish a specialized corps of judges necessary for certain Federal proceedings required to be conducted, and S. 580, to ensure the independence of certain administrative law judges.
SD-226

MAY 14

9:30 a.m.
Appropriations
Labor, Health and Human Services, Education, and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1987 for the Health Resources and Services Administration, Department of Health and Human Services.
SD-116

Appropriations
Commerce, Justice, State, the Judiciary, and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1987 for the Legal Services Corporation, and the Securities and Exchange Commission.
S-146, Capitol

Labor and Human Resources
Business meeting, to consider pending calendar business.
SD-430

Select on Intelligence
To hold closed hearings on intelligence matters.
SH-219

10:00 a.m.
Appropriations
Transportation and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1987 for the Department of Transportation and certain related agencies.
SD-138

Environment and Public Works
To hold hearings on H.R. 2403, to require that public buildings constructed or altered under the Public Buildings Act shall be in compliance with nationally recognized building codes and State, and local zoning laws, and proposed legislation authorizing funds for

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fiscal year 1987 for public buildings program of the General Services Administration.

SD-406

Governmental Affairs

Energy, Nuclear Proliferation and Government Processes Subcommittee

To hold hearings on S. 525, to provide for the transfer to the Secretary of Health and Human Services the authority of the Secretary of Energy to conduct epidemiological studies of radiation effects.

SD-342

Governmental Affairs

Civil Service, Post Office, and General Services Subcommittee

To resume hearings on S. 1327, to establish higher minimum rates of basic pay in geographic areas where the Federal Government is experiencing significant recruitment and retention problems, S. 1727, to establish alternative personnel management systems for scientific and technical employees, and provisions of S. 2082, to improve the management of major defense acquisition programs, to establish a Defense Acquisition Service, and to limit employment contacts between senior officials of the Department of Defense and defense contractors.

SD-124

MAY 15

9:00 a.m.

Veterans' Affairs

To resume hearings on the reported sightings of live military personnel missing in action in Southeast Asia.

SD-628

9:30 a.m.

Appropriations

Labor, Health and Human Services, Education, and Related Agencies Subcommittee

To hold hearings on proposed budget estimates for fiscal year 1987 for the Departments of Labor, Health and Human Services, and Education, and certain related agencies.

SD-116

Environment and Public Works

Toxic Substances and Environmental Oversight Subcommittee

To hold hearings on S. 2083, to promulgate regulations for asbestos hazard abatement in the nation's schools, and S. 2300, to set standards for identification and abatement of hazardous asbestos in Federal and other buildings.

SD-406

Labor and Human Resources

Labor Subcommittee

To hold hearings on S. 2050, to notify workers who are at risk of occupational disease in order to establish a system for identifying and preventing illness and death of such workers.

SD-430

10:00 a.m.

Appropriations

Foreign Operations Subcommittee

To hold hearings on proposed budget estimates for fiscal year 1987 for the Department of State, focusing on voluntary contributions to international organizations programs, and for the Office of the U.S. Representative to the United Nations.

SD-124

Commerce, Science, and Transportation

Science, Technology, and Space Subcommittee

To hold hearings on proposed legislation authorizing funds for the National Science Foundation.

SR-253

Energy and Natural Resources

Natural Resources Development and Production Subcommittee

To hold oversight hearings on the prospects for exporting American coal.

SD-366

1:00 p.m.

Judiciary

Security and Terrorism Subcommittee

To resume hearings in closed session to examine legal mechanisms to combat terrorism.

S-407, Capitol

2:00 p.m.

Judiciary

Administrative Practice and Procedure Subcommittee

To hold hearings on the prosecution of Soviet Embassy demonstrators.

SD-226

2:30 p.m.

Appropriations

Interior and Related Agencies Subcommittee

To hold hearings on proposed budget estimates for fiscal year 1987 for fossil energy and clean coal technology.

SD-192

MAY 16

9:30 a.m.

Commerce, Science, and Transportation

To hold hearings on the nominations of Vice Admiral Paul A. Yost, Jr., to be Commandant, U.S. Coast Guard, with the grade of admiral, and Rear Admiral James C. Irwin, to be Vice Commandant, U.S. Coast Guard, with the grade of vice admiral.

SR-253

10:15 a.m.

Commerce, Science, and Transportation

Merchant Marine Subcommittee

To hold hearings on proposed legislation authorizing funds for the Maritime Administration, Department of Transportation, and proposed legislation authorizing funds for the Federal Maritime Commission.

SR-253

MAY 20

2:00 p.m.

Appropriations

Interior and Related Agencies Subcommittee

To hold hearings on proposed budget estimates for fiscal year 1987 for the Indian Health Service, Department of Health and Human Services.

SD-192

MAY 21

9:30 a.m.

Appropriations

Commerce, Justice, State, the Judiciary, and Related Agencies Subcommittee

To hold hearings on proposed budget estimates for fiscal year 1987 for the U.S. Information Agency, and the National Endowment for Democracy.

S-146, Capitol

Labor and Human Resources

To hold oversight hearings on strategies to reduce hunger in America.

SD-430

10:00 a.m.

Energy and Natural Resources

Business meeting, to consider pending calendar business.

SD-366

MAY 29

2:00 p.m.

Appropriations

Interior and Related Agencies Subcommittee

To hold hearings on proposed budget estimates for fiscal year 1987 for the Office of the Secretary and Office of the Solicitor, Department of the Interior.

SD-192

JUNE 3

10:00 a.m.

Energy and Natural Resources

To hold hearings on the implementation of the Public Utility Regulatory Policies Act (P.L. 95-617).

SD-366

Governmental Affairs

Energy, Nuclear Proliferation and Government Processes Subcommittee

To hold hearings on statistical policy for an aging America.

SD-342

JUNE 4

9:30 a.m.

Appropriations

Commerce, Justice, State, the Judiciary, and Related Agencies Subcommittee

To hold hearings on proposed budget estimates for fiscal year 1987 for the Departments of Commerce, Justice, and State, the Judiciary, and certain related agencies.

S-146, Capitol

Labor and Human Resources

To hold oversight hearings to review the imposition of user fees in FDA approval procedures for new drugs.

SD-430

10:00 a.m.

Commerce, Science, and Transportation

Merchant Marine Subcommittee

To hold hearings on S. 1935, to provide for certain vessels to be documented under the laws of the United States to entitle them to engage in domestic coastwise trade.

SR-253

Energy and Natural Resources

Business meeting, to consider pending calendar business.

SD-366

JUNE 11

9:30 a.m.

Labor and Human Resources

To hold hearings on pending nominations to the National Advisory Council on Women's Educational Programs.

SD-430

10:00 a.m.

Energy and Natural Resources

Business meeting, to consider pending calendar business.

SD-366

JUNE 12

10:00 a.m.

Labor and Human Resources

Education, Arts, and Humanities Subcommittee

To resume joint oversight hearings with the House Committee on Education and Labor's Subcommittee on Elementary, Secondary and Vocational Education on illiteracy in America.

2175 Rayburn Building

JUNE 17

9:30 a.m.

Energy and Natural Resources

Public Lands, Reserved Water and Resource Conservation Subcommittee

To hold hearings on S. 2055, to establish the Columbia Gorge National Scenic Area.

SD-366

Labor and Human Resources

To resume oversight hearings on medical malpractice.

SD-430

JUNE 18

9:30 a.m.

Labor and Human Resources

Business meeting, to consider pending calendar business.

SD-430

10:00 a.m.

Energy and Natural Resources

Business meeting, to consider pending calendar business.

SD-366

JUNE 25

9:30 a.m.

Labor and Human Resources

To hold hearings on the administration of the Mine Safety and Health Review Commission.

SD-430

10:00 a.m.

Energy and Natural Resources

Business meeting, to consider pending calendar business.

SD-366

JULY 16

9:30 a.m.

Labor and Human Resources

To hold hearings on measures to improve the health of children.

SD-430

JULY 17

9:30 a.m.

Finance

Social Security and Income Maintenance Programs Subcommittee

To hold joint hearings with the Committee on Labor and Human Resources' Subcommittee on Employment and Productivity on work and welfare issues.

SD-430

Labor and Human Resources

Employment and Productivity Subcommittee

To hold joint hearings with the Committee on Finance's Subcommittee on Social Security and Income Maintenance Programs on work and welfare issues.

SD-430

JULY 22

9:30 a.m.

Finance

Social Security and Income Maintenance Programs Subcommittee

To resume joint hearings with the Committee on Labor and Hunan Resources' Subcommittee on Employment and Productivity on work and welfare issues.

SD-430

Labor and Human Resources

Employment and Productivity Subcommittee

To resume joint hearings with the Committee on Finance's Subcommittee on Social Security and Income Maintenance Programs on work and welfare issues.

SD-430

JULY 30

9:30 a.m.

Labor and Human Resources

Business meeting, to consider pending calendar business.

SD-430

AUGUST 13

9:30 a.m.

Labor and Human Resources

To hold hearings to review the private sector initiatives in human services.

SD-430

SEPTEMBER 10

9:30 a.m.

Labor and Human Resources

To hold hearings to review the human resources impact on drug research and space technology.

SD-430

SEPTEMBER 16

9:30 a.m.

Labor and Human Resources

To hold hearings on pending nominations.

SD-430

SEPTEMBER 24

9:30 a.m.

Labor and Human Resources

Business meeting, to consider pending calendar business.

SD-430

CANCELLATIONS

APRIL 29

10:00 a.m.

Select on Indian Affairs

To hold hearings on S. 2105, S. 2106, and S. 2107, bills to provide for the settlement of certain claims of the Papago Tribe of Arizona.

SR-385

APRIL 30

9:30 a.m.

Commerce, Science, and Transportation

Science, Technology, and Space Subcommittee

To hold hearings on the findings of the Presidential Commission on the Space Shuttle Challenger Accident.

SR-253

MAY 1

9:30 a.m.

Labor and Human Resources

Labor Subcommittee

To hold oversight hearings on employee benefit and pension policy implications contained in proposed tax reform legislation.

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